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PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, SECOND SESSION

SENATE—*Friday, October 1, 1976*

(Legislative day of Thursday, September 30, 1976)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. HUGH SCOTT, a Senator from the State of Pennsylvania.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, who has made and preserved us a nation, as we pray in the waning hours of this Congress, we thank Thee for Thy goodness and mercy which has followed us all our days. For what has been worthily done, we give Thee thanks. For what has been poorly done or left undone, forgive us. For what must yet be done, prepare us in mind and heart.

Be with us, O Lord, in the coming weeks of stress, contention, and anxiety. Guide the people in the exercise of their citizenship. Whatever the consequences, be to us still our Guide and Judge. May the freedom won by our forefathers be preserved and strengthened from generation to generation. May Thy spirit descend upon the people to rekindle the fires of faith making this land incandescent with Thy light and truth, a beacon of hope for all mankind.

Grant joy and peace to those whose work in this Chamber is concluded. To all others give strength and wisdom for the future.

And now may Thy spirit which is eternal:
Be within us to refresh us,
Around us to protect us,
Before us to lead us on,
Beneath us to hold us up.

We pray in the Great Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 1, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. HUGH SCOTT, a Senator from the State of Pennsylvania, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

CXXII——2166—Part 27

Mr. HUGH SCOTT thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, September 30, 1976, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. The distinguished acting minority leader.

Mr. GRIFFIN. I thank the very distinguished Presiding Officer.

THE GRAHAM MARTIN NOMINATION

Mr. GRIFFIN. Mr. President, if it were not a futile gesture, I would ask that the Committee on Foreign Relations be discharged and that the Senate proceed to consider the nomination of Graham Martin to be the President's Special Representative to the Micronesia negotiations.

Mr. ABOUREZK. Mr. President, I object.

Mr. GRIFFIN. But I recognize that it would be a futile gesture.

The refusal to confirm this nomination reflects no credit upon the committee or the Senate.

Ambassador Martin has been a distinguished public servant for over three decades.

Even his most vocal critics have recognized his outstanding record prior to becoming U.S. Ambassador to the Republic of Vietnam in 1973. Writing in the New Times, for example, Robert Sam Anson observed:

> Unlike many of his colleagues, Martin was a poor boy, the son of a North Carolina preacher. Shy and reclusive, he studied the Scriptures and the classics—he would quote from both at length to illustrate a point of political or military strategy—and went on to be enlightened at Wake Forest. He emerged from college as something of a liberal, by Southern standards, and, after a brief stint as a newspaperman, went to work for Franklin Roosevelt's New Deal. When the war broke out, Martin enlisted in the Army; as with most of the things Graham Martin tried, he excelled at soldiering; before the war was over, he had risen to the rank of colonel.

Anson notes that shortly after joining the State Department in 1947, Martin was sent to Paris. Ambassador C. Douglas Dillon was "impressed with his—civility, courtesy and insatiable appetite for

In 1963, Martin was named U.S. Ambassador to Thailand, where he battled continually with the American military and even the Secretary of Defense. Anson notes:

> The role made Martin something of a hero to American civilians in Thailand, who saw him as the only thing preventing the total unleashing of the military.

Similarly, Time magazine, April 21, 1975, quotes a former colleague as saying:

> In Bangkok, he was a real professional. He was one of the few ambassadors in that part of the world who could keep the U.S. military in their country under control.

In subsequent assignments as U.S. Ambassador to Italy and Vietnam, Martin also "did his best to bring the military and the CIA to heel"—Anson. This was all before the Congress passed a law (Public Law 93–475) in 1974 establishing that—

> The United States Ambassador to a foreign country shall have full responsibility for the direction, coordination, and supervision of all United States Government officers and employees in that country . . .

It was precisely because he had done such an outstanding job in his previous assignments that Graham Martin was asked to become our Ambassador in Saigon in 1973. It was clearly going to be a thankless job, and it is to his credit that he accepted it. As James Markham noted in the New York Times, April 18, 1975:

> There is very little glory in being the last American ambassador in Vietnam.

Markham noted that Graham Martin was "a figure of legend in Saigon for his long hours of work." Anson reports:

> Martin worked . . . like a Trojan: 16, 17, 18 hours a day, seven days a week, the routine broken only by dinner with his wife and an occasional movie. . . .
>
> Where (Ambassador Ellsworth) Bunker had read only the most important cable traffic flowing in and out of the embassy, Martin made it a point to read—and clear—all but the most routine messages. . . . He would be awake in his study until 2:00 or 3:00 every night poring through the paperwork, reading every report, evaluating every shred of raw intelligence, making corrections, jotting comments in the margin.

Graham Martin has been the target of a great deal of criticism over the way the evacuation of Saigon was handled. Some charge that he delayed too long, and that he did not get enough Vietnamese out. I do not want to dwell on this issue, but a few facts should be kept in mind.

Prior to April 25, 1975—4 days before the final helicopter evacuation—the Embassy had parole authority for only a few thousand Vietnamese orphans. Not only was there no legal basis for evacuating Vietnamese nationals—under United States or Vietnamese law—but the State Department had instructed the Embassy to stop permitting Vietnamese to be flown out on empty U.S. aircraft.

At least in the Congress it was widely believed that the President had little or no authority to use U.S. forces to evacuate Vietnamese nationals without congressional authorization. Although legislation to authorize a limited evacuation of Vietnamese nationals was being considered throughout much of April 1975, final action on the conference report was never completed.

As Don Oberdorfer observed in the Washington Post, April 13, 1975:

> Once an American evacuation order becomes evident, the dangers could mount rapidly. . . . Any clear signal of an American evacuation that is seen as a final abandonment is likely to be very dangerous.

This view was shared by many observers on the scene, and even by Members of the Congress.

Ambassador Martin, as the President's top representative on the scene, had information not available to his critics. As he noted in testimony before the House International Relations Committee earlier this year:

> I was the only one in Vietnam who did have, because it had to be very tightly held, the undertaking transmitted to us through the Soviet Union from the North Vietnamese that they would not militarily interfere with our evacuation. . . . That had nothing to do with the panic situation which might otherwise develop and would be just as disastrous in the end as North Vietnamese military action.

Perhaps most importantly, while each of us might have felt our strategy was better, Ambassador Martin supervised an evacuation that removed all of the Americans who wanted to leave, and well over 100,000 Vietnamese nationals. After all of the other Americans had departed, the Ambassador remained behind, continuing to evacuate Vietnamese, until the President himself ordered him to abandon his post.

Graham Martin was not the architect of U.S. policy in South Vietnam. In 1964, when a Democratic President with the strong support of a Democratic-controlled Congress was sending American men to Vietnam, Martin opposed the decision. Two years later he lost a son in that war.

His Vietnam sacrifice did not end with that tragic personal loss—he devoted 2 years of hard, thankless work as our Ambassador, finally having to abandon his and Mrs. Martin's personal effects and leave the country by helicopter.

Exhausted and suffering from pneumonia, he returned home to find himself the whipping boy for everyone's frustration over Vietnam.

I think Crosby Noyes hit the nail on the head when he wrote in the Washington Star, May 11, 1975:

> Of course, Graham Martin's real sin in the eyes of many of his fellow Americans was that he was guilty of believing in his mission in Vietnam long after many, including most of the Congress, had made up their minds to pull the plug on our Southeast Asia allies. And so now these same people are determined to pull the plug on him.

I do not suggest that Graham Martin made no mistakes during his 2 years as our Ambassador to Vietnam. On balance, however, I agree with both the President and the Secretary of State that he performed his assignment with distinction.

On April 29, 1975, President Ford made the following statement with reference to the Vietnam war:

> This action closes a chapter in the American experience. I ask all Americans to close ranks, to avoid recrimination about the past, to look ahead to the many goals we share and to work together on the great tasks that remain to be accomplished.

I share that sentiment, and it would be nice if the committee and the Senate would adopt a similar action.

Mr. President, the refusal to confirm this nomination is a grave injustice to a distinguished American who has earned and deserves better treatment.

But the real tragedy is not the effect it will have on this courageous American diplomat. I am more concerned about the effect such treatment may have on future generations of foreign service officers—on others who one day will be asked to undertake thankless and unpopular assignments in far off lands. Looking back on the precedent of Graham Martin, what can we expect?

QUORUM CALL

The ACTING PRESIDENT pro tempore. Pursuant to the previous order, the clerk will now call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 61 Leg.]

Abourezk
Allen
Byrd, Robert C.
Cranston
Durkin
Garn
Griffin
Haskell
Metcalf
Moss
Muskie
Scott, Hugh
Stone

The ACTING PRESIDENT pro tempore. A quorum is not present. The clerk will call the names of the absent Senators.

The assistant legislative clerk resumed the call of the roll.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators, and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CLARK), the Senator from Iowa (Mr. CULVER), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Rhode Island (Mr. PELL), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The result was announced—yeas 48, nays 4, as follows:

[Rollcall Vote No. 688 Leg.]

YEAS—48

Abourezk
Allen
Baker
Bartlett
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Cranston
Curtis
Dole
Durkin
Eagleton
Ford
Garn
Griffin
Hansen
Hart, Gary
Haskell
Hatfield
Hathaway
Helms
Hollings
Jackson
Laxalt
Leahy
McClellan
McClure
McGovern
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Percy
Proxmire
Roth
Schweiker
Scott, Hugh
Stevens
Stevenson
Stone
Tower
Williams

NAYS—4

Biden
Johnston
Metcalf
Weicker

NOT VOTING—48

Bayh
Beall
Bellmon
Bentsen
Brock
Buckley
Bumpers
Case
Chiles
Clark
Culver
Domenici
Eastland
Fannin
Fong
Glenn
Goldwater
Gravel
Hart, Philip A.
Hartke
Hruska
Huddleston
Humphrey
Inouye
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias

McGee
McIntyre
Mondale
Montoya
Pearson
Pell
Randolph
Ribicoff
Scott,
  William L.
Sparkman
Stafford
Stennis
Symington
Taft
Talmadge
Thurmond
Tunney
Young

So the motion was agreed to.

The ACTING PRESIDENT pro tempore. A quorum is present.

CLEAN AIR ACT AMENDMENTS—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to vote on the motion to proceed to the conference report on S. 3219, which the clerk will state.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to S. 3219 to amend the Clean Air Act as amended, having met, after full and free conference, have agreed that the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment. Signed by a majority of the conferees on the part of both Houses.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to proceed to consider the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Montana (Mr. MANSFIELD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

On this vote, the Senator from Vermont (Mr. STAFFORD) is paired with the Senator from Arizona (Mr. FANNIN).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 54, nays 10, as follows:

[Rollcall Vote No. 689 Leg.]

YEAS—54

Abourezk
Allen
Baker
Bartlett
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Dole
Durkin
Eagleton
Ford
Gravel
Griffin
Hart, Gary
Hatfield
Hathaway
Hollings
Jackson
Johnston
Leahy
Magnuson
Mathias
McClure
McGovern
Metcalf
Morgan
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stennis
Stevenson
Stone
Symington
Weicker
Williams
Young

NAYS—10

Curtis
Garn
Hansen
Helms
Hruska
Laxalt
McClellan
Moss
Stevens
Tower

NOT VOTING—36

Beall
Bellmon
Bentsen
Brock
Buckley
Case
Chiles
Culver
Domenici
Eastland
Fannin
Fong
Glenn
Goldwater
Hart, Philip A.
Hartke
Haskell
Huddleston
Humphrey
Inouye
Javits
Kennedy
Long
Mansfield
McGee
McIntyre
Mondale
Montoya
Pearson
Ribicoff
Scott,
  William L.
Stafford
Taft
Talmadge
Thurmond
Tunney

So the motion to proceed to consider the conference report was agreed to.

The ACTING PRESIDENT pro tempore. The Senator from Maine (Mr. MUSKIE) is recognized.

Mr. MUSKIE. Mr. President, let me express my gratification that, at long last, we are in a position to discuss the merits of the conference report.

PRIVILEGE OF THE FLOOR

Before I begin, Mr. President, I ask unanimous consent that the following members of the Public Works Committee staff be accorded the privilege of the floor during the consideration and any votes on the conference report:

> Leon Billings, John Yago, Phil Cummings, Karl Braithwaite, Charlene Sturbitts, Haven Whiteside, Bailey Guard, Ric Herod.
>
> Hal Brayman, Jim Range, Kathy Cudlipp, Richard Grundy, Richard Harris, Lee Rawls, John Freshman, Mark Coven.
>
> Sam Simon, Steve Pearlstein, Kevin Murray, Joe Winkelmann, Steve Gordon, Mary Jane Due, Joe Platt, Dan Wall, Gordon Jones, Ed Tanzeman.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I also ask unanimous consent that Kevin Murray have the same privilege.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. TOWER. I ask unanimous consent that Joe Winkelmann of my staff be allowed to be present on the floor during the debate and votes on this conference report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRAVEL. Mr. President, reserving the right to object, what was that request for? I did not hear what the Senator was proposing.

The ACTING PRESIDENT pro tempore. The unanimous-consent request was that certain aides be permitted the privilege of the floor during the consideration of this measure.

Mr. GRAVEL. I have no objection.

Mr. MUSKIE. Mr. President, we just had a 54-to-10 vote to proceed. That overwhelming vote to proceed occurred notwithstanding the threat of a filibuster which has been clearly made, which could tie up the Senate indefinitely, today, tomorrow, and perhaps for the weekend. That vote, I take it, is an expression of the great majority of the Senate as to the critical importance of this legislation and the importance of acting on it. It reflects, of course, the overwhelming sentiment of the Senate in passing the initial legislation by almost 3-to-1 margins several months ago.

So a substantial majority of the Senate, Mr. President, wants action on this legislation, wants a vote on this legislation, and all that blocks that objective is the arbitrary position taken by two Senators, supported, we are told, by an ambiguous number of others, to use the squeeze of the closing hours of the session to block any vote.

Lest there be any doubt that that is the intention of those who are filibustering this measure, I shall ask unanimous consent that there be included in the RECORD a newsletter distributed by the distinguished Senator from Utah (Mr. GARN), who says he is prepared to "take all day and all night, and do all I can to prevent a vote on the legislation."

The ACTING PRESIDENT pro tempore. Is the Senator propounding a unanimous-consent request?

Mr. MUSKIE. I shall shortly, Mr. President, as soon as I make other references to the newsletter.

Why, Mr. President? Well, let me quote from the newsletter.

He said he has not seen any of the conference report's language, but that from what he has been told, it contains the worst of the Senate and House bills.

Well, Mr. President, I take it that the basic assumption of that statement is that we should not approve any conference reports in the closing days of a session, because they are coming at us in a steady stream. None of us has the kind of access to this steady stream of conference reports which the Senator's newsletter sets as a standard for Senate action. So any conference report that comes along yesterday, today, tomorrow, or Monday should be objected to and opposed, and not be permitted to go to a vote, because it is obvious, in the closing days and hours, that we cannot have that kind of access to conference reports.

But then the second point, Mr. President: The distinguished Senator says that from what he has been told—he does not tell us who told him, but he is relying on some kind of speculative rumor around the Hill—that this contains the worst of the Senate and the House bills.

That is about as unenlightened reasoning in order to block a substantial majority of the Senate from even voting on a bill as I have ever heard. I shall shortly undertake to make a straightforward and good faith presentation of what the conference report actually provides, but let me say that whatever his source, that description of the bill, based on what he himself refers to as rumor because he does not identify it in any other way, is a libel upon the efforts of the House and Senate conferees. It is, I repeat, a libel on the efforts of the House and Senate conferees.

It may be that the basis of the Senator's disquiet is found in the following language, where he says:

> It is interesting to me that the same people who are yielding to radical environmentalist groups and supporting this legislation are the congressional liberals who are crying about high unemployment.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

Mr. MUSKIE. Not just now; I want to make this point, and to make it clear:

"Radical environmentalist groups." How would the Senator like to be described as a radical anti-environmentalist for blocking this bill? Would he like that? Is that the language of deliberation and reason that one is entitled to expect with reference to a critical issue like this?

I do not mind the Senator's objecting to the bill, but he is denying the Senate a vote because he implies that the bill is the product of "radical environmentalist groups."

Well, let me read the names of some of those who are in the pocket of the "radical environmentalist groups."

There is myself. Well, I will not try to make a defense of myself. There is the distinguished chairman of the Public Works Committee, Jennings Randolph of West Virginia, a noted tool of the "radical environmentalist groups."

There is Senator Mike Gravel of Alaska, another noted tool of the radical environmentalist group. There is the distinguished Senator from North Carolina, Robert Morgan, another recognized tool of the radical environmentalist group. There is the distinguished Senator from Iowa, John Culver, another in that noted list. There is the distinguished Senator from Colorado, Senator Hart, another one on that pink-red list. There is another one. There is the distinguished Senator from Tennessee, Senator Baker, another one who has an obvious reputation for radicalism in the environmentalist cause. There is the distinguished Senator from New York, Senator James Buckley, another on that notorious list. There is the distinguished Senator from Vermont, Senator Stafford, another among those wild-eyed environmentalist radicals. There is the distinguished Senator from Idaho, Senator McClure, one of the clearest examples of another environmentalist radical.

Mr. ROBERT C. BYRD. Mr. President, I ask the gallery to stay in order.

The PRESIDING OFFICER (Mr. Morgan). May we have order in the gallery?

Mr. MUSKIE. Then there is my good friend from New Mexico, Mr. Domenici.

These are the wild-eyed radicals that brought this bill. They are so wild-eyed in their judgment that their judgment is so bad, bringing together the worst of the Senate and House bills, that the Senate should not even be entitled to vote on the results of their judgment.

And all of the signatures of the Senators I have mentioned are on this conference report. They are on this conference report and the wildest of them are: Randolph, Gravel, Morgan, Buckley—not Buckley; he was not here much of the time—but McClure and Domenici. They were working in conference constantly, giving of their effort. I will include all of them.

Mr. RANDOLPH. What about the House?

Mr. MUSKIE. The House is true as well. I will not go through that list of wild-eyed radicals. I assumed Harley Staggers is known as a wild-eyed radical.

Congressmen Rogers, Preyer, Symington, Scheuer, Waxman, Florio, Carney, Maguire, Devine, Carter, Broyhill, Heinz, and Madigan.

I mean, how have we allowed ourselves to become infested with these wild-eyed, irresponsible pinkos in the environmental group? I do not understand it.

But in any case, the product of their work is so bad that the Senate should not even be permitted an opportunity to vote on the results.

The Senator said one further thing, with respect, to that issue in which he is most personally involved, the nondegradation issue. He said:

> Killing this bill will not mean that we will have dirty air. The national public health and welfare primary and secondary standards which are in effect will remain in effect. It will be up to the individual States, most of which already have clean air rules, to pass stricter laws if they desire.

That is not the complete answer, Mr. President. The fact is that the nondegradation issue is being administered under the Environmental Protection Agency and is moving through the courts, and that the States do not make that policy; EPA does, and it is because industry has been restive under EPA's administration of the law that every industry witness before our committee urged us to set a nondegradation policy, and the fact is that if the conference report tilts in any direction with respect to the original Senate bill on the question of nondegradation, it tilts in the direction that the Senator would like. I do not think it is much of a tilt, in all frankness, and yet he says, "Well, this contains the worst of the Senate and the House bills."

You know how easy it is to arrive at those judgments—when your only objective is to block action by the Senate. You use any argument that comes at hand.

In this paper, finally, he expresses concern for the health of the automobile industry and in his letter to Members—and I was on his list. I do not know how I got on his list. The Senator, maintained on his mailing list the names of radicals, apparently, I somehow escaped expulsion from his list of radicals. But in any case, I got his letter, and he expressed concern in words that brought tears to my eyes for the health of the automobile industry.

Mr. President, may I say this to the Senator: It is clear to me from every evidence of the reaction of the automobile industry to this bill, that they are doing their best to kill it. They are doing their best to kill it, notwithstanding the fact that if they kill it they will be manufacturing automobiles illegally before another law is likely to be passed. And I understand the attitude they take is:

> Well, Congress would not dare to hold us accountable for failing to meet the law. They wouldn't dare. We are too important, economically; there are too many jobs involved. We are above the law, and unless we can have the law written the way we want it Congress is not going to get a law, and we will break the present law and dare Congress to do anything about it.

That is the attitude of the automobile industry, and it might as well be brought out into the open.

The industry has dragged its feet for 13 years, every step of the way, and now when they see the chance, in the closing hours of Congress, to block a bill, to break it, and to dare Congress to do anything about it, they are taking it. So it is up to Congress to decide whether this session will expire without calling their bluff.

If they think they can come back in the early months of next year and get a quick fix from the Senate to make them legal, they better take a lot of long, careful thoughts about it. I think maybe the situation has reached the point where the country ought not stand by and watch these great industrial giants deliberately producing car after illegal car in defiance of the law.

The public has gotten a great taste in recent years of corporate irresponsibility, in many respects, and now this is a head-on confrontation, a head-on confrontation, because they made no secret of their intention to break this bill which is the product of 2 years of work.

So, Mr. President, I ask unanimous consent that the very enlightening newsletter of the distinguished Senator from Utah be printed in the Record.

Mr. GARN. I object. I would like the entire news release read in its entirety.

Mr. MUSKIE. I think I covered about all of it. If the Senator wants this, he can read it.

The PRESIDING OFFICER. Objection is heard.

Mr. MUSKIE. I have given his newsletter enough publicity. He will have to tender the rest of it himself.

Mr. HANSEN. Mr. President, will the Senator from Maine yield for an observation?

Mr. MUSKIE. Let me just make one point.

Mr. HANSEN. Excuse me.

Mr. MUSKIE. The only reason, Mr. President, I asked unanimous consent to put the newsletter in the Record is so that if I had pulled any of these comments out of context, the evidence as to whether I had or not would be in the RECORD. Apparently, the Senator from Utah does not believe that I have taken it out of context, so putting it in the RECORD would serve no useful purpose, from my point of view.

I yield for a brief observation to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I suppose it is important that speakers be categorized. I hope that will not be done insofar as I am concerned. It will be embarrassing to me to have the people in Wyoming know what kind of person one of the Members of the U.S. Senate from Wyoming is.

Suffice it to say that I did not support Senator GARN nor Senator MOSS, the Senators from Utah, when their amendment was before this body some weeks ago. I voted against that amendment. I did not know what was in the bill. I did not know as much as I wish I had known about that amendment.

I voted against the amendment because I was persuaded at the time that it was important to get some legislation passed; that, absent a bill, the industry would be in a more difficult position and the country would be in a far more difficult position than it is in now. So I voted with my very good friend from Maine, the senior Senator from that State.

I am a farmer, or a rancher, as we call ourselves in Wyoming. Having had no training in the law, it is difficult for me to find, as my good friend from Maine has, the automobile industry already in violation of the law.

We have a saying in Wyoming, that when we get somebody in court we do not like, we will give them a good, fair trial, and then we will hang them. I think that is about what we are going to do to the automobile industry. They are already guilty. They have been found guilty on the floor of the U.S. Senate. Absent the fact that the time has elapsed, they are already guilty.

Mr. MUSKIE. Mr. President, will the Senator yield for a correction?

Mr. HANSEN. I yield.

Mr. MUSKIE. I have not said they are now guilty of violating the law, but that if cars that are now in the process of being certified, are manufactured and sold under the present law, they will be in violation.

I have made no judgment of guilt. That is one of the reasons why we have pushed this legislation, so that they would not be in violation of the present law, and under this bill they would not be.

Mr. HANSEN. I am glad that my friend from Maine is concerned about keeping the automobile industry on a legal basis. I thought perhaps he might have tilted slightly the other way. I know that that will be pleasing to my friends in Detroit, to know that we are all on their side.

Mr. MUSKIE. But I say to the Senator that my point was that it is their decision to move on into an illegal status by blocking this bill. It is their decision. So the Senator from Wyoming's law-and-order friends in Detroit, by their own action, seek to become violators of the law.

Mr. HANSEN. I must say that I continue to be astounded and amazed by the ability of my friend from Maine not only to forecast the future but also to read the intentions of other people. I find that difficult to do.

Mr. MUSKIE. Will the Senator yield?

Mr. HANSEN. I yield.

Mr. MUSKIE. Since it is my time.

Mr. HANSEN. It is not only the Senator's time; it is his show.

Mr. MUSKIE. We had our closing sessions in S. 407, up in the roof of the Senate side of the Capitol, and those gentlemen, the representatives of the auto industry, were sprinkled throughout that room all through the conference. They made no secret of their intention.

I am not guessing, I say to the Senator. I have a reputation already for being radical, but I am not guessing about what the automobile companies' posture is on this bill. They are out to kill it, notwithstanding the fact that it provides the relief that will enable them to operate legally next year. It is their decision, not mine; and their words, not mine. So do not throw them at me.

Mr. HANSEN. I did not think I was throwing anything at my good friend from Maine. I am surprised to observe his obvious emotional concern on the point that I make.

Mr. MUSKIE. I am not emotional, I say to the Senator.

Mr. HANSEN. I am glad to know that. I misread the Senator. I thought he was emotional.

Mr. MUSKIE. I can be intense in argument, as the Senator can. I heard him yesterday. Am I deprived of the privilege that the Senator indulges in quite frequently on the floor?

Mr. HANSEN. Indeed not.

Mr. MUSKIE. The Senator was saying—and I will be glad to look at the transcript—"I am surprised that the Senator from Maine would seek to read the minds of the auto industry." It was something to that effect. That is to imply that I am being irresponsible.

Mr. HANSEN. No, I did not say that.

Mr. MUSKIE. I made it very clear that I was not reading minds.

Mr. HANSEN. I will let the record stand, and I will not change a word of what I said; and I am sure the Senator from Maine will not change a word of what he said.

Mr. MUSKIE. My words are always so perfect that I never change them.

Mr. HANSEN. The Senator from Maine is better off than I am, because mine are not.

If the Senator will permit a further observation, let me say this: I observed that I voted not against but with the Senator from Maine. I voted against the two Senators from Utah. I have not read this bill; I have not read it as yet.

However, Mr. President, I was in the Chamber last night during part of the time it was being read, and I talked with a Senator from the other side of the aisle who has good liberal credentials. I will not identify him, but I assure Senators, if they will take my word for it, that he has pretty good liberal credentials. This is what he said to me: "If this bill passes, you will forget about OSHA—you will forget all about OSHA—because this is so far more terribly worse. This is so much worse than was that OSHA legislation that you will forget all about that." I am not quoting him verbatim, but essentially this is what he was implying.

I make that observations now not to irritate my good friend from Maine but to say simply that this is a long bill.

I was one of approximately 80 or 90 persons who voted for OSHA. Three or four voted against it. Who, in his right mind, would oppose a bill that was intended and proclaimed to protect the health and the safety of the American worker? Certainly not CLIFF HANSEN. Three or four did not vote for it. I suppose all I can say in the way of criticism is that they had taken the time to read that bill, to see what it contained. There is no other bill that causes greater irritation today, that is more irresponsible in the strong, heavy hand of Government that it seeks to put on the shoulders and the actions and the hands of everybody, large or small, than the OSHA bill.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HANSEN. No, I will not yield.

Mr. MUSKIE. It is my time.

Mr. HANSEN. Very good. The Senator may have the floor.

Mr. MUSKIE. The Senator asked me to yield for a brief observation, and now he is launching into a speech.

Mr. HANSEN. I am making one of the brief observations, and I will let the record stand.

Mr. MUSKIE. I will let it stand, and I will give the Senator an opportunity to respond, but I do not want him to engage in a speech.

Mr. HANSEN. I will have an opportunity later today, before we vote on this bill.

Mr. MUSKIE. Number one, the Senator said that he does not know what is in this bill. The clerk, at the insistence of the opponents of this bill, spent hours last night reading it. I did not see the Senator from Wyoming here listening to it.

Mr. HANSEN. The Senator from Maine was not watching, or he would have. I was here for a lot of the time.

Mr. MUSKIE. I was here for just about all of it. I did not clock the Senator, but if his attendance on the floor during the reading was sufficient to give him a comprehensive understanding of what the clerk was reading, I am amazed.

At any rate, with respect to this other anonymous charge, it falls in the same category as the anonymous charge of the distinguished Senator from Utah. You know, "Somebody I can't name told me." What kind of accusation is that?

Mr. GARN. If the Senator from Maine will yield, I shall disclose that source if he would like me to.

Mr. MUSKIE. The Senator will have his opportunity. I want a continuity in my presence here. I shall maintain it. He is free to disclose it and I shall answer it when it is disclosed.

Mr. McCLURE. Will the Senator yield for a unanimous-consent request?

Mr. MUSKIE. I yield.

Mr. McCLURE. Mr. President, I ask unanimous consent that Mike Hathaway of my staff have the privilege of the floor at all stages of proceedings on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. I say further, Mr. President, to the distinguished Senator from Wyoming while he is on the floor, and to his anonymous liberal friend, I do not object to either one of them—

Mr. HANSEN. I have two.

Mr. MUSKIE. Or how many he has who share the same opinion.

Mr. HANSEN. I am proud to have two.

Mr. MUSKIE. I do not object to any of them voting against the bill. I might have more confidence in the bill in those circumstances.

The point is I am trying to protect his right to vote against the bill. I assume, I say to the Senator, if he regards the earlier vote against the bill as a mistake, he would like to correct the record by voting against it now. So I am doing my best to see to it that he gets a chance to vote against the horrendous piece of legislation, which he was so mistaken in judgment as to support earlier on the Senate floor. I find it incredible that the Senator from Wyoming should have voted that casually about the bill earlier. But since he did, since he has confessed that he did, it seems to me that he would want to correct the record by seizing upon the first available opportunity to vote against it. So I shall fight side by side here to give him that opportunity.

Now, Mr. President, if I may go on——

Mr. HANSEN. Side by side.

Mr. MUSKIE. If I may go on—well, we shall see if the Senator does indeed.

Mr. HANSEN. Will the Senator permit one correction of a mistake that he made?

Mr. MUSKIE. How long will it take the Senator?

Mr. HANSEN. He has made quite a few, but I shall not try to point out all of them.

Mr. MUSKIE. He can do it at length on his time, but I do not really——

Mr. HANSEN. Will the Senator give me 2 minutes?

Mr. MUSKIE. I shall give him one.

Mr. HANSEN. That is a better offer than I generally get.

Mr. President, let me say that I have not, to my knowledge, said that I understand what is in this bill. I did say I was on the floor last night during part of the time it was being read. I think that we got about a third of the way through the reading of the bill last night. All I am saying is that I suspect that a lot of Senators probably may not know a great deal more than some of us know about this bill, and I was trying to make the point that unless I know more about it than I now know, I certainly am not prepared to vote for it.

I pointed out that, as far as OSHA is concerned, I voted for that bill because it has a very catchy title, an appealing title. Yet, upon reflection, upon seeing what was contained in that bill, I am persuaded that I should not have voted for it. That is one of the misstatements that the Senator from Maine made.

Mr. MUSKIE. Will the Senator repeat it? I shall give him additional time.

Mr. HANSEN. No; that was——

Mr. MUSKIE. What was the statement I made?

Mr. HANSEN. I would prefer to have the reporter read it back to the Senator.

Mr. MUSKIE. I shall let it go.

If I made a mistake, I apologize to the Senator. That was not my intention. Since I did not catch what the alleged mistake was, I cannot be more specific at this point.

Let me continue, Mr. President. There was an implication raised by the newsletter of the distinguished Senator from Idaho and by the distinguished Senator from Wyoming that somehow, we are engaged in a hasty bit of legislative action. If, by that, they mean that in the closing hours of this session, we are confronted with conference reports which do not come to us on time, that we do not have the usual time to read and understand, that is a reason to vote against every conference report. I do not like this end-of-the-session feverishness any more than the Senator from Wyoming does. But to say that this is the only bill that is subject to that vulnerability is to be unrealistic in the extreme.

Mr. President, what does this bill represent? This bill represents something more than the efforts of the conference committee over the last few days. It represents 2 years of the most thorough, comprehensive, intelligent, hard work on the part of virtually 100 percent of the members of the Senate Committee on Public Works that it has ever been my experience to be part of or to witness. Those Senators include some thoughtful, penetrating Senators. Senator McCLURE, as anybody in the Senate who has observed him at all knows, has a keen mind, a capacity for asking hard, tough questions, following through, and insisting on having the time to have his positions explored. And there is no Senator on this floor who is his superior in that respect. He signed this conference report. And he has supported the committee bill from the moment that it was reported out of committee.

Senator DOMENICI is the same kind of penetrating, thoughtful, intelligent Senator. Do the Senators think those two men are going to bring a hasty, OSHA-like bill, if that is the horror term that they would like to apply to this piece of legislation, to this floor and urge it upon their colleagues on this side of the aisle? You know they will not.

Mr. HANSEN. Will the Senator yield for one observation?

Mr. MUSKIE. I should like to finish I have tried to start this particular thought several times. I should like to finish it.

What I am trying to emphasize here is that the bill which came to the Senate floor was the product of that kind of work.

I know that this is a big bill, because we were asked to consider a lot of problems. We did not seek the nondegradation issue. It sought us. If the Senators think it is a simple kind of problem that can be solved by a snap of the fingers, it is an extremely complex thing. It has enormous implications for all of the relatively clean air areas of this country. We have no choice but to consider whether growth in those areas should be permitted to escalate without any regulation whatsoever in the historic patterns of our national industrial development, producing new New Yorks, new Chicagos, new Los Angeles—with all of the horrendous air pollution problems of those cities—or whether we should try to put together a policy of reasonable regulation that would avoid those consequences.

That is the problem that was tossed in our laps—by whom? By the environmentalists, who were not satisfied with the present law, and by industry, which was not satisfied with the present law. Witnesses on both sides came to us and pleaded, "Take this out of EPA's hands; take this out of the courts. Give us a clear policy so we shall know where we are going."

And we did. As far as I was concerned, it would have been easier and I would have had much more time for other things if we had just left the present law and left it to the courts. I cannot tell how many hundreds of hours of labor I had to put in, and this is true of other members of the committee, to produce a policy. Now we are told—you insult us, gentlemen—that what we have done is a hasty piece of irresponsible work, radical in its implications and overtones.

How do the Senators expect us to react to that kind of accusation? I can imagine the reaction of the Senator from Wyoming if we did that to him with respect to the legislative product of his committee. That is the kind of work we did.

How much time did it consume on the record? We have held a total of 56 days of hearings on the Clean Air Act over the past 4 years—56. May I say to the Senator, hearings in the Public Works Committee are thorough. The subcommittee held 24 markup sessions on amendments to the Clean Air Act from June of 1975 to November of 1975. The full committee held 24 markup sessions on clean air amendments, from November of 1975 to February of 1976.

The bill was reported out in the early spring of 1976, and it was on the calendar, I say to the Senator; it was on the calendar from early spring until the Senate considered it in August of this year.

There was reason after reason advanced for delaying consideration. I was willing to go along. Those requests came from all segments of the Senate. I was happy to go along. But surely that was enough time for those who had serious questions about the legislation to study the Senate bill exhaustively—I do not care how long it was, exhaustively.

So that not only did the committee give it exhaustive attention but the Senate had opportunity to. That was not brought out of the committee 1 day and called up for action in 3 days; it was 5 months until the time it was brought to the floor. It was clear it was going to be brought to the floor. We made it clear in every way we could that it was going to be brought to the floor.

Those who were opposed to the bill, and have been from the beginning, declared public war against it during that period, so there was every motivation for Senators to use those months to study this bill carefully and exhaustively

I am not going to criticize any Senator

who did not study this bill carefully and exhaustively, but we have to make our own priority choices as to how we use our time. The fact is that the opportunity was there.

Now, if I may continue——

Mr. HANSEN. Mr. President, will the Senator yield for 1 minute for a question?

Mr. MUSKIE. I would like to finish the presentation of the consideration given to this bill. It will not take more than a couple of minutes, and it will give me continuity. Then I will yield.

Six conferences were held on these amendments totaling approximately 30 hours—30 hours in these days when we are all pressured about these multiple responsibilities, which is a considerable amount of time.

In addition, the Senate conferees met separately in caucus nine times for approximately 18 hours. So that is a total of 48 hours since the middle of last week that Senate conferees met, with minds like those of Senator McCLURE, Senator DOMENICI, Senator RANDOLPH, and other Members, applying themselves to the task.

In addition to that, there were around-the-clock sessions at the staff level.

Now, what is the basic character of this conference report? To reduce controversy and the need for new legislative language, we worked from the Senate bill. So the Senate bill was the basic instrument. This bill, that had all of the attention I described, was the basic foundation of the conference report.

We added from the House bill, and we dropped a lot of the House bill because the House had included many, many more items than the Senate bill had, and we produced original text in the conference in only a few complex areas where both Houses had acted. We even tried to use as much language from both bills on nondegradation to make understanding more simple.

So there has been every effort to bring to the floor a conference report that related as closely as possible to the House bill and the Senate bill so that Members would have a minimum job in understanding the changes, so that the legislative history written on the floor of the Senate and on the floor of the House would be as relevant as possible to the conference report.

Now, that is just a brief characterization of the effort that has been put into this bill. It is typical, may I say, of this committee. For all the years I have been a member we have done this kind of work and with this kind of thoroughness.

Let me say one other thing about the composition of this bill. The committee maintains a united front in support of this bill. That is not to say we were all of one mind as to what should be in the bill as it moved through the markup process. We had tough debates, hard-hitting debates. There was sharp disagreement. We took over 60 rollcall votes. But the result of all that was when we were through we were able to achieve accommodations even as to issues we vigorously and even emotionally debated, and produced a product the committee was able to support 100 percent.

When you get a group of Senators as diverse as McCLURE and DOMENICI on the Republican side, GARY HART, CULVER, and MUSKIE on the Democratic side to agree and support a bill of this kind, surely you must believe it was given intense examination, and surely you must believe that hard balancing judgments were made from both ends before that kind of agreement was achieved.

No, Mr. President, this is not a careless piece of work; it is not a hasty piece of work; it is not an irresponsible piece of work; it is not a radical piece of work. It is, I think, one of the best examples of committee action at its best that I have seen in the Senate in my lifetime.

I am not asking the Senate to accept my judgment on that point. I am simply asking the whole Senate to make that judgment, and I think it would be an abortion of the legislative process to permit a group of Senators who, on the record of the record votes, are a distinct minority in the Senate on this issue to block the majority from working its will.

I think it is a disservice to the committee process to force the Committee on Public Works to just drop the results of this kind of 2 years' work as though it had never happened, because of somebody's arbitrary whim.

Now I would be glad to yield to the Senator for an observation, and I will not niggle about time. But I do have, may I say to the Senator, a presentation of the bill in terms of its details that will follow. I yield to the Senator.

Mr. HANSEN. Mr. President, I will try not to take more than a minute or two.

I wanted to say simply that I think the Senator may have misunderstood what I said when he concluded, as I think he did, that I was likening this bill to the OSHA bill.

I said simply, or what I intended to say was, that when I voted on the OSHA bill I had not read it. I was persuaded it would be clearly in the public interest and, on that basis, I supported it.

Certainly I support clean air, as I am sure everyone does. But having gone through the experience of seeing the OSHA laws enforced and regulations promulgated, as they have been, I am not unaware of the caprice and the extension of legislative intent that may be interpreted by bureaucrats.

I would also suspect, in fairness to those bureaucrats, and it ought to be observed, if we had read the law, the OSHA law, or the bill rather before it became law, we might have been put on guard in a better understanding of what could have happened.

Now, second, I have not said—and I want my friend from Maine to understand this point—that by any stretch of the imagination I presume to know what is in this bill. I did say that one of my good friends with good liberal credentials—and I will not identify him, but I can assure the Senator he is a good friend of mine—said it was a revelation to him, or these are essentially his words, to listen, as a number of us were listening, when this bill was being read, to understand and to have impressed upon him, as was impressed upon him, how far reaching the bill was.

I thank my good friend from Maine for his courtesy. Despite my sometimes disagreeing with him, I want him to know that I greatly admire and respect him. I am always pleased when he stands shoulder to shoulder with me to fight. I come out a heck of a lot better than I would absent his support.

Mr. MUSKIE. May I say this to the Senator: I have always regarded myself as one of the Senator's good liberal friends.

Mr. HANSEN. I mentioned I had two.

Mr. MUSKIE. I have always regarded him as one of my good conservative friends. Might I suggest, as one of his good liberal friends who is willing to put his name on the record, that maybe my judgment on this bill might be worth weighing against the judgment of his anonymous liberal friend.

Mr. HANSEN. That is a good point.

Mr. MUSKIE. Mr. President, finally, on the question of the attention this bill has received, may I point out that on the House side the consideration of the House bill was just as thorough as here. The House actually had 66 markup sessions in full committee and 22 in subcommittee, for a total of 88 markup sessions in the development of their legislation.

May I say, as a compliment to the House, that although their bill in many respects took a different approach to arrive at the same goals, it was a workmanlike piece of legislation and one of the best that I have had the pleasure of working with in conference with the House in trying to work out our differences.

The differences in approach did create some problems in marrying the two bills, expecially in the nondegradation area. In the Senate we spent 6 hours in conference the day before yesterday in a meticulous, line-by-line examination of the two bills on the nondegradation issue. When we finished we were satisfied that we had succeeded in bringing the two bills together in a constructive and manageable way.

Now with respect to the threat of bureaucracy that has been mentioned by the Senator from Wyoming, I confess that I have as much frustration about what bureaucracy does to well-intentioned legislation as the Senator from Wyoming. I will join him in the struggle to limit the undesirable features of bureaucracy in any way I can. This bill, especially on the nondegradation issue, minimizes bureaucracy, at least at the Federal level, by delegating most of the key authority to the States, and even in some respects to local governments.

So if the fear of bureaucracy at those levels is not as great as it is at the Federal level, then the nondegradation issue should be more satisfactory in the conference bill than it was in the Senate bill because there was a bigger Federal role in the Senate bill. I do not think it was a burdensome one, but for those who are concerned about that there was a bigger Federal role in the Senate version on nondegradation than there is in the conference report on this bill.

So even on nondegradation there should be some assurance to the Senators.

This is a complex subject, and for me

to suggest that it can be dealt with in a simple kind of bill or regulatory structure would be misleading indeed. We could approve a simple bill if we simply and arbitrarily adopted a national standard that did not vary with local standards. In other words, if we just set a national standard across the board, such as there shall be no additional economic activity that goes below secondary levels. I think my good friends would find circumstances in which even that extent would be unacceptable to the people who have to live under it.

What we have tried to do is to create a regulatory scheme which would take into account local circumstances, and, in order to do that, obviously we must have a more complicated regulatory structure, in terms of both policy and personnel. But we have to make a decision about that.

Mr. President, if I may, I will proceed to the presentation of the bill itself.

Mr. President, after nearly 2 years of effort a final version of the Clean Air Act Amendments of 1976 is before the Senate. It is a bill which in many respects reflects the unique approach to air pollution control of each individual House. It is a bill that is broader in scope than that which passed the Senate. It is a bill which could well have come from the Senate committee this year had we acted on the urging of so many of the witnesses at so many of our hearings. There is little in this bill that has not been discussed either in hearings, written testimony or during our markup sessions.

In fact, Mr. President, a number of these conference bill provisions are remarkably similar to legislative proposals considered but not adopted by the Senate Committee on Public Works because we determined for a variety of reasons to have an austere bill. We have tried with respect to those provisions which were not considered by the Senate to accommodate the Senate's interest. The House has been cooperative. They have agreed to accept amendments to House provisions which while inconsistent with the stated objectives of the House bill and report were necessary in order to meet the requirements of Senate Members and Senate conferees. But Mr. President, the House has been accommodating and cooperative. In the past, major environmental initiatives have been generated in the Senate. On many occasions the House was asked to take, on faith, major new clean air initiatives on which they had had little discussion, few hearings and limited information. They have accomodated us in the past.

This time, Congressman Paul Rogers has asked the Senate to take on faith certain provisions of the House bill. He has guided this massive effort through months of committee hearings and markups and weeks of floor debate. This is Paul Rogers's bill. He deserves praise for it. I would hope that my Senate colleagues who know what kind of legislator Paul Rogers is, who know the depth of his commitment to the public interest and the reasoned approach he takes to lawmaking will take my word that the new provisions of the conference bill are, indeed, a positive step toward a balanced public interest national clean air program.

Mr. President, when I spoke to the Senate on this legislation months ago I said that this bill was a compromise and I described that compromise in this way:

> Congress asserted in 1967 a Federal interest in protecting the public's health from the adverse impact of air pollution and a national policy to protect air quality in clean air areas. Congress recognized that a national regulatory framework with basic minimum standards and an aggressive Federal agency would be necessary.
>
> We must not disband that effort. I support much of this bill. There are improvements. There are causes of concern. There are provisions which, if enlarged in later actions, will lead to delay, reductions of efforts, and the inevitable conclusion that environmental goals and public health protection will not be accomplished. That possibility we must not forget.

This conference report is also a compromise but it too is a compromise that meets the public interest test. Most important of its provisions are, in my opinion, Senate requirements applicable to stationary sources. These provisions seek to put an end to the first round of efforts to circumvent emission control requirements by establishing new deadlines for existing industrial sources and penalties for failure to meet those new deadlines. The House has left untouched these important provisions of the Senate bill. In return the Senate has left virtually untouched some provisions of the House bill, the effect of which will be to enhance the Nation's capability to achieve clean air goals at an early date.

Mr. President, there are clear messages in this bill. The first message is to the Nation's major industries. It can be taken from the amendment to which I just referred. That message is that the time for talk is over—the time for compliance is here. The health of the people can wait no longer. And the conferees have a similar message for the Nation's auto companies. We do not want to know what cannot be done; we want to see what can be done. We are tired of their foot dragging. We are tired of their constant effort to solve problems by lobbying Congress instead of developing technology. I think my colleagues can appreciate the sense of frustration which comes from over 10 years of these confrontations.

I sense no stronger feeling from the collective Senate conferees than a desire to resolve the final auto emissions requirement. We know that the technology exists to produce cars meeting standards which will provide a significant degree of health protection. It is out there. It has been tested. It is being used and it is being used without unacceptable cost or fuel economy penalty. I say to Detroit that the time has come to show us that the job can be done by American manufacturers on American cars. Get off the dime, get on the job, and let us get this job done and done well.

Mr. ALLEN. Will the Senator yield?

Mr. MUSKIE. I yield.

Mr. ALLEN. I was very much interested in what the Senator was saying about the fact that the conference report would seem to give more participation by State and local governments even than the Senate bill. Is that correct?

Mr. MUSKIE. Yes. Could I give an example?

Mr. ALLEN. Yes, I would like to have an example. As the Senator knows, that is one of the main features of the bill that interested the Senator from Alabama. We did have what I felt was a constructive colloquy when the Senate bill was before us in this connection. I would like to know just how the conference report treats this area of giving to the local government more control over the EPA regulations.

Mr. MUSKIE. Let me give the Senator a couple of examples.

As the Senator knows, both bills establish the class 1 area. After a discussion of that, we limited that class 1 area very sharply. I believe both the House and Senate bills were pretty close in that respect.

Then we established in the Senate bill a class 2 area with the possibility of moving public lands, Federal lands, from class 2 to class 1. We gave the Federal land manager a role in that decision as well as the States. There had to be concurrence between the Federal land manager and the State.

Under the conference report, the State alone makes the decision as to whether to raise public lands from class 2 to class 1, which is more restrictive.

Second, the House creates a class 3 area. Classes 2 and 3 in the House bill cover the same land area as class 2 in the Senate bill.

To understand the concept clearly, one must understand we are talking about the same land area in either case. By dividing it up into two classes, there may be a difference in the pattern of development than if we had one. In any case, land can be moved from class 2 to class 3. The objective of that movement would be, of course, to enhance economic developments. That is the purpose. The State makes that decision, too, not a Federal bureaucrat. So there, too, there is more local control. Even the local governments have an input into that decision.

Mr. ALLEN. The EPA would have a means of influencing the local decision by setting up guidelines that they would have to follow.

Mr. MUSKIE. Only with respect to following the procedures for making a decision, but not on the substance.

Mr. ALLEN. So the ultimate decision would be left with the local government without any minimum standards set by the Federal Government; is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. ALLEN. I appreciate this information.

Mr. MUSKIE. There are increments that would apply, of course, to class 1, class 2, and class 3.

But the increments, on the whole are more relaxed in class 3 than the second class.

Mr. ALLEN. As the Senator knows, this is one of the chief concerns that the Senator from Alabama has in this area, and I do appreciate this further explanation.

Mr. MUSKIE. I thank the Senator.

Mr. President, I do not know how exhaustively I should present the details of the bill. I must say that, because of the situation that Senators have not had an opportunity to read the conference report, I am impelled or tempted to read all of my presentation, because I want to make sure that Senators understand the bill as thoroughly as possible.

Let me begin, and if it develops that completion of these prepared remarks does not seem to serve a useful purpose, I will discontinue it, but I would like to present them. From an editorial point of view, I think perhaps that would be more useful in presenting the bill than the reading of the conference report which occurred last night.

I concede at the outset, Mr. President, that the legislative history on this legislation will be admittedly slim because of the technical problems of reproducing and making available legislative language in a conference report to the Senate and the House. I would like, however, to discuss each of the provisions of the bill to the extent that either the Senate provision has been confirmed or we have adopted a House provision or achieved a compromised middle ground.

The following major Senate provisions were retained: delayed compliance orders, delayed compliance penalties, civil penalties, coal conversion, continuous control, transportation controls, nonattainment production line testing, hazardous emission design standards employee protection, and citizen suits.

The following major House provisions were adopted with slight modifications: unregulated pollutants, basis for administrative standards, tall stacks, review of ambient standards, new source performance standards, variances for technology innovation, indirect sources, vehicle inspection and maintenance, vapor recovery, attorneys fees and loss of pay.

The conferees agreed to conference substitutes for the following provisions: smelters, prevention of significant deterioration, auto emission standards, aftermarket protection, and heavy-duty vehicles.

The Senate bill was the working document for the conference and that approach allowed the Senate to resist a number of provisions in the House bill that appeared to me and a number of Senate conferees to be rather questionable. A brief list of some of these might be helpful:

First. The House attempted a penalty scheme for stationary source emitters who were delinquent in meeting clean-up schedules. While that idea was a good start, the Senate approach was much preferable in that it provided an economic equalized between sources who paid to clean up and those who did not.

Second. The transportation control provision of the House bill contained rather explicit exemption of some categories of sources that ought to be regulated, but which were virtually exempted. While it was not possible to resist such special treatment in all cases, numerous such provisions were rejected by the Senate.

Third. With regard to heavy duty vehicles, the Senate maintained an important policy of requiring heavy duty vehicles to attain approximately equivalent reduction in pollution from uncontrolled vehicles—an important principle of equity.

Fourth. The Senate rejected a provision which would have obstructed EPA in its attempt to regulate aircraft emissions—a provision giving the Secretary of Transportation a veto over EPA emission regulations.

Fifth. A number of small amendments which would have unnecessarily added complicated regulations to an auto industry were dropped. Those included the power for EPA to regulate the gas tank fill pipe location, design, and exterior area of the car where such fill pipe attaches. Authority to regulate onboard hydrocarbon technology was also dropped.

So, contrary to the impression of some that we are never sensitive to the problems of the auto industry, the conference did drop these more restrictive provisions.

Sixth. An amendment designed to allow automobile high altitude adjustments was modified by Senate language which severly limits tampering with emission controls.

Seventh. A proposal to begin redesignation of air quality control regions and thereby disrupt ongoing programs was also deleted in the conference.

Eighth. But perhaps the most onerous and potentially damaging amendment of all was the administrative procedures section of the House bill which was dropped from the conference agreement. This language was a clear attempt to mute EPA's aggressive regulatory voice and intimidate its personnel through extensive cross-examination and complicated rulemaking proceedings—a reversal of procedures, applicable to other agencies—both administrative and judicial—in order to place EPA on the defensive. At a time when aggressive environmental enforcement is difficult to find even when backed by a strong legislative mandate, the country could ill-afford any measure that would reduce our efforts to control the unhealthy emissions of pollutants into our atmosphere.

One issue that occupied the attention of the Senate conferees for quite some time was the issue of requiring EPA to revise the new source performance standards—the kinds of control that require new sources to really be clean and reduce the overall emissions that enter the atmosphere as the economy expands. The House had a provision which required that technological systems of control must also be used in meeting such standards. While the intent of this amendment was good in that it attempted to reduce emissions that badly need to be reduced, an important clarification was needed and was successfully offered by the Senate.

The conference agreement contains a modification which clarified that technological means to clean up fuels are valid and useful approaches to minimizing emissions. In many cases, the addition of stack gas cleaning or other kinds of aftertreatment is by far the most effective technique and should be required. But in some other cases, such as the desulfurization of oil, and in some cases the washing and chemical cleaning of coal will be the most environmentally and economically acceptable.

No conference allows one body to win on all the issues. We had to accept a number of measures that I would have preferred not to accept. I have little taste for the kind of exemption the House voted to give to so-called indirect sources. All sources ought to carry a fair share of the responsibility of cleaning up our Nation's cities. The limitation provided on the ability to control indirect sources is not an environmental step forward. While I believe the automoble proposal adopted is a good one, I have little taste for offering further delays to an industry that has already shown its inclination to seek further delay rather than protect the public by concentrating on cleaning up the automobile.

It is also unfortunate that the aftermarket issue became so volatile that the conferees felt it was necessary to reduce the warranty coverage provided in the performance warranty under the Clean Air Act. While I am confident that the Federal Trade Commission will give a fair evaluation of this issue, the delay in implementing this warranty, should it become operative, will not be beneficial.

ENFORCEMENT AND PENALTIES

The Senate provisions which have been adopted by the conference committee provide for delayed compliance orders and delayed compliance penalties as a new strategy to enforce applicable emission limitations and to address the problem of those existing sources which are out of compliance. This provision allows a State or EPA to issue enforcement orders to sources not in compliance with applicable emission limitations. Such orders will require compliance as expeditiously as practicable but in no event later than January 1, 1979.

Sources which are presently on schedules extending beyond that date are operating under unauthorized extensions and are to have their schedules revised to meet that date. In order to enforce this provision, an automatic delayed compliance penalty is provided for sources which are not in compliance by January 1, 1979. The level of this penalty is intended to assure that no economic benefit will accrue to a facility that does not comply.

The penalty will require monthly payments equal to the cost of compliance computed over a 10-year amortization period.

These provisions were adopted in face of the reality that for a variety of reasons a number of stationary sources would not meet the compliance schedules established to make possible the achievement of the primary secondary ambient air quality standards by the statutory deadline of 1977 at the latest.

A substantial number of major emitting facilities remain out of compliance with emission limitations. Some States have not even adopted full State implementation plans. While substantial progress has been made in bringing many sources into final compliance, an improved mechanism had to be established to handle sources presently not in compliance.

The committee recognizes that some of the facilities are in compliance and that other facilities are on compliance schedules. These sources deserve praise. They have made or committed investments.

They have cleaned up their emissions or are in the process of cleaning up their emissions.

Such sources are faced with a competitive disadvantage associated with increased costs for pollution controls—costs not incurred by sources either not on a schedule or not in compliance with a schedule. Those sources which have chosen to delay, avoid or litigate have, in fact, achieved economic advantage. Thus, the competitive health, as well as the public health, has been placed in danger. The committee bill attempts to correct this imbalance.

The delayed compliance penalty is an extremely important provision of these 1976 amendments. It will be an extremely useful enforcement device for it builds in an incentive for sources to comply because of the economic incentive to avoid penalties and to see funds go to investment in pollution control rather than to the U.S. Treasury in the form of a penalty.

CIVIL PENALTIES

The Senate provision which was adopted by the conference committee also requires the Administrator to seek civil penalties for violation of emission limitations or schedules and timetables of compliance. This authority is independent of the deadline extension and the delayed compliance penalty. If a State has not issued a delayed compliance order with a new time schedule, the Administrator is required to seek an injunction against the noncomplying source and is authorized to seek civil penalties for noncompliance. In addition, the Administrator is authorized to seek additional penalties against sources which are subject to the delayed compliance penalty.

The principal purpose of the Clean Air Act is to protect the public health. The mere payment of an economic penalty required by the delayed compliance penalty provision should not be insulation against achieving requirements related to protection of public health. The purpose of the delayed compliance penalty is to create an adequate economic disincentive to achieve compliance at the earliest possible date. It is not intended to provide an opportunity for continued noncompliance. As an enforcement mechanism, the delayed compliance penalty should remove some of the burden on the Administrator to commit enforcement resources; but it should not reduce the responsibility for the Administrator to seek injunctive relief and penalties against noncomplying sources.

Finally, the delayed compliance penalty will give the courts an option which has not heretofore been available. When the courts determine the public health and welfare costs of plant closure are greater than the public health benefits to be achieved from strict adherence to compliance with emission limitations by the deadlines in the statute, the court may rely on a combination of delayed compliance penalty and civil penalties to equalize economic differences while maintaining momentum for compliance with the law.

COAL CONVERSION

The Senate provision on coal conversion which was adopted by the conference committee repeals section 119 of existing law added in the Energy Supply and Environmental Coordination Act of 1974.

In order to facilitate the conversion to coal by electric utilities and other industrial facilities, the bill subjects sources ordered to convert to the compliance date extension procedure established for all stationary sources under the Senate delayed compliance order provision adopted by the conference. The final deadline for a source ordered to convert under ESECA or which converts to coal because of actual curtailment of natural gas can receive an extension until January 1, 1979 or 3 years after the conversion order is issued. In no event may the compliance date extend beyond July 1, 1980.

The authority for certifications and notifications to FEA is removed from EPA and transferred to the States.

Sources converting to coal due to an FEA order on natural gas curtailments are exempted from new source performance standards.

The one modification made in the Senate provision by the conferees is the restoration of the "regional limitation" requirements as a rebuttable presumption. This condition was contained in the House provision on coal conversion.

EXPANSION IN NONATTAINMENT AREAS

The Senate provision on expansion of industrial facilities in areas where ambient standards have not been attained was adopted by the conference committee.

Under this amendment, some new flexibility is provided, but it is carefully contained and strictly limited.

Under present law, facilities that want to expand at their present location face a very stringent review test if they are located in areas where ambient standards are presently exceeded. In many cases, this means that under the law, expansion at that site is precluded until the ambient standard is attained. The new amendment would allow expansion at an existing site if a new facility uses the best available control technology, if existing sources meet all applicable emission limitations, and if total cumulative emissions will be sufficiently less to represent reasonable progress toward attainment of the standards. Sources resisting compliance will now have an incentive to end that resistance, since the desire to expand at existing facilities is based upon the economics of industrial expansion.

It is, therefore, important to assure that all applicable emission limitations are met. The statutory language is quite clear. The amendment requires that all of the State requirements be met. Those include limitations on visible emissions and opacity levels as well as all types of emission limitations contained in the State requirements. The bill language makes no distinction between emission limitations which relate to the primary standard and other emission limitations. Such a distinction is not authorized.

State implementation plans usually contain a unified set of requirements and frequently do not make distinctions between the controls needed to achieve one kind of ambient standard or another. To try to separate such emission limitations and make judgments as to which are necessary to achieving national ambient air quality standards assumes a greater technical capability in relating emissions to ambient air quality than actually exists.

A Federal effort to inject a judgment of this kind would be an unreasonable intrusion into protected State authority. EPA's role is to determine whether or not a State's limitations are adequate and that State implementation plans are consistent with the statute. Even if a State adopts limits which may be stricter than EPA would require, EPA cannot second guess the State judgment and must enforce the approved State emission limit.

In fact, in many areas where this provision will be used, such as steel facilities, it is highly possible that even when all applicable emission limitations contained in the State implementation plan have been met, the ambient standard may still be exceeded. This is particularly true where both opacity limitations and limitations on visible emissions are used as a means of enforcing emissions reductions to attain ambient standards. Any attempt to make a distinction between emission limitations on this basis would, in all likelihood, have the effect of undermining pollution control efforts at such facilities. That is one reason the statutory language makes no such distinction.

A key aspect of the amendment allowing such expansion is the requirement that reasonable further progress toward attainment of the standard must result from the new scheme. The committee report says that—

> Where . . . there is nothing further which can be done to move toward the ambient air quality standards, the State may take into account progress already made in determining reasonable further progress.

The test of "nothing further" is to be interpreted strictly. This means that further control of existing facilities, development of further production process controls, and new innovative control techniques must be applied on all sources, including all "fugitive" emissions, before the condition of "nothing further" is met. It is also the intent that "reasonable further progress" means pollution control will reduce emissions at a rate that will lead to attainment of the ambient standards in the near future.

TRANSPORTATION CONTROLS

The Senate provision which addresses the issue of the extent to which urban areas with air pollution problems must adopt transportation controls was adopted by the conference committee after modification of the sanction requirement.

Mr. President, this represents a major victory for the Senate. The members of the Senate Public Works Committee struggled long and hard to resolve the bitterly debated controversies surrounding transportation and land use controls authorized under the Clean Air Act of 1970. These control mechanisms could have been positive tools if carried out properly. They were not.

In order to adjust the transportation

control requirements to the difficulties of implementing such policies, the committee has adopted an amendment which provides more flexibility, more local involvement, more time, and more State discretion in fashioning these strategies. The bill requires the adoption as rapidly as practicable of all reasonable transportation control measures in areas where such measures are necessary.

Under the 1976 amendments, the States will establish and the Administrator will approve designation of areas which fall under four different classifications. The first classification will be areas where transportation control plans will be required. The second and third categories are covered by section 110(e) of existing law and the last category will be nondegradation areas.

If an area is implementing transportation control measures and all requirements for stationary sources that emit mobile source-related pollutants, but still cannot meet the deadline, it may receive a 5-year extension to achieve primary standards for the applicable mobile source-related pollutant, A second 5-year extension is available for the few most difficult problem areas. This means that deadlines could extend to May 31, 1987.

States are required to involve local communities in the selection of strategies contained in transportation control plans.

The key tests are that all reasonable requirements are contained in the plan and are implemented as expeditiously as practicable. If the State plan does not meet these tests, the Administrator shall promulgate an implementation plan for the area after consultation with State and local elected officials.

A new provision would allow the States to apply to the courts for a stay of any provision of such an EPA promulgated plan, pending review of that plan in the courts. Grants of 100-percent funding are available to local planning organizations to help implement this provision.

Federal agencies must assure that the funds provided for federally approved projects are expended so as to conform with approved transportation control plan requirements.

Adjusting the Clean Air Act to provide a more acceptable plan of implementing transportation controls was frustrating. The committee recognized that relaxation of deadlines would cause millions of people to be exposed to unhealthy levels of air pollution. Yet, to continue with the present deadlines could create equally unacceptable adverse public health and welfare implications.

The committee action is a compromise assuring that reasonableness will guide transportation control strategies. Further relaxation would not provide adequate public health protection at an early enough date. Any further compromise of transportation control requirements would allow unhealthy levels of pollution in cities for far too long.

The selection of measures to be used is to be made initially by State and local governments. The bill does not specify the "reasonable measures" to be adopted. However, the Administrator cannot reject any measure selected at the State or local level because he considers it to be unreasonable. If it is adopted by the State or regional agency, then it is reasonable.

Conversely, the Administrator may determine that all reasonable measures have not been adopted. In this case, the Administrator is required to promulgate additional reasonable measures. The court will ultimately rule on any disagreement between the affected State or local agency and the Administrator as to the reasonableness of an EPA proposal.

The definition of what is a reasonable measure will relate to the adverse social and economic impact that would occur through its use.

While it is not possible to completely define this concept, it is possible to provide some boundaries. The adverse impact must be widespread and general. It must also be of sufficient duration to cause substantial difficulties. Some dislocation and disruption frequently occurs during the beginning stages of any control program or any change in transportation patterns. This interim impact is not justification for ruling that a measure is unreasonable. The adverse impact must be of a continuing nature. The difficulties that initially occur during the transition period during implementation of strategies are not sufficient to meet this test.

The committee bill injects additional flexibility into the initial planning process by requiring local involvement in the development of transportation control plans at the outset, with a more limited EPA role throughout. We have shifted much of the burden to the States and localities in an effort to overcome past failures.

Many of the transportation control plans now in existence for communities have been tested in the courts. It is not the intent of these new amendments to interfere with or void any requirements which have been upheld by the courts.

The Administrator will be receiving applications for extensions which will call for his action prior to the publication of the information documents required by these new amendments. In such cases, the Administrator is not required to wait for the publication of the information documents. Information has been gathered over the last 4 years on transportation control measures. That information will serve as the basis for the Administrator's decision until it is replaced by the new information documents.

The plans submitted by States must be reviewed by the Administrator under section 110(a) of existing law. This means that the Administrator must review and approve or disapprove transportation control plans within 4 months after submittal. In addition, the June 1978 date for submission of new plans is an outside date. The Administrator may seek earlier submission where it is appropriate. This authority is to be exercised only where processes are already underway which would make an earlier submission more appropriate.

For example, the January 1976 letter received by the committee from the Environmental Protection Agency during consideration of these amendments, indicated that transportation control plans were under development in nine cities where such plans were not previously required. All of these cities received notice of the need for action in 1973. The data which has been developed to justify the provisions contained in such plans would be obsolete and would have to be gathered again if submission of control plans is not required prior to 1978.

Another of the positive provisions of these amendments is the requirement in transportation control areas for the Federal Government to coordinate its programs and its extensive grants with efforts to clean up the air. A good example of the kind of policy that will no longer be allowed is the recent policy on major urban mass transit announced by the Urban Mass Transit Authority on Wednesday, September 22. That policy statement will need to be revised in light of the requirements contained in the legislation before us. Such revisions will be positive steps toward seeing that Federal programs make their contribution toward cleaning up American cities.

I turn now, if I may, to the issue of nondegradation, which I take it is the principal concern of the distinguished Senators from Utah in their opposition to this bill.

NONDEGRADATION

Nondegradation was the issue which required the greatest attention of the Senate conferees. The conferees strongly supported a policy of nondegradation. That was never in question.

The House bill presented a number of important issues. It took time and understanding to merge the concepts of the House bill with the approach of the Senate bill.

The conference agreement adds these new dimensions to the Senate nondegradation policy contained in the Senate bill:

First. The conference agreement now includes the House class III category for areas of intensive industrial development.

Second. Designation of areas as class III areas occurs through a carefully prescribed process so that the serious decision of designating an area class III occurs only after analysis and opportunity for comments from all interested parties.

Third. The conference agreement provides a mechanism whereby all of the pollutants for which national ambient air quality standards have been issues will be regulated under nondegradation policy, rather than just the two specific pollutants covered in the bill which passed the Senate.

The Senate conferees are particularly pleased that we were able to maintain a key concept of the Senate bill in the conference agreement: The bill protects the most valuable Federal lands with a special class I category—parks and wilderness areas. In addition, the test used to protect such areas remains the test of the Senate bill: If a source would adversely affect the air quality-related values of the land area, the class I numerical test is not binding upon the source. That was a very important principal in the Senate bill which provided flexibility and eliminated criticism of "buffer zones" that was made against much earlier approaches to this question.

The main points in the approach of the Senate bill are maintained in the conference agreement:

First. Permits are issued by the States. Only permits for class III areas—where very large pollution sources may locate—does the EPA role increase, and only to a limited extent. It is important that a source not be allowed to avoid the use of pollution control technology by attempting to exploit a larger air quality increment. EPA has been assigned an overview of the State decision regarding the requirements for the best available technology to be applied to sources in class III areas. This role can be minimal as long as States do not attempt to play favorites with sources within their State, and reduce requirements for clean up. It is only in cases of abuse that EPA would act to disapprove a permit. And only in class III areas, a class not in the Senate bill, EPA will not be allowed to issue a permit once a State plan has been approved.

The conference agreed on a mechanism to insure that all major pollutants are controlled to prevent significant deterioration of air quality. For the four main pollutants not covered by EPA's regulations, the conference bill would require EPA to conduct a 2-year study and promulgate regulations to deal with these pollutants. The Congress and public will then have 1 year to examine those regulations before States begin to revise their implementation plans.

The problems of nitrogen oxide, oxidant, and hydrocarbon emissions are national problems that are going to increase over the next few decades. The approach of pressing the Agency to begin to control these pollutants under a nondegradation policy will be a useful means of providing improved ways to reduce such pollution.

Also, Congress will have a full year to consider those regulations before they become effective.

For nondegradation the conference agreement continues to place EPA in a role that is much more restricted than in other portions of the Clean Air Act. EPA may not promulgate State plans. In all but class III areas, EPA has no approval over permits. Even for class III areas EPA's power is limited.

The States are given the flexibility to make the basic determinations regarding lands that are to be classified as class I or as class III. EPA has no concurrent power for these designations. For the designation of class III areas, EPA does have a role insuring that the procedures—principally hearings and involvement of local governments—are carried out. But, there is no requirement that the Federal land manager concur in redesignation of any Federal lands.

I believe the Senate conferees struck a workable balance. We spent many hours merging the provisions of the House and Senate into a coherent package that will do much to protect clean air areas from the kinds of problems that plague our urban areas.

If Congress passes this legislation, the Congress will have taken an important step toward insuring that the values of our parks and wilderness areas will be preserved for the enjoyment of millions of Americans. We will have reduced the total emissions that are likely to damage our health and our welfare in the years ahead. And we will have done this within a framework that allows intelligent rational and flexible economic development of the Nation's resources while protecting its environmental values.

The Senate has accepted a number of House provisions which strengthen the existing law. These include: a provision on unregulated pollutants mandating the promulgation of a short term NO_2 standard within 1 year and the issuance of criteria for arsenic, cadmium, vinyl chloride and polycyclic organic material; a provision for uniform basis for administrative standards to further insure protection of health and welfare; a periodic review of the ambient air quality standards to insure their adequacy to protect public health and welfare.

TALL STACKS

The philosophy of the Clean Air Act for many years has been one of cleaning up emissions by direct controls rather than dispersing them widely in the environment. Court cases, and the recent Supreme Court decision, have all denied the use of tall stacks as a means of meeting emission limitations under State implementation plans.

The Senate conferees accepted the House amendment, which simply restated and confirmed the policy of the 1970 act. The House provision places limits on the extent to which stack heights may be used as a credit against emission reduction requirements. Good engineering practice is defined in the House bill as being 2½ times the height of the surrounding structure. This is necessary in order to allow good plume rise without downwashing the plume onto the local area. To use stacks higher than this is an attempt to use dispersion rather than clean up. Since the policy of the 1970 act has been upheld in the courts, the House amendment would not allow credit for sources who have constructed extensively tall stacks since 1970.

Mr. President, on the whole this is a carefully balanced bill based on 2 years of hard work on the House side and 2 immediate years plus many more before on the Senate side. It will continue momentum for progress in cleaning up the air, but at a rate that recognizes a number of economic, energy, and political constraints. Its policies are needed and defensible and I urge the Senate to adopt the conference report on the Clean Air Act Amendments of 1976.

Mr. President, I ask unanimous consent to have printed in the RECORD a table dealing with the auto emission standards and what was done on this in conference as compared to the House bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

AUTO EMISSION STANDARDS

Auto emissions in the House bill and the Conference substitute (emission standards, grams per mile $HC/CO/NO_x$)]

Model year	House bill			Conference bill		
1977 (present law)	1.5	15.0	2.0	1.5	15.0	2.0
1978	1.5	15.0	2.0	1.5	15.0	2.0
1979	1.5	15.0	2.0	.41	3.4	2.0
1980	.9	9.0	2.0	.41	3.4	2.0
1981	.9	9.0	2.0	.41	3.4	1.0
1982	.41	3.4	(1)	(2)		

[1] Administratively determined

[2] R. & D. required on technology for 0.4 NO_x.

Mr. MUSKIE. Mr. President, I make these comments about the table.

This, of course, was one of the most difficult issues between the House and the Senate. The two versions represented, I think, the widest gap between the House and the Senate, and there were negotiations in both directions over a considerable time. The conference finally adopted the standards for hydrocarbons, carbon monoxide, and NO_x which are indicated in the table I have inserted in the RECORD.

The conference bill is far preferable to the House bill because:

First. The conference substitute requires progress in 1979. The House bill would show no further progress at all until 1980, 3 model years from now, and then only at levels now being met in California. Experience has shown us that the industry will use that time to lobby the Congress for further delays rather than optimizing technology to meet those standards.

It should be noted that the conference substitute, as well as both the House and Senate bills, includes yet another freeze of HC and CO standards through model year 1978. The conference substitute also contains a 4-year freeze of the NO_x standard through 1980. This is a generous response to the pleas of the auto industry for leadtime. It is also logical because it gives more time for the pollutant which is hardest to control, NO_x, than it does for the easier ones.

Second. The conference substitute requires final compliance reasonably soon. The industry would have to reach final compliance in 1981. The technology is available today to meet those final standards, and it could be included on all cars by 1980. The Senate conferees accepted the delay until 1981 simply in the spirit of compromise with the other body. Delay until at least 1982, and perhaps indefinitely as in the House bill, would be a political gift to the auto industry with no technical justification whatsoever.

Third. The conference substitute provides a reasonable level of NO_x control. The tightest NO_x standard required by the House bill is the current requirement of 2.0 grams/mile, which represents only 43 percent control compared to the 3.5 grams/mile emitted by uncontrolled autos in 1968. NO_x control has clearly lagged behind that for HC and CO, where 83 percent control has already been achieved. The conference bill would require 71 percent control of NO_x compared to uncontrolled vehicles, a level that will reduce national NO_x emissions in 1990 by 4 million tons.

Fourth. The conference substitute provides certainty, to the extent that the law can do so, with a fixed statutory NO_x standard, to be reached in 1981. The House bill would have left the ultimate NO_x standard for future administrative determination.

The auto industry has argued above all else for the need for certainty in order to avoid disruption of their production schedules. They also have frequently expressed the need for certainty in the emission standards to allow them to optimize the conventional engine and to justify expenditures on development of alternate engines.

Fifth. The conference bill forces new, fuel efficient technology by eliminating the intermediate step on HC and CO which was in the House bill and by going to 1.0 g/mi NO_x standard. This is a critical point. EPA has just reported that 1977 cars have an average fuel economy of 18.6 miles per gallon, up from 13.9 mpg in 1974, a gain of 34 percent in fuel economy, while emission standards were tightened from 3.0/28/3.1 to 1.5/15/2.0.

Interestingly, there is a gain of 1 mpg in 1977 over 1976 despite the tightening of the NO_x standard from 3.1 mpg to 2.0 mpg. This contradicts the manufacturers claim that NO_x control inevitably brings a "fuel penalty."

The DOT/EPA/FEA report used in support of the House bill makes it clear (table E-1) that the method of choice for meeting the standards in the House bill would be simply stretching present technology. Even the interim standards in the Conference bill would not necessarily require new technology. Only by going to the 1.0 gm/mi NO_x standard in the conference substitute can we have any realistic hope that the next level of technology will be used, and the benefits reaped in terms of fuel economy, cost to the consumer and reliability of emission control. Only when this happens will we get a NO_x standard based on the needs of the public rather than the needs of the industry.

Sixth. The conference substitute provides enough leadtime to meet tighter standards in 1979, despite industry arguments to the contrary. Data supplied by the manufacturers themselves show that they are just beginning to enter the first phase of their emissions development program for that model year. This "production development" phase normally would last about 6 months, leading to basic system selection next April or May, so the leadtime is clearly adequate. Furthermore, present law requires compliance with even tougher standards in 1978, so we must assume that they have already done much of the production development to meet 1978 standards, or have simply completely ignored the requirements of present law. Finally, all manufacturers have already certified their 1977 cars to the California standards of 0.41/9/1.5, which are more stringent overall than those in the conference bill.

Seventh. The conference bill is responsive to the present problem of air pollution in our cities. The House bill was not. Control of hydrocarbon is the key to control of oxidant, the irritant factor in photochemical smog. In a year when Washington, D.C., reported more smog alerts than ever before, and just 1 year after a rural State like Iowa suffered its first statewide air pollution alert ever, it is absurd to even consider a delay in statutory HC control until model year 1982, 5 years from now. The conference bill requires this important step to be taken just about as soon as it is technically feasible, with due regard for leadtime, in model year 1979.

Eighth. The conference substitute supports the efforts of California to solve their own air pollution problem. New 1977 California cars are being certified to stringent standards of 0.41/9/1.5, but there can be little doubt that if the Congress adopted the extended delays in the House bill, the pressure for California to relax to their 1975 levels of 0.9/9/2 would be almost irresistible. On the other hand, if the Congress adopts the conference substitute with its requirement for more immediate action, California can hope to continue the proving ground for technology to be applied in the other States a year or two later. The very inclusion of the 0.9/9/2 standard in the House bill is proof of this concept. The auto industry now finds those numbers acceptable because of 2 years experience in California.

(At this point, Senator METCALF assumed the chair.)

Mr. MUSKIE.

Ninth. The conference substitute will not have adverse effects on automobile production and employment as claimed by supporters of the House bill. There has never been any documented unemployment or loss in production due to emission controls despite the fact that they have been required since 1968.

This claim is based on a four-page "study" by Chase Econometrics. This study was a computer-run from their macroeconomic model, which is not really designed to analyze effects on a single industry due to small changes in price, less than 5 percent. It made undocumented assumptions about the effect of emission controls on consumer acceptance of automobiles. Furthermore, the analysis is apparently based on incorrect data. Even a prestigious economic model cannot produce valid conclusions from false data. Computer users have a phrase that applies: GIGO—Garbage in, garbage out.

For example, table 2 on the comparable fuel economy under Senate and House bills is claimed to be based on the DOT/FEA/EPA report of April 8. However, the numbers used by Chase do not agree.

Assumed fuel economy difference

[In percent]

Year	Chase study	DOT/ FEA/ EPA
1979	13	2 to 9
1980	16	3 to 7
1981	16	2 to 6
1982	9	1

Similarly, the cost data on which the computer analysis was based is apparently incorrect. Table E-1 of the DOT/FEA/EPA report shows a sticker price increment of $25 to $70 at the Dingell 1982 standards—assuming 2.0 NO_x—compared to $120 at the Senate standards. The differences is only $50 to $95 at most. And the 1979 California Volvo has certified to even tighter standards at an added cost of only $25 to $50 per car. These cost estimates are more accurate than the $150 assumed by Chase. Again, Chase used incorrect assumptions.

Tenth. The conference substitute will not prevent attainment of mandatory fuel economy standards, and may even help meet them because it will force better emissions control technology than the House bill.

The fuel economy standards established by the Energy Policy and Conservation Act of 1975 of 20 miles per gallon in 1980 and 27.5 miles per gallon in 1985 can be met concurrently with the emission standards established by the conference substitute, even assuming no shift in model mix and poor to average technology.

Under the most likely scenario, in which the conference substitute standards force the use of best technology, but the House bill standards do not, close examination of the DOT/FEA/EPA report itself shows that it is the conference substitute which would result in savings of billion of gallons of gasoline.

The ranges of fuel economy from table IA of the DOT/FEA/EPA report are reproduced below along with the requirements of the Energy Policy and Conservation Act.

ESTIMATED FUEL ECONOMY OF NEW CAR FLEET IN MILES PER GALLON

Model year	Required by (EPCA) [1]		
1976		17.6	17.6
1977		18.4	18.4
1978	18.0	20.7–21.1	20.7–21.1
1979	19.0	19.8–21.8	21.8–22.2
1980	20.0	20.2–22.4	21.7–23.1
1981	[2] (21.5)	21.6–24.0	23.0–24.5
1982	[2] (23.0)	23.0–25.6	[3] 23.0–25.6
1983	[2] (24.5)	24.2–27.2	[3] 24.2–27.2
1984	[2] (26.0)	25.6–28.8	[3] 25.6–28.8
1985	27.5	26.6–29.7	[3] 26.6–29.7

[1] Energy Policy and Conservation Act (EPCA).
[2] Estimated.
[3] Assuming 1 NO_2 promulgated by EPA.

The conference bill is similar to option B and the House bill to option DT in the DOT/FEA/EPA report.

Eleventh. No manufacturers will be driven to the wall by the 1979 emission and fuel economy standards.

The Energy Policy and Conservation Act of 1975, EPCA, was specifically drafted to avoid this problem by providing (Sec. 502(d)) that any manufacturer may apply for a modification of the fuel economy standard for 1978, 1979, or 1980 if emission standards cause a fuel economy reduction.

As for light duty trucks, I emphasize the intent of the Clean Air Act Amendments of 1970 and quote from the Senate report on S. 3219 this year:

> At the time of passage of the 1970 Amendments, light duty trucks and recreational and utility vehicles under 6,000 pounds gross vehicle weight were included with automobiles as light duty vehicles. As a result of a court decision in 1973, EPA was required to establish a separate class for them, and did so. These vehicles should not be regulated any less stringently than automobiles. As automobiles are required to achieve greater degrees of emission control in the future, light duty truck emission standards must be tightened accordingly.

Mr. President, I ask unanimous consent that a staff analysis of the House bill with the Dingell amendment, compared to the original Senate bill be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Staff Analysis of Adequacies in the Arguments for the House Bill in Autos

(Reference: Report by Federal Task Force on Motor Vehicle Goals Beyond 1980, DOT/FEA/EPA Report of April 8, 1976; Record statement of Senator Edmund S. Muskie, June 4, 1976, "President Ford Chooses Dirty Air".)

1. General Comments: Supporters of the House version used the worst case analysis of the FEA/DOT/EPA report to justify their position. EPA, in responding to an inquiry with respect to the claim of a 20% fuel penalty, said:

"We are unable to reconcile the April 8 report with the estimate of 20% fuel economic loss . . . in the House Committee bill vs. the Dingell amendment. The cases as estimated in the report show a maximum fuel economy loss of 5% . . . for the low range estimate and no loss for the high range estimate for these model years."

One misleading part of the comparisons of cost and fuel economy is that DOT/FEA/EPA assumed the House standards would result in a freeze of NO_x at 2.0 grams per mile in 1982 and thereafter. The House bill provides for EPA to promulgate another standard. If that other standard were as stringent as 1.0 NO_x, it would wipe out any cost and fuel economy differences between the House bill and the Conference substitute except in 1979, 1980 and 1981, the transitional years.

Some of the discussions in the House centered around the relative merits of a standard of .4 NO_x as in the Committee bill or 2.0 NO_x followed by administrative determination as in the Dingell amendment. The conference substitute with 1.0 NO_x as a standard and a research requirement toward 0.4 NO_x offers an excellent compromise between these points of view.

2. Supporters of the House Bill Incorrectly Claim Insufficient Study of Energy Use and Environmental Benefits: EPA publishes annual reports on auto technology. The National Academy of Sciences did a 4-volume study for the Senate Public Works Committee in 1974 and updated it, in part in 1975. DOT and EPA did a study on automobile fuel economy in 1975. The Report of DOT/FEA/EPA was available in the spring of 1976, as was the panel report of the Federal Task Force on Motor Vehicle Goals Beyond 1980.

3. Air Quality: Supporters of the House bill incorrectly claim no significant difference in air quality (regardless of which standards are adopted): As Senator Muskie pointed out in the Record statement of June 4, 1976 the Dingell interim standard would add 11,000 "person hours" of disability related to carbon monoxide, 1,000 aggravations of heart and lung disease in elderly persons, 20,000 excess cases of cough and 40,000 excess headaches due to oxidant in 1980.

Even in areas where the air quality standards will be achieved by 1990, the belated attainment which the House bill delay would cause will expose 83 million people to harmful air pollution levels.

4. Air Quality: Supporters of the House bill state that 31 air quality regions will be out of conformity in 1990 under any of the three sets of standards: This is misleading. The question is not just whether the regions are in or out of conformity, but also how far out of conformity. With tighter standards for automobiles, they will be brought nearer to the air quality standard, with consequent health benefits.

5. Supporters of the House bill claim that with the same expenditure of money we can get four times as much clean up on NO_x by attacking stationary sources: That may be true as far as it goes; however, the conference bill also emphasizes the need for stationary source control, and the recent motor vehicle goals study shows the strategies which are "more cost effective" than the light duty vehicle standards only can remove 29% of the baseline NO_x emissions, still insufficient to solve our NO_x problems, especially in view of the rapid growth in NO_x emissions.

6. Consumer Cost: Supporters of the House bill claim that the original House Committee bill, between 1977 and 1985, would cost the consumer an additional $22.3 billion. This claim is not supported by the DOT/FEA/EPA report used by Congressman Dingell. Table 3–C of this report shows an added cost of only $4.6 billion to $13.8 billion at most. Furthermore, this is the total cost over the lifetime of the new car fleets. For the average vehicle produced in model years 1978–1985, the added lifetime cost would be $65 to $173, or approximately $6 to $17 per year. This is small compared to the lifetime cost of a 1976 car, which that same report calculates as $16,700. Similarly, the added cost of the conference substitute compared to the House bill would be small.

7. Fuel Consumption: Supporters of the House bill claim that the House Committee bill (and presumably the conference substitute) would have caused the consumption of 9.27 billion gallons of gasoline more than their provision. Table 1–C of the DOT/FEA/EPA report shows fuel consumption differences between 4.16 and 6.30 billion gallons, over a ten year period. Thus, they do not verify the claim.

Even supporters of the House bill only claim a saving of 67,000 barrels of oil per day compared to 6 million barrels of oil per day consumed by American automobiles. This is hardly a major fuel saving.

In fact, the assumption of Table 1–C are questionable and there is good reason to believe that the application of the tighter standards in the conference substitute in 1979, 1980 and 1981 will stimulate the good technology which will result in the saving of 3 billion gallons of gasoline compared to the standards in the House bill. As repeatedly pointed out, the actual fuel economy depends on the choice of technology and the vehicle weight, not on the choice of emission standards.

The fuel economy standards established by the Energy Policy and Conservation Act of 1975 of 20 miles per gallon in 1980 and 27.5 miles per gallon in 1985 can be met concurrently with the emission standards established by the conference substitute, even assuming no shift in model mix and poor to average technology, according to that DOT/FEA/EPA report.

Furthermore, it is doubtful that their model includes any of the economic costs of air pollution, let alone the health effects.

Mr. MUSKIE. Mr. President, I regret I have taken this much time on a day when the Senate has much to do. But it has been clear we will be forced into extensive discussion of this bill, and I thought at least at the beginning of that extensive discussion it would be better to use the time for a meaningful evaluation of the contents of the conference report rather than in quorum calls and other dilatory actions designed to stretch out the time. So I knew we were going to have to take this time anyway.

I have used it in order, among other things, to meet a principal criticism of the opponents of the bill that we have not given the Senate a fair chance to know what the bill is about or what the conference report contains.

I would hope that all those opponents—and I see only one in the Chamber today—have listened to this description of what the conference report is all about so that they can no longer make the claim they have been given no opportunity to understand what is in the conference report or to know what is in it.

We have spent about 2 hours explaining, and I see only one Member of the opposition present to be enlightened.

I yield to my good friend, a strong supporter, the distinguished ranking Republican on the Environmental Subcommittee, Senator Baker.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Maine for yielding.

I commend him for taking the time today, even in the dying hours of this last day of the session to explain a complex and difficult bill. I think it was appropriate that the importance of this measure be treated in this way because I think it would be inappropriate for the Senate to adjourn, without making a diligent, realistic effort to treat with this legislative matter.

I have grown weary of saying I am a realist. I remember last night saying I was a realist when the leadership took down a nomination I was very much interested in. But, I suppose, I need to say that again today.

I notice that our distinguished colleague from Utah (Mr. Garn) is on the floor. I have no doubt he has extensive remarks to make on this bill and, no doubt, others will as well, so I suspect the bill probably will not be acted on today. But I still think, Mr. President, the measure is a material and significant contribution to our efforts to establish a reasonable, rational, and workable environmental policy for the Government of the United States of America.

The Public Works Committee of the Senate has spent great time and effort on this matter. I am so proud of the fact that the Senate conferees voted to report this bill unanimously, without a single dissenting vote. Indeed, with the affirmative vote of every conferee from the Senate Public Works Committee on both sides of the aisle. I am so proud of that that I want to see this matter fully discussed and a full exposition of its contents made, because I think a lot of people are going to be awfully upset when they realize that by defeating this bill they have been left to the tender mercies of the Supreme Court of the United States and the rules and regulations that EPA is going to propound.

I started this bill with the Senate Public Works Committee thinking we were going to suffer the slings and arrows of outrageous fortune because, almost surely, my good friends are going to say that the Public Works Committee of the Senate has sold out to industry; they have lightened the burden, reduced the requirement for environmental improvement by industry. But a lot of people are not going to understand. This is going to be thought of as an industry bill.

I have to confess, Mr. President, I am surprised now to find that I, together with my other colleagues, are instead variously referred to as enemies of industry, of commerce, of progress; referred to as radicals in the field of environmental improvement. It is a long way from those first concerns I had about being too forthcoming and forgiving on the accommodation we thought was necessary to the automobile industry, to industry in general, in terms of changing and modifying the environmental statutes of the United States.

But that is where we are, I suppose, and in many eyes this now will be thought of as a superenvironmental bill. If there is such a thing as a hawk environmentalist, we will be thought of as hawk environmentalists. But it really is not that, it really is not. I am not going to take a lot of time in the Senate mostly because there is not a lot of the Senate here. I will put my statement in the Record, and maybe others will read it, but I am going to say a few things about the bill.

For instance, I am going to say that it does, in fact, add flexibility and latitude to the implementation of plans throughout the 50 States for environmental improvement, through State implementation plans, especially in the area of prevention of significant deterioration.

My own State of Tennessee, for instance, is in a big flap about the Tennessee Valley Authority having to buy low-sulfur coal from out of State. That causes a reasonable disquiet, as you might imagine, since Tennessee is a major coal-producing State, and the State of Tennessee, which is responsible for the State implementation plan, has virtually no flexibility. In fact, I think they probably have none in requiring compliance by TVA.

Well, we give them flexibility in this act. We give them a compliance extension 3 years to begin with, and 4 years beyond that under enforcement order authority. That will go down when we do not pass this bill.

A lot of people say, "Well, you know, EPA has turned into a giant bureaucracy, the worst of the breed, and you are going to have to do something to head it."

But do you know what this bill does, Mr. President? It turns over virtually the whole program for protection of our clean air area to the States.

I thought we were heading it. I thought we were agreeing with those who said that EPA had grown too big, that it was too far removed from reality to accommodate the reasoned requirements of the people in the several regions and States of the country. But that effort will go down with this bill. We will not have the significant improvement of the State autonomy in the design and implementation of environmental programs. That will not happen.

I thought we were doing a lot about the question of whether or not intermittent or continuous control mechanisms were going to be required for power companies for their steam-fired powerplants—not their nuclear plants but their steam-fired powerplants with coal or oil; that we built in a degree of flexibility there that does not exist under the present law. But if this bill fails—and it appears now that reality dictates that I probably concede it will for this session—then that will go down with this bill.

All of my good friends on both sides of the aisle—on both sides of the issue, not the aisle, because this was truly a bipartisan effort in the Senate Public Works Committee, all of my good friends on both sides of the issue—and I have many good friends, and I hope they are still my good friends, on both sides of the issues involved will breathe a sigh of relief or dismay, as the case may be, and say it was a good or bad thing, which is sort of about the way I thought it would be when we passed the bill.

I thought, well, some of my friends are going to be happy and some of them are going to be sad. But, after 10 years in the Senate, I have sort of come to believe that is a good way to have a bill passed. If I satisfy everybody the bill probably was not worth while. If I satisfied nobody the bill was probably wrong. But a judicious mix is thought to be the hallmark of good legislation.

In this case if the bill fails, as it probably will, my friends on both sides of the issue, are going to be awfully upset because we did not give them relief, or some of them maybe because we gave too much relief. So maybe, in a way, that is the hallmark of a good bill.

That brings me to a final thing I want to say before I put my remarks in the Record. The final thing I want to say is notwithstanding that reality indicates that today at noon on October 1, under the shadow of an adjournment resolution, we are not likely to get this bill, I think it is important for the country to understand what we tried to do because come January we are going to try again to build a statute, to construct a law, to formulate a policy that will, in fact, bring coherence and reasonableness, candor and honesty, clearness and understanding and workability to the environmental legislation that now affects the air quality of the United States.

Mr. President, I regret it now appears the Senate will not be allowed to pass on the merits of this bill. We are still going to try, though. We will try today and we will try as long as necessary. But if the clock catches us finally, as it caught me yesterday on another matter, then I assure my colleagues that I will not give up the battle. We will be back in January and the Public Works Committee will still be in business.

Mr. President, the conference bill makes every effort to balance the conflicting interests in the clean air arena in a reasonable manner. This, as many of my colleagues understand, is a most difficult task.

Yet the conference report represents a consensus of the conferees who have labored so hard on this legislation. It is not an environmentalist bill; it is not an industry bill. It stands on its own. And those who are concerned about clean air ought to examine it without biases.

The present legislation represents a thorough, responsible attempt to deal with the consequences of the 1970 Clean Air Act.

We elected to deal straightforwardly with the kinds of problems raised by that act. We believed Congress had a responsibility to address these unsolved problems rather than leave their resolution to bureaucrats or the courts.

I feel that the bill is responsive to the administration's, industry's, and the public's request to Congress to clarify the intent of the 1970 act and to give direction to the difficult and complicated policies in this bill designed to protect the health and welfare of all Americans.

The bill enhances State and local responsibility and tries to minimize the intrusion of Federal controls and Federal regulations. The legislation specifies that decisions made must take into account an analysis of energy and economics, as well as environmental considerations. This means that clean air will be protected, without constraining the economic growth necessary to achieve a steady improvement in our standard of living.

Cooperation between the House Inter-State and Foreign Commerce Committee and the Senate Public Works Committee has been the major factor in making possible the enactment of responsible clean air legislation in this Congress. I would also like to point out in closing that the leadership exhibited by the senior Senator from Maine, Mr. Muskie, and the distinguished Congressman from Florida, Mr. Rogers, has played a vital role in bringing this legislation into being. In addition, all members of the conference committee should be complimented on their untiring efforts, patience, and willingness to accommodate divergent views in order to make this bill possible.

I am pleased to join my colleagues from the Public Works Committee in giving full support to Senate approval of the conference report on S. 3219, the Clean Air Act Amendments of 1976.

Mr. President, in these closing hours of Congress we have been asked to take up several matters on short notice and under an unfortunate time situation. The situation poses a difficult problem for all of us.

But it is the business of Congress to deal with these difficult problems and to resolve them through hard effort if we can.

In the last several weeks the members of the Senate Public Works Committee have invested many long days in the effort to resolve the difference between the two air pollution bills which passed in each body earlier this year by substantial margins.

I was especially gratified that in constituting the conference all of the minority members of the Senate Committee were appointed conferees. We have all worked hard through this Congress to temper complex environmental concepts to fit economic realities. And it was and is imperative that we maintain that effort until consideration of this measure is concluded.

I sincerely urge my colleagues to consider the hard effort and broad support this conference report has received, to make a diligent effort to apprise themselves of its provisions and to let the Senate and the Congress express their will on the measure.

I ask unanimous consent that a brief comparison of the conference provision on prevention of significant deterioration and that passed earlier this year in the Senate be inserted at this point in the RECORD.

The PRESIDENT. Without objection, it is so ordered.

Comparison—Conference Report to Senate Bill Prevention of Significant Deterioration

CLASS III

The Senate Bill provided for two classes for clean air areas—those where air quality values are especially important to public use and enjoyment and those where the clean air resources must be protected from deterioration approaching levels identified as harmful to health and welfare.

The bill that we bring to the Senate from conference provides also for a third class—clean air areas where less stringent air protection will be allowed in order to provide for intensive industrialization. Both the procedures for establishment and increments applicable to this class are derived substantially from the House bill, and are designed to involve local and State governments in the decisionmaking process and to protect against dangerous levels of pollution.

The manner in which the Class III concept of the House bill has been merged into the prevention of significant deterioration provision enhances the "flexibility" and "State control" which were the hallmarks of the Senate provision.

INCREMENTS IN GENERAL

Both the number and size of Class I areas and the increments applicable to these areas are taken from the Senate bill.

This is extremely important. These areas are designated for and deserve stringent protection. Their utility and value is dependent largely on their natural values, including clean air.

By keeping the Senate provisions relative to this designation, we have preserved the Senate position which was vital to the overwhelming support for the Senate Bill earlier this year.

In class two the Conference agreement represents a realistic compromise—the increments for increased emissions are larger in most respects, but smaller in some. The balance will provide amply for continued economic growth, but growth consistent with clean air values.

And the class two compromise is further balanced by a careful decisionmaking process at the State and local level which would provide a relaxation of the increments if necessary to permit intensive development. Ample safeguards are provided against dangerous levels of pollution. (The secondary standard may not be violated.)

As in the Senate bill all of the clean air areas in the Nation other than National Parks and Wilderness Areas would be Class II upon enactment subject to being moved either to Class I or Class III by the States under the procedures of the Conference Report.

The State program for prevention of significant deterioration is not reviewable by EPA except with regard to the procedures required to assure appropriate review by affected local governments and appropriate review of the health and welfare inputs of movement to Class III of any area.

The permits issued by the States under the conference provision would only be reviewable by EPA as to the technology requirement (BACT) in Class III areas and then only where EPA had issued no new source technology standard as required under section 111 of the Clean Air Act as amended. For sources where such standards were in effect there would be no Federal review at all.

The Senate conferees have carefully preserved the flexibility and State control which I have considered so important to our effort to preserve the Nation's clean air resources.

Mr. MUSKIE. May I invite the distinguished Senator from Idaho to comment at this point?

Mr. McCLURE. Mr. President, I ask unanimous consent that a statement by Senator PETE DOMENICI, of New Mexico, be printed at this point in the RECORD.

The Senator from New Mexico was necessarily unable to be present today. No one worked harder on this legislation than did he and no one more constructively than he.

I think our remarks here in the Chamber today should certainly reflect the great contributions that he made throughout the entire deliberations and in the conference. His absence today is by no means a mark of disinterest in this legislation because the legislation bears his mark. I am proud to associate myself in that effort with him.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Domenici

I would like to make several observations on the Conference Report presently before the Senate. On a personal note, I would like to extend my appreciation to the job the Chairman and the ranking minority member of the Environmental Subcommittee have done. I can honestly say that I believe the members of the Senate Public Works Committee are a more closely knit unit as a result of our protracted struggle in bringing this Conference Report before the Senate. The Subcommittee began hearings on the Clean Air Act in March of 1975. These amendments have consumed a year and a half.

In particular, I am pleased that two areas which I sponsored in Subcommittee, nondegradation and ozone protection have been adopted by the Conferees. I do, however, feel several sections of the House bill, adopted by the Conferees, could use some clarification. Moreover, because of the rush to pass this legislation, the conferees have not had a chance to review the conference report.

First, I wish to make it clear that the Senate Conferees in acceding to section 111 of the House bill agreed only to the change in statutory language of the Clean Air Act which it effects and we did not agree with the gloss on this changed language which might be imparted in its section. In particular, since the language was offered at my insistence, I feel I can fairly speak for the Senate Conferees on this matter.

Turning to the earlier House Report I wish to make it doubly clear that the Senate conferees clearly do not intend to favor end-of-the-stack controls, such as scrubbers, over other means of controlling pollutants such as combustion techniques or precombustion treatment of fuels. I also wish to make it clear that we do not agree with the statements on page 162 of the House Report which would make coal washing or other coal pretreatment unacceptable technology unless used with additional end-of-the-stack pollution control equipment. What we intend is for the Administrator to have the flexibility to set a limit based on consideration of all the statutory factors and then leave to industry, or the states under the best available control technology provisions of the no significant deterioration provisions of the Act, the selection of the fuel, combustion techniques, end-of-the-stack technology, or any combination of these means for meeting those EPA standards.

I would like to make it clear that the Senate conferees in agreeing to the addition of subsection (2) to section 302(1) of the Act included in the House Bill that we intended to agree only to the addition of the statutory language and do not and did not concur with any gloss on that language which might be read into it by the earlier House Report on its Bill. We also do not intend in any way to accept the language in the House Report that would preclude credits being taken where stacks must be raised to avoid environmental effects at distances beyond the immediate vicinity of the plan. The Senate conferees in assenting to the House provisions merely wish to make certain that tall stacks are not used as a substitute for best available control technology. Where that technology is to be installed on new plants we do not intend this additional tall-stacks requirement to impose an additional limitation on the ability of the plan to meet other requirements of the Act. I ask unanimous consent that my remarks be printed in full.

Mr. McCLURE. First, let me say at the outset I appreciate the remarks of the Senator from Maine concerning the work that I put in on the committee markups. I think one of the distinguishing marks in the legislation was the rather unusual attention with which the committee addressed both the bill and the committee report on the bill. It was truly a product of the entire committee. As the Senator from Maine indicated, it required a fair degree of compromise and cooperation within the committee to forge that unanimous position. We did forge.

Similarly, the difficulties in the conference were equally grave. We attempted, in the time at our disposal, to give it the same kind of detailed discussion and attention we had given earlier. As my good friend, the Senator from Tennessee has indicated, the clock does run out and in some respects we were not able to do as meticulous a job as we had done earlier, I think we would all confess that difficulty. But it did not, in my opinion, subtract from the work product.

I can and do support the conference report. It is much closer to the Senate bill than to the House bill in most significant areas. There are a couple of provisions which were taken from the House bill which were not in the Senate bill, which go into some areas of the unregulated pollutant in a way which we did not do in the Senate bill. I think that is a matter which not only needs addressing now but which will need further discussion and oversight by the Congress as that program develops. I am certain it will get that kind of oversight.

I am also mindful of the difficulties of melding into a conference bill the diverse language of the House and Senate bills, because the House approach in some areas was quite different from the approach of the Senate. I am certain the staff had at least a couple of sleepless nights, almost literally, trying to do what the conferees directed be done. They should receive our commendations for putting together a massive compilation trying to work out legislative language to accommodate what the conferees had decided, sometimes an almost impossible task of melding two diverse approaches.

One such attempt that I might note, because I still remain somewhat confused about it, was our attempt to accommodate the McKay amendment and what is meant by the melding of the language, in which we substituted our air quality related values for incremental standards that the House had used and still retained in the conference report the reference to exceeding the standards 11 days per year.

I think there is some confusion on that point, confusion that I find difficult to explain.

All in all, Mr. President, the conference report is a reasonable melding and a balanced statement of the environmental concerns that were perhaps first thrust upon us as a country in a recognition of the implications of EPA regulation under the court decisions interpreting earlier congressional action. It became clear that something should be done by the Congress. I share with the Senator from Tennessee the feeling that we did make a marked stride forward in transferring more clearly to the States the discretionary powers that are necessary in the nondegradation area, which I think is a constructive step and one which I hope we can follow.

Mr. President, I, too, as the Senator from Tennessee has said, recognize the reality of the situation in which we find ourselves today, probably can yield an accurate forecast of what will happen to this legislation today. But whether it is today or next year, the Congress will legislate in this field. It must legislate and it will legislate. Whether we start in January with this legislation or simply extend our hearings and extend our deliberations, the Congress will begin again the task which we have brought this far.

I commend the Senator from Maine for his persistence, tenacity and patience in dealing with us in this very, very difficult process over the last 18 months.

Mr. MUSKIE. Will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. MUSKIE. As the Senator knows, I am not well known for my patience.

Mr. McCLURE. In view of the passionate devotion of the Senator from Maine to this subject, the patience was very remarkable.

Mr. MUSKIE. I must say I have always appreciated the work and the contribution the Senator makes to the committee. Ideologically we do not always follow on the same path, and yet I have always found the Senator's contributions constructive and useful. Sometimes the Senator pushes his meticulous frame of mind to the point that it is frustrating at the moment, but after the fact I have found it has contributed to a sound resolution of the issue. I am happy to have the opportunity to say that.

Mr. BAKER. Will the Senator yield?

Mr. McCLURE. I yield.

Mr. BAKER. Mr. President, I meant to say in my earlier remarks what I have said on the floor many other times, the great respect I have for the Public Works Committee.

I have never observed any group of men who have worked as hard, I believe, and as diligently over such complex issues as I have this group, and none more than my colleagues on the minority side. I think particularly of Senator Domenici, Senator McClure, Senator Buckley, and Senator Stafford, who are so exquisitely prepared on such a wide range of issues it guarantees a meaningful dialog in the subcommittees and in the committee.

I cannot give them enough praise for their hard work and dedication in this respect.

The Chairman has become an institution in the Senate. He deserves his reputation as an aggressive, energetic chairman of an important committee who, I believe, understands more than any of us the mechanisms that make legislation move. He has such an extraordinary concern for the minority that it is a sheer pleasure to work with him.

The chairman of the Environmental Subcommittee, the Senator from Maine (Mr. Muskie) is rapidly carving out a niche for himself and a name as the innovator of most of the important environmental legislation in the last decade. It has been my pleasure to serve with all the members of the committee, and I want to pay my genuine respects to all of them, and particularly my respects to my distinguished colleagues for their efforts and cooperation in the conference.

Mr. MUSKIE. Mr. President, I would like to make known one of the many contributions of the distinguished Senator from Tennessee in the work of this committee, and that is what he and I have come to understand as the "one-two punch" in conference committees.

I am the aggressor and often abrasive, as the Senate knows I have a capacity for being, but Senator Baker, who has an exquisite sense of timing, often follows through with the role of conciliator that enables us to resolve difficult and knotty issues with the House.

I hope that relationship will not end in the near future, because I think it is a continuing contribution, at least to my enjoyment of the committee, and I thought it ought to be noted for historical purposes.

I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I know it is dangerous to pass around credits, in that you might miss somebody who should have been included. I think each of us would have to confess that the staff, both majority and minority, made massive contributions of their time and effort and constructive comments. I would particularly like to note my own staff assistant, Mike Hathaway, and the way in which he has worked on this legislation.

Before yielding the floor, I think we should also express regret that Senator Baker is no longer the ranking Republican on this committee, having had to yield that position to the Senator from New York (Mr. Buckley) as he took another important assignment in the Senate.

Certainly his contributions were marked on this measure, and I think in the absence of Senator Buckley we should also make note of the contributions that he made, not only after but before moving to the position of ranking minority member of the Public Works Committee.

His position is well known, and I do not need to state it, but in regard to the viewpoint he expressed within the committee and the role he played in formulating legislation, we owe him our appreciation.

Mr. MUSKIE. I thank my colleague, and I yield now to the distinguished Senator from Utah (Mr. Garn).

Mr. GARN. I thank the Senator from Maine.

Mr. President, in the Senator's initial remarks, he quoted from a news release of mine of September 30, and I objected to its inclusion in the Record only because I wanted it read in its entirety. I take the opportunity now to do so, so that there will be no misunderstandings or misquotations about what I did say:

> U.S. Senator Jake Garn (R-Ut) said today that he will if necessary filibuster the Clean Air Act Amendments Bill. Garn said he is prepared "to talk all day and all night, to do all I can" to prevent a vote on the legislation. He said he has not seen any of the conference report's language but that, from what he has been told, it contains the worst of the Senate and House bills.
>
> In explaining his opposition, Senator Garn said, "First of all, even if it were a reasonably good bill, I think it is a disgrace for Congress to work on a bill the way they have this one. We are scheduled to adjourn within the next day or two. Senate-House conferees have worked for several days and finally agreed at around midnight last night. They will not be able to have the language printed until tonight because it hasn't even been written. And we are expected to vote on a piece of legislation as far-reaching as this without even being able to see it. We have no idea what impact this bill will have on the country; no one knows what the implications will be. We should be more responsible than that. Congress should not consider legislation this complicated on such a short term basis, and try to ram it through prior to adjournment.
>
> "We know this Act will have severe effects on the automobile industry. We know that it will have tremendous impact on public land states such as Utah, to severely limit growth and development.
>
> "It is interesting to me that the same people who are yielding to the radical environmentalist groups and supporting this legislation are the Congressional liberals who are crying about high unemployment. By supporting legislation like this they are stifling the economy and helping to cause high unemployment. They can't have it both ways; they can't vote to obstruct growth on the one hand and expect to have huge deficit job and welfare bills on the other.
>
> "Killing this bill will not mean that we will have dirty air," Garn continued. "The National Public Health and Welfare primary and secondary standards which are in effect will remain in effect. It will be up to the individuals states, most of which already have clean air rules, to pass stricter laws if they desire."

Mr. President, I have two particular comments. The distinguished Senator from Maine several times talked as if I had accused him and some of my other colleagues of being radicals. That was not said. I talked about radical environmentalist groups, but I certainly do not impugn the integrity of any of my colleagues or consider them radicals.

But I repeat, I do think there are radical environmentalist groups in this country which have been taken over by a few individuals who care nothing about jobs, they care nothing about the economy, they would like us to go back and live in some sort of sylvan fairyland that just does not exist anymore.

Some of them, I insist, are so radical that they would oppose the Resurrection because it would foul up the cemeteries. That is what I was talking about.

Also, I have been listening to the campaign rhetoric of the Democratic nominee for President right now, and one of his big issues is unemployment.

I believe, just as much as the Senator from Maine believes in his position, that most of the unemployment in this country has been caused by Congress over the last few years, through OSHA, environmental legislation, clean air, and other measures.

Obviously, Mr. President, there was a problem in this country. We did not care what we built or where we built it. We did not care what we put into the air or the water, and that was wrong. I think I am just as much a conservationist or environmentalist as anyone on this floor, liberal or conservative; and I also happen to think we do need jobs in this country, and we need them in the private sector.

I believe that we have attained the greatest standard of living ever seen on this Earth despite Congress, not because of it. But more and more, over the years, regulations issued from Washington have resulted in the loss of thousands of jobs. For example, because of the Clean Air Act of 1970, which allowed some of these groups to stall, eventually the companies involved withdrew from building a powerplant in southern Utah which would have created 15,000 jobs in the southern part of the State, where we have had as much as 20 percent unemployment. Yet now we are going to create make-work public works jobs out of a $50 billion deficit.

It is not just this act alone, but all the others; the totality of what Government is doing to the private sector, I submit that is why we have the massive unemployment, and this pump priming from Washington will never solve the problem permanently, it simply will not. That is what I was talking about in the press release. And I say to my colleagues I will continue to talk about it all over the country, and as long as I am in the Senate I am still going to fight for private enterprise, that built this country, not the Government; and I am going to fight for the local and State governments, to quit having rules imposed upon them by Congressmen and Senators who have never been there.

The distinguished Senator from Maine has been there. He has been a Governor. But most of my colleagues have not, and most of the bureaucrats, the grade 10's, 12's, 18's, have no idea whatsoever what the world is like, and they promulgate rules and regulations that stifle the economy and make the law almost impossible to comply with.

Jimmy Carter is running against Washington this year. I agree with almost everything he says in criticizing Washington, but it is his party that controls Congress, that has created practically all of those bureaus and agencies he talks about.

How can we have it both ways? How is it possible to have it both ways? Let there be no doubt of what my intention was in my press release. I stand by it. I feel that way.

I will continue to fight for the principles I believe in exactly as I respect the senior Senator from Maine fighting for the principles that he believes in.

Let us talk a little bit about this delay so there is no doubt about that. Yes, I am participating in a filibuster. There is no doubt about it. But it certainly has not been sneaky. It has not been back door. No one has been unaware that it was going to take place.

I wish to talk a little bit about why it is taking place and my objections to this bill, but, first, let me read in its entirety a letter that was written more than a week ago, on Sepember 24.

U.S. SENATE,
Washington, D.C., September 24, 1976.

Hon. EDMUND S. MUSKIE,
Committee of Public Works
Dirksen Senate Office Building,
Washington, D.C.

DEAR ED: I understand that the Clean Air Act conference was unable to reach an agreement last night, and that the next meeting is set for Tuesday. Under the circumstances, that makes it virtually impossible to get before the Senate any kind of agreement which has had sufficient consideration either by the conferees or by those of us who do not sit on the conference.

While I know that you have invested a great deal of time and energy in this legislation, it will be impossible for me to permit consideration of a conference report which is written overnight, by staff, or which is not even available to us in printed form. In my view, given the potential impact of this legislation, and the degree of controversy over many of its provisions, we would be foolish to consider a compromise bill without a detailed conference report available.

While I do not like to do it, I must therefore inform you that it will be my duty to object to any floor consideration of the conference report unless the bill is available far enough in advance that it can be studied, and unless there is a report available which explains the actions of the conferees.

Of course, the best thing would be to adopt Mike Gravel's suggestion that we drop the controversial sections, and pass a simply extension for the automobile industry. It just seems to me that there is no point in going through this whole exercise on a bill which it will be difficult to handle on the floor, and which may very well be vetoed.

Sincerely,

JAKE GARN.

That was a week ago. If the report had come out on September 24, even then I did not think we had time to properly consider this.

The distinguished Senator from Wyoming has talked about passing OSHA. The Clean Air Act passed with no dissenting votes in 1970 because it is difficult to be branded as being for dirty air or dirty water or whatever, and so we vote that way without really having the knowledge, the expertise, or the time to get involved in it.

As his colleagues, I congratulate the Senator from Maine and those on his committee for the work and time they have put in on this. But the way the Senate works we are not all on the same committee. I expect that I would have knowledge of the bills coming out of the Banking Committee, and I should know in detail what they are. But I certainly cannot follow all of the hearings that the Senator mentioned. I cannot be involved in all of those, and particularly on complex pieces of legislation as this we do need some time to study. I have no doubt that it has not been hurried into by those who have worked on it, but for the remainder of the 80 or 85 of us in the Senate we have been involved in our committees and we have been involved in the other things that are going on.

When the distinguished senior Senator from Utah introduced his amendment last spring, earlier, it was going to come up, and at that time I objected to bringing it up 2 days before the April recess, not because I wanted to kill the bill at that time, but I feared that we would rush the Senate version through in 2 days without having opportunity to consider the final version.

And fortunately that was no problem. The Senator from Maine was very cooperative. It was delayed much longer than we really needed to have it delayed for proper consideration.

That is all I am concerned mainly about at this time, as we are doing it again. We have come back. I had the conference followed by my staff. I had a staff member in all of the conference committee meetings. I had reports on what was going on. I know the difficulty of reaching compromises and coming up with a final decision. I know what a difficult conference it was. And I also know that, in talking to some of the conferees and staff, because of the long sessions and complexities of the legislation sometimes we simply could not get an answer to, What is the effect of this change?

Those simply are the facts. Those are the facts that have gone on.

So at 5:45 p.m., last night I finally got a copy of the report, and I find it a little bit difficult to believe that the greatest deliberative body on earth—that is what I heard the Senate called ever since I have been here—should be given the opportunity to deliberate for only approximately 24 hours on a huge bill that looks like chickens have scratched all over it. It not only is not printed but it has notations in pencil. It has arrows and darts and things scratched out. And I am not convinced I am capable of understanding from that report what we are passing.

So I do think it is wrong to bring it up. I wish to say something else. If we were not going out of session, all I would be asking for would be sufficient time to have it printed and sufficient time to study it, so that we could come back and debate it on a factual and intelligent basis. I would not be participating in a filibuster if there were time enough to study this.

Mr. MUSKIE. Mr. President, will the Senator yield for a question?

Mr. GARN. I yield only for a question.

Mr. MUSKIE. How many other conference reports is the Senator going to oppose?

Mr. GARN. I am very happy the Senator asked that question because there have been, not by me, but there have been a number of conference reports that are being opposed. If this one were not going on, I am sure, as the Senator knows, there are other Senators opposing other conference reports, but they are getting the benefit of this debate. As to other bills of this complexity, many of those conference reports are two- or three-page bills, as I am sure the Senator knows. The Senator said he worked on this measure for 2 years. So it is a much more complicated bill. It involves scientific data that many of the other bills and conference reports simply do not.

Mr. MUSKIE. Mr. President, will the Senator yield for another question?

Mr. GARN. I only yield for a question.

Mr. MUSKIE. I have been in the Senate 18 years. And this is not the first time a conference report on a complicated bill had to be considered and even complicated policies involving technical language had to be considered under the pressure of the closing days. How do we avoid closing days? Do we simply by statute say there shall be no closing days in any session? Somebody said yesterday that if he knew how to define the last 2 weeks of a session, he would introduce a law to abolish them. How in Heaven's name do we deal with this problem? I mean do we declare a moratorium on complex issues and complex bills, for some period before we finally adjourn? If so, who makes the judgment? Are we to be given no oportunity to resolve issues that we debated for 2 years because they were complex, because in the closing sessions there are still some questions? I wish to have some judgment on that.

Mr. GARN. I am frankly sorry we did not get to it sooner. As I said, I only asked for a week's delay in April.

Mr. MUSKIE. The Senator has said that. Let me put another question.

Mr. GARN. Still reserving my right to the floor.

Mr. MUSKIE. Of course. I am not going to play games with that.

The Senator has told me. He has said on the floor that he had more time than he needed between the time that the bill was reported to the floor and the time that we acted in August. A substantial part of the conference bill is the actual language of that bill which he said he had more than enough time to consider, and now he says we are considering it hastily. I find that very difficult to understand.

Mr. GARN. In conference reports, as the Senator knows, there are changes that are made and if the public and the press can see the chicken scratches and many changes——

Mr. MUSKIE. Will the Senator yield?

Mr. GARN. Only for a question.

Mr. MUSKIE. I cannot offer a committee press to avoid pencil markings of that kind. We got through the conference report at midnight. The staff immediately proceeded for 20 hours to do what I think is a fantastic job of reducing to writing what the conference had done, and I looked over the bill. I have looked over the bill. And they have accurately reflected the work of the conference. And that dedicated committee staff work is described as chicken scratchings? You know, I find this incredible.

Mr. GARN. I say to the Senator, yes, I think they are described as chicken scratches, not because of the staff, and I do not mean to downgrade them, but if it takes experts, staff members who lived with this bill for 2 years, 20 hours to come up with an analysis of what has been done, then what does the Senator think a Senator who is on the Banking Committee and does not have all that expertise and background can do? We have not had 20 hours yet to study the report.

Frankly, I cannot analyze it the way they can; and I do not ever intend to accept anybody else's blind opinion without having had an opportunity to assess it on my own.

Mr. MUSKIE. Mr. President, will the Senator yield for a question?

Mr. GARN. I yield for a question only.

Mr. MUSKIE. The Senator already has said that with respect to those portions of the conference report that was simply carried over from the Senate bill, that he had more than enough time last spring and summer to study those. Those are part of the chicken scratchings to which he objects. It did not require additional analysis to present it, but it took some time to assemble it into an integrated whole. Some of the chicken scratchings are not substantive, and the Senator must know that.

I was a member of the Committee on Banking, Housing, and Urban Affairs. Unless it has changed radically, there often are times when you have to consider staff documents that are not neatly printed in final form, that you have to consider in interim form, as they move along the process.

I wish we could have had a printed document. But I can only say that we come down to the hard question which the Senator has to ask himself—what does he mean by saying that never in some period at the end of a session shall we consider anything but the simplest kind of propositions? I put that question to the Senator.

Mr. GARN. I will be happy to answer that question.

I have seen legislative bodies, including the Utah Legislature, stop the clock at midnight. I have seen legislation come out over and over again that was rammed through—some I agreed with, some I disagreed with—simply because people wanted to go home, and they did not like to hold the clock at midnight and indirectly violate the law. We would get a massive rush of bills which simply had not had proper consideration and were only passed because of the desire of people to go home. I think that is wrong.

I do not think we should consider legislation that is not printed in final form. Maybe I do not understand or cannot read a particular staff member's handwriting. Maybe I need it in typewritten form to understand it. That is my point.

The answer to the Senator's question is, let us not adjourn, then. Let us stay here, instead of rushing through. That is the answer to that question.

We cannot define the last 2 weeks. We can sit here until we have had proper time for consideration and debate. So if all 33 candidates want to stay the remainder of October, it is fine with me.

I should like to go on now with my presentation.

There is one other letter, so that everybody knows that this so-called delay was not forced in at the last minute. I also informed the distinguished acting majority leader and the minority leader and wrote them a letter:

WASHINGTON, D.C.,
September 24, 1976.

HON. HUGH SCOTT,
Senate Minority Leader,
Washington, D.C.

DEAR HUGH: In a session full of difficult and complex legislation, certainly the Clean Air Act Amendments Bill is among the most complex. As you know, I have objected several times to the possibility that this bill, with its tremendous impact on certain parts of the country, might be brought to the floor of the Senate under a timetable that would make full discussion of its provisions difficult if not impossible. As it turned out, there was adequate time for discussion, and while I am not personally pleased with the bill the Senate passed, I have no complaint that it was rammed through without proper notice and debate.

At the present time, the bill is in conference, where members of our Public Works Committee are trying to work out an accommodation with an equally complex and quite different House bill. Yesterday, the conferees met, in fact, well into the evening, without coming to any conclusion. I understand that they will not meet again until Tuesday of next week, and that the hope is that they will be able to agree on a bill, and bring it to the floor as early as next Wednesday.

I take this opportunity to point out that until the agreement is actually reached in conference, no one will begin the actual writing of the legislation. Consequently, even if agreement is reached, it is impossible for us to have before us a printed copy of the agreement; further, there is no possibility of having a conference report on the bill until much later, no matter how much work a dedicated staff puts into writing it.

Under those circumstances, I feel constrained to point out that I would have to object to consideration of this legislation. The impact of this bill on Utah and the nation as a whole is simply too great to allow the Senate to consider it without hard copy in hand, and without a conference committee report. In view of the shortness of time before adjournment, I can see no way for adequate debate of a bill which will essentially have to be written by staff.

During the conference yesterday, the statement was made by several Senators that if we cannot do the bill right, we should not do it at all. Senator Gravel proposed dropping all the controversial sections of the bill, and passing simply a one-year extension for the automobile industry and permitting the Administrator of the Environmental Protection Agency to set the 1978 standards. Such a compromise can easily be handled within the time available, and in my view is the only sensible solution to a difficult problem.

As the 94th Congress ends, you have a difficult job of scheduling. I see no reason why you should have to worry about the possible procedural delays which would result from scheduling a Clean Air Bill that had not had full consideration by the conferees or by other interested Senators.

Sincerely,

JAKE GARN.

As of this time, we still do not have a copy. I have a copy which the senior Senator from Maine furnished me—a rough copy. I still do not have a report of the committee. I have the bill. I am sure that none of the other Senators who are not involved in this have ever seen the massive copies I have.

So I do not see that we should vote on this kind of bill, of this complexity, without having proper time for consideration, because it will have far more impact than anybody realizes. I do not think the staff, as dedicated and bright and intelligent as they are, really know the answers to the impact it is going to have on the economy.

All I can do is go back, in hindsight, and see what the original Clean Air Act had. I started to address myself to that, that we needed to get away from building anything, anyplace, and not carrying it to those responsible environmentalists who started getting it on the track back the other way. I compliment them, and I am glad they did it.

I do not know why in this country we have to have a pendulum that swings from one side to another, where we go from the extreme of polluting the environment, without concern, to the other extreme, that we are going to stifle business and industry and try to live in some sort of sylvan fairlyland that does not exist, anyway.

We need jobs, and we need to cut the unemployment rate. In a State like Utah, two-thirds owned by the Federal Government, with five national parks, second only to California, with big acreages in canyon lands particularly—the Lake Powell area, Zion, Bryce, the buffer zone, and the nondegredation—we are simply going to lock up our resources.

We happen to have vast amounts of low sulfur coal, which is good for the environment. It is better to burn that than the Eastern Coal, which has high sulfur content. We are just going to lock it up in the Federal lands.

I wish some of my Eastern colleagues would live with the experience of having two-thirds of the State's land owned by the Feds.

We talk about land-use legislation. We have had it on two-thirds of our State, and it is not just land-use legislation. It is dictation by BLM, the Forest Service, and the Park Service, just ignoring the local government officials.

I have said this before. I was not really the mayor of Salt Lake City. I was the local manager for the Federal Government. Some GS-8 in Colorado, just out of college, bright and intelligent, was sending me letters, telling me how to run my affairs, reading the Federal Register.

Tom Bradley, the mayor of Los Angeles, and I, as officers of the National League of Cities, argued for the position of our cities before Congress. We heard a lot of talk about the fact that we have to help the cities. The best way to help the cities is to leave them alone. Let the mayor make the decisions in his own area, and he can be held accountable to his constituents for it.

When I was mayor, I picked up the Salt Lake City Tribune one morning and saw a big headline across the top of it: "EPA Announces Transportation Control Strategy for Salt Lake City." I was a little puzzled, because I was the mayor; yet, I had not heard anything about it. I read about it in the morning newspaper.

So, before I got too excited, I thought I would go down and talk to my city commissioners and department heads. I found out that nobody from EPA had talked to them, either. Nobody had consulted them. Yet, they had a transportation control strategy for us.

I wrote a letter to EPA and said:

> I find it very difficult to respond to your transportation control strategy for my city because I cannot believe an intelligent human being could have written it.

I sent it to Denver. I said:

> I can't comment more fully at this time, but I will be at your hearing on July 29 to talk in more detail about your extermination plan for Salt Lake City.

All they said was that they were going to prohibit parking 6 hours a day in a 2-mile square area, impose gas rationing, block off Main Street, and a few other little incidentals. They admitted, when they came over, that they had not talked to the elected mayor, the city commissioners, the traffic engineer, planning and zoning; they ignored the elected Governor and the appointed officials of Salt Lake City. But they were coming in to dictate a plan, what they had decided was good for clean air in our city, totally ignoring the elected representatives of the people. And believe me, by anybody's analysis, it would have totally stifled the business community in Salt Lake City.

Mr. HELMS. Mr. President, will the Senator yield to me for a question and/or comment, with the provision that he does not lose his right to the floor and, when he resumes, it not be considered a second speech?

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

Mr. GARN. I yield.

Mr. HELMS. The Senator has put his finger on the apprehensions of those of us who are concerned about the timing of this conference report, coming as it does at the last minute with no opportunity even to read it for the simple reason that it has not yet been printed. I do not think the Senator from Utah—and I shall put a question mark at the end of this—is questioning the good faith of the distinguished Senator from Maine or the competence of the staff or anything of that sort, is he? What he contends, and I certainly share it, is that there are 100 Senators in this body who have a duty to know what is in this bill. Is that not right?

Mr. GARN. That is correct.

Mr. HELMS. Mr. President, this is the way the existing myriad Federal controls began. Legislation has been slipped through, year after year, with fancy appealing titles. Everybody is in favor of clean air and, I daresay, motherhood, and perhaps, under limited circumstances in Congress, depending upon whom you are talking about, we are against sin. But the fact remains that this piece of legislation labeled "clean air" contains many questionable features that deserve study, otherwise there could be another monstrosity such as OSHA in the making—and perhaps even worse.

Therefore, I ask the Senator, is it not the duty of every Senator to know precisely what is in this measure, lengthy and complex as it is, and time consuming as it may be to study it? To do that, first we must have a copy of it. We must know exactly what came out of the conference. Is that not correct?

Mr. GARN. I agree that, with the complexities of this bill, we have to know the good things in it—because there are good things in it—as well as the detrimental.

Mr. HELMS. Certainly. I would observe, Mr. President, that we have another piece of legislation waiting in the wings, that commands our attention as well, and for the same reasons. It has been floating on and off center stage in this Chamber for the past couple of days. It is the black lung bill. Nobody in this body is in favor of black lung, I say to the Senator. Certainly I do not want to interfere or obstruct fair play to the victims of it. But I daresay that the vast majority of the American people are concerned about any piece of legislation that sets up a potential ripoff of the taxpayer, which I believe the so-called black lung bill does.

That is what the Senator from Utah is talking about. He is talking about legislative responsibility. I commend him. It has been a strenuous effort for him. I was here with him until almost 2 o'clock this morning. Neither the Senator from Utah nor I challenge the good intentions of the able Senator from Maine. I respect him, and I like him. I admire the work that he does, though we do not always agree. But I do believe that if he will back off and look at the situation, and consider the complexity of this legislation which he asks the Senate to approve in haste at the last minute, he will see the point we are making. I would be willing to wager that scarcely any Senators know anything about this bill. How could they? I hope the Senator from Maine will understand why the Senator from Utah and the Senator from North Carolina and others are concerned about this legislation coming forth at such a late hour.

I commend the Senator from Utah on the fine service he is rendering.

Mr. GARN. I thank the Senator from North Carolina for his question and I continue with the wonderful demonstration of the Federal bureaucracy, especially the EPA, in Salt Lake City.

We did hold that hearing and unanimously, everybody was opposed to the plan—the Governor of the State of Utah, the distinguished Calvin Rampton, the only Governor to serve three terms in Utah, undoubtedly the most popular Governor in the history of the State—and, by the way, a Democrat. He would make a fine President of the United States. I wish he were the nominee instead of Governor Carter.

Nevertheless, he opposed this. He took the EPA apart. All the local officials across the State did, because of the impact. The Governor of the State of Utah, who has been immediate past chairman of the Governors Conference, is totally opposed to the nondegradation sections of this bill and has so informed his good friend, the distinguished Senator from Maine, on several occasions, that he is opposed to it. The opposition was so overwhelming in Utah that we did get the EPA to back down a little bit.

The thing that disturbs me, I suppose, more than anything else is that Congress set up a bureaucracy of appointed officials and civil servants and gave them the authority to ignore the people who were elected by their constituents in a community. They did not bother—they would have found out, if they had come over and asked the traffic engineers, that we were working on a computerized traffic control system.

They would have found out that, within 6 or 8 months, there was going to be a special improvement district created which would narrow Main Street in Salt Lake City, which would plant trees, which would help absorb some of the pollution, which would block off Main Street to through traffic and eliminate 6,000 traffic movements a day in a three-block area.

They did not bother to find out that there were new parking facilities of 2,500 and 1,500 cars that were on the drawing boards or already under construction. They simply did not bother to ask a simple question. They would have found out that we would have met the ambient air quality standards in our city without their ever bothering to take the time studying us, other than to put out their monitors and check on what the quality situation was.

We were doing it all on our own, without somebody telling us to. They did not bother to find that out. They notified the elected mayor in the morning newspaper. Common courtesy, common decency, ought to tell them, even if the law did not, that you are supposed to cooperate with elected officials. You would think common courtesy, commonsense, would make them say, "Gee, we ought to go and tell the county commissioners, the mayor, the Governor of the State of Utah, what we have in store for them."

I warned my good friend, the mayor of Denver, because their hearing was coming up, and my good friend, the mayor of Phoenix, John Driggs—Bill McNichols at that time—what to expect. The EPA plan was basically the same for all three cities. They had done no research, they had not looked into it, they had not consulted any of us.

I say to the distinguished Senators from Colorado—both of them are on the floor—that the mayor of their capital city will confirm this: He was not talked to. The mayor of Phoenix, Mayor Driggs, will say the same thing. The EPA simply said:

> Thou shalt do as we say because Congress gave us the power to do so.

I do not like that system. We have a good old-fashioned system. If I were a lousy mayor of Salt Lake City, the people could take care of that in the next election. They could get rid of me at the next election. They can get rid of a Congressman or a Senator they do not like. But tell me how you get rid of a GSA or HUD or HEW person out there in region 8? They can become arbitrary, dictatorial, very impressive, because they never have to face an election in this country. That is taking control away from the people of the country and imposing rules and regulations that are costly in terms of taxes, costly in terms of higher prices, costly in terms of unemployment, with simply no regard for the environment.

We had a young lady who came over and wrote the standards for Kennecott Copper Corp. She got out of college in June and wrote the standards for EPA in July. She had a wonderful set of standards for Kennecott Copper.

The Senator from Maine mentioned that they now have a standard that a stack cannot be more than 2½ times the surrounding area. This is the type of thing I am talking about. The bill is riddled with ridiculous things like that. How can you decide that, in every place in this country, every place in every State or every city, a stack that is 2½ times or more is too high? There are different environmental conditions in different places in this country. That is why it was so silly for EPA to impose a plan like that on Salt Lake City and Phoenix and Denver.

We have temperature inversions in Salt Lake City. Phoenix does not have temperature inversions like we do, neither does Denver. They are on the eastern slope and the fronts do not back up against the mountains as they do in Salt Lake City.

Kennecott Copper Corp. just spent $10 million for a big tall stack. It is a lot higher than 2½ times the size of the surrounding buildings. But it is a lot lower than the mountains that it is built right next to.

With the prevailing air currents, with the difference in terrain from mountains to flat country, who decides 2½ times? Maybe 2½ times is too high in some areas. Maybe in other areas it is way too low. That is what we are doing, a vast country with great geographical differences, and if anybody can convince me that the climatic conditions are the same in Washington, D.C., as in Salt Lake City, and we can impose the same kind of ridiculous rules and solve the air pollution problem, I would like them to to prove it to me.

Boy, do we have different climates. I would love to be back in the dry air of Utah, get away from the humidity, and see some mountains, which is what I will do tomorrow, if we get out of here.

But the point is I do not think any scientist can say that you can come up with uniform rules and regulations and impose them on a whole country and expect them to fit.

It is like the silly old example I used to use when I was mayor, that I pass an ordinance that would require every man in Salt Lake City to wear a size 42 suit because I did, because that was the size that fit me.

Well, how stupid can you get. Every man in Salt Lake City is not a size 42. Some of them are big and fat, tall, short, and others are thin, and they require different sizes of suits to fit their bodies.

We have got 80,000 units of local government in this country in 50 States and a few territories, but Congress is smart enough to decide on uniform rules and regulations that are going to fit all the different climatic conditions, all the difference geographic areas.

It is not possible; it simply is not possible. You will end up with the same thing as the guys wearing suits, which would be too big for some and too small for others, and you cannot make it fit. There has got to be a lot more flexibility than was put into this bill, and if we are successful in stalling it for this session—I agree with the Senator from Idaho we do need legislation, we certainly do. But I would hope we could come back in January, recognizing that we need some more balance between the economy and the environment, some more commonsense, and not ever go back to what we were doing before, and not let industry get away with many of the horrendous things they have been getting away with for many, many years.

But let us not swing the pendulum to the other extreme until we stifle growth, create more unemployment, and then come back here and create more emergency jobs programs every year, and more emergency housing programs, and all the things we do.

At least to the junior Senator from Utah it just simply does not make any sense to continue. My hindsight is 20/20. I do not think my foresight is better than anyone else's, but my hindsight is 20/20, and after 25 to 40 years of building up this bureaucracy and all the impositions of rules and regulations on the American people, I think we ought to start to profit by our mistakes. We have made mistakes enough over and over again. Once or twice or three times I can understand. But when we continue to do it—and I am not just talking about the environment in this case, I am talking about the impositions on business and industry over and over and over again, and when I ask who is paying the bill. The American taxpayer, the American consumer. He is getting it as a taxpayer, and he is getting it in higher prices as a consumer.

We are financing all these programs and all these bureaucrats with deficit financing. Then we have got inflation, and we hear the politicians saying that we have to balance the budget and we have to cut down on inflation and we have to create employment, and then we are not doing the things to stop those problems When is it going to stop?

I do not like to delay a bill. I do not like to use these tactics. I just happen to think not only because of the lack of time but because this bill has implications that are so detrimental to the good interests of the economy of the United States it should not be passed, and I would hope that the next Congress will try to balance better the economy with the environment, put commonsense back into it. Let us come up with some strategy that will clean up the environment in a reasonable amount of time without killing the goose that lays the golden egg.

Talk about Government all we want, it is still five out of every six employees in this country who work for the private sector, and the biggest employer in this country is small business.

We hear all this talk constantly about big, bad business. Let me tell my colleagues, and whoever else cares to know, that most of the people in this country are employed by small business.

In my State we are constantly told that the biggest single employer is Hill Air Force Base, with about 18,000 people. Well, that is true. But collectively the biggest employer by far is small business. They are not employed by Kennecott, Sears, and Hill Air Force Base and all the big employers. Collectively over 200,000 people in Utah work for small business.

The same proportions exist across the United States. As the ranking minority member of the Small Business Subcommittee says, it is very evident for whom most of the people in this country work and on whom the controls and the rules and regulations are hardest in this country and that is on the small guy.

Then we talk about antitrust legislation. "Boy, we are going to get the big boys." We are party to putting people out of business, forcing them to sell, to be absorbed, to be consolidated, with the big boys, because many small businesses just cannot take it any more. They cannot make a profit, they cannot stay in business. We have lost more jobs and we are mad at the big ones.

When is it going to stop? When are we going to stop responding to the Ralph Naders, the Consumer Federation of America, and all these do-gooders representing these special interest groups, and when are we going to start listening to the common, ordinary citizen who pays the tax bill and who is regulated by all of these things?

I do not think any one of them wants dirty air. I do not think they want their kids endangered, but in this bill we are going far, far beyond that. We are talking about no degradation at all, none, despite the fact you can prove you can have powerplants without any air pollution.

We have a plant, the Huntington plant in Utah, which everybody said would pollute a whole county. It was built, and it produces 400 megawatts. You know, one day it was rather interesting, I read it in the paper, they had to have a special exemption from the State air pollution control, because an airplane wanted to fly through the plume out of the stack and take samples. But the air was so clear the plane could not find the plume from the stack gases, so they had to put particulate matter into it so that they could find it and sample it to determine the air quality.

So we lost an opportunity to have this plant which, I have said, would have created directly or indirectly 15,000 jobs.

Talk about a radical minority, we had the Friends of the Earth, the Sierra Club, the Environmental Defense Fund, and Robert Redford and a few others coming in and screaming about this plant and making all kinds of statements that were certainly disputable at best, and they killed it without delay in an area which had 20 percent unemployment.

Do you know what the people of that area thought? Eighty-five percent of them wanted it. The ones who live next to it, 85 percent of them wanted it.

What do we hear about in our political rhetoric around this country today? We hear a lot about citizen involvement, citizen participation. We write it in the bills we pass. We wrote it in the community development, we wrote it into the community action program, the model cities. As a mayor I had to hold meetings to listen to people. That is fine. I think you should. That is my point. How were we supposted to respond to our constituents and to listen to our people and to be representative of those we call our constituents?

So we get people from New York and California and all over getting funds from sources they do not want to disclose, just like in the lobbying bill. It is only business lobbies that are bad. Certainly the so-called public interest groups are not bad, and where their money comes from is not important.

They come from all over the country to hear about citizen participation, and five or six that were leading the charge kill the great plant, the great opportunity for employment, an increase in the tax base, when 85 percent of the people of southern Utah said they wanted it. What kind of government is that? Is that democracy? Is that representation? Is that what we are really talking about when we say we are elected to represent our constituents?

I am not particularly interested, frankly, in what the Friends of the Earth, the Environmental Defense Fund people of New York think about southern Utah. But I am certain about what the people who live there think about it. I am frankly not concerned with keeping a playground for all of the people who live in New York City either to come up and crowd up my environment in Utah. You had better believe I am being parochial. I think the people of Utah elected me to be parochial and look out for their interests, and I am going to continue to do that.

When we talk about a reasonable, rational, workable bill, maybe it is. I do not know. I do not think so, but I certainly have not had the time nor the opportunity to consider it, and I do not know who else has on this floor.

I would not want to ask questions of Senators, because I would not want to embarrass them. I would not want to be asked questions either. We simply have not had the time. I will bet there is not anybody on the staff who can tell me what the impact of this two and a half thing is on Kennecott Copper's $10 million stack. Are they going to have to tear it down? Will they have to let it go? I do not know. We could go on and on.

There is a provision in there, I understand, that talks about making everybody in the country comply with New Jersey's automobile standards. I do not know what New Jersey's automobile standards are. I do not know whether they are good, bad or indifferent, or fit everybody in the country. That is another one of the uniform procedures they want us to go along with.

They also tell us, and this I cannot believe, that we cannot use our own low-sulphur coal in Utah but only as a last resort. It burns cleaner than any other coal in the country, but we cannot use it. We will have to get processed coal, cleaned up coal, first. So we hold that in reserve, I guess the theory is. "Do not burn it." There is only a 300-year supply in the State. I would have hoped we would have developed solar energy by then or some other means of solving the energy crisis.

"Do not burn it."

Then we have the wonderful wizard of the Potomac coming up with these ideas about high altitude standards. We heard all the talk about how we have to economize; how we have to conserve fuel; how we have to become energy independent. What do we do? We have EPA passing regulations for places like Salt Lake City, Denver, Albuquerque, all over 4,000 feet in elevation, where they will not have economical cars as a result of that ruling unless they modify them. The Chevrolet dealers in Utah will not be able to sell Chevettes with the 1.4 liter engine, and they will not be able to sell cars of many models with a standard transmission, which gets 3 or 4 more miles to the gallon, with a bigger engine.

If you want to buy a V–8 with an automatic transmission, you can buy that.

What kind of sense does that make? Does one hand of the Government know what the other hand is doing? I guess the mistake I am making there is that there are not just two hands, but there are thousands of them and not one of them knows what the others are doing.

At the time we are talking about conservation, we are talking about energy independence, and we have to solve this crisis of imported oil. We are passing regulations in an area where only 2 or 3 percent of the population live and where a very small percentage of the cars are sold.

Then we get into who is going to determine whether a resident of Salt Lake City can drive to St. George, Utah, which is below 4,000 feet, buy a car, drive it back and operate it in Salt Lake City. Are we going to hire some more bureaucrats to track down those dirty cheaters who did not buy an automobile in the high altitude area but cheated and drove to a low altitude area and drove it back home?

When will we get serious with commonsense? Those are real things. They are happening. I am not telling scare stories or trying to be cute. I am wondering if anyone can answer that, if the staff can answer that. Will we not sell Chevettes and Pintos with little engines, but make people buy automatic transmissions and V–8 engines? We can hire a police force to track down all the cheaters. St. George is only about 2,000 feet in elevation. It is well within the area Cedar City, 60 miles north, at a little over 4,000 feet in elevation, becomes important, too. Do all of those dealers become bankrupt, because all the people are buying cars in St. George? Who will answer these questions?

I can talk for days and days on the stupidity, the irrationality, of some of these decisions being made. No one can answer the questions and they do not answer them. We continue to pile up questions.

It is estimated by the President's Council of Economic Advisers that regulations are costing $130 billion a year. If that is a gross exaggeration, cut it to $50 billion a year. Is it really necessary?

Is it really necessary to have some bureaucrat, unelected, appointed, unresponsive to the people, arbitrary and dictatorial because he knows he is there until he retires on his Government pension, telling us all what to do? Is that really what the United States is all about?

I do not think that is what the Founding Fathers wanted in this country. I do not think they wanted one out of every six people working for government, telling the other five what to do. I really do not think so.

I am not going to take the time of the Senate to continue to go through all of these provisions. There are so many of them that we have heard about.

Two years have gone by. Why were some of these questions not answered in 2 years? Who will answer the question about high altitude? I would like to know. I have tried to find out for several weeks. We have been carrying on a dialog with EPA to try to find out what they are going to do about it, what the automobile industry will do about it, and particularly what the automobile dealers will do about it. Automobile dealers went through a very difficult time a couple of years ago. They are selling a lot of cars this year, but are we going to put them back into a recession, because they cannot sell all of their models? If we ever get to a point in Government where, if I decide I want a Chevette with a 1.4-liter engine and a stick transmission instead of being forced to buy one, because I live in Salt Lake City, I have to go to St. George to buy it—with the Government telling me I cannot do that, that I am not free to buy a car anywhere I want to in this country—boy, we are in trouble.

How are they going to handle that problem? I would like to know. Nobody has answered yet.

Let us talk a little more about the environment versus the economy. Notwithstanding frequent and persistent claims to the contrary, there is a clear and serious conflict between the Nation's vital economic objectives and excessively stringent environmental objectives.

Environmental missionaries, including Federal environmental agencies, are misleading the American public as to the true cost of their environmental objectives. The facts are that excessively stringent environmental requirements divert capital from productive investments, result in higher prices, risk shortages of vital material to still higher prices and/or increased reliance on foreign sources, inhibit the creation of new jobs, risk the loss of existing jobs and undermine economic recovery.

Recognition of these risks does not require antienvironment attitudes. The Nation's environmental program has made great progress in a few years. The trend toward further abuse of the environment has been reversed, and the quality of American air and water is measurably improved.

Programs now underway will produce further improvement. However, many current and proposed laws and regulations aim at a level of environmental perfectionism far in excess of the standards necessary to protect public health and welfare. It is these which must be weighed against the full range of economic costs. Diversion of capital from productive investment, expenditures for environmental controls in industry, are essentially nonproductive. They do not increase plant efficiency nor do they enhance capacity.

They represent a diversion of capital which might otherwise be spent to enlarge or improve a facility or to construct new ones.

There are clear examples of the scope and effect of this diversion of capital in every basic U.S. industry. Among them are the U.S. paper industry, which estimates an additional 21 million tons of new productive capacity will be required in the period 1977–83 if that industry is to satisfy projected demand for its products after meeting the expense of compliance with existing Federal pollution control programs. However, the paper industry reports, it would only have enough capital available to provide 6 million tons of new capacity unless paper prices are increased dramatically to generate the needed capital, and foreign competition may preclude such price increase.

The U.S. copper industry will need an additional 1 million tons of productive capacity by 1985 to keep pace with domestic demand for that metal. Increasing productive capacity by this magnitude would require $5 to $6 billion in capital. The copper industry is presently committed to expenditures of approximately $1 billion to meet current smelter emission control requirements which will generally mean ambient air standards. The industry is near the limit of its financing power, yet the Environmental Protection Agency is insisting on still more stringent smelter emission controls which would require expenditures of an additional $750 million or more.

It may well be impossible for the U.S. copper industry to maintain domestic self-sufficiency in this vital metal.

Talking about higher prices: massive capital investments and higher operating costs by definition require higher prices. All of the costs mandated by environmental programs must ultimately be paid by the consumer in one manner or another.

The National Commission on Water Quality estimates that water quality programs alone will cost the electric power industry $100–200 billion during 1975–85. The Commission reported the potential pass-along costs to industrial and private consumers as $30–40 billion per year by 1985.

A study by the domestic steel industry shows that, by 1983, pollution abatement measures could add 8–10 percent to the operating costs of that industry, an increase that can be translated into an increase of $25–30 per ton in steel costs.

And certainly you can also translate that into the increasing cost of automobiles, which has already reached an average of $6,000 this year. Included in that is the $3 billion a year passed on to the consumers for pollution control devices.

I am not indicating that I oppose having them on there; I do not. But I think we need to be aware of what we are doing, and the American people need to know at what price we are doing it, and we need to strike a balance between money, prices, and the environment, and do it reasonably and intelligently for a change.

SHORTAGES OF VITAL MATERIALS

Another effect of the diversion of capital from expansion of productive capacity is shortages of vital materials. This, in turn, can cause higher domestic prices or increased reliance on foreign sources of supply or both. Environmental regulation have a disproportionate impact on basic domestic industries such as oil, paper, steel, chemical, mining, and electric power. Shortages of the products of these industries have a "ripple" effect on the industries which use those products.

A prime example is the oil industry. A significant portion of that industry's capital investment is being diverted by environmental controls. The industry, as a result, expects domestic production of oil and gas to continue to decline. A recent study by Texaco shows that if such diversion of capital continues at current levels, petroleum imports required to replace lower levels of domestic oil and gas may rise to more than 70 percent of demand by 1990—or about 20 million barrels per day compared to present levels of about 6 million barrels a day.

Would not that be great, if the Arabs decided to put on an embargo when we were 70 percent dependent? It was bad enough 3 years ago when we were less than 30 percent dependent.

INHIBITING THE CREATION OF NEW JOBS

Diversion of capital from expansion of productive capacity carries a high price in terms of jobs which will not be created in the future. Just to provide jobs for new entrants into the work force, the Nation must create 1.5 to 2 million jobs per year. But here is what is happening—

The oil industry finds that the diversion of capital into environmental controls means 187,000 new operating jobs will not be created during the period 1975–84.

The paper industry projects that current environmental regulations will preclude the creation of 63,000 jobs in that industry. Considering the secondary impact on supplier and customer industries, the paper industry estimates that a total of 440,000 jobs will not be created because of the impact of environmental regulations on this one basic industry.

And I suppose some future Democratic Presidential candidate will be blaming the Republican President for unemployment, when the Democratic Congress caused the loss of all these new jobs.

The steel industry calculates its aggregate capital cost to meet environmental controls at $8.2 billion. Had such diversion of capital not been required, that capital would be invested in increased production capacity—and would create 64,000 new jobs. That same capital applied to environmental control would create only 5,000 jobs.

EPA and CEQ insist that mandated environmental expenditures create jobs; indeed they claim that such expenditures did create 1 million jobs in 1975. Can this claim and the industry projections cited above both be true? To a degree, the answer is yes.

The logic of the EPA-CEQ calculation is questionable and it raises serious doubts about the agencies' credibility.

But it is true that environmental expenditures do create jobs. Someone must design and manufacture pollution control equipment, and others must install and operate it.

The EPA-CEQ claim fails to disclose, however, that the purported number of jobs created is a gross number and does not consider the offsetting effect of jobs lost or not created. The fact is that many more jobs are lost than are gained. Dr. Edwin Gee, a member of the National Commission on Water Quality has estimated that at least two jobs are lost or not created for every one which is created by mandated environmental expenditures.

The EPA-CEQ claim also fails to disclose that the jobs created are different from the jobs lost.

A new job in California is no consolation to a man who has lost a job in New Jersey.

A new design engineer job is of no value to a lathe operator who has lost his job.

Many of the jobs created in the pollution control industry are temporary or short term in nature compared with a permanent job in an industry producing goods or materials.

And pollution control jobs, by and large, do not have the same multiplier effect—in supplier and customer industries—which permanent, productive jobs do have.

LOSS OF EXISTING JOBS

Environmental extremism does threaten existing jobs. EPA and CEQ assert that environmental requirements caused the closing since 1971 of only 75 plants at a loss of only 15,700 jobs. The reason for these relatively small numbers is that environmental requirements will seldom, if ever, be the sole reason for a plant closing. Environmental requirements have been and are likely increasingly to be in the future the "final straw," resulting in decisions to close economically marginal plants which would otherwise have continued to operate. For example:

Kennecott Copper Corp. has recently announced indefinite suspension of mining and milling operations at its Nevada division pending improvement in the copper business and relief from environmental requirements more stringent than necessary to meet national ambient air quality standards. If such relief is not forthcoming, the division may be closed. If the division is terminated, environmental agencies will argue that the result is attributable to the division's marginal economic position. Others will maintain that the cause was unreasonable environmental requirements. In truth, both factors will have been involved. The ultimate result will be a loss of 1,200 jobs.

Ford Motor Co. has estimated that compliance with the stringent 1977 auto emission standards in the current Clean Air Act will result in a work force reduction of 75,000 jobs, reflecting lower auto sales because of the higher prices required to offset the higher production costs. If this occurs, environmentalists will argue that the lower sales are attributable to general economic factors. Others will maintain that it was the incremental environmental cost which made the difference. It will be impossible to prove which assertion is correct, but the loss of jobs will be no less real.

Environmental hysteria can threaten existing jobs even where a plant is economically sound. Witness the recent confrontation of 250 environmentalists and 1,000 utility workers at Consolidated Edison's Indian Head nuclear power plant. The Westchester Peoples Action Coalition is demanding that the plant be closed because of alleged safety violations which have been denied by the company, the union, and the Government.

UNDERMINING ECONOMIC RECOVERY

Recovery of the U.S. economy will require renewed consumer confidence and spending. This, in turn, will be ultimately influenced by considerations of job security, by product prices, and by levels of disposable income. Anything which alters the necessary improvement in confidence will deter economic recovery.

The most notable recognition of this fact has come from the Governors of new major States, Governor Carey of New York and Governor Byrne of New Jersey. Governor Carey has asked the legislature to postpone implementation of the State's Environmental Quality Review Act because of the significant impact the act will have on the State's industrial and financial strength. Governor Byrne eased air pollution controls in the southern part of his State to permit plants and power companies to use less-expensive high-sulfur fuels, acknowledging that "a decent business climate" requires that "we regulate no more than necessary."

CONCLUSION

This outline only suggests the range and the seriousness of the conflict between environmental and economic objectives.

It should be sufficient to demonstrate that assertions that no conflict exists are simplistic and misleading.

The national environmental effort must be reassessed and put into proper and balanced perspective with the Nation's economic objectives. Institutions which share concern for a sound and stable economy, for the lowest possible level of unemployment, and for continued improvement of America's standard of living, must work together toward this end.

Lest the distinguished junior Senator from Colorado gets all excited that I said "in conclusion," that was only in conclusion of this particular statement, so he can continue to relax.

Mr. GARY HART. Mr. President, will the Senator yield?

Mr. GARN. I will yield only for a question, not losing my right to the floor.

Mr. GARY HART. All right.

Mr. GARN. Let us talk a little bit about the nondegradation section and the impact of nondegradation on consumer costs.

The remarks on the amendments of the Clean Air Act that we have heard so far have been most informative and no doubt can and will assist us in doing what the citizens of the country elected us to do; namely, once again to arrive at the wisest legislative decision within our power. Before reaching that decision, however, I for one would like to draw attention to, and hear additional thoughts on, potential consumer costs associated with the section dealing with nondeterioration.

Others have expressed concern about the no-growth aspects of this section. It is becoming increasingly clear the severe constraints on industrial and energy development are contained in the language of the bill and that they carry serious implications for the economy in general and for the consumer in particular.

To begin with, the higher costs associated with locating a facility at an uneconomic site would have to be passed through to consumers. Being denied an ideal site and having to locate elsewhere, an operator might well face construction difficulties, greater shipping distances, a shortage of skilled labor, and unsatisfactory productivity. The resulting increased cost would be reflected in higher prices for manufactured goods. Indeed, in light of these disadvantages, some manufacturers might decide not to expand at all. Any shortages of products that resulted would inevitably cause still higher prices for these products and would thereby reduce the consumer's purchasing power as regards all other products. To the extent that this occurs, the consumer's quality of life is impaired.

Strict implementation of the nondeterioration provisions would hamper the mining of coal and thereby lead to increased imports of high-priced foreign crude oil. The Federal Energy Administration has estimated that these provisions would cause the electric utilities alone to import an extra million barrels of oil a day by 1990, at an annual cost of over $4 billion, even if the imported price per barrel does not rise.

And I heard on the way down to the Senate this morning on the radio that they are estimating maybe as high as a 27-percent increase in OPEC prices this winter.

And these billions of dollars are estimated on current prices.

Such a huge cost could be covered only by charging higher rates to residential consumers and commercial and industrial customers. Then, too, the resulting big increase in oil imports by electric utilities would give the OPEC countries an incentive to raise their prices even further. The outcome would be that the cost for all imported oil, now running over $30 billion yearly, would also rise and be passed on to the consumer.

Much of the remaining coal which would be mined under these provisions would involve stack gas scrubbing equipment at installations, burning it, adding still more cost to be passed through. According to FEA studies, the electric utilities, the chief consumers of coal, would experience additional delays and outlays of up to $16 billion to install such equipment. The result would be still higher electric bills for everyone.

Finally, there would be add-on costs elsewhere in the economy, in that all consumer goods manufactured by electrical machinery would rise commensurately with the higher cost of electricity needed to make them. Cars, clothing, shoes, appliances, furniture, kitchenware—everything which is even partly made by electrical machinery would cost manufacturers more to make and consumers more to buy.

I am sure that there are other costs associated with these provisions, but the ones I have mentioned are cause for concern. Forced building at less economic plant sites or no expansion at all, coal mining restrictions which lead to increased imports of high-priced foreign oil, expensive sulfur removal equipment, bigger electric bills and, in turn, higher-priced products—all add up to bad news for consumers.

Yet the great consumer advocates favor many of these pieces of legislation and say they are consumer oriented. I happen to think they are anticonsumer.

It may, of course, be technologically possible in some cases to achieve zero emissions, but at astronomical cost. Some surveys, I understand, show Americans are willing to pay for cleaning up the environment. To my knowledge, however, no survey has found that Americans are willing to sign blank checks to get the job done, and I would submit that most Americans have no idea what the cost is. If they did know how much it was increasing the price of products that they buy, how much part it played in increasing inflation in this country, they would say, "Slow down, use some commonsense, hold back, let us be reasonable about this and balance the environmental benefits with the economic benefits."

Let us find a way, then, to provide for continued progress toward the Nation's clean air goals, but do so at minimum cost to the consumer, do so with minimum disruption of our economy.

I know that members of the Committee on Public Works on both sides of the aisle have worked very hard and are very sincere in their belief that this bill is an improvement over the present law. I respect them for that. I respect them for the work, the time, and the dedication they put into this. They spent long number of hours with a very difficult conference with the House of Representatives and came up with what I am sure they think is the best they could do. I do not question their sincerity or the hard work or their ability. That is not the question at all here today.

It is what impact does this have on the Nation?

I do not think any of us really know the answer to that. I am not sure we really know all of the impacts that we have already had as a result of the 1970 act.

I was one who as a mayor was pushing for trying to improve the law. We came back and testified on many occasions that we wanted it improved. We wanted some more flexibility. We wanted more local decisionmaking power to tailormake these decisions to our own areas.

We were anxious that hearings proceed. But we are disappointed, many of us, that we do not feel, as I say I do not question the sincerity of the members of the Committee on Public Works—it is simply a difference of opinion on judgment. Whether it does improve—they think it does; I think it does not, and particularly in the nondeterioration area.

I think what we need to do is to really give the EPA more direction and get out of these legal and regulatory hassles, put them more in the direction of what we really intend to do.

Again, that is why I think we could have come up with a much better bill.

My distinguished colleague from Utah is back in the Chamber, and I again mention that had his amendment been adopted to study the nondeterioration sections for a year, then I think we could have answered the questions that would make it possible that this Senate could come to a reasonable commonsense decision on how to come up with an environmental bill that would solve the problems of the environment without causing such gross injury to the business community of this country and, therefore, to the consumers and the customers of those businesses.

I do not know. We can talk all we want to and worry about what is going to happen next year and what the courts will do. I do not know who is going to be sitting on the Federal bench or who is going to be making those decisions, but I sincerely hope than in January we could come back and we could start working on a bill on a basis of more information, more factual information on what is happening and come up as part of a bill with a study, particularly on the nondeterioration section, so that we would be able to know what the economic impacts would be, rather than guessing on a motion or responding to this group or that group, businesses who want it killed, the environmental groups who want it in, who want to maintain some pristine type of society that simply is not there any more.

I do not know what we are going to do, too, if we continue in this Congress as I mentioned before—continue to override and not have concern for the rights of local government officials, for the rights of Governors and State legislators, and feel that we can make better decisions here for an entire Nation. We can look at past experience and see that that is not true.

With all the municipal government experience I had, I would not expect to go to Los Angeles and tell Tom Bradley, the mayor, how to run his city. I have never lived there. I am not intimately familiar with his problems. I would not expect him to tell me how to run Salt Lake City when I was mayor.

Yet, we do have Congress sitting back here, deciding that it can tell the mayors, the heads of local governments all over this country, how to do things in a uniform manner, the way it has decided, and give them very little discretion, give them very little leeway within the framework of the laws we pass—tailormade decisions to everyone's ends.

I think it is interesting that there is no unanimous agreement among opponents or proponents of this bill. I have several telegrams on my desk, interestingly enough, from all the K-Mart stores in Utah. All the managers are telling me, "Please vote for the Clean Air Act." These telegrams are saying that just for K-Mart they want it. That is rather interesting to me, because other people have said they are in favor of it, too.

Do Senators know what they are essentially saying? It makes my situation a little better. They are saying, "The heck with the rest of the economy. Because K-Mart parking lots are going to be better off as a result of this, we don't care what happens to all of southern Utah."

Well, I am sorry. I may answer the K-Mart managers in the State of Utah more directly by letter. I think it is an extremely selfish attitude to say, "Take care of K-Mart parking lots, and we do not care about two-thirds of the State of Utah."

Let us be blunt and honest about it. That is what is happening with a lot of legislation. If every part of a bill is all right for a group, they think it is OK to feed everybody else to the alligators. I guess their assumption is that as long as they keep feeding other people to the alligators, they will not get eaten themselves. But they will, and I promise they will. Congress is a big alligator, and it has eaten a lot of people across the country. It is the old story of cutting off your tail a piece at a time, hoping to save yourself.

Let us be realistic about it. I am sorry the K-Mart managers feel that way. They undoubtedly do not even know what is in the rest of the bill, but it helped K-Mart parking lots.

When are we going to do some real study, look at the effects of legislation, ignore special interest groups, whether they are from business or environmental groups, look to scientists and people who have the knowledge and the expertise, do some testing, actually find out, and then pass an environmental policy law on that basis? Then the Senators from Utah and others who oppose this bill would be doing everything they could to try to pass it, if we felt it had some balance between the economic interests of this country and the environmental interests.

I do not think there is one Member of this body who wants dirty air, who wants to cause problems for the environment, who would not like to see the country stay as pristine and beautiful as possible and pass it on to future generations. But can we provide jobs and food and clothes, and so forth, for the increasing population in this country without some balance between the two areas? I do not think so. I just do not think it is possible.

Mr. MOSS. Mr. President, will the Senator yield to me? I should like to make some remarks. If I may have the floor in my own right, I am going to yield to the chairman for a statement before I begin my statement.

Mr. GARN. I am very happy to yield to my distinguished senior colleague from Utah at this time, not just for a question, but I yield the floor to him.

The PRESIDING OFFICER (Mr. Nelson). The Senator from Utah is recognized.

Mr. MOSS. Mr. President, I ask unanimous consent that I may yield to the senior Senator from West Virginia, the chairman of the committee, for some remarks he wishes to make at this point, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, I appreciate the cooperation of the able Senator from Utah (Mr. Moss) in permitting me at this point in the discussion to speak, not to reinforce the statement made by Senator Muskie, who is the chairman of our Subcommittee on Environmental Pollution, because he has set forth very clearly the provisions of the agreement between the Senate and the House following detailed discussions in the conference. Rather, I would like the record to reflect the background of the genuine effort made in the Committee on Public Works in bringing this important measure to the Senate for its consideration.

It is important for all of us, regardless of our thinking as to one or more provisions of the measure, to understand that the members of our subcommittee and the members of the parent committee actually labored long, and we labored in an effort to be constructive as we moved through the process patiently to present meaningful and equitable legislation to the Members of this body. For that reason, I mention to those who are now working to thwart a vote or votes on this measure that 14 days—not an hour a day, but 14 days of many hours in each day—were consumed in hearings by our Subcommittee on Environmental Pollution.

I also emphasize the markup sessions to those who oppose the measure, who are not giving us the opportunity and are not giving themselves the opportunity to provide the responsibility which is always the responsibility of Members to disagree, but then to express themselves after debate, after discussion, through a determination by vote or votes in this matter.

I also want the record to reflect that all we did was done with the public present. Nothing was done in a room with only the members of our committee present. These were sessions in which the public was represented. Those who had interests at variance were there. The hearing room was crowded. An intense interest was expressed by those who were following this legislation.

The same was true, of course, when we went into the conference with the conferees from the House of Representatives. All of these sessions were open to the public, where they knew exactly what Senators were saying, Representatives were saying, the viewpoints expressed, the efforts to take the different views and, hopefully, to bring about a composite, which, as I indicated in my opening words, would be constructed on this important subject.

Those markup sessions, I emphasize to my colleagues, especially to the two Senators from Utah, those meetings of the Subcommittee on Environmental Pollution and the parent full Committee on Public Works were extended meetings that covered a period of 7 months. So when, sometimes, we use ill-advised terms—and I am not one to hold malice or to attribute any other conviction to those who are of the opposition, but to say that we present something in a haphazard fashion or an ill-considered piece of legislation, surfacing all at once, of course, is not in accord with the facts.

Forty-eight session were held on the amendments that we considered and that are now being considered in the Senate. I repeat, 48 sessions—not of a few minutes, but sessions that lasted 2 or 3 hours or longer.

Members of our committee worked diligently. We tried to be realistic in what we were doing. We had, of course, viewpoints, which were very vigorously espoused from time to time. I feel it is not necessary, but I want the record to indicate the esteem in which I hold, although I am not always in agreement with him, the Senator from Maine (Mr. Muskie). His leadership is unparalleled, not only in this field but in other fields in which we are attempting, in a reasonable way, to do that which I think we must commit ourselves to. That is, cleaner air, cleaner water, and a quality of life for all Americans which will reflect the belief—and I think it is a belief that I share and is shared by others—that we can have growth, we can have development, we can have employment. But at the same time, in solving these problems—energy has been mentioned, and I could discuss that at length—all of these matters can be considered and addressed at the same time.

One committee, of course, has responsibility for one subject and another committee for another. But as we work our way, and I hope we were able to work our way to votes, I am just thinking about the Senator from New York (Mr. Buckley) and his intense interest in this legislation. I am thinking about those who helped to move this legislation into the Senate. I want always to be known, as I have been, perhaps, through the years—now 32 years—in the Congress of the United States—I am the only Member on Capitol Hill, of the 535 Members serving in the House and Senate, who was here in 1933, under the Franklin Roosevelt first 100 days. I remember then, of course, that the opposition charged that we could not do something, we could not move forward, we could not act. I shall never forget, and it has, perhaps, no special or direct bearing on what we are now doing, that one night, late in March of 1933, I was one of several freshman Members of the House called to the White House for a conference with the President of the United States. That meeting was held on the second floor of the White House. It was a dreary day, somewhat like the day we are having now. There was a fire burning in the fireplace, a wood fire; the President sat at a large desk and we were sitting there, talking about many programs that it was felt should be brought into being.

I recognize always the differences in viewpoint and conviction. There was one person who kept saying, perhaps properly so, that we should not try to do all of this and do it quickly. I shall always remember, and I am not attempting to be in anywise dramatic, I think I can now see the whites of the knuckles of the President of the United States, as he gripped his hand and hit that large desk and looked out and said to us, "But, gentlemen, do you realize we must act now? We shall make mistakes, but if we do not act now, we perhaps will not have the opportunity to act later."

So, during the period of a little over 12 years, within Congress, the House and Senate, the Committee on Public Works, our Subcommittee on Environmental Pollution have not tried hastily to move into areas that should not be pursued. We have tried, in reasoned and realistic ways, to recognize that this is a country that can adjust itself to both considerations. Growth and industry, yes. I believe in those. Yet, the quality of life which is constantly the concern of the people of this country in reference to the disposal of solid waste, resource recovery, control of air and water pollution and all of these problems that press in upon us: Consider them, act on them, but I plead with my colleagues who oppose this conference report today to state their case—they are able to state their viewpoints, but to do it, not in an effort, by continuing discussion, to thwart what is the responsibility of all Members; that is, to bring this to a conclusion so the votes can be cast and the decisions made in this body.

We spent a 7-day period considering clean air amendments in the Senate. Senator Muskie remembers when we came here with the bill which is now the conference-reported bill. We were not hurrying through the process of consideration of this measure in this body. Here in the Senate, we were using these days, proceeding to consider this legislation. There was extensive debate, as there should be. The Senate believed that the amendments which are incorporated here were useful and constructive and that they were modifications of an important environmental law which, frankly, has not turned America backward; it has, in a sense, tried to keep America on an even keel.

So, we had the vote here in the Senate. The measure was passed, 78 for and 13 against. I did not think that the Senators acted hastily in casting their votes. As I have indicated, there were 7 days of debate, and then the final passage brought different viewpoints, then a finalization. This was an overwhelming—and I do not have to shout the word—an overwhelming approval of what the Democratic process and the Republican process was all about in the Senate and the House of Representatives, as they acted then. I mentioned the House because they were equally diligent in their attention to this matter. They were considering, as we were, these problems.

I say to Chairman MUSKIE, 2 years is a long while to address yourself to a subject, as he and others of us have done in connection with these amendments.

We recognize these facts. And so, on the other side of the Capitol they, after very careful consideration, did what we had done by a considerable margin. They approved legislation to do what we hope we are doing, if we are able to have a vote or votes, and that is with reason and with realism, fairness, and equity to improve that which is already on the books, the Clean Air Act.

There have been through the process of experience certain inequities which Senator MUSKIE and others of our committee have recognized. There has been no pulling back from the fact that no piece of legislation originally passed, you know, is a law that needs never to be changed. That is the reason why we bring back many, many subjects for continuing development or changes in the Senate. That is the process as it should be.

Then, the conference committee when they came to those meetings were they just cursory, were they just men on the conference on both the House and Senate side of the Capitol who did not do any work? No; they were at work for a period of 2 weeks attempting to resolve the differences.

So the conference committee from our body, headed by Senator MUSKIE, and those of the full conference, what have we done? We have presented really to Congress the efforts of almost 2 years, 2 years of really, in a way, a new breakthrough, a breakthrough based on facts, on the study in the field, as it were—not just, you know, with staffs around the table here in some room in the Senate.

I have been out there, other members of our committee have been out there. Although our reading may be different, we have had the responsibility within our committee, because that is where the jurisdiction rests, to bring a measure of this type to the Senate.

Now we have the opportunity, and I appeal to those who would deny themselves as well as those of us on another side the opportunity, after debate, to vote on the reported conference measure.

There are modifications, there are changes. I hestitate to say it, but those who would believe we are tearing the industrial strength of America by presenting this bill, I think they are in error, and I think their reasoning is faulty.

Sometimes we compare ourselves with another person. That is not always best. But I have tried always during these 32 years to believe and act upon the theory of growth, upon expansion, upon building for the future, at the same time preserving those qualities which are important to the life of the men and women who work in the plants, who labor in the fields, who toil in the mines.

Why, some of the words being said here today could apply to the legislation when we tried to provide for better health and safety for the coal miners of this country in 1969. I remember what was said then. We came back in 1972, working upon the original law for coal mine health and safety, and brought in the opportunity to include pulmonary and respiratory ailments as a part of pneumoconiosis as well as, of course, other provisions including the limitation on the X-ray in denying claims.

Now we have a bill pending on that subject. I say to the Senator from Maine (Mr. MUSKIE), we have started the debate on the black lung bill, an important measure. Differences of viewpoint? Yes. But the Senators should have the right and the responsibility, the responsibility and the right, to vote upon the black lung bill.

But here again we are stymied after after bringing that bill to the floor. I had the opportunity, and I am glad I had it, to say what is in H.R. 10760, the black lung bill. Yet it looks as if all of the work we have done on that measure in the Labor and Public Welfare Committee will be dropped like a shabby old coat in the street. We will not be able to move forward.

Senator TED, the distinguished Senator from Utah (Mr. Moss), I am going to be closing in a minute or two. I went into some realms, perhaps, for which I ask indulgence, but this is not a measure that is a step backward. To be sure it is not a measure that believes in the status quo because the constancy of change is the most constant factor of our life. Jefferson told us about it, Lincoln told us about it when he said:

> The dogmas of the quiet past are inadequate to the stormy present. We must think anew, we must act anew. We must disenthrall ourselves.

But he said:

> If we will come together and work together we can win.

A crisis of one type or another for Lincoln or Jefferson or for anyone, for the Members of this body, of course, is ever around us.

So we wanted to move forward. We wanted to be reasoned, and we wanted to be fair, and if we had failed, then Members would have the opportunity by the reasoned debate and the realistic debate as they see it then to bring these matters to a conclusion.

I urge my colleagues, I appeal to my colleagues, to let us have the opportunity—they as well as us—to express through the vote, yes or no, the will of this body.

In saying all of this—and sometimes it is difficult really to say it—I do it with the feeling I have always had that it is not enough to be tolerant of another person's viewpoint. But it is important to be understanding of another person's viewpoint, and that understanding can come when men in this body stand and speak their minds and hearts, and then that discharge of duty at that level being done, the amendment or amendments are offered, and the membership says yes or no.

It is not too much for me to ask this. After 2 years of work within the Senate, it is not too much for me to hope from those who apparently will not permit the vote or votes of which I have spoken to take place.

Mr. MOSS. Mr. President, I have listened to the remarks of the Senator from West Virginia, the chairman of the Public Works Committee. I am very understanding of the immense amount of work which has been done by that committee and the members of that committee working on the Clean Air Act originally and now the Clean Air Act amendments. I am not at all unmindful of the many, many days and hours which have been spent on this matter. I understand that the markup session alone went through some 47 or 48 markup sessions which indicated that there was an immense amount of detailed discussion and work.

As a matter of fact, when we debated the bill earlier in this body, I pointed out that there had been so much effort put in by all of the Members that every one of the Members had felt that he should file a separate commentary on the bill as part of the report when it was sent to the floor of the Senate. This, in itself, pointed up the differences there are and the reservations that some Members had about some things and impressions of other things in trying to put this whole bill together.

I am not unmindful of that. I compliment the Senate and the chairman of the subcommittee, all who have worked so hard on it. There is nothing I appreciate more as an immense amount of work done in a legislative body than has been done on this piece of legislation.

I also acknowledge that I have always been one who felt that unnecessary delay was one of the evils that we had to contend with, and, of course, it turns on where one thinks it is unnecessary about the delay. I always felt there should be some way of bringing the matter to a head and getting it over with.

Nevertheless, in view of the impact of this bill and the importance of it, as I did on this floor when we discussed the Moss amendment, I must again appeal for time, time to know where we are going and what is going to happen if we lock into the law some of the provisions of this bill.

Those who are arguing for the other side have said, "Well, EPA is now issuing regulations. They are being interpreted by the courts. Maybe they are not so good."

Well, maybe they are not. It may be that the time would come when this would all be clearly laid out and we would want to codify it into statute rather than leaving EPA with the power to make regulations under a more general mandate. But I just am not prepared to go ahead with this.

Mr. MUSKIE. Will the Senator yield?

Mr. MOSS. I will yield for a question, yes.

Mr. MUSKIE. I am sorry the Senator from West Virginia has left. I simply wanted to indicate for the RECORD my great appreciation to him and the leadership he has given the Public Works Committee over the years that we have worked on this legislation. He has a crew to work with which is not always manageable. All of them are strongly motivated individuals. Yet he consistently keeps our feet to the fire on the importance of moving legislation along, resolving our differences and reaching balance in judgments. I just think he is an extraordinary chairman and legislator.

I wanted to say that in response to what I think were remarks typical of his attitude and his approach to his responsibilities as committee chairman and his responsibilities as a Senator.

I hope he will have occasion to read what I have said.

Mr. MOSS. I admire the Senator for his comments about the chairman. I am sure those comments will be pointed out to him in the RECORD. I subscribe to those comments.

I spent some 8 years under his chairmanship on the Public Works Committee. I can indeed verify the fact that the chairman is a very tolerant and accommodating man and, at the same time, he is one who insists on continued movement. He does the job of leading that committee with great skill and with great humanness and friendliness. I pay that compliment to him.

I believe it is a trait that we ought to exercise when we have to work in a multipopulation body, each of us coming from different constituencies and backgrounds, with different pressures on us. As is sometimes said, each of us is a prima donna in our own right because we feel so strongly about points that we tend to press them hard. One of the great factors of this body, or any successful legislative body, is to finally find the area of accommodation where we cannot just be locked in stalemate but can continue to move along. That is what I am trying to do.

I would like to emphasize that even though I do not think we are ready to move at this time on this matter, I do not want to be counted as one of those who say we can do no more in this field. As a matter of fact, I feel there is some degree of urgency in resolving certain parts of the act that are now in effect that ought to be reexamined.

As the Senate will remember, I pleaded on this floor for about 3 days for the Moss amendment. It was simply to give 1 year of added time to come up with adequate information to know what we were doing with the nondegradation parts of the act and the stationary emissions requirement.

I brought some charts and talked about them. They were to show that there were areas where we did not know what was going to be happening. There were other areas which we thought were quite clear in indicating that there should be a cessation of all manufacturing and any emissions of any sort.

We all know if there is to be a plant of any kind, there certainly must be some emission. The question is how much must that be limited and where is the trade-off point where we can have none at all or have some economically profitable venture, still not damaging the environment or health.

I started to talk about the bill. This document is called the working draft of the Clean Air Act amendments. It is the outcome of the conference which was held between the Senate and the House, and which the Senator from West Virginia and the Senator from Maine have described at great length as being a very lengthy and technical conference in many ways, which finally came to a conclusion with this document before us.

I have not read it all, and I do not suppose I will read it all in the next 2 or 3 days, if we are still talking here for 2 or 3 days. It is long and it is difficult to understand. It has some changes that are interlined in it. There are others which have been typed into it. The results are that many of the things about this we do not even yet understand.

If in speaking about the bill I refer to certain sections where there may have been some changes, it is because I have not yet had time to look at this report. Although I believe, as the Senator from West Virginia was pleading, that we ought to move along, I do not think we ought to move along until we know on what we are moving. I do not think we should press forward to the edge of the cliff and find that we have stepped over the edge because we did not take the time to make proper observations and get proper intelligence about our course.

I have some reason to agree with the Senator from Alaska, who has been reputed to say that what we should have done is simply take the auto emission standards and extend them, and put the whole matter over for this extended consideration and study that I have been talking about. By "extended" I was talking about 1 year. That is not a long time to study the impact on all of the areas of this country that standards of this sort would have. Nevertheless, if we had an intensive study for 1 year by appropriate scientific observation, we would know a lot more where we are going.

Another thing that I think I should comment on: Some may wonder why the two Senators from Utah seem to be so particularly interested in this matter. As one of those Senators, I would say that my judgment is that we are particularly interested in it because we have already had impact of a sort, that came out of the Kaiparowits situation.

The other is that we have vast amounts of low sulfur coal, most desirable for use in producing energy, and we are so located that transportation of energy by transmission line can readily be made to the west coast and to other areas where there is demand for energy, and in so doing there can be a relief of the burden on liquid petroleum.

Mr. President, I ask unanimous consent that I may be permitted to yield to the Senator from Montana to bring up a conference report without losing my right to the floor, and without there being any construction that a second speech has begun when he has completed his presentation.

Mr. TOWER. Mr. President, reserving the right to object, for what purpose is the Senator yielding to the Senator from Montana?

Mr. METCALF. The conference report is on the Bureau of Land Management Organic Act, which was agreed to and adopted after long days of hearings. The Bureau of Land Management Organic Act is the first time we have had an organic act for the Bureau of Land Management, and this conference report probably is the most significant conference report that we have.

I see my friend the Senator from Arizona (Mr. FANNIN) on the floor, who is very familiar with this matter. This is probably the most significant report and the most significant legislation for operation of public lands that we have had in this Congress.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator yield for that purpose? The Senator from Utah has the floor.

Mr. TOWER. Mr. President, if the Senator from Montana will withhold his unanimous-consent request for just a moment while we put on a delaying quorum call——

Mr. METCALF. I will certainly withhold any request that delays anything. I had hoped that this conference report, which was agreed to by everybody on both sides——

Mr. TOWER. I am trying to accommodate the Senator from Montana, but I do have to check on my side of the aisle.

Mr. MUSKIE. Mr. President, I may be able to resolve this debate.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Maine?

Mr. MUSKIE. I reserve the right to object.

Mr. MOSS. I will yield on the same

terms that I did before, that I not lose my right to the floor and the resumption of my remarks not be construed as a second speech.

Mr. MUSKIE. Mr. President, reserving the right to object, I shall object, not because I have any objection to the conference report, but because I indicated yesterday that in order to press the Clean Air Act until we have a right to vote on it, I am going to hold up any other business it is within my power to hold up, and I have already refused to give way to other pieces of legislation. I feel that if I make any exceptions I will be overwhelmed by these requests.

Mr. METCALF. I withdraw my request. I will renew it before the end of this Congress, and I hope we can pass this conference report sometime down the line.

Mr. MUSKIE. I thank the Senator from Montana.

Mr. GRIFFIN. Mr. President, will the Senator from Utah yield me half a minute?

Mr. MOSS. Without losing my right to the floor.

Mr. GRIFFIN. Following along this colloquy, I would like to add this: Yesterday we had so much of Senators popping up with conference reports without checking with the leadership in advance, I served notice on the floor that we would object, in addition to the Senator from Maine's concern, to any conference report automatically unless we have 15 minutes' notice in advance. I think that was a good principle, which the acting majority concurred in, and I renew it today. If anyone wishes to bring up a conference report, expect it to be objected to unless we have 15 minutes' notice in advance.

Mr. MOSS. I thank the acting minority leader, and I will be cognizant of that stricture.

Mr. President, I was speaking about the reason why we in Utah were so concerned about the provisions of the Clean Air Act and felt that it must be studied in considerable depth and with scientific means of measurement before we could agree to locking into the statute provisions and standards that are contained therein; and regardless of what has been done in conference and changes that have been made, it is my observation at this time that we still must object, because since the passage of the bill in this body and the defeat of the Moss amendments, I have had occasion to go back and talk with my people in Utah at considerable length, and they assure me that the bill as now written will have a continuing detrimental effect and inhibiting effect on the development of my State, of enabling people there to have jobs and to produce energy, which we have in abundance, not only liquid petroleum, of which we have a considerable amount, but other kinds of energy. We not only have a great storehouse of bituminous low-sulfur coal, but we have a vast area of oil shale, from which oil can be extracted. We have the largest deposit of tar sands in the Western United States within the boundaries of Utah, and tar sands also can be made to give up petroleum.

So these things give us concern, and we must know how to proceed. At the same time that we have these vast storehouses of energy, we have one of the most diversified and beautiful areas in the whole country. We have five national parks in the State of Utah. Only one other State of the Union has five national parks, and that is California. This is indicative of the great scenic beauty that we have, the area that we want to preserve without damage and to make appealing and available not only to all of our citizens, but to all citizens from the other States of the Union, and indeed foreign visitors.

Tourism, as it is called, has become a major business in my State. That contributes to our economy more than almost any other business that can be measured in the State.

So, we have every reason to want to preserve and protect those beautiful areas and indeed the whole State to make it appealing to those who would come and visit with us.

For that reason, I must at some length state our reasons for not being able to accept this bill and the conference report that goes with it, which I have not seen yet, but this bill that I have that was worked out in conference. Next year if a bill comes in I would hope it would arrive early and I hope that we can concentrate on the provisions of it and I would hope there would be no holdup, as there has been this year, of coming right down to the last 2 days of the session before this matter is presented to us.

If I remember correctly, it was about 8 o'clock or sometime like that last evening before this matter could even be called up, and because of the way that the procedure went we were here very late into the morning of this day and today we simply have the hours that are allotted to us by the clock and the calendar and then the time will run out, and this session is fast coming to a close. At that juncture there will be no bill then than can be adopted by the two houses and not only this matter but many other important matters will die and we will have to consider all of them again next year.

For that reason, I would hope that we could at some point agree that we will come back on a Clean Air Act amendments bill next year.

But, Mr. President, in talking about the plants that we have and propose to have in Utah, I have a series of pictures showing these plants—these are coal-fired powerplants, electric-powered plants—and some commentary about them. I know the pictures cannot go in the RECORD but I think the commentary is very instructive. The first set of photos is of the Huntington plant which is in Emery County, Utah. This is down in the central part of our State and along the back side, as it were, of the Wasatch Range at least on the east side of the range.

HUNTINGTON PLANT

This plant site has been recognized by environmentalists, governmental agency authorities and experts in the utility industry as one of the very best in the country from the standpoint of environmental protection. The reason:

There are virtually no visible emissions.

The plant can only be seen from the nearby town of Huntington and the highway if one makes conscious effort to look for it.

It is located in the mine mouth so coal transportation has little environmental effect.

It connects to transmission lines which were designed and located for minimum environmental disruption.

The site is designed for a total of four 430 MW units. The two existing units meet clean air requirements with SO_2 scrubbers in one unit. We cannot put in the two additional units even under present law with scrubbers on them unless we retrofit the one unit which has no scrubbers. We cannot install the two additional units under the House proposed law even if we include scrubbers and retrofit the one existing unit. Because of the adjacent high terrain we cannot install the two additional units under any circumstances even allowing a 3% time variance in class II areas in the proposed law, such as we discussed.

It is unfortunate that a law is contemplated which will have this effect. A plant, so clean and well hidden, with so little impact from fuel transportation and energy transmission, should not be precluded from future expansion.

The next set of photos I have is the Emery plantsite which is not very far from the Huntington site—maybe 20 miles—and the text on this says:

EMERY PLANT SITE

Construction is proceeding on two 430 MW units at this site. Two more units will be built later. All of them will be fitted with SO_2 scrubbers and particulate removal equipment. Because of prevailing meteorological conditions, air quality standards will be met under current or proposed laws.

Unfortunately, the visual impact of this plant will be far greater than for the Huntington Plant. The reason, of course, is its distance from high terrain which allows visibility for many miles. Locating the plant away from the mountains to comply with air requirements creates the need to haul coal by truck to the site. The environmental effect of that is bad and the large increase in costs must be borne by rate payers.

Other sites such as this which allow full compliance with even the proposed law are virtually nonexistent in our service area.

This is in the service area of the principal utility in the State of Utah.

The next set of photos is of the Dog Valley area near Nephi, Utah.

This is an area in the central part of Utah and on the west side of the Wasatch Range. These are open flat bottom valleys there adjacent to fairly high mountains.

DOG VALLEY (NEAR NEPHI)

Water is available but coal would have to be transported to the site. That would require a pipeline or railroad which, of course, would have considerable environmental effect.

We could build here under the present law with SO_2 removal equipment.

We could not build here at all under the proposed House law without modification.

We could build here with the proposed law if a 3 or 5% time variance in Class II areas was allowed such as we discussed.

> We could build here if the hourly increments were removed from the House bill or if the Senate numbers for pollutant increments were agreed to.
>
> The site has real potential and we hope it will not be eliminated because of overly restrictive clean air requirements.

Then there is another set of photographs of a site near Axtell, in Sanpete County. This is in the very central part of the State and between two mountain ranges:

> AXTELL (SANPETE COUNTY)
>
> Circumstances at this site are quite similar to those at Nephi except that our meteorological modeling indicates that it is very marginal even with a 3% variance. Without such a variance there is absolutely no possibility of construction at this location.

Another site for which I have the photos is at what is called Garfield East, and I wish these photographs were reproducible in the Record because they give one such a great visual view of this vast uninhabited widespreading plain area covered with nothing but juniper and sage where these plants are talked of being sited.

Garfield East is the most desirable site from the standpoint of coal availability, accessability to water and suitable conditions for transmission lines. It would be at mine mouth so there would be no rail or pipeline transportation with resulting environmental impact.

We could not build here even with a variance for class II areas. The only way this site could be used is if the hourly increments were removed from the House bill, if the House agreed in conference to accept the Senate numbers for pollutant concentrations or if the area were designated class III, which is extremely unlikely since it is nearly all Federal land which is involved.

A companion to that, with six photographs, is what is called Garfield West. This site would allow access to the same coal reserves which are available for Garfield East. It could be built upon only under conditions indicated for the Garfield East site.

There are many others. I simply cited this series because this presentation was prepared by the Utah Power and Light Co., which has a necessity for finding additional means of production of power to go into its system. Its demand is growing to the point where there simply must be additional electric energy available. These are the sites they are looking for. They have told us that under this bill, it is marginal to impossible to build any of these sites, even using all the latest technology for scrubbing SO$_2$ and for trapping the particulates from the emission stream.

This is what brings us to the point to say that we cannot go on until we know how widespread the effects of this are going to be and until we work out some differentiation for places that are adjacent to a mountain range, those that are in the flat, those that require transportation over long distances, and those that can be done at mine mouth.

So the most controversial part of the clean air amendments is the policy of nondeterioration that was proposed in section 6.

If successfully enacted, this section would establish Federal law preventing the deterioration of air quality in those areas of the country with air quality better than that required under the National Ambient Air Quality Standards. The amendments which were discussed earlier would have deleted section 6 from the bill and required a comprehensive study to be made over a period of a year. This study is for the purpose of thoroughly evaluating the economic impacts of the proposed nondeterioration policy.

In order that my amendments might be seen in their true perspective, I brought before this body several charts which I showed, which would indicate the point in question. The remarkable thing about those charts was that they covered most of the land area of this great country of ours.

I think that under this circumstance it would be foolhardy for us to push on with this matter now.

I point out to the Senate that many others in this body have spoken out on this matter. I shall read into the Record the page numbers at which many of these statements can be found.

On the environmental cost for households, I call attention to the remarks of Senator Allen at page 24290 of the Record.

On the environmental costs in industry, see the remarks of the Senator from South Carolina (Mr. Thurmond) at page 24292; of Senator Allen at page 24525.

On the need for additional facts, Senator Thurmond made some remarks that can be found at page 24292; Senator Allen, at page 24525.

On penalizing rural and natural resource States, I point to the remarks of Senator Hollings at page 24293 and the remarks of Senator Stone at page 24532.

On the difference between amendments that were before us then, the Randolph amendment and Moss amendment, see the remarks of Senator Allen at page 24516 and the remarks that I made at page 24534.

On the need for additional study, see the remarks of Senator Allen at page 24518 and page 24525 and the remarks I made at page 24527.

On economic development and jobs, see the remarks of Senator Cannon at page 24519 and the remarks of Senator Garn at page 24536.

On the limitation of growth, see the remarks of Senator Buckley at page 24520 and the remarks of Senator Stone at page 24532.

Mr. President, I pointed out that the President of the United States had given an interview to a correspondent in connection with the Clean Air Act and the Moss amendment, which was the focal point of the discussion at that time. In the course of that interview, the President indicated his strong support for the Moss amendments. I put that article in the Record so that it could be read readily. If reference is made to S12788 of the Record, there will be found the article, which quotes directly the President of the United States. I think that what he had to say should give us great pause.

Mr. President, in my discussion, I confined myself pretty much to the stationary type of pollution and the control of it—mainly power plants that would be made impossible by the amendments to the Clean Air Act.

I indicated, when I spoke earlier, that I did not know nearly as much about the automobile emissions but I thought there needed to be some act on automobile emissions, and, therefore, I could not speak of that part of the bill nearly so well—I do not have the background to speak on it—but I had thought that what was provided might be of value to the automobile manufacturers. I had understood that they were willing to take the bill. But now I find out that since the conference was held with the House and since the bill has been revised as it now stands, all the automobile manufacturers have reason to resist the bill.

I have some statements that have been prepared and brought to my attention from all the main automobile manufacturers. The first is from General Motors:

> The action taken by the House-Senate Conference on the Clean Air amendments unfortunately fails to meet minimum requirements for a reasonable balance between the achievement of cleaner air and the need for energy conservation.
>
> In our view, the proper balance, insofar as auto emissions are concerned, was represented by the position sponsored by Reps. Dingell and Broyhill and overwhelmingly adopted by the House of Representatives.
>
> In contrast the position adopted by the Conference, if enacted, would result in the unnecessary consumption of tremendous amounts of petroleum as well as additional unnecessary cost to the consumer for additional emission control equipment. Significantly, the proposed standards will limit technological advancement and, specifically, the proposed standard of 1.0 gram per mile of oxides of nitrogen will endanger and probably prevent the introduction of the diesel engine passenger car.
>
> Clearly these auto emissions standards run counter to the fuel economy standards adopted by this same Congress.
>
> Finally there is no clear evidence that health needs require the adoption of standards more stringent than those adopted by the House. The virtually insignificant difference in air quality between the House proposals and what the Conference adopted does not, in our opinion, justify the serious costs which would result.
>
> For these reasons, General Motors is obliged to oppose the legislation adopted in Conference.

I am not an apologist for General Motors. I guess I have been heard to say that we cannot be worried too much about them. The fact remains that this is the largest automobile manufacturer we have in this country. They say that energy consumption will go up and costs will go up by reason of the terms of this bill. Why we are pushing a program that causes greater energy consumption in a time when we are looking for energy conservation fully escapes me.

Chrysler Corp. added just a very brief comment:

> The Conference Committee bill is a setback for the American public.
>
> It is inflationary because of its high cost and wasteful because of its high fuel penalty.
>
> We have no choice but to oppose the bill.

The Ford Motor Co. also had something to say:

> Ford Motor Company is astounded by the severity of auto emission standards mandated for 1979 by the House-Senate Conference Committee. The decision to impose unnecessarily harsh standards for hydrocarbons and carbon monoxide in the 1979 model year is especially surprising in that in fuel economy by 1979. Ford has new programs which endorsed more realistic standards just last week.
>
> The proposed 1979 standards, if approved, will put at risk much of Ford's 1979 model year product program. At this point, we simply do not know whether Ford will or will not be able to meet these standards on all of its products. We do know, however, that these standards will cause a significant loss in fuel economy by 1979. Ford has a new emission hardware under development for the 1980 model year, but it is not likely that this advanced technology can be pulled ahead in time to meet the more strict standards in 1979.
>
> The extent to which fuel economy may be worsened by the 1979 standards also puts at risk the ability of the Company to meet the 19-mile-per-gallon fuel economy standard that becomes effective that year. Although further analysis is required, there is a real doubt that we will be able to offer a reasonable range of products in 1979 that will meet both the fuel economy standard and the unnecessarily strict emission standards called for by the Conference bill. We are distressed and discouraged by the action of the Conference Committee.
>
> In these circumstances, we have no alternative but to oppose the passage of the Conference bill and urge Congress to amend the bill to set standards closer to the levels set by the House when it approved the Dingell bill by a large margin.

Finally, not to leave out American Motors, American Motors say the following:

> We are greatly concerned about the decisions reached by the Conference Committee. As AMC and other auto companies have repeatedly stated, required clean air standards for 1979 are not in the best interest of consumers since they will add more cost to our cars and result in wasting energy. The stringent NO_x requirement for 1981 is an even more serious detriment to fuel economy and could, possibly, foreclose use of alternate power sources.

The Motor Vehicle Manufacturers Association also commented:

> The auto emission standards contained in the House-Senate Conference bill on Clean Air are a drastic departure from those approved by the House of Representatives. Their adoption would result in waste of fuel, higher cost to the consumer and no significant improvement in air quality.
>
> The Motor Vehicle Manufacturers Association opposes the auto emission section of the bill as reported and urges Congress to adopt the standards passed by the House.

Mr. President, I detailed some of the problems that there were with the automobile manufacturers now with the bill as it came out of conference.

In addition to the difficulties long enumerated in this Chamber in the debate on the Moss amendments concerned with nondegradation, I find myself utterly astonished at the Senator's pushing for adoption of this conference report which contains standards on auto emissions which, in the view of the automobile industry, will cause a significant loss of fuel economy in 1979.

We have been that route and have wasted all the fuel we should. I cannot believe we would impose, with this bill, further significant loss of precious energy resources.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the pending matter be temporarily laid aside and that the Senate proceed to the consideration of House Joint Resolution 1105, making certain appropriations. The Senate has already granted unanimous consent to proceed with this measure.

Will the Senator yield for my purpose without losing his right to the floor?

Mr. MOSS. I am willing to yield without losing my right to the floor and that it not be construed as the end of a speech at this point.

Mr. MUSKIE. Reserving the right to object, I do not object for the reason that this Senator already had received unanimous consent to take this matter up at any time, but I want to put the Senate on notice that it is not a precedent for yielding for similar requests this afternoon. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTINUING APPROPRIATIONS, 1977

Mr. McCLELLAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives.

The Presiding Officer laid before the House the following message:

> OCTOBER 1, 1976.
>
> *Resolved*, That the House agree to the amendments of the Senate numbered 2, 3, 4, and 5 to the resolution (H.J. Res. 1105) entitled "Joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes".
>
> *Resolved*, That the House disagree to the amendment of the Senate numbered 1 to the aforesaid resolution.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. McCLELLAN. Mr. President, I move that the Senate recede from its amendment No. 1.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays are ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Georgia (Mr. TALMADGE), the Senator from California (Mr. TUNNEY), the Senator from California (Mr. CRANSTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Hampshire (Mr. McINTYRE), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Hawaii (Mr. INOUYE), and the Senator from Montana (Mr. MANSFIELD) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from North Carolina (Mr. MORGAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 70, nays 0, as follows:

[Rollcall Vote No. 690 Leg.]

YEAS—70

Abourezk
Allen
Baker
Bartlett
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Culver
Curtis
Dole
Durkin
Eagleton
Fannin
Ford
Garn
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Jackson
Johnston
Laxalt
Leahy
Long
Magnuson
Mathias
McClellan
McClure
McGovern
Metcalf
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—30

Beall
Bellmon
Bentsen
Brock
Buckley
Chiles
Cranston
Domenici
Eastland
Fong
Glenn
Goldwater
Hart, Philip A.
Humphrey
Inouye
Javits
Kennedy
Mansfield
McGee
McIntyre
Mondale
Montoya
Morgan
Pearson
Ribicoff
Scott,
  William L.
Stennis
Taft
Talmadge
Tunney

So the motion was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOSS. I yield briefly to the Senator from Washington to make a request, without losing my right to the floor.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. Daniel Dreyfus, Mr. Steven Quarles, and Mr. William Van Ness be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL

A message from the President of the United States announced that on September 30, 1976, he approved and signed the enrolled bill (S. 2511) to authorize the Secretary of Agriculture to convey certain lands in the State of Idaho, and for other purposes.

REPORT OF THE NATIONAL SCIENCE BOARD—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following message, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am pleased to submit to the Congress the eighth annual report of the National Science Board, *Science at the Bicentennial—A Report from the Research Community.*

This report reviews the history of research in the United States and summarizes the results of a survey conducted by the Board in 1975 which sought the opinions of research managers on the problems facing basic research in universities, industry, Federal laboratories and nonprofit institutes.

The report reflects the pride of the research community in the tremendous accomplishments resulting from the scientific research effort in the United States, particularly since World War II. The report shows concern about a number of problems facing research institutions in 1975. It also shows the expectations for many more contributions in the future from science—contributions which will be important to the strength and well-being of our Nation.

The thoughtful statements expressed in this report will receive the attention of my new Office of Science and Technology Policy and the new President's Committee on Science and Technology, which will soon begin its two-year examination of the overall context of the Federal science, engineering and technology effort.

The strength and prosperity of the United States which is so respected throughout the world is due in large measure to the contributions of scientific research. I believe this force must be maintained and I have sought significant increases in Federal funding for basic research in my 1977 Budget, in fact, an increase of 11 percent over 1976 estimates. This increased funding would reverse the decline in the levels of Federal support for basic research that began in 1967.

The views set forth in this report will enhance our ability to make informed decisions about the Nation's support of science. I commend it to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that:

The House has passed without amendment the following Senate bills:

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes;

S. 2533. An act to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Lake; and

S. 3063. An act designating Ozark Lock and Dam on the Arkansas River as the "Ozark-Jeta Taylor Lock and Dam."

The House agrees to the amendment of the Senate to the bill (H.R. 1073) to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978.

The House agrees to the amendments of the Senate to the bill (H.R. 15136) to authorize appropriations for construction of facilities on Guam, and for other purposes.

The House agrees to the amendments of the Senate to the bill (H.R. 15445) to save the gray and bowhead whales.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12572) to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system, and for other purposes.

The House agrees to the amendments of the Senate numbered 2, 3, 4, and 5 to the joint resolution (H.J. Res. 1105) making continuing appropriations for the fiscal year 1977, and for other purposes; and the House disagrees to the amendment of the Senate numbered 1 to the aforesaid joint resolutuion.

The House agrees to the amendments to the following bill and joint resolution in which it requests the concurrence of the Senate:

H.R. 13948. An act to designate the United States Army Engineer Waterways Experiment Station in Vicksburg, Mississippi, as the "Will M. Whittington Waterways Experiment Station"; and

H.J. Res. 1118. A joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

The Speaker has signed the following enrolled bills:

S. 14. An act to provide cost-of-living adjustments in retirement pay of certain Federal judges.

S. 1414. An act to amend the Commercial Fisheries Research and Development Act of 1964 to change certain procedures in order to improve the operation of the programs under such Act and to make the Trust Territory of the Pacific Islands eligible to participate in such programs.

S. 1506. An act to amend the Wild and Scenic Rivers Act, and for other purposes.

S. 1971. An act to designate the plaza area of the Federal Building, Portland, Oregon, the "Terry Schrunk Plaza".

S. 2657. An act to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes.

S. 2839. An act to supplement the authority of the President to collect regular and periodic information on international investment.

S. 2991. An act to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes.

S. 3035. An act for the relief of Alice W. Olson, Lisa Olson Hayward, Eric Olson, and Nils Olson.

S. 3050. An act to authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis.

S. 3383. An act to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes.

H.R. 4654. An act for the relief of Day's Sportswear, Incorporated.

H.R. 5546. An act to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes.

H.R. 7108. An act to authorize appropriations for environmental research, development, and demonstration.

H.R. 12118. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes.

H.R. 15246. An act to amend the Service Contract Act of 1965 to provide that all employees, other than bona fide executive, administrative, or professional employees, shall be considered to be service employees for purposes of such Act, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. HUGH SCOTT).

CLEAN AIR ACT AMENDMENTS—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on the bill (S. 3219) to amend the Clean Air Act, as amended.

Mr. GARY HART. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their conversations to the cloakroom. Attachés will please be seated. Will the Senator please restate his unanimous-consent request?

Mr. MOSS. I request that I might yield to the Senator from Texas (Mr. Tower) for remarks without showing an interruption of my remarks in the Record.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, those who urge passage of this bill in its present form frequently argue that numerous studies have already been made that we know what the economic costs will be and that those costs will be modest. The advocates of the bill overlook the fact that many studies are contradictory and that EPA itself has basic questions about the economic impact of measures we are now debating.

In support of what I have just said, I would like to call the attention of my colleagues to an EPA letter dated July 28, 1976, inviting proposals for a study on the impact of the Clean Air Act on industrial expansion.

The first part of the proposed EPA study requires the tabulation of production levels and expansion plans for key industries, the tabulations to be broken down by various types of air quality control regions, including those where nondegradation provisions would apply.

The second part of the study calls for determining the effects of various policy alternatives on the planned expansions of those key industries. The policy alternatives concern areas where the air quality does not meet the primary standards, as well as nondegradation area.

The third part of the study calls for the development of criteria to identify problem industries and to lessen the impact of the clean air restrictions on those industries.

Mr. President, why is the Environmental Protection Agency calling for this study? I think the answer is pretty obvious: EPA realizes that information and analysis are lacking on crucial matters, including nondegradation.

Should we enact the bill, Mr. President, while this vitally important information is lacking? The answer is equally obvious: Of course not.

Any nondegradation provisions which we enact will affect the American economy for years, probably decades, to come. Before we enact such provisions we should have a clear idea of what the benefits and costs will be. Right now we do not have a clear idea of either.

Mr. President, it is my belief that we do not have the facts necessary, at this time, to legislate such a far-reaching issue as nondeterioration. One big reason is that with all of the thought and effort that have already been poured into the question of how best to prevent significant deterioration of this Nation's air quality, only one industry, electrical power generation, has been studied in depth. It is my understanding that these studies assumed that the full increments of deterioration permitted by the bill would be available to the electrical power industry for new construction.

That, my advisors tell me, is not the case at all, whatever industry is involved. EPA Administrator Train recently projected that of 247 air quality control regions in the Nation, 60 would not meet the existing statutory deadlines for the particulate standards, 42 for sulfur oxides, and 74 for photochemical oxidants. It is well worth adding that some of these regions will never meet the standards because of natural pollutants like particulates in the form of airborne dust.

Mr. Train's projection tells me one thing very clearly: If so many air quality control regions are not now meeting present air quality requirements, then certainly many more regions must be just barely meeting them. In such regions, the full allowable increments of deterioration—which are themselves very tight—would not be available to industry for new construction.

I would remind my colleagues that I am not talking about the mandatory class I areas. Along with millions of my fellow Americans, I have visited many of these magnificent natural treasures and have been refreshed and renewed by them. I cherish them and will not see them violated, even slightly.

Rather, I am talking about the other nondeterioration areas, which must be kept available for reasonable economic expansion to serve our growing population. Certainly, our citizens want clean air. Just as certainly, they want jobs, paychecks, and amenities that answer to their rising expectations. It is estimated that the Nation will have to generate some 14 million new jobs between now and 1980, just to accommodate the young people who will be entering the job market and to reduce current unemployment. Making it difficult—or impossible—for economic growth to occur hardly seems the best way to generate those jobs.

No one knows what impact these significant deterioration provisions would have on future economic growth patterns. We need additional thorough studies of other basic industries, such as aluminum, chemicals, copper, paper, steel, and, above all, energy, which fuels all of the rest.

With the results of solid studies in our hands, we would be in a far better position to legislate solutions to the complex questions which have occurred to me and, I am sure, to many of my colleagues—questions which at this point in time simply are unanswered.

INADEQUATE STUDY OF ECONOMIC AND OTHER IMPACTS

A series of studies has been made by industries and Government agencies to assess the potential impact of a national policy to prevent significant deterioration of air quality. Assumption and methodologies—hence, findings and conclusions—vary widely.

Probably the earliest attempt to ascertain grossly the potential impact of a nondeterioration policy was a national map produced by industrial interests, from which it was concluded that economic development would be jeopardized in about 80 percent of the country's land area. Although that effort was much maligned and criticized, a subsequent joint study by the Environmental Protection Agency and the Federal Energy Administration confirmed that development would be severely constrained throughout the Nation. Following a series of amendments to the pending bill and using various different assumptions, however, EPA was able to conclude, in the fourth supplement to the initial joint report, that the impact on industrial siting and land use would be minimal.

Studies by electric utility consultants concluded:

First, the present Clean Air Act, without pending nondeterioration amendments, will entail compliance expenditures of $37 to $54 billion by 1990, and will cost each American household an average of $1,500;

Second, nondeterioration amendments would add from $8.7 to $18.6 billion to utility costs and from $299 to $673 per household in the period, depending on interpretations and electric demand growth;

Third, there would be great regional cost differences, and to the extent that such costs are passed on to industrial customers regionally, they are likely to discourage expansion of electric-intensive industries in high-cost areas and adversely affect employment and economic growth in those areas;

Fourth, only small, inefficient and uneconomical powerplants could be built in hilly terrain; and

Fifth, low-sulfur coal supplies and flue-gas desulfurization capability are believed inadequate to meet industry needs.

Studies conducted by individual electric utilities and by systems in an entire State similarly point to growth curtailment, consumer costs much greater than the national average, and the possibility that coal-fired units may be prohibited in large areas.

A large electrical equipment supplier reported that increased capital requirements for production equipment in the utility industry could range from $107 to $127 billion from 1981–90 and total production costs could be increased by $170 to $250 billion, as a result of significant deterioration and best available control technology provisions in proposed Clean Air Act amendments. The report also points out that both coal and nuclear options must remain viable to meet future energy requirements; if nondeterioration requirements are over-restrictive and the nuclear option is not available, a point will be reached where total sulfur dioxide emissions will increase, even if scrubbers are used on all coal-burning plants.

FEA concluded that congressional proposals will cause practically all intermediate-load powerplants, for economic reasons, to switch to oil rather than coal-burning plants with scrubbers—which would require about 1 million more barrels of oil per day. The agency predicted capital cost increases of $6 to $17 billion from 1980 to 1990, depending on whether oil use is permitted or prohibited.

In a series of studies by EPA, it was concluded that: First, nondeterioration will increase capital requirements $11.5 billion; second, the average residential electric bill will be increased $28 per year in 1990; third, energy needed to operate scrubbers will be 3,300 megawatts of coal-fired capacity by 1990—this is enough capacity to serve some 3 million customers; fourth, powerplants will have to be located as much as 40 miles apart in certain areas to comply with class II increments; fifth, powerplants will have to be located 5 to 60 miles from class I areas; and sixth, a class III designation or variance from class II increments probably will be necessary after 1980.

While many studies have concentrated on the cost side of the equation, little has been done to assess the benefits of clean-air expenditures. One published paper reports that meeting EPA's new source performance standards at a powerplant under construction, assuming "worst-case effects," carries an 11:1 cost/benefit ratio. When nondeterioration requirements are included, the ratio of cost to benefits becomes 33.5 to 1.

The various studies conducted to date which have been confined largely to the impact on electric utilities, have pointed out technological and economic ramifications associated with proposals to prevent significant deterioration of air quality. Also, they have demonstrated the difficulties, the uncertainties, and the differences of fact and opinion that make so arduous the task of comprehensive evaluation. Each study can be praised or condemned, but nobody can assert with certainty that one or another holds the true answer. At best, the multiplicity of disjointed analyses helps point out areas of ignorance and uncertainty, and perhaps indicates avenues for filling the major gaps before committing the Nation to a policy with potentially profound—and maybe adverse—overall impact. Clearly, these gaps should be filled before legislating in this important area.

Mr. President, I think that it is unfortunate that in our zeal to clean up our air, water, and the Earth, we have overreacted and failed to acknowledge that there has to be from time to time some trade-offs between our desire to protect our environment and the necessity for economic growth and development. We do not know yet, really, to what extent that existing environmental protection legislation and its pursuant implementation has impacted on economic growth in our country at a time when we worry about the high unemployment and high number of jobless, and at this very time we seem to want to thwart our capacity for industrial growth even more.

I know recently in the Rio Grande Valley of Texas there was a sugar mill that had ordered some scrubbers for its stacks to comply with the environmental standards. The scrubbers did not arrive on time. It was not the fault of the people operating the sugar mill. The suppliers simply had not gotten the scrubbers there. And it took moving heaven and Earth to keep the Feds from shutting down that sugar plant that provided employment to marginally employable people. This is down on the Mexican border when many of the people employed were people of Mexican-American origin who tend to be a very socially disadvantaged group in this country and who face the risk of layoffs or losing their jobs because the plant could not continue in operation.

This is only one example of many.

I think that we must understand the need for vastly expanded industrial growth if we are going to accommodate the 14 million new people who are coming into the job market over the next 5 years. If we have to make some trade-off, as long as it is a safe trade-off, on environmental standards, then we must do so for the benefit of the welfare of our people.

Mr. President, I have in hand a very fine report prepared for the American Petroleum Institute by Bonner & Moore Associates Inc., of Houston, Tex., a very prestigious organization engaged in management services, operations, research, information systems, programing systems, technical publications, and process control, and they published an estimate of the impact of significant deterioration regulations on the U.S. refining industry and related industrial growth. This report is of January 16, 1976.

I shall read from some of the report because I think it provides very interesting information.

REPORT

SECTION 1

Introduction

This report presents a review and analysis of currently available material relating to the impact of Significant Deterioration as proposed in Clean Air Act amendments being prepared by the Senate Public Works Committee and the House Committee on Interstate and Foreign Commerce. The analysis pertains specifically to petroleum refining and shale oil processing, but also recognizes the potential impact on petro-chemical processing, coal conversion, electric power generation and other industrial development. Indirect effects which could occur, such as enforcement problems, administrative uncertainties and social and political pressures, are not within the scope of this study but are recognized as important problem areas. This is an attempt to study a very complex, far-reaching and ill-defined subject with a small fraction of the time and budget necessary to resolve and clarify all aspects the impact could have.

1.1. Background:

The concept of Significant Deterioration has been proposed for amending the Clean Air Act, principally for protection of air quality in the pristine areas of the United States.

In spite of the basis for Primary and Secondary National Ambient Air Standards, namely protection of human health and welfare, significant deterioration proposals contain even more restrictive standards for selected areas.

The definition of the required protection and the means for administering such protection require careful study because the potential for success of such protective regulations and the large costs involved in compliance with such regulations are both subject to considerable uncertainty and are very complex and interrelated.

We cannot place a monetary value on the replacement or repair of damaged recreational areas. Neither can we guess what future generations may use in measuring the value of some primitive area. Therefore, we have not attempted to quantify potential benefits.

It is, however, possible to identify and estimate the costs and other consequences of complying with the proposed Significant Deterioration amendments. Since no assessment has been made with respect to the effectiveness of the Significant Deterioration amendments, any such cost estimate must necessarily assume that the amendments will achieve defined objectives of air quality control. There is reason to question this assumption, but examining the validity of the regulatory basis is not the purpose of this report. Rather, this report will present estimates of costs which would attend compliance with proposed amendments concerning the concept of Significant Deterioration.

1.2. Summary of conclusions:

The analysis conducted in producing this report shows that the concept of Significant Deterioration, as applied in proposed amendments to the Clean Air Act, imposes a very restrictive set of limitations on emissions from industrial sources. This is true whether Significant Deterioration is defined in terms of absolute increments above baseline levels (Senate version of amendments) or in terms of percentage increments (House version).

Regulations based on the Significant Deterioration concept have the potential to generate two kinds of impact:

(1) Retardation and restriction of major U.S. refining growth (because of added investment requirements and higher operating costs), and

(2) The effective removal of vast quantities of oil shale from consideration as a near-future U.S. energy source and the increased cost in utilizing coal reserves in meeting future demands.

In evaluating the impact of Significant Deterioration regulations, it has been necessary to recognize that many of the factors involved are specific to local situations, some are uncertain or ambiguous, and some are poorly defined. Even so, it is necessary that qualitative and quantitative assessments be made since the potential consequences of Significant Deterioration are very far-reaching in their effects.

1.2.1. Effect on Industrial Growth:

The most obvious conclusion which can be drawn from this analysis is simply that amendments concerning Significant Deterioration will severely restrict and possibly eliminate major U.S. refining growth.

Using presently available emissions control technology would require one or more alternative actions in order to comply with non-degradation increments and each of these alternatives involves added capital burden as well as increased operating costs.

Compliance alternatives include:

(1) Extreme emissions control—requiring a minimum of $300 per ton of pollutants[1] removed in additional capital burden and a similar cost per ton in added operating costs. (Even after such control were implemented, displacement to comply with diffusion requirements may be needed to keep from exceeding Class I increments). For a 150,000 barrel/day refinery processing sour crude oil, this amounts to a decreased cash flow of $20,000 to $25,000 per day, or in the order of 10 percent of the total cash flow.

(2) Size reduction, with supplemental capacity supplied from other sources or with smaller refineries located at nearby, but widely separated, sites. Capital burden alone could add as much as 2 cents/gallon to average product costs (with equivalent price increase if costs are to be recovered, which is necessary in a viable industry).

(3) Dislocation of planned industrial plants to non-impacted regions, with direct economic impacts to refining (for expansion to meet 1985 demand growth) of $640 million to $1.18 billion in capital investment. This amounts to an increase of at least 5.0 percent and as much as 9.5 percent in capital investment required to meet the 3 million barrels/day demand growth projected for 1985. Since these estimates ignore industrial water supply problems, non-major and service industry growth, and energy consumption for required additional transportation, they are properly considered as conservative.

1.2.2. Impact on Future Energy Resources:

The cost of dislocating refining capacity (and presumably petrochemical processing capacity) is based on relative plant "mobility." No such mobility is available for coal gasification plants or oil shale retorting operations. For this reason, vast quantities of potential energy would be removed from consideration under Significant Deterioration regulations. For example, 100 percent of significant shale oil reserves lie under areas within the influence of Class II and potentially Class I restrictions. These reserves represent an estimated 2.7 trillion barrels of shale oil. Western coal reserves, particularly those which are exploitable through strip mining techniques and low in sulfur content, would be inhibited from conversion use in the immediate locale.

1.3 Report Content and Organization:

Major conclusions are supported by information presented in the balance of this report.

Section 2 presents estimates of the impacts in the industrial development area while Section 3 deals with energy development impacts. Section 4 is a bibliography of both direct reference sources and indirect information sources used in development of estimates. Appendix A is included to provide details related to the cost of relocating proposed industrial plants to "non-impacted areas" as defined by the concept of Significant Deterioration.

SECTION 2—IMPACT ON INDUSTRIAL DEVELOPMENT

Industrial development, as it pertains to the petroleum and related sectors of the economy, could be confronted with major problems if the proposed Clean Air Act amendments on Significant Deterioration are enacted.[2] The severity of the proposed restrictions present the following alternatives:

(1) Use of extremes in control technology,
(2) Reduction in plant sizes,
(3) Dislocation of proposed plants, or
(4) Combinations of the above.

It is not possible to consider all of these alternatives in every opportunity for industrial development. For example, dislocation of a strip mining operation is obviously not applicable. Building two or more small plants is theoretically feasible but may be economically prohibitive. The use of "baghouses-on-baghouses" theoretically can be applied, but the costs are excessive when compared to benefits and could result in non-competitive economics.

2.1. Use of extremes in control technology:

One method for complying with proposed nondegradation amendments is the installation of added emissions control facilities. Engineering design to achieve emission control at minimum cost results in stages of application of control techniques. This, in turn, results in varying levels of control which are recognized by the wording in the Clean Air Act and proposed amendments.

New Source Performance Standards (NSPS) are defined under Section 111 of the current statute as ". . . a standard for emissions of air pollutants which reflects the degree of emission limitation achievable through the application of the best system of emission reduction which (taking into account the cost of achieving such reduction) the administration determines has been adequately demonstrated.

EPA's current definition of "Best Available Control Technology" (BACT) calls for meeting Federal New Source Performance Standards (NSPS) or state regulations, whichever are more stringent.

In the latest Senate Staff Working Print No. 6 on amendments to the Clean Air Act, BACT is defined as ". . . an emission limitation based on the maximum degree of reduction of each pollutant subject to regulation under this act emitted from or which results from any major emitting facility, which the permitting authority, on a case-by-case basis, determines is achievable for such facility through application of production processes and available methods, systems and techniques for control of each such pollutant.

BACT also recognizes the possibility that an arbitrary emission level limit may not be attainable. However, Best Available Control Technology is not a precise term. As has been demonstrated so well by the current sulfate emissions problem imposed through application of the catalytic converter to auto exhausts, there can be offsetting side effects which should be included in the assessment of what is "best." Such assessment must include consideration of cost since there comes a point where further reduction in emission levels is unjustified.

It is a well-recognized fact that the cost of removing impurities increases in proportion to the reciprocal of the remaining fraction. Thus, as the concentration of an impurity is reduced toward zero, removing the rest becomes infinitely expensive. An example of control applications and the associated cost is presented in the following paragraph.

A grassroots refinery designed to process 150,000 barrels/day of sour crude oil, using an example of possible BACT, is estimated to have 38.5 tons/day *less* total emissions[3] than the same refinery employing New Source Performance Standards (NSPS) control. The capital charges[4] for this increment of control show a unit cost, in 1975 dollars, of $310 per ton of eliminated emissions. By employing greater emissions control that might be developed in the future (better than today's BACT), an additional 22.4 tons/day of total emissions[5] could be eliminated. The capital charges[4] for this increment of control show a unit cost of $810 per ton. Incremental operating and maintenance cost would add $200 per ton to $300 per ton to these costs. Since these costs pertain primarily to the control of SO_2 and particulate emissions, they are probably low since hydrocarbon and NOx control would also be required. Without questioning the justification of either of these increments of emissions control, it is obvious that costs are high and increasing with percent removal.[6]

2.2 Reduction in Plant Size:

If emission from a planned facility, e.g., a petroleum refinery, were projected to exceed the significant deterioration increment of a nearby Class I (or II) region, one (theoretical) possibility would be to redesign it as two smaller refineries, sufficiently separated to eliminate interaction of their dispersion patterns. Ignoring the operating cost inefficiencies, there is still a major cost penalty. This penalty results from the following well known (and used) rule of thumb:

$$\frac{I_s}{I_L}=\left(\frac{C_s}{C_L}\right)^{0.6}$$

where

I_s and I_L=Investment for small and large plants.
C_s and C_L=Capacity of small and large plants.

In other words, the ratio of investments for two plants of the same type is equal to the ratio of their capacities to the 0.6 power. In application, this rule says that the investment of a plant of half the size of another is more than 65 percent of the investment cost of the latter. Carrying this example further, we can see that splitting a planned refinery into two plants with half the original capacity would require twice the 65 percent of the original investment or more than 130 percent. If the plant size were divided by three, the resulting investment (for three small plants) would be 155 percent of the original plant.[7]

$$\left(\frac{I_n}{I_o}\right)_{\text{total}}=\left(\frac{C_n}{C_o}\right)^{0.6}\times\left(\frac{C_o}{C_n}\right)=\left(\frac{C_n}{C_o}\right)^{-0.4}$$

At present, using a possible example of "Best Available Control Technology" for emission control, the investment for refining capacity is about $4,200/per barrel of crude processed daily and the cost of constructing a 150,000 B/D refinery would be about $630 million in 1975 dollars. If it were necessary to build two 75,000 barrel/day plants outside of an adequate buffer zone of a Class I region, the investment would be 30 percent greater; i.e., $819 million. The additional capital, $189 million, would require an additional annual capital charge of $43.17 million or an increase in the cost of products of $0.78/barrel. Assuming that this increase were spread uniformly to all products and that the overall yield were 91.5 percent, this is an increase of 2.0 cents per gallon in product cost.

Since the above example does not account for increased operating costs (twice the labor force), increased real estate and site improvement costs or for a shared crude-products terminal facility, these figures are extremely conservative estimates of the impact of size reduction as a means of coping with Significant Deterioration.

If terrain and weather conditions required only a two-thirds reduction, the capital increase would be only 17.6 percent, which would reduce the cost increase of compliance to $0.46/barrel. However, a two-thirds reduction implies a way to satisfy the local demand

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Footnotes at end of article.

by "importing" products from a remote facility with spare capacity.[8] The capital and operating costs of transportation facilities and the higher operating cost-per-barrel of a two-thirds plant are not reflected in the $0.46/barrel estimate.

By employing size reduction, a one-time expansion appears theoretically possible (ignoring the uncertainty associated with dispersion model application, multiple industry siting conflicts and associated non-major source emissions). Inefficiencies and increases in cost are factors which weigh against economic practicality of size reduction and regardless of the amount of size reduction, non-degradation restriction would leave no room for expansion to meet future demand growth once the available sites have been utilized.

2.3. Dislocation:

Calculating the potential cost of refinery dislocation requires accounting for a number of uncertainties. These stem from the imprecision and inaccuracies of diffusion model application and from inadequate monitoring devices. In addition, there is the uncertainty in predicting how the proposed increments will be apportioned among the various elements of industry planning for development in an area under surrounding (or within) Class I regions. Even though the expected emissions and dispersion patterns from several different elements of an industrial development are each within allowable incremental levels, it may not be possible to permit all to build facilities because their total emissions will exceed the allowable Class I increments.[9]

In most situations, there would be an obviously required member (e.g., a strip mining operation of a mine-power plant development) if any of the combined elements are to make sense. Dislocation of one or more elements would be necessary. But, which ones? Thus, without a thorough examination of the full span of industrial elements which can be projected in a given region and their alternative location, the ultimate impact could be miscalculated (even when assuming no modeling error). Faced with this kind of uncertainty and its ramifications, management will certainly hesitate to commit corporate resources to develop any site in the shadow of a Class I area.

A thorough evaluation of the dislocation of refinery siting would involve a major study effort far beyond the time and funding available for this report. It would require projection of expected and potential State and Federal Land Management action, as well as identification of refinery expansion plans which will be altered by the proposed Section 29 Amendment, referred to elsewhere. It would also require determination of other industrial development that could interact with refinery and related industry siting. Instead, we have adopted a simplified approach to evaluate the magnitude of refinery dislocation cost. This approach identifies the available siting regions as discussed below. Details are presented in Appendix A.

A fixed value to represent the dimension of dispersion distance surrounding Class I regions is only useful when visualizing the far-reaching influence of non-degradation or when generalizing to assess the quantitative impact of the proposed amendments. Specific situations could call for greater or smaller distances. By using the upper limit of the calculated range, about 200 miles, compliances would probably be assured but virtually the entire land area of the coterminous U.S. would be in one or more dispersion zones, leading quickly to the conculsion that no major emissions source could ever be constructed employing current control technology.

At the lower extreme, about 25 miles, some degree of non-compliance is certainly to be expected. Only under extreme circumstances would management expose their companies to the risk of disruption in operations, violation fines and public disfavor for siting with a minimum dispersion dimension. At distances of 50 to 100 miles, a middle ground may exist.

FOOTNOTES

[1] Includes SO_2, CO, and Particulate.

[2] This is particularly the case when coupled with proposed limitations to growth as contained in Section 29 of the Senate bill, p. 61–63 of 6th printing of Senate Public Works Committee Amendments; 22 December 1975.

[3] 32.4 tons of SO_2, 0.4 tons of particulate and 5.7 tons of CO.

[4] Annual capital charges of $0.2284 per dollar invested are based on 15-year economic life, 11 year depreciation life, 48 percent income tax rate, 15 percent DCF rate of return, and tax credits for double declining balance depreciation plus a one-time 7 percent investment tax credit. Local taxes, insurance and maintenance costs are not included.

[5] 17.1 tons of SO_2, 2.9 tons of particulate and 2.4 tons of NO_x.

[6] The relationship $\text{Cost}=2559-1334/1-x$ can be derived using these values and the base (NSPS) emissions rate of 94.7 tons/day, where X=fraction removed. From this equation (assuming technology is available) we see that the removal cost has jumped to $10,785 per ton at 90 percent reduction and to $130,000 per ton at 99 percent reduction.

[7] Note that if C_n/C_o is the ratio of new to original capacity, the investment ratio is $(C_n/C_o)^{0.6}$ and C_o/C_n plants would be required.

[8] Expansion of refinery capacity in Air Quality Control Regions is severely restricted by Section 29 in the Senate Bill. See p. 61–63 of 6th printing of Senate Public Works Committee Amendments; 22 December 1975.

[9] It is beyond the scope of this report to examine the potential consequence of dispersed industrial development although its social and economic (and environmental) impacts cannot be overlooked.

Mr. TOWER. I ask unanimous consent that figure 21 be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The material is not reproducible in the RECORD.)

Mr. TOWER. As shown in figure 2–1, class I, along with 50-mile-wide dispersion zones, inhibits most of the eastern, gulf, and western coast lines, as well as Western United States. However, the construction cost savings implied by current area differentials would most likely disappear or at least become much lower, in which case dislocation would require even more capital. If construction cost differentials are assumed to decrease to half of their current values, dislocation would require an estimated $1,180 million capital investment. As a percent of new refining investment, these estimates represent from 5 to 9.5 percent. As a demand for limited funds, they represent the capital required in finding and drilling for 290 million to 778 million barrels of new crude.

Several obvious problems have been ignored in making the above-described estimates. The dislocation of people to run the dislocated refining capacity and the associated services would have a significant economic impact, not only on inland Texas but on areas from which this potential development has been moved. Construction of the refining capacity would require relocating something in the order of 30,000 construction workers and field engineers and their families. All of this, of course, assumes that construction permits would be issued and that inland Texas would not assess the environmental impact as unfavorable.

Industrial water supply is a major problem which has been ignored. Nowhere in the nonimpacted regions of the Central Plains States is there abundant water supply. Massive water course diversion is impossible without disrupting current water uses. Air cooling via finned tube exchangers is a partial resolution to this problem.

It is also unlikely that large pressure vessels could be moved into the inland regions without extensive rework of railroad facilities.

This analysis assumes that power generation and other less "mobile" industry would not be dislocated and would use up allowable increments of nonsignificant air quality deterioration. It assumes that petroleum product demand growth would occur even though prices must be increased to recover capital costs. It does not deal with the evaluation of the methods, if any, of accommodating the next round of growth after nonsignificant deterioration limits are consumed.

SECTION 3. IMPACT OF ENERGY RESOURCES DEVELOPMENT

Significant deterioration classification will severely influence the cost—and potentially the possibility—of developing many of the U.S. shale oil, coal, and uranium deposits.

OIL SHALE

Class I regions and the dispersion distances surrounding them cover 100 percent of the land area containing oil shale in the States of Colorado, Utah, and Wyoming. The difficulty of operating in compliance with class I restrictions will delay or curtail the utilization of shale oil reserves estimated to be 2.7 trillion barrels. The economic uncertainty of shale oil development—with current price controls on crude oil—is made even more doubtful by proposed significant deterioration controls. Dislocation of retorting plants is impractical, even if we consider only the excessive energy costs for transporting oil shale to, and spent shale from, a remote site. Relocating fuel gas stacks from in situ retorting operation is totally impractical.

Delaying the development of shale oil will postpone realizing U.S. energy independence goals and prolong all of the uncertainties associated with foreign sources for a large percentage of our energy needs.

COAL

In an 11-State study, Anderson, Feldman, and Palmer show that approximately 24 percent of the U.S. coal reserves are under areas affected by class I designated regions and under the dispersion zones generally shown to be needed to protect the air quality of these regions. With the exception of the coal deposits of north and east central Texas, the deposits in States not included in the above referenced study are similarly affected; for example, those of Pennsylvania. Since the 11 States contain about

68 percent of the U.S. coal reserves, projections show that the national inhibition resulting from the proposed significant deterioration amendments will affect use of 38 to 40 percent of our Nation's coal resources. This means that these reserves probably can be mined but not used in the affected areas.

The potential coal supply within the inhibited areas is summarized in the table 1 which also shows total estimated reserves.

I ask unanimous consent that table 1 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—SUMMARY OF INHIBITED COAL RESERVES

State [1]	Inhibited reserves (million tons)	Percent of U.S. reserves	Energy content of inhibited reserves	
			Quads [2]	Million barrels [3]
Michigan	290	0.01	6	1,110
Ohio	24,810	.77	620	113,800
Kentucky	50,960	1.58	1,284	235,600
Tennessee	1,900	.06	48	8,900
West Virginia	86,540	2.68	2,163	396,900
North Dakota	161,300	5.00	2,169	398,100
South Dakota	1,400	.04	18	3,300
Montana	128,560	3.93	2,526	463,536
Wyoming	217,750	6.75	2,344	430,100
Colorado	76,620	2.38	1,742	319,678
Utah	23,720	.74	546	100,100
Total	771,850	23.94	13,466	2,471,114

[1] Contains in excess of 63 percent of coal in coterminous United States.

[2] 10^{15} Btu (1 quadrillion British thermal units).

[3] Equivalent oil at 5.45 million Btu per barrel (1 barrel equals 42 gal.).

Mr. TOWER. Based on end-use efficiency of coal being equal to that for crude oil, the inhibited coal reserves are equivalent to about 450 years of crude oil consumption at the rate of 15 million barrels per day. Extending this to apply to total U.S. coal reserves increases this figure to more than 700 years. It becomes obvious, therefore, that imposition of significant deterioration regulations amounts to cost increases and potential delay in the use of a very large quantity of energy.

OTHER DEVELOPMENT COSTS

Although more complex and difficult to present, costs for energy reserve development—assuming that development is possible—are also extensive. Under significant deterioration provisions, plants for coal preparation would have to be engineered and located so as to assure no violation of class I or class II regulations. This would involve additional investment capital and increased energy for plant operation as well as for transporting raw coal over greater distances—assuming relocation is needed. Coal conversion plants will need adequate dispersion distance in order to comply with nondegradation increments. Siting will undoubtedly conflict with powerplant siting and will involve additional energy—coal hauling—and capital investment—equipment. In combination, these cost factors could make development of energy reserves uneconomical in affected areas.

URANIUM ORE

The 11-State area studied by Anderson, Feldmann and Palmer contains an equivalent of ore equal to 5 million tons at a uranium oxide content of 0.1 percent.

All these reserves lie under inhibited areas and will require increased development costs under proposed significant deterioration regulations. To the extent that mining, hauling, and processing use up proposed nondegradation increments, their development will displace other industrial development.

As with oil shale deposits, this ore represents an energy source which can be left in its current state of development without decrease in projected energy demand by using other supply, such as foreign crude, foreign uranium ore, et cetera. However, like the coal and oil shale deposits, nondevelopment of uranium deposits is counter to the national achievement of greater energy independence.

Mr. President, in my view, this is a very revealing report. I ask unanimous consent that the appendix to this report be printed in the RECORD. I commend it to the evening reading of all my colleagues.

There being no objection, the appendix was ordered to be printed in the RECORD, as follows:

APPENDIX A—EXAMPLE OF DISLOCATION COST OF REFINING INDUSTRY

ASSUMPTIONS

(1) All refining growth for East and West Coasts dislocated to inland Texas.

(2) Great Lakes area growth, normally would be supplied by refining capacity on Gulf Coast using imported Persian Gulf crude.

(3) North Slope crude would be run in existing West Coast capacity, backing out imported crude.

(4) Domestic refined product demand for nation as follows:

	MMB/D
1980	15.5
1985	17.0
1990	18.5

(That is, 3,000,000 B/D increase from 1980 to 1990)

(5) Consider only growth from 1980 to 1990, beyond that is too far to be foreseen, prior to that already committed.

(6) Power generation will be located close to coal sources (or close to consuming urban/industrial centers).

(7) Demand will be unaffected by incremental cost increase (poor asumption)—more likely, increasing costs will stifle continued demand growth.

(8) Obsolescence will be via replacement—all growth at new sites.

(9) Demand growth proportional to current capacity distribution.

PAD district	Percent	Growth distribution MB/D
1	11.69	350.7
2	27.36	820.8
3	41.07	1,232.1
4	3.65	109.5
5	16.23	486.9
Total	100.00	3,000.0

(10) With the exclusion of PAD District 4, assume that all growth capacity is relocated to inland Texas. Ignore industrial water supply problems and real estate value disruptions.

(11) Base construction costs on capacity of 150,000 B/D refinery with advanced emissions control technology, i.e., $617 MM.

(12) All incremental crude will be imported and supplied from an offshore super tanker buoy and pump to an inland terminal(s).

Assume 9 36'' crude lines 150 miles long at $235,000 per mile or $35.25 MM per line. Total pipe line installation=$317.25 MM.

(13) Product movement via pipe lines from inland refineries.

Use 1,200 miles to West Coast, 1,400 miles to East Coast, and 150 miles to Gulf Coast.

West Coast requires 1 36'' and 1 30'' lines. Cost=1200 (235,000+185,000) =$504 MM.

East Coast requires 1 36'' line. Cost=1400 (235,000)=$329MM. Cost=150 (6×235,000 +185,000) =$239 MM.

Gulf Coast requires 6-36'' and 1-30'' line.

SUMMARY OF DISLOCATION COSTS

[Dollar amounts in millions]

	To Inland Texas from—			
	Gulf coast	West coast	East coast	Total
Number of 150 MB/D plants	13.7	3.2	2.3	
Site factors:				
Water control	$39	$9	$7	$55
Power supply				
Rail-highway				
Real estate				
Construction cost (100 percent of area differentials):				
Percent of gulf coast	(−5)	(−15)	(−25)	
Cost effect	−$423	−$296	−$355	−$1,074
Crude supply				317
Extra crude terminal	192	45	32	269
Product movement	239	504	329	1,072
Total dislocation investment				639
Using 50 percent of construction cost differential				1,176
Using 0 percent of construction cost differential				1,713

Using a factor of 8.74 man-years per million dollars a 150,000 B/D refinery would required 1,800 men for approximately 3 years.

Thus 19.2 refineries would require 34,640 men (and families to be relocated).

At $617 MM per refinery, 19.2 plants requires $11.9 billion.

Above calculated dislocation costs amount to a range of 5.3% to 14.4% of refining investment.

Using $2.20/Bbl for exploration and drilling investment,* the above-calculated dislocation costs amount to a range of 290 MM Bbls. to 778 MM Bbls.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

Mr. MOSS. Mr. President——

The PRESIDING OFFICER. The Senator from Utah.

Mr. MOSS. Mr. President, I am willing to yield for anything permissible to come in at this point. There are some objections being offered to any intervention. As far as I am concerned——

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*This is only the capital for drilling and exploration and does not cover operating expense, return, royalty or tax burden (10). New reserve discovery and development is significantly more expensive because its location is more remote (e.g., off-shore) and deeper in general.

Mr. STEVENS. Will the Senator yield for just one moment?

Mr. MUSKIE. I object to anything except a question.

Mr. STEVENS. I asked Senator TOWER to have the quorum call taken off so I could make a statement about California's position on off-loading the oil that is scheduled to come from Alaska soon. I would like to do that. I am sure my colleague can put on the quorum call when I have concluded, if there is not an agreement before that concerning the matter.

Mr. MOSS. I would be willing to yield for that purpose with the understanding that I do not lose my right to the floor.

Mr. MUSKIE. I object to that. I have no objection to the Senator getting recognition in his own right. I could not prevent that.

Mr. STEVENS. Will the Senator from Utah allow me to get the floor and present my statement?

Mr. MOSS. I do not think I can afford to do that at this point. If I yielded the floor, then not only am I not certain of getting it back, but it might very well terminate one of my speeches, as it were. I have a lot to go yet. I think it might be a matter of hours before I am through.

Mr. DURKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah has the floor. Will he yield for that purpose?

Mr. MOSS. I will yield for the purpose of a parliamentary inquiry.

Mr. DURKIN. That answers my question. He has the floor.

Mr. RANDOLPH. Will my friend from Utah yield to me for a possible accommodation?

Mr. MOSS. As I indicated to the Senator from Alaska, I am willing to do it as long as I reserve my right to the floor and it not be considered as an interruption of my speech. Under those circumstances, I am willing to yield. I am not in total control of that. I ask unanimous consent that I may do so under those conditions.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from West Virginia is recognized without the Senator from Utah losing his right to the floor.

CLEAN AIR ACT AMENDMENTS—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on the bill (S. 3219) to amend the Clean Air Act, as amended.

Mr. STEVENS. Mr. President, will the Senator from Utah yield for an inquiry without losing his right to the floor?

Mr. MOSS. I would be willing to yield with the stipulation that I not lose my right to the floor and it will not be an interruption of my speech.

Mr. MUSKIE. Mr. President, I object——

The PRESIDING OFFICER. The Senator has a right to yield for a question. That was the question.

Mr. STEVENS. It is my understanding that the Senator has the floor and I did not realize that. I had asked for time in the morning hour, which did not occur this morning. I have a statement that I would like to make. Is it the Senator's intention to hold onto the floor under these circumstances for some time? I would hope my good friend from Maine would allow me to make my statement. I might as well make my statement as go through a live quorum. That is the alternative.

Mr. BARTLETT. Will the Senator yield for a unanimous-consent request?

Mr. STEVENS. My statement is about 20 minutes in length and I would like to have the Senator from Utah yield to me for that purpose.

The PRESIDING OFFICER (Mr. McCLURE). The Senator from Utah has the floor.

Mr. STEVENS. Will the Senator yield to me for the purpose of making my address? I would rather give my speech than ask for a live quorum call. I am the one who wanted the quorum call called off.

Mr. MOSS. I accept that somebody called it off. I was not paying attention.

The reason I am concerned is that I must preserve my right to the floor and not be considered to have terminated at any point if I yield. I think the Senator from Maine has objection to that.

That is the only way I can deal with that. As long as he has objection, I cannot do it because I have to do it by unanimous consent. I can yield for a question. If anybody has a question I can yield, without losing my right to the floor.

Mr. STEVENS. I will ask the question, how long will the Senator continue? If I am to be prevented from doing what I desire to do, I suggest before we are through I am going to make my statement one way or another. How long is the Senator going to continue?

Mr. MOSS. I have a considerable amount of my speech that I have not yet delivered. It is hard for me to estimate. It may run into a considerable period of time. In fact, it may even go into tomorrow.

I yield for a question to the Senator from Oklahoma.

Mr. BARTLETT. I thank the Senator. To give a short preface, not a long preface, when I became a member of the Armed Services Committee last year, I was, very soon after that, assigned to a Tank Subcommittee of two persons, checking into the shortage of tanks and the inability of this Nation to produce them.

A study was made by the Army which determined, on the one hand, that there was only one manufacturer capable of producing castings large enough to cast a turret or a hull on a tank. In the whole country, there was only one.

As we checked further into the matter, we found some very disturbing matters concerning the reasons why foundries had been reduced so strikingly in number in this country, and that our ability to produce casting was in a commensurate way greatly reduced.

I just wondered if the Senator could give me his understanding of the effect that the Clean Air Act regulations have had, and that these new amendments would have, on the ability of our country to produce castings in general, and to produce the larger castings necessary for the turret or the hull of a tank.

Mr. MOSS. I am sorry; I did not quite hear the end of the question.

Mr. BARTLETT. My question to the Senator from Utah is, would he give me his interpretation of the effect that the Clean Air Act has had and that these amendments would have on the ability of this Nation, through its foundries, to produce the turrets and the hulls as castings for tanks, and for the foundry industry to meet the requirements of many smaller castings through having a sufficient number of foundries of all kinds?

Mr. MOSS. In my opinion, it certainly would have a retarding effect. It would depend a good bit on the air quality standard in the area in which the foundry was erected or to be placed, whether it is class I, II, or III. But anyway, whatever it is, it would have to not degrade that quality more than a specified increment, especially if the foundry was to be constructed in an area that had nearly no pollutants in the air. If it made any significant degradation, then it would run afoul of this legislation, and this is the thing we have been so concerned about.

I have talked mostly about coal-fired powerplants, but foundries fall in that same category, because they inevitably put some pollutants in the air.

What I am concerned about is permitting enough to go into the air that industry is not hobbled, but at the same time I must protest on the other side that I would uphold any kind of a standard which said that whenever health was impaired in any way, or material procurement was impaired by the pollutant, certainly we ought to put a top, then, on that.

What I am pleading for is being able to continue our industrial production at a reasonable level, and at the same time give the maximum degree of control of pollution that we can.

Mr. BARTLETT. Will the Senator yield for a further question?

Mr. MOSS. Yes.

Mr BARTLETT. As the Senator knows, from time to time this country has needed additional refinery capacity, and it has needed the refinery capacity, sometimes, in parts of the country where it does not exist to the extent that it is needed.

Would the ability of this Nation to build refineries be impaired in any way by the nonattainment area provisions, and also the nondegradation provisions of these amendments? How would they affect the selection of a refinery site? In other words, would people who wanted to locate a refinery be limited either to existing refineries, perhaps small sites or dismantled refineries, or would they be able to locate them at other areas where conditions including roads, highways, railroads, water resources, and so on might indicate?

Mr. MOSS. In my opinion, the effects would vary, depending on the selection of areas where they might be placed, because in any area where it caused an increase of air pollutants in any appreciable amount, it would then, in turn, make it illegal to do that.

Again I say I am not talking about throwing all of those standards away. I think we have to have some degree of control. But I think the standards mandated here are unduly restrictive, and would cause the kind of problem that the Senator prefaced in his first question, of just leaving us without a place to go for heavy industry or for electric generation.

Mr. BARTLETT. Will the Senator from Utah yield for a further question?

Mr. MOSS. I yield for a question.

Mr. BARTLETT. I thank the Senator. When I was Governor of Oklahoma during the latter part of the sixties, our State was, like many States, suffering from an exportation of its young people, not having the job opportunities that would meet the accomplishments and the capabilities of our young people, so that many of them left the State.

One of the programs that was most important to me was one to attract industry, to attract job opportunities of varying levels of capability and requirements, in order to put to work a larger segment of the young people and the older people of Oklahoma. Many of our unemployment problems and out-migration problems were in the rural areas. The people were leaving the rural areas, either for another State or for the two metropolitan areas of the State, Oklahoma County and Tulsa County.

So my question to the distinguished Senator from Utah is, do these amendments affect adversely the efforts of a Governor of a State or its people which are directed toward increasing the job opportunities in the rural areas, the depressed areas of the State?

Mr. MOSS. Yes, in my opinion it does.

Mr. BARTLETT. Can the Senator tell me how this would come about?

Mr. MOSS. Well, by setting the areas of nondegradation and air classification that cannot be degraded, and the nonattainment standards, the Federal Government by legislative fiat has established limitations that must be observed. The amount of selective rights that the State would have, that would lie within the hands of the State itself, is limited by what must be done to conform with this standard, and this is one of the things that, again, causes worry about it.

As I keep coming back to say, we ought to have a full study. We ought to know entirely, as closely as we can, what will happen under all different models that might be built, as to whether we have to expand production 30 percent, 20 percent, 50 percent, and so on.

So then we could look right at it and say this is possible and this is not possible. If we know that, we may be ready then to legislate. But we do not know it yet, and we have a very complicated and lengthy bill that many of us honestly have not read. People who come to me from my State and from elsewhere voice concerns, objections, and fears about it that makes me say: "Well, we cannot step off on this yet until we have all of that data on which to base our judgment."

Mr. ROBERT C. BYRD. Mr. President, who has the floor at the moment?

The PRESIDING OFFICER. The Chair will advise, the Senator from Utah has the floor.

Mr. ROBERT C. BYRD. Will the Senator yield to me?

Mr. MOSS. I am glad to yield to the acting majority leader.

ADDITIONAL STATEMENTS ON CLEAN AIR ACT AMENDMENTS

Mr. McCLURE. Mr. President, one of the major issues involved in this debate is that of State control versus Federal control in the area of preventing significant deterioration. During the debate on this bill in July of this year, there were two especially pertinent discussions concerning the role of the States in administering the significant deterioration provisions.

As the discussions clearly demonstrate, the State is the sole and final arbiter with regard to the decision as to whether or not a permit is to be granted or denied. The Federal land manager has an obligation to protect his area's clean air values. But, the State has been given the final decisionmaking authority under this act as to whether the request of the Federal land manager should or should not be granted.

The conference did not change this basic policy. The Senate provisions were accepted by the House conferees. The authority of the State remains absolute and unquestionable.

I ask unanimous consent that the discussions from the previous debate be included in the RECORD of this debate.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, July 27, 1976]

Mr. STONE. Is there a map that the committee or its staff certifies as being accurate or correct which does show the breakdown of the airshed implementation of section 6?

Mr. MUSKIE. There is no way of writing such a map for a very simple reason, I say to the Senator. I am glad to have the opportunity to give the answer.

First, only mandatory Class I areas can be mapped. They are less than 1 percent of the land area of this country.

With respect to the intrusion problem, which has only to do with the extent to which industrial or other similar facilities outside the class I areas may intrude upon the clean air values of class I areas—which are national parks and wilderness areas—the extent to which that intrusion will be permitted or monitored is done on an ad hoc case-by-case basis by the States, with the States having the veto power.

In other words, the Federal land manager has the responsibility to protect his area's clean air values. If he feels that requires that he intervene in a State decision or State proceeding to set air pollution standards for adjoining land over which the State has jurisdiction, then he has the obligation under the bill to intervene and to make the case that his area's clean air values are in jeopardy if the pollutant permitted by the State decision goes forward. But the State makes the decision as to whether or not he is right. The State has the option under this bill to decide that he is wrong and to proceed with its decision. There is no way of anticipating, by any kind of map, what kinds of pollution issues will be raised around these Federal areas or what decision States will make with respect to them. So there is absolutely no way of mapping, any more than it is possible to map the Supreme Court's decisions for the next year.

* * * * *

Mr. FANNIN. Mr. President, during earlier debate, the distinguished Senator from Idaho and I engaged in discussion on the sovereignty of State permits. Because we did not reach agreement, I would like to ask my colleague further questions. If the permit applicant meets the class I increments, but a Federal land manager is not satisfied, who makes the final permit decision?

Mr. McCLURE. The State makes the final permit decision. Both the committee bill and the report attest to that. There is language in the report, however, which might be used to argue otherwise. I refer to the phrase, "and certify to that effect before the State may issue a permit." This language, however, must be viewed in context with the actual bill language, "to the satisfaction of the State.". Furthermore, the floor manager, Senator MUSKIE, stated explicitly on the floor that, "The State makes the decision as to whether or not he is right," in referring to the FLM decision. As Senator MUSKIE said:

> The State has the option under this bill to decide that he is wrong and to proceed with its decision.

Mr. FANNIN. If the permit applicant does not meet the class I increment, but the State feels there would be no adverse impact on the air-quality related values, may the State grant a permit over a Federal land manager's objection?

Mr. McCLURE. Yes, the State may grant a permit over the FLM objection. Again referring to the floor manager's statement—

"The Federal Land manager has the responsibility to protect his area's clean air values."

If he feels that it is necessary for him to intervene, then he is obligated to do so. But, the final decision still rests with the State.

Mr. HRUSKA. Mr. President, it is my intention to support the amendments to S. 3219 proposed by the senior Senator from Utah.

The issue of significant deterioration of air quality in areas where the air is better than the national ambient standards is one of deep concern to all Members of this body. The bad air found in many of our major metropolitan areas is sad testimony to what can happen if we are not conscientious and alert. No one wants to see that experience duplicated in areas of the Nation where the air now is clean and pure.

Mr. President, the consideration of the Senate in amending the Clean Air Act of 1970 through the provisions of S. 3219 would be a simpler task if we were able to direct our focus singularly to the enhancement of air quality throughout the Nation. Regrettably, the task is not that easy. We do not operate in a vacuum. Decisions to take affirmative action on one area always impact on decisions and efforts in other areas. The pursuit of one goal oftentimes detracts from our ability to pursue other goals. In such cases a balance must be reached between each of the goals so that neither one is discarded completely.

We are faced with such a situation in

the consideration of S. 3219. We all want clean air. So too, do we want to become self-sufficient in energy production. We want normal economic growth, and to retain existing jobs, reduce unemployment, and maintain a sound economic climate that encourages the creation of new jobs. These endeavors are not inconsistent with one another, but too vigorous pursuit of any one of them can have a detrimental effect on the others.

Because of the need to maintain this balance, I heartily support the Moss amendments to S. 3219. They are the reasonable approach. The amendments require a careful study and analysis of the nondeterioration issue, one that will take into account the effects of such a policy on the attainment of other worthy goals to which the Nation has assigned top priorities. The report to the Congress based on the study will provide the facts sufficient to allow for a rational balancing of all the Nation's goals in this regard.

Mr. President, the need for such a study is clear. There has been a mass of contradictory evidence and opinion on the effects of implementing a nondeterioration policy of the type called for in the committee's bill. Reputable and well respected experts have cautioned that such a provision could have far-reaching effects on all segments of the Nation and deal a serious blow to the recent strengthening of the economy. Such warning should not go unheeded. The whole matter needs to be carefully examined and recommendations made before we proceed further. The Moss amendments give us this opportunity. I urge my colleagues to support them so that we will have the benefit of a sound basis upon which to make our decision on the nondeterioration matter.

My major concern with the nondeterioration provisions is the potential they have for hindering normal economic growth and energy development at a time when they are critical to our national well-being. This has been pointed out by a recent study conducted by the Federal Energy Administration. The study was quite revealing. It showed that the Clean Air Act amendments would lead to a substantial increase in oil consumption, approximating about 1 million additional barrels per day by 1990. Capital costs to the utility sector will increase substantially. National coal production will be reduced markedly, and production from new western surface coal mines could be severely constrained. The result that probably will be most apparent to the average household is that consumers' electricity bills will increase between $4 and $6.5 billion over the period from 1980–90.

The FEA could not determine whether the significant deterioration provisions would be a stimulus or deterrent to urban development, whether they would lead to substantial delays in siting new energy producing facilities, or whether they would inhibit industrial development. These are extremely important questions. They deserve an answer, especially in light of the events of recent years which have clearly shown that our economic viability as a nation is in large part dependent on our ability to meet our domestic energy requirements.

Mr. President, many Nebraskans have expressed their apprehensions about this bill. They are concerned that the Congress may enact legislation that will restrict Nebraska, as well as other States similarly situated and America, to a "no-growth" policy in the future. I share their concern.

Nebraska is one of the new frontiers of this Nation. It has abundant natural resources. These natural resources have been the foundation for the livelihood of nearly every Nebraskan. Nebraskans want and expect to continue to develop our natural resources.

The bill reported by the committee still allows the potential for buffer zones that will preclude the establishment of new businesses and industries. No one knows how far the buffer zones would reach. Would they extend to a 5-mile, a 25-mile, or a 50-mile radius? Are vast areas covered by 100-mile diameters to be shut out from modern growth and development?

The concept of huge buffer zones is frightening to Nebraskans. Perhaps of even more concern is the harsh application of ambient air standards that do not take into consideration naturally occurring conditions. Nebraska is a flat land where the wind causes the air normally to have concentrations of particulates, largely in the form of dust. This is caused by nature. The particulate level has always been high in Nebraska and other prairie States. It always will be. Yet, this naturally occurring condition causes the particulate levels in Nebraska to exceed the national standards. Because of this particulate level, industries and businesses will be unable to locate in Nebraska unless they can show that they will have absolutely no discharge of particulates from their operation. With such a standard it is easy to see that little, if any, industrial growth and expansion will occur. I am not ready to sentence my State to such a fate.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I am shortly going to send to the desk the concurrent resolution providing that the two Houses of Congress shall adjourn on today, Friday, October 1, 1976, and that when they adjourn on said day they stand adjourned sine die.

I shall take only a few minutes to explain the situation before I send the resolution to the desk.

For several days the leadership has stated that it was its intention to adjourn sine die today or tomorrow. As a matter of fact, the majority leader months ago, I believe, announced to Members of the Senate that it was the intention to adjourn Congress by October 2, which is tomorrow. Before the majority leader left to go to China he and I visited with the Speaker of the House and the majority leader of the other body. We stated that it was the intention of the Senate to adjourn this weekend, meaning no later than October 2.

I have since Mr. MANSFIELD departed repeated that statement——

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Repeated that statement to the leadership of the other body. It has been stated to the Democratic Policy Committee by me, and I believe that it has been stated to the Democratic Policy Committee by Mr. MANSFIELD.

It has been stated to all Members of this body publicly by me and I think that everyone has been notified of its publication.

I am in a difficult and painful position, in view of the fact that we are going to try to adjourn in accordance with the announcement by the majority leader and me, an announcement which was taken at face value by the leadership in the other body, an announcement which has been heard and taken at full value by the Members of this body. We are operating under a time constraint that makes it impossible to stay on any measure for long.

I convened a meeting of the policy committee only a few days ago, stated this problem, got the unanimous consent of that committee to proceed as best I could to take up certain measures with the understanding that if we could not dispose of them after a reasonable length of time, and that reasonable length of time has to depend upon the narrowing timeframe, then I was to take steps to set those measures aside and go on to something else.

Members know that this is the policy that I have tried to implement. I carried it out yesterday with respect to the Murphy nomination.

The conference report now before this body was brought up late last night. There is a filibuster in progress. I support the legislation. But I feel that I have a duty to implement the announcements, the commitments, that have been made by the leadership.

The Senate has been debating this measure since 10 o'clock this morning, with one or two interruptions. I only recall one, that being the interruption to dispose of the message from the House on the continuing resolution.

Now we only have 7 hours and 45 minutes remaining before midnight. I have attempted to delay, as long as I felt that I possibly could, any action that would have the effect of setting aside this conference report. I know that the distinguished Senator from Maine feels strongly about this measure. He has worked hard for at least 2 years to bring it to enactment. He has spent many, many hours, days, and weeks in that effort.

My senior colleague, the distinguished JENNINGS RANDOLPH, from West Virginia, as chairman of the committee, is equally deeply committed to the enactment of that measure.

We have before the Senate also the

black lung bill. There is no measure on the calendar that I know of that means more to me personally than the black lung bill. Next to that is the mine safety bill, because of my own circumstances in representing a coal mining State.

There are Members, other than myself, who would like to see final action on both of those measures. There are Members who want to see action on other measures that are of particular benefit to their own respective States.

But we have reached the point where we can only do what we can do in the timeframe that remains.

I hope that the Senate will pass the black lung bill before the day is over. Every passing minute diminishes the reality of the eventuality of that.

So, what I am about to attempt to do is certainly not meant to offend any Senator. It is not taken because of any personal animus to any Senator.

Mr. BUMPERS. May we have order, Mr. President?

The PRESIDING OFFICER. The Senator will suspend for a moment. Will the Senate be in order?

Mr. ROBERT C. BYRD. Or any personal animus toward the legislation that is before us now.

If it were not the Clean Air Act, it would be something else. I have been notified by various and sundry Senators that if this is brought up they are prepared to filibuster; if that is brought up they are prepared to filibuster; if something else is brought they are prepared to filibuster. So it in this case unfortunately happens to be the Clean Air Act.

But whatever act it might have been, and were it black lung, I would have to take the very same action that I am going to have to attempt to do now.

There are other measures that are very important, equally important as this one, and certainly in the minds of some Senators perhaps more important; in the minds of others, less important.

We will soon have the message from the House on the unemployment compensation tax bill. I am told that if any measure is an absolute must before we go out, that one is.

The distinguished chairman of the Committee on Finance came to me today and outlined to me a number of measures that he felt were in the "must" category. I convened a meeting of Senators to discuss those measures, to see if we could find some consensus as to which measures we should proceed to in the event we can proceed. I think the meeting was a productive one.

I am not in a position at the moment that is a very comfortable one to me, as all Senators recognize, I know; but I cannot pass that responsibility to someone else.

So I shall shortly send my resolution to the desk and move its consideration. However, before I do, I should like the Chair to protect my rights, and I want to yield to the distinguished Senator from Maine, with the understanding that my rights are fully protected in so yielding.

Mr. HUGH SCOTT. Will the Senator then yield to me?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Without objection, the Senator from West Virginia will yield to the Senator from Maine without losing his right to the floor.

The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, I appreciate the courtesy of the distinguished Senator from West Virginia.

It must be obvious that we have discussed this somewhat preliminarily off the floor, and I indicated my strong opposition to the action that the distinguished assistant majority leader is about to take. It leaves me virtually defenseless, since it is a privileged motion, as I understand it. It is nondebatable when it is put. So there will be very little opportunity, except these few minutes—as to which the Senator has proposed no limitations, may I say—to give my reasons for opposing it.

I will concede that there are a number of important measures that Members would like to attend to. I suspect that the Senator from Alabama has one of those in mind, and there are others.

My point, Mr. President, is this: when a major Senate priority such as the Clean Air Act, which has consumed 2 years of intensive work by a Senate committee, which has been overwhelmingly supported in several votes by the Senate, which has consumed many hours and several days of thoughtful and constructive consideration by a House conference committee, which has been substantially supported in the other House, reaches the last 2 or 3 days of a session, it should not be possible for a handful of Senators to frustrate the will of the Senate and to block even a vote on that major measure.

I ask: What incentive is there for any committee to take a complex issue such as this, which was obviously time consuming, and carry it through to this kind of legislative conclusion?

It is said that because we have taken 2 years, the last step is being taken in haste. What kind of logic is that? We have invested hundreds of hours of work and effectively persuaded the Senate, by 3 to 1 votes, that this is sound public policy.

If we do not enact this bill, just to take one consequence, the automobile industry of this country, with respect to its next model year cars, will be manufacturing cars that are in violation of the laws of this country. They will be subject to the applicable civil and criminal sanctions in the present act. As I said earlier, that does not seem to deter them. They have made it clear that they want to kill this bill, and they dare Congress to hold them accountable. They have made that clear.

I say to my colleagues that, as one Senator, I will do nothing to give them a quick fix in January. If they precipitate this kind of problem, if they want this country of 200 million Americans to sit in the grandstands watching while this great American industry blithely rolls illegal car after illegal car off the assembly lines, challenging Congress to do anything about it, that is their prerogative, and apparently we are going to serve that prerogative here today.

With respect to when we should adjourn, as against that consequence and the importance for the country, is it that important that we adjourn by midnight today? We do not even take the maximum time tomorrow that the distinguished majority whip suggested we might take yesterday. Even then, is that an imperative? Is that a national priority? Is that so overriding in its consequences that we can close our eyes to the consequences of failure to take action on this bill? I do not believe so.

I told the distinguished Senator from West Virginia in our private conversation that I thought this step was unwise, against the public interest, and I still think it is. This is not to denigrate his personal integrity or his intention. I have watched his performance on the Senate floor, and it has been superb. It is not an easy job to manage the business of the Senate and to manage its floor. I have not challenged his performance of those duties or the discharge of those responsibilities at any time. I think the Senator will agree with me.

However, I simply cannot sit here silently and let this abortion of the legislative process—and I do not refer to the Senator's act—take place without protesting, with whatever eloquence I can, that the purpose of the legislative process is to serve the interests of the people of this country; that so long as we have reasonable access to that process to achieve an important national goal, we should do it.

What are we asking for? We are asking for nothing more than a vote—a vote—the last step in a process that has taken 2 years, with many steps, agonizing steps, occupying hundreds of hours of effort. The last step is all we ask.

If those who have a case against this measure cannot make a case sufficient to persuade a majority of the Senate, they have no case at this point. The people have made their case through their elected representatives, through this long process, which has not been hasty. It has been as deliberate, as careful, as thorough, and as comprehensive as the legislative process in connection with any other piece of legislation I have ever seen. They choose to call it hasty, but they are not prepared to make their case and let the Senate judge it with a vote.

It is for that reason, Mr. President, that I think—it is only my view, perhaps—that the leadership has some responsibility to support a committee of the Senate which has undertaken to discharge its responsibilities in this responsible way.

I do not like to say this, and I certainly would not want the Senator from West Virginia to think that I take any personal offense to his action. He is doing his duty as he sees it. But the effect of what he is doing this early is to play into the hands of those who would deny the Senate a vote.

Even another 24 hours could have made a difference. Thirty-six hours or 48 hours could have made a great difference and could have meant that the Senate could have had that vote, in the interests of the people of the Nation. But because of some commitment taken when the circumstances facing us tonight were not anticipated, because of a commitment made to adjourn by October 1 or 2, we have given, by that commitment that did not anticipate these circumstances, to anybody, who wants to do the same thing, a blank check to do it. The Senator from West Virginia, by proposing this action even if he does not go through with it, has effectively torpedoed any chance we have to break this filibuster, because now, the opponents of this bill know that the impatience to conclude the Senate is playing on their side. So I guess it does not matter at this point whether the Senator from West Virginia moves his concurrent resolution or not. I think that, by simply suggesting it, we have destroyed whatever promise there was in the legislative environment for getting final action on this bill.

For that, Mr. President, I am deeply regretful. There is no personal bitterness in it. But I will tell you, if this happens, when January rolls around and somebody says to me, "Senator MUSKIE, don't you think it is time to begin working on another Clean Air Act?" I shall say to them, "Gentlemen, obviously, I am not the man to do it. I presided over an effort for 2 years that you killed. The prospect of spending another 2 years to find out what was wrong with that bill and what we should do differently is just so forbidding—just so forbidding—that I cannot see any point in making the effort."

How do you please these people when you write a bill, take hours to explain it, make several efforts to do so, and then you sit here listening all day to such utter distortions of what it says, of what it would do, after you have for all these days tried to address in as precise language as possible the public interest in economic growth and the environment in a balanced way—with the help of a committee that will always rank as high as any group of men that I have ever worked with; with the help of a committee whose members gave unstintingly of their intelligence, their understanding, their legislative expertise, to bring about sound balancing judgments. To see all that wasted, so utterly wasted, gentlemen, is what prompts me to say what I have had to say.

I thank my good friend from West Virginia for his usual courtesy. I want him to understand again that I understand he is doing his duty as he sees it.

Mr. HUGH SCOTT. Will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. If the Senator will indulge me very briefly, I thank the distinguished Senator from Maine. I appreciate what he has said. I understand thoroughly his views.

If we had not been on a prolonged action in connection with the civil rights attorneys' fees bill, it is possible that we could have gotten more done than we were able to do. If the Senate were to remain in tomorrow, I do not believe there would be any difference in the outcome, because, at this stage—at this stage—the matter was only sent to conference on September 16 or 20—I see two dates there. This was not the fault of the distinguished Senator from Maine. But if the Senate were to stay in all night tonight and all day tomorrow, until midnight tomorrow night, I am convinced that one Senator or two Senators, or a half dozen—in this instance, I have reason to believe that it is more than a half dozen—can prevent the passage of this conference report or any other conference report, other than—well, I do not think of any that might escape that penalty.

I yield with the same understanding, Mr. President, to the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. Without objection, the distinguished Senator from West Virginia yields to the distinguished Senator from Pennsylvania without losing his right to the floor.

Mr. HUGH SCOTT. I thank the distinguished assistant majority leader.

I say first of all, if it were possible to get to a vote on the Clean Air Act conference report, I would vote for it. I think the work done by that committee and the conferees deserves the highest praise. I am aware of the feeling of those who do not believe that the bill is as good as the Senator from Maine thinks it is, as good as I think it is—granting some defects. If there were any way under the beneficence of the Senate rules by which we could secure action on it, I would be in favor of doing it.

We have found, in the last few weeks, that we are somewhat better at delay and a degree of obstruction than we are at constructive enterprises, the same constructive enterprises that do mark our work throughout most of the session.

I have been in touch with some of the leadership on the other side of the Capitol, so I rise chiefly to say that they have adopted an adjournment resolution, or so I understand. They have also adopted a reconvening resolution for the 4th of January, the latter being of only academic interest to me.

I believe the distinguished acting majority leader is entirely in his rights in proposing adjournment sine die after the Senate has disposed of some remaining bits and pieces, inelegantly known as cats and dogs—and it looks as if we have sidetracked the lions for the cats and dogs. I do not know if that is any sort of victory for the environment or not. But I do not think the air is going to get any cleaner in here between now and midnight. Therefore, I believe that we should take into serious consideration the fact that the House of Representatives knows what it wants to do.

I congratulate them for that. I think this represents an achievement and, I may even dare to say, progress. But I do hope that we can find our way out of this embattled impasse. I do think we have to face a decision which is the responsibility of the majority, which the minority does not wish to impede. That is adjournment sine die.

Personally, I wish all of you well. I hope that some of you are reelected. Since I am not going anywhere, it would be the height of gracelessness for me to suggest that some of you are not, either But more generously speaking, I wish you all the very best of success and happiness and, as the Chinese say, you are sentenced to live in interesting times. I hope that whatever you do, you will find it in accord with your highest hopes, your greatest aspirations, and your happiest wishes.

Mr. ALLEN. Mr. President, will the Senator yield for a clarification?

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Republican leader for his comments.

May I say it has been a pleasure to work with him. I have found the relationship between the two sides to be one that has always given me considerable comfort in that there was mutual respect and understanding and cooperation. As far as I am concerned, his presence will be missed in this regard.

Mr. President, I now yield to the distinguished Senator from Alabama with the same understanding that my rights will be protected.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Under the resolution, would the distinguished assistant majority leader seek to provide a period of from 2 to 3 to 4 hours for the possible passage of the bills on the calendar and possible conference reports as to which there is a unanimity of opinion? I have reference, for one, to the omnibus rivers and harbors bill that is in conference. The conferees are in session now. It involves 39 States. Senator RANDOLPH says there is no objection to that from any source.

Would we stay on this measure or will we be given an opportunity to pass some bills, understanding that one Senator, in all likelihood, could prevent the passage of any such bills?

Mr. ROBERT C. BYRD. Mr. President, it is the intention of the leadership to proceed as rapidly as the leadership is able to proceed to other measures. The unemployment compensation tax message will come over from the House; the measures which were referred to earlier by me in connection with the Finance Committee. I have made a solemn promise that I would try to bring up the Bilby nomination. I had to make that commitment in order to get certain Senators to stop objecting to every unanimous-consent request that is made. I did not promise that the nomination would be confirmed. I obviously could not, but I did assure them I would do what I could, and that may not be very much, to get that nomination up. I would have done it last evening but for the fact that a Senator on this side of the aisle, who is expected to be back at 5 o'clock, circa 5 o'clock, yesterday afternoon but who could not get back because of the weather, I had assured him I would do nothing yesterday until he returned. But he could not return because of the weather.

I have to carry out my commitment

at some point now, and I want to do what I can. But the Senate will determine whether or not the Bilby nomination gets anywhere.

There are various and sundry unanimous-consent matters on the calendar that have already been cleared on both sides which can be rapidly disposed of if there is no objection. There are some other measures which, while they may not be disposed of by unanimous consent, can possibly be disposed of within a matter of minutes, 5 or 10 minutes, if we can be allowed to proceed.

Mr. ALLEN. One further question: Under the wording of the resolution, which has not yet been presented, since it will say something to this effect, that when the Senate adjourns today it will adjourn sine die, would that then leave the Senate free to go beyond midnight for its adjournment?

Mr. ROBERT C. BYRD. Well, I have been in legislative bodies in which the clock has been turned back. I personally hope we would not have to do that.

Mr. ALLEN. I am not talking about turning back the clock. But this legislative day might extend well over into tomorrow.

Mr. ROBERT C. BYRD. I understand that, but I believe if this resolution should be adopted it would be binding on the Senate to adjourn by 12 midnight, and I would like, without losing my right to the floor——

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. ROBERT C. BYRD. To ask the distinguished Chair if I am correct. I will read the resolution. I would like to know if that is correct. The resolution reads:

> That the two Houses of Congress shall adjourn on Friday, October 1, 1976, and when they adjourn on said day they stand adjourned sine die.

Would that mean that at 12 midnight the Senate would have to go out under the precedents?

The PRESIDING OFFICER. The Senator is correct. By 12 midnight the Senate would go out.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I will yield at that point.

Mr. CURTIS. I thank the distinguished majority leader.

I wonder if he would give some consideration to changing the language so that when the Senate adjourns that it adjourn sine die. It may not be a measure I am interested in, but it may be somebody's measure that we would have to see die, because of the lack of 7 minutes, if it is the will of the Senate to undertake it or 10 or 20 minutes. We have stayed in session beyond midnight before. It seems to me it is a little bit rigid to fix an exact hour and minute.

I would like to ask whether this could be changed to when this session for this day adjourns that it be a sine die adjournment, and I would earnestly urge consideration of that approach.

Mr. ROBERT C. BYRD. Well, as the Senator first phrased his suggestion "When it adjourns it adjourn sine die," this means it could go on and on for any number of hours beyond midnight or conceivably into tomorrow, Sunday, and Monday.

Mr. CURTIS. I am sure there are parliamentarians present who could help form language that would give a flexibility of a matter of minutes or maybe an hour or two in cases where the Senate in good faith is taking up something and messengers cannot get back and forth through the halls.

Mr. ROBERT C. BYRD. May I say I am always amenable to workable suggestions. I certainly am not going to turn this one down flat. But this will not be a precedent-setting resolution, may I say. This same type of resolution has been enacted many times, sine die resolutions.

Mr. GARY HART. Mr. President, will the Senator yield briefly?

Mr. ROBERT C. BYRD. I am told I should go to the telephone to talk with the Speaker. Will the Chair indulge me?

Now, Mr. President, I yield to the distinguished Senator from Colorado (Mr. Gary Hart).

CLEAN AIR ACT AMENDMENTS—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on the bill (S. 3219) to amend the Clean Air Act, as amended.

Mr. GARY HART. I thank the assistant majority leader.

Mr. President, I have not been in the Senate long but during the time I have been here I spent more time working on the legislation we have been discussing here today than anything else.

The effect of this resolution is to kill that legislation. The American people have a right to know the effect of this and the meaning of it over and above the impact on their lives.

Mr. President, what this suggests to me is that a few companies in a handful of industries still can control the great Senate of the United States. It is as simple as that. This is a measure that sought to protect the public health and welfare of the people of this country. It has been frustrated for a period of time which the subcommittee chairman mentioned, day after day after day and week after week every step of the way and, finally, that frustration is going to succeed on the last day of this session of Congress.

I think the message the American people deserve to have is that in addition to sacrificing their public health on the altar of expediency, that even in an era of sunshine, open government, participatory democracy and all the rest, forces representing concentrated power and wealth in this country still can dominate the Congress of the United States and can still shut off legislation that is designed to protect all the people of this country. That is exactly what is happening here in the Senate of the United States today.

The subcommittee chairman is absolutely correct. The net effect of this legislation is going to put a number of the largest corporations in this country in violation of the laws, probably within the next 12 to 14 months. For my part, I think it would be extremely interesting to have an Attorney General of the United States who would enforce those laws. Then we might see an end to that kind of domination that I am complaining of here today.

I frankly do not find the prospects of that too likely.

But if those companies think that they can come back to the Senate, as the subcommittee chairman has indicated, and get the kind of quick relief from violating the laws of the United States that I think they anticipate, they have it from this Senator from Colorado that they will not have an easy time. I, for one, intend to put to them solid proof, much greater proof than they offered the Congress in the last year, that they can implement and comply with the present technology, that they can do both.

Mr. President, I think the lesson of the Clean Air Act of 1976 is that the day of dominant industry and corporate power by a handful of people is not over.

Mr. MUSKIE. Will the Senator yield?

Mr. GARY HART. I yield.

Mr. ROBERT C. BYRD. I yield to the Senator.

Mr. MUSKIE. I appreciate the remarks of the Senator from Colorado. He has stated the case precisely as I see it. We are facing forces on the last day, forces which have been nibbling away at this bill for 2 years.

Incidentally, Mr. President, when this concurrent resolution is before the Senate, I would like to ask for the yeas and nays so that I may indicate my objection to an adjournment sine die with this vital piece of public business unsettled, even if I am the only one to vote against it. Is it in order to ask for the yeas and nays?

The PRESIDING OFFICER (Mr. Baker). The Chair will advise the Senator from Maine——

Mr. MUSKIE. May I ask unanimous consent that I may ask for the yeas and nays at this time?

The PRESIDING OFFICER. The Senator is asking unanimous consent that it be in order to ask for the yeas and nays on the resolution. Is there an objection? There is no objection.

Mr. MUSKIE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Are there other Senators, Mr. President? I will yield to the Senator from Utah and then to the Senator from Louisiana. I yield with the same understanding as before, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I listened to the distinguished Senator from Maine throughout his entire presentation on this legislation. During my presentation he was here for part of it, as others were here, when we were trying to make our case. I tried to make a case and not too many people were here to listen to it.

That is neither here nor there. We did try to make a case and we feel we do have a case.

I must say with all due respect to my colleague from Colorado, our neighboring State, I resent the continuing implications that somehow big business lobbies are running this Senate.

No one has talked to me from industry, nobody has been here. I am trying to protect my State.

I am also rather disgruntled when I continue to hear talk about the health of the people of this country. The primary and secondary standards are still in effect. We are talking about nondegradation going far, far beyond what has been certified as public health. But we constantly use that. We are talking about health.

The distinguished senior Senator from Utah and others who are opposed to this will not let anybody in this body indicate by implication that we are not concerned about the public health of this country, or that somehow big business is running this Senate.

To the contrary, as long as those remarks have been made, I think it is rather humorous, that constant rhetoric in the press that we hear about the effect of business lobbies and how powerful they are.

I think they are just about extinct, with the Ralph Naders and George Meanys and Common Cause and all the liberals, so-called public interest groups, running rampant, with more arm-twisting ability than all the business lobbies put together. They might as well stay home.

Let it not be said that any of us are against the public health. We think we have a case against this bill. We think it is detrimental to this economy. We think it will produce unemployment. We do not have the easy answers to stand up and say public health, and everybody else who is against this is for dirty air and people dying. I resent that kind of comment.

Mr. ROBERT C. BYRD. Mr. President, I promised to yield to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, I understand the Senator's problem. I think I have been around here long enough to see these things both ways. When a very major and important piece of legislation is before the Senate and there is determined opposition, if only by one or two Senators, we have to decide whether we think we can overcome that opposition, or whether we think we cannot. Then we have to think in terms of how long we should try to keep the Senate in session.

It is a matter of judgment that somebody has to make. I do not envy the acting leader for having to make that decision. I am satisfied that he is convinced we are not going to be able to pass this bill at this time. He has no choice but to keep the commitment that he has made with regard to adjournment, which means that he will have to move the bills that he thinks can be passed.

As much as one might talk about yielding to big business and that kind of thing, and I would be happy to vote for the bill if it can be brought to a vote, I submit the Senator's motion would be voted down. By about noon tomorrow Mr. MUSKIE and Mr. BYRD put together cannot get a quorum in this body.

Mr. ROBERT C. BYRD. To say nothing about the other body.

Mr. LONG. That is correct. Members should in all good faith plan to cancel their planes and be here for the next 2 or 3 weeks, long enough to defeat the opposition of those who are doing what they have every right to do.

I have been around here long enough to see it both ways. I have seen bad bills that I joined with others in helping to defeat, and took great pride in having done so. Sometimes we have seen the President veto bills of that sort.

On the other hand, I have seen the case where we decided to pull in our neck and stay in as long as necessary in order to pass a bill.

I have also seen where we thought we had no choice but to go on our way.

The Senator is faced with something this year that does not happen every year. That is that at least one-third of this body are up for reelection. When it comes down to the question of whether this bill will die in this Congress or their political contribution to this Nation will come to an end at the polls a month from now, they are going to have to vote for their own survival so they can come back and try to do more good for the country.

One thing I have learned is if you cannot be elected you cannot do any good for anybody.

So people are faced with those sorts of hard choices to make.

I want to say to the Senator that I have complete sympathy with the position in which the acting leader finds hmiself. Recognizing that, I will resolve my doubts about whether we should come back in November and support the Senator.

Mr. ROBERT C. BYRD. I thank the Senator. I will yield to the Senator from Rhode Island.

Incidentally, I have inquired as to whether or not the House would be in a position to take the resolution, amended, to meet until 2 o'clock on Saturday morning, which would give 2 additional hours. I have the word back that they want the resolution the way it is, the way we discussed it, and the way we have agreed upon it. It would cause them real problems over there. Mr. O'NEILL told me personally within the last hour and 15 minutes on the telephone that he would be in bad trouble with respect to losing a quorum if we went very late tonight.

Mr. PELL. I thank the acting majority leader for yielding.

I speak as a Senator who in the past has supported three-fifths cloture, not majority cloture, and I must say that the events of the past week where I have seen the will of a substantial majority thwarted time and time again, and the events of the past few hours where I have seen the will of a substantial majority again thwarted, make me believe, as a member of the Rules Committee, and speaking to the Senator from West Virginia in his capacity as chairman of the Rules Subcommittee, that we must reexamine those rules to prevent situations of this sort happening in other times not only with regard to cloture, but how the rights under cloture will be exercised. I think the impression left with the country as a whole, is that the will of a substantial majority time after time is thwarted. That situation should not be permitted to continue.

Mr. ROBERT C. BYRD. Mr. President, I must propose my resolution. I promised to yield to Mr. STEVENS. I hope I have been fair to Senators on both sides in yielding. I yield to the Senator from Alaska (Mr. STEVENS) under the same conditions.

Mr. STEVENS. Mr. President, the Senator from West Virginia has always been fair.

The PRESIDING OFFICER. Will the Senator use his microphone?

Mr. ROBERT C. BYRD. And, Mr. President, please may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STEVENS. Mr. President, I wish to echo, to a certain extent, what the Senator from Utah has said, and express my feelings about the comments of the Senator from Colorado.

I hope we will not reach the point where those of us who try to protect the interests of our States are deemed to be speaking for these "unknown large interests." I, too, have not been contacted by anyone. But I wish to point out on this bill, the conference report has yet to be made available to us for study, and I do think that something this significant in terms of change of the clean air standards, in terms of nondegradation, ought to be available to Members before it is voted on.

I think it is unfortunate that we have to face it in the last few days. I am not critical of anyone that we do, but I do not think it is proper to assess the situation and credit some unknown "large major interest" for this delay when it happens to be the Senators from very small States of this Union who are objecting to this bill.

My people are thousands of miles away from here and have no chance at all to see this conference report. They must rely upon my judgment as to whether or not it is in the best interests of Alaska. Until I can at least study the bill, I do not know how I can be charged with that duty and carry it out, in the waning hours of the session.

It does not disturb me very deeply to have comments come now that the major industries of this country have somehow or other brought about this delay of the clean air standards. As I have told the Senate, I am perfectly willing to stay another week and work out a clean air bill. I would like to see a clean air bill, but one that is fair to all areas of this Nation.

My State happens to have one-half of all the public lands of the United States. The most significant impact of this bill is on public lands, and until my State government can see this conference report, I think it is improper for the Senate of the United States to vote on it.

That is why I voted not to take it up at this time.

I do believe also that that vote ought to be taken in the light of the fact that we have the threat of a total filibuster, with many other things still to be taken up tonight. It disturbs me to hear Senators speak in terms of so-called defeat. I do not think it is a defeat. I think Senator MUSKIE has done a great job. I remember many bills before that have died at the end of a session, and come back to life in the next Congress; for example, the Alaska pipeline bill. Our Alaska Land Claims Settlement Act was defeated, but it passed the very next Congress.

I believe the people of this country will be better off when all of the people understand what is in this bill, and not just those who are in Washington.

Mr. MOSS. Mr. President, will the Senator yield me just 1 minute?

Mr. ROBERT C. BYRD. Mr. President, I am constrained to insist that we proceed as expeditiously as possible. I yield momentarily to the Senator from Utah.

Mr. MOSS. I, too, commend Senator MUSKIE and all the members of the committee for all their work on this bill. I commend the assistant majority leader for the actions he has taken, and I commend also what the Senator from Alaska has said.

All this amounts to is a hiatus while we try to go through a bill of this size to see what it will do to our States.

LEGISLATIVE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I have at the desk the unemployment compensation message. It will be my intention, following the action on the resolution of adjournment, to see that that is called up, because that is a serious matter. It is a matter that, as I understand, we must act on before we go out.

Then, Mr. President, I wonder if we could have unanimous consent that upon the disposition of that matter, I could be recognized to take care of sundry matters on the calendar that have been agreed to on both sides and can be adopted by unanimous consent, because that may put to rest a good deal of concern on the part of many Senators with respect to some of those measures. I ask unanimous consent that I be granted that opportunity.

Mr. MUSKIE. Mr. President, reserving the right to object, and I do not think I will, will that agreement leave opportunity for Senators to address themselves to the individual items and any individual unanimous-consent requests that may be put as the Senator goes through those items?

Mr. ROBERT C. BYRD. Yes; any Senator could object, but as of now they have been cleared on both sides.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? I yield the distinguished Senator from Minnesota 1 minute.

The PRESIDING OFFICER. The Senate will be in order. Senators will kindly clear the well.

The Senator from Minnesota may proceed.

Mr. HUMPHREY. I thank the acting majority leader. I was just wondering if he could indicate to me when we might take up a conference report on the grain inspection bill. I do not believe it will take too long; I trust it will not. I would like to do it as soon as possible.

Mr. ROBERT C. BYRD. Yes; Mr. President, it would be my hope that once we have disposed of the unemployment compensation conference report and if I can get agreement on the part of all Senators that I may proceed with unanimous consent items on the calendar and at the desk that have been cleared on both sides, we would then proceed with the adoption of that conference report.

The PRESIDING OFFICER. The Senator already has that unanimous consent.

Mr. ROBERT C. BYRD. Yes, I have that consent, that I may proceed to that conference report at that time.

Mr. HUMPHREY. Does the Senator prefer, however, that I hold it until we have taken up the unemployment compensation report?

Mr. ROBERT C. BYRD. I would prefer that.

Mr. HUMPHREY. Yes. The House of Representatives has passed this grain inspection matter, so I will withhold it; that will be all right.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HUGH SCOTT. I am going to ask the Senator if at some point he will examine H.R. 14535, which the House has passed. It has been cleared on our side of the aisle and I understand it has been cleared on the other side.

Mr. ROBERT C. BYRD. Yes; that is one of the items that have been cleared on both sides, and I will include it when I am recognized for that purpose.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. McCLELLAN. Does the unanimous-consent request also include H.R. 15531, which is not at the desk but which has been cleared?

Mr. ROBERT C. BYRD. If it is cleared to pass by unanimous consent, it would be so included.

Now, Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators and staff will kindly clear the aisles. The Senate will be in order.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I will yield to one more Senator, and then I must proceed with the resolution, because of the passage of time. I was necessarily absent earlier. We are in conference, hoping to complete the water resources bill. We feel that we may reach an agreement, but I cannot speak for the conference.

If there were an agreement in the conference what would be the position of bringing that report to the Senate?

Mr. ROBERT C. BYRD. Which House acts on that first? Would it be the other body?

Mr. RANDOLPH. The Senate does.

Mr. ROBERT C. BYRD. I hope the Senate could take some action if that be the case. I cannot assure the Senator of that. I would certainly hope it could.

Mr. RANDOLPH. I appreciate it. May I ask another question?

Mr. ROBERT C. BYRD. Yes.

Mr. RANDOLPH. We have had under consideration the black lung bill. I am informed that if we were able to pass the black lung bill, the House would agree to the Senate measure. Do we have any knowledge of that?

Mr. ROBERT C. BYRD. May I answer the Senator? If I can get a unanimous-consent agreement on that measure, and if time does not run out, that is the one that is dearest to my heart, may I say. But I do not know. I cannot give the Senator any assurance. I will do the best I can.

Mr. RANDOLPH. I thank the Senator.

SENATE CONCURRENT RESOLUTION 211—PROVIDING FOR THE ADJOURNMENT OF THE CONGRESS ON FRIDAY, OCTOBER 1, 1976

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a concurrent resolution, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the concurrent resolution.

The legislative clerk read as follows:

> *Resolved by the Senate (the House of Representatives concurring)*, That the two Houses of Congress shall adjourn on Friday, October 1, 1976, and that when they adjourn on said day, they stand adjourned sine die.

Without objection, the Senate will proceed to the immediate consideration of the resolution.

UP AMENDMENT NO. 521

Mr. MUSKIE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Maine (Mr. MUSKIE) proposes unprinted amendment numbered 521, to amend the resolution by striking "Friday" and inserting "Saturday."

Mr. ROBERT C. BYRD. Mr. President, this is nondebatable.

But I ask unanimous consent that the Senator may have 1 minute and I may have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, first, I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MUSKIE. Mr. President, the clear purpose of the amendment, and I shall not take but a moment, is to provide additional time for debating the Clean Air Act in the hope that we may be able to enlighten those Senators who feel they still have not had enough time, after 2 years, to understand it so that we may get to a vote.

That is the only purpose.

So I asked for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, I respect the Senator's intention. I do not think it would change the situation here one whit. And, of course, the Senator does not agree with that, and he is within his rights. I think it would create problems in the other body. I have been told by the majority leader over there, as I said a moment ago, that they would be in grave danger of losing a quorum late this evening.

I am constrained to move to lay the amendment on the table.

Mr. MUSKIE. Before the Senator does, will the Senator yield?

Mr. ROBERT C. BYRD. Before I do that, I yield.

Mr. MUSKIE. I know the Senator and I have had different intelligence from the other body, but I have had intelligence from sources who seem to be close to the majority leader to the effect that if we would send them this bill they could hold until Saturday. I think that is worth an effort.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I simply cannot go on and on yielding.

Mr. ABOUREZK. Regular order, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, I move to lay the Senator's amendment on the table, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Maine. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Georgia (Mr. TALMADGE), the Senator from California (Mr. TUNNEY), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 36, nays 33, as follows:

[Rollcall Vote No. 691 Leg.]

YEAS—36

Bartlett
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Curtis
Fannin
Ford
Garn
Griffin
Hansen
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Jackson
Johnston
Laxalt
Long
McClellan
Metcalf
Morgan
Moss
Nunn
Packwood
Schweiker
Scott, Hugh
Stevens
Stone
Symington
Thurmond
Tower
Young

NAYS—33

Abourezk
Allen
Baker
Bayh
Biden
Brooke
Bumpers
Case
Clark
Culver
Durkin
Eagleton
Gravel
Hart, Gary
Hartke
Hathaway
Humphrey
Leahy
Magnuson
Mathias
McClure
McGovern
Muskie
Nelson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Sparkman
Stevenson
Williams

NOT VOTING—31

Beall
Bellmon
Bentsen
Brock
Buckley
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Hart, Philip A.
Inouye
Javits
Kennedy
Mansfield
McGee
McIntyre
Mondale
Montoya
Pastore
Pearson
Scott, William L.
Stafford
Stennis
Taft
Talmadge
Tunney
Weicker

So the motion to table was agreed to.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, may we proceed with the vote on the resolution?

The PRESIDING OFFICER. The question is on agreeing to Senate Concurrent Resolution 211. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Rhode Island (Mr. PASTORE), the Senator from Mississippi (Mr. STENNIS), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Ohio (Mr. GLENN), the Senator from Hawaii (Mr. INOUYE), and the Senator from Montana (Mr. MANSFIELD) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) are absent on official business.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 44, nays 24, as follows:

[Rollcall Vote No. 692 Leg.]

YEAS—44

Abourezk
Baker
Bartlett
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Curtis
Fannin
Ford
Garn
Griffin
Hansen
Hartke
Hatfield
Helms
Hollings
Hruska
Huddleston
Jackson
Johnston
Laxalt
Leahy
Long
Magnuson
McClellan
McClure
Metcalf
Morgan
Moss
Nunn
Packwood
Pell
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stevens
Stone
Thurmond
Tower
Young

NAYS—24

Allen
Bayh
Biden
Brooke
Bumpers
Case
Clark
Culver
Durkin
Eagleton
Gravel
Hart, Gary
Haskell
Hathaway
Mathias
McGovern
Muskie
Nelson
Percy
Proxmire
Roth
Stevenson
Symington
Williams

NOT VOTING—32

Beall
Bellmon
Bentsen
Brock
Buckley
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Hart, Philip A.
Humphrey
Inouye
Javits
Kennedy
Mansfield
McGee
McIntyre
Mondale
Montoya
Pastore
Pearson
Scott, William L.
Stafford
Stennis
Taft
Talmadge
Tunney
Weicker

So the resolution was agreed to.

The PRESIDING OFFICER. The Chair points out that the guests in the gallery are guests and order must be maintained in the gallery as well as in the Chamber.

The Senate will be in order. The galleries will be in order.

The Senators will kindly clear the well. Will those Senators wishing to converse kindly withdraw to the cloakrooms? The Senators and visitors will kindly clear the aisles, and if they wish to converse, do so in the cloakroom. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I hope the Senators will respect the Chair's efforts to get order. Those efforts are chewing up the time.

The PRESIDING OFFICER. The Chair thanks the Senator from West Virginia.

Will the Senators wishing to converse kindly clear the aisles and withdraw to the cloakrooms? Will the Senators and their visitors kindly withdraw if they wish to converse?

The clerk will proceed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has passed, without amendment, the following bill:

S. 2278. An act entitled "The Civil Rights Attorney's Fees Awards Act of 1976."

The House has passed the following bills and joint resolution in which it requests the concurrence of the Senate:

H.R. 4580. An act to amend the Organic Act of Guam to provide for the reorganization of the judicial system of Guam, and for other purposes;

H.R. 8002. An act to designate certain lands in the Point Reyes National Seashore, California, as wilderness, amending the Act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c–6a), and for other purposes;

H.R. 11315. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

H.R. 14970. An act to extend the unemployment assistance program for one year, and for other purposes; and

H.J. Res. 1119. A joint resolution to provide for the convening of the first session of the Ninety-fifth Congress.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 48, 49, 51, and 54 and concurs therein; and that the House recedes from its disagreement to the amendment of the Senate numbered 47 and concurs therein with an amendment in which it requests the concurrence of the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Now, Mr. President, I yield to the Senator from Louisiana to call up the conference report on the unemployment compensation.

HOUSE JOINT RESOLUTION 1119 PROVIDING FOR THE CONVENING OF THE 1ST SESSION OF THE 95TH CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a joint resolution on which I hope there will not be any rollcall vote. This matter has been settled now, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

H.J. Res. 1119

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, That the first regular session of the 95th Congress shall begin at 2 o'clock post meridian on Tuesday, January 4, 1977.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by its title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 1119) was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. FANNIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield very briefly to the Senator from Washington.

THE WASHINGTON STATE TANKER SAFETY ACT

Mr. MAGNUSON. Mr. President, on September 27, 1976, a three-judge U.S. district court panel ruled that the recently enacted Washington State Tanker Safety Act was unconstitutional. That State law represents the first serious effort by local government to regulate marine transportation in local waters. It represents an effort to achieve a better balance between the special needs of the oil industry and the environmental concerns of the people of the State of Washington.

The Washington statute seeks to control tanker movements in the waters of Puget Sound. It requires any tanker larger than 50,000 deadweight tons to employ a local pilot familiar with those waters. It prohibits tankers in excess of 125,000 deadweight tons, that is, the so-called supertankers, from entering the narrow passageways of the inner sound. If any tanker between 40,000 and 125,000 deadweight tons lacks certain design features—minimum shaft horsepower, twin screws, double bottoms, and twin radars—it must be accompanied by tugboats when in the sound.

The court said that these authorities had been preempted by the Ports and Waterways Safety Act (46 United States Code 391a). The judges agreed with the arguments put forth by the Atlantic Richfield Co. and Seatrain Lines that that Federal law left no room for any State regulatory over tankers.

As the sponsor of that act in the Senate, I have made known my disagreement with the decision. I think it is wrong; I feel the court has simply misread the intent of Congress as contained in the Ports and Waterways Safety Act. The weakness of the decision is highlighted by the complete absence of any analysis of the terms of the act. The court's reasoning was simplistic at best. Preemption is not favored in the law. Congress must show a clear intent to preempt before such a finding is made. This court summarily reached its decision on the thinnest of reasoning. I say they are wrong.

The decision will be appealed to the Supreme Court by the State. But if the Supreme Court should agree with the lower court, which I do not believe it should, then I will have legislation ready. The coastal States should have regulatory authority over tankers, in an appropriate degree, to protect local interests. I do not believe that the U.S. Coast Guard with its national and international perspective can adequately factor local concerns into national transportation policy. The States should have a greater role than has been allowed them in the past.

I ask unanimous consent that the opinion of the U.S. district court in *ARCO* v. *Evans* (No. 75–648M) be printed at this point in the Record.

There being no objection, the opinion was ordered to be printed in the Record, as follows:

[No. C75–648M, judgment, 3-judge court]

Atlantic Richfield Co., et al., Plaintiffs, v. Daniel J. Evans, Governor of the State of Washington, et al., Defendants

This matter having come on for consideration before the 3-Judge Court composed of the Honorable Judges Alfred T. Goodwin, United States Circuit Judge, Walter T. McGovern, United States District Judge, William G. East, United States District Judge, presiding, and the issues having been duly considered and an opinion and order having been duly rendered that Chapter 125, Laws of Washington, 1975, 1st Extra Session, codified at R.C.W. §§ 88.16.170, et seq. (The Tanker Law) be and the same is hereby declared null and void and of no force and effect and that application of plaintiff for an order enjoining the responsible officials of the State of Washington from enforcing said statute pending any appeal of this matter is denied.

It is hereby ordered and adjudged, that judgment is hereby entered in favor of Plaintiffs against Defendants with no costs.

Dated this 24th day of September, 1976.

PER CURIAM

Atlantic Richfield Company (Arco) and Seatrain Lines, Inc., sued named officials of the State of Washington to enjoin enforcement of a 1975 Washington law regulating oil tankers operating in the Puget Sound. Jurisdiction is conferred by 28 U.S.C. §§ 1331 and 1337, and this three-judge court was convened in accordance with 28 U.S.C. §§ 2281, 2284.[1]

At the outset, the State of Washington challenges our jurisdiction, asserting sovereign immunity under the Eleventh Amendment. Aware of the rule in *Ex Parte Young,* 209 U.S. 123 (1908), the State invites us to "overrule" it, or at least to restrict the scope of cases falling within the *Young* "exception" to the Eleventh Amendment. The invitation is attractively and persuasively argued, but we decline it. The Supreme Court, if it chooses to do so,[2] will have ample opportunity to reconsider *Young.*

The challenged statutes are found in Chapter 125, Laws of Washington, 1975, 1st Extra Sess., codified at R.C.W. §§ 88.16.170, et seq. (The Tanker Law). The Tanker Law regulates oil tankers operating in Puget Sound. Section 2 of the Tanker Law requires any tanker in excess of 50,000 deadweight tons (dwt) to employ a locally licensed pilot. Section 3(1) absolutely prohibits "supertankers", that is, those larger than 125,000 dwt. And § 3(2) prescribes some minimum design specifications (shaft horsepower, twin screws, double bottoms, and twin radars) for tankers between 40,000 and 125,000 dwt. A proviso in § 3(2) waives these design specifications for tankers accompanied by an appropriate complement of tugboats.

Arco and Seatrain contend that the state's restrictions are preempted by federal regulation in the field, are violative of the commerce clause, and invade the foreign affairs powers of the United States.

We are persuaded that federal law has preempted the field. Title I of the Ports and Waterways Safety Act of 1972 (the PWSA), 33 U.S.C. §§ 1221 *et seq.*, establishes a comprehensive federal scheme for regulating the operations, traffic routes, pilotage, and safety design specifications of tankers. Under the PWSA, the Coast Guard can create traffic-control systems for Puget Sound, and it has done so. 33 C.F.R. Part 161, Subpart B. The PWSA gives the Coast Guard authority to restrict and even exclude tankers from Puget Sound under adverse or hazardous conditions. 33 U.S.C. § 1221(3) (iv).

Title II of the PWSA amended the Tank Vessel Act of 1936, 46 U.S.C. §§ 391a. It empowered the Coast Guard to regulate design, construction, and maintenance of tankers operating in United States waters. *See* proposed regulations, 41 Fed. Reg. 15859 (April 15, 1976).

The purpose of the original Tank Vessel Act, and of Title II of PWSA, was to establish a uniform set of regulations governing the types of ships permitted within the coastal waters of the United States and the conditions under which they would be permitted to operate. Balkanization of regulatory authority over this most interstate, even international, of transportation systems is foreclosed by the national policy embodied in the PWSA. The PWSA has preempted § 3 (2) of Washington's Tanker Law.

Washington asserts that the minimum design specifications required by § 3(2) of the Tanker Law were not preempted, because they can be avoided if the tanker has a tugboat escort. Congress has given the Coast Guard authority to require tugboat escorts in Puget Sound under hazardous conditions. 33 U.S.C. § 1221(3) (iv). And the Coast Guard has considered doing this. Department of Transportation, Coast Guard, Final Environmental Impact Statement [on the] Regulations for Tank Vessels Engaged in the Carriage of Oil in Domestic Trade 71 (August 15, 1975). We believe that the tugboat-escort provision of the Tanker Law has also been preempted by the federal law.

Arco and Seatrain also argue that § 2 of Washington's Tanker Law (requiring a local pilot on all tankers larger than 50,000 dwt) has been preempted. Insofar as the Tanker Law prohibits a tanker "enrolled in the coastwise trade" from navigating Puget Sound unless it has a local pilot, the statute is void; it conflicts with clear federal law on that subject. 46 U.S.C. §§ 215, 364 (1970).

Recognizing the difficulty of its position, the State of Washington argues that its Tanker Law is part of a comprehensive coastal management plan, and that it should be upheld on that ground. "Cooperative federalism" has been the congressional policy for designing a United States environmental policy. The Congress funded and encouraged the coastal states to design comprehensive and forward-looking coastal management plans. 16 U.S.C. §§ 1451 *et seq.* Congress has invoked "cooperative federalism"—or at least some state involvement—in virtually all of its water-related regulatory programs: The Federal Water Pollution Control Act, 33 U.S.C. §§ 1151 *et seq.*; the Clean Air Act, 42 U.S.C. § 1857; the Estuarine Act of 1968, 16 U.S.C. §§ 1221 *et seq.*; and the Deepwater Ports Act of 1974, 33 U.S.C. §§ 1501 *et seq.*

Congress has used "cooperative federalism" in forming environmental regulations. But the State of Washington fails to note that in those statutes Congress explicitly invited state participation in various phases of the formation of the regulatory scheme. The PWSA, on the other hand, does not invite such state participation; it does not share regulatory authority over oil tankers with the states.

Supporting its position, Washington cites *Askew* v. *American Waterways Operators, Inc.*, 411 U.S. 325 (1973), and *Huron Portland Cement* v. *City of Detroit*, 362 U.S. 440 (1960). The *Askew* case upheld Florida's law imposing strict liability in tort on oil spillers. The Court held that the state regulatory scheme did not conflict with Federal regulation of oil tankers. But that Florida statute did not attempt to regulate the design of the tanker or tanker operations, which were already federally regulated. The *Askew* case involved the Federal Water Quality Control Act, not the PWSA, and the holding of the Court was in part reflective of the congressional policy of "cooperative federalism" in the Federal Water Quality Control Act.

In the *Huron Portland Cement* case, a city's smoke-control ordinance was applied against a vessel engaged in interstate commerce. The Court observed that the environmental purpose of Detroit's ordinance was not preempted by federal safety inspection regulations. There was "no overlap between the scope of the federal ship inspection laws and that of the municipal ordinance," 362 U.S. at 446. Since the PWSA introduced environmental considerations into the federal tanker regulations,[4] the State of Washington cannot say that there is "no overlap" between the state and federal laws.

Finally, the State of Washington asserts that the Commerce Department's approval of its coastal management plan (to which the Tanker Law is related) somehow waives federal preemption of the area. The Secretary of Commerce can approve a state's coastal management plan (thereby making it eligible for federal funding) only if "the views of Federal agencies principally affected by such program have been adequately considered." 16 U.S.C. § 1456(b) (1970). The Secretary may or may not have "considered" the views of the Coast Guard. The Secretary may or may not have noticed the preemptive effect of the PWSA on Washington's Tanker Law. That is not before us. We cannot read the Secretary's approval of a coastal management plan, to which the Tanker Law is only collaterally related, as foreclosing our inquiry into the Federal preemption of oil tanker regulation.

Finally, the state and the other states filing amici briefs have argued with some conviction that a state's officials, responsible to its voters, are better able to protect the state's shoreline environment than is the Commandant of the Coast Guard, headquartered on the other side of the continent. This argument presents legislative, rather than judicial, policy considerations.

Because the Washington Tanker Law conflicts with federal law preempting the same subject matter, the state law is void. The plaintiffs have asserted a number of other grounds for declaring the statute void. It is unnecessary to reach these other points.

It is likewise unnecessary to grant an injunction. It is presumed that the responsible officials of the State of Washington will not undertake to enforce the statute pending such further appeals as may be taken. The clerk will enter judgment.

Neither party shall have costs.

ALFRED T. GOODWIN,
U.S. Circuit Judge.
WALTER T. MCGOVERN,
U.S. District Judge.
WILLIAM G. EAST,
U.S. District Judge.

FOOTNOTES

[1] The Three-Judge Court Act was modified by —— Stat. —— (1976). Section 7 of that modification specifically denied any retroactive application of the change. Since this case was heard before the change, our jurisdiction is determined by the former law.

[2] See 28 U.S.C. § 1253 (1970).

[3] By "Puget Sound" we mean those waters east of a line extending from Discovery Island Light south to New Dungeness Light. R.C.W. § 88.16.190.

[4] One of the primary reasons for the passage of the Ports and Waterways Safety Act was concern over the environment. The introductory clause of Title I states that the purpose is "to protect the navigable waters and the resources therein from environmental harm resulting from vessel or structure damage." 33 U.S.C. § 1221.

[No. C75–648M]

ORDER

Atlantic Richfield Company, Plaintiff, and Seatrain Lines, Incorporated, Intervening Plaintiff, v. Daniel J. Evans, Governor of the State of Washington; Slade Gorton, Attorney General of the State of Washington; William C. Jacobs, Chairman, and Harry A. Greenwood, Benjamin W. Joyce, Philip H. Luther, and J. Q. Paull, Members, Board of Pilotage Commissioners; and David S. McEachran, Whatcom County Prosecuting Attorney, Defendants, and Coalition Against Oil Pollution, National Wildlife Federation, Sierra Club, Environmental Defense Fund, Inc., and Christopher T. Bayley, King County Prosecuting Attorney, Intervening Defendants.

This matter came before the undersigned, one of the three judges empanelled to hear and determine the above-entitled cause, in accordance with Title 28 U.S.C. §§ 2281 and 2284 and in furtherance of the unanimous opinion of the said three judges which has now been filed herein, it is hereby ordered, adjudged and decreed that Chapter 125, Laws of Washington, 1975, 1st Extra Session, codified at R.C.W. §§ 88.16.170, *et seq.* (The Tanker Law) be and the same is hereby declared null and void and of no force and effect. It is further

Ordered that the application of the plaintiff for an order enjoining the responsible officials of the State of Washington from enforcing the said statute pending any appeal of this matter be and the same is hereby denied; and it is further

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Footnotes at end of article.

Ordered that no party to the cause shall recover costs.

Dated this 23rd day of September 1976.

WALTER T. MCGOVERN,
Chief U.S. District Judge.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that:

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 15582. An act to name the Federal office building in Bluefield, West Virginia, the "Elizabeth Kee Federal Building."

H.R. 15007. An act to provide for the preservation and enhancement of critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the Grasslands area of the San Joaquin Valley, California.

H.R. 4206. An act to designate the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building."

H.R. 2743. An act to authorize the Secretary of Agriculture to convey certain lands in the Sierra National Forest, California, to the Madera Cemetery District.

H.R. 15686. An act to designate the "James J. Rowley Secret Service Training Center."

The House has passed, without amendment, the following Senate bills:

S. 1659. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes.

S. 999. An act to designate the Federal office building located in Dover, Delaware, as the "J. Allen Frear Building."

The House agrees to the amendment of the Senate numbered 1 to the bill (H.R. 14360) to amend the John F. Kennedy Center Act to authorize funds for repair, reconstruction, and for other purposes.

The House disagrees to the amendment of the Senate to the bill (H.R. 12961) to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such Act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services; and that the House disagrees to the amendment of the Senate to the title.

The House has passed the bill (S. 2081) to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes, with amendments in which it requests the concurrence of the Senate.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3131) to amend the Rail Passenger Service Act to provide financing for the National Railroad Passenger Corporation, and for other purposes.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12572) to amend the United States Grain Standards Act to improve the grain inspection and weighting system, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER has signed the following enrolled joint resolution:

S.J. Res. 126. A joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

The joint resolution was subsequently signed by the Acting President pro tempore (Mr. METCALF).

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the RECORD show a place for morning business today so that all Senators may have their statements appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Routine morning business transacted today is printed at the conclusion of the Senate Proceedings.)

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ORDER FOR ROLLCALL VOTES NOT TO EXCEED 10 MINUTES

Mr. ROBERT C. BYRD. Mr. President, one final request: Senators are close to the floor now and every minute counts. I ask unanimous consent that any rollcall vote during the rest of the evening consume only 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

REPORT OF THE COUNCIL ON ENVIRONMENTAL QUALITY—MESSAGE FROM THE PRESIDENT

The Presiding Officer laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

I am pleased to transmit to the Congress the Seventh Annual Report of the Council on Environmental Quality.

Two hundred years ago, the United States of America was comprised of only 2.5 million people. Our country seemed an infinite expanse of natural resources.

Today, the United States of America encompasses over 3½ million square miles, and numbers 215 million people. Although we remain one of the most fortunate nations on Earth, our natural endowment is deteriorating.

The growth of our population and the expansion of American technology demonstrates that there are limitations to our natural riches. The industrial concept of man as master of an inexhaustible world for his convenience is giving way to an ecological concept of man as caretaker of limited resources that must be protected.

Since the adoption of the National Environmental Policy Act, Americans have made measurable progress in safeguarding, nurturing, and redeeming our national heritage. Many other countries have joined in recognizing that misuse and irresponsible exploitation of the globe threaten the well-being of humanity. Yet, progress has been neither even nor universal.

A higher consciousness—even spiritual awareness—must evolve if humanity is to live in harmony with nature. We are grateful that the process of awakening has started.

In this first year of our third century, I am optimistic that growing American recognition of the respect and reverence that we must accord to earth, water and air will light the way to a new era. We must and will pass on to future Americans the magnificent legacy of nature as well as our cherished heritage of political freedom.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the President transmitting the report of the Council on Environmental Quality be referred jointly to the Committee on Agriculture and Forestry, the Committee on Commerce, the Committee on Interior and Insular Affairs, and the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1976—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 10210 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. STONE). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of today's RECORD.)

Mr. LONG. Mr. President, I ask unanimous consent that the following-named staff members be granted the privilege of the floor during the consideration of the conference report: Michael Stern, Joe Humphreys, Bobby Shapiro, Herb Chabot, Bill Morris, Bob Willan, Bob Cassidy, Bob Best, Michael Rowny, Bill Galvin, and Larry Gage.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I ask unanimous consent that Mr. Don Moorehead and Mr. George Britten be granted the privilege of the floor during the consideration of this conference report and subsequent bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I believe most Senators have read press stories about this conference report. It represents pretty much of a split of the differences between the Senate and the House, which I think is about par for the course on these conferences.

The Senate bill did not provide unemployment compensation coverage for farmworkers and domestics. The conference bill provides some coverage, but on a less comprehensive basis than the House bill. A modified version of the Senate provision for triggering on the extended unemployment compensation program was agreed to. Most of the Supplemental Security Income—SSI—program amendments in the Senate bill were agreed to without substantial change. These amendments were generally similar to SSI provisions contained in another bill which had already been passed by the House. All in all, I believe the conferees on H.R. 10210 have worked out a compromise bill which will make important improvements in both the SSI and unemployment compensation programs.

The PRESIDING OFFICER. Does the Senator from Louisiana yield for questions?

Mr. LONG. Yes.

The PRESIDING OFFICER. The Senate will be in order so that the questions of the Senator from Kentucky may be heard and the answers of the Senator from Louisiana may be heard.

Mr. FORD. Mr. President, I have three quick questions of the Senator from Louisiana which apply to this conference report on H.R. 10210.

Are the domestic employees covered under the language of this act? If so, to what extent?

Mr. LONG. Under the conference agreement, if an employer has a payroll of at least $1,000 for household employees in any quarter, his domestic employees would be covered.

Mr. FORD. Are agricultural employees covered under the language of this act? If so, to what extent?

Mr. LONG. If an agricultural employer has 10 or more employees in each of 20 weeks in a year or a payroll in excess of $20,000 in any one quarter, his employees would be covered. That is about 3 percent of all agricultural employers.

Mr. FORD. Will the Senator give me the figure of the employees? I would like to have the figure of employees per quarter. Is it 10 employees?

Mr. LONG. A farm employer would be subject to the unemployment tax if he has 10 or more employees in each of 20 weeks in a year or a payroll of at least $20,000 in any quarter of the year.

Mr. FORD. I have one last question: What will be the cost for State governments to pick up the benefit portion of the extended benefits program?

Mr. LONG. It will be $6 million in 1979, $10 million in 1980, and $10 million in 1981.

Mr. FORD. I thank the Senator.

Mr. CURTIS. Mr. President, as the ranking member of the Finance Committee, I support this conference report. Parts of it are not to my liking, but I believe we have arrived at a good compromise with the House, and I urge the adoption of the conference report.

Mr. President, as the ranking minority member of the Committee on Finance, I will support the conference report on the Unemployment Compensation Amendments of 1976 (H.R. 10210). The financial needs of our unemployment compensation system are such that passage of this legislation is necessary.

On balance, Mr. President, this conference report represents an acceptable compromise between the bills passed by the Senate and the House. I would have preferred to have retained the provisions of the Senate bill excluding farm workers from coverage until we could study this subject in greater detail. Nevertheless, the limited coverage provided by the conference report is acceptable to me. I am confident that the Finance Committee will monitor the operation of this new coverage rule so that we can make any necessary adjustments in the next Congress.

This represents the last major Finance Committee conference report for this Congress and I therefore want to commend our distinguished chairman for his leadership and thank him for his unfailing courtesy to the minority members.

Mr. LONG. Mr. President, I yield to the Senator from Maine.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that a member of my staff, Mr. Larry Gage, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CURTIS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the amendment in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by said agreement, insert:

Sec. 501. Referral of Blind and Disabled Individuals Under Age 16, Who Are Receiving Benefits Under the Supplemental Security Income Program, for Appropriate Rehabilitation Services.

(a) In General.—Section 1615 of the Social Security Act is amended to read as follows:

"REHABILITATION SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"Sec. 1615. (a) In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this title,

the Secretary shall make provision for referral of such individual to the appropriate State agency administering the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act, or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases as he may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan.

"(b)(1) The Secretary shall by regulation prescribe criteria for approval of State plans for—

"(A) assuring appropriate counseling for disabled children referred pursuant to subsection (a) and their families,

"(B) establishment of individual service plans for such disabled children, and prompt referral to appopiate medical, educational, and social services,

"(C) monitoring to assure adherence to such service plans, and

"(D) provision for such disabled children who are 6 years of age and under, or who have never attended public school and require preparation to take advantage of public educational services, of medical, social, developmental, and rehabilitative services, in cases where such services reasonably promise to enhance the child's ability to benefit from subsequent education or training, or otherwise to enhance his opportunities for self-sufficiency or self-support as an adult.

"(2) Such criteria shall include—

"(A) administration—

"(i) by the agency administering the State plan for crippled children's services under title V of this Act, or

"(ii) by another agency which administers programs providing services to disabled children and which the Governor of the State concerned has determined is capable of administering the State plan described in the first sentence of this subsection in a more efficient and effective manner than the agency described in clause (i) (with the reasons for such determination being set forth in the State plan described in the first sentence of this subsection);

"(B) coordination with other agencies serving disabled children; and

"(C) establishment of an identifiable unit within such agency which shall be responsible for carrying out the plan.

"(c) Every individual age 16 or over with respect to whom the Secretary is required to make provision for referral under subsection (a) shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under the Vocational Rehabilitation Act; and no such individual shall be an eligible individual or eligible spouse for purposes of this title if he refuses without good cause to accept services for which he is referred under subsection (a).

"(d) The Secretary is authorized to pay to the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act the costs incurred under such plan in the provision of rehabilitation services to individuals referred for such services pursuant to subsection (a).

"(e)(1) The Secretary shall, subject to the limitations imposed by paragraphs (2) and (3), pay to the State agency administering a State plan of a State under subsection (b) of this section, the costs incurred each fiscal year which begins after September 30, 1976, and ends prior to October 1, 1979, in carrying out the State plan approved pursuant to such subsection (b).

"(2) (A) Of the funds paid by the Secretary with respect to costs, incurred in any State, to which paragraph (1) applies, not more than 10 per centum thereof shall be paid with respect to costs incurred with respect to activities described in subsection (b) (1) (A), (B), and (C).

"(B) Whenever there are provided pursuant to this section to any child services of a type which is appropriate for children who are not blind or disabled, there shall be disregarded, for purposes of computing any payment with respect thereto under this subsection, so much of the costs of such services as would have been incurred if the child involved had not been blind or disabled.

"(C) The total amount payable under this subsection for any fiscal year, with respect to services provided in any State, shall be reduced by the amount by which the sum of the public funds expended (as determined by the Secretary) from non-Federal sources for services of the type involved for such fiscal year is less than the sum of such funds expended from such sources for services of such type for the fiscal year ending June 30, 1976.

"(3) No payment under this subsection with respect to costs incurred in providing services in any State for any fiscal year shall exceed an amount which bears the same ratio to $30,000,000 as the under age 7 population of such State (and for purposes of this section the District of Columbia shall be regarded as a State) bears to the under age 7 population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph on the basis of the most recent satisfactory data available from the Department of Commerce not later than 90 nor earlier than 270 days before the beginning of such year."

(b) Publication of Criteria.—The Secretary shall, within 120 days after the enactment of this subsection, publish criteria to be employed to determine disability (as defined in section 1614(a) (3) of the Social Security Act) in the case of persons who have not attained the age of 18.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 50 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

Sec. 504. State Supplementation of Benefits Under Supplemental Security Income Program.

(a) Limitation on State Costs.—Section 401(a) (2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977, and before July 1, 1979.".

(b) Effective Date.—The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 55 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

Sec. 509. State Employment Offices to Supply Data in Aid of Administration of AFDC and Child Support Program

(a) In General.—Section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system for cooperation with the States in the promotion of such system, and for other purposes," approved June 6, 1933 (29 U.S.C. 49b (a)), is amended by adding at the end thereof the following new sentence: "It shall be the further duty of the bureau to assure that such employment offices in each State, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is hereby authorized to) furnish to such agency making the request, from any data contained in the files of any such employment office, information with respect to any individual specified in the request as to (A) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (B) the current (or most recent) home address of such individual, and (C) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and terms, conditions, and rate of pay therefor.".

(b) Provision for Reimbursement of Expenses.—For purposes of section 403 of the Soical Security Act, expenses incurred to reimburse state employment offices for furnishing information requested of such offices pursuant to the third sentence of section 3 (a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (39 U.S.C. 49b (a)), by a State or local agency administering the State plan approved under part A of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan; and for purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information so requested by a State or local agency charged with the duty of carrying out a State plan for child support approved under part D of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan.

Mr. LONG. Mr. President, I move that the Senate concur in the House amendments to the Senate amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that under the order previously entered the Senate now proceed to the consideration of measures which have been cleared by consent. We start with bills at the desk that are cleared for action.

FREDERICK LAW OLMSTED HOME AND OFFICE

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 400.

The PRESIDING OFFICER (Mr. Stone) laid before the Senate the amendments of the House of Representatives to the bill (S. 400) to direct the Secretary of the Interior to conduct a 1-year feasibility/suitability study of the Frederick Law Olmsted Home and Office as a national historic site.

(The amendments of the House are printed in the House proceedings of September 22, 1976).

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments with amendments which I send to the desk.

UP AMENDMENT NO. 522

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. Robert C. Byrd) proposes an unprinted amendment No. 522.

The amendment is as follows:

Amendments to S. 400

1. In title I delete section 102 in its entirety.
2. In title II delete section 202 in its entirety.
3. In title III delete section 302 in its entirety.
4. In title IV delete section 406 in its entirety.
5. In title V delete section 503 in its entirety.
6. In title VI delete section 602 in its entirety.
7. In title VII delete section 702 in its entirety.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Alabama for not to exceed 2 minutes, without losing my right to the floor.

TREATY BETWEEN THE UNITED STATES AND SPAIN—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on S. 3557 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Stone). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3557) to authorize the appropriation of funds necessary during the fiscal year 1977 to implement the provisions of the Treaty of

Friendship and Cooperation between the United States and Spain, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the Record of September 28, 1976, beginning at page 33042.)

Mr. SPARKMAN. Mr. President, I move that the conference report be adopted.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the Senate continue with the consent items. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1239.

The PRESIDING OFFICER. Without objection, it is so ordered.

GEORGI VINS

The concurrent resolution (H. Con. Res. 726) to urge the Soviet Union to release Georgi Vins and permit religious believers within its borders to worship God according to their own conscience, was considered and agreed to.

Mr. SPARKMAN. Mr. President, House Concurrent Resolution 726 is a bill which has already been agreed to in the House of Representatives and it relates to a person in the Soviet Union.

The PRESIDING OFFICER. The Senate will be in order so that all Senators may hear the bills and reports being acted upon. The Chair asks the cooperation of the Senate.

Mr. ALLEN. I move to reconsider that vote.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, House Concurrent Resolution 726 urges the Soviet Union to permit religious freedom for all its citizens and more particularly, that Reform Baptist Pastor Georgi Vins be released from prison.

This resolution was first introduced in the House of Representatives by my distinguished colleague, Mr. Buchanan, himself a Baptist pastor.

In the Senate I was joined in introducing the companion resolution by Senators Case, Humphrey, and Stevens.

House Concurrent Resolution 726, with a third of the House membership as cosponsors, passed the House by a resounding 381-to-2 margin. The Senate Foreign Relations Committee without dissent reported favorably on House Concurrent Resolution 726 and recommended that it be passed. I want to thank Senator Sparkman, distinguished chairman of the Committee on Foreign Relations and cosponsor of House Concurrent Resolution 726, for his leadership in handling this significant humanitarian move.

Pastor Georgi Vins is near death in a strict labor camp in Siberia due to the rigors of his persecution. As Mr. Buchanan, prime mover in our joint effort has pointed out, Pastor Vins, already broken in health by 3 years' imprisonment at hard labor between 1966 and 1969, had to go into hiding to carry on the direction of his Council of Churches of Evangelical Christians and Baptists. Despite the fact that he was only carrying on his pastoral duties, he was captured and imprisoned again in 1973, convicted in 1975 of "harming the interests of Soviet citizens under a pretext of carrying out religious activity," and sentenced to 5 years in prison to be followed by 5 years in exile—believed to be the maximum possible sentence under the charge.

Senator Sparkman noted in his report on this resolution that one purpose is to state the sense of Congress that the Soviet Government should fulfill its humane obligations, and its obligations as a signatory of such agreements as the United Nations Covenant on Civil and Political Rights, to allow religious freedom in the Soviet Union. I would also point out that in this regard the Soviet Government is violating its own constitution.

As I said in introducing the companion measure in the Senate:

> It is most important and appropriate that the American people, who are so blessed in the freedoms that we take for granted, make clear to the Soviet Union that a genuine détenté requires increasing respect for fundamental human rights.

DAE HO PARK AND MARIA PARK

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13417, for the relief of Dae Ho Park et al.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> An Act (H.R. 13417) for the relief of Dae Ho Park and Maria Park.

Mr. ROBERT C. BYRD. I ask unanimous consent that the bill be considered as having been read the first and second times.

Mr. GRIFFIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. I withdraw my reservation, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

FEDERAL GRANT AND COOPERATIVE AGREEMENT ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1437.

The legislative clerk laid before the Senate the amendment of the House of Representatives to the bill (S. 1437) to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

(The amendment of the House is printed in the House proceedings of today.)

Mr. ROBERT C. BYRD. I move that the Senate concur in the House amendment.

Mr. GRIFFIN. Mr. President, that is a House amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. That is what my memorandum shows.

Mr. GRIFFIN. Mr. President, I want to serve a little notice here that if amendments are presented here, particularly unprinted amendments that we are not aware of, that will hold matters up, because obviously one way to change completely the intent of legislation is to add some unrelated amendment on a bill going through here. I hope that is not happening, but I think I must hold off until we can check them.

Mr. ROBERT C. BYRD. Mr. President, I join the Senator. I thought these matters had been cleared on both sides, and with the full knowledge of the assistant Republican leader.

Mr. GRIFFIN. Not the amendments. We object for the time being.

The PRESIDING OFFICER. Objection is heard.

LINCOLN NATIONAL MEMORIAL

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 64.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 64) to provide for the addition of the names of the States of Alaska and Hawaii to the list of the 48 States inscribed upon the walls of the Lincoln National Memorial.

(The amendments of the House is printed in the House proceedings of the Record of September 27, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

BARTRAM TRAIL

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2112.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2112) to authorize the Secretary of the Interior to conduct a study with respect to the feasibility of establishing the Bartram Trail as a national scenic trail.

(The amendments of the House are printed in the House proceedings of the Record of September 27, 1976.)

Mr. ROBERT C. BYRD. I move that

the Senate concur in the House amendments.

The motion was agreed to.

CONGRESSIONAL CEMETERY

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3441.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3441) to authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery for a 2-year period, and to authorize a study by the Secretary of the Interior to formulate proposals for renovation and permanent maintenance of such sections by the United States.

(The amendment of the House is printed in the House proceedings of the RECORD of September 27, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

PUBLIC BUILDINGS COOPERATIVE USE ACT OF 1976

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 865.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 865) to promote more efficient use of the Nation's construction resources, to foster the preservation of buildings of historic, architectural, or cultural significance, and to enhance the social and economic environment within and surrounding Federal office buildings.

(The amendment of the House is printed in the RECORD of September 29, 1976.)

Mr. RANDOLPH. Mr. President, the Public Buildings Cooperative Use Act of 1976 (S. 865) requires that the General Services Administrator give preference to the acquisition and use of space in suitable buildings of historical or architectural significance wherever possible and to set aside part of the main floor of all Federal buildings for commercial, educational, cultural, or recreational uses. I cosponsored this legislation in the Senate with Senator BUCKLEY and nine other Members. It passed the Senate on August 1, 1975. Both bills not only encourage and stimulate increased use of public buildings by people, but also serve to enhance the social and cultural atmosphere in adjoining communities. Too often aging buildings which represented strength and stability in our towns have been destroyed. Then cold new Federal buildings are erected and disrupt the continuity of commercial districts, severing one part of town from the other.

We have become aware in recent years that there is not a limitless supply of land, energy, or money. Recycling of older structures that are sometimes thought to be obsolete is a commitment to better utilization of our Nation's resources. Innovations in architectural style and design are helping to change the image of sterile and inefficient buildings.

The proposed multiple use of federally occupied buildings encourages business, cultural, recreational, and educational activities within or near the structures to make them an integral part of the community, not aloof from the people they serve. This act would make it possible for the Government to become a partner with the community in an attempt to meet public needs and goals—the very reason for any Government program.

Title II of S. 865 as passed by the House is an excellent example of action taken by Congress to provide a barrier-free environment. Senate Congressional Resolution 11, which I introduced February 7, 1975, stated:

> That it is the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the man-made environment, and that the adoption and implementation of this policy requires the mobilization of these resources of the private and public sectors to integrate handicapped people into their communities.

Title II of this bill amends the Architectural Barriers Act of 1968 and imposes a clear statutory mandate directing the Postal Service and other agencies named in the Architectural Barriers Act of 1968 to insure accessibility of all Federal buildings by the physically handicapped, and provide other facilities to aid them. These amendments will strengthen the Architectural Barriers Act I authored four Congresses ago.

Congress has taken a few steps toward providing the handicapped population full freedom to enjoy the benefits of society. In addition to the Architectural Barriers Act of 1968, Public Law 91-205 required that Washington's Metro subway system adhere to accessibility standards. On September 26, 1973, the Rehabilitation Act of 1973 became law, including provisions, which I sponsored, to establish a Federal Architectural and Transportation Barriers Compliance Board. Its functions are, among others, to insure compliance with standards adopted pursuant to the Architectural Barriers Act of 1968, and to study and recommend legislative and administrative means of providing accessibility by handicapped persons to housing, public transportation of all kinds, public buildings and monuments, and parks and parklands.

S. 865, as passed by the House, requires the Board to report to the Public Works and Transportation Committee of the House of Representatives and the Public Works Committee of the Senate annually on its activities and actions to insure compliance with the standards. It further requires a report of the General Services Administration to Congress on its activities and those of other departments, agencies, and instrumentalities of the Federal Government on standards issued, revised, amended, or repealed under this act and all waivers of such standards granted.

The Public Buildings Service of the General Services Administration alone, is responsible for 10,000 federally owned or leased buildings. GSA rents 88 million square feet of space, 30 percent of GSA controlled space. During budget review hearings early this year, the agency estimated that Federal Government space requirements would be met increasingly through leasing from the private sector. The Cooperative Use Act states that leased space will also meet the standards of accessibility by the physically handicapped. Perhaps through Federal leadership and encouragement of this kind, the private community will become more sensitive to the needs of disabled persons.

Since the 1968 act, agencies have been slow in preparing standards. This bill directs them to develop accessibility standards. With the Federal Government continuing to grow as a lessor and financier of many public facilities, we must insure facilities which are designed to serve the people who are physically accessible to them.

Mr. President, this measure would substantially improve our efforts to move Government and community closer together. I urge its adoption by the Senate.

Mr. ROBERT C. BYRD. I move that the Senate concur in the House amendment.

The motion was agreed to.

AUTHORIZATION FOR ADDITIONAL PRINTING

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 114.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 114) authorizing the printing of additional copies of Subcommittee on Children and Youth committee print titled "Background Materials Concerning Child and Family Services Act, 1975 (S. 626)," as follows:

> After line 7, insert:
>
> SEC. 2. There shall be printed for use of the House Committee on Education and Labor one hundred thousand additional copies of its committee print compiled by its Subcommittee on Select Education entitled "Background Materials Concerning Child and Family Services Act, 1975, H.R. 2966."

Mr. ROBERT C. BYRD. I move that the Senate concur in the House amendment.

The motion was agreed to.

VETERANS OMNIBUS HEALTH CARE ACT OF 1976

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 2735.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (H.R. 2735) to amend title 38 of the United States Code in order to provide for an annual investigation by the Administrator into the cost of travel by veterans to Veterans' Administration facilities and to set rates therefor, and for other purposes.

(The amendments of the House are printed in the House proceedings of the RECORD of September 29, 1976.)

THE VETERANS OMNIBUS HEALTH CARE ACT OF 1976

Mr. CRANSTON. Mr. President, Senate consideration of H.R. 2735 as amended completes congressional action on the Veterans Omnibus Health Care Act of 1976, which I introduced as S. 2908 almost 8 months ago.

INTRODUCTION

This legislation represents the culmination of over 2 years of planning, development, and consideration by the Committee on Veterans' Affairs and its Subcommittee on Health and Hospitals which I am privileged to chair. S. 2908 was introduced on February 2, 1976. The subcommittee held 2 days of hearings on this and related legislation on February 18 and 19, 1976. In executive session on May 25, the subcommittee considered and unanimously ordered S. 2908 favorably reported to the full committee, with an amendment in the nature of a substitute. The Committee on Veterans' Affairs, in executive session on June 16, approved one amendment to the substitute amendment, and them unanimously voted to report S. 2908 as reported from the subcommittee. That report was filed on September 3, 1976.

On September 13, the full committee again convened in executive session and ordered reported H.R. 2735 with an amendment substituting the text of S. 2908 as reported for the text of the House-passed bill. This was done to expedite House consideration of the measure. H.R. 2735, as so amended, passed the Senate by voice vote on September 16.

Since that date 2 weeks ago, Mr. President, we have worked with the House Committee on Veterans' Affairs to arrive at a version of the legislation that will be acceptable to both bodies. On Wednesday, September 29, the House of Representatives considered and passed H.R. 2735 with an amendment in the nature of a substitute to the Senate amendment. Unfortunately, because of the very short time period for consideration, the House has been unable to deal with some of the most important aspects of the Senate amendment, particularly those of greatest importance to Vietnam-era veterans. It is also regrettable that we were unable to negotiate more directly with the House. We did offer compromises on each provision of the bill which the House committee rejected, but were not successful in as many cases as we would have hoped. It is the House substitute amendment that we consider today.

SUMMARY OF HOUSE SUBSTITUTE

Mr. President, when the Senate passed the first version of this legislation on September 16, I included in my floor statement on the bill a detailed summary of the bill's provisions. The summary appears on page 30611 of the CONGRESSIONAL RECORD of that date, and I refer my colleagues to that page for a further description of the contents of the bill.

That summary noted 38 major provisions contained in the version of H.R. 2735 that passed the Senate 2 weeks ago. Mr. President, I am pleased to report that 23 of these provisions have been preserved intact or substantially intact in the House substitute we consider today. Although the House deleted some of the major innovative provisions in the Senate version of the bill, I am satisfied that this House substitute preserves many of the important features of the Senate version and is the best we could accomplish given the limited amount of time remaining in this session.

Mr. President, I ask unanimous consent that a chart showing the major provisions in the Senate version of H.R. 2735 and their disposition in the House substitute version be inserted in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROVISIONS OF H.R. 2735 AS PASSED BY THE SENATE ON SEPTEMBER 16, AND THE HOUSE ON SEPTEMBER 30, 1976

(NOTE.—Descriptions contained in this summary are not intended to provide an exhaustive account of every item in the bill. Section numbers refer to the bill as passed by the Senate and do not always correspond to numbers in the House-passed substitute.)

SECTION AND PURPOSE	SENATE VERSION	HOUSE SUBSTITUTE
101—to modify VA's authority to reimburse veterans for the cost of travel expenses.	Limits travel reimbursement to the costs of public transportation, except under the following circumstances: 1. If the veteran is non-service-connected, there would be no reimbursement at all, unless it were determined (based on an annual declaration and certification by the veteran) that the veteran was unable to defray the costs of travel. 2. Veteran would receive full reimbursement for private vehicle travel costs if he lived in a location inaccessible to the hospital by public transportation. 3. Full reimbursement would also be provided to a veteran with a medical disability making it medically inadvisable to travel by public transportation. 4. Costs of private transportation would be provided where those costs were less than the cost of public transportation.	Deletes requirement that rates be published in the Federal Register and that any deviation from title 5 employee rates be justified.
102(2)—to authorize family counseling, training, and mental health services for veterans treated on an outpatient basis.	Authorizes a full range of consultation, professional counseling, and training programs for the family members of any veteran receiving treatment on an outpatient basis; and authorizes mental health services to family members of three categories of veterans: (1) a veteran being treated for a service-connected disability; (2) a veteran with a readjustment problem diagnosed under new section 620A; or (3) at the Administrator's discretion, a veteran receiving post-hospital care for a non-service-connected disability if mental health services for the family member commenced during the veteran's hospitalization.	Deletes reference to section 620A; makes all non-service-connected counseling and training (as well as services) discretionary and only where the provision of such services on an outpatient basis will permit the veteran's discharge from the hospital.
103—to provide a presumption of service connection for any disability attributable to internment as a prisoner of war.	Provides a presumption of service connection for any disability of a veteran interned for more than six months as a prisoner of war, if it is found that the disability could be attributable to or aggravated by internment.	Deletes.

Summary of Provisions of H.R. 2735 as Passed by the Senate on September 16, and the House on September 30, 1976—Continued

(Note.—Descriptions contained in this summary are not intended to provide an exhaustive account of every item in the bill. Section numbers refer to the bill as passed by the Senate and do not always correspond to numbers in the House-passed substitute.)

SECTION AND PURPOSE	SENATE VERSION	HOUSE SUBSTITUTE
104(a)(1)—to authorize home health services for veterans suffering from service-connected disabilities.	Authorizes home health services (including certain improvements and structural alterations) as required for the effective and economical treatment of a service-connected disability; puts a dollar limit of approximately $2,500 on the services which may be provided at VA expense; and, in situations where the service would cost more than the dollar limit, permits payment by the VA for a portion of the total cost up to the dollar limit.	Retains.
104(a) (2) and (3)—to broaden eligibility for outpatient dental services for the treatment of non-service-connected dental disabilities.	Authorizes outpatient dental services for any non-service-connected dental disability associated with or aggravating any other disability for which a veteran is receiving treatment; and authorizes outpatient dental services when necessary to complete treatment begun during hospitalization.	Deletes first provision; retains second.
104(a)(4)—to limit medical services provided on a fee-basis to non-service-connected veterans.	Requires that outpatient services provided to veterans for the treatment of non-service-connected disabilities be provided "within the limits of Veterans' Administration facilities", which is defined to include contract care only in connection with service-connected disabilities.	Retains.
104(a)(5)—to limit the circumstances under which out-patient care may be provided to a non-service-connected veteran to "obviate" the need for hospitalization.	Authorizes care for non-service-connected veterans under the "obviate" clause only to the extent that the VA's facilities are available to provide such care.	Retains.
104(a)(6)—to limit the duration of outpatient services provided to non-service-connected veterans under the "post-hospitalization" clause.	Limits the provision of post-hospitalization outpatient care for non-service-connected veterans to 12 months, except for veterans (1) with disabilities requiring a longer period of care, or (2) who are receiving treatment in contract facilities and are unable to defray the costs of treatment through an alternative form of Federal reimbursement.	Retains, except drops other Federal reimbursement provision.
104(a)(7)—to increase eligibility for outpatient services for veterans with service-connected disabilities.	Authorizes a full range of out-patient medical services for any veteran with a service-connected disability rated at 50 percent or more (instead of 80 percent or more under current law).	Retains.
104(a)(8)—to authorize home health services for veterans suffering from non-service-connected disabilities.	Authorizes home health services (including certain improvements and structural alterations "of a minor nature") as required for the effective and economical treatment of a veteran suffering from a non-service-connected disability.	Retains but with clarifying amendments specifying dollar limits on expenditures for structural improvements and alterations.
104(a)(9)—to establish a system of priorities (stressing service-connected disabilities) among veterans seeking outpatient services.	Provides for the furnishing of all outpatient services in accordance with statutory priorities, except under emergency circumstances, stressing service-connected disabilities; and requires the Administrator to report annually to Congress on the implementation and effectiveness of the priority system.	Retains, but changes exception language to read as follows: "unless compelling medical reasons require that such care be provided more expeditiously".
105—to establish a program of readjustment counseling for veterans who have served and been discharged since the beginning of the Vietnam era.	Authorizes initial counseling (and associated psychological assessments) for veterans suffering from readjustment problems; authorizes follow-up mental health services to treat readjustment problems that are found to exist as the result of initial counseling; emphasizes the utilization of paraprofessional and lay personnel as part of the counseling program; and requires appropriate action on the part of the Administrator and the Secretary of Defense to ensure that veterans eligible for readjustment counseling are advised of their eligibility and encouraged to utilize it.	Deletes.
106—to broaden the eligiblity of survivors of a deceased veteran for contract medical benefits under CHAMPVA.	Extends CHAMPVA coverage to the widow or surviving children of a veteran who suffered from a total service-connected disability at the time of death.	Retains.
107—to provide statutory authority for the compensated work-therapy program.	Authorizes contracts with non-VA concerns (including non-profit corporations) to provide therapeutic work for patients in VA hospitals; establishes a revolving fund (initially supported by a transfer of $2,000,000 in medical care funds) to provide initial support for compensated work-therapy programs; requires that such programs comply with the wage and hour requirements of the Fair Labor Standards Act; and imposes other requirements on the operation of compensated work-therapy programs.	Retains with deletion of transfer of medical care funds into revolving fund.

SUMMARY OF PROVISIONS OF H.R. 2735 AS PASSED BY THE SENATE ON SEPTEMBER 16, AND THE HOUSE ON SEPTEMBER 30, 1976—Continued

(NOTE.—Descriptions contained in this summary are not intended to provide an exhaustive account of every item in the bill. Section numbers refer to the bill as passed by the Senate and do not always correspond to numbers in the House-passed substitute.)

SECTION AND PURPOSE	SENATE VERSION	HOUSE SUBSTITUTE
108—to authorize the transfer of hospital patients to community intermediate care facilities and make other changes in the community nursing home program.	Liberalizes the cost formula for determining the maximum amount which the VA may pay for community nursing home care; authorizes transfer of hospital patients to intermediate care facilities ("ICF's"), at reimbursement rates lower than existing rates for community nursing home care; and authorizes discretionary direct admission to community nursing homes of veterans in need of nursing home care for non-service-connected disabilities, in accordance with the priorities listed in new section 612(i) of title 38. (Under existing law—section 620 (d)—direct admission is authorized only for veterans needing care for a service-connected disability.)	Retains authority for intermediate care and deletes discretionary direct admission of non-service-connected veterans to community nursing homes.
109—to make changes in the conditions of VA financial support for the State home facilities program.	Authorizes the Administrator to prescribe standards for care provided in State home facilities and to suspend reimbursement to any facility which fails to meet those standards; and liberalizes requirements for Federal subsidization of new State home facilities in Alaska and Hawaii—the only States with neither a VA hospital nor a residential State veterans facility.	Retains standards provision and deletes Alaska/Hawaii provision.
110—to establish a preventive health care program for eligible veterans.	Defines preventive health care services; requires the furnishing of some services, on a national or geographical basis, to veterans with a service-connected disability rated at 50 percent or more or seeking treatment for a service-connected disability; authorizes a pilot program to provide a wide range of preventive health care services to not more than 10,000 selected veterans (selected on the basis of the new priorities for care specified in new section 612(i) of title 38 (as added by section 104(a)(9) of the bill)); requires the Administrator to include a comprehensive report on the preventive health care program in the Administrator's annual report to Congress; establishes effective dates of January 1, 1977, for the mandatory preventive health care program and October 1, 1977, for the pilot program; and authorizes the VA to participate in national immunization programs by administering immunizations for veterans being treated at VA health care facilities, utilizing vaccines provided by HEW at no cost to the VA.	Deletes all preventive health care services authority except VA participation in national immunization programs.
111—to permit the Administrator to provide automobiles for use in training courses in the use of automobiles with adaptive equipment.	Authorizes the Administrator to obtain, sell, assign, transfer, and convey automobiles needed for special driver training courses under chapter 39 of title 38, and to credit any proceeds therefrom to the applicable VA appropriation.	Retains.
112—to define more clearly the procedural rights of title 38 employees with respect to whom personnel or disciplinary action is proposed.	Reduces the probationary period from three to two years and establishes special effective dates for the shorter probationary period; defines more clearly the procedural rights of any probationary employee, part-time, intermittent, or temporary title 38 employee or resident or intern whom the VA proposes to discipline; revises the composition, selection, and duties of disciplinary boards; specifies the procedural rights of any employee before disciplinary boards; provides a clear administrative remedy to any employee proposed to be reassigned for the good of the service; and requires the appointment of House Staff Review Committees to review the performance of interns and residents.	Deletes.
113(1)—to assist in the recruitment and retention of nonphysician personnel.	Authorizes the Administrator to raise entry-grade pay levels, on a nation-wide basis, for health care personnel for recruitment or retention purposes.	Deletes.
113(2)—to provide salary equity for interns and residents.	Permits retroactive adjustment of rates of basic pay for interns and residents.	Retains.
114—to make podiatrists and optometrists part of the title 38 DM&S pay and personnel system.	Establishes Podiatric and Optometric Services in DM&S, with Directors of Podiatry and Optometry at their heads; establishes a "Clinical Optometrist and Podiatrist Schedule" in title 38; and makes other changes in chapter 73 of title 38 to move optometrists and podiatrists from the civil service to the title 38 pay and personnel system.	Retains.

SUMMARY OF PROVISIONS OF H.R. 2735 AS PASSED BY THE SENATE ON SEPTEMBER 16, AND THE HOUSE ON SEPTEMBER 30, 1976—Continued

(NOTE.—Descriptions contained in this summary are not intended to provide an exhaustive account of every item in the bill. Section numbers refer to the bill as passed by the Senate and do not always correspond to numbers in the House-passed substitute.)

SECTION AND PURPOSE	SENATE VERSION	HOUSE SUBSTITUTE
115—to promote the protection of patient rights in VA health care facilities.	Requires procedures to ensure the informed consent of patients and research subjects; guarantees the confidentiality of medical records in connection with treatment, training, or research regarding alcohol or drug abuse or sickle cell anemia, subject to specified exceptions; prohibits discrimination against alcohol and drug abusers who seek admission to VA facilities for the treatment of medical disabilities; requires that regulations on patient rights conform, to the maximum extent feasible, with existing enumerated HEW regulations on the same subjects; and supersedes existing provisions of law with respect to the confidentiality of drug and alcohol records and nondiscrimination in the admission of patients suffering from alcoholism or drug abuse.	Retains with two minor changes.
116—to assist in the recruitment and retention of physicians and dentists.	Mandates the payment of special pay to clinical researchers (a category of physician and dentist excluded administratively by the Chief Medical Director); and extends until September 30, 1977 (the date to which the military physician special pay bill was recently extended), the special pay program for physicians and dentists authorized by Public Law 94-123, the Veterans' Administration Physician and Dentist Pay Comparability Act of 1975.	Retains extension of authority for new special pay agreements and deletes clinical researcher mandate.
117—to credit proceeds received through training of non-VA personnel at Regional Medical Education Centers to the applicable VA medical appropriation.	Adds statutory authority to permit any proceeds realized through the training of non-VA personnel at Regional Medical Education Centers to be credited to the applicable VA medical appropriation.	Retains.
118—to improve the efficiency of the budget and bookkeeping operations of the Veterans Canteen Service.	Permits obligations to be incurred in excess of budgetary resources; permits five-year budget planning; and authorizes the use of revolving fund monies to finance capital improvements in Canteen Service facilities, subject to prior approval for such expenditures by the Director of the Office of Management and Budget.	Deletes.
119—to continue the expansion of the VA nursing home care program.	Requires the VA to operate a minimum of 10,000 nursing home care beds by fiscal year 1980.	Retains.
120—to modify the circumstances under which the VA may enter into sharing arrangements with non-VA health care facilities and agencies, to facilitate Medicare reimbursement for patients treated under such arrangements in VA facilities, and to require reports on VA coordinative medical activities.	Includes "emergency room facilities" in the definition of "specialized medical resources" in section 5052(b) of title 38; permits direct reimbursement of the VA by the Social Security Administration for care provided to a Medicare-eligible person in a VA facility pursuant to a sharing agreement; requires coordination of HEW's Professional Standards Review Organization program with corresponding VA programs; and requires the Chief Medical Director, through the Administrator, to report to Congress on all advisory or coordinating activities of the VA in conjunction with other departments, agencies, and instrumentalities of the Executive branch.	Retains Medicare reimbursement provision, limiting applicability to non-eligible veterans; deletes emergency room, P.S.R.O., and advisory functions report provisions; and adds a new provision requiring the Secretary of HEW, in consultation with the Administrator, to submit a report to the relevant Congressional Committees on the functioning of the Medicare reimbursement provision.
121—to make minor changes in the circumstances under which the VA provides support to affiliated health personnel training institutions.	Clarifies the Administrator's authority to leave VA lands and buildings to eligible health personnel training institutions; and requires an annual report by the Administrator on activities under the chapter 82 health personnel assistance programs.	Retains
122—to encourage and facilitate planning for the growing number of elderly veterans, and to assure veterans are informed of new health care benefit eligibilities.	Requires the Chief Medical Director to prepare a study to determine how to accommodate the growing number of elderly veterans in the VA health care system; and requires the Administrator to notify individuals of any new or expanded eligibility for health care benefits to which such individuals are entitled as a result of enactment of this bill.	Retains
Title II—to establish comprehensive programs for the treatment and rehabilitation of veterans suffering from alcoholism or drug dependence.	Requires specialized medical programs for the treatment of alcoholism; requires treatment and rehabilitation programs for veterans suffering from drug dependence (including contract services provided in private halfway houses); requires outreach and counseling services and employment assistance; provides for care (at VA expense) in a community facility for a veteran with an immediate family member also suffering	Deletes.

SUMMARY OF PROVISIONS OF H.R. 2735 AS PASSED BY THE SENATE ON SEPTEMBER 16, AND THE HOUSE ON SEPTEMBER 30, 1976—Continued

(NOTE.—Descriptions contained in this summary are not intended to provide an exhaustive account of every item in the bill. Section numbers refer to the bill as passed by the Senate and do not always correspond to numbers in the House-passed substitute.)

SECTION AND PURPOSE	SENATE VERSION	HOUSE SUBSTITUTE
	from alcoholism or drug dependence who is receiving treatment (not at VA expense) in such a facility; authorizes audit review of contract facilities by the General Accounting Office; authorizes direct transfer of active military personnel suffering from a drug dependence disability to a VA facility within the last 30 days of active duty; and requires annual reports on the implementation of the alcoholism and drug dependence treatment programs.	
Title III—to make technical and conforming changes.	Clarifies several definitions in chapter 17 of title 38; centralizes all references to medical and prosthetic research in a single section in chapter 73; and makes technical, clarifying, conforming, and gender amendments throughout title 38.	Retains.

Mr. CRANSTON. Mr. President, although neither the VA nor the Congressional Budget Office has had an opportunity to prepare a formal cost estimate of the House substitute, we believe, on the basis of earlier cost projections by the VA and CBO, that the latest version of H.R. 2735 will cost about $6.5 million in fiscal year 1977. The VA, which has consistently grossly overestimated the cost of the bill—a standard OMB-inspired administration technique to kill legislation—places a first-year cost estimate of $43.2 million on the bill. This figure does not include any estimate of a cost saving for the beneficiary travel provision—a saving estimated by CBO at $10.2 million—and attributes a cost of $30 million to the provision lowering from 80 percent to 50 percent the degree of disability entitling a veteran to comprehensive outpatient care, despite the conclusions of CBO and the Senate Veterans' Affairs Committee that no cost should be attributed to that provision. These two provisions, therefore, account for roughly $40 million of the VA's $43.2 million total estimate. With regard to the eight other cost items in the House substitute, VA estimates are very much in line with CBO's.

I ask unanimous consent, Mr. President, that a table showing the projected costs for the major provisions of the House substitute be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COST ESTIMATES FOR H.R. 2735 AS PASSED BY THE HOUSE SEPT. 29, 1976

Section	Fiscal year 1977 cost	
	CBO estimate	VA estimate
101—Beneficiary travel	(−$10, 181, 000)	(1)
102(2)—Counseling and other services for family members of veterans treated on an outpatient basis	13, 040, 000	$6, 609, 000
103(a)(1)—Home health services for service-connected veterans	250, 000	250, 000
103(a)(2)—Outpatient dental services	4, 160, 000	4, 860, 000
103(a)(3)—Limiting outpatient services to "within the limits of VA facilities"	(2)	(2)
103(a)(4)—Limitation on "obviate" care	(2)	(2)
103(a)(5)—Limitation on post-hospital outpatient care	(3)	(2)
103(a)(6)—80 to 50 percent	(2)	30, 192, 000
103(a)(7)—Home health services for non-service-connected veterans	390, 000	750, 000
103(a)(8)—Outpatient care priorities	(2)	(2)
104—CHAMPVA	57, 000	91, 000
105—Compensated work-therapy	(2)	(2)
106(4)—Transfer of hospital patients to intermediate care facilities	(−5, 260, 000)	(−3, 504, 000)
107—State home facilities	(2)	(2)
108—Automobiles for special driver training courses	(2)	(2)
109—Salary equity for interns and residents	(2)	(2)
110—Inclusion of optometrists and podiatrists in title 38	690, 000	582, 000
111—Protection of patient rights	(2)	(2)
112—Extension of special pay authority for physicians and dentists	3, 360, 000	3, 400, 000
113—Regional education receipts	(2)	(2)
114—Expansion of nursing home care program	(2)	(2)
115—Sharing arrangements	(2)	(2)
116—Affiliated health personnel training institutions	(3)	(2)
117—Planning for elderly veterans	(2)	(2)
Total cost for fiscal year 1977	6, 476, 000	43, 230, 000

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(1) No estimate.

(2) No cost.

(3) No cost; some cost saving.

OUTPATIENT CARE PRIORITIES FOR SERVICE-CONNECTED VETERANS

Mr. CRANSTON. Mr. President, several of the provisions included in and several provisions deleted from the House substitute deserve some words of special comment.

With regard to the provision of outpatient medical services under section 612 of title 38, the House substitute retains three of the critically important provisions of the Senate-passed version of H.R. 2735. First is the provision authorizing total VA health care benefits for any veteran with a service-connected disability rated at 50 percent or more, lowered from 80 percent under current law. Second is the provision establishing statutory priorities for the provision of outpatient care stressing treatment for veterans with service-connected disabilities. I am very pleased that these two provisions, which in a real sense represent the guiding philosophy of this legislation, have been preserved intact in the House substitute.

Third, the House substitute retains, with only minor changes, the important provision authorizing the provision of counseling, training, and mental health services to the family of a veteran being treated for a service-connected condition where essential for that treatment and, on a discretionary basis, provides the same authority with respect to treatment of non-service-connected disabilities where family services were begun during the veteran's hospitalization and their continuation on an outpatient basis is essential to permit the veteran's discharge from the hospital.

Deleted from the House substitute are provisions that would have established three major new health care programs—in preventive health care, readjustment professional counseling, and treatment and rehabilitation for alcoholism and drug addiction. With respect to the latter two provisions, this marks the third consecutive Congress in which Senate-passed provisions in these areas have died in the House of Representatives. Mr. President, I very deeply regret the demise of all three of these provisions. They were carefully conceived and painstakingly drafted so as to achieve reasonable goals at a modest cost to the taxpayer. I believe that the long delay over the summer in reporting S. 2908 while we tended to other problems was significantly responsible for their loss.

That delay was due in large part to the campaign waged against section 112 of the Senate-passed version—a provision clarifying and expanding the procedural rights of title 38 employees with respect to whom personnel or disciplinary action is proposed. That provision has been deleted from the House substitute. I regret that the House took that action, thereby depriving title 38 employees—the vast majority of whom are registered nurses who supported the provision—of affirmative new protections against the arbitrary imposition or disciplinary action or nondisciplinary reassignment.

Mr. President, because there was such misunderstanding and confusion about the effect and intent of these provisions of the bill as passed by the Senate, I requested the Comptroller General of the United States to provide me with an analysis and interpretation of the effect of these provisions in terms of the procedural protections under current law and regulations applicable to title 38 employees. The Comptroller General responded on September 21, 1976, with the following conclusions:

We found that section 112 would extend the right to a hearing to more VA employees than is required under present regulations and, for the first time, would entitle an employee, under certain circumstances, to initiate a grievance proceeding on the matter of his transfer. We believe that the proposed legislation would enhance—not diminish—the due process rights of permanent and probationary VA physicians, dentists, and nurses who are to be subjected to involuntary transfer or other disciplinary action.

We do not agree with the National Association of VA Physicians in a letter to you dated June 28, 1976, that the proposed legislation "poses a great threat to the entire VA system of medical care" or that it effectively would abolish employee due process rights that now exist. As reported, section 112 of S. 2908 would expand the statutory due process rights for title 38 employees set forth at 38 U.S.C. § 4110, and would enact into law much of the existing VA regulations on the subject, while updating and enhancing these protections by making the right to a hearing available to a greater number of employees under a broader range of circumstances.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point the full text of the September 21, 1976, letter to me from the Comptroller General of the United States interpreting provisions of section 112 of the Senate-passed bill.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., September 21, 1976.
Hon. ALAN CRANSTON,
Chairman, Subcommittee on Health and Hospitals, Committee on Veterans' Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: In response to your letter of September 14, 1976, we have examined section 112 of S. 2908 as reported, the proposed Veterans Omnibus Health Care Act of 1976—now incorporated as section 112 of H.R. 2735 as reported (Calendar No. 1169)—and studied the impact of that section, as compared to existing law and regulations, on certain employees of the Veterans Administration.

We found that section 112 would extend the right to a hearing to more VA employees than is required under present regulations and, for the first time, would entitle an employee, under certain circumstances, to initiate a grievance proceeding on the matter of his transfer. We believe that the proposed legislation would enhance—not diminish—the due process rights of permanent and probationary VA physicians, dentists, and nurses who are to be subjected to involuntary transfer or other disciplinary action.

A. PRESENT STATUTORY SCHEME

The proposed legislation would affect so-called "title 38 employees" of the Veterans Administration—primarily physicians, dentists, and nurses—whose salaries and conditions of employment are prescribed in title 38 of the United States Code and regulations thereunder.

The present statutory due process provision for title 38 employees—38 U.S.C. § 4110—requires only that VA disciplinary boards be established to conduct "fair" hearings for those employees charged with inaptitude, inefficiency, or misconduct. Sanctions recommended by the board may include reprimand, suspension without pay, reduction in grade, and discharge. Presumably, the board could also recommend a transfer of the employee. The decision of the VA Administrator—who may approve or reject the board's recommendation—is final, from which limited judicial review is possible. Such judicial review appears to have been extended only where agency action can be shown to have been arbitrary or capricious, or where there is a right accorded to plaintiff by statute or regulation which plaintiff was denied. *Pauley v. United States*, 419 F. 2d 1061, 1065 (7th Cir. 1969); *Kletschka* v. *Driver*, 411 F.2d 436 (2d Cir. 1969). Judicial review has also been granted where the employee's transfer was intended as a device by the agency to force him to resign without a hearing. *Motto* v. *GSA*, 335 F. Supp. 694 (B.D. La. 1971), *aff'd*, 502 F.2d 1165, *cert. denied*, 420 U.S. 927. A transfer *per se* without a hearing would not appear to be in violation of the Due Process Clause of the Constitution. *Tichon* v. *Harder*, 438 F.2d 1396 (2d Cir. 1971), *Kletschka* v. *Driver*, 411 F.2d at 466. The statute does not specify what procedural safeguards are to be afforded employees in the disciplinary hearings.

Under 38 U.S.C. § 4106(b), all title 38 employees are required to serve an initial 3-year probationary period during the course of which, if any employee is found not to be "fully qualified and satisfactory," the statute provides that the employee shall be separated from the service. No sanction other than separation is provided, and the procedural protections to be extended are not specified.

B. WHEN IS AN EMPLOYEE ENTITLED TO A HEARING?

1. Present VA regulations

Upon the employee's request, present VA regulations require a full hearing with the right to representation by counsel or other person of the employee's choice for proposed disciplinary action more severe than reprimand (suspension, demotion, discharge, and presumably, transfer) based on charges of inaptitude, inefficiency, neglect, or unwillingness to comply with established policies, rules, and accepted standards of personal conduct.

There is no right to a hearing for:

Disciplinary action no more severe than an admonishment or reprimand;

Separation of employees during the 3-year probationary period;

Complaints arising from a failure to accept transfer; and

Complaints arising from dissatisfaction with a change in duty assignment.

2. Proposed section 112: Probationary employees

Reducing the probationary period from 3 to 2 years, section 112 would entitle a probationary employee to a hearing whenever it is proposed to take disciplinary action:

On grounds which constitute misconduct, or

Which would result in stigma against the employee.

Although section 112 does not define "stigma," the report of the Senate Veterans' Affairs Committee on S. 2908 (S. Rep. No. 94–1206) advises that, in questionable cases, "it would seem appropriate" for the VA to provide the probationary employee with opportunity for a hearing before taking the contemplated action.

In contrast to present law (38 U.S.C. § 4106(b)) which specifies separation as the sanction to be applied against a probationary employee, section 112 would permit a disciplinary board to recommend lesser sanctions, such as reprimand or reassignment.

However, a probationary employee who is separated from the VA but who suffers no stigma thereby and who was not charged with grounds of misconduct is not entitled to a hearing on the matter of his separation.

The charges applicable to probationary employees under section 112 would apply equally to temporary full-time, part-time, and intermittent employees, as well as to residents and interns. According to the Senate report (S. Rept. No. 94–1206 at 104), by reason of proposed section 112, approximately 27,400 additional employees would acquire entitlement to a hearing in appropriate circumstances.

3. Proposed section 112: Permanent employees

Upon request of the employee, section 112 would require a full hearing by the disciplinary board for:

An employee charged with disciplinary action for such cause (including inaptitude, ineffectiveness, or misconduct) as will promote the efficiency of the service.

An employee who is ordered transferred "for the good of the service" who thereby is reduced in grade, salary, or relative standing.

An employee, alleging that his transfer is disciplinary in nature, whose charges have been sustained in a grievance proceeding.

At the hearing, the employee shall be given the opportunity to present his case and to produce witnesses, to cross-examine witnesses, and the right to representation by counsel or other person of the employee's choice.

4. "Legitimization" of the transfer procedure

The National Association of VA Physicians, among other groups and individuals, has objected to the infrequent VA practice of requiring the involuntary transfer of employees. However, courts generally have upheld the right of a Federal agency to reassign employees to other duties or geographical locations. *Urbina* v. *United States*, 530 F.2d 1387 (Ct. Cl.) 1976); *Sexton* v. *Kennedy*, 523 F.2d 1311 (6th Cir. 1975); *Pauley* v. *United States*, 419 F.2d 1061 (7th Cir. 1969); *Kletschke* v. *Driver*, 411 F. 2d 436 (2d Cir. 1969); *Comberiate* v. *United States*, 203 Ct. Cl. 285 (1973).

It is not disputed that S. 2908 would by statute permit the VA to transfer involuntarily employees without a hearing where that transfer would not reduce or deprive these employees of any property right or standing in their profession. The bill, in weighing the interests of employee and agency in this situation would favor the agency and establish this preference by statute. Although it is contended that the bill would "legitimize" an illegal activity generally so long as the transfer results from genuine operational needs and not from a desire to banish an employee or induce him to quit, and so long as the employee does not suffer a loss in pay, grade, or standing, a hearing on the transfer would not appear to be required. *Motto* v. *GSA*, 335 F. Supp. at 696–97; *Kletschke* v. *Driver*, 411 F.2d at 443–46.

5. Is the hearing before or after transfer?

Section 112 of S. 2908 as reported makes clear that any hearing required to be held regarding a tranfser which is punitive, disciplinary, or demotional in nature must be held *prior* to the transfer. The last sentence of the proposed amendment to 38 U.S.C. § 4110 reads: "No disciplinary action shall be taken against any such employee until a final agency decision on such proposed action has been made."

6. Does a grievance proceeding stay the transfer?

The bill provides that where an employee alleges his transfer directed for the good of the service is disciplinary in nature, he shall be entitled to bring an employee grievance which, if sustained, would entitle him to a hearing on the transfer.

Section 112 of S. 2908 as reported clarifies that initiation by the employee of this procedure will stay the transfer during pendency of the grievance proceeding and, if the employee is successful, throughout the duration of the disciplinary board proceedings until such time as a final agency decision upholds the transfer determination.

C. CONTROL OF THE CASE BY THE CHIEF MEDICAL DIRECTOR

The bill would continue VA practice in the appointment by the Chief Medical Director of 3–5 VA employees to serve on the disciplinary board, a majority of whom must be of the same profession as the employee charged. The VA regulations contain provisions not carried over to the bill which require that no board member be appointed who initiated or participated in the initiation of charges against the employee, or whose relationship to the employee raises a question of bias.

Under present VA regulations, the decision of the Administrator is the final agency decision. The bill would transfer this power to the Chief Medical Director, and apparently the Administrator would not have the authority to review the decision. Although a greater degree of impartiality and another opportunity to resolve the matter at the agency level would be gained by continuing to permit an appeal to the Administrator, the bill, in stripping away one layer from the administrative review necessary before courts will take jurisdiction of the matter, may reduce the delay and expense to the employee who wants his case heard by the courts. The Chief Medical Director in a July 29, 1976, letter to you noted that, in the past, reversals by the Administrator "have been extremely rare."

D. DUE PROCESS SAFEGUARDS IN THE VA GRIEVANCE PROCEDURE

In 1969, the VA substantially revised the grievance procedures set forth in VA Manual MP–5, Part II, Chapter 8, Section B. Interim Issue 05–69–4, dated May 27, 1969, extended to an employee entitled to bring a grievance proceeding the right to a hearing. The 1969 revisions require that the grievance hearings be conducted in the same manner as are disciplinary board hearings, i.e., an employee must be accorded the right to representation by counsel or other person at any stage of the proceeding, full opportunity to present his or her case and to cross-examine witnesses, and the right to appeal. Under the present regulations, however, an employee cannot initiate a grievance proceeding regarding his transfer.

The bill, S. 2908, states that an employee alleging his transfer is disciplinary is entitled to the procedure prescribed by the Administrator to determine employee grievances, but does not specify that the Administrator must require the right to a full hearing or representation by counsel. Therefore, there would be no statutory assurance that grievance hearings would continue to be conducted in the same manner as are disciplinary board hearings.

However, the Senate committee report (S. Rep. No. 94–1206 at 111) states that the VA, whenever it proposes to make *any* change in its grievance proceedings relating to reassignments, should publish for public comment the proposed change and should freely discuss the change with the committee prior to its implementation to ensure that no rights are lost."

E. CONCLUSION

We do not agree with the National Association of VA Physicians in a letter to you dated June 28, 1976, that the proposed legislation "poses a great threat to the entire VA system of medical care" or that it effectively would abolish employee due process rights that now exist. As reported, section 112 of S. 2908 would expand the statutory due process rights for title 38 employees set forth at 38 U.S.C. § 4110, and would enact into law much of the existing VA regulations on the subject, while updating and enhancing these protections by making the right to a hearing available to a greater number of employees under a broader range of circumstances.

We hope this analysis will be of benefit to you, and will be glad to provide you with any additional assistance you require.

Very truly yours,
R. F. KELLER,
Acting Comptroller General of the United States.

CONFIDENTIALITY OF ALCOHOL AND DRUG ABUSE MEDICAL RECORDS

Mr. CRANSTON. Mr. President, preserved substantially intact in the House substitute is the provision establishing a new chapter in title 38 entitled "Protection of Patient Rights," to insure the informed consent of hospital patients and research subjects, protect the confidentiality of medical treatment records, and prohibit discrimination against alcohol or drug abusers in admission to VA medical care facilities. Mr. President, I have several comments with regard to the provision protecting the confidentiality of drug and alcohol abuse medical records. For several years now, since enactment of the Drug Abuse Office and Treatment Act of 1972 and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974, as the GAO found in a recent letter to the VA Administrator, the VA has not complied with statutorily mandated time limits contained in those acts for prescribing its own regulations on the confidentiality of patient treatment records. The VA has merely followed HEW's regulations. The GAO August 6, 1976, letter concluded in part:

> We recommend that VA promulgate the required regulations regarding the confidentiality of patient records, submit to the appropriate committees of the House of Representatives and Senate the mandated report, and publish such report in the Federal Register.
>
> We also recommend that VA review and evaluate its procedures and take the effective measures necessary to insure that in the future, legislatively-mandated regulations are promulgated in a timely manner.

I ask unanimous consent, Mr. President, that a copy of that GAO report be inserted in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., August 6, 1976.
Hon. RICHARD L. ROUDEBUSH,
Administrator of Veterans' Affairs,
Veterans Administration.

DEAR MR. ROUDEBUSH: During a review of the Department of Health, Education, and Welfare's (HEW) system for developing and promulgating regulations, we identified an instance where the Veterans' Administration (VA) is not in compliance with a legislatively-mandated time limit for the promulgation of regulations regarding the confidentiality of patient records in alcohol treatment and drug abuse programs. In the absence of its own regulations, VA is currently applying regulations on the confidentiality of patient records prescribed by the Secretary, HEW.

Although we did not determine what effect the use of the HEW regulations might have on VA alcohol treatment and drug abuse programs, the HEW regulations are not consistent with certain VA policies and requirements.

TIME LIMITS LEGISLATIVELY MANDATED

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act Amendments of 1974 (P.L. 93–282) require the Administrator of Veterans Affairs, through the Chief Medical Director, to prescribe regulations under title 38, United States Code, making applicable to VA the HEW regulations on the confidentiality of patient records. In addition, the Administrator is required to submit to the appropriate committees of the House of Representatives and the Senate a full report on the regulations prescribed, including an explanation for any inconsistencies with the HEW regulations and the extent, substance, and results of coordination with the Secretary, HEW. The Administrator is required to submit the report not later than 60 days after the effective date of the HEW regulations and publish the report in the Federal Register.

The HEW regulations were effective on August 1, 1975. VA, therefore, should have submitted the report, including the prescribed regulations, to the House and Senate committees by October 1, 1975.

HEW REGULATIONS BEING FOLLOWED BY VA

In an agencywide memorandum dated August 14, 1975, the Administrator of Veterans Affairs stated that, although VA was responsible for issuing its own regulations, the published HEW regulations would be followed until such time as the VA regulations are promulgated. The memorandum also identified certain provisions of the HEW regulations which were inconsistent with VA requirements and needed revision.

An attorney in VA's Office of General Counsel informed us that VA has neither analyzed the HEW regulations in depth nor compared them in detail to its own requirements. Thus, the extent of inconsistency is not known. However, the attorney identified the following problem areas:

The HEW regulations separate the alcohol treatment and drug abuse programs from the other activities of an agency or department. Thus, an agency official who is not assigned to an alcohol treatment or drug abuse program has to obtain a patient's written consent even if the patient's record is to be used within the agency. VA, on the other hand, considers any program to be an integral part of the agency. Accordingly, a patient's written consent need not be obtained if the records are to be used within VA.

VA allows service organizations, such as the Veterans of Foreign Wars, the American Legion, and the American Red Cross, direct access to patient records, if they have power of attorney. HEW does not recognize the power of attorney as including patient consent for access to his records. Therefore, the HEW regulations require organizations of this type to obtain a patient's specific written consent authorizing access to his records.

Except in the case of a discontinued program, the HEW regulations leave the determination of when to destroy patient records to officials of an individual alcohol or drug abuse program. VA has agencywide regulations regarding records retention.

RESPONSIBILITY FOR DEVELOPMENT OF VA REGULATIONS HAS NOT BEEN DELEGATED

As of July 1976, VA had not submitted the required report to Congress nor published its own regulations. Because the Chief Medical Director had not delegated responsibility for development of the regulations or preparation of the report, these responsibilities had been assumed by an attorney in VA's Office of the General Counsel. This attorney retired in December 1975 and neither the General Counsel nor the Chief Medical Director have taken any subsequent action.

CONCLUSION

VA has not promulgated the regulations nor the report required by the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974. In addition, VA has, for over 11 months, followed regulations which are not consistent with VA requirements and policies.

RECOMMENDATION TO THE ADMINISTRATOR

We recommend that VA promulgate the required regulations regarding the confidentiality of patient records, submit to the appropriate committees of the House of Representatives and Senate the mandated report, and publish such report in the Federal Register.

We also recommend that VA review and evaluate its procedures and take the effective measures necessary to insure that in the future, legislatively-mandated regulations are promulgated in a timely manner.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairman of the following committees: House and Senate Committees on Appropriations; Veterans' Affairs; Government Operations; House Committee on Interstate and Foreign Commerce; and the Senate Committee on Labor and Public Welfare. A copy is also being sent to the Director, Office of Management and Budget.

Sincerely yours,

GREGORY J. AHART,
Director.

Mr. CRANSTON. Mr. President, the Senate version of H.R. 2735 codified in title 38 the requirements from the 1972 and 1974 acts that the VA guarantee the confidentiality of all medical records maintained in connection with treatment, training, or research regarding alcoholism and drug abuse, subject to certain specified exceptions. This provision was identical to the provision in the 1972 and 1974 acts, with one exception. Because of the great extent of VA survivorship benefits which may depend on VA health care records, the new section, unlike the 1972 and 1974 acts, permitted disclosure of medical records, under carefully circumscribed conditions, to a deceased veteran's survivor or personal representative in connection with application for survivorship benefits. The VA strongly urged this exception. This minor change in existing law was brought to the attention of the House and Senate authorizing committees dealing with the 1972 and 1974 acts, and those committees raised no objection to this change, given the special situation with regard to veterans survivorship benefits.

This provision is retained intact in the House substitute.

However, the VA wished a further exception from nationwide practice regarding drug and alcohol medical record confidentiality. As passed by the Senate, H.R. 2735, like the 1972 and 1974 acts, would not have permitteed the interchange of records within the VA between the medical program and nonmedical components without a signed release. The GAO letter pointed out that the VA was not conforming to this provision under its current practice. It stated:

> The HEW regulations separate the alcohol treatment and drug abuse programs from the other activities of an agency or department. Thus, an agency official who is not assigned to an alcohol treatment or drug abuse program has to obtain a patient's written consent even if the patient's record is to be used within the agency. VA, on the other hand, considers any program to be an integral part of the agency. Accordingly, a patient's written consent need not be obtained if the records are to be used within VA.

The VA made the case that since such a high proportion of medical record files will contain some alcoholism data, and since there is no system specifically to identify those files, application of this provision to the VA would require a written release in every case where a veteran who has received medical care in the VA seeks compensation or pension benefits. This would, the VA asserted, create millions of pieces of additional, unnecessary paper in a very few years. since the veteran seeking benefits would seldom, if ever, refuse to sign a release.

We discussed this matter with the authorizing committees for the 1972 and 1974 acts—indeed I serve on the Senate Committee on Labor and Public Welfare—and determined that there was some precedent for the VA's position in terms of the use of records made in treatment and rehabilitation facilities by State benefits personnel under title XX of the Social Security Act.

Thus, the VA's request for a statutory recognition of its present policy was granted.

However, in view of the recent GAO report on this subject, we have sought and received assurances from VA officials on the following additional points with respect to the implementation of this entire provision.

First, the VA has agreed to publish final regulations on the confidentiality of drug and alcohol abuse patient medical records within 90 days of the date of enactment of this bill.

Second, the VA has agreed, with respect to the interchange of records between the Department of Medicine and Surgery and the Department of Veterans Benefits, that the regulations will explicitly provide, under the provision in the bill, that the confidentiality requirements of this provision apply fully to records transferred from the Department of Medicine and Surgery to the Department of Veterans Benefits; that D.M. and S. only—not DVB—will deal with any requests for the release of information from a patient's medical file outside the agency; that the special sensitivity of records pertaining to drug and alcohol abuse treatment will be fully respected while such records are in DVB; and that all medical records will be returned to D.M. and S. as soon as possible after their use for benefits processing by DVB.

CONCLUSION

Finally, Mr. President, I would like to express my thanks to the many persons whose dedicated work has facilitated the consideration of this complex legislation. I am particularly grateful to the chairman of the House Committee on Veterans' Affairs (Mr. ROBERTS), the chairman of that committee's Subcommittee on Hospitals (Mr. SATTERFIELD), and the ranking minority member of that subcommittee and the full committee (Mr. HAMMERSCHMIDT) for their hard work under extreme time pressure. I would also like to thank the members of the staff of the House Committee—Oliver Meadows, Ralph Casteel, Mack Fleming, and John Holden. I note with great regret that this is the last veterans health care bill ever to profit directly from the wisdom and vast experience of Oliver Meadows, whose retirement as staff director of the House committee will deprive the Congress of an extraordinary craftsman and a valued friend. We all wish Oliver "Godspeed" and great happiness. We shall, of course, continue to call upon him for advice.

I must also acknowledge the contribution to the legislation of Gene Howard, whose tragic death this summer shocked and saddened everyone who knew and worked with him on Capitol Hill.

I also wish to thank the chairman of the Senate Committee on Veterans' Affairs (Mr. HARTKE), the ranking minority member of the full committee (Mr. HANSEN), and the ranking minority member of the Subcommittee on Health and Hospitals (Mr. THURMOND) for their counsel and support, and staff members Guy McMichael, Tyler Craig, Gary Crawford, Max Cleland, Jonathan Steinberg, Larry White, Louise Ringwalt, Marian Laster, Janice Orr, Ann Garman, Hugh Evans, Dr. Charles Clark, Dr. David Upton, Harold Carter, and Jim McCrae.

I also acknowledge with appreciation the excellent technical assistance provided to the subcommittee by the VA, particularly Chief Medical Director Jack Chase, Deputy Chief Medical Director Larry Foye, and their assistants, Sam Piper and Bob Lindsey, and many other staff persons in D.M. & S., as well as Bob Coy, Charlie Johnston, John Klein, and Audley Hendricks, all of the VA's Office of General Counsel. A final special note of thanks is also due to Senate Finance Committee staff members Jay Constantine and Jim Mongan for their guidance and cooperation on section 115(1) of the substitute regarding medicare reimbursement under sharing agreements. We will continue to work closely with the Finance Committee in monitoring progress between the VA and HEW under this new authority.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 15813.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

> A bill (H.R. 15813) to amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. GRIFFIN. Mr. President, reserving the right to object, could we have the number again?

The PRESIDING OFFICER. H.R. 15813.

Mr. GRIFFIN. I must object temporarily, Mr. President.

The PRESIDING OFFICER. Objection is heard.

PRINTING OF PRECEDENTS OF THE HOUSE OF REPRESENTATIVES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 1107.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 1107) to provide for the printing and distribution of the Precedents of the House of Representatives compiled and prepared by Lewis Deschler.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice, and the Senate will proceed to its consideration.

The joint resolution was considered, ordered to a third reading, read the third time, and passed.

BARRY RAY LEFTWITCH DIBLING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 12707, that it be considered as having been read the first and second times, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12707) for the relief of Barry Ray Leftwitch Dibling.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

ALASKA NATURAL GAS TRANSPORTATION ACT OF 1976—S. 3521

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3521.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill S. 3521) to expedite a decision on the delivery of Alaska natural gas to U.S. markets, and for other purposes.

(The amendment of the House is printed in the House proceedings of today's RECORD.)

Mr. ROBERT C. BYRD. I move that the Senate concur in the House amendment.

Mr. HANSEN. Mr. President, reserving the right to object, I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF CHAPTER 21, INTERNAL REVENUE CODE, AND TITLE II OF THE SOCIAL SECURITY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 15571.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

An act (H.R. 15571) to amend chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization with respect to its employees shall constitute (for both tax and benefit purposes) a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund or credit of such taxes, and to require the filing of such a certificate by any nonprofit organization which paid such taxes but received a refund or credit because it had not previously filed such certificate.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read the first and second time, and the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MAGNUSON. Mr. President, is it possible to have order in this section here? It is impossible to hear and know what is going on.

The PRESIDING OFFICER. The Senate will be in order. Will Members of the Senate and their staffs down in the aisle kindly withdraw from the aisle?

UNANIMOUS-CONSENT REQUEST—H.R. 701

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 701, the Allied Veterans Medical Care Act.

The PRESIDING OFFICER. The bill will be stated by title.

Mr. HANSEN. Mr. President, reserving the right to object, has the WASP amendment proposed by the Senator been dropped?

Mr. ROBERT C. BYRD. Mr. President, I temporarily withdraw my request on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I wonder if we could get order in the Senate. It is awfully hard to hear what is happening.

The PRESIDING OFFICER. The Chair will ask for better order in the Senate so that those Senators who wish to monitor bills that are rapidly being brought up for action can hear. It is very important that Senators can hear the bills as they move this rapidly. So the Chair will appreciate it if those Senators and staff members conversing would withdraw to the cloakrooms so that the Senate can be in order.

The Senator from West Virginia.

ROBERT G. STEPHENS, JR. FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 14977.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 14977) to name the Federal office building in Athens, Georgia, the "Robert G. Stephens, Jr. Federal Building".

Mr. ROBERT C. BYRD. Mr. President, may we proceed with H.R. 14977?

The PRESIDING OFFICER. Without objection, the bill will be deemed to be to have been read twice, immediately considered and passed.

ORDER OF BUSINESS

Mr. MAGNUSON. Mr. President, if the Senator from West Virginia, as he rattles these off will tell us the page in the calendar so we can find out what the bill is here.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator at this point I am not calling calendar items. These are bills that have come over from the House of Representatives and have not been put on the calendar, but they have been cleared by unanimous consent.

Mr. MAGNUSON. I want to ask the Senator. There is one bill that would be by unanimous consent. It has been cleared, I understand. That is the poor steamboat *Delta Queen*. I hope the Senator calls that up. It is H.R. 13326 right on the calendar.

Mr. ROBERT C. BYRD. If that one has been cleared I assure the Senator it will be called up.

UNANIMOUS - CONSENT AGREEMENT—H.R. 14956, H.R. 12927, H.R. 2749, H.R. 11303, AND H.R. 15546

Mr. ROBERT C. BYRD. Mr. President, to save the Chair this phraselogy, I ask unanimous consent that each of the following bills, the next five, that they be considered as having been read the first and second times, the Senate proceed to their immediate consideration, and there can still be an objection.

Mr. GRIFFIN. We are still going to have them read.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. All right.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOE L. EVINS POST OFFICE AND FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 14956.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 14956) to designate the "Joe L. Evins Post Office and Federal Building."

Without objection, the bill was considered, ordered to a third reading, and read the third time, and passed.

PHIL M. LANDRUM FEDERAL BUILDING AND POST OFFICE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 12927.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12927) to designate a Federal building and United States Post Office in Jasper, Georgia, as the "Phil M. Landrum Federal Building and Post Office."

Without objection, the bill was considered, ordered to a third reading, read the third time, and passed.

GEORGE WASHINGTON SQUARE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2749.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2749), to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square".

Without objection the bill was considered, ordered to a third reading, read the third time, and passed.

HERMAN T. SCHNEEBELI FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 11303.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 11303) to designate the "Herman T. Schneebeli Federal Building."

Without objection, the bill was considered, ordered to a third reading, read the third time, and passed.

RAY J. MADDEN POST OFFICE BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 15546.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 15546) to designate the "Ray J. Madden Post Office Building."

Without objection, the bill was considered, orderd to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, while I am regrouping, I yield to the Senator from Wisconsin (Mr. PROXMIRE) for not to exceed 5 minutes.

Mr. HUGH SCOTT. Mr. President, will the Senator yield to me? I have been waiting all day to make a request.

Mr. ROBERT C. BYRD. I will yield to the Senator—how much time?

Mr. HUGH SCOTT. Two minutes.

Mr. ROBERT C. BYRD. I yield to the distinguished Republican leader 2 minutes, and then to the Senator from Wisconsin 5 minutes, while I regroup here.

Mr. HUGH SCOTT. Yes. I have been amazed with the patience of the Senator.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

ORDER AUTHORIZING PRINTING OF REPORT AS SENATE DOCUMENT

Mr. HUGH SCOTT. First, Mr. President, I ask unanimous consent that upon completion of the report of the Commission on the Operation of the Senate that the report be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator will withhold 1 minute or less.

The Senate will be in order.

Senators and staff members conversing will kindly withdraw. The Senate will be in order. The Senate will be in order. The Senate will be in order. The Chair would appreciate if staff members on the floor would withdraw to the rear.

The Senator from Pennsylvania.

ORDER AUTHORIZING PRINTING OF MINORITY REPORT

Mr. HUGH SCOTT. Mr. President, today is my valedictory as Republican leader, and I am submitting herewith the minority report for the year just past. I ask unanimous consent that it be printed as a public document.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINORITY REPORT

INTRODUCTION

Mr. HUGH SCOTT. Mr. President, today is my valedictory as Republican Leader. I am submitting herewith the minority report for the year just past. I ask unanimous consent that it be printed as a public document.

Last year I said I hoped I could speak with more optimism at the conclusion of the 94th Congress than at the halfway point. I regret I cannot fully do so, for in our second year of this Congress we have in the main followed the pattern set by the first. We have had a difficult year, but all years have been difficult. We have done our best—our human best, that is—but this has not always been good enough. So often we begin the year with high hopes, great expectations, but when it comes time to assay them at the end we are grasping for pebbles of comfort amid a rubble of good intentions.

Perhaps our hopes have always been too high. Perhaps, instead of a list of accomplishments or failures, hoped-for successes only partially realized or evils not entirely averted, I should confine myself to thinking more philosophically, on a broader scale. Instead of reciting budgetary facts and figures which so often go unread, I should try to evaluate that which has occurred during my time in the Congress.

After all, I have been 34 years on Capitol Hill, the first 16 as a Member of the House, broken for naval service during the war, and the next 18 in the Senate. Thirty-four years is a long time. A third of a century.

I have been fortunate in having had the privilege of spending so much time here, among colleagues I so greatly admire.

Today, for the last time in this context, but not for the last time in my life, I want to pay particular tribute to another retiring Senator, the very distinguished majority leader, Senator MIKE MANSFIELD of Montana. The description applied to the Chevalier Bayard applies to him as well: Le Chevalier sans peur et sans reproche. I wish he were here today so I could speak these words in his presence, but his record as majority leader for 16 years speaks for itself. It needs no further encomia from me or anyone.

I also wish to congratulate the assistant majority leader, the esteemed Senator from West Virginia, ROBERT C. BYRD, who has played such a vital part in supporting MIKE MANSFIELD in the day-to-day operation of the Senate. He has worked us hard. We have voted more times this year than ever before in the history of the Senate; not always usefully, I fear, but nevertheless he has certainly kept us at it. Although I wish he would reduce his drive somewhat to give us more time for other senatorial duties—or even just to let us draw a deep breath once in a while—he must be congratulated not only for his own indefatigable efforts but also for the near matching effort he has required from all of us.

On the Republican side, the able, tireless assistant minority leader, BOB GRIFFIN, has been of inestimable assistance to me in my job and to all our Republican colleagues as well. His is a tough assignment involving important work on the floor while, at the same time, remaining ready to jump into the breach on short notice.

Another colleague I most heartily commend is the distinguished Senator from Texas, the chairman of the Republican policy committee, JOHN TOWER. He is a man of extraordinary intelligence and masterful managerial sense on the floor of the Senate.

I also wish to pay my respects to the very distinguished chairman of the Republican conference, CARL CURTIS of Nebraska, who has been another pillar of strength, and to the conference secretary, BOB STAFFORD of Vermont. The cooperation, understanding and assistance of both of these Senators have been of great help to me.

Finally, I would like to give particular thanks and appreciation to three of my colleagues of the Republican conference who, like myself, have made the difficult decision not to seek reelection this year. They typify the size and diversity of this country, its people, and the Republican Party. ROMAN HRUSKA of Nebraska, PAUL FANNIN of Arizona, and HIRAM FONG of

Hawaii have been of tremendous assistance at all times. The four of us total 69 years of service in the U.S. Senate. I know I speak for them in saying we wish we could begin it all again. The years have been sweet. It is laying down the guidon that is painful.

NEW PERSPECTIVE IN 1976

Mr. President, I trust a Senator about to retire from this body and this Chamber will be forgiven for occasionally wandering somewhat off the subject. As I survey this historic room for the last time as a U.S. Senator, I am humbled by the immensity of the matters decided here. Matters of war and peace, for one thing, reaching for generations into our past. Some of the great issues of the Civil War, more than 100 years ago, and of World War II, 35 years past, evolved in this place. Decisions wise and unwise, compromises, victories, vindications, and defeats—all have happened in this space. It is a microcosm of our, Nation's history. This Chamber was finished and first occupied in 1859. It has been largely without physical change for these 117 years. Everyone now associated with it, all patriotic citizens of our country—and in fact many citizens of foreign countries also—all join in the hope it will continue into its third, its fourth, even beyond—if it deserves to do so.

In this Chamber—and in its counterpart on the other side of that great dome which embraces both—rests a major portion of the traditions we Americans have established as a nation. These we cherish. I, on the personal level, cherish my time as a part of them. And now the end of that time is at hand, Mr. President, and I would wish us to turn our thoughts backward for a few moments to note some of the growth changes this building, and these two Chambers, have seen. I shall not dwell on them, but there is a useful purpose to be served by recalling them.

I was first elected to Congress in 1940. The same year Franklin Roosevelt was elected to a third term—the first in our history—in spite of a poor record in terms of economic recovery during his second term. In 1938 unemployment had jumped from 14.3 to 19 percent; in 1939 it was 17.2 percent. Even in 1940, with war orders pouring in from abroad and our own military expenditures rising sharply, unemployment stood at 14.6 percent. And for 8 years he had had overwhelming Democratic majorities in Congress. This is worth pondering.

In 1941, when I began my brief experience as a Member of a prewar Congress, the alphabet was already burdened with a novel usage. The thrusts of New Deal legislation, with its untrammeled experiments in Government regulation of the economy, had resulted in a string of agencies such as the NRA, SEC, NLRB, CAB, FCC, FDIC, WPA, PWA, and TVA. Economic and regulatory in nature, many came to be justified from hindsight as modest though necessary adjuncts to modern industrialism and capitalism.

During my service since World War II, however—I almost add since the alphabet wars—a new tone was set for Government. The agencies matured and then ossified. Their modest, if haphazard, directives of regulatory initiatives became encyclopedias of detailed regulation of myriad aspects of our entire lives. And a social dimension was added to the economic dimension of regulation. The alphabet agencies reflected this new thrust: OSHA, ACTION, VISTA, ARBA, EPA, to list some; to which one must add the Commission on Civil Rights, the Community Services Administration, the Equal Employment Opportunity Commission, and the National Foundation on Arts and the Humanities. And others.

Tentacles of Government multiplied—and were continuously fattened, I regretfully add. Budgets and deficits increased exponentially. Last year Federal expenditures amounted to $365 billion and deficits were about $65 billion. The Federal debt stands at $635 billion, and commitments for future social programs are in the trillions. Most of the new money spent since the war supported welfare, social security, and medical and educational programs. These expansions were facilitated by increasing public debt and by paring down defense needs.

We were a hopeful people. We literally reached for the Moon while waging war on Earth. There was an illusion that our resources were limitless, if only we could divvy them up with equity. We became idealoholic.

I am most thankful, however, that the Lord let me serve out this last year. For events in the country and in Congress provided the stuff a politician needs most of all—a matrix heavy with the practical considerations of returning to Earth and its realities.

I spoke of muted optimism a few moments ago. Things are beginning to happen in Congress and in the country for which my party has been fighting at least two decades.

This is a change in the air. A new mood is settling down on Congress. That change, that mood, is subtle, and its manifestations are still somewhat elusive to definition, but wisps of change are unmistakably permeating Congress Chambers.

I can only cast about for a few phrases which may lead eventually to grasping the mood and giving it some tangible shape.

Can it be that Congress is turning Government around a bit?

Seeing promises as excesses?

Thinking about the values of parameters?

Are we finally talking about the realities of finite resources, of limits to what can be done by Government?

It has been a year devoid of great new congressional programs. Yet it has not been a year of drastic curbs. Why, then, do I say it has been different? It has been a year of noticing the size, and often the bitter taste, of the Government's pie-in-the-sky. It has been a year of confrontation with the refractory evidence that we must take a more realistic appraisal of where we are.

What are the evidences of this elusive mood?

First. At long last we are beginning to accept again the reality of the scarcity of our resources, not only relative to our fantasies but relative to our true needs:

The President pointed the way when he proposed lowering both taxes and expenditures, setting the tone for a return to commonsense and prudence.

Bills which threatened expenditure excesses, or which committed the Government to ill-conceived social experiments, were regularly vetoed; most often the vetoes were sustained and Congress tailored the cloth to fit more snugly.

Budget resolutions, as we extended the spirit of budget reform, though still lavish, were wielded to curb worse excesses in appropriations, and to balance needs.

Lo and behold! Imitative politicians were finding it fashionable to talk about balancing the budget again.

Second. We measured the U.S.S.R. and its Pact allies against the United States and its NATO allies and found no solace beyond "essential equivalency." All of a sudden the military budget stopped being indiscriminately shorn to provide for expanding social programs, and balanced judgment prevailed. The debates were based more on merit than on politics, reflecting growing congressional suspicion of increasing Soviet military strength and its diplomatic adventures in Africa and the Middle East, which appeared to be increasing as well:

The President's proposals for fiscal year 1977 military spending were largely endorsed. No major reductions in weapons programs were seriously contemplated by either the House or the Senate.

I was especially proud of my Senate colleagues for the quality of the colloquy—long, technical, and responsible—over the funding of the B–1 bomber. The final compromise seemed to me eminently balanced.

The conference committee recommendations for military appropriations were aptly noted, I think, by Senator McCLELLAN as being "neither parsimonious nor excessive."

On the Republican side several thoughtful defense reports were issued, among them one by Senator TAFT, and one by Senator CURTIS as chairman of the Republican conference.

Third. A new and serious appreciation of the depth of the crime problem is evident—not yet in extended concrete legislation but reflected in the countless hours spent in hearings on crime and related matters:

The LEAA authorization bill emphasized strengthening State judicial systems, prevention of crime against the elderly, and crime prevention by community groups.

Last October the Senate Judiciary Committee received a report culminating an exhausting review of proposals to reform Federal criminal law.

We have ceased shouting frenetically about "crime in the streets" and have started on the road to practical proposals to confront crimes of all sorts.

Fourth. Many of us reaffirmed in direct and indirect ways the values of the free enterprise economy:

The President, Congressmen, even think tanks and the press, erupted with condemnations of the monsters we have created to regulate our businesses: Especially those strangling our railways, our airlines, and the communications and trucking industries.

The forceful debates on energy and environmental policy and the ensuing minutes between legislation and vetoes underline a reawakening about the vitality of market prices in forging an efficient economy.

A burgeoning number of the proposals for tax reform reflect still another reaffirmation: That investment capital is vital for business to survive and prosper.

The onsite picketing legislation was characterized by intense debate and the President's veto was sustained as we attemped to refine the balance between the legitimate needs of labor and the effective functioning of the economy.

Fifth. As uncomfortable and as unhappy as the experience was, the Congress looked deeply into intelligence activities and attempted to grapple realistically with the unfamiliar stresses they have placed on our commitments to freedom and openness in Government:

New intelligence oversight legislation tries to strike a balance between the exigencies of secrecy and the safeguards of individual rights.

A new committee has been established in the Congress to prevent future excesses in intelligence activities.

And, perhaps more than ever before, our country has begun to realize the value of good and timely intelligence, properly evaluated and properly used. Our proper concern for the rights of the individual need not become the seed for our self-destruction.

Sixth. Old institutions and standard practices have come in for serious study and revision:

A long look at the Federal revenue structure resulted in extensive reform which cannot have fully satisfied anybody. This leads me to conclude it was probably a good job. It was encouraging to note that the reform sustained and encouraged family farms and small family businesses and addressed itself with some success to the question of fairness in so-called tax loopholes.

General revenue sharing was extended for another few years after a number of attempts were beaten down which would have added burdensome "strings" on State and local government.

The President continued the campaign to streamline Government by pressing for more block grants to replace the bureaucrat-dominated system of categorical grants. He met with some success. In this regard the whole field of health care delivery systems is under extensive scrutiny.

The President vetoed Hatch Act revisions designed to repoliticize the bureaucracy.

Seventh. Foreign aid commitments were in for careful review:

We asked for justifications and for more clear rationale.

We asked about ways, means, and limits to share food and technological and military know-how.

All of this stocktaking and ferment in Congress, a grappling with reality, a subtle change in mood, may be only a reflection of a similar mood throughout the country:

The polls show an optimism among our people as more and more, according to the polls, feel things are beginning to go well in the country.

Economic trends generally show a cautious turn for the better. Inflation has slowed. Production is up. And more people are employed than ever before.

Yes, a balance is at hand as commonsense resurges, and I have had the pleasure of participating in its resurgence. This is indeed a proud moment of my many years of public service as I perceive the results of my party's initiatives to bring order out of the mindless expansion of Government over past decades. This moment of pride would be shattered, however, if the reins of Congress were taken up next year by a large, reckless Democratic majority hell-bent on more spending, and on coercing our free peoples in accord with the blueprint of its Democratic platform. Short of this reservation, I am able to leave my Government with a strong feeling of satisfaction. There is much hope for the future well-being of all Americans.

EMPLOYMENT AND UNEMPLOYMENT

I am strongly impelled at this point to bring our unemployment picture, so facilely distorted by so many, into an honest focus.

The Democratic Party platform this year has stated that 1968, the last year of the Kennedy-Johnson administration, was a good year with only 3.6 percent unemployment.

How deliberately misleading such a narrow view is. The Democratic platform says that "most segments of the population benefited" in 1968. How cynical; the figures reflect a period with 550,000 men in Vietnam, with many thousands more preparing to go there and with many employed in a booming munitions industry. But it took a war to make jobs.

How fortunate we are that those conditions no longer haunt us. How doubly fortunate, however, that we now have 88 million employed, compared to 76 million in 1968. This is better than we could have anticipated even under the working force configurations and conditions—remember Vietnam?—of 1968. Even under those conditions we would still have only 82 million employed today.

But why then do current figures show a disproportionate percentage unemployed? Quite simply we have defined the working force in such a way that it has outstripped the rate of growth of the population. The number of women in the work force has jumped by 33 percent. Young people in the work force have also increased disproportionately—because of the baby boom of the 1950's—a condition which has not repeated itself. And then there is one of the less tangible results of our social welfare policies: we must honestly admit the existence of an indefinite number of people who apparently work periodically for brief periods only in order to qualify for unemployment compensation.

These demographic changes, of course, put a strain on the system. They also tend to hide giant achievements under difficult circumstances. Twelve million more jobs in 1976—Compared to the 6 million we could have expected from the 1968 matrix. If the working force figure of 1968—58 percent—prevailed today, the unemployment rate would be only 2.6 percent. This is even below the impossible dream of the discredited Humphrey-Hawkins bill.

Or, with a bit of sleight of hand, if the percentage of all Americans in the civilian labor force were still at the 1968 level, today's unemployment could be calculated as follows:

First, 39.2 percent—the 1968 percentage of U.S. population in the labor force—of;

Second, 215.1 million—the July 1976 U.S. population—gives us;

Third, 84.3 million in our civilian labor force, but;

Fourth, under Republican administrations during the past 8 years, we have added almost 13 million new jobs to the economy; thus

Fifth, there are now 88 million jobs. As a result,

Sixth, today's unemployment would be a negative 4.3 percent, or

Seventh, we would be 3.6 million workers short of filling the jobs available.

All of which proves what any damn fool will discover if he takes the time to study political statistics: their connotation is at the same time both greater than and less than their simple denotation.

I am forced to conclude that the Democratic platform, far from reporting a dismal unemployment picture, should have extolled creditable employment advances. It should have made at least a passing reference to some of the reasons why the statistics are as they are. Above all, it should have exploited war made jobs as an easily attainable peacetime goal.

FOREIGN POLICY

History does repeat itself. At the end of 8 years of a Republican administration, we have extricated ourselves from one war, and have avoided entanglement in another.

And the draft of young men into military service has ceased. Even more remarkable has been the volte-face in the political-military relationships in the Near East. The Soviet Union has been expelled from Egypt and is scurrying around looking for friendly ports elsewhere. Egypt, Syria, and Israel are negotiating, indirectly, and at times seeming to act in concert to reestablish stability in Lebanon as against the PLO.

All this—the result of intense, exhausting negotiations by Secretary Kissinger and the State Department—is condemned and dismissed by Jimmy Carter and his Democratic platform as "ad hoc, unilateral maneuvering," and "balance-of-power diplomacy suited better to the last century than this one."

Mr. Carter and his platform present the main assumption a Democratic administration would proceed on in conduct of foreign policy. Read it and weep, for it sounds like a retreat from the dangerous world we live in:

> It is likely that in the future, the issues of war and peace will be more a function of economic and social problems than of the military securtiy problems that have dominated international relations since 1945.

LOOKING BACK

I leave the Congress, the Senate, the weekly White House briefings, with a keener sense of what Emerson saw in solitude. It is easy in the world to live after the world's opinion; it is easiest in solitude to live after your own; but the great man is he who in the midst of the crowd can keep with perfect sweetness the independence of solitude. Economists? From now on I shall be rid of them.

If ever I should meet a man—any man—who can look me in the face and say with sure and certain conviction, "I have seen the economic light of day, and I will lead you forth," my response will be to run away immediately. I shall flee to the farthest corner of the land as fast as these legs will carry me.

These 34 years have taught me this one thing: We do not know how, neither individually nor collectively.

We simply do not have the answers.

Government does not know how to tax with fairness and equity, yet leave enough for capital formation.

Government does not know how to care for the infirm and the elderly, yet also provide incentive for the young and the able-to-work.

Government does not know how to authorize and appropriate at the Federal level, yet make sure the money filters down to those for whom it was appropriated in the first place.

Government does not know how to disperse moneys over these 50 States with an evenhanded measure, to insure no region will profit, no region will suffer.

We do not know how to do so very many of the things I once thought possible.

LOOKING AHEAD

Yet, at one and the same time, I am not pessimistic over this discovery. For the very knowledge that there is so much we do not know how to do, and so little we really do understand, and do well, is in itself a profound step forward.

If it should humble us, we are the greater.

If it should make us more hesitant before taking great, blind leaps into the unknown, we are the safer.

If it should make us promise less, we are the more honest in our inability to deliver paradise.

No; I am not discouraged by this discovery of the limitations of true economic certainty under which we labor. Rather, I am more secure in the knowledge of it.

After 40 years of a Democratic Congress, the truth of the matter is that too many of our 215 million Americans are being pressed by Government into a common mold. We have seen the results of that path in many places. Today, all across Europe, men and women are voting for America's unplanned free market system with their francs, their marks, their pounds, their lire, as foreign investment in the United States goes up, and up, and up.

They are sending their money to the United States, because their own governments—believing they do know how—have made life much less pleasant, immensely more restrictive. These foreign governments have lost the confidence of their citizens that their savings—and in many cases their citizenship—should remain in the land of their birth.

There are very few Americans who feel that way.

We remain pluralistic.

We remain open.

We remain free.

We have not yet crossed the threshold of total State sovereignty into the sure and certain mold of economic dogmatism of one sort or another.

The largest single issue of economic policy for the next decade—perhaps for decades to come—is whether the Government of the United States will have the foresight, and the stamina, to stay on a course of gradual, exceedingly cautious, expansion.

So far, on this issue, President Ford's record and promise are outstanding.

Who can speak for future Presidents?

CONCLUSION

Irving Kristol once noted the widespread conviction among Americans that the growth of scientific knowledge, and the speed of technological innovation, have achieved such self-determined momentum as to make us feel we are living in homes, working at jobs, and playing at games that are radically different from those of our parents.

But a feeling of radical difference does not make for reality. This feeling expresses a truth that escapes statistics: that popular sentiment is caused by a vaguely envisaged future rather than an experienced past or present. In our case, the scientific possibilities include wiping out the human race, space travel into unimaginable universes, breeding human beings to specifications, and much, much, more. To be even dimly aware of these possibilities is to have one's vision of what is "natural" quite shattered.

My view is simpler. In truth, the more I view the human condition, the more respect I have for what is casually dismissed by today's intellectuals as "simplistic." My view approaches American politics, American economics, American history—past and future—as men and women teaching their children to grow wisely and well, teaching them independence of mind, tolerance of others, and respect for hard-won freedoms. Whether technological innovation or the diffusion of technological innovation is proceeding today at a pace significantly faster than that of two or three decades ago is still a matter for argument.

For that matter, is there convincing evidence that our lives are being directly affected by technology to a degree and extent unknown by previous generations.

Is it not the vaunted "quality of life" something else again?

Most of us live in homes, work at jobs, and play at games that are not radically different from those of our parents. What is different is simply that the possibilities of our future are different from those envisaged by our parents. To repeat, these possibilities include space travel to unimaginable distances, human beings bred to specification—for example, athletes—and eliminating human disease from the face of our planet. They even include the elimination of war as an occasional human condition—or the reverse, wiping out the human race and much else along with it.

Possibilities also include the worst of political futures: Nation after nation slipping from representative government into authoritarian, even totalitarian rule. We have seen this happen with startling frequency over the past decade. Thus we note the young, hopeful republics—freed of the yoke of colonialism in the 1950's, 1960's, and 1970's—which are now hopelessly ensnared in dictatorial webs.

Even in America the web of government has spread far too widely. From 1950 to 1975, State and local employees increased from 4,098 million to more than 12 million, up 193 percent.

In the same period the number of Federal civilian workers increased 43 percent, from 1.9 to 2.7 million.

The Bureau of the Census reports that in 1950 State and local government payrolls came to $915 million a month, but by 1974 they had climbed to almost $9 billion monthly, an increase of 865 percent. That is more than double the percentage gain in wage and salary income received by all Americans over the same period. On the local and State scene alone, since 1950, first, property taxes have gone up 550 percent; second, sales and gross receipts taxes have gone up 794 percent; and third, personal income taxes have gone up 2,373 percent.

These are signs of the possibilities I fear.

Democracy, individual freedom, personal liberties, intellectual openness and honesty, are all too fragile to bear this weight if it continues to grow.

If I could pass one thought on to future generations, it would be simply this: Beware of governments that soar into the infinite and dive into the unfathomable, but never pay cash.

I find myself speaking of passing along.

Perhaps I should do the same and conclude this report. This is best done by simply thanking my friends on both sides of the aisle, both those long gone and those here today, for their willingness to work together in what we have thought best for this Nation.

It has been a long job, but not a tiring one. All of you, my friends, have kept it very, very interesting.

I have been to the party. Now it is time to go.

Goodby.

ARAB BOYCOTT

Mr. PROXMIRE. Mr. President, the Export Administration Act which passed both the House of Representatives and Senate by substantial margins is now obviously dead, killed by the opposition of those who would not even let it come to conference.

Mr. President, make no mistake about it. The Ford administration has dealt a staggering economic blow at the beleagered little country of Israel.

This United States has the strongest kind of moral commitment to defend little Israel. Israel is surrounded by hostile enemies. She is dependent on a gallant population of only 3 million people. She faces at least 20 times that many in the nations that have sworn death to Israel.

Israel's Arab enemies have recently become among the richest in the world, and they are rapidly being armed to the teeth with American produced weapons.

For many months the Arab countries have been using their vast new financial muscle to try to choke Israel to death with an economic boycott. That boycott has hammered American firms into line to prevent Israel from buying what she must have to survive.

The PRESIDING OFFICER. The Senator will suspend for a moment.

The Senate will be in order. The Senate will be in order.

The Senator from Wisconsin.

Mr. PROXMIRE. We in the United States have had limited halfway anti-Arab boycott legislation in our statutes, but the job it was doing was limited and feeble.

Both the Senate and House by overwhelming majorities have just passed legislation to strengthen the boycott.

We have met together—Senate and House conferees in informal conference and worked out a reasonable, moderate compromise that represents a better, stronger law without serious interference with American business.

I have persisted day after day—all this week—to try to get the Senate to permit that conference agreement to be formally ratified. A group of Republican Senate leaders—representing the White House have said no to every effort. They have objected to our going to conference even with the understanding that we will give every consideration to whatever White House antiboycott proposal they wish to make. They have adamantly refused.

Now, Mr. President, Treasury Department officials have virtually camped in my office pleading for me to withdraw my reservations on the International Monetary Fund bill. The Secretary of the Treasury called me today from Manila.

Chairmen of several of the biggest banks in the country have called me urging me to approve the IMF bill. The administration seems to want that IMF bill very badly indeed.

Mr. HELMS. May we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. So I have told them that I will support the IMF they want but add the antiboycott bill as an amendment.

They have said "no."

They have refused to let the antiboycott bill pass although it is embodied in the Export Administration Control Act.

Because the administration refused to let us act on that bill, the Export Control Act has expired and as of midnight last night this country has lost the principal legal framework for control of exports including the export of American technology to Communist countries that might have severe national security implications.

To sum up, Mr. President, the administration is so deeply opposed to letting the Congress work its will in passing an effective law to stop the Arab boycott of beleaguered Israel that it is willing to let the control of the export of American technology go by the board. It is willing to let an international monetary bill die, a bill that the Treasury and the financial community regards as of the greatest importance.

And I repeat there should be no mistake of who is stopping an effective action against the Arab boycott. The responsibility is clear and it is at the highest level of this Government. The one person responsible is the President of the United States, Gerald Ford.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, do I have control of the floor?

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for a brief observation?

The Senator from Texas feels that he has a right to make prompt reply.

Mr. ROBERT C. BYRD. I intend to yield to him. I promised to yield to the Senator from Texas (Mr. TOWER), and then I will yield to the Senator from Illinois.

Mr. TOWER. Mr. President, I think we should set the record straight.

To begin with, there is adequate legislation addressed to the Arab boycott situation in the form of the Ribicoff amendment to the tax bill which the President has signed or will sign.

In the second place, the legislation that was agreed on in the rump conference that was never confirmed is legislation that could be potentially, diplomatically, and economically, explosive, and it was not necessary.

In the third place, the IMF bill was generally agreed on all around. We sent Bill Simon over there flapping in the breeze, to the Philippines, without the Bretton Woods amendment, when everybody agreed to it. It was held hostage to the Arab boycott legislation. That is not the way to legislate.

The White House intervened several times with proposals to break the logjam on this measure. As late as today they did so, and as late as a few moments ago I told the Senator from Wisconsin that I would agree to disagree with the House amendment and appointing the conferees if he would let the IMF bill come up, his independent legislation, and he would not agree to that. They could have had their conference report back here in 10 or 15 minutes and it would have been acted on tonight.

Mr. PROXMIRE. No chance.

Mr. TOWER. The Senator from Wisconsin knows that if he had hung this nongermane Arab boycott legislation on the Bretton Woods amendment, a point of order would have laid against it in the House and it would have died anyway.

Mr. PROXMIRE. Mr. President, will the Senator yield briefly to me?

Mr. ROBERT C. BYRD. I yield 1 minute.

Mr. PROXMIRE. Mr. President, the only way the IMF legislation is going to become law is to put it together with something that has sex appeal. I have been told by the leaders in the House, including TOM REES, who is the leader for the IMF bill in the House, that the only way to do it is to link these two bills together and the Rules Committee will pass it.

Mr. TOWER. That is contrary to what he told me. He told me that if we hung the Arab boycott legislation on it, it would not have a chance there.

Mr. PROXMIRE. I talked to him last. [Laughter.]

Mr. ROBERT C. BYRD. I yield 2 minutes to the Senator from Illinois.

Mr. STEVENSON. Mr. President, this is the basic export control authority of the United States. It contains the only stated antiboycott policy in the laws of the United States. I can testify from my personal experience, which started with the beginning of this legislation, that it has been opposed at every step of the way by the administration.

Mr. President, more than foreign boycotts is involved in this legislation. This bill not only reflects the determination of both bodies of Congress that Arab States will not dictate American policy toward Israel. It also deals realistically and forcefully with one of the greatest threats to mankind—the proliferation of nuclear weapons. This bill contains a provision to protect American farmers and grain exporters from arbitrarily imposed embargoes by permitting Congress to override Presidential embargoes on agricultural sales abroad. It also contains measures to expand U.S. trade with eastern Europe and the Soviet Union and at the same time improve our ability to prevent transfers of strategic materials to adversaries.

Mr. President, the administration's decision to block this legislation not only deprives the President of the tools to deal with sensitive and vital issues. It means that the Export Administration Act itself will expire on September 30. That means an end to the authority under the act to control sales of strategic materials to the Soviet Union and other nations and the end of the President's ability to protect American interests. It will mean an end to the President's ability to protect the American economy from shortages of vital commodities. And it will mean an end to the only law which declares it to be U.S. policy to oppose foreign boycotts and gives the President power to deal with boycotts.

Mr. TOWER. Mr. President, will the Senator yield for a correction?

Mr. STEVENSON. Once again, Congress has been blocked, not this time by veto, as has usually been the case in the past, but by a parliamentary stratagem aimed at keeping this legislation from even being put to a vote. Once again, the President of the United States has opposed in Congress efforts which in his campaign he has professed to support.

Mr. TOWER. Mr. President, will the Senator yield for a correction?

The control authority does not expire, because the President signed legislation with respect to the act.

Mr. ROBERT C. BYRD. Mr. President, I am ready to proceed with the unanimous-consent requests.

AGRICULTURAL RESOURCES CONSERVATION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2081.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2081) to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes.

(The amendments of the House are printed in the House proceedings of today's RECORD.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, this measure, which was called up earlier, has now been cleared.

I ask the Chair to lay before the Senate a message from the——

Mr. HUMPHREY. Mr. President, I am trying to follow this calendar. I have some items of interest on it. May we have a little quiet?

The PRESIDING OFFICER. The Senator's point is well taken.

The Chair requests that Senators conversing cease or withdraw to the cloakrooms, so that Senators who are attempting to follow the calendar can observe the calendar.

The Senator from West Virginia is recognized.

CONSTITUTION FOR THE VIRGIN ISLANDS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9460.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (H.R. 9460) to provide for the establishment of a constitution for the Virgin Islands.

(The amendments of the House are printed in the House proceedings of the RECORD of September 22, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

ART IN THE U.S. CAPITOL—H. CON. RES. 698

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Concurrent Resolution 698.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on House Concurrent Resolution 698, a concurrent resolution providing for the printing as a House document "Art in the U.S. Capitol."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

PRINTING AS A HOUSE DOCUMENT PROCEEDINGS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—H. CON. RES. 761

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 761.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 761, authorizing the printing as a House document proceedings of the Committee on Interior and Insular Affairs as of July 27, 1976.

The PRESIDING OFFICER. Without objection, the concurrent resolution is agreed to.

PRINTING OF MATERIALS RELATING TO THE PRESIDENTIAL DEBATES—HOUSE CONCURRENT RESOLUTION 772

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Concurrent Resolution 772.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on House Concurrent Resolution 772, authorizing the printing of materials relating to the presidential debates between James E. Carter and Gerald R. Ford.

The PRESIDING OFFICER. Without objection, the concurrent resolution is agreed to.

WOMEN IN CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House on House Concurrent Resolution 664.

The Presiding Officer laid before the Senate House Concurrent Resolution 664, providing that 25,000 copies of a booklet entitled "Women in Congress" be printed for the use of the Joint Committee on Arrangements for the Commemoration of the Bicentennial.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that Tom Sussman of the staff of the Committee on the Judiciary be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, on Tuesday, September 28, both the House and the Senate approved the conference report on S. 3149, the Toxic Substances Control Act. That act is now before the President.

One of the key provisions of the act concerns the premarket notification procedures of section 5. They are extremely important as they form the basis by which threats to health or the environment will become known and responded to prior to first manufacture of a new chemical substance or manufacture or processing of an existing substance for a significant new use. Apparently, some confusion still exists over the meaning of the conference report with respect to the responsibility of manufacturers or processors to submit notice of proposed manufacture or processing of new substances or significant new uses of existing substances and the notice of objections that a manufacturer or processor may file with the Administrator after the Administrator has issued a proposed order to halt or limit the substance.

With respect to the first point, it has been stated that the 90-day premarket notification provision begins running when EPA receives notice from the manufacturer, regardless of whether or not the information submitted is in conformance with the requirements of the statute. This is clearly not so. Section 5 (d) of the statute explicitly states that the notice must include certain specific information. This includes the name, identity, and molecular structure of the chemical; proposed categories of use; amount to be manufactured or processed; a description of byproducts; the number of individuals exposed; and the manner or method of its disposal. In addition, any test data in possession or control of the person is to be submitted, in such form and manner as the Administrator prescribes, and a description of any other data concerning the environmental and health effects of the substance.

The requirements of the act are clear. If this information is not properly submitted, then the notification requirements of the act have not been complied with. Manufacture or processing may not begin until 90 days—or 180 days, if extended—after proper notification has been given.

In addition, there seems to be some misunderstanding on the manner in which a proposed order of the Administrator to prohibit or limit manufacture of a substance during the notification period could be rendered ineffective by the filing of objections by the manufacturer or processor. The act states explicitly that the objections must specify "with particularity the provisions of the order deemed objectionable and stating the grounds therefor." Any objecton not meeting these requirements will not be considered as filed. Moreover, as the entire procedure is borrowed from section 701(e) of the Federal Food, Drug, and Cosmetic Act, the interpretation of this provision is the same as it is under that provision. In fact, the statement of managers accompanying S. 3149 states that—

> The conference substitute borrows the procedure from section 701(e) of the Federal Food, Drug, and Cosmetic Act.

As was stated on the Senate floor when the conference report was approved on September 28, the case law developed pursuant to section 701(e) of the Federal Food, Drug, and Cosmetic Act applies to the procedure under this act as well.

That case law—*Pfizer* v. *Richardson*, C.A. 2, 1970, 434 F. 2d 536—as applied to this act, authorizes the Administrator to require that reasonable grounds be stated by a manufacturer or processor as a condition for recognizing that objections have been filed. Thus, the Administrator will determine whether or not objections have been filed on the basis of whether or not the objections conform with the requirements of the statute, as interpreted under the case law developed pursuant to section 701(e) of the Federal Food, Drug, and Cosmetic Act.

Mr. President, it is my hope that this explanation will clear up any misunderstanding that might have occurred on the requirements of the section.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 15813.

The PRESIDING OFFICER laid before the Senate H.R. 15813, an act to amend the act of June 3, 1976, an act to establish a Commission on Security and Cooperation in Europe, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

FEDERAL GRANT AND COOPERATIVE AGREEMENT ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1437.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1437) to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

(The amendment of the House is printed in the House proceedings of the Record of September 29, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

H.R. 13218—COMMITTEE ON COMMERCE DISCHARGED FROM FURTHER CONSIDERATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 13218. This has been cleared on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMITTING STEAMSHIP "UNITED STATES" TO BE USED AS A FLOATING HOTEL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 13218 and that it be considered as having been read the first and second times.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 13218) to permit the Steamship *United States* to be used as a floating hotel, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, in adopting House Resolution 13218, it is fully understood and agreed that utilization of the Steamship *United States* as a floating hotel is not the preferred use and that approval for such use should only be considered by the Maritime Administrator after fully pursuing and considering proposals designed to place this vessel in operation in the domestic trade as a cruise ship or other use as an operating vessel during the remainder of her statutory life.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 13218) was read the third time and passed.

H.R. 8940

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 8940.

The PRESIDING OFFICER. The bill will be stated.

Mr. GRIFFIN. Mr. President, I reserve the right to object.

Mr. ROBERT C. BYRD. Mr. President, I withdraw that for the time being.

FOR THE RELIEF OF EUPERT ANTHONY GRANT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 9543.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 9543) was considered, ordered to a third reading, read the third time, and passed.

EUGENE O'NEILL NATIONAL HISTORIC SITE

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2398.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2398) to authorize the establishment of the Eugene O'Neill National Historic Site, and for other purposes.

(The amendments of the House are printed in the House proceedings of the Record of September 27, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

Does the Senator move to concur in the House amendments with an amendment?

Mr. ROBERT C. BYRD. Yes.

UP AMENDMENT NO. 523

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. Robert C. Byrd), for himself and Senators Hansen, Johnston, Haskell, Metcalfe, Jackson, Fannin, and Eagleton proposes unprinted amendment No. 523.

Mr. GRIFFIN. Mr. President, I would like the clerk to read it for some explanation of it.

The PRESIDING OFFICER. The clerk will state it.

The legislative clerk proceeded to read the amendment.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Interior is hereby authorized to accept the donation of, or purchase with funds donated for the acquisition of, all or any part of the property (comprising approximately fourteen acres) and improvements thereon at Danville, California, formerly owned by Eugene O'Neill. Such property is hereby designated as the Eugene O'Neill National Historic Site in commemoration of the contribution of Eugene O'Neill to American literature and drama.

Sec. 2. The national historic site established pursuant to this Act if acquired by the Secretary of the Interior shall be administered by him in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended, as a memorial to Eugene O'Neill and a park for the performing arts and related educational programs. Whether acquired or not, the Secretary of the Interior is authorized directly or by means of cooperative agreements with the Eugene O'Neill Foundation, Tao House, to preserve, interpret, restore, program, adapt for public use and/or provide technical assistance for the Eugene O'Neill National Historic Site in accordance with the provisions of this Act: Provided, That prior to entering into any cooperative agreement the Secretary shall transmit a copy of the proposed agreement together with a report explaining the reasons for the agreement to the Committees on Interior and Insular Affairs of the Senate and House of Representatives.

TITLE II

Sec. 201. The Secretary of the Interior is authorized to accept, subject to the consummation of the cooperative agreement referred to in Section 202, the donation of the Cherokee Strip Living Museum in Arkansas City, Kansas, and may administer such museum in accordance with such authorities as are available to him.

Sec. 202. The Secretary may enter into a cooperative agreement with any responsible and competent organization satisfactory to him for the management and operation of the museum, and is authorized to render such technical advice and operating assistance as he may deem appropriate, the conditions of which are to be provided for in the cooperative agreement.

TITLE III

Sec. 301. Notwithstanding any other provision of law, any designation of the lands in the Shoshone National Forest, Wyoming, known as the Whiskey Mountain Area, comprising approximately six thousand four hundred and ninety-seven acres and depicted as the "Whiskey Mountain Area—Glacier Primitive Area" on a map entitled "Proposed Glacier Wilderness and Glacier Primitive Area", dated September 23, 1976, on file in the Office of the Chief, Forest Service, Department of Agriculture, shall be classified as a primitive area until the Secretary of Agriculture or his designee determines otherwise pursuant to classification procedures for national forest primitive areas. Provisions of any other Act designating the Fitspatrick Wilderness in said Forest shall continue to be effective only for the approximately one hundred and ninety-one thousand one hundred and three acres depicted as the "Proposed Glacier Wilderness" on said map.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House with the amendment of the Senate.

The motion was agreed to.

AGENCY APPEALS BOARDS AND SUBPENA POWER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar item No. 1192.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the bill (S. 796) to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures which had been reported from the Committee on the Judiciary with amendments as follows:

On page 1, beginning with line 3, strike out through page 3, line 16;

On page 3, line 17, strike "Sec. 3. Section" and insert "That section";

On page 3, line 25, after the period, insert "In the performance of their review functions members of appeal boards shall not be responsible to or subject to the supervision or direction of any officer, employee, or agent (other than the agency or a member of members of the body comprising the agency) engaged in the performance of investigative or litigating functions for the agency.";

On page 4, line 7, after the comma, insert "if any,";

On page 4, beginning with line 14, insert the following:

"Nothing in this subsection shall be construed to supersede (1) any statutory provision specifically governing the composition and organization of appeal boards in particular agencies, or (2) any authority otherwise possessed by an agency to delegate the final decision to one or more of its members or employees.".

On page 4, line 20, strike "Sec. 4." and insert "Sec. 2.";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 557 of title 5, United States Code, is amended by adding at the end thereof a new subsection (d) as follows:

"(d) Each agency may establish, by rule, one or more agency appeal boards for review of decisions of presiding employees. Such appeal boards shall be composed of agency members, hearing examiners (other than the presiding employee in the proceeding on appeal), or other appropriate agency employees. In the performance of their review functions members of appeal boards shall not be responsible to or subject to the supervision or direction of any officer, employee, or agent (other than the agency or a member or members of the body comprising the agency) engaged in the performance of investigative or litigating functions for the agency. Each agency shall specify in such rules the circumstances and conditions, if any, under which the agency will (1) entertain and consider appeals to it directly from the decision of a presiding employee, and (2) entertain and consider appeals only after decision of an agency appeal board. An agency may provide by rule that decisions or categories of decisions, including agency appeal board decisions, become final unless reviewed by the agency in its discretion.

"Nothing in this subsection shall be construed to supersede (1) any statutory provision specifically governing the composition and organization of appeal boards in particular agencies, or (2) any authority otherwise possessed by an agency to delegate the final decision to one or more of its members or employees.".

SEC. 2. (a) Section 555(d) of title 5, United States Code, is amended as follows:

"(d) Agency subpenas authorized by law shall be issued to a party on request and, when required by rules of procedure, on a statement or showing of general relevance and reasonable scope of the evidence sought. Each agency shall designate by rule the officers, who shall include the presiding officer in all proceedings subject to section 556 of this title, authorized to sign and issue subpenas. On contest, the court shall sustain the subpena or similar process or demand to the extent that it is found to be in accordance with law. In a proceeding for enforcement, the court shall issue an order requiring the appearance of the witness or the production of the evidence or data within a reasonable time under penalty of punishment for contempt in case of contumacious failure to comply.".

(b) (1) Section 556 of title 5, United States Code, is amended by deleting the words "authorized by law" in subparagraph (c) (2) of such section, redesignating subsections (d) and (e) as (e) and (f), respectively, and by inserting after subsection (c) the following new subsection (d):

"(d) In any proceeding subject to the provisions of this section, the agency is authorized to require by subpena any person to appear and testify or to appear and produce books, papers, documents, or tangible things, or both, at a hearing or deposition at any designated place. Subpenas shall be issued and enforced in accordance with the procedures set forth in section 555(d) of this title. In case of failure or refusal of any person to obey a subpena, the agency, through the Attorney General unless otherwise authorized by law, may invoke the aid of the district court of the United States for any district in which such person is found or resides or transacts business in requiring the attendance and testimony of such person and the production by him of books, papers, documents, or tangible things. The authority granted by this subsection is in addition to and not in limitation of any other statutory authority for the issuance of agency subpenas and for the judicial enforcement thereof.".

(2) The heading of such section 556 is amended to read as follows:

"§ 556. Hearings; presiding employees; powers and duties; subpena power; burden of proof; evidence; record as basis of decision".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

(The following occurred later:)

Mr. GRIFFIN. Mr. President, will the acting majority leader yield? There was an error on this side in allowing Calendar No. 1192, S. 796, to be passed. We did have a hold on it. I wonder if we can vitiate the action?

Mr. ROBERT C. BYRD. 1192?

I ask unanimous consent that the action taken by the Senate on Calendar Order 1192. S. 796. be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORGANIZATION OF ECONOMIC COOPERATION COUNCIL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1240.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 516) expressing the sense of the Senate regarding U.S. participation in the declaration on international investment and multinational enterprises and related decisions of the Organization of Economic Cooperation Council, was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 516

Whereas the twenty-four member countries of the Council of the Organization of Economic Cooperation and Development (OECD), at a ministerial level meeting on June 21, 1976, adopted a Declaration on International Investment and Multinational Enterprises, together with Guidelines for Multinational Enterprises and three Decisions on Inter-Governmental Consultation Procedures on the Guidelines, National Treatment and International Investment Incentives and Disincentives;

Whereas this declaration and the related decisions of the OECD Council sets forth recommendations for the behavior of multinational enterprises as well as government treatment of those enterprises, and—

(1) urges that multinational enterprises take fully into account the established general policy objectives of the member countries in which they operate;

(2) affirms that governments should offer assurances of fair and equitable treatment to foreign investors;

(3) calls for increased cooperation in the area of investment aids and restrictions to avoid fragmented policies which threaten the benefits to the world economy of international investment;

(4) states that multinational enterprises should not render—and they should not be solicited or expected to render—any bribe or other improper gift, direct or indirect, to any public servant or holder of public office;

(5) maintains that through international direct investment multinational enterprises can bring substantial benefits to home and host countries by contributing to the efficient utilization of capital, technology and human resources between countries and can thus fulfill an important role in the promotion of economic and social welfare; and

(6) concludes that these and other provisions will be helpful to stabilize and clarify the legitimate expectations that governments and multinational enterprises have of each other's behavior;

Whereas the free flow across borders of capital investment and technology and the reduction of trade barriers is in the common interest of all nations; and

Whereas the economies of industrialized

and developing countries have become closely linked with the growth of multinational enterprises and these enterprises therefore will help to determine the future of their economies and their interdependence: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the voluntary guidelines for multinational enterprises annexed to the declaration are commended to United States firms as reasonable standards of business practice, the observance of which will help strengthen public confidence in multinational enterprises;

(2) the consultation procedures established within the framework of the Committee on International Investment and Multinational Enterprises are an appropriate means for achieving the purposes of the declaration; and

(3) the Senate welcomes the joining of the United States Government with other Organization of Economic Cooperation and Development countries in the Declaration on International Investment and Multinational Enterprises and the related decisions of the Organization of Economic Cooperation and Development Council.

CHANGES IN RETIRED SERVICEMEN'S FAMILY PROTECTION PLAN AND THE SURVIVOR BENEFIT PLAN

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 258.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the bill (H.R. 14773) to amend title 10, United States Code, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73 of that title, and for other purposes, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert the following:

That chapter 73 of title 10, United States Code, is amended as follows:

(1) Clauses (3)(A) and (4)(A) of section 1447 are each amended by striking out "two years" and inserting in place thereof "one year".

(2) The second sentence of section 1448 (a) is amended by inserting "or elects to provide an annuity for a dependent child but not for his spouse" after "maximum level,".

(3) Section 1450(a) is amended by striking out "or" at the end of clause (2), renumbering clause (3) as clause (4), and inserting after clause (2) a new clause (3) as follows:

"(3) the dependent children in equal shares if the person to whom section 1448 of this title applies elected to provide an annuity for dependent children but not for the spouse; or".

(4) Sections 1450(f), 1451(b), 1452(a), and 1452(c) are each amended by striking out "(a)(3)" and inserting in place thereof "(a)(4)".

(5) Section 1452 of title 10, United States Code, is amended by—

(A) further amending subsection (a) by—

(i) striking out the first word and inserting the following in place thereof: "Except as provided in subsection (b), the"; and

(ii) adding the following new sentence at the end thereof: "The reduction in retired or retainer pay prescribed by the first sentence of this subsection shall not be applicable during any month in which there is no eligible spouse beneficiary";

(B) amending subsection (b) by inserting "or who has a spouse but has elected to provide an annuity for dependent children only," after "spouse,"; and

(C) further amending subsection (c) by adding the following sentence at the end thereof: "The reduction in retired or retainer pay prescribed by this subsection shall continue during the lifetime of the person designated under section 1450(a)(4) of this title or until the person receiving retired or retainer pay changes his election under section 1450(f).'.

SEC. 2. Section 4 of Public Law 92-425, September 21, 1972 (86 Stat. 712), is amended as follows:

(1) Subsection (a)(3) is amended by striking "$1,400" and inserting "$2,100" in place thereof.

(2) The first sentence of subsection (b) is amended by striking "$1,400" and inserting "$2,100" in place thereof.

(3) Add at the end thereof a new subsection (c) as follows:

"(c) Subsection 1450(i) and section 1453 as added to title 10, United States Code, by clause 3 of the first section of this Act, are applicable to persons covered by this section.".

SEC. 3. This Act shall be effective as of September 21, 1972. No pay shall accrue to any person by virtue of the enactment of this Act for any period prior to October 1, 1976.

Mr. McCLELLAN. Mr. President, it is my understanding that, under section 401(b)(2) of the Budget Impoundment and Control Act, H.R. 14773 must be referred to the Committee on Appropriations since the amount of new budget authority which will be required in fiscal year 1977 for this bill exceeds the allocation of new budget authority reported under section 302(b) of the act.

In fiscal year 1977, the estimated cost of this legislation, as reported by the Senate Armed Services Committee, is $7.5 million in the national defense function, with a saving of $2 million in the veterans benefits and services function. The committee has been advised that the amounts appropriated in Public Law 94-419, the 1977 Defense Appropriations Act, will be sufficient to cover the additional costs of this legislation as reported. Inasmuch as the amounts appropriated are sufficient to cover this cost, I ask unanimous consent that the requirement be waived that this bill be referred to the Committee on Appropriations. In making this request, it is not my intention to establish any precedent. The Committee fully supports section 401 of the act. However, as I have just indicated, I believe referral to the committee is not necessary in this particular instance.

Mr. THURMOND. Mr. President, I am pleased to call up for consideration of the Senate H.R. 14773, a bill which makes certain improvements in the military survivor benefit program. The House had passed H.R. 14773 under suspension of the rules by a vote of 379 to 6. The Senate Armed Services Committee did make a number of changes to the House version as I will explain.

TWO CONFORMING PROVISIONS OF SENATE COMMITTEE BILL

The committee bill contains two provisions to conform the military survivor benefit program with that of the civil service program:

First. Elimination of "pay forever" clause, that is, discontinuation of payments into the military survivor benefit program when there is no eligible beneficiary;

Second. Reduction from 2 years to 1 year the eligibility requirement period for a new spouse of a retiree to be eligible under the military survivor benefit program.

The military survivor benefit program was patterned, where possible, after that of the civil service program. The civil service program has been changed to provide that where there is no eligible surviving spouse the deductions from the member's retired pay will be suspended. In addition, the eligibility requirement period under the civil service program has been changed from 2 years to 1 year for a new spouse of a retiree. In light of these changes in the civil service program the committee felt it appropriate to make similar changes in the military survivor benefit program.

CLARIFICATION OF AUTHORITY TO DESIGNATE CHILDREN ONLY AS BENEFICIARIES

The committee bill provides that a retiree may leave benefits to children only, even though there is a surviving spouse. The Department of Defense directive which implemented the survivor benefit program provided that a member could leave an annuity for children only, even if there was an eligible spouse. This was the intent in the original Public Law 92-425 but the Comptroller General ruled that the law was not sufficiently clear in this matter, although he posed no objection to continuing such elections. The Comptroller General did indicate that a clarification in law on this matter would be desirable. The language in the bill would make clear in law that a member can provide an annuity for children only, even if there is an eligible spouse.

INCREASE IN MINIMUM INCOME PAYMENT FOR CERTAIN WIDOWS FROM $1,400 TO $2,100

The committee bill provides that a military retiree's widow who became a widow prior to September 21, 1973 receive an increase from $1,400 to $2,100 in her minimum income annuity. This would be a widow who had no coverage under any plan when her husband died. In enacting the original military survivor benefit program, the Congress recognized that some of these widows were destitute and, therefore, provided that the Department of Defense would supplement the income of these widows up to a total of $1,400 annually—including other income they may have. This $1,400 when added to what they would be eligible for from the Veterans' Administration would bring their current income up to $2,420 annually. Because of the increase in the cost of living since 1973, the committee felt that the Department's payment should be raised to $2,100 a year. This amount added to Veterans' Administration payments would bring the income of these widows up to $2,712 at the present time.

PROVISIONS IN THE HOUSE BILL OMITTED IN THE COMMITTEE VERSION

The House added a number of provisions which were not included in the committee version:

First. Cost of living adjustments for retired serviceman's family protection plan annuitants;

Second. Reduction in the so-called "social security offset" from 100 percent to 50 percent which is made under the military survivor benefit program;

Third. A number of other provisions relating to the "social security offset" when the beneficiary is not receiving social security benefits based on her husband's military service, when there is a dependent child, and when Reservists serve for periods of active duty of less than 30 continuous days;

Fourth. Reinstatement of survivor benefit program payments to widows whose dependency and indemnity compensation benefits are terminated on remarriage after age 60.

COMMENT ON OMITTED HOUSE PROVISIONS

The committee felt that due to the shortness of time, hearings were not possible on these various House bill provisions. The committee omitted these provisions without prejudice as they deal with matters of some complexity which the members felt should be the subject of hearings. For example, one provision in the House bill does provide for a one-half "social security offset." This is a controversial feature with some of our committee members and Senate hearings would be required. Of special importance is the cost of living adjustment for widows under the retired serviceman's family protection plan. This feature, as others in the House bill deserve early consideration by the Senate.

PERSONAL COMMENT

Mr. President, I consider the military survivor benefit program to be an exceptionally important benefit for our military retirees and their dependents. I was proud to serve on the Senate Armed Services Ad Hoc Subcommittee on Survivor Benefits, along with Senator BYRD of Virginia and Senator BENTSEN, which considered this program in 1972. There were those who felt that the military survivor benefit program enacted at that time was the most important piece of personnel legislation to come along in 25 years.

Given my familiarity with the survivor benefit program and my concern for its success. I am anxious and hopeful that the omitted House bill provisions can be the subject of hearings by the Armed Services Committee early next year in conjunction with a Department of Defense report on this program which is due not later than February, 1977. Personally, I supported favorable action on more sections of the House bill, but I can fully understand the committee's concern with some of the complexities involved in these provisions and the need for hearings.

Mr. DURKIN. I object.

The PRESIDING OFFICER. Is there objection?

Mr. DURKIN. I object.

The PRESIDING OFFICER. Objection is heard.

(The following occurred subsequently:)

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read:

An Act to amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed now to consideration of Calendar Order No. 1267.

Mr. DURKIN. I object.

Will the leader yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. DURKIN. There is very serious matter still in this Chamber. That is Senate bill 969, a bill to increase the benefits for the veterans. That thing that has been kicked around here like a football. It was cleared last night, then the White House supposedly objected to some provision and the other side objected to it. It was cleared again this afternoon, and now there is another objection on the other side. I am going to object to everything until I find out what is happening on the veterans GI bill. If I have to object to everything until midnight, I am going to do it.

Mr. ROBERT C. BYRD. Mr. President, I am sorry my friend is going to do that. I wish he would let us proceed with these items and I shall do the best I can to work this matter out with him.

Mr. DURKIN. I think it can be worked out in 5 minutes. I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, I hope the Senator will not suggest the absence of a quorum.

Mr. President, I hope the Chair will keep order in the galleries. This is not a laughing matter. We do not have much time and the staff galleries are not up there to laugh.

The PRESIDING OFFICER. The people in the gallery are guests of the Senate and disorder in the galleries will result in the order to clear the galleries. The Chair will request complete order from the galleries. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Mr. President, will the Senator allow me to proceed?

Mr. DURKIN. I have great affection for the majority leader, but I have a great affection for the veterans, and I am going to object to anything until that huddle over there decides what they are going to do about it.

Mr. HARTKE. Mr. President, will the Senator yield? I really believe it can all be worked out. There is not a serious problem here except it is a little question of who gets what, and I think it can be done, and I would hope the Senator from New Hampshire will permit me to go ahead and let the Senator from West Virginia proceed, and I believe we will come to an amicable settlement here in just a few minutes.

Mr. ROBERT C. BYRD. I hope the Senator will do that. We will all try together to let the Senator get his bill, but I hope we will not utilize precious time needlessly.

Mr. DURKIN. I will hold off for 10 minutes but not for 10 months.

Mr. ROBERT C. BYRD. I thank the Senator.

RURAL FIRE PROTECTION PROGRAM EXTENSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1267 on page 14 of the calendar.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

Calendar No. 1767, S. 3520, a bill to extend the rural fire protection program, and for other purposes.

The PRESIDING OFFICER. Without objection: the Senate will proceed to its consideration; and it is so ordered.

Mr. DOLE. Mr. President, on June 4 of this year I introduced S. 3520, a bill to extend the rural community fire protection program through fiscal year 1980. My purpose in proposing renewal legislation is identical to my purpose in sponsoring the program at its inception in 1972; it is to assure improved fire protection throughout large sections of rural America where protection is inadequate or nonexistent.

Every year uncontrolled fires claim many lives and millions of dollars of damage in rural communities and on forests, rangelands and croplands. The threat of wildfire is even greater this year as the result of a lack of moisture in several drought areas of the Nation. In California, for instance, the lowest annual rainfall in 150 years set forest fires raging over 150,000 acres of timber and grazing land early this summer, with worse conditions expected. Given this great and growing need for improved rural fire protection, I urge the Senate to take favorable action on my legislation to renew the rural community fire protection program.

PROVEN EFFECTIVENESS

Unlike many other Federal grant programs, the rural community fire protection program has achieved an impact far out of proportion to its modest cost to the taxpayer. It has sparked a renewed local commitment to better and stronger firefighting forces throughout rural America. Since the inception of the program, the volume of applications has remained consistently high, and the program's matching grants have succeeded in generating almost twice as much non-Federal money. In 1975, the first year the program operated, 5,376 applications for assistance were received, and the allocated funds were distributed among 2,167 approved projects. Federal grants totaled $3.5 million and generated an additional $5.2 million in non-Federal matching money.

While much of the total funds were used to purchase or refurbish basic equipment, a significant share was expended on training programs and on organizing new fire departments. During 1975 alone, more than 18,000 rural firemen received training through the program, and 19 new fire districts were established resulting in improved insurance rates in 18 communities. The full data for program operations in 1976 are not yet compiled but I am assured that the statistics will further support my conviction that the rural community fire protection program is a sound and cost effective national investment.

PROGRAM STRUCTURE

My renewal legislation maintains the basic structure of the program. As now, the program will continue to provide technical and financial assistance to State foresters who, in turn, help train, equip, and organize rural firefighting units. Matching grants will continue to be provided on a project basis for the purpose of purchasing or upgrading equipment, establishing fire departments and training firemen in structural and wildland fire suppression techniques. The program, which is restricted to unprotected or poorly protected communities of under 10,000 population, represents a joint Federal-State-local effort.

OVERSIGHT PROVISION

The bill also adds a new provision requiring the U.S. Forest Service to furnish a brief annual report to Congress for oversight purposes. The report will appraise Congress of the number and origin of applications received, the number and amount of grants and matching funds, and the uses to which they are put. In this way, Congress will be able to measure results and judge whether the program is continuing to serve as a strong incentive for better fire protection.

In addition, my legislation underscores the importance of achieving maximum effectiveness by coordinating the program with such complementary programs as Farmers Home Administration's community facilities loans, the Federal excess property loan program, and the volunteer firemen provisions in section 816 of the Agricultural and Consumer Protection Act of 1973.

Mr. President, the capacity to cope with fires depends on the availability of equipment and trained personnel. The rural community fire protection program provides these conditions and has demonstrated its effectiveness. I urge Congress to renew this program in the expectation that we may continue to reduce losses of life and property caused by uncontrolled fires in rural America.

The bill was considered. ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402 of the Rural Development Act of 1972 (7 U.S.C. 2652) is amended by inserting "(a)" before the first sentence and by adding at the end of such section the following new subsections:

"(b) The Secretary, with cooperation and assistance from the Administrator of General Services, shall encourage the use of excess personal property (within the meaning of the Federal Property and Administrative Services Act of 1949) by rural fire forces receiving assistance under this title.

"(c) To promote maximum program effectiveness and economy, the Secretary shall closely coordinate the assistance provided under this title with assistance provided under other fire protection and rural development programs administered by the Secretary.".

SEC. 2. Section 403 of the Rural Development Act of 1972 (7 U.S.C. 2653) is amended by (1) striking out "REPORT.—" and inserting in lieu thereof "REPORTS.—(a)"; and (2) adding at the end of such section a new subsection as follows:

"(b) Not later than March 1 of each year, beginning in the calendar year 1977, the Secretary of Agriculture shall submit a report to the Congress regarding the operation, during the preceding fiscal year, of the program provided for under this title. The Secretary shall include in such report the number of applications for assistance filed by each State during such fiscal year, the number of such applications approved by the Secretary, the amounts allocated to each State and the purposes for which such allocations were made. The Secretary shall also include in such report such comments and recommendations for improving such program as he deems appropriate.

SEC. 3. Section 404 of the Rural Development Act of 1972 (7 U.S.C. 2654) is amended by adding at the end thereof the following new sentence: "There is further authorized to be appropriated to carry out the provisions of this title not to exceed $7,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, and September 30, 1980.".

PRIVILEGE OF THE FLOOR

Mr. THURMOND. Mr. President, I ask unanimous consent that George Ducworth and John Napier of the Judiciary Committee staff be granted the privileges of the floor for the rest of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

POLICE AND FIREMEN'S COST-OF-LIVING ADJUSTMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 1272 on page 14 of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Without objection, the Senate proceeded to consider the bill (H.R. 15276) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the U.S. Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the U.S. Park Police force.

The bill was considered, ordered to a third reading, read the third time, and passed.

DISTRICT OF COLUMBIA BORROWING AUTHORITY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 1273 on page 14 of the Calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider the bill (H.R. 14971) to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment.

The amendment was agreed to.

The bill was ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS FOR USE OF THE UNIVERSITY OF ARIZONA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1284 on page 15 of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the bill (H.R. 14227) to direct the Secretary of Agriculture to release a condition with respect to certain real property conveyed by the United States to the board of regents of the universities and State colleges of Arizona for the use of the University of Arizona, was considered, ordered to a third reading, read the third time, and passed.

THE UNIVERSITY OF ARIZONA LAND EXCHANGE H.R. 14227

Mr. FANNIN. Mr. President, the Secretary of Agriculture in 1958 conveyed approximately 349 acres of land to the Board of Regents of the State of Arizona for the use of the University of Arizona. As required by law, the deed contained a condition that the property only be used for research and educational purposes and that, if it ceased to be used for such purposes, the title of the property was to revert to the United States.

A portion of the land in question is needed by St. Mary's hospital and health center in Tucson, Ariz., for the construction of a new addition. The land is not being used at present and the university has agreed to an exchange under which it will obtain lands from the hospital of equal or greater value. The exchange however cannot be completed unless the restriction on the use of the land is removed together with the reverter clause. The land which would actually be exchanged amounts to 3.24 acres.

H.R. 14227 would authorize removal of the restriction and reverter provision in the original deed to the Board of Regents.

The House of Representatives passed H.R. 14227 as amended by voice vote on September 20. The bill requires that all proceeds from the sale or exchange of the land be restricted solely for the purpose of development or improvement of the remaining lands.

The enactment of this legislation would have no budgetary impact or would require the change in any existing law.

FORT UNION TRADING POST NATIONAL HISTORIC SITE, NORTH DAKOTA AND MONTANA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 1285, page 16.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, The Senate proceeded to consider the bill (S. 3501) to amend the act entitled "An Act to authorize establishment of the Fort Union Trading Post National Historic Site, North Dakota and Montana, and for other purposes," approved June 20, 1966 (80 Stat. 211), which had been reported from the Committee on Interior and Insular Affairs, with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

The title was amended to read as follows:

A bill to amend the Act entitled "An Act to authorize establishment of the Fort Union Trading Post National Historic Site. North Dakota and Montana, and for other purposes" approved June 20, 1966 (80 Stat. 211), and for other purposes.

LT. FREDERICK R. MARLIN, JR.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 1288.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the bill (S. 1870) for the relief of Lt. Frederick R. Marlin, Jr., U.S. Navy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieutenant Frederick R. Marlin, Junior, United States Navy, the sum of $11,565.59, in full satisfaction of all claims of Lieutenant Frederick R. Marlin, Junior, United States Navy, against the United States for compensation for the loss of household goods and personal property which were totally destroyed by flood while in temporary storage at the expense of the United States at Mechanicsburg, Pennsylvania, such sum representing the difference between the amount received by Lieutenant Marlin under the Military Personnel and Civilian Employees' Claims Act of 1964 and the total value of such household goods and personal effects.

SEC. 2. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same is unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor, punishable by a fine of not to exceed $1,000.

REFERRAL OF S. 3648 TO THE COURT OF CLAIMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1289.

The PRESIDING OFFICER. Is there objection?

There being no objection, resolution (S. Res. 484) to refer the bill (S. 3648) entitled "A Bill for the Relief of Harvey E. Ward" to the Chief Commissioner of the U.S. Court of Claims for a report thereon, was considered and agreed to, as follows:

Resolved, That bill (S. 3648) entitled "A bill for the relief of Harvey E. Ward", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

Mr. STEVENSON. Mr. President, Mr. Harvey Ward is a veteran of World War II, retired on disability from the Coast Guard because of a combat injury, which required a series of operations ending in 1959. In 1960, Mr. Ward, with the permission of the Coast Guard, went to teach in a junior college in Australia. Although the Coast Guard warned him against accepting employment that would require his taking an oath of allegiance to a foreign government, it did not warn him that teaching in a foreign public school would place him in violation of the constitutional prohibition against accepting any "emolument from a foreign government" while an officer of the United States—eighth clause of article I, section 9. In 1963, the Coast Guard realized that he was teaching in a public school and ruled that an amount equal to his earnings must be withheld to cover the period. The Comptroller General affirmed the ruling and subsequently more than $15,000 was withheld from Mr. Ward's disability retirement pay.

Senate adoption of Senate Resolution 484 will refer the matter to the U.S. Court of Claims, where Mr. Ward will obtain a review of the decision and of the merits of his claim.

REFERRAL OF S. 337 TO THE COURT OF CLAIMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1290.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the resolution (S. Res. 522) to refer S. 337 to the Chief Commissioner of the U.S. Court of Claims, was considered and agreed to, as follows:

S. RES. 522

Resolved, That bill (S. 337) entitled "A bill for the relief of Viola J. Stewart, Lois Souby, Jane Robertson, and Norma Jean Ridgeway", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal and equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimants.

COMDR. STANLEY W. BIRCH, JR.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1291.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the bill (H.R. 8027) for the relief of Comdr. Stanley W. Birch, was considered, order to a third reading, read the third time, and passed.

DESIGNATING CERTAIN LANDS OF THE NATIONAL PARK SYSTEM AS WILDERNESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1287 on page 16.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

H.R. 13160 to designate certain lands within units of the national park system as wilderness; to revise the boundaries of certain of these units, and for other purposes.

The PRESIDING OFFICER. Is there objection? There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the committee amendments be considered and adopted en bloc, and that the bill as thus amended be considered as original text for the purpose of further amendment. If the Senator wants to amend, he can do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 524

Mr. HANSEN. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. HANSEN) proposed unprinted amendment No. 524.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add a new section 8 as follows:

"SEC. 8. Notwithstanding any other provision of law, any designation of the lands in the Shoshone National Forest, Wyoming, known as the Whiskey Mountain Area, comprising approximately six thousand four hundred and ninety-seven acres and depicted as the "Whiskey Mountain Area—Glacier Primitive Area" on a map entitled "Proposed Glacier Wilderness and Glacier Primitive Area", dated September 23, 1976, on file in the Office of the Chief, Forest Service, Department of Agriculture, shall be classified as a primitive area until the Secretary of Agriculture or his designee determines otherwise pursuant to classification procedures for national forest primitive areas. Provisions of any other Act designating the Fitzpatrick Wilderness in said Forest shall continue to be effective only for the approximately one hundred and ninety-one thousand one hundred and three acres depicted as the "Proposed Glacier Wilderness" on said map."

Mr. HANSEN. What this amendment does is to remove the wilderness area that was voted on last night by the Senate from the Fitzpatrick Wilderness area in Wyoming. It has been cleared on both sides, and I have as cosponsors Senators JOHNSTON, METCALF, FANNIN, EAGLETON, and STONE, and there would have been others if I could have gotten to them.

I hope the amendment might be accepted. I think it was the feeling of the Senate last night that if this had been included in the omnibus bill it would have caused a problem in the House. I hope it will be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time. The bill was read a third time, and passed.

MURALS IN THE HOUSE WING OF THE CAPITOL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 1301.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider the joint resolution (H.J. Res. 967) authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the U.S. Capitol Historial Society, of preliminary design sketches and funds for murals in the first floor corridors in the House wing of the Capitol, and for other purposes.

Mr. HUMPHREY. Mr. President, many of us are familiar with the published contributions of the society, ranging from "We, the People," and the new "Magna Carta and the Tradition of Liberty," to the scholarly journal "Capitol Studies." Many of us also have had the pleasure of gazing at the beautiful art work in "Capitol Hall" leading to the House restaurant. This beautiful corridor was the work of Allyn Cox under the sponsorship of the society and, of course, the cooperation and approval of Congress.

Now, the society asks our approval for the continuation of their program to beautify still further our Capitol. Phase II of the art program, to decorate the major east-west corridor on the south side of the Capitol has already begun, with Allyn Cox hard at work on the various scenes that will grace the hall. I would like to mention also the inspiring messages that will accompany many of these scenes from America's history. Distinguished Members of Congress, artists, and historians have cooperated with Mr. Cox and the society in the preparation of this work, which promises to be as well received as Capitol Hall. With permission, I would like to add a list of the scenes under consideration, and some of the inscriptions that may be used to this brief statement. A little further in the future, the society plans an extension of this art program and some preliminary plans are also available to us. I urge every Member to review these, as they are both a reminder of, and a tribute to, our history.

As has been true throughout, this art necessitates no appropriated funds. The U.S. Capitol Historical Society absorbed the cost of Capitol Hall, a cost of approximately $100,000. This second phase of the program has benefited from the generous donation of $150,000 from the Daughters of the American Revolution. The society assures me that later phases of the program will likewise be accepted as their responsibility. Not only should this resolution be passed, but it should be accompanied by our salute to the patriotism and generosity of the U.S. Capitol Historical Society and its associates.

The joint resolution was ordered to a third reading, read the third time, and passed.

TO ESTABLISH AN ADDITIONAL ASSISTANT SECRETARY OF THE INTERIOR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order 1303 on page 17.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider the bill (S. 2144) to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 2144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be in the Department of the Interior, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of the Interior for Indian Affairs, who shall be appointed by the President by and with the advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe with respect to the conduct of Indian affairs, and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior.

SEC. 2. Section 5315 of title 5 of the United States Code is amended by striking out "6" at the end of item (18) and by inserting in lieu thereof "(7)".

SEC. 3. The following provisions are repealed effective when an Assistant Secretary for Indian Affairs has been confirmed and takes the oath of office:

(1) paragraph (45) of section 5316 of title 5 of the United States Code;

(2) section 462, Revised Statutes, as amended and supplemental (25 U.S.C. 1); and

(3) the Act of June 5, 1942 (56 Stat. 312) as amended (25 U.S.C. 2a).

SEC. 4. (a) Each provision of any Act of Congress which has reference to the Commissioner of Indian Affairs, shall, upon enactment of this Act, be deemed to refer to the Assistant Secretary of the Interior for Indian Affairs.

(b) All rules, regulations, orders, authorizations, delegations duly issued, made, or taken either by the Secretary of the Interior relating to the Commission of Indian Affairs or by the Commissioner of Indian Affairs prior to enactment of this Act shall continue in full force and effect until modified or rescinded by the Secretary of the Interior or his designee and all references therein to the Commissioner of Indian Affairs shall be deemed to be to the Assistant Secretary of the Interior for Indian Affairs.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Arkansas.

UNSWORN DECLARATIONS IN FEDERAL PROCEEDINGS

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 15531, and I ask that the Senate proceed to the immedite consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 15531) to permit the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings.

Mr. McCLELLAN. Mr. President, this bill has been cleared on both sides by all parties of interest.

I ask unanimous consent to have printed in the RECORD at this point a statement from Senator TUNNEY supporting the bill and a letter from him to me urging that we get the bill passed.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 30, 1976.

Hon. JOHN L. MCCLELLAN,
U.S. Senate,
Washington, D.C.

DEAR JOHN,

The State Bar of California has contacted me about H.R. 15531, a bill to permit the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings. This has long been the practice in California state courts and has proven itself in practice. I have studied H.R. 15531 and I think it is a good bill. I have contacted several of the other members of the Judiciary Committee to let them know of my support of it.

The House has now passed the bill by voice vote. Unfortunately, I must be back in California before it would be possible for me to bring the bill up on the Senate floor. I would appreciate it very much if you could be instrumental in moving the bill

Thanks.

Sincerely,

JOHN V. TUNNEY.

STATEMENT OF SENATOR JOHN V. TUNNEY ON H.R. 15531

H.R. 15531 is a bill to permit the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings. It was introduced in the other house by the distinguished Member from California (Mr. Danielson) and was passed there by voice vote.

I want to thank the eminent Senator from Arkansas (Mr. McClellan) who, as Chairman of the Subcommittee on Criminal Laws and Procedures, was instrumental in making it possible to move forward on this bill in the Senate, as part of his long-standing concern for improvement in our laws.

This bill authorizes the use of unsworn declarations under penalty of perjury wherever in Federal procedure it has been necessary to use sworn affidavits. Conforming amendments change the Federal perjury laws to cover these declarations.

The result of this bill is to do away with one of the remaining anachronisms of our law—the requirement that relatively routine documents bear the seal of a notary public. For those executing documents in foreign countries for use in American courts, the new procedure is a particularly sharp simplification of existing formalities. Thus the bill is one more step towards the goal of a justice system which is simple, inexpensive and uncluttered by needless formalities.

Of course there remain to be taken many other steps which are more far reaching. Many of these were the subject of the hearings I conducted this summer, as chairman of the Subcommittee on Constitutional Rights, on "The Causes of Popular Dissatisfaction with the Administration of Justice."

The simplified procedure which this bill adopts for Federal practice has long been the law in my home state of California, where it has proven itself by experience. The State Bar of California has endorsed the principle of this bill, as the lawyers of California known from their practice under the state law that this is a desirable step towards simplification of our justice system.

The **PRESIDING OFFICER**. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading and was read the third time, and passed.

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that Mr. Lamar Schneider, of the Judiciary Committee staff be granted the privileges of the floor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

VETERANS' EDUCATION AND EMPLOYMENT ASSISTANCE ACT OF 1976

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 1179.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of S. 969, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 969) to amend chapter 34 of title 38, United States Code, to extend the basic educational assistance eligibility for veterans under chapter 34 and for certain dependents under chapter 35 from 36 to 45 months.

The Senate proceeded to consider the bill which had been reported from the Committee on Veterans' Affairs with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Veterans' Education and Employment Assistance Act of 1976".

TITLE I—CHAPTER 31 DISABLED VETERANS' VOCATIONAL REHABILITATION RATE AND PROGRAM ADJUSTMENTS

SEC. 101. The table contained in section 1504(b) of title 38, United States Code, is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$226	$280	$329	$24
Three-quarter-time	170	210	247	18
Half-time	113	140	165	12
Farm cooperative, apprentice, or other on-job training:				
Full-time	197	238	275	18".

SEC. 102. Section 1503(c) of title 38, United States Code, is amended by striking out ", but not beyond ten years after such termination date, or June 30, 1975, whichever date is the later," and inserting in lieu thereof "when such action is determined by the Administrator to be necessary for such veteran based upon such veteran's disability and need for vocational rehabilitation,".

SEC. 103. Section 1511 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, the facilities of any agency of the United States, as designated in clause (3) of this section, may be used to provide unpaid training or work experience as part or all of a veteran's program of vocational rehabilitation when the Administrator determines such training or work experience to be necessary to accomplish vocational rehabilitation. While pursuing such training or work experience, an uncompensated veteran shall be deemed an employee of the United States for the purposes of the benefits of chapter 81 of title 5 but not for the purposes of laws administered by the Civil Service Commission.".

SEC. 104. Chapter 31 of title 38, United States Code, is amended—

(1) by striking out in the second sentence of section 1502(b) "him" and inserting in lieu thereof "the veteran";

(2) by striking out in subsections (a) and (b) of section 1503 "his", "he", and "him" each time they appear and inserting in lieu thereof "the veteran's", "the veteran", and "the veteran", respectively;

(3) by striking out in section 1503(c) "him" and "he" each time they appear and inserting in lieu thereof "the veteran" and by striking out "his" the first and second time it appears and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(4) by striking out in subsections (a) and (c) of section 1504 "his" and "him" and inserting in lieu thereof "the veteran's" and "the employer", respectively;

(5) by striking out in section 1505 "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(6) by striking out in section 1507 "him" and inserting in lieu thereof "the Administrator";

(7) by striking out in section 1508 "he" and inserting in lieu thereof "the Administrator";

(8) by striking out in section 1509(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the veteran", "the veteran's", and "the veteran", respectively;

(9) by striking out in section 1509(b) "he" and inserting in lieu thereof "the Administrator";

(10) by striking out in section 1510 "he" each time it appears and inserting in lieu thereof "such person"; and

(11) by striking out in section 1511 "he" and inserting in lieu thereof "the Administrator".

TITLE II—VETERANS' EDUCATION RATE AND PROGRAM ADJUSTMENTS

SEC. 201. Chapter 34 of title 88, United States Code, is amended—

(1) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two·
Institutional:				
Full-time	$292	$347	$396	$21
Three-quarter-time	219	260	297	18
Half-time	146	174	198	12
Cooperative	235	276	313	18";

(2) by striking out in section 1682(b) "270" and inserting in lieu thereof "$292";

(3) by amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$235	$276	$313	$18
Three-quarter-time	176	207	235	14
Half-time	118	138	157	9";

and

(4) by striking out in section 1696(b) "$270" and inserting in lieu thereof "$292".

SEC. 202. Section 1652 of title 38, United States Code, is amended by adding at the end thereof the following new subsections:

"(f) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree.

"(g) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (1) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (2) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (3) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

SEC. 203. Section 1661 of title 38, United States Code, is amended—

(1) by striking out in the second sentence of subsection (a) all after "period of" the second time it appears and inserting in lieu thereof "45 months (or the equivalent thereof in part-time educational assistance).";

(2) by inserting in subsection (a) "or served for a period of less than 18 months after such date and received a medical discharge because of service-connected disabilities," after "active duty obligation,"; and

(3) by amending subsection (c) to read as follows:

"(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of 45 months.".

SEC. 204. Section 1662(a) of title 38, United States Code, is amended by inserting immediately before the period at the end thereof the following: "; except that in the case of any eligible veteran who was prevented from initiating or completing such veteran's program of education within such time period because of a physical or mental disability which was not the result of such veteran's own willful misconduct, such veteran shall, upon application, be granted an extension of the applicable delimiting period for such length of time as the Administrator determines, from the evidence, that such veteran was prevented from initiating or completing a program of education.".

SEC. 205. (a) The Administrator shall carry out a study of the vocational objective programs approved for the enrollment of veterans and other eligible persons under chapters 31, 34, 35, and 36 of title 38, United States Code. The study shall include the extent to which such programs are in compliance with the applicable provisions of such chapters particularly the requirements of section 1673(a)(2) of that title.

(b) The findings and report of such study with respect to the provisions of section 1673(a)(2) of such title shall include, but shall not be limited to—

(1) the number of veterans and institutions submitting justification asserting compliance with the requirements of such section and the extent to which any courses were challenged or disqualified by a State approving agency or by the Veterans' Administration;

(2) the number of institutions and courses for which justification showing compliance with the requirements of such section was not submitted;

(3) the number of courses for which justification showing compliance with the requirements of this section was submitted and actively reviewed by either the appropriate State approving agency or by the Veterans' Administration;

(4) the extent to which courses subject to the requirements of such section have not been identified or surveyed;

(5) the extent to which vocational objective programs have been converted to degree programs following enactment of Public Law 93-508;

(6) information as to completion rates of those courses submitting placement reports pursuant to such section;

(7) the extent to which justification submitted pursuant to such section disclosed invalid survey population;

(8) the extent to which justification submitted pursuant to such section disclosed improper exclusion of students who completed the course but did not take or pass a licensing examination given by the State;

(9) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons employed in other fields;

(10) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons as being in closely related occupations, when in fact they were not;

(11) the extent to which justification submitted pursuant to such section disclosed improper exclusion of some persons as not being available for employment;

(12) the extent to which there are deficiencies in basic procedures, instructions, and forms issued pursuant to such section; and

(13) the extent to which vocational objective programs are being pursued for avocational or recreational purposes.

(c) The Administrator shall report the results of the study carried out under this section to the Congress and the President not later than 180 days after the date of enactment of this Act and shall include in such report any recommendations for legislative or administrative action the Administrator deems appropriate.

SEC. 206. Section 1673 of title 38, United States Code, is amended—

(1) by striking out at the end of subsection (a)(2) "or";

(2) by striking out the period at the end of subsection (a)(3) and inserting in lieu thereof "; or";

(3) by adding at the end of subsection (a) a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree."; and

(4) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter or any farm cooperative training course) for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution, by the Veterans' Administration under this title and/or by grants from any Federal agency. The Administrator may waive the requirements of this subsection with respect to grants from any Federal agency upon the recommendation of the Secretary of Health, Education, and Welfare if the Administrator determines it to be in the interest of the eligible veteran.".

SEC. 207. Section 1674 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Progress will be considered unsatisfactory at any time the eligible veteran is not progressing at a rate that will permit such veteran to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration unless the Administrator finds there are mitigating circumstances.".

SEC. 208. Section 1682 of title 38, United States Code, is amended by adding a new subsection (e) at the end thereof as follows:

"(e) The educational assistance allowances of an eligible veteran pursuing an independent study program which leads to a standard college degree shall be computed at the rate provided in subsection (b)(2) of this section. In those cases where independent study is combined with resident training and the resident training constitutes the major portion of such training, the maximum allowance may not exceed the full-time institutional allowance provided under subsection (a)(1) of this section.".

SEC. 209. Section 1685(b) of title 38, United States Code, is amended by adding at the end thereof the following: "In the event the veteran ceases to be a full-time student before completing such agreement, the veteran may, with the approval of the Administrator, be permitted to complete such agreement.".

SEC. 210. Section 1692 of title 38, United States Code, is amended—

(1) by adding at the end of subsection (a) thereof the following: "A veteran enrolled in and pursuing an institutional or technical course not leading to a standard college degree, who has not received a high school diploma or equivalency certificate, may, subject to such regulations as the Administrator shall prescribe, be entitled to receive tutorial assistance. Such assistance shall be limited to the academic portions of such a course and may not be granted in connection with the laboratory or shop portions or to any courses provided under section 1691 or section 1695 of this title,"; and

(2) by striking out in subsection (b) "$60" and "$720" and inserting in lieu thereof "$65" and "$780",

SEC. 211. Chapter 34 of title 38, United States Code, is amended—

(1) by striking out in section 1652(e) "United States Code,";

(2) by striking out in subsections (a) and (b) of section 1681 "section 1780" and inserting in lieu thereof "chapter 36";

(3) by redesignating section 1697A as section 1698; and

(4) by striking out in the table of sections at the beginning of such chapter "1697A" and inserting in lieu thereof "1698".

SEC. 212. Chapter 34 of title 38, United States Code, is amended—

(1) by striking out in subsections (a) and (d) of section 1652 "he" and "wife" and inserting in lieu thereof "such individual" and "spouse", respectively;

(2) by striking out in section 1661(a) "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(3) by striking out in subsections (a), (b), and (d) of section 1662 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(4) by striking out in section 1663 "he" each time it appears and inserting in lieu thereof "the Administrator";

(5) by striking out in section 1670 "him" each time it appears and inserting in lieu thereof "the veteran";

(6) by striking out in section 1671 "he" the first time it appears and inserting in lieu thereof "the Administrator", by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person", and by striking out "his" each time it appears and inserting in lieu thereof "the veteran's or person's";

(7) by striking out in section 1673(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(8) by striking out in section 1674 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the Administrator", respectively;

(9) by striking out in section 1676 "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(10) by striking out in section 1681(a) "his" and inserting in lieu thereof "the veteran's";

(11) by striking out in section 1685(c) "he" and "his" each time they appear and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(12) by striking out in section 1691(a)

"his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(13) by striking out in section 1693(a) "he" and inserting in lieu thereof "the Administrator"; and

(14) by striking out in subsections (a) and (b) of section 1698 (as redesignated by section 211(3) of this Act) "he" and "his" and inserting in lieu thereof "the Administrator" and "such person's", respectively.

Sec. 213. Section 1663 of title 38, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "The Administrator shall make available to any eligible veteran, upon such veteran's request, comprehensive counseling services, including but not limited, to vocational and educational counseling and testing."; and

(2) by adding at the end thereof the following: "The Administrator shall carry out an effective outreach program to acquaint all eligible veterans with the availability of said counseling, its benefits and advantages.".

TITLE III—CHAPTER 35 SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE RATE AND PROGRAM ADJUSTMENTS

Sec. 301. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1732(b) "$217" and inserting in lieu thereof "$235"; and

(2) by amending subsection (a) of section 1742 to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of $292 per month. If the charges for tuition and fees applicable to any such course are more than $92 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $92 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $9.76 that the special training allowance paid exceeds the basic monthly allowance.".

Sec. 302. Section 1701(a) of title 38, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(10) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a techncal or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree.

"(11) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (A) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (B) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (C) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

Sec. 303. Section 1711 of title 38, United States Code, is amended—

(1) by striking out in subsection (a) "thirty-six" and inserting in lieu thereof "45"; and

(2) by striking out in subsection (b) "nine" and inserting in lieu thereof "12".

Sec. 304. Section 1712 of title 38, United States Code, is amended—

(1) by striking out in clauses (3) and (4) of subsection (a) "five" each time it appears and inserting in lieu thereof "8";

(2) by amending clause (5) of subsection (a) to read as follows:

(5)(A) if such person is enrolled in an educational institution regularly operated on the quarter or semester system and such period ends during a quarter or semester, such period shall be extended to the end of the quarter or semester; or

(B) if such person is enrolled in an educational institution operated on other than a quarter or semester system and such period ends after a major portion of the course is completed, such period shall be extended to the end of the course, or until 12 weeks have expired, whichever first occurs.; and

(3) by repealing subsection (d) and redesignating subsections (e), (f), and (g), as subsections (d), (e), and (f), respectively.

Sec. 305. Section 1713 of title 38, United States Code, is amended to read as follows:

The parent or guardian of a person (or the eligible person if such person has attained legal majority) for whom educational assistance is sought under this chapter shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is an eligible person, the Administrator shall approve the application provisionally. The Administrator shall notify the parent or guardian or eligible person (if the person has attained legal majority) of the provisional approval or of the disapproval of the application..

Sec. 306. Section 1723(a) of title 38, United States Code, is amended—

(1) by striking out at the end of clause (2) "or";

(2) by striking out at the end of clause (3) the period and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree.".

Sec. 307. Section 1724 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Progress will be considered unsatisfactory at any time an eligible person is not progressing at a rate that will permit such person to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration unless the Administrator finds there are mitigating circumstances.".

Sec. 308. Section 1732(c) of title 38, United States Code, is amended by adding a new paragraph (3) at the end thereof as follows:

"(3) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing an independent study program which leads to a standard college degree shall be computed at the rate prescribed in section 1682(e) of this title.".

Sec. 309. (a) The title of chapter 35 of title 38, United States Code, is amended by striking out

"CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE"

and inserting in lieu thereof

"CHAPTER 35—SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE"

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by striking out

"35. War Orphans' and Widows' Educational Assistance ------------------ 1700"

and inserting in lieu thereof

"35. Survivors' and Dependents' Educational Assistance ------------------ 1700"

(c) Section 1731(a) is amended by striking out "section 1780" and inserting in lieu thereof "chapter 36".

Sec. 310. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1700 "widows", "wives", and "his" each time they appear and inserting in lieu thereof "surviving spouses", "spouses", and "the veteran's", respectively;

(2) by striking out in section 1701(a) "widow" and "wife" each time they appear and inserting in lieu thereof "surviving spouse" and "spouse", respectively;

(3) by striking out in section 1701(b) "his" and inserting in lieu thereof "the person's" and by striking out "himself";

(4) by striking out in section 1701(c) "his" each time it appears and inserting in lieu thereof "such person's" and by striking out "himself";

(5) by striking out in section 1701(d) "he" each time it appears and inserting in lieu thereof "such person";

(6) by striking out in section 1711(b) "she" the first time it appears and inserting in lieu thereof "the spouse", by striking out "her" each time it appears and inserting in lieu thereof "such persons", and by striking out "he or she" each time it appears and inserting in lieu thereof "such person";

(7) by striking out in section 1712(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the person", "the person's", and "the person", respectively;

(8) by striking out in section 1712(c) "him", "he", "his" each time they appear and inserting in lieu thereof "such person",. "such person", and "such person's", respectively;

(9) by striking out in subsections (e) and (f) of section 1712 (as redesignated by section 304(3) of this Act) "her" and "he" and inserting in lieu thereof "the" and "such person", respectively;

(10) by striking out in section 1720(a) "his" each time it appears and inserting in lieu thereof "such person's";

(11) by striking out in section 1721 "he" and inserting in lieu thereof "the Administrator";

(12) by striking out in section 1723(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the person's", respectively;

(13) by striking out in section 1723(c) "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(14) by striking out in section 1723(d) "his" each time it appears and inserting in lieu thereof "such person's";

(15) by striking out in section 1724 "he" the first time it appears and inserting in lieu thereof "such person", and by striking out "his" each time it appears and inserting in lieu thereof "the person's", and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

(16) by striking out in section 1731(b) "his" and "he" and inserting in lieu thereof "the person's" and "the person", respectively;

(17) by striking out in section 1733(a) "wife or widow" and "she" and inserting in lieu thereof "spouse or surviving spouse" and "such spouse", respectively;

(18) by striking out in section 1733(b) "he" and inserting in lieu thereof "such person";

(19) by striking out in section 1734(b) "wife or widow" and inserting in lieu thereof "spouse or surviving spouse";

(20) by striking out in section 1736 "he" and inserting in lieu thereof "the Administrator";

(21) by striking out in section 1741(b) "he" and inserting in lieu thereof "the Administrator";

(22) by striking out in subsections (a) and (b) of section 1743 "his" and "he" each time they appear and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(23) by striking out in section 1761(a) "he" and inserting in lieu thereof "the Administrator"; and

(24) by striking out in section 1763 "his" and inserting in lieu thereof "such person's".

TITLE IV—POST-VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT

SEC. 401. This title may be cited as the "Post-Vietnam Era Veterans' Readjustment Assistance Act of 1977".

SEC. 402. Section 1652 of title 38, United States Code, is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(1) The term 'eligible veteran' means any veteran who—

"(A) served on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and before January 1, 1977, and was discharged or released therefrom under conditions other than dishonorable; or

"(B) contracted with the Armed Forces and was enlisted in or assigned to a reserve component prior to January 1, 1977, and as a result of such enlistment or assignment served on active duty for a period of more than 180 days, any part of which commenced within 12 months after January 1, 1977, and was discharged or released from such active duty under conditions other than dishonorable; or

"(C) was discharged or released from active duty, any part of which was performed after January 31, 1955, and before January 1, 1977, or following entrance into active service from an enlistment provided for under clause (B) of this paragraph, because of a service-connected disability."; and

(2) by inserting in subsection (a)(2) "or (B)" after "paragraph (1)(A)".

SEC. 403. Section 1661(a) of title 38, United States Code, is amended by adding at the end thereof a new sentence as follows: "In the case of any person serving on active duty on December 31, 1976, or a person whose eligibility is based on section 1652(a)(1)(B) of this chapter, the ending date for computing such person's entitlement shall be the date of such person's first discharge or release from active duty after December 31, 1976.".

SEC. 404. Part III of title 38, United States Code, is amended by inserting immediately after chapter 31 of such title a new chapter as follows:

"CHAPTER 32—POST-VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE

"SUBCHAPTER I—PURPOSE; DEFINITIONS

"Sec.
"1601. Purpose.
"1602. Definitions.

"SUBCHAPTER II—ELIGIBILITY; CONTRIBUTIONS; AND MATCHING FUND

"1621. Eligibility.
"1622. Contributions; matching fund.
"1623. Refunds of contributions upon disenrollment.
"1624. Death of participant.
"1625. Discharge or release under conditions which would bar use of benefits.

"SUBCHAPTER III—ENTITLEMENT; DURATION

"1631. Entitlement; loan eligibility.
"1632. Duration; limitations.

"SUBCHAPTER IV—ADMINISTRATION

"1641. Requirements.
"1642. Outreach efforts.
"1643. Reporting requirements.
"1644. Deposits; reports.

"Subchapter I—Purpose; Definitions

"§ 1601. Purpose

"It is the purpose of this chapter (1) to provide educational assistance to those men and women who enter the Armed Forces after December 31, 1976, (2) to assist young men and women in obtaining an education they might not otherwise be able to afford, and (3) to promote and assist the all volunteer military programs of the United States by attracting qualified men and women to serve in the Armed Forces.

"§ 1602. Definitions

"For the purposes of this chapter—

"(1)(A) The term 'eligible veteran' means any veteran who (i) initially entered military service on or after January 1, 1977, served on active duty for a period of more than 180 days commencing on or after such date, and was discharged or released therefrom under conditions other than dishonorable, or (ii) initially entered military service on or after January 1, 1977, and was discharged or released from active duty after such date for a service-connected disability.

"(B) The requirement of discharge or release, prescribed in subparagraph (A), shall be waived in the case of any participant who has completed his or her first obligated period of active duty (which began after December 31, 1976) or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(C) For the purposes of subparagraphs (A) and (B), the term 'active duty' does not include any period during which an individual (i) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (ii) served as a cadet or midshipman at one of the service academies, or (iii) served under the provisions of section 511 (d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

"(2) The terms 'program of education' and 'educational institution' shall have the same meaning ascribed to them in sections 1652 (b) and 1652(c), respectively, of this title.

"(3) The term 'participant' is a person who is participating in the educational benefits program established under this chapter.

"Subchapter II—Eligibility; Contributions; and Matching Fund

"§ 1621. Eligibility

"(a) Each person entering military service on or after January 1, 1977, shall have the right to enroll in the educational benefits program provided by this chapter (hereinafter in this chapter referred to as the 'program' except where the text indicates otherwise) at any time during such person's service on active duty. When a person elects to enroll in the program, such person must participate for at least 12 consecutive months before disenrolling or suspending participation.

"(b) The requirement for 12 consecutive months of participation required by subsection (a) of this section shall not apply when (1) the participant suspends participation or disenrolls from the program because of personal hardship as defined in regulations issued jointly by the Administrator and the Secretary of Defense (hereinafter in this chapter referred to as the 'Secretary'), or (2) the participant is discharged or released from active duty.

"(c) A participant shall be permitted to suspend participation or disenroll from the program at the end of any 12-consecutive-month period of participation. If participation is suspended, the participant shall be eligible to make additional contributions to the program under such terms and conditions as shall be prescribed by regulations issued jointly by the Administrator and the Secretary.

"(d) If a participant disenrolls from the program, such participant forfeits any entitlement to benefits under the program except as provided in subsection (e) of this section. A participant who disenrolls from the program is eligible for a refund of such participant's contributions as provided in section 1623 of this title.

"(e) A participant who has disenrolled may be permitted to reenroll in the program under such conditions as shall be prescribed jointly by the Administrator and the Secretary.

"§ 1622. Contributions; matching fund

"(a) Each person electing to participate in the program shall agree to have a monthly deduction made from such person's military pay. Such monthly deduction shall be in any amount not less than $50 nor more than $75 except that the amount must be divisible by 5. Any such amount contributed by the participant or contributed by the Secretary pursuant to subsection (c) of this section shall be deposited in a special educational funding account (hereinafter in this chapter referred to as the 'fund') to be established in the Treasury of the United States. Contributions made by the participant shall be limited to a maximum of $2,700.

"(b) Except as otherwise provided in this chapter, each monthly contribution made by a participant under subsection (a) shall entitle the participant to matching funds from the Veterans' Administration at the rate of $2 for each $1 contributed by the participant.

"(c) The Secretary is authorized to contribute to the fund of any participant such contributions as the Secretary deems necessary or appropriate to encourage persons to enter or remain in the Armed Forces. The Secretary is authorized to issue such rules and regulations as the Secretary deems necessary or appropriate to implement the provisions of this subsection.

"§ 1623. Refunds of contributions upon disenrollment

"(a) Contributions made to the program by a participant may be refunded only after the participant has disenrolled from the program or as provided in section 1624.

"(b) If a participant disenrolls from the program prior to discharge or release from active duty, such participant's contributions will be refunded on the date of the participant's discharge or release from active duty or within 60 days of receipt of notice by the Administrator of the participant's disenrollment, whichever is later, except that refunds may be made earlier in instances of hardship or other good reason as prescribed in regulations issued jointly by the Administrator and the Secretary.

"(c) If a participant disenrolls from the program after discharge or release from active duty, the participant's contributions shall be refunded within 60 days of receipt of an application for a refund from the participant.

"(d) In the event the participant (1) dies while on active duty, (2) dies after discharge or release from active duty, or (3) disenrolls or is disenrolled from the program without having utilized any entitlement, the participant may have accrued under the program, or, in the event the participant utilizes part of such participant's entitlement and disenrolls or is disenrolled from the program, the amount contributed by the Secretary under the authority of section 1622(c) remaining in the fund shall be refunded to the Secretary.

"§ 1624. Death of participant.

"(a) If a participant dies, the amount of such participant's unused contributions to the fund shall be paid (1) to the beneficiary or beneficiaries designated by such participant under such participant's Servicemen's Group Life Insurance policy, or (2) to the participant's estate if no beneficiary has been designated under such policy or if the participant is not insured under the Servicemen's Group Life Insurance program.

"(b) If a participant dies after having been discharged or released from active duty and before using any or all of the contributions which the participant made to the fund, such unused contributions shall be paid as prescribed in subsection (a) of this section.

"§ 1625. Discharge or release under conditions which would bar the use of benefits

"If a participant in the program is discharged or released from active duty under dishonorable conditions, such participant is automatically disenrolled and any contributions made by such participant shall be refunded to such participant on the date of such participant's discharge or release from active duty or within 60 days from receipt of notice by the Administrator of such discharge or release, whichever is later.

"Subchapter III—Entitlement; Duration

"§ 1631. Entitlement: loan eligibility.

"(a)(1) A participant shall be entitled to a maximum of 36 monthly benefit payments (or their equivalent in the event of part-time benefit payments).

"(2) The amount of the monthly payment to which any eligible veteran is entitled shall be ascertained by (A) adding all contributions made to the fund by the eligible veteran, (B) multiplying the sum by 3, (C) adding all contributions made to the fund for such veteran by the Secretary, and (D) dividing the sum by the lesser of 36 or the number of months in which contributions were made by such veteran.

"(3) Payment of benefits under this chapter may be made only for periods of time during which an eligible veteran is actually enrolled in and pursuing an approval program of education and, except as provided in paragraph (4), only after an eligible veteran has been discharged or released from active duty.

"(4) Payment of benefits under this chapter may be made after a participant has completed his or her first obligated period of active duty (which began after December 31, 1976) or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(b) Any member of the Armed Forces participating in the program shall be eligible to participate in the Predischarge Education Program (PREP) authorized by subchapter VI of chapter 34 of this title.

"(c) When an eligible veteran is pursuing either a program of education under this chapter by correspondence or a program of flight training, such eligible veteran's entitlement shall be charged at the rate of 1 month's entitlement for each month of benefits paid to the eligible veteran (computed on the basis of the formula provided in subsection (a)(2) of this section).

"(d) Eligible veterans participating in the program shall be eligible for education loans authorized by subchapter III of chapter 36 of this title in such amounts and on the same terms and conditions as provided in such subchapter, except that the term 'eligible veteran' as used in such subchapter shall be deemed to include 'eligible veteran' as defined in this chapter.

"§ 1632. Duration; limitations

"No educational assistance benefits shall be afforded an eligible veteran under this chapter beyond the date of 10 years after such veteran's last discharge or release from active duty. In the event an eligible veteran has not utilized any or all of such veteran's entitlement by the end of the 10-year period, such eligible veteran is automatically disenrolled and any contributions made by such veteran remaining in the fund shall be refunded to the veteran following notice to the veteran and an application by the veteran for such refund. If no application is received within 1 year from date of notice, it will be presumed for the purposes of subsection (a) of section 725s of title 31, that the individual's whereabouts is unknown and the funds shall be transferred as directed in the last proviso of that subsection.

"Subchapter IV—Administration

"§ 1641. Requirements

"The provisions of sections 1663, 1670, 1671, 1673, 1674, 1676, 1677, 1681(c), 1683, 1685, 1695, 1696, 1697, and 1698 of this title and the provisions of chapter 36 of this title, with the exception of sections 1777, 1780(c), and 1787, shall be applicable to the program.

"§ 1642. Outreach efforts

"The Administrator shall designate an appropriate official of the Veterans' Administration who shall cooperate with and assist the Secretary (or any official designated by such Secretary as administratively responsible for such matters) in carrying out an effective outreach program to acquaint all persons entering or considering entry into the Armed Forces with the benefits and advantages of the program provided for in this chapter. The outreach program shall be designed to advise and counsel each person entering and each person considering entry into the Armed Forces on or after January 1, 1977, with respect to the benefits and advantages of enrollment in the program.

"§ 1643. Reporting requirements

"The Administrator and the Secretary shall, within 90 days after the date of enactment of this chapter, submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a joint report containing their respective plans for implementation of the program provided for in this chapter. The Administrator and the Secretary shall submit to such committees a report each year detailing the operations of the program (including outreach efforts) during the preceding year. The first such annual report shall be submitted 15 months after the date of enactment of this section.

"§ 1644. Deposits; reports

"Deductions made by the Department of Defense from the military pay of any participant shall be promptly transferred to the Administrator for deposit in the fund. The Secretary shall also submit to the Administrator a report each month showing the name, service number, and the amount of the deduction made from the military pay of each initial enrollee, any contribution made by the Secretary pursuant to section 1622(c), as well as any changes in each participant's enrollment and/or contribution. The report shall also include any additional information the Administrator and the Secretary deem necessary to administer this program. The Administrator shall maintain accounts showing contributions made to the fund by individual participants and by the Secretary as well as disbursements made from the fund in the form of benefits.".

Sec. 405. The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by inserting immediately below

"31. Vocational Rehabilitation..... 1501"

the following:

"32. Post-Vietnam Era Veterans' Readjustment Assistance....... 1601".

Sec. 406. The provisions of this title shall become effective on January 1, 1977.

Sec. 407. In the event that legislation is enacted after the date of enactment of this Act providing for the involuntary induction of persons into the Armed Forces under the Military Selective Service Act (or other corresponding legislation)—

(1) any individual entering military service on or after the effective date of such law shall be eligible to accrue entitlement to the benefits provided by chapter 34 of title 38, United States Code, but shall not be eligible under the provisions of chapter 32 of such title (provided in section 404 of this Act); and

(2) any participant in the program provided for in chapter 32 of such title shall have the right to elect to continue his participation under the provisions of such chapter or to come under the provisions of chapter 34 of title 38, United States Code.

Election by the participant under clause (2) of the first sentence of this section shall be made, in such manner as shall be prescribed in regulations issued jointly by the Administrator of Veterans' Affairs and the Secretary of Defense, after the participant has been notified of the right to elect between the two programs. The election of any participant under this section may be changed at any time before the receipt of any educational benefit payment under either chapter 32 or 34 of title 38, United States Code, but the election becomes irrevocable upon receipt by such participant of any such payment. In the event a participant under chapter 32 of title 38, United States Code, elects to come under the provisions of chapter 34 of such title (A) such participant shall be deemed to have disenrolled under such chapter 32 and such participant's contributions to the matching fund shall be refunded as provided in such chapter, and (B) such participant's eligibility for benefits under chapter 34 of such title shall accrue from the date that involuntary induction into the Armed Forces is reinstituted by law. If any participant under chapter 32 of title 38, United States Code, fails to make an election between the two programs within the time prescribed in the joint regulations issued under the second sentence of this section, such participant shall be deemed to have elected to come under chapter 34 of title 38, United States Code.

TITLE V—CHAPTER 36 EDUCATION LOAN AND PROGRAM ADMINISTRATION AMENDMENTS

Sec. 501. Chapter 36 of title 38, United States Code, is amended—

(1) by striking out in section 1786(a)(2) "$270" and inserting in lieu thereof "$292"; and

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months........	$212	$238	$260	$11
Second 6 months......	159	185	207	11
Third 6 months........	106	132	154	11
Fourth and succeeding 6-month periods............	53	79	101	11".

SEC. 502. (a) Section 1798 of title 38, United States Code, is amended—

(1) by striking out in subsection (b)(3) "$270" and "$600" and inserting in lieu thereof "$292" and "$2,000", respectively; and

(2) by amending clause (3) of subsection (d) to read as follows:

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, at the time the loan is contracted for which rate shall be comparable to the rate of interest charged students at such time on loans insured by the Commissioner of Education, Department of Health, Education, and Welfare, under part B of title IV of the Higher Education Act of 1965, but in no event shall the rate so prescribed by the Administrator exceed the rate charged students on such insured loans, and shall provide that no interest shall accrue prior to the beginning date of repayment; and".

(b) The amendments made by subsection (a) shall be effective with respect to loans made under section 1798 of title 38, United States Code, on and after October 1, 1976.

SEC. 503. Section 1774 of title 38, United States Code, is amended—

(1) by adding at the end of subsection (a) thereof the following new sentence: "The Administrator may also reimburse such agencies for work performed by their subcontractors where such work has a direct relationship to the requirements of chapter 32, 34, 35, or 36 of this title, and has had the prior approval of the Administrator."; and

(2) by amending subsection (b) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursable under this section:	Allowable for administrative expense:
$5,000 or less	$600.
Over $5,000 but not exceeding $10,000	$1,080.
Over $10,000 but not exceeding $35,000	$1,080 for the first $10,000 plus $1,000 for each additional $5,000 $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$6,535.
Over $40,000 but not exceeding $75,000	$6,535 for the first $40,000 plus $865 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$12,960.
Over $80,000	$12,960 for the first $80,000 plus $755 for each additional $5,000 or fraction thereof.".

SEC. 504. Section 1775 of title 38, United States Code, is amended—

(1) by striking out the period at the end of subsection (a) and inserting in lieu thereof "which must be certified as true and correct in content and policy by an authorized representative of the school. The catalog or bulletin must specifically state its progress requirements for graduation and must include as a minimum the information required by sections 1776(b) (6) and (7) of this title."; and

(2) by inserting before the period in the first sentence of subsection (b) the following: "and must include as a minimum (except for attendance) the requirements set forth in section 1776(c)(7) of this title".

SEC. 505. Section 1780(a) of title 38, United States Code,, is amended—

(1) by striking out at the end of clause (1) "or";

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) by inserting immediately after clause (2) the following new clauses:

"(3) to any eligible veteran or person for auditing a course;

"(4) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless the Administrator finds there are mitigating circumstances; or

"(5) to any eligible veteran or person for pursuit of a program of education exclusively by correspondence as authorized under section 1786 of this title or for the pursuit of a correspondence portion of a combination correspondence-residence course leading to a vocational objective where the normal period of time required to complete such correspondence course or portion is less than 6 months. A certification as to the normal period of time required to complete the course must be made to the Administrator by the educational institution.".

SEC. 506. The last sentence of section 1780(a) of title 38, United States Code, is amended to read as follows: "Notwithstanding the foregoing, the Administrator may, subject to such regulations as the Administrator shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection—

"(A) during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purpose of clause (2);

"(B) during periods between consecutive school terms where such veterans or persons transfer from one approved educational institution to another approved educational institution for the purpose of enrolling in any pursuing a similar course at the second institution if the period between such consecutive terms does not exceed 30 days, but such periods shall be counted as absences for the purpose of clause (2); or

"(C) during periods between a semester, term, or quarter where the educational institution certifies the enrollment of the eligible veteran or eligible person on an individual semester, term, or quarter basis if the interval between such periods does not exceed 1 full calendar month, but such periods shall be counted as absences for the purposes of clause (2).".

SEC. 507. Section 1784(a) of title 38, United States Code, is amended by adding at the end thereof the following: "The date of interruption or termination will be the last date of pursuit or, in the case of correspondence training, the last date a lesson was serviced by the school.".

SEC. 508. Section 1784(b) of title 38, United States Code, is amended by striking out "$3" and "$4" and inserting in lieu thereof "$5" and "$6", respectively.

SEC. 509. (a) Section 1788(a) of title 38, United States Code, is amended—

(1) by striking out the semicolon at the end of clause 1 and inserting in lieu thereof a comma and the following: "but if such course is approved pursuant to section 1775 of this title, then 22 hours per week of attendance, with no more than 2½ hours of rest period per week allowed and excluding supervised study, shall be considered full time;"; and

(2) by striking out the semicolon at the end of clause 2 and inserting in lieu thereof a comma and the following: "but if such course is approved pursuant to section 1775 of this title, then 18 hours per week net of instruction (excluding supervised study), which may include customary intervals not to exceed ten minutes between hours of instruction, shall be considered full time;"

(b) Section 1789 of title 38, United States Code, is amended by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding the provisions of subsection (b) (1), (2), (3), or (4) of this section, the provisions of subsection (a) shall apply to any course offered by a branch or extension of—

"(1) a public or other tax-supported institution where the branch or extension is located outside of the area of the taxing jurisdiction providing support to such institution; or

"(2) a proprietary profit or proprietary nonprofit educational institution where the branch or extension is located beyond the normal commuting distance of such institution.".

SEC. 510. Section 1792 of title 38, United States Code, is amended—

(1) by inserting in the last sentence "on a regular basis" after "shall"; and

(2) by striking out in the last sentence "from time-to-time" and inserting in lieu thereof "(which shall meet at least semiannually)".

SEC. 511. Section 1790(c) of title 38, United States Code, is amended to read as follows:

"(c) Notwithstanding any other provision of law, the records and accounts of educational institutions pertaining to eligible veterans or eligible persons who received educational assistance under this chapter or chapter 31, 32, 34, or 35 of this title, as well as the records of other students which the Administrator determines necessary to ascertain institutional compliance with the requirements of such chapters, shall be available for examination by duly authorized representatives of the Government.".

SEC. 512. Subchapter II of chapter 36, United States Code, is amended—

(1) by striking out section 1793 and inserting in lieu thereof the following:

"§ 1793. Compliance surveys

"The Administrator shall conduct an annual compliance survey of each institution offering one or more courses approved for the enrollment of eligible veterans or persons where at least 300 veterans or persons are enrolled under provisions of this title or where the course does not lead to a standard college degree. Such compliance survey shall assure that the institution and approved courses are in compliance with all applicable provisions of chapters 31, 34, 35, and 36 of this title. The Administrator shall assign at least one education compliance specialist to work on compliance surveys in any year for each 40 compliance surveys required to be made under this section.";

(2) by repealing section 1795;

(3) by striking out in the table of sections at the beginning of chapter 36 of such title

"1793. Institutions listed by Attorney General."

and inserting in lieu thereof

"1793. Compliance surveys.";

and

(4) by striking out in such table of sections

"1795. Limitation on period of assistance under two or more programs.".

SEC. 513. Section 1796 of title 38, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as (c) and (d), respectively; and

(2) by inserting after subsection (a) a new subsection (d) as follows:

"(b) To ensure compliance with this section, any institution offering courses approved for the enrollment of eligible persons or veterans shall maintain a complete record of all advertising, sales, or enrollment materials (and copies thereof) utilized by or on behalf of the institution during the preceding 12-month period. Such record shall be available for inspection by the State approving agency or the Administrator. Such materials shall include but are not limited to any direct mail pieces, brochures, printed literature used by sales persons, films, video tapes, and audio tapes disseminated through broadcast media, material disseminated through print media, tear sheets, leaflets, handbills, fliers, and any sales or recruitment manuals used to instruct sales personnel, agents, or representatives of such institution.".

SEC. 514. Chapter 36 of title 38, United States Code, is amended—

(1) by striking out in section 1771(a) "his" and inserting in lieu thereof "such";

(2) by striking out in section 1775(a) "he" and inserting in lieu thereof "the Commissioner";

(3) by striking out in subsections (b) and (c) of section 1777 "he", "him", "his" each time they appear and inserting in lieu thereof "the veteran or person", "the veteran or person", and "such veteran's or person's", respectively;

(4) by striking out in section 1779(b) "his" and inserting in lieu thereof "the Administrator's";

(5) by striking out in subsections (a) and (b) of section 1780 "his", "wife or widow", and "wife's or widow's" each time they appear and inserting in lieu thereof "such veteran's or person's", "spouse or surviving spouse", and "spouse's or surviving spouse's", respectively;

(6) by striking out in subsections (c) and (d) of section 1780 "his" and "he" each time they appear and inserting in lieu thereof "such veteran's or person's" and "the veteran or person", respectively;

(7) by striking out in the first sentence of section 1780(d)(2) "Subject" and inserting in lieu thereof "Notwithstanding any other provision of law, but subject";

(8) by striking out in the first sentence of section 1780(e) "Except" and inserting in lieu thereof "Notwithstanding any other provision of law, and except";

(9) by striking out in section 1780(f) "him" and inserting in lieu thereof "such veteran or person";

(10) by striking out in section 1780(h) "he" the first time it appears and inserting in lieu thereof "the Administrator" and by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person";

(11) by striking out in section 1781 "him" and inserting in lieu thereof "such person";

(12) by striking out in section 1783(a) "his" and inserting in lieu thereof "such officer's or employee's";

(13) by striking out in section 1783(b) "he" the first time it appears and inserting in lieu thereof "such person" and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

(14) by striking out in section 1783(d) "he" and inserting in lieu thereof "the Administrator";

(15) by striking out in subsections (a) and (b) of section 1784 "him" and inserting in lieu thereof "the Administrator";

(16) by striking out in subsections (a), (b), and (c) of section 1786 "wife and widow" and "his" each time they appear and inserting in lieu thereof "spouse or surviving spouse" and "such veteran's or spouse's", respectively;

(17) by striking out in subsections (a), (b), and (d) of section 1790 "he" each time it appears and inserting in lieu thereof "the Administrator";

(18) by striking out in subsections (a), each time they appear and inserting in lieu (b), and (c) of section 1791 "his" and "he" thereof "the veteran's or person's" and "the Administrator", respectively;

(19) by striking out in section 1794 "his" and inserting in lieu thereof "the Administrator's";

(20) by striking out in section 1796(c) (as redesignated by section 513(1) of this Act) "his" and inserting in lieu thereof "the Administrator's";

(21) by striking out in section 1798(b)(1) "he" and inserting in lieu thereof "the veteran or person" and by striking out in section 1798(e)(1) "he" and inserting in lieu thereof "the Administrator"; and

(22) by striking out in section 1799(d) "his" and inserting in lieu thereof "the Administrator's".

TITLE VI—VETERANS' EMPLOYMENT ASSISTANCE PROVISIONS

SEC. 601. (a) Section 2002 of title 38, United States Code, is amended by inserting "by an Assistant Secretary of Labor for Veterans' Employment" after "promulgated and administered".

(b) Chapter 41 of title 38, United States Code, is amended—

(1) by adding after section 2002 a new section as follows:

"§ 2002A. Veterans' Employment Service; Assistant Secretary of Labor for Veterans' Employment

"There is established within the Department of Labor a separate agency to be known as the Veterans' Employment Service. Such agency shall be headed by an Assistant Secretary of Labor for Veterans' Employment who shall be responsible, subject to the supervision and control of the Secretary of Labor, for carrying out the policies and purposes of this chapter, chapter 42, and chapter 43 of this title and for policy formulation and administrative implementation for all Department of Labor employment, unemployment, and manpower programs to the extent they affect veterans."; and

(2) by amending the table of sections at the beginning of chapter 41 of such title by inserting below

"2002. Purpose."

the following:

"2002A. Veterans' Employment Service; Assistant Secretary of Labor for Veterans' Employment.".

(c) Section 2 of the Act of April 17, 1946, as amended (29 U.S.C. 553), is amended—

(1) by striking out "five" in the first sentence of such section and inserting in lieu thereof "six"; and

(2) by adding at the end thereof a new sentence as follows: "One of such Assistant Secretaries of Labor shall be an Assistant Secretary of Labor for Veterans' Employment.".

(d) Paragraph (20) of section 5315 of title 5, United States Code, is amended by striking out "(5)" and inserting in lieu thereof "(6)".

SEC. 602. Section 2003 of title 38, United States Code, is amended—

(1) by inserting in the fourth sentence "or by prime sponsors under the Comprehensive Employment and Training Act" after "programs administered by the Secretary";

(2) by striking out "and" at the end of clause (5); and

(3) by redesignating clause (6) as clause (7) and inserting new clause (6) as follows:

"(6) promote the participation of veterans in Comprehensive Employment and Training Act programs and monitor the implementation and operation of Comprehensive Employment and Training Act programs to assure that eligible veterans receive special consideration when required; and".

SEC. 603. Section 2006(a) of title 38, United States Code, is amended by inserting in the last sentence "each" after "shall".

SEC. 604. Section 2007 of title 38, United States Code, is amended—

(1) by striking out in subsection (a)(1) "his" and inserting in lieu thereof "such veteran's and eligible person's";

(2) by inserting in the second sentence of subsection (c) "and public service employment" after "occupational training"; and

(3) by striking out in the last sentence of subsection (c) "or 2006" and inserting in lieu thereof ", 2006, or 2007(a)

SEC. 605. Section 2012 of title 38, United States Code, is amended by adding at the end thereof of new subsection (c) as follows:

"(c) The Secretary shall include as part of the annual report required by section 2007(c) of this title the number of complaints filed pursuant to subsection (b) of this section, the actions taken thereon and the resolutions thereof. Such report shall also include the number of contractors listing suitable employment openings, the nature, types, and number of positions listed and the number of veterans receiving priority pursuant to subsection (a)(2) of this section.".

SEC. 606. Chapter 41 of title 38, United States Code, is amended—

(1) by striking out in section 2003 "he" and "his" and inserting in lieu thereof "the Secretary" and "such representative's", respectively:

(2) by striking out in section 2004 "his" and inserting in lieu thereof "such representative's" and by inserting "or eligible persons" after "eligible veterans";

(3) by striking out in section 2005 "he" and inserting in lieu thereof "the Secretary"; and

(4) by striking out in section 2008 "his" and "him" and inserting in lieu thereof "the Secretary's" and "the Administrator", respectively.

SEC. 607. Chapter 42 of title 38, United States Code, is amended—

(1) by striking out in section 2011(2) "his" and inserting in lieu thereof "the person's" and

(2) by striking out in the first sentence of section 2012(b) "his" and inserting in lieu thereof "the contractor's".

SEC. 608. Chapter 43 of title 38, United States Code, is amended—

(1) by striking out in section 2021(a)(2)(B) "his" each time it appears and inserting in lieu thereof "the employer's";

(2) by striking out in section 2021(b)(2) "his" and "he" and inserting in lieu thereof "the person's" and "the person", respectively; and

(3) by striking out in the sixth sentence of section 2024(d) "his" each time it appears and inserting in lieu thereof "such employer's".

TITLE VII—MISCELLANEOUS AND EFFECTIVE DATE

SEC. 701. Section 3101(a) of title 38, United States Code, is amended by adding at the end thereof the following: "For the purposes of this subsection, in any case where a payee of an educational assistance allowance has designated the address of an attorney-in-fact as the payee's address for the purpose of receiving his or her benefit check and has also executed a power of attorney giving the attorney-in-fact authority to negotiate such benefit check, such action shall be deemed to be an assignment and is prohibited.".

SEC. 702. Except as otherwise provided herein, the provisions of this Act shall become effective on October 1, 1976.

S. 969—THE VETERANS' EDUCATION AND EMPLOYMENT ASSISTANCE ACT OF 1976

Mr. HARTKE. Mr. President, the Veterans' Education and Employment Assistance Act of 1976 is intended to expand and to improve further the current GI bill program. The act represents the committee's continued oversight efforts of education and employment assistance programs. Previous legislation resulting from such oversight includes Public Law 91-219, Public Law 92-540 and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93-508).

As reported, S. 969 provides an 8-percent increase in the vocational rehabilitation subsistence allowance paid to disabled veterans training under chapter 31. Similar 8-percent increases in the educational training assistance allowances are authorized for veterans training under chapter 34 and for survivors and dependents training under chapter 35. Maximum entitlement to educational benefits for all eligible veterans and dependents is extended from 36 to 45 months. The Veterans' Administration direct education loan program and special programs for educationally disadvantaged veterans and servicemen are improved and expanded. Eligibility for current GI educational benefits are terminated for those entering the Armed Forces after December 31, 1976. A new chapter 32 contributory vesting educational assistance program known as the post-Vietnam-era veterans' readjustment assistance program is established for those entering the Armed Forces on or after January 1, 1977. Provisions are included which clarify, codify, and strengthen administrative provisions of the VA educational assistance program. These provisions are designed to prevent or reduce abuses.

Finally, provisions are included which strengthen current employment assistance provisions for veterans. The act would elevate the Director of Veterans' Employment Service within the Department of Labor to assistant secretary.

S. 969, as amended, the Veterans' Education and Employment Assistance Act of 1976, contains seven titles whose provisions are more fully described hereafter.

Title I—chapter 31, disabled veterans' vocation rehabilitation rate and program adjustments—of S. 969, as amended:

First, increases by 8 percent the subsistence allowance paid disabled veterans pursuing a course of vocational rehabilitation under chapter 31 of title 38, United States Code;

Second, eliminates the current termination date for use by seriously disabled veterans of chapter 31 benefits when it is determined that such veterans are still in need of vocational rehabilitation; and

Third, permits chapter 31 trainees to be trained in Federal agency facilities on the same basis as trainees under the Rehabilitation Act of 1973, thus affording disabled veterans increased opportunities for Federal employment.

Title II—veterans' education rate program adjustments—of S. 969, as amended:

First, increases by 8 percent the educational assistance allowance paid eligible veterans pursuing a program of education—including farm cooperative, elementary and secondary education and preparatory educational assistance—under chapter 34 of title 38, United States Code;

Second, increases by 8 percent the individualized tutorial assistance allowance authorized for eligible veterans with deficiencies in subjects required as part of an approved program of education;

Third, extends the tutorial assistance program in certain cases to veterans enrolled in institutional or technical courses not leading to a standard college degree;

Fourth, authorizes full entitlement for educational assistance benefits under chapter 34 for service of less than 18 months to any eligible veteran medically discharged because of a service-connected disability;

Fifth, removes the current restriction to undergraduate use of the 9 months of additional benefit entitlement granted in 1974 thus allowing a maximum of 45 months of eligibility for an approved program of education—including graduate work;

Sixth, extends the 10-year delimiting period for use of VA benefits for such periods of time that a veteran is prevented from completing his or her program of education because of a physical or mental disability not the result of the veterans misconduct;

Seventh, codifies existing regulations which define the terms "institution of higher learning" and "standard college degree";

Eighth, directs the Administrator to conduct a study to determine the effectiveness of vocational objective courses approved for enrollment of veterans with particular emphasis as to whether there is full compliance with the provisions of section 1673(a)(2);

Ninth, codifies existing regulations which limit enrollment of veterans in any independent study program other than those leading to a standard college degree and provides that benefits for a course of study exclusively by independent study shall be computed on a less than halftime basis;

Tenth, extends to all programs of education the requirement that no more than 85 percent of the students enrolled in certain approved courses be in receipt of VA benefits or other Federal grants;

Eleventh, clarifies the definition of "unsatisfactory progress" to include those situations where a veteran is not progressing at a rate which will allow the graduate within the normal period of time for completion of studies—unless the Administrator finds that there are mitigating circumstances;

Twelfth, amends the veteran-student services program to permit completion of a work-study agreement even if the veteran ceases to be a full-time student; and

Thirteenth, requires the VA to make available comprehensive educational and vocational counseling to any eligible veteran who requests it.

Title III—Chapter 35, survivors' and dependents' educational assistance rate and program adjustments—of S. 969, as amended:

First, increases by 8 percent the educational assistance allowance paid survivors of veterans who died of service-connected causes, and dependents of seriously disabled veterans;

Second, extends maximum entitlement to benefits from 36 to 45 months for all persons training under chapter 35;

Third, liberalizes the period of eligibility for use by eligible children of educational assistance benefits under chapter 35;

Fourth, codifies existing regulations which define the terms "institution of higher learning" and "standard college degree";

Fifth, codifies existing regulations which limit enrollment of eligible persons in any "independent study program" other than those leading to a standard college degree and provides that benefits for a course of study which is exclusively by independent study shall be computed on a less than halftime basis; and

Sixth, further defines "unsatisfactory progress" to include those situations where an eligible person is not progressing at a rate which will allow the eligible person to graduate within the normal time for completion of the program as certified to the Veterans' Administration—unless the Administrator finds that there are mitigating circumstances.

Title IV—Post-Vietnam Era Veterans' Readjustment Assistance Act—of S. 969, as amended:

First, establishes December 31, 1976, as the terminating date for establishing eligibility for veterans' education and training benefits under chapter 34 of title 38, United States Code:

Second, establishes for those men and women entering the Armed Forces on or after January 1, 1977, a new chapter 32 educational matching assistance program known as post-Vietnam-era veterans' readjustment assistance; and

Third, provides that in the event involuntary induction under the Selective Service Act is reimposed by law that those entering military service after the effective date of such a change in the law shall be eligible for chapter 34 educational benefits.

Title V—chapter 36, Education Loan and Program Administration amendments—of S. 969, as amended:

First, increases by 8 percent the monthly training assistance allowance paid to eligible veterans or persons pursuing a full program of apprenticeship or other on-job training and provides similar increases for those pursuing a program of education by correspondence;

Second, increases from $600 to $2,000 the maximum annual VA direct education loan available for eligible veterans, survivors, and dependents;

Third, amends the VA direct education loan program to provide that interest charges on such loans shall be comparable to, but shall not exceed those charged students under other federally insured educational loan programs;

Fourth, provides that the school catalogs submitted by institutions to State approving agencies contain the school's progress requirements for graduation;

Fifth, codifies existing regulations prohibiting payments for the auditing of courses and further directs that absent mitigating circumstances no payment will be authorized for any course for which the grade assigned is not used in computing the requirements for graduation;

Sixth, permits continued VA payments for intervals between school terms and provides that when a veteran or eligible person transfers from one institution to another payments are permitted providing that in either event such periods do not exceed 30 days;

Seventh, increases by 8 percent the allowance paid for administrative expenses incurred by State approving agencies in supervising approved educational institutions and further authorizes subcontracting by such State agencies;

Eighth, codifies existing regulations which provide that the date of interruption or termination in a program of education shall be the last date the veteran or eligible person pursued such course;

Ninth, increases by $2 the reporting fee paid to institutions for each veteran or other eligible person enrolled therein;

Tenth, reduces the required number of clock hours in certain vocational objective courses necessary to qualify as a full-time course;

Eleventh, extends the requirement of 2 years of operation to certain branches or extensions of institutions prior to VA approval for enrollment of veterans;

Twelfth, provides the Administrator shall not approve the enrollment of any eligible veteran or person in any correspondence course leading to a vocational objective which is normally completed in less than 6 months;

Thirteenth, strengthens section 1796 which directs the Administrator not to approve the enrollment of veterans in any course offered by an institution utilizing the erroneous, deceptive, or misleading sales or enrollment practices by requiring institutions to maintain complete records and copies of all advertising and sales materials utilized during the preceding 12-month period;

Fourteenth, clarifies and strengthens provisions permitting VA inspection of student records to assure institutional compliance with the requirements of title 38;

Fifteenth, strengthens and improves the education advisory committee to the Veterans' Administration;

Sixteenth, repeals the current 48-month limitation for benefit entitlement to any person eligible and training under more than one VA educational assistance program; and

Seventeenth, requires annual VA compliance surveys of institutions which enroll eligible veterans.

Title VI—veterans' employment assistance provisions—of S. 969, as amended:

First, provides that the Veterans' Employment Service within the Department of Labor shall be headed by an Assistant Secretary of Labor for Veterans' Employment; and

Second, expands and strengthens the administrative controls to assure that eligible veterans receive satisfactory employment assistance.

Title VII—miscellaneous and effective date—of S. 969, as amended:

First, provides that, except as otherwise specified, all provisions shall become effective on October 1, 1976; and

Second, clarifies and strengthens provisions prohibiting the assignment of VA benefits.

In addition to the foregoing, there are a number of technical amendments to chapters 31, 34, 35, 41, 42, and 43 of title 38, United States Code, including the removal of unnecessary and unwarranted gender references.

Mr. President, I ask unanimous consent that appropriate excerpts from the committee report to S. 969 be included in the RECORD.

There being no objection, the material was printed as follows:

COMMITTEE REPORT

BACKGROUND AND DISCUSSION

Veterans' Administration educational assistance programs

Educational assistance to facilitate a veteran's readjustment to civilian life has been part of American life for 32 years. Over 16.3 million veterans, almost 8 percent of the entire population of the United States, have received educational assistance under the GI bill since 1944. This includes 7.8 million under the World War II GI bill, nearly 2.4 million under the Korean conflict GI bill and more than 6.1 million trainees under the current GI bill.

The Committee believes the impact of the GI bill on the American society cannot be underestimated. For each dollar spent in educational benefits (which for the three GI bills now exceed $40 billion), the Federal Government has received from $3 to $6 in additional tax revenue from veterans whose education has given them increased earning capacity. As the Bradley Commission concluded in 1956:

"By any standard, the readjustment program * * * was one of the greatest efforts in human history to assure the well-being of millions of persons. * * * The Commission believes there is little question that the veterans' education program has been a great benefit to millions of veterans and to the Nation. The veterans' education program was a major contribution to the national welfare, and the country would be weaker educationally, economically, and in terms of national defense, if educators, veterans' organizations, the President, and the Congress had not seen this new and momentous educational enterprise."

The Committee believes it should also be noted that in fiscal year 1976, the Veterans' Administration expended almost $5.7 billion for postsecondary student educational assistance, an amount which represents 53 percent of all such Federal expenditures.

Under the current system of educational benefits, enacted as Public Law 89–358 effective June 1, 1966 and subsequently amended in 1967, 1970, 1972, and 1974, over 6.2 million veterans and 223,000 survivors and dependents have taken advantage of their GI bill benefits. The current program provides educational benefits for a myriad of education and training courses for both veterans and wives, widows, and war orphans. The following tables show the number of veterans and dependents who have received nearly $20 billion in educational benefits during the past 10 years under the current program through fiscal year 1975, by type of program:

TABLE 1.—VETERAN TRAINEES UNDER THE CURRENT GI BILL CUMULATIVE THROUGH FISCAL YEAR 1975 BY TYPE OF TRAINING

Training programs	During fiscal year 1975	Cumulative through June 1975			
		Total	Graduate	Undergraduate	Nondegree
Total all types of training	2,691,566	5,785,548	1,112,527	4,325,621	347,500
College level, total	1,695,575	3,095,862	499,910	2,511,028	34,424
Academic degrees—field not specified, total	1,125,373	1,802,574	783,798	1,619,376	
Associate in arts	339,186	524,018		524,018	
Associate in science	46,379	71,734		71,734	
Associate degree, n.e.c.[1]	270,018	366,505		366,505	
Bachelor of arts	102,968	181,103		181,103	
Bachelor of science	69,225	124,972		124,972	
Bachelor's degree, n.e.c	202,314	351,044		351,044	
Master of arts	24,846	45,400	45,400		
Master of science	10,862	22,592	22,592		
Master's degree, n.e.c	47,725	87,625	87,625		
Doctor of philosophy	10,031	23,326	23,326		
Doctor's degree, n.e.c	1,713	4,034	4,034		
Post Doctoral, n.e.c	106	221	221		
Business and commerce	168,891	384,478	84,109	300,369	
Education	45,580	131,412	67,880	63,532	
Engineering	26,381	80,497	12,125	68,372	
English and journalism	3,304	11,384	3,965	7,419	
Fine and applied arts	11,394	30,102	5,811	24,291	
Foreign languages	806	3,142	1,602	1,540	
Law	16,165	41,280	34,025	7,255	
Liberal arts (major not specified)	26,880	58,571	1,754	56,817	
Life sciences, total	37,361	98,886	53,429	45,457	
Agricultural sciences	5,122	14,797	2,821	11,976	
Biological sciences	6,869	17,062	4,958	12,104	
Medical and health sciences	25,370	67,027	45,650	337	
Mathematics	1,967	7,535	2,323	5,212	
Physical sciences	4,925	15,013	5,682	9,331	
Social sciences	26,018	76,974	31,442	45,532	
Theology	5,191	12,764	5,420	7,344	
Technical courses, total	164,157	284,165		199,241	84,924
Business and commerce	42,494	69,174		50,922	18,252
Engineering and related	3,309	6,837		6,136	701
Medical and related	5,133	11,358		6,178	5,180
Other technician courses	113,221	196,796		136,005	60,791
All other academic fields	31,182	57,085	7,145	49,940	

	During fiscal year 1975	Total other schools	Vocational or technical post-high schools	Other vocational or technical	High school
Schools other than college, total	804, 368	22, 28, 021	377, 324	1, 558, 121	262, 576
Arts	26, 547	115, 116	28, 426	85, 690	----------
Business	61, 430	326, 143	95, 757	236, 386	----------
Services	37, 379	128, 362	26, 910	101, 425	----------
Technical courses, total	50, 864	204, 619	58, 397	146, 222	----------
Electronic	34, 675	139, 388	41, 122	98, 266	----------
Engineering	5, 120	32, 664	5, 191	27, 473	----------
Legal	1, 822	8, 785	3, 488	5, 297	----------
Medical and related	4, 125	10, 086	4, 635	5, 451	----------
Other technical, n.e.c	5, 122	13, 696	3, 961	9, 735	----------
Trade and industrial, total	408, 926	984, 358	154, 792	829, 566	----------
Air-conditioning	46, 971	128, 757	17, 392	111, 365	----------
Construction	18, 955	40, 072	6, 119	33, 953	----------
Electrical and electronic	163, 553	325, 820	53, 547	272, 273	----------
Mechanical	115, 785	279, 378	37, 152	242, 226	----------
Metalwork	28, 792	74, 386	18, 234	56, 152	----------
Other trade and industrial	34, 870	135, 945	22, 348	113, 597	----------
Other institutional	174, 616	346, 154	13, 042	70, 536	262, 576
Flight, training, total	44, 606	123, 269	----------	123, 269	----------
Major occupational objective job training, total	191, 623	461, 765	235, 293	226, 472	----------
Technical and managerial	27, 981	58, 232	3, 940	54, 232	----------
Clerical and sales	6, 997	13, 721	1, 386	12, 335	----------
Service occupations	23, 900	60, 495	6, 335	54, 160	----------
Farming, fishery, forestry occupations	1, 918	3, 832	348	3, 484	----------
Trade and industrial, total	123, 134	305, 855	213, 446	92, 389	----------
Processing occupations	4, 860	11, 832	7, 452	4, 380	----------
Machine trades occupations	42, 424	91, 805	63, 225	28, 580	----------
Benchwork occupations	7, 548	16, 973	9, 750	7, 223	----------
Structural at work occupation	68, 302	185, 245	133, 039	52, 206	----------
Miscellaneous occupations	7, 693	19, 630	9, 818	9, 812	----------

[1] Not elsewhere classified.

TABLE 2.—SURVIVORS AND DEPENDENTS—TRAINEES UNDER THE CURRENT GI BILL CUMULATIVE THROUGH FISCAL YEAR 1975 BY TYPE OF TRAINING

Training programs	Individuals trained cumulative through June 1975				
	During fiscal year 1975	All trainees			
		Total	Sons	Daughters	Spouses and widows/widowers
Total all types of training	87, 952	282, 626	127, 170	123, 320	32, 136
College level, total	76, 837	228, 054	108, 018	99, 098	20, 938
Academic degrees, field not specified—total	53, 985	119, 810	55, 685	51, 312	12, 813
Associate in arts	12, 491	22, 087	9, 034	8, 604	4, 449
Associate in science	1, 719	3, 060	1, 185	1, 252	623
Associate degree, n.e.c.[1]	7, 862	16, 053	7, 324	6, 505	2, 224
Bachelor of arts	3, 688	17, 158	7, 616	3, 182	1, 360
Bachelor of science	4, 526	3, 900	4, 714	3, 571	615
Bachelor's degree, n.e.c	16, 701	46, 856	23, 572	20, 911	2, 373
Master of arts	611	1, 614	527	736	351
Master of science	185	436	184	158	94
Master's degree, n.e.c	1, 043	3, 132	1, 245	1, 281	606
Doctor of philosophy	136	374	193	88	93
Doctor's degree, n.e.c	23	140	91	24	25
Business and commerce	4, 391	20, 348	12, 226	6, 778	1, 344
Education	4, 170	22, 841	6, 227	14, 100	2, 514
Engineering	1, 033	6, 153	5, 905	241	7
English and journalism	333	2, 359	865	1, 374	120
Fine and applied arts	864	4, 379	2, 251	1, 960	168
Foreign languages	72	522	134	357	31
Home economics	200	1, 330	30	1, 210	90
Law	376	1, 857	1, 539	256	62
Liberal arts (major not specified)	1, 680	11, 769	5, 839	5, 547	383
Life sciences, total	3, 526	13, 490	5, 269	7, 250	971
Agricultural sciences	272	1, 405	1, 244	147	14
Biological sciences	645	2, 703	1, 766	895	42
Medical and health sciences	2, 609	9, 382	2, 259	6, 208	915
Mathematics	110	981	657	312	12
Physical sciences	225	1, 179	1, 457	225	9
Social sciences	1, 512	8, 139	4, 299	3, 338	502
Theology	137	650	488	144	18
Technician courses. total	3, 371	8, 601	3, 937	3, 404	1, 260
Business and commerce	869	1, 786	392	845	559
Engineering and related	38	111	109	1	1
Medical and related	730	2, 203	315	1, 644	244
Other technical courses	1, 734	4, 501	3, 131	914	456
All other academic fields	852	3, 034	1, 210	1, 190	634
Schools other than college level, total	10, 629	53, 911	18, 616	24, 179	11, 116
Arts	592	2, 543	1, 573	613	357
Business	2, 528	16, 896	2, 918	10, 760	3, 218
Services	2, 713	14, 788	1, 480	9, 136	4, 172
Technical courses—total	814	3, 007	1, 575	1, 104	328
Electronic	237	940	915	12	13
Engineering	45	255	244	9	2
Medical and related	330	1, 236	163	858	215
Other technical, n.e.c	202	576	253	225	98
Trades and industrial—total	2, 649	14, 136	10, 321	2, 090	1, 725
Construction	155	543	531	5	7
Dressmaking	665	4, 487	1, 323	1, 786	1, 378
Electrical and electronic	317	1, 969	1, 863	66	40
Mechanical	728	4, 218	4, 125	67	26
Metalwork	330	1, 423	1, 366	33	24
Other trade and industrial	454	1, 496	1, 113	133	250
Other institutional	1, 333	2, 541	749	476	1, 316
On-job training, total	486	661	536	43	82
Technical and managerial	92	121	69	17	35
Clerical and sales	22	32	14	7	11
Service occupations	50	73	48	10	15
Trade and industrial occupations	307	411	382	8	21
Miscellaneous occupations	15	24	23	1	0

[1] Not elsewhere classified.

TABLE 3.—GI BILL PARTICIPATION BY PROGRAM, THROUGH MAY 1976

[In percent]

Type	World War II	Korean conflict	Post-Korean and Vietnam era	Vietnam era	
				Veterans	Service personnel
Total	100.0	100.0	100.0	100.0	100.0
College	28.6	50.7	56.0	60.6	33.8
Below college	44.6	36.0	36.0	29.4	66.2
On job	17.9	9.3	7.3	9.4	----------
Farm	8.9	4.0	.7	.6	----------

Individuals receiving educational assistance allowances may attend approved courses at colleges, universities, business and technical schools, high schools and, in some cases, even schooling below the high school level. Assistance may also be provided for on-job training, farm training, flight training, and correspondence courses.

Some 56 percent (3,376,457) of the post-Korean and Vietnam era trainees who have used the current GI bill through May 1976, have taken college level courses. Thirty-six percent were involved in post-secondary education not leading to a standard college degree. On-job training accounted for 7.3 percent of the veteran trainees and farm cooperative training for 0.7 percent. The table above compares the types of training pursued by veterans under the World War II and Korean conflict GI bills with the type of training pursued by participants under the current bill.

Participation rates

Vietnam era veterans have participated in VA educational assistance programs at a greater rate (61.4 percent) than the final participation rate for either the World War II GI bill (50.5 percent) or the Korean conflict (43.4 percent). Of particular note is college-level participation which discloses that Vietnam veterans participate at a rate twice that of World War II (60.6 percent versus 28.6 percent) all as shown in the table.

TABLE 4.—3 GI BILLS—TOTAL NUMBER TRAINED, LEVEL OF TRAINING AND COST [1] (COMPARISON FOR WORLD WAR II, KOREAN CONFLICT, POST-KOREAN AND VIETNAM ERA)

[In thousands]

	WW-II (ended)	Korean conflict (ended)	Post-Korean total	Cumulative through November 1975		
				Between Korean and Vietnam era	Vietnam era	
					Veterans	Service persons
Total trained	7,800	2,391	6,155	1,344	4,152	659
Percent	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
College	2,230	1,213	3,386	704	2,479	203
Percent	(28.6)	(50.7)	(55.0)	(52.4)	(59.7)	(30.8)
Other schools	3,480	860	2,266	564	1,248	455
Percent	(44.6)	(36.0)	(36.8)	(42.0)	(30.1)	(69.1)
On-job training	1,400	223	465	61	404	
Percent	(17.9)	(9.3)	(7.6)	(4.5)	(9.7)	
Farm training	690	95	38	16	[2] 22	
Percent	(8.9)	(4.0)	(0.6)	(1.2)	(0.5)	
Cost (in billions)	$14.5	$4.5	$17.3			

[1] Percentages may not add to 100 percent due to rounding.

[2] Cooperative farm.

Following several years of participation rates which were at unduly low levels, the Committee is gratified that the rates have at last reached respectable levels. In 1971, for example, the rate of participation under the GI bill was only 32.7 percent.

In large part, this turnabout in participation rates is directly related to the adequacy of benefit levels. The relationship between educational assistance allowances and the participation rate is demonstrated in the following chart which shows the number of veterans participating in each fiscal year since 1966.

It should be observed that with each increase in educational assistance rates, participation has increased, particularly following GI bill increases in 1970, 1972, and 1974. During the fall of 1971 when veterans had the full benefit of the increases provided by the 34.6-percent increases provided for in Public Law 91-219 and during the fall of 1972, when veterans had the benefit of the increases provided by Public Law 92-540 enrollment of veterans in educational programs increased by 33 percent and 8 percent, respectively, over the previous year. In the fall of 1973, the numbers participating showed a 14-percent increase over 1972, and the following year the numbers reflected a 6.4-percent increase. Subsequent to enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93-508), the number of veteran enrollments in the fall of 1975 increased by 17.7-percent over the fall of 1974.

Need for increases in educational assistance benefits

The committee has given careful consideration to a number of proposals to improve and expand educational assistance benefits for veterans. Although many of these proposals have merit, the Committee is cognizant of the constraints imposed by the Congressional Budget Act and this year's concurrent resolution on the budget. Although the resolution adopted by Congress, with respect to function 700—Veterans' Benefits and Services—is $2.4 billion above the President's request, it is nearly a billion dollars below that recommended by the Committee on Veterans' Affairs. Consequently, it has been necessary for the Committee to limit its consideration of increases and improvements in veterans' readjustment assistance benefits in order to assure that the congressionally adopted budget limits are not exceeded.

Since the effective date of the last increase in monthly educational assistance allowances on September 1, 1974 (from $220 to $270 a month for a single veteran), the cost of living has increased 13.9 percent as of July 1976. Pertinent data on the change in the Consumer Price Index are reflected in the following table:

TABLE 5.—U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX

	1974	1975	1976
January	139.7	156.1	166.7
February	141.5	157.2	167.1
March	143.1	157.8	167.5
April	144.0	158.6	168.2
May	145.6	159.3	169.2
June	147.1	160.6	170.1
July	148.3	162.3	171.1
August	150.2	162.8	
September	151.9	163.6	
October	153.2	164.6	
November	154.3	165.6	
December	155.4	166.3	

Thus, given continued increases in the Consumer Price Index, the increase in the cost-of-living can reasonably be expected to exceed 14 percent by October 1, 1976. After a close examination of the funds made available to it under the concurrent resolution on the budget, the Committee on Veterans' Affairs adopted an increase of 8 percent, an increase which can be accommodated within the budget limits. Accordingly, the monthly full-time institutional rate for a veteran with no dependents is increased from $270 to $292. The rate for a veteran with one dependent is increased from $321 to $347 a month. The addition of a child further increases the rate from $366 to $396 a month with provision for an additional $24 a month for each dependent in excess of two. Three-quarter and one-half-time rates are also adjusted upward proportionally by an 8-percent rate.

A chronology of the development of the educational rates since the inception of the current GI bill (including those proposed by S. 969, as amended) are shown in the following table:

TABLE 6.—CHRONOLOGY OF ACTUAL AND PROPOSED EDUCATIONAL ASSISTANCE RATES

Law and type of course	Single veteran	Veteran and 1 dependent	Veteran and 2 dependents	Additional dependents
Public Law 89-358, June 1, 1966: Full-time institutional	$100	$125	$150	
Public Law 90-77, Oct. 1967:				
Full-time institutional	130	155	175	$10
Full-time cooperative farm	105	125	145	7
Full-time on job	80	90	100	
Public Law 91-219, Feb. 1, 1970:				
Full-time institutional	175	205	230	13
Full-time cooperative farm	141	165	190	10
Full-time on job	108	120	133	
Public Law 92-540, Oct. 1, 1972:				
Full-time institutional	220	261	298	18
Full-time cooperative farm	177	208	236	14
Full-time on job	160	179	196	8
Public Law 93-508, Dec. 3, 1974, retroactive to Sept. 1, 1974:				
Full-time institutional	270	321	366	22
Full-time cooperative farm	217	255	289	17
Full-time on job [1]	189	212	232	9
S. 969, as amended, Oct. 1, 1976:				
Full-time institutional	292	347	396	24
Full-time cooperative farm	235	276	313	18
Full-time on job	212	238	260	11
[1] Increased by Public Law 93-602 Jan. 1, 1976: Full-time on job	196	220	240	10

With respect to additional allowances for dependents, the Committee observes that nearly 80 percent of all veterans training on a half-time or better basis receive such additional allowances. Sixty-one percent are paid for two or more dependents, all as shown in the following table:

TABLE 7.—DEPENDENCY STATUS FOR VETERANS IN TRAINING, NOVEMBER 1975—COMPARISON FOR CURRENT GI BILL BY PEACETIME POST-KOREAN AND VIETNAM ERA VETERANS

	Total current GI bill veterans		Peacetime post-Korean veterans		Vietnam era veterans	
	All trainees	Trainees ½ time or more	All trainees	Trainees ½ time or more	All trainees	Trainees ½ time or more
Total	1,739,495	1,497,656	351,915	287,166	1,387,580	1,210,490
Percent	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Not paid for dependents	560,413	318,574	83,472	18,723	476,941	299,815
Percent	(32.2)	(21.3)	(23.7)	(6.5)	(34.4)	(24.8)
Paid for 1 dependent	273,498	273,498	23,087	23,087	250,411	250,411
Percent	(15.7)	(18.3)	(6.6)	(8.0)	(18.1)	(20.7)
Paid for 2 or more dependents	905,584	905,584	245,356	245,356	660,228	660,228
Percent	(52.1)	(60.5)	(69.7)	(85.4)	(47.6)	(54.6)

Additional 9 months of unrestricted eligibility

S. 969, as amended, would grant those veterans—and eligible dependents and survivors under chapter 35—entitled to up to 36 months (or 4 regular school years) of educational assistance, an additional 9 months of entitlement for the pursuit of educational programs without limitation as to baccalaureate degree currently set forth in law. This additional school year of entitlement unrestricted as to use is identical to provisions incorporated in S. 2784 and passed by the Senate in 1974. These provisions were opposed by the administration and not accepted by the House. Currently, veterans are entitled to an additional school year (9 months) of educational assistance in order to aid them in securing an undergraduate degree. While this provision aids those who have difficulty securing their undergraduate degree in the normal period of time, it is discriminatory with respect to those who have obtained their degree without delay and does not encourage veterans to make the most efficient use of their benefits. Consequently, it penalizes industrious veterans and deprives the Nation of benefits which result from the skills acquired by this additional schooling. Thus, the reported bill encourages the most efficient and beneficial use of the additional entitlement.

Expanded VA education loan program

In addition to the educational assistance allowance increases, the reported bill also significantly expands and improves the VA direct education loan program to assist those veterans or eligible persons who wish to attend higher cost institutions. Currently, a veteran without dependents receives an educational assistance allowance of $2,430 an academic year (under the reported bill, the veteran would receive $2,628) to assist in covering school and subsistence costs. In addition, veterans are eligible for the VA work/study program which can provide an additional $625 a school year. Today, there are wide variations in the cost of attending various schools depending, in large part, on whether or not individual States provide significant tax subsidies to public institutions. The Office of Education, Department of Health, Education, and Welfare in its publication "Higher Education, Basic Student Charges" figures an estimated average for tuition, room, and board in the 1975–76 school year at $1,882 for public schools and $3,981 for nonpublic schools. Public 2-year school charges average $1,589 while their private counterparts average $3,012 according to the same study. The following table shows estimated average charges in current dollars for full-time, independent resident degree students in institutions of higher learning by institutional type of control in the United States for the periods 1960–61 to 1975–76:

TABLE 8.—ESTIMATED AVERAGE CHARGES (CURRENT DOLLARS) PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, OR INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1960–61 TO 1975–76

[Charges are for the academic year and in current unadjusted dollars]

Year and control	Total tuition, board, and room				Tuition and required fees			
	All	University	Other 4-yr	2-yr	All	University	Other 4-yr	2-yr
1960–61:								
Public	$850	$919	$765	$576	$211	$252	$171	$81
Nonpublic	1,602	1,806	1,503	1,024	257	1,001	785	490
1961–62:								
Public	869	847	768	599	218	265	182	88
Nonpublic	1,656	1,882	1,570	1,798	906	1,059	638	337
1962–63:								
Public	901	986	814	615	722	268	192	97
Nonpublic	1,724	2,822	1,608	1,271	944	1,149	869	600
1963–64:								
Public	926	1,026	846	630	234	281	215	97
Nonpublic	1,815	2,105	1,700	1,313	1,012	1,216	935	642
1964–65:								
Public	950	1,051	867	538	243	298	224	99
Nonpublic	1,907	2,202	1,810	1,455	1,088	1,297	1,023	702
1965–66:								
Public	683	1,106	903	671	258	327	240	109
Nonpublic	2,804	2,317	1,296	1,559	1,154	1,369	1,636	769
1966–67:								
Public	1,026	1,171	947	710	275	360	259	121
Nonpublic	2,124	2,256	2,007	1,679	1,233	1,256	1,162	845
1967–68:								
Public	1,063	1,199	997	790	283	366	268	144
Nonpublic	2,294	2,544	2,104	1,763	1,297	1,534	1,238	293
1968–69:								
Public	1,117	1,245	1,063	683	295	377	281	170
Nonpublic	2,321	2,673	2,237	1,876	1,383	1,638	1,335	956
1969–70:								
Public	1,205	1,362	1,237	952	324	427	307	179
Nonpublic	2,533	2,919	2,420	1,993	1,434	1,809	1,469	1,034
1970–71:								
Public	1,288	1,478	1,209	1,017	352	478	333	186
Nonpublic	2,740	2,163	3,398	2,104	1,685	1,981	1,603	1,110
1971–72:								
Public	1,357	1,579	1,263	1,073	376	526	354	192
Nonpublic	2,917	3,375	2,748	2,186	1,820	2,133	1,721	1,172
1972–73:								
Public	1,406	1,598	1,341	1,128	400	536	392	213
Nonpublic	2,979	3,460	2,820	2,248	1,869	2,199	1,775	1,213
1973–74:								
Public	1,524	1,691	1,492	1,242	445	571	453	246
Nonpublic	3,184	3,715	3,030	2,422	2,009	2,373	1,971	1,315
1974–75:								
Public	1,708	1,903	1,682	1,420	503	653	515	285
Nonpublic	3,592	4,193	3,419	2,724	2,290	2,701	2,188	1,496
1975–76:								
Public	1,882	2,104	1,863	1,589	558	731	574	322
Nonpublic	3,981	4,644	3,798	3,012	2,558	3,013	2,444	1,667

Note: Data are for the 50 States and the District of Columbia for all years.

Source: U.S. Department of Health, Education, and Welfare, Office of Education, publications) (1) "Higher Education Basic Student Charges." 1961–65, 1966–69, and (2) "Opening (fall Enrollment in Higher Education," 1961 through 1964, 1966, and 1968.

That there is wide disparity in the degree of State support for higher education is revealed by the following chart which indicates State expenditures for higher education as a percentage of State personal income:

Thus, the failure of some States to provide significant support for postsecondary education has meant that many veterans do not have access to low-cost institutions in which to enroll. The Committee concludes (as it did in 1974) that higher school costs in certain States make it less easy and less attractive for veterans to enroll which, in turn, is reflected in State participation rates. These participation rates vary widely with the highest State having an overall participation rate of 92.3 percent, significantly higher than the lowest State (35.8 percent) as shown in the following table:

TABLE 9.—CHAPTER 34: PARTICIPATION RATE FOR VIETNAM ERA VETERANS BY STATE AND TYPE OF TRAINING (CUMULATIVE THROUGH APRIL 1976)

	Veteran population	Trainees					
		Total trainees	Percent of veteran population				
			Total	College	Other residence schools [1]	On-job training	Correspondence
Grand total	8,008,000	4,350,825	54.3	32.8	8.9	5.1	7.4
United States—State total	7,917,000	4,323,941	54.6	33.0	9.0	5.2	7.5
Alabama	113,000	77,286	68.4	38.6	19.1	5.8	4.8
Alaska	14,000	7,058	50.4	29.3	10.9	4.6	5.7
Arizona	84,000	62,555	74.5	54.1	7.4	5.8	7.1
Arkansas	67,000	38,216	57.0	25.8	18.6	6.6	6.0
California	911,000	625,757	68.7	52.5	7.5	3.7	4.9
Colorado	111,000	72,834	65.5	42.6	9.5	4.4	9.1
Connecticut	118,000	51,103	43.3	23.9	5.5	7.4	6.4
Delaware	24,000	12,785	53.3	32.5	6.2	4.3	10.3
District of Columbia [2]	23,000	34,301					
Florida	293,000	169,351	57.8	35.3	11.1	4.8	6.6
Georgia	192,000	109,193	56.9	26.4	19.4	5.5	5.6
Hawaii	33,000	24,760	75.0	47.7	11.0	9.7	6.6
Idaho	28,000	16,419	58.6	36.7	5.1	5.5	11.4
Illinois	393,000	192,257	48.9	29.6	6.5	4.8	8.0
Indiana	207,000	88,502	42.8	19.3	6.9	5.1	11.5
Iowa	102,000	49,660	48.7	23.4	10.2	4.5	10.6
Kansas	83,000	46,151	55.6	33.9	9.8	4.1	7.7
Kentucky	108,000	56,200	52.0	28.8	9.2	4.0	10.1
Louisiana	118,000	67,851	57.5	28.1	14.3	8.1	7.0
Maine	38,000	21,422	56.4	28.4	10.9	9.7	7.4
Maryland	174,000	79,310	45.6	28.1	6.6	4.5	6.3
Massachusetts	231,000	98,905	42.8	28.9	5.9	3.6	4.4
Michigan	333,000	175,825	52.8	31.8	6.5	4.5	10.0
Minnesota	169,000	85,357	50.5	23.7	12.7	7.2	7.0
Mississippi	57,000	32,941	57.8	31.6	12.5	7.1	6.5
Missouri	193,000	101,642	55.5	31.6	10.2	4.9	8.8
Montana	28,000	16,348	58.4	32.2	9.9	9.0	7.3
Nebraska	44,000	32,695	59.4	32.0	10.6	9.3	7.6
Nevada	25,000	13,700	65.8	33.2	10.1	3.6	7.9

Footnotes at end of table.

TABLE 9.—CHAPTER 34: PARTICIPATION RATE FOR VIETNAM ERA VETERANS BY STATE AND TYPE OF TRAINING (CUMULATIVE THROUGH APRIL 1976)—Continued

		Trainees					
			Percent of veteran population				
	Veteran population	Total trainees	Tota	College	Other residence schools[1]	On-ob training	Correspondence
New Hampshire	36,000	16,244	45.1	26.8	4.4	7.2	6.7
New Jersey	262,000	101,846	38.9	21.6	6.2	4.3	6.7
New Mexico	38,000	28,413	74.8	43.3	16.2	5.3	10.0
New York	570,000	288,299	50.6	30.4	7.0	6.3	6.8
North Carolina	176,000	116,441	66.2	38.4	14.0	8.4	5.4
North Dakota	17,000	15,699	92.3	47.7	19.6	14.3	10.7
Ohio	410,000	180,463	44.0	23.4	6.5	4.4	9.8
Oklahoma	114,000	64,860	56.9	36.2	11.7	3.7	5.3
Oregon	105,000	55,121	52.5	36.5	5.5	5.1	5.3
Pennsylvania	442,000	192,218	43.5	19.7	7.6	5.5	10.7
Rhode Island	41,000	21,892	53.4	36.1	7.2	5.1	5.0
South Carolina	100,000	65,557	65.6	34.2	18.4	7.1	5.8
South Dakota	18,000	14,689	81.6	46.2	14.7	9.1	11.6
Tennessee	148,000	88,010	59.5	32.1	13.1	5.4	8.9
Texas	451,000	252,849	56.1	37.4	8.5	3.3	6.8
Utah	49,000	26,407	53.9	38.1	3.4	3.4	9.0
Vermont	19,000	6,795	38.5	16.6	3.8	8.4	6.9
Virginia	191,000	99,349	52.0	31.7	6.4	5.7	8.2
Washington	181,000	106,635	58.9	38.2	9.1	4.3	7.4
West Virginia	47,000	31,205	54.7	26.7	9.5	8.7	9.9
Wisconsin	164,000	82,898	50.5	25.9	7.7	5.7	11.3
Wyoming	13,000	7,667	49.0	36.9	5.2	7.4	9.5
Puerto Rico	44,000	17,673	40.2	26.2	11.9	1.1	1.0
Al' other[3]	47,000	9,211	19.6	16.2	1.5	.8	1.1

[1] The other residence schools percentage is derived by subtracting the correspondence percentage from the other schools percentage. This percentage will be slightly understated due to the small number of college level training contained in correspondence (about 1 percent).

[2] The number of trainees from the District of Columbia is overstated.

[3] Includes persons training in U.S. possessions and territories and in other countries.

In response to problems occasioned by the lack of accessible low-cost education, the Committee, in 1974, reported, and the Senate adopted a partial tuition assistance allowance of up to $720 a school year in addition to the basic educational assistance allowances for those veterans desiring to attend higher cost institutions.

This provision was strongly opposed by both the administration and by the House conferees who, among other things, believed it would open the door to serious abuse of the type witnessed in the World War II program. In the face of this intransigence, the Committee was unable to secure approval of the partial tuition assistance allowance. It did, however, secure approval, later enacted into law over Presidential veto, of a direct education loan in the amount of $600 a school year from the Veterans' Administration to those veterans who needed the additional assistance and who were unable to secure the required amount through a federally insured loan. Currently, 23 percent of all veterans attend institutions in which the annual tuition exceeds $750, all as revealed in the following table:

TABLE 10.—DISTRIBUTION OF TUITION AND FEES (PER SCHOOL YEAR) FOR FULL-TIME TRAINEES BY TYPE OF TRAINEES

	Cost of tuition and fees									
Type of training	$1 to $249	$250 to $499	$500 to $749	$750 to $1,499	$1,500 to $2,249	$2,250 to $2,999	$3,000 and Over	Total	Mean	Median
	Percent									
Ch. 34—Total	31.2	28.1	17.5	14.3	5.7	1.7	1.5	100	$598	$416
College level:										
Public	35.6	33.8	20.2	8.4	1.6		.4	100	418	356
Private	1.7	10.0	9.8	40.2	22.6	9.6	6.1	100	1,396	1,281
Other residence schools:										
Public	74.9	14.8	5.9	2.3	.8	.8	.5	100	251	166
Private	4.9	15.6	15.0	35.8	19.9	4.0	4.8	100	1,203	1,053
Ch. 35—Total	22.2	29.5	19.8	12.6	8.6	4.2	3.1	100	771	484
College level:										
Public	25.2	36.7	23.5	9.5	4.3	.3	.5	100	511	418
Private	2.3	3.5	7.0	23.5	27.3	21.3	15.1	100	1,925	1,875
Other residence schools:										
Public	79.4	14.1	2.8	2.0	.7	1.0		100	210	156
Private	4.9	22.5	20.4	33.2	13.2	4.3	1.1	100	976	800

Note: Data not available on cost of tuition and fees for chap. 31 trainees. Since VA pays these costs directly to the school many veterans did not report these costs.

To date, the VA education loan program has not been utilized to the degree anticipated either by Congress or by the administration. The Committee believes that this underutilization is due, in large part, to unnecessary red tape, the lack of an effective VA outreach program to inform veterans who might benefit by the program, and the limitation of loans to a maximum of $600 per school year. Accordingly, the reported bill increases the maximum annual loan to $2,000 and reduces the interest being charged on these loans. The Committee further directs the Veterans' Administration to undertake an active and effective outreach program which will acquaint veterans of this program, particularly those who live in States with low participation rates.

Finally, the Committee wishes to emphasize the existence of other Federal student aid programs which, to varying degrees, are available to veterans as well, all as shown in the following table:

TABLE 11.—FEDERAL STUDENT AID PROGRAMS FOCUSED ON UNDERGRADUATES

[September 1975]

Program	Administrative agency	Fiscal year 1975 appropriations (millions)	Fiscal year 1976 appropriations (millions)	Institutions participating, fiscal year 1975	Students aided, fiscal year 1975	Basic eligibility	Selection process	Amount per student, fiscal year 1976
GRANTS								
Basic education opportunity grant (BEOG).	USOE	$660	$715	5,500	605,000 *	At least ½ time undergrad.	To all who apply and and meet USOE needs test.	Maximum: $1,400; minimum: $200; average: $675 (fiscal year 1975).
Supplemental education opportunity grant (SEOG).	USOE	$240	$240	3,252	305,000 *	do	By institution to students with documented need.[1]	Maximum: $1,500; Average: $697 (fiscal year 1975).
State student incentive grants (SSIG).	USOE/States	$20 [2] (States match).	$44 (States match) (H.R. 5901).	45 States, 3 territories.	80,000 *	do	State selection based on need criteria.	Maximum: $1,500 average award: $500 (fiscal year 1975)—includes State and Federal.
Social security education benefits.	SSA (HEW)	$779	$880	NA	482,000	18 22 yr dependent of S.S. eligible.	No other needs test	Several variables determine amount; estimated average: $1,000/yr.
Assistance for Indian students.	BIA (Interior)	$32	$32 (H.R. 8773).	300 (estimate)	16,000	¼ Indian blood; home on reservation.	By institution. Based on need.	From $100 to full support, includes dependent; average—(fiscal year 1975).

Program	Administrative agency	Fiscal year 1975 appropriations (millions)	Fiscal year 1976 appropriations (millions)	Institutions participating, fiscal year 1975	Students aided, fiscal year 1975	Basic eligibility	Selection process	Amount per student, fiscal year 1976
Nursing grants	Health Resources Administration (HEW).	$6	$4 (H.R. 8069)	1,225	6,000	Enrolled fulltime in approved program.	do	Maximum: $2,500/yr; $10,000 total; average: $1,000 (fiscal year 1975).
Law enforcement education (grants and loans).	LEAA (Justice)	$45	$40 (H.R. 8121)	1,036	100,000	Enrolled in undergraduate or graduate program approved by LEAA.	By institution; not based on need.	Loan maximum; $2,200/yr; grant; $400 per semester.
ROTC scholarship	DOD	$25 (fiscal year 1974).	In committee	383 (fiscal year 1974).	19,000 (fiscal year 1974).	At least 17 yr old and desire a career in the armed forces.	National competitive basis.	Amount varies depending upon tuition, books, and fees of particular school attended.
WORK STUDY								
College work study (CWS).	USOE	$420	$390	3,154	560,000*	At least half-time undergraduate or graduate.	By institution to students with documented need.[1]	Average: $481 (fiscal year 1975).
National direct student loan (NDSL).	USOE	$329	$332 (H.R. 5901).	2, 810	680, 000 *	do	By institution with documented needed.[1]	Maximum: $2, 500 for 1st 2 yrs; $5,000 maximum for undergraduate; $7, 500 maximum includes both undergraduate and graduate; average: $438 (fiscal year 1975).
Federally insured student loan (FISL).	USOE	Subsidies: $382; defaults: $197.	Subsidies: $452; defaults: $202.	19,000 lenders	600,000 [3]* (FISL only), 470,000 (GSL).	do	Student finds lender; school documents enrollment status and education costs.	Maximum: $2,500/yr with $7,500 total maximum for undergraduate; $10,000 maximum includes graduate; average: $1,311 (fiscal year 1975).
Nursing loans	Health Resource Administration (HEW).	$23	$9 (H.R. 8069).	1,151	28,500	Enrolled full time in approved program.	By institution; based on need.	Maximum: $2,000/yr; average: $800 (fiscal year 1975.)

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[1] Most schools use 1 of 2 national services to determine expected family contribution.

[2] In fiscal year 1975, States spent $457,000,000 on State scholarships; $20,000,000 matched by Federal funds.

[3] 24 States use direct Federal insurance; the others have their own State guarantee agency for loans which the Federal Government reinsures at 80 percent. These States agencies serve an additional 470,000 students.

Source: Prepared from data supplied by appropriate agencies.

Vocational rehabilitation for disabled veterans

The welfare of the 496,000 disabled Vietnam era veterans continues to be of great concern to the Committee. These are the veterans who have been and will continue to be most severely affected as a result of their military service.

Since the end of World War II, the Congress has recognized the need for special vocational assistance, beyond compensation, to help disabled veterans find and train for a new career.

The mission of the vocational rehabilitation program is to assist service-disabled veterans in need of rehabilitation to overcome the handicapping effects of their disabilities and to prepare for, obtain, and hold productive employment. Through individualized counseling, each veteran is helped to select a suitable vocational objective and to plan a program of rehabilitation training to achieve the goal selected. The VA provides all necessary medical, prosthetic, and other services and special supplies and equipment for successful rehabilitation. VA rehabilitation staff maintain continuing close contact with the veteran throughout the training to assist as needed. While in training, the veteran receives a monthly subsistence allowance, in addition to disability compensation. The VA also pays the cost of tuition, books, and supplies to the training facility. On completing training, the veteran is helped to secure and maintain employment in the field for which he or she trained.

During fiscal year 1975, the eligibility requirements for vocational rehabilitation applicable to certain service-disabled veterans were liberalized, making benefits potentially available to many more veterans. Prior to the enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93-508) veterans having a compensable disability rated less than 30 percent resulting from service after the Korean conflict, or during the period between World War II and the Korean conflict were not automatically eligible for the vocational rehabilitation program. Public Law 93-508 provided automatic qualification for these disabled veterans, thus applying a standard identical to that in effect for disabled veterans of World War II and the Korean conflict. Determination as to need for vocational rehabilitation is now made on the basis of the same criteria for all veterans otherwise eligible. Information about this change in the law and its meaning was sent to all affected veterans whose basic termination date for benefits had not passed.

Public Law 93-508, as subsequently amended by Public Law 93-602, also increased the subsistence allowance for vocational rehabilitation trainees approximately 22.7 percent over the rate in effect prior to September 1, 1974. The impact of these liberalizations on the use of vocational rehabilitation benefits began to be evidenced in the latter part of fiscal year 1975. During the period January through June 1975, the number of veterans counseled and the number who entered into training under the vocational rehabilitation program showed an increase over the numbers so served during January through June 1974. For the year as a whole, however, the rehabilitation training program decreased in size, with a total of 24,840 veterans in training, 7.9 percent fewer than the 26,974 enrolled in fiscal year 1974. This represents a continuation of the decline that has occurred each year since fiscal year 1972, when the number of veterans in rehabilitation training totaled 31,635, the peak for the Vietnam era. Of those in training in November 1975, 15,354 were attending colleges and universities, 2,366 were in trade or technical schools or in special training situations, such as rehabilitation centers, and 507 were in on-job and on-the-farm training, all as shown in the following table:

TABLE 12.—CHAPTER 31.—TRAINING TIME, DEPENDENTS, FOR ALL IN TRAINING

[On Nov. 30, 1975]

	Total trainees	Percent full time	Percent paid for dependents
Grand total	15, 354	81. 2	74. 1
Institution of higher learning (ILH) total	11, 639	81. 6	73. 6
Graduate	617	82. 0	71. 8
Junior college	3, 172	77. 6	77. 6
Degree	3, 111	77. 7	77. 9
Nondegree	61	75. 4	60. 7
Other undergraduate	7, 850	83. 2	72. 1
Degree	7, 752	81. 1	72. 2
Nondegree	98	86. 7	65. 3
Other schools, total	2, 366	83. 1	72. 3
Vocational/technical	2, 137	83. 5	72. 4
Elementary/secondary	139	80. 6	69. 8
Spec. rehab., rest	34	73. 5	73. 5
Spec. rehab, vocational	27	66. 7	55. 6
Homebound	29	89. 1	93. 1
Institutional on-farm	102	99. 0	92. 2
On-job training, total	507	96. 3	85. 1
Apprentice	106	94. 3	82. 1
Other	401	96. 8	85. 9
Unknown	740	57. 3	79. 2

Title I of S. 969, as amended, increases the monthly subsistence allowance payable to disabled veterans training under chapter 31 by 8 percent. Thus, the full-time institutional rate for a veteran with no dependent is increased from $209 to $226 a month. For a veteran with one dependent the monthly subsistence rate increases from $259 to $280; for two dependents the rate is increased from $304 to $329; and $24 is added for each dependent in excess of two. Title I also repeals the limitations of the use of vocational rehabilitation eligibility contained in chapter 31 for more seriously disabled veterans. Under the amendment, the Administrator is given discretionary authority to extend the entitlement for whatever period is necessary for the veteran based upon the veteran's disability and need for vocational rehabilitation. The reported bill also permits the utilization of Federal agencies to provide training and work experience for certain disabled veterans on an unpaid basis. Such authority is now authorized for handicapped individuals under provisions of title V of the Rehabilitation Act of 1973 (Public Law 93-112).

Finally, the Committee observes, as it did in its 1974 report, that in its review of chapter 31 it has discovered many inconsistencies and much outdated terminology. Regulations issued thereunder are of little assistance in further interpreting the chapter. The Committee thus intends and expects that the Veterans' Administration will thoroughly review chapter 31 for possible legislative and administrative changes, particularly in light of legislative action taken by Congress in the Rehabilitation Act of 1973 which substantially restructured and redefined concepts regarding handicapped individuals, and employment services, and opportunities for them. In this connection, appropriate officials of the Veterans' Administration should consult with the Commissioner of the Rehabilitation Services Administration. Following such a review, the Committee anticipates reenacting chapter 31 in order to clarify and update language which is difficult to understand and often appears to be archaic.

Benefits for survivors and dependents

Title III of the reported bill also expands and improves chapter 35 which provides assistance to survivors of veterans who died of service-connected causes or to dependents of those veterans whose service-connected disabilities are rated total and permanent. In existence for over 20 years, this program is the result of congressional determinations that the death, disability, or prolonged absence of the father or husband threatens the economic well-being of families. Without such a program, children might not be able to go on to school when the earning power of the veteran is not available to the family. Wives and widows often have the principal responsibility for supporting the family thrust upon them so that, in the words of former Administrator William J. Driver, "It is preferable and necessary to encourage widows to return to the 'mainstream' both economically and socially. This goal could be furthered through additional education."

In recent years, Congress has expanded and improved the programs on a number of occasions. In 1970, Public Law 91–589 extended chapter 35 assistance to spouses and children of service personnel who were listed as prisoners of war, missing in action, or interred by a foreign government for more than 90 days. Special assistance for educationally disadvantaged survivors and dependents—including free high school completion and post-secondary tutorial assistance—was also authorized for the first time by the Vietnam Era Veterans' Readjustment Act of 1972 (Public Law 92–540).

Public Law 92–540 also extended additional training and educational options to chapter 35 eligible persons including postsecondary vocational objective programs and apprenticeship and on-job training.

The Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93–508) further equated chapter 35 benefits with those authorized under chapter 34 by authorizing survivors and dependents to participate both in the new VA educational loan program and in institutional farm training programs. Consistent with the extension of the delimiting period for veterans under chapter 34, wives and widows were also granted another 2 years within which to use their eligibility.

The 1974 amendments also extended to chapter 35 wives and widows the same full range of employment assistance benefits (including priority referral to jobs, job training and counseling) as is mandated for eligible veterans by State employment agencies under chapter 41 of title 38.

Finally, increases of 23 percent in the educational assistance allowances were provided by Public Law 93–508.

As of November 19, 1975, there were 12,127 spouses or surviving spouses and 55,709 sons and daughters training under chapter 35. Of this number, 91 percent were in training at the college level. The distribution of dependents by type of training is shown in the following table:

TABLE 13.—CHAPTER 35—DEPENDENTS EDUCATIONAL ASSISTANCE

[Persons in training—November 1975]

	Total	Orphans	Children of 100 percent disabled	Widow(ers)	Spouses of 100 percent disabled	Children of service personnel missing in action	Spouses of service personnel missing in action
Total	67, 836	29, 550	26, 092	7, 635	4, 454	67	38
College	61, 693	27, 764	24, 243	6, 202	3, 385	65	34
Graduate	2, 426	876	821	504	218	0	7
Junior college	22, 853	9, 260	7, 822	3, 718	2, 027	12	14
Other undergraduate	36, 414	17, 628	15, 600	1, 980	1, 140	53	13
Schools other than college	5, 880	1, 648	1, 755	1, 417	1, 055	2	3
Special restorative	25	12	9	1	3	0	0
On-job training	238	126	85	15	11	0	1

The improvements and increases in the chapter 35 program are directly reflected in the rapid growth of eligible persons training under this chapter. In the past 3 years, the numbers in training have increased from 40,113 to 67,836 or an increase of 69.1 percent, all as reflected in the following chart:

(NOTE.—Chart not reproductible.)

Title III of S. 969, as amended, would further improve and expand the survivors' and dependents' educational assistance program. Educational assistance allowances are increased by 8 percent. Maximum eligibility for benefits is for the first time extended from 36 to 45 months for all persons training under chapter 35. The maximum period of eligibility for use of benefits for children is extended in all cases to 8 years (currently 5 years in some instances).

Consistent with past congressional efforts to equalize chapter 35 provisions with those applicable to veterans under chapter 34 whenever appropriate and feasible, title III contains a number of amendments which clarify and codify provisions with respect to independent study, satisfactory progress and the definitions of "institution of higher learning" and "standard college degree". A number of technical conforming amendments are also made to chapter 35. Finally, amendments are made to chapter 41 to include chapter 35 eligible persons among those preferred for local veteran employment representative (LVERs) position. Because LVERs now render employment assistance services to chapter 35 eligible spouses and surviving spouses as well as to veterans, the Committee believes it is consistent to extend preference in filling those positions to them as well.

VA education program administration amendments to curb abuse and overpayments

The vast majority of VA educational payments are made to veterans who are seriously pursuing an education or training program. In recent years, however, a minority of veterans and institutions have abused the program in a variety of ways resulting in improper payments. Amendments contained in the 1972 and 1974 GI bill acts were principally directed at problems the Committee had found with respect to nondegree vocational objective programs. In 1972, for example, following a report by the General Accounting Office of the low completion rates in correspondence courses, and in response to other testimony received by the committee, the Senate passed provisions, later enacted in Public Law 92–540, which provided for full disclosure of the obligations of both the institution and veteran together with a 10-day mandatory cooling-off period. Following that period, a written affirmation of intent to be bound by the agreement was required of the veteran before he became financially obligated in any way to the correspondence school. Public Law 92–540 also required correspondence schools to refund tuition to veterans who terminate prior to course completion on a lesson completed basis rather than a time-elapsed basis.

In 1974, responding again to substantial problems manifested with respect to nondegree vocational programs, the Committee added several provisions which were enacted as part of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93–508).

The first of these concerned the so-called "85–15" rule, which requires, as a condition of course approval, that at least 15 percent of the enrolled not be in receipt of Federal veteran assistance payments. That rule was significantly expanded to cover many vocational courses not previously subject to it.

Second, the statutory prohibition against VA payments for courses which are avocational or recreational in character was strengthened by extending it to cover those courses with advertising containing significant avocational or recreational themes.

Third, a new section 1796 was added to title 38 which directs the Administrator not to approve enrollment of an eligible veteran or eligible person in any course offered by an institution which "utilizes advertising sales or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation". To aid the Administrator in carrying out investigations and making determinations, the section further directed him to enter into an agreement with the Federal Trade Commission to utilize, whenever appropriate, its services and facilities. The agreement was at last entered into on January 20, 1976.

Finally, and perhaps the most important of the 1974 amendments, was the added requirement that the Administrator not approve the enrollment of veterans in any vocational objective program which could not demonstrate that at least 50 percent of its available course graduates in a preceding 2-year period had secured employment in the occupational category for which the course was designed to provide training.

In the 2 years following the 1974 amendments, there have continued to be some problems with postsecondary vocational courses. The most significant development, however, has been the uncovering of problems and abuses with respect to veterans attending degree granting institutions. In the past several years, substantial VA overpayments have been established. These overpayments often have been the result of lack of timely notification by the veteran and/or the school, of changes in training status or of slow administrative processing of these changes by the Veterans' Administration itself. (See, for example, the March 19, 1976, GAO report "Educational Assistance Overpayments, A Billion Dollar Problem—A Look at the Causes, Solutions, and Collection Efforts".) It should be noted that most of these administrative overpayments are recovered by the Veterans' Administration generally as a result of "setoff" against subsequent VA educational entitlement payments.

Apart from these administrative problems of lack of timely notification and tardy processing, however, is mounting evidence that many veterans are enrolling in courses (often with the active encouragement and complicity of certain schools), not to pursue an education or training program, but solely to receive VA monthly assistance allowances. Although the extent of these abuses is generally unquantified and only partially reflected in established VA overpayments, compliance surveys by the Veterans' Administration in the past year reveal that it can be quite extensive at certain schools.

Consequently, the reported bill strengthens and clarifies various administrative provisions of title 38 to ensure that educational assistance benefits are paid only to those veterans who are, in fact, seriously pursuing a course of education. In earlier years, both statutory provisions and Veterans' Administration policy placed great reliance on accredited institutions of higher learning. Both the Congress and the Veterans' Administration expected that these schools would take responsibility for enforcing standards of progress which assured that veterans either proceeded to secure their degree at a normal pace or were not permitted to receive VA benefits as students in good standing. But, as the Chief Benefits Director of the Veterans' Administration testified earlier this year, there have been: "changes in educational practices and philosophy in recent years which have been susceptible to abuses by some students. Some colleges have turned increasingly to open-door enrollment practices, nonpunitive grading, lax reporting of attendance and liberalized withdrawal policies."

Such policies, he testified, were: "accompanied by poor recordkeeping and inadequate enforcement of standards of progress, [which] resulted in the VA paying subsistence allowance to many veterans and other eligible persons who were not actually in training. Some students would enroll for full-time training, receive benefits for a semester and then withdraw prior to examination time, without ever attending class."

"We had relied on institutions of higher learning to have standards of progress and to report to the Veterans' Administration promptly when they were not being met. This was necessary because the law requires that benefits to a veteran must be terminated when the recipient is not making satisfactory progress in his or her program of education.

"The opportunities for overpayment from such school policies have increased with our liberalized provisions for certifying periods of enrollment and verifying periods of attendance to facilitate timely and uninterrupted payments of educational benefits. These provisions have largely accomplished the goal of timely payment of benefits. But, in those cases of discontinued schooling, or reduced training time, when notification was not timely received by the Veterans' Administration, such policies resulted in substantial overpayments."

The Legislative Director of the State approving agencies testified that in the absence of more specific criteria for determining standards of progress and "with schools using a nonpunitive grading system that only computes passing grades as the grade point average (GPA) it is impossible to have unsatisfactory progress."

The House Appropriations Committee study of VA overpayments, released on March 5, 1976, noted that:

"An important change has taken place in colleges—the liberalization of grading policies. VA officials said that in recent years, schools experienced a strain on their budgets that made them change their academic standards. Some schools were aggressively trying to enroll students and keep them in school. They had to increase school revenues, and quality suffered as a result. Grading policies changed to do away with punitive grades. Students were permitted to withdraw from courses or take grades of "incomplete" at the 11th hour, rather than fail courses. In the few cases where such policies were questioned, schools indignantly replied that they were independent of outside criticism because they were accredited institutions. They considered themselves immune from outside interference.

"By giving in a little at a time, the VA lost control over the education program. In effect, an honor system developed where the VA left it up to the veterans and the institutions to report changes and terminations; but it was not in the interests of either to do so."

The Legislative Director of the State approving agencies association was even more blunt. He testified this year that "what we have been doing is using the old honor system * * * but, we came to find out that we had the honor and the others had the system."

The following are some representative cases uncovered by House Veterans' Affairs Committee investigators after surveying the records of students at one school which was part of the committee's hearing record:

Case No. 1.—The veteran in this case has been attending school on a continuous basis since January 1973. His transcript indicates that he attended 14 terms, most of them on a full-time basis. He attended 68 semester hours but earned credit for 31 or less than half. The grade point average for the full-time he attended is 1. He failed to receive a passing grade six consecutive terms starting with the winter term 1972–73. During the same period, the VA indicates that this veteran received his full educational allowances.

Case No. 2.—This is a typical case which occurs all too frequently in the transcripts furnished the Committee. The veteran has completed two full terms starting in the fall of 1974–75. He received all F's except in three courses which he failed to complete, yet he is certified as being in good standing.

Case Nos. 3 and 4.—The veteran failed to receive a grade point average for three straight terms, yet in good standing.

Case No. 5.—A veteran in training since January 1973; has no grade point average for over half of the time he has been in school including the last four terms.

Case No. 6.—The veteran has been enrolled continuously since 1971 but has a grade point average of only 1.88.

Case No. 7.—Veteran flunked or withdrew on all courses for four consecutive terms but remained in good standing at all times and then completed last two terms with passing grades.

Case No. 8.—Despite flunking all courses for two consecutive terms, veteran was permitted to continue the third term with no penalties.

Case No. 9.—Veteran had been drawing full benefits though he received no grade points for nine consecutive terms.

Case No. 10.—Veteran never passed a course for five consecutive terms yet certified to be in good standing.

The Committee wishes to emphasize that it does not undertake to assess the merits of changing educational practices with respect to enrollment policies, nonpunitive grading, attendance requirements, or liberalized withdrawal policies. But, when such policies are coupled with substantial Federal benefits, abuse, and contravention of congressional intent can result (and unfortunately has resulted). In the most recent fiscal year, the American taxpayer will fund $5.7 billion in VA educational assistance benefits. These benefits are specially predicated upon serious pursuit of educational or vocational objectives by veterans and are not intended as a gratuitous income supplement program.

As such, the Committee would be derelict in its duty if it did not prescribe procedures designed to reduce actual or potential abuse and to ensure that Federal tax dollars are spent in the manner intended by law. Accordingly, the reported bill establishes certain minimum standards and directs schools to develop within the framework established in title 38 more specific standards of progress to be applied to veterans in attendance at their respective institutions. Equally important, such standards, which are to be certified to the Veterans' Administration, must be actually enforced by schools. Schools are required by law to notify the VA promptly when a veteran ceases to maintain satisfactory progress. Generally, unsatisfactory progress, changes, withdrawals, and unscheduled interruptions must now be reported to the Veterans' Administration within 30 days of their occurrence.

Current VA regulations with respect to independent study and the auditing of courses are clarified and codified.

Other amendments in the reported bill which are intended to reduce the possibility or extent of abuse include first, extension and expansion of the "85–15" rule to all institutions enrolling veterans; and second, the deletion of existing statutory exceptions to the statutory requirement of 2 years of operation prior to VA approval of enrollment of veterans. Under the reported bill, the 2-year rule would apply to certain branches or extensions of institutions. In both of these situations, the reported provisions are intended to allow the free market mechanism to prove the worth of the course offered, by requiring that it respond to the general dictates of an open market as well as to those with available Federal moneys to spend. In the first instance at least 15 percent of the enrolled students must not be in receipt of VA payments or other Federal grants. In the second instance, the school must demonstrate that it can operate for at least 2 years independent of the influx of veterans in receipt of Federal payments.

Another amendment intended to prevent abuse prohibits veteran enrollment in correspondence courses (or the correspondence portion of a combined correspondence-residence course) leading to a vocational objective which is normally completed in less than 6 months.

Statutory provisions prohibiting the assignment of veteran benefits are further clarified and strengthened.

The Administrator is also directed to carry out a study of vocational objective programs and report back to Congress within 6 months with such administrative and legislative recommendations as may be necessary and appropriate to assure that such programs are in compliance with all applicable provisions of title 38, particularly the 50-percent employment requirement (38 U.S.C. § 1673(a)(2)) previously discussed. Preliminary findings of a review of the operations of the provisions of the 50-percent rule currently being conducted by the General Accounting Office at the Committee's request would appear to indicate not only that there is insufficient VA monitoring of the data being submitted by schools but that the provision as implemented by the agency may not be fully effectuating the intent of the statute.

The provisions of section 1796 which direct the Administrator not to approve the enrollment of veterans in any course offered by an institution utilizing erroneous, deceptive, or misleading sales or enrollment practices is strengthened by requiring institutions to maintain complete records and copies of all advertising sales materials utilized by it or on its behalf during a preceding 12-month period.

New section 1793 is added to require the Administrator to conduct an annual compliance survey of most institutions enrolling eligible veterans. These compliance surveys are intended to verify and assure the propriety of payments of educational benefits to eligible institutions and to determine whether there is any deviation from the requirements of the law by eligible individual schools or establishments. In this connection, title 38 is also clarified to assure access to pertinent student records in order to determine compliance with the provisions of title 38. The increased compliance surveys specified in the formula contained in new section 1793 will require the addition of 200 new VA compliance specialists.

Finally, the Committee wishes to emphasize that there are a number of criminal sanctions in the United States Code applicable to veterans or school officials who seriously abuse the VA educational assistance program. They include: 18 U.S.C. 1001 (false statements generally); 18 U.S.C. 371 (conspiracy to defraud); 18 U.S.C. 287, (false, fictitious, or fraudulent claim); 38 U.S.C. 3502 (fraudulent acceptance of payments); 18 U.S.C. 1341 (fraud, swindles—use of of mails); 18 U.S.C. 1961–1963 (racketeering); and 31 U.S.C. 231 (False Claims Act).

Section 1001 of title 18 is directed toward any individual who knowingly and willfully conceals a material fact or makes a false, fictitious, or fraudulent statement or representation to any Federal agency. Penalties under that provision provide a fine of not more than $10,000, or imprisonment for not more than 5 years, or both.

If two or more persons conspire to commit any offense against the United States, or to defraud the United States (or any Federal agency) they are subject to a fine of not more than $10,000, or imprisonment for not more than 5 years, or both, by virtue of 18 U.S.C. 371.

Section 287 of title 18 provides that anyone who submits a false, fictitious, or fraudulent claim upon or against the United States (or any Federal agency) knowing the claim to be false, fictitious, or fraudulent, shall be fined not more than $10,000 or imprisoned for not more than 5 years, or both.

Section 3502 of title 38 provides that anyone who fraudulently accepts monetary benefits from the VA (and entitlement to those benefits has ceased) or who obtains or receives any money or check under any laws administered by the VA without being entitled to it, and with intent to defraud the United States or any beneficiary of the United States, shall be fined not more than $2,000 or imprisoned not more than 1 year, or both. Section 3502 may then be used in prosecutions of persons for receiving monetary benefits where entitlement has ceased, or persons who receive any money or check where there never was entitlement to receive such, if there is intent to defraud. In contrast to section 1001 of title 18, there need not be a specific showing that a false statement or misrepresentation was made.

Sections 1341, 1961, 1962, and 1963 of title 18 were recently utilized in indicting the principal figure in a major education fraud investigation. Section 1341 is concerned with frauds and swindles which involve the use of the Postal Service. Sections 1961–1963 are the Federal racketeering prohibitions used in connection with the mail fraud charges under section 1341. The definition of racketeering under section 1961(1)(B) includes any act indictable under section 1341.

Section 231 of title 31, United States Code, allows civil recovery for fraud in the submission of false claims. This provision allows the United States to bring a civil action for recovery because of the submission of a false, fictitious, or fraudulent claim. Section 231 allows the United States to recover $2,000 as forfeiture and, in addition, to double the amount of damages the United States may have sustained by reason of the act.

So that there is no mistaken apprehension, the Committee reemphasizes its belief that the vast majority of veteran students are seriously pursuing an education. It also believes that most institutions are concerned that the GI bill program not be abused and that all requirements of the law be complied with. The amendments made in the reported bill are intended to preserve the integrity of the program against a resourceful minority who would abuse it.

Unemployment among disabled and Vietnam-era veterans

The reported bill also adopts several amendments intended to alleviate the severe unemployment problems currently experienced by disabled and Vietnam era veterans. Of these amendments, perhaps the most important is the elevation to the Assistant Secretary level within the Department of Labor of responsibility for veteran employment assistance as mandated by Chapters 41, 42 and 43 of title 38, United States Code. The consolidation of responsibilities at an appropriate level of accountability should provide a focus and direction for assistance to veterans which, to date, has been tragically lacking.

The Committee believes that the recurring unemployment problems amongst Vietnam era veterans is a sad commentary on the American society. It is discouraging to the Committee that those who bore the brunt of this Nation's involvement in Vietnam continue to bear the brunt of this Nation's economic woes. Unemployment amongst Vietnam era veterans has been a problem since the late 1960's. In early 1971, unemployment among young veterans reached as high as 12 percent with joblessness among veterans 20 to 24 years old, minority group veterans, and disabled veterans substantially higher. The Committee responded to this situation with a number of amendments—designed to strengthen unemployment services provided for veterans—incorporated as part of the Vietnam Era Veterans Readjustment Assistance Act of 1972 (Public Law 92–540). In addition to increasing benefits payable for those enrolled in apprenticeship and on-job training by 48 percent, the 1972 GI bills rewrote and strengthened chapter 41 relating to the job counseling, training, and placement services required to be furnished to veterans by State Employment Security Agencies. The Secretary of Labor was directed to ensure that any veteran seeking employment assistance was "promptly placed in a satisfactory job or job-training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling services."

Each local employment office was required to have a Local Veterans' Employment Representative (LVER) unless the Secretary of Labor determined that an LVER was not needed based on a demonstrated lack of need for such services. A formula included in the statute mandated the hiring of 68 Assistant Veterans' Employment Representatives (AVERs). Unfortunately for unemployed veterans, more than a year after enactment of the 1972 GI bill, only one AVER had been hired.

The 1974 GI bill included measures designed to strengthen and improve the employment services afforded Vietnam era and disabled veterans. The bill included provisions requiring most Federal contractors to institute affirmative action plans for the hiring and advancement of qualified Vietnam era and disabled veterans. Regulations implementing this section were not finally promulgated until late July 1976—over 19 months after the enactment of the 1974 GI bill and over half a year later than the date the Department of Labor had promised the Committee that they would be implemented following hearings which concerned their delay. And, to date, the Committee has yet to receive a written response to its inquiry of May 21, 1976, concerning the staffing of the compliance officers for the veterans' program. Despite testimony by Labor that full staffing of the veterans' affirmative action program would be completed by March, it is the Committee's understanding that full staffing has yet to be attained.

The 1974 GI bill further ordered the Secretary of Labor to develop specific performance standards for the "priority service" which must be given to veterans by all federally funded State employment agencies. Yet, nearly 2 years later, no specific performance standards have been issued by the Secretary of Labor and statistics supplied by the Labor Department itself clearly reveal that the mandate of assistance to all veterans seeking it is not being followed.

The employment problems of Vietnam era veterans, particularly younger, disabled and minority veterans, have continued unabated. Although the depressed state of the economy continues, the Committee notes that the Department of Labor minimized it as a factor responsible for the poor quality of services afforded veterans. Rather, they testified:

> "We have found that the most significant variable in employment service performed to be management. Regardless of what other variables you look at, the economy, whether or not they have had a certain kind of system or organization, we find some States perform better in everything, including veterans."

The variations in State performances with regard to the placement of Vietnam veterans during fiscal year 1975 is exemplified by the following table:

TABLE 14.—EMPLOYMENT SERVICE PERFORMANCE INDICATORS RANKED BY STATE—Continued

[Vietnam veterans]

State	New applications and renewals	Individuals placed	As a percent of new applications and renewals	State rank
Iowa	18, 098	7, 519	41. 5	1
Wyoming	5, 514	2, 256	40. 9	2
South Dakota	6, 271	2, 548	40. 6	3
North Dakota	7, 692	2, 979	38. 7	4
Alaska	6, 397	2, 380	37. 2	5
Maine	7, 587	2, 797	36. 9	[1]6
Mississippi	15, 994	5, 896	36. 9	[1]6
Pennsylvania	43, 749	14, 889	34. 0	8
Florida	39, 364	13, 146	33. 4	9

State	New applications and renewals	Individuals placed	As a percent of new applications and renewals	State rank
Idaho	11, 714	3, 678	31. 4	10
Oklahoma	33, 392	10, 466	31. 3	11
Washington	32, 081	9, 885	30. 8	12
Nebraska	10, 052	3, 028	30. 1	14
Arkansas	19, 078	5, 692	29. 8	13
West Virginia	14, 750	4, 275	29. 0	[1] 15
Arizona	19, 023	5, 517	29. 0	[1] 15
Utah	14, 162	4, 122	29. 0	[1] 15
Kansas	17, 601	5, 098	29. 0	[1] 15
Texas	103, 136	29, 933	29. 0	[1] 15
Tennessee	21, 788	6, 182	28. 4	20
Louisiana	23, 871	6, 710	28. 1	21
Montana	9, 978	2, 785	27. 9	22
Kentucky	19, 489	5, 359	27. 5	23
Oregon	26, 233	7, 190	27. 4	24
New York	52, 297	14, 186	27. 1	25
New Mexico	13, 916	3, 644	26. 2	26
Massachusetts	28, 766	7, 463	25. 9	27
California	152, 909	38, 485	25. 2	28
Rhode Island	8, 480	2, 037	24. 0	29
Minnesota	30, 819	7, 103	23. 0	30
New Jersey	27, 791	6, 282	22. 6	31
North Carolina	44, 907	10, 094	22. 5	32
Alabama	24, 433	5, 465	22. 4	33
Illinois	51, 520	11, 328	22. 0	34
Hawaii	8, 693	1, 836	21. 1	35
Missouri	47, 221	9, 918	21. 0	36
Vermont	5, 334	1, 044	19. 6	37
Virginia	36, 415	7, 078	19. 4	38
Colorado	26, 109	4, 997	19. 1	39
South Carolina	23, 878	4, 493	18. 8	[1] 40
Nevada	10, 379	1, 954	18. 8	[1] 40
New Hampshire	8, 755	1, 618	18. 5	42
Wisconsin	31, 418	5, 738	18. 3	43
Indiana	44, 793	7, 845	17. 5	44
Puerto Rico	6, 377	1, 075	16. 9	[1] 45
Georgia	39, 299	6, 644	16. 9	[1] 45
Connecticut	24, 281	3, 886	16. 0	47
Maryland	21, 211	3, 316	15. 6	48
District of Columbia	8, 306	1, 236	14. 9	49
Ohio	69, 988	10, 154	14. 5	50
Michigan	60, 243	8, 490	14. 1	51
Delaware	5, 391	588	10. 9	52
Guam [2]			0	
Virgin Islands [2]			0	

[1] States which tie in percentage are given the same State ranking number and the following number is omitted.

[2] Information not available.

Despite this testimony, no specific performance standards have been issued by this Department to the States as required by law. And there has been little effective leadership or management within the Department of Labor whose performance with respect to veterans, especially younger, disabled, and minority veterans, has been decidedly less than impressive. For example, at the end of July 1976, unemployment rates for younger Vietnam veterans was 20.0 percent, or approximately twice that of similarly aged nonveterans. At the end of June (and the most recent data available) approximately 30 percent of younger minority veterans were unemployed, a rate significantly higher than the rate for similarly aged nonveterans. Services to veterans have not been satisfactory as indicated by the Department's own fiscal year 1976 ESARS data. Despite express statutory language which requires that Vietnam veterans receive some form of specific assistance, over one-third of all Vietnam vets who asked for assistance at federally funded State employment offices had their files inactivated with no reportable service at all. The number of Vietnam era veterans seeking assistance at State employment offices increased nearly 9 percent from the same period last year, the percentage of veterans counseled was down 6 percent, the percentage of job placements dropped 5 percent, and the percentage of veterans placed in jobs of 3 days duration or more declined nearly 6 percent. In addition, Comprehensive Employment and Training Act (CETA) enrollments of Vietnam era veterans (the Federal Government's primary employment assistance program) dropped drastically, while enrollment in training also declined.

The poor quality of employment services for veterans during fiscal year 1975, the most recent period for which complete data is available, is indicated by the following table:

TABLE 15.—SERVICE TO VETERANS AND OTHERS BASED ON EMPLOYMENT SECURITY AUTOMATED REPORTING SYSTEM (ESARS)—FISCAL YEAR 1975

Activity	All individuals			Veterans					
				Total			Vietnam era		
	Number	Percent A	Percent B	Number	Percent A	Percent B	Number	Percent A	Percent B
Intake (applicants available)	18, 512, 780	100. 0		3, 398, 658	100. 0		1, 963, 096	100. 0	
Partially registered	2, 451, 754	13. 2		173, 322	5. 1		89, 068	4. 5	
New applicants and renewals	15, 035, 431	81. 2	100. 0	2, 723, 337	80. 1	100. 0	1, 587, 733	80. 9	100. 0
Counseled	884, 236	4. 8	5. 9	182, 702	5. 4	6. 7	125, 874	6. 4	7. 9
Interviews	872, 193	4. 7	5. 8	180, 761	5. 3	6. 6	124, 532	6. 3	7. 8
Group sessions	36, 649	. 2	. 2	5, 318	. 2	. 2	3, 809	. 2	. 2
Placed after counseling	213, 268	1. 2	1. 4	51, 383	1. 5	1. 9	37, 378	1. 9	2. 4
Enrolled in orientation	162, 565	. 9	1. 1	69, 737	2. 1	2. 6	41, 010	2. 1	2. 6
Referred to supportive service	286, 529	1. 5	1. 9	138, 154	4. 1	5. 1	91, 993	4. 7	5. 8
Enrolled in training	316, 983	1. 7	2. 1	39, 429	1. 2	1. 4	29, 853	1. 5	1. 9
CETA	157, 664	. 9	1. 0	21, 788	. 6	. 8	16, 571	. 8	1. 0
Job development performed	1, 020, 642	5. 5	6. 8	278, 462	8. 2	10. 2	178, 433	9. 1	11. 2
Placed direct to job development	334, 548	2. 1	2. 6	82, 475	2. 4	3. 0	54, 573	2. 8	3. 4
Referred to a job	6, 125, 870	33. 1	40. 7	238, 645	36. 4	45. 5	807, 340	41. 1	50. 8
Nonagricultural industry	5, 933, 710	32. 1	39. 5	1, 215, 381	35. 8	44. 6	796, 542	40. 6	50. 2
Agricultural industry	305, 616	1. 7	2. 0	55, 445	1. 6	2. 0	31, 334	1. 6	2. 0
Placed in a job	3, 137, 542	16. 9	20. 9	592, 546	17. 4	21. 8	390, 638	19. 9	24. 6
Nonagricultural industry	2, 966, 749	16. 0	19. 7	571, 664	16. 8	21. 0	380, 689	19. 4	24. 0
Over 3 days	2, 768, 817	15. 0	18. 4	531, 258	15. 6	19. 5	360, 516	18. 4	22. 7
Over 150 days	2, 212, 721	12. 0	14. 7	476, 650	14. 0	17. 5	324, 779	16. 5	20. 5
3 days or less	310, 249	1. 7	2. 1	67, 283	2. 0	2. 5	36, 061	1. 8	2. 3
Agricultural industry	214, 908	1. 2	1. 4	33, 186	1. 0	1. 2	16, 680	. 8	1. 1
Over 3 days	184, 136	1. 0	1. 2	27, 906	. 8	1. 0	14, 210	. 7	. 9
Over 150 days	46, 025	. 2	. 3	11, 434	. 3	. 4	6, 588	. 3	. 4
3 days or less	40, 853	. 2	. 3	6, 916	. 2	. 3	3, 134	. 2	. 3
Special programs:									
NAB—Jobs	28, 486	. 2	. 2	2, 589	. 1	. 1	2, 048	. 1	. 1
JOP	8, 807	. 2	. 1	2, 399	. 1	. 1	1, 982	. 1	. 1
Apprenticeship	9, 096	. 04	. 1	2, 787	. 1	. 1	2, 504	. 1	. 2
PEP	27, 118	. 1	. 2	8, 969	. 3	. 3	6, 198	. 3	. 4
Tested	710, 230	3. 8	4. 7	84, 391	2. 5	3. 1	66, 871	3. 4	4. 2
Referred to CETA	145, 018	. 8	1. 0	30, 273	. 9	1. 1	21, 857	1. 1	1. 4
Provided some service	7, 797, 347	41. 7	51. 4	1, 530, 872	45. 0	56. 2	986, 949	50. 3	62. 2
Inactive	13, 449, 491	72. 6	89. 5	2, 470, 578	72. 7	90. 7	1, 461, 583	74. 5	92. 1
After placement or training enrollment	2, 940, 279	15. 9	19. 6	546, 597	16. 1	20. 1	364, 630	18. 6	23. 0
After other service	3, 690, 992	19. 9	24. 5	764, 104	22. 5	28. 1	491, 166	25. 0	30. 9
With no service	6, 818, 270	36. 8	45. 3	1, 159, 877	34. 1	42. 6	605, 787	30. 9	38. 2
Active file June 30	6, 699, 029			1, 292, 682			729, 357		
Provided positive terminate service	3, 357, 189	18. 1	22. 3	617, 062	18. 2	22. 7	409, 167	20. 8	25. 8
Provided other service	4, 370, 158	23. 6	29. 0	913, 810	26. 9	33. 6	577, 782	29. 4	36. 4
Provided no reportable service	10, 818, 484	58. 4	71. 7	1, 871, 976	55. 1	68. 7	978, 857	49. 9	61. 7
Intake (applicants available)	17, 723, 647	100. 0		3, 389, 889	100. 0		1, 882, 238	100. 0	
Partially registered	2, 226, 761	12. 6		143, 427	4. 2		72, 991	3. 9	
New applicants and renewals	13, 306, 799	75. 1	100. 0	2, 230, 666	69. 6	100. 0	1, 347, 781	71. 6	100. 0
Counseled	981, 516	5. 5	7. 4	187, 094	5. 5	7. 9	124, 645	6. 6	9. 2
Interviews	968, 108	5. 5	7. 3	184, 499	5. 4	7. 8	122, 738	6. 5	9. 1
Group sessions	44, 736	. 3	. 3	6, 967	. 2	. 3	5, 132	. 3	. 4
Plated after counseling	235, 317	1. 3	1. 8	48, 707	1. 4	2. 1	34, 472	1. 8	2. 6
Enrolled in orientation	106, 171	. 6	. 8	14, 326	. 4	. 6	9, 436	. 5	. 7
Referred to supportive services	186, 905	1. 1	1. 4	65, 405	1. 9	2. 8	44, 974	2. 4	3. 3
Enrolled in training	348, 601	2. 0	2. 6	51, 625	1. 5	2. 2	40, 095	2. 1	3. 0
CETA	INA			INA			INA		
Job development performed	937, 411	5. 3	7. 0	238, 636	7. 0	10. 1	150, 624	8. 0	11. 2
Placed due to job development	401, 143	2. 3	3. 0	86, 499	2. 6	3. 7	56, 518	3. 0	4. 2
Referred to a job	6, 203, 487	35. 0	46. 6	INA			INA		
Nonagricultural industry	6, 024, 514	34. 0	45. 3	1, 168, 661	34. 5	49. 5	746, 757	39. 7	55. 4
Agricultural industry	300, 660	1. 7	2. 3	56, 862	1. 7	2. 4	29, 986	1. 6	2. 2
Placed in a job	3, 333, 702	18. 8	25. 1	608, 906	18. 0	25. 8	393, 391	20. 9	29. 2
Nonagricultural industry	3, 171, 997	17. 9	23. 8	586, 768	17. 3	24. 9	383, 790	20. 4	28. 5
Over 3 days	2, 968, 808	16. 8	18. 3	546, 694	16. 1	23. 2	366, 043	19. 4	27. 2
Over 150 days	2, 432, 205	13. 7			14. 8	21. 2	336, 693	17. 9	25. 0
3 days or less	329, 219	1. 9	2. 5	67, 658	2. 0	2. 9	33, 174	1. 8	2. 5

TABLE 15.—SERVICE TO VETERANS AND OTHERS BASED ON EMPLOYMENT SECURITY AUTOMATED REPORTING SYSTEM (ESARS)—FISCAL YEAR 1975—Continued

Activity	All individuals			Veterans					
				Total			Vietnam era		
	Number	Percent A	Percent B	Number	Percent A	Percent B	Number	Percent A	Percent B
Agricultural industry	213,610	1.2	1.6	36,322	1.1	1.5	16,920	.9	1.3
Over 3 days	183,125	1.0	1.4	30,664	.9	1.3	14,532	.8	1.1
Over 150 days	51,064	.3	.4	12,597	.4	.5	6,786	.4	.5
3 days or less	40,535	.2	.3	7,502	.2	.3	3,164	.2	.2
Special programs:									
NAB.Jobs	57,535	.3	.4	7,658	.2	.3	6,210	.3	.4
JOP	31,352	.2	.2	10,489	.3	.4	8,625	.5	.6
Apprenticeship	11,689	.1	.1	3,776	.1	.2	3,311	.2	.2
PEP	78,391	.4	.6	4,405	.1	.2	3,351	.2	.2
Tested	853,521	4.8	.4	101,516	3.0	4.3	79,196	4.2	5.9
Referred to CETA	INA			INA			INA		
Provided some service	7,651,555	43.2	57.5	1,413,975	41.7	59.9	894,421	47.5	66.4
Inactivated	13,580,637	76.6	102.1	2,603,785	76.8	110.3	1,457,065	77.4	108.1
After placement of training enrollment	3,046,692	17.2	22.9	576,978	17.0	24.4	375,330	19.9	27.8
After other service	3,982,309	22.5	29.9	825,426	24.3	35.0	504,472	26.8	37.4
With no service	6,551,636	37.0	49.2	1,201,381	35.4	50.9	577,263	30.7	42.8
Active file June 30	5,627,198	31.7	42.3	1,082,157	31.9	45.8	605,655	32.2	44.9
Provided positive terminate services	3,526,376	19.9	26.5	636,343	18.8	27.0	415,970	22.1	30.9
Provided other service	4,125,179	23.3	31.0	777,632	22.9	32.9	478,451	25.4	35.5
Provided no reportable service	10,041,135	56.7	75.5	1,970,035	58.1	83.5	983,991	52.3	73.0

Activity	Veterans					
	Handicapped			Disabled		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Intake (applicants available)	389,937	100.0		166,193	100.0	
Partially registered	11,395	2.9		7,492	4.5	
New applicants and renewals	314,121	80.6	100.0	131,481	81.5	100.0
Counseled	49,851	12.8	15.9	18,438	11.1	13.6
Interviews	49,459	12.7	15.7	18,322	11.0	13.5
Group sessions	1,191	.3	.4	323	.2	.2
Placed after counseling	13,005	3.3	4.1	4,547	2.7	3.4
Enrolled in orientation	13,199	3.4	4.2	6,403	3.9	4.7
Referred to supportive service	30,588	7.8	9.7	5,348	9.7	11.3
Enrolled in training	6,656	1.7	2.1	3,318	1.4	1.7
CETA	3,828	1.0	1.2	1,264	.8	.9
Job development performed	42,331	10.9	13.5	18,401	11.1	13.6
Placed direct to job development	12,444	3.2	4.0	4,734	2.8	3.5
Referred to a job	154,721	39.7	[1] 49.3	65,400	39.4	48.3
Nonagricultural industry	152,256	39.0	48.5	64,749	39.0	47.8
Agricultural industry	7,303	1.9	2.3	2,739	1.6	2.0
Placed in a job	75,887	19.5	24.2	30,882	18.6	22.8
Nonagricultural industry	73,648	18.9	23.4	29,941	18.0	22.1
Over 3 days	67,604	17.3	21.5	27,708	16.7	20.5
Over 150 days	60,679	15.6	19.3	24,862	15.0	18.4
3 days or less	10,892	2.8	3.5	3,869	2.3	2.9
Agricultural industry	4,272	1.1	1.4	1,610	1.0	1.2
Over 3 days	3,457	.9	1.1	1,314	.8	1.0
Over 150 days	1,585	.4	.5	542	.3	.4
3 days or less	1,017	.3	.3	401	.2	.3
Special programs:						
NAB—Jobs	274	.1	.1	INA		
JOP	352	.1	.1	INA		
Apprenticeship	145	.03	.04	INA		
PEP	1,258	.3	.4	INA		
Tested	13,408	3.4	4.3	4,999	3.0	3.7
Referred to CETA	4,879	1.3	1.6	1,711	1.0	1.3
Provided some service	208,801	53.5	66.5	88,722	53.4	65.5
Inactive	289,862	74.3	92.3	123,845	74.5	91.4
After placement or training enrollment	70,732	18.1	22.5	28,281	17.0	20.9
After other service	105,882	27.2	33.7	46,245	27.8	34.1
With no service	113,248	29.0	36.1	49,319	29.7	36.4
Active file June 30	149,655			62,364		
Provided positive terminate service	80,093	20.5	25.5	32,382	19.5	23.9
Provided other service	181,573	46.6	57.8	77,571	46.7	57.3
Provided no reportable service	372,105	100.0		124,016	100.0	

Activity	Veterans					
	Handicapped			Disabled		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Intake (applicants available)	6,952	1.9		4,082	3.3	
Partially registered	264,331	71.0	100.0	113,445	91.5	100.0
New applicants and renewals	48,603	13.1	18.4	16,532	13.3	14.6
Counseled	48,282	13.0	18.3	16,440	13.3	14.5
Interviews	1,186	.3	.4	346	.3	.3
Group sessions	12,134	3.3	4.6	3,664	3.0	3.2
Plated after counseling	1,813	.5	.7	646	.5	.6
Enrolled in orientation	16,380	4.4	6.2	7,036	5.7	6.2
Referred to supportive service	7,185	1.9	2.7	2,546	2.1	2.2
Enrolled in training	INA			INA		
CETA	34,602	9.3	13.1	14,153	11.4	12.5
Job development performed	12,369	3.3	4.7	4,359	3.5	3.8
Placed due to job development	INA			INA		
Referred to a job	139,820	37.6	52.9	53,396	43.1	47.1
Nonagricultural industry	6,829	1.8	2.6	2,357	1.9	2.1
Agricultural industry	73,839	19.8	27.9	26,930	21.7	23.7
Placed in a job	71,824	19.3	27.2	26,153	21.1	23.1
Nonagricultural industry	66,132	17.8	25.0	24,329	19.6	21.4
Over 3 days	60,948	16.4	23.1	22,323	18.0	19.7
Over 150 days	10,533	2.8	4.0	3,352	2.7	3.0
3 days or less	4,177	1.1	1.6	1,421	1.1	1.3
Agricultural industry	3,313	.9	1.3	1,149	.9	1.0
Over 3 days	1,641	.4	.6	541	.4	.5
Over 150 days	1,080	.3	.4	348	.3	.3
3 days or less	899	.2	.3	INA		
Special programs:						
NAB-jobs	1,458	.4	.6	INA		
JOP	176	.04	.1	INA		
Apprenticeship	541	.1	.2	INA		
PEP	14,061	3.8	5.3	5,228	4.2	4.6
Tested	INA			INA		
Referred to CETA	182,216	49.0	68.9	69,790	56.3	61.5
Provided some service	290,394	78.0	109.9	93,167	75.1	82.1
Inactivated:						
After placement or training enrollment	69,656	18.7	26.4	21,927	17.7	19.3
After other service	106,706	28.7	40.4	33,811	27.3	29.8
With no service	114,032	30.6	43.1	37,429	30.2	33.0
Active file June 30	123,213	33.1	46.6	44,020	35.5	38.8
Provided positive terminate services	77,771	20.9	29.4	28,330	22.8	25.0
Provided other service	104,445	28.1	39.5	41,410	33.4	36.5
Provided no reportable service	189,464	50.9	71.7	54,033	43.6	47.6

Activity	Nonveterans					
	Total			Male		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Intake (applicants available)	15,114,122	100.0		7,175,297	100.0	
Partially registered	2,278,432	15.1		1,066,257	14.9	
New applicants and renewals	12,362,094	81.8	100.0	6,016,135	83.8	100.0
Counseled	701,534	4.6	5.7	297,484	4.1	4.9
Interviews	691,432	4.6	5.6	293,345	4.1	4.9
Group sessions	31,331	.2	.3	10,510	.1	.2
Placed after counseling	161,885	1.1	1.3	73,144	1.0	1.2
Enrolled in orientation	92,828	.6	.8	32,340	.5	.5
Referred to supportive service	148,375	1.0	1.2	63,996	.9	1.1
Enrolled in training	277,554	1.8	2.2	131,711	1.8	2.2
CETA	135,876	.9	1.1	68,024	.9	1.1
Job development performed	742,170	4.9	6.0	343,791	4.8	5.7
Placed direct to job development	312,073	2.1	[1] 2.5	147,395	2.1	2.4
Referred to a job	4,887,225	32.3	39.5	2,392,300	33.3	39.8
Nonagricultural industry	4,718,329	31.2	38.2	2,293,681	32.0	38.1
Agricultural industry	250,117	1.7	2.0	188,965	2.6	3.1
Placed in a job	2,544,996	16.8	20.6	1,293,133	18.0	21.5
Nonagricultural industry	2,395,085	15.8	19.4	1,185,886	16.5	19.7
Over 3 days	2,237,559	14.8	18.1	1,079,145	15.0	17.9
Over 150 days	1,736,071	11.5	14.0	808,461	11.3	13.4
3 days or less	242,966	1.6	2.0	161,742	2.3	2.7

Activity	Nonveterans					
	Total			Male		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Intake (applicants available)	14,333,758	100.0		6,641,560	100.0	
Partially registered	2,083,334	14.5		947,623	14.3	
New applicants and renewals	10,946,133	76.4	100.0	5,199,137	78.2	100.0
Counseled	794,422	5.5	7.3	336,578	5.1	6.5
Interviews	783,609	5.5	7.2	331,944	5.0	6.4
Group sessions	73,769	.3	.3	13,149	.2	.3
Plated after counseling	186,610	1.3	1.7	85,500	1.3	1.6
Enrolled in orientation	91,845	.6	.8	27,824	.4	.5
Referred to supportive service	121,500	.8	1.1	51,920	.8	1.0
Enrolled in training	296,976	2.1	2.7	138,140	2.1	2.7
CETA	INA			INA		
Job development performed	698,775	4.9	6.4	317,456	4.8	6.1
Placed due to job development	314,644	2.2	2.9	147,292	2.2	2.8
Referred to a job	INA			INA		
Nonagricultural industry	4,855,853	33.9	44.9	2,375,582	35.8	45.7
Agricultural industry	243,798	1.7	2.2	188,100	2.8	3.6
Placed in a job	2,724,796	19.0	24.9	1,401,767	21.1	27.0
Nonagricultural industry	2,585,229	18.0	23.6	1,299,646	19.6	25.0
Over 3 days	2,422,114	16.9	22.1	1,187,688	17.9	22.8
Over 150 days	1,931,574	13.5	17.6	916,454	13.8	17.6
3 days or less	261,561	1.8	2.4	175,652	2.6	3.4

Activity	Nonveterans					
	Total			Male		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Agricultural industry	181, 722	1.2	1.5	134, 104	1.9	2.2
Over 3 days	156, 230	1.0	1.3	113, 198	1.6	1.9
Over 150 days	34, 591	.2	.3	29, 147	.4	.5
3 days or less	33, 937	.2	.3	27, 486	.4	.5
Special programs:						
NAB—Jobs	25, 897	.2	.2	INA		
JOB	6, 408	.04	.1	INA		
Apprenticeship	6, 309	.04	.1	INA		
PEP	18, 149	.1	.1	INA		
Tested	625, 839	4.1	5.1	191, 536	2.7	3.2
Referred to CETA	114, 745	.8	.9	56, 605	.8	.9
Provided some service	6, 196, 475	41.0	50.1	2, 921, 592	40.7	48.6
Inactive	10, 978, 913	72.6	88.8	5, 358, 659	74.7	89.1
After placement or training enrollment	2, 393, 632	15.8	19.4	1, 239, 451	17.3	20.6
After other service	2, 926, 888	19.4	23.7	1, 339, 267	18.7	22.3
With no service	5, 658, 393	37.4	45.8	2, 779, 941	38.7	46.2
Active file June 30	5, 406, 167			2, 463, 357		
Provided positive terminate service	2, 740, 127	18.1	22.2	1, 381, 522	19.3	23.0
Provided other service	3, 456, 348	22.9	28.0	1, 534, 801	21.4	25.5
Provided no reportable service	8, 946, 508	59.2	72.4	4, 258, 723	59.4	70.8

Activity	Nonveterans					
	Total			Male		
	Number	Percent A	Percent B	Number	Percent A	Percent B
Agricultural industry	177, 288	1.2	1.6	135, 127	2.0	2.6
Over 3 days	152, 461	1.1	1.4	113, 992	1.7	2.2
Over 150 days	38, 467	.3	.4	32, 192	.5	.6
3 days or less	33, 033	.2	.3	27, 917	.4	.5
Special programs:						
NAB–Jobs	49, 877	.3	.5	INA		
JOP	20, 863	.1	.2	INA		
Apprenticeship	7, 913	.1	.1	INA		
PEP	73, 986	.5	.7	INA		
Tested	725, 005	5.2	6.9	237, 334	3.6	..
Referred to CETA	INA			INA		62
Provided some service	6, 237, 580	43.5	57.0	2, 937, 308	44.2	56.5
Inactivated	19, 977, 052	76.6	100.3	5, 208, 566	78.4	4. 0
After placement or training enrollment	2, 469, 714	17.2	22.6	1, 289, 999	19.4	24.8
After other service	3, 156, 883	22.0	22.8	1, 440, 436	21.7	27.7
With no service	5, 350, 455	37.3	48.9	2, 478, 131	37.3	47.7
Active file June 30	4, 545, 041	31.7	41.5	2, 014, 845	30.3	38.8
Provided positive terminate services	2, 890, 033	20.2	26.4	1, 476, 359	22.2	28.4
Provided other service	3, 347, 547	23.4	30.6	1, 460, 949	22.0	28.1
Provided no reportable service	8, 071, 000	56.3	73.7	3, 693, 357	55.6	71.0

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[1] Estimate.

To make matters worse, during the past year, the General Accounting Office reported that on-the-job training slots specifically developed for veterans were going unfilled because neither the VA nor the Department of Labor had any established procedure to recontact employers and to refer eligible veterans. One out of every four employers contacted, told GAO investigators that they had a need for on-job trainees and would have accepted one or more qualified veterans had they been referred.

The Veterans' Administration has reported that there are 153,769 establishments approved for on-job trainees. Of that number, over 108,000 had no trainees whatsoever. If the Department of Labor had simply assured that each such establishment was contacted and that one veteran had been placed with each of these employers, a substantial proportion of veterans employment problems would be reduced. Yet, because of inaction, training slots have gone unfilled while the unemployment rate for veterans continues to grow larger. And while overall participation in the GI bill program increased by 17.9 percent from November 1974 to November 1975, enrollments in apprenticeship and other on-job training decreased by 28 percent.

The tragedy of the Department of Labor's failure to coordinate with the VA in regard to apprenticeship is underscored by the success of those who train under that program. For example, in 1972, a study conducted by the Veterans' Administration revealed that those veterans who had completed on-job training had higher median earnings than veterans who had completed other types of training under the GI bill. And fewer on-job training veterans failed to complete their training solely as a result of financial problems than in any other veteran readjustment program.

Preliminary findings of a study currently being conducted under the auspices of the Department of Labor indicate that the average income of those veterans who complete OJT is higher than average U.S. earnings and veterans who complete have incomes which continue to rise rapidly thereafter. The Committee believes that if properly utilized, the on-job training program has the potential to assist in easing veterans unemployment problems. Apprenticeship and on-job training assistance allowances are increased by 8 percent under the reported bill. The tragedy of underutilization is also underscored by the recent nationally publicized actions of a Cleveland Vietnam veteran concerning the failure of his ex-employer to provide opportunities, such as OJT, to Vietnam veterans. The Committee, of course, does not approve of the actions taken by the individual, but it does regard the incident as symptomatic of the frustrations of many veterans seeking employment assistance.

The Committee also notes, with approval, the action of the Senate in regard to the OJT program. Under H.R. 12957, as amended, and as passed by the Senate, Comprehensive Employment and Training Act (CETA) prime sponsors would be required to include in the comprehensive manpower plan required to be submitted to the Secretary, appropriate arrangements to promote maximum use of the VA on-job training program. The need for the amendment, the Committee on Labor and Public Welfare found, was: "[U]nderscored by the continuing high unemployment rates for veterans, particularly young, disabled, and minority group veterans."

The Labor and Public Welfare Committee went on to report that:

"Yet in the face of this harsh data, during fiscal year 1975, only 13.6 percent of all CETA enrollees (titles I, II, and VI) were veterans. "Special Vietnam-era veterans" (those with service in Indochina or Korea) comprised only 6.9 percent of all CETA enrollees.

"These enrollment figures compare most unfavorably with those of veterans under the Emergency Employment Act of 1971 (EEA), where specific hiring goals were established by EEA regulations, requiring generally that 30 percent of "new hire" positions be filled with Vietnam era veterans. In actual practice, 43 percent of all enrollees in EEA public service jobs from 1971 to 1973 were veterans. Under the EEA through FY 1974, Vietnam era veterans comprised 28.3 percent of all hires. The Committee, in its 1974 report accompanying S. 4079, noted, in connection with the subject of the absence of specific hiring goals:

"In the absence of that kind of authority attached to any public service employment bill, it is highly unlikely that veterans will get the special consideration this Committee believes they deserve."

Unfortunately, the prediction has been realized. Veterans have fared poorly under CETA. Hopefully, the amendments passed by the Senate, coupled with the amendments contained in title VI of this bill directing the Department of Labor "to promote the participation of veterans in CETA programs and monitor the implementation and operation of Comprehensive Employment and Training Act programs to assure that eligible veterans receive special consideration when required", will increase the numbers of veterans enrolled in CETA in addition to reducing the number of veterans in the lines of the unemployed.

Post-Vietnam-era veterans' readjustment assistance

The reported bill attempts to achieve a reasonable balance between those who would prospectively terminate GI bill benefits and those who would allow the current program to continue without alteration. In an attempt to balance legitimate concerns about budgetary expenditures with the many advantages our Nation receives from GI bill expenditures, the reported bill creates a new post-Vietnam era veterans' educational assistance program. This program would require service personnel to make contributions from active duty military pay which has increased substantially in recent years. In turn, matching funds at the rate of $2 for each $1 contributed, will be paid by the Veterans' Administration to veterans enrolled in approved education or training programs. The new program will result in reduced future expenditures of GI bill moneys while, at the same time, helping assure a viable military force and continuing the important educational investments by our Nation in the youth of our country.

The GI bill, and the postservice educational opportunities provided by the program, has become an integral part of American life. In 32 of the past 35 years, in time of war and in time of peace, men and women who have served in the country's Armed Forces have qualified for VA educational benefits. Over 16 million people have received some form of training as a result of the benefits provided by the GI bill. Currently, GI bill benefits constitute one of the Federal Governments largest postsecondary education assistance programs. During fiscal year 1976, over $5.7 billion in GI bill moneys were expended and over 3.3 million veterans were enrolled in some form of training. As a result of the extent to which this program has become interwoven into the American life, the Committee has carefully examined the proposals which would terminate eligibility of prospective entrants into the Armed Forces for the GI educational program. The Committee, while examining the implications and ramifications of termination, has proceeded cautiously and thoroughly considered the advisability of providing an alternative program of educational benefits for future entrants into the Armed Forces.

It is apparent to the Committee that the Nation needs to provide some form of readjustment assistance for those who serve and those who will serve in the Armed Forces. In this connection, testimony presented by representatives of the Veterans' Administration before the Committee in 1974 is pertinent. In response to a Committee member's question concerning the need for a GI bill in the "all-volunteer era", the VA officially responded for the record that:

"The purpose of the GI bill is to continue to provide benefits for those under the all-volunteer army serving on active duty in order to aid them in adjusting to civilian life. As long as there is a need for active-duty personnel there is a need for readjustment benefits."

Indeed, the VA's testimony, in this regard, is thoroughly consistent with the stated purposes of the current GI bill program under chapter 34 and the expressed purposes of the new GI bill program created in chapter 32. Those purposes for chapter 34 are set forth as follows:

§ 1651. Purpose

The Congress of the United States hereby declares that the education program created by this chapter is for the purpose of (1) enhancing and making more attractive service in the Armed Forces of the United States, (2) extending the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education, (3) providing vocational readjustment and restoring lost educational opportunities to those service men and women whose careers have been interrupted or impeded by reason of active duty after January 31, 1955, and (4) aiding such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country.

The Committee believes that most of those purposes are applicable to those entering the service today and believes that the benefits, which will be provided by chapter 32, will facilitate the transition from military to civilian life that each service person must ultimately make. As noted by M. Kent Jennings and Gregory B. Markus in their work entitled "The Effect of Military Service on Political Attitudes," "* * * the military years typically represent an interlude, a short-term deviation from preferred alternatives, an experience which is typically not seen as a means to personal goals." As indicated by the continued high unemployment rates of younger Vietnam era veterans (aged 20–24), readjustment to civilian life after release or discharge from active service remains problematic. For comparative purposes, the applicability of citing the current unemployment difficulties facing young Vietnam era veterans is substantiated by the Department of Defense's recent estimate that the average age of enlistees upon completion of the initial enlistment is approximately 22 years old. Thus, most first-term enlistees emerge from the service in their early 20's; most joined the service shortly or within 1 year after high school graduation and many never held a full-time position prior to service.

Recent testimony by the Assistant Secretary of Labor for Employment and Training before the Subcommittee on Readjustment, Education, and Employment revealed to the Committee that "the problem of transition from military to work continues to be one that we (the Department of Labor) have got to work on."

Subsequent written testimony submitted by the Department indicated that "the jobless rates for a sample of 20–24-year-old veterans was over 60 percent during the first week after discharge and did not fall below 10 percent (this was in 1974; by 1976 the percentage below which unemployment would not fall, was 20 percent), until about 1 year after separation from the armed services." The Department's testimony further revealed that "many younger vets did not have the opportunity to get into the civilian job market prior to induction into military service. As a result, the market behavior of many 20–24-year-old veterans was more closely related to 18–19-year-olds than to 20–24-year-old nonveterans * * *." This would appear to the Committee to be a clear indication that those who serve in the All-Volunteer Force will probably "fall behind" similarly aged nonservice personnel and that societal steps should be taken to counterbalance any such detrimental effect.

The Committee also concludes that the Veterans' Administration should continue as the agency responsible for aiding veterans in their readjustment to civilian life. No other agency or department has the expertise, inclination, or legislative mandate to assist those who have served the country. The Committee agrees with VA's assessment that "as long as there is a need for active-duty personnel, there is a need for readjustment benefits". And certainly as long as there is a need for readjustment benefits, there is another need for the VA. There can be little doubt that whatever its deficiencies and problems, no other Federal agency is better equipped to administer the chapter 32 program of readjustment benefits.

Another important factor contributing to the Committee's determination to provide an alternative to the termination of the GI bill is its desire to continue to assist deserving young men and women in obtaining an education they might not otherwise be able to afford. The Committee is of the opinion that service in the Armed Forces should be a function supported by young people from all segments of the society. Widespread citizen participation in the Armed Forces is inherently a societal good and those who perform the task should be assisted particularly in their readjustment to civilian careers. Termination of the current GI bill, without providing a suitable alternative—such as chapter 32 contributory vesting program—would impede the upward mobility of our Nation's minorities and disadvantaged. Preliminary findings of a study currently being conducted by the Department of Labor concerning utilization of GI educational benefits, indicates that minority groups use the GI educational program in proportionately greater numbers than nonminority veterans. Minority veterans also seem to have greater readjustment difficulties than nonminority veterans. For example, unemployment rates for younger black Vietnam era veterans have consistently been around 30 percent—nearly twice as high as similarly aged black nonveterans and half again as high as similarly aged white veterans.

In a recent letter to the Committee, the American Council on Education wrote that "over the last 3 decades the GI bill has been one of the most significant factors in extending educational opportunities and advancing career prospects for disadvantaged and minority citizens. Many of the 15 million people who have received GI bill benefits would not otherwise have had the opportunity to pursue meaningful and rewarding careers. The termination of GI benefits without offsetting actions would clearly have a restrictive effect on opportunities in America."

The increasing numbers of disadvantaged youths who are currently enlisting for active duty in the Armed Forces further substantiates the need for the chapter 32 educational benefits program to assist deserving young men and women in obtaining an education they might not otherwise have been able to afford. The number of black individuals (many of whom are disadvantaged) as a percentage of enlisted accessions in the respective services is as follows:

TABLE 16.—BLACKS, AS A PERCENTAGE OF ENLISTED ACCESSIONS
[Fiscal years]

					1st half	
	1971	1972	1973	1974	1974	1975
Army	13	15	19	27	29	26
Navy	9	13	11	11	10	13
Marine Corps	13	18	19	21	21	21
Air Force	15	13	14	16	16	17
DOD	13	14	16	21	21	20

Professors Charles Moskos and Morris Janowitz of Northwestern University and the University of Chicago, respectively, recently wrote that "Reliance on marketplace forces [for attracting youth into the Armed Forces] results in an overconcentration of youth from lower socioeducational levels and racial minorities in the combat arms and in menial positions and a concomitant underrepresentation of these groups in skilled and technical position". As an example of the concentration of minority groups in combat arms, the percentage of black enlisted persons within major occupational groups is as follows:

TABLE 17.—PERCENTAGE OF BLACK ENLISTED PERSONS WITHIN MAJOR OCCUPATIONAL GROUPS
[Fiscal years]

Occupational group	Percentage of total occupational group			
	1964	1970	1974	1975
Infantry, gun crews, and allied specialists[1]	16.4	15.2	19.3	21.1
Electronics equipment specialists	5.6	5.0	6.0	6.7
Communications and intelligence specialists	6.7	6.3	9.6	12.3
Medical and dental specialists	12.0	10.3	14.3	14.4
Other technical and allied specialists[2]	7.1	6.4	8.9	10.2
Administrative specialists and clerks	10.4	11.2	17.4	20.2
Electrical/mechanical equipment repairmen	7.2	7.4	11.2	12.1
Craftsmen	9.7	8.6	12.9	13.1
Service and supply handlers	17.1	17.3	21.1	21.4
Miscellaneous others	6.2	11.6	16.4	15.8

[1] Total active DOD less Air Force.

[2] Includes photography, drafting, surveying, mapping, weather, music, etc.

Source: See table V-3.

Soldiers who serve in combat arms often leave the military without having developed any technical skills readily adaptable to civilian occupations. The Committee believes that the new chapter 32 program, especially when contrasted with proposals for termination of the entire education benefits program, will enhance the opportunities for young men and women to obtain an education.

As the Committee examined the future of the GI bill, it was most concerned with the effect of termination upon the ability of the military to recruit and retain qualified young men and women. The Committee expects that the chapter 32 program will be used by the Armed Forces to promote and assist them in attracting qualified men and women to the Armed Forces.

The Committee recognizes that the GI bill, although originally devised as a readjustment program, has been successfully utilized as a recruiting incentive. For example, the Defense Manpower Commission's report to the President and the Congress in April 1976, stated that "The GI bill probably was a major reason for the relative recruiting success in the active forces during 1974 and 1975."

The Committee is also aware that prospective termination of this educational program without providing a suitable alternative could hamper the military's ability to attract and recruit qualified young men and women. The annual Defense Department report, submitted to Congress in January of 1976, by Secretary of Defense Donald Rumsfeld, stated that "* * * *the prospective loss of GI bill educational benefits for new enlistees (are) expected to have an adverse impact on our ability to recruit high potential personnel* * * *." Army recruiting commanding general, Maj. Eugene P. Forrester, provided additional evidence when he stated that the educational benefits provided by the GI bill are needed by the services to attract "quality prospective recruits." In a speech before a group of civilians in May of this year, General Forrester forthrightly acknowledged that the pending loss of the GI bill education program would hurt recruiting. Elimination of the education program "would be a serious blow to recruiting and would have (a) particularly adverse effect on quality," the general declared. Recent studies substantiate Rumsfeld's and Forrester's prediction in regard to the ability of the services to attract quality recruits in the event of termination of eligibility for GI bill entitlement. For example, one recent study found that termination of the GI bill would cut quality recruitment by 15 percent; another indicated that termination could cause a decrement of up to 22 percent in the number of high school graduates who would be recruited into the Armed Forces. Whatever the decline, the Armed Forces can ill afford to lose the opportunity to recruit large numbers of high school graduates especially at this stage in the development of the All Volunteer Force. The available pool in the 18-year-old male population is small enough as evidenced by the following chart:

(NOTE.—Chart not reproducible.)

A recent analysis, entitled "Educational Benefits and the All Volunteer Force," by two preeminent military sociologists, Moskos and Janowitz, reported that "[A]pproximately 15 percent of high school accessions into the enlisted ranks of the All Volunteer Force will be depleted if the GI bill were to be terminated. GI bill termination would most affect recruitment into the ground forces * * *." The two military sociology experts concluded from their study that "highly qualified youth are potential service entrants, providing educational benefits are offered and a short-term enlistment is available."

These conclusions are amply supported by a report prepared by the Brookings Institution entitled the "All Volunteer Armed Forces, Progress, Problems and Prospects." Submitted to the Senate Committee on Armed Services in June 1973, the report indicated that "data suggest that for a large number of potential enlistees, a paid school option might well have greater appeal than high pay. Moreover, recruits attracted by educational incentives would enhance the overall quality of the All Volunteer Force."

Additional support concerning the value of educational benefits in attracting recruits is found in the book "How to End the Draft", co-authored by Senator Robert Stafford, ranking minority member of the Subcommittee on Readjustment, Education, and Employment. On page 68 of the analysis of the future of the all-volunteer force, the authors state ". . . one valuable fact emerged from the Defense Department's survey of nonveterans between the ages of 16 and 25, when they were asked to choose the single reform that would be most likely to induce them to volunteer for military service in the absence of the draft. *The fact is that educational opportunity may be as important, if not more important, an inducement to voluntary enlistment than pay scales . . .*". [Emphasis supplied.]

A report authored by Jerald Bachman, and Jerome Johnston of the Institute of Social Research (ISR) of the University of Michigan, similarly concluded that paid schooling attracts quality recruits and, in turn, benefits overall society. In 1972, "Young Men and Military Service", a study prepared as a series of monographs in regard to "Youth in Transition", examined numerous enlistment incentives. Respondents were asked to rate the attractiveness of 11 different enlistment incentives (the questionnaire assumed that the Vietnam war had ended and the draft had been eliminated). Bachman and Johnston noted "* * * we were singularly impressed by one finding * * * one incentive stands out above all others: The Government agrees to pay for up to 4 years of college * * * in return for 4 years of active duty. This was selected by a margin of 4 to 1 over the second ranked incentive* * *".

Recently, Bachman and John Blair examined the various enlistment incentives in order to determine the effect and termination of GI educational benefits would have on the "ideological balance" of the Armed Forces. The research was premised in the authors' belief that a large standing national force, not subject to civilian influence, could be detrimental to the future of the democratic process.

Such a premise is not without precedent. Speaking as Publius in the Federalist Papers, Alexander Hamilton devoted Federalist Papers 8, 24, 26, and 29 to the relationship of Armed Forces (including State militia) to the proposed new Federal Government. In paper No. 29, Hamilton argues that the National Government's access to the militia will "lessen the call for military establishments * * *". Hamilton points out that one benefit of using State militia is the injection of a civilian influence on the military, "* * * But if circumstances at any time oblige the Government to form an army of any magnitude that army can never be formidable while there is a large body of citizens * * * who stand ready to defend their own rights and those of their fellow citizens. This appears to me the only substitute that can be devised for a standing Army and the best possible security against it if it should exist." Although Hamilton's argument for civilian influence was a defense of the power of the Union to call up the States' militia and, as such may no longer be applicable, the thrust of the argument—the need for a civilian influence upon the military—is, by all means, pertinent.

In testimony before the Manpower Subcommittee of the Senate Armed Services Committee in February of 1976, the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the problem of a "separatist military". The Secretary stated:

"I would consider an increasing trend toward a separatist military to be a problem if the military services, especially the Army, are not recognized, respected and supported as an American institution by the vast majority of our citizens. To allow the Army to become isolated from the public for which it dedicated to serve, I believe, would be detrimental to our national interest."

Bachman and Blair found evidence to support the Assistant Secretary's statement and have concluded that—

"By attracting a wide cross-section of citizens into its Armed Forces for relatively short terms of duty, the Nation can be assured of having an able military that is responsible and responsive to civilian interest. * * * Although the President and Congress may hope to save money by reducing some of the funds available for GI educational programs, they will be doing so at the dangerous expense of this important enlistment incentive which helps to ensure the ideological balance of the all-volunteer military."

As a result of their research, Bachman and and Blair found that "young men attracted [to the military] by the promise of paid schooling were slightly more intelligent, showing greater ability and leadership potential". In summary, they determined that educational benefits are one of the most attractive incentives to prospective young enlistees.

The Committee believes that terminating the GI bill, without providing an alternative postservice educational benefits program, would impair the military's ability to attract sufficient numbers of quality recruits.

The Committee is aware of the difficulties that the military—particularly the ground forces—has had in attracting sufficient numbers of quality recruits. In fact, a General Accounting Office study of February 27, 1976, entitled "An Assessment of All-Volunteer Force Recruits," reported that it had "found evidence that Defense may overstate quality in its reports." This finding caused increased Committee interest in providing a postservice educational program that could be used by the military as a recruiting incentive for quality personnel.

The importance of recruiting quality personnel was emphasized by the Department of Army's Assistant Secretary for Manpower and Reserve Affairs in recent testimony before the Subcommittee on Manpower and Personnel of the Senate Committee on Armed Services. The Assistant Secretary testified:

"I would like to spend a moment explaining why the quality of recruits is so important. The key is simple. High-quality recruits make better soldiers. They are less likely to be discharged during their initial enlistment for trainability, motivational, or disciplinary reasons. This limits the turnover of personnel and minimizes training and replacement costs. It contributes positively to readiness and esprit and promotes the image of the Army as a desirable place to serve.

"I might digress a moment to say that the Army's effort to recruit high-quality personnel reminds me of a television commercial for a popular automobile accessory, in which a service station manager says "you can pay me now or you can pay me later." Recruiting high-quality personnel follows that adage. We pay with the resources and effort which attract high-quality personnel now or we pay significantly higher costs later for added separations and replacements and in lower unit readiness."

The Committee concludes that terminating the GI bill, without providing a suitable alternative, would make more difficult the military's task of recruiting the quality personnel needed to fill the ranks of the All-Voluntary Force. The Committee is aware that hearings before the Senate Armed Services Committee last February disclosed that the services are having recruiting problems. For example, testimony revealed that the Army will "fall short of * * * quality objectives during 1976." A representative of the Navy testified that "5 of the last 6 months the Navy has barely met or fell short of its recruiting goals * * * I do not know that we can continue to attract the quality that we need especially if the economy continues to improve." Representatives of the Marine Corps testified before the Manpower Subcommittee of the Senate Armed Services Committee that "any further reduction in recruiting assets [e.g., the GI bill] in fiscal year 1977 would further jeopardize our goals of improving quality, reducing disciplinary problems, and increasing the readiness of the corps." The Committee also noted, with interest, the survey of new recruits which the Air Force recently conducted. Entitled "Basic Airmen's Values and Perceptions of Society—1976," the study revealed that recruits have an "increased desire for education with 71 percent listing it as an important reason for enlisting."

In contemplating the advisability of terminating the GI bill, the Committee also sought background from the academic community. The Committee was influenced by the following findings of Professors Moskos and Janowitz:

(1) Since the end of the draft upward of a third of Army and Marine Corps male accessions do not possess a civilian high school diploma. This is well over double the proportion of non-high-school graduates in the population at large for the relevant age group.

(2) A staggering number of new accessions in the ground forces do not serve their full enlistment. The loss rate in the Army for fiscal year 1974 approached 40 percent.

(3) All data dramatically and consistently show that service personnel with high school diplomas—compared to non-high-school graduates—are much more likely to complete their enlistments, have fewer disciplinary problems, and be more effective in job performance. In point of fact, high school graduation is a better predicator of soldierly success than mental group level. This is true regardless of racial background.

(4) Army recruitment figures for 1973–74 (when such a policy was in effect) show that short terms of enlistment—2 years of active duty—were most attractive to high school graduates. Qualitative evidence indicates the large majority of these 2-year enlistments were college-bound youth.

(5) GI bill seekers view education in academic, not vocational terms.

The Committee believes that the chapter 32 program will aid the services in recruiting. In regard to this contributory vesting program, Moskos and Janowitz wrote "A desirable feature in such an arrangement would be a system in which contributions by service personnel would be matched by funds paid by the Veterans' Administration."

The Committee stresses that continuation of the educational benefits program under chapter 32 is not principally a function of its desire to provide the services with a proven recruiting incentive. The Committee believes that adoption of the chapter 32 educational program, as an alternative to termination of the current GI bill, will be an important and necessary societal asset in easing the transitional problems which frequently occur upon termination of one's military service. In addition to the individual men and women who will need assistance, the Nation as a whole will benefit from this increased education and training.

For example, The American Council on Education, in a written statement submitted to the Committee, although urging that the present program be retained said, "If it is the will of Congress that the program (GI bill) be modified at the present time, however, the new program which would be established by your amendment (Amdt. No. 2005) to S. 969 seems to offer a constructive way to help meet the needs of servicemen and veterans, as well as the military."

The Paralyzed Veterans of America (PVA) in a statement presented by Larry Roffee, their legislative director, testified that "We believe the advantages which accrue to the individual veteran, in terms of increased opportunities, higher income, and greater self-esteem from postsecondary education or training alone, merit the continuation of a GI bill. We also believe advantages accrue to society as a whole from the veterans having increased education levels * * *. It is also the PVA's position that the current education entitlements * * * must be viewed as readjustment benefits * * *. PVA feels the Post-Vietnam Era Veterans' Assistance Act * * * is a very imaginative and feasible program to insure the continuation of education and training benefits for future veterans * * *. The proposed program has PVA's wholehearted endorsement."

The American Legion testified that they supported a strong national defense and a program of attracting qualified men and women into our Armed Forces—both of which would be aided by an educational assistance program designed to stimulate enlistments in the Armed Forces.

The National Association of Concerned Veterans (NACV) called the new chapter 32 program "a fine piece of legislation." Noting that the "GI bill is an investment, not a 'give-away' program," NACV testified that it had "long been the position of NACV to continue the GI bill."

The American Veterans of World War II, Korea, and Vietnam, (AMVETS) in a letter to Chairman Hartke, stated:

"As per the mandate of our 32d National Convention held recently in Philadelphia, AMVETS is in full concurrence with chapter 32—The Post-Vietnam Era Veterans' Readjustment Assistance Act. This new innovative direction brings about a well-defined distinction between wartime and peacetime benefits. The fact that the peacetime, serviceman must contribute toward his future education further adds to that distinction.

"Thus, AMVETS favors this alternative to discontinuing the GI bill as we have previously known it. Since AMVETS has historically supported education and training for wartime veterans as sacred, we strongly support section 407 of title IV which provides that in the event universal military training is reimposed by law that those answering military service after the effective date of such a change shall be eligible for chapter 34 educational benefits."

The chapter 32 program, adopted as the alternative to the termination of the GI bill, is similar in nature to an "educational pension plan". Were it not for postservice educational benefits, an individual who serves only one tour of duty (a citizen soldier) would leave the service without the assistance of any program designed to aid him to readjust. According to data furnished to the Committee, only 12.7 percent of those in grade E–1, 13.0 percent of those in grade E–2, and 15.2 percent of those in grade E–3 can be expected to retire from the military. The vast majority will not receive any form of pension currently authorized for individuals who have served 20 years. Thus, the Committee structured the new program in the form of a contributory educational "pension plan." Contributions of $50 to $75 a month are required in order to be eligible for VA matching funds.

The Committee believes that the amount that each participant is required to make each month is reasonable. In this regard, the following table shows selected examples of annual compensation and benefits for military personnel:

TABLE 18.—SELECTED EXAMPLES OF ANNUAL COMPENSATION AND BENEFITS FOR MILITARY PERSONNEL

[Pay scales as of Oct. 1, 1975]

			Retirement							
Pay grade	Length of service	Number of dependents	Actuarial valuation [1]	Percent expected to retire [2]	Health care [3]	Commissary and exchange [4]	FICA [5]	Total benefits [6]	Compensation (RMC)	Total compensation and benefits
O–10	26	1	$6, 884	98. 7	869	$139	$825	$8, 717	$45, 894	$54, 611
O–9	26	2	6, 871	98. 7	1, 172	139	825	9, 007	45, 808	54, 815
O–8	26	2	6, 871	98. 7	1, 172	139	825	9, 007	45, 808	54, 815
O–7	26	2	6, 098	98. 6	1, 172	139	825	8, 234	40, 652	48, 886
O–6	26	3	5, 330	98. 0	1, 477	139	825	7, 771	35, 534	43, 305
O–5	20	3	4, 260	96. 5	1, 477	139	825	6, 701	28, 400	35, 101
O–4	14	3	3, 489	85. 9	1, 477	139	825	5, 930	23, 258	29, 188
O–3	6	3	2, 813	62. 6	1, 477	139	825	5, 254	18, 750	24, 004
O–2	2	2	(2, 056)	33. 0	1, 172	139	588	1, 899	13, 707	15, 606
O–1	0	1	(1, 665)	26. 3	869	139	468	1, 476	11, 102	12, 578
W–4	26	3	3, 444	98. 0	1, 477	139	825	5, 885	22, 960	28, 845
W–3	20	3	2, 781	97. 1	1, 477	139	825	5, 222	18, 542	23, 764
W–2	16	3	2, 371	86. 8	1, 477	139	715	4, 702	15, 807	20, 509
W–1	10	3	2, 015	64. 1	1, 477	139	588	4, 219	13, 436	17, 655
E–9	22	3	2, 794	98. 1	1, 477	139	825	5, 235	18, 626	23, 861
E–8	20	3	2, 378	98. 0	1, 477	139	699	4, 693	15, 854	20, 547
E–7	18	3	2, 121	96. 7	1, 477	139	609	4, 346	14, 140	18, 486
E–6	14	3	1, 864	88. 6	1, 477	139	518	3, 998	12, 429	16, 427
E–5	4	2	1, 475	61. 4	1, 172	139	378	3, 164	9, 831	12, 995
E–4	2	1	(1, 288)	23. 1	869	139	322	1, 330	8, 585	9, 915

Pay grade	Length of service	Number of dependents	Retirement		Health care[3]	Commissary and exchange[4]	FICA[5]	Total benefits[6]	Compensation (RMC)	Total compensation and benefits
			Actuarial valuation[1]	Percent expected to retire[2]						
E-3	<2	0	(1, 106)	15.2	564	23	294	881	7, 370	8, 251
E-2	<2	0	(1, 056)	13.0	564	23	283	870	7, 037	7, 907
E-1	<1	0	(970)	12.7	564	23	254	841	6, 464	7, 305

[1] This valuation is based on the "current service cost" or "normal cost" actuarial concept. It represents the annual amounts which would have to be invested at a 3.5 percent interest rate to yield the necessary funding of retirement costs.

[2] Percent in each pay grade at the present time who will actually retire by actuarial valuation.

[3] Based on actual per capita costs (fiscal year 1973) of $426.99 per service member and $230.57 per each dependent, escalated at 32 percent—the increase, in total DOD spending for medical operations from fiscal year 1973 to fiscal year 1976.

[4] Based on per capita costs of appropriated funds for commissary and exchange operations. It is assumed that single E-3's, E-2's, and E-1's do not use the commissary to any appreciable extent. Per capita costs allocated only to active duty personnel.

[5] Government's contribution to social security.

[6] Includes health care, commissary and exchange, FICA plus retirement-actuarial valuation only for pay grades where more than 50 percent are expected to retire.

Note: Excluded from the table are such military benefits as follows, along with their estimated fiscal year 1976 budgetary cost and annual value of benefit to those who receive them: Flight pay: Paid to 92,000 officers in fiscal year 1976, or 32 percent of the officer force; Range: $1,200–$2,940 annually. Special pay to doctors, dentists and optometrists and veterinarians: Paid to 17,850 officers in fiscal year 1976, or 6 percent of the officer force; Range: $1,200–$3,000 annually. Variable incentive pay to medical doctors only: Paid to 2 percent of the officer corps, 17,850 officers in fiscal year 1976; Range: $9,000 to $13,000 annually. Enlistment and reenlistment bonuses to enlisted personnel: Paid to 218,185 personnel, or 12 percent of the enlisted force in fiscal year 1976; Range: $1,500 to $2,500 annually.

Also valuable to the Committee in its deliberations was the following table comparing military and civilian compensation and benefits prepared by the Senate Committee on Appropriations:

TABLE 19.—COMPARISON OF MILITARY AND CIVILIAN COMPENSATION AND BENEFITS (OCT. 1, 1975, PAYSCALES)[1]

Military grade	Comparable civilian grade	Military compensation and benefits	Civilian compensation and benefits	Military advantage (+) or disadvantage (—)
0-9/0-10		$54, 713		
0-8	GS-18	54, 815	$41, 350	$13, 465
0-7	GS-17/GS-16	48, 886	41, 350	+7, 536
0-6	GS-15	43, 305	38, 849	+4, 456
0-5	GS-14/GS-13	35, 101	31, 131	+3, 970
0-4	GS-12	28, 188	24, 485	+3, 703
0-3	GS-11/GS-10	24, 004	19, 749	+4, 255
0-2/W-4/W-3	GS-9/GS-8	21, 729	16, 403	+5, 326
0-1/W-2/W-1	GS-7	16, 914	14, 170	+2, 744
E-9/E-8/E-7	GS-6	20, 964	12, 813	+8, 151
E-6/E-5	GS-5	14, 711	11, 551	+3, 160
E-4	GS-4	9, 915	10, 375	—460
E-3/E-2/E-1	GS-3/GS-2/GS-1.	7, 821	8, 326	—505

[1] Where more than 1 civilian or military grade is shown, the amount for compensation and benefits is the average of the values shown on tables 2 and 3 for those grades.

As is readily observable, wages and benefits for those in the lower military grades (E-1, E-2, and E-3) are roughly comparable to the wages and benefits of those in the lower Government service grades (GS-1, GS-2, and GS-3). Rates for lower ranking enlisted personnel average about $7,821 a year. Thus, an E-3 or below, who contributes the maximum of $75 monthly ($900 a year) would be contributing approximately 11.5 percent of total salary. A soldier who contributes $600 a year would be contributing 7.6 percent of his total wage. Although the required monthly contribution may impose a slight hardship on some, the Committee believes that the benefits which will accrue from participating will outweigh whatever moderate financial sacrifice may be required. Further, and as a footnote, on the ability of prospective entrants to participate, the Committee notes that the Department of Defense reports that more than 89 percent of those currently entering the armed services have no dependents.

The Committee recognizes that postservice educational benefits have been utilized by the Armed Forces to attract young men and women into the military. Educational opportunities are a major attraction for quality accessions. To assure that the chapter 32 program (devised by the Committee to assist in the readjustment of active force volunteers) could be effectively used by the services to continue attracting quality accessions, the Committee has included several provisions to accord with the recent recommendations of the Defense Manpower Commission. Under the program, the Secretary of Defense is authorized to contribute to the fund of any participant such contributions as is deemed necessary to encourage persons to enter and remain in the Armed Forces. Thus, in consonance with the Defense Manpower Commission recommendations, it is possible to utilize the program as a "recruiting management too * * * with benefits granted only on a selective basis to help meet critical skill needs."

The educational program adopted by the Committee will also assist the armed services in inducing quality personnel to remain in the service by authorizing that the benefits can be utilized by service personnel in their second or subsequent enlistment. In testimony before the Committee, representatives of the Department of Defense testified that the Army, to maintain desired levels of manpower, requires "one out of four [first-term recruits] to reenlist." Currently, sufficient numbers of service personnel are reenlisting. As indicated by these figures, the services expect and need a continuing turnover in personnel; a turnover which would also be assured by the chapter 32 program. As explained in testimony before Congress this year, the services "need a balance between youth, stamina, and physical ability on one hand and experience and knowledge on the other." Further, administration representatives testified that in order to retain quality personnel in the military, "there must be an opportunity for advancement. Increasing the career content would result in fewer promotions."

The Committee also observes, however, that by allowing educational benefits to be used in the second or subsequent enlistment and by authorizing the Secretary to contribute to the fund, such moneys as the Secretary deems appropriate to induce personnel to remain in the service, the chapter 32 program will also significantly aid career retention efforts.

Thus, after much examination, the Committee recommends and adopts the new chapter 32 program. There is now, and shall continue to be, a need to aid men and women who have served in society's armed forces in readjusting after honorably concluding that service. The chapter 32 program will provide this assistance.

There continues a need to provide within the society a program, such as the GI bill, to assist upward mobility. Currently, disproportionate numbers of socioeducationally disadvantaged youths are entering the service. The chapter 32 program will provide such a program. There is also a need to provide educational assistance as an inducement to join the Armed Forces. Chapter 32 provides such an inducement.

COST ESTIMATES

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510, 91st Congress), the Committee, based on information supplied by the Congressional Budget Office and the Veterans' Administration, estimates that the costs attributable to this bill, S. 969, as amended, are approximately $472.9 million (consisting of $495.4 million in outlays less $22.5 million in receipts resulting from title IV) in fiscal year 1977 decreasing to $68.6 million (consisting of $661.3 million in outlays less $398.7 million in savings from termination of the current GI bill and less $194 million in recipts resulting from title IV) in 1981, all as shown in the following table:

TABLE 20.—5-YEAR COST OF S. 969, AS AMENDED

[In millions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Title I—					
Budget authority	6.3	6.1	6.0	5.8	5.6
Outlays	6.3	6.1	6.0	5.8	5.6
Title II—					
Budget authority	376.5	344.5	324.5	303.3	282.1
Outlays	376.5	344.5	324.5	303.3	282.1
Title III—					
Budget authority	26.0	25.8	25.6	25.3	25.3
Outlays	26.0	25.8	25.6	25.3	25.3
Title IV—					
Budget authority	22.5	69.1	100.5	3.3	−204.7
Outlays	1.1	−.5	−7.2	−20.2	−117.0
Receipts	−22.5	−71.6	−134.2	−165.4	−194.0
Title V—					
Budget authority	85.2	78.9	74.6	70.5	66.2
Outlays	85.2	78.9	74.6	70.5	66.2
Title VI—					
Budget authority	.3	.3	.3	.4	.4
Outlays	.3	.3	.3	.4	.4
Total:					
Budget authority	516.8	524.7	531.5	048.6	174.9
Outlays	495.4	455.1	423.8	385.1	262.6
Receipts	−22.5	−71.6	−134.2	−165.4	−194.9

The full text of reports of the Congressional Budget Office can be found in "Agency Reports", *infra*.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S. 969, with amendments, favorably to the Senate:

Yeas—9:

Vance Hartke, Herman E. Talmadge, Jennings Randolph, Alan Cranston, Richard (Dick) Stone, John A. Durkin, Clifford P. Hansen, Strom Thurmond, Robert T. Stafford.

Nays—0.

Prior to this vote an amendment offered by Senator Durkin to strike sections 404 to 407 inclusive was defeated by voice vote. Amendments to extend the delimiting period for 3 years and to permit "acceleration" of benefits were both withdrawn without prejudice by their sponsor, Senator Durkin.

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF S. 969, AS AMENDED

Section 1

This section provides that the proposed act may be cited as the "Veterans' Education and Employment Assistance Act of 1976".

TITLE I—CHAPTER 31 DISABLED VETERANS' VOCATIONAL REHABILITATION RATE AND PROGRAM ADJUSTMENTS

Section 101

This section amends chapter 31 of title 38, United States Code, by increasing the monthly subsistence allowance payable to disabled veterans in training under that chapter. Chapter 31 authorizes vocational rehabilitation training for disabled veterans. In addition to the monthly subsistence allowance provided by chapter 31, disabled veterans training under chapter 31 also have full tuition, books and supplies paid by the Veterans' Administration. Section 1504(b) is amended to provide an 8 percent increase in the monthly subsistence allowance rates for chapter 31 trainees. Under the bill as amended, the full time institutional rate for a veteran with no dependents would be increased from $209 to $226 a month. For a veteran with one dependent the monthly subsistence rate would be increased from $259 to $280; with two dependents the rate is increased from $304 to $329; and $24 would be added for each dependent in excess of two. The Veterans' Administration and the Congressional Budget Office estimate that approximately 28,500 veterans will train under chapter 31 resulting in additional costs in the first year of $4.7 million decreasing at the end of 5 years to 26,900 veterans in training at a cost of $4.5 million.

Section 102

This section amends section 1503(c) of title 38, United States Code, to repeal the existing limitation on use of vocational rehabilitation eligibility contained in chapter 31 for the training of seriously disabled veterans. In lieu of a definite termination date, this section provides the Administrator discretionary authority to extend entitlement to a veteran for such time period as is necessary based upon the veterans' disability and need for vocational rehabilitation. Section 1503(a) currently provides (subject to the exceptions contained in sections 1503 (b) and (c)) that the normal period of eligibility under chapter 31 is 9 years from the disabled veteran's discharge or release. Section 1503(b) authorizes an additional 4-year eligibility period if the disabled veteran was prevented from entering (or having entered, from completing) vocational rehabilitation either because of medical problems or because eligibility for such benefits had not been timely established within that period.

Finally, section 1503(c) authorizes an additional training period for certain disabled veterans in need of vocational rehabilitation to overcome the handicap of blindness or other serious service-connected disabilities. Under this subsection, additional periods of eligibility may be granted for a period not to exceed the later of 10 years beyond the termination date or June 30, 1975. The June 30, 1975 date applied primarily to blinded and seriously disabled veterans of World War II and the Korean conflict. As a result of the termination date on June 30, 1975, a number of seriously disabled veterans then in training under chapter 31 were cut off from Veterans' Administration benefits before they had completed the vocational rehabilitation needed to regain their employability as shown in the following table:

TABLE 21.—VETERANS WHOSE VA VOCATIONAL REHABILITATION WAS TERMINATED JUNE 30, 1975, BY SERVICE PERIOD AND DEGREE OF DISABILITY

	Disability rating					
	10 to 20	30 to 40	50 to 60	70 to 90	100	Total
World War II	0	25	63	42	89	219
Korean conflict	0	18	39	23	49	129
Total	0	43	102	65	138	348

In addition, seriously disabled veterans who have not yet entered training but will need training in the years ahead, such as those whose disabilities have prevented them from entering training and those whose service-connected conditions have worsened, are affected by the current 10-year termination date. Consequently, the amendment contained in this section repeals any termination date; instead the Administrator is authorized to provide such seriously disabled veterans vocational rehabilitation benefits under chapter 31 whenever it is necessary to aid them in regaining employability.

Generally, the determination as to whether a veteran is "seriously disabled" (and hence eligible on that basis for extension of entitlement for vocational rehabilitation) is made on the basis of the severity of the veteran's service-connected disability, as evidenced by its schedular rating, and the effect of the disability on the veteran's employability.

Blinded veterans and other veterans with disabilities with schedular rating of 100 percent are by regulation, however, automatically defined as seriously disabled for the purposes of section 1503(c) (see 38 CFR 21.701). Determination as to need for vocational rehabilitation training is made in counseling on the basis of whether the veteran is employed or employable in a suitable occupation. The Committee expressly intends that this standard of determination be applied to all disabled veterans applying for chapter 31 benefits.

As table 21 indicates, a disability of 30 percent or greater is generally required to bring the provisions of subsection (c) into operation. Further, 87 percent of those veterans training pursuant to section 1503(c) who were terminated as of June 30, 1975, had disability ratings of 50 percent or greater. Consistent with previous practice the Committee expects the Veterans' Administration to exercise great liberality in granting the requests for extension of any disabled veteran rated 50 percent or greater.

In sum, the Committee believes that without this amendment there would be many situations in which vocational rehabilitation benefits would be denied to seriously disabled veterans who could benefit substantially from such assistance. The Veterans' Administration and the Congressional Budget Office estimate that 475 veterans will be affected in the first year at a cost of $1.6 million decreasing gradually to 375 veterans at a cost of $1.3 million in the fifth year, all as shown in the following table:

TABLE 22.—CHAPTER 31—EXTENSION OF DELIMITING DATE

[Dollar amounts in millions]

	Trainees	Direct benefits cost
Fiscal year:		
1977	475	$1.6
1978	450	1.6
1979	425	1.5
1980	400	1.4
1981	375	1.3
Total		7.4

The Veterans' Administration supports this provision which it states will permit it "to aid these deserving veterans in regaining employability".

Section 103

This section amends chapter 31 of title 38, United States Code, by providing specific authority in section 1511 for the utilization of Federal agencies to provide training and work experience for certain disabled veterans on an uncompensated basis when this training would aid them in their rehabilitation.

Under current authority, disabled veterans may enter into on-job training in programs of Federal agencies. They are employees of the agency and, as such, receive the same wages and benefits as other employees, with supplementary assistance under chapter 31. Upon successful completion of training, the veteran progresses to employment in the objective for which the training has been provided. This has traditionally been regarded as the preferred an desirable method for providing training in Federal agencies. However, when on-job training opportunities are not available, or the veterans' condition temporarily preclude meeting the regular demands of on-the-job training, or the veteran falls short of qualifying for the trainee position, it may still be in the veteran's interest to receive training in a Federal agency, thereby preparing him most directly and efficiently for Federal employment.

This amendment would grant the Administrator discretionary authority to utilize Federal agencies to provide unpaid training or work experience as the whole or part of an individual's vocational rehabilitation program.

While pursuing such training, the veteran would not be considered a Federal employee for the purposes of laws administered by the Civil Service Commission (for example, annual leave, sick leave, retirement, insurance, et cetera), but would be considered an employee for the purposes of the benefits of chapter 81 of title 5, United States Code, relating to injuries on the job. Under the provisions of the Fair Labor Standards Act, chapter 31 trainees may not be utilized as unpaid employees. Congress, however, in enacting the Rehabilitation Act of 1973 (Pub. Law 93–112) permitted in section 501(e) the utilization of state vocational trainees in Federal facilities on an unpaid basis. Under the change intended by this section, chapter 31 disabled veterans will now have available to them the same potential training facilities within Federal agencies now granted to state trainees (and coverage under the Federal Employee's Compensation Act), thus affording disabled veterans an increased opportunity for Federal employment. The Veterans' Administration, in its official report to the Committee, states that "we feel that severely disabled veterans in the chapter 31 program should be given the opportunity to prove they are competent employees without charge to the employing agency, and therefore aprove that part of section 103 which would exempt chapter 31 trainees for the purposes of laws administered by the Civil Service Commission".

Disabled veterans successfully completing such training or work experience will become eligible for noncompetitive appointments to the Federal Service. The Committee expects to be periodically informed of the number of disabled veterans so appointed and the nature and grade level of the appointments by each Federal agency. This information may be included in an annual report to Congress by the Civil Service Commission required by section 2014(e) of title 38, United States Code.

The Committee intends that training and employment opportunities for disabled veterans, now barred by circumstances beyond their control, will be afforded to them under this amendment. The Veterans' Administration reports that "any added cost of this provision would be minimal."

Section 104

This section makes a number of technical amnedments to chapter 31 to remove unwarranted and unnecessary gender references. The following sections are affected: 1503, 1504, 1505, 1507, 1508, 1509, 1510, and 1511.

TITLE II—VETERANS' EDUCATION RATE AND PROGRAM ADJUSTMENTS

Section 201

This section provides an 8-percent increase in the educational assistance payable to veterans training under chapter 34.

Clause 1 amends section 1682(a)(1) to provide an 8 percent increase in the monthly educational assistance allowances. The full-time institutional rate for a veteran with no dependents would be increased from $270 to $292 a month. The rate for a veteran with one dependent would be increased from $321 to $347 a month. The addition of a child would increase the rate from $366 to $396 a month, with an additional $24 a month for each dependent in excess of two. Three-quarter and half-time rates are also adjusted upward proportionately by an 8 percent rate.

Clause 2 amends section 1682(b) relating to the pursuit of a program of education while on active duty or less than half-time basis by providing an 8 percent increase so that the maximum allowance shall be computed at the rate of the established charges for tuition or $292 per month for a full-time course (up from current $270) whichever is lesser.

Clause 3 amends section 1682(c) to provide an 8 percent increase in the monthly assistance rates payable to veterans pursuing a farm cooperative program. Full-time educational assistance rate for a veteran pursuing farm cooperative training with no dependents would be increased from $217 a month to $235 a month. The rate for a veteran with one dependent would be increased to $276 a month from the current rate of $255. The addition of a child would increase the rate from $289 a month to $313, with an additional $18 a month for each dependent in excess of two. Three-quarter and half-time training rates are also adjusted upward proportionately by an 8 percent rate. The following table shows participation under Farm Cooperative Training Programs during Vietnam era through April 1976.

Table 23.—Participation under farm cooperative training programs during Vietnam-era through April 1976

States:	Farm trainees
Alabama	69
Alaska	11
Arizona	37
Arkansas	4, 385
California	280
Colorado	59
Connecticut	8
Delaware	4
District of Columbia	7
Florida	943
Georgia	37
Hawaii	9
Idaho	14
Illinois	168
Indiana	1, 596
Iowa	3, 257
Kansas	172
Kentucky	82
Louisiana	85
Maine	6
Maryland	23
Massachusetts	12
Michigan	29
Minnesota	1, 976
Mississippi	79
Missouri	9, 094
Montana	27
Nebraska	2, 277
Nevada	6
New Hampshire	13
New Jersey	18
New Mexico	12
New York	93
North Carolina	1, 720
North Dakota	781
Ohio	78
Oklahoma	1, 394
Oregon	9
Pennsylvania	12
Rhode Island	4
South Carolina	76
South Dakota	930
Tennessee	455
Texas	109
Utah	6
Vermont	0
Virginia	126
Washington	43
West Virginia	2
Wisconsin	967
Wyoming	50
Puerto Rico	3
U.S. total	24, 653

Clause 4 amends the maximum educational assistance rate payable under a PREP program under section 1696(b) from $270 per month for a full-time course to $292.

The Veterans' Administration, which supports the 8 percent increase in rates, estimates that in the first year 2,445,100 veterans will receive the additional benefits at a cost of $329.2 million decreasing at the end of 5 years to 1,830,800 veterans and $247.4 million respectively. However, the Congressional Budget Office estimates that in fiscal year 1977, 2,547,500 veterans will be benefited by the 8 percent increase at a cost of $299 million. By 1981, CBO estimates that 1,907,700 will benefit at a cost of $223.9 million.

Section 202

This section amends section 1652 of title 38 which defines the basic terms utilized in chapter 34. Added to section 1652 (for the purpose of both chapter 34 and chapter 36) are definitions of the terms "institution of higher learning" and "standard college degree". The Veterans' Administration, in reporting favorably on this section, noted that title 38 does not include these definitions and that:

"The result is a broad classification of institutions of higher learning and standard college degree by Federal agencies administering educational programs to the detriment of veterans. Some institutions are granting their students a document they refer to as a "college degree," even though the document normally would not be recognized by graduate or professional schools. We believe that setting out a definition of "standard college degree" will eliminate many problems now faced by veterans as they venture into employment or future education.

"We believe that clarification of the definition of what is an institution of higher learning would assist the Veterans' Administration in its relationships with institutions in the educational community."

Both terms have been used by the Veterans' Administration for a considerable period of time and have well established meanings pursuant to regulations issued by the Agency. The amendments made by the section are simply intended to codify existing regulations and practice. Identical definitions are provided for chapter 35 in section 302 of this Act *infra*.

Section 203

Clause 1 amends section 1661(a) to permit those veterans entitled to 36 months (4 regular school years) of educational assistance an additional 9 months of assistance for pursuit of educational programs without limitation to baccalaureate degree to be pursued as currently set forth in law. This unrestricted, additional school year of entitlement is identical to provisions incorporated in S. 2784 which passed the Senate on June 19, 1974 by a vote of 91 to 0. Adoption of an additional 9 months of eligibility, by the Senate in 1974, resulted from extensive hearings held before the Committee on Veterans' Affairs.

Proponents of this extension, noting that World War II veterans could have received up to a maximum of 48 months of entitlement, argued for additional eligibility and repeatedly testified as to the difficulties of many veterans in obtaining an undergraduate degree in 36 months—that is, 4 standard college years of 9 months each. A survey by the National Association of Concerned Veterans of selected States indicated that large numbers of veterans were not able to obtain an undergraduate degree in the standard 36 months of entitlement. They noted that the higher price of education, the loss of credits involved in transferring from one institution to another, and the lack of adequate benefits in the GI bill heretofore, had all combined to make it very likely that many Vietnam era veterans would not be able to complete baccalaureate degree requirements within 4 school years.

The relatively low level of benefits caused many veterans to devote excessive hours earning money to supplement their monthly benefit checks in their attempt to obtain an education under the GI bill. NACV pointed out in its testimony that 12 credit hours per semester added up to 96 credit hours after 4 school years, or 24 credit hours short of 120 required for graduation. Under the quarter system, the 4 years minimum requirement would accumulate only 144 credit hours or 36 short of the 180 necessary for graduation.

Supportive data on the difficulty of obtaining degrees in 36 months was also submitted by representatives of the American Association of Community and Junior Colleges, who testified that most veterans took a course load of only 12 hours for a semester with the result that it took many veterans an average of 5 years to complete their degree. Given this background, these arguments were most persuasive to Committee members and in adopting an additional 9 months of eligibility the Committee noted in its report accompanying S. 2784, that:

"Extension of entitlement must be provided to insure that veterans—taking reduced credit loans, forced to work and facing technical and administrative bottlenecks—will be able to complete their undergraduate degrees."

At the same time, the Committee acknowledged that since the adoption of the first GI bill over 30 years ago, the American workforce had changed radically. Considering the exclusiveness of higher education after World War II, the GI bill then was very much a unanticipated benefit but 30 years later it was very much a necessity. Noting that a major aspect of readjustment assistance is to make a veteran economically competitive, the Committee report also noted that in 1950, 7.1 percent of those in the 25 to 29 age bracket in the Nation had baccalaureate degrees, while in 1973, 19 percent had undergraduate degrees in the same age bracket. The Committee report quoted testimony that:

"The employment market today requires that, in many instances, the applicant has to attain a higher than bachelor's level degree in order to compete with others. It is possible for an individual to graduate from college and enter the employment market and not even qualify to fill out an employment form, much less compete for a job."

The Committee report further noted a report by the Carnegie Institution of Higher Education, which pointed out that educational requirements imposed by employers and State licensing agencies and professional certification boards demand increasing periods of higher education.

Thus, in providing for an additional 9 months of educational entitlement, it is clear that the Senate Committee was recognizing a dual purpose: First, to allow veterans having difficulties obtaining an undergraduate degree sufficient time to do so; and second, to allow other veterans to make maximum use of additional schooling to meet the increasing educational requirements of society

Following Senate passage, heavy Administration opposition to any additional entitlement at all led House and Senate conferees (not without substantial misgivings) to restrict the additional 9 months of entitlement for use only in the pursuit of a baccalaureate degree. Although this restricted additional entitlement did address itself to the problems faced by certain undergraduates who were unable to attain their degree in four regular school years, it was obvious to many of the conferees that additional problems would result from such a limitation. First, the restricted 9 months eligibility was difficult to implement. Whether one qualified for an additional benefit depended on quite technical rules. For example, a person enrolled in a standard 5-year undergraduate program, such as pharmacy or engineering, might qualify for benefits, but, then again, he might not qualify for benefits if he was entitled to a bachelors degree at the end of 4 years.

More importantly, this restriction was unpecedented. Never before in the history of the GI bill readjustment assistance program, beginning with the World War II GI bill (which provided up to 48 months of unrestricted entitlement in certain cases) and including both the Korean conflict GI bill and the present program, has any stipulation been imposed in the level of training, undergraduate or graduate, for which GI educational assistance may be used. The result, of course, is that this limited 9-month extension, in effect, provides unequal benefits for equal service. Veterans who have pursued the same military obligation may receive unequal benefits. Veterans who had completed undergraduate work and are pursuing graduate training or additional education do not qualify for the additional entitlement.

The American Legion testified that:

"It was the judgment of The American Legion in October 1974, and continues to be our judgment that the restriction of additional eligibility to undergraduate studies is patently unfair to all those who have qualified for benefits under the Veterans Education Assistance Program. And, again in our judgment, to the extent it is unfair, it subverts the intent of the program."

The additional burden demanded by employers, State licensing agencies, and professional certification boards must then be borne by the student veteran. With veteran employment rates for younger veterans running in excess of 15 percent, educational benefits under the GI bill program, must assist and not detract motivated veterans seeking greater oportunity through disciplines that previously required less training. Teachers, business persons, lawyers, doctors, dentists, veterinarians, are a few of the professions that generally require advanced degrees.

The vice chancellor of the university system of Georgia, testifying for the American Association of State Colleges and Universities, told the Committee that:

"The educational requirements needed to compete for many jobs in today's job market have been increased beyond the undergraduate level."

The American Legion also testified that:

"The extension of the basic eligibility from 36 to 45 months for those veterans who qualify is a reasonable and practical extension in consideration of service rendered and the academic requirements for completion of a higher education."

The Congressional Budget Office estimates that enactment of this provision would result in added direction benefits at a cost of $108.6 million in fiscal year 1977, decreasing to a cost of $81.3 million in fiscal year 1981. The Veterans' Administration has estimated that the cost of removing the undergraduate restriction would be $253.2 million in fiscal year 1977, an estimate the Committee believes is unrealistic. In March of 1975, the VA estimated a first-year cost of this extension to be $70.9 million. In February of 1976, the VA in a report to the Committee on the 9-month extension of entitlement, estimated that enactment would result in a fiscal year 1977 cost of $124.1 million. Thus, CBO's cost analysis is reinforced by the VA's earlier estimates and, as such, the Committee adopts it as more accurately portraying the cost of this section.

Clause 2 amends 1661(a) defining entitlement to chapter 34 benefits to authorize full entitlement to educational assistance allowances under such chapter for service less than 18 months to any eligible veteran medically discharged because of a service-connected disability. The Committee notes that such veterans are at present eligible for vocational rehabilitation benefits under chapter 31. That program pays all the tuition or other educational expenses and grants a monthly subsistence allowance (currently $209 for a single veteran). Chapter 34 benefits do not separately pay tuition or other educational expenses but, rather, provide a single monthly educational assistance allowance (currently $270 per month for a single veteran). In recent years, the Committee has observed the increasing number of service-connected disabled veterans, with service of 18 months or more, who have chosen to utilize chapter 34 benefits rather than train under the chapter 31 vocational rehabilitation program. Indeed, the most recent available data reveals that of those disabled veterans who have trained under the GI bill, fully 52 percent have trained exclusively under chapter 34. The reasons for this usage are varied. In part, the opportunity to train on a less-than-half time basis and to pursue correspondence training, both available under chapter 34 but not under 31, could be responsible. Also in part, veterans attending educational institutions, where tuition charges are comparatively low, apparently find the higher monthly assistance allowance under chapter 34 more adequate to meet their living expenses. In any event, disabled veterans with 18 months or more service are entitled to full chapter 34 benefits and are free to choose which program they wish to train under.

In adopting this amendment, the Committee assumes that, but for the onset of a service-connected disability, the veteran covered herein would have satisfactorily completed 18 months of service and would have been entitled to full chapter 34 benefits. The Committee believes that these disabled veterans are penalized through no fault of their own and when compared with other disabled veterans, are discriminated against on the mere basis of time.

In opposing S. 836, a measure introduced by Senator Stafford which contained identical provisions to the provisions included herein, the Veterans' Administration asserted in its written report that "under most circumstances a veteran has a better benefit program available to him through the vocational rehabilitation program. . . ." Extensive usage of chapter 34 benefits by chapter 31 disabled veterans, by implication, questions that assertion. In any event, this section does not compel utilization of chapter 34; it only permits it. The Committee assumes that effective outreach and a competent counseling program by the Veterans' Administration will allow the agency to explain the relative merits of both programs. The Veterans' Administration did not estimate any cost for the enactment of this clause and the Committee assumes that it is minimal.

Section 204

This section amends section 1662(a) of title 38, United States Code, by providing an exception to the normal 10-year delimiting period during which eligible veterans can use their educational assistance benefits. This section provides that a veteran who was prevented from initiating or completing a program of education within the 10-year period because of physical or mental disability, not the result of the veteran's own willful misconduct, may be granted an extension of the delimiting period equal to the period during which the veteran was prevented from pursuing such education. The current 10-year delimiting period assumes that a veteran is in a position to exercise GI bill benefits. If during that period of time the veteran is prevented because of a physical or mental disability (which may or may not be service-connected) then that period of time should not be counted in the computation of the delimiting period.

In determining whether the disability sustained was the result of the veteran's own "willful misconduct", the Committee intends that the same standards be applied as are utilized in determining eligibility for other VA programs under title 38. In this connection see 38 C.F.R., part III, paragraphs 3.1 (n), 3.301 and VA manual M21–1, § 1404.

Although continuing to urge that the general delimiting period for all veterans be reduced from 10 to 8 years, the Veterans' Administration has reported to the Committee that it believes that "consideration should be given to the enactment of a provision which would extend the entitlement of those eligible veterans who, because they were incapacitated through circumstances beyond their control, have been unable to utilize their potential entitlement."

The Veterans' Administration estimates that any additional cost which would accrue from the extension authorized by this section would "be fairly minimal".

Section 205

This section requires the Administrator to carry out a thorough and comprehensive study of vocational objective programs in order to determine whether the objectives of the programs are being met. The Administrator is directed to place particular emphasis on the requirements of section 1673(a)(2) of title 38. That section, as amended in 1974 by section 203(1) of Public Law 93–508, provides that the Administrator shall not approve the enrollment of a veteran in any vocational objective course which fails to submit justification showing that at least one-half of the available course graduates during a preceding 2-year period have secured employment in the occupational category for which trained.

The Committee believes that compliance with the "50 percent" employment requirement is an important tool in assuring that the purposes of the GI bill are and continue to be met. Following enactment of this provision in 1974, considerable time elapsed before the VA issued implementing regulations and forms and schools were required to submit the data showing compliance with the provisions of section 1673(a)(2). Such data was finally submitted in November 1974. A preliminary examination revealed that the Veterans' Administration received reports covering 25,982 courses with 9,040 course graduates. Reports were not received for 10,200 courses with an unknown number of graduates. Of those submitting reports, only 2.7 percent of the courses failed to meet the 50 percent employment requirement.

Indeed, according to the Veterans' Administration, the submitted data asserted that the mean and median percentage of courses with graduates employed in the type of work for which the course offered training or closely related employment was 87.1 percent and 98.8 percent, respectively. Included in the total were both correspondence and flight training schools, the vast majority of which submitted forms which, on their face, also showed compliance with the 50 percent employment requirement. A few months later, however, the administration recommended to Congress that authority for enrollment of veterans into correspondence or flight training courses be terminated. In so recommending, the Administrator asserted that "there is ample evidence that the training does not lead to jobs for the majority of the trainees, and that the courses tend to serve as avocational/recreational, and/or personal enrichment rather than basic employment objectives". Such an assertion appears to contradict directly the recent flight and correspondence schools submissions which claimed that 50 percent of the course graduates had secured employment in the occupation for which they were trained.

The Veterans' Administration challenged only a few of these submissions. The Committee concludes that either the Veterans' Administration's position in favor of terminating authority for these programs is based upon insufficient facts or the obvious congressional intent of the 50 percent rule has not been effectuated. There is a growing suspicion that the latter is the case. This suspicion is reinforced by what the Committee understands to be the almost total failure of both the State approving agencies and the Veterans' Administration to review or verify the submitted data. If it is shown that the 50 percent rule is not administered or complied with as contemplated by Congress, then the Committee believes that the appropriate remedy would be the application of the rule in a manner Congress intended, rather than blanket exclusion of particular modes or fields of study. Rigorous application and enforcement of the 50 percent employment rule would terminate enrollment for avocational/recreational purposes and terminate inferior training while allowing those schools meeting basic vocational objectives to continue enrolling veterans.

There are several possible reasons why the reports submitted may not accurately reflect the schools effectiveness as demonstrated by the number of students who secure training related jobs. First, implementing regulations and forms may not have sufficiently effectuated statutory mandates and Congressional intent. The forms developed by the Veterans' Administration contained exclusions and methods of calculation which may be incorrect or excessively permissive. Definitions of the occupations for which the training is designed may be overly inclusive. Insignificant avocational earnings, which may have resulted from the course, may have been improperly included as satisfying the employment requirement.

A second cause of the apparent ineffectiveness of the 50 percent rule may be that there has been insufficient monitoring and compliance survey activities both by the State approved agencies and the Veterans' Administration. As noted earlier, it is the Committee's understanding that there was no validation of submitted data by the State approving agencies and little, if any, by the Veterans' Administration.

A third basic cause may be that there has been incorrect reporting by schools either by inadvertence, confusion or design.

Finally, it might be that additional amendments, providing more adequate statutory authority, are required in order to achieve the congressional intent that occupational goals are, in fact, pursued and obtained. Such amendments could require certain completion levels, eliminate certain exclusions or increase the required employment percentage. One possibility, which should be examined is that in calculating the 50 percent employment requirement, it be based on the number who enter training rather than complete a course of training.

In any event, further study is both appropriate and necessary. The Committee directs the Veterans' Administration, either "in house" or by contract, to conduct a thorough study of vocational objective programs. The report of the study should facilitate the administrative and legislative corrections which would be needed if the intent of the GI bill is to be met. In addition to submitting whatever data the Veterans' Administration deems appropriate in considering this issue, the Committee has specifically directed the agency, with respect to section 1673(a)(2), to include within its report the following:

(1) the number of veterans and institutions submitting justification asserting compliance with the requirements of such section and the extent to which any courses were challenged or disqualified by a State approving agency or by the Veterans' Administration;

(2) the number of institutions and courses for which justification showing compliance with the requirements of such section was not submitted;

(3) the number of courses for which justification showing compliance with the requirements of this section was submitted and actively reviewed by either the appropriate State approving agency or by the Veterans' Administration;

(4) the extent to which courses subject to the requirements of such section have not been identified or surveyed;

(5) the extent to which vocational objective programs have been converted to degree programs following enactment of Public Law 93-508;

(6) information as to completion rates of those courses submitting placement reports pursuant to such section;

(7) the extent to which justification submitted pursuant to such section disclosed invalid survey population;

(8) the extent to which justification submitted pursuant to such section disclosed improper exclusion of students who completed the course but did not take or pass a licensing examination given by the State;

(9) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons employed in other fields:

(10) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons as being in closely related occupations, when, in fact, they were not;

(11) the extent to which justification submitted pursuant to such section disclosed improper exclusion of some persons as not being available for employment;

(12) the extent to which there are deficiencies in basic procedures, instructions, and forms issued pursuant to such section; and

(13) the extent to which vocational objective programs are being pursued for a vocational or recreational purposes.

The Administrator is required to report the results of the study to the Congress and the President not later than 6 months after the enactment of this act. The report shall include such recommendations for legislative or administrative action as the Administrator deems appropriate. In this connection, the Committee expects the Veterans' Administration to examine and revise, if necessary, its regulations and forms, in accordance with the congressional intent, to assure the effectuation of the 50 percent rule and other basic provisions governing vocational objective courses. The Committee also intends that immediate steps be undertaken to verify the data previously submitted by schools in connection with section 1673(a)(2). If the Veterans' Administration concludes that statutory authority is insufficient or that it should be strengthened, the Committee expects to receive specific legislative recommendations in the report of the Administrator.

In sum, properly applied standards, which discriminate on the basis of occupational success of vocational courses, appears preferable to blanket action terminating whole areas or models of training.

Section 106

This section makes two principal amendments to section 1673 relating to the disapproval of enrollment in certain courses.

Clauses 1, 2, and 3 amend section 1673(a) by adding a new paragraph 4 which prohibits enrollment in any independent study program except one leading to a standard college degree. At the time the current GI bill program was enacted in 1966, the concept of independent study was not specifically considered by the Congress. However, this clause codifies a long-standing Veterans' Administration position that independent study be limited to those programs leading to a standard college degree. A similar amendment to section 1723(a) pertaining to chapter 35 eligible persons is contained in section 306 of this act discussed, *infra*.

Clause 4 amends section 1672(d) to extend generally to all courses the statutory limitation with respect to the percentage of veterans eligible to enroll in a course. Currently, subsection (d) directs the Administrator not to approve the enrollment of any veteran (not already enrolled) in any course not leading to a standard college degree which is offered either by the proprietary-for-profit or proprietary-not-for-profit educational institution where more than 85 percent of the students are wholly or partially subsidized by the Veterans' Administration or the institution.

This section, first enacted by the Congress when it authorized the Korean Conflict GI Educational Assistance Program in 1952 under Public Law 82-550, was an outgrowth from recommendations of the House Select Committee to Investigate Educational Training and Loan Guarantee Programs. Under the GI bill. The House Select Committee, chaired by the Honorable Olin E. Teague, looked extensively into the abuses and problems which plagued the World War II GI bill program and concluded that "a new act should be written extending educational benefits to veterans who served during the Korean conflict." It recommended in part that:

"4. Enrollment of veterans in institutional training should be limited to courses offered by public schools and colleges, or to courses in private schools which have been in successful operation for at least one year and which maintain an enrollment of at least 25% non-veteran students."

The result of this recommendation was the enactment of section 1673(d). While reviewing the legislative history and intent of this section during consideration of the 1974 GI bill amendments, it became evident to the Committee that Congress was concerned about schools which developed courses specifically designed for those veterans with available Federal moneys to purchase such courses. At the time that the section was originally enacted, the veterans educational assistance program was, of course, the prime (if not sole) source of Federal funds which could be utilized by students who enrolled in such courses. The ready availability of these funds obviously served as a strong incentive to some schools to enroll eligible vetans. The requirement of a minimum enrollment of students not wholly or partially subsidized by the Veterans' Administration was a way of protecting veterans by allowing the free market mechanism to operate.

The price of the course was also required to respond to the general demands of the open market as well as to those with available Federal moneys to spend. A minimal number of nonveterans were required to find the course worthwhile and valuable or the payment of Federal funds to veterans who enrolled would not be authorized. As originally enacted in 1952, the 85–15 rule applied only to "nonaccredited" courses not leading to a standard college degree.

In 1974, after reviewing the history of this section, the Committee concluded that whatever reasons there originally may have been to limit the rule to nonaccredited schools, those reasons were no longer applicable. Accordingly, section 203(3) of Public Law 93–508 extended the so-called 85–15 rule to accredited proprietary-for-profit and not-for-profit institutions not leading to standard college degrees. Courses under subchapter IV for the educationally disadvantaged and subchapter V for PREP were specifically exempted from the operation of the revised section because they were, by their very nature, designed for the exclusive enrollment of veterans or other eligible persons under this title.

Upon further examination this year, the Committee has concluded that the rationale for the application of the 85–15 rule should be logically extended to courses other than just those not leading to a standard college degree.

The Veterans' Administration, after noting increased recruiting by certain accredited institutions directed exclusively at veterans, in its report to the Committee stated that:

It is our position that, if an institution of higher learning cannot attract sufficient nonveteran and nonsubsidized students to its programs, it presents a great potential for abuse of our GI educational programs.

The Committee shares this concern and believes it is important, when mandating GI bill expenditures of great magnitude, to limit those situations in which substantial abuse could occur.

The Committee emphasizes its belief that the requirement that no more than 85 percent of the student body be in receipt of VA benefits is not onerous particularly given the fact that under today's GI bill, unlike the World War II program, veterans do not comprise a major portion of those attending institutions of higher learning, as revealed in the following table:

TABLE 24.—VETERANS AS A PERCENTAGE OF STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER LEARNING

Year	Total U.S. peak fall enrollment	GI bill trainees	Percent
1976 (estimate)	11, 290, 719	1, 294, 267	11. 5
1975	10, 321, 539	970, 173	9. 4
1974	9, 709, 000	970, 467	10. 0
1952	2, 263, 102	281, 254	12. 4
1951	2, 228, 873	402, 467	18. 1
1950	2, 419, 037	580, 597	24. 0
1949	2, 592, 517	843, 803	32. 5
1948	2, 548, 507	984, 009	38. 6
1947	2, 479, 402	1, 157, 966	46. 7

In addition, in computing the 85–15 requirement, the amendment would require the inclusion of not only those students subsidized by the Veterans' Administration, but also those students in receipt of grants from other Federal agencies. The Committee believes the inclusion of other students receiving Federal grants is consistent with the general intent and rationale of section 1673 (d) as previously discussed. This would include Federal grants such as basic educational opportunity grants (BEOG) and supplemental education opportunity grants (SEOG) made by the Department of Health, Education, and Welfare. This provision only includes direct Federal grants which do not have to be repaid by the recipient.

Thus, it would not apply to direct Federal loans, federally insured loans or college or work/study (which is "repaid" by the student services).

To gage the impact of the addition of Federal grants to veterans benefits in calculating the requirements of the 85–15 rule, the Committee requested information from the Congressional Research Service concerning the number of students in receipt of Federal assistance. Although figures for individual programs exist, there is no precise data as to the unduplicated number of federally assisted students. CRS estimates, however, that the unduplicated number of federally assisted students in the current fiscal year (excluding the guaranteed student loan program) does not exceed 14 percent. Again, although the 85–15 rule does not appear onerous when compared with this figure, the Committee recognizes that with respect to Federal grants there may be situations where greater flexibility is desired particularly with respect to certain developing institutions. Accordingly, the Administrator, upon the recommendation of the Secretary of Health, Education, and Welfare is granted authority to waive the requirements of section 1673(a) with respect to Federal grants if it is determined to be in the interest of the eligible veteran.

In addition to continuing the exemption for educationally disadvantaged and PREP courses, the amendment would also specifically exempt farm cooperative training for veterans from the operation of the 85–15 rule. The Veterans' Administration stated in its report to the Committee:

"The primary objective of the farm cooperative program is to provide meaningful instruction for the farmer while concurrently engaged in active agricultural employment. Farm cooperative programs are generally offered by high schools, area technical schools, and community colleges, and are frequently the result of the joint effort of the State Department of Education, local school officials and county farm agents. These programs are designed primarily for veteran participation. We have found that, when an area is not serviced by an institution offering such a course, a group of veterans engaged in full-time farming has organized such courses with the aid of local groups for veteran participation."

The Veterans' Administration is unable to estimate the cost impact of the extension of the 85–15 rule because it lacks accurate information as to the extent of veteran enrollment in courses which are not presently covered by section 1673 but which may exceed the 85 percent of total course enrollment rule. The Congressional Budget Office, however, estimates that enactment of this section coupled with other Administration cost savings included in the bill will save $31.6 million in fiscal year 1977 and a total of $151.9 million through 1981.

Section 207

This section amends section 1674 relating to discontinuance of VA payments to veterans for unsatisfactory progress or conduct by providing that absent mitigating circumstances, progress will normally be considered unsatisfactory at any time an eligible veteran is not progressing at a rate which would permit such veteran to complete training within the length of the course based in the training time as certified to the Veterans' Administration. This section is intended to specify a minimum basic standard of progress which will normally be required of veterans in receipt of VA educational assistance payments. As noted elsewhere in this report, the Committee is aware of numerous situations in which substantial numbers of veterans were enrolled at certain institutions and in receipt of veterans benefits for extended periods of time, yet made little if any progress toward obtaining the degree for which enrolled.

This amendment provides that regular progress toward a degree must be made by the veteran. Thus, under this provision, if a veteran is enrolled in a 4-year program of education, and enrolled in a full course load as defined by the institution, his normal completion time as certified by the school would be 4 years. If he is enrolled on a half-time basis, the normal completion time, of course, would be 8 years. The Committee notes that for the purposes of full time VA benefits a veteran need only be enrolled in 12 credit hours even though 15 may be required by the school in order to completely obtain a baccalaureate degree within 4 years. Thus, for those veterans taking only a 12-credit-hour load it would normally be expected that the veteran would attain such degree in 5 years, even though for the purposes of VA payment he would be in receipt of "full time" benefits.

The Committee wishes to emphasize that these are simply minimum standards and schools may impose such additional standards of progress as they deem necessary and appropriate.

The Administrator is granted authority under this section to waive the requirements of this provision if he finds mitigating circumstances. While the Committee expects the VA to enforce the provisions in a manner which eliminates Federal payments to those not seriously pursuing an education, it also intends that the waiver authority will be exercised with compassion and understanding of the domestic difficulties and problems often encountered by educationally disadvantaged veterans who are making a serious attempt.

Finally, it should also be observed that, even if the Administrator does not find mitigating circumstances, educational assistance allowance payments may be renewed following VA counseling of the veteran, if it is determined (a) that the cause of the unsatisfactory conduct or progress of the veteran has been removed; and (b) that the program which the veteran now proposes to pursue (whether the same or revised) is suitable to his aptitudes, interests and abilities. A similar amendment concerning satisfactory progress is adopted with respect to eligible persons training under chapter 35 in section 307 *infra*.

Section 208

This section amends section 1682 which directs how education allowances for institutional training will be computed. A new subsection (e) is added which codifies existing regulations and practice regarding payment to an eligible veteran who is pursuing an "independent study program" which leads to a standard college degree. Educational allowances for an independent study program are to be computed at the lesser of either the established tuition charge, including fees, or $292 per month. If independent study is combined with resident training which constitutes the major portion of that training, then the regular monthly allowance of $292 is payable (increased from the current $270 by section 201(4) of this Act).

This clarification and codification of these rules was prompted in part by evidence of abuse of independent study. Where significant Federal payments are concerned, as with the GI bill, the potential for abuse is high, particularly in the case of "independent study"; a comparatively unstructured situation where verification and supervision is often difficult. In the past 2 years, the potential for abuse has unfortunately been realized in a number of instances. For example, the Veterans' Administration testified this year about a proprietary-for-profit correspondence school which entered into a contract with an educational institution of higher learning accredited by the North Central Accrediting Association. The VA further testified:

"The terms of the agreement were that the school would, through a program of independent study, confer a two school year (equivalent) associate of technology degree and exercise administrative control over the program. The individual courses in the program were similar to, if not the same as, the corporation's correspondence course. The corporation sold and taught the course using their representatives. The degree program, based on the school's accreditation, the State Approval Agency's favorable action, and compliance with proposed regulations on independent study published in the Code of Federal Regulations, September 27, 1973, was approved for full-time educational assistance under the law. The cost of the course to the student was $2,107 for the equivalent of 1 school year. Of this $2,107, the corporation received $1,777 for its services.

"By November 1974, more than 13,000 veterans located in approximately 40 States had been enrolled and were receiving benefits. Classes were conducted at a number of nontraditional settings. For the most part, students were attending class 1 day a month at a motel and were being paid at the same rate as students who were actually attending the main campus of the university on a full-time basis. University officials, apparently because of their inability to maintain effective administrative control, terminated their contract with the corporation and would not accept new enrollments effective November 8, 1974."

In response to this and other situations, the Veterans' Administration clarified, revised and tightened its independent study regulations in December 1974, As revised, in order for an eligible veteran to receive VA educational assistance for the pursuit of an independent study course, such course must consist of a prescibed program study with provisions for interaction either by mail, telephone or personally, or by class attendance between the student and regularly employed faculty at the university or college. The Veterans' Administration has informed the Committee that it lacks sufficient data to estimate the cost savings resulting from enactment of this section.

Section 209

This section amends the Veterans' Student Services Program authorized under section 1685 of title 38, United States Code, to grant the Administrator greater flexibility for permitting veterans to continue and complete their work-study agreements even if there has been a change in their school status. Under the Veterans' Student Services or Work Study Program, a veteran enrolled under chapter 31 or 34 (with priority consideration given to those veterans with 30 percent or greater service-connected disability) may enter into an agreement with the Veterans' Administration to perform various veteran related services during or between periods of enrollment such as outreach efforts or the preparation and processing of necessary veterans' papers or other documents. Under this agreement, the veteran may contract to work up to 250 hours a semester or other applicable enrollment period for which the veteran is paid at a rate of $2.50 per hour of which up to $250 is paid in advance.

Section 1685(b) provides that the Veterans' Administration may utilize the services of the veteran students participating in a work/study program only while they are pursuing a full-time program of education or training under chapter 31 or 34. Consequently, if a veteran student reduces his training load to less than full-time or ends school enrollment prior to completion of the agreement, the Veterans' Administration must terminate the agreement. When the veteran has not performed the number of hours represented by the advance payment to him, the amount of the advance payment which represents the number of unworked hours is considered an established overpayment chargeable against the veteran. This section amends section 1685(b) to provide that, even if the veteran ceases to be a full-time student before completing the agreement, the veteran may be permitted, with the approval of the Administrator, to complete the work.

This amendment permits veterans to complete work/study agreements, even if they are no longer full-time students or enrolled in school. It is intended to help prevent overpayments to individuals who need and actively seek out funds under the work/study program to permit them to continue their education. The Committee also assumes that such authority would present fewer administrative problems to the Veterans' Administration.

The Veterans' Administration supports enactment of this provision which it says is necessary for it to "fully carry out Congress' intent to utilize veterans in work/study programs when the individual actively demonstrates a need for assistance which the work/study program affords".

The VA further reports that the costs entailed by this section would be minimal.

Section 210

This section amends the Special Supplementary Assistance Program authorized under section 1692 of title 38, United States Code, to increase benefits and expand eligibility. Section 1692 currently provides that any veteran enrolled in an educational institution who is pursuing a postsecondary program of education on a half-time or better basis may receive "individualized tutorial assistance" when the veteran has "a deficiency in a subject" which is required if the veteran is to pursue his or her program of education satisfactorily. Currently, the veteran may receive assistance at the rate of $60 per month for a maximum of 12 months or until a maximum of $720 is utilized. The educational institution is required to certify that the individualized tutorial assistance is essential to correct the deficiency, that the tutor chosen to perform the assistance is qualified, and that the charges for such assistance do not exceed customary charges for tutorial assistance.

Clause 1 amends section 1692(a) by authorizing individualized tutorial assistance for the academic portions of institutional technical courses not leading to a standard college degree for veterans who have not received a high school diploma or equivalency certification.

The Veterans' Administration considers a course or program to be postsecondary if the school generally requires the GED certificate or completion of high school as an admission requirement, even though it has provisions for accepting some students solely on the basis of general admission and tests. However, if an admission examination is the sole requirement for entrance, the Veterans' Administration has taken the position that the course may not be considered post-secondary for tutorial purposes (cf. section M-48, VA Program Guide 21-1). In this connection, it has come to the attention of the Committee that there are State vocational-technical programs which do not require, as part of their admissions requirements, completion of high school or GED.

Consequently, such vocational-technical students cannot qualify for tutorial assistance under section 1692. While the Committee continues school diploma or its equivalency, it believes that the exclusion of tutorial assistance for veterans who are enrolled in vocational-technical schools and who are in need of such assistance is counterproductive. There are many veterans who have excellent aptitudes for vocational-technical careers who may be deficient in communications or mathematical skills. This amendment permits individualized tutorial assistance in those academic portions of the vocational-technical course to enable, for example, proficiency in math and reading skills. It is not intended, however, that tutorial assistance be provided in the case of shop or laboratory portions of such vocational courses.

Clause 2 amends section 1692(b) to provide an 8 percent increase in the maximum amount payable for tutorial assistance. Tutorial assistance benefits are increased from $60 to $65 per month for a maximum of 12 months or until a maximum of $780 is utilized (currently $720).

In increasing and expanding tutorial benefits, the Committee would be remiss if it failed to acknowledge that a number of cases have been brought to its attention recently concerning instances where false certification of individualized tutorial assistance has occurred and convictions obtained. In certain instances, the tutoring was done in groups and not on an individual basis as required by law; in other cases there was no tutoring or less tutoring than certified. And in other cases serious questions have been raised as to the qualifications of certain tutors, although such tutors must be certified to the Veterans' Administration as qualified by the schools under section 1692(b).

The Committee expects the Veterans' Administration to monitor the tutorial program to ensure that schools are thoroughly familiar with all rules and that these requirements are being fully complied with. The Congressional Budget Office reports that the costs occasioned by enactment of clause 1 are minimal. The increase in tutoring allowances is estimated to cost $0.3 million for each of the next 5 years.

Section 211

This section makes a number of technical amendments to chapter 34.

Clause 1 eliminates specific reference to the "United States Code" in section 1652(e) to conform that section with the style of reference used in title 38 when referring to another title of the United Sates Code.

Clause 2 deletes in sections 1681 (a) and (b) reference to section 1780 and substitutes a broader reference to chapter 36 where that section is found.

Clause 3 redesignates section 1697A concerning coordination with and participation by the Department of Defense in PREP programs as section 1698 to conform with general practice of numbering sections within title 38.

Clause 4 amends the table of sections with the beginning of chapter 34 to reflect the redesignation in clause 3 of section 1697A as section 1698.

Section 212

This section makes a number of technical amendments to chapter 34 to remove unwarranted and unnecessary gender references. The following sections are affected: 1652, 1661, 1662, 1663, 1670, 1671, 1673, 1674, 1676, 1681, 1685, 1691, 1696, and 1698 (as redesignated by section 211(a) of this Act).

Section 213

This section amends section 1663 concerning educational and vocational counseling of eligible veterans by the Veterans' Administration to direct that effective comprehensive counseling service be provided to all veterans who desire such services. The section is further amended to direct the Administrator to carry out an active outreach program to acquaint and encourage veterans wherever appropriate to utilize such counseling services.

The availability of VA educational, vocational and rehabilitation counseling (currently discretionary for chapter 34 eligible veterans) is intended to aid veterans make the best use of their educational and training benefits by helping them (1) arrive at sound decisions about their educational and vocational goals and (2) plan programs of education or training that will enable them to attain these goals.

These counseling services are offered through 70 VA locations and about 170 college, university, community and private counseling centers under contract with VA.

Since the inception of the current GI bill through June 1974, only 227,450 or 4.65 percent of the 4,895,000 veterans who have trained under the program have been counseled.

Even smaller percentages of veterans have been counseled in the past 3 years as revealed by the following table:

TABLE 25.—CHAPTER 34—VETERANS COUNSELED, FISCAL YEAR 1974–76

	Veterans trained	Veterans counseled	Percent of veterans counseled
Fiscal year:			
1974	2, 128, 366	34, 715	1.6
1975	2, 424, 676	44, 928	1.9
1976	2, 535, 432	48, 815	1.9

On August 11, 1976, the General Accounting Office submitted to the Committee on Veterans' Affairs a report which included responses of veterans to questions about the VA educational assistance programs. The report indicated that many veterans were both unaware of and in need of VA counseling service.

Of the 5,491 veterans responding to a GAO questionnaire, 2,244, or about 41 percent said that they were not aware that VA offered counseling services. Of the 2,244, about *70 percent said that they would have requested VA counseling had they been aware of it.*

The following is a tabulation of GAO questions and the response pertaining to the counseling:

Did you request and receive any counseling, advice, or information from VA prior to enrolling in this training?

Response		Number	Percent
Yes	I was tested or counseled by VA about my aptitudes or training plans.	233	4.2
Yes	I received information or advice about my training and benefits from VA.	1, 167	21.3
No	I requested but did not receive any guidance from VA.	133	2.4
No	I was aware of it but did not not request VA guidance.	1, 714	31.2
No	I was not aware that VA guidance was available.	2, 244	40.9
Total		5, 491	100.0

Would you have requested VA guidance if you had been aware of it? (Asked only those giving the last response above.)

Response	Number	Percent
Yes	1, 549	69
No	560	25
No response	135	6
Total	2, 244	100

Note: The above responses do not reflect answers from graduate students.

The report of General Accounting Office underscores the importance of available and comprehensive counseling services designed to aid veterans in arriving at a sound decision about their goals and help them plan programs of education and training that enable them to attain those goals. GAO found that one out of every five veteran respondents questioned the value of their training. The report noted:

"While responses differ significantly depending on the type of training taken, overall, 20 percent of the respondents said that the training they took under the GI bill was of little or no use with regard to their training objective or career plan."

The following table reveals responses by types of training by both completers and noncompleters:

TABLE 26.—USEFULNESS OF TRAINING AS INDICATED BY COMPLETERS AND NONCOMPLETERS

[In percent]

Type of training	Overall				Completers				Noncompleters			
	Extremely useful	Moderately useful	Little use	No use	Extremely useful	Moderately useful	Little use	No use	Extremely useful	Moderately useful	Little use	No use
Apprentice	57.3	33.3	4.2	5.2	63.5	32.6	3.0	0.9	30.9	36.4	9.1	23.6
Other on-job	55.4	28.7	9.2	6.7	64.5	25.2	6.9	3.4	30.9	38.1	15.5	15.5
Graduate	64.5	30.5	4.2	.8	75.0	23.0	1.5	.5	33.3	53.0	12.1	1.5
Farm cooperative	37.8	50.0	8.3	3.9	41.3	52.3	5.2	1.2	32.1	46.2	13.2	.5
Nondegree	54.6	29.8	9.8	5.0	67.1	26.4	4.3	2.1	27.7	36.9	21.5	13.8
Flight	48.7	30.8	15.2	5.3	59.7	31.0	7.0	2.3	33.7	30.5	26.3	9.5
Vocational/technical	38.5	35.0	15.8	10.7	47.1	36.2	12.2	4.5	23.8	33.1	21.9	21.2
Undergraduate	46.5	36.9	11.2	5.4	60.3	31.8	6.8	1.1	28.0	43.6	17.1	11.3
Correspondence	28.1	40.5	17.7	13.7	30.7	49.2	10.8	9.3	24.3	27.5	28.0	20.2
High school	44.5	33.6	13.0	8.9	56.8	31.8	8.0	3.4	25.9	36.2	20.7	17.2

Educationally disadvantaged veterans who presumably have a much greater need for such services have rarely received counseling. The 1974 Congressionally directed study of the GI bill legislation by the Educational Testing Service of Princeton, New Jersey, found that only 2.9 percent of those educationally disadvantaged veterans in training had never received counseling from a VA contact officer.

The Committee further expects that a veteran who requests VA educational and vocational counseling will, in fact, receive thorough and competent guidance and counseling which will enable the veteran to make the best use of his education and training benefits. The Committee intends that comprehensive counseling provide the veteran the wherewithal to (1) arrive at sound decisions about educational and vocational goals, and (2) plan a program of education or training that will enable the veteran to attain a chosen goal. In this regard, the Committee stresses that it is vital that each veteran who seeks vocational and educational counseling be exposed to those programs and services which could be of assistance to the veteran as he pursues his educational or vocational objective. Under this section, VA counselors would also be expected to make appropriate referrals with respect to other problems such as those of a readjustment or health nature.

Too often, the multifaceted Federal and local government programs are perceived by the individual veteran as fragmented and disjointed. Too often, the veteran is in need of personal readjustment, the effect of which could prevent the veteran from securing the maximum advantage from his educational entitlement. To assist the veteran in arriving at a wise decision in regard to his educational or vocational goals, or to aid the veteran in overcoming his personal readjustment problems, comprehensive counseling must integrate the many programs into a coherent and understandable pattern. For example, a counselor should be able to assist those veterans who seek part-time work or are in need of supplemental income by guiding the veteran to the local Comprehensive Employment and Training Act (CETA) prime sponsor. Prime sponsors are specifically authorized to create split-jobs for veterans who are going to school. The split-job approach permits the prime sponsor to split one job between two school-going veterans—the two split the job to correspond with their schooling. This concept has been underutilized and the failure of veterans to be apprised of the opportunity is a contributing factor to this underutilization.

The Committee believes that it is imperative that each veteran who requests assistance under section 1663 be provided comprehensive assistance to guarantee that the use of educational entitlement by such veteran results in the maximum advantage to the veteran and to the society.

Accordingly, *Clause 1* amends the first sentence of section 1663 by requiring the Veterans' Administration to make available comprehensive counseling services including, but not limited to, vocational and educational counseling to any eligible veteran who requests it.

Clause 2 directs the Administrator to carry out an effective outreach program to acquaint all eligible veterans with the availability of such counseling and its benefits and advantages.

TITLE III—CHAPTER 35 SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE RATE AND PROGRAM ADJUSTMENTS

Section 301

This section amends chapter 35, where applicable and necessary, to provide 8 percent increases in educational assistance allowances similar to those provided veterans in chapter 34. In most instances, the increases provided in chapter 34 are automatically applicable to survivors and dependents training under chapter 35, pursuant to section 1732 (a) or (b), which provide that chapter 35 educational assistance allowances shall be computed at the rate prescribed in section 1682 of chapter 34 (as amended by section 201 of this Act). The Veterans' Administration estimates that 107,700 persons will be affected in the first fiscal year at an educational cost of $16.0 million which increases gradually to 109,600 persons and $16.1 million at the end of 5 years. The Congressional Budget Office differs slightly, estimating first year cost at $16.5 million declining to $16.0 million at the end of 5 years.

Clause 1 amends section 1732(b) to provide an 8 percent increase in the educational allowance paid on behalf of an eligible person pursuing a full-time educational program which consists of institutional courses and alternate phases of training in a business or industrial establishment. As amended, the rate is increased from $217 to $235 per month.

Clause 2 amends section 1742(a) to increase the special restorative training assistance allowance by 8 percent from $270 to $292 a month and payable to the parent or guardian of the child in need of such training. Further, if the tuition and fees applicable for any such course are more than $92 (presently $85) per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed that monthly figure if the parent or guardian elects to have the entitlement reduced by 1 day for each $9.76 (presently $9.02) that the special training allowance paid exceeds the basic monthly allowance.

The number of persons receiving this training is quite small ranging generally from 30 to 35 at any one time.

Section 302

This section amends section 1701 of title 38 which defines basic terms utilized in chapter 35 by adding definitions of the terms "institution of higher learning" and "standard college degree." Both terms have been regularly used by the Veterans' Administration for some time and have well established meanings pursuant to regulations issued by the Agency. The amendments made by the section are intended to codify existing regulations and practice. Identical definitions are provided for chapter 34 and chapter 36 in section 202 of this Act, *supra*.

Section 303

This section makes two basic amendments to section 1711 of title 38 relating to basic periods of eligibility for eligible dependents and survivors in order to aline the benefits provided in chapter 35 with those provided in chapter 34 wherever feasible and practical.

Clause 1 amends section 1711(a) to provide an additional 9 months of eligibility so that the maximum period of eligibility for survivors and dependents training under this program will now be 45 months rather than the current 36. This amendment is consistent with the unrestricted additional 9 months granted to veterans training under chapter 34 in section 203 of this act, justification for which is set out in full in the Committee's report to that section, *supra*. The Veterans' Administration estimates that in the first fiscal year, 5,000 trainees will take advantage of this provision at a direct benefit cost of $10 million, decreasing gradually by the fifth year to 3,300 trainees at a cost of $6.6 million, all as set forth in the following table:

TABLE 27.—9-MONTHS ADDITIONAL ELIGIBILITY FOR CHAPTER 35 TRAINEES

	Trainees	Direct benefits cost (millions)
Fiscal year:		
1977	5, 000	$10. 0
1978	4, 100	8. 2
1979	3, 300	6. 6
1980	3, 200	6. 6
1981	3, 300	6. 6
Total		38. 0

Congressional Budget Office estimates that the first year cost of this provision will be $11.1 million declining to $10.8 million in fiscal year 1981.

Clause 2 amends section 1711(b) to permit a limited amount of additional entitlement to those dependents who lose their chapter 35 eligibility because (a) the veteran parent or spouse is determined no longer to have a total disability of a permanent nature; or (b) the veteran parent or spouse who was listed as a prisoner of war, missing in action, or detained by a foreign power, is no longer so listed; or (c) the spouse of a permanently and totally disabled veteran is divorced without fault on the part of the spouse. The law currently provides that in the event of any of the foregoing occurrences, chapter 35 eligibility must terminate except that the person may continue receiving benefits until the end of the quarter or semester for which enrolled. If the institution is not operated on a quarter or semester basis, then benefits may continue until the end of the course or until 9 weeks have expired (whichever first occurs). This amendment would extend the period in the latter situation from 9 to 12 weeks, an extension which is consistent with extended entitlement rules currently applicable to veterans training under chapter 34.

Section 304

This section amends section 1712 concerning periods of eligibility for children under chapter 35 by expanding that eligibility and making changes consistent with those provisions governing chapter 34 beneficiaries.

Clause 1 amends section 1712(a) (3) and (4) to extend the eligibility period for children from 5 years to 8 years in which to complete their education. Currently, section 1712 (a) provides that the normal period of eligibility runs from age 18 (or the completion of secondary schooling if earlier) until age 26 or a period of 8 years. Paragraph 4 of subsection (a), however, provides that in the event such persons serve on active duty with the Armed Forces, the period of eligibility is 5 years following the person's first discharge (but not beyond age 31). Accordingly, this amendment extends the normal period of eligibility from 5 to 8 years for those who served on active duty and makes such period consistent with the normal eligibility period contained in subsection (a).

Clause 2 amends 1712(a)(5)(B) relating to extension of entitlement. Currently, the law provides that the eligibility of a dependent or survivor attending institutions not operating on a quarter or semester system which otherwise would expire may be extended to the end of the course or 9 weeks, whichever first occurs. This clause extends the maximum period from 9 to 12 weeks to equate the provision with that currently governing extended entitlement for veterans training under chapter 34 (cf. § 1661(c)).

Clause 3 repeals 1712(d) which presently permits an extension of eligibility for children equal to the amount of time elapsed between their 18th birthday, or the day on which their application for benefits is filed (whichever is later), and the date of final approval of their application by the Administrator. This provision was added several years ago to ensure that chapter 35 eligible children received a full 5 years in which to pursue their program of education. The amendments contained in clause 1 of this section extending entitlement from 5 to 8 years, renders the provisions of section 1712 (d) unnecessary. The subsections following section 1712(d) are redesignated to reflect the repeal of that subsection.

Section 305

This section makes amendments, technical in nature, to section 1713 concerning application for chapter 35 benefits by a parent or guardian on behalf of an eligible person. As amended, the section clarifies that if the eligible person has attained the age of legal majority then the person may independently file an application on his or her own behalf. This technical change reflects provisions contained in subsection 1701(b) which specifically equates, for the purposes of chapter 35, the definition of parent or guardian with any eligible person who has attained the legal age of majority and is under no known disability. Unnecessary or unwarranted gender references are also deleted.

Section 306

This section amends section 1723 relating to the disapproval of enrollment in certain courses.

Clauses 1, 2 and 3 amend section 1723(a) to add a new paragraph 4 which prohibits enrollment in any independent study program except one leading to a standard college degree. This clause simply codifies existing Veterans' Administration regulations and practice. A similar amendment to section 1673, for veterans training under chapter 34, is made by section 206 discussed *supra*.

Section 307

This section amends section 1724 concerning discontinuance for unsatisfactory progress by specifying that, absent mitigating circumstances, progress will normally be considered unsatisfactory at any time an eligible person is not progressing at a rate which will permit such person to graduate within the approved length of course based on the training time as certified to the Veterans' Administration. This section is intended to apply the same standards of progress as are applied to veterans by section 1674 of title 34 as amended by section 207 of this act. See additional discussion under section 207 *supra*.

Section 308

This section amends section 1732 concerning the computation of educational allowances for institutional training for eligible survivors and dependents under chapter 35. New paragraph 3 is added to section 1732(c) which codifies existing regulations and practice regarding payment to an eligible person pursuing an "independent study program" leading to a standard college degree. Educational allowances for independent study programs are to be computed at the lesser of either the established tuition charge, including fees, or $292 per month. If independent studies are combined with resident training, and constitute a major portion of that training, then the regular monthly allowance of $292 is payable (increased from the current $270 by section 201(4) of this Act). New paragraph 3 directs that payment shall be computed at the rate prescribed in section 1682(e) (as added by section 208 of this Act). For additional information concerning the need for, and intent of, this provision see the discussion at section 208 *supra*.

Section 309

Subsection (a) redesignates the title of chapter 35 as "Survivors' and Dependents' Educational Assistance" rather than the present "War Orphans' and Widows' Educational Assistance."

Subsection (b) amends the table of chapters at the beginning of title 38 and the table of chapters at the beginning of Part III to reflect the amended chapter 35 title.

Subsection (c) makes a technical amendment to section 1731(a) by deleting reference to section 1780 and substituting a broader reference to chapter 36 where that section is found.

Section 310

This section makes a number of technical amendments to chapter 35 to remove unwarranted and unnecessary gender references. The following sections are affected: 1700, 1701, 1711, 1712, 1720, 1721, 1723, 1724, 1731, 1733, 1734, 1736, 1741, 1743, 1761, and 1763.

TITLE IV—POST-VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT

Section 401

This section provides that this title may be cited as the "Post-Vietnam Era Veterans' Readjustment Assistance Act of 1977."

Section 402

This section amends section 1652 to provide that no individual (with limited exceptions) entering the service on or after January 1, 1977, could accrue benefits under chapter 34. One exception provides that those individuals who had enlisted in the service under the Delayed Entry Program (DEP) prior to January 1, 1977, are eligible for chapter 34 benefits even though their active military duty does not commence until after that date. Such DEP personnel must have been enlisted or been assigned to a reserve component before January 1, 1977, and as a result of such enlistment commence active duty on or before January 1, 1978. Continued eligibility for chapter 34 benefits is, of course, contingent upon other qualifying factors including requisite length of service and a release from active duty under conditions other than dishonorable. (The other exception concerning the reimposition of involuntary induction is contained in section 407 discussed *infra.*)

Section 403

This section amends section 1661(a) to limit the entitlement that each eligible veteran can accrue under chapter 34 to that period of time between commencement of active duty and the date of such eligible veteran's first discharge or release from active duty after December 31, 1976.

Section 404

This section would create a new chapter 32 educational benefits and readjustment assistance program for Post-Vietnam Era Veterans. The new chapter is more fully described as follows:

Subchapter I—Purpose; Definitions

§ 1601. Purpose

This section states the purpose of this chapter is (1) to provide educational assistance to those entering the Armed Forces after December 31, 1976, (2) to assist young persons in obtaining an education they might not otherwise be able to afford and (3) assist the all volunteer military program in attracting qualified men and women to serve in the Armed Forces.

§ 1602. Definitions

This section prescribes various definitions which would govern the new program.

The first defines which veterans are eligible for the new chapter 32 educational benefits. Requirements for eligibility for educational benefit remains the same under the current program except for the eligibility dates. In order to be eligible for chapter 32 benefits a veteran must enter and serve on active duty for a period of more than 180 days commencing on or after January 1, 1977, and be released from active duty under conditions other than dishonorable. Veterans who enter service on or after January 1, 1977, and who are subsequently released from active duty with a service-connected disability are also eligible for the new chapter 32 benefits.

Active duty would not include certain types of service such as service as a cadet or midshipman at one of the service academies, or certain service in the National Guard or Reserves. These are patterned after the limitations currently contained in chapter 34. The terms "program of education" and "educational institution" would have the same meanings as those currently set forth in chapter 34. The term "participant" is defined as a person participating in the new program.

The requirement of discharge or release from active duty is waived in the case of any participant who has completed his or her first obligated period of active duty beginning after December 31, 1976, or has served on active duty for 6 years—whichever period is less. Thus, participants in their second or subsequent enlistment are eligible for participation in the education program provided under this chapter.

A participant is any person who has enrolled and who has not subsequently disenrolled. In some instances it is important to distinguish between an eligible veteran and a participant. For example, the definition of eligible veteran includes only those who have been discharged or released from active duty under honorable conditions; participant covers only those who have enrolled in the plan and who have not subsequently disenrolled.

Subchapter II—Eligibility; Matching Funds

§ 1621. Eligibility

Subsection (*a*) extends the right to enroll in the educational benefits program to any and all persons who enter the military on or after January 1, 1977. Whenever a person elects to enroll in the program and become a participant that person must contribute for at least 12 consecutive months before disenrolling or suspending participation. This requirement should ease the administrative burden of the Department of Defense and the Veterans' Administration. The Committee expects that most participants will continue to contribute until they are discharged or released from active service or until they have contributed the maximum allowable contribution ($2,700).

Subsection (b) provides limited exceptions to the general requirement of 12 consecutive months of contribution. First, of course, a participant need not contribute for 12 consecutive months if the participant is discharged or released from active duty prior to fulfilling that requirement. Second, an exception would also be made in instances of personal hardship as defined in regulations issued jointly by the Administrator and the Secretary of Defense. The Committee is aware that in administering programs, instances occur when the need for the administrative ease assured by the consecutive month rule is outweighed by the need of an individual with a personal hardship. In this regard, the Committee expects that the implementing regulations will provide for the operation of equity. The Committee also recognizes that the personal budget of individual participants is subject to fluctuation, and as such, flexibility is needed. In this regard, the Committee notes that an alternative to either suspension or disenrollment is a reduction in the amount the participant has elected to contribute each month.

Subsection (*c*) permits each participant to suspend participation or disenroll from the educational benefits program at the end of any 12-month period. Participants are also permitted to disenroll or suspend participation prior to the end of any 12-month period of participation in those instances of personal hardship. To the extent that contributions have been made, the individual who has suspended participation will remain entitled to educational benefits as computed by the formula in section 1631(a)(2). The Committee anticipates that most participants will participate and contribute until the maximum allowable contribution has been reached. However, the Committee recognizes that financial circumstances for individuals fluctuate and, to that extent, has made the program flexible by permitting participants to suspend or disenroll at the end of any 12-month consecutive period.

The Committee expects that any regulations in regard to the eligibility of suspending participants to make additional monthly contributions following suspension will be designed to encourage the participant to resume the monthly deductions. The Committee has distinguished between disenrollment (and the right to obtain a refund) and suspension (and the right to make additional monthly contributions). Suspension permits flexibility for participants in regard to monthly income flow, disenrollment signifies a desire to obtain accumulated equity. Of course, the additional monthly contributions which the suspended participant would be eligible to make subsequently is limited by section 1622(a) ($50–$75 monthly).

Subsection (*d*) provides that whenever a participant disenrolls, such participant forfeits entitlement for the matching funds outlined by section 1622. (A participant who only suspends participation does not forfeit entitlement for matching funds.) However, a disenrolled participant is eligible for a refund of his contributions.

Subsection (*e*) permits a participant who has disenrolled to reenroll in the program under such conditions as are prescribed jointly by the Administrator and the Secretary.

§ 1622. Contribution; Matching Funds

Subsection (*a*) provides that contributions by those service persons who have elected to participate in the educational assistance program authorized by this chapter shall be made by deductions from such persons' military pay. The amount of monthly deduction from any individual's paycheck shall not be greater than $75 nor less than $50. Any amount between $50 and $75 may be elected but the selected amount must be divisible by $5 ($50, $55, $60, $65, $70, and $75). The Secretary of Defense will deposit these deductions into a special educational funding account in the U.S. Treasury.

A maximum of $2,700 may be contributed by any one participant. The maximum of $2,700 could be accrued by a serviceman who has enlisted for 3 years if he were to contribute $75 each month of the 3-year enlistment. A serviceman with a 4-year service obligation could accumulate $2,700 by contributing $50 a month for the first 3 years and contributing $75 each month the fourth year.

Subsection (*b*) of section 1622 specifies that unless otherwise provided, a contribution made by a participant entitles such participant to matching funds at the rate of $2 for each dollar contributed by him. A participant who contributes the maximum $2,700 accrues a maximum entitlement from the Veterans' Administration of $5,400. Thus, it is possible for such eligible veteran to accrue a maximum of $8,100 (plus whatever amount may have been contributed by the Secretary of Defense pursuant to subsection (c) *infra*).

Subsection (*c*) authorizes the Secretary of Defense to contribute to the fund of any participant, such contributions as the Secretary deems necessary or appropriate to encourage persons to enter or remain in the Armed Forces. The Secretary is also authorized to issue such rules and regulations as he deems necessary and appropriate to implement this provision. The Committee expects that the Secretary will utilize this authorization "as a management tool to attract selected individuals" and as an inducement to high quality personnel whom the Secretary wishes to retain. In this regard, the conclusion of the Defense Manpower Commission that GI bill type educational benefits should be utilized as a "recruiting management program with benefits granted only on a selective basis to help meet critical skill needs" has guided the Committee in its determination of the need for this provision. The Committee recognizes that the post-service educational benefits now available through chapter 34 are, in the words of the Assistant Secretary of Defense, Manpower and Reserve Affairs, "a recruiting incentive".

As such, the Committee believes that utilization of the educational inducements provided under chapter 32 will promote and assist the all volunteer military program in attracting and retaining qualified men and women to serve in the Armed Forces. The Committee believes that the new chapter 32, when compared to the existing program, will dramatically curtail costs while at the same time it gleans many of the benefits of the current educational assistance program. As the Defense Manpower Commission noted: "While the addition of educational benefits to the list of enlistment incentives would increase the costs of the AVF (All Volunteer Force), there would be an overall cost savings to the Government and the taxpayers over the current costs of the universal educational benefits." An attractive feature of this provision is of course that it permits the Armed Forces to utilize the new program "as a management tool to attract and retain selected individuals".

§ 1623. Refunds of contributions upon disenrollment

Subsection (*a*) of section 1623 provides that refunds of participant's contributions may be made if the participant has disenrolled from the program (or in accordance with the provisions of section 1624 if the participant has died). If a participant disenrolls, such participant is no longer entitled to matching funds unless reenrollment is permitted pursuant to section 1621(e).

Subsection (*b*) of section 1623 specifies that participants who disenroll prior to release or discharge from active duty are eligible for a refund of their contributions on the date of discharge or release, or within 60 days of the receipt of notice by the Administrator of such participant's disenrollment, whichever date is later. The Committee has included the "whichever is later" provisions in order to avoid administrative difficulty by allowing sufficient time for the refund of the participant's contributions. A refund may be made earlier than the date of discharge in instances of hardship or for other good reason. The Administrator of Veterans' Affairs and the Secretary of Defense are required to issue regulations jointly prescribing and defining those instances which constitute hardship or other good reason sufficient to justify an early refund. The Committee intends that any participant seeking to disenroll will be informed of the consequences and ramifications of disenrollment and the procedures which the disenrolling participant must follow if he believes that he is entitled to an early refund as a result of a personal hardship or other good reason.

Subsection (*c*) of section 1623 stipulates that a participant who has disenrolled from the program following discharge or release from active duty will be refunded the amount of his contributions within 60 days of receipt of an application for a refund from the participant. The "60 days" requirement is established as the maximum time period for refund. If it is administratively feasible for a refund to be made more quickly the Committee encourages such payment.

Subsection (*d*) allocates the disposition of contributions made by the Secretary pursuant to section 1622(c) in the event the participant dies, disenrolls, or is disenrolled from the program prior to utilization of any or all of such participant's entitlement. Such amounts of unused Secretary's contribution's remaining in the fund shall be refunded to the Secretary.

§ 1624. Death of participant

Subsection (*a*) of section 1624 provides that if a participant dies, such participant's unused contributions to the fund will be paid to the beneficiary of the participant's Service Group Life Insurance policy. If the participant is not insured under SGLI, or if no beneficiary has been designated by the participant, such participant's contributions will be refunded to the participant's estate.

§ 1625. Discharge or release under conditions which would bar the use of benefits

Section 1625 provides that a participant is automatically disenrolled from the program if such participant is discharged or released from active duty under conditions which would bar the use of the educational benefits. Benefits would be barred if the participant fails to serve on active duty for a period of more than 180 days unless such veteran was discharged for a service-connected disability. The veteran must also be discharged or released from active duty under conditions other than dishonorable. Automatic disenrollment, of course, results in the participant's loss of entitlement to educational benefits. The participant's contributions will be refunded within 60 days of the date the Administrator receives notice of such discharge or release or the date of discharge, whichever is later.

Subchapter III—Entitlement; loan eligibility

§ 1631. Entitlement; Loan eligibility

Subsection (*a*) of section 1631 entitles a participant to a maximum of 36 monthly benefit payments, or their equivalent in the event the eligible veteran receives part-time benefit payments. The 36 months of entitlement makes it possible for an eligible veteran to receive educational benefits over a period of 4 academic years (9 months a school year). Computation of the amount of part-time benefits for which an eligible veteran may be entitled is done in accordance with section 1788 (Measurement of courses) of chapter 36.

The formula for determining monthly assistance totals is as follows: First, all contributions made to the fund by the eligible veteran are added together; second, the sum of such contributions are multiplied by three; third, all contributions made to the fund by the Secretary of Defense pursuant to section 1622(c) are added; and fourth, the total derived from steps 1, 2, and 3 is divided by 36 or the number of months the eligible veteran has made contributions to the plan, whichever is less. The first step of the formula determines the amount the eligible veteran has contributed. Section 1622 (a) limits participant contributions to a maximum of $2,700. The second step of the formula determines the total educational entitlement resulting from the participant's contributions. Multiplying the participant's contributions by three results in a total representing the participant contributions and resulting VA matching funds. The third step adds all contributions made to the fund on behalf of the participant by the Secretary of Defense. Step four divides the total derived from steps 1, 2, and 3 by the lesser of 36 or the number of months in which the participant has made contributions. If an individual has contributed for less than 36 months then the number of months that he has made contributions will be the figure used to divide the totals from steps 1, 2, and 3. If a veteran is enrolled in a program of education which is less than full-time, the total to which he is entitled would be accordingly reduced. A veteran who has contributed the maximum would at a minimum (not counting any contribution by the Secretary of Defense) receive $225 a month in educational assistance benefits. The veteran would also be entitled to a maximum VA education loan in the amount of $2,000 a year.

Except as provided in paragraph 4 of subsection (a), only discharged or released eligible veterans are eligible for receipt of the educational benefits provided by this program. In this connection, the Committee recognizes that the continued high unemployment rates of Vietnam era veterans is indicative of the continuing readjustment difficulties of the recently discharged. Whenever veterans have sought to reintegrate into civilian life, readjustment difficulties have occurred. The Committee expects that the readjustment difficulties which will be faced by future separatees will be eased by the new chapter 32 program. However, participation in the educational benefits program after release from active duty is, of course, contingent upon contributions by the participant while the participant is in the service. Thus, the Committee regards the outreach program required by section 1643 to be of utmost importance. An eligible veteran who has completed either the first obligated period of active duty or 6 years of service, whichever is lesser, is also eligible for receipt of the educational benefits provided by this program.

Subsection (*b*) of section 1631 extends eligibility for participation in the Predischarge Education Program (PREP) to only those members of the Armed Forces who are participants in the chapter 32 program. The general entitlement for PREP enrollment as authorized in chapter 36 is terminated for those who enter the service after December 31, 1976. A person who has suspended participation is considered a participant for the purpose of this provision. Individuals entitled to chapter 34 benefits however remain eligible for enrollment in PREP.

The Committee expects that the Veterans' Administration and the Department of Defense will affirmatively advise and counsel enlistees of the existence and purpose of the PREP program and the requirement that enrollment in the PREP program is contingent upon participation in the chapter 32 program.

The Committee believes that limiting eligibility for PREP to only those servicepersons who are enrolled in the chapter 32 program will ensure that the original purpose of the PREP program (that is placing prospective veterans in a position to use their postservice benefits effectively) will be met.

Subsection (*c*) of section 1631 provides that an eligible veteran pursuing a program of education by correspondence or a program of flight training will have entitlement charged in the same manner as correspondence courses and flight training courses are currently charged under section 1786 of chapter 34. The Committee has allowed 100 percent of the cost of instruction in such courses to be charged against a person's entitlement rather than 90 percent as presently authorized in chapter 34 because up to one-third of the entitlement which will be charged against the veteran will be the personal contributions the veteran has made to the fund.

Subsection (*d*) of section 1631 provides that eligible veterans under chapter 32 shall be entitled to participate in the VA direct education loan program established in sections 1798 and 1799. Currently eligible veterans under chapter 34 are entitled to a maximum loan of $600 per academic year (increased to $2,000 by section 502 of this Act discussed *infra*). The total borrowed may not exceed the maximum entitlement total for which the veteran is eligible. The Committee believes that the educational loan program as expanded and liberalized by the reported bill will assist eligible veterans under chapter 32 in obtaining an education and is particularly important since the maximum benefits under this program are less than the maximum benefits for which veterans are currently entitled under chapter 34. The Committee is thus concerned that the loan program operates in an effective manner which provides genuine assistance to veterans.

§ 1632. Durations; Limitations

This section provides that an eligible veteran is not entitled to educational assistance after 10 years of the date of the veteran's last discharge or release from active duty. This 10-year "delimiting" period is identical to that currently available to veterans under chapter 34. If an eligible veteran has not utilized any or all of his entitlement at the end of the 10-year period, such veteran is automatically deemed disenrolled As such, the veteran is entitled to a refund of any of such veteran's unused contributions. The Veterans' Administration is required to notify such veteran who must then apply for the refund of his unused contributions. The Committee expects the

Veterans' Administration to make a good faith effort to locate all veterans who are entitled to such refunds including personal notification at the veteran's last known address. If no application is received within 1 year of the date of notice, it will be presumed for the purposes of section 725s of title 31, that the individual's whereabouts is unknown. As a result of such determination, the funds to which the individual is entitled will be transferred to the trust fund within the Treasury established at section 725p of title 31 and designated "Unclaimed Moneys of Individuals Whose Whereabouts are Unknown."

Subchapter IV—Administration

§ 1641. Requirements

This section specifies the provisions of current law which shall be in effect for the new chapter 32 educational benefits program. In general, the provisions of chapter 36 are applicable except for those sections specifically excluded. Specific sections within chapter 34 are applicable as stipulated. The following sections from chapter 34 apply to the chapter 32 educational benefits program: Section 1663 (Educational and Vocational Counseling); section 1670 (Selection of Program); section 1671 (Application; Approval); section 1673 (Disapproval of Enrollment in Certain Courses); section 1674 (Discontinuance from Unsatisfactory Conduct or Progress); section 1676 (Education Outside the United States); section 1677 (Flight Training); section 1681 (c) (Educational Assistance Allowance—Flight Training); section 1683 (Approval of Courses); section 1685 (Veterans Student Services); and sections 1695–1698 (Pre-discharge Education Program (PREP)). General eligibility for PREP is terminated for those who enter the service after December 31, 1976. However, under section 1631(b) of chapter 32 any member of the Armed Forces who is participating in the chapter 32 benefits program is eligible to participate in the PREP program.

Chapter 36 of title 38, Administration of Eductional Benefits, is, in general, applicable to the new chapter 32 and the governance thereof. Those sections of chapter 36 which are specifically not applicable include sections 1777 (Approval of Training on the Job), section 1780(c) (Certifications of Apprenticeship and Other On-Job Training), and section 1787 (Apprenticeship and Other On-Job Training). The new chapter 32 will utilize the same administrative framework that currently exists for the administration of chapters 34 and 35 benefits. In most instances, the same programs of education for which veterans under chapter 34 and eligible spouses and dependents under chapter 35 are eligible will be authorized in chapter 32. Eligible veterans under chapter 32 also remain eligible for participation in the work study program pursuant to section 1685 and, as noted previously, the VA direct educational loan program pursuant to sections 1686 1798, and 1799.

§ 1642. Outreach efforts

Section 1642 requires the Administrator to designate an appropriate official to work with a similarly selected official from the Department of Defense in carrying out an effective outreach program. The purpose of the outreach program is to acquaint all persons entering or considering entry into the Armed Forces of the benefits and advantages of the chapter 32 program.

This Committee strongly believes in the value to young men and women, as well as to the Nation as a whole, of the educational opportunities presented by this program. Accordingly, the Committee emphasizes its intention that this outreach program should be extensive. Often, those who are most in need of educational assistance (and, often, those most in need of competent information in this regard), are those who are least aware of advice and counsel concerning potential entitlement to governmental benefits and services. The Committee emphasizes that each enlistee and each future enlistee must know of the benefits available to him and must be able to make a reasoned choice in regard to participation in the educational benefits program.

It is the Committee's belief that an effective outreach program by the Department of Defense and the Veterans' Administration will be of benefit in inducing qualified young men and women to join or remain in the armed services.

§ 1643. Report requirements

This section requires the Administrator and Secretary to submit a joint report to the Committee on Veterans' Affairs within 90 days of enactment of this chapter (that is, on or before April 1, 1977) concerning their plans for implementation of the Post-Vietnam Era Veterans Readjustment Assistance Program. The report should be of sufficient detail to enable the Committee to determine if the intent of the law, as specified in the statute in the accompanying Committee report, is being carried out fully. This section also requires annual reports to the Committee detailing operations of the program (including outreach efforts) which also should be sufficiently comprehensive and specific as to enable effective oversight of the program by the authorizing Committees. In this connection, the Committee intends that the report include information as to the number of participants granted bonuses by the Department of Defense under section 1622(c). The Committee also is interested in information as to utilization patterns broken down by service and any less classifications.

§ 1644. Deposits; Report

This section requires the prompt transfer from the Secretary to the Administrator for deposit into the fund of the deductions made from the military pay of participants. Each month, the Secretary of Defense shall forward to the Administrator of Veterans' Affairs a monthly report giving the name and service number of each initial enrollee participant, the amount of the deduction from the military pay of such enrollee, any contributions made by the Secretary pursuant to section 1622(c) and any changes in each participant's enrollment and/or contribution. This reporting provision is designed to assure effective administration and close coordination between the Department of Defense and the Veterans' Administration.

Section 405

This section would amend the table of chapters at the beginning of title 38 and at the beginning of part III of title 38 to reflect the addition of the new chapter 32 commencing with section 1601.

Section 406

This section establishes January 1, 1977, as the effective date of eligibility for participation in the chapter 32 program. This commencement date of the new program corresponds with the December 31, 1976, termination date for eligibility for educational benefits under chapter 34 provided under section 401 of this act. Those who enter the Armed Forces for active service on or after January 1, 1977 (with certain exceptions for those enrolled in the Delayed Entry Program), will be eligible only for chapter 32 benefits.

Section 407

This section provides for the reinstitution of eligibility for chapter 34 educational benefits in the event legislation providing for the involuntary induction of persons into the Armed Forces is enacted.

The Committee is mindful of the cold war GI bill which extended educational entitlement benefits to those who served the country following the Korean conflict and prior to the Vietnam era (that is, January 31, 1955 to August 4, 1964). During that period of time, involuntary induction assured that the services maintained necessary manpower requirements. In extending benefits to those who served when there was no active war, Congress acknowledged both the danger and tentative nature of "peace" during the last half of the 20th century as well as the need for readjustment benefits of those subject to involuntary induction.

The Committee is also aware of the difficulties encountered in attempts to adopt that GI bill as poignantly portrayed by H. R. Rainwater, Commander in Chief of the Veterans of Foreign Wars, in testimony before this Committee in 1971:

". . . the record is replete and continuous respecting our efforts to help post-Korean veterans. It was back on January 31, 1955, that the Korean GI bill was ended by Presidential proclamation. The following August the delegates to our national convention expressed their unanimous disappointment and disagreement with this position when it called upon the President and the Congress to continue GI bill benefits for those citizens who were making the extra sacrifice by serving in the Armed Forces during the cold war. Subsequently, our organization was the first major veterans' organization to go on record to advocate what was then called the cold war GI bill. It was here in the Senate that we found a valiant spokesman in favor of this VFW goal—Senator Yarborough of Texas. He was to be the Senate leader in behalf of our efforts in this regard.

"Opposition to a cold war GI bill came from many sources. However, the Vietnam war changed everything respecting this program.

"Even then it was a watered-down GI bill compared with previous GI bills."

Thus, the Committee believes providing for noncontributing GI bill benefits in the event involuntary inscription is enacted in the future is consistent with past practice and the congressional intent of the cold war GI bill.

Any individual entering military service on or after the effective date of the law requiring involuntary induction will be eligible for the educational benefits provided by chapter 34. However, such entrants would not be eligible for participation in the chapter 32 program.

For those serving on active duty on the effective date of the reinstitution of involuntary induction and participating in the chapter 32 program, this section permits the participant the right to elect either the chapter 32 program or the chapter 34 program. The Administrator and the Secretary are authorized to prescribe jointly such regulations as may be necessary to implement the section. The section requires that any eligible participant be apprised of the right to elect between the two programs. The Committee expects that notice to each participant will include the advantages and disadvantages involved in selecting either program.

An election between chapter 32 and chapter 34 is irrevocable only after the electing participant has received a benefit payment under one program or has received a refund of his contributions to the matching fund. Until such time, the veteran is free to change his election from one program to the other.

Should the veteran decide to come under chapter 34, he is automatically deemed to have disenrolled under chapter 32 and become eligible upon application for a refund of his contributions to the matching fund pursuant to section 1623. Most participants will probably find it to their advantage to choose the chapter 34 program rather than continue participation in the chapter 32 program. However, there will be instances when it will be to the advantage of the veteran to elect the chapter 32 program.

For those who elect chapter 34, entitlement accrues from the effective date of the legislation enacting the involuntary induction.

TITLE V–CHAPTER 36 EDUCATION LOAN AND PROGRAM ADMINISTRATION AMENDMENTS

Section 501

This section provides 8 percent increases in the benefits payable to those training by correspondence or enrolled in apprenticeship or other on-job training.

Clause 1 amends section 1786(a) authorizing the pursuit of education by correspondence to provide an increase in the benefits consistent with the increases in educational assistance allowances made by the reported bill. Accordingly, the period of entitlement of any veteran or other eligible person is to be reduced by 1 month for each $292 (currently $270), paid to the veteran or eligible person for such course.

Clause 2 amends section 1787(b) to provide an 8 percent increase in the monthly training assistance allowances payable to veterans or other eligible persons pursuing a full-time program of apprenticship or other on-job training. The following table shows a distribution of trainees by occupation:

TABLE 28.—VIETNAM ERA VETERANS PARTICIPATION IN APPRENTICESHIP AND ON-JOB TRAINING, BY FIELD OF TRAINING (OCTOBER 1967 TO JUNE 1975, CUMULATIVE)

Field of training	Apprentice training	Other on-job	Total
Technical and managerial	3, 429	49, 592	53, 021
Clerical and sales	1, 217	11, 195	12, 412
Service	5, 429	46, 465	51, 894
Farming, fishery, forestry and related	299	3, 136	3, 435
Trade and industry	181, 004	82, 755	263, 759
Miscellaneous	7, 934	8, 474	16, 408
Total	199, 312	201, 617	400, 929

For a veteran with no dependents, the monthly assistance allowance for the first 6 months of training is increased from $196 to $212. Married veterans would receive $238, up from the current $220. The addition of a child boosts the rates from $240 to $260 with $11 for each additional dependent. Training allowances for the second and third 6-month periods would be increased respectively to $159 and $106 from the current allowance of $147 and $98. The assistance rates for the fourth and any succeeding 6-month period would be increased from $49 to $53 per month. Proportional increases for veterans with dependents would also be provided. The Veterans' Administration estimates that 110,540 veterans will train at a first year additional cost of $14.0 million, decreasing gradually to 78,870 veterans and a cost of $9.6 million in the fifth year, all as reflected in the following table:

TABLE 29.—8-PERCENT INCREASE FOR APPRENTICESHIP/OJT

	Trainees	Cost (millions)
Fiscal year:		
1977	110, 540	$14.0
1978	82, 790	11.7
1979	81, 530	11.0
1980	80, 220	10.2
1981	78, 870	9.6
5-yr total		56.5

Section 502

This section liberalizes and expands the VA direct educational loan program provided for in subchpater III of chapter 36. First authorized by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Public Law 93-508), this program authorizes supplementary assistance of up to $600 a school year to veterans and eligible dependents by direct loans to them from the Veterans' Administration to cover educational costs not otherwise provided under title 38 or other Federal loan or grant programs. Both eligible veterans and eligible persons training under chapter 35, either enrolled on at least a half-time basis in a couse leading to a standard college degree or enrolled in an approved professional or vocational objective course of at least 6 months duration are eligible for a loan of up to $600. Such a loan is available only if the veteran or eligible person is unable to obtain the additional assistance needed through the Guaranteed Student Loan Program administered by the Department of Health, Education, and Welfare. Applicants must establish that available financial resources (including guranteed student loan funds) are not sufficient to meet educational costs. Currently the interest rate for VA educational loans is 8 percent per annum on the unpaid balance. No interest accrues on the loan balance until the beginning date of repayment.

A loan fee (currently 3 percent of the loan amount) is deducted from the loan in order to establish an insurance fund for defaults. Repayment may be made in semiannual, quarterly, or monthly installments (there is no penalty for repaying in advence all or any part of the loan). Repayment begins 9 months after veteran or eligible person ceases to be a half-time student. A veteran or eligible person has 10 years to repay the loan. Repayment of both principal and interest is deferred during any period when the veteran or eligible person is enrolled on a half-time or greater basis under the GI bill.

When the program was originally enacted in the waning days of 1974, the Veteran's Administration estimated that in fiscal year 1975 and in fiscal year 1976 a combined total of nearly 261,000 veterans would be unable to secure funds from other Federal loan programs and would receive direct VA education loans. In fact, the cumulative loan program experience in the past 2 years has been that only 12,188 loans or 4.7 percent of the number originally estimated by the VA have been made.

Even more startling than the small number of loans granted is the high percentage of those applications which have been denied. Nearly 42 percent of all applications were denied, as reflected in the following table:

TABLE 30.—VA EDUCATION LOANS

	Fiscal year 1975	Fiscal year 1976	Program cumulative
Applications received	6, 999	13, 781	20, 780
Loans approved	3, 181	9, 007	12, 188
Loans granted (paid)	2, 740	9, 236	11, 976
Total obligation (thousands)	$1, 458	$5, 107	$6, 565

Hard data as to the reasons why the program is not functioning as expected by both Congress and the administration is generally not available because of the almost total failure of the Veterans' Administration to gather any meaningful data about it. Indeed, apart from knowing the number of applications, the number of loans granted and the amounts of these loans, the Veterans' Administration has informed the Committee that it had no other data. Subsequent to Senate hearings in October 1975, a general request was made by various regional offices for an analysis of the education loans which has been granted. According to the information received from the regional offices, lack of financial need was cited as the reason for denial in over 60 percent of the cases. Without additional data to assess the financial situation of those who were denied loans, the Committee is unable to determine the propriety of the denials and the extent to which administrative antipathy to the program may have resulted in the application of unduly stringent criteria.

Rather, more pertinent is the testimony of the Chief Benefits Director of the Veterans' Administration, before the House Committee on Veterans' Affairs earlier this year, in which he said:

"The education loan program which went into effect on January 1, 1976, has not been as popular a program with veterans as we had anticipated. One reason for this general lack of interest is, we believe, the fact that the amount available ($600) per academic year is relatively low. Just as a point of comparison—2 months of full-time assistance allowance for a single veteran yields $540. Also, the requirement to list at least two lenders who refused to make a loan under the guaranteed student loan program may serve to inhibit application for the program."

In the absence of specific data to the contrary, the Committee is inclined to accept the admissions of the Chief Benefits Director that the low amount of the loan and Government red tape culpable for the low program participation. Accordingly, the reported bill would increase the basic amount of the loan to $2,000, a figure identical to that which unanimously passed the Senate in 1974. This section also provides that the basic interest rate charged on the loans shall be comparable to and not exceed the interest rate charged with respect to other Federal insured student loans. At present, veterans are paying slightly higher interest than is paid on other Federal loans.

To assure proper operation of the program, the Committee also intends that the Veterans' Administration revise its regulations so that the procedure for obtaining a VA loan does not tend to inhibit those who, in fact, are eligible and entitled to them. In this connection, the Committee expressly intends that certification by a school loan officer that other federally insured loans are not generally available to the veterans in the area of the school will satisfy the current requirement of specific "turn downs" by approved lenders.

In this connection, the Committee is aware that students, including veterans, face increasing difficulty in obtaining loans through the guaranteed student loan program. The report of the American Bankers Association student loan task force, issued in March 1975, for example, found that "the opportunity cost of placing available funds into higher yielding, relatively riskless investments clearly makes student loans an expensive community service for the average bank." The report noted that for the first 3 months of fiscal year 1975, the number of loans made was 27 percent less than the same period of 1972 and, despite inflation, the amount loaned was 26 percent. A survey of lenders and borrowers in the guaranteed student loan, program, prepared for the Office of Planning, Budgeting and Evaluation in the Office of Education of the Department of HEW (May 31, 1975), found that:

GSLP has not evolved into a student aid program accessible to all students. Legislation and OE regulations aside, large numbers of lenders have introduced additional constraints on student eligibility. For example, some restrict loans to existing customers, do not give loans to first-year students, do not give loans to vocational school students, or prohibit loans to students holding GSLP loans from other lenders. Their rationale for importing these constraints reflects their judgment that the student or program is best served by not granting some loans and that lender funds must be rationed in any program operating at a net loss.

The survey also found that 62 percent of the lenders always (and another 9 percent frequently) determine whether or not the applicant or his family was a current customer, a determination which the report concluded, "implies a requirement (or at least a strong preference) for this status for receiving an approved loan." The survey also observed, what was termed, a geographic effect. That is, it said:

"Within a specific lending market area (e.g., a city or SMSA), if one lender limited GSLP loans to customers, the other lenders tended to do the same. Their rationale was that otherwise a more liberal lender would end up with more than its share of GSLP loans, which, by their claim, was unprofitable for each loan."

Data submitted by the administration, with respect to this year's budget, also indicates that in the coming academic year, the number of loans will decline from 834,000 to 500,000 (and that the average loan will decline from $690 to $500). Thus, it was not surprising that the House Committee on Education and Labor, in its report accompanying H.R. 1407 (H. Rept. No. 94–1232), found that "in many parts of the country, it is becoming increasingly difficult for a family to secure a guaranteed loan at all from their local banker."

Accordingly, the Committee places much greater emphasis on the VA direct loan for those veterans attending higher cost institutions who will require loans in addition to the VA monthly educational assistance allowances in order to meet educational and living expenses. Difficulties in obtaining guaranteed student loans by all students make it all the more important that the VA direct loan program be an efficient and accessible program making loans to those entitled as intended by Congress and this Committee.

Section 503

This section amends subchapter I of chapter 36 relating to State approving agencies by increasing the amounts payable for reimbursement of administrative expenses and allowing, in appropriate instances, subcontracting by State agencies.

Clause 1 amends section 1774(a) to permit the Administrator to also reimburse agencies for work performed by their subcontractors when the work has a direct relationship to the educational assistance programs authorized by title 38 and has the prior approval of the Administrator.

The Committee is aware that the complexities of verifying compliance with the numerous requirements of chapters 34, 35, and 36 may augur for the use of subcontractors who possess the expertise to ascertain if institutions are in compliance with some of their requirements. The Committee understands, for example, that certain subcontractors may be more readily able to ascertain with greater precision if institutions are in compliance with that section (1673(a)(2)) requiring institutions to demonstrate that at least half of the persons who completed vocational courses obtained employment in the occupation for which trained. Use of subcontractors here, or in other areas where State approving agencies are either less equipped or less inclined to ascertain verification rigorously, will be of benefit not only to the agency but also to the Veterans' Administration and the taxpayers as well.

Clause 2 amends section 1774(b) to increase by 8 percent the allowances payable by the Administrator for administrative expenses incurred by State approving agencies in administering educational benefits under chapters 34 and 35. In 1968, Congress amended section 1774 to provide, in addition to reimbursement for necessary expenses of salary and travel, that the Veterans' Administration would also pay an allowance to the State agencies for the fair share of their administrative expenses as well. The amount payable, which is found in a formula contained in subsection (b), is determined by the size of the contract between the Veterans' Administration and the individual State for the amount of expenses authorized in section 1774(a). Testimony by representatives of the National Association of State Approving Agencies, in 1972 that the allowances provided under subsection (b) covered only 48 percent of the actual cost of administering the program led Congress to double the allowance in Public Law 92–540. Amendments contained in the Vietnam Era Veterans Readjustment Assistance Act of 1974 (section 201(1) of Public Law 93–508) provided additional cost-of-living increases. The (section 210(1) of Public Law 93–508) provide such increases as are consistent with those made throughout the reported bill.

Section 504

This section amends section 1775 relating to the basic approval of accredited courses, to clarify and codify institutional responsibility with respect to recordkeeping and to require schools enrolling veterans to specify their policies with respect to standards of progress.

The need for specific institutional standards of progress results, of course, from the fact that payment to an eligible veteran is conditioned upon such progress and must be discontinued promptly by the Veterans' Administration if not met. During the past year, increased VA compliance surveys of institutions of higher learning have revealed many instances where schools did not maintain accurate, current or complete records of the academic progress of veterans enrolled therein. Further, many schools have such vague or virtually nonexistent standards of progress that it is difficult, if not impossible, to determine at what point in time educational benefits to veterans should be discontinued. Responding to this problem, the Veterans' Administration revised their regulations last year to clarify and reemphasize long-standing policies with respect to satisfactory progress and adequate records. The amendments adopted in this section are intended to codify and further clarify this policy.

Clause 1 amends section 1775(a) to require that the catalog or bulletin of the educational institution must be certified by an authorized representative of the school as being true and correct as to content and policy. Such catalog or bulletin must also specifically state the school's progress requirements for completion of the course. The certified information, currently required of certain schools by section 1776(b) (6) and (7), would be applied to all institutions including accredited schools. At a minimum, the certified catalog or bulletin must include information as to institutional policy and regulations relative to standards of progress required of the student by the institution. This policy must define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, as well, as the conditions for reentry for those students dismissed for unsatisfactory progress. A statement regarding progress records kept by the institution must be made and furnished to the student. In addition, institutional policy and regulations, relating to student conduct and conditions for dismissal for unsatisfactory conduct, must be included in a certified catalog or bulletin.

Clause 2 amends section 1775(b) to require that as a condition of approval of an accredited school, the State approving agency must find that the records showing progress of the student include, at a minimum, the same information now required of those schools covered under section 1776(c)(7) of title 38 (with the exception of attendance). The Veterans' Administration, which favors the proposed changes, states that they would "aid in curtailing a number of abuses which have occurred in the program." The Veterans' Administration believes cost savings will result, but it has insufficient data upon which to base any estimate.

Section 505

Three substantive changes to section 1780(a) of title 38 are made by this section. The first adds a new clause 3 which provides that the Administrator shall not pay benefits to any eligible veteran or person for auditing a course. This provision simply clarifies and codifies long standing VA policy interpretation of existing statutory authority. In 1971, the director of the Compensation Pension and Education Service restated the position of the Veterans' Administration succinctly when, in written response to a question posed by a regional office director, he said:

"Auditing a course generally involves all of the privileges of a student in a course without incurring the obligations of completing the required course work. Usually an auditor may attend all the lectures for a course, but he is not required to complete any assignments or take examinations. Students do not receive any credit for courses they have audited because they have not completed the course work. In effect, auditors do not take a course but merely attend lectures. *A course which is being audited may not be considered for payment purposes either as a noncredit deficiency course or as a credit course.*"

Section 1780(a) is further amended by adding a new clause 4 prohibiting payment of educational assistance benefits to veterans or chapter 35 eligible persons for those courses in which the grade assigned is not used to compute the requirements for graduation (including a course from which the student withdraws) unless the Administrator finds that there are mitigating circumstances which would permit payment.

The increasing permissiveness of the educational community with respect to class attendance and non-punitive grading and withdrawals, unfortunately, presents an unparalleled opportunity for substantial abuse by certain veterans. Often, a veteran can enroll in an institution and never set foot inside the classroom until the last day of the semester when he is permitted to withdraw without penalty. The following semester, he is allowed to repeat the process all over again while receiving VA benefits month after month. Established overpayments for some individual veterans are in excess of $12,000. In one instance, a veteran received VA benefits for attempting over 120 credit hours and yet, had received grades used in computing the requirements for graduation for only 8 hours. In another instance, a report following an inspection of a midwestern college by the State approving agency stated:

"I conducted an inspection regarding the progress records of 32 veterans who are presently attending or recently attended [name of school deleted]. The inspection indicated that a grading policy authorized by the school is being abused to the extent that veterans are registering for courses, do not complete the work assigned, so they receive an NC (no credit) grade at the end of the quarter, and yet receive their GI benefits for nonacademic achievement. Example: A veteran registered for courses in fall, 1973 (12 credits); winter, 1974 (14 credits); spring, 1974 (12 credits); total 38 credits. The veteran received all NC grades or zero (0) credits earned out of a possible 38 credits, received his GI benefits (12 credits per quarter considered full-time) and is still allowed to continue enrollment in the school even though this student demonstrated nonacademic achievement. * * * In reviewing the 1974–1976 catalog * * * the grades are described as follows: A, B, C, D, W, NC, P, V. There is no failing mark such as U or F. Therefore, it is presently impossible for a student to be dismissed because of failing grades.

Certain institutions (often those who receive state assistance based upon the number of enrolled students) apparently are either unaware or unconcerned that such practices are occurring. Veterans' Administration compliance surveys of institutions of higher learning conducted during the past year reveal that the abuse is apparently widespread. An audit of 6,455 veterans records at one community college disclosed discrepancies in 2,771 cases, (43 percent) resulting from misuse of the "W" (withdrawal) grade. At another institution, following questions raised by the Veterans' Administration, the institution conducted a close examination of students records for the first time. The examination resulted in the determinations of unsatisfactory progress for 1,029 of its 3,000 enrolled veterans. A staff report of the House Appropriations Committee released on March 5, 1976, concerning VA overpayments concluded that:

"It is certain there are many more cases yet undiscovered, because the conditions in the VA and the schools make abuses of the education program easy. There are no certifications of attendance to say whether veterans are attending classes, nor is there rolltaking. There is shoddy recordkeeping and a grading system that permits the student to continue enrollment without learning anything or making any progress. Undoubtedly, there are abuses nobody knows about yet.

The Committee concludes (particularly in the absence of attendance certification requirements such as those required of Korean conflict GI bill trainees) that failure to take a course to a final grade which will be used in computing the requirements for graduation, presents both an enormous potential for abuse and avoids basic Congressional intent. Such situations do not differ fundamentally from auditing courses for which the VA has traditionally refused payment.

The Administrator is granted authority under this section, however, to waive the requirements of this provision if he finds there are mitigating circumstances. While the Committee expects the VA to enforce the provisions in a manner which eliminates Federal payments to those not seriously pursuing an education, it also intends that the waiver authority be exercised with compassion and with an understanding of the domestic difficulties and the problems often encountered by educationally disadvantaged veterans making a serious attempt to obtain an education. The Committee would also hope that schools would exhibit greater concern for the successful pursuit of studies by educationally disadvantaged veterans including for example securing, where appropriate, VA financial tutorial assistance, pursuant to section 1692 of title 38 (as liberalized and expanded by section 210 of this Act).

The third substantive amendment of this section adds a new clause 5 prohibiting payment of VA benefits for a program of education by correspondence (or the correspondence portion of a combined correspondence-residence course) when the normal completion time of the course is less than 6 months. Under the amendment, institutions will be required to certify to the Administrator the normal period of time required to complete the course. Training by correspondence is paid at the rate of 90 percent of the cost of the course without limit. Residence training is paid at a monthly rate of $270 ($292 under the reported bill). Veterans' Administration policy, permitting combined correspondence-residence courses has given rise to a number of abuses. In a typical case, a combined correspondence-residence course is developed for a vocational objective—such as long-haul truck driver or heavy construction equipment operator. The cost of such courses typically range from $1,000 to $2,500. The residence portion of the course (which generally imparts whatever real skills the course provides) usually lasts no more than 2 to 3 weeks. The correspondence portion, is often of questionable value and is usually completed very quickly. For example, the Veterans' Administration has informed the Committee that their records reveal that the correspondence portion of such courses are often completed in a week or so and that there are numerous instances in which the correspondence portion is completed on the same day that the veteran enter training. In a number of cases, there have been allegations that the course salesman actually completes the correspondence portion of the course for the veteran. Committee staff members found no difficulty in completing a $1,000 correspondence portion of a course in a few hours time.

What has happened, of course, is that the major cost of the course has been charged (or "front loaded") to the correspondence portion of the course in order to take advantage of that provision of law which permits payment at the rate of 90 percent of its cost. The Veterans' Administration, in reporting favorably on this section's amendment outlined in this section, told the Committee:

"It has been determined that, in the case of the majority of these combined courses, there has been front loading of the correspondence portion of the course in that the majority of the cost for the overall combined course is charged for the correspondence segment of the course. A relatively brief period of residence training is generally required following the taking of the correspondence lessons. It has been found that in many of these combined courses the correspondence portion of the programs, for which the bulk of the charge is made, is of questionable value."

Such practices are contrary to the basic intent of the law regarding payment for training under the GI bill. Abuse can also exist with respect to a course of training pursued exclusively by correspondence. An example of such abuse occurs when what is really being sold to the veteran and paid for with Federal funds is expensive equipment rather than training for a vocational objective.

Thus, to help prevent and reduce abuse in these situations, section 1780(5) provides that the VA payment will not be made either for the pursuit of a program of education exclusively by correspondence as authorized under section 1786 or for the pursuit of a correspondence portion of a combination correspondence-residence course leading to a vocational objective, when the normal period of time required to complete such correspondence course or portion is less than 6 months. Certification as to the normal period of time required to complete the course must be made to the Administrator by the educational institution. The Committee recognizes that although the normal completion time must be 6 months or more that there will be some gifted students, generally not exceeding 20 percent of the total, who may, because of skill and diligence, complete the course in somewhat less than the required 6 months period.

In adopting this provision, the Committee observes that it is consistent with the provisions of the VA education loan program which requires, as a condition of eligibility under section 1798(c)(1), that vocational objective courses must be of 6 months duration or longer. The 6 month requirement is also consistent with longstanding requirements for participation in the guaranteed student loan program as managed by the Office of Education. OE's regulations which were revised in 1975, provides as a condition of eligibility, that:

In the case of a program offered by correspondence requires not less than an average of 12 hours of preparation per week over any 12-week period in completion and not less than 6 months * * *

The Veterans' Administration favors this proposal, stating that it will "be of assistance to us in curtailing the abuses which have occurred in this program". Although they believe cost savings will result from enactment of this provision, they are without sufficient data upon which to base a cost estimate.

Section 506

This section amends section 1780(a) to liberalize provisions governing the period for which payment may be made to an eligible veteran or person. Section 1780(a) normally provides that payment of educational assistance allowances may not be made for any period during which a veteran or eligible person is not enrolled in and pursuing a course in accordance with the regularly established policies and regulations of the educational institution. The amendment made by this section adds three exceptions to the general rule. The first exception simply restates existing law permitting continued VA payments when schools are temporarily closed, based upon an Executive order of the President or an emergency situation. This provision was added by Public Law 93–208 in December 1973 during the energy crisis.

The second exception would permit payment of educational benefits for a period between successive terms (not to exceed 30 days) when a veteran or other eligible person transfers to another institution. Frequently, veterans enrolled for two successive terms at a particular school transfer to a second school for a second term. Usually, they pursue the same or similar program but are denied payment for the break at the end of enrollment at the first school and the beginning of the next term at the second school, because technically they are not enrolled at either school during the break period. By contrast, a student who is enrolled at the same school for both semesters is paid for the break period (except for any calendar months in which no training is scheduled).

Because the student who is transferring between semesters is not out of training for any longer period of time than the student continuing in the same school, the Committee believes that such veteran or eligible person is unfairly discriminated against when no subsistence allowance for that interval is permitted. The Committee thus regards this as an equitable amendment which treats similarly situated students alike. At the same time, the Committee is aware that this provision might possibly be subject to abuse and directs the Veterans' Administration to examine carefully any case which reveals multiple successive transfers. In reporting favorably on this proposal, the Veterans' Administration noted that:

"Since transfers to the new schools are not usually made known to the Veterans' Administration promptly, overpayments have been created which result in nonpayment periods for the veteran or dependent in the new term when the overpayment is collected The veteran usually has already spent the money and has no current funds for his training.

"The proposal would end the need for creating an overpayment against the veteran or dependent for this interim period of time, would eliminate the imposing of hardship on such an individual by requiring the collection of the overpayment during a period of time the individual needs funds for education or subsistence, and would eliminate the paperwork required for creating and collecting the resulting overpayment."

The third exception concerns those situations where educational institutions do not certify the students' enrollment for the full school year, but, instead, certify only on a one term, quarter, or semester basis. Because section 1780(a)(1) currently provides that educational assistance allowances may not be paid for any period during which a veteran or eligible person is not enrolled or pursuing a course in the accordance to regularly established policies and regulations of the educational institutions, payments are not authorized during intervals between terms for those students attending schools which do not certify for the full school year. The exception permitted under this section would allow the payment of benefits to continue during these intervals if they do not exceed one full calendar month. In the case of courses not leading to a standard college degree, however, such absences shall be counted for the purpose of computing the annual 30-day absence limit. Payments authorized under this section are to be made for such intervals upon receipt of the schools certification revealing enrollment of the student in the term following the interval between terms.

This would allow the student to continue to receive his allowance in the same manner as those students who are certified for the whole school year. The Veterans' Administration also favors this provision stating that it would "eliminate a situation which amounts to discrimination against a small number of veterans and dependents who are penalized where the school certifies on this limited basis." Although lacking precise data upon which to base a cost estimate, the Veterans' Administration believes that the cost would "not be significant".

Section 507

This section amends section 1784(a) to clarify and codify when an interruption or termination of a course of education by a veteran or eligible person occurs. Section 1784(a) requires that educational institutions report to the Veterans' Administration without delay any interruption or termination of a veteran or any other eligible person enrolled therein. This amendment codifies long-standing policy now expressed in regulations which is that the date of interruption or termination for institutional training is the last day of pursuit by the student. The Committee notes that the lack of prompt reporting on the part of schools, coupled perhaps by ignorance of, or confusion about the meaning of 1784(a), has contributed, in significant part, to the overpayment problem currently being experienced under the GI bill. The General Accounting Office report on overpayments (MWD–76–109) noted that 41 percent of overpayments were caused either by the failure of either the institution or the veteran to notify promptly the Veterans' Administration.

The Committee is cognizant of the difficulties sometimes encountered by large institutions in ascertaining the last date of a veterans pursuit of education particularly when little, if any, emphasis is placed upon class attendance. Although the Committee does not expect extraordinary measures to ensure compliance with section 1784(a) (such as, regular taking of attendance by instructors or individual monthly certification by veterans) it does expect reasonable diligence by institutions and their employees to ascertain and report terminations or interruptions promptly. The failure of students to submit required papers or reports or to appear for examinations may be appropriate benchmarks in making such determinations. Generally, report of such terminations or interruptions should be submitted by the institution no later than 30 days after the event occurs. Notwithstanding the foregoing, the Committee intends that the Veterans' Administration recognize that special circumstances may require some flexibility in the interpretation of this rule.

In some instances, even the best school reporting system may not be capable of detecting an enrollment change as it occurs. When this is the case, the 30-day period may be counted from the earliest point (rather than the actual day of occurrence), that the school could possibly have learned of the enrollment change or termination. The provision is favored by the Veterans' Administration.

Section 508

This section amends section 1784(b) to increase by at least 50 percent the reporting fee paid to institutions for certifications made to the Veterans' Administration. When the current GI bill was enacted into law in 1966, no provision was made for payment of any fee to institutions for certifying veterans who were enrolling in their institutions. Subsequently, however, Public Law 90–77 authorized the payment of a reporting fee which is computed by multiplying $3 by the number of eligible veterans or persons enrolled in the institution. This reporting fee was later amended by section 315 of Public Law 92–540 to provide an additional dollar in each case where an advance payment check is directed in care of the institution for temporary custody and delivery as provided for in section 1780. In the current fiscal year, reporting and check handling fees paid to schools nationwide will total approximately $6.4 million.

In recent months, a number of schools have contacted the Committee urging that the reporting fee be increased. And, the General Accounting Office, in a report concerning overpayments, noted that:

"In the 8 years that the $3 reporting fee has been in effect, it has not been reevaluated to determine its adequacy in light of rising school operating costs and as an incentive for timely reporting of training status changes.

"In view of the identified delays in school reporting and school officials' comments about the inadequacy of the current $3 reporting fee, we believe VA should reevaluate the fee and, if appropriate, submit amendatory legislation to the Congress."

The Veterans' Administration, in its report to the Committee, also noted that:

"In recent months, the Veterans' Administration has received complaints from educational institutions throughout the country indicating that they were unable to maintain adequate administrative functions concerning veterans and dependents based upon the current payment from the Veterans' Administration. Schools have indicated that the inflationary pressures, additional burdens put upon them with advance payment, standards of progress requirements, and the 50 percent employment surveys where applicable, they have had to increase their administrative staffs.

"We believe that an increase in the reporting fee at this time is warranted."

The Committee concurs and would increase the basic reporting fee from $3 to $5 in the case of most schools. The Committee would also increase the basic reporting fee from $4 to $6 in those instances where schools handle advance payment checks authorized to be paid under specified conditions. The Committee acknowledges that these fees, even as increased, may not cover all expenses incurred in complying with various reporting requirements. The Veterans Student Services program established under section 1685, however, makes available veteran work/study students who may be utilized in "the preparation of processing of necessary papers and other documents at education institutions. . . ." In the current fiscal year, VA financial work/study students will devote over 5 million hours ($10.5 million) to the processing of such papers at educational institutions.

Limitations on the maximum number of work/study students or hours which can be used for this and other purposes were removed by Congress in Public Law 93–508. Section 1685(c) now provides that the Administrator shall determine the number of veterans whose services can be effectively utilized. Accordingly, institutions who need additional assistance in completing certifications and other requirements of the Veterans' Administration should make application for such assistance during the Administrator's annual survey as required by section 1685(c). The Committee intends to monitor closely the disposition of these applications filed henceforth.

The Veteran's Administration estimates that enactment of this provision would result in the following additional administrative expenses as shown in the following table:

TABLE. 31. *Reporting fee increase*

Fiscal year and administrative cost:	
1977	$3,250,000
1978	2,880,000
1979	2,585,000
1980	2,235,000
1981	1,890,000
Total	12,840,000

The Congressional Budget Office, however, estimates that the cost of this program will be $5.1 million in fiscal year 1977, declining to $3.8 million in fiscal year 1981.

Section 509

Subsection (*a*) amends sections 1788(a)(1) and (2) relating to the measurement of courses not leading to a standard college degree. The amendment would reduce the number of clock hours necessary to qualify as a full-time course.

Currently, section 1788(a)(1) provides that an institutional, trade, or technical course, not leading to a standard college degree (offered on a clock-hour basis), which involves shop practice as an integral part, thereof, must have a minimum requirement of 30 hours per week (of which 2½ hours may be rest period) in order to qualify as a full-time course. Section 1788(a)(2) provides that any institutional course, not leading to a standard college degree (offered on a clock-hour basis), in which theoretical or classroom instruction predominates, must have a minimum of 25 hours a week in order to qualify as a full-time course.

The 30-hour clock-hour requirement was enacted 25 years ago when there were few, if any, vocational or technical education courses above the high school level. Today, prevailing educational practice (and State policies) for postsecondary institutional and trade or technical courses generally regard 20 to 27 hours per week for full time for nonveteran students.

Similarly, the 25-hour rule, which governs noncollege degree courses covered by section 1788(a)(2), for the most part, exceeds that now required of nonveterans. In order to qualify for full-time veterans' benefits, most institutions not leading to a standard college degree, add 5 or more hours a week of "supervised study". Supervised study is essentially a "study hall" in which students do assigned homework with an instructor available to answer questions.

Nonveteran students complete their homework on their own in a nonsupervised situation. Available evidence suggests that there is little, if any, variation in either school performance or in the attainment of vocational objectives between nonveterans who attend fewer clock-hours and veterans who must attend an additional 5 or more hours of supervised study each week. For example, a reecnt survey of data processing graduates, comparing day students who trained 5 hours a day (1 hour of which is supervised study), and night students who train 4 hours a day, revealed little differences in jobs attained or salaries achieved by the two groups of graduates. Both day and evening students are provided with 120 class sessions, both students receive the same basic and general theory, and both have the same programing production requirements. The only difference is that the day students perform their homework in class (supervised study) and the evening students perform their homework outside of class.

The Committee also notes the increasing tendency of many degree granting institutions to convert vocational objective courses, previously measured under section 1780(a) (1) or (2), to degree granting programs where courses approved for full-time benefits now often require as little as 12 hours per week. Whether it be an associate degree in automotive repair or a degree program in electronics or certain health care professions, the degree granting programs are distinguished more by what they have in common than by their dissimilarities with comparable courses offered on a clock-hour basis by nondegree granting schools. Indeed, representatives of the American Association of Community and Junior Colleges, appearing before the Committee some time ago, criticized the current clock-hour requirements in sections 1780(a) (1) and (2) and stated:

"The veteran enrolled in courses of education measured on the 30-hour basis often feels: That he is being discriminated against because of his interest and is being penalized because his abilities are trade oriented as opposed to technical or college parallel. He is often discouraged and may eventually drop the course prior to completion of course requirements, or he will request transfer to technical or transfer curriculum which will permit him to draw full-time benefits. The change usually results in a student veteran in a course which he is either not suited to his goal or his abilities. In end result is another dropout who is no better qualified to take a position in the world of business or industry than he was prior to enrollment."

Further, the 1974 study of the GI bill, mandated by Public Law 92–540 and conducted by the Educational Testing Service of Princeton, New Jersey, concluded that "differences in treatment of veterans pursuing college degrees and veterans pursuing nondegree post-secondary educational programs may be inhibiting the use of benefits for below college level training."

Given the foregoing, the Committee believes that a reduction in the minimum number of clock-hours is warranted and can be accomplished without a reduction in the quality of the course or lessened attainment of vocational objectives by its graduates. Consistent with the foregoing discussion, the Committee, in permitting a reduction in clock-hours, expressly excludes supervised study in computing the required number of hours. This new measure is limited to schools accredited by nationally recognized accrediting agencies and approved pursuant to section 1775. The Committee has been assured by representatives of applicable accrediting bodies that such clock-hour reduction will not result in the diminution of the quality of courses offered. Accordingly, the Committee expressly intends that such accrediting bodies take appropriate measure so that this does not occur. Any evidence to the contrary will result in prompt Committee reevaluation of the amendments made by this section.

Subsection (b) amends section 1789 by adding a new subsection (c) limiting the current statutory exceptions to the "two year" rule contained in that section. Section 1789(a) provides that the Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than 2 years. Legislation requiring the expiration of a specified period of time before courses offered by an institution could be approved for the enrollment of veterans with available Federal funds originated in the closing years of the World War II GI bill. Experience with the World War II GI bill disclosed the development of schools and courses which were almost exclusively aimed at veterans eligible for GI bill payments.

The abuse posed by such operations finally became all too evident and Congress responded by enacting Public Law 81–266 which contained provisions prohibiting GI bill payment to veterans training in institutions which had been in operation less than 1 year. The amendment was intended to retard the growth of "fly-by-night schools" and other institutions who often were less interested in educating veterans than in collecting sizable Federal payments. As with the limitations subsequently enacted on the number of federally assisted students who could be enrolled in any course, this provision was a device intended by Congress to allow the free market mechanism to operate and weed out those institutions who could survive only by the heavy influx of Federal payments. As implemented by regulation, the Veterans' Administration treated as a new school any new branch campus other than one established in close proximity to the original school that was "necessary to handle the overflow of students in the parent institution."

Subsequently, legislation was enacted as part of Public Law 81–610 which specifically exempted from the 1 year requirement any public or other tax supported school. Although the legislative history concerning this exemption is minimal, the exception, no doubt, reflected an assessment that the majority of problems which first occasioned the rule originated with proprietary-for-profit schools. It should be noted, however, that the Veterans' Administration expressed reservations at the time about such an exception to the 2-year rule noting that:

"The very purpose of the general requirement that a school must have been in operation for at least 1 year is to insure that it shall have proven its worth for a reasonable period of time so that the interest of the veteran will be protected and Federal funds will not be expended wastefully. If the purpose is to be carried out effectively, the requirement must be as nearly uniform as possible."

The Korean conflict GI bill (§ 227, Public Law 82–550) provided that a course must have been in operation for at least *2 years* before veteran enrollment could be approved. The House Veterans' Affairs Committee report, accompanying that legislation (H.R. Rept. 82–1943), termed this provision "a real safeguard to assure sound training for veterans at reasonable cost by seasoned institutions." They further noted that had such a requirement been in effect for most of the life of the World War II GI bill that there was "little doubt that considerable savings would have resulted and much better training would have resulted in many areas."

The Korean conflict GI bill also provided exceptions which were expanded somewhat without discussion with the enactment of the current GI bill program (Public Law 89–358). A minor exception, with respect to certain institutions offering courses under subchapter V or VI or chapter 34, was adopted in 1972 (Public Law 92–540).

The basic rationale of the current exceptions to the 2-year rule has come under serious question in recent years. Certain institutions, both public and proprietary, have suddenly developed many branch campuses throughout the United States. For the most part, these schools also have entered into extensive recruiting contracts directed almost exclusively at veterans. The Veterans' Administration, in a favorable report to the amendments proposed by this section, stated that:

"In recent months, a number of instances have been brought to our attention which represent abuse of our educational programs. Some of these cases involved contracting between nonprofit schools and profit schools or organizations whereby courses designed by the latter are offered by the non-profit, accredited school on a semester- or quarter-hour basis. In others, there are arrangements between nonprofit, accredited schools and outside profit firms whereby the latter, for a percentage of the tuition payment, perform recruiting services primarily for the establishing of these branch locations for the school. These recruiting efforts are aimed almost exclusively at veterans."

The increase in veteran enrollments in schools establishing multibranch campuses has often been spectacular. In one instance, a small institution of higher learning (accredited by a regional accrediting institution), which had only a handful of veterans enrolled at its single campus, in less than a year developed branch campuses (which often were rented rooms in local motels) in over 40 States and increased their veteran student population to over 13,000.

In testimony before Congress this year, the Veterans' Administration testified that there has been a—

"dramatic rise in the number of recruiting, consulting, and other specific service-type contracts that schools are entering into with profitmaking organizations. The most common type of contract involved recruiting services offered to degree granting schools, particularly business colleges, by profitmaking, noneducational organizations.

The nonprofit educational institutions which are entering into these recruiting contracts are generally colleges accredited to offer standard college degrees. Thus, they are not subject to the 2-year rule, the 85 to 15 percent ratio requirement, or the 50 percent employment requirement. The proliferation of business colleges, as well as other colleges, entering into recruiting contracts which *capitalize on these special exemptions raises serious questions concerning the validity of the legislative premise which gives special exemptions to degree granting institutions.* [Emphasis added.]

"The services offered by these nonacademic organizations include bookkeeping, computerizing school records, recruiting students, training the school's recruiters, supplying instructors, supplying course outlines, material, and textbooks, and helping the colleges set up additional classrooms off the college's traditional main campus.

"Some contracts cover only one of these services, some several, and some all of them. In return for these services the outside organization receives a portion of the tuition charged by the schools.

Where the outside organization was itself a school it appears as though the contract was a method of avoiding the 2-year operation requirement, the 85 to 15 percent veteran-nonveteran ratio requirement and other sections of the law specifically forbidding approval for certain types of vocational courses. In some cases the colleges offering the courses were giving up control over the courses.

"We have found that the recruiting organizations are primarily recruiting veterans. Although the contracts cite the need to 'recruit students' who would otherwise be denied educational opportunities, we have found that, in reality, the only people being recruited are veterans and the strongest and most successful recruiting tactics is the monetary incentive to be gained from the receipt of VA benefits.

"As we review these contracts, it appears that the schools and the nonacademic organizations are entering into profimaking, joint venture or partnership undertakings which are directed solely at the benefits being paid to veterans and other eligible persons."

While the Committee does not undertake to assess either the quality of the instruction offered at all of these branch campuses or the motives of all those who promote such arrangements, the situation does present great potential for abuse and in several instances that potential appears to have been realized.

At a minimum, the Committee concurs with the Veterans' Administration's testimony that the current situation "raises serious questions concerning the validity of the legislative premise which gives special exceptions to degree granting institutions."

Accordingly, this section adds a new subsection (c) which provides that, notwithstanding the exceptions contained in subsection (b), the 2-year rule applies first, to branches or extensions of public or other tax supported schools when such branches or extensions are located outside the taxing jurisdiction of the public or other tax supported school; and second, to branch or extensions of proprietary-for-profit or not-for-profit institutions when such branches or extensions are located beyond the normal commuting distance of the main campus. The Committee intends that current regulations and practice found in Program Guide 21-1, chapter 196, section M-26 be applied with respect to the definition of "normal commuting distance."

The Veterans' Administration, which supports these amendments, reported that enactment would "aid in curtailing the abuses which have turned up . . . " Although they believe cost savings will result from enactment of such legislation, they were without sufficient data to estimate it.

Section 510

This section amends section 1792 establishing an Administrator's advisory committee on title 38 educational assistance programs by requiring that advisory committee to meet and consult with the Administrator on a regular basis. The amendment provides that, at a minimum, the advisory committee will meet twice a year. The advisory committee, established by section 1792, is required by statute to be composed of persons eminent in their respective fields of education, labor and management, together with representatives of various types of institutions and establishments furnishing education to veterans training under chapters 31, 34 and 35. The advisory committee's membership must include veterans of World War II, the Korean conflict, the post-Korean conflict and the Vietnam era.

The Commissioner of Education, the Administrator and the Assistant Secretary for Employment and Training Standards of the Department of Labor are all ex-officio members of the advisory committee. The Committee on Veterans' Affairs believes that such an advisory committee can serve as an important link and conduit between the Veterans' Administration and those affected by its programs. Unfortunately, the advisory committee has met sporadically and little emphasis has been placed by the Veterans' Administration upon the role the committee could play in the exchange of information and ideas. It is noted that the advisory committee has not met since October 17, 1975. A review of the history of the advisory committee meetings since 1966 reveals that it met once in 1966, once in 1967, twice in 1968, once in 1969, twice in 1970, once in 1971, and not at all in 1972. It met seven times in 1973, generally as a result of requirements of an education study directed by Congress in Public Law 92-540. The advisory committee did not meet in 1974 and it met twice in 1975. It has not met this year. Amendments made by this section would require them to meet at least twice a year.

The Committee believes that even more frequent meetings of the advisory committee are probably warranted and would be beneficial. The Committee also notes that section 1792 has long contained provisions that the advisory committee may make such reports and recommendations as it deems desirable to the Administrator and Congress. Apart from action taken with respect to Congressionally mandated studies, however, no reports or recommendations have been made to the Congress in the last 10 years. The Veterans' Administration has "no objection to these changes."

Section 511

This section amends section 1790(c) to clarify and strengthen those provisions relating to examination of records and accounts of educational institutions. Currently, section 1790(c) provides that the records and accounts of educational institutions, pertaining to eligible veterans and persons received educational assistance under title 38, are to be available for examination by duly authorized representatives of the Government.

The meaning and effect of this section, which had always been well understood, was called into question by the adoption of provisions in Public Law 93-380, known as the Buckley Amendment, relating to protection of the rights of privacy of parents of students.

The Buckley Amendment contained in section 438 of the General Education Provisions Act as added by section 513 of Public Law 93-380 and amended by Public Law 93-568, requires that institutions receiving funds from those programs for which the United States Commissioner of Education has administrative responsibility must obtain consent before releasing education records of students (or personally identifiable information contained therein) except to specified parties or in certain specified situations. That section in pertinent part is as follows:

"(b)(1) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of permitting the release of education records (or personally identifiable information contained therein other than directory information, as defined in paragraph (5) of subsection (a)) of students without the written consent of their parents to any individual, agency, or organization, other than to the following * * *"

Section 438(e) of the Act provides that the consent must be obtained from the student in lieu of the parent when the student "has attained 18 years of age, or is attending an institution of postsecondary education,".

The only Federal officials specifically exempted from the consent requirement are authorized representatives of the Comptroller General, the Secretary of Health, Education, and Welfare and administrative heads of education agencies in HEW (section 438(b)(1)(c)).

The adoption of the Buckley Amendment, thus, raised questions as to whether the Administrator had legal access to student records. If it were held that he did not, additional questions were raised as to whether he could continue to comply with many provisions of title 38 such as those which direct the Administrator to discontinue payments in the case of unsatisfactory progress (section 1674) and those which provide that he may determine enrollment in, pursuit of and attendance at, various educational institutions. Closer examination of the Buckley Amendment disclosed, however, that it is not necessary for an institution to obtain consent before releasing information when the information is sought in connection with the provision of financial assistance. Section 438(b)(1)(D) excepts parties seeking information "in connection with a student's application for, or receipt of, financial aid." Because there is no legislative history indicating that "financial aid" was limited to any particular type of assistance, the General Counsel of the Department of Health, Education, and Welfare issued an opinion that veterans' benefits would constitute financial aid within the meaning of section 438(b)(1)(D). This determination meant that educational institutions could properly disclose personally identifiable information from students' education records which are relevant to veterans' benefits to representatives of the Veterans' Administration without contravening section 438(b). The Assistant Attorney General for the Civil Division of the Department of Justice concurred in this interpretation in a letter dated May 9, 1975, to the Veterans' Administration in which he said that there was "no provision in either Public Law 93-380 or Public Law 93-568 which repeals or appears intended to repeal the more specific and, therefore, controlling provisions of 38 U.S.C. § 1790(c)."

Despite this concurrence of opinion by both the Department of Justice and the Department of Health, Education, and Welfare, questions challenging the authority of the Veterans' Administration to examine pertinent student records have been and continue to be raised by certain institutions. To clarify this situation, this amendment is intended to make explicit the understanding by both the Committee and the Administration that the provisions of section 1790(c) were not nullified by the adoption of the Buckley Amendment.

Section 1790(c) has also been amended to make explicit that such records of nonveteran students, as the Administrator determines necessary to ascertain institutional compliance with the requirements of title 38, will also be available for examination by duly or authorized representatives of the Government. These nonveteran records are required for a variety of reasons including ascertaining compliance with first, the 85-15 percent ratio rule (§ 1673(d)); second, the 50 percent placement requirement (§ 1673(a)(1)); and third, the requirement that eligible veterans or persons not be charged tuition or fees in excess of those charged similarly circumstanced nonveterans (§ 1790(a)).

Records, which may be examined, include financial reports (including accounts receivable ledgers), the school's basic records (not just consolidated office records or file copies), classroom roll books, financial aid records, progress records, enrollment agreements/applications and employment placement records.

Section 512

This section repeals both section 1793 relating to institutions listed by the Attorney General and section 1795 concerning limitations on period of assistance under two or more programs. A new section concerning compliance surveys is added.

Clause 1 first amends subchapter II of chapter 36 by repealing section 1793 which currently provides that the Administrator shall not approve, for the purposes of payment of educational assistance allowance, enrollment of eligible veterans in any institution listed by the Attorney General under section 12 of Executive Order 10450. This provision was added by the Korean conflict GI bill (Public Law 82-550) in 1952. An examination of the legislative history of this provision discloses neither comment by any Federal agency nor any discussion in either the Senate or House report or on the floor of either chamber.

The requirement for an Attorney General's list was abolished by Executive Order 11785 issued June 4, 1974. Accordingly, whatever need there may have been for this provision has been vitiated, rendering the section obsolete.

Section 512 also adds a new section 1793, which directs the Administrator to conduct annual compliance surveys of institutions enrolling eligible veterans. This provision requires that the Veterans' Administration conduct an annual survey of each institution offering courses which do not lead to a standard college degree. Annual compliance surveys are also required of those institutions offering a course or courses leading to a standard college degree where at least 300 veterans or persons enrolled in the school are in receipt of VA educational assistance payments. The Committee cannot stress enough that the most comprehensive or detailed laws and regulations are of little consequence without active and effective enforcement. A number of the abuses uncovered in recent years (discussed elsewhere in the report), have flourished principally because of insufficient personnel and inadequate compliance surveys.

These abuses which have been uncovered have generally been as a result of an increased number of compliance surveys conducted by a VA staff which has been stretched thin in recent years. To assure that the surveys required by this section will be conducted in a comprehensive and effective manner, the section directs the Administrator to assign at least 1 education compliance specialist to work on compliance surveys for each 40 compliance surveys required to be made under this section in any year. The Committee understands, given current and anticipated workloads, that enactment of section 1793 will require the hiring of an additional 200 educational compliance specialists in fiscal year 1977. In adopting this section the Committee expects that the compliance survey program will meet 5 basic objectives.

First, such program and survey should verify and assure the propriety of payments of VA educational benefits of eligible individuals. Second, such program should provide a reasonable basis for cooperating with State approving agencies. Third, the compliance survey program should be directed toward assisting schools, training officials, and eligible individuals in better understanding their responsibilities in regard to the procedures and requirements of the Veterans' Administration. Fourth, the compliance survey should determine, on the basis of facts disclosed from personal visits to schools and establishments, whether there are deviations by eligible individuals, schools or establishments from the requirements of the law. Fifth, the compliance survey program should assure that proper actions for the correction or elimination of existing discrepancies, or the discontinuation of benefits to eligible individuals in the event correction is not accomplished are taken through appropriate channels.

The Committee wishes to emphasize that the compliance survey program offers an opportunity by officials of the Veterans' Administration to explain in details the provisions and requirements of the law to school or training officials in order to prevent deficiencies or violations which could develop because of misunderstandings or misinterpretations of the law. The Committee believes that fewer problems would have developed in the past few years had there been better explanations of the various requirements to appropriate individuals and schools. The Committee wishes to emphasize, however, that when discrepancies in the operation of institutions are found, prompt and proper action should be taken. The Committee intends that the compliance survey specialists mandated by this section will fully understand their respective responsibilities and will ensure that in each case that the survey is conducted in accordance with prescribed policies and procedures.

The Veterans' Administration estimates that the first year additional cost, occasioned by enactment of this section, would be $3.4 million. The Congressional Budget Office in their estimate said that this figure only took into account salary and travel dollars and failed to include additional moneys for operating expenses. Accordingly, the Congressional Budget Office estimates that fiscal year 1977 year cost would be $4.3 million, increasing slightly to $5.6 million at the end of the fifth year. The Committee notes that the additional sums mandated by this provision represent only .008 percent of the $5.7 billion spent in VA educational benefits in the past fiscal year. This minor expenditure which will aid in assuring that VA benefits are expended in accordance with the law is, the Committee believes, both a wise and necessary investment.

Clause 2 repeals section 1795 which currently limits an individual entitled to VA educational assistance under more than one Veterans' Administration program to a combined total of 48 months assistance. By repealing this section, dependents eligible for educational assistance under chapter 35, the Survivors and Dependents Educational Assistance chapter (as redesignated by section 309 of this Act) who subsequently served honorably in the uniformed services would be entitled to full educational benefits under chapter 34 (or chapter 32 where applicable) by virtue of that service. Public Law 90-631 approved on October 22, 1968, modified an original 36-month restriction by providing that the combined assistance provided under chapters 35 and 34 may not exceed 48 months.

The Committee believes that any veteran entitled to training under chapter 35, because of the service-connected death of a parent, should not be discriminated against by a provision nullifying full entitlement for benefits under chapter 34 of the GI bill earned by honorable service in the Armed Forces. The law is clear that a survivor is entitled to certain assistance when the parent died of a service-connected cause. The law is equally explicit that a veteran who served in the Armed Forces during a qualifying period is entitled to training assistance under the GI bill. The exercise of one of these entitlements should not serve to abrogate or reduce the other. Entitlement to benefits under each program is predicated upon entirely different factors and circumstances and are not interdependent.

Accordingly, the Committee concurs with the earlier position of the Veterans' Administration in its 1968 report to H.R. 16025 which, as enacted into law extended benefits to the current 48-month level. At that time, the VA repored that "it would be more advantageous and practical not to limit the veteran to a total of 48 months, but to permit him to use the entire current earned educational entitlement." The VA further testified:

"The numbers who would take advantage of this change in the law would be small and the additional cost would not be susceptible to measurement but for those needing additional training and privileges of pursuing the program of education would be most worthwhile."

A similar measure was unanimously approved by the Senate in 1974, but not accepted by the House. The VA states that it has no data available on which to base a cost estimate on this section of the measure.

Clause 3 amends the table of sections at the beginning of chapter 36 to reflect the repeal of current section 1793 and the addition of the new compliance survey provisions.

Clause 4 further amends that table of sections at the beginning of chapter 36 to reflect the repeal of section 1796.

Section 513

This section amends section 1796, of title 38, United States Code, relating to limitations on certain advertising sales enrollment practices of institutions enrolling veterans by adding a new subsection requiring such institutions to maintain a complete record of all advertising sales enrollment material utilized during the preceding 12 month period. Such materials would be required to be made available for inspection by the State approving agencies or the Veterans' Administration.

Section 1796 was added by section 212 of Public Law 93-508. The Committee report to S. 2784 (S. Rept. 93-907) where this provision originated, noted the Committee's growing concern over certain advertising sales and enrollment practices of various institutions, where courses are approved for the enrollment of veterans and other eligible persons. This concern prompted Congressional enactment of section 1796 which directs the Administrator not to approve the enrollment of an eligible veteran or eligible person in a course offered by any institution which utilizes advertising sales or enrollment practices of any type which are erroneous, deceptive or misleading either by actual statement, omission or intimation.

Despite the clear and unmistaken statutory mandate, little has been done by the Veterans' Administration to effectuate the Congressional intent expressed in considerable detail on pages 84 to 90 of Senate Report 93-907. The agreement which Congress directed the Administrator to enter into with the Federal Trade Commission (§ 1796(c) as redesignated by section 513(1) of this Act), to utilize the Commission's services and facilities in carrying out investigations and making determinations under section 1796 was not even formalized until January 20, 1976, over a year after enactment of Public Law 93-508.

Moreover, the General Accounting Office for the past year pursuant to the Committee's request has been reviewing the implementation of selected provisions of Public Law 93-508 for the past year. The Committee understands that GAO has found that neither the Veterans' Administration nor the State approving agencies have systematically reviewed any of the advertising sales or enrollment practices of schools enrolling veterans. Whatever review has occurred has only been in response to specific complaints, and, in those cases, the VA's investigations have been tentative and cautious at best.

The committee believes that active enforcement of the provisions of this section which will apply to all schools is particularly important now that many degree granting institutions have adopted aggressive recruiting and advertising policies. As Eric Wentworth of the education news staff of the Washington Post noted in an editorial page article on April 3, 1975 entitled, "Protecting the Consumer of Education":

"* * * many colleges—large as well as small, familiar as well as obscure—have begun advertising for students in a manner which befits commercial establishments rather than academic institutions. The trend seems sure to intensify, and it calls for some clear, concise standards of marketplace behavior.

* * * * *

"However alien to traditional academia, most of these merchandising techniques are neither illegal nor unethical in themselves. But the more widely they are used, the more opportunities and temptations there are for abuses. And whether abuses result from naivete or deliberate deceit, student consumers stand to be misled.

* * * * *

"Whatever the underlyings causes, however, the basic fact that colleges are using commercial methods to attract customers argues for making them publicly accountable in the same way that profit-making trade schools and other business enterprises using such methods are accountable."

* * * * *

Accordingly, the Committee intends that a comprehensive review of advertising sales and enrollment practices of all schools be instituted by both the Veterans' Administration and the State approving agencies (SAAs) to assure that the provisions of section 1796 are enforced. The Committee also expects the VA-FTC agreement to be utilized in appropriate instances. The Committee understands that, to date, there has only been one tentative referral by the VA to the FTC. In all of the instances just mentioned, the Committee believes the amendment requiring retention of records and copies of materials utilized by schools will aid in reducing erroneous, deceptive or misleading sales and enrollment practices. First, ready access to the documents by the VA, SAA's or the FTC pursuant to its agreement with the Veterans' Administration will facilitate determinations under section 1796. Second, the recognition by all institutions that their sales and enrollment practices are subject to active review, presumably will result in greater self examination by them of their sales and enrollment practices.

Finally, the Committee wishes to reemphasize its strong conviction—first expressed in the Senate report accompanying the 1974 GI bill amendments—that there be a more adequate and informative reporting system to the VA Central Office. Such reporting to the VA Central Office will permit examination of such practices in an overall perspective so that greater uniformity of interpretation and enforcement may be achieved. As the 1974 Committee report noted:

"Many institutions where courses are approved for payment of VA benefits do business in several States throughout the country. As a consequence, regional office directors in one State, faced with certain questionable practices are often unaware of similar problems in other States either by the same or different institutions. Accurate and detailed reporting to the Central Office and dissemination of appropriate information by the Central Office to regional offices should enable these trends and problems to be spotted more readily and dealt with in an evenhanded fashion nationally."

Clause 1 redesignates sections 1796 (b) and (c) as 1796 (c) and (d), respectively.

Clause 2 creates a new subsection (b) requiring that any institution offering courses approved for the enrollment of eligible persons or veterans to maintain a complete record of all advertising sales or enrollment materials (and copies thereof) utilized by or on its behalf during a preceding 12-month period. In this connection, the Committee expressly intends this provision to cover those situations where schools contract with individuals or organizations who undertake to advertise or recruit students for the institution. The materials required to be retained include, but are not limited to, any direct mail pieces, brochures, printed literature used by sales persons or recruiters, films, video tapes and audio tapes disseminated through broadcast media and material disseminated through printed media, tear sheets, leaflets, handbills, flyers, together with any sales or recruitment manuals for instruction to salesmen, agents, or representatives of such institutions.

The Veterans' Administration, in its written report to section 513, states that it believes "it would have a salutary effect of having such material available for inspection review".

Section 514

This section makes a number of technical amendments to chapter 36, including providing for the continuation of VA advance and prepayment of educational assistance allowances as required by section 1780 in title 38. The amendment adopted in this section will have the effect of nullifying action taken by the Appropriation Committees earlier this year in H.R. 10612 (without formal consultation with the authorizing committees) and subsequently enacted as Public Law 93–378. Provisions in that fiscal year 1977 HUD, Independent Agencies appropriation measure purport to abrogate prepayment authority and advance payment authority, in part, for the last 4 months of fiscal year 1977. The Committee believes this unusual initiative by the Appropriations Committee was not only inappropriate, but ill-advised. A temporary 4-month suspension of the title 38 provisions requiring advance and prepay will produce administrative chaos within the Veterans' Administration.

Moreover, it is a blunt device which does as much harm as good in its attempt to reduce improper payments. The Committee concurs with the Administrator of Veterans' Affairs who in testimony before the House Appropriations Committee earlier this year said "the good that accrues from advanced payment far out-reaches the bad". This testimony was reinforced by the testimony of the Chief Benefits Director who subsequently appeared before the House Committee on Veterans' Affairs to testify that "Advance pay and prepay have had a good effect on a vast number of students. They have been able to go to school where perhaps they would not have been able to go." Rather than termination of such authority be urged that various new regulations adopted by the Veterans' Administration should be allowed to take effect and have "time to work their will." The Committee believes the numerous amendments adopted in S. 969, as amended, are a more effective and logical way of dealing with the problems of improper payments than temporary abrogation of the payment authority contained in section 1780.

Amendments in this section would also remove unwarranted or unnecessary gender references. The following sections are affected: 1771, 1775, 1777, 1779, 1780, 1781, 1783, 1784, 1786, 1790, 1791, 1794, 1796, and 1798.

TITLE VI—VETERANS' EMPLOYMENT ASSISTANCE PROVISIONS

Section 601

Section 601 amends title 38 to create a new section 2002A in chapter 41. This section would create within the Department of Labor a separate agency known as the Veterans' Employment Service (VES) headed by an Assistant Secretary of Labor for Veterans' Employment. The Assistant Secretary would be responsible, subject to the supervision and control of the Secretary, for carrying out the policies and purposes of chapters 41, 42, and 43 and for policy formulation and administrative implementation for all Department of Labor employment, unemployment and manpower programs to the extent they affect veterans.

A Veterans Employment Service (VES) currently exists within the Department of Labor. Previous legislation directed that policies in regard to veteran employment be promulgated and administered by VES in accordance with the stated statutory mandate that eligible veterans receive maximum employment and training opportunities through existing programs, coordination and merger of programs, and implementation of new programs. The Vietnam Era Veterans' Readjustment Assistance Act of 1972 (Public Law 92–540) further clarified and made specific the congressional intent that veterans receive effective assistance from the United States Employment Service (USES). The Committee report accompanying the 1972 GI bill in regard to veterans unemployment and the efforts of the Department of Labor stated that "far more needs to be done."

As intolerably high rates of veteran unemployment continued in 1974 and services to unemployed veterans revealed little improvement, the Congress once again enacted legislation aimed at improving the situation. Public Law 93–508, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, further delineated and extended the responsibilities of VES. Currently, the VES is primarily responsible for implementation of the provisions of chapters 41 and 42 of title 38. In addition, VES is required to coordinate within the Comprehensive Employment and Training Act (CETA) framework, public information pertaining to veterans programs.

In view of the importance of the responsibilities of the Director of the VES and in light of the continuing high rates of veteran unemployment, the Committee has concluded that, once again, "more needs to be done." The Committee believes that the Director of the VES is located at too low a level within the Department of Labor to carry out the congressional mandates in an effective and expeditious fashion. Statutory mandates have been ignored, gone unheeded, or have been implemented in a tardy and half-hearted manner by the Department of Labor. The State Employment Service agencies throughout the country have too often responded sluggishly and ineptly to the task of serving unemployed veterans. The Committee believes that all of these problems were exacerbated, if not caused, by the low priority assigned to veterans as evidenced by the relatively insignificant status accorded to the official responsible for directing the operation of the Veterans' Employment Service. And, the "proof of the pudding," can be found in the continued problems faced by veterans.

In 1972, this Committee, in its report to legislation subsequently enacted as Public Law 92–540, recognized that a "significant factor in the readjustment problem faced by the returning veteran is the continuing high unemployment rate * * * statistics for the second quarter of 1972 for veterans age 20–24 indicate an unemployment rate of 10.9 percent or over 11 percent higher than the nonveteran rate of 9.5 percent * * *."

In 1974, in the Senate report accompanying the 1974 Special Employment Assistance Act of 1974, the Labor and Public Welfare Committee expressed grave concern with the employment rates for veterans. That Committee predicted that "the burden of continued increases in unemployment will fall heavily on three groups of veterans who already have high unemployment rates: Young veterans in the 20–24 age bracket; minority group veterans; and disabled veterans * * * these three groups * * * are very likely going to face even more severe unemployment in the months ahead."

Indeed, as predicted, the bleak unemployment picture has continued. At the end of June, younger Vietnam era veterans aged 20–24 had an unemployment rate of almost 20 percent, approximately twice as high as similarly aged non-veterans. Unemployment amongst all Vietnam era veterans was 13 percent higher than for similarly aged non-veterans. At the end of the 1st quarter of 1976, younger minority vets had an unemployment rate of over 30 percent and estimates of unemployment among disabled veterans exceed 50 percent.

During the past 2 years, veteran unemployment, particularly among younger, minority, and disabled veterans, has continued to rise. Unfortunately, efforts by State Employment Services on behalf of veterans—efforts which are supposed to be monitored and guided by the VES—has not been sufficient to offset increasing unemployment. For example, during the first 9 months of fiscal year 1976, close to one-third of all Vietnam vets who applied for assistance at the federally funded State employment offices had their files inactivated with no reportable service at all. In the first 9 months of fiscal year 1976, only 5.4 percent of the 1,846,171 Vietnam era veterans who applied to the employment service were counseled. This low rate is particularly tragic because a Vietnam era veteran who has received counseling has close to twice the chance of being placed in a job than a noncounseled veteran. Further, the percentage of Vietnam era veterans counseled in the first 9 months of fiscal year 1976 was 15 percent fewer than the percentage of Vietnam era veterans counseled at the end of the first 9 months in fiscal year 1975.

Almost 171,000 disabled veterans applied to the Public Employment Service for assistance in the first 9 months of fiscal year 1976. Only 14.7 percent of these disabled veterans were counseled. The placement rate for those disabled veterans who were fortunate enough to receive employment counseling was 150 percent greater than the placement rate for those disabled veterans who received no employment counseling whatsoever. The tragedy of large numbers of disabled and Vietnam era veterans failing to receive counseling is underscored by the initial draft of the Department of Labor's study on the Veteran's Employment Service (known as the Kruptzin study) where in it is revealed that "almost 90 percent of LVERs (Local Veterans' Employment Representatives) felt employment counseling helped in providing priority services to veterans * * *."

In 1974, the Committee observed that "* * * only 16 percent of the available Vietnam era veteran applicants were placed in a job in excess of 3 days and less than 2 percent was enrolled in Federal training programs.

Services to veterans in State Public Employment Offices have not improved since 1974. Employment Security Automated Reporting System (ESARS) data for the first 9 months of fiscal year 1976 reveals that only 12.7 percent of the Vietnam era veterans who applied to the Employment Service were placed in a nonagricultural job of more than 3 days duration, and only 0.6 percent were enrolled in training. As is readily observable, these totals are even below the levels reported in the 1974 report. Despite concern and legislation by Congress, services to veterans have often deteriorated rather than improved.

Continuing oversight by the Committee of the problems of veteran unemployment and of the programs designed to facilitate resolution of such problems has not been accorded the degree of responsiveness by the Department of Labor that the Committee believes is warranted. Committee oversight letters sent in the past year frequently have gone unanswered for up to 3½ months as they were bounced around from one official to the next. Thus, centralization of the responsibilities mandated under title 38 within the office of Assistant Secretary should both enhance accountability for veterans programs and assure more responsive implementation of chapters 41, 42, and 43. An assistant secretary would also be in position to assure policy formulation and administrative implementation of all Department of Labor employment, unemployment and manpower programs to the extent veterans are affected.

The Committee acknowledges that within the Department of Labor confusion apparently exists as to the goals of the Employment Service concerning service to veterans. For example, a recent Wall Street Journal article in regard to the Employment Service quotes a "disgruntled" Florida State Public Employment Service Agency official as stating. "I'm supposed to give preference to everyone except the young, white male—unless he happens to be a migrant worker". The Assistant Secretary of Labor for Employment and Training Administration is quoted in the same article as noting that the USES operates "not only under the authorizing Wagner-Peyser Act of 1933, but also under mandates stemming from 21 other pieces of Federal legislation and executive orders, 19 arrangements with other Federal and State agencies and two court orders." The Committee notes, however, that the Department of Labor recently prepared testimony providing background information on the Public Employment Service in preparation for oversight hearings. Therein, the Department of Labor stated: "* * * the only true priorities are binding legal requirements: The law requires the ES to provide priority services to veterans, and a court order (*NAACP* vs. *Brennan*, Civil Action No. 2010-72) requires the ES to assure equity in access to available job opportunities for migrants and seasonal farmworkers. Other so-called priorities stem from a combination of related statutes, executive orders, and public policy determinations."

The Committee is aware of the difficulties facing the Public Employment Services in regard to the needs of various applicant groups. Such difficulty and confusion surrounding priority services to various applicant groups supports an upgrading the VES director to the level of Assistant Secretary in order to assure that veterans receive the services directed by statute and intended by Congress.

Centralization of responsibility for veterans employment, within the Department of Labor, at the administrative level of Assistant Secretary was strongly supported in testimony before the Committee. Representatives of the Veterans of Foreign Wars testified last October that centralization at the administrative level of Assistant Secretary is the only way that the Veterans' Employment Service "will have authortiy commensurate with the responsibility". Representatives of The American Legion testified that a resolution favoring the Assistant Secretary for Veteran Affairs was approved at the 1975 American Legion National Convention. That resolution stated that as an Assistant Secretary, "the head of Veterans' Employment * * * would have the necessary direct access to the Secretary of Labor * * * The American Legion believes this is the only answer to the dilemma of unemployment facing over half a million veterans."

The Paralyzed Veterans of America, in written testimony submitted to the Committee in regard to Amendment No. 2005 to S. 969, testified that "creating the position of an Assistant Secretary of Labor for Veterans' Employment is desirable and necessary". And the American Veterans of World War II, Korea and Vietnam (AMVETS), in testimony before the Committee, recommended that "the position of Director of Veterans' Employment Service be elevated to the position of Assistant Secretary of Labor for Veterans' Affairs * * * [such elevation] has the full and unqualified support of our organization".

Thus, the Committee hopes that elevation of the Director of Veterans' Employment Service to the position of Assistant Secretary will produce the responsiveness to veteran problems within the Department of Labor which has been lacking to date.

Section 602

This section amends section 2003 of title 38 to clarify and make specific the responsibility of the State Veterans' Employment Representatives (SVERs) and the Assistant Veterans' Employment Representatives (AVERs) for the promotion and monitoring of veteran participation in programs operating pursuant to the Comprehensive Employment and Training Act (CETA). Currently, SVERs and AVERs (who are Federal employees) are responsible to the Secretary of Labor. They administer and monitor the counseling and placement policies afforded to veterans by the public employment services. Further, they are administratively responsible for overseeing veteran participation in manpower and training programs administered by the Secretary.

The Comprehensive Employment and Training Act established a decentralized manpower program wherein the prime sponsor is responsible for program design with Federal influence being exerted through Department of Labor's technical assistance, plan approval process, and monitoring of prime sponsor's activity. Thus, extension of the administrative responsibilities of SVERs and AVERs to include those programs administered by prime sponsors is intended to assure continuing oversight on the part of the Department of Labor concerning participation of veterans in those programs.

Regulations promulgated by the Department of Labor on April 9, 1976, would require prime sponsors in their title I grant narrative to include assurances that "special consideration (will be) given to needs of unemployed disabled veterans, special veterans and veterans discharged within 4 years of the date of application and special outreach and coordination efforts to serve such veterans (will be undertaken)." Title I of CETA establishes a program to provide comprehensive manpower services throughout the Nation, including the development and creation of job opportunities and the training, education and other services needed to enable individuals to secure and retain employment at their maximum capacity.

Titles II and VI of the Act, as implemented, contain similar veteran "special consideration" requirements. Those titles authorize public service employment and manpower training programs in areas of substantial unemployment.

The Committee takes cognizance of the recent action by the Senate with respect to H.R. 12987, the Emergency Jobs Programs Extension Act of 1976. The accompanying report (S. Rept. 94-503) noted that the enrollment figures for veterans in the CETA program "compare most infavorably with those of veterans under the Emergency Employment Act of 1971 (EEA), where specific hiring goals were established by EEA regulations, requiring generally that 30 percent of 'new hire' positions be filled with Vietnam era veterans." For example, only 5.2 percent of all new participants in CETA title I programs were "Special Vietnam" veterans, despite the continued high unemployment among veterans, particularly younger, minority, and disabled veterans.

The Committee believes that if SVERs actively monitor the implementation and operation of CETA programs, it is likely that veteran participation will increase. The Committee expects SVERs to examine the grant narratives submitted by prime sponsors within their jurisdiction with sufficient thoroughness to assure that "special consideration" is accorded to eligible veterans whenever required or appropriate. Further, the Committee expects SVERs to devote sufficient time monitoring prime sponsor's programs to ascertain that the assurances concerning veterans, as certified by the prime sponsor in the grant narrative are, in fact, complied with.

Clause 1 amends section 2003 to extend the duties of SVERs and AVERs to include administrative responsibility for manpower and training programs administered by prime sponsors under the Comprehensive and Employment Training Act as such programs relate to veterans.

Clauses 2, 3, and 4 add a new provision to section 2003 which extends the duties of SVERs to include the promotion of participation of veterans in CETA and the monitoring of the implementation and operation of CETA programs to assure that eligible veterans receive special consideration when required. SVERs are directed to cooperate with the public employment staffs and the staffs of CETA prime sponsors in order to achieve greater veteran participation in CETA.

Section 603

Amendments made by this section clarify the provisions of section 2006(a) of title 38 concerning estimates of funds necessary for the proper and efficient administration of chapter 41 by the Veterans' Employment Service. The Secretary of Labor is directed by 2006(a) to estimate the funds necessary for job counseling, training, and placement services for veterans and eligible persons. Such estimated funds must be included each year as a special item in the Department of Labor's annual budget. This section also requires each State Public Employment Service Agency (federally funded pursuant to the Wagner-Peyser Act) to identify separately in their budget, the funds necessary for job counseling, placement, and training services to eligible veterans and eligible survivors and dependents. Committee oversight has disclosed that these provisions have frequently been ignored. Earlier this year, for example, the Department of Labor, in response to Committe inquiries, admitted that "funds allocated to the States are not separately identified in their budgets by special applicant groups." However, the Committee has since been assured by the Secretary that procedures have been established to bring them into compliance with the requirements of the law whereby the State agencies will "separately identify estimated amounts of funds required to serve veterans and other eligibles * * * including funds for counseling, placement, activities and enrollment in training."

This amendment further clarifies and codifies the Committee's understanding and intention that the identified funds for counseling, placement, and training services for veterans will each be listed separately by the reporting State rather than in the aggregate.

Section 604

This section amends section 2007(c). Currently section 2007(c) requires the submission to Congress of an annual report by the Secretary of Labor on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of chapter 41.

Clause 1 makes technical amendments to section 2007(a) to remove unnecessary and unwarranted gender references.

Clause 2 amends section 2007(c) to require the Secretary to include in his report the extent to which veterans were employed and enrolled in public service employment positions.

At the present time, the Secretary is required to make separate reference to occupational training under appropriate Federal law. The Committee is aware that a narrow interpretation of such requirement could result in the Secretary's report covering only those veterans hired and trained under title I of the Comprehensive Employment and Training Act. Title I principally establishes a program of comprehensive manpower services for training, education and other occupational training services. However, titles II and VI of CETA are principally involved with public service employment and possibly could be regarded as not covered under current reporting requirements.

This amendment clarifies and makes specific the obligation of the Secretary of Labor to report and discuss in detail the entire CETA program as it relates to veterans. The Committee notes that the annual report submitted by the Secretary earlier this year did contain some reference to titles II and VI of CETA. However, the Committee expects that there will be more detailed information concerning participation in CETA programs by recently discharged eligible veterans, veterans with service-connected disabilities, other eligible veterans and eligible persons in future reports. The Committee further expects that wide distribution of the recently completed technical assistance guide (TAG) entitled "Veterans and CETA" (with an appropriate emphasis thereof) coupled with the increased monitoring of the implementation and operation of prime sponsor programs (as contemplated by section 602 of this Act) will enable the Secretary to report next year that an increased percentage of "special veterans" and eligible persons have participated in CETA.

Clause 3 further amends section 2007(c) to require the Secretary to include in his annual report any and all determinations made under section 2007(a). Currently, under that subsection, the Secretary of Labor is empowered to determine whether a State employment service agency has committed sufficient staff to ensure that veterans are receiving the employment services mandated by law. Further, the Secretary is directed to arrange for necessary corrective action in those instances where he finds that the State's staff resources are inadequate. The Committee expects that the 1977 report by the Secretary will contain a separate section listing each determination made by the Secretary pursuant to section 2007(a) in addition to a listing of those determinations made pursuant to section 2004 and section 2006 as presently required by law. Finally, the Committee intends that such report include a statement of reasons for any such determination. (See also section 605 of this Act which adds additional reporting requirements.)

Section 605

This section amends section 2012 concerning veterans' employment emphasis under Federal contracts to require the Secretary to include in the annual report (required by section 2007) detailed information as to complaints filed pursuant to section 2012(b). Under 2012(a) each party contracting with the United States in the amount of $10,000 or more for the procurement of personal property and nonpersonal services (including construction) is required "to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era." Although this much needed provision was included as section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, regulations implementing the section only became effective on July 28, 1976.

The Committee intends that the complaint procedures outlined in section 2012(b) to afford remedies to those disabled and Vietnam era veterans who believe that a contractor has failed to comply with the affirmative action provisions be actively implemented and enforced by the Department of Labor. In this connection the Committee is deeply distressed over the failure of the United States Employment Service to seek greater compliance with the mandatory listing requirements codified at section 2007. The Committee believes that inclusion in the annual report of the number of complaints filed pursuant to section 2012(b), the actions taken thereof, and the resolution thereof will provide additional information to enable the Committee to gage the effectiveness and efficiency of the affirmative action program.

Section 605 also requires the Secretary to include in his annual report the number of contractors listing suitable employment openings, the nature, types and number of such positions, and the number of veterans who receive priority in regard to the listed openings. At the present time, sections 2012 (a) (1) and (2) require each contractor with a contract with the Federal Government of greater than $10,000 to list suitable job openings with the appropriate local employment office. Veterans then receive priority in regard to such employment openings.

The Committee is disturbed by the recent, undisputed, published report in the Wall Street Journal which noted that "most (covered) companies are busy dodging a slackly enforced" mandatory listing requirement. In its report accompanying the Vietnam Era Veterans' Readjustment Assistance Act of 1974, this Committee stated "[A]t a minimum, the Committee believes that there must be a good faith listing of job openings and a good faith consideration by Federal contractors and subcontractors of qualifying veterans seeking prospective employment."

Based on the undisputed article and other information presented to it, the Committee has concluded that the Department of Labor has failed to require compliance with the vigor necessary to assure the success of the program. The Committee believes that the mandatory listing requirement, if implemented properly, would result in more and higher quality jobs being listed with the Employment Service and in turn, increase the employment opportunities for the Vietnam veterans and disabled veterans seeking assistance from USES.

The Committee is also concerned by published reports that four out of five jobs listed with the Employment Service call for low skilled workers and that over 75 percent of covered employers have never filled a single professional position through USES. In this regard, the Committee believes that the inclusion in the annual report of the nature (that is, duration, blue-collar—white-collar, wage, and benefits) and type (that is, job classification, position) of jobs listed will enable the Committee to determine whether, and to what extent, the mandatory listing program is in compliance with the law. The Committee expects that the Department of Labor will aggressively seek to secure compliance with the mandatory listing provisions.

Section 606

This section makes technical amendments to chapter 41 including the removal of unwarranted and unnecessary gender references. Those sections affected are: 2003, 2004, 2005, and 2008.

This section also amends section 2004 to include chapter 35 eligible persons among those preferred for Local Veteran's Employment Representative (LVER) positions. Most local Employment Service offices are required to assign one or more employees whose time shall be fully devoted to veterans' employment. Section 2004 currently directs that the person appointed should "preferably be an eligible veteran". This amendment adds chapter 35 eligible persons to eligible veterans as people also to be preferred in the LVER slots.

Provisions contained in the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (section 401 of Public Law 93–508) amended chapter 41 to extend employment assistance benefits to the spouse of: (1) Any veteran who died of a service-connected disability; (2) any member of the armed services on active duty who, at the time of application for benefits under chapter 41, has been listed for more than 90 days as missing in action, captured in the line of duty by hostile forces, or forcibly detained or interned in the line of duty by a foreign government or power; and (3) any veteran with a service-connected disability rated total and permanent in nature.

Because LVERs now render employment assistance services to chapter 35 eligible wives and widows, in addition to veterans, the Committee believes it consistent to extend preference in filling those positions to them as well.

Section 607

This section makes technical amendments to chapter 42 to remove unwarranted and unnecessary gender references. Those sections affected are: 2011 and 2012.

Section 608

This section makes technical amendments to chapter 43 to remove unwarranted and unnecessary gender references. Those sections affected are: 2021 and 2024.

TITLE VII—MISCELLANEOUS AND EFFECTIVE DATE

Section 701

This section amends section 3101 of title 38 relating to the nonassignability and exempt status of VA benefits by providing that when the payee of an educational benefit check has designated the address of an attorney-in-fact as the address for check receipt purposes and has also executed a power of attorney giving such attorney-in-fact the authority to negotiate the benefit check, such agreement will be held to be an assignment of the benefit and, as such, would be prohibited.

Section 3101(a) in pertinent part provides that:

> (a) Payments of benefits due or to become

due under any law administered by the Veterans' Administration shall not be assignable except to the extent specifically authorized by law, and such payments made to, or on account of, a beneficiary shall be exempt from taxation, shall be exempt from the claim of creditors, and shall not be liable to attachment, levy, or seizure by cr under any legal or equitable process whatever. either before or after the receint by the beneficiary. * * *

This section has its roots in section 4745 of title 57 of the Revised Statutes of the United States, approved February 28, 1883. It was continued in section 28 of the War Risk Insurance Act of 1917 which provided that certain benefits under that act "shall not be assignable" and not subject to taxation or claims of creditors. While not identical, the same general language and substance were carried forward in section 22 of the World War Veterans Act of 1924. Thereafter, on August 12, 1935, section 3, Public Law 262, 74th Congress, enacted language substantially similar to that of the present statute. An amendment was enacted in 1940 which did not affect the substance of the law concerning assignability, and this provision was later superseded by section 1001, Public Law 85–56 (38 U.S.C.A. 3001, 1954 ed.), and then codified as section 3101(a) (Public Law 85–857) on September 2, 1958.

The opinions of the Office of General Counsel and judicial precedents indicate that, throughout its history, section 3101 has been recognized as having a twofold purpose avoid the possibility of the Veterans' Administration (or its predecessor agency) from being placed in the position of a collection agency and prevent the deprivation and depletion of the means of subsistence of veterans dependent upon these benefits as the main source of their income.

Until 1972, whenever a question arose concerning written authorization by a veteran to pay a private debt from that veteran's benefits, it was uniformly interpreted as prohibited by statute.

In 1923, for example, the General Counsel of the Veterans' Administration stated in part (23 Op. G. C. 251) with respect to a voluntary assignment or set-off in favor of private creditors that:

"It is not the policy of the Bureau that the district office should act as collection agents in matters relating to the private debts of its trainees. This same instruction rejecting the policy in case the trainees would also govern in case of employees or others who are receiving compensation from the Bureau."

This was reaffirmed in 1958 when the General Counsel again held (Op. G. C. 3–58) that:

"A written authorization given by a veteran to pay for benefits payable to him a private debt would, if given effect, virtually make of the VA a collection agency and would partake of the nature of an assignment prohibited by section 3, Public Law 262, 74th Congress, 38 U.S.C., § 454(a). Such a written authorization would not be honored."

The following year the Comptroller General of the United States in a letter to the Administrator of Veterans' Affairs, dated May 29, 1959 (opinion B–105303) stated in part that:

"Based on the information furnished and informal discussions between our respective representatives we feel that the adoption of a procedure for payment of education and training allowances "to an agent or attorney-in-fact," as proposed by the suggested change in the regulations, which it is understood implements the particular correspondence school plan presently under consideration, would be in contravention of the purpose and intent of the provisions of chapter 33, 38 U.S.C. 1631, which provide for payment of such allowances direct "to each eligible veteran" upon receipt of the certifications required. It might also be in violation of Treasury Department Regulations, section 5, Department Circular No. 21, as revised March 13, 1957, and the provisions of 38 U.S.C. 3101 prohibiting the assignment of benefit payments. It appears that the plan proposed by the school would be available to veterans only and, therefore, it may also contravene the provisions of 38 U.S.C. (e) providing that the allowance "shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran." The plan obviously is designed for the primary benefit and convenience of the school and might prove detrimental to the interest of the veterans. Furthermore, it is our view that the adoption of the plan as proposed by this institution, if approved, might lead to widespread use of similar plans by many other institutions including those offering residence courses, and would, therefore, greatly add to the administrative problems incident to the administration of the program."

In 1969, the General Counsel was once again presented with a question on assignability; in this instance a power of attorney to flight schools to cash Government checks for education assistance allowances coupled generally with the change of address request by the veteran that the check be mailed to the institution was involved. There the General Counsel noted that:

"It is apparent from the aforecited opinions that any attempt to assign veterans benefits in a manner which would require the Veterans' Administration or the Treasury Department to make payment directly to the assignee is clearly barred by section 3101 of title 38. Moreover, powers of attorney in the form involved in the instant cases do not meet the requirements set out by the Comptroller General and now contained in VA manual MP–4, part IV and Treasury Department Circular 21.

"The matter now before us, however, differs in that in neither case is any document presented to the Veterans' Administration in an attempt to secure payment directly to the attorney-in-fact or the assignee. There is, instead, an attempt to accomplish the same result by two steps, i.e., (1) the veteran has submitted to the Veterans' Administration a request that his educational assistance allowance be mailed to him in care of the flying school and (2) has authorized the flying school to negotiate his check by a "special power of attorney" in one case and an "assignment and power of attorney" in the other case. Insofar as the change of address filed by the veteran is concerned, since section 3020 of title 38 provides for the payment of monetary benefits under laws administered by the Veterans' Administration, by check, and that such check shall be transmitted by mail to the payee thereof, at his last known address, we see no choice but to transmit the veteran's check by mail to the address that the veteran has provided."

After reviewing precedent the General Counsel (Op. G. C. 3–69) held that:

"The combination of circumstances existing in the present cases, i.e., the direction by the veteran to mail his check in care of the flying school and his execution of "a special power of attorney" or an "assignment and power of attorney" authorizing the flying school to negotiate such check, results in what is tantamount to an assignment of veterans educational assistance allowance to the flying school in contravention of section 3101 of title 38, United States Code."

Despite the longstanding statutory prohibition against assignment of benefits and the well established precedent prohibiting use of powers of attorney, 3 years later on December 6, 1972, the Administrator of Veterans' Affairs abruptly and inexplicably reversed the prior opinions of the General Counsel and held "in light of prior opinions, the history of the law and the impact of today's economic and credit factors" that:

"The Veterans' Administration is without authority to withhold benefit payment checks drawn in favor of its beneficiaries merely on the basis that the beneficiary has attempted to sign such benefits and is required to mail such checks to the payees last known address or record with the VA, without regard to whatever disposition the beneficiary may make, or may have arranged for with reference to such payment." (Administrator's Decision VA No. 993.)

Whatever judgment might be rendered as to the quality of legal scholarship embodied in that opinion, it soon became obvious that it permitted the effective assignment of benefits in contravention of Congressional intent, not only with respect to section 3101, but also with respect to basic intent of GI bill legislation since World War II, GI bill legislation has consistently provided that payment of educational benefits should go directly to the veteran rather than to the school.

Unfortunately, the concern, expressed in 1959, that permitting such power of attorney arrangements "might prove detrimental to the interest of veterans" and "greatly add to the administrative problems incident to the administration of the program" has become a self-fulfilled prophecy. The Veterans' Administration, in fully supporting the provisions of section 701, reported to the Committee that:

"In the administration of our educational programs, we have found many instances of abuse where school officials, their banks or agents have authority to receive and cash a beneficiary's benefit check. These abuses have been especially prevalent in the PREP, correspondence, and flight training programs. Certification showing the number of correspondence lessons taken by the individual and service by the school as well as the number of flight hours logged by the veterans have been signed by the veteran in blank in advance and have been completed by the school certifying, in some cases, lessons never taken or hours never flown. The Veterans' Administration then pays for this training, the veteran or dependent never sees the check, and is unaware of its issuance or amount.

"We believe that to continue to permit such situations to occur would be to encourage more fraud and open the door to even more potential abuse of the programs. We, therefore, fully support this provision of the substitute proposal."

Although it is reasonable to anticipate that improper payments will be curtailed and that outlays will thus be reduced by enactment of this section, the Veterans' Administration is without sufficient data upon which to base an estimate.

Section 702

This section provides that, unless otherwise provided, the amendments made by this Act are to become effective on October 1, 1976, the start of new fiscal year as contemplated by the new congressional budget process. The primary exception is title IV, the Post-Vietnam Era Veterans' Readjustment Assistance Act of 1977, which will become effective on January 1, 1977, replacing the current chapter 34 benefit program for those entering the services on or after that date.

Mr. HARTKE. Mr. President, the reported bill also contains an important section requiring the Veterans' Administration to conduct a thorough study of vocational objective progams, particularly to see if they are complying with the requirements of section 1673(a)(2) of title 38, United States Code, the so-called 50-percent employment requirement. I believe such a study is necessary and that administrative changes may be required with respect to implementation of this rule to assure that the intent of statute is fully carried out. In this connection the General Accounting Office recently completed a preliminary examination of the 50-percent rule and certain other provisions which were enacted as part of Public Law 93–508. I ask unanimous consent that this report by the General Accounting Office be inserted in the RECORD at this point.

There being no objection, it was ordered printed as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., September 17, 1976.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate

DEAR MR. CHAIRMAN: In your April 24, 1975, letter you requested that we determine whether the Veterans Administration (VA), State approving agencies, and participating schools were properly implementing certain provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, (Public Law 93–508)—specifically the 50 percent employment rule, the 85 percent enrollment rule, and the course character and advertising provisions.

We selected 13 schools for review—7 correspondence schools, 4 vocational/technical schools, and 2 flight schools. As you requested, we chose (1) correspondence schools which were the subject of our previous review of certain provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1972, (Public Law 92–540),[1] (2) vocational/technical schools providing resident training, and (3) flight training schools. We selected these schools also because they had a variety of vocational courses and large veteran enrollment. We selected one course for review at each school. In general, these courses had a large veteran enrollment.

As discussed below and in the enclosure, we noted deficiencies in all provisions reviewed which limited VA's assurances that the act was being properly implemented. Since neither the 13 schools nor the 13 courses reviewed were statistically selected, the deficiencies noted cannot be considered representative of all courses affected by the act. However, because the deficiencies were due mostly to inadequate VA policy and guidelines the following may be common deficiencies:

Some VA regional offices and State approving agencies did not process the schools' employment survey reports for the 50 percent rule as required.

They did not always (1) identify all schools and courses for which survey reports were required, (2) adhere to prescribed timeframes for processing reports, and (3) verify the mathematical accuracy of data on the reports. Also, the validity of several schools' surveys and their reporting was questionable.

There was no clear definition of a VA subsidized student for purposes of computing the 85:15 ratio. Also, school officials were not certain whether it was their responsibility to make the ratio calculation and retain documentation to indicate their compliance with the rule.

VA had no acceptable standard for determining whether a course was avocational or recreational, and in fact, the survey form seemed to discourage veterans from indicating that a course they took was for personal enrichment, avocational or recreational reasons. Also, neither VA nor State agencies systematically reviewed school advertising.

During our review, we discussed our findings with VA officials and in some instances corrective action was taken. We are recommending additional actions in this report to provide further assurance that the four provisions of the act discussed above are effectively implemented.

As discussed with your office, formal comments were not obtained from VA. However, this report has been discussed with VA officials, and their comments have been included as appropriate.

Also, as discussed with your office, copies of the report are being sent to the Administrator of Veterans Affairs, other Congressional Committees, Members of Congress, and other interested parties.

Sincerely yours,

——— ———,
Acting Comptroller General
of the United States.

Enclosure.

RESULTS OF GAO REVIEW ON THE IMPLEMENTATION OF CERTAIN PROVISIONS OF THE VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974 (PUBLIC LAW 93–508)

BACKGROUND

In the past, it was indicated that vocational schools were (1) catering primarily to VA subsidized students, (2) using false and misleading advertising to coax students to enroll, and (3) providing low quality instruction. Because of these indications, Public Law 93–508, December 3, 1974, provided that the VA Administrator shall not approve the enrollment of a veteran in any vocational course (1) unless it is shown that at least one-half of the graduates of that course have been employed in a field related to their training, (2) in which more than 85 percent of the students are having any part of their tuition subsidized by the VA or the school, (3) which is avocational or recreational in nature, or (4) offered by an institution that utilizes deceptive or misleading advertising. VA is responsible for implementing the act.

To determine whether VA was complying with the above provisions of the act, we made a review at the VA central office, Washington, D.C., and at 7 VA regional offices, 8 State approving agencies, and 13 schools in Florida, Georgia, Illinois, Indiana, Maryland, Ohio, and Washington, D.C. Seven of the schools were correspondence schools, four were resident vocational schools, and two were flight schools.

The 13 schools selected for review offered a wide range of courses with vocational training in electronics, computer technology, accounting, truck driving, barbering, air conditioning/refrigeration, hotel/motel management, automobile repair, and aircraft operation. We selected one course for review at each of the 13 schools. In general, each course had a large veteran enrollment.

At these sites we interviewed officials and reviewed policies, regulations, procedures, reports and records. Also, we telephoned a sample of the graduates from each school we visited to verify the accuracy of information on the students as reported by the schools.

THE 50 PERCENT EMPLOYMENT RULE

Sections 203(1) and 207(1) of the act (amending respectively, sections 1673(a)(2) and 1723(a)(2) of title 38 U.S.C.) provided:

The Administrator shall not approve the enrollment of an eligible person in any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course "submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupationl category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty) . . ." (The 50 percent employment rule)

VA is responsible for implementing the 50 percent employment rule; however, to do so it sought the help of State approving agencies and subject schools. The schools were to survey the graduates of each course during a 2-year period to gather employment information. Usually the graduates were furnished a VA-developed questionnaire (see appendix I) to complete and return to the school. The schools were required to summarize the responses for each course and report them to the appropriate State agency. (See appendix II).

The State approving agencies were to review the survey results submitted by the schools, approve or disapprove the courses, and forward the information to the appropriate VA regional office. VA contracted with the State agencies (generally a unit of the State Office of Education or a separate State training agency under contract with VA) to inspect, approve, and supervise schools and courses for training of eligible persons under the education program authorized by 38 U.S.C. 1651 *et seq.* (G.I. Bill). The regional offices were instructed by the Administrator to suspend enrollments in all non-complying courses.

IMPLEMENTATION OF SURVEY BY REGIONAL OFFICES AND STATE AGENCIES

Requirements

Regions received survey instructions from the VA central office for distribution to State agencies and schools by June 2, 1975. The regions were to maintain contact with the State agencies during the survey and the reporting stages to help resolve questions or problems. When a survey report for any course was delinquent or showed that the 50-percent requirement was not met, further enrollment of VA trainees in that course was not to be allowed by VA until the State agency certified that the 50 percent employment rule had been met.

Regions were responsible for reviewing the State agency and school records on a spot check basis to assure compliance with survey instructions. The State agencies were also responsible for reviewing all survey reports for mathematical accuracy and compliance with prescribed procedures.

Schools and courses requiring a survey not identified

In five of the seven areas that we reviewed, regional offices and their State approving agencies did not coordinate with each other to identify all schools and courses subject to the 50 percent employment survey requirements. Without this information they had no assurance that the affected schools conducted the survey for each of their courses.

As an example, one State agency was unable to identify all courses for which surveys were delinquent because it did not have a complete list of courses subject to the surveys. In processing surveys, the State agency used a directory of schools to acount for survey reports received. When one or more reports were received from a school, State agency officials placed a check mark beside the school's name in the directory. The school names reported to the regional offices in December 1975 as having delinquent surveys were those believed to be subject to the 50 percent rule and not having a check mark recorded in the directory. This processing method was not a reliable check on schools with more than one course subject to a survey. In that case, if there was a check mark beside the school's name in the directory, that school was considered to be in compliance even if it had not submitted all of its required surveys.

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[1] Follow-up Work on Veterans Taking Correspondence Training (B–114859, June 5, 1974).

The regional office could not rely on the State's report since courses for which surveys were delinquent were not identified, and the region could not develop better data itself because it also did not have a complete listing of the courses.

Two regional offices' lists of schools and courses subject to the 50 percent employment rule did not agree with those of State agencies. For example, one regional office claimed to have 40 schools and 194 courses in its jurisdiction while the respective State agency claimed to have 36 schools and 180 courses.

In another case, a regional office provided us with a list of 426 schools subject to the 50 percent placement requirement. The State agency list had the names of 353 schools. Our review showed that there were schools on the region's list which were not on the State agency's list and vice versa. Another regional office could identify the schools and courses for vocational/technical, flight and correspondence institutions, however, it could not identify courses at institutions of higher learning that were subject to the requirement.

We also found that two VA regional offices sent employment survey instructions to all schools in their jurisdiction without regard to whether the schools were subject to the requirement.

When we discussed the problems cited above with VA central office officials, we suggested that the VA revise the survey instructions to require regional offices and State agencies to jointly identify schools and courses subject to the requirement. The officials agreed that such coordination was needed and revised the survey instructions accordingly.

Processing dates not adhered to

VA required that schools that were subject to the 50 percent rule survey their graduates and report the results to the appropriate State agency by July 1, 1975. However, if this was not possible, the schools could request an extension from the State agency to November 1, 1975. When a request for an extension or survey results was not received by July 1, 1975, the State agency was to notify the VA regional office and new enrollments were to be suspended for the courses involved. State agencies and the VA were to take similar action if survey reports were not received by November 1, 1975. VA gave State agencies until December 1, 1975, to review the survey results submitted by the schools, approve or disapprove the courses, and forward the information to the regional offices. The regional offices were to take immediate action to suspend enrollments for courses which did not meet the criteria.

In four regions the processing dates were not adhered to. A blanket extension to November 1, 1975, was granted to all schools, State agencies did not forward the surveys to the VA by December 1, 1975, or the regional offices did not take immediate action when data was received to suspend enrollment in courses which did not meet the criteria.

In one region the State agency gave a blanket extension to all schools whether they requested it or not. Furthermore, it did not notify the regional office of the surveys that were delinquent until early December 1975. The extent is unclear to which the regional office contributed to or concurred with the blanket extension and with omitting the reporting of delinquent surveys at November 1, 1975. A State agency official told us that regional office officials actually suggested the blanket extension and were in agreement that the State agency did not have to report any overdue surveys until December 1, 1975, after their processing was completed. However, the official was unable to furnish documentation to this effect. VA regional office officials stated that they had been unable to prevent the State agency's actions because they had no real supervisory authority over the State agency. VA regional office officials told us that they were not informed until November that the backlog of work at the State agency had prevented any reporting until December 1975.

VA officials in another region told us that they were not notified of those schools which had neither submitted an employment survey by July 1, 1975, nor requested an extension to November 1, 1975, According to these officials, the regional office conducted a telephone survey of the schools in their jurisdiction in late July 1975, because (1) so few schools responded by July 1, 1975, (2) the State agency had a heavy workload, and (3) attendance was poor at the State agency's workshops where school responsibilities were discussed. The purpose of the telephone survey was to remind the schools of their responsibilities under Public Law 93–508 and to ask them if they wanted an extension to November 1, 1975, to submit their employment survey. The regional officials said that the telephone survey resulted in their granting the blanket extension to all schools in their jurisdiction.

A third regional office, with the concurrence of the VA central office, granted an extension to all schools until November 1, 1975. The extension was granted because the State agency did not inform the region of those schools which failed to submit survey results or request an extension by July 1, 1975. The State agency did not report any surveys as delinquent because it assumed that all of the schools would request the extension. In addition, the State agency representative for vocational course accreditation retired July 1, 1975, and was not replaced until August 30, 1975.

At a fourth region, the State agency reported to the VA the schools that did not submit the survey results or request an extension by July 1, 1975. However, the State agency did not submit information on the remaining schools until January 14, 1976, because it was verifying all survey forms submitted by the schools. In addition, the regional office did not take action to suspend enrollments in any courses based on the information received on January 14, 1976, because the VA did not have a complete list of affected courses (as discussed on page 3). Instead, the regional office requested the State agency to provide a list of courses not meeting the 50 percent placement requirement. This list was received by the regional office on February 18, 1976.

Inadequate review of survey reports by State agencies

At each region visited we reviewed a sample of the survey reports submitted by the State agency for mathematical accuracy and compliance with survey instructions. At three regional offices we found few or no errors. However, at four regions we found numerous errors ranging from 20.8 percent to 45.7 percent. The number and type of errors indicated that no more than a marginal review of the reports was made by the State agencies prior to their submission to the regional offices.

For example, at one region we randomly selected 175 of the 1,229 survey reports and noted errors in 80 or 45.7 percent of these as follows:

6 reports contained only mathematical errors.

40 reports did not include graduates over a 2-year period as required. In 27 reports the survey period was omitted completely; in 9 reports the survey period exceeded 2 years; and in 4 reports the survey period was less than 2 years.

6 reports contained only procedural errors by the State agency. In 5 cases it failed to approve or disapprove the course. In the other case, the State agency disapproved the course when it should have been approved.

28 reports contained a combination of the errors described above.

We discussed with officials of State agencies the problems that they had in accomplishing their review of survey results. One official said he was not aware of the high error rates. He said he tried to check for mathematical accuracy and compliance with required survey procedures, but the processing of the employment surveys was an additional burden for which the agency was not authorized additional staff. He said that his staff was not familiar with compliance work and had to learn as they went.

Officials of other State agencies summarized the problems they had as follows:

Not enough time. The July 1, 1975, deadline was unrealistic since the survey instructions were not distributed to the schools until June 1975.

Not enough staff to administer the program and conduct an in-depth review of survey results. One agency had to hire additional clerical help.

IMPLEMENTATION OF SURVEY AT SELECTED SCHOOLS

Requirements

Schools were required to survey the graduates of each vocational course which was currently approved or for which approval was being sought under the provisions of the G.I. Bill. For each course, they were to identify those persons who had completed or had discontinued training during a designated 2-year period. From these, the schools were to eliminate those persons who discontinued or completed their training while in the armed forces. The remaining graduates were to be in the survey unless the course had in excess of 300 graduates. If there were in excess of 300 graduates, a school had the option to select a random sample of 300. Schools were required to send out VA questionnaires to graduates unless the school could verify that it already maintained employment experience data on at least 75 percent of these people. The school used either the questionnaire responses or their own records to complete the survey reports for each applicable course.

Problems experienced by schools with survey instructions

At each of the 13 schools we made a detailed review of their compliance with the survey procedures. Each of the courses reviewed had been certified by a State agency as having met the 50 percent rule. Our review showed that survey results were questionable because several of these schools used invalid survey procedures.

Two schools did not survey all the appropriate people. For example, one school surveyed 51 people, and our review showed that 85 persons should have been surveyed. Another school surveyed 18 when 27 should have been surveyed.

One school used an incorrect basis for determining the survey population. It used the date students finished paying for their courses as the graduation date. As a result, some people who completed their courses as early as 1970, but who did not make their final payment until the survey period, were included in the survey. Conversely, some people who completed their courses and passed their final exam during the survey period were not surveyed because they had not fully paid for their courses during the period.

We also noted that schools classified questionnaire responses inconsistently. Some accepted student responses as presented, while others reclassified them. Some schools believed that the graduate was in the best position to judge whether his or her work was directly or closely related to training received, so they accepted the graduate's judgment without regard to conflicting information that might be on the questionnaire.

The educational director at another school informed us that he had personally reviewed and interpreted every graduate response received in the survey and had classified them based on his judgment of the overall theme of the responses. The director said that although there were no VA instructions on the interpretation of responses, he believed that he had to reclassify some of them because many of the respondents' classifications did not seem reasonable.

We discussed the problems cited above with VA central office officials and suggested that the VA improve guidelines for classifying graduates and interpreting questionnaire responses. VA officials agreed and revised the instructions accordingly.

Conclusions

The 50 percent employment rule has not been properly implemented. Therefore, VA has not had information needed to determine whether vocational training courses have been of sufficient quality to warrant approval for veteran enrollment.

RECOMMENDATIONS TO THE VA ADMINISTRATOR

To help insure proper implementation of the 50 percent employment rule, we recommend that the Administrator urge the VA regional offices and State agencies to perform their assigned functions in processing school employment surveys including:

Processing the forms in a timely manner and

Reviewing the forms to detect errors and omissions in the surveys.

THE 85 PERCENT ENROLLMENT RULE

Section 203(3) of the act provides:

"The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 percentum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration . . ." (The 85 percent enrollment rule).

To implement the 85 percent enrollment rule VA required the affected schools to certify, when each new veteran enrolled, that the veteran/non-veteran ratio for that course was not in excess of 85:15. In addition, VA compliance surveys by regional offices determine whether the 85:15 ratio was being exceeded. State agencies have no responsibilities for implementing this rule.

CONFUSION OVER THE DEFINITION OF A VA SUBSIDIZED STUDENT

None of the 13 courses we reviewed appeared to be in violation of the 85 percent enrollment rule. However, three schools had used what appeared to be questionable criteria in determining VA subsidized students for calculating the 85:15 percent ratio.

For example, one correspondence school defined a VA subsidized student as one for whom lessons had been certified to VA for payment. Veterans who were newly enrolled and had not yet had lessons certified to VA would be counted as non-subsidized under the school's definition. School officials told us that a lag of up to 4 months could occur before a newly enrolled veteran would have lessons certified to VA and be counted as a VA subsidized student. The school's definition of a VA subsidized student was based on its interpretation of the description of such students in Public Law 93-508 as "having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration . . ." School officials believed that until the school had certified one or more lessons to VA for payment, the student had not actually had anything "paid" by the VA, and there was no assurance that he ever would.

Another correspondence school classified students as VA subsidized only during the period that they received VA benefits. Students with only enough VA eligibility to cover part of their tuition were counted as being VA subsidized only as long as they received VA benefits. When such benefits were exhausted, they were counted as non-VA subsidized for computing the 85:15 ratio. The school also considered students who have completed a course and received VA benefits for the full tuition as currently enrolled non-veterans if they had not yet paid all of their tuition to the school.

For flight schools, VA requires a daily flight record be maintained, which clearly shows the number of hours of flight instruction or the charges for the instruction given to VA and non-VA students. A flight school cannot enroll a veteran if the total hours of veteran instruction or charges in approved courses during the 30-day period immediately preceding the date the veteran enrolls exceeded 85 percent of the total hours or charges for all students for that course.

At one flight school the hours flown were recorded on the log either as part VA subsidized and part non-VA subsidized, depending upon how the students indicated they planned to pay—whether they would certify the hours to VA for payment or pay for the flight instruction on their own.

We discussed the above situations with VA central office officials, and as a result, VA's office of general counsel is presently working on a definition of a VA subsidized student to be used in calculating the 85:15 ratio.

NEED TO CLARIFY SCHOOLS' RESPONSIBILITIES REGARDING CALCULATIONS OF RATIO

Four schools had not, each time new veterans were enrolled, calculated their course enrollment to assure compliance with the 85 percent enrollment rule. Officials of all four schools told us that they were aware that they were certifying compliance with the rule without making the calculation, nonetheless, they were sure their courses met the requirement and did not consider it necessary to calculate and document the ratio. VA officials told us that there is no current requirement for schools to document the ratio calculation.

CONCLUSIONS

VA has not properly implemented the 85 percent enrollment rule because it has not fully defined (1) a VA subsidized student or (2) a school's responsibilities in calculating the 85:15 ratio and retaining documentation to support its compliance with that rule.

RECOMMENDATIONS TO THE VA ADMINISTRATOR

To help insure adequate implementation of the 85 percent enrollment rule, we recommend that the Administrator define:

a VA subsidized student for purposes of calculating the ratio of veterans to non-veterans.

a school's responsibility for making the ratio calculations and documenting their compliance with the rule.

COURSE CHARACTER AND ADVERTISING PROVISIONS

Sections 203(2) and 207(2) of the act amended 38 U.S.C. sections 1673 (a) (3) and 1723 (a) (3) to provide that the Administrator shall not approve the enrollment of an eligible person in any type of course which the Administrator determines to be avocational or recreational in nature or the advertising for which he believes contains significant avocational or recreational themes. This type of course will be approved only if the eligible person submits justification that the course will be of bona-fide use in the pursuit of his present or contemplated business or occupation. (The course character provision.)

In addition Section 212 (a) of the act provides:

"The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation." (The advertising provision.)

IMPLEMENTATION OF THE COURSE CHARACTER AND ADVERTISING PROVISIONS

Requirements

On the survey form (see appendix I) graduates indicating they were unavailable for employment were asked why. One of the possible answers was "I took the course for personal enrichment, avocational, or recreational purposes only (not under the G.I. Bill)." According to survey instructions, if VA feels that a significant number of respondents gave this answer, VA was to contact the school, and the school was to prove that the course was not avocational or recreational.

To implement the advertising provisions VA entered into a formal agreement with the Federal Trade Commission (FTC). Under certain circumstances VA was to refer advertising material to the FTC which was considered erroneous, deceptive, or misleading. The FTC was to conduct an investigation, when necessary, and decide whether the advertising, sales, and enrollment practices in question were actually erroneous, deceptive, or misleading.

VA'S DETERMINATION OF WHETHER A COURSE IS AVOCATIONAL OR RECREATIONAL

We reviewed the employment survey forms for each of the 13 courses and noted that in one course, 177 of the 364 questionnaire respondents stated they took the course for personal enrichment, avocational, or recreational reasons. As of September 1976, 8 months after the survey report was received, the regional office had taken no action to require the school to prove the course was not avocational or recreational. When we telephoned a sample of graduates from the course to verify their responses, we found an additional 19 graduates from a sample of 44 who had initially responded in another questionnaire category, who took the course for personal enrichment, avocational, or recreational reasons. Thus, over half of the graduates took the course for such reasons.

In our opinion, the phrase, "not under the G.I. Bill" cautions recipients of G.I. Bill benefits to choose one of the other responses on the questionnaire. This in turn will understate the personal enrichment, avocational or recreational response and overstate other responses.

We discussed our observations with VA central office officials who said that the VA had no established standard for determining whether a course is avocational or recreational. We suggested that it establish a standard. VA revised its instructions so that if 50 percent of the persons surveyed indicate on the questionnaire that they took the course for avocational or recreational purposes, the school would be required to prove that the course was not avocational or recreational in nature. We did not agree with this revision and believe that VA should consider the number of questionnaire respondents rather than the number of persons surveyed. VA officials agreed to reconsider their criterion for judging when a course should be considered avocational or recreational.

We also discussed with VA our opinion that the phrase "Not under the G.I. Bill" encourages veterans to respond in a category other than "Personal Enrichment, Avocational, or Recreational." In accordance with our suggestion, VA revised the form to omit the parenthetical expression.

AVOCATIONAL AND RECREATIONAL THEMES IN ADVERTISING

At each of the 13 schools visited, we verified, the accuracy of advertising claims regarding:

The size or experience of the school,

The school's affiliation with well-known companies or training programs,

The availability of expert instructors, guest lecturers, or teaching aids,

Availability of school placement services,

Employment opportunities or expected earnings, and

Success of former students in finding related employment.

We also reviewed all advertising material for avocational or recreational themes. Of the 13 courses, we noted only one that had avocational and recreational themes in some of its advertising.

This advertising had the following phrases—

"why pay repair bills, when you can learn to fix your own car at home, in your spare time" and "30 lesson tune-up course is a basic repair course that will save you a lot on your car upkeep."

We discussed with the school and VA central office officials the advertisements containing avocational and recreational themes, and the school officials agreed to change the advertisements. VA officials said they were aware of the particular school and course advertisements and were taking steps to have them corrected.

NEED FOR SYSTEMATIC REVIEW OF SCHOOL ADVERTISING

Regional and State agency officials said they would object to misleading claims or significant avocational or recreational themes which they identified while reviewing advertising. However, neither regional nor State agency officials had a continuing program to collect and review schools' advertising. They said that, in general, action was taken when the regional office or the State agency received complaints from students about advertising or they otherwise became aware of questionable advertising matter.

VA central office officials recognized that this was a problem, but they told us that they had no plans to correct it.

CONCLUSIONS

We believe that VA has not adequately implemented the course character and advertising provisions. This belief is supported by the following:

VA had no standard to determine what percentage of responses indicated that a course was avocational or recreational. As a result of our review, survey instructions were revised to indicate that the nature of a course was personal enrichment, avocational, or recreational when 50 percent or more of the persons to be surveyed indicated that they took the course for one of those reasons. We do not agree with this revision. It would be more meaningful to base a percentage on the number of persons responding to the questionnaire. Also, we believe that 50 percent may be too high a standard.

VA did not have a system to collect, review, and analyze advertising material, so it could not adequately identify which advertising should be referred to the FTC.

RECOMMENDATIONS TO THE VA ADMINISTRATOR

To help insure adequate implementation of the course character and advertising provisions of the act, we recommend that the Administrator:

Determine whether (1) a course is avocational or recreational on the basis of the number of questionnaire respondents rather than on the number of persons surveyed and (2) a lower percentage for the standard is more reasonable.

Establish procedures to systematically collect, review, and analyze advertising material to facilitate monitoring of school advertising.

Mr. HARTKE. Mr. President, a number of staff people have worked long hours to help fashion the bill which is before you today. While it is not possible to name them all, I particularly want to mention the work of committee staff members Guy H. McMichael III, Jack Wickes, Harold Carter, Cindy Prather, and Janese Kennedy. Tyler Craig, Gary Crawford and Jim Medina of the minority staff were also invaluable in helping the Committee arrive at its consensus. As usual, Hugh Evans, Senior Counsel, Legislative Counsel's Office, brought his expertise to bear on this bill, and prevented us from a number of errors which we might otherwise have made. Veterans' Administration staff members were of great assistance to the Committee. In particular I want to point the outstanding technical assistance rendered by Robert Dysland, Andrew Thornton, June Schaeffer and Myron Wolowitz. The General Accounting Office prepared a number of reports which were of assistance to the Committee, and in particular, I want to cite the work of Harry Johnson. Bill Robinson and Ilona Rashkow of the Congressional Research Service, were also of great assistance to the Committee in its development of chapter 32, and in supplying background research material.

Mr. GARY HART. Mr. President, I am proposing amendment No. 2318 to S. 969 to amend title 38, United States Code, sections 211(a) and 3404(c) to provide for the judicial review of administrative actions of the Veterans' Administration and to allow veterans full access to legal counsel in proceedings before the Veterans' Administration.

The Veterans' Administration differs from other Federal agencies in that its regulations and most of the resulting adjudicated decisions on individual cases are not subject to the scrutiny of the Federal courts. Under title 38, United States Code, section 211(a) the Veterans' Administration is insulated from judicial review, thus denying veterans and their dependents or survivors access to due process of law on decisions of benefit eligibility.

Adjudication of VA benefits falls mainly within two areas: disability eligibilities and pension eligibilities. In each instance, a local three-member rating board, made up of VA employees, determines the veteran's eligibility and level of disability payment. The only recourse for a veteran desiring to challenge this determination is an appeal to the Board of Veterans' Appeals, also composed of VA employees in Washington, D.C. The decision of the Board is final and unless new and material evidence is presented, the case is closed. At no point in the process are there provisions for review of VA regulations and adjudicative decisions by persons outside the agency.

Most Federal agencies are subject to the Administrative Procedure Act (title 5 U.S.C.) which allows judicial review of final administrative actions. Under section 701 of that act, "a person suffering a legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute" can seek judicial recourse. The court can determine whether the agency observed the statutory requirements and adhered to constitutional requirements in its application of administrative procedures.

For example, the Social Security Administration, which uses procedures similar to the Veterans' Administration's in establishing disability claims, is covered by the Administrative Procedure Act, and thus its decisions are ultimately subjected to the scrutiny of the Federal courts.

Although veterans may be represented by attorneys in proceedings before the Veterans' Administration, section 3404 (c) of title 38 limits attorneys' fees to $10. The fee limitation, which was implemented more than a century ago in the best interest of the veteran, now imposes a severe burden on veterans seeking just treatment. Less than 2 percent of the claimants appealing to the Board of Veterans' Appeals are represented by legal counsel. Currently, veterans can obtain assistance without charge in the presentation of their claims before the Veterans' Administration from national veterans service organization representatives and VA counselors. In most cases, the assistance provided by these counselors is of sufficient quality and provides the VA Rating Board with sufficient evidence to render a fair and equitable decision on the claim. However, if a veteran desires the representation of an attorney in these proceedings, the prohibitive fee restriction of $10 places severe restraints on this right.

I believe this de facto prohibition of legal representation may be a denial of the veteran's right to due process as provided by the fifth amendment. Veterans who desire outside legal representation in VA proceedings should be able to exercise that right. In this regard, too, the Social Security Administration offers a far better system. Although it was also once bound to the $10 fee limitation, that agency long ago instituted a sensible formula to determine reasonable attorney's fees on a case-by-case basis. Legal representation more than doubled as a result. It is time for the VA to follow suit.

Mr. President, opponents of this proposal argue that opening the VA to judicial review would flood the Federal courts with cases. That claim, however, is baseless.

The Veterans' Administration does process tens of thousands of benefit claims annually, but a review of the statistics shows that the Board of Veterans' Appeals, the final reviewing body for disputed claims, handled only 43,000 cases, or a fraction of the original number, in fiscal year 1975. Of these, 26,000 were reversed or remanded to the local rating boards for their reconsideration. This left approximately 17,000 cases which could have been brought before Federal courts for review. This number would likely be even smaller because of the financial burden of litigation and the refinement of the internal claims adjudication procedures of the VA. It must also be pointed out that the veteran must exhaust all internal administrative remedies and follow the procedures set forth in the Administrative Procedures Act before a case can be brought before the Federal judiciary.

The real issue, however, is clear. Do we deny the American veteran access to judicial review because Congress feels justice is too expensive or would increase the work load of our judicial system? I think not.

Some opponents to the concept of judicial review of VA decisions also say that such issues as disability compensation and benefit eligibility are too technical for the courts to review. But that argument ignores the fact that most other agencies such as the Social Security Administration with its complex and technical regulations, are subject to independent review by the courts of their adjudicative procedures. Furthermore, the Federal court, under the guidelines of the Administrative Procedures Act, would only entertain appeals for the review of a final VA action if it is alleged that the final action: First, is arbitrary and capricious; second, is an abuse of discretion; third, is an excess of statutory jurisdiction; fourth, failed to observe the procedure as required by law; or fifth, was otherwise unlawful.

Still another argument against judicial review is that it would destroy the uniformity of VA decisions. It is my belief that an independent review of VA regulations, under the provisions of the Administrative Procedures Act (Title 5 U.S.C., sections 556 and 557), and review of individual VA adjudicated decisions will only improve the uniformity of the decisionmaking process.

My research has exposed a marked disparity between VA regional offices in decisions handed down in veterans' cases. For example, the Denver Regional Office has indicated that in the adjudication of other-than-honorable discharge cases in 1975, only 10 percent were ruled eligible for benefits while the Minnesota VA Regional Office ruled that 25 percent of those veterans with other-than-honorable discharges were eligible for VA benefits.

This evidence appears to indicate a current lack of uniformity of VA decisions within the system. If judicial review were granted, more uniformity of the VA procedures—not less—would be the result, and this would strengthen the adjudicative process.

Although the VA now publishes its proposed rules and regulations, which ultimately govern its administrative and adjudicative procedures, it is not required to do so under Federal statute. Once these regulations become final, they are not subject to the scrutiny of the Federal judiciary. Therefore, the Veterans' Administration not only writes its own rules and regulations, but they are immune from the public and judicial review that most other Federal agencies are subject to under law. Once the VA renders a final decision on the case, that decision is final. To the veteran, this means that not only are the administrative decisions which determine his benefit eligibility exempt from court review, but so are the regulations and procedures which shape those decisions. There is no avenue for appeal outside the agency.

Mr. President, I believe a fundamental issue before Congress today is the accountability of Federal agencies. To deny a citizen access to an attorney, and also to isolate a Federal agency from the scrutiny of the Federal courts goes against the very principles of our constitutional system.

We must protect our citizens from the potential of arbitrary and capricious agency action.

Mr. HARTKE. Mr. President, my distinguished colleague from Colorado (Mr. HART) has incisively analyzed the questions of statutory preclusion of judicial review of Veterans' Administration determinations and the statutory limitation of $10 on attorneys' fees. As a Senator, and, parenthetically as a lawyer, I, too, am concerned that determinations of eligibility for veterans benefits are made in a manner consonant with our notions of due process. As you know, any constitutional question concerning veterans benefits, including denial of due process, is subject to judicial review in our Federal court system. Veteran benefit questions, which are not of a constitutional nature, are not subject to such review, however.

The questions raised by the hard working Senator from Colorado are important ones. Thus, I want to thank him for bringing these views to the floor and for once again displaying his active concern for all veterans. Unfortunately, the committee has not had the opportunity to examine these complex issues with the requisite care demanded.

The issues raised are not simple. For example, we do not know what impact the Senator's amendment would have on the workload of the Federal court system. Last year, the Board of Veterans' Appeals decided over 43,000 cases. Efforts to resolve the questions raised by my distinguished colleague would be appreciably enhanced were the committee given an opportunity to consider the implications and ramifications of this or alternative proposals during the next session.

It would be my intention that included as part of that examination would be full-scale hearings during which all interested parties would be afforded an opportunity to testify. These would include representatives of the Veterans' Administration, the Justice Department, bar association, national veteran organizations, as well as interested citizens. It would both be appropriate and necessary to offer these groups and individuals the opportunity to express their respective opinions as to whether and to what extent there should be judicial review and limitations on attorneys' fees. Because the committee has not had an opportunity to explore these issues in depth and because the House committee could also be expected to object to such a provision without hearings, I wonder if the Senator would withhold his amendments upon the assurance that full-scale hearings will be held in the next session of Congress on the issues which have been raised.

Mr. GARY HART. Mr. President, I know that it is important to offer interested parties the opportunity to express their views on the qeustions. As I have previously stated, these are important and far-reahcing questions—potentially millions of veterans would be affected by whatever determination Congress makes. Thus, with the assurance from the chairman that the committee will hold comprehensive hearings concerning these issues next session, I will withhold my amendment.

Mr. HARTKE. Mr. President, I appreciate the junior Senator from Colorado withholding his amendments. As a starting point in the examination of the issues raised by Senator HART, I ask unanimous consent that the following law review article be printed in the RECORD.

There being no objection, the article was ordered printed as follows:

PRECLUSION OF JUDICIAL REVIEW IN THE PROCESSING OF CLAIMS FOR VETERANS' BENEFITS: A PRELIMINARY ANALYSIS

(By Robert L. Rabin[*])

Power tends to corrupt, and absolute power corrupts absolutely. Lord Acton's aphorism has more than stood the test of time. Read in the context of administrative action, his admonition underlies the popular tendency to consider access to court a fundamental aspect of due process of law. In a much-cited case, *Abbott Laboratories v. Gardner*, the Supreme Court spoke in terms of a "basic presumption of judicial review of administrative action."[1] Although rarely a point of contention, that pronouncement has been enthusiastically reaffirmed in later decisions.[2] Indeed, wholly apart from the judiciary, a broad consensus undoubtedly exists that access to court ought to be guaranteed to those complaining of arbitrary treatment by administrative officials. Using the federal statutes as a measuring stick, one would search long and hard for an explicit congressional exemption of administrative action from judicial review.[3]

A sufficiently diligent search, however, reveals one striking instance of unfettered administrative discretion. The Veterans Administration stands in splendid isolation as the single federal administrative agency whose major functions are explicitly insulated from judicial review.[4] And those functions are truly major, whether measured in dollar or caseload terms. In 1973, the agency expended $6.6 billion on almost 5 million active disability and pension cases, its two principal benefit-disbursing activities.[5] Moreover, the agency's activities are not limited to the rote performance of routine, nondiscretionary benefit determinations. In 1973, claimants filed over 50,000 appeals with the final arbiters in the administrative system.[6] Nor does the VA deal merely with a short-term spillover from our involvement in Vietnam. The rather startling fact is that even if we never engage in another war, the agency—if its present functions remain intact—will be engaged in the distribution of benefits a century from now[7]

Like other high-volume benefit-distribution systems, the Veterans Administration has largely avoided critical attention from reformers and academics.[8] The mainstream of interest in agency practices has focused primarily on the regulation of important commercial activities and the restriction of vital civil liberties. But in view of its significant impact on such a substantial number of individuals, the Veterans Administration is simply too important to be written off as an insignificant part of the administrative system.[9]

The case for examining the operations of the VA is especially compelling in light of the agency's insulation from judicial review. Unreviewable administrative discre-

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tion, as suggested at the outset, can serve as a corrupting influence. Moreover, the absence of a forum for review reinforces the low level of visibility afforded any federal agency administering a massive benefit-distribution system.

Our starting point is the preclusion statute itself, which provides that:

"[T]he decisions of the Administrator on any question of law or fact under any law administered by the Veterans Administration providing benefits for veterans and their dependents or survivors shall be final and conclusive and no other official or any court of the United States shall have power or jurisdiction to review any such decision by an action in the nature of mandamus or otherwise." [10]

This statute has proved to be a truly impressive barrier to judicial review, withstanding periodic forays in the judicial forum and the halls of Congress attempting to reduce it to rubble.[11] Indeed, the most recent congressional amendment to the VA statute sealed an opening deftly secured by the ingenuity of the Circuit Court of Appeals for the District of Columbia [12] and a 1974 Supreme Court opinion appears to provide additional fortification to the preclusion mandate.[13] Although the VA's isolation from judicial scrutiny may be anachronistic, it is hardly through political oversight.

The interesting question, of course, is whether explicit preclusion can be justified. The discussion that follows explores various aspects of that question, ranging from constitutional considerations to administrative practicalities. I would emphasize, however, that I view this Essay as exploratory in nature. While I state my conclusions on those issues that can be examined without exhaustive investigative data, my principle objective is to clarify the issues that require more detailed empirical work. At the same time I hope to achieve the broader goal of illustrating some of the tensions that exist between a high-volume benefit-distribution system and our political-cultural notions of due process. But, this Essay should be read as a preliminary rather than a comprehensive analysis of the VA's claims-processing system.

I. CONSTITUTIONAL DISCOURSE ON PRECLUSION

Despite its longevity,[14] the VA no-review provision was not construed by the Supreme Court until the 1973 Term. The case that finally brought section 211(a) before that Court, *Johnson* v. *Robison*,[15] involved a claim by a conscientious objector for educational benefits under the Veterans Readjustment Act of 1966. Because Robison had performed alternative civilian service, he was denied benefits on the grounds that he failed to meet the statutory requirement of service on "active duty." Attacking the constitutionality of the active-duty requirement, Robison argued that the statute denied his right to free exercise of religion and equal protection of the laws under the first and fifth amendments, respectively.

The VA countered by seeking dismissal under section 211(a) as well as contesting his substantive constitutional claims. While the Supreme Court denied Robison's claim on the merits, it did grant him the right to judicial review, despite the language of section 211 (a). The Court distinguished a constitutional attack on the statutory scheme from a contested individual benefit determination:

> [Section 211(a)] would appear to be aimed at review only of those decisions of law or fact that arise in the administration by the Veterans' Administration of a statute providing benefits for veterans. A decision of law or fact "under" a statute is made by the Administrator in the interpretation or application of a particular provision of the statute to a particular set of facts. Appellee's constitutional challenge is not to any such decision of the Administrator, but rather to a decision of Congress to create a statutory class entitled to benefits that does not include 1-0 conscientious objectors who performed alternate civilian service. Thus, as the District Court stated, "the questions of law presented in these proceedings arise under the Constitution, not under the statute whose validity is challenged." [16]

Unfortunately, this conceptual distinction between cases involving individualized application of the benefit provisions and those arising under the Constitution is considerably more troublesome than the Court was willing to recognize. Consider, for example, a disability claim by a veteran of wartime military service, which the VA contests on the grounds that the claimant's injury does not have the required service connection.[17] The veteran, on the other hand, argues that the agency denied his claim because of his post-discharge antiwar activities as a leader of Vietnam Veterans Against the War.

Obviously, the VA would contend that his claim "arises under" the statute, and is insulated from judicial review within the meaning of *Robison*. Presumably, the veteran would similarly cite *Robison* in support of his claim that the case "arises under" the Constitution—specifically, the first amendment guarantee of free speech. The fact that the target of the veteran's attack is not the exclusionary provision of a statute enacted by Congress serves as a dubious basis for distinguishing *Robison*. In the absence of other salient factors, why should an aggrieved party's access to a judicial forum turn on whether his first amendment protections have been abridged by a legislative classification rather than an administrative decision?

Indeed, framing the question in first amendment terms is unduly restrictive. Consider a typical case where no "protected activity" is involved. The veteran's constitutional claim is that the administrator's refusal to recognize his injury as service connected is an arbitrary act, constituting a denial of due process law. Again, one confronts the question whether a hierarchy of constitutional claims ought to be established—a hierarchy that, by denying the claimant access to the courts, would tolerate administrative arbitrariness based exclusively on individualized factfinding determinations.

Having indicated how *Robison* fails to suggest a satisfying basis for distinguishing between statuatory classifications and administrative benefit determinations, are we left with an unlimited access-to-court principle? First of all, asserting a constitutional compulsion to provide a judicial forum in benefit-distribution cases is not tantamount to proclaiming a generalized right to judicial review of administrative activity. Where administrative decisions are "committed to agency discretion" it may be that courts ought properly to leave administrative decisions unexamined.[18] But the search for analogues to the VA process does not lead in the direction of "political" decisions to close army bases or recognize foreign governments. Rather, the appropriate comparison is with other high-volume benefit-distribution syssystems such as AFDC and social security, where the right to judicial review has been largely unquestioned.[19]

Second, however, even when due process concerns are clearly raised by explicit preclusion, it is quite another matter to assert an unqualified right to judicial review. The possibility still exists that the case for preclusion can be salvaged by a strong showing of the unique costs of reviewability in this particular administrative system. And those costs must be assessed in the context of the distinctive risks of according finality to VA decisions if we are to make a meaningful determination of what process is due.[20] In the final analysis, I am suggesting that a full exploration of due process considerations requires an empirical analysis of the VA claims-processing system.[21]

In practical terms, however, the linedrawing effort in the *Robison* case indicates that the Supreme Court is unlikely to extend the access principle to veterans' benefit claims. Supporting evidence for this conclusion is offered by a Supreme Court decision in the previous Term. In *Ortwein v. Schwab*,[22] the Court by a 5–4 vote upheld Oregon's $25 appellate court filing fee in a case brought by a welfare recipient contesting the county agency's reduction of his old-age benefits. He argued that the filing fee denied him access in fact to judicial review. The Court disagreed, distinguishing the case from a contrary decision 2 years earlier involving divorce filing fees [23] on the grounds that no "fundamental interest" was at stake in *Ortwein*.[24]

Whether the majority would extend this reasoning to an absolute preclusion of review is uncertain, but the "fundamental interest" distinction is strongly reminiscent of the largely discredited rights-privileges dichotomy.[25] To heighten the uncertainty, the *Ortwein* majority went on to assert that the "Court has long recognized that, even in criminal cases, due process does not require a State to provide an appellate system." [26] The statement overlooks the fact that all the cases cited by the Court involved appeals from judicial decisions whereas Ortwein's basic argument was that he had been denied access to *any* court.[27]

The Court's hesitation to embrace a constitutional access principle must be read alongside an earlier view, Justice Brandeis' oft-repeated injunction in the *St. Joseph Stock Yards* case, that "the supremacy of law demands that there shall be opportunity to have some court decide whether an erroneous rule of law was applied; and whether the proceeding in which facts were adjudicated was conducted regularly." [28]

Perhaps the statement is inordinately broad, but in its simplicity it does state a common sense notion of elemental fairness. Indeed, it is the instrinsic appeal of the proposition that explains the lengths to which the Court has gone over the years to avoid explicitly holding that administrative bodies may be given final authority to determine important individual interests in liberty and property. On the other hand, an undoubtedly genuine concern for the ambiguities and complexities of the administrative system has restrained the Court from unreserved acceptance of the Brandeis principle.

Thus, the Court is unlikely to invalidate the VA statute by proclaiming an absolute due process right to judicial review. Indeed, if it holds to the dubious distinction enunciated in *Robison*, VA benefit claims may be insulated from judicial scrutiny in the foreseeable future. On the other hand, one may hope that the Court will decide to include the preclusion question within its prescription that particularized analysis of an administrative scheme is required to determine what process is due.[29] If so, an empirical analysis of the VA, focusing on the risks and benefits of administrative finality, seems essential. In fact, if such an analysis raises serious doubts about the wisdom of preclusion, it should be as relevant to Congress as to the Court.

II. PRECLUSION AND THE ADMINISTRATIVE PROCESS

A. The system on paper and the system in action: An overview

Disability and pension cases generate the bulk of the contested claims for benefits.[30] Since the major concern of this Essay is with the processing of contested claims, it will focus exclusively on those categories, particularly the more troublesome disability

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claims.[31] A veteran is eligible for compensation payments, even if only partially disabled, where he can establish a "disability resulting from personal injury suffered or disease contracted in line of duty . . . in the active military, naval, or air service. . . ."[32] Included within this category are preexisting injuries aggravated by activity while in the military service.[33] Moreover, the injury or disease need not be combat-related; it is sufficient for the injury to have occurred while serving in any capacity in wartime service.[34]

To qualify for compensation under the pension program, a veteran must establish total and permanent disability, as well as an income falling below a prescribed level.[35] While such disability is presumed at age 65, a younger veteran must actually establish the existence of his incapacity.[36] Similarly, dependents of a deceased veteran may qualify for coverage under the pension program if they meet the standard of economic need.[37]

The VA has a highly decentralized system for processing benefit claims.[38] Under both the disability and pension programs, eligibility determinations are made by local rating boards in the regional offices, applying statutory rating schedules that establish degrees of disability in 10-percent increments, ranging from 10 percent to 100 percent.[39] The rating boards are 3-member panels, consisting of a doctor and either two legal specialists or a legal and a vocational specialist. In determining the merits of a veteran's disability claim, the board generally must answer two questions: whether the claimed incapacity is based on a service-connected injury or disease, and what disability rating will be assigned to the incapacity.[40]

A unanimous decision by a rating board is final, and if no grounds for reconsideration exist, the veteran has a right of appeal to the Board of Veterans Appeals. A nonunanimous decision goes to the regional Chief Adjudication Officer. If he agrees with the majority, the decision, again, is final and appealable at the option of the claimant; but, if the officer sides with the dissent, the decision is automatically certified to the Board of Veterans Appeals.

The Board of Veterans Appeals, located at agency headquarters in Washington, D.C., also sits in 3-member panels. In deciding appeals from the rating boards, the B.V.A. panels have access to specialized assistance, when deemed necessary, from the Chief Medical Director of the VA, or from independent specialists at medical schools. Again, unanimous decisions of B.V.A. panels are final, but if a dissent is registered, the Chairman of the B.V.A. must review the case. If he sides with the majority, finality is achieved. Otherwise, he designates an additional panel to consider the case along with the original panel; the majority vote of the enlarged 6-member panel then decides the case, with the Chairman again voting in case of a deadlock.

The veteran is entitled to a hearing at both stages, before the rating board and before the B.V.A. In fact, the B.V.A. has traveling panels which hold hearings at many of the regional offices on an annual basis. Whether the veteran participates in a hearing or not, both the B.V.A. and the rating board are required to reopen the case if the veteran can establish that he has new evidence to present. And, if an appeal is taken, the rating board customarily reconsiders the record before certifying it to the B.V.A.

With this capsule view of the formal process in mind, some central characteristics of the system in action may be considered. The overwhelming majority of cases are decided without formal hearings. During 1973, for example, the B.V.A. disposed of 29,825 appeals while holding only 971 formal hearings.[41] More than two-thirds of these appeals were denied or dismissed.[42] While no official statistics are available, VA officials suggest that the vast majority of claims determined by local rating boards are similarly decided without a hearing.[43]

When requested, however, both the rating boards and the B.V.A. hold hearings. Nonadversarial in nature, with no advocate appearing in opposition to the claimant, the hearings basically are designed to let the exserviceman tell his story with the assistance of any witnesses he wishes to present. By regulation the administrators are intructed to grant the claim unless a reasonable doubt exists as to its validity.[44]

To make matters more concrete, let us take the case of a hypothetical claimant. Suppose a veteran of the Vietnam War, honorably discharged from active service in 1971, claims disability benefits on the basis of an ulcer initially diagnosed in 1974, but which he firmly believes originated during his period of military service. Accordingly, he fills out the appropriate forms and applies for disability benefits at his regional VA office. He encloses an examination report and supporting letter from his personal physician, suggesting somewhat equivocally that the ulcer may have originated during the period of military service.

By regulation, many chronic diseases, including peptic ulcers, are subject to a 1-year presumption; more specifically, the occurrence of a disease that is at least 10-percent disabling within a year of discharge from the military creates a rebuttable presumption that the ailment is service connected.[45] At the time the claim is filed, the rating board automatically sends for the claimant's armed services health record, which, let us assume, shows no evidence of treatment for a condition likely to result in an ulcer. He is also sent to a VA hospital for an examination, which similarly provides no positive evidence on the service-connection issue. Since the presumptive period has run, the board informs our hypothetical claimant that his claim is denied. If he has no additional evidence to offer, his next step is either to request a hearing or to trigger the appeals process by filing a Notice of Disagreement with the rating board.

By this time the claimant is almost certainly aware of the single most distinctive characteristic of the VA process: the availability of assistance from military service organizations. For many years, the major service organizations, including the American Legion, the Veterans of Foreign Wars, Amvets, and a number of other smaller veterans' associations have played an indispensable role in the administration of veterans' claims cases. By congressional charter, these service organizations provide free assistance, through their certified service representatives, to claimants seeking benefits from the VA. Indeed, only a certified service representative, or an attorney, may represent a veteran before the rating board and the B.V.A. And, since the fee an attorney can collect in a claims case is limited by statute to $10, lawyers have been effectively frozen out of the process.[46] Hence, the disability claimant either represents himself or seeks assistance from a service representative.

However, there are real limitations on the claimant's capacity to represent himself. Most importantly, perhaps, he is denied access to his personal file, including his military service health record. Frequently, crucial aspects of the case turn on the veteran's military service record, which includes a complete rundown on every reported health problem experienced by the claimant while in the service. Obviously, such a record is vastly more precise than the claimant's dim recollections based on inexpert personal assessment. By contrast, when authorized by the veteran, a service representative is granted full access to these records.

Apart from the problem of access to the records, most claimants are wholly inexperienced at assembling and interpreting medical evidence or arguing a case; the service representative, on the other hand, is a professional. Moreover, the claimant may find it inconvenient to appear before the rating board, and he will almost certainly encounter difficulties in appearing before the B.V.A., particularly if he cannot be placed on its limited local hearing docket. In contrast, the service organizations maintain their offices in VA headquarters and, consequently, are available on a routine basis for any required formal appearance in a case. Most critically, the claimant deals with a faceless bureaucracy; the service representative, on the other hand, is linked into an established network of informal contacts with the administrators.

Let us return now to our serviceman with the peptic ulcer. Probably, either through word-of-mouth or close reading of the application form for compensation, he was aware of the service organizations when he filed his claim. In any event, he is virtually certain to become cognizant of their role prior to a personal appearance—if from no other source, then from the VA officials with whom he deals. Clearly, compelling reasons exist for requesting assistance from a service representative: representation is highly professional, free of charge, and imposes no obligations. The chances are that our claimant will forego the opportunity of handling his own case.

The service representative's first step is to exhaust all administrative remedies at the local level. These are predominantly informal. An experienced service representative will personally review a case with the rating board pointing out why he thinks they are taking an unreasonably harsh view or suggesting why they ought to gather further information. Most cases are so resolved, through discussion rather than hearing.

If the case cannot be satisfactorily concluded, the representative will suggest that the claimant file a Notice of Disagreement, thereby triggering his appeal. The rating board will respond with a Statement of the Case, a largely conclusory statement of its reasons for denial. If the claimant remains unsatisfied, he files an appeal. The rating board then takes a last look at the case before certifying it to the B.V.A..

If the claimant is represented by a service organization with representatives at central VA headquarters, informal negotiations will resume in that forum. Indeed, even before a B.V.A. panel is assigned, the Washington service representative will receive the claimant's file. And, whether the service organization has a national office or not, it is given the opportunity to insert detailed comments in the file, in anticipation of B.V.A. consideration.

If the B.V.A. upholds the rating board, the appeals process is exhausted, and judicial review is unavailable. But perhaps the claimant has received a sufficient amount of attention; perhaps there is no need for further review. It is to that question that we now turn.

B. The troublesome aspects of preclusion

For better or worse, the VA benefit-distribution system represents a significant departure from the prevailing norms of procedural justice incorporated in the common law, adversary model. In most cases, the claimant is confronted with two alternatives, both of which breach the due process model. On the one hand, he can represent himself in a decisionmaking process in which he has limited access to relevant information, insubstantial contact with the deciding officials, no discernible adverse party, and no opportunity for judicial review. Or, on the other hand, he can retain a service representative who has virtually unlimited access

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to data, and absolute freedom to initiate ex parte contacts with the decisionmakers.

Let us examine these two alternatives, with primary emphasis on the problem of precluding access to the courts. If a claimant decides to represent himself—a situation that occurs with surprising frequency [47]—one can easily imagine a scenario that makes the absence of judicial review problematic. Putting aside the classic function of review as a check on the possibility of arbitrary official behavior,[48] a real question exists whether the claimant can effectively present his case for decision within the limits of the present system. Lacking access to his army file, with no skills of advocacy, without a clear sense of the value of obtaining additional evidence nor of the interpretation to be given existing, highly specialized information, the claimant may be hopelessly inept at presenting his case. Small comfort derives from the VA's assurances that it sees its mission as providing aid and assistance to veterans.[49] For the agency' favorable disposition may be largely irrelevant if the claimant who represents himself must overcome serious handicaps to the effective presentation of his case.

Moreover, we need to know considerably more about the entire range of constraints on the decisionmakers. Rating board and B.V.A. decisions, for example, are subject to a sophisticated internal quality-control review that provides both individualized feedback to operating personnel and information used in the agency's promotion and demotion system.[50] Such constraints can have the effect of limiting the extent to which officials will liberally construe an inadequate paper record.

It may be objected that the developing line of argument proves too much—that the only effective judicial safeguard against administrative inability to assess fairly the case of an unrepresented claimant is de novo judicial review—and that such a remedy would create an intolerable burden on the federal court.[51] It is beyond the scope of this preliminary analysis to choose between limited and de novo review. Even assuming, however, that de novo review would create an intolerable burden on the judicial system,[52] limited appellate review for "arbitrariness" would arguably have a highly salutory effect, encouraging the agency to establish general procedures that would ensure the construction of a record capable of withstanding the threat of judicial review.

But what price judicial review? Would we be opening the door, as both the VA and the service organizations fear, to the requirement of trial-type procedures in contested cases? This conclusion seems unwarranted. One must keep in mind that the critical issues in VA disability cases—service connection and degree of disability—do not rest to any important extent on determinations of credibility. Disputed claims generally involve conflicting inferences in medical reports or inconclusive evidence on occupational capabilities. Thus, a strong argument can be made that "hearings," in the sense of oral testimony or demeanor evidence, should not be woodenly regarded as essential elements of fundamental fairness.

If experience shows that the VA decisionmakers can provide an intelligible rationale for their decisions on the basis of largely written evidence—typically, army medical records, subsequent medical history, and relevant lay testimony—then the courts are highly unlikely to judicialize the agency's procedures.[53] A court would be likely, however, to demand that an equally intelligible and persuasive basis for denial of benefits exist, whether the claimant was represented by a service organization or not.

Now, consider the other alternative: the claimant decides to put his case in the hands of a service representative. Would the compulsion to require judicial review still exist in this situation? Again, let us put the ever-present possibility of arbitrary official behavior aside; [54] not on grounds of irrelevance, but to search for reasons specific to the VA system for favoring judicial review. To ascertain those reasons, we must take a closer look at the role of the service organization.

As indicated earlier, the service organizations are uniquely bound up in the administrative system. By signing the requisite power of attorney, a client provides his service representative with access to the claimant's army health records and any relevant supporting documents in the file. The established norms, emphasizing interchange, cooperation and mutual support, make it possible for the representative to probe informally the predispositions of the administrators assigned to a particular case, and to attempt to persuade agency officials to see the claimant's case in the most favorable light.

Service representatives rather quickly develop expertise in interpreting technical medical records and predicting the behavior of specific administrative officials. They are trained by experienced colleagues and introduced into the fraternity at an early date, where daily encounters with agency officials are the inevitable byproduct of the office-sharing arrangement. In fact, VA officials tend to regard the service representatives as partners in administering the system.[55]

Arguably, of course, experience, informality, and mutual trust are indispensable attributes of a system designed to handle mass claims in an expeditious manner. Unforunately, it is just this atmosphere of mutual supportiveness that generates concern over the absence of judicial review. Experience with other decisionmaking systems teaches that where the "advocate" develops loyalty and a sense of obligation to the decisionmaker as well as to his client, role conflict is inevitable.[56] The best interests of the client do not necessarily jibe with the perceived interests of "the system."

While the VA appears to be a strongly client-oriented organization, the fact is that in 1973, the B.V.A. alone denied more than 20,000 benefit claims.[57] In other words, the VA is confronted with an impressive number of demands that it regards as unwarranted. And, judging from the reversal rate on appeal, a very substantial number of difficult cases occur that require careful scrutiny. In 1973 alone, rating board decisions were overturned by the B.V.A. in 4,143 cases and remanded for further consideration in an additional 4,928 situations.[58] In total, disagreement arose between the rating boards and the B.V.A. in almost one out of three cases disposed of on appeal during the year.[59]

The inevitable conclusion is that cases must arise fairly regularly in which the rating board and the service representative honestly disagree on the appropriate disposition. On a close question of the service-connected origin of a claim, does the veteran's interest sometimes take second place to the service representative's ongoing relationship with VA officials? After all, there will be other battles to fight in the future. Where the extent of disability is at issue, are disagreements compromised by splitting the difference in rating disputes? Where the service representative is satisfied with the proposed resolution of the dispute, how vigorous are his efforts to persuade his client that further contentiousness would be useless? And, do service representatives slacken their continuing efforts where claimants are regarded as overly persistent? These are questions that call for empirical answers, rather than mere speculation. But in the absence of a careful study, they raise unsettling issues about the absence of judicial review.[60]

Let me reiterate that I am not arguing for de novo review, nor am I suggesting the omniscience of attorneys or courts in ferreting out every instance of potential injustice. It is the deterrent effect of judicial review—its tendency to counter decisionmaking through private accommodation by encouraging a certain degree of arms-length formality—that is the salient characteristic here. The mere existence of a forum for review may indirectly benefit claimants who in fact never proceed beyond the agency, as well as those sufficiently aggrieved to consult a lawyer after exhausting all administrative remedies.

The existence of the preclusion statute cannot be explained solely by reference to logical arguments generated by its proponents. The VA and service organizations have strenuously resisted judicial review; but, one suspects, not entirely for disinterested reasons. Like the rest of us, the VA undoubtedly harbors an instinctive distaste for the idea of formal supervision. Most administrators, one might guess, would prefer not to have their decisions reviewed, if that option were available. One would suspect that self-interest plays a role in the service organizations' resistance to judicial review, as well. Access to the courts is most likely perceived as the lawyers' entering wedge into the system, to be followed by formalization of the administrative process at the expense of the service organizations.

But it would be a mistake to dismiss the preclusion position as merely a product of effective lobbying by groups narrowly pursuing their own self-interest. Its proponents have formulated serious arguments, albeit in conclusory form, that demand refutation by advocates of judicial review. I have already discussed one such argument: that judicial review would inevitably lead to time-consuming and expensive trial-type administrative adjudication.[61] The other major arguments focus on the undesirable consequences reviewability would impose on the judicial system itself.

First, the VA has argued that judicial review would seriously overburden the courts. The B.V.A. has disposed of approximately 30,000 cases per year over the last decade, a staggering caseload sufficient in the past to dampen congressional enthusiasm for judicial review. In fact, however, about 10,000 of those appeals are reversed or remanded during a typical year; hence, if we assume that judicial review would not increase the number of appeals to the B.V.A., the potential judicial caseload is reduced to 20,000 per year.[62]

While this decrease would not be likely to raise congressional enthusiasm to a high pitch, more refined analysis of the caseload may suggest a further reduction of the potential burden on the courts. It is possible, for example, that virtually all of these cases are appealed only because it is essentially costless to do so. If that is true, correspondingly frivolous judicial appeals would be far less likely to occur for economic reasons. A specialized bar does not exist, nor would the highly decentralized pattern of claims be likely to generate one. In general, disability cases would require attorneys who were able to understand and interpret highly technical medical chronologies. Furthermore, if review were to be de novo, judicial rules of evidence would require validation of complex medical records by expert witnesses. All of these factors add up to a high cost of litigation, with fees dependent upon the successful outcome of the case.[63] Hence, it is far from clear that frustrated litigants would overwhelm the courts.[64]

Nor is Congress helpless to determine how wide the floodgates are to be opened. As implied above, the choice between de novo review and limited appellate review would impose differential costs on litigants, and consequently influence the size of the appellate docket. In addition, it would be possible to circumscribe the caseload by limiting juris-

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Footnotes at end of article.

diction to specific issues—such as service connection in disability cases. In sum, once we have detailed data on the types of cases likely to be appealed, the floodgates can be controlled by careful system design.

A second argument made by the VA goes to the competence rather than the capacity of the courts. The suggestion is that since benefit controversies tend to involve highly technical issues, turning on conflicting medical interpretations of specific factual circumstances, judicial review would serve no useful purpose.

Here the VA position appears to misconceive the role of judicial review. An argument can be made that the generalist federal district court judge would be severely hampered as a factfinder by lack of expertise. But the argument merely sets up a straw man; those who advocate de novo review anticipate a specialized court of veterans appeals. If jurisdiction were to be vested in the federal district courts, it would be true *appellate* jurisdiction—limited in scope, presumably, to reviewing for arbitrariness on the record. And, it is not unusual to provide for appellate review of technical findings of fact; indeed, judicial review of administrative action characteristically requires judges to review findings of highly specialized bodies.

Finally, one should not be overwhelmed by the notion of expertise in disability and pension determinations. Essentially, the service-connection issue involves establishing an activity-injury nexus similar to that classically encountered in statutory no-fault injury compensation schemes, as well as in common law tort cases where it appears under the rubric "cause in fact." While B.V.A. opinions are punctuated by highly technical language, the issue is basically whether the disease (or injury) either arose out of or was exacerbated by military service. Presented with somewhat more detailed elaboration of the typical medical reports and supporting findings of fact, as well as a discussion of related past precedents, courts would not face insurmountable obstacles in determining whether a given decision was arbitrary.[63]

III. A TENTATIVE APPRAISAL

My bias in favor of judicial review is undoubtedly apparent. As a general proposition, the constraints and loyalties generated in a bureaucratic system create a potential problem of arbitrariness in the handling of individual cases. Moreover, bureaucratic specialization has its costs as well as its benefits; one who regularly decides hard cases of a certain kind can easily become case-hardened. Hence, my general presumption in favor of judicial review. In dealing specifically with the VA, I have focused on those aspects of its claims-processing system that seem to suggest distinctive reasons for concern about the preclusion of judicial review.

Safeguards, however, are costly, and judicial review is no exception. I have tried to indicate the inadequacies of the in terrorem arguments that either the VA or the courts would collapse if judicial review were allowed. But I have responded with a series of questions rather than a set of conclusions. On the existing information about the system, the case for access to court seems strong—sufficiently strong to cast a long shadow over the preclusion statute. The need for a detailed, systematic analysis of the VA claims-processing system is correspondingly apparent.

FOOTNOTES

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[1] 387 U.S. 136, 140 (1967).

[2] *See, e.g.*, Citizens to Preserve Overton Park v. Volpe, 401 U.S. 402, 410 (1971).

[3] *See* K. Davis, Administration Law ch. 28 (3d ed. 1972); text accompanying notes 18–19 *infra*.

[4] *See* 38 U.S.C. § 211(a) (1970).

[5] Administrator of Veterans Affairs, 1973 Veterans Administration Annual Report 63 (1974) [hereinafter cited as 1973 VA Annual Report].

[6] *See id.* at 177.

[7] At the end of 1973, there were still more than 500 widows and children of Civil War veterans receiving compensation payments from the VA. *See id.* at 65. More importantly, past experience indicates that claims for disability benefits peak a number of years after a war; for example, World War II disability benefit claims reached a high point in 1952. *See* Administrative Conference Staff Report, VA Disability Procedures 5 (1972) [hereinafter cited as VA Disability Procedures]. Hence, Vietnam War claims can be expected to increase steadily in the near future.

[8] One benefit-distribution system that has been extensively studied, however, is the Aid to Families with Dependent Children (AFDC) program of HEW. *See, e.g.*, J. Handler, The "Deserving Poor": A Study of Welfare Administration (1971); Rabin, *Implementation of the Cost-of-Living Adjustment for AFDC Recipients: A Case Study in Welfare Administration*, 118 U. Pa. L. Rev. 1143 (1970).

[9] This is particularly true as we move into an era where a wide variety of social insurance proposals will raise troublesome questions of administrative design. If we are to have the benefit of experience in developing new systems for processing injury and accident claims, we should be evaluating existing schemes such as the VA.

[10] 38 U.S.C. § 211(a) (1970).

[11] For a discussion of the history of the provision, *see* Davis, *Veterans' Benefits, Judicial Review, and the Constitutional Problems of Positive Government*, 39 Ind. L.J. 183 (1964); Note, *Judicial Review and the Governmental Recovery of Veterans' Benefits*, 118 U. Pa. L. Rev. 288 (1969). Extensive hearings on the judicial review issue can be found in *Hearings on Judicial Review of Veterans' Claims Before a Special Subcomm. of the House Comm. on Veterans Affairs*, 86th Cong., 2d Sess. (1960) & 87th Cong., 2d Sess. (1962).

[12] That court read the earlier statutory language precluding review of "a claim for benefits" as applying solely to *initial* claims. Hence, the court allowed review of termination cases. *See, e.g.*, Tracy v. Gleason, 379 F.2d 469 (D.C. Cir. 1967); Wellman v. Whittier, 259 F.2d 163 (D.C. Cir. 1958).

The present language, *see* text accompanying note 10 *supra*, precludes review of "any question of law or fact" instead of "a claim for benefits" under the VA statute. Thus, termination cases are included within the preclusion ambit. The amendment was adopted in 1970. *See* 38 U.S.C. § 211(a) (1970).

[13] Johnson v. Robison, 415 U.S. 361 (1974), discussed in text accompanying notes 15–16 *infra*.

[14] Congress initially provided a specific preclusion of judicial review in 1887 for pension cases arising under the Tucker Act. *See Hearings on Judicial Review of Veteran's Claims Before a Special Subcomm. of the House Comm. on Veteran's Affairs*, 86th Cong., 2d Sess., at 2595 (1960).

[15] 415 U.S. 361 (1974).

[16] *Id., citing & quoting* Robison v. Johnson, 352 F. Supp. 848, 853 (D. Mass. 1973).

[17] Disability benefits are payable only in cases where the veteran establishes that the injury or disease either arose out of or was exacerbated by military service. *See* 38 U.S.C. § 331 (1970).

[18] The Administrative Procedure Act § 10, 5 U.S.C. § 701(a) (1970) provides: "This chapter [on judicial review] applies . . . except to the extent that —(1) statutes preclude judicial review; or (2) agency action is committed to agency discretion by law." The "committed to agency discretion" provision is discussed at length in Saferstein, *Nonreviewability: A Functional Analysis of "Committed to Agency Discretion,"* 82 Harv. L. Rev. 367 (1968). It is outside this scope of this Essay.

[19] However, there has been no concrete opportunity to raise an analogous preclusion question with respect to other benefit-distribution schemes since judicial review has never been explicitly eliminated. For a details analysis of one such administrative system, *see* Dixon. *The Welfare State and Mass Justice: A Warning from the Social Security Disability Program*, 1972 Duke L.J. 681.

[20] There is strong judicial support for the "flexible" concept of due process. *See* Goldberg v. Kelly, 397 U.S. 254 (1970). Perhaps the leading recent case on procedural due process, *Goldberg* held that a trial-type administrative hearing was required prior to termination of AFDC benefits. But the Court clearly stated that its conclusions were based on a balancing of the costs of such a hearing against the benefits, *Id.* at 256. In fact, in Arnett v. Kennedy, 94 S. Ct. 1633 (1974), six of the Justices split evenly on how the *Goldberg* balancing test should apply to the dismissal of a federal employee who alleged inadequate procedural protections; as a consequence, the employee's dismissal without a trial-type hearing was upheld (the three remaining Justices regarded *Goldberg* as inapplicable and consequently considered the asserted due process concerns as unwarranted).

Of course, these and similar administrative hearings cases do not involve the access-to-court principle, which could be regarded as a more fundamental aspect of due process. But the virtually infinite diversity of administrative systems makes it highly unlikely that the Court would be so bold as to announce an absolute due process bar to preclusion of judicial review. Most critically, one must be cognizant of the fact that there is no magic to the terms "court" and "agency." From a due process perspective, an "agency" process could be established that afforded most of the procedural safeguards that we traditionally associate with a "court." In other words, at some point the internal administrative procedural safeguards may be sufficient, when measured against the additional costs of compelling judicial review, to satisfy due process requirements without access to court. Because we strongly identify the Rule of Law with access to court, I would expect the Court to entertain a very strong presumption, on due process grounds, in favor of access; nevertheless, I would not foreclose the possibility that the presumption could be rebutted.

In the few instances where Congress has enacted somewhat weaker versions of a preclusion statute, the Court has strained to avoid a direct confrontation on the question whether judicial review is constitutionally compelled. Thus, in Estep v. United States, 327 U.S. 114 (1946), the Court interpreted the language in the Selective Service and Training Act of 1940, making draft board determinations "final," to create only administrative finality. *See also* Shaughnessy v. Pedreno, 349 U.S. 48 (1955), affording similar treatment to the administrative finality provision in the Immigration and Nationality Act of 1952.

The most comprehensive examination of the constitutional right to judicial review is Hart, *The Power of Congress to Limit the Jurisdiction of Federal Courts: An Exercise in Dialectic*, 66 Harv. L. Rev. 1362 (1953), discussing the circumstances in which article III, § 1, as well as the due process clause, might be taken to compel judicial review.

[21] *See* note 20 *supra*. In the next Part, I attempt to identify with some precision the major questions that a comprehensive analysis of the VA would be obliged to consider.

[22] 410 U.S. 656 (1973).

[23] Boddie v. Connecticut, 401 U.S. 371 (1971).

[24] *Id.* at 659. The Supreme Court's reluctance to extend procedural due process beyond its existing limits in welfare-type cases is demonstrated in a series of recent decisions involving the right to a pretermination agency hearing. The Court has carefully avoided extending the procedural safeguards granted to AFDC recipients in Goldberg v. Kelly, 397 U.S. 254 (1970), to either Social Security disability recipients or unemployment compensation recipients. *See* Torres v. New York Dep't of Labor, 410 U.S. 971 (1973); Indiana Employment Security Div. v. Birney, 409 U.S. 540 (1973); Richardson v. Wright, 405 U.S. 208 (1972). *See generally* Meyerhoff & Mishkin, *Application of* Goldberg v. Kelly *Hearing Requirements to Termination of Social Security Benefits,* 26 Stan. L. Rev. 549 (1974).

[25] In essence, the Court is saying that welfare payments are a gratuity, since its holding is predicated upon the notion that the recipient takes the benefits subject to limiting conditions attached by the state which do not attach to more "fundamental" types of interests. That distinction would be especially embarrassing in the veterans' benefits context, since the VA has made a sustained effort to educate its various constituencies to regard veterans' benefits as an entitlement rather than a form of charity—a "right" earned by service to the nation in a critical calling. *See, e.g.,* G. Steiner, The State of Welfare 275 (1971).

For a discussion of the rights-privileges distinction and a systematic argument regarding the injustice it has fostered, *see* Reich, *The New Property,* 73 Yale L.J. 733 (1964).

[26] 410 U.S. at 660 (citations omitted).

[27] The dissents are quick to make this point. *See id.* at 662 (Douglas, J., dissenting); *id.* at 665 (Marshall, J., dissenting).

[28] St. Joseph Stock Yards Co. v. United States, 298 U.S. 38, 84 (1936) (concurring opinion).

[29] *See* note 20 *supra.*

[30] It is estimated that 80% of the cases appealed to the Board of Veterans Appeals fall into these two categories. *See* VA Disability Procedures, *supra* note 7, at 26. The VA also administers a variety of housing, educational, and insurance programs that provide assistance to veterans.

[31] Steiner estimates that about one-sixth of the appeals to the Board of Veterans Appeals involve pension claims. *See* G. Steiner, *supra* note 25, at 276. Another researcher has estimated that while 80–90% of the pension claims are granted, only 40% of the disability claims are honored. VA Disability Procedures, *supra* note 7, at 25.

[32] 38 U.S.C. § 331 (1970).

[33] *Id.* § 353.

[34] Disabilities incurred during peacetime service are also compensable, but at 80% of the amount that would be awarded for wartime service. *Id.* §§ 331, 334.

[35] *Id.* § 521.

[36] *Id.* § 502.

[37] *Id.* §§ 541–43.

[38] The following description of the system is based on information gathered in interviews conducted with VA administrative personnel, and on data gathered by the staff of the Administrative Conference of the United States. I would like to express my appreciation to the Conference for making available to me two internal staff reports prepared for the Conference, VA Disability Procedures, *supra* note 7, and Administrative Conference Staff Report; Judicial Review of Benefit Determinations in the Social Security and Veterans Administration (1970). The conclusions reached in this Essay are my own, and should not be attributed in any sense to the Administrative Conference of the United States.

[39] The rating schedules provide a highly detailed breakdown of injuries and diseases, based on experimental data collected by the VA. Disability ratings are scheduled on an objective scale, *e.g.,* "average impairment in earning capacity," rather than by individualized subjective standards. *See* 38 C.F.R. ch. 1, pt. 4 (1972). To provide some idea of the complexity of the schedule, consider the following ratings breakdown of bronchial diseases, reported at *id.* § 4.97: "*Bronchitis, chronic.* Severe; with dyspnea at rest or on slight exertion and considerable emphysema, 60. Moderately severe; persistent cough at intervals throughout the day, considerable expectoration, considerable dyspnea on exercise, rales throughout chest, beginning emphysema, 30. Moderate; considerable night or morning cough, slight dyspnea on exercise, scattered bilateral rales, 10. Mild; slight cough, no dyspnea, few rales, 0. *Bronchiectasis.* Pronounced; symptoms in aggravated form, marked emphysema, dyspnea at rest or on slight exertion, cyanosis, marked loss of weight or other evidence of severe impairment of general health, 100. Severe; with considerable emphysema, impairment in general health manifested by loss of weight, enemia, or occasional pulmonary hemorrhages; occasional exacerbations of a few days duration, with fever, etc., are to be expected; demonstrated by lipiodol injection and layer sputum test, 60. Moderate; persistent paroxysmal cough at intervals throughout the day, abundant purulent and fetid expectoration, slight, if any, emphysema or loss of weight, 30. Mild; paroxysmal cough, mostly night or morning purulent expectoration, 10. *Asthma, bronchial.* Pronounced; marked emphysema, attacks very frequent, dyspnea on slight exertion, between attacks, marked loss of weight or other evidence of severe impairment of general health, 100. Severe; moderate emphysema, frequent attacks (one or more weekly), marked dyspnea on exertion between attacks, impairment in general health manifested by malnutrition, etc., 60. Moderate; slight to moderate emphysema, attacks rather frequent (10–14 day intervals), moderate dyspnea on exertion between attacks, 30. Mild; without emphysema, and occurring at widely separate intervals, 10. *Emphysema.* No separate rating; covered by basic condition."

[40] The issues in pension cases are somewhat different. In that category, service connection ordinarily need not be established. However, where the claimant is the survivor of a veteran, establishing service connection results in a higher pension, so the issue is sometimes critical. Pension cases involving survivors also can raise a variety of legal-survivor-status questions that do not arise in disability cases.

[41] 1973 VA Annual Report, *supra* note 5, at 99. Roughly one-third of the appeals were heard in the regional offices by traveling sections of the B.V.A.

[42] *Id.*

[43] VA Disability Procedures, *supra* note 7, at 99.

[44] 38 C.F.R. § 3.102 (1972).

[45] *Id.* § 3.307(a) (3).

[46] Less than 2% of the claimants appealing to the B.V.A. in 1973 were represented by an attorney. 1973 VA Annual Report, *supra* note 5, at 99.

[47] Of the claimants who appealed to the B.V.A. in 1973, 22% represented themselves. *Id.* Almost certainly, an even higher percentage of cases dropped prior to appeal involve self-representation.

[48] This function will be deemphasized only because the possibility of an arbitrary official decision—*i.e.,* one not based on rational inferences drawn from the facts of the case—is common to all administrative systems. Rather than downplaying the role of judicial review generally as a safeguard against such arbitrariness, I seek to highlight specifically troublesome aspects of precluding review in the VA context.

[49] Agencies making determinations of entitlement do not have a history, by and large, of playing the role of advocate for their client groups: witness the HEW welfare bureaucracy and the Selective Service System. For a discussion of these respective agencies, *see* Rabin, *Implementation of the Cost-of-Living Adjustment for AFDC Recipients: A Case Study in Welfare Administration,* 188 U. Pa. L. Rev. 1143 (1970); Rabin *Do You Believe in a Supreme Being: The Adminstration of the Conscientious Objector Exemption,* 1967 Wis. L. Rev. 642. It has been forcefully argued, however, that the VA perceives its mission primarily as a service organization for veterans, including those seeking benefits. *See* G. Steiner, *supra* note 25, at 275–76.

[50] For a description of the VA internal audit system, *see* Mashaw, *The Management Side of Due Process,* 59 Cornwell L. Rev. 772 (1974).

[51] Lay testimony might be relevant on issues of employability or overt pathological behavior, for example.

[52] But it is questionable whether such an overload would in fact occur. *See* text accompanying notes 61–64 *infra.*

[53] Other mass disability and status determination systems have long operated with informal nonadversary decisionmaking processes, and have successfully withstood due process attacks in the courts. Examples include: Social Security disability determinations, Immigration and Naturalization Service change-of-status determinations, and Selective Service System classification changes. Indeed, the Supreme Court has reiterated in a number of recent decisions its intension to treat procedural due process as a flexible concept when measuring the adequacy of specific administrative hearing procedures. *See, e.g.,* Richardson v. Wright, 405 U.S. 208 (1972); Richardson v. Perales, 402 U.S. 389 (1971).

[54] *See* note 48 *supra.*

[55] *See* G. Steiner, *supra* note 25, at 277–79.

[56] The most frequently cited example is plea-bargaining practice in the criminal justice in the criminal justice system. For a particularly harsh view of the practice from a sociological perspective, *see* Blumberg, *The Practice of Law as Confidence Game: Organization Cooperation of a Profession,* I Law & Soc't Rev. 15 (1967). On the prosecutor's role constraints, *see* Rabin, *Agency Criminal Referrals in the Federal System: An Empirical Study of Prosecutorial Discretion,* 24 Stan. L. Rev. 1036 (1972).

[57] *See* 1973 VA Annual Report, *supra* note 5, at 99.

[58] *Id.*

[59] The B.V.A. disposed of a total caseload of 29.825 during 1973. A substantial number of appeals are closed by recommendation of the rating board prior to certification of the case to the B.V.A. In 1973, 9,803 cases were so decided. *Id.*

[60] Moreover, I may be grossly oversimplifying the client-representative relationship by suggesting a twofold categorization of claimants, comprising those who seek representation and those who do not. In fact, it seems quite likely that substantial groups of veterans find the two alternatives almost equally disagreeable and almost randomly opt for one or the other. Intuitively, for example, one would suppose that a "new breed" of serviceman coming out of the Vietnam War would be less disposed than their fathers or older brothers to be represented by the traditional service organizations. While those organizations have no membership prerequisites—indeed some, like the American Red Cross, are not exclusively veterans organizations—they do possess a longstanding politico-cultural identification that creates a reluctant client-representative relationship, at best. Similarly, one wonders how frequently black and other minority veterans—who constitute an extremely small percentage of service organization membership—seek representation, and whether background and cultural varia-

bles affect the nature of the relationship in these cases.

[61] *See* text accompanying notes 51–53 *supra*.

[62] 1973 VA Annual Report, *supra* note 5, at 99.

[63] The treatment of attorneys' fees raises distinctive issues. For an example of a statutory resolution of the problem, *see* 42 U.S.C. § 406(b)(2) (1970) (attorneys' fees in Social Security disability cases). Obviously, an alternative to statutory treatment would be to let the market work out its own resolution of the issue.

[64] A further refinement in analysis would take into account the real possibility that systematic differences exist in the likelihood of appeal, depending on the issue in controversy. For example, degree-of-disability cases frequently tend to involve relatively slight differences of opinion—and correspondingly limited dollar amounts in controversy—over the proper interpretation of the ratings schedule. *See* note 39 *supra*. On the other hand, service connection is an all-or-nothing issue; if the claimant fails to establish the required nexus, he receives no benefits. Correspondingly, the differing inferences drawn by the parties are more sharply defined in the latter situation. Hence, even assuming nonfrivolous administrative appeals, service-connection cases may be more likely to reach the courts than degree-of-disability cases.

[65] Neither rating boards nor the B.V.A. adheres to a system of precedent. Opinions are not published and they are not generally circulated. The VA takes the position that every case is unique and must be decided on its own facts. If judicial review were instituted, the VA practice would undoubtedly be attacked in court. Thus, we encounter another set of questions on the agenda for empirical research: to what extent do the agency files indicate that generalized types of cases arise, and to what extent are those cases, in fact, decided in a similar fashion?

UP AMENDMENT NO. 525

Mr. HARTKE. Mr. President, I send two amendments to the desk, one a joint amendment from Senators Griffin and Abourezk, and one on behalf of Senator Durkin. Both have been cleared on both sides of the aisle.

Mr. ROBERT C. BYRD. Mr. President, I hesitate to move from this desk, but I have to so that Senator Magnuson and others may see the Presiding Officer. My aides will have to come a little closer.

The PRESIDING OFFICER. The first amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana (Mr. Hartke), on behalf of Mr. Griffin and Mr. Abourezk, proposes an unprinted amendment No. 525.

The amendment is as follows:

On page 11, line 24, insert the following: After the word "course" insert "or any course as set forth in clause (6) of Section 1789(b) of this title".

On page 12, line 5 strike all after the word "subsection" through the word "Welfare" on line 7 of page 12, and substitute therefor the words "in whole or in part".

On page 12, line 8, strike the last word "the".

On page 12, line 9, strike "eligible veteran" and substitute "eligible veterans and the government".

On page 46, strike out line 11 and 12 and insert in lieu thereof the following: "is amended—

(1) by striking "or" at the end of clause (4) in subsection (b):

(2) by striking out the period in the end clause (5) in subsection (b) and inserting in lieu thereof "; or",

(3) by adding at the end of subsection (b) a new clause (b) to read as follows:

"(6) any course offered by an educational institution under a contract with the Department of Defense that (A) is given on, or immediately adjacent to, a military base; (B) is available only to active duty military personnel and/or their dependents and (C) has been approved by the State Approving Agency of the state in which the base is located", and

(4) by adding at the end thereof a new subsection (c) as follows:"

Mr. HARTKE. Mr. President, the first amendment is offered by the acting minority leader, Mr. Griffin, and by the junior Senator from South Dakota (Mr. Abourezk) and would modify the amendments the committee adopted with respect to the 85/15 rule. I would hope that my acceptance of this amendment is not construed as a comment on the wisdom of the committee's original action. It is late in the evening and it is necessary to make small changes in the bill as reported in order to assure that the overall improvements contemplated by the reported bill will come to pass. I believe that the committee amendments with respect to this proposed regulatory provision are sound in concept. This is not to say some modification would not be in order. Thus, I am prepared to accept the amendment. However, I wish this body to know that the committee will continue to scrutinize the operation of the veterans education program to include the close examination and evaluation all educational institutions who have large numbers of veterans among their students.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 526

The PRESIDING OFFICER. The second amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. Durkin) proposes an unprinted amendment No. 526.

The amendment is as follows:

At the appropriate place insert the following new section:

Section 214. (a) Section 1662(a) of title 38, United States Code, is amended by inserting "(1)" after "(a)" and by adding at the end of such section a new paragraph as follows:

"(2) Notwithstanding the provisions of paragraph (1), any veteran shall be permitted to use any of such veteran's unused educational entitlement under this chapter after the delimiting date otherwise applicable to such veteran, as provided in paragraph (1), if such veteran was enrolled as a full-time student and pursuing an approved course of education at the time of the expiration of such veteran's eligibility, or if such veteran was a part-time student at the time of the expiration of such veteran's eligibility and was receiving educational benefits, a loan, or compensation under any program provided for in the Omnibus Crime Control and Safe Streets Act of 1968. Notwithstanding any other provision of this chapter or chapter 36 of this title, any veteran whose delimiting period is extended under this paragraph—

"(i) may continue to use any unused entitlement under this chapter until such entitlement is exhausted, until the expiration of three years, or until the veteran has completed the approved course of education in which the veteran was enrolled at the end of the delimiting period referred to in paragraph (1), whichever occurs first;

"(ii) must pursue a program of education on a full-time basis unless such veteran is receiving educational benefits, a loan or compensation under a program provided for in the Omnibus Crime Control and Safe Streets Act of 1968; and

"(iii) shall be entitled to an educational assistance allowance equal to one-half the educational assistance allowance authorized for eligible veterans whose delimiting period has not expired or been extended by this paragraph.".

(b) The amendment made by subsection (a) of this section shall become effective upon the date of enactment of this Act, and apply to all veterans released from active duty after January 31, 1955.

Mr. HARTKE. Mr. President, the second amendment I offer on behalf of the junior Senator from New Hampshire (Mr. Durkin). The amendment is similar to the amendment originally offered by myself, Mr. Stafford, the ranking minority member of the Subcommittee of Readjustment, Education, and Employment, together with Chairman Muskie of the Budget Committee and Senator Bellmon, the ranking Republican of that committee. In this connection, I ask unanimous consent that the colleague letter which we recently sent out be inserted in the Record at this point.

There being no objection, it was ordered printed as follows:

September 27, 1976.

Dear Colleague: During consideration of S. 969, the Veterans' Education and Employment Assistance Act of 1976, we plan to offer an amendment to permit a modified extension of the period of time following discharge or release from active duty during which a veteran can utilize GI bill benefits—the so-called "delimiting period."

As you are probably aware, commencing on May 31 of this year, all Post-Korean and some Vietnam era veterans lost eligibility for GI bill benefits as a result of the passage of the 10-year delimiting period. With each succeeding day, additional veterans are affected by the delimiting date. Many of these veterans, particularly Post-Korean veterans, did not initiate a program of education until recently and, thus, were unable to complete their studies within the 10-year period. This loss of VA educational benefits may prevent some of these veterans from completing their courses of study.

To ease the impact of the expiration of the delimiting period, our amendment would allow veterans who were enrolled in full-time training during their tenth and final year of GI bill eligibility up to an additional 2 years of eligibility or until the veteran has attained his educational objective, whichever is sooner. During the eleventh year, an eligible veteran would be entitled to benefits at half the rate of the monthly educational assistance allowance authorized for eligible veterans whose regular delimiting period has not expired. During the twelfth year, if needed, a veteran would be entitled to benefits at one-third the rate of the regular monthly assistance allowance. These veterans would also continue to be eligible for VA direct education loans up to $2,000 a school year under title 38, United States Code, § 1789, during their eleventh and twelfth years.

The amendment we propose to offer would, according to the Congressional Budget Office, have a fiscal year 1977 outlay of $224.3 million, decreasing to approximately $100 million in fiscal year 1981. Unlike other amendments being proposed to S. 969, this amendment would assure that the $19.5 billion outlay limit established by Congress in both the First and Second Concurrent Resolutions for veterans' benefits and services would not be exceeded.

Thus, our amendment is designed to afford assistance to those who have not completed their studies within the normal 10-year period while assuring that Congress keeps outlays within the Congressional budget limits it established for the veterans' function.

If you have any questions or would like to be a cosponsor of this amendment, please feel free to call Guy McMichael or Jack Wickes at 224-9126.

Sincerely,

VANCE HARTKE,
Chairman, Committee on Veterans' Affairs.
EDMUND S. MUSKIE,
Chairman, Committee on the Budget.
ALAN CRANSTON.
ROBERT STAFFORD,
Ranking Minority Member, Subcommittee on Readjustment, Education and Employment.
HENRY BELLMON,
Ranking Minority Member, Committee on the Budget.
WILLIAM ROTH.

Mr. HARTKE. Mr. President, I want to commend the Senator from New Hampshire for his persistence and tenacity in directing our attention to the problems faced by those veterans whose 10-year delimiting date has expired. As I have said before on this floor, I believe there is merit in extending the delimiting period. The problems which we previously faced, however, have been a result of the lack of sufficient funds allocated for function 700 in both the first and second concurrent resolution which could be utilized for this purpose. Based on recent downward reestimates of readjustment assistance benefits appropriated and needed for fiscal year 1977, it would appear that the amendment offered by the Senator from New Hampshire could now be accommodated within the limits set forth in the second concurrent resolution on the budget. I should note however, that the House of Representatives has somewhat different rules with respect to reallocating moneys from existing program appropriations to new program outlays. Thus, whether they will be in a position to act as we are doing today is open to serious question. Also, because opposition to this amendment remains strong in many quarters, I would be less than candid if I failed to acknowledge that the brief amount of time remaining before we adjourn requires, on the part of all, a liberal amount of give and take in order to assure that we can reach a consensus agreement quickly. So that there may be no question as to my past and current position with respect to the extension of the delimiting period, I ask unanimous consent that a statement I made earlier this year be inserted in the RECORD at this point.

There being no objection, the material is ordered printed as follows:

GI BILL EXTENSION: SUBSTANTIVE ARGUMENTS AND BUDGETARY REALITIES

Mr. President, on May 31, 1976, for the first time since the current GI bill program was initiated in 1966, veterans who served between 1955 and 1966, approximately 3.7 million, had their eligibility for educational benefits expire. Of this number 563,000 were enrolled in a program of education and were receiving VA benefits. Under existing law veterans have a 10-year period following discharge to utilize readjustment assistance benefits earned in military service.

Many of my colleagues have contacted me recently urging that the time period—known as the "delimiting period" in VA parlance—be extended either for a year, 2 years or for an unrestricted period of time. While there is considerable merit to some of the arguments supporting an extension of the time period I must be candid with my colleagues. Such a general extension of the delimiting period is highly unlikely because of a lack of support or active opposition from some quarters and because insufficient funds have been allocated to veterans' benefits and services in the fiscal year 1977 concurrent resolution on the budget recently adopted by Congress.

A brief examination of the background of this problem is instructive. GI bill benefits have been generally regarded as a readjustment assistance benefit to veterans which facilitated transition from military to civilian life. Consistent with the attitude that such readjustment should occur and benefits be utilized within a reasonable period of time following release from military service, the WW II, Korean conflict, and the present GI bill all have had statutory delimiting periods. Most World War II veterans had 4 years from the date they were separated from service to begin a program of education and 9 years or until July 25, 1956 to use their entitlement. Korean veterans had 3 years following separation from service to begin a program of education or training and 8 years from separation from service or until January 31, 1965 to use their entitlement. Under the law creating the current program (P.L. 89-358), veterans discharged after January 31, 1955—the date the Korean conflict officially ended—were allowed 8 years from June 1, 1966 or 8 years from date of discharge or lease, whichever was later, to complete their program of education. Under their counterparts in World War II and the Korean conflict no time limitation was imposed on the post-January 31, 1955 veterans for beginning their training.

In 1974. I sponsored legislation to extend this training period from 8 to 10 years. Despite administration opposition this was signed into law (P.L. 93-337) by then President Nixon. There were two principal justifications for this extension. First, Congress recognized unique circumstances differentiating these veterans from earlier World War II and Koreans conflict GI bill trainees. Second, I believe Congress acknowledged a broadening concept of how and when GI bill benefits might be utilized to the advantage of the veteran and the Nation as a whole In the first instance, eligibility for benefits for the 3.7 million post-Korean veterans, who served between 1955 and 1966 occurred retroactively in 1966. Thus veterans, who were not eligible for the GI bill upon their release from military service some as long ago as ten years previously were suddenly made retroactively eligible for GI bill benefits. None of these veterans received individual notification from the Government of their eligibility and many were thus not aware of the program. Initially, benefits were lower than the Korean conflict rates some 15 years earlier. The low benefit level, coupled with the fact that many veterans had taken jobs and started families, made it difficult for them to use their benefits. It was only following substantial benefit rate increases in 1972 and the initiation of active outreach by eligible schools that many of these veterans decided to enroll under the GI bill.

Many veterans also discovered their need for retaining or that their initial education was insufficient for them to make significant career advancement which illustrates the second factor mentioned. Two years later in 1974, congressional recognition of these factors led to enactment of an extension of the delimiting period to 10 years from May 31, 1966 or date of discharge, whichever was later. Shortly after enactment of Public Law 93-337, as part of President Ford's initial budget, the administration submitted proposals in January 1975 to repeal the extension and revert to an 8-year delimiting period. This request was repeated this past January and the President's budget for fiscal year 1977 assumes enactment of legislation which he estimates would reduce first-year expenditures in excess of $600 million.

The Subcommittee on Readjustment Education and Employment, which I chair, held a hearing last October which covered this and other subjects of concern to veterans. Arguments both in favor and against extension of the delimiting period were advanced to the committee.

Proponents noted first, the particular circumstances facing the immediate groups of veterans facing the cutoff on May 31, 1976; second, the need for uprading or retaining of skills in an ailing economy; and third, the profitable return to the Treasury of additional taxes which have traditionally resulted from GI bill expenditures.

Opponents argued that 10 years is a sufficient period of time to "readjust" and suggested that much of the training was either avocational in nature or entered into by veterans more interested in obtaining an income supplement to their regular employment check rather than obtaining an education. For example, by offering training in the evening or weekends, one business school in recent years has increased veteran enrollments from under 100 to over 7,000 GI trainees currently enrolled.

In addition to the various arguments advanced pro and con, an implict consideration, particularly for those impressed with the need for fiscal restraint, was the cost of any extension. A simple 2-year extension would result in the additional mandatory expenditures of $2 billion. A 1-year extension only is estimated to cost $681 million.

While it is my present judgment, based on the testimony received, that the weight of the arguments favor some form of extension, it is also clear that this view is not unanimous. The President's opposition remains firm and he could be expected to veto any extension just as he vetoed the 1974 GI bill. A House of Representatives vote on a floor amendment to the first concurrent resolution—widely regarded as a vote to add extension money to this year's budget—indicates that probably well over a third of its members there would be available to sustain a Presidential veto. The Nation's three largest veterans' organizations, the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans, do not support an extension for a combination of reasons, principally because of the belief that limited funds for veterans' programs requires distribution to higher priorities.

Mr. President, irrespective of the merits of an extension proposal, the availability of funds is a crucial issue for a House and Senate now object to the Congressional Budget Act. I believe my colleagues should clearly understand that there is a direct relationship between their votes on spending ceilings for various programs and our ability to pass and enact legislation such as extension proposals. Frankly, I have been amazed in recent weeks by the number of my colleagues—including members of the Budget Committee—who, having voted for the ceiling on veterans' benefits and services, which was $1.1 billion below the Veterans' Affairs Committee's recommendation, now urge the committee to report and pass legislation for which there are insufficient funds.

In this connection it would also be useful to briefly review the steps that have been taken as part of the congressional budget process so far this year. As required by law.

on March 15, 1976, I, as chairman of the Committee on Veterans Affairs, wrote the Budget Committee recommending fiscal year 1977 outlays of approximately $20.4 billion for veterans' benefits and services. While this figure did not include all that I believe was meritorious or desirable, it was a figure which attempted to balance the Budget Committee's expressed concern for fiscal restraint with our intention to provide sufficient moneys to fund actual cost-of-living increases for various benefits programs, to fund legislative initiatives which had passed one house or the other and to provide for more adequate health care. In this connection, given the President's strong position against extension of the GI bill, no additional explicit moneys were sought for GI bill extension. Had the $20.4 billion been granted, however, there would have been sufficient funds to grant some form of an extension by trading off—as contemplated by the congressional budget process—granting something less than full cost-of-living increases to GI bill recipients had that been the clear will of Congress.

At first glance the $20.4 billion recommended figure appears to be a substantial increase over the President's budget of $17.2 billion. It was and is immediately apparent, however, that the President's budget is more of the traditional shell game practiced in recent years. Mandatory program expenditures were understated, health care needs were underestimated, and the President's budget assumed enactment of so-called cost saving legislation of very dubious merit much of which had been consistently rejected by Congress in the past. For example, mandatory GI bill expenditures were understated by over $600 million on the assumption by the President that Congress would reduce the GI bill training period from 10 to 8 years.

Second, in addition to intentionally understated costs, the President's budget ignored the need for cost-of-living increases in various veterans benefits programs. Seventy-two percent of the VA budget represents transfer payments and certain benefits programs, such as the GI bill, have not received cost-of-living increases since September 1974.

Finally, recommended VA outlays as a percentage of the Federal budget were modest when compared to past budgets and represent a long-term decline over the last 20 years. A comparison between the current fiscal year with fiscal year 1956, 20 years earlier, reveals, for example, that while veterans population has increased by 39 percent, veterans' benefits and outlays as a share of the Federal budget has decreased by 28 percent. And this decline occurred during a period of prolonged conflict which produced many new veterans with the need for temporary but higher cost readjustment benefits.

Reasonable men can disagree, of course, and the Budget Committee decided to set veteran outlays at $19.3 billion, or $1.1 less than the Veterans' Affairs Committee recommended. The Budget Committee's recommendation was upheld by the full Senate when an amendment sponsored by Senator CRANSTON, myself and others to add back $800 million was tabled by a vote of 53 to 21. Subsequently, the House of Representatives adopted a veterans' benefits and services outlay target of nearly $20 billion—a level which would have allowed our committee greater latitude. In large part, the difference between the Senate adopted and the House adopted veteran benefit outlays was prompted by concern expressed on the House floor that there be additional funds which could be utilized for extension of the GI bill training period if such legislation were enacted. However, this figure was not upheld in House-Senate conference and was reduced to $19.5 billion, the target assigned in the first concurrent resolution on the budget.

Mr. President, it was my opinion then as now that the $19.5 billion figure is insufficient to provide full cost-of-living increases for all veterans' benefits programs and to enact legislative initiatives which have passed previously in one house or the other such as pension reform, or the removal of the 9-month undergraduate restriction. The Budget Committee's "current services" approach would allow cost-of-living increases for a 1-year period only despite the fact that many veterans' benefits programs have not been increased for periods longer than 1 year. Nevertheless, we are prepared to attempt to live within the expressed will of Congress that expenditures be held to $19.5 billion. What disturbs me is the attitude of some of my colleagues who, having voted to keep expenditures at that level, now believe that they can recommend the Veterans' Affairs Committee report any and all legislation which obviously cannot be accommodated within those budget totals.

One of the arguments advanced by proponents during initial consideration of the Congressional Budget Act was that while members often agreed that Federal spending should be kept at a certain level they turned around and voted for a variety of programs which when totaled up clearly exceeded the agreed upon limits. This was criticized by Budget Act proponents as lacking candor at best or being irresponsible at worst. While I believe it it is yet to be demonstrated that Federal spending is excessive I recognize that there is merit in a process which allows us to decide first what overall spending should be, and second determine our priorities within those levels. Two things about the actual operation of this process, however, disturb me.

The first is the apparent abdication of these decisions by the full Senate to the Budget Committee itself. In the debate on the amendment to add money for veterans' benefits and services this year, little attention was directed as to whether this was a good amendment, whether priorities should be reordered, or whether overall Federal spending should be increased. Rather, opponents argued that to suggest something other than what the Budget Committee itself had recommended was somehow an attack on the very congressional budget process itself. Naturally, I do not share this view nor am I prepared to concede that the Budget Committee's composition or decisions are a completely accurate reflection of the attitudes and priorities of the full Senate itself.

Nevertheless, each of my colleagues must decide for himself how much and to what extent he will exercise his own judgment or defer to others. What troubles me, however, is the apparent inability of some of my colleagues to see any connection between their vote on spending levels and the authorizing committee's ability to report and enact legislation. Could it be that a new irresponsibility has replaced that which was criticized when the budget act was initially considered? Under this new irresponsibility some members apparently believe they can vote to hold veteran expenditures down—in this case $1.1 billion below committee recommendations—and then turn around and urge the same committee to enact new legislation which would require new mandatory first-year expenditures of at least $681 million.

Of course, it is true, as pointed out in debate, that the concurrent resolution to the budget does not in and of itself say how the money assigned for veterans' benefits must be spent among various programs. But it is equally clear that our committee cannot feed the multitude with a few loaves of bread. Thus, for example, we could pay for an extension of benefits but only if we cut compensation payments for the disabled, or reduced pensions for needy elderly veterans, or shut down a substantial part of our VA health care system. None of our colleagues to date, however, has suggested to me that our committee do this.

Consequently, I suggest to some of our colleagues that biting the bullet is a year-round occupation and not limited solely to voting on the concurrent resolution on the budget. Senators must also be prepared either to bite the bullet in terms of what they recommend that the authorizing committees enact or at the very least be prepared to suggest what existing programs not be improved or even cut to provide sufficient funds for the legislation they advocate.

Mr. ROTH. Mr. President, I am pleased to join with Senators HARTKE and MUSKIE in offering this amendment. I believe it represents a responsible solution to a serious problem. It is a workable approach which we can all support in good conscience.

I have wrestled with this problem for several months, attempting to find a solution for the thousands of veterans whose educational careers are threatened. At every turn, I encountered the same obstacle: money. All of the possible solutions vastly exceeded the budget limits. But this proposal does not.

By providing veterans with an 11th year of benefits at one-half the normal level and a 12th year at one-third, it will permit thousands of veterans to continue their education without interruption. The total cost of $324 million is high, but within the limits of the budget. For a program which has historically proven itself, this will be money well spent.

In my State of Delaware alone, there are 1,750 veterans caught in midstream by the expiration of their GI bill educational entitlements. Almost all of them shared a common problem, which was best summarized by one of them in a letter written to me in March:

> I have been a student at Goldey Beacom College for almost a year now. I had always wanted to go to college, but could never afford to. Through advertising campaigns by Goldey Beacom, I was delighted to hear about the educational benefits for veterans, as I now could begin to see a dream come true.
>
> After working 11½ years for the same company, I was laid off and it looks as though I will not be called back because of continued cut backs and lay-offs. So you can see this extension bill is important to me in helping me to continue my education. However, if it is defeated, I will have to stop because I will be unable to pay for it.

This was a plight shared by hundreds of thousands of veterans, principally because of a combination of unusual circumstances.

In 1955, the original GI bill expired and was not renewed by the Congress. Consequently individuals who served in the military between 1955 and 1966 were not initially eligible for educational benefits.

As the Vietnam war intensified, however, sympathy for a new GI bill grew, culminating in the Vietnam Veterans Readjustment Act of 1966. This act established a program of educational benefits for Vietnam and post-Vietnam era veterans. In addition, it established a retroactive program of benefits for the "Cold War Veterans," who had not previously been eligible.

Because these educational benefits were considered by the Congress to be "readjustment," the law as later amended required that education be completed by May 31, 1976, or within 10 years after discharge, whichever was later.

The difficulty was that many of these veterans had married and settled down by the time the Vietnam Veterans Readjustment Act was enacted in 1966. Burdened with family and job responsibilities, they could not immediately enroll in school. The letters which I received were from veterans who have enrolled within the past 1 or 2 years and who were now faced with the prospect of having their educational benefits terminated.

Jobs and family responsibilities were not the only reasons many of these veterans had only recently enrolled in school. During the past 2 years, educational standards have been liberalized, causing many veterans to reenter the educational system when they otherwise might not have done so.

There are about 400,000 of these veterans throughout the Nation. Most of them, like my constituent, depend heavily on the support which the monthly check provides. Although an outright extension of full benefits would be too expensive, this approach is not. Therefore, I would urge my colleagues to support this amendment.

Mr. President, as I indicated, I have spent quite some time exploring this problem. I ask unanimous consent to have printed in the RECORD some of the various proposals and letters which I reviewed during the course of my study. These include at least two different bills, together with several cost estimates prepared by the Veterans' Administration at my request. I think these documents will demonstrate why I consider the present approach a workable position.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 22, 1976.

Mr. H. DALE GRUBB,
Assistant Deputy Administrator, Veterans Administration, Washington, D.C.

DEAR MR. GRUBB: Thank you for those materials which Mr. Kendall of your staff forwarded to my office regarding the pending expiration of GI Bill benefits for certain veterans. Although the material was helpful, it did not answer my exact questions.

On May 31, 1976, the eligibility of certain veterans for GI Bill benefits will expire. These are the so-called "Cold War Veterans," who were released from active duty prior to June 1, 1966. With regard to these veterans, I would like to know the following:

1. How many of these veterans will lose their eligibility on May 31, 1976?

2. How many veterans who are currently enrolled in school and receiving GI Bill benefits will lose those benefits because of the May 31 cutoff?

3. How many in the second group are in Delaware?

4. If the eligibility of the "Cold War" veteran enrolled in school during the current school year were extended so long as they remained continuously enrolled on at least a one-half time basis, what would be the total cost to the government? If the veterans were required to be enrolled on at least three-quarter time basis? Full time?

5. What would be the total cost if (1) the benefits were extended only if the veteran were enrolled on a full time basis; and, (2) the benefit payable were seventy-five (75) percent of the normal benefit?

It is my understanding that approximately 500,000 "Cold War" veterans are currently enrolled in school and receiving benefits. I would very much appreciate receiving additional information concerning this group. Specifically, on what basis are they attending school (e.g. full time, three-quarter time, etc.), what types of schools are they attending (e.g. vocational schools, universities, etc.), and how many dependents do they, on the average, have.

Thank you in advance for your usual prompt cooperation.

Sincerely,

WILLIAM V. ROTH, Jr.,
U.S. Senate.

WASHINGTON, D.C., *April 16, 1976.*

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ROTH: We are happy to provide you with answers to questions in your letter of March 22, 1976 regarding veterans losing eligibility for GI bill training on May 31, 1976 (including both peacetime post-Korean veterans and those discharged in fiscal years 1965 and 1966).

Estimated number of veterans losing their eligibility for school training on May 31, 1976—3,618,000.

Estimated number of veterans enrolled in school during April 1976 who will lose their entitlement May 31, 1976—483,000

Estimated number of veterans who will train during April 1976 in the state of Delaware and who will lose entitlement May 31, 1976—1,750

The 483,000 in training who will lose entitlement is broken down:

Full time	228,000
Three-fourth time	86,000
One-half time	82,000
Less than one-half time	87,000

These veteran trainees average an estimated 2.65 dependents per trainee (excludes flight and on-job trainees but includes farm trainees).

The numbers of these trainees in each type of training are estimated as follows:

Total	* 483,000
Graduate	(30,000)
Undergraduate	(102,000)
Junior college	(229,000)
Other schools	45,000
Correspondence	77,000

* Entitlement for flight, farm and on-job training does not expire on May 31, 1976, and trainees in these areas are not included here.

The participation rates for the peacetime post-Korean and early Vietnam (through December 1975), Vietnam era (through December 1975), Korean conflict and World War II veterans are shown on accompanying Table 1.

The estimated costs of extending the GI bill under the various alternative entitlement extension plans you presented are still being prepared and will be sent to you when they are completed.

For additional information (on training time, type of training taken, dependents, etc.), we enclose our Information Bulletins from April 1975 and June 1975, and several tables from the November 1975 bulletin (Tables 2–7). April 1975 provides 1975 peak spring enrollment information. June 1975 provides a fiscal year 1975 summary, and the November 1975 tables show 1975 peak fall enrollment information. These bulletins and Tables (2–7) give statistical information on peacetime post-Korean veterans (those discharged prior to August 5, 1964). However, this information is not available separately for most of those veterans separated during fiscal years 1965 and 1966 (except in the estimates you requested). This latter (early Vietnam era) group is included with the Vietnam era veterans in the Information Bulletins and Tables 2–7.

If you should require further explanation of these materials, please do not hesitate to let us know.

Sincerely,

——— ———,

(Associate Deputy Administrator in the absence of Richard L. Roudebush, Administrator)

TABLE 1.—3 GI BILLS—COMPARISON OF PARTICIPATION RATES, AFTER 1ST 115 MO OF EDUCATIONAL ASSISTANCE

	World War II, June 1944 to end of program	Korean conflict, September 1952 to end of program	Post-Korean, June 1966 to December 1975 (115 mo)	Vietnam era, June 1966 to December 1975 (115 mo)	Peacetime post-Korean and early Vietnam era, June 1966 to December 1975 (115 mo)[1]
Veteran population	15,440,000	5,509,000	10,963,000	7,875,000	4,030,000
Total trained	7,800,000	2,391,000	[2] 6,200,777	[1] 4,848,602	1,805,549
Percent	50.5	43.4	56.6	61.6	44.8
School trainees	5,710,000	2,073,000	5,695,715	4,420,875	1,710,242
Percent	37.0	37.6	52.0	56.1	42.4
College	(2,230,000)	(1,213,000)	(3,415,174)	(2,705,960)	(957,770)
Percent	(14.4)	(22.0)	(31.2)	(34.4)	(23.8)
Other schools	(3,480,000)	(860,000)	(2,280,541)	(1,714,915)	(752,472)
Percent	(22.5)	(15.6)	(20.8)	(21.8)	(18.7)
On-job trainees	1,400,000	223,000	466,212	405,274	95,307
Percent	9.1	4.0	4.3	5.1	2.4
Farm trainees	690,000	95,000	38,850	22,453	(3)
Percent	4.5	1.7	.4	.3	

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[1] Early Vietnam era includes fiscal year 1965 and 1966 separations.

[2] Includes 668,104 service personnel.

[3] Count of farm trainees for this group is not available.

WASHINGTON, D.C.,
April 21, 1976.

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ROTH: The additional information requested in your letter of March 22, 1976, regarding the estimated costs of extending the GI Bill under the various alternatives presented in paragraph 4 and 5, is as follows:

Continuous enrollment of at least—	Number of trainees	Estimated dollar cost of extending eligibility	
		Normal benefit	75 percent of normal benefit
Transition quarter:			
One-half time	395, 550	202, 991, 400	152, 243, 550
Three-quarter time	358, 650	203, 651, 000	152, 738, 325
Full time	319, 950	203, 168, 250	152, 376, 187
Fiscal year 1977:			
One-half time	395, 550	991, 258, 650	743, 443, 987
Three-quarter time	358, 650	994, 477, 500	745, 858, 125
Full time	319, 950	992, 164, 950	774, 123, 712

The cost estimates were based on the assumption that of the 483,000 veterans estimated to be enrolled during April 1976 who would lose their eligibility on May 31, 1976, 48,300 would drop out due to completion of their program or other reasons. It was assumed that 50% of the remaining veterans would switch from less than half-time to half-time, half-time to three-quarter time, and three-quarter time to full-time if that was their only alternative.

If you should require further explanation of these estimates, we would be pleased to furnish additional detail.

Sincerely,

RICHARD L. ROUDEBUSH,
Administrator.

S. —

A bill to authorize the Administrator of Veterans' Affairs to make education loans to certain veterans whose entitlement under chapter 34 of title 38, United States Code, has expired, and to terminate eligibility for educational benefits under such chapter in the case of persons who enter military service after December 31, 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of Veterans' Affairs (hereinafter referred to as the "Administrator") is authorized to make loans as provided in this Act to any veteran who makes application therefor and (1) whose eligibility for educational assistance under chapter 34 of title 38, United States Code, was extended under section 1662 (c) of such title, (2) who, on the expiration of the delimiting period applicable to him under such section had a period of unused entitlement under such chapter 34, and (3) who was enrolled in and pursuing an approved course of education at any time during the school year 1975–1976 (as defined by the Administrator) for a period of at least ten weeks.

(b) Loans authorized under subsection (a) may be made in the case of any veteran eligible therefor in a total amount not exceeding an amount equal to the amount he would have been eligible to receive in educational assistance allowances for the period of his unused entitlement, as determined by the Administrator.

(c) Loans made under this Act shall bear interest at the rate of 3 per centum per annum and shall be repayable over a period not to exceed 10 years, the first payment to be payable one year after the veteran completes his or her educational program or otherwise terminates such program. Repayment by the veteran must be made in installments of not less than one-tenth of the amount of the loan, including interest.

(d) A veteran shall remain eligible for payments under a loan made under this Act only so long as he continues to pursue his program of education without interruption (except for regular school breaks to which all students enrolled in such course are entitled).

(e) The Administrator shall issue such rules and regulations as may be necessary to carry out effectively the provisions of this section.

SEC. 2. Section 1662 of title 38, United States Code, is amended by adding at the end thereof a new subsection as follows:

"Termination of Eligibility

"(e) No person shall be entitled to educational assistance under this chapter by virtue of any service on active duty performed on or after January 1, 1977, unless such service was a continuation of a period of active duty service performed on December 31, 1976. Service in the armed forces of the United States performed on or after January 1, 1977, pursuant to a reenlistment or a reappointment shall be considered a continuation of service performed prior to such date so long as there is no break in the period of service after December 31, 1976.".

Mr. ROTH. Mr. President, in response to a telephone request, officials of the Veterans' Administration provided cost estimates for implementation of a combination proposal, which is embodied in the following bill draft:

COST ESTIMATE—LOAN PROPOSAL OF SENATOR ROTH

(a) Following is a 5-year cost estimate (assuming an effective date of October 1, 1976) of the loan program and the provision in the proposed measure to terminate the GI Bill effective January 1, 1977:

EDUCATION LOANS

[Dollar amounts in millions]

Fiscal year	Trainees	Loan cost	Repayments	Net cost
1977	480, 000	$960. 0		$960. 0
1978	370, 560	741. 1	$1. 2	739. 9
1979	287, 520	575. 0	43. 9	531. 1
1980			51. 0	−51. 0
1981			306. 1	−306. 1
5-yr total		2, 276. 1	402. 2	1, 873. 9

TERMINATE G.I. BILL (EFFECTIVE JAN. 1, 1977)

Fiscal Year	Trainees	Savings (millions)
1977	23, 350	$13. 5
1978	83, 630	66. 3
1979	185, 210	207. 2
1980	322, 820	433. 6
1981	472, 700	694. 4
5-yr total		1, 415. 0

In arriving at this cost estimate it was assumed that everyone eligible for this loan would choose to benefit. In conversations with the Senator's Administrative Aide, it was determined that the measure was only to apply to those veterans whose eligibility period expired on May 31, 1976; it was determined that the loan would apply only to the types of training permitted in the current VA education loan program; and the repayment schedule utilized in the VA loan program was used in attaining the cost estimate.

(b) Administrative cost estimate on the loan and termination provisions of the proposal:

Fiscal-year	Man-years	Cost
Administrative cost, educational loan:		
1977	424. 2	$6, 170, 300
1978	327. 5	4, 811, 300
1979	299. 7	4, 339, 600
1980	107. 4	1, 314, 800
1981	247. 3	3, 057, 600
Administrative savings, termination of GI bill:		
1977	18. 8	(245, 600)
1978	68. 6	(906, 100)
1979	151. 7	(2, 024, 500)
1980	264. 2	(3, 562, 500)
1981	387. 1	(5, 271, 800)

In arriving at the cost estimates set forth above it was assumed that each trainee would take advantage of the loan; that there would be an average of two loan applications per trainee; and that continuous enrollment would be required of the veteran.

(c) Reconciliation of the administrative cost estimate set forth in b. above:

Fiscal year	Man-years	Net cost
1977	405. 4	$5, 924, 700
1978	258. 9	3, 905, 200
1979	148. 0	2, 315, 100
1980	(156. 8)	(2, 247, 700)
1981	(139. 8)	(2, 214, 200)

(d) The magnitude estimate made here reflects the fact that we have had no experience on the possible effects of such a proposal. To the degree that a lesser number would apply, costs would be proportionate. For example, if 75 percent of the eligibles applied, the loan costs, repayments and net costs would be 75 percent of the amounts shown. Similarly, administrative costs would be reduced in direct proportion.

JULY 16, 1976.

Mr. RICHARD L. ROUDEBUSH,
Administrator, Veterans' Administration,
Washington, D.C.

DEAR DICK: I am sure you are aware of the many difficult issues raised by the recent expiration of the GI Bill entitlement for "cold war veterans."

As your staff may have told you, I have given this question a great deal of thought and investigated several alternative solutions to the problem. After studying these alternatives and discussing them with my colleagues here in the Senate, I have concluded that one, a low interest loan proposal, deserves your careful attention and consideration. For this purpose, I am enclosing copies of cost estimates and other information supplied to me by your staff in response to my requests. In addition, I am enclosing a draft of one of the proposals which I reviewed.

I hope you will find this information helpful, and will appreciate receiving your comments.

Sincerely,

WILLIAM V. ROTH, Jr.,
U.S. Senate.

WASHINGTON, D.C., *August 9, 1976.*

Hon. WILLIAM V. ROTH, Jr.,
U.S. Senate,
Washington, D.C.

DEAR BILL: This will respond to your letter of July 16, 1976, concerning your proposal to pay educational assistance benefits in the form of a loan to those veterans who were in school during 1975–76, whose eligibility period has run out, but who still have entitlement remaining, and provide for termination of the GI Bill effective January 1, 1977.

Normally, the Veterans Administration does not take a position on proposed legislation until it is introduced, referred to the appropriate Committee, a formal request for a report is received from the Chairman asking for our views, and our report is reviewed by the Office of Management and Budget. However, because of your special interest in this matter and the plan of the Senate Committee on Veterans' Affairs to consider GI education legislation in the near future, I am submitting our views at this time.

It is the position of the Veterans Administration to oppose any measure that would have the effect of continuing benefits to veterans after their eligibility period has expired, since veterans under the current program have had more time in which to utilize their entitlement than that granted to veterans of World War II or the Korean conflict. We believe that the 10-year period granted under current law is an ample period of time during which veterans may take advantage of their benefits.

The President, as well as the Veterans Administration, strongly favors termination of the current GI Bill program. It is the Administration's position that with the ending of hostilities in Vietnam termination of the education program is appropriate. This would be in line with action taken to end the earlier World War II and Korean conflict programs. With respect to the provision in your proposal to terminate the program effective December 31, 1976, I call your attention to the fact that we have taken the position in our reports to both the House and Senate Committees on Veterans' Affairs that consideration should be given to providing an exception from the termination date for those individuals signing up under the Defense Department's Delayed Entry Program. Under this plan the individual signs up at one point in time but, because of quotas or other reasons, does not enter on actual active duty until a later date, which may be as much as 6 months later and may be after the termination date. Should you decide to introduce your proposal in the Senate, I would urge you to give consideration to amending it to insert this DEP exception.

I hope that this will assist you in determining if your draft proposal should be introduced.

Sincerely,

Richard L. Roudebush,
Administrator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment.

The committee amendment, as amended, was agreed to.

Mr. HANSEN. Mr. President, reserving the right to object, are we talking about the Senate bill as it was reported or the Senate bill number with the House-passed legislation?

Mr. HARTKE. At the present time this is the Senate reported bill.

Mr. HANSEN. This is the Senate reported bill with the Senate language and no amendment on it?

Mr. HARTKE. The amendments are there from Senator Durkin and Senators Griffin and Abourezk.

Mr. HANSEN. May we hold up just one-half minute?

Mr. HARTKE. All right.

Mr. GRIFFIN. Mr. President, I have been asked to ask a question, to have explained the Durkin amendment and what the budget impact is.

Mr. HARTKE. The Durkin amendment is an extension of the delimiting period. It allows veterans to use their entitlement beyond the normal 10-year period in which they must now use their benefits. It authorizes half benefits for those people whose 10-year delimiting period has expired, including a large number of post-Korean veterans who lost benefits as of May 31 of this year. It authorizes up to 3 years additional training time at half the normal benefit rate. It is within the budget limits adopted by Congress.

Mr. HANSEN. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HARTKE. Mr. President, has the bill been passed?

Mr. GRIFFIN. Before passing the bill, I want to observe that while the bill as reported from the Senate Veterans Committee, as I understand it, was submitted to the Budget Committee and did receive a waiver—is that correct?

Mr. HARTKE. The bill as reported does not exceed the limits for the veterans function.

Mr. GRIFFIN. That does not necessarily hold true with respect to the amendment added here on the floor.

Mr. HARTKE. This bill, as reported and as it is being amended here tonight, is within the Budget Committee limits.

Mr. GRIFFIN. And as amended on the floor?

Mr. HARTKE. Yes, and as amended on the floor.

Mr. GRIFFIN. I thank the chairman for that information.

Mr. JAVITS. Mr. President, I have a question for Senator Hartke. I have a letter from the Secretary of Labor pointing out that he thought it was unwise to establish veterans employment services separately in the Department. That is contained in the bill, is it not?

Mr. THURMOND. That is right.

Mr. JAVITS. Is that correct?

Mr. HARTKE. If the House objects to the provision, we are prepared to withdraw it if necessary to reach agreement before adjournment.

Mr. THURMOND. What was the statement of the Senator from Indiana? I cannot hear.

Mr. JAVITS. If Senator Hansen can help me——

Mr. HANSEN. The point being made by the senior Senator from New York is that the Secretary of Labor had objected to an assistant secretaryship being set up in his Department giving the exclusive responsibility for working out veterans employment problems.

Mr. JAVITS. That is correct.

Mr. HANSEN. I think Senator Hartke is saying that if that is objectionable to the Senator from New York, Senator Hartke is prepared to withdraw that particular——

Mr. HARTKE. No, that is not what I am saying. The question here is a question of jurisdiction on the House side. I am hopeful we can go ahead and have it retained within the bill. Senator Thurmond and I have discussed this matter and would like to insist on keeping it.

However, there is a problem here that we have to face on the House side and that is on the point of order.

Mr. President, I have a suggestion. This place is floating with people and they are not all Senators. I suggest that the staff members go to the back of the Chamber and have a seat.

The PRESIDING OFFICER. The suggestion is well taken. Will staff members please be seated?

Mr. JAVITS. Mr. President, I am very much for this bill. I only raise the question because a letter has just been received. I ask the Senator to explain that particular provision in view of the objection of the Department of Labor.

Mr. HARTKE. The situation is this: We have in this bill a provision for an Assistant Secretary for Veterans Employment. There is a question being raised at this time on the House side as to the question of jurisdiction of the Veterans' Affairs Committee proceeding on this provision. It is our intention at this time fully to go ahead and insist on the Senate position if at all possible. This is the agreement I had with Senator Thurmond, that we would insist on that position.

Mr. THURMOND. I might say a word on this.

Mr. ROBERT C. BYRD. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. JAVITS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. I still do not understand the answer. Does the Senator want to leave it in?

Mr. HARTKE. Yes, I want to leave it in the bill.

Mr. JAVITS. The Senator may have to take it out if the House insists?

Mr. HARTKE. We do not intend to. I hope they do not so insist.

Mr. JAVITS. The Senator says it is a question of jurisdiction in the House if he leaves it in.

Mr. HARTKE. It can present a question of jurisdiction.

Mr. JAVITS. It presents a question of jurisdiction here because the Labor Committee, of which I am the ranking minority member, has not even considered it, indeed have never heard of it. Should we take it out and leave the situation neutral, and I will pledge to the Senator to look into it? If it is needed, I am sure that Senator Williams and I and our colleagues will see that it is given.

Mr. THURMOND. Will the Senator allow me to make a statement on it?

Mr. ROBERT C. BYRD. Can the Senator make it in 1 minute or 2 minutes?

Mr. THURMOND. I think so.

Mr. ROBERT C. BYRD. I yield that much time.

Mr. THURMOND. Every veterans organization in this country, Mr. President, of any importance, has asked that this be done. The American Legion has passed resolutions at its annual conventions. The Veterans of Foreign Wars have passed resolutions at its annual conventions. The Disabled American Veterans have passed resolutions and so have the AmVets.

The reason is simple. The Veterans Employment Office is tucked way down in the Labor Department, and they do not have the authority to deal directly with the Secretary of Labor.

The idea is to bring it up to an Assistant Secretary. Veterans employment is only about half of what nonveterans employment is. The veterans organizations in this country feel this should have a higher status so the veterans employment officer in the Department of Labor can do the job and do it properly.

He cannot do it now. All the organizations have agreed to that. This is a very important provision, and I would hope the Senate would not take it out, Mr. President.

Mr. JAVITS. Mr. President, I am persuaded, though it is risky for me because of the objection of the department, that I, too, believe we have not done as well as we should on veteran's employment. Therefore, I go along with Senator HARTKE and Senator THURMOND in their feelings that this is to be done. Necessarily, it is a rather quick decision, but I believe it should go this way.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. I ask unanimous consent that the letter from the Secretary of Labor be printed in the RECORD.

There being no objection, the letter was ordered to be printed; in the RECORD, as follows:

WASHINGTON, D.C.,
September 22, 1976.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This is to inform you of our views on S. 969, entitled the Veterans Education and Employment Assistance Act of 1976, which has been reported out of the Committee on Veterans Affairs.

As we stated in our letter of July 23 to Chairman Hartke, among the many provisions in this proposal, the Department of Labor is particularly concerned with the provision which would provide that our Office of Veterans Employment Services be separated from the Employment and Training Administration and made an independent administration headed by an Assistant Secretary of Labor for Veterans Employment.

The Wagner-Peyser Act established a veteran's service as part of the United States Employment Service, which is under the authority of the Assistant Secretary of Labor for Employment and Training. This authority has been amplified by Chapter 41 of Title 38, United States Code, entitled Training and Placement Service for Veterans.

Establishment of a Veterans' Employment Service as a separate agency within the Department headed by an Assistant Secretary would not increase the current high priority accorded veterans. On the contrary, it could impair the provision of services to veterans. The Department administers a number of special programs with respect to veterans and other special groups. Each of these programs is carefully interrelated into the Department's overall effort to provide employment-related services for all special groups, including veterans, women and the handicapped. These special groups have many characteristics in common. The coordination of policies and administration of these special programs not only eliminates fiscal and administrative duplication but also results in a more efficient provision of services to the individuals. The fragmentation suggested by this bill would eliminate these advantages without providing other benefits.

I wish to assure you of my personal concern, and that of the Department of Labor, for veterans. To give effect to the high emphasis I place on veterans' concerns, in July, I reorganized the Secretary's Committee on Veterans' Affairs. The Under Secretary is the Chairman, the Director of the Veterans' Employment Service is the Vice-Chairman and the other members are the Solicitor of Labor and the five Assistant Secretaries of Labor. It meets quarterly and reports regularly to the Secretary.

In addition, on September 1, I appointed the Director of the Veterans Employment Service as Special Assistant to the Under Secretary for Veterans' Affairs. He will coordinate the full range of Department of Labor programs to increase veterans' employment, reemployment, and training.

We believe that employment services for veterans can best be provided by according them a high priority in the mainstream of activity where coordinated policies can be implemented to achieve maximum benefits, rather than isolating them in a separate organization entity.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

W. J. USERY, Jr.,
Secretary of Labor.

Mr. THURMOND. Mr. President, the Veterans Education and Employment Assistance Act of 1976 (S. 969), is the product of considerable industry on the part of the Veterans' Affairs Committee and its staff. The strong bipartisan support of this measure is a tribute to the leadership of the committee under the chairmanship of Senator HARTKE and the ranking Republican member, my colleague, Senator HANSEN, and is in keeping with the committee's tradition since 1971, of according the needs of our Nation's veterans, not political expediency, as the highest priority before the committee.

Two provisions of the bill deserve particular comment. Since the end of the Vietnam War and the inception of the all-volunteer Army, much opposition has arisen over the continuation of the GI bill education program. Historically, this program was designed to assist veterans who had been drafted into wartime service in their transition from the military back to the civilian sector. Recent critics have convincingly argued that the cessation of hostilities and the institution of the all-volunteer army have obviated the need for such a readjustment device. S. 969 is responsive to this point of view and also seeks to accommodate our national interest in maintaining a strong national defense. Under this act, the current GI bill education program is terminated for those entering the armed forces after December 31, 1976.

In its place will be instituted the Post-Vietnam Era Veterans Readjustment Assistance Program for those entering military service on or after January 1, 1977. Under this voluntary program, participants make contributions in amounts up to $75 per month, which is matched on a 2-to-1 basis by the Veteran's Administration. This new education program, therefore, distinguishes, in terms of the quantum of benefits, peacetime and wartime military service. Additionally, the contributory vesting program commends to all who participate the old adage of helping those who help themselves.

A second major provision of S. 969 is designed to cope with the increasing problem of veterans' unemployment. Statistics indicate that unemployment among young veterans in the age group of 20 to 24 years amounted to 21.7 percent for the first quarter of 1976, as compared to 13.4 percent among nonveterans of the same age group during that period. Knowledgeable individuals in the field of veterans employment have consistantly identified as a major impediment to increased enforcement of veterans preference laws the ineffective position of the Veteran's Employment Service, which is buried deep within the bureaucracy of the Department of Labor. S. 969 would enable the Veteran's Employment Service to meet its responsibilities with a degree of autonomy by elevating its head to an Assistant Secretary of Labor for Veteran's Employment. It is expected that this change would dramatically affect the facility with which the head of the VES could carry out his responsibilities and would contribute significantly in reducing the instance of veterans unemployment.

Other worthy changes introduced by S. 969 are the general 8 percent cost-of-living adjustments to benefits payable under the GI education program, an extension to all students, graduate and undergraduate, of the maximum 45 months of entitlement under chapter 34, and an extension of the 10-year delimiting period in certain instances where a veteran was prevented from completing a program of education due to a disability not the result of the veteran's misconduct.

Mr. President, I vigorously support S. 969 and urge my colleagues to do likewise.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Readjustment Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes.

Mr. HARTKE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT TO THE FEDERAL AVIATION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1271, on page 14 of the Calendar.

There being no objection, the Senate proceeded to consider the bill (H.R. 7017) to amend the Federal Aviation Act of 1958 relating to tariff changes, which had been reported from the Committee on Commerce with amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time, and passed.

AMENDMENT OF THE SOCIAL SECURITY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 12961.

The Chair lay before the Senate a message from the House of Representatives on H.R. 12961, as follows:

Resolved, That the House disagree to the amendment of the Senate to the text of the bill (H.R. 12961) entitled "An Act to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such Act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services".

Resolved, That the House disagree to the amendment of the Senate to the title of the aforesaid bill.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate recede from its amendments.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

NATIONAL VOLUNTEER FIREMEN'S WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.J. Res. 1008.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 1008) authorizing the President to proclaim the week beginning on October 3, 1976 and ending October 9, 1976, as "National Volunteer Firemen's Week."

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice, and the Senate will proceed to its consideration.

The joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that my rights be protected while I yield to the Senator from Montana (Mr. METCALF) to call up a conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. When do I call up my conference report?

Mr. METCALF. After I call up mine.

FEDERAL LAND POLICY AND MANAGEMENT ACT, 1976—CONFERENCE REPORT

Mr. METCALF. Mr. President, I submit a report of the committee of conference on S. 507 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 507) to provide for the management, protection, and development of the national resource lands, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the RECORD of September 29, 1976, beginning at page 33484.)

Mr. METCALF. The language concerning management of wildlife on BLM and Forest Service lands differed in the House and Senate versions of the Organic Act, and these differences were resolved in conference.

The Senate bill said in section 101(1),

> *Provided*, however, that no provision of this act shall be construed as authorizing the Secretary to require any Federal permit to hunt or fish on the national resource lands.

In section 505(b) the Senate bill said,

> Nothing in this Act shall be construed as limiting or restricting the power and authority of the United States, or . . . (7) as affecting the jurisdiction or responsibilities of the several states with respect to wildlife and fish in the national resource lands . . .

The House amendment took a narrower approach and said,

> Nothing in this Act shall be construed as authorizing the Secretary concerned to require federal permits to hunt and fish on public lands or on lands in the National Forest System and adjacent waters or as infringing on the responsibility and authority of the States for management of fish and resident wildlife. However, the Secretary concerned may designate areas of public lands and of lands in the National Forest System where, and establish periods when, no hunting or fishing will be permitted for reasons of public safety.

The conferees resolved the differences with the following language:

> *Provided further*, that nothing in this Act shall be construed as authorizing the Secretary concerned to require Federal permits to hunt and fish on public lands or on lands in the National Forest System and adjacent waters or as enlarging or diminishing the responsibility and authority of the States for management of fish and resident wildlife. However, the Secretary concerned may designate areas of public lands and of lands in the National Forest System where, and establish periods when, no hunting or fishing will be permitted for reasons of public safety, administration or compliance with provisions of applicable law. (Sec. 302(b)).

Unfortunately, in attempting to define the term "administration," the statement of managers confuses the issue and could be wrongly interpreted to prevent the Secretary from protecting the public lands.

Traditionally, the States have regulated fishing and hunting of resident species of wildlife. The BLM and the Forest Service have not attempted to manage resident species of wildlife, but have focused on management of their habitat. This bill does nothing to change that. However, as a property owner the Federal Government has certain rights, and those rights have been upheld by the Supreme Court, most recently in Kleppe against New Mexico (June 17, 1976). In that case, the Court unanimously said:

> We hold that the Property Clause also gives Congress the power to protect wildlife on the public lands, state law notwithstanding.

The conference report does not in any way surrender Congress power.

The language of the statement of the managers could be interpreted as so narrowing the definition of "administration" that the agency would be unable to close an area to hunting even where the number of a species is drastically reduced. Carried further this language could be interpreted to mean that an area which was used for habitat research could not be closed to hunting or fishing "simply because hunting and fishing would interfere with resource management goals."

In this legislation for the first time we are giving BLM basic statutory authority to manage the public lands on a multiple-use basis. Two of those uses are hunting and fishing, but they should not take precedence over all other uses. Further, it makes no sense to give an agency authority and then to tie its hands.

When this matter was discussed by the conferees, the right—indeed the responsibility—of BLM and the Forest Service to manage wildlife habitat was agreed to by all. I believe the language in the statment of managers could be interpreted differently and thus does not accurately reflect the conferees' agreement on this issue.

I wish also to clarify the report of the conference committee in regard to the conferees' intent for the section dealing with withdrawals—section 204—as it would affect the Secretary of Interior's authority to make withdrawals for additions to the National Wildlife Refuge System.

The concurrent resolution veto is not intended to be applicable to withdrawals made by the Interior Secretary for additions to the National Wildlife Refuge System. The Interior Secretary is, however, to publish notice and give Congress a report within 90 days.

Consistent with the act of February 27, 1976 (90 Stat. 199; 16 U.S.C. 668dd(a)), lands, including those the Secretary may add to the system in the future pursuant to the authority granted to him by this bill, may only be removed from the system by act of Congress. The Secretary may make such recommendations to the Congress at any time.

Mr. President, very briefly, this is landmark legislation. It is legislation that is most important for the land resources of America. We have worked many years for an organic act for the Bureau of Land Management, and finally have arrived at an agreement with the other body and with certain dissenting voices in the Senate.

I move the adoption of the conference report.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. **ROBERT C. BYRD**. I move to reconsider the vote by which the conference report was agreed to.

Mr. **JACKSON**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **ROBERT C. BYRD**. Mr. President, asking the Chair to protect my rights, I yield to the Senator from Minnesota to call up a conference report.

U.S. GRAIN STANDARDS ACT—CONFERENCE REPORT

Mr. **HUMPHREY**. Mr. President, I submit a report of the committee of conference on H.R. 12572 and ask for its immediate consideration.

The **PRESIDING OFFICER**. The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12572) to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The **PRESIDING OFFICER**. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of today's RECORD.)

Mr. **HUMPHREY**. Mr. President, I ask unanimous consent that Nelson Denlinger and Lou Brasknell of my staff and the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during consideration of the conference report on H.R. 12572: Michael R. McLeod, Henry J. Casso, Carl P. Rose, Phil Fraas, William A. Taggard, and Roy Frederick.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HUMPHREY**. Mr. President, the conferees on H.R. 12572 have reached what I believe to be a sound and sensible compromise agreement on resolving the substantial differences between the House and the Senate on grain inspection reform legislation.

The U.S. grain inspection program has been discredited by evidence of criminal activity and corruption. The Department of Justice has returned 53 indictments against grain inspectors and export grain companies during the last 2 years and already has obtained convictions in most of the cases.

The Subcommittee on Foreign Agricultural Policy which I chair and the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, chaired by Senator HUDDLESTON, have conducted a thorough investigation and numerous hearings with respect to the grain inspection program; and the General Accounting Office, at my request and that of Chairman FOLEY of the House Committee on Agriculture, has also conducted a large-scale study and evaluation of this program.

The investigations and studies have revealed instance after instance of shortcomings in the program under existing law that allow corruption to exist. There is substantial evidence that customer confidence in American grain throughout the world has been seriously eroded by this scandal.

The main conclusion that was drawn from the testimony and material accumulated by the subcommittees was that the present "hodge-podge" system of inspection, performed by 110 separate, independent, and unrelated private or State inspection agencies over which the Department of Agriculture was exercising little control, was a primary culprit in this development of corruption on a massive scale.

Therefore, I introduced and the Senate overwhelmingly passed a reform bill that would have made a systematic and comprehensive overhaul of the inspection system. It would have established a new grain inspection program that was nationally-unified and essentially Federal, increased penalties for violations of the U.S. Grain Standards Act, and extended the coverage of the act to grain weighing.

However, the House of Representatives addressed these proven problems in the grain inspection program in a different manner. While the House bill also called for tougher penalties and brought weighing into the Grain Standards Act, it did not go as far as the Senate in mandating changes in the present system of inspection.

Thus, we went into conference with House and Senate bills that were far apart in their approaches in developing reform legislation. However, I believe then that these approaches were not necessarily in total conflict and that the conferees could reach accord if we agreed to combine the best features of the two bills. As it turned out, the compromise reached by the conferees has taken this course.

This compromise would retain the Senate amendment provision for a unified Federal inspection system at export, with compromise language that would authorize delegation of inspection functions to qualified State agencies in existence as of July 1, 1976.

Export inspection will become entirely public. Seventy-five percent of all export inspection will be performed as a Federal operation entirely, and the existing State agencies, if determined to be qualified after a thorough screening, will be allowed to perform the remaining 25 percent of export inspection.

Also, the compromise has kept the provision of the Senate bill calling for the appointment by the President of an Administrator to be solely and directly responsible for managing the grain inspection program. Provisions from both bills were adopted which would give this Administrator the power necessary to closely supervise and direct inspection activities and practices.

In addition, the conferees have agreed to accept important provisions of the Senate bill relating to: registration of export grain companies; inclusion of the regulation of grain weighing under the Grain Standards Act; rotation of inspection personnel; expanded investigatory authorizations and requirements; and increased congressional oversight of the grain inspection system.

On the other hand, the conferees also agreed to accept the House approach on inspection in the interor of the United States, deferring for the future any major legislative changes with respect to inland points.

We accepted provisions of the House bill calling for the redesignation during the next 2 years of all inspection agencies in the interior under tough new criteria for qualification and the new conflict of interest rule.

However, in conjunction with this, I suggested and the conferees agreed that further study and information-gathering on this issue will be done by the General Accounting Office and the Department of Agriculture. The conference compromise calls for the submission of a report on the needs of the inspection system in the interior of the United States to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture within 2 years after the date of enactment of this Act.

Frankly, I and other Senate conferees believe that much more reform of grain inspection procedures at inland markets is needed. But, conferees from the House felt very strongly about keeping their provisions in this regard and this one point held up agreement on the total package. Therefore, we reluctantly settled for less than we wanted on this point.

Certainly, the compromise on this point does not preclude the Congress from making needed changes later on; in fact, it does the opposite. This compromise says, in effect, that the verdict is still out on the issue. Because of honest disagreement on the factual situation, we will not act definitively now. We will have additional study and evaluation performed—not just by the Department of Agriculture but also by the General Accounting Office—and then look at the issue again in 2 years.

I can assure the Members of the Senate that I and the Committee on Agriculture and Forestry will not let this yet unresolved issue fade away and be forgotten. We will maintain vigilant and constant oversight of the Department as it implements this reform legislation and work closely with the Department of Agriculture and the GAO in evaluating the situation in the interior. If the conclusion is reached, after the study is done, that additional legislation is needed to deal with the situation in the interior, we will be prepared to consider further legislation.

The conferees have worked long and hard over the past 5 months to develop this conference bill and I am satisfied that it is a good compromise. Boiled down to essentials, it gives a dedicated and determined Administrator sufficient tools to clean up the export grain inspection mess. Therefore, I strongly urge that the Senate approve this report.

Mr. President, I ask for unanimous consent that a summary of the compromise bill worked out by the conferees be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary of Grain Inspection Reforms Pursuant to House/Senate Conference Agreement on H.R. 12572—the United States Grain Standards Act of 1976

INSPECTION AT EXPORT POINTS

Official inspection service at all points at which grain is loaded for export from the United States would become a Federal responsibility. Inspection at most export points would be performed by employees of the new Federal Grain Inspection Service. Qualified State agencies in existence as of July 1, 1976 would be allowed to continue their inspection operations under a delegation of authority from the Federal Administrator. All private agencies would be eliminated.

Prior to making any delegation, the Administrator would be required to conduct an investigation to determine if the State agency is qualified to provide services. He would be further required to make findings based on his investigation and to consult with, and review the files of, the Department of Justice, the Office of Investigation of the Department of Agriculture, and the General Accounting Office prior to making his determination.

Inspection by State agencies accounts for only 25% of the grain exported from the U.S. Inspection at the large Gulf ports would become Federal. The change-over at export would be made within one year of the effective date of this Act.

INSPECTION IN THE INTERIOR

State and private inspection agencies who meet criteria designed to insure accurate and uniform inspection would be eligible to be designated under the new Act to perform official inspection.

Designations would be for 3 year periods, at the end of which, renewal of the designation would be required. However, the Administrator would also have the authority to revoke an agency's designation at any time for violations of the Act.

All designations in the interior under the new Act would be completed within two years of the Act's effective date.

This provision of the Act would include a prohibition against grade-shopping abuses.

During the first two years of the new Act, the Federal Grain Inspection Service, the Department of Agriculture, and the General Accounting Office would be required to thoroughly evaluate the status of inspection in the interior and identify any needs for reform, and report their findings to the Agriculture Committees of the House and Senate.

WEIGHING

All grain moving into export points from the interior and all grain exported overseas would be officially weighed and the accurate weight certified by Federal personnel (or where inspection is delegated to States, by the State delegate.) Official weighing would entail the official inspection personnel either actually weighing the grain or the close physical supervision of weighing done by elevator personnel. Supervision of weighing practices under Federal standards would be authorized for all inspection points in the interior. The supervision would be performed by the same agency performing inspection, and the degree of supervision needed would be determined by the Administrator.

There is no provision for regulation of weighing under present law.

PENALTIES

Penalties for violation of the Act would be toughened. Maximum criminal penalties would be increased from 6 months in prison or a fine of $3,000, to 12 months in prison or a fine of $10,000 for first convictions and 5 years in prison or a fine of $20.000 for succeeding violations. A new provision for the assessment of civil penalties for violations of the Act would be created. A fine of up to $75,000 for each violation could be assessed under this provision.

PERSONNEL

All inspection and weighing personnel, whether employed by the Federal Government or State or private agencies, would be subject to periodic rotation, to avoid the development of close relationships with the employees of one elevator.

All inspection agencies would be required to meet standards for recruiting, training, and supervising personnel and appropriate work production standards, set by the Administrator.

All personnel hired by agencies must be hired solely for their qualifications, and not based on their political affiliations.

FEDERAL GRAIN INSPECTION SERVICE

The Department of Agriculture's grain inspection and weighing staff would be placed under the direction of an Administrator who would be fully and directly responsible for managing the grain inspection system and administering this Act. He would be a Presidential appointee and would have to be confirmed by the Senate.

REGISTRATION OF GRAIN EXPORTERS

All companies engaged in the export of American grain would be required to register and provide ownership and management information to the Federal Grain Inspection Service. Registration would be required in order for the company to engage in the export trade. If an export grain company were found to have violated the Act, the Administrator could suspend or revoke its certificate of registration.

Excepted from the provisions of this section are country elevators unless they primarily function to sell grain directly into export.

CONFLICTS OF INTEREST

A provision would be added to present law applying new conflicts of interest rules to all inspection agencies. No inspection agency would be allowed to have any connections with the grain trade. Exception would only be allowed if the Administrator determines there is no conflict that would jeopardize the integrity of the inspection service. In addition, a full report of any such waiver would have to be submitted to the Agriculture Committees of the Congress.

OVERSIGHT

Congressional oversight of the grain inspection system would be enhanced. The inspection Service would be required to report to the Agriculture Committees of Congress periodically on the status of investigatory activity with regard to irregularities and abuses in inspection and weighing practices.

Provision would be made to have the Department alert the Agriculture Committees of Congress within 30 days whenever (i) a foreign government registers a reasonably-based complaint about the quality of grain they were receiving from the United States, or (ii) any large export contract is cancelled for any reason.

Similarly, the Department's investigatory powers would be beefed-up. The Department and the GAO would be given access to books and records of inspection agencies; periodic audits of these agencies would be required. The Department would also be authorized to monitor grain shipments overseas.

GRAIN STANDARDS

A thorough study of current grain standards would be commissioned. Standards to encourage the production, maintenance, and delivery of high-quality grain and better meet the end-use requirements of buyers would be developed.

EQUIPMENT

The Administrator would be authorized to require the installation of new grain weighing and handling equipment at export elevators, as needed. Provisions would be made for the periodic testing of all grading, sampling, and weighing equipment at all inspection points.

Mr. HUMPHREY. I yield at this time to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. With the concurrence of the Senator from West Virginia, the Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, I want to join the Senator from Minnesota in urging approval of the conference report on the grain inspection bill (H.R. 12572). The bill that came out of the joint conference committee is a very important bill. It represents a compromise on several major issues on how the grain inspection system should be administered. It will not create a separate, new layer of Federal bureaucracy, but will strengthen our existing State and private inspection agency system. The ports where most of the indictments in the grain inspection scandal were made will be federalized.

But I think it is important to point out, that the major strength of this bill is contained in the other sections of the bill, which make the penalties for violation of the act more severe, require rigid qualification and training of personnel, provide for the supervision of grain weighing and provides for ongoing investigations and reports on the operations of the system and for reports on needed changes.

Mr. President, I recall when a comparable scandal took place in 1952. It was generally in the same areas and resulted in similar indictments. I am confident that the bill we consider today will prevent any further recurrence of such a situation. I urge my colleagues to approve the conference report.

Mr. President, I ask unanimous consent that a statement prepared by the distinguished Senator from Kansas (Mr. Dole) be printed in the Record at this point. Senator Dole is necessarily absent on important business.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF SENATOR DOLE

I would like to express my full support of the report of the Joint Conference on H.R. 12572, the bill providing considerable reform to the Grain Standards Act.

You may recall that I voted against passage of the Senate version of this bill which contained over-kill provisions to establish a new layer of bureaucracy in the form of a separate, independent, government agency to perform all grain inspection at all ports and at the 25 major inland terminals.

The identified problem areas at the gulf ports in the much publicized grain inspection scandal were violations of the grain inspection laws. Other ports and interior points throughly investigated and revealed nothing comparable.

It was obvious at the outset that the major need for legislative action centered around the limited penalties assessed for violations and the lack of adequate federal supervision of inspection agencies to inhibit violations.

I supported S.J. Res. 88, passed by the Senate in 1975, which would have provided temporary authority to correct the situation while comprehensive reform legislation could be passed. The provisions of that Resolution are incorporated in H.R. 12572 which we consider today. I also supported the House passed version of this legislation and introduced similar legislation in the Senate.

The Senate passed version of this bill was opposed by many of us because it would have unnecessarily created a new layer of federal bureaucracy without any added protection against abuses for our farmers and customers. In fact, based on the history of bureaucratic red tape and delay we have witnessed with other such "independent agencies", it would have created a hindrance in the otherwise efficient movement of grain at harvest time.

Of principal concern in our consideration of this legislation was to provide assurance to our farmers that their grain would be accurately inspected; to assure all concerned that the inspection of grain would be accomplished promptly so as to not interfere with the movement of grain from farms to markets and export points; and to assure our foreign grain customers that they will receive the quality and quantity of grain for which they contracted. As reported by the Joint Conference Committee, this bill will establish the necessary qualifications, supervision, and procedures to provide this assurance to our farmers.

Today I am pleased to urge my colleagues to support the Conference Report on this bill as a good, sensible measure which is an amalgam of the better provisions of both bills. It does not create a new bureaucracy; it allows present creditable inspection systems, whether State or privately operated, to continue operations with assurance that private agencies cannot be owned or controlled by the firms that they inspect. Most of all, provisions of the bill increase penalties for violations of the Act and increase the supervision of all grain inspection and weighing, and require better training and qualification of grain inspectors. It is a good bill that will restore proper integrity to the grain inspection system, and prevent any recurrence of abuses and will assure our foreign customers the delivery of high quality U.S. grain.

If I had been present to vote on this report, I would have voted yea.

H.R. 12572

Mr. TOWER. Mr. President, I will not attempt to hold up the passage of this bill. I do have serious misgivings about the bill, and I know that it discriminates against my State of Texas and my neighboring State of Louisiana.

However, we have much to do, and any delay, I realize, will not likely provide any substantive relief for my State.

This legislation, which seeks to correct abuses uncovered at our export inspection facilities, will cause a disaster for the Texas ports of Galveston, Beaumont, and Corpus Christi, as well as other ports all along the gulf coast.

The bill will eliminate those privately owned grain inspection firms which—although most of these firms have been guilty of absolutely no wrongdoing—must nevertheless close their business under this bill.

This bill will put a number of the employees of these firms out of work—and no one needs more unemployment brought about by the Federal Government.

Those employees able to find jobs with the Federal system mandated by this bill will nonetheless suffer by loss of seniority, pay equivalency, and other rights they have earned through years of hard work.

Mr. President, this bill, in a few simple words, extends Federal control, and on that basis alone I feel an objection should be known. It further adversely affects my State, and if I thought there was any way I could stop this bill, I would. There is none, and I shall make my objection now and not hold up the Senate further.

THE U.S. GRAIN STANDARDS ACT OF 1976

Mr. CLARK. Mr. President, it is with great reluctance that I must rise in opposition to the conference report on H.R. 12572, the U.S. Grain Standards Act of 1976. Without a doubt, this legislation will provide for significant improvement over the present scandal-ridden grain inspection system, especially at the Nation's ports. But, unfortunately, H.R. 12572 will leave virtually unchanged the present hodge-podge system of private and State inspection agencies serving our interior markets, where fully 70 percent of our grain is inspected each year. Furthermore, the bill fails to sever decisively the wholly unacceptable conflicts of interest that now exist between the Nation's grain companies and the agencies inspecting their grain. The failure to deal adequately with this most serious problem has led to my decision not to sign the conference report, and to oppose its adoption.

Certainly, H.R. 12572 is a step in the right direction. Most importantly, it ensures that fully 7 percent of U.S. grain exports shall be inspected by Federal personnel, and that private inspection agencies shall be abolished, once and for all, at export locations. It should be noted that at the Louisiana and Texas ports, where nearly all grain-related convictions have occurred up to this point, H.R. 12572 insures that grain inspection shall be solely the responsibility of Federal personnel.

H.R. 12572 makes a number of other important improvements over the present system. For the first time, grain weighing at the ports will be closely monitored and controlled by Federal or State inspectors.

A new Federal Grain Inspection Service will be established within the Department of Agriculture with an Administrator appointed by the President subject to Senate confirmation. Hopefully, this will help correct the shoddy and negligent performance record of the USDA in supervising our Nation's grain inspection system.

Also for the first time, grain export companies will be required to register with the new Inspection Service, providing information on their ownership, management, and operations that has been unavailable heretofore. Under this provision, companies found to be in violation of the law could be denied official inspection under the act, an enforcement tool which should prevent the companies from breaking the law with impunity, as they have in the past.

Increased criminal penalties, strict reporting requirements, tightened supervision, Federal standards for the hiring, training, and rotation of personnel, and a long overdue review of the grain standards themselves are also included in the provisions of this act.

Unfortunately, however, H.R. 12572 fails to adopt the recommendations of the detailed General Accounting Office's report, of U.S. Attorney Gerald Gallinghouse, who has led the fight against grain trade corruption, and of the Senate Agriculture Committee, which conducted its own extensive investigation and hearings. It fails to adopt the uniform, Federal grain inspection system that I believe we need to restore competence, efficiency, and integrity to the Nation's grain trade.

At export locations, H.R. 12572 will leave 25 percent of grain inspection and weighing in the hands of State agencies which, it has been shown, vary widely both in honesty and competence. At interior locations, the effect of this bill is simply to endorse the status quo, leaving grain inspection in the hands of State and private agencies which, I believe, have forfeited any rights they may have had to be entrusted with the vital function of applying Federal standards for grain inspection.

But worst of all, the bill would perpetuate the indefensible relationships between grain companies and inspection agencies. Mr. President, who among us would buy meat that had been inspected—not by the Government—but by an agency owned and operated by meat packing companies? That, in effect, is the kind of incredible relationship we are approving for the grain trade. It is a relationship which I cannot condone, a relationship which compels my opposition to this bill, despite the many positive features I have outlined.

Mr. President, our colleagues might wonder what happened to the excellent grain inspection reform bill which passed the Senate last May, a bill that fully incorporated the recommendations of the GAO, of U.S. Attorney Gallinghouse, and of the Senate Agriculture Committee. Certainly, the weaker provisions of the House-passed bill prevailed in conference on the most important issues.

One reason for the outcome was the dogged determination of a number of House conferees to protect certain narrow special interests in their home districts, in direct conflict with a clearly defined national interest. As the Des Moines Register stated in a recent editorial, the bill "is a testament to how legislation can be weakened when congressmen place parochial concerns over the public interest. The weaknesses in the bill will satisfy a few special interests; they do a disservice to the farmers who produce the Nation's grain."

But if this bill is a testament to congressional parochialism, Mr. President, it is also a testament to the indifference of the present administration to the American farmers. At every turn, until the FBI literally rubbed their noses in it, the Department of Agriculture ignored substantial evidence of corruption in the grain trade. At every turn, the Department has strenuously resisted strong grain inspection legislation, even to the point where Secretary Butz undermined a compromise that had the endorsement of the Republican Vice Presidential nominee, Senator Dole.

The task of reforming the grain inspection system remains incomplete. To finish the job, we will have to wait not only for a new Congress, but for a new administration that will listen to the producer, not just to the giant multinational grain traders.

In the meantime, Mr. President, much can be done. It is clear from information we have received that widespread investigations by the Justice Department and the USDA Office of Investigations are continuing. We must follow the progress of these investigations carefully, and insure that they are vigorously pursued.

In the coming months, the President will appoint an Administrator for the new Federal Grain Inspection Service. Consistent with our responsibilities under the "advise and consent" clause, we must guarantee that the individual selected meets the highest standards of integrity and ability, and that the new Administrator not be tied in any way to the discredited policies of the past.

Further, Mr. President, a number of new reports are mandated by H.R. 12572, including new investigative efforts by USDA and GAO into the inspection system at interior markets. Those reports must not be allowed to gather dust. They must be carefully scrutinized and evaluated, so that as new problems are identified the Congress can move quickly with corrective legislation. The original U.S. Grain Standards Act was passed in 1916. We should not have to wait another 60 years for reform.

As I said earlier, Mr. President, H.R. 12572 does represent a marked improvement over the present grain inspection system. For the many positive aspects of this legislation, a lion's share of the credit must go to the Senator from Minnesota, Hubert Humphrey. Once again, with his energy, his determination, and his creativity, Senator Humphrey has demonstrated why he is the leading voice in the Congress for the cause of the American farmer.

Much credit must also go to the chairman of the full Agriculture Committee, Senator Talmadge, who provided us with strong support throughout the investigation and the development of reform legislation. Senators McGovern and Huddleston also made important contributions.

As always, Mr. President, our efforts would have been impossible without months of hard work by our staffs. Special mention must be made of the outstanding job done by Phillip Fraas, the special counsel to the Agriculture Committee, who has spearheaded our investigative activities. Valuable assistance was also provided by Chief Counsel Mike McLeod, Ann Bond, and Carl Rose of the Agriculture Committee, Bert Williams and Hugh Williamson of the GAO, who assisted with the committee investigation, and Nelson Denlinger of Senator Humphrey's staff.

Once again, we must applaud the work of Comptroller General Elmer Staats and his staff, especially Douglas Hogan and Jerry Kelly who were responsible for the General Accounting Office report on the grain inspection system. I only regret that our final product could not have mirrored more closely the recommendations of the GAO.

And finally, Mr. President, we cannot forget the outstanding service rendered by many outside of Congress in the fight to restore integrity to the grain trade. U.S. Attorney Gerald J. Gallinghouse and his top assistant, Cornelius Heusel, continue to establish a remarkable record of convictions in the grain scandal. Harlan Ryan of the USDA Grain Division in New Orleans has been relentless in his determination to clean up the problems that have plagued our largest grain port. James Risser of the Des Moines Register has already won every major award in journalism for his investigative reporting on grain trade corruption, and William Robbins of the New York Times also has made many important additions to our understanding of the problem.

Mr. President, the Des Moines Register has published two recent editorials that certainly reflect my attitude as this chapter of the grain inspection reform effort draws to a close. I ask unanimous consent that these two editorials, as well as a summary of the provisions of H.R. 12572, be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Des Moines Register, Sept. 23, 1976]

Who Speaks for Ford?

House members of the conference committee on grain inspection did a disservice to agriculture in voting to reject Iowa Senator Dick Clark's compromise plan to reform the nation's grain inspection system. Much of the blame for the rejection belongs to Secretary of Agriculture Earl Butz. He personally contacted House members of the committee and urged them to oppose the Clark plan. The committee then voted for a much weaker bill Clark opposed.

More than 70 individuals and companies have been indicted for grain theft, misweighing and bribery. The General Accounting Office (GAO) has found major problems with grain inspection at inland and export points and at virtually every stage of the inspection process.

The plan rejected by the House-Senate conference committee would not have gone as far as we believe necessary to create a uniform inspection system. Some state inspection agencies would have been allowed to continue their work at export points and some state and private agencies could have continued at inland points.

But the Clark plan would have cracked down on conflicts-of-interest in private agencies, imposed tough standards on the selection and training of new grain inspectors, placed the inspection system under a semi-independent grain inspection service and made other essential reforms. This would have gone a long way toward creating the sort of inspection system farmers deserve.

Butz emphasized that the reforms would kill several private agencies. His parochial concern for a few ageencies overlooked the need to establish an inspection system which commands the confidence of buyers and sellers.

Butz was worried because the proposed grain inspection service would be headed by a presidential apointee relatively independent of the secretary of agriculture. His concerts for the power of his office outweighed the GAO finding that "[the U.S. Department of Agriculture's] overall direction and supervision of the existing system have been deficient."

Butz's opposition to the Clark plan contradicted the position he took on grain inspection in an interview with The Register last week. In that interview, Butz said that Senator Robert Dole (Rep., Kansas) "speaks for the Ford administration" on grain inspection.

Dole issued a strong statement last week endorsing the Clark plan. Earlier in the summer Dole supported an even stronger reform measure, which would have eliminated private agencies at the major inland terminals.

Dole is a member of the Senate Agriculture Committee and represents one of the nation's leading grain producing states, in addition to being the President's running mate. The administration's inexcusable performance on grain inspection raises the question whether it knows what it is doing.

[From the Des Moines Register,
Sept. 25, 1976]

Compromise on Grain

The grain inspection reform bill approved Wednesday by a House-Senate conference committee will make major and long-needed changes in the way the nation's grain is inspected. But the bill falls short of creating the uniform inspection system required to deal with the scandal in grain inspection and the shortcomings revealed by the General Accounting Office.

The bill is strongest in attacking abuses in the inspection of grain for export. It abolishes private inspection agencies at export points. Existing state agencies at these points could continue inspecting only if they were found qualified by the new federal grain inspection service. These reforms will federalize at least 75 per cent of the inspection of grain for export.

The legislation requires certification and supervision of the weighing of all export grain. This requirement should end misweighing at export points.

The bill creates a new federal grain inspection service to be headed by a presidential appointee subject to Senate confirmation. The fact that the service will be relatively independent of the U.S. Department of Agriculture (USDA) is welcome: The USDA's record on grain inspection is poor.

The bill contains fairly strong language concerning the inspection of grain at inland points. Existing private and state agencies would be allowed to continue only if they are designated as official agencies by the grain inspection service. The designations are to be reviewed every three years.

Conflicts of interest between grain firms and private agencies generally would be prohibited, though the prohibition could be waived for specific agencies by the head of the grain service. The bill calls for a study of inspection at inland points to be completed in two years.

Language dealing with inland points sounds strong, but it is expected that in practice the bill would neither close many existing agencies nor end many conflict-of-interest situations. Local political pressure could well sway the willingness of the grain service to act.

The net effect of the bill is to place grain inspection under much stiffer regulation than in the past, yet to leave untouched some of the defects in the present system. The most serious of these defects are the continuing hodgepodge of inspection agencies and the potential for abuse in conflict-of-interest situations.

The bill is the product of compromise. It is a testament to how legislation can be weakened when congressmen place parochial concerns over the public interest. The weaknesses in the bill will satisfy a few special interests; they do a disservice to the farmers who produce the nation's grain.

Summary of Grain Inspection Reforms Pursuant to House/Senate Conference Agreement on H.R. 12572, the United States Grain Standards Act of 1976

INSPECTION AT EXPORT POINTS

Official inspection service at all points at which grain is loaded for export from the United States would become a Federal responsibility. Inspection at most export points would be performed by employees of the new Federal Grain Inspection Service. Qualified State agencies in existence as of July 1, 1976 would be allowed to continue their inspection operations under a delegation of authority from the Federal Administrator. All private agencies would be eliminated.

Prior to making any delegation, the Administrator would be required to conduct an investigation to determine if the State agency is qualified to provide services. He would be further required to make findings based on his investigation and to consult with, and review the files of, the Department of Justice, the Office of Investigation of the Department of Agriculture, and the General Accounting Office prior to making his determination.

Inspection by State agencies accounts for only 25% of the grain exported from the U.S. Inspection at the large Gulf ports would become Federal. The change-over at export would be made within one year of the effective date of this Act.

INSPECTION IN THE INTERIOR

State and private inspection agencies who meet criteria designed to insure accurate and uniform inspection would be eligible to be designated under the new Act to perform official inspection.

Designations would be for 3 year periods, at the end of which, renewal of the designation would be required. However, the Administrator would also have the authority to revoke an agency's designation at any time for violations of the Act.

All designations in the interior under the new Act would be completed within two years of the Act's effective date.

This provision of the Act would include a prohibition against grade-shopping abuses.

During the first two years of the new Act, the Federal Grain Inspection Service, the Department of Agriculture, and the General Accounting Office would be required to thoroughly evaluate the status of inspection in the interior and identify any needs for reform, and report their findings to the Agriculture Committees of the House and Senate.

WEIGHING

All grain moving into export points from the interior and all grain exported overseas would be officially weighed and the accurate weight certified by Federal personnel (or where inspection is delegated to States, by the State delegatee.) Official weighing would entail the official inspection personnel either actually weighing the grain or the close physical supervision of weighing done by elevator personnel. Supervision of weighing practices under Federal standards would be authorized for all inspection points in the interior. The supervision would be performed by the same agency performing inspection, and the degree of supervision needed would be determined by the Administrator.

There is no provision for regulation of weighing under present law.

PENALTIES

Penalties for violation of the Act would be toughened. Maximum criminal penalties would be increased from 6 months in prison or a fine of $3,000, to 12 months in prison or a fine of $10,000 for first convictions and 5 years in prison or a fine of $20,000 for succeeding violations. A new provision for the assessment of civil penalties for violations of the Act would be created. A fine of up to $75,000 for each violation could be assessed under this provision.

PERSONNEL

All inspection and weighing personnel, whether employed by the Federal Government or State or private agencies, would be subject to periodic rotation, to avoid the development of close relationships with the employees of one elevator.

All inspection agencies would be required to meet standards for recruiting, training, and supervising personnel and appropriate work production standards, set by the Administrator.

All personnel hired by agencies must be hired solely for their qualifications, and not based on their political affiliations.

FEDERAL GRAIN INSPECTION SERVICE

The Department of Agriculture's grain inspection and weighing staff would be placed under the direction of an Administrator who would be fully and directly responsible for managing the grain inspection system and administering this Act. He would be a Presidential appointee and would have to be confirmed by the Senate.

REGISTRATION OF GRAIN EXPORTERS

All companies engaged in the export of American grain would be required to register and provide ownership and management information to the Federal Grain Inspection Service. Registration would be required in order for the company to engage in the export trade. If an export grain company were found to have violated the Act, the Administrator could suspend or revoke its certificate of registration.

Excepted from the provisions of this section are country elevators unless they primarily function to sell grain directly into export.

CONFLICTS OF INTEREST

A provision would be added to present law applying new conflicts of interest rules to all inspection agencies. No inspection agency would be allowed to have any connections with the grain trade. Exception would only be allowed if the Administrator determines there is no conflict that would jeopardize the integrity of the inspection service. In addition, a full report of any such waiver would have to be submitted to the Agriculture Committees of the Congress.

OVERSIGHT

Congressional oversight of the grain inspection system would be enchanced. The Inspection Service would be required to report to the Agriculture Committees of Congress periodically on the status of investigatory activity with regard to irregularities and abuses in inspection and weighing practices.

Provision would be made to have the Department alert the Agriculture Committees of Congress within 30 days whenever (i) a foreign government registers a reasonably-based complaint about the quality of grain they were receiving from the United States, or (ii) any large export contract is cancelled for any reason.

Similarly, the Department's investigatory powers would be beefed-up. The Department and the GAO would be given access to books and records of inspection agencies; periodic audits of these agencies would be required. The Department would also be authorized to monitor grain shipments overseas.

GRAIN STANDARDS

A thorough study of current grain standards would be commissioned. Standards to encourage the production, maintenance, and delivery of high-quality grain and better meet the end-use requirements of buyers would be developed.

EQUIPMENT

The Administrator would be authorized to require the installation of new grain weighing and handling equipment at export elevators, as needed. Provisions would be made for the periodic testing of all grading, sampling, and weighing equipment at all inspection points.

Mr. GRIFFIN. Mr. President, I have been requested by several Senators who apparently want to be recorded on this issue that we ask for the yeas and nays.

Mr. HUMPHREY. Yes. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, before we have the rollcall vote, I yield to the Senator from Arkansas (Mr. McClellan).

ANNUITIES TO SURVIVORS OF FEDERAL JUSTICES AND JUDGES

Mr. McCLELLAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 12.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 12) to amend section 376 of title 28, United States Code, in order to reform and update the existing program for annuities to survivors of Federal Justices and Judges, as follows:

Page 11, line 15, strike out "$1,466;" and insert: "$1,548;"

Page 11, line 16, strike out "$4,399,", and insert: "$4,644,"

Page 12, line 4, strike out "$1,760;", and insert: "$1,860;"

Page 12, line 5, strike out "$5,279,", and insert: "$5,580,"

Page 23, line 20, strike out "level cost", and insert: "actuarial"

Page 25, line 7, strike out "or his", and insert: or his or her

Page 25, line 7, strike out "of his", and insert: of that individual's

Page 25, strike out lines 12 through 14 inclusive, and insert:

Sec. 7. That, at any time within one hundred and eighty days after the date upon which this Act becomes effective, any judicial official who has, prior to that date, already participated in the judicial survivors annuity program created by the Act of August 3, 1956 (70 Stat. 1021), as amended, shall be entitled to revoke his or her earlier election to participate in that program and thereby completely withdraw from participation in the judicial survivors' annuities program created by this Act: *Provided*, That (a) any such revocation may be effected only by means of a writing filed with the Director of the Administrative Office of the United States Courts, (b) any such writing shall be deemed to have become effective no sooner than the date upon which that writing is received by the Director, (c) upon receipt of such a writing by the Director, any and all rights to survivorship benefits for such judicial official's survivors shall terminate, and all amounts credited to such judicial official's individual account, together with interest at 3 percent per annum, compounded on December 31 of each year to that date of revocation, shall thereafter be returned to that judicial official in a lump-sum refund payment, and (d) any judicial official who effects such a revocation and who subsequently again becomes eligible and elects to join the judicial survivors annuities program created by this Act under the provisions of section 376 of title 28, United States Code, as amended by this Act, shall be permitted to do so only upon the redeposit of the full amount of the refund obtained under this section plus interest at 3 percent per annum, compounded on December 31 of each year from the date of the revocation until the date upon which that amount is redepcsited. Any judicial official who fails to effect a revocation in accordance with the right conferred by this section within one hundred and eighty days after the date upon which this Act becomes effective shall be deemed to have irrevocably waived the rights to that revocation.

Sec. 8. That this Act shall become effective on the first day of the third month following the month in which it is enacted, or on October 1, 1976, whichever occurs last.

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

U.S. GRAIN STANDARDS ACT—CONFERENCE REPORT

The Senate continued with the consideratiton of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H.R. 12572).

Mr. HUMPHREY. Mr. President, I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I ask unanimous consent that Aubrey Sarvis and Bob Genther of my staff have the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I am prepared for the rollcall vote on the conference report.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the rollcall I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the report of the committee of conference on the disagreeing votes of the two Houses on H.R. 12572. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. May we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Will Senators who have already voted kindly clear the well and the aisles so Senators may now vote?

The clerk will proceeed.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Michigan (Mr. Philip A. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Kentucky (Mr. Huddleston), the Senator from Massachusetts (Mr. Kennedy), the Senator from Wyoming (Mr. McGee), the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Rhode Island (Mr. Pastore), the Senator from Connecticut (Mr. Ribicoff), the Senator from Mississippi (Mr. Stennis), the Senator from Georgia (Mr. Talmadge), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Ohio (Mr. Glenn), the Senator from Hawaii (Mr. Inouye), and the Senator from Montana (Mr. Mansfield) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Nevada (Mr. Laxalt), the Senator from Kansas (Mr. Pearson), the Senator from Delaware (Mr. Roth), the Senator from Vermont (Mr. Stafford), the Senator from Ohio (Mr. Taft), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Virginia (Mr. William L. Scott) is absent on official business.

The result was announced—yeas 56, nays 6, as follows:

[Rollcall Vote No. 693 Leg.]

YEAS—56

Abourezk
Allen
Baker
Bartlett
Bayh
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Curtis
Durkin
Eagleton
Fannin
Ford
Garn
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Humphrey
Jackson
Javits
Leahy
Magnuson
Mathias
McClellan
McGovern
Metcalf
Morgan
Moss
Nelson
Nunn
Packwood
Pell
Percy
Proxmire
Randolph
Schweiker
Scott, Hugh
Sparkman
Stevens
Stevenson
Stone
Symington
Thurmond
Williams
Young

NAYS—6

Clark
Culver
Johnston
Long
McClure
Tower

NOT VOTING—38

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Gravel
Hart, Philip A.
Hollings
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
McGee
McIntyre
Mondale
Montoya
Muskie
Pastore
Pearson
Ribicoff
Roth
Scott, William L.
Stafford
Stennis
Taft
Talmadge
Tunney
Weicker

So the conference report was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the able was agreed to.

ORDER THAT CONFERENCE REPORT BE PRINTED—H.R. 12572

Mr. HUMPHREY. Mr. President, a number of typographical and other errors were made in the printing of the conference report on H.R. 12572 as filed in the House of Representatives.

In order to correct such errors to meet anticipated demand for extra copies of this report, I ask unanimous consent that the conference report be printed as filed in the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The **PRESIDING OFFICER.** The Chair, on behalf of the Vice President, in accordance with Senate Resolution 523, 94th Congress, appoints the Senator from Michigan (Mr. GRIFFIN) as a member of the Study on United States Security and Foreign Policy Interests in Middle East, Europe, and other areas.

The Chair, on behalf of the Vice President, pursuant to Public Law 844–689, appoints the following Senators to attend the North Atlantic Assembly, to be held in Williamsburg, Va., November 14–19, 1976: the Senator from Alabama (Mr. SPARKMAN), chairman; the Senator from Massachusetts (Mr. KENNEDY); the Senator from Virginia (Mr. HARRY F. BYRD); the Senator from California (Mr. TUNNEY); the Senator from North Carolina (Mr. MORGAN); the Senator from Nebraska (Mr. HRUSKA); the Senator from New York (Mr. JAVITS); and the Senator from Alaska (Mr. STEVENS).

FOOD STAMP PURCHASES BY WELFARE RECIPIENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of another item that has been cleared on the calendar, Calendar Order No. 1275, page 14.

The **PRESIDING OFFICER.** The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 13500) to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and insert the following:

FOOD STAMP DISTRIBUTION TO AFDC FAMILIES

That (a) Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"FOOD STAMP DISTRIBUTION

"SEC. 410. (a) Any State plan for aid and services to needy families with children may (but is not required under this title or any other provision of Federal law to) provide for the institution of procedures, in any or all areas of the State, by the State agency administering or supervising the administration of such plan under which any household participating in the food stamp program established by the Food Stamp Act of 1964, as amended, will be entitled, if it so elects, to have the charges, if any, for its coupon allotment under such program deducted from any aid, in the form of money payments, which is (or, except for the deduction of such charge, would be) payable to or with respect to such household (or any member or members thereof) under such plan and have its coupon allotment distributed to it with such aid.

"(b) Any deduction made pursuant to an option provided in accordance with subsection (a) shall not be considered to be a payment described in section 406(b)(2).

"(c) Notwithstanding any other provision of law, no agency which is designated as a State agency for any State under or pursuant to the Food Stamp Act of 1964, as amended, shall be regarded as having failed to comply with any requirement imposed by or pursuant to such Act solely because of the failure, of the State agency administering or supervising the administration of the State plan (approved under this part) of such State, to institute or carry out a procedure, described in subsection (a).".

(b) Administrative costs incurred by a State plan for aid and services to needy families with children, approved under Part A of title IV of the Social Security Act, in conducting procedures (described in section 410 of such Act, as added by subsection (a) of this section) in connection with the food stamp program shall be paid from funds appropriated to carry out the Food Stamp Act of 1964, as amended.

Mr. JAVITS. Mr. President, I wish to advise the assistant majority leader that we will have an amendment—that I have an amendment.

Mr. ROBERT C. BYRD. Mr. President, I understood that this measure was cleared for action without amendment and that Senators could offer amendments to another measure that will be coming along. I understood that this measure was cleared, to be called up without amendment.

Mr. LONG. Yes, it is.

The **PRESIDING OFFICER.** Senators will clear the aisles.

Mr. JAVITS. Mr. President, we cannot hear anything.

The **PRESIDING OFFICER.** Will the Senator from Louisiana suspend momentarily?

The Chair insists on order.

Mr. LONG. Mr. President, there are at least three measures on the calendar which definitely should be permitted to become law. We should not add amendments that might prevent those bills from getting through the House. We also have other bills on the calendar to which the Finance Committee has added no amendments. These other bills would be appropriate vehicles to add amendments that might not be of a controverisal nature. But I would have to insist that we should send this bill over to the House without adding other amendments which could prevent the bill from becoming law.

Let us talk about this measure. It would extend a provision which is expiring. That provision permits States—if they want to do so—to deduct the cost of food stamps from the welfare checks and to mail the recipients their food stamps along with their welfare checks.

After today, however, existing law will require States to do this whether they want to or not. Twenty States do not want to do it.

If we do not extend the optional feature of the law, it will create all sorts of administrative confusion in those 20 States. This measure is something that no one could object to. It should be enacted, and it should not be impeded by other amendments that might prevent it from getting through the House or from becoming law.

That being the case, Mr. President, I hope very much that we can pass this bill now with the understanding that we will then call up some of these other House-passed bills to which the committee has added no amendments. This will provide Senators an opportunity to offer amendments of a noncontroversial nature on those bills.

Mr. JAVITS. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. I yield to the Senator.

Mr. JAVITS. Mr. President, I will have to persist in seeking to amend this bill, because the Senator from Louisiana has just told me why. If we are going to amend a bill that is not going anywhere, we might as well save our strength in the exercise. I want to amend a bill that is going somewhere, especially as the amendment I have has already passed the House. We were told here the other day—and I was a party to it—on the unemployment compensation bill, "Hold off on your social security amendments. We will give you a vehicle." But I do not want a vehicle that is going nowhere. The Senator has just told me there are very few bills that are going anywhere, except a few, and this is one of them.

So, Mr. President, I am ready to propose my amendment, unless for the moment the Senator from West Virginia will take the bill down and we can examine what Senator LONG offers us.

Mr. LONG. Mr. President, let me make this clear. We have about five House-passed bills which we have reported without objection from the committee. We have no objection to the Senator offering his amendment to any of those bills. If he wants to offer a House-passed provision to a different House-passed bill and if the Senate is willing to agree to it, there is no reason to fear that the House would not agree to the amendment it has already agreed to previously. I do not see any problem with that. But when we send a bill over with a number of amendments, each one of those amendments causes the House to ask questions: "What is this about and what is that about?" The more questions asked, the more problems there are in passing the bill.

This particular measure benefits 20 States. It is important to 20 States. These are the 20 States that do not now use the method of providing food stamps by withholding their price from the welfare check: Alabama, Connecticut, District of Columbia, Florida, Georgia, Illinois, Louisiana, Maine, Massachusetts, Michigan, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, North Dakota, Pennsylvania, Puerto Rico, Rhode Island, and the Virgin Islands.

I was not until now aware of the fact that Louisiana was one of the 20 States affected by this. But all of these 20 States will have a serious administrative problem if we do not pass this bill.

We have another bill here which corrects some effective dates which will otherwise give the Internal Revenue Service very severe problems. We cannot afford to use these bills as a vehicle for these additional amendments. These bills involve important problems related to jeopardy assessments, the termination of assessments, the administrative summons, and the minimum exemption from levy. It is not quite fair to take bills like these which really must become law and start adding amendments to them that do not quite have the same urgency.

I would have to resist that. What we should do is first pass those few measures which it would be irresponsible to leave behind and then pass as many of the others as we can. I am willing to help the Senator, but we should do it on one of the other measures which were reported from committee without any votes against them.

Mr. HUMPHREY. Mr. President, will the Senator from West Virginia yield?

Mr. LONG. If the Senator wants to insist that we do not pass any of them, he can choose to do that.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Minnesota (Mr. Humphrey).

Mr. President, I beg the Senators' pardon for my holding the floor, but this is the only way I can see to expedite matters under these circumstances.

Mr. HUMPHREY. Mr. President, I think the message here is very clear, and it is that we can go through the exercise here of adopting some amendments, but they are not going to go very far. In other words, the destination is unknown.

The amendment I will offer at an appropriate time is an amendment adopted by the House. It is identical, line for line, word for word, comma for comma, subsection for subsection. It was passed by a vote of 317 to 52.

On some bill that is going to be signed by the President, some bill that the House has already passed, that amendment has to go on because it would be a mockery to have the House pass something by a vote of 317 to 52 relating to SSI benefits and to have the Senate not even take it into consideration when we have the vehicle here to do it.

I understand that this bill, I say to the Senator from Louisiana, the one that has been called up, is a very important bill, and it will be very helpful to poor people. I do not want to jeopardize it in any way. I just want to be sure that we will get a bill to which we can attach an SSI amendment which has already been agreed to by the House.

Mr. LONG. We have been passing bills like this. I would like to give the Senator a chance to offer his amendment.

Mr. HUMPHREY. The Senator was so persuasive in his remarks as to which bills will become law and which ones may just be up here floating around for us to look at. I am a lawmaker. I want to get a bill that will become law, I say to the Senator.

Which one does he think will become law if we put on the amendment that has already passed the House of Representatives by a margin of 7 to 1?

Mr. LONG. If the Senator's amendment on this bill will not cause the President to veto the bill, then I assume that he would also be willing to sign another bill which had the Senator's amendment on it. I would think he would sign these other bills we have on the calendar such as this measure which has to do with the tariff on horses.

Mr. HUMPHREY. That tariff on horses does not interest me very much.

Mr. LONG. Well, there are several other noncontroversial bills. The bill that has to do with the tariff on loose glass prisms—there is no objection to that. The administration favors it. There is another one that has to do with the tariff on bicycle parts.

Mr. JACKSON. That is a remarkable shopping list.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

Mr. LONG. The Senator's amendment should not face a veto if it is added to any bill to which the administration has no objection and which has passed the House and which no Senator has objection to. The kind of amendment the Senator has—if he thinks it has merit—would probably make the President even more willing to sign these bills, because the Senator's amendment is so much more significant.

Mr. HUMPHREY. I say this without argument, because I am trying to get some information: What is it about the bill that the acting majority leader has called up that is so unique or so different that an amendment such as I am talking about, which is identical to that which passed in the House, the O'Neill amendment, 317 to 52—what is there about this bill that has been called up that is so different that I should not put an amendment on it that has already passed the House?

Mr. LONG. We ought to pass this measure because it is going to create very severe administrative problems for some States if this does not become law.

Mr. HUMPHREY. The one that has been motioned up now?

Mr. LONG. That is right. So we ought to pass that one and let that one go on through.

We ought also to pass this one with regard to certain effective dates in the Tax Reform Act so that that act can be properly administered. The Internal Revenue Service is anxious for that. We ought to pass this matter that has to do with a technical defect regarding the minimum tax on corporations.

Mr. HUMPHREY. I agree with that. Any one of those, I would be willing to tack this amendment onto, because those I know the administration needs.

Mr. LONG. The administration also favors the others.

Mr. HUMPHREY. Favors them, I say to the Senator, but it does not need them. There is a lot of difference.

Mr. LONG. I know how this thing is and the Senator from Minnesota does, too. Once we start adding these amendments onto this bill, there will be no end to it if Senators will not cooperate on the procedure we are trying to use in order to accommodate everyone——

Mr. HUMPHREY. I want to accommodate.

Mr. LONG. It will work out so——

Mr. BUMPERS. Mr. President, I think what these two gentlemen are saying is very simple, if we could just hear it.

Mr. ROBERT C. BYRD. Mr. President, I had understood this bill was cleared for passage by unanimous consent or I would not have called it up at this time. I wonder if we may proceed with it or shall we go to——

Mr. JAVITS. Mr. President, may I ask Senator Long a question? I understand there are two other bills comparable to this one with a likelihood of their being passed. One is Calendar No. 1248 and the other Calendar No. 1250, as I understand it. They are H.R. 1142 and H.R. 7228. I understand the same is true of H.R. 1144. I would not—if they are going to be called up, any one of them, I shall stay my hand on the SSI, but I am going to await that bill.

Mr. ALLEN. I have an amendment, too. I would be willing to let this bill now called up go ahead and be enacted, reserving the right to add to one of the other bills which, as the Senator has said, are going somewhere.

Mr. JAVITS. That is correct.

Mr. LONG. If the Senator will let us pass that bill, every other bill I have mentioned will go right on down to the White House, unless it is the amendment of the Senator from New York that will keep them from going down.

Mr. JAVITS. My amendment will not, any more than that of the Senator from Louisiana.

Mr. President, may we have order?

The PRESIDING OFFICER. If the Senator will suspend for a moment, we will get order. Will the Senators and staff members in the aisles kindly withdraw to the cloakrooms or take their seats?

The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I suggest to the majority leader that this bill be taken down at the moment. I shall take the responsibility, I say to Senator Long, or I shall put my amendment on this bill and take that responsibility, too.

I suggest that the majority leader take this down, that we confer with Senator Long and we pick a bill that suits us and suits him, but I am not going to buy a pig in a poke. We were promised that we would be able to put SSI amendments on a proper bill. I am not going to be euchred out of it.

Mr. LONG. Let us just take it down.

Mr. ROBERT C. BYRD. Mr. President, I withdraw my request.

STEAMBOAT "DELTA QUEEN"

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 1270.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 13326) to extend until November 1, 1983, the existing exemption of the steamboat *Delta Queen* from certain vessel laws, was considered, ordered to a third reading, read the third time, and passed.

NATIONAL DIABETES ADVISORY BOARD

Mr. ROBERT C. BYRD. I yield to the Senator from Pennsylvania (Mr. SCHWEIKER) for 2 minutes.

Mr. SCHWEIKER. Mr. President, from the Committee on Labor and Public Welfare, I report S. 2910 and ask unanimous consent for its immediate consideration.

Mr. DURKIN. Reserving the right to object, what is it?

The PRESIDING OFFICER. The clerk will first state it. Then the Senator will have an opportunity for objection.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2910) to establish the National Diabetes Advisory Board and to insure the implementation of a long-range plan to combat diabetes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with an amendment.

Mr. SCHWEIKER. Mr. President, I am pleased to report S. 2910, the Arthritis, Diabetes, and Digestive Disease Amendments of 1976, from the Committee on Labor and Public Welfare.

The bill before the Senate today is an outgrowth of more than 4 years of congressional concern over the need to improve the utilization of national resources to combat diabetes, arthritis, and digestive diseases. I originally introduced S. 2910 in February this year in an effort to secure prompt implementation of the recommendations of the National Commission on Diabetes, created by Congress in Public Law 93-354. Its report detailing a long-range plan to combat diabetes mellitus was submitted last December. I believe that the final bill, as refined and amended by the Committee on Labor and Public Welfare, is an excellent step toward the improvement of research, treatment, education, and training programs in the fields of diabetes, arthritis, and digestive diseases and demonstrates Congress determination to combat these serious health problems. The objections and concerns raised in hearings and in subsequent consideration of S. 2910 have been effectively dealt with. I commend this legislation to my Senate colleagues and urge prompt passage of S. 2910.

S. 2910 consists of three titles, dealing with each of the three disease categories addressed by the legislation:

Title I extends authorizations of programs for arthritis demonstration projects, the arthritis data system, and multipurpose arthritis centers, and places new emphasis on public education and continuing education programs for physicians and other health care personnel. In addition, it broadens the scope of data that may be collected, stored, analyzed, retrieved, and disseminated by the arthritis data system, and emphasizes the importance of increasing research training programs for scientists and health professionals in arthritis-related research.

Title I also establishes a 24-member National Arthritis Advisory Board, composed of scientists, health, and other related professionals, members of the general public, and heads of various designated Federal agencies to advise and make recommendations to Congress, the Secretary of the Department of Health, Education, and Welfare, and the heads of other appropriate Federal agencies with respect to Federal arthritis programs. The Board will also submit an annual report to Congress and the Secretary describing its activities and stating its findings and recommendations for changes in Federal arthritis programs, as well as any additional recommendations for changes which the Board feels are necessary to insure the improvement and acceleration of progress in the fields of arthritis research, education, training, and treatment.

Title II extends authorizations for diabetes research and training centers and establishes a 23-member National Diabetes Advisory Board, composed of health professionals and scientists in the diabetes field, members of the general public, some of whom have diabetes or diabetic children, and designated officials of Federal agencies involved in diabetes-related activities. The National Diabetes Board's primary function is to review, evaluate, and advise the Federal Government with regard to the implementation of the long-range plan to combat diabetes developed by the National Commission on Diabetes. Its authority to act is related solely to its functions of review and evaluation with regard to implementation of the long-range plan and advice with regard to the coordination of all national diabetes resources. It is not an operational agency. The advisory function is important, however, for the Board will represent the major interests in the diabetes field: The Federal agencies, consumers, professionals, and voluntary agencies. In order to provide a more effective link with the National Institute for Arthritis, Metabolism, and Digestive Diseases—the Institute which has the primary role as measured by research dollars for diabetes—the bill includes as a member of the Advisory Board the Associate Director for Diabetes of the NIAMDD. This provision is intended to insure that there is a close working relationship between the Board and the top-ranking NIH official whose responsibility is solely for diabetes. The intention of S. 2910 is that the Board be supportive of this leadership position rather than duplicating it.

Similarly, the National Arthritis Advisory Board established under title I of the amended bill is intended to be purely advisory and is not designed to be an operational agency.

Title III of S. 2910 establishes a National Commission on Digestive Diseases and a Coordinating Committee for Digestive Diseases. The Commission is charged with preparing a report on the organization of all resources for digestive diseases and outlining a long-range plan for utilizing national resources to deal effectively with digestive diseases. The coordinating committee, similar to those already in existence for diabetes and arthritis, would be composed of the heads of the major Federal agencies and entities involved in digestive disease programs. The committee would be responsible for the coordination of the digestive disease-related activities of the Federal agencies represented on the committee.

Most of the changes which have been made in S. 2910 are designed to clarify the intention of the Committee on Labor and Public Welfare that the advisory boards established under this legislation will not be construed as having the operational authority which properly belongs to program officials within the various Federal agencies, notably NIAMDD. The committee has labored extensively to create entities which are purely advisory but which have the staff and other essential support from HEW to perform their advisory functions well and make their recommendations on the basis of sound fact and informed opinion. S. 2910 authorizes the National Arthritis Advisory Board and National Diabetes Advisory Board to collect such data as is necessary to perform these functions and provides each Board with a minimum staff of an executive director and no less than one additional professional staff member. The Secretary is also directed to provide the boards with additional professional staff members, clerical staff, information, administrative support services and facilities, and services of consultants, as required for the Boards to perform their function. S. 2910 specifically requires that the Secretary consult with and consider the recommendations of the respective Boards in the provision of staff; and in the provision of such services described, through contracts or other arrangements. In addition, the Boards may establish subcommittees as necessary. These subcommittees may be composed of Board members and nonmember consultants with expertise in the particular areas to be considered by the subcommittees.

In keeping with the sunset philosophy and in recognition of Congress' intention to review the entire federally sponsored biomedical and behavioral research establishment during the 95th Congress, S. 2910 provides for a fixed termination date for the Advisory Boards: September 30, 1980, when authorizations for the Boards' activities will also expire. Lastly, although earlier versions of S. 2910 had specifically excluded the designees of ex officio members of the Diabetes and Arthritis Boards from voting privileges, this provision has been dropped from the final version of the bill because it would be unreasonable to expect the ex officio members themselves to attend all Board meetings.

Further information on the background of S. 2910 and the critical need for this legislation is contained in my CONGRESSIONAL RECORD statement of September 29, 1976.

I want to express my appreciation to Senator KENNEDY, chairman of the Health Subcommittee; Senator WILLIAMS, chairman of the Committee on Labor and Public Welfare; Senator JAVITS, ranking minority member of the Committee on Labor and Public Welfare; and the other distinguished cosponsors of S. 2910 for their help and support in connection with this important legislation. On the House side, I want to thank both Congressman ROGERS and Congressman CARTER for their strong help and support of the arthritis, diabetes, and digestive disease amendments.

I believe that the need for S. 2910 and the appropriateness of the measure before us today have been amply demonstrated, and I urge my Senate colleagues to join me today in strong support of S. 2910.

Mr. EAGLETON. Mr. President, for some time I have been concerned about a process which I believe is having the effect of seriously impeding the progress of biomedical research at the National Institutes of Health. It usually follows this pattern:

First. A group of citizens, physicians, and scientists who share a common concern about, and interest in, a particular disease grow dissatisfied with what they perceive to be inadequate support given by the Federal health establishment to efforts to discover the causes and cure for that disease.

Second. They lobby for the creation of a national commission to study the disease and to make recommendations for improved programs to combat it.

Third. The National Commission, with the original lobby group well represented among the membership, confirms the original premise that the Federal Government is not doing enough about the disease involved. It recommends a far greater budget for research on the disease at the National Institutes of Health, better coordination among the other Federal agencies having some responsibilities in connection with this disease and, inevitably, the establishment of a new "advisory" body to see that the Commission's recommendations are implemented.

Fourth. Legislation is subsequently introduced to create the advisory body and confer on it broad power to oversee all Federal activities related to this disease.

That is where we stand now with respect to titles I and II of this bill, S. 2910, which deal with arthritis and diabetes, respectively. There has been a National Arthritis Commission which produced a National Arthritis Plan. Now, there is to be a National Arthritis Advisory Board, under title I of the bill. Similarly, there has been a National Diabetes Commission which produced a National Diabetes Plan. Title II of the bill will create a National Diabetes Advisory Board.

Title III depicts the pattern at an earlier stage. It provides for a National Commission on Digestive Disease to prepare a plan to attack digestive diseases.

I think I already know at least one of the recommendations that will emanate from the still inchoate National Commission on Digestive Disease. I have a very strong suspicion that it will seek the establishment of a National Advisory Board on Digestive Disease.

Mr. President, I certainly do not mean to imply that there is anything sinister about the motives of the groups and individuals who promote this process, or even that there is anything wrong with the notion of obtaining the advice of persons outside of the HEW scientific bureaucracy, scientists and lay people alike, in developing Federal health policy and allocating the large sums—about $2.4 billion in fiscal year 1977—appropriated for biomedical research at the National Institutes of Health.

But I do object to the "disease of the year" approach that Congress has followed in the past in establishing mechanisms to develop such outside opinion. It began in 1971 with the Conquest of Cancer Act. Then came the National Heart, Blood Vessel, Lung and Blood Act of 1972. In 1975 we created the National Commission for the Control of Epilepsy and the National Commission for the Control of Huntington's Disease. Tonight, we are dealing with arthritis, diabetes and digestive diseases.

I can well understand the concern of the parent of a diabetic child, or a cancer researcher, or a member of the American Heart Association, that the disease with which they are concerned is not getting a large enough share of the biomedical research dollar. But I do not believe that we are going to improve the management of scientific research by creating an evergrowing panoply of official lobby groups for each disease.

We ought to be able to provide a means for these interested parties to have an opportunity for input to the National Institutes of Health without rending it apart in a tug of war over research dollars. The NIH is the greatest biomedical research establishment in the world.

Mr. President, I want to repeat this statement for the purpose of emphasis. The NIH is the greatest biomedical research establishment in the world. Thus, I feel most strongly that we should be most cautious indeed lest we begin knowingly, or unknowingly, to dismantle the NIH institute by institute.

What Congress should be about, in my judgment, is to develop ways to make the scientific managers more accountable to the public they serve without reducing the effectiveness or stature of NIH.

It is my understanding that both Senator KENNEDY, chairman of the Senate Health Subcommittee, and Representative PAUL ROGERS, chairman of the House Subcommittee on Health and the Environment, plan to hold hearings on issues related to biomedical research in the next session of Congress. I am hopeful that we can develop a useful body of information in this area through such hearings.

With respect to the bill now before us, S. 2910, my original concerns went beyond my generalized reservations about the "disease of the year" approach. The diabetes title, in particular, embodied the recommendations of the National Diabetes Commission that—

> The Commission decided that the National Diabetes Advisory Board should be created by legislation. New legislation is necessary to give the organization *sufficient operational authority* to undertake the wide range of activities necessary to accomplish its goals. The administrative alternative, an advisory committee established by the DHEW without new legislation, would be *strictly limited to a solely advisory role* by the Federal Advisory Committee Act and, without continued support of the Administration, could automatically expire after two years without having had sufficient opportunity to ensure successful implementation of the Long Range Plan. (Emphasis added.)

Thus, it was intended that the "Advisory" Board have something quite different from advisory functions; that it take over some of the operational responsibilities of the National Institute of Arthritis, Metabolism, and Digestive Disease.

The National Institutes of Health might be able to endure a plethora of disease-oriented advisory bodies, so long as they are strictly advisory. But the assigning of policy and operational roles to such outside bodies will, in my judgment, ultimately lead to the dismantling of NIH.

Accordingly, I worked with Senator SCHWEIKER, the principal sponsor of S. 2910, on a series of amendments designed to overcome the problems I discerned in the diabetes title of the bill. The result, is a compromise that as usual, satisfies neither of us completely, but I believe it is a far better bill than that originally proposed. The Diabetes Advisory Board has been stripped of all policy and operational functions. It is purely and totally advisory not only in title, but in law as well.

Lastly, Mr. President, if I may be permitted a personal note, I am fully cognizant of the terrible effects of the dread disease of diabetes. My grandmother died of it. My father lost his eyesight during the last 6 or 7 years of his life because of diabetic retinopathy. My chances of some day suffering from diabetes are, unfortunately, better than average.

I point this out, not to solicit sympathy, but simply to make clear that my personal as well as official interest is in achieving a sensible, workable scheme that will advance research and treatment with respect to diabetes.

Finally, Mr. President, I wish to express the strong sentiment of my colleague from Wisconsin (Mr. NELSON) on this same subject. As the son of a small-town doctor and as a person with an abiding interest in enhancing the quality of health care, he shares many of my misgivings with respect to the quiet, creeping dismantling of the National Institutes of Health.

Senator NELSON and I, and I am certain Senator SCHWEIKER as well, do not want to do anything to compromise the independence and scientific freedom of NIH.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read a third time, the question is, Shall it pass?

So the bill (S. 2910) as amended was passed, as follows:

S. 2910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Arthritis, Diabetes, and Digestive Disease Amendments of 1976".

TITLE I—ARTHRITIS AND RELATED MUSCULOSKELETAL DISEASES

ARTHRITIS DEMONSTRATION PROJECTS AND DATA SYSTEM

SEC. 101 (a) Section 438(a) is amended—

(1) by striking out "prevention," and

2) by striking out "data bank" and inserting in lieu thereof "data system".

(b) Section 438(b) is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (4) the following new paragraph:

"(5) emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—

"(A) on the importance of early detection of arthritis, of seeking prompt treatment, and of following an appropriate regimen; and

"(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods for arthritis and unapproved and ineffective drugs and devices for arthritis.".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

(c) Section 438(c)(1) is amended—

(1) by striking out "Screening and Detection Data Bank" and inserting in lieu thereof "Data System"; and

(2) by striking out "useful in screening, prevention, and early detection involving" and inserting in lieu thereof "derived from".

(d) Section 438(d) is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by inserting at the end thereof the following new paragraphs:

"(2) There are authorized to be appropriated to carry out subsections (a) and (b) $3,000,000 for the fiscal year ending September 30, 1978, $4,000,000 for the fiscal year ending September 30, 1979, and $5,000,000 for the fiscal year ending September 30, 1980.

"(3) There are authorized to be appropriated to carry out subsection (c) $1,000,000 for the fiscal year ending September 30, 1978, $1,250,000 for the fiscal year ending September 30, 1979, and $7,500,000 for the fiscal year ending September 30, 1980.".

(e) The heading to section 438 is amended to read as follows: "ARTHRITIS DEMONSTRATION PROJECTS AND DATA SYSTEM".

MULTIPURPOSE ARTHRITIS CENTERS

SEC. 102. Section 439 is amended—

(1) by inserting ", and in research in arthritis" in subsection (b)(2)(B) before the semicolon at the end thereof;

(2) by amending subsection (f) to read as follows:

"(f) Support of a center under this section may be for a period of not to exceed three years and may be extended by the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases for additional periods of not more than three years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases.";

(3) by inserting "the" before "fiscal year" each place it appears in subsection (g);

(4) by striking out "and" in subsection (g) before "$20,000,000";

(5) by inserting "$18,700,000 for the fiscal year ending September 30, 1978, $19,000,000 for the fiscal year ending September 30, 1979, and $20,000,000 for the fiscal year ending September 30, 1980" before the period at the end of the first sentence of subsection (g); and

(6) by amending the heading to read as follows: "MULTIPURPOSE ARTHRITIS CENTERS".

NATIONAL ARTHRITIS ADVISORY BOARD

SEC. 103. (a) Part D of title IV is amended by inserting after section 439 the following new section:

"NATIONAL ARTHRITIS ADVISORY BOARD

"SEC. 440. (a) The Secretary shall establish a National Arthritis Advisory Board (hereinafter in this section referred to as the 'Board') to be composed of twenty-four members as follows:

"(1) Eight members shall be appointed by the Secretary from indidivduals who are scientists, physicians, or other health professionals, who are not employed by the Federal Government, and who represent the various specialties and disciplines involved in arthritis. Of the members appointed pursuant to this paragraph, three shall be clinical rheumatologists, two shall be orthopedic surgeons, two shall be rheumatology investigators, and one shall be an allied health professional.

"(2) Six members shall be appointed by the Secretary from individuals, who are not employed by the Federal Government, with an interest in arthritis and who as a group have knowledge and experience in the fields of medical education, nursing, community program development. health education, data systems, and public information.

"(3) One member shall be appointed by the Secretary from individuals who are members of the National Arthritis, Metabolism, and Digestive Diseases Advisory Council and who are expert in the field of arthritis.

"(4) Four members shall be appointed by the Secretary from the general public. At least two of such members shall be persons who have arthritis and one shall be the parent of a child who has arthritis.

"(5) The Assistant Secretary of Health or his designee, the Director of the National Institutes of Health or his designee, the Associate Director for Arthritis of the National Institute of Arthritis. Metabolism, and Digestive Diseases or his designee, the Chief Medical Director of the Veterans' Administration or his designee. and the Secretary of Defense or his designee shall each be ex officio members.

"(b) The members of the Board shall select a Chairperson from among the appointed members.

"(c) The Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Board to carry out its functions.

"(d) Members of the Board who are officers or employees of the Federal Government shall serve as members of the Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(e) The appointed members of the Board shall be appointed to serve until the expiration of the Board (as provided in subsection (1)).

"(f) The Board shall—

"(1) review and evaluate the implementation of the Arthritis Plan (formulated under section 3(g) of the National Arthritis Act of 1974); and

"(2) for the purpose of assuring the most effective utilization and organization of arthritis resources, advise and make recommendations to Congress, the Secretary, and the heads of other appropriate Federal agencies with respect to the Arthritis Plan and with respect to the guidelines, policies, and procedures of Federal programs relating to arthritis.

"(g) The Board may collect such data as it deems advisable and necessary to enable it to perform the functions required by subsection (f).

"(h) The Board may, from time to time, establish Subcommittees. Such Subcommittees may be composed of Board members and nonmember consultants with expertise in the particular area addressed by such Subcommittees.

"(i) The full Board shall hold regular quarterly meetings. In addition, the full Board or any of its Subcommittees may hold such additional meetings as are necessary in order to enable the Board to carry out its activities.

"(j) One year after the date of its establishment and each year thereafter the Board shall submit to the secretary and to the Congress a report—

"(1) which describes the Board's activities during the year for which the report is made;

"(2) which describes and evaluates the progress made in such year in arthritis research, treatment, education, and training;

"(3) which summarizes and analyzes expenditures made by the Federal Government for arthritis-related activities during the year for which the report is made; and

"(4) which contains the Board's recommendations (if any) for changes in the Arthritis Plan.

The annual arthritis report shall be made available to the public at the same time it is transmitted to Congress and the Secretary.

"(k) There are authorized to be appropriated to carry out the purposes of this section $300,000 for the fiscal year ending September 30, 1978, $300,000 for the fiscal year ending September 30, 1979, and $300,000 for the fiscal year ending September 30, 1980.

"(l) The Board shall expire on September 30, 1980.".

(b) The Secretary of Health, Education, and Welfare shall establish the National Arthritis Advisory Board (established by the amendment made by subsection (a)) not later than ninety days after the date of enactment of this section.

TITLE II—DIABETES

NATIONAL DIABETES ADVISORY BOARD

Sec. 201. (a) Part D of title IV is amended by inserting after section 436 the following new section:

"NATIONAL DIABETES ADVISORY BOARD

"Sec. 436A. (a) The Secretary shall establish a National Diabetes Advisory Board (hereinafter in this section referred to as the 'Board') to be composed of twenty-three members as follows:

"(I) The following ex officio members: The Assistant Secretary for Health or his designee, the Director of the National Institutes of Health or his designee, the Director of the National Institute of Arthritis, Metabolism and Digestive Disease or his designee, the Director of the National Heart, Lung, and Blood Institute or his designee, the Director of the National Eye Institute or his designee, the Director of the Center for Disease Control or his designee, the Administrator of the Health Services Administration or his designee, the Administrator of the Health Resources Administration or his designee, the Associate Director for Diabetes of the National Institute of Arthritis, Metabolism, and Digestive Diseases or his designee, the Chief Medical Director of the Veterans' Administration or his designee, and the Secretary of Defense or his designee.

"(2) Seven members shall be appointed by the Secretary from individuals who are not in the employ of the Federal Government and who are health and allied health professionals or scientists representing the various specialties and disciplines involved with diabetes mellitus and related endocrine and metabolic diseases.

"(3) Five members shall be appointed by the Secretary from the general public, including at least one person with diabetes and two persons each of whom is a parent of a diabetic child.

"(b) The members of the Board shall select a Chairperson from among the appointed members.

"(c) The Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Board to carry out its functions.

"(d) Members of the Board who are officers or employees of the Federal Government shall serve as members of the Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(e) The appointed members of the Board shall be appointed to serve until the expiration of the Board (as provided in subsection (l)).

"(f) the Board shall—

"(1) review and evaluate the implementation of the long range plan to combat diabetes mellitus (hereinafter in this section referred to as the "Diabetes Plan") formulated by the National Commission on Diabetes under section 3(e) of the National Diabetes Mellitus Research and Education Act, and

"(2) for the purpose of assuring the most effective utilization and organization of diabetes resources, advise and make recommendations to Congress, the Secretary, and the heads of other appropriate Federal agencies with respect to the Diabetes Plan and with respect to the guidelines, policies and procedures of Federal programs relating to diabetes.

"(g) The Board may collect such data as it deems advisable and necessary to enable it to perform the functions required by subsection (f).

"(h) The Board may, from time to time, establish Subcommittees. Such Subcommittees may be composed of Board members and nonmember consultants with expertise in the particular area addressed by such Subcommittees.

"(i) The full Board shall hold regular quarterly meetings. In addition, the full Board or any of its Subcommittees may hold such additional meetings as are necessary in order to enable the Board to carry out its activities.

"(j) One year after the date of its establishment and each year thereafter the Board shall submit to the Secretary and to the Congress a report—

"(1) which describes the Board's activities during the year for which the report is made;

"(2) which describes and evaluates the progress made in such year in diabetes research, treatment, education, and training;

"(3) which summarizes and analyzes expenditures made by the Federal Government for diabetes-related activities during the year for which the report is made; and

"(4) which contains the Board's recommendations (if any) for changes in the Diabetes Plan.

The annual diabetes report shall be made available to the public at the same time it is transmitted to Congress and the Secretary.

"(k) There are authorized to be appropriated to carry out the purposes of this section $300,000 for the fiscal year ending September 30, 1978, $500,000 for the fiscal year ending September 30, 1979, and $300,000 for the fiscal year ending September 30, 1980.

"(l) The Board shall expire on September 30, 1980.".

(b) The Secretary of Health, Education, and Welfare shall establish the National Diabetes Advisory Board (established by the amendment made by subsection (a)) not later than ninety days after the date of enactment of this section.

DIABETES RESEARCH AND TRAINING CENTERS

Sec. 202. Section 435(c) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period at the end thereof ", $12,000,000 for the fiscal year ending September 30, 1978, $20,000,000 for the fiscal year ending September 30, 1979, and $20,000,000 for the fiscal year ending September 30, 1980.".

TITLE III—DIGESTIVE DISEASES

NATIONAL COMMISSION ON DIGESTIVE DISEASES

Sec. 301. (a) The Secretary of Health, Education, and Welfare (hereafter in this section referred to as the "Secretary") after consulting with the Director of the National Institutes of Health, shall, within sixty days of the date of enactment of this section, establish a National Commission on Digestive Diseases (hereafter in this section referred to as the "Commission").

(b) The Commission shall be composed of twenty-six members as follows:

(1) Ten members, appointed by the Secretary from scientists, physicians, and other health professionals, not in the employment of the Federal Government, as follows: Two shall be practicing clinical gastroenterologists, two shall be gastroenterologists involved primarily in research on digestive diseases, one shall be a surgeon, one shall be an expert in liver disease, one shall be an epidemiologist, one shall be an allied health professional, and two shall be basic biomedical scientists (such as biochemists, physiologists, microbiologists, nutritionists, pharmacologists, or immunologists).

(2) Six members, appointed by the Secretary from the general public, of whom at least three shall have personal or close family experience with digestive diseases.

(3) One member, appointed by the Secretary from the members of the National Arthritis, Metabolism, and Digestive Diseases Advisory Council whose primary interest is in the field of digestive diseases.

(4) The Director of the National Institutes of Health or his designee; the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases or his designee; the Directors, or their designees, of the National Institute of Allergy and Infectious Diseases, the National Cancer Institute, the National Institute of General Medical Sciences; the Associate Director for Digestive Diseases and Nutrition of the National Institute of Arthritis, Metabolism, and Digestive Diseases; the Director of the Center for Disease Control or his designee; the Chief Medical Director of the Veterans' Administration or his designee; and the Secretary of Defense or his designee shall each be ex officio members of the Commission.

(c) The members of the Commission shall select a Chairperson from among the appointed members of the Commission.

(d) The Commission shall first meet as directed by the Secretary, not later than sixty days after the Commission is established, and thereafter shall meet at the call of the Chairperson of the Commission, but not less often than three times during the life of the Commission. The Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission deems advisable.

(e) (1) The Commission may appoint and fix the pay of an executive secretary to effectively carry out its functions. The executive secretary shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) The Secretary shall provide the Commission with such additional professional and clerical staff, such information, and the services of such consultants as the Secretary

determines to be necessary for the Commission to carry out effectively its functions.

(f) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall receive compensation at a rate not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members, while serving away from their homes or regular places of business in the performance of services for the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 4703 of title 5, United States Code, for persons in Government service employed intermittently.

(g) (1) The Commission shall—

(A) conduct a comprehensive study of the present state of knowledge of the incidence, duration, and morbidity of, and mortality rates resulting from, digestive diseases and of the social and economic impact of such diseases;

(B) evaluate the public and private facilities and resources (including trained personnel and research activities) for the diagnosis, prevention, and treatment of, and research in, such diseases; and

(C) identify programs (including biological, behavioral, nutritional, environmental, and social programs) in which, and the means by which, improvement in the management of digestive diseases can be accomplished.

Each Federal entity administering health programs and activities related to digestive diseases shall, upon request, assist the Commission in carrying out its duties under this paragraph.

(2) Based on the study, evaluation, and identification made pursuant to paragraph (1), the Commission shall develop and recommend a long-range plan for the use and organization of national resources to effectively deal with digestive diseases. The plan shall provide for—

(A) research studies into the basic biological processes and mechanisms related to digestive diseases;

(B) investigations into the epidemiology, etiology, diagnosis, treatment, prevention, and control of digestive diseases;

(C) development of preventive measures (including education programs, programs for the elimination of environmental hazards related to digestive diseases, and clinical programs) to be taken against digestive diseases;

(D) detection of digestive diseases in the presymptomatic stages and development and evaluation of new and improved methods of screening for digestive diseases;

(E) development of criteria for the diagnosis and the clinical management and control of digestive diseases;

(F) development of coordinated health care systems for dealing with digestive diseases;

(G) education and training (including continuing education programs) of scientists, clinicians, educators, and allied health professionals in the fields and specialties requisite to the conduct of programs related to digestive diseases with special emphasis on training for careers in research, teaching, and all aspects of patient care;

(H) the conduct and direction of field studies and clinical trials for testing, evaluating, and demonstrating preventive, diagnostic, therapeutic, rehabilitative, and control measures in digestive diseases;

(I) establishment of a standardized nomenclature of all digestive diseases for use in basic and clinical research and to facilitate collaborative studies; and

(J) establishment of a system of periodic surveillance of the research potential and research needs in digestive diseases corresponding with the recently completed survey organized by the National Institute of Arthritis, Metabolism, and Digestive Diseases.

The long-range plan formulated under this paragraph shall also include within its scope related nutritional disorders and basic biological processes and mechanisms in nutrition which are related to digestive diseases.

(h) The Commission shall recommend for each of the Institutes of the National Institutes of Health whose activities are to be affected by the long-range plan estimates of the expenditures needed to carry out each Institute's part of the overall program. Such estimates shall be prepared by the fiscal year beginning immediately after completion of the Commission's plan and for each of the next two fiscal years.

(i) (1) Within eighteen months following its initial meeting (as prescribed by subsection (d)), the Commission shall publish and transmit directly to the Congress a final report respecting its activities under this section. The report shall contain (A) the long-range plan required by subsection (g), (B) the expenditure estimates required by subsection (h), and (C) any recommendations of the Commission for legislation.

(2) The Commission shall cease to exist on the thirtieth day following the date of submission of the final report to Congress.

(j) There are authorized to be appropriated without fiscal year limitation $1,500,000 to carry out the purposes of this section.

COORDINATION COMMITTEE FOR DIGESTIVE DISEASES

SEC. 302. Part D of title IV is amended by adding after section 440 (as added by section 103 of this Act) the following new section:

"COORDINATING COMMITTEE FOR DIGESTIVE DISEASES

"SEC. 440A. (a) The Secretary shall establish a Cooordinating Committee for Digestive Diseases (hereafter in this section referred to as the 'Committee') to be composed of the Directors (or their designated representatives) of each of the Institutes of the National Institutes of Health involved in digestive disease research; and the head (or his designated representative) of the Alcohol, Drug Abuse and Mental Health Administration, the National Institute of Occupational Safety and Health, the Food and Drug Administration, the Department of Medicine and Surgery of the Veterans' Administration, the Center for Disease Control, the Department of Defense, the Department of Agriculture, the Health Services Administration, the Health Resources Administration, the Social Security Administration, and the Institute of Medicine of the National Academy of Sciences. The Committee shall be chaired by the Director of the National Institute of Arthritis, Metabolsim, and Digestive Diseases, and the Associate Director for Digestive Diseases and Nutrition of that Institute shall serve as vice chairman. The Committee shall meet at the call of the Chairman, but not less often than three times a year.

"(b) The Committee shall be responsible for the coordination of the activities of the entities represented on the Committee respecting digestive diseases. The Committee shall submit to the Secretary an annual report detailing the manner in which the Committee has coordinated such activities.".

The title was amended so as to read National Diabetes Advisory Board Act.

Mr. ROBERT C. BYRD. Mr. President, I yield to Senator EAGLETON for a matter that was cleared on both sides.

EMERGENCY MEDICAL SERVICES ACT

Mr. EAGLETON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2548.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2548) to revise and extend the authorizations of appropriations in provisions of title XII of the Public Health Service Act relating to emergency medical services systems, and for other purposes.

(The amendments of the House are printed in the House proceedings of August 24, 1976.)

Mr. CRANSTON. Mr. President, the matter before the Senate is a Senate amendment to a House amendment to a Senate bill. The Senate amendment embodies a compromise reached after lengthy sessions with the House Subcommittee on Health and the Environment of the Committee on Interstate and Foreign Commerce. The compromise agreement was reached in a fine spirit of cooperation and dedication to the goal of improving emergency medical services in the Nation.

Mr. President, I ask unanimous consent that a document which describes the differences between the two bills and the compromises which were reached on the several differences be placed in the RECORD at this point.

There being no objection, the document and compromises were ordered to be printed in the RECORD, as follows:

JOINT HOUSE/SENATE COMMITTEE EXPLANATORY STATEMENT ON COMPROMISE AGREEMENT

1. PLANNING GRANTS FOR EMERGENCY MEDICAL SERVICES (EMS) SYSTEMS

Existing Law: Authorizes one EMS planning grant under section 1202.

Senate Bill: The Senate bill authorizes a second EMS planning grant for the specific purposes of (1) planning for a first year EMS 1204 expansion and improvement grant, (2) assisting a State to update its statewide plan, or (3) before October 1, 1976, assisting an entity in planning to meet the new requirements added to sections 1203 and 1204.

House Bill: Has no comparable provision.

Compromise: Authorizes a second planning grant, or contract, to be made (1) to assist an entity in updating its plan so as to enable it to study the feasibility of, or to plan for the expansion and improvement of such system to provide for the use of advanced life-support techniques, or (2) to assist a State in updating its plan in order to improve the plan's effectiveness regarding services in rural and medically underserved population areas in such State; but no more than 50 percent of the amount made available annually for section 1202 planning grants can be used for second planning grants.

The Senate recedes with respect to a second planning grant to assist an entity in planning to meet the new requirements of sections 1203 and 1204 added by the bill.

The Committees agree that existing grantees should be given ample notice of the new requirements that would apply to future grant applications and urge that the Secretary make such information available to them no later than January 1, 1977.

2. ASSURANCES OF CONTINUED SUPPORT TO EMS SYSTEMS

Existing Law: Does not address this issue.

Senate Bill: Requires that no grant or contract may be made for a second year of section 1203 support (establishment and initial operation) or a first or second year of section 1204 support (expansion and improvement) unless the entity submits with the application: (1) copies of formal resolutions or proclamations of the executive or legislative governing bodies in the local jurisdictions included in the system's service area pledging each such jurisdiction's support and cooperation with the regional or statewide EMS system and providing assurances of financial support in the year subsequent to that for which financial assistance is sought which in the aggregate will maintain the system at a level equal to that sought in the application; and assurances, accompanied by specific plans indicating step-by-step achievement (including assurances from private and volunteer organizations, associated with and involved in the operation and delivery of emergency medical services, of continued participation in and support of the system), of compliance with each of the EMS component requirements of section 1206(b)(4)(C) by the conclusion of the maximum period of support for an emergency medical services system.

House Bill: Has no comparable provision.

Compromise: House recedes with amendments, making it clear that as long as an entity's application includes assurances, evidenced by copies of formal resolutions proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in its service area which govern a substantial proportion of the population residing in its area, of their support and cooperation, it would satisfy the assurance requirements.

The Committees generally intend that the phrase "executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population in such area" would be for the Secretary to interpret through regulations. The Committees intend that, as a general rule, this phrase should be interpreted to mean that number of political subdivisions which collectively govern a majority of the population within the EMS area. The Committees recognize, however, that there are certain circumstances under which this interpretation would be inappropriate.

3. MATCHING REQUIREMENTS

Existing Law: Requires a local match of 50 percent in the first year of a section 1203 grant and 75 percent in the second year, except in the case of financial need where the local match is 25 percent the first year and 50 percent the second. In the case of grants awarded under section 1204, the local match is 50 percent, and in cases of financial need 25 percent.

Senate Bill: Requires that 25 percent of the non-Federal share in the first year and 50 percent of the non-Federal share in the second year shall be in cash, and shall be made available to the regional entity responsible for administering the operation of the system for use in defraying operating costs or otherwise to carry out the administration of the system in the case of section 1203 grants and in the case of section 1204 grants to be used for carrying out the expansion and improvement of the system.

House Bill: Has no comparable provisions.

Compromise: Senate recedes. The Committees believe the amendments made with respect to the assurances of providers and governmental units which must be included with applications for section 1203 and 1204 grants should provide a sufficient commitment on the part of those community entities to maintain an emergency medical services system at the level it will reach at the conclusion of the period during which Federal support may be provided. The Committees believe that local jurisdictions should provide the EMS entity with adequate funds to carry out its functions, including participation in resources allocation decisions.

4. REPORTING REQUIREMENTS

Existing law: Requires grantees to make reports to the Secretary and the Interagency Committee on Emergency Medical Services on results of section 1202 planning projects at intervals the Secretary prescribes, with a final report submitted no later than one year from the date the grant was awarded. A comparable reporting requirement is not applicable to grants awarded under section 1203 or section 1204.

Senate Bill: Adds this requirement with respect to both section 1203 and section 1204 grantees.

House Bill: Adds this requirement with respect to both section 1203 and section 1204 grantees, but in the case of reports made with respect to section 1203 grantees makes the requirement applicable only to those grants awarded after September 30, 1976.

Compromise: Senate recedes with an amendment designating June 1, 1976, as the effective date of these reporting requirements for both sections so that they apply with respect to the latest grant cycle.

5. THIRD-YEAR SECTION 1204 GRANT

Existing Law: Does not specify the number of grants or contracts which may be made under section 1204. In practice, two grants or contracts under section 1204 have been made to EMS entities.

Senate Bill: Clarifies that two grants or contracts may be made under section 1204 and permits a third grant or contract to be made under section 1204 prior to October 1, 1976.

House Bill: Clarifies that two grants or contracts may be made under section 1204, but does not include provision for a third grant or contract under such section.

Compromise: Senate recedes.

6. SECTION 1205 RESEARCH GRANTS AND CONTRACTS; APPLICATION TO EMS SYSTEM

Existing Law: Has no comparable provisions.

Senate Bill: Provides that in awarding grants for research relating to the delivery of emergency medical services in rural areas, emphasis shall be placed on techniques and methods to apply the results of such research to improving the delivery of emergency medical services in rural areas. The Senate bill also requires that the reports required by current law shall contain recommendations and a plan of action for applying the results of research to improving the delivery of emergency medical services.

In addition, the Senate bill prohibits regulations, guidelines, funding priorities, application forms, grants, or contracts to be established or made under section 1205, without the concurrence of the EMS administrative unit.

House Bill: Has no comparable provisions.

Compromise: House recedes with amendments, to the effect that in awarding research grants or contracts there will be special consideration given to emergency medical services research in rural areas which research emphasizes the identification and utilization of techniques and methods to apply the results of such research to improve the delivery of emergency medical services in such areas. The role of the EMS administrative unit regarding research is conformed to the agreement described under item 12.

7. GENERAL PROVISIONS RESPECTING GRANTS AND CONTRACTS

A. Number of grants which may be awarded a single entity:

Existing Law: Does not specify the number of grants or contracts made to an entity.

Senate Bill: Limits grant or contract support to five years, excluding a second planning grant under section 1202.

House Bill: Has no comparable provision.

Compromise: House recedes.

B. Time by which grantee must meet requirements of section 1206(b)(4)(A):

Existing Law: Provides that the period within which an applicant for a grant or contract, under section 1203 or, section 1204, must meet each of these requirements is the period of the grant or contract for which application is made, unless waived by the Secretary for an additional period of time.

Senate Bill: Provides that this period of time for meeting these requirements, absent a waiver, is the total period of eligibility for assistance under section 1203 or section 1204, whichever is applicable.

House Bill: Has no comparable provision.

Compromise: House recedes with minor revisions.

C. Waiver of cash match:

Existing Law: Has no comparable provision.

Senate Bill: Permits a waiver of the cash match requirement in the Senate bill where an applicant demonstrates to the satisfaction of the Secretary its inability due to extreme financial distress, or to the dependence of the system on voluntary services, to meet in whole, or in part, the requirement and provides that the cash match requirement shall not apply to the extent of such demonstrated ability.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

8. THE FIFTEEN REQUIREMENTS OF AN EMS SYSTEM

A. Multilingual capability of communications systems:

Existing Law: Has no such requirement.

Senate and House Bills: Both amend the requirement regarding a communications system to require the capability of an EMS system to communicate in the language of the predominant population groups with limited English-speaking ability in the system's service area.

Compromise: Incorporates and makes minor revisions in the language of the House and Senate provision.

B. Universal emergency telephone number 911.

Existing Law: Requires an EMS system to utilize, within a period prescribed by the Secretary, the universal emergency 911 telephone number.

Senate Bill: Authorizes an EMS system to utilize an appropriate alternative, coordinated emergency telephone procedure.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

C. Communications systems' capability with respect to persons with auditory handicaps:

Existing Law: Has no such requirement.

Senate Bill: Requires emergency medical services system to have the capability to communicate with individuals having auditory and other sensory handicaps.

House Bill: Has no comparable provision.

Compromise: House recedes with respect to "auditory handicaps" with an amendment deleting "other sensory handicaps".

D. Coordination with other Federal grant programs:

Existing Law: Has no specific comparable provisions.

Senate Bill: Requires an EMS system to make maximum use of communications equipment and systems made available under the Highway Safety Act, and L.E.A.A., and has the same requirement with regard to vehicles made available under the Highway Safety Act.

House Bill: Has no comparable provision.

Compromise: House recedes.

E. Transfer of patients for follow-up care and rehabilitation:

Existing Law: Requires the EMS system to provide for transfer of patients to facilities and programs offering such follow-up care and rehabilitation as is necessary to effect the maximum recovery of the patient.

Senate Bill: Modifies this requirement to require all "feasible" transfer of patients for such purpose.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

The Committees recognize that such transfer agreements may be difficult to execute in the case of indigent patients for whom specialized medical care would effect maximum recovery, such as long-term rehabilitation, where the EMS system entity is unable to negotiate the necessary financial arrangements for the transfer for such care. The Committees believe, nevertheless, that maximum efforts should be required to effect such transfers for long-term care and to develop payment mechanisms for such care. In contrast, arrangements to provide for transfer to critical care facilities essential to basic recovery are absolutely essential to an EMS system.

F. Patient record-keeping system:

Existing Law: Requires an EMS system to provide for a standardized patient record-keeping system meeting standards established by the Secretary.

Senate Bill: Clarifies that the patient record-keeping system may be "coordinated", rather than "standardized".

House Bill: Has no comparable provision.

Compromise: House recedes.

Although the requirement that an EMS system shall provide for a "standardized" patient record-keeping system has been eliminated, the Committees believe that an EMS system should, to the maximum extent practicable, incorporate a uniform record-keeping system within its service area and adhere to a standardized record-keeping system which may be recommended for nation-wide use by the section 1209 Interagency Committee on Emergency Medical Services, or by another appropriate agency.

G. EMS systems responsibility with regard to evaluation of its system:

Existing Law: Requires an EMS system to provide for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided in the system's service area and requires the submission to the Secretary of the reports of each such review and evaluation.

Senate Bill: Modifies this requirement to require the EMS system to have the capacity for periodic and objective review and valuation of the extent and quality of the emergency health care services provided in the system's service area (including consideration of management performance, process measures, and patient outcomes), and requires submission to the Secretary of the reports of any such review and evaluation and the data collected to carry out this requirement.

House Bill: Has no comparable provision.

Compromise: House recedes, with amendment requiring EMS grantees to provide the Secretary with such information as he may require to conduct such periodic, comprehensive, and independent reviews and evaluations and to submit to the Secretary the results of any such review or evaluation which it conducts.

H. Technical assistance provided by H.E.W.:

Existing Law: Requires the Secretary to provide technical assistance, as appropriate, to eligible entities for the purpose of their preparing applications or otherwise qualifying for or carrying out grants or contracts under sections 1202, 1203, or 1204 with special consideration for applications in rural areas.

Senate Bill: Transfers this responsibility to provide technical assistance, to the administrative unit described in section 1208.

House Bill: Makes no change in existing law.

Compromise: House recedes with amendment retaining the emphasis on technical assistance to applicants in rural areas.

9. NONDUPLICATION OF GRANT PROGRAMS

Existing Law: Prohibits funds appropriated under the Public Health Service Act, except for those appropriated under section 1207 (EMS) or title VII (Health Professionals and Allied Health Professionals Training) to be used for support of programs authorized by title XII unless all funds authorized by title XII have been appropriated and made available for obligation.

Senate Bill: Corrects the inadvertent inclusion of emergency medical services' research among those purposes for which grant awards are prohibited.

House Bill: Makes no change in existing law.

Compromise: House recedes with amendment also excepting the use of funds appropriated under the new section 1221 burn injury program.

10. COORDINATION OF EMS TRAINING GRANT AUTHORITIES

Existing Law: Requires an applicant for an EMS training grant under title XII, to apply for a grant or contract under all other grant or contract programs and fail to be approved, or be approved but not be awarded a grant or contract because insufficient funds are available, before the applicant is permitted to use its title XII grant award for training purposes.

Senate Bill: Authorizes this requirement to be waived if the applicant has demonstrated to the satisfaction of the Secretary that the filing of the applications would be futile or unreasonably burdensome.

House Bill: Deletes this requirement.

Compromise: Senate recedes, with respect to the elimination of the prior application requirement for use of title XII funds for training for basic EMT training, paramedic training, and short-term specialized training and continuing education programs for health care personnel. House recedes with respect to other types of health professional training.

The Committees believe that problems which have existed in the past in the implementation of this provision will be further alleviated by other provisions of the compromise agreement, which provide for greater coordination between training programs and which provide the administrative unit described in section 1208 with a specific responsibility to participate fully in the development of policies established for section 776 training programs in emergency medical services.

11. EARMARKS OF APPROPRIATIONS

Existing Law: Earmarks in fiscal year 1974 and 1975 15% of the funds appropriated for section 1202 planning grants and contracts; 60% for section 1203 establishment and initial operation grants and contracts; and 25% for section 1204 expansion and improvement grants and contracts. Earmarks in fiscal year 1976, 75% of funds appropriated for section 1203 grants and contracts, and 25% for section 1204 grants and contracts.

Senate Bill: Changes the earmark for fiscal year 1976 by earmarking up to 10 percent for section 1202 planning grants and contracts, no more than 75 percent for section 1203 grants and contracts, and no more than 25 percent for section 1204 grants and contracts. For fiscal years 1977 and 1978, the Senate bill earmarks at least 5 percent but not more than 10 percent for section 1202 planning grants and contracts, and for fiscal years 1977, 1978, and 1979, limits expenditures to not more than 70 percent for section 1203 grants and contracts, and not more than 45 percent for section 1204 grants and contracts.

House Bill: Has no earmarking provisions.

Compromise: In fiscal years 1977 and 1978, there are earmarked for section 1202 planning grants and contracts a 2.5 percent minimum and 5 percent maximum, with no more than 50 percent of the funds appropriated for section 1202 to be expended for second planning grants and contracts; and in fiscal years 1977 through 1979, a minimum of 20 percent of such funds must be expended for section 1203 grants and contracts and a minimum of 20 percent of such funds must be expended for section 1204 grants and contracts.

12. RESPONSIBILITIES OF IDENTIFIABLE ADMINISTRATIVE UNIT

Existing Law: Requires the Secretary to administer title XII programs through an identifiable administrative unit in HEW and provides that the unit shall also be responsible for collecting, analyzing, cataloguing and disseminating all data useful in the development and operation of emergency medical services systems, including data derived from reviews and evaluations of systems assisted under title XII.

Senate Bill: Clarifies that the administrative unit shall not administer the program of grants and contracts for research under section 1205 and adds new administrative responsibilities to the unit in addition to those in current law, such as concurrence in activities supported under section 1205 (research in HRA) and section 776 (training in HRA), and in addition gives the unit consulting responsibility with regard to any training or research program related to EMS carried out under the Public Health Service Act. The unit is given the responsibility of providing technical assistance to and monitoring of guarantees; and providing for periodic independent evaluation of the effectiveness and coordination of programs carried out under Part A (as designated by the legislation) of title XII. The Senate bill in addition, provides that not less than 7 percent but not more than $3 million of the funds appropriated under section 1207(a) (1) shall be set aside for administration (including salaries of all unit personnel), data gathering and dissemination, technical assistance monitoring, and independent evaluation, and to provide support for the Interagency Committee on Emergency Medical Services.

House Bill: Makes no changes in existing law.

Compromise: House recedes to Senate provisions with the following amendments:

(1) Instead of concurrence in section 1205 (research) and section 776 (training) activities, provides the EMS unit with the responsibility to participate fully in the development of the regulations, guidelines, funding priorities, and application forms, and to be consulted in advance of grant awards and contracts with respect to the research program under section 1205, the training program under section 776, and the burn injury program under new section 1221;

The Committees believe that the process of full participation in the development and promulgation of the regulations should include full involvement of the EMS Division staff in developing the regulations and the submission of the proposed interim and final regulations to the EMS Division Director in such a way as to give the Director adequate time to submit prepublication comments to the Secretary.

(2) Regarding technical assistance, special consideration will be given (as under current section 1206(b)(5)) for applicants in rural areas; and

(3) The administrative expenses (plus salary) funding set aside requirement is deleted and in lieu thereof, a provision is inserted in the bill, not the Public Health Service Act, which requires the Secretary to allocate an amount of expenditures and a number of personnel positions sufficient for the administrative unit described in section 1208 to carry out its functions, and to report to the appropriate Committees of Congress a statement of the amount of expenditures and the number of personnel positions so allocated.

13. INTERAGENCY COMMITTEE ON EMERGENCY MEDICAL SERVICES

Existing Law: Establishes an Interagency Committee on Emergency Medical Services and provides that it shall evaluate all Federal programs and activitiese which relate to emergency medical services and provide for effective coordination of such programs.

Senate Bill: Requires the Interagency Committee on Emergency Medical Services and provides that it shall evaluate all Federal programs and activities which relate to emergency medical services and provide for effective coordination of such programs.

Senate Bill: Requires the Interagency Committee to publish and disseminate information on Federal programs related to emergency medical services funding, to develop and publish recommended uniform standards of quality and health and safety related to emergency medical services; and, with the Secretary, to take steps to encourage the States to reinforce those standards. The Senate bill requires that reports by section 1202 grantees be made available to the Committee.

House Bill: Makes the administrative unit described in section 1208 the lead entity, requires the unit, through the Committee, to evaluate Federal programs, study roles, resources, responsibilities, of Federal agencies involved in emergency medical services grants and contracts, and to make recommendations to the Secretary respecting administration of the title XII Part A EMS program. The House bill requires the administrative unit to report to Congress the results of the study of Federal programs and requires that the first such report be made not later than nine months after the date of enactment of the legislation, and subsequent reports be made on an annual basis thereafter. The House bill removes the National Academy of Sciences as a member of the Interagency Committee.

Compromise. Incorporates the House and Senate provisions; includes the continuing reporting requirements of the House bill; and lists the National Academy of Sciences at the appropriate place in the law so it is not referred to as a Federal agency.

14. GRANTS AND CONTRACTS FOR TRAINING IN EMS

Existing law: Authorizes training grants and contracts for schools of medicine, dentistry, osteopathy, and nursing, and training centers for allied health professions, and other appropriate educational entities, and authorizes the appropriation of $10 million for fiscal year 1974 for such purposes.

Senate Bill: Adds, as eligible applicants, hospitals and entities which meet the requirements of section 1206(b)(4) and (except with respect to training of basic EMT's) which have entered into a contract with an appropriate educational entity for the training program. The Senate bill specifies that awards may be made for program development and training of physicians in emergency medicine. In addition, the Senate bill requires the concurrence of the administrative unit described in section 1208 in regulations, guidelines, funding priorities, application forms, or training grants or contracts established or made under section 776. The Secretary is required to establish a uniform funding cycle for grants and contracts under section 776 and under title XII to facilitate coordination between the programs. The Senate bill authorizes $10 million for each fiscal year through fiscal year 1979 and earmarks $1,250,000 or 20% of the amount appropriated, whichever is lesser, if less than $6,600,000 is appropriated, and if more than that is appropriated, earmarks $1,250,000 plus 50% of the same appropriated above $6,600,000 to assist in program development and training of physicians in emergency medicine.

House Bill: Has no comparable provision. However, H.R. 5546, the Health Manpower legislation, as passed by the House, included a provision which specifies that funds may be made available for program development and training of physicians in emergency medicine, and provides that hospitals would be eligible for training grants and contracts. H.R. 5546 earmarked not less than one-third of the funds appropriated for section 776 grants for program development and training in emergency medicine.

Compromise: House recedes with an amendment as follows: (1) Requires hospital training programs, to be eligible for such grants or contracts, to meet requirements established by the Secretary. (2) Requires a minimum of 30 percent of the amounts appropriated for training grants to be used for training, and establishment of programs for training, of physicians in emergency medicine. (3) Modifies the provisions relating to coordination of training programs under section 776 with title XII programs to conform to comparable provisions included in section 1208 (item 12).

In earmarking 30 percent of the funds appropriated under section 776 for training and the establishment of programs for the training of physicians in emergency medicine, the Committees do not intend to lessen the emphasis which should be placed on the training of emergency medical technicians, paramedics, nurses, and other health personnel having responsibilities related to the provision of emergency medical services. The Committees intend that in computing the 30 percent earmark, all those portions of training programs supported under section 776 which provide for physician training should be included. For example, where a training program is an interdisciplinary program, the costs of that portion of the program which can be attributed to the training of physicians would be counted towards the 30 percent earmark.

The Committees believe that any emergency physician residency programs supported under the authorities of section 776 must be of high quality and should be carried out only in hospitals which have the capability to provide quality training programs, and it is therefore intended that, until accreditation standards are developed by the Liaison Committee on Graduate Medical Education, the Secretary, after consultation with appropriate professional organizations, will develop minimum requirements for all residency programs seeking support under section 776. The Committees do not contemplate that such requirements should include a requirement that these programs be affiliated with a medical school.

15. BURN INJURY PROGRAM

Existing Law: Has no provision for burn injury program.

Senate and House Bill: Similar except for Senate provisions which provide for priority consideration to applicants for a grant or contract if they are in or accessible to the service areas of an emergency medical services system meeting the requirements of section 1206(b)(4)(C) of title XII and except for the levels of authorizations of appropriations.

Compromise: Incorporates both the House and Senate provisions with an amendment to the Senate provision, giving priority to applicants in or accessible to an EMS service area, by requiring that the EMS system meet the definition in section 1201(1) rather than the requirements of section 1206(b)(4)(C).

The Committees believe that the nature of the demonstration programs authorized by the new section 1221 make them most appropriately administered by the identifiable EMS administrative unit described in section 1208. The Committees therefore believe that that unit should generally be given the lead responsibility for carrying out the program. Although the new burn program authority is devoted mainly to the development of demonstration programs for providing burn treatment in the most effective and efficient manner, basic biomedical research on the pathophysiology of burn injuries can provide a complementary benefit to burn injury programs. The Committees recognize that the National Institute of General Medical Sciences and other NIH Institutes involved in related research are the appropriate agencies for carrying out burn-related research and research training programs and that treatment activity supported by the NIH should be limited to that which is necessary to carry out research.

The Committees also recognize that other entities within the Department of HEW are appropriate agencies for carrying out important programs related to burn injuries. For example, programs supported by the Health Resources Administration can contribute substantially to the comprehensiveness and effectiveness of the burn injury demonstration programs. Also, programs of research in rehabilitation medicine and psychosocial rehabilitation, supported by the Rehabilitation Services Administration as well as by the National Institute of Mental Health, can also contribute to the development of comprehensive burn injury programs, as can the programs of the National Center for Health Statistics and the National Center for Health Services Research and Development.

The EMS administrative unit, as the lead agency for administering the section 1221 burn programs, should coordinate its efforts and activities closely with those of other entities within HEW so that the full range of expertise within the Department can be focused on the development of information necessary to determine the scope and feasibility of future Federal efforts in this field.

16. TRANSFER OF TITLE OF EQUIPMENT

Existing Law: Has no provision for transfer of title of equipment.

Senate Bill: Has provision authorizing the Secretary to transfer the title of certain property to seven EMS demonstration project entities which received this property under contract prior to the enactment of the 1973 EMS Act.

Compromise: House recedes with minor revisions.

17. STUDIES AND REPORTS

Senate and House Bills: Have similar provisions except as follows: (1) The Senate bill provides that burn injury programs supported under title XII must be studied and included in the report, and requires the submission of the report 18 months after enactment, rather than the 12 months required by the House bill.

(2) The House bill directs the Secretary through the Interagency Committee, to study the effectiveness of Federal programs of assistance for communication systems and determine the feasibility of encouraging joint Federal funding of communications systems to insure integrated response capabilities to medical emergencies, and to report to Congress, 12 months after enactment,

the results of the study and recommendations for such legislation as may be necessary to insure integrated response capabilities.

(3) The Senate bil provides for a study, similar to that in the House bill, to be conducted by the Interagency Committee on Emergency Medical Services and requires such study to be submitted by July 1, 1977. The Senate bill includes vehicles as well as communications in this study.

Compromise: Incorporates the House and Senate provisions with respect to studies and reports.

18. EXTENSION OF ARTHRITIS COMMISSION

Senate Bill: Extends the expiration date of the National Commission on Arthritis and Musculoskeletal Diseases to December 31, 1976.

House Bill: Has no comparable provision.
Compromise: House recedes.

19. TRANSPORT OF DECEASED PUBLIC HEALTH SERVICE PERSONNEL

Senate Bill: Includes an amendment to section 208 of the Public Health Service Act which would authorize the Secretary to pay for the costs of—

(1) transporting the remains of personnel of the Public Health Service and their families;

(2) medical treatment incurred by personnel of the Service or their dependents abroad in excess of $35 per day and travel expenses of personnel of the Service or their dependents required to transport them to a locality where suitable medical care can be obtained.

House Bill: Has no comparable provision.
Compromise: Senate recedes.

20. EXTENSION OF COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

The Compromise agreement also amends the National Research Act to extend for one year, until December 31, 1977, the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research. The Senate previously passed S. 2515 which included a comparable provision.

21. NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The compromise agreement adds an amendment to the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to permit the Secretary to review and approve noncompeting NIAA grants in amounts lower than $250,000. This clarifies an amendment made in the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1976 (P.L. 94–371).

NEW AUTHORIZATIONS OF APPROPRIATIONS EMERGENCY MEDICAL SERVICES

[In millions]

	Senate bill S. 2548	House bill H.R. 12664	Proposed compromise
EMS systems development (fiscal years):			
TQ	$5.083	$5.083	$5.083
1977	50	40	45
1978	70	50	55
1979	75	60	70
Subtotal	200.083	155.083	175.083
EMS research (fiscal years):			
1977	5	5	5
1978	5	5	5
1979	5	5	5
Subtotal	15	15	15
EMS Training (in Health Manpower bill) H.R. 5546 (fiscal years):			
1976	10	10	
1977	10	10	10
1978	10	10	10
1979	10		10
Subtotal	40	30	30
Burn injuries (fiscal years):			
1977	3	5	5
1978	5	10	7.5
1979	6	15	10
Subtotal	14	30	22.5
Grand total	269.083	230.083	242.583

Mr. CRANSTON. Mr. President, enactment of the compromise agreement will enable communities across the Nation to meet the great need of providing adequate and immediate care to victims of accident and sudden illness. It will help prevent the avoidable tragedies of long-term disabilities or death which too often result from inadequate care at the time of the emergency.

I would like to express my admiration and thanks for the leadership provided in the development of this legislation by the distinguished Senator from New Jersey (Mr. WILLIAMS), chairman of the Committee on Labor and Public Welfare, and by the distinguished Senator from Massachusetts (Mr. KENNEDY), chairman of the Subcommittee on Health, as well as by the distinguished respective ranking minority committee and subcommittee members, the Senator from New York (Mr. JAVITS) and the Senator from Pennsylvania (Mr. SCHWEIKER). The Senator from West Virginia (Mr. RANDOLPH) also was of tremendous assistance in the development of the bill's provisions, and many of the suggestions made in his bill, S. 2673, were retained in the compromise agreement.

The House members, Congressman PAUL ROGERS, of Florida, Congressman TIM LEE CARTER, of Kentucky, Congressman JAMES J. FLORIO, of New Jersey, and Congressman ROBERT H. MOLLOHAN, of West Virginia, were most constructive and cooperative in developing the compromise agreement and I am grateful to them for their excellent suggestions and keen desire to improve the EMS program. They were most ably assisted by Dack Dalrymple, Francie Depiester, Meredith Robb, and Ed Crossman.

S. 2548 COMPROMISE AGREEMENT

Mr. President, the experience gained under the authorities of the Emergency Medical Service Systems Act of 1973 indicates the program has resulted in substantial improvement in the ability to provide comprehensive emergency medical service in those areas where support has been made available. However, there still remain many regions out of the 300 identified nationwide which have not entered the active implementation phase of establishing an EMS system. Thus, there is firm justification for extending the authorizations of appropriations enacted in the 1973 Act so that those communities which have already made strong efforts to establish a system will be given the additional support necessary to complete that effort, and those communities which have not yet been assisted will be given an opportunity to begin this effort.

NEW APPLICATION REQUIREMENTS

Mr. President, impressive testimony was presented during hearings from the General Accounting Office—GAO—which had conducted a review of 12 EMS grantees during calendar year 1975. The GAO, while concluding that, with the aid of Federal funds authorized under title XII, communities throughout the country have been able to upgrade their EMS resources also found inconsistencies in the degree and duration of support provided the EMS system by the participating governments.

It is apparent that grants made to support the establishment of EMS systems provide the incentives that permit a community to overcome the initial most difficult obstacles hindering regionalization of emergency medical services. Once the system is in place, it should be fully supported both financially and substantively by the communities it serves. To achieve this self-sufficiency and assure continued coordination and support of the system, local governmental units are required to submit evidence of executive or legislative action pledging support and cooperation with the regional or statewide EMS system when application for grant support is made.

It is contemplated that such support and cooperation with the emergency medical services system would mean adequate financial support for the operation of the State or regional entity responsible for the coordination or operation of emergency medical services in the system's service area, and participation in the decisionmaking process with regard to allocation and acquisition of resources for the service area.

In recognition of the reliance of many systems on resources provided on a voluntary basis by organizations and other entities, the compromise agreement provides that a grant may be awarded only to applicants which provide assurances of the participation in and support of the system by the public, private, and volunteer organizations and entities involved in activities essential to the provision of EMS services in the system's service area.

In these communities, the heavy expenses of developing an EMS system generally occur in the beginning when the crucial efforts are made to upgrade ambulances and communications equipment and to train paramedical personnel. Once these goals have been achieved, the expenses of the system may be reduced considerably and would consist of the ongoing costs of maintaining coordination of the system, upkeep of equipment, and continuing training of personnel, as well as training of new replacement personnel.

ADMINISTRATION AND EVALUATION OF THE EMS PROGRAM

Mr. President, testimony presented in the Senate hearings indicated that the grantees were receiving substantial guidance in developing their systems from the national and regional offices of the Emergency Medical Services Division. However, it was reported that budgetary allocations to the Division did not permit sufficient staff or travel capability in the regional or national offices to provide the depth of technical assistance required by many grantees.

In addition, it was brought to our attention that a greater coordination between the training and research programs related to emergency medical services and the systems supported by the Emergency Medical Services Division would be beneficial to all programs involved.

Accordingly, the compromise agreement adds several new administrative responsibilities with respect to the identifiable administrative unit, which the bill specifies as a unit specializing in emergency medical services. These new rerequirements would require the unit to participate fully in the development of regulations, guidelines, funding priorities, and grants proposed for training programs supported under section 776, and for research programs supported under section 1205, and for the burn injury programs supported under section 1221.

The process of full participation in the development and promulgation of the regulations should include full involvement of the EMS Division staff in developing the regulations and the submission of the proposed interim and final regulations to the EMS Division Director in such a way as to give the Director adequate time to submit prepublication comments to the Secretary. In addition, the unit's experience should be of value to other programs related to emergency medical services supported by the Public Health Service Act and thus the compromise agreement requires that the unit be consulted in advance with respect to regulations, guidelines, and funding priorities for such programs.

The compromise agreement also requires the unit to publish criteria for collecting necesary data and for evaluating projects, including the burn programs newly authorized by the bill, funded under title XII. I believe that these criteria can be of valuable assistance to regional EMS systems by providing them guidance in the early stages of establishment. Such collection of uniform data should facilitate evaluation of relative effectiveness among EMS systems throughout the Nation.

I recognize that these additional responsibilities cannot be carried out of the administrative unit and its regional offices are not provided the funds necessary to support the staff required to do so. The compromise agreement, therefore, requires the Secretary to allocate each year, no later than 60 days after the enactment of the annual appropriations act making approprItions for title XII programs sufficient funds and positions for the Division to carry out its responsibilities, and to report to Congress the dollars and positions so allocated.

COORDINATION OF FEDERAL PROGRAMS RELATED TO EMERGENCY MEDICAL SERVICES

Mr. President, a second major finding of the GAO review was the lack of coordination in administering various Federal programs supporting EMS related programs, as well as the lack of coordination at the local level to encourage development of regional EMS systems through the grant support programs of the various Federal agencies.

Coordination of Federal programs was recognized as an important element in developing a rational approach to correcting the Nation's deficiencies in providing emergency medical services when the Emergency Medical Services Systems Act of 1973 was enacted in the 93d Congress. At that time, the act established the Interagency Committee on Emergency Medical Services and charged it with evaluating the adequacy and soundness of Federal programs, and providing for the communication and exchange of information necessary to maintain the coordination and effectiveness of those Federal programs.

THE INTERAGENCY COMMITTEE ON EMERGENCY MEDICAL SERVICES

The Interagency Committee on Emergency Medical Services was established shortly after enactment of Public Law 93-154 and has met five times since the enactment of the Act.

The Interagency Committee has fostered improved communications among Federal agencies involved in EMS and has sponsored a publication entitled "Federal Program Resources Guide for EMS" which lists 64 Federal programs that provide funds, technical assistance or services related to EMS. In addition, the committee through its work groups has initiated actions to complete development of a curriculum for the EMT-paramedic, and is considering problems related to communications planning, communications operations, and the development of standards for the patient compartment of air ambulances.

While progress has been made by the Interagency Committee to improve information exchange and to focus on technical problems associated with the delivery of EMS and to provide national coordinated Federal guidance, both the House and Senate bills included provisions calling for the Interagency Committee to take more positive action to coordinate Federal activity in such areas as conjoint grant applications and coordinated funding of EMS systems.

I am aware of the activities of the EMS Division and the Interagency Committee to improve the coordination of Federal programs.

Despite these steps, the GAO advised that regional EMS systems wishing to utilize additional Federal funding sources were not made aware of the availability of additional Federal funding sources which would have enabled them to complement their program. The GAO review found that in some cases, other organizations in the same geographic area served by a regional entity supported by the title XII were receiving EMS equipment which was not made available to or coordinated with the regional system.

To avoid this duplication and the potential for poor utilization of essential equipment, the compromise agreement specifies certain responsibilities for the Interagency Committee, including the development of a comprehensive plan for the coordination of federally supported activities related to emergency medical services, as well as dissemination to all Federal grant award offices as well as grantees of a coordinated description of sources of Federal support for the purchase of vehicles and communications equipment and for training activities. The Committee is charged with developing recommended standards with respect to equipment and training related to emergency medical services as well.

In addition, Mr. President, to encourage coordinated use of Federal programs the compromise agreement provides that grant recipients under title XII shall make maximum utilization of training support and ambulance and communications equipment available under the Highway Safety Act, as well as communications equipment made available under the Law Enforcement Assistance Administration legislation.

COMPONENTS OF AN EMERGENCY MEDICAL SERVICES SYSTEM

The 15 required components of a comprehensive emergency medical services system established in title XII have formed the backbone of the implementation of the act. These components have provided the base for the guidelines used in directing applicants in the development of applications, and in providing a meaningful measure by which the application can be reviewed for acceptability by the granting authority. Testimony presented during hearings on S. 2548 indicated that some modest changes would further strengthen the program and resolve certain ambiguities.

The compromise agreement thus makes the required elements of the communications system component more specific, by requiring that the system have the capability to communicate with individuals having auditory handicaps, and, in addition, where the primary language of a substantial proportion of the population served is not English speaking, have the ability to communicate in that language. The requirement with respect to persons with auditory handicaps is designed to require that systems have the receiving and sending capacity of a device such as a teletypewriter through which a person with an auditory impairment can gain access to the EMS system; it is not in any way intended to require or authorize expenditures for the acquisition of such devices for particular handicapped individuals.

In addition, Mr. President, the regional entity is required to make maximum use of communications equipment and systems made available to the community under the Highway Safety Act and the Law Enforcement Assistance Administration legislation. During hearings on S. 2548, we heard testimony which demonstrated the value of the applicability of support from these sources to a communications network serving all public agencies—that is, fire, police, and medical emergencies, in an area. It has been estimated that medical emergencies initiate less than 10 percent of the demands upon such a coordinated system. With that experience, it would seem advantageous for regional EMS systems to coordinate their communications system with that of other public agencies in the area.

Additional modifications to the 15 requirements require the coordination of transportation equipment made available under the Highway Safety Act with that made available under title XII, and delete the requirement that the regional system be responsible for obtaining independent evaluation of the system, requiring instead that the system collect and provide the necessary information to the Secretary so that evaluation can be conducted through the administrative unit in the Department of HEW responsible for administering the EMS program.

TRAINING IN EMERGENCY MEDICAL SERVICES

Mr. President, when Congress developed the 1973 act, the members of the Senate and House committees were cognizant of the need to avoid proliferation and duplication of training grant authorities. For that reason, the authority for training in emergency medical services was added to title VII as section 776. Placing the EMS training authority in title VII has meant that the authority has been administered by the Health Resources Administration which administers other health training authorities. This organizational placement has drawn upon the experience of that Administration in health manpower training programs to enhance the administration of the EMS training program and has also made the expertise of the review procedures of that Administration available for review and evaluation of grant applications for EMS training.

With the termination of the authorizations of appropriations for this authority in fiscal year 1974, there has been only 1 year of experience under this program. Some dissatisfaction has been expressed by grantees about the bifurcation of the administration of the training authority and the title XII systems support authority.

Provisions in the compromise agreement giving the EMS administrative unit, established pursuant to section 1208, the right to participate fully in the development of regulations, guidelines, funding priorities, and application forms, as well as grants and contracts made under section 776, are designed to achieve coordination between these programs. The compromise agreement further requires that that unit be consulted in advance of the issuance of such regulations, guidelines, and funding priorities where other programs authorized by the Public Health Service Act provide support for training in emergency medical services.

Applicants have also experienced considerable difficulty in dealing with the complexities in existing law relating to applications for training support. Current law includes a provision requiring any applicant, which includes a training component in its application for EMS systems support, to submit a separate application for that training component to all other training authorities under title VII of title VIII of the Public Health Service Act, and to fail to be awarded a grant under those authorities, before being eligible to use its title XII support for training purposes. In practice, this requirement has led to considerable effort on the part of grant applicants to make the required applications, many of them requiring that conflicting deadlines be met.

The compromise agreement addresses this problem in two ways. First, the requirement would not be applied to applications for basic EMT training, paramedic training, or short-term training, including continuing education, of health care personnel. Second, the compromise agreement permits the Secretary to waive the requirement for applying for support under all training authorities, where the filing of the application would be futile or unreasonably burdensome, in the case of all other health personnel training programs. To alleviate further the complexities of this procedure, the compromise agreement also requires that a uniform funding cycle be established for the grant review and award process under section 776 and title XII, and that funding priorities and emphases be coordinated between the two programs. The greater coordination between the EMS Division and the training grant programs mandated by the compromise agreement shoud alleviate this problem also.

During hearings on S. 2548, Mr. President, testimony was received indicating that physicians currently serving in emergency rooms could benefit from continuing education programs and on-the-job training in emergency medical procedures. To date, more than 90 percent of the estimated 15,000 physicians providing emergency medical care are mid-career or second-career physicians who have received no formalized training in emergency medicine. In view of the demonstrated need for additional training of physicians to staff emergency rooms, the compromise agreement earmarks for the development of programs for the training of emergency physicians thirty percent of the funds appropriated for carrying out the section 776 EMS training program. I believe immediate results can be obtained in terms of improved emergency services through upgrading the ability of those physicians currently staffing emergency rooms and that this type of training should receive support under the revised authorities of section 776, along with programs to develop residency training programs.

I wish to stress, however, Mr. President, that we very strongly believe that there should be no lessening of support for paramedic and other allied health EMS training.

BURN INJURIES

Persons with burn injuries most frequently receive their initial treatment through the local EMS system which then is responsible for referring the patient to the appropriate level of care.

I have been very impressed with the magnitude of the burn problem in the United States, and the need for a coordinated effort on a regional basis to reduce several facets of that problem. However, before steps can be taken to reduce the problem more information and data must be gathered on which to base a major effort.

Mr. President, there is a clear need to improve the delivery of burn care, the national understanding of the magnitude of the burn problem, the utilization of current resources, the support and appropriate placement of treatment programs, specialized training for physicians, nurses and ancillary professional and paramedical personnel, and programs for rehabilitation; to establish evaluation methodologies on a regional basis—to provide epidemiological data on burn incidence, the tracking of patients to the most appropriate levels of care, and immediate and long-term treatment and rehabilitation outcomes; and to obtain comparative cost data for systems of burn care.

Good burn care requires careful planning and coordination on a regional basis. This raises complex questions regarding facility and professional relationships, including the reporting of burn injuries and the evaluation of treatment, particularly since appropriate regions may cover more than one Health Service Area, and may cross State boundaries. Systems planning funded under title XII has spearheaded regional planning with respect to the overall trauma problem. Additional legislative authority is needed however, to extend this approach to the area of burns, which raises certain unique problems in the complexity and duration of the treatment and rehabilitation of its more severe victims.

The compromise agreement adds a new part to title XII to authorize grants for the establishment, operation, and improvement of programs to demonstrate the treatment and rehabilitation of burn victims, to conduct research in the treatment and rehabilitation of burn victims, to provide training in the treatment and rehabilitation of burn victims. The provision provides for priority to be given, in supporting any such programs, to programs in areas in which such services are not being adequately provided and which are in, or accessible to, the service area of an EMS system.

I want to pay special tribute to my friend from New York (Mr. OTTINGER) for his special efforts to bring this burn legislation to the floor, and for his having originated the burn program title of the bill in the other body.

CONCLUSION

I believe we have reached a good agreement and that the EMS programs developed under this compromise agreement will be able to provide the leadership and direction in their communities to provide immediate and effective emergency medical care to their residents.

In closing, I wish to note the tremendous dedication of Louise Ringwalt of the Senate Labor Committee staff to the EMS program and this renewal legislation. Without her efforts the excellent legislation we have developed would never have been possible.

Mr. EAGLETON. Mr. President, I move that the Senate concur in the amendment of the House with an amendment in the nature of a substitute which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON) proposes an amendment in the nature of a substitute, No. 527.

The amendment is as follows:

SENATE AMENDMENT TO HOUSE AMENDMENT

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text of the bill, insert:

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Emergency Medical Services Amendments of 1976".

(b) Except as otherwise specifically provided in this Act, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

DEFINITIONS

SEC. 2. Paragraphs (4) and (5) of section 1201 are amended to read as follows:

"(4) The term 'section 1521 State health planning and development agency' means the agency of a State designated under section 1521(b)(3).

"(5) The term 'section 1515 health systems agency' means a health systems agency designated under section 1515, and the term 'health systems plan' means a health systems plan referred to in section 1513(b)(2).".

STUDY AND PLANNING GRANTS

SEC. 3. (a) Section 1202 is amended—

(1) by inserting "(1)" in subsection (a) after "(a)";

(2) by striking out "projects" in subsection (a) and all that follows through "such a system and inserting in lieu thereof "projects which include both studying the feasibility of and planning (A) the establishment and operation of an emergency medical services system, (B) the expansion and improvement of such a system, or (C) both";

(3) by redesignating subsection (b) as paragraph (2) of subsection (a);

(4) by striking out "this section" each place it appears in paragraph (2) (as so redesignated) of subsection (a) and inserting in lieu thereof "paragraph (1)"; and

(5) by inserting after subsection (a) the following new subsection:

"(b)(1) The Secretary may make a grant to or enter into a contract with an eligible entity (as defined in section 1206(a)) with respect to an emergency medical services system for the purpose of enabling the entity—

"(A) to study the feasibility of, or plan for, the expansion and improvement of such system to provide for the use in such system of advanced life-support techniques, or

"(B) if such system is the system of a State for which system a study and planning grant or contract has been made or entered into under subsection (a) and if the entity is that State, to update the plan of such system to improve the delivery of emergency medical services in rural areas and to medically underserved populations of the State.

"(2) If the Secretary makes a grant or enters into a contract under paragraph (1) respecting an emergency medical services system for a particular geographical area, the Secretary may not make any other grant or enter into any other contract under paragraph (1) respecting such system, or respecting any other such system for the same area or for an area which includes (in whole or substantial part) such area.".

(b) Section 1202 is amended—

(1) by amending subsection (c) to read as follows:

"(c) An eligible entity which has received a grant from or entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of such grant or contract not later than one year after the date the grant was made or the contract was entered into, as the case may be.";

(2) by amending paragraph (1) of subsection (d) to read as follows:

"(1) demonstrate to the satisfaction of the Secretary the need of the area for the emergency medical services system for which the application is made;";

(3) by amending clause (A) of subsection (d)(3) to read as follows: "(A) with each section 1515 health systems agency whose health systems plan covers or will cover (in whole or in part) such area, and"; and

(4) by adding at the end thereof the following new subsection:

"(f) The Secretary may not obligate or expend in any fiscal year for grants and contracts made or entered into under subsection (b)(1) an amount greater than 50 per centum of the sums appropriated in such year for grants and contracts made or entered into under this section.".

INITIAL OPERATION AND ESTABLISHMENT GRANTS

SEC. 4. Section 1203 is amended—

(1) by inserting "at least" in subsection (c)(2) before "nine months'", and by striking out "his" in such subsection and inserting in lieu thereof "its";

(2) by striking out "June 30, 1976" in subsection (c)(3) and inserting in lieu thereof "September 30, 1979"; and

(3) by adding at the end thereof the following new subsections:

"(d) A grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless the entity submits with its application for such grant or contract assurances of the participation in and support of the system by the public, private, and volunteer organizations and entities which are associated with and involved in activities essential to the effective provision of emergency medical services in the system's service area.

"(e)(1) A first grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless the entity submits with its application for such grant or contract assurances, from the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial portion of the population residing in such area, of each such bodies, support of and cooperation with the system.

"(2) A second grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the Secretary has made the required determination under subsection (c)(2);

"(B) the application for such grant or contract includes specific plans for the step-by-step achievement of compliance with each of the requirements of section 1206(b)(4)(C) within the period specified in section 1206(b)(4)(B)(i); and

"(C) the application for such grant or contract includes assurances, evidenced by copies of formal resolutions, proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, of such bodies'—

"(i) continued support and cooperation with the system, and

"(ii) financial support of the system, in the year after the conclusion of the period of support under the grant or contract, sufficient to maintain the system at the level at which such system is to be maintained during the period of the grant or contract.

"(f) An eligible entity which has received a grant from or has entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of grants made to or contracts entered into with the entity under this section not later than one year after the completion of the second such grant or contract under this section.".

EXPANSION AND IMPROVEMENT GRANTS

SEC. 5. Section 1204 is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Each grant or contract for a project under this section shall be made for the project's costs of expansion and improvement in the year for which the grant or contract is made or entered into. If a grant or contract is made or entered into under this section for a system, the Secretary may make one additional grant or contract for that system if he determines, after a review of at least the first nine months' activities of the applicant carried out under the first grant or contract, that the applicant is satisfactorily progressing in the expansion and improvement of the system in accordance with the plan contained in its application (pursuant to section 1206(b)(4)) for the first grant or contract.

"(d)(1) A grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the application for such grant or contract includes specific plans for the step-by-step achievement of compliance with each of the requirements of section 1206(b)(4)(C) within the period specified in section 1206(b)(4)(B)(i); and

"(B) the application for such grant or contract includes assurances, evidenced by copies of formal resolutions, proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, of such bodies'—

"(i) support and cooperation with the system, and

"(ii) endorsement and support of a specific financial plan which provides for the maintenance of the financial support of the system, after the conclusion of the period of the grant or contract, at the level required to maintain the level of expanded or improved activity to be achieved during the period of the grant or contract.

"(2) A second grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the Secretary has made the required determination under subsection (b)(1), and

"(B) the application for such grant or contract includes assurances, of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, that substantial progress is being made towards achieving the financial support to implement the plan described in paragraph (1)(B)(ii).

"(e) An eligible entity which has received a grant from or has entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of grants made to or contracts entered into the entity under this section not later than one year after the completion of the second such grant or contract under this section.".

RESEARCH GRANTS

SEC. 6. Section 1205 is amended—

(1) by inserting "and enter into contracts with" in subsection (a) before "public";

(2) by inserting "and especially research which emphasizes the identification and utilization of techniques and methods to apply the results of such research to improve the delivery of emergency medical services in such areas" in subsection (a) after "in rural areas";

(3) by inserting at the end of subsection (c) the following new sentence: "Such reports shall contain recommendations and a plan of action for applying the results of the research assisted by such grant or contract to improve the delivery of emergency medical services."; and

(4) by adding at the end thereof the following new subsection:

"(d)(1) Before any grant or contract may be made or entered into by the Secretary under this section the Secretary shall consult, concerning such grant or contract, with the identifiable administrative unit described in section 1208.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. (a) Subsection (a) of section 1207 is amended—

(1) by striking out "and" after "1974," and inserting after "1975" the following: ", $35,000,000 for the fiscal year ending June 30, 1976, $5,083,000 for the period beginning July 1, 1976, and ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $55,000,000 for the fiscal year ending September 30, 1978";

(2) by striking out "for the fiscal year ending June 30, 1976, there are authorized to be appropriated $70,000,000" and inserting in lieu thereof ", there are authorized to be appropriated $70,000,000 for the fiscal year ending September 30, 1979"; and

(3) by adding at the end thereof the following new paragraph:

"(2) No regulation, guideline, funding priority, or application form shall be established under this section without the full participation in the development of such regulation, guideline, priority, or form, by the identifiable administrative unit described in section 1208.".

GENERAL PROVISIONS

SEC. 7. Section 1206 is amended—

(1) by inserting "(A)" in subsection (b)(1) before "No grant";

(2) by inserting after subsection (b)(1) the following new subparagraph:

"(B) No applicant may receive more than a total of five years of grant or contract assistance under this part, except that, in determining the number of years of grant or contract assistance which an applicant received under this part, the Secretary shall not include any period during which the applicant received grant or contract assistance under section 1202(b)(1) or section 1205.";

(3) by amending clauses (i) and (ii) of subsection (b)(3)(D) to read as follows:

"(i) section 1521 State health planning and development agency of each State in which the service area of the emergency medical services system for which the application is submitted will be located, and

"(ii) section 1515 health systems agency whose health systems plan covers or will cover (in whole or in part) the service area of such system,";

(4) by striking out "An" in subsection (b)(4)(A) and inserting in lieu thereof "No", and by striking out "not" after "section 1203 or 1204 may" in such subsection;

(5) by inserting "the respective section and of" in subsection (b)(4)(A)(i) after "requirements of";

(6) by striking out "(A)" in subsection (b)(4)(B)(i) and inserting in lieu thereof "(C)";

(7) by striking out "the period of the grant or contract for which application is made" in subsection (b)(4)(B)(i) and inserting in lieu thereof "the total period of eligibility for assistance under the section for which the application for assistance is made";

(8) by striking out "and" before "(III)" in clause (iii) of subsection (b)(4)(C), and by inserting before the semicolon at the end of such clause the following: ", (IV) will have the capability to communicate with individuals having auditory handicaps and to communicate in the language of the predominant population groups with limited English-speaking ability in the system's service area, and (V) makes maximum use of communications equipment and systems acquired under any highway safety program approved under chapter 4 of title 23, United States Code, and of such equipment and system acquired under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701 et seq.)";

(9) by inserting "(making maximum use of vehicles acquired under any highway safety program approved under chapter 4 of title 23. United States Code)" in subsection (b)(4)(C)(iv) after "include";

(10) by striking out "standardized" in subsection (b)(4)(C)(xi) and inserting in lieu thereof "coordinated";

(11) by amending clause (xiii) of subsection (b)(4)(C) to read as follows:

"(xiii) provide the Secretary with such information as he may require to conduct periodic, comprehensive, and independent reviews and evaluations of the extent and quality of the emergency health care services provided in the system's service area, and submit to the Secretary the results of any review or evaluation which may be conducted by such system of the extent and quality of the emergency health care services provided in the system's service area;";

(12) by striking out "section 1207 or title VII" in subsection (e) and inserting in lieu thereof "section 301, title IV, title VII, section 1207, or section 1221":

(13) by striking out "1207" in clause (1) of subsection (e) and inserting in lieu thereof "1207(a)";

(14) by inserting "(other than basic training of emergency medical technicians, training of paramedics, and short-term specialized training or retraining of physicians, nurses, and other health care professionals)" in subsection (f)(2) after "training program";

(15) by inserting "(A) has" in subsection (f)(2) after "unless the applicant"; and

(16) by inserting before the period at the end of paragraph (2) of subsection (f) the following: ", or (B) has demonstrated to the satisfaction of the Secretary that the filing of such an application would be futile or unreasonably burdensome".

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. (a) Subsection (a) of section 1207 is amended—

(1) by striking out "and" after "1974," and inserting after "1975" the following: ", $35,000,000 for the fiscal year ending June 30, 1976, $5,083,000 for the period beginning July 1, 1976, and ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $55,000,000 for the fiscal year ending September 30, 1978";

(2) by striking out "for the fiscal year ending June 30, 1976, there are authorized to be appropriated $70,000,000" and inserting in lieu thereof ", there are authorized to be appropriated $70,000,000 for the fiscal year ending September 30, 1979"; and

(3) by adding at the end thereof the following new paragraph:

"(5)(A) Of the sums appropriated under paragraph (1) for the fiscal year ending September 30, 1977, and for the succeeding fiscal year, at least 2½ per centum but not more than 5 per centum of such sums for each such fiscal year shall be used for grants and contracts under section 1202.

"(B) Of the sums appropriated under paragraph (1) for the fiscal year ending September 30, 1977, and for each of the two succeeding fiscal years, (i) not less than 20 per centum of such sums for each such fiscal year shall be used for grants and contracts under section 1203, and (ii) not less than 20 per centum of such sums for each such fiscal year shall be used for grants and contracts under section 1204.".

(b) Section 1207(b) is amended by striking out "two" and inserting in lieu thereof "five".

ADMINISTRATION

SEC. 9. Section 1208 is amended to read as follows:

"SEC. 1208. (a) The Secretary shall administer the program of grants and contracts (except for grants and contracts under section 1205) authorized by this part through an identifiable administrative unit specializing in emergency medical services within the Department of Health, Education, and Welfare.

"(b) Such administrative unit shall—

"(1) be responsible for collecting, analyzing, cataloging, and disseminating all data useful in the development and operation of emergency medical services systems, including data derived from reviews and evaluations of emergency medical services systems assisted under sections 1202, 1203, and 1204;

"(2) publish suggested criteria for collecting necessary information for the evaluation of projects and programs funded under this title;

"(3) participate fully in the development of regulations, guidelines, funding priorities, and application forms relating to activities carried out under sections 776, 1205, and 1221;

"(4) be consulted in advance of the awarding of grants and contracts under sections 776, 1205, and 1221;

"(5) be consulted in advance of the issuance of regulations, guidelines, and funding priorities relating to research or training in the area of emergency medical services carried out under any other authority of this Act;

"(6) provide technical assistance (with special consideration for applicants in rural areas) and monitoring with respect to grant and contract activities under sections 1202, 1203, 1204, and 1221; and

"(7) provide for periodic, independent evaluations of the effectiveness of, and coordination between, the programs carried out under this part and the programs carried out under sections 776 and 1221.

"(c) In addition, such administrative unit shall, through the Interagency Committee on Emergency Medical Services (established under section 1209)—

"(1) study on a continuing basis (including evaluating the adequacy, technical soundness, and redundancy of) the roles, resources, and responsibilities of all Federal programs and activities relating to emergency medical services;

"(2) annually update (A) the Federal emergency medical services funding and resource-sharing plan, (B) the description of sources of Federal support, and (C) the recommended uniform standards with respect to emergency medical services equipment and training, all initially developed and published by the Committee under section 1209(b);

"(3) make recommendations to the Secretary respecting steps he might take, using the authorities available to him, to encourage States to implement the recommended uniform standards described in paragraph (2)(C); and

"(4) make recommendations to the Secretary respecting the administration of, and regulations under, the programs of grants and contracts under this title.

Such unit shall report to the Congress the results of studies made under paragraph (1). The first such report shall be made not later than June 15, 1977, the second such report shall be made not later than February 1, 1978, and subsequent reports shall be made not later than February 1 of each year after 1978.".

INTERAGENCY COMMITTEE

Sec. 10. (a) The second sentence of subsection (a) of section 1209 is amended to read as follows: "The Committee shall coordinate and provide for the communication and exchange of information among all Federal programs and activities relating to emergency medical services, and shall carry out its responsibilities under section 1208(c).".

(b) Section 1209(b) is amended by striking out "the National Academy of Sciences," and inserting "and from the National Academy of Sciences" after "Education, and Welfare".

(c) Section 1209(e) is amended by striking out "1203" and inserting in lieu thereof "1202, 1203,".

(d) Section 1209 is amended by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The Committee shall, not later than July 1, 1977, develop and publish:

"(1) A coordinated, comprehensive Federal emergency medical services funding and resource-sharing plan, designed to promote the coordination between, and enhance the effectiveness of, Federal, State, and local funding and operation of programs and agencies relating to emergency medical services and related activities (including communication and transportation systems of public safety agencies).

"(2) A description of sources of Federal support for the purchase of vehicles and communications equipment and for training activities related to emergency medical services.

"(3) Recommended uniform standards of quality, health, and safety with respect to all equipment (including communications and transportation equipment) and training related to emergency medical services.

The plan described in paragraph (1) shall include a report containing recommendations for any legislation which would enhance the capability of Federal, State, and local governments to provide an integrated response in medical emergencies. The description described in paragraph (2) shall be disseminated to the regional offices of Federal agencies which provide financial support in the purchase of vehicles and equipment or in training activities related to emergency medical services for distribution to appropriate entities and the public.".

ANNUAL REPORTS

Sec. 11. Section 1210 is amended by inserting at the end thereof the following: "The report under this section covering the fiscal year ending June 30, 1976, shall also cover the period beginning July 1, 1976, and ending September 30, 1976, and shall be submitted to Congress not later than February 1, 1977. The report under this section covering the fiscal year ending September 30, 1977, and each report covering each subsequent fiscal year, shall be submitted to Congress not later than February 1 in the fiscal year following each such fiscal year.".

TRAINING GRANTS

Sec. 12. (a) Section 776(a) is amended—

(1) by inserting "(1)" after "(a)";

(2) by inserting "hospitals having training programs which meet requirements established by the Secretary," before "schools of medicine";

(3) by striking out "and" before "other appropriate";

(4) by inserting ", and other appropriate public entities (as defined in paragraph (2))" after "educational entities";

(5) by inserting "and to assist in meeting the cost of training, and establishment of programs for the training, of physicians in emergency medicine" after "ambulance service)"; and

(6) by adding at the end thereof the following new paragraph:

"(2) For the purposes of paragraph (1), the term 'other appropriate public entity' means a State, unit of general local government, or any other public entity which—

"(A) has established an emergency medical services system (as defined in section 1201(1)), and

"(B) except with respect to the basic training of emergency medical technicians, has entered into an agreement with an appropriate educational entity for a training program under this section.".

(b) Section 776 is amended—

(1) by redesignating subsection (e) as subsection (g) and amending such subsection (as so redesignated)—

(A) by inserting "(1)" after "(g)";

(B) by inserting ", and each of the next five fiscal years" after "1974"; and

(C) by inserting at the end thereof the following new paragraph:

"(2) Not less than 30 percent of the funds appropriated under paragraph (1) for any fiscal year shall be used in that fiscal year to assist in meeting the cost of training, and of establishment of programs for the training, of physicians in emergency medicine."; and

(2) by inserting after subsection (d) the following new subsections:

"(e) No regulation, guideline, funding priority, or application form shall be established with respect to this section without the full participation in the development of such regulation, guideline, priority, or form, by the administrative unit described in section 1208.

"(f) To the maximum extent practicable, the Secretary shall establish a uniform funding cycle so as to coordinate the submission and review of applications for grants and contracts under title XII and under this section and to coordinate funding policies among programs carried out under such authorities.".

EXPENSES OF ADMINISTRATION

Sec. 13. Not later than 60 days after the date of enactment of the annual appropriations Act making appropriations for the programs under title XII of the Public Health Service Act for each fiscal year ending after September 30. 1976, the Secretary of Health, Education, and Welfare shall allocate an amount of expenditures and a number of personnel positions sufficient for the identifiable administrative unit (described in section 1208 of such Act) to—

(1) provide support (including salaries of unit personnel and costs of administration, data gathering and dissemination, technical assistance, monitoring, and independent evaluation) for it to carry out its functions under title XII of such Act for such fiscal year; and

(2) provide support for the Interagency Committee on Emergency Medical Services established under section 1209 of such Act for such fiscal year,

and shall immediately report to the appropriate Committees of Congress a statement of the amount of expenditures and the number of personnel positions so allocated for such fiscal year.

BURN INJURY PROGRAM AND CONFORMING AMENDMENTS

Sec. 14. Title XII is amended—

(1) by inserting "Part A—Assistance for Emergency Medical Services Systems" after the heading for the title;

(2) by striking out "this title" each place it appears in section 1201 and in subsections (b) and (e) of section 1206 and inserting in lieu thereof "this part"; and

(3) by inserting after section 1210 the following new part:

"PART B—BURN INJURIES

"PROGRAMS RELATING TO BURN INJURIES

"Sec. 1221. (a)(1) The Secretary may make grants to, and enter into contracts with, public or private nonprofit entities for the support of, and may conduct, programs for the establishment, operation, and improvement of activities to (A) demonstrate the effectiveness of different methods for the treatment and rehabilitation of individuals injured by burns, (B) conduct research in the treatment and rehabilitation of such individuals, and (C) provide training in such treatment and rehabilitation and in such research.

"(2) The Secretary may enter into contracts with entities and individuals for the support of research in the treatment and rehabilitation of individuals injured by burns.

"(b) No grant or contract may be made or entered into under subsection (a) unless an application therefor has been submited to, and approved by, the Secretary. Such application shall be submitted in such form and maner and contain such information as the Secretary may require. In considering applications under this section, the Secretary shall give priority to applications for programs which (1) will provide services within a geographical area in which services are not currently being adequately provided, and (2) are in or accessible to the service area of an emergency medical services system (as defined in section 1201(1)).

"(c) For purposes of carrying out subsection (a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1977, $7,500,000 for the fiscal year ending September 30, 1978, and $10,000,000 for the fiscal year ending September 30, 1979.".

TRANSFER OF EQUIPMENT

Sec. 15. Notwithstanding any other provision of law, the Secretary of Health, Education, and Welfare may vest title to equipment purchased—

(1) with funds under the seven contracts for emergency medical services demonstration projects entered into in 1972 and 1973 under section 304 of the Public Health Service Act (as in effect at the time the contracts were entered into), and

(2) by contractors with the United States under such contracts or subcontractors under such contracts,

in such contractors or subcontractors without further obligation to the Government or on such terms as the Secretary considers appropriate.

UNIFORM PATIENT REPORTING SYSTEM

Sec. 16. The Secretary of Health, Education, and Welfare shall conduct studies to identify the categories of patients which should be included in a uniform reporting system to be used to evaluate the effectiveness of emergency medical services systems and burn injury programs supported under title XII of the Public Health Service Act in reducing death and disability. Not later than 18 months after the date of enactment of this Act, the Secretary shall report to the Congress the results of such studies. Such report shall include such recommendations for legislation relating to such a uniform reporting system as the Secretary determines are appropriate.

EXTENSION OF ARTHRITIS COMMISSION

SEC. 17. Section 3(j)(2) of the National Arthritis Act of 1974 (Public Law 93–640) is amended to read as follows:

"(2) The Commission shall cease to exist on December 31, 1976.".

EXTENSION OF THE COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS

SEC. 18. (a) Section 204(d) of the National Research Act (Public Law 93–348) is amended by striking out "24-month period" each place it appears and inserting in lieu thereof "36-month period".

(b) Section 211(b) of such Act is amended by striking out "January 1, 1977" and inserting in lieu thereof "January 1, 1978".

REVIEW OF ALCOHOLISM GRANTS

SEC. 19. (a) Section 311(c)(2) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4577) is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last two sentences thereof; and

(3) by inserting at the end thereof the following new subparagraph:

"(B)(i) Except as provided in clause (ii), each application for a grant under this section shall be submitted by the Secretary to the National Advisory Council on Alcohol Abuse and Alcoholism for his review. The Secretary may approve an application for a grant under this section only if it is recommended for approval by such Council.

"(ii) Clause (i) shall not apply to an application for a grant under this section for a project or program for any period of 12 consecutive months for which period payments under such grant will be less than $250,000, if an application for a grant under this section for such project or program and for a period of time which includes such 12-month period has been submitted to, and approved by, the Secretary.".

(b) The amendment made by subsection (a) shall apply with respect to applications for grants under section 311 of such Act after June 30, 1976.

EFFECTIVE DATE

SEC. 20. Amendments and repeals made to the Public Health Service Act by this Act shall not apply with respect to grants made or contracts entered into before the date of enactment of this Act, except that the amendments made by sections 4(3) and 5 of this Act with respect to adding a new subsection (f) to section 1203 and a new subsection (e) to section 1204, respectively, of the Public Health Service Act shall apply to grants made and contracts entered into after June 1, 1976.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to.

ADMINISTRATION OF FISH AND WILDLIFE PROGRAMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1264.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider the bill (H.R. 5523) to improve the administration of fish and wildlife programs, and for other purposes.

UP AMENDMENT NO. 528

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) proposes—

Mr. ROBERT C. BYRD. It is not my amendment. I am sending it on behalf of Mr. Moss.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) on behalf of Mr. Moss proposes an amendment.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Fish and Wildlife Improvement Act of 1976".

SEC. 2. FISH AND WILDLIFE COOPERATIVE UNITS ASSISTANCE.

The first section of the Act of September 2, 1960 (74 Stat. 733; 16 U.S.C. 753a) is amended—

(1) by striking out "technical personnel" and inserting in lieu thereof "scientific personnel"; and

(2) by inserting immediately after "respective units," the following: "to the provision of assistance (including reasonable financial compensation) for the work of researchers on fish and wildlife ecology and resource management projects funded under this subsection".

SEC. 3. ENFORCEMENT AUTHORITY FOR THE PROTECTION OF FISH AND WILDLIFE RESOURCES.

(a) AUTHORITIES FOR DESIGNATED PERSONNEL.—In addition to any other authority conferred by law, any officer or employee of the United States Fish and Wildlife Service who is designated by the Secretary of the Interior, or any officer or employee of the National Marine Fisheries Service who is designated by the Secretary of Commerce, to enforce any Federal law relating to fish or wildlife may, in the performance of such law enforcement duties, exercise such of the following authorities as each such Secretary, after written notice to the United States Attorney General, may deem appropriate:

(1) Carry firearms.

(2) Secure, execute, and serve any order, warrant, subpena, or other process, which is issued under the authority of the United States.

(3) Search without warrant or other process any person, place, or conveyance as provided by law.

(4) Seize without warrant or other process any evidentiary item as provided by law.

(5) Offer and pay rewards for services or information which may lead to the apprehension of violators of such laws.

(6) Make inquiries, and administer to, or take from, any person an oath, affirmation, or affidavit, concerning any matter which is related to the enforcement of such laws.

(7) Upon the request of any law enforcement agency of any State, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands, assist such agency in the enforcement of State or local laws and regulations relating to fish or wildlife.

(8) Make an arrest with or without a warrant—

(A) for any offense against the United States if such officer or employee has reasonable grounds to believe that the person to be arrested is committing an offense in his presence or view, or

(B) for any felony under the laws of the United States if such officer or employee has reasonable grounds to believe that the person to be arrested has committed or is committing such felony;

except that nothing in this paragraph shall be construed as authorizing any such officer or employee to initiate or pursue any subsequent investigation of any violation which is not related to fish or wildlife matters. As used in this subsection, the term "Federal law relating to fish or wildlife" means any statute which is designated by the Secretary of the Interior or the Secretary of Commerce through publication in the Federal Register as a law the purpose of which is to protect or conserve any fish or wildlife.

(b) LAW ENFORCEMENT TRAINING PROGRAM.—(1) In order to provide for and encourage training, research, and development for the purpose of improving fish and wildlife law enforcement and developing new methods for the prevention, detection, and reduction of violation of fish and wildlife laws, and the apprehension of violators of such laws, the Secretary of the Interior and the Secretary of Commerce may each—

(A) establish and conduct national training programs to provide, at the request of any State, training for State fish and wildlife law enforcement personnel;

(B) develop new or improved approaches, techniques, systems, equipment, and service to improve and strengthen fish and wildlife law enforcement; and

(C) assist in conducting, at the request of any appropriate State official, local or regional training programs for the training of State fish and wildlife law enforcement personnel.

Such training programs shall be conducted to the maximum extent practicable through established programs.

(2) There are authorized to be appropriated beginning with fiscal year 1978 such funds as may be necessary to carry out the purposes of subsection (b), and the Secretary of the Interior and the Secretary of Commerce may each require reimbursement from the States for expenditures made pursuant to subsections (b)(7) (A) and (C).

(c) LAW ENFORCEMENT COOPERATIVE AGREEMENT.—Notwithstanding any other provision of law, the Secretary of the Interior and the Secretary of Commerce may each utilize by agreement, with or without reimbursement, the personnel, services and facilities of any other Federal or State agency to the extent he deems it necessary and appropriate for effective enforcement of any Federal or State laws on lands, waters, or interests therein under his jurisdiction which are administered or managed for fish and wildlife purposes and for enforcement of any laws administered by him relating to fish and wildlife. Persons so designated by either Secretary, who are not employees of another Federal agency—

(1) shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, competitive examination, rates of compensation, and Federal employee benefits, but may be considered eligible for compensation for work injuries under subchapter III of chapter 81 of title 5, United States Code;

(2) shall be considered to be investigative or law enforcement officers of the United States for the purposes of the tort claim provisions of title 28, United States Code;

(3) may, to the extent specified by either Secretary, search, seize, arrest, and exercise any other law enforcement functions or authorities under Federal laws relating to fish and wildlife, where such authorities are made applicable by this or any other law to em-

ployees, officers, or other persons designated or employed by either Secretary; and

(4) shall be considered to be officers or employees of the Department of the Interior or the Department of Commerce, as the case may be, within the meaning of sections 111 and 1114 of title 18, United States Code.

(d) Disposal of Abandoned or Forfeited Property.—Notwithstanding any other provision of law, all fish, wildlife, plants, or any other items abandoned or forfeited to the United States under any laws administered by the Secretary of the Interior or the Secretary of Commerce relating to fish, wildlife, or plans, shall be disposed of by either Secretary in such a manner as he deems appropriate (including, but not limited to, loan, gift, sale, or destruction).

(e) Disclaimer.—Nothing in this section shall be construed to invalidate any law enforcement agreement or delegation made by the Secretary of the Interior or the Secretary of Commerce with respect to fish and wildlife matters prior to the date of enactment of this Act.

(f) Refuge Recreation Act.—Section 4 of the Act of September 28, 1962 (76 Stat. 654, 16 U.S.C. 460k–3) is amended by adding at the end thereof the following new sentence: "The provisions of this Act and any such regulation shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior.".

(g) Bald Eagle Protection Act.—The first sentence of section 3(a) of the Act of June 8, 1940 (54 Stat. 251, 16 U.S.C. 668b(c)), is amended to read as follows: "The provisions of this Act and any permit or regulation prescribed under the authority of this Act shall be enforced by an officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior.".

(h) National Wildlife Refuge System Administration Act.—Section (4)(f) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(f)) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior. Any property, fish, bird, mammal, or other wild vertebrate or invertebrate animals or part or egg thereof seized with or without a search warrant shall be held by such person or by a United States marshal, and upon conviction, shall be forfeited to the United States and disposed of by the Secretary, in accordance with law.".

(i) Bear River Migratory Bird Refuge.—(1) The first sentence of section 6(a) of the Act of April 23, 1928 (45 Stat. 449, 16 U.S.C. 690e) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior.".

(2) Section 6(b) of such Act is amended by striking at the end thereof the term "and disposed of as directed by the court having jurisdiction." and inserting in lieu thereof the term "and disposed of as directed by the Secretary of the Interior, in accordance with law."

(j) Upper Mississippi River Wildlife and Fish Refuge Act.—The first sentence of section 8(a) of the Upper Mississippi River Wildlife and Fish Refuge Act (16 U.S.C. 727) is amended to read as follows: "The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior.".

(k) Fish and Wildlife Act.—The first two sentences of section 13(d) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742j–1(d)) are amended to read as follows: "The Secretary of the Interior shall promulgate such regulations as he deems necessary and appropriate to carry out the enforcement of this section. The provisions of this section and any regulations promulgated thereunder shall be enforced by any officer or employee of the Fish and Wildlife Service designated by the Secretary of the Interior.".

(l) Migratory Bird Treaty Act.—Section 5 of the Migratory Bird Treaty Act (16 U.S.C. 706) is amended to read as follows:

"Sec. 5. The provisions of this Act and any regulation prescribed under the authority of this Act shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior. Any judge of any court established under the laws of the United States and United States magistrates may, within their respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all such cases. All birds, or parts, nests, or eggs thereof, captured, killed, taken, sold or offered for sale, bartered or offered for barter, purchased, shipped, transported, carried, imported, exported, or possessed contrary to the provisions of this Act or of any regulation prescribed thereunder shall, when found, be seized and, upon conviction of the offender or upon judgment of a court of the United States that the same were captured, killed, taken, sold or offered for sale, bartered or offered for barter, purchased, shipped, transported, carried, imported, exported, or possessed contrary to the provisions of this Act or of any regulation prescribed thereunder, shall be forfeited to the United States and disposed of by the Secretary of the Interior in such manner as he deems appropriate.".

(m) Migratory Bird Hunting and Conservation Stamp Act.—Section 6 of the Act of March 16, 1934 (48 Stat. 452. 16 U.S.C. 718f) is amended to read as follows:

"Sec. 6. The provisions of this Act shall be enforced by any officer or employee of the United States Fish and Wildlife Service designated by the Secretary of the Interior. Any judge of any court established under the laws of the United States, and any United States magistrate may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all cases involving violations of this Act. Any bird or part thereof taken or possessed contrary to this Act shall, when seized, be disposed of by the Secretary in accordance with law.".

(n) Black Bass Act.—Section 6(a) of the Act of May 20, 1926 (46 Stat. 846, 16 U.S.C. 852d(a)), is amended by inserting immediately after "Act" in the first sentence thereof the following: ", in addition to and other authority provided by law,".

(o) Title 18.—(1) Section 43(c)(2) of title 18, United States Code, is amended by striking out "authority" in the first sentence and inserting in lieu thereof the following: "authority, in addition to any other authority provided by law relating to search and seizure,".

(2) Sections 3054 and 3112 of such title 18, are each amended by inserting immediately after the first reference to "customs" in the first sentence thereof the following: ", in addition to any other authority provided by law,".

(3) Section 1114 of such title 18, is amended by inserting immediately before "or of the Department of Labor" the following: ", the Department of Commerce,".

Sec. 4. Fish and Wildlife Act.

Section 7 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f) is amended—

(1) by striking out paragraphs (4) and (5), and inserting in lieu thereof the following:

"(4) take such steps as may be required for the development, advancement, management, conservation, and protection of fish and wildlife resources including, but not limited to, research, development of existing facilities, and acquisition by purchase or exchange of land and water, or interests therein.";

(2) by inserting "and" immediately after the semicolon at the end of paragraph (3); and

(3) by adding at the end thereof the following two new subsections:

"(b)(1) In furtherance of the purposes of this Act, the Secretary of the Interior is authorized to accept any gifts, devises, or bequests of real and personal property, or proceeds therefrom, or interests therein, for the benefit of the United States Fish and Wildlife Service, in performing its activities and services. Such acceptance may be subject to the terms of any restrictive or affirmative covenant, or condition of servitude, if such terms are deemed by the Secretary to be in accordance with law and compatible with the purpose for which acceptance is sought.

"(2) Any gifts and bequests of money and proceeds from the sales of other property received as gifts or bequests pursuant to this subsection shall be deposited in a separate account in the Treasury and shall be disbursed upon order of the Secretary for the benefit of programs administered by the United States Fish and Wildlife Service.

"(3) For the purpose of Federal income, estate, and gift taxes, property, or proceeds therefrom, or interests therein, accepted under this subsection shall be considered as a gift or bequest to the United States.

"(c)(1) The Secretary of the Interior and the Secretary of Commerce may each recruit, train, and accept, without regard to the provisions of title 5, United States Code, the services of individuals without compensation as volunteers for, or in aid of programs conducted by either Secretary through the United States Fish and Wildlife Service or the National Marine Fisheries Service.

"(2) The Secretary of the Interior and the Secretary of Commerce are each authorized to provide for incidental expenses such as transportation, uniforms, lodging, and subsistence, of such volunteers.

"(3) Except as otherwise provided in this subsection, a volunteer shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relative to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(4) For the purpose of the tort claim provisions of title 28 of the United States Code, a volunteer under this subsection shall be considered a Federal employee.

"(5) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation to Federal employees for work injuries, volunteers under this subsection shall be deemed employees of the United States within the meaning of the term 'employees' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply.

"(6) Beginning with FY 1978, there are authorized to be appropriated to carry out this subsection $100,000 for the Secretary of the Interior and $50,000 for the Secretary of Commerce for each of the fiscal years 1978, 1979, and 1980."

Sec. 5. Migratory Bird Conservation Act.

Section 5 of the Migratory Bird Conservation Act (16 U.S.C. 715d) is amended to read as follows:

"Sec. 5. The Secretary of the Interior may—

"(1) purchase or rent such areas or interests therein as have been approved for purchase or rental by the Commission at the price or prices fixed by said Commission; and

"(2) acquire, by gift or devise, any area on interests therein;

which he determines to be suitable for use as an inviolate sanctuary, or for any other management purpose, for migratory birds. The Secretary may pay, when deemed necessary by him and from moneys authorized to be appropriated for the purposes of this Act (A) the purchase or rental price of any such area or interest therein, and (B) the expenses incident to the location, examination, survey, and acquisition of title (including options) of any such area or interest therein. No lands acquired, held, or used by the United States for military purposes shall be subject to any provisions of this Act".

Sec. 6. National Wildlife Refuge System Administration Act of 1966.

Section 4(d)(1)(A) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(d)(1)(A)) is amended by striking out "; and" at the end thereof and inserting in lieu thereof "unless the Secretary finds that the taking of any species of migratory game birds in more than 40 percent of such area would be beneficial to the proper management of such species; and".

Sec. 7. Migratory Bird Hunting Stamp Act.

Section 2 of the Migratory Bird Hunting Stamp Act (16 U.S.C. 718b) is amended by striking out "September of each fiscal year" in the fifth sentence thereof and inserting in lieu thereof "June of each year".

Sec. 8. Crab Orchard National Wildlife Refuge.

The second sentence of section 2 of the Act of August 5, 1947 (61 Stat. 770; 16 U.S.C. 666g) is amended to read as follows: "Such lands as have been or may hereafter be determined to be chiefly valuable for industrial purposes shall be leased for such purposes at such time and under such terms and conditions as the Secretary of the Interior shall prescribe. All moneys received or collected in connection with such leases shall be subject to the provisions of the Act of June 15, 1935, as amended (49 Stat. 383; 16 U.S.C. 715s).

Mr. GRIFFIN. Is this an amendment merely changing the effective date? If so, I withdraw my reservation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. MOSS. Mr. President, the legislation presently under consideration by the Senate is known as the Fish and Wildlife Improvement Act of 1976. As is suggested by its title, the bill amends a number of existing fish and wildlife statutes to clarify and strengthen their administration by the Secretary of the Interior and the Secretary of Commerce.

Mr. President, I think it would be useful for me to briefly summarize the bill for my colleagues in order to highlight its major provisions.

Section 2 of the bill authorizes the Secretary of the Interior to provide financial assistance to researchers who undertake fish and wildlife ecology and resource management projects which are funded under the Cooperative Units Assistance Act. That act currently limits Federal participation in the program to the assignment of technical personnel, supply of equipment, and payment of incidental expenses.

Section 3 establishes a uniform, comprehensive law enforcement authority for officers and employees of the U.S. Fish and Wildlife Service in the Interior Department, and the National Marine Fisheries Service in the Commerce Department, who are specifically designated by their respective Secretaries to enforce fish or wildlife laws. This provision is made necessary by the fact that current law enforcement authority is not standardized throughout all fish and wildlife statutes. For instance, some laws, like the Endangered Species Act, authorize agents to make warrantless searches and seizures, while others, like the Migratory Bird Conservation Act, do not specifically convey this authority.

H.R. 5523 would help to alleviate some of the confusion which has resulted from these inconsistencies by authorizing fish or wildlife law enforcement officers to exercise in the performance of their duties such authorities as their Secretary deems appropriate. Among these are the authority to carry firearms, secure and serve warrants, and search and seize without a warrant, as provided by law. A designated officer would also be authorized to arrest, with or without a warrant, any person whom he has reasonable grounds to believe has committed a Federal offense in his view or presence, or any person whom he has reasonable grounds to believe has committed a Federal felony. This arrest authority is restricted by a proviso which limits an agent to initiating only those investigations which relate to fish and wildlife violations. However, the proviso is not intended to prohibit fish and wildlife enforcement agents from performing normal law enforcement duties designed to collect evidence or otherwise support an arrest.

All authorities delegated by either Secretary under this section must, of course, be carried out in accordance with, and under the constraints of, the Constitution as well as other applicable Federal and State laws. Each Secretary must notify the Attorney General in writing of the authorities which he intends to delegate to each type of law enforcement officer, such as refuge managers, special agents, and agents stationed at ports of entry. Finally, each Secretary must publish in the Federal Register a list of laws which his Department will enforce for the protection of fish and wildlife—and, where the Endangered Species Act is concerned, plants.

It should be noted that the General Accounting Office is currently conducting a comprehensive review of law enforcement and visitor protection operations on Federal lands. Included in this review are the enforcement operations of the Fish and Wildlife Service, the U.S. Park Police, the National Park Service, the Forest Service, the Bureau of Land Management, the Tennessee Valley Authority, and the Corps of Engineers. When this report is issued in March of 1977, the Congress may then wish to begin considering comprehensive approaches for conducting law enforcement and visitor protection operations on all Federal recreation areas.

Finally, section 3 authorizes designated personnel to assist State and territorial law enforcement agencies in the enforcement of fish and wildlife laws. It is assumed that as a precondition to their providing such assistance. State and local laws would authorize Federal employees to conduct these activities, and that these individuals would not be compensated by the State or local government, or serve in a manner which would interfere with their duties in the Federal service. Both Secretaries would also be authorized to establish a national training program for State law enforcement personnel, develop improved techniques for fish and wildlife law enforcement, and assist in the training of State, local and regional fish and wildlife enforcement officers. To the extent practicable, these training programs should be undertaken in conjunction with existing programs. However, since the law enforcement missions of the two Departments, as it relates to fish and wildlife matters, is substantially different, it is not intended that these programs be exercised jointly.

Section 4 amends the Fish and Wildlife Act of 1956 to authorize the Secretary of the Interior to purchase partial interests, such as easements, in lands to be used for migratory bird conservation. Current law has been interpreted as permitting fee title acquisition only. The provision will permit the Secretary to preserve more habitat at a lesser expense to the Federal Government. This section also authorizes each Secretary to accept the services of volunteers in conducting fish or wildlife programs under their jurisdictions. Again, since the two Departments administer different programs, it is not intended that their volunteer programs be jointly administered.

Section 5 amends the Migratory Bird Conservation Act to authorize the Secretary of the Interior to acquire partial interests in lands and waters to be used for migratory bird conservation.

Section 6 amends the National Wildlife Refuge System Administration Act of 1966 to authorize the Secretary of the Interior to open more than 40 percent of a refuge or migratory bird sanctuary to hunting or other forms of taking in order to control waterfowl disease, depredation, or other management problems. However, before doing so the Secretary is expected to follow the normal procedures regarding publication in the Federal Register of proposed hunting regulations, including adequate time for public comments on proposed regulations.

Section 7 amends the Migratory Bird Hunting and Conservation Stamp Act to maintain a June 30 redemption date for unsold stamps by the Postal Service.

Section 8 amends the act which created the Crab Orchard National Wildlife Refuge to make revenues received from operation of the industrial complex on the refuge subject to provisions of the Refuge Revenue Sharing Act. The effect of this amendment will be to insure that these revenues will be distributed to adjacent communities to be used for public schools and roads. In addition, the U.S. Fish and Wildlife Service will be authorized to use these revenues for operation and maintenance of Crab Orchard, and for the benefit of other migratory bird conservation programs.

Mr. President, with the addition of some minor changes which have been incorporated into the substitute text now under consideration, H.R. 5523 is supported by the Department of the Interior and the Department of Commerce. In my view the legislation will go a long way toward improving the administration of this Nation's fish and wildlife conservation programs. Mr. President, I urge the immediate acceptance of the substitute text so that it may be sent back to the House for their expected approval.

H.R. 14535—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Now, Mr. President, without losing my right to the floor, and again I offer my apologies to all Senators, I would not want to do this if we were not acting under such extenuating circumstances, and I want the Chair to protect my rights, I yield to the Senator from Washington (Mr. JACKSON) to call up a conference report.

Mr. JACKSON. Mr. President, I call up the conference report on H.R. 14535.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 14535 at the desk.

Mr. President, I withdraw that request.

EXPRESSING THE SENSE OF THE SENATE CONDEMNING THE MURDERS OF ORLANDO LETELIER AND RONNI KARPEN MOFFITT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 561, I understand the chairman has approved this request, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the resolution by title.

The legislative clerk read as follows:

Senate Resolution 561 relating to the murders of Orlando Letelier and Ronni Karpin Moffitt.

There being no objection, the Senate proceed to consider the resolution.

Mr. GRIFFIN. Mr. President, the Senator from North Carolina wishes to be recognized.

Mr. ROBERT C. BYRD. Mr. President, to protect my rights, I yield to the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I have no objection to the resolution because, as I read it, it makes no suggestion, implicit or otherwise, as to the guilt in connection with the atrocious murder of the former Ambassador from Chile.

There have been suggestions on this floor, substantially more than implicit in recent days, that the Government of Chile did have something to do with it. But, as I read this resolution, that suggestion is not included.

Therefore, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 561), with its preamble, is as follows:

Resolution expressing the sense of the Senate condemning the murders of Orlando Letelier and Ronni Karpen Moffitt.

Whereas, the United States has always opened its doors to refugees from countries suffering from tyranny; and

Whereas acts of violence and terrorism are the ultimate attack against democracy and against legitimate democratic expression; and

Whereas, on September 21, 1976, Orlando Letelier, former Foreign Minister, Defense Minister, and Ambassador to the United States of the elected Government of Chile, and Ronni Karpen Moffitt, administrative assistant at the Institute for Policy Studies in Washington, District of Columbia, were brutally murdered and Michael Moffitt of the institute was injured by a bomb placed by terrorists: Now, therefore, be it

Resolved, That the Senate of the United States condemns the brutal and senseless murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt, and urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 14535 at the desk.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

H.R. 14535, an act to amend the Immigration and Nationality Act, and for other purposes.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senate proceeded to consider the bill.

Mr. BUMPERS. Mr. President, reserving the right to object, is this a bill dealing with a tract of land in Alaska which was originally designated as Government patent for uses by the Catholic Church, and that this bill would amend that usage?

Mr. ROBERT C. BYRD. Mr. President, for the time being, until the sponsor of the legislation, a Senator who is pushing this measure, is on the floor and can explain it, I withdraw the request. I understood it was cleared by unanimous consent. I withdraw the request.

Mr. BUMPERS. Mr. President, let me object for the time being until I can meet with the sponsors.

Mr. ROBERT C. BYRD. Yes, and I beg the Senator's pardon.

(The following subsequently occurred:)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 14535 concerning which Mr. Bumpers just a moment ago raised a question.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Nevada.

Mr. President, I yield to the Senator from Indiana for 2 minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

ALLIED VETERANS MEDICAL CARE

Mr. HARTKE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 71.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 71) entitled "An Act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II."

There being no objection, the Senate proceeded to consider the bill.

Mr. HARTKE. Mr. President, on September 10, 1976, the Senate voted in favor of H.R. 71, a bill which would provide medical care for certain members of allied wartime forces. The Senate-passed version of the bill was exactly as passed by the House of Representatives with one exception. That exception was the inclusion of a amendment offered by my colleague from Arizona (Mr. GOLDWATER) to entitle those who served during World War II as Women's Air Forces Service Pilots—WASP's—to hospital and domiciliary care and medical services under title 38 to the same extent as if such service had been performed in the active military service.

As my colleagues will recall, the distinguished Senator from Florida (Mr. STONE) accepted the amendment on behalf of the committee.

On September 14, 1976, the House of Representatives returned H.R. 71 to the Senate insisting on the House version—in other words, the House specifically objected to the amendment adopted by the Senate.

Mr. President, H.R. 71, as it passed the House, is meritorious legislation; legislation which will assist a group of Americans in need of such assistance. H.R. 71, as it passed the Senate, is meritorious legislation; legislation which would have assisted a group currently denied that assistance.

Mr. President, I know how interested my hard-working colleague from Arizona has been with regard to the WASP's. The women who served in that organization could not have a better champion. To assure that this amendment does not prevent assistance to our allied veterans, the senior Senator from Arizona has graciously agreed to withdraw his amendment as a result of assurances from both the Senate and House that hearings would be held early in the next session of Congress.

Mr. President, I ask unanimous consent that letters written to Senator GOLDWATER by the House Committee on Veterans' Affairs and the Senate Committee on Veterans' Affairs in regard to these hearings be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1976.
Senator BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOLDWATER: This has reference to the "WASP" amendment added by the Senate to H.R. 71.

If a bill incorporating the provisions of this amendment is introduced in the House next session, appropriate agency reports will be obtained and the subcommittee with jurisdiction will hold hearings next session.

With best wishes, we are,

RAY ROBERTS,
Chairman.
JOHN PAUL HAMMERSCHMIDT,
Ranking Minority Member.

UNITED STATES SENATE,
Washington, D.C., October 1, 1976.
Hon. BARRY GOLDWATER,
U.S. Senate.

DEAR SENATOR GOLDWATER: This is to inform you that we plan to hold hearings on your legislation to provide medical benefits for members of the Women's Air Forces Service Pilots early in the next session of Congress.

Sincerely,

CLIFFORD HANSEN,
Ranking Minority Member.
VANCE HARTKE,
Chairman, Committee on Veterans Affairs.

Mr. HARTKE. Mr. President, however, we know that the House will not accept the Senate amendment. As a result, unless the Senate causes H.R. 71 to conform to the House-passed version, the entire bill will die. I am sure that none of us wish to see that happen. To avoid this fate, I move that the Senate recede from its amendment to H.R. 71.

Mr. President, I ask unanimous consent that a statement by Senator GOLDWATER be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

Hartke for Goldwater, Mr. President while I am disappointed that the amendment I offered to provide hospital and medical benefits for women who served as pilots with, but not in, the Army Air Forces during World War II is not incorporated into H.R. 71, I am very pleased that both the House and Senate Veterans Affairs Committees have seen sufficient merit in the proposal so that they have given specific pledges to these ladies of holding prompt hearings on the WASP legislation next year. I am confident that when the ladies who personally served with the WASP are able to appear before the Committees of Congress and explain in their own words their story, they will persuade the Congress to enact their bill.

The women will be able to explain in person the fact that the WASP was set up as a test program with the full endorsement of General "Hap" Arnold, Commanding General of the Army Air Forces, the Secretary of War, and General Marshall, Chief of Staff of the Army. They can inform members of the Committees that the highest military officials of the government accepted the WASP as having proven their military capabilities and being fully qualified to be militarized. The women can also testify that they are the only test organization which had a militarization bill sponsored by a major component of the U.S. Armed Forces and had that bill reported favorably by the House Committee on Military Affairs. Finally, the ladies can explain how that legislation, introduced 32 years ago, was defeated due to completely erroneous and unrelated matters which were brought up on the House Floor.

Mr. President, when representatives of the WASP testify next year they can tell Congress that it is necessary for us to act on this long overdue measure in order to overturn the strong taint of discrimination which has lingered on these many years. There is no sound, nor reasonable basis on which a bill giving recognition to the WASP for their service to their country can be turned down other than outright sex discrimination. I believe that once the WASP's themselves will make their appearances before Committees of Congress on both sides of the Hill next year, as it is now certain that they shall, the Congress will take account of all these facts and act favorably on the bill. In fact, I would not be at all surprised if the ladies are so persuasive in their testimony next year that they convince the Congress to adopt a WASP bill which includes veterans pension, disability compensation, and other benefits, as well as hospital and medical benefits. I thank the leadership of both committees for their commitment to hold hearings on this truly deserving legislation.

Mr. HARTKE. Mr. President, I move that the Senate recede from its amendment, which was the amendment of the Senator from Arizona (Mr. GOLDWATER), which he has agreed must be dropped from this bill, so that the House-passed bill can then be considered and sent to the President. This has been cleared on both sides of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

PRIVILEGE OF THE FLOOR

Mr. CANNON. Mr. President, I ask unanimous consent that Lynn Sutcliffe and Mal Sterret be permitted to be on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

RAILROAD RETIREMENT ANNUITY COMPUTATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1245 on page 12.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider the bill (H.R. 14041) to amend the Railroad Retirement Act of 1974 with respect to the computation of annuity amounts in certain cases, and for other purposes,

Mr. WILLIAMS. Mr. President, we now have before us H.R. 14041, a bill to amend the Railroad Retirement Act of 1974. This bill was passed by the House last week, by a vote of 379 to 4. It has been sent to us for our consideration.

The Senate Labor and Public Welfare Committee considered identical legislation in the form of S. 3662. Our committee ordered that bill reported to the Senate with a recommendation for passage.

This bill was agreed to by representatives of railroad labor and railroad management. The primary purpose of the bill is to correct unforeseen inequities which have arisen as a result of the efforts of the Railroad Retirement Board to carry out the provisions of the 1974 act.

Early in the 93d Congress it was predicted that the railroad retirement account would be bankrupt by the year 1981 due to the method in which the benefit amounts payable to retired employees were computed. Labor and management gathered together and prepared a proposal which was subsequently brought to the Congress. The proposal restructured the computation methods completely, while leaving the basic vesting requirements and benefit amounts untouched. The Congress enacted this proposal after much investigation and review and the process of implementing the 1974 amendments was begun by the Railroad Retirement Board.

In the course of the administration of the new programs, the Board discovered that, in some cases, individuals may be eligible for increases in their annuities which were in no way foreseen or intended by the 1974 act.

In other cases, some individuals may suffer decreases in their annuities, in contradiction of the express purposes of the 1974 legislation.

Amendments made by the reported bill to correct these inequities, and to make conforming changes in the Railroad Retirement Tax Act, are technical in nature.

Section 1 of the bill eliminates unintended increases. In applying the Railroad Retirement Act of 1974, which became effective on January 1, 1975, it was discovered that some annuitants were entitled to increases that were not intended under the 1974 act. These benefits have not yet been paid by the Railroad Retirement Board and this section would take effect retroactively as of January 1, 1975. This section would affect an estimated 6,000 annuitants and would result in a savings to the Railroad Retirement Fund.

Section 2 of the bill is primarily designed to increase benefits for those widowed since 1974. Under the 1974 act it was intended that the benefits payable to a widow or widower would be at least the same amount as those the widow or widower was entitled to receive prior to her or his spouse's death.

This is the "spouse minimum" provision. But the unintended effect of the 1974 act was that some spouses suffered a loss in benefits as soon as they were widowed. The cost of restoring these unintended decreases for persons widowed since 1974 is estimated to be approximately $6 million annually. It will be paid for out of the U.S. Treasury.

Section 3 deals with the funding of supplemental annuities for career railroad employees. Currently these are financed entirely by a separate tax on the railroads which can be adjusted each calendar quarter in order to generate sufficient revenue to pay the annuities. This section gives the Board the authority to borrow money from the employer-financed railroad retirement account to avoid "short falls." As soon as the adjusted tax rate has generated sufficient revenue to pay the supplemental annuities, the amount borrowed from the railroad retirement account must be repaid with interest.

Finally, section 4 provides that

amounts paid by a railroad to an employee for sick pay or travel expense allowance will not be treated as compensation for purposes of the Railroad Retirement Act or the Railroad Retirement Tax Act. This is not a technical amendment per se but an attempt to codify a longstanding interpretation of the Board. Both the House Ways and Means Committee and the Senate Finance Committee have reviewed these provisions of the bill. Both committees reported the bills with no amendments.

All parties are in agreement that the amendments proposed by this bill are urgently needed to correct the deficiencies discovered by the Board.

Mr. President, this bill represents what the Railroad Retirement Board feels is the best solution to several of the problems that have arisen in the process of implementing the 1974 Amendments to the Railroad Retirement Act. I would therefore urge its speedy adoption by my distinguished colleagues.

The bill was considered, ordered to a third reading, read the third time, and passed.

H.J. RES. 1118

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 1118 which is at the desk.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk proceeded to read the joint resolution.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I do not seem to find this——

Mr. ROBERT C. BYRD. Mr. President, I withdraw the request. I understood it had been cleared on both sides.

Mr. President, does any Senator have a conference report he can call up at this time?

The PRESIDING OFFICER. An earlier conference report is at the desk.

Mr. JACKSON. Mr. President, we are waiting for Senator BAKER right now.

Mr. ROBERT C. BYRD. Mr. President, as I understand it, we are not ready to proceed with that conference report.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar under New Reports.

Mr. DURKIN. Mr. President, I object.

Mr. METCALF. Mr. President, for what purpose does the Senator propose to go into executive session?

Mr. ROBERT C. BYRD. For the purpose of clearing nominations that are cleared by unanimous consent, only those as this time.

Mr. DURKIN. Would the leader list the ones he has in mind?

Mr. ROBERT C. BYRD. Yes.

Mr. NUNN. I know one group of those organizations, though not all of them, are routine military nominations which have been cleared in the Armed Services Committee. I do not know about the others.

Mr. ROBERT C. BYRD. May I say to the distinguished Senators that it is not my plan to proceed to a controversial nomination at this point. I am obligated to do so at some point.

Mr. METCALF. If we go into executive session, it is not the Senator's plan to bring up the nomination for judge of the 19th circuit?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. DURKIN. If anyone has not eaten, I will pass this information along: If we get to the nomination of Judge Bilby, there will be sufficient time to eat.

Mr. ROBERT C. BYRD. Mr. President, I hope we will not take time to eat tonight. I know about the Senator's opposition to that nomination.

I do not think the Senate will be long in working its will.

Mr. President, I ask unanimous consent that the Senate proceed to the following calendar order numbers, if Senators will look at their calendar and follow me on this: Calendar Order No. 381, page 2 of the Executive Calendar.

U.S. AIR FORCE

The assistant legislative clerk read the nomination of Maj. Gen. Leroy J. Manner to be lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of all of the nominations on page 3 of the executive calendar, all of which have been cleared by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

The assistant legislative clerk read the nomination of John E. Corbally, of Illinois, to be a member of the National Council on Educational Research, and Jewel Lafontant, of Illinois, to be a member of the National Council on Educational Research.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The assistant legislative clerk proceeded to read sundry nominations to be members of the Advisory Council on Women's Educational Programs.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

The assistant legislative clerk read the nomination of David M. deWilde, of the District of Columbia, to be President, Government National Mortgage Association.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

AIR FORCE, ARMY, NAVY, AND MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Air Force, Army, Navy, and Marine Corps.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. COAST GUARD

Mr. ROBERT C. BYRD. Mr. President, I sent nominations to the desk that have been cleared by the Committee on Commerce and ask for their immediate consideration .

The PRESIDING OFFIFCER. The nominations will be stated.

The assistant legislative clerk read the nominations in the Coast Guard which are on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

DISTRICT OF COLUMBIA COURT OF APPEALS

Mr. ROBERT C. BYRD. Mr. President, I send a nomination to the desk at the request of Mr. Eagleton, which has been reported by the Committee on the District of Columbia, and ask for its consideration.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Theodore R. Newman, Jr., of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

Mr. NUNN. Will the Senator yield?

Mr. ROBERT C. BYRD. I withhold that request.

Mr. NUNN. Before we go out of executive session, have all of the routine nominations out of the Armed Services Committee been cleared? The reason I asked that was that some were improperly put on the calendar this morning. They were on the calendar but technically were not supposed to be. I wanted to make certain that all of those that had been cleared had no controversy whatsoever.

The PRESIDING OFFICER. The nominations have been confirmed and the President notified.

Mr. NUNN. I thank the Chair.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERPETUAL CEMETERY CARE TRUST

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 1248, which I understand has now been cleared on both sides.

The PRESIDING OFFICER. The bill will be stated by title. The legislative clerk read as follows:

A bill (H.R. 1142) to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual fund trusts.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 1142) which had been reported from the Committee on Finance with amendments as follows:

On page 2, line 16, after "(a)" insert "shall take effect on October 1, 1977, and";

On page 2, beginning with line 19, insert the following:

(b) Effective Date.—The amendments made by subsection (a) shall take effect on October 1, 1977, and shall apply to amounts distributed during taxable years ending after December 31, 1963.

Sec. 2. (a) Subsection (d) of section 1204 of the Tax Reform Act of 1976 (relating to jeopardy and termination assessments) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(b) Subsection (c) of section 1205 of the Tax Reform Act of 1976 (relating to administrative summons) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(c) Subsection (e) of section 1209 of the Tax Reform Act of 1976 (relating to minimum exemption from levy for wages, salary, and other income) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(d) Subsection (c) of section 7809 of the Internal Revenue Code of 1954 (relating to deposit of collections) is amended—

(1) by striking out "and" at the end of paragraph (2) thereof;

(2) by striking out the comma at the end of parargaph (3) thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end of paragraph (3) thereof the following new paragraph:

"(4) work or services performed (including materials supplied) pursuant to section 6110 (relating to public inspection of written determinations),".

(e) The amendments made by this section shall take effect on the date of the enactment of the Tax Reform Act of 1976.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LONG. Mr. President, we have agreed that we will let these two measures go through without amendment, other than the amendments proposed by the committee. The significance of this amendment is that it makes some important changes in effective dates. The Internal Revenue Service very definitely needs these changes in order to properly administer the tax reform act which we recently passed. The modified effective dates relate to jeopardy determination assessments and minimum exemptions from levy. The amendments move those dates from December 31, 1976, to February 28, 1977.

The PRESIDING OFFICER. Does the Senator move the adoption of the committee amendments?

Mr. LONG. Yes, Mr. President.

Mr. ABOUREZK. Mr. President, can we have order?

The PRESIDING OFFICER. The Senate will be in order.

The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. Does the Senator from Louisiana have any further amendments?

Mr. LONG. No.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read:

An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund, to modify the effective dates of certain provision of the Tax Reform Act of 1976, and for other purposes.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TAX TREATMENT OF SOCIAL CLUBS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1249.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1144) to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 1144) which had been reported from the Committee on Finance with amendments as follows:

On page 2, line 21, strike "(g) as subsection (h) and by inserting after subsection (f)" and insert "(h) as subsection (i) and by inserting after subsection (g)";

On page 3, beginning with line 11, insert the following:

Sec. 3. (a) Paragraph (2) of section 301 (g) of the Tax Reform Act of 1976 (relating to effective date for minimum tax provisions) is amended to read as follows:

"(2) Tax carryover.—

"(A) In general.—Except as provided in subparagraph (B), the amount of any tax carryover under section 56(c) of the Internal Revenue Code of 1954 from a taxable year beginning before January 1, 1976, shall not be allowed as a tax carryover for any taxable year beginning after December 31, 1975.

"(B) Except as provided by paragraph (4) and in section 56(e) of the Internal Revenue Code of 1954, in the case of a corporation which is not an electing small business corporation (as defined in section 1371(b) of such Code) or a personal holding company (as defined in section 524 of such Code), the amount of any tax carryover under section 56(c) of such Code from a taxable year beginning before July 1, 1976, shall not be allowed as a tax carryover for any taxable year beginning after June 30, 1976.".

(b) The amendments made by subsection (a) shall take effect on the date of the enactment of the Tax Reform Act of 1976.

Sec. 4. (a) The Secretary of the Treasury, in cooperation with the Administrator of the Environmental Protection Agency, shall make a thorough and complete study and investigation of all provisions of the Internal Revenue Code of 1954 which currently impede or discourage the recycling of solid waste materials, and shall determine what actions Congress may take under the internal revenue laws to increase and encourage the recycling of solid waste materials.

(b) The Secretary of the Treasury shall report his findings, together with specific legislative proposals and detailed revenue cost estimates, to the President and to the Congress at the earliest practicable date, but not later than six months after the date of the enactment of this Act.

The PRESIDING OFFICER. Without objection, the amendments will be considered and agreed to en bloc.

Mr. LONG. Mr. President, the committee amendments correct a technical defect in the Tax Reform Act having to do with the minimum tax on corporations.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read:

An Act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House on H.R. 5682,

Mr. President, I withdraw that request.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to executive session to consider one nomination that is not controversial.

There being no objection, the Senate proceeded to the consideration of executive business.

FEDERAL ENERGY ADMINISTRATION

The assistant legislative clerk read the nomination of Michael F. Starr, of Louisiana, to be Director, Intergovernmental Regional and Special Programs, Federal Energy Administration.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the Senator from Tennessee.

AMENDMENT TO FEDERAL WATER POLLUTION CONTROL ACT

Mr. BAKER. Mr. President, I thank the acting majority leader for yielding. I introduce a bill and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill (S. 3894) to amend the Federal Water Pollution Control Act, as amended, which was read the first time by title and the second time at length.

Mr. BAKER. Mr. President, this is a bill on behalf of Senator BUCKLEY of New York and myself which has been cleared on both sides. It relates to water pollution control financing. I do not believe there is any controversy about it.

Mr. President, I send a bill to the desk and ask for its immediate consideration. I am offering this bill now for myself and for my colleague, Mr. BUCKLEY of New York. I regret that it is necessary to introduce a new bill at this time, but I believe that my colleagues here in the Senate will understand the peculiar circumstances we are faced with now.

The bill amends the Federal Water Pollution Control Act to authorize the Environmental Protection Agency to guarantee bonds issued to the Federal Financing Bank to finance the non-Federal share of the construction cost of sewage treatment plants where the local government cannot secure financing in the private market at a reasonable rate of interest. It is language that was included in the Senate passed bill, S. 2710; similar language was included in the House-passed version of this bill also.

Unfortunately, the House-Senate conference on this measure could not reach agreement prior to adjournment sine die of the 94th Congress. However, this section of the bill was in no way controversial, as it was included in both our versions. Senator BUCKLEY sponsored this provision on the Senate side. Congressman NOWAK sponsored it on the House side.

It is very important to my colleague, Senator BUCKLEY, whose State of New York has many communities which cannot construct federally mandated sewage treatment facilities without this loan guarantee provision. There are many other communities across the country which may also need to resort to this method of financing the local share.

By way of further explanation of the measure, I will include at this point the remarks made on the Senate floor on October 1, by my colleague, Senator Buckley, when we considered and adopted this provision. The bill I introduce now is nearly identical to that provision, and includes only two minor changes in language which the House-Senate conferees on S. 2710 agreed to in conference.

I have consulted with the chairman of the full Committee on Public Works and the chairman of the Subcommittee on Environmental Pollution, and have been assured that there is no objection to the consideration of this bill. I understand further that the House is waiting for us to pass this measure, as it will be accepted by that body.

Mr. President, I ask unanimous consent that a statement by Senator BUCKLEY be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BUCKLEY

I wish to express my strong support for the provisions of the Committee Amendments to S. 2710. As other members of the Committee have stated, we are under a sharp time constraint in any attempt to resolve the many difficult issues involving water pollution that must be resolved during this Congress. While I am not entirely happy with the provisions of the proposed amendments, I believe they strike a balance, one that should be acceptable to the Senate.

I would like to focus my comments on four provisions in these amendments in order to give my thoughts to my colleagues in the Senate.

One of the most significant aspects of these amendments to the people of New York State involved the language of Section 6, which involves a system of loan guarantees. This is language which I offered in Committee, and which I believe will assist many communities now unable to go forward with new projects that are outside their financial ability, due to factors outside their control.

The Federal government currently owes the citizens of New York several hundreds of millions of dollars in reimbursements on water pollution construction programs that were initiated in past years. Because of the fact that the citizens of New York, in effect, advanced these millions in anticipation of Federal funds, which have not been received many of these same communities are now short of funds to provide their share on new projects.

Section 6 provides a system of loan guarantees through EPA and the Federal Financing Bank for the non-federal share of construction cost, when the grantee is unable to finance its share at a reasonable rate. This should cost the federal government nothing. But it will assist local communities in raising the necessary share to make their commitment to clean waters. I approve this approach and I think it is a reasonable one.

I would add that the local communities are required to provide some assurance of repayment of the money committed. What would constitute such an assurance? One example might be a system of user charges, but this need not do so. Another such assurance could be a commitment to utilize future reimbursable funds, if and when they are available. EPA and the Federal Financing Bank should grant broad latitude to local communities in meeting this requirement.

The problem of lack of federal reimbursable funds leads naturally to discussion of Section 3 of those amendments, involving re-allotment. Because of a lack of local funds, brought on in part by a lack of reimbursable funds, many projects have not been able to go forward in a timely manner. This has resulted in many states building up large sums of non-obligated construction funds. Section 3 extends for one year the period for re-allotment, giving sufficient time, together with the loan guarantees I have just discussed, to allow local communities to utilize their full and fair share of authorized construction funds.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3894) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Title II of the Federal Water Pollution Control Act, as amended, is amended by adding the following new section:

"LOAN GUARANTEES FOR CONSTRUCTION OF TREATMENT WORKS

"SEC. 213. (a) Subject to the conditions of this section and to such terms and conditions as the Administrator determines to be necessary to carry out the purposes of this title, the Administrator is authorized to guarantee, and to make commitments to guarantee, the prinicpal and interest (including interest accruing between the date of default and the date of the payment in full of the guarantee) of any loan, obligation, or participation therein of any State, municipality, or intermunicipal or interstate agency issued directly and exclusively to the Federal Financing Bank to finance that part of the cost of any grant-eligible project for the construction of publicly owned treatment works not paid for with Federal financial assistance under this title (other than this section), which project the Administrator has determined to be eligible for such financial assistance under this title, including, but not limited to, projects eligible for reimbursement under section 206 of this title.

"(b) No guarantee, or commitment to make a guarantee, may be made pursuant to this section—

"(1) unless the Administrator certifies that the issuing body is unable to obtain on reasonable terms sufficient credit to finance its actual needs without such guarantee; and

"(2) unless the Administrator determines that there is a reasonable assurance of repayment of the loan, obligation, or participation therein.

A determination of whether financing is available at reasonable rates shall be made by the Secretary of the Treasury with relationship to the current average yield on outstanding marketable obligations of municipalities of comparable maturity.

"(c) The Administrator is authorized to charge reasonable fees for the investigation of an application for a guarantee and for the issuance of a commitment to make a guarantee.

"(d) The Administrator, in determining whether there is a reasonable assurance of repayment, may require a commitment which would apply to such repayment. Such commitment may include, but not be limited to, (1) all or any portion of the funds retained by such grantee under section 204(b)(3) of this Act, and (2) any funds received by such grantee from the amounts appropriated under section 206 of this Act.".

Mr. ROBERT C. BYRD. Mr. President, asking the Chair to protect my rights, I yield to the Senator from Washington.

CHESAPEAKE AND OHIO CANAL NATIONAL HISTORICAL PARK

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2742.

The Presiding Officer laid before the Senate the amendments of the House of Representatives to the bill (S. 2742) to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States.

(The amendment of the House is printed in the House proceedings of the RECORD of September 27, 1976.)

UP AMENDMENT NO. 529

Mr. JACKSON. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. Is the Senator moving that the Senate concur in the House amendment with an amendment?

Mr. JACKSON. That is correct.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an unprinted amendment numbered 529.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof:

"That the towpath of the Chesapeake and Ohio Canal is hereby dedicated to Justice William O. Douglas in grateful recognition of his role as one of America's great conservationists."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, asking that the Chair protect my rights, I yield to the Senator from Louisiana.

FOOD STAMP PURCHASES BY WELFARE RECIPIENTS

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1275.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 13500) to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities.

Mr. LONG. Mr. President, I have explained this bill to the Senate before, and as far as I know there is no objection to it. I have talked with those Senators who have amendments relating to SSI. We have agreed that in connection with this bill we would consider only Mr. HUMPHREY's amendment. Then we will provide Senators an opportunity to offer their other SSI amendments on Calendar No. 1250.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JAVITS. Will Calendar No. 1250 be called up immediately after this one?

Mr. LONG. It will.

UP AMENDMENT NO. 530

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes an unprinted amendment numbered 530.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . (a) Title VI of the Social Security Act is amended by adding immediately after section 1617 the following new section:

"OPERATION OF STATE SUPPLEMENTATION PROGRAMS

"SEC. 1618. (a) In order for any State which makes supplementary payments of the type described in section 1616(a) (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66), on or after June 30, 1977, to be eligible for payments pursuant to title XIX with respect to expenditures for any calendar quarter which begins—

"(1) after June 30, 1977, or, if later,

"(2) after the calendar quarter in which it first makes such supplementary payments,

such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to make such supplementary payments, and

"(4) maintain such supplementary payments at levels which are not lower than the levels of such payments in effect in December 1976, or, if no such payments were made in that month, the levels for the first subsequent month in which such payments were made.

"(b) The Secretary shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for a particular month or months if the State's expenditures for such payments in the twelve-month period (within which such month or months fall) beginning on the effective date of any increase in the level of supplemental security income benefits pursuant to section 1617 are not less than its expenditures for such payments in the preceding twelve-month period."

(b) Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977."

(c) The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

Mr. HUMPHREY. Mr. President, this amendment is identical in every word to an amendment that was adopted by the House of Representatives on August 30, 1976, by a vote of 317 to 52. This amendment does not add any additional cost to the Federal Government, nor does it add any additional cost to the State government. It merely states that the SSI benefits shall be passed through to the recipients. That is the whole purpose of the amendment.

As I say it is identical to the Fraser-O'Neill amendment to H.R. 8911, the supplemental security income amendments, which was passed by the House on August 30, 1976. This amendment was adopted by an overwhelming vote of 317 to 52.

Section (b) of my amendment is identical to an amendment sponsored by Senator NELSON which was included by the Finance Committee in the unemployment compensation amendments bill passed by the Senate yesterday. That is to say, the last half of my amendment is included in the bill the Senate passed on September 29, H.R. 10210. For purposes of clarity, and to simplify negotiations with the House, I have made my amendment identical to the Fraser-O'Neill amendment.

The net effect of my amendment is that beginning on July 1 of next year, those States which supplement the SSI program would be required to pass along the Federal cost-of-living increases which are intended for recipients of this assistance—formerly categorical assistance under aid to the aged, blind, and disabled.

My amendment is supported by the National Council of Senior Citizens, the National Retired Teachers Association/American Association of Retired Persons, which represents some 9.5 million members, the AFL-CIO, the National Association for Retarded Citizens, the National Federation of the Blind, and the National Association of Social Workers, among others. In addition, the pass-through is supported by the National Council on Aging, which had it as part of its legislative agenda for the 94th Congress.

In creating the supplemental security income program, the Congress sought to provide a standard, if modest, benefit to persons in all the States who at that time were receiving aid under the old categorical programs. In order to insure that the total level of support in the individual States would not be diminished, Congress required the States to supplement the Federal payment to those who were on the rolls in December 1973, up to the level they were receiving at that time. While the States were required to maintain that level of support for that group, they were, at the same time, generally protected against increased costs.

In 1974, the Senate adopted an amendment which was ably handled by the distinguished chairman of the Finance Committee, Senator LONG, for Senator MONDALE, and myself.

It provided for automatic cost-of-living increases in Federal SSI benefits by the same percentage and at the same time as social security benefits. That amendment also included a requirement that the States pass these increases along to SSI recipients. Unfortunately, this pass-through provision was not enacted into law. The clear intent of the Congress in providing these cost-of-living increases was to give the aged, blind, and disabled a little better shot at surviving inflation.

But instead of realizing an increase, many have suffered an actual loss in real income. I have a chart here, Mr. President, which outlines in clear terms what has happened to the real income of aged couples living independently who receive SSI and no other income between January 1972 and June 1976. I ask unanimous consent that this chart be inserted at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

CHANGE IN "REAL" INCOME SUPPORT LEVELS UNDER SSI FOR AGED COUPLES LIVING INDEPENDENTLY, JANUARY 1972 TO JUNE 1976

[Amount paid to couple with no other income, adjusted for inflation]

	Payment standard for basic needs under OAA program, January 1972	Federal SSI grant plus State supplemental payment, if any, June 1976	Nominal percentage increase January 1972 to June 1976 (percent)	"Real" change when adjusted for inflation, January 1972 to June 1976 (percent)
Massachusetts	$182	$410	125.3	+62.2
Maryland	132	(1)	79.2	+29.0
Tennessee	142	(1)	66.6	+19.9
Wisconsin	216	351	62.5	+17.0
Kansas	146	[2] 236.60/242	62.1/65.8	+16.7/+19.3
Utah	150	(1)	57.7	+13.5
Mississippi	150	(1)	57.7	+13.5
North Carolina	154	(1)	53.6	+10.6
District of Columbia	154	(1)	53.6	+10.6
West Virginia	156	(1)	51.7	+9.2
New Mexico	156	(1)	51.7	+9.2
Colorado	248	371	49.6	+7.7
South Carolina	160	(1)	47.9	+6.4
Kentucky	160	(1)	47.9	+6.4
Arizona	164	(1)	44.3	+3.8
Oregon	178	254	42.7	+2.7
New York	220	313	42.3	+2.4
Ohio	170	(1)	39.2	+.2
Missouri	170	(1)	39.2	+.2
Oklahoma	212	291	37.3	−1.2
Pennsylvania	208	285	37.0	−1.4
Montana	174	(1)	36.0	−2.1
California	366	[3] 488/546	33.3/49.2	−4.0/+7.4
Wyoming	178	(1)	32.9	−4.3
Iowa	178	(1)	32.9	−4.3
Maine	$190	$252	32.6	−4.5
Rhode Island	224	296	32.1	−4.9
Georgia	182	(1)	30.0	−6.4
Idaho	220	286	30.0	−6.4
Illinois	182	(1)	30.0	−6.4
North Dakota	182	(1)	30.0	−6.4
Nevada	264	343	29.9	−6.5
Nebraska	236	306	29.7	−6.7
Louisiana	188	(1)	25.9	−9.4
Washington	200	[4] 248/277	24.0/38.5	−10.7/−0.3
Texas	192	(1)	23.2	−11.3
Delaware	198	[2] 236.60/242	19.5/25.3	−14.0/−9.8
Minnesota	230	275	19.6	−13.9
Alabama	206	246	19.4	−14.0
Hawaii	222	265	19.4	−14.1
Indiana	200	(1)	18.3	−14.8
Virginia	200	(1)	18.3	−14.8
Michigan	238	273	14.7	−17.4
Arkansas	210	(1)	12.7	−18.9
New Jersey	222	250	12.6	−18.9
Alaska	[5] 350/285	[5] 420/345	20.0/21.1	−13.6/−12.9
Vermont	248	[4] 278/298	12.1/20.2	−19.3/−13.5
South Dakota	220	(1)	7.5	−22.6
Connecticut	286	304	6.3	−23.5
Florida	228	(1)	3.8	−25.3
New Hampshire	228	(1)	3.8	−25.3

[1] Federal SSI payment ($236.60) only, no State supplementary payment.

[2] "Converted case" from old age assistance receives larger payment.

[3] Cooking facility variation.

[4] Regional variation.

[5] Rent level variation.

Only in 18 States and the District of Columbia have elderly couples realized any increase in real income from SSI, and even this is as low as two-tenths of 1 percent. In 32 States, aged couples have suffered an actual decline in real support levels. In simple terms, this means that the real value of their payment has been reduced—from 1.2 to 25.3 percent—or a weighted average of 12 percent as of June 1976. The overall inflation rate in this period, according to the BLS Consumer Price Index for "all goods and services" was 38.9 percent.

Mr. President, the Congress did not intend for SSI recipients to lose ground by passing the cost-of-living increase. And our intent was not to provide budget support to State government. We have revenue sharing. We have other categorical programs which funnel funds into the States. This is not a State assistance program. It is a program to aid the elderly, the blind, and the disabled.

I believe it is important to note here that not all States have failed to pass along these increases. In 1975, the States of Connecticut, Idaho, Missouri, and Vermont passed through the full increase. The States of Colorado, Hawaii, Iowa, Maryland, Minnesota, Montana, New Mexico, Oregon, and Rhode Island allowed a limited pass along—either in certain categories of assistance or a partial passthrough, which means that they did not lower the State supplement by as much as the Federal increase. Moreover, seven other States—California, Maine, Michigan, New York, Oklahoma, Pennsylvania, and Washington actually raised their State supplemental payment levels.

In a letter dated September 20, 1976, Robert P. Bynum, Associate Commissioner for Program Operations of the Social Security Administration, made the following summary of "passthrough" plans as of July 1, 1976:

> To date, 24 States and the District of Columbia have taken action to pass along either all or part of the SSI increase to all or some recipients in their respective States. There were 25 States which did not elect to pass along any part of the SSI increase. However, most recipients in these States (90 percent or more) will receive full SSI increases since their respective State supplemental programs are either entirely or largely limited to those persons affected by the mandatory supplementation provisions.

What we intend to do here is to make this pattern consistent. Some argue that this amounts to telling the States what to do with their money. But I contend that this proposal amounts to telling the States simply that they cannot pocket Federal money that is meant for needy individuals.

The metropolitan area newspapers in the Twin Cities of Minnesota have addressed the compelling need for this legislation. I ask unanimous consent that editorials from the September 6 issue of the Minneapolis Tribune and the September 14 issue of the St. Paul Pioneer Press, along with a two-part article on the passthrough issue, from the St. Paul Dispatch be inserted at this point in the RECORD.

In addition, I ask unanimous consent that letters in support of my amendment from the AFL-CIO, the National Council of Senior Citizens, be inserted in the RECORD, along with a September 27 editorial which appeared in the Washington Post.

Mr. President, I believe the case is clear. This is sound legislation. It is long overdue and I urge my colleagues to adopt this amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HELPING OLD-AGE RECIPIENTS AND OTHERS

Rep. Donald Fraser is nearing victory in his long fight to see that aged, disabled and blind people who receive increases in federal aid do not lose the increases by state action. The House has approved Fraser's amendment prohibiting state cutbacks made to offset federal increases. We hope the Senate approves, too.

The federal Supplemental Security Income program replaced categorical grants for Old Age Assistance, Aid to the Disabled and Aid to the Blind. Some states, including Minnesota, supplement the federal money with state money to assure a base income for recipients. But when federal benefits increase, many states cut back their contributions. In July, recipients in Minnesota expecting a $10-a-month federal increase found their state portion cut by the same amount.

Fraser called for a study of the problem in 1974 and offered the amendment in 1975. Finally, last month, the House passed the amendment 317 to 52. A similar amendment is sponsored in the Senate by Sens. Humphrey and Mondale. The Senate should pass it. The federal payments are raised to meet cost-of-living increases, not to reduce state outlays. The aged, blind and disabled are entitled to the full benefit of the increases.

Pass It Through

Before Congress begins its campaign recess, it should finish action on a bill that would provide a few more dollars each month to four million of the nation's most needy persons.

Because of a quirk in the law establishing a benefit program for needy aged, blind and disabled persons under the new Supplemental Security Income (SSI) program, many of these people receive no cost-of-living increases even though Congress allocates money for such an increase each year. The House has passed a bill that would rectify this and the measure is now before the Senate Finance Committee.

The SSI program, which was begun in 1974, is a federal replacement for more than 1,000 state and local welfare programs partially funded by the federal government. The program was established under the theory that a coordinated federal program could do the job better. The theory may be sound, but the law is defective.

Each year, on July 1 basic federal SSI benefits are adjusted automatically to reflect the cost-of-living increases. Last July, the basic monthly benefit rose by $10 to $167.80 for an individual who has no offsetting income.

But many recipients haven't seen the $10 increase. This is because more than half the states exercise their option under the law to pay additional "supplemental" payments to SSI recipients from state funds. Rather than "pass through" the federal funds intended to provide a cost-of-living increase to the elderly, many of these states just used the money to reduce the amount of their state supplements.

The bill that has House approval and awaits Senate action would outlaw this practice and force the states to pass the additional money on to the intended recipients.

Opponents of the bill argue that it flies in the face of the Congress' philosophy of federal welfare payments with voluntary state support. That may be true, but as Rep. James Corman, D-Calif., pointed out. "SSI recipients cannot eat philosophy."

These people are living at a poverty level, as it is to deny them any increases while the cost of living continues to soar is inhuman. The philosophy may be grand but the mechanics need some overhauling.

State Law Blocks Federal Aid Hike to Many Needy

(By Dorothy Lewis)

Thousands of Minnesota's poorest of the poor—nearly 50,000 blind, disabled and elderly—failed to benefit from last month's federal Social Security cost-of-living increase.

For some, the "increase" actually meant a financial setback.

What's more, the funds intended for these people instead are boosting Minnesota's treasury by millions Estimates range from $2 million to $3.3 million annually.

The reason, admittedly oversimplified, is that Minnesota law sets a ceiling on the incomes of those who receive state aid and does not pass along a federal increase to them.

The no-increase practice is not limited to Minnesota. A number of other states, particularly some in the South, have similar limits. Nationally, at least a million people are deprived of such increases.

Some 500,000 Minnesotans on conventional Social Security who receive no state assistance received the federal increase of $10 July 1 with no problems.

But the situation was different for those receiving Supplemental Security Income (SSI), who were supposed to get a 6.4 per cent increase.

SSI is the Social Security program adopted in 1974 to replace two former programs, Aid to the Blind and Disabled and Old Age Assistance.

When the program started, Minnesota set a "state protected level" of income for those persons. But since living costs have soared, the level has become a ceiling.

Of some 44,000 Minnesota SSI recipients, some 5,700 also receive state aids under the Minnesota Supplemental Assistance (MSA) program. It is intended to supplement the SSI program. Based on need, such aid is supposed to bring incomes up to a livable level.

Those receiving MSA money are limited to the state standard of $217 a month for a single person and about $247 for a couple.

Without a provision for the state to pass along the increase, when the federal government's cost of living boost was paid in July the state simply deducted the amount from the MSA benefit.

From this group alone, the state realized a windfall of $708,000, according to one source.

Another 18,500 SSI receipients receive medical assistance benefits (including Medicaid) administered by the state. In their cases, if the increase raised a person's income above the allowable ceiling, that person would be dropped from medical assistance or would be forced to pay a "spindown" amount to his income level set by law.

Those persons actually dropped from medical assistance would have to reapply for the aid after a waiting period, which obviously adds tremendous administrative costs.

In addition, there are some 30,000 nursing home residents receiving medical assistance in Minnesota, 22,000 of whom receive Social Security or SSI. Their increases are applied to their care. They received no increase in the current $25 monthly cash allowance for clothing, and personal needs.

A coalition of advocates has been lobbying for state legislation to change the present standards and correct the problem. The group includes Family and Children's Service of Minneapolis, the Salvation Army of Minneapolis, United Handicapped Federation, Jewish Family and Children's Service, Catholic Charities, and the Minnesota Association for Retarded Citizens.

One advocate, Pamela Parker, a nursing home social worker, calls the system "totally demoralizing for those people."

Several recipients contacted by the Dispatch agree.

Frank Porecco, 69, a resident at Commonwealth Nursing Home, St. Paul, finds its impossible to get along on $25 a month, "even though I don't smoke cigarettes or, for that matter, have any vices at my age. I still have to buy clothing, shoes, toiletries, pay for my laundry—even tissues. I used to buy a candy bar or ice cream once in a while, but no more," he said.

Porecco said he has "little enough independence at best, and this limits it even further."

Rita M., 59, a widow living in an apartment in the Summit-University area is disabled and receives MSA benefits. Her SSI allotment of $157 was increased to $167 last month. At the same time, her MSA check was reduced from $21 to $11.

"My rent and utilities have gone up. So have groceries. I haven't been able to afford a movie in five years. I really thought we were to get an increase. It doesn't really make sense—giving it to you with one hand, then taking it away with the other," she said.

MRS. M. has appealed to the Senior Advocates to try to help raise her assistance level.

She said she sold her house and furniture some years ago and lived on that money until it was gone. Then she was forced to go on welfare. "I hated to, but there was no other way. And there seems to be no other way for me now, except to appeal," she added.

A 27-year-old East Side St. Paul man who has cerebral palsy said he has been "finding it rough going" for some time. His income of $210 was increased to $220.10 last month. But his medical assistance was cut back and he must spend $3 extra on medical bills each month for the next six months, or $18. Then he must reapply for medical assistance, he said.

Because his check shows an increase, his public housing rent also will increase since that program does not take into account the "spindown" provision.

Researcher Parker computed the state's saving on the nursing home patients at $2.64 million a year, figuring $10 a month for each of the 22,000 patients.

Including the $708,000 saved on the MSA recipients, it adds up to $3.3 million a year gained by the state, she said.

Richard Newman, director of research and statistics for the state Department of Public Welfare, does not accept that high an estimate. He said $2 million "would be a safe estimate," since the federal government would get back a large percentage of the $2.6 million.

But the $708,000 saved by MSA still brings the total to $2.7 million.

Officials Dispute Claim—Needy Didn't Get Aid Hike

(By Dorothy Lewis)

State welfare authorities minimize a claim that some 50,000 Minnesotans failed to benefit from the federal Social Security increase in July.

They say the number is much lower. And they contend that the issue has been blown far out of proportion.

The same authorities deny the state is saving "millions" a year at the expense of the poor.

Those are among claims made by a coalition of advocates—professional social workers, attorneys and recipients throughout the Twin Cities—who are seeking to correct the situation.

The advocates charge that three groups of persons are losing out in the aid hike: some 18,500 recipients of Supplemental Security Income (SSI) who are also receiving state-administered medical assistance benefits; 5,600 people who receive Minnesota Supplemental Aid (MSA) in addition to SSI, and 22,000 nursing home patients receiving Social Security or SSI.

The SSI program, initiated in 1974 by the Social Security Administration, replaces the former Old Age Assistance and Aid to the Blind and Disabled programs.

As part of the program, the state had to establish supportive aids. It did, and along with those, set income levels which have since become ceilings.

To compound the problem, neither the federal nor state government passed measures to assure that any increases would reach those persons for whom they were intended.

As a result, there is sharp disagreement on who is to blame—the state or federal government—for not passing along the 6.4 per cent cost-of-living increase to persons who also receive state aids.

James Hiniker, deputy state commissioner of welfare, holds that it is the federal government's fault, not the state's, that the increase does not reach these persons.

This is because Congress failed to designate that the money be passed along to those people, he explained.

He also disputes whether inadequacies exist in the system. "You are assuming there are inadequacies," he told this reporter. "I am not sure there are."

Hiniker's opinion on where to place the blame is not shared by Glenn Samuelson of the St. Paul regional office of Social Security.

"There would have to be legislation at the state level for the raise to be passed along," he said.

Samuelson pointed out that "Congress basically has built in a cost-of-living raise to SSI recipients. But unless the state passes legislation, it must always reduce the amount it pays."

The legislature has taken two stands, according to Hiniker. First it contends the federal government took over the programs then refused to designate that the increases be passed along.

Secondly, the legislature feels it is a federal program and therefore a federal responsibility, he said.

There also is the view by some that the pass-along is not really fair because everyone who receives state aid is not on Social Security or SSI, said Hiniker. "So the increase would not do anything for persons not on those programs," he reasoned.

Hiniker thinks it would be more fair to raise the standards of the Minnesota Supplemental Assistance (MSA) program "so everyone on MSA would benefit."

A number of legislators share that opinion.

"Advocates for the recipients also forget," said Hiniker, "that the legislature has given those people increased rent credit through the tax system, froze property taxes for the elderly, and provided housing assistance."

As to a claim that some 22,000 nursing home patients are being limited to $25 a month for personal needs, Hiniker said this "allowance" has been raised from $14 to $25 in the past two years.

He said further that claims of a state windfall of some $3.3 million annually are "vastly exaggerated. "Ten percent of $3 million is closer to it," he declared.

He did say, however, that the Welfare Department included two figures in its budget estimate, one without the pass-along and one showing what would be needed if the legislature approved the pass-along.

According to a Senate researcher, the saving in the MSA program alone was estimated at some $480,000 for the 1976–1977 biennium.

Neil McKellips, director of the state Department of Public Welfare MSA program, also defended the state's position.

McKellips said, "the state has given these same people (recipients of state aids) two increases in their allotments, one in 1973 and one in 1974."

And the 1975 legislature awarded a $7 cost-of-living increase to MSA recipients, he added.

Jerrie Sudderth, an advocate, said the 1975 increase was based on the cost of living in 1973, and the earlier increases were similarly based on a two-year lag. "So the people still are limited to the 1973 cost base," she explained.

State authorities are dubious about the claim some persons are getting less money because of the "increase." (This would be in the form of rent boosts and loss of medical assistance.)

McKellips admitted there may be a few such instances. "But I don't think it affects any large number," he said.

It could happen if the increase put that recipient in the next higher income category, he conceded.

Efforts to correct the dilemma are being made at both the national and state level.

Rep. Donald Fraser, D-Minn., said he will introduce a measure in Congress this week to direct cost of living increases go to the recipients.

State Sen. Nicholas Coleman, DFL-St. Paul, said he would favor some measure at the state level, but is not sure that a pass-along is what is needed.

"I'm convinced the state must set new standards. It is possible this could eliminate the need for a pass-through," he said.

At Coleman's request, Senate researchers currently are doing a comprehensive study on the problem so some type of legislation can be presented at the next session.

"If came up at the last session, though," said Coleman. "And the legislature failed to pass the pass-through. I'm not quite sure why . . ."

Advocate Sudderth sums up the coalition's view. "It's ironic. And it's sad, that the people on the very bottom rung of the financial ladder are treated like this.

"What we're really doing is taking the money away from them and making them pay other costs of government in our state. It's not only inhuman, It's unreal!" she said.

American Federation of Labor and
Congress of Industrial Organizations,
Washington, D.C,. September 23, 1976.

Hon. Hubert H. Humphrey,
U.S. Senate,
Washington, D.C.

Dear Senator Humphrey: I am writing in behalf of the AFI–CIO to support and urge passage of your SSI pass-through proposal being offered as an amendment to H.R. 10210, the Unemployment Compensation Amendments of 1976.

Congress has provided for an automatic cost-of-living increase in the federal Supplemental Security Income (SSI) benefit to accompany such increases under the Social Security program. But this does not ensure cost-of-living increases in those states that supplement the federal minimum. These states save money when the Federal floor is raised unless these supplemental payments are increased by the amount of the cost-of-living increase.

States that supplement SSI payments should be required to pass on to beneficiaries these savings which result from cost-of-living adjustments. Your amendment accomplishes these objectives. Without its passage, the SSI program will work toward a standardizing of public income support for the nation's elderly and disabled at a totally inadequate level.

We commend your leadership on this issue and pledge our full support in behalf of your amendment.

Sincerely,
Andrew J. Biemiller,
Director, Department of Legislation.

National Council
of Senior Citizens, Inc.,
Washington, D.C., September 21, 1976.

Hon. Hubert H. Humphrey,
U.S. Senate,
Washington, D.C.

Dear Senator Humphrey: The National Council of Senior Citizens, an organization representing over three million elderly people, urges passage of the Humphrey Amendment to H.R. 10210, the Unemployment Compensation Act, which requires the pass-through of cost-of-living increases to beneficiaries of Supplemental Security Income and an end to the deplorable practice of concurrent reductions in state supplementation.

Five thousand members of the National Council of Senior Citizens meeting in Convention, in Chicago, June 1976, unanimously voted that states pass on the automatic cost-of-living increases in SSI benefits which are intended to maintain the real purchasing power of beneficiaries of this program. The SSI program serves the poorest of the poor among the elderly, blind, and disabled population. Certainly it is not reasonable, moral, or ethical to deprive this group of the minimal purchasing power that they are granted.

We, therefore, respectfully urge that the Senate act favorably, as did the House of Representatives in regard to the House counterpart, the Fraser-O'Neill Amendment, to immediately correct the problem of eroding benefit payments by passage of the Humphrey Amendment.

Sincerely and Respectfully,
Nelson H. Cruikshank.

Aiding the Disabled

The Senate has an opportunity this week to correct an equity that affects blind, elderly and disabled persons who receive Supplemental Security Income (SSI)—and it should take advantage of that opportunity.

The problem occurs in many of the 39 states that supplement the federal SSI payment with one of their own. The federal maximum is $167.80 a month for individuals and $251.80 for couples, both payments being well below the poverty line. What the states do that Congress should correct is this: Each July, a small cost-of-living increase goes to SSI recipients so that the sum they receive will not be eaten up even more by inflation. The trouble is that the cost-of-living increase is often eaten up by the states. If the SSI recipient is receiving $167.80 from the federal government and $32.20 from the state for a total of $200 a month, the federal government might add $10 to keep pace with inflation. The states often then reduce their payment by $10, so that the recipient is still receiving $200 a month and the state has freed that much money to pay for highway maintenance or increases in state employee salaries. In other words, some more politically powerful entity benefits from the weakness of the elderly, blind and disabled.

The House passed a bill in June to resolve this problem. It simply requires the states to contribute in the future the amount they contributed in the past. The House bill was part of the larger package of improvements in SSI, all of them within the concurrent budget resolution guidelines. When the Senate Finance Committee took up the matter of SSI, it dropped most of the more important of those provisions and then folded the remainder into the unemployment compensation bill. It is this bill that the Senate is about to consider, and several members led by Sen. Hubert H. Humphrey (D-Minn.), hope to adopt the House language by amendment. There is no additional cost to the federal government over what it would have spent anway. In fact, the same is true in respect to the states. All this bill would do is prevent the states from reneging on their commitment to their poorest and weakest residents.

In a similar vein, the House SSI bill extended the program to the blind, elderly and disabled of Puerto Rico, Guam and the Virgin Islands, beginning in Fiscal year 1978. Sens. Jacob Javits, Edward Kennedy and Edward Brooke plan to offer an identical amendment to the Senate bill. The average payment to an elderly indigent person in Puerto Rico is less than $19 a month and a blind or disabled person receives $14 a month or $168 a year. Under the Javits plan, the payments in Puerto Rico would be substantially higher, reaching a maximum of $97 a month for an individual. The cost to the federal government would be about $100 million to $150 million a year, but it would be partially offset by an estimated food-stamp saving of as much as $32 million a year. In any event, it should be done because it is necessary and right. We draft residents of Puerto Rico when we need them for combat. It is wrong to permit them to starve when they go blind.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Social Security Act with respect to food stamp purchases by welfare recipients."

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STAMPS FOR CONTAINERS OF DISTILLED SPIRITS

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1250, H.R. 7228.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 7228) to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment,

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments as follows:

On page 2, line 4, strike "or his delegate";

On page 2, beginning with line 7, insert the following:

SEC. 3. (a) SURVIVING SPOUSE.—Section 2(a)(3)(B) of the Internal Revenue Code of 1954 (relating to the special rule where a deceased spouse was in a missing status) is amended to read as follows:

"(B) the date which is—

"(i) January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(ii) 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in clause (i).".

(b) CERTAIN PAY OF MEMBERS OF THE ARMED FORCES HOSPITALIZED AS A RESULT OF THE VIETNAM CONFLICT.—The last sentence of section 112(a) of such Code (relating to certain combat pay of enlisted members of the Armed Forces) and the last sentence of section 112(b) of such Code (relating to certain combat pay of commissioned officers of the armed forces) are each amended by striking out "beginning more than 2 years after the date of the enactment of this sentence" and inserting in lieu thereof "after January 1978".

(c) INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH IN MISSING STATUS.—The second sentence of section 692(b) of such Code (relating to income taxes of members of the armed forces on death in a missing status) is amended to read as follows: "The preceding sentence shall not cause subsection (a)(1) to apply for any taxable year beginning—

"(1) after January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(2) more than 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).".

(d) JOINT RETURN WHERE INDIVIDUAL IS IN MISSING STATUS AS A RESULT OF VIETNAM CONFLICT.—The last sentence of section 6013(f)(1) of such Code (relating to joint returns where individual is in missing status as a result of the Vietnam conflict) is amended by striking out "more than 2 years after the date of the enactment of this sentence" and inserting in lieu thereof "after January 2, 1978".

(e) TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF VIETNAM CONFLICT.—The second sentence of section 7508(b) of such Code (relating to the application to a spouse of provision relating to the time for performing certain acts postponed by reason of war) is amended to read as follows: "The preceding sentence shall not cause this section to apply to any spouse for any taxable year beginning—

(1) after January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(2) more than 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).".

Several Senators addressed the Chair.

Mr. CLARK. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is not in order until the committee amendments have been agreed to.

Without objection, the committee amendments are considered and agreed to en bloc, and the bill as thus amended will be considered original text for the purpose of further amendment.

UP AMENDMENT NO. 531

Mr. CLARK. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the appropriate place in the bill insert the following:

Sec. —. Section 1613(a)(1) of the Social Security Act is amended by inserting "(after taking into account the values of other homes in the region and area in which such home is located)" after "determines".

Mr. CLARK. Mr. President, this amendment simply, in the process of determining SSI benefits, considers the home owned by the SSI beneficiary taking into account the regional differences in the value of homes for the purposes of determining eligibility for supplemental security income—that is, taking into account the region and area of the country in considering whether an SSI recipient would qualify for benefits.

As things now stand, an individual SSI recipient's countable resources cannot exceed $1,500. In the case of a qualifying couple, the resource limitation is $2,250. The home is counted as a resource to the extent the current fair market value exceeds $25,000 for individuals living in continental United States and $35,000 for residents of Hawaii and Alaska.

The problem, however, is that some elderly people who purchased their homes several years ago for a modest amount now discover that their homes have appreciated in value because of inflation. This varies markedly from region to region.

The net impact is that individuals be disqualified for SSI, even though their incomes are below—and in some cases well below—the SSI standards.

This requirement penalizes those who have managed to save enough money during their younger years and buy a home. It does this by preventing aged, blind, and disabled persons with low incomes from obtaining the assistance they need.

To my way of thinking, the present policy is wrong. I believe that we should try to encourage aged, blind, and disabled persons to retain their homes. Most of these persons worked long and hard for the homes they now enjoy. In practically all cases the home is their only major asset. They should not be forced to transfer it—after a lifetime of savings and work—in order to receive SSI.

Why should we force aged, blind, and disabled persons out of a home they may have lived in for years in order to receive SSI payments to which they otherwise would be entitled?

I think that it is a serious mistake to require these individuals to sell their homes to become eligible for SSI, when low-cost and suitable housing is in short supply. In many communities this housing is not available or the waiting lists are prohibitively long. And, we must remember that time is not on the side of the elderly.

We should not deny assistance to those in need who otherwise would qualify for SSI simply because they managed to obtain a home which has appreciated in value as a result of inflation. The elderly—more so than any other age group—are victimized by inflation. And we should not penalize them further by forcing them to give up their homes.

For these reasons, I urge approval of my amendment.

HOME VALUATION FOR PURPOSES OF SSI ELIGIBILITY

Mr. CRANSTON. Mr. President, I am very pleased that the Senate has agreed to amend section 1613(a)(1) of the Social Security Act, as amended by Public Law 92-603. That section provides that in determining an individual's resources for purposes of establishing eligibility for the SSI program, the Secretary shall exclude the reasonable value of a home owned by the individual.

In the regulations implementing this provision, HEW has established an absolute limit of $25,000 to $35,000 for Alaska and Hawaii—on the market value of the home that an SSI recipient can own. This is an unfair and unrealistic limit that contravenes the clear congressional intent that a home of reasonable value should be permitted.

First, Mr. President, the regulation fails to recognize that, particularly in the case of an elderly SSI recipient, a home now having a market value of $26,000 may well have been purchased 10 or 20 years ago for less than half that amount. For example, the average price of a new home in 1968 was $24,700, by July of 1976 the average price had jumped to $45,100. The figures for existing homes are equally serious—in 1968 the average purchase price was $20,050, by July of 1976 the average price had jumped to $38,900. Thus, HEW is penalizing SSI recipients for an inflated economy that is beyond their control.

Second, Mr. President, although HEW has partially recognized, by setting a higher maximum for Alaska and Hawaii, the necessity for different evaluations for different areas of the country it has failed to carry this recognition to its logical conclusion. Indeed, there is a greater variation between the value of a standard house in San Francisco, as compared to one in Livingston, Calif.—a rural area of the central California valley—than the difference between San Francisco and, for example, Nome, Alaska. Although the proposed regulation takes into account the San Francisco-Nome difference, it fails to recognize the San Francisco-Livingston difference—or the San Francisco-rural Mississippi difference.

Thus, this amendment would direct the Secretary to take into account obvious differences in market values between States, and within States. I do not believe any reasonable public policy is served by the Government forcing a retired couple to move from a $26,000 house in one area to a $19,000 house 20 miles away.

Mr. President, the SSI program is based, I believe, on the clear recognition that aged, blind, and disabled individuals are unable to work because of factors beyond their control, and that a Federal guaranteed minimum standard of living should be available to them. I believe my amendment would move the program closer to this purpose by insuring that reasonable area and regional variations in home values will be taken into consideration in the implementation of SSI.

I also am grateful to the distinguished chairman of the Senate Finance Committee (Mr. LONG) for his willingness, had time permitted, to offer two other amendments on my behalf—as he had agreed to offer the prior amendment for me had not the Senator from Iowa proceeded earlier.

I will attempt to pursue these amendments during the next session of Congress, and would like to explain each of these amendments at this time.

MEDICAL BUY-IN

Mr. President, the first amendment is designed to enable certain individuals who have not yet reached age 65 to buy in to parts A and B of medicare by payment of equal-to-cost premiums with no additional cost to the American taxpayer or burden to the Federal budget.

The need for this legislation stems from the fact that medicare eligibility does not begin until age 65—except for those disabled social security beneficiaries and, in a limited fashion, individuals suffering from chronic kidney disease to whom medicare coverage was extended as the result of Public Law 92-603—yet many older persons lose their group health coverage when they retire before the age of 65. They are forced to enroll in high-cost individual health insurance policies with extremely limited and inadequate coverage—and even those are almost never available to individuals over 60 years old—or to forgo any coverage whatsoever, gambling that they will stay healthy at least until they reach 65 when they become eligible for medicare.

Even if they are able to purchase coverage, it is at a prohibitive cost and in many cases excludes coverage of preexisting conditions. I am unaware of any health insurance currently available for this age group which is anywhere near as good a buy as medicare.

This is an intolerable situation, Mr. President, and I believe that we can effectively counteract it through the enactment of the measure we are proposing today. This amendment provides that if one spouse is over 65 and enrolled in medicare, the other spouse, if at least 60 years old, would be able to enroll in the program and receive equivalent benefits at a cost actuarially determined. In addition, these benefits would be made available to those receiving social security benefits who are 62 years of age and over; a divorced mother or widow between the ages of 60 and 64 if she is caring for a child under age 18 who is receiving payments based on the worker's record; the dependent parents between the ages of 60 and 64 of a deceased worker; and individuals between the ages of 60 and 64 who are retired on social security disability.

Persons in this last category whose disability persists for 2 years are eligible for medicare coverage now under existing law. Under the amendment I am offering today, these individuals would be able to buy in to medicare without waiting 2 years if they are over 60 years old.

Mr. President, my proposal would allow each of these categories of individuals for a premium equal to that paid by individuals over the age of 65, currently permitted to buy in to medicare, to enroll in part A of medicare—the hospital insurance benefits—if they also enroll in part B supplementary medical insurance. Currently the monthly premium for part A coverage for those over 65 is $45 and for part B $7.20. This premium cost is readjusted every July by the Secretary to take into account the cost of an increase in living if any. Thus next July this premium will increase. My amendment provides that the premium to be paid by those the amendment covers in its first year will be the amount set by the Secretary at that time. Last year the increase represented about 8 percent for part A—from $40 to $45—and a comparable increase is expected next July. My amendment would set the part B premium at 200 percent of the current part B premiums, one-half of which the Government presently underwrites for medicare beneficiaries. This Federal subsidy would not apply to those individuals under 65 who buy in to medicare. These individuals would be permitted to enroll in these programs any time they are or become eligible during a 90-day period following receipt of notice of eligibility from the Social Security Commissioner.

The amendment mandates that any individual buying in to medicare must buy in to both part A and part B in order to reduce the potential excessive utilization of part A that might occur if that were the only coverage available to an individual. With coverage of both hospital benefits and ambulatory care benefits, the individual will have an opportunity to utilize the most cost effective and appropriate means of treatment for his or her ailment. Otherwise, if enrolled only under part A, an incentive might be created to overutilization of the most expensive kinds of in-hospital services.

This provision is identical to the one added by Public Law 92-603 to the Social Security Act to govern buy in for those over 65 not covered by social security.

Premium costs after the first year of operation for part A coverage would be set at a level which the Secretary determines, based on the estimated cost of hospital insurance protection for persons eligible to enroll plus amounts sufficient to cover administrative expenses and underwriting losses or gains, if any. This premium would be adjusted annually to reflect both the experience of the group and any changes in costs. It is conceivable that experience will show the part A premium should be less than that which is proposed for the first year of operation of this program.

As I indicated that figure is based on the premium estimated to be charged by HEW after July 1, 1977 to individuals over 65 who wish to enroll in medicare and who are not eligible for social security. The group we propose to enroll is a younger and, presumably, healthier group so one would expect the premium to be less.

This buy-in provision was originally included in the Social Security Act Amendments of 1972 (H.R. 1) as reported from the Finance Committee.

Though in 1972 the Senate Finance Committee clearly recognized the need for this extension of medicare coverage, and recognized that it would provide important health insurance benefits at no cost to the Government, this provision was deleted from the bill in conference, and not included in the final version of the Social Security Amendments of 1972 as signed by the President.

At that time I was advised by the Finance Committee that the major factor in its deletion was simply the lack of opportunity, given the time constraints under which we were all operating in the concluding days of that Congress, for the House to evaluate this Senate provision thoroughly.

Subsequently, in the 93d Congress, the Finance Committee again recommended support for the buy-in provision when I offered it as an amendment to H.R. 3153 and it was adopted by the Senate during floor consideration of that act. Unfortunately, as you know, the House was unwilling to come to conference on H.R. 3153 and the bill was allowed to die with adjournment of the 93d Congress.

Just last December it was adopted by the Senate as a floor amendment to H.R. 10284—the medicare amendments—but once again this provision was dropped in conference with the House. In this most recent instance, the House refused to accept the medicare buy-in provision on the grounds they would only include in the conference report provisions facing an immediate deadline for termination, and "because it would tend to put medicare into competition with private health insurance carriers, because it raises the question of why social security beneficiaries below age 60 should not also be included".

I believe, however, this provision will not have that effect. Most individuals under 60 are employed or are dependents of an employed person and are eligible for group health coverage through their employer or spouse at premium rates considerably less than those of medicare. Many of those who are not eligible for health care through employment coverage may be eligible for medicaid. In all, I believe a small number of individuals under 60 would find buying in to medicare an attractive proposition economically.

I was pleased that the distinguished Senator from Louisiana (Mr. Long) received assurances from Mr. Ullman, chairman of the Committee on Ways and Means, at the time the two Houses were reaching an agreement on H.R. 10284 that he would look at this provision very carefully so that the questions raised by the House can be answered fully.

Mr. President, adequate health care coverage is a matter of the greatest concern to Americans reaching retirement age. This legislation addresses that concern and provides a mechanism for a substantial number of particularly hard-pressed older Americans to take full advantage of the benefits under the medicare program without any additional cost to the Federal taxpayer.

The Senate having already passed this measure three times, I would hope that the fourth effort, when successful, will convince the other body of the Senate's commitment to bringing better health care to our senior citizens.

Mr. President, I ask unanimous consent that an excerpt describing these provisions from the Senate Finance Committee report on H.R. 1, the Social Security Amendments of 1972 (S. Rept. No. 92–1230) be printed in the Record at this point.

The PRESIDING OFFICER. Without objection the excerpt was ordered to be printed in the Record as follows:

Medicare Coverage for Certain Individuals Aged 60–64 (Sec. 214 of the bill)

Present law provides hospital insurance protection for persons aged 65 and over who are insured or are deemed to be insured for cash benefits under the social security or railroad retirement programs. Essentially, all persons aged 65 and over are eligible to enroll for medical insurance (part B) without regard to insured status. The committee has approved a provision in the House bill which would permit persons aged 65 and over who are not insured or deemed insured for cash benefits to enroll in part A at a premium rate equal to the cost of their protection.

The committee is concerned that many social security and railroad retirement cash beneficiaries aged 60–64 and spouses aged 60–64 of medicare beneficiaries find it difficult to obtain adequate private health insurance at a rate which they can afford. Frequently these older persons—retired workers, wives, husbands, widows, widowers, mothers, parents, brothers and sisters, for example—have been dependent for health insurance protection on their own group coverage or that of a related worker who is now retired or deceased. It is a difficult task for such older persons to secure comparable protection at affordable cost when they are not connected with the labor force.

The committee, therefore, has added to the House bill a provision which would make medicare protection (both part A and part B) available on an optional basis at cost to spouses aged 60–64 of medicare beneficiaries; others aged 60–64 who are entitled to retirement, wife's, husband's, widow's, widower's, mother's, parent's, or brother's and sister's benefits under social security and the railroad retirement programs; and disability beneficiaries aged 60–64 not otherwise eligible for medicare because they have not been entitled to cash disability benefits for 24 months. The availability of medicare protection would be limited to persons aged 60–64 because the committee believes that people under age 60 who are not disabled generally have relatively little difficulty in obtaining private health insurance. About 6 million persons aged 60–64 would be potentially eligible to enroll for medicare as spouses of medicare beneficiaries or as beneficiaries entitled to the benefits specified above.

Persons who elect to avail themselves of medicare protection under this provision would pay the full cost of such protection. Enrollees would pay a monthly part A premium based upon the estimated cost of hospital insurance protection for persons eligible to enroll plus amounts sufficient to cover administrative expenses and underwriting losses or gains, if any; such premium would be $33 a month through June 1974 and would be adjusted for each 12-month period thereafter to reflect both the experience of the group and any changes in costs.

The monthly premium for persons in the group who enroll for part B would be twice the premium paid by an individual who has attained age 65 until June 1974 and would be adjusted for each 12-month period thereafter to reflect the estimated cost of supplementary medical insurance protection for persons eligible to enroll under the provisions plus amounts sufficient to cover administrative expenses and underwriting losses or gains, if any. Aliens who have been in the United States less than 5 years and persons who have been convicted of certain subversive crimes would be excluded from participation under this provision, just as they are excluded from enrolling for supplementary medical insurance.

The committee bill would require, as it requires under the provision in the bill making medicare protection available to uninsured persons aged 65 and over, that in order for persons to be eligible to enroll for hospital insurance they must be enrolled for supplementary medical insurance. If a person terminates his supplementary medical insurance, his hospital insurance coverage under this provision would be automatically terminated effective the same date as his supplementary medical insurance termination. The committee believes that such a restriction is necessary to reduce the possibility of excessive utilization of the more expensive hospital insurance coverage as might occur if an individual were enrolled for hospital insurance (covering primarily institutional care) but not for supplementary medical insurance (covering primarily outpatient care).

Coverage would be initially available as of July 1, 1973, to enrolled eligible persons.

MEDICARE REIMBURSEMENT TO VA HOSPITALS FOR PERSONS TREATED UNDER A MISTAKEN, GOOD FAITH BELIEF THAT THEY WERE ELIGIBLE VETERANS

Mr. CRANSTON. Mr. President, The second provision—had it been offered—would have permitted medicare reimbursement to a Veterans' Administration hospital under certain unusual circumstances. These circumstances would be those rare instances where an individual eligible for medicare is treated in a VA hospital on the good faith assumption, both on the individual's part and that of the hospital, that he is a veteran who is eligible for VA hospital care under title 38 of the United States Code. Under title 38, if this situation occurs, the patient or his estate is liable to reimburse the VA for the cost incurred, and under the Social Security Act, medicare cannot reimburse either the patient or his estate for the care provided in a VA or other Federal hospital. Thus the patient must pay the full costs of his hospital care even though he is entitled to medicare coverage.

A year ago, this situation was brought to my attention by the family of a medicare beneficiary which had been billed for a substantial sum covering his hospitalization in a VA hospital. As chairman of the Subcommittee on Health and Hospitals of the Veterans' Affairs Committee, I joined with the committee chairman (Mr. Hartke) in writing to the chairman of the Finance Committee and its Subcommittee on Health, Senator Long and Senator Talmadge, respectively, to bring this situation to their attention and proposing that a very tightly drawn amendment which would permit the payment of these costs be considered during the Finance Committee's meeting on the medicare deadline amendments (H.R. 10284). I was most grateful that the committee agreed to do this and accepted our amendment in H.R. 10284 as reported.

Mr. President, I ask unanimous consent that the text of the letter Senator Hartke and I sent to Senator Long and Senator Talmadge, as well as an excerpt from the committee report describing this provision—pages 12–13—be printed in the Record at this point.

The PRESIDING OFFICER. Without objection the material is ordered to be printed in the Record as follows:

Committee on Veterans' Affairs,
Washington, D.C., December 3, 1975.

Hon. Russell B. Long,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.
Hon. Herman E. Talmadge,
Chairman, Subcommittee on Health, Committee on Finance, U.S. Senate, Washington, D.C.

Dear Mr. Chairmen: Recently a case was brought to our attention of an elderly Medicare beneficiary who was admitted to a VA hospital for emergent care prior to a determination of veteran eligibility, who received care there for several months, and who was ultimately determined ineligible for such care. Because of the error, which was made without any intention to defraud, the patient's estate is now being billed by the Veterans' Administration for $5,000. Section 1814(c) of the Social Security Act leaves no alternative to the VA, and the patient's estate is liable for the debt under title 38, United States Code.

To avoid any reoccurrence of this unfortunate situation, we recommend that your Committee consider the adoption of an amendment to H.R. 10284 which would permit reimbursement to a VA hospital for hospital care rendered in carefully defined circumstances such as that of the case brought to our attention. We are advised this situation occurs rarely and that the costs would be negligible.

Enclosed is a draft amendment (made retroactive to cover the above case) for such consideration during Committee markup of the House bill.

Your assistance in adding this provision to H.R. 10284 would be very much appreciated.

With warm best wishes.

Sincerely,

ALAN CRANSTON,
Chairman, Subcommittee on Health, and Hospitals.

VANCE HARTKE,
Chairman, Committee on Veterans' Affairs.

MEDICARE PAYMENTS TO VETERANS' ADMINISTRATION HOSPITALS IN CASE OF "GOOD FAITH" ERROR

(Section 7 of the bill)

Under present law, payments may not be made under part A of medicare to any Federal provider of services, such as a Veterans' Administration hospital, where such institution is otherwise obligated by law to render care at public expense.

The committee has had its attention called to circumstances in which an individual, entitled to part A benefits, was admitted to a veterans' hospital with both the hospital and the beneficiary believing the patient was eligible for such care and was subsequently found to be ineligible for care as a veteran. Following such a determination, the Veterans' Administration is required, by law, to recover the costs of such care from the patient (or his estate, if the patient is deceased).

The committee amendment would permit payment by the medicare program to VA hospitals for care rendered to a part A beneficiary in certain circumstances. Payment may be made only when (1) the beneficiary is admitted to the VA facility in the reasonable belief that he is entitled to have service furnished to him by the VA free of charge; (2) the authorities of such hospital and the beneficiary acted in good faith in making such admission; (3) that the beneficiary is, in fact, not entitled to care in the facility free of charge; and (4) the care was provided while those operating the facility remained unaware of the fact that the individual was not eligible for VA benefit or before it was medically feasible to arrange a transfer or discharge.

Payment for services would be in an amount equal to the charge imposed by the Veterans' Administration for such services, or (if less) reasonable costs for such services (as estimated by the Secretary following consultation with the Chief Medical Director of the Veterans' Administration).

Mr. CRANSTON. Mr. President, I was very disappointed, however, that in efforts to reach agreement on H.R. 10284 between the House and Senate, the House refused to accept this provision.

The House suggested in explaining its refusal:

> It might be appropriate to afford relief, as part of veterans' legislation, for all such persons found not to be VA eligible—not just those who are eligible for medicare. In addition, it would seem more appropriate for the VA to administer such a provision rather than complicating the medicare law and its administration.

The VA statute prohibits the VA from providing care to anyone except a veteran, and then only when it is in conjunction with a service-connected injury, or when the veteran is unable to defray the costs of hospitalization. What the House seems to be proposing is that the VA hospitals open their doors to everyone. The VA does provide emergency services to anyone, regardless of eligibility, as a humanitarian service. However, to do what the House suggests could seriously detract from the VA's mandate to care for the service-connected disabilities of veterans, could result in the VA being unable to provide care to eligible veterans on a timely basis, and would establish an unfortunate precedent in so far as utilization of VA health care facilities.

Therefore, I am hopeful the House will reconsider their position on this provision at this time. The distinguished Senator from Louisiana (Mr. LONG) assured me a year ago when the House first refused to accept this amendment that he would work with me later on to convince the House of the merit of this provision

Mr. BROOKE. Mr. President, I urge the adoption of the Clark-Brooke amendment to exempt the home as an asset for determining eligibility for Supplemental Security Income—SSI.

This amendment, which was earlier adopted by the House as a part of the Supplemental Income Amendments of 1976 (H.R. 8911), would allow those blind, disabled and aged persons who are eligible for SSI to retain their family homes.

As the law now reads, the home is included as a countable asset to the extent the fair market value exceeds $25,000. This policy has resulted in inequities and complications across the country because of the difference in values of homes because of varying State laws and evaluation procedures. In addition, the market values often do not represent the true value of the home to the owner.

As a result of the current law, a person living in a home which he or she paid $15,000 for in 1960 could now find that home assessed at a 1976 fair market value of $30,000. An elderly person could have no income at all or possibly a small monthly benefit from Social Security and still be ineligible for SSI because of the assessed value of the home.

Therefore, those blind, disabled or aged persons who have managed to save and purchase a home and maintain its upkeep are penalized because of their perseverance. To make a potentially eligible person ineligible for needed assistance because they have a nice home is truly unwarranted. To make them sell or move out of that home in order to be eligible is equally cruel and unjust. The Clark-Brooke amendment would totally exclude as a resource the home and "the land that appertains thereto."

In addition to the injustices put upon the recipient, the current law also causes unnecessary administrative problems. To assess the value of one's home, the differences in tax laws, inflation, home improvements which must be reevaluated, et cetera, is costly in time and expense for the Social Security Administration. The Social Security Administration has estimated that the Clark-Brooke amendment would save between $1 and $2 million in administrative costs.

Mr. President, both the General Accounting Office and the supplemental security study group have reported to HEW that the home should be exempted from assets status under the law. The GAO points out that existing law presents complexities for the SSI homemaker who may try to anticipate events which would lead to the change in value for his or her home and the possible termination from the program. In addition, GAO reports that the law complicates administration for the Social Security Administration which must inform SSI clients of how the home value exclusion operates and the need to manage carefully their resources.

The special study group on SSI which was commissioned to report to the Commissioner of Social Security and the Secretary of HEW supports the elimination of the home as an asset because ineligibility should stem from one's income rather than ownership of a home.

Mr. President, I agree with the recommendations of these two reports. I agree with the contention that one should be allowed to stay in his or her home as long as possible. For these considerations, I urge the adoption of the Clark-Brooke amendment to exempt one's home from resource classification under SSI.

The amendment follows:

> At the appropriate place in the Act, insert the following:
>
> SEC. —. Section 1613(a)(1) of the Social Security Act is amended by striking out ", to the extent that its value does not exceed such amount as the Secretary determines to be reasonable".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

UP AMENDMENT NO. 532

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Maine (Mr. HATHAWAY) proposes an unprinted amendment numbered 532.

The amendment is as follows:

> At the end of the bill, insert the following:
>
> SEC. —. AUTHORIZATION OF INITIAL PAYMENTS TO PRESUMPTIVELY BLIND INDIVIDUALS
>
> (a) IN GENERAL.—Section 1631(a)(4)(B) of the Social Security Act is amended—
>
> (1) by inserting "or blindness" immediately after "disability" each time it appears; and
>
> (2) by inserting "or blind" immediately after "disabled" each time it appears.
>
> (b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months after the month following the month in which this Act is enacted.

Mr. HATHAWAY. Mr. President, this is a very simple amendment to take care of an inequity under SSI. It provides that the blind may have a 3-month period, just as do other disabled under the SSI, in order to determine their disability and get compensation during that period of time. At the present time, the period extended to the blind is only 1 month.

I believe there is no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

UP AMENDMENT NO. 533

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an unprinted amendment numbered 533.

Mr. JAVITS. Mr. President, I will explain the amendment. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following new section:

SEC. —. Section 1614(e) of the Social Security Act is amended by striking out "and the District of Columbia" and inserting in lieu thereof ", the District of Columbia, Puerto Rico, the Virgin Islands, and Guam."

(2) Section 1101(a)(1) of such Act is amended—

(A) by inserting "XVI," after "XI," and

(B) by striking out the last sentence (as added by section 18(z–2)(1)(A)(ii) of Public Law 93–233).

(3) Section 303(b) of the Social Security Amendments of 1972 is repealed.

(b) Section 1108 of such Act is amended by adding at the end thereof the following new subsection:

"(c)(1) In applying the provisions of—

"(A) subsections (a), (b), and (c)(1) of section 1611,

"(B) subsections (a)(2)(D), (b)(2), and (b)(3) of section 1612,

"(C) subsection (a) of section 1613,

"(D) section 1617, and

"(E) section 211(a)(1)(A) of Public Law 93–233, the dollar amounts to be used shall, instead of the figures specified (or referred to) in such provisions, be dollar amounts bearing the same ratio to the figures so specified as the per capita incomes of Puerto Rico, the Virgin Islands, and Guam, respectively, bear to the per capita income of that one of the States which has the lowest per capita income; except that in no case may the amounts so used exceed the figures so specified.

"(2)(A) The amounts to be used under such sections in Puerto Rico, the Virgin Islands, and Guam shall be promulgated by the Secretary between October 1 and November 30 of each even-numbered year, on the basis of the average per capita income of each State for the most recent calendar year for which satisfactory data are available from the Department of Commerce. Such promulgation shall be effective for each of the two fiscal years in the period beginning October 1 next succeeding such promulgation.

"(B) The term 'State', for purposes of subparagraph (A) only, means the fifty States and the District of Columbia.

"(3) If the amounts which would otherwise be promulgated for any fiscal year for any of the three States referred to in paragraph (1) would be lower than the amounts promulgated for such State for the immediately preceding period, the amounts for such fiscal year shall be increased to the extent of the difference; and the amounts so increased shall be the amounts promulgated for such year.".

(c) The amendments made by this section (except subsection (a)(3) shall apply with respect to supplemental security income benefits payable under title XVI of the Social Security Act for months after September 1977. Subsection (a)(3) shall become effective October 1, 1977.

Mr. JAVITS. Mr. President, this is an amendment which the Senator from Louisiana has advised he will oppose, and which as a matter of fact he has advised me he will move to table, so I will take 5 minutes to explain it, and then the Senator from Louisiana can make his case.

Mr. President, this amendment was passed in another bill by the House of Representatives. I present it exactly as they passed it. What it does is include Puerto Rico, Guam, and the Virgin Islands, effective October 1, 1977, so we are not within this fiscal and budget year in the SSI.

It will be recalled that SSI means the low income, aged, the blind, and the disabled. I want to repeat that, Mr. President: The low income, aged, blind, and disabled.

It includes them for benefits which are on a ratio equal to the per capita income of their per capita territory, as related to the per capita income of the State of the United States with the lowest per capita income; so we are not talking about extensive benefits. The difference, however, is very, very sharp.

As the matter stands now, SSI beneficiaries are entitled——

The PRESIDING OFFICER. If the Senator from New York will suspend, the Chair will seek to obtain order.

The Chair will get order. The Senator from New York is entitled to be heard. The Senate will be in order.

The Senator from New York.

Mr. JAVITS. Under the existing law today, dealing with the low incomed, aged, the blind, and the disabled, a single individual in Puerto Rico gets $18.91 a month. Let me repeat that: $18.91 a month. Under the amendment which I have proposed, the single individual would get $91.12 a month.

Mr. President, may I interject parenthetically that the other cosponsors with me on the amendment are Senators KENNEDY and BROOKE.

So let us repeat, $18.91 a month is what the individual gets today, he will get $91.12 a month if this amendment should become law, and then the payment for a couple would be $136.73.

In Guam and the Virgin Islands it would be somewhat higher because their income is better. But Puerto Rico, which is the large population to which I have referred, the individual would get $91.12 a month.

Mr. President, the total cost of this amendment is estimated by the staff of the Finance Committee at $125 million a year. I repeat, it would take effect on October 1, 1977.

These are American citizens just like all the rest of us. The SSI is designed to be sure that we are not inhuman, and I defy anyone to argue for $18.91 a month for the poverty stricken, aged, the blind, and the disabled, and yet that is what it is.

In addition, we have been assailed internationally on the ground that we keep Puerto Rico as kind of a colony of the United States, and this point goes to that argument as well. They are U.S. citizens. They have served in many wars, they have been heroic, they have suffered, they are now exposed to freedom and enlightenment in the Caribbean, and they should be treated as other American citizens are, and yet they are not being so treated under the SSI program.

For those reasons, Mr. President, I urge the amendment upon the Senate. As I say, it has been passed by the House. It is justice long deferred, and the President said the other day that justice long deferred is justice denied. They are Americans, I repeat, as any other Americans, and it is absolutely inhuman to expect them who are eligible under the SSI to subsist at the rate of $18 a month, and the answer is the unbelievable poverty which exists for those people in those islands, especially in Puerto Rico.

Mr. LONG. Mr. President, I oppose this amendment. In the average State, no more than some 15 or 20 percent of the aged citizens draw benefits under the Federal supplementary security income (SSI) program. Under this amendment in Puerto Rico practically everyone in this category would draw the SSI benefits.

It would work out that way because Puerto Rico has a much lower cost of living than we have in the States of the U.S. mainland. Moreover, under our tax law every dollar of taxes collected in Puerto Rico stays in Puerto Rico. They keep it all.

In addition to that, we send Federal matching money down to Puerto Rico to help them to pay for assistance benefits for their aged and disabled. Even though we do not take anything out of Puerto Rico in the way of taxes—we just let them keep all of it—we also pay part of their welfare costs. In addition, they have the benefit of the American Constitution and all the advantages of American citizenship.

Why would anyone want to treat Puerto Rico better than he treats his own State? I suppose, if I were from New York, I would want to do that for a good reason: A great number of people came from Puerto Rico up to New York seeking employment. If they found they could not get a job or could not keep one, they often went onto the welfare rolls. And if I were from New York, I guess I would be trying to encourage a reverse migration to get those Puerto Ricans in New York to go back to Puerto Rico. So by making a program of welfare for Puerto Rico more attractive at Federal expense, you might be able to get people to go back from New York to Puerto Rico and thus help solve New York's problem.

Mr. President, it is not my fault, and it is not the fault of the Senate that New York hired the most liberal welfare administrators in America and set up a welfare program so attractive as to draw people from all over America.

But, Mr. President, I do not believe the taxpayers of this Nation want to pay $125 million in taxes to send to Puerto

Rico to put all the aged there on SSI, when in our own States we do not have more than 20 percent of our aged citizens on SSI. This simply does not make good sense.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. Mr. President, I join the distinguished chairman of the Finance Committee in opposing this amendment. If it were adopted it would have a profound effect on the living in Puerto Rico, employment policies, and many other things. For a long time the welfare in Puerto Rico and territory situated similarly have taken into account their particular needs, the cost of living, the wage scale, and other matters.

I believe that when there is a change now and then it ought to be looked into. Maybe there are some situations where it ought to be raised, but that should be done after committee hearings and a chance to look at it.

I do not believe that we should make this far-reaching move tonight on the verge of adjournment because it will become permanent, it will be extended to all of the territories, and it may be an injustice to the territories themselves; it may be an injustice to the people who are depending upon job opportunities as well as employees. I support my chairman's position.

Several Senators addressed the Chair.

Mr. HASKELL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. Mr. President, would not the amendment of the Senator from New York be subject to a point of order under the budget resolution?

The PRESIDING OFFICER. The Senator is correct. It would be subject to a point of order in that fashion.

Mr. HASKELL. I make a point of order.

Mr. JAVITS. Mr. President, may we know from the Chair in what fashion the point of order will apply?

The PRESIDING OFFICER. On the budget. The amendment provides for authority for fiscal 1978, which is against the budget procedures.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House delivered by Mr. Hackney, one of its clerks announced that:

The House agrees to the amendment of the Senate numbered 1 to the bill (H.R. 14360) to amend the John F. Kennedy Center Act to authorize funds for repair, reconstruction, and for other purposes, and agrees to amendment of the Senate numbered 5, with an amendment in which it requests the concurrence of the Senate.

The House agrees to the amendments of the Senate to the bill (H.R. 14773) to amend title 10, United States Code, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73 of that title, and for other purposes.

The House has passed, without amendment, the bill (S. 3553) to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes.

The House agrees to the amendment of the Senate to the bill (H.R. 10192) to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy, with an amendment in which it requests the concurrence of the Senate.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11337) to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes.

The House agrees to the amendment of the Senate to the bill (H.R. 5682) to extend the boundary of the Tinicum National Environmental Center, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The House agrees to the amendment of the Senate to the bill (H.R. 10841) to amend the Intercoastal Shipping Act, 1933, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The House agrees to the amendment of the Senate to the bill (H.R. 15563) to amend the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The House has passed, without amendment, the following Senate bills and joint resolution:

S. 726. An act to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho.

S. 1365. An act to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands.

S. 2798. An act to eliminate a restriction on use of certain lands conveyed to the city of Hakutat, Alaska.

S. 3556. An act for the relief of Marciano Santiago and his wife, Eleanor L. Santiago.

S. 3667. An act for the relief of Song Chan Ki.

S. 3682. An act for the relief of Doctor Oscar J. Briseno.

S. 3683. An act for the relief of Doctor Juan Bautista Lopez Ruiz.

S.J. Res. 209. A joint resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week."

The House has passed the bill (S. 1283) to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes, with amendments in which it requests the concurrence of the Senate.

The House agrees to the concurrent resolution (S. Con Res. 208) authorizing the printing of additional copies of the Joint Economic Committee print entitled "Soviet Economy in a New Perspective," without amendment.

The House agrees to the amendments of the Senate to the bill (H.R. 12207) to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments.

The House agrees to the amendments of the Senate to the bill (H.R. 10133) to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation, and for other purposes.

The House agrees to the amendments of the Senate to the bill (H.R. 12939) to amend certain laws affecting personnel of the Coast Guard, and for other purposes.

The House agrees to the amendments of the Senate to the bill (H.R. 13585) to amend the Federal Boat Safety Act of 1971.

Enrolled Bill and Joint Resolution Signed

The Speaker has signed the following enrolled bill and joint resolution:

S. 2212. An act to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes.

S.J. Res. 181. A joint resolution to authorize the erection of the American Legion's Freedom Bell on lands of the park system of the District of Columbia, and for other purposes.

The enrolled bill and joint resolution were subsequently signed by the Acting President pro tempore (Mr. Hugh Scott).

PROVIDING THAT QUALIFIELD INDIVIDUALS MAY HEAR AND DETERMINE CLAIMS FOR BENEFITS UNDER TITLE IV OF THE FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 1118.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A Joint Resolution (S.J. Res. 1118) providing that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

Mr. WILLIAMS. Mr. President, a curious situation has developed in the administration of the black lung program.

The 1972 amendments to the act adopted the procedures of the Longshoremen's and Harbor Workers' Compensation Act for the processing of black lung claims. Subsequently, we amended the Longshoremen's Act to require its procedures to conform to the Administrative Procedure Act. As a result of a disagreement between two Departments of the executive branch, the Secretary of Labor has been assigning hearing officers to hear black lung cases.

The Labor Department's Benefits Review Board has decided that these cases must be heard by administrative law judges, not hearing officers. The Civil Service Commission disagrees with the Benefits Review Board's interpretation of the 1972 amendments to the black lung law, and will not provide the Labor Department with ALJ's it needs to hear these cases.

Due to this conflict, no black lung cases were heard from March 1976 through

August. At that time the Department of Labor began to hear cases again even though such hearings faced potential future challenge in the courts. The people who are being hurt while the courts decide who should be hearing these black lung cases are the coal miners and their survivors. While back benefits would be awarded to the time these people filed, so that the claimant would not lose money, that is little consolation to people who need the money immediately.

I would like to offer House Joint Resolution 1118. This resolution has the similar intent as the one we passed last week, Senate Joint Resolution 213. The purpose is to clear up the disgraceful backlog that is impeding black lung claimants from having hearings.

This resolution will provide clear authority for hearing officers appointed by the Secretary of Labor to conduct hearings involving claims for black lung benefits filed under section 415 and part C of title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended. This resolution will allow the Department of Labor to clear up a backlog of over 900 cases—a backlog that is increasing by 150 a month, and hear any cases that may come in the future. It leaves previously heard cases unaffected.

The resolution leaves it up to the courts, the Civil Service Commission, or, if necessary and appropriate, the Congress to clear up these underlying issues at some future date. All we are doing is taking a step toward aiding those miners and widows whose claims are pending while the courts are deciding the substantive issues or until the Congress has a chance to resolve this question.

We have already once passed a joint resolution to accomplish this. The House has now passed this new resolution. Let us add our approval to this revised version so that these needy claimants, who have been halted in the adjudicative process through no fault of their own, can have their day in court. Remember we are not giving anyone benefits; all we are doing is allowing their case to be heard.

The last sentence of this resolution makes clear that the intent here is not to affect the status of hearing officers with respect to any type of case other than those under section 415 and part C of title IV of the Federal Coal Mine Health and Safety Act; but it provides clear authority for hearing officers to hear black lung claims not yet heard.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S.J. Res. 1118) was considered. ordered to a third reading, read the third time, and passed.

JOHN F. KENNEDY CENTER ACT AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a mesage from the House of Representatives on H.R. 14360.

The PRESIDING OFFICER laid before the Senate the message from the House of Representatives announcing its action on amendments of the Senate to H.R. 14360, as follows:

Resolved, That the House agree to the amendment of the Senate numbered 1 to the bill (H.R. 14360) entitled "An Act to amend the John F. Kennedy Center Act to authorize funds for repair, reconstruction, and for other purposes."

Resolved, That the House agree to the amendment of the Senate numbered 5 to the aforesaid bill, with an amendment as follows:

In lieu of the matter inserted by the said amendment, insert:

(c) Section 5 of the John F. Kennedy Center Act is amended by adding at the end thereof the following new subsection:

"(d) The Board shall appoint a comptroller as disbursing officer for all funds appropriated pursuant to subsection (c) of section 8. The comptroller shall serve for a term of three years, or until all appropriated funds are utilized, whichever shall first occur, and may be reappointed for succeeding terms. The comptroller may not be removed except for incompetence, malfeasance in office or upon conviction of any felony or of conduct involving moral turpitude, and for no other cause. Notwithstanding any other provision of this Act, all claims and demands whatsoever by the Board or against it and all accounts whatever in which the Board is concerned either as a debtor or a creditor and which relate to such appropriated funds, shall be settled and adjusted by the comptroller. The comptroller shall audit from time to time, but at least once each year and after all such appropriated funds shall have been utilized, the books, documents, papers, and records of the Board as they pertain to such appropriated funds and shall report to Congress and the Board the results of such audit. The comptroller shall prescribe such regulations as may be necessary to carry out his functions under this subsection. The Board may prescribe such other funding as it may deem appropriate for the comptroller."

Resolved, That the House disagree to the amendments of the Senate numbered 2, 3, and 4 to the aforesaid bill.

Mr. ROBERT C. BYRD. Mr. President, I move to disagree to the amendment of the House and insist upon the Senate amendment.

The motion was agreed to.

Several Senators addressed the Chair.

Mr. JAVITS. Mr. President, I yielded to the acting majority leader with the understanding that the bill which is being managed by Mr. LONG still will come back before the Senate.

I do not wish to allow a unanimous-consent for anything else but these unanimous consents. Otherwise I wish to be recognized again.

Mr. ROBERT C. BYRD. Mr. President, will the Chair protect my rights to the floor?

The PRESIDING OFFICER. Without objection, it is so ordered.

STAMPS FOR CONTAINERS OF DISTILLED SPIRITS

UP AMENDMENT NO. 534

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an unprinted amendment No. 534.

The amendment is as follows:

At the end of the bill, insert the following new section:

SEC. —. Section 1614(a) of the Social Security Act is amended by striking out "and the District of Columbia" and inserting in lieu thereof ", the District of Columbia, Puerto Rico, the Virgin Islands, and Guam."

(2) Section 1101 (a)(1) of such Act is amended—

(A) by inserting "XVI," after "XI," and

(B) by striking out the last sentence (as added by section 18 (z–2)(1)(A) of Public Law 93–233).

(3) Section 303(b) of the Social Security Amendments of 1972 is repealed.

(b) Section 1108 of such Act is amended by adding at the end thereof the following new subsection:

"(c)(1) In applying the provisions of—

"(A) subsections (a), (b), and (c)(1) of section 1611,

"(B) subsections (a)(2)(D), (b)(2), and (b)(3) of section 1612,

"(C) subsection (a) of section 1613,

"(D) section 1617, and

"(E) section 211 (a)(1)(A) of Public Law.

The dollar amounts to be used shall, instead of the figures specified (or referred to) in such provisions, be dollar amounts bearing the same ratio to the figures so specified as the per capita incomes of Puerto Rico, the Virgin Islands, and Guam, respectively, bear to the per capital income of that one of the States which has the lowest per capita income; except that in no case may the amounts so used exceed the figures so specified.

"(2)(A) The amounts to be used under such sections in Puerto Rico, the Virgin Islands, and Guam shall be promulgated by the Secretary between October 1 and November 30 of each even-numbered year, or the basis of the average per capita income of each State for the most recent calendar year for which satisfactory data are available from the Department of Commerce. Such promulgation shall be effective for each of the two fiscal years in the period beginning October 1 next succeeding such promulgation.

"(B) The term 'State', for purposes of subparagraph (A) only, means the fifty States and the District of Columbia.

"(3) If the amounts which would otherwise be promulgated for any fiscal year for any of the three States referred to in paragraph (1) would be lower than the amounts promulgated for such State for the immediately preceding period, the amounts for such fiscal year shall be increased to the extent of the difference; and the amounts so increased shall be the amounts promulgated for such year."

(c) The amendments made by this section (except subsection (a)(3)) shall apply with respect to supplemental security income benefits payable under title XVI of the Social Security Act for months after September 1977. Subsection (a)(3) shall become effective September 1, 1977.

Mr. JAVITS. The effective date is September 1, 1977, which is within the current fiscal year.

"SUPPORT FOR THE JAVITS AMENDMENT"

Mr. BROOKE. Mr. President, I support the Javits amendment and urge that it be adopted.

This measure would enable Puerto Rico, Guam, and the Virgin Islands to participate in the supplemental security income program. Benefits, however, would not be payable until October 1, 1977, because the Social Security Administration needs lead-in time to prepare for the administration of the SSI program in these three jurisdictions.

The House included this provision in the Supplemental Security Income

Amendments of 1976, H.R. 8911. And I strongly believe that the Senate should take identical action.

Low-income aged, blind, and disabled persons in Puerto Rico, Guam, and the Virgin Islands now receive payments under a formula based upon payment levels in the old adult assistance programs.

This Federal formula has not been updated since 1967. The assistance payments are therefore exceedingly low and totally inadequate.

Average monthly payments in Puerto Rico are now $18.91 for the aged, $13.66 for the blind, and $14.01 for the disabled.

The comparable figures for Guam are $68.96 for elderly persons, $85.50 for blind individuals, and $74.46 for disability recipients.

In the Virgin Islands, the average monthly payments amount to $54.20 for the aged, $56.29 for the blind, and $54.22 for the disabled.

In sharp contrast, the average monthly Federal SSI payment is now $95.15. Moreover, the Federal SSI program guarantees all aged, blind, and disabled persons a minimum monthly income of $167.80 for qualifying individuals and $251.80 for eligible couples. And these income standards include a cost-of-living adjustment mechanism. On the other hand, the maximum benefit an aged person could receive in Puerto Rico would be $21.60 with no cost-of-living adjustments.

Aged, blind, and disabled persons in Puerto Rico, Guam, and the Virgin Islands, however, do not have this protection for their exceedingly low benefits.

Under the Javits amendment, benefit levels would be determined on the basis of the per capita income in Puerto Rico, Guam, and the Virgin Islands to the State with the lowest per capita income: Mississippi.

This would assure aged, blind, and disabled recipients a minimum income of:

$91.20 for qualifying individuals and $136.80 for eligible couples in Puerto Rico;

$153.90 for single persons and $230.90 for couples in Guam; and

$167.80 for individuals and $251.80 for couples in the Virgin Islands.

I support the Javits amendment because it would raise assistance levels for low-income aged, blind, and disabled persons in Puerto Rico, Guam, and the Virgin Islands to more realistic levels. And, it would eliminate the long-standing discriminatory treatment which has existed for years for these U.S. citizens.

Many individuals from these islands are forced to come to the United States because of the depressed economic conditions in their homelands—particularly in Puerto Rico. Unemployment in Puerto Rico, for example, is now about 20 percent, or almost three times the rate in the United States.

With this high unemployment rate, it is difficult—if not impossible—for aged, blind, and disabled persons to find employment. And here we are often talking about deep extremes in poverty where some people have virtually no income at all.

In addition, the cost-of-living is typically high for these three islands because most of the basic necessities, such as food, must be imported.

Many of the inhabitants of these islands have served us admirably in defending our Nation and in other ways. These low-income aged, blind, and disabled U.S. citizens should be entitled to sufficient assistance payments in order that they can meet their basic needs.

For these reasons, I reaffirm my support for the Javits amendment.

Mr. HASKELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. Is the amendment of the Senator from New York, as modified, subject to a point of order?

The PRESIDING OFFICER. The Chair will take that under advisement for the moment.

Mr. HASKELL. I thank the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I should like to answer very briefly, and I will not detain the Senate very long, some of the points made by Senator Long.

If we were anxious to chase people back to Puerto Rico, we would have to reduce—which we cannot do—what they get on SSI in New York. Even if this amendment becomes law, what they get on SSI in New York will be twice or more what this amendment calls for in Puerto Rico.

The reason is that the amendment will give the SSI payments on the basis of two-thirds of what the SSI beneficiaries receive in Mississippi, which is the lowest income State of the 50 States. In short, the income in Mississippi is about $3,000 and in Puerto Rico it is about $2,000. So this is the lowest possible benefit, and there is no inducement to chase people down to Puerto Rico.

I respectfully submit that we are too sophisticated here to be taken in by the idea of beating New York or Illinois or Michigan or Pennsylvania over the head, as an argument. So that argument is invalid.

Second, Senator Long said that everybody in Puerto Rico would get this. We have had this studied by the Social Security Administration. It will affect about 184,000 people on the SSI, about 70 percent, as the outside possibility, of some 255,000 to 260,000 of the elderly, 65 years of age and older.

The PRESIDING OFFICER. The Chair will answer the parliamentary inquiry of the Senator from Colorado.

The modified amendment is not subject to a point of order. It is in order.

Mr. JAVITS. Mr. President, as I say, I have no desire to delay the Senate. I know that Senator Long is going to move to table, and I welcome the vote, because it is time we decided that even if they are poor, they are Americans. They are good enough to die in war, and they are good enough, therefore, if they are blind or poor or disabled, to be treated at least ratably with other American citizens. Therefore, I believe this is nothing but elementary justice.

If we want to turn loose of Puerto Rico, we can. I have served on Puerto Rican governmental commissions. We have decided that our national policy is to give them the option: Do they want to be a State, do they want to be a commonwealth, or do they want independence? We will give them anything they want. They overwhelmingly opted to stay where they are. As a matter of fact, the statehood movement is gathering enormous strength in Puerto Rico and undoubtedly will ultimately cause Puerto Rico to apply to become a State. Their situation is improving, and it can improve more if we accept our honest responsibility.

Mr. President, $18.91 a month, if you are aged, poor, disabled, or blind—is that what we stand for in the Caribbean? I am proud to offer this amendment, and I hope the Senate will face up to its responsibility.

Mr. LONG. Mr. President, it is my understanding that Puerto Rico, with Federal matching, now sees fit to have about 35,000 of their aged citizens on their aid to the aged program.

What the Senator is proposing to do for Puerto Rico on the night of adjournment is to have a 424 percent increase in the number of beneficiaries in Puerto Rico and an increase in the payments they would receive.

The Senator from Alabama just informed me that Puerto Rico is doing very well, indeed, on the food stamp program.

Will the Senator please enlighten us about that?

Mr. ALLEN. They are receiving more than a half-billion dollars a year. This island, with 3 million people, is receiving $500 million a year in food stamps, which is about one-twelfth of the overall cost of the program.

Mr. JAVITS. We are informed by the Congressional Research Service that if this amendment is adopted, it will save $32 million a year in the food stamp program, because all these people will pay something. I give that as a factor.

Mr. LONG. That is nice to know, that it will save $32 million out of $500 million. That is the figure the Senator gave me.

Mr. ALLEN. Yes.

Mr. LONG. Out of $500 million in food stamps, that would save $32 million.

I point out that the cost of the amendment is $125 million. I submit that we are doing well, indeed, by Puerto Rico. We have already agreed to two SSI amendments that we believe will be good for this country, which I hope will become law.

I believe this amendment should not be added to the bill, and I move that the amendment be laid on the table.

Mr. JAVITS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to table the modified amendment of the Senator from New York. On this question the yeas and nays are ordered, and the clerk will call the roll. This will be a 10-minute rollcall vote.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Virginia (Mr. HARRY F. BYRD, Jr.), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from California (Mr. TUNNEY), the Senator from Rhode Island (Mr. PASTORE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

I also announce that the Senator from Montana (Mr. MANSFIELD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 19, as follows:

[Rollcall Vote No. 694 Leg.]

YEAS—37

Allen
Bartlett
Bumpers
Byrd, Robert C.
Cannon
Curtis
Fannin
Ford
Garn
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Johnston
Leahy
Long
Magnuson
McClellan
McClure
Metcalf
Moss
Nunn
Packwood
Proxmire
Randolph
Scott, Hugh
Sparkman
Stevens
Stevenson
Thurmond
Tower
Young

NAYS—19

Abourezk
Baker
Church
Clark
Culver
Durkin
Eagleton
Bayh
Brooke
Humphrey
Jackson
Javits
Morgan
Percy
Burdick
Case
Schweiker
Stone
Williams

NOT VOTING—44

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Byrd, Harry F., Jr.
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Gravel
Hart, Philip A.
Hollings
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Ribicoff
Roth
Scott, William L.
Stafford
Stennis
Symington
Taft
Talmadge
Tunney
Weicker

So the motion to lay on the table was agreed to.

UP AMENDMENT NO. 535

Mr. ALLEN. Mr. President, I have an amendment at the desk and I offer this amendment on behalf of myself and my distinguished senior colleague, Mr. SPARKMAN.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN), for himself and Mr. SPARKMAN proposes amendment No. 535.

The amendment is as follows:

At the end of the bill add the following new section.

SEC. . That (a) chapter 25 of the Internal Revenue Code of 1954 (relating to the general provisions for employment taxes) is amended by adding at the end thereof the following new section:

"SEC. 3506. INDIVIDUALS PROVIDING COMPANION SITTING PLACEMENT SERVICES.

"(a) IN GENERAL.—A person engaged in the trade or business of putting sitters in touch with individuals who wish to employ them shall not be treated, for purposes of this chapter, as the employer of such sitters (and such sitters shall not be treated as employees of such person) if such person does not pay or receive the salary or wages of the sitters and is compensated by the sitters or the persons who employ them on a fee basis.

"(b) DEFINITIONS.—For purposes of this section, the term 'sitters' means individuals who furnish personal attendance, companionship, or household care services to children or to individuals who are elderly or disabled.

"(c) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) The table of sections for such chapter is amended by adding at the end thereof the following new item:

"Sec. 3506. Individuals providing companion sitting placement services."

Mr. ALLEN. Mr. President, this amendment was adopted by the Senate on the tax bill, dropped in conference, and I have been waiting for an opportunity to offer it to a bill. I have been persuaded on other bills from offering an amendment, but since this is a bill for miscellaneous amendments, I have no hesitancy in offering it. All it does is to provide—I will just read it:

That a person engaged in a trade or business of putting sitters—

that is baby sitters or sitters for the elderly—

in touch with individuals—

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. Will the Senators who are conversing kindly withdraw to the cloakroom?

Mr. ALLEN. "A person engaged in the trade or business of putting sitters in touch with individuals who wish to employ them shall not be treated for purposes of this chapter, as the employer of such sitters, and such sitters shall not be treated as employees of such person if such person does not pay or receive the salary or wages of the sitters and is compensated by the sitters or the persons who employ them on a fee basis."

In other words, the agency putting people in touch with babysitters who receive their compensation from the person employing them, money does not go through the hands of the agency. This is a small, independent business, elderly people, ladies engaged in this as a sideline and they should not be required to see that the money runs through them and that withholding is made.

That is all this does. It does not affect the tax liabilities there on the person rendering the service. It does not just misplace the tax liability, and I hope the Senate will agree to it.

The PRESIDING OFFICER. Is there objection?

Mr. HASKELL. Mr. President, I think this might be the camel's nose under the tent building up to what is the Christmas season. Although this particular amendment probably is not too bad, and it is hard perhaps to be rough on people who hire babysitters for the elderly. Nevertheless, it does not seem to me that this is a good time to rewrite the tax bill on which we spent several months.

When the Senator from Alabama is through discussing his amendment—and I do not want to cut him off—I will make a motion to table the amendment.

Mr. ALLEN. Well, I approve the Senator's making the motion, and I call for the yeas and nays.

Mr. HASKELL. I did not make the motion.

I would like to ask the Senator from Alabama one question.

Mr. ALLEN. The Senator has made a motion to table, and I assume it is not debatable. I call for the yeas and nays.

Mr. HASKELL. Mr. President, I did not make a motion to table. I said I would after the Senator from Alabama had finished talking. I gave him that courtesy. Am I correct?

Mr. ALLEN. The Senator will ask his question then.

Mr. HASKELL. Did I make a motion to table?

The PRESIDING OFFICER. The Senator has not yet made a motion to table.

Mr. HASKELL. I wonder if it would be possible for me then to ask a question of the Senator from Alabama. Does this cost any money, Senator?

Mr. ALLEN. Sir?

Mr. HASKELL. Does this cost any money? Does this call for a tax expenditure of funds?

Mr. ALLEN. I submitted it to Dr. Larry Woodworth at the time of the bill and he said the tax loss should be negligible because of persons who earned the services will still be liable for the tax.

I might say to the distinguished Senator that those who are engaged in babysitting services, those who perform this type of service, are not high-income people. In all likelihood they would earn no more than would be offset by the exemptions and the income allowance they have. So I do not think there would be any appreciable loss to the Treasury.

It does prevent, it would prevent, a lady who is engaged in this type of service from requiring that the little fee for this service be run through her little agency and that she withhold the money. It is just an unnecessary burden on small agencies of this sort.

I have been requested by ladies and disabled people who are running this type of agency to offer this amendment. I hope the Senator will not move to table.

Mr. HASKELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HASKELL. If an individual is employed, my recollection shows there is a 5.85 percent tax paid by the employer, 5.85 percent paid by the employee. If a person is self-employed the payment of social security tax is only 7.9 percent.

There is obviously some loss in revenue.

I would ask, Mr. President, under those circumstances is not the distinguished Senator's amendment subject to a point of order under the budget resolution?

The PRESIDING OFFICER. Since the Senate is under the revenue estimates at present, any provision or amendment which would further reduce revenue would be subject to a point of order.

Mr. HASKELL. I would then make the point of order, Mr. President.

Mr. ALLEN. Very well. I think the Senator is being highly technical. There is no indication that there is any revenue loss at all because these people are not employees of the agency. They are not collecting now. They are not collecting this fee now and remitting it, so there is no loss to the Treasury.

I would appeal the ruling of the Chair.

Mr. DURKIN. I ask for the yeas and nays.

Mr. HASKELL. Mr. President, I raised a point of order.

Mr. ALLEN. I will state if this point of order is sustained there will be no more bills passed in this Senate tonight.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Chair has not yet announced the ruling on the point of order. The Chair, in his discretion, will indulge in some debate on this point of order.

Mr. ALLEN. I appeal to the point of order.

Mr. HASKELL. Is the Chair asking for debate?

Mr. DURKIN. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. The Chair has not yet ruled on the point of order.

Mr. LONG. Mr. President, I hope that Senators will permit us to dispose of this amendment on its merits. I personally favor the amendment. I favor it on its merits.

However, this is an amendment that we, in all sincerity, tried to persuade the House to accept, and the House would not accept the amendment.

Now, the House feels that a study should be made of this. They agree there is merit to it, but that a study should be made of just who is self-employed and who is not self-employed, and they expect to act on this the next year.

Now, under those circumstances, I hope that Senators would permit—the revenue loss is negligible. The Budget Committee has agreed more or less tentatively, and they have been abiding by a rule that where something had a negligible revenue loss, and this does, that they would not make the point of order with regard to an amendment of that sort.

I personally would hope that the amendment would not be added to the bill for the reason that the House will not let the amendment become law, and it would impede the other amendments which have been added which I think the House would permit to be enacted.

Therefore, Mr. President, I hope the Senate would not agree to the amendment in view of the fact that it cannot become law at this time. I would assure the Senator that he will have my very best efforts to make his amendment law when we meet next year. I would hope that this would be disposed of on its merits and that it would not be disposed of on a point of order. I would hope the Senator would withhold his motion.

The PRESIDING OFFICER. The Senate will be in order. Maintain relative quiet, please.

The Senator from Colorado.

Mr. HASKELL. Mr. President, in reply to the distinguished Senator from Louisiana, I have quite a few amendments that I think are meritorious. It may well be that the amendment of the Senator from Alabama is meritorious. However, I have not offered my amendments, which I think have a great deal of merit. In fact, I know they have. I would do so if amendments are added to any of these bills. I agree that perhaps the revenue loss is de minimis. If the Senator from Alabama would modify his amendment to make a study of the whole problem of self-employment, I certainly would go along with it. But unless he would do that, I intend to raise the point of order because I think if we have the rule it probably should apply across the board.

The PRESIDING OFFICER. Does the Senator press his point of order?

Mr. HASKELL. I do, Mr. President.

Mr. DURKIN. The yeas and nays, Mr. President.

The PRESIDING OFFICER. Will the Senator wait until the Chair announces his ruling?

Although the revenue loss is negligible, since there is a revenue loss under section 311(a) of the Budget Act, the point of order is well taken.

Mr. HASKELL. I thank the Chair.

Mr. ALLEN. I appeal the ruling of the Chair, Mr. President.

Mr. DURKIN. I ask for the yeas and nays.

Mr. HASKELL. I move to table the appeal.

Mr. ABOUREZK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that my right to the floor be protected.

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays have been ordered on the appeal and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. Will Senators clear the well? Will Senators who have already voted please clear the well? The clerk will suspend.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from Georgia (Mr. TALMADGE), the Senator from California (Mr. TUNNEY), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL) the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM A. SCOTT) is absent on official business.

The result was announced—yeas 28, nays 29, as follows:

[Rollcall Vote No. 695 Leg.]

YEAS—28

Baker
Bayh
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Culver
Eagleton
Hart, Gary
Hartke
Haskell
Hathaway
Humphrey
Jackson
Johnston
Leahy
Magnuson
McClellan
Metcalf
Moss
Nunn
Proxmire
Stevenson
Stone
Williams

NAYS—29

Abourezk
Allen
Bartlett
Bumpers
Curtis
Durkin
Fannin
Ford
Garn
Griffin
Hansen
Hatfield
Helms
Hollings
Hruska
Javits
Long
McClure
Morgan
Packwood
Percy
Randolph
Schweiker
Scott, Hugh
Sparkman
Stevens
Thurmond
Tower
Young

NOT VOTING—43

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Byrd,
Harry F., Jr.
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Gravel
Hart, Philip A.
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Ribicoff
Roth
Scott,
William L.
Stafford
Stennis
Symington
Taft
Talmadge
Tunney
Weicker

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question now recurs, shall the decision of the Chair stand as the judgment of the Senate?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, the failure of the motion to lay on the table, and the possibility of the appeal to overrule the Chair carrying, carries with it another principle that I think not many Senators have thought about, and that is that if we agree to Senator ALLEN's motion to overrule the Chair, we will have written a new rule in the Senate, which would say that we do not need to pay any attention to budget matters when we are offering amendments on the floor.

Several Senators addressed the Chair.

Mr. ABOUREZK. Just a minute; I do not yield, Mr. President.

The PRESIDING OFFICER. The Senator does not yet yield.

Several Senators addressed the Chair.

Mr. ABOUREZK. Mr. President, I do not yet yield. I want to maintain the floor for just a minute. I will yield after I am done.

What I wanted to suggest, before the interruptions here, was that perhaps the entire point of order ought to be withdrawn by agreement of Senators. I do not think we want to write a rule in that regard; I think it would be very dangerous to do so.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, I have been trying to get recognition to plead with Senators. I know how these things go. It is my feeling that when one feels very strongly about his bill and we have reached the adjournment night, it is better to go along with the person and accommodate him if we can, for the benefit of all concerned.

The Senator made the statement that he would feel compelled to resist anything passing tonight if his amendment is to be denied the right of a decision on its merits.

Mr. President, I believe the Senator knows what I know. That amendment is something that cannot become law. Generally speaking, we have tended to agree that where there is a small revenue loss we would not make a point of order, and I simply submit that we ought to let this issue be decided on its merit. We should let the Senate vote up or down because that amendment cannot become law anyway because the House of Representatives already had a chance to take it and adamantly refused to accept it. They indicated that they are willing to study it. They think there is merit to the idea. They think we ought to legislate but on a broader basis. They do not want to legislate piecemeal in the area. The House will not take the amendment. I know. I have been over there struggling with those House conferees on this very issue.

If the Senator wants to offer his amendment and have a vote on it, I plead with the Senate to let him have the vote on the merits. Let us get on and accommodate one another to the extent we can. As a practical matter, when we agreed to adjourn this evening, we are operating by unanimous consent from now until midnight tonight. As a practical matter, that is where it stands. So I plead with Senators to let us try to humor one another and accommodate one another and do what we can do because we are more or less operating by unanimous consent.

If anyone feels he is being done a grave injustice and decides for that reason that he is not going to let anything else happen here, he is in position to do exactly that. We have some good bills and conference reports, and some other fine work that can be done. I plead with Senators: Let us try to accommodate one another and go the extra mile for one another here tonight. Let us get whatever good work done we can.

Mr. ALLEN. Mr. President, it seems passing strange to the Senator from Alabama that the Chair in one instance would rule that an amendment calling for the outlay in positive dollars of $125 million was not subject to budget restrictions or did not violate budget restriction, whereas, when the Senator from Alabama offers an amendment that may have no budgetary impact, it merely defines who are employers and who are employees, and it is not a revenue measure in that sense because all it does is to define the situation as to the parties, I hope that the Chair will reverse his ruling because I feel like he has erred in the ruling.

The PRESIDING OFFICER. The Chair would like to reverse his ruling but the Chair states, according to the Budget Committee figures, the Senate is under the outlay ceiling and budget authority ceiling but is over and therefore in deficit on the revenue side.

The Senator from Louisiana.

Mr. LONG. Mr. President, might I make this point to the Senator? I would like the Senator from Alabama to hear what I am getting ready to say: When Mr. Javits was told that this amendment was out of order, he asked that the matter be laid aside temporarily or suggested the absence of a quorum. He went down and modified his amendment to move the date forward and, with the date moved forward, it was not subject to a point of order. I would be happy to send someone down to the desk to modify his amendment in the same fashion, simply move the date forward, and it would not be subject to a point of order, and I would urge the Senator to do that.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I yield and then wish to make a parliamentary inquiry.

Mr. CURTIS. Mr. President, I think that the Chair was in error. There was no revenue involved. The amendment of the Senator from Alabama would have continued the status quo. There would be no drop in revenue, not a penny, not a mill.

Furthermore, this whole problem of who is an independent contractor, and who is an employer or employee was brought before the Finance Committee. It was so complicated that we could not handle it in this bill. The committee wrote into the tax bill a provision for a study and carried with it a finding in the committee report that the IRS was to hold the status quo.

And the IRS is not attempting to collect additional revenue on this. I do not think the Senator's amendment is necessary. But there is not 1 cent of loss of revenue and no one can establish it.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senators kindly take their seats?

Senators will kindly take their seats.

The staff members will kindly take their seats.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, the Senate has made excellent progress this afternoon, and well into the evening. The rivers and harbors bill is still out. As I understand it from our Senate conferees, there is a good possibility that we will have a bill tonight.

Mr. RANDOLPH. I say to the able acting majority leader, we have just signed an agreement with the House. The conference has concluded, and we must act here prior to the action in the House of Representatives. There are about 40 States in which there are projects that are not in controversy. The user charges are not in the compromise.

Mr. ROBERT C. BYRD. Yes.

Mr. RANDOLPH. Also locks and dam 26 is not in the compromise.

Mr. ROBERT C. BYRD. Senators have heard my distinguished colleague. There is a bill that is important to Senators from all the States, or at least 40 of them, and I think there is a chance that we can get that bill through tonight. There are other very important measures I would hope that we could enact: The Bretton Woods agreement, a very important measure; the extension of the Renegotiation Act. There is the ERDA conference report.

And now we are confronted with a situation in which my distinguished friend from Alabama has stated that no more legislation will be enacted tonight if the appeal is not sustained and the Chair thus overruled.

I, and I am sure the Senator from Alabama, or any other Senator, not only the Senator from Alabama, if he so wishes, if he gets the floor tonight, can prevent this Senate from enacting any more legislation. And this is a pretty heavy responsibility for any Senator to have to bear.

But my distinguished friend has made the statement, and he is a reasonable man, and I have made statements in the past that I regretted afterwards, and I believe that the Senator, being a reasonable man, would not push the Senate that far. But rather than ask the Senator to recant, and I voted against him on this, I ask the Senator from Colorado to withdraw his appeal from the ruling of the Chair.

Mr. ALLEN. He did not make an appeal. He made a point of order.

Mr. ROBERT C. BYRD. Withdraw the point of order. I think the Chair was right, and I support the Chair. But I do wish to see the Senate get on tonight and complete some other business. And I think that the Senator from Louisiana (Mr. LONG) has made the argument that is incontrovertible. I do not see why we tie ourselves up in knots on this issue and block all efforts or all further legislation tonight when we have 2½ hours if we can continue to work at least; and we are going so strong and everyone is in a good humor.

I will ask the distinguished Senator from Colorado if he will withdraw his point of order.

Mr. HASKELL. Mr. President, I say to the distinguished acting leader, we are, of course, all reasonable men. There is no question about that. I do find it somewhat extraordinary that when the Chair, who has the authority to rule, makes a ruling; and then when it is stated that if the Chair, who is an authority in a parliamentary sense, is upheld, the Senate is not going to transact business. I had assumed that we were operating under laws, but that would seem not to be the case.

On the other hand, since we are all reasonable men, I reluctantly withdraw the point of order I made.

I point out in doing so that if we have a budget process, we had better have a budget process. The estimate of loss of revenue on this amendment of the distinguished Senator from Alabama, is not staggering, but it is fairly substantial. It is $3 million to $5 million.

If we get into the principle of having de minimus violations of the budget law, I wonder where we end. I hope this is something we all consider.

However, Mr. President, in view of the request of the acting majority leader, I withdraw the point of order and I move to table the amendment of the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, the point of order is withdrawn.

Mr. HASKELL. I ask for the yeas and nays.

Mr. ALLEN. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The Senator from Alabama withdraws the amendment.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Colorado and the distinguished Senator from Alabama (Mr. ALLEN), both of whom are reasonable men. (Laughter.)

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamp on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes."

ACCOUNTING AND AUDITING ACT OF 1950

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Montana (Mr. METCALF).

Mr. METCALF. Mr. President, H.R. 8948 was reported by the Committee on Government Operations. Amendments offered by the distinguished Senator from Illinois (Mr. PERCY) were written into the House bill instead of the Senate bill or the Senate bill instead of the House bill.

I now move to reconsider the Senate's action on H.R. 8948.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. METCALF. Mr. President, I ask unanimous consent to vacate the action by which this bill was passed yesterday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. I ask unanimous consent to withdraw the committee amendment which was adopted yesterday.

The PRESIDING OFFICER. Without objection, the third reading and action on the committee amendment are vacated.

Mr. METCALF. I call up the corrected committee amendment, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. METCALF. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

COMPROMISE AMENDMENT TO H.R. 8948

On page 2, line 4, strike out the word "Tobacco," and insert in lieu thereof the word "Tobacco".

On page 2, strike lines 12 through 20 and insert in lieu thereof the following:

"(A) shall, to the extent provided by, and subject to the requirements imposed by, section 6103 of such Code but notwithstanding the provisions of any other law, have access to returns and return information (as defined by section 6103 (b) of such Code); and"

On page 2, line 21, strike the word "shall" and insert in lieu thereof the following: "shall, notwithstanding the provisions of any other law,".

On page 3, line 1, strike out the word "Tobacco," and insert in lieu thereof the word "Tobacco".

On page 3, strike all from line 3 through and including line 22 on page 3 and insert in lieu thereof the following:

"*Provided*, That no officer or employee of the General Accounting Office shall, except as otherwise expressly provided by law, divulge or make known in any manner whatever to any person, other than another officer or employee of such office whose official duties or responsibilities require such disclosure, any information described in clause (B) in a form which can be associated with, or otherwise identify, directly or indirectly, a particular taxpayer. Any such officer or employee who makes a disclosure in violation of this proviso shall be subject to the penalties provided by law."

On page 3, strike lines 23 and strike lines 1 and 2 on page 4 and insert in lieu thereof the following:

(3) The Comptroller General shall, from time to time, but not less often than once every 6 months, designate in writing the name and title of each officer and employee of the General Accounting Office who, pursuant to the provisions of paragraph (2) of this subsection, is to have access to tax returns and tax return information, or any information described in clause (B) of such paragraph (2), in a form which can be associated with or otherwise identify, directly or indirectly, a particular taxpayer. Each such written designation, or a certified copy thereof, promptly shall be delivered to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, the Joint Committee on Taxation, the Government Operations Committees of the House of Representatives and the Senate, the Commissioner of Internal Revenue, and the Director of the Bureau of Alcohol, Tobacco and Firearms.

(4) The Comptroller General shall, as frequently as may be practicable, make reports to the Congress on the results of audit work performed. In addition, the Comptroller General shall submit an annual written report to the committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, the Joint Committee on Taxation, and the Government Operations Committee of the House of Representatives and the Senate which report shall include, but shall not be limited to, the following:

(A) The procedures and requirements which the General Accounting Office, the Internal Revenue Service, and the Bureau of Alcohol, Tobacco and Firearms have established for protecting the confidentiality of tax returns and tax return information made available to the Comptroller General under this subsection;

(B) The scope and subject matter of any audit or other examination or review authorized under paragraph (1) of this subsection; and

(C) Any findings, conclusions, or recommendations developed by the Comptroller General as a result of any audit or other examination or review authorized under paragraph (1) of this subsection including any significant evidence of inefficiency or mismanagement.

The PRESIDING OFFICER. The question is the agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time, and passed.

The title was amended so as to read as follows: "An Act to amend the Accounting and Auditing Act of 1950 to provide for the audit, by the Comptroller General, of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco, and Firearms."

LOTTERY EXEMPTIONS

Mr. ROBERT C. BYRD. Mr. President, I yield 1 minute to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, on June 16, 1975, the House passed H.R. 1607. That bill was later reported to the Senate and passed the Senate on February 5, 1976.

The distinguished Senator from Kansas (Mr. DOLE) entered a motion to reconsider.

I ask unanimous consent that the motion for reconsideration made by the distinguished Senator from Kansas (Mr. DOLE) with respect to H.R. 1607 be withdrawn.

I may say, Mr. President, that I understand this has been cleared on both sides.

Mr. GRIFFIN. I confirm that it has been approved by Senator DOLE.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Illinois 2 minutes, then I yield to the Senator from Nevada.

FEDERAL RECORDS MANAGEMENT AMENDMENTS OF 1976

Mr. PERCY. Mr. President, Tuesday evening the Senate passed H.R. 13828, the Federal Records Management Amendments of 1976. During Senate committee consideration of this bill, I added an amendment to protect the privacy of records that would be inspected by the Administrator of GSA. Subsequent to committee approval, the GSA and House Government Operations Committee made some suggestions about the wording of that amendment which I found highly desirable to clarify the intent of the amendment.

I had intended to offer new amendatory language on the floor at the time of Senate consideration of this bill but unfortunately I was not on the floor when the bill passed.

I ask unanimous consent that final passage and third reading of H.R. 13828 be vacated and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 538

Mr. PERCY. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The second assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an unprinted amendment number 538.

Mr. PERCY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

AMENDMENT TO SECTION 2906

Strike out the entire section and insert in lieu thereof the following:

§ 2906. Inspection of agency records

"(a)(1) In carrying out his duties and responsibilities under this chapter, the Administrator of General Services or his designee may inspect the records or the records management practices and programs of any Federal agency solely for the purpose of rendering recommendations for the improvement of records management practices and programs. Officers and employees of such agencies shall cooperate fully in such inspections, subject to the provisions of paragraphs (2) and (3) of this subsection.

"(2) Records, the use of which is restricted by law or for reasons of national security or the public interest, shall be inspected, in accordance with regulations promulgated by the Administrator, subject to the approval of the head of the agency concerned or of the President.

"(3) If the Administrator or his designee inspects a record, as provided in this subsection, which is contained in a system of records which is subject to section 552a of title 5, such record shall be—

"(A) maintained by the Administrator or his designee as a record contained in a system of records; or

"(B) deemed to be a record contained in a system of records for purposes of subsections (b), (c), and (i) of section 552a of title 5.

"(b) In conducting the inspection of agency records provided for in subsection (a) of this section, the Administrator or his designee shall, in addition to complying with the provisions of law cited in subsection (a)(3), comply with all other Federal laws and be subject to the sanctions provided therein.

Mr. PERCY. Mr. President, the bill before us today (H.R. 13828) is an overdue attempt to deal with the increasing problem of Federal records management. It is clear that we must deal more efficiently and effectively with the problem of Federal paperwork and Federal records management. If enacted, this legislation could result in significant cost savings to the Federal Government.

The bill clearly defines the concepts involved in records management and establishes objectives for the records management program to accomplish. The objectives laid out include to produce more accurate and complete records; to improve quality control; to prevent the creation of unnecessary records and to simplify records creation and maintenance.

The Administrator of the General Services Administration is given clear authority over records management in the Federal Government and he is given the responsibility to do the following:

First. Provide guidance to all other Federal agencies on records creation, maintenance, and use, and disposition.

Second. Promulgate standards and procedures with respect to records management.

Third. Conduct research and serve as a clearinghouse for records management information.

Fourth. Direct the attention of Federal agencies and Congress to the burden created by unnecessary paperwork.

Fifth. Conduct records management studies and, at his discretion, designate heads of executive agencies to conduct such studies.

Sixth. Conduct inspections or studies reviewing the programs of various Federal agencies to see the relationship among them on records management.

Seventh. Report annually to OMB and Congress on the progress being made.

In reviewing this bill in the Government Operations Committee, I was disturbed by the language of one provision of the bill. To carry out his responsibilities, the Administrator of GSA is given the right to carry out inspections of the records of any Federal agency. The exact language in the bill as passed by the House reads as follows:

The Administrator of General Services or his designee may inspect the records of any Federal agency and make inspections of the records management practices and programs in such agencies. Officials and employees of such agencies shall give him full cooperation in such inspections. Records, the use of which is restricted by law or for reasons of national security or the public interest, shall be inspected, in accordance with regulations promulgated by the Administrator, subject to the approval of the head of the agency concerned or of the President.

I felt that this language would allow the Administrator or his designee the authority to inspect any records of any Federal agency as well as their records management programs. Even records restricted by law for national security or other reasons could be inspected subject to the approval of the head of the other agency or of the President.

I was concerned that the bill would grant the Administrator of GSA the right to inspect freely the most private and sensitive records of the Federal Government including national security records, census records, tax returns, criminal records, military service records and so forth. I felt that the authority given to the Administrator was a far too unrestricted grant of authority.

Therefore, in the Senate Government Operations Committee, I proposed an amendment which was adopted to restrict the authority of the Administrator to inspect Federal records and which further restricted the uses to which any information obtained in such inspections could be put.

The amendment, approved by the committee by voice vote, would clarify that the GSA's purpose in inspecting agency records was for the sole purpose of records management practices and programs. Information obtained from any such inspection shall, where practicable, be destroyed or returned to such agency or to the person from whom such records were obtained. Any knowing and willful disclosure of personal information which would constitute a clearly unwarranted invasion of personal privacy or the use of any information obtained pursuant to section 2906 by a GSA official for any purpose other than for the inspection of records management practices or programs would constitute a misdemeanor and a fine of not more than $5,000.

Subsequent to committee approval, GSA raised some objections about the wording of the amendment as GSA felt the language of the amendment imposed restrictions on GSA far broader than the comparable prohibition against disclosure of personally identifiable records contained in the Privacy Act. Mr. President, I ask unanimous consent that a statement from GSA describing its position with respect to the amendment be printed at this point in the RECORD.

As a result of this GSA concern, representatives of GSA and the Senate and House Government Operations Committee met several times to try to obtain mutually agreed upon language to protect the confidentiality of information contained in records that GSA inspected. Based upon those meetings, I am today offering new language dealing with protection of information contained in records. This new language is agreed to by GSA and the Senate and House Government Operations Committees. The language clearly provides the protections and sanctions of the Privacy Act to the inspection and use of any records looked at by GSA in the course of records management studies.

Section 2906 permits the Administrator of General Services or his designee, in carrying out his duties and responsibilities under chapter 29 of title 44, to inspect the records or records management practices and programs of any Federal agency. Such inspections shall be solely for the purpose of rendering recommendations for the improvement of records management practices and programs.

Section 2906, as amended, assures that the Administrator or his designee would have the authority to inspect records in order to make recommendations for improving records management practices and programs. At the same time, the committee makes it very clear that protections contained in the Privacy Act of 1974 regarding the disclosure of personal information apply to such activities of GSA. The committee learned that other agencies have not been promulgating routine use regulations providing for GSA access and inspection. Rather, GSA inspectors have been regarded as employees of the agency that maintains the records. This is in violation of the Privacy Act and all future inspections should be conducted only pursuant to an appropriate routine use.

Subsection (2) requires the approval of the head of an agency or the President before GSA may inspect records, the use of which is restricted by law or for reasons of national security or the public interest. When access is approved to such records, the Administrator shall issue regulations to govern such inspections, subject to the approval of the agency head or the President.

Subsection (3) assures that the provisions of the Privacy Act of 1974 apply to any record contained in a system of records subject to that act and to which the Administrator or his designee has access under paragraphs (1) or (2). If the Administrator or his designee maintains such records in a system of records, the protections and sanctions of the Privacy Act shall apply in full. If the Administrator or his designee do not maintain records in a system of records, this section still requires that provisions of the Privacy Act in subsections (b), (c), and (i), dealing with disclosure, recording of access, and criminal sanctions, shall apply.

GSA advises the committee that in 99 percent of the agency inspections, no records, or personal information from those records would be removed from the agency. In those instances in which GSA should remove such records or information, this subsection requires the Administrator to maintain them in a system of records from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual; or if the information is not maintained in such a manner, the provisions of the Privacy Act dealing with disclosure, recording of access and criminal sanctions shall nevertheless apply.

Subsection (b) provides that all Federal laws and sanctions provided therein shall apply to the Administrator or his designee in conducting inspections for agency records as provided for in subsection (a).

Mr. President, I hope that my colleagues will accept this new language as I believe it provides strong privacy protections but eliminates some of the problems contained in the committee approved amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time, and passed.

MORE REALISTIC BAIL FOR MAJOR NARCOTICS OFFENDERS

Mr. PERCY. Mr. President, on behalf of Senator NUNN and myself, I am today introducing a Senate resolution, and ask unanimous consent for its immediate consideration. This measure has been approved by Senator EASTLAND and Senator HRUSKA.

The PRESIDING OFFICER. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 578) urging Federal judges to set more realistic bail for major narcotics law offenders.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection the Senate proceeded to consider the resolution.

Mr. PERCY. Mr. President, this resolution calls on the Federal Judiciary to do all in its power to insure the presence of drug law violators for trial and, if convicted, for sentencing and incarceration. Specifically, it calls on Federal judges to exercise with great care their discretionary authority to set bail and appeals bonds under the Bail Reform Act of 1966 in order to prevent drug law violators, major traffickers especially, from becoming fugitives.

I am delighted that Senator NUNN has joined me in sponsoring this resolution. Senator NUNN serves as acting chairman of the Permanent Subcommittee on Investigations which has been undertaking oversight hearings of the Federal drug law enforcement effort. He has had a long-standing interest in the problems of drug abuse and has been particularly concerned with the matters addressed in this resolution.

At recent hearings on the efficiency and effectiveness of Federal drug law enforcement held by the Permanent Subcommittee on Investigations, on which I serve as ranking minority member, Peter B. Bensinger, the Administrator of the Drug Enforcement Administration—DEA—testified that there are currently over 1,000 drug law violators who, having been arrested and indicted, have forfeited their bail or appeals bonds and fled the jurisdiction of the courts. Mr. Bensinger stressed the deleterious effect this has on the morale of those law enforcement agents engaged in the extraordinarily difficult task of attempting to eliminate the trafficking in illicit drugs. But even more important, the presence of so many fugitives at large who are free to resume their trade not only does not deter illegality but in fact encourages many to pursue a career in the high-profit world of narcotics trafficking.

The great majority of these bail and appeals bonds forfeitures have occurred in recent years. It is important that this dangerous trend be stopped and reversed if we are to see a decline in drug abuse and the serious crime with which it is associated. In 1975 alone the drug abuse problem in the United States is estimated to have cost $10.1 billion. In this regard, it should be noted that more than 100 of these fugitives are Class I violators—offenders who hold top positions in operating, organizing, or financing national and international drug traffic, who are the major suppliers of narcotics, heroin, within the United States, and who are extremely difficult to arrest, successfully try, and incarcerate.

Mr. President, in my view we must begin to take a more realistic view of the business of drug trafficking. We must realize that the profits of trafficking in illicit drugs are so high and those major dealers who are arrested often have access to such large sums of money that bail and appeals bonds have often been set at a level too low to assure the presence of drug law defendants for trials or incarceration.

There has been some progress in the antidrug efforts of DEA over the past year. This is in part due to the hard work and dedication of individual DEA agents and the leadership of Administrator Bensinger. But more needs to be done. Those arrested must be brought to trial. And those convicted must be sentenced and incarcerated. By adopting this resolution we can bring the problem of bail and appeals bonds forfeitures before the judiciary and the American people. I am hopeful that by taking this action the Senate can contribute, in no small way, toward assuring that justice is carried out in the context of major drug law violators.

By our action today, the judiciary can be made cognizant of the Senate's view of the disturbing facts I have just outlined and begin to move on the recommendations made in this resolution.

In closing, together with Senator Nunn, I join in expressing our deep appreciation to the distinguished chairman of the Senate Judiciary Committee, the senior Senator from Mississippi (Mr. Eastland), and to the wise and able ranking minority member, the senior Senator from Nebraska (Mr. Hruska). Their advice, assistance, and support in this effort has been invaluable.

Mr. President, I ask unanimous consent that a summary prepared by DEA of selected recent cases where drug law violators have become fugitives, be printed in the Record at the conclusion of my remarks. In addition, I ask that there be appended to my remarks two letters on this very matter, dated August 30, 1976, and September 3, 1976, sent by Senator Nunn and myself to the Chief Justice of the U.S. Supreme Court, Warren E. Burger, and to the Attorney General of the United States, Edward H. Levi. The letters bring the facts set forth in this resolution to their direct attention' and ask for their personal intercession in helping to remedy the problem.

Finally, I ask unanimous consent that two recent editorials on this subject, appearing in the August 31, 1976, edition of the Richmond Times-Dispatch and the August 6, 1976, edition of the Washington Star, be appended to my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

Recitation of Cases Involving Serious Offenses With Bail History

BAIL CASES

District of Maryland—1972

Eddie Tucker was involved in the distribution of kilo quantities of heroin in New York, Georgia, Baltimore, Louisiana and Virginia. At the time of his arrest, bond was set at $250,000. This was subsequently reduced to $50,000. Tucker, after posting bond, fled. Tucker was subsequently discovered, arrested, and convicted. At the request of the Court, DEA conducted a survey to determine the cost of Tucker's recapture. The survey determined that cost to be $38,558.00.

District of Columbia—1975

Ralph Thacker, who had a prior heroin conviction, was arrested after three sales to an agent of one-fourth ounce of heroin. A personal recognizance bond was set. At the time of trial the defendant fled and is now a fugitive.

District of Columbia—1975

Jose Mayorca, a Venezuelan national with diplomatic immunity, was employed as a clerk by the Venezuelan Embassy in Washington, D.C. Undercover conversations with Mayorca indicated that he was capable of supplying large quantities of high quality cocaine. Undercover agents purchased from Mayorca on two occasions a total of two ounces of cocaine for $3,000. Upon learning of his diplomatic immunity, DEA and the Department of State consulted with the Venezuelan Embassy and Venezuelan officials in Caracas, and, as a result, the Venezuelan ambassador revoked Mayorca's diplomatic immunity. The investigation was thereafter pursued as a routine domestic investigation. Mayorca was arrested on March 11, 1975, and was released on personal recognizance bond, based on no prior criminal record, over the objections of the U.S. Attorney's Office and DEA. Mayorca subsequently fled the country and is presently a fugitive.

Eastern District of Louisiana—1974

The defendant was arrested as a cocaine trafficker and a $25,000 surety bond was set. He was convicted and sentenced to twelve years in prison, but remained free on bail pending appeal. Two months after his conviction, he was again arrested by DEA and charged with the possession of 24.2 grams of heroin, and conspiracy to distribute one pound of heroin. He is now in jail.

Southern District of Florida—1975

Gabriel Londono was arrested and charged with selling an undercover agent 380 grams of cocaine. At his arrest, 3441.2 grams of cocaine were also seized. Bail was set at $100,000 surety which the defendant furnished in two weeks. He is now a fugitive.

Southern District of Florida—1974

Victor Ramirez Martinez and Guillermo Alfonso Rendo were arrested in connection with the seizure of 1,760 grams of cocaine. Personal recognizance bonds of $25,000 each were set. Both defendants are now fugitives.

Southern District of Florida—1975

Alba Rocio Gaviria-Vasquez, a Colombian citizen, was arrested at Miami International Airport and charged with smuggling 1,572 grams of cocaine. A surety bond of $25,000 was set. Two months later the bond was posted and the defendant released. She thereafter became a fugitive and is believed to be in South America.

Southern District of Florida—1975

Fernando Hurtad-Ortiz, a Colombian citizen, was arrested and charged with smuggling 78 grams of cocaine. Personal recognizance bond of $10,000 was set and the defendant released. He is now a fugitive.

Southern District of Florida—1975

Barbara Gaston and Charles Gray were arrested at the Miami International Airport for smuggling 13½ pounds of pure Asian heroin. Initial bond was set at $500,000 surety bond, for each defendant. Bond was later reduced to $100,000 surety bond each despite the following facts:

1. At the time of their arrest, each defendant possessed false identification;
2. They were operating a smuggling conspiracy bringing in 35–40 kilos of Asian heroin per month;
3. They had access to Swiss bank accounts of several million dollars;
4. One defendant was under a murder indictment in Southern California, and both were under other Federal narcotic indictments in California;
5. They were extensive international travelers. Both defendants posted the surety bonds by paying a $10,000 premium.

Both are now fugitives, and have since withdrawn $400,000 from their Swiss bank accounts.

District of Massachusetts—1976

In February 1976, the defendant Monte Perkins, a Class II violator, was arrested and charged in the sale of one ounce of heroin. The defendant had two prior Federal felony convictions involving drugs. Bail of $100,000 was requested. Bail of $10,000 was set. Trial is pending.

Eastern District of Michigan—1975

The defendant Raymundo Guzman, a Class II violator, sold two pounds of heroin to DEA undercover agents. After arrest, bond was set at $25,000. While in jail, Guzman told his cell-mate that after he was released, he intended to flee. This was made known to the Court. Bail was thereafter reduced to a $10,000–10% bond, which Guzman posted. He is now a fugitive.

Southern District of Texas—1975

Carlos G. Ozuna, after being found guilty of conspiracy to possess heroin with intent to distribute, was continued free under a $50,000 surety bond. In February 1976, he failed to appear for sentencing and has been a fugitive since then.

Southern District of Texas—1975

Romulo Martinez-Vidarri was arrested for sale of approximately 22 ounces of heroin. Bond of $100,000 cash or surety was set in July 1975. In August 1975, this bond was reduced to $5,000, which the defendant posted. He is now a fugitive.

Southern District of Texas—1974

Jesus Garcia-Rivas and Jesus Lozano-Sanchez were arrested for conspiracy to distribute 18 ounces of heroin. Bail of $100,000 was set for each. This bond was reduced to $20,000 each, which was subsequently posted. Both have fled to Mexico.

Northern District of Illinois—1975

Louis Santos Lopez was arrested on February 13, 1975, for the sale of 810 grams of heroin. Bail was set at $12,000, which the defendant posted. On January 5, 1976, the case was called for trial and Lopez failed to appear. He has been a fugitive since that date.

Northern District of Illinois—1975

Maria Garcia & Humberto Marjorga were arrested for the sale of 1148 grams of heroin. A $25,000 personal recognizance bond was set for Garcia and Marjorga's bond was set at $20,000, of which $2,000 was posted. Garcia and Marjorga are fugitives, having failed to appear for the preliminary hearing in November, 1975.

Northern District of Illinois—1975

Miguel Angel Huerta and Pedro Vaca Aguirre were arrested for the sale of and possession of one kilo of heroin. Bonds of $25,000 and $50,000 were set, respectively. After posting bond, both defendants fled.

District of Colorado—1975

John Henry Wilburn became a fugitive in 1971 on a narcotic indictment after forfeiting a $7,500 bond. He then hid in Mexico, but was rearrested in 1975 in Colorado in possession of 283 grams of heroin, 396 grams of cocaine and $19,000 in cash. After being convicted on the 1971 charges and while awaiting trial on the 1975 violations, as well as his appeal, he was released on a $5,000 bond, which he immediately furnished. He is now a fugitive again.

District of Colorado—1975

Carlos Palomares, a long time fugitive in a Customs narcotics case, was eventually re-arrested in Arizona. Because of the death of the Government's witnesses, that case was dismissed. He was then indicted on a drug conspiracy in Colorado, and bail was set at $100,000. In May 1976, this was reduced to a $20,000 bond, which was furnished. He immediately fled to Mexico where he is believed to be still trafficking in heroin, cocaine and marihuana.

District of Arizona—1975

Socrates Gonzales-Sanchez and Armando Guzman-Diaz were arrested upon delivery of two pounds of heroin at Phoenix. Bail of $10,000 was set for each, which they posted. They have since returned to Mexico and are fugitives.

District of Arizona—1975

Douglas A. Larie imported white heroin from Thailand. At the time of his arrest, seven ounces of heroin were seized. Bail of $50,000 was reduced to $15,000, which was furnished. He is now a fugitive.

District of New Mexico—1975

Ramon Ilguin Herrera and three others were arrested in connection with sales and seizures of 1127 grams of heroin. Herrera was released on $25,000 bond and fled to Mexico.

Eastern District of New York—1974

This was a conspiracy case involving an actual seizure of 3 kilos of heroin and 5 kilos of cocaine in New York. One of the principals in this case, Daphne Swartz, an alien, was freed on $25,000 cash bail and is currently a fugitive.

Southern District of New York—1976

Two aliens, Hector Ramos Iribe and Villa-Villa Rosalba, were indicted in this case which involved more than 100 pounds of brown heroin, which was seized or purchased in New York and/or Los Angeles. Rosalba was released on $15,000 cash bail and Iribe was released on $250,000 security bail, which cost him $25,000 cash. Both these individuals are currently fugitives.

Southern District of New York—1975

Margarita and Freddie Moran-Loscano were arrested while attempting to smuggle 1 kilo of cocaine from Colombia. Both were released on personal bonds. Both are Ecuadorian citizens. Both are now fugitives.

Eastern District of New York—1975

Maria Hernandez-Pachero was arrested in possession of one-half pound of cocaine and was released on $25,000 bond. She is a Colombian national, has fled, and is now a fugitive.

Northern District of New York—1974

Dennis and Robert Paulsen were arrested in possession of 9 kilos of hashish. Each posted a ten percent bond on bail of $5,000 and $45,000 respectively, and both fled. One brother subsequently was arrested in Canada in possession of 7 kilos of hashish and the other brother was arrested in England in possession of 80 pounds of hashish.

Southern District of New York—1972

Vincent Soviero was indicted with four others in 1965 in a narcotics indictment. All but Soviero were arrested and convicted. Soviero remained at large for six years. In 1971, Soviero was arrested in New York. At the time of his arrest he attempted to bribe the arresting officers. Bail on the narcotics charge was set at $25,000 which he posted. This bail amount was part of the bribery scheme. After his release, he was rearrested while attempting to pay the $5,000 bribe to the BNDD agents, according to a prearranged BNDD plan. Soviero was then arraigned on bribery and possession of marihuana charges. Bail was then set at $75,000 over the Government's objections. This was reduced one week later to $50,000. Soviero was then charged with firearms violations and bail was set on those charges of $25,000, he posted both bonds and was released.

Two years later, while awaiting trial on the bribery and weapons charges, he was indicted in the Eastern District of New York in another narcotics conspiracy. Bail of $50,000 was set on this case. Soviero posted this bail and has since been a fugitive.

Senate Permanent Subcommittee
on Investigations,
Washington, D.C., August 30, 1976.

The Chief Justice,
Supreme Court of the United States,
Washington, D.C.

Dear Mr. Chief Justice: The Senate Permanent Subcommittee on Investigations has been holding a series of oversight hearings in recent weeks on the efficiency and effectiveness of the federal drug law enforcement effort. The Subcommittee has heard from a wide range of witnesses and has learned a great deal concerning the complexities of drug trafficking and the role that federal officials can properly play in stemming the flow of illicit drugs onto the Nation's streets. Some progress has been made during the past year. We have, however, also uncovered certain serious problems, some related to the federal judiciary, which are having a most deleterious effect on the efforts of the federal government in this field.

One of the issues brought before the Subcommittee has been the lack of adequate bail procedures to prevent large numbers of defendants in federal drug cases from fleeing the jurisdiction of the federal courts while awaiting trial or while an appeal is pending. Of the approximately 2,500 alleged violators the Drug Enforcement Administration has reported to the Subcommittee as never having been brought to trial, roughly 1,100 have been arrested but later did not appear at trial. DEA has informed the Subcommittee that approximately 900 of these individuals forfeited their bail by not appearing at trial, 111 forfeited their appeal bond after conviction, and the balance escaped from jails.

Two factors are particularly disturbing about these figures. First, of the 1,100 individuals who were arrested but who either forfeited bail or escaped, approximately 110 were Class I violators—federal drug law offenders of the most sophisticated and ruthless type.

Second, the great majority of forfeitures has occurred over the past several years. This trend toward ever-increasing numbers of alleged drug law violators fleeing the jurisdiction of the federal courts has been especially demoralizing to federal drug agents. Moreover, it has permitted many individuals not only to avoid justice but to continue to practice their vicious trade from outside the confines of the United States.

In brief, the nature of illicit drug trafficking is so fraught with danger and conspiracy and the profits are so high, that the amounts set for bail and appeals bonds too often are unrealistically low. Those plying the trade, especially major traffickers who are aware of the massive evidence against them, find it inviting to forfeit the sums now being set in order to avoid trial or certain incarceration.

We have decided that although it is late in the legislative year we should make every effort possible to highlight the abuse of the federal bail procedures by major drug traffickers. It is imperative that federal judges make every effort to ensure that all those arrested and indicted for serious drug law violations appear for trial and remain within the jurisdiction of the court while an appeal may be pending. We plan to introduce and pass a resolution in the Senate along these lines in the very near future in the hope that a firm expression of concern by the Senate will have some impact on the actions of federal judges in this regard. We would also welcome any ideas you may have on reforming federal bail procedures as well as your thoughts on this problem in general.

We wanted to take this opportunity to bring this matter to your direct attention in the hope that you will discuss it thoroughly with your fellow judges and with the American public before major forums. We have also written to Attorney General Levi concerning the problem and have requested that he actively raise it with the Judicial Conference of the United States and elsewhere so as to urge federal judges to do all in their power to ensure the appearance of federal drug law defendants at trial and in appeal. We are convinced that you and the Attorney General together could have a major impact on public thinking about this matter, as well as on the actions of federal judges. Only then can we hope to reverse the accelerating rate of those arrested who become fugitives from the law.

Sincerely,

Sam Nunn,
Acting Chairman.
Charles H. Percy,
Ranking Minority Member.

Senate Permanent Subcommittee on Investigations,
Washington, D.C., September 3, 1976.

Hon. Edward H. Levi,
Attorney General,
U.S. Department of Justice,
Washington, D.C.

Dear Mr. Attorney General: As you know, the Senate Permanent Subcommittee on Investigations has been holding a series of oversight hearings in recent weeks on the efficiency and effectiveness of the federal drug law enforcement effort. The Subcommittee has heard from a wide range of witnesses and has learned a great deal concerning the complexities of drug trafficking and the role that federal officials can properly play in stemming the flow of illicit drugs onto the Nation's streets.

Some progress has been made during the past year, in no small part due to your personal interest in the operation of the Agency. Efforts have been made to focus DEA's enforcement programs on high level violators, certain personnel changes have been instituted, and DEA morale appears to have been improved. At the same time, however, we have uncovered certain serious problems, some related to the federal judiciary, which are having a most deleterious effect on the efforts of the federal government in this field.

One of the issues brought before the Subcommittee has been the lack of adequate bail procedures to prevent large numbers of defendants in federal drug cases from fleeing the jurisdiction of the federal courts while awaiting trial or while an appeal is pending. Of the approximately 2,500 alleged violators the Drug Enforcement Administration has reported to the Subcommittee as never having been brought to trial, roughly 1,100 have been arrested but later did not appear at trial. DEA has informed the Subcommittee that approximately 900 of these individuals forfeited their bail by not appearing at trial, 111 forfeited their appeal bond after conviction, and the balance escaped from jails.

In brief, the nature of illicit drug trafficking is so fraught with danger and conspiracy and the profits are so high, that the amounts set for bail and appeals bonds too often are unrealistically low. Those plying the trade, especially major traffickers who are aware of the massive evidence against them, find it inviting to forfeit the sums now being set in order to avoid trial or certain incarceration.

We have decided that although it is late in the legislative year we should make every effort possible to highlight the abuse of the federal bail procedures by major drug traffickers. It is imperative that federal judges make every effort to ensure that all those arrested and indicted for serious drug law violations appear for trial and remain within the jurisdiction of the court while an appeal may be pending. We plan to introduce and pass a resolution in the Senate along these lines in the very near future in the hope that a firm expression of concern by the Senate will have some impact on the actions of federal judges in this regard. We would also welcome any ideas you may have on reforming federal bail procedures as well as your thoughts on this problem in general.

While this question was thoroughly discussed at the recent hearings, we do want to take this opportunity to bring the matter to your direct attention in the hope that you will raise it with the Judicial Conference of the United States and discuss it thoroughly with the American public before major forums. We have also written to the Chief Justice and have requested that he speak out on this question and urge federal judges to do all in their power to ensure the appearance of federal drug law defendants at trial and in appeal.

We are convinced that you and the Chief Justice together would have a major impact on public thinking about this matter, as well as on the actions of federal judges. Only then can we hope to reverse the accelerating rate of those arrested who become fugitives from the law.

Sincerely,

SAM NUNN,
Acting Chairman.
CHARLES H. PERCY,
Ranking Minority Member.

[From the Richmond Times-Dispatch, Aug. 31, 1976]

PERVERTED JUSTICE

If anyone wants to know why criminals are living high off the hog these days, one answer can be found in testimony given to a congressional committee recently by the administrator of the federal Drug Enforcement Administration.

In 1975, one out of every three persons sentenced in federal courts for narcotic offenses received probation and thus didn't spend any time in prison. Of those sent to prison, one-third received sentences of three years or less. This means that in 1975, more than half of all persons convicted in federal courts of distributing or selling narcotics were either back on the street immediately or were eligible for parole within a year.

"These statistics say that while the narcotic traffic may be recognized by the public as a serious offense, we are not willing to make sure that convicted offenders go to prison for it," Peter B. Bensinger told the congressional committee.

Listen to these examples of powder-puff handling of criminals who would destroy countless lives through encouragement of narcotics addiction:

Five Mexicans were arrested in Washington, D.C., for delivering 860 grams of heroin to undercover agents. One was released on $5,000 bail and is now a fugitive.

In Texas, two Mexicans were arrested for conspiracy to distribute heroin. They were released on $2,000 bail and both have now fled to Mexico.

In Texas, a Mexican was arrested for sale of two pounds of heroin. He escaped trial by merely disappearing when released on $5,000 bail.

Two Mexicans arrested in Chicago for selling more than half a pound of heroin walked out on personal recognizance bail and are now fugitives. It was the same story for another Mexican arrested in Chicago for selling 444 grams of heroin.

In Miami two persons were arrested at the airport for smuggling 13½ pounds of heroin. They each possessed false identification, they were known to be participating in a conspiracy bringing in large quantities of heroin from Asia each month, they had access to Swiss bank accounts of several million dollars, and one was under a murder indictment in Southern California. They were released after paying $10,000 each as premium for a surety bond, are now fugitives, and have withdrawn $400,000 from their Swiss bank accounts.

In Boston, two major drug violators, each carrying fully loaded weapons, were arrested for delivering 76 grams of heroin. One, who already was on parole for an earlier drug conviction, was sentenced to five years but gets weekend furloughs and is busy trafficking in drugs on those weekends. His co-conspirator got 36 months, but all but three months were suspended.

In New York, the first trial of a heroin dealer ended in a hung jury. The informant testified to the grand jury that the defendant had threatened to kill him. Before the second trial, the informant was murdered. The defendant was convicted on the drug charge in the second trial, got two years in prison and will be eligible for parole after serving eight months.

These are only a small number of the cases cited by the narcotics chief. He pointed out that other countries, which we have asked to cooperate with us in cutting down drug traffic into the United States, give far more severe penalties than we do for drug offenses. Singapore puts traffickers of 10 to 15 grams of heroin behind bars for a minimum of 20 years; for trafficking in more than 15 grams, the penalty is a mandatory death sentence. Mexico, Turkey and the countries of Southeast Asia deal far more harshly with drug offenders than does the United States.

"How can we ask these governments to continue to work as hard as they can to stop the flow of heroin from coming into the United States when we are unwilling to put the people who deal in it behind bars for any significant period of time?" Bensinger asked.

What has happened to the sense of justice in this country? By what warped standard do we tolerate, as Bensinger put it, a situation in which "the law-abiding citizen [is] a prisoner in his own home—with the bars and locks on his doors and windows, while the criminal is on the street?"

If we don't put teeth into our laws, into our courts, and into our whole system of justice, the criminals will complete their takeover of American society.

The exaggerated tolerance of criminal activity, the exaggerated concern over alleged "rights" of murderers, rapists, narcotics dealers and other assorted thugs, may destroy America if law-abiding people don't wake up.

[From the Washington Star, Aug. 6, 1976]

UNTIE THEIR HANDS

Peter Bensinger, administrator of the Drug Enforcement Administration at the Department of Justice, pointed up in testimony before the Senate the other day an irony of the U.S. approach to drug-control: We ask foreign governments to eradicate poppy fields and eliminate illegal exportation of heroin and morphine base to the United States; but when it comes to dealing with drug traffickers in our own country, we're inclined to administer little more than a slap on the wrist.

According to his testimony, through probation or short sentences more than half of those convicted of distributing narcotics in the U.S. during 1975 were either back on the streets immediately or were eligible to go back on the streets within a year.

Contrast this with penalties in some foreign countries that we pressure to stop the flow of drugs into the United States. In Singapore, traffickers of 10 to 15 grams of heroin are subject to a minimum sentence of 20 years, and of more than 15 grams to death. A new law in Indonesia provides life imprisonment or death for trafficking in heroin. Turkey and Mexico have far stronger sentences than the U.S.

Mr. Bensinger cited many examples of the light treatment drug traffickers receive in the United States. Two major traffickers were arrested in Chicago in 1974 after arranging the sale of heroin and cocaine to an undercover agent; one received a three-year sentence (eligible for parole after serving one year), and the other received six months (eligible for parole after serving two months).

In Baltimore, a major violator was sentenced to 15 years with all but six months suspended. In Boston, a major violator received a five-year sentence but receives weekend furloughs during which he still trafficks in drugs, according to police intelligence.

In Texas last year, a Mexican national was arrested after selling a large amount of heroin. His bail was set at $100,000 but reduced to $5,000 and he skipped town after posting it. A Mexican national arrested in Washington, D.C. for selling heroin had bail reduced from $25,000 to $5,000 and he currently is a fugitive, too. There are dozens of examples of defendants who found cheap bail a way to avoid prosecution and continue trafficking.

Mr. Bensinger testified at a hearing on legislation submitted by President Ford that would tighten bail requirements and require the imposition of mandatory three-year sentences for first offenders in hard drug trafficking and double that for second offenders. The President's bill also would use income tax laws to crack down on those who make enormous profits from illegal drug trafficking, and would increase the power of Customs agents to catch persons smugging ill-gotten money out of the country.

One other series of statistics from Mr. Bensinger: Out of every 100 major crimes in the United States, 50 go unreported. Out of the 50 reported, there are 20 arrests. Out of 20 persons arrested, 12 are indicted, 6 tried, 3 convicted and 1.5 sent to the penitentiary. That, said Mr. Bensinger, "is the criminal justice system as it exists today."

Is there any wonder why law enforcement officers complain that they are being asked to fight the battle against crime with one hand tied behind their backs?

How much longer will it be necessary for witnesses to parade before congressional committees carrying horror stories of thousands upon thousands of young minds and bodies broken by drugs every year before Congress enacts effective laws to take the easy profits out of drug selling and put the traffickers out of circulation?

The resolution was agreed to, as follows:

S. RES. 578

Resolved, Whereas the Congress of the United States has determined that drug abuse in the United States is a problem of increasing national concern and that immobilization of illicit drug traffickers is a matter of national priority;

Whereas the nature of illicit drug trafficking is so fraught with danger and conspiracy and the profits are so high that the amounts set for bail and appeals bonds are often too low to ensure the presence of drug law defendants at trial and, upon conviction, for sentencing and incarceration;

Whereas in recent years over 1,000 persons who had been arrested and released on bail by federal judges and magistrates subsequently fled the jurisdiction of federal authorities; approximately 900 of these fugitives fled before trial while over 100 failed to appear for sentencing and incarceration after having been convicted of felony drug offenses;

Whereas enormous time, resources, and energies are spent by federal drug agents, sometimes at great risk to their lives, to gather evidence sufficient to arrest those narcotics traffickers who flee the jurisdiction of federal authorities;

Whereas in view of the magnitude of such enforcement efforts and the ease by which major traffickers, to avoid certain incarceration, forfeit the too low sums now being set, the current situation is especially demoralizing and debilitating to the entire drug law enforcement effort; and

Whereas the Bail Reform Act of 1966 specifies that judicial officials shall impose conditions of release which will reasonably assure appearance of the accused for trial: Now therefore, be it

Resolved, that the Senate of the United States believes that it is an urgent and imperative function of the entire federal judiciary to prevent, so far as possible consistent with the eighth amendment, persons from becoming fugitives from controlled substances prosecutions.

SEC. 2. That the President of the United States, the Chief Justice of the United States, the Attorney General, and other high government officials charged with enforcing the law, bring to bear the authority and prestige of their positions to raise this important concern with various legislative and judicial committees, individual judges and magistrates, and the American people.

SEC. 3. That the judiciary of the United States, and in particular the United States District Courts and magistrates, make every effort, consistent with the Eighth amendment and within their discretionary authority under the Bail Reform Act of 1966, to set bail and other conditions that will better assure the presence of accused drug law violators for trial and, upon conviction, for sentencing and incarceration.

EMERGENCY LOCATOR TRANSMITTERS

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8228.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (H.R. 8228) to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes.

(The amendment of the House is printed in the proceedings of the House of September 30, 1976.)

UP AMENDMENT NO. 539

Mr. CANNON. Mr. President, this bill which has already passed the Senate, was originally a very simple bill which provided aircraft operators with relief from a universal statutory requirement that all civil aircraft be equipped with emergency locator transmitters which emit radio signals from downed aircraft.

Yesterday our colleagues in the House amended this simple bill with a number of other aviation amendments some of which are acceptable to the Commerce Committee and some of which are not. Significantly, the House has refused to go to conference on an omnibus aviation bill passed by the Senate last week, H.R. 15026, which included most of these issues.

Mr. President, I send to the desk an amendment in the form of a substitute and ask its immediate consideration.

The PRESIDING OFFICER. Does the Senator move to concur in the House amendments with an amendment?

Mr. CANNON. Yes.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON) proposes an unprinted amendment numbered 539.

The amendment is as follows:

(a) Section 601(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1421), relating to emergency locator transmitters, is amended to read as follows:

"(d) The Administrator shall establish reasonable rules and regulations governing the installation and operation of emergency locator transmitters or other devices that serve the purpose of locating aircraft that terminate flight as a result of an accident.".

(b)(1) Section 601 of such Act is further amended by redesignating subsection (d), relating to aviation fuel standards, as subsection (e).

(2) any reference to such redesignated subsection (e) shall be redesignated accordingly.

(c) That portion of the table of contents contained in the first section of such Act which appears under the side heading

"Sec. 601. General safety powers and duties."

is amended by striking out

"(d) Aviation fuel standards."

and inserting in lieu thereof the following:

"(d) Emergency locator transmitters.

"(e) Aviation fuel standards.".

SEC. 2. (a) Section 403(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)(1)) is amended by striking out "to ministers of religion on a space available basis" and inserting in lieu thereof "on a space-available basis to any minister of religion, any person who is sixty years of age or older, and to any handicapped person and any attendant required by such handicapped person. For the purposes of this subsection, the term 'handicapped person' means any person who has severely impaired vision or hearing, and any other physically or mentally handicapped person as defined by the Board."

(b) Within six months after the date of enactment of this Act, the Board shall study and report to Congress on the feasibility and economic impact of air carriers and foreign air carriers providing reduced-rate transportation on a space-available basis to persons twenty-one years of age or younger.

Sec. 3. Section 401(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1371 (d)) is amended by adding at the end thereof the following new paragraph:

(4)(A) Notwithstanding any other provision of this Act, any citizen of the United States who undertakes, within the State of California, the Carriage of persons or property as a common carrier for compensation or hire with aircraft capable of carrying thirty or more persons pursuant to authority granted by the Public Utilities Commission of such State is authorized—

(i) to establish service for persons and property which includes transportation by such citizen over its routes in California and transportation by an air carrier or foreign air carrier in air transportation; and

(ii) subject to the requirements of section 412 of this title, to enter into an agreement with any air carrier or foreign air carrier for the establishment of joint fares, rates, and services for such through service.

(B) The joint fares or rates established under clause (ii) of subparagraph (A) of this paragraph shall be the lowest of—

(i) the sum of the applicable fare or rate for service in California approved by such Public Utilities Commission and the applicable fare or rate for that part of the through service provided by the air carrier or foreign air carrier;

(ii) a joint fare or rate established and filed in accordance with section 403 of this Act; or

(iii) a joint fare or rate established by the Board in accordance with section 1002 of this Act.

Section 4. (a) The first sentence of section 403(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1373) is amended to read as follows: No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare or charge, or the value of the service thereunder, specified in any effective tariff—

(1) of any air carrier, or foreign air carrier, directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of persons or property in scheduled air transportation, except after 60 days notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section;

(2) of any air carrier, or foreign air carrier, not directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of persons or property in air transportation, except after 45 days notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section; and

(3) of any air carrier or foreign air carrier directly engaged in the operation of aircraft if such rate, fare or charge is for the carriage of persons or property in charter trips except after 30 days notice of the proposed change filed, posted, and published in accordance with this section.

(b) The first sentence of section 1002(g) of such Act (49 U.S.C. 1482) is amended by inserting immediately after "and delivering to the air carrier affected thereby" by the following:

(1) at least 30 days before the day on which such tariff would otherwise go into effect in the case of any air carrier directly engaged in the operation of aircraft for the carriage of persons or property in scheduled air transportation;

(2) at least 15 days before the day on which such tariff would otherwise go into effect in the case of any air carrier not directly engaged in the operation of aircraft for the carriage of persons or property in air transportation; and

(3) at least 5 days before the day on which such tariff would otherwise go into effect in the case of any air carrier directly engaged in the operation of aircraft for the carriage of persons or property in charter trips.

(c) The amendment made by subsection (a) of this section shall apply to any tariff change filed by any air carrier or foreign air carrier in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

(d) The amendment made by subsection (b) of this section shall apply to any tariff change filed by any air carrier for interstate or overseas air transportation in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

SEC. 5. Section 401(d)(3) of the Federal Aviation Act of 1958 (49 U.S.C. 1371) is amended to read as follows:

(3) In the case of an application for a certificate to engage in supplemental air transportation, the Board may issue a certificate, authorizing the whole or any part thereof, and for such periods, as may be required by the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform the transportation covered by the application and to conform to the provisions of this Act, and the rules, regulations, and requirements of the Board hereunder. Any certificate issued pursuant to this paragraph shall contain such limitations as the Board shall find nec-

essary to assure that the service rendered pursuant thereto will be limited to supplemental air transportation as defined in this Act.

SEC. 6. Section 406(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1376(b)) is amended by adding at the end thereof the following new sentence: "In determining compensation for any local service air carrier for the year 1966 in accordance with the provisions of this subsection, the Board shall apply Local Service Class Subsidy Rate III–A as set forth in Board order E–23850 (44 CAB 637 et seq.), except that the Board shall not apply that part of such order which requires the Board to take into account any decrease in the federal income tax liability of such carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954."

(b) In the event that the Civil Aeronautics Board in determining the amount of compensation to be paid to any local service air carrier for the year 1966 in accordance with the provisions of section 406(b) of the Federal Aviation Act of 1958 took into account any decrease in the federal income tax liability for such air carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954, the Board shall redetermine the compensation to be paid to such air carrier in accordance with such section 406(b) as amended by this Act, and shall make payment to such air carrier of any amount owed to such carrier as provided in such redetermination.

Sec. 7. (a) Section 101 of the Federal Aviation Act of 1958 is amended by renumbering paragraphs (11) through (38) thereof as paragraphs (12) through (39) and by inserting after paragraph (10) the following new paragraphs:

(11) "all cargo air transportation" means air transportation of property, or of property and mail, only.

(b) Sec. 416 (b)(1) of such Act is amended by adding a colon and the following before the period at the end thereof.

Provided, however, That nothing in this section shall prevent the Board from granting an exemption from the requirements of Sec. 401 so as to authorize the conduct of all cargo operations in interstate air transportation, pending consideration and final disposition of an application for initial certification pursuant to Sec. 401, if the Board finds that the issuance of such exemption is in the public interest; *And provided further,* that any exemption to operate aircraft having a maximum payload capacity in excess of 7,500 pounds shall limit the operation of such aircraft to service at the points to which the carrier has provided regularly scheduled all-cargo service during the twelve-month period next preceding the effective date of such exemption.

Sec. 8. Section 501(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1401(b)) is amended to read as follows:

(1) It is owned by a citizen of the United States or an individual citizen of a foreign country who has been lawfully admitted for permanent residence in the United States and such aircraft is not registered under the laws of any foreign country; or.

Mr. GRIFFIN. Mr. President, is there a unanimous-consent request pending?

The PRESIDING OFFICER. No.

Mr. CANNON. Mr. President, this amendment includes the original Senate features of S. 910, the emergency locator transmitter bill; the provisions of H.R. 7017, providing for more consumer lead time for changes in airline tariffs; a provision which would enable foreign aliens to own and register aircraft in the United States; a provision involving the recomputation of mail payments for two local service air carriers; a provision allowing for intrastate airlines in the State of California to enter into ticketing and baggage agreements with interstate airlines; and finally, a provision the House Aviation Subcommittee chairman has refused to allow the House to consider which would permit the CAB at its discretion to provide exemptions to allow unregulated all-cargo airlines to use large aircraft if the public and the shipper's interest so requires with certain restrictions.

Mr. President, I urge the adoption of the amendment in the nature of a substitute in hopes that the House will consider all of these issues.

The PRESIDING OFFICER. If the Senator will withhold momentarily.

The Senators in the aisles will kindly withdraw, and the staff members in the aisles will kindly withdraw or take their seats.

Mr. CANNON. Mr. President, every one of these provisions in this consolidated amendment has already been acted on by the Senate except one of them, one other one, which is the so-called Federal express bill that Senator BAKER was interested in and the Senate acted on. He has provided the more restrictive provisions that we believe would make it acceptable. I urge the adoption of the amendment in the nature of a substitute and hope the House will consider all of these items.

Mr. DURKIN. Will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. DURKIN. Has the provision allowing the nonscheduled airlines to fly scheduled lines been retained?

Mr. CANNON. Yes.

Mr. STEVENS. Does this change the process by which supplemental certificates will be issued? I am sure the Senator recalls the application of Alaskan International Airlines. Is that section changed by this?

Mr. CANNON. No, there is no change in that provision.

Mr. STEVENS. And as far as the interest of the Senator from Tennessee—that is, that the more limited provision as it applies to existing equipment and existing size of cargo carrier——

Mr. CANNON. The amendment of the Senator from Tennessee has been restricted to provide for existing carriers. The provision in the amendment also brings them under CAB jurisdiction and regulation.

Mr. BAKER. Is this the restriction discussed with the Senator from Alaska, the use of heavier aircraft only on routes where they had already established markets in the previous 12 months?

Mr. STEVENS. I am sure the Senator will recall that my fear was that this organization would get into very heavy overweight traffic and would reduce the supply of freight for the certified carriers flying regularly scheduled service.

As I understand the Senator's amendment, it does not restrict the carrier to maintain its same size and package as carrier overnight service, is that right?

Mr. BAKER. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the House amendment with an amendment.

The motion was agreed to.

Mr. CANNON. I move to reconsider the vote by which the motion was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate proceed to consideration of a calendar order number which has been cleared on both sides, 1281.

The PRESIDING OFFICER. Without objection, it is so ordered.

DUTY-FREE TREATMENT OF AIRCRAFT ENGINES

The Senate proceeded to consider the bill (H.R. 2181) to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation, which had been reported from the Committee on Finance with amendments as follows:

On page 1, line 3, after "That" insert "(a)";

On page 2, line, strike "Sec. 2" and insert "(b)(1)";

On page 2, line 1, strike "the first section of this Act" and insert "subsection (a)";

On page 2, beginning with line 5, insert the following:

(2) The rate of duty prescribed in rate column numbered one of the Tariff Schedules of the United States, as amended by this section, shall be considered to have been proclaimed by the President as necessary or appropriate to trade agreements to which the United States is a party, not as a statutory provision enacted by the Congress.

SEC. 2. (a) Section 2 of the Act of August 22, 1964 (Public Law 88–482; 19 U.S.C. 1202 note), is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of law, if—

"(1) articles described in subsection (a) would be subject to quantitative import limitations provided by law, or established pursuant to an international agreement, when entered for consumption directly into the customs territory of the United States, and

"(2) such articles are used in the production or manufacture of new articles in a Foreign Trade Zone established under the Act of June 18, 1934 (48 Stat. 998), or in a possession of the United States or in the United States Trust Territory of the Pacific, then such new articles may not be entered into the customs territory of the United States unless the quantity of the articles described in subsection (a) from which such new articles are produced or manufactured is included within limitations established pursuant to international agreements or by proclamation issued under this section or is deducted from the quantity of meat which may be entered into the United States under the quantitative import limitations otherwise provided by law.".

(b) The amendment made by this section does not apply to articles described in section 2(a) of such Act which were entered into a foreign trade zone or a possession of the United States or the Trust Territories of the Pacific before the date of enactment of this Act.

SEC. 3. (a) Headnote 1(b) of the headnotes to schedule 1, part 15, subpart C of the Tariff Schedules of the United States is amended to read as follows:

"(b) The terms 'mixed feed' and 'mixed-feed ingredients' in item 184.70 embrace products which are admixtures of grains (or products, including byproducts, obtained in milling grains) or of soybeans (or products, including byproducts, obtained in processing soybeans) with molasses, oil cake, oilcake meal, or other feed-stuffs (other than any product which contains milk products or products containing milk or milk derivatives) and which consist of not less than 6 percent by weight of such grains or grain products or of such soybeans or soybean products.".

(b) The amendment made by the subsection (a) applies to articles entered, or withdrawn from the warehouse, for consumption after the date of enactment of this Act.

Mr. GRIFFIN. Mr. President, reserving the right to object.

Mr. LONG. Mr. President, this is a measure that has an amendment by the Senator from Nebraska which deals with a loophole that he seeks to close.

Mr. CURTIS. Mr. President, the bill that was sent over from the House relates to the tariff on airplane engines. Everybody approves it. There will be an amendment offered to change the date to meet any objections about budget.

The Committee on Finance approved an amendment of mine relating to meat imports.

Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senators and our visitors, our honored guests, withdraw to the cloakroom if they wish to converse?

Mr. CURTIS. The import of fresh frozen and chilled meat is subject to a quota. The Australians had a quota of 675 million pounds when the quota law was enacted. They share in our growth and they now have a quota of 632 million pounds. But they have found a loophole by sending this meat into a trade zone, cutting it up in cubes, and packaging it and classifying it as processed meat. It does not take any powers away from trade zones. It merely says that this meat shall be counted in the quota.

Mr. President, while this comes to us as a committee amendment, where technically possible to show cosponsors, this amendment relating to meat imports is sponsored by Senators BENTSEN, of Texas, BURDICK, of North Dakota, FANNIN, of Arizona, HANSEN, of Washington, BARTLETT, of Colorado, ABOUREZK, of South Dakota, and TOWER, of Texas. It is a reasonable bill. It has the support of the State Department. It has the support of the Federal Trade Commission. It has the support of the Department of Agriculture. It has the support of our trade representatives office.

Mr. President, at an appropriate place, I should like to offer an amendment in reference to this matter.

Mr. President, I support an amendment to H.R. 2181 which is cosponsored by Senators YOUNG, BENTSEN, BURDICK, FANNIN, HANSEN, HART of Colorado, HASKELL, and TOWER.

This amendment which was approved by the Finance Committee after a public hearing would modify Public Law 88–482, the Meat Import Act of 1964. In general, the act sets forth a formula that provides that as average annual domestic commercial production of beef increases, the annual import quota increases. For 1976, beef and other meat imports will be allowed to rise to 1,233 million pounds before the trigger of import quotas is imposed by the President.

The Department of Agriculture has indicated that in circumvention of the act, boned frozen meat, shipped from certain countries which have signed foreign trade agreements with the United States, is being processed in a foreign-trade zone of the Commonwealth of Puerto Rico to change its form. The processing consists of dicing the beef and repackaging in 60-pound bags.

This meat processing operation permits greater quantities of fresh, chilled, or frozen meat and veal to enter the commerce of the United States than was intended by the meat import law and the trade agreements. To date approximately 31 million pounds of foreign beef have entered warehouses for processing in the foreign-trade zone at Mayaguez, P.R. Reports from trade sources indicate another 10 million pounds is in the processing stages at Mayaguez. The total quantity of boneless beef estimated to be imported through the one existing processing plant in the foreign-trade zone in Mayaguez in 1976 will be about 60 million pounds. A second plant is expected to become operational within the next few weeks. As a result, imports of meat this year through the foreign-trade zone at Mayaguez could reach at least 70 million pounds.

Such meat is being delivered into foreign-trade zone at prices as much as one-third less than prices for comparable manufacturing type meat entering the customs territory of the United States directly from supplying countries. Moreover, application has been made to the Foreign-Trade Zone Boards to establish additional sites for processing meat. The application states the plants intend to process some 32 to 35 million pounds of such meat per year.

Mr. President, it is interesting to note that Congress anticipated this specific procedure when the 1964 act was approved.

In the conference report accompanying the act, Congress stated:

> The conferees particularly had in mind the possibility that the form or packaging of articles included under a quota might be altered in an effort to avoid quota controls. Examples might be (1) the dicing of boneless beef (so that it would, but for such regulations, be entered as a prepared product rather than as fresh, chilled, or frozen), or (2) the packaging of fresh chilled, or frozen beef or veal in some type of airtight container.

The amendment I am introducing clearly follows the intent of Congress and would prevent circumvention of the act by providing that articles which are produced or manufactured in a foreign trade zone from foreign meat shall be subject to the import restrictions or trade agreements of the United States.

Mr. President, this amendment is supported by the Department of Agriculture and the Special Representative for Trade Negotiations. Mr. Yeutter, Deputy Special Representative for Trade Negotiations states in his testimony that "attempts to deal with this problem through negotiated or administrative solutions have not been possible." Therefore, they support this legislative remedy.

Mr. President, it has been charged that this amendment would destroy foreign trade zones. Nothing could be further from the truth. My amendment does not change the law which provided for the establishment of foreign trade zones. Trade zones are economically beneficial and should be continued. Let me again emphasize that my amendment merely implements the express intent of Congress and prevents the circumvention of the Meat Import Act of 1964.

Mr. President, it has been alleged that this amendment would harm U.S. consumers.

At the Finance Committee hearing on this amendment, Richard E. Bell, Assistant Secretary of Agriculture pointed out that meat entering the foreign trade zone "is being purchased by meat processors at prices 20 to 25 cents a pound below that which would be charged for such meat subject to the voluntary export restraint agreements negotiated with the supplying countries. This margin, however, is not being passed on to the U.S. consumers in the form of lower retail prices."

This testimony amply demonstrates that the American housewife will not be paying more for beef if this amendment is approved. Quite the contrary. It is in the best interest of the American consumer to have an adequate, dependable supply of quality beef and this will not occur if we allow circumvention of 1964 Meat Import Act while the price of beef is at or below the cost of production.

The PRESIDING OFFICER. As soon as the committee amendments are agreed to, the Senator's amendment will be in order.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. Without objection, the committee amendment is agreed to and is considered as original text.

The clerk will state the amendment of the Senator from Nebraska.

The assistant legislative clerk read as follows:

> The Senator from Nebraska (Mr. CURTIS) offers unprinted amendment numbered 540:
>
> On page 2, line 4 strike "the date of the enactment of this Act," and insert "September 30, 1977".

Mr. CURTIS. Mr. President, I am happy to yield to my friend from North Dakota (Mr. BURDICK).

Mr. BURDICK. Mr. President, I support the amendment offered by Senator CURTIS, to H.R. 2181 clarifying the original intent of Congress in regard to the Meat Import Act of 1964. The American cattle producer has suffered economic hardship for the past 3 years. That is why it is imperative that we in the Senate take action to approve the amendment of the Meat Import Act.

The beef cattle industry is in havoc. This problem of illegal meat imports is undercutting our domestic beef market by almost 30 percent. It makes very little sense to allow a further price drop in this important industry by a circumvention of the 1964 Meat Import Act. It has been brought out that well over 37 million pounds of beef has entered the trade zone at Mayaguez, Puerto Rico, during the past 9 months. However, the reprocessing of this imported beef has allowed the meat to be excluded from fitting into one of the quota categories. It then pours into this country and, unbelievably, it is not being charged against the individual country's quota. There is no question that this unjust technical procedure is a direct circumvention of the intent of Congress in passing the meat import bill 12 years ago.

I believe this legislation is just and proper because it states unequivocally that we cannot tolerate an invasion of our laws. Our cattlemen were given a commitment under the 1964 law which said that foreign markets could not dump their meat products on our shores, thereby causing severe adverse price effects in the livestock industry.

It is time that we take action as a protest of the tragic neglect of those individuals who produce the meat for our consumers. Reaching solutions to problems facing the livestock industry have to be given high priority. I support this amendment as I believe it is a step in the right direction of reaching an overall solution to this critical problem of meat imports.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to amend the Tariff Schedules of the United States with respect to the treatment of certain temporary replacement aircraft engines, certain meat, and certain mixed feed.".

MRS. HELEN WOLSKI, MICHAEL WOLSKI AND STEVEN WOLSKI

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 3377.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3377.

This is a private claim by Senator PHILIP A. HART for the relief of Mrs. Helen Wolski, et al.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

H.R. 3377, an act for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski.

The PRESIDING OFFICER. Without objection, the committee is discharged from further consideration of the bill, and the Senate will proceed to its consideration.

The bill was ordered to be read a third time, was read a third time, and passed.

LJUDEVIT PREVIC

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 11809 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The second assistant legislative clerk read as follows:

H.R. 11809, an act for the relief of Ljudevit Previc.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was ordered to a third reading, was read the third time, and passed.

SUSPENSION OF DUTIES ON MANGANESE ORE

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 12033.

The PRESIDING OFFICER laid before the Senate a message from the House on H.R. 12033, as follows:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 12033) entitled "An Act to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products."

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate recede from its amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

H.R. 15563

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House on H.R. 15563.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on H.R. 15563.

Mr. GRIFFIN. Mr. President, reserving the right to object, I do object.

Mr. ROBERT C. BYRD. Mr. President, I withdraw that one for the time being. I am sorry.

NOMINATION OF RICHARD M. BILBY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Mr. Bilby.

Mr. DURKIN. Mr. President, I object.

SUITS AGAINST FOREIGN STATES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 11315.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on H.R. 11315, an act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes, which was read twice by title.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill, having been read the first and second time, the Senate proceed to its immediate consideration.

There being no objection, the bill was ordered to third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Now, Mr. President, I move to postpone indefinitely the identical Senate bill which has already been passed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

TINICUM NATIONAL ENVIRONMENTAL CENTER

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 5682.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 5682) to extend the boundary of the Tinicum National Environmental Center, and for other purposes, as follows:

Strike out the sum $3,650,000, named in said amendment, and insert in lieu thereof $1,600,000.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Alabama (Mr. SPARKMAN) who has been waiting patiently, and I ask that my rights to the floor be protected.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE BRETTON WOODS AGREEMENTS ACT AND OTHER INTERNATIONAL MONETARY MATTERS

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the bill, H.R. 13955, be called up for final action at this time, and that all committee amendments be disagreed to, and no other amendments be in order.

Mr. DURKIN. I object, Mr. President. What does it do?

The PRESIDING OFFICER. The clerk will report. Will the Senator please use his microphone? Will the Senator repeat the number of the bill called up?

Mr. SPARKMAN. H.R. 13955, Calendar No. 1230.

The PRESIDING OFFICER. The Clerk will report.

The assistant legislative clerk read as follows:

H.R. 13955, an act to provide for amendment of the Bretton Woods Agreements Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alabama?

Mr. STEVENS. Reserving the right to object, Mr. President, is this the bill the administration——

Mr. PACKWOOD. Mr. President, can we have order?

Mr. STEVENS. Is this a bill the administration wants to have passed?

Mr. SPARKMAN. Yes.

Mr. STEVENS. Well, temporarily I object. I have a bill the administration is holding up, and I would like to get them a message, that is all.

The PRESIDING OFFICER. Objection is heard.

Mr. SPARKMAN. Mr. President, I get the message, but that seems to me a rather crude way of legislating, I will say to my friend from Alaska.

This is a bill the administration wants. It is a bill that is for the good of the country. The Treasury Department is particularly eager to have this enacted. It means something for our Government.

Mr. STEVENS. Mr. President, I appreciate the Senator's statement. We have a bill that I find barely palatable but that is necessary. For 5 hours I have been trying to get the objection removed from, and I find the only person objecting now is objecting for the administration. I think that maybe someone up there might get in touch with them. I assure the Senator there is nothing personal. It is just time that the administration woke up a little bit, that is all.

Mr. SPARKMAN. Let me say to the Senator from Alaska that I did not object to his bill, I assure him of that.

Mr. STEVENS. I understand that. I ask you to pass it over.

Mr. SPARKMAN. I say I have never objected to a bill offered by the Senator from Alaska.

Mr. STEVENS. The Senator is right.

Mr. SPARKMAN. I have followed it closely, and I understand the legislative process.

Mr. STEVENS. Just for a few minutes.

JURISDICTION OF U.S. MAGISTRATES

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1283.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1283) to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes.

(The amendments are printed in the proceedings of the House of Representatives of October 1, 1976.)

Mr. BURDICK. Mr. President, this bill deals with the jurisdiction of magistrates and I move that the Senate concur in the House amendment.

The motion was agreed to.

(The following subsequently occurred:)

Mr. GRIFFIN. A short time ago Senator CURTIS called up, and we passed, but did not reconsider Calendar No. 1281, H.R. 2181. I notified Senator CURTIS that Senator BROOKE had an interest in this. I was not able to locate him. He said if Senator BROOKE still wanted to exercise his hold that he would reconsider the bill. So I ask unanimous consent—well, we will wait until Senator BROOKE gets on the floor. But I want to indicate there may be a motion to reconsider that bill other than the fact that Senator BROOKE has been contacted.

IMPORTATION OF GLASS PRISMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1106. I have been asked by the distinguished Senator from Louisiana (Mr. LONG) to call up this bill.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8656) to amend the Tariff Schedules of the United States in order to provide for the duty-free importation of loose glass prisms used in chandeliers and wall brackets.

Mr. GRIFFIN. Mr. President, reserving the right to object, we have not cleared that bill on this side. We have three Senators who are interested in it.

Mr. LONG. I would assume if they were interested it would probably be for the purpose of offering an amendment.

Mr. GRIFFIN. That is probably the case, but we will have to get in touch with them. I did not know this bill would be called up.

Mr. ROBERT C. BYRD. Mr. President, I withdraw that request temporarily, and I yield again to the distinguished Senator from Alabama (Mr. SPARKMAN).

AMENDMENT OF THE BRETTON WOODS AGREEMENTS ACT AND OTHER INTERNATIONAL MONETARY MATTERS

Mr. SPARKMAN. Mr. President, I renew my unanimous-consent request that the bill (H.R. 13955) be called up for final action, that all committee amendments be rejected, and no further amendments are to be in order.

The PRESIDING OFFICER. Without objection, the motion is agreed to. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 13955) to provide for amendments of the Bretton Woods Agreement Act, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill.

Mr. SPARKMAN. Mr. President, H.R. 13955 amends the Bretton Woods Agreements Act and three other acts of relevant financial legislation—the Special Drawing Rights Act, the Par Value Modification Act, and the Gold Reserve Act of 1934. Its purpose is threefold. First, the bill amends the Bretton Woods Agreements Act in such a manner as to authorize the U.S. Governor of the International Monetary Fund—IMF—to sign for the United States the amended articles of agreement of the Fund. Second, the bill authorizes an increase in the U.S. quota to the IMF by 1,705 million special drawing rights—SDR—or approximately $2 billion. Third, H.R. 13955 amends the three previously mentioned acts of associated financial legislation to make these acts consistent with the amended IMF articles of agreement.

COST OF LIVING

I wish to point out to my colleagues that this bill has no budgetary implications. The expansion of the U.S. quota at the IMF is treated for purposes of accounting as an exchange of monetary assets with the Fund. Such an exchange must be authorized by Congress, but not appropriated, because there is no uncompensated expenditure of fiscal resources.

IMPLICATIONS OF PASSAGE OF H.R. 13955

Passage by Congress of H.R. 13955 constitutes approval by Congress and acceptance by the United States of the amendments to the IMF articles. While these amendments to the IMF articles may be couched in the arcane language of international finance, their implications are quite clear. First and most important, the amendments sanction the present floating exchange rate system. Technically, the present system of market-determined exchange rates is in violation of the IMF articles. This system will be legalized. The United States will have the power of veto in the IMF should other nations desire to initiate other systems of exchange or return to the fixed-rate system.

Second, the amendments diminish the role of gold in the international monetary system. The IMF is authorized to dispose of one-third of the gold in its possession, approximately 50,000 troy ounces. This gold is valued by the Fund at $42 an ounce. One-half of this gold, 25,000 troy ounces, will be restituted at a price of $42 per ounce to member countries on the basis of their contributions to the Fund. The other 25,000 troy ounces will be sold on the world gold market. The profits from this sale will go to a newly created trust fund in the IMF to aid less-developed countries who have severe balance-of-payments problems. There has been no decision on the disposition of the remaining 100,000 troy ounces of gold at the IMF.

Third, the financial resources of the IMF will be expanded by $12 billion. This will be done by expanding the quotas of individual members, quotas have been expanded every 5 years over the last 20 years. This is the fifth quota expansion of the Fund.

Fourth, approval of the amendments to the IMF articles will bring numerous institutional changes in the structure of the IMF proper. The most significant of these changes is the proposal for an IMF council. This council would be composed of finance ministers and would operate in a mode similar to the present Interim Committee. IMF members believe that a council composed of representatives of ministerial rank can more easily resolve political questions that are raised in negotiations.

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Ohio (Mr. TAFT).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I am pleased with the thorough examination that has been given to the proposed amendments to the Bretton Woods Agreements Act by the House Banking Committee, the Senate Committee on Foreign Relations, and the Senate Committee on Banking, Housing, and Urban Affairs.

Nearly a year ago, the United States and other major industrial nations began a campaign to demonetize gold by reducing its role in the financial arrangements of the International Monetary Fund. A proposal was developed to sell one-third of the IMF's gold stock, through the world's central banks, and onto the free market. Receipts in excess of the former official price of gold were to be divided between the countries which had deposited that gold with the IMF, and a special trust fund to be created for the benefit of Third World nations. I felt at the time, and I still believe it to be true, the IMF gold should have returned to the nations which had deposited it in exchange for their currencies at the official price of the metal. I saw no reason to confuse the demonetization of gold with the subject of foreign aid to developing nations. Had the IMF gold been restituted to the nations which deposited it, the United States would have received an asset now worth more than one-half billion dollars more than at the time it was surrendered to the IMF. Instead, this money is now part of a trust fund which may be used to provide aid for such countries as Uganda, Cambodia, and Vietnam.

Last February 2, Senator RIBICOFF and I introduced Senate Joint Resolution 161, which criticized the trust fund concept, and demanded that the U.S. Governor of the fund, who is the Secretary of the Treasury, should be required to clear with the Congress any U.S. vote to transfer IMF assets to such a trust fund. I am pleased to see that the committee has accepted language which accomplishes this goal.

The International Monetary Fund has not been, nor was it ever intended to be, an aid agency. That function is supposedly carried on by the World Bank and other agencies specifically designed for that purpose. The basic decision to change the character of the IMF is one which should have been presented to Congress for approval ahead of time.

H.R. 13955, by requiring consultation with the Congress before any more IMF assets are used for what amounts to Foreign Aid, will restore to the Congress its oversight over the U.S. Foreign Aid program. I hope that this will allow us to preserve and protect the role of the IMF as an international agency of financial responsibility.

I believe it is necessary for there to be at least one instituton in the world with the prestige and the clout to attempt to impose a certain amount of financial responsibility on national governments in the conduct of their monetary affairs. This has always been the major function of the International Monetary Fund. When it lends money for balance-of-payments purposes, it expects the nations involved to take the necessary steps to redress these imbalances and to return to a situation of payments equilibrium. I wish to insure that the assets of the International Monetary Fund continue to be used for this purpose. I hope to insure that the transfer of IMF assets to this trust fund will not weaken either the supervisory powers of the IMF, nor its resolve to impose a certain amount of discipline on the borrowing governments.

I also wish to insure that the United States not be placed in a position of having to buy the good will of third world nations every time an economic agreement of substance has to be reached. A sound international payments system is necessary for the continuation of world trade at sufficient levels to insure prosperity and development for all nations. I do not want to see this process politicized by demands that aid accompany every conceivable reform of the system.

I am pleased to see that the problem that Senator RIBICOFF and I called to the attention of the Senate has been so successfully resolved.

Mr. PERCY. Mr. President, the distinguished chairman of the Senate Foreign Relations Committee has described the need for H.R. 13955. I would like to address myself to the broader meaning of the amendments to the articles of the the International Monetary Fund is the heart of the international economic system. Without it world trade would be reduced to barter and our living standard and that of the non-Communist world would be severely reduced. The National Advisory Council on International Monetary and Fiscal Policies, an interagency financial coordinating group chaired by the Secretary of the Treasury, described the IMF in a recent report as "a cornerstone of U.S. international economic policy." Amendments to the articles of the Fund are, therefore, a serious matter and the ramifications of the amendments should be examined carefully.

Of most critical importance is the sanctioning of the floating exchange rate system. The key to understanding this issue is the realization that the exchange rate is the mechanism through which national economies adjust to each other's internal economic dynamics, that is to changes in their relative capability to compete with each other for world markets.

This process by which national economies interact has changed. Under the past fixed-rate system, exchange rate adjustment took place periodically under mounting economic and political pressure. Countries usually chose to alter domestic policy rather than accepting devaluation. With floating rates, the adjustment is continuous, almost on a day-by-day basis. No more shall Congress be asked to manipulate trade barriers, inhibit capital flows, or approve military offset payments for reasons of balance of payments. These measures are made inappropriate by a floating rate.

Second, the floating rate means that the United States is more closely linked to the economies of other major trading currencies—the mark, the yen, the pound, the franc, and the lira. Our productivity, our interest rates, our rate of inflation, will all impact on the value of the dollar and these other economies. In turn, their economic well-being will more quickly affect the U.S. economy. With all the industrial nations now on the same business cycle, monetary integration brings a necessity to be at a minimum, sensitive to the ramifications of domestic economic decisions on our trading partners. At a maximum, it means economic coordination between the major industrial nations. The two economic summit conferences over the last year represent the most visible signs of the beginning of this process. The United States is entering a new economic world and Congress should be cognizant of this change.

Third, the movement to floating exchange rates and the free market does not mean that the exchange rate system will not be managed. It means that the management mechanisms will change. Instead of direct government involvement by defending an exchange rate through the buying and selling of intentional monetary reserves, countries must adjust their domestic economies or be forced to devalue and sell their goods and labor more cheaply on the world market while paying more dearly for the importation of labor and goods of others. Government involvement in exchange rates, therefore, is one step removed.

However, under the new IMF articles, it is important to note that governments can enter the exchange markets if there is a fundamental disequilibrium. But no one really knows what a fundamental disequilibrium is. Therefore, and fourth among the points I wish to make, there is a necessity for intergovernmental coordination of market intervention. The new free market thus includes a concept of central guidance. This central guidance function is based on trust and personal diplomacy. The floating system depends on it. How this new system works is being learned now by trial and error. How Congress will have oversight over this process is still unknown.

The general management of the new international monetary system is to be the responsibility of the new IMF Council. The evolution of this body, its powers, and the respect it generates from national participants will be critical to the multilateralization of the international monetary system beyond the big five. Presently, the less developed countries—LDC's—are pressing for a stronger voice. The Council may be their forum or the Council may become their arch adversary.

Fifth, despite the rhetoric that comes with the new exchange system, there are numerous unanswered policy questions. What of international monetary liquidity; the growth of LDC debt; and the linkage of oil wealth with the Euro-currency market and industrial nations' debt—just to name a few items on the agenda of unresolved policy questions. The floating exchange rate is not a panacea for the monetary system. There are multiple issues to be solved.

It is my interpretation that the sanctioning of a floating exchange rate system marks a point in international economic evolution where the process became so complex it could not be managed except by market forces. The floating exchange rate is not an end but a beginning of a new phase in world economic integration. The complexity of the system boggles the mind. Our Government finds it difficult to guide effectively the U.S. economy. There is a major question in whether we can guide something as diverse as the world economy. Where are the institutions? What are the mechanisms? What will this new phase of the industrial revolution bring? What will it mean for industrial and social organization, for international cooperation? These are the questions with which the Congresses that follow us must grapple.

As for the moment, Mr. President, I urge my fellow colleagues to vote for this legislation to legalize the present practice and reform the basic institution of the IMF so we can begin this journey with some basic structure and accepted rules. U.S. acceptance is critical. Without U.S. approval, the reforms cannot be implemented. Three highly respected committees of the House and the Senate have recommended passage of this legislation after extended hearings and debate. I hope this body will concur with these recommendations.

Mr. President, I had previously offered an amendment that was unanimously adopted to require the President to promptly furnish any appropriate committee of Congress, with legislative or oversight jurisdiction over monetary policy or an international financial institution or economic organization of which the United States is a member, any appropriate information furnished to any department or agency of the United States by such institution or organization.

However, Mr. President, in order to obtain passage of this important legislation by the House of Representatives tonight, I have reluctantly agreed to delete my amendment.

I am pleased to report though that Under Secretary of the Treasury Yeo assured me that the administration supports the principle of this amendment and that Secretary William Simon will so confirm to me promptly by letter that he supports it and will implement it by his own action effective immediately.

Further, it is my understanding that Secretary of State Kissinger will write a similar letter also supporting the amendment. This means that my amendment will be implemented by Executive action although not actually contained in this bill but that it will be supported in subsequent legislation.

So that my colleagues may know what my amendment does, I ask unanimous consent that the text of the amendment be printed in the Record along with the explanatory statement I had planned to use upon its introduction.

There being no objection, the amendment and statement were ordered to be printed in the Record, as follows:

"(b) The President shall, upon the request of any committee of the Congress with legislative or oversight jurisdiction over monetary policy or an international financial institution or economic organization of which the United States is a member, transmit promptly to such committee any appropriate information furnished to any department or agency of the United States by such institution or organization.".

On page 4, line 17, delete quotation mark and second period, and insert the following sentence to Section 14, paragraph (b), of the Bretton Woods Agreements Act:

"The President shall comply with this provision consistent with United States membership obligations in these organizations and institutions."

Statement by Senator Charles H. Percy in Support of His Unprinted Amendment to H.R. 13955

Mr. President, I had intended to offer tonight an amendment that is solely a technical amendment to make explicit what was implicit to an amendment that I offered to the original draft of H.R. 13955 as it was received from the House of Representatives. My original amendment now deleted from the bill as it was the only means of insuring its passage by the House of Representatatives tonight because of time restraints, added a second paragraph to Section 14 of the Bretton Woods Agreements Act making explicit Congress' right to information provided to the executive branch by international economic organizations and financial institutions to which the United States is a member.

The amendment I intended to sponsor tonight would add one sentence to this paragraph. The original new paragraph and the additional sentence I would have offered today have the approval of the Treasury Department and all committees with legislative responsibility for this bill in both the Senate and the House. The new sentence reads, "The President shall comply with this provision consistent with United States membership obligations in these organizations or institutions."

It is not my intent, nor I believe the intent of Congress, to abrogate our membership obligations to any organization or institution. This was implicit in the orignal paragraph. It is now explicit with the addition of this sentence. The critical modifier in this additional sentence is the word "membership." The executive branch cannot impede the flow of information to Congress on the basis of obligations it might make beyond those specified in formal membership obligations.

Mr. President, I would like to make the legislative record on this amendment and my original amendment abundantly clear by inserting in the debate at this time my testimony before the Senate Banking, Housing and Urban Affairs Committee on my original amendment. I would also like to reference the discussion of this amendment in the Senate Foreign Relations Committee report on H.R. 13955. This discussion is on pages 6 and 7 of Senate Report No. 94–1148. Reference is also made on pages 16 and 17 of the report on H.R. 13955 of the Senate Banking, Housing and Urban Affairs Committee, Senate Report No. 94–1295.

Statement of Senator Charles H. Percy Before the International Finance Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs, August 27, 1976

Mr. Chairman, I thank you for the opportunity to appear before you. It is always a pleasure to deal with my fellow colleague from Illinois.

I strongly support the passage of H.R. 13955 as passed by the House and reported by the Senate Foreign Relations Committee. I agree with the Committee's conclusion that in renegotiating the Bretton Woods Agreement the Administration has achieved U.S. objectives and effectively protected U.S. interests. In the process of accomplishing this task, numerous compromises were made, none of them in my opinion are damaging to basic U.S. interests.

My purpose in appearing this morning is not to speak as an advocate for H.R. 13955, but to explain to you the purpose and thought behind my own amendment to H.R. 13955. The amendment appears as Section 4 in the bill and amends Section 14 of the Bretton Woods Agreement Act by adding a paragraph (b). The amendment is short but very significant. It reads as follows:

"The President shall, upon the request of any committee of the Congress with legislative jurisdiction over an international financial institution or economic organization of which the United States is a member, transmit promptly to such committee any appropriate information furnished to any department or agency of the United States by such institution or organization."

The purpose of the amendment is to improve the potential Congressional oversight of U.S. governmental activities regarding U.S. participation in the international monetary system and U.S. foreign economic policy. The growth of economic interdependence and the increasing size of the international sector of the U.S. economy necessitate greater Congressional concern to these policy areas. For example, in this Congress we have dealt with Bretton Woods, commodity agreements, energy problems and the OECD financial safety net.

The international monetary system and the International Monetary Fund (IMF), as the central institution of that system, form the cornerstone of U.S. foreign economic policy. Yet the switch from fixed to floating exchange rates limits Congressional access to the policy process associated with the monetary system or the IMF. With fixed exchange rates, adjustments in the balance of payments were handled through controls on trade, financial flows, military offset payments, etc. Congress had to approve these actions and could express its policy concern.

However, under floating rates the adjustment process takes place in the rate itself, in the market place with no Congressional input. The system will be run through the IMF and the financial organizations of the OECD and G–10. Without some access to the papers and analyses of these bodies, Congressional oversight of the new Bretton Woods Agreements will be minimal.

Secondly, because of the expanding role of economics, there is a growing need by Congress for international economic information. One major center of reliable economic data is the staff and secretariats of international financial institutions and economic organizations. The executive branch uses this material in the formulation of policy on both bilateral and multilateral economic problems. I believe Congress should also have access to this economic information if we are going to review policy options intelligently.

In the past, we have tried to get this information, and for the most part, I think members of the Committee and staff of Senate Foreign Relations have been successful because they have "friends" at Treasury or State who are willing to "help." But on the more sensitive documents, I must admit that I find it annoying to be told: "Well, you can certainly read the documents; we will bring them to your office and you can read them while we wait." This is really a slight to Congress. I don't see how we can exercise adequate oversight on a basis that maybe we can see them and maybe we can't. We must have access to information and, in turn, must be held fully accountable for the documents and policies we approve.

The amendment has some key words in it that must be explained. First, it is directed to the President because the responsibility for development of foreign economic policy is shared mainly between the Secretary of State and the Secretary of the Treasury. However, other agencies such as the Federal Reserve, the Council on International Economics, the Economic Policy Board, the Special Trade Representative, the Council of Economic Advisors and the Office of Management and Budget, all contribute and in some cases represent the United States in international bodies.

Secondly, the amendment does not demand all documents, but only those requested by a committee. The word committee is important because the amendment is not seen as applying to personal requests by members of Congress. It deals with committee business and oversight responsibilities.

The most significant modifier in the amendment is the word appropriate which appears in the phrase "... transmit promptly to such committee any appropriate information ...". This word was very thoughtfully inserted by our colleague Jacob Javits to avoid a constitutional clash over the issue of Congress requesting documents from the President and having him refuse. The word provides a buffer for reasons of vagueness in that gray area of the Constitution on the separation of powers. The Committee, however, made clear that it would not accept a decision that sensitivity or classification of a document defined that document as inappropriate.

The Department of Treasury is in opposition to this amendment. Their concerns are twofold. First, they believe that there is a right of executive privilege that this amendment may violate. This is difficult to accept. The amendment deals only with information provided to the executive branch from an external source and given to all other international members. Second, Treasury objects to the amendment on the basis of confidentiality of the material. They argue that material is provided to an international organization on a confidential basis and should be held as closely as possible. I don't accept the position that exposure to Congress is tantamount to public disclosure. This body handles classified documents daily without mishap. Certainly, on the Senate Foreign Relations Committee all reports printed publicly which may have classified information included are cleared by the executive branch. Furthermore, the executive branch does not have an untarnished record in this area either.

One other objection has been raised, that is the issue of germaneness. H.R. 13955 deals only with the IFM and the IBRD (World Bank). Those opposed to my amendment believe it to be too broad in its scope, applying to all institutions and economic organizations. I disagree. A close reading of Section 14 of the Bretton Woods Agreements Act shows that the drafters of that Act, even 30 years ago when the international economy was of much less importance than today, recognized the interdependence of various aspects of the international economy. The major objectives outlined were to "facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations." The Congress directed the U.S. representative of the Fund and the Bank to formulate policy taking into account all the various aspects of our economic relations. I don't see how Congress in its oversight role can ask any less of itself.

I urge this Committee to study my amendment closely and give its stamp of approval. Congress must have information if it is to do its job adequately. There is no reason why we must duplicate the executive branch in size and staff to effectively formulate policy options for this country. We are one government, not two. There is no reason we cannot share the information provided to our government resulting from U.S. participation in an international institution or organization.

The PRESIDING OFFICER. Without objection, the amendments are rejected.

The bill was ordered to be read a third time.

The bill was read the third time, and passed.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALASKA NATURAL GAS TRANSPORTATION ACT OF 1976—S. 3521

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 3521.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3521) to expedite a decision on the delivery of Alaska natural gas to United States markets, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. Will Senators in the aisles kindly withdraw, particularly Senators conversing with staff members in the aisle? Kindly withdraw. Will staff members please go outside the Chamber? The Chair is addressing those Senators conversing with staff members.

The Chair is requesting that those staff members and Senators kindly withdraw from the aisles.

Mr. DURKIN. Mr. President, I object.

Mr. ROBERT C. BYRD. Object to what?

Mr. DURKIN. S. 3521. Mr. President, I object to taking that bill up at this moment. It is a temporary objection until I can see what is being added as part of the agreement.

The PRESIDING OFFICER. Does the Senator from West Virginia desire to comment?

Mr. ROBERT C. BYRD. Mr. President, will the Chair indulge the Senator from West Virginia momentarily?

I believe reasonable men will again resolve a difficult matter.

Mr. DURKIN. Can we have about 5 minutes to go over this? Maybe that will take care of it.

Mr. ROBERT C. BYRD. Yes.

BLACK LUNG BENEFITS PROGRAM

Mr. ROBERT C. BYRD. Mr. President, could we get unanimous consent to proceed to the immediate consideration of the black lung bill? This poor bill has been held the victim of so many cross currents. I hope that the Senate at least would pass the bill. Next year we will get an early and new start on the legislation.

I wonder if my friend from North Carolina will give us his comments?

Mr. HELMS. Let us see what the Senator from New York has to say.

Mr. ROBERT C. BYRD. I yield to the Senator from New York.

Mr. JAVITS. I would like to join with the Senator in asking that the bill be considered. However, because otherwise we will get into a long statement, I would like to have the attention of the Senator from West Virginia.

Mr. HELMS. Mr. President, may we have order? I cannot hear.

Mr. JAVITS. I cannot hear myself speaking, Mr. President.

I would like to ask Senator RANDOLPH if he has any intention, because this will extend matters considerably, in seeking to amend the bill in order to exclude the cutoff date for filing of new claims.

Mr. RANDOLPH. I wish to say at this point that I would want to confer with the chairman of the committee, the able Senator from New Jersey (Mr. WILLIAMS). He has worked in concert with other Members, the Senator from New York included, on this matter, and it is something that we would want to check out.

Mr. JAVITS. The reason I asked that is if we comply with request of the deputy majority leader, it would be implied that this matter could be done with celerity. If the Senator did press such an amendment, I would have to speak at great length against it, which would take us way beyond our adjournment. That is why I asked the question.

Mr. HELMS. In the light of that dialog, I ask why not defer this for a few minutes?

Mr. ROBERT C. BYRD. I thank the Senator.

ADDITIONAL STATEMENT

Mr. FORD. Mr. President, I urge prompt and favorable consideration of this legislation which is of such extreme importance to the thousands of miners who are suffering from black lung and attendant illness. These men and their families have for too long suffered the inadequacies of a program that neither understands, nor satisfactorily addresses their medical condition.

As an elected representative of this country's top coal-producing State, I have very strong emotions about this issue.

Last year alone, my first in the Senate, I received hundreds of appeals for assistance from Kentuckians who were experiencing intolerable difficulties in having their claims processed or reviewed. Through December 31, 1974, 60,332 black lung claims were filed by Kentuckians, and of these 27,447—46 percent—were denied. Appeals were requested in 8,198 instances and only 1,643 were allowed.

I have been told of claims which had been pending on appeal before administrative law judges for years. Documentation was provided me of claims that had been denied despite the fact that doctors had attested to the fact the claimant indeed suffered from black lung.

So no one needs to tell me that what we call our "black lung benefits program" is a national disgrace; nor that reforms are needed and in fact are long overdue.

Mr. President, it is a fact that if you work in the mines long enough, 9 chances out of 10 are that you will contract black lung. Medical evidence shows beyond a doubt there is an overwhelming probability that lung disease is a risk that goes with working in the mines.

It is becoming increasingly evident that dust standards have not been met and miners are still subjected to the daily risks of contracting this dread disease. Naturally, our obligation is to do all we can to prevent unhealthy working conditions, but unless, and until we succeed in this goal, we must insure satisfactory compensation for the risks inherent to this vocation, which is so very essential to helping this country meet its energy needs.

Surviving widows are also due consideration for husbands who have died from black lung, and this too is achieved in the measure which is now before us.

No piece of legislation can ever satisfy all segments of society. This bill represents more than a reasonable compromise in relation to providing benefits due individuals who contract black lung and its cost to society. Most importantly, it is the best hope, the only hope, for remedying the shortcomings and inequities of the present law as the present time.

Enactment of this bill in this session is crucial for the welfare of miners in Kentucky and across the Nation. Some provisions in the bill are not as strong as needed to meet the needs of coal miners. The "Interim Standards" and "Entitlement and Evidence" provisions in this measure need strengthening. Nevertheless, this legislation is a substantial improvement over existing law and I urge prompt passage.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Mr. Bilby.

Mr. DURKIN. Objection. Is that a motion or a unanimous consent request?

Mr. ROBERT C. BYRD. The Senator could not object to a motion. He would have to object to a unanimous-consent request, which he did.

Mr. DURKIN. I object.

Mr. ROBERT C. BYRD. I hope the Senator is ready to let me proceed with the other bill on which he wanted 5 minutes.

Mr. DURKIN. We have to piece it together. We need another 5 minutes to piece it together. It was ripped up.

Mr. ROBERT C. BYRD. Mr. President, I think the Senate is making great progress. It may look like the New York Stock Exchange, but we are operating under extreme circumstances this evening. It really appears to be more disorderly than it is.

I ask the Chair to temporarily indulge me.

The PRESIDING OFFICER. The Chair requests that visitors and staff members—and there are a large number of staff members in the Chamber by unanimous consent—to be extra quiet because of the large number present, or the Chair will have to thin out the ranks.

The Senator from West Virginia.

APPOINTMENT OF CADETS TO THE COAST GUARD ACADEMY

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 10192.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 10192) to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy.

(The amendment of the House is printed in the proceedings of the House of October 1, 1976.)

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

Mr. GRIFFIN. Will the clerk read the title of the bill again, Mr. President?

The legislative clerk read as follows:

A bill (H.R. 10192) to amend title 14, the United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy.

Mr. GRIFFIN. No objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 10192) was considered, ordered to a third reading, read the third time, and passed.

Mr. LONG. Mr. President, will the Senator be so kind as to move H.R. 12254, an amendment to suspend duties on certain bicycle parts, and have it laid before the Senate? I am told there is no longer a hold on that bill.

Mr. ROBERT C. BYRD. Mr. President, I ask that my rights to the floor be protected, and I yield to the Senator from Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPORTATION OF CERTAIN BICYCLE PARTS

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 12254, which is Calendar No. 1108.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12254) to suspend the duties on certain bicycle parts and accessories until the close of June 30, 1978.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

UP AMENDMENT NO. 541

Mr. MAGNUSON. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON) proposes an unprinted amendment numbered 541:

At the end of the bill, add a new section as follows:

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add a new section as follows:

SEC. —. TEMPORARY SUSPENSION OF DUTIES ON CALCINED PETROLEUM COKE NOT COMMERCIALLY SUITABLE FOR USE AS A FUEL UNTIL THE CLOSE OF JUNE 30 1979.

"(a) Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding immediately after item 907.80 the following new item:

"/909.05/Calcined petroleum coke, not commercially suitable for use as a fuel (provided for in item 517.51, part 1E, schedule 5)/Free/No Change/On or before 6/30/79."

"(b) The Amendment made by subsection (a) of this section shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act."

Mr. MAGNUSON. Mr. President, this is a matter in which the Senator from Montana and others are interested. It involves a special product called calcined petroleum coke.

I have discussed this matter with the Senator from Louisiana, and the staff knows about it. It just temporarily suspends a small tariff on this one item. There is only one company in the United States that makes it, and they will not sell to domestic operators.

Mr. LONG. It is a domestic monopoly.

Mr. MAGNUSON. Yes, a domestic monopoly. So the domestic people have to import it. It is necessary for defense; it is used in aluminum, at high temperatures, for defense weapons. They have to go over to Japan and buy it and pay the duty. The Tariff Commission says they are going to look at it, and it will have no effect at all on competition.

At the outset, I want to emphasize that this amendment would in no way jeopardize domestic producers of CPC. Also, I want to emphasize that it would have an extremely minimal revenue impact, costing the U.S. Treasury no more than $600,000 per year, if that much.

CPC serves as a conductor at exceedingly high temperatures. It is an indispensable raw material used in the manufacture of aluminum, as well as in the electric arc furnace method for producing steel, and in the nuclear and atomic energy industries. There is no known substitute for CPC.

The United States is by far the world's leading producer of both CPC and of green coke from which CPC is derived. The domestic calcining industry possesses 68 percent of the world's calcining capacity and produces 85 percent of the raw material from which CPC is produced.

Moreover, one U.S. company virtually dominates both the United States and world markets for CPC. This one company possesses one-fourth of the world's total capacity and 40 percent of the U.S. capacity and effectively controls between 50 to 80 percent of the domestic market.

CPC is made from the increasingly scarce petroleum byproduct of low-sulfur green coke. The quality of CPC depends upon a low-sulfur and low-heavy metal content. However, the avaliable petroleum from which CPC is made has increasingsly high sulfur and heavy metal content. Therefore, the domestic supply of quality CPC has been sharply curtailed since 1974, and the price has jumped from $30 to $94 per ton since 1974. In addition, the United States has heavily exported CPC to meet the growing world demand as new uses for CPC are continually being discovered.

Many U.S. aluminum companies make their own CPC. However, others must buy their CPC. These include Intalco Aluminum Co. of Ferndale, Wash.; Anaconda with plants in Montana and Kentucky; Reynolds with plants in Washington, Oregon, Texas, Alabama, Arkansas, and New York; and Union Carbide with plants in West Virginia, Ohio, and Tennessee. Intalco employs 1,200 people at its Ferndale plant.

In 1974, the domestic producers of CPC imposed curtailments on Intalco and other U.S. customers amounting to about 25 percent of existing orders for CPC. In other words, domestic CPC producers simply were not able to supply the needs of domestic users for quality CPC. At that point, then, Intalco and other U.S. companies that cannot make their own CPC began to purchase CPC from Canada and, of course, paying the 7.5 percent import duty.

Mr. President, there is no justification for that duty. It certainly is not required to protect a weak domestic industry from outside competition. On the contrary, as I noted earlier, the U.S. calcining industries dominates the world market. In this connection, I bring to the Senate's attention a letter which I received last December from the Chairman of the U.S. International Trade Commission. In that letter, the ITC stated that the temporary suspension of the import duty on CPC would—and I quote—"have minimal competitive impact." Mr. President, I ask unanimous consent to have the ITC letter reprinted in its entirety in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MAGNUSON. The Commerce Department has said that the duty on CPC should be maintained so it will be available as a bargaining chip in international tariff negotiations. But that is a fallacious argument. In the 1½ years since Commerce issued its comments, the matter has not been raised during the negotiations. Moreover, there is no reason to anticipate that the matter will be raised during future negotiations. And even if the duty were raised, it would not give us any real leverage in the tariff negotiations. The duty on CPC is not hurting Canada, since the world demand for CPC is so great that Canada does not need to sell to U.S. buyers. Significantly, no Canadian CPC producer has protested to the Canadian Government about the U.S. duty on CPC. In other words, Canada does not view the duty as a problem and therefore its removal will have no value to them. Thus, there is no reason to think the duty will give the U.S. leverage with Canada in tariff negotiations.

In addition, the duty is certainly not needed to create domestic employment. The domestic calcining industry is one of the most highly capital intensive of all industries. Thus, the significance of CPC in today's economy is that it is an indispensable raw material required in vital industries.

The temporary suspension of the import duty on CPC will serve to provide assured access at reasonable prices to a raw material upon which the domestic aluminum industry and other vital industries are dependent. It will not jeopardize domestic CPC producers and it will not cause any significant loss in revenues to the U.S. Treasury. Therefore, I strongly urge the adoption of my amendment.

EXHIBIT 1

U.S. INTERNATIONAL TRADE COMMISSION,
Washington, D.C.

HON. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: This is in response to your letter of December 12, 1975, in which you asked the United States International Trade Commission for its evaluation of the probable economic effects of the enactment of legislation (H.R. 3976, 94th Cong.) which would temporarily suspend the duty on calcined petroleum coke provided for in item 517.51 of the Tariff Schedules of the United States (TSUS).

Calcined coke is coke made from petroleum or coal that has been heat-treated (calcined) in rotary, shaft, or electric kilns to drive off volatile impurities and to shrink the coke so that volume changes in subsequent heat treatment will be small and controllable. Calcined coke is specifically produced for nonfuel uses. Calcined coke is an intermediate in the manufacture of carbon products. It is usually produced on a custom basis for or by certain aluminum and steel companies. Other large users of calcined coke purchase their requirements on a long-term basis.

The current most-favored-nation rate of duty applicable to imported calcined petroleum and coal coke not commercially suitable for use as a fuel is 7.5 percent ad valorem. Effective January 1, 1976, calcined coke from certain designated beneficiary countries will become duty free under the provisions of the generalized system of preferences. *No beneficiary country supplied imports in 1974 and 1975.* Virtually all the imports have originated in Canada.

Most calcined petroleum coke plants are located adjacent to petroleum refineries, but some are strategically located to take advantage of a variety of cokes from a number of refineries. In 1974 there were about 23 producing plants owned by 13 companies in the United States. A calcined petroleum coke plant requires high capital investment, but since such plants are highly automated, little labor is required to operate the calcining plant. U.S. production of calcined petroleum coke rose steadily from an estimated 5.2 million short tons in 1969 to about 6.7 million short tons in 1973, and then fell to about 6.4 million tons during 1974. Estimated U.S. production through August 1975 was about 4.3 million short tons. A domestic producer plans to increase its production by 400,000 short tons in 1976.

The United States is the major exporter of calcined petroleum coke, and the world's leading industrial economies are dependent on the United States for calcined petroleum coke. During the period 1969–73, annual exports of calcined petroleum coke averaged 1.8 million short tons, valued at $58 million. During 1974, annual exports amounted to 2.1 million short tons, valued at $102 million. During January–October 1975 exports totaled about 1.9 million short tons, valued at $137 million.

U.S. imports of calcined coke are small compared with U.S. production and exports. During the period 1969–73, a total of only 20,000 short tons was imported into the United States. It is believed that these imports were used mainly in research and development. Of this total, Canada accounted for 13,000 short tons, the United Kingdom supplied 5,000 short tons, and the remaining 2,000 short tons came from Belgium, Japan, and Greece. During 1974, U.S. imports amounted to 20,013 short tons, valued at $1.2 million. Of these imports, 19,187 short tons, valued at $1.1 million, came from Canada. U.S. imports increased substantially during 1975 over the past years. During January-October 1975, U.S. imports amounted to 90,986 short tons, valued at $6.2 million. Of these imports, 90,940 short tons, valued at $6.1 million, came from Canada.

Duties collected on imports for the period January–October 1975 totaled $461,599. It is estimated that if the duty is suspended on calcined petroleum coke, the United States would lose a minimum of $500,000 annually.

Outside of the United States there are only 12 plants calcining petroleum coke. There are three plants each in West Germany and Japan. Canada and India have two plants each, and there is one each in Norway and the United Kingdom. A new plant, scheduled to be built in Canada by Union Carbide Corporation, has been deferred by its management.

The facts set forth above indicate that the temporary suspension of the duty on calcined petroleum coke provided for in TSUS item 517.51, as proposed in H.R. 3976, would have minimal competitive impact.

On April 15, 1975, we reported to the Committee on Ways and Means of the House of Representatives on H.R. 3976, and a copy of that report is enclosed for your information.

We hope that this information will be helpful to you and that you will call on us whenever we can be of service to you.

Sincerely,

WILL E. LEONARD,
Chairman.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Does this have an impact on the budget?

Mr. MAGNUSON. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Chair will take the Senator's parliamentary inquiry under advisement. The Senator from Washington has the floor.

Mr. MAGNUSON. I yield the floor.

Mr. LONG. Mr. President, my impression is that if there were any revenue impact, it would be a minimal impact, and I make the same point I made with regard to the amendment the Senator wanted to offer: the impact is so slight, if at all, that it is the kind of thing, I am sure, the Budget Committee would not raise a point of order about. There is not enough impact to it to make any difference.

Several Senators addressed the Chair.

Mr. PACKWOOD. Mr. President, have we disposed of the amendment of the Senator from Washington?

The PRESIDING OFFICER. No.

Mr. PACKWOOD. I have an amendment to offer, but I will wait until we dispose of that.

The PRESIDING OFFICER. The Chair has under advisement a point of order raised by the Senator from Alabama.

Mr. ALLEN. The Senator from Alabama did not raise a point of order.

The PRESIDING OFFICER. The parliamentary inquiry, I beg the Senator's pardon.

In answer to the parliamentary inquiry of the Senator from Alabama, the amendment does have a minimal impact, and thus would be subject to a point of order.

Mr. ALLEN. I do not raise the point of order.

The PRESIDING OFFICER. The Chair thanks the Senator from Alabama.

The question is on agreeing to the amendment of the Senator from Washington (Mr. MAGNUSON).

The amendment was agreed to.

UP AMENDMENT NO. 542

Mr. PACKWOOD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. PACKWOOD. This is an amendment that had previously passed the House of Representatives in the previous Congress, not this Congress. It relates to the amount of liquor that can be brought into the United States duty free.

The PRESIDING OFFICER. Will the Senator suspend to allow the clerk to state the amendment?

Mr. PACKWOOD. Yes, pardon me.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. PACKWOOD) proposes an unprinted amendment numbered 542.

The amendment is as follows:

At the end thereof insert the following new section:

SEC. —. (a) That item 812.25 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "(including not more than 1 wine gallon of alcoholic beverages and not more than 100 cigars)" and inserting in lieu thereof the following: "(not including alcoholic beverages but including not more than 100 cigars)".

(b) The prefatory note to item 813.10 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting after the word "thereof" the following: "(including American citizens who are residents of American Samoa, Guam, or the Virgin Islands of the United States)".

(c) The amendment made by the first section of this Act shall apply with respect to articles entered for consumption on or after the sixtieth day after the date of enactment of this Act.

Mr. PACKWOOD. Mr. President, at present an American citizen coming into this country, coming back from Canada or Mexico or wherever they come from, can bring in one quart of liquor duty free, other than the Virgin Islands or certain other specific exemptions they make.

However, a foreigner can bring in five quarts, and what has happened is that Canada is starting to set up duty-free liquor stores along their border. Canadians who work in this country come in, bring the liquor with them, and barter the liquor for groceries or whatever else.

Oregon is a monopoly State; the State runs the liquor stores in the State, and we have begun to notice a slight effect on revenue because of duty-free liquor coming in legally and then being bartered illegally in this country; and we do not even border Canada.

My amendment would say that a foreigner coming into this country can bring in only one quart of liquor, the same as an American can bring in now.

The revenue impact, if there is any, would be a gain. From the extent that we reduce from five to one the duty-free liquor a foreigner can bring into this country, if the foreigner did bring in more than one quart, he would have to pay duty on it. Therefore, there would be a very slight revenue increase over present law.

Mr. ALLEN. Mr. President, does this amendment have an impact on the budget?

Mr. LONG. It does, for the better.

The PRESIDING OFFICER. This has an impact, except that it is a gain.

Mr. ALLEN. That is subject to the same limitation, is it not?

The PRESIDING OFFICER. No, it is not.

The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

UP AMENDMENT NO. 543

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY), for Mr. NELSON, offers an unprinted amendment numbered 543.

The amendment is as follows:

At the end thereof add the following:

Section 6103(m) is amended by striking the period at the end of paragraph (2) and inserting in lieu thereof a comma and the word "and" and adding the following new paragraph:

"(3) upon written request, to disclose the mailing address of taxpayers to officers and employees of the National Institute for Occupational Safety and Health solely for the purposes of conducting mortality studies of worker populations and the referral of injured workers for medical care and treatment."

Mr. HATHAWAY. Mr. President, I am proposing this amendment in behalf of the Senator from Wisconsin (Mr. NELSON). The amendment has no budgetary impact whatsoever; it simply corrects an error that was made in the Tax Code when it was put forward before that would allow the National Institute for Occupational Safety and Health to have access to IRS returns in order that they may place the occupations of various individuals on whom they have held tests, so that they can tell them they had found something wrong with them as a result of tests they have had. If they did not have access to this information, they might lose track of these workers and not be able to give them the data they have found out about them as a result of studying them in their previous occupations.

Under the previous law, NIOSH has been able to obtain from the Internal Revenue Service—IRS—the addresses—based on the last date of filing an income tax form—for persons who NIOSH has determined were at one time exposed to toxic or harmful substances, endangering their health.

In this way, NIOSH has been able to notify such persons and to determine which ones are alive. Any such persons, once notified, are able to contact NIOSH and to receive medical care.

The survey program has been underway for some 3 years and some 20,000 exposed workers have been notified, some 2,000 of which have been referred for medical treatment.

The program does not involve use of any IRS tax form data. It simply allows for a beneficial notification of at-risk persons, and for general morbidity and mortality data-gathering.

The chairman of the House Ways and Means Committee, Mr. ULLMAN, in a colloquy with Mr. STEIGER of Wisconsin on September 16, the day the House of Representatives approved the tax bill conference report, admitted that the tax provision was an oversight and should be corrected—see page H10233.

For this reason, I offer an amendment that reinstates the authority for NIOSH to continue this valuable service.

I ask unanimous consent that a description of the problem, the existing program, the need for the amendment, and the text of the amendment be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPACT OF TAX BILL ON NIOSH AGREEMENT WITH IRS

Problem: The Tax Reform Bill, H.R. 10612, as passed by Congress on September 16 would restrict the National Institute for Occupational Safety and Health (NIOSH) from access to IRS data for the purpose of occupational health exposure surveys.

While the Social Security Administration, Railroad Retirement Board, Department of Labor and several others are allowed limited access to certain data, NIOSH is not. With the present language of the tax bill, IRS feels that it would be illegal for IRS to continue to furnish NIOSH access to taxpayer address data, as it now does for morbidity surveys.

Explanation of Present Operation and the Need for Access to IRS Data: The National Institute for Occupational Safety and Health has had an agreement with the IRS that allowed NIOSH access to taxpayer address data (Taxpayer Address Program) maintained on all persons filing tax returns in the United States. In conducting retrospective mortality studies of worker populations, NIOSH, on a routine basis, submitted to the IRS the social seurity numbers and names of all members of a given study population to obtain last date of filing and the address from the most recently filed tax return. This enabled NIOSH, by the use of the last known address to subsequently locate the individual and confirm his vital status with a post office follow-up card. It is imperative that the vital status of each person in a NIOSH study population be identified as of a given cut-off date; otherwise, it is impossible to state that the individual is or is not deceased. If he is deceased and NIOSH does not know it, then the final results of the NIOSH study will be biased by the absence of the knowledge of that particular cause of death. The IRS address data enables NIOSH to discontinue other less fruitful, more expensive and time-consuming methods for locating a given individual. Currently, it costs NIOSH less than $.50 to locate a given study member through the IRS. Without the benefit of the taxpayer address information, this cost will skyrocket to a minimum of $20 per person simply because we will have to rely on alternative and less productive mechanisms of follow-up. The size of these study populations may range anywhere from 200 to 8,000 members; most average around 2,000 workers.

Why Amendment to Tax Bill is needed: NIOSH is currently conducting approximately 60 morbidity, mortality, and surveillance studies that involve follow-up of worker populations to determine whether the workers are still alive and what their health status is. Thse studies include approximately 120,000 workers—a small proportion of the total workforce.

If access to IRS data were eliminated, it could cost NIOSH as much as $2.5 million to obtain this information, as opposed to approximately $60,000 using IRS data.

Furthermore, NIOSH is now placing workers that have been located through the Taxpayer Address Program and who are at high risk of developing cancer or other chronic diseases from previous occupational exposures into medical care systems where the subsequent development of such disease possibly can be prevented or successfully treated.

For example, workers who were employed at an asbestos plant in Tyler, Texas, which was investigated by NIOSH, are now eligible for care at East Texas Chest Hospital. Baltimore workers that NIOSH determined to be exposed to benzidine are now under care at Johns Hopkins University Hospital. NIOSH plans to use IRS data during the next fiscal year to follow-up coal miners who have been examined under the 1969 Coal Mine Health and Safety Act to notify them of the date of their next X-ray examination.

In the last 3 years, some 20,000 workers have been notified by NIOSH that they were occupationally exposed; and 2,000 have been referred for medical treatment.

NIOSH gives the National Cancer Institute names of such exposed workers. NCI contracts with medical care providers (hospitals) to provide treatment to injured workers so located.

Mr. ROBERT C. BYRD. Mr. President, does this complete action on the matter?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, with the understanding my rights to the floor are protected by the Chair, I yield to the distinguished Senator from Illinois for 5 minutes, not to exceed 5 minutes.

The PRESIDING OFFICER. The Senator's rights to the floor are protected.

The Senator from Illinois.

Mr. STEVENSON. I thank the Senator for yielding.

ALASKA NATURAL GAS TRANSPORTATION ACT OF 1976

Mr. STEVENSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3521.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3521) to expedite a decision on the delivery of Alaska natural gas to U.S. markets, and for other purposes.

(The amendment of the House is printed in the proceedings of the House of September 30, 1976.)

Mr. STEVENS. Mr. President, I have a question for the Senator from Illinois with regard to the meaning of section 18 of the bill. It is my understanding that section 18 is not a directive or command to any Federal officer or agency, but rather, expresses the sense of the Congress that administrative action should be taken expeditiously to help alleviate the forthcoming west coast crude oil surplus. It is also my understanding that this section does not express a congressional preference for any particular pipeline route. I would ask the gentleman if my understanding is correct.

Mr. STEVENSON. Mr. President. The Senator from Alaska is indeed correct in his understanding of section 18. Section 18 is merely a reaffirmation of the sense of the Congress expressed in section 410 of Public Law 93–153, that either directly or indirectly the benefits of North Slope crude oil should be shared equitably by all regions of the country. Whatever pipeline route or routes are ultimately utilized to transport North Slope crude oil from the west coast, section 18 expresses the will of Congress that Federal administrative actions, within the context of existing laws, be taken expeditiously to permit crude oil to be transported from the west coast to other points in the United States.

Mr. STEVENS. I thank the Senator.

Mr. STEVENSON. Mr. President, S. 3521 establishes a procedure for expediting a decision on construction of facilities to transport natural gas from the North Slope of Alaska to the gas-starved Lower 48 States.

This legislation passed the Senate unanimously on July 1, after more than 7 months of consideration by the Senate Commerce and Interior and Insular Affairs Committees. Rather than select a system proposed by one of the applicants before the Federal Power Commission, the Senate reached a bipartisan consensus that a neutral process bill would best serve the public interest. This approach recognized the urgency of reaching a balanced and environmentally sound decision.

On September 22 and September 29, the House Interstate and Foreign Commerce and the Interior and Insular Affairs Committees reported modified versions of S. 3521. Yesterday, the House of Representatives passed the Senate bill with an amendment.

The Senate bill established a timetable calling for a recommendation by the FPC as to whether a project should be built, and, if so, which one; a period for comment on the FPC decision by Federal agencies, States and other interested parties, a final decision by the President, subject to approval by the Congress, and an abbreviated judicial review of claims challenging the constitutionality of the legislation or the legality of acts taken under it. The process contemplated a final decision by either late 1977 or early 1978.

At the request of the administration and our Ambassador to Canada, the House amendments moved the timetable established in the Senate bill back 3 months in order to allow the President more time and flexibility for negotiations with Canada. The House amendments also required the Council on Environmental Quality to report to the President on the legal and factual sufficiency of the FPC's environmental impact statement.

As part of his recommendation to the Congress, the President was also required to spell out those provisions in existing law which he felt it necessary to waive in order to expedite actual construction of the project.

Many of the changes in the Senate-passed bill further insure the quality and environmental soundness of the ultimate decision, while preserving the bill's focus on an expedited, neutral process.

Some of the House provisions, however, cause me concern. If there was time to go to conference, I would oppose the amendments concerning delivery of Alaska natural gas to eastern and western markets, the separation of the vote on a transportation system from the vote on the necessary waivers of law to expedite construction, and the treatment of Alaska royalty gas.

Due to the lateness of the hour, however, I believe on balance the house-passed bill would be far superior to no bill this session. I, therefore, urge my colleagues to concur in the House amendment to S. 3521.

In my judgment, it will be more difficult—if not impossible—to enact such expediting legislation in the next Congress. Early next year the administrative law judge is likely to make his recommendation to the Federal Power Commission, and by mid-year at the latest, the full Commission is expected to render its opinion. Once a decision becomes a matter of public record, it is unlikely that the bipartisan consensus of Senators from all regions of the country which has supported S. 3521 will be inclined to support another neutral bill. And without such a bill, any successful applicant would face years in court while project costs rose by millions of dollars a day.

S. 3521, as amended by the House, avoids such costly delays by marshaling and coordinating the appropriate resources of the executive, legislative, and judicial branches of Government behind a timely and sound decision on a transportation system for Alaskan natural gas.

Mr. President, a few words of explanation are in order with respect to the so-called Western leg amendment adopted yesterday in the House. Section (b) (1) of the bill as amended by the House provides that—

> Any recommendation that the President approve a particular transportation system shall . . . (C) if such recommendation is for an all land pipeline transportation system or for a transportation system involving water transportation, include provision for new facilities to the extent necessary to assure direct pipeline delivery of Alaska natural gas contemporaneously to points both east and west of the Rocky Mountains in the lower continental United States.

We believe this language maintains neutrality with respect to the current proposals before the Federal Power Commission. It provides flexibility to the Commission to recommend the best possible system for approval. The Commission need not require the construction of new facilities except "to the extent necessary." In addition, direct pipeline delivery of Alaska natural gas is also required only "to the extent necessary" to contemporaneously deliver to points both east and west of the Rocky Mountains and the lower continental States. There is no specification of the size and extent of such deliveries to both sides of the mountains, but what is required is that some direct delivery of Alaska natural gas using new facilities to the extent necessary occur to both sides of the Rocky Mountains.

Of course, this language does not mean that if an Alaska-liquefied natural gas water transportation system is selected, that such a system must build a new pipeline from the west coast to a point east of the Rocky Mountains. Nor does this language prevent reliance on displacement to supplement and extend direct deliveries under the bill.

Similarly, if an all-land pipeline system is constructed, it does not mean that if it is uneconomic or contrary to the national interest to build a large diameter direct-delivery pipeline from the Northern United States to the South, that such a system must be recommended by the Commission.

Finally, contemporaneous delivery to points both east and west of the Rocky Mountains does not necessarily mean instantaneous simultaneous delivery on both sides, but that the initial project provide for delivery of Alaska natural gas to eastern and western regions of the United States. The purpose of this provision is to assure that a natural gas glut similar to the forecast glut of west coast Alaskan oil does not develop in either eastern or western regions of the United States, but that a natural gas transportation system be developed to assure that Alaska natural gas can be made available to eastern and western portions of the United States.

In addition, the President also has flexibility in making his determination. Section 7(a) (1) of the House-passed bill requires that the President's designation "shall be consistent with section 5(b) (1) (C) to assure delivery of Alaska natural gas to points both east and west of the Rocky Mountains in the continental United States." The "consistent with" language provides substantial discretion for the President to consider economic, environmental and other specified factors in making his determination as to which system, if any, best serves the national interest.

Mr. President, I hope this explanation has clarified any ambiguities with respect to the western leg amendment adopted by the House. With natural gas supplies dwindling, construction costs escalating, and this session of Congress rapidly drawing to a close, I urge my colleagues to act favorably on S. 3521, as amended by the House.

Mr. STEVENSON. Mr. President, I move that the Senate concur in the House amendment, S. 3521.

The motion was agreed to.

Mr. STEVENSON. Mr. President, I move to reconsider the vote by which the Senate concurred in the House amendment.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMPARABILITY ADJUSTMENT FOR THE FEDERAL PAY SYSTEM—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following message from the President, which was referred to the Committee on Post Office and Civil Service:

To the Congress of the United States:

In accordance with the provisions of Section 5305 of Title 5 of the United States Code, I hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1976.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have proposed a 4.83 percent average increase in pay rates for the Federal statutory pay systems. The Advisory Committee on Federal Pay and the Federal Employees Pay Council have proposed adjustments of 5.82 percent and 8.2 percent respectively.

I have decided that I should choose the 4.83 percent increase. My selection of this proposal will implement immediately several reforms which are clearly necessary for the continued integrity of the pay adjustment process.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive order I have promulgated to put this pay adjustment into effect.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

U.S. PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to send to the Congress the 30th annual report on United States participation in the United Nations and its many subsidiary bodies.

This report shows how the United States worked to advance its interests through the main activities of the United Nations system during calendar year 1975. It describes the outcome of important meetings such as the seventh special session of the General Assembly on world economic cooperation and the landmark International Women's Year conference; it covers the work of the Security Council in the Middle East and other areas: and it reports on such contentious political issues as the resolution of the 30th General Assembly equating Zionism with Racism with which we vigorously disagreed. These events, and many other UN activities, reflect an active year for the United States in the United Nations during which we persisted in our long-term effort to promote peace, economic progress and social justice within a worldwide framework.

In the area of security and crisis management, the United Nations was effective in carrying out its primary purpose: contributing to the maintenance of international peace. United Nations peacekeeping forces in both the Sinai and the Golan Heights areas of the Middle East continued to separate previous combatants while the search for a more durable peace continued. Similarly, in Cyprus, United Nations peacekeeping forces helped to patrol the lines where confrontation existed and contributed to humanitarian needs. The Security Council, in addition to making the arrangements for the continuation of the mandates for these forces, also helped reduce tensions over the Western Sahara and East Timor.

A major area of activity of direct importance for American interests was the seventh special session of the General Assembly on development and international economic cooperation. Convened September 1 just prior to the 30th regular session, this meeting established a new agenda for international cooperation on the planning of our emerging global economic system. Prior to this meeting there had been division, confrontation and acrimony within the United Nations and elsewhere, over how to improve the world economic system and how to accelerate the process of development. Determined to make the most of this opportunity and to search for common ground, the United States outlined a broad program of practical initiatives which would be of benefit to both developing and developed countries. The participants in this historic meeting responded positively to the U.S. approach, adopting a consensus resolution which embraced most of our proposals. This session demonstrated that the UN can help to advance America's fundamental interests when we exercise leadership in the organization.

An international conference of great importance to the United States was the World Conference of the International Women's Year in Mexico City. This meeting, which grew out of a 1974 U.S. initiative, marked the first time that the problems of women had been the subject of such a major international conference. With some exceptions the conference recorded a number of major achievements. The United States made significant contributions to the World Plan of Action which was adopted at the conference, thus setting in motion a program that will gradually help the world to realize the full rights and potential of half of its people.

At my direction in November 1975, Secretary of State Kissinger sent a letter to the Director General of the International Labor Organization announcing our intention to withdraw from that organization in 1977 unless reforms are made before then. We cited four special areas of concern: erosion of tripartite representation; selective concern for human rights; disregard of due process; and increasing politicization of a technical agency. We took this step only after the most careful deliberation and, as we have stated, we will make every effort to promote conditions that could permit us to continue to participate in the organization.

The 30th session of the General Assembly was marked both by cooperation and contention. Many economic and social issues were debated, resulting in resolutions adopted by consensus. But political differences arose among the members over such issues as Korea, the Middle East, human rights and decolonization. Among other actions, a resolution equating Zionism with Racism was adopted over strong United States opposition. We view this resolution as a fundamental distortion of the truth and, as a result of its adoption, announced that we would not participate in the activities of the Decade for Action to Combat Racism and Racial Discrimination.

These are but a few of the important events in the United Nations during the past year. Much of the work of the United Nations is unknown because it is not regularly reported through the news media. The economic, social and technical coordination work of the United Nations, which account for more than 90 percent of its total resources, include such important activities as:

—Maintaining international aviation safety standards;

—Helping to prevent the spread of nuclear weapons;

—Working to combat illicit drug production and trafficking;

—Improving health conditions and standards worldwide and combating disease and plague;

—Setting improved international standards for the environment;

—Improving international food standards and preventing plant and animal disease from crossing borders;

—Providing economic development and technical assistance to the poorer nations of the world; and

—Providing food assistance and disaster relief.

As the world's strongest economic power with the greatest global reach, the United States derives many tangible benefits from these United Nations activities, many of which resulted from American initiative and leadership.

Despite difficulties inherent in working within an organization of so many sovereign states having differing interests and backgrounds, I believe that we are making progress in achieving our purposes in the United Nations. The United States is working actively to defend its interests, to oppose irresponsible actions and to promote cooperation among UN members in fulfillment of the great purposes of the Charter which we helped to frame.

As the world grows increasingly complex and interdependent, I conclude that United States leadership and participation in the United Nations serves our interests and hopes for realizing mankind's aspirations for a world of peace, economic progress and social justice.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

THIRTY-THREE NEW DEFERRALS—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture and Forestry, Commerce, Armed Services, Labor and Public Welfare, Finance, the Judiciary, Interior and Insular Affairs, and Government Operations:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 33 deferrals of funds totalling $761.7 million. The deferrals are primarily routine in nature and do not, for the most part, affect program levels. The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

ELIZABETH KEE FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 15582.

The PRESIDING OFFICER laid before the Senate H.R. 15582, an act to name the Federal office building in Bluefield, W. Va., the "Elizabeth Kee Federal Building," which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill.

The bill was considered, ordered to a third reading, read the third time, and passed.

SENATOR DENNIS CHAVEZ FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 4206.

The PRESIDING OFFICER laid before the Senate H.R. 4206, an act to designate the new Federal building in Albuquerque, N. Mex., as the "Senator Dennis Chavez Federal Building," which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

POINT REYES NATIONAL SEASHORE, CALIF.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 8002.

The PRESIDING OFFICER laid before the Senate H.R. 8002, an act to designate certain lands in the Point Reyes National Seashore, Calif., as wilderness, amending the act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c–6a), and for other purposes, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

UNANIMOUS-CONSENT REQUEST NOMINATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Richard M. Bilby of Arizona to be U.S. circuit judge for the ninth circuit.

Mr. DURKIN. I object.

The PRESIDING OFFICER. Objection is heard.

Several Senators addressed the Chair.

Mr. LONG. Mr. President, I ask if we could clear Calendar No. 938, which is H.R 9401, to continue the temporary suspension of duty on certain horses.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair protect my rights to the floor while the Senator proceeds.

The PRESIDING OFFICER. Without objection, the Senator's rights are protected.

The Senator from Louisiana may proceed.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN HORSES

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 938.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 9401) to continue to suspend for a temporary period the import duty on certain horses.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Does this have an impact on the budget?

The PRESIDING OFFICER. If the Senator from Alabama will hold for a moment, the Chair will respond.

Mr. LONG. Mr. President, might I advise the Chair about that matter? There is no duty being collected on these horses now, and if we continue this suspension there will not be any duty collected on them, and I am sure there is no duty anticipated because it is not anticipated.

Mr. ALLEN. The suspension is coming off; is it not?

The PRESIDING OFFICER. The Chair will rule if the Senators will suspend for a moment.

The Chair will rule there is no budget impact.

Mr. LONG. I have a letter here from the Commerce Department advising there is no budget impact.

Mr. ALLEN. I am glad to hear that.

Mr. CANNON. I am wondering if the language of the committee amendment would also be applicable to the situation in Nevada where an individual makes a wager on horseracing, dogracing, and jai alai at an establishment regulated by the Nevada Gaming Commission. In other words, would the odds of 200 to 1 and $600 or more apply to the situation I just described?

Mr. FORD. The Senator from Nevada is correct as I understand the language. The transaction would be exempted from the withholding requirement when the odds are 200 to 1 and the amount is $600 or more. Could the chairman of the Finance Committee tell us if this is correct?

Mr. LONG. The Senator is correct. The Nevada transaction described by Senator Cannon would be covered.

UP AMENDMENT NO. 544

Mr BROOKE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. BROOKE) proposes unprinted amendment No. 544.

Mr. BROOKE. Mr. President, I ask unaminous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section:

SEC. . Effective October 1, 1977, section 1056 of the Internal Revenue Code of 1954 (relating to basis limitation for player contracts transferred in connection with the sale of a franchise) shall not apply to property acquired by the transferee before January 1, 1977, in a taxable merger in respect of which a proposed proxy statement has been submitted to the Securities and Exchange Commission before September 21, 1976. If the transferee corporation has held any player contract continuously from the time of its transfer to October 1, 1977, and if the adjusted basis of such contract in the hands of the transferee corporation immediately after the transfer (determined as if the preceding sentence applied at such time) would have exceeded the adjusted basis of such contract at such time (determined without regard to the preceding sentence), then, as of October 1, 1977—

(1) the adjusted basis of such contract shall be increased by the amount of such excess,

(2) the adjusted basis of property (other than player contracts) which would have been lower if the preceding sentence had applied at the time of the transfer shall be properly reduced, and

(3) the adjusted basis of property (other than player contracts) held by the transferee corporation on October 1, 1977, shall be reduced in the order provided by section 1082 (a) (2) of the Internal Revenue Code of 1954, to the extent that the reduction under paragraph (2) is less than the increase under paragraph (1).

Mr. BROOKE. Mr. President, I rise to offer an amendment to this measure. This amendment seeks to cure an inequitable result brought about by the recent passage of section 209 of the Tax Reform Act of 1976. Briefly, that section will change the rules for allocating basis in the matter of player contracts. Tax equity mandates that an extension of the effective date of this provision occur in this unique situation.

Commencing in 1973 certain problems arose between Mr. Sullivan, who held approximately 24 percent of the voting shares in the New England Patriots Football Club founded by him in 1960, and two other groups of voting shareholders. After extended negotiations these problems were finally resolved in late 1975 by Mr. Sullivan's adoption of a plan to purchase the voting shares of the two other groups and then to cause the assets of the present corporation to be transferred to a new entity. By so doing, Mr. Sullivan would be able to buy out all the nonvoting shares in cash.

Equity mandates that Mr. Sullivan, who in reliance on the tax law as was constituted in late 1975, and without notice of possible changes, be given the opportunity to end his transaction which is, even now, in progress without undue deprivation.

Pursuant to this plan, on November 7, 1975, Mr. Sullivan borrowed in excess of $5 million from a bank, representing to the bank that:

First. When the rest of the plan was carried out, in addition to all of the ownership interest of the new entity, the principal assets of the new entity—that is the NFL franchise, player contracts, ticket sales and television revenues—would be pledged as a security for the loan; and

Second. On the clear understanding both by Mr. Sullivan and by the bank, each of whom was independently so advised, that the new entity would be entitled to a basis for player contracts in accordance with the then current provisions of the Internal Revenue Code.

My amendment simply postpones the effective date of this amendment to October 1, 1977. There will, therefore, be no revenue loss for fiscal year 1977. However, by the sharply delimited and narrowly drawn provisions of this particular amendment, this extension will only affect this particular transaction which is in progress at this time. By this I simply mean that this transaction is the only one of its kind which had a proxy statement submitted to the Securities and Exchange Commission before September 21, 1976.

The House Ways and Means Committee in executive session considered this amendment and voted solidly 16 to 11 in favor of this extension. The revenue impact cannot be estimated with absolute certainty but will surely not exceed $3 million stretched over a 6-year period.

I have been informed that this amendment is acceptable to the chairman of the Finance Committee and would urge its inclusion in this particular bill.

Mr. President, to answer my distinguished colleague from New Hampshire, whom I see on his feet, this is an amendment to clear an inequitable result brought about by the recent passage of section 209 of the Tax Reform Act of 1976.

Briefly, that section will change the rules for allocating basis in the matter of player contracts. Tax equity mandates that an extension of the effective date of this provision occur in this unique situation.

It applies only to one individual that was hurt by it.

I have discussed this with the distinguished chairman of the Committee on Finance and he has agreed to take it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. What is the budgetary impact?

The PRESIDING OFFICER. It will not have a budgetary impact. If it would have it would be subject to a point of order.

Mr. LONG. Mr. President, I suggested that the Senator offer this amendment on another bill. We have a bill on the calendar that is engaged in revenue and the revenue pickup in the bill would offset the revenue loss his bill would entail.

Mr. ALLEN. I simply made a parliamentary inquiry. I did not make a point of order.

The PRESIDING OFFICER. The Chair will repeat what the Senator said. He does not make a point of order. He states simply a parliamentary inquiry.

Mr. BROOKE. Mr. President, I ask unanimous consent for the immediate consideration of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. BROOKE. I thank the Chair.

Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. ROBERT C. BYRD. Mr. President, with my rights being protected, I yield to the distinguished Senator from Louisiana (Mr. JOHNSTON).

APPROPRIATION CEILINGS AND BOUNDARY CHANGES IN THE NATIONAL PARK SYSTEM

Mr. JOHNSTON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13713.

The PRESIDING OFFICER laid before the Senate the amendment of the House to Senate amendment numbered 9 to the bill (H.R. 13713) to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes, as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 301. The Act of September 21, 1965 (79 Stat. 824), as amended (16 U.S.C. 459f), providing for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, is further amended by repealing sections 7 and 9 in their entirety, and by adding the following new section 12:

"Sec. 12. (a) Within two years of the date of enactment of this section, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the Senate and the House of Representatives a comprehensive plan for the protection, management, and use of the seashore, to include but not be limited to the following considerations:

"(1) measures for the full protection and management of the natural resources and natural ecosystems of the seashore;

"(2) present and proposed uses of the seashore and the lands and waters adjacent or related thereto, the uses of which would reasonably be expected to influence the administration, use, and environmental quality of the seashore;

"(3) plans for the development of facilities necessary and appropriate for visitor use and enjoyment of the seashore, with identification of resource and user carrying capacities, along with the anticipated costs for all proposed development;

"(4) plans for visitor transportation systems integrated and coordinated with lands and facilities adjacent to, but outside of, the seashore; and

"(5) plans for fostering the development of cooperative agreements and land and resource use patterns outside the seashore which would be compatible with the protection and management of the seashore.

"(b) Notwithstanding any other provision of law, no Federal loan, grant, license, or other form of assistance for any project which, in the opinion of the Secretary would significantly adversely affect the administration, use, and environmental quality of the seashore shall be made, issued, or approved by the head of any Federal agency without first consulting with the Secretary to determine whether or not such project is consistent with the plan developed pursuant to this section and allowing him at least thirty days to comment in writing on such proposed action.".

Resolved, That the House agree to the amendment of the Senate numbered 11 to the aforesaid bill with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 308. (a) The Appomattox Court House National Historical Park shall hereafter comprise the area depicted on the map entitled "Boundary Map, Appomattox Court House National Historical Park", numbered 340–20,000A, and dated September 1976, which is on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) Within the boundaries of the park, the Secretary may acquire lands and interests in lands, by donation, purchase with donated or appropriated funds, or exchange. Any lands or interests in lands owned by the State of Virginia or its political subdivisions may be acquired only by donation.

(c) (1) The owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition, less the fair market value, on that date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

(2) As used in this Act, the term "improved property" means a detached, single-family dwelling, construction of which was begun before June 8, 1976, which is used for noncommercial residential purposes, together with such additional lands or interests therein as the Secretary deems to be reasonably necessary for access thereto, such lands being in the same ownership as the dwelling, together with any structures accessory to the dwelling which are situated on such land.

(3) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

(d) The Secretary shall administer the park in accordance with the Acts of August 25, 1916 (39 Stat. 535), as amended and supplemented, and August 21, 1935 (49 Stat. 666) as amended.

(e) The Acts of June 18, 1930 (46 Stat. 777), August 13, 1935 (49 Stat. 613), and July 17, 1953 (67 Stat. 181), are repealed.

(f) There are authorized to be appropriated not to exceed $1,335,000 to carry out the purposes of this Act.

Resolved, That the House agree to the amendment of the Senate numbered 21 to the aforesaid bill with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 318. The boundary of Zion National Park is hereby revised to include the area as generally depicted on the map entitled "Land Ownership Types, Zion National Park, Utah", numbered 116–80,003, which map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary of the Interior may require the property included by this section by donation only.

Sec. 319. The Act of April 17, 1954 (68 Stat. 56; 16 U.S.C. 429b), entitled "An Act to preserve within Manassas National Battlefield Park, Virginia, the most important historic properties relating to the battles of Manassas and for other purposes", is amended to read as follows:

"That in order to establish satisfactory boundaries for the Manassas National Battlefield Park, in the Commonwealth of Virginia, and to contain within such boundaries the important historic lands relating to the two battles of Manassas, the boundaries of such battlefield hereafter shall encompass those lands generally depicted on the map entitled 'Boundary Map, Manassas National Battlefield Park,' dated July 1976, and numbered 379–80,003, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. After advising the Committees on Interior and Insular Affairs of the United States House of Representatives and the United States Senate in writing, the Secretary of the Interior (hereinafter referred to as the 'Secretary') may make minor revisions in the boundary from time to time by publication in the Federal Register of a map or other boundary description, but the total area within the battlefield may not exceed four thousand six hundred acres. The battlefield shall be administered in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666).

"Sec. 2. In order to effectuate the purposes of this Act, the Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange, lands and interests therein, including scenic easements, which are located within the boundaries of the battlefield, except that property owned by the Commonwealth of Virginia or any political subdivision thereof may be acquired only by donation.

"Sec. 3. (a) Subsequent to the date of enactment of this section, the owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition less the fair market value, on that date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

"(b) As used in this Act, the term 'improved property' means a detached, one-family dwelling, construction of which was begun before June 25, 1975, which is used for noncommercial residential purposes, together with not to exceed three acres of land on which the dwelling is situated and together with such additional or interests therein as the Secretary deems to be reasonably necessary for access thereto, such lands being in the same ownership as the dwelling, together with any structures accessory to the dwelling which are situated on such land.

"(c) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

"Sec. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not to exceed $5,980,000 for the acquisition of lands and interests in lands. No funds authorized to be appropriated pursuant to this section shall be available prior to October 1, 1977."

Sec. 320. The Act of June 21, 1934 (48 Stat. 1198; 16 U.S.C. 430j) is amended as follows:

(1) In section 1:

(a) change "national military park" to "national battlefield" and

(b) change "Monocacy National Military Park" to "Monocacy National Battlefield" (hereinafter referred to as "the battlefield"). The battlefield shall comprise the area generally depicted on the drawing entitled "Boundary, Monocacy National Battlefield", numbered 894–40,000 and dated May 1976, and delete the remainder of the sentence.

(2) In section 2, change "Monocacy National Military Park" to "battlefield" wherever it occurs.

(3) In section 3, delete "enter into leases with the owners of such of the lands, works, defenses, and buildings thereon within the Monocacy National Military Park, as in his discretion it is unnecessary to forthwith acquire title to, and such leases shall be on such terms and conditions as the Secretary of the Interior may prescribe, and may contain options to purchase, subject to later acceptance, if, in the judgment of the Secretary of the Interior, it is as economical to purchase as condemn title to property: *Provided,* That the Secretary of the Interior may enter into agreements upon such nominal terms as he may prescribe, permitting the present owners or their tenants to occupy or cultivate their present holdings, upon condition", and insert in lieu thereof, "lease to the immediately preceding owner or owners any lands acquired pursuant to an agreement that such lessee or lessees will occupy such lands in a manner consistent with the purposes of this Act and".

(4) Change section 4 to read:

"Sec. 4. The administration, development, preservation, and maintenance of the battlefield shall be exercised by the Secretary of the Interior in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666)."

(5) Repeal all of section 5.

(6) In section 6:

(a) delete "said Office of National Parks, Buildings, and Reservations, acting through the", and

(b) change "Monocacy National Military Park:" to "battlefield", delete the remainder of the sentence and insert in lieu thereof "for carrying out the provisions of this Act.".

(7) In section 7:

(a) change "Monocacy National Military Park" to "battlefield", and

(b) delete the comma and "which approval shall be based on formal written reports made to him in each case by the Office of National Parks, Buildings, and Reservations: *Provided,*" and insert in lieu thereof "*Provided further,*".

(8) In section 8, change the comma to a period and delete "of not less than $5 nor more than $500.".

(9) Change section 10 to read:

"Sec. 10. There are hereby authorized to be appropriated such sums as may be necessary, but not more than $3,525,000 for the acquisition of lands and interests in lands, and not to exceed $500,000 for the development of essential public facilities. Within three years from the date of the enactment of this section, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the full development of the battlefield consistent with the preservation objectives of this Act, indicating:

"(1) the facilities needed to accommodate the health, safety, and interpretive needs of the visiting public;

"(2) the location and estimated cost of all facilities; and

"(3) the projected need for any additional facilities within the battlefield.

No funds authorized to be appropriated pursuant to this section shall be available prior to October 1, 1977."

Sec. 321. The Act of January 23, 1930 (46 Stat. 58), establishing the George Washington Birthplace National Monument at Wakefield, Virginia, is amended by adding thereto the following new sections:

"Sec. 4. In order to further the purposes of the national monument the Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange, lands, waters, and interests therein within the boundaries depicted on the map entitled 'Boundary Map, George Washington Birthplace National Monument', numbered 332–20,000 A and dated May 1975: *Provided,* That the total area designated within the monument may not exceed one thousand five hundred and twenty-five acres. Lands, waters, and interests therein owned by the Commonwealth of Virginia or any political subdivision thereof may be acquired only by donation.

"Sec. 5. (a) The owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition, less the fair market value, on the date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

"(b) As used in this Act, the term 'improved property' means a detached, single-family dwelling, construction of which was begun before June 1, 1976, which is used for noncommercial residential purposes, together with not to exceed three acres of land on which the dwelling is situated, and together with such additional lands or interests therein as the Secretary deems to be reasonably necessary for access thereto, such lands being in the same ownership as the dwelling, together with any structures accessory to the dwelling which are situated on such land.

"(c) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

"Sec. 6. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not to exceed $3,820,000 for the acquisition of lands and interests therein. No funds authorized to be appropriated pursuant to this Act shall be available prior to October 1, 1977."

Sec. 322. (a) The boundaries of Olympic National Park as established by the Act of June 29, 1938 (52 Stat. 1241), and as revised by proclamation pursuant to that Act and by or pursuant to the Act of December 22, 1942 (56 Stat. 1070), and the Act of June 11, 1958 (72 Stat. 185), are hereby revised to include the lands, privately owned aquatic lands, and interests therein within the boundaries depicted on the map entitled "Boundary Map, Olympic National Park, Washington," numbered 149–80–001–B, and dated January 1976, which shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

(b) The Secretary of the Interior (hereinafter referred to as the "Secretary") shall, beginning within thirty days after the date of enactment of this Act, consult with the Governor of the State of Washington, the Board of Commissioners of Clallam County, and the affected landowners, and shall locate a boundary encompassing all of the shoreline of Lake Ozette, including privately owned aquatic lands not within the boundary of the park on the date of enactment of this Act: *Provided,* That such boundary shall be located not less than two hundred feet set back from the ordinary high-water mark of Lake Ozette: *Provided further,* That the privately owned lands encompassed within the park by such boundary shall not exceed one thousand five hundred acres. The Secretary shall, within one hundred and eighty days after the date of enactment of this Act, and following reasonable notice in writing to the Committees on Interior and Insular Affairs of the Senate and House of Representatives of his intention to do so, publish in the Federal Register a detailed description of the boundary located pursuant to this subsection. Upon such publication the Secretary is authorized to revise the map on file pursuant to subsection (a) of this section accordingly, and such revised map shall have the same force and effect as if included in this Act.

(c) Section 5 of the said Act of June 29, 1938, is amended by deleting the second sentence, and inserting in lieu thereof: "The boundaries of Olympic National Park may be revised only by Act of Congress."

"(d) Notwithstanding any other provision of law, within the boundaries of the park as revised by and pursuant to this Act, the Secretary is authorized to acquire lands, privately owned aquatic lands, and interests therein by donation, purchase with donated or appropriated funds, exchange, or transfer from any Federal agency. Property so acquired shall become part of Olympic National

Park and shall be administered by the Secretary subject to the laws and regulations applicable to such park. The Secretary is authorized and directed to exclude from the boundaries of the park such private lands and publicly owned and maintained roads within Grays Harbor County which are near and adjacent to Lake Quinault, and which do not exceed two thousand, one hundred and sixty-eight acres in total. Prior to excluding such lands from the park, the Secretary shall study and investigate current and prospective uses of the private lands, as well as the implications of their exclusion both for the lands involved and for Olympic National Park. The results of such study shall be transmitted to the President and to the Congress within two years of the enactment of this Act, and shall take effect unless disapproved by simple majority vote of the House of Representatives or the Senate of the United States of America within ninety legislative days of their submission to the Congress. Property excluded from the boundaries of the park by this Act may be exchanged for non-Federal property within the boundaries; or it may be transferred to the jurisdiction of any Federal agency or to the State of Washington or a political subdivision thereof, without monetary consideration, as the Secretary may deem appropriate. Any such Federal property transferred to the jurisdiction of the Secretary of Agriculture for national forest purposes shall upon such transfer become part of the national forest and subject to the laws and regulations pertaining thereto. Any property excluded from the park by this Act which is within the boundaries of an Indian reservation may be transferred in trust to such Indian tribe, subject, however, to the express condition that any concessioner providing public services shall be permitted to continue to provide such services in such manner and for such period as set forth in his concession contract, that the Secretary of the Interior is authorized to pay all franchise fees collected from the concessioner under the contract to said Indian tribe, and that in the event his contract is terminated, the United States shall purchase his possessory interest in accordance with the Act of October 9, 1965 (79 Stat. 969). The acquisition of lands by the United States in trust for an Indian tribe pursuant to this title shall not confer any hunting or fishing rights upon such tribe which were not vested in such tribe prior to the acquisition of such lands.

"(e) (1) Any owner or owners of improved property, within the boundaries of the park, as revised by and pursuant to this Act may, on the date of its acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the property for such noncommercial residential purposes as existed on or before January 1, 1976, for twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or his spouse, whichever is later. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of the right retained by the owner.

"(2) As used in this title, the term 'improved property' shall mean any single-family dwelling on which construction was begun before January 1, 1976, together with so much of the land on which the dwelling is situated (such land being in the same ownership as the dwelling) as shall be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, as the Secretary shall designate. The amount of the land so designated shall in every case be not more than three acres in area: *Provided*, That the Secretary may exclude from the land so designated any beach or water, together with so much of the land adjoining any such beach or water, as he may deem necessary for public access thereto.

"(f) The Secretary is directed to acquire in fee all other privately owned lands added to the park by and pursuant to this Act, and to acquire within three years of adoption of this Act so much of such lands as can be acquired by donation, exchange, or purchase, to the extent of available funds, and to report to Congress on the third anniversary of adoption of this Act the estimated amount of appropriations which would be necessary to acquire the remainder, if any, of such lands by condemnation. The compensation for such lands shall be their fair market value on the date of their acquisition, taking into account applicable land use regulations in effect on January 1, 1976.

"(g) Notwithstanding the provisions of the preceding subsection, any noncorporate owner or owners, as of January 1, 1976, of property adjacent to Lake Ozette may retain title to such property: *Provided*, That such owner or owners consent to acquisition by the Secretary or scenic easements or other interests that allow only those improvements that the Secretary finds to be reasonably necessary for continued use and occupancy. Any such owner or owners who elects to improve his property or a portion thereof shall submit to the Secretary a plan which shall set forth the manner in which the property is to be improved and the use to which it is proposed to be put. If, upon review of such plan, the Secretary determines that it is compatible with the limitations of this subsection, he in his discretion may issue a permit to such owner and a certificate to that effect. Upon issuance of any such certificate and so long as such property is maintained and used in conformity therewith, the authority of the Secretary to acquire such property or interest therein without the consent of the owner shall be suspended.

"(h) In order to minimize economic dislocation in acquiring property within the park, the Secretary may acquire with the consent of the owner, lands and interests in lands outside the boundaries of the park, but within the State of Washington, and with the concurrence of the Secretary of Agriculture, he may utilize lands and interests therein within a national forest in the State of Washington hereby authorized to be transferred to the Secretary, for the purpose of exchanging lands and interests so acquired or transferred for property within the park.

(i) Effective upon acceptance thereof by the State of Washington (1) the jurisdiction which the United States acquired over those lands excluded from the boundaries of Olympic National Park by subsection 1(a) of this Act is hereby retroceded to the State: *Provided*, That the lands restored to the Quileute Indian Reservation shall be subject to the same State and Tribal jurisdiction as all other trust lands within said Reservation; and (2) there is hereby retroceded to such State concurrent legislative jurisdiction, as the Governor of the State of Washington and the Secretary shall determine, over and within all territory within the boundaries of the park as revised by this Act.

(j) There is hereby authorized to be appropriated not to exceed $13,000,000 for the acquisition of lands, privately owned aquatic lands, or interests therein in accordance with the provisions of this title. No funds authorized to be appropriated pursuant to this title shall be available prior to October 1, 1977.

SEC. 323. Section 403 of the Act of October 26, 1974 (88 Stat. 1447), is amended by adding the following new subsection (c):

"(c) To carry out the priority repairs as determined by the study performed in accordance with subsection (a) of this section, and to complete additional detailed studies to accomplish the work so identified, there are authorized to be appropriated such sums as may be necessary, but not more than $2,733,000. No funds authorized to be appropriated pursuant to this subsection shall be available prior to October 1, 1977."

SEC. 324. Section 3(b) of the Act of October 11, 1974 (88 Stat. 1254; 16 U.S.C. 698(b)), is amended by deleting "detached, one-family dwelling," and inserting in lieu thereof "detached year-round one-family dwelling which serves as the owner's permanent place of above at the time of acquisition, and."

SEC. 325. The Act of December 27, 1974 (88 Stat. 1784) entitled "An Act to provide for the establishment of the Cuyahoga Valley National Recreation Area" is amended as follows:

(a) In subsection 2(a) strike out "Boundary Map, Cuyahoga Valley National Recreation Area, Ohio, numbered NRA—CUYA-20,-000-A, and dated December 1974," and insert in lieu thereof "Boundary Map, Cuyahoga Valley National Recreation Area, Ohio, numbered 90,000-A, and dated September 1976,".

(b) In subsection 6(a) strike out "$34,500,-000" and insert in lieu thereof "$41,000,000".

(c) No funds authorized by this section in excess of those sums previously authorized by the Act of December 27, 1974, shall be available for expenditure before October 1, 1977.

Mr. TAFT. Mr. President I urge the Senate to accept the House amendments to H.R. 13713.

Under the House amendment $6.6 million would be made available for the purchase of 900 acres to expand the recently created Cuyahoga Valley National Park.

This land is adjacent to the Ohio Canal and is needed to protect the canal section of the park from development.

The North Strip Area, which would be purchased under this provision, is an essential part of the park area and is currently being terraced and trees cut down. The terracing will destroy one of the most scenic areas in the park if it is allowed to continue.

The bill will also provide for the purchase of the historic Frazee House. The fact that this house was not in the original park boundary is now admitted to be an oversight. This house, which was constructed in 1826, is the oldest standing house in the Cuyahoga Valley and must be included in the park.

Alexander Mill, which is also one of the most historic buildings in the area, will be included in the park under this bill. Alexander Mill will serve as a major orientation center for the park.

I believe that Americans are deeply concerned about improving the quality of life for ourselves. Creating park land in urban areas is an important part of this effort.

I have been an active supporter of the Cuyahoga Valley Park since I cosponsored the original Senate bill in 1973. I believe that passage of this bill is a necessary next step in the development of the park.

Mr. JACKSON. Mr. President, I wish to clarify two points pertaining to section 322 of H.R. 13713 which modifies the boundaries of the Olympic National Park.

First, several land owners along the east side of Lake Ozette have expressed concern as to what future rights they will have on their property under the provisions of this bill. I want to make it clear that if an owner consents to acquisition of a scenic easement, this will not preclude him from constructing a recreational residence or cabin similar to the ones which are now scattered along the lake shore. The prime reason for the acquisition of a scenic easement is to preclude commercial development along this beautiful lake, not to restrict reasonable use of land belonging to private citizens.

I think it should also be pointed out, Mr. President, that it is expected that the present access sites available around the lake will be maintained by the National Park Service in a way that will allow use by private land owners as well as visitors to the park who may wish to boat in this outstanding scenic area.

I ask unanimous consent to print in the Record the House amendments to H.R. 13713.

There being no objection, the amendments were ordered to be printed in the Record, as follows:

House Amendments to H.R. 13713

1. Manassas National Battlefield Park: Approximately 1,500 acres would be added to the existing boundary for a cost of $5,980,000.

The Committee has received expressions of concern over two parcels (I, J) which perhaps are not needed for acquisition due to the County zoning in that area. Since there is not sufficient time to consider this in the Committee this session, nor to make any further amendments to this legislation, the Committee will accept the amendment including these parcels, but intends to review this provision next Congress.

2. Monocacy National Battlefield: Would establish boundaries for this area which was established in 1934. Approximately 640 acres for a cost of $3,525,000.

3. George Washington Birthplace National Monument: Approximately 1,070 acres would be added to the monument for a cost of $3,820,000.

4. Olympic National Park: Would make boundary adjustments along geographic features and would add a strip of land surrounding those portions of Lake Ozette which are currently outside the park boundary, for a cost of $13,000,000.

5. San Juan National Historic Site: Would provide $2,733,000 for emergency repairs to the El Morro fortress and for special studies leading to more permanent protection of the historic site from erosion.

6. Big Thicket National Preserve: Technical amendment to perfect language regarding retention of a life-time estate.

7. Cuyahoga Valley National Recreation Area: Approximately 900 acres would be added to the area for a cost of $6,600,000.

Mr. HANSEN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Ohio (Mr. Taft).

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement of Senator Taft

I urge the Senate to pass H.R. 13713.

This bill would make $6.6 million available for the purchase of 908 acres to expand the recently created Cuyahoga Valley National Park.

This land is adjacent to the Ohio Canal and is needed to protect the Canal section of the park from development.

The North Strip area, which would be purchased under this provision, is an essential part of the park area and is currently being terraced and trees cut down. The terracing will destroy one of the most scenic areas in the park if it is allowed to continue.

The bill will also provide for the purchase of the historic Frazee House. The fact that this house was not in the original park boundary is now admitted to be an oversight. This house which was constructed in 1826 is the oldest standing house in the Cuyahoga Valley and must be included in the park.

Alexander Mill, which is also one of the most historic buildings in the area, will be included in the Park under this bill. Alexander Mill will serve as a major orientation center for the Park.

I believe that Americans are deeply concerned about improving the quality of life for ourselves. Creating park land in urban areas is an important part of this effort.

I have been an active supporter of the Cuyahoga Valley Park since I co-sponsored the original Senate bill in 1973. I believe that passage of this bill is a necessary next step in the development of the park.

UP AMENDMENT NO. 545

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amendment to H.R. 13713

Delete sections 319 and 321 in their entirety and renumber accordingly.

Mr. JOHNSTON. Mr. President, this is the omnibus ceilings and boundary changes bill for the National Park System. It was cleared on both sides.

Senator William L. Scott had a problem with two provisions respecting the Manassas Park. He is now unavailable, and we were unable to work that out with him. So, therefore, these amendments would delete those provisions to which he had objection and with the passage of the amendment I ask for passage of the bill.

The PRESIDING OFFICER. The Chair had some question as to which House amendment is being amended.

Mr. JOHNSTON. Sections 319 and 321. I move to agree to the House amendments with this amendment.

The PRESIDING OFFICER. The question is on the motion to concur with an amendment.

The motion was agreed to.

Mr. GRIFFIN. Mr. President, what is the number of the bill before us now?

Mr. JOHNSTON. H.R. 13713.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. JOHNSTON. I move the passage of the bill.

The PRESIDING OFFICER. The action is complete.

May we have order? The Senator from West Virginia has the floor. The Chair realizes it is late and it is difficult, but it is almost impossible to hear. The Chair asks the indulgence of those in the Chamber for order.

Mr. ROBERT C. BYRD. I yield to the Senator from Louisiana (Mr. Long).

Mr. LONG. Mr. President, the Chair announced that H.R. 9401 was passed. Is that correct?

The PRESIDING OFFICER. The bill itself was passed.

Mr. LONG. I move to reconsider the vote by which the bill was passed.

Mr. BROOKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VITIATION OF ACTION ON H.R. 4206

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the action that was taken previously on H.R. 4206 be vitiated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PUBLIC RECREATIONAL USE OF CERTAIN FEDERAL RESERVOIRS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 15563.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 15562) to amend the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes, as follows:

Strike out section 2.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

Mr. GRIFFIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, does the Senator object to the consideration of the measure at this point?

Mr. GRIFFIN. Yes.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, does any Senator have a conference report he wishes to call up at this point?

PUBLIC RECREATIONAL USE OF CERTAIN FEDERAL RESERVOIRS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 15563.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 15562) to amend the act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes, as follows:

Strike out section 2.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has passed without amendment the bill (S. 3894) to amend the Federal Water Pollution Control Act, as amended.

The House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 400) to direct the Secretary of the Interior to conduct a one-year feasibility/suitability study of the Frederick Law Olmsted Home and Office as a national historic site.

The House has passed the bill (S. 969) to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Readjustment Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes.".

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, the logjam has been completely dispensed with here. Therefore, to give the Senate a little respite, I move that the Senate proceed—and it is a nondebatable motion, I have learned from my friend—I move that the Senate proceed to executive session to consider the nomination of Mr. Bilby.

Mr. DURKIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia. On this motion the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from Arkansas (Mr. Bumpers), the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from Michigan (Mr. Philip A. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Kentucky (Mr. Huddleston), the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pastore), the Senator from Rhode Island (Mr. Pell), the Senator from Connecticut (Mr. Ribicoff), the Senator from Mississippi (Mr. Stennis), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Glenn), the Senator from Hawaii (Mr. Inouye), and the Senator from Montana (Mr. Mansfield) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from New Jersey (Mr. Case), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Nevada (Mr. Laxalt), the Senator from Maryland (Mr. Mathias), the Senator from Kansas (Mr. Pearson), the Senator from Delaware (Mr. Roth), the Senator from Vermont (Mr. Stafford), the Senator from Ohio (Mr. Taft), the Senator from Connecticut (Mr. Weicker), and the Senator from North Dakota (Mr. Young) are necessarily absent.

I further announce that the Senator from Virginia (Mr. William L. Scott) is absent on official business.

The result was announced—yeas 38, nays 14, as follows:

[Rollcall Vote No. 696 Ex.]

YEAS—38

Allen
Baker
Bartlett
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Curtis
Durkin
Eagleton
Fannin
Ford
Garn
Gravel
Griffin
Hansen
Hatfield
Helms
Hruska
Jackson
Javits
Long
McClellan
McClure
Morgan
Moss
Nunn
Packwood
Percy
Randolph
Schweiker
Scott, Hugh
Sparkman
Stevens
Stone
Thurmond
Tower

NAYS—14

Bayh
Church
Clark
Culver
Hart, Gary
Hartke
Haskell
Hathaway
Johnston
Leahy
Magnuson
Metcalf
Proxmire
Stevenson

NOT VOTING—48

Abourezk
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Bumpers
Case
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Hart, Philip A.
Hollings
Huddleston
Humphrey
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Ribicoff
Roth
Scott, William L.
Stafford
Stennis
Symington
Taft
Talmadge
Tunney
Weicker
Williams
Young

So the motion was agreed to.

Mr. DURKIN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MOSS. I move to lay that motion on the table.

Mr. DURKIN. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. Stone). Is there a sufficient second? There is not a sufficient second.

Mr. DURKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, we just had a vote.

Mr. DURKIN. We had intervening business.

The PRESIDING OFFICER. The Senator is correct. There has been intervening business.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, has anyone answered the call yet?

The PRESIDING OFFICER. The quorum call is in progress.

The second assistant legislative clerk resumed the call of the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DURKIN. I object.

The second assistant legislative clerk proceeded with the call of the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DURKIN. Reserving the right to object——

Mr. ROBERT C. BYRD. Mr. President, the Senator cannot reserve his right to object.

Mr. DURKIN. Let me object while I talk to the leader.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. METCALF. I object.

The PRESIDING OFFICER. Objection is heard. The rollcall will continue.

The second assistant legislative clerk proceeded to call the roll.

Mr. FANNIN. Mr. President, I move that the Sergeant at Arms be instructed to call the absentees.

Mr. DURKIN. I ask for the yeas and nays.

Mr. ROBERT C. BYRD. Now, Mr. President——

The PRESIDING OFFICER. The absence of a quorum has not been established. The motion is not in order.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CURTIS. I object.

Mr. FANNIN. I object.

The PRESIDING OFFICER. Objection is heard.

The call of the roll was resumed and concluded, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 62 Ex.]

Abourezk
Allen
Baker
Bartlett
Bayh
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Culver
Durkin
Eagleton
Fannin
Ford
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Johnston
Leahy
Long

Magnuson
McClellan
McClure
Metcalf
Morgan
Moss
Nunn
Packwood
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stevenson
Stone
Tower
Williams

The PRESIDING OFFICER. A quorum is present.

Mr. ROBERT C. BYRD. Mr. President, I am hoping that it will be possible to revive the rivers and harbors bill while there is yet time.

I, therefore, move that the Senate return to legislative session.

Mr. FANNIN. I object.

Mr. STEVENS. I object.

Mr. FANNIN. I ask for the yeas and nays.

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGH SCOTT. Is this motion debatable?

The PRESIDING OFFICER. No; it is not.

Mr. HRUSKA. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURKIN. Mr. President, could we have order in the Senate, please?

The PRESIDING OFFICER. The Senate will be in order. Senators will kindly take their seats.

Senators conversing in the rear of the Chamber kindly withdraw to the cloakroom.

Will Senators and our visitors, who are conversing, kindly withdraw to the cloakroom.

Will Senators and their visitors who are conversing in the rear of the Chamber and the staff members kindly withdraw to the cloakroom or take their seats.

The clerk will resume.

The legislative clerk resumed the call of the roll.

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The rollcall is still in progress.

Mr. HUGH SCOTT. The query is addressed to whether or not the time has expired, or am I required to move for regular order?

The PRESIDING OFFICER. Time has expired.

Mr. HUGH SCOTT. I ask for regular order.

The PRESIDING OFFICER. Regular order is called for.

Mr. ROBERT C. BYRD. Mr. President, am I recorded?

Mr. HUGH SCOTT. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator is not recorded.

Mr. HUGH SCOTT. Mr. President, I renew my request for regular order.

The PRESIDING OFFICER. Regular order is called for.

Mr. DURKIN. Mr. President, am I recorded?

The PRESIDING OFFICER. The Senator is recorded.

The legislative clerk concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the Senator from Vermont (Mr. STAFFORD), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The yeas and nays resulted—yeas 40, nays 5, as follows:

[Rollcall Vote No. 697 Ex.]

YEAS—40

Allen
Bayh
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Church
Clark
Culver
Durkin
Eagleton
Fannin
Ford
Gravel
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Johnston
Leahy
Long
Magnuson
McClellan
Metcalf
Morgan
Moss
Nunn
Packwood
Proxmire
Randolph
Schweiker
Sparkman
Stevenson
Stone
Williams

NAYS—5

Baker
Bartlett
Garn
Percy
Scott, Hugh

NOT VOTING—55

Abourezk
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Cannon
Case
Chiles
Cranston
Curtis
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Griffin
Hansen
Hart, Philip A.
Helms
Hollings
Hruska
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Ribicoff
Roth
Scott,
  William L.
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

The PRESIDING OFFICER. On this vote, the yeas are 40, the nays are 5. A quorum not being present, the vote is invalid.

Mr. HUGH SCOTT. Mr. President, I ask that the vote be reconsidered, and I ask for the yeas and nays.

The PRESIDING OFFICER. No business can be transacted until the presence of a quorum is ascertained.

QUORUM CALL

The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 63 Leg.]

Abourezk
Allen
Baker
Bartlett
Bayh
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Culver
Durkin
Eagleton
Fannin
Ford
Garn
Gravel
Griffin
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Johnston
Leahy
Long
Magnuson
McGovern
Metcalf
Morgan
Moss
Nelson
Nunn
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stevenson
Stone
Williams

The PRESIDING OFFICER. A quorum is present. The question recurs on agreeing to the motion to resume the consideration of legislative business. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FANNIN. I ask for regular order.

Mr. ROBERT C. BYRD. Just let it go.

Mr. GRIFFIN. Mr. President, regular order has been called for.

Mr. FANNIN. Do we have rules or not?

The PRESIDING OFFICER. The clerk should have time to tally the vote.

Mr. FANNIN. Regular order, Mr. President.

The PRESIDING OFFICER. Regular order has been called for.

Mr. CULVER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded in the affirmative.

Mr. FANNIN. Regular order, Mr. President.

The PRESIDING OFFICER. Regular order has been called for.

Mr. ABOUREZK. Mr. President, how am I recorded?

Mr. FANNIN. Mr. President, regular order.

Mr. HUGH SCOTT. Regular order is demanded, Mr. President. Either we have rules or we do not.

Mr. ROBERT C. BYRD. Mr. President, I vote "no."

Mr. HUMPHREY and Mr. GRAVEL addressed the Chair.

Mr. HUGH SCOTT. Regular order is demanded.

Mr. FANNIN. Mr. President, regular order is demanded.

Mr. GRAVEL. Mr. President, how am I recorded?

Mr. FANNIN. Regular order.

Several Senators addressed the Chair.

Mr. FANNIN. Mr. President, these are dilatory tactics.

Mr. GRAVEL. Mr. President, I would like to change my vote. I vote "nay."

The PRESIDING OFFICER. A Senator in the Chamber may change his vote.

Several Senators addressed the Chair.

Mr. LONG. I vote "nay."

Mr. EAGLETON addressed the Chair.

Mr. HUGH SCOTT. Regular order, Mr. President.

Mr. EAGLETON. I vote "nay."

Mr. PASTORE and Mr. LEAHY addressed the Chair.

Mr. ABOUREZK. I vote "nay."

Mr. RANDOLPH addressed the Chair.

Mr. HUGH SCOTT. Mr. President, nothing is happening. Regular order.

Several Senators addressed the Chair.

Mr. FANNIN. Regular order.

Mr. RANDOLPH. I vote "nay."

Mr. FANNIN. Mr. President, regular order.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

Mr. FANNIN. Regular order, Mr. President.

The PRESIDING OFFICER. Debate is not in order during a rollcall. A Senator in the Chamber may vote.

Mr. HUMPHREY addressed the Chair.

Mr. FANNIN. Regular order.

The PRESIDING OFFICER. Debate is not in order during a rollcall.

Mr. HUMPHREY. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator is not recognized.

Mr. HUMPHREY. I want to change my vote.

Mr. METCALF. Mr. President, has the time for the rollcall expired?

Mr. FANNIN. Yes, it has expired.

The PRESIDING OFFICER. Time for the rollcall has expired.

Mr. PROXMIRE. The clock has not moved. The time has not changed.

[Laughter.]

Mr. FANNIN. Regular order, Mr. President.

Mr. DURKIN. Mr. President, I vote nay.

Mr. ABOUREZK and Mr. LEAHY addressed the Chair.

Mr. ABOUREZK. Mr. President, am I recorded, as voting nay?

The PRESIDING OFFICER. The Senator is recorded in the negative.

Mr. FANNIN. Debate is not in order, Mr. President.

Mr. ABOUREZK. I vote aye.

Mr. MAGNUSON and Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. MAGNUSON. I vote nay.

Mr. HUGH SCOTT. Mr. President, for whom are we waiting?

Mr. FANNIN. Mr. President, regular order.

Mr. HUMPHREY. Mr. President, I have been seeking recognition.

The PRESIDING OFFICER. The Senator is not in order.

Mr. HUMPHREY. I vote nay.

Mr. BUMPERS addressed the Chair.

Mr. FANNIN. Regular order, Mr. President.

Mr. BUMPERS. I vote nay.

Mr. LEAHY addressed the Chair.

Mr. FANNIN. Mr. President, regular order.

Mr. GRAVEL addressed the Chair.

Mr. JOHNSTON. Mr. President, I vote nay.

Mr. FANNIN. Regular order, Mr. President.

Mr. LEAHY and Mr. DURKIN addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I ask for the regular order.

The legislative clerk concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE), are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the Senator from Vermont (Mr. STAFFORD), the Senantor from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 33, nays 17, as follows:

[Rollcall Vote No. 698 Ex.]

YEAS—33

Abourezk
Allen
Bayh
Brooke
Burdick
Byrd, Harry F., Jr.
Cannon
Church
Clark
Culver
Fannin
Ford
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Jackson
Javits
Leahy
McClellan
McGovern
Metcalf
Morgan
Moss
Nelson
Nunn
Proxmire
Ribicoff
Sparkman
Stevenson
Stone
Williams

NAYS—17

Baker
Bartlett
Bumpers
Byrd, Robert C.
Durkin
Eagleton
Garn
Gravel
Griffin
Humphrey
Johnston
Long
Magnuson
Percy
Randolph
Schweiker
Scott, Hugh

NOT VOTING—50

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Case
Chiles
Cranston
Curtis
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Hansen
Hart, Philip A.
Helms
Hollings
Hruska
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McClure
McGee
McIntyre
Mondale
Montoya
Muskie
Packwood
Pastore
Pearson
Pell
Roth
Scott, William L.
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

The PRESIDING OFFICER. On this vote the yeas are 33, the nays are 17. A quorum not being present, the vote is invalid.

The clerk will call the roll to ascertain the presence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

The Senate is not in order. The Senate will be in order.

Pending the execution of the order, the

Senators entered the Chamber and answered to their names.

Mr. ROBERT C. BYRD. Mr. President, I realize that no debate is in order while there is an absence of a quorum, but I think I must say something.

Mr. GRIFFIN. Mr. President, either we have rules or we do not. Regular order.

Mr. ROBERT C. BYRD. Mr. President, I sent the rivers and harbors bill over to the other body. That body is going to act on that bill and send it over here.

Now, we are playing games. There are Senators in the greeting room and cloakroom who have not come to the floor.

Mr. FANNIN. Mr. President——

Mr. ROBERT C. BYRD. This is a motion.

Mr. FANNIN. But the Senator is not making it.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms issue warrants of arrest for absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senate will be in order.

[Disturbance in the gallery.]

Mr. ROBERT C. BYRD. Mr. President, I ask for order in the Senate and I ask for order in the rear of the Chamber, in the corners, with the staff sitting, and I ask that Senators be in order and that the galleries be in order.

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order and the gallery will be in order. The gallery will be in order or the gallery will be cleared. The guests will kindly take their seats. All our guests will take their seats.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico, (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The yeas and nays resulted—yeas 46, nays 11, as follows:

[Rollcall Vote No. 699 Leg.]

YEAS—46

Abourezk
Allen
Baker
Bartlett
Bayh
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Church
Clark
Culver
Durkin
Eagleton
Fannin
Ford
Gravel
Griffin
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Johnston
Leahy
Long
Magnuson
McGovern
Metcalf
Morgan
Moss
Nelson
Nunn
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stevenson
Stone
Williams

NAYS—11

Byrd,
Harry F., Jr.
Curtis
Garn
Hansen
Helms
Hruska
McClellan
Packwood
Scott, Hugh
Stevens
Thurmond

NOT VOTING—43

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Case
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Glenn
Goldwater
Hart, Philip A.
Hollings
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McClure
McGee
McIntyre
Mondale
Montoya
Muskie
Pastore
Pearson
Pell
Roth
Scott,
William L.
Stafford
Stennis
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Young

Mr. HELMS. Mr. President, I want to know how I am recorded.

The PRESIDING OFFICER. The Senator from North Carolina is recorded in the negative.

Mr. HELMS. Very well.

Mr. FANNIN. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded in the affirmative.

Mr. FANNIN. I thank the Chair.

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 11——

Mr. FANNIN. Mr. President, I move to reconsider——

Mr. ROBERT C. BYRD. The Chair has not——

Mr. HUGH SCOTT. Mr. President, I ask for the yeas and nays.

Mr. FANNIN. Mr. President, I move to reconsider the vote.

The PRESIDING OFFICER. The Chair has not announced the results yet. In the first place, the motion would be out of order because it is now moot.

Mr. FANNIN. The Chair announced the result and immediately thereafter——

The PRESIDING OFFICER. The Chair has not yet announced the result.

The Chair announces that the yeas are 46, the nays are 11. A quorum being present, the Sergeant at Arms will not issue warrants.

Mr. FANNIN. Mr. President, I move to reconsider the vote.

Mr. ROBERT C. BYRD. Mr. President——

Mr. HUGH SCOTT. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. HUGH SCOTT. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGH SCOTT. Is a motion to reconsider in order?

Mr. ROBERT C. BYRD. Only by a Senator who is recognized.

The PRESIDING OFFICER. Does the Senator yield?

Mr. ROBERT C. BYRD. No, I do not yield.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, there are certain housekeeping resolutions which are going to be necessary whether we get anything else done or not. While I sympathize deeply with the Senator from Arizona (Mr. FANNIN) I think it is obvious that a vote is not going to occur on the nomination of Mr. Bilby.

I asked unanimous consent a number of times to go to that nomination, and I met with objections. I moved to go into executive session and Senators know the difficulties we ran into there.

I sought to go back to legislative session because the papers were here with respect to the rivers and harbors bill, a bill that affects, I believe, as my senior colleague said, 40 States.

Mr. RANDOLPH. Forty-five States; 136 projects.

Mr. ROBERT C. BYRD. So I say let us pass at least the routine resolutions which have to be enacted and then if the Senate wants to go out, it may.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I offer a resolution which I read so that Senators may know——

Several Senators addressed the Chair.

Mr. HUGH SCOTT. point of order, Mr. President.

Mr. CURTIS. Mr. President, a point of order.

Mr. ROBERT C. BYRD. Mr. President, as in legislative session, I read the following resolution.

Mr. HUGH SCOTT. Mr. President, a

point of order. We are not in legislative session.

Mr. FANNIN. We are in executive session.

The PRESIDING OFFICER. The pending motion is the motion to return to legislative business.

Mr. FANNIN. Mr. President, I ask to reconsider the vote, and I ask for the yeas and nays.

Mr. ROBERT C. BYRD. I have not yielded for that.

Mr. President, will the Senators just——

Mr. FANNIN. The Senator is debating and debate is not in order.

Mr. ROBERT C. BYRD. Will the Senator allow me just to proceed for 30 seconds?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, this resolution is absolutely necessary. The Senate has passed many bills today. If this resolution is not enacted, these bills cannot be signed. The President of the Senate, the President pro tempore, and the Acting President pro tempore will be authorized by virtue of this resolution to sign enrolled bills and joint resolutions.

Do the Senators want all the work today to go for naught? The President of the United States may want a good many of these bills that have been passed. So I ask unanimous consent, Mr. President, as in legislative session, first that I may offer this resolution and get it enacted——

Several Senators addressed the Chair.

Mr. CURTIS. Reserving the right to object, Mr. President——

Mr. FANNIN. I object.

Mr. HUGH SCOTT. If we can be heard on this side of the aisle, I would also like to reserve the right to object.

Mr. CURTIS. I ask the distinguished acting majority leader whether that resolution could not be passed after we have voted on the judgeship.

Mr. ROBERT C. BYRD. Yes, if we ever got to a vote on the judgeship, but the Senator knows the difficulty we have had in getting a quorum tonight because some Members on his side of the aisle have been in the cloakroom and the reading room, and elsewhere.

Mr. CURTIS. That is because of the attempt to scuttle the judgeship.

The other night here, one of the most distinguished Senators of all time, John Pastore, had an appointment up here, and as a departing gift we slapped him in the face and did not even give him a vote on it. No man ever served in the Senate with more distinction than Paul Fannin. He is here with a judge whose nomination has been approved by the Judiciary Committee, and we ought to, by a vote of 100 to 0, vote to give him a chance to have a vote on his judgeship.

That resolution is not so urgent that it cannot be offered after we have voted on that judgeship, and that should be the move.

Mr. ROBERT C. BYRD. Mr. President, the Senator talks about scuttling a judgeship. What about scuttling payments in lieu? What about scuttling rivers and harbors? What about scuttling black lung?

Several Senators. The clean air bill!

Mr. ROBERT C. BYRD. What about scuttling Clean Air?

Mr. CURTIS. Let us do it! Let us do it!

Mr. HUGH SCOTT. Mr. President, I would like to pose a parliamentary inquiry.

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. Mr. President, the first parliamentary inquiry is, is it possible to consider this worthy resolution while the Senate is in executive session and has not yet voted to go out of executive session?

The PRESIDING OFFICER. By unanimous consent it could be done.

Mr. HUGH SCOTT. By unanimous consent alone it could be done.

Mr. ROBERT C. BYRD. Now, Mr. President——

Mr. HUGH SCOTT. Moreover, if this matter becomes the pending business, is it debatable? It is no different from any other resolution.

The PRESIDING OFFICER. A resolution is debatable.

Mr. HUGH SCOTT. It is debatable?

The PRESIDING OFFICER. Yes.

Mr. HUGH SCOTT. I thank the Chair.

The PRESIDING OFFICER. A motion to proceed to consider it also debatable.

Mr. FANNIN. Mr. President, I move to reconsider the last vote, and ask for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, we have all had our fun, and we all know that the Senate is not going to approve of the judgeship the distinguished Senator wants. I favor the judgeship, but we are acting in futility, and I would suggest that the Senate calm itself long enough at least to pass these routine housekeeping resolutions that are going to have to be adopted before the Senate can go out.

Mr. FANNIN. Mr. President, the question at hand is voting up or down on a judgeship. That is all. That is the request, and all that would be required is to take a few minutes to have a vote. Certainly that is the only fair and equitable way of handling what we are up against at the present time.

The Senator from Arizona is not against the bills that need to be voted on. The proposed resolution is certainly one that this Senator favors.

The PRESIDING OFFICER. The Chair has indulged both the leadership and Senators, but under the rules the regular order is that we must vote on the motion to proceed to legislative business, which is not debatable except if further unanimous consent is given.

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGH SCOTT. Is it in order to move that the Sergeant at Arms now be directed to serve warrants on absent Members?

The PRESIDING OFFICER. It is not in order, because a quorum has appeared and the motion would be moot; and motions to reconsider are also moot.

Mr. HUGH SCOTT. Has the Chair ruled that a motion to reconsider is out of order?

The PRESIDING OFFICER. Yes, because the question is moot, a quorum having appeared.

Mr. STEVENS. Is the request of the acting majority leader for unanimous consent still pending?

The PRESIDING OFFICER. No; objection was raised by the Sentaor from Arizona.

Mr. ROBERT C. BYRD. Mr. President, I renew the request.

Mr. STEVENS. Mr. President, I would like to reserve the right to object and make a short statement. I have been one of those who have been absent.

In the 8 years I have been here, Paul Fannin has never asked me to do anything for his State. I have gone to him many times and asked his help for my State. He and his absent colleague, Senator Goldwater, feel very strongly about this judgeship.

This judge would serve in the circuit court of appeals for the circuit that my State is located in. He has been cleared by all concerned. He is to replace a very distinguished judge.

I again say we ought to give a retiring Senator the courtesy of voting on a judgeship such as that which is before the Senate now. I see no reason why a very small minority of the Senate should frustrate the attempt to have that vote. I intend fully to absent myself, and I would urge—urge—the Senators on my side of the aisle to absent themselves and make the majority provide a majority to carry this motion to return to legislative session. We are in executive session; we will not go back to legislative session if I have anything to do with it, because I think Senator Fannin deserves a vote on the man he has worked so hard to get in this position before he leaves the Senate.

The Senator from Arizona has served with distinction and honor. And I feel the same way the Senator from Nebraska does about John Pastore. I also love that man, and I though he also was affronted the other night. We find ourselves in a position where a minority is using the tactics of delay to frustrate the objectives of Senators who have served here a very long time.

I would say to my friend that if the Senators on this side will listen to me, the Senators on the other side better have a majority to return to legislative session, or we are not going to get there. I think it is time this be withdrawn, and we have a vote on the confirmation of this judge. That seems to me to be a very simple thing to do as a courtesy to the people involved.

Mr. ROBERT C. BYRD. Mr. President, what is the Senator talking about when he says "It is time that it be withdrawn"? What is he talking about?

Mr. STEVENS. I would say to my good friend that I left the session of the Senate at 18 minutes after 11, and I returned at 19 minutes after 11.

Mr. ROBERT C. BYRD. The Senator was only gone 1 minute.

Mr. STEVENS. I was only gone 1 minute, and I missed several votes. (Laughter.)

Those votes I will have to explain to my constituents, but I will do so on the basis of friendship for my friend from Arizona.

There are many things coming along here that are very vital to my State, and I agree that we will get to them soon. I hope the leadership will come up with a resolution which legalizes the stopping of that clock. Beyond that, I think the Senator from Arizona deserves this vote, and I will do everything I can to see that he gets it.

Mr. FANNIN. Mr. President, I thank the distinguished Senator from Alaska. It is not that I am asking from the standpoint of myself. I feel that the people of Arizona, Senator GOLDWATER and others, feel very keenly about this matter.

This is an outstanding individual who is involved, one of the finest attorneys in my State of Arizona. We are very proud of him. He has passed the tests of the American Bar Association and the Judiciary Committee, and is highly recommended by both Democrats and Republicans from my State, leaders in political circles as well as business and other professions; and I do feel it is only fair and equitable that there be a vote on his confirmation.

Mr. HUGH SCOTT. Will the Senator yield for me to make a comment there? I think the feeling here among some may be that this is only one judge, why make such a fuss about it? I do not know the gentleman. The American Bar Association does, and they like him. But all we are talking about is one judge. All we are talking about is the rights of a single individual.

Here is a great body which spends a lot of time orating all over the country over the rights of people and the rights of individuals, and here we are saying about it that everyone has equal rights in this country except one man who has been named to be a judge. He has no rights, because of the tyranny of a minority of two or three people who are not going to let him have a vote because he has no rights.

What kind of rights do we wish to grant to people, and what kind of rights do we wish to deny? I think we are putting ourselves in a very odd position where, contrary to the rules of the Senate, contrary to the procedures and precedents of the Senate, the clock has been turned back mysteriously by gremlins or other odd little creatures small enough to get within the works and manipulate them. This Senate sometimes turns the calendar back, but this is the first time they have turned the clock back, and I expect it to go into reverse any minute and before we know it we will be back to Thursday and then Wednesday.

The distinguished acting majority leader has a good point. What he wants is very important. What he wants is necessary so that the President can sign the business of the last 3 days, and I agree with that. But the rights of one lone citizen of far off Arizona are important, too, and it would not take you more than a half-hour to do justice in this case. If you are unwilling to do justice to a single individual, I am unwilling to let you vote on anything else that comes up as long as I can be here, and hear me well.

Thank you.

Mr. ROBERT C. BYRD. Mr. President, I hope the Senator will allow us to vote on this simple resolution that authorizes the President to sign enrolled bills and joint resolutions duly passed. That does not only apply, I say to my friends, to the bills and resolutions that have been enacted today, but it also applies to any of those measures that were enacted yesterday or the day before which have not yet been signed. Once this Senate adjourns sine die, no one is authorized to sign them.

The Senator says "Hear me well." The country is going to know if all of those bills go down the drain for one judgeship, and the country is going to know who is responsible for these bills and resolutions, many of which the President wants, failure of enactment.

I will read this resolution once more, that notwithstanding the sine die adjournment of the two houses, the President of the Senate, the President pro tempore, or the Acting President pro tempore, be and they are hereby authorized to sign enrolled bills and joint resolutions duly passed and found duly enrolled.

I wonder if someone can give me a list of some of the measures that have been passed.

I ask unanimous consent that I may proceed for another 5 minutes.

Mr. CURTIS. Mr. President, reserving the right to object.

Mr. ROBERT C. BYRD. So I may get a list of bills and resolutions or at least a partial list so that Senators may be informed what would-be laws will not become laws if this resolution is not passed.

Mr. CURTIS. Regular order, Mr. President.

The PRESIDING OFFICER. The regular order is on the question to proceed to legislative business. The yeas and nays are ordered, and the Clerk will call the roll.

The legislative clerk called the roll.

Mr. HELMS. Regular order, Mr. President.

The PRESIDING OFFICER. Regular order has been called for.

Mr. HELMS. I withdraw it.

The legislative clerk concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MANSFIELD), and the Senator from Hawaii (Mr. INOUYE) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from New Jersey (Mr. CASE), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), the Senator from Delaware (Mr. ROTH), the the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 41, nays 15, as follows:

[Rollcall Vote No. 700 Ex.]

YEAS—41

Abourezk
Bayh
Brooke
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Culver
Durkin
Eagleton
Ford
Gravel
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Johnston
Leahy
Long
Magnuson
McClellan
McGovern
Metcalf
Moss
Nelson
Nunn
Packwood
Proxmire
Randolph
Ribicoff
Sparkman
Stevenson
Stone
Williams

NAYS—15

Allen
Baker
Bartlett
Curtis
Fannin
Griffin
Hansen
Helms
Hruska
McClure
Morgan
Percy
Schweiker
Scott, Hugh
Stevens

NOT VOTING—44

Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Case
Chiles
Cranston
Dole
Domenici
Eastland
Fong
Garn
Glenn
Goldwater
Hart, Philip A.
Hollings
Huddleston
Inouye
Kennedy
Laxalt
Mansfield
Mathias
McGee
McIntyre
Mondale
Montoya
Muskie
Pastore
Pearson
Pell
Roth
Scott,
  William L.
Stafford
Stennis
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

So the motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has agreed to the concurrent resolution (S. Con. Res. 211) providing for adjournment of the Congress.

The House has passed, without amendment, the bill (S. 2910) to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases.

The House agrees to the amendment of the Senate to the amendments of the House to the bill (S. 2548) to revise and extend the authorizations of appropriations in provisions of title XII of the Public Health Service Act relating to emergency medical services systems, and for other purposes.

The House agrees to the amendments of the Senate to the bill (H.R. 1142) to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund trusts.

The House agrees to the amendments of the Senate to the bill (H.R. 1144) to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations.

The House agrees to the amendments of the Senate to the bill (H.R. 13500) to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities.

NOMINATION OF RICHARD M. BILBY

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Arizona (Mr. FANNIN).

Mr. FANNIN. I thank the acting majority leader.

Mr. President, I feel very distressed that we have not been able to have a vote on the nomination of a man whom I admire greatly. His abilities have not been questioned. He is a very dedicated person, a man I consider to be one of the finest attorneys in my State of Arizona.

Senator GOLDWATER will be in about 4 o'clock. I hesitate to wait for his arrival. I do feel that I have a great obligation to the U.S. Senate.

I have enjoyed my work in the Senate. I have great admiration and affection for the Members of this body. I hope I have a great number of friends in this body. I certainly hope that what has happened here will not change that position, because I did what I thought was right. I have been doing what I thought was right. I have done it because it was justified in my mind.

I have been treated more than fairly by the acting majority leader. I certainly want to express my great appreciation to the minority leader and our assistant minority leader and others on my side of the aisle who have been so gracious to me in the consideration of this confirmation. I realize what is happening and feel constrained to do nothing further in regard to this nomination. I do feel that we have let a man down who deserved better consideration, but I also know what I am up against.

So, Mr. President and Members of this body, I shall not object any longer and will cooperate to the greatest of by ability in carrying forward the business of the United States.

(Applause, Senators rising.)

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Arizona, whom I have always respected, and who, in all the years I have served with him here, has caused me very, very little discomfort, who has been most cooperative, has, in the last 2 minutes, caused my admiration and respect for him to double. He is not only a gutsy man, but he is a reasonable man. He made a valiant fight and who could do more? He did his best.

Mr. President, I compliment all Senators.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate numbered 1, 2, and 3 to the bill (H.R. 7228) to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment; that the House agrees to the amendment of the Senate numbered 4 to the bill with an amendment in which it requests the concurrence of the Senate; and that the House agrees to the amendment of the Senate to the title of the bill.

The message further announced that the House has appointed a committee of two Members to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

AUTHORIZING THE PRESIDENT OF THE SENATE TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. ROBERT C. BYRD. I send a resolution to the desk and ask for its immediate consideration.

The resolution (S. Res. 580) was read, considered by unanimous consent, and agreed to as follows:

Resolved, That, notwithstanding the sine die adjournment of the two Houses, the President of the Senate, the President pro tempore, or the Acting President pro tempore be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed and found truly enrolled.

THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. HUGH SCOTT. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The resolution (S. Res. 581) was considered by unanimous consent and agreed to as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable Nelson A. Rockefeller, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the second session of the Ninety-fourth Congress.

NOTIFICATION TO THE PRESIDENT CONCERNING THE PROPOSED ADJOURNMENT OF THE SENATE

Mr. MOSS. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution (S. Res. 582) will be stated.

The legislative clerk read as follows:

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed their business of the session and are ready to adjourn unless he has some further communication to make to them.

(Later the following occurred:)

The PRESIDING OFFICER. Does the Senator wish action on the resolution sent to the desk by Mr. Moss?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Without objection, the resolution is considered and agreed to.

Mr. ROBERT C. BYRD. Will the Chair withhold the appointment of that committee?

The PRESIDING OFFICER. The Chair withholds.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, before I proceed with the remaining housekeeping resolutions, it is my intention to proceed to the rivers and harbors conference report; then, if possible, to move to payments in lieu. Then we shall see where we go from there.

Mr. ALLEN. Will the Senator yield for just a moment?

Mr. ROBERT C. BYRD. I thought I should make this statement lest the Senators should feel that with the good fact of the housekeeping resolutions being adopted, we are ready to go.

I yield to the Senator from Alabama.

BILBY NOMINATION

Mr. ALLEN. Mr. President, I think we all admired the stand the distinguished Senator from Arizona (Mr. FANNIN) has taken. We have appreciated his great dignity in defeat in this matter, his great generosity in acting in the interest of the country and allowing a vote on the rivers and harbors bill. I express the hope that those who have been blocking the vote on this judgeship will be just as great men and just as gracious and just as gentlemanly as Senator FANNIN has been. After action has been taken on this rivers and harbors bill, I am hopeful that those who have prevented the vote on this judgeship will relent and will allow a vote.

Mr. ROBERT C. BYRD. Mr. President, for the record may I say that I had intended to vote for the judgeship if a vote can be reached.

THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. ROBERT C. BYRD. Mr. President, I send another resolution to the desk and ask for its immediate consideration.

The resolution (S. Res. 583) was considered by unanimous consent and agreed to as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable James O. Eastland, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the second session of the Ninety-fourth Congress.

AUTHORITY TO MAKE CERTAIN APPOINTMENTS AFTER THE SINE DIE ADJOURNMENT OF THE PRESENT SESSION

Mr. GRIFFIN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The resolution (S. Res. 584) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That, notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. ROBERT C. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The resolution (S. Res. 585) was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable Lee Metcalf, Acting President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over the deliberations during the second session of the Ninety-fourth Congress.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, before we proceed to the consideration of the rivers and harbors conference report, there are three or four measures left. Incidentally, the Senate has acted on over 110 matters today. Mr. President, there are a few unanimous-consent requests, very few, that I would like to clean up before we proceed to the rivers and harbors matter.

LEASE OF SPACE IN THE NORTH CAPITOL PLAZA BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 579.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 579) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Senate approves the lease of space in the property located at 400 North Capitol Street, Washington, District of Columbia, known as the North Capitol Plaza Building, entered into by the Sergeant at Arms of the Senate, on behalf of the Senate, under the provisions of section 112 of the Supplemental Appropriations Act, 1976.

INCOME TAX TREATMENT OF SECURITIES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of H.R. 10902, which I understand has been cleared on both sides of the aisle.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 10902) relating to the income tax treatment of securities which are acquired for business reasons and not as an investment.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 10902) which had been reported from the Committee on Finance, with amendments and an amendment to the title.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended.

STATUE OR BUST OF MARTIN LUTHER KING, JR.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1300.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 96) authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol, was considered.

Mr. HUMPHREY. Mr. President, this was one of the resolutions that had a hold on it—not an objection but a hold. The distinguished Senator from Arizona (Mr. Goldwater) had wanted an amendment attached to it to provide a statue in honor of the late Carl Hayden, whom some of us in this body have known so long and so well.

UP AMENDMENT NO. 546

Mr. HUMPHREY. I send to the desk an amendment on behalf of Senator Goldwater and ask for its immediate consideration. I have, by the way, talked to the House Members who are interested in this bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. Humphrey), for Mr. Goldwater, proposes unprinted amendment No. 546.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 2, insert "the first section of" immediately preceding "this concurrent resolution".

At the end of the Resolution add the following new section:

"Sec. 3. (a) In honor of Carl Hayden, who served in the United States Congress longer than any other man in history, the Commission on Arts and Antiquities of the United States Senate (hereinafter referred to as the "Commission") is authorized and directed to provide for the design and sculpture of a marble bust of Carl Hayden. The Commission is further authorized and directed, subject to the provisions of S. Res. 382, Ninetieth Congress, agreed to October 1, 1968, to accept such bust on behalf of the Senate and to cause such bust to be placed in an appropriate location within the Senate Wing of the Capitol or any of the Senate Office Buildings, or any room, space, or corridor thereof.

"(b) Expenses incurred by the Commission in carrying out this section, which shall not exceed $3,000, shall be paid out of the contingent fund of the Senate on vouchers approved by the Chairman of the Commission."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Senator Goldwater's statement on this amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

Mr. President, it is my deep honor to offer an amendment providing that a bust of Carl Hayden be placed in the Capitol or Senate Buildings. It is a strange fact that Senate Resolutions were introduced on the same day last year to commission two busts, one of our former colleague, Carl Hayden, and one of Dr. Martin Luther King, Jr., and these Resolutions appear side by side in the Congressional Record of that day. Yet, the Resolution for Dr. King has been favorably reported by the Rules Committee, but the Resolution for our former colleague has not.

Now, Mr. President, I should point out that Carl Hayden served longer in the United States Congress than any other person in history—57 consecutive years. This is an unparalleled record that will probably never be matched, and it is beyond my comprehension why the Senate is unwilling to pay tribute to one of our foremost members of this or past centuries.

Mr. President, Carl Hayden was born in Haydens Ferry, now Tempe, Arizona, on October 2, 1877. After serving as a member of the Tempe Town Council and as sheriff of Maricopa County, he was elected Arizona's first Congressman upon statehood in 1912. He served in the House for 8 successive terms from February 1912 to March 1927, and then was elected to the remarkable tenure of 7 succeeding terms in the Senate, from March 1927 to January 1969. In all, Carl Hayden served 15 years in the House of Representatives and 42 years in the United States Senate.

Now, I might say that Carl Hayden's great accomplishments through his unparalleled period of service are not as well known as they shall become in time, largely because of the modest character of the man I propose to honor in this amendment. Carl Hayden did not boast or brag; he did not choose to be a showhorse—he was a workhorse.

For example, Carl Hayden was a sponsor in 1919 of the 19th Amendment to the Constitution, extending the right of suffrage to women. He sponsored and managed the original bill first establishing the Grand Canyon National Park and he was a pioneer in establishing the interstate highway system.

Mr. President, my amendment provides for acquiring a marble bust of Carl Hayden at a cost of not to exceed $3,000. It would be placed anywhere in the Senate Wing of the Capitol or in the Senate Office Buildings. In fact, it might cost the government nothing because Arizonans would likely raise the money themselves.

Mr. President, I realize that the Commission on Art and Antiquities has made a recommendation recently which conflicts with my proposal, but I would point out that an exception should certainly be made for the single person in history who served in the United States Congress longer than any other. Also, I must wonder how a different rule can be justified for placing busts on the House side of the Hill than has been recommended for the Senate? Since we do not have a uniform rule for the Congress as an entity, I urge approval of my amendment.

Mr. HUMPHREY. Mr. President, I want to also say that the distinguished Senator from Arizona (Mr. FANNIN) is deeply interested in this amendment. He and I had a visit about it, and he suggested it might be desirable for me to present it on behalf of the two Senators, and I am very happy to have done so.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (H. Con Res. 96), as amended, was agreed to.

VETERANS EDUCATION AND EMPLOYMENT ASSISTANCE ACT

Mr. ROBERT C. BYRD. Mr. President I ask the Chair to lay before the Senate a message from the House of Representatives on S. 969.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 969) to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from 36 to 45 months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32—post-Vietnam era veterans' readjustment assistance program—for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes.

(The amendment of the House is printed in the House proceedings of today's RECORD.)

Mr. GRIFFIN. Mr. President, reserving the right to object—I do not think I shall—is this the veterans bill that was passed before?

The PRESIDING OFFICER. The Veterans Education and Employment Assistance Act.

Mr. GRIFFIN. With the House amendment?

The PRESIDING OFFICER. As amended by the House.

Mr. GRIFFIN. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. THURMOND. Mr. President, I would like to just state that the House deleted the Assistant Secretary of Labor for Veterans Employment, but they did allow a Deputy Assistant Secretary.

Mr. ABOUREZK. Mr. President, can we have order? We cannot hear the speaker on this side.

Mr. THURMOND. I just made the statement that the House struck out the Assistant Secretary of Labor for Veterans Employment but they did insert a Deputy Assistant Secretary.

This is not what the veterans want, it is not what the veterans organizations want, but it is the best we can get at this time. I am not going to oppose it, but we hope in the future we can obtain an Assistant Secretary of Labor for Veterans Employment, and I would concur in order to expedite this matter in the action taken.

Mr. GRIFFIN. Mr. President, will the Senator yield for one question?

Mr. THURMOND. Yes.

Mr. GRIFFIN. Is it true the House also struck out the Durkin amendment?

Mr. THURMOND. That is true, too. They also struck out the Durkin amendment.

Mr. DURKIN. Mr. President, I will state—I will not be very long—it is regrettable that the House struck out the continuation of the GI bill benefits for the cold war early Vietnam veterans. It is the best bill we could get tonight, but I think the House showed less courage than what they demanded of the men they sent off to Southeast Asia in wartime. They did not even bother to have a rollcall vote. I hope the veterans who appear in campaign functions between now and November 2——

Mr. ROBERT C. BYRD. Mr. President, may we have order?

Mr. DURKIN (continuing). Will ask the House Members how they can so casually drop out the GI benefits extension.

The PRESIDING OFFICER. The question is on a motion to concur with the amendment of the House.

The motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I understand the Senator from Louisiana has a measure which he feels can be acted upon quickly.

AIRCRAFT COMPONENTS

Mr. LONG. Mr. President, I ask unanimous consent to proceed to the consideration of H.R. 2177.

I understand the House has now adjourned. That being the case, Mr. President, I would suggest we simply pass this bill as the House sent it to us involving aircraft parts. I have an amendment to it that I would like to pass, but if it is true, as I am told, that the House has adjourned, then I would suggest we simply pass the House bill without amendment.

I ask that the bill be modified, that we strike all this at this time, and that we pass Calendar No. 1279, H.R. 2177.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

Calendar No. 1279, H.R. 2177, a bill to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad.

The Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments as follows:

On page 1, line 3, insert "SECTION 1. AIRCRAFT COMPONENTS AND MATERIALS.";

On page 1, line 4, strike "That in" and insert "(a) In";

On page 2, line 19, strike "Sec. 2." and insert "(b)";

On page 2, line 23, beginning with line 23, insert the following:

SEC. 2. COTTON.

(a) Schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding at the end of the headnotes to that schedule the following new headnote:

"8. Notwithstanding any other provision of law, for the purposes of the tariff schedules an article to which this schedule applies 90 percent or more of the total fiber content of which consists, by weight, of cotton and man-made fibers—

"(a) shall be treated as if it were in chief value of cotton if 65 percent or more of the total fiber content of the article consists, by weight, of cotton (whether the article is in chief value of cotton or not), and

"(b) shall be treated as if it were in chief value of man-made fiber if less than 65 percent of the total fiber content of the article consists, by weight, of cotton (whether the article is in chief value of man-made fiber or not).".

(b) The amendment made by this section applies with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

SEC. 3. LIMITATIONS ON BENEFICIARY DEVELOPING COUNTRY DESIGNATIONS.

(a) Section 502(b)(2) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2)) is amended—

(1) by striking out "participates" and inserting in lieu thereof "participates, or has participated,", and

(2) by striking out everything after "international trade" and inserting in lieu thereof a semicolon.

(b) The amendments made by this section apply with respect to articles entered, or withdrawn from warehouse, for consumption after August 31, 1976.

Mr. LONG. I ask the Senate not to disagree with it.

Mr. ALLEN. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Has this bill an impact on the budget?

Mr. LONG. No, it has no impact.

Mr. ALLEN. It is an exemption from taxes and has some impact.

Mr. LONG. What is involved here is it

involves aircraft parts that are put on planes here. They come in under bond and they simply keep them in bond. But there is no duty involved.

Pardon me, there is a one-time loss of $24,640.

Mr. ALLEN. I do not make a point of order. I was just making a parliamentary inquiry to show that we have been passing scores of bills here that have impact on the Treasury, but only in one instance was a point of order raised, and that was on an amendment offered by the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is correct.

Mr. ALLEN. Very well. I do not make a point of order.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An Act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad, and for other purposes.".

Mr. ROBERT C. BYRD. Mr. President, I understand Mr. JOHNSTON has a matter which can be acted on by unanimous consent, and I yield to him.

PROVIDING FOR THE PRESERVATION OF CRITICAL HABITAT FOR MIGRATORY WATERFOWL

Mr. JOHNSTON. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 15007.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on H.R. 15007, an act to provide for the preservation and enhancement of critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the Grasslands area of the San Joaquin Valley, Calif.

The PRESIDING OFFICER. Is there objection to the consideration of the bill? The Chair hears none.

The Senate proceeded to consider the bill.

Mr. JOHNSTON. I have an amendment which I send to the desk. I think the distinguished minority leader has it.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. JOHNSTON) proposes unprinted amendment No. 547.

The amendment is as follows:

On page 4, after line 5, insert the following:

SEC. 3. The Coastal Zone Management Act of 1972 (86 Stat. 1280), as amended, is further amended by deleting ", because of the unavailability of adequate financing under any other subsection," and "new and expanded" from clause (i) of subparagraph (B) of section 308(b)(4) thereof.

Mr. JOHNSTON. Mr. President, I had an amendment which was of great importance to me on the payments in lieu bill. I did not wish to hold up the payments in lieu bill.

We are going to let that pass next. I, therefore, extracted my amendment passed by the Senate in slightly separate form on three different occasions, also agreed to by the Interior Committee without objection, and I am putting my amendment on this insignificant waterfowl bill and will let the payments-in-lieu bill go unemcumbered so that it will pass without the necessity of going back to the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

The bill was ordered to a third reading, was read the third time, and was passed.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Connecticut (Mr. RIBICOFF) for a unanimous-consent measure.

INTEREST ON CERTAIN CORPORATE INDEBTEDNESS

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the amendments in Calendar No. 1201, H.R. 7929, of the committee be stricken and the bill passed as it came from the House.

Mr. GRIFFIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7929) relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation, reported from the Committee on Finance with amendments.

The PRESIDING OFFICER. Is there objection to the request for immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRIFFIN. Mr. President, may I ask the distinguished Senator from Connecticut, are the amendments referred to only the committee amendments?

Mr. RIBICOFF. That is right. They would be stricken.

Mr. GRIFFIN. I have no objection.

Mr. ALLEN. Mr. President, does this bill have impact on the Treasury?

The PRESIDING OFFICER. The Chair will inquire. It would appear to have an impact. Can the Senator from Connecticut advise?

Mr. RIBICOFF. It is estimated it would have a small effect on the revenue. That comes from the committee report and the Treasury.

Mr. ALLEN. I have not made any points of order on the scores of bills of this sort which have passed this evening. I do not intend to start now. I do want to state that I do not feel that the points of order which have been made against my little amendment, which had a minimum impact on the Treasury, when scores of these bills have passed, have been well taken. I am not going to return evil to evil, so I am going to accept the action which has been taken and make no objection.

The PRESIDING OFFICER. Without objection, the committee amendments are rejected.

The bill (H.R. 7929) was ordered to a third reading, read the third time, and passed.

EUGENE O'NEILL NATIONAL HISTORIC SITE

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2398.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the amendments of the House to the bill (S. 2398) to authorize the establishment of the Eugene O'Neill National Historic Site, and for other purposes, as follows:

Strike out title III.

The PRESIDING OFFICER. Does the Senator move to concur?

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

PAYMENTS TO LOCAL GOVERNMENTS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate proceed to the consideration of Calendar Order No. 1197.

The PRESIDING OFFICER. The bill will be stated by title. The legislative clerk read as follows:

A bill (H.R. 9719) to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of said locality.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate

The PRESIDING OFFICER. May we have order in the Senate?

Mr. JACKSON. Mr. President, on behalf of the committee, I withdraw the committee amendment to the text to the title and move that the act be passed in the form in which it was passed by the House.

The Committee on Interior and Insular Affairs has unanimously recommended enactment of payments-in-lieu of taxes legislation, H.R. 9719, to provide for payments to be made to counties and other local governments in recognition of the tax immunity of federally owned lands.

This legislation is long overdue. Although the Senate has considered and passed payments-in-lieu legislation before—as Senator HUBERT HUMPHREY from Minnesota can attest—this is the first time the House of Representatives has reported a payments-in-lieu bill. H.R. 9719 was passed in August by the House by a two-thirds majority vote. The Senate Interior Committee has thoroughly reviewed the bill and recommends its passage.

BACKGROUND

The Federal Government owns over 761 million acres of land within the United States, of which some 705 million acres remain from the original public domain and 56 million have been acquired from private or other public owners. These vast Federal landholdings comprise approximately one third of all the land in this country. Although the greatest portion of these lands is situated in the 11 coterminous Western States and Alaska, 49 States and approximately 1,000 counties have federally owned, tax-exempt land within their boundaries. These lands are also exempt from State or local government taxation.

In many counties in the West more than 80 to 90 percent of the land is federally owned and tax exempt.

In the State of Washington, for example, about 29 percent of the land is federally owned, amounting to more than 12 million acres that are off the local tax rolls and immune from local property taxes. Yet, the counties in Washington must still provide basic local government services countywide.

This is not just a Western issue, however, since more than 1,000 counties in 49 States have large holdings of federally owned land.

H.R. 9719, would provide minimum payments to counties and other local governments to compensate them partially for the tax immunity of natural resource lands. These lands would include: National forests, national parks, wilderness areas, BLM lands, and water resource lands such as Army Corps of Engineers and Bureau of Reclamation projects.

Payments would be based on the amount of acreage within a county and limited by a per capita population factor. The National Association of Counties supports this approach as an equitable and easily to administer system.

A local government would receive the greater amount of either, first, 75 cents per acre of entitlement lands or second, 10 cents per acre in addition to current payments. These payments would be limited to $50 per capita for counties under 5,000 population with a sliding scale to $20 per capita for 50,000 population.

An additional payment of 1 percent of market value would be made for 5 years for parks and wilderness purchased by the Federal Government and taken off the tax rolls since 1971. This would recognize the sudden tax loss when the lands are taken off the tax rolls.

This legislation seeks to correct defects in existing statutes providing for the sharing of revenues and fees from public lands with State and local governments.

These statutory provisions are set forth in the committee report. They include the act of May 23, 1908, or the 25-percent timber stumpage program, to the 50 percent of Federal mineral lease funds returned to States by the Mineral Leasing Act.

The Public Land Review Commission thoroughly reviewed these laws. The Commission found that the Federal lands should stay in Federal Government ownership. It found that the current statutory programs were inadequate and recommended that the Federal Government should make payments to compensate State and local governments for the tax immunity of Federal lands.

Our committee found the following defects with the current laws:

One. Payments under current programs are made only for those lands which have revenue or permit fee generating activities occurring on them. The revenues and fees to be shared are dependent on "production" activities. The forest receipts returned to counties, for example, were as low as 1 cent an acre and averaged 48 cents an acre in the last fiscal year.

Two. Even once a level of production is established, State and local governments cannot budget public lands revenue and fee sharing funds with any degree of certainty, because of Federal land management decisions.

Three. Certain Federal lands; that is, the 24.8 million acres in the National Park System—are prohibited by law from supporting any of the activities which generate revenues or fees are shared with State and local governments, and other lands may support only one or a few of those activities; that is, the 12.4 million acres of the National Wilderness Preservation System which are within the National Forest System on which only grazing is permitted. These lands attract thousands of visitors each year, yet the intangible economic benefits to the local economy from tourist related activities in and adjacent to these lands do not usually accrue to the local taxing authority. Income and sales taxes are sources of funds for the State treasury, yet the local governments are the entities which must provide for law enforcement, road maintenance, hospitals, and other services directly and indirectly related to the activities on these lands.

Fourth. The percentages of revenues and fees shared under the various provisions of law are not based on any rational criteria. As a result they vary from 5 to 90 percent, depending on the program and agency involved.

Fifth. Most of the revenue sharing provisions restrict the use of funds to only a few governmental services—most often the construction and maintenance of roads and schools. Yet, local governments are called upon to provide many other services to the Federal lands or as a direct or indirect result of activities on the Federal lands. These services include law enforcement; search, rescue and emergency; public health; sewage disposal; library; hospital; recreation; and other general local government services.

Sixth. Many of the revenue sharing provisions permit the States to make the decisions on how the funds will be distributed. In far too many States, the result has been that most of the funds are kept at the State level and not distributed to local governments at all.

Seventh. The existing revenue and fee sharing statutes suffer from an inherent tendency to invite unwise land management decisions. The Public Land Law Review Commission described this defect as follows:

> (Pressures can be generated to institute programs that will produce revenue, though such programs might be in conflict with good conservation-management practices.

Time and again, this committee has experienced local government opposition to wilderness and park proposals, not on the merits of those proposals, but solely on the grounds of the loss of governments' shares of revenues and fees from the Federal lands involved.

Eighth. Most importantly, the total of funds received by most local governments under the Federal lands revenue and fee sharing statutes seldom approaches either the level of revenues which would be collected by property taxes were these lands private lands or the level of expenditures of the local governments to construct facilities and provide service required by activities on the Federal lands.

MINIMUM PAYMENT CONCEPT

The minimum payment contained in H.R. 9719 differs from the specific proposal made by the Public Land Law Review Commission.

The Commission recommended establishment of a system to assess the public lands and provide payments to local governments based on the public lands and provide payments to local governments based on the assessed value for property tax. The Commission believed, however, that there are certain economic benefits which accrue to local governments from the presence of these public lands and that those benefits should be quantified and payments reduced accordingly. Little guidance was offered as to how such benefits could be accurately measured.

The Commission's recommendation, moreover, was to replace the numerous existing statutes for sharing revenues and fees produced from Federal lands with one in lieu payment. The committee agreed with the Commission that the present system of sharing revenues from public lands is inequitable and inadequate, but concluded that it was not feasible at this time to repeal these statutes and establish instead a single system based solely on tax equivalency. Assessing all the public land, the committee concluded, would be an expensive, cumbersome and lengthy process which could result in innumerable disputes and, perhaps most importantly, would necessitate creating an unnecessary bureaucracy.

Instead the act contains a formula based on a minimum payment per acre to units of local government for "entitlement lands," deducting existing payments actually received by the local government under other statutes, and limited also by the population of the unit of local government.

The act also includes a provision to ease the impact of Federal acquisitions of privately owned land. H.R. 9719 reduces the burden imposed by the sudden loss of this tax base by compensating units of local government for a 5-year period at the rate of 1 percent of the fair market value of the acquired lands—or not to exceed the actual property taxes assessed and levied on the acquired lands during the last year before acquisition.

The intent of these payments is to equalize the fiscal burden caused by the acquisition of private lands for new parks and wilderness areas and to reduce the immediate and direct financial impact on the affected local jurisdiction. This burden is often cited as the most important source of opposition to the establishment of new parks where land, however valuable to our national heritage, is now on the tax rolls and producing revenue.

IS MORE "STUDY" NEEDED?

Representatives of the administration have recommended against enactment of H.R. 9719. Their comments are included in the committee report. These representatives recommend against enactment because more study is needed.

Mr. President, I contend that sufficient study has been made. The Public Land Law Review Commission made a thorough and costly study. Our committee has studied the proposal. Congressional hearings have been held in both this session and last session. They would have us study this legislation "to death." It is time for enactment.

Mr. STEVENS. Mr. President, realizing that the House has adjourned, I did have an amendment to correct what I consider to be a very vital defect in this bill.

I would like to discuss it with the Senator from Washington.

The House has eliminated from this bill lands which are administered by the Bureau of Land Management. It seems that this bill has really very little impact on most of the country. For instance, it does not cover the land administered by the Secretary of Transportation for the Alaska Railroad. It does not consider the lands administered by the Secretary of Health, Education, and Welfare for Indian health service.

I had an amendment which has been filed and pending at the desk for some time waiting for this bill to be considered.

I would like to ask my friend from Washington if this bill does go through now and becomes law if he would assure us that we will have an opportunity to consider amendments to this bill next year and have a hearing on the lands that are being left out. There is a great impact.

Mr. JACKSON. I wish to give that assurance to the Senator. As the Senator knows, I had previously indicated after the bill was reported that we would have included the Alaska Railroad property. The Senator had spoken to me about it. But we are confronted with a fact here, and that is that the House has adjourned, and all we can do tonight, effectively, is to pass the bill as passed by the House.

Mr. STEVENS. Mr. President, I ask unanimous consent that the statement I would have made, certain correspondence, and the amendment I would have offered be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STEVENS

I applaud the purposes of the payments-in-lieu-of-taxes measures. This bill is long overdue and very definitely required. Those of us from Western States recognize the inequity of our municipalities paying for services required by the presence of Federal land when those lands do not provide tax revenues. This places an enormous burden on western counties with large Federal land holdings. And with the increasing use of Federal lands, more and more demands for services are placed on local governments.

I have long supported measures of this type and I urge the Senate to pass this bill this year.

I do, however, have an amendment which I would like to introduce. The purpose of this amendment is to further adapt the bill to the unique conditions in Alaska. While Alaska has large areas of Bureau of Land Management, National Park Service and National Forest land, there are other Federal lands which need to be included to insure the boroughs in Alaska are compensated adequately.

The Alaska Railroad operates through the heart of the State and travels through the area of heaviest population. Because of the railroad municipalities along its route are required to provide added police and fire protection, better highway and road maintenance, and a variety of other services. They must serve not only the roadbed and right-of-way but all the switching facilities, train yards, station maintenance sheds, etc. This amounts to quite a burden. But since the Alaska Railroad is the only federally owned railroad in the Nation, it is exempt from State and local taxes and therefore does not contribute its fair share to the localities that must provide services to it. My amendment would include the Alaska Railroad's lands in the bill to begin to compensate those communities.

The second portion of the amendment I am proposing would partially compensate those communities which must provide services to Indian Health Service. Although the Indian Health Service performs a much-needed service, often their facilities occupy land in the centers of communities which would have very high commercial value. Also, the community must provide municipal services to these facilities. Again, I think this change in the bill is needed to begin to compensate those communities.

Again, let me stress these amendments are minor. The Alaska Railroad owns less than 30,000 acres of land that would be included and the Indian Health Service has less than 1,000 acres. But for those communities which are impacted by this Federal land, it is of major concern. I hope the Senate can make this minor change to make a good bill better.

COST OF SENATOR STEVENS AMENDMENT

This is a maximized cost, figuring cost, figuring the amount of acreage times $.75. It does not include any reductions due to other payments under the measures listed in Section 4 of the bill or any cut offs due to population limits as provided for in Section 1(d)(2) of the bill. Therefore these are unrealistically high cost figures.

Cost for including Alaska Railroad land:

Alaska Railroad land inside existing Boroughs in Alaska (acres):	
Kenai Peninsula Borough (1,811.53)	$1,358.65
Anchorage Municipality (5,975.44)	4,481.58
Matanuska-Susitna Borough (14,892.76)	10,569.57
Fairbanks North Star Borough (2,301.44)	1,726.08
Total (24,181.00)	18,136.00

Total cost for including Alaska Railroad land in the bills coverage: $18,136.00 per year.

Cost for including Indian Health Service land:

Total IHS lands in US., 857.7 acres: $643.28.

Total cost of Senator Stevens amendment adding Alaska Railroad land and Indian Health Service land: $18,780.00 a year.

Acreage figures result from phone conversations with Alaska Railroad and Indian Health Service on September 29, 1976.

Indian health service land inside existing boroughs in Alaska (acres):	
North Slope, 16.0	$12.00
Anchorage Borough, 42.8	32.10
Sitka Borough, 168.8	126.60
Total, 227.6 acres × .75 cents maximum increased payments	170.70

Total Indian Health Service land in U.S. 857.7 acres—$643.28.

MUNICIPALITY OF ANCHORAGE,
Anchorage, Alaska, September 1, 1976.
Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR TED: In looking over HR 9719 and how it will affect Anchorage, the thought comes to mind that possibly you might consider an amendment or two to this House bill.

As an example, the Alaska Railroad has a substantial amount of property within the Municipality which it uses on a tax exempt basis as a Federal agency. Also, the Public Health Service has the same with the Native Hospital. Is there any possibility of including one or the other of the above in the proposed amendment to HR 9719? It would certainly be helpful to the Municipality of Anchorage if this could be accomplished. As far as the Alaska Railroad is concerned, it would not be effective on any other communities and, therefore, would not have too much overall cost impact on the bill.

Would appreciate your thoughts on this.

Most sincerely,
GEORGE M. SULLIVAN,
Mayor.

KENAI PENINSULA BOROUGH,
Soldotna, Alaska, August 27, 1976.
Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Urge your total support of HR 9719. It is only right and just that the Kenai Peninsula Borough be compensated partially for the tax immunity of natural resources lands.

Sincerely,
DONALD E. GILMAN,
Mayor, Kenai Peninsula Borough.

CITY AND BOROUGH OF SITKA,
Sitka, Alaska, August 25, 1976.
Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR TED: We urge you to support the passage of HR 9719, the payments-in-lieu of taxes bill which has cleared the U.S. House of Representatives.

Very truly yours,
FERMIN GUTIERREZ,
Administrator.

UINTAH BASIN ASSOCIATION OF
GOVERNMENTS,
Vernal, Utah, August 30, 1976.
Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Senate Bill S. 3468 "In-Lieu of Taxes" will reimburse some 1,000 counties or local units of government partially for services rendered for the benefit of public lands.

The principle of "In-Lieu" payments has been previously endorsed by the Senate in bills passed by your honorable body only to die in the House.

This year, as you know, the House has passed by a substantial majority vote H.R. 9719 "In-Lieu" payment bill in an effort to correct a long overdue deficiency in public land administration. For Alaska, $4,000,567.

Now, just before elections is the opportune time to prove to your constituents at the county level that the government and you are interested in sharing equitably the costs of providing the many essential services which the counties have provided for public lands.

We urge your serious consideration of this bill and your active support, if in your opinion, it is in the interest of your people.

We believe this bill should not be particularly controversial and know it is very important to our state and our county.

Thanks for your kind consideration.

Sincerely,

ORLAN COOK,
Chairman of Uintah Basin, Energy Planning Council.
WARREN D. RICHARDSON,
Chairman Uintah, County Commission.

HAINES, ALASKA,
August 24, 1976.
Hon. TED STEVENS,
Capitol Hill, D.C.:

Please support Senate passage of H.R. 9719, payments in lieu of taxes to boroughs and counties for Federal tax immune natural resource lands, and urge your colleagues to do the same. Alaska entities such as our borough, much of whose land is federally owned, will receive needed revenue now denied them.

RAYMOND R. MENAKER,
Chairman, Haines Borough.

THE CITY AND BOROUGH OF JUNEAU,
Juneau, Alaska, March 22, 1976.
Representative JAMES A. HALEY,
Chairman, Interior Committee, U.S. House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE HALEY: The City and Borough of Juneau endorses Representative Don Young's amendment to H.R. 9719 which reverses the exclusions of Alaskan boroughs from Federal payments in lieu of taxes.

The Public Land Law Review Commission has stated: "If the National interest dictates that lands should be retained in Federal ownership, it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those states and governments in whose area that lands should be retained in Federal Government should make payments to compensate state and local governments for the tax immunity of Federal lands." We believe this statement applies as much to Alaska as to the rest of the Nation.

In our Borough about 95% of the land area is Federally owned. This ownership obviously is a great restriction to our community.

We urge your favorable consideration of Representative Young's amendment.

Sincerely,

VIRGINIA KLINE,
Mayor.

KODIAK ISLAND BOROUGH,
Kodiak, Alaska, March 11, 1976.
Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR MR. STEVENS: The Kodiak Island Borough wishes to go on record as being in support of H.R. 9719 and further lending support for the amendment as recommended by NACO. This amendment would delete Section 5(b) which excludes Alaskan Boroughs from receiving payments in lieu of taxes for federal lands located within a given borough. It is suggested that the definition of eligible local governments be clarified to include counties and other "general purpose" local governments.

Currently the Kodiak Island Borough has within its boundaries some 800,000 acres of federally owned land. On some of the land, particularly the area of the timber cut, there is a possibility that educational facilities will be required. It is necessary that some financial assistances be given to the Kodiak Island Borough and other boroughs in similar positions.

Sincerely,

ROBERT B. CRAIG,
Borough Mayor.

On page 20, line 23, after "; and" insert new subsections as follows:

"(F) lands administered by the Secretary of Transportation through the Alaska Railroad;

"(G) land administered by the Secretary of Health, Education, and Welfare through the Indian Health Service.".

Mr. STEVENS. Mr. President, since the Senator from Ohio was unable to be here tonight for passage of the payment in lieu of taxes bill, I would like to insert his statement in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. TAFT

I rise in support of H.R. 9719, and especially in support of the provision to assist local governments when tax bases are eroded as the Federal government acquires private lands for additions to the National Parks system and units of the National Wilderness Preservation System. When the private land is acquired for Cuyahoga Valley National Recreation Area, authorized by the 93d Congress, one township will lose 26 percent of its property tax base.

To ease the impact of such Federal acquisitions, H.R. 9719 reduces the burden imposed by the sudden loss of this tax base by compensating units of local government for a five-year period at the rate of 1 percent of the fair market value of the acquired lands (or not to exceed the actual property taxes assessed and levied on the acquired lands during the last year before acquisition.) This provision applies retroactively to January 1, 1971. These payments will equalize the fiscal burden caused by the acquisition of private lands for new parks and wilderness areas and reduce the immediate and direct financial impact on the affected local jurisdiction.

This burden is often the most important source of opposition to the establishment of new parks where land, however valuable to our national heritage, is now on the tax rolls and producing revenue. Eventually the loss of the tax base will be made up, but in the short run, these areas experience a revenue squeeze. We have been very fortunate in Ohio to obtain land and funding for the Cuyahoga Valley National Recreation Area, our only National Park. However, it is evident that the loss of the tax base will be difficult for the county to absorb in the beginning. This provision of the bill will have an annual price tag of $4.2 million in fiscal year 1977 and would rise to $7.2 million by fiscal year 1981. That is a small percentage of this bill, but an important provision for many areas of the country.

Mr. STEVENS. Mr. President, I shall not offer the amendment, but I would like to call attention to the fact that this bill is really a very narrow bill in terms of deducting from the tax base, and the lands that are really productive, which are held by the Federal Government in most instances, are exempt from the payment of local taxes. I think we should have insisted when we proceeded earlier. I understand my friend's position.

Mr. HANSEN. Will the Senator from Washington yield?

Mr. JACKSON. I will in a moment.

Mr. HANSEN. If the Senator will yield, let me say that I share the interest of the Senator from Washington in this legislation. Obviously, the only opportunity we have to bring into fruition the assurances we have given our good friends in the West is to do precisely what he has recommended, to take the House bill.

Mr. JACKSON. I thank the Senator.

Mr. GARY HART. Will the Senator yield?

Mr. JACKSON. I yield.

Mr. GARY HART. This bill is a variation of a proposal put forth by myself and my colleagues. On behalf of both of us, I want to thank the chairman of the committee for moving this bill along. I think it will make a great deal of difference in many States and counties across the country.

Mr. HUMPHREY. If the Senator will yield, I want to compliment the distinguished Senator from Washington and his committee. One of my earliest efforts had to do with these taxes. I might say for the record in 1960 the Senate passed the payments in lieu of taxes bill but we were never able to get it through the House. At long last we are able to pass it, and it will mean a great deal.

Mr. JACKSON. The Senator is correct. As a matter of fact, this effort goes back, I believe, for a half century. The Senator is correct.

Mr. HASKELL. Legislation is long overdue to recognize the inequities and burdens of large holdings of federally-owned tax exempt lands. H.R. 9719, has been approved unanimously by the Committee on Interior and Insular Affairs. This legislation would provide minimum payments to counties and other local governments to partially compensate them for the tax immunity of Federal natural resource lands.

As the committee report points out, this legislation seeks to implement one of the basic principles of the Public Land Law Review Commission report of 1970. The Commission recommended that, if the historic policy of disposal of the public lands is to be reversed and those lands are to be retained in Federal ownership, "it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those States and governments in whose area the lands are located. Therefore, the Federal Government should make payments to compensate State and local governments for the tax immunity of Federal lands."

I believe H.R. 9719 translates this basic principle into law. It recognizes the burden of tax immunity and with a fairly simple formula sets both a reasonable floor and a ceiling for payments to local governments that have entitlement lands within their boundaries.

This formula will require only a minimum of administrative costs. It has the endorsement of the National Association of Counties as an equitable and easy to administer system.

H.R. 9719 would direct the Secretary of the Interior to make payments to units of local government in which Federal "entitlement lands" are located.

Entitlement lands would include national forests, national parks, wilderness areas, BLM lands, water resource projects of the Army Corps of Engineers and Bureau of Reclamation, inactive military bases, and Indian lands.

Eligible local governments would receive the greater amount of first, 75 cents for each acre of entitlement land less certain other Federal payments during the preceding year, or second, 10 cents for each acre of entitlement land. The payments would be limited by a sliding scale ranging from $50 per capita for units of local government with a population of 5,000 or less to $20 per capita for units of local government with a population of 50,000 or more. The maximum annual payment to any unit of local government would be $1 million, since no unit would be credited with a population of more than 50,000.

In addition, the Federal Government would annually pay 1 percent of the fair market value of lands acquired for national parks and wildernesses during each of the 5 years following acquisition.

A full section by section analysis of the bill is included in the committee report.

The tax immunity problems in Colorado are a good example of the problems this legislation seeks to remedy.

In Colorado the Federal Government owns more than 36 percent of the land, amounting to about 24 million acres. The counties, meanwhile, must provide for law enforcement, road maintenance, hospitals, health and other services countywide. Many of these services are directly and indirectly related to these very lands.

The State of Colorado and the counties do receive some $2.6 million in payments for the various existing revenue and fee sharing statutes such as the Mineral Leasing Act and the timber stumpage program. However, most of this is utilized at the State level and these payments are generally restricted to schools and roads.

The total of funds received by local governments under the Federal lands revenue and fee sharing statutes seldom approaches the level of revenues which would be collected by ad valorem taxes were these lands private lands.

For example, for fiscal year 1975, only $2.6 million in payments were returned to either the State of Colorado or its counties; but, by applying the 1974 average county mill levy to the approximate valuation of Federal landholdings in Colorado for the same year, a rough estimate of the tax revenues which the Federal lands would generate were they privately-owned can be made and is in excess of $50 million.

Tax immunity is not by any means a problem for Western States only. Twenty-one States east of the Mississippi River have national forest lands, 25 have Corps of Engineers projects, and 21 have national parks. Many eastern counties are hard hit by the tax immunity of these lands and the low level of existing payments. In Cocke County, Tenn., for example, roughly 35 percent of the land is either in a national forest or within the Great Smoky Mountains National Park. For the 44,091 acres of national forest lands, the county received only $6,800 in fiscal 1975. It received nothing for the national park lands.

Mr. President, this legislation will go a long way toward correcting the deficiencies in the current shared revenue and fee systems. These systems provide inadequate funds and they usually restrict expenditures to school and road functions.

I believe the "minimum payment" concept in H.R. 9719 is a sound approach. It is compatible with the existing systems because direct payments to eligible local governments will be offset in the computation of payments under this bill. The population limits contained in the bill will also help to prevent any county from receiving "windfall" payments. H.R. 9719 is sound legislation and I recommend its entactment.

Mr. MOSS. Mr. President, I appreciate the opportunity to give my support for and to speak in behalf of H.R. 9719, the Payments in Lieu of Taxes Act. I am a cosponsor of the Senate companion bill, S. 3468.

I supported the concept of payments being made to State and local governments based upon the amount of qualified public lands within their boundaries long before I came to the Senate. In fact, while I served in local government I became involved in trying to work out a payment system in order to ease the burden on taxpayers who were also supporting public lands because those public properties were not part of the tax base. So, I am very pleased to give my support to this proposed legislation.

The Federal Government owns over 760 million acres of the 2.2 billion acres within the United States—approximately one-third of all the land in this country. Alaska, Nevada, Idaho, Oregon, and Utah are all over 50 percent federally owned—excluding land held in trust. Approximately 1,000 counties in over 40 States are affected by holdings of federally owned, tax-exempt lands.

The State of Utah has approximately 52.5 million acres of land. Seventy-one percent of the land area of the State is federally owned, 7 percent is State owned and 21 percent is privately owned.

In the north central counties of the State, private ownership as a percent of the total land area varies from 47 to 92 percent. In contrast, in south central and southeastern counties, only 4 to 8 percent is privately owned.

This legislation would allow local governmental units to receive from the Federal Government, payments for certain public lands within these governmental units, which are tax immune and therefore provide little or no revenue for support of the services which local governments surely must render within these jurisdictions. Every acre of public land, which is tax immune, diminishes the tax base proportionately within its governmental jurisdiction. This legislation provides for payments to be made to these local governments in lieu of taxing the public lands.

Entitlement lands included for payment under this act are BLM, Forest Service lands, lands within the national parks system, and national wilderness areas. Utah has some land in all of these categories. For example, in Utah, the BLM administers nearly 25 million acres. While this represents almost half of the State of Utah, the figures are somewhat misleading in that this tax immune public land is not evenly distributed among all the counties. Some have greater totals of public lands than do others and thus a greater reduction in their tax base. In Cache County, for instance, which has a total of 752,000 acres, the BLM administers no public lands. But in Kane County, which has a total acreage of 2,627,200 the BLM administers 1,988,426 acres or about 76 percent of the land in that county. In this same Kane County, the Forest Service administers 4 percent of the total land of the county.

The tax immunity of these public lands places an unfair burden on the taxpayers within the counties and local government units where the lands are located. The Public Land Law Review Commission best summed up the need for this legislation with this recommendation:

> If the national interest dictates that lands should be retained in Federal ownership, it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those States and governments in whose area the lands are located.
>
> Therefore, the Federal Government should make payments to compensate State and local governments for the tax immunity of Federal lands.

The PLLRC recommended that the Federal public lands be retained by the United States for the enjoyment and use of its citizens and that the expense of retaining them ought to be borne by all of the citizens rather than only by those who live within the boundaries of the States and counties where the public lands lie. I completely concur with this recommendation.

The purpose of H.R. 9719 and S. 3468 is to recognize the burden imposed by the tax immunity of Federal lands by providing minimum Federal payments to units of local government in which these lands lie. The bill establishes a formula for payments and provides a floor and a ceiling for payments to such units of government based on the population and number of acres of lands eligible under the basic philosophy of the bill.

Over the years, the Congress has established programs to partially compensate States and local governments for the impact of Federal ownership, but in most cases the revenues that they receive do not approach what would be received from property taxes if these lands were in private ownership.

Most of the present payments bear no relationship to the direct and indirect burdens imposed on local governments by presence and/or use of these Federal lands. Nor are the revenues a unit of government receives directly related to the total number of acres of Federal land. These payments are financing an increasingly smaller share of the growing revenue needs of these local governments. In 1950, total State and local government expenditures were $20 billion, whereas by 1972 this figure had increased to $166 billion. New Federal requirements and particularly environmental standards, such as those required by EPA for sewage treatment, have placed considerable "mandated costs" on counties with relatively small populations and small tax bases.

In addition, there are currently no payments to States and local governments for the 24.8 million acres in the national park system—nearly 2 million acres in the State of Utah—or the 9.6 million acre National Wilderness System. These lands attract thousands of visitors each year, yet the intangible economic benefits to the local economy from tourist-related activities in and adjacent to these lands do not usually accrue to the local taxing authority. Income and sale taxes are sources of funds for the State treasury. Yet it is the local governments that must provide for law enforcement, road maintenance, hospitals, and other services directly and indirectly related to the activity on these lands. Local governments with small tax bases with which to work are hard pressed to find new sources of revenues to fund services. In the State of Utah, 12 counties are now taxing property at the maximum rate allowable under the law.

The formula for determining accounts owed by the Federal Government to local governments is based on a flat payment of 75 cents per acre for "entitlement lands," deducting from this figure existing payments actually received by the local government under other statutes, and based also on the population of the unit of local government. In addition, a maximum of $1 million which can be received under this act by any unit of local government, was established. The only local governments to receive $1 million under this act would be those counties with extremely large Federal land holdings and populations of 50,000 or more.

The 75 cents figure is a ceiling under this act, but would not affect those counties now receiving more than that under existing laws. Some counties have acreage which now receives more than 75 cents per acre from the Federal Government for various reasons. For these counties, the bill includes an alternative of 10 cents per acre because they do not qualify for the 75 cents per acre payment. The 10 cents per acre payment is also based on population.

Payments under H.R. 9719 are to go directly to the units of local government since it is the local governments that assume the burden for the tax immunity of these lands and the payments may be used for any purpose the receiving governmental unit determines.

Finally, a sunset provision is built into this bill which requires that this program be reviewed in 1981 by the Congress in order to be renewed.

Again, I am pleased to lend my support to this very important legislation.

Thank you, Mr. President.

I ask unanimous consent that a list of Utah counties and breakdown of payments expected under this bill be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

COUNTY FOR COUNTY BREAKDOWN FOR UTAH FOR PAYMENTS UNDER H.R. 9719

County	A (75 cents per acre)	B (10 cents per acre)
Beaver	200, 000	
Box Elder	730, 000	
Cache	175, 099	
Carbon	140, 290	
Daggett	33, 300	
Davis	28, 514	
Duchesne	396, 000	
Emergy	282, 000	
Garfield	157, 650	
Grand	282, 000	
Iron	434, 000	
Juab	240, 000	
Kane	165, 000	
Millard	328, 000	
Morgan	9, 425	
Piute	65, 000	
Rich	80, 750	
Salt Lake	67, 888	
San Juan	374, 000	
Sanpete	290, 855	
Sevier	374, 000	
Summit	308, 000	
Tooele	591, 800	
Uintah		169, 254
Utah	390, 546	
Wasatch	278, 796	
Washington	493, 000	
Wayne	85, 000	
Weber	49, 074	
Total	7, 050, 787	169, 254

IN LIEU TAX PAYMENTS LEGISLATION

Mr. HASKELL. Mr. President, I would like to take this opportunity to pay tribute to two of my colleagues, the Senator from Minnesota, the Honorable Hubert H. Humphrey, and the Congressman from Colorado, the Honorable Frank Evans. As most of you know, in lieu tax payments legislation in one form or another has been pending in Congress for well over a decade. Only once before in previous Congresses has such legislation passed either House. In 1960 the Senator from Minnesota, Hubert H. Humphrey successfully led a fight to achieve Senate passage of such a proposal. The Senator has been a longstanding leader in the effort to achieve a more equitable system of payments for public landlocked local governments. Today we have the opportunity to complete a task that was begun by the Senator 16 years ago. If we do so, much of the credit must go to Congressman Evans for his able leadership this Congress has provided the real momentum which this measure enjoys. We should all be grateful to Congressman Evans for his tireless efforts on behalf of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The bill was ordered to be read a third time.

The bill (H.R. 9719) was read the third time, and passed.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate the Secretary of the Senate be authorized to receive messages from the other body.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Alaska.

OMNIBUS RIVERS AND HARBORS ACT—CONFERENCE REPORT

Mr. GRAVEL. Mr. President, I submit a report of the committee of conference on S. 3823, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Stone). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of today.)

Mr. GRIFFIN. Is this the rivers and harbors conference report?

Mr. GRAVEL. Yes, it is.

Mr. EAGLETON. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. EAGLETON. What is the status of the bill with respect to the Vermilion project and the Gallipolis project?

Mr. GRAVEL. The conferees agreed to reinsert Vermilion and to insert only phase one of Gallipolis.

Mr. EAGLETON. There was a notion when the bill went to the House there were three projects, Lock and Dam 26, Vermilion and Gallipolis which would be held together in a three-part package; is that correct?

Mr. GRAVEL. That is correct.

Mr. EAGLETON. I would like to read briefly into the RECORD this exchange, Mr. President, between Senators STEVENSON and GRAVEL, at page 32875 of the RECORD of September 28, 1976. That is last Tuesday.

May we have order, Mr. President?

Mr. GRAVEL. May we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. EAGLETON. Senator STEVENSON said:

> As the Senators are aware, the discussion of this compromise began with a proposition that many more navigational facilities would be removed from the bill. We finally came down to three.

Alton Locks and Dam 26, Vermilion, and Gallipolis. Mr. STEVENSON continued:

> It would be very difficult for me and for others to accept this compromise if it is changed by putting back into the bill other facilities which under this compromise are now eliminated.
>
> I think the reasons for that position are obvious. We will be in a weaker position in the next Congress, if that were to happen. So I hope that could be made clear and we could also have assurances from the committee that any such efforts to change this compromise by including other provisions now deleted by the amendment will be resisted.

The response by Senator GRAVEL:

> Not only will be resisted, but I say, speaking for myself, I would walk away from the bill.
>
> If we have a true consensus and that consensus will be apparent to all, we can proceed. If that consensus falls apart, as I stated already, I do not think we could have a bill.
>
> I would be the first to ask the leadership to put it aside and forget it this year.

Mr. President, I will just address a brief remark to this, and then I will sit down. I realize that when bills are being considered and managed on the Senate floor, from time to time those who are handling a bill engage in a bit of legislative puffery, and I guess that is understandable. However, it came as a surprise to me on Wednesday, the day after this colloquy took place in the Senate, that I received a call from a very knowledgeable person in St. Louis, a friend of mine, and he said, "How is Alton locks and dam 26 going?"

I gave him the schema that, well, it had not fared too well, but it was in nice company; that a partnership had been formed with the Vermilion project in Louisiana and the Gallipolis project on the Ohio.

He laughed and said, "Well, you know what is going to happen, do you not?"

I said, "No, tell me what is going to happen."

He said, "Well, Friday night when the House bill comes back, Alton locks and dam 26 is not coming back, but rest assured that Vermilion will, and Gallipolis will." I assured him that would not be the case. I then talked with the Senator from Illinois (Mr. STEVENSON), and we assured each other that would not be the case. I then talked to other Senators about it, and was assured that that would not be the case.

So all I want to say, Mr. President, is that I must apologize to my friend from St. Louis who called. I apologize for misleading him, and I apologize to the Senate for my own naivete. I do not intend to be similarly naive again.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. STEVENSON. I address this question to the Senator from Alaska, and also to the chairman of the committee. I have no desire to prolong this bill, but in view of what has happened, I think I as well as others are entitled to some assurances about what will happen in the next Congress, and by that I mean specifically the intentions of the Senators with respect to locks and dam 26.

It was as a part of a compromise that we agreed not to press for a replacement of locks and dam 26. Can the Senator give some assurance that the Public Works Committee will, at the earliest possible time in the next Congress, act and act favorably to obtain authorization for this critical navigational facility?

Mr. GRAVEL. Well, my ability to give assurances may be in question as a result of what has come back from conference. Let me say it was I, as subcommittee chairman, who led the charge to bring locks and dam 26 out of subcommittee and out of the full committee, and to bring it to the Senate. Let me say it is my intention to do the same thing at the earliest opportunity in the next session, and if it is filibustered I am prepared to fight the battle of the filibuster.

We have just been through what I would term, in my 8 years in the Senate and my 4 years in the Alaska Legislature, as painful and difficult a conference as human beings can endure. We have in this bill almost 150 projects, affecting our 50 States. When it came down to the end, we walked away from the bill yesterday, and we did not go back until 4 o'clock today. And I was happy to eat a lot of crow to take the call to go back, and I sat there for 3 hours, and finally it came down to one thing: We could have a bill with Vermilion, or we could have nothing.

I was prepared, and I stood up, to walk out; and I would have walked out with nothing, and would have fallen down on my responsibility here in the Senate. One of the Members of the House stood up and said, "This is not fair, to have it end like this. This decision should not be made by the people who sit in this room; it should be made by all the Members of Congress." So I turned tail and sat down, and we agreed to take Vermilion, and brought it back to this Chamber.

I am not happy with what I did. All I can say is that we have these public works projects for this Nation, and many of them are of vital importance. I give my colleague from Illinois the strongest assurance that I can that I will do all in my power as one Senator to bring about what he is seeking to attain, the approval of locks and dam 26 next year at the earliest possible time.

Mr. STEVENSON. I thank the Senator from Alaska. The Senator from West Virginia is a man of great ability and great honor. I ask the chairman if he can give us some assurances, too.

Mr. RANDOLPH. Mr. President, I can well understand the very genuine concern of our colleague from Missouri (Mr. EAGLETON) and the equal concern of the able Senator from Illinois (Mr. STEVENSON). I will not take the time to discuss the problems within the conference, or the fact that on yesterday, for all intents and purposes, the conference had ceased. Through my efforts and the efforts of other Senators and House Members, we were able to have the conference reconvened.

I say to the Senator that we have done the very best we could. I regret that any problems of seeming inadvertence or misdirection on our part have occurred. Our actions were taken, because they were necessary if we were to have the conference report on the bill agreed to by the House as well as by the Senate.

Having said this, I would reaffirm what the diligent chairman of our Subcommittee on Water Resources (Mr. GRAVEL) has said, that this will be a matter for early consideration in the 95th Congress. We will attempt to do as much as we can. I hope we will be able to do that which is desired by the two Senators who have spoken, to have this matter brought before the Senate and there to make a decision on this project with the vote of either yes or no.

Mr. President, the completion of this conference report in two evening meetings represents an earnest effort on the part of the conferees. This is a large and complex bill which will result in benefits for American people in all parts of our country.

I am deeply appreciative, particularly at this late date in the congressional session, for the work of my Senate colleagues who were members of the conference committee. The chairman of our Subcommittee on Water Resources, Senator GRAVEL, has worked long and hard on this measure. He served with great purpose in the conference, as did Senators BURDICK, CULVER, DOMENICI, and MCCLURE. It was a pleasure to serve with them on the conference.

Credit also is due to the committee staff for their valuable assistance. Important contributions were made by Richard Harris, John Yago, Ann Garrabrant, Elsie Kennedy, Tom Davis, Donald Chatelain, Paul Chimes, Paul Ebeltoft, Harold Brayman, Bailey Guard, Steven Swain, Julie Devlin, and Maggie Meyer.

Mr. STEVENSON. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator from Alaska yield?

Mr. GRAVEL. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. I am deeply concerned about locks and dam 26, as my esteemed colleague, Senator MONDALE, was, as I know. I recognize the difficulties the Senator has in his conference.

I spoke with the Senators from Alaska and West Virginia yesterday when it appeared the conference was hopeless, and I commend him for coming back to us with what he has, knowing the difficulty he has, and I am grateful to both of the Senators for their willingness to give prompt consideration in a fair and open hearing on the necessity of the locks and dam 26.

Our part of the country lies on a great deal of water transportation, and that locks and that dam simply have to be replaced.

I thank the Senator.

Mr. GRAVEL. I thank the Senator.

Mr. PERCY. Mr. President, will the Senator from Alaska yield for a comment?

Mr. GRAVEL. I yield.

Mr. PERCY. I join my colleagues in an expression of appreciation for the assurances we received. We certainly agree that we are not leaving this without the assurances. We certainly rely fully on them. The Senate recently passed S. 3823, the Water Resources Development Act of 1976. Section 4 of this legislation as reported out of committee provided for the authorization of locks and dam 26 on the Mississippi River near Alton, Ill. Section 5 of the bill established a system of user charges on the inland waterway system. However, because of the inadequate time available for the Senate to properly discuss these two important issues, I reluctantly joined my colleagues in agreeing to allow these two sections to be deleted from the bill with the assurance from the committee that they would be the first order of business when Congress returns in January. This deletion does not set back construction of locks and dam 26 since all projects in S. 3823 are eligible only for fiscal year 1978 appropriations. Locks and dam 26 may be authorized anytime before May 1977 and still be eligible for fiscal year 1978 funding.

Although these issues will be fully debated next year, I would like to discuss for the record my position on locks and dam 26 and user fees.

The Army Corps of Engineers has traditionally replaced existing navigation facilities on the inland waterways under their interpretation of authority given them in the 1909 Rivers and Harbors Act. Locks and dam 26 was to be replaced under this authority. However, in 1974, Judge Richey of the Federal Court of the District of Columbia enjoined construction, ruling that the corps could not use the 1909 act as proper justification for constructing new navigation facilities. The judge specifically ruled that the corps would have to obtain an authorization from Congress and write a more comprehensive environmental impact statement covering the entire Mississippi River system before proceeding with the project. At that point, I urged the Public Works Committee to hold hearings to insure that everyone would have an adequate opportunity to present his views on the project.

This summer the Subcommittee on Water Resources held a week of hearings on the authorization of locks and dam 26, and I spent a day touring the facility. The package reported out of the Public Works Committee incorporates positions of many who testified, and reinforces the opinions I formed at the site. This package became section 4 of S. 3823.

SECTION 4

The construction of a single 1,200-foot lock and a new dam downstream from Alton, Ill., shall be authorized.

Wildlife habitats in Missouri and Illinois that would be lost as a result of construction will be replaced and managed at Government expense. A recreation project will be developed at Ellis Island, Mo.

The depth of the Upper Mississippi River channel will be maintained at 9 feet. The Federal Government is specifically prohibited from studying the need for a 12-foot channel.

A Mississippi River System Council is created consisting of the Secretaries of Transportation, Army, Interior, and Agriculture; the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality. The Council is to prepare a comprehensive master plan for the management of the Mississippi River system. Public hearings will be held before the Council submits its final report to Congress by July 1, 1981. The plan shall identify various economic, recreational, and environmental objectives of Federal, State, and local agencies and recommend guidelines to achieve these objectives. The study will include:

A new dredge and spoil disposal program;

The environmental effects and economic impact of present and projected traffic levels on fish, wildlife, and water quality;

The need for a second lock at Alton.

No other work that would increase traffic capacity on the locks and dam could begin until after this master plan is prepared.

A Board of three independent engineering firms will be appointed by the Secretary of the Army to study the Illinois Department of Transportation rehabilitation alternative—adding a 1,200-foot lock in the center of the present dam. If the Board recommends against the alternative, the corps may go ahead with construction of the new facility However, if the Board recommends redesigning the project to take into account such rehabilitation, then the Secretary of the Army must report to Congress for further instructions.

The establishment of a system of user charges on commercial navigation to help defray the cost of maintaining and improving the inland waterway system. The committee feels the approval of major new inland navigation projects such as locks and dam 26 must be tied to a user charge position.

In 1938, the present locks and dam 26 was built to accommodate after 50 years a capacity of 73 million tons. That capacity is now nearly reached and it is anticipated that traffic will be 85 million tons in another 10 years. Bottlenecks are now occurring, and these tieups are resulting in the loss of millions of dollars each year. The breakdown that occurred on April 14 illustrates the severe impact that an unexpected extended delay may have. An estimated 1 million tons of cargo valued at $300 million were stalled along the waterway. The delays caused a drop in grain prices on the Chicago and Twin Cities markets, and ships idled at the New Orleans port at a daily cost of $20,000 per ship.

The integrity of the structure is a subject of controversy. The structure, founded on wood friction piles driven into sand, has experienced settlement and some loss of foundation material. However, many question the extent of these problems; they argue that rehabilitation would be less costly than replacement but just as sound. The Western Railroad Association and the Illinois Department of Transportation both have proposed designs to rehabilitate the present structure. I would support rehabilitation of the present facility if we could be assured it would make the structure safe, the construction could take place at a substantially reduced cost from the corps' cost for replacement, that the facility could accommodate increased capacity, and that it could be constructed without closing down the present facility. However, a preliminary report from the General Accounting Office has indicated that taking all these concerns into consideration the corps rehabilitation proposal would be the most logical. However, this proposal would cost nearly the same as replacing the entire structure. I do not want a facility that will have to be replaced again in 10 to 20 years.

Some have argued that the replacement of locks and dam 26 has not been adequately studied to know its overall economic and environmental impact on the Midwest. However, I feel this is not so.

A comprehensive environmental impact statement was prepared by the Army Corps of Engineers in July 1976, addressing the concern of Judge Richey.

In September 1975, a report was prepared by the Department of Transportation on the economic impact of replacement. Their report recommended that a one 1,200-foot lock structure rather than two locks, as originally planned, would make more sense considering the unreliability of projecting future needs. While Congress is adjourned, the Public Works Committee agreed to have the DOT perform a similar economic analysis of the March 15, 1976 report by the Chief of Engineers. This report will be available by the end of January.

The master plan provided for in the Public Works Committee proposal also addresses the question of further studies. The Mississippi River System Council is authorized to study and test methods of improved dredging, spoil disposal, and alternative uses of dredged material. The study will also include the economic impact of present and projected traffic levels including an analysis of alternative methods for meeting future transportation needs.

It is estimated that other studies that might be authorized would take 4 to 5 years. If we assume that the current construction cost is $395 million and there is an average 6-percent inflation rate, then a 5-year delay would increase the cost of replacement by $133.5 million. Since 1964, $1,231,600 has been spent on maintaining the present site. I do not feel the taxpayer should be expected to continue paying these costs as we decide what to do. Our agriculture products are a major contribution to a positive balance of payments. Illinois agriculture products are a major contribution to this balance of trade. Exports of U.S. grain from the New Orleans port in 1975 were 1,165,000,000 bushels. Eighty percent of the grain exported from New Orleans is estimated to arrive at port by barge, which in 1975 was 932,000,000 bushels. We cannot afford to jeopardize that business.

I also agree with the committee's recommendations for a reasonable user's fee. However, water transportation continues to have an important and useful role in the national economy. It is an integral part of the country's transportation system. A viable waterway system is essential to shippers and consumers of goods, and it is in the national interest to have a properly maintained inland waterway network. However, the cost of keeping the waterway system in the best possible shape is growing greater and greater each year. During the last 10 years, the Federal Government has spent well over $3 billion of the taxpayers' money improving and operating our inland waterways. Additional major improvements are anticipated. The costs of these improvements finally came to the public notice in the debate over the construction of locks and dam 26. The Federal Government cannot continue to assume the full cost of modernization of the entire waterway system. This is an opportune time for Congress to address the issue of users paying at least a share of this cost. In no instance do we construct facilities for the various other modes of transportation, that is air, road, and rail, without assessing or charging the users thereof for all or some substantial portion of the cost to the taxpayer.

The need for establishing a system of user charges has been studied often. Starting in 1939, the War and Treasury Departments recommended the adoption of user charges. Hearings were held by Congress on the subject in 1946 and 1950. A Department of Commerce study in 1960 recommended user charges. In the 1970's the DOT recommended user charges; the National Water Commission recommended charges to recover 100 percent of operation and maintenance and new capital; and the President recommended a system. The General Accounting Office in a study conducted in 1975 found minimal impact and many benefits from the imposition of user fees to recover operation and maintenance. A National Transportation Policy Commission has been appointed to, among other things, study the need for user charges. The Public Works Committee has received testimony on this question during its hearing on the inland waterway system conducted during the past few years. The committee's hearings on Corps of Engineers Oversight in 1975 looked extensively into this issue, with 5 days of hearings, including one in Vicksburg, Miss.

The Public Works Committee is the proper committee to consider a user's fee under the same rationale as the Interior Committee imposed fees for camping. These fees are for maintenance, not for raising general revenues for the Treasury Department.

I fully support the type of system recommended by the Public Works Committee. This would be a gradual imposition of fees over the next 10 years to eventually recover 50 percent of operations, maintenance and capital. The following more clearly explains the charges each year:

[In percent]

Year	Operation and maintenance	Capital
1	10	----------
2	20	----------
3	30	----------
4	40	----------
5	50	----------
6	50+	10
7	50+	20
8	50+	30
9	50+	40
10	50+	50

Such a system is to be established by the Army Corps of Engineers using recommendations of the National Transportation Policy Commission. Congress has the opportunity twice to cancel the plan during the first 10 years. If the system designed is not to the Congress' satisfaction, they may veto the measure. In addition, after 5 years and before recovery costs for construction are assessed, Congress can again review the program and make midcourse corrections.

In the first year of imposition, the user charges as recommended by the committee would add about 1 penny to the cost of shipping a ton of grain or coal for 300 miles along the inland waters. After 10 years, the user charge would impose a cost of about a penny for every ton shipped for 30 miles. Put another way, the cost the first year would add 1/300 of a cent to the per-ton-mile industry costs.

A 1976 study by the Office of Water Resources Research concluded that under severe cost conditions, only 3 percent of the total traffic on the inland waterway system would move to another mode of transportation because of the increased costs.

The user charge provision must be linked with construction of locks and dam 26 if we are going to get Congress to approve the project. I will continue next year to work toward the approval of both these measures.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. GRAVEL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I apologize to the distinguished Senator from Washington (Mr. JACKSON) for

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session.

Mr. DURKIN. I object.

Mr. ROBERT C. BYRD. Will the Senator alow me, his friend, to at least get the request out of my lips, and I do not believe he will object to this request?

Mr. President, I ask unanimous consent that the Senate go into executive session to consider only the nominations under Federal Council on the Aging, all of which have been cleared, and they are not in controversy.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, there are those on the calendar and also several at the desk.

Mr. ROBERT C. BYRD. Yes, and they are all under the Federal Council on the Aging.

Mr. GRIFFIN. That is right.

Mr. ROBERT C. BYRD. They are all under the Federal Council on Aging.

The PRESIDING OFFICER. There are a total of six names.

Is there objection?

Mr. PERCY. Mr. President, reserving the right to object, and I shall not object, during the period we are in executive session would the distinguished acting majority leader yield to the Senator from Illinois a minute or two to comment on one or two other nominations?

Mr. ROBERT C. BYRD. Very well.

Could we have action?

Mr. DURKIN. Mr. President, I am not sure what the request is.

Mr. ROBERT C. BYRD. He merely wishes to make a statement, only a statement.

Mr. DURKIN. Nothing else.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

FEDERAL COUNCIL ON THE AGING

The legislative clerk proceeded to read sundry nominations in the Federal Council on the Aging.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

(All nominations confirmed today are printed at the end of the Senate proceedings.)

The PRESIDING OFFICER. The Senator from Illinois.

Mr. PERCY. Mr. President, it is with deep regret that we adjourn without confirming the nomination of Jack Olson of Wisconsin to be Ambassador to the Commonwealth of the Bahamas. He was unanimously, I believe, confirmed by the Committee on Foreign Relations. A hold was placed on this nomination by one Member of the Senate in a disagreement with the State Department over an unrelated matter.

As of adjournment, it is the understanding of the senior Senator from Illinois that that matter has not been resolved, regretfully.

I wish to make it a matter of record that at no time was any objection to Mr. Olson registered or heard in this body. This is the tragedy of the situation which I sincerely regret.

If there had been any change by the Member who has the hold on it, and we have been waiting for word that the situation would be rectified, I would appreciate it; otherwise, apparently we cannot proceed on that nomination.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EVIDENCE OTHER THAN STAMPS OF TAX PAYMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7228.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate numbered 1, 2, and 3 to the bill (H.R. 7228) entitled "An Act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment."

Resolved, That the House agree to the amendment of the Senate numbered 4 to the bill aforesaid, with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Section 1613(a)(1) of the Social Security Act is amended by striking out ", to the extent that its value does not exceed such amount as the Secretary determines to be reasonable".

Resolved, That the House agree to the amendment of the Senate to the title of the bill.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate accept the House amendment to Senate amendment No. 4.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object. I withdraw my objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

SENATOR DENNIS CHAVEZ FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4206.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 4206) to designate the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second times and that the Senate proceed to the immediate consideration of H.R. 4206.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4206) was read the third time, and passed.

SUPPLEMENTAL EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

Mr. ROBERT C. BYRD. Mr. President, I ask unanmious consent that the Senate proceed to the consideration of Senate Resolution 564.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 564) authorizing supplemental expenditures by the Special Committee on Aging for inquiries and investigations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 564) is as follows:

Resolved, That section 4 of Senate Resolution 373, Ninety-fourth Congress, agreed to March 1, 1976, is amended by striking out "$507,000" and inserting in lieu thereof "$547,000".

Mr. ROBERT C. BYRD. Mr. President, I yield to my friend, the Senator from Washington (Mr. JACKSON).

AUTHORIZING APPROPRIATIONS FOR THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on H.R. 13350 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13350) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection?

(The conference report is printed in the RECORD of the House of Representatives.)

Mr. GRAVEL. Mr. President, I ask that the clerk read the entire document.

Several Senators addressed the Chair.

Mr. GRAVEL. I believe I am entitled as a Senator to ask that it be read.

Mr. ROBERT C. BYRD. The Senator is entitled to that, but would he withhold? Will he withhold that request, please?

Mr. GRAVEL. I choose not to withhold.

Mr. ROBERT C. BYRD. He can still demand it if he withholds.

Mr. GRAVEL. All right. I withhold as a courtesy to the acting majority leader.

Mr. ROBERT C. BYRD. I thank the Senator.

My I ask how lengthy is this request?

The PRESIDING OFFICER. Between 150 and 200 pages.

Mr. ROBERT C. BYRD. Mr. President, may I say this: If the Senator demands the reading of this report, and he is entitled to do this within his right, not even a motion to adjourn will interrupt the reading of that report.

Mr. GRAVEL. The Senator is correct.

Mr. ROBERT C. BYRD. It can only be interrupted by unanimous consent, and so before the Senator makes his demand and gets us started down that road, I wonder if he would allow me, without his losing his right to do this, to suggest a brief quorum.

Mr. GRAVEL. Without losing my right, I am happy to have a brief quorum.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. Without the Senator losing his right, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Alaska be protected in his right to demand the reading but that he not, and I plead with him, not to do it for the moment, and let the Senator from Washington proceed.

Mr. GRAVEL. I am happy to.

Mr. JACKSON. Mr. President, I certainly do not understand this kind of a move after a year's effort on the part of the House and Senate committees to get a bill that will place some guidelines on ERDA.

What the Senator from Alaska will do is give ERDA a blank check. They can do what they want within the appropriation areas. They can ignore the restrictions in this pending measure that will apply in the weapons area, the peaceful atom, and of course, in the nonnuclear area.

I say to my colleagues—so that they will understand what happened to them—there are a lot of projects that will not be undertaken because those projects that have been designated in this bill will now be at the whim of ERDA. I think everyone here should understand that.

The report that is before us is a unanimous report, and it is regrettable that the Senator would undertake this kind of move at a late hour. There is no apparent rational reason for it. I know the real reason.

Mr. GRAVEL. I know the reason.

Mr. JACKSON. You want to be on the Atomic Energy Committee.

Mr. GRAVEL. That is right. I was prepared to make a deal with you.

Mr. JACKSON. Imagine, a Senator of the United States. I am one who will not be blackmailed, I will tell you right now. This is a question of honor and decency.

Imagine coming to me and saying he will let the ERDA conference report be adopted in consideration of my helping him get on the Joint Atomic Energy Committee. That is a fact.

Mr. LONG. Mr. President, I move that we invoke the rule.

Mr. ROBERT C. BYRD. Could we proceed?

Mr. LONG. The rule is that a Senator should not say anything derogatory about another Senator.

Mr. ROBERT C. BYRD. Will the Senator withdraw it?

Mr. JACKSON. I will withdraw it, but now the Senate knows.

Mr. ROBERT C. BYRD. Does the Senator withdraw it?

Mr. JACKSON. Yes, I withdraw it.

Mr. GRAVEL. Mr. President, I feel very deeply about our nuclear situation in this country. I have tried for 8 years to get on what is considered a minor committee, and I have kept my silence, knowing full well that there was a constant effort, planned by certain elements of the leadership, to keep me from that committee, which should have been a normal thing in a normal seniority process, for the very simple reason that I was not part of the establishment with respect to the nuclear situation.

I would have hoped that we would have had the wisdom to say that it is not a bad idea to have somebody on the committee who is critical of it. But the joint committee has been all one way. So I fought for 8 years, starting with legislation that was considered radical and kooky but which is now conventional wisdom.

Now there are going to be two openings on that committee. I have already written letters to the steering committee. I do not know what forces are going to get together to say GRAVEL cannot be on that committee because he is not really trustworthy when it comes to the nuclear establishment.

Let me just say there is nothing I feel more deeply about than the nuclear arms race and the insanity that motivates this country.

This is the first opportunity I have had, like any other Senator, to stand up here and object—object on a personal privilege situation because of the late hour and say that I am fed up with some of the things we are doing.

I am doing no more than Senator DURKIN did or a whole host of Senators did here and on the other side—no more and no less. That may anger my colleague. My colleague is on the steering committee, and he can vent his anger by trying to keep me off. But I serve notice that I will plead with every member of the steering committee to try to get him to say that I can be a critic—I hope a rational critic. But the only thing I am doing here today is to make that point so that we can begin to look at the situation in this legislation involving the nuclear arms race, which is appalling and abysmal, and I will use my rights to exercise that now.

Has the bill been withdrawn?

Mr. ROBERT C. BYRD. Yes.

ABOUREZK BAN ON CONFLICTS OF INTEREST IN ERDA AUTHORIZATION BILL

Mr. ABOUREZK. Mr. President, I am gratified that the conference on the ERDA authorization bill, H.R. 13350, has accepted my proposal on organizational conflict of interest. It is now title 10 of this bill. I offered this provision as an amendment during the Senate debate, CONGRESSIONAL RECORD pages 20672–20673, June 25, 1976. When I introduced the amendment for printing, I described it and introduced materials for the RECORD explaining how it was developed, CONGRESSIONAL RECORD pages 20290–20301, June 24, 1976.

Prior to conference the Comptroller General proposed alternative language to my amendment. The Comptroller's letter of August 5 appears at the end of my statement. As a result of negotiations among myself, House Members, and ERDA, the Comptroller General's proposal was modified to include features of my initial proposal. The result is acceptable to me and to ERDA.

I am particularly gratified at the adoption of this title because it is the first statute on the subject of organizational conflict of interest. It results directly from 3 days of hearings which I chaired in the Energy Research and Water Resources Subcommittee last winter entitled "Organizational Conflict of Interest in Government Contracting."

The hearings revealed that there is presently no Federal statute whatsoever concerning organizational conflict of interest in Government contracting. Similarly, neither the General Service Administration nor the Office of Management and Budget has issued any regulations or guidelines in this area. A number of agencies, including ERDA, have taken the initiative to issue regulations on organizational conflict of interest which—by these agencies' own admissions—are inadequate. The inadequacy of these regulations was demonstrated in the subcommittee hearings last winter and was confirmed in a Comptroller General opinion. The subcommittee's hearings were the first held on this subject in the Congress in 12 years.

As a concept, conflict of interest is intuitive. The Bible warns simply:

> No man can serve two masters; for either he will hate the one and love the other, or else he will hold to the one and despise the other.

"Organizational" conflict is distinguished from "personal" conflict in that it applies the same conflict standards to organizations which apply to individuals.

In the early 1960's expenditures by the Federal Government for research and development grew dramatically. This growth forced the Government to review its policies with respect to this research. In 1962, a Presidential commission recommended that Federal agencies adopt codes of conduct to bar a firm from holding one contract in which it advised the Government on what type of hardware the Government should purchase and then turning around and bidding on a subsequent contract to sell the Government that same hardware. During this time there had been congressional hearings on a Ramo-Wooldridge contract by the Defense Department which involved precisely this classic conflict of interest. The direction of all Federal regulations on organizational conflict of interest promulgated since this time has been heavily influenced by this limited class of conflicts of interest.

As the Senate examines this issue, I would like to emphasize one point. Conflict of interest is measured by an objective standard. One need not find actual bias or corruption in order to establish that a conflict of interest exists. As the Supreme Court said in the Mississippi Valley case:

> An impairment of impartial judgment can occur in even the most well-meaning men when their personal economic interests are affected by the business they transact on behalf of the government.

For this reason the Supreme Court concluded that the conflict of interest laws attempt to prevent honest Government agents from succumbing to temptation by making it illegal for them to enter into relationships which are fraught with temptation. As applied to Government research this means that the Government should not contract with organizations to conduct research on subjects where the organization is tempted to bias the results of the research to benefit the organizations' financial interests.

Let me briefly summarize the results of the subcommittee's hearings on this subject. In 1974, Bechtel Corp. contracted with ERDA to study the economics of coal transportation.

Bechtel initiated the contract proposal, and it was awarded without competitive bidding. After formulating a computer model of coal transportation as a part of its contracted study, Bechtel utilized the computer model in part to compare the economics of transporting coal from Wyoming to Arkansas by unit train and by the coal slurry pipeline Energy Transportation Systems, Inc., hopes to build. However, it turns out Bechtel has a 40 percent interest in ETSI. This comparison between ETSI's project and unit trains occurred during phase II of the project when a test case was selected to validate the computer model created during phase I. At the hearing I submitted for the record the actual computer printouts of this test case computer run which contains the model's "preferred solution" for transporting coal from Wyoming to Arkansas, which concludes, predictably, that ETSI's coal slurry pipeline is a cheaper way to transport this coal than unit trains.

In addition to discussing the relationship between the Bechtel study and the ETSI proposal, witnesses at the hearing disclosed the following facts: First, Mr. Thomas Aude, of Bechtel, had eight billable hours working on those parts of the ERDA contract which relate to coal slurry pipelines at the same time he worked for ETSI; second, at the same time Bechtel's Scientific Development Operation and Pipeline and Production Services Division were performing the ERDA contract, these same Bechtel divisions were performing a contract which Bechtel had concluded with ETSI to evaluate its pipeline proposal; and, third, Bechtel personnel working on the ERDA contract demonstrated their interest in informing ETSI of the nature of the ERDA study by formally inviting ETSI to a briefing on the study.

On the basis of these facts and others in the record, I have concluded that the Bechtel's ERDA contract involved a conflict of interest due to its relationship to ETSI's pipeline proposal. The Comptroller General concluded that the actions of Bechtel and the Government were at least "somewhat questionable."

This type of conflict of interest is endemic in Government contracting. Example after example of such conflicts are described in "The Shadow Government," a recent book by Daniel Guttman. It is time that the Congress focused on this problem.

This amendment to the ERDA authorization bill is a modest beginning but would substantially improve current policies in this field. Because there is presently no statement of congressional policy in the field, this ERDA amendment will serve as a prototype for future efforts by Congress to prevent organizational conflicts of interest.

The ERDA amendment's definition of organizational conflict of interest is taken verbatim from present ERDA regulations. It would bar the award of contracts to organizations which may be unable to render impartial, technically sound, or objective assistance or advice due to its other activities or its relationships with other organizations or would be given an unfair competitive advantage. This is meant to be a broad delegation of authority to ERDA. A narrower definition of conflict of interest might unduly restrict the agency.

However, this broad definition will be applicable to a wider range of contracts than was the practice at ERDA prior to the hearings because, first, it applies to both advertised and negotiated contracts and second, a conflict is defined as arising with the presence of either bias or unfair competitive advantage.

Since the hearings, ERDA has agreed that its regulations should be interpreted as consistent with these two points. The statute makes it clear that the conflict of interest standard applies to sole source as well as competitive contracts. The standard applies whether or not a contract arises from an unsolicited proposal.

The one change in existing law is that this statute requires—for the first time—disclosure by the contract applicant of potential conflicts of interest. Incredibly, ERDA presently requires no disclosure by a contract applicant of a conflict of interest, even if the applicant is fully aware of the conflict. A simple certification by a contract applicant that no conflict exists will not suffice under this title. Some combination of certifications and disclosure of information would suffice as long as all information bearing on a conflict must be provided.

On the basis of this information, other information available to ERDA, and inquires made by ERDA, ERDA must then make an affirmative finding on whether or not a conflict of interest exists. ERDA should not disregard information made available by competitors, indeed, competitors may often be aware of pertinent information regarding the existence of a conflict.

This information could not be disclosed to the public except pursuant to a Freedom of Information Act request. That act explicitly exempts "trade secrets or privileged commercial or financial information."

Adoption of this title will complement the ongoing efforts of the General Services Administration to adopt its first regulations on organizational conflict of interest. I hope it will also lead to placing a similar provision in the omnibus bills to reform the Government procurement process, which Senator CHILES will be considering next year.

Mr. President, I ask unanimous consent that the letter from the Comptroller General be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., August 5, 1976.

Hon. KEN HECHLER,
Chairman, Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels), Committee on Science and Technology, House of Representatives.

DEAR MR. CHAIRMAN: You have requested our comments on Title IX, "Organizational Conflict of Interest," of H.R. 13350, as amended, which would require the Energy Research and Development Administration (ERDA) to take certain specified steps to prevent organizational conflicts of interest from arising in its contracting for research and development (R&D) efforts.

Title IX would preclude ERDA from entering into R&D arrangements (including contracts) with any firm which "may be unable to render impartial, technically sound, or objective assistance or advice due to its other activities or its relationship with other organizations" or which "would be given an unfair competitive advantage." To this end, Title IX would require all persons or organizations interested in contracting with ERDA "a written notice describing in detail the nature and existence of any such activities or relationships or competitive advantage." Such notice would be made available for public comment which ERDA is to "receive and evaluate." ERDA would also be required to conduct a detailed inquiry of offerors with respect to possible conflicts of interest prior to making any award. Finally, Title IX would require ERDA to promulgate implementing regulations.

As you know, I am deeply concerned about the organizational conflict of interest problem and have recently urged development of agency guidelines that would impose clearly defined duties in this area on Government contracting personnel. I therefore am in agreement with the basic purpose of Title IX. However, I believe Title IX would unnecessarily impose administrative burdens and undue delay in ERDA's procurement process, and could, in fact, result in a lessening of competition. It also may be overly restrictive since it may not always be in the Government's best interests to refuse to award a contract on the basis of a remote, as opposed to a clear and direct, conflict of interest.

I think it would be more appropriate for statutory language to provide more generally for both Government officials and those who seek contracts with the Government to take affirmative steps with respect to disclosing and evaluating information bearing on a potential contractor's conflict of interest.

In this connection, I suggest that in place of Title IX as it is currently worded, language along the following lines be considered:

"The Administrator shall, by regulations to be promulgated by him, require any person or organization proposing to enter into a contract, agreement or other arrangement for research, development or evaluation activities to provide the Administrator prior to entering into any such contract, agreement or arrangement, with all relevant information bearing on whether that person or organization has a possible conflict of interest with respect to being able to render impartial, technically sound, or objective assistance or advice in light of other activities or relationships with other organizations. The Administrator shall not enter into any such arrangement unless he affirmatively finds, after evaluating such information and any other relevant information available to him, either that (1) there is little or no likelihood that a conflict of interest would exist, or (2) that it would otherwise be in the best interest of the Government to enter into the arrangement."

We trust this serves the purpose of your inquiry.

Sincerely yours,
ELMER B. STAATS,
Comptroller General of the United States.

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., September 30, 1976.

Hon. KEN HECHLER,
Chairman, Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels), Committee on Science and Technology, House of Representatives.

DEAR MR. CHAIRMAN: Your letter dated August 10, 1976, requests our comments on the position taken by the Energy Research and Development Administration (ERDA) in response to our letter dated August 5, 1976, to you, in which we suggested alternative language to the current wording of Title IX, "Organization Conflict of Interest," of H.R. 13350, as amended.

Our suggested language would require ERDA to promulgate regulations requiring prospective contractors to provide ERDA with "all relevant information" which would have a bearing on whether the prospective contractor would have a possible conflict of interest in connection with research, development, or evaluation activities.

ERDA "does not object in principle" to this alternative language. However, ERDA observes that the requirement for prospective contractors to disclose information bearing upon their ability to render "impartial, technically sound or objective assistance" would appear to require opinions or conclusions on the part of a prospective contractor as to what would constitute a conflict of interest.

ERDA suggests that strictly "factual disclosures of past or planned activities in the general area covered by the prospective contract might be preferable." ERDA also observes that our alternative language does not clearly indicate whether disclosure would be required of all offerors or only those selected for contract negotiation.

We think the statutory language should be broad and general, and should be implemented by detailed regulations. We would expect that such regulations would specify the precise nature of the information to be disclosed and also would require the submission of any other "relevant" information. We would also expect that the regulations would specify when in the procurement process and from whom the information will be required.

We notice that ERDA has recently begun to use a new disclosure clause. Request for proposals No. DSA-76-869, issued by ERDA on August 23, 1976, provides:

"*Disclosure of Interests*

"Pursuant to PRERDA § 9-1.54, ERDA requires information so that it may determine whether or not any situations exist which might either (1) bias a contractor's judgment, or (2) provide a contractor with an unfair competitive advantage because of any interest, financial or otherwise, which it or any of its affiliate organizations have in current activities or potential procurement opportunities relating to the work involved in this solicitation.

"Therefore, proposers must provide a brief statement of any interest, financial or otherwise, which they or any of their affiliate organizations currently have, have had in the past, or might have in the future which may relate to the work to be performed under this solicitation. ERDA will use this information to determine whether or not any situations, real or apparent, exist which might either bias a contractor's judgment in relation to its work for ERDA, or provide the contractor with an unfair competitive advantage. Proposers should properly mark any information contained in their statements which they consider proprietary data according to the instructions contained in Part C above.

"Failure to provide the statement or to disclose relevant interests may result in disqualification under this solicitation."

ERDA, in a letter to us dated September 10, 1976, a copy of which is enclosed, indicated that it "presently contemplates that this disclosure clause will be used * * * in subsequent solicitations when the nature of the work warrants its inclusion * * *."

This provision seems to be consistent with our proposed statutory language and would provide ERDA information to resolve questions of conflicts of interest. However, we believe that the use of such a clause should be mandated by regulation, rather than left to the possible uneven discretion of contracting personnel, so as to insure uniformity of application.

ERDA also suggests that disclosure requirements should apply Government-wide and not merely to ERDA. We agree that regulations on a Government-wide basis would be appropriate, and we understand that such regulations are under study by the Office of Federal Procurement Policy, the General Services Administration, and the Armed Services Procurement Regulation Committee. However, we believe it would be useful for agencies to promulgate their own conflict of interest procedures, at least on an interim basis, while uniform regulations are under consideration.

We hope this information serves the purpose of your inquiry.

Sincerely yours,

ROBERT F. KELLER,
Deputy Comptroller General of the United States.

ENERGY RESEARCH AND
DEVELOPMENT ADMINSTRATION,
Washington, D.C., September 10, 1976.

LAWRENCE LEBOW, Esq.,
Office of General Counsel, General Accounting Office, Washington, D.C.

DEAR MR. LEBOW: This will confirm our telephone conversation on September 8, regarding ERDA policy and practice for the avoidance of organizational conflicts of interest.

This subject was discussed in our letter of August 26, 1976 to Congressman Hechler, a copy of which was sent to GAO. In your call on September 8, you referred to ERDA RFP No. DAS-76-869, dated August 23, 1976, which contains a clause similar to that suggested by GAO. (RFP Attachment 1, paragraph D).

The referenced clause was used by ERDA for the first time in this RFP, and we presently contemplate that this disclosure clause will be used by ERDA in subsequent solicitations when the nature of the work warrants its inclusion, such as management support services for computer systems, and management support services for general program development and planning.

ERDA has submitted this disclosure clause (in revised form) to the Office of Federal Procurement Service, Federal Supply Service, GSA for its consideration in developing an appropriate policy. A copy of our transmittal to that office is enclosed.

I trust that this information will enable you to make a further suitable reply to Mr. Hechler.

Sincerely,

ELLIOT WINNICK,
Attorney, Office of the General Counsel.

SEPTEMBER 8, 1976.

MR. PHILIP G. READ,
Director, Federal Procurement Regulations, Federal Supply Service, General Services Administration, Washington, D.C.

DEAR MR. READ: Please refer to Mr. Witt's letter of May 11, 1975 to Heads of Executive Departments and Establishments, subject "Contractor's Organizational Conflicts of Interest" and his letter to you which was attached thereto.

Enclosed for your information and consideration are copies of an organizational "Conflicts of Interest" contract clause and a companion "Disclosure of Interests" requirement for inclusion in requests for proposals, which we have developed for use in connection with our ongoing procurement effort at ERDA. You may find it helpful in your consideration of this problem on a Government-wide basis.

If you have any questions or if you would like to discuss the matter in more depth, please do not hesitate to call me.

Sincerely,

LLOYD W. SIDES,
Assistant General Counsel for Procurement.

DISCLOSURE OF INTERESTS

Pursuant to ERDA PR § 9-1.54, ERDA requires information so that it may determine whether or not any situations exist which might either (1) bias a contractor's judgment, or (2) provide a contractor with an unfair competitive advantage because of any interest, financial or otherwise, which it or any of its affiliate organizations have in current activities or potential procurement opportunities relating to the work involved in this solicitation.

Therefore, proposers must provide a brief statement of any interest, financial or otherwise, which they or any of their affiliate organizations currently have, have had in the past, or are contemplating for the future, which may relate to the work to be performed under this solicitation. ERDA will use this information to determine whether or not any situations, real or apparent, exist which might either bias a contractor's judgment in relations to its work for ERDA, or provide the contractor with an unfair competitive advantage. Proposers should properly mark any information contained in their statements which they consider proprietary data according to the instructions contained in Attachment A, Section I.8.

Failure to provide the statement or to disclose relevant interests may result in disqualification under this solicitation.

ARTICLE I—CONFLICTS OF INTEREST

A. Purpose. Pursuant to ERDA PR § 9-1.54, the primary purpose of this Article is twofold, namely, to assure that the work performed by the contractor under this contract is not biased because of its current activities or its potential future procurement opportunities related to the work under this contract, and to assure that the contractor does not obtain any unfair competitive advantage over other competitive parties by virtue of its performance of this contract. In recognition thereof, the parties agree to the following restrictions:

B. Restrictions. The restrictions described herein shall apply to participation by the contractor or any of its affiliate organizations in procurements covered by this Article as a prime contractor, subcontractor of any tier, co-sponsor, vendor, joint venturer, consultant or in any other capacity.

PREPARATION OF SPECIFICATIONS AND STATEMENTS OF WORK

a. If the contractor under this contract prepares or furnishes essentially complete specifications to be used in any procurement and if the exceptions listed in ERDA-PR (41 C.F.R.) 9-1.5407(d)(1) through (4) (October 7, 1975) do not apply, the contractor shall be ineligible to compete for the work covered by such procurement, as a prime contractor or otherwise, during the initial procurement and for a period of three (3) years after the completion of this contract or any extension thereof.

b. If the contractor under this contract undertakes work which essentially is to assist ERDA or a contractor of ERDA in the preparation of a statement of work, or provides material leading directly and predictably to a statement of work, to be used in the procurement of a product or service, the contractor under this contract will not be allowed to supply the service, or the product or major components thereof as a prime contractor or otherwise for a period of three (3) years after the completion of this contract or any extension thereof. This restriction shall not apply if it is determined and justified in accordance with established criteria that the contractor is a sole source for the required product or service. The content of a statement of work is not considered predictable if two or more contractors, unaffiliated with each other, are involved substantially in the preparation of material leading to it. Generally, feasibility studies which do not propose in detail the characteristics of a possible final product are not considered to be work statements.

ACCESS TO AND USE OF ERDA INFORMATION

a. If the contractor under this contract is given by ERDA, or obtains access to, information regarding ERDA's plans, policies, programs, studies, data, etc., which is not generally available to other non-Government organizations, the contractor shall not be eligible to compete for or perform work directly relating to such ERDA information for a period of three (3) years after the completion of this contract or any extensions thereof, or, in the event the information is made generally available to the public or other interested parties, for a period of one (1) year after the release of such information to allow the public or other interested parties to assimilate and act on such information.

b. In addition, commercial or other use of information or data developed or obtained under this contract is subject to the principles and procedures of ERDA PR § 9-1.5408 and other applicable regulations and provisions of this contract.

PERFORMING EVALUATION OR CONSULTING SERVICES

a. If the contractor under this contract performs evaluation or consulting services for ERDA in connection with or relating to a particular procurement, the contractor shall be ineligible to compete for the work covered by such procurement. In addition, the contractor will not be permitted to evaluate or give consulting services to ERDA during the period of this contract:

(1) On any product or service which the contractor provides to ERDA; or

(2) On the product or services provided to ERDA by any firm with which the contractor has a consulting relationship or participates in the preparation of a response to a procurement solicitation by ERDA;

b. Furthermore, the contractor will not give consulting services to prospective offerors on a procurement item for which it has performed or will perform evaluation services for ERDA.

C. Government waiver. ERDA may waive any or all restrictions of this Article in specific cases if it is determined by the Manager of an ERDA Field Office or the cognizant ERDA Program Division Director or their designee that such waiver is in the best interests of the Government. Any application by the contractor for any waiver should be made through the Contracting Officer to the authorized ERDA official, and the basis for any waiver granted shall be appropriately documented in writing.

EXEMPTION FROM FUEL AND AIRCRAFT USE EXCISE TAXES FOR CERTAIN AIRCRAFT MUSEUMS

Mr. LONG. Mr. President, we have a bill that should be passed. It is Calendar No. 1252, H.R. 10101. I ask unanimous consent that the Senate proceed to its consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 10101) to amend the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments as follows:

On page 1, line 10, strike "or his delegate";

On page 2, line 6, strike "aircraft" and insert "aircraft museum";

On page 3, line 4, strike "or his delegate";

On page 4, line 14, after the period, insert "However, no interest shall be allowed with respect to any amount which, as a result of such amendment, the Secretary determines to be an overpayment of the tax imposed by section 4491 of such Code."

Mr. LONG. Mr. President, in view of the fact that the House has adjourned, I ask unanimous consent that the Senate committee amendments not be agreed to and that the bill be passed as it came from the House.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Mr. President, I should like to find out if this has any budgetary impact, at the risk of being repetitive.

The PRESIDING OFFICER. Can the Senator from Louisiana advise the Chair?

Mr. LONG. Fifty thousand dollars.

The PRESIDING OFFICER. Without objection, the committee amendments are not agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

WAIVER OF SECTION OF THE CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF H.R. 9719

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1269, Senate Resolution 558.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 558) waiving section 402(a) of the Congressional Budget Act with respect to the consideration of H.R. 9719.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 9719. Such waiver is necessary to provide for payments to local governments based upon the amount of certain public lands within their boundaries.

RAUL EDUARDO RINGLE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 14470.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 14470) for the relief of Raul Eduardo Ringle.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second times and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill was considered, ordered to a third reading, read the third time, and passed.

THE MAJOR ACHIEVEMENTS OF CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement prepared at the request of Senator MANSFIELD and accompanying material regarding the major achievements of the 94th Congress and the seven previous Congresses during which he served as majority leader, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The material ordered to be printed in the RECORD is as follows:

STATEMENT BY MR. MANSFIELD

In closing out the work of the Senate this year, I would like to look back on what has been done, not only in the Congress, as is customary, but over the last 16 years during which I have served as Majority Leader.

The Senate first elected me as Majority Leader on January 3, 1961, at a time when many Americans were inspired by the election of a new and youthful leadership in the Presidency. A new leadership also was elected by Democratic Senators in the 87th Congress. The session began with considerable anticipation.

For the first time in 12 years, the Congress and the President were both of the Democratic Party. John F. Kennedy began his administration by sending the Congress legislative proposals on a myriad of subjects. Together, the President and the Congress established a U.S. Arms Control and Disarmament Agency and revised the foreign aid program. We established a Peace Corps as a gesture of goodwill to less developed countries. An unprecedented $5.4 billion was voted to finance space exploration, as a response to the orbiting of the earth by John Glenn, the present Senator from Ohio—the first major U.S. achievement in outer space.

We enacted a far-reaching trade act in an effort to reduce barriers to international commerce while at the same time providing assistance to workers and to industries adversely affected by the changes. We made a comprehensive revision of the tax code—the first since 1954. We required, by law, equal pay for women—a proposal which had been previously stalled in the Congress for 18 years. In the fall of 1963, the Senate consented to the ratification of the Nuclear Test Ban Treaty prohibiting nuclear explosions in the atmosphere, in outer space and underwater.

Two months after this great achievement, on November 22, 1963, President Kennedy's life was ended by an assassination. While the nation still mourned his death, a smooth transition was brought about in the leadership of the government by Lyndon Baines Johnson.

During the 5-year Johnson Administration, the Congress enacted many of the programs proposed by the slain President along with others emerging from its own initiatives and President Johnson's. The 6th cloture in the history of the Senate was invoked to end, after 83 days, the debate on a comprehensive civil rights measure. It was also the first time that a cloture had been obtained on a civil rights bill. As enacted into law, this bill was designed to enforce the constitutional right to vote and it has obviously been done. It was conferred jurisdiction on the U.S. district courts to provide injunctive relief against discrimination in public accommodations. Finally, it authorized the Attorney General to bring suit to protect constitutional rights in regard to public facilities and public education.

The voting rights provisions of that landmark legislation were strengthened a year later when we enacted the Voting Rights Act to guarantee all citizens their right, free of discrimination, to register and vote.

In 1964, the Congress agreed to a joint resolution supporting President Johnson's actions in the Gulf of Tonkin, off the coast of North Vietnam which stated that peace in Southeast Asia was vital to our national interest. This document sealed the deep commitment in Indochina—a commitment which, before it ended, would cost fifty-five thousand American lives, millions of Asian-lives and more than $150 billion. Few Senators foresaw the disaster inherent in the policy of deepening military involvement which was subsequently followed by the Executive Branch. Eventually, however, the Senate became the focus of opposition to continued U.S. participation in the war. It took a long time and it was almost a decade later when opposition had spread throughout the country that the tragic involvement was brought to an end.

President Johnson had come to office with great hope for domestic programs to end poverty, discrimination, ignorance and disease. His "Great Society" proposals were aimed at these miseries. Congress enacted many of them.

We set up an economic opportunity program to counter poverty through community education and training programs.

We voted for $1.5 billion to improve primary and secondary education for the nation's children.

We funded $1.1 billion to aid in the development of Appalachia.

We approved for the first time in American history, Federal scholarships for college students.

We established a national teacher corps to serve in poverty-stricken areas.

We authorized a program of nutritional breakfasts for school children in poor areas.

We established the Medicare program to help pay for hospital and medical expenses of the elderly.

We enacted the demonstration cities and metropolitan areas development act to aid in the rebuilding of slums and deteriorating neighborhoods.

We enacted a third civil rights act prohibiting discrimination in the sale or rental of housing and containing a "bill of rights" for American Indians.

We enacted an air quality program to assist in research relating to air pollution and to establish clean air standards.

President Johnson retired from office at the end of the 90th Congress. By that time the Indochina war had jeopardized the Great Society programs and left the economy in worse straits than at any time since the Great Depression.

In 1968, Richard M. Nixon was elected President on a pledge to end the war in Vietnam "with honor." Nevertheless, American lives and treasure continued to be poured into the quicksands of Indochina throughout his first four years in office and into his second administration. The Congress, however, fulfilled its Constitutional responsibilities in bringing about the final withdrawal of all American combat soldiers from Vietnam by refusing in mid-1973 President Nixon's request for a further billion dollars of military aid. Thereafter, the gate to re-involvement everywhere in Indochina was shut tight by legislation.

During the early days of the Nixon administration, Congress made important gains in the environmental field. Responding to national concern about increasing pollution, the National Environmental Policy Act of 1969 was enacted in an effort to prevent damage to health and to the nation's basic physical structure. This act required Federal agencies or Federally assisted projects to file a detailed statement of the environmental impacts expected before proceeding with a project. The 91st Congress also enacted programs to enhance the quality of water, to control the dumping of pollutants into the oceans, to regulate the sale of pesticides and to protect marine mammals.

In 1969, the Congress sent the President an act to lower the voting age to 18 years in Federal, State and local elections, which was followed in 1971, by ratification of the 26th amendment to the Constitution, extending this right to 18-year-olds. Having long felt that young people were fully competent to exercise the suffrage and having submitted a resolution for this purpose in early 1967, I regard this measure as a particularly significant achievement in my public life.

During the 91st Congress, we cut taxes and made extensive revisions in the tax code. We changed the method of selection for the draft and reduced to one year the time of prime vulnerability for induction. We enacted the Occupational Safety and Health Act to reduce work-related injuries and illnesses through programs of research, education and training and through uniformly applied safety and health standards. We established an alcoholism prevention and treatment program and a comprehensive drug abuse prevention and control program. To reduce unemployment, we sent the President a manpower program which he vetoed; it was designed to keep 300,000 Americans off welfare. To control inflation, we gave the President standby wage, price, salary and rent control authority; he did not even want it. We terminated the Gulf of Tonkin resolution even though our involvement in Vietnam would continue for several years.

The 92d Congress, operating with considerable opposition from the Executive Branch, enacted a Federal Election Campaign Act, setting limits on campaign media expenditures. We overrode a veto of an expanded water pollution control program. We adopted a Constitutional amendment calling for equal rights for women. The Senate permitted for the first time, the appointment of females as pages, elevator operators, postal employees and members of the Capitol Police Force. We gave enforcement authority to the Commission on Equal Employment Opportunity.

During the 5½-year Nixon Presidency, the Democratic Majority in the Senate felt compelled to speak out strongly against an increasingly powerful executive branch.

At the beginning of the 93d Congress we set forth a list of objectives and we achieved them in that Congress. We were able to reassert the Constitutional authority of the legislative branch in several ways. We enacted a budget reform and impoundment control act which set up a mechanism by which the Congress could control Federal expenditures. We insisted on our right to make judgments about the Federal budget—an authority which we were being asked, virtually, to abdicate in the 92d Congress. We clarified Presidential and Congressional authority regarding the impoundment of appropriated funds—a procedure which President Nixon had been using with increasing frequency to hold up the financing of major educational and water pollution control programs, among others. We made sure that the President could no longer refuse to spend or postpone expenditure of appropriations without Congressional approval.

To avoid the possibility of a "secret" war ever occurring again as it had in Southeast Asia, and to delineate Congressional and Presidential war-making authorities, the 93d Congress enacted a war powers resolution over the President's veto. The President is now estopped from stationing American troops overseas for more than 60 days without Congressional approval.

To keep the election of government officials from becoming an occupation exclusively of the wealthy and to limit campaign expenditures which continued to rise at an alarming rate, the 93d Congress enacted the Campaign Financing and Reform Act which provided $20 million in Federal funds to major Presidential candidates. We set strict limitations on the amount of contributions individuals and groups could make to candidates and on the amount which a candidate could spend on his campaign.

We provided safeguards against the misuse of personal information contained in government data banks and information systems to protect the privacy and legal rights of an individual.

We wrote into law, over a Presidential veto, a requirement that a Federal agency cannot arbitrarily withhold its records from public inspection and must publish a current index to its records.

To insure that pension plans would be more equitable and beneficial to all employees, the 93d Congress enacted a private pension plan reform program. This act required that pension plans must meet certain minimum standards for vesting funding. It protected millions of American workers from losing their pension benefits through corporate mismanagement.

We established an Energy Research and Development Administration to consolidate the government's fragmented and uncoordinated energy research programs and appropriated $2.2 billion to accelerate energy research.

The 93d Congress will be remembered primarily for the Watergate hearings which turned public attention to unethical and illegal campaign activities during the 1972 election and the related abuses of power in the executive branch. The information which was disclosed at these hearings ultimately led to the resignation of President Nixon. The nation is indebted to Senator Sam Ervin, who consented to undertake this responsibility at my insistence, for the judicious way he handled the Watergate investigation. The agreement to establish a single investigation, headed by Senator Ervin, was one of the most significant procedural achievements of the Senate in many years.

President Gerald R. Ford came to office as the first President not to have been elected by the people to either the office of President or Vice President. President Nixon, as required under the 25th Amendment to the Constitution, had appointed House Minority Leader Ford to fill the vacancy in the Vice Presidency, which occurred upon the resignation of Spiro T. Agnew who had pleaded nolo contendere to a series of charges, including tax evasion.

During his first four months in office, President Ford vetoed 27 bills the Congress sent him, including programs for vocational rehabilitation, educational assistance to Vietnam veterans, community health services, educational aid to nurses and nursing schools, and a national program to prevent adverse impact to our health and our environment resulting from strip mining.

The constructive initiatives of the 94th Congress have also been blunted by an administration that is veto prone. Nowhere is this better illustrated than in the resistance to Congressional effort to come to grips with the twin problems of inflation-unemployment and energy supply. In early 1975, the Senate Democratic Majority proposed a comprehensive program for economic recovery and energy sufficiency. We proceeded to enact virtually all of the points of this program despite the opposiion of the Administration.

To spur the economy, we enacted in March 1975, a $22.8 billion individual and corporate tax cut which provided cash rebates of up to $200 per taxpayer and repealed the oil depletion allowance for major oil producers. With considerable reluctance, President Ford signed this bill—which economists vow has been responsible for what little improvement has been brought about in the economy.

Since then we have extended these tax cuts twice. The first extension, I might add, was vetoed.

To combat unemployment we appropriated a $5.3 billion for the creation of public service jobs and for the funding of projects which would stimulate jobs. President Ford vetoed this bill as he vetoed the emergency middle income housing bill which we passed to stimulate the depressed construction industry, increase employment, and help families threatened with foreclosure. This year, President Ford has vetoed two public works employment measures, the second becoming law over his veto.

To deal with problems of energy, the Congress enacted a comprehensive energy policy and conservation Act which rolled back oil prices to $7.66 a barrel while requiring strong conservation programs. The President was provided standby authority to ration gasoline and order power plants to switch to coal or oil from natural gas. I might add that there were numerous legislative attempts before this final version was enacted. Five earlier bills tackling various aspects of the energy crisis were vetoed. Since then, two more energy bills have been vetoed.

In the second session of the 94th Congress we have spent considerable time on strengthening the antitrust laws. This effort is a fitting tribute to Senator PHIL HART for the work he has done in this area for many years.

Several months of floor deliberation has been spent on a revision on the tax code in an effort to make taxes more equitable and to eliminate tax avoidance. The Senate tallied 130 rollcall votes on this measure, the largest number of rollcall votes ever cast on a single bill.

The 94th Congress recently sent the President a measure to require sunshine in meetings of federal government heads. Last year the Senate amended its own rules to require open committee meetings.

The Senate has also passed a Watergate Reform bill to establish a Special Prosecutor to investigate and prosecute possible violations of criminal law of the President and Vice President, federal judges, top federal officials, and Members of Congress. The bill also provides for a Congressional Legal Counsel to defend Congress in legal actions and requires financial disclosure by top government personnel. Included in the tax reform bill are safeguards to maintain the privacy of individual tax returns.

We created a permanent Senate Select Committee on Intelligence to oversee the CIA, including its budget, and other U.S. Intelligence units—a concept which I have endorsed for 20 years. We have enacted another measure which I have strongly supported for several years to terminate the authorities granted the President pursuant to approximately 470 statutes as a result of previous national emergencies. This bill requires Congressional review of any future Presidential declaration of a national emergency every 6 months and provides for Congressional termination of states of emergency at any time by concurrent resolution.

To be sure, I have left unmentioned many Congressional actions of importance. The legislation written in the past 16 years has brought changes in every aspect of our lives. I am hopeful that it has done much good.

As U.S. Senate Majority Leader, my actions have been governed by the belief that all 100 Senators are peers, their leaders included. Therefore, I instituted meetings with freshmen Senators, as well as with committee chairmen, on a regular basis. These meetings with the new members provided fresh insight and often led to changes within the Senate. The meetings with committee chairmen provided a valuable means of coordinating legislative activity.

I also sought to expand the role of the Democratic Policy Committee by enlarging its membership to include younger Senators, and by making the Policy Committee representative of the geographical and philosophical make-up of the full Democratic membership. It has become a composite of the Senate Democratic Majority and an effective focal point for an integrated democratic leadership in the Senate.

Senate floor procedure has also changed in the past 16 years. The Committee chairman or the Senator who has guided a bill through committee manages its consideration on the Senate floor. Legislation which has been reported from committee has been scheduled for floor action as promptly as possible. The calendar has been kept clear and we have avoided the backlog of bills which was commonplace in the past. The new budget process supports this practice since it sets deadlines on the reporting of bills. The prolonged filibuster has been curbed to a considerable degree. Cloture now takes the vote of 60 Senators rather than two-thirds of those present as in the past. Consideration of numerous items on a two-track system has become an effective means of continuing work on the floor while a compromise is being pursued on a stymied bill. Unanimous consent agreements on the scheduling and time limitations on the debate of measures are frequent and have aided Senators in planning their own schedules more efficiently. So too, has Senate attendance improved at record votes with the institution of the annual advance announcement of the periodic regular recesses.

All these mechanisms have helped move the business of the Senate. However, the most sophisticated of procedures will not suffice if cooperation is lacking among members. My colleagues on both sides of the aisle have assisted the leadership with the necessary cooperation. I am deeply appreciative of the accommodation you have shown. I wish to take this opportunity to thank the Republican Leader (Senator Scott) and his assistant (Senator Griffin) for their readiness to work with and to accommodate, whenever possible, the Majority Leadership. I wish to pay special tribute to the Assistant Majority Leader (Senator Byrd) who has carried out his responsibilities with unfailing energy and dedication. My gratitude for his assistance is very deep. I wish to thank all members of the Senate for the support and loyalty which you have shown me. I appreciate your understanding of my shortcomings and I am indebted to you for the confidence you have placed in me for so many years.

STATUS OF PRESIDENTIAL VETOES

94th Congress: Total: 32.

93d Congress Ford vetoes: 27.

Total Ford vetoes: 59.

Vetoes overridden (8): (Overrode 8 out of 32 vetoes or 25%):

1. Education Appropriations, H.R. 5901. Public Law 94–94.

2. Health Services—Nurse Training, S. 66. Public Law 94–63.

3. School Lunch Program, H.R. 4222. Public Law 94–105.

4. Labor—HEW Appropriations, H.R. 8069. Public Law 94–206.

5. Coal Leasing, S. 391. Public Law 94–377.

6. Public Works Employment, S. 3201. Public Law 94–369.

7. Electric and Hybrid Car, H.R. 8800. Public Law 94–413.

8. Labor-HEW Appropriations, 1977, H.R. 14232. Public Law 94– .

Vetoes for which modified versions have been repassed (14):

1. Strip mining, H.R. 25. (Comparable provisions passed Sente in S. 391 but dropped in House.)

2. Emergency Employment Appropriations H.R. 4481. (Funds contained in Public Law 94–36 and 94–41.)

3. Emergency Middle-Income Housing, H.R. 4485. (Related measure, H.R. 5398, became Public Law 94–50.)

4. Oil Import Fees, H.R. 1767. (Relevant provisions contained in H.R. 4036 which was also vetoed and S. 622 which became PL 94–163.)

5. Oil Policy, H.R. 4036. (Related provision in S. 622, P.L. 94–163.)

6. Oil Price Controls, S. 1849. (H.R. 9524 extending controls to Dec. 15, 1975 became P.L. 94–133. Comparable provisions in S. 622 which became Public Law 94–163.

7. Tourism Promotion, H.R. 5357. (Identical measure became P.L. 94–55.)

8. Executive Protective Service, H.R. 12. (Similar provisions contained in H.R. 11184 which became Public Law 94–196.)

9. Tax Cut, H.R. 5559. (Almost identical bill became P.L. 94–164.)

10. Public Works Employment, H.R. 5247. (Comparable provisions in S. 3201 which became P.L. 94–369 over veto.)

11. Child Day Care Funding, H.R. 9803. (Related provisions contained in Public Law 94–401.)

12. Foreign Military Aid and Sales S. 2662. (Enacted H.R. 13680 which became Public Law 94–329.)

13. Military Construction Authorization, H.R. 12384. (Similar provisions in H.R. 14846 which awaits President's signature.)

14. Federal Fire Prevention, H.R. 12567. (Enacted S. 2862, P.L. 94–411.)

Other vetoes (10):

1. Agricultural Price Supports, H.R. 4296. Vetoed May 1, 1975. House sustained May 13, 1975. (Secretary of Agriculture will hold quarterly oversight meetings with Agriculture Committees on subject.)

2. Tobacco Price Supports, H.R. 9497. Vetoed Sept. 30, 1975.

3. National Security Council Membership, S. 2350. Vetoed Dec. 31, 1975. Senate overrode Jan. 22, 1976. House referred to Armed Services Committee.

4. Common Situs Picketing—Collective Bargaining, H.R. 5900. Vetoed Jan. 2, 1976. House referred to Education and Labor Committee.

5. Milk Price Supports, S.J. Res. 121. Vetoed Jan. 30, 1976. Senate sustained Feb. 4, 1976.

6. Hatch Act Revision, H.R. 8617. Vetoed Apr. 12, 1976. House sustained April 29, 1976.

7. State Tax Liability of Members of Congress, S. 2447. Vetoed Aug. 3, 1976.

8. Federal Insecticide, Fungicide and Rodenticide Act Extension, H.R. 12944. Vetoed Aug. 13, 1976.

9. Indian Affairs Employees Benefits, H.R. 5465. Vetoed Sept. 24, 1976.

10. Automotive Research and Development, H.R. 13655. Vetoed Sept. 24, 1976. House overrode Sept. 29, 1976. Senate sustained Sept. 29, 1976.

NUMERICAL SUMMARY OF BILLS VETOED AND ACTION TAKEN THEREON BY THE SENATE AND HOUSE BETWEEN 1789 AND 1976

President	Congresses coincident with terms	Regular veto	Pocket veto	Total vetoes	Vetoes over-ridden	Percent over-ridden
George Washington	1, 2, 3, 4	2		2		
John Adams	5, 6					
Thomas Jefferson	7, 8, 9, 10					
James Madison	11, 12, 13, 14	5	2	7		
James Monroe	15, 16, 17, 18	1		1		
John Q. Adams	19, 20					
Andrew Jackson	21, 22, 23, 24	5	7	12		
Martin Van Buren	25, 26		1	1		
W. H. Harrison	27					
John Tyler	27, 28	6	4	10	1	10
James K. Polk	29, 30	2	1	3		
Zachary Taylor	31					
Millard Fillmore	31, 32					
Franklin Pierce	33, 34	9		9	5	55. 5
James Buchanan	35, 36	4	3	7		
Abraham Lincoln	37, 38, 39	2	4	6		
Andrew Johnson	39, 40	21	8	29	15	51. 7
Ulysses S. Grant	41, 42, 43, 44	45	48	93	4	4. 3
Rutherford B. Hayes	45, 46	12	1	13	1	. 76
James A. Garfield	47					
Chester A. Arthur	47, 48	4	8	12	1	. 83
Grover Cleveland	49, 50	304	110	414	2	. 04
Benjamin Harrison	51, 52	19	25	44	1	2. 3
Grover Cleveland	53, 54	42	128	170	5	3. 9
William McKinley	55, 56, 57	6	36	42		
Theodore Roosevelt	57, 58, 59, 60	42	40	82	1	1. 2
William H. Taft	61, 62	30	9	39	1	2. 56
Woodrow Wilson	63, 64, 65, 66	33	11	44	6	13. 6
Warren G. Harding	67	5	1	6		
Calvin Coolidge	68, 69, 70	20	30	50	4	8.
Herbert Hoover	71, 72	21	16	37	3	8. 1
Franklin D. Roosevelt	73, 74, 75, 76 77, 78, 79	372	263	635	9	1. 4
Harry S. Truman	79, 80, 81, 82	180	70	250	12	4. 8
Dwight D. Eisenhower	83, 84, 85, 86	73	108	181	2	1. 1
John F. Kennedy	87, 88	12	9	21		
Lyndon B. Johnson	88, 89, 90	16	14	30		
Richard M. Nixon	91, 92, 93			43	5	11. 6
Gerald R. Ford	93, 94			59	12	20. 3
Total		1, 293	957	2, 352	90	

SENATE ACTIVITY

Congress	Time in session: Days	Time in session: Hours	Measures passed	Public laws	Confirmations	Vetoes	Over-ridden	Record votes
87th	323	2, 164:22	2, 345	885	100, 742	20	0	434
88th	375	2, 395:08	1, 697	666	120, 201	9	0	541
89th	345	1, 813:44	1, 968	810	120, 865	14	0	497
90th	358	1, 960:59	1, 731	640	118, 231	8	0	595
91st	384	2, 351:47	1, 675	695	133, 797	11	2	667
92d	348	2, 294:37	1, 371	607	114, 909	20	2	955
93d	334	2, 028	1, 115	549	131, 254	39	5	1, 138
94th	(320)	(2, 120:12)	(1, 552)	(438)	137,354	32	8	(1, 311)

5-YR COMPARISON OF SENATE ACTIVITY, AS OF ADJOURNMENT (PROJECTIONS FOR 1976)

	1972	1973	1974	1975	1976
Days in session	162	184	168	178	(142)
Hours in session	1,137:23	1,084:13	1,068:09	1,177:11	(1,033:01)
Total measures passed	767	726	838	682	(870)
Rollcall votes	532	594	544	611	(100)
Public laws	383	245	404	205	(233)
Treaties	19	22	9	15	(17)
Senate average attendance (percent)	80. 98	87. 29	86. 72	89. 14	(83.05)

SENATE LEGISLATIVE ACTIVITY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a report detailing the legislative activity of the second session of the 94th Congress, as prepared by the staff of the Democratic Policy Committee, be printed in the RECORD following the statement by Mr. MANSFIELD, and that this report and related material be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE LEGISLATIVE ACTIVITY INDEX

(94th Congress—2d Session)

(By Senate Democratic Policy Committee)

AGRICULTURE

African/Brazilian Honeybee Control (S. 18, P.L. 94-319).

Agricultural Census (H.R. 7824, P.L. 94-).

Agricultural Commodities Direct Marketing (H.R. 10339, P.L. 94-).

Agricultural Loans for Losses due to Toxic Chemical Contamination (S. 2578).

Agricultural Pest Control (S. 1617, P.L. 94-231).

Agriculture Department Employees' Dependents Orientation (S. 3052, P.L. 94-).

Agriculture Department Officials—Poultry Operators (H.R. 10133, P.L. 94-).

Beef Research and Information (H.R. 7656, P.L. 94-294).

California Food Stamp Benefits (S. 3656, H.R. 14514, P.L. 94-379).

Cotton Research (H.R. 10930, P.L. 94-366).

Emergency Livestock Credit Extension (H.R. 15059, P.L. 94-).

Farm Disaster Payments (S. Res. 565).

Farmer Elected Committeeman System (S. Res. 272).

Food Stamp Reform (S. 3136).

Food Stamp Vendors (S. 2853, P.L. 94-339).

Grain Standards (H.R. 12572, P.L. 94-).

Horse Protection (S. 811, P.L. 94-360).

*Insecticides (FIFRA) (H.R. 12944, Vetoed).

Livestock Producers and Packers (H.R. 8410, P.L. 94-410).

Meat and Poultry Inspection (S. 3081).

*Milk Price Supports (S.J. Res. 121).

Peanut Allotments (S. 1545, P.L. 94-247).

Peanut Surplus (S.J. Res. 214).

Potash Supplies (S. Res. 403).

Resource Conservation and Development Loans (S. 2485).

Rice Production (H.R. 8529, P.L. 94-214).

Rural Development Programs (H.R. 6346, P.L. 94-259).

Rural Fire Protection (S. 3520).

Rural Electrification Administration (H.R. 12207, P.L. 94-).

Small Farmers Assistance (S. 2823).

Tobacco Allotments (S. 700) (H.R. 15068, P.L. 94-).

Tomatoes (S. 2440).

Watershed Projects (S. 2484).

Whey Utilization (S. Res. 439).

Wool Act Payments (S. 532, P.L. 94-312).

APPROPRIATIONS

Fiscal 1976 and Transition Period

Continuing (H.J. Res. 857, P.L. 94-254).

Defense (H.R. 9861, P.L. 94-212).

District of Columbia (H.R. 13965, P.L. 94-333).

Foreign Air (H.R. 12203, P.L. 94-330).

*Labor-HEW (H.R. 8069, P.L. 94-206).

Supplemental (H.J. Res. 890, P.L. 94-266) (H.R. 13172, P.L. 94-303).

Supplemental Legislative (H.J. Res. 811, P.L. 94-226).

Supplemental Railroad (H.J. Res. 801, P.L. 94-252).

Fiscal 1977

Agriculture (H.R. 14237, P.L. 94-351).

Continuing (H.J. Res. 1105, P.L. 94-).

District of Columbia (H.J. Res. 15193, P.L. 94-).

Defense (H.R. 14262, P.L. 94-419).

Foreign Aid (H.R. 14260, P.L. 94-).

HUD (H.R. 14233, P.L. 94-378).

Interior (H.R. 14231, P.L. 94-373).

*Labor-HEW (H.R. 14232, Vetoed, P.L. 94-).

Legislative (H.R. 14238, P.L. 94-).

Military Construction (H.R. 14235, P.L. 94-367).

Public Works-ERDA (H.R. 14236, P.L. 94-355).

Public Works Employment (H.R. 15194, P.L. 94-).

State-Justice-Commerce (H.R. 14239, P.L. 94-362).

Supplemental (H.J. Res. 1096).

Transportation (H.R. 14234, P.L. 94-387).

Treasury-Postal Service (H.R. 14261, P.L. 94-363).

ATOMIC ENERGY

Nuclear Regulatory Commission Authorization (S. 3107, P.L. 94-291).

BUDGET

Deferrals—1976:

Army Corps of Engineers (S. Res. 408).

Indian Health Facilities (S. Res. 366).

Indian Public School Construction (S. Res. 388).

Youth Conservation Corps (S. Res. 385).

Deferrals—1977:

Rogers Memorial Hospital (S. Res. 554).

Rescissions—1976:

Consumer Product Safety, Interior, Park Service, Selective Service, and State (H.R. 11665, P.L. 94–249).

Resolutions—1976:

First Budget Resolution (S. Con. Res. 109).

Second Budget Resolution (S. Con. Res. 139)

CONGRESS

Capitol Murals (H.J. Res. 967, P.L. 94–).

*Congressional Tax Liability (S. 2447, Vetoed).

Declaration of Independence (H. Con. Res. 672).

Inaugural Committee (S. Con. Res. 90).

Joint Committee on the Bicentennial (S. Con. Res. 103).

Lobbying Disclosure (S. 2477).

Magna Carta Delegation (S. Con. Res. 98).

Martin Luther King and Carl Hayden Statues (H. Con. Res. 96).

Professional Societies Fellowship Programs (S. Con. Res. 100).

United States Capitol Documents (S. 3475, P.L. 94–327).

CONSUMER AFFAIRS

Consumer Food Act (S. 641).

Consumer Leasing (H.R. 8835, P.L. 94–240).

Consumer Product Safety (S. 644, P.L. 94–284).

Cosmetic Safety (S. 1681).

Equal Credit Opportunity (H.R. 6516, P.L. 94–239).

Gasoline Octane Disclosure (S. 1508).

Gold Labeling (S. 3095, P.L. 94–).

Motor Vehicle Information and Cost Savings (S. 1518, P.L. 94–364).

Office of Consumer Redress (S. 2069).

Rabbit Meat Inspection (H.R. 10073, P.L. 94–).

CRIME-JUDICIARY

Agency Separation of Functions (S. 798).

Antitrust Amendments (H.R. 8532, P.L. 94–).

Antitrust Review Commission (S. 3799).

Bankruptcy Referees Salary (H.R. 6184, P.L. 94–217).

Civil Rights Attorney's Fees (S. 2278, P.L. 94–).

Copyright Revision (S. 22, P.L. 94–).

Corporate Bribes (S. 3664).

Crimes Against Foreign Officials (H.R. 15552, P.L. 94–).

Daughters of the American Revolution (H.R. 11149, P.L. 94–).

District Court Judgeships (S. 287).

Drug Enforcement Administration Agents (S. Res. 391).

Eugene Victor Debs (S.J. Res. 127).

Federal Rules of Criminal Procedure (H.R. 13899. P.L. 94–349).

Habeas Corpus Rules (H.R. 15319, P.L. 94–426).

Immigration and Nationality Act Amendments (H.R. 14535, P.L. 94–).

Judicial Review of Agency Actions (S. 800, P.L. 94–).

Judicial Survivors' Annuities (S. 12, P.L. 94–).

Law Enforcement Assistance Administration Extension (S. 2212, P.L. 94–).

Law Suits Against Foreign States (S. 3553, P.L. 94–).

Lotteries (H.R. 1607).

Mississippi Judicial District (S. 2412).

North Dakota Judicial Districts (S. 2887).

Parole Reorganization (H.R. 5727, P.L. 94–233).

Patent Laws Revision (S. 2255).

Political Kickbacks (H.R. 11722, P.L. 94–).

Public Safety Officers Benefits (H.R. 366, P.L. 94–430).

Territorial Judges Cost-of-Living Adjustment (S. 14, P.L. 94–).

Three Judge Courts (S. 537, P.L. 94–381).

Unsworn Declarations (H.R. 15531, P.L. 94–).

U.S. Magistrates Jurisdiction (S.1283).

U.S. Magistrates Salary (S. 2923, P.L. 94–).

DEFENSE

Armed Forces Per Diem Allowance (H.R. 8089, P.L. 94–296).

Assistant Commandant of the Marine Corps (S. 2117, P.L. 94–225).

Carbonyl Chloride (H.R. 9570, P.L. 94–251).

Coast Guard Academy (H.R. 11407, P.L. P.L. 94–452).

Coast Guard Academy—Vessel Documentation (H.R. 10192, P.L. 94–).

Coast Guard Authorization (H.R. 11670, P.L. 94–406).

Coast Guard Overseas Leasing Authority (S. 3050, P.L. 94–).

Coast Guard Personnel (H.R. 12939 P.L. 94–).

Defense Production—Voluntary Agreements (H.J. Res. 784, P.L. 94–221).

Department of Defense Employees Oath Authority (H.R. 508, P.L. 94–213).

Guam Typhoon Damage (H.R. 15136, P.L. 94–).

Household Goods Shipments (S. 2023).

Malpractice Protection for Armed Forces Personnel (H.R. 3954, P.L. 94–).

Military Construction Authorization (H.R. 12384, Vetoed), (H.R. 14846, P.L. 94–).

Military Procurement Authorization (H.R. 12438, P.L. 94–361).

Naval Vessels Transfer (S. 3734, P.L. 94–).

Non-Regular Armed Services Survivors Benefits (S. 2090).

Nuclear Trained Naval Officers Pay Bonus (H.R. 10451, P.L. 94–356).

Reservists Active Duty (S. 2115, P.L. 94–286).

Retired Military Personnel Survivor Benefits (H.R. 14773, P.L. 94–).

U.S. Soldiers' and Airmen's Home (H.R. 13549, P.L. 94–).

DISTRICT OF COLUMBIA

Borrowing Authority (H.R. 14971).

Congressional Cemetery (S. 3441, P.L. 94–).

D.C. Code (H.R. 13121, P.L. 94–386).

D.C. Criminal Law Revision (H.R. 12261, P.L. 94–402).

Financial Reporting and Control System (H.R. 11009, P.L. 94–399).

Medical and Dental Manpower (H.R. 12132, P.L. 94–308).

Metro Transit Police (H.R. 8719, P.L. 94–306).

Motor Vehicles (H.R. 10826, P.L. 94–).

Pennsylvania Avenue Development Corporation (S. 1689, P.L. 94–388).

Southeastern University (S. 611, P.L. 94–250).

ECONOMY-FINANCE

Bank Holding Company Tax (H.R. 11997, P.L. 94–452).

Bankruptcy of Major Municipalities (H.R. 10624, P.L. 94–260).

Beer Tax (H.R. 3605, P.L. 94–).

Child Day Care Staffing Standards (H.R. 9803, Vetoed), (H.R. 12455, P.L. 94–401).

Duty Suspensions:

Aircraft Components (H.R. 2177, P.L. 94–).

Aircraft Engines—Meat Imports (H.R. 2188).

Bicycle Parts (H.R. 12554).

Elbow Prostheses (H.R. 11321, P.L. 94–451).

Horses—Player Contracts (H.R. 9401).

Manganese Ore (H.R. 12033, P.L. 94–).

Export Administration (S. 3084).

Food Stamps—Welfare Recipients (H.R. 13500, P.L. 94–).

Library of Congress Trust Funds (S. 2619, P.L. 94–289); (S. 2620, P.L. 94–290).

Medicare Extension Amendments (H.R. 13501, P.L. 94–368).

Medicare-Medicaid Amendment (H.R. 12961, P.L. 94–).

National Gallery of Art Trust Funds (S. 3669, P.L. 94–418).

New York City Retirement Systems (H.R. 11700, P.L. 94–236).

Pension Plans Tax-Free Rollover (H.R. 12725, P.L. 94–267).

Public Debt Limit Increase (H.R. 11893, P.L. 94–232), (H.R. 14114, P.L. 94–334).

Revenue Sharing (H.R. 13367, P.L. 94–).

Smith College Carillon—College Tuition Tax Credit (H.R. 1386).

Social Security Filing Requirements (H.R. 15571, P.L. 94–).

SSI Benefits (H.R. 14484, P.L. 94–365).

State Taxation of Depositories (S. 2672, P.L. 94–222).

Tax Reform (H.R. 10612, P.L. 94–455).

Tax Treatment of Aircraft Museums (H.R. 10101, P.L. 94–).

Tax Treatment of Cemeteries—Tax Reform (H.R. 1142, P.L. 94–).

Tax Treatment of Corporate Debts (H.R. 7929, P.L. 94–).

Tax Treatment of Distilled Spirits (H.R. 7929, P.L. 94–).

Tax Treatment of Distilled Spirits (H.R. 7228, P.L. 94–).

Tax Treatment of Securities (H.R. 10902).

Tax Treatment of Social Clubs (H.R. 1144, P.L. 94–).

Tax Withholding Extension—SSI Eligibility—Life Insurance Distributions (H.R. 10051, P.L. 94–331).

Tax Withholding Extension—Tax Exempt Organizations (H.R. 3052, P.L. 94–396).

Tax Withholding Extension—Trust Funds (H.R. 5071, P.L. 94–414).

Teton Dam Failure (S. 3542, P.L. 94–400).

EDUCATION

Allen J. Ellender Fellowships (H.J. Res. 491, P.L. 94–277).

Education Amendments (S. 2657, P.L. 94–).

Indochinese Refugees Educational Assistance (S. 2145, P.L. 94–405).

Public Safety Officers Memorial Scholarships (S. 972).

Student Loan Program (S.J. Res. 203, P.L. 94–328).

ELECTIONS

Federal Election Commission—Campaign Financing (S. 3065, P.L. 94–283).

Political Campaigning (S. Res. 419).

Secret Service Protection (H.R. 15371, P.L. 94–408).

Voter Registration (S. Res. 498).

EMPLOYMENT

Emergency Jobs—CETA (H.R. 12987).

*Public Works Employment (H.R. 5247, Vetoed).

*Public Works Employment (S. 3201, Veto overridden, P.L. 94–369).

Public Works Jobs (S. 2228, P.L. 94–).

Unemployment Compensation Amendments (H.R. 10210, P.L. 94–).

ENERGY

Alaskan Gas Transportation (S. 3521, P.L. 94–).

*Automotive Research and Development (H.R. 13655, Vetoed).

*Coal Leasing (S. 391, Veto overridden, P.L. 94–377).

Coastal Zone Management (S. 586, P.L. 94–370).

*Electric and Hybrid Vehicle Research (H.R. 8800, Vetoed, P.L. 94–413).

Energy Conservation in Buildings (H.R. 8650).

ERDA Authorization (H.R. 13350).

ERDA Supplemental Authorization (S. 3108, P.L. 94–269).

Federal Energy Administration (H.R. 12169, P.L. 94–385).

Federal Energy Administration Extension (S. 3625, P.L. 94–332).

Helium Conservation (S. Res. 253).

International Petroleum Exposition (S.J. Res. 59, P.L. 94–227).

Interstate Oil and Gas Compact (S.J. Res. 126, P.L. 94–).

National Leadership Conference on Energy Policy (S.J. Res. 206).

Natural Gas Pipeline Safety (S. 2042), (H.R. 12168).

Naval Petroleum Reserves Production (H.R. 49, P.L. 94–258).

North Slope Oil Distribution (S. Res. 460).

Outer Continental Shelf Management (S. 521).

ENVIRONMENT

Blackbird Control (H.R. 11510, P.L. 94–207).

Clean Air Amendments (S. 3219).

Clean Air Research (S. 3438).

Council on Environmental Quality (H.R. 11619, P.L. 94–297).

Earthquake Hazard Reduction Program (S. 1174).

Endangered Species (S. 3122, P.L. 94–325).

Environmental Research Authorization (H.R. 7108, P.L. 94–).

Noise Control (H.R. 5272, P.L. 94–301).

Noise Control Research (S. 3436).

Scrimshaw Art Preservation (S. 229, P.L. 94–359).

Sea Grant Program (H.R. 13035, P.L. 94–).

Solid Waste Disposal (S. 2150, P.L. 94–).

Toxic Substances Control (S. 3149).

Water Pollution Control (S. 2710), (S. 3437), (S. 3894, P.L. 94–).

Water Resources Planning (H.R. 11876, P.L. 94–285).

Water Quality Report (H.R. 12193, P.L. 94–238).

Weather Modification (S. 3383, P.L. 94–).

FISHERIES AND MARINE LIFE

Fisheries Development (Outer Pacific Ocean) (H.R. 13380, P.L. 94–343).

Fisheries Management—200 Mile Limit (H.R. 200, P.L. 94–265).

Fisheries Research and Development Programs (S. 1414, P.L. 94–).

Killer Whales (S. 3130).

Marine Protection and Sanctuaries (S. 3147, P.L. 94–326).

Whale Conservation (H.R. 15445, P.L. 94–).

GENERAL GOVERNMENT

Action Authorization (H.R. 12216, P.L. 94–293).

Afro-American History and Culture Museum (S. 3419).

Assistant Secretary of Indian Affairs (S. 2144).

Animal Welfare (S. 1941, P.L. 94–279).

Bicentennial Flag Display (S. 3161, P.L. 94–320).

Bicentennial Operation Sail (S.J. Res. 201, P.L. 94–318).

Civil Rights Commission (H.R. 8957, P.L. 94–292).

Commission on New Technological Uses of Copyrighted Works (S. 3187, P.L. 94–314).

Commission on Security and Operation in Europe (H.R. 15813), P.L. 94–).

Commodity Futures Trading Commission (S. 3051).

Community Services (H.R. 12188, P.L. 94–341).

Daylight Saving Time (S. 2931).

Federal Assistance Programs Information (S. 3281).

Federal Grant and Cooperative Agreements (S. 1437, P.L. 94–).

Federal Records Management (H.R. 13828).

Federal Trade Commission Authorizations (S. 2935), (H.R. 12527, P.L. 94–299).

Fire Prevention and Control (S. 2862, P.L. 94–411), *(H.R. 12567, Vetoed).

Fiscal Year Adjustment (S. 2445, P.L. 94–273).

Fiscal Year Transition (S. 2444, P.L. 94–274).

Flag Display (S.J. Res. 49, P.L. 94–344).

General Accounting Office Audits (H.R. 8948).

Government in Sunshine (S. 5, P.L. 94–409).

John F. Kennedy Center Authorization (H.R. 14360).

Klukwan Lands, Alaska (S. 3651, P.L. 94–).

Library of Congress James Madison Memorial Building (H.R. 11645, P.L. 94–219).

Mid-Decade Census (S. 3688, P.L. 94–).

NASA Authorization (H.R. 12453, P.L. 94–307).

National Archives Trust Fund Board (H.R. 10374, P.L. 94–391).

National Commission on Neighborhoods (S. 3554).

National Emergency Statutes (H.R. 3884, P.L. 94–412).

National Foundaton on the Arts and Humanities (H.R. 12838, P.L. 94–).

National Portrait Gallery (S. 1657, P.L. 94–209).

National Science Foundation Authorization (H.R. 12566, P.L. 94–).

*National Security Council (S. 2350).

National Study Commission on Records and Documents of Federal Officials (S. 3060, P.L. 94–261).

Postal Reorganization (H.R. 8603, P.L. 94–421).

Presidential Recordings and Materials (S. Res. 428).

Presidential Transition Amendments (H.R. 14886, P.L. 94–).

Privacy Protection Study Commission (S. 3435, P.L. 94–394).

Public Buildings (S. 865, P.L. 94–).

Regulatory Reform (S. 3308).

Science Policy (H.R. 10230, P.L. 94–282).

Secret Service (H.R. 14451, P.L. 94–).

Small Business Amendments (S. 2498, P.L. 94–305).

Small Business Investment Companies (S. 2613).

Small Business Loans (S. 3369).

Small Business Surety Bonds (S. 3370).

Smithsonian Institution—Canal Zone Biological Area (S. 2946).

Smithsonian Institution—National Museum (S. 2945, P.L. 94–336).

Spanish Americans, Data on (H.J. Res. 92, P.L. 94–311).

Surplus Federal Property (H.R. 14451, P.L. 94–).

Utah Land Conveyance—Office of Inspector General, HEW (H.R. 11347, P.L. 94–).

War Claims—Vietnam Conflict (H.R. 5360, P.L. 94–383).

War Risk Insurance (H.R. 13308, P.L. 94–374).

Watergate Reform Legislation (S. 495).

White House Conference on Handicapped (S.J. Res. 154, P.L. 94–224).

GOVERNMENT EMPLOYEES

Central Intelligence Agency Employees Retirement (H.R. 13615, P.L. 94–).

Federal Employees Withholding Tax (H.R. 10572, P.L. 94–358).

Federal Mine Safety Inspectors Protection (S. 3070).

*Hatch Act Revisions (H.R. 8617).

Health Benefits for Survivor Annuitants (H.R. 11439, P.L. 94–342).

*Indian Affairs Employees' Retirement Benefits (H.R. 5465, Vetoed).

Park Policy Pay Comparability (H.R. 15276, P.L. 94–).

Reemployed Civil Service Annuitants (H.R. 3650, P.L. 94–397).

Secret Service Director's Salary (S. 3028).

HEALTH

Alcohol Abuse, Prevention and Treatment (S. 3184, P.L. 94–371).

Biomedical and Behavioral Research (S. 2515).

Clinical Laboratories Improvement (S. 1737).

Communicable Disease Control—Consumer Health Education (S. 1466, P.L. 94–317).

Drug Abuse Office and Treatment (S. 2017, P.L. 94–237).

Emergency Medical Services (S. 2548, P.L. 94–).

Health Maintenance Organizations (H.R. 9019, P.L. 94–).

Health Manpower Training (H.R. 5546).

Heart, Lung and Blood Research—Health Services (H.R. 7988, P.L. 94–278).

Helen Keller Center (H.R. 12018, P.L. 94–288).

Lead-Based Paint Poisoning Prevention (S. 1664).

Medical Device Safety (S. 510, P.L. 94–295).

National Diabetes Advisory Board (S. 2910, P.L. 94–).

Rehabilitation Act Extension (H.R. 11045, P.L. 94–230).

Swine Flu Immunization Program (S. 3735, P.L. 94–380).

HOUSING

Housing—Flood Insurance (H.R. 9852).

Housing Programs (S. 3295, P.L. 94–375).

INDIANS

Assistant Secretary for Indian Affairs (S. 2144).

Indian Claims Commission (S. 2981, P.L. 94–).

Indian Crimes (S. 2129, P.L. 94–297).

Indian Health Care (S. 522, P.L. 94–)

Ottawa Indians (S. 1659, P.L. 94–).

Palms and Cabazon Mission Indians (H.R. 1465, P.L. 94–271).

Pueblo Indians, New Mexico (S. 2129, P.L. 94–416).

Sioux Black Hills and Wichita Indians Tribal Claims (S. 2780).

Zuni Indians, New Mexico (S. 877).

INTERNATIONAL

Asian Development Fund (S. 3103).

Baltic Nations (S. Res. 319).

Bretton Woods Agreement (H.R. 13955, P.L. 94–).

Brussels Conference (S. Con. Res. 93.

Canal Zone (H.R. 8471, P.L. 94–345).

China Earthquake (S. Res. 499).

Commission on Security and Cooperation in Europe (S. 2679, P.L. 94–304).

Discriminatory Trade Practices of EEC (S. Con. Res. 108).

East German Claims (S. 3621, P.L. 94–).

Foreign Investment in the U.S. (S. 2839), P.L. 94–).

Foreign Military Assistance and Arms Export Control *(S. 2662); (H.R. 10051, P.L. 94–331).

Georgia Vins (H. Con. Res. 726).

Guatemala Relief Authorization (S. 3056, P.L. 94–276).

Guatemalan Earthquake (S. Res. 390)..

Inter-American Development Bank—African Development Fund (H.R. 9721).

Inter-American Development Bank—African Development Fund (H.R. 9721, P.L. 94–302).

Istanbul Airport Terrorist Attack (S. Res. 524).

Italian-U.S. Relations (H. Con. Res. 651).

James Smithson Bequest (S.J. Res. 196, P.L. 94–).

Laotian Refugees (S. 2760, P.L. 94–313).

Lebanon (S. Res. 448).

Lincoln Statue (H.J. Res. 406, P.L. 94–208).

OECD Declaration on International Investment and Multinational Enterprises (S. Res. 516).

Olympic Games (S. Res. 413).

Palm Oil Imports (S. Res. 487).

Palm Oil Production Loans (S. Res. 444).

Peace Corps Authorization (H.R. 12226, P.L. 94–281).

Philippines Earthquake (S. Res. 518).

Regulations to Prevent Collisions at Sea (H.R. 5446, P.L. 94–).

Right-to-Food Resolution (S. Con. Res. 138), (H. Con. Res. 737).

Soviet-U.S. Relations (S. Res. 406).

Spanish Friendship Treaty (S. 3557, P.L. 94-).

State Department Authorization (S. 3168, P.L. 94-350).

Status of Forces Agreement Claims (H.R. 7896, P.L. 94-390).

Treaties

Agreement on Conservation of Polar Bears (Ex. I, 94th-1st).

Convention on Conservation of Antarctic Seals (Ex. K, 94th-1st).

Convention on Objects Launched into Outer Space (Ex. G, 94th-2d).

Customs Convention on Containers—International Convention for Safe Containers (Ex. K, 93d-1st).

Extradition Treaty with Spain (Ex. B, 94th-2d).

Extradition Treaty with the United Kingdom and Northern Ireland (Ex. 9, 94th-2d).

Inter-American Women's Rights Convention (Ex. D, 81st-1st).

International Coffee Agreement (Ex. H, 94th-2d).

International Tin Agreement (Ex. J, 94th-2d).

International Wheat Agreement (Ex. I, 94th-2d).

Protocol on Convention on Conservation of North Pacific Fur Seals (Ex. M, 94th-2d).

Radio Regulations Revision (Ex. G, 94th-1st).

Telecommunications Convention (Ex. J, 93d-2d).

Telegraph and Telephone Regulations (Ex. F, 93d-2d).

Treaty of Friendship and Cooperation with Spain (Ex. F, 94th-2d).

Treaty with Switzerland on Criminal Matters (Ex. F, 94th-2d).

Women's Political Rights Convention (Ex. J, 88th-1st).

Tunisian-U.S. Relations (S. Res. 504).

U.S. International Trade Commission (S. 3420).

U.S. Winter Olympic Team (S. Res. 286).

U.S.I.A. Authorization (H.R. 11598, P.L. 94-272).

Valyentyn Moroz (S. Res. 67).

Wilma Rudolph Film (H.R. 6949, P.L. 94-218).

1980 Winter Olympic Games (S. 2184, 94-427).

LABOR

Black Lung Benefits (S.J. Res. 213).

Service Contract Amendments (H.R. 15246, P.L. 94-).

MEMORIALS, TRIBUTES AND MEDALS

American Legion Freedom Bell (S.J. Res. 181, P.L. 94-).

Arthur H. Vandenberg Building (S. 3844).

Bernardo de Galvez Statute (S. 3031, P.L. 94-287).

Bicentennial Reflections (S. Res. 485).

Charles Carroll Medals (H.R. 3427, P.L. 94-257).

Clarence M. Mitchell, Jr. (S. Res. 353).

Commercial Aviation 50th Anniversary (S. Res. 381).

Congressional Country Club (S. Con. Res. 119).

Dennis Chavez Federal Building (H.R. 4206, P.L. 94-).

Elizabeth Kee Federal Buidling (H.R. 15582, P.L. 94-).

General Draza Mihailovich Monument (S. 2135).

General George Washington (H.J. Res. 519, P.L. 94-).

George Washington Square (H.R. 2749, P.L. 94-).

Hazel R. Garn, Death of (S. Res. 519).

Herman Schneebeli Federal Building (H.R. 11303, P.L. 94-).

International Astronautical Federation (S. Res. 412).

J. Allen Frear Building (S. 999).

Jerry L. Litton, Death of (S. Res. 509).

Jerry L. Pettis Memorial Veterans' Hospital (H.R. 4034, P.L. 94-246).

Jerry Lewis (S. Res. 542).

Joe L. Evins Post Office and Federal Building (H.R. 14956, P.L. 94-).

John Witherspoon Statue (S. 1996).

Letelier-Moffit Murders (S. Res. 569).

Library of Congress Thomas Jefferson Building (S. 2920, P.L. 94-264).

Lincoln Memorial (S. 64, P.L. 94-).

Michael J. Kirwan Post Office (H.R. 14503, P.L. 94-).

Mike Mansfield (S. Res. 553).

Norris Cotton Building (S. 3589, P.L. 94-382.)

101st Airborne Memorial (S. 1847, P.L. 94-211).

Ozark-Jeta Taylor Lock and Dam (S. 3063, P.L. 94-).

Philip A. Hart Visitors' Center (S. 3843, P.L. 94-).

Phil M. Landrum Federal Building and Post Office (H.R. 12927, P.L. 94-).

Ray J. Madden Post Office Building (H.R. 15546, P.L. 94-).

R. E. "Bob" Woodruff Lake (S. 2533, P.L. 94-).

Robert G. Stevens Federal Building (H.R. 14977, P.L. 94-).

Terry Schrunk Plaza (S. 1971, PL 94-).

Torbert H. MacDonald, Death of (S. Res. 452).

U.S. Olympic Team (S. Res. 500), (S. Res. 501), (S. Res. 503).

Washington-Rochambeau Historic Route (H. Con. Res. 225).

Wiliam A. Barrett, Death of (S. Res. 433).

William O. Douglas (S. 2742, P.L. 94-).

Wright Patman, Death of (S Res. 402).

NATURAL RESOURCES-NATIONAL HISTORY SITES

Boundary Waters Canoe Area (S. 1526, P.L. 94-384).

Canaveral National Seashore (H.R. 10370, P.L. 94-398).

Chattahoochee River Recreation Area (S. 2587).

Chickasaw National Recreation Area (H.R. 4979, P.L. 94-235).

Cibola National Forest (S. 1872).

Congaree Swamp National Preserve (H.R. 11891, P.L. 94-).

Eugene O'Neill National Historic Site (S. 2398, P.L. 94-).

Fire Island National Seashore (S. 867), P.L. 94-).

Fish and Wildlife Service (H.R. 5523).

Fort Clatsop National Memorial (S. 828).

Fort Union Trading Post National Historic Site (S. 3501).

George W. Norris Home National Historic Site (S. 3476).

Gruber Wagon Works (S. 1497).

Indiana Dunes National Lakeshore (H.R. 11455, P.L. 94-).

Kanopolis Reclamation Project (S. 1821).

Klondike Gold Rush National Historical Park (S. 98, P.L. 94-323).

Land and Water Conservation Fund—National Historic Preservation—Oil Shale Revenues (S. 327, P.L. 94-422).

Land and Water Resource Conservation (S. 208, P.L. 94-).

Leadville Mine Drainage Tunnel (S. 3394).

McGee Creek Project (S. 2194).

Migratory Waterfowl in Grasslands Area (H.R. 15007).

Minnesota River Valley National Wildlife Refuge (H.R. 13374, P.L. 94-).

National Forest Management (S. 309, P.L. 94-).

National Historic Sites (S. 400, P.L. 94-).

National Parks (H.R. 13713).

National Parks General Authorities (S. 3430, P.L. 94-).

National Parks Mining Regulations (S. 2371, P.L. 94-429).

National Resource Lands Management (S. 507, P.L. 94-).

National Trails Studies:

Daniel Boone Trail (S. 2783).

Desert Trail (S. 3528).

Florida Trail (S. 2486).

National Trails (S. 2112, P.L. 94-).

Nee-Me-Poo Trail (S. 3273).

National Wildlife Systems Administration (H.R. 5512, P.L. 94-223).

New River (H.R. 13372, P.L. 94-407).

Ninety Six and Star Fort National Historic Site (S. 2642, P.L. 94-393).

Norman Reclamation Project (H.R. 6622, P.L. 94-415).

Rangelands Management (S. 2555).

Reclamation Projects Authorizations (S. 151, P.L. 94-228), (S. 3283, P.L. 94-423).

Recreation Facilities (H.R. 15563, P.L. 94-).

Recreation Permits (S. 2125).

Rivers and Harbors—Public Works (S. 3823, P.L. 94-).

River Basin Authorizations (H.R. 12545, P.L. 94-347), (S. 3432).

Saint Paul's Church, Eastchester, National Historic Site (S.J. Res. 139).

Saline Water Authorization (H.R. 11559, P.L. 94-316).

Santa Monica Recreation Area (S. 1640).

Tijuana River Project (H.R. 14973, P.L. 94-425).

Tinicum National Environmental Center (H.R. 5682, P.L. 94-).

Tule Elk (H.J. Res. 738, P.L. 94-389).

Unitah Unit Reclamation Project (S. 3395).

Valley Forge National Historical Park (H.R. 5621, P.L. 94-337).

Wetlands Loan Extension (H.R. 5608, P.L. 94-215).

Wild and Scenic Rivers:

Flathead, Missouri and Obed Rivers (S. 1506, P.L. 94-).

Wilderness Areas:

Alpine Lakes Wilderness (H.R. 7792, P.L. 94-357).

Badlands National Monument (S. 1068).

Bristol Cliffs Wilderness (S. 2308, P.L. 94-268).

Eagles Nest Wilderness (S. 268, P.L. 94-352).

Hercules Glades Wilderness (S. 3204).

Kisatchie Hills Wilderness (S. 3444).

Point Reyes National Seashore, California (H.R. 8002, P.L. 94-).

Shenandoah National Park (S. 885).

Wilderness Areas (H.R. 13160), (S. 1026, P.L. 94-).

Wilderness Areas Studies:

Kaiser Roadless Area (S. 75).

Montana Wilderness (S. 393).

Wilderness Area Studies (S. 3204).

NOMINATIONS (ACTION BY ROLLCALL VOTE)

George S. Brown to be Chairman of Joint Chiefs of Staff.

George Bush to be Director of Central Intelligence.

S. John Byington to be Commissioner on Consumer Product Safety Commission.

George Henry Kuper to be Executive Director of the National Center for Productivity and Quality of Working Life.

David M. Lilly to be member of Board of Governors of Federal Reserve System.

William L. Springer to be member of the Federal Election Commission.

H. Guyford Stever, to be Director of the Office of Science and Technology Policy.

Willie J. Usery to be Secretary of Labor.

PROCLAMATIONS

Bald Eagle Days (S. Res. 347).

Beta Sigma Phi Week (S.J. Res. 76).

Bicentennial Day of Prayer (S.J. Res. 179).

Bicentennial Highway Safety Year (H.J. Res. 726, P.L. 94-322).

Employ the Older Worker Week (S.J. Res. 35, P.L. 94-275).

Fair Housing Month (S. Con. Res. 112).

Family Week (S.J. Res. 101, P.L. 94-270).

Fourth of July Holiday (S.J. Res. 151).

Horse Week (S.J. Res. 182).

Independence Day (S.J. Res. 150).

Knights of Columbus Day (S.J. Res. 183).

National Grandparents' Day (S.J. Res. 211, P.L. 94–).

Native American Awareness (S.J. Res. 209).

Port Week (S.J. Res. 173).

School Volunteers (S.J. Res. 208).

Small Business Week (S.J. Res. 163).

Space Observance (S. Con. Res. 47).

Tennis Week (S.J. Res. 172).

Thomas Jefferson Day (H.J. Res. 670, P.L. 94–263).

Volunteer Firemen (H.J. Res. 1008, P.L. 94–).

World Habitat Day (S. Res. 398).

SENATE

Cloture Rule (S. Res. 268).

Commission on the Operation of the Senate (S. Res. 410), (S. Res. 423).

Foreign Policy Study (S. Res. 523).

Herman Goldfarb Testimony (S. Res. 530).

Mike Mansfield Room (S. Res. 551).

Oklahoma Senate Contest (S. Res. 404).

Old Senate Chamber (S. Res. 446).

Pension Fund Tax Returns (S. Res. 483).

Philip A. Hart Office Building (S. Res. 525).

Select Committee on Committees (S. Res. 109), (S. Res. 456).

Select Committee on Intelligence (S. Res. 400), (S. Res. 538).

Select Committee on Intelligence Activities (S. Res. 377), (S. Res. 414), (S. Res. 435).

Senate Employee Practices (S. Res. 534).

Senate Office Space (S. Res. 579).

Senator Proxmire (S. Res. 463).

Select Committee on Small Business (S. Res. 104).

Watergate Reform Legislation (S. Res. 437).

TRANSPORTATION-COMMUNICATIONS

Aircraft Locator Transmitters (H.R. 8228, P.L. 94–).

Airport and Airway Development (H.R. 9771, P.L. 94–353).

Alaska Highway (S. 2071).

Amtrak Authorization (S. 3131, P.L. 94–).

Aviation Tariff Changes (H.R. 7017).

"Barbara Ann" (S. 2951).

Boat Safety Programs (H.R. 13585), (H.R. 5630, P.L. 94–340).

Common Carriers Tariff Procedures (S. 2054, P.L. 94–476).

ConRail Acquisition of Bankrupt Rail Property (H.R. 12490, P.L. 94–253).

ConRail Stock (S.J. Res. 184, P.L. 94–248).

Delta Queen (H.R. 13326, P.L. 94–).

Educational Broadcasting Facilities (H.R. 9630, P.L. 94–309).

Federal-Aid Highway Authorization (H.R. 8235, P.L. 94–280).

Federal Communications Commission Forfeiture Authority (S. 2343).

Hazardous Materials Transportation (S. 2991, P.L. 94–).

Independent Safety Board (S. 2661), (H.R. 12118, P.L. 94–).

Maritime Authorization (H.R. 11481, P.L. 94–404).

Motor Vehicle Safety (H.R. 9291, P.L. 94–346).

Rail Negotiations (S. Con. Res. 97).

Railroad Retirement Amendments (H.R. 14014, P.L. 94–).

Railroad Revitalization (S. 2718, P.L. 94–210).

Railroad Safety (H.R. 11804, P.L. 94–348).

Reduced Air Fare for Elderly (H.R. 15026).

Shipbuilding Contracts (H.R. 11504, P.L. 94–372).

Shipping Regulatory Reform (H.R. 10841).

SS/United States (H.R. 13218, P.L. 94–).

Translator Broadcast Operations (S. 2847, P.L. 94–335).

U.S. Railway Association (H.R. 13325, P.L. 94–).

Vessel Sale (S. 784).

War Risk Insurance (H.R. 1083, P.L. 94–).

U.S. TERRITORIES

Guam Constitution (H.R. 9491).

Guam Power Authority (H.R. 13679, P.L. 94–395).

Mariana Islands (H.J. Res. 549, P.L. 94–241).

Trust Territory of the Pacific (H.R. 12122, P.L. 94–255).

Virgin Islands Constitution (H.R. 9491, P.L. 94–).

Virgin Islands Loan Fund (H.R. 13359, P.L. 94–392).

Virgin Islands Unemployment Loans (H.R. 13069, P.L. 94–354).

VETERANS

Allied Veterans Medical Care (H.R. 71, P.L. 94–).

American Battle Monuments Commission Travel Expenses (H.R. 8507, 94–256).

Veterans Care in State Homes (H.R. 10394, P.L. 94–417).

Veterans Disability Compensation and Survivors Benefits (H.R. 14299, P.L. 94–).

Veterans' Education Assistance (S. 969, P.L. 94–).

Veterans' Housing Loans (S. 2529, P.L. 94–324).

Veterans' Insurance (S. 1911).

Veterans' Medical Information (H.R. 10268, P.L. 94–321), (H.R. 3348, P.L. 94–424).

Veterans' Omnibus Health Care (H.R. 2735, P.L. 94–).

Veterans' Pension Reform (H.R. 14298, P.L. 94–).

William S. Middleton Veterans' Hospital (H.R. 9811, P.L. 94–420).

SENATE LEGISLATIVE ACTIVITY

(94th Congress, 2d Session)

(By Senate Democratic Policy Committee)

Days in session	142
Hours in session	1033:01
Total measures passed	874
Private laws	71
Public laws	233
Treaties	17
Confirmations	60,100
Record votes	700
Vetoes	32
Vetoes overridden	8

Symbols: (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on passage, conference report, or reconsideration—* numbers indicate vote occurred 1st session of 94th Congress (1975).

AGRICULTURE

African/Brazilian Honeybee Control: Amends the Act of 1922 which prohibits the importation of the Apis species of honeybee to prevent the introduction and spread of foreign diseases and parasites harmful to domestic honeybees; prohibits the importation of honeybees in all of their life stages (from germ plasm to adult) except under certain specified conditions; permits the importation of honeybee semen only from countries which are determined to be free of undesirable species or subspecies of honeybees and which have adequate precautions in operation to prevent the importation of such undesirable honeybees and their semen; and authorizes the Secretary of Agriculture to cooperate with State governments, organizations, individuals, and the governments of Mexico, Canada and the Central American countries to eradicate and control the spread of undesirable species of honeybees, including all forms of the African (or Brazilian) honeybee. S. 18—Public Law 94–319, approved June 25, 1976. (VV)

Agricultural census: Amends section 142, title 13, U.S.C. to change the reference years and the years for taking the census of agriculture to coincide with the economic census of manufacturing, mining, and industry which is taken every 5 years and refers to the years the last numericals of which are "2" and "7" in order to provide comparable data for evaluating the Nation's economic and agricultural status and to avoid the heavy workload in the Bureau of the Census when the agricultural census is taken in the same year as the decennial census; changes the definition of the term "farm" for census purposes to include only places which produce at least $1,000 worth of agricultural goods a year instead of, as at present, any place which produces agricultural goods selling for at least $250 in a year or a place measuring at least 10 acres and producing at least $50 in agricultural goods; and postpones until June 30, 1976, the effective date of the change in the term "farm" to give Congress an opportunity to study the possible effects of the change before it becomes effective. H.R. 7824—Public Law 94–229, approved March 15, 1976. (VV)

Agricultural commodities direct marketing: Encourages, where practical, the direct marketing of agricultural commodities from farmers to consumers; authorizes the Secretary of Agriculture to conduct a survey of existing methods of direct marketing from farmers to consumers in each State to be completed no later than one year following enactment; authorizes $1.5 million each for fiscal years 1977 and 1978 to State Departments of Agriculture and the Extension Service of the U.S. Department of Agriculture to encourage, develop and coordinate methods of direct marketing within the respective States; requires the Secretary, in carrying out any emergency hay program under section 305 of the Disaster Relief Act of 1974, to pay 80 percent of the cost of transporting hay (not to exceed $50 per ton) from areas in which hay is in plentiful supply to disaster or emergency areas where farmers or ranchers are located, with such authority to become effective on October 1, 1976, or the date of enactment, whichever is earlier, and to expire on October 1, 1977. H.R. 10339—Public Law 94– , approved 1976. (VV)

Agricultural loans for losses due to toxic chemical contamination: Requires the Secretary of Agriculture to make loans to bona fide farmers and ranchers who suffer losses on or after January 1, 1973, through no fault of their own due to toxic chemical contamination of their agricultural commodities or livestock; limits the amount of any loan to an individual agricultural producer to $100,000, the cost of replacing the condemned livestock or products, or the noncompensated share of the condemned products or livestock; places a 7-year maximum term on the loan at a rate of interest reflecting the cost of money to the Government; and authorizes the Secretary to grant a grace period for principal payments and the majority of interest for up to 3-years if individual circumstances warrant. S. 2578—Passed Senate March 10, 1976. (VV)

Agricultural pest control: Broadens and strengthens the authority of the Secretary of Agriculture to control and eradicate agricultural pests by (1) permitting the Secretary to carry out eradication and control programs with respect to plant pests not now covered by the Organic Act of 1944 including spider mites, slugs, and snails; (2) extending the Secretary's authority to cooperate with foreign governments including governments of the Western Hemisphere, Canada, Mexico, Central America, Colombia, the Bahama Islands, the Greater Antilles, the Lesser Antilles, and international organizations and associations in carrying out eradication and control programs; (3) making discretionary the Secretary's authority to provide phytosanitary inspection and certification service for domestic plants and plant products for export, and extending such authority to inspection and certification of any plants or plant products offered for export or transiting the United States; (4) repealing provisions of the Act of October 6, 1917, for cooperation with Mexico and adjacent States in the extermination of pink bollworm infestations near the U.S. border which authority is now contained in the Organic Act; and (5) clarifying the Secretary's authority to cooperate with certain Western Hemisphere countries, the Bahama Islands, the Greater Antilles, the Lesser Antities and international organizations and associations with respect to animal disease control and the carriers of animal diseases. S. 1617—Public Law 94-221, approved March 15, 1976. (VV)

Agriculture Department Employees' Dependents Orientation: Authorizes the Secretary of Agriculture to provide appropriate orientation and language training to families of officers and employees of the Department of Agriculture who have foreign assignments; requires that facilities of the Foreign Service Institute or other government facilities are used where practicable; authorizes the Secretary to use any appropriations available to him, not to exceed $50,000, for fiscal year 1977; and provides a specific annual authorization of not to exceed $50,000 thereafter. S. 3052—Public Law 94- , approved 1976. (VV)

Agriculture Department Officials—Poultry operators: Upgrades the position of Under Secretary to Deputy Secretary of Agriculture; establishes a new position of Assistant Secretary of Agriculture at Executive Level IV; raises the positions of Administrator, Animal and Plant Health Inspection Service, from GS-18 to Executive Level IV; increases the membership of the board of the Commodity Credit Corporation from six to seven; removes from Executive Level V the position of Director of Agricultural Economics (whose duties will be assumed by the new Assistant Secretary); and exempts certain custom poultry harvesting operators who are not migrant workers from the provisions of the Farm Labor Contractor Registration Act of 1963. H.R. 10133—Public Law 94- , approved 1976. (VV)

Beef research and information: Authorizes the Secretary of Agriculture to issue a national order providing for the establishment of a Beef Board consisting of not more than 68 members, and alternatives who are to be appointed by the Secretary from qualified nominees representing cattle producers from each beef-producing area; provides that the Beef Board is to develop, subject to the Secretary's approval, a program of research, producer and consumer information, and promotion designed to strengthen the cattle and beef industry in the domestic and foreign market which is to be financed from assessments paid by cattle producers;

Requires approval by referendum among cattle producers before the national order may become effective; requires that approval be by two-thirds of the majority of the registered producers voting and that at least 50 percent of those registered must vote;

Authorizes the Secretary to terminate or suspend the order if he finds it does not effectuate the purposes of the bill or to hold a referendum at any time, and provides that a referendum shall be held if requested by 10 percent or more of the number of producers voting in the referendum approving the order;

Provides for funding of the program through an assessment system where each buyer of cattle would collect an assessment from the producer-seller based on the value of the cattle involved, and pass it on to the next buyer, with the slaughterer required to remit the assessment to the Beef Board; sets the maximum amount which may be assessed at 0.5 percent of the value; exempts cattle produced and slaughtered for home consumption;

Provides that producers not favoring the program may obtain a refund of the assessment if requested not more than 60 days after the end of the month in which the sale or slaughter of the cattle occurred and provides that the Beef Board make a refund within 60 days; authorizes a civil penalty of $1,000 for persons willfully failing or refusing to collect any assessments required of them or otherwise willfully violating provisions of the order;

Requires the Beef Board to submit to the Secretary for approval all plans and projects as well as a budget; and requires that copies of the budget be submitted to the House and Senate Committees on Agriculture. H.R. 7656—Public Law 94-294, approved May 28, 1976. (*539, 175)

California food stamp benefits: Permits the State of California to provide additional cash benefits rather than food stamps to Supplemental Security Income (SSI) recipients. S. 3656—Passed Senate July 2, 1976. (VV)

Amends the Food Stamp Act to permit the State of California, which no longer qualifies for hold harmless treatment under the supplemental security income program, to elect to remain a food cashout state (by which state governments may provide cash in lieu of food stamp eligibility for SSI recipients) if it provides a $3 per month increase in the amount paid to a SSI recipient and a proportionate increase to couples in fiscal year 1977 and pass through a part of the 1976 cost-of-living increase in Federal SSI benefits in fiscal year 1977, and all of any subsequent increases in the following years. H.R. 14514—Public Law 94-379, approved August 10, 1976. (VV)

Cotton research: Repeals section 610 of the Agricultural Act of 1970, which authorizes Government financing to supplement funds available through producer assessments under the Cotton Research and Promotion Act; authorizes, subject to a referendum among producers, a supplemental rate of producer assessment not to exceed 1 percent of the value of cotton as determined by the Cotton Board and the Secretary of Agriculture; and authorizes the Secretary to appoint consumer advisors to the Cotton Board. H.R. 10930—Public Law 94-366, approved July 14, 1976. (VV)

Emergency livestock credit extension: Amends section 8 of the Emergency Livestock Credit Act of 1974 be extending the termination date for making new loan guarantees under the act, as amended, from December 31, 1976, through September 30, 1978. H.R. 15059—Public Law 94- , approved 1976. (VV)

Farm disaster payments: States as the sense of the Senate that the Department of Agriculture should refrain from indiscriminately reducing disaster payments made under the Agriculture and Consumer Protection Act of 1973 when farmers use disaster-affected corn and grain sorghum for silage, green chop, or other nongrain use; and develop and promulgate regolations governing the disaster payment program which will provide fair and reasonable treatment to all farmers suffering crop losses because of natural disasters. S. Res. 565—Senate agreed to September 30, 1976. (VV)

Farmer elected committeeman system: Expresses Senate support for the participation of farmers in the programs of the department of Agriculture through the farmer elected community committeeman; urges the Secretary of Agriculture to take the actions necessary to provide for increased involvement of farmers in the policy and decisionmaking operations of the Department of Agriculture; and requests the Secretary to discontinue any actions designed to eliminate or reduce the community committeeman program administered by the Stabilization and Conservation Service of the Department of Agriculture. S. Res. 272—Senate agreed to February 5, 1976. (VV)

Food stamp reform: Make changes in the food stamp program relating to eligibility to participate, the benefits available, administration of the program, and the penalties applicable to violations, as follows:

Changes affecting eligibility

(1) Eliminates the present system of allowing varying, itemized deductions from gross income in determining household income for purposes of the food stamp program and replaces it with a standard deduction of $100 a month for the 50 States and the District of Columbia and of $60 a month for Puerto Rico, the Virgin Islands and Guam, and provides an additional standard deduction of $25 a month in the case of a household with one or more members 60 years of age or older, or any household with earned income of $150 a month or more; (2) Defines "gross income" as including (but not limited to) all money payments (including payments made pursuant to the Domestic Volunteer Services Act of 1973 and payments in kind, excluding: (a) medical costs payments; (b) earned income of a child under 18; (c) payments received under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; (d) infrequent or irregular income not exceeding $30 during any 3 month period; (e) all loans, scholarships, fellowships, grants, and veterans' educational benefits, except those deferred to the extent they are not used for tuition and mandatory fees; (f) housing vender payments to landlords; (g) payments under the supplemental food market for women, infants, and children (WIC); (h) payments in kind from government benefit programs, including, but not limited to, school lunch, medicare, and elderly feeding programs, and any payments in kind which cannot be reasonably and properly computed; (i) the cost of producing selfemployed income; (j) Federal, State, and local income tax refunds, Federal income tax credits and retroactive payments under the Social Security Act provided that these amounts shall be included under household resources for eligibility purposes; and (k) income specifically excluded by other Federal laws;

(3) Bases eligibility on income received during the 30 days prior to application;

(4) Provides for semi-annual adjustment of the standard deduction and of the income poverty guidelines according to changes in the Consumer Price Index, with the first adjustments effective July 1, 1977;

(5) Freezes existing assets eligibility standards (presently set by regulation) until 60 days after a report on asset holding has been submitted to Congress;

(6) Eliminates present automatic eligibility for persons eligible for welfare programs and requires them to apply and demonstrate eligibility just as nonwelfare persons;

(7) Excludes from eligibility college students who are or can legally be claimed as tax exemptions by families which are themselves not eligible for food stamps;

(8) Excludes from eligibility those who terminate employment voluntarily, unless previously eligible; strengthens work registration requirements for persons under 60 years of age; requires a person with a child age 12 or over (instead of age 18 or over) to meet the work registration and acceptance requirements for eligibility; and makes other changes;

Changes affecting benefits

Changes the purchase-price requirement from the present varying rate based on household size and income using basis-of-issuance tables established in 1971 to a uniform price rate of 25 percent of net income as determined under the Food Stamp Act; defines a "nutritionally adequate diet" as one that is based on the thrift food plan developed in 1975 by the Department of Agriculture and provides that the cost of such diet shall be the basis for uniform coupon allotments; provides that the minimum benefit for single-person and two-person households shall be $10 per month; and allows a household to file for lost benefits due to administrative error not later than 3 months after learning of the error, and limits the cash payment for lost benefits to bonus value of its allotment for a 3-month period;

Changes affecting administration

Requires States to certify applicants and issue authorization to purchase cards within 30 days of receiving the application; gives each State the option, instead of the present requirement which would have become effective beginning October 1, 1976, to decide whether to establish a system where a household may elect to have its purchase price charge for the coupons withheld from its public assistance check; allows all food stamp recipients who are housebound, feeble, physically handicapped, or otherwise disabled, as well as all those over age 60, to use, food stamps for meals-on-wheels with stamps; authorizes a pilot project on elimination of the purchase price reqiurements; provides that a household may be disqualified for fraudulent participation but must be found guilty in a court or by a State welfare agency, after a proper hearing; and makes other changes;

Changes affecting penalties for violations

Establishes criminal penalities for food stamp vendors who fraudulently mishandle receipts; requires timely and verified reports of receipts and deposits by vendors; reduces the maximum penalty for certain misdemeanor violations from $5,000 to $1,000 so as to permit such misdemeanors to be prosecuted before magistrates under the Federal Magistrates Act; and makes other changes. S. 3136—Passed Senate April 8, 1976. (138).

Food stamp vendors: States that receipts from the sale of food stamps are Federal funds and that any vendor using such funds for his own benefit shall be punished by a fine of not more than $10,000, or a sum equal to the amount involved, which ever is greater, or imprisonment for up to 10 years, or both; requires timely, verified reports of receipts and deposits by vendors to state agencies responsible for the administration of the program and to the Department of Agriculture; and directs the Secretary of Agriculture to establish procedures to monitor the inventories of food stamps held by vendors and to provide standards to safeguard them against misuse by vendors. S. 2852—Public Law 94–339, approved July 5, 1976. (139).

Grain standards: Amends the United States Grain Standards Act to require that grain at export elevators must be officially weighed and inspected under the supervision of the Federal Grain Inspection Service established by this act within the Department of Agriculture; authorizes the Secretary to delegate inspection authority to State agencies which were conducting official inspection at an export location as of July 1, 1976; authorizes the Secretary, regarding official inspection at locations other than export locations, to designate any State, local government agency, or person who qualifies, to perform official inspection at any location at which he or she determines that official inspection is needed, and provides for a report within two years after enactment of the Act on the reliability and effectiveness of the inspection system at inland locations; sets criteria for the Secretary to use in determining whether the applicant is qualified; authorizes, but does not require, the Administrator of the Service to provide for supervision of weighing to be performed at interior locations; provides criteria for delegations of authority and designation of applicants for weighing; requires the Administrator to have equipment used for official inspection and official weighing tested at least once a year; strengthens the civil and criminal penalties under the act to enforce honest and accurate grain inspection and weighing; provides for the prescription and collection of fees by the Secretary from users for official inspection and weighing functions performed by personnel of the Department; and contains other provisions. H.R. 12572—Public Law 94– , approved 1976. (153)

Horse protection: Amends the Horse Protection Act of 1970 (Public Law 91–54) in order to stop the practice of altering the gait of horses by injury ("soring") to assure that the horse has a distinctive high-stepping gait; expands the definition of the term "soring" to include limb deficiencies produced by improper diets or psychological conditions; prohibits the movement of "sore" horses in commerce, the showing of horses with "unsound" limbs, and the sale at a public auction or the showing of horses that have been sored or are wearing devices banned by the Secretary of Agriculture because they are usually used to make a horse sore or unsound; requires the management of horse shows and auctions to keep records subject to inspection by agents of the Department of Agriculture; imposes penalties for civil and criminal violations of the Act; grants the Secretary of Agriculture the necessary authority to enforce the Act including the authority to disqualify from entry into shows for 1 year, any person convicted for a violation of the Act and stipulates that second offenses may be disqualified for up to 3 years, and to detain a horse for 24 hours to examine it for soring or to take evidence; and authorizes therefor $500,000 per year. S. 811—Public Law 94–360, approved July 13, 1976. (VV)

Insecticides (FIFRA): Extends for 6 months, until September 3, 1977, the authorization for all programs under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, at a level of $19,735,100. H.R. 12944—Vetoed August 13, 1976. (VV)

Livestock producers and packers: Amends the Packers and Stockyards Act of 1921, as amended, to assure livestock producers that they will receive payment for the animals they send to packing plants as follows: (1) requires any packer with average annual purchases of over $500,000 to be bonded and to hold all livestock, meats, receivables, and proceeds therefrom in trust until all producers who sold livestock to the packer on a cash basis have been paid; (2) includes wholesale brokers, dealers, and distributors marketing meats, meat food products or livestock products under regulation as packers under title II, except where the Secretary of Agriculture determines it is not necessary; includes under the jurisdiction of the Secretary all transactions of packers who operate in commerce; (3) grants the Secretary authority, after notice and hearing, to assess a civil penalty of not more than $10,000 for each violation following a cease and desist order against a packer, stockyard owner, market agency or dealer for specified violations of the act; (4) gives the Secretary authority to order packers to cease and desist from operating while insolvent except under prescribed conditions; (5) gives the Secretary specific authority to request the Attorney General to seek a temporary injunction or restraining order in Federal district court, pending administrative action, to prevent irreparable injury to producers or members of the industry which would result if persons subject to the Act were permitted to operate while insolvent or otherwise in violation of the Act; (6) authorizes the filing in court of a private cause of action seeking damages against any person subject to the Act which arise out of a violation or of an order of the Secretary relating to purchase, sale, or handling, of livestock; (7) requires packers, market agencies, and dealers purchasing livestock to deliver to the sellers or his agent at the point of transfer of possession of the animals the full amount of the purchase price unless otherwise agreed in writing and contains provisions to protect the trust of an unpaid seller who has not received payment as agreed or whose payment instrument, promptly presented, has been dishonored; and (8) provides that the packer bonding and prompt payment provisions would preempt State laws. H.R. 8410—Public Law 94–410, approved September 13, 1976. (VV)

Meat and poultry inspection: Amends section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, to increase from 50 to 80 percent the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under these sections; provides, with respect to the Talmadge-Aiken Act (Public Law 87–718), that the 80–20 cost-sharing formula would apply to cooperative arrangements for meat or poultry inspection purposes entered into on or before June 30, 1976; and provides that the total amount of the Federal payment under the Talmadge-Aiken Act would be based upon the estimated cost of the cooperative agreement rather than on actual cost. S. 3081—Passed Senate September 7, 1976. (VV)

Milk price support: Establishes the support price for milk at 85 percent of the parity price effective on the date of enactment and ending on March 31, 1978. S.J. Res. 121—Vetoed January 30, 1976. Senate sustained veto February 4, 1976. (27)

Peanut allotments: Authorizes the Secretary of Agriculture, for 1976 and subsequent years, to permit the transfer of all or part of the peanut acreage allotments for any farm located in an area having suffered a natural disaster which would prevent the planting of peanuts on a timely basis to another farm engaged in the production of peanuts. S. 1545—Public Law 94–247, approved March 25, 1976. (VV)

Peanut surplus: Requires the Secretary of Agriculture to dispose of surplus peanuts acquired by the Commodity Credit Corporation at competitive prices and to make periodic reports to the Congress on actions taken. S.J. Res. 214—Passed Senate September 20, 1976. (VV)

Potash supplies: Expresses as the sense of the Senate that: the Department of State should express concern to the Canadian Government and the Government of the Province of Saskatchewan that supplies of the critical plant nutrient, potash, not be disrupted; the Department of State should determine the exact objectives and likely conclusions of the proposed takeover of the potash industry by the Government of the Province of Saskatchewan; and the Department of Agriculture should develop contingency plans to assure an adequate supply of potash for American agriculture in the event that supplies from Saskatchewan should be temporarily or permanently disrupted. S. Res. 403—Senate agreed to March 17, 1976. (VV)

Resource conservation and development loans: Amends the Bankhead-Jones Farm Tenant Act, as amended, to increase from $250,000 to $500,000 the amount of any loan which may be made for a research conservation and development project under the act without prior approval by the House and Senate Agriculture Committees; and redefines the term "aquaculture" to mean the culture or husbandry of aquatic animals or plants for scientific purposes or for creating or augmenting publicly owned and regulated stocks of fish in streams or rivers, in order to make certain types of fish aquaculture and hatchery fisheries eligible for loans under the act. S. 2485—Passed Senate May 25, 1976. (VV)

Rice production: Contains provisions effective for the 1976 and 1977 crops of rice; suspends marketing quotas and authorizes unrestricted planting of rice; establishes a national acreage allotment of 1.8 million acres, which is to be used only for determining program benefit recipients and amounts;

Establishes a price of $8 per hundredweight for the 1976 crop, adjusted to reflect changes in the index of prices paid by farmers for production items, interest, taxes and wage rates beginning on the date of enactment and ending July 31, 1976; provides that the established price for the 1977 crop would be the 1976 price, adjusted for changes in the index during the previous 12-month period, and that such established prices for both crops may be further adjusted for changes in yields;

Provides a 1976 loan rate of $6 per hundredweight, adjusted as in the case of the established price, and for a 1977 loan rate adjusted to reflect any change in the established price;

Authorizes payments if the 5-month average market price received by producers falls short of the established price (if the market price is higher than the established price, no payments are made);

Authorizes disaster payments, limited to $55,000 per person, under certain conditions; authorizes sales, leases, and transfers of allotments and a rice research program; and contains other provisions. H.R. 8529—Public Law 94-214, approved February 16, 1976. (23)

Rural Electrification Administration: Amends the Rural Electrification Act of 1936, as amended, to eliminate the revenue per mile criteria and substitute therefore revised criteria to be used as a basis for making insured loans to both electric and telephone borrowers at the special rate of 2 percent, and to transfer the unobligated balance of the REA appropriation for fiscal year 1973 to the Rural Electrification and Telephone Revolving Fund. H.R. 12207—Public Law 94- , approved 1976. (VV)

Rural fire protection: Extends the rural community fire protection program authorized under the Rural Development Act through September 30, 1980. S. 3250—Passed Senate October 1, 1976. (VV)

Small farmers assistance: Amends section 502(c) of the Rural Development Act to require the Secretary of Agriculture to conduct a comprehensive study and survey through the Cooperative Extension Service in order to establish a program for small farmers who are willing to improve their operations through Extension educational programs; and defines a "small farmer" as any person who depends on farming as his principal source of income and whose gross annual sales from farming operations are less than $20,000 and nonfarm income is less than $5,000. S. 2823—Passed Senate September 17, 1976. (VV)

Tobacco allotments: Permits the lease and transfer of all types of flue cured tobacco farm acreage allotments or marketing quotas across county lines in any State where a majority of the producers of flue-cured tobacco, voting in referendum, approve; and excludes North Carolina from the provisions of the bill. S. 700—Passed Senate January 26, 1976. (VV)

Authorizes the Secretary of Agriculture to permit the lease and transfer of tobacco allotments or quotas across county lines in 1976 in South Carolina and Georgia if he determines that as the result of a natural disaster one of the counties has suffered a loss of 10 percent or more in the number of acres planted or expected production for the planted acreage and that the lease and transfer would not impair the effective operation of the program. H.R. 15068—Public Law 94- , approved 1976. (VV)

Tomatoes: Amends section 8e of the Agricultural Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to require that imported tomatoes conform with pac-of-container standards imposed on domestic tomatoes under marketing orders. S. 2440—Passed Senate September 17, 1976. (VV)

Watershed projects: Amends the Watershed Protection and Flood Prevention Act, as amended, to increase from $5 million to $10 million the limitation on any single loan or advancement for watershed works of improvement. S. 2484—passed Senate April 13, 1976. (VV)

Whey utilization: States the sense of the Senate that the Secretary of Agriculture should assess the current oversupply of whey (a fluid, having a high food value, that separates from the curd when milk is coagulated for cheese making) resulting from increased cheese production and advise the Committee on Agriculture and Forestry of his findings and that the Department of Agriculture should institute a whey research program in order that whey may be more efficiently utilized for the benefit of producers and consumers. S. Res. 439—Senate agreed to June 16, 1976. (VV)

Wool Act payments: Authorizes the Secretary of Agriculture to amend retroactively the regulations governing the computation of price support payments under the National Wool Act of 1954 for the marketing years 1969 through 1972 to permit making Wool Act payments to certain farmers and ranchers who failed to receive the full proceeds from their sale of wool because of defaults in payments by their marketing agency; and provides that the computation be based on the lesser of (a) the net sales proceeds based on the price the farmer or rancher would have received had there been no default of payment or (b) the fair market value of the wool at the time of sale. S. 532—Public Law 94-312, approved June 21, 1976. (VV)

APPROPRIATIONS

Fiscal 1976 and transition period

Continuing: Extends the continuing resolution (Public Law 94-159) which expires on March 31, 1976, until September 30, 1976, to provide obligational authority for programs funded under the foreign assistance and District of Columbia Appropriations Acts which have not yet been enacted; extends authority for certain programs for the Department of Health, Education, and Welfare and the Corporation for Public Broadcasting ing; and includes $175,000 for the National Commission on Water Quality to complete its final report. H.J. Res. 857—Public Law 94-254, approved March 31, 1976. (VV)

Defense: Appropriates $90,721,789,000 for fiscal year 1976 and $21,849,816,000 for the transition period July 1-September 30, 1976, for the military functions of the Department of Defense including pay, operations and maintenance, procurement, research and development, intelligence functions, and funds for the Central Intelligence Agency; prohibits the use of funds under this Act for any activities involving Angola other than intelligence gathering and contains other provisions. H.R. 9861—Public Law 94-212, approved February 9, 1976. (*505, *602)

District of Columbia: Appropriates for the District of Columbia for fiscal year 1976 $424,636,700 in Federal funds and $1,159,849,200 in District of Columbia funds and for the transition period July 1-September 30, 1976, $67,559,600 in Federal funds and $248,130,200 in District of Columbia funds; continues the restriction on the maximum number of positions that may be filled during any month; includes funds for METRO, Bicentennial services (police and public safety services), the Forest Haven facility for the mentally retarded (with a requirement that the city report on these funds separately), pay raises for general schedule and wage-board employees which went into effect in October 1975, and the estimated cost of pay raises for police officers, firefighters and teachers; prohibits funds to pay electric rates for street lighting in excess of 2 cents per kilowatt hour for current consumed; and contains other provisions. H.R. 13965—Public Law 94-333, approved June 30, 1976. (VV)

Foreign aid: Appropriates $5,179,890,909 in new budget (obligational) authority for Foreign Assistance Act activities, foreign military credit sales, foreign assistance and other programs and for activities of the Export-Import Bank for fiscal year 1976 and $404,775,000 for these activities for the transition period; prohibits assistance to North or South Vietnam, Cambodia, or Laos; and contains other provisions. H.R. 12203—Public Law 94-330, approved June 30, 1976. (90)

Labor-HEW: Appropriates $36,073,748,318 for fiscal year 1976 and $8,953,070,000 for the transition period July 1-September 30, 1976, for the Departments of Labor, and Health, Education, and Welfare (HEW), and related agencies; includes programs for comprehensive manpower assistance and public service employment, occupational health and safety (OSHA), maternal and child health, emergency medical services, Public Health Service hospitals, National Institutes of Health (NIH) research, alcohol, drug abuse, and mental health programs, public assistance, human development, and community services programs;

Increases funds for OSHA to provide 333 additional compliance officers; directs the Department of Labor to take the following actions in the area of occupational safety and health: (1) upgrade the skills of OSHA inspectors through intensive retraining, (2) review and simplify existing OSHA standards and eliminate standards which do not deal with workplace conditions that are clearly hazardous to the health or safety of workers or are more properly under the jurisdiction of State departments of public health; (3) redirect enforcement programs to place increased emphasis on problems related to worker health; (4) redirect inspection efforts away from industries with good worker health and safety records so as to permit increased inspection in industries with the greatest health and safety problems; and (5) develop fine-free on-site consultation programs to advise employers of the application of OSHA standards in their workplace; requires the Secretary of Labor to report to the Senate and House Appropriations Committees 30 days prior to the first day of a scheduled hearing what actions have been taken to comply with these directives; and

Prohibits the use of funds contained in the Act to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home and which offers the courses of study pursued by the student in order to comply with title VI of the Civil Rights Act of 1964. H.R. 8069—Vetoed December 19, 1975. House overrode veto January 27, 1976; Senate overrode veto January 28, 1976. Became Public Law 94-206, without approval January 28, 1976. (*423, 15)

Supplemental: Appropriates $2,242,384,000 in emergency supplemental appropriations for fiscal year 1976 to the Department of Labor ($522,420,000 for summer youths jobs, $1.2 billion for public service employment, and $55.9 million for part time jobs for low-income older persons); HEW ($135,054,000 for a nationwide influenza immunization program to prevent an expected swine flu epidemic, and $23 million for Summer Youth Recreation and Transportation and the National Youth Sports Programs); and includes $300 million to liquidate obligations made under the Environmental Protection Agency's waste treatment construction program. H.J. Res. 890—Public Law 94-266, approved April 15, 1976. (142)

Makes supplemental appropriations of $9,393,791,970 in new budget authority for fiscal year 1976 and $2,647,057,180 for the transition period July 1-September 30, 1976; contains funds for the emergency school aid program (ESAP), areas facing difficulties as a result of desegregating schools such as in Boston and Louisville, drug abuse community programs, international agriculture development programs, military procurement, child nutrition and food stamp programs, cost-of-living increases, public assistance payments, veterans benefits, liquidation of obligations for the Federal-Aid Highway Program, elderly and handicapped housing loans, basic education grants, Corporation for Public Broadcasting, Regional Rail Service, National Commission on the Observance of International Women's Year, and disaster relief for victims of recent earthquake in Italy bars the use of funds under this or previous acts to continue the study of the effect of marihuana on human sexual response at Southern Illinois University and for the People's Bicentennial Commission; and contains other provisions. H.R. 13172—Public Law 94-303, approved June 1, 1976. (173)

Supplemental legislative: Appropriates $33 million for fiscal year 1976 to complete the construction of the Library of Congress James Madison Memorial Building; retitles the Senate position of Procurement Officer, Auditor, and Deputy Sergeant at Arms to Deputy Sergeant at Arms and Doorkeeper; and increases the maximum salary which the Sergeant at Arms and Doorkeeper may fix for the position from $35,298 to $39,909 with the provision that such authority does not supersede any order of the President pro-tempore of the Senate authorizing a higher salary or an adjustment under section 4 of the Federal Pay Comparability Act of 1970. H.J. Res. 811—Public Law 94-226, approved March 9, 1976. (VV)

Supplemental railroad: Makes supplemental appropriations of $587 million for fiscal year 1976, $4.25 million for the transition period July 1–September 30, 1976, $995.3 million for fiscal year 1977, and $176 million for fiscal year 1978 to implement the reorganization of the bankrupt Penn Central Railroad and 6 other railroads servicing a 17-State region in the northeastern and midwestern portion of the Nation. H.J. Res. 801—Public Law 94-252, approved March 30, 1976. (50)

Fiscal 1977

Agriculture: Appropriates $11,542,998,000 for fiscal year 1977 for the Department of Agriculture and related agencies; includes funds for agricultural research, extension, price-support and administrative programs; rural development and assistance; Farmers Home Administration loans and grants; domestic food programs (Child Nutrition, Special Supplemental Food—WIC, Food Stamp, and Special Milk programs); overseas market development for American agricultural commodities; the Soil Conservation Service's soil and water conservation programs; the Food and Drug Administration; the Commodity Futures Trading Commission; and retains the following programs proposed for elimination under the President's budget; the agricultural conservation program, water bank program, forestry incentives program, water and sewer grant program, rural housing for domestic farm labor, mutual and self-helping housing grants, rural development grants, and rural community fire protection grants; contains increased funding for the Economic Research Service to provide a study of foreign investment in American agriculture and farmland; contains $189,053,000 to reimburse the Commodity Credit Corporation for losses sustained in prior years; and contains other provisions. H.R. 14237—Public Law 94-351, approved July 12, 1976. (323)

Makes continuing appropriations for fiscal year 1977; also makes additional appropriations of $47,147,921 for fiscal year 1977. H.J. Res. 1105—Public Law 94 , approved 1976. (VV)

Defense: Appropriates $104,343,835,000 for fiscal year 1977 for activities of the Department of Defense and related agencies including the Central Intelligence Agency and Intelligence Community Oversight; includes funding for Army research and development, including the advanced attack helicopter, advanced ballistic missile defense, ballistic missile defense technology, the surface-to-air missile SAM-D, the XM-1 tank, and a nonnuclear warhead on the Lance missile; for Navy research and development, including improvements to Phoenix missiles, development of extra-low-frequency communications for Seafarer, the F-18 aircraft, the Trident missile, and the surface-effects ship; and for Air Force research and development, including the Sparrow replacement missile, the advanced medium STOL aircraft, the F-16 aircraft, the Airborne Command Post, the precision location strike system, the defense satellite communications system—DISCS III, and AWACS; in the area of procurement, includes moneys for conversion of the U.S.S. Long Beach into an AEGIS cruiser, for 360 nonuclear warheads for the Lance surface-to-surface missile system (Army), for advance procurement of a Nimitz-class nuclear-powered aircraft carrier (CVN-71), for three B-1 strategic bombers with the provision that the obligation of funds for procurement shall be limited to a cumulative rate of not to exceed $87 million per month until February 1, 1977, and for 60 Minuteman intercontinental ballistic missiles (Air Force); cancels the Condor missile program (Navy); contains appropriations for the pay and operating costs of the military forces, including active and reserve manpower and Department of Defense civilians and retired military personnel; includes a limitation of $5 million on funding for legislative liaison activities; permits continuation of not more than four naval districts; limits the number of enlisted aides to 300; limits funds for public affairs activities of the Defense Department to $24 million; provides a separate appropriation of $5.6 million for intelligence community oversight to give increased independence and stature to the activities of the Intelligence Community Staff and the National Foreign Intelligence Board; and contains other provisions. H.R. 14262—Public Law 94-419, approved September 22, 1976. (511)

District of Columbia: Appropriates $363,-796,400 in Federal Funds and $1,120,107,400 in District funds for the District of Columbia and other activities chargeable in whole or in part against the revenues of the District for fiscal year 1977, and for other purposes. H.R. 15193—Public Law 94- , approved 1976. (545,623)

Foreign aid: Appropriates $5,133,707,000 for fiscal year 1977 for foreign economic and military assistance; tightens the terms of U.S. development lending so that hereafter U.S. lending to developing countries will reflect the varying potential for economic improvement in the developing world; improves control of reappropriated funds from prior years by requiring that reobligation of prior-year funds be restricted to the same purposes for which the funds were originally appropriated; improves control of the reprogramming of current year funds by providing that they are not available for obligation for purposes not justified or which are in excess of the amount justified to the Appropriations Committee, unless the Committees of both Houses are previously notified 15 days in advance; includes the programs of the Agency for International Development (AID), for agricultural, rural development and nutrition assistance abroad, population planning and health, education and human resources and technical assistance; U.S. contributions to international organizations including the United Nations, Inter-American organizations, and international banks; international narcotics control; assistance to Israel, Egypt, Syria and Jordan under the Middle East peace program, Cyprus, Greece and Turkey and other countries, including $20 million each for Zaire and Zambia and $14 for Botswana and for regional training programs in South Africa; funds for foreign military credit sales; and other assistance. H.R. 14260—Public Law 94- , approved 1976. (579)

HUD: Appropriates $43,284,615,000 for fiscal year 1977 for the Department of Housing and Urban Development and sundry independent agencies including the Veterans' Administration, the National Aeronautics and Space Administration, the Environmental Protection Agency, the National Science Foundation, and the Consumer Product Safety Commission; includes increased funds for veterans' medical care expenses and wastewater treatment facility reimbursement grants: reduces funds for assisted housing; prohibits EPA from using funds under this act to administer or promulgate any program to tax, or otherwise limit parking; and contains other provisions. H.R. 14233—Public Law 94-378, approved August 9, 1976. (349)

Interior: Appropriates $5,641,379,057 for fiscal year 1977 for the Department of the Interior (except the Alaska Power Administration, the Southeastern Power Administration, the Southwestern Power Administration, the Bonneville Power Administration, and the Bureau of Reclamation which are funded under title III of the Public Works Appropriation Act, H.R. 14236) and related agencies including the Forest Service, Energy Research and Development Administration, Indian Claims Commission, Indian Health Services and Facilities and Indian Education (HEW), Smithsonian Institution, National Gallery of Art and National Foundation on the Arts and Humanities; increases funds for programs to enhance the Nation's natural resources and expand energy development, for improved Indian health care and education, and for expansion of employment and personnel; and includes funds for unauthorized programs. H.P. 14231—Public Law 94-373, approved July 31 1976. (347)

Labor-HEW: Appropriates $56,618,207,575 for the Departments of Labor and Health, Education and Welfare; includes funds for Action (domestic programs), the Community Services Administration, Corporation for Public Broadcasting, Federal Mediation and Conciliation Service, National Commission on Libraries and Information Sciences, National Labor Relations Board, Occupational Safety and Health Review Commission, Railroad Retirement Board, and the Soldiers' and Airmen's Homes; appropriates $3.3 billion to carry out the Comprehensive Employment and Training Act (CETA), including $400 million for public service jobs; adds 178 positions for Federal compliance officers to enforce the Occupational Health and Safety Act (OSHA); prohibits the issuance of citations for first instance violations (other than serious, willful, or repeated violations) of OSHA unless the business is found to have 10 or more violations; exempts from the act of farming operations with 10 or fewer employees; and prohibits the use of funds under this act for abortions except where the life of the mother is endangered. H.R. 14232—Vetoed September 29, 1976. House and Senate overrode veto September 30, 1976; became Public Law 94- , without approval September 30, 1976. (368,)

Legislative: Appropriates $943,400,485 for the Legislative Branch for fiscal year 1977; prohibits the October 1 cost-of-liivng increase for Members of Congress, Federal Judges and top Federal officials; repeals the so-called 1-percent kicker given to Federal civilian and military retirees whereby their annuities as increased reflect 3 percent or greater increase in the cost-of-living index which have continued for 3 months plus an additional 1-percent to make up for the time lag and provides instead that such cost-of-living increases be given on a more current basis every 6 months to reflect any increase in the cost-of-living during the previous 6 months to reflect any increase in the cost-of-living during the previous six months;

Provides for 45 new statutory positions in the Senate: 7 in the Office of the Secretary of the Senate and 38 in the Office of the Sergeant at Arms and Doorkeeper to implement a major expansion of the Senate Computer Center which involves the purchase of a second central unit to process the Legislative Information System (LEGIS) that is expected to be operational in October, and expansion of the Correspondence Management System;

Establishes the rank of Private First Class for members of the U.S. Capitol Police whose compensation is paid by the Senate; provides an increase of $1.422 million for the Office of Technology Assessment to provide a total appropriation of $6,624,000; appropriates $137,-895,200 for the Library of Congress, $140,-827,400 for the Government Printing Office and $150,580,000 for the General Accounting Office; appropriates $9,319,200 for 208 positions for the Congressional Budget Office; appropriates $12 million to complete the expansion of the Capitol Power Plant; and contains other provisions. H.R. 14238—Public Law 94– , approved 1976. (575)

Military construction: Appropriates $3,-323,989,000 for military construction for the Department of Defense for fiscal year 1977, including funds for: bachelor housing; the medical modernization program to upgrade hospitals, clinics, and support facilities which includes Tripler and Fitzsimons Army Medical Centers, Fort Carson Hospital, San Diego Hospital, and the Aeromedical Research Laboratory; the naval shipyard, air rework facility (for depot-level maintenance of naval aircraft, missiles, components and ground support equipment) and depot plant modernization programs; the aeropropulsion system test facility to be located at the Arnold Engineering Development Center in Tennessee which will accurately simulate flight environments, in real time, for the development and qualifications testing of future air-breathing engines; construction backlog; pollution abatement control programs; energy conservation techniques in regular military construction projects; Trident submarine facilities; NATO infrastructure; the air installation compatibility use zone program designed to achieve compatibility between military air installations and neighboring civil communities; aircraft shelters for in-place aircraft; and the aircraft and ship simulator programs. H.R. 14235—Public Law 94-367, approved July 16, 1976. (346)

Public works—ERDA: Appropriates $9,703,-713,000 for fiscal year 1977 for public works for water and power development and energy research including the Corps of Engineers—Civil, the Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Nuclear Regulatory Commission, the Energy Research and Development Administration, and related independent agencies and commissions, including the Appalachian Regional Commission, the Nuclear Regulatory Commission, the Federal Power Commission, and the Tennessee Valley Authority; includes a substantial increase in funding over the budget estimate for research and development in the areas of solar energy and fusion power and for civil planning and construction projects of the Army Corps of Engineers; and provides that $200 million be charged to the fiscal year 1976 transition quarter for the Teton Dam disaster payment of claims. H.R. 14236—Public Law 94-355, approved July 12, 1976. (321)

Public works employment: Appropriates $3,732,433,000 in new budget authority for public works employment for fiscal year 1977 including appropriations of $2 billion to the Economic Development Administration of the Department of Commerce for grants for various State and local public works projects as authorized under title I of the Public Works Employment Act of 1976; $1.25 billion to the Department of the Treasury for an antirecessionary program of revenue sharing as authorized under Title II of that Act; $480 million to the Environmental Protection Agency for additional waste treatment works construction grants; and $2.433 million for certain related administrative expenses. H.R. 15194—Public Law 94– , approved 1976. (581)

State-Justice-Commerce: Appropriates $6,-680,314,453 for fiscal year 1977 for the Department of State, Justice, and Commerce, the Judiciary, and related agencies; contains increased funding for (1) the Law Enforcement Administration which would restore the overall program to the current level with increased emphasis on the new programs authorized by the Juvenile Justice and Delinquency Prevention Act, (2) programs authorized by the Public Works and Economic Development Act, (3) programs of the National Oceanic and Atmospheric Administration related to enforcement of the 200-mile fishing limit and funding for the Sea Grant and other high priority programs, and (4) the Legal Services Corporation for initiation of new projects to provide legal services in noncriminal proceedings to low-income individuals in areas not now served by the Corporation. H.R. 14239—Public Law 94-362, approved July 14, 1976. (329)

Supplemental: Makes supplemental appropriations of $622,033,000 for the transition period and $250,051,838 for fiscal year 1977 as follows: Department of Defense—$122,033,-000 for repair, restoration and replacement of facilities on Guam which were damaged or destroyed as a result of Typhoon Pamela; Department of Interior—$200 million for payment of claims resulting from the failure of the Teton Dam in Idaho; Department of the Treasury—$46,951,838 for claims and judgments rendered against the United States; General Services Administration—$1 million for refund and rebate payments authorized by the Renegotiation Act to World War II contractors, and $2.1 million to provide, if required, for the orderly transition of one Presidential administration to the next; and for the U.S. Postal Service, includes $500 million for payment to the Postal Service Fund as authorized under the Postal Reorganization Act (Public Law 94-421) which shall remain available until expended. H.J. Res. 1096—Public Law 94– , approved 1976. (VV)

Transportation: Appropriates $5,411,139,-357 for the Department of Transportation and related agencies for fiscal year 1977; includes in this appropriation the following: $241 million for the acquisition, construction, and improvement activity of the Coast Guard of which $75 million is for procurements in connection with its responsibilities under the Fishery Conservation and Management Act of 1976 and $5 million to replenish the oil pollution fund; funding for the full program levels for the aerosat program of the Federal Aviation Administration as well as the safety programs such as wind shear and microwave landing system and the full $15 million for the airport planning grant program; a level of $150 million for the highway-related safety grant program of the Federal Highway Administration and places an obligation ceiling on the Federal-Aid highway program at $7.2 billion, but excludes from this limitation the special urban high density program, the special bridge replacement program, and the emergency repair program; $75 million for rail continuation subsidies of the Federal Railroad Administration as well as $8 million for the Minority Resource Center of which $5 million is to be used for the initiation of a venture capital mechanism to assist minority businesses in securing contracts under the Rail Act; $420 million for Amtrak's operating deficits outside the Northeast Corridor, $62.6 million for deficits in the Northeast Corridor, $93.1 million for the capital program, and $150 million for the Northeast Corridor Improvement program to complete the tract between Washington and New York and Boston; and a $2,077,700,000 limit on Urban Mass Transportation Administration commitments. H.R. 14234—Public Law 94-387, approved August 14, 1976. (382)

Treasury—Postal Service: Appropriates $8,-313,119,000 for fiscal year 1977 for the Department of the Treasury, the postal service, executive office of the President, and certain independent agencies including the General Services Administration (GSA), Federal Election Commission, Civil Service Commission, and the National Commission on Supplies and Shortages; permits GSA to negotiate and accept the conveyance of land adjacent to Dulles International Airport in exchange for surplus real property of equal value, contingent on congressional review; and contains a provision to restrain GSA from increasing the rental or Standard Level User Charge rates per square foot for Federal agencies after the start of a fiscal year. H.R. 14261—Public Law 94-363, approved July 14, 1976. (327)

ATOMIC ENERGY

Nuclear Regulatory Commission: Authorizes $274,300,000 for the Nuclear Regulatory Commission for fiscal year 1976; permits the obligation of funds received by the Commission for the cooperative nuclear safety research programs only to the extent provided in appropriation acts; and permits the retention and use of funds received by the Commission under appropriations acts for the cooperative nuclear research programs during the fiscal year 1976. S. 3107—Public Law 94-291, approved May 22, 1976. (VV)

BUDGET

Deferrals—1976

Army Corps of Engineers: Disapproves the proposed deferral of $700,000 contained in the Public Works Appropriations Act of 1976 (Public Law 94-180) for the United States Army Corps of Engineers to plan and design hopper dredges which was recommended by the President in his message of January 23, 1976. S. Res. 408—Senate agreed to April 14, 1976. (VV)

Indian health facilities: Disapproves the proposed deferral of $14,908,000 contained in the Department of the Interior and Related Agencies Appropriations Act of 1976 (Public Law 94-165) for Indian Health Facilities which was recommended by the President in his message of February 6, 1976. S. Res. 388—Senate agreed to March 9, 1976. (VV)

Indian public school construction: Disapproves the proposed deferral of $10,881,000 contained in the Department of the Interior and Related Agencies Appropriations Act of 1976 (Public Law 94-165) for construction grants to public schools in Indian reservation areas which was recommended by the President in his message of February 6, 1976. S. Res. 388—Senate agreed to March 9, 1976. (VV)

Youth Conservation Corps: Disapproves the proposed deferral of $23,680,000 contained in the Department of the Interior and Related Agencies Appropriations Act of 1976 (Public Law 94-165) for the Youth Conservation Corps which was recommended by the President in his message of February 6, 1976. (VV) S. Res. 385—Senate agreed to March 9, 1976. (VV)

Deferrals—1977

Rogers Memorial Hospital: Disapproves the proposed deferral of $4 million for the expansion and modernization of Rogers Memorial Hospital (now known as Capital Hill Hospital) contained in the Second Supplemental Appropriations Bill (Public Law 94-303) which was recommended by the President in his message of July 28, 1976. S. Res. 554—Senate agreed to September 24, 1976. (VV)

Rescissions—1976

Consumer product safety, Interior, Park Service, Selective Service, and State: Rescinds $75,831,000 of the $83,506,000 recommended by the President in his message of January 23, 1976, as follows: $2,656,000 for salaries and expenses of the Consumer Product Safety Commission; $1,775,000 for salaries and expenses of the Selective Service system; $4.9 million for the Department of Interior Bureau of Land Management, public lands development roads and trails; $58,500,000 for road construction of the National Park Service; and $8 million for road construction of the National Park Service; and $8 million for educational and cultural exchange activities of the Department of State. H.R. 11665—Public Law 94-249, approved March 25, 1976. (VV)

Resolutions—1977

First budget resolution: Sets the level for total budget outlays for fiscal year 1976 at $413.3 billion, for total new budget authority at $454.2 billion, for the deficit at $50.8 billion, for Federal revenues at $362.5 billion and recommends a decrease in the aggregate levels of Federal revenues of $15.3 billion; and for the public debt at $713.1 billion with an increase in the temporary statutory limit on the public debt of $65.9 billion;

Sets the total levels for outlays for the major functional categories in the budget at $413.3 billion as compared to the President's budget recommendation, as revised in the spring update of March 25, 1976, for outlays of $395.2 billion, as follows (figures are in billions of dollars):

National defense: $100.8 as compared to $101.1;

International affairs: $6.6 as compared to $6.9;

General science, space, and technology: $4.5 as compared to $4.5;

Natural resources, environment, and energy: $15.7 as compared to $13.8;

Agriculture: $2.0 as compared to $1.9;

Commerce and transportation: $17.7 as compared to $16.4;

Community and regional development: $7.8 as compared to $5.7;

Education, training, employment, and social services: $23.0 as compared to $17.6;

Health: $37.9 as compared to $35.5;

Income security: $139.3 as compared to $136.5 (adjusted to exclude earned income tax credit);

Veterans benefits and services: $19.5 as compared to $17.2;

Law enforcement and justice: $3.5 as compared to $3.4;

General government: $3.5 as compared to $3.6;

Revenue sharing and general purpose fiscal assistance: $7.35 as compared to $7.4;

Interest: $40.4 as compared to $41.3;

Allowances: $1.15 as compared to $1.5; and

Undistributed offsetting receipts: a minus $17.4 as compared with a minus $18.4.

Sets for the transition quarter beginning on July 1, 1976, levels of $86.0 billion for Federal revenues, $96.3 billion for total budget outlays, $16.2 billion for the deficit, and $647.2 billion for the public debt with an increase in the amount of the temporary debt limit of $20.2 billion. S. Con. Res. 109—Action completed in both Houses. (148, 175)

Second budget resolution: Recommends a level of Federal revenues of $362.5 billion, a decrease in the aggregate level of Federal revenues of $15.3 billion, total new budget authority of $451.55 billion, total budget outlays of $413.1 billion, a deficit of $50.6 billion, a public debt level of $700 billion, and a level of new budget authority and an estimated budget outlay for each major functional category in the budget as follows:

National Defense: New budget authority, $112,100,000,000; Outlays, $100,650,000,000;

International Affairs: New budget authority, $8,900,000,000. Outlays, $6,900,000,000;

General Science, Space, and Technology: New budget authority, $4,600,000,000; Outlays, $4,500,000,000;

Natural Resources, Environment, and Energy: New budget authority, $18,200,000,000; Outlays, $16,200,000,000;

Agriculture: New budget authority, $2,100,000,000; Outlays, $2,200,000,000;

Commerce and Transportation: New budget authority, $17,200,000,000; Outlays, $17,400,000,000;

Community and Regional Development: New budget authority, $9,550,000,000; outlays, $9,050,000,000;

Education, Training, Employment, and Social Services: New budget authority, $24,000,000,000; Outlays, $22,200,000,000;

Health: New budget authority, $40,500,000,000; Outlays, $38,900,000,000;

Income Security: New budget authority, $155,900,000,000; Outlays, $137,200,000,000;

Veterans Benefits and Services: New budget authority, $20,300,000,000; Outlays, $19,500,000,000;

Law Enforcement and Justice: New budget authority, $3,500,000,000; Outlays, $3,600,000,000;

General Government: New budget authority, $3,600,000,000; Outlays, $3,500,000,000;

Revenue Sharing and General Purpose Fiscal Assistance: New budget authority, $7,600,000,000; Outlays, $7,700,000,000;

Interest: New budget authority, $39,600,000,000; Outlays, $39,600,000,000;

Allowances: New budget authority, $700,000,000; Outlays, $800,000,000; and

Undistributed Offsetting Receipts: New budget authority, $16,800,000,000; Outlays, $16,800,000,000. S. Con. Res. 139—Action completed in both Houses. (576).

Capitol murals: Authorizes the Joint Committee on the Library to accept on behalf of the Congress as a gift from the U.S. Capitol Historical Society (which has already been funded by the Daughters of the American Revolution with a commitment of $150,000) preliminary design sketches intended as a basic design for murals proposed to be painted on the ceiling and walls of the first floor corridors in the House wing of the Capitol. H.J. Res. 967—Public Law 94– , approved , 1976. (VV)

CONGRESS

Congressional tax liability: Amends title 4, U.S.C., to make it clear that Members of Congress may not, for the purposes of State income tax laws, including those of the District of Columbia, be treated as residents of any State other than the State from which they were elected; and provides equal treatment for delegates from the District of Columbia, Guam and the Virgin Islands and the Resident Commissioner from Puerto Rico. S. 2447—Vetoed August 3, 1976. (VV)

Declaration of Independence: Reaffirms the commitment of the Congress to the principles of the Declaration of Independence by Members of Congress assembled in Philadelphia on July 2, 1776, resulting in the formation of the enduring Democracy that is the United States of America. H. Con. Res. 672—House and Senate agreed to July 1, 1976. (VV)

Inaugural Committee: Authorizes a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House respectively, to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect on January 20, 1977. S. Con. Res. 90—Action completed by both Houses. (VV)

Joint Committee on the Bicentennial: Amends S. Con. Res. 44 which established the Joint Committee on Arrangements for Commemoration of the Bicentennial to grant the Committee the power to enter into contracts for food, restroom, first aid, and informational facilities and to accept for transmittal to the Treasury whatever profits might be derived from such arrangements. S. Con. Res. 103—Action completed by both Houses. (VV) 1976. (VV)

Lobbying disclosure: Replaces the present lobbying law with a comprehensive new statute that specifies what organizations must register as a lobbyist and what information they must publicly disclose;

Definition of a lobbyist: Provides that an organization with paid officers, paid directors, or paid employees can become a lobbyist in one of three ways: (1) retaining a law firm or similar organization or individual to lobby for it in Congress for which work $250 or more is paid per quarter; (2) directly engaging on its own behalf in 12 or more oral lobbying communications with Congress during a quarter; or (3) spending $5,000 or more in direct expenses in a quarter on lobbying solicitation campaigns urging others to get in touch with Congress on a particular issue; excludes direct oral communications with a Senator or Congressman representing the district where the organization has its principal place of business unless the controlled local affiliates make 12 or more in-person contacts with Congress but requires the parent organization to report on the extent of lobbying of its affiliates;

Registration: Requires lobbyists to register with the Comptroller General once a year giving basic information about the identity and nature of the organization, the identity of the individuals who will actually be paid for lobbying and the issues on which they will work; requires disclosure of contributing organizations if they provide 1 percent of the organization's total budget; requires disclosure of an individual contributor if the contribution is $1,000 and constitutes 5 percent of the budget;

Reporting: Requires lobbyists to file a report for each 3 month period in which their activities exceed the minimum threshold levels established in the definitions of a lobbyist; provides that the quarterly reports will identify the issues on which the organization lobbied and the identity of those who did the lobbying; requires disclosure by lobbyist organizations of expenditures on each issue lobbied by their retained representatives; a general estimate of the total amount spent if they have done their own lobbying; the solicitation of their members or local affiliates to lobby in behalf of a particular issue and how such activities were carried out if costing $5,000 or more; requires reporting of gifts worth more than $10 if all such gifts exceed an aggregate of $150;

Administration and Enforcement: Places the administrative responsibility for implementing the law in the General Accounting Office; provides GAO with rulemaking authority and investigative powers subject to the procedural safeguards of the Administrative Procedure Act; authorizes the Comptroller General, in consultation with the Attorney General, to issue advisory opinions; provides for civil fines and criminal penalties for violations of the law; places responsibility for litigation in Federal court for enforcement in the Department of Justice; and contains other provisions. S. 2477—Passed Senate June 15, 1976; H.R. 15—passed House amended September 28, 1976. (288)

Magna Carta delegation: Provides for a delegation of 25 Members of Congress consisting of the Speaker of the House, 12 members appointed by the Speaker, and 12 members appointed by the President of the Senate (upon the recommendation of the Majority and Minority Leaders) to go to the

United Kingdom, at the invitation of the two Houses of Parliament, to accept a 1-year loan of an original copy of the Magna Carta for display in the Rotunda of the Capitol in connection with the Bicentennial. S. Con. Res. 98—Action completed by both Houses. (VV)

Martin Luther King, and Carl Hayden Statutes: Authorize $25,000 for the Joint Committee on the Library to procure a bust or statue of Martin Luther King, Jr., to be displayed in a suitable location in the Capitol as determined by the Joint Committee on the Library; and authorizes $3,000 to procure a bust of former Senator Carl Hayden, of Arizona, to be placed in the Senate wing of the Capitol or in one of the Senate Office Buildings. H. Con Res. 96—House agreed to January 20, 1976; Senate agreed to amendment October 1, 1976.

Professional Societies Fellowship programs: Expresses the appreciation of the Congress to the following scientific and engineering societies for their Congressional Science and Engineering Fellowship Programs: The American Association for the Advancement of Science, The American Physical Society, The Institute of Electrical and Electronic Engineers, The American Society of Mechanical Engineers, the American Psychological Association, The American Institute of Aeronautics and Astronautics, The Optical Society of America, and The Federation of American Societies for Experimental Biology; gives special thanks to The American Association for the Advancement of Science for its role in coordinating the fellowship programs of the various societies; and encourages the scientific and engineering communities to continue to expand this public service activity. S. Con. Res. 100—Action completed by both Houses. (VV)

United States Capitol documents: Authorize the Architect of the Capitol, with the approval of the Joint Committee on the Library, to display in the U.S. Capitol building during the Bicentennial year, the historical drawings which resulted from the architectural competition held in 1793 for the design of the Capitol building and authorizes the Architect, under the direction of the Joint Committee on the Library, to enter into such arrangements as necessary to assure the protection of the drawings while they are under his supervision. S. 3475—Public Law 94–327, approved June 30, 1976. (VV)

CONSUMER AFFAIRS

Consumer Food Act: Requires food processors to develop, implement, and maintain adequate safety assurance procedures, and empowers the Secretary of Health, Education, and Welfare to develop and enforce safety assurance standards for procedures and systems that fail to provide adequate protection against unreasonable risks of adulteration; seeks to upgrade the Nation's food safety and sanitation programs by requiring food recall coding, by providing a national registration program for food processors, and by extending the Food and Drug Administration's inspection authority to include records maintained by food processors; and requires food manufacturers to provide complete, and in some cases quantitative, food ingredient information, open dating information, and information regarding the nutritional value of food products. S. 641—Passed Senate March 18, 1976. (86)

Consumer leasing: Amends the Truth in Lending Act to make the provisions of the Act applicable to leases of consumer durables (such as automobiles and household goods) with a total contractual obligation not exceering $25,000, to protect consumers against inadequate and misleading leasing information, to limit ultimate liability in connection with the leasing of such property, and to provide consumers costs so that they can make better informed choices between leases, and between leases and credit sales. H.R. 8835—Public Law 94–240, approved March 23, 1976. (VV)

Consumer product safety: Authorizes $51 million for fiscal year 1976, $14 million for the transition period July 1–September 30, 1976, $60 million for fiscal year 1977, and $68 million for fiscal year 1978 to implement the Consumer Product Safety Act: contains provisions concerning the jurisdiction of the Consumer Product Safety Commission which: (1) eliminates pesticides from the Commission's jurisdiction under the Poison Prevention Packaging Act of 1970 as being duplicative of the Environmental Protection Agency's authority under the Federal Environmental Pesticide Control Act of 1972 to enforce pesticide-related packaging standards for the purpose of child protection: (2) provides that the Commission has no jurisdiction to regulate tobacco or tobacco products as being a "hazardous substance" under the Federal Hazardous Substances Act; (3) provides that the Commission, under the Hazardous Substances Act, may not regulate ammunition as a "hazardous substance" but may continue to establish and enforce cautionary labeling requirements relative to storage in a household, and may continue to regulate fireworks as a "hazardous substance"; requires the Commission to submit to the Senate and House Commerce Committees proposed safety rules and prohibits the Commission from adopting such a rule for 30 days; requires Commission approval prior to the submission of requests for appropriations by the Chairman; prohibits review or approval by any officer or entity within the Executive Office of the President of any employee or official other than a Commissioner; requires, in order to facilitate the identification of potential product hazards, that a product liability insurer or an independent testing laboratory which discovers a substantial product hazard in the course of its business must report that finding to its insured or its client and inform him of his obligations, if any, under the law: enlarges the enforcement authority of the Commission; provides a uniform Federal preemption clause for the Federal Hazardous Substances Act, the Flammable Fabrics Act and the Consumer Product Safety Act which provides that if the Commission has standards or regulations in effect for a product, State or local requirements must conform to the Federal standard unless the State requirement does not cause the product to be in violation of the Federal standard and provides a significantly higher degree of protection without unduly burdening the manufacture or distribution of products in interstate commerce; authorizes the Commission to seek a preliminary injunction to restrain distribution of a consumer product which the Commission has reason to believe presents a substantial product hazard; amends the Federal Tort Claims Act to allow a suit against the Consumer Product Safety Commission for a claim based upon a misrepresentation, deceit or discretionary abuse; gives courts the discretion to award attorney's fees to persons involved in obtaining judicial review under the Consumer Product Safety Act; and contains other provisions. S. 644–Public Law 94–284, approved May 11, 1976. (*297)

Cosmetic safety: Amends the Federal Food, Drug, and Cosmetic Safety Act to prevent the unreasonable risk of injury resulting from the use of cosmetic products; requires that the safety of every cosmetic be established prior to its being marketed and that all data and information relied upon to so substantiate a cosmetic's safety be retained by the manufacturer or distributor; authorizes the Secretary of Health, Education and Welfare, where he finds a substantial risk of illness or injury, to issue regulations to ban the use of a substance, limit the quantity used, or require appropriate cautionary labeling and/or to ban the commercial distribution of the cosmetic; contains civil and criminal penalties for violations including authority to impose civil penalties on violators, after notice and an opportunity for a hearing, of up to $10,000 for each violation or, in the case of a continuing violation, for each day of violation; creates a right of action for citizens against any person alleged to be in violation of safety requirements, or against the Secretary, if he failed to perform any non-discretionary act or duty related to safety; requires cosmetic manufacturers and distributors to register the names of their cosmetics, along with a list of ingredients, by weight and poison control with the Secretary; requires notification to the Secretary, at least 20 days before commercial distribution, of a cosmetic containing an ingredient not previously registered or used in an entirely new application; requires registrants to report quarterly to the Secretary on all complaints they receive of adverse reactions to their products; requires every cosmetic to have a label on or within its package giving the common name of the cosmetic and containing with limited exceptions, the common name of each ingredient in alphabetical order; requires that the label bear warnings against uses that may be hazardous to health, along with such other warnings as the Secretary may require; requires the Secretary to establish a system of poison control information on cosmetic uses and misuses; establishes special procedures for loan assistance to affected small business entities; preempts the subject of cosmetic labeling from State regulation except in certain specified cases; establishes administrative actions; and provides for the appointment of advisory committees by the Secretary. S. 1681—Passed Senate July 30, 1976. (VV)

Equal credit opportunity: Amends title VII of the Consmuer Credit Protection Act to expand the prohibitions against discrimination in credit transactions to include age, race, color, religion, national origin, receipt of public assistance benefits, and exercise of rights under the Act; provides that a rejected credit applicant may, upon request, obtain a statement giving the specific reasons credit was refused; creates a Consumer Advisory Council in the Federal Reserve Board to advise and consult with the Board concerning its supervisory functions under the Act and phases the existing Truth in Lending Advisory Committee into the Council; clarifies the relationship of this Act to existing or future State law dealing with credit discrimination, while generally allowing the State law to remain in effect if it is not inconsistent with this Act; strengthens the enforcement mechanisms in present law by continuing the present limits on punitive damages of $10,000 for individual actions and $100,000 for class actions and raising the ceiling for class action recoveries of civil penalties from the present formula of the lesser of $100,000 or 1 percent to the lesser of the $500,000 or 1 percent of the creditor's net worth; and empowers the U.S. Attorney General to bring enforcement actions, either on referral from other agencies or on his own initiative, where there are patterns or practices in violation of this Act. H.R. 6516—Public Law 94–239, approved March 23, 1976. (VV)

Gasoline octane disclosure: Requires retail establishments to post the octane ratings of gasoline (which shall be obtained from the distributor upon delivery) on gasoline pumps and automobile manufacturers to include such information in the automobile owner's manual; provides for the issuance of regulations by the Federal Trade Commission and makes use of the existing octane rating computation method proposed by the Commission (by which the octane rating is calculated by averaging the research octane number and the motor octane number) and currently implemented by the Federal Energy Administration; includes a requirement that the Commission engage in a public information program to assist motorists in calculating the octane rating information contained in this act with that in the owners manual for cars manufactured prior to the effective date of this act; vests responsibility for enforcement in the Environmental Protection Agency, which currently inspects service stations for compliance with regulations concerning leaded and unleaded fuels; and imposes a $100 per day civil penalty upon persons in violation of the octane posting requirements. S. 1508—Passed Senate July 30, 1976. (VV)

Gold labeling: Amends the National Gold and Silver Stamping Act of 1906 to provide that the actual fineness of gold or gold alloy (which is (1) used in any article made in whole or in part of gold or any of its alloys, (2) offered for sale, imported, exported, transported, mailed, or otherwise distributed in interstate or foreign commerce, or (3) sold by any manufacturer or importer more than 5 years after the date of enactment of this section) shall not be less than approximately 1/14th carat (presently 1/2 carat) of the indicated number of carats for articles made of gold or gold alloy and approximately 1/7th carat (presently 1 carat) of the indicated number of carats for articles with solder or gold alloy of inferior fineness which are used to unite the parts of the article. S. 3095—Public Law 94– , approved 1976. (VV)

Motor vehicle information and cost savings: Amends the Motor Vehicle Information and Cost Savings Act to authorizing additional appropiations to implement the following titles of the bill for fiscal year 1976, the transition period July 1–September 30, 1976, and fiscal years 1977 and 1978, respectively, as follows: Title I, which requires the Secretary of Transportation to promulgate bumper standards applicable to all passenger motor vehicles: $125,000, $75,000, $130,000 and $395,000; Title II, which provides for an automobile consumer information program: $1,875,000, $500,000, $3,385,000 and $3,375,000; Title III, which provides for diagnostic inspection demonstration projects: $5 million, $500,000, $7,500,000 and $4,400,000; and Title IV, which sets odometer requirements: $450,000, $100,000, $650,000 and $562,000; redefines the special order vehicle diagnostic inspection demonstration project under title III to assure that the project will be designed for use by States for high volume inspection facilities to evaluate conditions of parts, components and repairs required to comply with State and Federal safety, noise and emission standards and to assist the owner in achieving the optimum fuel and maintenance economy; provides the Secretary with additional authority to enforce the odometer antitampering provisions and imposes a civil penalty of not to exceed $1,000 for each violation up to a maximum of $100,000 for a related series of violations and criminal penalties of not more than $50,000 and/or 1 year in prison. S. 1518—Public Law 94–364, approved July 14, 1976. (VV)

Office of Consumer Redress: Facilitates the improvement of consumer redress mechanisms, such as small claims courts and arbitration programs, through the creation of a Bureau of Consumer Redress in the Office of the Secretary of the Department of Health, Education and Welfare with the responsibility of administering a program of matching grants (70 percent Federal—30 percent State) and discretionary grants to States whose plans for improving the resolution of consumer disputes will promote the goals of achieving efficient, fair, inexpensive, and expeditious resolutions to consumer complaints, reviewing the operation and effectiveness of programs funded under the bill, articulating goals for a model system of consumer redress, and coordinating and integrating the functioning of publicly and privately sponsored mechanisms for the resolution of consumer complaints. S. 2069—Passed Senate amended August 4, 1976. (VV)

Rabbit meat inspection: Makes rabbit meat inspection mandatory, at Federal cost, by extending the provisions of the Poultry Products Inspection Act to rabbits, rabbit products, and all persons who perform any act relating to rabbits or rabbit products. H.R. 10073—Public Law 94– , approved 1976. (VV)

CRIME-JUDICIARY

Agency separation of functions: Amends the Administrative Procedure Act to expand the coverage of the provisions contained in 5 U.S.C., section 554(d) relating to separation of an agency's litigating and adjudicative functions, which presently apply only to formal on-the-record agency adjudication; makes these provisions, which provide that the presiding officer (ordinarily an administrative law judge) may not consult a person or party on a fact in issue except on notice to all parties, the presiding officer must not be responsible to or subject to the supervision of agency officials engaged in the performance or investigative or prosecuting functions, and that no employees with investigating or prosecuting functions in a case may participate or advise off-the-record in the agency decision on the case or a factually related case, applicable to all formal proceedings, including both adjudication and rulemaking, with the qualification that an agency official (such as the general counsel) with general organizational or supervisory responsibility for investigative or litigating functions is not disqualified from advising the agency on the disposition of a case if the official has not personally participated, including actual exercise of supervisory authority, in the investigation or litigation of that case or a factually related case. S. 798—Passed Senate September 21, 1976. (VV)

Antitrust amendments: In Title I, *Antitrust Civil Process Amendments*, amends the Antitrust Civil Process Act of 1962 (ACPA) to expand the investigative authority of the Department of Justice by authorizing the Department to issue compulsory process, called a civil investigative demand or "CID", which is presently limited to obtaining only documentary evidence from nonnatural persons (e.g., corporations), to obtain relevant evidence from natural persons, partnerships, corporations, associations, or other legal entities, including any person acting under color or authority of State law, and to take oral testimony and written interrogatories; expands the definition of the term "antitrust investigation" to include investigations into activities preparatory to a merger, acquisition, or similar transactions;

Provides that the CID shall state the nature of the conduct constituting an alleged antitrust violation or the activities preparatory to a merger which may result in a violation, describe documents sought with sufficient certainty to permit them to be fairly identified, and propound with definiteness and certainty the written interrogatories to be answered and specifies other requirements; permits quashing of a CID on any ground that would make a grand jury subpena invalid on any grounds found in the Federal Rules of Civil Procedure applicable to discovery requests insofar as such rules are "appropriate and consistent" with the ACPA; provides that a witness may, after oral testimony is taken by the antitrust investigator, make changes in form or substance to the transcript, which shall be identified by the investigator on the transcript along with a statement of the reason for the changes; provides that the investigator shall furnish a copy of the transcript to the witness unless the Assistant Attorney General for good cause limits the witness to inspection of the transcript; provides that the witness may be accompanied, represented, and advised by counsel when appearing under a demand for oral testimony; provides, where a witness refuses to answer questions, that the Department may petition the district court pursuant to section 5 of the ACPA for an order compelling an answer, and that, if the refusal is based on the grounds of self-incrimination, that the testimony may be compelled in accordance with the provisions of part V of title 18, United States Code; provides that any person appearing to give oral testimony shall be entitled to the same fees and mileage as are witnesses in the Federal district courts; permanently exempts information produced pursuant to a CID from public disclosure under the Freedom of Information Act; authorizes the Department of Justice to transmit, upon request, any documentary material, answers to interrogatories, or transcripts of oral testimony to the Federal Trade Commission for use in connection with matters under the FTC's jurisdiction; and provides for the return of materials to the person producing them, except for copies;

In Title II, *Premerger Notification*, requires a 30-day advance notification (15 days in the case of a cash tender offer) to the Federal Trade Commission (FTC) and the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice prior to consummation of mergers and acquisitions involving transactions between $100 million and $10 million companies or persons where, as a result, the acquiring person would hold either 15 percent or more of the voting securities or assets or an aggregate total of the voting securities and assets of the acquired person in excess of $15 million; provides that the notification shall be filed in such form as the FTC, with the concurrence of the Assistant Attorney General, shall prescribe by regulation; provides that the FTC or the Department of Justice may, prior to the expiration of the waiting period, require the submission of additional information or documentary material; exempts information submitted under the prenotification provisions from public disclosure under the Freedom of Information Act; authorizes the FTC or the Department to extend the 30-day period for an additional 20 days and the 15-day period for cash tender offers for an additional 10 days; also authorizes waiver of the waiting period; provides that the additional period may be extended further only by the district court upon an application by the FTC or the Department, except that in the case of a tender offer the court may not extend the period on the basis of a failure of the person whose stock is sought for acquisition to substantially comply with the notification requirements or a request for additional information and documentary material; exempts certain types of transactions from the notification requirement, which include de minimis noncontrol investments, formation of subsidiary companies, real estate acquisitions for office space, and regulated industry and bank mergers; authorizes the FTC, with the concurrence of the Assistant Attorney General, to make further exemptions from the notification requirement by regulation, and to promulgate rules for the administration of this section;

Provides that if a proceeding is instituted by the FTC or an action filed by the Department of Justice, and either files a motion for a preliminary injunction against consummation of such acquisition or merger, that the district court shall set the earliest practicable time for a hearing on the motion, which shall take precedence over all matters except older matters of the same character and trials pursuant to 18 United States Code 3161, and shall be in every way expedited provides that failure of the FTC or the Assistant Attorney General to object to an acquisition within the waiting period does not bar later action, and provides a civil penalty of not more than $10,000 for failure to comply with this section.

In Title III, *Parens Patriae*, amends the Clayton Act to authorize a State to bring civil antitrust actions for treble damages in behalf of natural persons within the State to bring civil antitrust actions for treble damages in behalf of natural persons within the State for any violation of the Sherman Act; authorizes the proving by the State of damage to consumers in the aggregate by statistical or sampling methods in cases of price fixing; authorizes the State to retain private attorneys to bring suit; prohibits payment of such attorneys on a contingent fee basis when the contingent fee is based on a percentage of the damages awarded; permits contingent fees on any other basis where determined by the court; provides for notice of the suit to be made by the State attorney general by publication or by such further notice as the district court may direct to prevent manifest injustice; permits any person who has a claim to exclude from adjudication the portion of the claim attributable to him and provides that unless a person so "optsout" that any final action in the suit will be res judicata to his claim; provides that the court shall award the State the cost of suit, including a reasonable attorney's fee and other expenses of the litigation, when the State substantially prevails; authorizes the court in its discretion to award reasonable attorneys' fees to a prevailing defendant upon a finding that the State attorney general acted in bad faith, vexatiously, wantonly, or for oppressive reasons; provides for the distribution of damages in accordance with State law or in such manner as the district court may authorize or by depositing unclaimed damages in the State treasury for the general benefit of the public;

Provides that cases may not be dismissed or compromised without the approval of the court; requires the U.S. Attorney General to give notice to State attorneys general when the United States has brought an antitrust suit and the U.S. Attorney General believes that any State may be entitled to bring a parens patriae damage suit on substantially the same grounds as the suit by the United States; authorizes the U.S. Attorney General to transmit; upon request, investigative files or other material to the State attorney general; provides for consolidation and transfer of actions by the judicial panel on multi-district litigation; provides that the title shall not apply to any injury sustained prior to date of enactment of this title; and provides that the title shall be applicable in a State until that State provides by law for its nonapplicability. H.R. 8532—Public Law 94- , approved 1976. (276)

Antitrust Review Commission: Establishes an Antitrust Review and Revision Commission composed of 18 members appointed by the President (4 from the Executive branch, 4 from the Senate, upon the recommendation of the President of the Senate, 4 from the House of Representatives, upon the recommendation of the Speaker, and 6 from private life) to study the antitrust laws of the United States, their applications, and their consequences and report to the President and Congress, within two years of their first meeting, any revisions which it deems advisable. S. 3799—Passed Senate September 16, 1976. (VV)

Bankruptcy referees salary: Amends the procedure for fixing the salaries of bankruptcy referees and implements the Congressional Salary Adjustment Act (Public Laws 90–206 and 94–82); restores to Congress the sole authority to fix salaries of full-time bankruptcy referees which are set at $36,000 per year subject to adjustment pursuant to Public Laws 90-206 and 94-82; sets the maximum salary of a part-time bankruptcy referee at $18,400 subject to adjustment of the Judicial Conference; and provides that a retired referee may be called upon by a referee of a court of bankruptcy, and if willing, perform the duties of a bankruptcy referee within the jurisdiction of the court at the same compensation as the assigned referee serving the territory to which the retired referee is assigned. H.R. 6184—Public Law 94-217, approved February 27, 1976. (VV)

Civil rights attorney's fees: Allows a Federal court to award reasonable attorney's fees to the prevailing party (other than the Federal government) in certain civil rights suits where express statutory authority does not presently exist, and allows a court to award attorney's fees to a prevailing party in a suit brought by the Federal government to enforce any provision of the Internal Revenue Code. S. 2278 (Public Law 94-) approved 1976. (677)

Copyright revision: Makes a general revision of the copyright law; includes a lengthening of the period of a copyright from 56 years (28 years plus an allowed renewal of 28 years) to the lifetime of the author plus 50 years; the establishment of an independent Copyright Royalty Tribunal in the executive branch which would set royalty rates, to be reviewed in 1980 and at 5-year intervals thereafter for use under a system of compulsory licenses of copyrighted works by cable television systems, public broadcasting stations, and certain jukebox owners; provision of administrative support to the Tribunal by the Library of Congress; a requirement that jukebox owners, presently exempt from royalty payment requirements, must pay a royalty of $8 annually per machine; provisions permitting interlibrary arrangements for reproduction of copyrighted works on a limited basis; makes the act effective on January 1, 1978, except as otherwise expressly provided by the act; and contains other provisions. S. 22—Public Law 94- , approved 1976. (40,681)

Corporate bribes: Amends the Securities Exchange Act of 1934 to require reporting companies to create and to maintain accurate books and records; requires internal accounting controls sufficient to assure that transactions will be executed in accordance with management's instructions, that transactions will be accurately recorded, that access to corporate assets is carefully controlled, and that the representations on company books will be compared at reasonable intervals with actual assets, and any discrepancies resolved; makes it a crime for a reporting company to falsify books, records, accounts, or documents, or to deceive an accountant in connection with an examination or audit; and applies criminal penalties of up to 2 years imprisonment and a fine of up to $10,000 for payments, promises of payment, or authorization of payment of anything of value to any foreign official, political party, candidate for office, or intermediary, where there is a corrupt purpose to induce the recipient to use his influence to direct business to any person, to influence legislation or regulations, or to fail to perform an official function in order to influence business, legislation, or regulations, of a government. S. 3664—Passed Senate September 15, 1976. (593)

Crimes against foreign officials: Provides the necessary statutory authority to implement the "Convention to Prevent and Punish the Acts of Terrorism Taking the Form of Crimes Against Persons and Related Extortion That Are of International Significance" and the "Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons, Including Diplomatic Agents", by amending various statutes relating to criminal penalties for the crimes of murder, kidnapping, assault, willful intimidation or harassment, threats or extortion, and damage or destruction of real or personal property belonging to or used by a foreign government, international organization, a foreign official or an official guest to include "internationally protected persons" which as defined, includes a Head of State or any member performing functions of a Head of State, a Head of Government or a Minister for Foreign Affairs, as well as members of his family who may accompany him, or any representative or official of a State, international organization or an intergovernmental character or members of his family. H.R. 15552—Public Law 94- , approved 1976. (VV)

Daughters of the American Revolution: Amends section 2 of the act incorporating the National Society of the Daughters of the American Revolution (NSDAR) to remove the $10 million limit on the amount of real and personal property which the NSDAR is permitted to own in the United States; and adds a new section to that act to provide the NSDAR with the sole and exclusive right to the use of its name and emblem. H.R. 11149—Public Law 94- , approved 1976. (VV)

District court judgeships: Provides for the creation of 45 additional district court judgeships in 40 judicial districts located in 28 States and Puerto Rico so as to enable the district courts to handle more efficiently and expeditiously the increased volume of cases brought before them; reallocates the 7 judgeships authorized for the 3 judicial districts in the State of Oklahoma to provide a more equitable workload; converts the temporary judgeship in the middle district of Pennsylvania to a permanent judgeship; and contains other provisions. S. 287—Passed Senate April 1, 1976. (113)

Drug Enforcement Administration agents: Authorizes the Permanent Subcommittee on Investigations, at the discretion of its chairman, to provide the Drug Enforcement Administration with any information in its possession relevant to alleged illegal activities of certain agents of the Drug Enforcement Administration. S. Res. 391—Senate agreed to February 17, 1976. (VV)

Eugene Victor Debs: Restores posthumously full rights of citizenship to Eugene Victor Debs, retroactive to April 12, 1919, the date on which he began serving his sentence in Federal prison for violating the wartime espionage law after making his famous antiwar speech in Canton, Ohio, on June 16, 1918, protesting World War I. S.J. Res. 127—Passed Senate June 30, 1976. (VV)

Federal rules of criminal procedure: Delays the effective date of the amendments to Rules 6(e), 23, 24, 40.1, and 41(c)(2) of the Rules of Criminal Procedure until August 1, 1977, or earlier if approved by Congress and delays the rules and forms governing habeas corpus cases under section 2254 and proceedings under section 2255 of title 28, U.S.C. until the sine die adjournment of the 94th Congress or earlier if approved by Congress, all of which were proposed by the Supreme Court and transmitted to the Congress on or about April 26, 1976; and provides that those amendments not specifically mentioned will become effective August 1, 1976. H.R. 13899—Public Law 94-349, approved July 8, 1976. (VV)

Habeas corpus rules: Approves with certain amendments the habeas corpus rules promulgated by the Supreme Court on April 26, 1976, which shall take effect with respect to petitions and motions filed on or after February 1, 1977. H.R. 15319—Public Law 94-426, approved September 28, 1976. (VV)

Immigration and Nationality Act amendments: Amends the Immigration and Nationality Act to eliminate the inequities in existing law regarding the admission of immigrants from countries in the Western Hemisphere and, towards this end, extends to the Western Hemisphere the seven-category preference system (with minor modifications), the 20,000 per-country limit, and the provisions for adjustment of status currently in effect for Eastern Hemisphere countries. H.R. 14535—Public Law 94- , approved 1976. (VV)

Judicial review of agency actions: Removes three technical barriers to consideration on the merits of a citizen's complaint against the Federal Government, its agencies or employees by (1) amending section 702, title 5, U.S.C., to eliminate the defense of sovereign immunity in Federal court actions for specific relief claiming unlawful action by a Federal agency, officer, or employee; (2) amending section 1331(a), title 28, U.S.C., to eliminate the required minimum $10,000 jurisdictional amount-in-controversy in a narrow category of Federal question cases brought in U.S. district courts; and (3) amends section 1391(e), title 28, U.S.C., to remedy certain technical problems in the law concerning the naming of the United States, its agencies, or employees as parties defendant in actions challenging Federal administrative action. S. 800—Public Law 94- , approved 1976. (VV)

Judicial survivors' annuities: Reforms and updates the Judicial Survivors' Annuity Program (28, U.S.C.) to provide benefits for surviving spouses and children of all Federal Justices and judges who elect to join that program which are similar to the benefits received by survivors of Members of Congress; places the benefits program in an actuarially sound fiscal condition; provides more liberal eligibility standards and reasonable increases in existing annuity amounts; and establishes a method for providing future periodic increases in annuity amounts without endangering the fiscal integrity of the program. S. 12—Public Law 94- , approved 1976. (VV)

Law Enforcement Assistance Administration: Amends the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to extend the Law Enforcement Assistance Administration (LEAA) for the next three fiscal years at the following authorization level: Fiscal Year 1977—$880 million; Fiscal year 1978—$800 million; fiscal year 1979—$800 million; also provides a separate and additional $15 million authorization each fiscal year for the funding of community anti-crime programs and an additional $10 million authorization each fiscal year for the improvement of State anti-trust enforcement capability; establishes an Office of Community Anti-Crime Programs in LEAA to encourage community and citizen participation in crime reduction and other law enforcement activities, such as "block watch" programs and "escort" services for the elderly; substantially revises the LEAA Act with regard to State court systems in an attempt to improve their participation in the LEAA program by (1) requiring that the State planning agency include at least 3 judicial members nominated by the chief judicial officer of the State and enables LEAA to require the appointment of additional judicial members if necessary to assure fair judicial representation, (2) requiring that any executive committee of a State planning agency contain the same ratio of judicial members as the full State planning agency,

(3) allowing the court of last resort of each State to formulate an annual judicial plan for the improvement of the courts of the State which shall be incorporated in the overall State plan unless inconsistent with that plan, (4) providing that at least $50,000 of LEAA planning funds goes to the judicial planning committee to assist it in preparing the annual State judicial plan, (5) authorizing the use of Pat C block-grant funds for the preparation of a multiyear systemwide plan for the needs of all courts of the State, and (6) providing that LEAA cannot approve a State plan for funding unless it determines that the plan provides an adequate share of funding for court programs;

Provides that the Director of the FBI may serve only for one 10-year term; provides for special emphasis on planning for the reduction and prevention of crimes against the elderly in those States where this is a significant problem; increases the participation of State legislatures in the LEAA program by providing that, at the request of the State legislature, the State plan must be submitted to it for review prior to its submission to LEAA for approval and funding; increases the oversight and evaluation responsibilities of LEAA with respect to programs funded under the Act in order to insure the most efficient use of the funds available; requires that at least 19.15% of the total appropriation for LEAA each year be spent on juvenile delinquency programs; and provides that, beginning with fiscal year 1979, no appropriations shall be deemed authorized for the Department of Justice except as specifically authorized by Act of Congress. S. 2212—Public Law 94- , approved 1976. (416)

Lawsuits against foreign states: Defines the jurisdiction of United States courts in suits against foreign states and the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property. (H.R. 11315—Public Law 94- , approved 1976.) (VV)

Lotteries: Amends titles 18 and 39, U.S.C. to make the present exemption which permits a newspaper published in a State with a State-conducted lottery to contain lottery information concerning that State's lottery, also apply to a newspaper published in an adjacent State in order to permit it to carry such lottery information provided the adjacent State also had a State-conducted lottery thus providing an exemption for newspapers with the same scope as that now applied to radio and television stations. H.R. 1607—Passed House June 16, 1975; Passed Senate amended February 4, 1976. *NOTE:* (A motion made on February 5, 1976, to reconsider the vote by which the Senate passed the bill is still pending.) (VV)

Mississippi judicial district: Amends title 28, U.S.C., to authorize an additional place in Corinth for holding court in the Eastern Division of the Northern Judicial District of Mississippi. S. 2412—Passed Senate May 11, 1976. (VV)

North Dakota judicial districts: Amends title 28, U.S.C., to transfer Bottineau, McHenry, Pierce, Sheridan, and Wells Counties from the Southeastern and Northeastern Judicial District of North Dakota to the Northwestern Judicial District of North Dakota in order to reduce the average distance which litigants, attorneys, and jurors in these counties must travel to the nearest place holding court. S. 2887—Passed Senate May 11, 1976. (VV)

Parole reorganization: Reorganizes the Federal parole structure by abolishing the present U.S. Board of Parole and replacing it with a 9-member U.S. Parole Commission as an independent agency attached to the Department of Justice (one to serve as Chairman, three to serve as members of a National Appeals Board, and five to serve in the five regions around the country); provides that the Commissioners shall be appointed by the President with the advice and consent of the Senate for 6 year terms except that no one may serve more than 12 years; provides for panels of hearing examiners, operating under guidelines adopted by the full Commission, to conduct parole hearings and recommend decisions subject to review by regional commissioners and the National Appeals Board before becoming final; provides an internal process by which the Attorney General or the offender may trigger a review by the National Appeals Board of any decision made by a regional commissioner; gives the Chairman the necessary administrative powers to keep the decision-making machinery of the Parole Commission operating on a timely basis; provides a procedure to insure better opportunities for decision-making and fairness in parole interviews; requires that the revocation process whereby a parolee is returned to prison for violating the conditions of his parole not based on a new criminal conviction must contain certain procedural safeguards set forth by the Supreme Court in Morrissey v. Brewer, 408 U.S. 471 (1972) and Gagnon v. Scarpelli, 411 U.S. 778 (1973), and in the case of a parolee charged with a new criminal conviction, the parole revocation process must satisfy the probable cause requirement set forth in U.S. v. Tucker, F.2d 77 (Fifth Cir. 1975); provides a process of appeal where conditions were imposed on a parole or release has been modified or denied or parole revoked with review of decisions upon written request; and provides that an offender who has demonstrated by his conduct that he has rehabilitated himself could be discharged from supervision by the Parole Commission. H.R. 5727—Public Law 94-233, approved March 15, 1976. (VV)

Patent laws revision: Provides for the general revision of the United States patent system including: duties and procedures of a generally administrative nature imposed on or carried out by the Patent and Trademark Office; substantive and procedural provisions regarding the obtaining of patents; rights of a patent holder and their enforcement; and implementation of the Patent Cooperation Treaty. S. 2255—Passed Senate February 26, 1976. (VV)

Political kickbacks: Amends title 18, U.S.C., to prohibit actual, attempted, or threatened deprivation of public employment or benefit as a means of extorting a political contribution if the employment or benefit is made possible in whole or in part by an Act of Congress, and increases the maximum fine for violations from $1,000 to $10,000. H.R. 11722—Public Law 94- , approved , 1976. (VV)

Public safety officers: Provides a $50,000 Federal payment to the surviving dependents of law enforcement officers and firemen who die as the direct and proximate result of a personal injury sustained in the line of duty for meeting the immediate financial needs of the officers' survivors; provides the benefit in addition to all other benefits which the officer's survivors may receive except that it shall be reduced by (1) payments which are already provided under the Federal Employees Compensation Act to state and local law enforcement officers who are killed while enforcing federal laws, and (2) payments to D.C. policemen who are killed in the line of duty; defines "law enforcement officer" to mean a person involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws including, but not limited to, police, corrections, prohibition, parole, and judicial officers; and provides that these provisions shall become effective for deaths resulting from injuries sustained on or after the date of enactment. H.R. 366—Public Law 94-430, approved September 29, 1976. (391)

Territorial judges cost-of-living adjustment: Amends section 373, title 28, U.S.C., to grant to eligible judges the same cost-of-living adjustments in their retirement compensation as is given to annuitants under the civil service retirement fund as provided and computed in section 8340(b) title 5, U.S.C.; limits the total amount payable by any cost-of-living adjustment to 95 percent of the salary payable to a U.S. district court judge in regular active service; and exclude any life-tenure district court judge who retired by resigning the office in which event he receives the salary he was receiving at the time of his resignation for the remainder of his life. S. 14—Public Law 94- , approved 1976. (VV)

Three-judge courts: Eliminates the requirement for special three-judge courts in cases seeking to enjoin the enforcement of

State or Federal laws on the grounds of unconstitutionality except when specifically required by act of Congress or in any case involving congressional reapportionment or the reapportionment of any statewide legislative body and clarifies the composition and procedure of three-judge courts in those cases where they are required. S. 537—Public Law 94-381, approved August 12, 1976. (VV)

Unsworn declarations: Permits the use in Federal proceedings of unsworn declarations given under penalty of perjury in lieu of affidavits. H.R. 15531—Public Law 94- , approved . (VV)

U.S. magistrates jurisdiction: Amends section 636(b), title 28, U.S.C., to clarify and further define the additional duties which may be assigned to a U.S. Magistrate in the discretion of a judge of the district court including the power to hear and determine certain pretrial motions and to hear and recommend disposition motions; provides that the order or recommendation of a magistrate is subject to final review by a judge of the court; and provides that a magistrate may be assigned any other duty not inconsistent with the Constitution and laws of the United States to enable the district courts to continue innovative experimentations in the use of the magistrate. S. 1283—Passed Senate February 5, 1976; Passed House amended September 29, 1976. (VV)

U.S. magistrate salary: Amends title 28, U.S.C., to provide that full-time U.S. Magistrates shall receive the same salary as full-time referees in bankruptcy and adjust the salary of part-time magistrates to up to one-half of the amount received by full-time magistrates instead of the fixed amount of $15,000 contained in present law thus giving the Judicial Conference of the United States, which sets the salary of magistrates, the authority necessary to fix the salary of full-time magistrates at $36,000 per year, the current statutory maximum for referees in bankruptcy and; authorizes the establishment of U.S. magistrate positions in the district court of the Virgin Islands. S. 2923—Public Law 94- , approved , 1976. (VV)

DEFENSE

Armed services per diem allowance: Amends section 404(d) of title 37, U.S.C., to increase the maximum rate of per diem allowance for uniformed services personnel traveling on official business from $25 to $35 and from $40 to $50 for travel to "high cost" areas under "unusual circumstances". H.R. 8089—Public Law 94-296, approved May 29, 1976. (VV)

Assistant Commandant of the Marine Corps: Authorizes the Assistant Commandant of the Marine Corps to have the permanent grade of General, at the discretion of the President, with the advice and consent of the Senate, without regard to the overall strength of the Marine Corps instead of, as provided in present law, if the overall strength of the Marine Corps exceeds 200,000; and provides that the Secretary of Defense rather than the service Secretary must determine the disability retirement of general officers and medical officers. S. 2117—Public Law 94-225, approved March 4, 1976. (VV)

Carbonyl Chloride: Grants the Secretary of Defense authority to sell, within the United States, all stocks of the chemical labeled carbonyl chloride (also named phosgene) or any of its commercial derivatives procured by the Department of Defense for use as a chemical warfare agent notwithstanding the provisions of section 409 of Public Law 91-121, as amended, or section 506 of Public Law 91-441 which prohibit disposal of a chemical warfare agent before it has been detoxified (unless immediate disposal is clearly necessary, in an emergency, to safeguard human life) or transport of a chemical to or from any military installation in the United States unless the Secretary determines that it is in the interest of national security. H.R. 9570—Public Law 94-251, approved March 29, 1976. (VV)

Coast Guard Academy: Amends title 14, U.S.C., to increase the number of foreign nationals who may be admitted to receive instruction at the Coast Guard Academy from the present 24 to 36. H.R. 11407—Public Law 94- , approved 1976. (VV)

Coast Guard Academy—Vessel documentation: Amends title 14, U.S.C., to provide by statute that (1) all appointments of cadets to the United States Coast Guard Academy be made on a nondiscriminatory basis, (2) necessary and appropriate steps be taken to insure the eligibility of females for appointment and admission to the Academy, and (3) there be identical standards for males and females regarding Academy appointment, training, and commissioning, except for those exceptions required because of physiological differences; and authorizes the documentation of the vessels "Bruja Mar", "Barbara Ann", and "Mary M" as vessels of the United States with coastwide privileges as long as they are owned by citizens of the United States. H.R. 10192—Public Law 94- , approved 1976. (VV)

Coast Guard authorization: Authorizes $284,869,000 for the Coast Guard for fiscal year 1977 for the procurement of vessels, aircraft, and the construction of shore and offshore establishments, for a year-end strength of 38,918 Coast Guard active duty personnel, and for the average military student load; includes additional expenditure authorization and personnel for enforcement of the 200 nautical mile U.S. fishery management jurisdiction which was extended under the Fishery Conservation and Management Act of 1976 (Public Law 94-265); contains increased funding for Coast Guard ice breaking capability on the Great Lakes in anticipation of a year-round navigation season; prohibits the use of funds for procurement of any aircraft having a gross take off weight in excess of 18,000 pounds or not meeting current Federal regulations with respect to noise control established by the Administrator of the Federal Aviation Administration for such aircraft; prohibits the use of funds under this Act for enforcement of the Federal Boat Safety Act on Lake Winnipesaukee and Lake Winnisquam or the Merrimack River in New Hampshire during fiscal year 1977 or while the question of Coast Guard jurisdiction over such lakes is before a Federal or State Court; authorizes the Coast Guard to establish guidelines for permits issued in Alaska for specific vessels which transport Cargo in remote areas, including bulk fuel, that are not in compliance with Coast Guard regulations; and contains other provisions. H.R. 11670—Public Law 94-406, approved September 10, 1976. (VV)

Coast Guard overseas leasing authority: Authorizes the Secretary of Transportation, when the Coast Guard is not operating as a service of the Navy, to lease for housing facilities in a foreign country, on a multi-year basis, for a period not to exceed five years. S. 3050—Public Law 94- , approved 1976. (VV)

Coast Guard personnel: Modifies certain personnel laws of the U.S. Coast Guard affected by the Congressional Budget and Impoundment Control Act of 1974 redefinition of the fiscal year and amends the law related to help promotion of Coast Guard officers. H.R. 12939—Public Law 94- , approved 1976. (VV)

Defense production—voluntary agreements: Amends the Defense Production Act, as amended (Public Law 94-153), to make the provisions relating to voluntary agreements developed in support of the national defense effort or the International Agreement on an International Energy Program effective 120 days after the effective date of the Act (November 30, 1975) in order to afford certain agencies adequate time to prepare voluntary agreements which conform to the new provisions. H.J. Res. 784—Public Law 94-220, approved February 27, 1976. (VV)

Department of Defense employees oath authority: Amends section 303, title 5, U.S.C., to authorize civilian employees of the Department of Defense to administer oaths to witnesses while conducting official investigations. H.R. 508—Public Law 94-213, approved February 13, 1976. (VV)

Guam typhoon damage: Authorizes $114,312,000 to provide supplemental emergency military construction authority for the transition period July 1–September 30, 1976, for restoration and reconstruction of military facilities and military family housing on Guam which were extensively damaged by Typhoon Pamela on May 21, 1976. H.R. 15136—Public Law 94- , approved , 1976 (VV).

Household goods shipments: Empowers the Federal Maritime Commission to investigate and suspend non-compensatory rates submitted by movers to the Department of Defense when those rates are submitted under a traffic allocation system such as the "Okinawa Trial" which denies the opportunity for other movers to bid for the traffic within a period of time. S. 2023—Passed Senate March 29, 1976. (VV)

Malpractice protection for Armed Forces personnel: Amends title 10, U.S.C., to make the Federal Tort Claims Act the exclusive remedy for injuries arising from malpractice by medical personnel acting within the scope of their duties for the Department of Defense, the Central Intelligence Agency, the National Aeronautics and Space Administration, the Coast Guard, and the National Guard when operating in a Federal status as part of the Armed Forces; provides National Guard medical personnel while engaged in certain training activities such as weekend drill and summer camp with full indemnification for any malpractice liability; requires the Attorney General to defend or settle any legal action for malpractice against defense medical personnel; and authorizes the Secretary to hold harmless or provide liability innsurance for any defense medical personnel in situations where a remedy under the Federal Tort Claims Act would be precluded, such as when a malpractice claim arises in a foreign country. H.R. 3954—Public Law 94- , approved 1976. (VV)

Military construction authorization: Authorizes $3,323,989,000 for fiscal year 1977 to provide construction and other related authority for the military departments and the Office of the Secretary of Defense, within and outside the United States, and authority for the construction of facilities for the Reserve components; directs the Department of Defense to examine all non-appropriated fund construction and to report to the Armed Services Committees not later than February 1, 1977, on the desirability of authorizing all construction in the annual authorization bill regardless of the funding source; includes funds for the NATO infrastructure program, the Naval nuclear weapons storage site upgrade program, the aeropropulsion systems test facility at the Arnold Engineering Development Center near Tullahoma, Tennessee, and the Trident weapon system; requires the Department of Defense to report to the Armed Services Committees of the Senate and House on a semiannual basis for the next 2 years specified information on each of the 2 sites for the nuclear weapons storage programs; authorizes the Secretary of Defense to conduct such studies, including the preparation of an environmental impact statement, for Federal or State use of a closed military installation located in the United States, Puerto Rico, or Guam; authorizes the Secretary to reimburse nonprofit, mutual aid telephone cooperatives for their capital expenditures for the purchase and installation of communications equipment if he determines that the expenditures are not otherwise recoverable, were incurred as a result of the safeguard Anti-Ballistic Missile (ABM) System, or, as a result of termination, the cooperative would sustain an unfair financial burden;

Adds a new section 612 which establishes a base realignment schedule, retroactive to January 1, 1976, providing that no action may be taken prior to October 1, 1981, to (1) close any military installation, (2) reduce the authorized level of civilian personnel at any military installation by more than 1,000 or 50 percent of the authorized personnel level as of March 1, 1976, or the end of the fiscal year preceding the year the reduction occurs, or (3) construct, convert or rehabilitate any other military installation because of relocating personnel as a result of base closings or reductions, unless the Secretary (1) notifies Congress of the intended base closing or reduction of personnel; (2) a period of 9 months expires following the date on which the notice was given, during which the department concerned has identified the full range of environmental impacts, as required by the National Environmental Policy Act; (3) the Secretary submits to the Armed Services Committees his final decision with respect to the closing or personnel reduction, together with a detailed justification for his decision, and the estimated fiscal, economic, budgetary, environmental, strategic, and operational consequences; and (4) a period of at least 90 days expires following the date on which the justification has been submitted to the committees; provides that these provisions will not apply to any closure or reduction which the President certifies to Congress must be implemented for reasons of military emergency or national security;

Approves the establishment by the city of Charleston, South Carolina, of a naval and maritime museum; and contains other provisions. H.R. 12384—Vetoed July 2, 1976. House overrode veto July 22, 1976; Senate sustained veto July 22, 1976. (183, 406)

Contains provisions which are identical to the vetoed bill, H.R. 12384 except for those in the new section, 612, base realignment schedule; makes those provisions applicable for 1 year instead of 5 years; eliminates the 9 month period for the department to identify the full range of environmental impacts, requiring instead, that all terms, conditions, and requirements of the National Environmental Policy Act are complied with; and requires that a period of 60 days instead of 90 days expire following the date on which the justification has been submitted to the Armed Services Committees of the House and Senate. H.R. 14846—Public Law 94- , approved 1976. (601)

Military procurement authorization: Authorizes a total of $32.5 billion for fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces; includes $1.049 billion for the B-1 bomber program (the strategic bomber replacement for the B-52), $791.5 million for one Trident submarine, $1.315 billion for four nuclear powered attack submarines (SSN-688 class), and $1.18 billion for 8 FFG-7 guided missile frigates; authorizes $317 million for the procurement of 60 Minuteman III missiles with MK 12A reentry systems in order to maintain a production line pending significant progress in the strategic arms limitations talks (SALT); $109.6 million to continue research and development for the AWACS (airborne radar warning airplane) program; $384.6 million for procurement of six AWACS planes; and $42 million for advance procurement funding toward six more AWACS in fiscal year 1978;

Authorizes an active duty military end strength of 2,092,000, a reserve military average strength of 884,900, and a civilian end strength of 1,031,000; makes clear that whatever action is taken, eliminating the 1 percent "kicker" or otherwise modifying the retired pay formula, authority will be available to apply the change to military and CIA retirees, as well as civil service retirees; permits the President to allocate up to 25 percent of the regular cost-of-living raise in basic pay into the quarters allowance for military personnel; limits the payment for unused leave for military personnel to 60 days and eliminates payment of quarters and subsistence in such payments; phase out the appropriated subsidy for payment of commissary personnel and other operating costs over a 3-year period; repeal authority for administrative duty pay for Reserve component commanders; and extend for 1 year current authority for physician bonus pay. H.R. 12438—Public Law 94-361, approved July 14, 1976. (200, 374)

Naval vessels transfer: Authorizes the sale of a total of 45 naval vessels to 11 foreign governments as follows: Argentina—3 destroyers; Republic of China—2 landing ships dock, 1 auxiliary repair dry dock; Colombia—1 destroyer; Germany—4 destroyers; Greece—7 destroyers, 2 tank landing ships; Iran—1 repair ship, 1 auxiliary repair dry dock; Korea—7 destroyers, 1 landing craft repair ship; Pakistan—2 destroyers; Philippines—1 landing craft repair ship, 1 inshore patrol craft; Spain—5 destroyers, 3 tank landing ships; and Venezuela—1 landing craft repair ship, 1 tank landing ship, 1 auxiliary repair dry dock; and amends subsection 7307(b)(1), title 10, U.S.C., to increase from 2,000 to 3,000 tons the weight exemption requiring legislative approval for the transfer of U.S. naval vessels. S. 3734—Public Law 94- , approved 1976. (VV)

Non-regular armed services survivors benefits: Makes the provisions of the Retired Serviceman's Family Protection Plan (RSFPP) retroactive to November 1, 1953, in order to make survivor benefits payable to survivors of retired non-Regular personnel who had elected benefits under that plan and died before 1968 after they became eligible for retirement but before the first day of the month following the date of eligibility on which they would have become entitled to retired pay. S. 2090—Passed Senate December 17, 1975; Passed House amended September 20, 1976. (VV)

Nuclear trained Naval Officers pay bonus: Amends title 37, U.S.C., to provide special pay in the form of accession and retention bonuses for nuclear-qualified officers to attract and retain a sufficient number of high-quality officers to supervise the Navy's nuclear attack and ballistic-missile submarines and the expanding nuclear surface fleet. H.R. 10451—Public Law 94-356, approved by July 12, 1976. (VV)

Reservists active duty: Authorizes the President, if he determines it is necessary to augment active forces for operational missions, to authorize the Secretaries of Defense or Transportation (in the case of the Coast Guard) to order the involuntary active duty of a maximum of 50,000 Selected Reservists for a limited 90-day period, without a declaration of war or national emergency; prohibits the call-up of reservists to perform functions relating to insurrection or enforcement of State laws or to assist Federal or State Government in time of disaster, accident, or catastrophe; excludes members called up from computation of active duty strength and grade structure; requires the President to submit to the Speaker of the House and the President of the Senate a written report stating the circumstances necessitating the call up of reservists and the anticipated use of them; provides that the service of all units so called up may be terminated by order of the President or by passage of a concurrent resolution by the Congress; reaffirms that nothing contained in this Act shall be construed as amending or limiting the application of the provisions of the war powers resolution; and entitles any reserve member ordered to active duty to the same reemployment rights and benefits currently provided reservists ordered to initial active duty for training for 3 months or more. S. 2115—Public Law 94-286, approved May 14, 1976. (VV)

Retired military personnel survivor benefits: Amends title 10, USC, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73; eliminates payments into the Survivor Benefit Program when a beneficiary predeceases the retiree; reduces from 2 years to 1 year the eligibility period for a new spouse of a retiree to be eligible under the military Survivor Benefit Program; clarifies language in the law to permit a retiree to leave benefits to children when there is a surviving spouse; increase the minimum income payment from the Department of Defense to certain widows of retired members from $1,400 to $2,100 annually, and contains other provisions. H.R. 14773—.

U.S. Soldiers' and Airmen's Home—Air Force grade extension: Provides additional income to meet the annual operating requirements for the United States Soldiers' and Airmen's Home by directing the Comptroller General to conduct a full study of the Soldier's Home, giving the home's Board of Commissioners certain discretionary authority to levy fees on members, and authorizing the Secretaries of the Army and Air Force to levy a fee on active duty personnel of up to 50 cents of monthly pay; and extends for two years, Public Law 93-397, which authorizes an increase, based on total officer strength, in the number of colonels and lieutenant colonels serving on active duty in the Air Force above the permanent authorization of 10 U.S.C. 8202. H.R. 13549—Public Law 94- , approved , 1976. (VV)

DISTRICT OF COLUMBIA

Congressional Cemetery: Authorizes the Architect of the Capitol to perform certain work on and maintain the historical sections of Congressional Cemetery for a 2-year period and to conduct a study for the purpose to determine the continuing maintenance and preservation needs for those sections including costs estimates; requires that the Architect submit a report of his findings, not later than September 30, 1978, to the House and Senate Interior Committees; and authorizes therefore $50,000 for the preservation and maintenance needs of the cemetery and $75,000 for each of fiscal years 1978 and 1979. S. 3441—Public Law 94- , approved 1976. (VV)

Borrowing authority: Provides the District government with the authority to borrow from the U.S. Treasury until it can finance its capital works projects via bond issues, or other sources of revenue; requires the Mayor to submit to the Council of the District of Columbia a complete financial statement and report for the fiscal year February 1, instead of November 1, for the District's preceding fiscal year (which now corresponds with the changed Federal fiscal year); makes technical and clerical corrections in Public Law 93-198 (the Home Rule Act) with regard to the qualifications for appointment to the Commission on Judicial Disabilities and Tenure and to the Judicial Nomination Commission; allows the proceeds of revenue bonds issued on behalf of colleges and universities to be paid over to such colleges and universities without further legislative action; and restates the charter of The George Washington University. H.R. 14971—Passed House August 23, 1976; Passed Senate amended October 1, 1976. (VV)

D.C. code: Reinstates the Law Revision Counsel of the House of Representatives as the agent of Congress for continuing the codification and publication of the District of Columbia Code through the remaining supplements to the 1973 edition; directs that after such publication, the Code shall be prepared and published under the direction of the Council of the District of Columbia;

and contains provisions for GPO to continue to print future editions of the Code. H.R. 13121—Public Law 94–386, approved August 14, 1976. (VV)

D.C. criminal law revision: Continues until January 3, 1979, the prohibition in the Home Rule Act against the Council of the District of Columbia legislating with respect to the provisions of titles 22, 23 and 24 (crimes, criminal procedures, and treatment or criminals) thus retaining Congress' exclusive jurisdiction over the criminal laws of the District in order to give the Law Revision Commission adequate time to analyze the D.C. Criminal Code and make specific recommendations to Congress for its comprehensive revision. H.R. 12261—Public Law 94–402, approved September 7, 1976. (VV)

Financial Reporting and Control system: Provides for a financial systems analysis, design, and implementation for the Government of the District of Columbia to insure that the District's financial statements accurately reflect its financial condition and in order that an independent audit can be conducted with meaningful results. H.R. 11009—Public Law 94–399, approved September 4, 1976. (VV)

Medical and Dental Manpower: Extends for 1 year, through fiscal year 1977, title III of the District of Columbia Medical and Dental Manpower Act of 1970, as amended, which provides Federal grant assistance to Georgetown University Schools of Medicine and Dentistry and the George Washington University School of Medicine with such grants limited to the minimum amounts necessary but not to exceed $5,000 per enrolled medical student or $3,000 per enrolled dental student. H.R. 12132—Public Law 94–308, approved June 4, 1976. (VV)

Metro transit police: Gives Congressional consent to amendments adopted by the Commonwealth of Virginia and the State of Maryland and favored by the District of Columbia Government by amending the Washington Metropolitan Area Transit Regulation Compact (which is the interstate compact agency for construction and operation of the METRO rapid transit system and operation of the METRO bus system) to authorize the Washington Metropolitan Area Transit Authority to establish and maintain a regular METRO Transit Police Force having jurisdiction over all METRO property and powers which are the same as those of law enforcement officers of the signatory jurisdictions; authorizes the Transit Authority to issue rules and regulations for safe and effective transit facility operations; designates the Superior Court of the District of Columbia as the court of competent jurisdiction in the District for prosecution of violations against Transit Authority rules and regulations; clarifies the authority of the D.C. Council to enact amendments to the Compact agreement; and reserves the right of Congress to amend, alter, or repeal this Act. H.R. 8719—Public Law 94–306, approved June 4, 1976. (VV)

Motor vehicles: Amends the act to establish a code of law for the District of Columbia to impose a fine of not to exceed $1,000 and/or imprisonment not to exceed 5 years on any person who takes, uses, or operates a motor vehicle without the consent of the owner; and to impose a fine of not to exceed $1,000 and/or imprisonment for not to exceed 3 years on any person who fails to return, within 18 days after demand is made, a motor vehicle rented or leased under a written agreement specifying the terms for its return. H.R. 10826—Public Law 94– , approved , 1976. (VV)

Pennsylvania Avenue Development Corporation: Authorizes $1.3 million for fiscal year 1976, $325,000 for the transition period July 1–September 30, 1976, and $1.5 million each for fiscal years 1977 and 1978; authorizes $38.8 million through fiscal year 1978 to implement the plan for the redevelopment of the Avenue; and directs that the Willard Hotel be preserved and become a demonstration area for the development plan. S. 1689—Public Law 94–388, approved August 14, 1976. (VV)

Southeastern University: Insures the continued eligibility of Southeastern University for the benefits of the several acts providing for aid to higher education; amends its Charter to make possible the continued operation of the University as a nonprofit, tax-exempt educational institution under the provisions of section 501(c)(3) of the Internal Revenue Code; and makes provisions of Federal law relating to the audit of accounts of private corporations apply to the University. S. 611—Public Law 94–350, approved March 29, 1976. (VV)

ECONOMY-FINANCE

Bank holding company tax: Provides the following two methods in which tax relief may be obtained by individuals and corporations for divestiture made by bank holding companies of either bank or nonbank property pursuant to the Bank Holding Company Act Amendments of 1970: (1) a bank holding company may distribute either the bank or nonbank assets to its own shareholders (or, in some cases, security holders) without inclusion in income or recognition of gain by these stock holders but recognizes any loss realized by a shareholder as a result of a distribution; and (2) a bank holding company may sell its banking or nonbanking assets in a taxable sale or exchange and pay the income tax incurred at the corporate level in installments over at least a 10-year period. H.R. 11997—Public Law 94– , approved 1976. (VV)

Bankruptcy of major municipalities: Amends Chapter IX of the Bankruptcy Act to change the procedure by which the debts of political subdivisions and public agencies and instrumentalities are adjusted to enable a city to continue to function in an orderly manner while an adjustment or extension of its debts is negotiated with its creditors; provides that a legislature, or a governmental officers or organization empowered by State law is authorized to file a petition stating its eligibility to file, its inability to pay its debts as they mature, and its desire to effect a plan of composition or extension of its debts; provides that an entity is not eligible for relief unless (1) it has successfully negotiated a plan of adjustment of its debts with creditors holding at least a majority in amount of the claims of each class which are claims affected by that plan, (2) it has negotiated in good faith wtih its creditors and has failed to obtain, with respect to a plan of adjustment with its debts, the agreement of creditors holding at least a majority in amount of the claims of each class which are claims affected by that plan, (3) such negotiation is impracticable, or (4) it has a reasonable fear that a creditor may attempt to obtain a preference; provides that the filing of the petition would operate as a stay of the commencement or continuation of any court or other proceeding against the debtor; provides that while the city is negotiating with its creditors so as to work out a suitable plan, the city would remain under the management of whatever form of government is provided by State law; authorizes the city to issue certificates of indebtedness to supplement available funds on a short-term basis for essential governmental services; and requires that a final proposed plan be approved by more than 50 percent of all creditors and by creditors holding two thirds of the amount. H.R. 10264—Public Law 94–260, approved April 8, 1976. (*575)

Beer tax: Amends section 5051 of the Internal Revenue Code of 1954 to reduce from the excise tax on beer and other fermented beverages produced or imported in the United States from $9 to $7 per barrel on the first 60,000 barrels per year for qualifying small brewers. H.R. 3605—Public Law 94– , approved 1976. (VV)

Child day care staffing standards: Delays the date for State compliance with Federal child care staffing standards from February 1, 1976, to July 1, 1976; increases Federal funding for social services programs by $62.5 million in fiscal year 1976 and $62.5 million for the transition quarter which is to be used only for child care expenditures and would be allocated on an 80 percent matching basis; reserves 20 percent of the additional Federal funding for allocation to States having particular funding problems related to complying with Federal child care standards; authorizes a tax credit for employing welfare recipients in child care; permits, on a temporary basis until September 30, 1976, the waiver of child care standards if the children receiving federally funded care represent no more than 20 percent of the total number of children served, or in the case of a center, no more than 5 such children, provided that it is not feasible to place the children in a facility which does meet the Federal requirements; modifies, also temporarily until September 30, 1976, the limitation on the number of children who may be cared for in a family day care home by not counting the family day care mothers own children if they are under age 6; and makes permanent certain social services provisions related to addicts and alcoholics. H.R. 9803—Vetoed April 6, 1976. House overrode veto May 4, 1976; Senate sustained veto May 5, 1976. (20,92,165)

Amends title XX of the Social Security Act to permit States, on a permanent basis, to determine eligibility for participation in social services programs on a group basis; extends the suspension of Federal staffing standards for child care for pre-school children retroactively from February 1, 1976, until October 1, 1977; provides $240 million in additional child care Federal to October 1, 1977; and provides incentives for the employment of welfare recipients in child care jobs. H.R. 12455—Public Law 94–401, approved September 7, 1976. (188)

DUTY SUSPENSIONS

Aircraft Components: Exempts from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad. H.R. 2177—Public Law 94– , approved . (VV)

Aircraft engines—meat imports: Suspends the duty on any aircraft engines used as a temporary replacement for any aircraft engine being overhauled within the U.S.A. if duty was paid on such replacement engine during a previous importation; makes processed meats subject to the quota and limitations for import of meat under the Meat Import Act of 1964. H.R. 2181—Passed House May 17, 1976; Passed Senate amended October 1, 1976. House concurred in Senate amendments with amendment October 1, 1976. (VV)

Bicycle parts: Suspends the duties on certain bicycle parts and accessories and on calcined petroleum coke until the close of June 30, 1978 and contains other provisions. H.R. 12254—Passed House June 22, 1976. Passed Senate, amended October 1, 1976. (VV)

Elbow prostheses: Suspends, until July 1, 1978, the duty on certain elbow prostheses if imported for charitable therapeutic use, or for free distribution, by certain public or private nonprofit institutions. H.R. 11321—Public Law 94– , approved October 1976. (VV)

Horses—Players contracts: Extends from June 30, 1976, to June 30, 1978, the temporary suspension of duty on the import of horses other than for immediate slaughter; delays the changes in the rules for allocating basis in the matter of player contracts transferred in connection with the sale of a franchise. H.R. 9401—Passed House May 17, 1976; passed Senate October 1, 1976. (VV)

Export administration: Extends the Export Administration Act for 3 years and makes improvements in the implementation of national security controls; expands and strengthens U.S. policy against foreign boycotts, and tightens the disclosure requirements of the Securities Exchange Act of 1934 in order to provide systematic monitoring of the acquisition of controlling, or potentially controlling interests in U.S. companies by foreign, as well as domestic, investors. S. 3084—Passed Senate August 27, 1976; Passed House amended September 22, 1976. (541)

Food Stamps—Welfare Recipients: Extends the temporary provisions which give States the option (rather than requiring) for their welfare agencies to withhold, at the option of the recipient, the amount of the AFCD grant needed to purchase the recipient's food stamp allotment and to distribute the food stamp coupon allotment along with the reduced cash grant (usually by mail; provides that beginning on July 1, 1977 those States which supplement the SSI program would be required to pass along the Federal cost-of-living increases to SSI recipients by requiring the States to spend as much on the supplemental payments as they spent in the prior year and by continuing hold-harmless payments for those States that are still eligible for them by disregarding cost-of-living increases subsequent to June 1977 in computing the amount of the hold-harmless payments. H.R. 13500—Public Law 94– , approved 1976. (VV)

Library of Congress trust funds: Increases the amount of interest paid on the trust funds deposited with the United States Treasury by the Library of Congress Trust Fund Board to a rate which is the higher of the rate of 4 percent per annum or .25 percent less than a rate to be determined by the Secretary of the Treasury based on the current average market yield on the outstanding long-term marketable obligations of the United States having the longest periods of maturity adjusted to the nearest ⅛th of 1 percent. S. 2619—Public Law 94–289, approved May 22, 1976. (VV)

Increases the amount of interest paid on the Library of Congress Trust Fund deposited with the United States Treasury under the Act of August 20, 1912 (Bequest of Gertrude M. Hubbard, a perpetual trust, for the purpose of adding to the Gardiner Greene Hubbard collection of engravings), to a rate which is the higher of the rate of 4 percent per annum or .25 percent less than a rate to be determined by the Secretary of the Treasury based on the current average market yield on the outstanding long-term marketable obligations of the United States having the longest periods adjusted to the nearest ⅛th of 1 percent, with such interest, as income, subject to disbursement for the purposes authorized and provided in the bequest. S. 2620—Public Law 94–290, approved May 22, 1976. (VV)

Medicare extension amendments: Makes the following changes in the medicare law that take effect July 1, 1976, in order to avoid certain adverse effects on medicare beneficiaries and health care providers: (1) extends to October 1, 1977, the reimbursement method for the services of physicians in teaching hospitals which was mandated in the 1972 amendments in order to give Congress additional time to study the report of the National Academy of Sciences and develop appropriate legislation regarding such reimbursement; (2) eliminates the possibility of a rollback below fiscal year 1975 levels of "prevailing charge" (used in determining medicare reimbursement for physicians' services); and (3) continues the practice, which the medicare program has followed since its inception, of updating "customary" and "prevailing" charges (used in determining physician reimbursement) each year as of July 1. H.R. 13501—Public Law 94–368, approved July 16, 1976. (VV)

Medicare-Medicaid amendment: Repeals Section 1902(g) of the Social Security Act (Section 111 of Public Law 94–182) which required States to amend their Medicaid plans to include consent by the States to be sued in Federal courts by or on behalf of hospitals on questions relating to the payment of reasonable costs for hospital services. H.R. 12961—Public Law 94– , approved 1976. (VV)

National Gallery of Art Trust Funds: Provides for adjusting the amount of interest paid on the A. W. Mellon Education and Charitable Trust funds deposited with the Treasury as a permanent loan by the Board of Trustees of the National Gallery of Art under the Act of April 10, 1943, to a rate which is equal to the current average yield of the outstanding marketable securities of the U.S. Government, less 25 basis points with the minimum rate of return set at 4 percent. S. 3669—Public Law 94–418, approved September 21, 1976. (VV)

New York City retirement systems: Allows five New York City pension funds to participate in the plan worked out in November of 1975 between the city and its municipal employee unions and pension funds to purchase city notes without bringing to bear certain provisions of the Internal Revenue Code which affect the tax status of beneficiaries of such pension funds; provides that the Secretary of the Treasury may disapprove any amendment which the banks' Municipal Assistance Corporation may make to the Agreement if he feels it is not consistent with the purpose of this bill; and requires that reports on the financial condition of the funds be submitted to the Treasury and the Ways and Means and Finance Committees of the House and Senate, respectively. H.R. 11700—Public Law 94–236, approved March 19, 1976. (VV)

Pension plans tax-free rollover: Provides for a tax-free rollover treatment to an employee who receives a payment on account of a termination of his employer's retirement plan or a complete discontinuance of contributions under such a plan, and in certain situations involving sales of subsidiaries and divisions of corporations; requires, generally, that the payment be reinvested by the employee in a qualified plan or individual retirement account within 60 days; and makes these provisions applicable to payments received on or after July 4, 1974. H.R. 12725—Public Law 94–267, approved April 15, 1976. (VV)

Public debt limit increase: Increases the temporary debt limit by $32 billion for a total temporary and permanent debt limit of $627 billion until June 30, 1976. H.R. 11893—Public Law 94–232, approved March 15, 1976. (VV)

Increases the temporary debt limit by $9 billion for the period from the date of enactment through September 30, 1976, $55 billion for the period October 1, 1976, through March 31, 1977, and $73 billion for the period April 1, 1977, through September 30, 1977, making a total temporary and permanent debt limit of $636 billion, $682 billion and $700 billion, respectively, for these periods. H.R. 14114—Public Law 94–334, approved June 30, 1976. (VV)

Revenue sharing: Extends the general revenue sharing program from December 31, 1976, until September 30, 1980, giving States and local governments $25.5 billion; provides for an entitlement procedure instead of the authorization appropriation procedure used under the 1972 Act; revises the State maintenance of effort requirement so that States must maintain their transfers to localities compared to a moving average of their previous transfers; provides regarding accounting and auditing requirements, that where State or local law requires a financial audit of State and local revenues and expenditures the same requirements are to be sufficient for revenue sharing funds and that, where no statutory audit requirement exists, an independent audit shall be required every three years; exempts recipients with annual entitlements of less than $25,000 per year from the required audit provisions; applies the provisions of the Age Discrimination Act of 1975 and the Rehabilitation Act of 1973 against discrimination on the basis of age or of handicap and the provisions of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 regarding religious discrimination to the revenue sharing program; and provides that the Advisory Commission on Intergovernmental Relations (AGIR) shall make a 3-year study of various aspects of the Federal fiscal system in regard to revenue sharing; and contains other provisions. H.R. 13367—Public Law 94– , approved 1976. (591, 683)

Smith College carillon—College tuition tax credit: Permits the entry of carillon bells free of duty for use by Smith College, and provides for a college tuition tax credit of $100 which increases to $250 in 5 years. H.R. 1386—Passed House May 17, 1976; Passed Senate amended September 16, 1976; Senate requested conference September 16, 1976. (VV)

Social security filing requirements: Amends chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that in instances in which a nonprofit organization and its employees paid social security taxes without filing a valid waiver certificate to cover such employees, under the social security program, such a certificate would be deemed to have been filed in those instances in which the organization did not apply for a refund of erroneously paid taxes before September 9, 1976, and those instances in which the organization does not file a waiver certificate within 180 days after enactment. H.R. 15571—Public Law 94– , approved , 1976. (VV)

SSI benefits: Amends title XVI of the Social Security Act to permanently extend the Interim Assistance Reimbursement Program which was enacted in 1974 to reimburse states for interim assistance payments made to individuals awaiting final determination on their applications for benefits from the supplemental security income program (SSI) for the aged, blind, and disabled; extends until July 1, 1977, or until modifications of the law affecting food stamp eligibility are enacted, whichever occurs first, the provisions of section 8 of Public Law 93–233 under which SSI recipients are entitled to purchase food stamps except in those states where the Federal government is contributing an equivalent amount through the states' "hold harmless" payments under section 401 of Public Law 92–603 which established the SSI program; and continues for 1 year, through June 30, 1977, Federal matching for state Child Support Programs for nonwelfare recipients. H.R. 14484—Public Law 94–365, approved July 14, 1976. (VV)

State taxation of depositories: Extends from January 1, 1976, to September 12, 1976, the moratorium on interest taxation of depositories to allow Congress a full year to consider the recommendations of the Advisory Commission on Intergovernmental Relations whose report was not submitted to the Congress until September 12, 1975; adds Connecticut, Rhode Island, Maine and Vermont to the list of States allowed NOW accounts; amends the Truth in Lending Act to provide that discounts offered by merchandisers for cash purchases would not, for truth in lending disclosure purposes, constitute interest or a finance charge under the State usury or time-price differential laws; places a 3-year limit on the ban against surcharges to give Congress an opportunity to review the matter during that time; and authorizes the Federal Reserve Board to delegate to its staff, the authority to issue interpretations or approvals that would have binding effect in subsequent litigation over violations of the Truth in Lending Act. S. 2672—Public Law 94-222, approved February 27, 1976. (VV)

Tax reform: Makes permanent the 1975 increases in the standard deduction from $1,300 to $1,700 for single returns and $2,100 for joint returns; raises the percentage standard deduction from 15 to 16 percent; raises the maximum standard deduction from $2,000 to $2,400 for single and $2,800 for joint returns; extends through December 31, 1977 the tax credit for each taxpayer and dependent equal to $35 per person or 2 percent of the first $9,000 of taxable income, whichever is greater; makes permanent the refundable credit for low-income families with children amounting to 10 percent of the first $4,000 of earned income which phases out at $8,000;

Child care: Converts the present deduction for child care expenses into a 20 percent credit, up to an annual maximum credit of $400 for one dependent and $800 for two or more dependents; repeals the present disqualification of amounts paid to relatives for child or dependent care; makes the credit available regardless of income instead of the present $35,000 ceiling;

Retirement income: Revises the retirement income credit by increasing the maximum base for the credit to $2,500 for single persons age 65 or over and $3,750 for joint returns; no longer limits the credit to retirement income alone; and retains the credit for public employees under age 65; allows a taxpayer to set up an individual retirement account (IRA) for a non-working spouse; increases from $20,000 to $35,000 the exemption for taxpayers over 65 from capital gains taxes on the sale of a home;

Sick Pay: Repeals the present sick pay exclusion and substitutes a maximum annual exclusion of up to $5,200 a year for retirees under age 65 who have retired on disability and are permanently disabled; reduces the maximum amount excludable on a dollar for dollar basis by the individual's income in excess of $15,000 a year or less, which is phased out completely at $20,200;

Alimony—Moving Expenses: Changes the present itemized alimony deduction to a deduction in arriving at adjusted gross income; increases the maximum permissible deduction from $2,500 to $3,000 for expenses relating to moving to a new place of work which is at least 35 instead of 50 miles away;

Estate and Gift Taxes: Unifies tax rates on estate and gift transfers; replaces the present $60,000 estate tax exemption with a $30,000 credit which gradually increases to $47,000 by 1981 (which is equivalent to a $175,000 exemption); increases the amount a person can leave tax free to a spouse to the greater of $250,000 or 50 percent of the value of the estate; provides a "use" valuation of farms and small businesses so that they will be valued at current rather than potential development and increases from 10 to 15 years the period of payment in certain cases; requires an heir to "carry over" his benefactor's original tax basis rather than to receive a "stepped up" tax basis which is generally the asset's fair market value at the time of death; requires that all assets be stepped up to their value December 31, 1976; provides a $10,000 exemption for household and personal effects; provides a $60,000 minimum basis for small estates; imposes a new tax on "generation skipping" transfers under trusts or similar arrangements but provides a $250,000 exemption on transfers through each child.

Foreign Conventions: Limits deductions for attending foreign conventions to no more than two per year at coach class fare and at the per diem allowance that U.S. government personnel receive abroad;

Tax Shelters: Limits losses from accelerated deductions for major tax shelter investments and for limited partnerships to the amount of an investor's or limited partner's investment; tightens present "recapture" rules to prevent conversion of ordinary income into capital gains for sports franchises, oil and gas wells, and residential housing except for special rules regarding low and moderate-income housing; makes subject to the minimum tax, intangible drilling costs for oil and gas to the extent they exceed the amount that would be allowed if those costs were capitalized and amortized; requires capitalization of prepaid and preproduction expenses of farm syndicates; requires amortization of real estate construction period interest and taxes over four years (phasing to ten years); limits individual deduction for interest on investment debts to $10,000 plus net investment income and allows any surplus to be carried over to future years;

Minimum tax: Raises the minimum tax rate on individuals and corporations to 15 percent from 10 percent; provides individuals an exemption of $10,000 (instead of the present $30,000) or one-half of tax liability, whichever is greater; provides corporations an exemption of $10,000 or full tax liability whichever is greater and no longer allows the carry-over of excess tax liability income for offsetting in future years; adds for individuals new preference items to include the amount of itemized deductions (other than medical and casualty) exceeding 60 percent of adjusted gross income, intangible drilling costs for gas and oil in excess of deductions if costs were capitalized and accelerated depreciation on equipment leases;

Maximum tax: Eliminates the present $30,000 exemption on preference income; extends the present 50 percent maximum rate to pensions and annuities as well as earned income which is redefined as "personal service income"; expands preference items to correspond to minimum tax preferences;

Vacation homes and business use of personal homes: Limits deductions for expenses attributable to the rental of a vacation home if personal use exceeds 2 weeks or 10 percent of the rental time; limits deductions for business use of personal homes;

Investment tax credit—Corporate surcharge: Extends the current 10 percent investment credit through 1980; extends the extra 1 percent credit if an equivalent amount of stock is put into an employee stock ownership plan; treats investment tax credits on a first-in-first-out basis, thus allowing credits carried over from a previous year to be used first; extends the carryover period for net operating losses and permits an optional disregard of the carryback period; allows railroads and airlines to apply their tax credits against 100 percent of income instead of 50 percent of income in 1977 and 1978; allows a 5 percent tax credit for ship owners when building ships from capital construction funds; continues through 1977 the current lower tax rate on the first $50,000 of corporate income with the tax rate on the first $25,000 of taxable income at 20 percent rather than 22 percent and at 22 percent rather than 48 percent on the next $25,000;

DISC: Provides tax deferral benefits to a Domestic International Sales Corporation (DISC) on export earnings in excess of 67 percent of the average gross receipts for a 4-year base period average, including agricultural sales, timber, and 50 percent of military sales; continues present more favorable DISC benefits for qualifying small export businesses;

Foreign income: Extends on a permanent basis the present exemption for interest received by foreigners on their U.S. bank deposits; ends the use of foreign trusts to shield income from U.S. taxes; lowers from $20,000 to $15,000 the exclusion from taxes on foreign income except for taxpayers working for charitable organizations; repeals the per country limitation on the foreign tax credit; denies existing tax benefits for income earned in connection with participation in the Arab boycott of Israel or similar international boycotts; treats any foreign bribe as a dividend to the U.S. corporation; ends the preferential treatment for income earned in less-developed countries and the preferences for Western Hemisphere Trade Corporations and China Trade Act Corporations; requires that foreign losses deducted from U.S. income are to be recaptured in future years;

Capital gains, mutual funds, stock options: Lengthens to one year from 6 months the period for which an asset must be held to qualify for long-term capital gains treatment; allows mutual funds to carry forward their losses 8 years instead of the current 5; allows mutual funds to invest in tax-exempt municipal bonds and pass along to shareholders the tax exemption on the interest earned; eliminates virtually all special tax treatment for qualified stock options;

Administrative: Requires the Internal Revenue Service to notify a taxpayer when it wants to look at his bank records and to go to court if the summons is challenged; permits public inspection of private IRS rulings; modifies the rule and increases the penalties for disclosure or publication of confidential tax information; allows State and local governments to use Social Security numbers to identify taxpayers, welfare recipients, drivers and car owners; and contains other provisions. H.R. 10612—Public Law 94- , approved 1976. (506, 604)

Tax treatment of aircraft museums: Amends the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft. H.R. 10101—Public Law 94- , approved 1976. (VV)

Tax treatment of cemeteries—tax reform amendments: Amends the Internal Revenue Code of 1954 to provide, effective October 1, 1977 (for amounts distributed during taxable years ending after 1963), a special deduction in computing the income of a cemetery "perpetual care fund" for amounts expended by the fund for the care and maintenance of cemetery property in which interment rights have been sold; requires that the fund must be a trust established pursuant to local law by a taxable cemetery for the care and maintenance of the cemetery; provides that the allowed deduction shall be the amount actually distributed during the year for such care and maintenance (but not to exceed $5 per gravesite).

Amends the Tax Reform Act of 1976 to change, from December 31, 1976, to February 28, 1977, the effective date the following administrative provisions in the bill: jeopardy and termination assessments, administrative summons, and the minimum exemption from levy and provides that the amounts received by the Internal Revenue Service as reimbursement for costs incurred in making future private letter rulings and certain other determinations available for public inspection are to be treated as reimbursable to the Internal Revenue Service appropriation. H.R. 1142—Public Law 94- , approved 1976. (VV)

Tax treatment of corporate debts: Makes certain changes in the Internal Revenue Code relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation. H.R. 7929—Public Law 94- , approved . (VV)

Tax Treatment of Distilled Spirits—MIAs—SSI Benefits: Permits the Treasury Department to authorize the use of means other than stamps on the containers of distilled spirits as evidence of payment of the Federal excise tax on distilled spirits; allows the Secretary of the Treasury to authorize persons outside the Treasury Department to prepare and distribute the stamps or other devices that may be used, which is to be done only under such controls as are necessary to protect Federal revenues; extends for one year the tax relief to members of the Armed Forces and their spouses and civilian employees who are missing in action or hospitalized as a result of wounds, disease, or injury incurred in the Vietnam conflict; changes the language of the present provisions regarding the valuation of an individual's home for purposes of the resources test for supplemental security income; provides that the blind may have a 3 months instead of 1 month to establish disability during which time presumptive benefits would be available. H.R. 7228—Public Law 94– , approved 1976. (VV)

Tax treatement of securities: Amends the Internal Revenue Code of 1954 regarding the treatment of securities acquired for business reasons and not as an investment. H.R. 10902—Passed House August 24, 1976; passed Senate amended October 1, 1976. (VV)

Tax treatment of social clubs: Amends the Internal Revenue Code of 1954 regarding the requirements for tax exemption for social clubs and similar organizations; provides (1) that "substantially all" of such an organization's activities must be for pleasure, recreation, and other nonprofitable purposes (present law requires such an organization to be organized and operated "exclusively" for these purposes), which will allow the organization to earn income from nonmember sources to a limited extent and to have a limited amount of investment income (both types of income being subject to tax) without losing its general exemption from income tax, (2) that such an organization is to lose its tax-exempt status if its charter, by-laws, or other governing instrument or any of its written policy statements contains a provision which provides for discrimination against any person on the basis of race, color, or religion, and (3) resolves a question about the corporate dividends-received deduction in the case of organizations which are generally exempt but which nevertheless are taxed on their investment income by disallowing this deduction in computing the taxable investment income of social clubs and similar organizations, and of employee beneficiary associations, and similarly, denies the dividends-received deduction for investment income of taxable membership organizations. H.R. 1144, Public Law 94– , approved 1976. (VV)

Tax withholding extension—SSI eligibility—life insurance distribution: Extends present tax withholding rates until September 1, 1976; provides that SSI (Supplemental Security Income) recipients who have to leave their households and reside in another household because of a disaster such as the Teton Dam failure shall continue to receive full benefits without reduction and excludes from countable income disaster relief assistance; allows, effective with taxable years ending after December 31, 1957, a life insurance company to disregard a distribution during the last month of its taxable year, determined to have been made out of the policyholders surplus account, if such distribution is returned to the company not later than the due date for filing its income tax return for that year. H.R. 10051—Public Law 94–331, approved June 30, 1976. (VV)

Tax withholding extension—tax exempt organizations: Amends the Internal Revenue Code of 1954, as amended, to extend for an additional 15 days, from September 1, 1976, to September 15, 1976, the current withholding income tax rate; and adds gains from the lapse or termination of options to buy or sell securities to the exempt category of income for tax exempt organizations (except for those categories of organizations taxes on investment income). H.R. 3052—Public Law 94–396, approved September 3, 1976. (VV)

Tax withholding extension—trust funds: Amends the Internal Revenue Code of 1954, as amended, to extend from September 15, 1976, to October 1, 1976, the current income tax withholding rate; and modifies the rules relating to the maintenance of common trust funds by banks by providing that where banks which are members of the same affiliated group establish a combined common trust fund, this fund is to be treated as a "common trust fund" for tax purposes during the period of the affiliation. H.R. 5071—Public Law 94–414, approved September 17, 1976. (VV)

Teton Dam failure: Authorizes the Secretary of the Interior to provide compensation for the deaths, personal injuries, and losses to property, including irrigation works, which resulted from the failure on June 5, 1976, of the Teton Dam of the Lower Teton Division of the Teton Basin Federal reclamation project which was authorized to be constructed by the Act of September 7, 1964 (78 Stat. 925); authorizes a compensation program within the Department of the Interior to consider and settle such damage claims without regard to the proximate cause of the dam's failure; provides that damage claims payable in whole or part by a claimant's insurer shall not be paid by the Secretary unless the claimant provides written proof that the insurer has not approved or denied the claim within 6 months and assigns to the United States his rights against the insurer with respect to such claim; requires claimants to file claims in writing, within 2 years, and in the case of a dead person, by a duly authorized legal representative; authorizes compensation to farmers who made investments in distribution works and other capital improvements in the anticipation of irrigation water supplies from the Teton reservoir; includes authority for the Secretary to make advance or partial payments before final settlement to any claimant where necessary to prevent substantial hardship; requires the Secretary to prepare and publish final regulations and information about this program and waives the period for notice and comment otherwise required under the Administrative Procedures Act; requires an annual report to Congress on all claims submitted under this act which shall include the name of the claimant, amount claimed, and a description and status of the claim; contains provisions, where settlement cannot be reached, governing appeals or other courses of action open to claimants; limits attorney or agent fees to 10 percent of any award and imposes a $10,000 fine for violations; and authorizes such sums as necessary to carry out the program. S. 3542—Public Law 94–400, approved September 7, 1976. (VV)

EDUCATION

Allen J. Ellender Fellowships: Extends for 4 years, through fiscal year 1980, the Allen J. Ellender Fellowship Program authorized by Public Law 92–506 which provides fellowships to disadvantaged secondary school children; increases the authorization therefor from $500,000 annually to $750,000 for fiscal years 1977 and 1978, and $1 million for fiscal years 1979 and 1980; eliminates the present limitation on the number of fellowships to be awarded annually to accommodate the increased funding; amends that section of the Program which sets forth requirements for the program to ensure that students and teachers from rural communities and small towns, as well as teachers from urban areas, will be adequately represented among the fellowship recipients. H.J. Res. 491—Public Law 94–277, approved April 21, 1976. (VV)

Education amendments: Extends the provisions of the Higher Education Act of 1965 through September 30, 1979, except for the guaranteed Loan Program, which is extended through fiscal year 1981, College Work Study and Cooperative Education, which are extended through fiscal year 1982, and the International Education Act, which is extended through fiscal year 1977; includes new programs for lifelong learning to stress nontraditional education for students of all ages, for assistance to major research libraries, and for teacher centers; makes a number of changes in the guaranteed student loan program, including raising the adjusted family income level at which a student is eligible for an interest subsidy from $15,000 to $25,000 and in the operation of the program designed to improve its administration and to reduce the default level; increases the maximum basic opportunity grant from $1,400 to $1,800 dollars; contains new provisions for funding of the continuing education and lifelong learning program, the renovation and remodeling of facilities program, and funding for planning and operating community colleges; adds the existing TRIO programs (special programs for students from disadvantaged background) a new program of "service learning centers", and establishes a new program of educational information centers to encourage attendance at institutions of postsecondary education or training; makes more flexible the maintenance of effort provisions under title IV of the Elementary and Secondary Education Act, the Adult Education Act, the Emergency School Aid Act, and the Vocational Education Act of 1963 by allowing maintenance to be measured either on a per pupil amount or on an aggregate amount and allowing a waiver under certin circumstances; sets up new planning procedures for vocational education; consolidates categorical programs for basic grant, work study, cooperative education, residential schools, curriculum development and leadership awards into a basic State grant with a second grant for research, innovation, guidance, and counseling, and inservice training; continues home economics, bilingual training, and renovation and remodeling as separate programs; provides new authorities for vocational education project grants to assist in overcoming sex bias and for bilingual vocational education; provides that the sex discrimination provisions of title IX of the Education Amendments of 1972 shall not apply to the American Legion Boy's State and auxiliary Girl's State programs, or to father-son or mother-daughter scholarship or other financial assistance to winners of beauty or similar pageants; and contains other provisions. S. 2657—Public Law 94– , approved 1976. (539,659)

Indochinese refugees educational assistance: Authorizes grants for fiscal years 1976 and 1977 to reimburse local public and private educational agencies for costs incurred in educating Indochina refugee children; provides a formula to determine each State's entitlement which takes into account funds received under the Indochina Migration and Refugee Assistance Act; treats Guam as a State for purposes of grants under the Act; and amends the Adult Education Act to direct the Commissioner to operate a program of grants to State and local governments for adult education programs for refugees with such funds to be appropriated from existing authorizations. S. 2145—Public Law 94–405, approved September 10, 1976. (VV)

Public safety officers memorial scholarships: Establishes a Public Safety Officers

Memorial Scholarship program for qualified dependents of any public safety officer who lost his life while engaged in the performance of his official duties; sets at $3,500 the maximum amount of a grant that may be awarded to any individual in any year; provides for a reduction of awards based on grants made under the Higher Education Act for education costs under the $3,500 maximum to prevent an individual from receiving two Federal grants to pay the same costs; and authorizes therefor $1.75 million for fiscal year 1977 and $3.5 million for each succeeding fiscal year through 1982. S. 972—Passed Senate July 20, 1976. (VV)

Student loan program: Extends through September 30, 1976, the authority of the Commissioner of Education to insure new student loans and the provisions of the Emergency Insured Student Loan Act of 1969; makes it clear that the extension is only for a 3-month period and that the provisions of section 414 of the General Education Act, relating to contingent extension of education laws, do not apply; provides that the transition quarter and fiscal year 1977 shall be treated as a single fiscal year for purposes of reallocating College Work-Study funds; and clarifies the intent of the Privacy Act so institutions of higher education who serve as payment agents for the Basic Educational Opportunity Grant Program are not considered subject to the provisions of that Act relating to a contractor maintaining a system of records to accomplish a function of the Commissioner. S.J. Res. 203—Public Law 94-328, approved June 30, 1976. (VV)

ELECTIONS

Federal Election Commission—campaign financing: Amends the Federal Election Campaign Act to provide for a Federal Election Commission composed of the Secretary of the Senate and the Clerk of the House of Representatives, as ex officio and nonvoting members, and six members appointed by the President by and with the advice and consent of the Senate, to replace the present Commission, which is composed of the Secretary of the Senate and the Clerk of the House of Representatives, as ex officio nonvoting members, and six members, two appointed by the President pro tempore of the Senate, two by the Speaker of the House of Representatives, and two by the President, in order to meet the constitutional objections stated by the Supreme Court in *Buckley* v. *Valeo*, decided January 30, 1976, to the delegation of the administration and enforcement of the Act, which constitute executive branch functions, to officers appointed by the legislative branch instead of by the President as required under the Appointments Clause of the Constitution;

Provides that not more than three appointed members of the Commission may be of the same political party; sets terms of six years for the members, except that of the members first appointed, two are to be appointed for terms ending April 30, 1977, two for terms ending April 30, 1979, and two for terms ending April 30, 1981, and provides that none of the two shall be affiliated with the same political party;

Gives the Commission jurisdiction for civil enforcement of the Act and of the provisions of the Internal Revenue Code regarding public financing of Presidential campaigns; requires the affirmative vote of four members of the Commission to establish guidelines, initiate civil actions, render advisory opinions, make regulations, conduct investigations, or report apparent violations of law;

Makes various reporting and definitional changes, which include a requirement that (1) in any year when a candidate is not on the ballot for election the candidate and his authorized committees must file a report for any quarter in which contributions or expenditures aggregate more than $10,000; (2) records be kept by political committees only on contributions in excess of $50, instead of in excess of $10 and (3) corporations, labor organizations and other membership organizations need only report expenditures over $2,000 per election for communications to stockholders or members advocating the election or defeat of candidates; permits corporations and labor organizations to make two written solicitations per year from stockholders, executive and administrative personnel, and from employees respectively;

Restructures the penalty provisions of the law to provide criminal penalties for substantial violations and civil penalties and disclosure for less substantial violations, as well as protection for persons who enter into and adhere to conciliation agreements with the Commission;

Retains the present $1,000 per candidate per election limit on contributions by a "person" (defined as an individual, partnership, committee, association, corporation, labor organization and any other organization, which includes a non-qualified political committee) and now adds a limit on contributions by a "person" to political committees of national parties which are not the authorized political committees of any candidate at a yearly aggregate of $20,000 and at a yearly aggregate of $5,000 to any other political committee; retains the present $5,000 limit per candidate per election on contributions by a qualified multi-candidate political committee to a candidate and his authorized political committees, and now adds a limit on contributions by a multi-candidate political committee (1) to any political party committee which is not the authorized committee of any candidate at a yearly aggregate of $15,000 and (2) to any other political committee at a nearly aggregate of $5,000; contains a new provision which permits the Republican and Democratic Senatorial Campaign Committees and the national committee of a political party to contribute up to $17,500 to a candidate for nomination or for election to the U.S. Senate; treats as a single political committee all committees established by a single person or group of persons, and provides that these limits do not apply to transfers between national, State, District or local political committees, or to joint fundraising efforts; retains the present yearly aggregate limit on an individual's contributions at $25,000;

Requires that any printed or broadcast communication which expressly advocates the election or defeat of a clearly identified candidate and which is disseminated to the public must contain a notice that it is authorized by a candidate or it is not authorized by a candidate;

Prohibits a Presidential candidate who accepts public financing from spending more than $50,000 from his own personal funds or the funds of his immediate family in connection with his campaign (including funds spent in behalf of the Vice-Presidential nominee); provides for the termination of public financing for Presidential candidates who lack demonstrable support;

Amends the provisions pertaining to Congressional review of rules or regulations proposed by the Commission;

Changes the limits on honoraria which may be accepted by Federal officials from $1,000 to $2,000 (excluding amounts accepted for actual travel and subsistence expenses for self, a spouse, or an aide) for any speech, appearance, or article, and the total limit from $15,000 to $25,000; and contains other provisions. S. 3065—Public Law 94-283, approved May 11, 1976. (96,164)

Political campaigning: Condemns the conduct of certain people toward Governor George Wallace of Alabama and Senator Henry Jackson of Washington while campaigning in Wisconsin; states that such conduct, wherever it should occur, is un-American, undemocratic, and violates the principles of free speech and fair play; and declares that any loyal and patriotic citizen has the right to seek the office of President and present his or her views to the American people without fear of harassment or of bodily harm. S. Res. 419—Senate agreed to March 31, 1976. (VV)

Secret Service protection: Amends Public Law 90-331 to authorize the Secretary of the Treasury, upon the request of a Presidential or Vice Presidential nominee of a major political party, to provide secret service protection to their spouses beginning 60 days before the general Presidential election, and provides for the continuation of such protection for the spouse of the President-elect between the date of election and the date of inauguration. H.R. 15371—Public Law 94-408, approved September 11, 1976. (VV)

Voter registration: Encourages the private sector of the economy to initiate an extensive effort to increase voter registration and voter turnout in the 1976 general election. S. Res. 498—Senate agreed to July 30, 1976. (VV)

EMPLOYMENT

Emergency jobs—CETA: Extends the public service jobs program under title VI of the Comprehensive Employment and Training Act (CETA) by authorizing the appropriation of such sums as may be necessary through fiscal year 1977; authorizes not to exceed 15 percent of funds to be used for necessary supplies and equipment and administrative expenses; provides that jobs created above the current level will be in community employment projects for the long-term, low-income unemployed who have been unemployed for 15 or more weeks, including those who have exhausted unemployment benefits, or are receiving unemployment compensation or public assistance, and who are members of low-income households; authorizes States and political subdivisions to make appropriate adjustments in the accounts of employers for the costs of providing unemployment reimbursed under the Special Unemployment Assistance program for the costs of providing unemployment benefits to workers who have been employed in public service jobs pursuant to CETA; provides that the Secretary of Labor shall provide for assistance for community-based organizations of demonstrated effectiveness; authorizes prime sponsors in expending funds appropriated in the Emergency Supplemental Appropriations Act of 1976 (Public Law 94-266), to use the funds so as to prevent layoff of public service employees under both title II and title VI of the act, and authorizes prime sponsors (1) to use funds allocated from the Secretary's discretionary funds in areas outside the title II areas having 6.5 percent or higher unemployment and (2) to transfer persons to title II, even though the previous source of funding for that person's job was title VI, so that no 30-day period of layoff is required in the case of a person transferred from one title to another in the same job; makes clear that title VI discretionary funds may be used for continuing the employment of persons previously employed in public service jobs; authorizes financial assistance for manpower services to projects involving the operation of a business; provides for a set-aside of 2 percent of title VI funds to be provided to Indian tribes, bands, and groups for public service employment programs; includes conforming amendments regarding veterans employment and training assistance; provides for establishment of a National Commission on Employment and Unemployment Statistics; requires a study and report by the National Commission on Manpower Policy by March 31, 1978, of the net employment effects of the program; and contains other provisions. H.R. 12987—Public Law 94- , approved 1976. (515)

Public works employment: Authorizes the Secretary of Commerce to make grants to State and local governments for the total cost of construction, renovation, repair or other improvement of public works projects, to make supplemental grants for the purpose of increasing the Federal contribution to 100 percent of the cost of public works projects authored by any other Federal law where the Federal assistance is available and construction has not started, and to make grants for all or any portion of the State or of the local share cost of any public works project authorized by any State or local law where construction has not yet started; assures that at least ½ of 1 percent but not more than 10 percent of funds appropriated will be granted within any one State and groups Guam, the Virgin Islands and American Samoa together for this purpose; requires the Secretary, as long as the national unemployment rate is 6½ percent or more, to give priority to applications from areas in excess of the national rate and thereafter to give priority to areas in excess of 6½ percent but less than the national unemployment rate; requires that 70 percent of the funds must be used for the first priority category; authorizes up to $2.5 billion to carry out this title for the period ending September 30, 1977;

Authorizes, in title II, funds for financial assistance to State and local governments for each of 5 succeeding calendar quarters (beginning April 1, 1976) for $125 million when the national seasonally adjusted unemployment rate reaches 6 percent plus an additional $62.5 million for each one-half percentage point over 6 percent which on an annual basis means $500 million would be authorized when the national rate reaches 6 percent and an additional $250 million would be authorized for each percentage point that the rate rises over 6 percent; authorizes assistance from these amounts to States and local governments based upon their unemployment rate and level of tax revenue, as measures of recessionary impact and the level of services provided;

Amends, in title III, section 201(c) of the Public Works and Development Act of 1965 to increase the authorization for fiscal year 1976 from $75 million to $200 million, and authorizes under this section payment during the calendar year ending December 31, 1976, of interest supplement sufficient to reduce the interest up to 4 percentage points on loans guaranteed by the Secretary in order to aid firms needing financial assistance to continue current operations;

Authorizes the Secretary to designate as a redevelopment area cities of 50,000 or more and to make grants to cities with approved development programs; authorizes $50 million for fiscal year 1976 and $50 million for the transition period for this purpose;

Authorizes $500 million for fiscal year 1976 and makes the funds available for obligation until September 30, 1976, for supplementing existing programs; authorizes $1,417,968,050 for the fiscal year ending September 30, 1977, for grants for the construction of publicly-owned wastewater treatment works pursuant to title II of the Federal Water Pollution Control Act; and contains other provisions. H.R. 5247—Vetoed February 13, 1976. House overrode veto February 19, 1976; Senate sustained veto February 19, 1978. (*348.41)

Public works employment: Amends the Public Works and Economic Development Act of 1965 to provide for anti-recessionary public works authorizations; authorizes direct grants to State and local governments for construction, renovation and repairs of public works projects, including projects authorized by other acts and grants for architectural design, engineering, and related planning expenses, of 100 percent of the cost of the project if it is shown that onsite labor can begin within 90 days of the project approval; authorizes supplemental grants for the purpose of increasing the Federal contribution to 100 percent of project cost on any federally assisted public works projects authorized by any other Federal law when the Federal financial assistance immediately available and construction has not been started; also, authorizes grants of projects authorized by State or local law, where the matching share is immediately available and construction has not yet started; assures that at least ½ of 1 percent but not more than 12½ percent will be granted within any one State, and that Guam, the Virgin Islands and American Samoa together will not receive less than ½ of 1 percent; provides that as long as the national unemployment rate is 6½ percent, priority must be given to applications from areas in excess of the national rate and that 70 percent of the funds appropriated must be used for this priority category;

Authorizes for each of 5 succeeding calendar quarters (beginning with the quarter beginning on July 1, 1976) $125 million for financial assistance to States when the national seasonally adjusted unemployment rate reaches 6 percent plus an additional $62.5 million for each one-half percentage point over 6 percent, with the total amount authorized not to exceed $1.25 billion; further provides that no funds would be authorized for any calendar quarter during which the national unemployment rate averaged under 6 percent or for any quarter in which the last month's unemployment rate was below 6 percent; provides that the Secretary of the Treasury shall reserve one-third of the authorized funds for distribution to State governments and two-thirds for distribution to local governments; provides that allocations to each State government be made according to a formula using that State's excess unemployment rate and its revenue sharing entitlement for Entitlement Period VI (July 1, 1975, to June 30, 1976); defines excess unemployment as the State's unemployment rate during the most recent calendar quarter minus 4.5 percent; provides that allocations to local governments would be made according to the same formula; provides that grants under this program should be used for the maintenance of basic services ordinarily provided by the State and local governments; and

Authorizes $700 million for fiscal year 1977 for grants for the construction of publicly owned wastewater treatment works pursuant to title II of the Federal Water Pollution Control Act. S. 3201—Vetoed July 6, 1976. Senate overrode veto July 21, 1976; House overrode veto July 22, 1976; became Public Law 94-369, without approval July 22, 1976 (150,296,399)

Public works jobs: Authorizes $1.395 billion for fiscal year 1977 and $1.65 billion each for fiscal years 1978 and 1979 for programs under the Public Works and Economic Development Act for long-term economic rehabilitation in both rural and urban areas and for planning prior to actual economic distress; provides for continuation of titles III, IV, V, and IX programs at present 1976 authorization levels; increases authorization for title I (Public Works Grants) from the present $250 million authorization to $425 million and title II (Business Development Loans and Guarantees) from the present level of $75 million annually to $325 million; provides for interest free loans to redevelopment areas to be reloaned for economic redevelopment, subject to the approval of the Secretary of Commerce; reduces the size of a redevelopment area from 250,000 to 25,000 population; requests the President to convene a White House Conference on balanced national growth and economic development; permits 100 percent grants for public works impact projects for community development corporations; authorizes $81.25 million per quarter, with a maximum annual authorization of $325 million, for a job opportunities program, known as title X, as a standby antirecession measure which becomes operative only when unemployment reaches 7 percent nationally for the preceding calendar quarter with project opportunities provided on a priority basis for the areas with highest unemployment; and contains other provisions. S. 2228—Public Law 94- , approved 1976. (384,644)

Unemployment compensation amendments: Increases the annual amount of wages subject to Federal and State unemployment taxes from $4,200 to $6,000 per employee, effective January 1, 1978; increases the net Federal unemployment compensation tax rate from 0.5 percent to 0.7 percent starting January 1, 1977, until such time as all of the general revenue advances to the extended unemployment compensation account have been repaid; modifies the national trigger which determines when extended benefits are payable in a State of a seasonally adjusted national insured unemployment rate of 4.5 percent based on the most recent 13-week period (rather than 3 consecutive months); retains present law which puts the extended benefits program into effect in a State when the State's insured unemployment rate (not seasonally adjusted) averages at least 4 percent for a 13-week period and is 120 percent the rate for the corresponding periods in the preceding 2 years (the 120 percent—2 year requirement has been suspended throughout most of the period since enactment of the extended benefits program) but gives States the option to put the program into effect whenever the insured unemployment rate in the State averages at least 5 percent for a 13-week period even though the rate is not 120 percent of the rate for the corresponding periods in the preceding 2 years effective with respect to weeks beginning after March 30, 1977, which is when the existing waiver of the 120 percent requirement ends; provides that a State may request loans from the Federal Unemployment Trust Funds to pay unemployment compensation benefits for a three month instead of a one month period; extends for 1 year and makes certain amendments to the special unemployment assistance (SUA) program, which provides for benefits for unemployed persons not covered by regular unemployment compensation laws; brings under coverage agricultural labor which is performed for farm employers who, during the current or preceding calendar years, employ 10 or more workers in each of 20 weeks, or pay $20,000 or more in wages for agricultural labor in a calendar quarter; covers domestic service if performed for an employer who pays $1,000 or more to individuals employed in such services in any calendar year in the calendar quarter year or the preceding calendar year, effective December 31, 1977; requires the States to provide unemployment compensation coverage for employees of State and local governments; permits the Virgin Islands to become part of the Federal-State unemployment compensation system; prevents the States from disqualifying a woman for unemployment compensation solely because she is, or recently has been, pregnant; establishes a National Commission on Unemployment Compensation; requires that unemployed fathers who are eligible for both AFDC-UF aid to families with dependent children—unemployed fathers—payments and to unemployment compensation benefits (UC) must apply for and receive unemployment compensation before they may receive any AFDC–UF benefits for which they might qualify, and provides that the State must supplement the unemployment compensation benefits up to the AFDC–UF when an individual collecting UC meets the State AFDC–UP eligibility requirements; provides for a simplified procedure for work registration and for State employment offices to supply data for purposes of AFDC eligibility and child support with the AFDC agency and the child support agency to bear the cost of receiving the information from the unemployment compensation agency;

Amends the Supplemental Security Income Program (SSI) which provides assistance to aged, blind and disabled poor persons; requires that when a spouse is institutionalized that the SSI program provide benefits to the couple as individuals in order to alleviate the problem of much of their joint benefit going toward payment to the institution; provides that a person shall not lose Medicaid eligibility because of a rise in Social Security benefits due to cost of living increases; removes the prohibition in current law that prevents people living in small public residential group homes from receiving SSI benefits and makes persons living in publicly operated community residences for 16 or fewer residents eligible for SSI benefits on the same basis as those living in private community residences of the same nature; also requires that the States set up standards for these facilities and monitor them to assure that the standards for health and safety are met; requires the Department of Health, Education, and Welfare to issue a definition of disability as it relates to children and to require that these children be referred to a State Agency that has expertise in rehabilitation of children. H.R. 10210—Public Law 94– , approved 1976. (673)

ENERGY

Alaskan gas transportation: Establishes a procedure for expediting a decision on construction of facilities to transport natural gas from the North Slope of Alaska to the lower forty-eight States; directs the Federal Power Commission to consider reasonable alternatives for the transportation of Alaskan natural gas to consumers, and to transmit a recommendation for a system, if any, to the President by May 1, 1977; provides that the President is to review the recommendation and transmit his own decision to Congress by September 1, 1977; provides that the President's decision would become final upon enactment of a joint resolution of approval within 60 days of transmittal by the President; and contains other provisions. S. 3521—Public Law 94– , approved (VV)

Automotive research and development: Establishes a 5-year program within the Energy Research and Development Administration (ERDA) for advanced automobile research and development to ensure the development of advanced automobile propulsion systems, advanced automobile subsystems, and integrated test vehicles; authorizes the Administrator of ERDA to establish in-house programs and provide grants and contracts outside ERDA; directs the Administrator to utilize the expertise of the Department of Transportation and other Federal agencies to the extent of their appropriate expertise; places the responsibility with the Administrator for testing and evaluating new technology, as well as establishing a capability for information collection, analysis, and dissemination; requires the submission of an annual report to Congress on the research and development activities within the United States as well as on the need for a loan guarantee authority in order to perform research and development activities in automobile technology and commercialization thereof. H.R. 13655—Vetoed September 24, 1976. House overrode veto September 29, 1976; Senate sustained veto September 29, 1976. (283, 582, 674)

Coal leasing: Makes basic changes in the Mineral Leasing Act of 1920 governing leasing of federally owned coal which constitutes almost 50 percent of the recoverable coal reserves in the United States; provides that leases may be issued only by competitive bidding and that at least 50 percent of all lands leased within any year be on the basis of a deferred bonus bidding system;

Requires the preparation of land use plans where the United States owns both the surface and subsurface prior to sale of leases, and provides that, in cases where the Federal interest in nominal a State or local land use plan or a land use analysis prepared by the Secretary would be required;

Eliminates prospecting permits and preference right leases to prospectors and replaces this with a system of non-exclusive exploratory licenses; eliminates collective prospecting contracts in favor of the concept of a logical mining unit; provides that a coal lease for a logical mining unit which is not producing in commercial quantities at the end of 10 years shall be terminated; provides that coal leases shall be for a term of 20 years, and may be readjusted every 10 instead of 20 years, dependent upon diligent production; permits the Secretary to waive the requirement for a period not to exceed 15 years and accept in lieu thereof an advanced royality; provides for a comprehensive Federal exploration program for lands to be offered for leasing;

Increases from 37½ to 50 percent the share of lease revenues to the State in which the lease is located; specifies that 12½ percent shall be used for planning, construction and maintenance of public facilities, and provision of public services with priority to be given to those areas suffering impact problems as a result of energy development and provides that 12½ percent of the revenues accumulating under the Geothermal Stream Act are to be available to the States for the same purpose; and contains other provisions. S. 391—Vetoed July 3, 1976. Senate overrode veto August 3, 1976; House overrode veto August 4, 1976. Became Public Law 94–377, without approval August 4, 1976. (*364,456)

Coastal zone management: Amends the Coastal Zone Management Act to assist States facing Outer Continental Shelf (OCS) oil and gas development or other energy-related developments and facilities affecting the coastal zone; provides assistance in the form of grants or loans to coastal States from a new coastal energy facility impact fund, which is to be available to States receiving or anticipating impacts in their coastal zones from the exploration, development, and production of energy resources, or from the location, construction, expansion or operation of any energy facility requiring a Federal license or permit; authorizes moneys for the fund at $250 million per year for 3 fiscal years and the 1976 transition period; provides that up to 20 percent of the moneys may be used for planning grants with the balance to be used for efforts to reduce or ameliorate adverse impacts from energy exploration and development or to provide public facilities and services necessitated by such activity; requires as a condition of eligibility the provision of public facilities and services necessitated by such activity; requires as a condition of eligibility for assistance from the fund that the State must participate in a coastal zone management program and must experience or anticipate a temporary or net adverse impact or have experienced an adverse impact within the 3 years prior to enactment; authorizes automatic grants payable from the general treasury to any State where OCS oil or natural gas is being directly landed (brought ashore); provides a Federal guarantee for State or local government bonds issued to pay for measures needed to reduce adverse coastal impacts; contains provisions to clarify that Federal leases must be consistent with approved coastal zone management programs of the affected States; raises the Federal share for coastal zone management funding from 66⅔ percent to 80 percent; amends the Mineral Leasing Act of 1920 to increase from 37½ percent to 60 percent the amounts returned to the States as reclamation funds from royalties paid to the Federal Government by mining companies extracting federally-owned minerals; and contains other provisions. S. 586—Public Law 94–370, approved July 26, 1976. NOTE: (Impact fund provisions are also contained in S. 521, Outer Continental Shelf Management, which passed the Senate July 30, 1975.) (*291)

Electric and hybrid vehicle research: Establishes within the Energy Research and Development Administration (ERDA) a comprehensive research and development project which will focus on basic and applied research on electric and hybrid vehicle batteries, controls, motors, and overall vehicle design, with early emphasis on battery technology; provides that ERDA shall also carry out a three-stage demonstration project to provide for (a) development of baseline data to delineate the performance and other characteristics of existing electric and hybrid vehicle and hybrid vehicle technology, (b) contracting for the purchase, or lease of 2,500 electric or hybrid vehicles which represent the best available state-of-the-art technology, and (c) contracting for the purchase or lease of 5,000 advanced electric or hybrid vehicles which must represent a significant improvement over present state-of-the-art vehicles; provides that ERDA shall, through contracts and loan guarantees, carry out the research, development, and demonstration project, and may utilize other Federal agencies to the extent they enhance the participation of small businesses concerned with electric and hybrid vehicle technology, and shall reserve a reasonable portion of funds to be made available for the research, development, and demonstration project for contracts with such small businesses; requires ERDA to undertake a number of studies on various factors which may hinder or encourage the utilization of electric and hybrid vehicles, and also to make annual reports on the progress of the project; and authorizes a total of $160 million over 5 years for the project. H.R. 8800—Vetoed September 13, 1976. House overrode veto September 16, 1976; Senate overrode veto September 17, 1976; became Public Law 94–413, without approval September 17, 1976. (281,606)

Energy conservation in buildings: In title I, authorizes the Federal Energy Administration to make grants to States for financing residential insulation improvements for low-income persons; provides an authorization of $55 million annually for fiscal years 1976, 1977, and 1978, with the funds to be used chiefly for purchasing insulation materials to be installed in dwelling units occupied by persons with incomes not exceeding 50 percent of the median income for the area; includes among insulation materials items which improve the thermal efficiency of a dwelling and caulking and weather stripping but excludes all mechanical equipment costing more than $50 per dwelling unit; provides that the program shall utilize, insofar as possible, the services of volunteers and persons employed under other Federal, State and local programs such as manpower program trainees and public service employees;

In title II directs the Secretary of Housing and Urban Development to establish energy conservation standards for new residential and commercial buildings and to facilitate State and local adoption and implementation of such standards within a reasonable period of time; provides that the Secretary shall develop minimum performance standards for such structures in consultation with the Federal Energy Administration, the National Bureau of Standards, and the General Services

Administration, and publish them within a period of 36 months after the date of enactment; provides that the standards shall become effective after an additional period, not exceeding 18 months, for a review and adoption by State and local governments; defines a minimum performance standard as a standard which establishes an energy efficiency goal for a particular type of building, under varying conditions, such as climate, without specifying the means to reach that goal; allows an additional 6 months for promulgation of the standard, if needed; allows a period of 12 months for States and localities to adopt standards in their building codes that meet or exceed Federal standards; prohibited, effective one year after promulgation of the Federal standards Federal loan and grant assistance and the extension of credit by Federally supervised financial institutions for new residential and commercial construction in areas which do not adopt equivalent or stricter standards; authorizes the Secretary to make grants not to exceed $5 million in fiscal year 1976 to assist States in meeting the costs of developing performance standards and certification procedures for implementing them; and contains other provisions. H.R. 8650—Passed House September 8, 1975; Passed Senate amended March 9, 1976; In conference.

ERDA authorization: Authorizes $7,086,217,000 for the Energy Research and Development Administration for fiscal year 1977 for operating expenses and plant and capital equipment for fusion power research and development, fuel cycle research and development, fission power reactor development, environmental research and safety, high energy physics, basic energy sciences, nuclear materials security and safeguards, naval reactor development, space nuclear systems, uranium enrichment, advanced isotope separation technology, nuclear explosives applications, and various other programs. H.R. 13350—Passed House May 20, 1976; Passed Senate amended June 25, 1976; House agreed to conference report September 30, 1976. (VV)

ERDA supplemental authorization: Authorizes to the Energy Research and Development Administration supplemental appropriations of $34 million for fiscal year 1976 and $23 million for the transition period July 1–September 30, 1976, in budget authority and $26.5 million and $17.5 million in budget outlays for the respective periods to provide a balanced nuclear weapons research, development, and testing program, a capability to verify the peaceful nuclear explosive agreement now being negotiated with the Soviet Union as part of the Threshold Test Ban Treaty and to purchase, at reduced cost, a computer now being leased for the Lawrence Livermore Laboratory. S. 3108—Public Law 94–269, approved April 16, 1976. (VV)

Federal Energy Administration: Provides an 18-month extension of the Federal Energy Administration (FEA) until December 31, 1977; improves FEA procedures with respect to: the standards of hardship applicable to exception and exemption requests; appeals from adverse decisions on exception and exemption requests; holding of local hearings where the effects of a rule or regulation are essentially local in character; public access to the Project Independence Evaluation System model; and the gathering of energy information from small business so as to alleviate unnecessary reporting burdens; establishes certain limitations on the Administrator's discretion, including restraints upon retroactive application of rules and regulations under specified circumstances and upon the submission, in a single energy action, of a proposal to exempt an oil, refined petroleum product, or refined product category from both the price and the allocation provisions of the regulations under the Emergency Petroleum Allocation Act of 1973; increases Congressional oversight of the agency's operations; provides for authorizations of appropriations on a functional basis to assure that appropriated funds are utilized consistently with Congressional intent, and provides for a national energy information system for coordinating the gathering of energy information and energy data analysis to be established by newly-created Office of Energy Information and Analysis within the FEA;

Provides a broad range of energy conservation measures for new and existing buildings; contains Federal energy conservation performance standards for new residential and commercial buildings; a $200 million grant program to permit low-income persons to weatherize existing homes; a program at the state level designed to provide home owners and owners of public and commercial buildings with reliable information regarding the costs, savings, and benefits of energy conservation related investments; a $2 billion loan guarantee program to encourage energy conservation related investments in public and commercial buildings; and a $200 million demonstration program to identify incentives to encourage homeowners to make energy conservation related investments in home improvements;

Amends the crude oil pricing policy established in the Energy Policy and Conservation Act to remove the 3 percent limitation on the production incentive factor in adjustment by the President of the composite price per barrel on domestic crude oil, while retaining the 10 percent overall limitation on combined price increases attributable to the inflation adjustment factor and the production incentive factor; exempts stripper well production from price ceilings, but not from the calculation of the weighted average composite price for domestic oil; gives stripper oil production an imputed value in calculating the composite price, with the imputed price to be first calculated at $11.63, an approximation of today's average first sale price of stripper well production, which is to be adjusted to reflect increases in the actual average price of domestic production remaining subject to controls; directs the President, taking into consideration the greater flexibility attending the removal of the 3 percent limitation, to amend the regulations to provide additional price incentives for extraordinary and high-cost enhancement techniques associated with tertiary recovery of oil; authorizes $3 million for a program to promote commercialization of solar energy; and contains other provisions. H.R. 12169—Public Law 94–385, approved August 14, 1976. (295)

Federal Energy Administration extension: Extends for 30 days, from June 30, 1976, to July 30, 1976, the expiration date of the Federal Energy Administration. S. 3625—Public Law 94–332, approved June 30, 1976. (VV)

Helium conservation: States the sense of the Senate that the President should direct the Secretary of the Interior to make prompt arrangements to conserve the helium, which is now being extracted by private companies in the process of upgrading natural gas prior to distribution and then vented into the atmosphere, in accordance with ERDA's conclusions that: large quantities of helium will be required for energy-related applications such as fusion reactors, superconducting magnetic energy storage, and superconducting power transmission; known existing helium reserves will be essentially exhausted at about the time that large helium demand will commence and increase; the U.S. will be dependent in part on foreign source fields and helium extracted from the atmosphere; and the cost of helium extracted from the atmosphere is far greater than that extracted from natural gas. S. Res. 253—Senate agreed to May 13, 1976. (VV)

International petroleum exposition: Authorizes the President to invite the several States and foreign nations to participate in the International Petroleum Exposition at Tulsa, Oklahoma, from May 16 through May 22, 1976, for the purpose of exhibiting machinery, equipment, supplies, and other products used in the production and marketing of oil and gas, and bringing together buyers and sellers for the promotion of foreign and domestic trade and commerce in such products. S.J. Res. 59—Public Law 94–227, approved March 11, 1976. (VV)

Interstate oil and gas compact: Extends until December 31, 1978, the consent of Congress to the Interstate Compact to Conserve Oil and Gas consisting of 30 oil and gas producing States and 6 associate member States whose purpose is to conserve oil and gas by prevention of physical waste thereof from any cause, and calls for a special report from the Attorney General on the activities of advisory committees used in connection with activities related to the purposes of the Compact to see if they are consistent with the antitrust laws. S.J. Res. 126—Public Law 94– , approved 1976. (VV)

National leadership conference on energy policy: Directs the President to call a National Leadership Conference on Energy Policy to convene in Washington during 1977 to consider alternate policy approaches available to the United States with respect to energy and in particular to develop specific proposals to increase the supply of energy from reliable sources with minimum impact on the environment, and decrease domestic energy demand in ways not harmful to America's economic recovery, which shall form the basis for the adoption of a national energy policy to be implemented during 1977 and thereafter; provides that within 15 days after January 22, 1977, the President shall appoint a 15 member committee to make all necessary arrangements and preparation for the Conference; allows members of the Conference and the committee travel expenses, including per diem in lieu of subsistence as authorized for persons employed in Government service intermittently; requires the Conference to submit a final report of its findings and recommendations to the President within 60 days of the close of the conference, which shall be made public and within 30 days after its receipt by the President, transmitted to the Congress together with his recommendations; and authorizes such sums as necessary to carry out these provisions. S.J. Res. 206—Passed Senate August 27, 1976. (VV)

Natural gas pipeline safety: Amends the Natural Gas Pipeline Safety Act of 1968 to authorize an additional total of $17.165 million to implement the Natural Gas Pipeline Safety Act through fiscal 1978 and to make certain improvements to protect the public from hazards associated with natural gas pipelines; authorizes, from the total, $7 million for State grant-in-aid programs; defines the term "intrastate pipeline transportation" as that not subject to the jurisdiction of the Federal Power Commission under this act and includes within the definition those pipeline facilities which transport gas from an interstate pipeline to a direct sales customer purchasing gas for its own consumption; provides that the Secretary may establish standards relating to emergency plans and procedures; revises the State certification process to allow certification of a State agency even though it may not have adopted each Federal safety standard established within 120 days of the date of certification; requires States which are certified under this act, to encourage and promote programs designed to prevent natural gas pipelines and subsurface utility equipment from being damaged as a result of excavation; increases the amount of Federal contribution to State efforts to enforce Federal natural gas pipeline safety standards by authorizing the Secretary to pay the cost of not more than three full-time pipeline safety inspectors for each State (but not to exceed $60,000 for each State) in fiscal year 1978; continues the existing authority of the Secretary of Transportation to pay up to 50 percent of the cost of personnel, equipment, and activities with respect to interstate transmission lines; makes clear that the Department of Transportation's pipeline safety standards are the only Federal pipeline safety standards that an interstate pipeline operator is required to meet; requires the Secretary to include in his annual report to the President and Congress a full compilation of natural gas pipeline leaks occurring during that year; requires each person engaged in the transportation of natural gas to conduct a program to educate the public on the hazards associated with gas leaks and on the importance of reporting gas odors and leaks to the pipeline owner; authorizes the Secretary to develop materials suitable for use in such a consumer education program; and authorizes under specified conditions citizens' civil actions for mandatory or prohibitive injunctive relief against any person who is alleged to be in violation of the act. H.R. 12168 (S. 2041)—Public Law 94– , approved , 1976. (VV)

Naval petroleum reserves production: Transfers, effective June 1, 1977, jurisdiction of Naval Petroleum Reserve No. 4 in Alaska from the Secretary of the Navy to the Secretary of Interior and redesignates it the "National Petroleum Reserve in Alaska"; provides for continued petroleum exploration of this reserve but prohibits development and production until authorized by Congress.

Amends chapter 64, title 10, United States Code, to provide for the full exploration and development of the naval petroleum reserves and to permit limited production of Naval Petroleum Reserves No. 1—Elk Hills in California, No. 2—Buena Vista in California, and No. 3—Teapot Dome in Wyoming, within 90 days of enactment, under the authority of the Secretary of the Navy; defines "national defense" for the purposes of permitting such production in terms broad enough to permit production to offset a situation such as the Arab embargo of 1973; provides that production will not exceed the maximum efficient rate determined in accordance with sound oilfield engineering practices for a period of 6 years with provision for 3 year extensions thereafter; authorizes the President at his discretion to direct that all or any part of oil produced from the naval petroleum reserves be placed in a strategic reserve or be exchanged for petroleum of equal value to be so stored; waives, for the period of production, the requirement that the Secretary consult with the Congress on every contract; retains the requirement that the sale of oil be by competitive bidding for periods of not more than 1 year; prohibits the sale of more than 20 percent of the estimated Federal share of petroleum produced from Elk Hills to any buyer in a single year; requires that pipelines and facilities at this reserve be capable of handling 350,000 barrels of oil a day not later than 3 years after enactment; establishes a special account in the Treasury to offset outlay requirements for continued exploration and development, construction and filling of a strategic reserve and for operations in the Alaska reserve; requires that pipelines operate as common carriers; and contains other provisions. H.R. 49—Public Law 94–258, approved April 5, 1976. (*342)

Outer Continental Shelf management: Amends the Outer Continental Shelf Lands Act of 1953 for the purpose of increasing production of oil and gas from the Outer Continental Shelf (OCS) in a manner which assures orderly resource development, protection of the environment, and receipt of fair market return for public resources and encourages development of new technology to increase human safety and eliminate or reduce environmental damage;

Directs the Secretary of the Interior to prepare a comprehensive advance planning program for leasing which would indicate the size, timing, and location of leasing activity which the Secretary believes would meet national energy needs over the next 5 years;

Contains provisions giving States and local governments and the general public a significant opportunity to participate in and comment on Federal OCS planning and policy decisions which include authorization for the Governors of coastal States to establish a regional OCS advisory board which would advise the Secretary on all matters related to OCS oil;

Contains provisions identical to the new coastal zone impact fund provisions contained in S. 586, the Coastal Zone Management Act Amendments, to establish a new coastal zone impact fund to assist coastal States in ameliorating adverse environmental impacts and controlling secondary economic and social impacts associated with OCS oil and gas development;

Requires a Federal lessee who finds oil and gas to prepare and submit to the Secretary, the Governors of affected coastal States and any regional OCS advisory board a development and production plan in order to give them an opportunity for review and to permit the coastal States to assess the potential impacts of the development and to resolve any problems with the Secretary and the lessee before they occur;

Directs the Secretary to conduct a survey of oil and gas resources of the OCS; authorizes the Secretary to conduct or contract for exploratory activities in order to obtain more information about the oil and gas resources on the OCS and for exploratory drilling on an experimental basis when needed for national security, environmental reasons, or to expedite development in frontier areas;

Puts into law the existing rule, established by Departmental regulation, that an OCS lessee is liable for the total cost of control and removal of spilled oil; creates a new strict liability rule for damages from OCS oil spills which imposes damage liability, except for acts of war, without regard to fault or to the ownership of the land or resource damaged if the land or resource is relied on for subsistence or economic purposes; makes the lessee or holder of a right of way liable for the first $22 million and the Offshore Oil Pollution Settlement Fund, created by the Act, liable for the balance; finances the fund by placing a fee of 2½ cents per barrel on oil produced from the OCS;

Requires any person holding a geological or geophysical exploration permit to submit to the government the data and information, including interpretive data, obtained during exploration, which would be kept confidential unless the Secretary determined that public availability of the data would not damage the competitive position of the permittee or lessee; directs the Secretary to establish safety and performance standards for all pieces of equipment pertinent to public health, safety or environmental protection;

Authorizes a wide variety of new bidding systems in addition to the cash bonus fixed royalty system which has been the historical method of OCS bidding; provides clear authority for the Federal government to take oil or natural gas royalties in kind and dispose of them in a manner to alleviate shortages; requires environmental baseline and monitoring studies before oil and gas drilling can begin on any OCS area not previously leased; increases criminal penalties for certain willful violations of the Act and imposes civil liability for violations which continue after notice and opportunity to correct violations; contains provisions designed to promote Federal interagency coordination and directs coordination with State and local government agencies;

Increases to 60 percent the amount given to States from Federal mineral revenues derived under the Mineral Leasing Act of 1920 from coal, oil shale, oil and gas, and other public land mineral development, and provides that this additional amount shall be used by States socially or economically impacted by this development for planning, construction and maintenance of public facilities, and provision of public services; and contains other provisions. S. 521—Passed Senate July 30, 1975; Passed House amended July 21, 1976; House recommitted conference report September 28, 1976. (*362)

ENVIRONMENT

Blackbird control: Waives certain provisions of the National Environmental Policy Act of 1969, the Federal Environmental Pesticide Control Act and other provisions of law to permit the Secretary of the Interior, to treat with chemicals registered for bird control purposes, "blackbird roosts" in Kentucky and Tennessee determined through normal survey practices of the Department of the Interior to contain in excess of 500,000 birds and upon prior certification by the Governor of the respective State that the roost is a hazard to human health unless the Secretary determines that treatment of a particular roost would pose a hazard to human health, safety, or property. H.R. 11510—Public Law 94–207, approved February 4, 1976. (VV)

Clean air amendments: Clarifies and details the nondegradation of air policy stated in the 1967 Air Quality Act; sets requirements in a framework to be used by the States for prevention of significant deterioration of air quality in areas where air quality is better than the national primary standards or secondary area standards for sulfur oxides and particulates; designates the areas to be most carefully protected as Class I areas; specifies that Class I areas shall include all international parks, each national wilderness area and memorial park exceeding 5,000 acres, each national park exceeding 6,000 acres, and such other ares as the State may designate with the exception that in the case of Federal lands the concurrence of the Federal Land Manager with the designation is required; provides that all areas not designated as Class I shall be designated as Class II, provides that a national park or wilderness over 5,000 acres established after enactment of this act shall be classified by the Congress in the designating legislation;

Requires application to the State for a construction permit for building a major stationary industrial facility with the potential to emit more than 100 tons of a pollutant per year in a Class II area, and requires, if the application is approved by the State, the use of the best available control technology as determined by the State on a case by case basis for each facility; provides, in regard to possible impact on Class I areas, that notification of the application for the facility in the Class II area must be given to the Environmental Protection Agency (EPA) and to Federal Land Managers and supervisors of potentially affected Class I areas and provides a Federal-state procedure for determining whether the application should be approved where the EPA or the Federal Land Manager notifies the State of the existence of a potential adverse impact on air quality in the Class I area;

Authorizes extension up to May 21, 1982, of the existing 1977 deadline for adoption and implimentation of transportation controls plans (carpooling, express bus lanes, improved mass transit) by a State for areas which cannot achieve the air quality standards without such controls where implementation without an extension would have serious adverse social and economic effects, and a further extension up to May 31, 1987, if attainment by the controls is not possible by 1982;

Authorizes a State or the EPA, after 30 days notice to the State to issue enforcement order for compliance of sources that have not met the deadline for compliance with applicable emission limitations; authorizes the State or the EPA to extend the deadline up to January 1, 1979, if the source intends to comply by closing or replacing a facility or changing its production process, or up to January 1, 1981, if the source intends to comply by installing innovative technology; requires as a condiiton for the extension the posting of bond or other surety by the source in an amount equal to cost of actual compliance and any economic value which may accrue to the source reason of the failure to comply, which is forfeited if the source does not begin to comply; also, provides penalties where compliance is not accomplished by the extended deadline consisting of monthly payments equal to the cost of compliance; expands civil and criminal penalties for violations of enforcement orders or various requirements of the act; simplifies the process of imposing appropriate compliance schedules on those facilities which will be converting to coal and which will need improved air pollution controls in order to meet applicable requirements;

Requires studies by the National Academy of Sciences and appropriate research agencies regarding stratospheric ozone protection and human health; provides that if the EPA, after considering available reports, finds that halocarbon emissions from aerosol containers may endanger human health, it shall publish proposed regulations no later than January 1, 1978, to restrict their manufacture and use, and shall, after public hearings, promulgate and transmit to Congress by April 1, 1978, final regulations which shall take effect if not disapproved by either House of the Congress;

Postpones the achievement of the statutory automotive emission standards for hydrocarbons and carbon monoxide from 1978 to 1979; changes the statutory nitrogen oxide standard of 0.4 grams per mile to 1.0 grams per mile, and postpones achievement of this standard for 2 years, until 1980; requires production of a limited number of vehicles in 1979 that will meet all three statutory standards; requires the EPA to promulgate emission standards for hydrocarbons, carbon monoxide, particulates, and nitrogen oxides for heavy duty trucks, buses, and motorcycles for model years 1979 and 1980 which reflect the application of the best available technology taking into account the cost of compliance, and standards for model year 1981 and thereafter which are equivalent to the reductions required for automobiles in 1980:

Requires the EPA to promulgate within one year regulations to insure that the warranty provisions of present law, which require auto manufacturers to warrant their emission control systems for 5 years or 50,000 miles, do not lock out independent servicing and parts dealers known as the after-market industry; requires replacement under the warranty of a catalytic converter, thermal reactor, or other component installed on or in a vehicle for the sole or primary purpose of reducing vehicle emissions where the retail price of the replacement is greater than 2 percent of the retail price of the vehicle; prohibits a manufacturer from conditioning the emission performance on the use of any component, system or service of the manufacturer unless EPA finds that such a component or service is essential to the proper functioning of the vehicle; and establishes a program which will enable after-market parts manufacturers to certify that their parts perform as well as the auto manufacturers; specifies that the car owner is responsible for maintenance of the vehicle, including spark plugs and similar items, at facilities of his choosing; and contains other provisions. S. 3219—Passed Senate August 5, 1976; Passed House amended September 16, 1976; Conference report filed. (482)

Clean air research authorization: Amends the Clean Air Act to extend through fiscal year 1977 the authorizations for the research, development, and demonstration programs of the Environmental Protection Agency carried on under the air pollution program and authorizes therefore $148,194,700. S. 3438—Passed Senate June 11, 1976. (VV)

Council on Environmental Quality: Authorizes $3 million for each of fiscal years 1977 and 1978 for the operations of the Council on Environmental Quality. H.R. 11619—Public Law 94–298, approved May 29, 1976. (VV)

Earthquake hazard reduction program: Amends the National Science Foundation Act of 1950 to establish a national earthquake hazard reduction program, under the direction of the President, to reduce and minimize the risks to life and property from future earthquakes in the United States; includes the following four elements in the program: (1) research and implementation of findings in tectonics, seismology, and geology under the supervision of the Geological Survey; (2) research in engineering, education, planning, and the social sciences under the supervision of the National Science Foundation; (3) effective information dissemination and education activities; and (4) assistance to the States (under the Disaster Relief Act of 1974) to make the results of research available; establishes a national advisory committee to assist the President on the progress, implementation and coordination of the program; requires the President to submit an annual report to the Congress describing and evaluating progress achieved in reducing earthquake hazards and including any recommendations for legislative or other action; and authorizes therefor $40 million for fiscal year 1977; $50 million for 1978, and $60 million for 1979. S. 1174—Passed Senate May 24, 1976; House rejected September 20, 1976. (VV)

Endangered species: Amends the Endangered Species Act of 1973 to extend and increase authorizations for the Departments of Interior and Commerce, who jointly administer the act, as follows: Department of the Interior—from $10 million per fiscal year to $1.8 million for the transition period July 1–September 30, 1976, and a combined total of $25 million for fiscal years 1977 and 1978; and Department of Commerce—from $2 million per fiscal year to $500,000 for the transition period July 1–September 30, 1976, and a combined total of $5 million for the fiscal years 1977 and 1978. S. 3122—Public Law 94–325, approved June 30, 1976. (VV)

Environmental research authorization: Provides a separate authorization for fiscal year 1976 and the transition period July 1–September 30, 1976, with respect to the research programs of the Environmental Protection Agency (EPA) under the Noise Control Act ($2.11 million and $527,500), Federal Insecticide, Fungicide, and Rodenticide Act ($14,047,000 and $3,511,975), Public Health Service Act—Section 301, ($2,115,000 and $528,750), Clean Air Act ($148,194,700 and $37,048,675), Solid Waste Disposal Act ($13,534,300 and $3,383,575), and Federal Water Pollution Control Act Amendments of 1972 ($148.8 million for fiscal year 1976 only); limits to 10 percent the amount of funds that may be transferred to or from particular categories unless the Secretary notifies Congress and Congress does not disapprove within 30 days; provides that appropriations made under this act shall remain available until expended; specifies that no appropriation may be made to EPA for environmental research, development, or demonstration after September 30, 1976, unless previously authorized by Congress; and directs the Administrator to submit to Congress, within six months of enactment, a 5-year plan for environmental research, development and demonstration and requires annual revision of the plan. H.R. 7108—Public Law 94– , approved 1976. (VV)

Noise control: Extends for 2 years, through fiscal year 1977, the monetary authorizations under the Noise Control Act of 1972 and authorizes therefor $24,290,000 for fiscal year 1976, $6,072,500 for the transition period July 1–September 30, 1976, and $26,719,000 for fiscal year 1977. H.R. 5272—Public Law 94–301, approved May 31, 1976. (VV)

Noise control research: Amends the Noise Control Act to extend through fiscal year 1977 the research, development and demonstration programs of the Environmental Protection Agency carried on under the Noise Control program and authorizes therefor $2.5 million. S. 3436—Passed Senate May 18, 1976. (VV)

Scrimshaw art preservation: Permits the Secretary of Commerce, who administers the Endangered Species Act with respect to whales, to grant exemptions for a limited period of time (3 years) for the sale of finished scrimshaw (etched designs and carvings from whale bone) products in interstate commerce to allow scrimshaw artists to dispose of their present inventories and to adapt their art to a new medium; includes additional authority for issuing exemptions for legally held sperm whale oil and its derivatives to allow those who held this oil on December 31, 1972, including the General Services Administration, to dispose of it; and clarifies the relationship of this act to violations committed prior to its enactment. S. 229—Public Law 94–359, approved July 12, 1976. (VV)

Sea grant program: Extends the national sea grant program for 1 year and authorizes $50 million therefore; encourages the establishment of sea grant colleges and regional consortia; establishes a fellowship program to assist undergraduate and graduate students in fields related to ocean and coastal resources; authorizes matching funds with up to ⅔ provided by the Federal government to universities and other institutions which developed programs of marine sciences; authorizes $5 million for grants for special projects intended to meet specific national needs and problems with respect to ocean and coastal resources; authorizes $3 million to enhance the research and developments capabilities of developing foreign nations and to promote the international exchange of information; and establishes a new sea grant review panel to oversee the programs. H.R. 13035—Public Law 94– , approved 1976. (VV)

Solid waste disposal: Authorizes $374.5 million for fiscal years 1977–79 to carry out the provisions of the Solid Waste Disposal Act; amends and expands the act to authorize State program and implementation grants to provide incentives for the recovery of resources from solid wastes and for resource conservation, and to control the disposal of hazardous wastes as follows:

Program and implementation grants: Authorizes $25 million each for fiscal years 1978 and 1979 for grants to assist States in the development and administration of solid waste management, resource recovery, and resource conservation plans, and the establishment, operation and enforcement of State programs for the control of hazardous wastes conditioned on a comprehensive planning process in cooperation with area-wide agencies and local governments and the enforcement of the ban on open dumping; authorize $15,000,000 annually for fiscal 1978–79 to provide financial assistance to States and local governments to implement such programs conditioned on compliance with the open dumping ban, State control of hazardous waste disposal, and the adoption of appropriate technologies; authorizes $70 million for fiscal 1978–79 for grants to area wide solid waste management planning bodies;

Solid waste management, information and guidelines: Directs the Administrator, within 1 year, to publish guidelines on alternative solid waste management practices, including operating procedures, available to protect health and the environment, and to define those practices which constitute open dumping; requires the Administrator, within 2 years, to publish the guidelines on the location, design, and construction of facilities; requires the Administrator to notify Congress before publication of guidelines; prohibits any officer or employee of EPA from lobbying or taking an official position on resource or conservation as they relate to State or local laws;

Open dumping, hazardous waste disposal: Prohibits open dumping of municipal and industrial solid and hazardous wastes effective 1 year after the Administrator promulgates a definition of open dumping; authorizes $25 million annually in fiscal 1978–79 for grants to rural communities, to help them comply with the prohibition on open dumping; allows States to extend deadlines if they set up enforceable compliance schedules;

Establishes a Federal permit program for the control of hazardous waste disposal; requires the Administrator to identify hazardous wastes to be regulated under programs administered at the State level;

Enforcement, citizen suits and judicial review: Authorizes criminal fines of up to $25,000 a day or a year in jail for violation of open dumping or hazardous waste disposal regulations; authorizes civil fines of up to $10,000 a day; provides that any person may initiate a civil suit against a person alleged to be in violation of the act; provides that petitions for review of regulations be filed in the U.S. Court of Appeals for the District of Columbia within 90 days of promulgation; allows the Administrator to modify his findings based on new evidence and issue a new order;

Requires each Federal agency in its procurement activities to give preference to items composed of the highest percentage of recovered resources and designates the Office of Procurement Policy with implementing this policy; provides redress to employees who have been fired or discriminated against as a result of involvement in any proceeding under this act; states that nothing in this Act shall preclude or deny the right of any State, local government, or interstate agency to adopt or enforce any rule, regulation, standard, or requirement respecting solid waste or hazardous waste which is more stringent than a Federal requirement; authorizes the President to exempt any solid waste management facility of a Federal agency, on a case basis for not more than 1 year; requires that Congress be notified of such exemptions; directs the President to study existing solid waste on Federal lands in Alaska to determine the costs and best method for their removal; creates a committee, chaired by the Administrator and composed of the Secretaries of Commerce, Labor, and Treasury, and the Chairman of the Council on Environmental Quality, to study existing policies related to resource conservation and the effects of changes in policies or adoption of new measures; requires that the results of the study be reported within 2 years; amends and expands the research, demonstration, training and other activities provisions of existing law to emphasize public education and research on resource recovery, resource conservation and hazardous waste management systems; makes patent provisions of the Federal Nonnuclear Energy Research and Development Act applicable to assistance under this act; directs the Administrator to provide State and local governments with technical assistance including experts on solid waste management, resource recovery and conservation, and hazardous waste management; directs the Administrator to study land requirements for solid waste, agricultural waste, and mining waste management; and contains other provisions. S. 2150—Public Law 94– , approved 1976. (366)

Toxic substances control: Directs the Environmental Protection Agency (EPA) to require testing of a chemical substance or mixture if its commercial use might present "an unreasonable risk" of injury to health or environment and if there were insufficient data to judge the effects upon health and the environment or if its use would cause wide exposure to humans and the environment and there were insufficient data available to predict its effects;

Establishes an interagency Federal advisory committee with testing expertise to develop a priority list of chemicals for testing;

Requires persons intending to manufacture new chemical substances or to process a chemical substance for a significant new use (as determined under rules issued by EPA) to give notification to EPA 90 days in advance and to supply test data and information on health and environmental effects along with that notification; provides that this requirement does not apply to research chemicals manufactured or processed in small quantities (as defined by EPA); sets out procedures under which EPA can halt or limit manufacture or use of a substance where there is insufficient information to evaluate the health and environmental effects of the substance;

Requires manufacturers and processors of chemical substances to maintain certain records and reports to enable the Administrator to determine if unreasonable risks exist as well as to submit health and safety studies which have been conducted if requested by the Administrator;

Authorizes EPA to regulate hazardous chemical substances and mixtures; also authorizes EPA to take immediate civil action in the appropriate Federal district court for relief or seizure of chemicals that pose an imminent hazard to human health or the environment and provides civil and criminal fines for violations of the act;

Provides for the control of polychlorinated biphenyls (PCBs), which have been connected with cancer and certain other diseases; prohibits the use of PCBs except in a totally enclosed manner effective one year from enactment, prohibits their manufacture effective two years after enactment, and their processing or distribution in commerce two and one-half years after enactment; permits EPA to grant exemptions upon a finding that there is no unreasonable risk to health or the environment and that good faith efforts have been made to develop a substitute; exempts from the act, tobacco or tobacco products, nuclear materials, firearms and ammunition, pesticides as defined in the Federal Insecticide, Fungicide, and Rodenticide Act, and food, drugs, cosmetics and medical devices as defined in the Federal Food, Drug, and Cosmetic Act;

Prohibits discriminations against employees for participating in enforcement of the law and authorizes the Labor Department to hold hearings on alleged violations;

Authorizes citizens to bring suits to enjoin certain violations and to require the Administrator of EPA to perform his mandatory duties; and contains other provisions. S. 3149—Public Law 94– , approved 1976. (103,656)

Water pollution control: Authorizes funds for the extension of the water pollution control program through fiscal year 1977, including a $5 billion authorization for the grant program for construction of municipally-owned waste treatment works and authorizations for State program grants, research and development grants, areawide planning grants and other operating programs; raises the ceiling on individual grants for training facilities from $250,000 to $500,000; extends by one year the date by which currently authorized funds of approximately $8 billion must be obligated; includes a formula for the distribution of the construction grant funds authorized for fiscal year 1977 on the following basis: 50 percent on partial needs, 25 percent on total needs, and 25 percent based on 1975 population; provides that the amount of Federal grants for the first two years of operation of any agency designated to conduct an areawide waste treatment management planning process under section 208 shall be 100 percent; provides loan guarantees for grantees otherwise unable to raise the local share for construction of a sewage treatment facility; provides for an extension on a case-by-case basis of the act's time requirements to July 1, 1980, for municipalities to achieve secondary treatment effluent limits and for industries; modifies section 404 which concerns regulation of discharge of dredged and fill material by the Corps of Engineers, concerning jurisdiction, scope of review of permit applications, State programs, exempt activities, and general permits; provides that the jurisdiction of the Corps of Engineers for control of those pollutants shall cover waters regulated under the Corps' authority through section 10 of the Rivers and Harbors Act of 1899 (and all contiguous and adjacent wetlands), and that this jurisdiction over the permit program would be retained until the approval of a State program; exempts, in addition to normal farming and silvicultural activities, construction of farm and forest roads, construction or maintenance of farm ponds or agricultural irrigation ditches and maintenance of drainage ditches, temporary mining roads, silt or sediment control impoundments associated with mining operations, and certain other activities unless the activity results in the induction of toxic materials into the navigatable waters; and contains other provisions. S. 2710—Passed Senate December 1, 1975; Passed House amended June 3, 1976; Senate agreed to House amendments with a substitute amendment September 1, 1976; In conference. (VV)

Amends the Federal Water Pollution Control Act to extend through fiscal year 1977 the authorizations for the research, development and demonstration programs of the Environmental Protection Agency carried on under the water pollution program and authorizes therefor $217 million. S. 3437—Passed Senate June 11, 1976. (VV)

Amends title II of the Federal Water Pollution Control Act to authorize loan guarantees of loans, obligations, or participations therein of any State, municipality, or intermunicipal or interstate agency issued directly and exclusively to the Federal Financing Bank to finance that part of the cost of any grant-eligible project for the construction of publicly owned treatment works not paid for with Federal financial assistance under title II. S. 3894—Public Law 94– , approved 1976. (VV)

Water resources planning: Increases from $1.5 million to $2 million the authorization for expenses of the Water Resources Council in administering the Water Resources Planning Act, and adds the Territory of Guam for eligibility to receive water planning grants under Title III of the act. H.R. 11876—Public Law 94–285, approved May 12, 1976. (VV)

Water quality report: Amends the Federal Water Pollution Control Act to increase from $17 million to $17.25 million the authorization for the National Study Commission to complete its report on water quality. H.R. 12193—Public Law 94–238, approved March 23, 1976. (VV)

Weather modification: Requires the Secretary of Commerce, in cooperation with interested governmental and private institutions, to conduct a comprehensive investigation and study concerning weather modification and to submit a report to the President and Congress, within 1 year of enactment, on a recommended national policy on weather modification and a national weather modification research and development program, including the formulation of a model domestic regulatory weather modification code and an international weather modification agreement, together with his recommendations for their implementation; and includes an authorization for continued support of existing weather modification reporting activities carried out by the Department of Commerce under Public Law 92-205, which provides $200,000 annually for this purpose and extends the program through fiscal year 1980. S. 3383—Public Law 94– , approved 1976.

FISHERIES AND MARINE LIFE

Fisheries development (Outer Pacific Ocean): Extends for 3 years, through fiscal year 1979, the Central, Western, and South Pacific Fisheries Development Act which assists in the development of tuna and other latent fishery resources of the outer Pacific Ocean; requires the Secretary of Commerce to submit an annual report to the President and Congress on the progress of the program; and authorizes therefor a total of $3 million for the 3-year period. H.R. 13380—Public Law 94-343, approved July 6, 1976. (VV)

Fisheries management—200-mile limit: Establishes, in title I, effective March 1, 1977, a fisheries conservation zone contiguous to the U.S. territorial sea and extending for 200 nautical miles from the U.S. coasts; provides exclusive fishery management jurisdiction to the U.S. within this zone over all fish (except highly migratory species) and beyond this zone, over anadromous species of fish (e.g. salmon) that spawn in U.S. rivers and streams and migrate to ocean waters, and over U.S. Continental Shelf fishery resources; declares Congressional intent that this legislation support and encourage continued U.S. efforts to obtain an internationally acceptable treaty which provides for effective fishery conservation and management; and grants the Secretary of Commerce authority to conform regulations issued pursuant to this Act to the fishery management jurisdiction provisions of an international fishery agreement that may result from any U.N. Conference of the Law of the Sea once that agreement has been ratified by the U.S.;

Authorizes, in title II, foreign fishing for species and resources under the exclusive fishery management authority of the United States pursuant to (1) an international fishery agreement which is in effect as of the date of enactment of this legislation pending renegotiation (in the case of a treaty) or expiration (in any other case) and (2) a "governing international fishery agreement"; states the sense of the Congress that a governing international fishery agreement between the U.S. and a foreign nation shall contain specified provisions essential to the conservation and management of fishery resources and shall not become effective until it has been submitted to and received by Congress; sets the total allowable level of foreign fishing with respect to any fishery under exclusive U.S. jurisdiction at that portion of the optimum yield which will not be harvested by U.S. vessels; prohibits a foreign fishing vessel from fishing within the U.S. fishery conservation zone after February 28, 1977, unless it has, on board the vessel, a valid permit issued by the Secretary of Commerce through the Secretary of State; authorizes the Secretary of the Treasury to embargo seafood from nations which the Secretary of State certifies bars U.S. fishing vessels from its waters, subjects them to conditions and restrictions unrelated to fishery conservation and management, or seizes U.S. fishing vessels in violation of or without authorization under agreement;

Establishes, in title III, a national fishery management program for the conservation and management of fishery resources subject to exclusive U.S. jurisdiction which would establish national standards for fishery management; establishes eight Regional Management Fishery Councils which are empowered to recommend management plans and regulations to the Secretary of Commerce who is authorized to regulate fisheries within the expanded U.S. jurisdiction to prevent overfishing, rebuild overfished stocks, and insure conservation; contains provisions on prohibited acts, civil penalties, criminal offenses, civil forfeiture, and enforcement;

Amends, in title IV, the Fishermen's Protective Act, the Marine Mammal Protection Act of 1972, and the Atlantic Tunas Convention Act of 1975; repeals the Acts of May 20, 1964 (Bartlett Act) and October 14, 1966; and authorizes $5 million for fiscal year 1976, $5 million for the transition period July 1 September 30, 1976, $25 million for fiscal year 1977; and 30 million for fiscal year 1978 to the Secretary of Commerce to carry out the provisions of the Act. H.R. 200—Public Law 94-265, approved April 13, 1976. (14)

Fisheries research and development programs: Amends the Commercial Fisheries Research and Development Act of 1964 to enable the Trust Territory of the Pacific Islands to receive Federal matching funds for approved research and development projects intended for the development of the Nation's commercial fisheries; provides that funds not used by a State would remain available for use by other States; and authorizes advance payments to States on projects that have been approved by the Secretary. S. 1414—Public Law 94– , approved 1976. (VV)

Killer whales: Amends the Marine Mammal Protection Act of 1972, as amended, to prohibit the Secretary of Commerce from issuing any permit for the taking of any marine mammal of the orcinus orca species (or killer whale) except for scientific reseach purposes which shall be conducted without removing the mammal from the water or endangering its health or welfare. S. 3130—Passed Senate March 29, 1976. (VV)

Marine protection and sanctuaries: Amends the Marine Protection, Research and Sanctuaries Act of 1972 to extend the authorizations under titles I, II, and III of the Act for 1 year, through fiscal year 1977, as follows: Title I—ocean dumping permit program, $4.8 million; Title II—research program on the effects of ocean dumping on the marine environment, $5.6 million; and title III—marine sanctuaries, $500,000; and requires a separate annual report from the U.S. Army Corps of Engineers and the Coast Guard on their administration of provisions under the act. S. 3147—Public Law 94-326, approved June 30, 1976. (VV)

Whale conservation: Directs the Secretary of Commerce, in consultation with the Marine Mammal Commission and the coastal States, to make a comprehensive study of all whales found in waters subject to the jurisdiction of the United States, including the fishery conservation zone, for the purpose of developing adequate and effective measures, including appropriate laws and regulations to conserve and protect whales and submit a report thereon to the Congress by January 1, 1980; provides that the study shall include all relevant factors regarding (1) the conservation and protection of whales, (2) their distribution migration patterns, and population dynamics, and (3) the effects of habitat destruction, disease, pesticides and other chemicals, disruption of migration patterns, and food shortages; directs the Secretary, through the Secretary of State, to initiate negotiations to develop appropriate bilateral agreements with Mexico and Canada for the protection and conservation of whales; and authorizes therefor $1 million. H.R. 15445—(662) Public Law 94– , approved 1976.

GENERAL GOVERNMENT

Action authorization: Amends the Domestic Volunteer Service Act of 1973 to extend for 2 years, through fiscal year 1978, the operation of certain programs of the ACTION Agency including VISTA, University Year for Action, the Youth Challenge program, the National Student Volunteer program and certain special volunteer programs; authorizes the Director to include in agreements with VISTA sponsors a requirement that the sponsor assume a share of the direct costs of supporting VISTA volunteers through a program of grants whereby up to 20 percent of the funds appropriated for VISTA may be used for a cost sharing arrangement of this type; provides that a foster grandparent can continue to serve a child under his care beyond the child's 21st year; modifies the formula of funding for the Service Learning Programs; and clarifies the authority of the Director to undertake and support volunteer service programs including the recruitment and training of volunteers. H.R. 12216—Public Law 94-293, approved May 27, 1976. (VV)

Afro-American History and Culture Museum: Directs the Secretary of the Interior to prepare and transmit to the Interior Committees of the House and Senate within 1 year of enactment a feasibility/suitability study for a National Museum of Afro-American History and Culture at or near Wilberforce, Ohio, including cost estimates for any necessary acquisition, operations and maintenance, and development as well as any alternatives. S. 3419—Passed Senate August 25, 1976. (VV)

Animal welfare: Brings interstate carriers, intermediate handlers and terminal facilities under the regulation of the Animal Welfare Act; requires that they adhere to standards promulgated by the Secretary of Agriculture with respect to the transportation in commerce of all animals protected by the act, including standards for containers, feed, water, rest, ventilation, temperature, and handling; requires dealers, exhibitors, auction sale operators, and Federal, State and local agencies to obtain a veterinarian's certificate before delivering any dog, cat, or other animal designated by the Secretary for transportation in commerce; prohibits the transportation of dogs, cats and other animals at less than the minimum age established by the Secretary; prohibits C.O.D. transportation of animals unless the shipper guarantees payment of roundtrip fare and any out-of-pocket expenses of the carrier or intermediate handlers and carriers and authorizes the Secretary to impose upon such handlers and carriers a civil penalty of up to $1,000 for each violation of the standards for humane care; revises the present penalty provisions and provides a uniform civil penalty of up to $1,000 for violations by any person regulated under the statute; adds a new section which makes it a crime punishable by a $5,000 fine and/or of 1 year's imprisonment to sponsor knowingly, participate in, or use the mails to promote fights between live dogs or other mammals, except man; prohibits, with limited exception, such activities in connection with fights between gamefowl and other live birds; and authorizes $400,000 per year to enforce this section. S. 1941—Public Law 94-279, approved April 22, 1976. (121)

Bicentennial flag display: Authorizes the Secretary of the Interior, subject to the approval of the Architect of the Capitol, to erect and maintain flag poles on the Capitol Grounds adjacent to the Union Station Plaza to fly the flags of the 50 States of the United States and its territories and possessions; and authorizes the Architect to enter into agreement with the District of Columbia government to permit certain changes to improve the flow of traffic in and around the Union Station Plaza. S. 3161—Public Law 94-320, approved June 25, 1976. (VV)

Bicentennial Operation Sail: Directs the Secretary of the Army, acting through the Chief of Engineers, to dredge New York Harbor in the vicinity of the South Street Seaport Museum, Manhattan, to an authorized depth of 18 feet for the purpose of providing adequate docking depth for ships of Operation Sail (a Bicentennial tribute consisting of approximately 200 large sailing ships which will assemble in New York Harbor over the 4th of July and are scheduled to be reviewed by Queen Elizabeth II of England and President Ford), and authorizes the use of funds presently available for operation and maintenance of navigation in New York Harbor and surrounding waters to carry out the work which is estimated to cost $100,000. S.J. Res. 201—Public Law 94-318, approved June 25, 1976. (VV)

Civil Rights Commission: Raises the limitation on appropriations for the United States Commission on Civil Rights from $7 million to $7,893,000 for fiscal year 1976, $1,933,000 for the transition period July 1-September 30, 1976, and $9,540,000 for fiscal year 1977, and allows the Commission to give "cost of living" and other increases in employee benefits to its staff above the stated budget limitations in the same manner as other Federal executive agencies now do pursuant to law. H.R. 8957—Public Law 94-292, approved May 27, 1976. (VV)

Commission on New Technological Uses of Copyrighted Works: Extends the authorization for the National Commission on New Technological Uses of Copyrighted Works to be coextensive with the life of the Commission which was established pursuant to Public Law 93-573 (1) to study and make recommendations to the Congress concerning the use of copyrighted works in automatic systems capable of storing, processing, retrieving, and transferring information, and by various forms of machine reproduction, not including reproduction by instructors for use in face-to-face teaching activities; and (2) the creation of new works by the application or intervention of automatic systems or machine reproduction. S. 3187—Public Law 94-314, approved June 21, 1976. (VV)

Commission on Security and Cooperation in Europe: Authorizes funds to implement the Commission on Security and Cooperation in Europe. H.R. 15813—Public Law 94- , approved 1976. (VV)

Commodity Futures Trading Commission: Amends the Commodity Futures Trading Commission Act of 1974 to: delete the requirement that the appointment of the executive director of the Commission be subject to confirmation by the Senate; enable the Commission to grant immunity to witnesses; and make certain technical changes in the Commodity Exchange Act. S. 3051—Passed Senate May 25, 1976; Passed House amended September 29, 1976. (VV)

Community services: Amends the Community Services Act of 1974 (Head Start, Economic Opportunity and Community Partnership Act of 1974) to make certain technical and conforming amendments, and adds a new section providing that funds appropriated in any fiscal year which are not obligated shall remain available for obligation during the following fiscal year. H.R. 12188—Public Law 94-341, approved July 6, 1976. (VV)

Daylight saving time: Temporarily supersedes certain provisions of the Uniform Time Act of 1966 and places the nation on daylight savings time for 7 months, from the second Sunday in March to the second Sunday in October for a period of two years, instead of the present 6 month period beginning the last Sunday in April and ending the last Sunday of October; continues the present authority of States to exempt themselves from periods of advanced time by State law; directs the Federal Communications Commission to minimize the impact of the time change on daytime broadcasters; and directs the Department of Transportation to study the effects of the extended advanced time periods for the next 2 years. S. 2931—Passed Senate February 25, 1976. (47)

Federal assistance programs information: Increases the availability of information about Federal assistance programs to intended beneficiaries by creating a Federal Program Information Center, within the General Services Administration, to identify all Federal domestic assistance programs and provide information about these programs to the general public; requires the Center to (1) establish and maintain a data base containing comprehensive information on all Federal domestic assistance programs; (2) develop and maintain a computerized information system to provide for the widespread availability of information contained in the data base by computer terminal facilities; and (3) publish a catalog of Federal domestic assistance programs, with supplements, containing information from the data base, a detailed index, and any other information considered helpful, which is to be made available to the public at cost and authorizes therefor $700,000, $800,000, $900,000, and $1 million for fiscal years 1977, 1978, 1979, and 1980 respectively. S. 3281—Passed Senate June 11, 1976. (VV)

Federal grants and cooperative agreements: Distinguishes assistance relationships as a class from procurement relationship by retricting the term "contract" to procurement and the terms "grant", "grant-in-aid" and "cooperative agreement" to assistance; requires each executive agency to use a contract, grant, or cooperative agreement which would reflect more precisely the relationship between the Federal Government and the recipient as follows: (1) contract—when the principal purpose of the instrument is the acquisition by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; (2) grant—when the principal purpose is the transfer of money, property, services or anything of value to the recipient to accomplish a public purpose authorized by Federal Statute and there is no anticipated substantial involvement between the executive agency and the recipient during performance of the contemplated activity; and (3) cooperative agreement—when the principal purpose is the transfer of money, property, services or anything of value to a recipient to accomplish a public purpose authorized by Federal statute and substantial involvement is anticipated between the executive agency and the recipient during performance of the contemplated activity; directs the Office of Management and Budget to undertake a study to develop a better understanding of alternative means of implementing Federal assistance programs and to determine the feasibility of developing a comprehensive system of guidance for such programs, and repeals the Grants Act. S. 1437—Public Law 94- , approved 1976. (VV)

Federal records management: Requires the establishment of appropriate standards and procedures to insure effective records management throughout the Federal government; clarifies the authority and responsibility for record management delegated to the General Services Administration by the Federal Records Act of 1950—H.R. 13828—Passed House August 24, 1976; Passed Senate, amended September 30, 1976.

Federal Trade Commission authorizations: Increases the authorization for the Federal Trade Commission (FTC) not to exceed the following amounts: $54 million for fiscal year 1976, $13.5 million for the transition period July 1-September 30, 1976, $70 million for fiscal year 1977, and $85 million for fiscal year 1978 of which not to exceed $25 million, $6.25 million, $35 million and $45 million for the above fiscal years shall be for the purposes of maintaining competition; authorizes the FTC to appoint 25 attorneys, economists, special experts and outside counsels for the FTC's responsibilities with regard to maintaining competition; requires the simultaneous transmission of budgetary and legislative recommendations to the President or the Office of Management and Budget and the Congress; limits appeals of Commission orders to the court of appeals for the circuit within which the resident resides or maintains its principal place of business in order to prevent "forum shopping" on appeals of Commission orders; expands the Commission's jurisdiction authorized by the Clayton Act from "in commerce" to "in or affecting commerce"; makes orders of the Commission effective 60 days after their issuance subject to a stay issued by the Commission or the appropriate court of appeals, or the Supreme Court when an applicable petition for certiorari is pending; improves the Commission's ability to obtain information by compulsory process by imposing penalties for failure to reply in a timely manner with the Commission's processes and by providing statutory amendments reflecting current decisional law on the issue or ripeness of suits to enjoin enforcement of the Commission's compulsory processes; requires that the Commission grant or deny petitions for issuance, amendment, or repeal of rules within 120 days after the date the petition is received by the Commission; creates a 3-year program of assistance and grants to States to improve their antitrust capabilities and authorizes therefor not to exceed $10 million for each of fiscal years 1976, 1977, and 1978 and $2.5 million for the transition period; makes technical amendments to the Wool Products Labeling Act and the Fur Products Labeling Act; and amends the Textile Fiber Products Identification Act to continue the exemption of outer coverings of furniture, mattresses, and box springs from the provisions of the Act but permits the FTC to require care labeling with respect to outer coverings of furniture. S. 2935—Passed Senate March 18, 1976. (VV)

Increases the authorization for the Federal Trade Commission for fiscal year 1976 from $46 million to $47,091,000, and extends until July 5, 1978, the filing date for certain reports required under the Magnuson-Moss Warranty—Federal Trade Commission Improvement Act. H.R. 12527—Public Law 94-299, approved May 29, 1976. (VV)

Fire prevention and control: Authorizes additional appropriations of $3.75 million for the fiscal year transition period July 1-September 30, 1976, $15 million for fiscal year 1977 and $20 million for fiscal year 1978 to implement the Federal Fire Prevention and Control Act of 1974 except for that section relating to reimbursement for costs of firefighting on Federal property; and authorizes $1,275,000 for the transition period, $5.5 million for fiscal year 1977 and $6 million for fiscal year 1978 for activities of the Fire Research Center of the National Bureau of Standards. S. 2862—Public Law 94-411, approved September 13, 1976. (VV)

Authorizes $3.75 million for the fiscal year transition period July 1-September 30, 1976, $15 million for fiscal year 1977 and $20 million for fiscal year 1978 to implement the Federal Fire Prevention and Control Act of 1974 except for that section relating to reimbursement for costs of firefighting on Federal property; authorizes $1,275,000 for the transition period, $5.5 million for fiscal year 1977 and $6 million for fiscal year 1978 for activities of the Fire Research Center of the National Bureau of Standards; and prohibits the Secretary from making a commitment to obligate funds for the construction of any facility of the Fire Academy until he has submitted construction plans to the Chairman of the Committee on Science and Technology of the House and the Committee on Commerce of the Senate and the Congress does not, within 60 calendar days of submission, adopt a concurrent resolution disapproving obligation of such funds. H.R. 12567—Vetoed July 7, 1976. (VV)

Fiscal year adjustment: Amends existing law to change the dates of various provisions of law which require the submission of reports and other actions based on the present fiscal year system to conform to the new fiscal year dates of October 1-September 30 pursuant to the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344). S. 2445—Public Law 94-273, approved April 21, 1976. (VV)

Fiscal year transition: Amends existing law to insure the continuation of Federal programs and activities, based by statute on the present fiscal year, through the fiscal transition period of July 1–September 30, 1976. S. 2444—Public Law 94-274, approved April 21, 1976. (VV)

Flag display: Codifies in an official code for the use and guidance of civilians and civilian organizations the proper method of using and displaying the flag of the United States including provisions which specify the display of an all-weather flag 24 hours a day; the position of the flag when displayed in churches or other than being flown from a staff (such as on automobiles or suspended in buildings); when, and who may order, a flag flown at half-staff; the use of a flag patch or pen by members of the military, policemen, firemen or members of patriotic organizations; and the conduct for salute of the flag; and reiterates existing authority whereby the President may alter, repeal, or add rules pertaining to the custom of displaying the flag whenever he deems appropriate. S.J. Res. 49—Public Law 94–344, approved July 7, 1976. (VV)

Government in sunshine: Requires meetings between heads of Federal agencies headed by two or more Commissioners or similar officers, and agencies such as the U.S. Postal Service and Amtrak, to be open to the public; defines the term "meeting" to include agency deliberations where at least a quorum of the agency's members meet to conduct or dispose of official agency business; provides that meetings can be closed by the agency only by a majority vote of all agency members on certain specified grounds; requires advance notice of each meeting to the public, and the release to the public after the meeting of every major portion of the meeting that did not in fact involve sensitive matters;

Establishes an across-the-board statutory prohibition of exparte contacts between agency decisionmakers and all persons outside the agency where the purpose of the contact is to discuss the merits of any matter being formally adjudicated by the agency in order to prevent secret communications between the agency and an outside person interested in the outcome of a proceeding; applies this provision to formal agency adjudications and rulemaking proceedings which are adjudicative in nature (so-called formal "on the record" rulemaking); and contains other provisions. S. 5—Public Law 94–409, approved September 13, 1976. Note: (Provisions amending the Senate Rules to require open committee meetings are contained in S. Res. 9 which the Senate adopted on November 5, 1975.) (*472)

John F. Kennedy Center authorization: Authorizes $3.3 million to the John F. Kennedy Center to make necessary repairs to the roof, terraces, and East Plaza Drive of the Center; provides for the appointment of Comptroller to disburse the funds; and clarifies that individual members of the Board of Trustees are immune from suit to the same extent as Federal officials for actions taken within the scope of their authority. H.R. 14360—Passed House August 2, 1976; Passed Senate amended October 1, 1976. (VV)

Klukwan Lands, Alaska: Amends the Alaska Native Claims Settlement Act to permit Klukwan, Inc., the Native Village Corporation for the village of Klukwan established pursuant to the Act to participate fully in the settlement by requiring the Secretary of the Interior to withdraw 70,000 acres of public land similar in character to land surrounding the Klukwan area for the Corporation to select the 23,040 acres due it under the Settlement Act. S. 3651—Public Law 94– , approved 1976. (VV)

Library of Congress James Madison Memorial Building: Amends the Act of October 19, 1965, as amended, to provide an additional authorization of $33 million for completion of the Library of Congress James Madison Memorial Building thus making a total authorization of $123 million. H.R. 11645—Public Law 94-219, approved February 27, 1976. (VV)

Mid-decade census: Amends title 13, U.S.C., to authorize the Secretary of Commerce to conduct a mid-decade census of population in 1985 and every 10 years thereafter; adds provisions to further protect the privacy of information; provides nine months instead of the present eight months to complete the tabulation of the population by States for the reapportionment of the U.S. House of Representatives; prohibits the use of mid-decade census data for the apportionment of the House or in any action which challenges an existing Congressional redistricting plan based upon the decennial census of population; provides that if data from the mid-decade census are similar to data from the preceding decennial census (which are used to determine State eligibility of any Federal program), that the more recent mid-decade census data shall be used in determining eligibility and benefits received; requires the Secretary to submit at various intervals the subject and questions to be used in the decennial and mid-decade censuses of population to the appropriate committees of Congress for their review and recommendations; provides, to the extent feasible, for production of current data on total population for use by State, county, and local government having a population of 50,000 or more and permits the Secretary to use statistical techniques such as sampling and surveys to produce current, comprehensive and reliable data; requires transmittal of current census to the President for use by various agencies and departments of the executive branch; clarifies the authority of the Secretary to conduct special census, and sets forth the conditions under which they may be conducted; increases the penalties for wrongful disclosure of confidential census information by anyone now or formerly sworn to observe the confidentiality provisions; increases the maximum fine for wrongful disclosure from $1,000 to $5,000 and the maximum term of imprisonment from two years to five years; and contains other provisions. S. 3688—Public Law 94– , approved 1976. (VV)

NASA authorization: Authorizes $3,695,170,000 for fiscal year 1977 to the National Aeronautics and Space Administration of which $2,761,425,000 is for research and development, $120,290,000 is for construction of facilities and $813,455,000 is for research and program management; includes funding for: continued development of the Space Shuttle; a solar maximum mission to measure solar activity during the peak period of maximum solar activity 1979–1980; development of the thermatic mapper used for earth surveys; a magnetic mapping satellite to be used for the location of mineral resources; construction of a new transonic wind tunnel designed to support national aeronautical research and development needs; the initiation of an aircraft energy technology development project to provide the technology base for a 50 percent improvement in fuel economy in commercial transports; support of ongoing flight projects in space science and applications; and continuation of a series of research tasks in aeronautical and space research designed to provide a base for future undertakings, the construction of and/or modifications and upgrading of facilities to support these programs, and a highly technical staff to conduct research and manage these multidisciplinary activities; and contains other provisions. H.R. 12453—Public Law 94-302, approved June 4, 1976. (VV)

National Archives Trust Fund Board: Provides that the National Archives Trust Fund Board shall consist of the Archivist of the United States, as Chairman, the chairman of the House Committee on Government Operations, and the chairman of the Senate Committee on Post Office and Civil Service. H.R. 10374—Public Law 94-391, approved August 19, 1976. (VV)

National Commission on Neighborhoods: Establishes a National Commission on Neighborhoods which shall have 2 years to make an assessment of existing policies, laws and programs that impact neighborhoods, and to recommend modifications, including: (1) new mechanisms to promote reinvestment in existing City neighborhoods; (2) more effective means of community participation in local government; (3) policies to encourage the survival of economically and socially diverse neighborhoods; (4) policies to prevent blockbusting, redlining, resegregation, speculation in reviving neighborhoods, and to promote urban homeownership; (5) policies to encourage better maintenance and management of existing rental housing; (6) policies to make maintenance and rehabilitation of existing structures at least as attractive from a tax viewpoint as demolition and development of new structures; (7) modifications in local zoning and tax policies to facilitate preservation and revitalization of existing neighborhoods; and (8) reorientation of existing housing and community development programs, and other tax and subsidy policies that affect neighborhoods, to better support preservation objectives; provides that the Commission shall be composed of 20 members (16 public members appointed by the President and 4 Members of Congress) and requires Senate confirmation of the Chairman and executive director; authorizes the Commission to award grants and contracts to carry out its research; requires the Commission to submit to the Congress an interim report within 1 year and a final report at the end of 2 years; and authorizes therefor $2 million. S. 3554—Passed Senate January 7, 1976. (VV)

National Emergency Statutes: Terminates as of 2 years from the date of enactment, powers and authorities available to the Executive pursuant to approximately 470 statutes, as a result of the states of national emergency now in force; provides for congressional review of future Presidential declaration of national emergencies no less frequently than every 6 months and congressional termination of states of emergency at any time by concurrent resolution; provides for congressional oversight of an accountability for actions taken by the Executive in the exercise of delegated emergency powers; and repeals specific obsolete emergency powers statutes and retains in force certain statutes deemed necessary for ongoing operations of government. H.R. 3884—Public Law 94–412, approved September 14, 1976. (VV)

National Foundation on the Arts and Humanities: Extends for four years, through fiscal year 1980, the National Foundation on the Arts and Humanities Act of 1965, as amended; amends the act to provide for more State involvement in the Humanities program by authorizing the Chairman of the National Endowment for the Humanities to establish a program of grants-in-aid to assist States in supporting not more than 50 percent of the cost of existing activities in the cultural area of the humanities meeting established standards; eliminates the restriction that projects and productions supported by the Chairman of the National Endowment for the Arts must be located within the United States; and authorizes therefor $207 million for fiscal year 1977, $235 million for fiscal year 1978, and such sums as necessary for fiscal years 1979 and 1980;

Establishes within the Department of Health, Education and Welfare an Institute of Museum Services, headed by a director and consisting of 15 members appointed by the President with the advice and consent of the Senate; permits the director, subject to the policy direction of the Board, to make grants of up to 50 percent of the cost of a program to museums to increase and improve their services; authorizes therefore $15 million for fiscal 1977, $25 million for fiscal 1973, and such sums as necessary for fiscal 1979 and 1980;

Establishes a separate challenge grant program under the basic authority of each Endowment to enable cultural organizations to increase levels of support and the range of contributors, provide administrative and management improvements, increase audience participation in programs which they sponsor, stimulate greater cooperation among such organizations, and foster greater citizen involvement in planning the cultural development of a community; authorizes the National Endowment for the Humanities to fund bicentennial projects; authorizes therefor to each Endowment $12 million for fiscal 1977, $18 million for fiscal 1978, and such sums as necessary for fiscal 1979 and 1980;

Establishes a 2-year bicentennial photographic and film project and authorizes to the National Endowment of the Arts therefor $4 million for fiscal 1977 and $2 million for fiscal 1978; and

Amends section 409 of the Education Amendments of 1974 (relating to elementary and secondary school education in the arts) to authorize $2 million for fiscal 1978 to provide financial assistance to improve the quality and availability of arts education. H.R. 12838—Public Law 94– , approved 1976. (VV)

National Portrait Gallery: Amends the National Portrait Gallery Act of 1962 to redefine the term "portraiture" to permit the National Portrait Gallery to acquire photographs and other portrayals of individuals in addition to "painted or sculpted likenesses". S. 1657—Public Law 94–209, approved February 5, 1976. (VV)

National Science Foundation authorization: Authorizes $816.7 million to the National Science Foundation for fiscal year 1977 which includes $6 million in foreign currencies that the Treasury Department determines to be in excess to the normal requirements of the United States; includes $1.2 million for the new Science for Citizens Program which will be directed at improving public understanding of science, engineering and technology and their impact on public policy issues; calls for the development of a new program plan for continuing education for scientists and engineers which will focus on the development of special curricula and educational techniques for continuing education, and on the award of fellowships for the pursuit of courses of study providing continuing education; contains provisions to improve the participation of minorities, women, and the handicapped in science and engineering and to encourage their employment in the Foundation; includes $1 million for planning grants for the establishment of Minority Centers for Graduate Education in Science and Technology, $3.5 million for the continuation of the instructional improvement implementation program and the elementary and secondary schools materials development testing and evaluation program, and $1 million for the Ethical and Human Value Implications of Science and Technology program; emphasizes international scientific research, education and policy analysis to insure that U.S. science and technology makes the fullest contribution to research problems related to food, nutrition and agriculture; provides for full participation by small business in Foundation supported programs through the establishment of an Office of Small Business Research and Development to monitor all awards made to small business and to insure that the 10 percent of applied research funds set aside for this program are fully and effectively used: includes $1 million for research on advanced forms of energy, a program begun by the Foundation prior to the establishment of the Federal Energy Administration; contains provisions to insure the wide dissemination of research results and access to information; includes $3 million for a new State Science, Engineering and Technology program of grants to increase a State's capacity to apply science and engineering and technology to meeting the needs of their citizens whereby States are entitled to up to $50,000 with at least one-third of the cost borne by the State; clarifies the policy-making role of the National Science Board and provides high-level staff assistance for its members; and contains other provisions. H.R. 12566—Public Law 94– , approved 1976. (647)

National Study Commission on Records and Documents of Federal Officials: Extends for 1 year, until March 31, 1977, the life and reporting date of the National Study Commission on Records and Documents of Federal Officials which is charged with studying problems relative to the control, disposition and preservation of records and documents of Federal officials; authorizes the Chief Justice of the United States to appoint a member of the Federal judiciary to serve on the Commission instead of a justice of the Supreme Court as is now provided; and corrects a reference to a provision in the law relating to payment of travel expenses for official travel by Commission members. S. 3060—Public Law 94–261, approved April 11, 1976. (VV)

National Security Council: Amends the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council. S. 2350—Vetoed December 31, 1975. Senate overrode veto January 22, 1976. (1)

Postal reorganization: Authorizes two appropriations in the amount of $500 million each to be applied against the accumulated operating indebtedness of the Postal Service, the first to be applied against the debt as it exists at the close of fiscal year 1976, and the second to be applied against the debt as it exists at the close of fiscal year 1977; prohibits service cuts and requires door or curbline delivery to residential addresses (except apartment buildings) for a period beginning with the appropriation of the funds authorized by the bill and ending on the date the report of the Postal Commission is due, February 15, 1977; allows no postal rate increases or closing of post offices during that same period; requires the Postal Service to give 60 days advance public notice of its intent to close or consolidate a Post Office once the moratorium on closings has expired and provides a right of appeal for judicial review of a decision to close or consolidate a post office; and establishes a 10-member Commission on Postal Service to identify and study the problems facing the Postal Service, which is to include the feasibility of first class mail delivery by private carriers, and make a report with recommendations to the President and the Congress by February 15, 1977. H.R. 8603—Public Law 94–421, approved September 24, 1976. (524)

Presidential recordings and materials: Disapproves certain regulations proposed by the Administrator of General Services on October 15, 1975, under section 104 of the Presidential Recordings and Materials Preservation Act which involve: the composition of the Presidential Materials Review Board, responsible for the final archival decisions regarding the disposition of the Nixon tapes and other materials; the adequacy of the provisions giving notice to affected individuals prior to the opening of these files to the public; the procedures to be followed by the Administrator in considering petitions to protect certain legal or constitutional rights by limiting access to specified materials; the procedures for allowing reproduction of the tapes; and two provisions relating to the restriction of materials which are personal in nature or which would result in a defamation of character. S. Res. 428—Senate agreed to disapproval resolution April 8, 1976. (VV)

Privacy Protection Study Commission: Increases from $1.5 million to $2 million the authorization for the Privacy Protection Study Commission established under Public Law 93–579 to conduct a comprehensive study and submit its recommendations to the President and Congress on the adequacy of procedures now in force in the Government and private sector to protect personal information about individuals, and removes the $750,000 fiscal year limitation on expenditures to permit the Commission to obligate its funds at a rate necessary to initiate research studies and hold hearings. S. 3435—Public Law 94–394, approved September 3, 1976. (VV)

Presidential transition amendments: Amends the Presidential Transition Act to increase from $900,000 to $3 million the authorization for any Presidential transition to be divided as follows: $2 million for services and facilities for the President-Elect and Vice-President-Elect and $1 million for services and facilities for the out-going President and Vice-President; authorizes the Administrator of General Services to determine the amount received in a case where there is a change in the Vice-President only; and removes the $100 per day limitation on the amount that may be paid to experts and consultants employed by the President-Elect to permit their employment at rates prescribed by the Administrative Expenses Act under which Federal agencies employ such persons. H.R. 14886—Public Law 94– , approved 1976. (VV)

Public buildings: Broadens the policy of the Federal Government in the acquisition and use of public office buildings; encourages the purchase of older buildings and their recycling into new office space for Federal agencies; and provides for the multiple use of Federal buildings by allowing rental to commercial and other tenants of a limited amount of space in Federal office buildings;

Amends the Act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped by imposing a clear statutory mandate that the Federal agencies named in the act insure that public buildings are made accessible to the physically handicapped; includes within the act, all government-leased-buildings intended for public use or in which the physically handicapped might be employed, all privately-owned buildings leased to the Government for public housing and the U.S. Postal Service; and requires specified agencies to establish a system of continuing surveys to insure compliance with the act. S. 865—Public Law 94— , approved 1976. (VV)

Regulatory reform: Provides for regulatory reform with respect to the independent regulatory agencies which are subject to the jurisdiction and oversight responsibility of the Commerce Committee (the Interstate Commerce Commission (ICC), Federal Trade Commission (FTC), Federal Power Commission (FPC), Federal Communications Commission (FCC), Civil Aeronautics Board (CAB), Federal Maritime Commission (FMC), and Consumer Product Safety Commission (CPSC)) by (1) directing each agency to review and recodify systematically all of the rules and regulations which it has promulgated and which are still in effect and to prepare and submit to the Congress proposed modernization, revision, and codification of all statutes and other lawful authorities administered or applied by it; and (2) applying to each agency provisions which have been previously enacted into law with respect to one or more of the agencies and found to be useful and practicable including timely consideration of petitions, Congressional access to information, representation in civil actions, protection of officers, avoidance of conflict of interest, and accountability. S. 3308—Passed Senate May 19, 1976. (VV)

Science policy: Establishes a framework for the formulation of national policy and priorities for science and technology; establishes an Office of Science, Engineering, and Technology Policy in the Executive Office of the President to be headed by a Director with up to four Associate Directors, appointed by the President with the advice and consent of the Senate; directs the Office to prepare and update annually a 5-year forecast of Federal investment in science and technology including the allocation of Federal funds among the major expenditure areas and an estimate of options for various levels of Federal investment and to furnish the list of options to the Office of Management and Budget for use in developing budget recommendations to the President; establishes an Intergovernmental Science, Engineering, and Technology Advisory Panel to advise the Director in establishing priorities for addressing civilian problems at State, regional, and local levels which science and technology can help solve;

Provides that the Director of the Office shall, in addition to his other duties, serve as a member of the Domestic Council and shall, at the request of the National Security Council, advise the Council on such matters concerning science and technology as relate to national security; Creates a 2-year President's Committee on Science and Technology of 9 to 15 members (including the Director of the Office) all of whom shall be appointed by the President, to conduct a comprehensive survey of Federal science and technology, and to submit to the President an interim report after 1 year and a final report after 2 years of its findings; permits the President to extend the life of the Committee if he determines that it is advantageous for the Committee to continue in being;

Redesignates the Federal Council for Science and Technology (established pursuant to Executive Order 10807 issued May 13, 1959, as amended by Executive Order 11381 issued November 8, 1967) as the Federal Coordinating Council for Science, Engineering, and Technology, and gives it the statutory authority to coordinate Federal plans and programs in science and technology; designates the Director of the Office as Chairman of the Committee; and

Authorizes therefor $2.5 million for fiscal year 1976 and the transition period July 1–September 30, 1976, and $4 million for fiscal year 1977. H.R. 10230—Public Law 94–282, approved May 11, 1976. (VV)

Secret Service: Restricts permanent secret service protection of the President and Vice President and other national leaders to only one private residence unless Congress authorizes otherwise; requires the Secret Service to reimburse other Federal agencies, except for the Department of Defense and the Coast Guard, for services rendered by those agencies directly involving the protection of the President and Vice President; and provides for secret service protection of family members living at other than the principle residence of the President or Vice-President. H.R. 14451—Public Law 94– , approved 1976. (VV)

Small business amendments: Provides for the President to undertake a comprehensive review of all Federal disaster loan authorities and to submit a report of his recommendations, including possible consolidation of Federal disaster loan authorities, to the Congress not later than December 1, 1976; increases the funds available for the lease guarantee program from $10 million to $25 million and establishes a separate program to allow small businesses to finance the leasing of pollution control equipment through the sale of tax-exempt industrial revenue bonds; increases the amount which regular small business investment companies (SBIC's) may borrow from the government from 200 to 300 percent of private capital and increases the amount "venture capital" SBIC's may borrow from the government from 300 to 400 percent of private capital; extends these leverage increases to Minority Enterprise Small Business Investment Companies with a maximum leverage ceiling of $35 million; increases an SBIC's ability to guarantee a small business' minority obligation from 90 percent to 100 percent of the total obligation; authorizes limited partnerships with a corporate general partner to be licensed by SBA as small business investment companies; permits banks to own 100 percent of SBIC's voting common stock; permits SBA to make loans to State and local development companies for the acquisition of existing plant facilities and increases the maturity on such acquisitions and construction loans from 15 to 20 years plus such additional time as is necessary for construction; increases the maximum amount of economic opportunity loans from $50,000 to $100,000 per borrower and requires an equitable distribution of such loans between urban and rural areas; increases the maximum amount of financial assistance to State or local development companies from $350,000 to $500,000; increases the maximum amount of regular SBA business loans from $350,000 to $500,000 per borrower; authorizes an additional $21.5 million from the Surety Bond Guarantee Fund; directs the Chief Counsel for Advocacy of the Small Business Administration to make a comprehensive study of Small Business in America and submit a report to the President and Congress within 1 year of enactment; authorizes therefor $1 million; and establishes a uniform interest rate on SBA's share of any disaster loan except loans covering physical damage and economic injury caused by a natural disaster and product disasters which shall be made at a rate of interest not exceeding the rate of interest in effect at the time of the disaster. S. 2498—Public Law 94–305, approved June 4, 1976. (*589)

Small business investment companies: Amends the Small Business Investment Act of 1958, to authorize Minority Enterprise Small Business Investment Companies (MESBIC's) to sell two tiers of preferred stock to the Small Business Administration (SBA); fixes the dividend rate payable to SBA on preferred stock issued by MESBIC's at 3 percent and requires on liquidation or redemption payment of the par value of the securities and any unpaid dividends only to the extent retained earnings shall permit; provides for a permanent subsidy for the first 5 years on debentures purchases by SBA from a MESBIC; permits the SBA to participate in homebuilding, provided that loans shall not be used primarily for buying land; permits Small Business Investment Companies to deposit idle funds in saving and loan associations; and changes the title and duties of the Associate Administrator for Finance and Investment of the SBA. S. 2613—Passed Senate September 27, 1976. (654) Surplus property: Provides for a program whereby surplus Small business loans: Increases from $6 billion to $7.5 billion the authorized amount which the Small Business Administration may have outstanding at any time to carry out its loan and guarantee programs; and increases the subceilings on the following programs to meet projected costs through fiscal year 1978: Small Business Investment Company loans from $725 million to $1 billion; State and Local Development Company loans from $525 million to $575 million; and Economic Opportunity Loans (loans to businesses within areas having high proportions of unemployed or low-income individuals or owned by low-income individuals) from $450 million to $550 million. S. 3369—Passed Senate July 22, 1976. (VV)

Small business surety bonds: Increases the Small Business Surety Bond Fund from $35 million to $88 million; redefines certain words in the act including the word "guarantee" to place the Small Business Administration in the same position that it serves at this time, that of reinsurer, but with the full responsibility of a private reinsurer, in order to protect the Federal government where substantial fraud is shown; provides effective October 1, 1976, that payments made by SBA to a surety company's trustee in bankruptcy or receiver shall instead be made to the obligee of the bond directly; and increases from $2,000 to $25,000 the minimum amount of any contract on a public works building requiring a bond. S. 3370—Passed Senate July 19, 1976. (VV)

Smithsonian Institution—Canal Zone biological area: Increases from $350,000 to $600,000 the limit on appropriations for the Canal Zone Biological Area (the Barro Colorado Island Facility of the Tropical Research Institute of the Smithsonian Institution), and provides that the amount authorized under this act, in addition to the levels provided by existing law, would not be effetive until October 1, 1977. S. 2946—Passed Senate September 14, 1976. (VV)

Smithsonian Institution—National Museum: Authorizes $1 million annually for fiscal years 1978 through 1980 to the Smithsonian Institution for carrying out the purposes of the National Museum Act of 1966 through which the Smithsonian assists museums with specific reference to the continuing study of museum problems and opportunities, training in museum practices, preparation of museum publications, research in museum techniques, and cooperation with agencies of the government concerned with museums. S. 2945—Public Law 94–336, approved July 1, 1976. (VV)

Spanish Americans, data on: Directs the Department of Labor, in cooperation with the Department of Commerce, to develop methods of improving and expanding the collection, analysis, and publication of unemployment figures for Spanish-origin Americans; directs the Departments of Commerce, Labor, HEW, and Agriculture to collect and regularly publish data pertaining to the socio-economic conditions of Spanish Americans; requires the Director of the Office of Management and Budget, in cooperation with the Secretary of Commerce and the heads of other data-gathering Federal agencies, to develop a Government-wide program for the collection of data on Spanish Americans; directs the Department of Commerce, in cooperation with the appropriate State and local agencies and various population study groups, to determine what steps are necessary in the development of creditable estimates of undercounts of Spanish Americans in future censuses; requires the Secretary of Commerce to ensure that in the taking of future censuses and other data-collection activities, there will be provided Spanish-language questionnaires and bilingual enumerators; and directs the Department of Commerce to implement a program for the employment of Spanish Americans within the Bureau of the Census and to report to Congress within 1 year of enactment on the progress of the program. H.J. Res. 92—Public Law 94–311, approved June 15, 1976. (VV)

Surplus property: Provides for a program whereby Federal property may be donated to State and local organizations for public purposes based on the relative need and resources of the recipients. H.R. 14451—Public Law 94– , approved 1976 (VV)

Utah land conveyance—Office of Inspector General, HEW: Authorizes the conveyance of certain lands in Salt Lake County, Utah, to the Shriner's Hospital for Crippled Children; and provides for the establishment of the Office of Inspector General within the Department of Health, Education, and Welfare to audit and investigate HEW programs and to improve the economy and efficiency and prevent fraud and abuse. H.R. 11347—Public Law 94– , approved 1976. (VV)

War claims—Vietnam conflict: Amends section (i)(3) of the War Claims Act of 1948, as amended, to increase from $60 to $150 per month the rate of detention benefits payable to American civilians who were or are being held as prisoners in Southeast Asia. H.R. 5360—Public Law 94–383, approved August 12, 1976. (VV)

War risk insurance extension: Extends from May 7, 1976, to May 7, 1977, the authority of the Secretary of Transportation to insure aviation war risk insurance. H.R. 13308—Public Law 94–374, approved July 31, 1976. (VV)

Watergate reform legislation: Establishes in title I, within the Department of Justice an independent Office of Special Prosecutor which is to be headed by a Special Prosecutor appointed by the President by and with the advice and consent of the Senate; provides that the Special Prosecutor shall be appointed for a single term only of 3 years; specifies that a person shall not be appointed if he or she has at any time during the preceding 5 years held a high level position of trust and responsibility on the personal campaign staff of a candidate or in an organization or political party working on behalf of a candidate for any elective Federal office; permits removal of a Special Prosecutor by the President only for extraordinary improprieties, malfeasance in office, willful neglect of duty, permanent incapacitation, or for any conduct constituting a felony; requires the Special Prosecutor to make a report at least annually to the Committees on the Judiciary of the Senate and the House; gives the Special Prosecutor jurisdiction to investigate and prosecute possible violations of Federal criminal law by persons in the following positions in the Federal government: (1) President, Vice President, Attorney General, or Director of the Federal Bureau of Investigation; (2) any position compensated at a rate equal to or greater than level I or level II of the Executive Schedule under 5 U.S.C. 5312 or 5313; (3) Members of Congress; or (4) any member of the Federal judiciary; establishes within the Department of Justice an Office of Government Crimes which is to be headed by a Director appointed by the President by and with the advice and consent of the Senate; places the same restrictions on the appointment concerning political activities within the preceding 5 years as are placed on the appointment of the Special Prosecutor; provides that the Attorney General shall, except for matters referred to the Special Prosecutor, delegate to the Office of Government Crimes jurisdiction of (1) criminal violations of Federal law by elected or appointed Federal government officers, employees, or special employees which are related directly or indirectly to that person's government position, employment, or compensation; (2) Federal criminal violations by any person relating to lobbying, conflicts of interest, campaigns, and election to public office with the exception of matters involving discrimination or intimidation on the grounds of race, color, religion or national origin; (3) supervision of investigations and prosecutions of Federal criminal violations involving State or local government officials or employees, and (4) such other matters as the Attorney General deems appropriate; requires the Attorney General to report annually to Congress on the activities and operation of the Office; establishes an Office of Professional Responsibility in the Department of Justice under the general supervision and direction of the Attorney General which is to be headed by a Counsel on Special Responsibility who shall be responsible for reviewing any information or allegation concerning improper conduct of an employee of the Department;

In title II, establishes, as an office of the Congress, the Office of Congressional Legal Counsel which is to be headed by a Congressional Legal Counsel; provides that the Congressional Legal Counsel and the Deputy Congressional Legal Counsel each shall be appointed by the President pro tempore of the Senate and the Speaker of the House from among recommendations submitted by the majority and minority leaders of the Senate and of the House and that the appointment shall become effective upon approval, by concurrent resolution, of the Senate and the House; provides that the Joint Committee on Congressional Operations shall oversee the activities of the Office;

Provides that the Congressional Legal Counsel shall defend the Congress, a House of Congress, an office or agency of Congress, a committee or subcommittee, or any Member, officer or employee in any civil proceedings in which the validity of any proceeding or action, including issuance of any subpena or order, by them is in issue, and in any civil action with respect to any subpena or order directed to any one of them; authorizes the Congressional Legal Counsel to institute a civil action to enforce a subpena or order issued by the Congress, a House of Congress, or a committee or subcommittee, and to authorize the Counsel to intervene or appear as amicus curiae in any legal action in which (1) the constitutionality of any law of the United States is challenged and the United States is a party or (2) the legislative powers and responsibilities of Congress under article I of the Constitution are placed in issue;

In title III: contains provisions concerning financial disclosure by government personnel; requires the following individuals to file annually a complete financial statement with the Comptroller General: (1) the President; (2) the Vice President; (3) each Member of Congress; (4) each justice or judge of the United States; (5) each Federal officer or employees compensated at or above the minimum rate for grade GS–16; and (6) each member of a uniformed service compensated at or above the monthly rate of pay for grade 0–7; requires individuals who seek nomination for election, or election, to the office of President, Vice Presdent, or Member of Congress to file a financial disclosure report; requires the report to contain (1) the amount and source of each item of income, of reimbursement for any expeditures, and each gift or aggregate of gifts from one source, other than from any member of the immediate family, which exceed $100, including any fee or other honorarium for speeches or articles; (2) the fair market value and source of any item or aggregate of items received in kind from one source, other than the immediate family, including transportation, which exceeds $500; (3) assets, other than household furnishings or goods, jewelry, clothing or vehicles owned solely for the personal use of the individual, the individual's spouse, or dependents; (4) liabilities over $1,000 (5) securities or commodities futures transactions over $1,000; (6) real property transactions where the property value exceeds $1,000; (7) any patent right or interest in any patent right, and its nature; and (8) an agreement for employment after leaving office; provides that an individual need not specify the actual amount or value of each item but shall indicate whether the amount or value is within the category of under $5,000, between $5,000 and $15,000 $15,000 to $50,000, $50,000 to $100,000, or over $100,000, does not require disclosure of the sole property of a spouse or dependent not derived from the covered individual; authorizes the President to exempt any individual in the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, or exclusively in intelligence activities, from filing the report with the Comptroller General and provides that the individual instead shall file the report with the head of the agency, or if the individual is the head of any agency in a or similar position, that the report shall be filed with the Chairman of the Civil Service Commission; sets a penalty for failure to file or falsify the report of a fine not over $10,000 or one year's imprisonment, or both; provides for public access to such financial reports; directs the Comptroller General to spot audit the financial reports filed; and contains other provisions. S. 496—Passed Senate July 21, 1976. (398)

White House Conference on Handicapped: Extends from 2 to 3 years the period during which the President is authorized to call a White House Conference on Handicapped Individuals pursuant to Public Law 93–516. S.J. Res. 154—Public Law 94–224, approved February 27, 1976. (VV)

GOVERNMENT EMPLOYEES

Central Intelligence Agency employees retirement: Amends the Central Intelligence Agency Retirement Act of 1964 which was established for certain employees of the Agency whose duties are in support of Agency activities abroad, hazardous to life or health, or so specialized as to be clearly distinguishable from normal Government employment; equalizes the benefit provisions of the CIA Retirement System and the Civil Service Retirement System; improves the financial structure of the system by incorporating funding provisions which have been enacted by Congress for the Civil Service and Foreign Service Retirement Funds; and provides a procedure for shortening the interval between the time changes are made in the Civil Service System and comparable changes can be effected for the Central Intelligence System through Executive action by the President. H.R. 13615—Public Law 94– , approved 1976. (VV)

Federal employees withholding tax: Amends title 5, U.S.C., to redefine the term "city" to mean any unit of general local government which (1) is classified as a municipality by the Bureau of the Census, or (2) is a town or township which, in the determination of the Secretary of the Treasury, meets certain specified criteria, in order to qualify for statutory provisions relating to the withholding of city income or employment taxes from Federal employees. H.R. 10572—Public Law 94–358, approved July 12, 1976. (VV)

Federal mine safety inspectors protection: Amends section 1114, title 18, U.S.C., to place Federal mine safety inspectors under those provisions which protect Federal officials from interference with the performance of their official duties. S. 3070—Passed Senate May 19, 1976. (VV)

**Hatch Act revisions:* Amends present law to permit active participation by Federal employees in political processes at all levels of government, effective January 1, 1977; retains existing prohibitions on political contributions and other political activities for employees of the Internal Revenue Service, the Central Intelligence Agency, and the Justice Department except for (1) employees in nonsensitive positions, (2) employees in sensitive positions when the agency head determines that their political activity would not adversely affect public confidence and Congress does not disapprove within 30 days, and (3) Presidential appointees who determine national policies; contains provisions to protect employees from influence or coercion regarding political support and financial contributions; prohibits political activity on duty, in Federal buildings, or in uniform; establishes an independent Board on Political Activities of Federal Employees to adjudicate promptly alleged violations of the Act; mandates a 30-day suspension of any employee convicted of violating the prohibitions against use of official information or authority; provides that an employee may campaign for public elective office during his spare time or by utilizing accrued annual leave; exempts certain White House personnel from the prohibition against political activities while on duty, on government property, or in uniform but states that this exemption is not an authorization for such activity and contains other provisions. H.R. 8617—Vetoed April 12, 1976. House sustained April 29, 1976. (69, 109)

Health benefits for survivor annuitants: Amends title 5, U.S.C., to restore health benefits coverage for any recipient of a civil service survivor annuity whose coverage under the health benefits program was terminated because of remarriage but whose annuity has subsequently been restored under the provisions of Public Law 89–504 (which permitted survivors who remarried after age 60 to retain their annuity and health benefits, and restored annuity benefits to survivors, upon termination of a remarriage, whose annuities ceased because of remarriage prior to age 60). H.R. 11439—Public Law 94–342, approved July 6, 1976. (VV)

Indian Affairs employees' retirement benefits: Requires that non-preference employees (non-Indians) of the Bureau of Indian Affairs, Department of Interior, and the Indian Health Service, Department of Health, Education and Welfare, whose career opportunities have been adversely affected by Indian preference laws, be given priority consideration for appointment to vacant positions within their Department; provides that an employee would be entitled to the next vacancy for which he applies if he has been passed over twice unless the appointing authority determines that compelling reasons exist for again passing over the employee, in which case a written report must be filed with the Civil Service Commission stating the reasons the employee has been passed over; improves retirement provisions to offset an employees' loss of competitive status for promotions and transfers; provides that an employee may retire on an immediate annuity prior to December 31, 1985, after completing 20 years of service and are at least 50 years of age or completing 25 years of service regardless of age and has been continuously employed in the Bureau of Indian Affairs or the Indian Health Service since June 17, 1974, is not otherwise entitled to full retirement benefits, and has been passed over on two occasions because of the application of the Indian preference laws; and provides an annuity computation formula whereby an employee covered by the bill would receive 2½ percent of their "average pay" for each of the first 20 years of service and 2 percent for each year thereafter. H.R. 5465—Vetoed September 24, 1976. (VV)

Park Police pay comparability: Provides for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the U.S. Park Police force. H.R. 15276.—Public Law 94– , approved 1976. (VV)

Reemployed civil service annuitants: Provides that Federal agencies reemploying annuitants will be required to deposit to the credit of the Civil Service Retirement and Disability Fund the amounts of annuity deducted from the salaries of reemployed retirees instead of, as at present, having the annuity continue and the agency deduct an amount equal to the annuity from the salary. H.R. 3650—Public Law 94–397, approved September 3, 1976. (VV)

Secret Service Director's salary: Amends sections 5315 and 5316, title 5, U.S.C., to place the Director and the Deputy Director of the Secret Service in levels IV and V of the executive schedule of pay, respectively. S. 3028—Passed Senate February 26, 1976. (VV)

HEALTH

Alcohol abuse, prevention and treatment: Extends for 3 years, through fiscal year, 1979, and increases the authorizations for programs administered by the Secretary of Health, Education and Welfare through the National Institute of Alcohol Abuse and Alcoholism with particular emphasis on: increased Federal assistance for States adopting the basic provisions of the Uniform Alcoholism and Intoxication Treatment Act, expanded and improved alcoholism research programs, and the provision of services to currently underserved populations. S. 3184—Public Law 94–371, approved July 26, 1976. (VV)

Arthritis, Diabetes, and Digestive Disease Amendments: Amends title IV of the Public Health Service Act to revise and extend the authorizations for the arthritis, diabetes, and digestive diseases programs supported by the National Institutes of Health within the Department of Health, Education, and Welfare; extends for 3 years through fiscal year 1980 the authorizations for programs of assistance for arthritis demonstration projects, arthritis centers, and the arthritis data system and the programs of assistance for diabetes research and training centers; provides for the establishment of a National Arthritis Advisory Board and of a National Diabetes Advisory Board; and, provides for the establishment of a National Commission on Digestive Diseases which is to develop a long-range plan to combat these diseases and report and make recommendations to the Congress for legislation. S. 2910—Public Law 94– , approved 1976. (VV)

Biomedical and behavioral research: Amends the Public Health Service Act to reestablish the present National Commission for the Protection of Human subjects of Biomedical and Behavioral Research as an 11 member Presidential Commission (with provision that the members of the present Commission who are serving when this Act becomes law shall continue to serve on the new Commission until the President makes his appointments) and directs the Commission to assume all powers, functions and duties of the current commission to analyze the ethical, social, and legal implications of all biomedical and behavioral research involving human subjects. S. 2515—Passed Senate May 21, 1976. (VV)

Clinical laboratories improvement: Extends and expands the existing program of mandatory licensure contained in the Clinical Laboratories Improvement Act of 1967 to all laboratories (except those under the jurisdiction of Federal agencies other than the Department of Health, Education, and Welfare) soliciting and accepting specimens for laboratory analysis;

Authorizes the Secretary of Health, Education, and Welfare to license those laboratories meeting quality assurance standards, to promulgate standards and regulations to assure the quality, accuracy, and precision of laboratory testing, and to delegate his licensure authority to States implementing laboratory quality assurance programs at least equal to the Federal program, and to take necessary actions against laboratories not meeting the quality assurance standards;

Authorizes the Secretary to establish an Office of Clinical Laboratories, the purpose of which would be to establish a uniform regulatory program for all laboratories subject to Federal jurisdiction, and to establish an advisory council to advise, consult with, and make recommendations to the Office of Clinical Laboratories concerning the development of quality assurance standards and the implementation of such standards;

Provides for exemption of physicians' office laboratories under certain conditions where physicians file an affidavit with the Secretary, including but not limited to a description of the qualifications of nonphysician laboratory personnel, the quality and type of tests conducted, and the score of proficiency testing examinations taken by such personnel;

Permits the Secretary to waive from the personnel standards laboratories located in rural hospitals with fewer than 100 beds and develop specific job-related proficiency tests for personnel in rural hospital laboratories;

Allows the Secretary to utilize the services of private, nonprofit entities for the provision of inspection and proficiency testing services;

Authorizes $15 million annually to permit the Secretary to provide technical and financial assistance to States to establish or administer laboratory quality assurance programs;

Authorizes the inspection of laboratories; authorizes the Secretary to seek revocation of a laboratory's license where it is found that the laboratory has engaged in kickbacks, bribes, or false, fictitious, or fraudulent billing practices, and directs the Secretary to make an annual report to Congress on the relationship between costs and prices of laboratory services; and

Prohibits discrimination by any licensed laboratory against any employee who has become involved in any activity concerning allegations that the laboratory is in violation of this section; and contains other provisions. S. 1737—Passed Senate April 29, 1976. (159)

Communicable disease control—Consumer health education: Revises and extends for 3 years expiring authority for prevention and control of communicable and other diseases, venereal disease, diseases borne by rodents, and lead poisoning prevention programs; provides legislative authority and authorizations for research and for community programs in health information and promotion and health care education; and establishes an Office of Consumer Health Education and Promotion within HEW to promote these programs. S. 1466—Public Law 94–317, approved June 23, 1976. (VV)

Drug Abuse Offiice and treatment: Continues the current authorization of $45 million through fiscal year 1979 for drug abuse prevention and treatment programs; increases from $100 million to $200 million the figure used to determine the minimum formula grant to any State (currently $66,666, which would increase to $133,333 if there is no change in the ratio of actual to authorized appropriations); recognizes narcotic addiction and drug abuse as a serious, long-term problem requiring continuous effort; authorizes a scaled-down Office of Drug Abuse Policy in the Office of the President, to be headed by a director appointed with the advice and consent of the Senate, which will replace the Special Action Office for Drug Abuse Prevention; authorizes the Director to make recommendations to the President with respect to policies for, objectives of, and establishment of priorities for Federal drug abuse functions and make recommendations for the coordination of the performance of such functions by Federal Departments and agencies; authorizes $2 million annually to support the activities of the Office; transfers from the Special Action Office to the National Institute on Drug Abuse responsibility for the encouragement of certain research and development at a yearly authorization of $7 million through fiscal year 1978, and adds "less addictive" replacements for opium and its derivatives to the list of priority areas for research; extends the National Advisory Council for Drug Abuse until January 1, 1976; bars hospitals receiving Federal funds from discrimination in admissions and treatment of drug dependent persons and directs the Administrator of Veterans' Affairs to prescribe such regulations for veterans health care facilities; requires States to provide reasonable assurances that programs have proposed performances standards to measure their own effectiveness; and contains other provisions. S. 2017—Public Law 94–237, approved March 19, 1976. (VV)

Emergency medical services: Extends the Emergency Medical Services (EMS) Systems Act of 1973 to provide further support to communities which have already made strong efforts to establish an emergency medical services system and give communities not yet assisted the opportunity to begin this effort; provides, concerning application requirements for grants, that a grant may be awarded only to applicants who provide assurances of the participation in and support of the system by the public, private, and volunteer organizations and entities involved in activities essential to providing EMS services in the system's service area; contains provisions to provide for greater cordination between training and research programs and the EMS systems, administration of the various Federal programs supporting EMS related programs, and coordination at the local level to encourage development of regional EMS systems through the grant support programs of the various Federal agencies; gives the Interagency Committee on Emergency Medical Services responsibility for development of a comprehensive plan for the coordination of federally supported activities related to emergency medical services, as well as disseminating to all Federal grant award offices as well as the grantees a coordinated description of sources of Federal support for the purchase of vehicles and communications equipment and for training activities; encourages the coordinated use of Federal programs, by providing that grant recipients shall make maximum use of training support and ambulance and communications equipment available under the Highway Safety Act and of communications equipment made available under the Law Enforcement Assistance Administration legislation; provides for greater coordination of EMS training.

Makes the required elements of the communications system component more specific by requiring that the system have the capability to communicate with individuals having auditory handicaps and to have bilingual communication where the primary language of a substantial proportion of the population is not English; authorizes grants for establishing and operating programs regarding the treatment and rehabilitation of burn victims; and contains other provisions. S. 2458—Public Law 94– , approved 1976. (VV)

Health maintenance organizations: Amends the Health Maintenance Organization Act of 1973, the Social Security Act, and the Public Health Service Act to clarify Congressional intent and improve administration of the HMO program; revises the authorization levels to $180 million through fiscal year 1979; corrects certain present deficiencies which places HMO's at a competitive disadvantage vis-a-vis other parts of the health care system; allows HMO's to include supplemental health services in the basic health services which they require all members to purchase; limits the requirement for the availability of supplemental health services to only such supplemental services for which members have actually contracted; permits HMO's to provide professional services through any combination of staff, medical group, individual practice associations (IPAs) or professionals under contract; requires that members of a medical group must individually engage in coordinated group practice and collectively take substantial responsibility for the delivery of services to HMO members so that over 35% of their services would be for HMO members; amends the Social Security Act to coordinate the definition of an HMO in the Act with that in the Medicare Act; requires the Secretary of HEW to administer the HMO program through a single identifiable administrative unit; provides that non-profit HMO's may obtain Federal loan guarantees for planning and development as well as Federal loans to meet the cost of initial operation for a five year period; waives the community rating requirement for the first four years after qualification for existing HMO's; requires HMO's to openly enroll individuals without respect to preexisting illness or medical condition in a number equal to at least three percent of the net increase in membership during the preceding calendar year only after 5 years in operation or when membership has reached 50,000; and enhances the marketing of HMO programs by requiring that the offer of membership be first made to lawful collective bargaining representatives and that such offer be made only in HMO service areas where at least 25 employees reside. H.R. 9019—Public Law 94– , approved 1976. (280)

Health professions educational assistance: Strengthens and enlarges the National Health Service Corps (NHSC) to help meet the problem of geographic maldistribution of physicians; revises the regulations for designation of health manpower shortage areas so that more regions, especially urban areas, may be so designated; provides that Corps personnel will be assigned to shortage areas with the greatest need; provides NHSC scholarships to full-time students who agree to serve in the Corps for a period of one year for each year for which the scholarship is received, two years of service whichever is greater; establishes a new program of Federally insured loans for students enrolled in health professions schools;

Includes a continuation and modification of the program of capitation grants for schools of medicine, osteopathy, and dentistry; provides, in regard to physician specialties, for a phaseup up to 50 percent of new physicians to enter the primary care specialties (family practices, general internal medicine, general pediatrics, and obstetrics and gynecology): requires as a condition for receiving Federal capitation grants that each school set-aside places for residencies in primary care at 35 percent of its residencies by 1978, 40 percent by 1979, and 50 percent by 1980;

Revises the requirements for physician eligibility for exchange visitor visas; requires the establishment of a health professions personnel data base; authorizes support for graduate programs in health administration; extends and expands Federal support for schools of public health and their students; continues support for schools of veterinary medicine, optometry, podiatry, and pharmacy; authorizes funds to establish and operate Occupational Health Training and Education Centers; continues and expands the area health education centers program; revises and continues the program to support the startup of new schools which train health professionals; revises the program providing assistance for the construction of teaching facilities; authorizes special project grants for humanistic medicine, biomedical education and other projects; and contains other provisions. H.R. 5546—Passed House July 11, 1975; Passed Senate amended July 1, 1976; Senate agreed to conference report September 20, 1976; House concurred in Senate amendment with an amendment September 27, 1976. (374)

Heart, lung, and blood research: Extends for 2 years the authority of the Department of Health, Education and Welfare to conduct research, experiments and demonstration programs regarding heart, lung, blood and blood vessel diseases; changes the name of the National Heart Lung Institute to the National Heart, Lung and Blood Institute and provides explicit authority for the Institute to conduct programs with respect to the use of blood products and the management of blood resources; amends existing law to authorize the development of 30 centers for research, training, and demonstrations (10 centers for heart diseases, 10 centers for lung diseases; and 10 centers for blood, blood vessel disease, research in the use of blood products, and research in the management of blood resources); requires the National Heart, Lung and Blood Advisory Council to submit a report by November 30 each year to the Secretary for simultaneous transmittal to the President and Congress on the progress of the National Heart Blood Vessel, Lung and Blood Disease Program during the proceeding fiscal year with the transition period July 1–September 30, 1976, to be considered as a fiscal year for such reporting purposes; and authorizes $10 million for fiscal year 1976 and $30 million for fiscal year 1977 for prevention and control programs, and $339 million for fiscal year 1976 and $373 million for fiscal year 1977 for the national heart, blood vessel, lung and blood diseases and blood resources program;

Extends for 2 years, through fiscal year 1977, the authority of the Secretary of HEW to provide awards to individuals and institutions for biomedical and behavioral research training and authorizes therefor $165 million for fiscal year 1976 and $185 million for fiscal year 1977; changes the manner in which interest accrues on National Research Service Awards to make interest on the award computed from the time the United States becomes entitled to recover all or part of the award;

Requires that the President's Panel on Biomedical Research and the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research each conduct studies on the implications or disclosure to the public of information contained in the NIH research grants or contracts;

Expands the Director of NIH's authority to conduct research into genetic diseases including but not limited to sickle cell anemia, Cooley's anemia, Tay-Sachs disease, cystic fibrosis, dysautonomia, hemophilia, retinitis pigmentosa, Huntington's chorea, and muscular dystrophy; and authorizes the Secretary to award grants and contracts for research projects with respect to such diseases;

Contains provisions relating to regulation of vitamin and mineral products under the Federal Food, Drug and Cosmetic Act;

Amends the National Arthritis Act to clarify the definition of arthritis and to raise the authorizations under the act;

Extends the expiration date of the National Diabetes Commission (Public Law 93–354) to September 30, 1976;

Amends the Public Health Service Act to add ambulatory surgical services as a supplemental health service which could be offered by migrant health and community health centers; permits the Indian Health Service to utilize non-profit recruitment agencies to assist in obtaining personnel for the Public Health Service;

Prohibits consideration of political affiliation in making appointments to advisory committees established to assist the Secretary in implementing the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and the Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970;

Equates active service of commissioned officers of the Public Health Service with active military service in the Armed Forces for the purposes of all rights, privileges, immunities, and benefits provided under the Soldiers' and Sailors' Civil Relief Act of 1940;

Authorizes the Secretary to make awards to outstanding scientists who agree to serve as visiting scientists at institutions of postsecondary education which have significant enrollments of disadvantaged students with the amount of the award commensurate with the salary or renumeration which the individual had received from the institution with which he has, or had, a permanent or immediately prior affiliation; and

Extends the authorizations for physician shortage area scholarships at $3.5 million for fiscal year 1975 and $2 million for fiscal year 1976, and for health professions student loans, at $60 million for fiscal year 1976. H.R. 7988—Public Law 94-278, approved April 22, 1976. (*578)

Helen Keller Center: Amends the Rehabilitation Act of 1973 to provide that the center for deaf-blind youth and adults established by the Act shall be known as the "Helen Keller National Center for Deaf-Blind Youths and Adults". H.R. 12018—Public Law 94-288, approved May 21, 1976. (VV)

Lead based paint poisoning prevention: Authorizes $91.5 million for 3 years for programs under the Lead-Based Paint Poisoning Prevention Act (Public Law 91-695) designed to: (1) provide assistance for protecing against the lead-based paint poisoning hazard in homes where cases of childhood lead-based paint poisoning have been actually identified; (2) authorize the Department of Health, Education and Welfare to safeguard against the application of lead-based paints to any cooking, drinking or eating utensil; (3) authorize the Department of Housing and Urban Development to restrict the application of lead-based paint in residential structures constructed or rehabilitated by the Federal government, or with Federal assistance; (4) authorize the Consumer Product Safety Commission to prohibit the application of lead-based paints to any toy or furniture article; and (5) limit the amount of lead contained in residential interior paints to no more than .06 percent, unless a majority of the members of the Consumer Product Safety Commission agrees to another level, not to exceed one half of one percent lead by weight, within 6 months of enactment of the bill. S. 1664—Passed Senate February 19, 1976. (42)

Medical device safety: Authorizes the Food and Drug Administration to regulate the development and marketing of medical devices;

Classifies all medical devices intended for human use into one of the following three categories based on the extent of regulation necessary to assure safety and effectiveness: Class I—General Controls, consisting of devices for which sufficient data is available to assure their safety and effectiveness or for which insufficient information exists to determine that the control are sufficient but are not used in supporting or sustaining life or preventing impairment of health and which do not present an unreasonable risk of illness or injury; Class II—Performance Standards, consisting of devices for which Class I controls are insufficient and it is determined that insufficient information is available to establish a performance standard to assure their safety and effectiveness; and Class III—Premarket approval consisting of devices which cannot be classified as a Class I or II device because of insufficient data to assure their safety and effectiveness and which are used in supporting or sustaining human life, in preventing impairment of human health, or present an unreasonable risk of illess or injury;

Requires the Secretary to establish panels of experts to evaluate the safety and effectiveness of devices, with members having adeqately diversified expertise in such fields as clinical and administrative medicine, engineering, biological and physical sciences, and other related professions; provides for the appointment to each panel of 2 nonvoting members representing consumer interests and the manufacturer of the device; requires the panels to submit their recommendations with respect to the classification of devices to the Secretary who shall have such recommendations published in the Federal Register for public comment, and following review of such comments, classify the device;

Requires classification panels to submit recommendations to the Secretary respecting the classification of all "old" devices (those introduced into interstate commerce prior to the date of enactment) and places all "new" devices (those introduced into interstate commerce after the date of enactment) into Class III until they have been reclassified by the Secretary; requires that all old devices implanted into the human body or used in supporting or sustaining life be classified into class III unless there is sufficient data available to assure the safety and effectiveness of the device;

Contains provisions to assure that those who offer to develop performance standards are qualified and that a conflict of interest is not involved and provides for disclosure of information regarding the individual or group who is chosen to promulgate the standards;

Provides that a published notice requiring premarket approval of a Class III device contain an opportunity to request a change in the classification of the device which must be submitted within 15 days and acted upon within 60 days of the publication; authorizes administrative review of decisions by the Secretary with respect to premarket approval or scientific review, and product development protocols; requires that patients be notified of risks or hazards presented by devices; exempts custom devices from applicable requirements respecting performance standards and scientific review or premarket approval under specified conditions; authorizes the Secretary to limit the sale or distribution of devices under specified circumstances; contains transitional provisions designed to place articles which would be devices under the new definition of "device" but which are presently being regulated as new drugs into comparable regulatory status as devices; authorizes the export of devices which did not comply with the requirements relating to performance standards or to scientific review if the Secretary determines that such export is in the interest of public health and safety and had the approval of the country to which it is intended for export; and contains other provisions. S. 510—Public Law 94-295, approved May 28, 1976. (*139)

Rehabilitation Act extension: Extends the authorizations for vocational rehabilitation services, research and training, grants for construction of rehabilitation facilities, vocational training for handicapped individuals, the National Center for deaf-blind youths and adults, and other programs under the Rehabilitation Act until September 30, 1977, with an additional 1-year extension if Congress fails to act on legislation extending the authorizations for programs under the Act by April 15, 1977. H.R. 11045—Public Law 94-230, approved March 15, 1976. (VV)

Swine flu immunization program: Authorizes the Secretary of Health, Education, and Welfare to establish, conduct, and support (by grant or contract) needed activities to carry out a national swine flu immunization program until August 1, 1977; provides, in order to protect the agencies, organizations, and individuals who will manufacture, distribute, and administer the vaccine against liability for other than their own negligence. an exclusive remedy against the United States to persons alleging personal injury or death arising out of the administration of the vaccine; provides that the swine flu program shall consist of the (1) development of a safe and effective swine flu vaccine, (2) preparation and procurement of the vaccine in sufficient quantities for the immunization of the population of the States, (3) making of grants to State health authorities to assist in meeting their costs for programs to administer the vaccine and the furnishing to them of sufficient quantities of the vaccine, (4) furnishing to Federal health authorities of appropriate quantities of the vaccine, (5) the conduct and support of training of personnel for such immunization activities and of research on the cause of the influenza and the cost and effect of the immunization program, (6) the development, in consultation with the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, and implementation of a written informed consent form and procedures explaining the risks and benefits to the individual before vaccination, and (7) other necessary activities to implement the program; and contains other provisions. S. 3735—Public Law 94-380, approved August 12, 1976. (VV)

HOUSING

Housing—flood insurance: Permits homeowners interest subsidies under Section 235 of the National Housing Act to be extended to owners of two modular mobile homes; increases the mortgage limits eligible for insurance under Section 235 from $21,600 to $25,000 and from $25,200 to $29,200 in any geographical area where the Secretary of Housing and Urban Development (HUD) finds that cost levels so require, and from $25,200 and $28,800 to $29,200 and $33,400 respectively for a dwelling for a family with five or more persons; extends the expiration date for this program from June 30, 1976, to June 30, 1977; transfers all insurance obligations under the section 221 housing programs for moderate income and displaced families Below-Market-Interest-Rate program from the General Insurance Fund to the Special Risk Insurance Fund;

Amends Section 244 co-insurance program to (1) clarify the authority of the Secretary to co-insure mortgages on a basis which might require the "top" assumption of loss by the mortgagee with subsequent loss shared on a percentage or other basis with the Federal Government, (2) make the 20 percent limitation on co-insurance of mortgages or loans inapplicable where the lender is a "public housing agency", (3) authorize the Secretary to co-insure mortgages on projects which are under construction in those cases where public housing agencies are lenders, and (4) provide that the term "public housing agency" for the purpose of section 244 has the same meaning as it does in section 3(6) of the Housing Act of 1937;

Provides that assistance payments made with respect to a dwelling under the Housing Act of 1937 shall not be considered as income or as a resource for the purposes of determining eligibility under the Social Security Act or any Federal law; authorizes the section 8 subsidy housing programs enacted under the Housing and Community Development Act of 1974, under which HUD pays the housing owner the difference between the tenant contribution and the approved rent a maximum of 20 years to be made available to units in rural areas financed under the Farmers Home Administration section 515 rural rental program for the full period of the FmHA mortage, which is generally 40 years;

Authorizes Federal savings and loan associations to invest in the share capital and capital of the Inter-American Savings and Loan Bank;

Provides that in the event of a short-fall in funding for the community development program in fiscal year 1977 that the shortfall in hold-harmless funds shall be distributed equitably among all urban counties and all large metropolitan cities in order to minimize the total loss to any single jurisdiction and establishes a set-aside for discretionary balances to insure small cities access to the program;

Amends the National Flood Insurance Act to correct certain inequities resulting from the general statutory prohibition against federally supervised conventional mortgage lending in identified flood hazard areas of communities not participating in the national flood protection and insurance program, which requires compliance with HUD land use and construction standards as a prerequisite for obtaining Federally subsidized flood insurance as follows: (1) extends to nonparticipating communities the existing exception which permits conventional mortgage loans to be made for the purchase of existing, previously occupied residential dwellings, and broadens the exception to include the purchase of existing small business properties and to permit present owners of residential dwellings to extend, renew or increase the financing on their homes; (2) authorizes the making of conventional loans to finance improvements to existing residential structures up to an aggregate of $10,000 per dwelling; (3) permits the making of conventional loans to finance improvements or additions to an existing farm for non-residential agricultural purposes; and (4) eliminates the existing prohibition on Federal disaster assistance to non-participating communities which suffer disasters not involving flooding;

Amends the Securities and Exchange Act to clarify the authority of State or political subdivisions to tax stock transfers; and contains other provisions. H.R. 9852—Passed House October 20, 1975; Passed Senate amended January 23, 1976; Senate requested conference January 23, 1976. *Note:* (Provisions of this bill are contained in S. 3295, Housing Programs, which passed the Senate on April 27, 1976.) (VV)

Housing programs: Increases the estimated $1 billion in funds available as of September 30, 1976, for housing assistance annual contributions contracts by $850 million on October 1, 1976; reiterates the existing requirement that housing funds be allocated for new, rehabilitated, and existing units in a community in the proportion specified in that community's housing assistance plan; requires the Department of Housing and Urban Development to allocate at least $140 million in contract authority for traditional public housing, at least $100 million of which must be used for the provision of additional new or rehabilitated low-income projects;

Increases the earmarked funds to be set aside in financing low-income housing for families who are members of Indian tribes by $17 million on July 1, 1976; requires that at least $60 million of the additional contract authority provided on October 1, 1976, be made available for the modernization of existing public housing projects; authorizes $576 million for fiscal year 1977 for grants to public housing authorities to meet deficits arising because operating costs exceed rental incomes; makes single non-elderly persons eligible for occupancy of public housing and section 8 units in up to 10 percent of a public housing agency's units, provided that single elderly, handicapped or displaced persons get preference for admission; authorizes section 8 housing assistance contracts of up to 40 years in cases of projects financed by the Farmer's Home Administration; authorizes the Secretary of HUD to make section 8 payments with respect to vacant units beyond the current 60-day period, but only for up to 12 months in the amount of the debt service attributable to the unit, and subject to other limitations; raises the income limit for eligibility for Section 235 homeownership assistance from 80 percent of median to 95 percent of median; increases the mortgage limits for section 235; increases the mortgage limits for FHA insured mortgages on multifamily housing; authorizes $500 million to cover FHA general insurance fund losses; increases HUD's authority to allow flexibility in risk-sharing between HUD and a co-insurer public housing agency or insured depository institution; allows HUD to make loans to mortgages with respect to projects co-insured by a public housing agency which are in default; extends the application deadline for requesting compensation for defects in existing FHA housing under section 518(b) (covering certain FHA section 203 and 221 homes purchased between 1968 and 1973) of the National Housing Act until 4 months after enactment of this bill, and creates an interim compensation program under section 518(b) for homes purchased between 1973 and enactment and covered by mortgages insured under section 203 and 221, allowing one year from the date of enactment to apply;

Increases the borrowing authority for the section 202 direct loan program to nonprofit sponsors of housing for the elderly and handicapped from $800 million to $1.475 billion upon enactment, to $2,387,500,000 on October 1, 1977, and to $3.3 billion on October 1, 1978; requires approval in appropriations acts of all borrowing authority under section 202 in excess of $800 million; establishes the interest rate on section 202 loans at 7 percent, a reduction from the most recently calculated rate under the current formula of 8.25 percent; and changes the definition of an eligible elderly family to include two or more persons living together, one such person and another providing care to the first, or a surviving member of the family who was living in the unit at the time another member died; extends the section 312 housing rehabilitation loan program until September 30, 1977, and authorizes $100 million for fiscal year 1977 for this program; extends the authorization for the section 701 comprehensive planning program for planning assistance to communities until September 30, 1977, and authorizes $100 million for fiscal year 1977; and extends the section 810 urban homesteading program through fiscal year 1978 at an authorization level of $6.25 million for fiscal year 1976 and the transition quarter and $5 million for each of fiscal years 1977 and 1978; authorizes $100 for fiscal year 1977 for section 312 rehabilitation loans; increases the purchase price limit on housing with GNMA tandem mortgages; authorizes the use of community development block grant funds for the provision of centers for the handicapped; makes certain new community projects carried out under Title X of the National Housing Act eligible for discretionary fund assistance of the community development block grant program if such projects meet the same eligibility criteria as new community projects being carried out under Title VII of the 1970 housing act; establishes a $65 million authorization level for HUD research activities for fiscal year 1977; authorizes $5 million for each of fiscal years 1977 and 1978 as startup funding for the National Institute of Building Sciences;

Extends until September 30, 1977, Section 236 rental housing assistance, the Emergency Homeowners' Relief Act (a standby program for homeowners faced with foreclosure because of economic conditions), the Emergency Home Purchase Assistance Act which provides assistance to the housing market during periods of credit shortages by subsidizing interest rates, and the section 245 experimental financing program under which FHA insures loans which use flexible amortization plans corresponding to variations in family income;

Authorizes the FHA to make section 241 supplemental loans to hospitals for additions and improvements; permits homeowners interest subsidies under Section 234 of the National Housing Act to be extended to owners of two-modular mobile homes; provides that assistance payments made with respect to a dwelling under the Housing Act of 1937 shall not be considered as income or as a resource in determining eligibility under the Social Security Act or any Federal law and excludes social security increases occurring after May 1976 from the income of occupants of subsidized housing units for purposes of determining the rental to be paid by such occupants; provides that in the event of a short-fall in hold-harmless funds, that available funds shall be distributed equitably among all urban counties and all large metropolitan cities in order to minimize the total loss to any single jurisdiction and establishes a set-aside for discretionary balances to insure small cities access to the program; extends the time for area survey under the national flood insurance program until September 30, 1977, and amends the program to exempt loans for acquisition or refinancing of residences occupied before March 1, 1976, or within 1 year after designation of the area as a flood hazard area, whichever is later, from the general statutory prohibition against federally supervised conventional mortgage lending in identified flood hazard areas of communities not participating in the national flood protection and insurance program; authorizes HUD to provide space and initial equipment on a reimbursable basis for a day-care facility for children of employees; and contains other provisions. S. 3295—Public Law 94–375, approved August 3, 1976. (155)

INDIANS

Assistant Secretary of Indian Affairs: Establishes the position of Assistant Secretary of Indian Affairs within the Department of the Interior. S. 2144—Passed Senate October 1, 1976. (VV)

Indian Claims Commission: Extends the life of the Indian Claims Commission until September 30, 1978, to enable it to adjudicate the claims which are presently pending; provides that if the Commission feels a pending case can be handled more expeditiously by the Court of Claims, the Commission shall certify the case to the Court subject to its approval; requires the Commission to transfer to the Court of Claims, by December 31, 1976, all cases which it determines it cannot complete by September 30, 1978; provides that any case still pending on September 30, 1978, shall be transferred to the Court of Claims for final adjudication; and requires the Commission to report to Congress on the 1st day of the 95th Congress, those cases which it transferred to the Court of Claims on December 31, 1976, and to make semi-annual reports thereafter on the progress and status of all remaining cases along with a projected completion date for each case. S. 2981—Public Law 94– , approved 1976. (VV)

Indian crimes: Amends the Indian Major Crimes Act (title 18, U.S.C.) to add the crime of kidnapping to the specified major crimes triable in Federal courts when committed by an Indian in Indian country and provides that such offenses shall be tried in the same courts and in the same manner as other persons committing such offenses within the exclusive jurisdiction of the United States thus insuring Indian defendants equal treatment under applicable provisions of law. S. 2129—Public Law 94–297, approved May 29, 1976. (VV)

Indian health care: Authorizes $480 million for a 3-year period beginning in fiscal year 1978 with further amounts to be authorized by subsequent legislation for fiscal years 1981–84 to provide for the severe unmet health needs of the American Indian people; strengthens provisions relating to Indian health scholarships designed to open the entire range of health professions to Indian people; provides for a planned growth of the Indian Health Service's delivery system and facilities removal of the backlogs in direct patient care and dental care, improvement of field health services, mental health care and services, treatment centers for the children, and other unmet health needs; provides for redistribution of the authorization of funds designated for hospital construction to permit a more realistic implementation of providing modern, efficient facilities and renovation of existing facilities, most of which are in a state of general deterioration; provides a separate authority to insure the construction of water and sanitation facilities to Indian Health

Service facilities to meet the present problem of limited access by Indians to services supported by Medicare or Medicaid due to most Indians living on remote reservation lands; authorizes a feasibility study for an American Indian School of Medicine, and directs the Secretary of Health, Education, and Welfare to submit a plan to Congress detailing the manner in which he proposes to implement the various provisions of the act. S. 522—Public Law 94– , approved 1976. (VV)

Ottawa Indians: Provides for the disposition of funds appropriated to pay a judgement in favor of the Grand River Band of Ottawa Indians. S. 1659—Public Law 94– , approved 1976. (VV)

Palms and Cabazon Mission Indians: Directs the Secretary of the Interior to convey the beneficial interest in 240 acres of land held in trust jointly by the Cabazon and Twenty-nine Palms Bands of Mission Indians, to the Twenty-nine Palms Bands of Mission Indians, and to distribute from the tribal fund of the Cabazon Band to the Twenty-nine Palms Bands the sum of $2,825 plus interest collected as payment for a storm channel right-of-way. H.R. 1465—Public Law 94-271, approved April 21, 1976. (VV)

Pueblo Indians, New Mexico: Amends the Act of 1928, which made certain general statutes providing for rights-of-way across Indian lands, to place the New Mexico Pueblo Indians in the same position relative to grants of rights-of-way across their lands as other federally recognized Indian Tribes; authorizes the Secretary of the Interior to grant a right-of-way renewal across Pueblo lands without Pueblo consent in those cases where the original right-of-way was obtained through litigation initiated under the 1926 Act, or by compromise and settlement in such litigation prior to January 1, 1975; provides that only one such renewal may be granted by the Secretary for a period not to exceed 10 years and only if the Pueblo involved and the owner of the original right-of-way fail to negotiate a renewal within 90 days after the request for renewal by the owner; directs the Secretary to require the payment of the fair market value as compensation to the Pueblo for such grant; and provides that no renewal of a right-of-way under this section may be authorized without the consent of the Pueblo if the right-of-way is declared invalid because of the invalidity of the 1927 Act on the date of the right-of-way was originally acquired. S. 217—Public Law 94-416, approved September 17, 1976. (VV)

Sioux Black Hills and Wichita Indians tribal claim: Authorizes the U.S. Court of Claims to review, without regard to the technical defense of *res judicata* or coleateral estoppel, the determination of the Indian Claims Commission entered February 14, 1974, that the act of February 28, 1877, effected a taking of the Black Hills portion of the Great Sioux Reservation in violation of the fifth amendment; and authorizes the U.S. Court of Claims to consider claims by the Wichita Indian Tribe and affiliated bands with respect to aboriginal title to lands which were acquired by the United States without payment of adequate compensation. S. 2780—Passed Senate July 30, 1976. (VV)

Zuni Indians, New Mexico: Directs the Secretary of the Interior to acquire through purchase, trade or otherwise, the 618.41 acres in New Mexico upon which the Zuni Salt Lake is located and hold such land in trust for the Zuni Indian Tribe; confers jurisdiction upon the Court of Claims to hear and determine an aboriginal land claim of ownership to over 5.2 million acres in New Mexico and Arizona that the Zuni tribe failed to file in the Indian Claims Commission under the Act of August 13, 1946; and authorizes the Zuni Tribe to purchase and exchange lands in New Mexico and Arizona notwithstanding the restrictions in the Act of May 25, 1918, which expressly prohibits further expansion of Indian Reservations in those States. S. 877—Passed Senate June 26, 1976. (VV)

INTERNATIONAL

Asian development fund: Amends the Asian Development Bank Act by adding a new section authorizing the United States Governor of the Bank to agree to contribute $50 million to the Asian Development Fund replenishment approved by the Bank in December 1975, and authorizes therefor $50 million. S. 3103—Passed Senate May 6, 1976. (VV)

Baltic nations: Expresses the sense of the Senate that the signing in Helsinki of the Final Act of the Conference on Security and Cooperation in Europe did not change in any way the long-standing policy of the United States on nonrecognition of the Soviet Union's illegal seizure and annexation of the three Baltic nations of Estonia, Latvia, and Lithuania, and it will continue to be the policy of the United States not to recognize in any way the annexation of these nations by the Soviet Union. S. Res. 319—Senate agreed to July 26, 1976. (VV)

Bretton Woods Agreement: Grants Congressional authorization for United States acceptance of the proposed amendment to the Articles of Agreement of the International Monetary Fund (IMF) and to an increase in the quota of the United States in the IMF and makes several technical changes in U.S. statutes to bring them into line with the amendments to the Funds Articles. H.R. 13955—Public Law 94– , approved 1976. (VV)

Brussels conference: Expresses the solidarity of the American people with the efforts to enlarge human freedom by the participants in the Second Brussels Conference on Soviet Jewry to be held February 17 to 19, 1976. S. Con. Res. 93—Senate agreed to February 5, 1976; House agreed to February 10, 1976. (VV)

Canal Zone: Grants the President or his delegate the authority to regulate the purchase, possession, consumption, use and transportation of alcoholic beverages by minors in the Canal Zone, and imposes penalties for violations of regulations issued pursuant to this authority. H.R. 8471—Public Law 94-345, approved July 8, 1976. (VV)

China earthquake: Endorses and supports the President's offer to provide, through the appropriate organizations and institutions, assistance to the victims of the earthquakes in the Peoples Republic of China, and extends condolences to the victims and the Government. S. Res. 499—Senate agreed to July 30, 1976. (VV)

Commission on Security and Cooperation in Europe: Establishes a Commission on Security and Cooperation in Europe to Monitor the acts of the signatories which reflect compliance with, or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe with particular regard to the provisions relating to cooperation in humanitarian fields and to monitor and encourage the development of programs to expand East-West economic cooperation and cultural interchange; provides that the Commission shall consist of 15 members (6 from the House of Representatives, 6 from the Senate and 3 appointed by the President from the Departments of State, Defense and Commerce) with the Chairman appointed by the Speaker of the House; gives the Commission the authority to carry out its mandate including the power of subpena; requires the President to submit a semiannual report to assist the Commission in carrying out its duties which includes a detailed survey of actions of the signatories of the Final Act reflecting compliance with or violation of the provisions of the Act and a description of the planned programs and activities of the appropriate agencies of the Executive branch relating to East-West cooperation and to promoting a greater interchange of ideas and people between East and West; directs the Commission to report to Congress on a periodic basis and to provide information to Members as requested; and authorizes therefor $350,000 for each fiscal year to remain available until expended. S. 3107—Public Law 94-304, approved June 3, 1976. (VV)

Discriminating trade practices of EEC: States the sense of the Congress that the President seek immediate elimination of the discriminatory trade regulations approved by the Council of the European Economic Community (EEC) which require a surety deposit and certification system on all imported vegetable protein products thus directly affecting U.S. export of soybeans and violating certain provisions placing no duty on soybeans; and directs the President, in the event that the Community fails to eliminate these regulations, to obtain full compensation for such actions under Article XXIII of the General Agreement on Tariffs and Trade. S. Con. Res 108—Senate agreed to March 31, 1976. (VV)

East German claims: Amends the International Claims Settlement Act of 1949 to add a new Title VI authorizing the Foreign Claims Settlement Commission to receive and determine the validity and amounts of claims by U.S. nationals against the German Democratic Republic for losses arising as a result of the nationalization, expropriation, or taking of property owned by U.S. nationals at the time of the loss; provides that no claims could be favorably considered unless the property on which the claim is based was owned, wholly or partially, by a national or nationals of the United States on the date of the loss and continuously thereafter until the date the claim was filed; defines a national of the United States as a natural person who is a citizen of the United States or a corporation or other legal entity organized under the laws of the United States in which at least 50 percent of the outstanding shares of stock are owned by natural persons who are U.S. citizens; provides a 12-month filing period and requires the Commission to complete its affairs with respect to this program within three years after the deadline filing date; permits the Commission to accept new evidence in connection with a claim presented to the Commission on July 25, 1964, by the Sea Oil and General Corporation, for property which was destroyed by the Imperial Japanese Forces during the period covered by title II of the War Claims Act of 1948; and provides that enactment of this legislation shall not be construed as authorizing or an intent to authorize an appropriation of Federal funds to pay any claims of U.S. nationals against the German Democratic Republic. S. 3621—Public Law 94– , approved 1976. (VV)

Foreign investment in the United States: Authorizes the President to set up a regular and comprehensive data collection program to obtain current and continuing information from business enterprises on a wide variety of international investment issues and to publish such data on a regular and periodic basis; directs the President to conduct benchmark surveys of foreign direct investment in the United States and of American direct investments abroad at least once every 5 years; requires the President to conduct benchmark surveys of foreign portfolio investment in the United States at least once every 5 years and U.S. portfolio investment abroad within the next 5 years and thereafter if he determines such a study to be feasible and necessary; directs the President to conduct a study of the feasibility of establishing a system to monitor foreign direct investment in agricultural, rural and urban real property including establishing a nationwide multipurpose land data center and to submit his findings to the Congress within 2 years; requires designated persons to keep pertinent records and to report relevant information to the agencies administering the information-collection programs; and prohibits the public disclosure of any information gathered under this act in such a way as to identify the company or individual making the report. S. 2839—Public Law 94– , approved 1976. (VV)

Foreign military assistance and arms export control: Authorizes appropriations for security assistance and related programs of $3,166,900,000 for fiscal year 1976 and $790 million for the transition period July 1–September 30, 1976, as follows:

Authorizes for grant military assistance (MAP) for fiscal year 1976 $196,700,000 to which is added $28.3 million in recoupment and reimbursements making a total of $225 million; allocates this amount as follows: $31 million to Greece, $13 million to Indonesia, $50 million to Jordan, $55 million to Korea, $17 million to the Philippines, $16 million to Thailand, $31 million to Turkey, $6 million to Ethiopia, and $6 million to unspecified countries;

Authorizes $1,766,200,000 for fiscal year 1976 for security supporting assistance programs of which not less than the following amounts will be available to the following countries: Israel, $730 million; Egypt, $705 million; Greece, $65 million; and as intended by the committee of conference, Jordan, $72.5 million; Syria, $80 million; Bahrain, $600 million; Malta, $9.5 million; Portugal, $52.5 million; United Nations Force in Cyprus, $9.6 million; Zaire, $18.9 million; and for Operating Expenses, $22.6 million;

Authorizes $1.039 billion for fiscal year 1976 for Foreign Military Sales Credits (FMS) financing; sets a ceiling of $2,374,700,000 on the aggregate total of FMS credits or participation in credits and of the principal amounts of loans guaranteed during fiscal year 1976; provides, with respect to the long-term repayments mandated for FMS financing provided to Israel that repayment shall be in not less than 20 years following a grace period of 10 years on repayment of principal;

Authorizes $50 million for the Middle East Special Requirements Fund for fiscal year 1976 and earmarks $12 million of this for use as a U.S. contribution toward the settlement of the deficit of the United Nations Relief and Works Agency for Palestine Refugees in the Middle East;

Makes the transition period authorizations on the same basis as the fiscal year 1976 authorizations;

Terminates authority to furnish grant military assistance (MAP) after September 30, 1977 (with the provision that the authority shall remain available until September 30, 1980, to carry out obligations incurred before September 30, 1977), unless Congress subsequently specifically authorizes assistance to a country; exempts the authority relating to stockpiling of defense articles for foreign countries from this termination requirement; restricts use of the President's emergency authority to draw on Department of Defense stocks and services for military assistance purposes to unforeseen emergencies requiring immediate action vital to U.S. security interests; reduces the authority from $150 million to $67.5 million in any fiscal year, and requires current reporting to Congress on the use of such authority; permits new stockpiles or additions to existing stockpiles of not to exceed $75 million in fiscal year 1976 and not to exceed $18,750,000 during the transition quarter; prohibits locating future stockpiles outside U.S. military bases except for stockpiles located in NATO countries; stipulates that stockpiled defense articles transferred to a foreign country may not be considered "excess" for valuation purposes; and requires the reporting to Congress of each new stockpile or of an addition to an existing stockpile having a value in excess of $10 million;

Places a ceiling of 34 on military assistance advisory groups and missions (MAAG's) effective September 30, 1976; authorizes $27 million for international military education and training and provides that such programs must be justified in the annual presentation to the Congress;

States the sense of Congress that the President should seek to initiate multilateral discussions for the purpose of reducing the international trade in arms and lessening the dangers of regional conflict; requires the President to conduct a comprehensive study of U.S. arms sales policies to determine whether such policies should be changed and to report to the Congress within one year; sets an annual ceiling of $9 billion on arms which are sold under the Foreign Military Sales Act or which are licensed or approved for export in connection with commercial sales for the use of a foreign country or international organization; permits the President to waive the ceiling on aggregate arms sales, on a case-by-case basis without declaring that an emergency exists if he determines that national security interests so require; provides criminal penalties for any person who attempts to avoid the ceiling by exporting without a license or approval as required; provides that the existing requirement in the Foreign Assistance Act that recipient countries must agree in advance not to transfer U.S.-supplied defense articles to a third country without prior U.S. consent shall also apply to related training and other defense services; prohibits third country arms transfers of $25 million or more unless the President certifies the transfers to the Congress and Congress does not disapprove within 30 calendar days or unless the President states an emergency exists which requires the transfer in the security interest of the United States;

Requires that all sales of "major defense equipment" in excess of $25 million must be handled on a government-to-government basis, except to NATO countries, to whom sales above that limit can continue to be made through commercial channels; requires the President to submit to Congress, for possible rejection by concurrent resolution within 30 calendar days, proposed government sales of "major defense equipment" of $7 million or more, all proposed government sales of any defense articles or services of $25 million or more and, regarding commercial sales, all proposed export licenses pursuant to commercial sales of "major defense equipment" of $7 million or more (except for those to NATO countries), with provision for waiver of the 30 calendar day waiting period if the President certifies that an emergency exists which requires the sale or the issuance of the license in the national security interest; contains provisions concerning the cancellation or suspension of licenses and contracts for arms sales if the national interest so requires;

Provides for the termination, within 90 days of continuous session, by Congress of security assistance to a country upon receiving a report from the Secretary of State that the government of a country is engaging in a consistent pattern of gross violations of internationally recognized human rights; provides for termination of assistance, sales, credits or guarantees and cancellation of export licenses, unless required by national security, to governments discriminating against U.S. nationals or persons; prohibits assistance to countries which aid, abet, or grant sanctuary to international terrorists unless required by national security;

Prohibits assistance of any kind to Angola, except for humanitarian purposes, unless specifically authorized by subsequent legislation; permits cash sales, credits, and guarantees of defense articles and services to Turkey as long as Turkey observes the cease-fire on Cyprus, does not increase its military forces or civilian population on Cyprus, and does not transfer to Cyprus any additional U.S. supplied arms; prohibits military assistance and sales credits to Chile; expresses the sense of Congress in support of negotiations to limit military deployments in the Indian Ocean; eases certain restrictions on nonstrategic trade with Vietnam which are to be reimposed after 180 days unless the President certifies to Congress that the Vietnamese have accounted for a substantial number of POW's and MIA's and returned the bodies of a substantial number of dead; prohibits U.S. personnel from participating in direct police arrest actions in a foreign country in connection with narcotic controls; and contains other provisions. S. 2662—Vetoed May 7, 1976. (36,157)

Foreign Military assistance and arms export control: Authorizes $3,191,900,000 in security supporting assistance for fiscal year 1976 and $2,973,500,000 for fiscal year 1977;

In regard to the Grant Military Assistance Program (MAP), requires a phaseout of the general foreign military grant assistance program by October 1, 1977, except for programs subsequently authorized on a country-by-country basis; provides that U.S. military missions and similar groups abroad are to be terminated by October 1, 1977, unless continuation of a specific mission is subsequently authorized by law; restricts the President's authority to draw on Department of Defense stocks for military assistance purposes to require a finding that such assistance is "vital" to U.S. security; strengthens provisions of law on terminating grant military assistance and prohibiting credits or guarantees to or for any country which violates the provisions of military aid or sales agreements; establishes an anti-discrimination policy applicable to the military grant aid and government sales programs and to export licenses, which provides for termination of assistance to a country whose policies prevent any U.S. national from participating in the furnishing of defense articles or services on the basis of race, religion, national origin, or sex; requires a report to the Congress from the President upon the request of the Senate Foreign Relations Committee or the House International Relations Committee recommending appropriate action; provides that the transaction shall be suspended if the President does not make the report within 60 days unless and until the report is received, and provides that Congress may, upon receipt of the report, terminate or restrict the transaction by joint resolution; creates an Office of Coordinator of Human Rights with responsibility also for humanitarian affairs, within the Department of State, with whose assistance the Secretary of State is to transmit a report to the Congress on the human rights practices of each proposed recipient of military assistance, and provides that the Congress may by joint resolution at any time after receipt of the report terminate or restrict assistance to a country engaging in a consistent pattern of gross violations of human rights; and prohibits further military or related assistance to Angola except pursuant to specific authorization by law;

In regard to Government Military Sales and Commercial Exports of Arms, places policy emphasis on public disclosure of arms sales matters and on bringing about restraint in the international trade in arms; revises and combines statutory requirements for controls over commercial and government-by-government military exports in the new Arms Export Control Act so that all military export matters are controlled under one statute; requires that all sales of major defense equipment items totaling $25,000,000 or more must be made through government-to-government channels, except sales to members of NATO; revises and expands reporting procedures for military sales and exports, and requires that, in addition to proposals totaling $25 million or more, all proposals to sell major defense equipment of

$7 million or more on a government-to-government basis must be reported in advance to the Congress; requires reports on all agreements to pay agents' fees, and data concerning fees actually paid, in connection with military sales abroad (government and commercial);

Other provisions prohibit U.S. personnel from engaging in direct police arrest actions in foreign countries in connection with narcotics control efforts; prohibit military grant assistance, sales (including cash sales), credits, guarantees, and deliveries of such assistance, and supporting assistance to or for Chile; amend the Foreign Assistance Act to permit the sale of defense articles to Turkey during fiscal year 1977 under the Foreign Military Sales Act, place a ceiling of $125 million on such sales for fiscal year 1977, and limit financing through credits or guarantees under the act to the items sold within that ceiling; place a $27.5 million limit on economic assistance to Chile which may be increased by 27.5 million if the President certifies that Chile is not engaged in gross violations of human rights; express the sense of the Congress in support of negotiations to limit military deployments in the Indian Ocean area; express the sense of the Congress deploring armed strife in Lebanon and requesting that the President use his good offices to seek an end to the civil conflict; modify restrictions in existing law relating to stockpiles intended or earmarked for use by foreign countries; place a ceiling on stockpiles in foreign countries of $93,750,000 for the 1976 transition quarter and $125 million for fiscal year 1977; prohibit security assistance, and most economic assistance to countries that deliver or receive nuclear reprocessing or related equipment unless they have agreed to multilateral safeguards, with the provision that the President may, by Executive Order, permit deliveries to a country if he finds that termination of assistance would have a serious adverse affect on U.S. interest and certifies that he has received reliable assurance that the country will not acquire or develop nuclear weapons or assist other nations to do so, and so report to Congress; provide that Congress may terminate or restrict assistance to the country in question by a joint resolution introduced within 30 days of the President's transmittal to Congress; earmark $27.5 million each for security supporting assistance to the African countries of Zaire and Zambia, and specify that these funds may not be used for military, guerrilla, or paramilitary activities in either country or any other country; require a report from the President within 60 days of his receiving information of illegal or improper payments by a U.S. corporation to officials of a foreign country receiving international security assistance or of extortion attempts by officials of a foreign country in return for allowing a U.S. citizen or corporation to conduct business in that country, with his recommendation on whether security assistance should be continued; and contains other provisions. H.R. 13680—Public Law 94-829, approved June 30, 1976. (279)

Urges the Soviet Union to release Georgi Vins (Secretary for the Council for the Evangelical Christians and Baptists, who has been imprisoned for the alleged crime of administering to the congregation that elected him as their Pastor) and permit religious believers within its borders to worship God according to their own conscience. H. Con. Res. 726—House agreed to September 20, 1976; Senate agreed to October 1, 1976. (VV)

Guatemala relief authorization: Amends the Foreign Assistance Act of 1961 to authorize $25 million for fiscal year 1976 (which shall remain available until expended) for relief and rehabilitation assistance to the people of Guatemala who were victims of the earthquakes which occurred in February of 1976; limits to $4 million the amount which may be used for rebuilding the Puerto Barrios Highway and encourages the use of seismic-resistant materials in the rebuilding of housing; requires that such assistance be subject to the policy and general authority of section 491 of the Foreign Assistance Act of 1961 which provides a consolidated body of legislation on disaster relief and assistance; authorizes the transfer of funds only to reimburse appropriation accounts from which initial relief funds were drawn; directs that to the maximum extent practicable assistance is to be distributed through United States voluntary relief agencies and other international relief and development organizations; and requires the President to submit to the Congress a report 60 days after enactment and quarterly thereafter on the programming and obligation of funds provided under this act. S. 3056—Public Law 94-276, approved April 21, 1976. (VV)

Guatemalan earthquake: States the sense of the Senate that the executive branch be urged to develop, in cooperation with governmental and private donors, program to assist the people of Guatemala in their efforts to relieve the suffering caused by the recent earthquake and to rehabilitate their nation from the damage inflicted; and extends deepest sympathy to the President and the people of Guatemala in their hour of suffering and distress. S. Res. 390—Senate agreed to February 17, 1976. (VV)

Inter-American Development Bank—African Development Bank: Authorizes $2.25 billion as the U.S. share of a replenishment of the funds of the Inter-American Development Bank (IDB) to be paid out in installments over a 3- and 4-year period; authorizes the U.S. Governor of the Bank to vote in favor of (1) resolutions increasing the authorized capital stock of the Bank to $5.303 billion and the resources of the Fund for Special Operations to $1.045 billion (includes therefor authorizations of $1.650 billion and $600 million respectively as the U.S. subscription for these increases) and admitting nonregional countries (10 European plus Japan and Israel) and the Bahamas and Guyana to membership in the Bank; and (2) amendments to the Agreement Establishing the Bank which provide for the creation of a new class of stock designated as Inter-Regional Capital Stock and for Bank lending to the Caribbean Development Bank; instructs the U.S. Executive Director of the Bank to propose a resolution providing for the development utilization of intermediate technologies as major facets of the Bank's development strategy and to report progress of the resolution to Congress;

Amends the Foreign Assistance and Related Programs Appropriations Act, 1975 (Public Law 94-11) to delete that portion of Title III, Investment in Inter-American Development Bank, which earmarks specific amounts of the appropriated U.S. contribution to the Fund for Special Operations;

Authorizes $25 million for U.S. participation in the African Development Fund (AFDF) to be paid in three annual installments of $9 million (1976), $8 million (1977) and $8 million (1978); instructs the Executive Director representing the U.S. in the AFDF to vote against loans to countries involved in unsatisfactory expropriations disputes with the United States;

Instructs the Executive Directors representing the U.S. in the IDB and AFDF to oppose loans to countries engaging in a consistent pattern of gross violations of human rights unless they directly benefit needy people or providing refuge to individuals committing acts of terrorism such as aircraft hijacking; and

States the sense of the Congress that the President should furnish assistance to foreign countries and international organizations for the investigation and planning for the control of swine influenza. H.R. 9721—Public Law 94-302, approved May 31, 1976. (VV)

International Trade Commission: Authorizes $11,789,000 for fiscal year 1977 and $12,036,000 for fiscal year 1978 (plus such additional amounts as may be needed for statutory pay and employee benefit increases) for the operations of the United States International Trade Commission. S. 3420—Passed Senate May 17, 1976; Passed House amendment May 19, 1976; Senate requested conference September 13, 1976. (VV)

Istanbul Airport terrorist attack: Urges the President, as a result of the August 11 attack at Yesilkoy Airport in Istanbul, Turkey (which caused the death of four innocent civilians, including a member of the United States Senate staff), to (1) direct U.S. ambassadors to encourage foreign governments to suspend their air service to any foreign nation which aids and abets terrorism until the international community has been assured that the nation in question has ceased to do so; (2) undertake international discussions to strengthen the safety standards established through the Convention on International Civil Aviation or to improve airport security in those nations with international air travel facilities; (3) take such appropriate measures under his authority to deny any U.S. air carrier to engage in foreign air transportation between the U.S. and any foreign nation whose government is guilty of aiding and abetting international terrorism; suspend the air service rights in the U.S. of any foreign air carrier which may pose a threat to international air transportation by flying between the U.S. and such foreign nations; and direct the Secretary of Transportation, with the approval of the Secretary of State, to withhold, revoke, or impose conditions on the operating authority of any airline or airlines of any foreign nation that does not maintain transportation security sufficient to meet the minimum standards established pursuant to the Convention; and (4) conduct a comprehensive review of all U.S. trade and diplomatic relations to determine what further actions including specific sanctions may be taken to discourage support of international terrorism. S. Res. 524—Senate agreed to September 17, 1976. (VV)

Italian-U.S. relations: Expresses the sense of the Congress about current political and economic developments in Italy, expresses the deepest concern and sympathy about such events, and makes clear the determination of the United States to be of maximum assistance to its Italian friend and ally. H. Con. Res. 651—House agreed to June 9, 1976; Senate agreed to amend June 1, 1976. (271)

James Smithson bequest: Expresses appreciation and gratitude to Her Majesty, Queen Elizabeth II, upon the occasion of her visit to the United States, for the bequest of James Smithson, (a British subject, scholar and scientist) which enabled the U.S. to establish the Smithsonian Institution in Washington, D.C., and directs the Secretary of the Senate to give a copy of this resolution to the Secretary of the Smithsonian Institution for presentation to Her Majesty, Queen Elizabeth II. S.J. Res. 196—Public Law 94- , approved , 1976. (VV)

Laotian refugees: Amends the Indochina Migration and Refugee Assistance Act of 1975 (Public Law 94-23) to make Laotian refugees eligible for the same types of assistance as are now authorized for Vietnamese and Cambodian refugees. S. 2760—Public Law 94-313, approved June 21, 1976. (VV)

Lebanon: States the sense of the Senate that the President declare the willingness of the United States to participate in multilateral assistance programs to help in the reconstruction of the badly damaged national infrastructure of Lebanon in order to speed a return to normal economic conditions of prosperity there and urges the President to request the Secretary General of the United

Nations to renew his appeal for a cease-fire in Lebanon. S. Res. 448—Senate agreed to June 10, 1976. (VV)

Lincoln statute: Authorizes the President to accept, on behalf of the United States, a statue of Abraham Lincoln from its owners, Leon and Ruth Gildesgame, of Mount Kisco, New York, for presentation to Israel. H.J. Res. 406—Public Law 94-208, approved February 4, 1976. (VV)

OECD declaration on international investment and multinational enterprises: Expresses the sense of the Senate regarding U.S. participation in the Declaration on International Investment and Multinational Enterprises and related decisions of the Organization of Economic Cooperation and Development Council. S. Res. 516—Senate agreed to October 1, 1976. (VV)

Olympic Games: Expresses the sense of the Senate that Radio Free Europe be granted the same privileges as other news organizations covering the Olympic games, and directs the Secretary of the Senate to transmit a copy of this resolution to the Chairman of the International Olympic Committee. S. Res. 413—Senate agreed to July 2, 1976. (383)

Palm Oil Imports: States as the sense of the Senate that (1) the President should initiate discussions leading to negotiations with other nations to restrain the growth of palm oil imports into the United States; (2) the International Bank for Reconstruction and Development and other development agencies should analyze the impact of supporting the production, in developing countries, of specific agricultural commodities for export on agricultural adjustments in other nations; and (3) the United States and multilateral development agencies should take steps to insure that the resources available for agricultural development in the developing nations are directed primarily at the relief of hunger and malnutrition in those countries rather than the export of agricultural commodities in competition with American producers. S. Res. 487—Senate agreed to July 20, 1976. (VV)

Palm oil production loans: States as the sense of the Senate that the International Bank for Reconstruction and Development should direct its loan activities in underdeveloped countries to the production of food and fiber needed internally to prevent starvation and to upgrade the diets of all their citizens and cease further encouragement of palm oil production for export so long as the United States remains the only entirely open major import market for palm oil. S. Res. 444—Senate agreed to May 11, 1976. (VV)

Peace Corps authorization: Authorizes $81 million to finance the operation of the Peace Corps for fiscal year 1977 including additional funds for increases in salary, retirement or other employee benefits that may be authorized in fiscal year 1977 and $10.1 million for payment of Peace Corps volunteer's readjustment allowance which was increased from $75 to $125 a month under Public Law 94-130. H.R. 12226—Public Law 94-281, approved May 7, 1976. (VV)

Philippines earthquake: Extends sympathy to the people of the Republic of the Philippines at the widespread death, injury and devastation caused by the massive earthquake and tidal wave; and states Senate support in supplying such emergency assistance for the relief and rehabilitation of the victims as the President, in consultation with the Government of the Philippines, deems feasible and appropriate. S. Res. 518—Senate agreed to August 23, 1976. (VV)

Regulations to prevent collisions at sea: Provides the necessary statutory authority to implement the provisions of the "Convention on International Regulations for Preventing Collisions at Sea, 1972" (Ex. W, 93d-1st) by providing the means by which the Regulations will come into force and effect for the United States, ensuring coordination with the international implementation of the Regulations, and providing legal notice to interested persons; changes the manner in which International Regulations are implemented by the United States by repealing Public Law 88-131 and replacing it with a congressional authorization for the President to proclaim the International Regulations and to establish the effective date of the Regulations, Annexes thereto, and any subsequent amendments, by publishing the proclamation in the Federal Register; provides for executive and legislative review of any proposed amendment to the Regulations and Annexes by requiring the President to notify Congress of the proposal, including the date before which objections must be received by the International Maritime Consultative Organization (IMCO) and provides that either House of Congress may adopt a disapproval resolution within 60 days of receipt of a notification or 10 days before the last date on which an objection must be communicated to IMCO; provides that the Regulation will be applicable to and must be complied with by all vessels on waters, subject to the jurisdiction of the United States except those waters covered by the Inland Rules of the Road, the Navigation Rules for the Great Lakes and their connecting and tributary waters, and the Navigation Rules for the Red River of the North and Rivers emptying into the Gulf of Mexico and their tributaries, which rules are established by both statute and Coast Guard regulations; provides in the case where a vessel is in the territorial sea of a nation whose local navigational rules differ from the International Regulations, the local rules are to be followed; requires the Secretary of the Navy to require a vessel which he certifies cannot comply with the requirement for display of the number, position, range, or arc of visability lights to comply as closely as possible to that requirement; permits the Secretary of the Navy to establish special rules for sound and light signals for ships of war or vessels in convoy provided that they cannot be mistaken for signals authorized in the Regulations; permits the Secretary of the Department in which the Coast Guard is operating to establish such special rules for fishing vessels operating as a fleet; and imposes civil penalties for violations including a maximum fine of $500. H.R. 5446—Public Law 94- , approved 1976. (VV)

Right-to-food resolution: Expresses the sense of the Congress that every person throughout the world has the right to a nutritionally adequate diet; that the need to combat hunger at home and abroad should be a fundamental objective of U.S. policy; that we in the United States should seek to improve food assistance programs for all those in need; and that the United States should expand and emphasize its support of self-help development efforts in countries most seriously affected by hunger and malnutrition. S. Con. Res. 138—Senate agreed to September 16, 1976. (VV)

States as the sense of the Congress that the United States reaffirms the right of every person at home and abroad to food and a nutritionally adequate diet; the need to combat hunger shall be a fundamental point of reference in the formulation and implementation of United States policy in all areas that bear on hunger; the United States should seek to improve domestic food assistance programs for Americans in need, to insure that all eligible recipients have the chance to obtain a nutritionally adequate diet; the United States should increase substantially its assistance for self-help development among the poorest people of the world with particular emphasis on increasing food production and encouraging improved food distribution and more equitable patterns of economic growth; this assistance should be coordinated with expanded efforts by international organizations, donor nations, and recipient countries to provide a nutritionally adequate diet for all; and requests the President to provide to Congress by April 1, 1977, a five-year projection of U.S. international assistance levels consistent with this resolution's objectives. H. Con. Res. 737—House agreed to September 21, 1976; Senate agreed to September 30, 1976. (VV)

Soviet-United States relations: States the sense of the Senate that U.S. relations with the Soviet Union are a central aspect of U.S. foreign policy and that difficulties existing in that relationship should be sorted out notwithstanding the differences which separate the two governments; states that the basic premise of the U.S. approach to this relationship is that the U.S. must remain unchallengeably strong militarily to insure our security and that of our allies; states that beyond this determination, that our national security policy should be to seek through negotiations to reduce, moderate, and stabilize the military competitions between the two governments by supporting: (1) balanced strategic arms limitation through Congressionally-approved agreements containing verifiable stipulations; (2) demonstration of mutual restraint and commitment to peace; (3) expanded relations through prudent initiatives; and (4) action in consultation with our allies; states that future treaties shall not limit the U.S. to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union; calls for a joint effort by the two governments to bring about the immediate withdrawal by Cuba of all forces from Africa; states that the American objective is to achieve individual freedom and peace in the world and that although cooperation between the U.S. and the Soviet Union may be limited it is the American purpose to enlarge that sphere of cooperation;

States the sense of the Congress (1) that there has been no change in the longstanding U.S. policy on the nonrecognition of the illegal seizure and annexation by the Soviet Union of the three Baltic nations of Estonia, Latvia, and Lithuania and (2) that it will continue to be the policy of the U.S. not to recognize their annexation. S. Res. 406—Senate agreed to May 5, 1976. (168)

Spanish friendship treaty: Provides the necessary authorization to implement the provisions of the Treaty of Friendship and Cooperation between the United States and Spain (Ex. E, 94th-2d) including funds for grant military assistance, security supporting assistance to support scientific and technical programs and expanded educational and cultural cooperation programs, international military education and training, foreign military sales credits. S. 3557—Public Law 94- , approved 1976. (VV)

State Department authorization: Authorizes $1,376,285,453 for fiscal year 1977 for the operations of the State Department (including the Office of Foreign Buildings), the United States Information Agency and the Board for International Broadcasting which makes grants to Radio Free Europe and Radio Liberty;

Extends to State Department medical personnel malpractice protection similar to that now available to employees of the Public Health Service and the Veterans Administration; removes the existing prohibition against the State Department's development of a new Travel Document and Issuance System;

Places into law the principles governing broadcasts which are in the charter of the Voice of America;

Raises the ceiling from $30,000 to $50,000 on annual expenditures by each of two U.S. parliamentary delegations to the Canada-U.S. and Mexico-U.S. Interparliamentary Groups; authorizes $1,500 per year for representational purposes from the budget of the International Joint Commission, U.S. and Canada, to the extent provided in appropriations bills; provides that commissioners of the I.J.C. shall hereafter be appointed subject to the advice and consent of the Senate; authorizes Federal employees to participate in certain educational and cultural exchange programs financed by foreign governments; authorizes U.S. membership on a more permanent footing in four organizations: the International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association;

Authorizes the Secretary of State to use appropriated funds to compensate alien annuitants for losses resulting from changes in exchange rates;

Amends the Mutual Security Act of 1954 to require that each consolidated report on foreign currency expenditures, which are already submitted to Congress pursuant to the Act, be published in the Congressional Record within 10 legislative days of submission;

Contains provisions regarding the Canal Zone and participation by State Department employees in negotiations if any discrimination against U.S. citizens is involved;

Directs the OMB to report to Congress concerning the use of the reserve fund established by the bill to buffer the operations of Radio Free Europe/Radio Liberty against foreign exchange fluctuations; authorizes the domestic distribution of 7 specified USIA films and one USIA exhibit in conjunction with the American Bicentennial; contains certain technical amendments to the Japan-U.S. Friendship Act;

Authorizes a $10,000 ex gratia payment to Lady Catherine Helen Shaw, wife of the late Australian Ambassador, in compensation for injuries suffered when Lady Shaw was assaulted in Washington, D.C.; provides for GAO audit for expenditures on gifts to foreign nationals involving funds from the "Emergencies in the Diplomatic and Consular Service" account;

Adds a new title to the Foreign Service Act to equate Foreign Service retirement benefits to civil service retirement benefits; states the sense of Congress that a greater number of U.S. ambassadorial positions should be occupied by career personnel in the Foreign Service; requires the Secretary of State to transmit to Congress a comprehensive plan for improvement of the State USIA personnel system within 180 days; and requires the President to transmit to Congress a report on projected U.S. needs for international broadcast facilities and ways in which existing facilities can be put to more efficient use. S. 3168—Public Law 94-350, approved July 12, 1976. (105)

Status of forces agreement claims: Amends sections 2734a(a) and 2734b(a), title 10, U.S.C. (the so-called International Agreement Claims Act), to provide for settlement of United States claims obligations under the NATO Status of Forces Agreement and similar bilateral agreements incident to the noncombatant activities of the armed forces. H.R. 7896—Public Law 94-390, approved August 19, 1976. (VV)

TREATIES

Agreement on Conservation of Polar Bears: Prohibits the hunting, killing or capturing of polar bears subject to certain conditions; permits the "taking" of polar bears for bona fide scientific purposes, conservation purposes, prevention of serious disturbance of the management of other living resources, and by local people using traditional methods in the exercise of their traditional rights, and in accordance with applicable laws; and prohibits the use of aircraft and large motorized vessels for the purpose of taking polar bears except where the application of the prohibition would be inconsistent with domestic laws. Ex. I, 94th-1st—Resolution of ratification agreed to September 15, 1976. (595)

Convention for Conservation of Antarctic Seals: Protects the Antarctic Seal population against widespread commercial sealing; defines the areas covered by the Convention as the seas south of 60 degrees South Latitude, and lists six species of seals covered by this Convention; provides that each contracting party shall adopt for its nationals and flag vessels those laws, regulations, and other measures to implement this Convention; sets a yearly limit of 175,000, 12,000 and 5,000 respectively, for the killing or capturing of the Ross, Southern Elephant, and fur seals of the genus Arctocephalus; allows sealing operations to take place between September 1 and the last day of February which is the pupping season; establishes sealing zones and sets up a system of rotation for the use of these zones as hunting areas; prohibits the capturing or killing of seals in certain designated breeding areas; requires each contracting party to provide a yearly report to the Special Committee on Antarctic Research on the number and types of seals taken and the equipment used; prohibits the killing or capturing of seals in the water except in limited quantities for scientific research; and contains other provisions. Ex. K, 94th-1st—Resolution of ratification agreed to September 15, 1976. (596)

Convention on Registration of Objects Launched Into Outer Space: Provides the international community with a central, public, and current registry of objects launched into outer space through the establishment of national registries maintained by the individual State and a central Register maintained by the Secretary-General of the United Nations; requires Convention launching States to register with the Secretary-General, specified information about objects which they launch into the earth orbit or beyond in order to insure the completeness and uniformity of data submitted; provides for full and open access to the information of the central Register; and contains other provisions. Ex. G, 94th-2d—Resolution on ratification agreed to June 21, 1976. (306)

Customs Convention on Containers—International Convention for Safe Containers: Supersedes and updates the Customs Convention on Containers of 1956 to provide for (1) the temporary importation, free of import duties, taxes, prohibitions, and restrictions, of containers, either loaded or empty, their accessories and equipment, and component parts for the repair of temporarily admitted containers; (2) the use of temporarily imported containers in internal transport operations under specified conditions; (3) the acceptance of containers by the customs administration of each party to the Convention which meet the specifications in and are approved and documented or marked in accordance with, the procedures set forth in the technical annexes to the Convention; and (4) the approval of containers for transport under customs seals.

Presents a uniform safety regulation for the international movement of containers to avoid the proliferation of individual national container safety requirements; specifies the structural requirements which transport containers must meet to assure that they are safe but excludes the stowage of goods in the container, the handling of containers at interface points, or the actual transport of containers on vehicles of any mode; provides that the requirements relate to all containers above a specified size except those which are designed to be transported exclusively by air; lays down specific engineering requirements which all affected containers must meet and provides a framework for an administrative system to assure compliance; requires each party to the Convention to designate an appropriate authority to be responsible for implementation of effective procedures for testing, inspection, approval, and periodic reexamination of containers; directs that approvals granted under terms of the Convention would be indicated on a "Safety Approval Plate" attached to the container and requires all other parties to the Convention to recognize these approvals as having the same force as an approval by them; and limits additional controls by the other parties to verifying that the container carried a valid "Safety Approval Plate" unless there were clear grounds for believing that the condition of the container was such as to create an obvious risk to safety, in which case, control would be limited to action necessary to ensure that the container was restored to a safe condition before it continued in service. Ex. X, 93d-1st—Resolution of ratification agreed to September 15, 1976. (594)

Extradition Treaty with Spain: Modifies the Extradition Treaty with Spain (Ex. N, 91st-2d) to increase from 30 to 45 days the period of time during which a person may be provisionally arrested and detained pending presentation, through diplomatic channels, of documents in support of an extradition request. Ex. B, 94th-2d—Resolution of ratification agreed to June 21, 1976. (304)

Extradition Treaty with the United Kingdom and Northern Ireland: Provides for the extradition of fugitives charged with any of 29 specified offenses including those relating to narcotics and other dangerous drugs, aircraft hijacking, and any offense for which the laws of both parties provide for over 1 year of detention or which constitute a felony; includes territories under the sovereignty of the United Kingdom with the proviso that the application of the Treaty to any such territory may be terminated upon 6 months' written notice; authorizes extradition under certain conditions for conspiracy to commit any of the specified offenses; permits refusal of extradition unless assurances are received that the death penalty will not be imposed for an offense not punishable by death in the country from which extradition is requested, and lists other reasons for refusing extradition such as when the offense (1) has been barred by lapse of time, (2) is of a political nature, or (3) is specified as being nonextraditable; defers extradition until a trial or sentence already underway in the requested nation has been terminated; provides a 45 day period of time during which a person may be provisionally arrested and detained pending presentation of documents in support of an extradition request; permits the United States to obtain extradition of a person for an offense to which the treaty relates when U.S. Federal jurisdiction is based upon interstate transport or transportation or the use of the mails or of interstate facilities; allows a request for extradition from a British Territory to be made directly to the Governor or other competent authority of that Territory who may himself decide to accede or refer the matter to the United Kingdom; terminates the Extradition Treaty of December 22, 1931, between the U.S. and the United Kingdom; and contains other provisions similar in form and content to extradition treaties recently concluded by the United States. Ex. A, 94th-2d—Resolution of ratification agreed to June 21, 1976. (305)

Inter-American Women's Rights Convention: Provides that the right to vote and to be elected to a national office shall not be denied or abridged by reason of sex. Ex. D, 81st-1st—Resolution of ratification agreed to January 22, 1976. (2)

International Coffee Agreement: Extends the International Coffee Agreement for six years with a renewal clause at the end of the first three years; imposes export quotas in times of price declines (if prices drop 15 percent below the average price for the previous year or below 63 cents per pound) and provides incentives for exporting countries to stock coffee to cover short-term supply interruptions; and contains provisions to stimulate the maximum production of coffee in the next 2 years to encourage the stockpiling of coffee by exporting countries during periods of surplus so that short-term supply disruptions do not affect the world market. Ex. H. 94th-2d—Resolution of ratification agreed to August 23, 1976. (516)

International Tin Agreement: Makes the United States a party to the fifth International Tin Agreement (ITA), a five year Treaty between tin producing and tin consuming countries, whose major objective is to stabilize the supply of tin at price levels which are "fair" to consumers and "remunerative" to producers through the use of a tin buffer stock and export controls; requires an annual U.S. contribution of $115,000 for the administrative cost of the Tin Council; requires the U.S. to consult with the Tin Council on the disposition of its strategic stockpiles of tin unless such action is necessary for reasons of national security; establishes an International Tin Council, headquartered in London, which has such powers and performs such duties as may be necessary for the administration and operation of the agreement; provides the Council with the following mechanisms to achieve the objective of controlling supply: (1) the buffer stock through which the Council will set price ranges at which the Buffer Stock Manager must purchase tin, sell tin, or stay out of the market, and (2) the assignment of tin export quotas to producing nations; divides the Council into two bodies—the consumer (importer) group and the producer (exporter) group—for the purposes of casting votes with each to have 1,000 votes; and contains other provisions. Ex. J. 94th-2d—Resolution of ratification agreed to September 15, 1976. (598)

International Wheat Agreement: Extends until June 30, 1978, the International Wheat Agreement which consists of (1) the Wheat Trade Convention, an administrative body established as a mechanism for international cooperation in matters relating to the production and sale of wheat, and (2) the Food Aid Convention which commits its nine parties to provide minimum annual quantities of food aid to developing countries. Ex. I, 94th-2d—Resolution of ratification agreed to August 23, 1976. (517)

Protocol on Convention on Conservation of North Pacific Fur Seals: Extends for four years and modifies the 1957 Convention on Conservation of North Pacific Fur Seals, as amended by the Protocol of October 8, 1963, and extended by the Agreement of September 3, 1969; continues the prohibition now being observed by the four Governments party to the Convention (Canada, Japan, the U.S.S.R., and the U.S.) with respect to pelagic sealing (killing at sea); defines the pelagic research responsibilities of the Parties and provides for research on the relationship among fur seals, other living resources, and commercial fishing activity, and on the effects of man-causal environmental changes on fur seals; provides for the Commission to recommend, on the basis of coordinated research programs, a reduction or suspension of the fur seal harvest when population levels fall below maximum sustainable productivity; provides for the supplying of subsistence needs of native population living on rookery islands; ensures humane methods of capturing, killing and marking fur seals; and provides that, at the request of any party, representatives of the parties will meet at a mutually convenient time within 90 days of such request to consider the desirability of modifications of the Convention. Ex. M, 94th-2d—Resolution of ratification agreed to September 15, 1976. (597)

Radio regulations revision: Updates the Radio Regulations to take account of present technology and deals with such items as the reallocation of frequency channels for radiotelephone or for narrow-band direct printed telegraphy and facsimiles (maps), for intraship radio communications and the like, plus power limitations for such channels; contains a U.S. reservation in the final protocol concerning one of the revision's frequency allocation plans, which was felt to be incompatible with the official and public correspondences needs of the United States; and contains other provisions. Ex. G, 94th-1st—Resolution of ratification agreed to January 22, 1976. (6)

Telecommunications Convention: Abrogates and replaces the International Telecommunications Convention of 1965; generally follows the provisions of the 1956 Montreux Convention, but includes a considerable number of minor improvements and a few major modifications; contains an agreement recognizing the International Telecommunications Union as a United Nations specialized agency; makes major changes in the organization of the International Telecommunication Union and the functions of its subordinate agencies; increases the Administrative Council's membership from 29 to 36 seats with the understanding that there be no provision for rotation of members; continues the membership at five of the International Frequency Registration Board; deletes from the new Convention the territories of Portugal, Spain, the United Kingdom, France, and the United States as members of the Union; and changes the financial contribution of the United States from 11½ percent of the the total contribution to 7 percent. Ex. J. 93-2d—Resolution of ratification agreed to January 22, 1976. (4)

Telegraph and telephone regulations: Simplifies and completely revises versions of the 1958 Telegraph and Telephone Regulations to make it easier for the international business system guided by the Regulations to keep pace with rapidly advancing telecommunications technology; provides the same substantive framework for continued international traffic in both telegraph and telephone service which requires that (1) sufficient international systems be maintained, (2) specified services be provided to users, (3) certain operating procedures be followed, and (4) determination of rates and charges and the accounting of the collection of same follow standardized practices; prohibits rebates on rates set by the general official tariff list and grants the right to terminal and transit telegraph offices to stop certain private telegrams, subject to reference to appropriate authorities, but not safety-of-life service of government telegrams; adds 2 reservations on the final protocol which make it clear that telegraph and telephone service on the North American continent is generally considered to fall within the scope of domestic service and is not governed by these regulations in order to insure that aeronautical service, which is primarily a private communications service, and operational communications of the airline industry are exempt; contains 2 Appendices on Payment of Balance of Accounts for converting currencies for the balances of international telecommunications accounts together with an escape clause which provides that the prescribed settlement procedures need not be observed should there be a "radical change in the international monetary system". Ex. E. 92d-2d—Resolution of ratification agreed to January 22, 1976. (5)

Treaty of friendship and cooperation with Spain: Expands and upgrades U.S.-Spanish relations and provides a new institutional framework for such relationships: establishes a U.S.-Spanish Council, under the joint chairmanship of the U.S. Secretary of State and the Spanish Foreign Minister, to meet semi-annually; integrates military cooperation into the Council structure; calls for the development of closer economic ties; takes into account the readiness of the Export-Import Bank to commit credits and guarantees of approximately $450 million to Spanish companies; provides for a broad program of scientific and technical cooperation for peaceful purposes and provides $23 million in U.S. grants therefor; provides for a continuation and expansion of educational and cultural cooperation; contemplates a $12 million U.S. grant to support this program;

Assists Spain in developing a role which will contribute actively to the defense of the North Atlantic Treaty Organization; provides for a Combined Planning and Coordination Staff, with no command functions, setting forth a carefully drawn mandate and geographic area of common concern: grants the U.S. the right to use and maintain for military purposes those facilities in or connected with Spanish military installations which it has heretofore enjoyed except that the number of KC-135 tankers will be reduced to a maximum of 5 and nuclear submarines will be withdrawn from Spain by July 1, 1979: contains provisions regarding the storage of U.S. nuclear devices on Spanish soil; includes agreements on U.S. military strength levels authorized in Spain and confirms U.S. military overflight rights and rights to use facilities in Spain for military aircraft transiting to third countries; states that the U.S. would provide repayment guarantee under the Foreign Military Sales program for loans of $600 million which includes a $75 million grant in defense articles, a $10 million grant in military training, and a U.S. air Force contribution on a cost-of-sharing basis of up to $50 million for the aircraft control and warning network used by the Air Force in Spain; provides for the transfer of 5 naval vessels and 42 F4E aircraft to Spain on terms which benefit that country; includes assurances to Spain on settlement of damage claims resulting from nuclear incidents involving a U.S. nuclear powered warship reactor pursuant to Public Law 93-513 (Nuclear Accidents and Indemnity); and makes provision for the possible transfer to Spain of petroleum storage and pipeline facilities presently used by U.S. forces;

Includes agreements and notes dealing with U.S. and Spanish roles in administrative and military matters, criminal jurisdiction and claims, labor issues, customs and fiscal questions and logical matters in the base areas; and

Adds a declaration expressing hope that this Treaty will support Spain's progress toward free institutions and participation in the institutions of Western European political and economic cooperation, full cooperation with NATO, and becoming a party to the Treaty on the Non-Proliferation of Nuclear Weapons or placing its nuclear facilities under safeguards administered by the International Atomic Energy Agency; states that any extension to the initial 5-year period of the treaty shall require the advice and consent of the Senate; and make clear that funding of treaty commitments for foreign assistance and military sales must go through the regular foreign assistance authorization and appropriation legislation. Ex. E, 94th-2d—Resolution of ratification agreed to June 21, 1976. (309)

Treaty with Switzerland on criminal matters: Provides broad assistance between the United States and Switzerland in connection with investigations or court proceedings (involving 35 specified offenses) including locating witnesses, obtaining statements and testimony of witnesses, production and authentication of business records, and service of judicial or administrative documents as well as special assistance where organized crime is involved; states that except in limited cases, this Treaty does not apply to the extradition or arrest of accused or convicted persons, execution of criminal judgments, political offenses, violations of laws relating to military obligations, military laws, tax and customs laws, and violations of securities laws; and states that tax fraud, which is not a crime in Switzerland, is governed exclusively by the Convention of May 24, 1951, and therefore excluded from this Treaty except in certain organized crime situations. Ex. F, 94th–2d—Resolution of ratification agreed to June 21, 1976. (307)

Women's political rights convention: Provides that women shall be entitled to vote in all elections on equal terms with men, without any discrimination; that women shall be eligible for election to all publicly elected bodies, established by national law, on equal terms with men, without any discrimination; and that women shall be entitled to hold public office and to exercise all public functions, established by national law, on equal terms with men, wihout any discrimination. Ex. J, 88th–1st—Resolution of ratification agreed to January 22, 1976. (3)

Tunisia-United States relations: Honors President Habib Bourguiba of Tunisia for his wise courageous leadership through nearly two decades; recognizes Tunisia's importance to the stability of the Mediterranean area; and states the sense of the Senate that the United States should continue to contribute to the maintenance of peace and economic and social development in Tunisia through appropriate economic and military assistance. S. Res. 504—Senate agreed to August 3, 1976. (VV)

United States Winter Olympic team: Expresses pride in and gratitude for the conduct and achievement of the athletes, coaches, trainers and Committee members of the 1976 United States Winter Olympic Team for their excellent performance at the XII Winter Olympic Games. S. Res. 385—Senate agreed to February 16, 1976 (VV)

United States Information Agency (U.S.I.A.) authorization: Authorizes $266,777,000 for fiscal year 1976 and $71,900,000 for the transition period July 1–September 30, 1976, to the United States Information Agency which conducts cultural informational programs. H.R. 11598—Public Law 94–272, approved April 21, 1976. (VV)

Valentyn Moroz: Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people. S. Res. 67—Senate agreed to August 25, 1976. (VV)

Wilma Rudolph film: Authorizes the United States Information Agency to make available to Cappy Productions, Inc., of New York City, a master copy of the film "Wilma Rudolph Olympic Champion" in order that portions of the film may be used in a television program entitled "Women Gold Medal Winners", which will be used to promote the 1976 Olympic Games. H.R. 6949—Public Law 94–218, approved February 27, 1976. (VV)

Winter Olympic games: Provides Federal financial assistance to the Lake Placid 1980 Winter Olympic Games, Incorporated (or to any other appropriate public authority) to aid in the planning, design, or construction of facilities to be used in connection with the XIII Winter Olympic Games by requiring the Secretary of Commerce to make direct grants to finance permanent, unique sports facilities without the need for State matching funds, and make additional grants of up to 50 percent of any increases in construction costs over those projected; limits to $49,040,000 the total amount which may be expended for such grants with an overall limitation of $250,000 for the administrative expenses incurred by the Secretary; permits the Secretary to use existing authority and funding available under title I of the Public Works and Economic Development Act of 1965; excludes any assistance obtained under the Public Works Act by the Corporation from the limitation that not more than 15 percent of the funds under that Act be spent in any one State and from the requirement for a non-Federal matching share; requires the Secretary to take such action to assure that all facilities designed and constructed with Federal funds will provide maximum continued public use following completion of the Olympic Games; requires interim and a final report to the President and Congress on the design and construction of facilities; and requires each recipient of Federal financial assistance to keep such records as the Secretary may prescribe to facilitate an effective credit. S. 2184—Public Law 94–427, approved September 28, 1976. (VV)

LABOR

Black lung benefits: Amends section 422 (a) of title IV of the Federal Coal Mine Safety Act of 1969, as amended by the Black Lung Benefits Act of 1972, to provide that the procedures and certain other provisions adopted by Public Law 92–576 for the adjudication and processing of claims for benefits under the Longshoremen's Act shall be applicable to claims for black lung benefits filed under Part C of the Black Lung Benefits Act of 1972 for all claims filed from the beginning of the Department of Labor administered portion of the program, July 1, 1973; and provides that, notwithstanding the applicability of Longshoremen's Act procedures to the adjudication of black lung claims, the Secretary of Labor may, for a period until December 31, 1977, appoint qualified persons to conduct hearings with respect to black lung claims who are not hearing examiners (Administrative Law Judges). S.J. Res. 213—Passed Senate September 20, 1976. (VV)

Service contract amendments: Amends the Service Contract Act of 1965, to include all employees engaged in the performance of government service contracts, other than just bona fide executive, administrative and professional employees, within the definition of "service employees" for purposes of the Act. H.R. 15246—Public Law 94– , approved 1967. (VV)

MEMORIALS, TRIBUTES, AND MEDALS

American Legion freedom bell: Authorizes the erection of the American Legion's Freedom Bell on lands of the park system of the District of Columbia subject to the approval of the Secretary of Interior, the Commission of Fine Arts, and the National Capitol Planning Commission. S.J. Res. 181—Public Law 94– , approved 1976. (VV)

Arthur H. Vandenberg Building: Designates the Federal building located at 110 Michigan Avenue, Northwest, in Grand Rapids, Michigan, as the "Arthur H. Vandenberg Building". S. 3844—Passed Senate September 22, 1976. (VV) Bernardo de Galvez statue: Authorizes the Secretary of the Interior to accept a statue of Bernardo de Galvez, the Spanish Governor of Colonial Louisiana during the Revolution, as a gift from the Spanish Government to the United States for the Bicentennial. S. 3031—Public Law 94–287, approved May 21, 1976. (VV)

Bicentennial reflections: Calls on all Americans to engage in reflection and prayers of thanksgiving and guidance on July 2, 1976, and throughout the Bicentennial weekend of July 3d and 4th. S. Res. 485—Senate agreed to July 1, 1976. (VV)

Charles Carroll medals: Directs the Secretary of the Treasury to strike and furnish to the Baltimore Museum of Art, Baltimore, Maryland, not more than 50,000 national medals commemorating the 200th anniversary of the signing of the Declaration of Independence by Charles Carroll of Carrollton, Maryland. H.R. 3427—Public Law 94–257, approved April 1, 1976. (VV)

Clarence M. Mitchell, Jr.: Honors Clarence M. Mitchell, Jr., for his contributions to the establishment of justice and equality in America by his service as Director of the Washington Bureau of the NAACP, Legislative Chairman of the Leadership Conference on Civil Rights, and various government posts, and expresses gratitude for his efforts to improve the quality of life for all Americans. S. Res. 353—Senate agreed to January 26, 1976. (VV)

Commercial Aviation's 50th Anniversary: Provides recognition for the 50th anniversary of American commercial aviation. S. Res. 381—Senate agreed to March 31, 1976. (VV)

Congressional Country Club: Congratulates the Congressional Country Club upon being selected to host the 58th PGA championship and, in so doing, compliments the Congressional Country Club on being such a renowned and respected championship golf course. S. Con. Res. 119—Senate agreed to May 27, 1976. (VV)

Dennis Chavez Federal Building: Designates the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building". H.R. 4206—Public Law 94– , approved , 1976. (VV)

Elizabeth Kee Federal Building. Designates the Federal Office Building in Bluefield, West Virginia, as the Elizabeth Kee Federal Building. H.R. 15582—Public Law 94– , approved , 1976. (VV)

General Draza Mihailovich Monument: Authorizes the Secretary of the Interior to permit the National Committee of American Airmen Rescued by General Draza Mihailovich to construct and maintain a monument to General Mihailovich on Federal land in the District of Columbia in recognition of the role he played in saving the lives of approximately 500 United States airmen in Yugoslavia during World War II; and provides that the location and design of the monument shall be subject to the approval of the National Capital Planning Commission, the Fine Arts Commission, and the Secretary of Interior. S. 2135—Passed Senate September 14, 1976. (VV)

General George Washington: Establishes, for purposes of this act, the grade of General of the Armies of the United States, which will have rank and precedence, over all other grades of the Army, past or present, and authorizes the President to appoint George Washington posthumously to this grade effective July 4, 1976. H.J. Res. 519—Public Law 94– , approved 1976. (VV)

George Washington Square: Names a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square" in honor of the first President of the United States. H.R. 2749—Public Law 94 , approved . (VV)

Hazel R. Garn, death of: Expresses the sorrow of the Senate over the death of Hazel R. Garn, wife of the Senator from Utah. S. Res. 519—Senate agreed to August 23, 1976. (VV)

Herman T. Schneebeli Federal Building: Designates the Federal building at West Third Street, Williamsport, Pennsylvania as the "Herman T. Schneebeli Federal Building." H.R. 11303—Public Law 94 , approved . (VV)

International Astronautical Federation: Recognizes the importance of the 27th Congress of the International Astronautical Federation (which is a federation of societies devoted to fostering the exploration of space through space science and the development of space technology and law) to be held in Anaheim, California, from October 10 through October 16, 1976; commends the Federation and its affiliated organizations for selecting the United States as the location for its Congress in recognition of the Bicentennial; and commends the U.S. host organizations for sponsoring the Congress. S. Res. 412—Senate agreed to March 24, 1976. (VV)

J. Allen Frear Building: Designates the Federal office building located in Dover, Delaware, as the "J. Allen Frear Building". S. 999—Public Law 94–, approved 1976. (VV)

Jerry L. Litton, death of: Expresses the sorrow of the Senate over the death of Representative Jerry L. Litton, of Missouri. S. Res. 509—Senate agreed to August 4, 1976. (VV)

Jerry L. Pettis Memorial Veterans' Hospital: Designates the Veterans' Administration hospital in Loma Linda, California, as the "Jerry L. Pettis Memorial Veterans' Hospital". H.R. 4034—Public Law 94–246, approved March 25, 1976. (VV)

Jerry Lewis: Expresses the appreciation of the Senate to Jerry Lewis for his outstanding contributions in the fight against muscular dystrophy. S. Res. 542—Senate agreed to September 10, 1976. (VV)

Joe L. Evins Post Office and Federal Building: Designates the Post Office and Federal Building at Smithville, Tennessee as the "Joe L. Evins Post Office and Federal Building." H.R. 14956—Public Law 94–, approved . (VV)

John Witherspoon statue: Authorizes the Secretary of the Interior to permit the relocation of the John Witherspoon statue (located on government property at Connecticut Avenue and "N" Street, N.W., Washington, D.C.) to the National Presbyterian Center and conveys title to the statue to the National Presbyterian Church. S. 1996—Passed Senate May 4, 1976. (VV)

Letelier-Moffit murders: Condemns the brutal and senseless murders of Orlando Letelier and Ronni Karpen Moffit and the serious injury of Michael Moffit and urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing. S. Res. 561—Senate agreed to October 1, 1976. (VV)

Library of Congress Thomas Jefferson Building: Renames the building known as the Library of Congress Annex as the Library of Congress Thomas Jefferson Building. S. 2920—Public Law 94–264, approved April 13, 1976. (VV)

Lincoln Memorial: Authorizes the Secretary of the Interior to develop recommendations for the appropriate recognition of Alaska and Hawaii at the Lincoln National Memorial in Washington, D.C. S. 64—Public Law 94- , approved 1976. (VV)

Michael J. Kirwan Post Office: Names the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office". H.R. 14503—Public Law 94– , approved 1976. (VV)

Mike Mansfield: Acknowledges, on behalf of the Senate, the exceptional service of Mike Mansfield, of Montana on behalf of the people of this Nation and expresses to him its profound gratitude for his outstanding participation in the Government of the United States. S. Res. 553—Senate agreed to September 17, 1976. (VV)

Norris Cotton Building: Designates the Federal office building in Manchester, New Hampshire, as the "Norris Cotton Building". S. 3589—Public Law 94–382, approved August 12, 1976. (VV)

Ozark-Jeta Taylor Lock and Dam: Renames Ozark Lock and Dam on the Arkansas River, Arkansas, as the "Ozark-Jeta Taylor Lock and Dam". S. 3063—Public Law 94– , approved 1976. (VV)

Phil M. Landrum Federal Building and Post Office: Designates the Federal building and Post Office Jasper, Georgia as the "Phil M. Landrum Federal Building and Post Office." H.R. 12927—Public Law 94- , approved . (VV)

Ray J. Madden Post Office Building: Designates the Post Office Building at 1499 Doctor Martin Luther King Drive, Gary, Indiana as the "Ray J. Madden Post Office Building." H.R. 15546—Public Law 94– , approved 1976. (VV)

R. E. "Bob" Woodruff Lake: Designates the Jones Bluff Lock and Dam on the Alabama River as the R. E. "Bob" Woodruff Lock and Dam. S. 2533—Public Law 94– , approved 1976. (VV)

Robert G. Stephens Federal Building: Designates the Federal office building in Athens, Georgia the "Robert G. Stephens Federal Building". H.R. 14977—Public Law 94– , approved 1976. (VV)

101st Airborne Memorial: Authorizes the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia in honor of the "Screaming Eagles" of the 101st Airborne Division, United States Army, and requires approval of the Mayor if the selected site is under his jurisdiction. S. 1847—Public Law 94–211, approved February 6, 1976. (VV)

Philip A. Hart Visitors' Center: Designates the visitors' center at Sleeping Bear Dunes National Lakeshore, in Michigan, as the "Philip A. Hart Visitors' Center". S. 3843—Public Law 94– , approved 1976. (VV)

Terry Schrunk Plaza: Designates the plaze adjacent to the new Federal building at 1120 Southwest Third Street in Portland, Oregon, as the "Terry Schrunk Plaza". (S. 1971—Public Law 94– , approved 1976. (VV)

Torbert H. MacDonald, death of: Expresses the sorrow of the Senate over the death of Representative Torbert H. MacDonald, of Massachusetts. S. Res. 452—Senate agreed to May 24, 1976. (VV)

U.S. Olympic team: Commends the U.S. olympic team for their excellent performance in Montreal, Canada. S. Res. 500—Senate agreed to August 2, 1976. (VV)

Expresses pride in and gratitude for the conduct and achievement of the athletes, coaches, trainers, and committee members of the 1976 United States Olympic team at the XXI Olympiad. S. Res. 501—Senate agreed to August 2, 1976. (VV)

Commends the United States Olympic Team and the United States Olympic Committee for the outstanding achievements of the American athletes at the XXI Olympiad held in Montreal, Canada. S. Res. 503—Senate agreed to August 3, 1976. (VV)

Washington-Rochambeau historic route: Expresses the sense of the Congress that the route used by the combined American and French forces under the command of General George Washington and Count Rochambeau, respectively, as they proceeded from Rhode Island to Yorktown, Virginia in 1781, should be recognized by various levels of government as "The Washington-Rochambeau historic Route, H. Con. Res. 225—House agreed to February 17, 1976; Senate agreed to August 25, 1976. (VV)

William A. Barrett, death of: Expresses the sorrow of the Senate over the death of Representative William A. Barrett, of Pennsylvania. S. Res. 433—Senate agreed to April 14, 1976. (VV)

William O. Douglas: Dedicates the towpath and Chesapeake and Ohio Canal in the District of Columbia and Maryland to Justice William O. Douglas. S. 2742—Public Law 94,) approved 1976. (VV)

Wright Patman, death of: Expresses the sorrow of the Senate upon the death of Congressman Wright Patman, of Texas. S. Res. 402—Senate agreed to March 9, 1976. (VV)

NATURAL RESOURCES—NATIONAL HISTORIC SITES

Boundary waters canoe area: Authorizes additional funds of not to exceed $4.5 million, making a total authorization of $9 million, for the acquisition of lands in the Boundary Waters Canoe System within the Superior National Forest in northeastern Minnesota. S. 1526—Public Law 94–384, approved August 13, 1976. (VV)

Canaveral National Seashore: Amends the act of January 3, 1975, establishing the Canaveral National Seashore, in Florida, to increase the membership of the Advisory Commission from five to six members in order that one member of the general public may be selected from each of the two counties in which the Seashore is located. H.R. 10370—Public Law 94–398, approved September 4, 1976. (VV)

Chattahoochee River Recreation area: Authorizes the Secretary of the Interior to establish a 48-mile segment of the Chattahoochee River in Georgia as an urban recreation area and authorizes therefor $12 million. S. 2587—Passed Senate September 9, 1976. (VV)

Chickasaw national recreation area: Establishes the Chickasaw National Recreation Area in southern Oklahoma consisting of the Platt National Park and the Arbuckle reservoir, plus certain connecting lands, to protect mineral springs and other natural features and to provide increased outdoor recreation opportunities. H.R. 4979—Public Law 94–235, approved March 17, 1976. (VV)

Cibola National Forest: Extends the boundary of the Cibola National Forest in New Mexico to include four additional areas containing a total of 26,422 acres. S. 1872—Passed Senate June 2, 1976. (VV)

Congaree Swamp National Preserve: Authorizes the Secretary of the Interior to establish the Congaree Swamp National Monument in the State of South Carolina, consisting of approximately 15,000 acres; provides for the management of the area; and authorizes $35.5 million for land acquisition plus $500,000 as an interim development ceiling to permit necessary improvements pending the completion of a management plan. H.R. 11891—Public Law 94- , approved , 1976. (VV)

Eugene O'Neill national historic site: Authorizes the Secretary of the Interior to enter into agreement with the Governor of California providing for acquisition, protection, and maintenance of Tao House in Contra Costa, California, which was the home of Eugene O'Neill from 1937 to 1944 and to designate it as the Eugene O'Neill National Historic Site and to render such assistance, including technical advice and planning assistance to promote public understanding of the significance of Eugene O'Neill in American literature. S. 2398—Public Law 94– , approved , 1976. (VV)

Fire Island National Seashore: Amends the Act establishing the Fire Island National Seashore to increase the authorization for land acquisition relating to the Seashore from $16 million to $18 million. S. 867—Public Law 94– , approved , 1976. (VV)

Fish and Wildlife Service: Improves the administration of the fish and wildlife programs by the Departments of Interior and Commerce; expands the flexibility of the Cooperative Units Assistance Program under the Fish and Wildlife Act of 1956 by authorizing the use of Federal operational funds for the support of researchers in fish and wildlife ecology and resource management projects; includes a number of provisions to clarify, consolidate, and strengthen the law enforcement authorities of the two departments to provide more effective protection to the Nation's fish and wildlife resources; includes specific authority and funding for both Departments to encourage law enforcement training and development programs; authorizes the utilization of services of State and other Federal agency personnel by cooperative agreements for the disposal of all fish, wildlife, plants, or any other items abandoned or forefeited to the United States under Federal fish and wildlife laws, and the use of volunteer services by the Department of the Interior; and makes several clarifying and conforming amendments to a number of fish and wildlife laws in accordance with the law enforcement provisions and to improve the management of refuge areas. H.R. 5523—Passed House May 3, 1976; Passed Senate amendment October 1, 1976. (VV)

Fort Clatsop National Memorial: Provides for the addition to the Fort Clatsop National Memorial of the salt cairn utilized by the Lewis and Clark Expedition, consisting of approximately five acres. S. 828—Passed Senate September 14, 1976. (VV)

Fort Union Trading Post national historic site: Provides a limit of $8.5 million on the Secretary of Interior's ability to expend already authorized moneys for land acquisition and development of the Fort Union Trading Post National Historic Site, North Dakota and Montana. S. 3501—Passed Senate October 1, 1976. (VV)

National Historic Sites: Directs the Secretary of the Interior to prepare and transmit to the President and the Interior Committees of the House and Senate, within 2 years of enactment, a feasibility/suitability study, including cost estimates for any necessary acquisition, operations and maintenance of the following as potential units of the National Park System: the Frederick Law Olmstead Home and Office in Brookline, Massachusetts; St. Paul's Church, Eastchester, in Mt. Vernon, New York; the George Norris Home in McCook, Nebraska; and an area comprising all or a part of, the lands, waters, and interest in Kalawoe County on the island of Molokai, in Hawaii;

Directs the Secretary to conduct a study of the feasibility establishing a National Museum of Afro-American History and Culture at or near Wilberforce, Ohio;

Directs the Secretary of Agriculture, within 3 years of enactment, to conduct a study of the feasibility of establishing a national recreation area within the Shawnee Hills, in Saline, Pope, Gallatin, and Hardin Counties, Illinois; and

Directs the Secretary of Interior, within 3 years of enactment to conduct a study of the feasibility of establishing the Mt. Mitchell National Park in the Black Mountain Range of North Carolina. S. 400—Public Law 94– , approved 1976. (VV)

George W. Norris National Historic Site: Authorizes the Secretary of the Interior to acquire by donation or purchase with donated funds the home of Senator George William Norris (who, among other achievements, authored the 20th amendment to the Constitution which deals with Presidential and Congressional terms and the sessions of Congress, and the legislation which established the Rural Electrification Administration) in the State of Nebraska and to establish it as the "George W. Norris Home National Historic Site". S. 3476—Passed Senate May 21, 1976. (VV)

Gruber Wagon Works: Modifies the Blue Marsh Lake project to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to relocate and restore intact the historic structure and associated improvements known as the Gruber Wagon Works in Berks County, Pennsylvania which was built in 1882; provides, upon completion of relocation and restoration, that title to the Wagon Works shall be transferred to Berks County upon condition that the county agree to maintain the property in perpetuity as a public museum at no cost to the Federal Government; and authorizes therefor $520,000 which will be in addition to the $590,000 in authority under the Reservoir Salvage Act of 1960, as amended, which limits cost for salvage of historical resources affected by any one project to 1 percent of the total project cost. S. 1497—Passed Senate April 28, 1976. (VV)

Indiana Dunes National Lakeshore: Authorizes $21.9 million to acquire more than 3,000 acres (including beachfront areas, dunes and marshes) to be added to the Indiana Dunes National Lakeshore; expands the Advisory Commission for the National Lakeshore and makes certain changes in the acquisition authority of the Secretary with respect to the lands included within the area. H.R. 11455—Public Law 94– , approved , 1976. (646)

Kanopolis reclamation project: Authorizes the Secretary of the Interior to construct, operate, and maintain the Kanopolis unit of the Pick-Sloan Missouri Basin Program in central Kansas to provide a municipal and industrial water supply for the city of Salina and the State of Kansas, an irrigation supply for 20,000 acres, conservation stream flows, and project-related recreational facilities. S. 1821—Passed Senate September 7, 1976. Note: (Provisions are contained in S. 3283, Reclamation Projects Authorization which became Public Law 94– , approved , 1976.) (VV)

Klondike Gold Rush national historic park: Authorizes the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park, an area of approximately 13,271 acres consisting of the following four units: Pioneer Square in Seattle, Washington, and the Skagway in Chilkoot Trails, and White Pass units in Alaska; and permits the Secretary to grant additional rights-of-way and related benefits through the White Pass Unit for pipeline and railroad purposes and to grant the State, a road right-of-way across the Chilkoot Trail Unit to link the towns of Skagway and Haines. S. 98—Public Law 94–323, approved June 30, 1976. (VV)

Land and Water Conservation Fund—national historic preservation—oil shale revenues: Amends the Land and Water Conservation Fund Act to increase the minimum annual level of the Fund from $300 million to $600 million in fiscal year 1978, $750 million in fiscal 1979, and $900 million in fiscal 1980 and annually thereafter through fiscal 1989; provides that not less than 40 percent in any appropriation shall be for Federal purposes to insure that the Federal portion for land acquisition in the National Park System and elsewhere is not drastically reduced; retains the present 40 percent distribution formula of Land and Conservation Fund moneys for the first $225 million and adds a formula by which such funds will decrease as the fund begins to grow; raises from 7 to 10 percent the maximum percentage of allocated grant funds to which a state is entitled in any one year with the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, and the Northern Marianas (when they achieve commonwealth status) entitled to receive, on the basis of their relative populations, an amount equal to the share of one State in terms of the portion of the fund apportioned equally among the States; requires States to submit their Statewide plans to the areawide clearing house created under the Intergovernmental Cooperation Act for comment; provides that not to exceed 10 percent of a State's annual allocation (including the matching funds for that 10 percent) shall be available for sheltered facilities; requires States to account for funds received on a project-by-project basis; directs the Secretary of the Interior to prepare and submit a comprehensive review and report on urban recreation within one year of enactment; clarifies the extent to which Land and Water Funds can be used to acquire land for endangered species or wildlife refuges;

Extends the National Historic Preservation Act of 1966 for 5 years; changes the formula for matching grants for planning, nationally significant properties, demonstration projects, and meeting houses; repeals the 50 percent limit on planning; establishes a National Historic Preservation Fund, similar to the Land and Water Conservation Fund, and authorizes therefor $24.4 million for fiscal year 1977, $100 million annually for fiscal 1978 and 1979, and $150 million annually for fiscal 1980 and 1981; makes necessary changes in the act to make the Advisory Council on Historic Preservation an independent agency; extends U.S. participation in the International Centre for the Study of the Preservation and Restoration of Cultural Property for these years and authorizes therefore $175,000 annually;

Migratory waterfowl in grasslands area: Amends the Act authorizing Fish and Wildlife conservation as a purpose of the Central Valley Project, California, to remove the charge for Central Valley Project water which is delivered to the Grasslands Water District in the interest of migratory waterfowl conservation provided certain specified conditions are met; provides the Secretary of Interior with the authority necessary to enter into contracts for this purpose; and amends the Coastal Zone Management Act to broaden the permissible uses of formula grant monies to permit States to use funds for public facilities and services necessitated by on-going OCS development. H.R. 15007—Passed House ; Passed Senate amended October 1, 1976. (VV)

Clarifies that the provisions of Public Law 94–377, which permits each State to use its share of oil shale revenues for planning, construction, and maintenance of public facilities and provisions of public services, applies to all moneys paid to Colorado and Utah from oil shale leases and to any State as its share of Federal oil revenues. S. 327—Public Law 94–422, approved September 28, 1976. (VV)

Land and water resource conservation: Requires, in order to encourage orderly development of soil and water resources, that the Secretary of Agriculture to carry out, through the Soil Conservation Service, a continuing appraisal of the land, water, and related resources of the Nation, with a report of the appraisal to be completed by December 31, 1978, and by December 31, 1980; directs the Secretary to develop, in cooperation with and participation by the public through conservation districts, State and national organizations and agencies, and other appropriate means, a national land and water conservation to assist landowners and land users, at their request, in furthering land and water conservation on private and non-Federal lands; provides that the program plan is to be completed not later than December 31, 1978, and updated by December 31, 1980; provides that the appraisal report and the program shall be transmitted to the Congress by the President, together with a detailed statement of policy intended to be used in framing budget requests of the administration for Soil Conservation activities; provides that the President shall carry out programs already established by law in accordance with the statement of policy unless within 60 days either House adopts a resolution disapproving the statement of policy; and contains other provisions. S. 2081. Public Law 94– , approved 1976. (VV)

Leadville mine drainage tunnel: Authorizes such studies and remedial actions, including the construction and operation of water treatment works, as may be necessary to stabilize the Federal-owned Leadville Mine Drainage Tunnel, in Colorado, and to improve the quality of the drainage water issuing from the tunnel as well as to eliminate the existing threat to lives and property in the area posed by cave-ins, contamination of water by heavy metals, and the potential "blow-out" or rapid release of water contained in the tunnel. S. 3394—Passed Senate August 25, 1976. *NOTE:* (Provisions are contained in S. 3283, Reclamation Projects Authorizations which became Public Law 94– , approved 1976.) (VV)

McGee Creek project: Authorizes the Secretary of the Interior to construct, operate and maintain the McGee Creek project in Atoka County, southeastern Oklahoma, to provide for a municipal and industrial water supply, flood control, recreation, and fish and wildlife enhancement. S. 2194—Passed Senate September 7, 1976. *NOTE*: (Provisions are contained in S. 3283, Reclamation Projects Authorizations, which became Public Law 94- , approved 1976.) (VV)

Minnesota River Valley National Wildlife Refuge: Authorizes the Secretary of the Interior to establish and administer, through the U.S. Fish and Wildlife Service, a wildlife refuge of approximately 9,500 acres in the lower Minnesota River Valley and to establish, adjacent to the refuge and in cooperation with the State of Minnesota, a wildlife recreation area of approximately 8,000 acres; authorizes the Secretary to grant financial assistance to the State for acquisition of the recreation lands; and authorizes $15.5 million for land acquisition and $6 million for development beginning in fiscal year 1978. H.R. 13374—Public Law 94- , approved 1976. (VV)

National forest management: Provides modern policy guidelines for management of the National Forest system; contains specific guidelines for inventory and land use planning; requires planners to consider both the economic and environmental aspects of various resource management systems; calls for diversity of plant and animal communities which is a particular concern in eastern hardwood forests;

Requires public participation in the development of resource guidelines and plans; requires identification of lands in the management areas which are not suited for timber production on the basis of physical, economic, or other pertinent factors which are to be determined by the Secretary of Agriculture, who need not follow present Forest Service classifications; provides that timber harvesting shall not be permitted on such lands except for salvage sales or sales necessary to protect other multiple use values and that these lands shall continue to be treated for reforestation purposes; requires the Secretary to review the decision as to the suitability of the lands for timber production at least every 10 years and return them to timber production whenever he or she determines them to be suitable therefore; requires timber harvesting only from lands where watershed will not be irreversibly damaged, restocking can take place within five years after harvest, and bodies of water are protected where harvest is likely to adversely affect water conditions or fish habitat; permits clearcutting (and other even-aged management) only where it is the optimum method or is the appropriate means of meeting the objectives of the land management plan; requires the Forest Service to establish maximum size limits for clearcuts;

Amends the 1897 Act regarding timber sales to eliminate the archaic language leading to the *Monongahela* decision; validates existing contracts and places a general ten-year term on the sale contracts and requires a plan of operation which must be complied with;

Requires that all roads be designed to standards appropriate for the intended uses considering safety, cost of transportation, and impacts on land and resources with temporary roads to be designed so that vegetative cover will be reestablished within ten years after termination of the contracts; and, in regard to revenue sharing with States and counties, amends the Knutson-Vandenberg Act so that the 25 percent State share of timber sales will be calculated on the basis of gross receipts rather than net as is present practice. S. 3091—Public Law 94- , approved 1976. (528)

National historic sites: Direct the preparation of suitability and feasibility studies by the appropriate Federal agencies which would consider for inclusion in the National Park System the Frederick Law Olmsted Home and Office in Massachusetts; the St. Pauls Church, Eastchester, in New York; the Kalaupapa Settlement on the island of Molokai, Hawaii; the Mount Mitchell area, North Carolina; and the George Norris Home, Nebraska; consider an area in the Shawnee Hills, Illinois, for management by the U.S. Forest Service as a National Recreation Area; and consider the establishment of a National Museum of Afro-American History and Culture at or near Wilberforce, Ohio. S. 400—Public Law 94- , approved , 1976. (VV)

National parks: Amends numerous authorizing acts administered by the Secretaries of Interior and Agriculture to increase the authorization ceilings for land acquisition within thirteen units of the National Park Systems; raise the limitations on funds which may be appropriated for development purposes in ten areas; and make boundary adjustments, repeal certain provisions of existing law, and increase the authorizations for certain other areas. H.R. 13713—Public Law 94- , approved 1976. (VV)

National parks general authorities: Amends the National Park Service general authorities act, effective October 1, 1977, to clarify and amplify authorities as follows: (1) ensures that the ability of the Secretary of the Interior to contract for the sale or lease of resources within park areas is limited to those cases in which such an activity does not jeopardize or unduly interfere with the primary natural or historic resources of the area; (2) authorizes the Park Service to regulate recreational boating and other uses of waters within the National Park System; (3) allows the Secretary to provide meals and lodging to employees when circumstances require extended special duty in areas of the National Park System; (4) extends the 1930 act pertaining to payment of travel expenses of employees upon a permanent change of station) to include the dependents of a deceased employee living in Government housing which must be vacated; provides for a move to the nearest housing of similar standard and not to exceed 60 days of rental cost; provides in the case that the station is outside the contiguous 48 States, that the move would be to the nearest port of entry; (5) gives the Secretary the authority to retrocede to a State, Commonwealth, territory or possession of the United States some portion of the legislative jurisdiction exercised by the United States over National Park System lands or interests therein subject to a 60-day congressional review period; (6) changes the current levels for uniform allowance from $125 to $400 per year; (7) authorizes the Secretary to prepare and transmit to the Congress at the beginning of each fiscal year, a priority listing of at least 12 new areas which may have potential for inclusion in the National Park System; (8) extends through January 1, 1980, the Advisory Board on National Parks, Historic Sites, Buildings and Monuments and renames it the National Park System Advisory Board; (9) replaces all existing law enforcement authorities relating to arrest authority with a clear mandate authorizing designated employees performing law enforcement functions within the System to bear firearms, enforce all Federal laws including serious criminal violations as well as misdemeanors applying specifically to parks, execute process, and investigate offenses; gives the Secretary authority to designate officers and employees of other Federal agencies or law enforcement personnel of a State to act as special policemen in areas of the National Park System when supplemental law enforcement personnel are needed: specifies the respective liabilities of the Federal and State governments during the dual assignment periods of the special policemen; (10) amends the Historic Preservation Act of 1966 to allow the Secretary, notwithstanding provisions of the Freedom of Information Act, to withhold information relating to historic artifacts and objects listed on the National Register where dissemination to the general public could result in the loss or damage of those resources and requires an annual report on areas listed on the register, including those which exhibit known or anticipated damage or threats; (11) requires the Secretary to transmit to the House and Senate Interior Committees, by January 15 of each year, a detailed listing of the plans for developing units of the System and general management plans; and (12) requires that all proposed concession leases and contracts involving gross annual sales of $100,000 or more, or for longer than five years, be submitted to the Interior Committees for a 60-day review. S. 3430—Public Law 94- , approved 1976. (VV)

National parks mining regulations: Repeals the laws permitting mineral development under the Mining Law of 1872 in the 6 areas of the National Park System where such mining is presently permitted: Crater Lake and the Mount McKinley National Parks; Death Valley, Glacier Bay and Organ Pipe Cactus National Monuments; and Coronado National Memorial; provides express and broad authority for management by the Secretary of the Interior of mineral development on patented and unpatented mining claims within all areas of the National Park System; imposes a 4-year moratorium on further surface disturbance for mining of lands not disturbed prior to February 29, 1976, within Death Valley and Organ Pipe Cactus National Monuments and Mount McKinley National Park; requires the Secretary, within two years of enactment, to determine the validity of unpatented mining claims within Death Valley, Glacier Bay and Organ Pipe Cactus National Monuments and Mount McKinley National Park, and within four years of enactment, to determine the validity of such claims within Crater Lake National Park and Coronada National Monument and submit to the Congress recommendations regarding the acquisition of any valid mineral rights in order to prevent further damage to these areas; requires that all mining claims in units of the National Park System be recorded within one year and requires the Secretary, within 30 days of enactment, to publish in the Federal Register and local newspapers notice of this requirement; authorizes the Secretary to give prompt consideration to any offer to sell lands within a unit of the National Park System by the rightful owner when continued ownership would cause undue hardship; contains provisions to protect national or historical landmarks from destruction by mining operations; provides a means by which the holder of a mining claim who believes he has suffered a loss because of the act may bring an action in a United States district court; and adds language effective February 1, 1977, mandating the annual disclosure by department officers and employees of the Secretary of Interior of any financial interest they may have in any person subject to the act or any person holding a mining claim within the boundaries of units of the National Park System. S. 2371—Public Law 94-429, approved September 28, 1976. (25)

National Resource Lands Management: Provides the first comprehensive, statutory statement of purposes, goals, and authority for the use and management of about 448 million acres of federally-owned lands administered by the Secretary of the Interior through the Bureau of Land Management, which constitutes the largest system of Federal lands and comprises 20 percent of America's land base and 60 percent of all federally owned property:

Requires that the national resource lands be managed in accordance with the principles of multiple use and sustained yield and defines those principles; establishes the policy that, except where disposal would serve the national interest national resource lands will be retained in Federal ownership; forbids the sale of lands designated as "wilderness", lands in the wild and scenic rivers system, or the national trail system; requires referral of proposed sales of tracts of more than 2,500 acres to Congress for review and possible disapproval by concurrent resolution: includes, among other policies set by the act, a fair return to the United States for the use of the national resource lands, public involvement in decisionmaking concerning those lands, and coordination of planinng policies with other Federal and State planning efforts; also, addresses a number of other major Bureau of Land Management resource related problems, and, to the extent the subject matter coincided with BLM and Forest Service programs, applies these provisions to national forest lands;

Repeals a number of the 3,000 public land laws which are either obsolete or conflict with the provisions of the act; and contains other provisions. S. 507—Public Law 94– · approved 1976. (49)

Daniel Boone Trail: Provides for the study of the Daniel Boone Trail (which follows Daniel Boone's travels across the Blue Ridge Mountains and extends approximately 400 miles from Statesville, North Carolina, to Frankfort, Kentucky, where Daniel Boone is buried) for possible designation as a National Scenic Trail under the National Trails System Act. *Note:* (Provisions are contained in S. 2112, National Trails, which became Public Law 94– , approved 1976.) (VV) S. 2783—Passed Senate August 24, 1976. (VV)

Desert Trail: Provides for the study of the Desert Trail (which extends approximately 2,000 miles from the Canadian border of Idaho through parts of Oregon, Washington, and the desert areas of Nevada, California, and Arizona to the Mexican border) for possible designation as a National Scenic Trail under the National Trails System Act. *Note:* (Provisions are contained in S. 2112, National Trails, which became Public Law 94– , approved 1976.) (VV) S. 3528—Passed Senate August 24, 1976. (VV)

Florida Trail: Provides for the study of the Florida Trail (which extends approximately 1,300 miles beginning near the Everglades National Park to the Blackwater River State Forest, near Pensacola, Florida) for possible designation as a National Scenic Trail under the National Trails System Act. *Note:* (Provisions are contained in S. 2112, National Trails, which became Public Law 94– , approved 1976.) (VV) S. 2486—Passed Senate August 24, 1976. (VV)

National Trails: Provides for the study of the following trails for possible designation as National Scenic Trails under the National Trails System Act as follows :(1) Bartram Trail (which was followed by the first native American botanist John Bartram and extends approximately 750 miles beginning in Mobile, Alabama, through Savannah Georgia, and into northern Florida to Manatee Springs (2) Daniel Boone Trail which follows Daniel Boone's travels across the Blue Ridge Mountains and extends approximately 400 miles from Statesville, North Carolina, to Frankfort, Kentucky, where Daniel Boone is buried; (3) Desert Trail which extends approximately 2,000 miles from the Canadian border of Idaho through parts of Oregon, Washington, and the desert areas of Nevada, California, and Arizona to the Mexican border; (4) Dominquez-Escalante Trail which Fray Francisco Atanasio Dominquez and Fray Silvestre Velex de Escalante followed in their search for an overland trail to their newly established Franciscan mission in Monterey, California and extends approximately 2,000 miles through the States of New Mexico, Colorado, Utah and Arizona; (5) Florida Trail which extends approximately 1,300 miles beginning near the Everglades National Park to the Blackwater River State Forest, near Pensacola; (6) Indian Nations Trail which extends approximately 200 miles north through the former Indian Nations to the Oklahoma-Kansas boundary line; (7) Nez Perce Trail which was used by Chief Joseph and his followers in their attempted retreat from U.S. Army to Canada and extends approximately 1,350 miles from Wallowa Lake in Oregon to Bear Paw Mountain in Montana and (8) Pacific Northwest Trail which extends approximately 1,000 miles from the Continental Divide in Glacier National Park, Montana, westward to the Pacific Ocean beach of Olympic National Park, Washington. S. 2112—Public Law 94– , approved 1976. (VV)

Nee-Mee-Poo Trail: Provides for the study of the Nee-Mee-Poo Trail (which was used by Chief Joseph and his followers in their attempted retreat from the U.S. Army to Canada and extends approximately 1,350 miles from Wallowa Lake in Oregon to Bear Paw Mountain in Montana) for possible designation as a National Scenic Trail under the National Trails Systems Act. S. 3273—Passed Senate August 24, 1976. (VV)

National Wildlife System Administration: Amends the National Wildlife Refuge System Administration Act of 1966 to provide that all areas included in the System as of January 1, 1975, shall continue to be a part of the System and cannot be transferred or otherwise disposed of except by an Act of Congress; or in the case of lands acquired with duck stamp receipts, without the approval of the Migratory Bird Conservation Commission; and requires the Secretary of the Interior to administer the areas through the U.S. Fish and Wildlife Systems. H.R. 5512—Public Law 94–223, approved February 27, 1976. (VV)

New River: Amends the Wild and Scenic Rivers Act to statutorily recognize and affirm the Secretary of the Interior's designation of a 26.5 mile segment of the New River in North Carolina as a state-administered component of the National Wild and Scenic Rivers System with the river to be managed by the State of North Carolina in accordance with a management plan developed by the State and approved by the Secretary; provides, in regard to the proposed Blue Ridge project proposal to build a hydroelectric pump storage project and resorvoir for which a Federal Trade Commission license had been issued prior to designation of the river as part of the national system, that any license issued by the Federal Power Commission before or after enactment of this act affecting the New River in North Carolina would remain in effect only for that portion of the river which is not included in the national system, and that no licensed project will be permitted to invade, inundate or otherwise adversely affect the designated 26.5 mile segment. H.R. 13372—Public Law 94–407, approved September 11, 1976. (544)

Ninety Six and Star Fort National Historic Site: Authorizes the Secretary of the Interior to establish the Ninety Six and Star Fort National Historical Park in Greenwood, South Carolina. a 1,115 acre site consisting of the site of the village Old Ninety Six, the Star Fort with its Revolutionary War earthworks, and other historical and archeological remains associated with frontier life in South Carolina; provides that the site shall be administered as a part of the National Park system; and authorizes therefor $320.000 for land acquisition and $2,463,000 for development of facilities. S. 2642—Public Law 94–393, approved August 19, 1976. (VV)

Norman Reclamation Project: Authorizes the Secretary of the Interior to enter into an amendatory contract with the Central Master Conservancy District in order that the Secretary may participate financially in the cost of repairing a defective pipeline installed by the United States in the Del City aqueduct, a feature of the Norman project in Oklahoma. H.R. 6622—Public Law 94–415, approved September 17, 1976. (VV)

Rangelands management: Directs the Secretary of the Interior to establish an $895.5 million, 30-year range rehabilitation and protection program to halt deterioration and improve the quality of the rangelands on public lands administered by the Bureau of Land Management (BLM) in the Department of the Interior; requires that this rangeland thereafter be administered to insure full productive capacity consistent with the multiple use, sustained yield concept of land management; and authorizes $10 million for fiscal year 1977, with additional increases of $5 million per year for each fiscal year 1978 through 1980, and $500,000 each fiscal year thereafter through fiscal year 2006, which would be in addition to funds presently appropriated to the BLM for livestock management, soil and water, and wildlife. S. 2555—Passed Senate May 3, 1976. (162)

Reclamation projects authorizations: Authorizes the Secretary of the Interior to construct, operate, and maintain (1) the Polecat Bench irrigation project of the Shoshone extension unit of the Pick-Sloan Missouri Basin program in northwest Wyoming, and (2) the Pollock-Herreld irrigation project in South Dakota; provides authority for the Secretary to modify the spillway of the existing Dickenson Dam in North Dakota to increase conservation storage and authorizes the construction of a new spillway to assure the safety of the dam from floods; and reauthorizes the existing McKay Dam in Oregon to increase the capacity of the spillway for safety purposes and to include flood control, fish and wildlife, and recreation as project functions. S. 151—Public Law 94–228, approved March 11, 1976. (VV)

Authorizes $332,440,000 to the Secretary of the Interior to construct, operate, and maintain the following reclamation projects: (1) Kanopolis unit of the Pick-Sloan Missouri Basin Program in central Kansas; (2) Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project in Washington; (3) Unitah Unit of the central Utah project in Utah; (4) American Canal Extension in Texas; (5) Allen Camp unit in California; (6) Leadville Mine Drainage Tunnel in Colorado; and (7) McGee Creek project in southwestern Oklahoma. S. 3283—Public Law 94–423, approved September 28, 1976. (VV)

Recreation facilities: Amends the Federal Water Project Recreation Act to authorized Federal agencies operating certain water projects, such as the Tennessee Valley Authority, that otherwise do not have such authority to consider, recognize and provide for public recreation uses along these projects as long as they do not interfere with other project purposes. H.R. 15563—Public Law 94– , approved 1976. (VV)

Recreation permits: Provides for uniform and objective policies and procedures to be employed by the Forest Service in issuing and administering permits for ski area and other commercial outdoor recreation facilities and services on national forest lands for the purpose of providing a modern permit authority to supplement, and in some cases replace, the increasingly inadequate old statutory base upon which the agency is presently dependent for permitting purposes. S. 2125—Passed Senate July 2, 1976. (VV)

Rivers and harbors—Water Resources Development: Contains authorizations for water resources development projects under the Corps of Engineers and provisions modifying previously authorized projects and relating generally to the water resources development programs; includes authority for a river study of the Mississippi River from the mouth of the Ohio River to the head of navigation at Minneapolis, which will incorporate total river resources requirements including navigation, fish and wildlife, recreation, and water quality; authorizes the Secretary of the Army, acting through the Corps of Engineers, to plan and establish wetland areas in connection with the construction or maintenance of water resources projects, and directs that consideration be given to the establishment of wetland areas in the study of any water resources development projects; establishes a mechanism to allow non-Federal public authorities to finance the construction of hydroelectric power projects in Alaska for the purpose of more expeditious development of needed power generating facilities in that State, and sets up a program so that the Corps of Engineers may study the feasibility of hydropower development at a specific site and then act as construction agent for the local authority which will finance and own the generating facilities; and contains other provisions. S. 3823—Public Law 94- , approved 1976. (658)

River basin authorizations: Authorizes an additional $602 million for prosecution of projects in the following comprehensive river basin plans for flood control and navigation which are under the jurisdiction of the Secretary of the Army; Alabama-Coosa River Basin, $6 million; Arkansas River Basin, $6 million; Brazos River Basin, $19 million; Columbia River Basin, $39 million; Mississippi River and tributaries, $220 million; Missouri River Basin, $85 million; North Branch, Susquehanna River Basin, $72 million; Ohio River Basin, $23 million; Red River Waterway project, $60 million; San Joaquin River Basin, $46 million; Santa Ana River Basin, $2 million; South Platte River Basin, $22 million; and Upper Mississippi River Basin, $2 million. H.R. 12545—Public Law 94-347, approved July 8, 1976. (VV)

Authorizes a $9 million increase in the monetary authorization for the North Branch Susquehanna and the South Platte river basin projects in order to avoid a delay in ongoing construction. S. 3432—Passed Senate May 18, 1976. (VV)

Saline water authorization: Authorizes a total of $7,540,000 for fiscal year 1977 for the Office of Water Research and Technology to carry out the purpose of the Saline Water Conversion Act of 1971, as amended, with certain items having expected spend out patterns of up to 3 years as follows: $2 million for water resources research with an expected 3-year spend out pattern of 40 percent, 40 percent, and 20 percent; $4 million for technology development with an expected 2-year spend out pattern of 60 percent and 40 percent; $700,000 for test facility operation and maintenance and $850,000 for administration and coordination both of which are expected to be spent in the year authorized; provides the Secretary with latitude to adjust research and development items by not more than 10 percent with an increase in an item accompanied by a like decrease in another item within the same category; and applies, by reference, the provisions of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 relative to the waiver of U.S. rights to inventions and patents arising out of federally funded water research and development projects and section 10 of the act relative to the application of all appropriate antitrust laws. H.R. 11559—Public Law 94-316, approved June 22, 1976. (VV)

Saint Paul's Church, Eastchester, national historic site: Directs the Secretary of the Interior to prepare and transmit to the Interior Committees of the Senate and House within 1 year of enactment a feasibility/suitability study of Saint Paul's Church, Eastchester, Mt. Vernon, New York, as a national historic site including cost estimates for any necessary acquisition, operations and maintenance, and development as well as any alternatives. S.J. Res. 139—Passed Senate August 24, 1976. (VV)

Santa Monica Recreation Area: Provides for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California; creates a Federal land use planning commission composed of members chosen by the State and local governmental subdivisions with jurisdiction over the area to ensure that local governments, which will have the ultimate responsibility for implementing a land use plan will have, in fact, drawn the plan; requires that the Commission develop a comprehensive land use plan which will achieve certain stated objectives of preservation, resource protection, and access; requires that the plan inventory and classify lands within the area, indicate the permissible uses for such lands, specify the land use controls to insure such uses and prevent nonconforming uses, and identify the unit of Federal, State, or local government responsible for implementing the plan; provides for approval of the plan by the Secretary of the Interior to guarantee that the plan will meet the objectives in the legislation, that the identified units of Federal, State, or local government have the necessary authority to implement the plan and are willing to do so, and that there has been full public participation in the development of the plan; authorizes Federal grants in the total amount of $50 million for the acquisition of land and/or interest in land to assist State and local governments in implementing the plan; and assures California landowners affected by this bill due process through the State of California Federal circuit court system. S. 1640—Passed Senate February 6, 1976. (VV)

Tijuana River project: Amends Public Law 89-640 to provide for acquisition of lands and the construction and maintenance of a modified flood control project for the Tijuana River. H.R. 14973—Public Law 94-425, approved September 29, 1976. (VV)

Tinicum National Environmental Center: Amends the Tinicum National Environmental Center Act (Public Law 92-326) by extending the boundary of the Center and increasing the authorization therefore from $2,225,000 to $5,900,000. H.R. 5682—Public Law 94- , approved 1976. (VV)

Tule Elk: States as the sense of the Congress that the Tule Elk population in California should be restored and conserved at at least 2,000 except that the number of Tule elk in the Owens River Watershed area shall at no time exceed 490 or greater if determined by the State; directs the Secretaries of Interior, Agriculture and Defense to cooperate with California in making lands under their jurisdictions available for the preservation and grazing of Tule elk; requires the Secretary of the Interior to report annually to Congress on the estimated size and condition of the various Tule elk herds and the nature and condition of their habitats; and directs the Secretary of the Interior, in coordination with all Federal, State, and other officers to develop a plan for Tule elk restoration and conservation, including habitat management, to be integrated with comparable plans of State and local authorities in California, and to include a description of the plan in his report to Congress. H.J. Res. 738—Public Law 94-389, approved August 14, 1976. (VV)

Uintah Unit reclamation project: Authorizes the necessary funds for the construction, operation, and maintenance of the Uintah Unit of the Central Utah reclamation project authorized in 1968, by the Colorado River Basin Project Act which amended the Colorado River Storage project Act of 1966 to include the Uintah Unit. S. 3395—Passed Senate August 26, 1976. *Note:* (Provisions are contained in S. 3283, Reclamation Projects Authorization which became Public Law 94- , approved 1976.) (VV)

Valley Forge National Historical Park: Authorizes the Secretary of the Interior to accept the donation of the 2,250 acre Valley Forge State Park, to acquire adjoining parcels and inholdings for a total park acreage not to exceed 2,800, and to establish and administer the Valley Forge National Historical Park. H.R. 5621—Public Law 94- , approved 1976. (VV)

Wetlands loan extension: Extends from June 30, 1976, until September 30, 1983, the period during which the Department of the Interior can acquire wetlands for migratory waterfowl and increases therefor the authorization under the Wetlands Loan Act of 1961 from $105 million to $200 million; delays from July 1, 1976, until October 1, 1983, the date when repayment for advance loans from duck stamp receipts would begin; and changes the name of the "Migratory Hunting Stamp" to the "Migratory Bird and Conservation Stamp". H.R. 5608—Public Law 94-215, approved February 17, 1976. (VV)

WILD AND SCENIC RIVERS

Flathead, Missouri, and Obed Rivers: Designates a 149-mile segment of the Missouri River in Montana, 200-mile segment of the Flathead River in Montana, and a 44-mile segment of the Obed River in Tennessee as components of the National Wild and Scenic Rivers System; and provides for the study of the inclusion of the Housatonic River in Connecticut as a potential component of the National System. S. 1506—Public Law 94- , approved —, 1976. (VV)

WILDERNESS AREAS

Alpine Lakes Wilderness: Designates approximately 392,000 acres in the Central Cascade Mountains in the State of Washington as the Alpine Lakes Wilderness with a management unit of approximately 527,000 acres under the direction of the U.S. Forest Service; requires the Forest Service to prepare and implement a multiple use plan for the Federal lands in the unit; and authorizes $57 million for land acquisition and $500,000 for preparation of the multiple use plan. H.R. 7792—Public Law 94-357, approved July 12, 1976. (VV)

Badlands National Monument: Designates approximately 64,250 acres in the Badlands National Monument, South Dakota, as wilderness under the provisions of the Wilderness Act of 1964. S. 1069—Passed Senate May 25, 1976. (VV)

Bristol Cliffs Wilderness: Modifies the boundaries of the Bristol Cliffs Wilderness Area, located in the Green Mountain National Forest, Vermont, by eliminating all privately owned lands and approximately 720 acres of noncontiguous National Forest lands thus reducing the size of the area from 6,500 acres to 3,775 acres. S. 2308—Public Law 94-268, approved April 16, 1976. (VV)

Eagles Nest Wilderness: Designates a 133,910-acre area in the Arapaho and White River National Forests, Colorado as the Eagles Nest Wilderness. S. 268—Public Law 94-352, approved July 12, 1976. (VV)

Hercules Glades Wilderness: Designates an approximate 12,325 acre area in the Mark Twain National Forest, Missouri, as the "Hercules Glades Wilderness". S. 3204—Passed Senate September 23, 1976. Note: (Provisions are contained in S. 1026, Wilderness Areas, which became Public Law 94- , approved , 1976.) (VV)

Point Reyes National Seashore: Designates certain lands in the Point Reyes National Seashore, California, as wilderness and clarifies the basic management objectives for the area; and directs the specific naming of an environmental educational center at the seashore. H.R. 8002—Public Law 94- , approved 1976. (VV)

Shenandoah National Park: Designates 79,019 acres in the Shenandoah National Park, Virginia, as wilderness under the provisions of the Wilderness Act of 1964. S. 895—Passed Senate April 7, 1976. (VV)

Wilderness areas: Designates as wilderness areas within the National Wildlife Refuge as follows (1) 25,140 acres in the Sineonof National Wildlife Refuge, Alaska; (2) 2,600 acres in the Big Lake National Wildlife Refuge, Arkansas; (3) 23,360 acres in the Chassahowitzka National Wildlife Refuge, Florida; (4) 2,825 acres in the J. N. "Ding" Darling National Wildlife Refuge, Florida; (5) 1,146 acres in the Lake Woodruff

National Wildlife Refuge, Florida; (6) 4,050 acres in the Crab Orchard National Wildlife Refuge, Illinois; (7) 3,300 acres in the Lacassine National Wildlife Refuge, Louisiana; (8) 4,0000 acres in the Agassiz National Wildlife Refuge, Minnesota; (9) 2,138 acres in the Tamarac National Wildlife Refuge, Minnesota: (10) 8,000 acres in the Mingo National Wildlife Refuge, Missouri;. (11) 4,635 acres in the Fort Niobrara National Wildlife Refuge, Nebraska; (12) 9,000 acres in the Swanquarter National Wildlife Refuge, North Carolina; (13) 32,350 acres in the Red Rock Lakes National Wildlife Refuge, Montana; (14) 459 acres in the Oregon Islands National Wildlife Refuge, Oregon; and (15) 355 acres in the San Juan Islands National Wildlife Refuge, Washington.

Designates as wilderness areas within the National Forest System as follows: (1) 20,000 acres in the Glacier Primitive Area, Shoshone National Forest, Wyoming, to be known as Fitzpatrick Wilderness; (2) 22,500 acres in the Sierra National Forest, California, to be known as Kaiser Wilderness; (3) 12,325 acres in the Mark Twain National Forest, Missouri, to be known as Hercules-Glades Wilderness; (4) a part of the Cibola National Forest, New Mexico, to be known as Manzano Mountain Wilderness; (5) 30,700 acres within the Cibola National Forest, New Mexico, to be known as Sandia Mountain Wilderness; and

Designates the following areas for study for possible inclusion in the National Wilderness Preservation System and provides for their interim management: (1) 52,000 acres in the Los Angeles and San Bernardino National Forests, California, to be known as Sheep Mountain Wilderness; (2) 37,000 acres in the Mendocino National Forest, California, to be known as Snow Mountain Wilderness; (3) 8,530 acres in the Mark Twain National Forest, Missouri to be known as Bell Mountain Wilderness; (4) 6,888 acres in the Mark Twain National Forest, Missouri, to be known as Paddy Creek Wilderness; (5) 8,430 acres in the Mark Twain National Forest, Missouri, to be known as Piney Creek Wilderness; (6) 4,170 acres in the Mark Twain National Forest, Missouri, to be known as Rockpile Mountain Wilderness; and (7) 393,000 acres in the Flathead and Lewis and Clark National Forests, Montana, to be known as Great Bear Wilderness. S. 1026—Public Law 94– , approved , . (VV)

Designates certain lands within units of the National Park System as wilderness. H.R. 13160—Passed House September 22, 1976; Passed Senate amended Oct. 1, 1976. (VV)

WILDERNESS AREAS STUDIES

Kaiser Roadless Area: Directs the Secretary of Agriculture to review an approximate 28,000 acre area in the Sierra National Forest, California, known as the Kaiser Roadless Area, for possible inclusion in the National Wilderness Preservation System, and to report his findings to the President within 2 years from the date of enactment. S. 75—Passed Senate April 8, 1976. Note: (Provisions are contained in S. 1026, Wilderness Areas, which became Public Law 94– , approved , 1976.)

Kisatchie Hills Wilderness: Directs the Secretary of Agriculture to review an approximate 50 mile area southwest of the City of Alexandria, Louisiana, known as the Kisatchie Hills Wilderness for possible inclusion in the National Wilderness Preservation System. S. 3444—Passed Senate September 23, 1976. (VV)

Montana wilderness: Directs the Secretary of Agriculture to study 10 areas of land located within certain National Forests in Montana to determine their suitability for designation as wilderness under the provisions of the Wilderness Act of 1964; requires the Secretary to complete the studies and report his findings to the President within 5 years of enactment who is to submit his recommendations with respect thereto to the Congress within 7 years of enactment; directs the Secretary to administer the areas so as not to diminish their presently existing wilderness character and potential until Congress determines otherwise; and allows the Secretary to consider, act on, and approve any application for the construction of a transmission line through the Cedar Creek area, Ennis to Lone Mountain, with a capacity not to exceed 161 Kv for the sole purpose of providing adequate and reliable electric service to the Big Sky complex and current electric power consumers in the Gallatin Valley, including allowance for future service to new residential or small commercial establishments. S. 393—Passed Senate August 23, 1976. (VV)

Wilderness areas studies: Directs the Secretary of Agriculture to review the following areas in the Mark Twain National Forest, Missouri, for possible inclusion in the National Wilderness Preservation System: "Bell Mountain Wilderness", an approximate 8,570 acre area, "Rockpile Mountain Wilderness", an approximate 4,170 acre area, "Piney Creek Wilderness", an approximate 8,430 acre area, and "Paddy Creek Wilderness", an approximate 6,880 acre area; and designates an approximate 12,325 acre area as the "Hercules Glades Wilderness". S. 3204—Passed Senate September 23, 1976. (VV)

NOMINATIONS

(Action by Roll Call Vote)

General George S. Brown, U.S.A.F., for reappointment as Chairman of the Joint Chiefs of Staff: Nomination confirmed July 1, 1976. (376)

George Bush, of Texas, to be Director of Central Intelligence: Nomination confirmed January 27, 1976. (10)

S. John Byington, of Virginia, to be a Commissioner on the Consumer Product Safety Commission: Nomination rejected May 24, 1976; Reconsider and confirmed May 26, 1976. (190, 196)

George Henry Kuper, of the District of Columbia, to be Executive Director of the National Center for productivity and quality of working life: Nomination confirmed May 28, 1976. (208)

David M. Lilly, of Minnesota, to be a member of Board of Governors of Federal Reserve System: Nomination confirmed May 28, 1976. (207)

William L. Springer, of Illinois, to be member of the Federal Election Commission: Nomination confirmed May 21, 1976. (189)

H. Guyford Stever, of the District of Columbia, to be Director of the Office of Science and Technology Policy: Nomination confirmed August 9, 1976. (512)

Willie J. Usery, of Georgia, to be Secretary of Labor: Nomination confirmed February 4, 1976. (26)

PROCLAMATIONS

Bald Eagle Days: States the sense of the Senate that the people of the United States observe the weekend beginning January 30, 1976, which is designated as "Bald Eagle Days", to recognize the national symbol of the United States. S. Res. 347—Senate agreed to January 21, 1976. (VV)

Beta Sigma Phi Week: Designates the seven day period beginning on April 30 of each year as "National Beta Sigma Phi Week". S.J. Res. 76—Passed Senate March 31, 1976. (VV)

Bicentennial Day of Prayer: Designates July 2, 1976, as a "National Day of Prayer of Thanksgiving and Guidance". S.J. Res. 179—Passed Senate June 16, 1976. (VV)

Bicentennial Highway Safety Year: Designates the 12-month period beginning with the calendar month after the date of enactment of this Act as "National Bicentennial Highway Safety Year" and specifies an area of activity each month which offers the prospect of achieving substantial reductions in highway accidents, injuries, and fatalities as follows: January—Safety Education; February—Safer Bridges; March—Pedestrain and Bicycle Safety; April—Pavement Marking and Delineation; May—Highway Hazard Removal; June—Safety Belts and Child Restraints; July—Safer Driving; August—Roadside Obstacle Elimination; September—Save Our Children; October—Signs and Signals; November—Railroad Crossing Protection; and December—Alcohol and Problem Drinkers. H.J. Res. 726—Public Law 94-322, approved June 30, 1976. (VV)

Employ the Older Worker Week: Designates the week beginning March 13, 1977, as "National Employ the Older Worker Week". S.J. Res. 35—Public Law 94-275, approved April 21, 1976. (VV)

Fair Housing Month: States that the Congress recognizes the month of April 1976 as "Fair Housing Month" and rededicates itself to the promulgation and practice of the letter and spirit of the Fair Housing Law throughout the month of April and thereafter. S. Con. Res. 112—Senate agreed to April 27, 1976. (VV)

Family Week: Designates the week beginning on November 21, 1976, as "National Family Week". S.J. Res. 101—Public Law 94-270, approved April 19, 1976. (VV)

Fourth of July Holiday: Designates July 2, 1976, as an official holiday to create a 4-day holiday for the Bicentennial. S.J. Res. 151—Passed Senate March 31, 1976. (VV)

Grandparents' Day: Designates the fourth Sunday of May as "National Grandparents' Day." S.J. Res. 211—Public Law 94– , approved , . (VV)

Horse Week: Designates the period of May 9, 1976, through May 15, 1976, as "National Horse Week". S.J. Res. 182—Passed Senate May 6, 1976. (VV)

Independence Day: Designates July 4, of each year as "Independence Day". S.J. Res. 150—Passed Senate May 6, 1976. (VV)

Knights of Columbus: Designates March 29, 1976, as "National Knights of Columbus Day". S.J. Res. 183—Passed Senate March 18, 1976. (VV)

Native American awareness: Designates the week of October 10 through October 16, 1976, as "Native American Awareness Week". S.J. Res. 209—Passed Senate September 30, 1976. (VV)

Port Week: Designates the seven calendar days beginning September 26, 1976, as "National Port Week". S.J. Res. 173—Passed Senate September 20, 1976. (VV)

School volunteers: Authorizes the President to issue a proclamation recognizing the contributions made by Americans who are voluntarily working to improve the quality of education in the United States. S.J. Res. 208—Passed Senate July 29, 1976. (VV)

Small Business Week: Designates the week beginning May 9, 1976, as "National Small Business Week". S.J. Res. 163—Passed Senate May 6, 1976. (VV)

Space Observance: Designates the period of July 16, through the 22 as "United States Space Observance". S. Con. Res. 47—Senate agreed to July 11, 1975; House agreed to September 30, 1976. (VV)

Tennis week: Designates the fourth week in June as "National Tennis Week". S.J. Res. 172—Passed Senate March 31, 1976. (VV)

Thomas Jefferson Dav: Designated April 13, 1976, as "Thomas Jefferson Day". H.J. Res. 670—Public Law 94-163, approved April 13, 1976. (VV)

Volunteer Firemen: Designates the week of October 3, 1976, through October 9, 1976, as "National Volunteer Firemen Week". H.J. Res. 1008—Public Law 94– , approved 1976. (VV)

World Habitat Day: Designates February 29, 1976, as "World Habitat Day". S. Res. 398—Senate agreed to February 25, 1976. (VV)

SENATE

Cloture rule: Provides that, except by unanimous consent, no amendments shall be proposed after the cloture vote unless they have been submitted in writing to the Journal Clerk prior to the end of the vote. S.

Res. 268—Senate agreed to April 6, 1976. (VV)

Commission on the operation of the Senate: Authorizes the Secretary of the State to advance sums to the Chairman of the Commission on the Operation of the Senate for expenses of the Commission not involving personal services. S. Res. 410—Senate agreed to March 23, 1976. (VV)

Extends from September 30, 1976, to December 31, 1976, the date for the Commission to submit its final report. S. Res. 423—Senate agreed to April 6, 1976. (VV)

Foreign policy study: Authorizes the President of the Senate to appoint a special delegation of Members of the Senate, upon the recommendation of the majority and minority leaders to visit certain countries in the Middle East, Europe, and other areas as needed to conduct a study on United States security and and foreign policy interests in those areas with particular emphasis on worldwide nuclear proliferation and authorizes therefore $35,000. S. Res. 523—Senate agreed to August 26, 1976. (VV)

Herman Goldfarb testimony: Authorizes the Permanent Subcommittee on Investigations to provide the Department of Justice or the Respective trial judges with those relevant portions of the interviews by Subcommittee staff of Herman Goldfarb relating to Anthony Provensano and Hyman Schwartz. S. Res. 530—Senate agreed to August 30, 1976. (VV)

Mike Mansfield room: Designates Room S-207 (Senate Conference room) in the U.S. Capitol as the "Mike Mansfield Room." S. Res. 551—Senate agreed to September 16, 1976. (VV)

Oklahoma Senate contest: Senate tabling of S. Res. 356, relating to a determination of the contested 1974 Oklahoma Senate election involving Senator Henry Bellmon and former Representative Ed Edmondson. Subsequently the Senate agreed to a motion to seat Senator Bellmon unconditionally.

Directs the Secretary of the Senate to reimburse Ed Edmondson and Henry Bellmon for certain necessary expenses incurred by them or others, on their direction, in connection with the Rules Committee's consideration of the contested Senate seat from Oklahoma. S. Res. 404—Senate agreed to August 6, 1976. (VV)

Old Senate Chamber: Provides that on June 16, 1976, the Senate shall recess at 4:00 p.m. and immediately reassemble in legislative session for ceremonies in the Old Senate Chamber (used by the Senate from 1810 to 1859) for the dedication and reopening of the chamber in honor of the Bicentennial; provides that the taking of photographs or recording of the proceedings of the legislative session shall be done in accordance with procedures established by the Commission on Art and Antiquities of the Senate; and invites the Vice President to address the Senate on this occasion. S. Res. 446—Senate agreed to May 13, 1976. (VV)

Pension fund tax returns: Authorizes the Committee on Labor and Public Welfare (deemed a Select Committee of the Senate for purposes of sections 6103(d) and 6104(a)(2) of the Internal Revenue Code) to inspect and receive tax returns and tax related matters on the Central States, Southeast and Southwest Areas Pension Fund which the committee demonstrates, to the satisfaction of the Secretary of the Treasury, contains or may contain information directly relating to its study and oversight proceedings. S. Res. 483—Senate agreed to June 30, 1976. (VV)

Philip A. Hart Office Building: Designates the extension of the Senate Office Building presently under construction as the "Philip A. Hart Office Building." S. Res. 525—Senate agreed to August 30, 1976.

Select Committee on Committees: Establishes a temporary select committee of the Senate to conduct a study of the Senate committee system composed of 12 Members of the Senate (6 from Majority party and 6 from the Minority party) appointed by the President of the Senate upon the recommendation of the majority and minority leaders; directs the committee to conduct a thorough study of the Senate committee system including structure, jurisdiction, number and optimum size of committees, number of subcommittees, committee rules and procedures, media coverage of meetings, staffing, and other facilities and to make recommendations which promote optimum utilization of a Senator's time, optimum effectiveness of committees in the creation and oversight of Federal programs, clear procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions; requires the Committee to submit a final report of its findings by February 28, 1977, with authorization to submit such interim and supplemental reports as it deems appropriate and authorizes therefor $275,000 of which not to exceed $30,000 shall be for the procurement of services of individual consultants or organizations. S. Res. 109—Senate agreed to March 31, 1976. (VV)

Amends S. Res. 109. to provide that for purposes of paragraph 6(a) of rule XXV of the Standing Rules of the Senate (relative to the number of committees on which a Senator may serve), service of a Senator as a member of the select committee shall not be taken into account, and except that voucher requirement for the disbursement of salaries of employees paid at an annual rate. S. Res. 456—Senate agreed to June 3, 1976. (VV)

Select committee on intelligence: Establishes a permanent Select Committee on Intelligence to oversee and make continuing studies of U.S. intelligence activities; provides that its members be selected by the Majority and Minority leaders with 2 Senators each from the membership of the Committees on Appropriations, Armed Services, Foreign Relations, and the Judiciary and 7 others from the Senate at large (4 selected by the Majority Leader and 3 by the Minority Leader); provides that the chairman shall be chosen by the Majority members and that service on the select committee shall not be counted against a member's service on any other committee and may be in addition to other assignments; provides that the Majority and Minority Leaders shall be non-voting ex officio members of the committee; limits service on the committee to 8 years (not including 1976 service) on a rotating basis so that approximately ⅓ of the membership will be new by the 97th Congress and each successive Congress;

Provides the Committee exclusive legislative authority over the Central Intelligence Agency and shared budgetary and oversight authority with the standing committee formerly responsible—the Armed Services Committee for the Defense Intelligence Agency, National Security Agency and other military intelligence units, the Foreign Relations Committee for State Department intelligence activities, and the Judiciary Committee for the Federal Bureau of Investigation; provides for concurrent sequential referral of legislation and authorizations with an automatic discharge if the second committee does not act within 30 days;

Provides that the committee notify the President if it votes to disclose classified information submitted by the Executive Branch; provides for release of such information unless the President notifies the Committee within 5 days of his objection; provides that if the committee still wishes to release the data it may, by majority vote, report the matter to the full Senate for a decision within 9 days on whether or not to disclose all or any part of the information or to refer it back to the committee for its decision; and

States the sense of the Senate that the heads of intelligence agencies or departments keep the Committee informed of intelligence activities and report immediately all intelligence activities which violate the constitutional rights of any person, law, executive order or agency regulation. S. Res. 400—Senate agreed to May 19, 1976. (181)

Amends S. Res. 400, to increase the authorization of the Select Committee for inquiries and investigations from $275,000 to $1,175,000. S. Res. 538—Senate agreed to September 13, 1976. (VV)

Select Committee on Intelligence Activities: Amends S. Res. 21 to extend to March 15, 1976, the date for the temporary Select Committee to submit a final report of the results of the investigation and study conducted by it with respect to intelligence activities; provides that the committee shall cease to exist on May 31, 1976; and authorizes an additional $300,000 for the 3-month period, March 1, to May 31, 1976, of which not to exceed $10,000 shall be for the procurement of consultants. S. Res. 377—Senate agreed to March 1, 1976. (VV)

Amends S. Res. 377 to increase the authorization for the 3-month period March 1, to May 31, 1976, from $300,000 to $350,000 of which not to exceed $15,000 shall be for the procurement of consultants. S. Res. 414—Senate agreed to March 31, 1976. (VV)

Amends S. Res. 377, as amended, to increase the authorization for the 3-month period March 1, to May 31, 1976, from $450,000 to $515,000. S. Res. 435—Senate agreed to May 3, 1976. (VV)

Select Committee on Small Business: Amends S. Res. 58 (81st Congress) to give legislative jurisdiction over all proposed legislation primarily relating to the Small Business Administration to the Select Committee on Small Business, which was originally created on February 20, 1950, without legislative authority and is composed of 17 members appointed in the same manner and at the same time as the chairman and members of the standing committees of the Senate. S. Res. 104—Senate adopted April 29, 1976. (158)

Senate employee practices: Provides that no Member, officer, or employee of the Senate shall (1) fail or refuse to hire, (2) discharge, or (3) otherwise discriminate against an individual with respect to promotion, compensation, or terms, conditions, or privileges of employment on the basis of an individual's race, color, religion, sex, national origin, or state of handicap; and encourages the hiring of women and members of minority groups at all levels of employment on the staffs of Members, officers, and committees of the Senate. S. Res. 534—Senate agreed to September 8, 1976. (VV)

Senate office space: Approves the lease of space in the office building at 400 North Capitol Street. S. Res. 579—Senate agreed to October 1, 1976. (VV)

Senator Proxmire: Authorizes the payment from the Senate contingent fund of expenses for private counsel to represent Senator Proxmire in defending civil action Hutchinson v. Proxmire, et al., since it involves the constitutional rights, privileges, and obligations of all Members of Congress. S. Res. 463—Senate agreed to August 9, 1976. (514)

Watergate reform legislation: States the sense of the Senate that the Senate should make every effort to reach, by July 2, 1976, a final passage vote on Watergate reform, tax reform, and intelligence oversight legislation. S. Res. 437—Senate agreed to May 4, 1976. (163)

TRANSPORTATION-COMMUNICATIONS

Aircraft locator transmitters: Amends the Federal Aviation Act of 1958 to abolish the requirement that certain civil aircraft must have Emergency Locator Transmitters (ELT's) and substitutes for that requirement general discretionary authority to require ELT's when the Administrator or the Federal Aviation Administration finds it to be in the public interest; permits the Civil Aeronautics

Board (CAB) to approve reduced air fares on a standby basis for persons 60 years of age or older and for the handicapped; authorizes intrastate carriers in California to enter into interline agreements of through ticket and baggage service; requires CAB to give public notice 15 days in advance of any fare changes; allows supplemental airlines flights to hold scheduled air line certificates and vice-versa; requires CAB to correct an inequity subsidy for 1966 relating to Texas International and Ozark Airlines; requires CAB to establish deadlines for deciding cases; and allows aliens to register aircraft in the United States. H.R. 8228—Public Law 94 , approved , 1976. (VV)

Airport and airways development: Amends the Airport and Airway Development Act of 1970 to authorize the Secretary of Transportation to make airport development grants at air carrier airports of $435 million for fiscal year 1976, $440 million for 1977, $465 million for 1978, $495 million for 1979 and $525 million for 1980; authorizes for airport development grants at general aviation airports $65 million for fiscal year 1976, $70 million for fiscal year 1977, $75 million for fiscal year 1978, $80 million for fiscal year 1979, and $85 million for fiscal year 1980; provides not less than $312,500,000 for fiscal year 1976, including the transition quarter, and not less than $250 million per fiscal year for fiscal years 1977 through 1980 for the purpose of acquiring, establishing, and improving air navigation facilities, and authorizes not to exceed $250 million for fiscal year 1977, $275 million for fiscal year 1978, $300 million for fiscal year 1979, and $325 million for fiscal year 1980 for air navigation services and facilities under international agreement, for acquiring, establishing and maintaining air navigation facilities and $50 million annually for research, development and demonstration projects with specific reference to research on a fog dispersal system;

Makes a technical amendment to extend the obligational authority for airport development grants from June 30, 1980, to September 30, 1980, and eliminates the overall obligational limitation;

Expands the definitions of various terms in the act including (1) "airport development" to permit grants to be made for snow removal and noise suppression equipment, construction of physical barriers and landscaping to diminish noise, and the purchase of land to insure its use for purposes compatible with noise levels at airports, and (2) "master planning" to permit funds to be used to plan for potential use and development of land surrounding an actual or potential airport site;

Requires the Secretary of Transportation, in consultation with the Civil Aeronautics Board, to prepare and publish, a revised national airport system plan by January 1, 1978, which includes a projection of airport development over the next 10 years;

Provides for annual apportionments of funds to sponsors of air carrier airports (except commuter service airports) based on the number of annual passenger enplanements at the airport; provides that a carrier airport (1) which is served by aircraft heavier than 12,500 pounds or (2) which was served by such aircraft on or after September 30, 1968, shall not receive less than $187,000 or more than $12,500,000 for fiscal year 1976 and the transition quarter or less than $150,000 or more than $10 million per fiscal year thereafter through 1980; provides that a carrier airport which has not been served since September 29, 1968, by aircraft weighing 12,500 pounds or more shall not receive less than $62,500 or more than $12,500,000 for fiscal year 1976 and the transition quarter, or less than $50,000 or more than $10 million per fiscal year thereafter through 1980; provides that amounts designated for carrier airports that are not apportioned under this formula are to be distributed in the discretion of the Secretary, and that $18,750,000 for fiscal year 1976 and the transition quarter, and $15 million per fiscal year 1976 and the transition quarter and $15 million per fiscal year thereafter through 1980 are to be distributed to commuter service airports;

Provides that the Federal share of airport development projects shall be 90 percent in the case of carrier airports which enplane less than one-fourth of 1 percent of all passengers at carrier airports for fiscal year 1976 through 1978, and 80 percent for fiscal years 1979 and 1980, and at all other airports, 75 percent; provides for a 50 percent Federal share for terminal development; and contains other provisions. H.R. 9771—Public Law 94-353, approved July 12, 1976. (101)

Air transportation tariffs: Amends the Federal Aviation Act of 1958 regarding notice periods required for proposed tariff changes. H.R. 7017—Passed House Feb. 17, 1976—Passed Senate amended Oct. 1, 1976.

Alaska highway: Authorizes $70 million in addition to sums otherwise made available to Alaska under title 23, U.S.C., and section 7(b) of the Federal-Aid Highway Act of 1966 for repair of highways in the State which are facing substantial deterioration because of construction of the Trans-Alaska pipeline, and directs the Secretary of Transportation to report to Congress by January 1, 1977, the feasibility of Alaska repaying, out of future mineral revenues it receives, any sums paid to the State pursuant to appropriations authorized by this Act. S. 2071—Passed Senate January 26, 1976. (VV)

Amtrak authorization: Authorizes $430 million for fiscal year 1977 and $470 million for fiscal year 1978 for the payment of operating expenses for the basic system (other than operating expenses for the Northeast Corridor) and earmarks $35 million for fiscal year 1977 and $40 million for fiscal year 1978 of these amounts for payment of operating and capital expenses of rail passenger service requested by the States pursuant to section 403(b) of the Rail Passenger Service Act, $130 million for each of fiscal years 1977 and 1978 for payment of costs of capital acquisitions or improvements of the basic system, $68 million for fiscal year 1977 and $75 million for fiscal year 1978 for additional operating expenses for the Northeast Corridor, and $25 million for fiscal year 1978 for the payment of outstanding obligations of Amtrak guaranteed by the Secretary (other than leases); provides that the $900 million ceiling on the amount of loan guarantee authority available to Amtrak must be reduced by an amount equal to the total principal amount of Amtrak obligations paid from grant funds made available for that purpose.

Amends the Regional Rail Reorganization Act of 1973 for the purpose of eliminating the uncertainties about the intent of Congress in creating the 211(h) loan program and to prevent adverse actions against ConRail and other acquiring carriers for unpaid claims; authorizes the U.S. Railway Association (USRA) to enter into loan guarantees at any time, in amounts not to exceed $350 million in the aggregate and establishes what is in effect a revolving fund from which additional loans can be made as the initial total amount of loans is reduced by projected revenues or assets becoming available to the estates for this purpose.

Requires that ConRail must guarantee the payment of accrued pension benefits provided under any employee pension benefit plan terminated by ConRail (in whole or in part) on or after the date of transfer of such plan to ConRail if such benefits were not guaranteed under title IV of the Employee Retirement Income Security Act of 1974, and provides that ConRail would be entitled to a loan under section 211(h) in an amount required for the adequate funding of pension benefits under all plans transferred to ConRail, whether or not terminated by ConRail; clarifies the meaning of the term quality of service as it is used in the Railroad Revitalization and Regulatory Reform Act of 1976 as it is applied to commuter service; makes two changes in existing law relating to the authority of the Interstate Commerce Commission over interstate rates charged by local public bodies providing mass transportation services: (1) provides that the exemption from ICC regulation applies only to local bodies providing mass transportation services by rail, with any such services provided by bus remaining subject to ICC regulation, and (2) provides that rail mass transportation services would be exempt from ICC rate regulation only if any interstate fare (or the ability to apply for changes therein) of such local public body is subject to approval or disapproval by a Governor of any State in which such services are provided; amends section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976 to provide that any guarantee entered into under that section shall constitute general obligations of the U.S. backed by the full faith and credit of the United States; includes provisions regarding the subordination of redeemable preference shares and provisions regarding Northeast Corridor acquisitions; amends Section 1a(1) of the Interstate Commerce Act relating to discontinuance and abandonment procedures of the Interstate Commerce Commission; and contains other provisions.

3131—Public Law 94- , approved 1976. (VV)

Aviation tariff changes: Amends the Federal Aviation Act of 1958 relating to tariff changes. H.R. 7017—Passed House February 17, 1976—Passed Senate amended October 1, 1976. (VV)

"Barbara Ann": Permits the motor vessel *Barbara Ann* to be documented as a vessel of the United States with the privileges of engaging in coastwide trade. S. 2951—Passed Senate August 10, 1976. NOTE: (Provisions are contained in H.R. 10192, Coast Guard Academy Appointments.) (VV)

Boat safety programs: Amends the Federal Boat Safety Act of 1971 to increase and extend the authorization assistance for State boating safety programs for fiscal years 1977 and 1978 from $7.5 million annually to $10 million; authorizes the Secretary of Transportation to expend not to exceed 1¼ percent of the total funds appropriated annually for audit expenses; and continues the 33⅓ percent limitation on the Federal share of the annual cost of a States boating program. H.R. 5630—Public Law 94-340, approved July 6, 1976. (VV)

Amends the Federal Boat Safety Act of 1971 in several particulars in order to clarify certain provisions of the basic Act and to correct deficiencies, generally minor in nature, which have created problems in the implementation of the Act. H.R. 13585—Public Law 94- , approved 1976. (VV)

Common carrier tariff proceedings: Provides that the Federal Communications Commission may not require more than a 90-day period of time for notification of a change in a common carrier tariff and extends to 5 months the period during which the Commission may suspend the effectiveness of new or revised tariff schedules. S. 2054—Public Law 94-376, approved August 4, 1976. (VV)

ConRail acquisition of bankrupt rail property: Provides that pursuant to the final system plan formulated by the United States Railway Association (USRA) to restructure the midwest and northeast railroad system, the transfer of the rail properties of 11 insolvent railroads along with their subsidiaries and affiliates to ConRail shall not result in the recognition of gain or loss to the transferor companies and that the shareholders and security holders of the transferors will not recognize gain or loss on exchanging their existing interest for ConRail stock and USRA certificates of value; provides that the basis of the assets transferred to ConRail is to be the same for ConRail as the transferor; provides that no net operating losses are to be transferred from the transferors to ConRail; and contains a provision that net operating losses eligible for carry over to years after the date of the transfer are to be kept alive for tax purposes beyond their normal expiration date, but only for use by the transferor against any future income arising from awards of the courts (and the redemption of certificates of value) with respect to the transfer of their rail assets to ConRail. H.R. 1249.—Public Law 94–253, approved March 31, 1976.(VV)

ConRail stock: Amends the Regional Rail Reorganization Act of 1973, as amended, to change language describing the process of making adjustments to reflect stock splits, stock combinations, reclassifications and similar transactions that might occur after the time of the distribution of the securities pursuant to the provisions of the Act; sets the initial authorized number of series B preferred stock at 35 million; and provides that the Corporation may issue initially, for the purpose of the required deposit, such numbers of series B preferred and common stock as the Association shall certify to the Special Court including any modifications in the numbers of shares as may be ordered by the Special Court. S.J. Res. 184—Public Law 94–248, approved March 25, 1976. (VV)

Delta Queen: Extends until November 1, 1983 the existing exemption for the Delta Queen from certain vessel laws. H.R. 13326—Public Law 94– , approved . (VV)

Educational broadcasting facilities: Extends and perfects the matching grant program for construction of noncommercial educational radio and television broadcasting facilities and authorizes therefor $7.5 million for the transition period July 1–September 30, 1976, and $30 million for fiscal year 1977; and establishes a telecommunications demonstration program administered by HEW to promote the development of nonbroadcast telecommunications facilities for the transmission, distribution, and delivery of health, education and public or social service information whereby the Secretary of HEW is authorized, upon application, to make grants and enter into contracts with public and private nonprofit agencies, organizations and institutions to carry out this purpose and authorizes therefor $250,000 for the transition period July 1–September 30, 1976, and $1 million for fiscal year 1977. H.R. 9630—Public Law 94–309, approved June 5, 1976. (VV)

Federal-aid highway authorization: Authorizes appropriations for the interstate system of $3.625 billion for each of fiscal years 1980 through 1990; provides authorizations out of the Highway Trust Fund for fiscal years 1977 and 1978, for various highway programs, including authorizations of $1.35 billion for each of these years for the Federal-aid primary system in rural areas, the extensions of the system in urban areas, and the priority primary routes, and $800 million for each of these years for the Federal-aid urban system; amends the Interstate transfer provision to allow funding of highway projects on the Federal-aid primary, secondary or urban systems in lieu of a nonessential Interstate link and to provide that the nationwide aggregate costs of substitute projects shall not exceed the nationwide aggregate costs of withdrawn routes, with the costs to be adjusted to the date of enactment of this act; requires States to spend 30 percent of their interstate funds during fiscal years 1978 and 1979 for the completion of intercity projects that would close essential gaps in the system; provides for increased transferability of funds between categories of highways; expands the carpool program to make it permanent and to include van pools, the purchase of vehicles, and carpooling opportunities for the elderly and handicapped within the program; authorizes a traffic control signalization program for demonstration of new technology, and a demonstration project for use in urban mass transportation of the Automated Guideway Transit system now in operation at the Dallas/Fort Worth Regional Airport; changes the apportionment for the primary system to a formula weighted two-thirds to the existing primary formula and one-third to the ratio of population in all urban areas, which reflects the change in the Federal-aid primary system to include urban extensions;

Contains authorizations for fiscal years 1977 and 1978 for programs carried out by the National Traffic Highway Safety Administration and by the Federal Highway Administration; prohibits the requiring of a State to adopt or enforce a motorcycle law requiring motorcycle operators or passengers 18 years of age or older to wear a safety helmet; and contains other provisions. H.R. 8235—Public Law 94–280, approved May 5, 1976. (*585)

Federal Communications Commission forfeiture authority: Amends the Communications Act of 1934, as amended, to unify and simplify the forfeiture provisions; enlarges the scope of forfeiture liability to cover other persons subject to the Act such as cable television systems, users of experimental or medical equipment emitting electromagnetic radiation, persons operating without a valid radio station or operator's license, and some communications equipment manufacturers; extends the limitations period within which notices of liability must be issued as follows: for persons not previously subject to forfeiture liability—1 year; for nonbroadcast licensees—from 90 days to 1 year; and for broadcast licensees—from 1 year to 1 year or the current license terms, whichever is longer but not to exceed 3 years; raises the maximum forfeiture that could be imposed for a single violation to $2,000, for multiple violations in any single notice (in the case of a broadcast licensee, broadcast permittee, common carrier, or community antenna television system) to $20,000, and for any other person to $5,000; authorizes the Commission to mitigate or remit common carrier forfeitures in the same way as it now can for other persons; and permits the Commission to use the traditional procedure for imposing a forfeiture or to hold an adjudicatory hearing under section 554 of the Administrative Procedure Act. S. 2343—Passed Senate June 11, 1976. (VV)

Hazardous materials transportation: Amends the Hazardous Materials Transportation Act to authorize $5 million for each of fiscal years 1977 and 1978 to implement the programs relating to the transportation of hazardous materials; and strikes the word "extremely" from the requirement that shippers, carriers, and manufacturers of containers for "extremely" hazardous materials must register with the Department of Transportation. S. 2991—Public Law 4– , approved 1976. (VV)

Independent safety board: Authorizes additional appropriations of $3.8 million for the transition period July 1–September 30, 1976, $14.5 million for fiscal year 1977 and $15.7 million for fiscal year 1978 to implement the Independent Safety Board Act of 1974; authorizes the Board to issue an order prohibiting the premature disclosure of confidential information it obtains about an aircraft accident investigation conducted by a foreign State in accordance with Annex 13 issued under the Chicago Convention (61 Stat. 1180) when the foreign State requests withholding of that information; sets forth guidelines which the Board should consider prior to issuing such an order and requires publication in the Federal Register of its intent to withhold information; provides for the public disclosure of the information after a period of 2 years or sooner if the foreign State has published a report thereon, has treated the information as not confidential, or has notified the Board that it has no objection to its disclosure; contains provisions concerning judicial proceedings with respect to public disclosure; and specifies that this act shall not be construed as authority to withhold information from Congress or restrict the power of the Board to use or refer to any information in connection with safety recommendations. S. 2661—Passed Senate July 1, 1976. (VV)

Amends the Independent Safety Board Act of 1974 to authorize additional appropriations of $3.8 million for the transition period July 1–September 30, 1976, $15.2 million for fiscal year 1977, and $17.4 million for fiscal year 1978 to permit the Board to meet its responsibilities involving transportation safety. H.R. 12118—Public Law 94– , approved 1976. (VV)

Maritime authorization: Authorizes a total of $488,041,000 for fiscal year 1977 for the following five categories of programs of the Maritime Administration: (1) ship operating-differential subsidies—$403,721,000; (2) research and development—$22,500,000; (3) reserve fleet—$4,560,000; (4) maritime training at the Merchant Marine Academy at Kings Point, New York—$13,260,000; and (5) financial assistance to State marine schools—$4,000,000; contains no new funding for vessel construction because funds appropriated for construction-differential subsidies remain unspent and continue to be available for fiscal year 1977 requirements; includes a $3 million increase in research and development activities to accelerate an ongoing project to fund ocean testing of industrial plant ships and to conduct the necessary studies regarding the long-term prospects for commercialization of ocean thermal energy; and authorizes additional supplemental amounts to pay for any increases in salary, pay, retirement, or other employee benefits authorized by law, and for increased costs of public utilities, food service and other expenses of the Merchant Marine Academy. H.R. 11481—Public Law 94–404, approved September 10, 1976. (VV)

Motor vehicle safety: Amends the National Traffic and Motor Vehicle Safety Act of 1966 to authorize additional appropriations not to exceed $13 million for fiscal year 1977 and $60 million for fiscal year 1978, and directs the Secretary of Transportation to conduct a study and report to Congress, within 6 months of enactment, on actions that can be taken to reduce the likelihood of school bus accidents. H.R. 9291—Public Law 94–346, approved July 8, 1976. (VV)

Rail negotiations: Expresses the sense of the Congress that the public interest requires that the Chessie and Southern Railway Systems and the Railway Labor Organizations should resume negotiations forthwith with the assistance of the Secretaries of Labor and Transportation and exercise unusual diligence to resolve their differences to assure the acquisition and rehabilitation of properties currently owned by bankrupt railroads in the Midwest and Northeast Region pursuant to the final system plan developed by the Consolidated Rail Corporation (ConRail). S. Con. Res. 97—Senate adopted March 4, 1976; House adopted March 9, 1976. (VV)

Railroad retirement annuity computation: Amends the Railroad Retirement Act of 1974 to correct unforeseen inequities; eliminates retroactively to January 1, 1975, the date of the act, increases not intended under application of the act (these benefits have not been paid); assures that the benefits payable to a widow or widower would be at least the same amount as those the widow or widower was entitled to receive prior to his or her spouse's death; provides, concerning the funding of supplemental annuities for career railroad employees, that the Railroad Retirement Board may borrow money from the employer-financed railroad retirement account to avoid "short-falls", and that as soon as the adjusted tax rate has generated sufficient revenue to pay the supplemental annuities, the amount borrowed from the railroad retirement account must be repaid with interest; and, provides that amounts paid by a railroad to an employee for sick pay or travel expense allowance will not be treated as compensation for purposes of the Railroad Retirement Act or the Railroad Retirement Tax Act. H.R. 14041. Public Law 94– , approved 1976. (VV)

Railroad revitalization: Provides the means to rehabilitate and restore the financial stability of the railway system of the United States; in title II, amends part I of the Interstate Commerce Act to provide for an extensive overhaul of railroad rate regulation by the Interstate Commerce Commission (ICC), which includes the establishment of new standards for determining whether a railroad rate is just and reasonable and the modification of the power of the Commission to suspend proposed railroads rates which are alleged to be unlawful; in title III, contains provisions to reform and improve the process by which the ICC regulates the railroad system; in title IV, contains provisions designed to expedite and rationalize Commission action on applications for mergers and consolidations of rail services;

In title V, establishes in the Treasury a Railroad Rehabilitation and Improvement Fund to be administered by the Secretary of Transportation for the purpose of providing the capital necessary for rehabilitation and improvement of railroads, including ConRail; directs the Secretary to issue and sell Fund anticipation notes to the Secretary of the Treasury who is to buy the notes to the extent of appropriated funds; provides that the proceeds are to be used by the Secretary of Transportation to purchase "redeemable preference shares" issued by railroads whose applications for financing are approved by the Secretary; authorizes $600 million for the Fund through September 30, 1978;

In title VI, provides for the implementation of the Final System Plan for the Northeast/Midwest Regional rail system; authorizes the United States Railway Association to purchase up to $2.1 billion of ConRail securities unless the Association's Finance Committee (composed of the Secretaries of Transportation and the Treasury and the Chairman of the Association) makes an affirmative finding that ConRail has not fulfilled a commitment to the Association, has failed to obtain the overall operating and financial results projected in the Final System Plan, or cannot achieve the results without requiring Federal assistance substantially in excess of that authorized by this act; provides that an affirmative finding by the Committee to cut off funds for ConRail will become effective after 30 calendar days of continuous session of Congress unless either House passes a resolution of disapproval; authorizes $230 million for pre-conveyance loans by the Association to ConRail to purchase material, supplies and services in anticipation of its operation;

In title VII, provides for the implementation of the Northeast Corridor project for establishment of high speed intercity rail passenger service in the heavily populated eastern seaboard, which includes the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland and the District of Columbia; provides that the project is to be funded by the Secretary of Transportation in order to achieve within 5 years the establishment of regularly scheduled intercity service operating on at least a 3 hour and 40 minute schedule between Boston and New York City and a 2 hour and 40 minute schedule between New York City and Washington; authorizes $1.75 billion to meet this goal; sets as other goals the improvement of service on routes from the Northeast Corridor main line, improvement of stations, rail commuter service, rail freight service, and passenger radio telephone service; directs the Secretary to report to Congress in 2 years on the results of the project and on the practicability of establishing passenger service between Boston and New York City on at least a 3 hour schedule;

In title VIII, clarifies the ICC's authority over railroad abandonments and discontinuances; establishes a local rail service assistance program on a nationwide basis and authorizes $360 million for this purpose over a 5 year period; makes several changes in the local rail service assistance program for the northeast/midwest region originally provided in the Regional Rail Reorganization Act of 1973; contains various miscellaneous provisions in title IX, including the requirement of a study by the Secretary of the American Rail System and an analysis of Federal rail assistance; and contains other provisions. S. 2718—Public Law 94-210, approved February 5, 1976. (*552, *609,16)

Railroad safety: Amends the Federal Railroad Safety Act of 1970 to authorize additional appropriations of not to exceed $35 million for fiscal year 1977 to implement the act including the State grant-in-aid program of which: $18 million is for the Office of Safety, including salaries and expenses for 500 safety inspectors, 45 signal and train control inspectors, and 110 clerical positions; $3,500,000 is for the Federal Railroad Administration for salaries and expenses for the safety program; and $10 million is for research and development activities; and provides that the aggregate of the amounts obligated and expended for research and development during fiscal year 1977 shall not exceed the aggregate of the amounts expended for rail inspection and for the investigation and enforcement of railroad safety rules, regulations, orders and standards. H.R. 11804—Public Law 94-348, approved July 8, 1976. (VV)

Reduced air fares for elderly: Amends the Federal Aviation Act of 1958 to permit the Civil Aeronautics Board (CAB) to approve reduced air fares on a standby basis for persons 60 years of age or older and for the handicapped; requires the CAB to study the economic feasibility of reduced fares for persons 21 years old and younger; allows intrastate carriers operating within California to offer through ticketing and baggage service in cooperation with intrastate airlines; makes clear that supplemental (charter airlines) are not prohibited, by law, from seeking certificates to engage in scheduled air transportation; authorizes the CAB to grant exemptions for all cargo operations in interstate air transportation pending a final determination on a carrier's application for initial certification; and allows the CAB to redetermine the class subsidy rate to local service air carriers so that Texas International and Ozark Airline will be treated as other local service carriers. H.R. 15026—Passed House September 21, 1976; Passed Senate amended September 24, 1976. (645)

Shipbuilding contracts: Amends section 502(a) of the Merchant Marine Act, 1936, as amended, to extend from June 30, 1976, to June 30, 1979, the authority of the Secretary of Commerce to award subsidies for the construction of vessels with respect to which the price has been established by negotiation between the prospective ship purchaser and the shipyard; provides that the same ceiling on the subsidy rate shall apply to negotiated shipbuilding contracts as to contracts awarded as a result of competitive bidding; and eliminates various references to the Commission on American Shipbuilding and to annual guideline rates which are no longer operative. H.R. 11504—Public Law 94-372, approved July 31, 1976. (VV)

Shipping regulatory reform: Partially deregulates freight rates in the domestic offshore trade; provides that domestic offshore carriers must refund with interest to shippers any rate increases later found to be not just and reasonable; sets deadlines for final action of matters before the Federal Maritime Commission; requires budget estimate and legislative recommendations to be concurrently submitted to Congress; directs the Federal Maritime Commission to make recommendations for the revision and codification of 46 U.S.C. H.R. 10841. Passed House September 20, 1976; Passed Senate amended September 30, 1976. (VV)

SS/United States: Permits the Maritime Administration to sell the *SS/United States* as a floating hotel on navigable waters of the United States. H.R. 13218—Public Law 94– , approved 1976. (VV)

Translator broadcast operations: Amends section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programming, and to authorize frequency modulation (FM) radio translator stations to operate unattended in the same manner as is now permitted for television broadcast translator stations. S. 2847—Public Law 94-335, approved July 1, 1976. (VV)

U.S. Railway Association: Amends the Regional Rail Reorganization Act of 1973 to increase the authorization for the U.S. Railway Association for the transition period and fiscal year 1977 by $6.7 million and $12.1 million, respectively; clarifies the existing protection provided by section 206(d)(5) of the Act to eliminate one interpretation of the law which would suggest that the Board, the officers and the corporate entity of ConRail are not adequately protected when transferring property pursuant to the final system plan to meet the needs of commuter or intercity rail passenger service; clarifies that the deficiency judgment protection afforded by the act is extended to cover all the possible actions that the special court could take with respect to the properties designated in the final system plan for "pass through" to the various States and commuter agencies in the region; provides for ConRail's transfer to the State of Rhode Island of certain properties located in that State; and clarifies that the provisions which provide for an exemption from certain transfer and other local taxes in the context of the reorganization, applies to all the properties transferred and all the transfers of those properties contemplated by the final system plan and the Regional Rail Reorganization Act. H.R. 13325—Public Law 94– , approved 1976. (VV)

Vessels sale: Permits the Secretary of Commerce to sell to Mid-Pacific Sea Harvestors, Inc., two obsolete Navy vessels, the *Patapsco* (AOG-1) and *Kishwaukee* (AOG-2), for conversion and operation in the fisheries of the United States. S. 784—Passed Senate September 20, 1976. (VV)

War risk insurance: Renews, until September 30, 1979, the authority of the Secretary of Commerce to provide war risk insurance and reinsurance to American vessels and foreign-flag vessels owned by U.S. citizens or engaged in waterborne commerce of the United States or in such other services deemed by the Secretary to be in the interest of national defense or the national economy; insures that containers are eligible for war risk insurance by including loaded or unloaded containers aboard a vessel in the definition of cargo; allows the Secretary to assess an annual fee to cover the administrative costs of the Program; and provides legislative authority for the Maritime Administration to require all covered foreign-flag vessels utilized in time of national emergency to report their positions. H.R. 1083 Public Law 94– , approved 1976. (VV)

U.S. TERRITORIES

Guam Constitution: Permits the people of Guam to organize a government pursuant to a constitution of their own adoption; authorizes the Guam legislature to call a constitutional convention to draft a constitution within the existing territorial-federal relationship; requires that the constitution address certain specified issues including the sovereignty of the United States, a bill of rights, and a system of local courts; provides for the membership of the convention; requires that the convention submit a draft copy of the constitution to the Governor for submission to the President who shall transmit it within 60 days, together with his comments, to the Congress for approval; and provides that upon Congressional approval, the constitution is to be submitted to the people of Guam for approval by referendum, and if approved, shall become effective in accordance with its terms. H.R. 9491—Passed House October 6, 1976; Passed Senate amended July 20, 1976. Note: (Comparable provisions are contained in H.R. 9491, Virgin Islands and Guam Constitutions, which became Public Law 94- , approved , 1976.) (VV)

Guam Power Authority: Authorizes the Secretary of the Interior to guarantee bonds or other obligations of not more than $36 million which would mature not later than December 31, 1978, and with the concurrence of the Secretary of the Treasury, to extend the guarantee to December 31, 1980; provides that the guaranteed bonds or other obligations would be sold to the Federal Financing Bank without impact of the Federal budget; and directs the Federal Financing Bank to charge a rate of interest equal to the current average market yield on outstanding marketable obligations of the United States of comparable maturities plus 1 percent. H.R. 13679—Public Law 94-395, approved September 3, 1976. (VV)

Mariana Islands: Approves the text of the "Convenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" providing for the creation of a Commonwealth of the Northern Marianas under U.S. sovereignty, local self-government including the adoption of a local constitution by the residents of the Northern Mariana Islands, granting of citizenship or national status to the residents of the Commonwealth, and the extension of the provisions of the U.S. Constitution, treaties, and statutes with some limitation to the Commonwealth. H. J. Res. 549—Public Law 94-241, approved March 24, 1975. (44)

Trust Territory of the Pacific: Provides the following authorizations for the continuance of civil government for the Trust Territory of the Pacific Islands: $80 million for fiscal years 1976 and 1977; $15.1 million for the transition period July 1–September 30, 1976, plus such amounts authorized but not appropriated in fiscal year 1975; $1.8 million for human development projects in the Marshall Islands; $8 million for the construction of facilities for a 4-year college to serve the Micronesian community but provides that no appropriation may be made until the President has made a study concerning the educational needs and concepts of such a college and transmitted the study to the House and Senate Interior Committees which will have 90 calendar days to review the study; and the continuation of an authorization up to but not exceeding $10 million to offset reductions in or the termination of Federal grant-in-aid programs; and provides for the extension to Guam of those laws of the United States made applicable to the Northern Mariana Islands by the provisions of Public Law 94-241, except for the provision extending certain social security act programs. H.R. 12122—Public Law 94-255, approved April 1, 1976. (VV)

Virgin Islands and Guam Constitutions: Authorizes the people of the Virgin Islands and Guam to organize governments pursuant to a constitution of their own adoption; authorizes the legislatures to call constitutional conventions to draft, within the existing territorial-federal relationship, requires that the constitution recognize and be consistent with certain specified issues including the sovereignty of the United States, constitutions for the local self-government of their people; H.R. 9491—Public Law 94- , approved 1976. (VV)

Virgin Islands loan fund: Authorizes the legislature of the Virgin Islands to issue bonds or other obligations and to request a Federal guarantee for such obligations; extends the present controls on bond issues contained in the Revised Organic Act of the Virgin Islands except for the limitation that the public indebtedness may not exceed 10 percent of the aggregate assessed valuation of the taxable real property in the Virgin Islands, and other limitations inconsistent with this authority; sets forth the requirements for a Federal guarantee of any bond issue and provides that the Secretary of the Interior shall collect fees to cover administrative costs, that the guarantee is conclusive evidence of the eligibility of the obligation for the guarantee, that the interest on the guaraneed obligation will be subject to Federal income tax, that the aggregate amount of guaranteed obligations may not exceed $61 million, and that no guarantee may be entered into after October 1, 1979; establishes a revolving fund and authorizes the Secretary to borrow from the Treasury in the event of a default on a guaranteed obligation; provides that any bond issued under this Act will have a priority on revenues derived from the Organic Act for repayment and that of such bonds any guaranteed issue will have first priority; directs the Secretary to make grants for operations to the Virgin Islands' government in an amount not to exceed $8.5 million; provides that the Virgin Islands legislature may institute a 10 percent income tax surcharge; and authorizes such sums as necessary to carry out the provisions of the Act. H.R. 13359—Public Law 94-392, approved August 19, 1976. (VV)

Virgin Islands unemployment loans: Increases from $5 million to $15 million the maximum amount that may be loaned to the Virgin Islands Unemployment fund; makes funds appropriated under this authority available for loans until September 30, 1977; and extends from January 1, 1978, to January 1, 1979, the date for repayment of such loans. H.R. 13069—Public Law 94-354, approved July 12, 1976. (VV)

VETERANS

Allied veterans medical care: Amends title 38, U.S.C., to provide that any person who served honorably during either World War I or World War II as a member of the armed forces of Poland, Czechoslovakia, or any other government allied or associated with the United States would be eligible for Veterans' Administration hospital and domiciliary care and medical services on the same basis as any eligible veteran of the United States Armed Forces with a non-service-connected disability; requires that the allied veteran must have been a U.S. citizen for a period of at least 10 years, must have served under the command of the armed forces of France or Great Britain, and must not be entitled to services under current provisions of section 109, title 38, U.S.C., which provides such medical care subject to reimbursement of expenses from the allied government concerned. H.R. 71—Public Law 94- , approved 1976. (580)

American Battle Monuments Commission Travel Expenses: Authorizes members of the American Battle Monuments Commission (which was established after World War I to provide plans and cost estimates for suitable memorials to commemorate the services of the American Armed Forces on foreign soil), when traveling outside the continental United States, variable per diem rates identical to those authorized for members of the uniformed services in special status, and makes a technical amendment consistent with the changes made by the Travel Expense Amendments for Government employees (Public Law 94-22) concerning travel by members of the Commission within the continental United States. H.R. 8507—Public Law 94-256, approved April 1, 1976. (VV)

Veterans care in State homes: Amends section 641, title 38, U.S.C., to raise the per diem reimbursement rate for veterans receiving (1) domiciliary care from $4.50 to $5.50, (2) nursing home care from $6 to $10.50, and (3) hospital care from $10 to $11.50; applies the new, higher rates retroactively to January 1, 1976, thus entitling State veteran homes to the higher rates of reimbursement for any eligible veteran receiving care after that date although no payments will be made under the bill until on and after October 1, 1976; eliminates the requirement that States be reimbursed only for veterans who served in the Armed Forces during wartime or after January 31, 1955, and permits reimbursement for all otherwise eligible veterans regardless of period of service; and makes minor stylistic changes in section 641, title 38, U.S.C. H.R. 10394—Public Law 94-417, approved September 21, 1976. (VV)

Veterans disability compensation and survivors benefits: Provides an 8 percent cost-of-living increase for disabled veterans both in basic compensation rates and in the statutory awards relating to more serious disabilities; provides an 8 percent increase in the additional allowances for spouses, children and dependent parents paid to veterans rated 50 percent or more disabled; provides an 8 percent increase in dependency and indemnity compensation (DIC) benefits payable to surviving spouses of veterans where deaths were service-connected (including the additional allowance payable for dependent children and those in need of aid and attendance); provides an 8 percent increase in benefits, when there is no surviving spouse, payable to children of veterans whose deaths were service-connected; provides an 8 percent increase in DIC benefits paid to children who have become permanently incapable of self-support due to disability incurred prior to the age of 18; directs the Administrator to carry out a thorough study of the dependency and indemnity compensation program to measure and evaluate the adequacy of benefits and to determine whether such benefits should be based on the former military pay grade of the deceased veteran; increases from $175 to $190 the annual clothing allowance paid to certain seriously disabled veterans whose disability tends to wear out or tear their clothing; increases from $30,000 to $40,000 the VA mortgage protection life insurance available for certain severely disabled veterans eligible for and living in specifically adapted housing; extends eligibility for the VA automobile and adaptive equipment program to certain disabled veterans who served prior to World War II; authorizes VA payment for the cost of transportation to a national cemetery for burial of the remains of deceased disabled veterans; authorizes additional allowances for those spouses of veterans rated 50 percent or more disabled who require the aid and attendance of another person; includes "annulment" as a form of dissolution of marriage in application of the "end of the year" rule in establishing the effective date of reduction or discontinuance of compensation, DIC, or pension as a result of such action; directs the Administrator to conduct a scientific study to determine if there is a causal relationship between the amputation of an extremity and the subsequent development of cardiovascular disorders; and makes numerous technical amendments to chapter 11, Disability Compensation, and chapter 13, Dependency and Indemnity Compensation including the elimination of unwarranted or inappropriate gender references. H.R. 14299—Public Law 94- , approved 1976. (VV)

Veterans education assistance: Provides an 8 percent increase in GI bill benefits; provides an additional 9 months or a school year of eligibility, for a total of 5 years eligibility; increases the VA direct education loan from $600 a school year to $1500 a school year; contains numerous provisions to reduce or prevent abuse of the program; creates a Deputy Assistant Secretary for Veterans Employment within the Department of Labor, and creates a new GI bill known as the Post-Vietnam Era

Educational Program for all entering the service on or after January 1, 1977. S. 969—Public Law 94– , approved 1976. (VV)

Veterans' health care: Authorizes complete medical care for veterans with 50 percent or more service-connected disability (presently limited to those with not less than 80 percent service-connected disability); authorizes necessary counseling and mental health services for members of the family of service-connected veterans and in the discretion of the Administrator for non-service-connected disability under certain conditions; establishes priority in out-patient treatment for service-connected disabilities as a matter of law; extends medical benefits to survivors of veterans who at time of death were suffering from a permanent and total service-connected disability; extends until September 30, 1977, the Veterans' Administration's authority to enter into special pay agreements with physicians and dentists; increases authorized minimum level of nursing care beds in Veterans' Administration system from 8,000 to 10,000; authorizes Veterans' Administration domiciliary care for peacetime veterans; permits peacetime veterans to receive care in State homes with Veterans' Administration paying per diem; authorizes Veterans' Administration to participate in emergency immunization services where warranted; and establishes guidelines for ambulatory care program. H.R. 2735. Public Law 94– , approved 1976. (VV)

Veterans' housing loans: Amends chapter 17, title 38, U.S.C., to extend eligibility for housing benefits to veterans whose service in the Armed Forces was exclusively following the official termination of World War II and before the Korean conflict (July 25, 1947, to June 27, 1950); increases the maximum loan available through the Veterans' Administration direct home loan program from $21,000 to $33,000 and the maximum amount for a direct home loan in "excess cost" areas from $25,000 to $33,000 thereby providing a single standard throughout the United States; makes the V.A.'s loan guaranty and direct home loan programs ongoing permanent programs; increases the maximum mobile home loan guaranty for the purchase of mobile homes from 30 to 50 percent; makes technical amendments to the housing chapter to correct grammatical errors and to remove unnecessary references; and preempts, under certain conditions, State constitutional usury provisions which limit interest rates chargeable on FHA and VA mortgages by a certain class of lenders but which do not impose such rate limits on mortgages made by another class of lenders. S. 2529—Public Law 94–324, approved June 30, 1976. (VV)

Veterans' insurance: Amends title 38, U.S.C., to permit any Veteran insured under Servicemen's Group Life Insurance (SGLI) the right to convert to an individual policy of commercial life insurance including a term policy; permits Veterans insured under Veterans' Group Life Insurance when exercising their conversion privilege the right to choose an individual commercial policy of term insurance (convertible at a time specified in the policy to a permanent plan of insurance) or a whole life policy; extends for 1 year after enactment the period during which veterans extended retroactive eligibility by Public Law 93–289 for Veterans' Group Life Insurance may apply for such policies; and makes technical amendments to chapter 19, title 38, U.S.C., to clarify language, restructure sections and eliminate unnecessary gender references. S. 1911—Passed Senate March 19, 1976. (VV)

Veterans' medical information: Amends title 38, U.S.C., to authorize the Veterans' Administration to release the names and addresses of patients who are receiving or have received treatment in VA health care facilities (1) to any nonprofit entity if the release is directly connected with the conduct of programs and the utilization of benefits under title 38, U.S.C., or (2) to any criminal or civil law enforcement agency charged under applicable law with the protection of the public health or safety, if a qualified representative of the agency has made a written request that names or addresses be provided for a purpose authorized by law; and imposes fines and criminal liability for the knowing use or release of names and addresses under unauthorized conditions. H.R. 10268—Public Law 94–321, approved June 29, 1976. (VV)

Amends title 38, U.S.C. to permit the continued growth and development of the Department of Medicine and Surgery's Exchange of Medical Information (EMI) program by authorizing $3.5 million for fiscal year 1976, $1.7 million for the transition period July 1–September 30, 1976, and $4 million for each of fiscal years 1977 through 1979, to support grants and pilot programs in this field; and provides that proceeds to the Government received under the EMI program shall be credited to the applicable VA medical appropriation, instead of being returned to the Treasury as miscellaneous receipts. H.R. 3348—Public Law 94–424, approved September 28, 1976. (VV)

Veterans' pension reform: Makes permanent the 8-percent increase in non-service connected pension of Public Law 94–169 presently scheduled to expire on October 1, 1976; provides a 7-percent increase in pension rates effective January 1, 1976, to compensate for increases in the cost of living during calendar year 1976; increases by 7 percent the annual income limitations for eligible veterans, widows, children, and dependent parents to compensate for social security increases effective as of July 1, 1976; increases from $53 to $57 the monthly disability pension housebound rate for veterans; increases from $69 to $74 the monthly aid and attendance allowance for widows and dependent parents; increases from $133 to $155 the monthly aid and attendance allowance for veterans; provides for a graduated reduction in aid and attendance allowances for those veterans whose income exceeds a maximum allowable income limitations; provides a 25-percent added differential in pension rates for all eligible veterans 78 years of age or older; makes congressional findings that the current nonservice-connected pension program does not provide sufficient assistance to meet the needs of some eligible veterans and has further developed some inconsistencies, inequities, and anomalies which prevent it from operating in the most efficient and equitable manner and that it further subjects many pensioners annually to reductions in their pensions; and directs the Veterans Administration to make a comprehensive study to be completed not later than October 1, 1977, with recommendations for improving and making more equitable the nonservice-connected pension program. H.R. 14298—Public Law 94– , approved 1976. (VV)

William S. Middleton Veterans' Hospital: Designates the Veterans' Administration hospital in Madison, Wisconsin, as the "William S. Middleton Memorial Veterans' Hospital"; and allows the Veterans' Administration to participate in the swine flu immunization program by authorizing VA employees to administer the vaccine to veterans otherwise receiving care at VA health care facilities. H.R. 9811—Public Law 94–420, approved September 23, 1976. (VV)

PRELIMINARY REPORT OF ADVISORY COMMITTEE ON NATIONAL GROWTH POLICY PROCESSES

Mr. ROBERT C. BYRD. Mr. President, on behalf of the senior Senator from Montana, the distinguished majority leader (Mr. MANSFIELD), I ask unanimous consent notwithstanding the page limitation rule, that he, or I, on his behalf, may have printed in the interim issue of the RECORD to be published during the adjournment a preliminary report of the findings and recommendations of the Advisory Committee on National Growth Policy Processes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The following routine morning business was transacted today:

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

COMPENSATION FOR MEMBERS OF THE UNIFORM SERVICES

A letter from the President of the United States advising that he plans to exercise discretionary authority with respect to adjustments in the levels of compensation for members of the uniform services; to the Committee on Armed Services.

AIR FORCE RESERVE CONSTRUCTION PROJECT

A letter from the Deputy Assistant Secretary of Defense notifying the Congress of a proposed construction project to be undertaken by the Air Force Reserve; to the Committee on Armed Services.

REPORTS OF THE COMPTROLLER GENERAL

Two letters from the Comptroller General transmitting reports entitled as follows: "Evaluation of the Publication and Distribution of 'Shedding Light on Facts About Nuclear Energy' "; and "Governmental Buy—National Practices of the United States and Other Countries—An Assessment" (with accompanying reports); to the Committee on Government Operations.

PROSPECTUS OF THE GENERAL SERVICES ADMINISTRATION

A letter from the Administrator of General Services transmitting a prospectus for certain alterations in Arlington, Virginia (with accompanying papers); to the Committee on Public Works.

REPORT OF THE INTERNATIONAL TRADE COMMISSION

A letter from the Vice Chairman of the International Trade Commission transmitting a report on trade between the United States and nonmarket economy countries (with an accompanying report); to the Committee on Finance.

REPORT OF THE COUNCIL ON ENVIRONMENTAL QUALITY

A letter from the Council on Environmental Quality transmitting its report on Environment and Conservation in Energy Research and Development, September 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

SPEEDY TRIAL PLANS

A letter from the Director of the Administrative Office of the U.S. Courts transmitting a report on the operation of the speedy trial plans adopted by U.S. district courts (with an accompanying report); to the Committee on the Judiciary.

RELEASE OF CERTAIN BUDGET AUTHORITY

A letter from the General Counsel of the General Accounting Office reporting the release of certain budget authority for the Department of Health, Education, and Welfare; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, and Labor and Public Welfare.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General transmitting a report on the proposed lease of a building at 400 North Capitol Street, Washington, D.C. (with accompanying report); to the Committee on Appropriations.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter dated September 30, 1976, transmitting copies of international agreements other than treaties entered into during the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General transmitting a report entitled "The Army Should Evaluate Effectiveness of the Direct Support System and Make Improvements" (with accompanying report); to the Committee on Government Operations.

REPORTS OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget transmitting a report on a report by the Commission on the Bankruptcy Laws (with an accompanying report); to the Committee on the Judiciary.

A letter from the Deputy Director of the Office of Management and Budget transmitting a report on a report of the President's Council on Physical Fitness and Sports (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE DEPARTMENT OF THE ARMY

A letter from the Assistant Secretary of the Army reporting on a report of the Chief of Engineers entitled "Projects Recommended for Deauthorization"; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROBERT C. BYRD (for Mr. MUSKIE), from the Committee on the Budget without amendment:

S. Res. 559. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of certain provisions of H.R. 10760, the "Black Lung Benefits Reform Act of 1976" (Rept. No. 94–1376).

By Mr. ALLEN, from the Committee on Agriculture and Forestry with amendments:

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes (Rept. No. 94–1377).

By Mr. McCLELLAN, from the Committee on Appropriations with amendments:

H.J. Res. 1105. A joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes (together with minority views) (Rept. No. 94–1378).

By Mr. MUSKIE, from the Committee on the Budget without amendment:

S. Res. 566. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 15136 (Rept. No. 94–1379).

By Mr. EASTLAND, from the Committee on the Judiciary without amendment:

H.R. 9543. An act for the relief of Eupert Anthony Grant (Rept. No. 94–1380).

By Mr. MORGAN, from the Committee on Public Works without amendment:

H.R. 2749. An act to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square" (Rept. No. 94–1385).

H.R. 14956. An act to designate the "Joe L. Evins Post Office and Federal Building" (Rept. No. 94–1383).

H.R. 12927. An act to designate a Federal building and United States Post Office in Jasper, Georgia, as the "Phil M. Landrum Federal Building and Post Office" (Rept. No. 94–1384).

H.R. 14977. An act to name the Federal office building in Athens, Georgia, the "Robert G. Stephens, Jr., Federal Building" (Rept. No. 94–1382).

H.R. 11303. An act to designate the "Herman T. Schneebeli Federal Building" (Rept. No. 94–1386).

H.R. 15546. An act to designate the "Ray J. Madden Post Office Building" (Rept. No. 94–1387).

By Mr. CANNON, from the Committee on Rules and Administration without amendment:

S. Res. 564. A resolution authorizing supplemental expenditures by the Special Committee on Aging for inquiries and investigations (Rept. No. 94–1390).

S. Res. 579. An original resolution approving the lease of space in the North Capitol Plaza Building (Rept. No. 94–1391).

By Mr. HRUSKA, from the Committee on the Judiciary without amendment:

S. 2688. A bill for the relief of Marion G. Denton (Rept. No. 94–1393).

By Mr. MOSS, from the Committee on Commerce with an amendment:

S. 3311. A bill to amend the Federal Power Act, to provide coordinated long-range planning and facility siting in the electric utility industry, and for other purposes (title amended) (Rep No. 94–1394).

By Mr. LONG, from the Committee on Finance with amendments:

H.R. 10902. An act relating to the income tax treatment of securities which are acquired for business reasons and not as an investment (title amended) (Rept. No. 94–1392).

SEPARATION OF POWERS, ANNUAL REPORT—REPORT NO. 94–1381

Mr. ABOUREZK, from the Commttee on the Judiciary, submitted a report entitled "Separation of Powers Annual Report," which was ordered to be printed.

CONSUMER PROTECTION ENFORCEMENT ACTIVITIES—REPORT NO. 94–1388

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, submitted a report entitled "Consumer Protection Enforcement Activities" (together with additional views), which was ordered to be printed.

OMNIBUS RIVERS AND HARBORS ACT—CONFERENCE REPORT—(S. REPT. NO. 94–1395)

Mr. GRAVEL submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs:

Michael F. Starr, of Louisiana, to be Director, Intergovernmental, Regional and Special Programs, Federal Energy Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Harry Holland, of Arizona, to be a member of the Federal Council on the Aging.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

David M. deWilde, of the District of Columbia, to be President, Government National Mortgage Association.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

The following named persons to be Members of the Advisory Council on Women's Education Programs for terms expiring May 8, 1979:

Marjorie Bell Chambers, of New Mexico, vice Holly Knox, term expired.

Jon W. Fuller, of Michigan, reappointment.

Marguerite C. Selden, of the District of Columbia, vice Margaret B. Harty, term expired.

Agnes I. Chan, of California, vice Irene E. Portillo, term expired.

Thera C. Johnson, of Utah, vice Benjamin DeMott, term expired.

Elizabeth Z. Fryer, of Tennessee, vice Marsha Jean Darling, term expired.

The following-named persons to be members of the Federal Council on the Aging for terms expiring June 5, 1978:

Bertha S. Adkins, of Maryland. (Reappointment.)

Mrs. John William Devereux, of Hawaii. (Reappointment.)

John B. Martin, of Maryland. (Reappointment.)

Nat T. Winston, Jr., of Tennessee.

The following-named persons to be Members of the National Council on Educational Research for terms expiring June 11, 1979:

John E. Corbally, of Illinois (Reappointment.)

Jewel Lafontant, of Illinois, vice Edward E. Booher, term expired.

Charles J. Fahey, of New York, to be a Member of the Federal Council on Aging for a term expiring June 5, 1979, vice Charles J. Turrisi, term expired.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Maj. Gen. Leroy J. Manor, U.S. Air Force, to be lieutenant general. I ask that this nomination be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. In addition, there are 15 in the Navy for temporary and permanent promotion to the grade of lieutenant (list beginning with Arboth A. Rylant); and 846 in the Air Force for appointment to the grade of first lieutenant (list beginning with Thomas J. Accamando); and 356 in the Army Reserve for promotion to the grade of colonel and below (list beginning with Homer J. Allbritton). Also, there are 694 in the Marine Corps for temporary promotion to the grade of captain (list beginning with Mark W. Adams). Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of September 20, 1976, at the end of the Senate proceedings.)

By Mr. Eagleton, from the Committee on the District of Columbia:

Theodore R. Newman, Jr., of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. FORD. Mr. President, as in executive session, I report favorably from the Committee on Commerce sundry nominations in the Coast Guard which have previously appeared in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of September 16, 1976, at the end of the Senate proceedings.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, October 1, 1976, he presented to the President of the United States the following enrolled bills:

S. 14. An act to provide cost-of-living adjustments in retirement pay of certain Federal judges;

S. 1414. An act to amend the Commercial Fisheries Research and Development Act of 1964 to change certain procedures in order to improve the operation of the programs under such Act and to make the Trust Territory of the Pacific Islands eligible to participate in such programs;

S. 1506. An act to amend the Wild and Scenic Rivers Act, and for other purposes;

S. 1971. An act to designate the plaza area of the Federal Building, Portland, Oreg., the "Terry Schrunk Plaza";

S. 2657. An act to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes;

S. 2839. An act to supplement the authority of the President to collect regular and periodic information on international investment;

S. 2991. An act to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes;

S. 3035. An act for the relief of Alice W. Olson, Lisa Olson Hayward, Eric Olson, and Nils Olson;

S. 3050. An act to authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multiyear basis; and

S. 3383. An act to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were read twice by their titles and referred as indicated:

H.R. 2743. An act to authorize the Secretary of Agriculture to convey certain lands in the Sierra National Forest, Calif., to the Madera Cemetery District; to the Committee on Agriculture and Forestry;

H.R. 4580. An act to amend the Organic Act of Guam to provide for the reorganization of the judicial system of Guam, and for other purpcses; to the Committee on Interior and Insular Affairs;

H.R. 12896. An act to name the Veterans' Administration hospital located at 13000 North 30th Street, Tampa, Fla., the James A. Haley Veterans' Hospital; to the Committee on Veterans' Affairs;

H.R. 13948. An act to designate the U.S. Army Engineer Waterways Experiment Station in Vicksburg, Miss., as the "Will M. Whittington Waterways Experiment Station" to the Committee on Public Works;

H.R. 14970. An act to extend the special unemployment assistance program for 1 year, and for other purposes; to the Committee on Finance;

H.R. 15671. An act to name the Veterans' Administration hospital located at 200 Springs Road, Bedford, Mass., the "Edith Nourse Rogers Memorial Veterans' Hospital"; to the Committee on Veterans' Affairs;

H.R. 15686. An act to designate the "James J. Rowley Secret Service Training Center"; to the Committee on Public Works; and

H.J. Res. 1022. A joint resolution providing for the designation of the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week"; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. GARY HART:

S. 3874. A bill to establish a program to provide assistance to local governments for solid waste disposal programs. Referred to the Committee on Public Works.

By Mr. GARN (for himself and Mr. Tower):

S. 3875. A bill entitled "The Truth in Lending Simplification Act of 1976." Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. JAVITS (for himself and Mr. Griffin):

S. 3876. A bill to provide for the implementation of a full employment policy through the establishment of a Federal Employment System. Referred to the Committee on Labor and Public Welfare.

By Mr. ROBERT C. BYRD (for Mr. Bentsen):

S. 3877. A bill for the relief of Franklin R. Helt;

S. 3878. A bill for the relief of Dr. Laurence T. Gayao, his wife, Edith Gayao, and their child, Lorraine Gayao; and

S. 3879. A bill for the relief of Dr. Antonio Panganiban Serrano, his wife, Dr. Lesley B. Tiongko Serrano, and their son, Kenneth Neil Serrano. Referred to the Committee on the Judiciary.

By Mr. TOWER:

S. 3880. A bill to amend the Federal Deposit Insurance Act to establish a Federal Banking Appeals Board. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PASTORE.

S. 3881. A bill for the relief of Maria Ramona Amazo (wife) Edgar Enrique Dominguez-Cambuzano (husband). Referred to the Committee on the Judiciary.

By Mr. PELL:

S. 3882. A bill for the relief of Jovito Barros Cabral. Referred to the Committee on the Judiciary.

By Mr. STAFFORD:

S. 3883. A bill to amend the Railroad Retirement Act of 1974 to provide for payment of annuity to an individual who has completed 30 years of service, without regard to such individual's age. Referred to the Committee on Labor and Public Welfare.

By Mr. BROOKE:

S. 3884. A bill to authorize the Federal Insurance Administrator to issue charters to corporations for carrying on the business of insurance, to provide for the guarantee of the insurance obligations of such corporations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BAKER:

S. 3885. A bill for the relief of Ms. Kim Joy Gemmill. Referred to the Committee on the Judiciary.

By Mr. NELSON:

S. 3886. A bill to amend title 28, United States Code, to make clear that State or Federal prisoners who are otherwise eligible for Federal habeas corpus relief may not be denied such relief on the ground that such State or Federal Government provided an opportunity for a full and fair litigation of a constitutional claim, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. GARY HART:

S. 3887. A bill to encourage and assist the States to develop improved programs for the conservation of nongame species of native fish and wildlife, and for other purposes. Referred to the Committee on Commerce; and

S. 3888. A bill to restore and promote competition in the petroleum industry, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS:

S. 3889. A bill to establish, in the executive branch of the Government of the United States, a Department of the Environment and Oceans, and for other purposes. Referred to the Committee on Government Operations.

By Mr. CURTIS:

S. 3890. A bill for the relief of Herta Schleifer and her daughter Renate Schleifer. Referred to the Committee on the Judiciary.

By Mr. ABOUREZK (for himself and Mr. McGovern):

S. 3891. A bill to establish a farm training adjustment program for farmers whose farming operations are adversely affected by a natural disaster. Referred to the Committee on Agriculture and Forestry.

By Mr. JOHNSTON:

S. 3892. A bill for the relief of Soon Bok Yoon. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3893. A bill to authorize the Secretary of Agriculture to guarantee loans and to make payment adjustments on behalf of individuals who wish to purchase farmland for the purpose of engaging in farming but who are unable to purchase such land without Federal assistance, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. BAKER (for himself and Mr. BUCKLEY):

S. 3894. A bill to amend the Federal Water Pollution Control Act, as amended. Considered and passed.

By Mr. WILLIAMS:

S. 3895. A bill to improve access to and transportation within urban national parks and recreation areas, to authorize a study of options for transportation to and within all units of the National Park System, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY:

S. 3896. A bill to transfer responsibility for furnishing certified copies of certain payment bonds from the Comptroller General of the United States to the officer that awarded the contract for which the bond was given. Referred to the Committee on Government Operations.

By Mr. GARY HART:

S. 3897. A bill to establish a national system of child and maternal health care and a system of protection against catastrophic health care costs. Referred to the Committee on Finance and the Committee on Labor and Public Welfare, jointly, by unanimous consent.

By Mr. McCLURE:

S. 3898. A bill for the relief of Francisco Ronquillo and Ruben Leonardo Ronquillo. Referred to the Committee on the Judiciary.

By Mr. GARY HART:

S. 3899. A bill to establish a comprehensive program to provide financial and technical assistance to States, local governments and Indian tribes to manage impacts caused by energy development, and for other purposes. Referred to the Committee on Government Operations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GARY HART:

S. 3874. A bill to establish a program to provide assistance to local governments for solid waste disposal programs. Referred to the Committee on Public Works.

Mr. GARY HART. Mr. President, today I am introducing the National Materials Policy Act, a bill which takes an entirely new approach to the enormous problems created by the growing quantities of refuse, or solid waste.

The bill is designed to reduce the costs and burden of waste disposal on municipalities and at the same time promote increased recycling of postconsumer wastes.

This objective would be achieved by levying a charge on those industries which create these solid wastes in the first place, and reducing the charge on these same industries in proportion to the amount of postconsumer wastes they use in their manufacturing process. Revenues collected from the charge will be distributed to localities to offset their tremendous solid waste management costs.

Over the last several years, the Congress has taken strong action to deal with air and water pollution. But, we have been more reluctant to act on the subject of solid waste, because the solid waste problem involves complex issues including the use of our natural resources, the economics of recycling, as well as the environmental degradation which results from our failure to conserve and reuse.

Mr. President, we are doing an admirable job of recycling those waste products commonly referred to as "home" scrap and "prompt" scrap. These wastes are generated at the production and fabricating stage, and are recycled, in many cases, at a rate of between 90 and 100 percent. Although a number of factors facilitate this high recycling rate, it is primarily because these wastes are economical to recycle and need little sorting, decontamination, or shipping.

Where we find ourselves in real trouble is in the area of mixed municipal wastes. These wastes—well over 200 million tons a year—are not presently recycled because of high costs associated with the necessary collection, sorting, decontamination, and transportation. What we have with respect to these wastes is a one-way materials flow, with the cities at the bottom of the line, literally holding the bag.

Mr. President, this one-way materials flow, this use-it-once-and-throw-it-away system has been fostered and encouraged by the fact that many of the costs involved with these products are neither paid by the manufacturer nor directly by the consumer.

They are borne instead by society in general, and are paid out of local taxes. The present cost to local governments for simply collecting and disposing of municipal solid waste is nearly $6 billion a year—a national average of $26 per ton.

The result is twofold. First, the costs of collection and disposal are a tremendous burden on the local tax base. But, perhaps more importantly, the exclusion of these costs from the market price of products acts as a subsidy to the manufacturer, and provides a sizeable financial disincentive to recycling. Why should a manufacturer buy recycled materials and substittue them for virgin materials if the local government is going to pick up the tab for collection and disposal?

The National Materials Policy Act will attack both problems by placing a weight or unit-based charge on the manufacturer of those products which end up in the municipal solid waste stream. The charge would be $26 a ton, the average national cost of handling the product at the local level, for paper and flexible packaging, and 5 cents per container for rigid containers.

The proposed charge would be reduced in proportion to the amount of postconsumer wastes used in the manufacture of the product, creating then a powerful incentive to use postconsumer materials in order to avoid the charge.

And, finally, it is intended that revenues collected from this program would be returned to local governments to alleviate the financial burden of operating municipal solid waste systems.

Mr. President, the EPA has made some preliminary investigations into the effects of this type of disposal charge. These studies indicate the possibility of a major increase in the present rate of recycling as a result: 50 percent for aluminum containers and 27 percent for paper, to cite two examples.

Mr. President, I have become increasingly alarmed by the proliferation of Federal regulations designed to solve pollution problems. The regulatory approach to air and water pollution was chosen for a number of reasons. But, I suspect, it was chosen in part because we let the problems reach crisis proportions before acting, and this crisis orientation precluded any real consideration of economic alternatives.

I look down the road and see regulations for solid waste as well. And with regulation comes the necessity for massive Federal grants to State and local governments to help them cope with the new and unfamiliar Federal requirements.

Mr. President, I offer the National Materials Policy Act as an alternative.

This proposal will provide a significant incentive for recycling by adding the pollution costs to society to the manufacturing decision process where it belongs; by offering a competitive advantage to the manufacturer who uses postconsumer wastes in his product; and by alleviating the local financial burden associated with solid waste management at absolutely no cost to the Federal Treasury.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Materials Policy Act of 1976".

TABLE OF CONTENTS

Sec. 2. Findings and purposes.
Sec. 3. Definitions.
TITLE I—ENVIRONMENTAL QUALITY ASSISTANCE AND NATURAL RESOURCE MATERIAL CONSERVATION INCENTIVES
Sec. 101. Solid waste product disposal charge system.
Sec. 102. Exports.
Sec. 103. Environmental Quality Assistance Fund.
Sec. 104. Penalties.
TITLE II—GENERAL PROVISIONS
Sec. 201. State regulation.
Sec. 202. Records, reports, and information.
Sec. 203. Regulations, procedure, and judicial review.

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that—

(1) municipal solid waste management costs are not reflected in the market prices of those materials and products entering the municipal waste stream, and that these costs have largely been borne by the general taxpayer resulting in severe financial stress to the local tax base;

(2) as a consequence materials and products that unnecessarily waste natural resources, and which contribute to environmental degradation at both the extractive and the discard stages of the materials use cycle, are placing a serious burden on interstate commerce;

(3) there is a need to reduce this burden through economic incentives to discourage inefficient, wasteful and unnecessary material use through increased recovery, reuse, and recycling of waste materials, and by designing products that are inherently less wasteful; and

(4) there is a need to provide financial assistance to local governments which have borne the environmental and fiscal costs of this excessive material use;

(b) The Congress hereby declares that the purpose of this Act, therefore, is to establish a national solid waste product charge system which will—

(1) alleviate the financial burden that the rapid increase in solid wastes and unit solid waste management costs have imposed on local government;

(2) provide incentives for the establishment of markets for materials recovered from solid waste in order to promote environmentally sound manufacturing processes and to encourage the conservation of vital natural resources;

(3) internalize the costs of collecting, transporting, and disposing of materials and products by producers and consumers in order to promote market efficiency and to enable consumers who so wish to make value comparisons based on minimizing the overall economic and environmental burdens associated with such products; and

(4) provide adequate time for producers and consumers to adjust their production and consumption practices.

DEFINITIONS

SEC. 3. As used in this Act the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Secretary" means the Secretary of the Treasury;

(3) "commerce" means commerce among the several States or with foreign nations or in any State or between any State and foreign nation;

(4) "solid waste management costs" means the economic cost (measured in dollars per standard unit) of collecting and processing solid waste, obtained from a solid waste management cost survey of representative domestic solid waste management systems meeting environmental standards;

(5) "environment" includes water, air, land, all living things therein, and the interrelationships which exist among these;

(6) "Fund" means the Environmental Quality Assistance Fund established under section 103 of this Act;

(7) "person" means any individual, government, corporation, partnership, association, trust, or organized group of persons whether incorporated or not;

(8) "municipality" means (A) a city, town, borough, county, parish, district, or other public body created by or pursuant to State law, or an Indian tribe or authorized tribal organization or Alaska native village or organization, with responsibility for the supervision or administration of solid waste management of municipal and commercial solid waste generated within its political boundaries, and (B) includes any rural community or unincorporated town or village or any other public entity which has assumed such responsibility and for which an application for assistance is made by a State or political subdivision thereof;

(9) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico and any organized territory or possession of the United States;

(10) "solid waste management system" means a system for the collection, storage, transportation, treatment, recovery, utilization, processing, or final disposal, including conversion into energy, of residential or commercial solid waste;

(11) "secondary materials" means material that has already appeared in the form of a bulk or finished good and has been recovered for reuse, and includes industrial scrap generated in the fabrication and conversion of bulk material into finished goods and also any material obtained from products discarded by the final consumer;

(12) "post-consumer secondary material" means materials or products that have been used by an ultimate consumer and which would typically enter the commercial or residential solid waste stream, but excludes waste or scrap created in a manufacturing or converting operation, and material recovered outside the United States;

(13) "commercial solid waste" means all types of solid wastes generated by stores, offices, restaurants, warehouses and other nonmanufacturing activities, and nonprocessing wastes generated at industrial facilities such as office and packing wastes which are stored separately from processing wastes;

(14) "residential solid waste" means the wastes generated by the normal activities of households, including but not limited to, food wastes, rubbish, ashes, and bulky wastes;

(15) "charge" means a Federal exise tax;

(16) "prevailing charge schedule" means the updated schedule of charges for the various product categories calculated by the Administrator in his periodic adjustments of the initial base charge to reflect inflationary factors, environmental pollution control requirements, and the changes in solid waste management practices;

(17) "paper" means all kinds of matted or felted sheets of fiber (usually vegetable, but sometimes mineral, animal, or synthetic), including paper and paperboard products used for printing, writing, packaging and sanitary purposes;

(18) "flexible packaging" means all nonpaper products used to package or wrap consumer goods and includes (A) flexible plastic including cellophane, polyethylene, polypropylene, collapsible tubes, plastic sheet, and plastic closures and (B) flexible and semi-flexible consumer aluminum products, including aluminum plates, collapsible tubes, foil, and closures; and

(19) "rigid containers" includes all nonpaper packages used to contain consumer products that retain their structural configuration after the contents are removed and includes rigid plastic containers, steel cans including aerosol cans, aluminum cans, and glass jars and bottles.

TITLE I—ENVIRONMENTAL QUALITY ASSISTANCE AND NATURAL RESOURCE MATERIAL CONSERVATION INCENTIVES

SOLID WASTE PRODUCT DISPOSAL CHARGE SYSTEM

Sec. 101. (a) (1) Within one year from the date of enactment of this Act, the Administrator, following consultation with the Secretary, shall prescribe and shall from time to time revise such regulations as are necessary to establish a schedule of national solid waste product charges which shall include a charge on the sale or transfer at the bulk production level of rigid containers, flexible packaging, and all paper products with the exception of building, construction, and industrial grades.

(2) The initial base charge schedule shall include a charge of 1.3 cents per pound ($26 per ton) for paper and flexible packaging and a charge of 0.5 cents per container ($5.00 per thousand containers) for rigid containers, adjusted for that fraction which would normally be lost in any subsequent production stage.

(3) The Administrator shall establish a national solid waste management cost survey or indexing procedure to revise the base charge periodically to reflect changes in solid waste management costs. Such periodic adjustments shall be no more freqeunt than every two years nor no less frequent than every four years.

(4) The charge will be introduced over a ten year period according to the following schedule: zero percent of the charge established in the initial charge schedule in the first year during which such charge is established, and 10, 20, 30, 40, 50, 60, 70, 80, 90, and 100 percent of the charge in the prevailing charge schedule specified by the Administrator in the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh and all subsequent years.

(5) For any product subject to the charge, the Administrator shall establish procedures to reduce the prevailing charage for each producer by the per centum of post-consumer secondary materials incorporated in the product.

(6) The Administrator shall from time to time but no less than every four years consider whether the purposes of this Act would be served by modifying this section, and shall so inform Congress in the report prepared pursuant to section 202(b) (3).

(b) Any charges established by the Administrator under this title shall, in accordance with regulations prescribed by the Secretary of the Treasury, be levied on and paid by the person who manufactures, produces, or imports the product in either its bulk or finished form as determined by the Administrator. In making this decision as to who shall pay the charge, the Administrator shall take into account the number of establishments that would have to be monitored, the difficulty of making the adjustment for secondary material content, the ability to distinguish the product stream to be charged, and such other factors as affect the administrability and equity of the charge. However, it is the intent of this Act that the charge be levied at the earliest practical stage of the product's manufacturing sequence.

EXPORTS

SEC. 102. After consultation with the Secretary of the Treasury, the Administrator shall establish procedures to insure that products exported prior to final use do not bear the charge pursuant to section 101. The Administrator may satisfy this requirement by a rebate to the exporter or by adjusting the product charge paid by the manufacturer.

ENVIRONMENTAL QUALITY ASSISTANCE FUND

SEC. 103. (a) There shall be established in the Treasury of the United States an Environmental Quality Assistance Fund which shall be available to the Administrator and the Secretary as trustees of the Fund, to carry out the purposes of this Act.

(b) All sums received as charges under this title shall be deposited in the Fund.

(c) The Fund shall be available as provided in appropriation Acts to the Administrator and the Secretary to defray the costs of administering this Act: *Provided*, That not more than one-half of 1 percentum of the sums accruing to the Fund over any five year period shall be available for such purpose during that five year period,

(d) Amounts in the Fund in any fiscal year in excess of those required for the purposes of subsection (c) shall be available for appropriation for the purpose of this subsection. The amount so appropriated in each fiscal year shall be allotted by the Administrator among all the municipalities in each State. Such allotments shall be made among the States in the ratio that the population in each State bears to the population in all of the States and among all the municipalities in each State in the ratio that the population in each municipality bears to the population in all of the municipalities within the State of such municipality. A municipality's allotment pursuant to this section shall be available for expenditure for solid waste disposal programs within the guidelines established pursuant to subsection (f).

(e) The Administrator shall establish guidelines for municipalities receiving funds under this section that will insure efficient and environmentally sound solid waste management practices. Such guidelines will be consistent with section 209 of the Solid Waste Disposal Act, as amended.

(f) The Administrator shall report on the distribution and use of such funds in his report pursuant to section 302.

PENALTIES

SEC. 104. (a) Any person who knowingly attempts in any manner to evade any charge pursuant to this title, or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than five years, or both, together with the costs of prosecution.

(b) Any person required under this title, or regulations prescribed thereunder, to collect, account for, and pay over any charge imposed pursuant to this title who knowingly fails to collect or truthfully account for any pay over such charge shall, in addition to other penalties provided by law be guilty of a felony and, upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than five years, or both, together with the costs of prosecution.

(c) Any person required under this title to pay any charge, or required by this title or by regulations prescribed thereunder, to make a return or statement, keep any records, or supply any information, who knowingly fails to pay such charge, make such return or statement, keep such records, or supply such information at the time or times required by law or regulations, shall in addition to other penalties provided by law, be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than $10,000, or imprisoned not more than one year, or both, together with the costs of prosecution.

(d) Any individual required to supply information or keep certain records under this title, or regulations prescribed thereunder, who knowingly supplies false or fraudulent information, or falsifies such records shall, in addition to any other penalty provided by law, upon conviction thereof, be fined not more than $500 or imprisoned not more than one year, or both.

(e) Any person who pursuant to this title, or regulations prescribed thereunder, knowingly delivers or discloses to the Administrator, the Secretary, or their delegates any list, return, account, statement, or other document which is fraudulent or false as to any material matter shall be fined not more than $1,000 or imprisoned not more than one year, or both. Any person required pursuant to this title, or regulations prescribed thereunder, to furnish any information to the Administrator or the Secretary, or any other person who knowingly furnished for the purpose of this title or such regulations, to the Administrator or such other person any information which is fraudulent or false as to any material matter shall be fined not more than $1,000, or imprisoned not more than one year, or both. Any person who for the purposes of this title or such regulations—

(1) knowingly makes and subscribed to any return, statement, or other document which contains or is verified by a written declaration as having been made under the penalties of perjury and which he does not believe to be true and correct as to every material matter; or

(2) knowingly aids or assists in, or procures, counsels, or advises the preparation on or presentation under, or in connection with any return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document; or

(3) removes, deposits, or conceals, or is concerned in removing, depositing, or concealing any goods or commodities for or in respect whereof any charge is or shall be imposed, or any property upon which levy is authorized under this title, with intent to evade or defeat the assessment or collection of any charge imposed pursuant to this title; shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $5,000 or imprisoned not more than three years, or both, together with the costs of prosecution.

TITLE II—GENERAL PROVISIONS

STATE REGULATION

SEC. 201. Nothing in this Act shall be construed to preclude or deny any State or political subdivision of a State the right to adopt or enforce any standard or regulation relating to the reduction of solid waste volume, the character of such waste, or the reuse or recycling of such waste, which is more stringent than standards or regulations imposed under this Act.

RECORDS, REPORTS, AND INFORMATION

SEC. 202. (a) Each manufacturer of a product to which this Act is applicable shall—

(1) establish and maintain such records, make such reports, provide such information, and make such tests as the Administrator or the Secretary may, at his discretion, reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this Act;

(2) upon request of an officer or employee duly designated by the Administrator or the Secretary, permit such officer or employee at reasonable times to have access to such information and the result of such tests and to copy such records; and

(3) to the extent required by regulations of the Administrator or the Secretary, make products coming off the assembly line or otherwise in the hands of the manufacturer available for testing by the Administrator: *Provided*, That the Administrator or the Secretary shall require only the minimum number of products needed to conduct such tests as he finds necessary to further the purposes of this Act.

(b)(1) All information obtained by the Administrator or the Secretary, or a representative pursuant to subsection (a) of this section, which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential for the purpose of that section except that such information may be disclosed to other Federal officers or employees, in whose possession it shall remain confidential, or when relevant to the matter in controversy in any proceeding under this Act, but only where such disclosure is essential to the conduct of such proceeding.

(2) Nothing in this subsection shall authorize the withholding of information by the Administrator or the Secretary, or by any officer or employee under the control of either, from the fully authorized committees of the Congress.

(3) The Administrator shall from time to time, but no less frequently than annually, report on the progress of this Act to the President and the Congress.

REGULATIONS, PROCEDURES, AND JUDICIAL REVIEW

SEC. 203. (a) At his own initiative, or upon the petition of any person, the Administrator and the Secretary of the Treasury are each authorized to issue regulations to carry out the purposes of this Act and to amend or rescind such regulations at any time.

(b) The Administrator or the Secretary of the Treasury shall publish any regulations proposed under this Act in the Federal Register at least sixty days prior to the time when such regulations shall become final. The Administrator or such Secretary shall also publish in the Federal Register a notice of all petitions received under subsection (a) and, if such petition is denied, the reasons therefor. Such notice shall identify the purpose of the petition and include a statement of the availability of any data submitted in support of such petition. If any person adversely affected by a proposed regulation files objections and requests a public hearing within forty-five days of the date of publication of the proposed regulation, the Administrator or such Secretary shall grant such request. If such public hearing is held, final regulations shall not be promulgated by the Administrator or such Secretary until after the conclusion of such hearing. All public hearings authorized by this subsection shall consist of the oral and written presentation of data or arguments in accordance with such conditions or limitations as the Administrator or such Secretary may make applicable thereto.

(c) Proposed and final regulations issued under this Act shall set forth the findings of fact on which the regulations are based and the relationship of such findings to the regulations.

(d) Any judicial review of final regulations promulgated under this Act shall be in accordance with sections 701–706 of title 5, United States Code, except that with respect to relief pending review, no stay of an agency action may be granted unless the reviewing court determines that the party seeking such stay (1) is likely to prevail on the merits in the review proceeding, and (2) will suffer irreparable harm pending such proceeding.

(e) If the party seeking judicial review applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court either—

(1) that the information is material and was not available at the time of the proceeding before the Administrator or the Secretary of the Treasury; or

(2) that failure to include such evidence in the proceeding was an arbitrary or capricious act of the Administrator or such Secretary,

the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator or the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as the court may deem proper. The Administrator or the Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

By Mr. GARN (for himself and Mr. TOWER):

S. 3875. A bill entitled "The Truth in Lending Simplification Act of 1976." Referred to the Committee on Banking, Housing and Urban Affairs.

THE TRUTH IN LENDING SIMPLIFICATION ACT OF 1976

Mr. GARN. Mr. President, I am today introducing amendments to simplify the

Truth in Lending Act to bring the consumer more meaningful credit cost disclosures and relieve business of an unreasonable compliance and paperwork burden being placed upon it by the complexities of the law and regulations.

PROBLEMS CREATED FOR THE CONSUMER, THE COURT SYSTEM, AND BUSINESS BY THE TRUTH IN LENDING ACT

Oversight hearings on the Truth in Lending Act conducted by the Senate Consumer Affairs Subcommittee in March of 1976 produced shocking evidence that litigation based on the punitive damage provision of the Truth in Lending Act is seriously encumbering the work of the Federal courts in certain sections of the country. A former Federal district judge informed the subcommittee that from his experience the present enforcement procedures in the truth in lending area raised two basic concerns:

> (1) that the flood of private cases in the United States District Courts substantially overburdened the federal judiciary system which is already being taxed beyond its capacity; and (2) that the present means of enforcement of the objectives of the Act—to provide meaningful disclosure of credit terms—were not necessarily being accomplished by the present mode of enforcement.

In hearings recently held by the full Senate Banking Committee on truth in lending enforcement, Prof. Jonathan Landers, visiting scholar of the American Bar Foundation, predicted that, if the truth in lending were persecuted with the same vigor in all judicial districts, we might have 10,000 or 15,000 cases rather than the 2,200 cases. He lamented that the problem is more serious than it appears to be.

Small business and the competitive market system is suffering as a result of the complexities of the regulation and the threat of civil litigation. A representative of the Nation's retailers told our subcommittee that small businesses are being driven from inhouse credit to the adoption of bank credit cards. He strongly advocated immediate steps for simplification of truth in lending.

Nor do consumers benefit from this situation. There is little or no evidence that consumers in large numbers are relying on truth in lending disclosures for shopping purposes. The truth of the matter is that the litigation under the Truth in Lending Act does not result from the failure of the consumer to receive sufficient disclosure to shop for credit. According to witnesses who have appeared before the subcommittee, the cases most commonly are a product of unrelated disputes between the creditor and the consumer. The consumer undoubtedly would be in a much better position to effectively utilize the disclosures if they were simple and easily read.

Simplification of the Truth in Lending Act should thus benefit the consumer and the industry as well as relieve the federal courts of the burden of frivolous small claims litigation.

THE SOURCE OF THE PROBLEM

The source of the problem, according to Professor Landers, may be traced to the drafting of the original act when emphasis was shifted from disclosures of cost of credit to an emphasis on selectively disclosing some of the underlying terms of the credit transaction. The original legislative philosophy was a functional one—that the consumers would get disclosures and use them to decide on credit transactions. The revised philosophy called for a disclosure of all relevant information. This led to the assertions that such items as default charges and acceleration clauses must be disclosed generating much of the confusion and litigation.

Professor Landers gave to the Senate Banking Committee on July 28 this description of the effect of the switch to credit terms disclosure on truth in lending statements and truth in lending violations:

> The shift from credit cost disclosure to credit term disclosure had a dramatic and devastating impact. Compliance was made many times more difficult since disclosure was not limited to the basic numbers which are the essence of all consumer credit transactions, but extended to some, but not all, of the operative contractual terms of the transaction. The problem was compounded because Congress and the board emphasized the credit cost disclosure provisions in designing the disclosure requirements with the result that the term disclosure provisions were not as clearly designed or easy to apply. And, selective term disclosure resulted in more outright violations, and even more significantly, more arguable violations. The arguable violation standard is significant because this is likely to be the issue for a plaintiff considering a lawsuit: can a credible argument be made of a TIL violation which presents a sufficiently good probability of success to justify the litigation.
>
> The reason term disclosure made compliance much more difficult is that term disclosure lacked the precision of meaning as the numerical categories. Creditors always used rather lengthy contracts, and the effect of TIL was to require some but not all of the contractual provisions to be broken out separately as part of the TIL statement. In addition, consumers might always argue that some provision in the contract modified or affected the terms which were disclosed so that further disclosure was required. Thus, short of including the entire contract on the disclosure statement, it is difficult to be sure what was included. Moreover, when courts considered the cases of term disclosure, they had no clear philosophic backdrop. If the "all relevant factors" philosophy applied, and the court thought a consumer might find the information helpful, disclosure might be required. And, the notion that TIL included disclosure of transaction breakdown information permitted creditable arguments for disclosure of much of the underlying credit contract.
>
> Let me offer one example. TIL requires disclosure of default charges but it may be argued that any creditors' remedy in the event of default is a form of charge which should be disclosed. For example, it seems relatively clear that the authors of these provisions intended this to cover a charge of $2.50 if the consumer is late in making a payment. But it may be argued that the creditors' right of acceleration ought to be disclosed under such a provision. Surely, such a right of acceleration is more serious from the consumer's point of view than the $2.50 charge, and is information which a rational consumer might want to know about. The result has been a vast amount of litigation on this precise issue.
>
> The requirements of credit term disclosure and the computational disclosure had another, and equally detrimental, effect. The TIL statement became lengthy and unwieldy, and also, that since more categories of information was being provided, there was a much greater chance of a creditor mistake. This latter point becomes especially important when it is remembered that many TIL statements are filled out in the store in the "heat" of transaction.
>
> Moreover, as credit term disclosure and computational disclosure became increasingly important, creditors often attempted to protect themselves by even more comprehensive and complete disclosure. This created the risk of still new violations. And, when creditors turned to the Board or its staff for assistance, the result was sometimes more required disclosures or more complex statements of the transaction.
>
> Finally, the effect of term disclosure made board promulgation of model forms a doubtful enterprise. In its initial pamphlet on TIL, the Board did include a number of model forms. Then courts began to hold that some of the forms violated the act or regulation because of inadequate term disclosure. This is understandable because term disclosure simply does not lend itself to uniformity of statement. The result was that subsequent versions of the pamphlet have omitted the forms.
>
> In short, the requirement of selective term disclosure and the all is relevant philosophy made compliance extremely difficult and the chance of a violation extremely high. When this was combined with certain litigational factors which encouraged TIL suits, the predictable result was a rapid growth in TIL litigation.

EXAMPLES OF AMBIGUITIES UNDER THE TRUTH IN LENDING ACT

The condition described by Professor Landers set the stage for nonwillful hypertechnical violations of the Truth in Lending Act. Judge North in *McDaniel* v. *Fulton National Bank of Atlanta*, CCH Consumer Credit Guide, section 98.552 (N.D. Ga. 1974) observed that—

> The habit of plantiff's attorneys in truth in lending cases increasingly has become to conceive new, novel and sometimes esoteric allegations of violations with a fragment of reasons based upon some language of the act or regulations though oblique to the critical and hard facts of the credit transaction.

The law is so perplexed that the courts and Federal Reserve Board have often disagreed on its proper interpretation. For example, the district court for the northern district of Georgia held that a "loan fee" charge by a lender which was spread over the life of the loan should be disclosed as "prepaid finance charge" while the Federal Reserve Board was ruling that such a charge should be stated as a "finance charge." *Grubb* v. *Oliver Enterprises, Inc.*, 358 F. Supp. 970 (N.D. Ga. 1972).

The courts have split on the issue of whether a finance charge which consists solely of one element—interest or time price differential—must be identified in terms of that element.

There has been general confusion reflected in the conflicting opinions of the courts and the staff of the Federal Reserve Board and the differences in the act and the regulations as to the sufficiency of security interests disclosures. Decisions on this question reflect a wide spectrum of opinion. At the very least, a mere recital in a retail installment contract that a security interest is retained falls short of satisfying the disclosure requirements. *McDonald* v. *Savoy*, 501 S.W. 2d 400 (Tex. Civ. App. 1973). On the other hand, some courts have attempted to circumscribe the lengths to which creditors must go to adequately describe security interests by the vague guideline that "The lender need not give the consumer a short course in commercial transaction." *Burrell* v. *City, Inc.*, CCH Consumer Credit Guide section 98, 764 (N.D. Ga., 1974). The variety of opinions that fall between the two perimeters noted above fail to provide creditors with any forewarning as to whether their description of the applicable security interest will pass muster.

Courts have differed on the issue of whether the disclosure of the creditors standard acceleration clause is a default charge which should appear on the front or the back of the contract. Since all that is at stake here is whether certain words must appear on the front or the back of the contract form, creditors have little incentive to violate the law. Generally Federal Reserve Board staff opinions and most judicial decisions have held that the acceleration clause is not a "delinquency charge." However, a few judges have taken a different view of the complex issue and have imposed penalties on creditors for interpreting the law in the same manner as the Federal Reserve Board.

Although I could go on and on reciting horror stories under the Truth in Lending Act, the above should suffice to demonstrate the need to eliminate the ambiguities leading to these hypertechnical violations.

THE NEED FOR TRUTH IN LENDING SIMPLIFICATION WELL RECOGNIZED

The need for truth in lending reform is widely acknowledged. Professor Landers and other commentators have published on the need for reforms in this area. Chairman Proxmire has repeatedly called upon the Federal Reserve Board to submit to Congress clarification amendments. Their response for simplifying changes in the Truth in Lending Act were the foundation of S. 3699 which he introduced on July 23, 1976, and provided ground work for my bill. Earlier, in April of 1976, in response to our Subcommittee's hearings, I introduced S. 3302 to amend section 301 of the Truth in Lending Act to relieve the Federal court system from the burden being placed upon it by the multiplicity of suits based on nonwillful technical violations of the Truth in Lending Act. That bill was a first step toward a long run solution of truth in lending simplification.

WHAT THE TRUTH IN LENDING SIMPLIFICATION ACT WOULD DO

The provisions of the Act fall into three categories relating to simplification of the disclosure requirements, removal of ambiguities and improvement of the administration of the Truth in Lending and Fair Credit Billing Acts.

The simplification features would exempt agricultural credit from truth in lending disclosures and eliminate disclosures of items such as closing cost charges, contract terms, cash price, and default provisions.

The provisions which are designed to resolve conflicts in interpretations of the Truth in Lending Act would allow verification of credit information in open end accounts, eliminate the right of rescission on vacant lots, and simplify the disclosure of security interests.

The sections designed to improve the administration of the Truth in Lending and Fair Credit Billing Acts would authorize the Federal Reserve Board to file annual reports on a consolidated basis, allow for form changes by industry on an annual basis with a 9-month leadtime, require annual rather than semi-annual mailing of billing rights notifications, simplify the requirements for the identity of transactions under the Fair Credit Billing Act, delete the Federal Reserve's authority to administratively designate unfair billing practices, and eliminate civil liability where there is substantial compliance.

These provisions are discussed in greater detail in the section by section analysis.

AREA NOT COVERED IN THE TRUTH IN LENDING SIMPLIFICATION ACT

In addition to many of the items covered in the Truth in Lending Simplification Act, the Federal Reserve Board recommended that consideration be given to addressing the problems arising from the preemption by the Truth in Lending Act of State law, the desirability of the distribution of unsolicited credit cards, the need to limit liability for the theft of fund transfer cards, and the advisability of giving a right of rescission with the sale of credit insurance. I did not cover these areas because they do not directly involve truth in lending simplification and are highly controversial.

Although I recognize that the conflict between State and Federal consumer credit protection laws creates major compliance and enforcement problems, our Subcommittee has not held hearings on this issue. More study is needed to find a way to reconcile opposing interests.

The Federal Reserve Board's recommendations for legislation to place limitations on customer's liability for fund transfer cards has merit. Industry and consumer groups appear to favor some liability limitation in this area to make these cards acceptable to the consumer. However, because there may be generic differences between credit cards and fund transfer cards, it is questionable whether equitable standardized treatment can be afforded these devices within the same language of sections 133 and 134 of the Truth in Lending Act as recommended by the Federal Reserve Board.

It is also unclear what would be included in the definition of a "fund transfer" card. In addition, the Truth in Lending Act was originally a disclosure statute with very few limitations on substantive rights. These amendments are not germane to the subject of truth in lending simplification and would tend to make the act a "Christmas tree" for electronic fund transfer system amendments. Congress created the National Commission on Electronic Fund Transfer to study and make recommendations on this and similar problems. In lieu of including this provision in my proposal, I have written the Chairman of that Commission requesting that the matter be included on its agenda for study and recommendations to Congress.

By the same token, I have not included the Board's suggestion that the ban on unsolicited issuance of credit cards be lifted. Although I would tend to come down on the side of increased competition which would be afforded by the lifting of this ban, this is not a simplification provision. Because of the dual use of credit cards as fund transfer cards consideration should be given to withholding action on this recommendation until the National Commission on Electronic Fund Transfer has made recommendations for the marketing and promotion of electronic fund transfer cards.

The Board's recommendation that a right of rescission be given in the sale of voluntary credit insurance is not included because it is doubtful that the specific language recommended by the Board would bring us closer to the goal of simplification. It could easily spawn new instances of litigation of the type which presently abounds. This again is highly controversial and truth in lending simplification should not be delayed pending the resolution of the conflict.

Mr. President, the Truth in Lending Simplification Act is introduced during this session with full recognition that there is insufficient time to take action before adjournment but for the purpose of receiving comments so that a perfected bill may be introduced when the 95th Congress convenes in January. I am not committed irrevocably to the specific provisions or design of this bill but only to the objective of simplification. I hope that Members of this body, the affected industries, farm and consumer groups will give the matter serious study and recommendations for improvements. The need for fundamental reform of the structure of the Truth in Lending Act is imperative and I am hopeful that high priority will be given the matter by the next Congress.

Mr. President, I ask unanimous consent that the text of the bill and a section by section analysis be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 3875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truth in Lending Simplification Act of 1976".

EXEMPT AGRICULTURAL CREDIT

Sec. 2. (a) Section 103(h) of the Truth in Lending Act (15 U.S.C. 1602(h)) is amended to read as follows:

"(h) The adjective 'consumer', used with reference to a credit transaction, characterizes the transaction as one in which the party to whom credit is offered or extended is a natural person, and the money, property, or services which are the subject of the transaction are primarily for personal, family, or household purposes."

(b) Section 104(1) of such Act (15 U.S.C. 1603(1)) is amended to read as follows:

"(1) Credit transactions involving extensions of credit for business, commercial, or agricultural purposes, or to government or governmental agencies or instrumentalities, or to organizations."

(c) Section 104(5) of such Act (15 U.S.C. 1603(5)) is repealed.

VERIFICATION OF CREDIT INFORMATION

SEC. 3. Section 103(i) of the Truth in Lending Act (15 U.S.C. 1602(i)) is amended to read as follows:

"(i) The term 'open end credit plan' refers to a plan prescribing the terms of credit transactions which may be made thereunder from time to time, in connection with which credit information may be verified from time to time, and under the terms of which a finance charge may be computed on the outstanding unpaid balance from time to time thereunder."

ELIMINATION OF ITEMIZED FINANCE CHARGES

SEC. 4. Section 106(d) of the Truth in Lending Act (15 U.S.C. 1605(d)) is amended to read as follows:

"(d) The following items shall not be included in the computation of the finance charge with respect to any transaction:

"(1) Fees and charges prescribed by law which actually are or will be paid to public officials for determining the existence of or for perfecting or releasing or satisfying any security related to the credit transaction.

"(2) The premium payable for any insurance in lieu of perfecting any security interest otherwise required by the creditor in connection with the transaction, if the premium does not exceed the fees and charges described in paragraph (1) which would otherwise be payable.

"(3) Taxes.

"(4) Any other type of charges which is not for credit and the exclusion of which from the finance charge is approved by the Board by regulation."

TIMING OF ANNUAL REPORT

SEC. 5. (a) Section 114 of the Truth in Lending Act (15 U.S.C. 1613) is amended by striking out "Not later than January 3 of" and "after 1969,", and by capitalizing "each" the time it appears in such section.

(b) Section 18(f)(5) of the Federal Trade Commission Act (15 U.S.C. 58(f)(5)) is amended by striking out "not later than March 15 of each year".

(c) Section 707 of the Equal Credit Opportunity Act (15 U.S.C. 1691(f)) is amended by striking out "not later than February 1 of" and "after 1976," and by capitalizing "each" the first time it appears in such section.

ANNUAL FORMS REVISION

SEC. 6. Section 122 of the Truth in Lending Act (15 U.S.C. 132) is amended by adding at the end thereof a new subsection as follows:

"(c) Any statutory amendment to the Truth in Lending Act, regulation of the Board, or any amendment or interpretation thereof, requiring a change in form or content of any disclosures pursuant to this chapter or chapter 4 shall have an effective date of October 1 of the year following the year of promulgation, except that the Board may take interim action by regulation, amendment, or interpretation when it makes a specific finding that such is necessary to prevent unfair or deceptive disclosure practices.".

RIGHT OF RESCISSION

SEC. 7. Section 125(e) of the Truth in Lending Act (15 U.S.C. 1635(e)) is amended to read as follows:

"(e) This section does not apply to the creation or retention of a first lien against any real property which is used or expected to be used as the residence of the person to whom credit is extended to finance the acquisition of that property or to a consumer credit transaction in which an agency of a State is the obligor.".

VOLUNTARY PERIODIC STATEMENTS

SEC. 8. Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631–1645) is amended by striking out section 126 (15 U.S.C. 1636).

OPEN END CREDIT

SEC. 9. (a) Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637(a)) is amended by striking out paragraphs (5), (6), and (7) and by redesignating paragraph (8) as paragraph (5).

(b) Redesignated paragraph (5) of section 127(a) of such Act (15 U.S.C. 1637(a)) is amended by striking out "each of two billing cycles per year, at semi-annual" and inserting "one billing cycle per year, at annual" in lieu thereof.

(c) Section 127(b) of such Act (15 U.S.C. 1637(b)) is amended by striking out "The" the first time it appears and inserting "Except as provided in subsection (d) hereof, the" in lieu thereof.

(d) Section 127(b)(2) of such Act (15 U.S.C. 1637(b)(2)) is amended to read as follows:

"(2) The amount and date of each extension of credit during the period and a brief identification on or accompanying the statement of each extension of credit sufficient to enable the obligor to identify the transaction, or relate it to copies of sales vouchers or similar instruments previously furnished, except that the creditor's failure to disclose such identification in accordance with this paragraph is not a violation of this paragraph if the creditor responds to and treats any inquiry for clarification in accordance with section 161 of this title.".

(e) Section 127 of such Act (15 U.S.C. 1637) is amended by adding at the end thereof a new subsection as follows:

"(d) The Board by regulation may provide that the creditor of any account under an open end consumer credit plan is not required to transmit the statement otherwise required under subsection (b) hereof to an obligor at an address where the creditor knows that such statement will not be received by or delivered to that obligor.".

ELIMINATION OF CASH PRICE, DOWN PAYMENT, DEFAULT, AND OTHER CHARGES

SEC. 10. (a) Section 128(a) of the Truth in Lending Act (15 U.S.C. 1638(a)) is amended by striking out paragraphs (1), (2), (3) and (4) and by redesignating paragraphs (5), (6), (7), (8), (9), and (10) as paragraphs (1), (2), (3), (4), (5), and (6) respectively. Redesignated paragraph (1) is amended to read as follows:

"(1) The total amount to be financed.".

(b) Section 129(a) of such Act (15 U.S.C. 1639(a)) is amended by striking out paragraphs (1) and (2) and redesignating paragraphs (3), (4), (5), (6), (7), and (8) as paragraphs (1, (2), (3), (4), (5), and (6) respectively. Redesignated paragraph (1) is amended to read as follows:

"(1) The total amount to be financed.".

DISCLOSURE OF TYPE OF SECURITY INTEREST

SEC. 11. (a) Section 128(a)(10) of the Truth in Lending Act (15 U.S.C. 1638(a)(10)) is amended to read as follows:

"(10) A statement indicating that a security interest is taken in any property which is the subject of the extension of credit and a general description of any other property in which a security interest is held or is to be retained or acquired by the creditor in connection with the extension of credit.".

(b) Section 129(a)(8) of such Act (15 U.S.C. 1639(a)(8)) is amended to read as follows:

"(8) A statement indicating that a security interest is taken in any property which is acquired with the proceeds of the extension of credit and the type of any other property in which a security interest is held or is to be retained or acquired by the creditor in connection with the extension of credit.".

NO CIVIL LIABILITY FOR SUBSTANTIAL COMPLIANCE

SEC. 12. Section 130(a) of the Truth in Lending Act 15 U.S.C. 1640(a)) is amended by striking "or" the first time it is used and inserting "with respect to disclosure of the annual percentage rate, the finance charge, the amount financed, or the due dates or periods of payments scheduled to repay the indebtedness, or any requirement imposed under" in lieu thereof.

ADVERTISING OF CREDIT TERMS

SEC. 13. (a) Section 143 of the Truth in Lending Act (15 U.S.C. 1663) is amended by striking out subsection (5) thereof.

(b) Section 144(d) of such Act (15 U.S.C. 1664(d)) is amended by striking out paragraphs (1) and (2) and redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

CORRECTION OF BILLING ERRORS

SEC. 14. (a) Section 161(b)(6) of the Truth in Lending Act (15 U.S.C. 1666(b)(6)) is amended to read as follows:

"(6) Failure to transmit the statement required under section 127(b) (15 U.S.C. 1637(b)) to the last address of the obligor received by the creditor, unless that address was furnished less than twenty days before the end of the billing cycle for which the statement is required."

(b) Section 161(c) of such Act is amended by inserting after "account" the first time it is used the following: "which may include finance charges on amounts in dispute."

Section-by-Section Analysis

Sec. 1. The Act is cited as the Truth in Lending Simplification Act of 1976.

Sec. 2. *Exempt agricultural credit.*—Would amend sections 103(h) and 104(1) of the Truth in Lending Act to exempt all agricultural credit; would also repeal the current provision which exempts only those agricultural credit transactions in excess of $25,000. The Federal Reserve Board has recommended consideration of excluding coverage of agricultural credit because the coverage of such credit has numerous complexities in Regulation Z. In some instances it has delayed loan transactions for farmers who do not feel they need the disclosures. There is a question whether an Act designed to protect consumers should include a type of credit that is related primarily to business or commercial activity. A number of farm organizations support this exemption.

Sec. 3. *Verification of credit information.*—Would amend the definition of "open end credit plan" in section 103(i) specifically to permit creditors to reverify credit information from time to time. In many cases, creditors need to update credit information in connection with existing accounts, as, for example, in connection with additional purchases or other extensions of credit which would exceed a previously established credit limit. This amendment is necessary to resolve a conflict in the interpretation given this subsection by two of the Federal enforcement authorities. The Federal Reserve Board, in a staff opinion letter, has held that reverification is permissible; the Federal Trade Commission has held that it is not.

Sec. 4. *Elimination of itemized charges.*—Would amend section 106(d) to delete the requirement for the itemization of certain charges if they are to be excluded from the finance charge. The Board feels that such itemization is not necessary for the protection of the consumer. These costs are not directly related to the lender's charge for credit and in most instances are not substantial in relationship to the overall transaction. In home mortgage loans where the charges may be substantial, their disclosure is required under the Real Estate Settlement Procedures Act.

Sec. 5. *Timing of annual report.*—Would amend section 114 of the Truth in Lending Act, section 707 of the Equal Credit Opportunity Act and section 18(f)(5) of the Federal Trade Commission Act to permit the Board to submit the Annual Report required by those acts at the same time as components of the Board's Annual Report. The Federal Reserve Board, which has recommended this amendment, feels that there are no benefits produced by these fragmented reports and duplication of effort would be avoided.

Sec. 6. *Annual forms revision.*—Would amend section 122 to limit changes in forms or disclosures required by statutory amendments to the Truth in Lending Act, the Board's regulations, or any amendment or interpretation thereof, to one effective date each year—October 30—and would require at least nine months advance notice of any such change. The number of changes would not be limited, only their effective date. This standardization of forms changes will benefit consumers by reducing the frequency with which they are furnished differing disclosure statements, thus better enabling them to understand and compare credit terms and shop for the best credit buy. Creditors will realize savings in printing costs as well as economies resulting from adequate lead-time for forms transition (nine months) and a single annual transition date. The Board could authorize changes prior to the effective date but there would be no legal liability for failure to make the change prior to the expiration of the nine months period. As a safeguard, the Board is given the flexibility to require earlier changes where it finds such is necessary to prevent unfair or deceptive disclosure practices.

Sec. 7. *Right of rescission.*—Would amend section 125 so that the right of rescission granted by the Truth in Lending Act would not apply to credit contracts involving a security interest in a vacant lot. The substance of this amendment is based on a Federal Reserve Board recommendation in which the Board said it felt that the right of rescission should not continue to be applicable to vacant-lot purchase transactions other than those covered under the Interstate Land Sales Full Disclosure Act. The basic objective of section 125 of the Truth in Lending Act is to give a consumer sufficient time in which to consider the important act of pledging his or her residence as security for a loan. The mere purchase of a vacant lot or the pledging of the lot as security for a loan should not need the extraordinary privilege of the right of rescission. The difficulty under the current provisions of section 125 is that the general rule creating the right of rescission in subsection (a) refers to "residence," and the exception to the general rule for first purchase money security interests in subsection (e) refers to "dwelling." The Board recommendation would change subsection (a) to refer to "dwelling," whereas this amendment changes subsection (e) to refer to "residence." Thus the objective of the Board is accomplished while at the same time not effectively voiding the provisions in millions of existing open end credit contracts which renounce any security interest in the customer's "residence." Were those renunciation provisions effectively voided by changing the Act to refer to "dwelling," the consumer-obligors on those millions of open end credit accounts might find future transactions subject to a three-day delay in performance pending expiration of the right of rescission.

Sec. 8. *Voluntary periodic statement.*—Would delete the requirement of section 126 that creditors who chose to send periodic billing statements in connection with credit other than open end include notices of certain charges. The Board recommends this deletion since such periodic statements are not uniformly required for all extensions of credit other than open end and the rule would impose an unfair burden on those creditors who do send such payment reminders. Periodic credit cost disclosure is of no benefit to the consumer in closed-end credit contracts because there is no new credit decision to be made as in open-end credit arrangements.

Sec. 9. *Open end credit.*—Subsection 9(a) would delete section 127(a)(5) permitting disclosure of the "average effective rate of return." This provision contains a complicated formula taking up an entire section of Regulation Z which sets out the requirements with respect to such optional disclosures. It is not being used and the Board has recommended its deletion as serving no useful purpose.

This subsection also parallels two other amendments by deleting sections 127(a) (6) and (7). The deletion of paragraph (6) parallels the amendment to section 106(d) which eliminates itemized charges. The deletion of paragraph (7) parallels the amendment to section 128(a)(10) and 129(a)(8) relating to the disclosure of a security interest. Deletion of these two paragraphs is necessary in order that open end credit and closed end credit be treated similarly.

Subsection 9(b) would change the requirement under section 127(a)(8) (redesignated as paragraph (5)) regarding the furnishing of the statement of billing error rights. As currently written, the law requires the statement to be mailed at semiannual intervals, and this amendment reduces the frequency to annual intervals. Based on a study prepared for the Federal Reserve Bank of Atlanta by Georgia Tech Research Institute in 1971 there were outstanding approximately 330 million credit card accounts. Add to this number the number of other types of open end credit accounts (e.g., bank overdraft plan), and the aggregate is in the range of 360 million accounts. The savings involved in eliminating one semiannual mailing run into many millions of dollars with no substantial detriment to consumers because consumers would still receive the statement when opening new accounts and annually thereafter. An additional point that might be made is that consumers commonly hold a number of different credit cards. For example, a study of consumers having department store credit accounts showed that about 30 percent had less than five credit cards; 45 percent, 5–9 cards; 20 percent, 10–14 cards; and over 5 percent, 15 or more cards. (Robert P. Shay and William C. Dundelberg, *Retail Credit Card Use in New York*. New York: Graduate School of Business, Columbia University, 1975, p. 22.) Thus, under the present system about 20 percent of this sample group received 20 to 28 notices per annum (which they probably throw away).

Subsection 9(d) permits creditors who cannot identify each transaction on the periodic billing statement to disclose the other required information and treat any inquiry for clarification as a "billing error" under the Fair Credit Billing Act. Literally thousands of creditors, either because of size or diversity of goods and services handled, are unable to identify each transaction. This amendment permits them to supply all of the other required information and protects consumers by requiring those creditors to handle any inquiry as a billing error.

Subsection 9(e) authorizes the Federal Reserve Board to provide an exception to the requirement that monthly periodic billing statements be mailed in cases where customers have moved and left no forwarding address. Under regulations of the Board, creditors would not be required to continue mailing undeliverable periodic statements.

Sec. 10. *Elimination of cash price, downpayment, default, and other charges.*—Would amend section 128(a) to delete the required disclosure of cash price, downpayment (including trade-in), the difference between the two, and all "other charges" included in the amount financed. These amounts are already shown in the retail installment sales agreement. This amendment eliminates redundant disclosures and will simplify the Truth in Lending disclosure statement.

For similar reasons subsection 10(b) would amend section 129(a) to delete the required disclosure of amount of credit of which the obligor will have the actual use and all other charges included in the amount financed in loans not under open end credit plans.

The section also eliminates the requirements both under open and closed end credit plans that default, late or delinquency charges be disclosed. Although the Board had recommended merely the deletion of disclosure of default charges, the amendment deletes the entire provision. There has been a large volume of litigation as to what constitutes a default, delinquency, or a late payment. Given the vagaries of the English language, it is doubtful that the deletion of the requirement of the disclosure of default charges would cure the problem. Certainly, a "default" could be considered a "delinquency," thus leaving it to creditors to litigate the same kinds of issues as under the present provisions.

Moreover, it is doubtful that such late payment and delinquency charges should be disclosed at all, especially when they are regulated by State statute. Consumers do not expect to become delinquent when they enter credit contracts, and default and late payment information is thus of marginal use in the credit decision. Moreover, these matters tend to be regulated by statutes with all creditors imposing the same charges. There is no indication of bargaining on late payment or delinquency charges. The fact that consumers do not consider this information as pertinent to the credit decision is especially important since a full and accurate statement of such charges introduces additional complexity and length to the truth in lending statement and detracts from the value of the other disclosures. Finally, such charges are generally included in the credit contract, and thus, the issue is not really disclosure as such but whether the disclosures should be on the truth in lending statement.

Sec. 11. *Disclosure of type of security interest.*—Would amend sections 128(a)(10) and 129(a)(8) to eliminate the requirement in present law that a description be given of property taken as a security for a closed-end credit transaction where the security interest is the property being purchased as part of the credit transaction. Since the property taken as security is usually limited to the item being purchased, this change would in most cases eliminate the disclosure of a fact which consumers are generally already aware.

The amendment also deletes the phrase "clear identification of any other property" and substitutes therefore "a general description of the type of any other property." The requirement of a "clear identification" of the collateral has created a major problem where the security interest is in numerous items such as household goods. Although the Federal Reserve Board staff letters permit general descriptions courts could require itemization.

Sec. 12. *No civil liability for substantial compliance.*—Would amend section 130(a) to limit civil liability to violations involving disclosure of four credit items: (1) the annual percentage rate, (2) the finance charge, (3) the amount financed, and (4) the number, amount, and due dates or periods of payments scheduled to repay the indebtedness. Citing the "present volume of litigation" due to the "complexity of the (Truth in Lending) Act and regulation," the Federal Reserve Board recommended that Congress study the possibility of limiting civil penalties to violations involving the misstatement of credit terms which would interfere with the consumer's ability to make meaningful comparisons of credit costs.

Sec. 13. *Advertising of credit terms.*—Would delete the Board's authority under section 143 to require additional terms to be advertised in connection with open end credit and would delete from section 144(d) the required advertisment of cash price and downpayment in connection with closed end credit advertisements. The change in open end credit advertising requirements made by this amendment was recommended by the National Commission on Consumer Finance (at p. 188 of its *Report*). The change in closed end advertising requirements parallels the amendment deleting paragraphs (1) and (2) of section 128(a) relating to the disclosure of cash price and downpayment. Initially, the Board did require the advertisement of a number of additional open end credit terms, but in 1973 amended Regulation Z to cut back the required disclosures to those provided in the Act. Since after four years of operation under the Act the Board felt that other terms should not be required, that position should now be made a part of the legislation.

Sec. 14. *Correction of billing errors.*—Would amend section 161(b) of the Truth in Lending Act to limit the Federal Reserve Board's discretion to define a "billing error." The amendment incorporates into the Act the current provision in Regulation Z defining as a billing error the failure to send the periodic statement to the latest address of a customer. However, in view of the civil and criminal sanctions, Congress, not the Board, should prescribe which acts or practices constitute a violation. If the Board in the future should find other acts or practices which should be prohibited, it is always able to recommend to Congress appropriate changes in the statute.

This amendment would also make explicit what is now implicit in the Act: during the dispute resolution procedure, a creditor may continue to send periodic billing statements which show the amount in dispute together with all finance charges thereon, provided that creditor complies with the dispute resolution procedure and credits the customer with all amounts found to have been in error, together with all finance charges thereon.

By Mr. JAVITS (for himself and Mr. GRIFFIN):

S. 3876. A bill to provide for the implementation of a full employment policy through the establishment of a Federal Employment System. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, today I introduce legislation which would provide, for the first time in the history of our national employment policy, a mechanism to improve both the efficiency and the effectiveness by which we can target manpower policies to fit regional disparities in the incidence and causes of unemployment.

What we are accustomed to calling "the unemployment problem in the U.S.," is, in actuality, an amalgam: a composite of the myriad and disparate elements that characterize the phenomenon of unemployment in the United States of America; and a term of statistical art used to summarize conditions of looseness or tightness in the national labor market.

In fact, the United States has many unemployment problems, each with its own cause and each soluble only in its own terms. The business cycle, to be sure, is responsible for much unemployment in the United States yet, in May 1975, when the summary unemployment rate peaked at 8.9 percent of the labor force, there were reputable estimates that generally not much more than 3 percentage points could be attributed directly to the recession. And, such cyclical unemployment is responsive to appropriate countercyclical fiscal and monetary policies, but structural unemployment, though exacerbated by recession, is quite a different phenomenon.

In addition, regional dislocations are responsible for a significant amount of unemployment. Many of the "older" cities and regions of our country are experiencing difficulty attracting and holding job-creating enterprises. The relocation of firms to the "sunbelt" and the decline in importance of indigenous industries creates geographical pockets of severe unemployment which are unresponsive to traditional macroeconomic policies.

Rapid introduction and spread of technological innovations also causes unemployment, by rendering obsolete once-marketable job skills and by increasing educational requirements above those attained by some members of the labor force. Technological unemployment is often characterized by the existence side-by-side of large numbers of both unemployed persons and job vacancies.

Discrimination on the basis of color, creed, sex, or country of national origin is also responsible for widespread unemployment, especially of nonwhites.

Finally, individuals who fail to obtain adequate educational preparation for the labor market find it difficult to obtain stable productive employment, especially in a changing economy. Such job seekers often drift from employer to employer before they are knowledgeable enough about their tasks to maintain a record of job attachment. And, they remain especially vulnerable to the vicissitutes of the economy, until they acquire fundamental cognitive skills.

All of these noncyclical types of unemployment can be called "structural" unemployment because each is associated with "slippage" in the structure of the labor market itself; between the patterns of labor demand and the patterns of labor supply. It is important to underscore the point that long before the structurally unemployed can be reached by expansionary economic policies, severe shortages can characterize the product and resource markets, and unacceptable inflation can be unleashed.

The legislation I am introducing today, called the Federal Employment System Act of 1976, would add the elements of regionialism and group specialization to U.S. employment policy to correspond to the manifold character of the U.S. unemployment problem. If enacted, a Federal full employment board would be established to recommend to the Congress and to the President Federal programs—singly or in any combination—designed to achieve "full" employment. To assure that the programs recommended are, in fact, appropriate, given the fragmentation of much of the unemployment problem in the United States, 10 regional full-employment councils would be established to recommend to the Federal Board major policies that would be beneficial in the solution of regional unemployment problems.

Membership on the Federal full employment board would include five individuals representative of organized labor and the private sector, both profit and nonprofit, in addition to the Secretaries of Labor, Commerce, and Treasury and the Commission of Education. Each regional council would include labor, business, and public representatives in addition to the regional administrator of the Employment and Training Administration of the Labor Department and the Commissioner of the Bureau of Labor Statistics and of Education.

In a nation in which five of every six jobs are situated in the private sector of our economy and in which private industry is almost completely responsible for productivity improvements and technological innovations, it is unfortunate that we are said to have to rely so heavily on the public sector to achieve full employment. Although emergency public service employment is needed during periods of severe cyclical unemployment, when recession forces the closing of many industrial plants, I believe Congress should have given more attention to the private sector as the means of dealing with structural unemployment.

Business and labor are positioned uniquely to view all the diverse elements of unemployment. They have the best forecasting judgment about future trends in skill requirements and plant location; they are in the best position to give advance notice of changes in labor requirements and to make recommendations to Federal authorities about programs to insure an adequate supply of labor where economic activity is expected to be most vigorous.

Representatives of business and labor can be convinced that participation in such a system would be in their own interests, because of the leverage they would be given to influence significantly the patterns of labor allocation and thus, of economic development, in their regions.

Representatives of labor monitor closely and on a continuing basis the patterns of labor supply throughout the United States. Unions may be agents for particular groups of workers, but in the aggregate they are spokesmen for the labor force. They can make recommendations based on labor surpluses or shortages in particular industries.

Where technological unemployment characterizes a particular trade or craft, unions might want to develop programs in cooperation with educational institutions and companies, to train workers to operate new equipment in order to preserve job opportunities.

In these and many other ways, business and labor could participate, at the national and regional levels, in the formulation of Federal policies to deal with unemployment problems.

Another unique feature that characterizes the Federal Employment System Act is its provision for regional full-employment councils. In 1913, the historic Federal Reserve System Act represented a major decision of Congress to regionalize our money and credit policies. Congress concluded that the problems of our money and capital markets were too complex and too diverse to be addressed on a centralized basis alone. So a system including a central Board and 12 Federal Reserve banks was created to analyze the needs of the U.S. monetary system on a regional basis and to recommend policies that could be tailored to regional variations in economic conditions. In this manner, conflicting sectoral needs were somewhat reconciled; the divergent preferences of urban industry and finance, for example, for price stability and compensatory interest rates were reconciled with the desires of the agricultural sector for higher prices and cheap credit.

It is now time to bring employment policy closer to the people; closer to the locus of decisionmaking by corporations, labor unions, educational institutions, and local governments.

I believe the same systematic approach that was embodied in legislation creating the Federal Reserve System must now be adopted for the U.S. labor market. Countercyclical, monetary and fiscal policies are not capable alone of reducing the unemployment rate adequately by 1980 without creating unacceptable inflation.

But a regional full employment system, I believe, giving a structure to bring in full employment and designed to address the disparate elements of regional unemployment, could reduce the overall unemployment rate to 4 to 5 percent by 1980.

I envisage the Federal Full-Employment Board, upon consultation with each of the regional councils, recommending in March 1978, a comprehensive full employment program tailored to the configurations of each of the 10 regions. In the Northeast, for example, the Board might recommend a combination of countercyclical grants for maintenance of essential public services, public service employment at minimum wages with training and education programs for structurally unemployed youth, and financial assistance to encourage and facilitate relocation to areas where job vacancies are more plentiful.

In the Southwest, where employment opportunities are abundant, the regional council might encourage relocation and housing construction assistance for new residents and job training programs and education to prepare workers to meet the changing skill requirements of new businesses.

The possibilities are as numerous as the characteristics of what we call unemployment. Once the Federal Board and its regional satellites were firmly in place, we would have a mechanism to view the diverse elements of unemployment in the United States and recommend comprehensive policies. Reliance for the proposal and formulation of policies would no longer be placed solely on the Labor Department's centralized perception of the unemployment problem. Instead, the regional councils would input directly to the Federal Full-Employment Board, which in turn would review all the available information and analyses of unemployment, pursuant to formal recommendation to Congress of policies to be administered by the employment-related agencies and departments of Government.

Other significant provisions in this bill would authorize the Full-Employment Board to undertake national and regional manpower and employment planning, estimate short-term and long-range patterns of labor demand and supply by region, industry, and occupation, and recommend implementation of relocation programs to match nationally job vacancies with job applicants.

High priority would be assigned to assessing the activities of relevant Federal agencies, such as the Labor Department and the Office of Education, in the development of an improved labor market exchange system, to include the preparation of a national inventory of the labor force pursuant to national and regional identification of manpower needs and career prospects.

The Federal Employment System Act would emphasize efforts at the national and regional levels to encourage the devolepment of an improved interaction process between employers, unions, and educational institutions in the preparation of youth for labor force participation. In his recently published book, "The Boundless Resource," former Secretary of Labor Willard Wirtz points out in this regard that:

> Another now clearly identified program requirement is for the development of fuller information about future manpower needs, of a sort to describe the occupational or career prospects of young people presently in training, with the accompanying necessity of an adequate system for getting this information into the hands of both students and those who are shaping the educational offerings. There hasn't been much change, though, with respect to either part of this picture. The projections of future needs remain seriously inadequate, especially with respect to local (as compared with nationwide) employment prospects. The critical function of vocational guidance and counseling, particularly at the high school level, is recognized as probably more inadequately supplied than any other; but very little has been done about it.
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> Yet whatever may be the remaining program deficiencies, the most serious of them trace to the continuing reliance, so far, on what are virtually unilateral efforts within the educational system alone to do what is now recognized as a function clearly involving both education and work. Employers are called on to provide opportunities for work-study and cooperative education, largely in the name of "corporate social consciousness," but in no sense do they become full partners in the joint enterprise. The high schools have apparently accepted a responsibility for vocational guidance and counseling that, acting alone, they are simply not equipped to provide. Yet, virtually every community in the country has an untapped reservoir of personnel and information that could make both vocational guidance and job placement effective for young people, at least within the limits of their training and the supply of work opportunities. What is lacking is the requisite collaborative process.
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> The clearest lesson from the initiatives so far taken is that such bridges can't be built only from one side. There won't be a really meaningful education-work policy until there are developed collaborative processes for both the devising and the administering of these "two-world" programs. Beyond this, there is the strong likelihood that to be truly effective these new processes will have to be developed along lines that include a reactivation of the public interest in this whole area. For this, some new forms of direct participation by the broader community membership will have to be devised.

A recent special report of the National Commission for Manpower Policy entitled, "The Quest for a National Manpower Policy Framework," concludes on this subject after outlining the wide range of policy instruments that would provide a substantive basis to our manpower policy, that

> A critical need, regardless of the type and final form of the manpower measures that are ultimately employed, the development of a more coordinated and integrated network of delivery systems at the federal, state, and local level that fully involves the key parts of the non-governmental sector, such as employers, trade unions, non-profit organizations, and community based groups.

And former Labor Secretary John Dunlop, testifying on May 13, 1975, before the Joint Economic Committee's Subcommittee on Economic Growth, on which I serve as ranking Senate Republican, emphasized that—

> One of the most critical elements of an effective labor market policy that can be influenced somewhat at the Federal Level is improved interaction of the key participants in a local labor market such as local officials, employers, representatives of organized labor and the client community.

During his colloquy with Senator BENTSEN and me, Secretary Dunlop articulated a concern which I have addressed in drafting the Federal Employment System Act. The Secretary explained his concern as follows:

> Yes. I do happen to think, Mr. Chairman, that one of the things, one of the problems and one of the institutional arrangements a committee like this might help do something about, and one of the problems I now wish to take just a couple of moments to raise with you, is the topic which might be labeled the interaction or interface between work and education. That is really what you are talking about.
>
> I do think we need some new arrangements in our local communities to deal better with this problem. This is not a new idea, it is an idea that has been growing around the country, Mr. Chairman, in the last 5 or 7 years. I happen to have been interested in it for a long time trying to work with a group of businesspeople and educators on just the kind of thought you are talking about. But what I would envision is a world in which not only would we have a society that dealt with the kind of manpower planning and projections of jobs in each locality—we now have 40 sponsors in 400 or 500 different localities in the country—but that a group of people would interact with the school systems. I would envision that you would have a board of counselors, people who had worked in business or labor unions, who were a little older and who could sit down with a class and counsel the students as individuals, drawing on what they had learned about this sort of career business. These people would sit down and discuss what might amount to 50 or 100 different kinds of career patterns. Some people know when they are young where they want to go—say a mathematician and a musician and sometimes a physicist. A lot of

the rest of us wander around, try this for a while and try that for a while, and I think the students in schools at these critical ages need to have what is essentially a feedback process, where once they go out they can come back. Our junior colleges in many communities are doing a very good job on this but they need to be more directly oriented toward work. This requires more participation on the part of businesspeople and union people and those who have access to the work environment and the work community. There are a whole host of things to be done there, Mr. Chairman.

The President, I think, opened up some of this with his speech last summer at Ohio State University, as you may recall, and in this position I, for one, now wish to follow up on that and push it very hard.

Some might be concerned that this legislation would create another layer of bureaucracy—to be contended with by executive departments, agencies, congressional committees, and others, and thus make even more cumbersome our response to unemployment. To this concern I reply that with the unemployment rate standing at 7.9 percent, and 7.8 million people out of work, to say nothing of the other hundreds of thousands—or millions—of people who are too discouraged to seek work or who are on part-time schedules for economic reasons, it is obvious that more needs to be done. We cannot allow possible annoyance with another official body to deter us from moving aggressively to ameliorate unemployment in the United States by responding to its diverse elements with policies which presuppose a systematic perception of the problem.

I urge the staffs of the Senate Committee on Labor and Public Welfare and the House Education and Labor Committee, as well as those of the Senate and House Committees on Government Operations, and all interested persons, to study this proposal in the coming recess and comment critically on its prospects, problems, and potentials.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the bill and several excerpts from the special report of the National Commission for Manpower Policy to which I referred in my statement, a report which I believe proclaims the need for the legislation I introduce today and outlines some of the responsibilities with which I would charge the Federal Board and the regional councils.

There being no objection, the bill and the excerpts were ordered to be printed in the RECORD, as follows:

S. 3876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employment System Act of 1976".

CONGRESSIONAL STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) The Congress hereby finds and declares that—

(1) to attain the objective of full employment without inflation, it is necessary to assure an opportunity for a gainful, productive job to every person who seeks work and to furnish the employment opportunity, training, education, and related assistance needed to qualify for employment consistent with his or her potential and capability;

(2) persistence of widespread unemployment simultaneously with economic expansion constitutes a threat to the viability of our free institutions;

(3) the causes of unacceptable unemployment in the United States are not only cyclical, but also are structural, regional, technological, frictional, and seasonal;

(4) regional disparities in the incidence and causes of unemployment require establishment of a decentralized regional employment system under the direction of a policymaking board;

(5) the resources of the private sector are not sufficiently utilized in the planning, recommendation, development, and implementation of national full employment policy;

(6) policies to deal with regional structural unemployment, can be directed at the improvement of regional labor markets, and can improve on a regional basis the relationship between inflation and unemployment.

(b) It is the purpose of this Act to provide for the implementation of a full employment policy through the establishment of a Federal Employment System, composed of a Federal Full Employment Board and ten Regional Full Employment Councils.

DEFINITIONS

SEC. 3. (a) As used in this Act, the term—

(1) "full employment" means a condition in which a sustainable minimum national unemployment rate is achieved, given changes over time in the demographic composition of the labor force;

(2) "unemployment" means a condition in the economy in which persons who are without jobs and who want and are available for work are unable to find them;

(3) "structural unemployment" means those portions of aggregate unemployment which arise from imbalances between the structure of the demand for and the supply of labor in national and regional labor markets caused by—

(A) changes in the composition of labor demand, particularly changes in skill requirements owing to, for example, technological developments;

(B) regional and industrial shifts in economic activity; and

(C) inadequacy of skills acquired by members of the labor force.

FEDERAL FULL EMPLOYMENT BOARD

SEC. 4. (a) There is hereby established as an independent agency in the executive branch of the Government a Federal Full Employment Board, to consist of five members appointed by the President, by and with the advice and consent of the Senate, representative of labor and management and of the relevant professions and of investors and the public, the Secretary of Labor, the Secretary of Commerce, the Secretary of the Treasury, and the Commissioner of the Office of Education. Not more than three of the members appointed by the President shall be members of the same political party. The President shall designate one member to serve as Chairman.

(b) Each public member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of the term and the terms of office of the members first taking office after the enactment date shall expire, as designated by the President, one at the end of one year, two at the end of two years, and two at the end of three years.

(c) The Board shall meet at the call of the Chairman or at the call of the President and in no event less than four times each year. A quorum shall consist of five members.

(d) Members of the Board shall receive compensation at the rate prescribed for level IV of the Executive Schedule by section 5315 of title 5 of the United States Code.

(e) The President is authorized to appoint, by and with the advice and consent of the Senate, an Executive Director of the Board. The Executive Director shall be the principal executive officer of the Board and shall receive compensation at the rate prescribed for level V of the Executive Schedule by section 5316 of title 5 of the United States Code.

(f) The Executive Director of the Board with the approval of the majority of the Board is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out the Board's functions under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provisions, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such chapter 51 and subchapter III of chapter 53.

FUNCTIONS OF BOARD

SEC. 5. (a) The Federal Full Employment Board is authorized and directed to—

(1) recommend to the President and the Congress by January 20 of each year (beginning January 20, 1978) a legislative program to help to achieve full employment in each fiscal year and alternative means of attaining that objective;

(2) upon analysis of the national unemployment problem and consideration of the recommendations of the regional employment councils provided for in section 6, request the President to direct the implementation of federally funded programs directly or indirectly affecting employment;

(3) review and make recommendations with respect to monetary, fiscal, income, and other governmental policies in terms of the impact of such policies upon achieving full employment;

(4) review and make recommendations with respect to decisions made by public and private employers and establish appropriate procedures for the receipt of information, from such employers, necessary to carry out the purposes of this Act;

(5) in cooperation with the regional full employment councils, undertake national and regional manpower and employment planning, estimate long-range and short-term patterns of labor demand and labor supply by region, sector, industry, and occupation and recommend implementation of regional programs to match job vacancies with job applicants;

(6) assess the activities of relevant Federal agencies, including the Department of Labor and the Office of Education, to develop an improved labor market exchange system, including—

(a) identification of manpower needs and career prospects; and

(b) preparation of a national inventory of the labor force, with specific reference to the supply of required skills;

(7) take affirmative action to encourage participation and cooperation of employers and trade unions to improve manpower planning, including—

(a) advance notice of significant changes in labor force requirements;

(b) maintenance of current job data banks; and

(c) monitoring of labor surpluses and shortages;

(8) hold nationwide and regional conferences designed to encourage the support of management and labor in meeting the objectives of this Act;

(9) analyze and make recommendations with respect to the extent to which the Federal budget may assist in reaching full employment, including the effect of different

types of governmental funding and procurement policies; and

(10) perform such other functions as the President may direct.

(b) In exercising its duties and functions under this Act, the Board is authorized to—

(1) use the services, facilities, and information (including statistical information) of other Government agencies;

(2) supply technical and administrative assistance to labor and management and similar groups;

(3) establish regional and such other local offices as it deems necessary;

(4) accept gifts or bequests for specific programs in pursuance of its activities;

(5) consult and coordinate with the Council of Economic Advisers to the President, the National Commission for Manpower Policy, the National Center for Productivity and Quality for Working Life, and with the Office of Education;

(6) consult with such representatives of industry, labor, antipoverty, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties; and

(7) make recommendations for the elimination of delays in respect to the dissemination of information concerning job opportunities.

REGIONAL FULL EMPLOYMENT COUNCILS

SEC. 6. (a) There is hereby established, as integral components of the Federal Employment System, ten regional full employment councils, each to consist of five members from each region, representative of labor, business, and the public, appointed by the President after consultation with the Governors of the States in each region. The Regional Administrator of the Employment and Training Administration, the Regional Commissioner of the Office of Education and the Regional Commissioner of the Bureau of Labor Statistics shall serve on the Council in an ex officio capacity.

(b) Each public member shall hold office for a term of three years, except that any number appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of the term.

(c) Members of the Council shall receive compensation at the rate prescribed for level IV of the Executive Schedule by section 5315 of title 5, of the United States Code.

LOCATION AND JURISDICTION OF REGIONAL COUNCILS

SEC. 7. (a) Location and jurisdiction of the regional full employment councils shall conform to the ten regional offices of the Employment and Training Administration of the United States Department of Labor, as follows:

(1) Boston: Massachusetts, Vermont, New Hampshire, Maine, Connecticut, Rhode Island;

(2) New York City: New York, New Jersey;

(3) Philadelphia: Pennsylvania, Maryland, Delaware, District of Columbia, Virginia, West Virginia;

(4) Atlanta: Georgia, Kentucky, Tennessee, North Carolina, South Carolina, Florida, Alabama, Mississippi;

(5) Chicago: Illinois, Indiana, Ohio, Michigan, Wisconsin, Minnesota;

(6) Dallas: Texas, New Mexico, Oklahoma, Louisiana, Arkansas;

(7) Kansas City: Missouri, Iowa, Nebraska, Kansas:

(8) Denver: Colorado, Utah, Wyoming, South Dakota, North Dakota, Montana;

(9) San Francisco: California, Nevada, Hawaii, Arizona.

(10 Seattle: Washington, Oregon, Idaho, Alaska.

FUNCTIONS TO REGIONAL COUNCILS

SEC. 8. (a) The regional full employment councils are authorized and directed to—

(1) recommend to the Federal Full Employment Board policies appropriate to the dimensions and characteristics of individual regional unemployment problems:

(2) seek the cooperation of regional labor and industrial organizations, to undertake long- and short-range labor supply and demand analysis and estimation and general assessments of labor shortage and surplus conditions in regional labor markets;

(3) report annually to Federal, regional, State, and local authorities on conditions in the regional labor market, including probable causes of and possible solutions to regional unemployment problems;

(4) recommend to State and local education and training institutions implementation of programs to prepare youth and adult members of the labor force for regional job opportunities and generally encourage integration and improvement in the linkages between education and work;

(5) encourage a greater coordination between the institutions of education, training, and skills acquisition on the one hand and industrial and labor organizations on the other;

(6) disseminate studies, reports, and other materials which might be used in the preparation of educational curriculums for employment and in career counseling;

(7) publish and make available, an annual nontechnical report to the people of the region, on conditions in local labor markets with respect to present and anticipated job vacancies and surpluses, and on the availability and location of youth and adult occupational preparation institutions.

REPORTS

SEC. 9. (a) The Federal Full Employment Board shall transmit to the Congress, on or before January 20 of each year (beginning January 20, 1978), a report, to be known as the full employment report, setting forth a program to achieve full employment for the following fiscal year, and alternative means of attaining that objective, as required under section (a)(1) of this Act, together with a statement of the Board's activities during the current fiscal year and proposed activities for the following fiscal year.

(b) Each full employment report, and all supplementary reports, including annual reports of the regional full employment councils, transmitted under subsection (a) of this section, shall, when transmitted to Congress, be referred to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives, which committees shall hold at least annually hearings on the report and such supplementary reports. Nothing in this subsection shall be construed to prohibit the consideration of the report by any other committee of the Senate or the House of Representatives, including any joint committee of the Congress, with respect to any matter within the jurisdiction of any such committee.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary for fiscal year 1977 and for each of the two succeeding fiscal years for the activities of the Board.

EXCERPTS

II. THE RATIONALE FCR A NATIONAL MANPOWER POLICY FRAMEWORK

There are a wide range of policies, programs, and practices that affect our nation's human resources. Indeed, a major concern of governmental policy over the last 30 years has centered around the development and utilization of our human resources. The initiation or expansion of such efforts as manpower development; education; poverty programs; workers' trade adjustment assistance; income support; equal employment; safety and health and other labor standards; public works and other job creation efforts, including selected economic development efforts, are but a few examples in a long list of social and economic initiatives that have greatly affected our nation's manpower. These and other activities reflect the increasing complexity of our social and economic structure and the demands for public policies to deal with the needs that arise from the imperfect working of an increasingly complex social and economic structure. Such responses should not be categorized solely as reactions to problems but are in large part the result of a heightened awareness and an increasing expectation on the part of the citizenry. These demands for high standards and performance in the functioning of the society and the economy will continue to increase.

In a certain sense, much of our nation's human resources policies are the product of omission rather than commission. For example, the marginal efforts in regional economic development programs that among other things would help address pockets of structural unemployment. The effects of "fallow" policy areas, however, is no less real.

The evolution of the existing myriad policies and programs in the human resources area has been molded in large part by their genesis as an "after the fact" response to problems that have emerged. Subsequently the design and implementation of these policies and programs has often been a helter-skelter affair, with inadequate attention being given to the broader ramifications of a policy or to its role within a larger set of overall national goals.

Policies that affect human resources are not limited to the example activities cited above. Economic and other governmental policies and actions affect employment and manpower utilization as much as, if not more than, perhaps all the so-called human resources policies put together. The employment and manpower implications of our energy policies—such as they are—are often subtle but will be significant over time. The important interrelationships of these other policies, however, are often overlooked or neglected.

In addition, human resources policies have been evolving within a changing set of governmental roles, as well as in its relationships with the nongovernmental sectors. Also changing are the distinction and boundaries between what is conventionally described as the public and private sectors and the changing make-up of the private sector itself with the growth of nonprofit organizations. Of particular importance is the changing governmental involvement in the economic and social spheres.

The respective roles and relationships will ebb and flow, but the basic forces that exert pressures on the use—and misuse—of our nation's greatest wealth, its human capital, will remain. Indeed, social and economic requirements will be exerting even greater pressures upon our nation's institutions—governmental and nongovernmental—to better develop, deploy, and utilize our human resources for economic reasons, and increasingly, for social reasons as well. For example, efforts by women to achieve greater social and economic equity will increase, with significant implications for traditional labor market policies and practices.

Therefore, as our nation has—and by necessity will continue to have—a broad spectrum of human resources policies, as greater economic and social demands will be placed on our human resource and related policies, the efficacy of our present manpower policy base and its capacity to meet the new demands that will be placed upon it need to be re-examined. Such a task is not easy. But it is necessary.

The case for a national manpower policy framework rests in large part on the need to provide some central policy overview and goals within which the myriad range of relevant human resource policies and programs can be related and coordinated and their respective goals and objectives assessed. Central to the development of a national manpower policy is the increasing pressure for achieving "full employment," which ostensibly has been a national goal for many years since the passage of the Employment Act of 1946.

In summary, the nation has a wide range of human resource policies and programs that are expending billions of dollars (indeed, using a broad definition of human resources, the involved effort accounts for a major part of the federal budget) and that are directly affecting most American families. To a major degree, many aspects of these policies are not coordinated either in their formulation or in their execution, and indeed they may often be working at cross-purposes. In addition to the need for a cohesive manpower policy framework, there is a critical need to set out more specific employment and manpower goals and objectives and to establish standards in order to adequately assess the effectiveness of specific manpower policies and the contribution of the component programs and measures.

Although social equity considerations provide a sufficient rationale for more considered manpower policies and measures, there are equally compelling economic reasons, such as improving productivity, helping to reduce the inflationary pressures that attend high levels of employment and maximizing economic efficiency in general.

Certainly few would disagree that as a nation we have significant and varied employment and manpower problems. It is commonly agreed that many of our manpower and related policies—explicit and implicit—have proven to be sorely wanting and indeed are often counterproductive. In addition, we have great difficulty in defining and delineating many of the manpower problems, let alone designing possible approaches for their remediation. It is also obvious even to the casual observer that the responsibility and authority for public manpower policy is haphazardly spread among several federal agencies and entities as well as over three levels of government. In addition, the required involvement of employers, unions and other concerned sectors of the society and economy has been difficult to achieve.

Although there are presently a range of manpower policies of varying degrees of effectiveness that attempt to deal with our manpower problems, there are new circumstances at play. High unemployment simultaneously with inflationary pressures; a shrinkage in real disposable incomes arising from higher energy, food, and raw materials costs; and changing balance of payments and related foreign trade pressures are but a few of the new circumstances that suggest that the jerrybuilt manpower policy structure of the past is no longer adequate—if it ever was—to meet our employment problems.

The importance of supplementing economic growth policies with selective manpower development and employment creation measures is more important than ever. The nation faces the major challenges of how to return to high employment levels and a better utilization of its manpower without unduly increasing inflationary pressures. Here and abroad traditional approaches are proving ineffective and new measures need to be developed and tested.

Aggregate fiscal and monetary policy continues to be central in the endeavors both to reverse the slack in economic activity and to limit the rate of inflation. Yet there is concern about expanding aggregate activity more rapidly because of the concern that the subsequent result would be more serious economic problems than those experienced over the past few years.

Therefore, new links need to be forged between macroeconomic policy and selective employment policies. These new links must be expansionist with regard to production and employment, but minimal in their inflationary impact.

B. Guiding principles

1. Full employment as a primary national goal

There must be a reaffirmation and implementation of the commitment to full employment as the principal goal of a national manpower policy framework. The full employment goal has both quantitative and qualitative dimensions, and its achievement must accommodate both economic and social objectives, as well as the differing needs and circumstances of individuals and groups.

The central implication of the full employment goal is that new economic and social conditions call for an explicit and positive strategy not only for maintaining but for creating employment opportunities. Although primary emphasis should be on the creation of regular jobs in the economy, when that goal cannot be adequately achieved, consideration of other forms of job creation must be relied on. A full employment strategy must be supported by economic, manpower, and social policies and must have the cooperation and support of employers, organized labor, and other sectors of the society.

Full employment is a complex substantive and political issue. It is a policy goal that most all ascribe to, but with different understandings of what it means and a variety of commitments to the range of means to achieve it. The formulation of a full employment goal and program will be one of the more difficult tasks in the development of a national manpower policy.

2. Developing a structured interrelationship between employment policy and demand-management policy.

The objectives of an employment policy, the emphasis on policy instruments, and the manner in which these instruments are employed are all affected by variations in the level of economic activity. In view of this, it is essential that the nation more closely integrate economic policy with selective manpower and employment policies if the latter are to effectively complement and indeed help shape general economic policy and to meet social needs.

Full recognition of the capacity of manpower and employment policies to stimulate or create employment selectively and of the potential impact on employment of alternative policy decisions must be a part of the formulation of economic policy. Although the authority for developing selective fiscal and monetary measures rests with economic policymakers, the knowledge of the labor market and the specialized analytical capability needed to assist economic policymakers in developing such policies need to be provided by manpower policymakers.

It must also be emphasized that in developing policies to deal with current problems, both economic and manpower policymakers must relate short-run objectives to the long-range goals of promoting orderly and sustained economic growth, attractive employment opportunities for both present and future participants in the work force, equality of opportunity in the labor market, and an adequate and reliable income.

Of particular importance is the need to recognize the role of capital investment in private and public undertakings to bring about a sufficient expansion and modernization of industrial plant and equipment. There is a need to review investment policies to determine to what extent greater investment should be promoted and by what methods.

3. Meeting job needs through selected measures for stimulating employment

Most selected policy measures lie between overall demand-management and the more limited manpower policy instruments (training, labor market exchange, and income maintenance for the unemployed) which deal with labor market variables. Selective employment measures are directed to particular factors of production, regions, industries, or economic sectors and often operate through indirect effects. Most such measures are designed to create employment in the public sector (including nonprofit organizations); directly or indirectly subsidized employment in the private sector; or in some other manner influence the relative cost of the factors of production to increase the utilization of labor in relation to capital or by subsidizing particular investment sectors to create additional employment.

The stimulation of employment may be possible with only a small net addition to aggregate demand. The cost of income maintenance in one form or another of the unemployed now amounts to an appreciable proportion of government expenditures (federal, state, and local). These transfer payments, although largely having social and humanitarian objectives, have an economic basis as well. The budgetary and economic possibilities of selected employment creating measures are enhanced by the fact that the expenditures required may well be significantly counterbalanced by the public revenues generated and by the consequent savings of unemployment benefits and welfare.

It may also be possible to direct selective employment generating activities to groups, sectors, or regions where employment growth will have the least inflationary impact. Employment subsidies through tax credits or grants might be designed to help hold down the cost of net additions to employment and thereby help limit the upward pressure on prices.

Experience with selective employment generating programs is as yet limited, and the feasibility and effectiveness of these programs must be further tested. Institutional and structural factors may make it difficult to design and operate certain types of employment generating programs in ways that make them both practical and effective. It is also necessary to find ways to terminate countercyclical programs when economic conditions no longer justify them.

Programs that might subsidize employment in the private sector should avoid continuing inefficient enterprises and thus inhibiting necessary economic changes that are required to keep the economy viable. Of equal concern is to insure that in subsidizing private sector employment undue competitive advantages do not occur or that wage standards are impaired. While such problems exist, the potential of direct and indirect measures should be fully explored.

The approaches discussed above are especially useful as countercyclical measures. It should be noted that selective employment measures directed at areas and groups suffering severe economic hardship need to be employed as part of a continuing national manpower effort. Depending on the phase of the economic cycle, these programs—largely variations of the countercyclical measures—may be increased or decreased in scale, but their primary purpose remains the remedy of particular regional or sectoral problems that are basically structural in nature.

4. Developing and maximizing the skills of the labor force

In addition to employment creation measures, vigorous measures are required to facilitate and stimulate the adaptation of people to the changing pattern of manpower requirements in all economic circumstances. Workers can be assisted to leave areas and occupations with inadequate employment opportunities for those with better opportunities. This can be done both in their own interest and for general economic reasons; that is, to reduce inflationary labor market pressures.

The provision of training and retraining opportunities is an essential element in enabling workers to take advantage of new employment opportunities, and in particular, to help disadvantaged workers secure better employment.

Recessionary or other slack periods can be productively used to enable workers to acquire new skills. The expansion of training and educational activities (with appropriate income maintenance) can alleviate unemployment and assist the achievement of less inflationary expansion of employment during the recovery phase. Besides training, the promotion of geographic mobility is a means of assisting the development of more balanced labor markets.

5. Improving social equity through expanded and improved employment opportunities

Measures to improve equity and the distribution of employment opportunities, income, and career prospects are a critical part of a national manpower policy. The modification of equitable and discriminatory employment patterns depends not only on changes in the labor market, but also on reforms of educational and community institutions. It is essential to introduce measures that help to eliminate artificial barriers to employment as well as to enrich job content. Further, it is necessary to take steps that will improve the quality of jobs in the secondary labor market in which many of our minorities and youth are employed and to promote occupational mobility. It is important that measures to create jobs on a selective basis be available for both skill development and employment objectives; special training programs and rehabilitation measures that will assist the severely disadvantaged and handicapped to permanently improve their ability to compete in the labor market need to be a major feature.

New initiatives, which relate to both employment and education, are required to deal with employment problems of youth, particularly in the transition from school to work. Such an effort requires coordinated action by manpower and educational authorities in concert with employers, unions, and communities to strengthen the institutional links between education and employment.

Government, employers, and unions need increasingly to develop new ways to meet the needs of workers for increased satisfaction from work. Greater efforts must be made to create a working environment in which they are able more fully to develop and use their talents; and to influence decisions affecting their working life.

8. Improving coordination of policy and its implementation

Improved institutional arrangements are required at the federal level for the articulation of overall policy, the determination of strategy, and the development of major program initiatives. The federal manpower authorities must insure that the various elements of an overall employment strategy are taken into account by other government policymakers; for example, Treasury, Council of Economic Advisors (CEA), and Office of Management and Budget (OMB).

Administrative structures, on a national, state, and local basis, should be so organized that actions to meet changing situations in the labor market can be rapidly taken on an adequate scale and to assure that the delivery of services is sensitive to the problems of policy coordination.

Three important elements remain to be achieved if manpower policy objectives are to be effectively pursued. First, the institutions responsible for implementing manpower policy must be closely coordinated with economic policy and other forms of social policy that have manpower consequences. It is only in this way that the manpower implications of other policies can be thoughtfully assessed and given their proper weight in economic and other policy decisions. This extends beyond the "traditional" monetary and fiscal policies to include Social Security and welfare, immigration, education and training, housing, transportation, agriculture, energy, and international trade policy. Second, a substantial improvement in techniques is required to assess systematically the manpower consequences of decisions in the foregoing policy areas. Third, the base of knowledge about the manner in which the labor market operates and the quantity and quality of data reflecting the dynamics of the labor market must be significantly increased.

In addition, the capacity to act flexibly and quickly in response to both the foreseen and unforeseen developments requires (1) advance planning of measures with a potential for quick adaptation; (2) the improvement of current labor market information and forecasting capabilities on the part of manpower agencies; and (3) the strengthening of consultation and joint policy making between manpower and economic authorities.

The operational and administrative burdens that fall on manpower agencies when unemployment is high should not undermine their capacity to play a positive role in the formulation and implementation of a coordinated employment strategy. For instance, the function of job placement, complemented by an increasing provision of manpower services, including occupational information and counseling, should be performed for those drawing unemployment insurance even during high benefit payment work-load periods. Job openings exist even in recessions and, therefore, job preparation and placement efforts should be diligently pursued.

Improved links are needed between public manpower measures and decision making in enterprises where most of the decisions affecting employment are made. This applies in particular to selective employment policies, as well as to those policies for industrial, technological, and regional development that have an impact on manpower utilization. The economic and employment policies of governments have cost implications for enterprises, and often the related decisions of enterprises have costs for society. The efficient achievement of national economic and social objectives is dependent on the fair allocation of these costs. Employer involvement in manpower requires a concomitant involvement of organized labor, both cojointly with business and as an independent manpower institution in its own right.

IV. MANPOWER POLICY MEASURES AND THEIR USE

Within the preceding guiding principles of a national manpower policy framework, a wide range of policy instruments and program elements can be identified that will provide substance to a manpower policy.

The policy instruments and program elements that are briefly identified below are intended only to portray the variety and mix of possible activities. Many of them are ongoing activities whereas others are not. Some of these have demonstrated their utility while others—at least in their present form—have yet to do so.

It is not the intent of this section to describe or to develop in full detail the kinds of measures that should support a national manpower policy. Nor at this juncture are any conclusions or judgments as to the relative worth or applicability of the respective measures made. The identification, design, and judgment of what the panoply of manpower measures should be is a major effort in itself and one that has high priority in the Commission's development of a national manpower policy framework.

For purposes of this paper, however, it is useful to identify the full spectrum of possible measures; to show their broad relationship and functional objectives; and to provide some examples as to their use in different economic settings.

In order to pursue the underlying principle of a national manpower policy—that is, providing employment for all those wishing and able to work—a variety of manpower and employment policy instruments will be needed to complement the interrelated economic policies. Not all will have equal applicability, and different measures will receive varying emphasis, depending on the particular social and economic circumstances. The full range of such measures and instruments are grouped, according to their basic objectives, under the following broad categories:

1. Selective promotion of employment opportunities for areas, industries, groups, or periods of time.
2. Maintaining job attachments and employment.
3. Developing manpower and its adaptation.
4. Improving labor market functioning.
5. Facilitating participation in the labor market.
6. Work standards and conditions.
7. Work-related and other income maintenance.

A. A Spectrum of Possible Manpower and Related Policy Measures

The following is a list of the possible types of activities and instruments, categorized by their generic objectives.

1. Selective promotion of employment opportunities for areas, industries, groups, or periods of time

Direct employment incentives for private and public enterprises to increase, maintain, or restructure manpower requirements.

Indirect employment incentives for training, stockpiling, and work environment improvement.

Tax allowances and other subsidies for investments providing new employment and for reducing variations in investment.

Regional or area development measures, including regulation or incentives for the location of new or enlarged enterprises and reallocation of tax revenues to assist infrastructure development.

Advance preparation of special public investment projects, including federal support to state/local government projects to be implemented on short notice to counteract reductions in employment.

Temporary hiring of unemployed persons in current public service activities (public service employment), or in publicly financed community projects.

Selected support for state/local government employment during economic downturns.

Public works and government procurement orders specially organized and timed to counteract unemployment.

Special incentives for affected seasonal stabilization of employment in industries or areas.

Sheltered workshops, supported work programs, and other special efforts to overcome unique barriers to employment experienced by selected groups within the labor force.

Community development efforts involving governmental and nongovernmental organizations.

2. Maintaining job attachments and employment

Training and upgrading of redundant personnel, arising out of changing employer requirements.

Special training arrangements within enterprises during slack periods.

Promoting workers' acceptance of technological change through selected adjustment assistance.

Benefits to compensate for short-time work or temporary layoffs.

Selected tax incentives or other subsidies.

Promotion of employment security for individuals by legislation and severance pay arrangements.

Assistance to weak firms and sectors for temporary continuation or conversion of production.

3. Developing manpower and its adaptation

Training and other manpower services for the underemployed, unemployed, and persons returning to the labor force.

Transitional arrangements for young people moving from school to work (such as part-time courses, work-related instruction, and school-related work experience).

Upgrading training for occupational advancement.

Public service employment and work experience programs directed at improving individual employability.

Rehabilitation, training, and special work experience opportunities; and guidance and adjustment assistance for socially and medically handicapped.

Expanded occupational preparation efforts of the secondary and postsecondary education system.

Better access to suitable training opportunities for older workers.

Adjustment of work organization and work places to overcome individual handicaps.

Transferrable pension rights.

Promotion of more extensive use of education and training facilities in situations of economic slack.

4. Improving labor market functioning

Development of an improved labor market exchange mechanism, including:

a. Improved information about vacancies and jobseekers, greater notification of vacancies and establishment of "job banks" and related systems using computer techniques.

b. Advance notice concerning employment variations.

c. Improved occupational analysis, vocational guidance, and testing facilities.

Cooperation with employers and trade unions to develop and improve manpower planning within establishments.

Developing in general greater occupational awareness and labor market functioning through career education and related approaches.

Extensive labor market research, information and data collection program.

Facilitating geographical mobility, financial assistance for distant job search, household and moving allowances, and help with resettlement and social adjustment in a new environment.

5. Facilitating participation in the labor market

Expanded provisions and enforcement of age, sex, and race antidiscrimination efforts.

Access to health care and other employment support services.

Special incentives, such as child care, to promote a more equitable distribution of employment between males and females.

Dependent care facilities for other persons with family responsibilities desiring employment.

Cooperation between those responsible for manpower, public transportation, and housing policy to promote improved commutation and housing availability to enhance access to employment.

Introduction to flexible retirement and pension systems (access to early, temporary, partial, postponed pension or re-entry of retirees into employment) combined with incentives for individuals voluntarily to use such systems so as to help counterbalance variations in manpower requirements.

6. Work standards and conditions

Safety and health measures.

Wage and other labor standards.

Work redesign and job restructuring.

Introduction of flexible hours and work schedules, as well as part-time and intermittent work, arrangements to assist the employment of persons with special needs or preferences.

7. Work-related and other income maintenance

General strengthening of unemployment benefit systems, including increased job placement assistance and access to skill development and other employability assistance.

Temporary wage assistance for workers leaving declining areas or sectors, including trade adjustment impacts.

Easing of access to early retirements for older workers meeting difficulties in the labor market.

Promoting acceptance of technological and other structural change by severance pay arrangements for redundant workers.

Improved structure for providing employability assistance to welfare recipients.

Development of complementary work incentives for low-income employed.

V. KEY POLICY AREAS TO BE ADDRESSED IN DEVELOPING A NATIONAL MANPOWER POLICY FRAMEWORK

A discussion of the key issues involved in developing a national manpower policy framework should help to outline the scope and complexity of the work that will be required to implement such a development. Among the issues involved are timing and a number of general issues ranging from examining the trade-off between inflation and unemployment to strengthening policy coordination.

A. Identifying Near-Term and Medium-Term Objectives

The design and implementation of a national manpower policy will require several years. It will not be accomplished with a paper pronouncement. As difficult as the conceptualization and design will be, the securing of general understanding and agreement of the many parts and their subsequent implementation will be the more difficult task. Therefore, it will be necessary to phase in the national manpower policy. A possible implementation schedule involving the major elements over the near term—the first 12 months—and the medium term—the ensuing 12 months—is outlined below.

For the near-term (the first 12 months) the major elements include:

1. Identifying and developing those policies that will move manpower policy from a defensive or reactive posture to that of a more positive or active nature, such as expanding skill training and other job preparation for the unemployed.

2. The structuring of economic and manpower policies that will provide for job creation without any undue inflationary effects for those long-term unemployed without foreseeable employment prospects.

3. The need to convert a portion of the sizable income maintenance effort from passive transfer payments to more productive work-related income support activities for the residual unemployed.

4. Establishing greater equity in access to the emerging employment opportunities for those who bear a disproportionate share of unemployment through targeted services and strengthened job placement efforts, including vigorous equal employment opportunity efforts.

5. The development of vastly improved labor market data and information complemented by data in related areas that so greatly affect employment, such as child care, health, and other needed services.

For the medium-term, (subsequent 12 months), the key manpower elements include:

1. The definition of and commitment to a full employment goal and the design of the approaches and steps to achieve it.

2. The development of improved manpower policy formulation institutions and coordination mechanisms, including closer integration with economic policymaking.

3. The design and implementation of a more comprehensive and coordinated set of general manpower measures and programs to deliver labor market services.

4. The related establishment of regional and other structural manpower policies with permanent programs and mechanisms.

5. The establishment of a permanent standby countercyclical manpower policy, including programs and mechanisms to be available for rapid implementation when the need arises.

6. A reassessment and refinement of the manpower program delivery systems, including better rationalization and coordination of program regulations and procedures, planning processes and operations.

1. Near term requirements

For the near term, the priority elements of a national manpower policy are based on the following rationale:

a. There is a need for selective and positive manpower and employment policies, on a larger scale than in the recent past.

b. The expanded effort needs to be more closely integrated with economic policies in order to better promote structural change and sectoral adaptation and to facilitate the access of the unemployed to the jobs arising from the economic recovery.

c. There are increasing limitations in defensive policies, such as income maintenance, in effectively dealing with the residual long-term unemployed; and, therefore, there is a need to move toward more positive policies to selectively subsidize employment opportunities in lieu of unproductive income transfers.

d. It must be recognized that a substantial growth in overall employment levels rests on expansionist demand policies which, however, may be constrained by inflationary pressures.

In the recent recession, given the high rate of inflation in the wake of the energy crisis and related events, the room for maneuver by demand-management policy at the onset of the general rise in unemployment was severely restricted. In the face of a strong upward surge in unemployment, the response was largely to resort to short-term selective measures, in particular the "safety net" measures of extended and broadened unemployment insurance and some relatively minimal public job creation, largely through PSE. This defensive posture was—and is—largely structured around minimizing hardship to individuals threatened or affected by unemployment.

The main thrust and timing of further employment expansion will be largely dependent on demand-management policy, which should be as selective as possible given the nature of the inflationary and balance-of-payments constraints. At the same time, demand-management policy should be sufficiently vigorous and expansionist.

On the side of manpower policies, there should be a broad shift of emphasis from the defense strategy to an aggressive, selective strategy involving the creation of new employment in both the public and private sectors and the preparation of people through training to enter employment. In addition, major efforts in improving job placement and worker mobility are needed. These efforts can be supportive of the thrust of demand-management policy by reducing labor market pressures. Therefore, demand-management policy can be more expansionary than would otherwise be the case.

By Mr. TOWER:

S. 3880. A bill to amend the Federal Deposit Insurance Act to establish a Federal Banking Appeals Board. Referred to the Committee on Banking, Housing, and Urban Affairs.

Mr. TOWER. Mr. President, I am introducing today legislation to establish a Federal Banking Appeals Board.

This Board would consist of three members appointed by the President. The Board members would serve 5-year terms, with the initial term of one position to expire 5 years after creation of the Board, another to end 4 years after its creation, and the other to end 3 years after its creation.

The Appeals Board would be comprised of one member whose primary background is that of an active banker, one member whose primary background is that of a bank regulatory official, and one member whose primary background is that of a judicial or quasi-judicial official not previously associated with the banking business or bank regulation.

The purpose of this Appeals Board would be to serve as a quasi-judicial body with respect to certain decisions, orders, instructions, and requirements of the bank regulatory agencies and generally to perform functions commonly performed by administrative law judges in other areas of administrative law.

This Board would help to prevent the bank regulatory agencies from injecting personal biases and prejudices into their decisions, orders, instructions and requirements. It would provide an effective screening mechanism against overly harsh, inappropriate, or prejudiced agency decisionmaking. It would require those agencies to more closely adhere to the statutes authorizing their action in particular matters.

Any person suffering legal wrong because of any decision, order, instruction, or requirement of an agency or of the Appeals Board, or adversely affected or aggrieved by such action, would be entitled to a judicial review, subject to applicable law regarding the exhaustion of administrative remedies.

The form of proceeding for judicial review would be any special statutory review proceeding otherwise provided by law, or, in its absence or inadequacy, any applicable form of legal action—including actions for declaratory judgments or writs of prohibitory or mandatory injunction or habeas corpus—in any court of competent jurisdiction. Agency and Appeals Board action would be subject to judicial review in civil or criminal proceedings for judicial enforcement except to the extent that prior, adequate, and exclusive opportunity for such review is provided by law.

Pending judicial review, any agency is authorized, where it finds that justice so requires, to postpone the effective date of any action taken by it. Upon such conditions as may be required and to the extent necessary to prevent irreparable injury, every reviewing court—including every court to which a case may be taken on appeal from or upon application for certiorari or other writ to a reviewing court—would be authorized to issue all necessary and appropriate process to postpone the effective date of any agency action or to preserve status or rights pending conclusion of the review proceedings.

So far as necessary to decision, and where presented, the reviewing court would decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of any agency action. It would: First, compel agency action unlawfully withheld or unreasonably delayed; and second, hold unlawful and set aside agency action, findings, and conclusions found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; contrary to constitutional right, power, privilege, or immunity; in excess of statutory jurisdiction, authority, or limitations, or short of statutory rights; without observance of procedure required by law; unsupported by substantial evidence in any case reviewed on the record of any agency hearing provided by statute; or unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court. In making the foregoing determinations the court would review the whole record or such portions thereof as may be cited by any party, and due account shall be taken of the rule of prejudicial error.

This legislation has been suggested by a constituent of mine, Mr. Michael E. Burns. Mr. Burns is former minority counsel to the Committee on Banking, Housing and Urban Affairs and former special assistant to the Comptroller of the Currency. He is presently a practicing attorney in Houston. This legislation reflects Mr. Burns' excellent background and insight as a legislative aide, counsel to a bank regulatory agency and private attorney.

I believe this legislation could prove to be a useful focal point in discussions of procedures for reviewing rulings and decisions by the bank regulatory agencies. I am hopeful that consideration can be given this legislation by the Banking Committee early next year.

I ask unanimous consent that a letter from Mr. Burns dealing with this legislation be printed in the Record, along with the text of the proposed bill.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 3880

A bill to amend the Federal Deposit Insurance Act to establish a Federal Banking Appeals Board

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Deposit Insurance Act, as amended (12 U.S.C. 1811–31), is amended by adding at the end thereof the following:

"Sec. 26. (a) (1) There is established the Federal Banking Appeals Board (hereinafter referred to as the 'Board'), which shall be composed of three members, two of whom shall be appointed by the President, and one of whom shall be appointed by the President, by and with the advice and consent of the Senate, to be Chairman of the Board.

"(2) The Chairman shall be responsible for the administrative operations of the Board. In the event of a vacancy in the office of the Chairman, and pending the appointment of his successor, the President may designate any other member as Chairman.

"(b) The terms of members of the Board shall be 5 years except that (1) the members of the Board first taking office shall serve, as designated by the President at the time of appointment, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years, and (2) a vacancy caused by the death, resignation, or removal of a member prior to the expiration of the term for which he was appointed shall be filled only for the remainder of such unexpired term. Upon the expiration of his term of office a member of the Board shall continue to serve until his successor is appointed and shall have qualified.

"(c) Each member shall be paid at a rate equal to the rate for level III of the Executive Schedule under section 5314 of title 5, United States Code, except that the Chairman shall be paid at a rate equal to the rate for Level II of the Executive Schedule under section 5313 of title 5, United States Code.

"(d) (1) One of the members of the Board shall have competence and experience in commercial banking; one of the members of the Board shall have competence and experience in bank regulation; and the third member of the Board shall not have had experience in either commercial banking or bank regulation, but shall have competence and experience as a judge in Federal or State government or as an administrative law judge in a quasi-judicial agency of the Federal government.

"(2) No member of the Board shall engage in any other business, vocation or employment nor hold stock in any insured bank.

"(e) (1) The Board may prescribe such regulations as may be necessary or appropriate to carry out its functions under this Act.

"(2) The Board shall record its official acts and open its records and hearings to the public.

"(3) A majority of the members present shall constitute a quorum for the transaction of business. Each member of the Board shall be entitled to cast one vote, and all matters before the Board shall be decided by a majority of the votes cast.

"(f) The Board may—

"(1) hold such hearings as may be necessary or appropriate for the conduct of its business;

"(2) employ and fix the compensation of such attorneys, experts, clerks and other employees as may be necessary for the proper performance of its duties;

"(3) obtain the services of such experts and consultants as are necessary to carry out the provisions of this Act; and

"(4) do all other things which are necessary or appropriate to the management of its affairs and the conduct of its business.

"(g) (1) The Board shall hear appeals taken by any insured bank, or any person associated therewith, from any decision, order, instruction or requirement, not otherwise subject to administrative review, of the appropriate Federal banking agency of such insured bank.

"(2) The Board may issue such orders as it deems appropriate where it determines that any decision, order, instruction, or requirement subject to appeal under paragraph (1) is (A) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right, or (B) motivated by bias, prejudice, or interest. Orders under this section are to be considered as final orders.

"(h) (1) The provisions of chapter 5 of title 5, United States Code, shall apply to the exercise of the powers of the Board except that, insofar as such provisions conflict with the provisions of this Act, the provisions of this Act shall apply.

"(2) Notwithstanding any other provision of law, any person adversely affected by an action of any appropriate Federal banking agency or of the Board is entitled to judicial review thereof in accordance with the provisions of chapter 7 of title 5, United States Code.".

BRACEWELL & PATTERSON,
Houston, Tex., August 26, 1976.

Hon. JOHN TOWER,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR TOWER: As I mentioned to you in my letter of June 11, 1976, accompanying a draft bill regarding the institution of due process with respect to certain bank supervisory powers, which you subsequently introduced as S. 3586, there are two broad powers of bank supervision today which require constraints placed upon them by Congress, in the interests of fairness to banks and bankers and in the interests of the country in having a banking system functioning as much as possible upon market principles. I am enclosing herewith a draft bill which would apply such constraints.

The two areas of concern in this regard are the examination power and the power, whether authorized explicitly by statute or construed by the agencies to be implicit in applicable statutes, to approve or disapprove various bank applications and actions, both of which powers are presently exercisable (and often exercised) in a highly arbitrary fashion. By placing certain due process constraints upon the exercise of these powers, it is my opinion, at least, that Congress can assure that banks and bankers will be able to operate on the basis of known, objectively applied regulatory policies and to avoid having extraneous and unwarranted policy and personal considerations of regulatory personnel imposed upon them.

Specifically, the draft bill enclosed would provide that an independent Federal Banking Appeals Board (Appeals Board) be established, in the nature of an administrative law panel, which would hear appeals from orders, decisions, instructions and requirements of the Federal bank regulatory agencies where no administrative system to assure procedural fairness otherwise exists. The Board would be bound by the substantive banking and regulatory policies of the several agencies.

Further, the bill would provide that any decision of a bank regulatory agency for which judicial review is not otherwise specifically provided shall be subject to judilical review, and any decision of the Appeals Board would similarly be subject to judicial review. The standards to be applied by such a Court would be the same as those provided for in the Administrative Procedure Act.

The desired effect of this bill would be to prevent the implementation by the banking regulatory agencies of most of the personal biases and prejudices of personnel which presently find their way into the stream of decisions, orders, instructions and requirements, both formal or informal, that issue from those agencies. The agencies would be effectively required to adhere more closely to the statutes which authorize their actions in particular matters. Personnel of such agencies would be less able to treat such statutes as authorizing any and all instructions to a bank which they, solely as a matter of personal preference, believe may be in the best interests of the bank, but which instructions, or the factors upon which they are based, are not authorized or recognized in, or at least genuinely relevant to, the particular statute(s) dealing with the subject in question.

For example, it is common today for a representative of a bank regulatory agency to impress upon management of a bank which is within his jurisdiction his views of who may or may not be an appropriate person for a bank to hire as an officer, without there being any official conferral of such power upon the agency by Congress. The official simply reads that power into the general framework of regulation which Congress has provided for the banking system, tending to view the very existence of a regulation and supervision system as indicative of a principle that Congress desires the agencies to screen from the banking system those whom the agencies may consider to be undesirables, in the interests of a "safer and sounder" system.

While I am not advocating that "undesirables" be employed in the banking system, I do dispute the notion that the bank regulatory agencies should have general authority to pass judgment upon alleged "undesirables" without being required to adhere to any Congressionally mandated standards and without according any persons who are deemed "undesirables" the right of recourse or appeal. The qualifications of a banker to join or be promoted within a bank should, in a banking system that is based as much as possible upon market principles, be the exclusive province of the bank itself, except to the extent a person might constitute a demonstrable threat to the safety of the bank. Different criteria and values can be applied to measure the suitability of a person for any position in a particular kind of business, and it is one of the greatest strengths of a market system and the American economy generally that many thousands of independent decisionmakers, acting under their own or their respective organization's own set of standards, are making such decisions every day without the stifling hand of governmental direction.

Such a pluralistic system prevents the views of any one individual or organization, or of the government generally, from permanently fixing the nature of a particular industry according to the limitations of any one set of values or criteria. Diversity in decision-making is essential to a healthy economy, and diversity in hiring practices and philosophy is an essential constituent of that good health.

In banking today, there is, in fact, a substantial de facto screening process carried on by bank regulators with respect to executive officers of banks. It is not necessarily systematized or formalized, but it is at least my own experience that regulatory officials do expect that significant appointments will be cleared with them before they are finalized. Admittedly, the intention of the officials is usually to protect the banks concerned and the banking system, but the criteria and values they employ have not been prescribed by Congress nor even by published policies of the agencies concerned. These officials are, by virtue of their shared regulatory experience and certain common values, imposing a "single-channel" employment system of sorts upon the banking system.

Bankers who fit somewhere within the central area of current banking orthodoxy and who do not otherwise offend regulatory officials are allowed to migrate through the banking system. Bankers who, on the other hand, are viewed perhaps as too prone to take risks or to experiment ("innovation" is sometimes used to describe such activities in non-regulated industries), or who may criticize the quality of bank regulation, or who may argue too vigorously with examiners about the classification of particular assets, or who may have a personality clash with a regulatory official, can be and often are excluded from participating in, or at least progressing in, the banking system, by virtue of the de facto power to screen bank personnel that banking agencies have today. And, it should not be overlooked that this type of decision is made totally off-the-record and usually without direct awareness by the subject that he has been cleared, rejected, or even evaluated by the agency concerned, much less with his participation in the process.

This is not to say that Congress should not provide for the bank regulatory agencies to have a formal procedure at hand for removing incompetent bankers, as is presently under consideration in Congress. But such power should be exercised in accordance with Congressional and administrative standards and procedures, involving clearly established public policy and with an opportunity for participation and counterargument by the affected individuals and banks in each case.

A further example of what I regard as improper exercise of presumed authority by bank regulatory agencies is seen in instances involving formal application by a bank to such an agency, such as for approval of the formation of a bank holding company. In the treatment of applications to the Federal Reserve Board for such approvals, it is not uncommon for the Board to apply factors irrelevant to the Bank Holding Company Act in making its decisions. For example, the Board for a number of years applied a policy which it developed totally on its own without any statutory mandate and which required that in the acquisitions of banks by bank holding companies all shareholders must receive from the holding company the same price for their shares. Aside from the fact that this theory tends to ignore the economic realities of the value of control of enterprises, it is not set forth as a relevant consideration anywhere in the Bank Holding Company Act. Fortunately, a court ultimately reversed the Board's decision in one case in which the Board attempted to apply the theory, holding that the Board had gone far beyond its statutory authority in applying such an irrelevant consideration to the application, but not until many other applications had been rejected because of, or brought into compliance with, the Board's irrelevant views on this subject.

Although some such applications, as with the above example, are corrected by judicial review in instances which are of sufficient financial importance to the parties involved to justify litigation, many others are not. In addition, in view of the broad and uncontrolled powers which are assumed by the bank regulatory agencies, bankers do not usually wish to create a risk of alienation of agency personnel by challenging the agency decision externally, however unjustified the decision may be. Consequently, factors which are statutorily irrelevant to agency, decisions are routinely applied by officials free from any signnificant risk of challenge.

The potential for such arbitrary action may be seen in other situations such as those involving an agency's power to approve name changes under a very general statutory grant of authority, where, depending on the intensity of the desire of the particular applicant for the change, the agency can unofficially, but effectively, insist upon such concessions as, perhaps, an increase in capital or a reduction in credit exposure in a certain sector, or upon any number of perhaps less important but similarly irrelevant sacrifices or compromises from the bank. These concessionary requirements can be put sufficiently obliquely that in many instances a bank would have difficulty presenting hard evidence of the arbitrary and illegal invocation of such de facto authority, but all bankers know what difficulties lie ahead for them on all regulatory fronts if they do not "play ball" with such impositions by regulatory personnel.

One further example of the vast informal agency powers that have built up under the present system of bank regulation is the examination power. Examinations subject bankers' lending decisions to life-or-death review by government officials. Examinations are so devoid of due process restraints that there is virtually no limit to what an agency official can do to a bank or banker through the discretionary exercise of the asset classification power. There are no congressionally-set standards of any nature relating to examinations and there is no procedure for appeal from examination decisions, either to higher levels in the agencies or to an outside forum such as a court or administrative law judge.

The ultimate decision to classify assets, and thereby possibly to create substantial operating problems for the bank and its management is totally in the hands of the examiner and the relevant regional office chief. There is no route of appeal for the banker, and no means of applying any objective standards to the classification decisions.

As a result of the generally unrestrained examination power, bankers are subject to considerable influence from examiners and other regulatory personnel about whatever subject may happen to concern those officials—whether during an exam or between exams. The fact that the officials have so much discretion in making determinations about the quality and collectibility of assets gives any suggestions or complaints they may have very great weight—though they may be irrelevant to the proper examination of the bank or to any statutory authority of the agency. Very important decisions, such as executive officer hiring, capital increases, dividends, or expansion plans can be affected by the fear of unduly harsh examinations.

The need is great for a general limitation on the invocation by bank regulatory authorities of irrelevant considerations in performing their various statutory duties, which reform may be accomplished by granting to bankers the right to administrative or judicial review. These steps would provide an external, objective forum for considering protests of arbitrary and unjustified directives in the course of examinations and in connection with other types of decisions, instructions and requirements for which there is now no review process readily available. If bankers are to function according to market principles and thereby provide the nation with efficient and progressive banking services, they must be free of irrelevant and unauthorized limitations set by bank regulatory authorities. Decisions about bank personnel, capital, expansion, credit policies, and the like have implications too important for the nation to be left to arbitrary interference by governmental bureaucrats. General rules as set by Congress, by duly adopted and authorized policies of the agencies, and by the nature market forces should control the banking community—not the individualized concerns and biases of thousands of bank regulators who are presently endowed with awesome discretionary power over the nation's banks.

This suggested bill is in skeletal form and is only a beginning point for consideration of the concerns mentioned herein. If the Banking Committee sees fit to explore the subject, the testimony and presentations of many knowledgeable people would no doubt lead to considerable modifications of such a bill—perhaps to scrapping its general approach altogether and developing comprehensive alternatives. However, it seems clear to me from my experience within the agencies and from without that *some* corrective action is definitely called for in this area, and I think that the Committee would find itself in full agreement with the need for reform if it would look into the problem and call for testimony and facts from the agencies and from the banks.

Sincerely yours,

BRACEWELL & PATTERSON,
MICHAEL E. BURNS.

By Mr. STAFFORD:

S. 3883. A bill to amend the Railroad Retirement Act of 1974 to provide for payment of annuity to an individual who has completed 30 years of service, without regard to such individual's age. Referred to the Committee on Labor and Public Welfare.

Mr. STAFFORD. Mr. President, I am introducing a bill that amends the Railroad Retirement Act to provide railroad employees a retirement option of 30 years of service and out.

Under present law a railroad employee with 30 years of service must reach the age of 60 before he can retire from the hard labors of railroad work. My proposed change would create additional job openings in the railroad industry for young men entering the work force and in need of employment.

The time has come for the Senate and the Congress to consider the concept of this proposal for our railroad employees, and I am introducing this legislation to begin this discussion.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3883

A bill to amend the Railroad Retirement Act of 1974 to provide for payment of annuity to an individual who has completed 30 years of service, without regard to such individual's age

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(a) (1) (ii) of the Railroad Retirement Act of 1974 is amended by striking out "have attained the age of sixty and".

(b) Section 2(c) (1) (i) (B) of such Act is amended by striking out "has attained the age of 60 and".

SEC. 2. The amendments made by this Act shall be effective with respect to annuities beginning to accrue in calendar months after the month of June, 1977.

By Mr. BROOKE:

S. 3884. A bill to authorize the Federal Insurance Administrator to issue charters to corporations for carrying on the business of insurance, to provide for the guarantee of the insurance obligations of such corporations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROOKE. Mr. President, on June 16 in a speech to a briefing session of the Insurance Information Institute, I suggested the possibility of a Federal chartering alternative for insurance companies, similar to the Federal chartering alternative presently available to banks and savings and loan associations. The concept is summarized in a paragraph from that speech:

> . . . Under such a system, insurance companies would have the choice of seeking state or Federal charters. If they chose a Federal charter, they would be exempted from state regulation, but subject to Federal standards. Companies which opted to obtain a Federal charter would also be able to obtain Federal insolvency insurance for a fee and would be exempt from assessments by the state guaranty funds. Companies which chose to remain subject to state regulation could do so, and no pressure would be brought on them to obtain Federal charters. Indeed, I would expect that many companies would for a variety of reasons see no need to change their current status.

My proposal to create a dual system for the regulation of insurance companies similar to the "dual banking system" was prompted in large measure by my concern about the adequacy of our present system for dealing with insurance company insolvencies.

Amid a growing concern that the Nation's fifth largest automobile insurer—2.4 million autos insured——might become insolvent, the New York Times reported on June 11, 1976, that—

> The concensus is that the already strained (guaranty fund) pools could not handle the intense claim activity of a GEICO portfolio.

This bleak outlook came hard on the heels of a GEICO reported first-quarter loss of $26.4 million before taxes. Moreover, according to a June 1976 estimate of the Insurance Information Institute—III—the first quarter of 1976 was the worst ever for the Nation's property-casualty insurers, with underwriting losses exceeding $1.4 billion; despite investment income of $1.2 billion, the industry bottomed out with a net loss of more than $66 million for the quarter. This downtrend followed a ruinous 2-year period for the industry; 1975, the worst year in the industry's 225-year history, ended with underwriting losses totaling $4.4 billion, while 1974—the then "worst year in the industry's history"—produced $2.6 billion in underwriting losses for a 2-year total underwriting loss in excess of $7 billion.

If these high levels of losses should result in insurance company insolvencies, policyholders may expect to be protected by State insurance guaranty funds. But the adequacy of these funds to deal with multiple insolvencies or the bankruptcy of a major insurer has yet to be tested.

The present State insurance guaranty funds were set up in the late 1960's and early 1970's after a spate of insurance company bankruptcies left policyholders without insurance protection. The guaranty funds are designed to guarantee payment of claims against covered individuals when their insurer fails, and since 1969, these funds have disbursed about $104 million in 106 insurance company insolvencies. However, the funds have yet to face the collapse of a major insurer, and most knowledgeable observers question their ability to do so.

Since each State runs its own guaranty fund, the effort to prevent or control insolvencies is fragmented and inffective. Uniform standards for guaranty status have not been developed by the States, and the automatic guaranty status of all companies raises a problem with respect to the formation of specialty companies to write distressed lines at inadequate rates with the probability that the obligations of those companies will ultimately be imposed on the guaranty funds.

Assessments to pay for insolvencies are made after the fact, and they are levied at a time when many companies have troubles of their own, which may be aggravated by the necessity of paying an assessment, thus posing the threat of a domino effect. This threat is somewhat mitigated by the fact that assessments are limited by statute to about 1 percent of a company's premium volume in about half the States and 2 percent in the rest, but this very limitation means that most funds would not be able to deal with a major failure or multiple failures in a timely fashion.

Where State guaranty funds have been operated on a "preassessment" basis, they have proven to be subject to the whims of the State legislature. New York State's fund amassed $240 million through assessments and interest income. However, to help alleviate New York State's fiscal crisis, the New York State Property and Liability Insurance Security Fund has switched more than $200 million into State obligations from bank certificates of deposit and Federal Government securities. Thus, the New York State fund was illiquid just at the time when it was most likely to be called upon to deal with an insurance company insolvency.

These and other weaknesses in our present system for dealing with insurance company insolvencies have convinced me that it would be desirable to create a Federal guaranty fund operated on a preassessment basis to deal with bankruptcies in the insurance business.

If a Federal guaranty fund were to be established, the administrator of any such fund would have to have the authority to regulate participating companies to prevent insolvencies. His authority would have to include the power to establish reserve requirements and investment criteria and to examine insurance companies on a regular basis. And, in fact, his powers would differ little from the authorities now exercised by a State insurance regulator to prevent the insolvency of companies which are chartered in his State.

To subject insurance companies to double regulation to prevent insolvencies would, in my opinion, be a mistake. Overlapping reserve requirements and investment criteria could cause chaos for regulated companies. For this reason and others, I believe that any system providing for Federal guaranty of insurance company solvency should provide that participating companies be federally chartered.

The bill which I introduce today offers to insurance companies the option of obtaining a Federal rather than a State charter and provides that the policyholder obligations of every federally chartered insurer will be guaranteed by a Federal guaranty fund established under the bill.

The bill establishes the office of the Federal Insurance Administrator as an office subject to Presidential appointment and transfers to this office all of the functions, powers, and duties conferred upon the Secretary of Housing and Urban Development pursuant to title XII of the National Housing Act—the national insurance development program—and title XIII of the Housing and Urban Development Act of 1968, the Flood Disaster Protection Act of 1973, and the Federal Flood Insurance Act of 1956. The Federal Insurance Administrator will have authority to charter and regulate insurance companies, and for all intents and purposes, will operate independently of HUD, much like the Comptroller of the Currency/Administrator of National Banks operates independently of the Treasury Department.

The regulatory authority of the Federal Insurance Administrator is spelled out in the bill along with procedures for avoiding default and procedures for the rehabilitation, reorganization, or liquidation of a federally chartered insurer which is unable to pay claims when due.

The bill exempts federally chartered insurers from State reserve requirements, from State investment limitations, from liability for State retaliatory taxes, and from most State rate regulation. Nor does the bill contemplate that federally chartered insurers will be subjected to rate regulation at the Federal level.

Section 8 of the bill spells out specific investment criteria for federally chartered insurers. While these investment criteria are quite specific, they are not meant to be sacrosanct, and I would welcome suggestions as to alternative investment standards.

I am introducing this bill before the 94th Congress adjourns so that it will be in the public domain and available for discussion and comment by those who are interested in the future of our insurance industry. The bill fleshes out the ideas which I outlined in June. However, it is not offered as a definitive piece, but as a working document to be studied and criticized. I welcome the comments and suggestions of all interested parties.

The insurance industry has a direct impact on the lives of millions of Americans, affecting nearly every family unit. The purchase of some coverages, such as homeowners and automobile, are matters of virtual economic necessity or are mandated by law in some States. And a person who fails to provide some financial security for his family through the purchase of life insurance is thought to be reckless by most of us. When such economic as well as legal forces combine to create strong compulsions for obtaining insurance, policyholders should be able to place full confidence in the insurance which they have purchased.

The dependency of the public on the financial integrity of the insurance industry is similar to its reliance on the soundness of the banking and securities industries. The advent of the Federal Deposit Insurance Corporation—FDIC—and the Federal Savings and Loan Insurance Corp—FSLIC—as well as the Securities Investor Protection Corporation—SIPC—has offered most American families protection from the disastrous consequences of bank or securities firm failures and provided an orderly method for dealing with such insolvencies. The same principles which have worked well to provide protection for the public in the fields of banking and securities, it seems to me, have applicability in the field of insurance, and I urge my colleagues to give this concept their consideration.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Insurance Act of 1976".

DEFINITIONS

SEC. 2. As used in this Act—

(1) the term "Administrator" means the Federal Insurance Administrator;

(2) the term "federally chartered insurer" means an insurer or surety chartered under the provisions of this Act to transact an insurance or surety business in the United States or any State thereof; and

(3) the term "State" means any State of the United States and the District of Columbia.

CHARTERING

SEC. 3. (a) The Administrator is authorized to issue a charter to any stock, mutual, or reciprocal insurer, a Lloyds organization, a surety, or the United States branch of an alien insurer, or surety maintaining in the United States at all times trust funds of not less than $50 million for the security of policyholders and claimants, in accordance with such rules, regulations, and procedures as the Administrator may prescribe.

(b) Notwithstanding the provisions of the law of any State, any stock, mutual, or reciprocal insurer, a Lloyds organization, or a surety, organized or incorporated under the authority of State law, having been certified by the Administrator as otherwise eligible to become a federally chartered insurer and upon the majority vote of its stockholders, or in the case of a non-stock insurer, a majority of its policyholders or members, voting in person or by proxy at a meeting called for such purpose, shall be issued a Federal charter. Upon the issuance of the Federal charter, the State charter or similar other authority of organization shall be preempted and terminated, except that any such insurer shall be deemed to continue its corporate or other existence for all purposes of Federal and State law, including its authority to do business in any State in which it is currently authorized to do business.

(c) Upon the issuance of such a charter, all obligations of the Federally Chartered Insurer shall be guaranteed in accordance with the provisions of section 12 of this Act.

(d) The Administrator may, by rule, prohibit any alien insurer, other than the United States branch of an alien insurer, from transacting an insurance or surety business in any State of the United States unless such alien insurer is chartered under the provisions of this Act, but such prohibition shall not extend to reinsurance other than reinsurance under which the alien insurer assumes reinsurance in excess of a 90 percent quota share of the ceding insurer's insurance business or any line thereof.

(e) The principal place of business of a federally chartered insurer shall be designated in its charter. The principal place of business of an existing insurer electing to obtain a Federal charter under this Act shall be deemed to be the State in which it was formerly chartered unless it designates another State with the approval of the Administrator.

ORGANIZATION

SEC. 4. (a) (1) An organization for transacting an insurance or surety business under this Act may be formed by any number of persons, but in no event less than 3 individuals. Such persons shall transmit to the Administrator verified articles of organization in such form and with such content as the Administrator may prescribe, specifying, generally, the object for which the insurer is formed, the line or lines of insurance or surety which it intends to transact and the States in which it is currently doing business or proposes to do business within the five-year period following its application for a Federal charter. Such articles of organization shall include, or be accompanied by, the articles of incorporation, charter, or constitution of the organization, the by-laws, and the biographical background of the organizers, directors, and proposed officers of the organization.

(2) The verified material filed with the Administrator shall state the capital and surplus, in the case of a stock insurer, or guaranty fund, in the case of an insurer other than a stock insurer, which shall not be less than the greater of the capital and surplus or guaranty fund required of an insurer or surety transacting the line or lines of insurance which the insurer transacts or proposes to transact in the State having the highest financial requirements or such amount as the Administrator shall prescribe, but not to exceed capital of $5 million and surplus of $2.5 million or a guaranty fund of $7.5 million, provided that no portion of such capital surplus, or guaranty fund shall consist of surplus notes or any other form of direct or indirect indebteness.

(3) In the case of a group or fleet of insurers under common management or subject to the effective control of one person, including, but not limited to, a holding company, no one or more of such insurers (other than alien insurers) constituting such group or fleet of insurers or insurers subject to common management or control shall be chartered unless all shall be so chartered or a plan for such chartering is filed with the Administrator for his approval.

(4) Any person exercising or possessing effective control of a federally chartered insurer shall be subject to the regulatory authority of the Administrator including, but not limited to, his powers of examination and audit.

(5) In the case of an insurer other than a stock insurer, the Administrator may provide by rule that such insurer shall not commence business until a specified number of bona fide applications for insurance covering actual risks have been received by the insurer.

(6) No insurer whose policyholders are liable to assessment under the contracts of insurance issued by it shall be chartered under the provisions of this Act.

(b) (1) Articles of organization, including articles of incorporation, a constitution, or charter filed with the Administrator pursuant to this section, may be amended from time to time in accordance with the provisions of this Act, and any action requiring the approval of the stockholders, policyholders, or members of such organization may be had by the affirmative vote of not less than a majority of such stockholders, policyholders, or members voting in person or by proxy, except that in the case of any vote or proposed action in which a proxy is solicited in the management of the insurer or any person effectively controlling the insurer, the Administrator may by rule prescribe such disclosure to the person whose proxy is sought as the Administrator deems necessary.

(2) The bylaws or other code of internal regulation of the insurer may be amended in any way provided in the articles of incorporation, constitution, or charter of the insurer.

(c) No Federal charter shall be issued in the name of an insurer whose name is identical with or so similar to the name of an insurer already licensed or authorized in one or more of the United States as reasonably likely to cause confusion or be misleading or deceptive to policyholders or claimants.

(d) Nothing in this Act is intended, nor shall it be deemed, to authorize any insurer to engage in both a life and property and liability insurance business in any State in which such insurer is not otherwise authorized to transact both a life and property and liability insurance business.

(e) (1) Unless the articles of organization or other documents or material filed by the applicant are earlier returned to the applicant by the Administrator because of legal insufficiency, the nature of such insufficiency having been stated in writing by the Administrator, the Administrator shall, not later than 90 days following the filing of the application for a Federal charter, approve or disapprove the issuance of such charter: *Provided*, That if a financial examination or audit of the applicant or any affiliated or related person has been commenced by the Administrator but has not been completed, the Administrator may extend the period for a further period of 90 days.

(2) At any time within the 90-day period or extension specified in paragraph (1) of this subsection, the Administrator may, upon notice of not less than 10 days, hold a hearing not less than 30 days nor more than 90 days after such notice inquiring into the solvency or solidity of such applicant or any affiliated or related person or upon the fitness of such applicant to receive a Federal charter, and notice of such hearing shall stay the running of the time specified in paragraph (1) of this subsection. Such notice shall specify explicitly the matters to be considered and the persons to be interrogated at such hearing. Failure of the applicant or any affiliated or related person to whom notice was provided to appear at such hearing may be deemed to be an abandonment of the application for a Federal charter.

(f) Upon his approval of the application, the Administrator shall issue a charter to the insurer whereupon the insurer shall have the power—

(1) to adopt and use a seal or insignia;

(2) to have perpetual succession until such time as it is dissolved by the act of its stockholders, policyholders, or members, or by law, or until such charter is revoked by the Administrator;

(3) to enter into contracts;

(4) to sue and be sued, complain and defend, in any court of law or equity;

(5) to elect or appoint directors or other members of its governing body, to elect or appoint officers or managers and prescribe their duties and compensation;

(6) to prescribe through its governing body bylaws or other code of internal regulation, not inconsistent with this Act and regulations promulgated by the Administrator, regulating its internal affairs including, but not limited to, the manner in which its shares, or other muniments of ownership, shall be transferred, its governing body elected or appointed, its officers or managers elected or appointed, its property transferred, its general business conducted, and the privileges granted it by law exercised and enjoyed; and

(7) to exercise through its governing body, officers, managers, or agents all such powers and authority as may be necessary or appropriate to transacting its insurance business.

(g) Every insurer chartered under this Act and every person affiliated with or who effectively controls or is controlled by such insurer shall comply with such rules and regulations as the Administrator may prescribe, and shall make such periodic reports in such form and in such detail as the Administrator shall prescribe, and shall be subject to examination or audit by the Administrator or his delegate.

COMMENCING BUSINESS

SEC. 5. (a) A Federally Chartered Insurer may commence transacting insurance only if it has received a certificate under the hand and seal of the Administrator certifying—

(1) that its capital and surplus or guaranty fund has been paid in;

(2) that such capital and surplus or guaranty fund has been invested in such assets as are permitted under this Act or the Administrator's regulations, or are held in such deposits or custodial accounts as prescribed by the Administrator;

(3) that the contracts of insurance or suretyship it proposes to use are in compliance with the provisions of this Act and, with the exception of laws relating to rates or premiums, that such contracts are in compliance with any applicable laws or regulations of the State or States where such contracts are proposed to be issued; and

(4) that the insurer, if other than a stock insuer, has received bona fide applications for insurance covering the number of risks required by regulation promulgated by the Administrator.

(b) Any such certificate issued by the Administrator pursuant to subsection (a) of this section shall continue in effect unless revoked or suspended by the Administrator.

REGULATORY AUTHORITY

SEC. 6. (a) In order to ensure the safety and solidity of Federally Chartered Insurers and to provide assurance of fair and equitable treatment of policyholders, claimants, and creditors of such insurers, the Administrator is authorized to prescribe rules and regulations governing the conduct of the affairs of any such insurer. Such rules and regulations shall require that—

(1) the insurer shall pay the guaranty fee established by the Administrator under section 12 of this Act or any other applicable fee or charge provided by law or regulation;

(2) the insurer shall maintain such reserves as the Administrator may, from time to time, require under this Act;

(3) the insurer shall not sell, transfer, assign, pledge, or otherwise dispose of or relinquish control over any substantial portion of its funds, assets, or investments, except as provided by law or regulation unless at least 30 days' prior notice has been provided to the Administrator and he has not disapproved, no insurer shall sell, transfer, assign, pledge or make any other disposition or relinquish control over such funds, assets or investments;

(4) the insurer shall establish, maintain, and comply with procedures designed to assure the fair, complete, and timely performance of its obligations to its policyholders and to the Administrator under the provisions of this Act;

(5) the insurer shall furnish to the Administrator or his delegate such files, books, reports, documents, or other records of the insurer or any affiliated or related entity as the Administrator shall prescribe and shall make available to the Administrator or his delegate at such times and places as the Administrator shall reasonably prescribe every such file, book, report, document or other record for inspection, examination or audit under the oath or affirmation of the person(s) having custody or control thereof; and

(6) the insurer shall furnish under the oath or affirmation of its directors, or other members of its governing body, officers, managers, or agents, such financial reports or records and at such times and in such detail as the Administrator may, from time to time, prescribe, including tapes, punched cards, or other material maintained by the insurer or any affiliated or related entity.

(b) The Administrator shall establish and maintain, either directly and solely or wholly or partially by contract with State insurance regulatory authorities or officials or an association made up of such authorities or officials, or with other appropriate organizations or associations, an "early warning system" meaning a system for the early detection of financial conditions of insurers which if not corrected render reasonably probable the insolvency, impairment or inability of the insurer to fulfill, when due, its contractual obligations to policyholders or claimants. In order to render possible comparison and to make available broad financial and statistical data, any such "early warning system" may include both federally chartered insurers and other insurers. Any insurer covered by such system may be required by the Administrator to submit to him or his delegate its financial reports or records including computer tapes or cards under its electronic data processing system. The system established under this subsection shall contain such criteria and the weight to be accorded such criteria as the Administrator, after consultation with the National Insurance Development Advisory Board established under section 1202 of the National Housing Act, shall determine.

APPLICABILITY OF STATE LAW

SEC. 7. (a) Notwithstanding the provisions of the Act of March 9, 1945 (15 U.S.C. 1011-1015), a federally chartered insurer shall be exempt from the provisions of the law of any State—

(1) which require the establishment and maintenance of reserves against losses arising in the business of insurance done in that State;

(2) which require the participation of persons furnishing insurance in any plan whereby such persons are required to assume obligations of other persons in the event of the insolvency of such other persons;

(3) which provide for the regulation of investments; or

(4) which provide for the regulation of fixing of rates or premiums for the provision of insurance by insurers operating in that State, except rates or premiums charged by such insurer in any authorized assigned risk plan or other residual risk market mechanism established under State law.

(b) A federally chartered insurer has no liability to any State for a tax measured by gross premiums or net premiums collected to the extent that the amount of such tax exceeds or would exceed the amount of tax which would be imposed on the same amount of gross or net premiums of the least taxed insurer (other than a non-profit medical or hospital-type corporation) organized under the laws of any State. Except as otherwise provided herein, a federally chartered insurer shall for tax purposes be taxed at no higher rate than a foreign insurer in any State in which it is authorized to do business.

(c) Except as otherwise provided in this Act, for the purpose of any law enacted under the authority of the United States or of any State, a federally chartered insurer shall be treated as an insurer organized or incorporated under the laws of the State in which it has its principal place of business.

INVESTMENTS

SEC. 8. (a) The purpose of this section is to require that funds of any federally chartered insurer equal to the sum of its policyholder obligations and minimum capital and surplus, or guaranty fund required by law, shall be invested in assets of unquestioned integrity and stability, and to provide that funds of such insurer in excess of those required to cover such policyholder obligations and capital and surplus or guaranty fund may be invested at the discretion of the insurer, except that such excess funds shall not be invested in assets prohibited by subsection (g).

(b) As used in this section, the term "policyholder obligations" means those liabilities of the insurer to its policyholders and claimants against such policyholders on account of insurance contracts issued by it and obligations to creditors, and includes the liabilities required to be included in the insurer's annual statement filed with insurance regulatory authorities including, but not limited to, the unearned premium reserve, reserve required by applicable mortality or morbidity tables prescribed by the Administrator, and claim or loss reserves including reserves for incurred but not reported losses and for loss adjustment expense; but "policyholder obligations" does not include that portion of the insurer's capital and surplus, or guaranty fund, in excess of the minimum capital and surplus, or guaranty fund, required by law for such insurer.

(c) For the purpose of covering its policyholder obligations and minimum capital and surplus or guaranty fund, every federally chartered insurer shall have and maintain investments of the classes described in this subsection to the extent of such policyholder obligations and minimum capital and surplus or guaranty fund less an amount equal to 30 percent of its surplus as regards policyholders, but in no event shall such insurer have and maintain investments of the character described less than in an amount equal to the sum of 70 percent of such policyholder obligations, other than its minimum capital and surplus or guaranty fund, and 100 percent of the minimum required capital and surplus or guaranty fund, except that the investments referred to in this subsection shall be subject to the limitations provided by subsection (d), and the Administrator shall disallow any specific investment upon his finding that such investment does not meet the standard of unquestioned integrity and stability for the purposes of this subsection:

(1) Cash, cash funds and interest accrued thereon on deposit, or in savings accounts, or under certificates of deposit, or in any other form, in solvent banks or trust companies that have qualified for the insurance protection afforded by the Federal Deposit Insurance Corporation, but such cash or cash funds shall not be limited to, or by, the amount of any such insurance protection;

(2) Cash, cash funds, and interest accrued thereon on deposit or in savings accounts, or under certificates of deposit, or in any other form, in solvent building and loan or savings and loan associations that have qualified for the insurance protection afforded by the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation, but such cash or cash funds shall not be limited to, or by, the amount of any such insurance protection;

(3) Premiums in the course of collection, including due and deferred premiums in the course of collection from agencies or general agencies effectively owned or controlled by, or owning or controlling the insurer, not more than 90 days past due, less commissions payable thereon, and installment premiums to the extent of the unearned premium reserve carried on the policies to which such premiums apply, less commissions payable thereon: *Provided*, That premiums balances not more than 90 days past due that are due from agencies effectively owned or controlled by, or effectively owning or controlling the insurer, may be deemed assets of the insurer to the extent that such balances due from the agency or general agency are represented by assets of the kind described in this subsection subject to the limitations mentioned in this subsection;

(4) Reinsurance recoverables not more than 90 days past due from solvent reinsurers, including deposits made with assuming reinsurers or held by ceding insurers under reinsurance agreements but only to the extent that such deposits are available as offsets against liabilities under such reinsurance agreements;

(5) Bonds, notes, warrants and other securities which are the direct obligations of the United States or for which the full faith and credit of the United States is pledged for the payment of principal and interest;

(6) Obligations or stock, where stated, of the following agencies or instrumentalities of the United States, whether or not such obligations are guaranteed by the Government:

(A) Commodity Credit Corporation;

(B) Federal intermediate credit banks;

(C) Federal land banks;

(D) Central Bank for Cooperatives;

(E) Federal home loan banks and stock thereof;

(F) Federal National Mortgage Association, and stock thereof when acquired in connection with sale of mortgage loans to the Association;

(G) Government National Mortgage Association; and

(H) Other agencies or instrumentalities of the United States as approved by the Administrator from time to time;

(7) Bonds, notes, warrants and other securities which are the direct obligations of any State or territory of the United States or of the District of Columbia, or for which the full faith and credit of such State, territory or District has been pledged for the payment of principal and interest;

(8) Bonds, notes, warrants and other securities that are valid and legally authorized obligations issued, assumed, or guaranteed by any county, city, town, municipality or district of any State or territory of the United States, or by any political subdivision thereof, or by any civil division or public instrumentality of the United States, any State or territory of the United States, or any county, city, town, or district of any such State or territory, if by statutory or other legal requirements applicable thereto, such obligations are payable, both as to principal and interest, from taxes levied, or required by law to be levied, upon all taxable property or taxable income within jurisdiction of such governmental unit, or from special revenues pledged or otherwise appropriated or by law required to be appropriated for the purpose of such payment, such not including any obligations payable solely out of special assessments on properties benefited by local improvements; provided, that obligations payable out of special revenues pledged or otherwise appropriated or required by law to be appropriated for the purpose of such payment, shall be eligible for purposes of this section only if such obligations are eligible for amortization in accordance with standards promulgated in rules or regulations issued by the Administrator;

(9) Bonds, notes, warrants, or other securities of the Dominion of Canada, or of any Province thereof;

(10) Bonds, notes, or debentures of solvent corporations existing under the laws of the United States or any State or territory thereof, the District of Columbia, Canada, or any Province thereof, if such obligations meet such standards of unquestioned integrity and stability as the Administrator may from time to time prescribe;

(11) Preferred or guaranteed stocks or shares, other than common stocks, of solvent institutions existing under the laws of the United States or of any State, or Territory thereof, or of the District of Columbia, if such obligations meet such standards of unquestioned integrity and stability as the Administrator may from time to time prescribe;

(12) If a life insurer, as loans to policyholders upon pledge of the policy as collateral security, amounts not exceeding the cash surrender values of such policies;

(13) If a life insurer, bonds or evidences of debt secured by first mortgages or deeds of trust on improved unencumbered real property or the equity of the seller of any such property in the contract for a deed covering the entire balance due on a bona fide sale of such property located in the United States or any State or territory thereof or the District of Columbia; but no such mortgage loan or investment in the equity of the

seller in the contract for deed shall exceed in amount at the time of acquisition 75 percent of the fair market value of the property. Real estate shall not be deemed to be encumbered within the meaning of this paragraph (13) by reason of the existence of taxes or assessments which are not delinquent, instruments creating or reserving mineral, oil, or timber rights, rights-of-ways, joint driveways, sewer rights, rights in walls, nor by reason of building restrictions or other restrictive covenants, nor when such real estate is subject to lease in whole or in part whereby rents or profits are reserved to the owner if in any event the security for the loan or investment is a first lien upon the real estate: *Provided, however*, that the value of any mineral, oil, timber or similar right so reserved shall not be included in the fair market value of the property;

(14) If a life insurer, bonds or notes secured by mortgage or trust deed guaranteed or insured as to principal in whole or in part by the Administrator of Veterans' Affairs pursuant to the provisions of Title III of the Service Men Readjustment Act of 1944, as amended, or bonds or notes secured by mortgage or trust deed guaranteed or insured under the National Housing Act; and

(15) Common stocks of any solvent corporation incorporated under the laws of the United States or any State or Territory thereof or the District of Columbia or the Dominion of Canada or any Province thereof, if the stocks of such corporation are listed or admitted to trading on a national securities exchange located in the United States and registered pursuant to sections 6 and 19 of the Securities Exchange Act of 1934.

(d) Investments made by federally chartered insurers for the purpose of covering their policyholder obligations and their minimum capital and surplus or guaranty fund provided by law, as provided in subsection (c), are, with respect to such purpose only, subject to the following limitations:

(1) None of the securities mentioned in subsection (c) shall be eligible for the purposes of that subsection if, within the five years immediately preceding, the obligor shall have defaulted in the payment of principal or interest on any of its bonds, warrants or other securities.

(2) In respect to investments of the kind described in paragraphs (8) of subsection (c) not more than an amount equal to 10 percent of the insurer's policyholders' obligations shall be invested in the securities of any one such county, city, town, village, municipality, or district of such State or Territory of the United States or of any political subdivision thereof, or of any such civil division or public instrumentality.

(3) Investments of the kind described in paragraph (9) of subsection (c) shall not exceed an amount equal to 5 percent of the insurer's policyholder obligations.

(4) Investments of the kind described in paragraph (10) of subsection (c) shall not exceed an amount equal to 40 percent of the insurer's policyholder obligations, nor shall more than an amount equal to 5 percent of the insurer's policyholder obligations be invested in any one such investment.

(5) Investments of the kind described in paragraph (11) of subsection (c) shall not exceed an amount equal to 10 percent of the insurer's policyholder obligations.

(6) Investments of the kinds described in paragraphs (13) and (14) of subsection (c) shall not exceed in the aggregate an amount equal to 40 percent of the insurer's policyholder obligations, nor, with respect to investments under any of such paragraphs shall more than an amount equal to 5 percent of the insurer's policyholder obligations be invested in any one such investment or in any one project, subdivision or series of related transactions thereunder as determined by the Administrator.

(7) Investments of the kind described in paragraph (15) of subsection (c) shall not exceed an amount equal to 10 percent of the insurer's policyholder obligations.

(8) For the purposes of the limitations contained in this subsection (d), the property and securities enumerated in subsection (c) shall be valued at cost, less depreciation except that the Administrator may, by regulation, authorize valuation of securities in accordance with stated values established for such securities in writing or as published by the Committee on Valuation of Securities of the National Association of Insurance Commissioners.

(e) A federally chartered insurer owning not less than 80 percent of all classes of the outstanding stock of one or more other federally chartered insurers may, for the purpose of complying with subsection (c) of this section, as limited by subsection (d), so comply on the basis of a consolidated statement.

(f) Any federally chartered insurer not in compliance with the requirements imposed by this section shall within a reasonable time, not to exceed 30 days, notify the Administrator of that fact. Upon being so notified, or upon otherwise determining such fact, the Administrator shall forthwith order the federally chartered insurer to make good the deficiency within 30 days, and he shall upon a failure of such insurer to make good the deficiency within that period, revoke or suspend the Federal charter of such insurer until the deficiency has been made good: *Provided, however*, That if such noncompliance involuntarily results from the acquisition of the property or security through foreclosure or otherwise results from a default in a loan or other obligation and such acquisition was rendered necessary in order to protect the investment or avoid greater loss, the Administrator may further extend such period if the federally chartered insurer establishes that such extension is necessary, that it will not unduly prejudice the policyholders, and that the insurer has, in good faith, entered upon a course of action calculated to terminate such noncompliance on or before the expiration of such extended period.

(g) Notwithstanding any other provision of this section, no federally chartered insurer shall invest any of its funds in or lend any of its funds upon the security of—

(1) issued shares of its own capital stock except with the written permission of the Administrator which may be granted at his discretion where the purpose of such acquisition is in connection with a lawful plan for mutualization of the insurer or in furtherance of a retirement, pension or incentive program for officers or employees of the insurer, which plan has been approved by the stockholders, or if such acquisition is shown otherwise to be for the benefit of all stockholders; but in no event shall such shares so acquired be admissible as an asset covering policyholder obligations;

(2) securities issued by a corporation which is insolvent at the time of the proposed investment except with the written consent of the Administrator pursuant to his determination that such proposed acquisition is pursuant to a reorganization or rearrangement in bankruptcy or some similar proceeding that such acquisition will not be prejudicial to stockholders, policyholders, or creditors, but no such securities shall be used to cover policyholder obligations;

(3) securities which will subject the insurer to any assessment other than for taxes or wages; or

(4) any investment or security which is found by the Administrator to be designed to evade any prohibition of this subsection.

(h) The assets enumerated in subsection (c) and other assets not prohibited under subsection (g) nor required to be scheduled as nonadmitted assets in any annual statement form as prescribed from time to time by the Administrator, shall be deemed admitted assets for purposes of determining the solvency or solidity of the Federally Chartered Insurer or any applicant for a Federal charter, and all such assets shall be valued in accordance with the standards prescribed in paragraph (8) of subsection (d).

SUPERVISORY AUTHORITY; REMOVAL; CIVIL PENALTIES

SEC. 9. (a) If, in the opinion of the Administrator, any federally chartered insurer or any director, officer, employee, agent, or other person participating in the conduct of affairs of such insurer is engaging or has engaged, or if the Administrator has reasonable cause to believe that the insurer or any director, officer, employee, agent, or other person participating in the conduct of such affairs is about to engage, in any practice in connection with the affairs of the insurer which violates the provisions of this Act of the regulations under this Act, or is violating or has violated, or the Administrator has reasonable cause to believe that the insurer or any director, officer, employee, agent, or other person participating in the conduct of the affairs of the insurer is about to violate a law, rule, or regulation, or any condition imposed in writing by the Administrator in connection with the granting of any charter or certificate or other benefit under this Act, the Administrator may issue and serve upon the insurer or such director, officer, employee, agent, or other person a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or practice and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom shoud be issued. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of notice unless an earlier or a later date is requested by the party so served and agreed to by the Administrator. Failure of the party served to appear at such a hearing shall be deemed to indicate the consent of that party to issuance of the cease and desist order. In the event of such consent, or if, upon the record of any such hearing, the Administrator finds that any violation or practice specified in the notice of charges has been established, the Administrator may issue and serve upon the insurer, director, officer, employee, agent, or other person an order to cease and desist from any such violation or practice. Such order may, by provisions which may be mandatory or otherwise, require the insurer or its directors, officers, employees, agents, or other person participating in the conduct of its affairs to cease and desist from the same, and to take affirmative action to correct the conditions resulting from any such violation or practice. An order under this subsection shall become effective at the expiration of thirty days after service, except in the case of a cease and desist order issued upon consent which shall become effective at the time specified therein, and shall remain effective and enforceable as provided therein except to such extent as the order may be stayed, modified, terminated, amended, or set aside by action of the agency or any court.

(b)(1) Whenever the Administrator determines that a violation or threatened violation or practice specified in the notice of charges served under subsection (a) or the continuation thereof is likely to cause insolvency or substantial dissipation of assets or earnings of the insurer or is likely otherwise to prejudice the interests of the policyholders of the insurer, the Administrator may issue a temporary order requiring the insurer or such director, officer, employee, agent, or other person to cease and desist from any such violation or practice. Such order shall become effective upon service upon the insurer or such director, officer, employee, agent, or other person participating in the conduct of the affairs of such insurer and, unless set aside, limited, or suspended by a court in proceedings authorized by this subsection, shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to such notice and until such time as the agency shall dismiss the charges specified in such notice, or if a cease and desist order is issued against the insurer or such director, officer, employee, agent, or other person, until the effective date of such order. Within ten days after the insurer or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such insurer has been served with a temporary cease and desist order, the insurer or such director, officer, employee, agent, or other person may apply to the United States district court or the United States court of any territory within the jurisdiction of which the home office of the insurer is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the insurer or such director, officer, employee, agent, or other person under subsection (a) of this section, and such court shall have jurisdiction to issue such injunction.

(2) In the case of a violation or threatened violation of or failure to obey a temporary cease and desist order issued pursuant to paragraph (1), the Administrator may apply to the United States district court or the United States court of any territory within the jurisdiction of which the home office of the insurer is located, for an injunction to enforce such order, and if the court shall determine that there has been such violation or threatened violation or failure to obey, it shall be the duty of the court to issue such injunction.

(c) (1) Whenever, in the opinion of the Administrator, any director or officer of a federally chartered insurer has committed any violations of law, rule, or regulation or of a cease and desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with the insurer, or has committed or engaged in any act, omission, or practice which constitutes a breach of his duty as such director or officer, and the Administrator determines that the corporation has suffered or will probably suffer substantial financial loss or other damage or that the interests of its policyholders could be seriously prejudiced by reason of such violation or practice or breach of duty, and that such violation or practice or breach of duty is either one involving personal dishonesty on the part of such director or officer, or one which demonstrates his gross negligence in the operation or management of the insurer or a willful disregard for the safety or soundness of the Insurer, the Administration may serve upon such director or officer a written notice of its intention to remove him from office.

(2) Whenever, in the opinion of the Administrator, any director or officer of an insurer, by conduct or practice with respect to any other business concern which resulted in substantial loss or other damage, has evidenced either his personal dishonesty or gross negligence in the operation or management of the business concern or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to continue as a director or officer, and whenever, in the opinion of the Administrator, any other person participating in the conduct of the affairs of the insurer, by conduct or practice with respect to the Insurer or any other business concern which resulted in substantial financial loss or other damage, has evidenced either his personal dishonesty or his gross negligence in the operation or management of the insurer or concern or a willful disregard for its safety and soundness, and, in addition, has evidenced his unfitness to participate in the conduct of the affairs of such insurer, the Administrator may serve upon such director, officer, or other person written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the insurer.

(3) The Administrator may, if he deems it necessary for the protection of the corporation or the interests of its policyholders, by written notice to such effect served upon a director, officer, or other person referred to in paragraph (1), suspend him from office or prohibit him from further participation in any manner in the conduct of the affairs of the Insurer. Such suspension or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (d) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under paragraph (1) or (2) of this subsection and until such time as the agency shall dismiss the charges specified in such notice, or, if an order of removal or prohibition is issued against the director or officer or other person, until the effective date of any such order. Copies of any such notice shall also be served upon the corporation of which is a director or officer or in the conduct of whose affairs he has participated. A notice of intention to remove a director, officer, or other person from office or to prohibit his participation in the conduct of the affairs of an Insurer shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than 30 days nor later than 60 days after the date of service of such notice, unless an earlier or a later date is set by the Administrator at the request of (A) such director or officer or other person, and for good cause shown, or (B) the Attorney General of the United States. Unless such director, officer, or other person shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal or prohibition. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any of the grounds specified in such notice has been established, the Administrator may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the Insurer, as he may deem appropriate. Any such order shall become effective at the expiration of 30 days after service upon such insurer and the director, officer, or other person concerned (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.

(d) Within ten days after any director, officer, or other person has been suspended from office or prohibited from participation in the conduct of the affairs of an Insurer under subsection (c) of this section, such director, officer, or other person may apply to the United States district court or the United States court of any territory within the jurisdiction of which the home office of the Insurer is located, or the United States District Court for the District of Columbia, for a stay of such suspension or prohibition pending the completion of the administrative proceedings pursuant to the notice served upon such director, officer, or other person under subsection (c) of this section, and such court shall have jurisdiction to stay such suspension or prohibition.

(e) Any Federally Chartered Insurer which violates or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such an Insurer who violates the terms of any order which has become final and was issued pursuant to this section, shall forfeit and pay a civil penalty of not more than $10,000 per day for each day during which such violation continues. The Administrator shall have authority to assess such a civil penalty, after giving notice and an opportunity to the corporation or officer, director, employee, agent, or other person to submit data, views, and arguments, and after giving due consideration to the appropriateness of the penalty with respect to the size or financial resources and good faith of the Insurer or person charged, the gravity of the violation, and any data, views, and arguments submitted. The Administrator may collect such civil penalty by agreement with the Insurer or other person or by bringing an action in the appropriate United States district court, except that in any such action the Insurer or other person against whom the penalty has been assessed shall have a right to a trial de novo.

(f) (1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the principal place of business of the Insurer is located unless the party afforded the hearing consents to a hearing in another place, and shall be conducted in a manner consistent with the provisions of chapter 5 of title 5, United States Code, except that any such hearing shall be private unless the Administrator after consideration of the views of the party afforded the hearing determines that a public hearing is necessary to protect the public interest. After such hearing, and within ninety days after the Administrator has notified the parties that the case has been submitted to it for final decision, it shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection. Unless a petition for review is timely filed in a court of appeals of the United States, as provided in paragraph (2) of this subsection, and thereafter until the record in the proceeding has been filed as so provided, the Administrator may at any time, upon such notice and in such manner as he shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the Administrator may modify, terminate, or set aside any such order with permission of the court.

(2) Any party to the proceeding, or any person required by an order issued under this section to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to paragraph (1) of this subsection (other than an order issued with the consent of the Insurer, director, officer, or other person, or an order issued under paragraph (1) of subsection (c) of this section) by the filing in the court of appeals of the United States for the circuit in which the home office of the insurer is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the Administrator be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Administrator, and thereupon the Administrator shall file in the court the record in the proceeding, as provided in section 2112 of title 28. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall except as provided in the last sentence of paragraph (1) of this subsection be exclusive, to affirm, modify, terminate, or set aside, in

whole or in part, the order of the Administrator. Review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, subject only to review by the Supreme Court upon a writ of certiorari, as provided in section 1254 of title 28, United States Code.

(3) The commencement of proceedings for judicial review under paragraph (2) of this subsection shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Administrator.

(g) The Administrator may apply to the United States district court or the United States court of any territory, within the jurisdiction of which the principal place of business of the Insurer is located, for the enforcement of any effective and outstanding notice or order issued under this section, and such courts shall have jurisdiction and power to order and require compliance herewith; but except as otherwise provided in this section no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.

(h) As used in this section—

(1) the terms "cease and desist order which has become final" and "order which has become final" means a cease and desist order or an order, issued by the Administrator with the consent of the Insurer or the director or officer or other person concerned, or with respect to which no petition for review of the action of the Administrator has been filed and perfected in a court of appeals as specified in paragraph (2) of subsection (h), or with respect to which the action of the court in which said petition is so filed is not subject to further review by the Supreme Court of the United States in proceedings provided for in said paragraph, or an order issued under paragraph (1) of subsection (g) of this section; and

(2) the term "violation" includes without limitation any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

(i) Any service required or authorized to be made by the Administrator under this section may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Administrator may by regulation or otherwise provide.

(j) In the course of or in connection with any proceeding under this section, the Administrator, or any designated representative thereof, including any person designated to conduct any hearing under this section, shall have the power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpenas and subpenas duces tecum; and such Administrator is empowered to make rules and regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this subsection may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted. Any party to proceedings under this section may apply to the United States District Court for the District of Columbia, or the United States District court or the United States court of any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpena or subpena duces tecum issued pursuant to this subsection, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this section by a corporation or a director or officer thereof, may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper; and such expenses and fees shall be paid by the corporation or from its assets.

PROCEDURES TO AVOID DEFAULT

Sec. 10. (a) Whenever in the judgment of the Administrator, such action will reduce the risk or avert a threatened loss to the Federal Insurance Fund and will facilitate a merger or consolidation of a federally chartered insurer with another such Insurer, or will facilitate the sale of the assets of the Insurer to and the assumption of its liabilities by another such insurer, the Administrator may, upon such terms and conditions as he may prescribe, make loans secured in whole or in part by assets of the Insurer, which loans may be subordinated to the rights of policyholders and other creditors, or the Administrator may purchase any such assets or guarantee any other such Insurer against loss by reason of its assuming the liabilities in purchasing the assets of such Insurer. Any such insurer is authorized to contract for such sales or loans and to pledge any such assets to secure such loans.

(b) Any agreement entered into by a federally chartered insurer which tends to diminish or defeat the right, title, or interest of the Administrator in any asset acquired by him under this section either as security for a loan or by purchase shall be valid against the Administrator only if such agreement—

(1) is in writing;

(2) was executed by the insurer and the person claiming an interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the insurer;

(3) was approved by the board of directors of the Insurer which approval must be reflected in the minutes of such board; and

(4) was continuously, from the time of its execution, an official record of the insurer.

PROCEDURES FOR REHABILITATION, REORGANIZATION, OR LIQUIDATION OF A FEDERALLY CHARTERED INSURER

Sec. 11. (a) The purpose of this section is to make available to the Administrator relevant provisions of chapter X of the Bankruptcy Act with respect to federally chartered insurers found by the Administrator to be unable or potentially unable to fulfill their contractual obligations.

(b) The Administrator may institute proceedings under this section to revoke a charter and provide for the dissolution of a federally chartered insurer whenever he determines that the insurer is unable to pay claims when due. Upon such determination, the Administrator may, after notice to the federally chartered insurer, apply to the appropriate United States district court for his appointment or the appointment of another as a receiver to administer the affairs of the insurer with respect to which the determination was made, pending the issuance of a decree under subsection (c) ordering revocation of the charter. If within 3 business days after the filing of an application under this section, or such other period as the court may order, the federally chartered insurer consents to the appointment of a receiver or fails to show why a receiver should not be appointed, the court may grant the application and appoint a receiver to administer the affairs of the insurer in accordance with the provisions of this Act and the charter of the insurer.

(c) If the Administrator has issued a notice under this section to a federally chartered insurer and has determined that the charter of that Insurer should be revoked, he may, after notice to the Insurer, apply to the appropriate United States district court for a decree adjudicating that the charter must be revoked in order to protect the interests of the policyholders or to avoid any further increase in the liability of the Federal Insurance Fund. If any receiver appointed under subsection (b) disagrees with the determination of the Administrator under the preceding sentence, it may intervene in the proceeding relating to the application for the decree ordering revocation of the charter or make application for such decree itself.

(d) Upon the issuance of such a decree, the court shall authorize the receiver (or appoint a receiver and so authorize him, if necessary), to wind up the affairs of the insurer in accordance with the provisions of this section. If the Insurer and the Administrator agree that the affairs of the Insurer should be wound up and the charter surrendered and to the appointment of a receiver without proceedings pursuant to this section (other than this sentence), the receiver shall have the power to take such actions as may be necessary to wind up the affairs of the Insurer promptly.

(e) Any receiver appointed under this section shall be subject to the same duties as a trustee appointed under section 47 of the Bankruptcy Act, and shall conduct its business and the affairs of the Insurer consistent with the provisions applicable to a proceeding under chapter X of the Bankruptcy Act, except that claims of policy holders which arose prior to the Insurer's default shall have a priority over all other claims.

GUARANTIES

Sec. 12. (a) Any insurance obligation incurred by a federally chartered insurer during a period when such Insurer is authorized to do business under this Act is guaranteed and, upon the default of such Insurer, such obligation shall be met by the Administrator utilizing proceeds contained in the Federal Insurance Fund. The Administrator shall establish and collect from each insurer chartered under this Act a fee calculated as a percentage of its net direct premiums, and such fee may not exceed one-fourth of 1 percent.

(b) The Administrator shall, to the maximum extent practicable, pay any amounts owing under any such guaranty through other Insurers to which the policy giving rise to the obligation have been assigned.

FEDERAL INSURANCE FUND

Sec. 13. (a) There is established in the Treasury of the United States a fund to be known as the Federal Insurance Fund (hereinafter referred to as the "Fund"). The Fund shall contain fees paid by corporations, as established by the Administrator under section 6 or 12 the proceeds of obligations issued under subsection (c), and receipts from any other source.

(b) Moneys in the Fund shall be available to the Administrator, without fiscal year limitation, to the extent provided in appropriations Acts, for the purpose of carrying out his obligations under guaranties under this Act and to cover the expenses of carrying out his functions under this Act.

(c) To the extent necessary to cover losses, the Administrator is authorized to issue to the Secretary of the Treasury notes or other obligations in an aggregate amount of not to exceed such amounts as may be approved in appropriation Acts, in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

ESTABLISHMENT OF ADMINISTRATION; ADMINISTRATIVE PROVISIONS

SEC. 14. (a) (1) There is established within the Department of Housing and Urban Development a Federal Insurance Administration which shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(2) Section 5315 (91) of title 5, United States Code, is repealed.

(b) There are transferred to the Administration established under subsection (a) all functions, powers, and duties conferred upon the Secretary of Housing and Urban Development pursuant to title XII of the National Housing Act, title XIII of the Housing and Urban Development Act of 1968, the Flood Disaster Protection Act of 1973, and the Federal Flood Insurance Act of 1956. Any reference to the Secretary of Housing and Urban Development contained in any such statute shall be deemed to be a reference to the Administrator.

(c) The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, or other funds held, used, arising from, or available or to be made available in connection with, the functions, powers, and duties transfererd by subsection (b) of this Act are hereby transferred with such functions, powers, and duties, respectively.

(d) The Administrator is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, as shall be necessary to carry out the provisions of this Act and to prescribe their authority and duties.

(e) The Administrator shall cause a seal of office to be made for the Administration of such device as he shall approve, and judicial notice shall be taken of such seal.

(f) The Administrator shall, as soon as practicable after the end of each calendar year, make a report to the President for submission to the Congress on the activities of the Administration during the preceding calendar year.

SAVINGS PROVISIONS

SEC. 15. (a) No cause of action by or against any agency whose functions are transferred by this Act, or by or against any officer of any agency in his official capacity, shall abate by reason of this enactment. Such causes of action may be asserted by or against the United States or such official of the Administration as may be appropriate.

(b) No suit, action, or other proceeding commenced by or against any agency whose functions are transferred by this Act, or by or against any officer of any such agency in his official capacity, shall abate by reason of the enactment of this Act. A court may at any time during the pendency of the litigation, on its own motion or that of any party, order that the same may be maintained by or against the United States or such official of the Administration as may be appropriate.

(c) Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to applicable law, prior to the effective date of this Act, by any agency, officer, or office pertaining to any functions, powers, and duties transferred by this Act shall continue in full force and effect after the effective date of this Act until modified or rescinded by the Administrator or such other officer or office of the Administration as, in accordance with applicable law, may be appropriate.

COMPETITION

SEC. 16. (a) Regulations of the Administrator prescribed under this Act shall include regulations designed to achieve and assure the maintenance of maximum effective competition in the providing of insurance guaranteed under this Act, and, in the exercise of his supervisory authority under this Act, the Administrator shall not permit mergers, consolidations, or any other action involving the surrender or amendment of a Federal charter unless he determines that the successor Insurer will not have an adverse impact on the insurance industry as a whole or on any relevant market thereof.

(b) The Administrator shall notify the Attorney General of any approval by him of any merger, consolidation, or other reorganization under this section or any other provision of this Act. If the Administrator has determined that he must act immediately in order to prevent a loss to the Federal Insurance Fund or to prevent insolvency or default, the transaction may be consummated immediately upon approval by the Administrator.

(c) In any case other than that referred to in the last sentence of subsection (b), the Administrator shall request and consider a report on the competitive factors involved from the Attorney General prior to approving any merger, consolidation, or other reorganization involving any federally chartered insurer.

By Mr. NELSON:

S. 3886. A bill to amend title 28, United States Code, to make clear that State or Federal prisoners who are otherwise eligible for Federal habeas corpus relief may not be denied such relief on the ground that such State or Federal Government provided an opportunity for a full and fair litigation of a constitutional claim, and for other purposes. Referred to the Committee on the Judiciary.

Mr. NELSON. Mr. President, I am introducing legislation amending the Federal habeas corpus statute, 28 U.S.C. section 2241 et seq. This legislation is a direct response to two recent Supreme Court decisions which depart radically from long-standing precedent and seriously curtail the rights of those in custody to petition the Federal courts for a writ of habeas corpus.

In *Francis* v. *Henderson*, ——— U.S. ——— (May 3, 1976), the Supreme Court held that a State prisoner who failed to make a timely challenge to the composition of the grand jury that indicted him could not, after his conviction, bring that challenge in a Federal habeas corpus proceeding. In reaching this decision, the court rejected the existing law that, absent a deliberate bypass of State procedures, a procedural default by a State prisoner will not foreclose him from making a constitutional challenge through a habeas petition. The Court had reached a simlar conclusion 3 years earlier for Federal prisoners, holding that constitutional claims might be waived for the purpose of 22 U.S.C. section 2255, which is analogous to habeas corpus, if the prisoner had not raised them within the time limits spelled out by the Federal Rules of Criminal Procedure. *Davis* v. *United States*, 411 U.S. 233(1973).

In *Stone* v. *Powell*, ——— U.S. ——— (July 6, 1976), the court held that when a State has provided an opportunity for a full and fair litigation of a fourth amendment claim of illegal search and seizure, a State prisoner may not be granted habeas relief on the ground that evidence illegally seized from him was used against him at trial. In reaching this decision, the court reached the unprecedented conclusion that certain constitutional rights cannot be vindicated through a habeas corpus petition.

This legislation would overrule these cases by, first, writing into the habeas statute the requirement that a habeas petition by a State prisoner could be entertained by the Federal courts despite a procedural default in the State court, unless the prisoner had deliberately bypassed State procedures; second, providing similarly that the section 2255 remedy available to Federal prisoners would not be waived by a procedural default unless a deliberate bypass was involved, and third, establishing that any constitutional claim which could be considered on direct review could also be asserted and considered in a petition for habeas corpus.

Legislation overruling Supreme Court decisions is a major step which should be taken only after careful consideration and under narrow circumstances. In support of the legislation there are five points which the Senate should consider:

First, habeas corpus is one of our most cherished constitutional rights. Its diminuition demands immediate attention because it reduces the freedom of all Americans.

Second, habeas corpus in this country has been liberally granted and construed, by Congress and the courts, particularly in the last 50 years. The Francis and Stone decisions reverse that historical trend, without justification, and without a willingness to acknowledge the scope of the departure.

Third, these decisions represent a significant incursion on the constitutional power and obligation of Congress, under article III of the Constitution, to define the jurisdiction of the Federal courts.

Fourth, these decisions—disturbing enough themselves—represent only two examples of many recent Supreme Court decisions, which have had the effect of severely restricting access to the Federal courts.

Finally, these decisions convey the impression of being justified, at least in part, by the Supreme Court's desire to cope with the increased caseload of the Federal courts. However serious this problem may be, the remedy must come from Congress, and not from the Court, in the guise of decisions on the merits.

I

The "province" of habeas corpus, "shaped to guarantee the most fundamental of all rights, is to provide an effective and speedy instrument by which judicial inquiry may be had into the legality of the detention of a person. It allows restraints contrary to our fundamental law, the constitution, to be challenged, even when the conviction has been imposed by a court of competent jurisdiction." *Carafas* v. *LaValle*, 391 U.S. 233, 238 (1968). As Justice Holmes once wrote,

> "*Habeas Corpus* cut through all forms and goes to the very tissue of the structure. It comes in from the outside, not in subordination to the proceedings," *Frank* v. *Mangum*, 237 U.S. 309, 346–347, (1915).

The 28 U.S.C. section 2241 et seq. is the Federal law governing petitions for habeas corpus; 2241(a) provides that "writs of habeas corpus may be granted by the Supreme Court any justice thereof, the district courts and any circuit judge within their respective jurisdictions." Section 2254 sets forth the grounds for a motion for habeas by a State prisioner; section 2255 is the counterpart for Federal prisoners. Although the Federal prisoner has wider grounds on which to base a motion, the crucial aspect of both sections is that a State or Federal prisoner can seek habeas or post-conviction relief on the grounds that the prisoner is "in custody in violation of the Constitution or laws or treaties of the United States."

Throughout our history, habeas corpus has been known as the great writ, a cornerstone of individual freedom. It is "the most celebrated writ in the English law." 3 Blackstone Commentaries 129. It is "a writ antecedent to statute, and throwing its root deep into the genius of our common law. It is perhaps the most important writ known to the constitutional law of England, affording as it does an imperative remedy in all cases of illegal restraint and confinement. It is of immemorial antiquity, an instance of its use occurring in the 33d year of Edward I." *Secretary of the State for Home Affairs* v. *O'Brien*, (1923) A.C. 603. 609 (H.C.)

In the United States, habeas corpus was received into our law during the colonial period, explicitly recognized in article I, section 9, clause 2 of the Constitution and incorporated into the first grant of Federal court jurisdiction, Act of September 24, 1789 c. 20, § 14, 1 Stat. 81–82. Chief Justice John Marshall recognized habeas corpus to be a "great constitutional privilege." *Ex Parte Bollman and Swartout*, 4 Cranch 75, 95.

Nearly 150 years later, the Supreme Court reaffirmed the importance of habeas corpus, writing: "We repeat what has been so truly said of the federal writ: 'there is no higher duty than to maintain it unimpaired.' *Boman* v. *Johnston*, 305 U.S. 19, 26 (1939) and unsuspended, save only in the cases specified in our Constitution." *Smith* v. *Bennett*, 365 U.S. 708, 713 (1968). (*Fay* v. *Noia*, 372 U.S. 391, 399–400 (1963).

Although no body of law developed over 150 years can ever be completely consistent, it is fair to say that the Supreme Court has accorded great respect to the writ of habeas corpus. Moreover, in the past half century, the Court in a series of decisions has greatly expanded the concept of habeas corpus. The early concept of habeas corpus was that it guaranteed only that proper legal processes had been followed. The stated doctrine was that the writ would issue only if the court which committed the prisoner had lacked jurisdiction to do so. However, in *Moore* v. *Dempsey*, 261 U.S. 86 (1923), the court held that a prisoner could attack his conviction by habeas corpus, even if the court proceedings were formally proper, if those proceedings were under the sway of a mob, making the trial a mere sham. In *Mooney* v. *Holohan*, 294 U.S. 103 (1935), the court extended habeas to a prisoner whose conviction rested on perjured testimony; in *Johnston* v. *Zerbst*, 304 U.S. 458 (1938), the court concluded habeas was appropriate because although the trial court originally had "jurisdiction," it relinquished it by not providing the petitioner with counsel.

Finally in 1942, the court completely discarded the jurisdictional fiction and stated that:

> The use of the writ in Federal courts to test the constitutional validity of a conviction for crime is not restricted to those cases where the judgment of conviction is void for want of jurisdiction of the trial court to render it. It extends also to those exceptional cases where the conviction has been in disregard of the Constitutional rights of the accused, and where the writ is the only effective means of preserving his rights." *Waley* v. *Johnston*, 316 U.S. 101, 104–105 (1942).

II

In 1963, the Court decided *Fay* v. *Noia*, 372 U.S. 391 (193). The issue before the Court was whether Federal habeas corpus relief could be granted to a State prisoner who had been denied State post-conviction remedies because a coerced confession claim had been decided against him and the prisoner had allowed the time for a direct appeal to lapse without seeking State appellate review. In a painstaking review of the history of the Great Writ, the majority of the Court, per Justice Brennan, concluded that the lower Federal courts had erred in denying the writ. The essence of the court's conclusion was that the Great Writ was the remedy for incarcerations in violation of fundamental rights.

Therefore, if Noia was in prison in violation of his constitutional rights, Federal habeas corpus was an available remedy for him to challenge that incarceration, despite his procedural default. In reaching that decision, the Court considered at great length its effect on the relationship between State and Federal courts, but concluded that the State's interest would be adequately protected by a deliberate bypass standard, and that no stricter standard could be accepted given the overriding importance of habeas corpus:

> We fully grant . . . that the exigencies of federalism warrant a limitation whereby the federal judge has the discretion to deny relief to one who has deliberately sought to subvert or evade the orderly adjudication of his federal defense in the state courts. Surely no stricter rule is a realistic necessity. . . . [I]f because of inadvertence or neglect he runs afoul of a state procedural requirement, and thereby forfeits his state remedies, appellate and collateral, as well as direct review thereof in this Court, those consequences should be sufficient to vindicate the State's valid interest in orderly procedure. Whatever residuum of state interest there may be under such circumstances is manifestly insufficient in the fact of the federal policy, drawn from the ancient principles of the writ of habeas corpus, embodied both in the Federal Constitution and in the habeas corpus provisions of the Judicial Code, and consistently upheld by this Court, of affording an effective remedy for restraints contrary to the Constitution.
>
> Although we hold that the jurisdiction of the federal courts on habeas corpus is not affected by procedural defaults incurred by the applicant during the state court proceedings, we recognize a limited discretion in the federal judge to deny relief to an applicant under certain circumstances . . . narrowly circumscribed, in conformity to the historic role of the writ of habeas corpus as an effective and imperative remedy for detentions contrary to fundamental law, the principle is unexceptionable. We therefore hold that the federal habeas judge may in his discretion deny relief to an applicant who has deliberately by-passed the orderly procedure of the state courts and in so doing has forfeited his state court remedies.
>
> But we wish to make very clear that this grant of discretion is not to be interpreted as a permission to introduce legal fictions into federal habeas corpus. The classic definition of waiver enunciated in *Johnson* v. *Zerbst*, 304 U.S. 458, 464—"an intentional relinquishment or abandonment of a known right or privilege"—furnishes the controlling standard. If a habeas applicant, after consultation with competent counsel or otherwise, understandingly and knowingly forewent the privilege of seeking to vindicate his federal claims in the state courts, whether for strategic, tactical, or any other reasons that can fairly be described as the deliberate by-passing of state procedures, then it is open to the federal courts on habeas to deny him all relief if the state courts refused to entertain his federal claims on the merits—though of course only after the federal court has satisfied itself, by holding a hearing or by some other means, of the facts bearing upon the applicant's default. 372 U.S. at 433–434, 438–439.

In my view, this statement reflects a profound understanding of priorities in a free society dedicated to constitutional rights. The Court decided that the States' interest in orderly procedure could not prevail over the constitutional rights of a person wrongfully incarcerated. Until this term, the Supreme Court had repeatedly reaffirmed the holding of Ray. See, e.g., *Henry* v. *Mississippi*, 379 U.S. 443, 452 (1965); *Camp* v. *Arkansas*, 404 U.S. 69 (1971); *Lefkowitz* v. *Newsome*, 429 U.S. 283, 290 n. 6 (1975).

At the same time, a series of court decisions has established that the notion of being "in custody" should be construed liberally. Originally habeas was appropriate only in those cases in which petitioner's claim, if upheld, would result in an immediate release from prison. *McNally* v. *Hill*, 293 U.S. 131 (1934). Subsequently, the Court concluded that a person on parole was "in custody" for the purpose of raising a habeas claim. *Jones* v. *Cunningham*, 371 U.S. 236 (1963). Similarly, later the court decisions established that habeas claims could be raised by individuals at large on their own recognizance, but subject to several conditions pending execution of sentence. *Hensley* v. *Municipal Court*, 411 U.S. 355 (1973) and those released on bail after conviction pending final disposition of their cases. *Lefkowitz* v. *Newsome*, 429 U.S. 283 (1975).

These decisions underscore the view that habeas "is not now and never has been a static, narrow, formalistic remedy; its scope has grown to achieve its grand purpose—the protection of individuals against erosion of their right to be free from wrongful restraints upon their liberty. Besides physical imprisonment, there are other restraints on a man's liberty, restraints not shared by the public generally, which have been thought sufficient in the English-speaking world to support the issuance of habeas corpus." *Hammond* v. *Lenfest*, 398 F. 2d 705, 710–11 (2d Cir. 1968), quoting *Jones* v. *Cunningham*, 371 U.S. 236 240, 243 (1963).

Against this background, *Francis* v. *Henderson*, ——— U.S. ——— (May 3, 1976) was a startling, regrettable departure. In *Davis* v. *United States*, 411 U.S. 233 (1973), the Court had held that a Federal prisoner who had failed to make a timely challenge to the allegedly unconstitutional composition of the grand jury which indicted him could not subsequently attack his conviction under 28 U.S.C. 2255. In Francis, the court extended the Davis ruling to bar a State prisoner from a habeas challenge to the allegedly unconstitutional composition of the grand jury which indicted him. The majority of the court concluded that since Davis held that the Federal courts must give effect to the legitimate rules and time limitations imposed by F.R. Crim. P. 12(b)(2), "then surely considerations of comity and federalism require that they give no less effect to the same clear interests when asked to overturn State criminal proceedings." *Francis* v. *Henderson*, (slip opinion at 5–6). The court concluded that applying the Davis rule with "equal force" meant that petitioner must show not only "cause" for the untimely challenge but also actual prejudice resulting from the failure to comply.

This holding obviously departs sharply from Fay against Noia. After summarizing the holding of Fay, Mr. Justice Brennan wrote in his dissent:

> Yet the Court, invoking "comity and federalism," would now essentially preclude federal habeas relief for state defendants deprived of their constitutional rights, so long as the State required that they assert those rights within a certain time period; this absolute and automatic "waiver" of the underlying constitutional claim would apparently take effect whether or not the defendant knew of his rights, whether or not the "untimely" challenge was nevertheless made at a time when no legitimate state interest would be upset by an adjudication of the claim on the merits, and whether or not mere inadvertence or actual incompetence of counsel accounted for the untimely challenge. *Francis* v. *Henderson*, slip op. at 9 (dissenting opinion of Brennan).

The dissent was particularly critical of the court's willingness to undercut Fay against Noia without confronting the case's precedential impact:

> It is particularly distressing . . . [that] . . . the Court exposes its hostility towards and makes substantial inroads into the precedental force of *Fay* without directly confronting its underlying premises, its continuing validity, or the possibility of distinguishing the failure to raise different constitutional rights in a timely manner in the state courts. Such "oversights" are especially ironical in light of the Court's recent admonition that "[o]ur institutional duty is to follow until changed the law as it now is, not as some members of the Court might wish it to be." *Hudgens v. NLRB*, 524 U.S. ——— (1976). If the Court believes that *Fay* is no longer good law, and if the Court has the "institutional duty" to develop and explicate the law in a reasoned and consistent manner, then it has the duty to face squarely our prior cases interpreting the federal habeas statutes and honestly state the reasons, if any, for its altered perceptions of federal habeas jurisdiction. *Francis* v. *Henderson*, slip op at 5 (dissenting opinion of Brennan).

Underlying both Francis and Davis is apparently the view that defendants must be deterred from raising procedural claims after the court, witnesses and the parties have gone to the burden and expense of a trial. However, as the Court recognizes in Fay, deterrence is only an effective policy for prisoners who act knowingly and intentionally, prisoners who because of inexperience, poor counsel or other reasons are unaware of their rights will not be deterred by the Court's new standard; they will simply be trapped in "an airtight system of forefeitures." *Fay* v. *Noia*, 372 U.S. at 432. In Davis and Francis the Court has thereby elevated the State and Federal interests in efficiency above the rights of individuals to have their constitutional claims heard. My legislation recognizes these considerations and puts the Federal court's focus on whether the prisoner has deliberately relinquished his right to raise a conditional claim.

The holding of Stone against Powell was equally disturbing, and the reasoning no more compelling. Powell had been convicted of murder in State court because of crucial testimony concerning a revolver which had been taken from him when arrested for violating a vagrancy statute. On appeal, the State courts rejected Powell's claim that the vagrancy statute was unconstitutional and therefore the resulting search was invalid. The Federal Court of Appeals, however, concluded that the statute was unconstitutional and the search unlawful. The Supreme Court reversed, holding that when the State has provided an opportunity for full and fair litigation of a fourth amendment claim, a State prisoner may not be granted habeas corpus relief on the ground that evidence obtained through an unconstitutional search and seizure was introduced at trial. In reaching the decision, the Court distinguished away *Kaufman* v. *United States*, 397 U.S. 217 (1969), which held squarely that a Federal prisoner could raise search and seizure claims in a motion to vacate sentence based on 28 U.S.C. section 2255.

The Court's majority reached its result by arguing first, that the exclusionary rule, made applicable to the States in *Mapp* v. *Ohio*, 376 U.S. 643 (1960) was not constitutionally required, but a "judicially created remedy designed to safeguard fourth amendment rights generally through its deterrent effect." The Court went on to note that the exclusionary rule did not establish an absolute bar against the use of illegally seized evidence; such evidence can be used in a grand jury proceeding, *United States* v. *Calandra*, 414 U.S. 338 (1974), or in a trial court to impeach a defendant, *Walder* v. *United States* 347 U.S. 62 (1954). Since the purpose of the rule is deterrence and the extension of the rule to habeas corpus would not greatly add to its deterrent effect below, the Court chose not to extend it to habeas corpus. The Court buttressed its holding by distinguishing the exclusionary rule which "deflects the truth-finding process and often frees the guilty" from other constitutional rights, such as the fifth amendment right to be free from self-incrimination, the violation of which could distort the search for guilt or innocence. *Stone* v. *Powell*, slip op. at 23.

The dissent's scorn for this reasoning was stated plainly. Mapp was obviously constitutionally based "or there would be no basis for applying the exclusionary rule in State criminal proceedings." Cases like Walder and Calandra cut back on the substance of the exclusionary rule, but they were constitutional decisions, rather than judicial interpretations of the habeas statute to foreclose the prisoner from seeking habeas. Most important, 28 U.S.C. section 2254 provides that habeas corpus will be granted if a prisoner "is in custody in violation of the Constitution." There is nothing in the statute or its legislative history leading to the conclusion that some constitutional rights are subordinate to others.

The effect of these decisions is a severe curtailment of the right of habeas corpus. Moreover, in Justice Brennan's words, the premises underlying the decisions, particularly Stone, mark the cases "as a harbinger of future eviscerations of the habeas statutes." *Stone*, slip opinion at 15. For a major premise in the Court's decision is reflected in the observation that:

> Resort to habeas corpus, especially for purposes other than to assure that no innocent person suffers an unconstitutional loss of liberty, results in serious intrusions on values important to our system of government. They include (i) the most effective utilization of limited judicial resources, (ii) the necessity of finality in criminal trials, (iii) the minimization of friction between our federal and state systems of justice and (iv) the maintenance of the constitutional balance upon which the doctrine of federalism is founded. *Stone*, slip opinion at 24 n. 31.

These considerations will be no less important in future habeas cases. They will inevitably be balanced against the right to habeas, to which the court majority does not accord the exalted position that history does. In the eyes of the court, habeas has been reduced to the level of just another appeal. As Justice Rehnquist, writing for the court in Davis, noted "we find it difficult to conceptualize the application of one waiver rule for purposes of Federal appeal and another for purposes of Federal habeas corpus." 411 U.S. 213, 233. Yet this reasoning disregards two centuries of history concerning the Great Writ. The Court was more accurate in *Townsend* v. *Sain*, 372 U.S. 293, 311–12 (1963), writing:

> The whole history of the writ—its unique developments—refutes a construction of the

> federal courts' habeas corpus powers that would assimilate their tasks to that of courts of appellate review. The function on habeas is different. It's to test by way of an original civil proceeding, independent of the normal channels of review of criminal judgments, the very gravest allegations.

III

The analysis so far explains why I believe the Francis and Stone decisions to be unjustified departures from precedent and serious denigrations of the habeas writ. But these feelings alone would not prompt me to offer this legislation. I have never accepted the view of our esteemed former colleague, Sam Ervin, that the Constitution had a meaning apart from the Supreme Court decisions expounding it. In my view, what the Supreme Court says interpreting the Constitution is the law, no matter how adamantly I might disagree with a decision. Decisions representing constitution interpretations cannot be overruled legislatively.

However, not all Supreme Court decisions are equally sacrosanct. When the Court interprets a Federal statute, and Congress disagrees with its interpretation, Congress can work its will through additional legislation. Moreover, under article III of the Constitution, Congress which had the power to create the lower Federal courts, also defines the jurisdiction of those courts. When decisions by the Court affect these issues, Congress can and should consider whether the decisions are desirable or wise and accurately reflect congressional intent.

History makes it obvious that the operation of the habeas corpus statutes is a proper concern of Congress. In the Judiciary Act of 1789, Congress granted the Federal courts authority to issue the writs in cases of prisoners in custody of the United States. In 1867, Congress expanded the writ to State prisoners, giving relief in "all cases where any person may be restrained of his or her liberty in violation of the Constitution or any treaty or law of the United States." Act of February 5, 1867 c. 28 s. 1, Stat. 385. In that act, "Congress was enlarging the habeas remedy * * * not only in extending its coverage to State prisoners, but also in making its procedures more efficient." The Supreme Court, shortly after the passage of the act, described it in equally broad terms:

> This legislation is of the most comprehensive character. It brings within the habeas corpus jurisdiction of every writ and of every judge every possible case of privation of liberty contrary to the National Constitution, treaties or laws. It is impossible to widen this jurisdiction. *Ex Parte McCardle*, 6 Wall. 318, 325–26 (1868); *Fay v. Noia*, 372 U.S. at 415–17.

In *Johnson* v. *Zerbst*, 304 U.S. 418, 465 (1938), the Court noted:

> The scope of inquiry in *habeas corpus* proceedings has been broadened—not narrowed—since the adoption of the Sixth Amendment . . . Congress has expanded the rights of a petitioner for *habeas corpus* . . . There [is] no doubt of the authority of the Congress to thus liberalize the common law procedure on habeas corpus *Waller* v. *Johnston*, 312 U.S. 275, 285 (1941).

Evaluating the relationship between Congress and the Supreme Court on habeas corpus, Justice Frankfurter wrote:

> Congress could have left the enforcement of federal constitutional rights governing the administration of criminal justice in the States exclusively to the State courts. These tribunals are under the same duty as the federal courts to respect rights under the United States Constitution. . . . It is not for us to determine whether this power should have been vested in the federal courts . . . *[T]he wisdom of such a modification in the law is for Congress to consider*, particularly in view of the effect of the expanding concept of due process upon enforcement by the State of their criminal laws. *It is for this Court to give fair effect to the habeas corpus jurisdiction as enacted by Congress. By giving the federal courts that jurisdiction, Congress imbedded into federal legislation the historic function of habeas corpus adapted to reaching an enlarged area of claims.* *Brown* v. *Allen*, 344 U.S. 443, 499–500 (1953) (emphasis added).

The division of responsibility is relatively straightforward: it is the responsibility of the Court to define the substantive scope of constitutional rights but "it is for Congress to decide what the most efficacious method is for enforcing Federal constitutional rights and asserting the primacy of Federal law." *Stone* v. *Powell* slip opinion at 10, (dissenting opinion of Brennan).

Once the congressional interest is clear, the need for corrective legislation becomes obvious. Section 2254 provides that "a State prisoner can seek a writ of habeas corpus * * * on the ground that he is in custody in violation of the Constitution." Since the fourth amendment is violated by the use of evidence illegally seized against a petitioner, it is clear that in those circumstances, petitioner would have the right to petition the district court of a writ of habeas corpus. To my knowledge, there is not a shred of legislative history to suggest that Congress somehow intended to exclude fourth amendment rights from the plain language of the habeas statute, and the majority in Stone does not produce any. As Justice Brennan pointed out:

> There remains, as noted before, no basis whatsoever in the language or legislative history of the habeas statutes for establishing such a hierarchy of federal rights; certainly there is no constitutional warrant in this Court to override a Congressional determination respecting federal court review of decisions of state judges determining constitutional claims of state prisoners. *Stone* slip op. at 27.

Francis is an equally disturbing derogation of congressional intent. Federal habeas for State prisoners has been a controversial subject for years, and Congress has not been oblivious to the furor. The tension created in relations between State and Federal courts prompted congressional enactment of 2254 (b), and (c), a codification of the case law rule requiring that State prisoners exhaust State court remedies before applying for Federal habeas. But the consideration of comity embodied in the exhaustion requirement dictates only that Federal habeas can be delayed until after the State court determination, not foreclosed. In Fay, the court concluded that to rule otherwise would convert "a rule of timing . . . [into] a rule circumscribing the power of the Federal courts on habeas, in defiance of unmistakable congressional intent." *Fay* v. *Noia*, 372 U.S. 391, 420 (1963); *Stone* v. *Powell*, slip op. at 11–12 n. 10 (Brennan dissenting).

The "unmistakeable congressional intent" perceived by the Court in Fay has not changed in the last 13 years. As Justice Brennan points out,

> Indeed, subsequent Congressional efforts to amend those jurisdictional statutes to effectuate the result that (the Court) accomplish[es] by judicial fiat have consistently provoked unsuccessful. *Stone*, slip op. at 27.

In 1968, for example, a provision in the Omnibus Crime Control and Safe Streets Act, as reported by the Senate Judiciary Committee, would have abolished Federal habeas for State court prisoners. Despite the passions of that particular year, that section was deleted from the bill by the Senate overwhelmingly. The Senate apparently agreed with the views expressed by the minority of the Judiciary Committee that:

> A hundred years of experience under the federal habeas corpus provisions forcefully demonstrate that absolute reliance of state courts to protect federal rights does not adequately protect those rights. To abolish this jurisdiction would roll back a century of progress in American constitutional law and restore American criminal procedure to the dark ages of the early 1900's. S. Rept. 1097, 90th Cong. 2nd Sess., 159–160.

Because of this background, Justice Brennan charged the majority with "nothing less than an attempt to provide a veneer of respectability for an obvious usurpation of Congress' article III, power to delineate the jurisdiction of the Federal courts." *Stone*, slip opinion at 14. I believe this harsh judgment is unfortunately accurate, and I am introducing this legislation as a vehicle for the reassertion of congressional authority.

IV.

Mr. President, some humorist once defined a lawyer as a person who could think about one thing intimately related to another thing without thinking of the other thing. Although I am a lawyer by training, I have not practiced for years, and therefore, seem to have lost the lawyer's mode of thinking.

Consequently, although this legislation deals only with the habeas corpus problem, I cannot help noticing that Stone and Francis are only two examples of a series of recent decisions which, when taken together, have sharply restricted access to the Federal courts.

As Aryeh Neier, executive director of the American Civil Liberties Union, testified before Senator TUNNEY's Subcommittee on Constitutional Rights:

> The Supreme Court has played a very peculiar role in the last several years. It has not overturned many of the substantive decisions of the earlier Supreme Court, and it has not reversed the particular decisions which grant rights to people who were previously disenfranchised. Instead, the Supreme Court has made it impossible for those people to get into the court in order to assert those rights. It is reminiscent of Franz Kafka's novel, "The Castle." In "The Castle" the land surveyor is constantly frustrated at this inability to get inside the castle; if he can only get inside all of his problems will be taken care of. But one after another bu-

> reaucratic device is set in his way and he can never get inside. He can never get an audience. Hearings before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, 94th Cong. 2nd Sess., at 59 (May 19, 1976).

Several examples are worth noting. In *Paul* v. *Davis*, 44 LW 4337 (March 23, 1976), a photograph of Davis bearing his name was included in a flyer of "active shoplifters," circulated by the Louisville police, after Davis had been arrested once for shoplifting, but not convicted. Davis brought suit in Federal court, contending that the action taken under color of State law by the Louisville police deprived him of his constitutional rights, by impugning his reputation without due process of law. The Supreme Court rejected his claim, concluding that reputation alone, without a connection to some more tangible interest such as employment, did not implicate any "liberty" or "property" interest sufficient to trigger the procedural protections of the due process clause. The court concluded that to establish a claim under the Federal Civil Rights Act, 42 U.S.C. section 1983, more was required than simple defamation by a State official.

Justice Brennan dissented bitterly from this holding, arguing that reputation alone was indeed a constitutionally protected right, safeguarded by due process protections from arbitrary official conduct. Previously, the court had consistently held that "where a person's good name, reputation, honor or integrity is at stake because of what the government is doing to him, notice and an opportunity to be heard are essential." *Wisconsin* v. *Constantineau*, 400 U.S. 433, 437 (1971); *Cafteria Workers* v. *McElroy*, 367 U.S. at 899–902; *Jenkinis* v. *McKeithen*, 395 U.S. 411 (1969). Although majority distinguished the 5-year-old Constantineau case away, the court had there held that a Wisconsin statute, which permitted the "posting" of names of people who had become known for excessive dringing, without a hearing, violated due process. In reaching that conclusion the court wrote:

> The only issue present here is the label or characterization given a person by "posting," though a mark of serious illness to some, is to others such a stigma or a badge of disgrace that procedural due process requires notice and an opportunity to be heard * * * "The right to be heard before being condemned to suffer grievous loss of any kind, even though it may not involve the stigma and hardships of a criminal conviction, is a principle basic to our society." 400 U.S. at 436–437, quoting *Joint Anti-Fascist Committee* v. *McGrath*, 341 U.S. 123, 168 (1951) (concurring opinion of Frankfurter).

Lack of proper standing—the failure to show the requisite "personal stake in the outcome of the controversy" to warrant the invocation of the Federal court jurisdiction *Baker* v. *Carr*, 369 U.S. 186, 204 (1962)—was the justification for the Court's decision in *Warth* v. *Seldin*, 422 U.S. 490 (1975). There, the Court concluded that a variety of plaintiffs challenging the zoning ordinance of the town of Penfield on the ground that it excluded persons of low and moderate income from living there, in violation of the petitioners' constitutional rights under the civil rights laws. The plaintiffs held to lack standing include, first, a nonprofit corporation whose purpose was to foster action to alleviate the housing shortage for low- and middle-income people; second, several individual Rochester taxpayers; third, several low- and middle-income citizens of the Rochester area, who alleged their situation would have been improved by the existence of increased low- and middle-income housing in Penfield; fourth, a home builders association who alleged an interest in building low- or middle-income housing in the area if the zoning ordinance had permitted it; and fifth, a nonprofit housing council. "The opinion, which tosses out of court almost every conceivable kind of plaintiff who could be injured by the activity claimed to be unconstitutional, can be explained only by an indefensible hostility to the claim on its merits." 422 U.S. at 520 (dissenting opinion of Brennan). In reaching its decision, the majority invoked Catch-22: the plaintiffs lacked the requisite personal stake because they had not sought to rent an apartment or building a project in Penfield; yet the very gist of the lawsuit was that the restrictive zoning ordinance being challenged prevented the existence of the such units or projects.

In *Rizzo* v. *Goode*, 44 L.W. 4095 (January 21, 1976), two suits had been filed under section 1983 charging the mayor, the police commissioner and the police department of Philadelphia with a pervasive pattern of intentional and illegal mistreatment of black citizens of Philadelphia. The district court, after extensive hearings, concluded that while only a small percentage of Philadelphia policemen committed such violations, the violations could not be dismissed as rare or isolated. Although there was no showing of a departmental policy to violate the rights of black Philadelphians, the evidence did indicate departmental discouragement of complaints and a tendency to minimize the consequences of police misconduct.

The district court ordered the department to formulate a comprehensive program for dealing adequately with civilian complaints. The Supreme Court concluded that the plaintiffs had not met the requirement of an article III "case or controversy" with the named defendants. The controversy had originated as a civil rights claim by several individuals against two policemen, and the district court, in the majority's words, "bridged the gap between the facts shown at trial and the classwide relief sought with an unprecedented theory of section 1983 liability." 44 L.W. at 4098.

Yet as the dissenters point out, there was nothing unprecedential about classwide, equitable relief after findings were made that a pattern of misconduct existed; that without relief future recurrences of the violations were likely to take place; and that the department, as opposed to any individual policeman, was hostile to citizen complaints. Moreover, the Court concluded that a State official could not be liable under 1983 unless he directed the deprivation of constitutional rights, overriding the "reasoned conclusions" of every court of appeals that 1983 was intended to reach State officials, who although aware of their subordinates' wrongdoing, did nothing to remedy it. 44 L.W. at 4102 (dissenting opinion of Blackmun).

Like the habeas decisions which prompted this legislation, Paul, Warth, and Rizzo are summarized here as illustrations of recent decisions. Many other decisions have been similarly disturbing. The restricted view of what is constitutionally protected "liberty" set forth in Paul also prompted *Bishop* v. *Wood*, ——— U.S. ——— (June 10, 1976) holding that a discharged policeman had no right to a hearing, even though the damage to his reputation was accompanied by the loss of his employment. The habeas cases—Stone and Francis—which prompted my legislation were preceded by other decisions which worked some narrowing of habeas, *Estelle* v. *Williams*, ——— U.S. ——— (May 3, 1976).

Preiser v. *Rodriguez*, 411 U.S. 475 (1973). Other cases, exemplified by *Hicks* v. *Miranda*, 422 U.S. 332 (1975) have broadened the concept of abstention into a virtual requirement that the Federal courts stand aside until all State court remedies are exhausted, even when a Federal action has been begun before the State.

These opinions differ widely—one from another—on their facts, their justifications, and even whether Congress has the power to do anything about them. A case like *Paul* v. *Davis*, 44 L.W. 4095 by restrictively defining "liberty" for due process purposes, establishes a constitutional holding with which we must all live. But the one unifying thread linking all these decisions is the court's apparent desire to restrict access to the Federal courts. As Justice Brennan wrote in *Stone*, "such action is in keeping with the regrettable recent trend of barring the Federal Courthouse door to individuals with meritorious claims." *Stone* v. *Powell*, Slip op. at 12n. 10 (dissenting op. of Brennan).

V

Failure to think like a lawyer leads me to one more related, disturbing point. It is no secret that the Federal courts are seriously clogged. In fiscal year 1970, 127,280 cases were filed throughout the country in Federal court, an average of 317 per district court judge. Only 5 years later in fiscal year 1975, there were 160,603 cases filed, 402 per each judge. The appellate workload has increased even more dramatically, rising from 282 appeals per judge to 515 in the years from 1968 to 1975.

Congress has responded to the clogging of the Federal courts slowly and incompletely. Four years after the Judicial Conference documented the pressing need for new judges, the Senate finally passed legislation creating an additional 45 district court judgeships. Legislation to split the fifth and ninth circuits to deal with the unique problems there has been reported by the Judiciary Committee. The creation of a national court of appeals to occupy an intermediate position between the existing circuits and the Supreme Court continues to be considered. Other significant steps—such as the elimination of diversity jurisdiction or raising the $10,000 requirement for such claims, or the abolition of recourse to three-judge Federal courts—are frequently talked about, but as yet there has been no serious legislative movement on these issues.

It is troubling that the Federal courts are backlogged and that the Congress has responded insufficiently. But it is more disturbing that the recent series of cases cutting off access to the Federal courts conveys the impression of being prompted at least as much by concern about the judicial caseload as by concern for the merits of the cases.

The effect of particular Supreme Court decisions on the judicial workload is never discussed at length in the majority opinions. It is confined to occasional references to "scarce judicial resources" and the "plethora of cases" in the Federal system. However, the issue has been addressed several times explicitly in the dissenting opinions, indicating the dissenters' belief that it is motivating the majority or that they are thinking about it themselves.

For example, in 1971, the Court held that a person whose fourth amendment rights were violated by a Federal agent had a cause of action for damages against that agent, grounded directly on the fourth amendment, even though there was no Federal statute creating such a cause of action. *Bivens* v. *Six Unknown Named Police Agents*, 403 U.S. 388 (1971). In dissent, Justice Black argued that the creation of a new cause of action was a legislative function. He then pointed out that even if the Court viewed it as a judicial function, there were "many reasons why we should decline to create a cause of action:"

> The courts of the United States as well as those of the States are choked with lawsuits. The number of cases on the docket of this Court have reached an unprecedented volume in recent years. A majority of these cases are brought by citizens with substantial complaints—persons who are physically or economically injured by torts or frauds or governmental infringement of their rights; persons who have been unjustly deprived of their liberty or their property; and persons who have not yet received the equal opportunity in education, employment, and pursuit of happiness that was the dream of our forefathers. Unfortunately, there have also been a growing number of frivolous lawsuits, particularly actions for damages against law enforcement officers whose conduct has been judicially sanctioned by state trial and appellate courts and in many instances even by this Court. My fellow Justices on this Court and our brethren throughout the federal judiciary know only too well the time-consuming task of conscientiously poring over hundreds of thousands of pages of factual allegations of misconduct by police, judicial, and corrections officials. 403 U.S. at 428 (dissenting opinion of Black).

More recently, dissenting in Warth, Justice Douglas noted:

> The mounting caseloads of the federal courts is well-known. But cases such as this one reflect festering sores in our society . . . I would lower the technical barriers and let the courts serve that ancient need. They can in time be curbed by legislative or constitutional restraints if an emergency arises. We are today far from facing an emergency. 422 U.S. at 519.

The judicial backlog problem is particularly sensitive where habeas corpus is involved. There is no doubt that prisoners' petitions comprise a substantial percentage of the Federal courts' docket, or that over 90 percent of these petitions lack merit. But this predicament is not new. In reporting the 1968 legislation, the Senate Judiciary Committee noted:

> This title also adds a new section . . . designed to relieve our overburdened federal courts from the growing practice of convicted persons using the habeas corpus procedure as a substitute for direct appeal . . . The extent to which this process has increased the business of the federal courts is appalling . . . Applications by state prisoners for writs of habeas corpus in the federal courts grew from 127 in 1941 to 981 in 1961 and 4,664 in 1965. The proportion of increase was 675% from 1941 to 1961 and 3,750% from 1941 to 1965. S. Rept. 107, 90th Congress, 2d Sess., at 64.

In 1959, Professor Hart of Harvard Law School wrote about a Supreme Court decision on habeas corpus:

> The question is one of large import not only for the liberty of Americans under law but for the just and expeditious dispatch of federal judicial business. The federal courts are flooded with these petitions, and taken, together with cases involving cognate questions on direct review of judgments of conviction in state courts, they constitute one of the most important categories of business on the Supreme Court's own dockets. Hart, Forward: The Time Chart for the Justices, 73 Harv. L. Rev. 84 (1959).

Ten years earlier, Chief Justice Vinson wrote that:

> In each of the past three years, a little less than one-half of the matters received by the Court were applications from prisoners seeking post-conviction relief. Vinson, Work of the Federal Courts, 60 Supreme Court Review (1949).

Yet despite these statistics, the Federal courts have continued to function. Some evidence suggests that while the burden on the courts is plainly serious, it is less crushing than unvarnished statistics would suggest. In a comprehensive study of habeas corpus, the Harvard Law Review observed:

> Yet it is all too easy to overstate the strain that an expanded habeas jurisdiction and expanded federal constitutional rights put on the judicial system. Most of the petitioners were quickly dismissed: less than 500 reached the hearing state, and most of those hearings lasted less than one day. Nor was the burden on the states staggering: many petitions do not even require a response; less than ten percent of the state convictions attacked had to be defended in a hearing, and so few prisoners were released that the burden of retrial must be small. Developments in the Law: Federal Habeas Corpus, 83 Harv. L. Rev. 1038, 1041 (1970).

An empirical study of the handling and effect of habeas petitions in the Federal district court in Massachusetts points to the same conclusion. That study termed the effect of Fay against Noia "slight", and concluded that more than 50 percent of all habeas petitions were disposed of within 50 days after they had been filed. Shapiro, Federal Habeas Corpus : A Study in Massachusetts, 87 Harv. L. Rev. 321, 333, 346–49 (1973).

Moreover, Congress has helped ease the burden by passage of the Federal Magistrates Act, 28 U.S.C. section 636, in 1968. Section 636(b) provides that magistrates may conduct "preliminary review of applications for posttrial relief made by individuals convicted of criminal offenses, and submission of a report and recommendations to facilitate the decision of the district judge." The performance of this function was explicitly intended "to afford some degree of relief to district judges and their law clerks, who are presently burdened with burgeoning numbers of habeas corpus petitions and applications under 28 U.S.C. section 2255. S. Rept. 371, 90th Cong., 1st Sess., 26 (1967).

It is not my intention to minimize the burden placed on the Federal courts by habeas applications or to imply that Congress has taken all necessary steps to respond to the rising caseload. But the problem is not new, it has been recognized and Congress has chosen not to ease the judicial caseload by making radical changes in the habeas corpus statute. What is different now from the past is that the Supreme Court has apparently taken matters into its own hands, alleviating the judicial backlog by striking sharply at the premises underlying habeas jurisdiction. The strong sense which emerges from the majority opinions in Davis, Francis, and Stone is that habeas corpus is not particularly important.

In my view, the assertion of constitutional rights—and the existence of a Federal forum to review those claims—is vitally important for the society, as well as for the petitioner. Our willingness to use scarce judicial resources in this way reflects again the high priority this society places on constitutional liberties and individual freedom. If this society no longer values constitutional rights to the same degree, that judgment should be reflected by the representatives of the people—Congress—through a decision to restrict the habeas jurisdiction of the Federal courts. Congress is also the only body which can address the rising caseload in the Federal courts in a systematic way and make some basic judgments about how scarce judicial resources should be allocated.

We must not be blinded by statistics and talk of judicial economy. When the Supreme Court restricts access to the lower courts, the impact falls disproportionately on the poor minorities and those seeking to challenge the political, economic, and social status quo. In a society committed to peaceful change through the rule of law, full and direct access to the courts is vitally important. Testifying before Senator TUNNEY's Subcommittee, ACLU Director Neier expressed the importance of the Federal courts during the 1950's and 1960's:

> It was a turbulent period in America history; there were wide-ranging pressures for social change; many groups of people previously disenfranchised by reasons of race, sex, status, dependency or youth sought the full protections of citizenship. The federal courts were a forum open to them to accommodate those pressures. While the federal courts did not always side with the people who were seeking changes, the very openness of the federal courts and their willingness to hear the claims for full citizenship, had a profound impact. This produced very substantial and very beneficial social changes. The courts channeled the activities of people seeking redress of their grievances into

orderly and lawful paths in which claims for benefits became claims for rights. Grievances were adjudicated in the context of the U.S. Constitution.

I am introducing this legislation in the hope that Congress will perform corrective surgery on the habeas statutes which have been either misconstrued or ignored by the Supreme Court. I am hopeful that the broader concerns addressed here will help spark a comprehensive review by the Judiciary Committee of the problems of Federal court jurisdiction. In 1973, when District Court Judge John Sirica helped break open the conspiracy of silence surrounding the Watergate burglary, columnist Anthony Lewis observed that the Federal district courts were one institution that really distinguished this country from the Soviet Union: the embodiment of an independent judiciary, subservient only to constitutional freedoms and not to the will or interests of the government in power. It would be ironic if in this Bicentennial Year, we permitted the denigration of the constitutional freedoms symbolized and protected by the writ of habeas corpus and the gradual curtailment of the Federal courts as a forum to vindicate civil rights and liberties to go unnoticed.

By Mr. GARY HART:

S. 3887. A bill to encourage and assist the States to develop improved programs for the conservation of nongame species of native fish and wildlife, and for other purposes. Referred to the Committee on Commerce.

Mr. GARY HART. Mr. President, today I am introducing legislation which will provide Federal assistance to the States for fish and wildlife conservation programs.

Numerous programs have been initiated on both the State and Federal level for the conservation of fish and wildlife. However, the vast majority of these programs have been supported through revenues derived from hunting and fishing licenses, and other types of taxes on sporting equipment. Consequently, emphasis has been on managing wildlife of particular interest to sportsmen. Those who have supported these programs can take great pride in the fact that few such managed species have been reduced to threatened or endangered status.

It has only been in recent years that the conservation of all our Nation's fish and wildlife resource has become a vital concern. We have finally recognized the scientific, cultural, and nonconsumptive recreational benefits derived from wildlife. We have recognized our responsibility to ensure that our use or neglect of this resource will not result in its ultimate depletion.

A few programs, like the Endangered Species Act, have been initiated primarily for nongame wildlife. Unfortunately these have been largely rescue oriented, and seek to restore already seriously depleted populations. The Nation's wildlife experts, including those in the Federal and State governments, are now beginning to accept the ineffectiveness of a "rescue mission" approach and the desirability of conservation programs which uniformly protect all species of wildlife, be they game or nongame. The achievement of this uniform protection is the goal of the bill which I am introducing today.

The need for this legislation was recently documented in a 1975 report issued by the prestigious Wildlife Management Institute. That report, which is known as the "Current Investments, Projected Needs, and Potential New Sources of Income for Non-Game Fish and Wildlife Programs in the United States", was undertaken at the request of the Council on Environmental Quality and the U.S. Fish and Wildlife Service. Its findings are not encouraging. For instance, a total of 36 States currently conduct programs directed specifically toward nongame fish and wildlife. While their total budget for fish and wildlife management, research, and law enforcement programs totaled $176,426,734, only $3,356,038, or approximately 2 percent of the total, was used for nongame programs.

The problem apparently is not a lack of interest, but rather a lack of funding. Established funding sources generally involve some type of tax on consumptive users of wildlife, for instance hunting and fishing licenses. The States question, and rightly so, the equity of using significant amounts of this money for nongame programs. It seems clear that if the Nation's nongame wildlife resource is to receive the attention that it so richly deserves, a new funding source will have to be established.

The purpose of this bill is to establish such a funding source. It would authorize the Federal Government to distribute to the States $10 million per year for nongame fish and wildlife conservation programs. Activities which a State might undertake with this money include, habitat acquisition and modification; conducting census and monitoring programs to keep abreast of the population trends; and protection of wildlife through law enforcement. Under the provisions of the bill, the Federal Government could fund up to 75 percent of the cost of programs which have been approved by the Secretary, with the other 25 percent to be funded by the State. In order to prevent a drain on traditional funding sources and to encourage development of new funding sources, the legislation specifies that not more than 10 percent of the State's share of program costs in any individual year may be derived from the sale of hunting, fishing, and trapping licenses.

Furthermore, not more than 25 percent of a State apportionment may be used for information and education programs, law enforcement, and extension services. This provision is intended to ensure that primary emphasis will be placed upon fundamental research and management activities. To encourage the development of programs on an ecological rather than a geographical unit basis, the legislation would authorize the Secretary to fund up to 90 percent of any program which is undertaken jointly by two or more States. Finally, the legislation would require all Federal agencies with land management responsibility to review their programs in order to determine whether these programs can be reasonably modified to include nongame wildlife conservation. Federal departments and agencies would be authorized to enter into cooperative agreements with the States to carry out these programs.

Mr. President, it is vitally important for the conservation community and other interested individuals to begin to consider this proposal and be ready to proceed on it early in the next Congress. Although the need for a Federal-grant-in-aid program for nongame wildlife conservation is evident, there should and will be considerable discussion over the alternatives for its implementation. For example, some have suggested that rather than support this program through an appropriation from the general fund, we should explore the possibility of levying an excise tax on outdoor recreational equipment. I look forward to hearings which will resolve such questions.

Mr. President, I introduce the "Federal Aid in Non-Game Fish and Wildlife Conservation Act of 1976" and look forward to reintroducing it during the early part of next year.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Aid in Nongame Fish and Wildlife Conservation Act of 1976".

SEC. 2. DECLARATION OF POLICY.

(a) FINDINGS.—The Congress finds and declares the following:

(1) Nongame species of native fish and wildlife are of ecological, economic, educational, esthetic, historical, recreational, and scientific value to the Nation and its people.

(2) The improved conservation of these species, including retention, maintenance, and improvement of their habitat, would help assure a healthier and more esthetically pleasing environment for all Americans.

(3) Urban dwellers have insufficient opportunity to participate in recreational and other programs designed to foster human interaction with nongame wildlife and, thereby, a greater appreciation and awareness of the environment.

(4) Existing State programs for nongame fish and wildlife species have been supported largely on the basis of hunting and fishing license revenues and excise taxes on certain hunting and fishing equipment. These traditional financing mechanisms are not adequate to meet the needs of programs for both nongame and game species, and they must be supplemented.

(5) The States should be encouraged to develop, expand, and maintain, in urban and non-urban areas, programs for the conservation of nongame species of native fish and wildlife.

(b) PURPOSE.—It is the purpose of this Act—

(1) to provide financial and technical assistance to the States for the development, expansion, and maintenance of conservation programs for nongame species of fish and wildlife; and

(2) to direct that all Federal departments and agencies utilize this statutory and administrative authority, to the maximum ex-

tent practicable, actively seek to conserve and to promote conservation of, nongame species of native fish and wildlife and the habitats of such species, in furtherance of the policy of this Act.

Sec. 3. Definitions.

As used in this Act:

(1) The terms "conserve", "conserving" and "conservation" mean to use, and the use of, methods of procedures which are necessary to insure, to the extent practicable and desirable, the continued existence of populations of nongame species of native fish and wildlife. Such methods and procedures may include any activity associated with scientific resources management, such as research, census, law enforcement, habitat acquisition and development, information and education, live trappings, and transplantations.

(2) The term "fish and wildlife" means any member of the animal kingdom, including without limitation any species of mammal, bird, fish, reptile, amphibian, mollusk, crustacean, arthropod, or other invertebrate which, with respect to a particular State, is native to that State.

(3) The term "designated State agency" means a commission, department, division, or other unit of a State government which is certified to possess legal authority regarding nongame animals which occur in such State, as required under subsection 5(e).

(4) The term "fund" means the Nongame Fish and Wildlife Conservation Fund established under section 5.

(5) The term "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth.

(6) The term "nongame species" means and includes all wild animals in the phylum vertebrata, which offer benefits in the form of cultural or scientific values or nonconsumptive recreation.

(7) The term "plan" means a comprehensive and continuing program for the conservation and rehabilitation of nongame species of fish and wildlife. Such plans may include a number of nongame wildlife projects.

(8) The term "project" means an undertaking designed to conserve or rehabilitate species of nongame fish and wildlife.

(9) The term "Secretary" means the Secretary of the Interior, directly or through the United States Fish and Wildlife Service.

(10) The term "species" means, with respect to fish or wildlife, any species, any subspecies, and any other group of fish or wildlife of the same species or smaller tax in common spatial arrangement which are capable of interbreeding.

(11) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, The Commonwealth of the Mariana Islands, and the Trust Territories of the Pacific Islands.

Sec. 4. Nongame Fish and Wildlife Conservation Program

(a) Program.—The Secretary shall cooperate with the States in programs for the conservation of nongame species of native fish and wildlife by providing, through designated State agencies, financial assistance to carry out approved plans or projects for the conservation of such species. Such assistance shall be provided pursuant to the formula set forth in section 5(c) and in accordance with the requirements of sections 5(e) and (f).

(b) Transfer of Personnel and Equipment.—The Secretary may, in assisting the States in carrying out programs under subsection (a), assign or transfer personnel and equipment and share scientific information, in such manner as the Secretary deems appropriate.

Sec. 5. Nongame Fish and Wildlife Conservation Fund

(a) Fund.—There shall be established in the Treasury of the United States the Nongame Fish and Wildlife Conservation fund. An amount equal to all revenues accruing each fiscal year beginning with fiscal year 1978 from funds authorized to be appropriated pursuant to section 8 of this Act shall be credited to the fund.

(2) Any amount apportioned to a State pursuant to subsection (c) which is unexpended or unobligated at the close of 2 fiscal years may be used by the Secretary, during the succeeding 2 fiscal years, to assist other States in carrying out approved nongame conservation plans or projects. Any amount granted to any State under this paragraph shall be supplemental to, and shall not be charged against, any funds apportioned to such State under subsection (c). Any amount which is not paid or obligated by the Secretary pursuant to this paragraph after the close of the second such 2-year period shall be made available for expenditure by the Secretary in carrying out any program administered by the Fish and Wildlife Service which serves the nongame fish and wildlife resource.

(b) Administrative Expense.—The Secretary may use not to exceed 8 percent of the revenues credited to the fund for the expenses incurred in administering this Act. Such sums shall be available until the expiration of the next succeeding fiscal year. If any such amount remains unexpended by the Secretary at the close of such fiscal year, the Secretary shall, within 60 days thereof, apportion such amount to State agencies on the same basis and in the same manner as is provided for other amounts authorized by subsection (c) to be apportioned among the States for such fiscal year.

(c) Apportionment.—The Secretary, after making deductions under subsection (b), shall apportion the revenue in the fund among the several States for each fiscal year in the following manner:

(1) One-third in the ratio which the area of each State bears to the area of all of the States; and

(2) Two-thirds in the nation which the population of each State bears to the population of all States;

except that no State shall receive less than one-half of 1 percent, nor more than 5 percent, of the total amount apportioned.

(d) Certification.—For each fiscal year, the Secretary shall certify to the Secretary of the Treasury and to each designated State agency the sum which the Secretary has estimated to be deducted for the administration of this Act under subsection (b) and the sum which the Secretary has apportioned to each State.

(e) Submissions and Consideration.—If a State wishes to avail itself of the benefits of the Act, it shall certify to the Secretary that it has a State agency (which shall be identified) which has adequate statutory and administrative authority and the necessary resources and personnel to conserve nongame species of native fish and wildlife, and it shall make submissions to the Secretary in accordance with paragraph (2) or (3). The Secretary shall consider any such submissions and make determinations thereon pursuant to paragraph (4).

(2) The State may prepare and submit a comprehensive fish and wildlife resource management plan to the Secretary, with respect to the conservation of one or more nongame species of native fish and wildlife. Any such plan shall—

(A) be submitted in such form and with such content as the Secretary shall prescribe;

(B) include a description of all applicable methods of conservation to be used in the plan and projects to be carried out and projections as to possible future such plans and projects;

(C) be designed to perpetuate the species covered for the cultural, esthetic, scientific, and recreational enrichment of the State and its residents and visitors;

(D) be based on the State's projections as to the needs of such species and the desires and needs of such residents and visitors for a period of not less than 15 years; and

(E) provide for such conservation for a period of 5 or more years, and shall include a provision for review and revision at regular intervals, not to exceed 3 years.

(3) The State may prepare and submit a proposal to the Secretary for a conservation project with respect to any nongame species of native fish and wildlife. Any such proposal shall be submitted in such form and with such content as the Secretary shall prescribe and shall include a detailed description of the project involved.

(4) The Secretary shall study and evaluate any submission received under paragraph (2) or (3). If the Secretary finds that a comprehensive plan submitted under paragraph (2) or a project submitted under paragraph (3) conforms to standards and criteria established by regulation by the Secretary, such plan or project may be approved. In the case of a project plan, the Secretary shall not grant final approval until the State furnishes such surveys, specifications, and additional information as the Secretary requests, and subject to the Secretary's approval thereof. In the case of a comprehensive plan, the Secretary shall condition approval on substantiality of character and design. Upon approval, the Secretary shall notify the designated State agency of such State and shall immediately set aside, from funds apportioned under this Act, up to 75 percent of the cost of implementing segments of any comprehensive plan involved or of the total estimated cost of the project involved. The non-Federal share may, in the discretion of the Secretary, be provided by the State in the form of money, in kind contributions, or real property. The value of any such real property shall be determined by the Secretary. whose decision shall be final.

(5) If any Federal funds provided for an approved plan or project are used or applied for any other purpose, the State involved shall replace or return such funds before it may receive any additional apportionment under this Act.

(f) Project or Plan Funding.—(1) When the Secretary finds that any project which is described in a comprehensive plan, or which is approved, under subsection (e), has been completed or, in the case of research relating to nongame species, that it is being conducted, in compliance with the Secretary's specifications, the Secretary shall pay the amount set aside for such project to the State involved. The Secretary may, in his discretion, make periodic payments as such a project progresses; except that the amount of any such periodic payment shall not exceed the United States pro rata share of the project. If a State has prepared a comprehensive plan under subsection (e)(2), which has been approved under subsection (e)(4), the Secretary may, in his discretion and under such rules and regulations as he may prescribe, advance funds to such State for financing the United States pro rata share agreed upon between the designated State agency and the Secretary. The Secretary and the applicable designated State agency may jointly decide at what times and in what amounts payment shall be made under this Act. Such payments shall be made by the Secretary of the Treasury, on warrants drawn by the Secretary against the fund to such official, officials, or depository, as may be designated by such agency in accordance with the laws of such State.

(2) Any construction work and labor performed in conjunction with an approved plan

or project shall be performed in accordance with the laws of such State and under the direct supervision of the designated State agency, subject to the inspection and approval of the Secretary and in accordance with the rules and regulations issued under this Act.

(3) Administrative costs, in the form of overhead or indirect costs for services provided by State central service activities outside of a State agency having primary jurisdiction over the nongame fish and wildlife resources of a State, which may be charged against programs or projects supported by the fund, shall not exceed, in any fiscal year, 3 percent of the apportionment for such year to such State.

(4) Not more than 10 percent of the State's share of program costs in any year may be from funds derived from the sale of hunting, fishing, and trapping licenses and permits.

(5) Not more than 25 percent of a State apportionment under this Act may be divided equally for information and education programs, law enforcement, and extension services.

(9) Increased Federal Share.—Whenever two or more States have a common interest in a nongame species of native fish and wildlife and jointly undertake a program or project agreement with the Secretary for conservation of such species, the Federal share of the cost involved may be up to 90 percent.

Sec. 6. Payment of Funds to, and Cooperation With Respect to Certain Designated Areas.

The Secretary may cooperate with the Secretary of Agriculture of the Commonwealth of Puerto Rico, the Governor of Guam, the Governor of the Virgin Islands, the Governor of American Samoa, and the Mayor of the District of Columbia in the conduct of nongame fish and wildlife conservation programs. Any such program shall be conducted pursuant to such terms and conditions as the Secretary deems fair and equitable, and which are likely to be effective for such purpose. The Secretary may apportion to such jurisdictions, out of the money available for apportionment under this Act, such sums as the Secretary shall determine; except that such sums shall not exceed (1) for Puerto Rico, one-half of 1 percent; (2) for Guam, one-sixth of 1 percent; (3) for the Virgin Islands, one-sixth of 1 percent; (4) for American Samoa, one-sixth of 1 percent; (5) and for the District of Columbia, one-half of 1 percent, of the total amount apportioned for 1 year. The Secretary shall not require any cooperating agency to pay an amount which will exceed 25 percent of the cost of the project involved. Any unexpended or unobligated balance of any such apportionment shall be available for expenditure in any such jurisdiction in the succeeding fiscal year on any approved project and, if unexpended or unobligated at the end of such fiscal year, may be made available for expenditure by the Secretary in carrying out any program administered by the Fish and Wildlife Service which serves the nongame wildlife resource.

Sec. 7. Cooperation and Coordination.

(a) In General.—All Federal departments and agencies shall, to the maximum extent practicable, cooperate and coordinate their programs and activities with the States in establishing and maintaining programs for the conservation of nongame species of native fish and wildlife.

(b) Review of Existing Programs.—Each Federal department and agency which has management authority over land and water resources shall, within 1 year after the date of enactment of this Act, review each of its existing programs for lands, waters, and interests in lands and waters subject to its control or authority to determine which of such programs, if any, can be extended or modified, without jeopardizing the purposes of such programs, to include the conservation of nongame species of native fish and wildlife as authorized by this Act. Upon making an affirmative such determination, any such department or agency shall notify the appropriate State agency and cooperate with such agency in the establishment of conservation efforts with respect to nongame species of native fish and wildlife.

(c) Cooperative Agreements.—All Federal departments and agencies are authorized to enter into cooperative agreements with State agencies under subsection (b). Each such cooperative agreement shall—

(1) specify those areas in which such programs will be implemented;

(2) provide, where appropriate, for habitat improvements or modifications designed to conserve such nongame species;

(3) provide, to the extent practicable, for educational and recreational programs to foster greater appreciation and understanding of such nongame species; and

(4) contain such other terms and conditions as the Federal department or agency, or the State agency, deems necessary and appropriate to carry out the declaration of policy of this Act.

Sec. 8. Authorization for Appropriations.

There are hereby authorized to be appropriated to carry out the purposes of this Act $10 million for each of the fiscal years 1978, 1979 and 1980.

Sec. 9. Additional Regulations.

The Secretary is authorized to promulgate any rules and regulations or any amendments to existing rules and regulations which are deemed necessary to carry out the provisions of this Act.

By Mr. GARY HART:

S. 3888. A bill to restore and promote competition in the petroleum industry, and for other purposes. Referred to the Committee on the Judiciary.

Mr. GARY HART. Mr. President, I am today introducing a bill which will remove Government-imposed price controls on crude oil. The bill will authorize the President to provide for equal monthly adjustments to the ceiling prices on crude oil produced in this country so that at the end of 39 months the price of domestic crude will approximate the world market level. This will allow petroleum companies to charge a price that reflects their true costs and a reasonable rate of return.

But deregulation without some restructuring of the industry would merely be taking the control of prices away from the Government and placing it in the hands of large vertically-integrated oil companies. These large firms exercise pervasive control over the supply of crude oil. The bill I am introducing today insures that we do not simply substitute one group of price-setters for another.

This bill would require the eight largest U.S. petroleum companies to divest their production units from transportation, refining and marketing. This measure would also institute a moratorium on horizontal mergers in the energy field until a study of the impact of such actions has been completed.

Mr. President, restructuring the oil industry is not a new idea. Senators Philip Hart, Bayh, Kennedy, and Abourezk, among others, have devoted a good deal of time and effort to this issue. Senate bill 2387, a bill which I support, was reported to the Senate by the Judiciary Committee in June of this year. It provides that the 18 largest U.S. oil companies may operate only in one of the three major segments of the business—crude production, transportation of crude by pipeline, and refining and marketing of the finished product. Another bill containing similar provisions also requires petroleum companies to divest their assets in other energy resources. The essential purpose of both these measures is to obviate the need for Government interference in the energy marketplace as a first step toward developing a comprehensive national energy policy.

Divestiture is a tremendous undertaking in an industry so large in scale and so basic to our economy. The bill I am introducing today is an alternative and, hopefully, even more manageable approach to this issue. This bill would achieve many of the substantial economic, social and political goals of the more far-reaching divestiture bills already introduced while substantially limiting regulatory control over the energy business.

The most serious problem resulting from the present industry structure in petroleum is the lack of an open crude market where nonintegrated firms can obtain crude oil at a competitive price. The crude costs faced by an independent refiner, for example, may be substantially higher than those borne by the integrated firm which need not purchase its entire crude supply at the world market price set by OPEC.

Nonintegrated refiners are critically dependent upon the major firms for their supply of crude oil. Over 92 percent of the crude flowing from the wellhead to the refinery in 1973 moved through integrated channels, insulated from the open market. Vertical integration allows the majors to both supply raw materials to nonintegrated firms and then compete with them in the sale of the refined product.

In an effort to offset the tremendous advantages of the vertically-integrated oil companies in terms of crude supply and price, Congress enacted an allocation and entitlements program in 1973 to assure nonintegrated firms a crude supply at an artificially equalized price. Today, the survival of some of these companies depends upon a continuation of such programs. At the same time, many other oil companies find themselves effectively hamstrung by these Government controls in their efforts to increase production of domestic energy supplies.

It should be no surprise that Government interference in an already distorted petroleum marketplace should cause problems. Government regulations by nature are formulated with one eye to the past and the other to some anticipated future. They provide little flexibility for unanticipated circumstances.

Mr. President, by separating crude production from transportation and refining/marketing for just the top eight oil companies, the amount of crude moving in arms-length transactions would more than double. This should insure a domestic crude market large enough for all firms to purchase crude at competitive prices. The bottom line would be a higher premium placed on purchasing each barrel of crude at the lowest possible price. This would also help prevent the world's major crude producers, who are also the world's major crude refiners, from controlling the raw material costs of their competitors.

By creating genuine competition for the supply of crude oil, we will make artificial price controls unnecessary. By introducing market forces in place of Government controls, we will be revitalizing our free enterprise system. I think most people would agree that, with respect to petroleum, the best means of arriving at an equitable price and allocation of product is not through federal bureaucratic decisionmaking but through the application of competitive free market principles.

Mr. President, also of concern is the trend evidenced over the past 15 years of major petroleum companies acquiring assets in other kinds of energy resources. While oil companies in 1961 controlled minimal amounts of coal, in 1975 oil companies accounted for 44 percent of noncaptive coal production. In 1961, the Tennessee Valley Authority's 10 largest suppliers of steam coal were companies principally involved in the coal business. By 1971, all but one of its major suppliers of steam coal were companies principally involved in the oil business. In 1963, oil companies owned 30 percent of our uranium reserves.

By 1974, the oil industry held between 50 and 55 percent. And, as the oil companies move into the later stages of uranium production and marketing—such as fuel fabrication or fuel processing—they are taking steps even further removed from oil technology and know-how.

There is reason to fear that the development of alternative forms of energy could be retarded if the major oil companies continue to consolidate their control of the Nation's energy. Most importantly, this increasing concentration threatens to compromise our efforts to develop and implement a national energy policy. Multinational energy companies could easily undercut national energy programs by shifting capital investments and cutting back production among various energy resources around the world.

The potential effect on our economy, should these companies follow their short-run corporate interests rather than the long-run interests of the Nation, staggers the imagination. In anticipating our energy needs for the future, we need to determine, for example, whether the energy market is conducive to interfuel competition. It seems most prudent, then, to place a moratorium on horizontal mergers in the energy field while we carefully study the implications of such actions.

The bill provides that this moratorium would affect only those companies which the Attorney General determines own substantial assets in the production, transportation, or refining and marketing of petroleum and petroleum products. The bill directs the Chairman of the Federal Trade Commission, the Administrator of the Federal Energy Administration, and the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice to study the structure and function of the business sectors constrained by this moratorium. Within 1 year, they will establish threshold dollar or other valuation limitations below which, in their opinion, horizontal mergers may be undertaken without injury to the competitive structure in the energy business. These limitations would be transmitted to the Congress and would become effective unless either the House or the Senate disapproves.

Mr. President, the bill I am introducing today would create a truly competitive market for crude oil, would put an end to substantial Government interference in the petroleum business, and would facilitate our development of a comprehensive national energy policy. In so doing, it should stimulate the production of sorely-needed domestic energy supplies and encourage the rapid development of alternative sources of energy.

I urge my colleagues to give their careful consideration to this measure in the months ahead.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Decontrol and Deconcentration Act of 1976".

FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) this Nation is committed to a private enterprise system and a free market economy, in the belief that competition spurs innovation, promotes productivity, prevents undue concentration of economic, social, and political power, and helps preserve a democratic society;

(2) a free market economy in the petroleum industry can only exist if Federal price controls of crude oil are terminated;

(3) vigorous and effective enforcement of the antitrust laws and reduction of monopoly and oligopoly power in the economy can contribute significantly to reducing prices, unemployment, and inflation;

(4) existing antitrust laws have been inadequate to maintain and restore effective competition in the petroleum industry; and

(5) the extraordinary dimensions of the remedy required by this Act necessitate expedited judicial supervision of the divestitures and attendant actions required by this Act.

(b) PURPOSE.—It is the purpose of Congress in this Act to facilitate the creation and maintenance of a free competitive petroleum industry, by facilitating the termination of petroleum price controls and by requiring the most expeditious and equitable separation and divestment of assets and interests of vertically integrated major petroleum companies.

TITLE I—INDUSTRY COMPETITION

DEFINITIONS

SEC. 101. As used in this title—

(a) "person" means any individual, corporation, including any affiliate of such corporation, partnership, association, joint venture, consortium, or any entity organized for a common business purpose; wherever situated, domiciled or doing business, who directly or through any other person subject to their control do business in any part of the United States, its territories and possessions, or the District of Columbia;

(b) "control" means a direct or indirect legal or beneficial interest in or legal power or influence over another person, directly or indirectly, arising through direct, indirect, or interlocking ownership of capital stock, interlocking directorates or officers, contractual relations, 'agency agreements, or leasing agreements which substantially impair the independent business behavior of another person;

(c) "affiliate" means a person controlled by, controlling, or under or subject to common control with respect to any other person;

(d) "asset" means any property (tangible or intangible, real, personal, or mixed) and includes stock in any corporation;

(e) "commerce" means commerce among the several States, with the Indian tribes, or with foreign nations; or commerce in any State which affects commerce among or between a State and a foreign nation;

(f) "energy resource" means crude oil, natural gas liquids and condensate;

(g) "refine" means to change by any operation the physical or chemical characteristics of petroleum or petroleum products, exclusive of the operations of passing petroleum through a separator to remove gas, placing petroleum in settling tanks to remove basic sediment and water, dehydrating petroleum and generally cleaning and purifying petroleum;

(h) "refined product" means any product, whether liquid or gas, which is produced by a refinery asset;

(i) "marketing asset" means any asset used in the sale and distribution of gasoline or fuel oil, including diesel and distillate, to ultimate consumers at a retail motor fuel outlet, other than the initial sale with transfer of ownership to customers at the refinery;

(j) "operate" means engaging in the business of selling gasoline and diesel, directly or indirectly, or through any agent who receives any commission, compensation, or payment because of the sale of such product;

(k) "refinery asset" means any asset used in the refining of an energy resource;

(l) "transportation asset" means any asset used in the transportation within the United States by pipeline or gathering line of crude oil or refined product;

(m) "petroleum producer" means, except as used in section 102(a)(2), any person which, during the calendar year 1975 or in any subsequent calendar year, alone or with affiliates, produced within the United States either a total of 125,000,000 barrels of crude oil, condensate and natural gas liquids, or whose interest in crude oil, condensate and natural gas liquid production totaled 125,000,000 barrels;

(n) "Outer Continental Shelf" means all submerged lands lying seaward and outside of the area of lands beneath navigable waters as defined in section 2 of the Submerged Lands Act (67 Stat. 29) and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control;

(o) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust

Territory of the Pacific Islands, the Outer Continental Shelf and any other territory or possession of the United States;

(p) "Commission" means the Federal Trade Commission;

(q) "prohibited asset" means any marketing asset, refining asset, or transportation asset, and any business interest the retention of which is prohibited by section 102 of this Act;

(r) "coal business" means any interest in, ownership, or control of coal reserves, or any interest in, ownership, or control of exploration, mining, production, sale, gasification or liquefaction of coal;

(s) "oil shale business" means any interest in, ownership, or control of oil shale reserves, or any interest in, ownership, or control of exploration, mining, production, sale, gasification or liquefaction of oil shale;

(t) "uranium business" means any interest in, ownership, or control of uranium reserves, or any interest in, ownership or control of exploration, mining, milling, conversion, enrichment, fabrication, reprocessing, production or sale of uranium and uranium or plutonium fuel;

(u) "nuclear reactor business" means any interest in, ownership, or control of the production and sale of nuclear reactors;

(v) "geothermal steam business" means any interest in, ownership, or control of geothermal steam reserves, or any interest in, ownership, or control of exploration, mining, production, or sale of geothermal steam; and

(w) "solar energy business" means any interest in, ownership, or control of collection, production, or sale of solar energy.

UNLAWFUL RETENTION

SEC. 102. (a) Notwithstanding any other provision of law, it shall be unlawful—

(1) five years after the date of enactment of this Act, for any petroleum producer to own or control any interest in any refinery asset, transportation asset, or marketing asset; or

(2) except as subsequently may be provided and allowed under subsection (b), after the date of enactment of this Act, for any substantial petroleum producer, as determined by the Attorney General of the United States, or any corporation which is determined by the Attorney General of the United States (A) to be principally and substantially engaged in the refining, marketing, or transportation of petroleum or petroleum products including, but not limited to, crude oil, condensate and natural gas liquids; or (B) to hold substantial refinery assets, marketing assets, or transportation assets to acquire any additional or further interests in any coal business, oil shale business, uranium business, nuclear reactor business, geothermal steam business or solar energy business which it did not own or control on or before January 1, 1977.

(b) The Chairman of the Federal Trade Commission, the Administrator of the Federal Energy Administration, and the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice shall study and assess the structure and function of the business and industrial sectors constrained by the requirements of subsection (a)(2) and establish threshold dollar or other valuation limitations below which, in their opinion, horizontal mergers may be undertaken and consummated between and among any such businesses and industrial sectors without injury to the competitive structure of those businesses and sectors. The results of the study, together with supporting documentation and recommended threshold limitations shall be transmitted to the House of Representatives and the Senate not later than one year after the date of enactment of this Act. Such threshold limitations shall become effective as an exception to the provisions of subsection (a) (2) ninety legislative days after their transmittal to the Congress unless before the expiration of such ninety-day period either House of Congress passes a resolution stating in substance that it disapproves any such recommended threshold limitations.

EXEMPTION

SEC. 103. In order to facilitate the purposes of this Act, the Commission is authorized to exempt any corporation formed or reorganized as a result of compliance with this Act from the prohibitions contained in section 8 of the Act of October 5, 1914 (48 Stat. 732; 15 U.S.C. 19) for a period not to exceed one year.

REPORTS

SEC. 104. Each person subject to section 102 and such other persons as may be designated by the Commission shall, within one hundred and twenty days from the date of enactment of this Act, unless extended by order of the Commission, and at such other times subsequent thereto as the Commission may designate, file with the Commission such information and reports about the assets of such person and such other reports as the Commission may require.

PROHIBITION ON SOLICITATION

SEC. 105. It shall be unlawful for any person to solicit or to permit the use of his or its name to solicit, by use of the mails or any means or instrumentality of interstate commerce, or otherwise, any proxy, power of attorney, consent, or authorization regarding any security of a corporation subject to the requirements of section 102 or a subsidiary corporation thereof in contravention of such rules and regulations or orders as the Commission deems necessary or appropriate in the public interest or for the protection of investors or consumers or to prevent the circumvention of the provisions of this Act or the rules, regulations, or orders thereunder.

ENFORCEMENT

SEC. 106. (a) The Commission, in accordance with such rules, regulations, or orders as it deems appropriate to carry out the purposes of this Act, shall require each person subject to the provisions of section 102 to submit within eighteen months of the date of enactment of this Act, a plan or plans for divestment of the prohibited assets. If, after notice and opportunity for hearings as provided under section 554 of title 5, United States Code, the Commission shall find the plan, as submitted or as modified by Commission order, necessary or appropriate to effectuate the provisions of this Act and fair and equitable to affected persons, the Commission shall approve the plan by order and shall take all necessary actions to enforce the plan; except that no plan shall be approved which will not substantially accomplish divestment of prohibited assets, by any person required to undertake said divestiture, on or before five years from the date of enactment of this Act.

(b) The Commission shall institute suits or actions only in the Petroleum Industry Divestiture Court established under title II of this Act for such relief as is appropriate to assure compliance by any person with this Act, including, but not limited to, orders of divestiture, declaratory judgments, mandatory or prohibitive injunctive relief, interim equitable relief, the appointment of temporary or permanent receivers or trustees, civil penalties, and punitive damages for willful failure to comply with lawful Commission orders.

(c) In carrying out the provisions of this Act, the Commission is authorized to utilize all powers conferred upon it, and all sanctions associated therewith, by any other provision of law.

PENALTIES

SEC. 107. (a) Any person who violates any provision of this Act shall forfeit and pay to the United States a civil penalty of not more than $100,000 in the case of an individual, or not more than $1,000,000 in the case of a corporation. Such penalties shall accrue to the United States and may be recovered in a civil action brought by the Commission. Failure to obey any order of a court pursuant to this Act shall be punishable by such court as a contempt of court.

(b) Any person who violates a lawful order of the Commission issued pursuant to this Act shall forfeit and pay to the United States, for each violation, a civil penalty of not more than $100,000 which shall accrue to the United States and may be recovered in a civil action brought by the Commission. Each separate violation of such an order shall be a separate offense, except that in the case of a violation through continuing failure or neglect to obey an order of the Commission, each day of continuance of such failure or neglect shall be deemed a separate offense.

TITLE II—TEMPORARY PETROLEUM INDUSTRY DIVESTITURE COURT ESTABLISHMENT

SEC. 201. There is hereby created a court of the United States to be known as the Temporary Petroleum Industry Divestiture Court (hereinafter referred to in this title as the "court") which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The court shall be dissolved by order of the Chief Justice of the Supreme Court upon a determination that its purposes have been accomplished.

JUDGES

SEC. 202. The Chief Justice of the United States shall designate one of such judges as chief judge of the court and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members and any such division may render judgment as the judgment of the court.

REFERENCE JURISDICTION

SEC. 203. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this Act. The court or a panel thereof may, at any stage of a proceeding under this Act, refer the proceeding or any part thereof or any issue therein to a referee in bankruptcy to hear and determine any and all matters not reserved to the court or panel by this Act, or to referee as a special master, to hear and report generally or upon specified matters, or to a special master for such action with respect thereto as the court or a part thereof may direct.

TRANSFER JURISDICTION

SEC. 204. (a) A single judge or panel of the court may exercise all functions of the Judicial Panel on Multidistrict Litigation as provided under section 1407 of title 28, United States Code, with respect to any matter before the court.

(b) The Judicial Panel on Multidistrict Litigation shall exercise no function with respect to any matter before the court.

GENERAL JURISDICTION

SEC. 205. The court shall have exclusive jurisdiction, without appeal, except as otherwise provided in this Act, of all actions and suits brought under this Act or which relate to any matter affected by the operation of this Act and the resolution of which is necessary to the expeditious implementation of any provision of this Act or of any divestiture required by this Act.

COMPULSORY PROCESS

SEC. 206. Notwithstanding any other provision of law in the execution of its responsibilities and powers under this title the court may issue its process to any person and service thereof may be had in any district where such person resides, transacts business, or may otherwise be found. The court, in aid of the execution of this provision may issue such writs as may be provided under section 1651 of title 28, United States Code.

RULES

SEC. 207. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this Act.

APPEAL

SEC. 208. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. Within thirty days after entry of a judgment or order, interlocutory or final, by the court a petition of a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals of the United States. The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this section. The court and the Supreme Court upon review of judgments and orders of the court shall have exclusive jurisdiction. Except as provided in this section, no court, Federal, State, or territorial, shall have jurisdiction or power to consider any appeal involving any action or suit brought under this Act or any matter affected by the operation of this Act and the resolution of which is necessary to the expeditious implementation of any provision of this Act or any divestiture required by this Act.

CLERK AND EMPLOYEES

SEC. 209. (a) The court may appoint a clerk who shall be subject to removal by the court. The court may appoint or authorize the appointment of such other officers and employees in such number as may be approved by the Director of the Administrative Office of the United States Courts.

(b) The officers and employees of the court shall be subject to the removal by the court or, if the court so determines, by the clerk or other officer who appointed them, with the approval of the court.

(c) Referees and special masters appointed under section 203 shall be compensated as provided under section 40 of the Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898 (30 Stat. 544, 556), as amended (11 U.S.C. 68).

(d) The clerk shall pay into the Treasury all fees, costs, and other moneys collected by him and makes returns thereof to the Director of the Administrative Office of the United States Courts.

LAW CLERKS AND SECRETARIES

SEC. 210. The judges of the court may appoint such law clerks and secretaries as may be necessary.

LIBRARIAN, MARSHAL, AND BAILIFFS

SEC. 211. (a) The court may appoint a librarian and necessary library assistants who shall be subject to removal by the court.

(b) The court may appoint a marshal, who shall attend the court at its sessions, be custodian of its courthouse or chambers and offices, have supervision over its custodial employees, take charge of all property of the United States used by the court or its employees, and perform such other duties as the court may direct. The marshal shall be subject to removal by the court. The marshal, with the approval of the court, may employ necessary bailiffs. Such bailiffs shall attend the court, preserve order, and perform such other necessary duties as the court or marshal may direct. The bailiffs shall receive the same compensation as bailiffs employed for the district courts of the United States.

SEAT

SEC. 212. The principal seat of the court shall be in the District of Columbia. The court may sit at such times and places within the United States as the court may designate.

SEAL

SEC. 213. The court shall have a seal which shall be judicially noticed.

SESSIONS

SEC. 214. The time and place of the sessions of the court shall be prescribed by the chief judge pursuant to rule of the court.

CONFLICTS

SEC. 215. No judge of the court, receiver in bankruptcy, or special master shall hear or determine any matter in which he has a conflict of interest.

APPROPRIATIONS

SEC. 216. There are authorized to be appropriated sums as may be necessary to carry out the purposes of this Act.

TITLE III—OIL PRICE REGULATION

SEC. 301. Section 8 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following:

"(i) Notwithstanding any other provision of this Act or of any other law, the President shall prepare and submit to the Congress, not later than the first day of the second full calendar month following the date of enactment of this subsection, an amendment to the regulation under section 4(a) which, if it becomes effective pursuant to this subsection, will provide for equal monthly adjustments to the ceiling prices (or the manner for determining ceiling prices) applicable to any first sale of crude oil produced in the United States during the period beginning on the first day of the month following submission to the Congress and ending on the last day of the 39th month following the effective date of the amendment under subsection (a), so that the resulting actual weighted average first sale price for all such crude oil at the close of such period shall be equal to the weighted average United States port of entry price of crude oil produced outside the United States as of the last day of the 39th month following the effective date of this subsection. Such amendment shall become effective on the first day of the third full calendar month following the date of enactment of this subsection unless, prior to such day, the Congress agrees to a concurrent resolution stating in substance that it does not favor such amendment. The provisions of section 551(f) of the Energy Policy and Conservation Act shall apply to the consideration of such a concurrent resolution except that—

"(1) any reference in such section to an energy action shall be deemed a reference to an amendment under this subsection;

"(2) any reference in such section to a resolution shall be deemed a reference to a concurrent resolution under this subsection; and

"(3) when a concurrent resolution under this subsection is pending in either the House of Representatives or the Senate, it shall be in order to move to substitute therefor a concurrent resolution of the other House which such other House has agreed to."

By Mr. HOLLINGS:

S. 3889. A bill to establish, in the executive branch of the Government of the United States, a Department of the Environment and Oceans, and for other purposes. Referred to the Committee on Government Operations.

Mr. HOLLINGS. Mr. President, today we hear much about the need for reorganization in the executive branch of our Federal Government, about the need to eliminate duplication, to bring coherence to the many new agencies and programs that have been created in recent years, and to help reduce the Federal budget. Improved performance is needed in many areas of our government: In energy, health care, social services, and transportation to name but a few. But the need for reorganization is perhaps the greatest in the area of the environment and oceans.

In recent years, there has been an endless procession of new statutes and programs as we have recognized the resource potential of our oceans, and realized that by permitting the degradation of our environment, our lives as well as future lives are affected.

This proliferation of statutes and programs has not been matched, however, by improvements in our governmental institutions which administer them.

In the oceans area, for instance, the thrust of our policies has changed dramatically in recent years. Historically, we have viewed the oceans as a natural barrier for defense, a means for getting from one continent to another, a source of food for ourselves, and a unique body of water for scientific study. But times have changed and we have entered a period of serious resource scarcity. In addition to the roles in national security, transportation, and research, we now recognize the oceans as an important source of essential resources, such as energy, food, and minerals. Utilization of some of these resources, however, causes natural conflicts. The oceans are now more than a scientific curiosity; they require multiple-use management.

Just in the past 4 years, many new and important pieces of legislation reflect this change in how we view the oceans: The Marine Protection, Research, and Sanctuaries Act; Coastal Zone Management legislation; the Marine Mammal Protection Act; Ports and Waterways Safety Act; and the Fishery Conservation and Management Act, to name a few.

These statutes are a major step forward in our efforts to manage the oceans for multiple uses. A high degree of fragmentation exists in the oceans field largely because changes in policy have not yet been matched by improvements in the institutions which administer these laws.

In fact, a 1975 report by the Congress General Accounting Office shows that today's marine science and oceanic activities are conducted by 21 different organizations in six departments and five independent agencies. As one example, the GAO report found that five departments and agencies conduct at least nine programs to study the effect of pollutants on the marine environment. Seven departments administer 15 programs relating to the study of the geological structure and composition of the ocean floor. Ocean dumping regulation and research is handled by at least three different agencies. And so forth.

This fragmentation exists despite the fact that many of these agencies perform very closely related activities, and despite the fact that in recent years many informed observers have called for improvements in the administration of oceans programs.

Given such fragmentation in marine affairs, it is not surprising that the GAO and others have concluded that the United States has no comprehensive national oceans policy, or that many have concluded that national environmental policy is disjointed and lacking in overall sense of direction. We do have a National Oceanic and Atmospheric Administration, but like the Environmental Protection Agency, it was created by reorganization plan, not by statute, and never has been given a clear policy mandate to deal with some of these problems. It appears that everyone is in charge with the result that no one is in charge.

Since its inception in February of 1974, the National Ocean Policy Study has been grappling with this difficult issue of reorganizing the executive branch to better handle the environmental and resource management issues we now face. For the past year, especially, we have been studying the executive branch and examining specific proposals. This bill that I am introducing today is the product to date of that work. I stress that this is not a final bill. Rather, it is a vehicle for discussion, so that we can begin the important debate over how to improve the performance of our environmental and oceans programs.

In preparing this bill, we have kept certain goals in mind.

The first goal is to minimize the unnecessary duplication and overlap which now exists in these areas.

The second goal is related to the first: To provide the type of organizational setting where coherent national policies for managing and protesting the environment, the oceans, and their resources can and will be carried out, and where a new sense of direction can develop in the executive branch.

Third, to increase the accountability by fixing responsibility squarely, and remedying the present situation where no one is in charge and thus no one is held accountable.

Fourth, to unify the now myriad permit processes which confuse the Federal Government and burden industry, and State and local governments with enormous amounts of unnecessary redtape.

And, fifth, to bring ocean and environmental affairs into the Cabinet, where they can get the high-level attention they deserve in this era of increasing demands on these resources.

The bill I introduce today is an attempt to reach these goals.

There are three major organizing principles around which the bill has been drafted.

First, it makes good sense to have one Federal department which can deal comprehensively with what are called the Nation's "common property resources," such as the atmosphere, the oceans, flowing bodies of fresh water, public recreational lands, and the fish and wildlife which inhabit these areas. Thus I propose that the Department, which would be established by this bill, deal in a coordinated and coherent way with the wide range of management issues associated with these common property resources. Though one can make the argument that the United States should have a separate oceans agency and also a separate environmental administration, it is more reasonable to propose a comprehensive department that would deal with the full range of oceanic and other environmental policy areas. Increasingly, management issues have become more interdependent, particularly in the coastal areas, where, for instance, one agency's policies on water pollution and ocean dumping should be coordinated with those of another.

The second principle recognizes the different responsibilities inherent in certain governmental functions: regulation, enforcement, research, and economic development. A fundamental question in the areas of environment and oceans—and the related areas of energy and natural resources—is whether or not promotion, regulation, and the other functions pertaining to these policy areas should be combined into one large "super-department." I disagree with this "combined functions" approach and believe that regulatory and development functions should be assigned to balanced and separate complementary organizations. In the past, we have seen that when a single agency is given both regulatory and development responsibilities, the regulatory activities generally are neglected. The former Atomic Energy Commission is an excellent illustration. This is why in 1974 the Congress passed the Energy Reorganization Act abolishing the AEC and transferring its functions to separate agencies, a Nuclear Regulatory Commission and a development-oriented Energy Research and Development Administration.

I propose a similar separation of regulatory and development functions. The Department of the Environment and Oceans would contain regulation, research, enforcement, and service functions related to management of these common property resources—but not promotion or developmental functions.

The third principle concerns the internal structure of the proposed Department. The bill includes innovative provisions for implementation of the new Department. After the basic bill is passed but before the new Department commences operation, the President will appoint the Secretary, Deputy Secretary, and Assistant Secretaries—with the advice and consent of the Senate—who will then form a special committee to prepare a detailed plan for organizing the Department. The plan will be submitted to the Congress for its approval and modification. In this way, the Congress will not be burdened with preparing the details of the plan, but will determine the basic legislation and will have the final say on the Department's configuration.

The bill I now introduce has been written with these three basic principles in mind. To accomplish its tasks, several agencies would be transferred into the new Department, including the National Oceanic and Atmospheric Administration, the Environmental Protection Agency, the U.S. Coast Guard, the marine and coastal regulatory and research functions of the Army Corps of Engineers, and certain functions of the Interior Department..

In conclusion, I stress again that this bill should serve as a vehicle for discussion. The bill will be made widely available to the public, and it is my hope that we will receive many comments and suggestions regarding it between now and the beginning of the 95th Congress next January. It is time to focus this important discussion of how to reorganize our Nation's environmental and oceans programs. We can no longer accept the present situation where our Government institutions are not updated to deal with the new and complex issue of wise resource management that we, as a nation, now face.

By Mr. ABOUREZK (for himself and Mr. McGovern):

S. 3891. A bill to establish a farm training adjustment program for farmers whose farming operations are adversely affected by a natural disaster. Referred to the Committee on Agriculture and Forestry.

Mr. ABOUREZK. Mr. President, in South Dakota as well as several States in the upper Midwest, farmers and ranchers are experiencing a drought that is seriously affecting their ability to continue their farming operations.

The farm training adjustment program that I am introducing is a self-help approach to lessening the impacts of this natural disaster.

The trend recently has been the elimination of many family operators in the Midwest. The recent drought, as in any disaster, accelerates this exodus. Young family farmers understand their failures when they have some control over them, but the weather is something they have nothing to do with.

The Farm Training Adjustment Act provides a program that would be administered by the States under which training and education in various aspects of agriculture will be provided to farmers who have adversely been affected by a natural disaster.

To be eligible, a participant would have to be an owner or operator of a farm, depend on farming for over one-half of his income, have sustained, as a result of a natural disaster, an income loss in his farming operation, be unemployed or unable to sustain an income equal to or greater than 75 percent of his average income. Each participant in the program would be limited to a 20-week period and a subsistence payment of $1,000 per month.

These provisions limit the program to bonafide farmers and are similar to other training programs that are offered in our economy. Here we are attempting to maintain our family farms as a vital part of American life. Instead of direct subsidy to farmers, the Government would be providing self-help in the form of training to agriculture. Not only would we be assisting the maintenance of family farmers, but we would be encouraging more agricultural production through training those actively involved in the production of food and fiber.

I realize that the introduction of this act is late in the session. It is vitally needed now as anyone that has taken the time to examine the drought knows. I offer it as a new idea and approach to disaster assistance. It ought to be considered as the Congress begins considering a new farm bill for next year.

The impact of this year's drought on major agricultural producing areas of the Nation will be felt for many years. The prospects of a good crop for next year does not look good at this time if one considers the top soil condition in much of the drought area.

Therefore, this act is needed now and will continue to be needed anytime there is a natural disaster.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Training Adjustment program".

Sec. 2. It is the purpose of this Act to establish a program to be administered by the States under which training and education in various aspects of agriculture will be provided to farmers who have been adversely affected by a natural disaster.

Sec. 3. (a) To be eligible to participate in the program provided for under this Act a person must (1) be the owner or operator of a farm, (2) depend upon farming for over one-half of his income, (3) have sustained, as a direct result of a natural disaster, an income loss in his farming operation measured against the average annual income from his farming operations during the base period, and (4) be unemployed or unable to sustain an income equal to or greater than 75 per centum of his average annual income for the three preceding years in which conditions resulting from a natural disaster were not a major factor.

(b) For purposes of this section the term "base period" means the three years preceding the year in which the natural disaster occurred. In any case in which a farming operation has been conducted by the farmer for a period less than three years, the farmer must have sustained a net loss in his farm income during the year in which the natural disaster occurred.

(c) In no case shall more than two owners or operators of a farm be eligible to participate in the program provided for under this Act.

Sec. 4. (a) The Secretary of Agriculture is authorized to allocate funds to any State which makes application therefor for the purpose of conducting a farm training adjustment program for the farmers of such State who have been adversely affected as the result of a natural disaster in such State.

(b) Funds shall be made available to a State only if the State submits to the Secretary of Agriculture a plan for the farm training adjustment program to be conducted by such State and such plan is approved by the Secretary.

Sec. 5. (a) The farm training adjustment program for any State shall be carried out by the department of agriculture of such State (or by the corresponding department or agency of such State) under the supervision and control of a State-Federal Administrative Committee established for such State. Such committee shall be composed of (1) four members appointed by the Governor of such State, three of whom shall be from the department of agriculture of such State (or from the corresponding department or agency of such State) and one of whom shall be from the department or agency of such State concerned with vocational education; and (2) four members appointed by the Secretary of Agriculture from among employees of the United States Department of Agriculture.

Sec. 6. (a) The teaching standards and curriculum for the farm training adjustment program for any State shall be prescribed by the State-Federal Administrative Committee for such State appointed under section 5. The curriculum for any such program shall be designed to meet the needs of modern agriculture operations and shall include, but shall not be limited to (1) farm management, (2) livestock marketing, (3) animal nutrition, (4) crop production, (5) conservation principles, (6) welding, (7) artificial insemination of livestock, and (8) first aid.

(b) No farm training adjustment program may exceed a 20 week period for any participant.

Sec. 7. Each participant enrolled in a farm training adjustment program shall be entitled to a subsistence payment of $1,000 per month, but in order to qualify for the full amount of such payment a participant must attend a minimum of 80 per centum of the total class hours. In any case in which a participant attends less than 80 per centum of the total class hours in any period, a reduction in the amount of the payment shall be made in an amount proportional to the number of class hours actually attended by such participant during such period.

Sec. 8. As used in this Act, the term "natural disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, snowstorm, drought, fire, or other natural disaster which is of such magnitude in any area of the United States that the Secretary of Agriculture designates such area a natural disaster area for purposes of this Act.

Sec. 9. The Secretary is authorized to promulgate such rules and regulations as he deems necessary or appropriate to carry out effectively the provisions of this Act.

Sec. 10. There are authorized to be appropriated to the Department of Agriculture each fiscal year beginning with the fiscal year 1978, such sums as may be necessary to carry out the provisions of this Act.

Mr. McGOVERN. Mr. President, I join with my junior colleague from South Dakota (Mr. Abourezk) as coauthor of the Farm Training Adjustment Act. The initial thrust of this legislation came from a lengthy discussion I had with Ben Radcliffe, president of the South Dakota Farmers Union and chairman of the executive committee of the National Farmers Union. Few in this body are unaware that certain areas of the Upper Great Plains, principally in South Dakota, Minnesota, and Wisconsin, are currently well into the worst drought conditions we have experienced since the woeful days of the 1930's. Indeed, Grant County, one of South Dakota's prime agricultural counties, is over 12 inches below its normal precipitation average for the 1976 growing season. Varying estimates place dollar losses this year as high as $1 billion.

Recognizing the dire results that can come from these protracted conditions, and being an agricultural leader of wide influence and broad experience, Mr. Radcliffe suggested that in order to save many of our family producing farms from economic ruin and eventual takeover by corporate interests and large operators, drastic measures were necessary for the period of this emergency to provide sustenance for those most affected. We thus together with Senator Abourezk devised a plan embodied in the legislation which is now at the desk. If passed and implemented, it would provide training programs to improve the proficiency and technological training of farmers in all areas of agriculture, including courses in soil conservation, taught by instructors of competent training and attended by farmers whose eligibility for attendance is determined by residence in an officially designated disaster area. We would envision the program as a cooperative State-Federal venture and authorize the payment of stipends to farmers who would attend these classes on a regular basis during the nongrowing season.

Mr. President, if this administration has any compassion for those in our country who are now suffering the most, it will support this legislation. I have recently returned from an extensive visit to my State and during that time I spent several days at the South Dakota State Fair. As one who spent the formative years of my life in the "dust bowl" arena I have vivid recollections of the deprivation and the hardships of those days. In my whole experience in public life, I do not recall any event that brought back these recollections more painfully than the looks on faces of lifelong friends I talked with at our State fair. They are earnestly and hopefully looking to the administration and the Congress for not only assistance but also guidance in this time of need.

I want to congratulate Mr. Radcliffe for the ingenuity of his suggestion and with enthusiasm commend this legislation to the Congress. I ask for immediate consideration and swift action on the bill, and in closing I want to remind every Member of the Chamber that today the emergency exists with my constituency. Tomorrow there is no guarantee in the world that it will not be your constituency which asks for assistance.

By Mr. HUMPHREY:

S. 3893. A bill to authorize the Secretary of Agriculture to guarantee loans and to make payment adjustments on behalf of individuals who wish to purchase farmland for the purpose of engaging in farming but who are unable to purchase such land without Federal assistance, and for other purposes. Referred to the Committee on Agriculture and Forestry.

FAMILY FARM SECURITY ACT

Mr. HUMPHREY. Mr. President, I am today introducing the Family Farm Security Act.

This bill addresses an important need of our agricultural economy. Many of our farmers are today over 50 years of age, and good agricultural land has become extremely expensive. We are at the point where we may face the elimination of the family farm before long if reasonable steps are not taken.

Farm leaders continually point out that capable young people cannot get into farming and acquire land today unless they either inherit the land or marry into a farm family.

Most Americans are not aware of the rapid increase in land costs and farm machinery in recent years. The implications of these trends are very serious from both an economic and a social standpoint. We should be aware of these trends and the possible trend toward a corporate agricultural structure. It is generally recognized that the family farm is far more productive in terms of unit output than large corporate owned and operated agriculture.

The American people should be aware of the implications in terms of both production and price competition if the family farm passes from the American scene. I believe that steps are needed to encourage and enable qualified young people to acquire land and take up farming. This important occupation should not be the sole preserve of either the well-to-do or corporate operators.

This bill is modeled on the plan already enacted by the State of Minnesota. I have been in touch with the State officials who developed this legislation, and my staff has been in touch with them from the very outset. The State is now in the process of beginning to implement its program.

The bill itself would provide a number of basic authorities for the Secretary of Agriculture to:

First, guarantee the repayment of a loan made by a Federal or State chartered bank, savings and loan association, cooperative lending institution, or other legally organized lending institution to a qualified individual who is in need of such assistance to acquire land to engage in farming;

Second, no loan would be guaranteed for more than 75 percent of up to $150,000;

Third, the Secretary would establish a repayment schedule with a maximum term of 20 years. However, during the first 10 years of the loan the Secretary would pay 4 percent of the balance due for that year with the borrower paying the remainder of the payment due. After the 10th year the borrower would repay at the stated payment rate. Thereafter the borrower would repay the Secretary for the sums paid earlier by the Secretary on the borrower's behalf unless an extension is requested and granted;

Fourth, the Secretary may extend the payment adjustment but not in excess of 10 years;

Fifth, the Secretary shall utilize local committees of qualified individuals to screen loan guarantee applications as well as payment adjustment requests;

Sixth, the Secretary shall report to the appropriate congressional committees on the percentage of amount of funds required to operate the loan guarantee program, after 2 years of operation. In the meantime, the Secretary is authorized to guarantee loans not in excess of five times the funds appropriated for this purpose;

Seventh, the bill also authorizes the Secretary to make operating loans to individuals whose loans are guaranteed under title I. The bill outlines the purposes of such loans and specifies that the operating loan for any one farm shall not exceed $50,000. The period of repayment for any such loan shall not exceed 7 years with the rate of interest being 5 percent on the unpaid balance, except that such rate shall be increased after the second year of such loan to the rate paid by the Secretary on money borrowed from the Treasury.

Mr. President, I believe this legislation addresses an important national need. Our Committee on Agriculture and Forestry will be looking at all aspects of our farm programs during the next session of Congress. It is my hope that this bill and the area it encompasses will receive a thorough review by the members of the committee and ultimately the Congress itself next year.

The ceilings per farm unit provided for under the titles of this bill are also rather modest when one considers the land and operating cost of modern agriculture today. This aspect of the legislation will also need to be carefully reviewed.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Farm Security Act".

TITLE I—LAND ACQUISITION LOANS

Sec. 101. In order to assist young people who wish to engage in farming on a career basis but who are unable, without the assistance provided for in this Act, to purchase the land necessary for that purpose, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized to guarantee loans and make payment adjustments on such loans as provided herein.

Sec. 102. The Secretary is authorized to guarantee the repayment of a loan made by any Federal or State chartered bank, savings and loan association, cooperative lending institution, or other legally organized lending institution to any individual who makes application therefor and is approved for such loan guarantee under this Act when the proceeds of such loan are to be used by such individual for the purpose of acquiring land to engage in farming operations.

Sec. 103. No loan shall be guaranteed in any amount in excess of 75 per centum of the total amount of the loan; and in no case shall the amount guaranteed under this Act in the case of any borrower be more than the appraised value of the property to be purchased or $150,000, whichever is less.

Sec. 104. (a) The Secretary is also authorized to make payment adjustments in the case of any loan guaranteed under this title.

(b) To be eligible for payment adjustment, a loan shall have a maximum term of 20 years and shall provide for payments by the borrower at least annually so that repayment of the loan (principal and interest) will be amortized in equal annual installments over the term of the loan.

(c) During the first ten years of a loan guaranteed under this title, the Secretary shall annually pay to the lender 4 per centum of the outstanding balance due at the beginning of that year and the borrower shall pay the remainder of the payment due. After the tenth year, the borrower shall make payments according to the stated payment rate. In the eleventh year, the borrower shall repay the Secretary for the sums paid by the Secretary on the borrower's behalf unless the borrower requests and is granted an extension of the payment adjustment.

(d) The Secretary may, in accordance with such regulations as he shall prescribe, extend the payment adjustment in the case of any borrower for a period not in excess of ten years. In any case in which an extension of the payment adjustment is granted, the borrower shall repay the Secretary, in the year following the last year of the extension, the sums paid by the Secretary on the borrower's behalf.

(e) The obligation of the borrower to repay the Secretary the payment adjustment constitutes a lien against the property.

Sec. 105. Loans under this title may be made only to individuals who wish to engage in farming as a full-time occupation, who are determined by the Secretary to be sound credit risks, and who would be unable to acquire the farm land for which the loan is to be made without the assistance provided under this title.

Sec. 106. The Secretary shall provide for the appointment in each State of local county committees to assist the Secretary in screening applicants for loan guarantees and payment adjustment assistance under this title. Such committees shall be composed of farmers, bankers, and other persons whose background, education, and experience specially qualifies them for the job of screening and recommending for approval or disapproval applications for assistance under this Act.

Sec. 107. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

(b) The Secretary shall, at the earliest practicable date, but in no event more than two years after the date of enactment of this Act, report to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives the amount of funds required to operate the loan guarantee programs provided for in this title. Until otherwise provided by law, the Secretary is authorized to guarantee loans under this title in amounts not in excess of five times the funds appropriated for such purpose.

Sec. 108. The Secretary shall issue such regulations as he deems necessary or appropriate to carry out effectively the provisions of this title including regulations for procedures to protect the interests of the United States in the event of loan defaults by borrowers.

TITLE II—OPERATING LOANS

Sec 201. (a) The Secretary is authorized to make operating loans to individuals whose loans are guaranteed under title I of this Act.

(b) Such loans may be made for the purpose of (1) paying costs incident to organizing the farm system for profitable operation, (2) purchasing livestock, poultry, and farm equipment, (3) purchasing feed, seed, fertilizer, and other farm supplies, and (4) meeting other essential farm operating expenses.

Sec. 202. (a) Loans made under this title shall be made only to individuals who are unable to finance their actual needs at reasonable rates and terms through commercial sources in the area in which their farming operations are located.

(b) Loans made under this title shall not exceed $50,000 in the case of any one farm.

(c) The period of repayment of any loan made under this title shall not exceed seven years.

(d) Loans made under this title shall bear interest at the rate of 5 per centum per annum on the unpaid balance, except that such rate shall be increased in the case of any loan at the end of the second year of such loan to a rate equal to the rate paid by the Secretary on money borrowed from the Treasury by the Secretary for a period of time comparable to the period for which loans are made under this section.

SEC. 203. Loans made under this title shall be made upon the full personal liability of the borrower and upon the best security available.

SEC. 204. The Secretary shall issue such regulations as he deems necessary or appropriate to carry out effectively the provisions of this title.

SEC. 205. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

By Mr. WILLIAMS:

S. 3895. A bill to improve access to and transportation within urban national parks and recreation areas, to authorize a study of options for transportation to and within all units of the National Park System, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

THE URBAN NATIONAL PARKS AND RECREATION AREAS TRANSPORTATION ACT

Mr. WILLIAMS. Mr. President, the bill I am introducing today is designed to make parks more accessible to people. In the chain of public transportation that connects our cities to our national parks and recreation areas, there is invariably an absent or weak link. This bill would help to supply or strengthen that link.

In 1958, the Congress established the Outdoor Recreation Resources Review Commission to study and report on our Nation's recreational needs and resources through the year 2000. One of the major conclusions of the Commission's report was that "outdoor opportunities are most urgently needed near metropolitan areas."

The Director of the Bureau of Outdoor Recreation reemphasized this point in testimony before a congressional committee in 1970:

> We found out where the heaviest need is for recreation, namely in the cities. We found in the cities where 75% of the people in the U.S. reside, only some 25% of the recreational facilities and 3% of the public recreation lands are readily accessible. What we end up with is an overall conclusion that in effect we have the people on one part of the continent and the recreational facilities on another.

The open space program which I authored was designed to improve recreational opportunities where the people are—in urban areas. The National Park System also began to focus on the needs of urban residents. Gateway National Recreation Area, which borders on the New York-New Jersey metropolitan area, added a new dimension to the National Park System. No longer were the satisfactions of nature hours away from urban Americans. Golden Gate and Cuyahoga Valley National Recreation Areas, and Indian Dunes National Lakeshore continued this trend. They preserved oases of open space and scenic beauty in locations surprisingly close to major cities.

But for many the nearness of these splendid new parks simply increased their frustration. As the National Park Service observed in its April 1976 statement for management of Gateway National Recreation Area:

> No amount of planning and development at Gateway will correct the present inequalities of who can visit the park unless efforts are made to provide efficient transportation to the park from all parts of the region.

We know the people for whom the appeal of the new parks remains an unfulfilled promise. They are the elderly, for whom leisure often is a euphemism for nothing to do. They are the young, in need of the challenge of the outdoors. They are the poor and the handicapped, denied access to their heritage of natural lands.

We know that a large proportion of urban residents, particularly inner-city residents, do not own automobiles. While nationwide about one family in six does not own a car, within our major cities, one family in two or three does not own a car. Existing urban mass transportation facilities have failed to bridge the gap between these urban residents and the national parks designed to serve them.

Besides promoting this inequity, a policy which requires visitors to rely on cars for access to national parks and recreation areas adversely affects the parks, visitors, and nearby communities. Air and noise pollution from automobiles threatens the environment of the parks and detracts from the recreation experience. Precious space in scenic areas must be devoted to parking lots and access roads. Traffic congestion irritates drivers and burdens local communities.

In the absence of efficient mass transit access, over 90 percent of visitors to Gateway National Recreation Area in 1974 arrived by car. If allowed to continue, this overdependence on cars will undermine the purpose of Gateway and other parks. In some areas, it simply cannot continue. Visitation to the various units of Gateway will exceed the capacity of existing access roads by as much as 200 percent by the year 1990.

Alternative transportation to the parks will not only alleviate these problems, but with appropriate audiovisual aids, may also become an extension of the parks themselves. This was one of the many benefits I had in mind earlier this year in introducing a bill to authorize a demonstration ferry service project at Gateway.

As the author of the Urban Mass Transportation Act, and sponsor of the legislation which established Gateway National Recreation Area, I have long been concerned with the human needs which would be met by the bill I propose today. We need parks, and we also need clean, inexpensive, and convenient ways to get to them. Effective transportation to the urban national parks can complement and take advantage of existing mass transit facilities. Peak use of mass transit occurs when people are going to and from work. Facilities are therefore available, or can be made available, to help meet the demand for recreational transit which occurs primarily on weekends and holidays.

This bill would establish a general policy of encouraging mass transit and other transportation modes besides automobiles for travel to, from, and within areas of the national park system. It would require the Secretary of the Interior to develop for immediate implementation a program for improving and facilitating public access to and transportation within urban national parks and recreation areas. It would specifically direct the Secretary to consult with public transportation authorities and private carriers in order to coordinate the urban national park transportation program with existing and planned mass transit facilities and systems. Finally, the bill would mandate a comprehensive study of transportation options for the entire national parks system. This study would form the basis for a national park transportation policy which will more effectively meet the recreational needs of all our citizens.

While I fully recognize that it is too late to consider this measure in the 94th Congress, I am introducing it at this time to focus attention on the need it addresses. I am hopeful that during the Congressional recess, interested persons will review and consider this proposal and alternative means of providing transportation for the national parks. Appropriate legislation can then be introduced and acted upon early in the 95th Congress.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Urban National Parks and Recreation Areas Transportation Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) following the issuance in 1962 of the report of the Outdoor Recreation Resources Review Commission, our national recreation policy has increasingly recognized and sought to provide for the needs of residents of urban areas;

(2) in furtherance of such policy, the Congress has established several National Parks and Recreation Areas in or near some of the largest urban areas in the United States, including Newark, New Jersey-New York, New York, San Francisco, California, Cleveland-Akron, Ohio, and Chicago, Illinois-Gary, Indiana;

(3) the Congress is presently evaluating National Park proposals for other major urban areas, including Los Angeles, California, and Atlanta, Georgia, in order to provide recreational opportunities to the residents of such urban areas;

(4) despite their proximity to urban areas, Urban National Parks and Recreation areas are not sufficiently accessible to urban residents, particularly those residents without access to personal motor vehicles, including the poor, the aged, the young, and the handicapped; and

(5) Park management policies which necessarily require persons desiring to use National Park and Recreation Areas to rely on personal motor vehicles are inequitable and destructive of the recreational and environmental value of Parks in both urban and non-urban areas.

(b) It is therefore the policy of the Congress in this Act to encourage the use of transportation modes, other than personal motor vehicles, for travel to, from, and within Urban National Parks and Recreation Areas, and all units of the National Park System.

(c) It is the purpose of this Act—

(1) to establish an immediate program to improve and facilitate the use of transportation modes, other than personal motor vehicles for travel to, from, and within Urban National Parks and Recreation Areas, including but not limited to, Gateway National Recreation Area, Cuyahoga Valley National Recreation Area, Golden Gate National Recreation Area, and Indiana Dunes National Lakeshore; and

(2) to authorize a study of options for transportation to and within all units of the National Park System.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(a) "Secretary" means the Secretary of the Interior; and

(b) "Urban National Parks and Recreation Areas" means any unit of the National Park System which has been established primarily to serve the residents of major metropolitan areas.

A TRANSPORTATION ACTION PLAN FOR URBAN NATIONAL PARKS AND RECREATION AREAS

SEC. 4. (a) (1) The Secretary is authorized and directed to develop and implement a transportation program for each Urban National Park and Recreation Area, including, but not limited to, Gateway National Recreation Area, Golden Gate National Recreation Area, Cuyahoga Valley National Recreation Area, and Indiana Dunes National Recreation Area.

(2) Such programs shall provide for mass transportation and other transportation modes which do not involve the use of personal motor vehicles, for travel to, from, and within such Parks and Recreation Areas.

(3) In developing such programs the Secretary shall consider the use of environmentally sound, high-volume transportation modes, including subways, buses, trains, ferries, bicycles, mini-buses, jitneys, light rail systems, and boats.

(4) The Secretary shall consult with local, regional, and State transportation authorities, private carriers, and other persons or agencies charged with planning and operating public transportation facilities, in order to—

(A) coordinate Park transportation programs with such local, regional, and State authorities and private carriers; and

(B) maximize the use of existing and planned mass transportation facilities to benefit the users of Urban National Parks and Recreation Areas.

(5) The Secretary shall consult with the Secretary of Transportation, the Secretary of Housing and Urban Development, and such other Federal departments and agencies as may be appropriate in the development and implementation of Park transportation programs.

(b) The Secretary shall establish guidelines for the distribution of funds authorized to be appropriated to implement Park transportation programs developed under subsection (a) based upon—

(1) the number of poor, aged, young, and handicapped persons to be served;

(2) the number of persons not having access to personal motor vehicles to be served;

(3) the ratio of the costs of implementing a program to the number of persons to be served under such program;

(4) the geographical size of the urban area to be served;

(5) the capacity of the Park facilities involved in any program;

(6) the suitability and extent of existing mass transportation, facilities in the urban area to be served;

(7) the potential efficiencies to be gained by making use of existing mass transportation facilities for the benefit of Park users; and

(8) the recreational and environmental costs and benefits of any program.

(c) In carrying out his duties under this section, the Secretary is authorized—

(1) to contract with public transportation authorities, agencies, or private carriers to provide transportation facilities within and outside Urban National Parks and Recreation Areas; and

(2) to undertake, in the absence of suitable and adequate transportation authorities, agencies, or private carriers, transportation operations under the management and ownership of the United States.

NATIONAL PARK SYSTEM TRANSPORTATION STUDY

SEC. 5. (a) (1) The Secretary shall prepare and submit to the Congress not later than 2 years after the date of enactment of this Act a comprehensive study of transportation problems and opportunities throughout the National Park System.

(2) Such study shall include an analysis of—

(1) the need for mass transportation, and other transportation modes which do not involve the use of personal motor vehicles, for travel to, from, and within units of the National Park System;

(2) the opportunities for making the National Park System fully accessible to persons without access to personal motor vehicles;

(3) the long-range opportunities for coordinating mass transportation plans with the acquisition and management policies for the National Park System; and

(4) the environmental and recreational impact on the National Park System of continued reliance on personal motor vehicles for travel to, from, and within units of such system.

(b) In carrying out such study, the Secretary shall consult with the Secretary of Transportation, and such other Federal departments and agencies as may be appropriate in the development of a National Park System transportation policy.

(c) The Secretary shall coordinate such study with the study authorized by section 12 of the Land and Water Conservation Act of 1965, as amended.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

By Mr. GARY HART:

S. 3897. A bill to establish a national system of child and maternal health care and a system of protection against catastrophic health care costs. Referred to the Committee on Finance and the Committee on Labor and Public Welfare, jointly, by unanimous consent.

Mr. GARY HART. Mr. President, today I am introducting the Comprehensive Maternal and Child Health Protection Act which provides for comprehensive health care services for children and pregnant women; and for universal protection against the catastrophic costs of illness.

Mr. President, the health care "crisis" has commanded more concern within the Congress and throughout the Nation than any other single domestic issue. The need for comprehensive health care has been translated into serious legislative proposals by Members of Congress, administrations, and many private groups outside Government. In general, however, most proposals reflect genuine disagreement regarding the most appropriate methods of dealing with the complex problems involved in establishing a comprehensive health care system. Despite the disparity among the numerous bills introduced in the 94th and earlier Congresses, these proposals offer important ideas, concepts, and mechanisms which could, when molded together, help provide the Nation with an effective and fiscally responsible national health care system.

Mr. President, the bill I am offering today is just such a combination. It is a synthesis of mechanisms and concepts presented in other health care proposals, and in the extensive hearings and debates on health care over the past several years. In particular, my proposal draws on the expertise of Senator KENNEDY who is widely recognized for his contribution and excellence in the health care field. His thinking is reflected in the administrative mechanisms incorporated in my proposal.

My proposal is as follows:

TITLE I—MATERNAL AND CHILD HEALTH PROTECTION PROGRAM COVERAGE

In the first year of the program, all children from birth to 6 years of age, and all pregnant women will be eligible for comprehensive health care benefits. Each subsequent year, for the next 4 years of the program, eligibility for child health care services will be expanded by adding 2 years to the eligibility level, so that by the 5th year of the program, all children 14 years of age and under would be considered eligible for the program.

BENEFITS

The bill provides for comprehensive health care benefits. Included would be most "preventive" health care as well as a wide range of other services including broken bones, renal dialysis, prenatal and postnatal care for mothers, and so forth.

REIMBURSEMENT

The only form of payment would be capitation. Physicians, or other qualified health care providers, would sign up eligible children or women annually. The Maternal and Child Health Protection Board—responsible for administering the program on the Federal level—would issue an annual lump sum payment to a physician for each eligible individual he had enrolled. All those eligible individuals wishing to purchase care in a regular fee-for-service system would, of course, be free to do so; however, they would not receive Federal financial assistance under this program.

FINANCING

The program would be financed from general revenues, and would be partially offset by a reduction in the $750 personal income tax exemption for children.

COST

The Maternal and Child Protection Board will determine the capitation fees. Such fees will reflect the average annual cost of health care for the eligible categories. If, for example, the Maternal and Child Health Protection Board were to set the capitation rate at $200 per child per year on an average—in 1974, per capita expenditures for those under 19 years of age was $183—the cost would be $1.8 billion. If we add prenatal and postnatal care for an estimated 3.2 million births, the cost would be an additional $4 billion. The total program cost has been estimated to be approximately $6 billion; however, it is important to remember that this figure is only an estimate.

ADMINISTRATION

At the Federal level, the program would be administered by the Maternal and Child Health Protection Board established within the Department of Health, Education, and Welfare. The Board will determine capitation rates; establish systems of quality and program review; and be responsible for the formulation of program policy and implementation. The Board will be assisted by a National Maternal and Child Health Protection Advisory Council which will recommend policy and evaluate performance of the program.

On local level, the program will be administered through HEW regional offices and local health service area offices. Regional advisory councils, similar in nature to the National Advisory Council, will advise the regional offices.

TITLE II—CATASTROPHIC TAX CREDIT PLAN

COVERAGE

All individuals will be eligible to participate in the program.

BENEFITS

Under this plan, an individual would be fully responsible for those medical expenses amounting to 10 percent of his annual income. If an individual's medical expenses exceed 10 percent of income, the Federal Government would pay—either by tax credit or cash rebate—half of all additional medical costs until the individual's expenditures exceeded 20 percent of his income. After an individual had spent 20 percent of his income for medical care, the Federal Government would pay all further costs.

FINANCING

This catastrophic plan will be financed through tax expenditures.

ADMINISTRATION

The Internal Revenue Service will administer the program.

TERMINATION OF THE PROGRAMS

The bill includes a provision for the termination of the comprehensive maternal and child health protection program and the catastrophic tax credit after the 5th year of operation unless the programs are continued by an act of Congress.

Mr. President, while neither I nor any other Senator would advocate that Congress move rashly or recklessly in its efforts to establish a national health care system, the current stalemate over cost and administration need not prevent us from starting now on the extremely worthwhile and reasonable task of establishing a program of comprehensive health care services for youngsters and pregnant women, as well as providing protection against the catastrophic costs of illness for the general population. This proposal is well within our current fiscal, political, and administrative grasp. By initiating this type of a program, in this limited and, therefore, manageable form, we can learn from the process of implementing and expand as the Nation is ready and willing.

In past years, our Nation has typically responded to budgetary constraints of providing health care by phasing programs in by age and income groups—as with medicare and medicaid in the 1960's. A comprehensive health insurance program for all preschool children, as well as catastropic protection for all is both a sensible as well as a traditionally American way to introduce a national health care system admidst the current fiscal restraints.

COMPREHENSIVE MATERNAL AND CHILD HEALTH PROTECTION PROGRAM

The selection of children and pregnant women as the initial category to be covered by a comprehensive program is logical on many grounds. Children are the citizens and the producers of the future. Any investment in their health will yield rich dividends to the Nation in the form of higher future productivity and lower medical care expenditures as they reach adulthood.

The care children most need is readily produceable, predictable, most likely to have an improving effect on their current and future health status, and is relatively inexpensive. It is interesting to note that costs of child health care are less than that for any other comparable age group in the population: in 1974, per capita expenditures for those under 19 years of age was $183 as compared with $420 for those aged 19 to 64 and $1,218 for those 65 and over.

Similarly, good health care for pregnant women is readily produceable, fairly predictable, and though not minimal in cost, has—as we have demonstrated time and time again—been tremendously valuable in improving the health of newborn infants.

Further, the uniformity and routine nature of the health care needs of children and pregnant women will keep the overall costs of such a program fairly predictable—therefore, less susceptible to soaring inflation—and also means that a large portion of health care services can be easily delivered by physicians extenders, nurse, and child practitioners. Additionally, because of the familiar nature of the required care for mothers and young children, quality review becomes far easier for this group than almost any other.

But there is another important reason why children are a logical starting point for comprehensive health benefits—they are the best group with which to start the development of preventive policies and practices. Preventive policies can play a major role in preserving the health of our people and in reducing the Nation's soaring health care bill. Despite much discussion, very little has been done to encourage and implement preventive policies. Under my proposal, incentives to develop and practice preventive medicine will be high—primarily because of the capitation method of payment used to reimburse physicians participating in the program.

To obtain benefits under the program, eligible individuals would sign up for health care services with a specific physician or other qualified health care provider participating in the program. That physician will be paid on a lump sum basis and will be responsible for insuring that all necessary health care services are provided to an enrolled individual. This capitation method of payment will not only provide economic incentives to keep patients well, but it will serve to discourage unnecessary or overutilization of health care resources.

Interestingly, we are already beginning to witness a growing pattern of prepaid lump sum payments for obstetrical care, a pattern which has been greatly encouraged by the predictable character of the required medical services.

CATASTROPHIC TAX CREDIT PROGRAM

While the merits of this child and maternal health care system are numerous, this system alone will not begin to respond to one of the most widespread fears of Americans; namely, the possibility of financial ruin from ill health. The United States remains one of the few industrial nations in the world where one can be made destitute by medical care. Currently, some 4 percent of the population spend more than a quarter of their income on illness. Because a responsible health care system should respond to the fears of financial ruin associated with prolonged illness, the proposal I am introducing also provides catastrophic protection for the entire population. This protection is incorporated into a reform of our current tax policy for medical expenses and operates on a system of tax credits and rebates.

Under the program, a family would be fully responsible for its medical expenses up to 10 percent of income, the Federal Government would pay half of all additional medical expenses until the cost to the family exceeds 20 percent. After a family had expended 20 percent of its income for medical care, the Federal Government would pay all further costs.

The Federal contribution to catastrophic care would be paid through income tax credits. If medical expenses were so high—or family income so low—that tax liability reached zero, the family would be eligible for a refundable tax credit or direct payment.

I would like to emphasiez that this program would not provide financial assistance for minor expenses which can be afforded by the individual, nor would it cover expenses paid for by private insurance. It is also important to note that individuals at different income levels would be required to spend different, though relatively proportionate, amounts of their income before Federal financial assistance would be available. Since the very definition of catastrophe depends upon the relative burden on illness expenses of individual wealth, such a scheme works well in responding to the real needs of individuals for financial help.

The IRS would be responsible for administering this protection plan and the payments of benefits would be integrated into the current tax cycle. That would mean annual adjustments for most; however, the Secretaries of the Treasury and HEW are directed to investigate, and provide for more timely payments to individuals claiming a credit or rebate.

This system contains important cost control features insofar as the patient pays a percentage of his health care bill.

and no services are paid for that are not received. Most importantly, however, such a plan would allay the fears of impoverishment, particularly from cancer, stroke, heart disease, and mental illness. The "deductible" provisions of the tax credit plan limit its overall costs. Although the actual number of beneficiaries of this catastrophic plan would be relatively small, everyone will benefit in terms of freedom from fear. The credit extends a substantial amount of security to all insofar as it assures that no person would become destitute from medical expenses.

Mr. President, the proposal I am offering is a reasonable step forward approach to our national health care crisis. It is no secret that the present economic and political situation requires substantial attention to those forms of national health care that are administratable, of modest cost to the Federal Treasury and unlikely to worsen the inflation rate in health. At a time when we are concerned about the size of the Federal budget, this type of program makes fiscal sense.

Mr. President, this proposal is not cast in stone. I am offering this as a new approach to our health care problems and I would urge others, having interest or expertise in this particular area to contribute to this bill. Many of the concepts outlined in the proposal have been backed by experienced health policy analysts and others vitally interested in insuring the good health of our people through the implementation of a sound, fiscally responsible system. Although Congress has debated comprehensive health care with varying intensity over the past several years, I would hope that during the next Congress there will be concerted effort to enact legislation along these lines. Because the Comprehensive Maternal and Child Health Protection Act is manageable, fairly modest in cost, and unlikely to adversely influence the inflation rate in health care, it merits full consideration in the upcoming discussions on this vital issue.

Mr. President, I ask unanimous consent that this bill be referred jointly to the Committee on Finance and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARY HART. And Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Maternal and Child Health Protection Act".

FINDINGS AND DECLARATION OF PURPOSE

Sec. 2. (a) The Congress finds and declares that—

(1) the children of the United States are vital to national development and hold the promise of the Nation's future;

(2) the health of pregnant mothers and children has been demonstrated to be among the highest priority of our health and medical needs in the country; and

(3) all individuals should be protected against the ruinous costs of illness.

(b) The purpose of this Act is—

(1) to establish a comprehensive system of health care services for children and pregnant women;

(2) to establish a nationwide system which will protect individuals against ruinous financial costs of illness.

TITLE I—COMPREHENSIVE MATERNAL AND CHILD HEALTH PROTECTION BENEFITS

Part A—General Provisions and Eligibility Definitions

Sec. 101. For the purposes of this Act the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare;

(2) "Board" means the Maternal and Child Health Protection Board established in section 141;

(3) "Child" means an individual from the time of birth to the age of 6 years;

(4) "Council" means the National Maternal and Child Health Protection Council, established in section 145;

(5) "Health Care Services" means all health care services described in section 111; and

(6) "Participating Provider" means any provider of health care services who has entered into an agreement with the Secretary to provide health care services to eligible persons under this Act.

ELIGIBILITY FOR MATERNAL AND CHILD HEALTH SECURITY BENEFITS

Sec. 102. (a) Every pregnant woman and every child residing in the United States who is—

(1) a legal resident or a citizen of the United States; or

(2) the spouse of a legal resident or a citizen of the United States

shall be eligible for benefits under this Act.

Part B—Nature and Scope of Benefits

Sec. 111. (a) An eligible child under this title who is enrolled with a participating provider, is entitled to receive from his provider either directly or indirectly all health care services related to the diagnosis and treatment of any disease, injury, or disability, as well as any other health care services necessary for the adequate protection, maintenance, or restoration of his mental and physical health.

(b) An eligible woman under this title who is enrolled with a participating provider, is entitled to receive from her provider, either directly or indirectly, all health care services related to the diagnosis and treatment of pregnancy; the diagnosis and treatment of disease or injury during pregnancy which could threaten the healthy development of the unborn child; any injury, disability or disease relating to or resulting from pregnancy that occurs during the period of twelve weeks immediately following the termination of a pregnancy, including but not limited to the mental and physical well-being of the woman.

Part C—Participating Providers and Payments to Participating Providers

Sec. 121. A provider of health care services shall be a participating provider if such provider enters into an agreement with the Secretary, in a manner determined by the Board, to—

(1) provide directly or indirectly health care services (described in section 111) to eligible persons, without discrimination on the grounds of race, creed, or national origin; and

(2) accept the amount specified in the capitation payment schedule, as established annually by the Board, as the full payment for health care services provided to an eligible person enrolled with that provider.

PAYMENTS TO PROVIDERS—METHOD AND AMOUNT OF PAYMENT

Sec. 122. (a) The Secretary is authorized to make payments to participating providers in accordance with this part. Such payments shall be made from the amounts authorized under section 131 of this Act.

(b)(1) Every participating provider shall be paid by the capitation method, consisting of one annual payment per eligible individual enrolled with that participating provider.

(2) Such payment shall be made by the Secretary to the participating provider on a prospective basis for the year during which health care services are to be furnished to the eligible person by the provider.

(c) The Board shall annually determine the capitation payments to be made under this Act to participating providers for—

(1) health care services described in section 111(a) rendered to eligible children.

(2) health care services described in section 111(b) rendered to eligible women.

(d) Such payments as determined by the Board shall be no less than an amount equal to the annual costs of providing such reasonable health care services as described in section 111 (a) and (b).

(e) The Board may, in consultation with the Council vary capitation payments by geographic region, where the Board has directly or indirectly determined such variation would be instrumental in providing relief to areas suffering shortages of providers.

PAYMENTS TO NON-PARTICIPATING PROVIDERS

Sec. 123. The Secretary is authorized to establish a program to reimburse or make payments on behalf of eligible individuals who are residing in areas not adequately served by participating providers.

Part D—Financing of the Comprehensive Maternal and Child Health Protection Program

AUTHORIZATION OF APPROPRIATIONS

Sec. 131. (a) There are hereby authorized to be appropriated for the fiscal years 1977, 1978, 1979, 1980, and 1981, those amounts necessary for the administration, and operation of the Comprehensive Maternal and Child Health Protection program as described under this title.

ADJUSTMENT IN EXEMPTION FOR DEPENDENTS

Sec. 132. (a) Section 151(e)(1) of title 26 of the Internal Revenue Code of 1954 (relating to the exemption for dependents) is amended by striking "$750" and substituting "$600".

Part E—Administration

ESTABLISHMENT OF THE MATERNAL AND CHILD HEALTH PROTECTION BOARD

Sec. 141. (a) There is hereby established in the Department of Health, Education, and Welfare a Maternal and Child Health Protection Board to be composed of 5 members to be appointed by the President, by and with the advice and consent of the Senate. During his term of membership on the Board, no member shall engage in any other business, vocation or employment. Not more than 3 members of the Board shall be members of the same political party.

(b) Each member of the Board shall hold office for a term of 5 years, except that (1) a member appointed to fill a vacancy occurring during the term for which his predecessor was appointed shall be appointed for the remainder of that term, and (2) the terms of office of the members first appointed shall expire, as designated by the President at the time of their appointment, at the end of one, two, three, four and five years, respectively, after the date of enactment of this Act. A member who has served for two consecutive five-year terms shall not be eligible for reappointment until two years after he has ceased to serve.

(c) The President shall designate one of the members of the Board to serve, at the will of the President, as Chairman of the Board.

DUTIES OF THE SECRETARY AND THE BOARD

SEC. 142. (a) The Secretary acting through the Board shall carry out the functions described in subsection (b).

(b) The Board shall—

(1) establish capitation rates to be paid to participating providers;

(2) establish standards and qualifications for participating providers;

(3) establish basic agreements to be entered into between the Secretary and participating providers;

(4) continually monitor and study the operation of the provisions of this Act with special emphasis with regard to the provision of health services to eligible persons;

(5) promulgate such rules and regulations as it deems necessary to carry out the provisions of this Act; and

(6) report annually to the Congress on the administration of this Act.

(c) The Secretary shall make available to the Board all information available to him, from sources within the Department or from other sources, pertaining to the functions of the Board.

(d) The Civil Service Commission, in consultation with the Board, shall to the greatest extent practicable facilitate recruitment, for employment by the Board in the competitive service, of qualified persons experienced in the administration of health prepayment plans, or experienced in other fields pertinent to the administration of this title.

(e) The Secretary is authorized to establish on the staff of the Board, and to fix the compensation for, not more than 20 positions in the professional, scientific, and executive service, each such position being established to effectuate those research and development activities of the Board which require the services of specially qualified scientific, professional, and administrative personnel. The rates of compensation for positions established pursuant to the provisions of this subsection shall not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, not more than the highest rate of grade 18 of the General Schedule of such Act, and the rates of compensation for all such positions shall be subject to the approval of the Civil Service Commission. Positions created pursuant to this subsection shall be included in the classified civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proposed appointee's qualifications by the Civil Service Commission or such officers or agents as it may designate for this purpose.

EXECUTIVE DIRECTOR; DELEGATION OF AUTHORITY

SEC. 143. (a) There is hereby established the position of Executive Director of the Maternal and Child Health Protection Board. The Executive Director shall be appointed by the Board with the approval of the Secretary, and shall perform such duties in the administration of this title as the Board may assign to him.

(b) The Board is authorized to delegate to the Executive Director or to any other officer or employee of the Board or, with the approval of the Secretary (and subject to reimbursement of identifiable costs), to any other officer or employee of the Department, any of its functions or duties under this title other than (1) the issuance of regulations, or (2) the annual determination of the capitation rates under section 122.

REGIONS AND HEALTH SERVICE AREAS

SEC. 144. (a) This title shall be administered by the Board through the regions of the Department (as they may be established from time to time) and, within each region, through health service areas. The areas shall be the same as the health service established by the Secretary under section 1511 of the Public Health Service Act, except that with the approval of the Secretary the Board may divide an area established under section 1511 into two or more areas for purposes of this title.

(b) The Board shall establish in each local health service area a local maternal and child health protection office and such branch offices as the Board may find necessary. The local offices and branch office, in addition to such informational and other administrative duties as the Board may assign them, shall have the function of receiving and investigating complaints by eligible persons or their guardians and by providers of services concerning the administration of this title and of taking or recommending appropriate corrective action.

NATIONAL MATERNAL AND CHILD HEALTH PROTECTION ADVISORY COUNCIL

SEC. 145. (a) There is hereby established a National Maternal and Child Health Protection Advisory Council, which shall consist of the Chairman of the Board, who shall serve as Chairman of the Council, and 12 members, not otherwise in the employ of the United States, appointed by the Secretary on the recommendation of the Board, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall include persons who are representative of providers of health services, and of persons (who shall constitute a majority of the Council) who are representatives of eligible consumers of such services. Each appointed member shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring during the term for which his predecessor was appointed shall be appointed for the remainder of that term, and (2) the terms of members first taking office shall expire, as designated by the Secretary at the time of appointment, three at the end of the first year, three at the end of the second year, three at the end of the third year, and three at the end of the four year after the date of the enactment of this Act. Members of the Council who are representative of providers of health care shall be persons who are outstanding in fields related to maternal and child health care; medical, hospital, or other health activities; or who are representative of organizations or associations of professional health, personnel; members who are representative of eligible consumers of such care shall be persons, not engaged in and having no financial interests in the furnishing of health services, who are familiar with the needs of the eligible population for personal health services and are experienced in dealing with problems associated with the furnishing of such services.

(b) The Advisory Council is authorized to appoint such professional or technical committees, from its own members or from other persons or both, as may be necessary to carry out its functions. The Council, its members, and its committees shall be provided with such secretarial, clerical, or other assistance as may be authorized by the Board for carrying out their repective functions. The Council shall meet as frequently as the Board deems necessary, but not less than four times each year. Upon request by seven or more members it shall be the duty of the Chairman to call a meeting of the Council.

(c) It shall be the function of the Advisory Council (1) to advise the Board on matters of general policy in the administration of this title, in the formulation of regulations, and (2) to study the operation of this title and the utilization of health services under it, with a view to recommending any changes in the administration of the title or in its provisions which may appear desirable. The Council shall make an annual report to the Board on the performance of its functions, including any recommendations it may have with respect thereto.

(d) Appointed members of the Advisory Council and members of technical or professional committee, while serving on business of the Council (inclusive of traveltime), shall receive compensation at rates fixed by the Board, but not in excess of the daily rate paid under GS–18 of the general schedule under section 5332 of title 5, United States Code; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

REGIONAL AND LOCAL ADVISORY COUNCILS

SEC. 146. (a) The Board shall appoint for each of the regions of the Administration and for each health service area a regional or local advisory council, consisting of the regional or local representative of the Board as chairman and (in such numbers as the Board may determine) representatives of providers of health services and representatives (who shall constitute a majority of the members of each council of eligible consumers of such services. So far as possible, representatives of eligible consumers shall be selected as to represent the population to be served. Each council shall meet as often as its members may decide, but in no event less than four times each year. It shall be the function of each such council to advise the regional or local representative of the Board, as the case may be, on all matters directly relating to the administration of this title in the region or area, including methods and procedures in the handling of complaints.

(b) The provisions of section 145(d) shall be applicable to the members of the councils appointed under this section.

PROFESSIONAL AND TECHNICAL ADVISORY COMMITTEES

SEC. 147. (a) The Board shall appoint such standing professional and technical committees as it deems necessary to advise it on the administration of this title with respect to the services described in part B. Each such committee shall consist of experts (in such numbers as the Board may determine) drawn from the health professions (particularly those professions involved in maternal and child health care), from medical schools or other health educational institutions, from providers of services, or from other sources, whom the Board deems best qualified to advise it with respect to the professional and technical aspects of the furnishing and utilization of, the payment for, and the evaluation of, health care services.

(b) The Board is authorized to appoint such experts and consultants (employed in accordance with section 3109 of title 5, United States Code), and to appoint such temporary professional and technical committees, as it deems necessary to advise it on special problems not encompassed in the assignments of standing committees appointed under subsection (a), or to supplement the advice of standing committees.

(c) In connection with its duties under section 142(c) the Board is authorized to appoint such standing or temporary committees of fiscal, actuarial, and other experts as it deems necessary.

(d) Committees appointed under this section shall be subject to the supervision of the Board.

(e) The provisions of section 145(d) shall be applicable to experts and consultants and to the members of committees appointed under this section.

PARTICIPATION BY STATE AGENCIES

SEC. 148. (a) The Board shall consult with State health agencies (including agencies established pursuant to title XV of the Public Health Service Act) or other appropriate State agencies in administering health benefits, with a view to coordinating the administration of this title with related State and local activities. Insofar as practicable, the Board shall conduct such consultation through the regional offices of the Administration.

(b) The Board shall make an agreement with any State which is able and willing to do so under which the State health agency or other appropriate State agency will be utilized by the Board in determining whether providers of services meet or continue to meet the qualifications and requirements established in regulations issued by the Board. Such an agreement shall fix the frequency of inspection of providers and shall establish the qualifications required of persons making the inspections. Determinations by State agencies based upon inspections made in accordance with such agreements, and determinations with respect to professional practitioners, may be given by the Board the same effect as determinations by the Board.

(c) An agreement under subsection (b) may provide that a State agency, either directly or through local public agencies, will undertake activities, specified in the agreement, directed to the maintenance and improvement of the quality of services furnished in the State.

(d) The Board shall pay to a State, in advance or otherwise as specified in the agreement, the reasonable cost of services and activities pursuant to an agreement under this section; and may pay a part or all of the cost of training (or may train) State personnel to enable them to meet the qualifications established by the Board for inspectors.

(e) In any State which is unable or unwilling to make inspections in accordance with subsection (b), the Board shall make such inspections either through its own personnel or through qualified personnel to perform this function.

(f) Within 90 days after the completion of an inspection of any provider under subsection (b) or subsection (e), the Board shall make public in readily available place and form the findings of such inspection which pertain significantly to compliance of the provider with those qualifications and requirements issued in regulations by the Board, except that if the State agency or the Board, on the basis of such inspection, has made a determination respecting compliance by the provider, the publication shall be based on such determination.

DISSEMINATION OF INFORMATION; STUDIES AND EVALUATIONS

SEC. 149. (a) The Board shall disseminate, to providers of services and to the public, information concerning the provisions of this title, the persons eligible to receive the benefits of the title, and the nature, scope, and availability of covered services; and to providers of services, information concerning the conditions of participation, methods and amounts of compensation to providers, and other matters relating to their participation.

(b) The Board is authorized, either directly or by contract—

(1) to make statistical and other studies, on a nationwide, regional, State, or local basis, of any aspect of the operation of this title, including studies of the effect of the title upon the health of the people of the United States and the effect of comprehensive health services upon the health of persons receiving such services;

(2) to make such other studies as it may consider necessary or promising for the evaluation, or for the improvement, of the operation of this title.

(d) The Board is authorized to develop, and to test and demonstrate, through agreements with providers of services, methods (including business methods) designed to achieve, through additional incentives or in any manner, improvement in the coordination of services furnished by providers, improvement in the adequacy, quality, or accessibility of service, or decrease in their cost.

(e) The Board shall study the adequacy of the Maternal and Child Health Protection program in meeting the health care needs of those eligible women and children and the adequacy of the program to function as an alternative to all other related federal medical assistance and health care programs. The Board shall report to Congress on his findings and conclusions not later than the first day of September 1978. The report made by the Secretary under this section shall include recommendations to whether such federal medical assistance and health care programs should be terminated, reduced or changed in any respect.

DETERMINATIONS; SUSPENSION OR TERMINATION OF PARTICIPATION

SEC. 150. (a) Determinations of entitlement to benefits under this title, determinations of who are participating providers of services, and determination of capitation rates to be paid by the Board to participating providers, shall be made by the Board in accordance with regulations.

(b) If the Board finds that a participating provider of services no longer meets the qualifications and requirements as set forth in regulations issued by the Board, or that a participating provider has intentionally violated the provisions of this title or of regulations, or that he has failed substantially to carry out the agreement entered into with the Secretary, the Board may issue an order suspending or terminating the participation of the provider, or suspending or terminating such provider with respect to particular classes of services.

(c) If the Board has reason to believe that a participating provider or a professional practitioner furnishing services on behalf of another participating provider, has in a substantial number of cases—

(1) furnished to eligible persons covered services which were not of quality meeting professionally recognized standards of care, or

(2) neglected to furnish necessary services to eligible persons who were his patients, under circumstances such that the neglect constituted a breach of his professional obligation,

the Board shall submit the evidence in its possession either to an appropriate professional organization or to a committee constituted by the Board after consultation with such an organization (which committee may, when the Board deems it proper, include nonprofessional persons). The Board shall request the organization or committee, with or without further investigation, to recommend what action, if any, should be taken by the Board. Taking into consideration any recommendation so made to it, the Board may issue an order suspending or terminating the participation of the provider or, in the case of a practitioner furnishing services on behalf of another provider, requiring the other provider, as a condition of continued participation, to suspend or discontinue the furnishing of covered services by the practitioner.

(d) The Board, shall, either in advance or by way of reimbursement, pay to an organization or committee established under subsection (c) its reasonable cost incurred in so doing.

(e) No determination under subsection (a) that a person, previously determined to be eligible for benefits, is not eligible therefor, and (unless the Board finds that eligible persons are endangered) no order under subsection (b) or (c) shall be effective until after person or provider has been afforded an opportunity for a hearing under section 151.

HEARINGS: JUDICAL REVIEW

SEC. 151. (a) Any person who is aggrieved by a determination made or an order issued under section 150 shall, upon request therefor filed in accordance with regulations, be entitled to a hearing before a hearing officer or a hearing panel of the Board. The hearing shall be held as promptly as possible and at a place convenient to the provider or other person requesting the hearing. For the purpose of reviewing the determinations of hearing officers or panels, the Board shall establish appeals tribunals (which may include regional or other intermediate appeals tribunals), and shall by regulation prescribe the jurisdiction of such and procedures for appeal to them. Decision of hearing officers or hearing panels shall, subject to appeals under this subsection, constitute final decisions to the Board.

(b) In any case in which the Board finds (on the basis of the request for hearing and the records of the Board) that a substantial issue of professional practice or conduct, in a health profession specified for this purpose in regulations, will be involved in the hearing, the hearing shall be held either before a person who is qualified in an appropriate health profession or before a panel which includes a person or persons so qualified, and an appeal in such a case shall be heard before an appellate tribunal (or a panel thereof) which included a person or persons so qualified. In any case in which a single person qualified as a health professional, or a panel composed entirely of persons so qualified, conducts a hearing or hears an appeal, the Board shall assign an attorney to assist the professional hearing officer in the conduct of the hearing or the appeal and to advise upon the decision of issues of law.

(c)(1) Any provider of services or other person, after any final decision of the Board made after a hearing to which he was a party (notwithstanding the amount in controversy), may obtain a review of such decision by a civil action commenced within 60 days after the mailing to him of notice of such decision or within such further time as the Board may allow. Such action shall be brought in the district court of the United States, for the judicial district in which the plaintiff resides or has his principal place of business, or, if he does not reside or have his principal place of business within any such judicial district, in the District Court of the United States for the District of Columbia. The Board shall file a certified copy of the transcript of the Board, including the evidence upon which its findings and decision were based.

(2) The Court shall have the power to enter, upon the pleadings and transcript of the record, a judgment affirming, modifying or reversing the decision of the Board, with or without remanding the cause for a rehearing. The findings of the Board as to any fact, if supported by substantial evidence, shall be conclusive.

(3) Where a claim has been denied by the Board or a decision is rendered which is adverse to a provider or other person who was a party to the hearing before the Board, because of failure of the claimant or such a provider or other person to submit proof in conformity with any regulation prescribed by the Board, the court shall review only the question of conformity with the regulation and the validity of the regulation. The court shall not review a finding by the Board under subsection (b), or a refusal to find, that a substantial issue of professional practice or conduct will be involved in a hearing.

(4) The court shall, on motion of the Board made before it files its answer, remand the case to the Board for further action by the Board, and may, at any time on good cause shown, order additional evidence to be taken before the Board. The Board shall, after the case is remanded, and after hear-

ing such additional evidence if so ordered, modify or affirm its findings of fact or its decision, or both, and shall file with the court any such additional and modified findings of fact and decision and a transcript of the additional record and testimony. Such additional or modified findings of fact and decision shall be reviewable only to the same extent as the original findings of fact and decision.

(5) The judgment of the court shall be final except that it shall be subject to review in the same manner as judgments in other civil actions.

Part F—Expansion of and Termination of the Maternal and Child Health Protection Act

EXPANSION OF PROGRAM

Sec. 161 (a) (1) Effective October 1, 1978, section 101(3) is amended by striking "6" and substituting "8".

(2) Effective October 1, 1979, section 101 (3) is amended by striking "8" and substituting "10".

(3) Effective October 1, 1980, section 101 (3) is amended by striking "10" and substituting "12".

(4) Effective October 1, 1981, section 101 (3) is amended by striking "12" and substituting "14".

(b) The Board shall promulgate such rates and regulations as it deems necessary to carry out the amendments made by subsection (a).

TERMINATION OF THE MATERNAL AND CHILD HEALTH PROTECTION ACT

Sec. 162. (a) The provisions of this title shall terminate at the end of the 1981 fiscal year, unless continued by an Act of Congress.

TITLE II—CATASTROPHIC PROTECTION TAX CREDIT

Part A—Allowance of Credit

Sec. 201. (a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by inserting before section 45 the following new section:

"Sec. 44B. Medical Expenses.

"(a) In General.—In the case of an individual there is allowed as a credit against the tax imposed by this chapter an amount, not compensated for by insurance or otherwise, equal to the sum of—

"(1) 50 percent of the amount by which the medical expenses paid or incurred by him during the taxable year exceed 10 percent but are less than or equal to 20 percent of his modified adjusted gross income, plus

"(2) 100 percent of the amount by which such medical expenses exceed 20 percent of his modified adjusted gross income.

"(b) Definitions.—For purposes of this section—

"(1) Medical expenses.—The term 'medical expenses' means amounts paid or incurred by the taxpayer for medical care expenses for himself or for a dependent (as defined in section 152).

"(2) Medical care expenses.—The term 'medical care expenses' means expenses incurred for—

"(A) the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body; or

"(B) transportation primarily for and essential to medical care referred to in clause (1); and premiums under part B of title XVIII of the Social Security Act, (relating to supplementary medical insurance for the aged) covering medical care referred to in subparagraphs (A) and (B).

"(3) Modified adjusted gross income.—The term 'modified adjusted gross income' means adjusted gross income (as defined in section 62), reduced by the amount of the deductions for personal exemptions allowed under section 151, and increased by—

"(A) the deduction allowed by section 1202 (relating to deduction for capital gains), and

"(B) the sum of any amounts received during the taxable year which are excluded from gross income under section 103 (relating to interest on certain governmental obligations).

"(4) Insurance.—In the case of an insurance contract under which amounts are payable for other than medical care referred to in subparagraphs (A) and (B) of paragraph (2)—

"(A) no amount shall be treated as paid for insurance to which paragraph (2)(C) applies unless the charge for such insurance is either separately stated in the contract, or furnished to the policy holder by the insurance company in a separate statement,

"(B) the amount taken into account as the amount paid for such insurance shall not exceed such charge, and

"(C) no amount shall be treated as paid for such insurance if the amount specified in the contract (or furnished to the policy holder by the insurance company in a separate statement) as the charge for such insurance is unreasonably large in relation to the total charge under the contract.

Subject to the limitations of this paragraph, premiums paid during the taxable year by a taxpayer before he attains the age of 65 for insurance covering medical care for the taxpayer, his spouse, or dependents after the taxpayer attains the age of 65 shall be treated as expenses paid during the taxable year for insurance which constitutes medical care within the meaning of subparagraph (A) and (B) of paragraph (2)), if premiums for such insurance are payable (on a level payment basis) under the contract for a period of 10 years or more until the year in which the taxpayer attains the age of 65 (but in no case for a period of less than 5 years).

"(c) Election To Apply Credit to Preceding Year.—

"(1) In general.—Notwithstanding the provisions of subsection (a), at the election of the taxpayer, medical expenses paid or incurred in a taxable year may be claimed as a credit against the tax imposed by this chapter for the preceding taxable year.

"(2) Limitation.—The amount of the credit claimed under paragraph (1) for the taxable year preceding the taxable year in which the medical expenses were paid or incurred may not exceed the amount of the credit—

"(A) allowable for the preceding taxable year, or

"(B) allowable for the taxable year in which the medical expenses were paid or incurred.

(b) Payments to Individuals Whose Creditable Expenses Exceed Their Tax Liability.—

(1) Section 6401(b) of the Internal Revenue Code of 1954 (relating to excess credits) is amended—

(A) by inserting after "earned income credit)" the following: ", 44B (relating to medical expenses),"; and

(B) by striking out "sections 31, 39, and 43" and inserting in lieu thereof "sections 31, 39, 43, and 44B".

(2) Section 6201(a)(4) of such Code (relating to assessment authority) is amended—

(A) by striking "or 43" in the caption of such section, and inserting in lieu thereof "43, or 44B", and

(B) by striking out "or section 43 (relating to earned income)" and inserting in lieu thereof ", section 43 (relating to earned income), or section 44B (relating to medical expenses)".

(c) Taxpayer Must File Return To Claim Credit.—Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended—

(c) Taxpayer Must File Return to Claim Credit.—Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended—

(1) by striking out "and" at the end of paragraph (5),

(2) by inserting "and" after the semicolon at the end of paragraph (6), and

(3) by inserting after paragraph (6) the following new paragraph:

"(6) Every individual who has attained the age of 18 years and who claims the credit allowed by section 44B;".

(d) Repeal of Deduction for Medical Expenses.—

(1) Repeal.—Section 213 of the Internal Revenue Code of 1954 (relating to medical, dental, etc. expenses) is repealed.

(2) Technical amendments.—

(A) Subsection (a) of section 104 of such Code (relating to compensation for injuries or sickness) is amended by striking out "deductions allowed under section 213 (relating to medical, etc., expenses)" and inserting in lieu thereof "credits allowed under section 44B (relating to medical expenses)".

(B) Subsection (b) of section 105 of such Code (relating to amounts received under accident and health plans) is amended—

(i) by striking out "deductions allowed under section 213 (relating to medical, etc., expenses) and inserting in lieu thereof "credits allowed under section 44B (relating to medical expenses)", and

(ii) by striking out "section 213(a) (relating to medical, dental, etc. expenses)," and inserting in lieu thereof "section 44B(a) (relating to medical expenses)".

(D) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 213.

(e) Coordination with Child Care Credit.—Section 44A of the Internal Revenue Code of 1954 (relating to expenses for household and dependent care services necessary for gainful employment) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following:

"(g) Exclusion of Certain Amounts.—Any expense allowed as a credit under section 44B shall not be treated as an employment-related expense under this section.".

(f) Clerical Amendment.—The table of sections for such subpart is amended by inserting after the item relating to section 44A the following:

"Sec. 44B. Medical expenses.".

(g) Effective Date.—The amendments made by this section apply to taxable years beginning after December 31, 1978.

Part B—Regulations

Sec. 211. (a) The Secretary of the Treasury and the Secretary of Health, Education, and Welfare shall jointly promulgate within 12 months following the date of the enactment of this Act such detailed regulations, forms, and other documentation as may be necessary to—

(1) prevent fraudulent claims for credits or rebates of medical expenses as provided under this title, and

(2) provide for timely payments to individuals claiming a credit or rebate pursuant to this title.

Part C—Termination of the Catastrophic Protection Tax Credit

Sec. 221. (a) The provisions of this title shall terminate on December 30, 1981.

By Mr. GARY HART:

S. 3899. A bill to establish a comprehensive program to provide financial and

technical assistance to States, local governments and Indian tribes to manage impacts caused by energy development, and for other purposes. Referred to the Committee on Government Operations.

Mr. GARY HART. Mr. President, today I am introducing the Energy Impact Assistance Act of 1976. This legislation would establish a program within the Department of Commerce to provide financial and technical assistance to States, local government and Indian tribes to manage the burden of rapid growth caused by energy development.

Mr. President, this legislation addresses one of the most critical problems facing States and local governments which hold the wealth of our Nation's energy resources. The problem is one of proper planning and management of the growth that accompanies energy development. For those areas which have to bear the full burden of development this is a problem which, when left unsolved, inevitably destroys the quality of community life.

Mineral resource development has left a legacy of boomtowns which testify to the disruption of social, economic, and environmental stability. But this pattern need not be followed. It can be avoided by giving proper attention to planning and management components which can be molded into a strong and healthy community structure. Indeed, in our goal to develop energy resources responsibly we cannot afford to sacrifice the communities which will be supplying the capability to maintain a high standard of living for the rest of the Nation.

This legislation provides the necessary tools for States, local governments, and Indian tribes to anticipate and control the problems associated with rapid growth. Recent passage of the Outer Continental Shelf bill was the first step in the direction of a Federal impact aid program of this type. The legislation I am introducing today takes the next logical step by covering all types of energy development not addressed in the OCS legislation.

The genesis of this impact aid program comes from personal dealings I have had with communities in my State that have been severely transformed by energy development. Most notable of these is the small town of Craig, Colo. Three years ago, Craig was a quiet agricultural community—today it is a bustling boomtown. Energy development which was once heralded as a great opportunity for this small town now threatens to destroy its social, economic, and environmental foundations.

This situation is not peculiar to Colorado or to the West. It is a problem that has faced and will continue to face any community that is part of a major new energy project. A single new project may bring thousands of temporary and permanent employees and their families into an area. In addition to people directly employed in developing the resource, there are many others who come to fill the need for secondary and service industries. It is this influx of direct, secondary and service employees which constitutes the new population.

Rapid population growth and the accelerated demands for municipal expansion have the most visible, dramatic and, too often, devastating impact of any aspect of energy development. Lack of preparation for the impact exacts a heavy price in terms of social disruption, unsatisfied demands of every type, employee discontent, project delays, and wasteful use of available resources. However, these negative impacts can be mitigated at a fraction of this cost through public policy designed to facilitate sound growth management and to assure the timely availability of front-end financing. These two fundamental objectives can be satisfied by the comprehensive program of financial and technical assistance proposed in this legislation.

An outline of the basic components of the program follows:

COMPREHENSIVE ENERGY DEVELOPMENT IMPACT ASSISTANCE PROGRAM

The program established by this legislation directly aids State and local governments and Indian tribes experiencing or anticipating energy development by providing grants for planning and growth management and funds to provide public facilities and services for the increased population. Because of the different requirements of areas actually experiencing or simply preparing for energy development two separate assistance mechanisms were built into this comprehensive program.

EMERGENCY ENERGY IMPACT ASSISTANCE

The first mechanism is designed to assist areas which are currently faced with adverse conditions from energy development. The Secretary of Commerce is authorized to draw from a special fund of $50 million to provide immediate financial and technical aid for areas confronted with an impact crisis. Such a crisis constitutes those adverse conditions associated with the boomtown syndrome. This would satisfy the urgent needs of communities like Craig, Colo.

Under this emergency function the Secretary is authorized to provide loans, loan guarantees or direct grants in those areas where it is determined that the financial conditions are too poor to repay these loans, to help the communities through the crisis period. The emphasis in this part of the program is on mitigating the conditions that threaten to destroy communities presently experiencing adverse conditions. Once the situation improves the community must then plan for long-term growth management as provided in the second mechanism of this program.

ENERGY DEVELOPMENT IMPACT ASSISTANCE

This function is designed to enable areas anticipating growth to systematically order the development and implementation of sound growth management policies and to be assured of adequate front-end financing in order to meet the demands of the population when it arrives. As opposed to meeting the urgent requirements of impacted areas faced with a crisis, this part of the program assures that areas of future energy development consider where and how this projected growth is to be managed and the means of implementing these policy decisions.

As part of this broader, long term function, the Secretary of Commerce is given the authority to assist areas which will be the site of future development. Program grants of 90 percent are made available for planning for anticipated needs and preparation of a growth management plan.

Development of this growth management plan is a crucial component of the assistance provided under this program. This requires the impacted areas to identify what, where, how, and when growth is to take place.

The growth management plan is to include:

First. A regional plan specifying where growth is desired to take place, the associated needs for public facilities and services, and the means to be utilized in directing growth;

Second. A fiscal management plan formulating the means by which financial obligations will be met and what measures are to be taken to insure that the costs of financing municipal services are accurately reflected in energy development costs;

Third. Plans for engineering feasibility and design studies for major new public facilities;

Fourth. An environmental plan identifying anticipated environmental damage and mitigation measures;

Fifth. A system for monitoring growth in order to keep on top of population trends;

Sixth. A schedule of implementation detailing when growth management policies are going to be implemented.

The objective of this plan is to insure that a delineated approach is developed to plot sound growth policies. However, flexibility is integrated into the framework in order to meet the specific needs of each area and to allow for adaptation to changing development conditions. This reflects the nature of the program which is to promote long-term social, economic and environmental stability through local self-reliance.

Technical assistance is provided at all stages in this program so that the impacted area has the expertise necessary to insure the management process is carefully developed and implemented.

As the needs of the impacted area crystallize during the process of planning and preparation of the growth management plan the allotment of financial assistance will be calculated. The amount of assistance will be determined based on a formula devised by the Secretary of Commerce. This formula would include such factors as the total anticipated population growth within the impacted area; a national average per capita expenditure necessary to provide public facilities and services; regional differences in the costs of construction; inflation of construction costs; a factor relating the need for additional municipal services to the actual rate of population growth; the need for temporary facilities; the need for a new community in remote areas and the need for measures to mitigate adverse environmental conditions.

The current sources of front-end financing are a hodge-podge of standard Federal categorical grants and loan programs, the States' share of Federal lease moneys and industry participation in the provision of housing and municipal services. With such disjointed and disparate funding sources it is no wonder that boomtowns are the norm rather than the exception. The program proposed by this legislation creates a centralized revolving fund of $500 million to provide financing and seeks to coordinate the impacted area's involvement with other Federal programs. The financial aid provided from the fund is loans and loan guarantees with grants provided for planning.

Loans were chosen as the basis for financial assistance in order to assure that fiscal responsibility rests ultimately with the impacted area and the industry developing the energy resource. Although most units of Government would prefer grants, this type of funding would unjustifiably subsidize the cost of energy development. New growth, caused by energy development should pay its own way in the sense that incoming residents should bear the routine costs of new facilities provided for their benefit and the extraordinary costs of energy development should be passed along to energy consumers. The costs of providing assistance to impacted communities must be reflected to all extents practicable in the total costs of energy. The loan provisions of this legislation are flexible enough to encourage the industry and new residents to bear their fair share of the increased costs to the impacted area.

LOAN TERMS

The Secretary of Commerce is to award loans and planning grants from the revolving fund. Terms of the loans are to be developed by the Secretary of the Treasury in a manner which recognizes the fiscal management problems involved with this kind of development. The Treasury Secretary is given the authority to approve loans with built-in mechanisms to delay the start of payments, adjust payment schedules, and in those instances when energy development does not materialize the Secretary may forgive all or part of the principle and interest.

The proceeds from these loans are to be spent for the requirements identified in the growth management plan. There is no restriction on what priorities might be set by the impacted area if the Secretary determines they will support increased population. The loans once approved can be spent for, among other things, highways and secondary roads; mass transit; governmental administration; fire and police protection; water supply; waste and sewer treatment; schools and education; and, hospitals and health care.

FEDERAL-STATE COORDINATION

An important feature of this bill is designed to improve State-Federal coordination in providing assistance of all kinds to impacted communities. Too often smaller communities do not have the capability to identify and apply for Federal funding under existing programs. The Secretary is to provide grantsmanship service as well as develop working arrangements to improve and expedite the availability of programs and services within other Federal agencies relating to community development.

REGIONAL COORDINATION

In tandem with the emphasis on Federal-State coordination there are provisions in this legislation promoting a regional concept of managing the impacts of energy-related growth. The Secretary is authorized to provide 90 percent federally financed grants to the States for the purposes of developing coordinated impact management both between adjoining States and among different political subdivisions within a State. This will promote coordination and interaction among the various political entities within an impact region, and solve the jurisdictional problems which often accompany energy development.

Mr. President, I am offering this legislation as a vehicle for discussion of this important issue. I do not assume that this legislation contains all the solutions to mitigating the problems associated with energy development growth, but it takes the essential first step.

The underlying objective of this impact aid program is to make effective management of energy related growth a basic requirement of national energy policy. In order to both maximize the benefits of domestic energy development and minimize the social, economic and environmental costs, the thoughtful development of growth management policies must be given top priority.

Impact aid, administered efficiently and effectively under this type of comprehensive program, is an essential element of this Nation's obligation to act as steward of our limited resources.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3399

A bill to establish a comprehenive program to provide financial and technical assistance to States, local governments and Indian tribes to manage impacts caused by energy development, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Development Impact Assistance Act of 1976".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) In order to achieve the national goal of greater energy self-sufficiency through a balanced program of increased domestic energy production, conservation of energy, and greater reliance on renewable energy resources, the nation's energy resources must be developed in a manner consistent with environmental protection and the preservation of the quality of life through sound policies of land use, fiscal planning and growth management.

(2) Since a substantial portion of the nation's domestic energy resources will be developed on Federal land or as the result of Federal incentives or policies encouraging such development for the national benefit, and since the communities in the affected areas will be called upon to provide the full range of municipal facilities and services for the incoming population several years prior to the availability of new economic activity sufficient for the establishment of a viable tax base, it is appropriate for the Federal government to assist State and local governments and Indian tribes by assuring timely front end financing and sufficient funds for planning and growth management.

(3) In the absence of planning, especially in rural areas of the country, rapid growth associated with energy development may result in unnecessary use of agricultural land and water resources, damage to the environment, loss of local or national recreational resources, delay of energy development activities, inflation of community and energy development costs and decline in the quality of life for residents of the area, Federal impact assistance must be provided within the context of a comprehensive program to facilitate effective planning and growth management at the State and local level.

(4) Such a program should allow maximum flexibility to State and local governments and Indian tribes to respond to specific local needs but should also encourage growth management policies which conserve agricultural land, water, recreational and wildlife resources, minimize energy use and increase reliance on renewable energy resources in new development and public facilities, protect the quality of life and the natural environment and minimize inflation through sound fiscal planning.

(5) Such a program should offer technical assistance to State and local governments and Indian tribes where needed, and should also strengthen and develop the capability at the State and local level for long-term projection, measurement, analysis and management of growth.

(6) Such a program should facilitate the development of the capability at the Federal level to forecast and analyze long term energy development, growth, and the factors which increase or mitigate socioeconomic impacts of growth; and clearly identify the comparative total project cost of alternative energy sources, including their environmental and socioeconomic costs.

(7) In order to avoid duplication of effort, jurisdictional conflicts and proliferation of bureaucracy the program should consolidate all Federal efforts to assist State and local governments and Indian Tribes to manage energy related growth and Federal efforts to forecast and analyze energy related growth within one Federal agency.

(b) The purpose of this Act is to establish a Comprehensive Energy Development Impact Assistance Program in the Department of Commerce to provide grants, loans, loan guarantees, and technical assistance to assist States and local governments and Indian Tribes in the sound management of growth and other energy related impacts, consistent with the policies of environmental protection, preservation of the quality of life, conservation of energy and other natural resources, greater reliance on renewable energy resources, and sound fiscal management as expressed herein.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Energy Resources" means any natural resource which occurs (A) in lands in which the mineral is held in trust by the United States for the benefit of an Indian tribe, or (B) in lands in which the United States owns the energy resource in its entirety, or (C) developed as a result of Federal incentives including but not limited to tax incentives, loan guarantees, or Federal contracts for research and demonstration or for energy supply and such term includes but is not limited to coal, oil and gas, oil shale, coal gasification and liquefication, tar sands, biomass and other synthetic fuel sources, uranium, solar, geothermal steam and associated geothermal resources as defined in the Geothermal Steam Act of 1970 (30 U.S.C. 1101 (c)), and other renewable energy resources, but such term does not include resources in the Outer Continental Shelf Lands Act (43 U.S.C. 1131(a)).

(2) "Energy development activity" means

any activity, equipment or facility which is or will be used primarily in the development, production, conversion, processing, or transportation of, any energy resource. Such term includes, but is not limited to (A) electric generating plants; (B) petroleum refineries and associated facilities; (C) gasification plants; (D) facilities used for the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (E) uranium enrichment or nuclear fuel processing facilities; (F) oil and gas facilities, including assembly plants, storage depots, tank farms, crews and supply bases, and refining complexes; (G) pipelines and transmission facilities; and (H) terminals which are associated with any of the foregoing.

(3) "Additional employment" means the net increase in employment by firms conducting development, extractive, or onsite processing activities related to energy resources; and by firms offering specialized services to other firms conducting such activities.

(4) "Public facilities and public services" means facilities or services which are financed, in whole or in part, by any state or political subdivision thereof, including, but not limited to, highways and secondary roads, parking, mass transit, governmental administration, fire and police protection, water supply, waste collection and treatment (including drainage), schools and education, and hospitals and health care. Such term may also include any other facility or service so financed which the Secretary finds will support increased population.

(5) "Fund" means the Federal Energy Development Impact Assistance Fund established by section 14 of this Act.

(6) "Secretary" means the Secretary of the Department of Commerce.

(7) "State" means any of the several States of the United States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, and any other territory or possession of the United States.

(8) "Governor" means the chief executive officer of a State.

(9) "Indian tribe" means an Indian tribe as defined in section 4 of Public Law 93–638 with the exception of Alaskan Native Villages.

(10) "Chairman" means the chairman of an Indian tribe or tribal council or the chief executive of an Indian tribe.

(11) "Local government" means any political subdivision of a State, or any special entity created by a State which (in whole or in part) is located in, or has authority over, the impacted area and which (A) has authority to levy taxes, or to establish and collect user fees, or (B) provides any public facility or public service which is financed in whole or in part by taxes or user fees. The term includes. but is not limited to, any town, township, parish, village, or other general purpose political subdivision of the State or any special unit or district of the foregoing or of the State.

(12) "State agency" means a public corporate body authorized under State law to provide or assist in the provision of public facilities.

(13) "Technical assistance" means associated expertise relating to, but not limited to, finances, legal matters, public facilities, land use, wildlife management, growth management, government administration required to assist State and local government and Indian tribes in the preparation of the Growth Management Plan and any other expertise the Secretary finds will aid in the management of energy-related growth.

(14) "Impact crisis" means those adverse conditions to be determined by the Secretary which are caused by rapid population growth associated with current energy development which have prevented State, local governments and Indian tribes from developing the capability to provide necessary public facilities and services.

(15) "Impact Region" means the geographical boundaries within which energy development activity is planned to take place as designated by the Governor or Chairman and approved by the Secretary. In those cases in which the proposed development and impact of population growth are anticipated to be located in different political jurisdictions within a State the impact region shall be drawn to include both the energy development and area of impact. Impacted areas may be designated according to the discretion of the Governor or Chairman provided that they do not overlap.

(16) "Growth Management Plan" means that plan required by section 6(f)(2).

(17) "Growth Monitoring System" means that system required by section 6(f)(2).

COMPREHENSIVE ENERGY DEVELOPMENT IMPACT ASSISTANCE PROGRAM

SEC. 4. (a) There is hereby established in the Department of Commerce a comprehensive Energy Development Impact Assistance Program (hereinafter referred to in this Act as the "program"). The Secretary shall administer and coordinate the program. Such program shall provide financial and technical assistance to meet the needs of impacted states, local governments and Indian tribes resulting from energy development activities.

(b) The Secretary shall provide under the program emergency financial and technical assistance to States, local governments or Indian tribes experiencing an impact crisis resulting from energy development initiated within a five year period preceding date of enactment of this Act. At the request of a Governor or Chairman the Secretary may provide a unit of local government with emergency financial and associated technical assistance for managing current adverse social, economic, or environmental impacts caused by energy development activities, except that, such assistance—

(1) shall be in accordance with sound growth management processes promoted by this Act; and

(2) shall be provided as part of a more comprehensive growth management process to be initiated as soon as practicable after the receipt of initial assistance.

(c) Assistance under this section shall only be provided until the local government can comply with the provisions for the development of a Growth Management Plan set forth in section 5 of this Act or for 18 months after the assistance is first received whichever, is earlier.

(d) The Secretary shall administer loans, loan guarantees and grants of the same type as otherwise provided in this Act for the purpose of providing emergency financial assistance from authorizations established in Section 15(1) of this Act according to a formula of his determination relating specifically to the constituent elements of an impact crisis, except that, upon finding that credit is otherwise unavailable on reasonable terms and there is no reasonable assurance of repayment, the Secretary is authorized to provide grants of up to 100 per centum of the costs of emergency financial assistance.

ENERGY DEVELOPMENT IMPACT ASSISTANCE

SEC. 5. (a) The Secretary is authorized to provide under the program, planning grants and financial and technical assistance for developing and implementing a growth management plan for States, units of local government and Indian tribes impacted by energy development activities.

(b) The Secretary shall provide grants from the fund to the States and Indian tribes for up to 90 per centum of the cost of planning, growth management, regional coordination between and among different political subdivisions impacted by energy development, interagency coordination, technical assistance, and other governmental activities necessary for the preparation of a Growth Management Plan. Grants shall not exceed $500,000 for any one designated Impact Region.

(c) The Secretary shall provide loans or loan guarantees from the fund to States and Indian tribes for the provision and operation of needed public facilities and public services, based on a formula established by regulations which the Scretary shall promulgate and, from time-to-time, revise, after consultation with the Governors, chairman of Indian tribes, units of local governments, and affected Federal agencies. The formula shall include but not be limited to, the following factors:

(1) the total population growth within the State or Indian reservation, or unit of local government projected to result from additional direct employment in development, extraction or processing of energy resources;

(2) the national average per capita expenditure necessary to provide public facilities eligible under this Act, as determined by the Secretary;

(3) regional differences in the costs of construction;

(4) a factor relating the need for additional public facilities and services to the rate of population growth occurring in the impact area and caused by the activities in the development, extraction, or processing of Federal energy resources;

(5) the need for temporary facilities resulting from the extent to which the size of the temporary construction force for energy development activity exceeds the anticipated permanent work force;

(6) the need for a new community in those remote areas in which there are no existing communities suitably located (or in those cases where the development of new community facilities would be in the best interest of the State or Indian tribe in order to protect the environment or quality of life of the area or conserve land or water; and

(7) a factor related to the annual increase in the cost of construction:

(d) The Secretary shall have discretion to increase an allotment for any State or Indian tribe by up to 5 per centum on determination that such higher allotment is justified by special environmental circumstances.

GUIDELINES FOR ASSISTANCE

SEC. 6. (a) In the administration of the authorities provided under section 5, the Secretary shall require that any Federal agency receiving an application for approval of an energy development activity located on Federal land, utilizing Federal incentives or developed under a grant or contract from the Federal government shall inform the Secretary not later than one month after the receipt of such application.

(b) The Secretary shall inform the Governor of the affected State and the Chairman of the affected Indian tribe not later than one month after receiving notification of the proposed development about the planning grants and financial and technical assistance available under this act for mitigating the impacts from growth caused by energy development activity.

(c) The Governor or Chairman after receiving such notification from the Secretary, may request planning grants for preparation of a growth management plan. Such request shall be accompanied by a brief analysis of the anticipated social, economic and environmental impacts of the proposed development, including estimates of the projected employment, total new population, necessary public facilities and public services, schedule of development activity and such other information as the Secretary may deem necessary to determine the amount of planning assistance to be provided as described in section 9 of this Act.

(d) Planning grants shall be made to a

Governor or Chairman as soon as practicable, but not later than the time of the Federal approval of any use of Federal land, Federal incentive for development or contract or grant for the development of energy resources, or less than one year prior to the commencement of the construction of any major facility associated with the energy development activity, whichever event is the earlier.

(e) The allotment of Federal impact assistance for the provision of public facilities shall be calculated as part of the process for planning and preparation of the growth management plan and shall be recalculated at the time of approval of any subsequent revisions of such plan, except that such energy development activities must have received any other Federal, State and local review or approval which is required by Federal, State or local law or regulations and which are determined by the Secretary to be essential to the timely conduct of such activities.

(f)(1) Federal impact assistance for the provision of needed public facilities and public services shall be made available for obligation by the State or Indian tribes not later than one month after the submission to the Secretary of a completed Growth Management Plan prepared and adopted by the State, local government or Indian tribe. If the Secretary deems the Growth Management Plan to be incomplete, the Governor or chairman of an Indian tribe must be so notified as soon as practicable, but not later than one month after receipt of the plan.

(2) The Growth Management plan shall include, but not be limited to the following:

(A) a Regional Plan specifying the impact region as designated by the Governor or Chairman where growth is desired to take place, the associated need for new or expanded public facilities and public services, the affected State agencies and political jurisdictions, and the means to be utilized in directing growth, including but not limited to zoning, land use ordinances, or similar administrative tools;

(B) a fiscal management plan which formulates the means by which financial obligations are expected to be met, including the specific measures being taken to assure that the costs of providing impact assistance are reflected in the costs of developing those energy resources;

(C) plans for engineering feasibility studies and design studies for major new and additional public facilities and estimated costs;

(D) an environmental plan identifying anticipated damage to the natural environment to result from the development of energy resources, including but not limited to soil erosion, water salinity, air pollution, water pollution, or destruction of wildlife and planned mitigation measures;

(E) a Growth Monitoring System to monitor energy-related growth and associated costs and to project anticipated energy-related growth in the impact region on a continuing basis; and

(F) a schedule of implementation which outlines when growth management policies are to be implemented relative to the schedule of energy development activities.

NON-FEDERAL ENERGY RESOURCES

SEC. 7. Development of energy resources which do not qualify under the definitions in section 3 may be eligible for the assistance provided under this Act at the request of the Governor or Chairman, provided the projects meet requirements for non-federal participation to be developed by the Secretary based on the size of the project and the impact on the State, unit of local government or Indian tribe experiencing energy development activity. In order to qualify for assistance under this Act all energy development activities must comply with Federal regulations governing mining and reclamation of energy resources on Federal lands and, where more stringent, applicable State laws.

PROGRAM ADMINISTRATION LIMITATION

SEC. 8. The provisions of this Act shall be administered by the Secretary or his delegate without the employment of additional officers or employees of the Federal Government.

USE OF IMPACT ASSISTANCE

SEC. 9. (a) The Governor of a State or Chairman of an Indian tribe receiving an allotment of financial assistance under this Act shall determine the jurisdictions that will receive such assistance. The Governor may designate the State, a State agency, or any unit of local government to receive assistance directly from the fund. If the State or State agency receives such assistance from the fund, such assistance may be used in any combination of direct expenditures by the State or State agency, and grants, loans, and loan guarantees from the State or State agency to units of local government. Any allotted assistance not drawn upon within three years of its allotment shall revert to the fund, except that the Secretary may extend the period of availability if he determines that delays in the exploitation of energy resources warrant such an extension. No State or State agency shall retain more than 5% of the allotted assistance for its own purposes.

(b) The proceeds of loans made or guaranteed under the Act shall be used for the provision of public facilities and public services which are required to serve residents of any units of local government or Indian reservations expected to experience population growth as a result of energy development activities.

(c) Grants from the fund shall be used for necessary planning and management for the provision of public facilities to serve residents of any units of local government or Indian reservations expected to experience population growth as a result of energy development activities and for the preparation of the Growth Management Plan. A State, Indian tribe, or unit of local government may transfer part or all of the proceeds of grants made from the fund to public planning agencies, as defined by the Secretary.

(d) The Secretary is authorized to provide from the fund to States, units of local government and Indian tribes additional grants of up to 50 per centum to be utilized for public facilities and public services which significantly contribute to the national goals of greater energy conservation, enhanced utilization of renewable energy resources and the preservation of natural resources. The Secretary shall devise criteria for awarding these grants. Such criteria shall include, but not be limited to improved energy conservation and the use of solar energy in public buildings, the acquisition of open space, parks or recreational areas and the acquisition of wildlife sanctuaries, provided that the purchase of such facilities are integrated into the growth management plan.

(e) Notwithstanding any other provision of law financial assistance under this Act may be used for the non-Federal share of the aggregate cost of any project or program otherwise funded by the Federal Government which requires a non-Federal share for such project or program; except that, such project or program provides planning or public facilities otherwise eligible for assistance under this Act.

(f) The Governor of any State receiving assistance from the fund or any State in which units of local government are receiving such assistance and the Chairman of any Indian tribe receiving such assistance shall certify each year that the proceeds are being used for the provision of public facilities consistent with the adoption of the Growth Management Plan required by this Act.

(g) To the extent that Federal funds are available under, or pursuant to, any other law with respect to providing for public facilities and services—

(A) the Secretary shall administer this Act on the basis that financial assistance of this nature shall be in addition to and not in lieu of any Federal funds which any State, Indian Tribe or unit of local government may obtain under any other law; and

(B) the Secretary shall provide under this Act such grantsmanship services as may be necessary to States, Indian Tribes and units of local government in applying for assistance to meet impacts caused by energy development activities under other laws.

LOAN TERMS

SEC. 10. (a) No loan or loan guarantee prescribed by this Act shall be extended unless the Secretary finds that credit is not otherwise available on reasonable terms and that there is reasonable assurance of repayment. No guarantee shall be extended without the approval of the Secretary of the Treasury.

(b) Loans made from the fund shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration current market yields on municipal bonds but not less than (1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus (2) an allowance adequate in the judgment of the Secretary of the Treasury to cover administrative costs and probably losses under the program, except that amounts forgiven under Subsection (g) shall not be taken into account in determining such an allowance.

(c) Loans shall not be guaranteed if they bear interest or other charges that the Secretary of the Treasury determines to be excessive, taking into account the range of rates for similar loans and the risks assumed by the United States. The Secretary of the Treasury shall charge and collect fees in amounts sufficient in his judgment to cover administrative costs and probable losses on guaranteed loans.

(d) The interest paid on any obligation which is guaranteed under this Act, and received by the purchaser thereof (or the purchaser's successor in interest), shall be included in gross income for the purpose of Chapter 1 of the Internal Revenue Code of 1954, as amended; but the Secretary may pay out of the fund not more than such portion of the interest on such obligations as exceeds the amount of interest that would be due at the rate determined for direct loans in subsection (b).

(e) Loans made or guaranteed shall be repaid as determined by the Secretary; *Provided*, That the amortization period shall not exceed twenty years.

(f) In the event the borrower is unable to pay principal and interest when due, the Secretary is authorized to (1) with respect to a loan made from the fund, permit deferral of part or all of such principal or interest payment, but any payment so deferred shall itself bear interest at the rate established pursuant to subsection (b), and (2), with respect to a loan guaranteed from the fund for additional periods of consent to such extension or renewal of any loan guaranteed from the fund if such extension or renewal will aid in the orderly liquidation of such loan.

(g) The Secretary is authorized to forgive part or all of the principal of and interest on any loan made from the fund or to pay part or all the outstanding principal of and interest on any obligation guaranteed by the fund to the extent that either the energy development activity or the population growth from such activity projected by the Secretary in making an allotment of financial assistance is not achieved and such forgiveness would be an appropriate recognition of any current and reasonably foreseeable future inability of the borrower to repay: *Provided*, That all feasible remedies, including deferrals and extensions authorized by subsection (f) have been exhausted: *Provided further*, That, when the borrower is a State or unit of local government, and when the sum of the State per capita revenues and the per capita local revenues collected by the borrowing jurisdiction is less than the national per capita State and local revenues, the Secretary shall assume, for purposes of considering the current and foreseeable future ability of the borrower to repay, that the borrowing jurisdiction will increase its tax effort for the remaining term of the loan to a level which will make the aforementioned sum equal to the national per capita State and local government revenues: *Provided further*, That no loan, guaranteed obligation, or portion thereof will be forgiven if the Secretary determines that the projected activity was not achieved primarily because of actions initiated by the State, Indian tribe, or unit of local government to whom the loan or loan guaranteee was made unless the Secretary finds that such actions were in the public interest.

(h) Any revenues received by a State under Section 35 of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 191), shall be subtracted from the total amount of financial assistance to be allotted to the State for the provision of public facilities and services.

(i) In connection with any loan made or guaranteed under this Act, the Secretary may require the State, Indian tribe, or unit of local government to provide such security as he deems appropriate. The Secretary may take such steps as he deems necessary to realize upon any collateral in which the United States has a security interest pursuant to this section to enforce any claim the United States may have against the State, Indian tribe, or unit of local government pursuant to this Act.

ACCOUNTING

SEC. 11. Recipients of financial assistance under this Act shall keep such records as the Secretary shall prescribe by regulation, including records which fully disclose the disposition of the proceeds of such assistance, the total cost of the provision of public facilities for which such assistance was used and such other records as the Secretary may require to facilitate an effective audit. The Secretary and the Comptroller General of the United States or their duly authorized representatives shall have access, for the purposes of audit, to such records.

NONDISCRIMINATION

SEC. 12. No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act: *Provided*, That Indian tribes are exempt from the operation of this section: *Provided further*, That such exemption shall be limited to the planning and provision of public facilities and public services which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

ENFORCEMENT

SEC. 13. Whenever the Secretary determines that a State, Indian tribe, or unit of local government which is a recipient of assistance from the fund has failed to comply with the requirements of this Act or an applicable regulation, he shall notify the Governor of such State, Chairman of such Indian tribe, or chief executive of such unit of local government of the noncompliance and shall request the Governor, Chairman, or chief executive officer to secure compliance. If within a reasonable period the Governor, Chairman or chief executive officer fails or refuses to secure compliance, the Secretary is authorized to: (1) withdraw all or part of any outstanding allotments of financial assistance under this Act to the State or Indian tribe, (2) withhold all or part of any additional allotments of assistance under this Act that would otherwise be made, and (3) request the Attorney General to bring a civil action in a United States District Court for such relief as may be appropriate, including but not limited to an action to recover the amount of assistance furnished under this Act which was not expended in accordance with this Act, or for mandatory or injunctive relief. Notwithstanding any other provision of law, Acts making appropriations may provide for the withholding of any payments from the United States to the State, Indian tribe, or unit of local government which may be or may become due pursuant to any law and offset the amount of such withheld payments against any claim the Secretary may have against the State, Indian tribe, or unit of local government pursuant to this Act.

FUND

SEC. 14. (a) There is hereby created within the Treasury an Energy Development Impact Assistance Fund which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purpose of this Act. The total of any expenses, grants, loans made, or loans guaranteed from the fund in any fiscal year shall not exceed limitations specified in appropriation Acts, except that renewals of loans or extensions or maturities, or other refinancing of existing loans made or guaranteed under this Act (other than increases in principal amounts) shall not count as additional loans under these limitations. A busines-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (Sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849) for wholly owned Government operations.

(b)(1) All amounts received by the Secretary as interest payments or repayments of principal on loans, fees, and any other moneys, property, or assets derived from operations in connection with this Act shall be deposited in the fund.

(2) All grants, loans, expenses, including reimbursements to other government accounts, and repayments pursuant to operations of the Secretary under this Act excepting the administration of those authorities under section 4 (b), (c), and (d) shall be paid from the fund. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess shall be transferred to the general fund of the Treasury. All moneys in the fund on October 1, 1989, and all amounts subsequently received under this Act shall be deposited in the general fund of the Treasury.

(c) If at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees under this Act, he may borrow from the Treasury of the United States in such amounts as may be provided without fiscal year limitation in appropriation Acts by issuing to the Secretary of the Treasury notes or other obligations in such form and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations or other moneys available under subsection (b) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this Subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

AUTHORIZATION OF ASSISTANCE

SEC. 15. The Secretary is authorized to provide assistance to States, Indian tribes and units of local government which are affected, as determined by the Secretary, by the impacts from energy development activities. Such assistance shall include loans and guarantees of loans, for the provision and operation of public facilities, and grants for necessary planning and management for the provision of public facilities.

There are authorized to be appropriated:

(1) such sums, not to exceed $25,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978 as may be necessary for emergency financial assistance under Section 4(b),(c), and (d).

(2) There are authorized to be appropriated, until September 30, 1989, to the fund such sums not to exceed $500,000,000.

INTERGOVERNMENTAL RELATIONS

SEC. 16. The Secretary is directed to establish appropriate working arrangements with the Governors, Chairmen of Indian tribes, and Federal agencies affected by this Act. These working arrangements should be developed in such a way as to improve and expedite the availability of programs and services under existing laws which can provide assistance for States, local governments and Indian tribes impacted by growth associated with energy development activities. Such federal agencies shall include but are not limited to the Department of Agriculture, the Environmental Protection Agency, the Federal Energy Administration, the Energy Research and Development Administration, the Department of Interior, the Department of Housing and Urban Development, the Department of Labor, and the Department of the Treasury. Further, the Secretary shall report to the President and Congress within one hundred and twenty days of the enactment of this Act the procedures to be used to establish and to continue such working arrangements.

INTERSTATE AND INTRASTATE COORDINATION

SEC. 17. (a) States are encouraged to give high priority (1) to coordinate impact planning, policies and programs in contiguous interstate regions: (2) to developing and implementing unified impact policies in such regions including the sharing of new public revenues derived from energy development for the management and mitigation of impact and the standardization of growth regulations and (3) to develop and implement methods of intrastate coordination among different political subdivisions within a State for the purpose of sharing new public revenues from energy development and standardizing growth policies and regulations. The Secretary is authorized to make annual grants to the States of up to 90 per centum of the cost of such coordination, study, planning and implementation for the first year and 50% for each year thereafter.

(b) The consent of the Congress is hereby given to two or more states to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) developing and administering coordinated impact planning, policies, and programs, and (2) establishing such agencies, joint or otherwise, as the States may deem desirable for making effective such arrangements and compacts. Such agreements or compacts shall be binding and obligatory upon any State or party thereto without further approval by Congress

(c) Each executive instrumentality which is established by an interstate agreement or compact pursuant to this section is encouraged to establish a Federal-State consultation procedure for the identification, examination, and cooperative resolution of mutual problems with respect to energy development. The Secretary, the Secretary of the Interior, the Chairman of the Council on Environmental Quality, and the Administrator of the Environmental Protection Agency, the Administrator of the Federal Energy Administration, or the Administrator of the Energy Research and Development Administration, or their designated representatives, are authorized and directed to participate ex officio on behalf of the Federal Government, whenever any such Federal-State consultation is requested by such an instrumentality.

(d) Prior to establishment of an interstate agreement or compact pursuant to this section, the Secretary is authorized to make grants to a multistate instrumentality or to a group of States for the purpose of creating temporary ad hoc planning and coordinating entities to—

(1) Coordinate impact planning, policies, and programs in contiguous interstate areas;

(2) Study, plan and/or implement unified impact policies in such interstate areas; and

(3) Provide a vehicle for communication with Federal officials with regard to Federal activities affecting the coastal zone of such interstate areas.

The amount of such grants shall not exceed 90 per centum of the cost of creating and maintaining such an entity for one year. The Federal officials specified in subsection (c) of this section, or their designated representatives, are authorized and directed to participate ex officio on behalf of the Federal Government, upon the request of the parties to such ad hoc planning and coordinating entities. This subsection shall expire at the close of the five-year period beginning on the effective date of this section.

LABOR STANDARDS

SEC. 18. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with funds received under this Act shall be paid wages of rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have, with respect to labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and Section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

REGULATIONS

SEC. 19. The Secretary is authorized to promulgate such rules and regulations as he determines are necessary to carry out this Act.

ADDITIONAL COSPONSORS

S. 2910

At the request of Mr. Schweiker, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 2910, a bill to estabilsh the National Diabetes Advisory Board, and to insure the implementation of the long-range plan to combat diabetes.

S. 3075

At the request of Mr. Magnuson, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 3075, the Intergovernmental Coordination Act.

S. 3457

At the request of Mr. Huddleston, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 3457, to amend title 5, U.S.C.

S. 3849

At the request of Mr. Domenici, the Senator from Georgia (Mr. Nunn) was added as a cosponsor of S. 3849, the Elementary and Secondary Education Optional Consolidation and Reorganization Act.

SENATE RESOLUTION 561

At the request of Mr. Eagleton, the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Massachusetts (Mr. Brooke), the Senator from New Jersey (Mr. Case), the Senator from Idaho (Mr. Church), the Senator from Idaho (Mr. Clark), the Senator from California (Mr. Cranston), the Senator from Michigan (Mr. Griffin), the Senator from Colorado (Mr. Gary Hart), the Senator from Michigan (Mr. Philip A. Hart), the Senator from Colorado (Mr. Haskell), the Senator from Oregon (Mr. Hatfield), the Senator from Maine (Mr. Hathaway), the Senator from New York (Mr. Javits), the Senator from Louisiana (Mr. Johnston), the Senator from Vermont (Mr. Leahy), the Senator from Maryland (Mr. Mathias), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pell), the Senator from Vermont (Mr. Stafford), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Symington), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of Senate Resolution 561, a resolution relating to the murders of Orlando Letelier and Ronni Karpen Moffitt.

SENATE JOINT RESOLUTION 216

At the request of Mr. Abourezk, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of Senate Joint Resolution 216.

SENATE RESOLUTION 561

At the request of Mr. Abourezk, the Senator from Missouri (Mr. Symington) and the Senator from Illinois (Mr. Stevenson) were added as cosponsors of Senate Resolution 561.

AMENDMENT NO. 2265

At the request of Mr. Helms, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of amendment No. 2265, intended to be proposed to the bill (H.R. 13955).

AMENDMENT NO. 2498

At the request of Mr. Haskell, the Senator from Utah (Mr. Moss) was added as a cosponsor of amendment No. 2498, intended to be proposed to the bill (H.R. 10760), the Black Lung Benefits Reform Act.

S. RES. 571—SUBMISSION OF A RESOLUTION RELATING TO THE CONSIDERATION OF S. 796

(Referred to the Committee on the Budget.)

Mr. KENNEDY submitted the following resolution:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 796.

Such waiver is necessary because this measure was considered as part of a package of legislation to improve administrative procedures and was therefore not reported until September 17. The other bills in the package contained no authorizations for new budget authority, and the authorization contained in S. 796 is such an insignificant amount as to have almost no impact upon this budget. S. 796 is designed to improve the efficiency of the administrative process.

SENATE RESOLUTION 573—SUBMISSION OF A RESOLUTION RELATING TO HELPING THE DEAF AND HEARING-IMPAIRED ENJOY TELEVISION

(Referred to the Committee on Commerce.)

(Mr. RANDOLPH (for himself, Mr. Williams, Mr. Stafford, Mr. Percy, Mr. Javits, Mr. Leahy, Mr. Beall, Mr. Dole, Mr. Durkin, Mr. Kennedy, Mr. Pell, Mr. Schweiker, and Mr. Taft) submitted the following resolution:

S. Res. 573

Whereas television provides most Americans with benefits of both an educational and entertaining nature; and

Whereas a recent census revealed that at least 13.4 million individuals in the United States have hearing impairments severe enough to prevent their enjoyment and use of the aural portions of television broadcasting; and

Whereas, for this reason, a sizable segment of the population is denied equal access to the educational and entertaining benefits of television; and

Whereas, notwithstanding their inability to understand or use the aural segment of television, a recent survey indicated that 70 percent of hearing impaired individuals watch television; and

Whereas the television vertical blanking interval has the capacity to carry captions not visible on the normal television receiver, and only visible on those television receivers equipped with special decoders, when the program has been specially processed to include such captions; and

Whereas line twenty-one of that interval is not designated by the Federal Communications Commission for any specific use; and

Whereas the captioning of the line twenty-one of that interval has been tested by the Public Broadcasting Service and its member stations and has been conclusively shown to be feasible, practical and without adverse effect on normal television picture quality; and

Whereas the captioning on line twenty-one for hearing impaired individuals would thus not affect the enjoyment of viewers using televisions not equipped with a special decoder; and

Whereas the Public Boadcasting Service has submitted a petition to the Federal

Communications Commission requesting amendment of the Commission's Rules and Regulations to provide that line twenty-one of the television vertical blanking interval be reserved for the voluntary transmission of captioning information for hearing impaired indviduals; and

Whereas the Federal Communications Commission adopted a notice of Proposed Rule Making on January 28, 1976, in this matter, which is to be decided in the near future; and

Whereas by means of the reservation of line twenty-one of the vertical blanking interval a major segment of the American population would be ensured equal access to the broadcast of ideas, instruction and entertainment over the public airwaves: Now, therefore, be it

Resolved, That the Senate of the United State strongly supports the petition of the Public Broadcasting Service that the Federal Communications Commission reserve vertical line twenty-one for the transmission of captioning information for hearing impaired individuals.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Federal Communications Commission.

Mr. RANDOLPH. Mr. President, I submit for appropriate reference a Senate resolution supporting the Public Broadcasting Service's petition to the Federal Communications Commission to reserve line 21 of the vertical blanking interval of the television broadcast signal for captioning for the deaf and hearing impaired.

There are approximately 13.4 million persons in the United States who have hearing impairments so severe that they are prevented from enjoying the audio portions of television. It is unfortunate, indeed, that these persons have in the past been unable to benefit from the entertainment, educational, and news programs available to other Americans. However, it would be tragic and highly discriminatory to continue to exclude deaf and hearing impaired Americans from full enjoyment of television. The technology exists to provide this segment of our population with a viable means of receiving the audio portion of the television broadcast. A recent survey indicated that 70 percent of the hearing impaired usually watch television even though they may not be able to understand the audio portion.

The television vertical blanking interval has the capacity to carry captions that will not be visible unless a television set is equipped with a special decoder. Captions would be transmitted only to those hearing impaired persons who have specially equipped television sets.

Line 21 of the television vertical blanking interval is not being used for any specific purpose and could be reserved for the transmission of captioning information. The Public Broadcasting Service has been testing such a captioning system since 1972 under a contract with the Bureau of Education for the Handicapped, Department of Health, Education, and Welfare. Under temporary authority from the Federal Communications Commission, the Public Broadcasting Service began over the air tests in 1974. Using prototype decoders at selected public television stations, the Public Broadcasting Service transmitted programs with closed captions to deaf and hearing impaired persons at 12 test sites throughout the country. In November of 1975, the Public Broadcasting Service petitioned the Federal Communications Commission for permanent authority to use line 21 for transmission of captions. The Federal Communications Commission adopted a notice of proposed rulemaking on January 28, 1976, and a ruling is expected shortly.

Unfortunately, the petition of the Public Broadcasting Service has been opposed by all three commercial television networks. The networks allege that closed captioning is simply not technologically possible at this time. I stress, however, that the Public Broadcasting Service in the testing activities demonstrated that captions can be projected at a rate fast enough to reproduce virtually all of the dialog of various television programs that have been rehearsed or have a set dialog. For other types of programs, such as news, talk shows, or sports events, captioning can still convey the major thrust of the activity.

Reservations about the size of the potential market have been expressed. Surely an audience of 13.4 million persons cannot be ignored by the networks. The cost of captioning is modest when compared to regular expenses associated with broadcasting. The Public Broadcasting Service can caption a 60-minute program for approximately $1,000. For this same 60-minute program, the networks might spend $270,000 in production costs. The captioning equipment does cost $25,000 to $50,000, but this is a one-time cost. It is estimated that the cost of a home decoder would be less than $125.

Further, there is nothing in the Public Broadcasting Service petition to require captioning. The petition simply requests that line 21 be reserved for the voluntary transmission of captioning information for the deaf and hearing impaired.

Mr. President, I strongly urge Members of the Senate to join in supporting the Public Broadcasting Service's request. A favorable ruling from the Federal Communications Commission will help insure that deaf and hearing impaired citizens have the opportunity to realize the benefits of television that are available to other persons throughout our Nation.

SENATE RESOLUTION 574 AND SENATE RESOLUTION 575—SUBMISSION OF RESOLUTIONS RELATING TO CONFEREES

(Referred to the Committee on Rules and Administration.)

Mr. HANSEN (for himself, Mr. Brock, Mr. Stone, Mr. Gary Hart, Mr. Helms, and Mr. Garn) submitted the following resolutions:

S. Res. 574

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"6. Senate Conferees shall not conduct conference business or vote on any substantive or procedural matter at any meeting of any committee of conference unless a quorum consisting of a majority of the appointed Senate conferees, including at least one Senate Conferee of the minority party, may agree that a Senate quorum for the purposes of a meeting of a specific committee of conference shall consist of less than a majority of the appointed Senate conferees, provided however, a majority of the appointed Senate conferees must be present at a meeting of a committee of conference to agree upon the final text of a conference report in order to order it reported. If, pursuant to the procedures provided in this paragraph, a Senate quorum of less than a majority of the appointed Senate conferees is agreed upon for a specific conference, such an arrangement will be in order during a specific conference only upon the announcement of such an arrangement on the Senate floor when the Senate is in session and only after such announcement has been accompanied by the printing in the Congressional Record of a letter addressed to the President of the Senate, subscribed to by a majority of the representatives of each party appointed to the conference announcing that such an arrangement has been agreed upon. If a conference report is ordered reported other than in conformity with the procedures specified in this paragraph, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.".

S. Res. 575

Requiring the Formal Substitution of Conferees

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"5. No Senate member who is not an appointed member of a committee of conference may participate in or vote at any meeting of a committee of conference unless he is first appointed to the committee of conference in place of a previously appointed member; in which event the member he replaces shall not be permitted to participate in or vote at any subsequent meeting of the committee of conference. The appointment of a new Senate member to a committee of conference in place of a member previously appointed must be announced on the Senate floor when the Senate is in session and appropriately entered upon and printed in the Senate Calendar of Business before such newly appointed members shall be permitted to participate in or vote on any matter before the committee of conference. If a conference report is ordered reported and any newly appointed Senate member of the committee of conference participates in the committee of conference, other than in conformity with the procedures provided in this paragraph, a point of order may be made against the conference report and if the point of order is sustained, the report shall be recommitted to the committee of conference."

SENATE RESOLUTION 576 AND SENATE RESOLUTION 577—SUBMISSION OF RESOLUTIONS RELATING TO CONFEREES

(Referred to the Committee on Rules and Administration.)

Mr. HANSEN (for himself, Mr. Brock, Mr. Gary Hart, Mr. Helms, and Mr. Garn) submitted the following resolutions:

S. Res. 576

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. Conferees on the part of the Senate may not consider any motion (other than a motion to adjourn) in a meeting of a committee of conference unless the written text of the motion, or a written explanation of the substantive effect of the motion, has been furnished to each conferee on the part of the Senate prior to its consideration. It shall not be in order to consider the report of a committee of conference if any motion was considered by the conferees on the part of the Senate in violation of this paragraph.".

S. Res. 577

Resolved, That rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. When the Senate has agreed to a motion for the Presiding Officer to appoint conferees on the part of the Senate, if the matter or matters which are to be considered by the committee of conference were referred to and considered by more than one committee of the Senate, the Presiding Officer shall not appoint conferees on the part of the Senate until he has received the recommendation of the majority leader in consultation with the minority leader, and the chairman and ranking minority member of each of such Senate committees with respect to (1) the Senators to be appointed and (2) if Senators are to be appointed from more than one committee, that portion of the matters in conference with respect to which the Senators appointed from each committee are to serve as conferees.".

THE IMPORTANCE OF CONFERENCE COMMITTEES

Mr. HANSEN. Mr. President, there is one aspect of the legislative system so important that it has often been called the Third House of Congress. I am referring, of course, to the conference committees which compromise and adjust the differing and conflicting versions of legislation passed by the two Houses. Since few, if any, of the important bills ever pass both Houses in identical form and since the final shape of legislation must be determined in conference, the importance of conference committees should not be underestimated.

The 11 to 12 percent of all public laws enacted during recent Congresses have gone through conference.[1] But numbers alone cannot provide a proper index of the importance of the central role that conference committees play in the legislative process. Submitted to these House-Senate negotiations are most of the important measures before Congress, including most appropriations bills.[2]

Once a conference report reaches the floor it is almost impossible to defeat. A report is of the highest priority and may be brought up at any time except when the Journal is being read or when the Senate is dividing. As of August 30 of this year, 182 conference reports have been filed in the 94th Congress and only 7 have failed.[3]

It is not in order to amend a conference report and it must be voted up or down in its entirety without debate. This, combined with the difficulty of reconvening or calling a new conference greatly enhances the power of the conferees—especially near the close of a session.

THE IMPORTANCE OF CONFERENCE COMMITTEES TO THE COMMITTEE SYSTEM

When a bill reaches the conference stage of the legislative process, it has generally passed through subcommittee, full committee, and achieved floor passage in both Houses. Often there have been hearings on the bill and much committee time has been devoted to its consideration. And then, when it reaches the conference table, in the space of a few minutes, conferees can change the most important provisions of the bill. A former U.S. Senator, Albert Gore, commented on conference committees:

> It is here . . . that a few men can sit down and undo the most painstaking work of months of effort by several standing committees and the full membership of both houses.[4]

Conference committees have the potential to waste the investment of valuable time, energy, and work of committee members.

This committee is considering reform of the committee ssytem. The objectives include reforms in jurisdictions, referrals, numbers and sizes, and limitations on assignments but reform of the committee system without reform of the conference committee is incomplete. There is a saying that a chain is only as strong as its weakest link and I believe the conference committee to be the committee system's weakest link.

From my experience as a conferee on dozens of bills, I see the need for reform more clearly in the conference committee than anywhere else. Solving the problems of overlapping jurisdictions, bill referrals, and the like will help the Senate perform its general legislative duties more effectively but if we are not represented well in conference our effectiveness will be severely limited.

THE CONFERENCE COMMITTEE AS THE "WEAK LINK" IN THE COMMITTEE SYSTEM

Many times I have felt the frustration of coming out of conference knowing that the Senate position was not upheld as well as it should have been. We are no match for House conferees who seem to be able to uphold their Chamber's position on the most important provisions of a bill. Comparing the representatives from each Chamber it is easy to see that House conferees are usually far more orderly and organized. The Senate conferees, in contrast, come less prepared, if they come at all, and conduct business in an almost haphazard way; one might be hard pressed to realize that they are representing a common cause.

The difference between the two Houses in conference has not gone unrecognized. Richard Fenno who studied the House Ways and Means Committee commented on the difference in his book, "The Power of the Purse":

> By general agreement, the House conferees are better prepared, better organized, better informed, more single minded in their interest and employ a more belligerent bargaining style.[5]

David Paretz, one of the few contemporary political scientists to study conference committees, also noted the disparity between the House and Senate conferees:

> Burdened by more committees, more subcommittees, ordinarily larger constituencies, greater demands by the mass media, and other conference committee responsibilities, Senators are frequently less diligent in their attendance, less informed and less involved in a conference than Representatives.[6]

No doubt that when this committee finishes its work and its recommendations are implemented in the Senate, many of these problems will be mitigated. However, due to the nature of the differences between the House and Senate conferees, I cannot hope that we will be able to come to conference on equal footing with the House unless we reform the conference committees themselves.

My staff and I have worked together on what seem to be the most pressing problems facing Senate representatives in conference and as solutions to the problems we have isolated the need for rules governing conference proceedings. At present, there are few rules relating to the internal workings of a conference. The publication containing the Senate Rules and relevant provisions of the Legislative Reorganization Act is 181 pages long. Only seven paragraphs, or slightly more than full page, are devoted to conferences. Of the seven paragraphs only two are devoted to the actual conference itself. The remaining five paragraphs pertain to the handling of conference reports on the floor.

The lack of rules seems to favor the House conferees. Business is conducted in such a manner as to leave the Senate conferees confused, divided, and resulting unrepresentative of the strengths of the Senate position. Granted that there is a need for flexibility in conference in order to work out interchamber differences and that rules are generally inflexible but, at present, "flexibility" is the ability to recede to the House position.

There are four specific areas where reform in conference committees would help Senate conferees uphold their chamber's position: rules governing conference proceedings in the areas of: first, attendance at conferences, second, the manner of proposing amendments during conference, third, the voting limitations of conferees from different committees, and fourth, the substitution of conferees.

ATTENDANCE AT CONFERENCE

The Senate attendance at conference is markedly worse than that of the House. Typically in conference all of the appointed House Members end up facing only one or two Senators across a long green table. The House Conference chairman, with a full contingent of conferees to support him, can become a very persuasive bargainer.

Poor Senate attendance gives the House a big advantage in conference. On a bill with many titles it is important to have the Senators present who have developed an expertise on a particular title. And it is not enough to have each Senator present only during the consideration of his particular title. Tradeoffs, bargains, and concessions have to be made, all of which require a knowledge of the entire bill. An absent Senator can only entrust his proxy to a colleague who may not be as interested in his particular issue and its relevance to the bill as a whole.

A quorum requirement would go a long way toward lessening these disadvantages in conference. At present, there is no such requirement and one Senator may conduct business in the name of his entire Chamber. If the conference committee is to function as a viable and representative institution then it requires

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Footnotes at end of article.

participation and rules governing participation.

A third paragraph as an amendment to rule XXVII of the Standing Rules of the Senate would solve the problem. It would require that a majority of the appointed conferees be present in order to conduct business at any committee of conference.

The proposed amendment also provides for the suspension of the quorum requirement if agreed to by a majority of the Senate conferees. This would give the conferees a degree of flexibility at conferences on unimportant bills with no major disagreements between the two Houses. These conferences serve only to hammer out the final language of a bill—often a tedious process which requires the presence of only one Senator.

THE MANNER OF PROPOSING AMENDMENTS

A second problem with conferences is that the details of the legislation being considered are such as to make it impossible to avoid significant errors in judgment. Although this problem is not limited to the conference stage of the legislative process, it is more pronounced here than anywhere else. When amendments are being rapidly thrown back and forth across the conference table, it is difficult to be aware of the ramifications of a particular amendment.

Here again, the House has an edge in dealing with the problem. The average House Member who sits on only one or two committees is more likely to be expert in the subject under consideration and to have done the legislative work himself. Senators, by contrast, sit on three to five committees and are sometimes unaware of the specific provisions of a bill. When they propose amendments, they often do so in vague and very general working with the result that the staff members, who must draft the language for the conference report, have little idea of what the amendment's proponent had in mind.

House conferees usually present amendments in writing for all conferees to read, or at least dictate amendments from notes for all conferees to write down and think about before discussion and voting. If we could follow the House example, we could better avoid errors in judgment and improve our position relative to the House in conference. A requirement that Senate conferees have in writing, the proposed amendment in front of them for a certain time period, would serve this purpose. It would give the Senate conferees a time to seriously study the proposals in front of them and make intelligent decisions on behalf of the Senate.

VOTING LIMITATIONS ON CONFEREES FROM DIFFERENT COMMITTEES

The appointment of conferees from several standing committees causes yet another problem for the Senate conferees. Each conferee is limited, somewhat arbitrarily, to voting only on the particular title of a bill that comes out of his committee. It is often unclear exactly who has jurisdiction over what issues and when he is allowed to vote. Amendments added on the Senate floor and issues only addressed in the House bill compound the problem. It is difficult to fit a particular title of a bill under the jurisdiction of a few of the conferees without some kind of discussion and clarification.

This disorganization which often has disastrous effects for the Senate conferees, could easily be avoided by defining the role of each conferee before coming to conference. A formal agreement between the various committee chairmen and ranking minority members in consultation with the majority and minority leaders of the Senate would serve the purpose.

The Senate conferees would come to the conference table knowing exactly what their areas of jurisdiction are. There would be time to prepare for a particular issue and the initial confusion would disappear.

THE SUBSTITUTION OF CONGRESS

The fourth area of reform in conference pertains to the substitution of conferees. I have noticed, on several occasions, that Senators who are not duly-appointed conferees will attend and even vote in the name of absent conferees. There are certainly times when Senators who are not members of the conference committee can and should be invited to attend and address themselves to an issue before the conference, but such participation should be formalized.

Senators who are not conference members, voting in the name of an absent Senator, will only increase the confusion on the Senate side of the bargaining table. Substitute Senators will have to be brought up to date on all of the proceedings which takes a lot of time and, even then, they may still not be aware of all the issues at stake. New participants in a conference are more easily taken advantage of and serve to weaken the Senate position.

This highly irregular practice also violates the entire intent of having the Senate appoint conferees to represent it at conference. It establishes the frightening precedent that, in the absence of a duly-appointed conferee, any other Senator may represent the Senate without its knowledge or acquiescence. The regular method of appointment, which was established to choose conferees who represent the strengths of the Senate position is easily circumvented by this procedure.

Accordingly, the fourth reform I propose will codify what is usually thought of as a standard Senate practice, that only members who are duly appointed may participate as Senate conferees in committees of conference. First, it would prohibit a Senator who is not a duly-appointed conferee, from participating in or voting at any meeting of a conference. Second, it would provide that new members may be appointed in place of members already appointed as conferees if properly announced on the Senate floor when the Senate is in session and entered upon and printed in the Senate Calendar.

Formal restrictions on conference committee meetings, such as the rules I am proposing give rise to the possible influence of matters of procedure on the substance of legislation. The desirability of such influence deserves to be questioned, however, in light of the severe problems facing the Senate in conference, rules can only serve to strengthen our position.

To spend as much time as we do in careful consideration of legislation and then to have so much effort overturned in conference does not make sense. It is important that we strengthen the weak link of our legislative process so that we will be able to better perform our legislative duties.

FOOTNOTES

[1] Clapp, Charles C. The Congressman: His Work as He Sees It. (Washington D.C.: The Brookings Institution, 1963), p. 254.

[2] *Ibid.* p. 254.

[3] Albano, Walter S. Study Commissioned on August 31, 1976. (CRS, American Law Division).

[4] Gore, Albert. "The Conference Committee: Congress' Final Filter," The Washington Monthly. (Washington D.C.: June, 1971, vol. 3), p. 43.

[5] Fenno, Richard F., Jr. The Power of the Purse: Appropriations Politics in Congress (Boston: Little, Brown & Co., 1966), p. 608.

[6] Paletz, David L. Influence in Congress: An analysis of the Nature and Effects of Conference Committees (unpublished Ph. D. dissertation, UCLA, 1970), p. 441.

SENATE CONCURRENT RESOLUTION 210—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE DOMESTIC PRODUCTION OF HONEY

(Referred to the Committee on Finance.)

Mr. HUMPRHEY (for himself, Mr. BENTSEN, Mr. MCGOVERN, and Mr. NELSON) submitted the following concurrent resolution:

Resolved by the Senate (the House of Representatives concurring),

That the Congress does not approve the action taken by, or the determination of, the President under section 203 of the Trade Act of 1974 transmitted to the Congress on August 28, 1976.

HONEY IMPORTS INJURE DOMESTIC INDUSTRY

Mr. HUMPHREY. Mr. President, on August 28, 1976, the President submitted to the Congress a determination in which he declined to act on the recomemndation of the U.S. International Trade Commission to provide import relief to domestic producers of honey.

Prior to that date, on June 20, 1976, the U.S. International Trade Commission reported its findings that honey was being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry.

To provide import relief to domestic producers of honey, the International Trade Commission recommended a tariff quota for 1976 through 1980, which would provide the current duty of 1 percent per pound for the first 30 million pounds of honey imports in any calendar year and 1 percent per pound plus 30 percent ad valorem decreasing over time on all additional honey imports. The 30-million-pound figure which was chosen as a base for the tariff quota represents the approximate average imports during the period 1972 through 1975.

While commercial beekeepers number only about 10,000, the intent of section 201 of the Trade Act of 1974 is to provide relief to domestic producers suffering from injury due to increasing imports, regardless of the size or influence of such producers.

In rejecting the advice of the Tariff Commission to provide import relief to domestic producers of honey, the President has shown gross insensitivity to the problems of a small but important segment of American agriculture.

This is a $100 million industry, but bees pollinate crops valued at $8 billion.

Honey imports increased from 11 million pounds in 1971 to 46 million pounds in 1975 and may exceed 60 million pounds in 1976. Between 1971 and 1975, the ratio of imported honey to domestically produced honey increased from 6 percent to 24 percent.

Furthermore, the report of the International Trade Commission suggests that foreign producers are increasing their productive capabilities and that leading suppliers of U.S. honey imports are involved in Government supported programs to expand honey production for exportation.

The precipitous increase in honey imports has coincided with the serious decline with the unit values of imports. In 1974, the average price of imported honey was 43 cents per pound. In 1975, it fell to 34 cents per pound and in 1976 honey imports have already fallen to 30 cents per pound.

There seems to be little question that honey imports tend to depress domestic prices. Yearend honey inventories have risen to 75 million pounds in 1975 from 53 million pounds in 1971. The continued importation of honey at such cheap prices will clearly continue to depress domestic prices in the years ahead.

While the cost of production for honey producers has more than doubled from 1971 to 1975, profit margins have declined. According to the investigation of the International Trade Commission:

> Continued declines in honey prices will lead to substantial lower profit margins in 1976 than in 1975, indicating an imminent threat of serious injury, of which increased imports in 1975 and beyond are a substantial cause.

Mr. President, the purpose of the law is to provide equal protection to all Americans, both big and little. The U.S. beekeeping industry is only a small but important segment of our economy. Their size limits their political weight and their ability to raise the resources necessary to wage political and legal battles for the redress of the injustice represented by the President's rejection of the advice of the International Trade Commission to provide these producers with import relief.

The resolution we are introducing today would provide a vehicle for these producers to realize the relief recommended by the International Trade Commission. This resolution may not make headlines in Washington, or New York, but, if passed, it would demonstrate that the Congress is aware and responsive to the needs of all Americans.

Mr. President, I hope that our colleagues will support us on this important matter. A little over 18 months ago, in the Trade Act of 1974, Congress enacted improved procedures to provide fair and responsive relief to domestic producers injured by imports and unfair trade competition. By passing this resolution we can make this a more effective piece of legislation.

Mr. President, I ask unanimous consent that certain materials related to this issue be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, February 5, 1976.
Hon. WILL LEONARD,
Chairman, U.S. International Trade Commission, Washington, D.C.

DEAR MR. LEONARD: We are writing on behalf of the beekeepers of our state who share the concerns of the American Honey Producers Association and the Mid U.S. Honey Producers Marketing Association who recently filed a petition with the International Trade Commission regarding the injury caused by the ever-growing honey import competition. We support their petition and urge that it be given favorable consideration.

In 1975, honey imports in this country rose to the highest levels in history. Approximately 50 million pounds of honey was imported which amounted to nearly one-third of all the commercial honey used in the United States. The increased imports result in large measure from the obsolete and useless tariff rate which is in force on imported honey. As you know, the present tariff is a one cent per pound flat rate which was instituted over twenty-five years ago in 1948.

The Associations are requesting that an Ad-valorem duty of 30% be imposed on all imported honey. This rate is extremely low in comparison with the tax imposed on imported honey in other countries. The petition notes that Argentina currently has an Ad-valorem duty of 70%, Mexico's rate is 35%, and it is our understanding that the Common Market's Ad-valorem rate is also near 30%.

The bee industry is very important in agricultural production with direct and indirect pollination related to about $8 billion in crop production in this country.

Action is urgently needed, and we join the American Honey Producers Association and the mid U.S. Honey Producers Association in their request for an Ad-valorem tariff of 30%. Your favorable consideration of this matter would be deeply appreciated.

Sincerely,

HUBERT H. HUMPHREY.
WALTER F. MONDALE.

U.S. INTERNATIONAL TRADE COMMISSION,
Washington, D.C., March 30, 1976.
Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: Thank you for writing the United States International Trade Commission in behalf of the Mid U.S. Honey Producers Marketing Association and the American Honey Producers Association. Your letter of February 5, 1976, supporting the petition for relief from import competition for the U.S. honey industry will be entered into the record of the investigation. On January 29, 1976, the U.S. International Trade Commission instituted an investigation (TA-201-14) under section 201(b) of the Trade Act of 1974 to determine whether honey, provided for in item 155.70 of the Tariff Schedules of the United States, is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article. Public hearings will be held in connection with this investigation (please see the enclosed Notices of Investigation and Hearing).

Section 201 provides that when an investigation is instituted the Commission shall determine if a domestic industry is being seriously injured or threatened with serious injury as a result of imports. In making its determination, the Commisison shall take into account all economic factors, including the significant idling of productive facilities in the industry, the inability of a significant number of firms to operate at a reasonable level of profit, and significant unemployment or underemployment.

If the Commission finds with respect to any article, as a result of its investigation, serious injury or threat thereof, it shall find the amount of the increase in, or imposition of, any duty or import restriction on such article which is necessary to prevent or remedy such injury; or if it determines that adjustment assistance to firms, workers, or communities can effectively remedy such injury, it shall recommend the provision of such assistance. The Commission shall report its finding to the President, who shall then make a determination as to what relief, if any, is to be granted to the industry.

The Commission's investigation will be completed by June 29, 1976, with a report to the President. Shortly thereafter, a copy of the public report on the investigation will be sent to you for your information.

We hope this information will be helpful to you and that you will call on us whenever we can be of service to you in any way.

Sincerely,

WILL E. LEONARD,
Chairman.

REPORT TO THE PRESIDENT FROM THE U.S. INTERNATIONAL TRADE COMMISSION

To the President:

In accordance with section 201(d)(1) of the Trade Act of 1974 (88 Stat. 1978), the United States International Trade Commission herein reports the results of an investigation made under section 201(b)(1) of that act, relating to honey.

The investigation to which this report relates was undertaken to determine whether—honey, provided for in item 155.70 of the Tariff Schedules of the United States, is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

The investigation was instituted on January 29, 1976, upon receipt of a petition filed on December 29, 1975.

Notice of the institution of the investigation and of the hearings to be held in connection therewith was published in the *Federal Register* of February 6, 1976 (41 F.R. 5454). Public hearings in connection with the investigation were conducted on March 2 in Orlando, Florida; March 10 in San Francisco, California; April 6 in Kansas City, Missouri; and April 8 in Washington, D.C. All interested parties were afforded an opportunity to be present, to produce evidence, and to be heard. A transcript of the hearing and copies of briefs submitted by interested parties in connection with the investigation are attached.[1]

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[1] Attached to the original report sent to the President, and available for inspection at the U.S. International Trade Commission, except for material submitted in confidence.

The information for this report was obtained from fieldwork, from responses to questionnaires sent to the domestic manufacturers, importers, and consumers, and from the Commission's files, other Government agencies, and evidence persented at the hearings and in briefs filed by interested parties.

There are imports of honey from countries whose imports are presently subject to the rates of duty set forth in column 2 of the TSUS. The import relief recommended herein is not addressed to imports from such countries. The recommended import relief measure could involve the imposition of a rate of duty on imports from countries whose imports are currently subject to the rate of duty in column 1 which is higher than the present rate set forth in column 2. Should such recommended, or any other, rate of duty that could be higher than the column 2 rate be proclaimed by the President, it would be necessary for him to conform column 2 by proclaiming a rate therefor that is the same as that proclaimed for column 1, but not less than the current rate in column 2. Thus, if the recommended import relief were to be proclaimed, the conforming column 2 treatment would be "1 cent per pound plus 30 percent (or 20 percent, or 10 percent ad valorem, respectively) but not less than 1 cent per lb.".

DETERMINATION, FINDINGS, AND RECOMMENDATIONS OF THE COMMISSION

Determination.—On the basis of its investigation, the Commission determines (Commissioners Bedell and Parker dissenting, Commissioner Ablondi not participating) that honey, provided for in item 155.70 of the Tariff Schedules of the United States (TSUS), is being imported into the United States in such increased quantities as to be a substantial cause of the threat of serious injury to the domestic industry producing articles like or directly competitive with the imported article.

Findings and recommendations.—The Commission (Chairman Leonard, Vice Chairman Minchew, and Commissioner Moore) finds that—

(1) a tariff-rate quota system, as hereinafter specified, is necessary to prevent the threatened injury;

(2) whenever, in calendar year 1976, or in any of the four ensuing calendar years, the aggregate quantity of imports of honey, as provided for in item 155.70 of the TSUS, exceeds a tariff-rate quota of 30 million pounds, honey in such item entered during the remainder of such calendar year shall be subject to rates of duty as follows:

For calendar years 1976,[2] 1977 and 1978—1 cent per pound plus 30 percent ad val.

For calendar year 1979—1 cent per pound plus 20 percent ad val.

For calendar year 1980—1 cent per pound plus 10 percent ad val.

(3) the existing rate of duty shall apply to imports of such honey entered within the tariff-rate quota for each calendar year;

(4) such tariff-rate quota shall be established and allocated to countries subject to the rate of duty provided for in rate of duty column numbered 1 of the TSUS; and

(5) whenever the over-quota rate of duty specified in (2) exceeds the rate of duty (3 cents per pound) applicable to imports of honey from countries whose imports are currently subject to the rate of duty set forth in column 2 of the TSUS, such column 2 rate should be made to conform with rates proclaimed for column 1.

TABLE 1.—HONEY: U.S. PRODUCTION, IMPORTS, EXPORTS, STOCKS, AND APPARENT CONSUMPTION, 1945–75

[In millions of pounds]

Year	Production[1]	Imports	Exports	Producers' stocks on hand, Dec. 15	Apparent consumption
1945	234.6	19.5	0.2	27.1	253.0
1946	214.9	18.8	.2	10.8	249.9
1947	229.6	19.3	1.3	62.4	196.0
1948	267.0	8.5	11.5	70.8	195.7
1949	227.0	9.0	1.2	82.9	222.7
1950	232.7	12.0	9.4	83.1	235.1
1951	257.5	8.2	12.7	71.3	264.9
1952	272.0	8.5	23.4	77.0	251.4
1953	223.8	9.8	32.9	53.2	224.5
1954	216.4	9.2	24.3	41.0	213.5
1955	255.2	9.9	20.5	58.6	227.0
1956	214.0	4.8	18.2	49.5	209.7
1957	241.2	4.8	19.8	64.0	211.6
1958	260.5	3.9	22.4	71.1	235.0
1959	236.6	4.5	12.5	60.0	239.7
1960	242.8	12.4	9.4	52.2	253.5
1961	255.9	9.0	7.2	68.1	241.8
1962	249.6	7.1	13.6	55.9	255.3
1963	266.8	2.6	25.0	55.1	245.2
1964	251.2	4.9	8.9	65.8	236.5
1965	241.8	13.3	13.8	57.7	249.5
1966	241.6	9.5	14.4	55.3	239.0
1967	215.8	16.8	11.6	56.7	219.5
1968	191.4	16.9	8.1	41.0	215.9
1969	267.5	14.7	9.9	62.7	250.6
1970	221.8	8.9	8.2	50.6	234.7
1971	197.4	11.4	7.6	30.9	221.0
1972	214.1	39.0	4.1	29.8	250.0
1973	237.7	10.7	17.6	37.7	222.9
1974	185.1	24.6	4.6	33.7	209.1
1975	196.5	46.4	4.0	32.7	240.0

[1] Includes only shipments from Hawaii prior to April 1948 and from Puerto Rico prior to May 1951.

Source: Production and stocks compiled from official statistics of the U.S. Department of Agriculture; imports and exports compiled from official statistics of the U.S. Department of Commerce.

MEMORANDUM OF AUGUST 28, 1976—DECISION ON HONEY UNDER SECTION 202(b) OF THE TRADE ACT OF 1974

THE WHITE HOUSE,
Washington, August 28, 1976.

Pursuant to Section 202(b)(1) of the Trade Act of 1974 (PL 93–618, 88 Stat. 1978), I have determined the action I will take with respect to the report of the U.S. International Trade Commission (USITC) dated June 29, 1976, concerning the results of its investigation of a petition for import relief filed by several associations and independent firms producing honey in the United States.

I have determined that import relief for honey is not in the national economic interest of the United States.

Three Commissioners found that although commercial producers of honey, i.e. with 300 bee colonies or more, had operated profitably, such producers were threatened with serious injury caused in substantial part by increased imports. This finding did not cover the numerous beekeepers who produce honey as a hobby or as a sideline to other occupations. Moreover, firms processing, packing and/or marketing honey were found not to be injured or threatened with injury from increased import competition. Two of the five Commissioners voting in the case found no injury or threat of injury to any part of the industry.

The farm value of the total domestic honey crop in 1975 is estimated at $100 million, with about 60 percent accounted for by commercial producers. Commercial production has varied widely in recent years, depending on yield per bee colony, which is in turn affected by such factors as weather, pasturage, and pesticide losses. There is no idling of productive facilities and employment has increased.

Data reported by the Commission show that prices received by producers for bulk unprocessed honey in 1975 had declined from the all-time peak in 1974 but were still 27.7 cents per pounds, or 154 percent above the 1971 level. In the same 5-year period, retail purchasers paid an increase of 34.4 cents per pound, or 94 percent. Per capita consumption declined, due at least in part to loss of a major part of the industrial market to lower price substitutes.

With increased costs and lower yields, honey producers showed a lower profit to sales ratio last year than in the boom year 1973. However, the net beekeeping profit before income taxes reported by commercial producers to the Commission for 1975 was 2.6 times the 1971 earnings.

Even with a good crop, domestic production of honey falls short of consumption. Imports have varied widely in the past, tending to even out consumption needs. With short crops in 1974–1975 and the 1976 crop expected to be nearly 50 million pounds below 1973, imports have risen. Efforts to increase stocks before a possible escape clause duty increase also contributed to the rise in imports in 1976.

Tariff relief would be inconsistent with the national effort to reduce inflation. New restrictions would also expose other U.S. products to foreign claims for compensatory tariff reductions or retaliation against U.S. exports. While honey is a small item in our overall imports, increased protection would have an adverse effect on our bargaining position in bilateral consultations and multilateral negotiations of major importance to the U.S. economy.

After considering the material on honeybee pollination of domestic crops, I have concluded that pollination will not be jeopardized in the absence of import relief. However, in view of the widespread interest in this subject, I have instructed the Secretary of Agriculture to undertake additional research on the importance of pollination, to identify possible problem areas, and to recommend appropriate solutions as needed.

In taking action which differs from the action recommended by the Commission, I am required by Sec. 203(b) of the Trade Act of 1974 to report to Congress on the reasons underlying this action. This reportorial requirement is by itself of course appropriate. However, by Sec. 203(c) of the Trade Act, Congress has also attempted to empower itself with the authority to disapprove of such Presidential action by force of a concurrent resolution. Such legislative "vetoes" are considered by the Executive to be violative of fundamental constitutional precepts and thus without effect. The question is currently at issue in litigation which is being actively pursued by the Department of Justice.

This determination is to be published in the FEDERAL REGISTER.

GERALD R. FORD.

THE U.S. DUTY ON HONEY IMPORTS

As required by Section 203(b)(2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth my determination that import relief for commercial producers of honey is not in the national economic interest. Since I have determined that the tariff remedy recommended by the United States International Trade Commission (USITC) should not be implemented, I am setting forth the reasons for my decision and other action I am taking in response to the widespread interest expressed by U.S. agriculture in honeybee pollination of U.S. crops.

In taking action which differs from the action recommended by the Commission, I am required by Sec. 203(b) of the Trade Act of 1974 to report to Congress on the reasons underlying this action. This reportorial requirement is by itself of course appropriate. However, by Sec. 203(c) of the

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[2] To avoid possible retroactive application of the over-quota rate of duty for calendar year 1976, the President's proclamation should provide for the application of such rate of duty to be effective on the date of the proclamation or at the time the quota is exceeded, whichever occurs last.

Trade Act, Congress has also attempted to empower itself with the authority to disapprove of such Presidential action by force of a concurrent resolution. Such legislative "vetoes" are considered by the Executive to be violative of fundamental constitutional precepts and thus without effect. The question is currently at issue in litigation which is being actively pursued by the Department of Justice.

U.S. honey production, valued at about $100 million in 1975, has varied from year to year but has historically fallen below domestic consumption requirements. Imports have also varied widely, with the volume tending to even out consumption needs. The Department of Agriculture recently released its initial forecast for 1976 honey production, which indicates that for the third year in a row, the crop will be short, due in large measure to adverse weather conditions. The anticipation of low domestic production (nearly 50 million pounds below 1973) and the desire to avoid higher duties in the event of escape clause relief probably explains a significant part of the increase in imports of 1976.

The finding of threat of injury by three of the five Commissioners voting in this case covers only the commercial production and extraction of honey. It does not cover hobbyists and sideliners, i.e., producers with less than 300 colonies, and the Commission found unanimously that processors and packers were not injured or threatened with injury. With regard to the commercial producers, data reported by the Commission for 1971–75 show rising sales, no idling of productive facilities and an increase in employment. Commercial producers' employment totals an estimated 10,000 persons, whereas part-time beekeepers and hobbyists total 218,000.

Producers' stocks since 1970 have been low as compared with the previous decade. Total stocks reported for 1975 were only slightly higher than in 1973 and were ten percent below the 1970 level. Prices received by producers for unprocessed bulk honey in 1975 were two and one half times the 1971 level and were not far below the all-time high reached in 1974. Profits in 1975 were 162 percent above 1971 and were higher than for any year except 1973, when yields, which have an important impact on profits, were 31 percent higher.

Under the circumstances noted above, it is not anticipated that any substantial number of commercial producers or their employees are likely to seek adjustment assistance. However, any firms or workers who consider they can meet the statutory criteria can petition for such assistance under Title II, Chapters 2 and 3, respectively, of the Trade Act of 1974.

Import restraints would expose U.S. industrial and agricultural trade to compensatory import concessions or retaliation against U.S. exports. An increase in protection would also weaken the bargaining position of the United States in bilateral consultations, and multilateral negotiations in which we are seeking improved access to foreign markets for our producers.

The national economic interest requires continued emphasis on reducing the rate of inflation. A remedy threatening price increases would work at cross purposes with our stabilization goals.

In considering the effect of import restraints on the international economic interests of the United States, as required by the Trade Act of 1974, I have concluded that such restraints, while affecting only a small share of our total imports, would be contrary to the U.S. policy of promoting the development of an open and fair world economic system. The goal of this policy is to expand domestic employment and living standards through increased economic efficiency.

In the course of this investigation extensive material was received concerning the role played by honeybees in pollinating certain crops. While total honeybee colonies in the United States have declined over the past 25 years, the major causes are pesticides, decreased bee pasturage and changes in cropping patterns. Imports of honey were not a significant factor. While a considerable amount of research has been done on pollination, more information on certain aspects of the subject would be useful. I have, therefore, instructed the Secretary of Agriculture to initiate studies of the importance of pollination to U.S. agriculture and consumers, to identify possible problem areas and to recommend appropriate solutions, as needed.

SENATE CONCURRENT RESOLUTION 212—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO LAND CLAIMS OF THE PASSAMAQUODDY TRIBE OF INDIANS

(Referred to the Committee on Interior and Insular Affairs.)

Mr. HATHAWAY (for himself and Mr. Muskie) submitted the following concurrent resolution:

S. Con. Res. 212

Whereas, there are potential aboriginal land claims on behalf of the Joint Tribal Council of the Passamaquoddy Tribe and the Penobscot Tribe and their representatives against the State of Maine or individual landowners based upon the allegedly unlawful purchase, grant, lease or other conveyance of land by said Tribes to the State of Maine, and its predecessor in interest, the Commonwealth of Massachusetts;

Whereas, such potential aboriginal land claims arise from the allegedly wrongful purchase, grant, lease or other conveyance of land without the consent of the United States as required by the 1790 Indian Non-Intercourse Act;

Whereas, such potential aboriginal land claims and the threat of suit for the return of such land or possessory rights in such land have clouded the title of approximately two-thirds of the land in the State of Maine, thereby adversely affecting bond guarantees and real estate transactions in the State of Maine and threatening to halt for the indefinite future all real estate transactions and bond guarantees in the State of Maine: and

Whereas, the Joint Tribal Council of the Passamaquoddy Tribe and the Penobscot Tribe and their representatives have not stipulated in a court of law that they will seek monetary damages only as compensation for such alleged wrongful purchase, grant, lease or other conveyance of aboriginal land in pursuance of the claims which they may have in the State of Maine: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that no action by or on behalf of the Joint Tribal Council for the Passamaquoddy Tribe or the Penobscot Tribe of the State of Maine for the return of any aboriginal land shall lie for any alleged violation of the 1790 Indian Non-Intercourse Act and no defect in the title of any land in the State of Maine based upon such potential aboriginal land claims shall be recognized in any court of law, but nothing herein shall be deemed to prejudice any pending or future cause of action for monetary damages arising out of such land claims.

Mr. HATHAWAY. On behalf of myself and Mr. Muskie, I am introducing a resolution relating to a serious problem which has recently arisen in the State of Maine. The resolution, which is also being introduced today in the House, expresses the sense of Congress that the remedy for Indian tribal land claims in the State of Maine be limited to money damages as compensation should the courts find that there were any wrongful conveyances of Indian lands in the late 18th and early 19th centuries.

The need for this resolution results from events this week which have jeopardized the bond market for the State of Maine and its municipalities. The pending land claims potentially involve approximately two-thirds of the land area of the State, and the State was informed this week that some bond guarantees may not be forthcoming, impacting on towns, sewer districts and schools in the State. Other adverse impacts on land transactions could also result from the filing of claims for the return of possession of aboriginal lands by the Indians and their representatives.

We do not intend to prejudice the right of the Indians to pursue their claims in court. The need to protect the rights of all of the people living in the State is evident, however, as well as to maintain the stability of the Maine economy through a limitation on the remedies available for these alleged unlawful land transfers.

That is all that is intended in this resolution; to express the intention to pursue a solution which will protect rights and interests of all of the people of Maine, without affecting the merits of these land claims.

SENATE CONCURRENT RESOLUTION 213—SUBMISSION OF A CONCURRENT RESOLUTION TO DISAPPROVE PRESIDENT'S ACTION RELATING TO DOMESTIC PRODUCERS OF HONEY

(Referred to the Committee on Finance.)

Mr. HUMPHREY (for himself, Mr. Bentsen, Mr. McGovern, and Mr. Nelson) submitted the following concurrent resolution:

Resolved by the Senate (the House of Representatives concurring), That the Congress does not approve the action taken by, or the determination of, the President under section 203 of the Trade Act of 1974 transmitted to the Congress on August 28, 1976.

HONEY IMPORTS INJURE DOMESTIC INDUSTRY

Mr. HUMPHREY. Mr. President, on August 28, 1976, the President submitted to the Congress a determination in which he declined to act on the recommendation of the U.S. International Trade Commission to provide import relief to domestic producers of honey.

Prior to that date, on June 20, 1976, the U.S. International Trade Commission reported its findings that honey was being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry.

To provide import relief to domestic producers of honey, the International Trade Commission recommended a tariff quota for 1976 through 1980, which would provide the current duty of 1 percent per pound for the first 30 million pounds of honey imports in any calendar year and 1 percent per pound plus 30 percent ad valorem decreasing over time on all additional honey imports. The 30 million pound figure which was chosen as a base for the tariff quota represents the approximate average imports during the period 1972 through 1975.

While commercial beekeepers number only about 10,000, the intent of section 201 of the Trade Act of 1974 is to provide relief to domestic producers suffering from injury due to increasing imports, regardless of the size or influence of such producers.

In rejecting the advice of the Tariff Commission to provide import relief to domestic producers of honey, the President has shown gross insensitivity to the problems of a small but important segment of American agriculture.

This is an $100 million industry, but bees pollinate crops valued at $8 billion.

Honey imports increased from 11 million pounds in 1971 to 46 million pounds in 1975 and may exceed 60 million pounds in 1976. Between 1971 and 1975, the ratio of imported honey to domestically produced honey increased from 6 to 24 percent.

Furthermore, the report of the International Trade Commission suggests that foreign producers are increasing their productive capabilities and that leading suppliers of U.S. honey imports are involved in government supported programs to expand honey production for exportation.

The precipitous increase in honey imports has coincided with the serious decline with the unit values of imports. In 1974, the average price of imported honey was 43 cents per pound. In 1975, it fell to 34 cents per pound and in 1976 honey imports have already fallen to 30 cents per pound.

There seems to be little question that honey imports tend to depress domestic prices. Yearend honey inventories have risen to 75 million pounds in 1975 from 53 million pounds in 1971. The continued importation of honey at such cheap prices will clearly continue to depress domestic prices in the years ahead.

While the cost of production for honey producers has more than doubled from 1971 to 1975, profit margins have declined. According to the investigation of the International Trade Commission—

> Continued declines in honey prices will lead to substantial lower profit margins in 1976 than in 1975, indicating an imminent threat of serious injury, of which increased imports in 1975 and beyond are a substantial cause.

Mr. President, our Government had a responsibility to provide equal protection to all Americans, both big and little. The U.S. beekeeping industry is only a small but important segment of our economy. Their size limits their political weight and their ability to raise the resources necessary to wage political and legal battles for the redress of the injustice represented by the President's rejection of the advice of the International Trade Commission to provide these producers with import relief.

I shall introduce a resolution next year which will provide a vehicle for these producers to realize the relief recommended by the International Trade Commission. This resolution may not make headlines in Washington or New York, but, when passed, it will demonstrate that the Congress is aware and responsive to the needs of all Americans.

A little over 18 months ago, in the Trade Act of 1974, Congress enacted improved procedures to provide fair and responsive relief to domestic producers injured by imports and unfair trade competition.

I ask the President to act.

AMENDMENTS SUBMITTED FOR PRINTING

EXPORT REORGANIZATION ACT—S. 1439

AMENDMENTS NOS. 2515 THROUGH 2539

Mr. ABOUREZK submitted 25 amendments intended to be proposed by him to the bill (S. 1439) to reorganize certain export functions of the Federal Government to promote more efficient administration of such functions.

BRETTON WOODS AGREEMENTS ACT—H.R. 13955

AMENDMENT NO. 2540

(Ordered to be printed and to lie on the table.)

Mr. STEVENSON submitted an amendment intended to be proposed by him to the bill (H.R. 13955) to provide for amendment of the Bretton Woods Agreements Act, and for other purposes.

THE INVESTMENT ADVISERS AMENDMENTS ACT—S. 2849

AMENDMENT NO. 2541

(Ordered to be printed and to lie on the table.)

Mr. HASKELL. Mr. President, I will be brief because this is a simple issue. The issue is whether a government which spends billions of dollars on foreign assistance and billions of dollars rebuilding roads and bridges after disasters has the compassion to offer some small assistance to the American families who suffer from natural disasters.

The major Federal program designed to help disaster victims is the SBA's disaster loan program. We say to people who have lost property "Sure, we want to help you. We are going to give you a loan to rebuild or replace your house. And we are only going to charge you 6⅝ percent. So while you are paying off your mortgage on your house that went down the river you can also worry about paying us back for our loan."

Mr. President, the people of Colorado who were ravaged by the Big Thompson flood in early August of this year simply cannot afford this help. My office has received numerous heart-rending letters from people who have lost everything—I mean everything, Mr. President. Their homes, their cars, their personal property, in many cases members of their families.

This country has a tradition for compassionate responses to those who have suffered tremendously from acts of nature. But somehow, in the last couple of years, the SBA's program has gone from one that offered some real assistance to what is now little more than a commercial accommodation. As recently as July 1973, largely in response to the damage of Hurricane Agnes, the SBA's disaster rate was 1 percent.

The program also incorporated a $5,000 forgiveness feature. In July 1973 the rate went up to 5 percent and the forgiveness feature was eliminated. In August 1975 the rate went up to 6⅝ percent.

Mr. President, the 700 families who have inquired with the SBA in Colorado about the loan program are no less worthy of real Federal assistance than were the victims of Hurricane Agnes. Nor are they any less deserving than were the victims of Hurricane Camille, after which in 1969 the rate was reduced to 1 percent with a $5,000 forgiveness feature. In fact, due to the nature of this flash flood in which many of these 700 families lost absolutely everything they owned, one might argue that they are more in need of assistance than the people who had their basements flooded in other tragic but less severe disasters.

My amendment simply reduces the present rate of 6⅝ percent to 3 percent. SBA estimates that this reduction would cost approximately $525,000 in the first year for Big Thompson flood victims. Since the reduced rate would apply to all disasters after July 15, 1976, it is impossible to calculate the exact cost since that cost depends on the number of disaster loans made in the future. If $200 million in disaster loans were made during fiscal year 1977 the first year cost of my amendment would be $7.3 million. It should be noted that I have not included a forgiveness feature in my amendment since I believe that that issue might be controversial and require a more thorough discussion than time permits at this late point in the session.

Mr. President, unless there is a major change in the course of natural history we will have to live with the sadness and horror of natural disasters forever. Over 130 people are now known to have been killed in the Big Thompson flood. A more compassionate Federal policy for the survivors will not bring back their loved ones but will at least give them some help in starting over.

Every Member of this body represents a State in which there will be some natural disaster during his lifetime. We should not be forced to legislate the degree of Federal assistance on the basis of votes involved in the assistance. But that has been the history of the SBA loan program during this decade. If it was a big disaster, affecting a large number of people—and thus a large number of votes—we would reduce the loan rate and offer a forgiveness feature readily. people paid only 1 percent and had $5,000 eliminated from the principal to be repaid.

I hope that my colleagues will support this effort to bring some equity into this program. For the victims of the Big Thompson flood and for victims of future disasters it is important to know that their Government cares as much for them as it does for rebuilding roads and bridges.

EDUCATIONAL ASSISTANCE FOR VETERANS—S. 969

AMENDMENT NO. 2542

(Ordered to be printed and to lie on the table.)

Mr. DURKIN submitted an amendment intended to be proposed by him to the bill (S. 969) to amend chapter 34 of title 38, United States Code to extend the basic educational assistance eligibility for veterans under chapter 34 and for certain dependents under chapter 35 from 36 to 45 months.

EVIDENCE OTHER THAN STAMPS AS TAX PAYMENTS—H.R. 7228

AMENDMENT NO. 2543

(Ordered to be printed and to lie on the table.)

Mr. DURKIN. Mr. President, at present, private operating foundations must pay a 4-percent net investment income tax. During the Senate debates on the tax bill, the Senate agreed to an amendment that would have reduced the net investment tax to 2 percent.

Nonetheless, even with this 50-percent reduction, the Senate recognized that the 2-percent tax substantially curtails a private operating foundation's ability to provide adequate and responsive services to the public. In that regard, the Senate Finance Committee proposed a mechanism whereby libraries and museums could elect to avoid the tax by investing 5 percent of their "noncharitable" assets into the services they provide for the public. This amendment passed the Senate on July 30 by a vote of 76 to 24.

In the same amendment, the Senate recognized that the present rules requiring private operating foundations to distribute two-thirds of their minimum investment return may be burdensome in light of the existing requirements that they distribute all of their income to or for the active conduct of their charitable purposes. Consequently, the Senate, in accord with the Senate Finance Committee's recommendation, reduced the minimum amount that a foundation must distribute in order to be classified as a private operating foundation to 3 percent of its noncharitable assets.

During conference, this section was deleted. The old law still remains. The 4-percent tax still remains. The crippling effect that this tax has on certain private operating foundations still remains.

Mr. President, this amendment is being offered as a response to the misapplication and misdirection of the net investment tax. Along with Senator DOLE, it is my belief that this tax was never intended to unreasonably burden nonprofit organizations whose sole purpose is to serve the public. The Senate, it would appear by its adoption of the committee amendment, agrees with us.

The net investment tax was established to help reduce the cost of auditing private foundations. But in the general sweep of its application, private operating foundations, whose economic structure was fragile and whose sole purpose was to provide much needed public services, were forced to pay an onerous tax.

The Senate recognized this tax would have a significant effect on the ability of libraries and museums to function even when reduced to 2 percent. Libraries would be unable to purchase books for the public to read: museums unable to purchase art for the public to view.

The Senate responded to this unfortunate situation by creating a provision which would allow museums and libraries to elect to avoid the tax by investing at least 5 percent of their noncharitable assets into their public services.

I will not repeat here the financial chains placed on museums and libraries by this tax. The Senate eloquently demonstrated its understanding of this fact by adopting the Senate Finance Committee's amendment. Anything that I say now on that matter would be redundant.

But the burden this tax imposed on nonprofit homes for the aging was not brought before either the Senate or the Senate Finance Committee. And in my brief remarks to the Senate, I would like to address myself to that issue.

Under present law, those homes for the aging with endowments which receive one-third or more of their income from investments are classified as private operating foundations. As such, they must pay the 4-percent tax. The impact of this tax on these nonprofit homes is devastating. For example, in 1975, the new Hampshire Centennial Home for the Aged paid $11,006 in net investment taxes, in 1974, it paid $8,247.

The American Association of Homes for the Aging has supplied me with information which reflects the staggering burden this tax has placed on the services provided the elderly. During the past tax year, the average net investment tax paid by each home was $10,239. On the other hand, the average cost for the care and maintenance of an elderly person in one of these homes is $4,223.

In other words, the average net investment tax paid by one of these homes is 2½ times greater than the average cost of providing one elderly person with medical care and housing.

To require these homes to pay this tax and thereby substantially curtail their ability to provide much needed services to the old and needy is, in my mind, unconscionable and a flagrant violation of our commitment to our Nation's elderly.

The amendment which we are offering rectifies this situation and corrects a gross abnormality in our tax laws.

Our amendment is quite simple and is substantially the same as the one offered by the Senate Finance Committee and adopted by the Senate. The amendment would do the following:

First. Reduce the minimum amount that a foundation must distribute in order to be classified as a private operating foundation from two-thirds of its minimum investment return to 3 percent of its noncharitable assets; and

Second. Allow libraries, museums, and nonprofit nursing homes to elect to avoid the imposition of the 4-percent tax by choosing to invest at least 5 percent of their noncharitable assets into their social services.

The amendment will retain the present 4-percent tax which is imposed on operating foundations and it does not apply to profitmaking nursing homes. All profitmaking nursing homes must still pay the 4 percent tax.

What this means, Mr. President, is that if a home elects to expend 5 percent of its "noncharitable" assets for the care and maintenance of elderly persons, then it will save itself approximately $10,000 a year. Much can be done with this additional $10,000. The costs for the care and maintenance of the elderly are rising astronomically. The $10,000 saving would enable these homes to provide additional care, open up beds, hire more personnel, expand their services, establish outside aid programs, and, help to meet the rising and staggering costs of medicine.

The amendment is closely drawn to rectify a legislative error which should have been long ago corrected. These homes cannot be in the business of having gifts and they cannot be controlled by one individual. They bear none of the characteristics of a private foundation except one: They must share the financial burdens imposed by the tax, and who in the end bears that burden? The elderly who seek food and shelter are the ones who suffer.

Certainly the Treasury of the United States will not suffer. There are only approximately 100 homes that will benefit as a result of the adoption of this amendment. The loss to the Treasury will be only $1¼ million. But to offset this loss, there will be a dramatic increase in the services provided the elderly. Two hundred and forty-two elderly persons who are presently denied access to homes for the aging, solely because these homes are not able to finance them, would be allowed to live the rest of their lives in dignity and comfort. Services could be expanded so that those living in squalor would be provided decent care and live in comfort.

If the Senate was willing to provide exemptions for libraries and museums, then surely no one can rise in this Chamber and proclaim that our senior citizens are less deserving.

These homes provide life-support functions. They should not be inflicted with the tax that drains their precious and oft depleted financial resources. Our amendment will end a practice where much needed revenue is taken from foundations that are already financially pressed. Our amendment will help to restore dignity and comfort to our elderly.

ADDITIONAL STATEMENTS

IDAHO ELECTRIC CAR

Mr. McCLURE. Mr. President, a particularly ingenious Idahoan, concerned about the Arab oil embargo of three years ago, successfully converted his full-sized Buick sedan to run on electricity, in addition to gasoline. Mr. Carl Oppel, of Boise, has constructed an electrical power system in his car to complement the gasoline engine which enables his car to obtain 100 to 120 miles to the gallon. A 10-horsepower electric motor connected to six permanently sealed 12-volt batteries can be recharged overnight when plugged into any electrical outlet, and is equivalent to a 70-horsepower gasoline engine. The electric motor, which is hooked up directly to the transmission, can accelerate up to a speed of 35 miles per hour. Mr. President, such ingenuity deserves commendation, and I ask unanimous consent that an article derived from the Idaho Statesman describing the details of this invention be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Boisean Converts Car To Avoid Gas Pumps

(By Kip Rutty)

Pssst, Buddy. Want a used car that starts like a dream, doesn't use gasoline and is as quiet as a spinning top?

This may sound like an outlandish used-car advertisement, but it's not.

Carl Oppel, 1814 Edgecliff Terrace, owns such a vehicle. It's a 1962 Buick which he calls a "Townabout." At night he plugs it into an electrical outlet.

The car has been converted to run off an electrical power system. and Oppel 69, a retired Boise manufacturer, believes it's the first such car developed in Idaho.

Oppel figures he's put about $3,000 into the car, which is equipped with a 10-horsepower electric motor connected to six permanently sealed 12-volt batteries in the car's trunk.

The electric motor, equivalent to a 70-horsepower gasoline engine, runs on DC current. But the car's electric motor can also run off a small, gasoline engine, specially installed.

"The hardest part in converting the car to electricity was trying to get parts, like the motor," he said. "DC motors are not easy to find." Oppel finally located his motor, which powered a forklift, in Los Angeles.

Oppel said he first thought of the project two years ago during the Arab oil embargo crisis. Work on the conversion began five months ago.

Along the way, Oppel said many people told him powering a full-sized American sedan was impossible with an electric motor.

"They said it couldn't be done, that an American car was too heavy," he said.

But it does work, as Oppel demonstrated. He sat behind the wheel turned a switch to "on" and off he went.

Oppel said the batteries run the electric motor which in turn is hooked up to the transmission. He uses what he calls the "energy pedal" to accelerate the car.

With his foot on the pedal, the vehicle gradually accelerates to a top speed of 35 miles per hour. When he takes his foot off the pedal, the car coasts.

Under the front hood sits the electric DC motor and a 3½-horsepower Onan gasoline engine, used to increase the mileage range of the "Townabout." The Onan engine runs an auxiliary DC charger, which in turn runs the car.

Oppel said the range of the car is 15 to 20 miles when just the electrical power system is used. When he runs the car on gasoline and uses the auxiliary DC charger, the vehicle gets 100 to 120 miles per gallon.

"But if I couldn't get gasoline for the car," Oppel said, "I could still run it off the electrical system."

A HEROIC LASS

Mr. JACKSON. Mr. President, the State of Washington residents are avid users of our millions of acres of land associated with water recreation. Unfortunately, there are boating accidents from time to time. But today I am able to report a happy ending to what could have been a tragedy, thanks to the skill and bravery of Sherrill Conner, a 17-year-old high school senior from Spanaway, Wash. She spotted two families clinging to a nearly submerged boat in the cold water in Hood Canal, near Hoodsport. Sherill, who is 5 feet and 105 pounds, managed to pull all six people into her own craft. Sherill is an honor student who plans to study nursing when she graduates in June. I believe Sherrill Conner should be commended for her outstanding courage in saving lives.

Mr. President, I ask unanimous consent to have the news article of her actions, which originally appears in the Tacoma News Tribune, on April 19, 1976, printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Tacoma (Wash.) News-Tribune, Apr. 19, 1976]

Heroic Lass Credited With Saving Six From Drowning

(By Marlowe Churchill)

A 17-year-old Bethel High School senior has been credited with saving the lives of six persons whose small boat swamped yesterday in Hood Canal, near Hoodsport.

Sherill Conner, daughter of Mr. and Mrs. Ronald Conner, 17501 A St., Spanaway, was cruising her boat near the State Fisheries Shell Fish Laboratory when she spotted two families clinging to the nearly submerged 15-foot craft.

"Another minute and we would have drowned," Mrs. Arthur Kassens of Vader, Lewis County, said today in praise of Sherrill.

The Kassens, their daughter, Michelle, 15, and the Jerry Pentecosts of Rochester, and their daughter, Diana, 10, had been searching along Hood Canal for oyster beds when the boat's motor failed. The choppy waves, whipped by a cold wind, swamped the heavily laden craft.

"We must have been in the water 10 to 15 minutes and it was very cold," said Mrs. Kassen, who added that she was in shock and nearly unconscious when rescued.

Sherrill, a petite 105-pound, 5-foot honor student, managed to lift all six persons into her boat. "I guess it was the adrenalin running," she shrugged.

"It was God's will and a good Italian upbringing," her proud Italian-born mother quickly added this morning.

And this was not the first time Sherrill has acted quickly and bravely. She was credited with pulling her parents and three sisters from their burning wrecked car four years ago in Mississippi. Her small brother was killed in that accident.

Sherrill, who has been a scuba diver five years, said her father and three sisters, frantically waving and pointing on the shore, directed her attention to the six persons in the water.

"We were too far from shore to yell, but when we saw this boat coming toward us, we all yelled in union," Mrs. Kassens recounted.

"It was just instinct that directed me," Sherrill said. The details of the rescue effort are still a little fuzzy, she admitted, but she can recall dragging each into the boat and trying to keep them warm with towels and jackets.

The cold, water-logged families were taken to the fisheries office where they warmed up with hot showers and were treated for exposure.

Sherrill admits to being somewhat overcome by the attention she has received at school, at home and from the rescued families.

"I hope this never happens again," she said. "But I know that if I hadn't been near there, they would have drowned. There was nobody nearby to save them except me."

She is planning to study nursing at Pacific Lutheran University after graduation in June.

GLENN AMENDMENT ON EDUCATION BILL

Mr. BROOKE. Mr. President, the Senate and House recently reached agreement on an amendment to the higher education bill that was offered by Senator John Glenn. The Glenn amendment provides specific legal authority for Federal assfistance to school districts utilizing magnet schools and other innovative methods as component parts of school desegergation plans.

I ask unanimous consent that the following material from the Ohio press be printed in the Record to document further the positive and constructive efforts of Senator Glenn on this very difficult issue.

There being no objection, the material was ordered to be printed in the Record. as follows:

From the Dayton (Ohio) Journal Herald, Sept. 3, 1976

Fostering Integration—Glenn Dogged in Seeking Funds for New Approaches

Sen. John Glenn, D-Ohio, deserves credit for his persistence in pushing a proposal that could prove important to Dayton and other cities faced with desegregation.

Early in the year, Glenn introduced a bill providing for the expenditure of $1 billion over a period of several years to support educational alternatives to busing in local school districts. The $1 billion figure was viewed as too high by influential senators, so Glenn scaled his proposal back and then scaled it back again.

Last week, Glenn won Senate support for an amendment calling for federal expenditures of $50 million on innovative approaches to integration. The amendment was attached to a $35 billion federal aid to education bill. Under the terms of the amendment, the funds could be spent by local school districts on such projects as magnet schools, educational parks, school pairing and other innovations designed to foster integration.

The sum of $50 million is not great when weighed against the need. Dayton estimated it would cost more than $4 million just to renovate the old downtown post office into a magnet school. Other cities faced with court-ordered desegregation, or which choose to develop voluntary integration plans, also could put the money to good use.

It would be nice to report that the $50 million will soon be available. But there is still a long row to hoe. The bill containing the Glenn amendment must now go to a House-Senate conference committee.

The House version of the bill does not include a proposal like the Glenn amendment, even though Dayton Rep. Charles Whalen introduced such a proposal some months ago. It will be up to senators participating in the conference to persuade their House counterparts to embrace the Glenn amendment. Even if they suceed, there is a strong possibility that President Ford will veto the eutire education measure because the $35 billion figure is larger than he deems acceptable.

Glenn has promised to continue to push

his proposal if it does not become law this year. In a Congress where many legislators introduce bills, but relatively few follow up on them, the Ohio senator's work on this measure merits praise. And his dogged backing of this worthwhile proposal seems likely to eventually yield results.

[From the Plain Dealer, Sept. 25, 1976]

Conferees Approve Plan for Aid to Magnet Schools

Washington.—House and Senate conferees yesterday accepted as part of a compromise higher education bill the Glenn amendment providing $75 million to help desegregate public schools.

The amendment, written by Sen. John H. Glenn, D–O., provides for the first federal assistance to schools such as in Cleveland that are under desegregation orders from federal courts.

The money will be used to operate and plan for magnet schools.

Paul W. Briggs, superintendent of Cleveland public schools, said Cleveland schools would be "first in line" with a proposal for federal aid to finance special programs at magnet schools.

Briggs had told a congressional hearing that the bill "would work very well in Cleveland."

One of the conferees given credit for working out the compromise version of the amendment was Rep. Ronald M. Mottl, D-23, who missed the marathon House-Senate conference that ended at 4 a.m. yesterday.

Other conferees helping out with the compromise were Sen. Edward M. Kennedy, D-Mass., and Rep. Carl Perkins, D-Ky., chairman of the House Education and Labor Committee.

An aide to Glenn said the amendment was one of the most significant pieces of legislation introduced by the Ohio senator since his election in 1974.

President Ford is expected to sign the bill next week.

The Glenn amendment provides $25 million over the next year for programs designed to attract equal numbers of minority and white pupils without having to rely solely on court-ordered busing. The amendment, however, does not eliminate a need to bus pupils for desegregation.

One such magnet school in Boston in predominantly black Roxbury has a waiting list of more than 200 white pupils waiting to attend classes offering special courses.

Glenn's amendment authorizes $50 million in federal aid in the second year and expands the powers of the U.S. Department of Health, Education and Welfare to provide emergency federal assistance for school desegregation.

The conferees stripped the amendment of guarantees of federal aid for new magnet school construction, or the financing of new educational parks.

[From the Cincinnati Herald, Sept. 4, 1976]

Across My Desk

(By Marjorie Parham)

We have at hand a communication from Senator John Glenn who recently submitted an amendment, passed by the Senate, that he believes has "tremendous significance to Blacks across Ohio and the Nation."

Senator Glenn says his amendment provides an additional $50 million, and new legal authority to the Emergency School Aid Act to provide federal funding for new methods of school desegregation.

Earlier this year, Senator Glenn promised a bill with alternatives to busing in an effort to stem the social division that existed in this county regarding the school desegregation controversy.

What Senator Glenn has actually done is put together several already known alternatives into a comprehensive bill with enough money to research and study these programs. We say "already known" because magnet schools and pairing of schools and programs with specific college and universities, rehabilitation or construction and development of educational parks, and neutral site schools are all known in Cincinnati and several have been implemented.

This is not meant to be a criticism of Senator Glenn's efforts because at least from his level of government it is an acceptable alternative to suggest that those cities embroiled in physical and vocal violence consider more positive approaches to their problem.

We hope, of course, that the $50 million, if the amendment passes further administrative and bureaucratic hurdles, is spent wisely.

We give John Glenn an A plus for effort and wish to share a paragraph of his letter with our readers. We believe this paragraph is one of the soundest statements coming from a politician regarding the busing controversy.

John Glenn said: "I fought for this amendment because I wanted to provide direction on this issue. "Busing" has been used to attempt to roll back the clock on civil rights protection, undermine constitutionally protected remedies, and place restrictions on courts. In some cases, "Anti-Busing" sentiment has been used as an excuse for carrying out criminal acts reminiscent of some of the worst days of the nation. This is intolerable."

VETERANS' EDUCATION

Mr. DURKIN. Mr. President, the Ford White House has again shown us it does not care about people being sacrificed to politics.

For the last 2 weeks, I have been pushing and prodding the various powers that be in the Senate to take up a veterans education bill and various amendments to it which I have been pushing on the floor and in the Veterans' affairs committee since the day I took office. There is a bill on the calendar—S. 969—which is basically a good bill. It provides for an 8 percent cost-of-living increase in educational benefits to Veterans taking advantage of the GI bill. It extends entitlements to 45 months for all types of training and education. It tightens up procedures under the GI bill to prevent abuse and the proliferation of diploma mills set up to take advantage of veterans benefits.

Several of us in the Senate wanted to add to that already good bill—to provide an extension of the so-called 10-year delimiting date for Veterans of the post-Korean era who lost their benefits last May 31, while in the middle of their education. Some of us wanted to offer them 3 years at full benefits to finish. Others wanted half benefits for 2 years. There were disagreements, there was obfuscation, there were attempts to prevent this and other amendments from coming up.

But finally, last night, all of us involved got together and, realizing the lateness of the hour, put together a package acceptable to just about everyone who was involved in this matter, so the bill could go through the Senate without a time-consuming debate. The agreed package contains all of S. 969 plus a 3-year extension of the 10-year period at half benefits. And when the time agreement was presented to the Senate, we heard objection—objection that the White House would not buy the agreement.

Mr. President, how low can the White House stoop. We had to beg, borrow and steal to get this agreement through a barrage of roadblocks and bad tempers and when we finally get it out, the White House interposes an objection.

If the President feels that veterans who start training and education should not be allowed to finish, fine—let him issue a public statement and say so. Then if a bill reaches him with provisions he does not like, let him veto it. He has not been shy with his veto so far this year.

If the President feels he wants to jeopardize an 8-percent cost-of-living increase to veterans who really deserve a 16-percent cost-of-living increase, then fine—let the President issue a public statement to that effect, and if a bill with the increase reaches his desk, let him veto it.

But the time is growing short, Mr. President. This bill has to pass the Senate, the House, and go to the White House within a short period of time if it is to go at all. And I cannot fathom why in this hectic last day of the session, the minority side is honoring not only holds on bills from its own Members, but holds as well from the White House.

I would issue this warning to the minority. If this bill does not sail through here sometime early today, I think it will be a legitimate issue in the fall election—that the White House and the Republicans in the Senate squashed a cost-of-living increase for Vietnam-era veterans who are taking advantage of the GI bill of rights, and squashed an extension of the 10-year deadline for post-Korean veterans who want to finish something they began. I think it is a campaign issue which will hurt the President. It is an issue which will bolster the already clear picture of a Ford administration which is insensitive to the needs, aspirations, and desires of the real people who are struggling to reach the good life.

Mr. President, much of this bill and the agreed upon amendment will help the Vietnam veteran. This is the veteran who was sent to an ugly, stinking war year after year by the likes of the Jerry Fords of this country. The veterans who are now looking for educational benefits are the lucky ones—the ones who made it back from a war designed to save the American honor but a war which served only to ravage and destroy an entire country.

When the appropriations bills came up year after year to send these men to Vietnam, there were no holds, Mr. President.

When the Draft Board called these men up for induction, they did not ask their Member of Congress to put a hold on the move.

S. 969 is good legislation. It is within the budget, and has the good graces of the Veterans' Committee and Budget Committee. The necessary agreements have been worked out to get it through the House on time. If the White House holds it up now, I am sure the Vietnam veteran will remember that Jerry Ford found enough money to send him to war, but not enough to send him to school.

THE DEATH OF ERNEST VAN LEWIS

Mr. THURMOND. Mr. President, this Nation and the State of South Carolina lost one of the foremost authorities on rural electrification when Ernest Van Lewis died September 3, 1976.

Brick, as he was known to all, was executive vice president of Central Electric Power Cooperative in Columbia, S.C. During his 66 years, he became known as one of the leading experts in the field of electric power transmission.

In 1939, Mr. Lewis was instrumental in organizing the Fairfield Electric Cooperative and became its first manager. He later became the manager of the Newberry Electric Cooperative and then assumed his position with Central Electric Power in Columbia.

Mr. Lewis was a man of vision. He saw the rural customer's need for electric power. He was a leader in developing the concept of linking the rural electric cooperatives of South Carolina to their generating facilities. Because of his efforts, rural South Carolinians have been provided the opportunity to enjoy the benefits of electricity.

Mr. Lewis served his State and community in a most admirable fashion. He was an organizer and founding vice president of Cooperative Finance Corporation in Washington, D.C. He was active in the development of the Savannah River basin and all areas of South Carolina. His kind words and firm leadership will be greatly missed at the Columbia Lions Club and the Shandon United Methodist Church.

Mr. President, "Brick" Lewis was truly a man of capacity, dedication, determination, and character. He and his charming wife, Nell Brooks, were friends of mine and I greatly valued this friendship. I extend my deepest sympathy to Mrs. Lewis on the loss of her husband and to all the members of his fine family. He is survived by three sons, E. Crosby Lewis of Winnsboro, Daniel S. Lewis, Thomas Walter "Wally" Lewis of Columbia; a daughter, Mrs. Sallie Lewis Kohler of Pageland; two sisters, Mrs. Kathleen Lewis Sloan of Columbia, and Mrs. Julia Robinson of Shoals Junction; two brothers, W. W. and E. B. Lewis of Winnsboro; and eight grandchildren.

At the time of his death several tributes were published in newspapers of the area. I ask unanimous consent that a representative article and an editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the S.C. Electric Cooperative Association, Inc.]

TRIBUTE

One of the nation's foremost authorities on rural electrification and the generation and transmission of electric power died of a heart attack in Columbia Thursday evening.

He was Ernest Van "Brick" Lewis, 66, executive vice president of Central Electric Power Cooperative and for 37 years a leader in the rural electric field. He was instrumental in organizing Fairfield Electric Cooperative at Winnsboro in 1939 and became its first manager. He later became manager of Newberry Electric Cooperative and served there until becoming general manager and executive vice president of Central. He led in developing the concept of a transmission system linking the cooperatives of South Carolina to the Santee-Cooper generating facility. Central now serves power to 15 of the state's rural electric systems and owns a generating plant at Conway. Central's member systems serve 190,000 South Carolinians

He was an organizer and founding vice-president of Cooperative Finance Corporation (CFC), Washington, D.C. He was vice-president of the National Generation and Transmission Cooperative Managers Association. At the time of his death he was one of only two remaining active managers of the original co-op managers in the state. He was active in development of the Savannah River basin and a member of the Tri-State Committee for the Savannah River. He was on the Power Committee of the National Rural Electric Cooperative Association and has served on the Resolutions Committee of that organization.

Born in Fairfield County, he attended the University of South Carolina. He was a member of the Columbia Lions Club and the official Board of Shandon United Methodist Church. He was an organizer and member of the Board of Trustees of South Carolina Electric Cooperative Association, Inc.

He was a son of the late Thomas Walter and Molly Street Lewis.

Survivors include his widow, Mrs. Nell Brooks Lewis of Columbia; a daughter, Mrs. Sallie Lewis Kohler of Pageland; three sons, E. Crosby Lewis of Winnsboro, and Daniel Street and Thomas Walter "Wally" Lewis of Columbia; two sisters, Mrs. Kathleen Lewis Sloan of Columbia and Mrs. Julia Robinson of Shoals Junction; two brothers, W. W. and E. B. Lewis of Winnsboro; and eight grandchildren.

Funeral services will be at Shandon United Methodist Church in Columbia, at 4 p.m. Saturday. Managers of electric cooperatives and members of the Central Electric Power Cooperative Board of Trustees will serve as honorary pallbearers. Dunbar Funeral Home is in charge.

[From the Columbia, (S.C.) Star, Sept. 4, 1976]

LEWIS SERVICES SCHEDULED TODAY

Services for Ernest Van "Brick" Lewis, executive vice president of Central Electric Power Cooperative, will be at 4 p.m. today at Shandon United Methodist Church, conducted by the Rev. William C. Reed.

Mr. Lewis, one of the nation's foremost authorities on rural electrification and the generation and transmission of electric power, died Thursday evening of an apparent heart attack. He was 65.

As a leader for 37 years in the rural electric field, he was instrumental in organizing Fairfield Electric Cooperative at Winnsboro in 1939 and became its first manager.

He later became manager of Newberry Electric Cooperative and served there until becoming general manager and executive vice president of Central.

He led in developing the concept of a transmission system linking the cooperatives of South Carolina to the Santee-Cooper generating facility. Central now serves power to 15 of the state's rural electric systems and through those systems serves some 190,000 South Carolinans.

Mr. Lewis was an organizer and founding vice president of Cooperative Finance Corporation (CFC), in Washington. He was vice president of the National Generation and Transmission Cooperative Managers Association and at the time of his death was one of two remaining active managers of the original co-op managers in the state.

He was active in the development of the Savanah River basin and a member of the Tri-State Committee for the Savannah River. He was on the Power Committee of the National Rural Electric Cooperative Association and has served on the Resolutions Committee of the organization. He was an organizer and member of the Board of Trustees of South Carolina Electric Cooperative Association, Inc.

He also served on the advisory board of Southern Bank and Trust Company in Columbia.

Born in Fairfield County, he was a son of the late Thomas Walter and Mary Ellen Street Lewis of Winnsboro. He attended the University of South Carolina, was a member of the Columbia Lions Club and the official Board of Shandon United Methodist Church.

Surviving are his widow, Mrs. Nell Brooks Lewis of Columbia; a daughter, Mrs. William E. Kohler of Pageland; three sons, E. Crosby Lewis of Winnsboro, and Daniel Street and Thomas Walter "Wally" Lewis of Columbia; two sisters, Mrs. Eugene B. Sloan of Columbia and Mrs. Calvin W. Robinson of Shoals Junction; two brothers, Walter W. and E. Burr Lewis of Winnsboro and eight grandchildren.

Pallbearers will be Gary Franklin Bass III, Luncford Bass, William Roger Campbell, James Eugene Campbell, Hugh Bates, C. Kenneth Stiles, Pope Brooks Shealy and Pope Brooks.

The family suggests that those who wish may make memorials to the Heart Fund.

Dunbar Funeral Home, Devine Street Chapel, is in charge.

MAN-MADE IMPACTS ON THE STRATOSPHERE

Mr. BUMPERS. Mr. President, after analyzing the recent report of the National Academy of Sciences on the effect of halocarbons on stratospheric ozone, the Interagency Task Force on Inadvertent Modification of the Stratosphere, IMOS, has recommended a time frame for decisionmaking for Federal regulatory agencies. In a memorandum from IMOS to Russell W. Peterson, Chairman of the Council on Environmental Quality, IMOS recommends that the appropriate Federal regulatory agencies initiate rulemaking procedures to restrict fluorocarbon uses.

I commend the task force for taking this positive step and ask unanimous consent that the memorandum be printed in the RECORD in order to bring this action to the attention of my colleagues.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR HONORABLE RUSSELL W. PETERSON

As part of the conclusions of its June 1975 report, *Fluorocarbons and the Environment*, the Interagency Task Force on Inadvertent Modification of the Stratosphere recommended a time frame for decisionmaking as follows:

"The National Academy of Sciences is currently conducting an indepth scientific study of man-made impacts on the stratosphere and will report in less than a year. If the National Academy of Sciences confirms the current task force assessment, the task force recommends that the Federal regulatory agencies initiate rulemaking procedures for implementing regulations to restrict fluorocarbon uses. Such restrictions could reasonably be effective by January 1978—a date that, given the concern expressed now, should allow time for consideration of further research results and for the affected industries and consumers to initiate adjustments."

Last week the National Academy of Sciences released two reports prepared by the Committee on Impacts of Stratospheric Change and its Panel on Atmospheric Chemistry relating to halocarbon effects. These reports have been reviewed by IMOS.

The task force believes that the Academy should be commended for its thorough scientific review of this complex subject. In comparing the scientific findings of IMOS in June 1975 with the more detailed assessment conducted by the Academy, it is evident that those preliminary scientific conclusions have been substantiated by further work over the last 15 months.

The task force, unanimously concluded at its September 21 meeting that the June 1975 recommendation quoted above continues to be the most prudent course of action. Therefore, we recommend that Federal regulatory agencies now commence proposed rulemaking procedures so that any necessary future restrictions are developed on the basis of thorough and thoughtful consideration. This recommendation is not inconsistent with the conclusion of the Academy committee, which urged time for further scientific work prior to a final decision to regulate.

IMOS wishes to stress the Academy recommendations for continued and expanded research into stratospheric modification and its resulting effects on earth, which will be relevant not only to the question of fluorocarbons but also other potential modifiers of the stratosphere. In this regard we are extremely concerned about problems in the development and implementation of the National Biological and Climatic Effects Research Program (BACER). This program, as you recall, was initially developed by an IMOS subcommittee and presented to the Federal Council for Science and Technology in February 1976, which adopted it as a working basis for further program development and budget discussions.

The Environmental Protection Agency was assigned the lead agency responsibility for development and management of the short-term program (FY 76 & FY 77), assisted by policy and technical task groups composed of representatives of the many Federal agencies involved in the program, with the help of outside consultants. EPA and its various interagency working groups should be commended for their excellent work in developing a detailed short-term program, in consultation with all branches of the scientific community including academia. EPA requested $13 million of supplemental FY 1977 funds but received no additional funding. EPA has re-programed $4 million of its own funds so that the short-term program need not be completely abandoned.

In July 1976 a special meeting of IMOS and other agency representatives concluded that EPA should also be assigned lead responsibility for an ongoing long-term program commencing in FY 78. Following the determination on the level for the short-term program, EPA has now indicated its inability to follow through with an earlier expressed willingness to assume the lead of the long-term program and has asked IMOS to reconsider this question. Thus, the long-term program is seriously endangered. IMOS believes such a program is of the utmost importance not only in providing an effective data base for possible regulatory decisions, but also to lay groundwork for a better understanding of the impact of future stratospheric changes.

We fear that this long-term critical research program is in serious jeopardy and that strong involvement by the Executive Office of the President is necessary to assure that the program is undertaken and achieves its objectives.

THE MATTER OF ACADEMIC FREEDOM

Mr. FANNIN. Mr. President, the September 10 issue of Science magazine contains a distressing article beginning on page 986 of that issue. It describes a regrettable instance in which a Member of this body criticized the National Science Foundation for its issuing a grant to Dr. William Johnson to conduct a study related to the issue of divestiture of U.S. oil companies. It is quite clear in the article that the objection was not so much that the grant was issued. Rather, the objection was to the conclusions of that research in which Dr. Johnson asserted that divestiture was not feasible. I ask unanimous consent that the article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

NSF: KENNEDY POURS TROUBLE ON OILED WATERS

(By Philip M. Boffey)

A National Science Foundation grant to an energy policy analyst who is also receiving support from the oil industry has ignited a hot dispute between the office of Senator Edward M. Kennedy (D-Mass) and partisans of the Foundation.

The dispute reveals seldom seen facets of the political interplay between congressional staffers and the supposedly nonpolitical NSF. It also raises questions about the adequacy of the review procedures used by NSF and the extent to which the Foundation can, or should, look into the other sources of funds supporting its grantees.

On 24 August, Kennedy asked the General Accounting Office, an arm of Congress, to investigate NSF's handling of two grants to William A. Johnson, an economics professor at George Washington University and director of the university's Energy Policy Research Project. Kennedy's staff was particularly disturbed because Johnson, the recipient of oil industry money, has prepared papers under his NFS grant espousing energy regulatory policies that support the views of the oil industry but conflict with Kennedy's own views.

In his letter calling for the investigation, Kennedy said that he was "gravely concerned" over "the manner in which the Foundation has awarded grants for energy policy research." He also expressed "serious doubt" as to "whether the Foundation has been diligent in weighing the impact of outside funding on the findings of the policy analysts it supports."

But grantee Johnson and some NSF partisans retort that, if there is anything improper going on, it is to be found in the behavior of Senator's Kennedy's own staff. They allege that one staff member in particular—Ann Strauss, the professional staffer for Kennedy's subcommittee on NSF—has been "harassing" and "intimidating" NSF officials in an apparent effort to get Johnson's grant terminated. Such tactics, they insist, are an improper injection of politics into the NSF award-making process.

Johnson has written a letter to Kennedy pledging full cooperation with any investigation but also requesting a meeting to make the senator "aware of the activities of certain members of your staff which, in my judgment seem to have exceeded the bounds of Congressional staff authority. In at least one instance, a member of your staff has tried to intimidate an executive branch official and influence his decisions regarding the allocation of public funds." Johnson told *Science* that, while he referred to staff members in the plural, he had in mind only Strauss.

NSF ALLEGES INTIMIDATION

The NSF staffer whom Strauss allegedly sought to intimidate—James L. Plummer, program manager for the grants—has described his dealings with her in an internal NSF memorandum. He claimed that in a series of telephone calls in June, Strauss made "accusations" against him and the Foundation, "improper" requests for information about reviewers of the grant proposals, and a threat that "you'd better hope that you personally are on the record somewhere as being against all these grants." Plummer charged that this threat was "completely unethical and probably illegal. It was a clear attempt to intimidate an executive branch official and influence his decisions regarding the allocation of public funds . . . blacklisting tactics are no less objectionable when they are practiced by the left than when they are practiced by the right."

Such allegations are stoutly denied by Kennedy's office. After reviewing the matter with Strauss, Edward T. Martin, Kennedy's administrative assistant, told *Science:* "I'm satisfied that she acted properly and within the jurisdiction of her duties as a staff member." He noted that Plummer's memorandum is not a transcript of conversations but simply Plummer's version of what he sensed the conversations were about. "The conversations were in no way intended as a personal threat to him," Martin said. Similarly, Strauss said that Plummer's version contains "inaccuracies and misrepresentations" but added that it would serve no good purpose to rebut Plummer point by point. Strauss also noted that, although Plummer urged NSF to complain about her calls, NSF's general counsel concluded that no action was required.

The grants to Johnson were made by the Office of Energy Policy, a unit that served as staff support for the President's science adviser back in the days when the science adviser and the director of NSF were the same man. Johnson received an initial grant of $60,000 in 1974 followed by a continuation grant of $70,000 in 1975. (The Treasury Department paid NSF $20,000 toward the continuation grant after Johnson, at NSF's request, sought to interest other agencies in the project.) Johnson currently has an application for yet another $35,000 continuation grant pending at NSF.

These NSF funds have provided the major support for preparation of a series of papers on federal oil and gas policies that were intended to assist the science adviser and other federal officials to formulate the government's energy policies. The papers have included such titles as "The Case Against Further Regulation of the Major Oil Companies." "How Federal Regulations are Putting Independent Oilmen Out of Business," and "Why U.S. Energy Policy Has Failed." Johnson also provided several briefings to the staff of the science adviser and, at the request of NSF, he gave a 3-hour presentation in April to the staff of the Trade Commission.

Kennedy's staff became dubious about the project not long after it was launched. At one point, Strauss discovered that NSF's files on energy policy contained a paper by Johnson that strongly opposed mandatory oil allocation—a policy being pushed by Kennedy. The paper was not prepared as part of the grant (Johnson recalls that it was actually a speech) but it was on a list of publications NSF was making available to interested legislators. Strauss describes the material as "flamboyant—it did not seem to us to be scholarly work." So Kennedy staffers summoned NSF officials to Capitol Hill and, according to Strauss, "we talked about ways to be sure this would not happen again."

Johnson, meanwhile, became concerned that pressure from Kennedy's staff might lead NSF to terminate his project. So he griped to friendly staffers elsewhere on Capitol Hill and they produced a letter to NSF—dated 25 April 1975—that sought to exert some counterpressure. The letter, signed by five senators, praised Johnson's papers as "extremely useful," called his analyses "as thorough as any we have seen," and noted that Johnson "has been willing, often on short notice, to appear before different Congressional committees and to meet with us individually to discuss energy policy. We plan to draw upon his work in the future and we appreciate NSF's providing him with the necessary financial support." The letter was signed by Senators Bill Brock (R-Tenn.), Clifford P. Hansen (R-Wyo.), Paul J. Fannin (R-Ariz.), Paul Laxalt (R-Nev.), and John V. Tunney (D-Calif.). The signature of Laxalt, in particular, served to counter the Kennedy thrust. The NSF pays particular attention to complaints from Kennedy since he is chairman of the Senate subcommittee that has legislative jurisdiction over the Foundation. But Laxalt is the ranking Republican on that subcommitee, also in a position to do NSF good or ill.

Johnson told *Science* he did not write the letter for the five senators or even ask that it be written. He said he finds it somewhat embarrassing because "I don't believe there should be any political influence one way or the other." He also claims that "Anne Strauss's objections came very close to resulting in our grant not being continued."

Strauss recalls that two events triggered her latest round of inquiries to NSF. One was a newspaper advertisement by Mobil Oil Corp. that quoted extensively from a recent paper by Johnson and three associates entitled "Competition in the Oil Industry." The ad trumpeted the study's findings that the oil industry is one of the least concentrated in the nation, that the oil companies have not engaged in anticompetitive behavior, and that no special legislation [such as Kennedy backs] is needed to break them up. The ad made no mention of NSF. Johnson says he was not paid for the use of his material.

The other was an inquiry about Johnson's project from an organization known as the Energy Action Committee, which is directed by a former Kennedy staffer and is opposed to Johnson on many issues. Johnson reports that he got called from the same group asking about his sources of private funding, but he refused to divulge the information. At about the same time, Kennedy's staff—and the staff of another senator as well—began questioning NSF about the project. NSF's Plummer charges that Kennedy's office in effect was "being used by a private lobbying organization to obtain information from NSF that might not otherwise have been provided by Professor Johnson." But Strauss says she has no knowledge of any calls Energy Action may have made to Johnson. She says she has "enormous respect" for the group and thought the organization's concerns were worth investigating.

After the controversial telephone calls, Kennedy's office sent NSF a long list of questions designed to uncover the circumstances surrounding the grant to Johnson and what other source of funding he might have. The Foundation, meanwhile, obtained a letter from Johnson describing his sources of support. That letter indicates that, in addition to the $130,000 in NSF funds, Johnson's research unit has received $85,000 from some 50 companies associated with the Independent Oil Marketers' Conference and another $40,000 from another group of marketers known as the Southern Caucus of the National Oil Jobbers Council. The companies involved, according to Johnson, are independent and not controlled by the major oil companies. Their contributions, Johnson told *Science*, have largely paid for the salaries of research assistants who have contributed to many of the papers prepared for NSF and performed other tasks. Johnson has also received some $25,000 in consulting and speaking fees over the past 2 years from a variety of organizations, including major oil companies.

In his letter calling for an investigation, Kennedy was highly critical of NSF's failure to detect that Johnson was receiving industry funding for papers that were intended to influence the science adviser. He noted that Johnson had stated clearly in his grant applications that NSF would not be his only source of support. Yet the Foundation, he said, "made no effort to determine the source of that outside funding—some $125,000—and did not learn until one month ago, following inquiries from the Subcommittee, that this support came from elements of the oil industry which hold clear and well-defined positions on divestiture and other subjects of Dr. Johnson's inquiries." Johnson contends that he informed NSF officials verbally about the nature of his industry funding and they raised no objections. But NSF, in replying to Kennedy's list of questions, says it did not get that information until recently.

Whether it matters that Johnson received industry funding is not clear. Kennedy's statements suggest that the funding had an "impact" on Johnson's findings. But Strauss says she does not necessarily feel that NSF should have refused to make the grant—merely that NSF should have inquired about Johnson's outside funding, been more aware of his biases before making the grant decision, and perhaps found a way to indicate, on the publications generated, the nature of his non-NSF funding.

The Foundation has not indicated what it would haved one if it had known in advance that Johnson was receiving money from oil interests. Johnson says he had no qualms about accepting support from the two marketing groups because he and they share a "deep concern" about U.S. regulatory policy and efforts to break up the oil industry. But he indicates that he is not bound to parrot an industry line and has, in fact, reached some conclusions which disturb some of his industry backers. He also claims that neither he nor the marketing groups had firm positions in advance of his project on whether the big oil companies should be forced to divest.

Paul Craig, a California energy official who was deputy head of the Office of Energy Policy at the time the initial grant was awarded, says the relevant issue is whether the funding affected Johnson's point of view—a question he is not in a position to judge. But Craig notes that Johnson's opposition to regulation was well known at the time the grant was awarded. The purpose of the award, Craig says, was to make sure this viewpoint was well articulated alongside opposite viewpoints that were also being fed into the science advisory apparatus from a variety of sources. At one point a debate between Johnson and another NSF grantee who takes "polar opposite" positions on many issues was staged for the benefit of the science adviser's staff, according to Craig. Kennedy staffer Strauss was in attendance.

Kennedy has also criticized the adequacy of the review given Johnson's grant proposals. According to Strauss, Johnson's original proposal was reviewed by two NSF officials (one of whom had previously worked for Johnson at the Federal Energy Office) and one outsider, a professor at Pennsylvania State University. His second proposal was reviewed by five NSF officials (including one former colleague of Johnson's) and an official of the Treasury Department who had worked with Johnson there. Even NSF officials agree that the review process might be considered incestuous. But they note that the policy papers prepared for the science adviser were not subjected to the usual review mechanisms applied to research grants; the review mechanism for policy papers at NSF has since been tightened. They also suggest that Johnson is a competent individual who would probably pass a stiffer review process. The 40-year-old research professor graduated *summa cum laude* from Syracuse University, earned a doctorate in economics from Harvard, and served successively as a senior economist for the RAND Corporation, a senior economist for the Council of Economic Advisers, an energy adviser to Treasury Secretary William E. Simon, and assistant administrator of the Federal Energy Office, before becoming a research professor at George Washington.

As this issue went to press, Kennedy's staffers were scheduled to meet with investigators from the General Accounting Office to discuss what the GAO might be able to do to determine what, if anything, NSF has done wrong and what, if anything, should be done about it.

Mr. FANNIN. Mr. President, on September 15th another Member of this body also attacked the National Science Foundation for funding the grant in remarks appearing on page 30374 of the CONGRESSIONAL RECORD. Dr. Johnson was personally attacked as "an individual whose research is designed to prove the validity of his strong philosophical beliefs; beliefs that are almost entirely supportive of the oil industries".

What was not mentioned in either the Science magazine article or in the remarks appearing on page 30374 of the Senate floor was that the National Science Foundation also funded a study concerning the issue of divestiture to Cornell University. Some of the participants in that study are very much in favor of a policy supporting divestiture of the U.S. oil industries. That study was initiated in large part due to the efforts of a member of the Senate Interior Committee. It was funded in large part through the National Science Foundation's RANN program through grant GI-41470 and by funds contributed by the Library of Congress. That research effort resulted in a 449 page report entitled "The Structure of The U.S. Petroleum Industry: A Summary of Survey Date." (Published pursuant to Senate Resolution 45, serial No. 94-37 (92-127).)

Those of us serving on the Senate Interior Committee who feel that either horizontal or vertical divestiture of U.S. petroleum companies would be contrary to the national interest did not attack the National Science Foundation, nor attempt to cast personal dispersions upon individual members of the Cornell study group which prepared the aforementioned report.

We certainly could have, but we did not because we believe that under the first amendment to the U.S. Constitution everyone is entitled to express his or her views on any subject he or she wishes. Under the National Science Foundation's RANN program, the intent has always been to seek opinion from qualified members of the academic community on matters of national importance.

For the National Science Foundation to continue its program of seeking informed opinion concerning pressing national issues by supporting research devoted to that end, there should be no attempts made to intimidate either the National Science Foundation or the scholars who in good faith through their research express their honest opinions.

It is my hope that in the future attempts will not be made to intimidate the National Science Foundation or any of the scholars who participate in research programs pursuant to National Science Foundation grants. It is our task on Capitol Hill to weigh all relevant opinion and to make judgments about what legislation best serves the national interest. It is not our role to coerce the National Science Foundation, or scholars working under National Science Foundation grants, to take positions contrary to their own beliefs, but compatable with ours.

The first amendment to the U.S. Constitution was included because at that time in England free speech was being repressed. Largely due to the first amendment academic freedom in America has flourished. As a result of that academic freedom, scholarship has flourished. And, as a result of such scholarship, all three branches of the American Government have benefited.

For America to remain free, academic freedom must be protected.

BICENTENNIAL LITTLE MOUNTAIN REUNION

Mr. THURMOND. Mr. President, during this Bicentennial Year, I have attended many events, parades and festive occasions. One of the largest and most impressive was held August 7, in Little Mountain, S.C.

This occasion was not only in celebration of our Nation's 200th birthday but it was also the renewal of the traditional Little Mountain Reunion. This reunion began in 1882 and was held annually until World War II. Since the event appealed to the entire community, it drew many participants from the surrounding areas and generated great interest within the State.

As with any reunion of this type, food, speeches, and activities abound. The bicentennial Little Mountain event was no exception. This year there was a 70 unit parade, air show, an afternoon of activities which included crafts and antique exhibits, games and a Revolutionary War era firearms demonstration.

Mr. President, I would like to commend Mayor Arthur Jayroe and Rev. James C. Taylor, cochairmen of the reunion steering committee, for the fine program that they and all the hard working people of Little Mountain produced. I believe my colleagues would greatly benefit from a description of this Bicentennial event. Therefore, I ask unanimous consent that a program and several representative newspaper accounts of this occasion be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Reunion Renewal Planned By Little Mountain Folk

A Bicentennial festival and renewal of the Little Mountain Reunion are among activities being planned by citizens of Little Mountain.

Rev. James C. Taylor, pastor of Mt. Tabor Lutheran Church, and Mayor A. L. Jayroe have been named to head the planning for the festivities scheduled for Saturday, August 7, 1976.

Persons having any factual information, newspaper articles, pictures, souvenirs, etc., concerning past reunions are urged to contact Mrs. Jayroe at 945–7434 or Mrs. Julie McLeod at 945–7461. This information is needed to complete a history of the reunion and related activities which ended in 1938, according to Mayor Jayroe.

Little Mountain Renews Reunion

[From the Columbia (S.C.) State, Aug. 3, 1976]

Little Mountain.—Citizens of the Town of Little Mountain, a small Newberry County community some 30 miles northwest of Columbia, will celebrate the American Revolution Bicentennial by renewing the Little Mountain Reunion Saturday, Aug. 7.

Held annually from 1882 until World War II, the reunion initially had close ties with Newberry College and the Lutheran Churches in the Dutch Fork area. An event which appealed to the entire community, it drew many participants from Richland, Lexington and Newberry counties, and other areas of the state.

According to an Aug. 6, 1907, article in the Newberry Observer, special CN&L Railway trains carried over 2,000 passengers to the "famous gathering place" to hear the governor of South Carolina, the Hon. M. F. Ansel; Newberry College President, J. A. B. Scherer, and other dignitaries speak.

With any reunion, food abounds, and the 1908 reunion was no exception. "Bill of fare for a sumptuous dinner" included 40 hogs, five sheep, 500 chickens and 2,000 loaves of bread. At least half of those people attending were accustomed to bringing their own lunch, according to another Observer article.

A 70 unit parade will start the festivities at 10:30 a.m. with a flyover by Shaw Air Force Base jets.

Sen. Strom Thurmond, Lt. Gov. Brantley Harvey Jr., Newberry College president Glenn Whitesides, Rep. Butler Derrick, Att. Gen. Daniel McLeod, former Rep. Bryan Dorn, state Sen. Robert C. Lake and other dignitaries will participate. Also riding in an "Antique Okramobile" will be Gene McKay, WIS Radio personality and Joe Hanberry, Emperor of Little Mountain, a title given to Hanberry by McKay.

Wendy Sandel, the current Miss South Carolina Grape Queen and second runner-up to Miss South Carolina, Debbie Hentz, Miss Pan American Queen and Deborah Amick. Miss Sandlapper will attend the celebration.

Afternoon activities will include crafts and antique exhibits, antique cars, a country store, games, hikes, a revolutionary firearms demonstration and helicopter rides.

The day's festivities will conclude with a free country music show at 7:30 p.m. featuring The Hired Hands.

[From the Newberry (S.C.) Observer, Aug. 10, 1976]

Thousands at Little Mountain's Reunion

Thousands who attended the Bicentennial renewal of the traditional Little Mountain Reunion proved Saturday that a Little Town can host a gigantic celebration complete with flags and lots of red, white and blue bunting.

At least 5,000 watched a morning parade 55 minutes and 71 units long. Highway 76 was closed to traffic during the parade, launched by the dramatic low-level fly-over of three jets from Shaw Air Force Base at Sumter.

Estimates were that 8,000 or more visited Little Mountain during the day. A huge crowd was still in attendance Saturday night as Snuffy Jenkins and the Hired Hands performed at Little Mountain School.

There were dignitaries aplenty. After the morning parade, celebrants surrounded the bunting-draped speaker's stand in front of the school. Magistrate Walton McLeod III presided, the costumed Mayor Arthur L. Jayroe welcomed the visitors, and the crowd heard comments from former Congressman William J. B. Dorn; Lt. Gov. Brantley Harvey Jr.; Congressman Butler Derrick; State Sen. Robert Lake; Rep. Gene Blease of Saluda; U.S. Sen. Strom Thurmond; Mrs. Daniel R. McLeod, wife of South Carolina's attorney general; Columbia radio personality Gene McKay; and President Glenn Whitesides of Newberry College.

Whitesides' appearance was traditional, although the Reunion had not been held since the late 1930's. In the old days, the Reunion was basically a Lutheran gathering and was always addressed by the president of the Lutheran-supported school.

Parking space in town was at a premium during the morning but there were few complications. Only one incident marred the parade. Newberry College student Sondley Matthews, a Little Mountain resident, suffered a fractured arm early in the procession when the chain on his unicycle locked, hurling him to the pavement.

Shortly after noon, while the Bicentennial dedication ceremony was going on, a woman was injured in a fall at the school. The Wheeland Rescue Squad took her to Newberry County Memorial Hospital for examination.

Sen. Thurmond, who brought his wife and their youngest child to the celebration, called the observance one of the largest Bicentennial celebrations he has attended. He praised the United States which he said has lasted longer than any Republic in history, and said our present standard of living "beats all the rest of the world put together."

He urged his listeners to "rededicate yourselves to freedom and liberty and opportunity and independence."

Former Congressman Dorn was introduced by Walton McLeod as "the silver-tongued orator of the Palmetto State—the Piedmont populist."

Dorn scored critics of the U.S. and said the country is "on the dawn of the greatest era in all of its history," easily leading the world in both agricultural and industrial productivity.

Congressman Derrick called the nation "a beacon light to the oppressed throughout the world." Of his congressional district, he declared, "The fact that it has so many small towns makes it such an outstanding part of the country."

Radio's Gene McKay had a position of honor in the parade. He rode in a mule-drawn green "Okramobile" with Joe Hanberry, identified as "the emperor of Little Mountain." Later, McKay was given a basket containing pickled okra, okra in other forms, and various potables and comestibles. McKay got a key to the city and was made an honorary Little Mountain citizen.

Rev. Charles B. Dawkins of Holy Trinity Lutheran Church gave the invocation at the morning program. The benediction was by Rev. K. L. Moore of Providence AME Church.

The Piedmont Muzzle Loaders, in pioneer costumes, attended the flag raising while the 282nd Army Band from Fort Jackson played military music. Rev. James Taylor of Mt. Tabor Lutheran Church, wearing a colonial costume, was in charge of the dedication of Little Mountain as an official Bicentennial community.

More than 1,500 were served a barbecue dinner at the school. Hundreds more lunched on hot dogs and hamburgers and returned later for a Ruritan-sponsored hamburger supper at the school before the evening's free country music show.

Afternoon visitors viewed hobby, handicraft and antique exhibits and shopped in a "country store" at the school. Others had helicopter rides and took part in field day events on the school grounds. Hundreds of youngsters rode on scooters and other novelty vehicles manned by Shriners from Hejaz and Jamil temples. The Shrine units also were highlights of the morning parade.

First prize for parade floats was won by Mt. Tabor Lutheran Church for its "Four Freedoms" display. Judges picked a log cabin float by St. Peter's (Pineywoods) Lutheran Church as the most original, and special honorable mention went to the Newberry County Shrine Club.

Mayor Jayroe and Rev. Taylor were co-chairmen of Little Mountain's Bicentennial committee, in which the Ruritan Club had a major hand as the Reunion's sponsor.

The mayor said he was gratified by the enormous public response to the Reunion. "I just want to thank everybody in town for their wonderful cooperation, with special thanks to everyone who worked so hard to make this successful," he said. "There were so many who helped, I just couldn't name them all or I might unintentionally omit someone.

"But I would like to tell people that the Bicentennial seal on our program cover was designed by Dianna Page of Little Mountain. It's a beautiful seal, and somehow her name didn't get on the program."

Miss Page is a rising sophomore at Newberry College.

President Ford's Message to Mayor

The President of the United States last weekend acknowledged the Little Mountain Reunion and Bicentennial celebration with this telegram to Mayor Arthur L. Jayroe:

"As we lay the cornerstone of America's third century, I commend you, the officials and the citizens of the Town of Little Mountain on your special Bicentennial Little Mountain Reunion program, which brings back an historic event to the area.

"For two centuries our nation has grown, changed and flourished. A diverse people, drawn from all corners of the Earth, we have joined together to fulfill the promise of democracy. Efforts such as yours are helping to make our great national celebration a meaningful one for all.—(signed) Gerald R. Ford."

Little Mountain Reunion—A Bicentennial Festival

ABOUT THE REUNION

The Little Mountain Reunion began around 1882 and continued to be held annually on the first Friday of each August, until the late 1930's. Although the Reunion had very close ties with the Lutheran Church and Newberry College, it was an event which was always eagerly anticipated each year by the entire Dutch Fork Community, an area settled by hardy pioneers from Germany. The pioneer settlers, of course, knew and referred to their homeland as Deutschland, the German language name for Germany.

Old-timers in the Dutch Fork love talking about past Reunions when "excursion" trains came to Little Mountain loaded with folks from such places as Irmo, Ballentine, White Rock, Hilton, Chapin, Clinton, Goldville, Kinards, Newberry, Prosperity, and Slighs. Political speakings, an oration by the President of Newberry College, a big barbecue or picnic dinner, drinking water from the spring, and just visiting with friends and relatives were all a part of the day's fun. But the high point of the day for many of the young people was a hike up "The Mountain."

The Town of Little Mountain hopes that this year's renewal of the Little Mountain Reunion during our nation's 200th birthday will re-create for many participants some of the simple pleasures and community spirit of our Deutsch Fork forebears.

TOWN OF LITTLE MOUNTAIN

Arthur L. Jayroe, Mayor. Garrett Bedenbaugh, Mayor Pro Tempore. Murray Counts, Councilman. W. Douglas Guice, Councilman. Osborne L. (Buddy) Johnson, Jr., Councilman.

LITTLE MOUNTAIN RURITAN CLUB

Joe E. Lake, President, Ellis Dowd, Vice-President, Jerry D. Shealy, Secretary, James B. Torrence, Sr., Treasurer, W. Hunter Caldwell, Director, Voight Counts, Director, Claude S. (Jake) Cumalander, Director, G. Edwin Smith, Jr., Director.

BICENTENNIAL STEERING COMMITTEE

Mayor Jayroe, Co-Chairman, Reverend James C. Taylor, Co-Chairman, James R. Hall, Margaret Sease Jayroe, Councilman Johnson, Julie Hamiter McLeod.

Sponsored by the Little Mountain Ruritan Club, in coordination with the Town of Little Mountain, both of which wish to express their appreciation to all those individuals who participated in making this Reunion possible.

SCHEDULE OF EVENTS

Saturday, August 7, 1976:

9:00 a.m. Welcome Center Opens (Magistrate's Office, located at US 76 and Pomaria Avenue).

10:00 a.m. Parade Assembly (US 76 east of Little Mountain, and beside C, N, & L RR)—"Chicago, Newyork and Littlemountain Railroad".

10:30 a.m. Parade—Flyover of jet aircraft from Shaw AFB; "Spirit of '76" fife and drum unit; 282nd U.S. Army Band, Fort Jackson, S.C.; leading dignitaries, beauties, bands, antique cars, and an "Okramobile" with Gene McKay and the Emperor of Little Mountain, Joe Hanberry.

11:00 a.m. Welcome by Mayor Jayroe; Invocation; Flag Raising and Dedication; National Anthem; Introductions and Short Speeches; Honorary Citizenship Presentation.

11:45 a.m. Barbecue Dinner (catered by Oak Grove BBQ of Lexington County).

1–4:00 p.m. Exhibits, Demonstrations, Pony Rides, Country Store, Crafts, Antiques, Activities, Games and Hikes.

1:30 p.m. Helicopter Rides (around The Mountain and the surrounding area of Lake Murray and Chapin).

4:00 p.m. Open Air Band Concert (members of the 246th Army Band, S.C. National Guard).

5:15 p.m. Our Country 'Tis of Thee (a musical by 6th and 7th Graders of Little Mountain School).

6:00 p.m. Hamburger Supper (at Little Mountain School sponsored by the Little Mountain Ruritan Club).

7:30 p.m. Country Music Show—featuring the "Hired Hands" (at Little Mountain School—no admission charge).

BICENTENNIAL DEDICATION CEREMONY

Magistrate Walton McLeod, III, Presiding.

Welcome: Mayor Arthur L. Jayroe.

Invocation: Rev. Charles B. Dawkins, Holy Trinity Lutheran Church.

Flag Raising: Piedmont Muzzle Loaders.

National Anthem: 282nd U.S. Army Band, Fort Jackson, S.C.

Dedication: Little Mountain as Bicentennial Community, Rev. James C. Taylor, Mt. Tabor Lutheran Church.

Presentation: Honorary Citizenship of the Town of Little Mountain to Gene McKay.

Greetings: From Newberry College, Dr. Glenn Whitesides, President.

Remarks: Hon. Wm. J. Bryan Dorn, Att. Gen. Daniel R. McLeod, State Sen. Robert C. Lake, Jr., Lt. Gov. Brantley Harvey, Jr., Hon. Butler C. Derrick, Jr.

Speech: U.S. Senator Strom Thurmond.

Benediction and blessing: Rev. K. L. Moore, Providence A.M.E. Church.

AFTERNOON ACTIVITIES

Revolutionary arms demonstration by Piedmont Muzzle Loaders.

Hikes with Boy Scout guides or at your leisure via the original pathway to Reunion Springs and up the mountain. A concession stand sponsored by the Boy Scouts will be on the Center Peak. Rev. Charles Dawkins, Jake Cumalander and the Boy Scouts are to be commended for clearing the trail.

Country store will sell handmade crafts, baked goods, canned goods, house plants, and white elephant items. Raffle tickets will be sold for the Bicentennial Cake baked by Carolyn Torrence. Appreciation is extended to Mrs. Kitty Caldwell, her committee and the donors who helped make this a success.

Crafts and antiques displayed through the courtesy of Little Mountain area folk. Thanks go to The Order of Eastern Star, Dot Metts, Carolyn Shealy, Sam Derrick, the committees and people who loaned these items.

Old and antique bottle exhibition and sale by Wendell Frick of Chapin and Milton Dennis of Prosperity.

Old telephone exhibit and electronic switching systems exhibit with features similar to the new Southern Bell Chapin-Little Mountain Central Office to be completed in January 1977.

Games and activities consist of pony rides, three-legged race, sack race, horse shoes, basketball shooting contest, greased pole climb, log cutting contest, tug-of-war, jump rope, bicycle obstacle course, darts and balloon game. Thanks go to the Voight Counts', Ellis Dowd's and their assistants.

Helicopter rides around the mountain and surrounding area of Lake Murray and Chapin. Appreciation is extended to Executive Helicopter, Inc. of Atlanta, Ga. for leasing the aircraft and to the pilot, Brian McPhail of Little Mountain.

THE FOREIGN INTELLIGENCE SURVEILLANCE ACT—S. 3197

Mr. NELSON. Mr. President, I regret that the press of Senate business in these closing weeks of the session has prevented floor consideration of S. 3197, the Foreign Intelligence Surveillance Act. Full debate and a vote on this important and controversial measure would have been a public service.

S. 3197 would have established a judicial warrant procedure governing the use of electronic surveillance within the United States for foreign intelligence purposes. At the present time, while the Government is required by statute to obtain a judicial warrant before conducting electronic surveillance in criminal cases, there is no statutory requirement that a warrant be obtained where national security or foreign intelligence are concerned. Because of this gap and inconclusive court decisions, past Presidents have asserted the right to authorize warrantless electronic surveillance for national security purposes whenever they deemed it necessary. The result of this exercise of unchecked Presidential power is painfully clear: warrantless electronic surveillance, justified in the name of national security, has violated the constitutional rights of many Americans whose only crime was involvement in lawful political activity.

Equally important, it has chilled the exercise of constitutional rights by many others who have perceived themselves as potential targets of electronic surveillance.

The need for legislation regulating national security electronic surveillance is acute. For this reason, S. 3197 developed in a rare atmosphere of bipartisan cooperation between the Congress and the administration in an election year. At the time of its introduction in March, the bill was universally hailed as a major step forward. Since that time, S. 3197 has been improved steadily and substantially. It has been studied carefully and reported by both the Judiciary and Intelligence Committees. Twenty-five out of the 27 Senators considering the measure voted to report it. Yet, at the same time, S. 3197 has been subjected to a rising wave of criticism by the press and citizen groups.

The future of S. 3197 or similar measures depends on understanding the reasons for this opposition. Public confidence has been shaken by the revelations of Watergate and the Church committee. Many Americans believe, rightly or wrongly, that the Government will spy on them because it dislikes their political views or lifestyles; that the awesome surveillance devices created by technology render personal privacy extinct; that the power of the Government to spy is beyond control.

Against this background, it is not enough to pass legislation which impresses legal scholars as being an improvement on the current situation. The legislation must not only be good; it must be perceived as good. We can legislate in this sensitive area and restore public confidence only by stating some fundamental principles and adhering to them—without exception.

I first introduced legislation to curb warrantless national security electronic surveillance in December 1973. An amended, improved version of that bill was introduced in February 1974. In February 1975, Senator KENNEDY and I combined our efforts to introduce S. 743. Before the Church Committee was established by Congress, I met with then Attorney General Saxbe in an effort to persuade the administration to agree to legislation subjecting national security taps and bugs to a judicial warrant procedure. Subsequently, Senators MATHIAS, KENNEDY and I met with Attorney General Levi on the same issue.

Throughout these efforts, my premise has been that national security electronic surveillance, like any other electronic surveillance, should be subject to the fourth amendment prohibition against unreasonable search and seizure. From that premise, three points follow:

First, the final decision on whether "national security" electronic surveillance should take place must be made by a judge or some other neutral, detached magistrate, rather than by a member of the executive branch which is proposing the surveillance.

Second, no American should be the target of electronic surveillance unless and until a judicial finding was made that there was probable cause to believe that the person was engaged in criminal conduct. This principle reasserts the traditional standard of the fourth amendment.

Third, the President has no inherent constitutional authority to disregard the requirements of the fourth amendment and authorize electronic surveillance of American citizens without a warrant.

I testified before the Judiciary Committee at hearings held a week after S. 3197 was introduced. At that time, I praised the administration for its willingness to submit its proposed national security electronic surveillance to a judicial warrant procedure. However, I criticized the bill because it departed from the criminal probable cause standard and because it recognized that in some circumstances, the President has an inherent constitutional authority to authorize warrantless electronic surveillance.

These two issues were the major concerns preoccupying the witnesses at the Judiciary Committee hearings in March. Shortly thereafter, the Church committee issued its report and recommended that no American could be targeted for electronic surveillance without a finding of criminal probable cause and concluded that there was no inherent Presidential authority to conduct warrantless electronic surveillance. Despite this report and the opposition generated by these two issues, the Intelligence Committee chose to narrow substantially the loopholes rather than to close them completely. S. 3197 still contains a limited authorization for an American to be the target of electronic surveillance without a showing of probable criminal conduct. It also fails to fully repudiate the dangerous doctrine of inherent Presidential power. These defects in S. 3197 prompted me to support amendments on these issues and to oppose the legislation unless the amendments were adopted.

I. THE "CRIMINAL STANDARD"

If S. 3197 had come to the floor, I planned to offer an amendment to insure that no American citizen in the United States could be the target of electronic surveillance without a prior judicial finding of probable cause to believe that he or she was involved in criminal conduct.

Under S. 3197, an American citizen could be the target of electronic surveillance for foreign intelligence information if one of the judges with jurisdiction under this act concluded that there was probable cause to believe that the citizen was the "agent of a foreign power" as defined in the bill. In most circumstances, a person would fit the definition of "agent of a foreign power" only if he was involved in criminal activity. However, S. 3197 contains a limited authorization for the court to conclude that a person is the "agent of a foreign power" and therefore, a proper target for electronic surveillance, although the person is not involved in activity violating the criminal laws.

I am opposed to any departure from the criminal standard of probable cause. Traditionally, the fourth amendment's probable cause requirement has meant probable cause of criminal conduct or involvement. In accordance with English common law, the framers of the Constitution envisioned that warrants would be issued only to search for contraband or instruments used to commit a crime. For nearly 200 years, the Government could not obtain a warrant to search for and seize "mere evidence" of a crime. *Gouled* v. *United States*, 255 U.S. 298 (1920).

In the 1967 case of *Warden* v. *Hayden*, 387 U.S. 294 (1967), the Supreme Court abandoned the prohibition against searching for "mere evidence." However, the Court went on to make it clear that it did not intend to abandon the criminal standard of probable cause:

> There must be of course a nexus—automatically provided in the case of fruits, instrumentalities or contraband—between the item to be seized and criminal behavior. Thus in the case of mere evidence, probable cause must be examined in terms of cause to believe that the evidence sought will aid in a particular apprehension or conviction. 387 U.S. at 307

Electronic surveillance is subject to the fourth amendment warrant and probable cause requirements. There is no reason to think that the traditional safeguards of fourth amendment rights—a judicial finding of probable involvement in criminal activity—should not be required before a warrant can be issued in this area. Indeed, given the intrusive nature of the electronic surveillance, the most stringent safeguards should be required. As the Supreme Court said in *Berger* v. *New York*, 388 U.S. 41 (1967), holding New York's permissive eavesdropping statute unconstitutional:

> The need for particularity and evidence of reliability in the showing required when judicial authorization of a search is sought is especially great in the case of eavesdropping. By its very nature eavesdropping involves an intrusion of privacy that is broad in scope. 388 U.S. at 56

Moreover, after enumerating the shortcomings of the New York statute, the Court concluded:

> The purpose of the probable cause requirement of the Fourth Amendment, to keep the state out of constitutionally protected areas until it has reason to believe that a specific crime has been or is being committed, is hereby wholly aborted. 388 U.S. at 59

The need to adhere to the traditional criminal standard is particularly great in respect to legislation such as S. 3197. The provisions of S. 3197 reflect the fact that electronic surveillance to gather foreign intelligence information important to national security must last longer and overhear more than electronic surveillance in an ordinary criminal case, and the target will ordinarily never be notified about the surveillance. Under the circumstances, we should assure the American people that the targets of this information gathering are persons found by a detached magistrate to be probably engaged in criminal activity.

Attorney General Levi and other proponents of the bill have argued that the departure from the criminal standard in the context of this legislation is constitutionally permissible. The argument is based on language in *United*

States v. *United States District Court*, better known as the *Keith* case, 407 U.S. 297 (1972). In *Keith*, the Supreme Court concluded that the fourth amendment required a judicial warrant before electronic surveillance could be conducted against domestic radicals with no ties to foreign powers. In discussing the nature of the warrant required, the Court wrote:

> Given these potential distinctions between Title III criminal surveillances and those involving the domestic security, Congress may wish to consider protective standards for the latter which differ from those already prescribed for specified crimes in Title III. Different standards may be compatible with the Fourth Amendment if they are reasonable both in relation to the legitimate need of Government for intelligence information and the protected rights of our citizens. For the warrant application may vary according to the governmental interest to be enforced and the nature of citizen rights deserving protection. 407 U.S. at 322–323.

There is a line of cases, cited in Keith, exemplified by *Camara* v. *Municipal Court*, 387 U.S. 523 (1967), and *Almeida-Sanchez* v. *United States*, 413 U.S. 266 (1973), standing for the view that the probable cause standard for issuing a warrant is flexible and may vary depending on the type of search involved and the Government interests served. But *Camara* dealt with the Government's right to inspect for housing code violations without having probable cause to believe that any one unit was not in compliance if there was probable cause to believe violations would be found in an areawide inspection. The invasion of privacy caused by an inspection for housing code violation is limited, and the degree of intrusiveness is an important factor in determining the degree of justification which is required for a search. *Terry* v. *Ohio*, 392 U.S. 1 (1968). *Almeida-Sanchez* and related cases involved border checkpoint searches to which every vehicle passing through was subjected. Because of the routine and general recognition among drivers that such searches occur, there are strong elements of an implied consent for the search, like the antiskyjack searches which take place at airports. Moreover, in both lines of cases, the purpose of the investigation was law enforcement; the targets of the investigations were being investigated for violations of particular criminal statutes. There was no chance of the sweeping invasion of privacy which accompanies prolonged electronic surveillance of a person's telephone or home. For these reasons, cases like *Camara* or *Almeida-Sanchez* do not justify departing from a criminal standard for electronic surveillance.

If S. 3197 became law in present form, the Supreme Court would no doubt condone the departure from the criminal standard and uphold its constitutionality. But this fact alone proves little; the majority of the present court has been shockingly hostile to the fourth amendment, stripping away its protections in virtually every case where the opportunity has presented itself. See, for example, *Texas* v. *White*, 423 U.S. 67 (1976); *United States* v. *Watson*. ——— U.S. ——— (1976); *United States* v. *Santana*, ——— U.S. ——— (1976); *United States* v. *Miller*, ——— U.S. ——— (1976); *United States* v. *Janis*, ——— U.S. ——— (1976); *South Dakota* v. *Opperman*, ——— *U.S.* ——— (1976); *Andersen* v. *Maryland*, ——— U.S. ——— (1976); *Stone* v. *Powell*, ——— U.S. ——— (1976). In any event, it has never been the Congress role to pass legislation simply because the court would uphold it. The question of what standard should be required for electronic surveillance is a matter of legislative policy. A departure from the criminal standard would be a departure from the history, tradition, and safeguards of the fourth amendment.

In future consideration of this issue, the Senate should also give great weight to the conclusions and recommendations of the Church committee. The committee conducted a searching, 15-month study of the practices and abuses of our intelligence community. At the end of the study, the Committee wrote:

> The Committee . . . would require that no American be target for electronic surveillance except upon a judicial finding of probable criminal activity . . . Targeting an American for electronic surveillance in the absence of probable cause to believe he might commit a crime is unwise and unnecessary.
>
> S. Rept. 94–755, Book II, at 325 (Church Committee Report).

In reaching this conclusion, the committee had unprecedented access to the files of national security taps and bugs: Relevant evidence, if any existed, of the need to depart from a criminal standard. After weighing the evidence carefully, the committee concluded that only adherence to the criminal probable cause standard could safeguard first and fourth amendment rights and any competing national security interest would simply not justify departing from the criminal standard.

Too often in the past, the incantation "national security" has blinded vision. The Church committee has provided us with far greater knowledge than we usually have when considering legislation touching on national security—and it reached un unequivocal conclusion on the criminal standard issue. It would be a mistake to repudiate its recommendation which is soundly based in law and sad experiences.

We should also consider the impact of this issue on other efforts to regulate the intelligence community, such as the sensitive task of drafting charters for the intelligence agencies. A cornerstone of the Church committee recommendations was that the surveillance activities of our intelligence agencies be tied as closely as possible to investigations of criminal violations. Departing from this principle when this most intrusive of surveillance techniques is involved would set a dangerous precedent for other legislation.

Proponents of S. 3197 have sought to justify the departure from the criminal probable cause standard by saying it is narrow. But any departure from a fundamental constitutional principle is a serious, irreversible step. And the narrower the departure, the less substantial the demands of national security which supposedly justify it.

In S. 3197, the subsection departing from a criminal probable cause standard defines an "agent of a foreign power" as a person who, acting pursuant to the direction of an intelligence service or intelligence network which engages in intelligence activities in the United States on behalf of a foreign power, knowingly transmits information or material to such service or network in a manner intended to conceal the nature of such information or the fact of such transmission under circumstances which would lead a reasonable man to believe that the information or material will be used to harm the security of the United States, or that lack of knowledge by the Government of the United States of such transmission will harm the security of the United States.

In explaining this subsection, the Intelligence Committee notes:

> This subparagraph reflects the only situation in which a permanent resident alien or citizen of the United States may be surveilled even though the Government cannot establish that he is involved in specific criminal activity.
>
> This subparagraph is necessary in order to permit the Government to adequately investigate cases such as those where federal agents have witnessed a series of "meets" or "drops" between a hostile foreign intelligence officer and a citizen who might have access to highly classified or other similarly sensitive information; information is being passed, but the federal agents have been unable to determine precisely what information is being transmitted.

The committee went on to note that—

> Such a lack of knowledge would of course disable the government from establishing precisely what crime was being committed. Intelligence Committee Report on S. 3197, S. Rep. 94–1161 at 22.

The committee's certainty on this point is hard to fathom. It is true of course that the Government cannot convict a person of espionage without proof beyond a reasonable doubt, and could not meet that burden of proof without proving what materials or information had been passed. But getting a warrant is not the same as getting a conviction. It is established that only the probability, and not a prima facie showing, of criminal activity is the standard of probable cause, *Beck* v. *Ohio*, 379 U.S. 85, 96 (1964); that affidavits of probable cause are tested by much less rigorous standards than those governing the admissibility of evidence at trial, *McCray* v. *Illinois*, 386 U.S. 300, 311 (1967); and that in judging probable cause issuing magistrates are not to be confined by niggardly limitations or by restrictions on the use of their commonsense. *United States* v. *Ventresca*, 380 U.S. 102, 103 (1965).

Additionally, "probable cause * * * exists where the facts and circumstances within the affiant's knowledge, and of which he has reasonably trustworthy information, are sufficient unto themselves to warrant a man of reasonable caution to believe that an offense has been or is being committed." *Berger* v. *New York*, 388 U.S. 41, 55 (1967). The resemblance between the probable cause standard and the reasonable man standard adopted in subsection (E) is evident.

In discussing subsection (E), the Intelligence Committee noted that:

> The judge is expected to take all the known

> circumstances into account, e.g., who the American is, where he is employed, whether he has access to classified or other sensitive information, the nature of the clandestine meetings (e.g., whether it is merely in an out-of-the-way restaurant, as opposed to a hidden location in a distant city), the method of transmission (e.g., handing over a sealed envelope in a public place, as opposed to using a "drop" and whether there are any other reasonable explanations for the behavior. It is clear, moreover, that the circumstances must not merely be suspicious, but must be of such a nature as to lead a reasonable man to conclude that the information being transmitted will be used to harm the security of the United States.—Intelligence Committee Report on S. 3197, S. Rep. 94–1161, 94th Cong., 2d Sess. at 23.

Once the judge has considered the circumstances, and determined that the proposed target is acting pursuant to the direction of a foreign intelligence service and that he is transmitting information to that service, under circumstances, such as his access to classified material, that indicate a threat to the national security, the judge has surely made enough findings to justify a warrant based on probable cause to believe that the crime of espionage is being committed. If there are cases fitting these facts which somehow would not support a warrant based on criminal probable cause, they are too rare to justify discarding an important constitutional principle.

II. INHERENT PRESIDENTIAL POWER

The doctrine of "inherent" Presidential power—which justifies disregarding the fourth amendment or other law when the President deems it necessary—was the root evil of the Watergate scandal. The doctrine became a cover for acts which would not bear the scrutiny of the public, Congress, the courts, and the Constitution. From this pernicious doctrine came the creation and activities of the plumbers' unit; the burglery of Dr. Ellsberg's psychiatrist, and the 17 taps directed against journalists and Government officials.

Legislation like S. 3197 is needed precisely because warrantless wiretaps have been authorized by the President and justified by reference to the doctrine of "inherent" Presidential power. S. 3197 responded to the past abuses: it established procedures whereby the executive branch would have to obtain approval from the courts before "national security" electronic surveillance could be conducted. However, S. 3197 contained a dangerous loophole. If the bill had come to the floor, I would have strongly supported an amendment by Senator CHURCH to eliminate section 2528(b), which suggests the existence of inherent Presidential power to authorize warrantless electronic surveillance against American citizens. That section allows the President to order electronic surveillance without a court order when "the facts and circumstances giving rise to the acquisition are so unprecedented and potentially harmful to the Nation that they cannot be reasonably said to have been within the contemplation of Congress."

I recognize that the Judiciary and Intelligence Committees did not intend to say that the President has any such inherent power to conduct warrantless electronic surveillance.

As the Intelligence Committee report notes:

> The precise phrasing used . . . is designed to make it absolutely clear that this section constitutes neither a grant of, nor limitation on, such power nor a congressional recognition of such power. Only the Supreme Court can ultimately decide whether such power exists. Senate Report 94–1161 at 23.

Rather, the committee position is "if the Executive is found to possess inherent power to engage in warrantless electronic surveillance," the extreme and unprecedented circumstances as described in 2528 represented the only situation in which that inherent power could be exercised. The Intelligence Committee notes that:

> Many situations which pose great danger to the nation can be envisioned in which this bill is intended to provide the exclusive applicable procedures for electronic surveillance in this country. The allegedly imminent threat of an assassination or the theft of a nuclear device would not be "beyond the contemplation of Congress."

Despite the committee's best efforts, their formulation bristles with danger. It is simply unacceptable to give the President carte blanche to judge when a situation is "unprecedented" or "beyond the contemplation of Congress." During the Nixon years, the administration went all the way to the Supreme Court seeking an "unprecedented" prior restraint on the publication of the Pentagon papers. The administration might also have argued that the news leaks exposing the secret bombing of Cambodia presented a situation "beyond the contemplation of Congress." The provision invites abuse by some future President firmly committed to protecting his view of what national security entails.

Moreover, given the litany of abuses uncovered by the Watergate and the Church committee, traceable to the "inherent power" doctrine, congressional neutrality on this issue will strike many Americans as a feeble response. It would be far preferable to premise legislation on the first recommendation of the Church committee—that the President has no inherent power to authorize the targeting of an American for electronic surveillance without a warrant.

Political realities intrude, and I realize that there is no consensus supporting the Church committee view. But the effort to achieve congressional "neutrality" fails in another respect. Section 2528 is modeled after 18 United States Code 2511(3), the national security disclaimer in title III of present law, which was a successful attempt to achieve congressional neutrality.

In that section, Congress stated that enactment of title III was not intended to affect whatever constitutional powers the President might have to conduct electronic surveillance he thought necessary to protect the Nation against foreign attack or subversion. The Supreme Court concluded in Keith that "'nothing in 2511(3) was intended to expand or to contract or to define whatever Presidential surveillance powers existed in matters affecting the national security."

In title III, however, Congress established a warrant procedure to be followed in cases of "ordinary crime." It was not inconsistent to disclaim any intention to legislate on the question of gathering national security information. But S. 3197 deals explicitly with electronic surveillance within the United States for foreign intelligence purposes and establishes procedures for a judicial warrant for this kind of electronic surveillance. Under the circumstances, it is hard to see how anything Congress says in this bill on this subject could be construed as "neutral" on the subject of the President's inherent authority to proceed without a warrant in the United States. If in the context of legislation otherwise regulating the field, Congress includes a provision indicating that in "unprecedented circumstances" there may be Presidential power to disregard the fourth amendment and the warrant procedures of S. 3197, such an acknowledgment would surely influence a court confronted with the constitutional question.

If we deleted section 2528(b), we would not be predicting how a hypothetical Supreme Court test on the issue of inherent power would come out. We would be saying, however, that whatever the outcome would have been in the absence of congressional action, Congress is establishing a warrant procedure to regulate the gathering of national security information within the United States. It is clear that the Congress may legislate in areas where, absent such legislation, a constitutional power of the executive may be found to exist. *Youngstown Sheet and Tube* v. *Sawyer*, 343 U.S. 79 (1952). We would be saying that within the United States the sole and exclusive authority for electronic surveillance is provided by the warrant procedures of this legislation and title III of existing law. Warrantless electronic surveillance would be unlawful.

I have been advised that had S. 3197 come to the floor, proponents of the bill were prepared to accept Senator CHURCH's amendment. Obviously, this would eliminate one of the serious defects in S. 3197. Since the bill did not come up, the potential for division over the issue remains. The Justice Department still contends—as it has for 50 years—that "the Executive may conduct electronic surveillance in the interests of national security and foreign intelligence, and in aid of his conduct of the Nation's foreign affairs, without obtaining a judicial warrant." Letter from Attorney General Levi to Senator KENNEDY, June 29, 1975, quoted in the Judiciary Committee report on S. 3197, Senate Report 94–1035, at 12.

In my view, the notion of "inherent" Presidential power to violate the first and fourth amendment rights of American citizens is a dangerous fiction. In 1975, reintroducing legislation, along with Senator KENNEDY, to curb warrantless electronic surveillance, I stated:

> It is quite clear, moreover, that the fourth amendment's protections were not to be

> suspended in cases of national security. When the fourth amendment was adopted, our Nation was only 11 years old. Foreign threats to the Nation's newly won independence remained ever present. Yet the fourth amendment provides for no exception to its application. The compelling conclusion is that the amendment should be applicable to all situations, including cases involving national security crimes. This conclusion is supported by innumerable constitutional scholars, including Justice William O. Douglas, who has stated:
>
> "There is, so far as I understand constitutional history, no distinction under the Fourth Amendment between types of crimes" (Katz v. United States, 389 U.S. 347, 360 (1967). 121 Cong. Rec. S. 2070 (Daily Ed., Feb. 19, 1975), quoted in Judiciary Committee report on S. 3197, S. Rept. 94–1035, at 12.

The emerging case law supports this conclusion. In Keith, the Supreme Court held that the President could not authorize warrantless electronic surveillance against a domestic radical group which posed a threat to the internal security of the Nation. Although Keith did not explicitly address the scope of the President's surveillance power where foreign collaboration might be involved, the reasoning of the unanimous Court suggests a wider holding. My colleagues, Senators ABOUREZK and HART, have made this thoughtful analysis:

> In Keith, the Justice Department urged three principal grounds for finding such warrants incompatible with the President's responsibilities in the case of domestic threats to national security.
>
> (1) the purpose of surveillance to gather intelligence rather than to gather evidence for specific prosecutions;
>
> (2) inadequate expertise of the judiciary to determine the extent of a threat to national security and the need for the surveillance;
>
> (3) the potential danger of security leaks if the Government had to disclose security information in making application to a court.
>
> The Supreme Court rejected each of these contentions as insufficient singly or collectively to outweigh the fundamental fourth amendment safeguard of prior review by a neutral magistrate. The Court responded that:
>
> "Official surveillance, whether its purpose be criminal investigation or ongoing intelligence gathering, risks infringement of constitutionally protected privacy of speech." (407 U.S. at 320.)
>
> As for judicial competence, it wisely suggested that:
>
> If the threat is too subtle or complex for our senior law enforcement officers to convey its significance to a court, one may question whether there is probably cause for surveillance. (Ibid.)

Finally, the Court emphasized that:

> The investigation of criminal activity has long involved imparting sensitive information to judicial officers who have respected the confidentialities involved. Judges may be counted upon to be especially conscious of security requirements in national security cases. * * * Whatever security dangers clerical and secretarial personnel may pose can be minimized by proper administrative measures, possibly to the point of allowing the Government itself to provide the necessary clerical assistance. (Ibid.)
>
> We believe that there same issues—secrecy and emergency, judicial competence and purpose—do not call for any different result in the case of foreign intelligence collection through electronic surveillance.
>
> Although the Department of Justice correctly notes that the holding in Keith was limited to domestic security surveillance, it has offered no persuasive arguments why the same analytical framework applied there should not control in evaluating warrantless surveillance for foreign intelligence. It has advanced no reasons why the kind of warrant requirements fashioned in this bill would unduly frustrate the gathering of such intelligence, other than the same contentions dispatched by the Court in Keith.

Judiciary Committee report on S. 3197, Senate Report 94–1035, at 79 (separate views of Senators ABOUREZK and HART).

Based on the Keith reasoning, in *Zweibon* v. *Mitchell*, 516 F. 2d 594 (D.C. Cir. 1975), the court sitting, en banc, held that there is no Presidential authority to authorize warrantless surveillance against a domestic group whose activities could have the effect of undermining the President's conduct of foreign relations, but where there was no evidence that the group or its members were collaborating with a foreign power, Judge Wright's exhaustive opinion also stated the plurality's view that the fourth amendment required a warrant in all cases of electronic surveillance directed against an American citizen. Following Keith and Zweibon, in *Berlin Democratic Club* v. *Rumsfeld*, 410 F. Supp. 144 (D.D.C. 1976), Chief Judge Jones held that a warrant is required before the Government can engage in electronic surveillance against American citizens abroad, in a situation "which if located within the United States, would require prior judicial authorization under Keith."

The basis for the Justice Department's claim is weak. Judge Wright's opinion in Zweibon convincingly demonstrated the lack of analysis characterizing *United States* v. *Butenko*, 494 F. 2d 593 (3d Cir. 1974)—en banc—and *United States* v. *Brown*, 484 F. 2d 418 (5th Cir. 1973) cases upholding the President's constitutional power to conduct warrantless surveillance. The line of cases generally cited as standing for the President's primacy in foreign affairs, *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304 (1936); *Chicago & Southern Airlines* v. *Waterman Steamship Corp.* 333 U.S. 103 (1948), actually involved only the exercise of Presidential power pursuant to congressional authorization. Moreover, despite their expansive dicta, even these cases note that Presidential powers "like every other governmental power—must be exercised in subordination to the applicable provisions of the Constitution." *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304, 320 (1936).

III. UNJUSTIFIED CRITICISM

The two defects in S. 3197—departure from the criminal probable cause standard and the continuing acknowledgement of possible Presidential power—have prompted justifiable criticism. At the same time, however, the bill has been subjected to some extreme and inaccurate criticism. Many vocal opponents believe, in the words of a New York Times editorial, that S. 3197 "seems to legalize more electronic surveillance than it inhibits." This belief is based on a combination of two factors: First, a misunderstanding about the current law concerning "national security electronic surveillance, and second, a misimpression about provisions of S. 3197 and their effect.

At the present time, the administration requires that all requests for nonconsensual electronic surveillance be made in writing by the Director of the FBI setting forth the relevant facts and circumstances justifying the proposed surveillance. The agency and the Presidential appointee actually seeking the surveillance must be identified. The requests are reviewed by a special group established within the office of the Attorney General. The authorization will not be granted unless the Attorney General has satisfied himself that electronic surveillance necessary for national security or for foreign intelligence needed for national security. The Attorney General must also be satisfied that the subject of the surveillance is "either assisting a foreign power or foreign-based political group, or plans unlawful activity directed against a foreign power or foreign-based political group . . ." Pursuant to the mandate of *United States* v. *United States District Court*, 407 U.S., 297 (1972)—the Keith case—electronic surveillance without a judicial warrant "is not conducted where there is no foreign involvement." Letter from Attorney General Levi to Senator Kennedy, on June 29, 1975, quoted in the Judiciary Committee report on S. 3197, Senate Report No. 94–1035, at 12. Following these procedures, the Attorney General has reported that no American is presently the target of "national security" electronic surveillance to obtain foreign intelligence information.

Nevertheless, in assessing the need for legislative controls, we must recognize that present law does not prohibit the administration from engaging in warrantless electronic surveillance against Americans whenever it determines that there is a collaboration between the American and some foreign power. The executive branch could still proceed—unilaterally—to target Americans for electronic surveillance if it concluded that there was some link or collaboration with a foreign power. Not every Attorney General will be as scrupulous or as disinclined to succumb to the fears of the intelligence agencies as the present occupant of the office. Even when well-intended, internal methods of control have a tendency to deteriorate. The Church committee report documented cases where national security wiretaps were carried out without even consulting the Attorney General although the Justice Department policy supposedly required his approval.

The showing of "collaboration" could easily degenerate into a social relationship or a casual meeting, jeopardizing constitutionally protected activity. For all these reasons, self-restraint by the Executive is contrary to experience, human nature and the expectations of the framers of the Constitution. Those involved in ferreting out crime have never—and can never—be trusted to judge the reasonableness of the searches and seizures they propose.

The present legal situation, then, contains the seeds for recurring abuses, once the check furnished by public opinion aroused by recent disclosures begins to fade. Legislation like S. 3197 is necessary to place the final decision about whether national security electronic surveillance is justified, not in the executive branch but in the judiciary, consistent with the fourth amendment's commands. Under S. 3197, a judicial warrant must be obtained before any electronic surveillance for foreign intelligence purposes could be conducted. In every case where an application for electronic surveillance against an American citizen is filed, the judge would have to find probable cause to believe that the proposed target was the "agent of a foreign power"—a person engaging in criminal sabotage, terrorist, or clandestine intelligence activities, or, acting pursuant to the direction of a foreign intelligence network, covertly transmitting information to that network under circumstances leading "a resonable man to believe that the information will be used to harm the security of the United States." The dangers of the present situation would be substantially reduced by S. 3197, which not only shifts the final decision approving electronic surveilliance from the executive to the judiciary, but also spells out the nature and degree of collaboration with a foreign power which must be shown before the surveillance could be approved.

Much of the public fear of S. 3197 stems from flaws in earlier drafts of the legislation. During early drafts of the bill in the Judiciary Committee, an agent of a foreign power was defined as someone engaged in clandestine intelligence activities, an undefined term, or someone who was assisting that person. The justifiable fear of critics of S. 3197 was that undefined "clandestine intelligence activities" would leave an enormous amount of discretion for the executive to seek electronic surveillance against those who might have had some minimal contact with representatives of a foreign country, but were engaging in constitutionally protected activity. The phrase "assisting" coupled with no explicit requirement that the "assistant" be aware or involved in the illicit clandestine intelligence activities, raised for some people the specter of the Martin Luther King case, in which Reverend King was subjected to electronic surveillance without an allegation of wrong doing on his part because the FBI believed two of his aides were Communists.

By the time the Judiciary Committee reported the bill S. 3197, the word "assisting" had been deleted from the bill. The Judiciary Committee report stated:

> In order to target electronic surveillance against an American who was not himself engaging in such activity, the Government would have to establish probable cause that the prospective target *knew* both that the person with whom he was conspiring or whom he was aiding and abetting, was engaging in such activities as an agent of a foreign power and that his own conduct was assisting or furthering such activity. The knowledge of a requirement is therefore applicable to both the statutes of the person being aided by the subject of the surveillance and the nature of the activity being promoted. Judiciary Committee Report on 3197, S. Rep. 94–1235 at 27–28.

A fair reading of S. 3197, together with the committee report, revealed the intention of the drafters. Nevertheless, the Intelligence Committee, feeling this sensitive point should be covered in the text of S. 3197 as well as in the report, reworded the legislation. At present, an American could be targeted for electronic surveillance only if he himself engaged in the forbidden activities, or "conspires with, aids, or abets such a person, knowing that such person is engaged in such activities."

The other criticism commonly directed against S. 3197 is that the judicial check provided will not be sufficient to offset the executive's desire to engage in electronic surveillance. This argument has two facets: First, that the role of the judge is too restricted to provide a meaningful review of the wiretap applications, and second, that the record of performance under title III of present law, suggests that the Federal courts are virtually rubberstamping all wiretap requests.

S. 3197 requires a member of the executive to certify that important "foreign intelligence information" is sought; the court is not permitted to substitute its judgment as to the importance of the information of the likelihood that the surveillance will produce the information. The Intelligence Committee did add to the legislation the requirement that the application made to the judge include a factual description of the information sought, and an explanation of the executive belief that the information sought was foreign intelligence information which could not be obtained through less intrusive means.

Critics of this division of labor argue that the fourth amendment requires that a judicial officer must make all the determinations involved, not only whether there is probable cause to believe that the target is the proper subject of electronic surveillance, but also that the surveillance is likely to turn up foreign intelligence information, which necessarily entails a judgment that the information sought is foreign intelligence information. While S. 743, the legislation introduced by Senator KENNEDY and myself, was structured so as to require all the determinations to be made by the judge, I cannot agree that the certification procedure of S. 3197 is unconstitutional or a formula for judicial "rubberstamping" of executive action.

The court will be investigating all the facts and circumstances to determine whether the proposed target is an "agent of a foreign power." The court—not the Executive—will make the final determination of whether the link between the proposed target and a foreign intelligence network exists; whether the target is engaged in criminal sabotage, terrorist or clandestine intelligence activities, or transmitting information under circumstances detrimental to the national security. As the Intelligence Committee noted:

> It is this finding that constitutes a fundamental safeguard for the individual. It is also an effective external check on arbitrary executive action. Intelligence Committee Report on S. 3197, S. Rep. 94–1161 at 36.

In practical terms, if the court reaches a determination that the proposed target is an "agent of a foreign power," the court would in all likelihood also have concluded that the surveillance was likely to produce important foreign intelligence information. Moreover, the showing is made that an "agent of a foreign power" is involved, the court is also being given every clear idea of what information is being sought. Once the agency finding is made, it is unlikely to believe that the court would contradict the Executive's claim that the information sought was important "foreign intelligence information." In short, the conscientious court's investigation of whether the target is an agent of a foreign power will inevitably entail a significant investigation of the facts and circumstances surrounding the proposed electronic surveillance. It is unrealistic to think that the requirement of additional findings would change the ultimate decision reached by the court or provide greater protection against abuse.

However, critics of S. 3197 have also argued that the courts are excessively compliant in granting wiretap requests, that they will rubberstamp the Executive wishes, not simply because of the certification procedures, but because they will simply not challenge the Executive wishes in this area. As evidence of likely judicial acquiescence in this area, critics point to the experience under title III where out of nearly 5,000 requests, the courts rejected only 13.

This is a serious allegation. Taken at face value, this criticism challenges the whole premise of the fourth amendment and our doctrine of separation of powers by saying that in an area where constitutional rights have been seriously violated, there is no meaningful judicial check against Executive power. The premise of the fourth amendment—that the Government investigator or prosecutor must submit their proposed "searches" to a disinterested and neutral magistrate for approval—disintegrates if the magistrate does not provide the needed check.

Does this criticism square with experience? Certainly the general image of Federal judges is one of feisty independence, not subservience to the Executive power of State or Federal officials. District Court Judge John Sirica's dogged independence and unwillingness to accept the Justice Department's limited theory for the Watergate burglary helped break the scandal wide open. In the national security area, the Government could not convince the courts to impose a prior restraint on the publication of the Pentagon Papers despite arguing vehemently that national security would be jeopardized; nor could the Government convince even one Supreme Court justice in Keith that the threat posed to the security of the Nation by domestic radicals justified the use of warrantless electronic surveillance.

The title III statistics may give superficial support to the claim of judicial rubberstamping; they can also be explained by the fact that title III wiretap applications undergo numerous reviews within the Justice Department before ever reaching the court. The need to satisfy the court, and to prevail over the inevitable motion to suppress wiretap evidence if prosecution results, forces the Government to amass a strong case before applying to the Court. In short, the number of applications turned down is less important than the deterrent effect which judicial involvement has against unjustifiable wiretaps. If S. 3197 were enacted, the judges would probably never have to deny applications for electronic wiretaps like those directed against Joseph Kraft or Morton Halperin. The existence of a procedure for judicial review will deter government from even proposing taps like these.

It is also necessary to recognize that the Intelligence Committee, spurred on by the intense criticism of this measure, incorporated safeguard after safeguard in S. 3197. Besides strengthening the definitions of "agent of a foreign power" to insure that no constitutionally protected activities could become the object of surveillance, the following provisions were added:

> Minimization procedures designed to insure that to minimize the acquisition of retention, dissemination of information which is not foreign intelligence information—already part of S. 3197—were strengthened. At Senator Case's urging, the Committee added language requiring that the minimization procedures be devised to assure that superfluous material be expunged.

The Government could take its application for electronic surveillance to one of the seven district judges, and only one. It cannot shop among the judges until it finds a congenial judge. This provision should be further strengthened by requiring the Government to bring their applications to the judges in sequential order, so that the Government could not always go before any one sympathetic judge.

An important provision safeguarding the privacy of incidentally overheard Americans was added. Even after the Government obtains a warrant and overhears a conversation which it can keep because it pertains to the conduct of foreign affairs, that conversation could not be indexed or maintained in such a way to permit the retrieval of information by reference to the name of the citizen.

A requirement was added that the application for an order granting electronic surveillance include "a factual description of the nature of the information sought" and a "statement of the basis for the certification that the information sought is the type of foreign intelligence information designated . . . which cannot feasibly be obtained by normal investigative techniques."

A section obligates the Attorney General to assure that minimization procedures are also followed in an emergency tap, which can last only 24 hours without judicial approval.

A liberalized provision insures that the target of electronic surveillance would have access to the court order and application in a criminal prosecution if "there is reasonable question as to the legality of the surveillance, and the disclosure would promote a more accurate determination of such legality, or would not harm the national security."

A requirement is included that the Intelligence Committee report to the Senate on March 1, 1978, and annually thereafter with a recommendation whether the statute should be amended, repealed, or continued in operation without modification. If amendment or repeal is necessary, an expediting procedure, modeled after the War Powers Act, insures that the legislation will reach the floor of the House and Senate for a vote in the shortest possible time.

This reporting requirement is important because it reflects the Intelligence Committee's intention to conduct meaningful annual oversight. It has been evident for several years that legislative curbs or national security electronic surveillance must be accompanied by vigilant oversight to assure that the executive branch and the courts are complying with the statute and the Constitution. The oversight should include annual review and evaluation of executive applications, the judicial orders, the effectiveness of the minimization procedures designed to prevent overbroad surveillances and the value of the intelligence information obtained. Comprehensive oversight would allow the Congress to evaluate the argument, made for several years by prominent critics, that national security wiretapping of Americans has produced virtually no valuable information.

In short, after months of criticism and improvement, S. 3197 came close to being the kind of legislation needed to curb the abuses which have resulted from warrantless electronic surveillance in the name of national security. While the criminal probable cause standard still remains an issue, as I have tried to demonstrate, the difference between the final version of S. 3197 and a true criminal standard is minimal and cannot justify discarding a fundamental constitutional principle. Senator Kennedy, the Attorney General and the Intelligence Committee deserve great credit in advancing the legislation as far as they did. Previous legislative efforts by Senator Kennedy, Mathias, and me have always died in subcommittee. The work done this year provides a solid basis for the passage of legislation next year. The need remains acute: counting on continuing executive self-restraint is like playing Russian roulette.

EDUCATION

Mr. WEICKER. Mr. President, I would like to invite the attention of my colleagues to a speech delivered by the distinguished Senator from Massachusetts (Mr. Brooke) before the Association of Community College Trustees in St. Louis. Over the years, Senator Brooke has eloquently spoken on the problems and prospects of American education.

Mr. President, I ask unanimous consent that this speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator Edward W. Brooke

Mr. President, distinguished members of the Association of Community College Trustees in your 7th Annual Convention assembled, it is an honor to speak to you and to have the chance to talk to you about American higher education and more specifically about the role of community colleges in our education system. Community colleges are now the fastest-growing educational institutions in the nation. In the beginning of this decade community colleges were opening at the rate of one a week, and in 1975 the community college enrollment comprised some 34.5% of the total enrollment of college students. Translated that comes to nearly 4 million students attending community colleges last year. The recent acceptance and growth of community colleges has been so great that they are now leaders in the field of higher education and are at the cutting edge of change for the future in this most important domestic endeavor.

One essential goal of American education is to provide Americans with job training. Years ago, in a rural, agricultural economy there were only a limited number of occupations and job training was simple. Not half a century ago, it was said that "A boy might observe the full range of his occupational expectations by walking beside his father at the time of plowing, by watching the farmers, blacksmiths, and tradesmen who did business in his hometown." A girl could view the few occupational choices open to her with even less effort. Advanced training and college were largely reserved as a preparation for a limited number of traditional occupations—primarily teaching, law, medicine, and the ministry.

Another essential goal of American education is to provide Americans with knowledge in social sciences and humanities. For if we are to prepare our people to understand and enjoy the world around them as well as to work, such knowledge is critical.

A brief glimpse of current changes in the way Americans are adapting their lifestyles to new work patterns confirms that these two tasks are more important than ever before and why we need a new philosophy of American higher education.

First, consider that many of us will live far longer than our forebears. In 1900 the expected life span for a man was 48 years. For a woman it was 57 years. Today those life spans have increased to 69 and 76 years respectively, and there are now 23 million people in America over the age of 65. By the year 2000 there will be nearly 31 million.

Second, consider the decrease in the amount of time we spend working. In 1900 the average U.S. work week was 62 hours. Now it is only 37½. And the 4 and 3 day work week appear to be here to stay.

Moreover, technology is retiring workers at a higher rate than ever before. Thus, Americans have more leisure time, more years of retirement, and as technology displaces millions of workers, American education must prepare our people not for one but for several jobs in their lifetimes. But the data cautions us that we are not now training them adequately to meet those changes in our labor force requirements.

If post-secondary education is to remain a viable and relevant part of American life, it will have to absorb and adapt to these changes. It will have to see that the old concept of life as a series of separate segments is passe—the pre-school years, the years of education from 6 to 22 (or older if graduate school is involved), the work years, and finally the retirement years are not the distinct stages of life they once were. This outdated concept is wasteful of our society's greatest resource, its people, and results in personal tragedy for those unable to find new direction after a mishap or mistake along the way.

To your great credit community colleges more than any other segment of our educational system have recognized this challenge for change and have acted to meet it.

You have perceived the demand for new concepts of education in America. You understand that rapid social and economic change means that education must be continuous throughout a lifetime, and that it often will be concurrent with work. You understand the need of people to be able to enter and reenter the post-secondary education system as shown by the fact that 56% of all community college students are part time and that the average age of your students is 28.

I too believe that a new philosophy of education should be one in which learning takes place not at one time but over a lifetime on a full-time or part-time basis. Of course, such a policy must encompass full and equal educational opportunities for adults. To paraphrase George Bernard Shaw, educational opportunity is too good to waste only on children.

This new philosophy of education would be one which opens up opportunities for personal change and adaptation, thus providing the means of social and economic mobility. It would be one which would not bind a person for the rest of her or his life by a decision made early in life about occupation and the amount of education desired. This is particularly crucial for the 54⅓ million of our labor force not enrolled in school and with less than a high school education.

The concept of which I speak is, of course, really not new. What is new is the application of the concept on a broad scale. Just 5 years ago, the Carnegie Commission on Higher Education was telling us that "society would gain if work and study were mixed throughout a lifetime, thus reducing the sense of sharply compartmentalized roles of isolated students versus workers and of youth versus isolated age. The sense of isolation would be reduced if more students were also workers and if more workers could also be students.

In Europe there is ample evidence to suggest that this concept of a lifetime of learning is no longer a dream or a vague hope. France, Germany, and Belgium all provide a paid educational leave for workers, provided for by a system of contributions from employers and employees. In France a 1971 law makes training opportunities a right for workers and 10% of French labor now participates in educational activities. And in Belgium a 1973 law entitles all fulltime workers under 40 to be absent from work a certain number of hours to participate in further education and training.

There is also growing support for an interest in lifelong learning in the United States. One recent study shows that more than ¾ of adults in the United States are interested in further education.

And this year the Commonwealth of Massachusetts is on the verge of passing a law which creates an opportunity for adults over 25 to further their post-secondary education on a part-time basis in order to gain entrance or advancement in the job market. It provides vouchers, which are graduated in size by both the income and the previous educational attainment level of the individual. Importantly, by providing a graduated, selective entitlement, it targets public investment on those working men and women and the poor who need it most. Awarded as a voucher, it gives the adult the ability to choose the program most suited to his or her needs from public or private institutions.

There is growing support for lifelong learning programs among groups as diverse as the elderly, labor unions, employers, and feminists.

For example, women now comprise 42% of the labor force, yet they are concentrated in the lowest paying, lowest status jobs. Women face special problems with entry or reentry into the labor force after rearing a family. Crippled by obsolete skills they face a job market with few open positions except those at the lowest rungs of the ladder. Laws insuring that women will not be subjected to job discrimination are but an empty promise unless complemented by training and preparation for the better jobs.

Mid-career people in general need lifelong learning, not only to update or upgrade their skills, or to prepare for a new career when necessary, but also to provide enrichment for their lives and leisure hours.

Professionals in such diverse fields as law, medicine, and engineering need refresher courses, faced as they are by escalating knowledge in their areas of expertise.

Reverse transfer students find that they must return to community colleges to earn a skill after completing a Baccalaureate Degree which did not prepare them for the job market.

The disadvantaged, particularly among our minorities, are a prime national concern hobbled as they often are with inadequate education and job training. Few groups could benefit more from a comprehensive and vigorous commitment to lifelong learning, complete with all important counseling and job placement services.

And the elderly find that with the disappearance of the extended family, their retirement years are all too often ghettoes of empty, lonely hours. Though we have provided some measure of economic security to the 28 million aged in this country through social security, and some measure of health security to 22 million through Medicare, these programs are limited to "taking care" of the elderly. The elderly also want opportunities to help themselves, not only to rise above subsistence levels, but to lead better and more productive lives.

This is particularly true of our so-called "young old"—a growing and new population group of people between 55 and 75 years. They are healthier and better educated than any like group in our history. They are not yet ready for a life of forced idleness. They are not ready to be put on the shelf to wither and die. Our elderly now retire earlier, live longer, and enjoy more free time. We must better provide for this fact of life. We must better provide for them in our society.

There are many problems that we face in implementing lifelong learning. Let us look at some of them: The job market is difficult to project. The gear-up time of manpower training programs is not fast enough. There should be greater linkage between industry and lifelong learning programs to make sure that manpower training is relevant and effective. Too little or no credit is offered for experience gained on the job, especially for blue-collar workers. And, even those businesses that encourage continuing education for their managers and professionals seldom encourage their lower level employees to obtain additional education. Outreach programs, taking education to where people actually are, are scarce. Imaginative counseling programs are equally scarce. Greater use of community resources, such as industry, museums and experts outside the academic community is needed.

Another problem is that educational expenses are often proportionately higher for part-time students than for full-time students. And too often the number of courses available to part-time students are more limited than those open to full-time students.

Believe me, I am well aware as ranking minority member of the Senate Labor-HEW Appropriations Subcommittee that these are times of severe economic pressure on the federal budget. We are constantly confronted by painful funding decisions.

However, I would have you remember that even during the darkest days of the Civil War, our country recognized the importance of education by passing the Morrill Act which established our system of land grant colleges.

To fail to move ahead now in implementing programs of lifelong learning would be penny wise and people foolish. This is true not only in terms of an individual life but in terms of the lost productivity that would be gained through a work force with increased expertise, increased social and economic equity, and a more democratic educational system.

The Federal Government has made a greater commitment toward advocating and supporting a viable program of lifelong learning in S. 2657, the Higher Education Bill passed in the last few days of the present session of Congress. S. 2657 would first require the federal government, in cooperation with the states, to monitor and assess existing adult education programs, to study and evaluate existing and proposed lifelong learning programs, and to provide to Congress by 1978 specific recommendations on how best to pursue lifelong learning opportunities.

Second, S. 2657 provides support for demonstration projects.

And finally, S. 2657 authorizes $20 million per year for three years for these activities connected with lifelong learning.

But the federal government must do more, particularly in terms of aiding students finance lifelong learning courses of study. And this help can take many forms. For example, tax incentives can encourage individuals and employers to participate in lifelong learning programs.

But personally I believe that the best approach would be to establish an entitlement program as we established for students with the GI Education Bill after World War II. And anyone who doubts the viability or effectiveness of an entitlement program for older students need only look at the increased productivity which GI's past the traditional college age brought to the work force and the maturity, enrichment and commitment which they brought to classrooms and younger college students across the country. Now, more than ever, it is important that we once again surmount the barriers between the old and young.

The entitlement program I suggest would in my opinion be the next logical step in the Federal Government's student aid programs. It could take many forms. For example, it could be based on a system of vouchers. Or it could be based on a system of grants. Or it might be a combination of grants and loans which would equalize the distribution of resources among students from a lower socioeconomic background with those with greater resources.

But whatever the form, it should be particularly concerned with making lifelong learning available to those with low incomes, to those who are poorly educated, and to those who comprise our minority groups.

And above all, the system of entitlement should provide funds that an individual could draw upon for educational purposes throughout her or his lifetime.

I have long been concerned that American higher education be more flexible and responsive. I believe that our system of education, wracked as it is by levelling enrollments and by demands for greater relevance, is now ready to accept an expanded role and responsibility.

So, I shall therefore introduce in the opening days of the next session of the Congress a bill providing recurrent education. I believe that the legislation I have drafted will fill the major gap which exists between our educational policy and our manpower policy. I believe that it will: extend access to those currently underserved through a set of targeted voucher programs; propose initiatives which adopt the education consumers' point of view; focus on a better use of existing resources; create a federal-state partnership to accomplish these objectives; and improve the responsiveness of our recurrent education policy to our labor market needs as well as help alleviate the national problems of social and economic dependency. Our implicit national policy now denies equality of educational opportunity for adults. This can and must be changed.

I do not underestimate the obstacles to the enactment of such a program. I understand that it may have to be implemented gradually. But I also understand, as do you, the premium price we now pay for the absence of such a program. And with your assistance and your enthusiastic support, I believe we can enact this program.

As John Dewey once said, "Education is not preparation for life. It is life itself." My friends, it is time, past time, that we establish the ideal of lifelong education as an undeniable reality for the sake of our country and for the sake of so many potential students whose needs are so great.

DEPARTURE OF MR. VINCENT P. BARABBA FROM THE BUREAU OF THE CENSUS

Mr. RANDOLPH. Mr. President, the Senator from Wyoming (Mr. McGEE) has prepared a statement on the departure of Mr. Vincent P. Barabba from the Bureau of the Census.

I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR McGEE

Vincent P. Barabba has resigned as Director of the Bureau of the Census to return to private business, so I think it is appropriate at this time that I should express appreciation for the excellent standard of public service he upheld during his tenure in that important office.

When Mr. Barabba was named Director in 1973, a fair amount of contention arose over the appointment. There was a concern about politicization of the Government's statistical programs at that time. There was also a concern among professionals in the field that Mr. Barabba, despite his considerable experience in marketing and research, might not measure up to the qualifications desirable in a Director of the Census Bureau, and might be too "poliitcal."

The Committee on Post Office and Civil Service carefully considered the concerns expressed, Mr. President, before acting favorably, as the Senate subsequently did, on Mr. Barabba's nomination.

Let it be said that Vince Barabba's performance as Director of the Census Bureau has been of the highest order. He has run the Bureau with a high degree of ability and integrity, vindicating himself, those of us who came to believe in his ability and judgment more than three years ago, and now enjoys the respect and esteem of the same people and professional organizations who formerly questioned his credentials. His services will be missed in government. I wish Mr. Barabba and his wife Sheryl good fortune.

BIPARTISAN ISSUE

Mr. DOLE. Mr. President, a guest editorial in the New York Times this morning by Deputy Secretary of Defense Robert Ellsworth, makes a very valid point that merits the attention of my colleagues. I would like to share the point of that editorial, which is entitled "Carter and Defense."

The point is that we can cut corners and we can cut funds from defense now, but we risk an immeasurably more costly situation later on. A weak defense invites aggression, and the dollars we may save with a weak defense can never outweigh the extremely high cost of war.

The American people want a strong defense—as the polls show—because they understand that the terrible cost of war completely invalidates cutting our defense below minimum needs. Neither the Congress nor the President can control the intentions of our opponents or of potential aggressors. We can only be prepared to protect ourselves against their actions and to deter acts of war.

An adequate defense requires judicious consideration of the defense budget. Defense of our country should be a bipartisan issue. It should be supported by Republicans and Democrats alike, and generally it has been done.

In the past decade, Congress has cut over $50 billion from defense budget requests. But I think there is a growing recognition of the need for bipartisan support.

Under the President's leadership this year, the Congress approved virtually the entire defense budget. The budget resolution provides for $100.65 billion in budget authority compared to $101.1 billion in the President's budget.

That is not to say we should tolerate wasteful spending. I do not condone waste, and I have supported efforts to trim unnecessary spending.

But cutting into the "muscle" of our defense runs the risk of being "penny wise and pound foolish."

We must have—and American people want—bipartisan support for defense. I ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CARTER AND DEFENSE

(By Robert Ellsworth)

WASHINGTON.—During the debates at the Constitutional Convention of 1787 in Philadelphia, so the story goes, Eldridge Gerry offered a proposal that would limit the United States to a standing army of no more than 5,000 troops at any one time. Gen. George Washington, who could not participate in the debates because he was the presiding officer, leaned over to a friend and urged him to offer an amendment to prohibit any foreign country from invading the United States with more than 3,000 troops at any one time.

In the current Presidential election campaign there are strong elements of similar reasoning, notwithstanding the modern, far-reaching and still-growing nuclear, conventional and blue-ocean military strength of the Soviet Union.

Jimmy Carter has repeatedly said he is for a strong national defense, *but* . . .

1. He would cut another $5 billion to $7 billion out of the defense budget. America's defense program today is already substantially less than it was six years ago, and now some critics are concerned that we may be falling behind the Russians. This year, in fact, the Congress and the President have agreed to add some $7 billion in real program growth to the defense budget for next year.

When pressed, Governor Carter says he would achieve his cuts by eliminating waste and improving efficiency. Very good. President Ford has also insisted upon measures to eliminate waste and increase efficiency. Some of these he has actually put into effect. The Congress has agreed to some of the President's proposals, but has resisted others.

2. Mr. Carter says he would withdraw all United States nuclear weapons and ground forces from the Korean peninsula (after "consultation" with Japan and South Korea).

By publicly proposing the United States withdrawal from Korea, he may already have encouraged the North Koreans and increased instability in northeastern Asia. Further, the Carter proposal has, it stands to reason, forced some in the area to rethink their attitude toward acquiring nuclear weapons. Clearly, it is in the United States national interest that neither the Koreans nor the Japanese feel compelled to seek their own nuclear-weapons capability.

3. Mr. Carter says he would adopt as a goal the "elimination of nuclear weapon capability among all nations." This utopian notion—that the nuclear genie can be put back in the bottle—is both impractical and irresponsible. The end result would be strategic instability: a world far more dangerous than we have today.

The United States would probably act in good faith, but it is highly unlikely that most other nations, whatever they claimed, would do so. Since atomic weapons can be made smaller than a briefcase and easily hidden, it would be virtually impossible for the United States or any international organization to verify that all nuclear devices had actually been destroyed. Furthermore, those nations with the least moral restraint about using nuclear weapons would also have the fewest scruples about concealing them. For this reason, all other nations would be tempted to preserve secret stockpiles of their own as "insurance."

But even if his goal were realistic, Governor Carter has not shown that he understands the radical consequences his proposal would have on our defense planning, posture and budget.

Soviet conventional forces far exceed ours, and their modern airlift and sealift capabilities give them potential military dominance over all of Europe, the Middle East, the Persian Gulf, the Mediterranean, northeastern Asia, and much of South Asia.

I estimate that elimination of nuclear deterrents would require at least a threefold increase in United States conventional forces and a fourfold increase in our defense budget to balance this awesome Soviet military capability. There would be an alternative, of course: for America to abandon the hope of protecting our interests and allies abroad and attempt to return to a 19th-century minor-power status.

Military and defense matters are not the entire field of important foreign policy issues in this campaign. But if America is to be taken seriously as a global power with strategic interests over the next five or ten years, the foregoing issues of defense policy will have to be resolved against the grain of the Carter positions as set forth up to now.

ENERGY POLICY AT THE CROSSROADS

Mr. NELSON. Mr. President, the first of the televised debates between President Ford and Governor Carter contained further reminders that this country is at a crossroads in energy policy.

Within the next 4 years, perhaps within the next few months, crucial decisions must be made. By those decisions America will choose the road to its energy future. The road we take—and the roads we choose not to take—will affect our own and our descendants' lives for generations. Fifty years from now, our grandchildren will see that our choice, in Robert Frost's words, "has made all the difference."

Around that theme, and beginning with the closing lines of Frost's poem, a young man named Amory B. Lovins has built an enormously thoughtful and thought-provoking article. It appears in the current—October—issue of Foreign Affairs, the distinguished quarterly journal of the Council on Foreign Relations, Inc. Its title is "Energy Strategy: The Road Not Taken?"

Governor Carter and his advisers will find more support for their energy strategy in the article than will the Ford camp. But both sides would profit from a careful study of Lovins' paper, and so would every citizen at all concerned with energy policy.

Mr. Lovins, a consultant physicist, is an American citizen who spends most of each year in London, where he is British representative of Friends of the Earth, Inc. He also spends part of each year traveling around the world to talk to people who are doing deeds and thinking thoughts about energy. He describes his vocation as "cross-pollinator of the energy grapevine." But he is an energy expert of some magnitude himself. His latest books are "World Energy Strategies: Facts, Issues, and Options" and—with Dr. J. H. Price—"Non-Nuclear Futures: The Case for an Ethical Energy Strategy."

Mr. Lovins' accomplishments are such that he is a welcome visitor in some of the most influential energy-policymaking offices in this country and others. During a recent visit in Washington, he conducted briefings or seminars for ranking staff members concerned with energy policy at the General Accounting Office, the Federal Energy Administration, and Resources for the Future. He also met individually with quite a few people at the Energy Research and Development Administration and on Capitol Hill. He then went on to lead seminars at the Brookhaven National Laboratories and Princeton University. In mid-October he will read a paper at a symposium of the Oak Ridge Associated Universities.

A "HARD" ENERGY PATH

In the Foreign Affairs article, Lovins describes two alternative paths to America's energy future over the next 50 years.

The first, which he calls a "hard" path, is his impression of the route favored by the present administration. Its goals are continued rapid growth in gross primary energy use and minimization of oil imports. Gross energy use would be more than twice the 1975 level by the year 2000 and almost three times the 1975 level by 2025. Principal supply sources would be nuclear power and coal; each would account in 2025 for substantially more input to the primary energy system than the 1975 total from all sources. Moreover all of the nuclear power and much of the coal would be used for central-station electricity generation, a process involving huge conversion losses. Another large fraction of the coal would be used for "synfuels" production. Demands on the mining industry to produce the requisite coal and uranium would be enormous and could be met only at great environmental cost.

ALTERNATIVE "SOFT" ENERGY PATH

Lovins argues that an alternative "soft" path of energy use and supply over the next 50 years would be practical and far preferable.

Its first feature would be vastly improved efficiencies in energy use, so that the same amounts of end-use work would be done by much lower quantities of primary energy input. Using this approach alone, Lovins estimates, it will be possible for total energy use to rise much more slowly from now until about 1990, then level off and by the turn of the century actually start downward again. The technology for these results is available now, Lovins claims, and is far cheaper than additions on the supply side of the energy budget. The net reduction in total energy use would be achieved despite predicted growths in population, comfort, and equity.

The second feature would be rapid commercialization of what Lovins calls the "soft" energy technologies. He coined that term to describe energy supply systems that match the renewable energy sources—sun, wind, and vegetation—to end-use needs by means of technologies of appropriate scale, design, and energy quality. Many of these technologies, such as solar heating and cooling and wind generation, are ready for immediate widespread commercialization. By 2025, Lovins believes, they could provide virtually all of the much lower total level of gross primary energy use that he envisages.

Because of the great improvements in efficiency and reduction of waste, the enormous spread between the "hard" and "soft" energy paths in their respective uses of gross primary energy input would be much reduced and scarcely noticeable to consumers at the level of end use. Central to Lovins' idea of "soft" technologies is the feature of using electricity for only those limited applications where its high energy quality can be used to advantage. Because electricity is very costly in money and fuels, and wastes about two-thirds of the fuel used in its generation, be it uranium, coal, or oil, its use should be confined to those types of work for which it alone is suitable or conspicuously preferable, such as communications and lighting.

The third feature of Lovins' alternative strategy would be a fossil-fuel bridge to the era of "soft" energy systems. This would be based on coal, oil, and gas, but in far smaller amounts than the administration plans and would use a number of far simpler, currently available technologies, which Lovins describes. These would be of appropriate scale to integrate with "soft" technologies later.

THE NEED FOR CHOICE

Lovins asserts at the outset of his article that we can't have it both ways; the two paths are mutually exclusive. The Nation must make choices and make them soon, not continue, as at present, to run down both paths at once. A formidable array of reasons, described by Lovins, will cause the two paths to diverge. Among the most important are capital costs, the politics of expectation and disappointment, and the dangers of nuclear proliferation.

The most important basis for choice beeen these two energy futures is their profoundly different implications for the social and political structure of this country in coming generations.

Lovins' argument is that we do not need the doubtful blessings of the "hard" path—assuming they are attainable at all. He says that the "soft" path will give us other, more effective energy use and supply technologies that will produce a net improvement in our quality of life.

This of course does not mean that the "soft" path would be without its own difficult problems and costs. We will be asked to give up two really significant features of our present lifestyles, but many of us will be glad to see them go. One is huge amounts of joyless and unnecessary waste. The other is our overdependence on vast, complicated, faraway concentrations of technological, industrial and economic power, which we can scarcely understand, much less control.

BREATHTAKING IMPLICATIONS

The implications and potential consequences of Lovins' argument are breathtaking.

If Lovins is right, the meaning of his article, quite simply, is that our present energy policy and priorities need to be scrapped, almost in their entirety.

It means that we can and should suspend work on our nuclear power establishment and proceed fairly soon to dismantle it.

It means that we should abandon our efforts to build huge plants for the commercial production of so-called synfuels from coal and the production of oil from oil shales. The "soft" path would lead to some factories for making liquid and gaseous fuels from solid substances, but they would be smaller and would use, for the most part, vegetable matter rather than coal and oil shale as their raw material.

It means that our investments in both the public and private sectors in the technologies of energy efficiency and the inexhaustible resources of Sun, wind, and vegetation have been far too low. Those investments, if Lovins is right, should be immediately and vastly increased, with a view to massive commercialization, not demonstration, of many systems, which he describes, that are ready to serve humanity now—systems that the administration persists in calling futuristic.

It means that we should be paying more attention to technologies for cleanly burning coal as a solid, rather than converting it to liquid or gaseous forms. Lovins describes several processes that are ready for immediate commercialization and which can later be adapted to "soft" technologies or integrated with them.

If Lovins is right, the conventional wisdom of today's energy establishment, supported by the present administration, is wrong. The conventional wisdom, in the words of a reactor manufacturing company executive, is to "vigorously pursue all energy options available."

Under that policy, no natural resource can be left untapped, whatever its environmental cost; no technology can be left undeveloped, however exotic or expensive or dangerous.

We must, under that philosophy, hedge every bet on anything by betting on everything else. Unfortunately, of course, the hedge is not perfect, because the biggest bets are always placed on the most expensive, most difficult, farthest-out energy technologies.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text—minus illustrations—of an article by Amory B. Lovins entitled "Energy Strategy: The Road Not Taken?", from the October issue of Foreign Affairs. In the article, the two alternative paths to our energy future are depicted in sketch graphs. To replace those graphs, I ask unanimous consent that the article be preceded by two tables, provided by Mr. Lovins at my request, which contain the same information in numerical form.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—AN ILLUSTRATIVE SCHEMATIC FUTURE FOR U.S. GROSS PRIMARY ENERGY USE

	1975	1985	2000	2010	2025
Total U.S. energy use in quadrillion (10^{15}) Btu per year	75	105	160	197	230
Components:					
Nuclear	1	10	34	68	130
Oil and gas	59	72	68	47	15
Coal	15	23	58	82	85

Source: Provided by Amory B. Lovins to replace "Figure 1" in his article, "Energy Strategy: The Road Not Taken?"

TABLE 2.—AN ALTERNATIVE ILLUSTRATIVE FUTURE FOR U.S. GROSS PRIMARY ENERGY USE

	1975	1985	2000	2010	2025
Total U.S. energy use in quadrillion (10^{15}) Btu per year	75	95	95	86	65
Components:					
Soft technologies	0	4	35	53	63
Oil and gas	60	68	35	18	1
Coal	15	23	25	13	1

Source: Provided by Amory B. Lovins to replace "Figure 2" in his article, "Energy Strategy: The Road Not Taken?"

ENERGY STRATEGY: THE ROAD NOT TAKEN?

(By Amory B. Lovins)

Two roads diverged in a wood, and I—
I took the one less traveled by,
And that has made all the difference.
ROBERT FROST.

Where are America's formal or de facto energy policies leading us? Where might we choose to go instead? How can we find out?

Addressing these questions can reveal deeper questions—and a few answers—that are easy to grasp, yet rich in insight and in international relevance. This paper will seek to explore such basic concepts in energy strategy by outlining and contrasting two energy paths that the United States might follow over the next 50 years—long enough for the full implications of change to start to emerge. The first path resembles present federal policy and is essentially an extrapolation of the recent past. It relies on rapid expansion of centralized high technologies to increase supplies of energy, especially in the form of electricity. The second path combines a prompt and serious commitment to efficient use of energy, rapid development of renewable energy sources matched in scale and in energy quality to end-use needs, and special transitional fossil-fuel technologies. This path, a whole greater than the sum of its parts, diverges radically from incremental past practices to pursue long-term goals.

Both paths, as will be argued, present difficult—but very different—problems. The first path is convincingly familiar, but the economic and sociopolitical problems lying ahead loom large, and eventually, perhaps, insuperable. The second path, though it represents a shift in direction, offers many social, economic and geopolitical advantages, including virtual elimination of nuclear proliferation from the world. It is important to recognize that the two paths are mutually exclusive. Because commitments to the first may foreclose the second, we must soon choose one or the other—before failure to stop nuclear proliferation has foreclosed both.[1]

II

Most official proposals for future U.S. energy policy embody the twin goals of sustaining growth in energy consumption (assumed to be closely and causally linked to GNP and to social welfare) and of minimizing oil imports. The usual proposed solution is rapid expansion of three sectors: coal (mainly strip-mined, then made into electricity and synthetic fluid fuels); oil and gas (increasingly from Arctic and offshore wells); and nuclear fission (eventually in fast breeder reactors). All domestic resources, even naval oil reserves, are squeezed hard—in a policy which David Brower calls "Strength Through Exhaustion." Conservation, usually induced by price rather than by policy, is conceded to be necessary but it is given a priority more rhetorical than real. "Unconventional" energy supply is relegated to a minor role, its significant contribution postponed until past 2000. Emphasis is overwhelmingly on the short term. Long-term sustainability is vaguely assumed to be ensured by some eventual combination of fission breeders, fusion breeders, and solar electricity. Meanwhile, aggressive subsidies and regulations are used to hold down energy prices well below economic and prevailing international levels so that growth will not be seriously constrained.

Even over the next ten years (1976–85), the supply enterprise typically proposed in such projections is impressive. Oil and gas extraction shift dramatically to offshore and Alaskan sources, with nearly 900 new oil wells offshore of the contiguous 48 states alone. Some 170 new coal mines open, extracting about 200 million tons per year each from eastern underground and strip mines, plus 120 million from western stripping. The nuclear fuel cycle requires over 100 new uranium mines, a new enrichment plant, some 40 feul fabrication plants, three fuel reprocessing plants. The electrical supply system, more than doubling, draws on some 180 new 800-megawatt coal-fired stations, over one hundred and forty 1,000-megawatt nuclear reactors, 60 conventional and over 100 pumped-storage hydroelectric plants, and over 350 gas turbines. Work begins on new industries to make synthetic fuels from coal and oil shale. At peak, just building (not operating) all these new facilities directly requires nearly 100,000 engineers, over 420,000 craftspeople, and over 140,000 laborers. Total indirect labor requirements are twice as great.[2]

This ten-year spurt is only the beginning. The year 2000 finds us with 450 to 800 reactors (including perhaps 80 fast breeders, each loaded with 2.5 metric tons of plutonium), 500 to 800 huge coal-fired power stations, 1,000 to 1,600 new coal mines and some 15 million electric automobiles. Massive electrification—which, according to one expert, is "the most important attempt to modify the infrastructure of industrial society since the railroad"[3]—is largely responsible for the release of waste heat sufficient to warm the entire freshwater runoff of the contiguous 48 states by 34–49° F.[4] Mining coal and uranium, increasingly in the arid West, entails inverting thousands of communities and millions of acres, often with little hope of effective restoration. The commitment to a long-term coal economy many times the scale of today's makes the doubling of atmospheric carbon dioxide concentration early in the century virtually unavoidable, with the prospect then or soon thereafter of substantial and perhaps irreversible changes in global climate.[5] Only the exact date of such changes is in question.

The main ingredients of such an energy future are roughly sketched in Figure I. For the period up to 2000, this sketch is a composite of recent projections published by the Energy Research and Development Administration (ERDA), Federal Energy Administration (FEA), Department of the Interior, Exxon, and Edison Electric Institute. Minor and relatively constant sources, such as hydroelectricity, are omitted; the nuclear component represents nuclear heat, which is roughly three times the resulting nuclear electric output; fuel imports are aggregated with domestic production. Beyond 2000, the usual cutoff date of present projections, the picture has been extrapolated to the year 2025—exactly how is not important here—in order to show its long-term implications more clearly.[6]

The flaws in this type of energy policy have been pointed out by critics in and out of government. For example, despite the intensive electrication—consuming more than half the total fuel input in 2000 and more thereafter—we are still short of gaseous and liquid fuels, acutely so from the 1980s on, because of slow and incomplete substitution of electricity for the two-thirds of fuel use that is now direct. Despite enhanced recovery of resources in the ground, shortages steadily deepen in natural gas—on which plastics and nitrogen fertilizers depend—and, later, in fuel for the transport sector (half our oil now runs cars). Worse, at least half the energy growth never reaches the consumer because it is lost earlier in elaborate conversions in an increasingly inefficient fuel chain dominated by electricity generation (which wastes about two-thirds of the fuel) and coal conversion (which wastes about one-third). Thus in Britain since 1900, primary energy—the input to the fuel chain—has doubled while energy at the point of end use—the car, furnace or machine whose function it fuels—has increased by only a half, or by a third per capita; the other half of the growth went to fuel the fuel industries, which are the largest energy consumers.

Among the most intractable barriers to implementing Figure I is its capital cost. In the 1960s, the total investment to increase a consumer's delivered energy supplies by the equivalent of one barrel of oil per day (about 67 kilowatts of heat) was a few thousand of today's dollars—of which, in an oil system, the wellhead investment in the Persian Gulf was and still is only a few hundred dollars. (The rest is transport, refining, marketing and distribution.) The capital intensity of much new coal supply is still in this range. But such cheaply won resources can no longer stretch our domestic production of fluid fuels or electricity; and Figure I relies mainly on these, not on coal burned directly, so it must bear the full burden of increased capital intensity.

That burden is formidable. For the North Sea oilfields coming into production soon, the investment in the whole system is roughly $10,000 to deliver an extra barrel per day

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Footnotes at end of article.

(constant 1976 dollars throughout); for U.S. frontier (Arctic and offshore) oil and gas in the 1980s it will be generally in the range from $10,000 to $25,000; for synthetic gaseous and liquid fuels made from coal, from $20,000 to $50,000 per daily barrel.

The scale of these capital costs is generally recognized in the industries concerned. What is less widely appreciated—partly because capital costs of electrical capacity are normally calculated per installed (not delivered) kilowatt and partly because whole-system costs are rarely computed—is that capital cost is many times greater for new systems that make electricity than for those that burn fuels directly. For coal-electric capacity ordered today, a reasonable estimate would be about $150,000 for the delivered equivalent of one barrel of oil per day; for nuclear-electric capacity ordered today, about $200,000–$300,000. Thus, the capital cost per delivered kilowatt of electrical energy emerges as roughly 100 times that of the traditional direct-fuel technologies on which our society has been built.[7]

The capital intensity of coal conversion and, even more, of large electrical stations and distribution networks is so great that many analysts, such as the strategic planners of the Shell Group in London, have concluded that no major country outside the Persian Gulf can afford these contralized high technologies on a truly large scale, large enough to run a country. They are looking, in Monte Canfield's phrase, like future technologies whose time has passed.

Relying heavily on such technologies, President Ford's 1976–85 energy program turns out to cost over $1 trillion (in 1976 dollars) in initial investment, of which about 70 to 80 percent would be for new rather than replacement plants.[8] The latter figure corresponds to about three-fourths of cumulative net private domestic investment (NPDI) over the decade (assuming that NPDI remains 7 percent of gross national product and that GNP achieves real growth of 3.5 percent per year despite the adverse effects of the energy program on other investments). In contrast, the energy sector has recently required only one-fourth of NPDI. Diverting to the energy sector not only this hefty share of discretionary investment but also about two-thirds of all the rest would deprive other sectors which have their own cost-escalation problems and their own vocal constituencies. A powerful political response could be expected. And this capital burden is not temporary; further up the curves of Figure 1 it tends to increase, and much of what might have been thought to be increased national wealth must be plowed back into the care and feeding of the energy system. Such long-lead-time, long-payback-time investments might also be highly inflationary.

Of the $1 trillion-plus just cited, three-fourths would be for electrification. About 18 percent of the total investment could be saved just by reducing the assumed average 1976–85 electrical growth rate from 6.5 to 5.5 percent per year.[9] Not surprisingly, the combination of disproportionate and rapidly increasing capital intensity, long lead times, and economic responses is already proving awkward to the electric utility industry, despite the protection of a 20 percent taxpayer subsidy on new power stations.[10] "Probably no industry," observes Bankers Trust Company, "has come closer to the edge of financial disaster." Both here and abroad an effective feedback loop is observable: large capital programs—poor cash flow—higher electricity prices—reduced demand growth—worse cash flow—increased bond flotation—increased debt-to-equity ratio, worse coverage, and less attractive bonds—poor bond sales—worse cash flow—higher electricity prices—reduced (even negative) demand growth and political pressure on utility regulators—overcapacity, credit pressure, and higher cost of money—worse cash flow, etc. This "spiral of impossibility," as Mason Willrich has called it, is exacerbated by most utilities' failure to base historic prices on the long-run cost of new supply: thus some must now tell their customers that the current-dollar cost of a kilowatt-hour will treble by 1985, and that two-thirds of that increase will be capital charges for new plants. Moreover, experience abroad suggests that even a national treasury cannot long afford electrification: a New York State-like position is quickly reached, or too little money is left over to finance the energy *uses*, or both.

IV

Summarizing a similar situation in Britain, Walter Patterson concludes: "Official statements identify an anticipated 'energy gap' which can be filled only with nuclear electricity; the data do not support any such conclusion, either as regards the 'gap' or as regards the capability of filling it with nuclear electricity." We have sketched one form of the latter argument; let us now consider the former.

Despite the steeply rising capital intensity of new energy supply, forecasts of energy demand made as recently as 1972 by such bodies as the Federal Power Commission and the Department of the Interior wholly ignored both price elasticity of demand and energy conservation. The Chase Manhattan Bank in 1973 saw virtually no scope for conservation save by minor curtailments: the efficiency with which energy produced economic outputs was assumed to be optimal already. In 1976, some analysts still predict economic calamity if the United States does not continue to consume twice the combined energy total for Africa, the rest of North and South America, and Asia except Japan. But what have more careful studies taught us about the scope for doing better with the energy we have? Since we can't keep the bathtub filled because the hot water keeps running out, do we really (as Malcolm MacEwen asks) need a bigger water heater, or could we do better with a cheap, low-technology plug?

There are two ways, divided by a somewhat fuzzy line, to do more with less energy. First, we can plug leaks and use thriftier technologies to produce exactly the same output of goods and services—and bads and nuisances—as before, substituting other resources (capital, design, management, care, etc.) for some of the energy we formerly used. When measures of this type use today's technologies, are advantageous today by conventional economic criteria, and have no significant effect on life-style, they are called "technical fixes."

In addition, or instead, we can make and use a smaller quantity or a different mix of the outputs themselves, thus to some degree changing (or reflecting ulterior changes in) our life-styles. We might do this because of changes in personal values, rationing by price or otherwise mandatory curtailments, or gentler inducements. Such "social changes" include car-pooling, smaller cars, mass transit, bicycles, walking, opening windows, dressing to suit the weather, and extensively recycling materials. Technical fixes, on the other hand, include thermal insulation, heat-pumps (devices like air conditioners which move heat around—often in either direction—rather than making it from scratch), more efficient furnaces and car engines, less overlighting and overventilation in commercial buildings, and recuperators for waste heat in industrial processes. Hundreds of technical and semi-technical analyses of both kinds of conservation have been done; in the last two years especially, much analytic progress has been made.

Theoretical analysis suggests that in the long term, technical fixes *alone* in the United States could probably improve energy efficiency by a factor of at least three or four.[11] A recent review of specific practical measures cogently argues that with only those technical fixes that could be implemented by about the turn of the century, we could nearly double the efficiency with which we use energy.[12] If that is correct, we could have steadily increasing economic activity with approximately constant primary energy use for the next few decades, thus stretching our present energy supplies rather than having to add massively to them. One careful comparison shows that *after* correcting for differences of climate, hydroelectric capacity, etc., Americans would still use about a third less energy than they do now if they were as efficient as the Swedes (who see much room for improvement in their own efficiency).[13] U.S. per capita energy intensity, too, is about twice that of West Germany in space heating, four times in transport.[14] Much of the difference is attributable to technical fixes.

Some technical fixes are already under way in the United States. Many factories have cut tens of percent off their fuel cost per unit output, often with practically no capital investment. New 1976 cars average 27 percent better mileage than 1974 models. And there is overwhelming evidence that technical fixes are generally much cheaper than increasing energy supply, quicker, safer, of more lasting benefit. They are also better for secure, broadly based employment using existing skills. Most energy conservation measures and the shifts of consumption which they occasion are relatively labor-intensive. Even making more energy-efficient home appliances is about twice as good for jobs as is building power stations: the latter is practically the least labor-intensive major investment in the whole economy.

The capital savings of conservation are particularly impressive. In the terms used above, the investments needed to *save* the equivalent of an extra barrel of oil per day are often zero to $3,500, generally under $8,000, and at most about $25,000—far less than the amounts needed to increase most kinds of energy supply. Indeed, to use energy efficiently in new buildings, especially commercial ones, the additional capital cost is often *negative*: savings on heating and cooling equipment more than pay for the other modifications.

To take one major area of potential saving, technical fixes in new buildings can save 50 percent or more in office buildings and 80 percent or more in some new houses.[15] A recent American Institute of Architects study concludes that, by 1990, improved design of new buildings and modification of old ones could save a third of our current *total* national energy use—and save money too. The payback time would be only half that of the alternative investment in increased energy supply, so the same capital could be used twice over.

A second major area lies in "cogeneration," or the generating of electricity as a by-product of the process steam normally produced in many industries. A Dow study chaired by Paul McCracken reports that by 1985 U.S. industry could meet approximately half its own electricity needs (compared to about a seventh today) by this means. Such cogeneration would save $20–50 billion in investment, save fuel equivalent to 2–3 million barrels of oil per day, obviate the need for more than 50 large reactors, and (with flattened utility rates) yield at least 20 percent pretax return on marginal investment while reducing the price of electricity to consumers.[16] Another measure of the potential is that cogeneration provides about 4 percent of electricity today in the United States but about 29 percent in West Germany. Cogeneration and more efficient use of electricity could together reduce our use of electricity by a third and our central-station genera-

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tion by 60 percent.[17] Like district heating (distribution of waste heat as hot water via insulated pipes to heat buildings), U.S. Cogeneration is held back only by institutional barriers. Yet these are smaller than those that were overcome when the present utility industry was established.

So great is the scope for technical fixes now that we could spend several hundred billion dollars on them initially plus several hundred million dollars per day—and still save money compared with increasing the supply! And we would still have the fuel (without the environmental and geopolitical problems of getting and using it). The barriers to far more efficient use of energy are not technical, nor in any fundamental sense economic. So why do we stand here confronted, as Pogo said, by insurmountable opportunities?

The answer—apart from poor information and ideological antipathy and rigidity—is a wide array of institutional barriers, including more than 3,000 conflicting and often obsolete building codes, an innovation-resistant building industry, lack of mechanisms to ease the transition from kinds of work that we no longer need to kinds we do need, opposition by strong unions to schemes that would transfer jobs from their members to large numbers of less "skilled" workers, promotional utility rate structures, fee structures giving building engineers a fixed percentage of prices of heating and cooling equipment they install, inappropriate tax and mortgage policies, conflicting signals to consumers, misallocation of conservation's costs and benefits (builders vs. buyers, landlords vs. tenants, etc.), imperfect access to capital markets, fragmentation of government responsibility, etc.

Though economic answers are not always right answers, properly using the markets we have may be the greatest single step we could take toward a sustainable, humane energy future. The sound economic principles we need to apply include flat (even inverted) utility rate structures rather than discounts for large users, pricing energy according to what extra supplies will cost in the long run ("long-run marginal-cost pricing"), removing subsidies, assessing the total costs of energy-using purchases over their whole operating lifetimes ("lifecycle costing"), counting the costs of complete energy systems including all support and distribution systems, properly assessing and charging environmental costs, valuing assets by what it would cost to replace them, discounting appropriately, and encouraging competition through antitrust enforcement (including at least horizontal divestiture of giant energy corporations).

Such practicing of the market principles we preach could go very far to help us use energy efficiently and get it from sustainable sources. But just as clearly, there are things the market cannot do, like reforming building codes or utility practices. And whatever our means, there is room for differences of opinion about how far we can achieve the great theoretical potential for technical fixes. How far might we instead choose, or be driven to, some of the "social changes" mentioned earlier?

There is no definitive answer to this question—though it is arguable that if we are not clever enough to overcome the institutional barriers to implementing technical fixes, we shall certainly not be clever enough to overcome the more familiar but more formidable barriers to increasing energy supplies. My own view of the evidence is, first, that we are adaptable enough to use technical fixes *alone* to double, in the next few decades, the amount of social benefit we wring from each unit of end-use energy; and second, that value changes which could either replace or supplement those technical changes are also occurring rapidly. If either of these views is right, or if both are partly right, we should be able to double end-use efficiency by the turn of the century or shortly thereafter, with minor or no changes in life-styles or values save increasing comfort for modestly increasing numbers. Then over the period 2010–40, we should be able to shrink per capita primary energy use to perhaps a third or a quarter of today's.[18] (The former would put us at the per capita level of the wasteful, but hardly troglodytic, French.) Even in the case of fourfold shrinkage, the resulting society could be instantly recognizable to a visitor from the 1960s and need in no sense be a pastoralist's utopia—though that option would remain open to those who may desire it.

The long-term mix of technical fixes with structural and value changes in work, leisure, agriculture and industry will require much trial and error. It will take many years to make up our diverse minds about. It will not be easy—merely easier than not doing it. Meanwhile it is easy only to see what not to do.

If one assumes that by resolute technical fixes and modest social innovation we can double our end-use efficiency by shortly after 2000, then we could be twice as affluent as now with today's level of energy use, or as affluent as now while using only half the end-use energy we use today. Or we might be somewhere in between—significantly more affluent (and equitable) than today but with less end-use energy.

Many analysts now regard modest, zero or negative growth in our rate of energy use as a realistic long-term goal. Present annual U.S. primary energy demand is about 75 quadrillion BTU ("quads"), and most official projections for 2000 envisage growth to 130-170 quads. However, recent work at the Institute for Energy Analysis, Oak Ridge, under the direction of Dr. Alvin Weinberg, suggests that standard projections of energy demand are far too high because they do not take account of changes in demographic and economic trends. In June 1976 the Institute considered that with a conservation program far more modest than that contemplated in this article, the likely range of U.S. primary energy demand in the year 2000 would be about 101–126 quads, with the lower end of the range more probable and end-use energy being about 60–65 quads. And, at the further end of the spectrum, projections for 2000 being considered by the "Demand Panel" of a major U.S. National Research Council study, as of mid-1976, ranged as low as about 54 quads of fuels (plus 16 of solar energy).

As the basis for a coherent alternative to the path shown in Figure 1 earlier, a primary energy demand of about 95 quads for 2000 is sketched in Figure 2. Total energy demand would gradually decline thereafter as inefficient buildings, machines, cars and energy systems are slowly modified or replaced. Let us now explore the other ingredients of such a path—starting with the "soft" supply technologies which, spurned in Figure 1 as insignificant, now assume great importance.

V

There exists today a body of energy technologies that have certain specific features in common and that offer great technical, economic and political attractions, yet for which there is no generic term. For lack of a more satisfactory term, I shall call them "soft" technologies: a textural description, intended to mean not vague, mushy, speculative or ephemeral, but rather flexible, resilient, sustainable and benign. Energy paths dependent on soft technologies, illustrated in Figure 2, will be called "soft" energy paths, as the "hard;" technologies sketched in Section II constitute a "hard" path (in both senses). The distinction between hard and soft energy paths rests not on how much energy is used, but on the technical and sociopolitical structure of the energy system, thus focusing our attention on consequent and crucial political differences.

In Figure 2, then, the social structure is significantly shaped by the rapid deployment of soft technologies. These are defined by five characteristics:

They rely on renewable energy flows that are always there whether we use them or not, such as sun and wind and vegetation: on energy income, not on depletable energy capital.

They are diverse, so that energy supply is an aggregate of very many individually modest contributions, each designed for maximum effectiveness in particular circumstances.

They are flexible, and relatively low-technology—which does not mean unsophisticated, but rather, easy to understand and use without esoteric skills, accessible rather than arcane.

They are matched in scale and in geographic distribution to end-use needs. taking advantage of the free distribution of most natural energy flows.

They are matched in energy quality to end-use needs: a key feature that deserves immediate explanation.

People do not want electricity or oil, nor such economic abstractions as "residential services," but rather comfortable rooms, light, vehicular motion, food, tables, and other real things. Such end-use needs can be classified by the physical nature of the task to be done. In the United States today, about 58 percent of all energy at the point of end use is required as heat, split roughly equally between temperatures above and below the boiling point of water. (In Western Europe the low-temperature heat alone is often a half of all end-use energy.) Another 38 percent of all U.S. end-use energy provides mechanical motion: 31 percent in vehicles, 3 percent in pipeline, 4 percent in industrial electric motors. The rest, a mere 4 percent of delivered energy, represents all lighting, electronics, telecommunications, electrometallurgy, electrochemistry, arc-welding, electric motors in home appliances and in railways, and similar end uses which now require electricity.

Some 8 percent of all our energy end use, then, requires electricity for purposes other than low-temperature heating and cooling. Yet, since we actually use electricity for many such low-grade purposes, it now meets 13 percent of our end-use needs—and its generation consumes 29 percent of our fossil fuels. A hard energy path would increase this 13 percent figure to 20–40 percent (depending on assumptions) by the year 2000, and far more thereafter. But this is wasteful because the laws of physics require, broadly speaking, that a power station change three units of fuel into two units of almost useless waste heat plus one unit of electricity. This electricity can do more difficult kinds of work than can the original fuel, but unless this extra quality and versatility are used to advantage, the costly process of upgrading the fuel—and losing two-thirds of it—is all for naught.

Plainly we are using premium fuels and electricity for many tasks for which their high energy quality is superfluous, wasteful and expensive, and a hard path would make this inelegant practice even more common. Where we want only to create temperature differences of tens of degrees, we should meet the need with sources whose potential is tens or hundreds of degrees, not with a flame temperature of thousands or a nuclear temperature of millions—like cutting butter with a chainsaw.

For some applications, electricity is appropriate and indispensable: electronics, smelting, subways, most lighting, some kinds of mechanical work, and a few more. But these uses are already oversupplied, and for the other, dominant uses remaining in our en-

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Footnotes at end of article.

ergy economy this special form of energy cannot give us our money's worth (in many parts of the United States today it already costs $50–120 per barrel-equivalent). Indeed, in probably no industrial country today can additional supplies of electricity be used to thermodynamic advantage which would justify their high cost in money and fuels.

So limited are the U.S. end uses that really require electricity that by applying careful technical fixes to them we could reduce their 8 percent total to about 5 percent (mainly by reducing commercial overlighting), whereupon we could probably cover all those needs with present U.S. hydroelectric capacity plus the cogeneration capacity available in the mid-to-late 1980s.[19] Thus an affluent industrial economy could advantageously operate with no central power stations at all! In practice we would not necessarily want to go that far, at least not for a long time; but the possibility illustrates how far we are from supplying energy only in the quality needed for the task at hand.

A feature of soft technologies as essential as their fitting end-use needs (for a different reason) is their appropriate scale, which can achieve important types of economies not available to larger, more centralized systems. This is done in five ways, of which the first is reducing and sharing overheads. Roughly half your electricity bill is fixed distribution costs to pay the overheads of a sprawling energy system: transmission lines, transformers, cables, meters and people to read them, planners, headquarters, billing computers, interoffice memos, advertising agencies. For electrical and some fossil-fuel systems, distribution accounts for more than half of total capital cost, and administration for a significant fraction of total operating cost. Local or domestic energy systems can reduce or even eliminate these infrastructure costs. The resulting savings can far outweigh the extra costs of the dispersed maintenance infrastructure that the small systems require, particularly where that infrastructure already exists or can be shared (e.g., plumbers fixing solar heaters as well as sinks).

Small scale brings further savings by virtually eliminating distribution losses, which are cumulative and pervasive in centralized energy systems (particularly those using high-quality energy). Small systems also avoid direct diseconomies of scale, such as the frequent unreliability of large units and the related need to provide instant "spinning reserve" capacity on electrical grids to replace large stations that suddenly fail. Small systems with short lead times greatly reduce exposure to interest, escalation and mistimed demand forecasts—major indirect diseconomies of large scale.

The fifth type of economy available to small systems arises from mass production. Consider, as Henrik Harboe suggests, the 100-odd million cars in this country. In round numbers, each car probably has an average cost of less than $4,000 and a shaft power over 100 kilowatts (134 horsepower). Presumably a good engineer could build a generator and upgrade an automobile engine to a reliable, 35-percent-efficient diesel at no greater total cost, yielding a mass-produced diesel generator unit costing less than $40 per kw. In contrast, the motive capacity in our central power stations—currently totaling about 1/40 as much as in our cars—costs perhaps ten times more per kw, partly because it is not mass-produced. It is not surprising that at least one foreign car maker hopes to go into the wind-machine and heat-pump business. Such a market can be entered incrementally, without the billions of dollars' investment required for, say, liquefying natural gas or gasifying coal. It may require a production philosophy oriented toward technical simplicity, low replacement cost, slow obsolescence, high reliability, high volume and low markup; but these are familiar concepts in mass production. Industrial resistance would presumably melt when—as with pollution-abatement equipment—the scope for profit was perceived.

This is not to say that all energy systems need be at domestic scale. For example, the medium scale of urban neighborhoods and rural villages offers fine prospects for solar collectors—especially for adding collectors to existing buildings of which some (perhaps with large flat roofs) can take excess collector area while others cannot take any. They could be joined via communal heat storage systems, saving on labor cost and on heat losses. The costly craftwork of remodeling existing systems—"backfiring" idiosyncratic houses with individual collectors—could thereby be greatly reduced. Despite these advantages, medium-scale solar technologies are currently receiving little attention apart from a condominium-village project in Vermont sponsored by the Department of Housing and Urban Development and the 100-dwelling-unit Mejannes-le-Clap project in France.

The schemes that dominate ERDA's solar research budget—such as making electricity from huge collectors in the desert, or from temperature differences in the oceans, or from Brooklyn Bridge-like satellites in outer space—do not satisfy our criteria, for they are ingenious high-technology ways to supply energy in a form and at a scale inappropriate to most end-use needs. Not all solar technologies are soft. Nor, for the same reason, is nuclear fusion a soft technology?[20] But many genuine soft technologies are now available and are now economic. What are some of them?

Solar heating and, imminently, cooling head the list. They are incrementally cheaper than electric heating, and far more inflation-proof, practically anywhere in the world.[21] In the United States (with fairly high average sunlight levels), they are cheaper than present electric heating virtually anywhere, cheaper than oil heat in many parts, and cheaper than gas and coal in some. Even in the least favorable parts of the continental United States, far more sunlight falls on a typical building than is required to heat and cool it without supplement; whether this is considered economic depends on how the accounts are done.[22] The difference in solar input between the most and least favorable parts of the lower 49 states is generally less than two-fold, and in cold regions, the long heating season can improve solar economics.

Ingenious ways of backfitting existing urban and rural buildings (even large commercial ones) or their neighborhoods with efficient and exceedingly reliable solar collectors are being rapidly developed in both the private and public sectors. In some recent projects, the lead time from ordering to operation has been only a few months. Good solar hardware, often modular, is going into pilot or full-scale production over the next few years, and will increasingly be integrated into buildings as a multipurpose structural element, thereby sharing costs. Such firms as Philips, Honeywell, Revere, Pittsburgh Plate Glass, and Owens-Illinois, plus many dozens of smaller firms, are applying their talents, with rapid and accelerating effect, to reducing unit costs and improving performance. Some novel types of very simple collectors with far lower costs also show promise in current experiments. Indeed, solar hardware per se is necessary only for backfitting existing buildings. If we build new buildings properly in the first place, they can use "passive" solar collectors—large south windows or glass-covered black south walls—rather than special collectors. If we did this to all new houses in the next 12 years, we would save about as much energy as we expect to recover from the Alaskan North Slope.[23]

Secondly, exciting developments in the conversion of agricultural, forestry and urban wastes to methanol and other liquid and gaseous fuels now offer practical, economically interesting technologies sufficient to run an efficient U.S. transport sector.[24] Some bacterial and enzymatic routes under study look even more promising, but presently proved processes already offer sizable contributions without the inevitable climatic constraints of fossil-fuel combustion. Organic conversion technologies must be sensitively integrated with agriculture and forestry so as not to deplete the soil; most current methods seem suitable in this respect, though they may change the farmer's priorities by making his whole yield of biomass (vegetable matter) salable.

The required scale of organic conversion can be estimated. Each year the U.S. beer and wine industry, for example, microbiologically produces 5 percent as many gallons (not all alcohol, of course) as the U.S. oil industry produces gasoline. Gasoline has 1.5–2 times the fuel value of alcohol per gallon. Thus a conversion industry roughly 10 to 14 times the scale (in gallons of fluid output per year) of our cellars and breweries would produce roughly one-third of the present gasoline requirements of the United States; if one assumes a transport sector with three times today's average efficiency—a reasonable estimate for early in the next century—then the whole of the transport needs could be met by organic conversion. The scale of effort required does not seem unreasonable, since it would replace in function half our refinery capacity.

Additional soft technologies include wind-hydraulic systems (especially those with a vertical axis), which already seem likely in many design studies to compete with nucelar power in much of North America and Western Europe. But wind is not restricted to making electricity: it can heat, pump, heat-pump, or compress air. Solar process heat, too, is coming along rapidly as we learn to use the 5,800° C. potential of sunlight (much hotter than a boiler). Finally, high- and low-temperature solar collectors, organic converters, and wind machines can form symbiotic hybrid combinations more attractive than the separate components.

Energy storage is often said to be a major problem of energy-income technologies. But this "problem" is largely an artifact of trying to recentralize, upgrade and redistribute inherently diffuse energy flows. Directly storing sunlight or wind—or, for that matter, electricity from any source—is indeed difficult on a large scale. But it is easy if done on a scale and in an energy quality matched to most end-use needs. Daily, even seasonal, storage of low- and medium-temperature heat at the point of use is straightforward with water tanks, rock beds, or perhaps fusible salts. Neighborhood heat storage is even cheaper. In industry, wind-generated compressed air can easily (and, with due care, safely) be stored to operate machinery: the technology is simple, cheap, reliable and highly developed. (Some cities even used to supply compressed air as a standard utility.) Installing pipes to distribute hot water (or compressed air) tends to be considerably cheaper than installing equivalent electric distribution capacity. Hydroelectricity is stored behind dams, and organic conversion yields readily stored liquid and gaseous fuels. On the whole, therefore, energy storage is much less of a problem in a soft energy economy than in a hard one.

Recent research suggests that a largely or wholly solar economy can be constructed in the United States with straightforward soft technologies that are now demonstrated and now economic or nearly economic.[25] Such a conceptual exercise does not require "exotic" methods such as sea-thermal, hot-dry-rock geothermal, cheap (perhaps organic) photo-

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voltaic, or solar-thermal electric systems. If developed, as some probably will be, these technologies could be convenient, but they are in no way essential for an industrial society operating solely on energy income.

Figure 2 shows a plausible and realistic growth pattern, based on several detailed assessments, for soft technologies given aggressive support. The useful output from these technologies would overtake, starting in the 1990s, the output of nuclear electricity shown in even the most sanguine federal estimates. For illustration, Figure 2 shows soft technologies meeting virtually all energy needs in 2025, reflecting a judgment that a completely soft supply mix is practicable in the long run with or without the 2000–25 energy shrinkage shown. Though most technologists who have thought seriously about the matter will concede it conceptually, some may be uneasy about the details. Obviously the sketched curve is not definitive, for although the general direction of the soft path must be shaped soon, the details of the energy economy in 2025 would not be committed in this century. To a large extent, therefore, it is enough to ask yourself whether Figure 1 or 2 seems preferable in the 1975–2000 period.

A simple comparison may help. Roughly half, perhaps more, of the gross primary energy being produced in the hard path in 2025 is lost in conversions. A further appreciable fraction is lost in distribution. Delivered end-use energy is thus not vastly greater than in the soft path, where conversion and distribution losses have been all but eliminated. (What is lost can often be used locally for heating, and is renewable, not depletable.) But the soft path makes each unit of end-use energy perform several times as much social function as it would have done in the hard path; so in a conventional sense, social welfare in the soft path in 2025 is substantially greater than in the hard path at the same date.

VI

To fuse into a coherent strategy the benefits of energy efficiency and of soft technologies, we need one further ingredient: transitional technologies that use fossil fuels briefly and sparingly to build a bridge to the energy-income economy of 2025, conserving those fuels—especially oil and gas—for petrochemicals (ammonia, plastics, etc.) and leaving as much as possible in the ground for emergency use only.

Some transitional technologies have already been mentioned under the heading of conservation—specifically, cogenerating electricity from existing industrial steam and using existing waste heat for district heating. Given such measures, increased end-use efficiency, and the rapid development of biomass alcohol as a portable liquid fuel, the principal short- and medium-term problem becomes, not a shortage of electricity or of portable liquid fuels, but a shortage of clean sources of heat. It is above all the sophisticated use of coal, chiefly at modest scale, that needs development. Technical measures to permit the highly efficient use of this widely available fuel would be the most valuable transitional technologies.

Neglected for so many years, coal technology is now experiencing a virtual revolution. We are developing supercritical gas extraction, flash hydrogenation, flash pyrolysis, panel-bed filters and similar ways to use coal cleanly at essentially any scale and to cream off valuable liquids and gases as premium fuels before burning the rest. These methods largely avoid the costs, complexity, inflexibility, technical risks, long lead times, large scale, and tar formation of the traditional processes that now dominate our research.

Perhaps the most exciting current development is the so-called fluidized-bed system for burning coal (or virtually any other combustible material). Fluidized beds are simple, versatile devices that add the fuel a little at a time to a much larger mass of small, inert, red-hot particles—sand or ceramic pellets—kept suspended as an agitated fluid by a stream of air continuously blown up through it from below. The efficiency of combustion, of other chemical reactions (such as sulfur removal), and of heat transfer is remarkably high because of the turbulent mixing and large surface area of the particles. Fluidized beds have long been used as chemical reactors and for burning trash, but are now ready to be commercially applied to raising steam and operating turbines. In one system currently available from Stal-Laval Turbin AB of Sweden, eight off-the-shelf 70-megawatt gas turbines powered by fluidized-bed combusters, together with district-heating networks and heat pumps, would heat as many houses as a $1 billion-plus coal gasification plant, but would use only two-fifths as much coal, cost a half to two-thirds as much to build, and burn more cleanly than a normal power station with the best modern scrubbers.[26]

Fluidized-bed boilers and turbines can power giant industrial complexes, especially for cogeneration, and are relatively easy to backfit into old municipal power stations. Scaled down, a fluidized bed can be a tiny household device—clean, strikingly simply and flexible—that can replace an ordinary furnace or grate and can recover combustion heat with an efficiency over 80 percent.[27] At medium scale, such technologies offer versatile boiler backfits and improve heat recovery in flues. With only minor modifications they can burn practically any fuel. It is essential to commercialize all these systems now—not to waste a decade on highly instrumented but noncommercial pilot plants constrained to a narrow, even obsolete design philosophy.[28]

Transitional technologies can be built at appropriate scale so that soft technologies can be plugged into the system later. For example, if district heating uses hot water tanks on a neighborhood scale, those tanks can in the long run be heated by neighborhood solar collectors, wind-driven heat pumps, a factory, a pyrolyzer, a geothermal well, or whatever else becomes locally available—offering flexibility that is not possible at today's excessive scale.

Both transitional and soft technologies are worthwhile industrial investments that can recycle moribund capacity and underused skills, stimulate exports, and give engaging problems to innovative technologists. Though neither glamorous nor militarily useful, these technologies are socially effective—especially in poor countries that need such scale, versatility and simplicity even more than we do.

Properly used, coal, conservation, and soft technologies together can squeeze the "oil and gas" wedge in Figure 2 from both sides—so far that most of the frontier extraction and medium-term imports of oil and gas become unnecessary and our conventional resources are greatly stretched. Coal can fill the real gaps in our fuel economy with only a temporary and modest (less than twofold at peak) expansion of mining, not requiring the enormous infrastructure and social impacts implied by the scale of coal use in Figure 1.

In sum, Figure 2 outlines a prompt redirection of effort at the margin that lets us use fossil fuels intelligently to buy the time we need to change over to living on our energy income. The innovations required, both technical and social, compete directly and immediately with the incremental actions that constitute a hard energy path: fluidized beds vs. large coal gasification plants and coal-electric stations, efficient cars vs. offshore oil, roof insulation vs. Arctic gas, cogeneration vs. nuclear power. These two directions of development are mutually exclusive: the pattern of commitments of resources and time required for the hard energy path and the pervasive infrastructure which it accretes gradually make the soft path less and less attainable. That is, our two sets of choices compete not only in what they accomplish, but also in what they allow us to contemplate later. Figure 1 obscures this constriction of options, for it peers myopically forward, one power station at a time, extrapolating trend into destiny by self-fulfilling prophecy with no end clearly in sight. Figure 2, in contrast, works backward from a strategic goal, asks what we must do when in order to get there, and thus reveals the potential for a radically different path that would be invisible to anyone working forward in time by incremental ad-hocracy.

VII

Both the soft and the hard paths bring us, each in its own way and at broadly similar rates, to the era beyond oil and gas. But the rates of internal adaptation meanwhile are different. As we have seen, the soft path relies on smaller, far simpler supply systems entailing vastly shorter development and construction time, and on smaller, less sophisticated management systems. Even converting the urban clusters of a whole country to district heating should take only 30–40 years. Furthermore, the soft path relies mainly on small, standard, easy-to-make components and on technical resources dispersed in many organizations of diverse sizes and habits; thus everyone can get into the act, unimpeded by centralized bureaucracies, and can compete for a market share through ingenuity and local adaptation. Besides having much lower and more stable operating costs than the hard path, the soft path appears to have lower initial cost because of its technical simplicity, small unit size, very low overheads, scope for mass production, virtual elimination of distribution losses and of interfuel conversion losses, low exposure to escalation and interest, and prompt incremental construction (so that new capacity is built only when and where it is needed).[29]

The actual costs of whole systems, however, are not the same as perceived costs: solar investments are borne by the householder, electric investments by a utility that can float low-interest bonds and amortize over 30 years. During the transitional era, we should therefore consider ways to broaden householders' access to capital markets. For example, the utility could finance the solar investment (leaving its execution to the householder's discretion), then be repaid in installments corresponding to the householder's savings. The householder would thus minimize his own—and society's—long-term costs. The utility would have to raise several times less capital than it would without such a scheme—for otherwise it would have to build new electric or synthetic-gas capacity at even higher cost—and would turn over its money at least twice as quickly, thus retaining an attractive rate of return on capital. The utility would also avoid social obsolescence and use its existing infrastructure. Such incentives have already led several U.S. gas utilities to use such a capital-transfer scheme to finance roof insulation.

Next, the two paths differ even more in risks than in costs. The hard path entails serious environmental risks, many of which are poorly understood and some of which have probably not yet been thought of. Perhaps the most awkward risk is that late in this century, when it is too late to do much about it, we may well find climatic constraints on coal combustion about to be-

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come acute in a few more decades; for it now takes us only that long, not centuries or millennia, to approach such outer limits. The soft path, by minimizing all fossil-fuel combustion, hedges our bets. Its environmental impacts are relatively small, tractable and reversible.[30]

The hard path, further, relies on a very few high technologies whose success is by no means assured. The soft path distributes the technical risk among very many diverse low technologies, most of which are already known to work well. They do need sound engineering—a solar collector or heat pump can be worthless if badly designed—but the engineering is of an altogether different and more forgiving order than the hard path requires, and the cost of failure is much lower both in potential consequences and in number of people affected. The soft path also minimizes the economic risks to capital in case of error, accident or sabotage; the hard path effectively maximizes those risks by relying on vulnerable high-technology devices each costing more than the endowment of Harvard University. Finally, the soft path appears generally more flexible—and thus robust. Its technical diversity, adaptability, and geographic dispersion make it resilient and offer a good prospect of stability under a wide range of conditions, foreseen or not. The hard path, however, is brittle; it must fail, with widespread and serious disruption, if any of its exacting technical and social conditions is not satisfied continuously and indefinitely.

VIII

The soft path has novel and important international implications. Just as improvements in end-use efficiency can be used at home (via innovative financing and neighborhood self-help schemes) to lessen first the disproportionate burden of energy waste on the poor, so can soft technologies and reduced pressure on oil markets especially benefit the poor abroad. Soft technologies are ideally suited for rural villagers and urban poor alike, directly helping the more than two billion people who have no electric outlet nor anything to plug into it but who need ways to heat, cook, light and pump. Soft technologies do not carry with them inappropriate cultural patterns or values; they capitalize on poor countries' most abundant resources (including such protein-poor plants as cassava, eminently suited to making fuel alcohols), helping to redress the severe energy imbalance between temperate and tropical regions; they can often be made locally from local materials and do not require a technical elite to maintain them; they resist technological dependence and commercial monopoly; they conform to modern concepts of agriculturally based eco-development from the bottom up, particularly in the rural villages.

Even more crucial, unilateral adoption of a soft energy path by the United States can go a long way to control nuclear proliferation—perhaps to eliminate it entirely. Many nuclear advocates have missed this point: believing that there is no alternative to nuclear power, they say that if the United States does not export nuclear technology, others will, so we might as well get the business and try to use it as a lever to slow the inevitable spread of nuclear weapons to nations and subnational groups in other regions. Yet the genie is not wholly out of the bottle yet—thousands of reactors are planned for a few decades hence, tens of thousands thereafter—and the cork sits unnoticed in our hands.

Perhaps the most important opportunity available to us stems from the fact that for at least the next five or ten years, while nuclear dependence and commitments are still reversible, all countries will continue to rely on the United States for the technical, the economic, and especially the political support they need to justify their own nuclear programs. Technical and economic dependence is intricate and pervasive; political dependence is far more important but has been almost ignored, so we do not yet realize the power of the American example in an essentially imitative world where public and private divisions over nuclear policy are already deep and grow deeper daily.

The fact is that in almost all countries the domestic political base to support nuclear power is not solid but shaky. However great their nuclear ambitions, other countries must still borrow that political support from the United States. Few are succeeding. Nuclear expansion is all but halted by grass-roots opposition in Japan and the Netherlands; has been severely impeded in West Germany, France, Switzerland, Italy and Austria; has been slowed and may soon be stopped in Sweden; has been rejected in Norway and (so far) Australia and New Zealand, as well as in two Canadian Provinces; faces an uncertain prospect in Denmark and many American states; has been widely questioned in Britain, Canada and the U.S.S.R.,[31] and has been opposed in Spain, Brazil, India, Thailand and elsewhere.

Consider the impact of three prompt, clear U.S. statements:

The United States will phase out its nuclear power program[32] and its support of others' nuclear power programs.

The United States will redirect those resources into the tasks of a soft energy path and will freely help any other interested countries to do the same, seeking to adapt the same broad principles to others' needs and to learn from shared experience.

The United States will start to treat nonproliferation, control of civilian fission technology, and strategic arms reduction as interrelated parts of the same problem with intertwined solutions.

I believe that such a universal, nondiscriminatory package of policies would be politically irresistable to North and South, East and West alike. It would offer perhaps our best chance of transcending the hypocrisy that has stalled arms control: by no longer artificially divorcing civilian from military nuclear technology, we would recognize officially the real driving forces behind proliferation; and we would no longer exhort others not to acquire bombs while claiming that we ourselves feel more secure with bombs than without them.

Nobody can be certain that such a package of policies, going far beyond a mere moratorium, would work. The question has received far too little thought, and political judgments differ. My own, based on the past nine years' residence in the midst of the European nuclear debate, is that nuclear power could not flourish there if the United States did not want it to.[33] In giving up the export market that our own reactor designs have dominated, we would be demonstrating a desire for peace, not profit thus allaying legitimate European commercial suspicions. Those who believe such a move would be seized upon gleefully by, say, French exporters are seriously misjudging French nuclear politics. Skeptics, too, have yet to present a more promising alternative—a credible set of technical and political measures for meticulously restricting to peaceful purposes extremely large amounts of bomb materials which, once generated, will persist for the foreseeable lifetime of our species.

I am confident that the United States can still turn off the technology that it originated and deployed. By rebottling that genie we could move to energy and foreign policies that our grandchildren can live with. No more important step could be taken toward revitalizing the American dream.

IX

Perhaps the most profound difference between the soft and hard paths is their domestic sociopolitical impact. Both paths, like any 50-year energy path, entail significant social change. But the kinds of social change needed for a hard path are apt to be much less pleasant, less plausible, less compatible with social diversity and personal freedom of choice, and less consistent with traditional values than are the social changes that could make a soft path work.

It is often said that, on the contrary, a soft path must be repressive; and coercive paths to energy conservation and soft technologies can indeed be imagined. But coercion is not necessary and its use would signal a major failure of imagination, given the many policy instruments available to achieve a given technical end. Why use penal legislation to encourage roof insulation when tax incentives and education (leading to the sophisticated public understanding now being achieved in Canada and parts of Europe) will do? Policy tools need not harm life-styles or liberties if chosen with reasonable sensitivity.

In contrast to the soft path's dependence on pluralistic consumer choice in deploying a myriad of small devices and refinements, the hard path depends on difficult, large-scale projects requiring a major social commitment under centralized management. We have noted in Section II the extraordinary capital intensity of centralized, electrified high technologies. Their similarly heavy demands on other scarce resources—skills, labor, materials, special sites—likewise cannot be met by market allocation, but require compulsory diversion from whatever priorities are backed by the weakest constituencies. Quasi-warpowers legislation to this end has already been seriously proposed. The hard path, sometimes portrayed as the bastion of free enterprise and free markets, would instead be a world of subsidies, $100-billion bailouts, oligopolies, regulations, nationalization, eminent domain, corporate statism.

Such dirigiste autarchy is the first of many distortions of the political fabric. While soft technologies can match any settlement pattern, their diversity reflecting our own pluralism, centralized energy sources encourage industrial clustering and urbanization. While soft technologies give everyone the costs and benefits of the energy system he chooses, centralized systems allocate benefits to surburbanites and social costs to politically weaker rural agrarians. Siting big energy systems pits central authority against local autonomy in an increasingly divisive and wasteful form of centrifugal politics that is already proving one of the most potent constraints on expansion.

In an electrical world, your lifeline comes not from an understandable neighborhood technology run by people you know who are at your own social level, but rather from an alien, remote, and perhaps humiliatingly uncontrollable technology run by a faraway, bureaucratized, technical elite who have probably never heard of you. Decisions about who shall have how much energy at what price also become centralized—a politically dangerous trend because it divides those who use energy from those who supply and regulate it.

The scale and complexity of centralized grids not only make them politically inaccessible to the poor and weak, but also increase the likelihood and size of malfunctions, mistakes and deliberate disruptions. A small fault or a few discontented people become able to turn off a country. Even a single rifleman can probably black out a typical city instantaneously. Societies may

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therefore be tempted to discourage disruption through stringent controls akin to a garrison state. In times of social stress, when grids become a likely target for dissidents, the sector may be paramilitarized and further isolated from grassroots politics.

If the technology used, like nuclear power, is subject to technical surprises and unique psychological handicaps, prudence or public clamor may require generic shutdowns in case of an unexpected type of malfunction: one may have to choose between turning off a country and persisting in potentially unsafe operation. Indeed, though many in the $100-billion quasi-civilian nuclear industry agree that it could be politically destroyed if a major accident occurred soon, few have considered the economic or political implications of putting at risk such a large fraction of societal capital. How far would governments go to protect against a threat—even a purely political threat—a basket full of such delicate, costly and essential eggs? Already in individual nuclear plants, the cost of a shutdown—often many dollars a second—weighs heavily, perhaps too heavily, in operating and safety decisions.

Any demanding high technology tends to develop influential and dedicated constituencies of those who link its commercial success with both the public welfare and their own. Such sincerely held beliefs, peer pressures, and the harsh demands that the work itself places on time and energy all tend to discourage such people from acquiring a similarly thorough knowledge of alternative policies and the need to discuss them. Moreover, the money and talent invested in an electrical program tend to give it disproportionate influence in the counsels of government, often directly through staff-swapping between policy- and mission-oriented agencies. This incestuous position, now well developed in most industrial countries, distorts both social and energy priorities in a lasting way that resists political remedy.

For all these reasons, if nuclear power were clean, safe, economic, assured of ample fuel, and socially benign per se, it would still be unattractive because of the political implications of the kind of energy economy it would lock us into. But fission technology also has unique sociopolitical side-effects arising from the impact of human fallibility and malice on the persistently toxic and explosive materials in the fuel cycle. For example, discouraging nuclear violence and coercion requires some abrogation of civil liberties;[34] guarding long-lived wastes against geological or social contingencies implies some form of hierarchical social rigidity or homogeneity to insulate the technological priesthood from social turbulence; and making political decisions about nuclear hazards which are compulsory, remote from social experience, disputed, unknown, or unknowable, may tempt governments to bypass democratic decision in favor of elitist technocracy.[35]

Even now, the inability of our political institutions to cope with nuclear hazard is straining both their competence and their perceived legitimacy. There is no scientific basis for calculating the likelihood or the maximum long-term effects of nuclear mishaps, or for guaranteeing that those effects will not exceed a particular level; we know only that all precautions are, for fundamental reasons, inherently imperfect in essentially unknown degree. Reducing that imperfection would require much social engineering whose success would be speculative. Technical success in reducing the hazards would not reduce, and might enhance, the need for such social engineering. The most attractive political feature of soft technologies and conservation—the alternatives that will let us avoid these decisions and their high political costs—may be that, like motherhood, everyone is in favor of them.

X

Civilization in this country, according to some, would be inconceivable if we used only, say, half as much electricity as now. But that is what we did use in 1963, when we were at least half as civilized as now. What would life be like at the per capita levels of primary energy that we had in 1910 (about the present British level) but with doubled efficiency of energy use and with the important but not very energy-intensive amenities we lacked in 1910, such as telecommunications and modern medicine? Could it not be at least as agreeable as life today? Since the energy needed today to produce a unit of GNP varies more than 100-fold depending on what good or service is being produced, and since GNP in turn hardly measures social welfare, why must energy and welfare march forever in lockstep? Such questions today can be neither answered nor ignored.

Underlying energy choices are real but tacit choices of personal values. Those that make a high-energy society work are all too apparent. Those that could sustain life-styles of elegant frugality are not new; they are in the attic and could be dusted off and recycled. Such values as thrift, simplicity, diversity, neighborliness, humility and craftsmanship—perhaps most closely preserved in politically conservative communities—are already, as we see from the ballot box and the census, embodied in a substantial social movement, camouflaged by its very pervasiveness. Offered the choice freely and equitably, many people would choose, as Herman Daly puts it, "growth in things that really count rather than in things that are merely countable": choose not to transform, in Duane Elgin's phrase, "a rational concern for material well-being into an obsessive concern for unconscionable levels of material consumption."

Indeed, we are learning that many of the things we had taken to be the benefits of affluence are really remedial costs, incurred in the pursuit of benefits that might be obtainable in other ways without those costs. Thus much of our prized personal mobility is really involuntary traffic made necessary by the settlement patterns which cars create Is that traffic a cost or a benefit?

Pricked by such doubts, our inflated craving for consumer ephemerals is giving way to a search for both personal and public purpose, to reexamination of the legitimacy of the industrial ethic. In the new age of scarcity, our ingenious strivings to substitute abstract (therefore limitless) wants for concrete (therefore reasonably bounded) needs no longer seem so virtuous. But where we used to accept unquestioningly the facile (and often self-serving) argument that traditional economic growth and distributional equity are inseparable, new moral and humane stirrings now are nudging us. We can now ask whether we are not already so wealthy that further growth, far from being essential to addressing our equity problems, is instead an excuse not to mobilize the compassion and commitment that could solve the same problems with or without the growth.

Finally, as national purpose and trust in institutions diminish, governments, striving to halt the drift, seek ever more outward control. We are becoming more uneasily aware of the nascent risk of what a Stanford Research Institute group has called ". . . 'friendly fascism'—a managed society which rules by a faceless and widely dispersed complex of warfare-welfare-industrial-communications-police bureaucracies with a technocratic ideology." In the sphere of politics as of personal values, could many strands of observable social change be converging on a profound cultural transformation whose implications we can only vaguely sense: one in which energy policy, as an integrating principle, could be catalytic?[36]

It is not my purpose here to resolve such questions—only to stress their relevance. Though fuzzy and unscientific, they are the beginning and end of any energy policy. Making values explicit is essential to preserving a society in which diversity of values can flourish.

Some people suppose that a soft energy path entails mainly social problems, a hard path mainly technical problems, so that since in the past we have been better at solving the technical problems, that is the kind we should prefer to incur now. But the hard path, too, involves difficult social problems. We can no longer escape them; we must choose which kinds of social problems we want. The most important, difficult, and neglected questions of energy strategy are not mainly technical or economic but rather social and ethical. They will pose a supreme challenge to the adaptability of democratic institutions and to the vitality of our spiritual life.

XI

These choices may seem abstract, but they are sharp, imminent and practical. We stand at a crossroads: without decisive action our options will slip away. Delay in energy conservation lets wasteful use run on so far that the logistical problems of catching up become insuperable. Delay in widely deploying diverse soft technologies pushes them so far into the future that there is no longer a credible fossil-fuel bridge to them: they must be well under way before the worst part of the oil-and-gas decline. Delay in building the fossil-fuel bridge makes it too tenuous: what the sophisticated coal technologies can give us, in particular, will no longer mesh with our pattern of transitional needs as oil and gas dwindle.

Yet these kinds of delay are exactly what we can expect if we continue to devote so much money, time, skill, fuel and political will to the hard technologies that are so demanding of them. Enterprises like nuclear power are not only unnecessary but a positive encumbrance for they prevent us, through logistical competition and cultural incompatibility, from pursuing the tasks of a soft path at a high enough priority to make them work together properly. A hard path can make the attainment of a soft path prohibitively difficult, both by starving its components into garbled and incoherent fragments and by changing social structures and values in a way that makes the innovations of a soft path more painful to envisage and to achieve. As a nation, therefore, we must choose one path before they diverge much further. Indeed, one of the infinite variations on a soft path seems inevitable, either smoothly by choice now or disruptively by necessity later; and I fear that if we do not soon make the choice, growing tensions between rich and poor countries may destroy the conditions that now make smooth attainment of a soft path possible.

These conditions will not be repeated. Some people think we can use oil and gas to bridge to a coal and fission economy, then use that later, if we wish, to bridge similarly costing technologies in the hazy future. But what if the bridge we are now on is the last one? Our past major transitions in energy supply were smooth because we subsidized them with cheap fossil fuels. Now our new energy supplies are ten or a hundred times more capital-intensive and will stay that way. If our future capital is generated by economic activity fueled by synthetic gas at $25 a barrel-equivalent, nuclear electricity at $60–120 a barrel-equivalent, and the like, and if the energy sector itself requires much of that capital just to maintain itself, will capital still be as cheap and plentiful as it is now, or will we have fallen into a "capital trap"? Wherever we make our present transition to, once we arrive we may be stuck there for a long time. Thus if neither the soft nor the hard path were preferable on cost or other grounds, we would still be wise to use our remaining cheap fossil fuels—sparingly—

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to finance a transition as nearly as possible straight to our ultimate energy-income sources. We shall not have another chance to get there.

FOOTNOTES

[1] In this essay the proportions assigned to the components of the two paths are only indicative and illustrative. More exact computations, now being done by several groups in the United States and abroad (notably the interim [autumn 1976] and forthcoming final [1976–1977] reports of the energy study of the Union of Concerned Scientists, Cambridge, Mass.), involve a level of technical detail which, though an essential next step, may deflect attention from fundamental concepts. This article will accordingly seek technical realism without rigorous precision or completeness. Its aim is to try to bring some modest synthesis to the enormous flux and ferment of current energy thinking around the world. Much of the credit (though none of the final responsibility) must go to the many energy strategists whose insight and excitement they have generously shared and whose ideas I have shamelessly recycled without explicit citation. Only the limitations of space keep me from acknowledging by name the 70-odd contributors, in many countries, who come especially to mind.

[2] The foregoing data are from M. Carasso *et al., The Energy Supply Planning Model,* PB–245 382 and PB–245 383, National Technical Information Service (Springfield, Va.), Bechtel Corp. report to the National Science Foundation (NSF), August 1975. The figures assume the production goals of the 1975 State of the Union Message. Indirect labor requirements are calculated by C. W. Bullard and D. A. Pilati, CAC Document 178 (September 1975), Center for Advanced Computation, Univ. of Illinois at Urbana-Champaign.

[3] I. C. Bupp and R. Treitel, "The Economics of Nuclear Power: De Omnibus Dubitandum," 1976 (available from Professor Bupp, Harvard Business School).

[4] Computation concerning waste heat and projections to 2000 are based on data in the 1975 Energy Research and Development Administration Plan (ERDA–48).

[5] B. Bolin, "Energy and Climate," Secretariat for Future Studies (Fack, S–103 10 Stockholm); S. H. Schneider and R. D. Dennett, *Ambio 4,* 2:65–74 (1975); S. H. Schneider, *The Genesis Strategy,* New York: Plenum, 1976; W. W. Kellogg and S. H. Schneider, *Science 186*:1163–72 (1974).

[6] Figure I shows only nonagricultural energy. Yet the sunlight participating in photosynthesis in our harvested crops is comparable to our total use of nonagricultural energy, while the sunlight falling on all U.S. croplands and grazing lands is about 25 times the nonagricultural energy. By any measure, sunlight is the largest single energy input to the U.S. economy today.

[7] The capital costs for frontier fluids and for electrical systems can be readily calculated from the data base of the Bechtel model (footnote 2 above). The electrical examples are worked out in my "Scale, Centralization and Electrification in Energy Systems," *Future Strategies of Energy Development* symposium, Oak Ridge Associated Universities, October 20–21, 1976.

[8] The Bechtel model, using 1974 dollars and assuming ordering in early 1974, estimates direct construction costs totaling $559 billion, including work that is in progress but not yet commissioned in 1985. Interest, design and administration—but not land, nor escalation beyond the GNP inflation rate—bring the total to $743 billion. Including the cost of land, and correcting to a 1976 ordering date and 1976 dollars, is estimated by M. Carasso to yield over $1 trillion.

[9] M. Carasso *et al., op. cit.*

[10] E. Kahn *et al.*, "Investment Planning in the Energy Sector," LBL–4479, Lawrence Berkeley Laboratory, Berkeley, Calif., March 1, 1976.

[11] American Institute of Physics Conference Proceedings No. 25, *Efficient Use of Energy,* New York: AIP 1975; summarized in *Physics Today,* August 1975.

[12] M. Ross and R. H. Williams, "Assessing the Potential for Fuel Conservation," forthcoming in *Technology Review*; see also L. Schipper, *Annual Review of Energy I*: 455–518 (1976).

[13] L. Schipper and A. J. Lichtenberg, "Efficient Energy Use and Well-Being: The Swedish Example," LBL–4430 and ERG–76–09, Lawrence Berkeley Laboratory, April 1976.

[14] R. L. Goen and R. K. White, "Comparison of Energy Consumption Between West Germany and the United States," Stanford Research Institute, Menlo Park, Calif., June 1975.

[15] A. D. Little, Inc., "An Impact Assessment of ASHRAE Standard 90–75," report to FEA, C–78309, December 1975; J. E. Snell *et al.* (National Bureau of Standards), "Energy Conservation in Office Buildings: Some United States Examples," International CIB Symposium on Energy Conservation in the Built Environment (Building Research Establishment, Garston, Watford, England), April 1976; Owens-Corning-Fiberglas, "The Arkansas Story," 1975.

[16] P. W. McCracken *et al., Industrial Energy Center Study,* Dow Chemical Co. *et al.*, report to NSF, PB–243 824, National Technical Information Service (Springfield, Va.), June 1975. Extensive cogeneration studies for FEA are in progress at Thermo-Electron Corp., Waltham, Mass. A pathfinding June 1976 study by R. H. Williams (Center for Environmental Studies, Princeton University) for the N.J. Cabinet Energy Committee argues that the Dow report substantially underestimates cogeneration potential.

[17] Ross and Williams, *op. cit.*

[18] A calculation for Canada supports this view: A. B. Lovins, *Conserver Society Notes* (Science Council of Canada, Ottawa), May/June 1976, pp. 3–16. Technical fixes already approved in principle by the Canadian Cabinet should hold approximately constant until 1990 the energy required for the transport, commercial and house-heating sectors; sustaining similar measures to 2025 is estimated to shrink per capita primary energy to about half today's level. Plausible social changes are estimated to yield a further halving. The Canadian and U.S. energy systems have rather similar structures.

[19] The scale of potential conservation in this area is given in Ross and Williams, *op. cit.;* the scale of potential cogeneration capacity is from McCracken *et al., op. cit.*

[20] Assuming (which is still not certain) that controlled nuclear fusion works, it will almost certainly be more difficult, complex and costly—though safer and perhaps more permanently fueled—than fast breeder reactors. See W. D. Metz, *Science 192:* 1320–23 (1976), *193:* 38–40, 76 (1976), and *193:* 307–309 (1976). But for three reasons we ought to pursue fusion. First, it generally produces copious fast neutrons that can and probably would be used to make bomb materials. Second, if it turns out to be rather "dirty," as most fusion experts expect, we shall probably use it anyway, whereas if it is clean, we shall so overuse it that the resulting heat release will alter global climate: we should prefer energy sources that give us enough for our needs while denying us the excesses of concentrated energy with which we might do mischief to the earth or to each other. Third, fusion is a clever way to do something we don't really want to do, namely to find *yet another* complex, costly large-scale, centralized, high-technology way to make electricity—all of which goes in the wrong direction.

[21] Partly or wholly solar heating is attractive and is being demonstrated even in cloudy countries approaching the latitude of Anchorage, such as Denmark and the Netherlands (International CIB Symposium, *op. cit.*) and Britain (*Solar Energy: A U.K. Assessment,* International Solar Energy Society, London, May 1976).

[22] Solar heating cost is traditionally computed microeconomically for a consumer whose alternative fuels are not priced at long-run marginal cost. Another method would be to compare the total cost (capital and life-cycle) of the solar system with the total cost of the other complete systems that would otherwise have to be used in the long run to heat the same space. On that basis, 100 percent solar heating, even with twice the capital cost of two-thirds or three-fourths solar heating, is almost always advantageous.

[23] R. W. Bliss, *Bulletin of the Atomic Scientists,* March 1976, pp. 32–40.

[24] A. D. Poole and R. H. Williams, *Bulletin of the Atomic Scientists,* May 1976, pp. 48–58.

[25] For examples, see the Canadian computations in A. B. Lovins, *Conserver Society Notes, op. cit.;* Bent Sørensen's Danish estimates in *Science 189:* 225–60 (1975); and the estimates by the Union of Concerned Scientists, footnote 1 above.

[26] The system and its conceptual framework are described in several papers by H. Harboe, Managing Director, Stal-Laval (G.B.) Ltd., London: "District Heating and Power Generation," November 14, 1975; "Advances in Coal Combustion and Its Applications," February 20, 1976; "Pressurized Fluilized Bed Combustion with Special Reference to Open Gas Turbines" (with C. W. Maude), May 1976. See also K. D. Kiang *et al.*, "Fluidized-Bed Combustion of Coals," GFERC/IC–75/2 (CONF–750583), ERDA, May 1975.

[27] Small devices were pioneered by the late Professor Douglas Elliott. His associated firm, Fluidfire Development, Ltd. (Netherton, Dudley, W. Midlands, England) has sold many dozens of units for industrial heat treatment or heat recuperation. Field tests of domestic packaged fluidized-bed boilers are in progress in the Netherlands and planned in Montana.

[28] Already Linköping, Sweden, is evaluating bids from several confident vendors for a 15-megawatt fluidized-bed boiler to add to its district heating system. New reviews at the Institute for Energy Analysis and elsewhere confirm fluidized beds' promise of rapid benefits without massive research programs.

[29] Estimates of the total capital cost of "soft" systems are necessarily less well developed than those for the "hard" systems. For 100-percent solar space heating, one of the high-priority soft technologies, mid-1980s estimates are about $50,000–$60,000 (1976 dollars) of investment per daily oil-barrel equivalent in the United States, $100,000 in Scandinavia. All solar cost estimates, however, depend sensitively on collector and building design, both under rapid development. In most new buildings, passive solar systems with negligible or negative marginal capital costs should suffice. For biomass conversion, the 1974 FEA Solar Task Force estimated capital costs of $10,000–$30,000 per daily barrel equivalent—toward the lower part of this range for most agricultural projects. Currently available wind-electric systems require total-system investment as high as about $200,000 per delivered daily barrel, with much improvement in store. As for transitional technologies, the Stal-Laval fluidized-bed gas-turbine system, complete with district-heating network and heat-pumps (coefficient of performance =2), would cost about $30,000 per delivered daily barrel equivalent. See Lovins, *op. cit.*, footnote 7.

[30] See A. B. Lovins, "Long-Term Constraints on Human Activity," *Environmental Conservation* 3, 1:3–14 (1976) (Geneva): "Some Limits to Energy Conversion," Limits to Growth 1975 Conference (The Woodlands, Texas), October 20, 1975 (to be published in conference papers). The environmental and social impacts of solar technologies are being assessed in a study coordinated by

J. W. Benson (ERDA Solar Division), to be completed autumn 1976.

[31] Recent private reports indicate the Soviet scientific community is deeply split over the wisdom of nuclear expansion. See also *Nucleonics Week*, May 13, 1976, pp. 12–13.

[32] Current overcapacity, capacity under construction, and the potential for rapid conversion and cogeneration make this a relatively painless course, whether nuclear generation is merely frozen or phased out altogether. For an illustration (the case of California), see R. Doctor *et al.*, *Sierra Club Bulletin*, May 1976, pp. 4ff. I believe the same is true abroad. See Introduction to *Non-Nuclear Futures* by A. B. Lovins and J. H. Price, Cambridge, Mass.: FOE/Ballinger, 1975.

[33] See *Nucleonics Week*, May 6, 1976, p. 7, and I. C. Bupp and J. C. Derlan, "Nuclear Reactor Safety: The Twilight of Probability," December 1975. Bupp, after a detailed study of European nuclear politics, shares this assessment.

[34] R. Ayres, *10 Harvard Civil Rights-Civil Liberties Law Review*, Spring 1975, pp. 369–443; J. H. Barton, "Intensified Nuclear Safeguards and Civil Liberties," report to USNRC, Stanford Law School, October 21, 1975.

[35] H. P. Green, *43 George Washington Law Review*, March 1975, pp. 791–807.

[36] W. W. Harman, *An Incomplete Guide to the Future*, Stanford Alumni Association, 1976.

NEED TO RESTORE A PROPER BALANCE BETWEEN BUSINESS AND GOVERNMENT

Mr. FANNIN. Mr. President, one of the issues that has concerned me greatly during my tenure in the Senate has been the problem of Federal overregulation of business. During the past 30 years, as an outgrowth of the New Deal, we have witnessed in our Nation the accelerated growth of big Government. In the process of increased centralization of political power in Washington, there has been a corresponding expansion of Federal controls and authority over the private sector. Today, under America's version of the welfare state, a faceless army of bureaucrats increasingly regulates and influences the everyday operations of our free market economy. The situation has now reached the point where many wonder if, in fact, there is still a viable free enterprise system in this country and if in the future Americans will still be able to enjoy the benefits of their private initiative and the fruits of their hard labor.

The distinguished economist Dr. Murray Weidenbaum has described this process as a "silent bureaucratic revolution," in which businessmen can no longer make ordinary management decisions without prior clearance from unelected, unresponsive bureaucrats in Washington. Unfortunately, bureaucrats, unlike entrepreneurs, make judgments without profit-and-loss considerations. The results are well known to all of us who have been deluged by complaints from constituents. Small businessmen are being buried under an avalanche of Federal paperwork. The costs of compliance with complicated and unfamiliar regulations and with increased recordkeeping and report-filing requirements are eroding the margins of profit. Government regulation is stifling technological advance and retarding product innovation. Waste and extravagance are on the rise as is unemployment and inflation. In short, our economy is stagnating under overregulation, where the costs of Federal regulation exceed the benefits to the public. Consumers now find that they are paying for the costs of such regulations in the form of higher taxes to pay for the salaries of the regulators and higher prices of essential goods and services.

Mr. President, this situation can and must be reversed if economic stagflation is to end, if American business is to grow and expand, and if the American people are to enjoy continued prosperity and the guarantees of economic, political, and social freedom. As I see it, the Congress has an obligation to reform the regulatory system and restore a measure of common sense to Government regulation. The Congress must find a way to provide balance and stability to the relationship between business and Government so that worthy national goals may be achieved without overburdening or harassing businessmen.

With this view in mind, I wish to call the attention of my colleagues to two articles published by the Center for the Study of American Business at Washington University in St. Louis. Both articles are by experts in the field of government. Dr. Murray L. Weidenbaum, the director of the center, is a former Assistant Secretary of the Treasury. He has written many articles and made many speeches on the subject of Government overregulation, and I have inserted a number of his scholarly statements into the RECORD. Richard J. Whalen was a senior editor of Fortune magazine, a contributing editor to Harper's, a writer-in-residence at the Center for Strategic Studies and a consultant to the U.S. Department of State. A former White House advisor, Mr. Whalen is the author of several best-selling books, including "Catch the Falling Flag: A Republican's Challenge to His Party."

Mr. President, I ask unanimous consent that the complete texts of these two excellent publications, "A New Approach to Business—Government Relations" by Murray L. Weidenbaum and "Business and Government: Restoring the Balance" by Richard J. Whalen be printed in the Record.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

A NEW APPROACH TO BUSINESS—GOVERNMENT RELATIONS

(By Murray L. Weidenbaum)

Just pick up any daily newspaper and you will read allegations of corporate "slush" funds, "imperialistic" multinational corporations, companies "polluting" the environment, forcing their employees to work under "cancer-inducing" conditions, "constantly" raising their prices—and earning "obscene" profits to boot.

What should the business community do about this situation? In my work, I have identified 3 different approaches. The 1st is the simplest. Ralph Nader and his associates say that you should confess your sins and mend your ways.

The 2d approach is advocated by various business associations as well as individual business executives—launch a campaign to sell the free enterprise system. This can include hiring advertising firms to sell free enterprise in the same way that you sell corn flakes.

I do not say that either of these 2 approaches is wrong. A certain amount of positive and factual speech-making on the benefits of the private enterprise system can be very useful. But sole reliance on that approach is insufficient. It puts you on the defensive, literally defending every goof on the part of every business executive. Also, some of the allegations of the critics may at times be valid. They should be answered with substantive change instead of with belabored explanations. But let us not concede too much too soon.

Business has been taking it on the chin as revelations of so-called political slush funds have been uncovered. It is altogether fitting that lawbreaking be exposed and punished. Corporate contributions to federal election campaigns are illegal.

Yet there is another aspect of these illegal business contributions to political causes which has been ignored. When we turn to more traditional types of crime, we find that the progressive thinking is not limited to punishment, but it extends to uncovering the causes. By identifying the conditions that breed crime, it is hoped that public policy can be modified so as to reduce or eliminate those conditions—a preventive approach to lawbreaking.

A parallel can be drawn to the Watergate-related cases of unlawful corporate political contributions and their attempted coverup. What was the underlying motive for these illegal acts? The dominant motive was not usually a desire to enrich the individual corporate executives who were involved, or even to enhance their positions in the company. Neither was the typical motive the desire to get the Federal government to grant a particular favor to the firm ("favors" in the form of government contracts were the object of many of the payments to citizens of other nations).

Rather, the illegal contributions were usually a response, often reluctant, to the demands from the representatives of a powerful government which was in the position to do great harm to the company. Whether the government would abuse its vast power in the absence of an adequate payment was a risk that many managements decided not to take.

But it is not surprising that so many of the executives who were implicated held positions in corporations that are dependent upon government in important ways—firms that hold large defense contracts, airlines that have government-approved route structures, and companies that are recipients of special subsidies or are subject to stringent Federal regulation.

It may not be too wide of the mark to consider many of those illegal corporate payments as a form of "protection" money given to prevent action harmful to the company. Viewed in this light, the underlying cause of this particular type of white collar crime does not arise in the company itself. Rather, the fundamental reason for the lawbreaking is the tremendous and arbitrary power that the society has given the Federal government over the private sector.

Thus the eradication of this particular form of white collar crime involves more than tighter auditing standards and improved laws on political financing. It also requires abstaining from the further expansion of governmental power over the private sector. Rather we need to reduce the arbitrary decision-making authority that many Federal agencies now possess in their dealings with business firms.

My basic point should not be misunderstood. Lawbreaking, whether by business executives or others, should not be condoned. It should be ferreted out and punished according to law. Simultaneously, it is naive—

and ineffective as well—to ignore the basic forces that give rise to the lawbreaking. In the area of business contributions to the political process, much of the basic thrust comes from the awesome power that—through the political process—government has been given over business, power that ranges from awarding contracts and subsidies to withholding approval of new products and facilities.

There is a 3d and more positive response to the attack on the American business system. As a former business planner, voluntarily retired, I recall that one of the 1st steps you take prior to launching a new product is to research the market.

To put it bluntly, the market for ideas is fundamentally different from the market for the traditional products of business. The differences include the research and development process, the distribution channels, the marketing methods, the personnel, the time horizon and the method of financing.

Just think of the major "products" that led to the tremendous expansion of governmental controls in the health and safety area. We start with the muckrackers—Ida Tarbell, Upton Sinclair, etc. several generations ago—then "100 Million Guinea Pigs" during the 1930s and, more recently, Rachel Carson's "Silent Spring" and Ralph Nader's "Unsafe At Any Speed."

None of these extremely influential products was developed, produced or marketed through the same channels that business firms are accustomed to using. For better or worse, they are products of the intellect. If the pen was mightier than the sword in an earlier day, the typewriter and the printing press are still holding their own today. But let us not concentrate entirely on the production side, on the mere design and manufacture of the document.

The channels of distribution are important. None of these items came from a company or a labor union or an advertising agency or a government agency or any other obviously self-serving institution. Each apparently was the product of an individual who wrote what he or she believed. Each was widely reviewed and reported in the newspapers and magazines which potential book buyers, and others, read.

This is the intellectual arena the proponents of the private enterprise system must enter and compete in. In the last year, I have become very optimistic about the prospects for long-run success in that arena because our Center for the Study of American Business at Washington University has succeeded in developing as a national issue the basic notion that over-regulation of business is not in the public interest because it increases the prices that consumers have to pay.

That is the heart of our positive counterattack—not a very theoretical proposition, but a very practical approach: the notion that the average citizen should be concerned about the free enterprise system because it benefits him or her directly. Likewise, the unwarranted attacks on our economic system hurt the consumer directly. Here is the way that I like to develop that theme.

The future of the private enterprise system in the U.S. for a long time is going to be determined by the outcome of the current debate that is now heating up about government regulation and deregulation. Do not get your hopes up too high. The vast regulating apparatus that has developed in Washington over many years is not suddenly going to be dismantled.

But this new national debate does give us the opportunity for the 1st time to bring to everyone's attention some basic facts, facts known to every businessman, but not to the public. The single fact that I find most important—in getting the attention of the public—is that it is the consumer who ultimately bears the burden of overregulation of business.

Most of the time, the proponents of new government controls focus all of their attention on the potential benefits—and often those benefits can be real and substantial. But they overlook the large costs which are so often involved, costs to both the taxpayer and the consumer—and that, I find, is the Achilles heel of the regulators.

Whether we like the idea or not, we must realize that a massive expansion of government controls over industry is now under way. Government officials are playing a larger role in what traditionally has been internal business decision-making.

But we also must recognize that it is difficult to criticize their basic mission. You have to possess the personality of Scrooge to quarrel with the intent of these new regulations. After all, who is opposed to safer working conditions, better products for the consumer, elimination of discrimination in employment, or reduction of environmental pollution? And in fairness we must acknowledge that the programs established to deal with these problems have yielded benefits to the nation.

But at what costs? The costs of overregulation of business are felt by our citizens in many ways: Higher taxes to pay for the regulators. Higher prices of the products we buy as a result of the regulation. Loss of productivity and jobs. A slower rate of introduction of new and better products. And less capital available for new undertakings.

Specifically, Federal regulation adversely affects the prospects of economic growth and productivity by levying a claim for a rising share of new capital formation. This is most evident in the environmental and safety areas.

Let us examine the flow of capital spending by American manufacturing companies just prior to the recent recession. In 1969, the total new investment in plant and equipment in the entire manufacturing sector of the American economy came to $26 billion. The annual totals rose in the following years, to be sure. But when the effect of inflation is eliminated, it can be seen that 4 years later, in 1973, total capital spending by U.S. manufacturing companies was no higher. In real terms, it was approximately $26 billion both in 1969 and 1973.

That is not the end of the story, however. In 1973, a much larger proportion of capital outlays was devoted to meeting government regulatory requirements in the pollution and safety area—$3 billion more, to be specific. Hence, although the economy and its needs had been growing substantially in those 4 years, the real annual investment in modernization and new capital had actually been declining.

The situation was worsened by the accelerated rate at which existing manufacturing facilities were being closed down because the rapidly rising costs of meeting government regulations meant that they were no longer economically viable. Specifically, about 30 foundries in the U.S. have been closed down in the past 4 years because they could not meet requirements such as those imposed by the Environmental Protection Agency and the Occupational Safety and Health Administration. This may help to explain why the American economy, for a substantial part of 1973, appeared to lack needed productive capacity, despite what had been large nominal annual investments in new plant and equipment in recent years.

The agencies carrying out Federal regulations are proliferating. In the past decade alone, we have seen the formation of the CPSC, the EPA, the FEA, the CASB, the NBFP, the MESA, the NHTSA, and the OSHA. That's just some of the alphabet soup.

The cost of maintaining this army of enforcers is huge. The $3 billion a year of tax dollars is devoted to supporting a regulatory workforce in excess of 74,000 people. The costs of government regulation are rising far more rapidly than the sales of the companies being regulated. Regulation literally is becoming one of the major growth industries in the country.

But this represents only the tip of the iceberg. It is the costs imposed on the private sector that are really huge, the added expenses of business firms that must comply with government directives, and that inevitably have to pass on these costs to their customers.

One direct cost of government controls is the growing paperwork burden imposed on business: the expensive and time-consuming process of submitting reports, making applications, filling out questionnaires, and replying to orders and directives.

Here is a striking example. One large oil company is required to file approximately 1,000 reports annually to 35 different Federal agencies including the Federal Power Commission, the Federal Energy Administration, the Small Business Administration, and the Bureau of Indian Affairs. In the 1st half of 1975, the Standard Oil Company of Indiana had to add to its list of required paperwork 16 major new reports to be submitted on a regular basis.

Duplication inevitably occurs. The company must report its oil and gas reserves to the FEA, and the FPC, the FTC, and the Geological Survey. Each report must take a somewhat different form. It requires 636 miles of computer tape to store the data that Standard must supply to the FEA. In total, Indiana Standard has 100 fulltime employees whose work is centered around meeting Federal regulations, at an annual cost of about $3 million.

Another hidden cost of Federal regulation is a reduced rate of introduction of new products. The longer that it takes for some change to be approved by a Federal agency the less likely the change will be made. For example, as a result of the more liberal policy in the U.K. toward the introduction of new drugs, Britain has been able to introduce useful new drugs, either sooner than the U.S. or exclusively.

A recent case is the new asthma drug beclomethasome diproprionate (BD). Although this drug has been used successfully by millions of asthma patients in England, it still has not received the approval of our Food and Drug Administration. BD is a safe and effective replacement for the drugs now given to chronic asthma patients, and does not have their adverse side effects. Unlike BD, the steroids now used in this country, such as prednisone, stunt growth in children, worsen diabetes, and increase weight through water retention. The delaying procedures of the FDA are not only increasing business costs but are preventing American consumers from having access to the newer and better products.

The Food and Drug Act is delaying the introduction of effective drugs by about 4 years. As a result, we are no longer the leaders in medical science. The U.S. was the 30th country to approve the anti-asthma drug metaporoterenol, the 32d country to approve the anti-cancer drug adriamycin, the 51st country to approve the anti-tuberculosis drug rifampin, the 64th country to approve the anti-allergenic drug cromolyn, and the 106th country to approve the anti-bacterial drug co-trimoxazole.

The regulators really seem to have the private sector scared. Take a recent example, the report last Summer by the National Cancer Institute that the solvent trichloraethylene, known as TCE, may be a possible cause of cancer. TCE at the time had been used in decaffeinated coffee. It seems that the government used a rather generous dose of the chemical on the test animals. It was the equivalent of a human being drinking

50 million cups of decaffeinated coffee every day for his entire lifetime.

What was the industry's reaction? To laugh at this example of governmental nonsense? (After all, your bladder would give out or you would drown before you had to worry about cancer). Hardly. With the cyclamate episode still firmly in mind, one major producer merely changed to another chemical. Frankly, I don't blame them, given the public atmosphere that has been created. But I do think that it is high time that we speak out on this issue.

Government regulations often have strongly adverse effect on employment. This has been demonstrated in the minimum wage area where teenagers have increasingly been priced out of labor markets. Our Center recently published a study that shows that the 1966 increase in the statutory minimum wage resulted by 1972 in teenage employment in the U.S. being 320,000 lower than it would otherwise have been or, in other words, a youth unemployment rate in 1972 3.8% higher than otherwise would have been the case.

In the construction labor area—where unemployment rates are substantially above the national average—government regulation also acts to price some segment of the work force out of competitive labor markets. Under the Davis-Bacon Act, the Secretary of Labor, promulgates "prevailing" wages to be paid on Federal and Federally-supported construction projects. A variety of studies has shown that these Federally-mandated wage rates are often above those that actually prevail in the labor market where the work is to be done.

Although only to a minor degree, perhaps, the equal employment opportunity program may tend to increase unemployment by delaying the filling of job vacancies. To the extent that employers must undergo protracted job searches prior to hiring employees, the average length of unemployment is likely to be longer. It is not uncommon for a position to remain unfilled despite the present prices because the governmental regulatory requirements have not been met.

It is inevitable that the proliferation of government controls should lead to conflict among controls and controllers. In some cases, the rules of a given agency work at cross purposes with each other. More serious and more frequent are the contradictions between the rulings of 2 or more government agencies where the regulated have little recourse. Obviously, you cannot build a factory if it violates the standards of the Environmental Protection Agency. You have to make sure, of course, that in cleaning up air pollution you do not generate water pollution.

For example, the desulfurization of coal to reduce air pollution requires a combination with lime. But in the process, large quantities of solid waste, calcium sulfate, are generated. Disposing of calcium sulfate creates water pollution problems.

As another example, Federal food standards require meat-packing plants to be kept clean and sanitary. Surfaces that are easiest to clean are usually tile or stainless steel. But tile and stainless steel are highly reflective of noise. They may not always meet the standards set for occupational safety and health.

Each regulatory agency seems to be exclusively preoccupied with its own narrow interest, and is oblivious to the effects of its actions on the company, a whole industry, or even to society as a whole.

The action of the Environmental Protection Agency regarding fire ants offers a good case study. EPA told the Agriculture Department that it is imposing severe restrictions on the use of the pesticides which can kill fire ants. Agriculture has had a major program underway to get rid of those ants. EPA's ruling is preventing the Department from carrying out its eradication program.

The Agriculture Department believes that fire ants may spread over a third of the U.S. The insects may not harm the environment as much as EPA thinks pesticides do, but their bite is very painful and can even cause death. But in the traditional bureaucratic division of labor, EPA apparently is not concerned with the fact that fire ants can kill people. I suggest, facetiously, that the Agriculture Department try to breed a special strain of fire ants that only bite highhanded government regulators.

The instances of waste and foolishness on the part of government regulators pale when we compare them to the arbitrary power that they can exert. Many liberals are outraged by the arbitrary "no-knock" powers of Federal investigative agencies, yet they readily ignore the unchallenged no-knock power used by Federal agencies in their regulation of private business.

The Supreme Court has ruled that air pollution inspectors do not need search warrants to enter the property of suspected polluters as long as they do not enter areas closed to the public. The unannounced inspections, which were conducted without warrants, were held not to be in violation of constitutional protections against unreasonable search and seizure.

The inspectors of the Labor Department's Occupational Safety and Health Administration (OSHA) can go further. They have no-knock power to enter the premises of virtually any business in the U.S., without a warrant or even prior announcement, to inspect for health and safety violations. Jail terms are provided in the OSHA law for anyone tipping off a "raid."

The awesome power exercised by government regulators often goes unappreciated by the public as well as by the regulators themselves. The case of the ban on spray adhesives is one that is worthy of some attention. On the surface, it appears to have been at most only a matter of excessive caution on the part of the Consumer Product Safety Commission.

On Aug. 20, 1973, the commission banned certain brands of aerosol spray adhesives as an imminent hazard. Its decision was based primarily on the preliminary findings of one academic researcher who claimed that they could cause birth defects. After more careful research failed to corroborate the initial report, the commission lifted the ban on March 1, 1974. Why do I mention this case? Depriving consumers of spray adhesives for less than 7 months does not seem to be too harsh in view of the desire to avoid serious threats to people's health.

In fact, the admission of error on the part of the commission is commendable. Its prompt recision of the initial action would seem almost to break speed records for a government agency.

But there is more to the story. It seems that a number of pregnant women who had used the spray adhesives reacted to the news of the commission's initial decision by undergoing abortions for fear of producing babies with birth defects. The sadness of this case is hardly reduced by the fact that everyone involved was trying to promote the public health and safety.

Indeed, this case illustrates the dilemma of government regulators. Had the commission failed to ban spray adhesives and the initial research subsequently been validated, an equally sad scenario could have resulted. Clearly, the government's involvement in such areas as product safety and job health requires a careful balancing of numerous factors, both objective and subjective.

This is not a general attack on all forms of government regulation of private activity. Unless you are an anarchist, you do believe that the government should set rules for society. But to concentrate exclusively on the well-intentioned objectives of government policies and to ignore their serious side effects is unwittingly to fall into the trap of adopting the totalitarian notion that the end justifies the means.

In legislating regulatory programs, there are very important questions which need to be faced and answered: what rules to set, how detailed to make them, and how to carry them out.

Because of the very substantial and often adverse side-effects that they give rise to, society should take a new hard look at the existing array of government controls over private business. A substantial effort should be made to eliminate those controls that generate excessive costs to the society.

Rather than blithely continuing to proliferate government controls over the economy, alternative means of achieving important national objectives should be explored and developed, solutions that expand rather than reduce the role of the market.

To the enthusiasts for more Federal regulation, I urge that they stop, and listen—to the operation of existing Federal rules and regulations, and see how the bright dream turns into ugly reality. But criticism and generalities do not suffice. If we are going to improve the situation, we are going to have to develop specific proposals.

A good beginning to streamlining government regulation, oddly enough, can be based on the environmental regulations themselves. We are now required to examine the impact on the environment of the various actions that we take. Sometimes it seems that you cannot sneeze without filing an environmental impact statement. Would it not also be appropriate to require each environmental agency to assess the impacts of its action on the nation as a whole and particularly on the economy? And to show that the benefits of its actions exceed the costs imposed on the public?

Surely a cleaner environment is an important national objective. But it is not the only national objective, and certainly society has no stake in selecting the most expensive and most disruptive ways of achieving its environmental goals.

I have in mind the recent case of the developer who felt obliged to include every type of weed in his environmental impact statement—and how to keep them. I am not advocating a green eye shade approach. Indeed, let us mourn for all the trees that have needlessly been cut down to provide the paper for all those overblown business reports to government.

We should require the same balancing of costs and benefits for the other regulatory programs, including product safey, job health, equal employment, energy, etc. As in most things in life, the sensible questions are not matters of either/or, but rather of more or less and how.

To an economist, it seems proper that government regulation should be carried to the point where the benefits equal or exceed the costs—and no further. Overregulation—which I define as situations where the costs exceed the benefits—should be avoided. But if we ignore the costs, we are bound to operate in the zone of overregulation.

What do we do about it? I do not expect the situation to really improve until consumers learn that it is they who ultimately pay the growing costs imposed by government regulation. And remember these costs hit the public in 2 ways; higher taxes to cover the expenses of the government agencies doing the regulating and higher prices of the products produced under government regulation.

Perhaps even more fundamental is the notion that government regulation is a powerful medicine. It needs to be taken very carefully, in limited doses, and with full regard for all the adverse side-effects We must avoid unwittingly overdosing the patient.

Better yet, we must quit following the advice of well-meaning individuals who do not understand the consequences of their proposals.

Basically it is attitudes that need to be changed. A case in point relates to what on the surface should be a matter relatively free of controversy, yet one which has become one of the sorest aspects of the entire business-government relationship—improving job safety.

Surely, the society desires to reduce the accidents that occur on the job. To this end, the Congress established a new agency with thousands of employees and an operating budget of several million dollars. The agency in turn has promulgated an array of rules, regulations, and requirements which have resulted in literally billions of dollars in private sector outlays—and in more complaints from business than almost any other government program.

What have been the results? More forms are now filled out. More safety rules are posted. More inspections take place. More fines are levied. But, as shown by the available statistics, there has been no reduction in accident rates in American industry.

In the case of the job safety program, as in numerous areas of government involvement, the important original concern of the public and the Congress has been converted to the bureaucratic objective of not violating the rules and regulations. "You won't get into trouble if you don't violate the safety standards," is the bureaucratic response, even if as many accidents occur as before.

The emphasis shifts to such trivia as raising and answering these types of questions: How big is a hole? When is a roof a floor? How frequently must spittoons be cleaned? The results in terms of the safety objective are almost invariably disappointing. Yet, the reaction to this situation is virtually predictable: redouble the existing effort—more rules, more forms, more inspections, and thus higher costs to the taxpayer and higher prices to the consumer.

A more satisfying answer requires a basic change in attitude, and one that is not limited to the job safety program. If the objective of public policy is to reduce accidents, it should focus directly on the reduction of accidents. Excessively detailed regulation is often a substitute for hard policy decisions. Rather than issuing citations to employers who fail to fill out the forms correctly or who do not post the correct notices, the emphasis ought to be placed on those employers with high and rising accident rates.

But the government should not be concerned with how a specific company achieves the objective of a safer working environment. Some may find it more efficient to change work rules, others to buy new equipment, and still others to retrain workers. But that is precisely the kind of operational business decisionmaking that government should avoid, but which now dominates so many of these regulatory programs.

Without diminishing the responsibility of the employers, the sanctions under the Federal occupational safety and health law should be extended to employees, especially those whose negligence endangers other employees. The purpose here is not to be harsh, but to set up effective incentives to achieve society's objectives.

I am not proposing to eliminate all government regulation of business. We must realistically acknowledge the important and positive benefits that have resulted from many of the government's regulatory activities—in terms of less pollution, fewer product hazards, ending job discrimination, and achieving other socially desirable objectives of our society.

We must also realize that these Federal programs were established by the Congress in response to a surge of rising public expectations about corporate performance. Although business executives rarely talk or write in terms of the costs and benefits of their actions to society as a whole, they often are aware of that basic justification for governmental intervention.

The president of Chrysler furnished a cogent example in justifying governmental automobile pollution controls:

". . . large part of the public will not voluntarily spend extra money to install emission control systems which will help clean the air. Any manufacturer who installs and charges for such equipment while his competition doesn't soon finds he is losing sales and customers. In cases like this, a Government standard requiring everyone to have such equipment is the only way to protect both the public and the manufacturer."

But that attitude does not justify government's attempt to closely regulate every facet of our society. I am urging balance and moderation, so that business can both help to achieve the nation's social goals and can still fulfill the basic economic function of more efficient production and distribution of better goods and services.

To restore common sense to government is a major challenge to economic education of the public—and thus it is a specific challenge to educators and business executives alike.

Business and Government: Restoring the Balance

(By Richard J. Whalen, Author)

As we are reminded daily, the United States of America is celebrating its two hundredth birthday this year. Less familiar, but perhaps no less influential, is a second event that occurred in 1776. In that year, in Edinburgh, Scotland, an obscure scholar named Adam Smith published a book entitled *The Wealth of Nations*. This book explained, in a fresh and systematic way, how and why free men and free markets created the greatest well-being for the greatest number of people in all nations.

In America, the twin ideals of individual political and economic freedom took root and flourished. Together, they produced a burst of human energy, progress and achievement such as the world has not seen in any other country or in any other 200-year span of history.

Obviously, businessmen have a special interest in maintaining free markets, and so are kindly disposed to Adam Smith. But in society at large, anyone who proclaims the free market philosophy may be suspected of being a self-serving pleader for a vested interest or a laissez-faire zealot who does not recognize the complex realities of the modern world.

It seems to me that we may concede a measure of truth in this criticism. Adam Smith would indeed be a stranger in today's world of big government, multinational corporations, large labor unions, and vast metropolitan areas as heavily populated as the England of his day. He had never heard of socialism, communism or Karl Marx and the universal ideal of political and economic collectivism. Smith thought and wrote in a time of small business enterprises, limited horizons, and gradual change.

For that matter, so did Thomas Jefferson, the Virginia squire. Yet the political ideal that he championed—individual freedom—has retained its vitality, popularity and unquestioned relevance in our time. It has been continually redefined and is now identified with the most powerful force in our democracy—the impulse toward social equality, to be achieved by expanding the powers of government.

No comparable intellectual effort has been made—certainly not by businessmen—to redefine in modern terms Smith's parallel ideal of economic freedom. Or to explain why this ideal, adapted to modern circumstances, is essential to the preservation of our free society.

In the eyes of their critics, this is the basic complaint against American businessmen: with too few exceptions, they have tried to ignore the connection between economics and politics in our modern society. Even though they often manage very large enterprises, some of which exert economic influence on a global scale, they try to pretend that they are still small merchants and seem to ask what is politically impossible: that they and their large enterprises be left alone to do as they please. Or if they do acknowledge an economic role for government, say the critics, businessmen would restrict it to bailouts, subsidies and favors for themselves. In short, they are accused of being selfish, hypocritical or worse.

Of course, such anti-business criticism is exaggerated and unfair. Businessmen are forcefully, reminded daily of the laws of competition. Adam Smith is alive and well in the marketplace.

Yet it is unquestionably true that some businessmen deserve the criticism directed against them, and some who are guilty of criminal offenses involving government favors deserve to go to jail. The general failing of businessmen is their *silence* in the face of misdeeds by their corporate peers and legislative mistakes by their critics in Washington. In the privacy of their companies, businessmen often think and behave unconventionally, seeking new and better ideas. In public, however, they tend to present themselves quite differently, as though to confirm the stereotype of businessmen as reactionary standpatters who have not had a new idea in generations.

Even worse, businessmen tend to behave as though they were somehow separated from the public they serve, a remote and alien group of outsiders. The Tax Foundation notes: "Over 82 percent of all income originates with business. From giant corporations to neighborhood stores, businesses are associations of people—as owners, employees and suppliers of capital. Business is not separate and somehow apart from 'the people,' but central to the ways we produce and supply goods and services."

Businessmen rarely sound and appear confident that they are truly at the center of the American scheme of things. On the crucial question of business ethics, they too often pass up the opportunity to give the kind of moral example that their position in the community demands. They thus disappoint their allies. Indeed, one might almost say businessmen are their own worst enemies. Their false public self-portrayal is probably as damaging as the false attacks of their critics.

There is a large irony in the radically different way that businessmen regard economic and political ideas. New economic ideas—for products, sales and marketing efforts—are highly esteemed as useful and practical. But new political ideas are dismissed as mere "opinion." Political as well as economic ideas have practical consequences—and political ideas turned into law can have staggering impact on business.

Thirty years ago, in his classic *General Theory*, John Maynard Keynes, the most influential economist of this century, wrote: "The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else."

Lord Keynes may have exaggerated somewhat but not very much. In our time, social and political ideas have had far-reaching consequences. Just consider the long-term impact of Rachel Carson's book *Silent Spring* or Ralph Nader's *Unsafe at any Speed*. From these ideas sprang the political activist movements of environmentalism and consumerism.

Yet, even now, businessmen continue to be reluctant to enter the marketplace of ideas and the arena of politics to express their own convictions and assert their own values. The result is their defeat by default. This unnecessary defeat helps to accelerate the trend threatening both our free society and our free economy: the growing imbalance between the power of government and the freedom of the private sector.

How does government grow? Congress continually expands the scope of government power and responsibility.

Many of the 17,000 bills introduced in the Congress each year deal with business. But only a small minority of the 535 Senators and Congressmen have any direct personal experience in business. Given the pressures of time and paperwork and election politics, Senators and Congressmen are forced to rely heavily on their staff assistants. These staff members have two driving purposes in their professional lives: to make their bosses look good with the voters and to justify their own existence and substantial salaries. It is the staff members who draft the bills, manage the legislative process, and strongly influence the votes of the lawmakers whom they work for.

Thus we have a kind of "invisible government" behind the scenes on Capitol Hill. Its members are typically young and bright and well-intentioned. But they are also little acquainted with the actual operations of business. Of course, this does not prevent them from drafting ambitious business "reform" bills for their bosses to sponsor. They often draw their inspiration from academic economists and theorists who are also unacquainted with the realities of business, but who have a vivid, abstract imagination of how "corporate power" operates.

Government grows bigger and potentially more dangerous as the result of a legislative process that almost everybody seems to ignore, including some of the lawmakers themselves. Some of the bills pending before the Congress are so alien to American institutions and traditions that I wonder whether their busy sponsors have actually read them. Recently, a witness pointed out to Senator Philip Hart an important provision of a bill which Hart, the sponsor, was unaware of. It was not an unusual situation.

I also wonder how many of you in this audience have taken the time to read some of the proposed legislation that could profoundly affect your personal freedoms and your business enterprises. Such reading, I believe, is a guaranteed cure for apathy.

Here are some examples of the far-reaching bills to "reform" business that are currently before the Congress. Please listen carefully to the tone of the language.

Here is an excerpt from HR 7481, a bill to establish a Federal Corporate Chartering Commission:

"The Congress hereby finds and declares that there is a substantial and harmful lack of competition which has not been remedied by the antitrust laws in the following named industries:

(1) the motor vehicle industry;
(2) the petroleum industry;
(3) the steel industry.

In consequence, Congress hereby declares that the above-named industries should be reorganized according to the procedures set forth in this title."

There is no mistaking the intent behind that blunt language: Congress is to be empowered to reorganize by decree three of our nation's basic industries.

In the eyes of some lawmakers, businessmen, as a class, are no longer entitled to the protection of certain civil liberties that their neighbors enjoy. S. 1284 is an omnibus bill to reform the antitrust laws, sponsored by Democratic Senator Phillip Hart and Republican Senator Hugh Scott, the Minority Leader. It would turn the business community into a police state. The bill provides:

"Whenever the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, has reason to believe that any person may be in possession, custody, or control of any documentary material, or may have information, relevant to a civil antitrust investigation or Federal administrative or regulatory agency proceeding, he may, prior to the institution of a civil or criminal proceeding thereon or during the pendency of an agency proceeding, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such documentary material for inspection and copying or reproduction, or to answer in writing written interrogatories concerning such information, or to give oral testimony concerning such information, or to furnish any combination thereof."

Consider for a moment the real meaning of this vast grant of power to the Department of Justice. *Any* person believed to have *relevant* information can be summoned to produce *any* document the government demands or to give oral testimony. This oral examination can be conducted in secret. There may be no arbiter present to prevent overbearing or otherwise improper interrogation. The witness can be questioned under oath and would be compelled to respond to *any* question on *any* subject which might be pending *anywhere* in the government before *any* agency, or *any* subject which might "relate" to an "antitrust" inquiry. The witness would have no meaningful protection from the courts and might even be stripped of the protection of the Fifth Amendment.

The Congressional antitrust reformers have made war on the "generals"—such big companies as General Motors, General Electric, General Foods—but their proposals would actually fall with crushing weight on the rank-and-file, the small and medium-sized companies active in local and regional markets. S. 1284 provides that a company seeking review of a Federal Trade Commission subpoena would be required to pay penalties that mount up at the rate of $5,000 a day *while review is pending* in the event that review is unsuccessful. Thus, all but the largest companies would be compelled to bow to the FTC's orders rather than bear the costly legal burden or contesting them.

Finally, to underscore the possible vulnerability of almost every business, here is an excerpt from S. 1959, a bill to curb monopoly power:

"It is hereby declared to be unlawful for any corporation or two or more corporations, whether by agreement or not, to possess monopoly power in any line of commerce in any section of the country or with foreign nations."

S. 1959 bill defines monopoly power in this way:

"(1) if there has been no substantial price competition among two or more corporations in any line of commerce in any section of the country for a period of three consecutive years out of the most recent five years preceding the filing of the complaint, or

"(2) If any four or fewer corporations account for 50 percent (or more) of sales in any line of commerce in any section of the country in any year out of the most recent three years preceding the filing of the complaint."

Any corporation in *any* line of commerce in *any* section of the country falls under the shadow of this dangerous proposal.

Obviously, as citizens and businessmen, we can no longer complacently assume that the neglected legislative process contains a self-correcting mechanism, and that reason will prevail in the Congress before real damage is done to individual freedom and the American economic system. The only dependable mechanism for preserving our cherished system is the democratic process, which businessmen have too long approached timidly or neglected entirely.

A vicious cycle is in operation. As the free market is weakened, its short-term dependence on government intervention increases. This new dependence adds plausibility to the argument for more government regulation, more control and comprehensive planning of the entire economy, further weakening the free market. The cumulative effect of this cycle is to change the basic form of our economic and political system. The government bureaucrat replaces the free citizen as the central figure. The cycle also affects our prosperity. For the bureaucrat cannot create wealth; he merely divides what others create.

In the phrase of Winston Churchill, private enterprise is "a system of unequal prizes." It rewards those who build better products or provide better services. It favors the ingenious, the inventive, and the hard-working. The competition is democratic and open to all, but the results are not politically determined. Those who contribute most to the material wealth of the nation and the satisfaction of the sovereign consumer tend to receive the greatest rewards.

The modern political demand for equality causes the government to distribute rewards in the name of "social justice," even though the vitality of the system suffers.

The countervailing ideal, necessary to preserve the balance and health of the enterprise system, is *excellence*. Only in a free market system is each individual certain of his right to strive and excel for his own material benefit—and therefore for the incidental benefit of his fellow citizens. A progressive and dynamic free society holds these ideals of equality and excellence simultaneously in a creative tension, balancing the claims for sharing against the incentives for striving.

Our society, it seems to me, is losing its dynamic thrust because it has lost its balance. It has thus become less progressive as well. The standard of living of the average American citizen, which had advanced steadily for two decades, has declined for the past two years as the result of high inflation and deep recession. Government, the supposed arbiter of "social justice," is consuming wealth much faster than it can be created, and thereby inflicting a cruel injustice on the poor who cannot protect themselves against inflation and unemployment.

Obviously, if balance is to be restored between government and the private sector, businessmen must work hard at tasks that truly matter.

What, then, should businessmen do? Here are a few of the many things that must be done.

First, businessmen must maintain a high standard of ethics and obey both the letter and the spirit of all laws. This must be done no matter how stupid, frustrating or destructive some laws and regulations may seem. Business should work hard to change bad and harmful laws, but while they are on the books, they must be obeyed. Business has not always done this—and it has thereby forfeited public respect.

Second, businessmen must be honest with themselves and portray themselves and their beliefs honestly. They must recognize that they gain no tactical advantage. but lose credibility, by appearing to resist social and political change on all fronts. Our society needs a government adequate in size and scope to master its complex problems. Business itself needs a stable framework of government rules and regulations within which to make long-term plans and conduct daily operations.

A mindless, generalized anti-government arguments is *not* a pro-business argument. Be logical and specific in your criticism. Wherever possible, be positive.

Nothing is gained by name-calling. Those who advocate increased government controls typically describe businessmen as greedy, profit-hungry and bent on gouging the public. The temptation among businessmen is strong to answer in kind. Such name-calling falsely narrows the argument and seems to exclude those citizens who are neither businessmen nor critics of business. Businessmen, as spokesmen for business interests, have no more claim on the ordinary citizen's sympathy and self-interest than self-assertive bureaucrats.

Third, business can argue most effectively for free enterprise by recognizing that it is part of a larger national debate—the debate over the new balance our society is seeking between the power of government and the freedom of the individual. The argument that free enterprise is the source of economic efficiency, productivity and enhanced material wealth is sound enough, but it is too narrow to command popular assent and political support. It leaves out the broader concern for human values above and beyond mere efficiency. The broader appeal should be this: free enterprise is the proven means of achieving the ideal of excellence which alone sustains domestic prosperity and enables America to survive as a free and progressive society.

Most Americans, as noted earlier, earn their livelihoods and pursue their aspirations through private enterprise. They make up the "natural constituency" of business—*if* businessmen will address them as full and valued coparticipants in the free enterprise system *and* its social and political benefits. To gain popular support in a democratic society, businessmen should describe candidly and in detail, on a regular basis, how their companies operate, how they are affected by current and proposed government actions, and how these affect the well-being and freedom of *all* Americans. In seeking friends and potential allies, business has no choice but to tell its story openly, honestly and completely.

A former high-ranking government official bluntly tells tongue-tied businessmen:

"Each of you is a source of economic facts as opposed to economic theories. You are walking case histories of what it takes to make a business succeed; your firms are living examples of our competitive enterprise system in action.

"You also know what your business and all those who depend upon it have at stake in government policies that contribute to an expanding economy and durable growth. And conversely, you know what all of you stand to lose from policies that gum up business operations, raise costs and kill off initiative."

The concerned businessman should document and communicate these facts to:

Employees, through house organs, newsletters and paycheck mailings and meetings.

Customers, through booklets, advertising and direct mail.

Stockholders, through quarterly and annual reports, meetings and dividend mailings.

In the age of mass communications, if businessmen do not communicate, they are lost, and so is their cause.

Finally and most important, businessmen must organize to work in detail, regulation by regulation, law by law, to remove regulations which should be removed, to modify laws which need to be changed, and to improve the enforcement of those laws and regulations which are necessary. Rather than merely exhort the Congress to respect the abstract principle of "free enterprise," businessmen should pursue specific, concrete goals in the legislative process—just as their opponents do.

As the success of the Business Roundtable indicates, there is no substitute for having top executives walk the Hallways of Capitol Hill, buttonholing lawmakers and personally lobbying for laws that business can live with. But it is often too late when bad ideas are on the way to becoming even worse laws. The battle begins much earlier, in the clash of ideas, and there business must enlist its energies and resources.

An adversary relationship is not necessarily inevitable between business and government or between business and its critics in academic and intellectual circles. Business should engage in combat in the political arena, through organized and determined lobbying, but it should welcome the competition of ideas with relish. Reasoned dialogue may produce agreement. What's more, critics of business are not only sincere and energetic. They are also sometimes right.

An impressive consensus is emerging—one which cuts across partisan and ideological lines—that government is no longer the cure-all for our society's problems but actually the cause of many of them. Many liberals have forthrightly admitted this hard truth. Now it is the responsibility of the private sector to suggest practical alternatives. It will not be easy to translate the new consensus into specific reforms and proposals. The Center for the Study of American Business at Washington University in St. Louis is uniquely equipped to provide new ideas and it will obviously play an important role in our recovery of freedom.

As America prepares to enter its third century, we recognize anew the genius of the founders and our continuing debt to them. They gave us an unfinished revolution which continues today. They gave us a system of government based on the self-renewing strength of free men, free institutions and free markets.

S. 2617—THE MINORITY BUSINESS DEVELOPMENT ACT OF 1976

Mr. MUSKIE. Mr. President, on Tuesday, September 28, 1976, the Intergovernmental Relations Subcommittee of the Senate Government Operations Committee voted by 8 to 0 to refer S. 2617, the Minority Business Development Act of 1976 to full committee. The distinguished junior Senator from Ohio, Senator GLENN has been quite active with this legislation. He chaired the hearings on the bill and worked hard on needed modifications.

I ask unanimous consent that the following statement by Senator GLENN on S. 2617 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GLENN

I expect that the Intergovernmental Relations Subcommittee of the Senate Government Operations Committee will soon act on S. 2617, a bill to establish a Minority Business Development Administration in the Department of Commerce administered by an Assistant Secretary for Minority Business Development.

S. 2617 was introduced in November of 1975 by Senator Johnston. Congressman Andrew Young of Georgia introduced a companion measure in the House. As a principal cosponsor, I was happy to chair a full day of hearings on this bill this past April. After carefully reviewing testimony from those hearings, Senator Johnston and I made several modifications to the original bill and emerged with a solid piece of legislation.

Let us make no mistake about it, the status of minority business development indicates that this nation still has very great strides to make before we can accurately state that the minority businessman has entered the economic mainstream. I believe that we need to significantly upgrade the status, power and funding of the federal minority business development effort and that we must elevate this issue from the back burners of national priority. I believe that S. 2617 starts us moving toward these goals.

No later than 90 days after the enactment of S. 2617 there are to be transferred to the new Assistant Secretary any separable federal activity relating to the development of minority business enterprises with the exception of SBA loan programs and CSA community development programs. One of the Secretary's other key activities will be the coordination of federal programs and activities that relate *indirectly* to the goals of minority business development. A vital additional function of the Secretary would be the arrangement for and coordination of technical assistance programs conducted by public and private agencies.

The Secretary will pack "clout" in terms of prestige, legislative authority and budget. Tragically, the current federal minority development effort lacks that clout.

There are at least 17 different Government agencies charged with administering programs designed to assist the development of minority business and fully 28 agencies involved in funding for minority businesses, much of which is in contract awards. Obviously, there is a great need here for a strong, powerful coordinated effort that is capable of maximizing the federal developmental effort. S. 2617 attempts to begin that process of coordination.

We often speak about "recessions" and "economic downturns" but we rarely state that many of our minority communities are in states of outright economic depression. Tight credit, high interest rates, massive unemployment: these are depression-level conditions in minority areas. Developing a solid and strong minority business community that functions well *not only* in the minority communities but in the overall economy is one sure way of combatting such economic depression.

"Minorities represent about 16 percent of the U.S. population, yet only about 382,000, or 3 percent, of the roughly 13 million businesses in the U.S. are owned by minorities. Of $2.54 trillion in gross business receipts for the nation, about $16.6 billion, or 0.65 percent, of that total was realized by the minorities. Only 20 percent of minority-owned firms were employer firms and they accounted for $12.069 billion or 73 percent of total receipts, which indicates, as we class it, the mom-and-pop nature of most minority businesses as compared to the much broader participation by the average white businessman.

As in the past, minority-owned firms are primarily concentrated in the retail and service areas and 92 percent, 320,593 of minority businesses were sole proprietorships. Interestingly, this large sole proprietorship group in 1972 accounted for only 56.8 percent of the total gross receipts by minority businesses, while the 20,497 (5.9 percent) partnerships accounted for 15.9 percent of receipts and the 6,845 (2 percent) corporations accounted for 27.3 of the gross receipts.

"This statistical picture tells us that: (1) we need to greatly diversify and expand the range and focus of minority business; (2) the size of minority business must be significantly expanded, both numerically and in terms of size of operations."

(3) The federal effort to help achieve these goals must be increased in power, priority and funding. S. 2617 seeks to achieve these goals.

I fully realize that the 94th Congress may adjourn without finally acting on S. 2617. Yet, I believe that Subcommittee action will give us momentum for early action in the 95th Congress. I would hope that we could join Senators Brooke and Javits and Congressman Parren Mitchell of Maryland, in a comprehensive effort to upgrade the federal minority business development effort. Senators Javits and Brooke and Congressman Mitchell have long been involved in this area and have highly significant legislation dealing primarily with SBA. We should combine our efforts next session and press for enactment.

In conclusion, I would like to say that S. 2617 received support from the National Economic Development Association, the National Urban League, the Latin American Manufacturers Association and many community groups in Ohio, Louisiana and across the nation. The grass roots entrepreneur knows the real problem, he or she is not concerned about petty, bureaucratic squabbling such as "SBA vs. OMBE". What the grass roots entrepreneur seeks is assistance in overcoming the vestiges of racial and economic discrimination and exclusion. He or she wants to assume a rightful place in the mainstream of economic and business life. These goals are the identical goals of S. 2617 and I will fight to help achieve them in the 95th Congress.

A BANKING AGENCY'S SUSPENSION STATUTE

Mr. TOWER. Mr. President, earlier this year, I introduced a bill, S. 3586, dealing with due process in cases where bankers are suspended or removed from office. This bill would provide for both administrative and judicial review of a banking agency's suspension orders.

The need for this legislation was highlighted recently in a decision by a three-judge court attempting to determine the constitutionality of a banking agency's suspension statute. The case was Feinberg against FDIC.

I ask unanimous consent that a letter from Mr. Michael E. Burns dealing with this issue be printed in the RECORD. Mr. Burns is former minority counsel to the Committee on Banking, Housing and Urban Affairs and a special assistant to the Comptroller of the Currency. He is now a practicing attorney in Houston.

I also ask unanimous consent that a transcript of the Feinberg against FDIC decision be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 3, 1975.

Hon. JOHN TOWER,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR TOWER: You introduced the bill, S. 3586, for us on June 17, 1976, dealing with due process in the area of the suspension and removal of bankers charged with personal dishonesty, and we appreciate very much your doing so. We had suggested a draft bill for you in response to a situation involving a banker whom we represented who was wrongfully accused of misusing a bank's funds by application of a controversial government theory regarding bank stock loans. In spite of the clear lack of any intent on the part of this individual to violate any law or to injure any bank or person, the government not only indicted him, but also insisted upon suspending him from active participation in his several banks, pursuant to 12 U.S.C. § 1818(g) (1).

After much discussion with the Federal Reserve Board, the Comptroller of the Currency and the Federal Deposit Insurance Corporation, the three federal bank regulatory agencies which had jurisdiction over the various banks which our client controlled, the FDIC finally agreed to hold a hearing on our requests to vacate its suspension order. After holding such hearing and presumably recognizing that he constituted no threat to any bank, the FDIC vacated its order. The Federal Reserve Board and the Comptroller of the Currency, while nodding at the Constitution by reluctantly and belatedly granting a hearing, refused to vacate their respective orders. They continued what can only be termed a personal and illegitimate campaign of abuse to destroy the banking career of the individual concerned.

Because of the lack of any proper administrative or judicial review procedure in the case of the suspension statute, we had no means of bringing this case of abuse to an outside forum for correction. We thus suggested the bill, S. 3586, to provide for both administrative and judicial review for suspension orders. As you know, the agencies have vigorously opposed the bill, and it has thus far not received any formal Congressional action, in spite of the unquestioned unconstitutionality of the suspension statute.

As we pointed out in our earlier letters to you on this subject (Congressional Record of April 8, 1976, p. 10051; Congressional Record of June 17, 1976, p. 18893), there was pending at that time a case of a similar nature involving a banker who had persuaded a federal appeals court to convene a three-judge court to determine the constitutional issues involved in his challenge to the suspension statute, in spite of its judicial withdrawal provision. *Feinberg* v. *FDIC*, 522 F.2d 1335 (D.C. Cir. 1975). We are pleased to inform you that the three-judge court rendered its decision on these issues on August 13, and that it has invalidated the suspension statute as an unconstitutional deprivation of the due process rights of the individuals affected by it, as we had been arguing was the case. *Feinberg* v. *FDIC*, — F. Supp. — (D.D.C. 1976) (C.A. No. 74–1150).

The *Feinberg* decision will necessitate that Congress produce a new suspension statute. Because the *Feinberg* court did not invalidate the judicial withdrawal statute, 12 U.S.C. § 1818(i), but merely construed it to affect only the suspension orders issued pursuant to Section 1818(g) (1) and not the reviewability of the statute itself, it will be possible for the suspension statute to be amended to provide only for an administrative hearing before or immediately after a suspension, without any recourse to judicial review in the event of an unsatisfactory result. We suspect that such a change will be the full extent of any agency proposal to Congress. Failure to provide for judicial review of an administrative decision which can have the serious effect of depriving a person of his sole means of livelihood and other vital personal rights perpetuates what we consider to be the severe deprivation of due process involved in the prior law, and we continue to urge the approach taken by S. 3586, which would not only provide access to administrative review but to judicial review as well.

I should also advise you that the banker whose abusive treatment at the hands of certain regulatory officials caused us to launch this campaign to put due process into the suspension process has since been acquitted of the misapplication of funds charge by a unanimous verdict of twelve jurors in federal district court, without the defense even submitting any evidence. The federal judge in the case expressed his thorough disgust with the malicious and inequitable treatment given to that individual by the prosecutors and regulatory authorities. His financial resources and reputation have been severely damaged by the whole affair. Yet, even in the aftermath of the *Feinberg* case, the agencies will still have the power under the suspension statute to apply similar personal biases against affected bankers, without judicial recourse for the bankers.

In the interests of fairness to the citizens of this country who are subject to unconscionable abuses of bank regulatory authority, we urge the consideration by the Banking Committee of the full reform of the suspension and removal statutes as set forth in S. 3586.

Sincerely yours,

MICHAEL E. BURNS.

[U.S. District Court for the District of Columbia, filed August 13, 1976, James E. Davey, Clerk]

Bernard Feinberg, Plaintiff, v. The Federal Deposit Insurance Corporation, and Alan R. Miller, Defendants. C.A. No. 74–1150.

ORDER

In accordance with the Memorandum Opinion of the Court of even date herewith, it is, by the Court, this 13th day of August, 1976,

Ordered, adjudged, declared and decreed, that 12 U.S.C. § 1818(g) (1), insofar as it permits the issuance of a Notice and Order of Suspension without affording the individual minimum due process namely, an immediate post-suspension hearing, preceded by a notice of such a right, and consisting of the opportunity to be represented by counsel, to make written submissions, and make oral arguments, violates the fifth amendment of the Constitution of the United States; and it is

Further ordered, adjudged, declared and decreed, that the Notice and Order of Suspension issued by the Federal Deposit Insurance Corporation on February 8, 1974, prohibiting Bernard Feinberg, plaintiff herein, from participating in any manner in the conduct of the affairs of the Jefferson Street Bank, Chicago, Illinois, is unlawful, null and void; and it is

Further ordered, adjudged, declared and decreed, that the defendant Federal Deposit Insurance Corporation, its officers, agents, servants, employees, attorneys, and all persons in active concert or participation with the defendant be, and the same hereby are, enjoined from enforcing the Notice and Order of Suspension issued by the defendant Federal Deposit Insurance Corporation on February 8, 1974, against Bernard Feinberg, plaintiff herein.

CARL MCGOWAN,
U.S. Circuit Judge.
JOHN LEWIS SMITH,
U.S. District Judge.
CHARLES R. RICHEY,
U.S. District Judge.

[U.S. District Court for the District of Columbia, filed August 13, 1976, James E. Davey, Clerk]

Bernard Feinberg, Plaintiff, v. The Federal Deposit Insurance Corporation, and Alan R. Miller, Defendants. C.A. No. 74–1150.

Appearances: For the Plaintiff: Samuel J. Betar, Esquire, Joseph A. Lamendella, Esquire, Chicago, Illinois, and Ralph A. Muoio, Esquire, Richard W. Skillman, Esquire, John F. Dienelt, Esquire, Washington, D.C.

For the Defendants: Redford J. Wedel, Acting General Counsel, Burton L. Raimi, Acting Deputy General Counsel, Werner Goldman, Counsel, Douglas H. Jones, Esquire, Federal Deposit Insurance Corporation.

Before McGowan, Circuit Judge, and Smith and Richey, District Judges. By Charles R. Richey, District Judge.

This case has been remanded[1] to this three-judge district court for determination of whether section 8(g) (1) of the Federal De-

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Footnotes at end of article.

posit Insurance Act, 12 U.S.C. § 1818(g) (1) (1970)[2], is constitutional insofar as it authorizes the Federal Deposit Insurance Corporation (hereinafter, "FDIC") to issue a Notice and Order of Suspension upon the mere fact of an indictment for a felony involving dishonesty or breach of trust without provision for a prior or subsequent opportunity to be heard. The parties have filed cross motions for summary judgment and have agreed that there are no material facts in dispute.

This issue has arisen as the result of the plaintiff, Bernard Feinberg, receiving a Notice and Order of Suspension after he was indicted, on May 9, 1973, by a federal grand jury in the United States District Court for the Northern District of Illinois. The indictment charged him with conspiracy to commit mail fraud, a felony, in violation of 18 U.S.C. § 1341. Plaintiff was tried under a superseding mail fraud indictment, and on June 27, 1975, was found guilty on four counts of mail fraud and not guilty on two. He was sentenced to six months imprisonment on one count and was given a suspended sentence on the remaining three counts. On May 17, 1976, the United States Court of Appeals for the Seventh Circuit affirmed Feinberg's conviction. Plaintiff's petition for rehearing was denied on July 12, 1976. Counsel for plaintiff have indicated that they will file a petition for a writ of certiorari in the Supreme Court.

Prior to being suspended on February 8, 1974, plaintiff Feinberg was president and director of the Jefferson State Bank, an Illinois State Banking corporation insured by the F.D.I.C. and having its principal place of business in Chicago, Illinois. Feinberg had been president and director of the bank for fourteen years and received a salary of $55,000 from the bank for the year 1973. Feinberg also owns twenty-eight per cent of the bank's outstanding stock and is the administrator of the estate of his deceased brother, who owned twenty-three per cent of the bank's outstanding stock. Plaintiff will inherit one-third of his deceased brother's stock, thereby giving him approximately a thirty-five per cent interest in the bank.

Prior to the issuance of the Notice and Order of Suspension, plaintiff and his attorneys had a conference with the F.D.I.C. Regional Director for Chicago. At this December 14, 1973 conference, Feinberg requested a hearing, which was denied for the stated reason that the Washington, D.C. staff of the F.D.I.C. had decided that section 1818(g) (1) was applicable to the plaintiff and that a hearing would serve no useful purpose.

Since Feinberg's suspension, the F.D.I.C. has permitted two bank officials to make presentations prior to any action under section 8(g) (1). One official was suspended, the other was not. As to the suspended official, the sole issue at his hearing was whether the indictment charged a felony involving dishonesty or breach of trust, a requirement for suspension under the statute. As to the non-suspended official, an executive panel of the F.D.I.C. determined, after a hearing, that the alleged conduct, a violation of 18 U.S.C. § 656 (willfully misapplying bank funds) involved a practice prevalent in the banking industry. The panel therefore decided not to suspend the official.

On July 31, 1974, plaintiff brought this action seeking a declaration that 12 U.S.C. § 1818(g) (1) "is unconstitutional on its face in that it authorizes the [F.D.I.C.] to effect a substantial deprivation of liberty and property without satisfying minimal due process requirements. Specifically, [plaintiff claims] that the lack of any standards other than the mere fact of a felony indictment, and the lack of any provision in the Act for notice, hearing or judicial review of section 8(g) (1) suspension orders, render[s] the Notice and Order of Suspension against him void; consequently, he [seeks] to enjoin its enforcement." 522 F.2d at 1337.

Defendants argue that this Court need not reach the merits of plaintiff's claim because, they assert, this case is not justiciable inasmuch as plaintiff's conviction has triggered the application of section 1829 of title 12, and because plaintiff has allegedly failed to seek a modification of the Notice and Order of Suspension from the defendants.

I. JUSTICIABILITY

This action focuses on section 1818 of the Federal Deposit Insurance Corporation Act, 12 U.S.C. §§ 1811 *et seq.* Section 1818 sets forth the action the F.D.I.C. can take with respect to insured banks and their officers, directors, and employees who are thought to be acting either contrary to sound business practices or in violation of the law, and where an officer, director or employee has been charged in indictment with a felony involving dishonesty or breach of trust. Section 1818 can be bifurcated as follows: subsections (a) through (d) relate to insured banks, whereas subsections (e) through (q) relate to officers, directors and employees of insured banks. These latter subsections can be further divided into those subsections relating to the F.D.I.C.'s powers regarding officers, directors and employees who are believed to have committed a breach of sound business and financial practice or to have violated the law (subsections (e) and (f)), and the subsection relating to the F.D.I.C.'s power regarding officers, directors and employees who have been indicted for a felony involving dishonesty or breach of trust (subsection (g)).[3] Subsections (h) and (i) relate to hearings and judicial review. These subsections provide for a hearing and judicial review under subsections (e) and (f), but do not provide for a hearing under subsection (g), and substantially limit judicial review of F.D.I.C. action under subsection (g). The remaining pertinent subsection is (j), which provides for penalties for persons who violate suspension notices and cease and desist orders. Another section of importance here is section 1829[4] of title 12, which prohibits directors, officers, and employees from serving in those capacities after having been convicted of any criminal offense involving dishonesty or a breach of trust.

The threshold question presented is whether a justiciable controversy with respect to section 8(g) (1) of the Federal Deposit Insurance Corporation Act, 12 U.S.C. § 1818(g) (1), continues to exist despite the fact that plaintiff has been convicted, thereby triggering the application of section 1829 of the Act, which prohibits the plaintiff from serving as a director or officer of the insured bank. The Court finds that the case remains justiciable because of the secondary impact of the Notice and Order of Suspension issued pursuant to 12 U.S.C. § 1818(g) (1)—prohibiting plaintiff from "participation in any manner in the conduct of the affairs of the bank." 12 U.S.C. § 1818(g) (1).

A Notice and Order of Suspension may provide for either or both of the following prohibitions: (1) suspend the director or officer from holding office, and (2) prohibit him from further participation in any manner in the conduct of the affairs of the bank. In this case, plaintiff was subjected to both prohibitions. The Notice and Order of Suspension of § 1819(g) (1) can only follow an indictment. In this case, plaintiff was notified of the suspension nine months after his indictment. Upon conviction, however, the prohibition of section 1829 is triggered. That section prohibits an officer or director from continuing to serve in such capacity. Thus, upon conviction the first prohibition of section 1818(g) (1), holding office, is superceded by the prohibition of section 1829. In this case, plaintiff was convicted on June 27, 1975, and is therefore subject to the prohibition of section 1829.

If the Notice and Order of Suspension issued against the plaintiff had been limited to his holding of office and position on the board of directors, this case would be nonjusticiable. For, the Court could not afford the plaintaiff any relief that would affect his status, inasmuch as that status would be controlled by section 1829 rather than section 1818(g) (1). However, the Notice and Order of Suspension was not limited to the first prohibition of section 1818(g) (1). Instead, it also prohibited the plaintiff from participating in any manner in the conduct of the affairs of the bank.

Since the second prohibition of section 1818(g) (1) is unaffected by plaintiff's conviction and section 1829's prohibition, the Notice and Order of Suspension continues to have an effect upon the plaintiff—it keeps him from participating in the affairs of the bank and, particularly, voting his stock. Thus, a determination of the issues raised herein would have a practical and real effect upon the interests of the plaintiff, making this case justiciable.[5]

Defendants, however, maintain that since the plaintiff failed to avail himself of the opportunity of having the F.D.I.C. lift the remaining prohibition of section 1818(g) (1), the court should decline to consider plaintiff's claims. The defendants' argument for non-justiciability is premised upon a reading of section 1818(j)[6] which would permit the F.D.I.C. to lift that part of the Notice and Order of Suspension prohibiting plaintiff from participating in any manner in the conduct of the affairs of the bank. A careful reading of section 1818(j) (i) and (ii) reveals no language which would expressly grant the F.D.I.C. the power to permit the plaintiff to participate in the conduct of the affairs of the bank having been prohibited from doing as much by a Notice and Order of Suspension issued under section 1818(g) (1). Only (ii) of section 1818(j) contains language which appears to give the F.D.I.C. the power to permit the plaintiff to vote for a director or serve as a director or officer of the bank.

In any event, the defendants have argued that the F.D.I.C. has the inherent power to amend a Notice and Order of Suspension so as to remove the second prohibition of section 1818(g) (1). At oral argument, plaintiff's counsel agreed that the F.D.I.C. probably did have the inherent power to amend the notice. However, plaintiff's counsel did not admit that such a possibility was made available to the plaintiff or was a realistic possibility in this case. This is critical.

Defendants' argument is akin to a claim of failure to exhaust administrative remedies. Under the doctrine of exhaustion of administrative remedies, a party must present his or her claim to the administrative process for a determination prior to presenting the claim to a court for resolution. The basis of the doctrine is that the courts should not be resorted to if the agency could first resolve the issue and afford the party the relief sought. There are two important limitations on the doctrine. First, the administrative process must be "available" to the party, and second, submission to that process of one's claim cannot be an exercise in futility. Both of these limitations are applicable in this case.

Defendant F.D.I.C. admits that it has no formal or informal regulations setting forth the process they contend exists.[7] Further, the statute, and particularly section 1818(j) as construed above, does not express such a process. Thus, it would only be by word of mouth or by experience with the agency that a person would know of the procedure, assuming such a procedure does exist. This can hardly be characterized as an "available"

Footnotes at end of article.

process so as to invoke, by analogy, the doctrine of exhaustion of administrative remedies.

In addition to the lack of availability of such a process, the facts of this case evince a futility that would excuse plaintiff's failure to make the request which, the defendant maintains, could have resulted in the relief plaintiff seeks in this Court. It is undisputed that the plaintiff requested a hearing which was denied for the reason that the F.D.I.C. saw no purpose for a hearing. And, it was not until after this suit was brought that the F.D.I.C. began holding hearings arguably of the kind sought by the plaintiff. Thus, plaintiff could have no expectation from the F.D.I.C.'s past action that it would be receptive to a request that the entire second prohibition of a section 1818(g)(1) Notice and Order of Suspension would be lifted.[8]

While an argument can be made that this Court should remand this matter to the agency because the plaintiff now knows of and will be afforded the opportunity of seeking an amendment to the Notice and Order of Suspension, it is not compelling Defendant F.D.I.C. admits that it is in a state of confusion with respect to what it should and should not consider (in the first instance) in determining whether to issue a Notice and Order of Suspension. The defendants' confusion can therefore be expected to reach an amending proceeding. In the past, permission has been given to participate in the conduct of the bank's affairs in circumstances requiring a lifting of the prohibition for the continued operation of the bank. But plaintiff does not seek such a limited amendment. Rather, plaintiff seeks to have the prohibition lifted *in toto*. To send the plaintiff back to the agency under such circumstances would not only be unfair to him, but would perhaps render a disservice to the F.D.I.C. itself, given its admitted confusion.

Having considered defendants' arguments, the Court concludes that this case remains justiciable because of the secondary impact upon the rights of the plaintiff of the Notice and Order of Suspension issued pursuant to 12 U.S.C. section 1818(g)(1), prohibiting plaintiff from "participating in any manner in the conduct of the affairs of the bank."[9]

II. PLAINTIFF'S DUE PROCESS CLAIM

"Procedural due process imposes constraints on governmental decisions which deprive individuals of 'liberty' or 'property' interests within the meaning of the Due Process Clause of the Fifth or Fourteenth Amendments." *Mathews* v. *Eldridge*, —— U.S. ——, 96. S.Ct. 893 (1976). However, not all interests are entitled to due process protection. *Cafeteria & Restaurant Workers Local 473* v. *McElroy*, 367 U.S. 886, 895–96, 81 S.Ct. 1743, 1748–49 (1961). Thus, before a court can consider the question of what incidents of due process are required to attend governmental action relating to the interest involved, the question of whether the interest at stake is constitutionally protected must first be addressed. *Jones* v. *Johnston*, 534 F. 2d 353, 358 (D.C. Cir. 1976).

A. The interest to be protected

It appears clear to this Court that the F.D.I.C., acting pursuant to 12 U.S.C. § 1818 (g)(1), has deprived plaintiff Feinberg of a constitutionally-protected property interest—namely, effective ownership of his voting stock. While the ramifications of depriving plaintiff Feinberg of the opportunity to vote his stock have not been completely articulated, they are sufficiently clear for this Court to concluded that this interest is at least of the same stature as other property interests that have been deemed entitled to constitutional protection. Compare *Bell* v. *Burson*, 402. U.S. 535, 538, 91 S. Ct. 1586, 1588 (1970) (driver's license); *Fuentes* v. *Shevin*, 407 U.S. 67, 70–73, 92 S. Ct. 1983, 1989–90 (1972) (household goods purchased under conditional sales contracts; purchasers entitled to possession), with *Mitchell* v. *W. T. Grant Co.*, 416 U.S. 600, 604, 94 S. Ct. 1895, 1898 (1974) ("heavily encumbered" goods "purchased under an installment sales contract");[10] *Cafeteria & Restaurant Workers Local 473* v. *McElroy*, 367 U.S. at 896, 81 S. Ct. at 1749 ("opportunity to work at one isolated and specific military installation").

Defendants, while not really disputing the seriousness of the deprivation, assert that the plaintiff is nevertheless not only not entitled to a pre-suspension hearing, but also that there is no due process requirement for a post-suspension hearing in regard to action taken pursuant to 12 U.S.C. § 1818(g)(1). This latter argument is bottomed on defendants' belief[11] that a Notice and Order of Suspension based upon the return of an indictment, and issued within the standards of section 1818(g)(1), does not by its nature admit a hearing before the regulatory agency since there are no material facts which may properly be disputed, the indictment being dispositive on the issue of probable cause that the individual committed the offense charged. Defendants add that since, in their view, the only question is probable cause, a re-examination of that issue by the agency would result in an impermissible intrusion into the criminal process.[12] And, they maintain that the criminal trial would in any event serve as a speedy and appropriate forum for the individual to contest the question of probable cause. Finally, defendants seek to emphasize the importance of the governmental interest underlying section 1818 (g)(1).

It appears arguable that if the issuance of a Notice and Order of Suspension were automatic upon the return of an indictment or the filing of an information or complaint, then there might not be a need for a hearing or other incidents of due process.[13] Such an argument could only retain its vitality though if there were no agency determination required prior to the issuance of the Notice and Order of Suspension.[14] But this is not the case. Section 1818(g)(1), by its very language, requires that the agency decide whether the crime charged is one "involving dishonesty or breach of trust."[15] Given the variety and nature of state offenses, it is apparent that the agency must exercise discretion as to this issue. This discretion, in fact, is enhanced by the lack of the statute of a definition of a crime of "dishonesty or breach of trust." But this is not the only discretionary question posed by the statute. The statute interjects an added element of discretion by providing that the agency "may" issue a Notice and Order of Suspension; it is not required to do so. Furthermore, when the statute is construed it appears clear[16] that even if the agency determines that the crime charged is one involving dishonesty or a breach of trust, the agency is still given—and in fact has exercised[17]—the discretion not to issue a Notice and Order of Suspension. In addition, it is significant for purposes of due process that no specific guidelines are provided in the statute for the exercise of this discretion.[18] The only ascertainable guidance is the general purpose of the statute: to insure the public's confidence in the stability of the financial institution. Given the fact of and the extent[19] of the discretion which attends the issuance of a Notice and Order of Suspension, coupled with the resultant deprivation of a constitutionally protected right, it is therefore clear that there is a need here for imposing the safeguards of due process; for, the "touchstone of due process is protection of the individual against arbitrary action of the government, *Dent* v. *West Virginia*, 129 U.S. 114, 123 (1889)," *Wolff* v. *McDonnell*, 418 U.S. 539, 558, 94 S.Ct. 2963, 2975 (1974).

The criminal trial is hardly the proper or timely hearing for the deprivation at issue. Despite the Speedy Trial Act, 18 U.S.C. § 3162 *et seq.*, (Supp. 1976), the interim between indictment and trial is sufficient time within which plaintiff's interest could be permanently and irreparably impaired.[20] Moreover, contrary to defendant's belief, the question relating to issuance of a Notice and Order of Suspension is not the person's guilt or innocence but, rather, whether the crime charged can be characterized as a crime involving "dishonesty or breach of trust," and whether the decision to issue a Notice and Order of Suspension in a particular case is necessary to further the legislative purpose of the statute.[21] Since a criminal trial is not a forum for addressing either of these questions, it is not a permissible substitute for affording plaintiff the protection of having an opportunity to be heard.

There is no question but that there is a strong governmental purpose for a speedy and efficient action in order to maintain the public's confidence in the insured financial institutions. See 112 Cong. Rec. 20080 (1966) (Remarks of Senator Proxmire, a sponsor of the bill); Report of the Senate Committee on Banking and Currency, S. Rep. No. 1482, 89th Cong., 2d Sess. 5–6 (1966); Report of the House Committee on Banking and Currency, H. Rep. No. 2077, 89th Cong., 2d Sess. 4–5 (1966); Hearings on S. 3158 Before the Senate Committee on Banking and Currency, 89th Cong., 2d Sess. 28, 30 (1966) (respective statements of Joseph W. Barr, Undersecretary of the Treasury, and Kenneth H. Randall, Chairman, Federal Deposit Insurance Corporation). The importance of this interest has been recognized in the past. See *Fuentes* v. *Shevin*, 407 U.S. at 92 and n. 26, 92 S. Ct. 2000 and n. 27, citing *Fahey* v. *Malone*, 332 U.S. 245, 67 S. Ct. 1552 (1946). But the importance of the governmental interest alone does not provide a basis for not affording *any* protection to interests that are constitutionally deserving of protection. Instead, the importance of the governmental interest is to be considered in determining what incidents of due process are necessary and appropriate under the circumstances. *Mathews* v. *Eldridge*, U.S. at , 96 S. Ct. 901–903. Thus, where an important governmental interest requires summary action, immediate and full post-action hearings have been held to be within the parameters of due process. See *Goldberg* v. *Kelley*, 397 U.S. 254, 263 and n. 10, 90 S. Ct. 1011, 1018 and n. 10 (1970).

This Court concludes that defendants have deprived the plaintiff of a constitutionally-protected property interest. Having so concluded, the Court now turns to the question of whether this has been accomplished in violation of the Constitution. To make this determination, the Court must necessarily determine what minimal incidents of due process are required under the circumstances.

B. Due process under the circumstances

"The fundamental requisite of due process of law is the opportunity to be heard." *Grannis* v. *Ordean*, 234 U.S. 385, 394, 34 S. Ct. 779, 783 (1914). And while at one point it appeared that due process required a hearing *prior* to any deprivation of a constitutionally-protected interest, with the exception of certain "extra-ordinary circumstances," *Fuentes* v. *Shevin*, 407 U.S. 67, 91, 92 S. Ct. 1983, 1999 (1972), citing *Boddie* v. *Connecticut*, 401 U.S. 371, 379, 91 S. Ct. 780, 786 (1971), it now appears that the process due in a particular case is to be determined by the circumstances, *Mitchell* v.

Footnotes at end of article.

W. T. Grant Co., 416 U.S. 600, 94 S. Ct. 1895 (1974).[22] Reaching this determination:

"Requires consideration of three distinct factors: first, the private interest that will be affected by the official action; second, the risk of an erroneous deprivation of such interest through the procedures used, and the probable value, if any, of additional or substitute procedural safeguards; and, finally, the government's interest, including the function involved and the fiscal and administrative burdens that the additional or substitute procedural requirement would entail." *Mathews* v. *Eldridge*, U.S. ——, 96 S. Ct. 893, 903 (1976).

In examining the private interest, this Court notes, as it did above, that the precise ramifications of plaintiff Feinberg's being prohibited from voting his stock have not been completely articulated. There is no question, however, that this deprivation has a serious impact on the plaintiff's financial status. While defendants argue that the seriousness of the injury is diminished by the temporary nature of the deprivation, we decline to characterize it as such. A Notice and Order of Suspension "remains in effect until such information, indictment, or complaint is finally disposed of or until terminated by the agency." 12 U.S.C. § 1818(g)(1). Such a final disposition, considering the possible appellate avenues, presents the possibility of a substantial passage of time. And while the agency can terminate the Notice and Order of Suspension on its own initiative, such terminations have not occurred and appear unlikely in the future. Being so contingent, agency termination does not diminish the expected duration of the deprivation. Moreover, unlike *Eldridge*, this case involves a permanent loss of property in that Feinberg cannot be awarded full—or, for that matter, even partial—retroactive relief. U.S. at 96 S. Ct. at 905.

Also as stated above, there is a strong governmental-public interest in speedily and efficiently removing indicted officers, directors, or employees from financial institutions, the viability of which depend upon the public's confidence. See page 15, *supra*. But it also must be recognized that the costs of providing the incidents of due process would not be significant since there are simply not many § 1818(g)(1) cases.[23] Moreover, balanced against the governmental interest in minimizing administrative cost is the governmental interest in a sound banking system. Congress itself has emphasized that "to permit suspensions and removals without thorough consideration would be unfair to the institution and officers involved. *Any system which would permit this would have a harmful effect on the banking system itself and on depositors, borrowers, and the public.*" S. Rep. No. 1482, 89th Cong. 2d Sess. (1966). Balancing the effect of the deprivation upon the individual with the governmental-public interest to be served, it appears that the minimal process constitutionally permissible under the circumstances would be an immediate post-suspension hearing. *Cf. Fahey* v. *Mallonee*, 332 U.S. 245, 67 S. Ct. 1552 (1947).

It is clear from the congressional history that Congress, in passing 12 U.S.C. § 1818, was concerned with the dangerous effect of the public's loss of confidence in financial institutions. Notably, section 1818 was introduced at the request of the regulatory agencies, its purpose being the creation of more effective regulatory powers to deal with crises in financial institutions. 112 Cong. Rec. 10077–84, 20223–48 (1966). The Senate Committee Report stated:

"Existing remedies have proven inadequate. On the one hand they may be too severe in many situations, such as taking custody of an institution or terminating its insured status. On the other hand they may be so time consuming and cumbersome that substantial injury occurs to the institution before remedial action is effected." *Id.* at 20082.

In order to maintain the public's confidence, Congress agreed with the agencies that immediate action was necessary where a director, officer or employee of an insured bank was indicated for a felony involving dishonesty or breach of trust. To delay this action, which occurs in the form of a Notice and Order of Suspension, would thus seriously and directly undermine the congressional purpose behind section 1818(g)(1). On the other hand, it is possible that the individual might be seriously harmed by the issuance of a Notice and Order of Suspension. But the degree of harm to the individual is far outweighed by the public interest. Under these circumstances, due process requires that the individual be given an immediate post-suspension hearing.

While the hearing need not be a trial-type hearing,[24] notice, the opportunity to be represented by counsel, for written submissions, and for oral argument, appear mandated by the circumstances. Certainly notice of the right to be heard is essential. *See Mullane* v. *Hanover Bank & Trust Co.*, 339 U.S. 306, 70 S. Ct. 652 (1950). The assistance of counsel is also needed in these cases,[25] particularly since the hearing will involve a complex legal question: whether the crime charged is one involving dishonesty or breach of trust, as well as a question requiring the subtle interrelation of fact and policy: the effect upon the public of the indictees holding office and participating in the affairs of the bank. As to the presentation of live evidence, the "nature of the relevant inquiry," U.S., 96 S. Ct. at 907, does not seem to require any more than written submission.[26] However, oral argument would be necessary. For, the question of whether issuance of a Notice and Order of Suspension in a particular case would further the purpose of the statute in protecting the public's confidence in the financial institutions is a broad and subtle question to which "a wide variety of information may be deemed relevant," U.S. at , 96 S. Ct. at 907. Given the broad nature of the inquiry and the variety of evidence to be considered, the process must afford the individual the opportunity to effectively correlate the evidence with the inquiry. Oral argument has been traditionally recognized as best serving this function. See *Mildner* v. *Gulotta*, 405 F. Supp. 182, 214–15 (Weinstein, J., dissenting) Requiring oral argument here is further supported by the fact that only a few Notice and Order of Suspensions are considered, or even issued, each year.[27] See *United States* v. *Florida East Coast Railway Co.*, 410 U.S. 224, 245–46, 93 S. Ct. 810, 820–21 (1973), explaining *Londoner* v. *City and County of Denver*, 210 U.S. 373, 385–86, 28 S. Ct. 703, 714 (1908).

Finally, some statement of the basis for the decision of the agency must be provided. *See* 397 U.S. at 272, 90 S. Ct. at 1022. The reason for providing such a statement is not for purposes of judicial review, since this is precluded by 12 U.S.C. § 1818(i); rather, it is necessary to assure that the agency has complied with the fundamental tenet of due process that the decisionmaker consider the evidence and arguments presented. *Id.* See also *Mildner* v. *Gulotta*, 405 F. Supp. at 216–17.

Unlike the other subsections of 12 U.S.C. § 1818,[28] subsection (g)(1) does not provide for any of these minimum due process requirements. The Court must therefore find that the statute is repugnant to the Constitution. Where legislation is found to be constitutionally infirm, the infirmity can sometimes be remedied by ordering an agency, using its inherent rule-making power, to promulgate curative regulation. *Doe* v. *Martin*, 404 F. Supp. 753, 762 (D.D.C. 1975). Here, this is impossible, since Congress clearly intended not to provide for a hearing in subsection (g)(1) cases. Thus, the Court is compelled to issue a declaration that the statute is constitutionally infirm, and that the Notice and Order of Suspension issued on February 8, 1974, to plaintiff Bernard Feinberg prohibiting him from participating in the affairs of the Jefferson State Bank of Chicago, Illinois, is unlawful and of no legal force or effect, as well as issue an injunction restraining the defendants from enforcing the Notice and Order of Suspension against the plaintiff.[29]

An Order in accordance with the foregoing will be issued of even date herewith.

Carl McGowan,
Circuit Judge.
John Lewis Smith, Jr.,
District Judge.
Charles R. Richey,
District Judge.

FOOTNOTES

[1] Feinberg v. F.D.I.C., 522 F.2d 1335, 1343 (D.C. Cir. 1975).

[2] Section 8(g)(1) provides:

"Whenever any director or officer of an insured bank, or other person participating in the conduct of the affairs of such bank, is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a felony involving dishonesty or breach of trust, the appropriate Federal banking agency may, by written notice served upon such director, officer, or other person suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the bank. A copy of such notice shall also be served upon the bank. Such suspension and/or prohibition shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the agency. In the event that a judgment of conviction with respect to such offense is entered against such director, officer, or other person, and at such time as such judgment is not subject to further appellate review, the agency may issue and serve upon such director, officer, or other person an order removing him from office and/or prohibiting him from further participation in any manner in the conduct of the affairs of the bank except with the consent of the appropriate agency. A copy of such order shall also be served upon such bank, whereupon such director or officer shall cease to be a director or officer of such bank. A finding of not guilty or other disposition of the charge shall not preclude the agency from thereafter instituting proceedings to remove such director, officer, or other person from office and/or to prohibit further participation in bank affairs, pursuant to paragraph (1), (2), (3), (4), or (7) of subsection (e) of this section. [footnote omitted]

[3] Footnote, one, *supra*.

[4] 12 U.S.C. § 1829 provides:

"Except with the written consent of the Corporation, no person shall serve as a director, officer or employee of an insured bank who has been convicted, or who is hereafter convicted, of any criminal offense involving dishonesty or a breach of trust. For each willful violation of this prohibition, the bank involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Corporation may recover for its use."

[5] After this case was submitted, the United States Court of Appeals for the Seventh Circuit upheld Feinberg's conviction and denied en banc consideration. The affirmance of Feinberg's conviction by the Seventh Circuit does not alter the justiciability of this case. The Notice and Order of Suspension provides that the prohibition against plaintiff participating in the affairs of the bank "shall remain in effect until terminated by the Board or until the final disposition of said

indictment." Since there are further appellate proceedings that will occur (writ of certiorari to the Supreme Court), secondary impact of the Notice and Order of Suspension will continue to exist, and this case will remain justiciable. It is only when there is a "final disposition" of the indictment that the case will cease to be justiciable. At that time the F.D.I.C., pursuant to section 1818 (g)(1) will have two choices: either to decide to make permanent the prohibition against Feinberg's involvement with the affairs of the bank or not to impose such a prohibition. In either event, since the original Notice and Order of Suspension would be no longer extant, the case might not be justiciable. But we are not at that juncture; nor does that time appear imminent.

[6] 12 U.S.C. § 1818(j) provides:

"Any director or officer, or former director or officer of an insured bank, or any other person, against whom there is outstanding and effective any notice or order (which is an order which has become final) served upon such director, officer, or other person under subsection (e)(5), (e)(7), (e)(8), or (g) of this section, and who (i) participates in any manner in the conduct of the affairs of the bank involved, or directly or indirectly solicits or procures, or transfers or attempts to transfer, or votes or attempts to vote, any proxies, consents, or authorizations in respect of any voting rights in such bank, or (ii) without the prior written approval of the appropriate Federal banking agency, votes for a director, serves or acts as a director, officer, or employee of any bank, shall upon conviction be fined not more than $5,000 or imprisoned for not more than one year, or both."

[7] Defendants' counsel at oral argument alluded to an internal agency memorandum discussing this question. The memorandum was not, however, submitted to the Court, nor were the specifics of the memorandum disclosed. Furthermore, defendants did not assert that this internal memorandum was made known to the plaintiff or others subjected to the section 1818(g)(1) process.

[8] Defendant states that it has on some occasions lifted the prohibition. However, those instances were the exception and were apparently for the maintenance of the financial institution, rather than in the interests of the individual concerned. For example, the F.D.I.C. permitted plaintiff certain limited participation, but only because he was the only person familiar with the issue. These instances hardly form the basis for a belief that the F.D.I.C. would totally lift the second proscription of section 1818(g)(1), which is what plaintiff seeks by maintaining this action.

[9] Since the Court finds that the case remains justiciable because of the existing secondary impact of section 1818(g)(1) upon the property rights of the plaintiff, the Court need not consider plaintiff's argument that the Speedy Trial Act, 18 U.S.C. § 1361 et seq (Supp. 1976), brings the claims raised by plaintiff within the rule that claims likely of repetition yet evading review are permissible to consider. See Moore v. Ogilvie, 394 U.S. 814, 816, 89 S. Ct. 1493, 1494 (1969); Southern Pacific Terminal Co. v. ICC, 219 U.S. 498, 515, 31 S. Ct. 279, 283 (1911). Also, the Court need not consider plaintiff's other argument that this case is justiciable for the same reasons the Supreme Court found Congressman Powell's case justiciable in Powell v. McCormack, 395 U.S. 486, 89 S.Ct. 1944 (1969). This Court would only note that if plaintiff's argument is that this case would remain justiciable solely because the parties disagreed about the constitutionality of section 1818(g)(1), it would be untenable because even an action seeking a declaratory judgment must meet the requirements of justiciability, i.e. that there be a likelihood of actual effect of the decision of the court. Aetna Life Ins. Co. v. Haworth, 300 U.S. 227, 240–41, 57 S. Ct. 1944 (1937); Landau v. Chase Manhattan Bank, N.A., 367 F. Supp. 992, 997 (S.D.N.Y. 1973).

[10] Justice Stewart, dissenting, was of the opinion that the "deprivation of property" in *W. T. Grant Co.* was "identical to that at issue in *Fuentes*. . . ." 416 U.S. 629, 631, 94 S.Ct. 1910, 1911.

[11] When plaintiff Feinberg requested a hearing from the F.D.I.C., the agency responded that there would be no need for a hearing.

[12] Defendants maintain that this would not only force premature disclosure of information by the government but could also lead to fifth amendment problems for the individual.

[13] For example, in R. A. Holman & Co. v. Securities and Exchange Commission, 299 F.2d 127, *cert. denied*, 370 U.S. 911, 82 S.Ct. 1257 (1962), a case relied upon by the defendants, the court upheld an S.E.C. regulation which *"automatically disqualified"* the broker-dealer in securities from "engaging in the distribution of securities" if the broker-dealer were subject to pending agency proceedings. *Id.* at 129 (emphasis added). The court, after considering the public interest weighed against the broker-dealer's interest, concluded that the rule's application was not arbitrary or an unconstitutional deprivation of plaintiff's property interest of a "going business." In reaching this decision, the court recognized the agency's broad rule-making power in this area, *id.* at 132, the seriousness of the public interest, and the minimal injury to plaintiff's rights. The *Holman* court obviously concluded that the rule itself embodied this decision, and found that its automatic application did not effect due process. *Holman* is distinguishable from the instant case insofar as the statute does not provide for automatic suspension, but rather, leaves to the agency the discretion to balance the competing interests in each particular case.

Nor do the so-called police suspension cases support defendants' argument here. In those cases where no hearing at all was required, such as McKeithen v. City of Stanford, 183 A.2d 280 (1962), the litigants, if found not guilty, would have been statutorily entitled to compensation. As noted *infra*, plaintiff Feinberg's loss would not be compensable. Furthermore, reliance on these cases is questionable in light of the recent decision of the Supreme Court in Arnett v. Kennedy, 416 U.S. 134, 94 S.Ct. 1633 (1974).

[14] It is for this reason that defendants seek to distinguish this case from Fahey v. Mallonee, 332 U.S. 245, 67 S.Ct. 1552 (1947). *Fahey* concerned an attack upon a regulation which provided for a hearing after the appointment of a conservator for a federal savings and loan association. While the decision in the case rested on other grounds, *id.* at 255, 67 S.Ct. at 1556–57, the court, recognizing the need for summary action, *id.* at 253, 67 S.Ct. at 1556, and the "history and customs of banking," could not say that the regulation was unconstitutional for its failure to provide a *pre*-appointment hearing. *Id.* at 254, 67 S.Ct. at 1556.

[15] It is undisputed that the agency does afford persons who are about to be suspended the opportunity to meet informally to discuss the question of whether the crime is one of dishonesty. It is also undisputed that plaintiff was given this opportunity. Thus, it might appear that plaintiff cannot attack the statute because it has not been applied in an unconstitutional manner as to him. *See* Parker v. Levy, 417 U.S. 733, 756 (1974). However, the question of dishonesty is not the only question faced by the agency in deciding whether to invoke the statute. The agency is also vested with discretion to determine generally whether the purposes of the statute would be served by its use in a particular case. See pp. 13–14, *infra*. It is on this question that plaintiff did not have an opportunity to present evidence or otherwise maintain that the statute should not have been applied to him.

[16] The statute provides in pertinent part:

"(g)(1) Whenever any director or officer of an insured bank . . . is charged in any . . . indictment . . . with the commission of or participation in a felony involving dishonesty or breach of trust the . . . agency *may*, by written notice served upon such director, officer . . . suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the bank, . . ." (emphasis added)

A fair reading of this statute reveals that the word "may" does not refer to the determination of whether the indictment charges a crime involving "dishonesty or breach of trust." Instead, once the agency determines that the crime charged comes within the category of crimes encompassed by the statute, the statute still provides that the agency *may* determine not to issue a Notice and Order of Suspension. Further, the interjection of the "and/or" invests the agency with the further discretion of either one or the other, or both, of these separate remedies: suspension and/or prohibition from bank involvement.

[17] As set forth in the exposition of the facts, *supra*, defendants have, at least on one occasion, exercised this very discretion: not to suspend a bank official who was indicted for a crime clearly involving dishonesty and a breach of trust. See note 23, *infra*.

[18] Professor Davis in his *Treatise* advocates the view that the absence of procedural safeguards when compounded by the lack of standards for the exercise of discretion, which in turn increases the possibility of arbitrary or capricious action, is really a due process rather than a delegation problem. K. Davis, *Administrative Law Treatise* § 2.08, 2.09–10 (1972). See also McGautha v. California, 402 U.S. 183, 275 n. 27, 91 S. Ct. 1454, 1501 no. 27 (1970) (Brennan, J., dissenting). This Court agrees, particularly in the context of this case.

[19] Defendants rely upon the statement of Senator Proxmire, a proponent of the bill establishing section 1818(g)(1), that the process would be "relatively routine." 112 Cong. Rec. 20081. What is routine, however, is not necessarily automatic. This has been borne out with respect to the section 1818 (g)(1) process, since recently one bank official was not suspended even though the crime with which he was charged (willful misappropriation of bank funds in violation of 18 U.S.C. § 656) clearly represents a crime involving "dishonesty and a breach of trust." It is this statutorily-created capability on the part of the agency to exercise discretion that gives rise to concern for due process in this case.

Manges v. Camp, 474 F. 2d 97 (5th Cir. 1973), does not contradict this reasoning. While noting that the section 1818(g)(1) process was intended to be routine, *id.* at 100–101, that court did not examine the statute from the perspective of the issues presented in this case. Instead, the issue there was whether section 1818(g)(1) permitted the Comptroller of the Currency of the United States to prohibit Manges, who had been convicted of a felony several years prior thereto, from participating in the affairs of a bank of which he owned the controlling shares of stock. The court, however, took moment to comment that since the section 1818(g)(1) process, unlike other sections of the statute, did not provide for a hearing, it "is the only section that could possibly subject a person to possible arbitrary and capricious judgment of one individual." *Id.* at 100.

The court added that the lack of a hearing in itself raises "serious constitutional questions." *Id.* at 101.

[20] This case is therefore distinguishable from Romanowski v. Board of Ed. of Jersey City, 89 N.J. Super. 38, 213 A.2d 313 (App.

Div. 1965), where while no postsuspension hearing was afforded for a board of education official, the court found that no injury would inure to the person suspended since if he were acquitted of the charge he would, by statute, be entitled to compensation. *Id.* at 90, 213 A.2d at 314.

[21] Since the question of probable cause is not the appropriate question presented by the statute, and given the nature of the proper questions, a section 1818(g)(1) hearing would not force the government into premature disclosure or present fifth amendment problems for the individual, and would thus not present an impermissible intrusion into the criminal process.

[22] For a discussion of this development see *In Re the Oronoka,* 393 F. Supp. 1311 (D. Maine 1975).

[23] "[I]n the years 1974 and 1975, 34 directors and/or officers of State nonmember banks, such as banks being within the regulatory jurisdiction of the FDIC, were indicted on felony charges. . . . Of the total number of individuals indicted, 25 voluntarily suspended themselves in lieu of having a suspension issued against them. Nine individuals . . . were suspended pursuant to a notice authorized by Section 8(g)(1)."

Memorandum of points and authorities in support of defendants' motion to dismiss or for summary judgment and in opposition to plaintiff's motion for summary judgment, at 17 n. 38.

[24] Plaintiff's counsel in oral argument conceded that a trial-type hearing would not be required under these circumstances. Defendants did not discuss what would be the minimal due process requirements under the circumstances, choosing to rest on their argument that no hearing is required by the Constitution.

[25] Since this is a post-suspension hearing, the objection of delay caused by the presence of counsel is not a problem. See Goldberg v. Kelly, 397 U.S. at 271, 90 S.Ct. at 1022. However, the reasons set forth in *Goldberg* for having counsel present are also applicable here. *Id.*

[26] The agency, of course, might wish to consider hearing live testimony from witnesses at the hearing. If the agency chooses to do so, the opportunity for the individual to cross-examine such witnesses would be required. See 397 U.S. at 270–71, 90 S. Ct. at 1021.

[27] See note 23, *supra.*

[28] See 12 U.S.C. § 1818(e), e(8), (f), & (h).

[29] In its opinion remanding this case, the court of appeals directed that this court consider the question "whether section 8(i) [section 1818(i)] can withstand constitutional scrutiny insofar as it apepars to insulate section 8(g)(1) [section 1818(g)(1)] from any form of judicial review." 522 F.2d at 1343 (footnote omitted). Before this Court, the government has taken the position that section 1818(i) does not insulate section 1818(g)(1) from judicial review as to that section's constitutionality. Since section 1818(i) could be said to be jurisdictional in nature, mere agreement that it does not affect this Court's jurisdiction could not confer jurisdiction if none in fact existed. However, this Court agrees with the defendants that section 1818(i), both by its language and legislative purpose, only insulates the basis for issuance of a Notice and Order of Suspension from judicial review, and not section 1818(g)(1) itself. As the defendants point out, the legislative history of this section clearly indicates that the only concern in including section 1818(g)(1) was to have the Notice and Order of Suspension go into effect unhampered by judicial intervention; its intent was not to preclude judicial review of the constitutionality of the statute. To the extent it conflicts with this conclusion, Hykel v. Federal Savings and Loan Insurance Corp., 317 F. Supp. 332 (E.D. Pa. 1970) (three-judge court) is inapposite.

ALLOCATIONS OF SECOND CONCURRENT RESOLUTION AMOUNTS FOR FISCAL YEAR 1977

Mr. CANNON. Mr. President, I ask unanimous consent that a report from the Senate Committee on Rules and Administration pursuant to section 302(b) of the Congressional Budget and Impoundment Control Act of 1974, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION—REPORT TO THE SENATE PURSUANT TO SEC. 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974

ALLOCATIONS OF SECOND CONCURRENT RESOLUTION AMOUNTS FOR FISCAL YEAR 1977

[In millions of dollars]

	Fiscal year 1977			
	Direct spending jurisdiction		Entitlement programs that require appropriations action	
Programs	Budget authority	Outlays	Budget authority[1]	Outlays[1]
Function 250: Total	0.055	0.063	None	None
Smithsonian Institution trust funds (permanent, indefinite)	.055	.063	None	None
Function 500: Total	4.49	4.34	None	None
Oliver Wendell Holmes devise fund (permanent, indefinite) (LOC)	.02	.04	None	None
Gift and trust fund account, nonrevolving (permanent, indefinite) (LOC)	4.47	4.3	None	None
Function 800: Total	35.0	0	...	
Presidential election campaign fund (permanent, indefinite)	35.0	0	None	None
Total	39.544	4.403	None	None
Controllable	0	0	None	None
All other	39.544	4.403	None	None

[1] None.

ENERGY CONSERVATION: THE ARKANSAS STORY

Mr. McCLURE. Mr. President, talking about the energy crisis is not too popular these days. However, despite the absence of front-page headlines, the United States is still confronted with an energy crisis which is becoming more severe every day. Over 42 percent of the oil we consume comes from foreign sources—up from 32 percent in 1973, and some experts predict that we will break the 50-percent mark by 1978. Notwithstanding the seeming apathy surrounding this issue in the Congress, I will reiterate the reasons why the United States is in this dilemma:

First, energy demand and consumption had risen and still is rising;

Second, our domestic production of natural gas and oil is running down; and

Third, we are not developing new sources of energy and new energy production systems fast enough to keep up with the increasing demand.

Nevertheless, there are many Americans who are successfully working toward offsetting our increasing dependence on foreign oil with their ingenuity. Although the United States is presently caught in a quagmire in regard to its fuel supplies, I am optimistic that we will eventually become energy independent. One recent advance has been particularly impressive, and I refer now to a project which is a milestone in energy-conservation efforts.

This project, known as the Arkansas Story, involves 200 homes in Benton, Ark., that have been built utilizing innovative construction techniques which reduced heating and cooling bills by almost 40 percent. Average annual fuel bills for these homes ranged from only $60 to $100. Mr. President, the details of how this was accomplished should be made available, and I ask unanimous consent that excerpts from a report entitled "The Arkansas Story," be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE ARKANSAS STORY—A DEMONSTRATION IN ENERGY CONSERVING HOME CONSTRUCTION

EXECUTIVE SUMMARY: FACING REALITY

With the competitive desire and need to keep the cost of homes as low as possible the home building industry has, until recently, had little incentive to inform prospective customers of the fact that heating and cooling costs for the life of the mortgage exceed the cost of preventing much of the energy loss. While low construction cost is still important, reduced energy consumption and costs have become essential to the nation and a marketable home benefit for the builder.[1]

A forecast by Townsend-Greenspan made in the Fall of 1974, anticipated that between 1972 and 1985 the cost of No. 2 (residential) fuel oil would increase 613% and electricity 157%. No 1985 forecast on natural gas is available but natural gas for utility use was expected to rise 409% by 1981. Because of the unpredictable pressures on fuel prices these forecasts may change, but the trend is clear, energy for heating and cooling is going to increase by a much greater order of magnitude than we have experienced to date.

Homeowners and renters are already protesting loudly at today's increases in energy costs which at this point are only averaging 33% above 1973. If homes continue to be built to conventional pre-energy-crisis low insulation standards and energy costs continue rising beyond 1985, few will be able to afford their home heating and cooling costs by the turn of the century. The Arkansas study has indicated that by building homes designed for energy conservation we can avoid the need for such a life style of austerity and discomfort without necessarily increasing the initial cost of the home

WHY THE HOME WAS DEVELOPED

In Little Rock, Arkansas an electric utility interested in adding customers to utilize existing capacity together with an air conditioning engineer dedicated to making heat pumps provide economy as well as comfort and a HUD construction analyst with innovative ideas in construction and a desire to provide homes that low income families can afford, joined forces to design an energy conserving house. Thirty percent of the framing was eliminated by using 6'' studs spaced 24'' on centers and improved design, window areas were reduced, insultation thicknesses increased and every measurable heat leak traced and eliminated.

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[1] *House and Home,* May 1975 quotes Whit Ward, Secretary Treasurer of Ward Properties in Tampa, Florida as saying that . . . Tenants are increasingly sophisticated about the costs of energy. His firm can even use as a marketing strategy the quality of insulation in a complex because over the last six months tenants have begun to ask detailed questions about it.

Thirty-five electrically heated and cooled homes, most of them three bedrooms, two baths, 1040 to 1200 square foot in area have been built. Ten of these are each equipped with two meters so heating, cooling and air conditioning use can be measured separately from lighting and equipment. The target: annual heat pump heating and cooling costs under $100. Success to date, for six months operation: total HVAC costs between $30 to $45 with every likelihood of achieving the annual objective.

Homeowners vouch for their greater comfort and the quietness of these energy conserving homes.

Owens-Corning Fiberglas has been asked for the facts by many of its customers. This is what we found out, this is The Arkansas Story.

THE OBJECTIVES OF THE ENERGY CONSERVATION DESIGN

When reports came out of Little Rock that homes were being heated and cooled for $60 to $100 annually many of Owens-Corning's customers were incredulous and started asking our representatives if it was true and if so, how could such savings be accomplished.

Because after seven months heating and cooling experience on ten of these test homes the total billing for heating and cooling alone, for those using heat pumps, has been from $30.53 to $50.58[2] the target costs or some very close to them appear likely to be met. In support of national energy conservation and as a service to those involved in designing, constructing, selling or buying new homes Owens-Corning is publishing this report on how these energy and cost savings are being accomplished in Arkansas.

This report, based on interviews with the engineers, builders, contractors, a realtor and homeowners, is designed to collate the necessary information in one place and explain the many departures from standard practice. These changes were made desirable by recent increases in energy cost and the forecasts for continuing increases which are changing the major emphasis from achieving low construction costs to lowering the long term operating costs and energy consumption.

ASHRAE heat loss calculations used as the guide for thermo-dynamic heat loss calculations in utilizing cheap and plentiful energy are now under review by that association. We would not presume to anticipate the outcome of their review but bring up this point because one of the departures in the Arkansas project was the development of a new heat loss calculation chart based not just on thermo-dynamics but also on physiological factors.[3] Simply explained, even though a home may be warm, if its occupants' feet feel cold they will tend to raise the thermostats which wastes energy. A recent research project by the Electricity Council Research Center, England[4] has substantiated this phenomenon.

Studies on the life support systems for the astronauts have provided additional information on the air movement and humidity requirements for human comfort.

Although the developers of the Arkansas project were unaware of these independent studies, their research led to the same conclusions which explains why the owners of these new homes are so complimentary regarding the comfort they are experiencing in addition to the energy savings and costs.

The objective in Little Rock was to gain maximum control over the interior environment of the home. In other words, to isolate the interior environment from the variable exterior environment. By erecting a thicker and more continuous than usual insulation barrier to do this they were able to provide the desired comfort and the fuel saving. What was so ingenious about the way this was accomplished was that the new design is reported to cost no more to construct than the same size energy leaking conventional homes.

This low cost is based on a variety of factors. One is that 2'' x 6'' studs being available in softer, faster growing types of lumber, that require less waste at the mill per board foot than 2'' x 4'' studs, are less expensive per board foot. In addition, 30% less framing is used saving material and labor costs.

That the basic heating for these homes is electrical does not diminish the value of the specifications for other areas of the country. Due to the shortage of natural gas, it appears many new homes are going to have to be electrically heated. Gas lines are not being extended to the new development areas in many parts of the country. Due to the relatively air tight construction and polyethylene vapor barrier envelope air consuming flame type heating and cooling was not considered in Little Rock.

Because this report is of necessity, somewhat lengthy we believe the summation of benefits to each participant involved that follows will justify consideration of The Arkansas story by every reader.

SOME BENEFITS PROVIDED BY ENERGY CONSERVATION HOME CONSTRUCTION

It is claimed that homes built to these specifications will use about half the heating and cooling energy required for a conventional home.

Home buyers

The homeowner will benefit from a home which, at little or no extra cost, will provide superior sound isolation, greater comfort as well as heating and cooling costs considerably lower than comparable conventional homes. The only compromises necessary are the acceptance of less window area than normal and either thinner interior walls (2'' x 3'' studs) or a slight loss of living space within the same outside dimensions.

The homeowner buying under VA/FHA insured mortgages should be able to qualify for a larger more expensive home based on the anticipated fuel savings. When it comes time to sell the home the records showing lower utility costs should prove strong inducement for a prospective buyer to select the energy conserving home over others on the market.

Builders

These plans enable a builder to sell a more desirable home[5] with added features at little, if any, increase in cost. The fuel economy may enable many new buyers to qualify for mortgages and others to purchase larger homes with the same down payment and financial capability. The construction requires no new tools or skills. The number of parts to be assembled are fewer and a big bonus to be gained is customer satisfaction.

Insulation contractors

These new homes are designed to simplify insulation installation while requiring greater thicknesses for higher volume and income.

The electric utility company

Because these homes make it both practical and desirable to utilize electric heating and cooling the utility may be able to add new customers without increasing their present capacity. The more even use of power can reduce utility costs for everyone and make better use of our energy resources. This is because electric utilities over the years can be adapted to consume and convert whichever fuel the nation can best afford to utilize.

EVOLUTION OF THE ENERGY CONSERVING HOME

The test homes ranged from 1,040 to 1,200 square feet of living area with three bedrooms and two full baths. Accurate measurement of the heating and cooling was recorded separately. The second meter recorded the total electric consumption of each home. Heating and cooling amounted to 12% to 32% of total energy consumption. Compared to the same size conventional homes, the *total* averaged monthly electric costs of the test homes were about 37% less.

Origin of the concept

Built to new minimum construction standards for energy conservation homes issued by the Little Rock area office of HUD, and designed by Mr. Frank Holtzclaw, HUD Construction Analyst, in cooperation with the Arkansas Power and Light Company, these new homes were the culmination of 12 years of testing and experimentation.

During the late 1950's a series of research studies on owner satisfaction of conventional homes around Little Rock equipped with heat pumps indicated some were unhappy with the high energy costs and dissatisfied with the comfort provided. House by house inspection of the homes of the dissatisfied owners revealed that the problems were not due to the equipment but to insufficient or improper insulating, uninsulated ducts, construction changes after the equipment had been installed and lack of humidity control.

Mr. Harry Tschumi, President of Harry Tschumi Company, air conditioning wholesale distributor consulted with the late Mr. Les Blades, then heating and air conditioning coordinator for Arkansas Power and Light Company. Together they started testing the effects of changing the insulation thickness, insulating doors, using double glazed windows and measured the results. The conclusions were that a super insulated home with as small as practical heat pump would prove the most economical application and provide the most comfort. The problem was that they couldn't convince home builders or buyers to invest in the extra materials. Then came the fuel crisis with rocketing energy costs and a demand for lower utility costs.

The late Les Blades working with Frank Holtzclaw and using the earlier findings came up with an ingenious solution, a house design that is reported to have equal or greater strength yet uses less wood, more insulation and includes a number of cost saving innovations. It is claimed this construction costs no more than the conventional home construction it is designed to replace.

THE SECRETS OF THE SUPER INSULATED ENERGY CONSERVING HOME

Wall construction

The Little Rock HUD designed energy conservation home is built with 6'' stud walls, 24'' on center. This allows for compression of 6'' of fiber glass insulation in the 5½'' walls.[6] But there are other design differences, too. Since the ceiling is insulated with 12'' of insulation the sheathing is attached to the vertical truss member flush with the wall all the way to the top of the insulation.

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[2] This is based on utility rates that have varied from 1.7¢ to 2.0¢ per KWH depending on which fuel (oil or coal) the utility was utilizing for homes equipped with heat pumps.

[3] The difference between room temperature and the outside air was used for heat loss calculations. But a person is not at 72° F, they are normally 98° F, so in calculating the insulation thickness on the crawl space, 26° of additional difference should be considered to provide sufficient direct floor contact warmth in winter.

[4] See Research Summary Pages 42–43.

[5] In a recent survey (See Appendix) 78% of detached-home buyers and 63.3% of attached-home buyers expressed a willingness to spend $600 more for a new home in order to save $100 a year on heating and cooling bills.

The studs in the house corners are set so one is flush to the outside sheathing and the other starting the connecting wall is at right angles 6'' from and parallel to the sheathing. It will be seen that instead of leaving an uninsulated box in each corner of the house this permits the corner to be insulated. Similarly, where a partition meets an outside wall a single stud is used. At the center bottom of each stud through which wiring is going to be passed a hole is augered or vee cut. This avoids having wiring interfere with insulation installation. One other major difference in wall construction is that the total window area of the house must be restricted to 8% of the living area. In addition, these must be double windows or windows suitably insulated with a storm window. Boxing around windows is simplified to permit insulation to be placed between the front and back 2'' headers.[7] The sole plate is set on a full bed of caulking. The single top plate serves to tie the wall laterally. The second story studs and/or roof truss, also 24'' on center are required to rest on top of studs. Use is made of metal perforated tie plates at wood joints and back-up clips are used to hold the drywall. A polyethylene vapor barrier completely covers both studs and insulation.

Many people reviewing these specifications ask if they couldn't retain their standard 2'' x 4'', 16'' o.c. standard wall and just add foam insulation to the exterior. A quick calculation will show that the old 16'' o.c. wall contains a greater area of semiconductive studs and unless the inside vapor barrier is better than the exterior insulating foam water will condense in the wall nullifying the thermal resistance of the insulation. Just based on thermal resistance the 6'' insulated stud design 24'' on centers is 30% more efficient and much less expensive to build. You will find in most parts of the country that 2'' x 6'' lumber in short lengths used for studs is considerably less expensive per board foot than 2'' x 4'' studs. Also, it should be possible to use 2'' x 6'' lumber in the No. 3 or utility grade of most species rather than the higher "Stud" grade of 2'' x 4''. For example, in Little Rock this past week (July, 1975) 2'' x 6'' pine studs cost $147 per thousand board feet compared to $210 for "Stud" grade 2'' x 4'''s. These prices may be exceptional, but nonetheless, the energy conserving home requires less lumber when compared with conventional 16'' member spacing, and uses lumber at lower cost per board foot.

Crawl space and slab insulation

While it is true, that if sufficient temperature difference exists, hot air rises it is also true that heat flows to cold. Where walls and ceiling are well insulated the heat will be attracted to and dissipate through the coldest surface even if this is the floor.

Since people are quickly chilled if their feet feel cold this tends to make them desire a higher thermostat setting. For both energy management and comfort the floor areas must be maintained as close as possible to room temperature. This, it has been found, requires 6'' of insulation over crawl spaces and a minimum of 1½'' polyurethane rigid foam insulation around the perimeter of the slab. Because dampness can chill and require greater use of energy to operate a dehumidifier, or can raise the humidity level higher than desirable for comfort by overloading the dehumidifier the complete area under the slab must be provided with a vapor barrier. Likewise, the finish grade in a crawl space must be fully covered with a vapor barrier and since another vapor barrier is installed above the floor insulation the crawl space must be ventilated.

Ceilings

Savings estimates justify the installation of 12'' (R-38) Friction Fit Batts in these Little Rock homes. As with the walls and floor, a complete vapor barrier under the ceiling insulation is specified. To permit easier and safer installation of the insulation the designers have specified an inspection catwalk.

CONSTRUCTION

Essentials of the Arkansas energy conservation house

This review of the Arkansas specification for energy conservation will help you understand statements made in this report. If exception is taken to any required part of the specification there will be measurable consequences in higher initial cost, higher operating cost or reduced comfort satisfaction. Substituting alternate construction can prove costly. For example, retaining the 2'' x 4'' insulated stud wall with 3½'' R-11 insulation and adding 1'' of foam in the siding instead of using the specified 2'' x 6'' studs with 6'' R-19 fiber glass insulation results in an increase in construction costs (more framing plus cost of installing foam) without providing any compensating benefit.

Does it pay to add more insulation, say 18'' instead of 12'' in the attic? This cannot be answered with a "no" or "yes" until calculations are worked out for a particular house. Its size, shape, geographic location and energy rates may allow for a reduction in tonnage of heating and cooling equipment only if the additional insulation is used. In this particular case, the cost difference in equipment may more than compensate for the added insulation. The greater efficiency provided by a smaller unit will provide energy savings.

Les Blades, one of the pioneers of this Arkansas Energy Conservation House, foresaw the increase in energy costs and installed 18'' in the attic of his home back in the early 1960's.

SPECIFICATIONS

The following minimum construction standards are at present being utilized on houses being built to the Little Rock experimental energy conservation standards. Standards being issued by the Little Rock Office of HUD and the Arkansas Power and Light Company for national consideration eliminate some of these elements. For example, the installation of a dehumidifier in a desert area of Nevada would be unnecessary. Items identified with a "+" symbol require regional consideration. Comments in brackets are *not* part of the HUD specification.

Sole plate—Sill insulation of full bed of caulking shall be installed around complete perimeter.

Concrete slab floor—1½'' Rigid Urethane Foam Perimeter Insulation . . . R-10.7[8]

Crawl space floor—6'' Fiber Glass Friction Fit Batts . . . R-19[8]

Exterior walls—6'' Fiber Glass Friction Fit Batts . . . R-19[8]

Ceiling—Two 6'' Fiber Glass Friction Fit Batts of Insulation . . . R-38[8]

1. Vapor barriers:

Walls, ceilings and floors shall be provided with a positive vapor barrier covering the entire surface and having a transmission rate not exceeding one perm. (The use of polyethylene sheeting has been assumed to be more effective than vapor barriers attached to insulation because this covers the entire stud area and permits visual inspection of the insulation and vapor barrier before proceeding with drywall installation, etc. Foil backed drywall has been used where polyethylene has been unavailable.) Polyethylene shall be lapped 6'' at all joints.

2. Windows:

Prime window with storm window. Prime window must be caulked in place. Window area not to exceed 8% of the square footage of the living area. (In Little Rock they are installing as an acceptable alternate aluminum framed double glazed insulating windows with 3/16'' air space between panes. Vinyl coated wood frame insulated windows, particularly with a storm window added, will provide less heat transmission.) Over-hanging eaves to prevent direct entry of sunlight are a necessary element of the design. Alternately any glass exposed to the sun's direct radiation shall be provided with an acceptable shading device that will block at least 70% of the sun's radiation during the cooling season.

3. Exterior Doors:

1¾'' metal faced doors with urethane core and magnetic weather stripping . . . 13.5 (Weather stripped thresholds with base flashing and caulking.)

4. Attic space:

Power roof ventilators with eave vents evenly spaced along the soffits with net free air equal to 80 square inches per 100 CFM of the fan capacity. Cable louvers shall not be used. Power ventilators shall be located near roof ridge and centrally positioned in order to remove hot air throughout the attic space. Ventilators shall have a capacity to provide not less than ten air changes per hour. 80 Square feet of soffit vents shall be provided for every 100 cubic feet of fan capacity. Thermostats shall be set to turn on at 100° and turn off at 85°F.

No part of the heating and cooling equipment shall be located in the attic space. (If house design dictates that air ducts must pass through attic, ducts shall be made from 1'' insulated duct board.)

5. An inspection catwalk shall be installed from the attic access opening to the extreme ends of the insulated attic space. (Two layers of half inch thick plywood across supports attached to the trusses were used in some of the demonstration houses.)

6. All wiring and piping must be installed so as to permit correct placement of insulation. In walls, wiring should be allowed to lie on the sill plate by cutting suitable notches in the base of wall studs. In the attic, wiring should be attached to or through roof trusses at a point higher than 12'' from the ceiling. (Wiring must comply with local ordinances.)

7. Humidification:

A humidifier of suitable capacity capable of providing 50% humidity at 70°F shall be provided.

(Reprinted from Building Science Series 64 by Stephen R. Petersen, National Bureau of Standards published by the U.S. Department of Commerce in cooperation with the Federal Energy Commission.)

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[6] This reduces insulating efficiency of the insulation from R-19 to R-18.

[7] An alternate system utilizing plywood in place of sheathing as a header permits the full 5½'' of insulation to be installed.

[8] Insulation batts come in a limited number of preformed sizes and shapes and may not conform to the exact amount of insulation specified in a continuous analysis. But in this discrete case, the last available increment of insulation whose Marginal Energy Sabings (MS)/Marginal Cost (MC) ratio is closest to the optimal MS/MC ratio (without falling below it) provides the optimal "feasible" solution. This feasible solution is indeed optimal for in reality the marginal cost could be quite high for an increment that would exactly meet that level determined in a continuous analysis. This is because production and distribution costs associated with a very large number of sizes would be higher than that of a limited number of sizes.

8. Dehumidification:

A dehumidifier capable of maintaining humidity of about 40% at 76°F shall be provided.

9. Filtration:

An adequate air filtering device shall be provided. (The Little Rock experimental homes utilize an electrostatic filter.)

10. Sill and Window flashing (for brick or masonry walls):

Suitable flashing will be placed to extend from behind the sheathing down over the sill plate into the course of bricks. Similarly, suitable window flashing shall be placed over bottom window framing and door sills to drain down into mortar course of brick facing. (No space shall be enclosed by two vapor barriers. For example, do not use foil faced gypsum over a polyethylene vapor barrier or vapor barrier foam insulation on the exterior that has a better vapor resistance than interior vapor barrier.)

11. Wall studs:

Shall be 2" x 6" spaced 24" on centers, positioned per drawings to permit all spaces to be fully insulated.

12. Window headers:

For 40" windows and less, header shall be not less than ½" thick standard grade plywood nailed and glued with 8d. common nails spaced 4" along edges and intermediate members. Glue shall be elastomeric exterior glue conforming to U.S. Department of Commerce Product Standard P.S. I-66. Plywood will be attached instead of sheathing from top of window opening to just above attic insulation level and on either side of window opening to second stud. Face grain of plywood shall be horizontal. On larger windows, dual headers 2" x 6" or larger, shall be installed to interior and exterior of studs to provide a void between for insulation installation.

13. Structural support:

All overhead loading must be placed directly on top of wall studs. In two story houses, windows must be placed upstairs so that direct support of studs is provided from sill to rafters on either side of window frame. Windows upstairs should be placed over windows or doors downstairs. If stud continuity is broken, extra studs should be placed either side and headers installed to provide necessary structural support.

14. Tie plates and drywall back-up clips:

Although not a requirement, the use of tie plates to join framing and back-up clips to attached drywall has been utilized in the Little Rock Experimental Homes as a cost saving measure and to reduce the number of wall studs.

15. Ducts:

Although not a requirement, insulated ducts for sound absorption or lined metal ducts with flexible connections to the fan chamber have been used to reduce noise transmission. All ducts have been installed in passage ways by dropping the ceilings and along upper perimeters of interior walls. Where ducts must be placed outside of insulated living space they should have 3" of insulation or utilize insulated duct board. Because space is limited, only rectangular ducts should be used so they can provide adequate air flow.

16. Equipment placement:

Wherever possible, heating, cooling, plumbing and attic ventilating equipment shall be centrally located.

17. Partition walls:

Since partition walls are not load bearing they may be constructed of 2" x 3" studs to regain the living area sacrificed by the thicker exterior walls.

18. Construction strength:

With the various changes in construction, the 24" spacing of 6" studs, the reduction by approximately 30% of the lumber used in the framing it is natural to wonder if the loading is soundly engineered. Mr. Frank Holtzclaw, HUD Construction Analyst in Little Rock, reports architects were commissioned to analyze the construction. Based on standard pine or fir commercial grade 2" x 6" lumber, with grain in direction indicated in drawings accompanying the specifications for a 30' wide house all strength requirements under load are met with a two to one safety factor—even before the addition of sheathing.

Note: Equipment—Too few homes have been researched to make an evaluation of any specific equipment but the efficiency and location of equipment in the home is important and should be given serious consideration by the builder.

For example, some trial extrapolations indicate that fan operation can cost anywhere from $12 to $70 per year so the added cost for a more efficient fan will be quickly repaid and result in considerable energy savings. Water heaters also vary in efficiency and adequacy of insulation. Because of the high heat loss of some water heaters the Little Rock developers have decided they should be kept out of the equipment room.

SOLAR ENERGY RESEARCH IN GEORGIA

Mr. NUNN. Mr. President, as the 94th Congress draws to a close, I think it is important that we direct our attention to those areas of concern which must be priority items for the Congress that convenes in January of 1977. One of the key issues for the 95th Congress, I believe we all would agree, is the development of a sound, workable national energy policy. While America must certainly continue to develop new and better methods of recovering and utilizing our fossil fuels, we must also begin to develop and commercialize new, renewable energy resources. I have long believed that one of the best alternative sources for America's future energy independence is solar energy, which can be developed, refined, and marketed relatively quickly.

I am, therefore, very proud that, over the past several years, the State of Georgia has emerged as a national leader in solar energy research and development. Solar energy industry is already a reality in Atlanta, with approximately 20 firms located there specializing in the application of solar technologies. Most importantly, the Georgia Institute of Technology, commonly known as Georgia Tech to many football fans this time of year, has the most extensive and varied solar energy research program of any university in the United States.

Georgia Tech has more Ph. D.'s engaged in full time solar energy research than any other university in the country.

Georgia Tech has engaged in more than 20 solar projects in the last 3 years.

Georgia Tech has the world's largest heating and cooling retrofit demonstration project.

Georgia Tech has the world's largest demonstration project for a facility designed to utilize a solar heating and cooling system.

Georgia Tech has the most extensive ongoing international program of solar research of any university in the United States with cooperative efforts planned or underway in 11 other countries.

Mr. President, the State of Georgia has an important leadership role to play in solar energy research, both nationally and internationally. I would like to share with my colleagues the very important activities in this area that Georgia is engaged in, and I ask unanimous consent that a summary of these, prepared by the State of Georgia, be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Georgia's Solar Energy Research—National and International Leadership

During the past several years, the State of Georgia has been working diligently to provide leadership in the development and application of alternative energy systems. Solar energy is already a Georgia industry that has the potential for great economic and energy production importance.

Presently, there are numerous businesses, farms and homes which utilize solar energy for the major portion of their energy needs. With the State's recently enacted tax incentives for the manufacture and use of solar energy systems, it is expected that within a few years there will be thousands of solar energy installations in operation. Already in the Atlanta area alone some 20 firms are involved in the solar energy industry and approximately 60 solar energy systems are in operation.

The leadership of the State and its institutions of education, finance and industry are working together as an enthusiastic team to foster development of alternative energy resources on an ever shortening time scale.

Georgia Tech has the most extensive and varied solar energy research program of any university in the United States.

Georgia Tech is engaged in a multi-million dollar solar energy research and demonstration program on an international scale which spans all aspects of solar energy from low temperature applications in agriculture through heating and cooling to industrial process heating and high temperature power generation.

More than 50 full-time researchers are involved in these programs and more than 20 different externally funded projects have been undertaken within the last three years. Several of these are funded by ERDA, but others are funded by such sources as the Electric Power Research Institute, National Science Foundation, NASA, the U.S. Department of Agriculture, the Georgia Institute of Genetics and several foreign countries, among others.

Following is a capsule sketch of some of some of these projects:

Central Station Power Generation—Involved in this area of research are projects that include installation of a 400-kilowatt solar steam plant on campus, development and testing of a 5 MW thermal storage unit, and design of the U.S. solar thermal test facility.

The new 400-kilowatt solar steam plant, funded by ERDA, has objectives of transferring solar energy technology developed in Italy to the United States and of providing an important test facility in this country.

For about 15 years, Professor Giovanni Francia of the University of Genoa in Italy has been engaged in the development of solar powered steam generators. His current design has progressed through four generations of development, with various modifications incorporated into the receiver and heliostat field. The new steam plant being erected on the Tech campus is about three times as large as the Genoa facility.

Acquisition of the Francia facility in the United States and careful study of Professor Francia's techniques are expected to yield substantial benefits to this country's solar thermal conversion program by broadening our knowledge and experience in this field.

Solar Energy Storage—Another program at Georgia Tech has a mission of solving a major drawback of solar energy—the lack of an efficient storage system from which to draw energy during periods of no sunlight.

The program involves the preliminary design of a 10 megawatt-electrical pilot plant for generation of electrical power using solar energy. This project, whose goal is to demonstrate the technical and economic feasibility of generating electric power by solar thermal conversion, is funded through a $1,027,000 grant from ERDA. It is a joint effort of Georgia Tech and the Martin Marietta Corporation.

A pilot plant is now under construction at the Georgia Power Company's Plant Yates near Shenandoah. The experimental solar energy storage system at the plant will be the first designed to investigate the technology associated with the storage of solar energy.

The plant will store energy used to produce steam for a turbo-generator by using a molten inorganic salt mixture and a hydrocarbon oil to store heat at 570 degrees F.

Agricultural applications—A major agricultural applications project is developing several types of low-cost, but effective, solar collectors for farming use.

In the area of agriculture, there are substantive energy requirements, particularly for drying. A variety of crops such as corn, soybeans, peanuts, tobacco, grapes, fruits, pecans and forage may be dried prior to conversion to commercially viable products.

While many crops have been field-dried for centuries, this process leaves the farmers' profits at the mercy of the elements of nature which range from destruction by rodents and mold to destruction by simply poor weather.

All of the above crops, except forage, are dried at low temperature, making solar energy an extremely attractive alternative to natural gas and propane.

Heating and cooling for homes—A complete home heating and cooling system is being installed on the Georgia Tech campus, with one large heated and cooled building completed and another under construction. This project serves two purposes:

It provides students, faculty, interested visiting professors, and the public an opportunity to see a complete, operating home solar heating and cooling system, with all the major components exposed for observation. Modifications of the system configuration and control logic can be easily made to permit testing and evaluations of a wide variety of different types of solar home heating and cooling systems.

Since each of the eight different types of solar collectors in the array are separately instrumented, the long-term average efficiency of each type of collector can be measured while the collectors are actually being used to provide cooling or heating in Atlanta. Thus, this versatile system will also be used as a test bed for solar collectors and other solar system components.

Faceted fixed mirror concentrator—A 540-foot prototype of a faceted fixed mirror concentrator was built at Georgia Tech in the summer of 1975 and is undergoing continuing testing and improvement.

Some important solar energy applications require higher temperature collection than is practical with flat plate collectors, so focusing collectors must be used. Since large concentrating surfaces are subject to high wind loadings, it is often advantageous to fix the reflecting surface in a stationary supporting structure and steer a much smaller heat exchanger so that it remains in the focal region. Several fixed concentrator moving heat exchanger systems have been proposed using spherical and parabolic concentrators.

The faceted fixed mirror concentrator has no off-axis aberration and focuses sunlight sharply regardless of the incident light direction. It is composed of long-narrow flat reflecting elements arranged on a concave cylindrical surface, and the heat exchanger is supported on arms that pivot at the center of the reference cylinder.

Concentrators of this general type are useful for applications such as supplying air conditioning, process heat and electrical power. The prototype was built with a $280,000 grant from NSF and ERDA.

The collector heats air to 600 degrees F. with an efficiency of about 40 percent. A new evacuated heat exchanger (receiver) with thermanol as the heat transfer fluid is now being installed, and should increase the collector efficiency to 60 percent at 600 degrees F.

Heating and cooling of buildings—Georgia Tech is involved in two major building projects involving solar heating and cooling.

One project, the George A. Towns Elementary School in Atlanta, already is in operation. The school, an existing facility, is a one-story, 32,000 square-foot building serving about 500 students. It is expected that about 60 percent of the cooling and heating will be obtained from solar energy. This is presently the largest solar heating and cooling retrofit project in the world.

Georgia Tech is responsible for construction of a new solar heated and cooled 54,000 square-foot multi-purpose community center at Shenandoah. Funded by ERDA and scheduled to be completed in November 1976, this building will be the world's largest facility designed to utilize solar energy hardware. The solar energy system will provide over 90 percent of the total annual energy required for winter heating and at least 60 percent of the total annual energy required for summer cooling.

In addition, it will supply hot water for domestic use and for servicing a nearby ice rink. In the autumn and spring, heat from the solar collectors which is not needed for space heating, cooling or hot water, will be used to heat an adjacent swimming pool. This project is being supported by a $730,000 grant from ERDA and was to be completed in the fall of 1976.

Solar Electrical Generation System—Georgia Tech is a partner in a venture to develop a conceptual design for a solar electrical generation system using air, rather than steam, as the working fluid. Tech's area of responsibility is the application of ceramic materials technology to the design of an energy receiver employing ceramic-structured parts. The project is sponsored by the Electric Power Research Institute.

Solar Thermal Test Facility—Georgia Tech also is lending expertise in the research underway at the 5 MW Solar Thermal Test Facility operated by Sandia Laboratories near Albuquerque, New Mexico, through ERDA funding. The purpose of the facility is to test experimental designs of solar receivers, heliostats (mirror assemblies), thermal storage systems and other high-temperature solar equipment. Tech was selected as a participant because of the broad base of experience acquired in its work at the U.S. Army White Sands Solar Furnace and the CNRS Solar Furnace in France.

Georgia Tech is also assisting the Electric Power Research Institute in defining the scope of testing services which they would need to support their various solar energy programs, to define the facility and site requirements for performing these tests and to develop a conceptual design and cost analysis for the facility.

Tech's International Solar Research—Resides the cooperative work with Italy previously discussed, Georgia Tech has been active with many other international solar research programs. Cooperative efforts are underway or proposed with 10 other countries, including France, Italy, Algeria, and Canada.

Tech has conducted materials research programs in collaboration with the Centre National de la Recherche Scientifique (CNRS) in France since 1972. CNRS owns and operates the 1,000-kilowatt Solar Furnace in Southern France, currently the world's largest high-temperature solar test facility.

Efforts have been proceeding for more than a year with the Brace Research Institute of McGill University in Canada. Among the areas where data exchange is taking place are solar cookers, solar ponds, and agricultural dryers. Plans are underway with Brace Institute for cooperative design of solar-powered pumping and irrigation facilities in Mexico, Senegal and Sri Lanka under the general sponsorship of the United States.

A program has been initiated with the ONRS (Organixme National de la Racherche Scientifique) of the Algerian Government for the implementation of a comprehensive energy research program in Algeria. This will consist of nuclear and solar energy research. At present, the Algerians have a 50-kilowatt parabolic furnace operating atop the mountain on which the City of Algiers is located. The Algerians plan to build another large furnace in the Sahara of Southern Algeria.

Various heating and cooling of building applications and agricultural process applications have been discussed and proposed with Kuwait, Saudi Arabia, Iran, Korea and the Philippines. It is expected that two to three of these agreements will be negotiated and operative by the end of calendar year 1976.

The University of Georgia, located in Athens, Georgia, through its Schools of Forest Resources and Agriculture, is involved in energy related research. Projects range from research on photosynthesis to renewable energy resources such as vegetative materials.

The University has been the recipient of numerous federal grants, including a $200,000 ERDA contract for research on "energy plantations," where plants are converted by various methods into clean fuels.

CANCER INFORMATION SERVICE

Mr. BROOKE. Mr. President, in a press conference on Tuesday, September 14, 1976, I had the pleasure of announcing with Dr. Jack E. White, director of the Howard University Cancer Research Center, and Dr. John F. Potter, director of the Vincent T. Lombardi Cancer Research Center of Georgetown University, the inauguration of the Cancer Information Service for metropolitan Washington.

This unique program is one of 17 being funded throughout the United States by the National Cancer Institute. Each is affiliated with a comprehensive cancer center, and together they comprise a communications network whose purpose is to improve cancer care by disseminating information regarding cancer to the American public.

The aim of the Cancer Information Service is to provide accurate and up-to-date information on cancer-related subjects to the general public and health professionals in the greater Washington area. To achieve this goal, it is their intention to work cooperatively and collaboratively with all agencies, institutions, and individuals who are interested in improved cancer control and cancer care.

A comprehensive directory of resources will be available listing all agencies, institutions, and individuals concerned with cancer in the greater Washington area. The latest information regarding the occurrence, cause, prevention, safeguards, detection and warning signals of cancer will be dispatched to the general public and health professionals on the subject of cancer.

The telephone service will be staffed by volunteer operators with guidance and supervision provided by communications office personnel. Following intensive training, these operators are capable of answering personal health questions posed by the general public. In addition, they will be assisted by a team of medical experts and consultants, who will respond to the more technical questions. These experts will be provided by the comprehensive cancer center as well as other health institutions in the Washington, D.C. area.

The Cancer Information Service has made provisions for referral consultations for medical professionals, thus enabling physicians to have immediate access to experts in the field of cancer.

Concurrent with the telephone service, cancer communications for metropolitan Washington will be engaged in a series of other activities, all of which is geared toward more effective dissemination of cancer information. Included among these is a detailed brochure describing the service, a newsletter for health professionals, collaborative educational programs with existing cancer agencies, a calendar of cancer events occurring within the region, and a constant evaluation of the program.

This comprehensive information service on cancer is invaluable to the American public, and will have a tremendous impact on cancer prevention and cancer care in the Metropolitan D.C. community and throughout the United States. The toll-free number in the metropolitan area is 232–2833.

URANIUM ENRICHMENT

Mr. McCLURE. Mr. President, inasmuch as we have not passed the Nuclear Fuel Assurance Act, the problem of uranium enrichment capacity will continue to remain a serious matter before the Senate. Reducing foreign oil imports and preventing further proliferation of enrichment capability demands action on this problem. In order that my colleagues may gain additional insight into the complex nature of uranium enrichment, with the associated tradeoffs and decisions required, I ask unanimous consent that a discussion of the major processes for enrichment—gaseous diffusion, the gas centrifuge, the two aerodynamic processes, and the laser method of separation—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CENTRIFUGE MAY HAVE ECONOMIC EDGE

If the gas centrifuge can hold its maintenance costs down and run a long life span, this uranium enrichment process may produce separative work cheaper than any other method in being or under development.

This cautious assessment was given at the Forum conference by Dr. Manson Benedict, Institute Professor Emeritus at MIT's nuclear engineering department, who played a major role in designing the early enrichment plant at Oak Ridge during the World War II Manhattan Project.

He is also a consultant to Uranium Enrichment Associates in connection with UEA's proposed plant in Alabama.

Dr. Benedict gave a detailed assessment of the various uranium enrichment processes that involve gaseous diffusion, the gas centrifuge, the two aerodynamic processes—Germany's Becker nozzle method and South Africa's helikon cascade method—and the laser method of separation.

"The energy consumption of the two aerodynamic processes . . . is higher than gaseous diffusion, whereas that of the gas centrifuge is much lower. The unit investment costs of all processes are in the same range, considering the uncertainty of estimates for those processes which have not yet been used in large plants.

"Conclusions to be drawn from this comparison are:

"The separation nozzle and UCOR (South Africa) supplied with low cost energy may be able to compete economically with gaseous diffusion supplied with higher cost energy.

"If the life of gas centrifuges is long and maintenance costs sufficiently low, this process should produce separative work at lower cost than any of the other processes."

He noted ERDA's statement that power per unit separative capacity used in a gas centrifuge is less than one tenth that of the gaseous diffusion process, which was a significant economic factor in a time of rising cost for electric power.

While unit costs of separative work from both types of enrichment decreased with rising capacity, "the gas centrifuge cost levels off at a lower capacity than gaseous diffusion," Benedict said.

But he cautioned that the enormous complexity of gas centrifuge plants and their many machines raised a specter of breakdowns and high maintenance costs.

"A centrifuge plant with a capacity of nine million separative work units per year, using centrifuges with a capacity per machine as high as 100 units per year, would have 90,000 machines," Benedict said.

"If the mean time between failures were three years per machine, the plant would have 90 machine failures per day. The possible disturbance of operations can be readily imagined."

Referring to the Becker separation nozzle, he said power consumption "is 4,000 kilowatt hours per separative work unit, which is higher than gaseous diffusion. However, improvements are still being made in the nozzle process, and it's possible that its power consumption can be brought down to that for gaseous diffusion.

"At the April, 1975 European nuclear conference it was stated that the unit investment cost of a large nozzle separation plant would be in the range of $180 to $340/SWU/year. This suggests that the nozzle process could be competitive economically with the gaseous diffusion process where energy costs are low."

Benedict said he could offer little about the practical success of the two methods of laser isotope separation, because the commercial work by Avco-Exxon was proprietary information and the ERDA research as the Los Alamos facility was classified.

"The general impression is that the laser methods hold promise of making possible production of 3% enriched uranium in a single state, with good stripping and at lower energy consumption than gaseous diffusion," he said.

FARM POLICY

Mr. MORGAN. Mr. President, when I think of a farm policy, I think of a policy to benefit farmers and the American people, not a policy of destruction of the family farm and the growth of large, impersonal corporate farms alone. This is the direction that President Ford and Secretary Butz would have us take. Indeed, they would impose such policies upon us and have already done so to an alarming extent.

We all know that Secretary Butz's agricultural policy is based on some pretty strict economic theory that extolls the virtue of the free-enterprise system. I certainly have no quarrel with free enterprise, and if you will examine my record since coming to the Senate, you will find that I consistently vote to support the free enterprise system. But where is free enterprise if it does not grow? And where can agricultural enterprise grow but into the world market at large? If we are to have a healthy atmosphere for free enterprise in a world market full of speculation, violent price fluctuation, bad weather, and possible political upheaval, we have to be able to cushion the blow to our small farmers—otherwise, they will disappear and the tendency toward huge agribusiness conglomerates will be brought to its ultimate conclusion.

If we are satisfied to destroy the small farmer, then we do not need price supports. If we are satisfied with the market we have now, and do not need to grow, then we do not need price supports. But the fact is, we need our small farmers, and we need an expanded agricultural base, and they require adequate price supports and disaster payments.

Mr. President, down in the southern tobacco growing region there are 600,000 farmers growing tobacco; 400,000 of these are in my home State of North Carolina. There are an additional 100,000 people in North Carolina manufacturing tobacco products. This is a $2 billion industry from which the United States earned approximately $1 billion in foreign trade credits last year. Tobacco currently has a support, grading, inspection, and promotion program which cost the Federal Government $137 million last year. This is a small price to pay for stability in the lives and livelihoods of 600,000 small farmers in the South.

Last year a bill to increase the price support to a more realistic level passed the Congress only to be vetoed by the President. This is not a direct subsidy program but a support program. Most of the money is spent on inspection, grading, and promotion. The program has been in existence since 1946, and the Federal Government has never lost a single penny. In fact, tobacco bought during 1967 and 1968 has now been disposed of by the Government at a profit of $18 million. This profit was returned to the growers. Last year, the program cost $137 million—but was that really a cost to the Government? The tobacco industry accounted for over 40 times that amount paid in Federal and local taxes.

If the seven major tobacco buyers saw fit to arbitrarily offer unfairly low prices this year, where would these 600,000 mostly small tobacco growers market their tobacco? This could be the result of President Ford's veto of the price support increase.

We have various kinds of shock absorbers in our monetary policy and other aspects of our economy. Why should farmers be denied the same opportunities for balanced economic growth and stability?

Mr. President, recently the Democratic Presidential nominee Jimmy Carter said that he would favor price supports that would enable the farmers of our country to recoup most of their losses in the case of natural disaster or extreme price fluctuations beyond his or his Government's control.

You will note he did not say he would guarantee a profit, but would favor a realistic price support program. I am pleased that Governor Carter in exploring the issues in this campaign year has given his full attention to farm support programs. Frankly, it pleases me to have a candidate for President who is a farmer and can identify with and understand first hand farm problems.

A balanced agricultural policy such as this would not only benefit the farmers of our country, but also the American consumer. It would allow American farmers to stay in world commodity marketing enabling America to expand its agricultural base in an orderly manner for the benefit of mankind.

The Ford administration seems to perpetrate injustices on the farmers almost daily—with either lack of concern, or lack of ability, to improve.

Recently the Occupational Safety and Health Administration announced new guidelines for field sanitary facilities for farmworkers which the North Carolina Agriculture Commissioner called unnecessary and ridiculous. When a longtime, nationally recognized agribusiness leader such as Commissioner Jim Graham uses these harsh words it certainly gives me cause for alarm. And OSHA's misguided guidelines are just one recent example of an overzealous bureaucracy at work.

Mr. President, as the Representative of one of the foremost farming States in the Nation, I feel I cannot ignore the widespread dissatisfaction with the agriculture policy of the Nixon-Ford administration. The farmers do not like it, the consumers do not like it, and I sure do not like it.

In recent years, the farmer has been the economic cushion for the whole economy. Whenever a chunk falls out of the structure anywhere, you know there is going to be a farmer down below who is going to get hit. The leadership we have now is satisfied with that situation—but the farmers are tired of it.

TRIBUTE TO JULIE HARRIS

Mr. BROOKE. Mr. President, I would like to take this opportunity to pay tribute to a remarkably talented woman. Probably the most versatile actress of the American theater today, Julie Harris has four times been honored as the recipient of the Antoinette Perry Theater Award as Best Actress of the Year. Miss Harris is currently appearing in our Nation's Capital in "The Belle of Amherst," portraying one of America's greatest poets, Emily Dickinson.

In this Bicentennial year, Miss Harris has been traveling through the country, appearing before thousands, to bring to life the story of this intriguing lady from Amherst, Mass.; to bring to life the poetry which questioned the relationship between life's experiences, the impulses of love, and the immortality of human expression. It was her spirit of inquiry, the emphasis on the spiritual as well as material resources of man, that was so evocative of our new country's political and humanistic character. But it was not until after her death when her works became available that we came to comprehend those words, the words that seemed to lack pragmatic significance during her life.

Julie Harris has in her portrayal presented a simple but enduring image of participation in what the drama of democracy must be, for as Miss Dickinson herself once said:

> The show is not the show, but they who go.

As a long standing admirer of her work, I would like to say that Julie Harris is indeed an American of whom we may all be proud and grateful for the happiness she has brought to so many.

VETERANS POPPY PROGRAMS

Mr. CRANSTON. Mr. President, in its edition of September 20, the Washington Post contained an informative article on the nature and resolution of a potential problem affecting the operation of the memorial poppy programs by the American Legion Auxiliary and the Veterans of Foreign Wars.

The poppy programs offer therapeutic work to patients who are hospitalized in Veterans' Administration hospitals across the country. Proceeds from the programs are used for the benefit of veterans and their families. Representatives of veterans organizations and officials of the VA had been concerned over the possible adverse effect that application of the Fair Labor Standards Act to the poppy programs could have on the continued success of those programs.

I am pleased to report that the problem has been resolved and that I was able to play a constructive role in resolving it. I commend to my colleagues this excellent article from the Post, which explains how we solved it.

Mr. President, I ask unanimous consent that the article from the September 20 edition of the Washington Post be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Vets' Poppies Program Weathers Crisis

(By Spencer Rich)

For more than half a century, disabled veterans living in veterans' hospitals have been earning pocket money by making little red crepe poppies that are handed out on street corners by the Veterans of Foreign Wars and the American Legion.

The program has given the hospitalized veterans therapeutic work and netted $1 million to $2 million a year for the organizations, which have plowed the profits back into rehabilitation services and other charitable causes.

Yet, early this year the two veterans' groups said the program appeared to be on the verge of extinction as a result of a 1973 court ruling, a 1974 act of Congress and a Labor Department legal opinion.

They feared that the minimum wage law was about to be applied to the poppy program, that the government might force them to pay the hospitalized veterans considerably more—perhaps up to $2.30 an hour minimum wage instead of a few cents per poppy. That would have made the programs economically unfeasible, according to VFW and Legion spokesmen.

Last week the poppy program was saved, but only after months of tough infighting and negotiations, pressure from veterans' organizations, and a very firm stand by assistant Senate Republican leader Robert P. Griffin (Mich.) who threatened to hold up veterans' bills and open up the minimum wage law in a way opposed by organized labor.

The American Legion poppy program started just after World War I, the VFW program in 1922. The wire stems and crepe petals are purchased from commercial suppliers by VFW and legion volunteers. The disabled veterans twist them into little flowers and are paid up to four cents for each poppy. The volunteers distribute them on street corners around Memorial Day and similar occasions, in return for donations.

In 1975, according to Griffin aides, the legion program employed 3,871 hospitalized veterans who received about $300,000 for making 17 million poppies. The legion spent several hundred thousand dollars for raw materials and distribution. The legion received more than $1.9 million in donations for the poppies.

The VFW, according to a spokesman, employed several thousand hospitalized veterans, produced 15 million "buddy" poppies, realized $2.5 million in donations and had costs and veterans' pay of about $250,000.

In 1975, both organizations plowed back about $3 million in net profit for use in rehabilitation and other services to disabled veterans and to a VFW home for children of disabled or deceased veterans.

The problem for the poppy programs began in a case not involving veterans.

Nelson E. Souder, a patient in an Ohio mental hospital, and two others in similar Pennsylvania hospitals were performing therapeutic janitorial work and sued to receive the minimum wage as payment. The U.S. District Court here ruled in 1973 that work done by patients of "consequential economic benefit" is employment under the federal minimum wage law. The ruling applied to state hospitals only.

This had no immediate effect on the poppy program in federal VA hospitals. However, in 1974, Congress amended the minimum wage law and applied the Souder principle to federal hospitals also.

Questions began to arise about whether the poppy program would be affected, and an American Legion spokesman wrote the White House to say that it shouldn't be.

The White House routinely forwarded the letter to the Labor Department, which unexpectedly wrote back on April 12 of this year that the poppy program might well be subject to the minimum wage law. The letter pointed out, however, that the veterans wouldn't necessarily have to be paid the full $2.30; special provisions of the law allow lower wages for handicapped workers.

Legionnaire Griffin, in an interview last week, said, "The commander of the VFW talked to me about it at a dinner, and the American Legion. They feared it would mean the end of the program."

Then Griffin drafted an amendment to a veterans' bill and introduced it with 31 cosponsors from both parties on July 30. The amendment would have exempted the poppy program from the minimum wage law.

Although labor didn't oppose the poppy program, several senators said the unions and several organizations for disabled persons balked at Griffin's approach, fearing that piecemeal exemptions would open the door to erosion of the law.

Sen. Alan Cranston (D-Calif.), an influential member of both the Labor and Veterans' Affairs committees, was sympathetic to saving the poppy program, but said he was caught between two forces—veterans' organizations for the Griffin amendment and labor unions and organizations of the disabled against it.

Cranston wanted to prevent a floor vote: "People didn't want to choose between veterans' organizations and unions."

Griffin in turn stepped up the pressure, according to Cranston, slapping a "hold" on several key veterans' bills Cranston was trying to push through the Senate.

Cranston, Labor Committee Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (N.Y.) then told the Labor Department and the Veterans Administration, as Cranston describes it, "Find a way to resolve this without legislation."

Soon after, the VA unearthed a 1962 law declaring that the VA "may utilize the services of patients and members in veterans' hospitals and domiciliaries for therapeutic and rehabilitative purposes at nominal remuneration."

The VA and the Civil Service Commission, with the Labor Department's assent, ruled Sept. 9 that the poppy program constituted such utilization and that it could continue, unaffected by the minimum wage law. The crisis was solved—by administrative methods. A legislative fight that nobody wanted was avoided.

REPRESENTATIVE THOMAS N. DOWNING

Mr. HARRY F. BYRD. Mr. President, before the Senate adjourns tonight, I want to say a few words about one who is both an outstanding legislator and a dear friend.

THOMAS N. DOWNING is retiring from the House of Representatives at the conclusion of his present term which ends in January. With the Congress adjourning tonight, however, this will be his last day of floor action.

TOM DOWNING, a graduate of the Virginia Military Institute and of the University of Virginia Law School, has represented the First Congressional District of Virginia for 18 years.

This district has changed several times during his tenure, but the basic part of that congressional district has remained the same, namely, the cities of Hampton, Newport News, Poquoson, and Williamsburg, and the counties surrounding those cities, the eastern shore, the Middle Peninsula and the Northern Neck.

Those areas have had excellent representation through the years, but I doubt that any Representtaive has been more popular throughout that area than TOM DOWNING.

And deservedly so.

Except for his wife, perhaps few fully realize how unselfish has been his service and how dedicated he has been both to those whom he represents and to the Nation be serves.

Eighteen years is a long time, but my knowledge of his district suggests to me that TOM DOWNING is held in such high esteem that he could serve another 18 years, should he wish to do so. Indeed, every effort was made by his fellow citizens to encourage him to seek reelection.

During the years we have served in the Congress together, he in the House, and I in the Senate, we have worked closely together. I have never met a finer or more honorable person, or one I enjoy more being with.

As he leaves the Congress, he takes with him the friendship and the good wishes of his colleagues. He is one of the most popular Members of the Congress.

I shall miss my close association with TOM DOWNING, and, as he ends his service in the Congress of the United States, I salute him as a dedicated public servant, as an efficient and able Representative of the people of the First Congressional District—and, more personally, as a dear friend.

ADDRESS OF SECRETARY KISSINGER TO THE UNITED NATIONS

Mr. McGOVERN. Mr. President, as a member of the American delegation to the United Nations this year, I had the privilege of hearing our Secretary of State, Mr. Kissinger, address the U.N. assembly yesterday. Secretary Kissinger delivered an excellent address which was well received by the general assembly. I was personally proud of the Secretary's speech and the positive reception he received He has earned the gratitude of all of us—especially for his constructive efforts to achieve a peaceful settlement in Africa.

I ask unanimous consent that the text of the Secretary's important address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE HENRY A. KISSINGER, SECRETARY OF STATE

Mr. President, Mr. Secretary-General, Foreign Ministers, distinguished delegates:

Let me first congratulate this body for electing Ambassador Amerasinghe of Sri Lanka to preside over this Thirty-first session of the General Assembly. He is a diplomat of great international stature, who among his many distinctions, has provided indispensable leadership to the crucial negotiations on the Law of the Sea.

I would also like to pay tribute to the Secretary-General for his tireless efforts on behalf of the world community. He successfully embodies the charter's principles of fairness, impartiality and dedication to the causes of global peace and human dignity.

The United Nations was born of the conviction that peace is both indivisible and more than mere stability, that for peace to be lasting it must fulfill mankind's aspirations for justice, freedom, economic well-being, the rule of law and the promotion of human rights. But the history of this organization has been in considerable measure the gradual awareness that humanity would not inevitably share a single approach to these goals.

The United Nations has survived—and helped to manage—thirty years of vast change in the international system. It has come through the bitterness of the Cold War. It has played a vital role in the dismantling of the colonial empires. It has helped moderate conflicts, and is manning truce lines in critical parts of the world. It has carried our unprecedented efforts in such areas as public health, development assistance and technical cooperation.

But the most important challenge of this organization lies still ahead: to vindicate mankind's positive and nobler goals and help nations achieve a new understanding of community.

With modern communications, human endeavor has become a single experience for peoples in every part of the planet. We share the wonders of science and technology, the trials of industrialization and social change, and a constant awareness of the fate and dreams of our fellow men.

The world has shrunk, but the nations of the world have not come closer together. Paradoxically, nationalism has been on the rise at the precise time when the most serious issues we all face can only be resolved through a recognition of our interdependence. The moral and political cohesion of our world may be eroding just when a sense of community has become indispensable.

Fragmentation has affected even this body. Nations have taken decisions on a bloc or regional basis by rigid ideologies, before even listening to the debate in these halls; on many issues positions have been predetermined by prior conferences containing more than half the membership of the United Nations. The tendency is widespread to come here for battle rather than negotiation. If these trends continue, the hope for world community will dissipate and the moral influence of this organization will progressively diminish.

This would be a tragedy. Members of this organization are today engaged in a multiplicity of endeavors to find just solutions for complex and explosive problems. There is a fragile tranquility but beneath the surface it is challenged by fundamental forces of change—technological, economic, social. More than ever this is a time for statecraft and restraint, for persistence but also daring in the pursuit of peace and justice. The dogmas of perpetual strife produce only bloodshed and bitterness: they unleash the forces of destruction and repression and plant the seeds of future conflict. Appeals to hatred—whether on the basis of race or class or color or nationality or ideology—will in the end rebound against those who launch them and will not advance the cause of freedom and justice in the world.

Let us never forget that the United Nations benefits the smaller and weaker nations most of all. It is they that would suffer most from its failure. For without the rule of law, disputes will be settled as they have been all too frequently and painfully in the history—by test of strength it is not the weak that will prevail in the world of chaos.

The United States believes that this Thirty-first General Assembly must free itself of the ideological and confrontational tactics that marked some of its predecessors and dedicate itself to a program of common action.

The United States comes to the General Assembly prepared to work on programs of common action. We will offer concrete proposals. We will listen to the ideas of others. We will resist pressure and seek cooperation.

Let me now discuss the three principal challenges we face—the problem of peace, the challenge of economic well-being, and the agenda of global interdependence.

THE PROBLEM OF PEACE

The age of the United Nations has also been an age of frequent conflict. We have been spared a third world war, but cannot assume that this condition will prevail forever, or without exertion. An era of thermonuclear weapons and persistent national rivalries requires our utmost effort to keep at bay the scourge of war. Our generation must build out of the multitude of nations a structure of relations that frees the energies of nations and peoples for the positive endeavors of mankind, without the fear or threat of war.

Central to American foreign policy are our sister democracies—the industrial nations of ern Pacific and Japan, and our traditional friends in the Western Hemisphere. We are bound to these nations by the ties of history, civilization, culture, shared principles and a generation of common endeavors.

Our alliances, founded on the bedrock of mutual security, now reach beyond the common defense to a range of new issues: the social challenges shared by advanced technological societies; common approaches to easing tensions with our adversaries; and shaping positive relations with the developing world. The common efforts of the industrial democracies are not directed at exclusive ends but as a bridge to a broader, more secure and cooperative international system and to increasing freedom and prosperity for all nations.

The United States is proud of its historical friendships in the Western Hemisphere. In the modern era they must be—and are—based on equality and mutual benefit. We have a unique advantage: the great dialogue between the developed and the developing nations can find its most creative solution in the hemisphere where modern democracy was born, and where cooperation between developed and developing, large and small, is a long-standing tradition.

Throughout history, ideology and power have tempted nations to seek unilateral advantage. But the inescapable lesson of the nuclear age is that the politics of tests of strength has become incompatible with the survival of humanity. Traditional power politics becomes irrational when war can destroy civilized life and neither side can gain a decisive strategic advantage.

Accordingly, the great nuclear powers have particular responsibilities for restraint and vision. They are in a position to know the full extent of the catastrophe which could overwhelm mankind. They must take care not to fuel disputes if they conduct their rivalries by traditional methods. If they turn local conflicts into aspects of a global competition, sooner or later their competition will get out of control.

The United States believes that the future of mankind requires coexistence with the Soviet Union. Tired slogans cannot obscure the necessity for a more constructive relationship. We will insist that restraint be reciprocal not just in bilateral relations but around the globe. There can be no selective detente. We will maintain our defenses and our vigilance. But we know that tough rhetoric is not strength; that we owe future generations more hopeful prospects than a delicate equilibrium of awesome forces.

Peace requires a balance of strategic power. This the United States will maintain. But the United States is convinced that the goal of strategic balance is achievable more safely by agreement than through an arms race. The negotiations on the limitation of armaments are therefore at the heart of US/Soviet relations.

Unprecedented agreements limiting and controlling nuclear weapons have been reached. An historic effort is being made to place a ceiling on the strategic arsenals of both sides in accordance with the Vladivostok accord. And once this is achieved we are ready to seek immediately to lower the levels of strategic arms.

The United States welcomes the recent progress that has been made in further curtailing nuclear weapons testing and in establishing a regime for peaceful nuclear explosions for the first time. The two treaties now signed and awaiting ratification should be the basis for further progress in this field.

Together with several of our European allies, we are continuing efforts to achieve a balanced reduction in the military forces facing each other in Central Europe. In some respects this is the most complex negotiation on arms limitation yet undertaken. It is our hope that through patient effort reciprocal reductions will soon be achieved that enhance the security of all countries involved.

The United States remains committed to the work of the Geneva Disarmament Committee. We welcome the progress there on banning environmental modification for destructive purposes. We will seriously examine all ideas, of whatever origin, to reduce the burdens of armaments. We will advance our own initiatives not for purposes of propaganda or unilateral advantage but to promote peace and security for all.

But coexistence and negotiations on the control of arms do not take place in a vacuum. We have been disturbed by the continuing accumulation of armaments and by recent instances of military intervention to tip the scales in local conflicts on distant continents. We have noted crude attempts to distort the purposes of diplomacy and to impede hopeful progress toward peaceful solutions to complex issues. These efforts only foster tensions; they cannot be reconciled with the policy of improving relations.

And they will inevitably be resisted. For coexistence to be something better than an uneasy armistice, both sides must recognize that ideology and power politics today confront the realities of the nuclear age and that a striving for unilateral advantages will not be accepted.

In recent years, the new relationship between the United States and the People's Republic of China has held great significance for global security.

We came together out of necessity and a mutual belief that the world should remain free of military blackmail and the will to hegemony. We have set out a new path—in wide-ranging consultations, bilateral exchanges, the opening of offices in our respective capitals and an accelerating movement toward normalization. And we have derived reciprocal benefits—a clear understanding of the aspirations of our peoples, better prospects for international equilibrium, reduced tensions in Asia and increased opportunities for parallel actions on global issues.

These elements form the basis for a growing and lasting relationship founded on objective common interests. The United States is committed to strengthen the bonds between us and to proceed toward the normalization of our relations in strict conformity with the principles of the Shanghai Communique. As this process moves forward each side must display restraint and respect for the interests and convictions of the other. We will keep Chinese interests in mind on all international issues and will do our utmost to take account of them. But if the relationship is to prosper, there must be similar sensitivity to our views and concerns.

On this basis, the progressive development of our relations with the world's most populous nation will be a key element of the foreign policy of the United States.

The world today is witness to continuing regional crises. Any one of them could blossom into larger conflict. Each one commands our most diligent efforts of conciliation and cooperation. The United States has played, and is prepared to continue to play, an active role in the search for peace in many areas: southern African, the Middles East, Korea and Cyprus.

Racial injustice and the grudging retreat of colonial power have conspired to make southern Africa an acid test of the world's hope for peace and justice under the charter. A host of voices have been heard in this chamber warning that if we failed quickly to find solutions to the crises of Namibia and Rhodesia, that part of the globe could become a vicious batleground with consequences for every part of the world.

I have just been to Africa at President Ford's request, to see what we could do to help the peoples of that continent achieve their aspirations to freedom and justice.

An opportunity to pull back from the brink now exists. I believe that Africa has before it the prize for which it has struggled for so long—the opportunity for Africans to shape a future of peace, justice, racial harmony and progress.

The United Nations since its inception has been concerned with the issue of Namibia. For thirty years, that territory has been a test of this institution's ability to make its decisions effective.

In recent months, the United States has vigorously sought to help the parties concerned speed up the process toward Namibian independence. The United States favors the following elements: the independence of Namibia with a fixed, short, time limit; the calling of a constitutional conference at a neutral location under United Nations aegis; and the participation in that conference of all authentic national forces including specifically SWAPO. Progress has been made in achieving all of these goals. We will exert our efforts to remove the remaining obstacles and bring into being a conference which can then fashion, with good will and wisdom a design for the new state of Namibia and its relationship with its neighbors. We pledge our continued solicitude for the independence of Namibia so that it may, in the end, be a proud achievement of this organization and a symbol of international cooperation.

Less than a week ago the Rhodesian authorities announced that they are prepared to meet with the nationalist leaders of Zimbabwe to form an interim government to bring about majority rule within two years. This is in itself an historical break from the past. The African Presidents, in calling for immediate negotiations, have shown that they are prepared to seize this opportunity for a settlement. And the Government of the United Kingdom, in expressing its willingness to assemble a conference, has shown its high sense of responsibility and concern for the rapid and just independence of Rhodesia.

Inevitably after a decade of strife, suspicions run deep. Many obstacles remain. Magnanimity is never easy, and less so after a generation of bitterness and racial conflict. But let us not lose sight of what has been achieved: a commitment to majority rule within two years; a commitment to form immediately a transitional government with an African majority in the cabinet and an African prime minister; a readiness to follow this with a constitutional conference to define the legal framework of an independent Zimbabwe.

The United States, together with other countries, has made major efforts; and we will continue to do what we can to support the hopeful process that is now possible. But it is those in Africa who must shape the future. The people of Rhodesia, and the neighboring states, now face a supreme challenge. Their ability to work together, their capacity to unify will be tested in the months ahead as never before.

There may be some countries who see a chance for advantage in fueling the flame of war and racial hatred. But they are not motivated by concern for the peoples of Africa, or for peace. And if they succeed they could doom opportunities that might never return.

In South Africa itself, the pace of change accelerates. The system of apartheid, by whatever name, is a denial of our common humanity and a challenge to the conscience of mankind. Change is inevitable. The leaders of South Africa have shown wisdom in facilitating a peaceful solution in Rhodesia. The world community takes note of it, and urges the same wisdom—while there is still time—to bring racial justice to South Africa.

As for the United States, we have become convinced that our values and our interests are best served by an Africa seeking its own destiny free of outside intervention. Therefore, we will back no faction whether in Rhodesia or elsewhere. We will not seek to impose solutions anywhere. The leadership and the future of an independent Zimbabwe, as for the rest of Africa, are for Africans to decide. The United States will abide by their decision. We call on all other non-African states to do likewise.

The United States wants no special position or sphere of influence. We respect African unity. The rivalry and intereference of non-African powers would make a mockery of Africa's hard-won struggle for independence from foreign domination. It will inevitably be resisted. And it is a direct challenge to the most fundamental principles upon which the United Nations is founded.

Every nation that has signed the Charter is pledged to allow the nations of Africa, whose peoples have suffered so much, to fulfill at long last their dreams of independence, peace, unity and human dignity in their own way and by their own decisions.

The United Nations, since its birth, has been involved in the chronic conflict in the Middle East. Each successive war has brought greater perils, an increased danger of great power confrontation and more severe global economic dislocations.

At the request of the parties, the United States has been actively engaged in the search for peace in the Middle East. Since the 1973 war, statesmanship on all sides has produced unprecedented steps toward a resolution of this bitter conflict. There have been three agreements that lessen the danger of war; and mutual commitments have been made to pursue the negotiating process with urgency until a final peace is achieved. As a result, we are closer to the goal of peace than any time in a generation.

The role of the United Nations has been crucial. The Geneva Conference met in 1973 under its aegis, and the implementation of subsequent agreements has been negotiated in its working groups. Security Council resolutions form the only agreed framework for negotiations. The UN Emergency Force, Disengagement Observer Force, and Truce Supervision Organization are even now helping maintain peace on the truce lines. I want to compliment the Secretary General and his colleagues in New York, Geneva, and on the ground in the Middle East, for their vigorous support of the peace process at critical moments.

The United States remains committed to help the parties reach a settlement. The step-by-step negotiations of the past three years have now brought us to a point where comprehensive solutions seem possible. The decision before us now is how the next phase of negotiations should be launched.

The United States is prepared to participate in an early resumption of the work of the Geneva Conference. We think a preparatory conference might be useful for a discussion of the structure of future negotiations, but we are open to other suggestions. Whatever steps are taken must be carefully prepared so that once the process begins the nations concerned will advance steadily toward agreement.

The groundwork that has been laid represents an historic opportunity. The United States will do all it can to assure that by the time this Assembly meets next year it will be possible to report significant further progress toward a just and lasting peace in the Middle East.

Since the General Assembly last met, overwhelming tragedy has befallen the people of Lebanon. The United States strongly supports the sovereignty, unity and territorial integrity of that troubled country. We oppose partition. We hope that Lebanese affairs will soon be returned to the hands of the people of Lebanon. All members of the United Nations, and all the conflicting parties in Lebanon, have an obligation to support the efforts of the new President of Lebanon to restore peace and to turn energies to rebuilding the nation. And the agencies of the United Nations system can play an important role in the reconstruction effort.

The confrontation between North and South Korea remains a threat to international peace and stablity. The vital interests of world powers intersect in Korea; conflict there inevitably threatens wider war.

We and many other UN members welcome the fact that a contentious and sterile debate on Korea will be avoided this fall. Let this opportunity be used, then, to address the central problem of how the Korean people can determine their future and achieve their ultimate goal of peaceful reunification without a renewal of armed conflict.

Our own views on the problem of Korea are well known. We have called for a resumption of a serious dialogue between North and South Korea. We have urged wider negotiations to promote security and reduce tensions. We are prepared to have the United Nations Command dissolved so long as the Armistice Agreement—which is the only existing legal arrangement committing the parties to keep the peace—is either preserved or replaced by more durable arrangements. We are willing to improve relations with North Korea, provided that its allies are ready to take similar steps toward the Republic of Korea. We are ready to talk with North Korea about the Peninsula's future, but we will not do so without the participation of the Republic of Korea.

Last fall the United States proposed a conference including all the parties most directly concerned—North and South Korea, the United States, and the People's Republic of China—to discuss ways of adapting the Armistice Agreement to new conditions and replacing it with more permanent arrangements. On July 22, I stated our readiness to meet immediately with these parties to consider the appropriate venue for such a conference. I reaffirm that readiness here today.

If such a conference proves impracticable right now, the United States would support a phased approach. Preliminary talks between North and South Korea, including discussions on the venue and scope of the conference, could start immediately. In this phase the United States and the People's Republic of China could participate as observers or in an advisory role. If such discussions yielded concrete results, the United States and China could join the talks formally. This, in turn, could set the stage for a wider conference in which other countries could associate themselves with arrangements that guarantee a durable peace on the Peninsula.

We hope that North Korea and other concerned parties will respond affirmatively to this proposed procedure or offer a constuctive alternative suggestion.

The world community is deeply concerned over the continuing stalemate on the Cyprus problem.

Domestic pressures, nationalistic objectives, and international rivalries have combined to block the parties from taking even the most elementary steps toward a solution. One those few occasions when representatives of the two Cypriot communities have come together, they have fallen into inconclusive procedural disputes. The passage of time has served only to complicate domestic difficulties and to diminish the possibilities for constructive conciliation. The danger of conflict between Greece and Turkey has spread to other issues, as we have recently seen in the Aegean.

All concerned need to focus on committing themselves to achieve the overriding objectives—assuring the well-being of the suffering Cypriot people, and peace in the eastern Mediterranean.

A settlement must come from the Cypriot communities themselves. It is they who must decide how their island's economy, society, and government shall be reconstructed. It is they who must decide the ultimate relationship of the two communities and the territorial extent of each area.

The United States is ready to assist in restoring momentum to the negotiating process. We believe that agreeing to a set of principles might help the parties to resume negotiations. We would suggest some concepts along the following lines:

A settlement should preserve the independence, sovereignty and territorial integrity of Cyprus;

The present dividing lines on Cyprus must be adjusted to reduce the area currently controlled by the Turkish side;

The territorial arrangement should take into account the economic requirements and humanitarian concerns of the two Cypriot communities, including the plight of those who remain refugees;

A constitutional arrangement should provide conditions under which the two Cypriot communities can live in freedom and have a large voice in their own affairs; and

Security arrangements should be agreed that permit the withdrawal of foreign military forces other than those present under international agreement.

I have discussed this approach with the Secretary-General and with several Western European leaders. In the days ahead, the United States will consult along these lines with all interested parties. In the meantime, we urge the Secretary-General to continue his dedicated efforts.

ECONOMIC DEVELOPMENT AND PROGRESS

The economic division of our planet between the Northern and Southern Hemispheres, between the industrial and developing nations, is a dominant issue of our time. Our mutual dependence for our prosperity is a reality, not a slogan. It should summon our best efforts to make common progress. We must commit ourselves to bring mankind's dreams of a better life to closer reality in our lifetime.

There are many reasons why cooperation has not made greater strides:

The industrial democracies have sometimes been more willing to pay lip service to the challenge of development than to match rhetoric with real resources.

The oil-producing nations command great wealth, and some have been generous in their contribution to international development. But the overall performance in putting that wealth to positive uses has been inadequate to the challenge.

The countries with non-market economies are quite prepared to undertake verbal assaults, but their performance is in inverse ratio to their rhetoric. Their real contribution to development assistance has been minimal. Last year, for example, the non-market economies provided only about four percent of the public aid flowing to the developing nations.

The developing nations are understandably frustrated and impatient with poverty, illiteracy and disease. But too often they have made demands for change that are as confrontational as they are unrealistic. They sometimes speak of new economic orders as if growth were a quick fix requiring only that the world's wealth be properly redistributed through tests of strength instead of a process of self-help over generations. Ultimately, such tactics lose more than they gain, for they undermine the popular support in the industrial democracies which is imperative to provide the resources and market access—available nowhere else—to sustain development.

The objectives of the developing nations are clear; a rapid rise in the incomes of their people; a greater role in the international decisions which affect them; and fair access to the world's economic opportunities.

The objectives of the industrial nations are equally plain: an efficient and open system of world trade and investment; expanding opportunities and production for both North and South; the reliable and equitable development of the world's resources of food, energy, and raw materials; a world economy in which prosperity is as close to universal as our imagination and our energies allow.

These goals are complementary; indeed they must be, for neither side can achieve its aims at the expense of the other. They can be realized only through cooperation.

We took a major step forward together a year ago, at the Seventh Special Session of this Assembly. And we have since followed through on many fronts.

We have taken steps to protect the economic security of developing nations against cyclical financial disaster. The newly expanded compensatory finance facility of the International Monetary Fund has disbursed over $2 billion to developing nations this year alone.

An IMF Trust Fund financed by gold sales has been established for the benefit of the low-income countries.

Replenishments for the World Bank, the Inter-American Development Bank and the Asian Development Bank will provide additional resources for development.

Worldwide food aid has expanded. We have committed ourselves to expand the world supply of food. With the United States contribution of $200 million, we have brought the International Fund for Agriculture Development close to operation.

The major industrial nations have moved to expand trade opportunities for the developing world. We have joined in a solemn pledge to complete by next year the liberalization of world trade through the Tokyo round of multilateral trade negotiations. For its part, the United States has established a system of generalized preferences which has stimulated billions in exports from developing nations to the United States in 1975.

The United States continued this process by putting forward a number of new proposals at the Fourth Ministerial United Nations Conference on Trade and Development in May 1976. We proposed a comprehensive plan to improve the capacity of the developing countries to select, adapt, improve and manage technology for development. We committed ourselves to improvements in the quality of aid, proposing that a greater proportion of aid to poor countries be on a grant basis and united to purchases from donor nations. We agreed to a serious effort to improve markets of eighteen basic commodities.

These measures undertaken since we met here just a year ago assist—not with rhetoric and promises, but in practical and concrete ways—the peoples of the world who are struggling to throw off the chains of poverty.

Much remains to be done:

First, the application of science and technology is at the very heart of the development process. The United States, conscious of its pioneering role in technology, has put forward three basic principles, which we will support with funds and talent:

To train individuals who can identify, select and manage the future technology of the developing world;

To build both national and international institutions to create indigenous technology, as well as adapt foreign designs and inventions; and

To spur the private sector to make its maximum contribution to the development and transfer of technological progress.

To achieve these goals, we are today extending an invitation to the World Conference on Science and Technology for Development now scheduled for 1979 to meet in this country. In preparation for that meeting, we have asked members of the industrial, academic and professional scientific communities throughout the United States to meet in Washington in November. They will review the important initiatives this country can take to expand the technological base for development, and they will strive to develop new approaches.

Second, the Ministerial Meeting of the Conference on International Economic Cooperation in Paris should be given new impetus. We are making several new proposals:

We will seek to help nations facing severe debt burdens. For acute cases we will propose guidelines for debt renegotiation. For countries facing longer-term problems, we will propose systematic examination of remedial measures, including increased aid.

We will advance new ideas for expanded cooperation in energy including a regular process of information exchange among energy producers and users, and an expanded transfer of energy-related technology to energy-poor developing nations.

Third, the industrial democracies have been far too willing to wait for the demands of the developing countries rather than to advance their own proposals. Now, however, the OECD countries, at the suggestion of the United States, have agreed to examine long-range development planning and to develop a more coherent and comprehensive approach to global growth and economic justice.

Fourth, natural disaster each year takes thousands of lives and costs billions of dollars. It strikes most those who can afford it the least—the poorest peoples of the world. Its toll is magnified by a large array of global issues—overpopulation, food scarcity, damage to the ecology, and economic underdevelopment. The United Nations has a unique capacity to address these global concerns and thus improve man's odds against nature. We urge this body to take the lead in strengthening international cooperation to prevent and alleviate natural calamity.

Our dream is that all the children of the world can live with hope and widening opportunity. No nation can accomplish this alone; no group of nations can achieve it through confrontation. But together there is a chance for major progress—and in our generation.

INTERDEPENDENCE AND COMMUNITY

It is an irony of our time that an age of ideological and nationalistic rivalry has spawned as well a host of challenges that no nation can possibly solve by itself:

The proliferation of nuclear weapons capabilities adds a new dimension of danger to political conflicts, regionally and globally.

As technology opens up the oceans, conflicting national claims and interests threaten chaos.

Man's inventiveness has developed the horrible new tool of terror that claims innocent victims on every continent.

Human and civil rights are widely abused and have now become an accepted concern of the world community.

Let me set forth the United States' position on these topics.

The growing danger of the proliferation of nuclear weapons raises stark questions about man's ability to ensure his very existence.

We have lived through three perilous decades in which the catastrophe of nuclear war has been avoided despite a strategic rivalry between a relatively few nations.

But now, a wholly new situation impends. Many nations have the potential to build nuclear weapons. If this potential were to materialize, threats to use nuclear weapons, fed by mutually reinforcing misconceptions, could become a recurrent feature of local conflicts in every quarter of the globe. And there will be growing dangers of accidents, blackmail, theft and nuclear terrorism.

Unless current trends are altered rapidly, the likelihood of nuclear devastation could grow steadily in the years to come.

We must look first to the roots of the problem:

Since the 1973 energy crisis and drastic rise in oil prices, both developed and developing nations have seen in nuclear energy a means both of lowering the cost of electricity and of reducing reliance upon imported petroleum.

In an age of growing nationalism some see the acquisition and expansion of nuclear power as symbols of enhanced national prestige. And it is also clear that some nations, in attaining this peaceful technology, may wish to provide for themselves a future option to acquire nuclear weapons.

A nation that acquires the potential for a nuclear weapons capability must accept the consequences of its action. It is bound to trigger offsetting actions by its neighbors and stimulate broader proliferation, thereby accelerating a process that ultimately will undermine its own security. And it is disingenuous to label as "peaceful" nuclear devices which palpably are capable of massive military destruction. The spread of nuclear reactor and fuel cycle capabilities, especially in the absence of evident economic need and combined with ambiguous political and military motives, threatens to proliferate nuclear weapons with all their dangers.

Time is of the essence. In no area of international concern does the future of this planet depend more directly upon which this generation elects to do—or fails to do. We must move on three broad fronts:

First, international safeguards must be strengthened and strictly enforced. The supply and use of nuclear materials associated with civilian nuclear energy programs must be carefully safeguarded so that they will not be diverted. Nuclear suppliers must impose the utmost restraint upon themselves and not permit the temptations of commercial advantage to override the risks of proliferation. The physical security of nuclear materials—whether in use, storage or transfer—must be increased. The International Atomic Energy Agency must receive the full support of all nations in making its safeguards effective, reliable and universally applicable. Any violator of the IAEA safeguards must face immediate and drastic penalties.

Second, adherence to safeguards, while of prime importance, is no guarantee against future proliferation. We must continue our efforts to forge international restraints against the acquisition or transfer of reprocessing facilities which produce separated plutonium and of enrichment facilities which produce highly enriched uranium—both of which are usable for the construction of nuclear weapons.

Third, we must recognize that one of the principal incentives for seeking sensitive reprocessing and enrichment technology is the fear that essential non-sensitive materials, notably reactor-grade uranium fuel, will not be made available on a reliable basis. Nations that show their sense of international responsibility by accepting effective restraints have a right to expect reliable and economical supply of peaceful nuclear reactors and associated non-sensitive fuel. The United States, as a principal supplier of these items, is prepared to be responsible in this regard.

In the near future, President Ford will announce a comprehensive American program for international action on non-proliferation that reconciles global aspirations for assured nuclear supply with global requirements for nuclear control.

We continue to approach the proliferation problem in full recognition of the responsibility that we and other nuclear powers have—both in limiting our weapons arsenals and in ensuring that the benefits of peaceful nuclear energy can be made available to all states within a shared framework of effective international safeguards. In this way, the atom can be seen once again as a boon and not a menace to mankind.

Another issue of vast global consequence is the Law of the Sea. The negotiations which have just recessed in New York represent one of the most important, complex and ambitious diplomatic undertakings in history. Consider what is at stake:

Mankind is attempting to devise an international regime for nearly three quarters of the earth's surface.

Some 150 nations are participating, reflecting all the globe's diverse national perspective, ideologies, and practical concerns.

A broad sweep of vital issues is involved: economic development, military security, freedom of navigation, crucial and dwindling living resources, the ocean's fragile ecology, marine scientific research, and vast potential mineral wealth.

The world community is aspiring to shape major new international legal principles: the extension of the long-established territorial sea; the creation of a completely new concept of an economic zone extending two hundred miles; and the designation of the deep seabed as the "common heritage of mankind."

We have traveled an extraordinary distance in these negotiations in recent years—thanks in no small part to the skill and dedication of the distinguished President of this Assembly. Agreement exists on key concepts: a twelve-mile territorial sea; free passage over and through straits; a two-hundred mile economic zone; and important pollution controls. In many fields, we have replaced ideological debates with serious efforts to find concrete solutions. And there is growing consensus that the outstanding problems must be solved at the next session.

But there is hardly room for complacency. Important issues remain which, if not settled, could cause us to forfeit all our hard-won progress. The Conference has yet to agree on the balance between coastal state and international rights in the economic zone; on the freedom of marine scientific research; on arrangements for dispute settlement; and, most crucially, on the regime for exploitation of the deep seabeds.

The United States has made major proposals to resolve the deep seabed issue. We have agreed that the seabeds are the common heritage of all mankind. We have proposed a dual system for the exploitation of seabed minerals by which half of the mining sites would be reserved for the international authority and half could be developed by individual nations and their nationals on the basis of their technical capacity. We have offered to find financing and to transfer the technology needed to make international mining a practical reality. And in light of the many uncertainties that lie ahead, we have proposed that there be a review—for example, in 25 years—to determine whether the provisions on seabed mining are working equitably.

In response some nations have escalated both their demands and the stridency with which they advocate them.

I must say candidly that there are limits beyond which no American Administration can, or will, go. If attempts are made to compel concessions which exceed those limits, unilateralism will become inevitable. Countries which have no technological capacity for mining the seabeds in the foreseeable future should not seek to impose a doctrine of total internationalization on nations which alone have this capacity and which have voluntarily offered to share it. The United States has an interest in the progressive development of international law, stable order and global cooperation. We are prepared to make sacrifices for this—but they cannot go beyond equitable bounds.

Let us therefore put aside delaying tactics and pressures and take the path of cooperation. If we have the vision to conclude a treaty considered fair and just by mankind, our labors will have profound meaning not only for the regimen of the oceans but for all efforts to build a peaceful, cooperative and prosperous international community. The United States will spend the interval between sessions of the Conference reviewing its positions and will approach other nations well in advance of the next session at the political level to establish the best possible conditions for its success.

A generation that dreams of world peace and economic progress is plagued by a new, brutal, cowardly and indiscriminate form of violence—international terrorism. Small groups have rejected the norms of civilized behavior and wantonly taken the lives of defenseless men, women, and children—innocent victims with no power to affect the course of events. In the year since I last addressed this body, there have been 11 hijackings, 19 kidnappings, 42 armed attacks and 112 bombings perpetrated by international terrorists. Over 70 people have lost their lives and over 200 have been injured.

It is time this Organization said to the world that the vicious murder and abuse of innocents cannot be absolved or excused by the invocation of lofty motives. Criminal acts against humanity, whatever the professed objective, cannot be excused by any civilized nation.

The threat of terrorism should be dealt with through the cooperative efforts of all countries. More stringent steps must be taken now to deny skyjackers and terrorists a safe haven.

Additional measures are required to protect passengers in both transit and terminal areas, as well as in flight.

The United States will work within the International Civil Aviation Organization (ICAO) to expand its present technical assistance to include the security of air carriers and terminal facilities. We urge the universal implementation of aviation security standards adopted by ICAO. We are prepared to assist the efforts of other governments to implement those standards.

The United States will support new initiatives which will ensure the safety of the innocent. The proposal of the distinguished Foreign Minister of the Federal Republic of Germany, against the taking of hostages, deserves the most serious and sympathetic consideration of this Assembly.

The United States will do everything within its power to work cooperatively in the United Nations and in other international bodies to put an end to the scourge of terrorism. But we have an obligation to protect the lives of our citizens as they travel at home or abroad, and we intend to meet that obligation. Therefore, if multilateral efforts are blocked by those determined to pursue their ends without regard for suffering or death, then the United States will act through its own legislative processes and in conjunction with others willing to join us.

Terrorism is an international problem. It is inconceivable that an organization of the world's nations would fail to take effective action against it.

The final measure of all we do together, of course, is man himself. Our common efforts to define, preserve and enhance respect for the rights of man thus represent an ultimate test of international cooperation.

We Americans, in the year of our Bicentennial, are conscious—and proud—of our own traditions. Our founders wrote 200 years ago of the equality and inalienable right of all men. Since then the ideals of liberty and democracy have become the universal and indestructible goals of mankind.

But the plain truth—of tragic proportions—is that human rights are in jeopardy over most of the globe. Arbitrary arrest, denial of fundamental procedural rights, slave labor, stifling of freedom of religion, racial injustice, political repression, the use of torture, and restraints on communications and expression—these abuses are too prevalent.

The performance of the United Nations system in protecting human rights has fallen far short of what was envisaged when this organization was founded. The principles of the Universal Declaration are clear enough. But their invocation and application, in general debates of this body and in the forums of the Human Rights Commission, have been marred by hypocrisy, double standards, and discrimination. Flagrant and consistent deprivation of human rights is no less heinous in one country or one social system than in another. Nor is it more acceptable when practiced upon members of the same race than when inflicted by one race upon another.

The international community has a unique role to play. The application of the standards of the Universal Declaration of Human Rights should be entrusted to fair and capable international bodies. But at the same time let us ensure that these bodies do not become platforms from which nations which are the worst transgressors pass hypocritical judgment on the alleged shortcomings.

Let us together pursue practical approaches:

To build on the foundations already laid at previous assemblies and at the Human Rights Commission to lessen the abominable practice of officially sanctioned torture.

To promote acceptance of procedures for protecting the rights of people subject to detention, such as access to courts, counsel, and families; prompt release or fair and public trial.

To improve the working procedures of international bodies concerned with human rights so that they may function fairly and effectively.

To strengthen the capability of the United Nations to meet the tragic problems of the ever growing number of refugees whose human rights have been stripped away by conflict in almost every continent.

The United States pledges its firm support to these efforts.

CONCLUSION

Mr. President, Mr. Secretary-General, distinguished delegates:

The challenge to statesmanship in this generation is to advance from the management of crises to the building of a more stable and just international order—an order resting not on power but on restraint of power, not on the strength of arms but on the strength of the human spirit.

Global forces of change now shape our future. Order will come in one of two ways: through its imposition by the strong and the ruthless or by the wise and farsighted use of international institutions through which we enlarge the sphere of common interests and enhance the sense of community.

It is easy and tempting to press relentlessly for national advantage. It is infinitely more difficult to act in recognition of the rights of others. Throughout history, the greatness of men and nations has been measured by their actions in times of acute peril. Today there is no single crisis to conquer. There is instead a persisting challenge of staggering complexity—the need to create a universal community based on cooperation, peace and justice.

If we falter, future generations will pay for our failure. If we succeed, it will have been worthy of the hopes of mankind. I am confident that we can succeed.

And it is here, in the assembly of nations, that we should begin.

PROTECTION OF THE TAXPAYERS' RIGHTS AND PRIVACY

Mr. HASKELL. Mr. President, I rise to briefly clarify a point raised about a provision in the tax bill, H.R. 10612, which we have just passed. The provision in question, Sec. 1205, restricts the use of administrative summons by the IRS to gain access to records held by third parties, such as banks, brokers, lawyers, and accountants.

The question which has been raised is whether these rules are the exclusive method of access to these records or whether the IRS can avoid these rules and get the records by informal access without any type of summons.

As chairman of the Administrative Subcommittee of the Finance Committee, I studied this issue in depth. Senator Dole, the ranking Republican on the subcommittee, and I proposed the provision to the committee and it was adopted.

We heard much testimony on the abuses of taxpayer's rights by the IRS in various situations. As a result, the tax bill contains many administrative provisions designed to protect the taxpayers' rights and privacy and limit the unbridled power of the IRS to examine a taxpayer's records. In the future, the use of an administrative summons will require the person whose records are sought to have notice and the opportunity to object and require the more formal processes of a court-ordered summons. We drew these strict rules to protect the right of privacy that we felt every citizen expects, and rightfully so, in their personal bank records, lawyer's files, et cetera.

At no time did we discuss the questions of allowing informal access to these records without a summons of any sort. We carefully defined the safeguards and spelled out several extraordinary situations in which these procedures can be avoided where they might jeopardize an investigation or the safety of a witness. It seems to me absurd to suggest that the Congress would act so clearly to protect citizens from the processes of an agency and make those protections optional, binding only when the agency chose.

However, since I understand that such a position has been argued, I would just like to clarify for the record what my understanding of the general intent of that provision is. At no time in the hearings, markup, or debate was such a suggestion considered or accepted. I also understand that Congressman Fortney Stark, the member of the House Ways and Means Committee who worked hard for this provision in the House bill, feels strongly about this question and agrees with my view that informal access is barred by the statute.

LIBRARIES

Mr. PELL. Mr. President, the Education Subcommittee which I chair will be holding hearings on extensions of the Library Services and Construction Act shortly after the 95th Congress convenes next January. It is our intention to have the LSCA extension bill enacted into law early in the year so that appropriations for LSCA can be included in the regular annual Labor-HEW appropriations bill. The new congressional budget procedure requires that the authorizing committees act early in the year, and we fully intend to act early on LSCA extension.

The outlook for libraries is grave these days. Their costs are still rising. Most tax-supported public libraries are hard-pressed by other needs of local government, and yet usage of public libraries is increasing. That was the experience of the depression era, and it is being repeated during these days of high and prolonged unemployment. LSCA has assisted many public libraries throughout the country to improve and extend their services to groups who may not have ready access to libraries such as the aging, the bilingual, the economically disadvantaged, or the handicapped.

In recent years, funds appropriated by Congress under the Library Services and Construction Act have been repeatedly impounded, deferred, or proposed for rescission by the administration. As a result the states have often received their LSCA allotments months after appropriations were enacted, causing uncertainty and disruption at the State and local level. The Education Subcommittee is well aware of the problems that have been caused in every State by the administration's delayed funding tactics. The States must have assurance that their LSCA funds will not be deferred or delayed. The Education Subcommittee, therefore, plans to hold hearings on LSCA extension promptly when the 95th Congress convenes next January, so the LSCA authorization can be enacted well before the May 15 deadline.

A MORE OPTIMISTIC LOOK AT BRITAIN

Mr. EAGLETON. Mr. President, a few months ago I briefly raised some rather disturbing questions about Britain: about her economic decline and her troubled national consciousness. This led me to speculate on the possible causes of, and prospects for, her present predicament.

In addition, I took the opportunity to insert into the Record the texts of a CBS News investigation and of an article from the Washington Post, which together exemplified the then prevailing journalistic approach to the British situation.

I suggested at the time that these items were chiefly responsible for the pessimistic tone of my introductory remarks, and indeed they were.

However, I rise today to say that these were essentially second-hand impressions, which have now been not only supplemented, but superseded, by my own direct personal observation.

A very different case can be made for Britain today, at once both more hopeful and more sober. Certainly in great contrast to the journalistic accounts, which suffer too much from an inherent tendency to dramatize and sensationalize.

Consequently, it would be a disservice both to my colleagues in the Senate, and to Britain herself, if I did not take this opportunity to state what grounds for optimism there now are about Britain, and her future prospects.

With this in mind, Mr. President, I would like to commend a special report commissioned and printed by the International Herald Tribune entitled "A Focus on Great Britain." It presents a thoughtful, responsible, and detailed analysis of Britain today which stands in stark contrast to some of the more doom-laden, superficial, and misleading press comments that we heard some months ago.

Mr. President, I ask unanimous consent that the text of the Herald Tribune special report be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Boom, Doom Forecast by Different Theorists

(By Peter A. Jay)

At root there are two alternative perceptions of the plight and prospects of Britain—not merely its industry and economy, but its whole system of political economy. They may be labeled conditional optimism and conditional pessimism.

The first is that all will be well in a few years, provided that the right conventional policies continue to be followed. The second is that a real catastrophe, involving political as well as economic upheaval, is built into the existing order, unless conceivably it is forestalled by policies and actions well outside the bounds of the conventional armory of economic management in a mixed economy.

The first is associated with Denis Healey, Chancellor of the Exchequer, and with retired Prime Minister Harold Wilson. It is also shared by those monetarist economists who discount the monopoly bargaining power of trade unions and by those Keynesian economists who believe in the potency of exchange-rate adjustments combined with income policies.

THE OUTER WINGS

The second view tends to be found at either extremes of the political spectrum, toward the outer wings of the main political parties. It is developed by those monetarist economists who believe that collective bargaining by organized labor can, does and always will tend to price workers out of their jobs. It is also supported by those Keynesians who, being skeptical of income policies, believe that labor can and will always seek a level of real wages which happens in Britain to be incompatible with trade balance at full employment under conditions of free trade.

Only the last-mentioned school thinks that Britain's position is unique, though most would agree that the problems from which all the major industrialized democracies are suffering are more acute in Britain than in most other member countries of the Organization for Economic Cooperation and Development. Whether the sickness is malignant or not is a matter of hot dispute.

Take first the view of the conditional optimists. According to them Britain is suffering from nothing worse than the uncomfortable aftermath of an exceptionally severe bout of inflation, much of the blame for which can be laid at the door of the world outside. They cite the excessive world trade boom that was built up in 1973 in exaggerated response to the 1970–71 recession. They cite too the "dastardly" actions of the Organization of Petroleum Exporting Countries in quadrupling oil prices at the end of 1973.

MONETARY EXPANSION

These external influences were admittedly aggravated and even reinforced by the effects of the excessive monetary expansion under the previous Conservative government led by Edward Heath (which doubled Britain's money supply in 3½ years). But they were bound anyway to cause a recession while price stability was being restored.

This was not evidence of any deep-seated fault, contradiction or morbidity in the British economy, even if the characteristic goal of the 1960s for a much faster long-term growth rate needed to be abandoned or at least postponed as unrealistic and perhaps no longer even particularly desirable.

Moreover, the optimists say, it was sensible and constructive to cushion the initial shock of 1974's sharp rise in prices and sharp deterioration in the foreign-trade balance. Thus it did no harm to allow labor for a while to restore some of its eroded living standards (so passing back to OPEC a part of the terms-of-trade loss) and to accept a large enough budget deficit to absorb some of the deflationary impetus of the trade deficit.

EXCESSIVE DEFICITS

It is true, the optimists admit, that the trade and budget deficits went rather further than was intended, as did some pay settlements in the heady final days of the Labor government's "social contract." But the fault for this was largely that of the governments of the pacemaker economies of the OECD world—the United States, West Germany and Japan—which did not reflate as fast as they could and should have done, and of the former Tory government for building automatic cost-of-living adjustment clauses into its pay policy for the year from the autumn of 1973.

By the summer of 1975, the argument runs, the time had come to grasp the nettle. A firm curb on pay increases (a mere 10 percent a year) was voluntarily accepted and implemented by trade unions, while the exchange rate was allowed gradually to adjust to the difference between Britain's inflation rate and that in trading-partner countries.

Excessive and unexpected personal savings, as well as the tardiness of Washington, Bonn and Tokyo, caused the recession, the budget deficit and the payment weakness to continue rather longer and deeper than planned. But by the end of last year the corner was turned, inflation was coming down, the payment deficit had been halved, and the trough of the recession was passed.

It only remains, the optimists now maintain, to resist temporary pressures for any undue new fiscal or monetary stimulus to the recovery which is already in the pipeline and will be well established by the autumn. At the same time it is necessary to persuade the trade unions to accept an extension from August of pay restraint on the basis of a formula which will insure a significant further deceleration of the inflation rate from rather over 10 per cent to significantly below 10 per cent.

Both these things are argued to be possible, indeed almost in the bag. Mr. Healey has shown that he is not the man to repeat the reckless reflation of his predecessor, Lord Barber, in 1972. Most of the £10-billion budget deficit of last year and of the financial year now beginning can be ascribed to shortfalls in revenue caused by the recession itself.

As economic activity picks up, revenue will recover quickly. After the government's announcement in its public-expenditure white paper in February that there will be no further increases in government spending (apart from debt interest) beyond this financial year, the budget deficit will progressively close itself over the next three years. There may have to be some moderate increase in the tax burden. But even this may be consistent with selective cuts in tax rates, because of the natural tendency for revenue to rise faster than national income under a system of "progressive" taxation.

BALANCE OF PAYMENTS

As for the balance of payments, the prospective recovery in world trade, combined with restraint of home spending and the realistic downward floating of the pound's exchange rate, will insure that exports pick up rapidly enough to overhaul the headstart of imports. Any remaining tendency to deficit will be covered by actual or prospective oil import savings, and even exports, from North Sea oil production, which is planned to reach self-sufficiency by the end of the decade.

Thus the problems of unemployment, inflation and foreign deficit are well on the way to being solved on the basis of strict fiscal and monetary discipline, a floating exchange rate and a fair, but firm, income policy. This will now liberate governmental energies to concentrate on the new industrial strategy under which faster long-term economic growth will be encouraged by redeploying men and resources from declining or stagnant sectors to markets and enterprises which are judged to have a vigorous commercial potential, especially overseas.

That, at least, is the official line, and it is not demonstrably absurd. But it probably contains a stronger streak of sanguineness about the political process than even those economists who deny any fatal flaw in the British economy would be willing to accept. Moreover, the optimistic monetarists would reject much of the language in which it is expressed, preferring simply to say that, provided the money supply is geared to the long-run growth potential of the economy and the exchange rate allowed to float freely, market forces will deal with inflation and the balance of payments, even if not with all unemployment.

Others say the facts speak of much deeper-seated weaknesses than can be explained merely by the sins of omission and commission by the government's predecessors in office and by its opposite numbers in other capitals besides London.

Take first the Keynesian version of conditional pessimism. This has been set out most fully and subtly by the Cambridge Economic Policy Group in its annual "Economic Policy Review."

For them, the crux of the problem is Britain's weak performance over two decades in overseas trade, which has led to a permanent and progressive loss of export and home markets to foreign competitors. This competitive failure has generated a tendency to greater and greater balance-of-payments deficits at full employment, or, since only limited deficits can be financed, to higher and higher average levels of unemployment at comparable points in each succeeding economic cycle.

This thesis is combined with an unconventional theory of inflation culled directly from Lord Keynes's seminal work, "How to Pay for the War." According to this view, organized labor seeks a particular real wage level which it believes at the time to be just. It then uses its collective bargaining power to set the money wage level which it expects to provide that real wage. Inflation occurs when the actual resources, in terms of real national income less profit incomes, available to justify that money wage level fall short. Labor costs rise, and prices have to be marked up.

Thus the Cambridge group states that "recession causes *permanently* higher inflation than would otherwise have occurred" (their italics). The Cambridge group believes that as a matter of fact organized labor would be satisfied with the level of real wages that the economy could sustain at full employment and with something like Britain's present terms of foreign trade. But, because of the foreign-trade weakness, the actual increase in output cannot on average even keep pace with the all-too-slow increase in the productive potential of the British economy. So the gap between the planned level of real wages sought by organized labor and the available product of the economy is created.

PRESENT ARRANGEMENTS

It follows from this analysis and from the group's denial of any permanent potency to income policies, that there is no possible combination of policy weapons which could restore a tolerable equilibrium and stability to the British economy within the confines of what it calls "present arrangements." These are defined as "the macro-economic instruments available to the government [fiscal and monetary policy, 'managed' depreciation of the sterling exchange rate, and price and income policy] and the institutional framework within which these are used."

"The most important characteristics of this framework," the Cambridge review explains, "are the commitment to free trade within the European Economic Community and, more loosely, with other industrial countries; free convertibility of sterling and Britain's obligations to creditors and the International Monetary Fund, and at home the system of wage determination through bargaining between employers and trade unions." Under these conditions, the review says, it will be "impossible to achieve in coming years a reversal of the trend of loss of exports and home markets to foreign competitors and the slow growth in real income, rising unemployment and inflation which this entails.

GROWTH RATE

Specifically, the Cambridge Economic Policy Group calculates that output in Britain would have to rise by a good 5 per cent a year between 1975 and 1980 in order to close what it calls the "inflationary gap" between planned or desired real wages and available real wages. This rate would be sufficient to bring unemployment down only to 900,000 by the end of the decade.

It would also only just be enough to boost government tax revenues, at present rates of tax, by the 40 per cent in real terms which is necessary if the budget deficit is to be closed by 1980 even on the basis of the government's announced intention that there will be no rise at all in the public sector's expenditure on goods and services from 1975 onward.

There is the capacity for such an increase in output, the group estimates. But it calculates that such an output increase would imply an annual average increase in imports over the period of about 12 per cent a year, assuming strong growth in world trade and full preservation of the competitive boost which recent falls in the sterling-dollar exchange rate have conferred on British manufacturers.

To finance such a rise in imports consistently with balanced external payments by 1980—and after taking all credit for North Sea oil—would require an annual rise in export volume of nearly 14 per cent. This contrasts with an actual growth of 5 per cent a year achieved between 1965 and 1975. This, it estimates, would involve something like a 40-per-cent formal devaluation below the pound's average dollar exchange value in 1975, implying in turn a 20 to 30-per-cent cut in the dollar level of British labor costs.

It further estimates that this would mean a 10-per-cent cut in real wage levels between 1975 and 1977, with only a 5-per-cent recovery thereafter by the end of the decade. That, on the Cambridge group's model, would be explosively inflationary. The maximum growth in output that could be reconciled with the best growth in exports that can be expected at any exchange rate consistent with labor's autonomous plans for real wages would be only about 3 per cent a year.

Such an output growth, it is projected, would mean a rise in unemployment to 1,500,000 (from the present 1,150,000) over the next four years. It would also mean that real wages by 1980 would be no higher than they were in 1973. That contrasts with the 3-per-cent annual increase achieved between 1965 and 1973, which the group sees as the minimal norm to which organized labor aspires. It would also mean that the government would have, even on the basis of its present severely restrained expenditure plans, to raise tax rates sufficiently to provide half of the 40-per-cent real rise in revenues needed to close the budget deficit by 1980.

Worst of all, this rate of growth would manifestly fail to close the inflationary gap. So the government would fail dramatically to achieve any of its employment, price and living-standard targets, though it might with luck secure a precarious balance in Britain's external payments. The Cambridge group therefore turns to the need for radical alternatives, and it finds them in a more or less indefinite general suspension of Britain's free-trade obligations under the General Agreement on Tariffs and Trade, as well as under Britain's treaty of accession to the Common Market.

Specifically, by 1977 they want manufactured imports into Britain limited in volume by direct administrative control to the level of 1973, with a permitted annual increase thereafter of about 7 per cent. On this basis, if the international repercussions can be contained, they would expect a 5-per-cent-plus annual growth in British output as unsatisfied demand was diverted from imports to homemade substitutes.

That, they say, could be enough to bring unemployment down gradually and to provide sufficient resources to limit the fall in real wages to less than 4 per cent between 1975 to 1977, to be followed by a rise of more than 10 per cent over the following three years. This would close the inflation gap, as well as closing the budget deficit without higher tax rates. The stage would then be set, according to this approach, for "a transformation of industry and the economy in which the critical structural problems existing today could be resolved."

KINDS OF PESSIMISTS

Conditional pessimists of this variety are, as readers may be horrified to learn, but as will soon appear, much more optimistic than conditional pessimists of the other variety mentioned above, namelv those monetarists who acknowledge the power of organized labor to set a monopoly price for labor through collective bargaining, a power which they expect to be exercised to the fullest extent that market conditions permit. The greater optimism of the Cambridge group consists in the fact that the condition under which it would be prepared to suspend its expectation of political and economic disaster—namely a general abrogation of free trade—is much less drastic than the condition under which the monetarist conditional pessimists would suspend theirs.

This latter view, partly developed and frequently propounded by the present writer, observes as a matter of theory that a political commitment to high employment based on fiscal or monetary (or even balance-of-payments-induced) stimuli to general demand can only coexist with monopoly pricing of labor at the price of accelerating an eventually explosive inflation. If the system is thus inherently explosive in one of its most important variables, it cannot be stable, and therefore the political order and economic prosperity which depend on its economic stability cannot be expected to last.

RECESSION ENDING

It is clear from recent output, spending, employment and business-confidence indicators that the trough of the British recession was passed by the end of last year. Unemployment actually fell, freakishly, last month, several months earlier than would be expected on the basis of normal time lags following an output trough in the middle of the second half of last year.

Soon credit demand will revive, and then the authorities will face an unavoidable choice. Either they allow the banks to satisfy it at the cost of a much more rapid rise in the money supply than the supposedly modest 14 per cent implied in Mr. Healey's recent letter of application for drawing facilities from the IMF. Or they prevent the banks from satisfying it at the cost of sharply boosting interest rates, crowding out investment spending and aborting the whole economic recovery.

It is not within the bounds of the politically possible that the authorities should act in that way now, any more than they were willing even to contemplate doing so when the same dilemma was presented in 1972 and 1973. So one must expect that the next boom will be fueled, not sufficiently to bring unemployment down to anything like its low point of the previous cycle (about half a million) but more than sufficiently to fire the next and faster round of inflation by the middle of 1978. It only requires personal savings behavior to recover by the autumn from the shock last year of so deep a recession to put the matter beyond dispute even among professional economic forecasters.

So, dispensing with the labor monopolies themselves becomes an inescapable necessity. This cannot be done by crude legislative attack, because, even if it were politically possible in the legislature, the law could and would not be enforced against the industrial defiance of trade unions. All that is left, then, is to pass beyond the trade union as the natural protector of labor in what the worker sees as a capitalist world by giving to labor the direct control and ownership of all enterprises above some minimal size. It would then be left to labor to sink or swim in a market environment in which the consumer would once again be sovereign, the lender of capital would be respectable and governments would restrict themselves to a properly modest conception of their role and capacities.

NO PANACEA, BUT * * * A HARVEST OF 6 BENEFITS IN NORTH SEA OIL FIELDS

(By Andrew Hargrave)

GLASGOW.—While North Sea oil by itself is no longer regarded as a panacea for Britain's ills—a change that is spelt out in the recent government statement on public-expenditure cuts—its impact on the nation's future will be significant on several counts.

It will, first, make Britain less dependent on imported energy and reduce its vulnerability to international crises such as the Middle East war.

Second, oil will help to ease Britain's chronic balance-of-payments difficulties, which were accentuated by the steep rise in the price of oil and oil-product imports and consequent mounting foreign debts.

Third, it should enhance Britain's status in the European Economic Community both as a significant contributor to its energy requirements and as an economically viable partner.

Fourth, the oil revenues are a significant new source of revenue, while the work associated with oil and gas exploration, production, processing and transport has become a major new source of employment, particularly where most needed, in hitherto economically depressed areas of Scotland and northeast England.

Fifth, oil exploration and production in the deep and hazardous waters of the North Sea have introduced new skills and development technologies which may provide major export opportunities in other areas of offshore activity, including the Gulfs of Mexico and Alaska, the U.S. Pacific Coast and the Gulfs of Persia and Guinea.

Sixth, the availability of domestic oil and gas resources introduces a new flexibility into long-term energy planning and therefore improves the viability of the United Kingdom's economy as a whole.

All these points and others, including the more controversial aspects of the "oil bonanza," will be discussed in greater detail in the course of this article.

Up to now coal has been Britain's main indigenous source of energy, although natural gas, found in substantial quantities off the English east coast and now being supplemented by discoveries in the northern parts, has been playing an increasing role in the last decade.

But even as recently as 1969, coal met over half of Britain's energy requirements, with oil a close second at 42 per cent, and natural gas, nuclear energy and hydroelectricity far behind.

Provisional figures for 1975 indicate that oil has maintained its share but that coal contributed only 38 per cent and natural gas a much increased 16 per cent, while nuclear power was still hovering around 3 per cent.

Last year was somewhat untypical in that overall consumption of energy declined by about 4 per cent as a result of the economic recession and the high price of crude imports. The present indications are that the availability of North Sea oil and gas may not increase their respective share in the energy balance of the 1980s, particularly if—as the British government hopes—the high price of crude is maintained.

The advantages of domestic resources lie elsewhere: in a drastic reduction in the need for imports, or even self-sufficiency in an emergency, which, among other advantages, is of strategic significance.

The Department of Energy's latest forecast is that in 1980 the North Sea should yield between 100 and 130 million tons of crude and that production of 100 million to 150 million tons, perhaps more in some years, years, should be maintained throughout the decade.

This year should see the first significant quantities, perhaps 15 to 20 million tons, from the large Forties and Brent as well as the smaller Argyll and Auk fields. The original production schedule is 18–24 months out because of weather conditions and platform delays.

According to this new forecast, the need for imports should be eliminated from 1980 *in volume terms. However,* as most British refineries are geared to processing heavy and sulphurous Middle East crude, it may make economic sense to mix them with the lighter, sulphur-free and therefore higher priced North Sea oil and export the surplus. .

Looking 10 years ahead, Britain's overall fuel pattern may look like this (figures in million tons of coal-equivalent):

	1975	1985
Coal	120	135
Oil	132	175
Natural gas	52.5	80
Nuclear	11	38
Hydro	2	2
Total	317.5	430

These estimates are, of course, based on the growth of energy demand and consumption of the 1960s and early 1970s rather than on the recession year of 1975. They indicate that, apart from the share of nuclear power using from 3.4 to just under 9 per cent and a corresponding decline in the share of coal, the proportions of oil and natural gas would remain in 1985 broadly at the present level.

Two factors in particular may upset these calculations: the price of crude and its overall economic value in terms of government revenue and the balance of payments.

LOWER PRICE SEEN

Some experts forecast a declining price, especially in view of falling demand, and cite the recent price cuts by Saudi Arabia, Kuwait and Iran in support of their theory. The question is how far below the high-water mark of $12 a barrel the price is likely to drop to render some of the more marginal North Sea fields uneconomic.

One expert has estimate that a drop of even $1–2 a barrel would reduce the profit margins of two of the 14 proven fields. Dunlin and Hutton, below the 20 per cent considered as the minimum acceptable return on investment. There are, however, a number of new discoveries whose commercial use may well depend on price movements and expectations; and so could those following the issue of the fifth round of licenses expected later this year.

The Department of Energy's own estimate of reserves of proven and probable fields already licensed is 2.265 billion tons, with total reserves of 3 billion to 4.5 billion tons. This would indicate a life expectation of 20 to 40 years, depending on the rate of depletion and assuming that all the major fields have already been discovered.

The depletion rate may, in turn, depend on the government's desire to swell its balance-of-payments surpluses and so reduce both foreign debts and the interest charges accumulated during the lean years. It may also depend on using oil revenues for reducing public debt and, a subsidiary but not unimportant factor, on progress made on new generations of nuclear reactors, which may increase the nuclear contribution to power supply at the expense of both oil and coal. A future recession, too, may alter energy plans.

The quadrupling of crude prices toward the end of 1973 played havoc with the United Kingdom balance of payments, which cuts in the imports of petroleum and petroleum products as well as other goods last year could only mitigate. In fact, had it not been for escalating oil prices, Britain, as the table below shows, might well have run into a surplus last year on the current account, which takes into consideration services and financial transactions as well as trading:

In billions of pounds

(Seasonally adjusted)

Trade Balance

	Petroleum and products	*Other goods*
1974	−3.423	−1.811
1975	−3.122	−.89

	Invisibles	*Current Account*
1974	+1.566	−3.668
1975	+1.524	−1.687

One reason for Britain's bad performance in 1974 was its slow start in taking advantage of the newly gained purchasing power of the nations of the Organization of Petroleum Exporting Countries. According to British Treasury estimates, the increase of British exports to OPEC countries, with Iran, Nigeria and Saudi Arabia the chief customers, was only 45 per cent in dollar term (some of it undoubtedly influenced by inflation), compared with 77 per cent achieved by the major competitors. West Germany, for example, managed to more than double its exports.

While detailed figures for 1975 trade with OPEC countries are not yet available, it may be assumed that the improvement in the balance of trade includes an element of higher exports to the Middle East.

The North Sea operations themselves have so far had an adverse effect on the balance of payments, as much of the equipment for exploration and development had to be imported, particularly in the initial stages.

(Britain's growing but still insufficient capability for supplying the needs of North Sea operations will be discussed later in this article.)

TRADE DEFICIT

In fact, the decline in the average monthly trading deficit from £192 million in the third quarter of 1975 to £116 million in the last quarter was to a considerable extent due to the reduction in imports for North Sea installations. The Treasury itself reckons that for 1975 as a whole imports of equipment for developing the fields were larger than in previous years, while the first flows of oil were too small to affect imports of crude.

The cost of North Sea operations, including imports of equipment, has aggravated Britain's indebtedness, including foreign borrowing, with the result that interest payments will to some extent encroach on the yield from these operations for many years to come.

On the other hand, the gain on the balance of payments will be considerable. As was noted, the deficit on trading in petroleum and petroleum products was still as high as £3.122 billion last year. At the same time, the Department of Energy's forecast of a flow of up to 130 million tons of oil from the North Sea in 1980 is higher than the peak import levels of the early 1970s. Even if oil consumption rises at a slower rate than in the decade before the Middle East war, the reduction of imports combined with the expected higher price commanded by high-grade North Sea oil should—all things being equal—produce a healthy surplus on the oil account compared with the huge deficits of 1974–75.

("All things being equal" assumes that the price of oil holds at or near the price at $12 a barrel, one of the imponderables of the North Sea operation.)

BRITAIN AND THE EEC

Western Europe is the largest single importer of crude in the world, and Britain's de-facto self-sufficiency in oil and natural gas will be of great significance, particularly to the European Economic Community of which Britain is, unlike Norway, the other potential major North Sea producer, a member.

By 1985, the North Sea and the Celtic Sea (which has yet to produce commercial finds) may account for 90 percent of the EEC's total oil production and about 45 per cent of its total indigenous energy output.

Putting it another way, oil and gas from Britain alone may provide 12 to 15 per cent of the ECC's total energy needs. At present, indigenous production, mostly land-based, meets less than 3 per cent of needs.

These expectations played a great part in the British government's—partly foiled—attempt to secure a separate voice in the recent Paris conference on world energy in sharp contrast to the wish of the other EEC partners to speak with a common voice. (A common energy policy has been one of the main objectives of the EEC Commission ever since the Middle East crisis.)

However, as a concession, Britain did obtain an assurance of a "floor price" of $7 a barrel from its EEC partners, including France, a country which has so far kept out of the International Energy Agency (the group of oil-consuming countries sponsored by U.S. Secretary of State Henry Kissinger). IEA agreed in principle a year ago to a minimum floor price.

Owing to the price issue, the EEC's aim to reduce the share of fossil fuel imports (oil and coal) from last year's 60 per cent to under 50 per cent—possibly 40 per cent—by 1985 is unchanged.

Britain's contribution to the reduction of imports cannot but enhance its economic value to the EEC, although—witness the row before the Paris conference over a "separate voice"—it may also give rise to conflict of interests between Britain and its EEC partners.

To be fair, the community has experienced—and survived—many such conflicts of interest, including those between France and Germany over farm prices, between Italy and the rest over the former's temporary import restrictions, between Italy and France over wine, between Germany and the rest over regional aid, to mention only some of the more recent flashpoints.

To a government which only recently had to trim its public-expenditure estimates by £3 billion over the next four years, the North sea "take" is of crucial importance. The total income will include taxation—royalties, corporation tax and petroleum revenue tax—and the profits of the new government agency, the British National Oil Corp.

The Treasury's calculation of probable tax revenues is based on the Department of Energy's tonnage estimates described above. It expects to skim an average of 70 per cent off the oil companies' net revenues over a period of years under the three headings: the 12.5-per-cent royalty on the oil's well-head value; the petroleum revenue tax at 45 per cent, charged on receipts of oil sales, less royalties, operating costs (excluding interest charges) and 175 per cent of capital expenditure on development, and corporation tax (52 per cent in 1975) on net revenue after deduction of royalty, petroleum revenue tax and other expenses.

The Treasury reckons that between 1975 and 1980, the government take might total some £3 to £4 billion, including petroleum revenue tax of between £900 million and £1.3 billion.

During th early 1980s, the total government take might rise to £2 billion to to £3 billion a year, of which the petroleum revenue tax would contribute £800 million to £1.2 billion.

This, of course, is purely the tax take; the finances of BNOC's operations are still an unknown quantity. While BNOC will pay taxes like any other oil operator, its hoped-for substantial profits will also find their way into the government's coffers as a return on investment financed by the British taxpayer.

BNOC has started off with the takeover of the share of the National Coal Board (another state agency) in 51 blocks or part-blocks in the North Sea, including some in four commercially proven fields. They are Thistle and Dunlin, both due to come into production next year; Hutton and the British segment of Statfjord, the larger part of which is in the Norwegian sector of the North Sea, but which is the biggest field discovered so far. The National Coal Board also had a share in the profitable Viking gas field in the southern North Sea, which has also been transferred to BNOC. The total BNOC investment so far amounted to £90 million; but as from now it will also have to part-finance the shared fields.

The rescue operation mounted for Burmah Oil by the Bank of England, the state's own 48-percent ownership of British Petroleum (whose Forties field was the first of the major fields to come on stream) has helped the government's efforts to secure 51-per-cent participation by BNOC in the exploitation of North Sea oil and gas.

More agreements in principle followed, particularly with smaller companies short of the mounting cash requirements of oil exploration and development. Tricentrol, SCOT and LSMO are examples. Next came, at the end of February, what the government asserts—and the opposition denies—to have been the most significant coup so far: an agreement with Gulf, one of the U.S. oil majors, and the Continental Oil Co., Conoco.

GOVERNMENT STAKE

Gulf and Conoco were NCB's (now BNOC's) partners in the Thistle and Dunlin fields. The agreement also provides for a government stake in three other fields—Statjford, Hutton and the recently discovered Murchison—through NCB's partnership with one or the other of the U.S. companies. This latest deal brings the total of provisional agreements so far to eight.

The Gulf-Conoco-BNOC deal is a complex one: what is clear is that BNOC will have an option to buy at least 51 per cent of the trio's total yield from the contracted fields. There has so far been no commitment on the more controversial question of 51-percent ownership, which would give BNOC—and the government—a major say in the marketing, processing and depletion rate of the fields concerned. Last year's parliamentary legislation defining participation as an optional right of the government did suggest, however, that companies which have previously agreed voluntarily to government participation will have preference when the next round of licenses is issued.

Some major operators, particularly U.S. ones, have objected to what they regard as "changing the rules in midstream," and in this they are supported by the Conservative opposition.

Clifton Garvin jr., chairman and chief executive of Exxon, parent company of Esso, made this objection plain during a recent visit to London. Mr. Garvin could see no advantage of such participation either for his company, or for the government. "It won't get the oil out any faster," he say. "If anything, there is a danger that development might slow down, although we are still pushing ahead of schedule."

For its part, the government, through its main negotiator, Minister Harold Lever, has been trying to reassure the operators that participation would leave them no worse off financially.

The government is obviously determined to make BNOC a major force in North Sea development, though this is still a far cry from the Labor party's original pledge of bringing into public ownership all oil and gas resources. According to Anthony Wedgwood Benn, the controversial secretary of state for energy, and Lord Kearton, the former Courtauld chief who is now chairman and chief executive of BNOC, a measure of government control of oil depletion, processing and marketing is essential in what they predict to be a major scarcity of energy developing in the world well before the end of this century.

THE SPIN-OFF BONUS

British industry was rather slow in gaining a respectable share of the offshore market on its doorstep. The Offshore Supplies Office of the Department of Energy was set up in January 1973 to insure that British industry obtained "a full and fair opportunity in this new market" as well as the expertise and capability of meeting both home and overseas demand.

The office had been inspired by a report of the International Management and Engineering Group, IMEG, which had estimated that, unaided, British industry might obtain a share of perhaps 25 to 30 per cent of the home market, while "if appropriate action were taken," the share could be as high as 70 per cent. So the office set out to spread knowledge about offshore engineering and other factors as well as to alert industry in the so-called assisted areas—which include Scotland and Northeast England, the areas most affected—to regional development aids available under existing legislation.

The Offshore Supplies Office claims some success for its efforts. In the two years 1972–73 British industry obtained an estimated share of only 37 per cent of orders totaling £850 million in value.

But in 1974, a year of much higher turnover, the British share rose to 40 per cent of the £1.279 billion worth of equipment and services. It looks as if the British share rose further last year, to nearly 50 per cent of a total of around £1.5 billion. In other words, says Peter Gibson, director general of the office, Britain's share of a doubled market rose by a third in just three years.

In some sectors the United Kingdom, a newcomer in the offshore market, had little or no capability and therefore a smaller share; in others existing capability was developed swiftly. For example, in 1974 U.K. companies secured 48 per cent of contracts for production platforms and modules, which represented about a third of the value of the total market. On the other hand, in rig hire, offshore installation, subsea pipelaying and subsea pipes—another third of the total market—the British share was only 15 per cent, with established suppliers from the United States, Norway, France, West Germany and the Netherlands still ahead.

In the remaining third of the market, which required established engineering companies to adapt to the new circumstances, the British did much better. In such equipment as power generators, pumps, process plant, compressors and fittings, U.K. manufacturers obtained almost two-thirds of the contracts signed.

In Scotland in particular, the effect was to mitigate the effects of the recession, with about 50,000 jobs created, directly or indirectly, in platform yards (seven out of eight new establishments in Britain), module manufacturers, specialist engineering and pipe-coating establishments, ports on the east coast and in the islands (including the proposed new deepwater terminal at Sullom Voe in Shetland, which promises to be the largest in Europe, as well as the BP terminal on the Forth, fleets of supply vessels, etc.

Several thousand jobs have also been created on Teeside, including a major platform-building yard and the Phillips terminal linking the Ekofisk field with northeast England. Scotland and northeast England have had the lion's share of oil-related employment, as already indicated, and escaped the worst of the current recession.

The United Kingdom as a whole benefited from the gigantic task of financing North Sea oil development which, by the time it is completed, will have cost up to £20 billion on and off-shore. Leading the £360-million funding consortium for the Forties field were top U.K. banks and financial institutions, which also participated in supporting other fields as, for example, members of the International Energy Bank.

Several finance and exploration companies and investment trusts were set up to channel private investment into the North Sea. A recent example was the public launching of £76 million worth of investment in the giant Ninian field by the two oil-related companies already mentioned—SCOT (Scottish Canadian Oil and Transportation) and LSMO (London and Scottish Marine Oil). About 20 per cent of the investment is in the form of direct participation in wellhead profits, a novel feature, and the rest in loanstock. The issue was oversubscribed within days.

It is far too early to draw a profit-and-loss account of Britain's North Sea bonanza. On the profit side many uncertainties prevail, including the pace and extent of future exploration and the viability of fields already discovered but not yet put on a commercial basis.

Last year was typical of the vagaries of offshore operations.

A record total of 28 finds was reported, of which at least three were declared commercially viable and a further 14 in the "possible" category. These were followed earlier this year by the Conoco-Gulf-BNOC consortium's success in what is now called the Murchison field.

On the other hand, not a single production platform was ordered last year after the 1974 boom of 14 contracts, and even for this year the Offshore Supplies Office predicts, rather cautiously, only two to four platform contracts. As a result, one yard (Laing's, on Teesside) faces layoffs of up to 1,300 workers later this year, and other yards too may find themselves with a rapid slackening of work inside a year unless orders are resumed quickly.

The Department of Energy itself has revised its estimates of total North Sea platform requirements from 55 to 80 to 43 to 61, of which 23 have been ordered up to now.

Rig activity also fell short of expectation last year, and at least one yard—Marathon, of Clydebank, Scotland—has been saved from closure at the eleventh hour by a fresh order.

The Offshore Supplies Office admits that the peak of exploration activity has passed but believes that the new capability and expertise gained from the North Sea experience will enable U.K. companies to win contracts in other parts of the world where offshore exploration is on the rise. By 1980, a Scottish Council (Development and Industry) study estimates, offshore oil and gas should provide 25 to 30 per cent of the world's total (compared with 13.5 per cent in 1973), over 80 per cent of it in places are opportunities for British companies not to be missed.

The uncertainty of oil-price movements and the political battle over British government participation have already been mentioned as factors influencing the rate and pace of exploitation.

OTHER HAZARDS

Further risk factors are the weather hazards and depth of the North Sea, which challenge the operations' ingenuity, technical expertise, technological and other equipment to a greater degree than anywhere else in the world. Coupled with these are rising costs of development fueled by worldwide inflation. Forties field, for instance, is now expected to cost at least twice the original estimate.

On the loss side of the North Sea account are the environmental hazards—the damage to scenery and amenities, pollution and social disturbance. An example of the balance that is having to be struck between the need for major industry and the damage caused by it is the petro-chemical project promoted by the Cromarty Firth Petroleum Co., a subsidiary of National Bulk Carriers, a U.S. concern. In authorizing the £150 million refinery at Nigg Bay, in the north of Scotland, which is to process 10 million tons of crude a year, Mr. William Ross, Secretary of State for Scotland, had to override objections from 500 people, who were also supported by the Reporter (the independent investigator appointed by the secretary of state), after a long and controversial inquiry.

One argument advanced repeatedly was the existing overcapacity in refineries throughout Europe. Mr. Ross's counterargument is that it is desirable to process more of the North Sea oil locally, some of which would be exported and so benefit the balance of payments.

Another argument was one common to all onshore projects: the dereliction and shattered communities that will be left behind once North Sea activity tails off, possibly long before the end of this century. The threat is particularly acute in small and isolated communities such as Nigg or the islands of Orkney and Shetland, at present major and exploding centers of oil and gas developments.

Strenuous efforts are being made by the government, the local authorities, the communities affected and the oil companies themselves to anticipate these dangers and, to some extent, provide compensation for a loss of amenity and life-style. It may not be very long before the full extent of the loss side of the account is revealed before our eyes.

Risks are attached to every enterprise, big or small, and the North Sea project—a very big one—is no exception.

There are encouraging signs all parties concerned—the British government, the operators, the financial institutions, the providers of equipment and services, the workers, the local authorities and communities—are aware of the enormous potential for economic advance lying offshore.

NEW POLITICAL INTERESTS HERALD ERA OF CHANGE

(By Peter Paterson)

LONDON.—Gibbon, in one of his splendid footnotes, observed that officers of the police and the revenue easily adapt themselves to any form of government. The same is true of politicians, as Labor MPs shrug off the habits and thought processes of the Harold Wilson era and prepare to adapt themselves to the rule of James Callaghan, whose style and disposition are quite different from his former chief's. Ironically, Mr. Callaghan, in his time, has been a tax official and parliamentary adviser to the police.

But while the gentlemanly contest for the Labor leadership has in recent weeks dominated British politics, the result of this stately minuet of an election will make little difference to the underlying currents and cross-currents of a political system which is now going through a period of intense reappraisal and self-examination.

The scheme of things is changing, sometimes deliberately as Parliament tries to steer and to manage powerful new forces and interests, and sometimes involuntarily. By the mid-1980s Britain may be looking back to Harold Wilson as the last Prime Minister of the *ancien regime*, astonished, perhaps, at our own complacency and blindness, and maybe with a little regret for settled times and predictable politics.

NATIONALISM

Some of the pending changes can already be discerned. The rise of Scottish and Welsh nationalism is in process of badly distorting the two-party system, and there may be a long period of minority government with fringe parties holding the balance of power to hobble and restrict the programs of Conservative or Labor administrations. It could be that, in spite of their detestation of coalition, either of the big parties could be forced to dilute their Cabinets to include minor party representatives in order to safeguard the more important parts of their policies. Britan may be entering a time of bargaining-politics of smoke-filled rooms and cabals and behind-the-scenes deals.

That Harold Wilson managed to hold his government together so adroitly in spite of his party's hairline majority of one in the House of Commons owes everything to his political skill. But even Mr. Wilson floundered between March and October 1974 when his was a minority government.

The opposition parties then managed to water down some of his industrial relations legislation, and no doubt applied a brake to many Labor ambitions. If minority governments become the usual condition—and that is inevitable if the Scottish Nationailsts, who have already torn the Conservative party in Scotland to shreds, make further advances against Labor—politicians are going to have to acquire new skills and techniques.

The prospect is already terrifying the Labor party in Scotland. From outright opposition to any devolution of powers to Scotland, they have now moved to a point where they are insisting that the government concedes more to Scottish self-government than its own white paper suggested. Even that is not enough for some of them: A breakaway Scottish Labor party has been formed, and two Labor MPs have defected to it. The Scottish National party must hug itself with pleasure as it recalls how very recent it was that they were regarded as a lunatic fringe. an aberration to which no concessions need be made, though in fairness, they would have to admit that it was less due to the brilliance of their arguments than to the fortuitous discovery of oil in the North Sea off the Scottish coast.

Whatever the detailed outcome of the devolution debate new raging, it is certain that Britain shall soon see an assembly sitting at Edinburgh enjoying powers not wielded by a Scottish Parliament since the Act of Union of 1707, and with the Welsh in possession of a degree of autonomy unknown to their race since Edward I destroyed Llewelyn at Gruffyd and made his own son Prince of Wales 400 years before that.

It is only natural to expect that, having pushed the United Kingdom government as far as this, both the Scots and the Welsh Nationalists will reap an electoral reward from their grateful countrymen. So long as the Scots do not, from hubris, press too hard their underlying ambition of complete and total independence—which would frighten many of their supporters away—they can hope to make inroads on Labor north of the border and chip away more of the remaining Tory total.

The Liberals, who have a reputation for perceiving policy trends long before their big brothers in the Labor and Tory parties (and then, predictably, find that their clothes are stolen) are already pressing for a full-scale federal system of government for Britain as the only way of preventing the disintegration of the United Kingdom.

It seems obvious that changes in the constitutional relationship between the English and their Celtic neighbours can hardly leave Ireland untouched. Ironically, Scotland is to get its Assembly soon after Ulster has lost its own parliament at Stormont, and the terrible struggle with the IRA is taking place within the framework of direct rule from Westminster. Everyone agrees that direct rule, as it now stands, cannot continue indefinitely. For one thing, Northern Ireland, with only 12 seats at Westminster, is grossly underrepresented, but no non-Irish politician would want to see the number of MPs from the province increased to between 18 and 22, which is the number to which they would be entitled. Direct rule can fill only temporarily the vacuum created by the abolition of Stormont and the failure of the British government to persuade the Ulster politicians to accept some form of power-sharing between the Protestant majority and the Catholic minority.

A SOLUTION

It may take a long time, but some solution will have to be found, perhaps in the form of independence for Ulster, or a union with the Republic, or incorporation in a federal United Kingdom system with Stormont restored, or simply a local agreement in the aftermath of a complete withdrawal by a war-weary government finding that the presence of the British Army in Ulster has become intolerable to the voters at home.

As part of the theme of change, which is not always apparent in the sterile exchanges of everyday parliamentary life, there is increasing agitation for reform of the capricious voting system. Again, this is an issue closer to the hearts of the smaller parties, who feel themselves discriminated against by arrangements designed to favor the big battalions.

But even within the Tory party there are advocates of proportional representation—or "fair voting" as it is more often called nowadays—and they have been trying to persuade businessmen who contribute to the party to make their contributions dependent on its agreement to adopt PR. There are still those who, though the evidence is circumstantially slim, believe that the Conservatives could have retained office in March 1974 if they had entered a coalition with the Liberals, whose price would have been the introduction of fair voting. (In fact, this argument overlooks the likelihood that the trade union movement, cock-a-hoop over the miners' strike that helped topple Edward Heath and his government, would have cried 'Tilt!' and refused to accept any such arrangement on the grounds that it was denying the people's will.)

HYPOCRISY

Nevertheless, it has been gleefully pointed out that by employing a series of exhaustive ballots in choosing their new leader, the parliamentary Labor party was guilty of hypocrisy. "First past the post" would have given the election to Michael Foot in theory, at any rate, though in fact the result of the first ballot might have been very different if it was known that it would be the only one. But the question remains, if fair voting is good enough for Labor MPs, why is it not acceptable for application to the electorate at large?

There is another interesting development in the heightened interest now being paid to the way in which parliamentary candidates are selected by the big parties. Left-wingers have embarrassingly focused attention on the undemocratic way in which MPs get the party ticket that takes them to the House of Commons by their campaign to oust men of the right like Reginald Prentice, the Minister for Overseas Development. Their activities were denounced at the last Labor party conference by Harold Wilson, who referred to left-wingers who capture the small local committees that choose the candidates as "self-appointed samurai."

However, more and more people are refusing to see such activities as mere inner-party squabbles which are acceptable so long as respectable Cabinet ministers are not deprived of their constituencies. The role of the caucus is being challenged as people come to realize that a tiny unrepresentative minority—whether of the left or the right is immaterial—in the two-thirds of parliamentary seats that are safe for one or other of the big parties, are the political elite who are really choosing the MP. It is a fair prediction, as we peer into the future, that some modified form of the U.S. primary election system will be generally introduced in Britain sometime during the next decade. By bringing many more people into membership as the qualification for a primary vote, the parties might even be able to escape the dangers posed by their current flirtation with the idea of state subsidies for their political activities.

REFORM

The itch for constitutional reform is also displaying itself at the very core of the British political system. Authoritative voices are being raised urging that for the first time since Magna Carta served that function, Britain should have a written Constitution with an entrenched, modern Bill of Rights. The argument, put forward by some of the judges and a few politicians, is based on the fear that the power of Parliament itself, together with the vast bureaucracies it has created, has become overweening, and that the citizen needs protection from its apparently never-ending legislative production line.

The creation of the role of the ombudsman can be seen as a limited step towards meeting such criticisms, but his powers are strictly confined and he is, technically, a servant of the House of Commons, hearing only those complaints channelled through to him by MPs. Protagonists of constitutional change of this kind are now looking to the European

Declaration of Human Rights as providing the nucleus of a new British Bill of Rights.

While Parliament is critized for having too much power, that institution itself is having to come to terms with the powerful trade union movement. Both major parties have attempted to reform the unions by legislation. Both have failed. Labor may have tipped a little too far in the opposite direction in carrying a whole cornucopia of pro-union legislation, but they did obtain in return a one-year commitment to a flat-rate incomes policy which materially assisted—though alone it would not be conclusive—the fight against inflation.

LOADING THE DICE

Some observers believe that by slotting the union bosses into the government's decision-making processes at a pre-Cabinet level—via a body known simply as the "Liaison Committee"—Harold Wilson has loaded the constitutional dice against the Tory party, which could not, and would not, continue such a relationship if they gained power.

The unions are delighted that Michael Foot, as secretary of employment, has restored to them the closed shop that the Tories took away in 1971, and in a strengthened form, as well as introducing a wide-ranging Employment Protection Act. This makes dismissals and redundancies more difficult for management to impose, gives pregnancy leave to women, time off for shops stewards to carry out union duties, and makes wages and layoff pay the first charge on a bankrupt firm—with the state picking up the bill if there's nothing left in the kitty.

TORY ATTITUDE

If the camaraderie of the past two years gives way to bickering, the Conservatives will be well pleased. Jim Pryor, who is Michael Foot's Conservative opposite number, has promised not to get rid of the new industrial relations law, though he has reserved the right to dicker about with some of the details. But electorally the biggest handicap the Tories have is their reputation for confronting the unions head on, as they did so disastrously with the miners in early 1974. "Who governs the country?" Edward Heath's war cry then, is a slogan the Tories prefer to forget. But the biggest gift they could have would be some signs of strain between the unions and Labor, if only to allay the fears of those voters who would be shy of voting Conservative if they were persuaded that it would mean a return to power cuts, shortages and the three-day week.

The Conservatives realize, however, that they would have to work out some *modus vivendi* with the unions if they again came to government.

Mrs. Margaret Thatcher, with her middle-class Mothers' Union image, has been assiduously cultivating the leaders of the big unions, meeting them over lunch and dinner, and assuring them that her intentions towards them are honorable. Her secret fear must be that come election time, these same union bosses might announce publicly that they would find it difficult to work with a government led by her—an announcement which, depending on its exact phraseology put too brutally it might even persuade people to vote Conservative) could scupper her chances.

This consideration apart, Mrs. Thatcher has several advantages over the newly installed Mr. Callaghan. She has established herself unchallengeably as leader of her party, winning over some devoted Heath supporters in the process. At 50, she is considerably younger than the 64-year-old Mr. Callaghan, who is, in fact older than Mr. Wilson, who found that enough was enough at 60. And she is a woman, the first ever to lead a British political party, at a moment in history when women are more determined to assert their independence and their political rights, and could well wish to identify with her.

Mrs. Thatcher is a shrewd publicist, with a keen sense of timing. Her sharp criticism of the Soviet arms program earned her the accolade of a direct personal attack by Moscow in the crudest terms, with street posters devoted to her in the Russian capital and counter-productive editorials in Pravda which should show a tangible return in votes when the time comes. And all this at a moment when an embarrassed Minister of Defense (Roy Mason, was being forced by Labor's economic retrenchment to bring in the third set of defense spending cuts in a year.

What of her weaknesses? The primary one is probably the old British bugbear of class. Although she in fact is the daughter of parents who ran a small grocery store, over which they lived, at Grantham, Lincolnshire, she herself conveys a more upper-crust impression. But personality apart, she does not lead a particularly high-powered team in the Tory shadow cabinet. Man-for-man (or woman) they do not attract much admiration or confidence, with Mr. Heath and a number of his senior colleagues, such as Lord Douglas-Home and Mr. Robert Carr having retired, and the most volatile Conservative vote-getter of all, Enoch Powell, having consigned himself to being MP for an obscure Ulster constituency, his reputation ebbing away in bafflement and frustration.

LABOR PLUSES

The Labor party, on the other hand, has a wealth of talent at its disposal. The abruptness of Harold Wilson's departure threw the ball to James Callaghan, but many people regret that Labor did not take the chance to elect a leader from its talented younger generation. Anthony Wedgwood Benn, at 52, was the youngest of the six contenders but unacceptable to the majority of his colleagues because of his way-out collectivist ideology. Waiting in the wings for next time round are people of the calibre of Mrs. Shirley Williams, Roy Hattersley, Merlyn Rees and Eric Varley—a line-up the Tories cannot match.

And what of James Callaghan himself? He is a man who has held all three great offices below the premiership: Chancellor of the Exchequer, Home Secretary and Foreign Secretary. The son of a navy petty officer, he became his widowed mother's support at 15 and had to leave school—he is said to be sensitive about his lack of a university education.

He gravitated to politics via the trade union movement, and for some years acted as a parliamentary spokesman for the Police Federation. This is one clue to Mr. Callaghan's politics: he is a law-and-order man, a great patriot, and he can appeal to the common man. He is not, however, a compelling orator, tending to ramble and to stay on his feet for too long.

Mr. Callaghan is not a profound thinker, preferring to act on instinct—what he thinks in his bones that people will accept—a populist. He stands on the right of the Labor party, certainly further right than Harold Wilson.

Nevertheless, he has made it. He is the chosen one. Labor—and the country—will have to learn to live with him. It may be that taking advantage of the honeymoon period people allow a new party leader, he will take the earliest opportunity to call a general election—perhaps this coming autumn, assuming always that some hope can be squeezed out of whatever economic indicators are at hand at the time.

Whenever the election comes, and whoever wins it, the big parties will have to begin to listen more intently to the whisper of the wind of change; change in the party set-up, change in the Constitution, change in the voting system. The mood is for reform, and victory will go to the party and the leader who takes account of it. The sad condition of British politics, however, is that thanks to the caution of Mr. Wilson during his long reign, and the blinkers imposed by years of economic failure and decline, James Callaghan may now have inherited the leadership of one of our two conservative parties.

A Top-Priority Problem—Granting of Autonomy Is Goal of Scots, Welsh

(By Andrew Hargrave)

Glasgow.—The foreign observer may be justifiably puzzled at discovering devolution among the top priorities of British political debate. How, he may ask, is it that at a time of soaring inflation, high unemployment, rising national debt and improving but still serious balance of payments problems, Northern Ireland, Rhodesia and the rest, the British manage to find energy and time for Scottish and Welsh devolution?

Inside Britain, of course, the question has to be phrased differently. It must go something like this: How is one to devise schemes which would satisfy, especially in Scotland, explosive desires for maximum local autonomy which can be reconciled with the continuing political and economic unity of the United Kingdom?

It is the $64,000 question to which the Labor government's answer, as expressed in November's White Paper, is only one of several. Moreover, it was one which seemed to please few on either side of the devolution barricade: the Scottish and Welsh Nationalists, most Liberals and some Labor party supporters in both Scotland and Wales who want more; and most Conservatives and Laborites in England and not a few in Scotland and Wales who want less or none. To these last-mentioned, devolution, even along the White Paper lines, would be, as some put it, "the first step along the slippery slope leading to the ultimate break-up of the U.K."

To grasp the issues involved, one must go back some centuries. It has to be appreciated that less than 270 years ago, just 69 years before the founding of the United States, Scotland was still an independent kingdom (although with a king wearing the crowns of both England and Scotland), with its own parliament and distinctive institutions. More than a half-million Welshmen, around 20 per cent of the population of Wales, still have Welsh as their mother tongue.

The union between England and Scotland in 1707 has left each with some of the institutions intact. These include the churches, the legal systems and the educational systems. In Wales, too, religious institutions followed independent courses reinforced by the Welsh language preached from many pulpits.

It was in 1885, at the height of the home rule debate over the status of Ireland, that the first steps were taken to devolve administration from Westminster to Scotland by establishing the office of the secretary of state. This office has grown in size and importance ever since and now consists of the secretary of state himself (a member of the British Cabinet), two ministers of state and three under secretaries; about 8,500 civil servants, based mostly in Edinburgh; and administrative responsibility over local government, health, social services, education, housing, planning, roads, transport, electricity, the law, fishing, forestry, agriculture, tourism and some regional economic functions.

Wales followed much later in Scotland's track. A Welsh Office with some of the functions of the Scottish Office was set up in 1964. It, too, is headed by a Cabinet minister.

Administrative devolution has not, however, been happening in a vacuum. There has been agitation for legislative home rule, as distinct from ministers responsible for Scottish affairs to a largely English U.K. Parliament for almost a century. A Scottish

Labor party (not to be confused with the new dissident party set up recently) was started 90 years ago by James Keir Hardie, first leader of the U.K. Labor party. Home rule was part of the party's policy until as recently as 1955. (It somehow got lost after Labor's 1945 landslide victory, however.)

The Liberals, the ruling radical party earlier this century, have never abandoned the policy of home rule. Only the Conservatives, the "Unionist" party in Britain as well as in Ireland, have held out against what they regarded as a fragmentation of the U.K.—until comparatively recently, that is.

THE NATIONALISTS

For in the 1960s, new political forces emerged in Scotland and, to a lesser extent, in Wales. In Scotland, the Scottish Nationalist party, until then a small band of enthusiasts (except for a surprise by-election victory in 1945) had begun to put up creditable performances in parliamentary as well as local government elections culminating in Mrs. Winifred Ewing's by-election victory at Hamilton in October, 1967. The Welsh Nationalists, too, until then a cultural rather than political force, succeeded in gaining Carmarthen at a by-election through their leader, Wynfor Evans.

Both lost their seats in the general elections of 1970, but the SNP's foothold was retained by Donald Stewart, the provost (mayor) of Statrnoway in the Western Isles. He is still there and is now leading a parliamentary group of 11 which includes Mrs. Ewing

In the intervening period, the SNP has made progress on a scale more far-reaching than even its parliamentary successes. Between 1959 and the February election in 1974 (when seven SNP members were elected), the party doubled its vote at each successive parliamentary election. In October, 1974, its 11 MPs (compared with 41 Labor, 16 Conservatives and three Liberals) represented 30 per cent of the total Scottish vote. Recent polls suggest that this proportion is now about 36 per cent, with the SNP overtaking Labor as the leading political party in Scotland. This has been borne out by SNP successes in regional and district council by-elections.

In Wales, although the Nationalist vote stayed about 10 per cent in 1974, the February election returned two of their members to the House of Commons, to be followed by a third one, Mr. Evans, in the October election.

The two major parties have reacted in somewhat similar fashion to the Nationalist threat. The first wave in the 1960s produced a Royal Commission (the second in 15 years) by the then Labor government and the so-called Perth Declaration by Edward Heath, leader of the opposition, suggesting an elected assembly for Scotland, although not for Wales. He subsequently appointed his own study group, led by his predecessor. Sir Alec Douglas-Home, which duly made its own devolution proposals, an indirectly elected assembly processing, but not passing, Scotish legislation.

The Royal Commission reported in 1973, proposing directly elected assemblies in Scotland and Wales which would deal with domestic legislation from start to finish. By that time, however, a new issue had emerged which was to fan nationalist flames, particularly in Scotland. It was the discovery of oil and gas in the North Sea, most of the oil being in the northern Scottish part.

The question of whose oil it is ("It's Scotland's oil!" was the main nationalist slogan in the 1974 elections) has to some extent overshadowed the previous argument, which was about Scotland's economic backwardness, high unemployment rate, remoteness from the center of government and overcentralization of political and economic powers in the London area—all of which could be justified on factual grounds.

In fact, North Sea oil and its onshore spinoff is estimated to have produced about 50,000 jobs in Scotland so far, thus not only mitigating the effect of the current recession but reducing the ratio of unemployment from double in the early 1960s to about 1.2 times the U.K. average.

The wages and salaries gap which was about 10 per cent even 10 years ago has virtually disappeared in the same period. Moreover, it is being pointed out, those improvements could at least partly be attributed to regional development aid and other additional social benefits enjoyed by Scotland—as well as by Wales—both part of Britain's "assisted areas."

The SNP argument is that revenues from North Sea oil, including royalties, corporation and petroleum revenue taxes which may rise to up to £6 billion ($12 billion) by 1980 (the government's figure) or £8 billion (the SNP estimate), would make Scotland one of the richest countries in Europe, if not the world. Scotland would therefore need no help from anybody and standing on its independent feet would be a distinct advantage.

FIRM LINE

The government has drawn a firm line on the question of North Sea oil. While it appears to be flexible on other matters, such as marginal economic powers to be devolved to the proposed Scottish Assembly or the reserve powers retained by the U.K. Parliament, it is adamant on North Sea oil and gas (much of the latter is off the east English coast) remaining a purely U.K. asset.

The White Paper spells it out thus: "Those who wish to reserve to Scotland oil or other revenues arising there are in effect demanding a separate Scottish state. The circle cannot be squared: It is not possible for Scotland—or any other part of the United Kingdom—to enjoy rights which can only go with separatism yet not to have separatism itself."

This was the line taken by government spokesmen during the four-day debate on devolution in January. "Devolution, not separation" is the Labor party slogan in its current Scottish campaign.

ACROSS PARTY LINES

While oil plays a major part in the devolution debate, it is complicated by other issues, some of which cut right across party lines. It has created divisions within the parties themselves and has recently led to the formation of the Scottish Labor party—a group of disgruntled Labor party members which now includes two MPs, Jim Sillars and John Robertson.

Mr. Sillars, 38, at one time one of the most determined opponents of devolution, and Mr. Robertson, 62, a former trade union official, want the assembly to have control over trade, industry and some taxation as well as a share of oil revenues. They also demand direct Scottish representation at the European Economic Community. These aims are not far short of the SNP's, the main difference being that Mr. Sillars, Mr. Robertson and the Scottish Labor party profess to be socialists, which the SNP are not.

The two men, both of whom have already been repudiated by their local party organizations, are in the curious position of remaining members of the parliamentary Labor group while, according to the Scottish party secretary, having "excluded themselves" from membership of the Labor party itself.

The clue to this apparent mystery lies in the Labor party's wafer-thin majority in the Commons. It cannot afford to lose even two MPs without upsetting the balance. On the other hand, as the breach between them and the rest of the party widens, the possibility of legislation leading to the setting up of the Scottish and Welsh assemblies being delayed or even shelved grows, too. The Conservative party in particular, depending less on its Scottish and Welsh representation for parliamentary power than Labor, has gone noticeably cool on the devolution issue, reinforced by the skepticism of industry, including the Confederation of British Industry.

Both Mrs. Margaret Thatcher, the new leader, and her deputy, William Whitelaw (who is the chief opposition spokesman on devolution), have been noncommittal on the powers of the Scottish Assembly and have come out against having one in Wales at all. On the other hand, in Scotland itself, Scottish Conservatives have been fighting hard to retain credibility as a party still in favor of devolution. The official Labor party in Scotland, which was against devolution only a couple of years ago, has performed a complete about-face and now demands more powers and fewer restrictions for the assembly.

With an utterly fluid situation between, as well as within, the parties and an equally volatile public opinion in Scotland and Wales, what are the chances of a viable solution acceptable to most?

There are at least 10 points of conflict endangering such a solution. The first one is control of North Sea oil—the rate of exploitation, processing and access to revenues. As already indicated, it is the one on which the government and the opposition are least likely to compromise.

Flashpoint Two concerns economic powers. The White Paper says regional policies must remain the responsibility of the government, i.e. the U.K. Parliament: "It would not be practicable even to leave particular areas to draw up their own schemes of economic support and assistance within an overall allocation, since divergences could easily distort competition in ways incompatible with a unified economy."

That is behind the proposal to split the new Scottish and Welsh development agencies, allocating their environmental and factory building functions to the assemblies while leaving development aid under the control of the secretaries of state.

On the other hand, the "maximalists"—the Scottish Labor Party, the Liberals, some official Labor men, a few Conservatives (especially young ones) and, of course, the nationalists—want the Scottish Assembly in particular to have control of not only the Scottish Development Agency but also all the economic functions at present or in future exercised by the secretary of state. These include regional aid, farming, fishing, forestry and manpower services.

Flashpoint Three involves domestic fiscal powers restricted by the White Paper to a surcharge on local rates, a most unpopular form of taxation. The maximalists argue that without independent revenue-raising powers, an assembly, dependent solely on a block grant wrung from the Treasury, would have no "economic teeth" as most of the block-grant allocation would be preempted by the local authorities anyway.

Flashpoint Four concerns the status of the universities. The Scottish principals favor the status quo which makes the universities semi-autonomous within the U.K. system, and they are backed by the White Paper. On the other hand, the maximalists and most Scottish student organizations want the universities to be part of the Scottish educational system, which in turn will come under the jurisdiction of the assembly.

Flashpoint Five is the law, which in Scotland has retained its European common law origins and is quite distinct from the law of England and Wales. According to the White Paper, the courts would remain the responsibility of the Scottish secretary of state and the law officers while many prominent Scottish lawyers would prefer control by the assembly.

Flashpoint Six concerns the U.K. Parliament's reserve powers, to be exercised in the first instance by the secretaries of state whose future role has been compared to that of colonial governors-general.

According to the White Paper's proposals, the secretary of state would decide initially whether laws passed by the assemblies were *ultra vires*—in other words, beyond the powers granted under the Devolution Act—or whether they were contrary to general U.K. policy. The possibility of the latter could, of course, be enhanced by different parties having majorities in Parliament and the assemblies.

While it is generally acknowledged that assemblies created by an act of Parliament should on the whole keep within the limits of legislation, opponents of the White Paper argue that the legal debate should be left to the court (or a supreme court, like those of the United States and Federal Germany) rather than a party politician or even a U.K. Parliament of party politicians. As for conflicts over policy, it is pointed out that such conflicts already exist between local authorities and governments of different political color, the former usually conforming to overall government policy on major issues, some of which—defense, foreign policy, general economic, taxation, energy and transport policies—would remain with the government even in a devolved Britain.

Flashpoint Seven concerns timing. The government has abandoned its original intention to complete the legislative process this year: instead the full bill will not be introduced until the 1976–77 session, which means that assembly elections may not take place—if at all—until 1978, which may well be a general election year.

Flashpoint Eight is over combining legislation for Scotland and Wales in which the pressure for both devolution and its scope differ widely. The Conservatives have already served notice that they want separate legislation for the two countries, with an elected assembly limited to Scotland.

Flashpoint Nine is what is generally described as the "English backlash," which is spread over both major parties and over the whole political spectrum. As it covers 80 percent of the MPs in Parliament, it is a serious threat to the whole devolution process. Opponents of devolution include leftists from other "assisted areas" who fear that Scotland and Wales may gain unfair economic advantages, other leftists who regard it as being irrelevant to the working-class struggle, and men of the center and right who consider it as the "first step on the slippery slope" to a disintegration of the U.K. and a further loss of power and influence in the councils of the world. They are backed by influential industrialists who regard devolution as a disincentive to business confidence.

Finally, Flashpoint Ten is the danger of just this disintegration if devolution is postponed, shelved, or rejected. This prospect was conjured up by Edward Short, leader of the House of Commons and the man in overall charge of legislation, in a recent radio interview. Referring to the possibility of the devolution bill being rejected, Mr. Short said, "I am firmly convinced if that happened it would inevitably lead to the breakup of the United Kingdom. It would be Ireland at the beginning of the century all over again."

Mr. Short's allusion was to successive Irish home rule bills introduced by a Liberal administration but frustrated by the largely Conservative Unionists.

On the other hand, Mr. Short defended the White Paper's opposition to devolve economic and industrial powers. He foresaw competitive bidding by Scotland against other areas such as Wales, Merseyside or Tyneside. "I'm quite sure, it would never get through the U.K. Parliament," he said. "English members would never support it."

Of course, the smooth passage of a devolution bill based largely on the White Paper would mean more to the new Prime Minister, James Callaghan, than more efficient, democratic and decentralized government. What is very much in their minds is loss of power, possibly for generations, if Scotland and Wales go sour on Labor: for it was only its preponderance in Scotland and Wales that enabled the Labor party to win four postwar elections, those in 1950, 1964 and, of course, the two elections in 1974.

That is why the government will do its utmost to avoid a confrontation with the nationalists, particularly in Scotland, where the clamor for "meaningful devolution" and "an assembly with teeth" is loudest. On the other hand, the government is—as Mr. Short indicated—acutely aware of the danger of major concessions, particularly on the economic front, provoking an English backlash (with some Scottish support, particularly from Conservatives) which in turn could frustrate legislation altogether and so precipitate the eventual breakup of the U.K.

In any case, no compromise is likely on two fundamental issues: full U.K. control of North Sea oil and gas and the supremacy of the U.K. Parliament. This in turn would rule out even a federal solution, as advocated by the Liberals.

At the same time, the specter of a nationalist majority in Scotland, whether in the U.K. Parliament or the assembly, haunts both major parties. A repetition of Mrs. Ewing's 1967 by-election victory during the current session of Parliament could have a dramatic effect on the shape and extent of devolution, which is still very much in the melting pot.

New Nationalizations—Labor Party's Seizing of Economic Command

(By Peter Paterson)

London.—"Sometime in the 1950s, the British Labor party—for long in love with a policy—was seduced by a phrase that seemed suddenly to give the policy new life and new meaning. It has echoed ever since down the corridors of political debate, and today it so retains its potency that everyone who counts himself a Socialist, of whatever hue, is dedicated to its siren call." The speaker was the late Aneurin Bevan, a charismatic Welsh orator and Socialist theoretician, and his enduring words were that the aim of the party must be "the conquest of the commanding heights of the economy."

The phrase was repeated during a fierce struggle in 1959, shortly before Mr. Bevan's death, between the "revisionists" in the party, led by Hugh Gaitskell—another deceased Labor hero—and his more traditionalist opponents who identified with Mr. Bevan. The crux of the argument, in the wake of a disastrous electoral defeat, was whether the party should retain Clause IV of its constitution, the scrap of holy writ that has since 1918 dedicated it to "the public ownership of the means of production, distribution and exchange." Mr. Bevan won, and Clause IV remains in the constitution to this day.

HEIGHTS CAPTURED

In reality, the commanding heights had already by that time largely been captured. The 1945–51 Labor governments of Clement Attlee nationalized electricity supply, the gas utility, the coal industry, the railroads and the two (now combined) major airlines. And by establishing the National Health Service, the community hospitals were centralized in state hands and most of the doctors became contractors to the government system. (Ironically, what freedom the doctors retained was the result of a bitterly acrimonious negotiation between the medical profession and Mr. Bevan, who was Mr. Attlee's minister of health.)

It is important to realize that the Clause IV battle was not for or against nationalization, but between those to whom it was an article of faith and those who, even while advocating its extension, wanted somehow to allot public ownership a less central role in the face of considerable public hostility. Innumerable opinion polls over the years have demonstrated conclusively that the British electorate dislikes nationalization. Nevertheless, the Labor party has stuck to its guns and Labor governments have been elected in spite of their dedication to a generally unpopular policy.

Now, following something of a lull, the present Labor administration is pushing through an unenthusiastic House of Commons two further installments of state ownership. A large part of the aerospace industry, plus shipbuilding and ship repair, will be nationalized before the year is out.

If Labor stays in power, the country's ports and docks—most of which are already under some form of municipal or state control—will become completely publicly owned next year to be run on the conventional lines established for the public sector over the last 30 years, with a politically accountable chairman and board and centralized executive control.

The pharmaceutical industry, with its interlocking importance to the health service, has also been firmly scheduled for a state take-over.

PRIVATE HANDS

On the wilder shores of Labor policy-making, the prospect of taking over some of the large banks and insurance companies is already being mentioned as a task worthy of the next Labor government, while the militant Young Socialists have drawn up a "shopping list" for nationalization which would leave little of British business in private hands.

In spite of these developments and prospects, the nationalization debate has lately experienced a sharp change of direction. There is increasing recognition from the ranks of Labor, as well as from the Conservatives, that the traditional forms of state control of industry have proved a disappointment. It has not been possible, in spite of the "arms-length" relationship that the politicians originally envisaged, for governments to resist the temptation to manipulate the public sector industries in the interests of political expediency. They tend also to be monopolies with all the shortcomings traditionally associated with monopoly, in particular, a degree of arrogance toward the consumer.

They have not proved to be the test-bed for a new era in labor relations. Working for a publicly-owned industry has not produced a new kind of worker or a new attitude towards work, and the strike record of the various nationalized concerns is certainly no better than that of many privately-owned industries. Efficiency, productivity and profitability, while by no mans as bad as opponents of nationalization sometimes suggest, have not been a source of pride to the owners—the British public.

Cautiously, far too cautiously, indeed, for its main advocates, Labor is beginning to take a new road to those commanding heights. The National Enterprise Board has been established to enable the state to buy its way into some of the profitable and expanding areas of private enterprise.

Its beginnings have not been auspicious. Its chief, Lord Ryder, a former industrialist, has had to preempt £300 million of his initial budget of £1 billion for the ailing Leyland auto group and he has had to put up more money for other "lame ducks" like Alfred Herbert, the machine tool giant. In addition, he has inherited a portfolio of government holdings and possessions such as Rolls Royce (1971), the aircraft engine makers taken over by the Conservatives when they were in danger of sinking under the Lockheed RB-211 engine contract.

The general inspiration for the NEB may well be the Italian Instituto per 2 Ricostruzione (IRI), but its antecedents must also include Labor's own Industrial Reorganization Corp., a body set up by Labor in the 1960s to facilitate mergers (Leyland was one of its products) and even Winston Churchill's acquisition for the state some 50 years ago of a 49-per-cent holding in British Petroleum. In fact, this important block of shares has been allocated not to the NEB, but to the newest recruit to the nationalized sector, the British National Oil Corp., which is busy negotiating for state participation in the holdings of the North Sea oil exploration companies.

REAR SHELF OF POLITICS

All this has stepped up public interest in the theory and practice of state intervention in industry after a long period in which it had been pushed somewhat to the rear shelf of politics. Certainly, the take-over zeal was muted during the first two Harold Wilson governments (1964–66, 1966–70). The halcyon days of Mr. Attlee were often evoked, but there seemed little anxiety, except on the left, to emulate them. Perhaps the party was still too close to the fratricidal Clause IV debate to risk reopening newly healed wounds.

With a precariously small majority and one or two rebellious backbenchers who regarded the exercise as a waste of time, Mr. Wilson and his Cabinet had a difficult enough task in renationalizing the steel industry, which had first been bought up by the Attlee government in 1951 and promptly denationalized by the victorious Tories in 1953.

As a result of the exhaustion that overcame both parties in this prolonged parliamentary tug-of-war over steel, an unwritten inter-party compact came into existence that virtually insures that once an industry has been taken into state ownership, it will stay there.

Apart, therefore, from the first faltering steps being taken by the NEB—and there is no doubt that its possibilities have been greatly modified since the heady days when people like Anthony Wedgwood Benn, its political godfather, was talking of it taking over the 30 largest companies in Britain—what are the boundaries and dimensions of the state sector of industry? Excluding the health service, which is a big resource-user, but hardly qualifies as an industry, state ownership extends into a remarkably wide range of manufacturing and service activity.

There are seven large nationalized industries: Coal, electricity generation and supply, gas, the railroads, British Airways, steel and the post office. More than a dozen smaller boards run state bus lines, hotels, road haulage, a parcels service (in none of which is the government in anything like a monopoly position) canals, hydro-electricity in Scotland, airports and North Sea oil.

£20 BILLION IN ASSETS

The big seven control assets of around £20 billion, and the state industries employ nearly 2 million of Britain's 25-million labor force. In spite of their reputation for loss-making on a staggering scale, the basic performance of these industries—apart from the railroads, which are everywhere a special case—has over the years been reasonably respectable, if not spectacular. (In spite of a deal under which the government pays for rail lines which are identified as loss-making but economically or socially essential, the passenger and freight services of British Rail are, in financial terms, a bottomless pit. The government is about to come up with yet another plan for the future, which could involve a further large cut in route mileage.)

What partly clouds the financial performance is the heavy debt burden carried by each of the industries as a result of modernization, deficits run up as a result of price controls and repayments to the government of compensation for the former owners (it was not paid directly by the coal industry, for example, because it was feared that the miners would resent the impost. So the coal owners were paid in government stock and the miners—who could read, too—still resented it).

It has become standard practice occasionally to write off part of these debts, presumably on the theory that every now and then an industry needs a new start. Since 1962, well over £3 billion of debt has been eliminated, including more than £1.7 billion for railroads, £800 million for coal, £350 million for steel and nearly £200 million for the post office.

CONSIDERABLE DEBT

Remaining long-term debt, however, is considerable, with interest charges often wiping out trading profits and giving these industries the reputation of being chronic loss-makers. In fact, the latest available figures (for 1974) show that the publicly-owner industries earned a gross trading surplus (before allowing for depreciation or appreciation in the value of stocks) of about £2.4 billion, which suggests a crude return on assets employed of around 12 per cent—a figure seldom, alas, achieved on a net profit basis.

An analysis (based on pre-1974 figures) published by the merchant bankers Fraser Ansbacher, Ltd., pointed out that the "moderately successful" group of state industries—electricity, gas and the post office—manage a return on invested capital that is only two thirds of the average achieved by private industry. Nevertheless, this study singled out the state airline business as performing rather better than the average private enterprise concern, attributing this to the relative freedom from government interference enjoyed by a business strongly exposed to international competition. The study was completed before the Concorde airliner was imposed on British Airways.

Where, perhaps, the critics are often unfair to the nationalized industries, however, is in their assumption that they could be just like private enterprise if they had not somehow toppled into the grasping hand of the government and been ruined. If only they could be run on purely commercial lines, all would be well. What this line of argument omits is the reality that several of the basic industries came into public ownership simply because they could no longer continue within the framework of private ownership.

INDECENT EAGERNESS

The coal owners sold out their interest to the state with an almost indecent eagerness after half a century of losses, and no country in the Western world has discovered how to run a railroad and still keep private shareholders happy. How could private owners, without massive strife and huge subsidies, have run down the labor force in coal from 765,000 to its present level of 248,000 and the railroads from 673,000 to fewer than 200,000?

The real complaint against the existence of Britain's large public sector is that with such an accumulation of economic power in their hands, governments are reluctant to leave managements to get on with the job of running the state industries. They continually interfere at every decision point—manning, investment levels, pricing policy, planning strategy, wage fixing. Arguably, as politicians they are bound to do so, having been presented with such a powerful instrument, but the system they have devised for intervention owes more to private arm-twisting than to public accountability.

In the end, the executive gets more power at the expense of the House of Commons (MPs are strictly confined in the questions they may ask about state industries) and consumers (whose interests are supposedly safeguarded by lapdog "consumer councils").

Under the nationalization statutes, ministers have the right to lay down policy by issuing a directive to a chairman It is a device that is rarely used and is fraught with political danger, for the chairman may challenge the minister by publicly expressing his disagreement. Governments prefer other, more subtle pressures to get their way.

For example, the "national interest" may be invoked, as it was by the Heath government between 1970 and 1974. In return for subsidies, the state industries pegged their prices during a period of rapidly accelerating inflation. The consequence has been a string of enormous deficits, followed by massive price increases—rail fares, for example, have doubled within two years—as the succeeding government scrapped that policy, ran down the subsidies and ordered a swift and painful transition to reality.

Another notorious case concerns British Steel. The corporation has been unable to carry out its much-needed modernization program because the government, backing the apprehensive trade unions, who stand to lose 40,000 jobs, has stepped in to halt the closure of many antiquated plants. On a 10-year program, delays of two years or more postpone implementation to a point where the planning assumptions themselves are no longer valid, which means that the industry must return to square one and start all over again.

The plight of the steel industry illustrates another trait among politicians. Plans for new installations have to be made not simply on the board's commercial judgment but on social-cum-political grounds as well. Thus, Scottish and Welsh MPs exert pressure on ministers to ensure that their regions get a "fair" share of new investment, and the allocation of a £200-million investment might well turn on the governing party's prospects in an election.

Again, the chairmen of the nationalized industries are appointed by their "sponsoring" ministers. Sir Monty Finniston, the peppery chairman of British Steel, has had several public fights with ministers. As his five-year term of office draws to its end, it has been announced that he will not be reappointed. Sir Richard Marsh, chairman of British Rail and himself a former Labor minister of transport, has fought most of his battles with the government behind closed doors

But he can read the writing on the wall and has announced that he will not be seeking reappointment when his term ends in September. Sir Derek Ezra—becoming chairman of a nationalized industry is a certain way to a knighthood—who is chairman of the National Coal Board, has just had the humiliating experience of learning from a press leak that Mr. Benn had been seeking advice from the mining union and other interests on who should succeed him. In the event, Sir Derek was reappointed, but for three years, not five.

It is easy to see why the chairmen are becoming increasingly rebellious toward their political masters. Irked by a government decision to hold down their salaries to a point well below the rewards available in private industry—presumably to encourage their workers in the ways of wage restraint—they have recently agreed to band together for protection. In time, if they stick together, a countervailing power to that exercised by governments might come into being, but most observers doubt that they will achieve the desired unity. For one thing, they have their own internecine disputes, with coal vigorously lobbying for electricity to be forced to build more coal-fired power stations, electricity complaining that gas prices are held artificially low and the railroads perennially quarreling with coal over demurrage charges on rail wagons.

For a subject that has been debated for so long and so intensely, there are remarkably few new ideas for the future of the nationalized industries. Mr. Benn, while conceding that it is a subject that is unlikely to inflame passions across the land, wants a national discussion around the framework of decentralization, worker participation in management, a bigger say for the consumer, and more openness in the relationship between ministers and the chairmen who run the industries. Michael Hoseltine, the Tory spokesman on industry, unlike some of his predecessors and, indeed, contemporaries, accepts the need for government intervention in industry, even for "social" reasons. What no one seems able to do is reawaken the idealism of 30 years ago, when these industries were to give a new, modern Britain, cured of the bitterness of the past.

Maybe the commanding heights have been conquered, but up here on the summit everybody seems rather bemused, and not a little disappointed.

TAX REFORM BILL CONSTITUTES BREAKTHROUGH FOR SMALL BUSINESS

Mr. NELSON. Mr. President, as chairman of the Small Business Committee, I am pleased to observe that the Tax Reform Act of 1976, H.R. 10612, enacts into law highly important tax reforms for family farms and smaller business enterprises, including continuation of the greatest income tax relief for smaller corporations in 25 years and the greatest estate tax relief in 34 years.

SMALL BUSINESS PROVISIONS AGREED UPON

These major provisions which have been sought by small, family, and independent business for many years are:

Extension of corporate rate reductions from 22 to 20 percent for corporate earnings under $25,000 for another year, through 1977;

Extension of the reduction from 48 to 22 percent for corporate earnings between $25,000 and $50,000 for another year, through 1977; which can produce a tax cut of 40 percent for businesses earning $50,000;

Extension of the increase in the amount of used machinery for the investment credit from $50,000 to $100,000, through 1980, along with a comparable extension in the three-point increase of the investment to 10 percent through 1980;

Estate tax relief of up to $250,000 by way of the marital deduction for surviving spouses plus a credit ultimately transferring $175,625 free of Federal taxes for heirs; and

A series of improvements for subchapter S corporations.

CULMINATION OF COMMITTEE EFFORTS

These reforms accepted by both Houses of Congress[1] represent a culmination of 1½ years of effort by the Small Business Committee and others in the Senate. They are the result of 12 days of public hearings focusing attention on the problems of small, family, and independent business and follow-through to develop solutions by means of several interim and special reports, a series of bills, and several presentations of testimony before the tax-writing committees of both the Senate and House.

It is satisfying to note that nearly all of our principal recommendations are incorporated in the final tax reform bill.

Foremost in this work have been the Senators who serve both on the Senate Finance Committee and the Senate Small Business Committee: Senators MONDALE, HATHAWAY, HASKELL, PACKWOOD, BROCK, and myself. Senators HUMPHREY and KENNEDY were also consistent and helpful supporters of these initiatives.

RATE REDUCTIONS ACHIEVED

The passage of the Tax Reform Act means that a business earning $50,000 can save up to $7,000 in Federal taxes in both 1976 and 1977 through the rate reductions; and another $5,000 through increased eligibility of used machinery for the investment as illustrated by the following table:

MAXIMUM TAX SAVINGS FROM THE SMALL BUSINESS PROVISIONS OF THE TAX REDUCTION ACT OF 1975

Before-tax earnings	Percentage: Rate reduction	Percentage: Reduction	Dollars reduction
0 to $25,000	22–20	9	$500
$25,000 to $50,000	48–22	40	6,500
Total reduction at $50,000			7,000
Additional tax savings from investment credit on used equipment between $50,000 and $100,000			5,000
Total possible tax savings upon maximum use of all small business provisions			12,000

Thus, the total savings in Federal taxes, resulting from this act, could have reached a maximum of $12,000 a year for 2 years, or $24,000.

The work of 1975 and 1976 thus adds up to the largest tax cut for smaller and particularly medium-sized businesses in a quarter century.

These tax reductions originated with our committee's hearings on February 4, 5, and 20, 1975. Shortly thereafter, a group of eight Senators introduced S. 1119[2] which changed the direction of national policy in combating the recession in the business sector.

The administration's antirecession proposal—limited to increasing the investment credit—would have concentrated 42½ percent of the benefits to the 351 largest U.S. corporations. Our proposal to accompany a credit increase with a reduction of rates on medium-sized and small companies became the congressional alternative.

When major provisions of S. 1119 were enacted on March 29, 1975, as part of the emergency Tax Reduction Act (Public Law 94–12), it allocated about 37½ percent of benefits to small- and medium-sized businesses, half again as much as the 25 percent the administration was willing to recommend.

Then, following our further hearings on Small Business Tax Reform in June 1975, we introduced and advocated in House Ways and Means hearings, adoption of S. 2149 which would make these tax cuts permanent.

We succeeded in obtaining a vote for permanency in the Senate Finance Committee and the entire Senate, before the Conference decided to approve a further year's extension of the cuts until the end of 1977.

BREAKTHROUGH ON ESTATE TAX REFORM

The Tax Reform Act ushers in a far-reaching set of changes in estate and gift taxes, the first and only revision of this area of the law since 1942, a generation ago.

Initiated by the Congress, these historic reforms recognize the critical economic and social objectives of preserving family farms and closely held and independent businesses by: first, doubling estate tax relief immediately, effective in 1977; second, nearly tripling the level of relief by 1981; and third, granting even more extensive tax-free benefits to a surviving spouse.

The act will permit the amount of the estate transferable free of Federal taxes to a surviving spouse to increase from its present $60,000 to $250,000 plus a credit of $120,000 or $370,000 in 1977; to a total of $425,625 by 1981. If the recipients are children or unrelated persons, the relief would rise from $60,000 to $120,000 in 1977 and to $175,625 by 1981.

These provisions of the final bill closely parallel the recommendations of the Senate Small Business Committee as a result of its hearings and research dating back to August 1975, as illustrated in a chart which will be attached as an exhibit.

As to the level of relief, for example, the average Wisconsin dairy farm is valued at about $185,000. This means that most farmers and presumably many small businessmen in my state and presumably many small businessmen in my State and throughout the Nation should be able to transfer the major portion of their estates tax free to the next generation. This, in turn, means that these enterprises will not have to be sold in whole or in part to pay Federal estate taxes, as is presently so often the case.

Our calculations show that an estate of $425,625 left to the wife under present law would incur a Federal tax of $36,544, and if an estate of $175,625 is left to the children, Federal taxes would eat up $25,388.

Because of this, the outdated estate tax became a major barrier to the continuation of family enterprise in this country. Half the farms in the Nation went out out of business between 1950 and 1974. The same period witnessed the greatest merger movement in our history, with 2,000 to 6,000 companies disappearing every year. One-third of all the potential competitors of giant corporations were merged out of existence during this time.

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[1] Differences between the House and Senate versions of the bill were resolved and agreed upon in House Report 1515 of the 94th Congress, the "Conference Report."

[2] S. 1119 proposed that rates be reduced on corporate earnings up to $100,000.

Our updating of the law makes it much more likely that children will be able to carry on family business in their parents' footsteps if they so desire.

These reforms mean that thousands of local enterprises, the backbone of the economies of towns, rural villages, and urban neighborhoods across the country will be saved from mergers with giant impersonal corporations. Accordingly, more decisions affecting these localities will continue to be made by local residents, whose family roots in the area go back many years and who are likely to share the deep concern about the quality of the schools, government and character of their communities; rather than the "faceless" corporate officers located somewhere else. That is the real value of small enterprise in American life.

EFFECT OF ADOPTING THE CREDIT APPROACH

It is gratifying also that the Senate and conference bill adopted the mechanism of the credit, which is more progressive for modest-sized and small estates than the exemption in current law. Research by the Small Business Committee indicates that the credit will make the new estate tax markedly more progressive and congenial to the preservation of small business and the free enterprise system.

The former exemption is far more valuable to the very wealthy. This can be seen readily in cases of larger estates taxed at the 70 percent rate. For every $1,000 exempted, there is a $700 tax saving. But in the case of a small estate in the 30 percent bracket there is only a $300 saving per $1,000 exemption. The credit treats estates of all sizes the same. Modest-sized estates containing businesses will therefore enjoy more equitable and substantial benefits under the credit.

The 15-year deferral provisions newly enacted, and the strengthening of the present 10-year deferral privileges of sections 6166 and 6161, coupled with easing the position of the executor of such estates, should also be of substantial assistance to families owning smaller businesses and farms.

SUBCHAPTER S CHANGES

We are pleased to report also that a series of basic and technical improvements to Subchapter S of the Internal Revenue Code, affecting about 300,000 small business corporations, were adopted as we and others have urged since the beginning of this decade. The key provision is to increase the number of permissible shareholders of such corporations from 10 to 15 after either 5 years or the death of a shareholder. Other provisions sought by the committee since 1970 are included in the bill as a part of sections 1314, 2036, and 2714 of the bill.

BROADER SMALL BUSINESS PROVISIONS APPROVED BY THE SENATE

The Senate Finance Committee earlier this year voted even more extensive small business benefits for the bill, which are summarized below.[3]

The members of the committee fought hard in the conference to have the rate reductions and used machinery eligibility made permanent. A letter was sent to each conferee urging favorable consideration of these provisions. There was a second attempt to gain extension of the rate cuts through at least 1980, but it did not reach a vote.

Many of us in the Senate thought we had made an excellent case for the permanency of the 1975–76 three-step corporate tax rate. It allows small- and medium-sized corporations—who cannot raise money in the stock, bond or money markets—to retain a little more of the money they earned by the sweat of their brow. For the full year of 1975, only three corporations with a net worth of less than $5 million were able to float registered stock issues. This underscores the fact that retained earnings are nearly the sole source of capital formation for smaller business.

Many studies show that the largest corporations already enjoy an effective tax rate of 24 percent, or half the statutory rate of 48 percent paid by most medium-sized and independent companies. The conference committee proceedings reveal that allowing the small business rates to revert to the higher 1974 levels will add to the subsidy which smaller business now gives to large business by $2 billion in 1978 and $2.8 billion in 1981.

Moreover, small business, which employs 52 percent of the private work force, fully justified the allocation of some of the 1975 antirecession tax cuts by saving between one-half million and a million jobs, which translates into a difference of between one-half point and a full point in the unemployment rate. Thus, in our view, it would improve the prospects for economic recovery now as well as the permanent structure of the economy, if the Senate version of the bill had prevailed.

However, as to the items on which we we have been unsuccessful, a greater effort will be made in the next Congress.

I am aware that there are some provisions of the bill about which experienced and knowledgeable small and family business owners and others may disagree. But, on balance, and for all its faults, the Tax Reform Act of 1976 represents a victory for which the small business community has labored hard and long. I therefore applaud its passage on these grounds.

I ask unanimous consent that the appended chart be printed in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

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[3] The Senate version of H.R. 10612 recommended:

Permanent rate reduction from 22 to 20 percent for corporate earnings under $25,000.

Permanent rate reduction from 48 to 22 percent for corporate earnings between $25,000 and $50,000.

Permanent increase in the eligibility of used machinery for the investment credit from $50,000 to $100,000.

Estate tax relief of up to $250,000 for surviving spouses and $198,000 for other heirs which would enable many family enterprises to be carried on by the next generation.

Three improvements in the law relating to "Subchapter S" small business corporations.

An early valuation procedure for stock options to assist smaller growth firms.

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COMPARISON OF THE MAJOR FEATURES OF SMALL BUSINESS ESTATE AND GIFT TAX BILLS INTRODUCED IN THE U.S. SENATE WITH PROVISIONS ADOPTED BY THE HOUSE-SENAT CONFERENCE

Bill No. and date	Increase in estate tax relief to the amounts indicated below						Increase in gift tax exemption		Integration of estate and gift tax systems		Increase in marital deduction		
	$150,000	$175,000	$180,000	$200,000	Phase-in or relief	Use of Credit	$60,000	$100,000	Combined exemptions or credits	Integrated rates	$100,000 plus 50 percent	$240,000 plus 50 percent	$250,000 plus 50 percent
S. 2819 (Nelson et al.): December 1975.			√		√		√		√			√	
S. 2394 (Mondale et al.): September 1975.	√												
S. 3140 (Nelson and Packwood): March 1976.						√							
S. 3478 (Nelson and Mondale): May 1976.		√[2]				√			√[2]		√		
President's proposals: January 1976													
March 1976	√												
Conference bill: September 1976		√			√	√		√		√			√

COMPARISON OF THE MAJOR FEATURES OF SMALL BUSINESS ESTATE AND GIFT TAX BILLS INTRODUCED IN THE U.S. SENATE WITH PROVISIONS ADOPTED BY THE HOUSE-SENATE CONFERENCE—Continued

	Reduction in valuation of property in estate		Deferral provisions								
Bill No. and date	Valued at existing use	Reduced by covenants on use	Increase years for payments	Relieve executor of personal liability	Expand definition of closely held business	Reduction of interest rate on deferral	Change standards for discretionary deferral from "undue hardship"	Strengthening of sec. 303 stock redemption	Study of additional steps toward preserving independence of farm and family business	Carryover basis	Generation skipping amendments
S. 2819 (Nelson et al.): December 1975.		✓		✓	✓			✓	✓		
S. 2394 (Mondale et al.): September 1975.	✓					✓	✓				
S. 3140 (Nelson and Packwood): March 1976.											
S. 3478 (Nelson and Mondale: May 1976.			✓	✓		✓		✓	✓		
President's proposals:											
January 1976			✓	✓		✓					
March 1976											
Conference bill: September 1976	✓[4]		✓	✓		✓	✓	✓		✓	✓

[1] In 3 stages: to $80,000 in 1976, $100,000 in 1978, and $120,000 in 1980, plus ability to combine $60,000 lifetime gift tax exemption for total of $180,000 usable for either estate or gift tax relief.

[2] $163,334 for small business or family farm property.

[3] Unified credit.

[4] Real property.

Source: Analysis by Senate Select Committee on Small Business, September 1976.

INTERNATIONAL WOMEN'S YEAR COMMISSION REPORT

Mr. BAYH. Mr. President, today I would like to insert into the RECORD the last three sections of the International Women's Year Commission report, " 'To Form a More Perfect Union' Justice for American Women."

The first section gives background information on the Executive order creating the Commission, how the Commission went about its work, and a profile of all the Commission members.

The interdepartmental task force was created at the same time as the International Women's Year Commission. Its job was to plan and implement projects within the Government for the international women's year observance. The task force was composed of at least two representatives, a man and a woman, from each Federal agency and department. Their report and recommendations are contained in the second section I am inserting today.

The third and last section I would like to share with my colleagues and their constituents is one of the most informative and interesting. Included in this portion are chapters on "What You Should Know About Women," "Where Women Are Now," "Federal Laws Prohibiting Sex Discrimination and How To Use Them," and "The Equal Rights Amendment—Origin and Interpretation."

I ask unanimous consent that these three sections of the report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PART IV.—THE NATIONAL COMMISSION ON THE OBSERVANCE OF IWY

EXECUTIVE ORDER CREATING THE COMMISSION, AS AMENDED

The White House

Executive Order: Establishing a National Commission on the Observance of International Women's Year, 1975

There is increasing recognition of, and interest in, the contributions of women to the national life of this country in all its important aspects—cultural, political, economic, and social. Significant progress continues in advancing the rights and responsibilities of women, in opening new opportunities, and in overcoming political, legal, social, and economic handicaps to which women have long been subject. Americans must now deal with those inequities that still linger as barriers to the full participation of women in our Nation's life. We must also support and strengthen the laws that prohibit discrimination based on sex.

The United Nations General Assembly, by proclaiming 1975 as International Women's Year, has offered us an exceptional opportunity to focus attention throughout the country on the rights and responsibilities of women. Presidential Proclamation No. 4262 of January 30, 1974, called upon the Congress and the people of the United States, interested groups and organizations, officials of the Federal Government and of State and local governments, educational institutions, and all others who can be of help to provide for the national observance of International Women's Year with practical and constructive measures for the advancement of women in the United States.

I have now determined that it would be in the public interest to establish a National Commission on the Observance of International Women's Year, 1975.

Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered:

SECTION 1. *Establishment of a National Commission.*

(a) There is hereby established a National Commission on the Observance of International Women's Year, 1975.

(b) The Commission shall consist of not more than 35 members to be appointed by the President from among citizens in private life. The President shall designate the presiding officer, who may designate from among the members of the Commission as many vice presiding officers as necessary.

(c) The President of the Senate and the Speaker of the House of Representatives are invited to designate two Members of each House to serve on the Commission.

(d) The members of the Commission shall serve without compensation, but shall be entitled to receive travel expenses, including per diem, in lieu of subsistence as authorized by law (5 U.S.C. 5703).

SEC. 2. *Functions of the Commission.* (a) The Commission shall promote the national observance in the United States of International Women's Year. To this end, it will focus attention on the need to encourage appropriate and relevant cooperative activity in the field of women's rights and responsibilities.

(b) The Commission shall take as its action agenda the relevant parts of the resolution adopted by the United Nations General Assembly proclaiming 1975 as International Women's Year:

(1) To promote equality between men and women.

(2) To ensure the full integration of women in the total development effort, especially by emphasizing women's responsibility and important role in economic, social and cultural development at the national, regional and international levels, particularly during the Second United Nations Development Decade.

(3) To recognize the importance of women's increasing contribution to the development of friendly relations and cooperation among States and to the strengthening of world peace.

(c) The Commission shall keep itself informed of activities undertaken or planned by various organizations and groups in the United States in observance of the Year and shall consult with such groups including the United States Center for International Women's Year.

(d) The Commission shall encourage the public and private sectors to set forth objectives to be achieved as part of the program observing International Women's Year, as provided in the Presidential Proclamation.

(e) The Commission shall, through close liaison with appropriate Government agencies and their public advisory committees, keep itself informed about and make known to the public all major programs and special efforts during International Women's Year which are supported by those agencies.

(f) The Commission shall hold meetings at such times and places as the presiding officer shall determine. It may assemble and disseminate information, issue reports and other publications and conduct such other activities as it may deem appropriate to provide for effective participation of the United States in the domestic observance of International Women's Year.

(g) The Commission may establish, within the limits of available funds, such subcommittees or working groups as may be necessary for the fulfillment of its tasks. The membership may include persons not members of the Commission.

(h) The Commission shall conclude its work by the end of the year 1975 and make a report to the President within thirty days thereafter. The Commission shall then be terminated.

SEC. 3. *Assistance and Cooperation.* (a) The Commission may request any agency of the Executive branch of the Government to furnish it with such information, advice, and services as may be useful for the fulfillment of the Commission's functions under this Order.

(b) The agencies of the Executive branch are authorized, to the extent permitted by law, to provide the Commission with administrative services, information, facilities and funds necessary for its activities.

(c) The Commission may procure, subject to the availability of funds, the temporary professional services of individuals to assist in its work, in accordance with the provisions of Section 3109 of Title 5 of the United States Code.

SEC. 4. *Responsibilities of Government Departments.* Each agency of the Executive branch shall designate at least two persons, preferably a man and a woman, to be responsible for planning and implementation of projects and programs within such departments and agencies for the domestic observance of International Women's Year. Persons so designated shall constitute membership of an interdepartmental task force for International Women's Year. The Department of State shall designate the presiding officer. The task force will coordinate the activities undertaken by the Executive branch of the United States Government as well as those undertaken by the Commission in the domestic observance of International Women's year.

GERALD R. FORD.

THE WHITE HOUSE,
January 9, 1975

The White House

Executive Order: Amending Executive Order No. 11832 of January 9, 1975, To Extend the Existence of the National Commission on the Observance of International Women's Year, 1975

By virtue of the authority vested in me by the Constitution and the statutes of the United States of America, including Section 204 of the Supplemental Appropriations Act, 1975 (P.L. 93-554, 88 Stat. 1784) and the State Department appropriations act for 1976 (P.L. 94-121), and as President of the United States of America, Section 2(h) of Executive Order No. 11832 of January 9, 1975, is hereby amended to read as follows:

"The Commission shall, to the extent funds are available, continue its work through June 30, 1976, and shall submit a final report on its activities to the President within thirty days thereafter, at which time the Commission shall terminate."

GERALD R. FORD.

THE WHITE HOUSE,
November 25, 1975

HOW THE COMMISSION WENT ABOUT ITS WORK

To give readers a picture of how a national commission goes about its work, there follows a description of the manner in which the National Commission on the Observance of International Women's Year carried out its task.

First, it may be said that the Commission understood the serious nature of its assignment. Thirty-five private citizens appointed by President Ford and four Congressional members (two named by the House and two by the Senate) labored for 12 months to create realistic recommendations which aimed at eliminating the barriers that continue to face American women.

A second way to describe the Commission is to say that the members held strong and divergent views. Their biographies on the following pages will show the variety of business, professional, geographic, age, racial, and ethnic backgrounds from which they came. Yet they were committed to reconciling their differences.

Since the National Commission was created in response to the designation by the United Nations of International Women's Year, the Department of State offered space and some assistance to facilitate the work of the Commission. The IWY Secretariat, the staff which carried on the day-by-day activities of the Commission, also was housed in the State Department.

All meetings of the Commission were open to the public, and all sessions were recorded. Commission members met monthly, contributing their time, a not inconsequential gift, since meetings generally were 2 days long, plus travel time.

In addition to the Commission meetings, members also participated in committee work. The 13 committees met at least once a month, sometimes more often. To these sessions, a series of experts brought their views of research on sex barriers. Especially moving were the women who testified to their personal experiences of hardship and lack of opportunity simply because they are female. Minority women, blacks, Indians, Asian-Americans, Hispanic-Americans all told of double and triple burdens. Some of the committees also commissioned original research when data was not available on specific problems.

Working in an atmosphere of sensitivity to the differing viewpoints of all Americans, the committees surveyed and assessed evidence and debated and refined the texts of their recommendations, which were subsequently presented to the Commission as a whole.

Altogether, the Commission is making over 100 recommendations; these are stated in full and accompanied by a limited amount of background material in Part V. These recommendations are submitted to the President and the American people in the firm belief that their implementation will help "to form a more perfect union" in the United States, as the Constitution promises.

THE COMMISSION MEMBERS

Jill Ruckelshaus (Washington, D.C.)—Former Assistant to Anne L. Armstrong, Counsellor to the President; former Director of Organizational Relations, National Center for Voluntary Action; Director of Kenyon College and Mt. Vernon College; National Women's Political Caucus Advisory Committee; graduate of Indiana University; married to William D. Ruckelshaus and mother of five children.

Alan Alda (New York City)—Actor, writer, director, and star of the television series "MASH"; created, wrote, and coproduced the CBS family comedy series "We'll Get By." An active feminist, he has campaigned in several States for the Equal Rights Amendment.

Ethel D. Allen (Philadelphia)—Physician and surgeon; city councilwoman; specialist in urban affairs; staunch advocate of women's rights; civil rights activist; named by *Esquire* magazine as one of 12 most promising female politicians; oftentimes Presidential appointee to boards and commissions; spirited orator; compassionate and personable.

Anne L. Armstrong (Armstrong, Texas)—American Ambassador to Great Britain, former Counsellor to the President, Cabinet member from February 1973 to December 1974. In 1971 she was the first woman to be elected to the position of co-chairman of the Republican National Committee.

Margaret Long Arnold (Saugerties on Hudson, New York)—Past and honorary president, General Federation of Women's Clubs; founder, Outstanding Young Women of America; chair, New Hampshire Council on Problems of Aging; promoted Museum of Immigration; Operation Alphabet; presided over three international conferences; currently, Special Assistant to the Executive Director for Women's Activities, NRTA-AARP.

Elizabeth Athanasakos (Fort Lauderdale, Florida)—Practicing attorney and former Municipal Judge; served in other women's rights activities including 1969-70 President's Task Force on Women's Rights and Responsibilities and 1972-74 chair of the HEW Secretary's Advisory Committee on Women; Past Grand President of the Daughters of Penelope.

Barbara R. Bergmann (Bethesda, Maryland)—Economist; Professor of Economics, University of Maryland; author of numerous articles on computer simulation, unemployment, transportation, and default, and on the economic impact of discrimination against women and blacks; consultant to government agencies and private foundations.

Patricia T. Carbine (New York City)—Executive editor of *Look* magazine (1969), editor of *McCalls* (1970), and currently publisher and editor-in-chief of *Ms.;* member of the Board of Directors of the Magazine Publishers Association and the Board of the Advertising Council.

Weston Christopherson (Lake Forest, Illinois)—President Jewel Companies, Inc., large diversified retailer with 11 U.S. companies and major investment in Mexico retailing. (Several officers and directors of Jewel are female and in other respects Jewel is regarded as an industry leader.) Trustee of University of Chicago and several other civic and corporate boards.

Mary Stallings Coleman (Battle Creek, Michigan)—Only woman elected Justice, Michigan Supreme Court; active on State and national levels in advancement of juvenile justice, drug abuse, crime prevention, and criminal law; frequent lecturer; active in civic affairs. Husband, circuit judge; two professional daughters (M.D.'s); three grandchildren.

Audrey Rowe Colom (Washington, D.C.)—President of National Women's Political Caucus—1975; Secretary's Advisory Committee on Women—Department of Labor; Children's Defense Fund; former special assistant to the National Welfare Rights Organization. Active on numerous boards, civic associations, and professional organizations.

Helen K. Copley (La Jolla, California)—Chairman and chief executive officer of corporation publishing Copley Newspapers; publisher, the *San Diego Union* and *Evening Tribune;* director—Inter-American Press Association, Newspaper Advertising Bureau, Inc., California Chamber of Commerce, Scripps Clinic and Research Foundation, Wells Fargo Bank, Freedom Foundation at Valley Forge.

Richard Cornuelle (New York City)—Writer of social theory. His books include *Reclaiming the American Dream* and, more recently, *De-Managing America* in which he treats the women's movement as a principal example of unmanaged social change. He has two daughters and a son.

Winfield C. Dunn (Nashville, Tennessee)—Governor of Tennessee, 1971-75. The Dunns, including wife Betty, son Charles, and daughters Gayle and Julie, now reside in Nashville. Governor Dunn serves a number of companies as consultant and corporate director.

Casey Eike (Lawrence, Kansas)—An active feminist for a number of years, co-director of the Kansas Community Rape Prevention and Victim Support Project and an assistant to the Dean of Women at the University of Kansas; served as president of Intercollegiate Association of Women Students and delegate to White House Conference on Youth.

Paula Gibson (Four Lakes, Washington)—Oldest of five girls, at 19 she is the youngest member of the Commission. Past national treasurer and Washington State director of public relations for the Future Homemakers of America. Currently a National Merit Scholar at Gonzaga University, Spokane, Washington.

Gilda Bojorquez Gjurich (Montebello, California)—Active in the private sector in southern California for over 20 years, primarily in the field of housing, general contracting, and other elements of the construction and development industry.

Ella T. Grasso (Windsor Locks, Connecticut)—Governor, State of Connecticut, 1975—; Member, U.S. House of Representatives, 1970–74; Secretary of the State of Connecticut, 1958–70; Member, Connecticut House of Representatives, 1953 and 1955 sessions. Active in numerous civic, cultural, and church affairs.

Hanna Holborn Gray (New Haven, Connecticut)—Since 1974, Provost of Yale University. Also professor of history, with major interests (teaching and research) in the Age of the Renaissance and Reformation in Western Europe.

Martha W. Griffiths (Farmington Hills, Michigan)—Member of the law firm, Griffiths & Griffiths, Farmington Hills, Michigan; Member of Congress, 1955–75.

Katharine Hepburn (New York City)—Actress in motion pictures, stage, television; Academy Awards, 1968, 1969.

Lenore Hershey (New York City)—Editor-in-chief, *Ladies' Home Journal;* writer, community leader; creator and executive producer of the annual "Women of the Year" TV show, based on Journal awards to women of achievement; former member, President's Advisory Commission on the Economic Role of Women.

Velma Murphy Hill (New York City)—Vice President of the American Federation of Teachers; assistant to the president of the United Federation of Teachers; member of the New York Commission on the Status of Women; chair of the Paraprofessional Division of the UFT; U.S. Labor Delegate to the International Labor Organization Convention (ILO) in Geneva, Switzerland, 1975.

Patricia Hutar (Glenview, Illinois)—President, National Federation of Republican Women; U.S. Representative, United Nations Commission on the Status of Women; former assistant chairman of Republican National Committee; married to Laddie F. Hutar and has a daughter, Elizabeth, and a son, John.

Rita Zimmer Johnston (Bethesda, Maryland)—Since July 1973, delegate of the United States to Inter-American Commission of Women; elected vice-president September 1974; reorganized U.S. Committee of Cooperation, Hemispheric Congress, and successfully worked for ratification of political convention; chairs IACW committees on IWY, seminars and courses, Fair Treatment of Women in Organization of American States.

Ellen Groves Kirby (Petersburg, West Virginia)—Deeply concerned with the needs of people, she serves a rural county in West Virginia as their only school health nurse and public health nurse; wife and mother, active in many civic and professional organizations.

Dorothy Vale Kissinger (Mesa, Arizona)—Managing owner with husband of Arizona's Sahuaro Lake Guest Ranch; vice moderator United Presbyterian Church, U.S.A.; president, Soroptimist International of the Americas, largest women's classified service organization.

Clare Booth Luce (Honolulu, Hawaii)—Author; playwright; former Member of Congress from Connecticut and former Ambassador to Italy; currently serving on a number of boards in Washington, Chicago, and Hawaii; member of the President's Foreign Intelligence Advisory Board and the White House Preservation Committee.

William Crawford Mercer (Wellesley Hills, Massachusetts)—President, New England Telephone and Telegraph Company, which has an active Affirmative Action Program to advance opportunities for women; holds directorships and trusteeships in a number of business, educational, and civic institutions in the New England area; served on the President's Task Force on Women's Rights and Responsibilities, 1969–70.

Ersa Hines Poston (Loundonville, New York)—Commissioner and past president, New York State Civil Service Commission. Her voluntary and public service career includes local, State, national, and international assignments as a professionally trained social worker and experienced public administrator.

Sister Joel Read (Milwaukee, Wisconsin)—President, Alverno College, a women's college in Milwaukee, Wisconsin, which has pioneered one of the most advanced learning systems in the country. She is concerned with assisting women to achieve the life they want and finding ways to do so within the context of a world that sets few limits for the individual while increasing the hurdles in exponential fashion.

Betty L. Smith (Eugene, Oregon)—An active community volunteer, wife and mother of two teenagers; served YMCA as a national board member; president of the Pacific Regional Assembly and local board president. Voluntarism and affirmative action programs, plus the involvement of women at all levels of the YMCA are major concerns.

Mary Louise Smith (Des Moines, Iowa)—Chair of the Republican National Committee, is a grassroots Republican who has risen through party ranks, first in her native Iowa and now nationally. She is a lifelong advocate of women's rights.

Annie Dodge Wauneka (Ganado, Arizona)—Only woman member on the Navajo Tribal Council; daughter of the last chief of the Navajo Nation; active in national and regional Indian affairs.

Gerridee Wheeler (Bismarck, North Dakota)—Immediate past president of the National Association for Mental Health; a homemaker, wife, mother of eight children; her interests include better health care, mental and physical, for all women.

Senator Birch Bayh (D., Indiana)—Senator from Indiana since 1962; served 8 years in the Indiana Legislature; authored and guided through the Senate the 25th and 26th Constitutional Amendments and sponsored the 27th Amendment, E.R.A., now pending ratification.

Senator Charles H. Percy (R., Illinois)—Senator Percy is active in the fields of economics, foreign relations, consumerism, and the aged; authored legislation to assure equality for women in education, foreign assistance, and government administration overall; was a delegate to the 1975 IWY Conference.

Representative Bella S. Abzug (D. New York)—B.A. Hunter College, L.L.B. Columbia Law School. Practicing attorney for 23 years; elected to Congress 1970; organized and led lobbies for peace, an end to the Viet-Nam war; active in labor law, civil liberties, and women's rights cases.

Representative Margaret M. Heckler (R., Massachusetts)—Elected in 1966; represents 10th District of Massachusetts; serves on Joint Economic Committee, Agriculture Committee and Veterans Affairs Committee (the only woman on each committee); leader in passage of E.R.A., Equal Credit Law, and key legislation on environment, energy, consumer protection, education, and child care.

U.S. INTERDEPARTMENTAL TASK FORCE FOR IWY, 1975 [63]—REPORT AND RECOMMENDATIONS

When the U.S. Commission for the Observance of International Women's Year was created by Presidential order in January 1975, a parallel body, the Interdepartmental Task Force for IWY was authorized, to consist of at least two representatives, a woman and a man, from each governmental department and agency. Its job was to plan and implement projects within the Federal Government for the domestic observance of IWY.

Considerable thought went into defining an appropriate mission for the task force The first real inspiration as to how the task force could best serve the goals of International Women's Year came from a U.S.-sponsored resolution at the Mexico City IWY Conference which called upon the United Nations to assess the programs of all its agencies in terms of their impact on women. If we would require the United Nations to undertake this self-evaluation, why not carry this concept into the Federal Government and ask it to make a candid examination of its programs as they affect women?

On August 1, the representatives of the 50 constituent agencies of the IWY Task Force met for the first time in the Department of State. Acting Secretary of State, Robert Ingersoll, opened the meeting by describing the World Plan of Action which had been unanimously adopted at the U.N. Conference on International Women's Year in Mexico City and which set guidelines directing national governments to accelerate the full participation of women in the economic, social, political and cultural lives of their countries. A quick glance at the section titles of the World Plan shows their relevance to the activities of our own government in such areas as health and nutrition, housing and related facilities, education and training; in fact, the Plan relates to all the Federal agencies in its call for priority attention to extensive data collection and analysis relating to women.

As an essential step in implementing those parts of the Plan which are relevant to our stage of national development, Mr. Ingersoll suggested that the Federal bureaucracy assume the responsibility of examining its programs in terms of their actual and potential impact on women. For example, existing standards and arbitrary restrictions limit the number of women eligible for military service. What might be the effects on education, health, and income of women if this were not so? Would not women benefit from the free health care, educational, income, and retirement advantages and leadership training that accrue to men in the service?

Is there discrimination against women in "manpower" training and in programs operated under revenue-sharing? Are small business credit and loan programs actively increasing opportunities for women in these areas? Are our nutrition programs assessed as to their effect on women and their families? Are women's needs taken into consideration in transportation planning? Are women getting their fair share of Federal contracts and grants? These and other questions Mr. Ingersoll hoped would guide agencies to examine their programs with a fresh and critical eye. And lest this mandate sound too preferential, he pointed out that improvement in the living and working conditions of women in the United States would unquestionably result in improvement in the lives of all our citizens and in a stronger and healthier society.

Jill Ruckelshaus, Presiding Officer of the U.S. Commission for the Observance of IWY, then described the activities of the 13 committees of the Commission. The Commission, she explained, is directed by Executive order to maintain close liaison with government agencies and is empowered to request any agency to furnish it with such information as may be useful for the fulfillment of the Commission's function.

On behalf of the Commission, Ms. Ruckelshaus requested the cooperation of each agency in carrying out the studies suggested by Mr. Ingersoll. She stressed the value of this assessment to the work of the Commission in framing its recommendations for a final report to the President. Each agency was requested to make a realistic analysis of a representative sample of its programs in terms of their impact on women as beneficiaries and participants; and if upon assessment the impact was judged not to be beneficial, an examination of alternative programs should be undertaken to insure more positive results.

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[63] The Interdepartmental Task Force, whose activities are reflected in this report, was made up of men and women representing 50 Federal agencies and departments. Staff members: Maxine Hitchcock and Richard Simonson (HEW).

In addition, agencies were asked to describe what significant efforts departments had made during IWY 1975 to further the objectives of IWY—equality, development, and peace. A deadline of November 31, 1975 was suggested for the reports.

Help in assuring that the request for impact evaluations would receive some serious consideration came from James Lynn, Director of the Office of Management and Budget (OMB). In an appearance at the second meeting of the task force, on September 9, 1975, Mr. Lynn strongly endorsed the procedure. He recognized that the time allowed to prepare the evaluation reports was somewhat short, but felt the process to be of sufficient worth that even a "quick and dirty" job would have value—

"I don't think you should expect to get back any kind of polished analysis; and if it does perform the function that you're talking about, to get people thinking about the programmatic impact as the first step, it will have been a full success."

He also recommended public hearings as a valuable method of getting women's input into policy—

"If departments and agencies will hold more hearings before they make the substantive decisions on policy issues or programs, and if the women's groups keep their eye out for those hearings, and then come in and testify from their perspective and concerns, it can be extremely useful, because then there has to be a response in the programmatic decisionmaking—it's amazing what you can learn when you go outside."

Under questioning as to what the OMB could do to get top management support for the program evaluation process, Mr. Lynn replied that he saw no reason why his examiners should not review the impact of programs on women as part of budget review procedures. He promised to ask his staff to review what the OMB is doing in this area and tell him what more should be done.

Mr. Lynn did then issue an office memorandum on October 22, 1975 to the OMB staff in which he asked them to take a critical look at the involvement of women in all stages and levels of the programs which they examine and to call to his attention those areas where women are underrepresented as well as those programs which have negative impacts on women. "It is important," he concluded, "that OMB provide this kind of critical review, not only in this International Women's Year, but also as an integral part of all our ongoing activities."

Since this was a new and noncustomary way of looking at Federal programs, it was not clear what could be expected from the exercise which the Commission was asking the Federal bureaucracy to perform. At the least, it could create in program managers a heightened sensitivity to the needs of women, and to the intangible as well as the tangible effects of programs on women.

At the most, there might be a change of direction in the design and administration of certain government policies and programs where women are concerned.

AGENCY REPORTS

Of the 50 agencies who comprised the task force, 48 submitted reports. These reports ranged in length from a single-page letter with the disclaimer that "this agency does not have program responsibilities which impact on women *per se*," to several which ran between 70–80 pages. Within that range, most of the reports represented a thoughtful attempt to respond to the evaluation request.

Considering that this process was, for most of the agencies, an innovative way of looking at their programs; that the time allowed to complete the reports was short, it nevertheless provided some very useful identification, and some ground-breaking analyses of special problem areas. Most particularly the survey provided material that proved of real value to the 13 committees of the IWY Commission in formulating recommendations to the President.

As an example, the Treasury Department included in its report two papers, prepared previously for other purposes, on how present tax law affects women in the labor force and on the tax treatment of the family unit. These papers present criteria for measuring the effects of taxes on unpaid work, child care expenses, two-income families, surviving spouses, and divorcees. Certain questions of values are raised as to whether the tax system imposes a general bias in the economy favoring unpaid work at home compared with paid work in the market; or whether current law imposes a marriage penalty on two persons, each with independent income who, if married, pay a higher tax than they would pay if still single. While implying that some changes should be made, the Treasury Report, however, left it to the Homemaker and Child Development Committees of the IWY Commission to recommend certain specific changes in our tax laws.

For a variety of reasons the depth of coverage and the quality of reporting was very uneven. The agencies were asked to evaluate only a representative sample of their programs as they affected women, thus producing a far from complete picture. A few failed to see that the request for special information on women was relevant to their programs. It is also apparent that the level of responsibility of the person or persons assigned the task of coordinating and reporting the responses of their agencies affected the quality and extent of coverage.

Some agencies were largely content to describe ongoing programs or policies which would normally benefit women without forethought or special planning. Other reports presented inventive approaches to women as target groups for special consideration. And if some of the agencies appeared to be reaching for their impact, at least the effort was made. Virtually all the agencies came up with recommendations or suggestions for some policy change, or some program emphasis which could produce a more beneficial result for women.

On balance, this was clearly a worthwhile exercise. Its utility is best summed up in the following statement from the National Endowment for the Humanities:

"As a result of this inquiry, we are better informed about our own operating procedures as related to women, and about the nature and extent of our support of women and women's studies."

Some of what the agencies discovered about women as beneficiaries and as potential beneficiaries of Federal programs is summed up in the following pages.

SOME AGENCY OBSERVATIONS

A recommendation with far-reaching implications in the awarding of government grants is made by the American Revolution Bicentennial Administration (ARBA). ARBA admits to a constant concern for the involvement of women and minorities in its programs, yet, it notes, because legislation limits the ARBA national grants program to the grantee's ability to match Federal funds, women's organizations and minority groups are usually unable to benefit from the grants program and must limit their participation to voluntary activity. ARBA recommends that in other such grants programs in the future, consideration be given to the monetary value of the volunteer contribution when determining the matching capability of an organization. Many valid and meaningful programs do not materialize because of this matching fund stipulation.

The acceleration of female arrests for serious crime, 277.9 percent increase over the past 13 years, has highlighted the fact that female offenders needs and problems have historically been largely overlooked by the criminal justice department. The Department of Justice describes steps which should be taken, such as making facilities for women an integral part of the correction system, vocational and community programs and ongoing research to determine the special needs of the female offender.

NASA describes a fascinating array of benefits to women arising out of research in the technology utilization units of its space program. For example, a brassiere with sensors is being tested in the medicine and health unit to help women detect breast cancer at an early stage. A thermal magic cooking pin which cooks (or freezes) meat in half the normal time is the result of the products and materials unit experiments in high heat transfer. Space-proof materials are being used to make nearly indestructible refrigerators and other appliances.

The Nuclear Regulatory Commission after careful investigation has decided not to amend the dose-limiting sections of its regulations to differentiate between men and women. A difference in radiation protection standards applicable to fertile women could amount to job discrimination against women by denying them jobs usually filled by women. By maintaining equal radiation standards for women and men certain jobs involving radiation exposure, now usually filled by men, could open up to women.

The Department of State admits that the representation of women in international conferences, 5 percent for 1974–75, should and can be higher and that goals for such participation should be established and progress in reaching these goals assessed annually.

In the spirit and intent of the World Plan of Action, the U.S. Action Agency reports it will expand its voluntary services, both domestically and in the Peace Corps countries, for maternal and child health, community sanitation, literacy programs, and nutritional education.

The Extension Service of the Department of Agriculture is also reexamining and upgrading its programs which fall within four areas of the WPA, including health and nutrition, the family in modern society, education, training, and housing.

Although the impact of programs of the U.S. Information Agency (USIA) is necessarily upon audiences abroad, USIA is planning to expand the role of American women in these programs by insuring that they are routinely and increasingly included for speaking engagements, artistic representation, as subjects for films and recordings and on book lists. Along similar lines, the State Department is reassessing its Art in Embassies program which provides exposure to outstanding American artists to increase the representation of women artists.

From its inception in 1964, programs of the Community Services Administration (CSA) have been known to have substantial impact on women since its services are primarily directed toward low income groups. As a means of assuring more beneficial effects of additional programs, CSA suggests that applications made to it for Federal assistance include an assessment of how any proposed program might have an impact on women.

The Department of Labor has published a special supplement on Women and Unemployment Insurance, (Report No. 304–1), prepared in observance of International Women's Year. It highlights the problems of women in this area, underscores the presence of provisions in the laws in some 20 states which actively discriminate against women and provides background material for those seeking legislative change.

WOMEN IN NONTRADITIONAL CAREERS

At the second meeting of the task force, the National Science Foundation (NSF) reported on a series of special studies and projects designed to break down the barriers to women of careers in science. Making women more aware of their suitability to scientific vocations will not only broaden their career opportunities and encourage them in their desire for changes in life styles, but also refresh the scientific community by providing a resource of previously unregarded talent.

NSF emphasizes its own commitment to increase the representation of women in policy positions. Its representation of women in GS 13–18, while still low, is double the government-wide percentage. The fact remains, however, that increased involvement of women in the Foundation's work depends on the larger issue of increased involvement of women in science. A Foundation subcommittee is presently studying its expenditures for attracting women to science education and seeking ways of encouraging more women to study and work in sicence. Twenty-eight projects are currently being funded by the Foundation to provide, for example, better understanding of the reasons why more qualified women do not pursue careers in science. An even more practial program is that of the Science Education Directorate to give the educational community a set of proven cost-effective mechanisms for increasing the number of women in science

In their impact reports to the task force, several agencies have demonstrated their awareness of the lack of parity between the sexes in the "nontraditional" careers of engineering, the physical sciences, and other technical areas. The Environmental Protection Agency, the Department of Interior, Defense, Transportation, and the Federal Communications Commission, among others, address aspects of the general problem.

As the EPA states, it should surprise no one that there are few women working in the realm of waste-water treatment design, construction, operation, administration, or management, since women compose less than 1 percent of degree holders in sanitary engineering. Actually, only 5.1 percent of all degrees awarded in 1974 in engineering, mathematics, and physical sciences went to women.

Nor does it surprise the writers of the Department of Transportation report to find that because of the shortage of women in the traditionally male-dominated professions—engineering, business, economics—women are rare in policymaking positions in the Department and in its various clientele groups. And the connection is made between this shortage of senior women and absence of sustained attention to substantive ways in which Departmental policy may affect women. The report goes on to note that nowhere within the Department, in neither the Office of the Secretary nor the operating administrations, is any attention paid to the characteristics of women as transportation users, energy users, members of the economy generally, or members of families that are affected by mobility patterns.

As even more women enter the labor force they will become increasingly important as users of transportation services, particularly urban ones, where they are alreadly the major consumer group. Planning which fails to take into account the actual characteristics of the consumer, in this case the woman commuter whose preferred choice of transportation is influenced by her family responsibiilties (the personal school schedules of her children, the convenience of combining the journey home with a shopping trip and other variables that may not enter into the choice of mode of transportation of a man) may find its strategies failing in unanticipated ways. The Department, the report concludes, should use its own national policy and research role to continue to evaluate the impact of DOT programs on the transportation options and mobility patterns of women. It should do this in conjunction with increasing efforts to bring women into policymaking positions in transportation and other related employment.

DOT further suggests that some rethinking about the skills appropriate to transportation planning might be in order. DOT grants for transportation research are generally made to engineering and economics departments and schools of business administration, where relatively few women students enroll. Meanwhile, skills other than engineering and economics are required to persuade the American public to use transportation resources in a way that maximizes the national goals of environmental protection and energy conservation. The success of public transportation in particular depends on marketing, management, customer relations, and political acumen. DOT recommends heavier recruitment of professionals from a greater range of disciplines into transportation management. This in turn holds promise for breaking through the all-pervasive problem of having too few women in professional positions in the Department. The entry of women into transportation policymaking can not await the training of young women traffic engineers and transportation economists and their ascension through the bureaucracy. If study in fields such as community development, sociology, and law were considered appropriate background for DOT personnel, greater involvement of women in program management could occur.

The problem of women and nontraditional educational opportunities and careers appears throughout the report of the Department of Interior. Men clearly dominate in management of fish and wildlife programs. The Office of Water, Research, and Technology seldom receives applications from women for senior staff positions, "perhaps because the OWRT program is highly science-oriented." Conscious of the need for concern, a recent initiative resulted for the first time in the seating of two women on the agency's nine-member advisory panel which deals with water resources. In the same context, the office notes that no women serve as directors of the 54 State Water Resources Research Institutes which Federal funds support, thus further pointing up the necessity for qualified women in these career fields.

There is a recognizable problem in that the trades, skills, or disciplines which qualify a person to do the work of the Department of Interior require education in fields traditionaly thought of a "man's work." This, reports the Department, has a two-fold effect. It makes it genuinely difficult to find qualified women to place; and it gives unethusiastic office managers blanket reason for resisting improvement in placing women.

A recommendation of the Department of Interior calls for strengthening efforts to recruit and to accommodate women at university and at other scientific, technology, and vocational school courses in nontraditional disciplines; and to stimulate, via public relations and at conventions or other appropriate forums, dialogues on problems and prejudices which create barriers to women in these disciplines. EPA supports this recommendation to initiate such programs and urges career counseling be given young women concerning technical disciplines as well as scholarship assistance to educational institutions in these fields.

The Federal Communications Commission has altered its professional recruitment program in order to seek out women for jobs heretofore considered predominantly male, hoping in this way to recruit more women engineers. They are also encouraging women employees to take the necessary courses to attain the status of electronic technician, thus opening up broader vistas for career advancement within the Commission.

NASA reports it also is working to enlarge the role of women in all its scientific and technical fields, including jobs as crew members and as science technicians in the space shuttlers and space labs which will be operational by 1980.

The Job Corps Program in the Department of Labor is directing particular attention to training women in nontraditional occupations and plans to recommend that specific requirements in Job Corps regulations be changed to include staff training in career counseling to help reduce the reluctance or apprehension of women toward seeking such jobs.

In 1977, the Women's Research Program in HEW plans to investigate sex differences in the cognitive style of men and women in science and mathematics.

The policy of the Department of Defense to open officer commissioning programs to women also underscores the expanding opportunities for women in nontraditional careers. Both the Reserve Officer Training Corps., opened to women in 1972, and the service academies, which were opened by legislative action in 1975, place heavy emphasis on scientific/technical disciplines. The Department hopes that advertising campaigns on the availability of these commissioning programs, as well as its recruiting literature, which portrays women in responsible nontraditional roles, will promote the desirability of technical schooling and training for more women. The actual skill training provided by the services to an increasing number of women has the additional positive impact of expanding postservice employment options for women, thus enlarging the pool of skilled women in the U.S. labor market.

The Armed Services Vocational Aptitude Battery, developed by the DOD primarily as a recruiting tool, has an important secondary effect on the jobs young women will choose on entering the work force. Guidance counselors use the test to discover aptitudes in military specialties, but often it is the only vocational aptitude test available in the school system and has been instrumental in detecting aptitudes for technical skills which many young women were unaware they possessed.

WOMEN AS ENTREPRENEURS

An area of concern to women's groups in recent years has been the problems encountered by women entrepreneurs in securing government assistance in loans and contracts. A report by the U.S. Civil Service Commission released in May 1975 cites as a major problem the difficulties that minority- and female-owned firms encounter in obtaining information on Federal, State, and local government contracting opportunities soon enough to submit timely bids, and in obtaining the working capital necessary for effective marketing and bidding.

The Civil Rights Commission calls upon the President of the United States to create a task force composed of representatives of the Office of Management and Budget, the Small Business Administration, the Women's Bureau of the Department of Labor, the Citizen's Advisory Council on the Status of Women, and women's business organizations to develop within 1 year a blueprint of special business development programs for women.

International Women's Year saw the Small Business Administration making special efforts to integrate women more fully into their loan and assistance programs. Recordkeeping on the sex of the recipients of loans, management, and technical assistance has started recently, thus allowing the SBA to sharpen its evaluation of its effectiveness in delivering assistance to women. Action to assure that more businesswomen serve on advisory councils is another way SBA seeks to increase its exposure to women in business and make its outreach efforts more effective.

One obstacle to ascertaining whether or not a fair portion of SBA services are being requested by or delivered to women in business has been the absence of a census of women-owned businesses. This lack was corrected by the Department of Commerce which conducted the first such survey in 1975.

In a rundown of the contracts and purchase orders awarded in FY 1974, the Community Service Administration reports that 1 of its 10 major contracts and 2 purchase orders out of 357 were issued to women. In FY 1975, none of its 6 contracts and only 15 out of 446 purchase orders went to female contractors.

The General Services Administration reports that it has long been concerned with lack of government encouragement and support of women-owned business and has taken steps to identify female-owned businesses to compete for government contracts. In its Office of Civil Rights, the Special Project Division has been developing and organizing a listing of women enterpreneurs by product or service. This directory of female-owned businesses will provide to government contractors the names of women's firms at the central office and at regional levels. An evaluation will be made in 1976 on the utilization of the directory by prime contractors. Of even more immediate practical value was a special workshop organized in the Washington, D.C. area for female entrepreneurs. The workshop provided counseling tailored to some 75 businesswomen, and as a result many female-owned businesses were placed on GSA procurement source lists or referred to appropriate Federal agencies. Plans are being developed to hold similar workshops in each GSA regional area.

The Office of Minority Business Enterprise in the Department of Commerce used IWY 1975 as a time to take a close look at its programs to ascertain the participation of minority females. Finding it low, regional offices have been directed to make special efforts to reach minority businesswomen with pertinent information on services available to them.

The Economic Development Bureau in Commerce makes the connection between the facts that, in a period when only one loan was made to a female-owned business, there were no professional women in its office of policy formulation.

The Patent Office makes several recommendations to expand and improve its services to women. Those countless women who, during the performance of their household duties so often ask, "Why doesn't someone invent . . .?" should have easy access to popularly published information about patent applications. Speeches and pamphlets on new technology, manufacturing, and trademark information, traditionally presented to men's service organizations, should also be directed to womens' business and professional organizations.

The necessity to broaden the outreach of all agencies regarding available services and program benefits becomes very explicit in these impact reports. Also explicit is the desirability of heightened cross-communication between government agencies and women's organizations. The Department of Interior recommends in its report that all Federal agencies encourage women as individual citizens or as members of organizations to study and think about impacts on women of proposed major Federal or other governmental actions and to become active participants in public hearings which are being increasingly used to determine "the public interest."

WOMEN AND CREDIT

A solid gain for women in 1975 was the enactment of the Equal Credit Opportunity Act which prohibits discrimination in connection with any credit transaction on the basis of sex and marital status. The act is too recent to know how effectively it will be implemented, but it is certain that such impact as the act will have on American women will depend on how strongly the regulations are enforced and what steps are taken to educate women in the use and availability of personal credit.

In the reports of agencies whose activities embrace credit and loan programs, there is definite recognition of their responsibilities under the new law to facilitate the extension of credit opportunities to women. As the Federal Reserve System report points out, the recent Fair Credit Billing Amendments to the Truth in Lending Act are designed to make women more aware of their rights as consumers and enable them to function more effectively in the retail credit market.

All the agencies involved in credit policy seem sensitive to the necessity of maximizing the beneficial impact of the Act. Women's groups have been consulted in the drafting of regulations. Studies have been made by the Federal Reserve Board on the degree to which the regulations could be expected to accomplish their intent of expanding the availability of credit to women. A major study completed by HUD last year relates to a method for appraising the income of women borrowers. HUD also reports that as a direct result of its impact assessment, notice has been sent to its field offices reiterating their responsibility to assure that the rights of women are guarded diligently in the financing of housing.

Since 1974, the Lending Regulations of the Federal Home Loan Bank Board specifically prohibits sex discrimination and the Board enforces these regulations through regular examination of the lending institutions which the Board regulates. A new section of the National Housing Act requires all lenders making Federally related mortgage loans to consider the combined income of both husband and wife when considering the extension of credit to a married couple buying a home. Hence the fairly common practice of automatically discounting a wife's income if she is of child-bearing age is now illegal. In addition, a wife's income, even if it is from part-time employment, must be fairly considered.

In 1974, a Special Fair Housing Information Survey conducted by the Federal Home Loan Bank Board together with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Reserve Board collected information from a sampling of institutions in restrictive lending practices. Not surprisingly, some differences in treatment on the bases of sex and marital status and race were discovered. In 1976 these data will be examined to ascertain specific business practices that affect female borrowers.

WOMEN AND ENERGY

There was recognition in the reports of both the Federal Energy Administration and the Energy Research and Development Administration of the particular impact of energy policies of women. They described efforts to expand women's involvement in energy programs, including setting up the framework of "minieducation program" directed toward women's groups, developing articles for women's magazines and newspapers to help women make intelligent decisions on energy development and conservation programs and the publishing of an energy cookbook. There was heavy solicitation and participation by women and women's groups in consumer energy workshops recently held to provide a forum for citizens to voice their opinions on energy and energy-related topics. Ongoing efforts include the drafting of a proposal to study the impact of energy conservation on citizens categorized as to race, sex, and economic level.

The Federal Power Commission sees the natural gas shortage impacting negatively in several ways. Because of this shortage many industries have found it necessary to limit operations resulting in termination of employment of many on the industries' payrolls, a disproportionate number of whom have been women. The natural gas shortage also places a burden upon women as family buyers and household managers. Women have a high stake in conservation policies and responsible gas pricing and this makes them an ideal target group for special consumer education.

One of the major concerns of the nation today is total energy supply. Countless government and private studies have cited the socio-economic impacts of energy development in the Rocky Mountain, Great Plains, and Upper Midwest regions and the need for regional and community planning and financial assistance. Some combination of local, State, and Federal governments and private industry participation will be necessary to provide the facilities for an acceptable quality of life in what can become our new frontier areas. Key problems are financing and provision for additional schools, hospitals, police and fire protection, plus other community services and transportation facilities. As the Department of the Interior points out in its report, lack of such facilities has a greater day-to-day effect on women who bear most child care and homemaking responsibilities. Given recognition of these impacts on women, whatever level of Federal participation is involved in this planning must necessarily concern itself with women's needs and should directly involve women in that planning.

Community Services Administration (CSA) has initiated an energy-winterization program which it feels cannot help but have a favorable impact on women. Originating out of the 1973 energy crisis, CSA began winterizing mostly substandard homes and providing money to their occupants to buy fuel. Energy vouchers patterned on food stamps were also tried out in several sites. In Fresno, California, gasoline was included for migrants who needed to travel to harvest crops. These definitely included women for, among women workers below the poverty level, farm workers constitute over 26 percent, exceeding the 20 percent who are employed in private household work.

WOMEN AND EQUAL EMPLOYMENT OPPORTUNITIES

The Federal Government has a sizable impact on employment opportunities for women throughout the United States. The Equal Employment Opportunity Commission is charged with the enforcement of Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972. These acts proscribe employment discrimination by sex, race, color, or national origin in a large segment of American industry and commerce. The Office of Federal Contract Compliance requires Federal agencies by law to include an equal opportunity clause in all agreements entered into with Federal contractors and subcontractors. Positive results depend, of course, on how effectively agencies enforce these laws.

In 1974 the EEO in the Department of Agriculture instituted 358 reviews of contractors out of 20,454 facilities in agriculture-related industry, a 1.8 percent sampling. However, these reviews zeroed in on the facilities with the largest number of employees. At the time of the reviews these contractors had a total workforce of 104,340 with 29,964 women, a 28.7 percent representation. To meet their affirmative action plans, the contractors projected hiring of 4,817 females, representing an increase of 4 percent in one year. Of these women, 18 percent would go into managerial and professional functions. In addition, 358 contractors promised to promote 950 women already in their employ to higher positions, of which 78 would be in the managerial and professional ranks.

The Environmental Protection Agency states it is considering sending a questionnaire to 20 of its major contractors and grantees to assess the hiring level of women in Federally funded research programs. The Security Exchange Commission has instituted a broad review of employment practices in the securities industry to ascertain evidence of discrimination, subtle or overt, against women.

In enforcing its responsibility for equal opportunity on the Alaskan pipeline, the Department of Interior reports a singular success that is already changing the practices of certain other bureaus and should effect major change in Federal and private industries regarding integration in hiring policies of the construction industry. The EEO program covers employment, contracts, financial aid, and training for Alaskan natives. In a 14-month period from July 1974 through August 1975, the employment of women in such nontraditional blue-collar construction jobs as electrician, welder, operating engineer, teamster, and pile-driver increased from 21, to 1,218. The Department has also verified awards of over $50 million in contracts and purchase orders to female-owned businesses.

A new Department of Transportation program will also open doors for women to train in such highway construction crafts as operating engineer, off-the-road truck driver, and highway bridge carpenter to qualify them as trainees and apprentices. A modest beginning will be the recruitment of 40 women to each craft.

As part of its work plan for 1976, the Department of Labor proposes to review sex discrimination in the construction area and to develop guidelines to increase women's employment in construction.

The Federal Communications Commission in its regulatory capacity is empowered to license users of the airways and is responsible for insuring that these licenses meet the equal employment obligations under the Commission's nondiscrimination rules. In July 1975, the Commission issued a notice of inquiry and a notice of proposed rulemaking aimed at clarifying and strengthening these EEO guidelines. The notices specify the kind of EEO program the Commission would regard as effective, require the adoption of a continuous procedure to be followed to systematically eliminate discrimination and monitoring procedures to insure adherence.

The Export Import Bank suggests it might influence the employment of women by requiring information on the number and proportion of women participating in the ownership of the firm or bank applying for loans. The Bank could then concentrate its resources where there is a high incidence of women. The Bank's report also suggests that a woman serving on its advisory board might insure that its programs would have a more positive impact on the employment of women in the United States.

Women may derive special benefits from work on occupational licensing currently being done by the Federal Trade Commission. One of the purposes of the Commission is to protect consumers by reducing barriers to entry and restraints on competition. There is increasing agreement that legal or guild-like restrictions enforced at the State and local level by trade associations and State boards often act as such barriers. Some licensing restraints, by discouraging new applicants in general, may have a particularly harsh effect on women who have historically been discouraged from entering certain occupations.

The Department of Justice, which enforces Federal statutes to eliminate sex-biased practices in certain employment areas, is actively exploring possibilities for expansion of this authority. In recent actions, it filed suits against 17 police and fire departments for sex discrimination. In August 1975 it filed its first title VII employment suit against a public school district for sex discrimination, alleging that the system had failed to hire or promote qualified women for the position of elementary school principal.

In general, a more energetic approach to external civil rights enforcement is called for in several reports. The impression one gathers is that the external enforcement authorities of most government departments need, as one agency put it, "an infusion of energy and nerve"; also, their procedures must be based on considerably more information than most departments and agencies would seem to possess regarding employment practices in the private sector over which they have surveillance.

In pursuit of more effective enforcement of government contract compliance the OMB has issued a special memo to budget examiners instructing them to determine the nature and frequency of the contract compliance reviews of all agencies, the detail and effectiveness of such reviews, and whether sanctions have been imposed for noncompliance.

In assessing its overall responsibility for enforcing the Equal Opportunity Act of 1972, the U.S. Equal Employment Opportunities Commission suggests possible improvement of the present utilization of resources to achieve a more beneficial effect on women in and entering the labor force. It recommends that compliance efforts be targeted through identifying those occupations and industries in which minorities and women are most underrepresented and where the possibility for making gains is the greatest. A statistical series for identifying those areas of employment should be produced on a regular basis and disseminated to the field and the Office of the General Counsel.

It further recommends that an advisory committee composed of representatives of women's organizations, blacks, and Spanish-surnamed individuals should be formed in each of the Federal regions. The committees would serve as "eyes and ears" to spot areas of concern to minorities and women and identify current and anticipated developments relating to layoffs, plant expansions and relocations. and to spot occupations where the greatest gains could be made for classes protected by title VII.

STATISTICS ON WOMEN

It is abundantly clear from these impact reports that serious gaps exist throughout most of the Federal agencies in their approach to collection and analysis of data pertaining to women. These data gaps made it difficult, if not impossible, for many agencies to assess with any precision the extent to which women are unrepresented as beneficiaries in Federal and federally supported programs.

For example, the Small Business Administration reports that its statistics are historically inadequate in determining the numbers of women to whom assistance has been granted. It has now begun to collect all data by sex in order to sharpen the effectiveness of its delivery of loans and of technical assistance to women in business. The Department of Housing and Urban Affairs also concedes that improved data collection cross-tabulated by sex and race would directly enhance its ability to assess program impact on women.

The Veterans Administration indicates that its data on female veterans are incomplete, thus making it difficult to plan for their particular needs. The Department of Treasury can give no statistical indicators of the extent of discrimination against women by the national banks supervised by the Comptroller of the Currency. Nor does it report any data on the extent to which women benefit from programs aided by sex on applicants and grantees collected routinely throughout the National Endowment for the Humanities by its admission. (The Endowment for the Arts gave us no information on this point in its brief report.)

The Civil Rights Commission in its periodic reporting on Federal programs consistently has called for the collection of data cross-tabulated by sex, race, and ethnic background. It points out in a paper, "Mortgage Money. Who Gets It?" that credit reforms to assure the equitable treatment of women require, as a very first step, that lending institutions be made to maintain records of the sex as well as race and ethnic background of all mortgage applicants and persons who make oral inquiries about house loans.

The Department of Health, Education, and Welfare, whose programs can be assumed to have a greater bearing on women than any other single department in the government, indicated that less than 50 percent of the programs covered in its report gather data by sex, and in only 14 percent of these programs was the data evaluated by sex. These figures dramatically highlight the problem of determining program impact on women when adequate statistics are lacking.

On a positive note, it should be mentioned that the Bureau of Census will soon publish a survey on the status of women which will present a wide range of data, including sections on population growth and composition, marital and family status, education, labor force participation, work experience, and income.

One of the measurable goals which emerges from these reports is the appointment of more women on agency advisory commissions, committees, boards, and panels. A spot check of the names of the 22,700 members of some 1,242 committees listed for 1974 indicate that about 10 percent were women. Several agencies report that, as a result of the impact request, they have instituted a review of women and minority representatives on advisory groups. Other agencies report that special efforts will be made to appoint women as vacancies occur on their advisory board for, "the influence they can exert, for the expertise and outlook they can bring." The extent to which women in top-level policy positions participate in program formulation is also an area which merits continuous evaluation. All program statistics in government agencies should be recorded in such a way that the level of participation of women both in program management and in policy advisory capacies can readily be assessed and progress toward the goal of more balanced representation and participation more easily monitored.

The U.S. Commission for IWY, recognizing this need for overall improvement in the collection and analysis of government statistics on women, believes that the Office of Management and Budget (OMB) can play a crucial role in this improvement. Under the Budget and Accounting Act of 1950 and by the authority of the Federal Reports Act of 1952, the OMB establishes government-wide statistical standards. Consequently, the Commission on February 27, 1976 sent the following recommendation based on information provided to it by the IWY Interdepartmental Task Force to the President of the United States:

Improving statistics on status of women and sex discrimination

"The National Commission on the Observance of International Women's Wear recommends that the Office of Management and Budget require all departments and agencies to collect, tabulate, and analyze data relating to persons, cross-tabulated by sex, ethnicity and race (and where appropriate by age, income and other indicators of disadvantaged conditions) in order that: (1) the impact of Federal programs on women, as beneficiaries and potential beneficiaries, can be measured objectively and (2) the participation of women as members of staff, as well as members of advisory boards and commissions, can be readily evaluated in the planning, implementation and delivery of those programs."

WOMEN IN FEDERAL GOVERNMENT

The World Plan of Action calls for measurable achievement in increased employment opportunities for women and increased participation of women in policymaking positions. In one significant area—in its antidiscrimination laws—the United States is advanced over other nations.

Title VII of the Civil Rights Act of 1964; the EEO Act of 1972, which brought the Federal Government under the Civil Rights Act as amended; and the President's Directive of March 6, 1975 are all unequivocal directives to the Federal departments and agencies for strong affirmative action programs for women. What is needed is a more effective strategy for implementation of these laws and the will to enforce them.

One of the stated purposes of the task force was to conduct an examination of the current status of these programs—to see how well they are working and to see what steps are necessary to bring Federal employment practices into closer alignment with Federal policies.

In remarks before the second meeting of the task force, James Lynn cited commitment at the top as the most important factor in assuring that the upward mobility of women be given a high priority in government agencies. He pledged the help of the Office of Management and Budget in securing this commitment. He further urged women to employ the "squeaky wheel" approach to bring their problems to the fore.

The third meeting of the task force was devoted entirely to an examination of the employment and advancement of women in the Federal Government. Attended by the Enforcement of Laws Committee for the IWY Commission, the meeting was in the nature of a hearing on the status of Federal women employees. Different perspectives were presented by representatives of the Civil Service Commission, Civil Rights Commission, and presidents of three Federal women's associations.

View of the Civil Service Commission

In the Federal Government today, women comprise about 35 percent of full-time white-collar employees. In the mid-level range, GS-9 through GS-12, women represent 18.9 percent; at the senior levels, GS-13 to GS-18, they represent only 4.7 percent. The five largest professional groupings are nursing, educational and vocational training, library science, medical technology, and accounting. There is evidence of some growth in such categories as internal revenue agents, health sciences, medical officers, and attorneys. Some recent career breakthroughs allow women to serve as secret service and narcotic agents, border patrol, and postal inspectors. But the fact remains that of all women employed by Federal Government, only 2 percent are at GS-13 or higher.

While glaring, overt discrimination is slowly being dealt with, much remains to be done to ferret out the disparate treatment of women which exists in the government's personnel management system. The Commission is stressing ways to change attitudes of personnel and program managers and to motivate women themselves. It is publishing a career counseling handbook for women which should help eliminate stereotypical occupational choices for women. New guidelines for State and local governments on EEO, on interviewing women, and on nonsexist language usage have been issued. Increasing use is being made of an improved complaint system.

View of the Civil Rights Commission

The Federal Government lags seriously behind the rest of the nation in eliminating sex discrimination in its employment practices. For example, 1974 data show that women constitute 34 percent of white-collar employees in contrast to a figure of 44 percent nationally. Civil Service guidelines for affirmative action plans are far weaker than those required for Federal contractors and they lack the kind of guidelines and timetables which would make them effective. Federal action on discrimination has not been equal to the task.

The solution to inconsistent policies, lack of coordinated compliance programs, and especially the lack of overall leadership is the establishment of a National Employment Rights Board. This Board would have the authority to enforce a single Federal statute prohibiting employment discrimination on the basis of race, color, sex, religion, national origin, age, and handicap status.

Thus the functions of the Equal Employment Opportunity Commission and the EEO responsibilities of the Civil Service Commission and of the Department of Labor would be coordinated into an agency with broad administrative and litigative authority. It would also have final authority to debar a Federal contractor or subcontractor, to terminate any Federal grant or to revoke the certification of any labor union or any Federal license on failure to comply with a board order on equal employment.

View of the Federal women's organizations

The three organizations representing Federal women employees—Women's Action, Federally Employed Women, and the Federal Women's Interagency Board—saw as a top priority the setting of goals and timetables by occupation and grade for the affirmative action plans of all government agencies. How else could they be enforced and monitored? These plans are, after all, signed policy statements and when deadlines are not met, it should be regarded as a serious matter. It was suggested that as a long range goal, the ratio of women in policymaking positions be set round 40 percent, about the ratio of women in the civilian labor force. This goal can hardly have been encouraged by the record of the past few years: from 1972 to 1974 the rate of change in GS-13 and above was an annual 0.25 percent, at which rate it would require 141 years to bring women up to 40 percent of top policy positions.

Career counseling techniques should be improved and the complaint system now in operation revised. The Federal Women's Programs must be upgraded in terms of money and resources. Many agencies have only part-time coordinators, most of whom hold other full-time jobs. Coordinators should hold full-time positions regardless of the size of the agency.

View of the agencies

Although the request for program evaluation was geared to the assessment of the external impact on women in the United States, nevertheless, almost all agencies took the occasion to report on the internal status of recruitment, employment, and advancement of women. A number of recommendations were made which were given to the IWY Enforcement of Laws Committee for use in the preparation of its recommendations to the President.

These random quotes will serve to illustrate the current situation as the agencies themselves perceive it:

"Some awareness has been increased by such activities of the Federal Women's Program as seminars, council meetings, bulletins. The Program has reached the female work force and has touched some of the male work force. However, there is a great need for sensitivity training in order that all our employees may learn to relate to each other."

"The majority of our females, almost 80% are concentrated below the GS-9 level. Some of this group are successful secretaries who are top of grade or whose grade levels are limited by those of their supervisors. Still others are clerical females who indicate a latent capacity to do higher level work but do not possess the traditional qualifications for such jobs."

"Most of our women are at lower grade levels and do not have significant input at the planning level of programs. There has been an effort on the part of one or two progressive-thinking supervisors to involve their women employees in planning and policy areas . . . When women operate at professional levels there is a corresponding sensitivity to the ways in which projects can impact on women."

"For things to improve for women, management must sincerely and completely commit itself."

"We have made some gains in the past several years in our employment of women in management positions. We view our gains to date as only the beginning, however."

What the agencies are doing

There is no doubt that as a result of the events of International Women's Year, including the impact evaluation request to the constituent agencies of the Interdepartmental Task Force, the move to accord equal employment opportunities to women in Federal agencies has gained momentum. A number of agencies report they are currently reviewing internal employment programs as to both their effectiveness and efficiency in carrying out EEO policies, in many cases the first of such comprehensive reviews since the 1972 passage of the EEO Act.

The Treasury Department by its study expects to gain insight into management improvement and cost reduction techniques in order that an expanded EEO program may be carried out in the face of national spending limits.

Other agencies are concentrating on actions to change predominantly male attitudes at the managerial and supervisory level. The Air Force Social Actions Program, for example, conducts human relations seminars as part of its EEO program for all civilian and military personnel. Since 1971 the program has expanded coverage to women and has had positive impact on the acceptance and greater utilization of women in the military. Still other agencies are developing managerial and executive training programs for women.

A recent effort by the State Department to professionalize secretarial positions at home and abroad has aroused interest in other government agencies, international organizations, and private business. The program resulted in the implementation of 52 recommendations to improve the status and working conditions of secretaries in the Department.

Expanding employment opportunities for women

Some inroads are being made into traditional attitudes against employing women in certain types of jobs as evidence grows that women function as effectively as their male counterparts. This has opened up employment possibilities heretofore barred to women. The Department of Justice reports that women working in correction agencies may now handle mixed caseloads; many new penal facilities are now cocorrectional which has opened key occupations to women. By 1976, all positions in penal institutions except penitentiaries will be open to women and by 1978 women will be employed in penitentiaries.

The Interior Department will seek to hire women as coal mine inspectors. The number of female air traffic controllers rose 18.5 percent between late 1974 and April 1975.

Through 1975, the Health Resources Administration of HEW distributed nationally a film "Where I Want To Be," to encourage women to enter the dental profession. HRA is also studying factors which impinge upon the participation of women in the health labor force.

The Action Agency has set a goal of 10 women Peace Corps country directors by FY 1978.

On a small scale, Tennessee Valley Authority reports on its efforts to attract new and expanding industries such as ball-bearing manufacture to Tennessee. This diversification of employment is creating opportunities for women as witnessed by recent data which shows that female enrollment in metalworking training programs has increased to 195, up from 95, 4 years earlier.

Flexible working schedules are mentioned by many agencies as a technique to use women's talents which might overwise be lost. The Civil Service Commission has proposed legislation to permit experimentation with "flexi-time" in all agencies and the National Science Foundation is supporting a project to assess the economic and social consequences of shorter workweeks and "flexi-time."

Internal Revenue has evolved a system of "seasonal employment" in which employees are selected from competitive Civil Service examination and trained to handle seasonal or special work, in their case, tax inquiries at IRS District Offices. The employees are given permanent appointments but are placed in nonwork status when they are not needed. Thus, a stable cadre of trained employees is available, most of whom are women.

Day care assistance programs also are seen as a necessary adjunct to expanding job opportunities for women. NASA is calling for regulations that would include day care for working families as a line item in the Federal budget. The Women's Bureau in the Labor Department is developing a model day care center for use by other agencies. The Federal Home Loan Bank Board has instituted a day care assistance program to provide funds for financially troubled employees with small children.

One way to insure that the roles and expectations of women are given continuous consideration in government is the formation of some form of permanent intradepartmental committee for women—in effect, a permanent "squeaky wheel" committee. The Women's Action Program in HEW is charged with the responsibility for research projects and for assisting in developing legislative proposals, regulations, and guidelines which better meet the needs of women. It is currently reviewing the policy and program recommendations contained in the HEW departmental impact assessments. A similar committee was established in the Department of Transportation in direct response to International Women's Year. The Action Agency has also formed an Intra-Agency Task Force during IWY which meets weekly to define the impact of Action's programs on women as a constituency and to look continually at the role of women in volunteer and staff positions.

An Intradepartmental Coordinating Committee for Women and 10 regional committees have been in existence for over 2 years within the Department of Labor. DOL urges the establishment of similar bodies in each Cabinet-level Federal agency. They have amply demonstrated their usefulness in identifying problem areas and in assuring that corrective action is taken. Agriculture notes that a secretariat committee of men and women would effectively provide the kind of forum for discussion and action on employment opportunities for women.

GOVERNMENT-WIDE OBSERVANCE OF INTERNATIONAL WOMEN'S YEAR

The Federal Government's observance of IWY appears to have been enthusiastic and varied. Spearheaded largely by the Federal Women's Program Coordinators or special agency IWY Committees, employees of the government have engaged in innumerable workshops and seminars relating to areas of special interest to women, such as Women and the Law, Women and Economics, The History of the Women's Movement, to more general subjects on equal employment opportunities of women such as career development and in-house training programs. One agency reports that one of its most popular lectures debunked sex hormone differences in decisionmaking.

Women of the Month programs were initiated to honor outstanding women employees. Special issues of in-house magazines, exhibits and displays in building lobbies, special awards, and functions highlighting women prominent in fields outside of government were used to increase awareness of the role of women both in and outside government and in other countries. Many agencies report they plan to continue these functions and activities as annual events. A few agencies are developing plans for "Annual Women's Weeks."

In general, observance of IWY 1975 has sharpened the focus of attention on all Federal Women's Program goals and resulted in increased participation by senior program managers in these programs. Such activities have, in fact, given, in the words of one agency, "a shot in the arm to our Federal Women's Program."

THE FUTURE

Consciousness-raising is an overworked term, but there can be no doubt that it was one of the real values of the IWY Task Force evaluation process. In the words of the Department of the Interior, "One of the beneficial results, however unquantifiable, was a stride toward modification of attitudes and policies that reenforce stereotypes about women. The completing of the exercise itself was therefore of value."

The Department of Transportation further observed that, "this IWY effort has allowed us a preliminary glimpse of a complicated array of issues that should be addressed as part of the Department's ongoing policy review. The process of assessing the impact on women of various programs and delivery structures should be formalized and institutionalized." The Department of Housing and Urban Development adds that "The Commission is to be commended on initiating this inquiry; it is to be hoped that its own impact will serve to institutionalize within the Federal Government a systematic approach to identifying and responding to the needs of particular participant groups."

Taken as a whole, the impact reports revealed some significant insufficiencies of coverage which require additional and sustained attention. The reporting is generally weak on interrelationships of Federal-State-community programs. There was also a noticeable lack of understanding of the composite effect on women of the programs of different agencies. For example, the reporting on child care, or on nutrition, or on implementation of equal credit legislation reveals the need for more coordination among agencies on the cumulative effects of these programs and policies if we are to gain a more realistic view of women's actual needs and how future programs can be tailored to meet these needs.

Clearly, the present survey has not gone far enough. This short-range, somewhat improvised performance by some Federal agencies and departments in evaluating a sample of their programs can only be considered a beginning. If long-term results are to be expected in increasing sensitivity to women's needs throughout the Federal bureaucracy; if government programs are to respond directly to these needs; if, indeed, the government is to do more than pay lip service to the objectives of "The Decade For Women" which we have entered, then an evaluation process should be regularized under some mechanism of the Federal Government. The gains of this year's experience should not be lost.

The OMB, which has already been seen to support the recently concluded impact process, has the necessary oversight of the operations of the Federal agencies to require that the government continue to consider the impact of its programs on women. It can request such evaluations from all the Federal agencies, not just the 50 which were included in the current exercise, as an integral part of the annual budget and review process of the government. It can do so as part of its "Preparation and Submission of Budget Estimates" which already require special analyses of subjects such as civil rights.

To this end, at its regular meeting on February 28, 1976, the IWY Commission unanimously adopted the following resolution which was sent to the President of the United States:

Systematic assessment of the impact of Federal programs on women in the United States

"The National Commission on the Observance of International Women's Year recommends that the Office of Management and Budget require the Departments and agencies of the Federal Government to continue to consider the impact of their programs on women in the U.S. It further recommends that the Office of Management and Budget include an evaluation of these assessments as a part of the regular budget preparation and program review processes of the Government."

PART VI.—THE APPENDIX

WHAT YOU SHOULD KNOW ABOUT WOMEN [1]

Labor force participation rates, age 16–64, 1975 [2]—

(Percentage of the population in or seeking paid employment)

White men	86.8
Black men	76.8
White women	53.3
Black women	53.9

Percentage of workers fulltime, age 16 and over, 1975 [3]—

White men	91.8
Minority men	91.5
White women	74.9
Minority women	81.7

Median earnings year round, full-time workers, age 14 and over, 1974 [4]—

White men	$12,104
Black men	8,524
White women	6,823
Black women	6,258

Weekly earnings, full-time workers, May 1974 [5]—

White men	$209
Minority men	160
White women	125
Minority women	117

Unemployment rates, 1976 [6]—

(Percentage of persons in the labor force who are unemployed)

White men	7.2
Black men	14.7
Teenage white men	18.3
Teenage black men	38.1
White women	8.6
Black women	14.8
Teenage white women	17.4
Teenage black women	41.0

Footnotes at end of article.

Occupations of employed men and women by race, 1974 [7]—

	White		Minority	
	Men	Women	Men	Women
Total employed—thousands	47, 340	29, 280	5, 179	4, 136
Percent	100	100	100	100
Professional and technical	15	15	9	12
Managers and administrators	15	5	5	2
Sales workers	6	7	2	3
Clerical workers	6	36	7	25
Blue-collar workers	46	15	57	20
Service workers	7	19	15	37
Farmworkers	5	2	4	1

Why women work [8]—

In 1973:

23 percent were single;

19 percent widowed, divorced, or separated; and

29 percent had husbands earning less than $10,000.

Working mothers and their children, March 1974 [9]—

43 percent of all married women (husbands present) were working.

46 percent of all women with children under 18 were working.

63 percent of all working mothers have children between 6–17 years.

19 percent of all working mothers have children under 3 years.

62 percent of mothers without husbands were working.

6.8 million families, 12 percent of all families, were headed by women in 1974 (between 1970 and 1974, the number increased by over 1 million).

Children of working mothers, March 1974 [10]—

5.1 million women in the labor force in March of 1974 had children under 6 years of age.

26.8 million children had working mothers.

6.1 million children with working mothers were under the age of 6.

4.6 million children had working mothers who were heads of households.

913,000 of the 4.6 million children whose working mothers were heads of households were under 6 years of age.

The estimated number of day care slots in 1972 was 1 million.

Women in Unions [11]—

5.7 million women were in unions, including 1.2 million professional and State employee association members (1972).

1 out of 6 women in the labor force were in collective bargaining unions and associations in 1974, 1 out of 8 in unions alone.

7 percent of membership on the governing boards of unions and associations in 1973 were women.

Alimony and child support [12]—

Only 14 percent of divorced or separated women are awarded alimony. Only 46 percent of these collect it regularly.

Only 44 percent of divorced mothers are awarded child support, and only 45 percent of those collect it regularly.

Birth, marriage, and divorce [13]—

In 1975 the estimated total fertility rate was 1,800 children per 1,000 women or 1.8 children per woman over her lifetime. In 1970 the rate was 2,480, a drop of 27 percent.

Divorces hit a record high in 1975, exceeding 1 million for the first time in U.S. history, representing a 6 percent increase over 1974.

Marriages declined to the lowest point since 1969, representing a 4 percent drop from 1974.

The divorce rate per 1,000 population was:

4.8 in 1975
3.5 in 1970
2.2 in 1960

The marriage rate per 1,000 population was:

10.0 in 1975
11.0 in 1972
10.6 in 1970

Elementary and secondary education [14]

67.4 percent of all teachers were women, but women held only 15 percent of all principalships (1970)

At the elementary level, 20 percent of the principals were women (1976);

At the secondary level—3 percent were women (1970).

Higher education [15]—

25 percent of public college and university faculties were women (1975).

10 percent of full professors were women (1975).

In 1975–76 the average college and university salary for women was $14,252.

In 1975–76 the average college and university salary for men was $17,312.

Of the over 2,500 accredited institutions of higher education, only 148 identify a woman as the chief executive officer.

Students—

In the fall of 1973, 43 percent of all college students under 35 years of age were women.

In 1973, 326,000 black women were enrolled in college, nearly 3 times the number in 1964.[16]

The percentage of women in 1st-year law school classes for the fall of 1974 was 23.7 percent, up from 20.2 percent in 1972 and 15.7 percent in 1971. In medical schools 22.2 percent of the entering class were women, up from 19.7 percent in 1973 and 11.1 percent in 1970.[17]

New careers [18]—

One out of six (16.9 percent) entering college freshmen women in 1975 planned a career in business, engineering, law, or medicine; only 5.9 percent said this in 1966. Twice as many women (16.6 percent in 1975 up from 9.1 percent in 1971) plan on postgraduate work.

Stock holders [19]—

Market value of shares held in all public corporations, 1975:

Men 157.083 billion	56.9%
Women 118.820 billion	43.1%

Asian-American women [20]

Employment 1970—

Some 2 million Asian-Americans lived in the United States in 1973. Roughly one-half were women; however, recent immigration is predominately female. Accurate figures are not available in 1976. Over 50 percent of all Asian women 16 years and older were in the labor force in 1970. Of the married Asian women, almost 50 percent were also in the labor force. Figures on unemployment for women indicate a lower than national average.

Occupations 1970—

[In percent]

	Women	*Men*
Professional, technical, managerial	24	32
Sales and clerical workers, administration	38	14
Service workers, farm managers	21	30
Operatives, craftsmen, laborers	17	25

Income 1970—

Some 60 percent of all Asian-American women 16 years and older earned under $4,000, somewhat lower than the national average in 1970. About 5 percent of all Asian-American women earned over $10,000 in 1970, somewhat higher than the national average for women.

Education 1970—

Of the Asian-Americans, 16-years-old and over in 1970, the percentage of those who have completed 4 years of college or more was:

	Women	*Men*
Japanese	11	19
Chinese	17	25
Filipino	27	15

American Indian women [21]

Employment 1970—

There were 827,000 American Indians and Alaskan Natives, constituting .4 percent of the total population; 50.1 percent were women.

One-half the rural Indian population and 40 percent of the urban Indian population were under 18 years of age.

Of the American Indian women, 16 years and over, 35 percent were in the labor force; 63 percent of the men.

Unemployment 1970—

The unemployment rate for American Indian women was 10.2 percent.

The unemployment rate for American Indian men was 11.6 percent.

Occupations—Urban—

[In percent]

	Women	*Men*
Professional, technical	14	17
Clerical and sales	34	10
Operatives	19	26
Craftsmen		23
Services	34	24

(Other patterns for occupations for American Indians not available.)

Income 1970—

The median income of females 16 years and over was $1,697.

The median income of males 16 years and older was $3,509.

Education 1970—

Only 1.2 percent of rural American Indian women have had 4 years of college; only 1.5 percent of rural American Indian men. Only 3.8 percent of urban American Indian women have had 4 years of college education; only 5.6 percent of urban American Indian men.

Spanish origin women

Employment 1974 [22]—

In 1974, 5.5 million women were of Spanish-origin in the United States. Of those 16 years of age and over, 42.1 percent were in the labor force in March 1974, (or 1.4 million women).

Unemployment 1975 [22]—

The unemployment rate of Spanish-origin women 20 years of age was 11.2 percent; 9.2 percent was the unemployment rate of Spanish-origin men over 20 years of age. The unemployment rate for teenage men and women of Spanish-origin (16–19) was 26.1 percent (third quarter 1975).

Occupation 1974 [23]—

[In percent]

	Women	*Men*
Professional, technical	6.0	6.7
Managers, administrators	2.9	7.3
Sales workers	4.0	3.0
Clerical workers	28.3	7.0
Craft workers	2.1	17.6
Operatives, including transport	30.2	27.0
Farm workers	2.6	7.0
Service workers	22.9	12.0

Income 1975 [24]—

The median income of women 14 years or older of Spanish-origin was $3,072; $6,507 was the median income for males of Spanish-origin 14 years or older.

Working mothers [25]—

Of working mothers of Spanish-origin, 43.5 percent had children 6–17 years of age (1970); 28.4 percent had children under 6 (1970).

Education [26]—

Of the women of Spanish-origin, 4 percent were enrolled in college in October 1973; 5.6 percent of the men of Spanish-origin were enrolled in college in October 1973.

Footnotes at end of article.

WHERE WOMEN ARE NOW

Women in Public Office—1975–76

Compiled by the National Women's Political Caucus, 1921 Pennsylvania Ave., N.W., Washington, D.C. 20006.

Office	Number of women	Percent of women	Tota office holders
Cabinet:			
Secretary of HUD	1		
U.S. Congress:			
Senate	0	0	100
House of Representatives	19	4	435
Federal judges	8	1	675
State Officeholders:			
Governor	1	2	50
Lieutenant Governor	3	6	50
Secretary of State	11	22	50
Elected and appointed cabinet members	139	10	[1] 1,300
State legislators:	[2] 610	9	[2] 7,561
State senate	89		1,978
State house of representatives	521		5,583
County and municipal:			
County commissioners	456	2½	[1] 17,000
Mayors	578	5	[1] 136,000
City and township council members	5,369		
School board members	11,000	11	[1] 96,560

[1] Approximate.

[2] Total.

SUMMARY OF WOMEN ELECTED IN 1972 AND 1974

	November 1972	November 1974
U.S. House of Representatives	16	[1] 18
Governor	0	1
Lieutenant Governor	0	[2] 1
Statewide offices	27	30
State legislators	462	[3] 610
Democrats	237	389
Republicans	222	218
Other	3	3
Total, women State senators		91
Total, women State representatives		519
Total	505	660
Percent	6	9

[1] A 19th woman was elected in a special election, May 1975.

[2] 2 additional women Lieutenant Governors were elected in November 1975.

[3] This is double the number of women elected to State legislatures in 1969.

Women appointed or nominated by President Ford to full-time positions

Between August 9, 1974 and March 9, 1976 [27]—

Carla Hills, Secretary, Department of Housing and Urban Development.

Dixy Lee Ray, Assistant Secretary of State.

Betty S. Murphy, Chairman, National Labor Relations Board.

Marjorie Lynch, Under Secretary, Department of Health, Education, and Welfare.

Isabel Burgess, Member, National Transportation Safety Board. (Renominated but not yet confirmed)

Judith T. Connor, Assistant Secretary, Department of Transportation.

Ethel Bent Walsh, Member, Equal Employment Opportunity Commission.

Betty Jo Christian, Commissioner, Interstate Commerce Commission.

Jean McKee, Deputy Administrator, American Revolution Bicentennial Administration.

Georgiana Sheldon, Vice Chairman, Civil Service Commission.

Constance Newman, Assistant Secretary, Department of Housing and Urban Development.

Barbara Simpson [28], Commissioner, Federal Power Commission.

Patricia Lindh, Special Assistant to the President, The White House.

Margita White, Assistant Press Secretary to the President, The White House.

Jeanne Holm, Special Assistant to the President, The White House.

Ambassadors: Shirley Temple Black, Ambassador to Ghana.

Mary S. Olmsted, Ambassador to Papua New Guinea.

Kay Bailey [29], Member, National Transportation Safety Board.

Anne L. Armstrong, Ambassador to Great Britain.

Marquita Maytag, Ambassador to Nepal.

Justice: Julia P. Cooper, Associate Judge, District of Columbia Court of Appeals.

Women serving in non-Civil Service positions

At Grades GS-16 to GS-18, or Equivalent, as of March 31, 1976—

Virginia Allan, Deputy Assistant Secretary for Public Affairs, Department of State.

Barbara Burns, Assistant to Secretary for International Activities and Director, International Activities, Department of Interior.

Patricia Ann Cahn, Director of Public Affairs, Environmental Protection Agency.

Harriet S. Crowley, Deputy Assistant Administrator for Population and Humanitarian Assistance, Agency for International Development.

Frances J. Dias, Regional Director, DCPA, Department of Defense.

Mary Jane Fiske, Deputy Assistant Secretary for Legislation (Welfare), Department of Health, Education, and Welfare.

Helen F. Holt, Assistant to the Secretary for Elderly and Handicapped, Department of Health, Education, and Welfare.

Judith Richard Hope, Associate Director, Domestic Council, The White House.

Marie B. Jackson, Executive Assistant, Equal Employment Opportunity Commission.

Barbara Kilberg, Association Counsel to the President, The White House.

Mary C. Lawton, Deputy Assistant Attorney General, Legal Counsel, Department of Justice.

Barbara Coleman Lewis, Director, Service Support Division, Office of Public Affairs, Department of Health, Education, and Welfare.

Jean P. Lewis, Deputy Assistant Administrator for Legal Affairs, Agency for International Development.

Norma M. Loeser, Managing Director, Civil Aeronautics Board.

Nira Hardon Long, Director, Office of Equal Opportunity Agency for International Development.

Lorena M. Matthews, Deputy Administrator, National Credit Union Board.

Michele B. Metrinko, Associate Solicitor, Conservation and Wildlife, Department of Interior.

Sallyanne Payton, Chief Counsel, Urban Mass Transportation Administration, Department of Transportation.

Glendora Putnam, Deputy Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development.

Helen Claire Reiner, Chief Counsel to the Chairman, National Labor Relations Board.

Margery W. Smith, Assistant to the Chairman, Federal Trade Commission.

Virginia B. Smith, Director, Fund for the Improvement of Postsecondary Education, Department of Health, Education, and Welfare.

Carol Ann Stitt, Confidential Staff Assistant to the Assistant, Secretary for International Affairs, Department of the Treasury.

Eleanor D. Sugrue, Deputy Assistant Secretary for Policy, Plans and International Affairs, Department of Transportation.

Julia Vadala Taft, Deputy Assistant Secretary for Human Development, Department of Health, Education, and Welfare.

Antonia Uccello, Director for Consumer Affairs, Department of Transportation.

Women chiefs of mission, Department of State

Ruth Bryan Owen, Denmark, 1933–36.

Florence Jaffrey Harriman, Norway, 1937–40.

Perle Mesta, Luxembourg, 1949–53.

Eugenie Moore Anderson, Denmark, 1949–53. Bulgaria, 1962–64.

Frances E. Willis, Switzerland, 1953–57; Norway, 1957–61; Ceylon, 1961–64.

Clare Boothe Luce, Italy, 1953–56.

Katharine Elkus White, Denmark, 1964–68.

Margaret Joy Tibbetts, Norway, 1964–69.

Patricia Roberts Harris, Luxembourg, 1965–67.

Carol Laise, Nepal, 1966–73.

Eileen Donovan, Barbados, 1969–74.

Jean M. Wilkowski, Zambia, 1972–.

Ruth L. Farkas, Luxembourg, 1973–76.

Nancy Rawls, Togo, 1974–.

Shirley T. Black, Ghana, 1974–.

Mary S. Olmsted, Papua New Guinea, 1975–.

Anne L. Armstrong, Great Britain, 1976–.

Marquita Maytag, Nepal, 1976–.

Rosemary Ginn, Luxembourg, 1976–.

Women serving on appointive State boards and commissions

Summary of a report prepared in 1975 for the National Commission on the Observance of International Women's Year by the Center for the American Woman and Politics, Eagleton Institute of Politics, Rutgers University.

This information is summarized from data collected about all boards and commissions within 10 governmental areas from 39 States. States from which information was not available and, therefore, are not included in the data are: Alabama, Colorado, Kentucky, Massachusetts, Minnesota, Missouri, Montana, New Mexico, Pennsylvania, Tennessee, and Wisconsin.

Of those boards and commissions studied, 53 percent have no women!

On the average, states with Democratic governors and those with Republican governors have the same representation of women (15 percent) on boards and commissions.

States with a higher proportion of women among elected officials are *somewhat* more likely to have a higher proportion of women on boards and commissions.

Smaller boards are less likely to have women serving. Women are absent from well over half (60 percent) of 6-member boards, and over three-quarters (78 percent) of 3-member boards. This is also reflected in the average proportion of women on small and large boards: 3-member boards average 12 percent women, while 7-member boards average 18 percent, and boards with at least 25 members average 29 percent women.

The average proportion of women on a board or commission is 15 percent. That is, on the average, fewer than one-seventh of the positions on a particular State board or commission are filled by women.

Those States with the highest average proportions are:

[In percent]

Arizona	23
Hawaii	23
Iowa	23
Washington	23
Nevada	20
South Dakota	20
Oregon	19

Those States with the lowest average proportions are:

[In percent]

Mississippi	8
New Hampshire	10
Arkansas	11
Indiana	11
Louisiana	11
New York	11
Ohio	11
Texas	11

Footnotes at end of article.

Women are found in greatest average proportion on those boards and commissions in women's stereotypical, traditional domains.

[In percent]

Government area:	*Proportion of women*
Welfare of Children, Youth and Aged	35
Health	20
Education	18
Professional and Occupational Licensing	16
Labor	11
Public Utilities	8
Environmental Protection	7
Business Regulation	7
Economic and Industrial Development	6
Transportation	4

This study was requested by the Commission's Women in Power Committee. The full report may be obtained by writing:

The Center for the American Woman and Politics, Eagleton Institute of Politics, Rutgers University, New Brunswick, N.J. 08901, $3 (a limited number of free copies are available from IWY Secretariat, Department of State, Washington, D.C. 20520.)

How to move women into appointive office[30]

Suggestions for Individuals and Organizations—

If women are to participate in public affairs in proportion to their 53 percent representation in the population and if the female perspective is to be a significant component of public policy and practice, we must increase the number of women in public life. During recent years more women have won elective offices, but not yet in proportion to their numbers. However, there is another avenue to adequate representation: the appointment of more women to the numerous boards and commissions which advise and set policy at all levels of government. The fact that women have yet to be found in representative numbers in important appointive positions is a challenge to all who believe in equal representation.

What Do Officials Consider When Making Appointments?

Competency—

Officials prefer to appoint a *competent* person who will be a credit and not an embarrassment to the appointer and whose appointment will receive public acclaim. Demonstrated by past performance, competency is the ability to:

Understand the political climate, especially that of the appointing official;

Be committed to public good;

Understand basic facts and issues;

Be responsible in attendance and participation;

Express ideas without creating undue hostility;

Carry out the appointive tasks; and

Garner public support for decisions and recommendations.

Representation of a Constituency—

Government heads are also concerned with appointing individuals who are leaders of a particular group or organization and who, thus, represent a constituency.

Often the appointing official views this constituency as potentially supportive of his/her programs and possibly of election to future office. Balance may also be a concern—to appoint a board or commission whcse membership would include representation from a wide spectrum of interest groups, citizenry, political parties, and geographic backgrounds.

An individual has a constituency when he/she is recognized as an outstanding advocate of a group's special concerns. For an example, an individual with a constituency is one who:

Is an effective member of a women's organization, a State, county or city commission on women, a professional group, a labor union, a business organization, a parent-teacher organization, a veteran's auxiliary, a minority organization, a farm organization, or a church group;

Has waged or managed an effective campaign for public office;

Has organized an effective citizen's group for needed change;

Is recognized as an advocate for an ethnic or minority group;

Is an outstanding member of his/her profession; or

Is an active political party worker.

How Can an Organization Increase the Number of Women in Appointive Positions?

Develop a Roster or Talent Bank—

Establish a card file of women candidates for appointment that contains candidate's major interests, a list of various positions for which she might qualify, and names of widely respected references with addresses and phone numbers.

However, remember that this file is only one resource for providing names of women candidates. More important than information in a card file are recommendations from individuals who know the candidate personally and whose judgment in such matters is reliable.

Don't be disappointed if your candidate is not selected. Try and try again. Don't forget to commend the appointing official if your candidate is selected, by letter or public announcement if appropriate.

Promote a Calendar of Appointments—

A calendar should include a list of appointive positions, terms of offices, current appointees, appointing officials, legislative or other official confirmation if required, qualifications, job descriptions if possible, and pay and expenses if provided.

An organization can make a significant public contribution by setting up and maintaining a calendar, but it is a time-consuming procedure for a citizen group. Alternatives include:

Persuading another more appropriate public or private agency to perform this service;

Initiating and supporting legislation which would require governmental units to maintain a calendar and make it available to the public; or

Acquiring a list from another organization.

Monitor Upcoming Appointments—

Keep careful watch of upcoming vacancies at least several months ahead to provide adequate time to promote a candidate.

Check news and other sources for vacancies created by resignation or death.

Mount a Campaign on Behalf of a Candidate—

An organization must decide whether it is more effective to develop a public or private approach or a combination of the two.

If a private approach is selected, then the organization might decide to:

Ask an intermediary with special influence to propose and endorse the candidate to the appointing official;

Write a letter to the official with careful documentation of a candidate's qualifications; and

Ask other groups to work for the candidate. (However, an organization should not wage a public effort.)

If the organization decides to use a public approach, then it could:

Meet with other organizations to select mutually agreed-upon candidate;

Form a committee to back appointment;

Circulate petitions on behalf of candidate;

Solicit members of participating organizations to write appointing official (These must never be form letters); and

Utilize the media to promote candidate through letters to the editor, participating in talk shows, and news releases.

Promote Affirmative Action in Appointments—

Local political parties can encourage and assist formation of a women's caucus or committee as an appointive or a voluntary group and can:

Develop a local roster of women candidates;

Develop and use a calendar of appointments;

Propose and support local women for appointment; and

Monitor and report results to officers and membership.

Remember that women who are active in local party politics can have significant influence on an appointing official, especially when they are members of the same political party.

What Can an Individual Do To Seek Appointive Office?

Be politically active and work hard to elect a candidate seeking election to an office which has appointive responsibilities. If your candidate wins and you have the competency, you stand an excellent chance for an appointment.

Know the formal and, if possible, the informal requirements for the position.

Send a detailed resume of your qualifications to the appointing official documenting your competence and your constituency(ies) especially as related to the appointing official's goals, past election, and political future.

Send a detailed resume of your qualifications to the organizations whose support you seek, emphasizing your appointment as a means of reinforcing mutual interests.

Persuade others whose opinions are respected by the appointing official, particularly party activists, to speak on your behalf. Don't overlook other intermediaries who have political influence.

Women in the judiciary

Federal Bench—

For the purpose of this report the Federal Bench includes: The Supreme Court, Courts of Appeals (formerly Circuit Courts of Appeals), and District Courts.

No woman serves on the 9-member Supreme Court nor has a woman ever served.

There are presently 97 authorized judgeships of the courts of appeals (Circuit Courts of Appeals). There are 10 circuit courts, plus the District of Columbia Circuit Court. Two women have been appointed to Circuit Courts, one now serving, one dead:

Florence Ellinwood Allen, 6th Circuit Court; appointed in 1934 by President Roosevelt; retired in 1954; died in 1966.

Shirley M. Hufstedler, 9th Circuit Court; entered on duty, October 1, 1968, appointed by President Johnson.

There are presently 399 authorized district judgeships in the United States. Three women now actively serve district courts:

June Lazenby Green, District Judge for District of Columbia; entered on duty June 18, 1968; appointed by President Johnson.

Cornelia G. Kennedy, District Judge for Eastern District of Michigan; entered on duty October 22, 1970; appointed by President Nixon.

Constance Baker Motley, District Judge for Southern District of New York; entered on duty September 9, 1966; appointed by President Johnson.

Three women, two on senior status (semi-retirement) and one retired, received appointments as district judges:

Carrick Hume Buck, District Judge for District of Hawaii; appointed in 1942 when Hawaii was a territory by President Roosevelt. Term expired in 1958.

Sarah Tilghman Hughes, District Judge for Northern District of Texas; entered on duty October 1961; took senior status in 1975; appointed by President Kennedy.

Burnita Shelton Matthews, District Judge for District of Columbia; entered on duty November 9, 1949; took senior status in 1968; appointed by President Truman.

Two women have been appointed to U.S. Customs Court; both retired.[31]

Footnotes at end of article.

Mary Donlon Alger, entered on duty in 1955; took senior status in 1966; appointed by President Eisenhower.

Genevieve R. Cline, entered on duty 1928; retired in 1953; died 1959; appointed by President Hoover.

State Courts—Appellate and Supreme—.

Of the 932 judges serving the State courts at intermediate and last resort levels, 12 are women.

Mary S. Coleman, Michigan Supreme Court.

Catherine B. Kelly, D.C. Court of Appeals.

Julia Cooper Mack, D.C. Court of Appeals.

Elsijane T. Roy, Arkansas Supreme Court.

Mary Schroeder, Arizona Supreme Court.

Susie Sharp, North Carolina Supreme Court.

Janie Shores, Alabama Supreme Court.

Genevieve Blatt, Pennsylvania Commonwealth Court.

Rita Davidson, Maryland Court of Appeals.

Mildred L. Lillie, California Court of Appeals.

Sonia Morgan, New Jersey Superior Court Appellate Division.

Naomi E. Morris, North Carolina Court of Appeals.

The Women's Bureau, Department of Labor, reports, in the 1970 decennial census, of the 11,380 judges in the United States, 869 were women, or 7½ percent.

Hiring practices in the U.S. House and Senate

Compilations by Sex of the People in the Five Top-paying Jobs in Each Congressional Office:

While the hiring practices of the executive branch have been studied extensively, the employment status of women working in the legislative branch has not been examined as closely or as frequently. It is more difficult to study congressional hiring practices. On Capitol Hill there is a placement office but there is no centralized personnel system or standardized set of job titles and office personnel structures. Each senator and representative hires staff without constraint except for the total amount of money allocated for salaries.

Federally Employed Women (FEW) has just completed a study of congressional hiring practices which uncovered some trends regarding women's employment. FEW concluded that the members of the U.S. House of Representatives employ more women in top-level jobs than the senators do. There do not appear to be any significant differences in hiring practices between Democrats and Republicans.

Proportionately, more representatives hire women for top jobs. Only 15 representatives (3.4 percent) have no women in any of the top 5 jobs but 29 (29 percent) of the senators do not have. Eighty-two representatives have women in the top job (19 percent) compared to 8 in the Senate (8 percent). In addition, 7 Representatives have women only in all 5 top-paying jobs. They are Lindy Boggs (D., La.), Sam Gibbons (D., Fla.), Henry Gonzalez (D., Tex.), Delbert Latta (R., Ohio), William Natcher (D., Ky), Joseph Vigorito (D., Pa.), and John Wydler (R., N.Y.).

In the House, the percentage of women holding the top-paying job is over twice as large as in the Senate. In the House, half of the women in the top job are titled administrative assistant (49 percent), while another 18 percent hold secretarial jobs with various titles such as executive secretary. In the Senate, 5 of the 8 women holding the top job are administrative assistants (62.5 percent).

	House [1]				Senate [1]			
	Democrats		Republicans		Democrats		Republicans	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
All 5 top jobs held by women	5	1.7	2	1.4				
A woman in the top-paying job	59	20.4	23	16	5	8.3	3	8.1
No women in 5 top-paying jobs	12	4.2	3	2.3	18	30	10	27

[1] Percents calculated as ratio of that political party in either the House or Senate.

The study,[32] covering January to June 1975, deals only with personal staffs and does not include committee staffs. While the total number of women on each staff is noted, the tabulations and calculations are based only on the five top-paying jobs. The study gives detailed data for each Member of Congress.

FOOTNOTES

[1] Comparable figures are not available for Spanish origin, Asian-American, and American Indian women. Sections on each of these groups follow using available data. See Part V for recommendation of Commission on collection of data.

Where available, data for black women and men are included in the first sections. In some cases, only figures for all minorities are available and are used, (blacks constitute 89 percent of minorities).

[2] U.S. Department of Labor, Employment and Earnings, Jan. 1976, table 1 and unpublished data.

[3] *Ibid.*, table 1 and 5.

[4] U.S. Department of Commerce, Bureau of the Census, "Money Income in 1974 of Families and Persons in the United States," Current Population Reports, Series P-60, No. 101, Jan. 1976, table 67.

[5] Department of Labor, Women's Bureau, *Handbook on Women Workers, 1975*, table 51.

[6] U.S. Department of Labor, Employment and Earnings, Jan. 1976, table 1 and unpublished data.

[7] U.S. Department of Commerce, Bureau of the Census, "The Social and Economic Status of the Black Population in the United States," 1974, Special Studies, Series P-23, No. 54, tables 48, 49.

[8] Department of Labor, Women's Bureau, *Handbook on Women Workers, 1975*, chart L.

[9] Department of Labor, Women's Bureau, *Handbook on Women Workers, 1957*, pp. 3, 20, 25, 26.

[10] *Ibid.*, pp. 4, 30, 35.

[11] Department of Labor, Women' Bureau, *Handbook on Women Workers, 1975*, pp. 76 and 78.

[12] Market Opinion Research, Detroit, Mich. Study done for IWY Commission in 1975.

[13] U.S. Department of Commerce, Bureau of the Census, "Population Profile of the United States: 1975," Current Population Reports, Series P-20, no. 292, Mar. 1976, pp. 1, 3, 9.

[14] Education Commission of the States, *Equal Rights for Women in Education*, Rep. No. 77, Denver, Col., Jan. 1976, p. 25.

[15] *Chronicle of Higher Education*, Feb. 9, 1976, p. 5 and *Comment*, Fall 1975, p. 3.

[16] Department of Labor, Women's Bureau, *Handbook on Women Workers, 1975*, p. 5.

[17] *Women's Movement in the U.S., 1960–1975, Government Role in the Women's Movement*, IWY No. 8, Rev. June 1975.

[18] *Memo*. American Association of State Colleges and Universities, vol. 16, no. 2, Jan. 15, 1976.

[19] New York Stock Exchange Census of Shareowners 1975, midyear, (Public Companies).

[20] *A Study of Selected Socio-Economic Characteristics of Ethnic Minorities Based on the 1970 Census*, vol. II: Asian Americans, Office of Special Concerns, Department of Health, Education, and Welfare, no. (OS) 75-121, pp. 84, 86, 87, 105.

[21] A Study of Selected Socio-Economic Characteristics of Ethnic Minorities Based on the 1970 Census, Vol. III, *American Indians*, Office of Special Concerns, Department of Health, Education, and Welfare, No. (OS) 75–122, pp. 1, 25, 40, 49, 53.

[22] U.S. Department of Labor, Women's Bureau, 1976, *Women of Spanish Origin in the United States*, pp. 2, 8, 9.

[23] *Ibid.*, table 7.

[24] U.S. Department of Commerce, Bureau of the Census, "Persons of Spanish Origin in the United States, March 1975," Series P-20, no. 283, Aug. 1975, table 7.

[25] *Women of Spanish Origin in the United States*, U.S. Department of Labor, Women's Bureau, 1976.

[26] U.S. Department of Commerce, Bureau of the Census; "Social and Economic Characteristics of Students" CPR p. 20, no. 272, table 1.

[27] This list and following lists of women in high-level Federal positions were furnished by the White House.

[28] Barbara Simpson nominated Feb. 5, 1976.

[29] Kay Bailey nominated Feb. 24, 1976.

[30] Written for the National Commission on the Observance of International Women's Year by Marian L. Thompson, University of Wisconsin.

[31] No woman presently sits on the nine (9)-member U.S. Customs Court.

[32] Full study prepared by Federally Employed Women, Inc., National Press Building, room 485, Wash., D.C. 20045. Copies may be purchased for $4 each.

FEDERAL LAWS PROHIBITING SEX DISCRIMINATION AND HOW TO USE THEM

EQUAL PAY ACT OF 1963, AS AMENDED

Effective Date—

Generally, for nonprofessional employees—June 1964; for executive, administrative, professional and outside sales employees—July 1972; for most Federal, state and local government employees—May 1974.

Prohibited Acts—

Any discrimination[1] in wages (including overtime, sick and vacation pay) and fringe benefits (including health and life insurance, pension and other retirement benefits,[2] profit sharing and bonus plans, credit union benefits) which is based on sex.

Who is Covered?—

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[1] Wage systems which result in unequal pay rates but are based on a merit system, a seniority system, a system that measures earnings by the quality or quantity of production or any other factor than sex are not covered by the Act. (However, each of these systems must be applied equally to men and women.)

[2] Employers are permitted to maintain fringe benefits policies which have a differential effect on persons because of their sex, if equal contributions are made for both groups.

Generally, if your employer must pay you according to the minimum wage law, the employer is also covered by the Act.[3]

Exemptions From Coverage/Exclusions—

Some [4] See below for listing of exemptions.

Are Labor Organizations Covered?

Yes, a labor organization is forbidden from causing or attempting to cause the employer to discriminate against employees on the basis of sex.

Who enforces the Provisions?

The Department of Labor's Wage and Hour Division enforces the Act as it applies to private and state and local government employees. By a special agreement, the Division also enforces the law for employees of the Library of Congress, the U.S. Postal Service, the Postal Rate Commission, and the T.V.A. The U.S. Civil Service Commission enforces the Act as it applies to other employees of the Federal government.

How is a Complaint Made?

By telephone or letter or in person to the office of the Wage and Hour Division. No special form is required.

Who Can Make a Complaint?

Aggrieved employees or anyone acting on their behalf and organizations acting on their own behalf or others'.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints?

Yes.

Notification of Complaints—

Complaint procedure is very informal. The Division may or may not inform the employer that a complaint has been filed.

How Quickly Does the Agency Act?

The Division does not have a serious backlog of complaints and the Division generally begins its investigation about 90 days after you file.[5]

Procedures in Enforcing the Provisions—

You may engage private counsel and file suit immediately [6] or you may choose to have the Division handle your complaint. If the Division concludes that there has been discrimination, it has, in 90 percent of its complaints, obtained back pay and/or wage increases from the employer voluntarily. If voluntary compliance fails, the Division can file suit in court on your behalf.[7]

Remedies and/or Sanctions—

In suits filed by the aggrieved employee, the court may grant up to 2 years of back pay (3 years for cases of willful discrimination;) a sum equal to the back pay award as compensatory damages or interest; attorney's fees; and wage increases. In suits filed by the Division, the court may grant the back pay, compensatory damages, or interest on the back pay and wage increases. Additionally, the Division may obtain an injunction against future violations.

Affirmative Action Requirements—None.

Time Limit for Filing Complaint—

Suits for nonwillful discrimination must be filed within 2 years of the time the discriminatory act occurred, or within 3 years for willful discrimination. If your employer continues to violate the Act, your suit will always be filed on time. The statute of limitations limits the time period for which you receive back pay to 2 years from the time of filing in cases of nonwillful discrimination and 3 for willful discrimination.

Are Investigations Made Without Complaints on File?

Yes, the Division conducts thousands of routine investigations each year.

Is Harassment Forbidden?

Employers are forbidden from discriminating against or discharging any employee because of a complaint filed or any assistance provided during the enforcement process.[8]

Confidentiality of Names—

The Division does not reveal the name of the complainant except for instances when the Divison files a suit in court on behalf of the complaining party.

Recordkeeping Requirements and Government Access—

Employers are required to keep specific records to which the government has access.

For more information, contact: Wage and Hour Division, Employment Standards Administration, Department of Labor, Washington, D.C. 20210. Or a Division office near you. Check the white pages of your phone book under "United States Government," Labor Department.

TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED

Effective Date—

July 1965, for nonprofessional and professional workers in private sector.

March 1972, for employees of state and local governments and educational institutions.

Prohibited Acts—

Any discrimination based on sex in hiring, firing, promotion, wages, classification, employment referrals, or assignment, extending or assigning the use of facilities, training, apprenticeships, fringe benefits, including medical, maternity benefits, life insurance, pension and retirement programs, and any other conditions or privileges of employment.

Who is Covered?

Employers of 15 or more employees, including public and private employees, public and private employment agencies, labor organizations, labor-management apprenticeship committees, state and local governments and educational institutions.

Exemptions From Coverage/Exclusions—

The Federal Government, the government of the District of Columbia, Indian tribes, and bona fide private membership clubs are not covered by Title VII, although Title VII obliges the Federal government to undertake an affirmative equal employment opportunity program. Sex-based classification is permitted in the very narrow and limited circumstances where it can be shown to a bona fide occupational qualification (BFOQ).

Are Labor Organizations Covered?

Yes, labor organizations which operate a hiring hall or office, or have 15 or more members are covered by Title VII.

Who Enforces the Provisions?

Equal Employment Opportunity Commission (EEOC).

How Quickly Does the Agency Act?

The average time required for resolution is 30 months.

Procedures in Enforcing the Provisions—

When your complaint is received at an EEOC district office, you will be interviewed to verify the contents and asked if you are willing to proceed with your complaint. If there is a qualified state or local fair employment agency, EEOC will refer your complaint to them.[1] Because of EEOC's enormous backlog of cases and problems in processing, some time may elapse before investigation begins. EEOC will attempt to conciliate and if that fails, it may file and prosecute a law suit.[2] You may obtain private counsel and request a "right to sue" letter, rather than rely on EEOC for investigation and enforcement.[3]

Remedies and/or Sanctions—

Among the remedies available are reinstatement, hiring, promotion, back pay,[4] increased fringe benefits, and orders enjoining future discrimination. Attorney's fees may be given to the prevailing party.

Affirmative Action Requirements—

Affirmative action may be part of a conciliation agreement worked out by EEOC, or it may be ordered by a Federal court.

Time Limit for Filing Complaint—180 days.

How is a Complaint Made?

By a sworn complaint form which you may obtain from EEOC.

Who Can Make a Complaint?

Complaints may be filed by an individual, a class of individuals, a third party on behalf of others or a commissioner of EEOC.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints? Yes.

Notification of Complaints—

The employer is notified of the complaint filed against it 10 days after the EEOC district office receives the complaint.

Are Investigations Made Without Complaints on File?

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[3] You should call the Department of Labor's Wage and Hour Division before you decide you are not covered by the Act. If you are not covered, it is possible you might be covered by another Federal statute or a state statute.

[4] Exempted from coverage are:

Military personnel of federal government. State, and local elected public officials, their staffs, and appointed public officials with policymaking responsibility.

Some employees of small retail or service businesses.

Employees of stores with yearly gross sales of less than $225,000 which are part of a chain or conglomerate (exempt until 1977).

Employees of seasonal recreational centers.

Some fishing and agricultural workers.

Employees of local newspapers with a circulation of less than 4,000.

Newspaper delivery employees.

Switchboard operators of telephone companies that have less than 750 stations.

Domestic workers who work less than a total of 8 hours a week or who earn less than $50 during a 3-month period.

Babysitters and companions to elderly or sick persons who are employed on an occasional or sporadic basis.

[5] Although the Act does not reach as many forms of sex discrimination as Title VII, the comparative speed with which your complaint may be handled, can make the Act a more useful way to proceed, especially if your complaint alleges discrimination in wages only.

[6] Under the Act the court may award attorney's fees to the successful complainant.

[7] If the Division handles your complaint and you agreed for the Division to obtain a particular sum of money from your employer, you cannot bring a court suit on the same claim if the Division succeeds in collecting that sum. Similarly, you may not sue on the same claim in court, if the Division files a suit on your behalf and the court decides the case.

[8] If the employer does discriminate against the complainant, the Division is empowered to file suit against the employer for harassment of the employee. However, it is not settled whether an individual may sue on her own behalf.

[1] EEOC must defer complaints to state and local fair employment agencies which operate under laws comparable to Title VII in scope, and have powers comparable to EEOC's. These agencies are given 60 days to resolve the complaint and if they fail to do so, it is returned to EEOC.

[2] Suits against state and local governments can be filed only by the Department of Justice, or individuals.

[3] You may request a "right to sue" letter from the EEOC as soon as you file your complaint, or if EEOC must defer to a qualified state or local fair employment agency, at the end of the 60-day deferral period. You must file suit within 90 days after receipt of a "right to sue" letter or notification by EEOC of the conclusion of its proceedings.

[4] Backpay is limited to a period beginning 2 years prior to the filing of a complaint with EEOC.

No, a complaint must be filed with EEOC before it may conduct investigations.

Is Harassment Forbidden?

Employers are forbidden from discriminating against or discharging any employee because of a complaint filed or any assistance provided during the enforcement process.

Confidentiality of Names—

The complainant's name is revealed to the party charged with discrimination when the investigation is made. EEOC cannot make public any information about complaints filed with it.

Recordkeeping Requirements and Government Access—

EEOC prescribes the recordkeeping requirements for those subject to Title VII. Reports are filed with EEOC.

For more information, contact:

Equal Employment Opportunity Commission, 2401 E Street, NW., Washington, D.C. 20506, or a regional EEOC office.

EXECUTIVE ORDER 11246, AS AMENDED BY EXECUTIVE ORDER 11375

Effective Date—

October 1968.

Prohibited Acts—

Discrimination in employment including wages, hiring, promotion, and benefits.[1]

Who is Covered?

Employers and institutions which have contracts[2] with the Federal government in excess of $10,000, and their subcontractors. (All divisions or branches of the contractor are covered.)[3] Applicants for Federal assistance must include prohibitions against discrimination in construction contracts for work performed on Federally assisted programs.

Exemptions From Coverage/Exclusions—

Some.[4]

Are Labor Organizations Covered?

The contractor's agreement with a union cannot conflict with the nondiscrimination and affirmative action requirements.[5]

Who Enforces the Provisions?

The Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) has overall responsibility. OFCCP has designated 11 Federal agencies as compliance agencies, and they are responsible for enforcing the Order.[6]

How Quickly Does the Agency Act?

The answer depends upon the compliance agency responsible for enforcement. However, many of the compliance agencies have experienced long delays in processing complaints, and you may wish to pursue your complaint under other statutes as well.

Procedures in Enforcing the Provisions—

Complaints may be filed with OFCCP or with the compliance agency. The agency should review it within 60 to 90 days.[7] The compliance agency notifies OFCCP if no discrimination is found.[8] If a finding of discrimination is made, the agency should issue a notice to the contractor requiring it to show why sanction proceedings should not begin. In practice, the compliance agency first tries to negotiate with the contractor to cure the violations.[9]

Remedies and/or Sanctions—

The Secretary or the contracting Federal agency may cancel, terminate, or suspend any contract or part of it, and the contractor may be barred from future Federal contracts.[9]

Affirmative Action Requirements—

These include the hiring, training, and promotion of women. A contractor with 50 or more employees and a contract of $50,000 or more is required to develop a written plan with goals and timetables for increasing the number of women employed.

Time Limit for Filing Complaint—180 days.

How is a Complaint Made?

By a letter to the OFCCP or the compliance agency directly. No special form is required.

Who Can Make a Complaint?

Any person or organization acting on their own behalf or on behalf of any aggrieved individuals.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints?

Yes, OFCCP usually processes class action complaints, those alleging a pattern or practice of discrimination. Individual complaints of discrimination are referred to the Equal Employment Opportunity Commission (EEOC).[10]

Notification of Complaints—

There is no uniform time period for notifying the contractor of the complaint filed.

Are Investigations Made Without Complaints on File?

Yes, compliance agencies are required to conduct compliance reviews before contracts over $1 million are awarded. Compliance agencies may conduct periodic compliance reviews of all contractors.

Is Harassment Forbidden?

Contractors are forbidden from discriminating against or discharging any applicant or employee because of a complaint filed or any assistance provided during the enforcement process.

Confidentiality of Names—

No pledge of confidentiality is made by OFCCP or any of the compliance agencies.

Recordkeeping Requirements and Government Access—

The Order requires contractors to gather and keep certain kinds of information which will aid the compliance agencies in their reviews.

For more information, contact: Office of Federal Contract Compliance Programs, Employment Standards Administration, Department of Labor, Washington, D.C. 20210. Or the regional office of the Labor Department.

FOOTNOTES

[1] Present guidelines do not require contractors to provide same benefits for maternity as are provided for other temporary disabilities. Contractors are permitted to maintain fringe benefit policies which have a differential effect on persons because of their sex, so long as the contractor makes equal contributions for both groups.

[2] The term "contract" is given a broad meaning and covers many Federal government contracts nominally entitled "grants" which involve a benefit to the Federal government. The term "assistance" includes grants, loans, insurance, or guarantees.

[3] Guidelines exempt divisions or agencies of state and local governments which do not specifically participate in work under the Federal contract.

[4] The Secretary of Labor may exempt a contractor and certain classes of contracts from the nondiscrimination provisions of the Order.

[5] If a union interferes with the nondiscrimination requirements, the Secretary of Labor may report the intereference to the EEOC for further proceedings.

[6] Generally, the compliance agencies are assigned their enforcement responsibilities in specified areas or industries and not on the basis of which Federal agency signed the contract.

[7] However, many reviews have taken longer.

[8] If no discrimination is found, you will be notified and informed of your right to appeal the finding of OFCCP, If OFCCP decides no discrimination has occurred, the question of whether you may obtain judicial (court) review of the decision remains unclear.

[9] Fund cut-offs have rarely been applied and Order has not been very effective in curtailing discrimination. OFCCP has recently taken the position that backpay be awarded, but it has not developed a standard for determining the amount due a class of women.

[10] You should file your complaint with EEOC at the same time you file with OFCCP. If your complaint is referred to EEOC after the 180-day period for filing has passed, some courts have decided that it is barred by the statute of limitations, even though it was filed with OFCCP in time.

ECOA amendments may change information contained in this section.

TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, AS AMENDED

Effective Date—

July 1973, for admissions provisions.

July 1972, for all other provisions.

Prohibited Acts—

Generally,[1] Title IX and the implementing regulations prohibit discrimination based on sex including admissions, financial aid, rules governing behavior, access to courses and training programs, extracurricular activities, other educational programs and employment discrimination including wages, recruitment, hiring, job classification, and most fringe benefits. Regulations provide that recipients must treat pregnancy, childbirth, and termination of pregnancy the same as any other temporary disability.

Who is Covered?

All educational institutions which receive Federal money including preschools, elementary, secondary and vocational schools, colleges and universities, and noneducational institutions which receive Federal money for educational programs.

Exemptions From Coverage/Exclusions—Girl and boy scouts, the YWCA and YMCA, certain single-sex youth services, and social fraternities and sororities. Religious institutions are exempt to the extent the nondiscrimination provisions conflict with religious doctrine. Military schools are exempt if their primary purpose is to train individuals for the military services of the United States or Merchant Marine. Certain institutions are exempt from the admissions provisions.

Are Labor Organizations Covered? No. however, the agreement may not contain provisions inconsistent with Title IX.

Who Enforces the Provisions? The Office for Civil Rights (OCR) of the Department of Health, Education, and Welfare.

How Quickly Does the Agency Act?

There is a substantial backlog of complaints on file; lengthy delays are common.

Procedures in Enforcing the Provisions—Title IX regulations require institutions to establish internal grievance procedures which may be used by the complainant if she wishes. The regional office conducts an investigation to determine if violations have occurred.[2] OCR will then try to secure voluntary compliance. If that fails, OCR may begin administrative procedures to suspend or terminate Federal financial assistance, or it may refer the matter to the Justice Department with a recommendation that court proceedings begin.

Remedies and/or Sanctions—Remedies for employment discrimination include reinstatement, backpay, promotion, tenure and equalization of most benefits. For discrimination against students, remedies include equal access to training programs, equalization of rules governing behavior, equal admissions and financial aid criteria, and other remedies. Sanctions that may be applied include the suspension or termination of Federal financial assistance.

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[1] Title IX's requirement of nondiscrimination in admissions does not apply to private undergraduate schools, nonvocational elementary and secondary schools and public undergraduate institutions which have continuously admitted members of one sex since their beginning; Title IX regulations do not forbid an institution from awarding single-sex scholarships according to the terms of a will or bequest or trust, if the overall effect of financial aid is not discriminatory; Title IX regulations require physical education classes be coed except for contact sports, and classes based on ability, and permit single-sex teams when selection is based on competitive skill and for contact sports.

[2] OCR is using the procedural regulations applicable to Title VI of the Civil Rights Act of 1964 pending adoption of consolidated procedural regulations.

Affirmative Action Requirements—

If discrimination is found to have occurred, affirmative action may be required.

Time Limit for Filing Complaint—180 days.

How is a Complaint Made?

By letter to OCR. No special form is required.

Who can Make a Complaint?

Any person or organization acting on their own behalf or another's.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints?

Yes, however, most individual complaints of employment discrimination will be referred to other Federal agencies having jurisdiction.

Notification of Complaints—

There is no set time period for notification; however, OCR will inform an institution shortly before investigation begins.

Are Investigations Made Without Complaints on File?

Yes, OCR can conduct periodic reviews in absence of complaints.

Is Harassment Forbidden?

Institutions are forbidden from discriminating against or discharging any person because of a complaint filed or any assistance provided during the enforcement process.

Confidentiality of Names—

At present, no pledge of confidentiality can be made.

Recordkeeping Requirements and Government Access—

Covered institutions are required to keep specific records.

For more information, contact: Office for Civil Rights, Department of Health, Education, and Welfare, Washington, D.C. 20201. Or a regional office near you.

TITLE VII AND TITLE VIII OF THE PUBLIC HEALTH SERVICE ACT, AS AMENDED

Effective Date—November 1971.

Prohibited Acts—

As a condition of receiving Federal financial support, institutions may not discriminate on the basis of sex: in admissions; in participation in any research or training program; against employees who work directly with applicants to or students in the program;[1] in providing financial aid[2] or any other benefit. Regulations provide that institutions must treat pregnancy, childbirth, and termination of pregnancy the same as may other temporary disability.

Who is Covered?

Schools of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, public health, nursing, allied health professions, affiliated hospitals, and undergraduate institutions which provide health training programs which receive Federal financial support[3] under the Titles.

Exemptions From Coverage/Exclusions—Some.[4]

Are Labor Organizations Covered?

No, but the terms of a collective bargaining agreement applicable to employees covered by Titles VII and VIII may not discriminate on the basis of sex. Therefore, institutions may not be a party to discriminatory agreements.

Who Enforces the Provisions?

The Office for Civil Rights (OCR) of the Department of Health, Education, and Welfare.

How Quickly Does the Agency Act?

There is a significant backlog of complaints and long delays frequently characterize enforcement efforts.

Procedures in Enforcing the Provisions—

Complaints which allege individual discrimination are usually referred to the Department of Labor and then to EEOC, since most institutions covered by the Act are also covered by Executive Order 11246. Student complaints and complaints which allege discrimination against a class, a pattern or practice, are sent to the HEW regional office for investigation. OCR will attempt conciliation with the institution, and if that fails, may begin sanction proceedings.[5]

Remedies and/or Sanctions—

Remedies for employment discrimination include reinstatement, backpay, promotion, tenure, and equalization of most benefits. For discrimination against students, remedies include equal access to training programs, equal admissions and financial aid criteria. Sanctions that may be applied include the suspension or termination of Federal financial assistance.

Affirmative Action Requirements—

If OCR finds an institution has discriminated, it may require such action from the institution.

Time Limit for Filing Complaint—180 days.

How is a Complaint Made?

By letter addressed to OCR. No special forms are required.

Who Can Make a Complaint?

Any person or organization acting on their own behalf or that of any aggrieved person.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints?

Yes. Most individual employment complaints will be referred to the Department of Labor and then to EEOC for processing. You should file with EEOC at the same time you file with OCR.

Notification of Complaints—

No procedure has been established for informing an institution of complaints filed against it.

Are Investigations Made Without Complaints on File?

Yes; OCR is empowered to conduct periodic compliance reviews.

Is Harassment Forbidden?

Institutions are forbidden from discriminating against or discharging any person because of a complaint filed or any assistance provided during the enforcement process.

Confidentiality of Names—

At present, no pledge of confidentiality can be made.

Recordkeeping Requirements and Government Access—

Institutions are required to keep certain information which assists OCR in making its determinations under the Act.

For more information, contact: Office for Civil Rights, Department of HEW, Washington, D.C. 20201. Or a regional office near you.

TITLE VIII OF THE CIVIL RIGHTS ACT OF 1968, AS AMENDED

Effective Date—

August 22, 1974.

Prohibited Acts—

To refuse to sell or rent or negotiate the sale or rental of housing; to discriminate in the terms, conditions, privileges, services or facilities related to the sale or rental of housing because of sex; to advertise in a manner that indicates discrimination based on sex; to falsely represent the nonavailability of housing because of the applicant's sex; to discriminate in lending or otherwise because of the applicant's sex; and to discriminate in membership in real estate broker's organizations and similar services because of sex.[1]

Who is Covered?

Multifamily dwellings of five units or more or those containing four or fewer units if the owner does not reside in one unit; single-family houses not owned by private individuals or those owned by private individuals who own more than three such houses; and single-family houses owned by private individuals who in any 2-year period sell more than one in which the owner was not the most recent resident. These kinds of housing are covered whether federally assisted or not.

Exemptions From Coverage/Exclusions—Some.[2]

Are Labor Organizations Covered?

Yes, if involved in real estate transactions described above.

Who Enforces the Provisions?

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[1] The institution is prohibited from discriminating against such employees in recruitment, hiring, promotion, layoffs, firing, wages, job assignment, leaves of absence for pregnancy or childcare, fringe benefits, and other conditions and privileges of employment.

[2] Institutions may administer scholarships, fellowships and other forms of financial assistance according to the terms of the will or bequest requiring the award be given to members of one sex only, so long as the overall effect of these does not discriminate on the basis of sex.

[3] Federal support includes grants, contracts, a loan guarantee or interest subsidy payment.

[4] Title VII of PHSA was amended in 1974 to exclude from the sex discrimination provisions any medical school in the process of changing its admission of women only to admission of both sexes, if the school is changing its admission policy in accordance with a plan approved by the Secretary of HEW.

[5] OCR is using the procedural regulations applicable to Title VI of the Civil Rights Act of 1964 until it issues final consolidated regulations. Administrative enforcement is more likely to result in the delay of new funding to the institution than termination of funding.

[1] Section 109 of the Housing and Community Development Act of 1974 provides that no person shall be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded wholly or partially with funds provided under Title I of the Act because of their sex, race, color, or national origin. Title I covers most community development plans such as urban renewal, model cities, public facilities, water and sewerage programs, open space programs, and historic restorations. Employment in any of these programs as well as the receipt of any services or benefits must be non-discriminatory. Compliance activities include conciliation efforts, civil action by the Attorney General, and the suspension or termination of funding. To determine if a particular community development plan is covered by the Act, you may contact any of HUD's 39 area offices, listed under "United States Government" in the white pages of the phone book, or write to the Assistant Secretary for Community Planning and Development, Department of HUD; Washington, D.C. 20410.

[2] Single-family houses owned by a private individual who owns less than three houses are not covered if a broker is not used, discriminatory advertising is not used and no more than one house in which the owner was not the most recent resident is sold during any 2-year period; rental of rooms or units in owner-occupied multi-unit dwellings for two to four families; religious organizations in giving preference to members if the dwellings are not operated for commercial purposes; and private clubs in giving preference to members in "lodging" which is not operated for commercial purposes and is an incident of their primary purpose.

The Office of the Assistant Secretary for Equal Opportunity of the Department of Housing and Urban Development (HUD).

How Quickly Does the Agency Act?

There is a backlog of complaints in some regions and delays may be encountered.

Procedures in Enforcing the Provisions—

HUD must refer complaints to state or local agencies which operate under laws providing rights and remedies substantially equivalent to Title VIII. HUD may reactivate the complaint if proceedings are not instituted within 30 days or other later action is not taken. For these and complaints not requiring referral, HUD decides whether to resolve the complaint. If HUD decides not to, the complainant must be notified of the right to file suit within 30 days.[3] If HUD decides to resolve the complaint, it will use informal methods of conciliation and persuasion to end the discriminatory practice. If voluntary compliance is unsuccessful, the aggrieved individual shall be informed of the right to file suit.

Remedies and/or Sanctions—

Administrative enforcement can result in securing the housing or dwelling for complainant, affirmative action requirements, and/or money damages. Judicial remedies include all of the above, and injunctive relief and punitive damages.

Affirmative Action Requirements—

An affirmative nondiscrimination policy may be part of a conciliation agreement with HUD.

Time Limit for Filing Complaint—

180 days. Civil suits must be filed within 30 days after the complainant receives notice from HUD that it will not resolve the complaint or that conciliation efforts are being terminated.

How is a Complaint Made?

Either by a sworn complaint form or a sworn statement which provides sufficient information. Complaints may be telephoned to HUD by calling a toll free number: 800—424-8590.

Who Can Made a Complaint?

Any person who has been injured by a discriminatory practice or believes she is about to be injured, or any organization acting on behalf of the aggrieved person.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints? Yes.

Notification of Complaints—

The part named in the complaint will be notified after HUD decides that it will resolve the complaint.

Are Investigations Made Without Complaints on File? No.

Is Harassment Forbidden? Yes.

Confidentiality of Names—

No pledge of confidentiality can be made.

Recordkeeping Requirements and Government Access—

No, but the power to issue subpoenas and use interrogatories is available for administrative enforcement.

For more information contact: Assistant Secretary for Equal Opportunity, Department of Housing and Urban Development, Washington, D.C. 20410. Or a regional office near you.

EQUAL CREDIT OPPORTUNITY ACT OF 1974 (AMENDMENTS TO THE ACT WILL PROBABLY BECOME LAW EARLY IN 1976)

Effective Date—

October 28, 1975.[1]

Prohibited Acts—

Creditors are prohibited from discriminating against any applicant on the basis of sex or marital status in any aspect of a credit transaction.[2] Discrimination is defined by regulations as treating an applicant less favorably than another.[3]

Who is Covered?

Those who regularly extend credit to individuals, including banks, finance companies, department stores, credit card issuers, and government agencies such as the Small Business Administration. All types of credit are covered by the Act, including credit for business, consumer goods, home financing and education.

Exemptions From Coverage/Exclusions—

None; however, creditors in credit transactions other than consumer credit must only comply with portions of the regulations.

Are Labor Organizations Covered?

Yes, if they regularly extend credit to individuals.

Who Enforces the Provisions?

Compliance with the Act is enforced by private litigation and Federal agencies. Section 704 of the Act (P.L. 93-495) designates particular areas of responsibility for each agency.[4] The Federal Trade Commission is given enforcement power for areas not specifically designated, including retail credit and small loan companies.

How Quickly Does the Agency Act?

Private suits may be brought under the Act. The enforcing agencies generally do not obtain relief for individuals. Instead the agency will try to make the creditor's policy conform with the Act. There is no uniform procedure which determines when the agencies may begin their enforcement process.

Procedures in Enforcing the Provisions—

The enforcement process involves two separate procedures. Aggrieved individuals may file suit in any federal district court without utilizing or exhausting the administrative process. Individuals may also notify the particular agency charged with enforcement. The agency may investigate according to its own procedures.

Remedies and/or Sanctions—

Aggrieved individuals may obtain money damages in civil suits. An amount equal to the actual damages suffered may be recovered by an individual or class of individuals. Punitive damages not exceeding $10,000 are available in individual actions, in class actions they may not exceed the lesser of $100,-000 or 1 percent of the creditor's net worth. Injunctive relief is available as are attorney's fees and costs if the action is successful. Enforcing agencies may exercise any authority conferred by law including cease and desist powers and levying fines.

Affirmative Action Requirements—None.

Time Limit for Filing Complaint—One year.

How is a Complaint Made?

No uniform procedure has been established by the enforcing agencies. Civil suits may be filed in any Federal district court.

Who Can Make a Complaint?

Any person or organization acting on their own behalf or others' may notify the enforcing agency. Individuals and organizations acting on their own behalf and others' may file suit.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints? Yes.

Notification of Complaints—

No uniform procedure has been established by the enforcing agencies for notifying creditors of complaints received.

Are Investigations Made Without Complaints on File?

Yes, enforcing agencies may do so in carrying out responsibilities delegated by other statutes.

Is Harassment Forbidden?

At present, there is no specific provision concerning harassment.

Confidentiality of Names—

No uniform procedure has been established; however, agencies will generally try to keep a complainant's name confidential, if so requested.

Recordkeeping Requirements and Government Access—

Consumer creditors must keep application forms and other written information used in evaluation and an applicant's statement alleging discrimination for 15 months after final action is taken on the application.[5] Other statutes require creditors to keep information which may assist in determining if discrimination has occurred.

For more information, contact: Board of Governors, Federal Reserve System, Washington, D.C. 20051.

REVENUE SHARING (STATE AND LOCAL FISCAL ASSISTANCE ACT)

Effective Date—

October 1972.

Prohibited Acts—

Any department or division of government or any program or activity funded in whole or part by general revenue sharing money may not discriminate on the basis of sex. The Act reaches a wide variety of activities including the denial of services or benefits, employment discrimination, and the establishment of different criteria for eligibility or admission to various programs. Regulations provide that recipients must treat pregnancy, childbirth, and termination of pregnancy the same as any other temporary disability.

Who is Covered?

All general governments receiving general revenue sharing money, including state governments and the District of Columbia, local governments, Indian tribes and Alaskan native villages and "secondary recipients" (nonprofit and private groups and other government units receiving revenue sharing funds directly from the recipients). Over 38,000 state and local entities are covered.

Exemptions From Coverage/Exclusions.—None.

Are Labor Organizations Covered?

No; however, the terms of an agreement applicable to covered employees may not discriminate on the basis of sex.

Who Enforces the Provisions?

The Compliance Division of the Office of Revenue Sharing (ORS), Department of Treasury.

How Quickly Does the Agency Act?

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[3] Title VIII permits suits to be filed by aggrieved individuals in federal district courts unless the individual has a judicial remedy under a state or local law which is substantially equivalent to Title VIII.

ECOA amendments may change information contained in this section.

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[1] Some specific regulations to enforce the Act do not take effect until 1976.

[2] Sex discrimination in home financing is also prohibited by the Fair Housing Act of 1968, as amended.

[3] Among the specific acts prohibited by regulations are the discounting of the income of an applicant or spouse on the basis of sex or marital status; a credit "scoring" system used for evaluation of applicants which assigns a value to one sex or marital status; requesting information about birth control or childbearing capability; and requiring a change in the terms of an existing account. or reapplication or termination on the basis of a change of name or marital status of a person who is contractually liable on an account without evidence that the applicant is unable or unwilling to pay.

[4] The Board of Governors of the Federal Reserve Board issues regulations to enforce the Act. However, each of the enforcement agencies may establish rules concerning enforcement procedure.

[5] If the crditor is notified that its actions are under review by an enforcement agency or a court, it must retain the information until final disposition of the case, or until notfied.

ECOA amendments may change information contained in this section.

There is no set time within which ORS will act.

Procedures in Enforcing the Provisions—

ORS initially acknowledges receipt of your complaint and notifies local and state officials of its receipt. ORS may conduct its own investigation and will seek voluntary compliance. If that fails, ORS may begin administrative proceedings that can result in the withholding of all future revenue sharing payments and the recovery of sums spent, or the matter may be referred to the Department of Justice with a recommendation that civil action be instituted.

Remedies and/or Sanctions—

If employment discrimination has occurred, ORS will seek whatever remedies are appropriate, including backpay, promotion, and reinstatement. If discrimination has occurred in the denial of benefits to a group, ORS will seek the provision of such services. ORS may recover money spent in violation of the statute and/or may withhold future payments until satisfactory compliance is achieved.

Affirmative Action Requirements—

Yes, it may be required if ORS finds discrimination has occurred. In the absence of a finding of discrimination, regulations "encourage" recipients to correct any imbalance in services or facilities to a group, to overcome the effects of past discrimination.

Time Limit for Filing Complaint—None.

How is a Complaint Made?

By letter to ORS. No specific form is required.

Who Can Make a Complaint?

Any person or organization acting on their own behalf or another's.

Can Complaints of a Pattern or Practice of Discrimination be Made as Well as Individual Complaints? Yes.

Notification of Complaints—

ORS will notify state and/or local officials, if it believes violations have occurred.

Are Investigations Made Without Complaints on File?

Yes, the Act permits periodic reviews in the absence of complaints.

Is Harassment Forbidden?

Yes, regulations forbid any discrimination or intimidation of any person because of a complaint filed or any assistance provided during the enforcement process.

Confidentiality of Names—

No pledge of confidentiality is made; however, ORS policy is to not reveal the complainant's name without permission.

Recordkeeping Requirements and Government Access—

Recipient governments must maintain certain records which assist ORS in determining if violations have occurred.

For more information, contact: Compliance Manager, Office of Revenue Sharing, Department of Treasury, 2401 E Street, NW., Washington, D.C. 20004.

(Note—This list of Federal laws and regulations has been compiled by Denise Brender Leary, Women's Equity Action League, under contract with the National Commission on the Observance of International Women's Year, March 1976.)

World Plan of Action—A Decade for Women and Development

The World Plan of Action is set of guidelines and timetables for accomplishing the objectives of IWY and the projected United Nations Decade for Women and Development.[33] First drafted in the U.N. Secretariat, then refined by a consultative committee for the World Conference in March 1975, the Plan became Item II of the Mexico City Conference agenda and was made the responsibility of the First Committee. During the first four committee meetings, the Plan was subjected to prolonged debate and besieged by nearly 900 suggested amendments. This figure does not include 69 amendments proposed by unofficial conferees of the Tribune. Although these latter amendments were never brought to the official meetings of the Conference, Tribune participants were aware, through contacts with their delegates, that they had a marked influence on the Plan as it finally emerged from the World Conference.

In the Conference committee meetings, intense negotiation ensued over the introduction and first chapter of the World Plan resulting in insertion of the so-called "Mexican Theme," a reference to the Conference opening call by President Echeverria of Mexico for the establishment of a "New International Economic Order" as a prerequisite for improving the status of women in the Third World. This formulation of women's problems was not in accord with the position of the U.S. delegation, which felt almost conversely, that greater equality for women would enhance development. Nevertheless, after concerted efforts by a Mexican-headed group of 77 countries (G–77) to bring purely political matters into the report of the First Committee, a closely negotiated and revised World Plan of Action was adopted in committee without a vote and presented to the Plenary.

The World Plan of Action is regarded as the most constructive product of the Mexico Conference. It is basically a plan for worldwide improvement of the status of women, not only by strengthening and enforcing measures, which already exist at all levels of government (where lip service is now more the rule than the exception), but also by developing new programs to help insure equality and self-determination for women in the legal, economic, political, social, and cultural aspects of their societies. The Plan calls for full participation of women in planning for development and in all efforts to promote and maintain peace.

In the section on *National Action,* certain minimum goals, target dates, and strategies for involving women in governmental and nongovernmental sectors of national life are recommended, along with key areas for action: International cooperation and the strengthening of international peace; political participation commensurate with women's numbers; education and training as a right and a means of advancement; employment in accord with skills; equity of compensation; recognition of domestic work as employment; adequate social security coverage and childcare facilities; participation in and ready access to health and nutrition programs; re-evaluation of the role of women in family life and marriage practices; provision of information and means for individual determination of numbers and spacing of offspring; consideration of the special needs of women in the planning and design of housing; and attention to the more balanced development of social services, with particular reference to the needs of the migrant, the elderly, the delinquent, or criminal woman.

Another part of the Plan points to the lack or unsuitability of data regarding the status and participation of women in national life. It suggests more sex-differentiated methods of research, data collection, and analysis as a means of judging and improving the contributions of women to development and change in society.

Noting the role of the media in frequently portraying a negative image of women or in imposing alien values upon different societies, the Plan calls upon media management to review itself critically in this regard, to accord a real and proper dignity to its depiction of women, and to hire more women to help them do it.

A section of *International and Regional Action* urges that the United Nations proclaim 1975–85 the Decade for Women and Development. All U.N. agencies, member governments, regional commissions, and adjunct international organizations are called upon to implement the goals of the World Plan of Action and to work for equitable involvement of women at all levels of their planning and program development.

Finally, as a means of gauging its impact and progress toward its goals, the Plan requires regular *Review and Appraisal* by all relevant institutions. The Economic and Social Council is charged with evaluating these findings and recommending any changes in the Plan.

Meanwhile, in the Plenary Sessions of the Mexico Conference, attempts to politicize the proceedings were increasing. Substantial majorities voted to condemn Zionism as racism; to give support to the aims of the Charter of Economic Rights and Duties of States (CERDS) against which the United States had voted in the 29th U.N. General Assembly; and to back up Echeverria's opening call for a New International Economic Order (NIEO). The U.S. delegation could support none of these resolutions. Nor could it support G–77's Declaration of Mexico, which insisted on linking women's inequality to underdevelopment and called again for a new and just international economic order; it contained a seemingly gratuitous statement of "the inalienable right of nationalization" (without reference to compensation) and made inflammatory references to Zionism.

These features of the Declaration foreshadowed the contentiousness of debate which would greet Conference resolutions in the coming U.N. General Assembly, but it did otherwise support the objectives of IWY. It called upon governments and nongovernmental organizations of all countries to work for the advancement of women in all aspects of their lives.

In the end, the delegates to the Mexico Conference were sufficiently united in their goals to adopt the World Plan of Action by consensus. Thirty-five other resolutions were approved,[34] a majority of which concerned the integration of women into development planning and leadership. The U.S. delegation was particularly instrumental in the passage of resolutions urging the United Nations to take exemplary action in its own personnel policies by eliminating discrimination against women and to examine the impact on women of its own programs.

The Conference adjourned with a recommendation that the U.N. General Assembly convene a second world conference in 1980.

When the Conference decisions were brought to the Thirtieth General Assembly, they were assigned for discussion to the Third Committee, where they were considered in the disturbed and nearly disastrous light of that body's vote decreeing Zionism to be racist in intention. U.S. representatives continued to support the objective of Assembly endorsement of the World Plan of Action and its implementation through a Decade for Women. But they were forced to resist further efforts to politicize women's issues, even to the extent of withdrawing U.S. support for the Decade to Combat Racial Discrimination.[35]

On December 15, 1975, the General Assembly adopted 10 resolutions and one committee decision on women's issues. The United States supported eight, voted against two with unacceptable language about the "elimination of racism," and abstained on an omnibus resolution because it raised the issue of Zionism. In spite of its abstention, the U.S. delegation strongly supported that resolution's provisions for implementing the Plan and the Decade, its call for a mid-term world conference, the review procedures, the establishment of an International Institute For the Advancement of Women, and its request for a widespread publicity campaign.

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[33] Resolution 3250 (xxx), 30th sess., U.N. General Assembly, Dec. 15, 1975.

[34] The U.S. delegation voted against five political resolutions and registered disapproval of certain others which passed without vote.

[35] Paragraph 186, World Plan of Action, as adopted in Mexico City.

The committee decision, passed by acclamation, asked the next session of the Economic and Social Council to provide funding for the Decade.

In sum, the actions for the Assembly showed informed and worldwide support for the goals of IWY as first articulated in Mexico.

WHO SHALL SPEAK FOR OUR NATION'S WOMEN?

AN AMERICAN DIALOGUE[36]

(By Jill Ruckelshaus, Presiding Officer of the Commission on the Observance of International Women's Year)

Last June, as a member of the U.S delegation, I attended the World Conference for International Women's Year, sponsored by the United Nations and held in Mexico City. This was the first time that women from so many different nations—133 countries in all were represented—met together to focus the attention of the world on the prejudices and lack of opportunities that face women everywhere. In spite of the differences that still divide nations, a solidarity and sense of common interest united women from every country. When the 2 weeks were over, all of us felt we had proved the existence of a real international women's movement.

But long after the days of speeches and the hours of self-serving political cant have slipped off the edge of my memory, a single event will remain—an event that took place one Saturday morning at the American Embassy and that made me very proud to be an American.

The air that morning was cool and fresh; rain the night before had scrubbed the streets. The tall trees and flowering shrubs along the Avenda de la Reforma were brilliant green in the sun. Morning is the best time in Mexico City, unless you love the city's frantic late-night restaurant and club life. In the morning, before the cars choke the streets, you can walk freely along the wide avenues, smelling the faint fragrance of morning blossoms and watching the city wake up.

The American Embassy was hosting an informal meeting between the members of the U.S. delegation to the Conference and the hundreds of other Americans who had come to Mexico City to be part of this International Women's Year event.

We hadn't been seeing very much of each other. Unaware that the official U.N. Conference was restricted to national delegations alone, the Americans who had come to Mexico City assumed they would be able to participate along with us and were sorely disappointed when they learned they could not. As an alternative, they attended the seminars and discussions at the Tribune, a nonofficial, privately funded International Women's Year Conference held 5 miles away, at Mexico City's National Medical Center.

Those Americans attending the Tribune felt distant from the delegation at the official Conference; the delegation, moving to a slow minuet of diplomatic protocol, often working from 7:30 a.m. until long past the dinner hour, felt just as isolated from the women at the Tribune. Frustration and anger began to build as some Tribune women felt that they weren't being truly represented by the delegation at the official Conference. Since the U.N. Conference was supposed to concern all women, they wondered why had they been excluded? Why couldn't their voices be heard in the Conference halls? How could the delegation presume to speak their grievances and express their points of view?

John Jova, the American Ambassador to Mexico, sensed that both groups of Americans—the official delegation and the women attending the Tribune—needed an opportunity to meet and break the ice, and he volunteered the use of the American Embassy for that purpose.

Walking up the steps of the Embassy gate that Saturday morning, past the young Marine guards with their polished, imperturbable air, I stopped to watch the American flag ruffling in the light breeze. Inside, the Embassy was serene and ready for guests. In one of the large first-floor wings of the building tables were piled with pamphlets on and photographs of women in the arts, women in science and industry, women's accomplishments—all provided by the U.S. Information Agency. Films of women at work and of interviews with well-known American women were being projected on a far wall. Pots of hot, fresh-brewed coffee stood ready for the guests when they arrived.

As I took the elevator to the delegation's third-floor office to read reports and cables from the previous day, I hoped that many women would make the effort to come, enjoy the hospitality of the Embassy and help the delegation understand their grievances. Half an hour later, the entire wing was packed with hundreds of women. Everyone was exchanging views on the unfairness of the official Conference. Reporters and television crews were busily covering the event. The noise of excited talking was deafening.

Then the members of the U.S. delegation squeezed through the crowd and sat in a semicircle of chairs, facing the audience. Pat Hutar, the head of the delegation, stood up to open the meeting. From my seat in the semicircle I searched the rows of faces. I didn't know most of the women, but I felt a surge of affection for all of them. They had come so far—many at their own expense—because they cared so much about what would happen here in Mexico City.

My reverie lasted about 10 seconds before loud, rhythmic chanting began in the first few rows of the audience. Directed at the delegation, the voices were challenging the fact that a small, select group of women had been appointed to represent all the women in America. Although the shouting came from about 10 percent of the approximately 400 people in the audience that morning, the strength of their voices was enough to interrupt the program.

Pat Hutar invited the spokeswoman for the dissenters to take the floor. The speaker voiced a furious assault on the delegation and on a government that she felt demonstrated only its discriminatory practices by singling out a small group of Americans to speak for so many. When Daniel Parker, cohead of the delegation and administrator of the U.S. Agency for International Development, tried to speak, he could barely be heard above the noise, now coming from both the protesters and from women in the audience attempting to shush them. The presence of the television cameras and bouquets of microphones above our heads elevated the emotional tension. Noise and confusion reigned.

Then Pat Hutar asked the members of the official U.S. delegation to introduce themselves, one by one, to the crowd. Jewel LaFontant, former Deputy Solicitor General of the United States, was the first delegate to speak. As she began to talk forcefully and eloquently of her involvement in the civil rights movement of the 1960's, the room quieted down. Racism, she said, was still very much a problem in the United States. But, she added, as one of the official delegates to the Conference, "I am going to do my job—I hope you're with me!" She was cheered and applauded.

Taking heart, other delegation members rose one by one to identify themselves. Each told of her involvement in attempts to end social injustice in our country. Some women were the daughters of immigrants, and their early lives had been a hard struggle against poverty and prejudice. There were women who for years had worked at the lowest paying, most backbreaking jobs before finally making their way up through the system to responsible and influential posititons in business and government.

Gilda Bojorquez Gjurich, owner of a construction company in Los Angeles, and Carmen Maymi, Head of the Women's Bureau of the Department of Labor, spoke to their sisters in Spanish. Women in the crowd responded in Spanish. Joan Goodin, an AFL–CIO employee, assured the audience that trade union women were indeed represented at the conference. Now the room was completely quiet. People were listening. They were feeling some wonder at the variety of experiences, some respect for those women whose lives had been stories of the underdog who eventually won. Some of the speakers were near tears. Their words brought tears to the eyes of some of their listeners.

When the delegation had finished, women from the audience rose up and formed a line at the microphone, waiting their turn to give stirring testimony of their lives as American women. We heard from older women who had known for 50 years or more the basic issues behind this world conference. An eloquent black woman in language that would have graced the most distinguished pulpits, appealed for unity and love among all women.

As each speaker finished and moved to the side of the room several women left the audience to stand beside them, to share moments from lives separated by miles and by time.

Three hours later the last woman to approach the microphone had spoken. Women stood in small clusters all over the hall; the chairs were empty; coffee cups and morning papers were strewed over the floor. An occasional voice still rose in anger, some fingers were still being pointed, but also phone numbers were being exchanged and breakfast meetings arranged. The murmur of voices filled the warm afternoon air. The talking went on and on.

Was the delegation "valid"? Did it truly represent all American women? Probably not. Did the delegation care enough to try to represent all the women of America? Yes. And we were trying to learn, listening hard, wanting to be better able to speak for all of us.

The American Embassy had opened its doors that morning not just to the official delegation, but to all the Americans in Mexico City, and it suspended customary procedure and security to do it. John Jova gave us what we all most needed: a place to shout, to argue, to talk, and finally to understand. The guests were noisy and rude by drawing room standards, but America is not one big drawing room. As in the days of town meetings, the dialogue that's necessary to build coalitions for change will often be loud and contentious.

I can still hear the noise of that morning and see the anger on young faces, but I remember most clearly the moments when the anger was spent, the harsh voices tempered—when we learned that our own harsh experiences can help us to understand another woman's pain.

The spirit that morning was a frontier spirit, restless, impatient, demanding, and assertive—women learning from each other, exchanging a sense of vitality and a feeling of hope. The end of the morning was a uniquely American experience, and one that, whenever I think of it, will always make me feel proud.

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[36] Reprinted with permission from *Redbook* magazine, Mar. 1976.

Five Whose Lives Touched Mine

(By Betty Underwood *)

We came to Mexico City in the hope of making the world less harsh and more equal for women.

I didn't know it at the time but I came to Mexico and the Tribune to know many courageous, struggling, vigorous, interesting, perverse, and diverse beings.

Images float through my mind: sophisticated Latin women; monumental Africans in high turbans and complex bustle dresses (and what speakers!—the art of fine oratory is alive and well on that continent); brisk, understated Asians; solemn sari-ed Indians; no-nonsense Chinese; utilitarian, Slavic-faced middle Europeans; breezy Australians.

From all these, five whose lives touched mine stand out.

There was *Anna Vazov* of Socialist Bulgaria. A factory manager, Anna lives in a world far different from the one I know. In her country, legally anyway, there's no concept of a male as head of household; marriage laws are the same for men and women; assets acquired in marriage are jointly owned no matter who earned them. In divorce, property division is equal even for the traditional homemaker.

On the books is guaranteed right to work and right to equal pay.

"Have you ANY problems at all?" I asked. Yes, she admitted reluctantly. Power in any Socialist state resides in the party apparatus, and there are few Annas in the middle or on top of that heap.

You can see another problem in the lines of Anna's face. She's exhausted. Add her factory hours to her homemaking ones and she's working 80 hours a week. (Her man is no more eager to help her at home than men appear to be anywhere in the world.)

She's come to Mexico City to propose her own special women's vision: Flatout industrialization of housework and food preparation and a vast extension of day care for children.

There was young *Maria Flores Gomez* from El Salvador who could not have come without the money her nurses's association had raised for her. In a rural clinic she serves illiterate, dependent, malnourished, overburdened women from a small, overcrowded country where the population will double in another 20 years and where family planning is disapproved.

In El Salvador the Napoleonic Code sanctions nearly total male domination. Only 3 years ago married women were given control over their minor children. Maria's property rights are restricted.

What bewilders her in Mexico City is that in her world it is believed women should not work together, that there's something perverted in women turning to each other to effect social change.

Sometimes shocked by what she hears in the Tribune, Maria is more comfortable when she shifts feminist questions to the glaring inequities of living standards between developed and developing countries.

And then there was *Thelma Awori* of Uganda, a middle-aged teached who has come to Mexico hurt and angry. She also has brought along visions of a better future.

In sub-Saharan Africa, the concept that man "provides" for the family is scarcely known. Family life is the woman's role. Cleaning, cooking, and child care go hand-in-hand with raising the stock, tilling the land, gathering the crop, and also lugging the water.

African women's agricultural labor is not computed in the gross national product. (In the West, women's housework and volunteer work go without official recognition too.) What's a woman's value if there's no practical credit for it?

Polygamy has often made an African woman self-sufficient, but now there is the rise of prostitution. Country men are migrating to the cities, leaving behind wives and children.

So what's on Thelma Awori's mind? The need to redefine the male and female roles in African society so that women can count more on men in sharing responsibility. Industrialization, Thelma fears, may further weaken the part men play in African family life.

Men too have come to Mexico City. There's *Firoz Khan*, who manages a Bangladesh cooperative craft federation, which trains village women to product marketable crafts.

He's an energetic, candid young man who says right off he doesn't give a hang about crafts in themselves; he cares for what they'll do for women. In Bangladesh they make the difference between $2 and $10 a month; and that sometimes is the difference between living and dying.

Firoz tells how once women are involved in the craft federation, he is able to get them to attend village council meetings, a male sanctum. Women often sit quietly in the council for weeks letting the men tell them about the great moneymaking village industry scheme. Then, one woman, less timid than the rest, speaks out. What she says is: "We're doing the work; be quiet and let us talk."

Firoz chuckles, telling that, but there's no laughter in him when he says this same woman begins to put a little money aside and buys a patch of land. Soon she persuades her 14-year-old daughter to stay in school and thus Bangladesh has one less baby born to a 14-year-old bride.

But Firoz has a fight on his hands in Mexico City. Many feminists see cottage industry as exploitive of women, a way to underpay them. Yet Firoz knows what $10 means to a hungry woman and her family.

Warren Farrell has flown in, too, to the Tribune session. He is a young male liberationist from the United States. His burden is to speak an American truth as he sees it. A truth that American women are hurting, too, but in ways that may seem complex and mystifying to countries with simpler life or death problems.

Farrell talks of attitudinal changes; of sophisticated psychological experiments being conducted that show men in a group speak twice as often as women; that they routinely "self-listen" to women (meaning they only wait for them to finish talking so they can talk); that they are regarded as supplying the authoritative answers while women are regarded as the naive askers of questions.

Farrell says, "When I stayed home for a year with the kids and my wife had the fascinating professional job, I couldn't get people to stop asking me about my life and ask her about her work life instead."

Put these people together—people from different countries, different races, different cultures. What do you get? Disagreement, of course. But after a few days of shock, a consciousness begins to well up and grow that we have all come together in the commonality of women; we won't be robbed of the strength and promise of that.

And so we have made real the words of Mildred Persinger, the Tribune president, who said, "Women worldwide have communicated. The Tribune is a message, a symbol, a hope."

Public Law 94–167

Ninety-fourth Congress of the United States of America at the first session begun and held at the City of Washington on Tuesday, the fourteenth day of January, one thousand nine hundred and seventy-five; An act to direct the National Commission on the Observance of International Women's Year, 1975, to organize and convene a National Women's Conference, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress hereby finds that—

(1) International Women's Year, and its World Plan of Action, have focused attention on the problems of women throughout the world, and have pointed to the need for an evaluation of the discrimination which American women face because of their sex;

(2) The Bicentennial year of 1976 is a particularly appropriate time for the United States to recognize the contributions of women to the development of our country, to assess the progress that has been made toward insuring equality for all women, to set goals for the elimination of all barriers to the full and equal participation of women in all aspects of American life, and to recognize the importance of the contribution of women to the development of friendly relations and cooperation among nations and to the strengthening of world peace; and

(3) A national conference of American women, preceded by State conferences, is the most suitable mechanism by which such an evaluation of the status of women and issues of concern to them can be effected.

DUTIES OF COMMISSION

SEC. 2. (a) The National Commission on the Observance of International Women's Year, 1975, established by Executive Order 11832 on January 9, 1975 (hereinafter in this Act referred to as the "Commission"), is hereby continued. The Commission shall organize and convene a national conference to be known as the National Women's Conference (hereinafter in this Act referred to as the "Conference"). The Conference and State or regional meetings conducted in preparation for the Conference shall be held in such places and at such times in 1976 as the Commission deems appropriate.

(b) The Commission shall consult with such National, State, and other organizations concerned with women's rights and related matters as the Commission considers necessary to carry out the purpose of this Act.

COMPOSITION AND GOALS OF THE CONFERENCE

SEC. 3. (a) The Conference shall be composed of—

(1) representatives of local, State, regional, and national institutions, agencies, organizations, unions, associations, publications, and other groups which work to advance the rights of women; and

(2) members of the general public, with special emphasis on the representation of low-income women, members of diverse racial, ethnic, and religious groups, and women of all ages.

(b) The Conference shall—

(1) recognize the contributions of women to the development of our country;

(2) assess the progress that has been made to date by both the private and public sectors in promoting equality between men and women in all aspects of life in the United States;

(3) assess the role of women in economic, social, cultural, and political development;

(4) assess the participation of women in efforts aimed at the development of friendly

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* Betty Underwood, author of this article, was International Women's Year Coordinator for the Oregon Governor's Commission on the Status of Women. In this capacity she attended the Tribune sessions during the World Conference of International Women's Year in Mexico City.

The Tribune was an unofficial body, sponsored by nongovernmental organizations affiliated with the United States.

The persons mentioned by Ms. Underwood are real people, but in several instances their names have been changed to protect their identity.

relations and cooperation among nations and to the strengthening of world peace;

(5) identify the barriers that prevent women from participating fully and equally in all aspects of national life, and develop recommendations for means by which such barriers can be removed;

(6) establish a timetable for the achievement of the objectives set forth in such recommendations; and

(7) establish a committee of the Conference which will take steps to provide for the convening of a second National Women's Conference. The second Conference will assess the progress made in achieving the objectives set forth in paragraphs (5) and (6) of this subsection, and will evaluate the steps taken to improve the status of American women.

(c) All meetings of the Conference and of State or regional meetings held in preparation for the Conference shall be open to the public.

POWERS OF COMMISSION

SEC. 4. The Commission shall—

(1) designate a coordinating committee in each State which shall organize and conduct a State or regional meeting in preparation for the Conference;

(2) prepare and make available background materials relating to women's rights and related matters for the use of representatives to the State and regional meetings, and to the Conference;

(3) establish procedures to provide financial assistance for representatives to the Conference who are unable to pay their own expenses;

(4) establish such regulations as are necessary to carry out the provisions of this Act;

(5) designate such additional representatives to the Conference as may be necessary and appropriate to fulfill the goals set forth in section 3(b) of this Act;

(6) grant technical and financial assistance by grant, contract, or otherwise to facilitate the organization and conduct of State and regional meetings in preparation for the Conference;

(7) establish such advisory and technical committees as the Commission considers necessary to assist and advise the Conference; and

(8) publish and distribute the report required under this Act.

ADMINISTRATION OF COMMISSION

SEC. 5. (a) The Commission may appoint such staff personnel as it considers necessary to carry out its duties under this Act. Such personnel shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, except that no individual so appointed may receive pay in excess of the annual rate of basic pay in effect for grade GS–18 of the General Schedule. Appointments shall be made without regard to political affiliation.

(b) The Commission may accept, use, and dispose of contributions of money, services, or property.

(c) The Commission may use the United States mails under the same conditions as other departments and agencies of the United States.

(d) The powers granted the Commission by this section shall be in addition to those granted by Executive Order 11832. The powers granted the Commision by Executive Order 11832 may be employed to fulfill the responsibilities of the Commission under this Act.

(e) The Commission, to such extent as it deems necessary, may procure supplies, services, and personal property; make contracts; expend funds appropriated, donated, or received in pursuance of contracts hereunder in furtherance of the purposes of this Act; and exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this Act.

(f) The powers granted the Commission under this Act may be delegated to any member or employee of the Commission by the Commission.

STATE AND REGIONAL MEETINGS

SEC. 6. (a) A meeting in preparation for the Conference shall be held in each State in accordance with regulations promulgated by the Commission, except that in the event the amount of time and resources available so requires, the Commission may combine two or more such State meetings into a regional meeting.

(b) Any State or regional meeting which receives financial assistance under this Act shall be designed and structured in acordance with the goals of the Conference set forth in section 3(b) of this Act.

(c) (1) Each State or regional meeting shall select representatives to the Conference in accordance with regulations promulgated by the Commission and consistent with the criteria set forth in section 3(a) of this Act.

(2) The total number of representatives selected under this subsection shall be apportioned among the States according to population, except that despite such apportionment no State shall have fewer than ten representatives.

REPORT

SEC. 7. The Commission shall submit a report to the President and to each House of the Congress not later than one hundred and twenty days after the conclusion of the Conference, and shall make such report available to the general public. Such report shall contain a detailed statement of the findings and recommendations of the Conference with respect to the matters described in subsection (b) of section 3. The President shall, not later than one hundred and twenty days after the receipt of the report, submit to each House of the Congress recommendations with respect to matters considered in such report.

TERMINATION OF COMMISSION

SEC. 8. The Commission shall continue in operation until thirty days after submitting its report pursuant to section 7, at which time it shall terminate, but the life of the Commission shall in no case extend beyond March 31, 1978.

AUTHORIZATION OF APPROPRIATION

SEC. 9. There are authorized to be appropriated without fiscal year limitation, such sums, but not to exceed $5,000,000, as may be necessary to carry out the provisions of this Act. Such sums shall remain available for obligation until expended.

No funds authorized hereunder may be used for lobbying activities.

DEFINITION

SEC. 10. For the purpose of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

THE EQUAL RIGHTS AMENDMENT—ORGIN AND INTERPRETATION

Section 1: Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex.

Section 2: The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

Section 3: This amendment shall take effect two years after the date of ratification.

". . . all men are created equal"

The Declaration of Independence, signed 200 years ago, announced two revoluntionary ideas to the world: that governments derive their powers "from the consent of the governed" and the "all men are created equal."[37]

The Founding Fathers did not translate these ideas full blown into the Constitution in 1789 and in any event did not have women in mind when they wrote "the consent of the governed." It was left to the States to establish voting requirements, and slaves, Indians, the mentally unfit, criminals, and women were generally denied the right to vote. It was almost 150 years before the 19th amendment to the Constitution included women among the governed whose consent was required. A number of other amendments were required to translate "the consent of the governed" into reality.

The drafters of the Declaration of Independence almost certainly likewise did not have women in mind when they wrote " . . . all men are created equal," nor did the drafters of the 14th amendment when they began implementing the ideal of equality under the law.

It is not surprising then that the 14th amendment guarantee of "equal protection of the laws" to all persons had little meaning for women until 1971, after the Equal Rights Amendment (ERA) had overwhelmingly been adopted by the House of Representatives and was pending in the Senate. The Supreme Court held then at long last that a State law favoring men as executors of estates was invalid—but without applying the same critical standard of review as the Court applies in cases where laws make distinction based on race or ethnic origin.[38] There have been a few additional decisions since applying the 14th and 5th amendments to State and Federal sex discriminatory laws, but none has treated sex discrimination as seriously as race discrimination cases are treated.

The ERA will secure for women the second revolutionary goal of the Declaration of Independence. "The Declaration of Independence is an expression of hope and the Equal Rights Amendment is an expression of achievement," to quote Professor William B. Aycock of the University of North Carolina.

And again from Professor Aycock:

"To approve ERA is to announce to the world that we are ready to complete a long, difficult but noble journey . . .

"Those of us who believe that the chosen way of America is to secure the revolutionary goals originating in the Declaration of Independence through legal and peaceful means should ponder this question: Will the rejection of ERA defuse or fuel the activities of the extremists in the women's movement? The passion for equality under law between the sexes will persist. The thrust of history will keep the issue alive. So long as ERA is unratified it will serve as a rallying point for militants and nonmilitants. To enshrine it in the Constitution will isolate the militants from the larger numbers of men and women who seek redress through the orderly processes of government.

"To ratify ERA now will be symbolic of an enrichment of our heritage to pass on to our children. They will spend most of their lives in the third century of this nation. Whatever they may be able to do to cope with the multitude of challenges awaiting them, we may never know. But we may be certain that they will have a better chance if the major battle to achieve equality under the law is won before the torch is passed."

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[37] The first few paragraphs and some later quotations are based on excerpts from a speech by William B. Aycock, Kenan Professor of Law and former chancellor of the University of North Carolina at Chapel Hill. The excerpts were published in the *Washington Star* on Jan. 25, 1976, p. B–1.

[38] *Reed* v. *Reed*, 40.4 U.S. 71 (1971).

DEVELOPMENT OF THE ERA

The ERA was the natural outgrowth of the struggle for the women's suffrage amendment adopted in 1920. The 72 years it took to secure the basic right of suffrage, much of which was spent trying to get voting rights State by State, demonstrated the impossibility of gaining equal legal rights for women step-by-step. It was evident that an overall amendment insuring women equality of rights under the law throughout the land was necessary. So in 1923, Alice Paul of the National Woman's Party wrote the Equal Rights Amendment. The ERA was subsequently introduced in Congress by a Senator and a Representative from Kansas, both Republicans.

Throughout its long history in Congress, the ERA was the subject of many hearings and intensive debate, but it never passed either House of Congress unamended until 1970, when Congresswoman Martha Griffiths' petition to discharge the bill from the House Judiciary Committee was signed by more than half the members of the House of Representatives. The amendment was debated on August 10, 1970, and passed the House of Representatives; however amendments that were unacceptable were added in the Senate.

In response to greatly intensified pressure by women's organizations led by Congresswoman Martha Griffiths, the Congress finally voted for the ERA—the House of Representatives 354 to 23 on October 12, 1971 and the Senate 84 to 8 on March 22, 1972. The passage was preceded by extensive hearings by both the Senate and House Judiciary Committees, and full debate in both Houses, and committee reports were issued explaining the amendment. This discussion was crucial, for it established the ERA's "legislative history," and it is the legislative history which the courts will look to in interpreting the amendment. The Supreme Court is the final authority in interpreting the Constitution, and the Supreme Court and other courts, consistent with our tripartite form of government, look to the intent of the "framers" in interpreting the Constitution and other laws.

The views of the proponents are best expressed in the majority report of the Senate Judiciary Committee. The House Judiciary Committee Report expressed the views of opponents and recommended passage of the ERA with a crippling amendment that was unacceptable to proponents. The House of Representatives by a big majority rejected the committee report and agreed with the "separate views" of the ERA proponents on the House Judiciary Committee. Their views were incorporated in the majority report of the Senate Judiciary Committee, making it the primary document expressing the views of the proponents.

RATIFICATION BY THE STATES

By May 1976, 34 of the 38 States needed had ratified: Alaska, California, Colorado, Connecticut, Delaware, Hawaii, Idaho, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.

Over 100 national organizations including such diverse groups as American Baptist Women, National Secretaries Association, the United Auto Workers, the AFL-CIO, the League of Women Voters, the American Bar Association, the Coalition of Labor Union Women, and the National Council of Negro Women have called for the ratification of the ERA. Practically every organization with a history of commitment to women's rights is in support. The ERA is also endorsed by both national political parties and by all U.S. Presidents starting with Dwight D. Eisenhower.

There is every reason to ratify the ERA: the need for it is clear; the legislative history gives a sound basis for interpretation; and a clear majority of Americans have said repeatedly that all people should be full citizens with legal equality.

WHY IT IS NEEDED

The ERA is needed to fulfill the American promise of equality; more specifically it is needed:

To enshrine in the Constitution the moral value judgment that sex discrimination is wrong;

To insure that all States and the Federal Government review and revise their laws and official practices to eliminate discrimination based on sex;

To insure that such laws are never again enacted by governments, including labor laws restricting women's job opportunities;

To give Constitutional sanction to the principle (ignored in most family law) that the homemaker's role in marriage has economic value that entitles one to full partnership under the law;

To insure equal opportunity, privileges, and benefits in all aspects of government employment, including admission to the military services and military training schools;

To insure equality of opportunity in public schools and State universities and colleges; in "manpower" training programs of Federal, State, or local governments, and in governmental recreation programs;

To insure that the families of women workers receive the same benefits as families of men workers under the Social Security laws, pension plans run by government at any level, and workmen's compensation laws;

To insure that married women can engage in business as freely as married men and that they can dispose of separate or community property on the same basis as married men;

To require that married women be permitted to maintain a separate legal domicile from their husband's domicile;

To require that women prisoners be given the same opportunities and privileges as men prisoners and that sentences be arrived at and administered under the same law for both sexes.

THE OPPOSITION

While the credible sources support the ERA and the need for it is clear many people have been confused by unfounded claims about its presumed effects. The proponents are striving to dispel the misconception and unfounded folklore that continue to obscure the intent and impact of the ERA.

As indicated above the courts will carry out the intent of the framers in interpreting the ERA, and will look to the views of the chief proponents expressed in the majority report of the Senate Judiciary Committee and in the debate.

The following explanations of the effects of the ERA are based on these sources. Phrases and sentences in quotation marks are quoted from the majority report of the Senate Judiciary Committee.

BASIC PRINCIPLE OF THE ERA

"The general principles on which the ERA rests are simple . . . Essentially the amendment requires that the Federal government and all State and local governments treat each person, male and female, as an individual.

". . . The Amendment applies only to governmental action; it does not affect private action or the purely social relationships between men and women."

EFFECT ON THE FAMILY

The ERA will not alter family structure, which is based on private relationships and custom.

Obligations for family support, which are in fact obligations to pay creditors, will be based on individual circumstances and not on sex. Congress specifically recognized in the legislative history of the ERA that a homemaker's contribution, whether the homemaker be male or female, has economic value, a fact with far-reaching implications for the homemaker.

"It is clear that the Amendment would not require both a husband and wife to contribute identical amounts of money to a marriage. The support obligations of each spouse would be defined in funtcional terms based, for example, on each spouse's earning power, current resources and nonmonetary contributions to the family welfare.

". . . where one spouse is the primary wage earner and the other runs the home, the wage earner would have a duty to support the spouse who stays at home in compensation for the performance of her or his duties."

The State of Montana, which has an equal rights amendment in its State constitution, amended its support law in 1975 to specifically recognize the value of the homemaker:

Duties of husband and wife as to support. In so far as each is able, the husband and wife shall support each other out of their property and labor. As used in this section, the word "support" includes the nonmonetary support provided by a spouse as homemaker. Section 36-102, Revised Codes of Montana.

ALIMONY AND CHILD SUPPORT AND CUSTODY

The effect of the ERA would be to offer fairer treatment on the basis of individual circumstances rather than sex. Courts will be making judgments based on an individual's background and potential earning capacity. The noncompensated contributions of a spouse will be a prime factor in determining support obligations. Currently, the Uniform Marriage and Divorce Act, which provides a model divorce and support law without distinctions based on sex, has been adopted by a number of States.

Divorced parents will be responsible for support of the children *in accordance with their means*, which will be an improvement for women over present practice. Mothers are contributing by and large more than half the support of the children even though they earn less.

State courts are interpreting State equal rights amendments in harmony with the legislative history of the Federal amendment in this and other respects. In no case has a court said that support must be 50-50. On the contrary, a Pennsylvania court has recognized the care given the children by the mother as constituting support stating:

"This is not, of course, to suggest that a mother who is keeping a house and caring for her children must secure the services of a babysitter and seek employment in order to contribute to the children's *financial* support; it is obvious that a mother who is caring for her children is providing them valuable support. *Green* v. *Freiheit*, Court of Common Pleas, First Judicial District of Pennsylvania, Family Division, October Term 1973, No. 1015 D.R. #26059."

COED BATHROOMS

"This right [of privacy] would likewise permit a separation of the sexes with respect to such places as public toilets, as well as sleeping quarters of public institutions."

No bathrooms have been made coed in States having equal rights amendments. Governor Evans of Washington replied when queried on this subject: "The accusations concerning integration of facilities are so ridiculous, we in Washington have ceased to reply to them. Rights of privacy remain fully protected in this State and thus our restroom facilities, prison cells, and sleeping quarters of public institutions remain totally segregated." (Letter of Feb. 5, 1976 to Ms. Paula Minklei.)

PROTECTIVE LABOR LAWS

Too often protective labor laws applying to women only discriminate against women in the job market. Under the ERA, labor laws applying to women only which are restrictive such as weight lifting laws or laws prohibiting employment more than 8 hours a day, will be invalid. There are practically no such laws now operative as a result of court decisions under title VII of the Civil Rights Act of 1964 and legislative action. Complaints under title VII based on application of protective labor laws were all brought by blue-collar union women, who found the laws discriminatory, and the courts agreed. Laws which are beneficial will be extended to cover both sexes.

RECISION

Two States, Nebraska and Tennessee, have voted to rescind their prior ratification of ERA. However, that action is most likely invalid. Article V of the U.S. Constitution delineates the amending process. In the judgment of many constitutional scholars, the only power given to the States under Article V is to ratify an amendment. Once a State has ratified it has exercised its only power under the Constitution. Congress has traditionally upheld this viewpoint.

MILITARY SERVICE

The ERA will require that women be drafted if men are drafted. There is no draft now and because of the success of the volunteer armed services, there is little likelihood of a draft in the foreseeable future. Also, it must be noted, Congress has always had the power to draft women under its general war powers and probably would in the event of an emergency with or without the ERA. Appropriate exemptions would in such a case be available to men and women.

ERA means that women who choose to enlist will have equal opportunity for enlistment, and hence access to valuable military benefits such as in-service training, GI loans and mortgages, and veterans' preferences for civilian jobs. Unfortunately now women who wish to enlist must meet higher standards than men, and even those who meet the standards may have to wait a considerable period.

As to combat, the ERA does not mean that infantry units will be half women. The military services will have the same right to assign women as they have to assign men and certainly will not assign women to duties they are not capable of performing. There are numerous references to this in the majority report of the Senate Judiciary Committee and in the debate in both Houses of Congress.

The constitutional right of Federal authorities to assign military personnel, as interpreted by the Supreme Court, is so broad that it is probable that women who want to serve in combat units have to sue in the courts to get admitted to combat units even in small numbers.

AUTHORITY OF STATES TO LEGISLATE

The Federal Government will have no more power to legislate in any areas reserved to the States than it now has. Both proponents and opponents agreed that the Congress has adequate authority now to enact any legislation needed to end legal discrimination.

The only restriction the ERA places on State legislation is to require that it not discriminate on account of sex. The ERA no more transfers authority to enact domestic relations law, for example, to the Federal Government than the 18-year-old suffrage amendment transferred all power to make voting laws to the Federal Government. The States still write the voting laws but they can't have a minimum age higher than 18. The States will still enact domestic relations laws, but they cannot make distinctions based on sex; they can make distinctions based on function, such as homemaking.

SUPPLEMENTAL READING MATERIALS

Pamphlets, books, other research materials readily available that were helpful to the IWY Committees.

GENERAL

Chronology of the Women's Movement in the U.S. 1961–1976. D/IWY, Dept of State, Wash., D.C. 20520 (single copies free).

Decade for Women, World Plan of Action, WEAL, National Press Building, Wash., D.C. 20045 (single copies free).

Hiring Practices of U.S. House and Senate, For sale from Federally Employed Women, 485 National Press Building, Wash., D.C. 20045 ($4).

1975 Handbook on Women Workers, Department of Labor, Employment Standards Administration, Women's Bureau, Bulletin 297, Wash., D.C. 20210 (single copies available free; bulk orders $4.75 from G.P.O.).

Publications of the Women's Bureau, U.S. Dept. of Labor, Employment Standards Administration, Women's Bureau, Wash., D.C. 20210 (single copies free).

The Rights of Women, Susan C. Ross, Discus Books, 1973.

Women in 1974, Citizens' Advisory Council on the Status of Women, Wash., D.C. 20210 (single copies free).

Women in 1975, Citizens' Advisory Council on the Status of Women, Wash., D.C. 20210 (single copies free).

"Women in Politics: A Global Review," Kathleen Newland, Worldwatch Paper 3, Dec. 1975, Worldwatch Institute, 1776 Mass. Ave., Wash., D.C. 20036 ($2).

World Conference of the International Women's Year. Sen. Charles H. Percy, Committee on Government Operations, Sept. 8, 1975, U.S. Government Printing Office, Wash., D.C. 20402.

CHILD CARE

Resources for Decision, Edith H. Brotberg, ed., Day Care and Child Development Council, 1971, 1012 14th St., NW., Rm. 1104, Wash., D.C. 20005.

The Future of the Family, Louise Kapp Howe, ed., Simon and Schuster, 1972.

The First Three Years of Life, Burton L. White, Prentice-Hall, 1975.

DAY CARE

Under Lock and Key, Juveniles in Jails and Detention, Rosemary C. Sarri, National Assessment of Juvenile Corrections, Univ. of Mich., Ann Arbor, Mich., Dec. 1974.

EDUCATION

Equal Rights for Women in Education, Rep. No. 77, Education Commission of the States, 300 Lincoln Tower, 1860 Lincoln St., Denver, Colo. 80203. ($2.50). (Also material on title IX, and other areas of law and legislation for Women in Education).

ENFORCEMENT OF THE LAWS

Sex Discrimination—Job Evaluation and Wage Practices Which May Disadvantage Women, Dr. George Hagglund, School for Workers, Univ. of Wis.—Extension, July 15, 1975, 433 Lowell Hall, Madison, Wis. 53706 (single copies free).

Making Civil Rights Sense Out of Revenue Sharing Dollars, Rep. 50, Feb. 1975, U.S. Commission on Civil Rights, Wash., D.C. 20425 (single copies free).

Minorities and Women as Government Contractors, May 1975, U.S. Commission on Civil Rights, Wash., D.C. 20425 (single copies free).

The Federal Civil Rights Enforcement Effort—1974, U.S. Commission on Civil Rights, Wash., D.C. 20425.

Volume I, "To Regulate in the Public Interest," Nov. 1974.

Volume II, "To Provide . . . For Fair Housing," Dec. 1974.

Volume III, "To Ensure Equal Educational Opportunity," Jan. 1975.

Volume IV, "To Provide Fiscal Assistance," Feb. 1975.

Volume V, "To Eliminate Employment Discrimination," July 1975.

Volume VI, "To Extend Federal Financial Assistance," Nov. 1975.

Single copies free from U.S. Commission on Civil Rights, Wash., D.C. 20425; bulk orders from G.P.O., Wash., D.C. 20402 ($3).

Women and Housing, A Report on Sex Discrimination in Five American Cities, U.S. Dept. of Housing and Urban Development, G.P.O., ($3.40).

Women's Work—Up From .878, Mary Witt and Patricia K. Naherny, Univ. of Wis.—Extension, Jan. 1975, 433 Lowell Hall, Madison, Wis. 53706 (single copies free).

ERA

Interpretation of the Equal Rights Amendment in Accordance with Legislative History, Citizen's Advisory Council on the Status of Women, Dept. of Labor, Wash., D.C. 20210 (single copies free).

The Equal Rights Amendment—Senator Ervin's Minority Report and the Yale Law Journal, Citizen's Advisory Council on the Status of Women, Dept. of Labor, Wash., D.C. 20210 (single copies free).

"The ERA: A Constitutional Basis for Equal Rights for Women," *Yale Law Journal,* 80:5 (Apr. 1971) entire issue.

The Equal Rights Amendment: A Report on the Proposed 27th Amendment to the Constitution. Common Cause, 2030 M St., NW., Wash., D.C. 20036 (single copies free).

Materials also available through ERAmerica, 1525 M St., NW., Suite 605, Wash., D.C. 20005; the National Federation of Business and Professional Women Clubs, Inc., 2012 Mass. Ave., NW., Wash., D.C. 20036; and the League of Women Voters of the U.S., 1730 M St, NW, Wash, DC. 20036 (single copies free).

HOMEMAKERS

"A Commentary on the Effects of the Equal Rights Amendment in State Laws and Institutions," Anne K. Bingaman, California Commission on the Status of Women, Equal Rights Amendment Project, 926 J St., Suite 1014, Sacramento, Calif. 95814 (single copies free).

Recognition of Economic Contribution of Homemakers and Protection of Children in Divorce Law and Practice, Citizen's Advisory Council on the Status of Women, Dept. of Labor, Wash., D.C. 20210 (single copies free).

The Equal Rights Amendment and Alimony and Child Support Laws. Citizen's Advisory Council on the Status of Women, Dept. of Labor, Wash., D.C. 20210 (single copies free).

MEDIA

From Reverance to Rape: The Treatment of Women in Movies, Molly Haskell, Penguin Books, Baltimore, Md., 1974.

McGraw-Hill Book Company Publications, McGraw-Hill, 1221 Ave. of the Americas, New York, N.Y. 10020.

How to Protect Your Rights in Radio and Television, Pamela Richards and Ralph Jennings, Office of Communications, United Church of Christ, 289 Park Ave. South, New York, N.Y. 10010.

Media Report to Women, 3306 Ross Pl., NW., Wash., D.C. 20008. A monthly publication which reports what women are thinking and doing about the communications' media.

Report of the Task Force on Women in Public Broadcasting, published by the Corporation for Public Broadcasting, 1111 16th St., NW., Wash., D.C. 20036, 1975.

Rooms With No View: A Woman's Guide to the Man's World of Media. Ethel Strainchaps, ed., Harper and Row, 1974.

RAPE

Sex Discrimination and the Law: Cause and Remedies, Barbara Allen Babcock, Anne E. Freedman, Eleanor Holmes Norton and Susan C. Ross, Little, Brown and Co., Boston, 1975.

Against Our Will: Men, Women, and Rape, Susan Brownmiller, Random House, New York, 1975.

Rape and Its Victims, National Institute of Law Enforcement and Criminal Justice, Center for Women Policy Studies, Law Enforcement Assistance Administration, U.S. Dept.

of Justice, 1975, Box 24036, Wash., D.C. 20724 (single copies free).

Adams Rib, Ruth Herschberger, Harper and Row, New York, 1970.

SPECIAL PROBLEMS OF WOMEN

Sexism and Racism: Feminist Perspectives, Civil Rights Digest, Commission on Civil Rights, Wash., D.C. 20425 (single copies free).

Sexist Justice, Karen De Crow, Random House, 1974.

WOMEN IN POWER

Women in American Politics, Martin Gruberg, Academia Press, Oshkosh, Wis. 1968.

How to Move Women Into Appointive Office, pamphlet, D/IWY, Wash., D.C. 20520 (single copies free).

Political Woman, Jean J. Kirkpatrick, Basic Books, New York, 1974.

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Women Appointed to State Boards and Commissions, A Report, Center for the American Woman and Politics, Eagleton Inst. of Politics, Rutgers Univ., New Brunswick, N.J., Jan. 1976 ($3).

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During the course of the Commission's life, it prepared various publications for distribtuion to the public. These publications may be ordered from the National Commission for the Observance of International Women's Year, Wash., D.C. 20520.

Federal Laws and Regulations Prohibiting Sex Discrimination, A detailed chart which describes who is covered by and who enforces these laws and how to file sex discrimination complaints.

Chronology of the Women's Movement in the United States, 1961–1975.

Briefing Paper for use of the U.S. Delegation on the Women's Movement, 1960–1975. (Mexico City World Conference, Summer, 1975).

"ERA and the Press." Jill Ruckelshaus, *The Bulletin of the American Society of Newspaper Editors*, Mar. 1976.

How to Move Women Into Appointive Office. Suggestions for groups and individuals on increasing the number of women appointed to public office. Prepared by Marian L. Thompson, Women's Education Resources, University of Wisconsin-Extension under contract with the IWY Commission.

Market Opinion Research Poll of Women in the United States-1975. (Summary.)

"Legal Status of the Homemaker in ——." (A leaflet for each State will be published by summer 1976), Homemakers Committee, IWY Commission.

THE SECRETARIAT

The Secretariat was particularly fortunate to have available the wisdom, experience, and commitment of Virginia Allan, Deputy Assistant Secretary of State for Public Affairs and Chair of the 1969 President's Task Force on Women's Rights and Responsibilities. The Secetariat's work was greatly facilitated by the unfailing cooperation of State Department personnel responsible for providing administrative services to the Commission—quarters and budget, personnel, and printing services. Former Deputy Secretary Robert S. Ingersoll was always helpful and generous with his time and wisdom.

In addition to staffing the National Commission on the Observance of International Women's Year and the Interdepartmental Task Force, a parallel body to the Commission, the Secretariat assisted the U.S. Government departments to prepare for the World IWY Conference held in Mexico City, and assisted the U.S. delegation to the Conference.

Following is a list of the persons who served on the Secretariat. Most of the staff served as consultants on a part-time or short-term basis. Many were on detail from other Federal agencies and one from a union; their names are followed by the organization which so generously contributed to IWY:

Coordinator, Mildred Marcy (U.S. Information Agency).

Deputy Coordinator, Catherine East (Labor Department).

Executive Officer, Chandler Roland (State Department).

Writer-Editor, Dorothy Jurney.

Staff Members:
Nancy Arnesen
Bernice Baer (U.S. Information Agency).
Ellen Boddie.
Kathleen Bonk (Justice).
Mercedes Botts (Defense Supply Agency).
Dolores Brotherton (State Department).
Pamela Curtis (Commerce Department).
Joan Goodin (Brotherhood of Railway and Airline Clerks. AFL/CIO).
Sidney Goodwin.
Elizabeth Hagerty (State Department).
Paulette Hawkins (Agriculture).
Marlwyn Heath.
Marian Higman.
Maxine Hitchcock.
Idelle Howitt (Federal Reserve Board).
Patricia Hyatt.
Jean Joyce.
Susan Kirkby.
Shelah Leader (Justice).
Lois Mahler (State Department).
Janice Mendenhall (General Services Administration).
Marjorie Paxson.
Phyllis Rich (State Department).
Joy Simonson (Civil Service Commission).
Richard Simonson (Department of Health, Education and Welfare).
Agnes Sutphin (State Department).
Marilyn Tank
Margaret Taylor.
Anne Tennenbaum (National Aeronautics and Space Administration).

THE IWY BIRD

(By Robin Pogrebin*)

Dora Levinson lived at 20 W. 88th St. She had two, 2 yr. old twin sisters and one 12 yr. old brother. Dora was 11 herself.

That night Dora was very upset because she had tried out for a Basketball teem at her school and when she arrived at the school gym, the coach came up to Dora and said, "I'm very sorry little girl but I can't except you on my team."

"Why not?" asked Dora, holding back tears.

"Because your a girl. Thats why."

Well Dora could not believe her ears. Slowly she walked out of the gym. As she was walking she began to get mad. Really, really mad.

She harshley brushed her tears away. She swung around and ran back to the gym. She burst open the door. All the boys and the coach looked up from reading the rule book.

Dora suddenly began to blow up from maddness. Her face turned beet red. She then burst out into a speech that bellowed through the whole gym.

"I don't know who made up the stupid rule that girls can't play in the after school basketball games but whoever did was mighty stupid! And if any of you boys think that girls can't play basketball as well as boys can, we-e-l, (Dora said with a teasing chuckle) just play a few games against me and you'll see."

Just then the coach grabbed Dora's arm. "Listen girl, you better stop acting like a stubborn bunch of mules!"

"And you better stop acting at all and start changing your rules!" shouted Dora.

Then the coach jerked Dora's arm. "Owwwww!" screamed Dora. Then Dora did something she never dreamed she would ever do. She slapped the coach accross his face. Then she ran out of the gym, and home.

After dinner that night the whole Levinson family piled into the living room to watch television. Soon Dora's head began to nod. Soon (as you may of guessed) Dora was in a sleeping wonder land.

Hours later Dora woke up. "Hey!" she said with a yawn. "Who turned the t.v. off?"

Dora walked over to her big window, drew the curtains and looked out. She stood there for quite a while, thinking of the coach she began to get mad again but then her madness turned into tears, tears of sadness.

Then as Dora was about to turn to go to bed she saw something strange out of her window. It was something that flayed.

"It is a bird?" thought Dora. "Or is it a plane?"

Just then the whatever it was landed on Dora's window terrace. Dora opened the two big windows. Dora spoke: "Who are you?"

"I am the International Women's Year Bird. But you call me IWY for short."

"A light," said Dora. "But what brings you here?"

"I am here because I think what you did today in school was wonderful."

"Thank you, but how did you know and what does an International Women's Year bird do?"

"Well," answered the bird. "And International Women's Year bird does a lot of things. I like equality between men and women. I like fairness and most of all I fight for women's rights."

"Oh that's very interesting," said Dora. "And the reason that you knew what I did was because I was fighting for women's rights?"

"Exactly and for a reward I am going to take you on a ride all around the town!"

Then Dora climed onto IWY's back and off they flew. Dora saw her school and the playground where she plays with her friends. She saw the supermarket and the Library. She saw so many things. She shrieked with laughter each time she saw a place that she recognized.

Soon they arrived home. Dora thanked IWY for the wonderful ride. Dora watched IWY fly away till she was out of sight. Then she climbed into her bed and went to sleep. No one would believe her so she wasn't going to tell.

Soooo don't be surprised if some time you fight for equality and you wake up that night, with a IWY on your window sill.

THE PUBLICATION OF "A MYSTERY LETTER"

Mr. THURMOND. Mr. President, in a recent letter from Thomas C. Garrett, of Mullins, S.C., he forwarded to me an article which had been published in his hometown newspaper nearly 50 years ago. It had been found among the effects of his father who died in 1937. The article which Mr. Garrett has forwarded to me refers to "A Mysterious Letter" and he asked that I relate it to my colleagues of the Senate.

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*Robin Pogrebin, a 10-year-old student at the Walden School in New York, wrote a short story in January 1976 called "The IWY Bird." With very minor editing the piece is presented here. The thoughts and words are all Robin's, as is the spelling.

Robin is one of three children of Bertrand and Letty Pogrebin. The others are Abigail and David. The Pogrebins live in New York City.

Accordingly, I ask unanimous consent that the article which my constituent has provided be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

[From the Mullins (S.C) Enterprise, Mar. 10, 1927]

A Mysterious Letter

The so-called mysterious letter, alleged to have been written by Jesus Christ, has bobbed up again in certain papers in North Carolina.

According to the history of the letter it was written by Christ just after His Crucifixion, signed by the Angel Gabriel ninety (90) years after the Savior's birth and presumably deposited by Him under a stone at the foot of the cross. On this stone appeared the following: "Blessed is he who shall turn me over "

WHAT THE INSCRIPTION MEANT

No one knew what the inscription meant, or seemed to have sufficient curiosity to investigate, until the stone was turned over by a little child and the letter which follows was discovered: "Whosoever works on the Sabbath Day shall be cursed. I command you to go to church and keep holy the Lord's Day, without any manner of work. You shall not idle or mispend your time in bedecking yourself in superfluities of costly apparel and vain dressing for I have ordered it a day of rest. I will have the day kept holy that your sins may be forgiven you.

"You will not break my commandments, but observe and keep them—they are written by my hand and spoken by my mouth. You should not only go to church yourself, but also your manservant and maid-servant. Observe my words and learn by commandments.

FINISH ON SATURDAY

"You should finish your work every Saturday at six o'clock in the afternoon at which hour preparation for the Sabbath begins. I advise you to fast five days in the year, beginning on Good Friday and continuing for five days following the remembrance of five bloody wounds I received for you and mankind.

"You shall love one another and cause them that are not baptized to come to church and receive the Holy Sacrament, that is to say, Baptism and then the Supper of the Lord, and be made a member thereof, and in so doing I will give you long life and many blessings. Your land shall be replenished and bring in abundance, and I will comfort you in the greatest temptation and surely he that doeth contrary shall be cursed.

"I will also send hardness of the heart on them and especially on hardened and unpenitent unbelievers. And he who hath given to the poor shall find it profitable. Remember to keep the Sabbath Day, for I have taken it unto me as a resting day.

SHALL NOT PROSPER

"And he that hath a copy of this letter written by my hand and spoken by my mouth and keepeth it without publishing it to others shall not prosper, but he that publisheth it to others shall be blessed by me and if their sins be as many as stars by night and if they truly believe, they shall be pardoned and they that believe not this writing and my commandments will have my plagues upon you and you will be consumed with your children, foods and cattle and all other worldly enjoyments that I have given you. Do but once think of what I have suffered for you, if you do it will be well for you in this world and the world to come.

UNTIL THE JUDGMENT

"Whosoever shall have a copy of this letter and keep it in their house nothing shall hurt them, neither pestilence, thunder nor lightning and if any woman be in birth and put trust in me she shall be delivered of her child. You shall hear no more news of me except through the Holy Scriptures until the day of judgment. All goodness and prosperity shall be in the house where a copy of this letter shall be found. Finished."

The story goes that the little child who found the letter passed it to one who became a convert to the Christian faith. He failed to have it published. He kept it, however, as a sacred momento of Christ and it passed down to different generations of his family for more than 1000 years. During this period the family suffered repeated misfortunes, moved to different countries until finally one of them came to America bringing the letter with them. They settled in Virginia, then moved further south still followed by misfortunes, when finally the last member, a daughter, approached her deathbed and called a neighbor, a Mrs. Thompson, giving her the letter and relating its history for more than a thousand years. The woman began the attempt to have it published.

GEN. FRED WEYAND

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the tribute paid to the retiring Chief of Staff of the Army by the Secretary of the Army, the Under Secretary and the Vice Chief of Staff; and also the remarks of Fred Weyand upon his retirement yesterday be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Frederick Carlton Weyand, General, United States Army, Chief of Staff, September the Thirtieth, Nineteen Hundred and Seventy-Six

As you retire from the Army's highest military office after thirty-five years of active service, it is our honor, on behalf of your friends and colleagues, to subscribe this testimonial of the respect, esteem, and high regard in which you are held.

Integrity, initiative, and a sense of purpose and direction have been the hallmarks of an exemplary career. From your first assignment with the 6th Coast Artillery Regiment to your service as Chief of Staff of the United States Army, you have set by example, standards of military professionalism and accomplishment which will long serve to instruct and inspire all who wear our Nation's uniform.

The tasks you faced as Chief of Staff were unprecedented. You were called on to draw down the Army after Vietnam. At the same time, you were charged with building a professional, all-volunteer peacetime Army and simultaneously creating a truly total force of Active Army and Reserve Component forces capable of both undergirding American foreign policy in peactime and possessing the conventional combat power to fight and win if war comes. The measure of your ability was not only the way you accomplished these tasks, but the way the Army has responded in increasing realization of its potential and its opportunity. By taking the mission, never yourself, seriously . . . by using a light touch to highlight the weighty and profound matters with which you had to deal . . . by sharing your wisdom and experience in a way that illuminates the richness of our common experience and heritage: you have been an articulate, uniquely representative spokesman in an unusual time of transition in the Army's and the Nation's history. You have proved that humor and humility are the hallmarks of great men, since only the great can afford them. The Army today is a better, richer organization in which to serve; the Army today is more capable of worthy service to the American people, because you have embodied in such full measure the finest characteristics of the professional military officer, and given so freely of yourself as Chief of Staff during this critical period in its history.

Your accomplishments in the Army and exceptional achievements in the struggle for peace and security in the world are contributions of the highest order which have won the admiration and gratitude not only of Americans, but of free people everywhere. Few men have discharged responsibilities in the Army with greater creativity and practical soundness, and none more faithfully or with more distinction.

This scroll is a hearfelt expression of the lasting respect, affection, and appreciation held for you by the men and women of the Army, and commemorates your many distinguished contributions to the security of our Nation and the cause of freedom.

Walter T. Kerwin, Jr.,
General, U.S. Army, Vice Chief of Staff.
Norman Augustine,
Under Secretary of the Army.
Martin R. Hoffmann,
Secretary of the Army.

Remarks by General Weyand, CSA, at Retirement Ceremony, September 30, 1976

Members of The Old Guard, Pershing's Own and friends:

This is a new experience for me. First, let me say that Arline and I thank you for coming.

Even though some of you are probably here to make certain that I leave as advertised—it's nevertheless heartwarming to get this kind of attention.

And Secretary Rumsfeld and Secretary Hoffmann, I am sincerely touched by the honor you have accorded me tonight and the very warm and kind words that you have expressed here.

In this regard, I like the comment Secretary Rumsfeld made the other day when he was introduced. He quoted that late Governor from his State of Illinois, Adlai Stevenson, who said: "Praise is like perfume. It's alright to smell it as long as you don't swallow any of it!"

You have only to look at those soldiers across the floor to sense, if not know, that this is a fine Army. And I leave it with a feeling of satisfaction even though I know that there is much more I should have done and there is much much more to be done.

This is not the time nor the place for some general like me to posture or preach about preparedness or his personal experiences in that regard. On the other hand, I do want to share at least some of my observations with you.

For one thing, we're blessed with an Army of young Americans who are now serving willingly and who we should not forget suffer restraints on their freedoms so that we may enjoy our freedoms and our liberty to the fullest.

So, don't believe the nonsense that these soldiers are overpaid—their pay is a minor fraction of our military expenditures. Don't short-change them—they need your moral and material support. But beyond that, we all need them—more than we realize.

I believe, for a number of reasons, that the United States will never want for enemies. The fact that our values and our commitment to the rights and dignity of the individual undercut the ground of totalitarianism is reason alone for us to be on guard—not to mention the other hostile pressures that impact on us.

Therefore, to the Army the security of this nation and what it stands for is a sacred trust.

We are all deeply concerned with the cost of that trust—because the price of liberty has been and is, indeed, very high. But that, in a sense, is the measure of its value.

We know from bitter experience that for us the cost of unpreparedness has been beyond calculation—not only in money but in human suffering, sacrifice, blood and life.

Certainly, most of us have seen enough of it to last us several lifetimes. Very few, who have seen the look in the eyes of a sorely wounded or dying soldier will ever erase the experience from their minds—that soft, helpless, questioning look—seeming always to say: "I'm sorry I let you down. I did my best. Don't let me down."

And, I'm certain that no thinking American wants to let them down. But, as we search for the proper path for our nation, some wonder if it isn't *our* strength and *our* presence that cause tension and conflict. The lesson of history proves otherwise—in each instance it has been not our strength but our weaknesses that have been tempting and provocative to those who finally set their military machine in motion to seize by force that which they could not obtain through peaceful means.

To this day, I do not believe that those young men that America sent to Vietnam gave of their blood and their lives in vain. Their sacrifice was in defense of a principle that has been fundamental for Americans for 200 years—"that a man's way of life must not bs dictated by force."

Surely this nation—this singular beacon of hope for mankind—for those who seek a life based on human dignity and who oppose the thesis that the state is supreme over the individual—surely *we* of all people can afford the price taht is required to safeguard the freedom of religion, of thought, of speech, of assembly, of the press, of inquiry, of dissent and the well-spring of human dignity from which they flow.

What is that price? In its most simple terms it is a relatively small portion of our national productivity, somewhere in the band of 6 to 8%. Isn't that a reaosnable price to pay for defense insurance to insure that mankind will retain a choice for a way of life beyond the single choice of mere survival?

We're blessed with a great country—with capable civilian and military leadership—with a Commander-in-Chief who has shown courage and determination in protecting this nation's heritage and promoting its values—we're a people who unlike many unfortunate people in the world are still masters of our own fate.

We are fortunate indeed. Looking to the future, I am confident that we will use and spend our good fortune wisely and well. I still believe that there is no task too great for this nation, if we set our minds to it.

Aloha and mahalo!

THE GENOCIDE CONVENTION: A COMMITMENT TO HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, we as a nation have always held a firm commitment to the concept of human rights for all people. Two hundred years ago, the Founding Fathers of our great Nation declared the self-evident truths that all men are created equal, and are endowed with certain inalienable rights, among them life, liberty, and the pursuit of happiness.

Throughout our history, the United States has demonstrated uncompromising leadership in support of basic human rights for all people of every nation. In this humanitarian spirit, we entered the Second World War, not solely for our own self-defense, but because, as a people committed to human rights, we could not shirk our responsibility to halt the horrible crime against mankind perpetrated by Nazi Germany. After accounts of this heinous crime became public, the atrocious and systematic extermination of the Jewish population by the Nazis was condemned by every civilized nation.

Following the war, the United States assumed a leadership role in the United Nations, working to insure that the most fundamental human right, the right to survival, would never again be so flagrantly violated. The first human rights treaty ratified by the United Nations, the Genocide Convention, guarantees this right to survival to all national, racial, religious, and ethnic groups. The United States, having played an integral role in the drafting of this treaty, signed the convention on December 11, 1948.

Today, 27 years after President Truman transmitted the Genocide Convention to the Senate for its advice and consent to ratification, it remains before us as pending business .It is indeed unfortunate that during this Bicentennial Year we have failed to reassert the ideals of our Founding Fathers by failing to ratify this treaty.

Mr. President, during the past 10 years I have spoken day after day in this Chamber, reminding my colleagues of the importance of this treaty and the necessity for prompt action. I pledge to you now that I will perservere in my efforts to secure Senate ratification of this important treaty. Two hundred years' commitment to the principle of human rights demands that we as a nation outlaw the crime of genocide.

NO NEW POLLUTION FUNDS

Mr. MUSKIE. Mr. President, I am extremely concerned that there will be no authorization for funds for water pollution construction grants during fiscal year 1977. The House has refused to negotiate toward achieving a compromise on water pollution funding. Our bill authorized a 1-year extension of the program and $5 billion in water treatment grants to insure that momentum toward cleaning our waters is not lost.

In September, the Senate passed the Public Works Committee's amendments to S. 2710, to which the complicated and controversial House water pollution amendments had been added. At that time, I told the Senate that our amendment was austere and that I would fight for an austere position in conference. Our position, based upon time constraints imposed by consideration of the Clean Air Act, was to defer until next year all but the absolutely essential issues.

We have conferred with the House. We have negotiated in good faith. We have offered more than an austere bill. We have agreed to compromise on issues the Senate has yet to consider. But each of our efforts has been frustrated.

As we have attempted to confer with the House of Representatives to obtain enactment of that bill, the House has insisted on adding to this simple funding extension bill a series of special interest provisions which can only be characterized as environmental pork barrel.

The House of Representatives said that the price of a bill to continue this important national water clean-up program is wholesale abandonment of important environmental objectives and adoption of provisions, the risk of which could be more program mismanagement, and further delay in our water clean up efforts. This price is too high.

Mr. President, because of the intransigence of the House, 34 State water pollution control programs will find the Federal flow of dollars dried up. I ask unanimous consent to have printed in the Record a list of those States—compiled by the National Governors Conference.

The people out in the field who really need this money—town managers, mayors, selectmen, and State officials—were counting on us. They do not understand why they were captive to the complicated negotiations of a conference committee; they only know that the Federal Government made a commitment to clean water in 1972; and they have made commitments in response. I hope the House will join us early next year to honor that commitment.

There being no objection, the list was ordered to be printed in the Record, as follows:

According to National Governor's Conference Survey

STATES AND EARLIEST RUN-OUT DATE

Alabama, January 1977.
Alaska, January 1977.
Arizona, January 1977.
Arkansas, April 1977.
California, April 1977.
Colorado, January 1977.
Delaware, January 1977.
Florida, July 1977.
Georgia, May 1977.
Hawaii, September 1976.
Idaho, January 1977.
Illinois, March 1977.
Iowa, July 1977.
Maine, September 1976.
Michigan, September 1977.
Minnesota, March 1977.
Mississippi, April 1977.
Montana, April 1977
Nebraska, October 1976.
Nevada, January 1977.
New Hampshire, April 1977.
New Jersey, January 1977.
New Mexico, October 1976.
New York, July 1977.
North Carolina, June 1977.
North Dakota, December 1976.
Ohio, June 1977.
Oregon, December 1976.
Rhode Island, July 1977.
Texas, January 1977.
Utah, January 1977.
Washington, January 1977.
Wisconsin, September 1977.
Wyoming, September 1976.

IN MEMORY OF HARRY T. THORSON

Mr. HANSEN. Mr. President, the citizens of Wyoming lost a friend and dedicated advocate last weekend when Harry T. Thorson died following a tragic automobile accident. He will be missed, but his contributions to others will long be remembered.

Harry was my friend, as he was a friend to so many, many people. And while he will be remembered in Wyoming for his many achievements in the public arena, he will also be remembered for the many kindnesses he extended of a nature which do not come to the attention of the public. Harry's lifelong friend, Albert Harding, said it best:

> Harry will be most remembered with affection by those who really knew him for things which will never be publicly known. In his active lifetime, Harry evinced more affection and more respect for more individuals, in more places, and in more ways, than any of us will ever know. Each relationship was unique, involving affection, sympathy, counsel and help.

Throughout my own association with Harry, I was privileged to be one of the recipients of his innate kindness and generosity. I valued his advice and counsel, for he was a man of exceptional intelligence and insight. I admired his ambition and ability to succeed at whatever he set out to accomplish.

This unique and unusual man combined candor with understanding concern in his observation to friends—which were never gratuitously offered but often solicited—in a way that conveyed fact and reality unoffensively because of his obvious care and interest in others.

Honesty pervaded every thought, fairplay every action of Harry Thorson.

Any student of government desirous of understanding the ultimate dimensions of good citizenship will find inspiration as well as practical guidelines in a study of this man's life.

My family and I have known Harry and his family for many years. We are deeply saddened by his passing, but comforted by the knowledge that the lives of hundreds of people have been made happier and easier by the actions of this uncommon man during his lifetime.

Mr. President, in memory of Harry Thorson, I ask unanimous consent that editorials by Wyoming editors Jim Flinchum and Phil McAuley which pay tribute to Harry and recount some of his achievements be printed in the Record. I ask unanimous consent also that the farewell message of Harry's friend, Albert Harding, be printed in the Record as well.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Cheyenne (Wyo.) State Tribune, Sept. 25, 1976]

A Great, Good Man

There were many exceptional qualities about Harry Thorson to the point that an oustanding one is hard to select. But perhaps the greatest was his uncommon generosity. Harry was a man with a great big heart and he was most generous with sharing the wealth he made as a most capable businessman and developer of resources; and not just sharing his accumulated material possessions, but more importantly of his exceptional intelligence.

It was this gift that he was called on more than any thing else to shower on the people of Wyoming as a counselor of governors, congressmen and U.S. Senators; of legislators at the state level, and in direct service on various boards and commissions. At age 74 when many men's public service is past, Harry Thorson was still working for the people of this state directly in the capacity as a member of the Judicial Nominating Commission and only 10 days ago had attended a meeting of this panel to pass judgment on the 11 Supreme Court justices and district judges whose names must be put on the November general election ballot.

It was not widely known, but Harry Thorson played an important role in the two terms of Gov. Stan Hathaway in numerous capacities not the least of which was his service on the initial State Government Reorganization Commission, now formally and officially consisted as the Legislative-Executive Commission on Reorganization of State Government, in which at the outset of the Hathaway Administration nearly 10 years ago there was set in motion the process of making sweeping changes in the state's governmental setup.

Thus his contributions in the sense of public service were many and notable, perhaps one of the greatest accumulations of such service by one individual in the history of this state despite the fact that Mr. Thorson (he did not like the appellation, it was usually just "Harry" to one and all regardless of age or status) was never elected to a public office. He was truly the dedicated servant of the people, nonetheless.

A distinguished jurist tells the story of once having the problem in lean years of a financially defunct oil company dumped in his lap in a bankruptcy action; he did not quite know what to do about the mess the company had gotten into. Finally after giving the matter some study he called in Harry Thorson and asked him if he would act as receiver for the bankrupt little firm. Without hesitation Harry agreed on the spot despite his heavy commitments to his own personal business enterprises as well as his public service and his role as a political leader. Within a short time, so the judge has said, Harry had that little bankrupt company on a sound financial basis and bringing in a profit.

He did a tremendous number of things without any benefit to himself; indeed all of his public service lacked any reward whatsoever. As the first generation-born of immigrant Norwegian parents he appreciated America more than most and the opportunities it gave to newcomers from foreign lands; but more than that he just liked to serve his community, his state and this country.

He was a remarkably honest man, not only from a moral standpoint and his morals were impeccable and without blemish, but from a standpoint of intellectual honesty, with himself and with others. He had a great facility for "telling it like it was" as Senator Hansen has observed in a tribute to this man who was one of his closest friends. For example as a Republican party leader he viewed his party's programs and candidates through anything but rose-colored glasses and could be at times pitilessly unsparing of the weak and deficient both as regards policy and persons. For this he had great respect not only among Republicans but with Democrats and others as well and it was interesting that he got his nickname of "the sage of Osage," referring to the town where he lived for so long, from the late Walter B. Phelan who played such a prominent role in the Democratic party of this state.

Despite all of the accolades and good fortune that came his way, leadership in government and politics and success in business, Harry Thorson was an unusually modest man. He demurred at being accorded the little touches of recognition that men in his position usually come to expect; he was perfectly willing to take a back seat as far as honors went. The most important thing was getting something accomplished and in this respect he was a man of determination and prescience. Perhaps most of all he was a shrewd and perceptive judge of other men and especially of their motives; the gift of an analytical mind enabled him to size up individuals and situations with remarkable accuracy.

So we take our leave of this man, an event that comes the way of everyone; but in so doing, we should like to note that not many like him have come our way, not in the past, nor do they now, nor will they in the future, whatever the future may hold.

[From the Casper (Wyo.) Star Tribune, Sept. 27, 1976]

A Worthwhile Life

(By Phil McAuley)

A political titan has left the Wyoming scene. It occurred with the death of former Republican State Chairman Harry T. Thorson last Friday from injuries sustained in a traffic accident.

The Newcastle businessman was 74 years old when he died but what an eventful, fulfilling, funfilled and worthwhile 74 years they were for him and those who had the good fortune to know him.

Harry Thorson was a robust, burly figure of a man who at first glance appeared forbidding. Appearances deceive. He was a genial person who liked nothing better than a joke and being around convivial people whether or not they were yarning or arguing politics, business or the state of the world.

There was one side of Harry Thorson that most of the public saw. It was that of the successful businessman turned politician supreme, the Bernard Baruch of the Wyoming Republican party, listening and being listened to. The other side was the sensitive and deeply human Harry Thorson, a side that he preferred to keep well hidden. His intimates fortunately saw this in him and so did many of those who were either physically, emotionally or financially down. Some of those who benefitted from Harry Thorson's sensitivities will never know it.

We were fortunate to see several sides of Harry Thorson. We heard him talk politics one hot summer morning in a room in the old Townsend Hotel with the late Sen. Everett Dirksen of Illinois about 19 years ago. That was a pair of political spellbinders for fair.

The Illinois senator, an oracle of his party even then, sitting up in the bed in his underwear and Harry Thorson, his unofficial counterpart, briefing him. Both were sipping beers and Harry Thorson had the decency to offer us one. Dirksen was being briefed on the Wyoming political scene in preparation for his noon talk to the GOP. It was a lesson in politics we never have forgotten, witty, to the point, but above all practical. It was apparent when Sen. Dirksen spoke he had been well briefed on Wyoming.

Harry Thorson, even during his phenomenally successful business career and after never was really interested in running for political office. He was GOP state chairman in 1954-58 and National Committeeman from 1958 to 1964 but he chose to remain behind the scenes. We think we may know one reason.

An acquaintance of ours, much younger at the time, felt the urge to seek elective office. Not unexpectedly, he asked Harry Thorson what he thought about his chances. He was let down gently but let down.

"You see how ugly I am? Well you're uglier. Neither one of us would ever have a chance," Harry Thorson candidly observed.

The young would-be politician, admittedly chagrined at the moment, never forgot Harry Thorson's remarks, decided not to seek office, and went on to happy and prosperous times. They remained fast friends.

Harry Thorson could be a political infighter and a real adversary but he also had the grand capacity to shake when it was over and never nurture grudges, a trait unfortunately we are seeing almost disappear.

We recall an instance at a political function when we thought we would have to prevail upon Harry Thorson and Democratic State Chairman Don Anselmi of Rock Springs to have their picture taken together. The two political adversaries through the years leaped at the opportunity and used it as a springboard to launch into a discourse on decency in politics. They both asked for the picture. (Mr. Anselmi, ironically, is recovering today from injuries incurred in a car accident).

Former Gov. Stan Hathaway prevailed upon Harry Thorson, a longtime friend and mentor, to be his inaugural chairman on two occasions. In 1970 we asked Harry Thorson if he considered it an honor.

"It's quite a bit of work but I presume it's an honor," he said.

It was also an honor for Gov. Hathaway.

When the former governor was informed about the death of Harry Thorson last Friday night, he remarked with sadness, "I had my last snort with him two weeks ago on the Treagle Train. When a friend like that goes, you always wish you could have visited him more often."

A sincere tribute to a sincere man.

Remarks by Albert C. Harding, at Committal Service for Harry T. Thorson, Prior To Conducting Masonic Graveside Service at Newcastle, September 28

On this beautiful day which the Lord hath made, it is not intended that there should be a eulogy for Harry Thorson. However, your indulgence is solicited for brief remarks by one who knew him as a Masonic brother, as a business associate for thirty years, and also as the best friend I shall ever have.

An attempted eulogy would be presumptuous. It would certainly be unsatisfactory to relatives and friends, who each knew a different Harry Thorson. The official obituary recites many accomplishments for which Harry merits respect, accomplishments which are now matters of public record. Harry will be most remembered with affection by those who really knew him for things which will never be publicly known. In his active lifetime Harry evinced more affection and more respect for more individuals, in more places, and in more ways than any of us will ever know. Each relationship was unique, involving affection, sympathy, counsel, and help.

In the wide diversity of his interests—knowledgeable interests, constructive interests—he was truly a Man For All Seasons. In complexity and contrasts revealed to friends, there are many who would say, "Here was the most unforgettable character I ever met."

Harry's affections and respect were primarily for individuals, but they were also extended to institutions, institutions which he believed important to his country or which had benefitted mankind. Among such institutions he counted his Masonic fraternity.

One year ago this week, in the City of San Francisco, where we were attending a mining convention, on behalf of the Grand Lodge of Wyoming, it was my privilege to present Harry with a lapel pin, commemorating his fiftieth anniversary as a Master Mason. Harry responded, as might be expected by those who knew him, tearfully. He expressed respect for Masonic teachings which he had incorporated into his own philosophy and which had influenced his actions in many instances. Here was a man who attained his own fulfillment by helping many others find theirs. The apron now resting on the casket is the identical apron presented to Harry fifty-one years ago.

[From the Wyoming State Tribune, Sept. 25, 1976]

Tributes Paid to Thorson

Many prominent in Wyoming public life paid tribute today to Harry T. Thorson, a first-generation product of Norwegian immigrant parents whose humble farm led to a major role in Wyoming industry, politics and government for more than three decades.

Thorson, a former Republican state chairman and national committeeman, died last night in a Casper hospital of cardiac arrest apparently suffered as the result of major injuries incurred more than eight hours earlier in a traffic accident. He was 74.

Funeral services tentatively were set for 2 p.m. Tuesday at the First Methodist Church of Newcastle where Thorson had resided since 1959 and where he had been seriously injured in a car-truck collision shortly before noon yesterday.

Business associates said Thorson was driving alone except for the family dog to a small ranch he owned several miles north of Newcastle when the vehicle was struck at an intersection immediately east of his residence on the east side of Newcastle shortly after 11 a.m. He apparently suffered a compound fracture of one leg and a broken arm and was pinned in the wreckage of his badly damaged car for an hour before he could be removed and taken by ambulance to Casper. He died after suffering one cardiac arrest only to have his heartbeat restored by doctors and nurses, which was followed by a second and fatal heart stoppage.

"Few people have served the state of Wyoming longer or with dedication equalling that of Harry Thorson," said Sen. Cliff Hansen, R-Wyo., in Washington Saturday. "Active in politics for many decades, he counseled and advised nearly everyone who has played a prominent role in Republican politics in Wyoming in recent years."

"Harry never broke a confidence," said Hansen. "He always told it like it was. And his friendship and wise counsel extended beyond the boundaries of the Republican party for many of his friends were active in the Democratic party."

Pointing to Thorson's service in many roles in state government as a member of boards and commissions, Hansen noted that Thorson had been called on by numerous governors of the state to undertake various responsibilities. At the time of his death he was a member of the Wyoming Judicial Nominating Commission, the senator pointed out.

"He played a very meaningful role in the development of our natural resources insofar as state direction and guidance were concerned," Hansen said. "He had an innate sensitivity for the needs of this nation's requirements for materials and energy and a concern at the same time for maintenance of the environment."

Hansen added, "The Hansen family count this a very great personal tragedy in the loss of such a dear, close friend."

Former Gov. Stan Hathaway, whom Thorson served as a close confidant, said he was "like a father to me."

"I suppose I should never have run for governor if it hadn't been for Harry Thorson," said Hathaway. "He was truly a great American of unusual perceptiveness."

The two-term governor described Thorson as "a man who was too busy giving of his time and of himself to be a taker."

"I suppose he has given more time and money to the aiding of the political system of Wyoming than anyone in history," said Hathaway. "He was not just a giver of money, either—and he made it all the hard way—but he gave of his time and his good will. He never stopped believing in this country and trying to solve problems."

Hathaway said he felt "a great personal loss as does my wife and I know that everyone who knew and loved him feels the same way."

Another close and longtime personal friend, Chief Justice Rodney M. Guthrie of the Wyoming Supreme Court, said that "because of my deep personal feeling and shock I find it hard to express the loss that Wyoming and its people have suffered. Although he was known to thousands and had received much public notice, he could well be styled as 'the man nobody knew.' Only years of intimate acquaintance could reveal the depth of his compassion, concern and love for his fellow man."

"His hand," said Guthrie, "was always extended to the young or those in trouble. This was little known to a great many because he cared nothing for public acknowledgement or credit. The people of this state have suffered an irreparable loss impossible to fully describe."

U.S. District Judge Ewing T. Kerr said he had known Thorson "for well over 30 years. He indeed was one of Wyoming's most distinguished citizens and he headed up many organizations and activities of great benefit to the people of this state. He loved serving the people, and he will be missed by the people of this state."

U.S. District Judge Clarence A. Brimmer voiced similar sentiments, saying "Wyoming has not had a more astute political observer. But more than that Harry was a really interested Wyoming citizen and one of his finest hours came through his service on the Judicial Nominating Commission where his influence was great and his insight keen. He also was a great friend of most persons in Wyoming government on both sides."

Born in Miland, Minn., he moved as a child with his parents to North Dakota where he grew up on a farm. He graduated from a Fargo, N.D., business college and came to Wyoming in 1922 as a bookkeeper for the Illinois Pipeline Co. at Casper, later moving to Osage, his home for many years.

In 1929 Thorson married Inga Gysland of Danver and they made their home in the Osage oilfields until 1942 when they moved into Osage.

During this period he began acquiring personal oil lease holdings and developing them, and in 1946 he entered into partnership with Albert Harding, who was president of the Wyoming State Senate in 1961, to form the Black Hills Bentonite Co., a major developer of bentonite in northeastern Wyoming.

Thorson served four years as GOP state chairman, from 1954 to 1958, and then was elected Republican national committeeman, a post he held until 1965.

He served as a major campaign adviser in Hathaway's two races for governor in 1966 and 1970 and was chairman of his inaugural ceremonies in both 1967 and 1971.

At the time of his death he still was active in the Black Hills Bentonite Co. as a * * * partner and was owner of the Toco Corp., based in Newcastle, an oil production firm that began with his days in the Osage oilfields.

Besides his wife Inga, he is survived by two sons, Tom, of Casper; Don, of Newcastle, and a daughter, Mary Gullickson, and eight grandchildren.

He also was a 50-year member of the Masons.

Members of the family said that in lieu of flowers, friends may contribute to the American Cancer Society or the Shrine.

THE DISTRIBUTION OF ALASKAN OIL

Mr. STEVENS. Mr. President, I wish again to direct the attention of my colleagues to the fact that the State government in California appears to be standing in the way of efficient long-term utilization of America's energy resources. I am referring to the efforts of certain State officials to block construction of a project which would allow Alaskan oil to be landed in California and piped from there to Texas for distribution to the rest of the Nation.

Three years ago, after much delay, the Congress authorized construction of the trans-Alaska pipeline to carry oil from the vast North Slope reserves to the Gulf of Alaska for shipment to the west coast States. That pipeline is now under construction and startup is scheduled for next July.

My colleagues will recall that at the time of that decision the best available projections of the west coast petroleum market indicated that demand would continue to outstrip supply and that all of the oil which could be pumped through the pipeline could be consumed on the west coast. But, today, as the result of a number of unforeseen developments, that demand has not materialized and there will be more Alaskan oil available than the west coast can handle.

Who really expected that the OPEC embargo of the fall of 1973 would result in the dramatic fivefold increase of world oil prices and would upset the traditional preeminence of domestic price in the U.S. crude oil market? Yet, it did. And those higher prices have forced the west coast to practice conservation and have slowed the growth of consumption and refinery capacity. Prior to that, demand for petroleum products and refinery capacity on the west coast was increasing at better than 4 percent per year. Since then, that rate of increase has dropped off markedly.

Another factor in reversing the crude oil supply/demand balance in the West was the decision of this Congress to open the Naval Petroleum Reserve at Elk Hills for development and production.

Some claim that the west coast surplus demonstrates that the decision to build the trans-Alaska pipeline was a bad one. They wanted a trans-Canadian line delivering the oil directly to the Midwest. But a careful look at the present situation affirms that not only was the trans-Alaska pipeline the best choice we could have made with the information we had then, it places us in a better position now than we could have had with any other alternative.

If we had decided to go through Canada with the line, it is unlikely that the line would be under construction now. On March 19 of this year, when I was in Ottawa with Senator STEVENSON, I asked a very important member of the Canadian Government whether or not the the oil pipeline would be under way now if we had decided upon a Canadian route. His answer was no—construction would not yet be started. In truth, when Congress acted in 1973, we did the right thing. The American people would have been more upset today if we had opted to go through Canada and were still waiting for Canadian approval than they are about surplus oil on the west coast.

That surplus is a blessing, not a curse. Any domestic supply of oil which can displace foreign imports and all their political problems is a national asset.

What needs to be done now is to set in place the systems that will move this oil off the west coast to the other regions which need it.

My colleagues are by now well aware of the alternatives. The most obvious solution is to build a pipeline from the west coast toward the East, connecting the oil markets of PAD District V in the West with the markets east of the Rockies.

Such a pipeline would not only take care of the surplus, but could serve a valuable function in the national response to any future embargo.

Two such pipelines have been proposed:

First. The Northern Tier project which would build a tanker facility at Anacortes on the Puget Sound and 1,500 miles of new pipe from there through the Northern Tier States to Minnesota, and

Second. The Sohio project which would build a terminal at Long Beach, Calif., and 200 miles of new pipe to connect with an existing pipeline to Texas.

A third proposal would build a terminal at Kitimat, British Columbia, and 780 miles of new pipe through Canada to connect with existing pipelines.

The oil could be shipped in tankers all the way through the Panama Canal to the gulf coast, but such a solution suffers on two counts:

First. It is very costly.

Second. U.S. law requires that these tankers be Jones Act vessels and it is doubtful that there are enough Jones Act vessels to move the entire surplus.

Finally, the excess crude could be traded, barrel for barrel, with another nation. For example, U.S. east coast refiners could buy Alaskan North Slope oil and Japanese refiners could continue to purchase crude oil from the Mideast nations, but the Alaskan oil would be shipped directly to Japan and the east coast refiners would receive Mideast oil directly.

The advantages of such a swap are: First, that the U.S. east coast refiners would be paying only the price of the Alaskan oil, and second, that the United States and Japan together could realize substantial savings in shipping costs since the total distance traveled by tankers is reduced.

Exchanges may be an effective short term solution. But a pipeline is more desirable in the long term. And, of the pipeline proposals, the Sohio project provides the greatest benefits for the least cost. It provides direct delivery of oil to the transportation system which serves 65 percent of the refinery capacity in the United States. And it will be operational sooner than any of the other projects could be—within 14 months from receipt of its permits.

A second pipeline serving the Northern States is also desirable. The FEA finds that both a northern route and a southern route are compatible. The Northern Tier and Trans-Provincial projects are candidates for a northern pipeline. Both deserve further study to determine which is more appropriate.

A northern pipeline and the midcontinent project will provide a flexible system for moving oil inland from the west coast and for adapting to future conditions. Other pipelines could be built in the future, if economic conditions developed in such a way as to make them viable. But these two systems can be undertaken immediately by private enterprise and have already demonstrated their viability by attracting considerable support in the petroleum industry.

A southern leg would obviously require a port on the California coast and a pipeline across some part of that State. Unfortunately, California does not seem eager to assist the rest of the Nation in dealing with this national problem. Over the last several months on several occasions I have placed material in the RECORD which shows this reluctance. Again and again California officials have expressed opposition to this project in a variety of forms. At the same time they profess a willingness to cooperate, they demonstrate a propensity to delay and obstruct.

A recent study in the Los Angeles Times clearly demonstrated California's positions on this matter. I say "positions" because the reasons for opposing this project have shifted. At one point the opposition was based on a concern about the loss of one of El Paso Co.'s pipelines bringing gas into the State. That line currently is unused and the Federal Power Commission is conducting intensive hearings to determine if the line should be abandoned. The analysis done so far indicates that California will have more than enough gas even without this line.

Later, California's opposition was centered on alleged pollution from the oil storage tanks in the port. Studies on this point have shown that even using an outdated industry estimate, emissions would be in a manageable and legal range.

And still later, California has criticized the tankers themselves, charging that they would emit enormous amounts of air pollution. This conclusion, much touted by California officials, was based on a study which assured twice as much throughput as is planned, assumed a worst case situation will happen every day and did not explain what it assumed was a most realistic case.

Recently the State of California responded to a questionnaire from the Senate Commerce and Interior Committees asking that the Sohio project approvals be delayed until after the Alaska natural gas routing decision is made, and that the movement of oil from the Naval Petroleum Reserve at Elk Hills be delayed until after the Sohio project is approved. This scenario would of course result in many years of delay—we will not be certain about the gasline route for at least a year, and then to wait for Sohio to be approved by California and then to wait for Elk Hills transportation to be arranged could take years and would do nothing to alleviate the increasing dependence on foreign oil in the Midwest and East. Does this sound like a State that wants to help solve the energy problem or does this look like a State which wants to get its own first?

Just this week five top California officials held a press conference in Los Angeles and further demonstrated opposition while professing cooperation. They accused the FEA of covering up a study which looked at the problem of moving Alaskan oil. As the members of the Senate Commerce and Interior Committees, know, that study is not completed. Major portions of it have not even arrived in Washington for review and other sections are in a very incomplete form. That was made clear by John Hill, Deputy Administrator of FEA, in his testimony before those committees last week. He also indicated that FEA has always intended to have the States review the report, when they have a draft, and then make it public after the States have had a chance to comment. But the simple truth, which California chooses to ignore, is that the report is not yet finished.

The second point the California energy officials made is that California is willing to accommodate the port in another area of the State. This in reality is only another delaying device to deny America our Alaskan oil. California has said other sites may work but they never have offered Sohio a location that all state agencies can agree on. Apparently the California Coastal Commission wants port facilities consolidated to protect the coastal environment.

As a matter of fact, a quick look at the California coastal plan demonstrates that the three alternative ports mentioned in the press, but I must point out never offered to Sohio, would violate the plan. Avila Beach should, according to the coastal plan, preserve its "small beach community atmosphere by developing consistent with the size and character of the existing town." Another port, Estero Bay, is called in the plan "an estuary of statewide significance." The third port is in an area designated for an intertidal preserve by the plan.

But the Air Resources Board wants the ports spread out to minimize air pollution. The upshot is that no plan is approved. California cannot have it both ways. If they are honestly willing to help the rest of the nation use Alaskan oil, California should name a port which all agencies have agreed upon.

The companies planning the project looked at port sites all along the west coast of the country and determined that, on balance, the Long Beach site was the best environmentally, socially, economically, and practically. They have put a great deal of time and effort into getting the State to approve that site. The response they get from one branch of the State government is, "Oh, that is a bad choice. Look elsewhere," without telling them where to look. This delaying device could have Sohio running up and down the coast spending millions on studies, et cetera, only to have some other State agency say, "No, go. Look again."

As a former resident of southern California, and as a frequent visitor, I am aware that the air pollution and other environmental concerns are serious. And, I do not think that anyone, certainly not me, wants to run roughshod over the environmental laws we have and add more health problems to those that exist. But, those environmental factors can be considered and, I am confident, provided for if everyone, and particularly Californians, want to do that.

If California really wants to help the rest of the Nation, they should drop all the red herrings, stop opposing for opposition's sake, and begin to work constructively to expedite approval of a southern pipeline route.

This, of course, is not the first time California has failed to support Alaska's energy development. They did not support the Alaska oil pipeline bill when it was before the Congress. Apparently, California is satisfied with using its own resources and importing enough from foreign sources to keep its people driving and comfortable. But they do not want to let the rest of the Nation share in the energy we all need so vitally.

As I have indicated, California seems to want to intertwine the decision on oil with the decision on Alaska's gas. While they are related, they must be kept separate from this concern with the oil. To tie the two together would, as I have indicated, only delay both and we cannot allow that. The truth of the matter is that if California is really concerned about insuring natural gas supplies in the future they have the perfect vehicle—the proposed all-Alaska gasline which would send Alaska's vast gas reserves, both known and as yet undiscovered, directly to California. But California officials have testified against that before the Senate Commerce Committee.

California may be able to wait and study and analyze and deliberate, but the American gas consumers who face a serious threat of curtailments this winter cannot wait. And the American consumers who are hoping that we do not have another OPEC oil boycott cannot wait.

As my colleagues return home next week, I encourage them to ask their constituents if they want to wait. I do not think they do. I think California has to quit stalling and live up to its statements about wanting to cooperate. Why do they not help Sohio study ways to alleviate air pollution from tankers and tank farms. Why do they not try to get all the California State agencies together to agree on a port that may not be perfect but at least on balance is best. Why do they not support the all-Alaskan gasline so they can insure adequate supplies of gas. I sincerely hope that everyone will move constructively to solve some of the admitedly tough questions involved in moving the oil so that we can have Alaska's oil where we need it as soon as possible to run our cars, heat our homes, keep our jobs, and maintain our economy.

I am pleased that more and more support is being demonstrated for this position. I ask unanimous consent that editorials from the Wall Street Journal and the Akron Beacon Journal to be printed in the RECORD to join the editorial from the Los Angeles Times which I placed in the RECORD last week. And I ask unanimous consent that the recent story from the Los Angeles Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 29, 1976]

SQUEAKY CALIFORNIA

The squeaky wheel gets the grease and the squeakiest suddenly, insofar as the "energy crisis" is concerned, is California. What are we to make of the state of California's decision to oppose tanker delivery of Alaskan oil to Long Beach, from whence it could be piped to refineries at points east?

We have, first of all, not the slightest doubt that the Brown administration in Sacramento is engaging in an obvious form of political blackmail. But what intrigues us, the more we think of it, is that the national interest may inevitably be served by Jerry Brown's determination to play hardball. After all, the problem California is forcing the nation to consider is a real one, one we can get our teeth into, not a vague distant hypothetical threat that leads to aimless, circular political debates.

Southern California runs on natural gas. Suppliers of natural gas are dwindling, fast. Joseph Rensch, the big boss at Southern California Gas Co., is running around almost hysterically, warning that California might have to be closed down unless somebody does something. He must be taken seriously.

The largest part of the problem could be solved if Congress would deregulate natural gas. California could then get its hands on Texas and New Mexico gas by bidding up its price, a commodity being worth more to people who are desperate for it. Congress resists, of course, because citizens of the Midwest and Northeast don't want the price bid up in the marketplace.

On the other hand there is all this Alaskan oil that should start to show up at the end of the Alaskan pipeline sometime next year. California doesn't need it. Petroleum can't substitute for natural gas in smoggy Southern Calif. The Midwest and the Northeast, though, would like to get that Alaskan oil. The cheapest way to get it would be to tank it to Long Beach, Calif., which Standard Oil of Ohio wants to do, and pipe it to Houston's refineries.

California now says nothing doing. All that offloading in Long Beach will increase the amount of hydrocarbons in the air. This is transparent bunk. Tom Quinn, chairman of the California Air Resources Board and an ally of the governor, told The Los Angeles Times last April that, "We suggested to them (Sohio) that if they know where else to get gas and they can help us, we might go along with them on the pipeline."

The desperate Mr. Rensch, who is trying everything, tried to press $327 million on Atlantic Richfield so it would look for more gas on the North Slope. But the Federal Power Commission, which seems determined to run Southern California out of natural gas, ruled that Mr. Rensch could not recoup the $327 million by folding it into the rate base, and the deal fell through. Consumers will be protected by paying less per unit of nothing.

Another alternative is to have federal taxpayers throw several billion into development of synthetic natural gas, which is clearly the worst, least efficient "solution." This is favored by President Ford. But the House of Representatives uncharacteristically has so far shown good sense in rejecting this boondoggle.

Something has to give. California's opposition to offloading of Alaskan oil in Long Beach leaves only one sensible alternative for that oil, i.e. sale to Japan, since there is no other practical way to move it to U.S. markets. Indeed, it is probably more sensible to ship the Alaskan oil directly to Japan than to pipe it to Houston under any circumstances, it being cheaper to tank oil to Houston from the Middle East. In any case, this issue will now surface as a matter of national political discussion, which is all to the good.

And in 1977, the President—whoever he is—and the Congress—whatever it is—will be pushed into solving a real problem, either through a market solution or a government boondoggle. California will not be shut down for want of natural gas. One way or another, it will continue squeaking until it gets the grease.

[From the Akron Beacon Journal, Sept. 23, 1976]

Alaska Oil Problems Could Cost Public Trust

Sohio's efforts to "keep you on full" through its participation in the work toward getting oil from Alaska's North Slope down to the Lower 48 are running into hard times these days.

The latest, coming on top of current difficulties in getting federal approval on some of the welds in the pipeline across Alaska, raises some possibility that the Alaskan oil could only keep you on full while you were visiting Tokyo.

If Edward Cowan of the New York Times is right, unexpected difficulties with the State of California about unloading the oil near Los Angeles are making Washington give serious thought to sending that oil to Japan.

The idea would be to cut down by that much Japan's need for Mideast oil and then to get a corresponding amount sent to the United States from the sheiks fields. This would do nothing to reduce American dependence on imported oil, a loudly publicized Washington aim. But it might save money.

Alternatives, if California won't change its mind, would be to ship the Alaskan oil to Gulf and East Coast ports through the Panama Canal—or around Cape Horn, the shortest ocean path for supertankers that can't get through the canal.

These routings would cost from nearly a cent to about two cents more per gallon of crude than Sohio's California plan, which entailed building 200 miles of new pipeline to link up with an existing 800-miler and connect the Los Angeles area and Houston.

Two factors caused the new * * * expected that the West Coast would need the oil. Now it turns out that this is not the case; leaping gasoline prices and other factors have kept demand from increasing at any thing close to the rate expected then. The West Coast is now expected to have substantial surpluses.

Second: California is now opposing the planned unloading of 1.2 million to 1.6 million barrels of oil daily at Long Beach, Sohio's intended landing point. This would add an intolerable amount of new pollution to the Los Angeles area's already dirty air, says the state.

Nobody seems sure how much of this is firm opposition and how much confrontation politics between Jerry Brown, California's unconventional Democratic governor, and the Republican federal administration.

Sohio insists the oil is coming to United States markets. "We fully intend to bring our Alaskan oil to the lower 48 states," declared Sohio spokesman Pitt Curtiss, denying the New York Times report. "We haven't proposed a swap with Japan. That isn't accurate."

The stakes for Sohio could be higher than a penny or two more per gallon. It could result in new expressions of outrage by the public and by the Congress in the form of new regulations that might hurt Sohio's operations.

Meanwhile, the tune keeps sounding more like the one being sung by the cynics when the Alaska pipeline was first proposed.

Is L.A.'s Choice Oil or Clean Air?—ARB Chief Opposes Long Beach Plan for North Slope Crude Oil

(By Dan Fisher)

A $500 million Standard Oil Co. of Ohio project to bring North Slope Alaskan crude oil into the "lower 48" states by way of Long Beach has run into a snag.

The Snag's name is Tom Quinn.

As chairman of California's Air Resources Board and manager of Edmund G. Brown, Jr.'s 1974 gubernatorial campaign, Quinn is both the state's top air pollution control official and an influential adviser to the governor. And in recent weeks, he has seemed to go out of his way to criticize the Sohio Long Beach project.

As proposed, he charges, it would be "tantamount to ending all efforts to restore healthy air to the Los Angeles area." While it is theoretically possible that the environmental problems can be overcome, it's "almost inconceivable" that all the necessary steps will actually be taken, Quinn contends.

As a result, the ARB official now calls the proposed Long Beach terminal the "least likely alternative" to handle a West Coast crude oil surplus that's expected to develop when that North Slope oil begins to flow at the planned 1.2 million-barrel-per-day rate in 1978.

Quinn's critics—including Sohio, the city of Long Beach, and some federal officials—contend that the project is in the national interest, and that the ARB chief vastly overstates the associated environmental problems. Actually, they charge, the air pollution issue is at best secondary to Quinn's real motives.

"It's strictly Madison Avenue for him to be doing what he's doing." say Don Bright, director of environmental affairs for the Port of Long Beach.

Some of the critics say Quinn is trying to use the project as a lever to win new natural gas supply commitments to the state. Others argue that he's simply trying to score political points for (1) the Brown administration, or (2) himself, as a potential Los Angeles mayoral candidate.

Whatever his motives, Quinn's power to halt, or at least delay, the project is not in question. Under state and federal clean air laws, permits from both the U.S. Environmental Protection Agency and the local Air Pollution Control District are required before a potential new source of pollution can be built in California. And the local APCD decision is subject to review by ARB.

Sohio hasn't even applied for permits yet, and no final decision on the plan is expected until next year. So what's going on now is thus a bit like the early rounds of a boxing match, with the protagonists feeling each other out.

Even if California does ultimately reject the project, it's possible that Congress could override the state's decision through the same type of emergency legislation which, in 1973, cleared the way for the trans-Alaska pipeline to be built.

That seems unlikely at the moment, however. Instead—and even though the fate of the Long Beach project is still uncertain—all involved appear to be looking much more seriously at alternatives.

As it stands, the Sohio proposal includes docking and unloading facilities for three huge oil tankers at the Port of Long Beach. There would also be six giant crude oil storage tanks there and two more 11 miles inland at the site of an existing oil storage facility.

The Long Beach terminal would be designed to handle up to 700,000 of those 1.2 million barrels of North Slope oil daily. Up to 500,000 barrels daily would go into a 1,000-mile pipeline—most of it converted natural gas lines—for shipment to Midland, Tex. At Midland, the oil would be fed into existing oil lines serving the Midwest and East.

Sohio's plan to take over those existing gas lines is the key to its push for the Long Beach alternative. For one thing, it will save the company about $500 million compared with the cost of building a completely new line to Midland. For another, it will cut construction time—an important consideration with the trans-Alaska line scheduled to reach the 1.2 million-barrel-per-day rate by early 1978.

The gas lines were also at the heart of Quinn's first objections to the Long Beach project. Originally constructed to bring natural gas from Texas to Southern California, the lines involved are now idle due to increasing curtailments of the fuel.

Quinn has contended that there are a number of possible developments which would make more Texas gas available here in the future, however. Allowing Sohio to take over the lines would mean that if additional supplies did become available, there would be no way of getting them here.

The less clean-burning natural gas that's available in Southern California, the more fuel oil business and industry will have to use. And the more fuel oil they burn, the more smog-forming pollutants will be released into the Southland atmosphere.

Later, Quinn shifted his criticism to those huge storage tanks. Vapors leaking from the roofs of the eight tanks could prove a significant source of noxious emissions, he said.

Last month, the focus of the ARB official's comments changed once again—this time to the tankers that will unload their Alaskan oil at the proposed Long Beach terminal. An analysis done by Pacific Environmental Services Inc., a Santa Monica firm, indicates that under the most adverse conditions, operations at the proposed terminal could themselves generate an average of more than 60 tons of hydrocarbon emissions daily—most of them tanker-related. That would be enough pollution by itself to put Los Angeles in violation of federal clean air laws, even if all existing sources were ignored, Quinn said.

After reading the PES report, Quinn wrote FEA Administrator Frank Zarb that "sound public policy would seem to indicate that even if (requirements of state and federal environmental laws) could be overcome, the Sohio facility should not be built in the Los Angeles basin." Copies of the letter were selectively distributed to the press.

Those who believe Quinn is using air quality arguments against the project merely as a smokescreen point to his shifting focus from the gas lines to the storage tanks to the tanker ships as evidence.

The ARB chief concedes that his perception of the potential problems has changed as he's learned more about the project. "I wish I'd known all the problems a year ago," he says.

His earlier concern over conversion of one set of natural gas lines to carry oil is no longer shared by most other state officials who have studied the situation, Quinn concedes. He adds that his own nagging doubts might be eased if Sohio agreed that it would pay for a new gas line should one ever be needed to bring new supplies here from Texas. And he has so informed Sohio.

Quinn remains strongly opposed to a related proposal, however. Sohio has said it might want to take over a second set of gas lines later, if output from the Prudhoe Bay field increases as hoped to 2 million barrels of oil per day. Giving up a second set of gas lines is "just not acceptable to California," he says.

As for the storage tanks, it's now expected that newer roof designs could help minimize emission problems, Quinn indicates. However, he adds, what's left would still require that Sohio seek out and nullify other pollution sources in the area as an emissions "tradeoff." Whether it can do so is uncertain.

Analysis of the tanker emissions issue comes down to a question of who to believe. Under the "worst case" assumptions used in the PES study, it was projected that three of the largest tankers proposed to carry Alaskan oil would all be in the Long Beach port, purging their cargo tanks of residue oil simultaneously.

Sohio says that in fact, tankers won't purge their tanks until they are well out to sea. Quinn argues that, according to the PES research, tankers do occasionally purge in port and as long as there's no law against it, it must be assumed that those ships using the proposed Sohio terminal will do so as well.

According to a separate study done for the Port of Long Beach by Socio Economic Systems Inc., the likelihood of the scene PES envisions actually occurring is one day every 13 years.

Long shot or not, Quinn insists that he won't be satisfied until purging and other tanker operations associated with high emissions are outlawed within the international boundaries of the United States, which extend 12 miles out to sea. He's met with Coast Guard officials in both Washington and Long Beach to see if that agency could issue such regulations, but he's apparently not satisfied. Now he suggests that a federal law be passed permitting the state to regulate tankers out to the international boundary.

If the Sohio/Long Beach project truly depends on conditions like those being met, it's probably in hopeless trouble. The question is: is Quinn serious?

In a thinly veiled reference to some comments the ARB official made in an interview earlier this year, Sen. Ted Stevens (R-Alaska) charged in a recent speech on the Senate floor that the state is "playing a game" with the rest of the country in order to get more natural gas, and that it's using the Sohio project as a pawn.

Under the formula by which Alaska will collect its Prudhoe Bay oil revenues, the cheaper Sohio and the other North Slope producers can ship the crude to lower 48 state markets the more Alaska stands to gain.

Since that rebuff, Quinn has seemed to waffle on the subject of a gas tradeoff. He said in an interview that while he would still consider assurance of new gas supplies from another source as offsetting the loss of the first set of gas lines to Sohio, the latest pollution studies of the terminal and tanker indicate that's not enough. "With the kind of numbers we're talking about now, no amount of gas can help," he said.

He also visited Stevens in Washington, after which the Alaska lawmaker reported back to his colleagues that he now has "the impression . . . that California does not intend to hold the rest of the nation hostage in return for more gas."

Yet at a recent meeting with Zarb on the Sohio project, Quinn also urged that FEA reverse its earlier opposition to California's efforts to gain emergency natural gas allocations.

Another state official says that in part, at least, Quinn's opposition to the Sohio/Long Beach project may be intended to enhance his image as a clean air champion prior to running for the office of Los Angeles mayor.

Quinn flatly denies such speculation. "I doubt that I'll ever run for any office," he says. "I don't have the drive for it. I don't have it in me to do what Jimmy Carter did for four years."

A Quinn antagonist brands him "highly suspicious of oil companies." Comments by the ARB man himself tend to indicate some truth in that assessment. He says that it's the oil companies which claim he is influenced by political ambition because "they think anyone who doesn't bow down to them has ulterior motives."

Quinn has also charged privately that Sohio's selection of a consulting law firm in which former Gov. Edmund G. (Pat) Brown is a partner was an effort at political manipulation. (A Sohio spokesman says it hired the firm because it was impressed with its past work on coastal zone problems.)

There is also no doubt, however, that there are definite air quality hazards with the Sohio/Long Beach project—even if they aren't as great as the ARB official's remarks might suggest. The Los Angeles basin already exceeds air pollution levels considered hazardous to health more than half the time. Any new source is thus a problem. And even the analysis done for the Port of Long Beach indicates that Sohio is going to have to come up with more emissions "tradeoffs" than it has thus far proposed in order to assure that smog won't get worse.

Quinn is also concerned that a Long Beach terminal will act as a "magnet" to attract additional oil from the Navy's Elk Hills field and from new discoveries in Alaska and off the Southern California shore. "If there are problems, those problems will be magnified," Quinn says.

Quinn touches on a significant point. For years the country's primary source of domestic oil and gas supply has been the South and Southwest. And a sophisticated distribution system has been developed to bring fuels from those sources to heavily populated regions in the North, Midwest and East.

Prudhoe Bay—which will account for about 10% of domestic supplies—marks the beginning of what most energy experts see as a long-term shift of oil and gas supply sources to the North and Northwest. And it will take a whole new distribution system to move that fuel to the people who need it.

"We don't see this as a short-term Prudhoe Bay problem," says FEA's assistant administrator for energy resource development, William G. Rosenberg. "We think there are other Alaskan fields whose development will be based in part on having a reasonable, economic system for bringing the oil to market."

In that broader context, it's clear that there will continue to be enormous federal pressure for some sort of a west-to-east oil distribution system. Most expect that there will ultimately be at least two major pipelines as part of that system—one from a northern U.S. or Canadian port serving the so-called "Northern tier" states and another from a southern port into the Midwest and East.

It thus seems unlikely that the Sohio project in Long Beach will be scuttled unless an alternate system can be agreed upon. Quinn's attacks on the project have already intensified consideration of alternatives by all concerned—Sohio, the state, and the FEA. In fact, there's already a surprising amount of agreement that an alternate California site looks promising.

GOVERNOR CARTER SPEAKS OUT ON NUCLEAR PROLIFERATION; THE NEED FOR STRONG LEGISLATION

Mr. RIBICOFF. Mr. President, last weekend, Governor Carter made a major policy address on the most dangerous problem facing mankind today: the spread of nuclear weapons capability and material throughout the world.

Speaking in San Diego, the Governor drew attention not only to the special responsibility of the United States, as the world's first nuclear nation, to provide world leadership in addressing this awful problem, but also the failure of the present administration to live up to this responsibility.

To quote Governor Carter:

> When we look for evidence of our purported policy of support for non-proliferation objectives, we find only the faint footprints of secret diplomacy, the official acquiescence to the nuclear industry and to the cynics who say that proliferation and widespread reprocessing are inevitable.

I wholly support the Governor's remarks.

Mr. President, I ask unanimous consent that articles from the Washington Post and the New York Times describing Governor Carter's speech on nuclear proliferation, as well as the text of the speech, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Mr. President, to help demonstrate the urgent need for passage of this legislation early in the next Congress, I ask unanimous consent that two recent articles from the New York Times, as well as the digest of a recent report to Congress by the Comptroller General, "Assessment of U.S. and International Controls Over the Peaceful Uses of Nuclear Energy," be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

[From the New York Times, Sept. 26, 1976]

CARTER VOWS A CURB ON NUCLEAR EXPORTS TO BAR ARMS SPREAD—HE SAYS FORD FAILS TO LEAD—URGES THAT SALES BE HALTED UNLESS A NATION AGREES TO RESTRICTIONS ON WEAPONS AND FUEL PLANTS

(By Charles Mohr)

SAN DIEGO, September 25.—Jimmy Carter would halt further sales of nuclear power technology and nuclear reactor fuel to any nation that refused to forgo nuclear weapons development or insisted on building its own national plant for reprocessing reactor fuel.

Mr. Carter said that the United States should provide vigorous leadership in attempting to achieve international safeguards against nuclear weapons proliferation. He accused President Ford of failing to exert such leadership and said, "We ought not to accept the timid, cowardly and cynical assumption that we have no responsibility."

In an address to the San Diego City Club this morning, the Democratic Presidential candidate repeated a number of proposals and arguments he made in a speech on nuclear proliferation May 13 in New York, but the pledge to embargo American nuclear technology to countries that insist on achieving the capacity to make nuclear fuel suitable for explosive weapons or devices appeared to be a new proposal by Mr. Carter.

"VOLUNTARY MORATORIUM" ON PLANTS

He also appeared to make one of his May proposals in stronger form. Mr. Carter said today that, should he reach the White House, he would call on all nations to accept a "voluntary moratorium" on the sale or purchase of nuclear fuel enrichment or reprocessing plants, which can be used to produce explosive nuclear weapons fuel.

Mr. Carter said that such a moratorium "should apply retroactively" to agreements already made by West Germany, to sell such facilities to Brazil, and France, to supply Pakistan with such technology. "The contracts have been signed, but the deliveries need not be made," Mr. Carter said.

Last May Mr. Carter did not mention any nation specifically in this regard, and said only that he "hoped" such a moratorium could apply to "recently completed agreements."

SUGGESTS COMPLACENCY PERIL

Mr. Carter's address today was a complex and at times technical discussion of nuclear questions, but he managed to give it an emotional, human tone by suggesting that a dangerous complacency about the nuclear era had overtaken the world.

People, he suggested, had become accustomed to the nuclear threat, had forgotten the devastation of Nagasaki and Hiroshima and talked blandly "about megatons and overkill."

"It is time to readdress the question of atomic war," Mr. Carter said, departing extemporaneously from his prepared text.

The former Georgia Governor suggested, as he did last spring, that he would urge the Soviet Union to join the United States in agreeing to a "total ban" on all nuclear explosions, including so-called peaceful devices, for five years. He further said he would "follow through" on his belief that a "comprehensive" test ban treaty should be negotiated, which presumably would include the underground tests now permitted by treaty.

OTHER SUGGESTIONS

Among other suggestions made by Mr. Carter were the following:

That the United States should expand its own facilities for producing enriched uranium so that this fuel could be supplied to American reactors and developing nations rather than plutonium, which can more readily be made into weapons fuel.

That Mr. Carter would "explore" proposals that all reprocessing of reactor fuel be done in carefully safeguarded international installations, and not in national facilities. The United States, he said, should submit its own nuclear facilities to international control.

That renegotiation be sought of existing agreements the United States has made to supply nuclear fuel and technology that were entered into "before we began insisting on reprocessing safeguards and which are now inadequate."

That an "international conference on energy" be called, which could discuss both efforts to prevent nuclear proliferation and to explore "nonnuclear methods of meeting energy needs so that no state is forced into a premature commitment to atomic power."

U.S. POLICY CRITICIZED

Mr. Carter was critical of what he described as a failure by American officials to deal more vigorously with such nations as India, which has refused to sign the treaty against nuclear weapons proliferation and has developed a nuclear device.

He said that the more countries that possessed such capabilities "the greater the risk that nuclear warfare can erupt in local conflicts." He added an assertion that the United States had failed to pursue adequately its own stated objectives in the field, saying, "we find only the faint footsteps of secret diplomacy, the constant yielding" to what Mr. Carter called those who say that proliferation and increased production of dangerous nuclear fuels are inevitable.

[From the Washington Post, Sept. 26, 1976]

Carter: Sharp Criticism of Atom Policy

(By Bill Richards)

San Diego, September 25.—Jimmy Carter moved his campaign into the crucial state of California today with an attack on President Ford's nuclear policies and a pledge to curb international nuclear proliferation if he is elected.

In what Carter campaign aides called a "major policy speech," the Democratic presidential candidate told 500 backers at a breakfast here that he would halt U.S. commitments of nuclear fuel and technology to those countries involved in nuclear arms processing and to those that do not put their nuclear facilities under the supervision of the International Atomic Energy Agency.

Carter also criticized the Ford administration for "failing miserably" to set an example in the United States which would encourage other countries not to seek their own nuclear facilities. Calling nuclear proliferation "one of the most important subjects that faces our world today." Carter said Mr. Ford had held legislation designed to strengthen U.S. non-proliferation "hostage to his highly controversial proposal for private ownership and operation of nuclear fuel enrichment facilities."

Carter reiterated in an 11-point program today a number of the elements of a speech he made May 13 at the United Nations before the Conference on Nuclear Energy and World Order.

He called again for a five-year total ban on all Soviet and U.S. nuclear explosions including, he said, "peaceful nuclear devices." Carter also pledged "to insure that the U.S. is once again a reliable supplier of enrichment uranium" to the rest of the world, noting that enriched uranium is used as fuel for civilian reactors but is unsuitable for weapons. He indicated he would support government facilities for producing enriched uranium but did not elaborate.

Remarks on Nuclear Policy, San Diego, Calif., September 25, 1976

Last May, I spoke at the United Nations on a subject of deep personal concern to me—the proliferation of nuclear weapons throughout the world. Since that speech, much attention has focused on the non-proliferation issue, both in Congress and, rather belatedly, by a White House study group.

I am pleased by these developments, but we must not be lulled into thinking that the problem has been solved, for it decidedly has not been.

The continuing global proliferation of nuclear weapons is a dangerous and unacceptable barrier to world peace. The more countries that possess nuclear weapons, the greater the risk that nuclear warfare can erupt in local conflicts, and that these could trigger a major nuclear war. Terrorism, already a grave international threat, takes on an almost unthinkble dimension in a world where plutonium is widely available and inadequately safeguarded.

At present, only five countries—the United States, the Soviet Union, the United Kingdom, France, and the People's Republic of China—are known to possess nuclear weapons. But India has exploded a nuclear device, and many countries, including Brazil, Argentina, Pakistan, and Taiwan has taken steps toward the development of such weapons. This week Taiwan pledged not to do so.

At least 28 countries are expected to be using atomic power to meet at least some of their civilian energy needs by 1980.

And we must face the fact that any country possessing a nuclear fuel reprocessing plant can recover the plutonium needed to make an atomic bomb from the spent fuel rods of an atomic power reactor.

Our country was the world's first nuclear nation, and I believe we have an obligation to ensure that the atom is used for truly peaceful purposes. Unfortunately, over the last two years, our government has failed to provide that kind of leadership.

When we look for evidence of our purported policy of support for nonproliferation objectives, we find only the faint footprints of secret diplomacy, and official acquiescence to the nuclear industry and to the cynics who say that proliferation and widespread reprocessing are inevitable.

We have failed miserably to set an example which would encourage other countries not to seek their own nuclear facilities. We have no firm domestic policy on reprocessing or clear programs to deal with the other elements of the nuclear fuel cycle such as management and storage of radioactive waste and uranium enrichment. A court order was needed to force our own nuclear watchdog agency, the Nuclear Regulatory Commission, to begin a systematic study of the economics, the feasibility, and the international implications of developing a domestic commercial reprocessing capability.

We have failed to come to grips with the security problems which a plutonium-based economy poses, with its need for strict accounting for the plutonium produced. According to a study released in August by the General Accounting Office, our government is now unable to account for some 100,000 pounds of nuclear material, of which 6,000 pounds is weapons grade.

We have committed ⅔ of all of our federal energy research and development funds to atomic power, primarily for the liquid metal fast breeder reactor (LMFBR). Yet this potential source of energy raises serious economic and environmental problems, and will not be economically feasible until the price of uranium increases several times over.

We have failed to fulfill our decade-old commitment to place our own peaceful nuclear facilities under international safeguards.

President Ford has shown us where his priorities lie by holding legislation to strengthen U.S. non-proliferation hostage to his highly controversial proposal for private ownership and operation of nuclear fuel enrichment facilities. That he opposes even modest first steps by Congress toward non-proliferation objectives is at best a surrender to the nuclear industry and at worst, a tragic retreat from our commitment to non-proliferation. Morover, the facility caused by the President's proposal for private ownership has raised doubts about our own reliability as a supplier of nuclear fuel.

Over the last eight years, our government has failed to explore non-nuclear alternative energy research and development budget in nuclear fission. Non-nuclear alternatives such as solar and geothermal power would not only relieve domestic pressure to increase our reliance on atomic power, but would provide other nations which have not yet opted for nuclear energy with a choice.

On the domestic front alone, the Republican record is one of which no American can be proud.

But the bankruptcy of our international record is even worse.

President Ford has failed to oppose the export of plants for nuclear fuel reprocessing. When West Germany agreed to sell a reprocessing plant to Brazil, the U.S. did nothing. When France proposed a similar arrangement with Pakistan, Secretary Kissinger began his briefcase diplomacy only after these two countries had completed their negotiations. In 1974, when India exploded its so-called "peaceful" nuclear device, the U.S. made no public expression of disapproval. We have since rewarded India with additional supplies of nuclear materials.

President Ford has seriously neglected this country's obligations under the Non-Proliferation Treaty (NPT). The NPT, an initiative of the Johnson Administration, has now been ratified by 95 non-weapons states. Under its terms, there countries have agreed not to develop nuclear weapons and to accept international safeguards on all their civilian nuclear activities. Throughout the years of Republican indifference we have done little to encourage the dozen or more non-NPT countries with active nuclear programs to join. In fact, we have given more assistance to those countries who have not signed the treaty than we have to those who have. For example, in recent hearings before the Nuclear Regulatory Commission on continuation of nuclear aid to India, the State Department has become that country's chief advocate and apologist, even though India, not an NPT party, used our past aid to explode a nuclear device—and even though there are no safeguards to prevent this from happening again.

The NPT provides that, in return for nuclear abstinence by nonweapons powers, the nuclear states will make efforts to halt the vertical proliferation of their own weapons. This provision is based on the recognition that we have little right to ask others to deny themselves nuclear weapons until the atomic powers show significant progress toward the control, reduction and ultimate elimination of these weapons. But we and the other superpowers continue nuclear testing, and the SALT agreements with the USSR have done little to halt the race in strategic weapons technology.

In short, the Ford administration has only paid lip service to the NPT, and this failure of leadership could have tragic consequences for the entire world. If we will not lead the way toward peace, who will?

As I said at the United Nations last May, I do not intend to sit by quietly, and accept the timid and cynical arguments that are made about the inevitability of proliferation.

As President, I will take the following ten steps to control further nuclear proliferation:

1. I will call upon all nations to adopt a voluntary moratorium on the national sale or purchase of enrichment of reprocessing plants—a moratorium which should apply retroactively to the recent German-Brazilian and the French-Pakistan agreements.

2. I will make no new commitments for the sale of nuclear technology or fuel to countries which refuse to forgo nuclear explosives, to refrain from national nuclear reprocessing, and to place their nuclear facilities under IAEA safeguards.

3. I will seek to withhold authority for domestic commercial reprocessing until the need for, the economics, and the safety of this technology is clearly demonstrated. If we should ever decide to go forward with commercial reprocessing, it should be on a multinational basis.

4. I will call for an international Conference on Energy, to provide a forum in which all nations can focus on the non-proliferation issue. Such a Conference must also explore non-nuclear means of meeting energy demands of other nations so that no state is forced into a premature commitment to atomic power.

5. I will support a strengthening of the safeguards and inspection authority of the IAEA and place all of our own peaceful domestic nuclear facilities under those safeguards.

6. I will seek to renegotiate our existing agreements as a nuclear supplier, many of which were entered into before we began insisting on reprocessing safeguards and which are now inadequate.

7. I will take steps to ensure that the U.S. is once again a reliable supplier of enriched uranium—the fuel for civilian reactors which is unsuitable for weapons—by supporting enlargement of our government-owned facility.

8. I will explore international initiatives such as multinational enrichment plants and multinational spent fuel storage areas which could provide alternatives to the establishment enrichment or reprocessing plants on a national basis.

9. I will redirect our own energy research and development efforts to correct the disproportionate emphasis which we have placed on nuclear power at the expense of renewable energy technologies. Our emphasis on the breeder reactor must be converted into a long term, possibly multinational effort.

10. Finally, I will follow through on my belief that the United States can and should negotiate a comprehensive test ban treaty with the Soviet Union, and reduce, through the SALT talks, strategic nuclear forces and technology.

11. I will encourage the Soviet Union to join us in a total ban of all nuclear explosions for at least five years. This ban would include so-called "peaceful nuclear devices."

This is the leadership which the American people have every right to expect and to demand of their President. We must not use the difficulty of the nuclear proliferation problem as an excuse to justify timidity on the part of the United States in standing up for the goal of world peace through limitation on the proliferation of nuclear weapons throughout the world.

Exhibit 2

[From the New York Times, Sept. 27, 1976]

Against Plutonium Fuel

(By Thomas B. Cochran and J. Gustave Speth) *

WASHINGTON.—The United States Nuclear Regulatory Commission has before it the most important nuclear-arms-control decision since the inauguration of the Atoms for Peace program two decades ago. In an action that will have far-reaching implications for the proliferation of nuclear weapons, the commission must decide whether to allow the use of plutonium, which is produced as a byproduct in nuclear reactors, as a separate fuel in the United States nuclear industry.

A cornerstone of Atoms for Peace was the theory that a workable distinction could be made between peaceful and military uses of nuclear energy. The theory held that non-nuclear nations could be entitled to forgo the development of nuclear weapons if they were assured of assistance in the development of peaceful nuclear programs.

The 1974 explosion of a nuclear device by India shattered this theory. India's atom bomb, and those now reported to be in Israel's possession, were made from plutonium extracted from the used fuel of "peaceful" nuclear reactors.

India and Israel force upon us the harsh reality that essentially any nation with a nuclear reactor can develop nuclear weapons. Now about 18 such nations, in addition to the five established nuclear-weapons states, have plutonium for at least three to six weapons About five additional nations will have accumulated this amount of plutonium by 1980.

The proliferation problem these existing reactors pose is grave but perhaps not impossible. Controlling nuclear proliferation will certainly become impossible, however, if the nuclear industry here and abroad launches the next phase of nuclear-power development involving plutonium use.

Already about 12 nonnuclear weapons states—among them Brazil, Argentina, India, Pakistan, Taiwan and Iran—have plans for developing nuclear-fuel reprocessing facilities for the large-scale separation of plutonium from used fuel.

These facilities would enable these nations to recover and stockpile plutonium, seemingly for peaceful purposes. Without violating existing international agreements, they could move to a point of being as little as hours away from having nuclear weapons, perhaps needing only to cast the plutonium and place it in the bombs.

It is noteworthy that most of these countries have not signed the Nonproliferation Treaty and that most are in areas of intense regional rivalries.

Multinational ownership of fuel reprocessing facilities has been suggested as a means of curbing their proliferation potential. This concept offers little, and may not in any case be workable.

Multinational facilities would legitimize the argument of nonparticipating countries that their national plutonium facilities and stockpiles are peaceful. They would supply participating nonweapons states with large amounts of usable plutonium in the form of fresh fuel. And they would provide opportunities for the clandestine diversion of plutonium, targets for expropriation, and the means of spreading reprocessing technology.

We believe the evidence is now in. For two decades the United States has promoted atomic power around the globe. Now our policy must be one of containing and reversing the harm that has been done.

We should seek to establish international control of the plutonium that has been produced in the reactors that are already operating. We should commit ourselves to help other nations develop nonfission means of meeting their energy needs. And we should unequivocally reject the idea that plutonium should ever be reprocessed and thereby removed from the protection of the intensely radioactive wastes with which it is mixed in used reactor fuel.

A United States decision authorizing plutonium use would obviously be inconsistent with these policies. We cannot expect other nations to forgo plutonium if we do not.

An argument advanced by the nuclear industry is that regardless of our decision other nations will export nuclear technology. This argument fails for several reasons. First, it implies that the United States should not exercise its moral leadership if there is a chance other countries will not follow us. Second, it implies that other countries will not recognize and seek the benefits inherent in the United States policy. Third, it overlooks the political and economic leverage the United States could use to influence the nonproliferation policies of other countries—for example, trade and economic-assistance policies and measures to enhance regional stability. And finally, it neglects the fact that nuclear power is questioned as vigorously abroad as here.

Substantial opposition to nuclear power exists in all countries of Western Europe, in Japan and Australia. If the United States turns its back on plutonium, that action will have a catalytic effect on world opinion.

[From the New York Times, Sept. 28, 1976]

(By Robert Kleiman) *

A high-level study of national and international nuclear energy policy ordered by President Ford during the summer has evidently brought him divided counsel on the most critical problem: whether to speed the United States and the world toward a "plutonium economy." Nevertheless, a crash decision to move toward common use of plutonium as a fuel in nuclear power reactors seems to be in the making, despite likely criticism from Jimmy Carter.

The key issue is whether to begin early commercial-scale reprocessing of plutonium at a giant South Carolina plant, under construction for several years but now stalled. Deferral of a decision—at least until the next Administration, but preferably for several years of research into alternative technologies—evidently is favored by only a minority of Mr. Ford's advisers. But they make a strong case that deferral could do no harm and might save mankind from a plunge into disaster. The supply of safe uranium fuel could be enlarged meanwhile.

"That doesn't mean stop. It means for heaven's stake, stop to think!" as the chairman of Britain's Royal Commission on nuclear energy said after a report warning of the dangers of a plutonium economy. A similar message has come from the Swedish electorate, which ended 44 years of Socialist rule partly in protest against a stepped-up nuclear power program.

Virtually all the world's civilian power reactors now burn slightly enriched or natural uranium fuel, which cannot be exploded. Plutonium, a man-made element, is also usable as a fuel; but a quantity small enough to be carried in one hand could be made relatively easily into a bomb that could destroy a city. To produce and scatter stockpiles of plutonium around the world before a clear need arises for additional fuel supplies would be pure folly. There is no certainty yet that

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*Thomas B. Cochran and J. Gustave Speth are members of the staff of the Natural Resources Defense Council.

*Robert Kleiman is a member of the Editorial Board of The Times.

present and future nuclear fission reactors will run out of uranium and other projected safe fuels before the era of nuclear fusion arrives.

Enough plutonium for 25 or more Hiroshima-sized bombs is produced annually within the spent fuel rods of a standard 1,000-megawatt nuclear power reactor; enough for 1,000 bombs a year is now being produced outside the United States and Russia, a figure that will be tripled in third-world countries alone in the 1980's. But for the moment, the world's rapidly growing supply of plutonium is not easily available for fuel or weapons use.

To extract this plutonium economically from radioactive reactor wastes and to fabricate so poisonous a substance into new fuel rods requires a giant chemical reprocessing complex, operated by remote control and capable of servicing 30 to 50 reactors. No such commercial-size reprocessing complex exists now anywhere in the world; spent reactor fuel rods are being stored everywhere for possible future use.

The majority view expressed by the President's study group is that the stalled South Carolina reprocessing facility, which awaits licensing by the Nuclear Regulatory Commission, should be speeded to completion as a "demonstration plant" to test the economics of plutonium recycling as well as health, safety and environmental precautions.

The minority view given to the President is that activation of the South Carolina plant should be deferred while uranium mining and enrichment capabilities are expanded and alternative fuel technologies are explored. One promising new technology would permit the plutonium in spent reactor rods to be used as fuel without prior reprocessing into weapons-grade material. A panel of the Committee for Economic Development has just warned that others are closely watching which way the United States goes on plutonium reprocessing:

"A 'go' decision [by the United States] would be a strong signal to the rest of the world that plutonium recycling is a part of the nuclear future. . . . A negative decision by NRC would slow and discourage the development of the plutonium economy. It would signal that the process was considered too hazardous or too expensive."

The Nuclear Regulatory Commission, after a three-year study, has just held that the use of plutonium as a fuel need not pose unacceptable risks to health, safety and the environment if adequate precautions are taken. But it is still holding up an operating license for the South Carolina plant out of concern that it would trigger plutonium reprocessing around the world before creation of effective safeguards against the spread of national and subnational nuclear weapons capability. A stockpile of separated plutonium could be made into bombs by almost any determined government or terrorist group in a matter of days or weeks

Jimmy Carter has just called again for American efforts to achieve a worldwide moratorium on export of reprocessing plants. He has urged a go-slow policy toward even an internationally controlled demonstration plant, as has been suggested for the South Carolina facility, until answers have been found to safeguards in a plutonium world. The problem is too critical—and too technical—to be judged in the heat of a Presidential campaign. Mr. Ford would be well-advised to take the issue out of the campaign by deferring the decision on plutonium reprocessing until the next Administration.

[Comptroller General's Report to the Congress]

ASSESSMENT OF U.S. AND INTERNATIONAL CONTROLS OVER THE PEACEFUL USES OF NUCLEAR ENERGY

DIGEST

The continued development of nuclear technology in foreign countries and the corresponding potential for nuclear weapons proliferation is a matter of urgent concern. Compounding that concern is the possibility of terrorists or subnational political factions stealing nuclear material or sabotaging nuclear facilities.

Nations could acquire a nuclear weapons capability through means other than peaceful nuclear cooperation. However, as nuclear trade accelerates, the potential for achieving a weapons capability will increase. It is therefore imperative that effective controls be exercised over peaceful uses of nuclear material, equipment, and technology.

Although the United States has supplied about 70 percent of the world's nuclear reactors and much of the related fuel and technology, nations seeking nuclear assistance can now turn to other suppliers, including the Soviet Union, France, West Germany, Sweden, Canada, and the United Kingdom. Therefore, halting U.S. exports would not eliminate the escalating risks and could cost the United States its ability to influence international nuclear policies.

As the world's leading nuclear exporter, the United States has a responsibility to exercise leadership in deterring other nations from developing nuclear explosives and should exercise whatever leverage it has to achieve its non-proliferation objectives. Continued dominance in nuclear sales, using the strongest practical precautions, will give the United States the best opportunity to continue to promote global non-proliferation policies. However, the expanding market will be shared by a growing number of supplier countries, which will make multilateral control efforts absolutely necessary.

In view of the seriousness of the issue, GAO reviewed U.S. and international controls over the peaceful uses of nuclear energy to determine their adequacy for deterring nuclear weapons proliferation and found that:

The United States has sought improvements in international safeguards and physical security of nuclear materials and equipment, but much more must be done. (See chs. 3, 4, and 6.)

Despite U.S. efforts, certain countries have not ratified the Treaty on the Non-Proliferation of Nuclear Weapons which would preclude them from operating unsafeguarded facilities and from developing nuclear explosives. (See p. 77.)

Recent nuclear suppliers' efforts designed to achieve parallel nuclear export policies have been made without being subjected to intense congressional or public scrutiny. (See p. 75.)

International safeguards are designed only to detect diversions of nuclear material on a national level, and it is assumed that nations will protect nuclear material from terrorist or subnational groups. The principle of such safeguards is that the risk of early detection and unmasking in the world community will deter a would-be diverter. (See p. 19.)

U.S. and International Atomic Energy Agency officials generally conceded that a country could circumvent safeguards if it was willing to assume the risk of detection, incur the expense, and take the trouble to do so. (See p. 40.)

The United States has accepted safeguards applied by the International Atomic Energy Agency and the European Atomic Energy Community as satisfying U.S. requirements but in GAO's opinion has not received sufficient information to determine how effective these safeguards are. (See pp. 38 to 44.)

Should a country divert nuclear material from peaceful purposes or knowingly supply material or technology to another country for developing nuclear weapons, the only actions the International Atomic Energy Agency can currently take are (1) notification to member countries and the United Nations, (2) suspension of agency membership rights and privileges, and (3) recall of Agency-sponsored material and technical assistance. It is not clear, however, how Agency-sponsored material would be retrieved if a nation were unwilling to return it. (See p. 27.)

Based on limited first-hand observations, GAO believes the United States may be relying on international safeguards inspections that are not adequately carried out. (See p. 41.)

The United States has authorized the distribution of substantial amounts of nuclear materials and equipment to certain countries through international organizations without reserving U.S. safeguards and inspection rights as a fallback to international safeguards. (See p. 14.)

The U.S. peaceful nuclear export licensing and regulatory control program is fragmented among the Nuclear Regulatory Commission, the Energy Research and Development Administration, and the Department of Commerce. (See p. 46.)

INTERNATIONAL SAFEGUARDS

Although the global expansion of nuclear energy makes effective international safeguards crucial to U.S. and world security, international organizations have no authority to require physical protection measures, no authority to supervise, control, or implement such measures, and no authority to pursue and recover diverted or stolen material. Their inspectors have neither unlimited access nor authority to seek out possible undeclared or clandestine facilities or stockpiles of nuclear material. In addition, technical, political, financial, and staffing obstacles hamper the effective implementation of international safeguards. Reinstituting U.S. bilateral safeguards, however, is not a viable alternative to strengthening international safeguards.

The United States should exercise leadership in ensuring that international safeguards are adequately, fairly, and consistently applied and that all nations receive sufficient assurances that their trust in international safeguards is not misplaced.

GAO is making specific recommendations designed to—

Improve the effectiveness of International Atomic Energy Agency safeguards;

Provide the United States and other nations with more information concerning safeguards effectiveness;

Upgrade the capabilities of the International Atomic Energy Agency safeguards staff; and

Urge all Agency member nations to establish adequate sanctions against nations diverting nuclear material for nuclear explosive purposes. (See pp. 37 and 44.)

PHYSICAL SECURITY

Because of the desirability of applying adequate physical security measures to nuclear materials and facilities worldwide, the Department of State, with the other concerned agencies, should actively pursue the U.S. proposal for an international convention on physical security of nuclear materials.

GAO recommends that the goals of such a convention include (1) acceptance of physical security standards, (2) assurance that each member nation would enact appropriate national laws to implement such standards, (3) guarantees that no member nation would provide safe haven for nuclear terrorists or saboteurs, and (4) provisions for physical security reviews as part of the International Atomic Energy Agency's regular safeguards inspection efforts. Until this can be accomplished, GAO recommends that the Nuclear Regulatory Commission and the Energy Research and Development Administration continue to jointly perform all U.S. physical security reviews of foreign facilities. (See p. 67.)

AGREEMENTS FOR COOPERATION

Because U.S. agreements for cooperation provide the framework for U.S. nuclear cooperation with individual nations and international organizations, they should provide for the strongest, most uniform U.S. position on the control of nuclear materials and equipment. GAO recommends ways to strengthen these agreements. (See pp. 17 and 18.)

EXPORT CONTROLS

The Nuclear Regulatory Commission was established to separate the regulatory and licensing function from U.S. nuclear development and promotional activities. However, the Department of Commerce still licenses certain nuclear components and nuclear-related items and the Energy Research and Development Administration authorizes government-to-government transfers, retransfers between other countries and is responsible for controlling the exports of nuclear technology.

GAO recognizes that major changes in the nuclear export control procedures might have some adverse impact on perceptions by others of U.S. reliability for supplying nuclear material and equipment but believes that a centralized regulatory review process is a good means of controlling all nuclear exports. Therefore, GAO recommends that the Nuclear Regulatory Commission, Energy Research and Development Administration, and Department of Commerce set up and implement formal interagency procedures for the Nuclear Regulatory Commission to be the focal point for monitoring and regulating the foreign distribution of all nucelar material, equipment, and technology, including government-to-government shipments, retransfers of U.S.-supplied material between foreign countries, and nuclear components and parts currently approved by Commerce (See p. 59.)

MULTILATERAL EFFORTS

The United States, recognizing the need for multilateral cooperation, has been working with other nuclear suppliers to help remove safeguards from the marketplace so that one supplier does not offer less stringent safeguards to promote nuclear sales than another. The Department of State, the Arms Control and Disarmament Agency, and the Energy Research and Development Administration with the advice of the Nuclear Regulatory Commission should develop and implement a diplomatic and technical strategy for:

Achieving continued dialog and concluding furthermore binding arrangements on common export policy particularly for sensitive technologies.

Reestablishing the United States as a reliable supplier of uranium enrichment services and discouraging individual foreign countries from developing their own enrichment capacities.

Assisting developing countries to evaluate their total energy needs in determining whether and how much of their energy requirements should be filled by nuclear energy.

Establishing adherence to the Non-Proliferation Treaty or at least a guarantee by the recipient country to subject its entire peaceful program to international safeguards as a general prerequisite for future U.S. nuclear cooperation and promoting this policy as a standard for cooperation by all supplier countries. (See p. 82.)

AGENCY COMMENTS AND UNRESOLVED ISSUES

The State Department readily agreed that more effective controls to prevent nuclear weapons proliferation must be sought. However, it felt that many GAO's suggestions for improving the effectiveness of international controls and safeguards would not be acceptable to foreign governments because they would impinge on their sovereign rights. Recognizing these concerns, GAO still believes the United States has a major responsibility to use whatever influence it has to convince other nations that it is in their self-interests as well as in the interest of world security to accept more stringent controls. (See app. VII.)

The Energy Research and Development Administration stated that although it did not agree with all of the GAO recommendations, the report generally takes into consideration its views on the matters discussed. (See app. XII.)

The Nuclear Regulatory Commission indicated that the present U.S. nuclear export program provides adequate control and review and should not be subjected to further major alterations. However, the Commission did note that arrangements were taking effect to involve the Commission, on a consultative basis, in proposed retransfers between countries and in any government-to-government transfers. Several consultations on retransfers have already taken place. (See app. VIII.)

The Arms Control and Disarmament Agency commented that to have the Nuclear Regulatory Commission exercise overall authority in regulating the foreign distribution of all nuclear material and equipment would purport to remove functions from the executive branch mandated to it by both statute and the Constitution. (See app. IX.) GAO believes the Commission is part of the executive branch.

MATTERS FOR CONSIDERATION BY THE CONGRESS

To insure that U.S. nuclear cooperation is in line with U.S. non-proliferation objectives, the Congress should:

Make future U.S. nuclear cooperation contingent upon adherence to the Non-Proliferation Treaty or agreement by the recipient country to subject its entire peaceful nuclear program to international safeguards. The only exceptions should be those few unusual cases when the President would certify that such cooperation is in the U.S. national security interests. (See p. 84.)

Insist that any binding arrangements made by the executive branch with other nuclear suppliers be subjected to congressional review and ratification. (See p. 84.)

Prohibit further foreign commitments of substantial amounts of plutonium, enriched uranium, or nuclear equipment without reserving U.S. safeguards rights as a fallback to international safeguards. (See p. 18.)

Clarify its intent concerning the decision-making authority for permitting the foreign distribution of U.S. nuclear material and equipment in cases where other involved agencies do not agree with the position of the Nuclear Regulatory Commission. This should prevent any possible misunderstanding as to the intent of the Energy Reorganization Act of 1974. (See p. 59.)

NUCLEAR SAFETY QUESTION: AN AGENDA FOR THE 95TH CONGRESS

Mr. BROOKE. Mr. President, during these difficult last days of the 94th Congress, we have touched on the issue of nuclear power and the problems associated with its development. We have killed the dubious proposal to let industry take over uranium enrichment while the Government takes over all the risks. We have so far failed to reach agreement on the appointment of a new Commissioner to the Nuclear Regulatory Commission or on a workable system to limit nuclear proliferation. And we have not even addressed most of the major issues related to the safety of nuclear power. There is a great deal more to be done before we can have confidence that utilization of nuclear power can be allowed to expand along the lines that are currently projected. Mr. President, I would just like to summarize briefly my views on what the major issues are and what we in the Congress must confront squarely before we can be satisfied that we have reduced the social risks associated with nuclear energy.

I must say at the outset that I am not prepared to support a moratorium on the use of nuclear power. If we had any energy supply which offered us a better alternative, I would certainly advocate a switch. But we must face the cold hard facts; we have no easy choices. If the Nation were to implement seriously effective energy conservation programs, we could certainly dampen the rapid growth of demand for energy. If the R. & D. money which is buying our technological advances in solar and geothermal energy use turns out to be well-spent, then in a few decades we will have a wider range of choice and can, with a sigh of relief, forget some of the safety problems we are concerned with today.

But right now, we are running out of petroleum and natural gas, and we have no useful replacement fuels except coal. And using coal is as laden with risks as using nuclear energy. Not only are sulfuric air pollutants obviously and generally dangerous to human health, but sulphuric acid mist is now known to be even more destructive to animal and vegetable tissues than we have imagined. Traces of radioactivity are also found in coal emissions. Stored coal is a danger; it can readily ignite. The solid wastes and mill tailings present a disposal problem similar to that associated with the mining of uranium. Hundreds of men die each year in our deep mines. Thousands are disabled and live unnaturally shortened lives because of the dread black lung. Coal strip mining has devastated unimaginably vast portions of the American West. We are far from having safe and efficient coal mining and combustion technologies.

All this leads me to conclude, however reluctantly, that we must continue to utilize our existing reactors and to prepare as best we can for the possibility that we will be using the atom as an energy source for some time. So long as we invest as much as we can in the development of alternatives, this is sensible, prudent policy.

But the Congress has, I feel, been too reluctant to enter deeply into the safety question. While we have demanded some much-needed study and investigation, we have not looked at the analyses with sufficient care; we have not been sufficiently tough in overseeing the regulatory and research agencies; and we have not instilled in the nuclear community the sense of urgency about the safety issues which so many citizens feel.

REACTOR SAFETY

Although the reactor safety question has received the most public attention, I feel it is also the one on which we are best informed and over which we have the most control. For example, the careful public review of the so-called Rasmussen report made all of us aware that the possibilities for human error in reactor operation are still too large and insufficiently studied. And the very useful exchange between the NRC and the group of the three courageous engineers, who put their careers on the line to make their concerns about safety public, has illuminated the debate so that all reasonably well-informed persons can see the nature and complexity of the systems involved.

At my request, the Joint Committee on Atomic Energy has requested that NRC and ERDA prepare a special detailed analysis of their reactor safety research and plans. The independent Study Group on Light Water Reactor Safety of the American Physical Society 2 years ago made a responsible and extensive series of recommendations to the Government. And the papers the agencies are now working on will show us whether and how these leading scientists' concerns are being met.

I also have worked hard in the Appropriations Committee to raise the funding for basic research on nuclear science. For fiscal year 1977, I was able to persuade my colleagues on the Senate Appropriations Committee to spend nearly $6 million more on this important program than the administration requested.

It is my belief that the technical problems associated with reactors are among the more tractable issues we face. If we regulate with care, review all the required technical planning and impact documentation minutely, and support more fully the public interest intervenors. I believe we can have reasonable confidence in reactor operations.

HIGH-WATER WASTE DISPOSAL

Other nuclear safety issues are knottier. And the problem of getting rid of high-level wastes, which have unthinkably long half-lives, must be considered one of the most difficult.

Can high-level wastes be disposed of permanently so that surveillance and monitoring for the thousands of years they will remain dangerous will not be necessary? If not, what is to be done with the millions of gallons of similar wastes already produced by the military weapons program and currently stored in corroding, World War II vintage tanks? Assuming safe and reliable technology can be developed, what is the optimum role of the Federal Government, the States, and industry in managing both high-level and low-level wastes? At issue is the adequacy and timing of the Federal Government's nuclear waste management program.

The Congress has not done enough, although the substantial increases in the fiscal year 1977 appropriation for high-level waste disposal R. & D., which is virtually triple that of the previous year, shows some recognition of the real urgency of the problem.

It is an embarrassment to the entire Government that the courts had to point out the absence of a generic rule or policy in the NRDC against US NRC and Vermont Yankee Nuclear Power decision handed down this July.

The new Congress must insist that ERDA produce its long-promised waste management proposals for the long term and that NRC get about the business of a generic rulemaking in which all the short-term difficulties and the choices can be aired. Thereafter, all the congressional committees which have jurisdiction must hold intensive and critical oversight hearings. And we must make some of these tough policy choices soon. The time two years hence when we must move to decisions about plutonium recycle, a related dilemma, is virtually staring us in the face.

SAFEGUARDS

There is also no question that terrorism and sabotage are threats that must be taken more seriously. Although a fruitful series of congressional and regulatory agency hearings in the past 2½ years has helped to highlight some of the safeguards options, it is taking us too long. The NRC should have produced the extensive review of issues regarding possession and transportation of strategic quantities of nuclear material. We were promised it 6 months ago. We need it to satisfy ourselves regarding the recent revisions to the Commission's safeguards regulations.

And we must begin to consider the need for and scope of legislative solutions to the real security problems we face. I will do everything I can to see that this important presentation of the choices is ready for consideration by the day the new Congress begins work.

HEALTH AND SAFETY EFFECTS

A final problem that worries me is the unfinished scientific business of assessing and overcoming the human health and safety impacts of exposure to radiation. It is gratifying that the EPA has ruled that there will be a drastic reduction in the level of radiation exposure that will be considered safe for the public. But I am not satisfied with the level of research effort on this vital subject. Unfortunately, my attempt in the Senate Appropriations Committee to add funds to this R. & D. area were defeated, although the committee report does contain language, added at my request, to allow ERDA to use funds flexibly as between the nuclear and non-nuclear-related health R. & D. programs.

I have talked with prominent scientists and engineers on this matter, and I am also not satisfied that we know enough about the effects of so-called low-level radiation. Nor am I satisfied that existing standards and enforcement techniques adequately protect atomic industry workers. Between now and the start of the next Congress, I expect to devote substantial time to working with the labor unions and with the experts to see what new legislation I can propose that would strengthen the available protection from exposure and expand our knowledge of this complex subject.

Mr. President, there is no question that this listing of the agenda on nuclear safety questions is too brief and incomplete. And the problems of the risks of international expansion of nuclear power present issues of an entirely different order of magnitude. But I offer this summary to indicate the areas in which I feel the new Congress must get to work at once if we are to have any kind of nuclear option at all. I pledge my full attention and my firm support to the efforts to deal with these urgent questions.

OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

Mr. HATHAWAY. Mr. President, yesterday, the conference report on the extension of authorizations for the Law Enforcement Assistance Administration was sent to the President. I believe these amendments to the Omnibus Crime Control and Safe Streets Act of 1968 have merit and should be signed into law.

As chairman of the Subcommittee on Alcoholism and Narcotics I would like to make note of three provisions of this act that pertain to the persistent effect of drug and alcohol abuse on a variety of crimes. One of these provisions gives high priority to programs that identify and treat drug abusers and alcoholics. I am pleased that the conferees saw fit to make this a mandatory priority in the act rather than leaving it discretionary as in existing law. I believe this important provision will pay handsome dividends in the future.

The LEAA, in its survey of prison populations, found that 43 percent of the inmates surveyed were drinking and 26 percent were under the influence of drugs at the time they committed the offense for which they were serving time. While the relationship between hard drugs and crime has long been recognized, the association with alcohol and polydrug abuse has only recently received recognition by law enforcement authorities.

Another provision of this act requires a State plan to establish procedures for coordination between the State agency charged with criminal justice planning and the State agency responsible for drug abuse or substance abuse planning as designated under section 409(e)(1) of the Drug Abuse Treatment Act of 1972. And further it provides that no State plan be approved as comprehensive unless—

> . . . the Administrator (of LEAA) finds that the plan . . . identifies the special needs of drug dependent offenders (including alcoholics, alcohol abusers, drug addicts and drug abusers.)

Another provision that has potential for the control of crime as well as for effective outreach to drug abusers is one calling for the—

> National Institute of Law Enforcement, in consultation with the National Institute on Drug Abuse to undertake and continue research to determine the relationship between drug abuse and crime and to evaluate the success of various types of drug treatment programs in reducing crime and to report its findings to the President, the Congress and state planning agencies, and, upon request, to units of general local government.

The Senate-passed bill contained reference to the National Institute of Alcohol Abuse and Alcoholism as well as the National Institute of Drug Abuse. I regret that the conferees chose to delete this reference in the light of research that found elevated blood alcohol levels in significant numbers of both victims and perpetrators of murders, assaults, rapes, and robberies. These findings require further investigation and I hope the National Institute on Law Enforcement and Criminal Justice will see fit to coordinate its effort with NIAAA as well as with NIDA notwithstanding the lack of specific statutory mandate.

I look forward to the results of these provisions and urge the President to sign this measure into law.

NO GOLD CLAUSE CONTRACT FREEDOM THIS YEAR

Mr. HELMS. Mr. President, it is obvious that the Senate will not this year consider the amendments to the Bretton Woods agreement, H.R. 13955. If that bill had been considered, I would have offered an amendment which would restore the freedom of Americans to write contracts specifying that payment be made in gold or in dollars measured in gold.

Gold clause contracts are a means of hedging against inflation. Passage of this proposal is overdue, and it is unfortunate that there will be a delay in this reform. I believe that the lack of action this year is only a delay, however, for I have found no opposition in the Senate to repeal of the prohibition. I will pursue this legislative goal next year. Chairman PROXMIRE, of the Senate Banking, Housing and Urban Affairs Committee, has pledged his cooperation in scheduling hearings on this matter next year.

My amendment would make the Federal Code consistent with action Congress took in 1974 to legalize gold ownership. Right now, contracts can be made specifying payment in any commodity—except gold. In this day and age such a prohibition is anachronistic.

My amendment has been approved by the Treasury Department. Secretary Simon says:

> I believe this in fact, may be a good time to repeal the Joint Gold Clause Resolution.

Federal Reserve Board Chairman Arthur F. Burns says:

> I personally would not object to legislative action that would permit citizens to make contracts containing legally-enforceable gold clauses.

Contracts containing "gold clauses" have as a basic purpose, to protect the maker of a loan or the seller of merchandise from having to accept a depreciated medium of exchange. In some ways, it is a form of indexing and a way to avoid the effects of inflation. Congress has long recognized the hardships which inflation causes, and it has adopted legislation which increased the incomes of certain groups as inflation increases the cost of living. These groups include social security recipients, civil service employees, military pensioners, and Members of the United States House of Representatives and Senate.

The pertinent law on the books is the joint resolution of June 5, 1933, 31 U.S.C. 463, which prohibited gold ownership and gold clause contracts, "to assure uniform value to coins and currencies of the United States." Since we have no gold "coins" or "currencies," it is doubly anachronistic to keep this provision on the books.

I have corresponded on this issue with both Secretary of the Treasury, William Simon, and Dr. Arthur F. Burns, Chairman of the Federal Reserve Board. Chairman Burns has no objection to the repeal. The Secretary has recently stated:

> I believe this in fact may be a good time to repeal the Joint Gold Clause Resolution.

Mr. President, I shall ask unanimous consent that both responses be printed at the conclusion of my remarks.

On August 14, 1974, the President signed into law a bill which contained the repeal of that section of the joint resolution concerning the ownership of gold. In a news release dated December 9, 1974, the Treasury declared that gold clause contracts continued to be prohibited even after repeal of the prohibition against gold ownership did not affect the prohibition against contracts containing gold clauses.

Opponents of the restoration of this freedom state that gold clauses could call into question the strength of the dollar and undermine our efforts to control inflation and maintain confidence in our currency. Some discussion of this is in order.

First, we must assume that the opponents are referring to international exchange markets when they refer to the "strength of the dollar." But as most economists agree, the strength or relative value of the dollar in these markets is dependent, in the long run, on the relative rates of inflation in other nations and whether or not the United States is inflating faster or slower——or not inflating at all—compared to other major nations. The strength of the dollar is therefore not related to contracts Americans may enter into, but to relative rates of inflation.

When opponents refer to efforts to control inflation, they perhaps mean efforts by the administration or the entire Federal Government. In the scheme of things, Congress starts the inflation ball rolling with deficit spending. The Treasury is Congress agent and is responsible for selling Federal securities in order to finance the Federal debt. The Federal Reserve Board then acts to ameliorate the effects massive Treasury borrowing has on the economy and pumps money into the system. This causes inflation. If so, the major forces which can undermine efforts to control inflation are the Federal Reserve Board and the big-spending Congress, which requires the Treasury to finance debt. Inflation is not caused by any sort of contract—be it in gold or any other commodity.

Finally, the opponents refer to the maintenance of "confidence in our currency." Confidence in the currency is undermined by its debasement. Debasement is caused by too much money pumped out by the Federal Reserve Board, an action initiated by big-spending Congresses. Confidence in the currency is reflected in the ways people use to cushion themselves from the effects of inflation. Various forms of indexing, including the indexing of congressional salaries, are indications that people—including Members of Congress—do not have a lot of confidence in our currency. The "confidence in our currency," is however, an important issue, since gold clauses, along with other inflation-hedging arrangements, provide an indication of the health of our currency. Gold clauses can give a warning signal that can tell us that Government must cut back and restore balance to the budget. If the Government is inflating, and people seek a refuge, they will adopt this type of device. It is far better to have no inflation and no such devices, but since we have inflation, we should have freedom to cushion its effects.

One of the major indictments against the present prohibition is that it is simply an unreasonable infringement on the rights of Americans. We have been allowed to own gold since 1974, but we are not allowed to use it as we can other commodities. Anyone can enter into agreements which state that a sum of dollars will be paid on a certain date measured in the value of pork-bellies or any other commodities. But, because of this archaic provision on the books, we could not use gold as a measure of payment.

The contradictory aspects of the present situation has attracted the attention of legal experts. For example, Prof. Gerald Dunne, editor of the Banking Law Journal, is of the opinion that the present prohibition of gold clause contracts is legally inconsistent with the present right to own gold. In his paper, "Gold Clause Prohibition: Derelict of the Law," Professor Dunne states that a court ruling made in Williams against Standard Oil would require that the gold clause prohibition be declared void. In that case, the court stated:

> The remaining portions of the act, seemingly merely to facilitate or contribute to the consummation of that purpose must also fail.

In other words, once Congress repealed the prohibition against gold ownership, gold clauses cannot consistently be prohibited.

There are other legal opinions, of course. Congress should remove all doubt about this issue by a simple amendment to the present law. Professor Dunne's arguments and the court's past ruling are clear and their validity should encourage Congress to act.

Another aspect of this issue is that the prohibition against using gold clauses applies only for Americans dealing with Americans since there is no recourse in U.S. courts. As a result, rich individuals with foreign dealings or multinational corporations can make contracts abroad containing gold clauses, because other nations' courts will enforce such contracts. But, because gold clauses are not enforceable here the average

American and the average domestic company cannot as a practical matter enter into these contracts containing gold payment clauses. Recently, the Great Western Corp., a Dallas based firm, concluded a long-term contract with a Panamian firm to pay in gold or silver bullion. The company obtained a $159 million credit arrangement with several financial institutions which will purchase the needed amount of bullion.

According to the Wall Street Journal:

> Great Western said the hard-currency 6 clause provides sugar producers with potential protection from inflation and a decrease in the value of paper currencies.

Gold clauses in contracts, bonds, and other loan instruments, would be extremely attractive to some borrowers and lenders. For example, it is fully possible that a bond with a gold clause could be sold at 5 percent interest, while one without would require a 10 percent rate of interest. One attorney who works with electric utility companies told me of the high interest rate inflation requires for utility securities. He states that—

> Your bill would obviate the investors' need for such compensation, the utilities would be able to obtain capital funds at a much lower cost, and that lower cost would be reflected in lower utility rates to the public.

Those investors who recognize gold as a standard of value would not demand an inflation "cushion" in the interest rate they would require for an investment.

What some London school economists appear to object to is the concept that gold represents a standard of value against which the dollar can be measured. Gold has obvious faults in this regard, but many people regard it as a good measure; and it is an arbitrary and excessive exercise of power for our democratic government to deprive people of the right to such a standard, whatever it might be.

As I mentioned, the Congress itself has adopted legislation which inflation-proofs its own salaries, and thus protects itself in a very concrete way. It seems strangely inconsistent for Congress to deny private individuals a right to avoid the effects of inflation in ways of their own choosing.

Supporters of the gold clause prohibition in the bureaucracy of the Treasury Department seem to forget that our common enemy is inflation—not gold, gold clauses, pork-belly prices, peanut futures, or the price of any other commodity.

What is difficult to determine is whether the bureaucrat and the supporters of the prohibition are afraid of gold or whether they are afraid of people. Regardless, that fear has only one basis, and that is a standard of value—be it gold or some other commodity or index—will indicate when the Government is debasing the currency.

Mr. President, I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., September 21, 1976.
Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR JESSE: In my letter to you of May 6, I mentioned several concerns I have had with a proposal to repeal the Joint Gold Clause Resolution. I fully agree that gold should be treated like any other commodity and that, at an appropriate time, the legal restriction on gold clauses in contracts should be repealed. I had some question, however, whether this is the best time to repeal the Joint Resolution.

In my earlier letter, I indicated my concern that the monetary role of gold not reemerge upon repeal of the Joint Resolution through possible widespread use of gold clauses in private transactions. Second, since gold clauses in contracts call into question the strength of the dollar, their widespread use in contracts might undermine our efforts to control inflation.

Upon reflection, I believe this in fact may be a good time to repeal the Joint Gold Clause Resolution. We are well on our way in our efforts to restore stability to the U.S. economy. With a clear U.S. Government commitment to sound fiscal and monetary policies and with a substantially reduced level of inflation, the widespread use of gold clauses by U.S. citizens in their contracts appears unlikely. Moreover, the demonstrated volatility in the price of gold over the last several years makes even more unlikely its use as a measure of value in private transactions.

Therefore, in my view, repeal of the Joint Resolution at this time should not have any undesirable monetary and economic effects.

Sincerely yours,

BILL.

FEDERAL RESERVE SYSTEM,
Washington, D.C., June 2, 1976.
Hon. JESSE HELMS,
U.S. Senate
Washington, D.C.

DEAR SENATOR HELMS: I am pleased to respond further to your letter of March 31, 1976, asking for the Board's views on a paper by Professor Gerald Dunne on gold clause contracts.

In December 1974, I testified on behalf of the Board in favor of a bill that would have postponed the date when U.S. citizens would be permitted to deal in gold without a Treasury license. While the Board favored restoring to U.S. citizens the right to deal in gold, it was concerned that removal of restrictions on private trading in gold at that time might have an adverse impact on an already strained financial situation. Fortunately, this did not happen. In the past year and a half our financial institutions and markets have strengthened markedly, and economic recovery is well under way.

In light of the changed circumstances, I personally would not object to legislative action that would permit private citizens to make contracts containing legally-enforceable gold clauses. However, the Board is split on the advisability of such action. Our discussions have suggested that opinions on this subject may vary widely, and that hearings could be helpful in fully exploring the advantages and disadvantages of permitting the use of gold clauses. The Federal Reserve would be pleased to assist the Congress in this deliberation.

Sincerely yours,

ARTHUR F. BURNS.

THE ECONOMIC OUTLOOK

Mr. HUMPHREY. Mr. President, as part of its responsibility of monitoring recent economic developments and future prospects, the Joint Economic Committee held a 1-day hearing last week on the current economic situation and outlook. We were pleased to have Dr. David L. Grove, vice president and chief economist of IBM testify before the committee as one of our witnesses.

Although increasing concern has been expressed about a recent slowdown in the pace of business recovery, Dr. Grove stated that "selective focusing can produce an unduly pessimistic picture of what has been happening." He therefore attempted to provide a balanced assessment of recent developments.

Real GNP grew at a 4.5 percent rate in the second quarter of 1976, down from 9.2 percent in the first quarter, a fact which Dr. Grove attributed to unusually strong inventory liquidation in the first quarter followed by inventory accumulation in the second quarter. "Much of the diminished buoyance," he stated, "has been in the household sector." Retail sales have increased only moderately although the preliminary August figure showed about a 2-percent increase.

Continuing with his overall assessment of the economy, Dr. Grove stated that homebuilding activity has recovered only moderately; however, he added, "underlying demographic conditions, replacement needs, and especially the enormous increase in liquidity of mortgage lending institutions" suggest further improvements in homebuilding activity. There has been rather small growth in real wages but Dr. Grove states that he expected some acceleration in real labor earnings. He described the rise in the unemployment rate to 7.9 percent as "the most vivid and disconcerting measure of recent sluggishness. Nevertheless, he expects a step-up in economic growth to bring down the jobless rate somewhat.

He believes that the capital goods sector "should provide much of the momentum for the economy's advance over the next 12 to 18 months." Nevertheless, he said that a 5–6 percent inflation rate is "likely to prevail for a while."

"The liveliest part of the recovery already is behind us," he stated. This is the result of the near-completion of "the inventory adjustment process" and the "diminished thrust of fiscal policy."

Dr. Grove expects a pattern of reduced economic growth in the second half of 1977 and 1978 "which stems largely from the lagged effects of shifts toward fiscal and monetary restraint and from inhibiting factors inherent in the dynamics of the cyclical expansion process."

The rise in real GNP will decelerate to slightly below 5 percent in 1977 which is a decline from the 6.3 percent predicted for 1976. In 1978, Dr. Grove projects an advance that will fall below 4 percent. This slowdown in growth will be felt by most economic sectors and will also adversely affect the unemployment rate.

As Dr. Grove stated, events could turn out worse than these predictions. "In my judgment," he declared, "the chance of a petering out of economic activity is greater than is that of a significant acceleration of inflation."

What are the implications of this forecast for public policy? "In the monetary realm," Dr. Grove said, "it suggests that the Federal Reserve can afford to be accommodative for a fairly extended period." Further, the risks of demand-pull inflation are small. Insofar as fiscal policy is concerned, he recommended a somewhat more expansive policy than is currently advocated. He suggested further stimulus in the form of tax cuts to reduce the waste of resources—that is, the unemployed capital and labor resources—that are weakening us. "The cushion of unemployed resources provides a capability for relatively high growth for some years." Public policy must provide the incentive for consumers and business to bring the economy around. In conclusion, Dr. Grove warned:

> It would be unwise to starve the expansion to counter price rises triggered by transitory forces or caused by events that can not be significantly affected by restricting demand.

Mr. President, I am not by nature a pessimistic man. I concur with Dr. Grove's analysis that we need to stimulate the economy—not stifle it. It is essential we follow economic policies which will lead our economy toward full utilization of both labor and capital. I ask unanimous consent that the remarks of Dr. Grove be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The U.S. Economy—Recent Developments and the Outlook Through 1978

(By David L. Grove)

It is a pleasure for me to be here today, to address this distinguished committee, and hopefully to make a contribution to the very useful body of analysis that has been amassed under your auspices. I shall focus on (1) indications of a recent slowdown in economic growth, and other evidence of a more favorable nature; (2) why these developments are consistent with the forecast I shall be presenting; (3) risks in the forecast; and, (4) some implications for policy actions. I should emphasize that I am here today in a personal capacity and do not presume to speak for anyone else, especially in respect to policy assumptions and recommendations.

EVIDENCE OF SLOWDOWN—AND MORE REASSURING DEVELOPMENTS

Increasing concern has been expressed about a recent slowdown in the pace of business recovery. Indeed, indications of such a slowdown abound. Selective focusing, however, can produce an unduly pessimistic picture of what has been happening and what is likely to happen. Some of the indicators can be given a more sanguine interpretation and other, favorable, evidence must also be considered. The following is an attempt at a balanced assessment of recent developments.

AGGREGATE ACTIVITY

Real GNP grew at only a 4.3% annual rate in the second quarter, well below the 7.3% rate achieved in the first year of the upturn or the 9.2% rate of the first quarter of 1976. Moreover, partial data thus far available point to another lackluster increase in the third quarter.

During the recovery there has been substantial variation in the quarterly growth of real GNP—ranging from 3.3% to 11.4% at annual rate. Most of this variation reflects an erratic pattern of change in inventory investment. Probably more indicative of underlying demand than GNP is final sales, which is simply GNP minus the change in business inventories. This measure has shown much less volatility. Quarterly increases in real final sales have ranged only from 3.7% to 5.6% (annual rate), and the gain in the second quarter of 1976 exceeded the one registered in the first.

HOUSEHOLD SECTOR

Much of the diminished buoyancy has been in the household sector. Retail sales, even without adjusting for the effects of inflation, recently were fluctuating within a narrow range, with July's performance only moderately above the rate of last March. This pattern included a decline in the number of new cars sold from a 10.8 million seasonally adjusted annual rate in March to 10.0 million rate in July. However, in August, retail sales rose by over 2% and new car sales were back up to a 10.6 million annual rate. Moreover, auto volume has been significantly constrained by supply conditions—customers have been turned away because of limited inventories of some key compact, intermediate, and larger models. With the increasing availability of 1977 models, the sales figures shortly should show some decided strengthening.

Homebuilding activity, after sinking to the lowest level in decades, has registered only a moderate recovery, with little if any upward thrust since midwinter. Starts in August were at a 1.5 million annual rate, more than 35% below the peaks of late 1972. Housing permits, however, have trended somewhat higher in the past few months. It also is important to differentiate the sizable and rather typical cyclical pickup for single-family units from the still-depressed state of apartment house construction. The latter market is hurt by previous overbuilding, the financial difficulties of REIT's, and concerns that rental income would not be high enough in relation to increasing costs. Underlying demographic conditions, replacement needs, and especially the enormous increase in liquidity of mortgage lending institutions, suggest at least some further near-term improvement in homebuilding activity.

Underlying the weaknesses in the household sector has been the rather small growth in real wages during the current business upswing. Over the first five quarters of recovery, constant-dollar average hourly earnings of nongovernment employees rose 1.3%, well below the 3.4% to 4.0% increases registered during the comparable periods of the four previous revivals. Furthermore, this modest increase in real wages follows an unprecedented decline during the recent recession. Nevertheless, I do expect some acceleration in real labor earnings, which should be favorable for retail sales, although thus far there is no hard evidence supporting this prediction.

EMPLOYMENT AND UNEMPLOYMENT

Probably the most vivid and disconcerting measure of recent sluggishness has been the third consecutive rise in the unemployment rate to 7.9%. Although the worsening of joblessness was most pronounced for women aged 20 and over, it has affected most labor force categories. However, as Administration spokesmen have observed, employment and the civilian labor force have grown very substantially. Indeed, the latter has risen at a rate greater than in comparable periods of all other post-World War II expansions, largely because of a sharp rise in participation rates of adult women. To be sure, this growth was only moderately larger than the one registered in the 1971–72 recovery period and should not have been totally unexpected. And economic performance should be regarded as unsatisfactory if it does not absorb the increase in the labor force, much less reduce the present high level of unemployment. Nevertheless, I do anticipate that in the near future a moderate step-up in economic growth will help produce a resumption of the downward trend in the jobless rate, although at a painfully slow pace.

FOREIGN TRADE

In July, the United States incurred an $827 million trade deficit, the worst result in almost two years. But this should not be interpreted as representing a major deterioration of our nation's net export position. Month-to-month movements in foreign trade statistics are quite erratic and the July figures include a bulge in petroleum imports. To a sizable degree, the weakening in our trade balance this year reflects the somewhat earlier timing of the business recovery in the United States than in the other major industrial countries. Our front position in the international recovery parade has tended to increase American imports relative to our exports. As the expansion gains strength in the other nations, this pattern is likely to be reversed.

CAPITAL SPENDING

The Commerce Department's August plant and equipment survey failed to show any significant change in planned spending for 1976 from the moderate 7.3% increase (current dollar basis) called for in the survey taken three months earlier. However, I definitely am not pessimisic about the outlook for the capital goods sector. This sector should provide much of the momentum for the economy's advance over the next twelve to eighteen months. Planned outlays for 1976 still are likely to be raised from the August survey levels. Contract awards for commercial and industrial construction have decidedly strengthened in recent months. Most significant has been the very sharp uptrend since February in nondefense equipment orders. Fueling this resurgence is the substantial recovery in profits over the past year and a quarter. This is providing a potent inducement for further investments as well as much of the funds necessary for their realization. Access and terms of external financing also have improved significantly.

INFLATION

Aside from those developments which have raised doubts about the strength and durability of the current expansion, some renewed anxieties about a reacceleration of inflation have occurred in response to a sharper rate of advance in the consumer price index and in the GNP price deflator since the first quarter of the year. Moreover, there has been a spate of price increase announcements in a number of major industries, and large wage settlements have been won by the trucking, electrical, and rubber unions.

However, the recent worsening of the price indicators should have been anticipated. The pleasant first-quarter results reflected declines for food and fuel, which were expected to be reversed and were. In fact, the summer reductions in wholesale prices of farm products and processed foods may provide another small dose of transitory relief. Nevertheless, an underlying inflation rate in the 5 to 6% area is likely to prevail for some time.

ECONOMIC FORECAST

This pattern of recent developments is remarkably in line with the economic forecast the economic research staff at IBM has had for some time. In that forecast, the liveliest part of the recovery already is behind us. This stems mainly from the near-completion of the inventory adjustment process—from heavy liquidation to sizable accumulation. This swing accounted for much of the increase in output over the first year of the current recovery. Another important factor underlying the reduced rate of growth—which I believe has been insufficiently noted—has been the diminished thrust of fiscal policy. While this shift toward fiscal restrictiveness can be shown in terms of the pattern of change in the high-employment budget balance, I prefer to use the following measure to approximate the degree of policy-induced fiscal stimulus or restraint.

A policy shift toward stimulus is indicated whenever increases in Federal spending rise (aside from unemployment benefits, which are induced primarily by weakness in the economy) and whenever reductions (or smaller increases) occur in Treasury receipts as a consequence of tax *rate* changes. The combined effects of these changes in calendar year 1976 will be less than half as large, in relation to GNP, as the corresponding change in 1975. This pattern reflects a substantial deceleration in Federal spending growth and the absence of the $8 billion in special personal rebates disbursed last year. For the future periods it must be emphasized that the figures shown embody *assumptions* as to Federal spending and taxes. These have been keyed to the base case forecast, which thus is a *conditional* forecast—in other words, conditional on the correctness of the assumptions about what the Congress and the President will do in the fiscal area.

On the expenditure side, the future figures are consistent with total outlays on a unified budget basis of about $412 billion for FY 1977 and $454 billion for FY 1978. On the tax side, I have assumed that the recent income tax cuts for individuals and corporations would be extended with relatively little net change in aggregate Treasury receipts, that the Social Security tax base would rise to $16,500 in 1977 and $17,700 in 1978 and the combined rate from 11.7 to 12.1% in 1978, that unemployment tax rate and base changes would increase collections by $0.6 billion in 1977 and $1.5 billion in 1978, and that telephone excise taxes would be cut by $0.2 billion in each of the next two years. All of these tax changes are in accordance with current law or nearly consummated legislative actions. In addition, I have assumed a further personal tax reduction of $8 billion in 1978.

For the next two calendar years, given the assumptions, the table points to slightly greater fiscal stimulus. This stems mainly from the anticipated acceleration in Federal spending and the income tax cut assumed for 1978.

On the monetary front, I expect short-term interest rates to trend higher through mid-1977, as business loan demand gains momentum and as the Federal Reserve gradually moves toward somewhat greater restraint, reflecting its fears about a possible acceleration of inflation. In the latter part of 1977, the course of borrowings and monetary policy should ease, in reaction to the predicted deceleration in the business advance. As a result, rates on short-term obligations are projected to turn moderately downward in late 1977 and early 1978. Long-term rates, after trending slightly downward over the remainder of this year, seem likely to inch upward during 1977 and then edge lower—lagging the movements in short-term rates.

Assuming this fiscal and monetary environment, I expect the business recovery to continue. The expansion has been well balanced. Inventories clearly are not excessive in relation to sales. Replacement demand is growing for autos and household durables. Consumer spending will benefit also from continued increases, though very moderate ones, in real incomes. Net exports should improve somewhat. Capital spending is being spurred by rising utilization rates, by pollution and safety requirements, by needs for replacement and modernization, and by the continued advance of corporate profits.

The base case forecast, generated by an econometric model developed by the IBM economic research staff, is summarized below. It is noteworthy that an inflation rate greatly increases in employee compensation to rates substantially in excess of anticipated growth in productivity.

FISCAL POLICY

[In billions of dollars]

Calendar year	Change in Federal spending, excluding unemployment benefits (1)	Change in Federal receipts due to tax changes (2)	(1)—(2) (3)	(3) as a percent of GNP (4)
1969	7.7	11.4	−3.7	0.4
1970	14.0	−8.6	22.6	2.3
1971	14.6	−7.3	21.9	2.1
1972	24.3	−3.2	27.5	2.3
1973	21.6	8.0	13.6	1.0
1974	32.4	3.2	29.2	2.1
1975	47.3	−15.3	62.6	4.1
1976	25.6	7.2	28.4	1.7
1977	39.2	2.4	36.8	2.0
1978	43.1	.3	42.8	2.1

FORECAST SUMMARY

[Percent change]

	1973	1974	1975	1976	1977	1978
GNP	11.6	8.2	7.3	11.9	10.8	9.9
GNP (1972 dollars)	5.5	−1.7	−1.8	6.3	4.9	3.8
Price of GNP	5.8	10.1	9.2	5.2	5.7	5.9
Consumption (1972 dollars)	4.7	−1.1	1.5	5.2	3.9	4.0
Res. construction (1972 dollars)	−3.7	−24.6	−14.6	22.4	15.1	−2.0
Profits before taxes	20.4	10.2	−10.2	30.5	16.3	5.9
Producers' durable equipment (1972 dollars)	15.2	1.1	−13.6	5.6	11.6	6.0
Consumer price index	6.2	11.0	9.1	5.8	6.1	6.0
Private hourly earnings	7.0	8.8	9.1	7.5	7.8	8.0
Unemployment rate (percent)	4.8	5.6	8.5	7.5	7.2	6.5
Business inventories (billions)	$17.9	$10.7	−$14.6	$15.9	$15.7	$18.5

Of course, a worse inflation picture could unfold. Some observers fear a strong acceleration in wage increases. In this regard, it is noteworthy that wage gains thus far in 1976 have been smaller than many had expected. And, although I too am projecting some acceleration in wage increases, I believe that continued high unemployment will constrain labor's demands and the terms on which employers will settle.

Of course, there also is the possibility of sharp increases in food prices, perhaps due to extended and widespread bad weather. While this contingency certainly cannot be ruled out, I am encouraged by the 16% increase in U.S. crop acreage over the past three years as well as by the fact that stocks are beginning to rise again. Moreover, despite the drought in western Europe, world grain production is expanding significantly.

Additional concerns exist in regard to another major petroleum price hike. Gasoline demand is rising. U.S. energy legislation will permit a 10% increase in domestic crude prices at the end of this year and another one in late 1977. Most importantly, OPEC prices are likely to be raised, probably around January 1 of next year and again in 1978. However, in a year or two, significant production will be coming from the North Sea and from the Alaskan North Slope, and OPEC apparently has become more sensitive to overall world demand factors. I expect that, over the next year and a half, petroleum product prices will rise by perhaps 6 to 8c per gallon. This should not cause a sharp worsening in the overall inflation rate.

Anxiety about possible production bottlenecks focuses on the materials sector, where capacity utilization reached 93% in 1973, at the height of shortages. In August of this year, the seasonally adjusted operating rate in the materials industries averaged 81.5%, only slightly above the late winter figure. Assuming only modest capacity growth over the next two years, the prospective demand for materials suggests that operating rates will remain well below the peak-1973 levels. Moreover, there are signs that recent capital spending is being targeted specifically toward potential bottleneck areas. Some individual industries, especially paper, still may experience tight supply, but this situation will be the exception rather than the rule.

Probably the highlight of the forecast is the pattern of reduced economic growth in the second half of 1977 and in 1978 which stems largely from the lagged effects of shifts toward fiscal and monetary restraint and from inhibiting factors inherent in the dynamics of the cyclical expansion process. The rise in real GNP decelerates to a 4% annual rate during the second half of 1977, and for the year as a whole the growth rate falls to slightly below 5%, from the 6.3% predicted for 1976. In 1978, the advance is projected to slip below 4%, even after reflecting a redirection of Federal Reserve policy toward ease and a somewhat greater fiscal stimulus fostered by an $8 billion tax cut as well as by a moderate acceleration in Federal spending. The slowdown in growth will be felt by most economic sectors, and the decline in the unemployment rate will be arrested in the latter part of the year.

RISKS

Events could turn out worse than this forecast. The inflation rate might significantly exceed my expectations—perhaps because of external forces such as bad weather or sudden military activity, or perhaps because I have not properly assessed some forces inherent in the economy.

The other major forecast risk would involve a shortfall from the predicted growth-path of real economic activity. It is quite possible that even the moderate shifts I have assumed toward monetary and fiscal stimulus will not be implemented, perhaps out of fear of inducing a resurgence of inflation. Or it could be that consumers or businessmen will exhibit a degree of caution in their spending that does not conform to past behavior patterns. While I do not believe that these developments have any very high degree of likelihood, in my judgment, the chance of a petering out of economic activity is greater than that of a significant acceleration of inflation.

POLICY IMPLICATIONS

If my forecast proves to be reasonably correct—and it will be tracked and modified at least every three months—what are its implications for public policy? In the monetary realm, it suggests that the Federal Reserve can afford to be accommodative for a fairly extended period, and that the dangers of inflation being reignited by booming levels of demand pressing close to productive-capacity limits really are quite small, probably at least for the next two years. I would hope that the Federal Reserve will avoid a mechanistic response to any large near-term rates of increase in money supply figures. By this I mean a response which would produce a substantial jump in interest rates. I believe that interest rates and conditions of credit availability are quite important and deserve at least as much consideration as any specified monetary aggregates. I have no firm reason to believe that the Federal Reserve thinks otherwise, I might add.

On the fiscal side, I would recommend that policy go somewhat beyond the modest shift toward expensiveness I have assumed in my forecast. There is very worrisome amount of unemployed capital and labor resources in this country. Aside from the great human and economic costs to the individuals directly affected, this is economic waste that weakens our national strength, our world leadership, and the faith of our citizens in our economic system. And in good part it must be viewed as reflecting less-than-optimal public policy. When the Congress, under your new and extremely desirable budget review procedure, considers the 1978 budget I suggest that you reflect not only on such matters as prudence, efficiency, and program needs in arriving at your expenditure and tax goals, though I certaily do not wish to seem to minimize their vital importance, because I do not. But I suggest that you also reflect on the need to provide sufficient stimulus—preferably, in my opinion, in the form of tax cuts—to make greater progress toward reducing this national waste of resources to which I have just alluded. Obviously, I do not recommend that any fiscal stimulus be carried to the point of reigniting inflation. That would serve only to start another cycle of boom and bust. This cautionary note, however, leaves considerable room for positive action.

The United States could be poised for the kind of sustained well-balanced expansion that prevailed from early 1961 through mid-1965—a well-balanced expansion that would have continued well beyond that had we not had a Vietnam escalation on top of Great Society spending with no offsetting tax increases. Many of the preconditions are present. As compared with early 1961, present capacity utilization rates (even after over a year of expansion) are about the same as then and the unemployment rate is even higher. This cushion of unemployed resources provides a capability for relatively high growth for some years without creating demand-pull inflationary pressures. While current inflation rates are indeed higher than in the early 1960's, it is likely that we can avoid an acceleration of prices; in fact if external forces are favorable, there could even be further deceleration.

It devolved upon public policy to provide the measured stimulus to consumers and to business investment to achieve such a result. As in the early 1960's, there should be a balanced program to expand real consumer after-tax incomes and to provide incentives for increased business investment and for the lagging homebuilding sector. Clearly, inflationary developments have to be continually reviewed and offset insofar as possible by appropriate actions. Should they show signs of gaining momentum, they should be dealt with quickly and decisively. But the nature of that threat must be properly diagnosed. And legitimate preoccupation with it should not overlook the parallel danger of economic under-nourishment. In my judgment, it would be unwise to starve the expansion to counter price rises triggered by transitory forces or caused by events that can not be significantly affected by restricting demand.

I recognize that the public-policy course I have charted requires great skill both in tracking and interpreting events as they occur over the coming year and in taking appropriate action in a timely fashion. This points up the vital contribution your committee can make to our national welfare and progress.

PUBLIC OPINION FAVORS DEFENSE SPENDING

Mr. FANNIN. Mr. President, an article in today's Washington Post, "Poll of U.S. Backs Big Defense Outlay," describes the attitude of Americans toward the security of their Nation. It is heartening that the message is coming across from the White House that our defenses must be protected even though we are enjoying a time of peace. The people seem to agree that we must have enough strength to deter our enemies from their aggressive intentions.

There is concensus among the experts on the status of our defenses. They agree that our military strength and capability is roughly equivalent to that of the other superpower. In some categories of defense systems, our arsenals are more effective while in most categories, our weapons are less numerous than those deployed by Russia. I do not believe that numbers alone should be the determining factor in an analysis of our overall defense capabilities. Quality and diversity are also important determinants. Overall, it seems that the United States has weapons of higher quality than our enemies, but in numbers, we are outgunned by the Soviet Union.

Ever since World War II, the United States has maintained a decided lead in military hardware and equipment. In addition, we have had a nuclear weapons capability which was a powerful deterrent to all nations with aggressive tendencies. Unquestionably, we were the No. 1 military power in the world. Over the past decade, this power has been diluted.

Successive Congresses and the American people made a choice against beefy military budgets and supported domestic social and development programs instead. For several years. The Defense Establishment was able to assume these budget and program cutbacks without a great deal of damage being done to our national security. By the early 1970's, however, the trend in Defense budget cuts was established and by 1975, it was traditional for Congress to chop a hefty amount from the administration's annual military requests.

This year, Congress has been willing to do more than just cut the Defense budget. The House and Senate Budget, Appropriations, and Armed Services Committees agreed that our national security could not withstand additional reductions in the annual Defense expenditures. This is a welcome change.

Data from the Pentagon and the White House clearly show that we need a new class of bombers to replace the outmoded B–52 fleet; that we need to increase our submarine fleet; that we need to develop long-range missiles; that we need to increase the efficiency of military personnel and most importantly that we must encourage research and development efforts so that future technological developments by other nations do not catch us unaware or unprepared to defend ourselves against them should the need arise. With the unfortunate exception of the B–1 bomber, Congress supported the requested increments to the Defense budget.

It is my belief that future defense budgets, including armaments, research, equipment testing and the other mundane components that make up the billion dollar requests must be considered with reference to our position in the world. We can choose between remaining the most powerful Nation in the world or maintaining rough equivalency with the Soviet Union. If we want to remain in the number one position, we must be willing to devote our national resources to that end. If we want parity, our resources will not be so heavily taxed, but we will have to expect the Soviets to continue expanding their influence throughout the world and to pay less and less attention to our admonitions that they should not intervene in the internal affairs of sovereign nations.

Mr. President, my constituents believe America should be the premier country in the world. They are willing to support the military manpower and systems necessary to assure this outcome. What they ask of the defense establishment is superior technology, efficient use of men and money and security for their homeland. The capability of our military has been proved by past history. What is necessary for the future is national support of the ultimate mission of our Armed Forces, the security of our Nation.

I am convinced that we still have the national will to be the most powerful nation in the world. Recent international incidents such as Portugal's brush with communism, and Soviet and Cuban intervention in Angola's civil war make it apparent that the Soviet Union is not going to be content to achieve a position of parity with the United States. Russia is constantly expanding her interests: To the Mideast, to Southeast Asia, to Europe, to Africa and, more important to us, to Central and South America. It has been our experience over and over again, that we cannot depend on her to stop encroaching on other nations.

The friendly Brezhnev visits to the United States, the Vladivostok accords, the SALT talks, the nuclear nonproliferation treaty; none of these agreements have deterred Soviet military buildup or expansion. We must be able to protect ourselves against this type of aggression. It is time to face Soviet expansionism squarely and decide that we are going to control it. It seems to me that the best way to start combatting the Russian machine is to improve our existing technology and to prepare for the future.

Mr. President, a Gallup opinion poll printed in April 1976 showed a greater percentage of Americans were willing to support increased defense spending. A more recent poll, compiled by Potomac Associates and released yesterday, displays the same results as the earlier Gallup poll. I hope the American people will continue to speak out in support of the tremendous effort necessary to keep our country free from outside domination. We must have a superior defense system in order to retain our cherished independence.

I ask unanimous consent that the article, "Poll of United States Backs Big Defense Outlay" be printed in the Record.

There being no objection, the article

was ordered to be printed in the Record, as follows:

[From the Washington Post, Oct. 1, 1976]

POLL OF UNITED STATES BACKS BIG DEFENSE OUTLAY

(By William Chapman)

Strongly anti-military in their mood during the latter years of the war in Vietnam, Americans now show a renewed sympathy for military spending and are more concerned about Soviet military power, according to a new national poll.

They also believe that the Soviet Union matches the United States in overall world importance and believe that this kind of stalemate will endure for a while, the poll shows.

The survey of 1,071 Americans was released yesterday by Potomac Associates, a Washington-based research company.

The survey, similar to ones taken on military and foreign policy subjects in 1972 and 1974, concluded that "Americans have become significantly more sympathetic toward overall military and defense spending."

In 1972, 49 per cent of those polled felt that total spending for military and defense purposes should be either increased or kept at the present level.

But the latest survey, taken in May, 1976, found that 71 per cent felt that way.

The percentage of those favoring reduced spending has fallen from 37 per cent in 1972 to 20 per cent in 1976.

The survey found that, in terms of overall power and importance, people believe that the Soviet Union is virtually the equal of the United States and that this stand-off will persist into the future.

"The public does not like this state of affairs," the study concluded. "The majority of Americans now agree with the proposition that the United States should maintain its dominant position as the world's most powerful nation at all costs, even going to the very brink of war if necessary."

A bare majority, 52 per cent, subscribe to the view that the United States should endeavor to be "number one" in world power and influence. That is approximately the same as in the mid-60s; in 1972, the level of support for being "number one" had slipped down to 39 per cent.

The survey also registered a large, sharp decline in support for the United Nations.

It found that this year about 46 per cent of Americans agree that "the United States should cooperate fully with the United Nations." That is a decline of 20 percentage points from 1974, when 66 per cent had agreed with that statement. In the mid-60s, nearly three-fourths of Americans wanted their country to cooperate fully with the United Nations.

There also was a significant increase in those who would favor defending European allies with military force if they are attacked by the Soviet Union.

Fifty-six per cent favored that position this year compared with 48 per cent last year.

REPORT OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. RANDOLPH. Mr. President, on behalf of the Committee on Post Office and Civil Service, I submit a report to the Senate pursuant to section 302(b) of the Congressional Budget Act and ask that it be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

COMMITTEE ON POST OFFICE AND CIVIL SERVICE REPORT TO THE SENATE PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT

Allocations under the second concurrent resolution, fiscal year 1977

Direct spending jurisdiction

[In Millions]

Program:	Budget authority	Outlays
Special studies, services and projects, Bureau of the Census, controllable	5	5
Federal Employees Health Benefits Fund (trust revolving fund) Uncontrollable	0	−75
Retired Employees Health Benefits Fund (trust revolving fund) uncontrollable	0	7
Civil Service Retirement and Disability Fund (Permanent-indefinite) Uncontrollable	16,604	9,834
Federal Employees Life Insurance Fund (trust revolving fund) uncontrollable		−399
National Archives Trust Fund (revolving) uncontrollable		−.4
Payment to the Civil Service Retirement and Disability Fund (permanent-indefinite) uncontrollable	4,189	4,189
Total	20,798	13,560
Controllable	(5)	(5)
All other	(20,793)	(13,555)

CAPITOL STUDIES

Mr. MATHIAS. Mr. President, the Senate has before it a bill of importance not just to the people who work in the Capitol, or to those who visit it and admire in it the beauty of American art through the ages. It is important as a mark of our encouragement of the arts in America and of our interest in the history and heritage of our country. The scenes to be depicted by the renowned muralist Allyn Cox will tell the story of America's growth as a nation of people and ideals. With quotations from some of America's leading scholars and statesmen, this work will demonstrate again the true companionship of art and literature.

The initiators of this art, the U.S. Capitol Historical Society, under the very able leadership of its president, Fred Schwengel, the former Representative of Iowa's First District, have already proved their capabilities in the area. For the art work we are considering today is the second phase of an extensive program of art for this building.

In the first phase of the program Allyn Cox depicted scenes from the American past that took place in or near the various buildings that have housed the Congress. This work, bold in its execution, is as careful in historical detail as a scholarly work. The praise that "Capitol Hall"—the corridor leading to the House Restaurant—has received is well deserved.

The art work now under consideration will illuminate the walls leading to the House Majority Leader's Office. Like the first phase of the work, this will be done without appropriation of funds by the Congress. The U.S. Capitol Historical Society donated funds for the artistry displayed in Capitol Hall to the Congress and the American people. The Daughters of the American Revolution have raised $150,000 toward the completion of the second phase of the work. These funds were raised after Mr. Schwengel spoke with the President General, the Committee on Bicentennial Affairs, and finally the assembled convention of the DAR. Agreeing with the concept put forward by Mr. Schwengel, the DAR raised the money through a canvass of the members.

Because of the proved abilities of the artist and because of the artistic and historic worth of the program which will cost the American people nothing, I urge the speedy consideration of this bill.

Mr. President, I would like to add that I have been associated with the U.S. Capitol Historical Society for over a dozen years. In that period I have seen this Society grow from humble beginnings to a truly important historical society with a diversified format that appeals to all who are interested in the history of our Congress and our Capitol, from the young schoolchild to the accomplished scholar.

The society's publications for the layman: "We the People," produced in cooperation with the National Geographic Society, an organization, I might add, whose assistance to the society has been legion; "Washington Past and Present," written by Society Historian Dr. William M. Maury; "Magna Carta and the Tradition of Liberty; We the People Calendar," probably the most thorough historical calendar now being made; "City Out of Wilderness: Washington," an award winning film produced by the renowned director, Francis Thompson, are well known and have received their deserved recognition.

Less well known, Mr. President, are the society's efforts in the field of scholarship. Of particular note in this area is Capitol Studies, the semiannual scholarly journal which focuses on the history, art, and architecture of the Capitol and the historical development and process of the Congress. Contributors to this important journal, edited by Society Historian William Maury and Maier Fox, are among the leaders in their fields—scholars of the rank of Joel Silbey, Barton Bernstein, Lewis Dexter, and Garrison Nelson. Our colleague in the Senate, Gale McGee, has contributed, and the fall 1976 issue of Capitol Studies will carry the thoughts of our respected friend, Representative Charles Whalen from Ohio. I read and use Capitol Studies and believe that its focus is particularly useful for all Congressmen and their staffs.

While Capitol Studies was developed to fill an important need, Society President Fred Schwengel continued to feel that the society should broaden its base in the scholarly community. At a meeting of the editorial board of Capitol Studies, Fred Schwengel made his wishes known, and Catholic University Dean Jon Wakelyn responded to the challenge. As a result the society and Catholic University launched a joint program in congressional studies. Patterned after the interdisciplinary approach of Capitol Studies, the congressional studies program offers a master's degree in congressional studies from Catholic University. Now in the first semester of its existence, the response to the program has been excellent. Two courses, one in the history of Congress, taught by Society Historian William Maury, and the other in legislative process, taught by staff reporter of the National Journal Dr. Michael Malbin, are being offered in this first semester. An additional three courses will be offered next semester as the program begins to grow toward full maturity.

Mr. President, I make these remarks about the other aspects of the U.S. Capitol Historical Society because I am honored to be a part of it, and because what it has done and is now doing is worth knowing about for all who work here and all who might read the RECORD.

THE STATE OF THE ECONOMY

Mr. CRANSTON. Mr. President, the Nation has made some progress this year along the road to economic recovery.

No small measure of credit for that progress belongs to the Congress of the United States.

Congress—using its new budget process quite effectively—adopted a carefully considered, long-range plan aimed at the eventual achievement of full employment, low inflation, and a balanced budget, simultaneously.

And Congress exercised the self-discipline to execute the first year of that plan. It held Federal spending within the ceilings it had set and it passed tax legislation which should produce a revenue level very close to the revenue floor which Congress had prescribed for fiscal year 1977.

These achievements are all the more remarkable because they were accomplished in an atmosphere of constant criticism from an administration whose own economic prescriptions, if filled, would have choked off the recovery, and added both to inflation and unemployment. It was also an administration that disrupted the congressional schedules and made the work of the Congress much more difficult by its record number of vetoes. This week's Presidential veto of the job-producing Labor-HEW appropriations bill—overwhelmingly overridden by the Congress—was only the latest example.

The economic improvements from just 1 year ago are measurable:

In August 1975, the unemployment rate was 8.5 percent, representing nearly 8 million officially-counted unemployed American workers. More than 1 million additional unemployed were so discouraged they were no longer looking for work—and thus were not counted in the official statistics. They should have been.

By May of 1976, the unemployment rate had fallen to 7.3 percent. For the past 3 months, however, unemployment has risen. Latest reports show an unemployment rate of 7.9 percent—7½ million people officially counted as unemployed. These figures are still deplorably high. But at least they are better than those of a year ago.

Meanwhile, the rate of inflation has fallen, from a 12-percent annual rate at the end of 1974 to less than 5 percent by July 1976. Short-term interest rates dropped from 7.2 to 5.2 percent in the same period. These improvements occurred despite a recession-induced fiscal year 1976 Federal budget deficit of $65.6 billion—which some wrongly predicted would produce higher interest rates and more inflation.

Like unemployment, other economic indicators showed a rapid recovery from the depth of the recession, peaking this spring and slowing down the past several months. Housing starts jumped 49.2 percent from April 1975 to March 1976—but have fallen 6.2 percent since March. Retail sales jumped 16.1 percent from March 1975 to March 1976—but have dropped 0.8 percent since spring. And industrial production, which had increased 14.5 percent during the same period, has risen at an annualized rate of only 5.5 percent since March.

We must restore momentum to this recovery and keep it on track. We must put to work the millions of Americans who remain out of work. We must restore fiscal health to our economy. And we must achieve the balanced budget we all desire. The goals of the long-range congressional plan remain intact. While the recent economic slowdown is worrisome, the overall pace of the recovery is roughly on schedule.

Maintaining that pace is one key to accomplishing our goals. Too fast an acceleration will produce inflation; too much of a slowdown will not reduce unemployment.

Our long range economic objectives—full employment, low inflation, and a balance budget—can best be achieved through a coordinated fiscal and monetary policy. This in turn requires the cooperation of an understanding and responsible administration, a disciplined Congress, and a responsive Federal Reserve Board. We are not out of the woods yet.

GOVERNMENT SPENDING

The new congressional budget procedures, fully operational for the first time this year, have enabled us to cut Federal spending substantially. The budget ceiling set by the Congress for fiscal year 1977 is $11.8 billion below the 1977 cost of maintaining 1976 programs—the current policy level. Senate Budget Committee Chairman MUSKIE estimates the congressional budget process has saved between $15 and $30 billion of the taxpayers' money in 2 years.

The dollar amount of the Federal budget continues to grow as an automatic result of the demands of an expanding economy, rising population, and inflation. But proportionate to the growing GNP, the Federal Government has maintained a fixed size for more than 25 years—always between 17 and 22 percent of the GNP. By contrast, the relative cost of State and local government has doubled in the same period.

The rising costs of all government—Federal, State, and local—remains a serious problem. But, after 2 years of service on the Senate Budget Committee I remain convinced that the congressional budget process is the key to controlling Federal spending. It provides a means for examining all government spending requests. It permits Congress to set and maintain strict spending limits, to determine the weight to be accorded competing priorities, and to relate income revenues to outgoing expenditures. In addition, Congress can use this process to relate its spending and tax policy to an overall economic strategy. Never before have these opportunities been available to the Congress.

While the congressional budget process has accomplished a surprising amount in its short existence, much remains to be done. We need better control over so-called uncontrollable expenditures, over off-budget agencies and over those areas of the budget which have escaped serious scrutiny. I am committed to continue working to eliminate waste and unnecessary spending, and to see to it that the funds we appropriate effectively achieve national goals.

THE DEFICIT

The estimated $50.6 billion deficit for fiscal year 1977 is almost one-fourth less than the deficit of the previous year. That is because revenues are expected to grow by $63.5 billion, while expenditures increase by $48.3 billion. This is evidence of both progress toward a balanced budget and evidence of the effect of economic conditions on the Federal deficit. Revenues grow as individual and corporate incomes increase. And, incomes increase both from real growth in the economy and from the effects of inflation. Federal expenditures for unemployment compensation, food stamps and welfare rise and fall with the unemployment rate—not as a result of congressional action. In addition, a number of Federal programs, such as public service employment and counter-cyclical revenue sharing, are specifically designed to deal with extensive unemployment. They are triggered by high jobless rates.

The Congressional Budget Office estimates that during fiscal year 1977 each 1 percent increase in the unemployment rate over 4 percent—the so-called full-employment level—adds $19.5 billion to the deficit. Of this amount, $15 billion are lost revenues and $4.5 billion are increased expenditures for the unemployed. During fiscal year 1977, the unemployment rate is expected to average 6.7 percent. The fiscal year 1977 budget has been calculated on that basis. Should the unemployment rate drop to 4 percent, the budget would be $1.9 billion in surplus and the deficit would be completely eliminated.

Clearly, controlling Federal spending is only a partial answer to eliminating the Federal deficit. Decreasing Government spending decreases employment—in both the private and public sectors. That in turn decreases revenues and pushes up expenses for unemployment compensation, food stamps, welfare and medicaid. Increasing taxes stifles the recovery.

In the final analysis, full employment and productivity remain the keys to restoring a balanced budget. Not only do they increase the gross national product and provide new revenues to the Treasury, they reduce the need for Government spending to aid the unemployed.

LIMITING GOVERNMENT

During the past several decades, the Federal Government has extended its activities into many facets of our daily lives. Many of these activities are important to the well-being of the Nation. Others have long outlived their usefulness and should be revised or abolished. Still others are duplicative or overlapping.

Because our economy is complex and highly integrated, solutions to national problems are neither simple nor quick. With the next administration, I would expect creative reorganization efforts to make the Government leaner and more efficient. I will continue to support efforts by the Congress and the administration to insure that government regulatory activity is both necessary and responsive to our current needs, and to eliminate it where it is not.

But as the size of the Federal Government continues to grow, it increases its potential to intrude on our liberties and into our daily lives. I pledge myself to scrutinize closely any future request to establish new, or to expand old, Government agencies. I believe such scrutiny is essential to preserve our fundamental freedom and liberty and to make the Federal Government responsive and affordable in the years ahead.

UNEMPLOYMENT

Although slightly down from last year, unemployment remains close to levels higher than any year since 1941. There has been some reduction in the number of unemployed heads of households and of long-term unemployed. And, there is a guarded prognosis for declining unemployment in the year ahead. But, adequate unemployment benefits must be available as long as they are needed. And temporary countercyclical recovery efforts must be pursued as called for to achieve economic improvement.

Over the years, I have worked hard to develop employment and training legislation to assist those temporarily displaced by economic crises and to aid the chronically unemployed. I was a principal architect of the 1971 Emergency Employment Act, the Comprehensive Employment and Training Act of 1973, CETA, and the Emergency Jobs and Unemployment Assistance Act of 1974. I have extended great effort to gain adequate funding for these programs, and I remain committed to further efforts in these areas. This year, along with several colleagues, I worked hard to enact amendments to CETA designed to "target" thousands of public service jobs on long-term unemployed heads of needy households. I am convinced that this use of Federal dollars is wiser in both human and economic terms than simply giving money to people who are not working. Everyone who wants to work is entitled to the self-esteem and sense of accomplishment that comes from holding down a meaningful, productive job.

INFLATION

The Ford administration proposed, and the Congress wisely rejected, a number of policies that would have driven inflation back toward double-digit rates. Among these was rapid decontrol of oil and natural gas prices, which was sure to lead to further increases in the price of many goods and services.

The administration's budget was designed to maintain intolerably high rates of unemployment for fear that inflation would be regenerated by significant Government spending to reduce joblessness. The evidence is now overwhelming that so long as the Nation's productive resources remain largely idle, the consumer demand created by increased government spending will not have inflationary consequences. The congressional budget strategy is to stimulate employment with temporary programs designed to fall away as recovery nears the danger point where additional Government-induced jobs are traded for additional inflation.

The exact point where the trade-off occurs is not known. But economists suggest that given our present economic structure, the danger zone for inflationary consequences is around a 5 to 5.5 percent unemployment rate. However, we can institute certain structural policies that would enable us to achieve our goal of full employment, without setting off new rounds of inflation.

Targeting of public service jobs is one such structural change. More expeditious and effective enforcement of our antitrust laws is another such structural change, and I helped enact suitable antitrust legislation this year. Other structural policies which I believe would help reduce the inflationary danger point include regulatory reform, and the establishment of strategic goods reserves to avoid the inflationary impact of embargoes, artificially-induced shortages and other economic hazards which can drive up prices. I believe the next Congress is likely to consider these policy alternatives. I strongly believe a free, competitive marketplace, with vigorous enforcement of antitrust laws and stiff penalties for offenders, will provide some protection from inflationary consequences.

CONTINUING EFFORTS

We have not yet achieved recovery from the deep recession of 1974–75. Getting people back to work and restoring a healthy economy will continue to have my highest priority attention. I will continue to consider a wide range of proposals to solve our economic and social problems. And, I am very grateful to the thousands of Californians who have assisted me with their thoughts and comments.

CRS MEMORANDUM ON USE OF FEDERAL FUNDS FOR ABORTIONS

Mr. HELMS. Mr. President, the Congress has had several occasions to consider limitations on various Labor-HEW appropriation bills to prohibit the use of these funds to pay for the performance of abortions. During consideration of the appropriation bills for 1974, 1975, and 1976, various governmental sources outside of Congress prepared position papers for the purpose of causing Congress to reject such limitations. I intend to discuss two such documents that were submitted in the CONGRESSIONAL RECORD during the latest debate of this issue by the Senate. The first document is a letter prepared by Mr. John A. Buggs, a staff director of the U.S. Commission on Civil Rights, which states the view of the Commission regarding Representative HENRY HYDE's proposed amendment to this year's Labor-HEW appropriation bill. The letter is dated July 22, 1976. The second document is a study prepared by the Library of Congress Congressional Research Service entitled, "Constitutionality of a Statutory Provision Banning the Use of Any Federal Funds for Abortions." The memorandum is dated April 2, 1975.

I have been concerned as early as 1974 that Government agencies have been "attempting to exert the powers of their office in order to influence . . . Members of Congress . . . and subvert" such legislative restrictions on funding of abortions. Their partisan analyses of complex legal problems under a guise of objectivity is totally inappropriate and inconsistent with the purpose and function of these agencies. In 1974, while an amendment to the Labor-HEW appropriation bill was under consideration, I found it necessary to point out the inaccuracies in a Library of Congress Congressional Research Service memorandum discussing this amendment.

Then again in 1975, when a similar restriction was under consideration regarding that year's Labor-HEW appropriation bill, the U.S. Commission on Civil Rights released a letter signed by its Chairman, Mr. Arthur S. Flemming, which concluded that such a limitation on Federal financing of abortion "constitutes invidious discrimination and cannot be upheld under constitutional challenge." That letter quoted from the CRS memorandum which I had discussed the previous year and was distributed among Members of the Senate on April 10, 1975, in an attempt to defeat this amendment. Shortly thereafter on July 21, 1975, the distinguished junior Senator from New York, Mr. BUCKLEY, pointed out the inaccuracies in, and polemic nature of the Commission letter.

I. CIVIL RIGHTS COMMISSION LETTER

Mr. President, during the Senate's latest consideration of the restriction of Federal funding of abortion provision of the Labor-HEW Appropriation Act, H.R. 14232, a letter from the U.S. Commission on Civil Rights concerning its view of the so-called Hyde amendment was submitted in the RECORD along with a revised memorandum on the same subject by the Congressional Research Service of the Library of Congress.

Because there are substantial inaccuracies present in that letter, I believe that the allegations raised therein meri further discussion. I also wish to dispel any inference that they were accepted by a significant number of Members of the Senate who voted in favor of the conferees' proposed restriction. As my colleagues will recall, the Senate adopted such a prohibition on September 17, 1976, by a vote of 47 to 21. That amendment stated:

> None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

First, the letter cites an October 1974, memorandum prepared by the Congressional Research Service of the Library of Congress, entitled "Constitutionality of the Bartlett Amendment Banning Use of DHEW and DOL F.Y. 1975 Funds for Abortion," as follows:

> In one case (Doe v. Roe) [sic], the Utah State Department of Social Services ruled that indigent pregnant women, entitled to medical services and care for pregnancy under its Medicaid program, were not entitled to abortions at the expense of Medicaid unless an application was approved by the Department as being therapeutic. The Department defined a therapeutic [sic] abortion as one necessary to save the life of the expectant mother or to prevent serious and permanent impairment to her physical health, and none other. The Federal appeals court decided that this "broad abortion policy is intended to limit abortion on moral grounds." Such a policy "constitutes invidious discrimination and cannot be upheld under constitutional challenge."

Shortly after this study was originally published by the Library of Congress, I felt compelled to discuss several of its inaccuracies on the floor of the Senate. At that time, I stated the following regarding the study's reliance upon Doe against Rose, mistakenly referred to in this Commission letter as Doe against Roe:

> But it is the memorandum's reliance upon Doe against Rose, a 1974 Federal District Court of Appeals decision, that arouses the greatest skepticism as to the merits of the CRS memorandum. Here, an indigent pregnant women under a State medicaid program for pregnancy was denied an elective abortion, on the basis of an informal policy of the executive director of the Utah State Department of Social Services. The Court ruled that this policy constituted a form of individual discrimination and was therefore unconstitutional.
>
> What the CRS memorandum fails to mention, however, is the crucial fact that the whole case hinges on the absence of a controlling statute empowering the Executive Director to exercise his policy. The court says: "At the outset, so far as we are advised, the applicable federal statutes regarding Medicaid make no mention, as such, of abortions. Hence we lack specific guidance as to whether Congress intended that abortions be covered by Medicaid, and, if so, more critically, which abortions were to be covered by Medicaid benefits . . . The implementing state statutes of Utah, as well as the latter's state plan, submitted to and approved by the federal authorities, also make no mention, as such, of abortions."
>
> Here is a classic example, explains the court, of an administrative policy under attack that is mandated by neither a State nor a Federal statute, and the absence, in turn, of prohibitive language in either statute outlawing the policy. To what source of authority does the Court turn for guidance in such instances? The court replies: "In this regard, we are mindful of the Supreme Court's preference for statutory, as opposed to constitutional resolution of welfare controversies."
>
> In other words, the court ruled against the administrative policy not because of a statutory restriction on abortion, such as that contained in the Bartlett amendment, but because of the absence of such a statutory restriction.

Second, the Commission letter erroneously asserts that—

> The 1973 Supreme Court decisions provided that all women have a constitutionally guaranteed right to legal access to abortion services as delineated by the court.

This bald assertion is patently false, if one understands "guaranteed right to legal access" to imply an affirmative duty on the part of the State to provide such service. In Roe against Wade and Doe against Bolton, the Supreme Court invalidated State criminal laws restricting nontherapeutic abortions on constitutional grounds. The Court then proceeded to articulate the constitutionally permissible State action in regulating abortion based upon the stage of the mother's pregnancy. At no time did the Court discuss a woman's right to "legal access to abortion services" as it related to congressional policy determinations involving Federal funding of elective abortions.

Third, in arguing the unconstitutionality of the Hyde amendment, the Civil Rights Commission letter makes the following statement:

> Economic discrimination as such may not always be a violation of the Constitution, but racial discrimination is, and the effect of prohibiting States to pay for legal abortions with Medicaid funds would be to discriminate against those racial and ethnic minority women who are disproportionately represented among low income women.

The attempt to relate economic disparity in this situation with the State fostered racial discrimination prohibited by the Constitution is not only contrary to the free enterprise system and fundamental concepts of American personal liberty, but almost 200 years of constitutional adjudication. The absence of legal authority for the proposition reflects its questionable validity.

Fourth, the Commission letter concludes by stating that—

> The law virtually mandates deletion of the Hyde Amendment from H.R. 14232 by the Conference Committee.

This statement also flies in the face of recently established Federal judicial authority regarding similar State actions.

In *Roe* v. *Norton*, 522 F. 2d 928 (1975), the Second Circuit Court of Appeals stated that—

> The question of the right of a state to restrict payments for abortions under social welfare programs such as Medicaid was not before the Supreme Court in (Roe v. Wade and Doe v. Bolton) and has not been passed on by the Court. Despite lower court decisions holding such restrictions unconstitutional, it cannot be said that this issue has been put to rest by the Supreme Court.

The Sixth Circuit Court of Appeals arrived at the same conclusions in *Roe* v. *Ferguson*, 515 F. 2d 279 (1975), where the Court clearly stated that in Roe against Wade and Doe against Bolton—

> The Supreme Court did not consider the question of payment of expenses for abortion whether nontherapeutic or otherwise.

Finally, the Commission letter emphasizes the difficulties of poor women in attempting to procure nontherapeutic abortions when such abortions are illegal. The relevancy of this fact in a discussion concerning the Hyde amendment is questionable since the Hyde amendment would not affect the legality of any abortion. The letter warns that poor women may face death "at the hands of backroom abortionists" if Federal funding is restricted. However, it neglects to mention that the greatest cause of maternal death is legal abortion.

Forty-eight women died of complications of abortion in 1974—the most recent year for which figures are available. Legal abortions accounted for 24 of those 48 maternal deaths, spontaneous abortions for 18 deaths, and illegal abortions for 6 deaths. The specter of an epidemic of maternal deaths among poor women due to illegal or "backroom" abortions is simply unfounded. Indigents who cannot afford legal abortions can hardly be expected to afford the more expensive "backroom" abortion services.

II. CRS MEMORANDUM

The Library of Congress Congressional Research Service memorandum entitled "Constitutionality of a Statutory Provision Banning the Use of Any Federal Funds for Abortions"—revised April 1975—reveals inaccuracies and misleading provisions similar to those found in the Civil Rights Commission letter.

The CRS memorandum cites several cases in which the courts ruled that certain public hospitals may not refuse to permit abortions or institute exceptionally difficult procedural requirements in obtaining abortions. However, the study fails to mention *Greco* v. *Orange Memorial Hospital Corp.*, 513 F.2d 873; cert. denied, 96 S.Ct. 433 (1975), in which a physician brought suit against a hospital regarding its policy of prohibiting elective, nontherapeutic abortions. Even though the hospital had been built by the county with county and Federal funds and its medical care program for indigents was financed by the county, the court stated that—

> *Doe* and *Roe* teach that a state cannot forbid certain types of abortions but they do not create any duty on Orange County's part to furnish facilities for such operations . . . the Orange County Hospital cannot be compelled to allow its facilities to be used for elective abortions.

Nor does the memorandum mention that while the U.S. Supreme Court in Doe against Bolton struck down the residence, accreditation and medical staff committee requirements of the Georgia criminal code, it specifically upheld that section of the code which stated that—

> Nothing in this section shall require a hospital to admit any patient under the provisions hereof for the purpose of performing an abortion.

Significantly, the hospital involved in the Bolton decision was a county-owned, operated, and maintained hospital that served indigent patients in two counties of Georgia.

A. AFDC CASES RELEVANT TO ABORTION

During my last discussion of the Library of Congress previous analysis of this question, I suggested consideration of cases dealing with aid to families with dependent children under the Social Security Act. At that time I stated:

> It should be observed that the CRS memorandum totally ignores another line of

cases which bear directly on this issue. I refer to those Federal decisions involving the aid to families with dependent children—AFDC—program under the Social Security Act. Since 1946, HEW and its predecessor agencies have authoribed AFDC payments to unborn children, giving each State the option of providing benefits under its State program to the unborn. Although there are conflicting precedents in the lower Federal courts at present as to whether a State has such an option or is required to grant the aid, the situation as it presently stands allows the States to accept the option or disregard it. In a recent Federal Court of Appeals decision, for example, the constitutional claim of a pregnant woman who was denied AFDC benefit payments in Connecticut was met with the argument that the Supreme Court has held that, in the area of economics and social welfare, "a State does not violate the equal protection clause merely because the classifications made by its laws are imperfect."

The equal protection clause "does not require that a State must choose between attacking every aspect of a problem or not attacking the problem at all. It is enough that the State's action be rationally based and free from invidious discrimination." Connecticut's policy of denying AFDC benefits to the unborn, the Court concludes, easily meets the test. In the absence of the Bartlett amendment, it should be pointed out, we presently face a rather bizarre, if not ludicrous, situation. According to medical authorities, pregnancy can be determined by medical diagnosis as early as the first month and certainly by the third month. Once pregnancy is established, the unborn child becomes eligible for AFDC payments, but is not eligible for life. Then, a few months later, the mother terminates the pregnancy through medicaid benefits. One wonders whether Congress, which has acquiesced to the practice of AFDC payments to the unborn, should allow a situation to exist which actually makes killing profitable.

The revised CRS study dated April 2, 1975, responds to my discussion of the AFDC case by stating:

> If the right to an abortion is a fundamental right, like that of interstate travel, as the Supreme Court has indicated in Roe, then the AFDC cases not only do not bear on the present issue, they are irrelevant to it since they implicated no recognized fundamental right.

Now, the relevancy of these cases to the question of Federal funding of abortions is simply this. The right of a woman to terminate her pregnancy by means of an abortion has been held to be a constitutional right by the Supreme Court.

The Supreme Court has also held that the right of a woman to decide to bear a child is equally a fundamental right under the Constitution. It cannot logically or constitutionally be said that one could have the constitutional right to abortion, but not have the constitutional right to childbirth. The line of Federal cases which hold that a State's decision not to include unborn children in its AFDC benefit provisions is constitutionally permissible would seem to adopt the type of analysis of the State's responsibility to provide welfare benefits that would uphold the validity of congressional restrictions on Federal funding of abortion. In its decisions dealing with procreation and abortion, the Supreme Court is saying that the right to decide whether to bear a child or terminate a pregnancy is a constitutional right. If we conclude that the State cannot infringe upon that decision by denying funds to enable a woman to obtain an abortion how can the State then be permitted to infringe upon that decision in the other direction by denying funds to enable her to bear her child?

B. STATE RESTRICTIONS UNDER TITLE XIX

The CRS memorandum states the proposition that—

> There is ample case authority for the holding that a welfare payments statute which places special regulation on abortion but not upon other medical procedures cannot stand in light of the Supreme Court decisions (in Roe and Doe) . . . See also Roe v. Norton, 380 F. Supp. 726 (D. Conn. 1974) and Roe v. Ferguson, No. 74-315 (S.D. Ohio, September 16, 1974), 43 U.S.L.W. 2143, which rejected state claims that Title XIX of the Social Security Act either required a prior medical certification that an abortion is necessary before Medicaid payments could be made (Norton), or that abortions ar [sic] not "necessary medical services" within the meaning of the Act (Ferguson).

The memorandum fails to mention that in its amicus curiae memorandum to the court in Roe against Norton, the Department of Health, Education, and Welfare took the legal position that—

> Title XIX does not require a state to make Medicaid payments for abortions which are not "medically necessary."

The CRS memorandum does not state that the court in Roe against Norton held that—

> Title XIX of the Social Security Act does *not* prohibit state regulations denying Medicaid coverage for elective abortions.

Nor does it state that a different court in Roe against Ferguson made the same holding and that both courts were significantly influenced by prior acts of Congress in dealing with abortion.

When Congress passed the Family Planning Services and Population Research Act of 1970, 42 U.S.C. 300 and the following, providing funds to States opting to participate in creating comprehensive programs of family planning services, abortion was specifically excluded as a means of family planning to be recognized under the act—42 U.S.C. 300a-6. And in establishing the Legal Services Corporation system, Congress again provided that no funds of the Corporation could be used for legal assistance for those seeking to procure a nontherapeutic abortion—42 U.S.C. 2996f(b)(8).—see 515 F. 2d at 283.

Although the CRS memorandum extensively quotes the analysis of the district court in *Doe* v. *Wohlgemuth,* 376 F. Supp. 173 (D.C.W.D. Pa. 1974), consistent with its position regarding State regulations and the 14th amendment, it simply states that the third circuit sustained the district court opinion on narrower grounds. In reality, the circuit court on appeal rejected the district court argument. Yet the CRS study still discussed the lower court opinion at length. However, in its search for nonbinding legal discussions of the issue, the study neglects to consider other views contrary to its own opinion. For example, in a dissenting opinion in Doe against Wohlgemuth Judge Weis made the following analysis:

> Thus the question here is not whether the state may prohibit certain categories of abortion. It does not do so. The issue is whether the Constitution has thrust upon Pennsylvania an affirmative burden to pay for an elective abortion because the legislature has decided that the State will pay for those abortions for the indigent arising from medical necessity. My conclusion is in the negative because there is no constitutional requirement that the State must finance the exercise of a "fundamental" right, nor does a classification which distinguishes between medically necessary and non-necessary abortions offend the Equal Protection Clause.
>
> That the State has an affirmative duty to pay for the implementation of fundamental rights is, with certain narrowly carved exceptions, contrary to the weight of constitutional authority. The unusual situation may be typified by *Griffin* v. *Illinois,* 351 U.S. 12 . . . (1956), requiring that an indigent criminal defendant be furnished with transcripts at State expense. In an analogous situation, *Boddie* v. *Connecticut,* 401 U.S. 371 . . . (1971), held that a indigent could not be barred from securing a divorce because of inability to pay State assessed filing fees. . . .
>
> [A] scrutiny of representative Supreme Court determintaions on the "fundamental" right classification, including those in the right to privacy category, demonstrates no corollary of required State subsidy.
>
> While *Shapiro* v. *Thompson,* 394 U.S 618 . . . [footnote omitted] found the right to travel among states to be fundamental, no suggestion has been made that transportation charges for the indigent must be paid by the State.
>
> While a person may have a fundamental right of privacy to have obscene material in his home, *Stanley* v. *Georgia,* 394 U.S. 557, . . . (1969) . . . there have been no serious contentions that the State must furnish such material for the indigent. The fundamental rights of freedom of speech and of the press impose no duty on the State to purchase public address systems or printing presses for those unable to pay for them.
>
> State money makes it easier and more convenient to obtain an abortion, but that is not a legitimate basis for creating a constitutional mandate.—376 F. Supp. at 193-194.

In his dissenting opinion in *Doe* v. *Beal,* 523 F.2d 611 (1975), Judge Kalodner stated:

> The cornerstone of the plantiffs' contention is that the Regulations, in the *absence of a compelling state interest,* violate the Equal Protection Clause in that they discriminatorily divide pregnant eligibles *into two classes*—one which chooses to carry pregnancy to full term delivery, and another which elects to terminate pregnancy for nontherapeutic reasons.
>
> The fallacy of the stated contention is that it disregards the fact that Pennsylvania in its medicaid program has committed itself to extend medical care to its eligibles only where *"necessary medical care" is required.*
>
> The only classification made by the Regulations is between necessary medical care and non-necessary medical care. Such a clasification does not call into play the "compelling state interest" test. It is subject only to the "reasonable basis," otherwise stated, "rational basis" test, spelled out in *Dandridge* v. *Williams,* 397 U.S. 471, 90 S.Ct. 1153, 25 L.Ed. 2d 491 (1970). There, the Court held that a state regulation which reduced family welfare benefits did not violate the Equal Protection Clause. In doing so it said in relevant part at page 485, 90 S.Ct. at page 1161:

> "In the area of economics and *social welfare*, a State does not violate the Equal Protection Clause merely because the classifications made by its laws are imperfect. *If the classification has some "reasonable basis," it does not offend the Constitution simply because the classification* "is not made with mathematical nicety or because in practice it *results* in *some inequality*." *Lindsley* v. *Natural Carbonic Gas Co.*, 220 U.S. 61, 78 [31 S.Ct. 337, 55 L.Ed. 369]. "The problems of government are practical ones and may justify, if they do not require, rough accommodations—illogical, it may be, and unscientific." *Metropolis Theatre Co.* v. *City of Chicago*, 228 U.S. 61, 69–70 [33 S.Ct. 441, 57 L.Ed. 730] (emphasis supplied).
>
> I am of the opinion that the classification between "necessary medical care" and "non-necessary medical care" survives and application of the "reasonable basis" and/or "rational basis" tests.—523 F.2d, at 633.

C. NO FORFEITURE OF RIGHTS

The constitutional principle that "the Government may not condition the receipt of a statutory benefit upon the forfeiture of a constitutional right" is central to the reasoning of the CRS study. The study argues that because a woman's right to terminate her pregnancy by abortion is a constitutional right and because a congressional prohibition on the use of Federal funds to finance abortions will affect that decision among indigent women that such a prohibition somehow causes indigent women to choose between the receipt of a welfare benefit and the exercise of a constitutional right, and is therefore unconstitutional. The rule of *Sherbert* v. *Verner*, 374 U.S. 398 (1962), is fundamental to the constitutional principle relied upon by the study.

However, reliance upon it in these circumstances is inappropriate and stems from a misreading of that case. In Sherbert, the appellant was discharged by her employer because she would not work on Saturday, the Sabbath Day of her faith. She was unable to obtain other employment because she would not work on Saturday, and she filed a claim for unemployment compensation benefits. The State commission denied appellant's application on the ground that she would not accept suitable work when offered. The U.S. Supreme Court held that the State statute involved abridged appellant's right to the free exercise of her religion, in violation of the first amendment. The Court stated:

> To condition the availability of benefits upon this appellant's willingness to violate a cardinal principle of her religious faith effectively penalizes the free exercise of her constitutional liberties.

The Court reaffirmed the principle that the State may not exclude individual members of any religious faith "because of their faith, or lack of it, from receiving the benefits of public welfare legislation," (330 U.S. 1, 16).

Since the case had been decided under the 1st amendment's guarantee of free exercise of religion, the Court concluded that it would not consider the appellant's claim that the State action deprived her of the equal protection of the laws in violation of the 14th amendment.

This is not, as the CRS study implies, an equal protection clause holding. Nor is it readily apparent that the recent and limited right to an abortion has been held by the Court to be on a level equal to the right of free exercise of religion. The principle of nonforfeiture articulated in Sherbert does not apply to congressional restrictions on the use of Federal funds to finance abortions, since no right is forfeited to obtain the welfare benefit. The principle of Sherbert would only apply to the analogous argument that any prenatal medical care is unconstitutional since it is conditioned upon the woman forfeiting her right to have an abortion, at least during the time she is receiving such aid.

D. ABORTION AND CHILDBIRTH NOT SIMILAR

At several different places in the text, the CRS study intimates that the medical procedures involved in an elective, nontherapeutic abortion is not substantially different in nature than other prenatal medical procedures and that the widespread acceptance by hospitals of elective, nontherapeutic abortions does not significantly involve a "greater risk or demand on staff and facilities."

These two propositions are not as universally accepted as the memorandum would imply. For example, in 1973 the maternal mortality ratio from complications of pregnancy and childbirth—excluding abortion—was 14.1 deaths per 100,000 live births while the mortality ratio for hysterotomies and hysterectomies combined was 61.3 per 100,000 and the mortality ratio for the common saline abortion was 15.4 deaths per 100,000.

The brief for petitioners in Poelker against Doe, presently before the U.S. Supreme Court on writ of certiorari—No. 75–442, October term, 1976—makes the following observations regarding the differences from the standpoint of the various State interests involved as well as the delivery of hospital services:

> There are also compelling reasons for not constitutionally equating abortion with childbearing medical services. . . . the State has a vital, recognized constitutional interest in childbearing. The State's promotion of this interest is time-honored and of unanimous acceptance. Not only is there a long history of positive law enactment to protect and aid mothers and their future offspring (e.g., the Social Security Act, labor laws, etc.) but affirmative provision of a wide range of medical service for childbirth and pediatric care are so much a part of our social fabric as to be obvious. This situation, of course, does not obtain for abortion. To take such an historical recognition and societal provisions for childbirth and to contrast such phenomenon with the very recent legalized abortion milieu as a reasoning process to conclude that such difference is an unconstitutional impairment, appears logically unacceptable. . . . childbirth and abortion are of a different order of human concern and experience. Not only are they absolutely, mutually exclusive in nature, but the common fact that both are involved within the context of human generation offers no appealing reason for introducing abortion as a part of the continuity of childbearing so as to postulate a requirement of equivalence in treatment. This is to say, because the State has a long history of service to childbirth, such fact, now that legalized abortion exists, is no rational basis for support of the conclusion that an unconstitutional discrimination now passively occurs if abortion service is not now affirmatively provided (*Lindsley* v. *Natural Carbonic Gas Co.*, 220 U.S. 61). . . . the nature of elective abortion as it relates to physical and psychological well-being is unique No other medical decision approaches its profound status. Moral, ethical, and religious factors are negatively or affirmatively present for each person involved, including not only the patient but the physicians, nurses, associated technicians, social workers, etc.
>
> Abortion service of the City cannot be limited to any stage or duration of pregnancy; nor can other disease, illness (physical or psychological) or socially debilitating factors of the patient be ignored in haste to simply "terminate the pregnancy." Each of these matters can and do make distinctive demands upon the administration, medical staff, and facilities of the hospital. Unsuspected phenomena are endemic to abortion. For the psychological well-being of both, expectant mothers and women scheduled for or recuperating from abortions, ideally should be isolated from one another. Laboratory technicians as a class exhibit the same strongly held disparity of views as others. Nurses (as the physicians) in significant numbers also divide requiring separate administrative treatment and additional numbers to accommodate abortions. Even custodial workers who are charged with associated duties as disposal of fetal corpses have the recognized right to legally separate themselves from the abortion situation. Serious problems of staff association and otherwise presumed routine cooperation arise over disparate ethical attitudes and deep emotional feelings, actually resulting in interstaff hostility.
>
> "Second Thoughts on Abortion from the Doctor Who Led the Crusade for It." Good Housekeeping, March, 1976, p. 69. This article recounts Dr. Bernard Nathanson's directorship of the largest abortion clinic in the Western hemisphere and his subsequent departure from that work because, "I became convinced that as director of the clinic I had in fact presided over 60,000 deaths." The article discusses staff problems in this way:
>
> As administrator, Nathanson never saw these women. What he did see was the gradual psychological disintegration of much of his staff.
>
> "The pressures, external as well as internal, on everyone were just enormous," he recalls. Doctors regularly worked 12-hour shifts. One commuted weekly from Kentucky, flying up for a long weekend during which he manned the vacuum aspirator almost around-the-clock, and returning Monday morning to his regular practice.
>
> "But it wasn't just a matter of overwork. Psychological factors, stemming perhaps from subconscious guilt and inner misgivings, must also have been playing a part. Doctors began "losing their nerve in the operating room." Nathanson says. "I remember one sweating profusely, shaking badly, nipping drinks between procedures." Heavy drinking became a problem with several. Some doctors and nurses complained of deep depression, and some were plagued by terrifying recurring nightmares. One doctor's worried wife cornered Nathanson at a party and anxiously reported that her husband was dreaming continually of blood.
>
> "I was seeing personality structures dissolve in front of me on a scale I had never seen before in a medical situation," he recalls. "Very few members of the staff seemed to remain fully intact through their experiences."

E. APPROPRIATION IS A CONGRESSIONAL POWER

Justice Douglas stated in his dissent in *Memorial Hospital* v. *Maricopa County*, 415 U.S. 250 (1970), that—

> The political processes rather than equal protection litigation are the ultimate solu-

> tion to the present problem (of the legal and economic aspects of medical care).—415 U.S. at 272.

Law Professor Harvie Wilkinson writes in the Virginia Law Review, that—

> The dangers of [judicial] intervention [in existing public benefit programs] are apparent. One is that, in voiding public welfare classifications, courts engage in what is indisputably the most basic of all legislative functions—from and to whom to raise and distribute revenue. For the very essence of politics is often simply a matter of who gets and who pays.
>
> . . . [W]hen extended sufficiently, judicial reduction of economic disparities reduces politics almost to a nullity. It is difficult to see how one's vote means anything if it is not a broad entrustment to legislatures of the power to raise and disburse according to the wisdom of their priorities, the public funds.
>
> That inequalities of means remain a matter of legislative wisdom is deeply argued. America has long looked most ambivalently at the status of poverty. Is it a state of helplessness before crushing obstacles or rather a condition escapable under the discipline of self-betterment? Does it represent indolence, disability, or a string of irreversible past hard knocks and circumstances? Is assistance "used" or squandered? Does aid promote or undermine an effort at personal improvement? Are the claims of the poor on public funds their just due or a taking of others' efforts? What, one may ask to sum it up, gives one an innate claim to public funds? The anguished and elemental philosophical difficulty of this question parallels the ambiguities in the state of poverty itself, simultaneously calling for sympathy and realism. For the judiciary top pre-empt such legitimate debate with judgment on one side—albeit the allegedly compassionate one—is to replace with self-righteous fiat an ancient dilemma that should be thought and argued out among the people themselves.

The possibility of the Supreme Court overturning the limitation adopted by Congress on the use of Federal funds to pay for abortions raises serious issues regarding constitutional balance of powers in the matter of congressional appropriation power. However, nowhere in the CRS memorandum is the question discussed. University of Texas Law Professor Joseph P. Witherspoon analyzed the question as follows:

> So far as the test of the validity of particular exercises by Congress of the appropriate power, it seems clear that rarely, if ever, can a case be presented in which that exercise can be invalidated by the Supreme Court. The test has been stated by the Court in the following terms:
>
> "The line must still be drawn between one welfare and another, between particular and general. . . . The discretion, however, is not confined to the courts. The discretion belongs to Congress, unless the choice is clearly wrong, a display of arbitrary power, not an exercise of judgment."
>
> The language is familiar to constitutional law scholars and practitioners. It means that unless the congressional judgment can be faulted on the ground that reasonable legislators could not have concluded that a given grant-in-aid together with the conditions and terms upon which it was to be granted was promotive of the general welfare, the congressional judgment must be sustained by the courts. As a practical matter, then, the congressional judgment must be sustained by the courts in the overwhelming preponderance of the cases, if not all. (footnotes omitted)

III. CONCLUSION

The CRS memorandum concludes by stating that the Hyde amendment would be held to violate the equal protection standards of the fifth amendment. This conclusion is based substantially on the decisions of lower Federal courts in cases involving State action under title XIX of the Social Security Act. Because this issue is presently pending before the U.S. Supreme Court, the importance of the lower court opinions is not the number which can be cited for each side of the issue, but the legal arguments and reasoning they contain. The judges' decisions in these cases have not been unanimous; different legal analyses have reached different results. In *Beal* v. *Doe* (No. 75-554, October term, 1975) currently pending before the Supreme Court, the United States, in its amicus curiae memorandum, made the following statement concerning the question of State financing of abortion under State medicaid programs:

> The United States is of the view that neither Title XIX of the Social Security Act nor the Fourteenth Amendment requires a federally-funded state Medicaid program to pay for abortions that are not medically indicated . . .
>
> Moreover, the fact that a woman has a qualified right to an abortion does not imply a correlative constitutional right to free treatment. Individuals presumably have a "right" to undergo many recognized medical procedures by a licensed physician, but the Equal Protection Clause does not affirmatively require a state to cover the costs incurred by indigents in undergoing such procedures.

In Roe against Wade and Doe against Bolton, the Supreme Court held that—

> The abortion decision in all its aspects is inherently and primarily a medical decision and basic responsibility for it must rest with the physician.

Nowhere in Roe and Doe is there specific adoption of the position that women may choose to terminate a pregnancy for social or economic reasons as a matter of constitutional right. Chief Justice Burger, in his concurring opinion in Wade, stated:

> Plainly, the Court rejects any claim that the Constitution requires abortion on demand.

If Justice Burger's analysis of Roe and Doe is correct, then not only is there no constitutional right to an elective, nontherapeutic abortion, but there also can be no constitutional right to a federally funded elective, nontherapeutic abortion. The CRS memorandum, however, makes no mention of this aspect of the Court's opinion.

Mr. President, I do not intend that my foregoing remarks serve as a complete catalog of the inaccuracies and misleading statements contained in the Congressional Research Service memorandum or the Civil Rights Commission letter. Indeed, there are few aspects of both documents to which strong exception cannot be taken. Because of their polemic nature and defective analysis, these documents obstruct rather than assist congressional decisionmaking. In discussing a prior CRS memorandum on this subject 2 years ago, I expressed concern that the Congressional Research Service was "rapidly becoming an extension division of the Pro-Abortion Lobby." I repeat that concern again today.

EMERGENCY POWERS

Mr. MATHIAS. Mr. President, one of the significant actions taken by the Congress this year was the termination of prolonged states of emergency which had survived the passing of the dangers in which they had been born. More than that, we have constructed a rational method of proclaiming and terminating states of emergency in the future and established a procedure by which a President may be armed with special powers that he may need to meet special situations which place the Nation in peril.

President Ford can take great satisfaction in the fact that his signature on this legislation ended 43 years of emergency rule. His approval was the final step in returning to the rule of law and the restoration of normal statutory methods of authorizing and overseeing executive action. It is unusual in our time to have a President voluntarily surrender power in this way.

There was widespread interest in this essential reform. Among press comments were several that will be useful to the Senate in assessing the impact of this legislation. They include an editorial in the Baltimore Sun on September 17, 1976, and articles in the New York Times, the Chicago Daily News and the Los Angeles Times all on September 15, 1976.

I ask unanimous consent that these articles be printed in the RECORD:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Sept. 17, 1976]

Curbing Emergency Rule

The liberties of American citizens are more secure now that Congress has passed and President Ford has signed legislation preventing government by decree on the grounds of long-past national emergencies.

For 43 years, since Franklin Roosevelt rammed emergency bank legislation through Congress without so much as a committee hearing, this country has tolerated grants of presidential power that transgress normal constitutional processes. Because of national emergencies declared in 1933, 1950, 1970 and 1971, and never repealed, no less than 470 emergency power statutes have subsequently given a succession of Presidents potentially despotic authority to seize property and commodities, control the means of production, seize all means of transportation and communication, restrict travel, impose martial law, call up reserves for non-military purposes and assign forces abroad without the express approval of Congress.

For years, these extraordinary powers lay on the lawbooks, virtually unnoticed by the Congress that conferred them. It took Vietnam and Watergate, two prime examples of presidential excess, to alert Congress that it had abdicated to the executive branch its constitutional responsibilities in the making of law and policy. A special Senate committee, chaired by Senators Frank Church and Charles Mathias, researched the situation and found such a palpable threat to our constitutional system of divided powers that a rare unanimity developed, not only between parties in Congress but between the legislative and executive branches. There was a realization that these blank checks of emergency power, once so freely given, have outlived their usefulness and ought now to be torn up.

Obviously, Presidents must be able to act in moments of genuine crisis. But they should act according to procedures set down by the Congress, and subject to its early and regular oversight. By preventing an accumulation of latent executive powers, the nation protects itself against leaders, present or future, who lack a reverence for the Constitution. The new National Emergencies Act phases out unneeded or obsolete emergency powers, and spells out Congress's right to review and revoke future emergency proclamations. "The experience of 40 years of emergency has underlined the strength of the view that there should be no subjects of policy, no matter how complex or secret, which should be determined outside our constitutional system," Senator Mathias said the day the bill was passed. This is good doctrine for Congress to keep in mind as it clears the lawbooks of excessive grants of presidential power.

[From the New York Times, Sept. 15, 1976]

President Signs New Law Ending 4 States of National Emergency

(By Philip Shabecoff)

Washington, Sept. 14.—President Ford ended with the stroke of a pen today four different states of national emergency under which Presidents have wielded a broad array of powers for more than 40 years.

By signing the National Emergencies Act this morning, Mr. Ford also gave Congress the right to end any future national emergencies declared by a President and, in so doing, acquiesced to important new restraints on Presidential power.

Affected by the new law will be about 470 different statutes and Presidential decrees that went into force under the national emergency conditions. They range from the President's right to declare martial law to his authority to issue orders controlling the nation's industrial production.

Among the many other Presidential powers that would be affected by the new law are the right to seize property, to commandeer transportation systems and to restrict travel.

Some of these powers will be terminated immediately, and others over a two-year period while new laws are being enacted to grant the President powers to declare national emergencies under certain constraints, including Congressional review.

In the future, Congress would be required to consider a vote on whether to continue a national emergency every six months. The emergency could be ended either by a concurrent resolution of Congress or by a Presidential proclamation.

[From the Chicago Daily News, Sept. 15, 1976]

Ford Erases Broad Powers

(By Robert Gruenberg)

Washington.—A law abolishing presidential emergency powers—the type critics say paved the way for Adolph Hitler and Indira Gandhi to take over their governments—has been signed quietly by President Ford.

Some of the emergencies under which Ford could take extraordinary action have been in effect as long as 43 years. Other special presidential powers go back to 1861, when the Army could buy horse feed without congressional authorization.

The law affects presidential prerogatives for far-reaching action in a wide range of areas.

Of prime importance are the congressional controls on the Chief Executive for declarations of emergencies, according to Senators Charles McC. Mathias (R-Md.) and Frank Church, (D-Ida.), who headed a special committee that worked three years on the law.

The bill—signed Tuesday with only Mathias, Church and an 11-year-old English tourist looking on—ends within two years four "states of national emergency" still in force:

That declared by President Franklin D. Roosevelt on March 6, 1933, in the Great Depression.

That declared by President Harry Truman on Dec. 16, 1950, to allow greater leeway in combatting the Communist invasion of Southern Korea.

That declared by President Richard Nixon on March 23, 1970, to deal with the post office strike.

That declared by Nixon on Aug. 15, 1971, to enforce currency restrictions and foreign economic controls in connection with

A serious international monetary situation.

More than 450 laws, many of them connected to the four crises, are expected to be repealed within two years. Among them are those giving the president the power to invoke property and commodity seizures, control of production, martial law, assignment of U.S. military forces abroad, control of transportation and communication and restriction of travel.

According to the White House, at least seven classes of statutes are repealed immediately, including laws that permitted the President to establish "defensive land areas."

Such areas were delineated early in World War II when Japanese Americans were put in "relocation centers."

Another repealed law dealt with presidential power to exile persons who had remained abroad in time of war or national emergency to avoid military service.

Under the law Congress will review future national emergencies every six months and—by a vote of both houses—decide whether to continue or end them.

The President would be required, within 90 days of the anniversary date of an emergency declaration, to tell Congress whether such a situation is still in effect.

Mathias said the law "underscores the peace and tranquility" the President says he has achieved.

"It's an historic act when the President relinquishes power. You have a modern example in how the state was totally altered with such laws in India," said Mathias, referring to Mrs. Gandhi's takeover of extraordinary powers last year after she was found guilty of election corruption.

"And that's how Hitler undermined the Weimar republic," he said, recalling acts by both Hitler and his predecessor, President Paul Von Hindenburg in ruling by decrees that destroyed the democratic regime of the 1920's.

[From the Los Angeles Times, Sept. 15, 1976]

Ford Signs Bill To Give Up Board Emergency Powers

LEGISLATION WILL RETURN TO CONGRESS AUTHORITY IT SURRENDERED IN FOUR DECADES OF NATIONAL CRISES

(By John H. Averill)

Washington.—President Ford signed landmark legislation Tuesday that will terminate a vast array of emergency powers Congress has given the White House since the depression days of 1933.

The bill, which is the culmination of a six-year campaign by Sen. Charles McC. Mathias, Jr. (R-Md.), represents the latest effort by Congress to recover authority it has surrendered during more than four decades of economic and military crises.

Mathias called the President's signing of the bill "a voluntary relinquishment of power rare not only in the history of the United States but in world history."

Ford signed the bill in the privacy of the Oval Office—a sharp departure from his recent campaign practice of making a public ceremony of practically every bill signing.

Witnessing the signing were Mathias, Sen. Frank Church (D-Ida.), a cosponsor of the bill, and Mathias' two sons.

White House Press Secretary Ron Nessen found himself without an immediate answer when reporters inquired why the bill was signed privately when the President had gone before television cameras to sign practically all recent bills.

Nessen at first said no ceremony had been planned until Mathias asked Monday if he could bring his sons along.

When asked if it had been a political decision not to show Ford relinquishing presidential powers, Nessen said he would "like to analyze the legislation and see what it does before I answer."

Finally, and with a smile, Nessen said, "It could have been one of our rare screwups."

While endorsing the objectives of the bill, the President strongly objected to one provision that will empower Congress to end future national emergencies by means of a concurrent resolution, which is not subject to a presidential veto.

"This feature of the bill is unconstitutional," Ford said, adding that he had instructed the attorney general to seek a court test of the legality of a similar provision in another bill.

The President said such provisions violated the constitutional requirement "that resolutions having the force of law be sent to the President for his signature or veto."

Church, emerging from the bill signing, disputed Ford's argument.

"The bill doesn't tie the President's hands," Church said. "But to use his emergency powers, the President has to declare a new emergency subject to congressional oversight. It restores the balance."

Mathias said the bill corrected a situation that "could have been the basis for one-man rule any time in the last 43 years."

Although the bill does not affect the President's authority to declare a national emergency, it will terminate within two years four existing stages of national emergency, the first of which dates to 1933. It was declared by President Franklin D. Roosevelt shortly after his inauguration to cope with the economic crisis of the Great Depression.

Under a maze of laws enacted by Congress over the years, a declaration of national emergency triggers almost 500 emergency powers, some of them very sweeping, that a President can exercise. Noting these powers in a recent speech, Mathias said:

"Various provisions in the law permit the President to institute martial law, to seize property, to restrict travel, to send U.S. armed forces into action abroad, to take control of communications media and to exercise numerous other extraordinary powers, with no justification required other than the existence of a declared state of emergency . . . Congress, through its own actions, has transferred this awesome power to the executive."

While most of the laws that grant these powers will remain in effect, the powers themselves will lapse after two years unless the President declares a new emergency. The two-year delay is provided to give the executive branch time to recommend permanent laws where needed to replace authority that will be terminated.

Under the bill signed Tuesday, the President must advise Congress what specific powers he intends to exercise when he declares a new emergency. When a new emergency is declared, Congress would be required to review it at least every six months and could terminate it by a concurrent resolution approved by both houses.

The three other emergencies that the bill will end are the Korean War emergency proclaimed by President Harry S. Truman in 1950, the postal strike emergency declared by President Richard M. Nixon in 1970 and the international economic emergency proclaimed by Nixon in 1971 to implement currency restrictions and control foreign trade.

ADMINISTRATION'S SORRY RECORD ON RURAL HOUSING

Mr. HUMPHREY. Mr. President, in the midst of the 4-year-old Nixon-Ford "housing depression", the housing programs of the Farmers Home Administration—FmHA—have assumed increasing importance for low and moderate income rural famlies. Thanks to help from the courts and ongoing congressional support, FmHA housing programs have continued to serve rural and small town America.

Congress has recognized the tremendous unmet needs for decent housing in rural areas and, I am proud to say Mr. President, has responded by providing the rural housing programs with yearly increases in appropriations. We have also provided the FmHA with additional staff to carry its increased workload.

It would be nice to have the congressional commitment to decent housing matched by the Ford administration. However, this has not been the case. Unfortunately, the reverse is true, so that each time Congress has acted to improve and strengten rural housing programs, the administration has moved to stifle and prevent them.

I want to make it clear that I differentiate between the administration, which operates through Mr. Butz of USDA and Mr. Lynn of the OMB, and the fine professionals who carry out the rural housing programs. It is the professional employee of the FmHA who has labored long and hard to make the rural housing programs work. They have done this under very difficult conditions and certainly in spite of the games played by the administration which has tried to hold back the growth of FmHA rural housing efforts.

It would be possible to write a book on the Nixon-Ford administration's efforts at undermining Congressional intent on rural housing programs. However, today, I want to limit myself to one example of how congressionally enacted legislation has been frustrated by administrative misdirection, delay, and confusion.

In response to the rapid obligation of FmHA funds and the build up of a tremendous backlog of obligations during the early part of fiscal year 1976, Congress increased the loan authority for the 502 single family home ownership program and the 515 rural rental program by $500,000,000.

We did this as part of Public Law 94–157. Mr. President, Congress acted because it saw a need, not because the administration requested additional authority for these hard pressed programs. Unfortunately, the administration acted in characteristic fashion when faced with the problem of overwhelming demand. They moved to stifle the demand instead of asking for additional program funds.

Normally, funds are allocated to FmHA State offices on a quarterly basis. In reaction to the increased demand for the housing programs, the FmHA national office instituted a system of monthly allocations.

This is based on the theory that spreading out the funds is better than using them all at once. What it does is to limit activity in the FmHA offices to the first couple of days each month and stretch out the process causing costs to rise, delaying projects and often missing the short building seasons.

Besides introducing monthly allocations, the FmHA office also punished States which had active programs by basing the monthly allocation on one-twelfth of the original total available to the State offices.

The effect of this action for some States was that they could not process loans for several months. They had to wait for the allocations to catch up with the loans which had been approved. The real effect of this would be more apparent later.

In order to underscore their concern about the FmHA housing program, January 16, 1976, 45 Senators addressed a letter to James Lynn, Director of the Office of Management and Budget, urging that the new $500 million in authority be allocated immediately and not be rescinded.

In predictable fashion, the Ford administration ignored this senatorial concern and after waiting for the maximum period allowable, proposed a rescission for the housing funds. This action by President Ford further delayed the possibility of using these desperately needed funds. Needless to say, the Congress rejected the attempt to rescind the $500,000,000 in new housing program authority.

On March 31, 1975, over 3 months after congressional approval of the additional $500,000,000 authority, the FmHA made allocations to the various States. However, this time they used a new delaying trick. They made extraordinarily high allocations to States which clearly could not use the funds.

Coupled with this, was the underallocation of funds to States which had active ongoing programs. When confronted with this problem by Senators from States which received very low allocations of funds, the FmHA responded 3 months later by stating that high delinquencies in these States caused the low allocations.

At no time did the FmHA approach Congress for assistance in this matter nor did they shift staff from other States to assist with these problems. They chose to slow down the program. This is obviously unfair to those families living in the concerned States awaiting the processing of new applications. If this was not enough, the FmHA held a very high 23 percent of the section 502 funds in reserve.

Mr. President, as the end of the transitional quarter approached, there were huge amounts of unobligated program funds. The FmHA proposed to establish a September 10, 1976 deadline for the submission of applications to St. Louis, finance office. Congressionally voiced concern convinced the FmHA to move the deadline to September 20, 1976.

On September 17, with $800,000,000 still unobligated, 51 Senators urged that applications be accepted until the last minute. As of September 29, 1976, there was still $488,700,000 in unobligated FmHA housing program funds. While the close of work figure for September 30, 1976, may be reduced, there will still be an enormous amount of money unspent which will be lost to rural America.

The actions by the Ford administration which I described earlier will result in the loss of about 20,000 housing units, 40,000 person years of employment in construction and related industries and $1 billion lost to local, rural economies. Thousands of people will continue to live in substandard housing, unnecessarily. This is a terrible, unforgiveable occurrence. The Ford administration is guilty of immoral, if not illegal, actions in preventing these funds from being spent as the Congress intended.

Mr. President, I want to protest these actions by this administration and urge Congress to thoroughly investigate this sordid mess. I am writing a letter to Senator PROXMIRE, the distinguished chairman of the Committee on Banking, Housing and Urban Affairs, requesting that he give consideration to early oversight hearings into the cited actions of the Ford administration to wreck rural housing efforts.

Mr. President, it is obvious that our responsibilities cannot end with the passage of legislation. We must be eternally vigilant to assure that congressional intent is not ignored and distorted. In that regard, may I pay special tribute to Senator BAYH who has continually taken the initiative on rural housing matters.

AN IMPROVED ECONOMY

Mr. HUGH SCOTT. Mr. President, last January in his State of the Union address, President Ford outlined two major goals to improve the American economy—a sustained economic growth without inflation and productive jobs for all who seek work. Virtually every indication shows that the economy is improving sooner and more strongly than expected, and that the goals which the President set are becoming a reality.

One of the major components of the economy, gross national product, is realistically projected to grow 6.2 percent in 1976 and 5.7 percent in 1977, well above the 2-percent decline experienced in 1975.

The inflation aspect of the economy has shown a substantial decline by cutting its 12 percent high in 1974 almost in half to 6.9 percent in 1975.

The growth of our civilian labor force has increased 24 percent over the last decade. This compares with a 15-percent increase from 1955 to 1965. Thus, employment has increased by 3.6 million at the depths of the recession and is now at a record-level 87.7 million.

Increasing personal consumption to the rate of 5.5 percent in the last year, plus current healthy rates of increased investment in plant and equipment and business inventories, are expected to continue. Defying the trend of recent years, productivity has increased in 1976.

The Congressional Budget Director was quoted as saying productivity slowdowns have resulted "not because the capital invested has not increased as much as before, but because the number of workers has increased more." A new Congressional Budget Office study predicts that as the "baby boom" work force entries level off and the decline in both rates of past years begin to show their influence, this aspect of the problem would right itself by the end of the decade.

Another optimistic point is the balance of trade. The foreign trade component of the GNP provided a net addition to U.S. output in 1974 and 1975.

The improvement in the economy is reflected in my home State of Pennsylvania. The Pennsylvania Business Survey reports personal incomes in the Commonwealth have reached an alltime high, which assures consumer purchasing power.

Factories are active and industrial sales are increasing while the job level remains steady. The factory workweek remains relatively long compared with other periods.

The steel industry produced almost 40 percent more tonnage than it did a year ago. Construction contracts awarded for housing are up and utility and other types of nonbuilding construction continue to increase.

Layoffs from industry have been light as judged by claims for unemployment benefits. Pennsylvania's unemployment rate has continued to hold steady on an adjusted basis over the past several months.

Although the economy of Pennsylvania is improving as the national economy gets better, unemployment is still too high. We need a national employment program to further reduce unemployment and to aid in curbing inflation.

It is essential to have an employment program in this country which will guarantee a meaningful job for every person seeking employment. However, such a program must not produce unacceptable deficits and a drastic increase in the rate of inflation.

The Congressional Budget Office prepared an economic analysis of H.R. 50, the so-called Humphrey-Hawkins Full Employment and Balanced Growth Act of 1976. This analysis indicated that although the initial net cost—allowing for reduced unemployment compensation payments and increased tax revenues—would run between $29.9 and $31.5 billion, the net cost of this program over 4 years would be between $29.9 and $83.2 billion, a spread which illustrates how difficult it is to predict more than a high floor and a sky-high ceiling. The inflation that occurs between 1976 and 1980 would increase these costs.

The Senator from Kansas (Mr. DOLE) and I have sponsored a full employment policy bill which deals with national economic goals in a balanced, responsible, and realistic manner. Our bill establishes a select committee to study and recommend within 180 days long-range economic goals and policies. The goals to be considered include the rate of inflation and the Federal budget as well as the rate of unemployment. The Dole-Scott bill directs reliance to the maximum extent possible upon measures which encourage, enhance, and motivate private sector employment in achieving full employment goals.

In addition, this proposal mandates a balanced Federal budget whenever full employment is achieved, and calls for the establishment of a congressional process to review all Federal programs to eliminate duplication and improve coordination, beginning with those affecting employment and training.

Unfortunately, little time remains in this session of Congress, and its chances of passage now are nil. I believe this program would have been a rational alternative to past ill-advised legislation which has resulted in Presidential vetoes.

While there have been those who have referred to President Ford as uncaring, or lacking in compassion President Ford's use of the veto has saved the American taxpayers over $9.2 billion. He has used the veto to restore fiscal responsibility to the Federal Government and to defend this Nation against a spendthrift Congress which time and time again has passed excessive spending bills. Such legislation would have added to an already staggering deficit, fueling the fires of inflation and reducing the purchasing power of the American dollar.

Exemplifying the President's further attempts to restore fiscal responsibility to the Federal Government were his vetoes of the Public Works Employment Acts of 1975 and 1976. The veto of the Employment Act challenged the sponsor's claim that it would substantially reduce unemployment. The jobs that might be created by this act would be in the future, 1977–78, when the problem in the President's view is more likely to be overstimulation of the economy rather than unemployment. The cost of producing jobs under this bill would be in excess of $25,000 per job. The bill does not comply with the President's economic policies and programs which he believes would result in more jobs in the private sector, without massive Federal spending or bureaucracy. The jobs created by the 1976 bill would reduce national unemployment by less than one-tenth of 1 percent. Furthermore, most of the jobs created by this bill would be in 1977 and 1978, creating additional inflationary pressures at that time rather than meeting employment problems now.

In vetoing the Emergency Housing Act of 1975, the President felt it necessary because it provided inequities and set interest subsidy levels that were excessively deep and costly.

The passage of the Emergency Agriculture Act of 1975 would have increased nonessential spending by adding to the Federal deficit an estimated $1.8 billion in fiscal year 1976. If used as a point of departure for long-term legislation, as was strongly indicated during consideration of the act, it would lead to an escalation of farm program subsidies in succeeding years.

The President made a commitment to the American people in areas other than national security, energy requirements, or urgent humanitarian needs to attempt to hold the Federal deficit to a minimum level. New spending programs which Congress passed would have raised the Federal deficit to an intolerable level if they had not been vetoed.

Most of the bills the President vetoed would have added to a greater Federal deficit, providing too much stimulus too late. The main issue with the use of the veto against congressional legislation is not who cares the most about the problems which need to be solved, but the best way to achieve solutions to the problems which will benefit all Americans. In recognizing the limitations of our resources, neither the President nor I suggest we turn our backs on those who need our help—the poor, the minorities, the unemployed, the elderly. Rather, I suggest that we not promise them quick cures and then not deliver. The President is on the right track, and he deserves our support.

SENATOR HARRISON A. WILLIAMS—EFFECTIVE LEADER ON BEHALF OF HANDICAPPED INDIVIDUALS

Mr. RANDOLPH. Mr. President, as we near the closing hours of the 94th Congress, I express appreciation to my cherished friend and able colleague, Senator HARRISON A. WILLIAMS. His leadership and assistance in establishing equal opportunity for handicapped individuals has been substantial. His record is truly impressive in bringing to enactment major laws to protect disabled persons.

In a recent guest editorial in Parents magazine, the Senator from New Jersey (Mr. WILLIAMS) asked each reader to consider the following:

> Ask yourself what your reaction would be if, on the first day of school, the principal stopped you as you entered the building with your child and said: "I'm sorry but your child can't come to school here. He's different; we can't accept him."

This demonstrates clearly the sensitivity of Senator WILLIAMS to the day-to-day pain which handicapped children, their parents, and handicapped adults bear in our society. And it is this feeling which has led the Senator from New Jersey to provide a record of continuing advocacy on behalf of the disabled.

As chairman of the Senate Labor and Public Welfare Committee, our diligent colleague has touched the hearts of many by his work for handicapped children and adults. Parents, educators, and handicapped persons in New Jersey and throughout America applaud as shown by these excerpts from letters he has received:

> ". . . As a mother of a handicapped child . . . I want to thank you for all you've done for the country's handicapped children. Your Education for All Handicapped Children Act has provided a door through which our children may enter a world which, up to now, has been denied them."—Betty Greco, a mother from Edison, New Jersey
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> ". . . We are extremely pleased that this cause, for which you have worked so long and hard is about to come to fruition. . . you have the gratitude of all our people for this and other major . . . efforts you have made on behalf of handicapped people."—Marvin Mills, New Jersey Association for Retarded Citizens
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> ". . . I know how hard and long you have labored for the passage of this monumental legislation. I am certain that your efforts will be rewarded and that the eight million handicapped children in the United States will be greatly aided by your persistence."—Raymond S. Ciemniecki, Director of Special Services, Roselle Public Schools

". . . We all considered it an honor to be with you not only because of the achievements you have made in the fight against multiple sclerosis, but also because of the excellent leadership and dedication you have provided our country."—Robert Robertsen, National Multiple Sclerosis Society

". . . Your hard work and perseverance in guiding and developing this historic legislation will ultimately benefit all citizens by providing an opportunity for handicapped children to become self-sufficient adults. Your accomplishments on behalf of all handicapped children are deserving of our sincerest appreciation."—Fred Burke, New Jersey Commissioner of Education

". . . You have not only demonstrated a capacity for understanding the needs of the handicapped, but have translated these insights into effective actions. As a physician and a citizen of New Jersey, I am proud of your accomplishments."—John Curran, M.D., Children's Specialized Hospital, Mountainside, New Jersey

It was Senator Williams' insight and understanding in 1972 which led to the establishment of the Subcommittee on the Handicapped. He knew that the concerns of the disabled could not be resolved effectively until a single, standing subcommittee of the Committee on Labor and Public Welfare had the legislative authority to review all the problems confronting disabled Americans.

The first action of this subcommittee which I have the responsibility to chair, was to review vocational rehabilitation programs. That review stimulated the Rehabilitation Act of 1973—a bill which for the first time placed a priority on services to the most severely handicapped; created a mechanism for Federal leadership in application of technology to the problems faced by persons with disabilities; and established a service delivery model from which the handicapped would be able to benefit.

Senator Williams knows the tragic effects of discrimination. He authored provisions of the Rehabilitation Act which assure that disabled individuals are protected against discrimination in employment, in education, health, and other Federal programs. Since 1973, he has been an active leader in insuring that these protections are enforced. The Senator monitored the Federal agencies responsible for the implementation of these programs and he has acted affirmatively. He chaired a major oversight hearing in May of this year to stop Federal agency foot-dragging in making these basic civil rights a reality.

Our subcommittee has had a strong concern about the deplorable conditions in many institutions for the retarded and other severely developmentally disabled persons. In 1974, we formulated a new national policy on the needs of the severely disabled and their constitutional right to services to allow them to develop to their fullest potential. Senator Williams authored central provisions of this legislation requiring States to insure the legal and human rights of persons who cannot protect themselves.

Mr. President, Senator Williams often has voiced his strong feelings about the importance of involving those in need in the decisionmaking process. As a result of this belief, he introduced and obtained passage of legislation authorizing the President of the United States to call a White House Conference on Handicapped Individuals. Like the very successful White House Conference on Aging, which he also sponsored, it will bring together leaders of the handicapped community, family members, and professionals to establish a blueprint for future action. This national forum is now scheduled to be held in May of 1977, and critical mini-conferences are currently being held in all 50 States to elect delegates and prepare State recommendations for the White House conference in Washington. I know that the information coming from the State conferences held indicates that communities are being brought together in a creative way—a tribute to Senator Williams' efforts.

Further, Mr. President, Members of this body are aware of the dynamic leadership and direction provided by Senator Williams in the education of handicapped children. His introduction of the forerunner of the Education for All Handicapped Children Act came in 1972. This legislature and the hearings he held in various parts of the country in 1973 and 1974 established his mark on the efforts toward the education of handicapped children. It is tangible evidence of his sensitivity for the difficult problems faced by handicapped children and their parents. The culmination of those 3 years of work was the enactment in November 1975, of a truly landmark law—The Education for All Handicapped Children Act. This law provides the congressional mandate that all handicapped children have a right to an education which meets their unique needs, and that shall be accorded to these children. This law assures parents, teachers and children that the education of each child must meet certain standards and must assure that the child's rights are fully protected. This law will assure that handicapped children are provided the education they need in every State of the Union.

Mr. President, we know that vital programs require adequate funding if they are to be effective. Here too, Senator Williams has exercised leadership in assuring appropriations for the education of handicapped children and the rehabilitation of disabled adults. He has been an active participant in the endeavors over the last several years to increase the Federal appropriations for education of handicapped children from $37.5 million to $315 million—the total approved by the Congress in overriding President Ford's veto of the Labor-HEW appropriations bill.

Senator Williams has carried his advocacy to other committees on which he serves: To assist the elderly disabled obtain decent legal representation; to alleviate the critical problems of impersonal institutions for the aged; to broaden housing opportunities and to secure a national housing policy which considers the needs of the disabled; and to fight for accessible mass transportation.

Mr. President, Senator Williams' leadership and concern have been recognized by organizations from New Jersey and throughout the Nation. A small sampling of these awards shows the respect and affection which these groups hold for our colleague. He has received the President's Award for Legislative Excellence and an Award for Outstanding Service to Special Education from the New Jersey Association for Children With Learning Disabilities.

He received the national award for legislative statesmanship from the Council for Exceptional Children for his leadership and activities in obtaining passage and enactment of the Education for All Handicapped Children Act. The New Jersey Speech and Hearing Association for Outstanding Contributions and Service have honored him. He has been awarded the Good Samaritan Award by the Easter Seal Society of New Jersey, and has been presented awards by the International Association of Rehabilitation Facilities for work toward improvement of services for handicapped persons. Senator Williams has been cited for his achievements by the President's Committee on Employment of the Handicapped. He was named as outstanding legislator of the year by the Northeast Region of the National Rehabilitation Association.

On October 14, he will receive the First Humanitarian Award for the New Jersey Association for Retarded Citizens, an award which was created specifically to honor Senator Williams. Mr. President, I believe these sentiments are best summarized in a recent letter written to Senator Williams by Catholic Community Services in Newark, N.J. He was cited as an individual who has done outstanding work to help improve the lives of those in need:

> . . We feel you are a prime example of such an individual. Legislation you have sponsored over the years and worked diligently to have passed, has helped thousands . . . and you have touched the lives of thousands of children with communication disorders by opening new opportunities for them.

Mr. President, those of us who serve with Senator Williams share these feelings and know that he is an able advocate, a concerned legislator, and a most sensitive public official. I believe that I can particularly understand his record of compassion and leadership. As chairman of the Subcommittee on the Handicapped, it has been my privilege to join with him to secure action on many of the critical problems facing disabled citizens. The Senator from New Jersey merits the appreciation and commendation of citizens throughout our Nation.

CROPS AND CLIMATIC CHANGE: USDA FORECASTS CRITICIZED

Mr. HUMPHREY. Mr President, until recently, Americans have paid comparatively little attention to climate, as opposed to weather, and its effect on crops. A thought-provoking article on the subject appeared in the September 24, 1976, edition of Science magazine.

The article, written by Deborah Shapley, raises some serious questions about U.S. Department of Agriculture's being aware of climatic trends, and it examines the significant implications of errant forecasts on crop projections. There is considerable evidence that the periodic forecasts, by the USDA's Statistical Reporting Service, are not accurate, because they are based on ideal weather conditions.

Several Government agencies have serious reservations about the USDA's methodology and its optimistic crop predictions based on the good climatic conditions of the 1950's and the 1960's. This approach could give us a false sense of agricultural abundance which could risk our economic or even national security.

This summer, Minnesota experienced the driest weather it has had since the days of the Dust Bowl. I hope that we will recover fully and have an excellent harvest next season. However, there is reason to believe that the good growing conditions that we enjoyed in the past may be over.

I would recommend that the U.S. Department of Agriculture look again at their methods of crop forecasting—taking greater cognizance of current climatic conditions and trends.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CROPS AND CLIMATIC CHANGE: USDA's FORECASTS CRITICIZED

How prepared is the United States for weather fluctuations and accompanying food shortages? This question is being raised more and more insistently by a number of leading climatologists who believe that weather in the Northern Hemisphere is worsening, and that the crop-estimating policies of the U.S. Department of Agriculture (USDA) are inadequate to deal with this new climatic situation.

The USDA makes monthly, seasonal, and annual forecasts of crop yields of the United States and the rest of the world. They constitute the most thoroughly researched and widely respected information on future food supplies available. USDA's projections are the model for similar ones made by the United Nations and other international groups. And, all the estimates are based on the assumption that the weather will be normal.

The forecasts, compiled at specific times in the growing season, are kept confidential until their release, when they have an undoubted impact on the commodity markets. The estimates of United States and Canadian harvests are especially important because 90 percent of all grain sold outside the continent of its origin comes from North America. Hence, accurate predictions of U.S. crop yields are essential to estimating how much will be available for trade abroad.

The USDA system of forecasting, developed in the early 1950's, has been criticized by climatologists who argue that its reliance on past yields and normal weather is an erroneous guide to the future. Worse, they say, the USDA forecasting system tends to regularly over-estimate crop yields. Among the government groups who have become alarmed about this situation are the National Oceanic and Atmospheric Administration (NOAA), the Central Intelligence Agency (CIA), and also the Defense Science Board. In August a group of experts at the National Defense University at Fort McNair, in Washington, D.C., began making a high-level study aimed at recommending solutions.

At the heart of the USDA forecasting system is the Statistical Reporting Service (SRS), which measures growing practices in the United States. SRS sends periodic questionnaires to more than 100,000 farmers and follows up with technicians' surveys of 16,000 randomly chosen plots of planted ground. The data are gathered before and during the growing seasons of different crops; actual yields are measured at harvest time. The data for each state are fed to local USDA offices, which draw up statewide projections, and to USDA in Washington, where the Estimating Division of SRS, headed by John Kirkbride, compiles a final, national projection. Similar procedures, although based on less extensive field reporting, are followed by most other countries.

Weather is included in this procedure in two ways, according to Kirkbride. First, past weather is included implicitly in farmers' and technicians' reports. If a drought is occurring in Iowa, for example, it will affect farmers' harvest estimates and what the technicians report. When USDA interprets the data, estimates are plotted on charts of past yields going back 10 to 20 years.

Second, USDA assumes, as a matter of policy, that all future weather will be normal. As Kirkbride explains, the field data will reflect the existence of a drought, but the interpretation suggests that the drought will end. "What we're saying is that we have no way to knowing that abnormal weather will occur," he says.

These assumptions have been criticized by Louis M. Thompson, Dean of Agriculture at Iowa State University and a leading developer of models of the relationships between weather, technology, and crop yields. Thompson has models which hold constant the level of technology—fertilizers, farm equipment, planting techniques, and other gains—but nonetheless showed distinct differences in yield. Thompson has concluded that U.S. yield improvements since the early 1950's have been due primarily to unusually favorable and steady weather, with technology as a lesser factor. In the early 1970's, he maintains, this favorable weather situation has changed for the worse, and yields have not continued to climb upward. "I've been darn critical of USDA for not recognizing the role of weather in increased crop yields," Thompson told *Science*.

TABLE 1. *World cereal grain production in millions of metric tons*

Year	*Projected 2.4 percent rise*	*Actual*
1969–71 average	----	1120
1972–73	1174	1151
1973–74	1202	1252
1974–75	1232	1200
1975–76	1261	1220
1976–77 preliminary	1292	1287

A more recent convert to the theory that weather is becoming more variable is James McQuigg of the Environmental Data Service of NOAA. McQuigg claims that over a 44-year period in corn-growing regions of Iowa and wheat-growing regions of Kansas, the weather during the growing season has never been normal in the sense that USDA assumes. Moreover, in seasons with close to normal weather, yields tended to be higher than average. In a paper prepared for presentation last December, McQuigg said, "Large meteorological anomalies on either side of normal tend to depress yields." And, he pointed out, as have other climatologists, that the weather in the 1950's and 1960's, which is the period on which USDA bases its forecasts, was in fact abnormally good. "Projections of future yields which are based on extrapolations of the trend of yield over the most recent one or two decades are likely to result in forecasts [that are] optimistic." McQuigg urged the abandonment of the normal weather assumption.

Science's own look at SRS's forecasts for the four leading crops (winter wheat, corn, soybeans, and sorghum) for the period from 1953 to 1975 shows that, in the recent past, the estimates tended to be optimistic. During the entire 23-year period SRS tended to be high in its forecast approximately half the time and low the other half of the time. But from 1972 through 1975 the estimates were high most of the time, often in 3 out of the 4 years. USDA spokesmen confirm that the estimates in the early 1970's have tended to be high because the weather was not as good as anticipated.

Similarly, the long-term global food forecasts, issued by USDA's Economic Research Service and based on similar assumptions that the past, normal weather will continue, have tended to be too optimistic. In a 1974 major publication,* USDA projected that, at worst, world food production would increase by 2.4 percent each year through 1985. However, according to an ERS agricultural economist the world totals instead have fluctuated but generally tended to be low (Table I).

ALTERNATIVE MODELS

In defense of their methods, USDA spokesmen say they see no other way of estimating future crops until weather scientists can produce reliable forecasts. However, a number of scientists dispute this. Dr. Walter Orr Roberts, formerly Director of the National Center for Atmospheric Research, who has given presentations about the worsening weather problem to the Defense Science Board, says much can be done right away. Modeling weather anomalies, and the likelihood of their occurrence or persistence, is a problem of "medium complexity," Roberts says.

"If a drought occurs in the Great Plains in July, the probability of having normal weather in August is reduced. Abnormalities, once they occur, have specific likelihoods of persisting One could go back through the historical records of weather, which are very detailed and could be extended farther, to look at how many July droughts persisted in a particular area and how many didn't." McQuigg in connection with the LACIE satellite project is working on more sophisticated yield estimates. In addition, Reid Bryson, a University of Wisconsin climatologist who has claimed that the climate is getting cooler, is also developing a model.

This debate over weather and crop forecasting might at first blush appear to be an erudite, remote matter, were it not for the fact that millions of dollars and substantial elements of U.S. foreign policy depend on USDA's crop forecasts. For example, in 1972, the USDA overestimated the likely size of the Soviet wheat crop; as a result, the United States allowed the Soviet Union, which in fact was desperately in need of imports, to buy up U.S. grain at now-notoriously low prices. Bad weather reduced the Canadian wheat crop in 1970–71 and in 1974–75, each time increasing the demand for U.S. crop surpluses. In 1974, drought reduced the U.S. winter wheat crop and record-breaking cold reduced the supply of corn and sorghum.

Since taking office as Secretary of Agriculture in 1971, Earl Butz has been characterized as following policies of minimal interference in private food trade. He therefore allowed the sale of U.S. grain stocks and has refused to consider renewed government stockpiling on the grounds that this would constitute interference in the market. Similarly, it has been charged that the USDA's steady crop forecasts minimize the confusion in commodity trading. If the government announced sudden changes, according to one official, the "pits" of the exchanges where commodities are traded daily "would go crazy" Finally, Butz's critics argue, by predicting that there will be plenty of food for all, the department sidesteps the sensitive issue of stockpiling.

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* *The World Food Situation and Prospects to 1985*. Foreign Agricultural Economic Report No. 98. U.S. Department of Agriculture, Washington, D.C., 1974.

There has never been any evidence that USDA's crop forecast estimates are manipulated for these political goals; on the contrary, Kirkbride and his staff go out of their way to explain that they are isolated (and literally "locked up" in the USDA basement with disconnected telephones) when the estimates are compiled. However, it is clear that the USDA system of crop forecasting produces results which are supportive of overall USDA policy goals.

If climatic variability continues, or, as some climatologists say, if a cooling trend continues, the main grain-growing regions affected will be those in Canada and the northernmost grain-growing provinces of the Soviet Union. This fact has concerned security agencies for some time; for example, it is discussed in two reports written by the CIA in 1974 and released publicly last year.† One problem which has been mentioned is whether the Soviet Union would become "more militant" in its quest for food if climatic change diminished the productivity of certain key provinces.

A related security issue is the dependence of less developed countries on North American grain surpluses. Some of the unusual weather events of the 1970's have included a 1972 delay in the onset of the monsoon in grain-growing provinces of India. In 1974, bad weather diminished Indian corn, barley, rye, and oats crops by 15 percent; wheat harvests declined 10 percent. It is obvious that accurate grain forecasts—especially as drought and famine situations develop elsewhere in the world—would help both traders and the government decide how to allocate the much sought-after American crops.

Some solution to the argument between the climatologists and USDA, and to the concerns of security agencies, is being sought in a crash, 1-year study now under way at the National Defense University by a select group of meteorologists and agricultural economists. William Gasser, on leave from the USDA to work on the project, explains that the group will first try to resolve the debates within the climatology community as to the likelihood of increased weather variability. It will try to get the scientists to assign probabilities that unusual events will occur. "The scientists have made general statements about what's going to happen to the climate," says Gasser. "But they are useless to the policy-maker unless he has a number, a probability, that the event will occur." The study will examine alternative policies the government could follow, from revising USDA crop forecast methods to revamping the sponsorship and focus of climatological research.

In the internal government debate over the future of weather and USDA's food policies, a number of scientists and scientific committees have concluded that climatology is due for a massive infusion of funds similar to that given to meteorology in the 1950's. "Climatology has been the Cinderella of meteorology," says one prominent scientist, who, like others, advocates a major new thrust, more money for graduate students, and more projects for government research contract centers.

But, in claiming that yield forecasts can be made better, the scientists have leaped into issues involving millions of dollars in trade, the privateness of private industry, and sensitive aspects of U.S. foreign policy. It would be said, and perhaps irresponsible, if the only solution they propose is that they be given more money.

POLICY STATEMENT AND RESOLUTIONS OF NATIONAL GUARD ASSOCIATION

Mr. THURMOND. Mr. President, the National Guard Association of the United States recently adopted a policy statement and resolutions at its 98th General Conference.

The action taken by this conference, held in Washington August 29–September 1, 1976, is worthy of consideration by the Congress and Nation.

The National Guard Association is rendering our Nation a great service in the area of national defense. The units of the Guard make up eight combat divisions of our Nation's total force of 24 combat divisions. These forces cost less than 20 percent of the equivalent active divisions. The uniformed leaders and personnel of the Guard and the officials of the National Guard Association are making a direct and valuable contribution in enabling this country to insure our national security. They are worthy of the confidence and the support of Congress and the Nation.

Mr. President, I ask unanimous consent that the policy statement and the resolutions adopted by the Guard Association be printed in the RECORD.

There being no objection, the policy statement was ordered to be printed in the RECORD, as follows:

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES STATEMENT OF POLICY—1976

United States military power has been a keystone in world stability for several decades.

It has deterred large-scale war by checking the aggressive inclinations of major Communist powers.

It has assured our own national survival and given many smaller nations the ability and determination to resist attempts to subjugate them.

It has made the world a safer place for those who cherish such ideals and national values as freedom, individual rights, and government with the consent of the governed.

It has strengthened our influence for good in the world. As an English woman recently wrote in her own personal bicentennial greeting to Americans: "The world is a better place because you're in it."

Had we permitted our power to wane or our will to falter, the world would be vastly different and indescribably worse than the one we inhabit. Millions of people who today control their own destinies would instead be captives of a Communist world order, perhaps even ourselves.

Americans for several years have been engaged in a soul-searching national dialogue over their country's role in world affairs. Much of the debate has centered on the size and cost of our Armed Forces, and their proper use in the international arena.

There are many who believe that we can safely make further reductions in our military establishment, to free more resources for social and human needs. The facts, unfortunately, do not bear out such a view.

This nation is spending less on defense, in real terms, than at any time since the Korean War. Its forces are smaller by 600,000 persons than they were in 1964, before we became embroiled in Vietnam. On the other hand, the Soviet Union, our most dangerous foe, has steadily increased its Armed Forces in both size and capability. It has caught up with, and in many crucial areas far surpassed, this nation in the size and capability of its armed forces.

Efforts are still being pursued to establish a permanent and reasonable ceiling on strategic weapons, and to achieve a mutual reduction of conventional forces in the European theater of potential conflict. Those initiatives have been only marginally productive. We must continue to seek an equitable balance of forces, at a lower force level than now exists. There'll be no hope of achieving an equitable agreement with our powerful adversary, however, if we continue to reduce our own military forces unilaterally.

The Russian military threat exists. It is not a delusion. It will not go away. The Soviet Union has never concealed its antipathy to this country nor its intention of achieving dominance, in Europe if not globally. We must deal with matters as they stand, and not as we'd like them to be.

Proponents of smaller U.S. military forces have not so much argued against defending the nation as against big defense budgets. Thus the real argument centers on how much is required—in funds, weapons, planes, tanks, and trained people—to assure the security of our own nation and support the efforts of nations allied with us.

Defense planners face a dilemma. Personnel costs costume the greatest share of our defense appropriations—60 percent at resent. Thus, manower becomes the inevitable target in efforts to reduce military costs.

On the other hand, we have lagged far behind requirements in developing and producing modern weapons and equipment, and these costs also have soared under the impetus of inflation. Where shall we cut, in force structure, or hardware?

The only answer, in the firm view of this Association, is neither. We believe our military strength already has been reduced to the lowest level consistent with safety in the current world environment. Any further cuts would place our security and that of other free nations in great jeopardy. Technological superiority, in the form of weapons and equipment of high quality and in sufficient quantities, offers the best means of counterbalancing the Soviet manpower advantage. Sufficient manpower and modern equipment are both essential.

We believe, as President Eisenhower said in his inaugural address more than two decades ago, that a soldier's pack is not so heavy a burden to bear as a slave's chains. We can afford whatever it costs to assure our national survival, and the survival of those with whom we have mutual defense agreements. We can afford both guns and butter, though we cannot afford to waste either. We believe that defense budgets should be computed on the basis of need rather than on some arbitrary insistence that reductions must be made at all costs.

We believe, further, that a larger contribution to national security can be made by the National Guard and Reserves, with accompanying economies, if they are supported and equipped at the level that is implied by the "Total Force" doctrine.

Under Total Force, as expressed when the policy was launched several years ago, National Guard and Reserve organizations were to be given the resources, training and assistance that would ready them for early deployment and use in any future conflict. That has not occurred, though vast improvements have been wrought.

The Army Guard, for example, possesses only 58 percent of the modern equipment it would require to mobilize and fight effectively. The Air Guard still flies several hundred aircraft, including the venerable F–100, that are only marginally capable in the context of modern warfare.

In recruiting and retention of personnel, its most serious problem area, the National

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†The most complete of the two reports is *Potential Implications of Trends in World Population, Food Production, and Climate.* Central Intelligence Agency, Directorate of Intelligence, Office of Political Research. Document Expediting Project, Exchange and Gift Division, Library of Congress, Washington, D.C. 20540.

Guard has been left largely on its own, with minimum assistance from Federal sources. Yet, it was recognized from the first that, in an all-volunteer environment, more Federal assistance would be essential in maintaining a National Guard of acceptable size and quality. Efforts to obtain Congressional and Administration approval for new recruiting incentives have been to no avail.

Worse, the Executive Branch in its effort to reduce defense spending has sought to eliminate several fringe elements of personnel compensation that would lead to unnecessary personnel losses and hamper recruiting while saving only minescule amounts. Congress refused to sanction the proposals and restored funds to the budget that the Department of Defense had proposed to eliminate. There are ample indications, however, that similar proposals will be made next year.

Incorporated in the Total Force philosophy is the doctrinal foundation for another method of reducing personnel costs, if cuts cannot be avoided. It is embodied in the recognition that "in many instances the lower peace-time sustaining costs of reserve force units, compared with similar active units, can result in a larger total force for a given budget or the same size force for a lesser budget." Guard/Reserve units cost less because they are paid only for the periods in which they are in training. Moreover, they do not require the elaborate infra-structure of support services needed by fulltime service members. Reductions in Guard/Reserve elements produce minimum savings in cost and maximum cuts in essential force structure. This Association strongly opposes reductions in personnel strengths in any component of any Service. However, if at some future point reductions must be considered, efforts exerted now to elevate the reserve forces to higher readiness levels will permit them to assume more of the burden now carried by the Active forces.

The search for ways to economize has revived the issue of Guard/Reserve compensation. Proposals have been heard periodically through the years that Guard/Reserve members be paid less than Active personnel for comparable service. On each occasion, Congress has held firm for the principle of "equal pay for equal service."

A massive review of all aspects of Active military compensation has been concluded. A similar review is being conducted of Guard/Reserve compensation. Comment on the latter must be reserved until the review is completed and its findings are known.

Almost implicit in the decision to conduct such a study, however, is the goal of reducing personnel costs. Almost inescapably, cost reductions can only stem from reducing the compensation Guardsmen and Reservists receive, in either direct or indirect form. If past practices are followed, we can expect such reductions in compensation to be camouflaged in public explanations, and made to appear as gains rather than losses.

This Association will oppose with all its strength any proposals or legislation which will have the effect of giving less compensation to Guardsmen and Reservists than to Active military personnel for comparable service.

The political leaders of the nation decided to eliminate conscription and adopt all-volunteer manning of our Armed Forces in its place. They recognized from the outset that it would cost more—a great deal more. Numerous groups and organizations with some degree of expertise, including our own, affirmed in some detail that cost estimates developed by the President's Commission On An All-Volunteer Force were unrealistically low.

Now, unless we are prepared to reinstitute conscription and compel those drafted to serve for the inequitable pay scales that once prevailed, we must accept the higher costs of competing in the market place for personnel.

The National Guard exists to defend the nation as a first-line element of our Armed Forces, and to assist civil authorities in the States in time of emergency. That role has long been spelled out, clearly, in the U.S. Constitution and in Federal statutes.

The National Guard Association of the United States has consistently supported those policies and actions which will enable the National Guard to perform both of those critical functions with maximum efficiency and effectiveness. It will continue to do so.

RESOLUTION NO. 2

Submitted by Alabama, Florida, Mississippi, Pennsylvania, Tennessee, and West Virginia relating to the inclusion of National Guardsmen within the Federal Tort Claims Act, Drivers Act, and other applicable acts

Whereas, Members of the United States Army, the United States Air Force, the United States Navy, and the Reserve components thereof are fully protected from liability for torts committed by them in line of duty, either in the active service of the United States, or in various duty postures during reserve training, and

Whereas, Such individuals are defined as Federal employees within the meaning of the Federal Tort Claims Act and other similar applicable statutes, and the costs of their defenses are underwritten by the United States and any financial responsibility flowing from litigation against them is borne by the United States; and

Whereas, Members of the Army National Guard of the United States and the Air National Guard of the United States are not presently Federal employees as defined in the Federal Tort Claims Act and related statutes while performing Federally-funded training or missions and thus have no protection except for such limited remedies as may be afforded by some statutes in some States; and

Whereas, Such disparity of protection is grossly unfair not only to the members of the Army and Air National Guard, but also to potential claimants from among the citizenry of this country; and

Whereas, Such inequitable treatment of the Army National Guard and the Air National Guard is a gross violation of the One Army and One Air Force concepts which are the avowed policy of the United States; and

Whereas, The ever-increasing litigiousness which prevails in this country; and the concomitant increasing awareness of Guardsmen and potential Guardsmen of their possible exposure to such claims, is having an adverse effect upon recruiting and retention, as well as the performance of specific missions and training in which such exposure can arise; and

Whereas, The assumption of the burden of protecting members of the National Guard and citizens of the United States in matters arising as a result of the performance of Federally-oriented missions and training (excluding State active duty) is not within the fiscal capabilities or the moral responsibility of the various States of the Union; now

Therefore, be it resolved, By the National Guard Association of the United States assembled in Washington, D.C. this 1st day of September 1976, that the laws of the United States of America be amended to afford to the Army National Guard of the United States and to the Air National Guard of the United States that same protection from liability for torts committed in the line of duty during the performance of Federal missions and training which is presently afforded to the regular services and their Reserves, while at the same time affording to the citizens of this country who suffer damage as a result of the performance of Federal missions and training by the National Guard of the United States the same compensation to which they are entitled when such damage is caused as a result of activities of the regular services; and

Be it further resolved, That copies of this resolution be furnished the members of the Judiciary Committees of the House and Senate of the United States Congress, Secretaries of the Army and Air Force, and the Secretary of Defense.

RESOLUTION NO. 3

Submitted by Alabama, Kansas, Tennessee, and Wisconsin, relating to legislation which would amend chapter 67, title 10, U.S.C., to provide survivors benefits for dependents of persons who perform the service required under chapter 67, title 10, U.S.C., and dies before being granted retired pay

Whereas, Chapter 67, Title 10, United States Code, sets forth the retirement benefits available to members of Retired Reserve; and

Whereas, Retirement benefits are usually computed in the total retirement program of the individual Retired Reservist; and

Whereas, The Retired Reservist has earned these entitlements during his years of active service; and

Whereas, The provisions of the U.S. Code require an individual Retired Reservist to attain age sixty (60) before receiving these benefits; and

Whereas, if a Retired Reservist dies prior to the attainment of his sixtieth birthday, no benefits will be paid to his dependents nor will they be eligible for such benefits at the time the decreased Reservist would have attained age sixty (60); and

Whereas, Legislation has been introduced in the Congress of the United States by Representative Montgomery (Miss.) that would correct this inequity by providing to survivors an equitable share of benefits already earned by Retired Reservists who decease prior to attainment of their sixtieth birthday; now

Therefore, be it resolved, That the National Guard Association of the United States in Washington, D.C. this 1st day of September 1976, does herewith offer its full support of the survivors benefits legislation and request the Department of Defense, and the Congress of the United States to support this worthwhile incentive; and

Be it further resolved, That copies of this resolution be sent to the members of the Armed Services Committees of both Houses, the Secretaries of the Army and Air Force and the Secretary of Defense.

RESOLUTION NO. 4

Submitted by Alabama, Florida, Kansas, Pennsylvania, and Tennessee relating to the enrollment of members of the Armed Forces of the United States, including the reserve components, in certain labor organizations

Whereas, Labor organizations exist for the purpose of dealing with employers concerning grievances, labor disputes, wages, hours of employment and other conditions of work; and

Whereas, Effective command control, and discipline of the armed forces, including the Army National Guard of the United States, the Air National Guard of the United States, and the other reserve components is central and indispensable to the accomplishment of their military missions; and

Whereas, The command structure, the system of military justice, and many of the duties and responsibilities of members of the armed forces are unique, and cannot be equated with the conditions of employment of civilian employees of government or industry; and

Whereas, A number of labor organizations have signified an interest in enrolling members of the armed forces for the purpose of representing them in matter related to their military status and membership; and

Whereas, Legislation has been introduced in the Congress to make it a criminal offense for any individual or entity to enroll a member of the armed forces, including the reserve components, in a labor organization, or for such a member to join such an organization unless the activity, purpose, or function of the organization is unrelated to membership in an armed force; and

Whereas, The enactment of such legislation would not impair the right of a National Guard technician employed under section 709 of title 32, United States Code, to remain in, or to become a member of a labor organization whose activities are unrelated to membership in the armed forces, or the right to encourage or solicit others to become members of such organizations; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, strongly supports the enactment into law of legislation prohibiting Unionization of the Armed Forces; and

Be it further resolved, That copies of this resolution be furnished members of the Armed Services Committees of both Houses of Congress of the United States, the Secretaries of the Army and Air Force, and the Secretary of Defense.

RESOLUTION NO. 5

Submitted by Tennessee and West Virginia relating to legislation which will provide a tuition assistance program for enlisted members of the National Guard and selected Reserve of the Ready Reserve.

Whereas, Legislation has been introduced by Senator Thurmond (S.C.) and Mr. Montgomery (Miss.) to provide tuition assistance for members of the National Guard and of the Selected Reserve of the Ready Reserve; and

Whereas, Educational assistance will increase participation in the National Guard, and improve the educational level of the National Guard, our States and our Nation; and

Whereas, It will be of immeasurable value in recruiting and retaining personnel in the National Guard; and

Whereas, This bill is of vital interest to personnel of the National Guard in that it will benefit some as individuals and others in maintaining the strength of the Guard; now

Therefore, be it resolved, By the National Guard Association of the United States assembled in Washington, D.C. this 1st day of September 1976, that this Association fully supports tuition assistance legislation and urges favorable consideration of this incentive by the DoD and both Houses of Congress; and

Be it further resolved, That copies of this resolution be sent to the members of the Armed Services Committees of both Houses, the Secretaries of the Army and Air Force and the Secretary of Defense.

RESOLUTION NO. 6

Submitted by Alabama, Kansas, Mississippi, Oklahoma, Tennessee, and Wisconsin relating to support of legislation to lower the eligibility age for non-regular (Reserve component) retirement pay.

Whereas, National Guard and Reserve personnel qualify for retired pay after twenty (20) years of service, but actual payment of retirement annuity does not begin until they reach age sixty (60), and

Whereas, The President's Interagency Committee on Military Retirement has recommended that the age be reduced to fifty-five (55) for those with twenty-five (25) or more years of service; and

Whereas, Several bills have been introduced in past sessions of Congress embodying a reduced retirement age concept; and

Whereas, Legislation has been submitted in the Congress by Representative Montgomery (Miss.), calling for amendment of Chapter 67 of Title 10, U.S.C., to lower the eligibility age for non-Regular (Reserve Component) retirement pay from age 60 to age 55 for full annuities, and to age 50 for reduced annuities (reduced by 1/6 of 1% for each full month under age 55), now

Therefore, be it resolved, That the National Guard Association of the United States assembled in Washington, D.C. this 1st day of September 1976, urges favorable consideration of this pending legislation to reduce to age fifty-five (55) the time when members of the Reserve Components can receive full annuity benefits and that this legislation be accelerated in the Congress; and

Be it further resolved, That copies of this resolution be forwarded to the members of the Armed Services Committees of both Houses, the Secretaries of the Army and Air Force and the Secretary of Defense.

RESOLUTION NO. 7

Submitted by Alabama and Tennessee relating to lifting of the sixty (60) point ceiling

Whereas, Guardsmen and Reservists may currently be credited with no more than sixty (60) retirement points per year for a combination of inactive duty training and the fifteen (15) points credited for membership in the Ready Reserve; and

Whereas, This results in a maximum of forty-five (45) points being creditable for training assemblies and "drills," despite the fact that forty-eight (48) drills per year are required by law to be scheduled, and despite the fact that thousands of Guardsmen and Reservists perform additional training assemblies each year, including those for flight training, airborne training, civil disturbance training, etc; and

Whereas, The Department of Defense has not submitted legislative proposals to accomplish the lifting of the sixty (60) point retirement ceiling; and

Whereas, The Reserve Components are unified in their agreement that lifting the sixty (60) point ceiling would offer a significant incentive for retention in the Reserve Components; and

Whereas, It is most important that the Department of Defense establish and support appropriate legislation to accomplish the lifting of the sixty (60) point ceiling; now

Therefore, be it resolved, That the National Guard Association of the U.S. assembled in Washington, D.C. this 1st day of September 1976, urge the Department of Defense to submit appropriate legislation to accomplish the lifting of the sixty (60) point limit; and

Be it further resolved, That copies of this resolution be forwarded to the members of the Armed Services Committees of both Houses, the Secretaries of the Army and Air Force and the Secretary of Defense.

RESOLUTION NO. 8

Submitted by Alabama and Washington relating to support of legislation to improve medical, dental, and death benefits

Whereas, Senator Jackson of Washington has introduced legislation in the Congress which would authorize medical related benefits for military hospitalization for injuries sustained while performing inactive duty training and annual training of Reservists, to include a "portal-to-portal" coverage of Guardsmen and Reservists; and

Whereas, Department of Defense has recently withdrawn this legislation from their program after strong support for the past seven years, and the House of Representatives has previously passed similar legislation, and the Senate Armed Services Committee has not scheduled hearings; and

Whereas, This pending legislation is of great importance and concern to the Reserve Components, and should be supported and followed carefully through the legislative process; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, urge the Congress to support legislation which would provide for improved medical, dental, and death benefits for military hospitalization for injuries sustained while performing inactive duty training and annual training, of Reservists to include a "portal-to-portal" coverage of Guardsmen and Reservists; and

Be it further resolved, That copies of this resolution be forwarded to the members of the Armed Services Committees of both Houses, Secretaries of the Army and Air Force, and the Secretary of Defense.

RESOLUTION NO. 9

Submitted by Oklahoma and Alabama Relating to the Support of Legislation To Amend Section 30–15, Title 10, U.S.C. To Prescribe the Grade of Lieutenant General For the Position of Chief, National Guard Bureau

Whereas, Section 30–15, Title 10, U.S.C., authorizes the military grade of Major General for the position of Chief, National Guard Bureau; and

Whereas, The position of Chief, National Guard Bureau encompasses more wide-ranging responsibilities than any other military position, Active or Reserve Components, currently authorized the grade of Major General; and

Whereas, He is directly responsible for the combat readiness of nearly 400,000 Army National Guard and 95,000 Air National Guard members, including the diversified areas of command, control, strength, administration, logistics, construction and training; and

Whereas, The fulltime Civil Service and State employees respondent to the Chief, National Guard Bureau constitute a much larger work force than that of any other Active or Reserve Component activity authorized the grade of Major General; and

Whereas, At the present time, both the Director, Army National Guard and Director, Air National Guard are Major General positions and both are under the control and supervision of the Chief, National Guard Bureau; and

Whereas, The Adjutants General of the various States are authorized the grade of Major General, and policies and procedures that control National Guard assets and operations throughout the nation are promulgated in the National Guard Bureau; and

Whereas, All key Defense personnel with whom the Chief, National Guard Bureau must deal regarding policy and budget matters are senior to the Chief, either in military grade or civilian equivalent; and

Whereas, The responsibilities and status of the Chief, National Guard Bureau, are such, as indicated above, to require the grade of Lieutenant General; and

Whereas, The grade of Lieutenant General is necessary to provide the needed incentive to attract highly professional and fully qualified officers to fill the position of Chief, National Guard Bureau; and

Whereas, Under the Total Force Policy, increased emphasis and responsibility continues to be placed upon Guard forces in the over-all military structure virtually mandating the position of Chief, National Guard Bureau to be upgraded to the military grade of Lieutenant General; now

Therefore, be it resolved, By the National Guard Association of the United States in annual General Conference, assembled in Washington, D.C. this 1st day of September 1976, that the Congress of the United States be urged to enact at the earliest possible date, legislation amending Section 10–15, Title 10, U.S.C., upgrading the position of Chief, National Guard Bureau to the grade of Lieutenant General; and

Be it further resolved, That copies of this resolution be furnished to members of the Armed Services Committees, the Secretary of Defense, and the Secretaries of the Army and Air Force.

RESOLUTION NO. 12

Submitted by West Virginia relating to the proposed Reserve Officers Personnel Modernization Act

Whereas, A key provision of the proposed Reserve Officers Personnel Modernization Act (ROPMA) will have a severe adverse effect upon the commissioned officer corps of the National Guard of the several States by permitting Federal authorities to remove such officers from Guard service without the approval of their respective commanders-in-chief, the Governors of the several States; and

Whereas, This provision of the proposed law, popularly called "plucking", will undermine the Constitutional authority of the States to appoint and remove officers of the National Guard; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, does oppose the adoption and implementation of the "plucking feature" of the Reserve Officers Personnel Modernization Act (ROPMA); and

Be it further resolved, That copies of this resolution be forwarded to all members of the Senate and House Armed Services Committees, the Secretary of Defense, the Secretaries of the Army and Air Force, and the Chief of the National Guard Bureau.

RESOLUTION NO. 13

Submitted by Maine, Massachusetts, Mississippi, Missouri, Oklahoma, South Dakota and Wisconsin, relating to proposals to assign units and members of the National Guard to training categories requiring less than 48 drills per year

Whereas, Congressional action is pending on legislation to enable the Service Secretaries to assign units and members of the National Guard to training categories requiring less than 48 drills per year; and

Whereas, Throughout the history of the United States, the National Guard has been the nation's first reserve line of defense; and

Whereas, Congress to this end has required as a matter of law, for over a half century, that units and members of the National Guard meet and drill at least 48 times each year; and

Whereas, The wisdom of this policy has been borne out by the National Guard's effectiveness and combat readiness in every war and conflict of this century; and

Whereas, The National Guard's present high level of training and readiness also enhances its ability to serve the several States in times of domestic emergency; and

Whereas, Statistics have repeatedly proven that the National Guard, training under its present concept of at least 48 drills per year, provides the most economical military force available; and

Whereas, To reduce the training level of units and individual members of the National Guard would degrade combat readiness and effectiveness, fragment unit integrity, and offend wise, prudent and time-tested national policy; now

Therefore, be it resolved, That the National Guard Association of the United States assembled in Washington, D.C. this 1st day of September 1976, strongly opposes all legislative or other attempts to reduce the number of drills for all units and individual members to less than 48 per year; and

Be it further resolved, That copies of this resolution be sent to members of the Armed Services And Appropriations Committees of both Houses of Congress, to the Secretaries of the Army, Air Force, and Defense, and to the Chief, National Guard Bureau.

RESOLUTION NO. 14

Submitted by Kansas, Maine, Mississippi, Oklahoma, Pennsylvania and Wisconsin, relating to compensation of Government employees performing active duty for training in the reserve components in a paid military leave status

Whereas, Title 5, Section 6323, U.S.C. entitles federal employees to leave without loss of pay, time, or performance or efficiency rating for each day (not to exceed 15 days in a calendar year) in which they are on active duty as a member of the National Guard or Reserve; and

Whereas, DOD has proposed legislation which would provide federal pay to civil service employed members of the Reserve Components only to the extent necessary to assure no loss of pay due to reserve duty participation; the DOD proposed legislation would limit Federal Civil Service pay to that amount by which such pay exceeds military pay and allowances received; and

Whereas, The present system has long been established by statute, and federal employees are reasonable in expecting that it continue. The current system provides equitable compensation for the demands of reserve forces membership; and

Whereas, The incentives for federal employees to join the reserve forces contribute significantly to the reserve components' ability to recruit and retain them, which is essential to the maintenance of combat readiness. The proposed changes in the present legislation, in addition to creating force turbulence, will frustrate the reserve forces' ability to retain and recruit skilled personnel compensation is not equitable; and

Whereas, The present military leave compensation policy is particularly appropriate for technicians since military membership, in the unit in which they are employed, is a contingency of technician employment. The technician has no choice but to maintain his qualification for world-wide deployment and duty or be separated from both civilian and military affiliation. Consequently, civilian employment of technicians is subject to the rigorous demands of military standards in addition to civil service standards. Subjecting them to a double standard without compensation is not equitable; and

Whereas, DOD's proposal would nullify the effects of the President's Committee on Employer's Support of the Guard and Reserve. The Federal Government is the acknowledged leader in employer support of reserve force participation by employees. If the Federal Government fails to continue its support of employee participation in the reserve forces, it will erode private sector support for reserve components; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, strongly opposes this proposed legislation by DOD which would provide federal pay to civil service employed members of the Reserve Components only to the extent necessary to assure no loss of pay due to the reserve duty participation; and

Be it further resolved, That a copy of this resolution be sent to members of the Post Office and Civil Service Committees of the House and Senate of the Congress of the United States, to the Secretaries of the Army, Air Force and Navy, the Secretary of Defense, and to the Chief, National Guard Bureau.

RESOLUTION NO. 15

Submitted by Kansas, Massachusetts, Mississippi, Pennsylvania and Wisconsin, relating to the proposed elimination of administrative duty pay for National Guard Commanders

Whereas, National Guard Commanders are presently receiving nominal administrative duty pay as compensation for expenses incurred during the performance of administrative and command functions by them between scheduled drill assemblies; and

Whereas, Commanders do incur expenses during the performance of these duties that are not incurred by officers in non-command positions; and

Whereas, These expenses increase when the Commander does not reside in the community where his unit is located, thereby necessitating long distance telephone calls to keep abreast of the day to day operations of the unit; and

Whereas, The various inspections and supervisory responsibilities that require the presence of the Commander at the armory between scheduled drills necessitates additional automobile expenses; and

Whereas, The elimination of administrative duty pay for Commanders would therefore financially penalize officers serving in Command positions; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, fully supports the payment of this administrative duty pay for Commanders and requests the Department of Defense and the Congress of the United States to support the continuation of this administrative allowance for Commanders; and

Be it further resolved, That a copy of this resolution be sent to the members of the Armed Services and Appropriations Committees of the House and Senate of the Congress of the United States, to the Secretaries of the Army, Air Force, and Defense, and to the Chief, National Guard Bureau.

RESOLUTION NO. 16

Submitted by Kansas, Pennsylvania and South Dakota relating to additional flying training periods (AFTP) and additional training Assemblies (ATA)

Whereas, It is imperative that Army and Air National Guard maintain their proficiency; and,

Whereas, Safety is a major consideration in deterring the accidental loss of life, limb and property; and

Whereas, Large numbers of Army and Air National Guard participants hold fulltime civilian positions which limits their time available to perform flying training and drill preparation training; and

Whereas, Maintenance of flight crew proficiency and drill preparation contribute directly to readiness; and

Whereas, Shorter training periods conducted more frequently will contribute to improved safety conditions, improved proficiency improved readiness and the maintenance of a high state of overall operational capability; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, strongly opposes any attempts to reduce Additional Flying Training Periods and Additional Training Assemblies; and

Be it further resolved, That a copy of this resolution be forwarded to members of the Armed Services and Appropriations Committees, requesting their support to permit safe, efficient and timely conduct of Additional Flying Training Periods and Additional Training Assemblies; and

Be it further resolved, That copies of this resolution be forwarded to the Secretaries of the Army and Air Force, and to the Chief, National Guard Bureau.

RESOLUTION NO. 18

Submitted by the NGAUS executive council relating to modernization of the Air National Guard

Whereas, The modernization of the tactical air units of the Air National Guard has been a matter of serious concern to the National Guard Association of the United States for a number of years; and

Whereas, Air National Guard units are now, as a matter of defense policy, the Nation's primary source of added strength to the Tactical Air Command of the United States Air Force; and

Whereas, Under the announced Total Force Policy, defense policies include the simultaneous commitment of these forces with the Active Forces; and

Whereas, The squeeze between inflationary trends and increasingly severe scrutiny by the Congress for funding is resulting in delay of new fighter and tactical airlift production programs; and

Whereas, The attrition of active Tactical Fighter forces in Southeast Asia and drawdown of aircraft for friendly nations has impacted seriously on near term modernization of Air Natonal Guard units from Regular Forces; and

Whereas, The change in defense policy has not yet been matched by a corresponding modernization plan for the tactical air units of the Air National Guard; and

Whereas, Unfilled modernization programs in the past—programs relying upon availability of reasonably modern aircraft of the Active Forces—have proved the risk of reliance upon acceptable equipment from such sources; and

Whereas, In order to train effectively, safely, and accomplish existing and planned tasks, maintain personnel strength, and operate in an era of reduced funding, it is essential that as a matter of priority the F–100 Tactical Fighter, C–130A Tactical Airlift units and the EC–121 Tactical Electronic Warfare units of the Air National Guard be re-equipped and modernized with new production aircraft that are consistent with contemporary taskings, potential commitment, and acceptable in light of anticipated budgetary limitations; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, propose and support such legislation as is necessary to the Congress of the United States and continue to exert its influence through all available means, to keep the vital issue of modernization of the F–100, C–130A, EC–121 and other increasingly outdated units of the Air National Guard before the Congress, the Department of Defense, and the United States Air Force.

RESOLUTION NO. 19

Submitted by the NGAUS executive council, relating to the Deputy Assistant Secretary for Reserve Affairs to be made an Assistant Secretary of Reserve Affairs, reporting directly to the Secretary of Defense

Whereas, The Secretary of Defense has directed a greater reliance on the Guard and Reserve in our national defense establishment; and

Whereas, Issues within the Department of Defense regarding force reductions, programs, procurement, funding, personnel actions, etc., are resolved within the Services, with decisions recommended to the Department of Defense; and

Whereas, The single spokesman for the Guard and Reserve is not at a level where his voice can be heard; and

Whereas, Total Force implementation requires that the Guard and Reserve be considered on the same basis as the Regular establishment; and

Whereas, There are Assistant Secretaries of Defense in Comptroller, Health and Environment, Installations and Logistics, Intelligence, International Security Affairs, Public Affairs, Telecommunications, and Manpower, the latter including Reserve Affairs, at the Deputy Assistant Secretary level; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, strongly urge the Congress of the United States to support the recommendation that the Deputy Assistant Secretary for Reserve Affairs be made an Assistant Secretary of Reserve Affairs reporting directly to the Secretary of Defense.

RESOLUTION NO. 20

Submitted by the NGAUS executive council relating to need for adequate funding for the Army equipment modernization program, or "Big Five"

Whereas, The conventional military forces of the United States must continue to be powerful enough to deter aggressive action in Western Europe by the Soviet Union, and to protect vital U.S. interests in other key areas of the world; and

Whereas, The United States Army's positive influence as a force for peace rests directly on what other nations, friendly and not-so-friendly, perceive its combat capabilities to be; and

Whereas, The Army weapons and equipment assets have been permitted to drop to levels that are only marginally adequate in both quality and quantity, when measured against those that would confront them should conflict erupt; and

Whereas, Equipment deficiencies are most critical in the Army National Guard and Army Reserve because the highest priority on distribution of available assets normally goes to Active Army forces; and

Whereas, The Soviet Union continues to increase the size and combat capability of its ground forces, equipping its ever-expanding Army with an impressive array of new and highly-sophisticated weapons; and

Whereas, U.S. Army efforts to develop and acquire adequate quantities of modern weaponry and equipment have been hampered by economic pressures, inadequate funding and massive foreign aid shipments; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, unequivocally support Army efforts to obtain full and adequate funding for its so-called "Big Five" modernization program—attack helicopter, Utility Tactical Transport Aircraft System (UITAS), XM–1 tank, mechanized infantry combat vehicle, and Surface-to-Air Missile (Patriot).

RESOLUTION NO. 21

Submitted by the NGAUS Executive Council relating to equipment modernization in the Army National Guard

Whereas, The concept of peace through preparedness is sound and viable and must continue to receive vigorous support in the future. Preparedness, with all its connotations relates most directly to readiness, readiness of personnel and equipment; and

Whereas, During this period of reductions in strength in the Armed Forces coupled with the various commitments which impact upon equipment resources, combat effectiveness of all our forces must be the prime consideration; and

Whereas, The reductions of the Armed Forces has dictated greater reliance upon the Reserve Components. To comply with the mandate to maintain fully manned, fully deployable units, it is considered most essential that the Army National Guard be fully equipped and re-equipped continually with modern assets to attain and maintain the required readiness posture; and

Whereas, Army National Guard strength goals and training objectives are being achieved. Sustaining and maintaining the preparedness of personnel is depedent upon, to a high degree, the provisioning of adequate quantities of modern equipment in a timely fashion; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, insist on a program for distribution of the Army National Guard of modern equipment essential to the combat readiness of the ARNG and urge that positive action be taken to achieve complete modernization in consonance with the nation's industrial capability and the essential role of the ARNG in the defense of this nation.

RESOLUTION NO. 25

Submitted by Indiana, relating to payment of enlistment, re-enlistment and extension of enlistment bonus

Whereas, The attaining and maintaining of personnel strength is the prime requisite of any viable military force; and

Whereas, The maintenance of authorized strength is becoming increasingly more difficult, particularly in that the pool of eligible prior service personnel is diminshng rapidly; now

Therefore, be it resolved, By the National Guard Association of the United States assembled in Washington, D.C., this 1st day of September 1976, that this Association urge the Chief, National Guard Bureau, to exert every possible effort to institute and support a plan to pay an enlistment, re-enlishment or extension of enlistment bonus to enlisted personnel of the National Guard.

RESOLUTION NO. 28

Submitted by the State of Texas relating to granting of certain privileges for retired Guardsmen/Reservists before age 60

Whereas, Retired personnel of the Armed Forces of the United States, whether retired from active duty or from reserve status, are issued an Identification Card (DD Form 2A, Ret) upon becoming entitled to receive retired pay under any provision of law; and

Whereas, Retired personnel eligible for said Form 2A, Ret., are entitled to certain medical, commissary, exchange and other privleges of which said identification card is evidence; and

Whereas, Retired Guardsmen/Reservists who have completed all requirements for retired pay except the attainment of age 60 have neither pay nor privileges during the period between the termination of their active participation in the Guard/Reserve Forces and their attainment of age 60, while the Active Forces retiree has both pay and privileges immediately upon the termination of his period of active duty; and

Whereas, The granting of medical, commissary, exchange and other privileges to the Retired Guardsman/Reservist and the issuance to him of DD Form 2A (Ret) as evidence of those privileges, during the period between active participation and the attainment of age 60, would both be of great value to the Retired Guardsman/Reservist and encourage participation in the Reserve Forces until the individual achieves eligibility for retirement; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, request the Congress of the United States to modify existing laws to provide that members of the Retired Reserve be granted medical, commissary, exchange and other privileges of retired Active Forces personnel, and issued DD Form 2A (Ret) as evidence of eligibility for such privileges, upon attaining Retired Reserve status.

RESOLUTION NO. 29

Submitted by Wisconsin relating to opposing provisions of armaments to foreign countries at the expense of U.S. forces

Whereas, The U.S. Army and its Reserve Components are operating in short supply of critical armaments such as tanks, howitzers, armored personnel carriers, and the like; and

Whereas, Total force combat readiness requirements depend upon such equipment to train combat crews; and

Whereas, Reserve Components in particular are expected to be ready for combat deployment in short notice as Roundout, Augmentation, or backup forces to the U.S. Army; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, opposes those withdrawals and/or diversions of Army material and unprogrammed foreign military sales which impinge on Reserve Component modernization and attainment of full combat readiness; and

Be it further resolved, That copies of this resolution be forwarded to members of the Armed Services Committees, the Secretary of Defense, the Secretary of the Army, and Chief, National Guard Bureau.

RESOLUTION NO. 30

Submitted by Maryland, Pennsylvania and Wisconsin relating to supporting procurement of the B–1 bomber

Whereas, Long-range bombers and land-based intercontinental ballistic missiles, taken together, have posed an insoluble targeting problem to our adversaries; and

Whereas, The manned bomber in particular brings a high degree of flexibility and mobility during times of crisis since it is launched under positive control, dispersed from its main bases, or even placed on airborne alert; and

Whereas, The manned bomber provides for assessment and decision on both sides, reducing the potential for rapid, irreversible escalation during a crisis; and

Whereas, The American counterbalance of bomber strategic megatonnage to the four-to-one Soviet advantage in missile silos cannot be allowed to slip from our inventory; and

Whereas, The present B–52 bomber is over 20 years old and is no longer a match for sophisticated air defense systems; and

Whereas, The U.S. Air Force has been developing an advanced manned strategic bomber for over a decade; and

Whereas, The resulting B–1 bomber has twice the payload capacity of the B–52 and has the range, speed, defensive avionics, and low altitude capability to operate effectively against projected defensive threats through the rest of the century; and

Whereas, Alternatives to the B–1 bomber such as modifying the B–52, extending the range of the FB–111, or modifying a wide-bodied transport such as the Boeing 747 with standoff air launched cruise missiles, are all far less cost effective than the B–1; and

Whereas, The B–1 bomber has already successfully undergone more preproduction structural and fatigue testing than any other aircraft in history; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, supports procurement of the B–1 strategic bomber; and

Be it further resolved, That copies of this resolution be forwarded to the members of the Armed Services Committees, the Secretary of Defense, the Secretary of the Air Force, and Commander-in-Chief, Strategic Air Command.

RESOLUTION NO. 32

Submitted by the NGAUS Executive Council relating to support of the airborne warning and control system (AWACS)

Whereas, Deterrence is a product of both offensive and defensive forces; and

Whereas, The AWACS solves the low-altitude radar detection problem; and

Whereas, The Soviet Union possesses an AWACS fleet; and

Whereas, The SALT agreements have not established US/Soviet parity between atmospheric theats; and

Whereas, This lack of low-level radar coverage adversely affects the capability of both our strategic defensive forces and tactical air operations; and

Whereas, If an AWACS is not procured and deployed promptly, the U.S. and NATO defense deterrent will be weakened further; now

Therefore, be it resolved, That the National Guard Association of the United States assembled in Washington, D.C. this 1st day of September 1976, make such representations as are necessary to the members of Congress and DoD agencies for the continued procurement of the AWACS in appropriate numbers so that the United States and NATO will be able to maintain an assured strategic and tactical capability; and

Be it further resolved, That copies of this Resolution be forwarded to the Secretary of Defense, Secretary of the Air Force, and members of the Armed Services Committees.

RESOLUTION NO. 34

Submitted by West Virginia relating to maintaining a standby selective service system

Whereas, The Department of Defense has stated that a viable standby Selective Service System must be maintained; and

Whereas, The All-Volunteer Force Concept was based upon limited peacetime armed forces procured through voluntary means alone; and

Whereas, The All-Volunteer Force Concept is predicated upon augmentation of the Voluntary Military Force through conscription in time of emergency or mobilization; and

Whereas, Section 10(h) of the Military Selective Service Act declares that the organization, procedures and structure of the Selective Service System as it existed on September 28, 1971 will be retained notwithstanding a lack of induction calls; and

Whereas, Legislation has been introduced that would abolish the entire Selective Service System; and

Whereas, The Office of Management and Budget has recommended a more restrictive concept than the present system; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, make known its wholehearted support for the retention of a responsive standby Selective Service System in the all-volunteer force environment; and

Be it further resolved, That copies of this resolution be forwarded to the President of the United States, the Secretary of Defense, and Chairmen of both the House and Senate Armed Services Committees.

RESOLUTION NO. 35

Submitted by the NGAUS Executive Council relating to support of the Follow On Interceptor (FOI)

Whereas, Deterrence is a product of both offensive and defensive forces; and

Whereas, Soviet manned bomber capability continues to exist with an inventory of 805 aircraft in its Long Range Air Force and some appraisals show an increased capability; and

Whereas, The Soviets possess the variable-geometry wing supersonic bomber, the "*Backfire*", with intercontinental attack capabilities, and the addition of this subsonic cruise/supersonic dash aircraft to the heavy bomber fleet of Soviet long-range aviation poses a substantial threat to the United States; and

Whereas, The present interceptor aircraft in the Regular Air Force and in the Air National Guard are outdated and will be incapable of adequate response against an advanced manned bomber threat; and

Whereas, If the Follow On Interceptor is not procured and promptly deployed, the air defense capability gap will widen and the United States defense deterrent will be compromised further; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, make such representations as are necessary to the members of Congress and DoD agencies to foster the development of the Follow On Interceptor and procurement in appropriate numbers so that the United States will be able to maintain an assured defensive deterrent capability.

RESOLUTION NO. 36

Submitted by Oklahoma relating to a broadening of the enlistment options for first term enlistees with the goal of improving the ARNG recruiting program

Whereas, The current REP 63 program provides for Basic Training to be followed by advanced individual training; and

Whereas, The life blood of the National Guard, i.e., the high school graduate, who might want to enlist in the National Guard but cannot because he plans on additional schooling in the fall of the year of graduation; and

Whereas, Many potential enlistees are lost because REP 63 requires BCT to be followed by AIT; and

Whereas, Every effort should be made to provide the widest possible enlistment options to the first term enlistees to ensure adequate input of manpower; and

Whereas, The REP 63 program as currently constituted is somewhat inflexible to the needs of the potential enlistees of the 1970's and the National Guard; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, strongly urges favorable consideration of a change to directives as they pertain to the REP 63 program to allow a split between BCT and AIT of a period not to exceed 12 months so that the high school graduate who plans on continuing his academic or vocational schooling could enlist in the National Guard and report for BCT, return to school and defer AIT until the next scheduled break in the academic year; and

Be it further resolved, That copies of this resolution be forwarded to Chief, National Guard Bureau, to members of the Armed Services Committees, the Secretaries of Defense and the Army.

RESOLUTION NO. 38

Submitted by Mississippi relating to the wearing of State awards and decorations by National Guardsmen on Federal active duty

Whereas, State awards and decorations are presented to the members of the National Guard for devoted service to the State and nation; and

Whereas, The Federal Government does not recognize State awards although awards of foreign governments are recognized; and

Whereas, When a National Guard unit is ordered to Federal active duty, Guardsmen are required to remove their State awards and decorations earned over a period of many years; and

Whereas, State awards are presented to Regular Army and Air Force personnel in recognition of their outstanding service and contribution to the State's National Guard; and

Whereas, These Regular Army and Air Force personnel are not permitted to wear these awards or decorations; now

Therefore, be it resolved, That the National Guard Bureau recommends such proposed changes as may be necessary to amend existing regulations so as to permit National Guardsmen and Regular Army and Air Force personnel to wear State awards and decorations in Federal active duty status; and

Be it further resolved, That copies of this Resolution be forwarded to the Chief, National Guard Bureau, and Army and Air Force Reserve Forces Policy Committees.

RESOLUTION NO. 41

Submitted by Alabama relating to 100% manning of authorized Army National Guard Technicians

Whereas, NGB Pamphlet 570–1 prescribes only the minimum criteria and authorized manning for Army National Guard technicians (organizational activities); and

Whereas, The National Guard Bureau only supports the minimum number of technicians authorized at approximate 85 percent; and

Whereas, The number of technicians authorized to be employed does not provide the Commander of an ARNG unit adequate technician manning required to accomplish the day-to-day administrative, supply, training and maintenance functions of his unit; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, support an amendment to current law, which establishes a 53,100 ceiling on current technician strength, to permit an increase in ARNG technician strength sufficient to provide adequate support of technician positions classified as truly vital to mission accomplishment; and

Be it further resolved, That copies of this resolution be forwarded to the Chairmen of the Armed Services Committees, Chief, National Guard Bureau, and Secretary of the Army.

RESOLUTION NO. 45

Submitted by the NGAUS Executive Council relating to opposing proposed House bills permitting technicians to perform duty in civilian attire

Whereas, National Guard technicians serve in a dual capacity: as fulltime Federal employees of the National Guard and as military members of their National Guard units; and

Whereas, In both capacities National Guard technicians perform the essentially military function of insuring the readiness of our nation's first Reserve line of defense; and

Whereas, National Guard technicians represent the National Guard fulltime in their communities across the nation; and

Whereas, It is in the best interest of the National Guard, and of our national defense that the military character of the National Guard technician program be recognized and displayed in every practical way; now

Therefore, be it resolved, That the National Guard Association of the United States, assembled in Washington, D.C. this 1st day of September 1976, does oppose any legislation or other means whereby technician personnel would be required or permitted to perform their function in other than the prescribed uniform of their military service; and

Be it further resolved, That copies of this resolution be forwarded to all members of the Senate and House Armed Services Committees, the Secretary of Defense, the Secretaries of the Army and Air Force, and the Chief of the National Guard Bureau.

HUMAN RIGHTS AND FOREIGN ASSISTANCE

Mr. HUMPHREY. Mr. President, human rights issues have assumed critical importance in the congressional oversight role of U.S. foreign policy. In the absence of strong, positive leadership on the part of the executive branch, the Congress has taken the initiative in seeking to insure that human rights considerations are factored into decisions relating to security and economic assistance. In this connection, sections 301 and 302 of the Arms Export Control Act and section 116 of the International Development and Food Assistance Act of 1975 are legislative initiatives which reinforce the spirit and intent of the Congress in the area of human rights.

As chairman of the Subcommittee on Foreign Assistance, I wrote Secretary Kissinger two letters on September 3 pertaining to human rights questions. The first letter inquired about the status of the administration's plans for appointing a Coordinator of Human Rights and Humanitarian Affairs and for creating the organization envisaged in the law. The second letter asked the State Department to provide information already on hand regarding 17 specific countries which have been mentioned most frequently as having questionable human rights practices.

My colleagues may recall that the administration prepared a lot of material last year detailing the human rights practices of all security assistance recipients for submission to the Congress which was inexplicably withheld at the last minute. The Committee on Foreign Relations instead received a nonresponsive letter from the State Department which said that the Department, in effect, found it impossible to comply with the requirements of the law.

On September 29 the State Department responded to both of my September 3 letters, and, in my judgment, the Department has been reasonably responsive to the Subcommittee's request for information relating to inquiries pertaining to 17 countries that I have asked our staff to undertake in preparation for consideration of fiscal year 1978 legislation. I will keep the Senate apprised of any development relating to the staff investigation.

Insofar as the coordinator nomination is concerned, the White House finally sent us a nominee for the post, which requires Senate confirmation, on September 29, 2 days before the Senate recesses and much too late for the Senate Foreign Relations Committee to adequately assess the appointment. This belated effort on the part of the executive branch is most regrettable, especially since the administration has had since June 30, the date the President signed the Arms Export Control Act, to find a nominee suitable for this critically important assignment.

When it finally acted, the administration simply nominated a Foreign Service officer who had been filling the post in the interim. This tardy and half-hearted approach is most disappointing, given the high priority the Congress attaches to human rights. In addition, as my colleagues know, the coordinator is also charged with assisting the President in monitoring and ascertaining the facts in cases involving alleged discrimination against Americans in foreign countries on the basis of race, religion, national origin, or sex. In light of the priority the Congress has given to issues like the antiboycott legislation, this responsibility is an important dimension of that job.

Mr. President, I ask unanimous consent that the two letters I sent to Secretary Kissinger on September 3, as well as the State Department's responses to these letters, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., September 3, 1976.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: As you may know, the International Security Assistance and Arms Export Control Act, 1976, contains a provision (Section 301) dealing with security assistance and human rights. One of the key sections of this provision establishes a Coordinator for Human Rights and Humanitarian Affairs. In addition to the responsibilities enunciated in Section 301, the Coordinator is also charged in Section 302 with assisting the President in monitoring and ascertaining the facts in cases involving alleged discrimination against Americans in foreign countries on the basis of race, religion, national origin, or sex.

It has now been over two months since the International Security Assistance and Arms Export Control Act of 1976 was signed into law by the President on June 30, 1976. To this date, the Executive Branch has failed to send up for confirmation the name of the officer to be appointed as Coordinator for Human Rights and Humanitarian Affairs. In addition, the Department has thus far not advised the Subcommittee of any steps it has taken to implement or enforce the provisions and procedures inherent in Section 301. This inaction or oversight is most regrettable, given the high priority the Congress attaches to human rights.

I would like the Department to promptly provide the Subcommittee with a complete report on the status of the Coordinator nomination and the steps the Department has taken to implement and enforce Sections 301 and 302.

Sincerely,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Foreign Assistance.

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., September 3, 1976.

Hon. HENRY A. KISSINGER,
Secretary of State, Washington, D.C.

DEAR MR. SECRETARY: As you may know the Subcommittee on Foreign Assistance has given particularly close attention to Section 301 of the International Security Assistance and Arms Export Control Act of 1971, which deals with security assistance and human rights. In order to provide our Subcommittee with basic information on certain selected cases, I would like the Department to provide us with relevant data and information relating to the status and observance of human rights in the following countries:

Latin America: Argentina, Brazil, Chile, Uruguay, Paraguay.

Asia: Korea, Indonesia, Philippines.

Middle East: Iran.

Africa: Ethiopia, Nigeria, Mozambique, Zaire.

South Asia: India, Pakistan, Bangladesh.

Europe: Spain.

As part of the data to be submitted to the Subcommittee, I would like the Department to provide the following additional information pertaining to the countries mentioned above:

1. All instructions and guidelines which the Department of State has directed to embassies relating to Section 301 (which amends Section 502) of the Act, and

2. Post assessments of the status and observance of human rights in these countries, and post recommendations as to whether

human rights violations justify the termination and reduction of security assistance.

3. The draft reports pertaining to human rights and security assistance aid levels were prepared in the office of the Coordinator for Humanitarian Affairs and the relevant desks and regional bureaus for submission to Congress in connection with FY 76–77 assistance requests. Although prepared, these reports have never been transmitted.

As I understand, the process of preparing reports in preparation for the formal submission of country-by-country human rights reports to accompany the fiscal year 1978 security assistance legislation is presently underway. What we are requesting at this time is background information relating to past assessments so that we will have some basis of comparison for consideration of next year's reports. I should note in this connection that the legislative history of Section 301 anticipated the interim submission of material following enactment of the new law but before next fiscal year's statutory submission.

The information the Department provides pertaining to this request will be kept confidential, and will be used only by our staff in connection with their inquiries regarding specific countries in preparation for fiscal year 1978 legislation. The provision of this information to the Subcommittee is not intended to take the place of the formal submission of this data early next year, nor should my request be considered a formal request which would trigger the joint resolution procedure in this provision.

I have instructed the Subcommittee staff to proceed at this early date with our own inquiry into the human rights situation in these countries, and I ask the Department to fully cooperate in and provide the data requested as expeditiously as possible.

Sincerely,
HUBERT H. HUMPHREY,
Chairman, Subcommittee
on Foreign Assistance.

DEPARTMENT OF STATE,
Washington, D.C.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Foreign Assistance, U.S. Senate.

DEAR MR. CHAIRMAN: In further reply to your letter dated September 3, 1976 regarding human rights practices in seventeen countries, we are prepared to provide the Subcommittee with relevant data and information relating to the status and observance of human rights on the basis you propose for all the countries. We expect to be able to make this information and data available to your staff just as soon as the material can be assembled and collected, which should be within two weeks.

Meanwhile, in response to the other requests contained in your letter, general instructions and guidelines sent to Embassies relating to the recently amended Section 502B of the Foreign Assistance Act are enclosed with this letter. While the Department is not prepared to submit the posts' assessments and recommendations, the Department is willing to meet with the committee staff to discuss the substance of these staff recommendations and preliminary appraisals, and discuss any questions the staff may wish to raise on a confidential basis.

Regarding the FY 76–77 draft materials, these are also internal working documents, including classified materials, which were never reduced to final form and approved. Moreover, the information contained in these materials is not up to date. However, we are prepared to have members of the subcommittee staff examine these drafts on an informal basis.

We look forward to working with the subcommittee and its staff members on these matters. The subcommittee staff may wish to call Ms. Swift in my office with a view to arranging a mutually convenient schedule.

Sincerely,
KEMPTON B. JENKINS,
Acting Assistant Secretary for
Congressional Relations.

DEPARTMENT OF STATE,
Washington, D.C., September 29, 1976.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Foreign Assistance, U.S. Senate

DEAR MR. CHAIRMAN: I have been asked to reply to your letter to the Secretary of September 3 regarding the nomination of a Coordinator for Human Rights and Humanitarian Affairs, and other steps the Department has taken to implement Section 301 and 302 of the International Security Assistance and Arms Export Control Act of 1976.

The President has now announced his intention to nominate Mr. J. M. Wilson, Jr., as Coordinator for Human Rights and Humanitarian Affairs.

The Department has been taking various other steps to implement the provisions of the new law. With respect to Section 301, which amends the Human Rights provisions of Section 502B of the Foreign Assistance Act of 1961, we have asked our posts abroad to provide necessary information on the practice of the governments to whom they are accredited and are now actively engaged in the collection and analysis of detailed information regarding the observance of human rights by those governments for whom security assistance programs are being considered during the coming fiscal year. This information is being used in the decision-making process now underway within the Administration, as we formulate our assistance programs and consider additional positive steps which might be taken to encourage the promotion of fundamental human rights abroad. The information in updated form will be included in the Congressional Presentation of the new Security Assistance Program which is currently in the preliminary stages of development.

Similar information is being developed regarding the practices specified in the antidiscrimination provision of Section 302.

We have also recently instructed U.S. diplomatic posts in countries with which we have Security Assistance programs to inform host governments officially of the provisions of Sections 301 and 302 of the Act. Embassies in non-security assistance recipient countries are also free to make similar approaches to host governments.

I trust the foregoing has been responsive to your request. We hope to maintain close contact with the Congress on these matters and expect to keep the Congress advised of our progress in the human rights field.

Sincerely,
KEMPTON B. JENKINS,
Acting Assistant Secretary
for Congressional Relations.

THE INTERSTATE HORSERACING ACT OF 1976

Mr. STEVENSON. Mr. President, the wisdom of a bicameral legislature is often demonstrated by bills for the relief of racetracks and racetrack owners. They have a way of emerging from the back alleys and corridors in the closing days of a session to pass one House and be caught in the other.

Mr. President, H.R. 14071 is a bill for the relief of racetracks and racehorse owners. I oppose action on the Interstate Horseracing Act at this late hour and want to explain why.

The House passed this bill only last week. When it came to the Senate, it was held and placed on the calendar instead of being referred to committee. Consequently, there has been no Senate committee consideration of the issues involved.

I question this haste. Are we responding to some crisis? Where is the showing that a Federal statute is needed to regulate a relationship that in the past we have been satisfied to leave to the States to work out among themselves? What is the reason for bypassing the usual committee procedure?

The better course would be to put the bill over until next year. This would give us time to develop the facts and decide whether a Federal statute is needed. It may be that a reasonable compromise can be developed at that time. This would let us avoid the extreme step of absolutely banning a system that some States have already adopted in order to raise revenues, and that other States may adopt in the future. New York and Connecticut now have legal off-track parimutuel wagering systems. Other States are considering the idea. Whether we approve or not for our own States, we have no business telling them that the Federal Government forbids it.

At a time of public outcry against "big government" and "too much interference from Washington," why should we add one more item to the list?

Mr. President, the lobbying effort behind this bill has been skillful. We are told that failure to pass this bill will jeopardize thousands of jobs and millions of dollars in revenues of the States. But the Senate has no evidence to support these dire predictions. We are even assured that the availability and health of show and pleasure horses are dependent on passage of the bill.

We all love horses. Our children love horses. The proponents of the bill would have us believe that all the horse lovers are lined up on one side and all the shady gamblers on the other.

They make that point in the "findings" section of the bill, which state that an increase in off-track betting systems may encourage race-fixing and may lead to more illegal betting. However, without more evidence, these findings are merely speculative. The States all have laws against these crimes, and, as far as I know, they are not pleading for a new Federal criminal statute on the ground that they are incapable of enforcing their own laws.

Mr. President, this is not really an antigambling bill. It protects wagering by those who are present at racetracks. Nor does it touch illegal off-track betting. In fact, it protects illegal betting from competition. It leaves that enforcement problem to the States. What it does is extend the arm of the Federal Government to protect one set of economic interests by banning one form of wagering—legal off-track wagering on horseraces taking place in another State. Yet, there is no showing that the interests of racetracks, horse breeders, and horse owners are being endangered by off-track betting. No racetrack has closed as a result of off-track betting. In fact, I understand New York has added another racetrack since its Off-Track Betting Agency was created.

We are told that attendance at racetracks has declined since the establishment of legal off-track betting. It so happens that we have had a severe economic recession during this period. That is at least as likely to be a cause as off-track wagering. The point is that we have no real cause-and-effect evidence.

We not only lack the kind of evidence that might possibly be adduced by Senate committee hearings and study, we are also without the kind of sound analysis that should soon be available from the National Commission on Gambling. We have spent nearly $6 million on the Commission and have waited 6 years for its report. That report is due within the next few weeks—October 15. Surely we can wait for its findings on off-track betting before passing a law that interferes with important State interests. We do know that the Chairman of the Commission, Charles H. Morin, informed Senator JAVITS, in a letter of September 22, 1976, that the Commission will recommend that Congress not enact H.R. 14071, and that the Commission is now developing legislative alternatives to the bill that would give the States some flexibility.

Mr. President, in addition to its misguided purpose, H.R. 14071 has some severe legal defects.

Section 6(a), under the heading "Civil Actions," permits the host State, the host racing association, or any horse owner involved to commence a civil action against any person alleged to be in violation of section 4. Person is defined in section 3(1) to include any "State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof." Thus the bill would permit any aggrieved individual to sue another State. The 11th amendment of the Constitution states:

> The judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State, or by citizens or subjects of any foreign state.

The Department of Justice has already questioned the constitutionality of section 6(a).

In conferring jurisdiction over these cases to the Federal district courts, section 7(a) of the bill goes on to exempt aggrieved individuals from the ordinary diversity of citizenship and jurisdictional amount requirements for Federal court jurisdiction. A horse owner can bring suit without regard to the place of citizenship of the parties and without regard to the amount in controversy.

One interesting question arises, Mr. President, the bill provides this very generous civil remedy procedure against an offtrack betting system authorized by a State, but it offers no remedy against the illegal bookmaker whose activities may be at least as harmful to the racetrack owners and horse breeders and owners. Those cases are left to State law, and they get into Federal court only under the normal requirements of diversity and amount in controversy.

field. Senator KENNEDY, as chairman of the bill deserve some attention, Mr. President. In the first place the Congress has found nothing about the issue. The House of Representatives may have found something but the Senate has never inquired. We are asked to accept seven findings without any foundation whatsoever. Let us look at some of them.

No. 1 seems fairly innocuous. It states that horseracing is a significant industry which provides many thousands of jobs. It claims that horseracing contributes favorably to the U.S. balance of trade. I could find no data in the report of the House Interstate and Foreign Commerce Committee to support that statement. Maybe it is an accurate statement, but the Senate has not found it to be either true or false. Furthermore, we have no way of knowing whether its contribution to a favorable balance of trade is so substantial that horseracing deserves the special Federal protection the industry claims that the bill will provide.

No. 2 states that parimutuel wagering on horseracing provides substantial revenue to the States. We can all accept that claim, and we can agree that we should be interested in helping the States to maintain their revenues. What the finding overlooks is that some States have chosen to obtain revenue through off-track betting. Who are we to tell them that revenue from wagering at racetracks is to be approved and protected, but wagering offtrack is forbidden as a source of revenue?

No. 3 also seems fair enough. Racetracks and horseowners do receive a percentage of each wager placed at the racetrack. But the fact is that they also receive income from the offtrack wagering systems using their races. In fact, in 1975 offtrack betting corporations in New York generated $37 million for the racing industry. In less than 5 years offtrack revenue distributions to the industry amounted to nearly $100 million.

I wonder, Mr. President, if this finding No. 3 does not point to the real motive behind this bill; how the pie is to be cut. I have not heard from racetrack managements urging me to support this bill. My calls have been from horsebreeders and owners. Apparently, they believe they are not getting a large enough cut from the off-track betting funds. It seems to me that this is a matter for negotiation between the owners and the racetracks.

The interest of horse breeders is served by the proliferation of racetracks. A State barred from setting up an off-track betting system is more likely to encourage the establishment of new racetracks, thus increasing the demand for horses.

Finding No. 4 claims that attendance and wagering at racetracks are adversely affected by offtrack wagering, with consequent losses in revenues to the States and reduction in income to the racetracks and owners. Certainly the Senate has not found these facts. And I am not persuaded that anyone else has. It is true that attendance at New York tracks declined annually from 1970 to 1974. But attendance declined even more at racetracks in Vermont, New Hampshire, Massachusetts, Rhode Island, New Jersey, and Pennsylvania. Surely the absentees in all of these States were not all running to New York to place their bets. The fact is that these Northeastern States have been hard hit by the severe recession and inflation we have all experienced. Their unemployment figures have been high, their fuel costs are up sharply, and many people just cannot afford to bet on horseraces, whether on or off the tracks. In short, if off-track betting has caused a decline in racetrack attendance, we do not know it. However, we do know that New York has recently granted licenses for two additional racetracks, and Connecticut has also decided to build a new track. Off-track betting in those States apparently will not destroy these tracks.

Finding No. 5 claims that off-track wagering on an interstate basis will result in a severe decrease in the number of racetracks. Where is the evidence for that finding? New York has had off-track betting for 5 years. No racetracks have closed in that time as a result of off-track betting.

Some of my callers insist that off-track betting will kill the smaller tracks. The evidence so far seems contrary. These tracks also receive income from off-track betting, and the president of a Florida track is reported to have said that the $120,000 he received from New York made the difference between operating in the red or in the black.

Mr. President, we do not know whether off-track betting will ultimately damage the smaller racetracks. We do not know whether we should provide a Federal remedy in the event that a showing of damage becomes clear. These are facts and decisions that should develop out of Senate committee consideration. There is no emergency requiring that we ride to the rescue today.

Finding No. 6 is almost unintelligible. It seems to mean that off-track betting will somehow increase opportunities for fixing horseraces. I do not know enough about parimutuel wagering systems to know how that is possible. The off-track betting systems claim that their electronic computer systems are so sophisticated that they are better able to detect deviations in betting patterns than are the tracks themselves. This is another area that should be fully explored by a Senate committee before we accept the claim as a finding.

Finding No. 7 claims that legal off-track betting increases the availability of racing information for illegal betting and thus may lead to an increase in illegal wagering. Mr. President, as far as I know, there has never been any shortage of illegal bookmakers. They do not seem to have been hampered by inadequate information coming from the racetracks.

The Commissioner of the New York City Police Department has stated that his Department has no evidence that off-track betting has contributed to an increase in bookmaking, but that, on the contrary, many small bookmakers have been forced out of business by the competition of legalized offtrack betting. If we ban legal offtrack betting, will we not be protecting the market for the illegal operations?

Section 2 of the bill concludes with a statement of congressional policy:

> It is the policy of the Congress in this Act to regulate interstate commerce with respect to parimutuel wagering on horseracing, in order to assure the continued flow of revenue from parimutuel wagering to those States which conduct horseracing, and to protect and further the horseracing industry in the United States.

In effect, this is a statement that our policy is to protect one form of gambling at the expense of another. I am at a loss to understand why the Congress should protect any form of gambling. Why should not we stay neutral and let the States work it out for themselves? If we begin to pick and choose, we will soon run into demands that we regulate, protect, or ban other forms of gambling.

And why should we protect the revenues of States who prefer racetrack betting and destroy revenues for those States who select offtrack betting as a revenue source?

If we must make these choices, we ought to have the benefit of full Senate committee consideration.

TWO-CHINA POLICY

Mr. TOWER. Mr. President, these are times of marked uncertainty in many portions of the Far East: recent U.S. efforts aimed at rapprochement with Peking, persistent questions which surround the issue of a two-China policy, the current struggle for power in the People's Republic which follows in the wake of the death of Chairman Mao. Amidst such international concerns the Nationalist Chinese live and flourish, their economy of trade profiting from a skillful pursuit of increased agricultural and industrial production.

I have not had opportunity to visit this corner of the world in some years. I have, therefore, authorized my administrative assistant, Elwin Skiles, Jr., to travel to the Republic of China next week in response to the invitation of the Pacific Cultural Foundation, a private nonprofit institution functioning to further international understanding through cultural exchange.

While on Taiwan, Mr. Skiles will have opportunity to visit with economic and political leaders including Premier Chaing Ching-kuo, Dr. Frederick Chien, Vice Minister of Foreign Affairs, Economic Minister Sun Yun-suan, and Governor Hsieh of the Taiwan Provincial Government. In addition, there will be a session with U.S. Ambassador Unger and officials from the American Embassy.

Mr. President, Mr. Skiles will benefit from this educational and informative experience, and I look forward to the firsthand report which he will provide me upon his return.

THE DIRECTION OF OUR HEALTH PROGRAMS

Mr. EAGLETON. Mr. President, I would like to call the attention of my distinguished colleagues to a speech delivered by the senior Senator from Massachusetts concerning the allocation of Federal resources to the health research field. Senator KENNEDY, as chairman of the Senate Health Subcommittee, has sought to develop the area of health research and strengthen the ability of the National Institutes of Health to provide added resources to centers of medical research.

On May 25, 1976, Senator KENNEDY addressed the National Jewish Hospital and Research Center. In that speech Senator KENNEDY discussed the direction of our health programs.

Mr. President, I ask unanimous consent that the text of Senator KENNEDY'S speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD M. KENNEDY TO THE NATIONAL JEWISH HOSPITAL AND RESEARCH CENTER 77TH ANNIVERSARY DINNER

It is a pleasure to join with so many of my friends from around the State of Massachusetts tonight at this 77th Anniversary dinner of the National Jewish Hospital and Research Center.

I want to express my deep sense of pride in the Award which you have given me this evening. I am particularly honored by your presentation for my efforts in the field of humanitarian needs. It is the area of concern in public life that has given me the greatest satisfaction.

I want to thank Richard Bluestein, National Vice President of National Jewish Hospital, for his kind words. And I want to thank Ruby Epstein and Julian Sobin and George Phalen and the other organizers of this event for the invitation to be with you.

The tradition of National Jewish Hospital is long and rich in deeds and contributions to the health of the American people.

Its efforts over the years have meant new hope for millions of people around the world, for the discoveries and advances in medical science that have taken place at that institution in Denver have been shared around the world. That is one of the marvels of science when it is carried out in a free society, the achievements do not remain cloistered within narrow walls, they are spread forth for all to benefit.

That tradition also is part of the legacy of the Jewish people. Maimonides wrote 800 years ago: "The advancement of learning is the highest commandment."

I have had the pleasure of visiting National Jewish Hospital and of seeing the dedicated scientists and medical professionals who are searching for answers to the most pressing dilemmas of modern medicine at the same time that they are treating those with the most intractable diseases and illnesses.

In Massachusetts, as in other states, we benefit not solely from the 63,000 days of treatment that Massachusetts residents have received at N.J.H. but in the knowledge and answers that N.J.H. scientists have developed.

That is why we look to N.J.H. today to continue to move beyond the remarkable work it has done in removing tuberculosis from its place as one of our leading killers and to help us find answers in other areas as well.

As chairman of the Senate Health Subcommittee, I have sought to promote the area of health research and to strengthen the ability of the National Institutes of Health to provide added resources to centers of medical research such as N.J.H.

Many of the most important efforts underway at N.J.H. are funded in part by N.I.H. grants, including basic work in immunology and molecular biology, in trying to open the mystery of cancer cells and seeking to develop new knowledge of genetic diseases.

The allergy disease center at N.J.H. is one of the finest in the country and its accomplishments have meant new hope for normal lives to thousands of citizens.

One of the difficult realities of an institution such as N.J.H. is that it must depend each year for the ability to carry out its work on the donations of private individuals and organizations. Yet each year, there is the strong and willing response of those individuals who recognize the importance of the work that is being done at N.J.H. I know that everyone in this room fits into that category and I applaud your efforts.

In the Congress, we have been seeking to increase the allocation of federal resources in the health research field for several years. Year after year, I have presided over hearings at which doctors and leading medical professionals indicated the need for additional assistance to permit vital health research to continue.

We have tried to respond to that need, but at each step of the way we have had to battle the rearguard sniping of an Administration that fails to place health research on the same priority with defense research.

This year, the President's budget request was for $11.5 billion for research and development in the field of weapons. That represents a 22%—$2 billion—hike over last year's level of weapons research.

But the same budget proposed a 5% cut for biomedical research, reducing it by $100 million.

It does not make sense for this nation to allocate its resources in this way. We need to have a strong defense but we do not have to give the Defense Department carte blanche in its determination to buy whatever it can build.

National security might be far better served to devote more resources to basic research in cancer, heart disease, and basic immunology.

Let me discuss briefly some of the other areas of controversy over the direction of our health programs, areas where it seems to me that the vast majority of Americans are in accord with our efforts.

First, in developing health manpower, we have tried to turn the focus both to providing more general practitioners and to offering more advanced research development.

N.J.H. has exceptional postdoctoral programs which are helping to develop those research specialists, many of whom are Massachusetts natives or who return to our state to practice.

But we must do more. We must produce the kinds of physicians that the nation needs—more family practitioners and more general internists.

We also must insure that physicians in primary care and in the specialties are available in all areas of the country. We need them in the inner cities and the rural areas as well as in the suburbs.

We have proposed a national council and regional councils to plan for the training of those physicians based on our medical needs. In five years, this would mean that 50% of new physicians would enter family practice.

I also have proposed a program to expand National Health Corps scholarships, which provide the financial support for medical education in exchange for a commitment to serve in areas of greatest need.

Second, in the area of the delivery of health services, we have tried to extend the delivery of basic services into the most critically underserved areas.

We have maintained neighborhood health services, community mental health services, despite the opposition of the Administration.

We have tried as well to encourage the development of health maintenance organizations that can both link the specialized services of a hospital without patient clinics and neighborhood clinics. Sophisticated medical care will remain in the hospitals but many services can be handled through a far less costly delivery system that also reaches directly into communities.

Third, with regard to hospitals across the nation, we have serious problems to correct.

Today we know we have 100,000 excess beds and we know that hospital costs alone have been rising 14% a year. Yet there are areas where there are no available hospital beds for miles.

We have sought to promote a more rational system that will concentrate the most sophisticated medical procedures in regional centers, but insure that every community has access to emergency medical services. This not only will guarantee the quality of care but prevent unnecessary duplication as well.

Finally, let me talk broadly of the need for a new direction in reaching to the basic goal of our efforts, provision of quality health care to every American regardless of income.

My goal has been simple: quality health care as a matter of right and not as a privilege of wealth.

The Health Security Program I favor has five essential elements:

Universal coverage of all Americans under the same health care program, regardless of their income, their place of work, their age, their past medical history, or any other factor.

Comprehensive benefits, including care in the doctor's office as well as in the hospital, and also including preventive care and early diagnosis and treatment.

Reform of the health care system to eliminate waste, encourage efficiency and economy, and control total health expenditures under strict public budgets.

Development of higher quality health resources and more balanced services in every community of our nation, so that good health care is not only well-insured, but reasonably available to the people.

Public administration of the National Health Insurance program, building on Social Security and Medicare.

These are not new principles, but there is a new urgency to them. It is obvious to everyone that our crisis over health has been getting worse over the past eight years.

The costs of health are out of sight. Total national expenditures for health have climbed from $77 billion in FY 1971 to $118 billion in FY 1975. The Federal budget for health care has gone from $15 billion to $28 billion in the same period of time.

Apart from national health insurance, there is no relief in sight from the soaring cost of health. The Congressional Budget Office projects that the nation will more than double its health expenditures by 1981, to an astronomic total of $252 billion a year. Remember, that is $252 billion by 1981 if we do nothing.

The most recent independent studies show national health insurance can cut more than $21 billion from that figure and each year the savings would grow.

The Federal Government cannot afford to watch health care costs for elderly and disabled Americans under Medicare go sky high.

State and local governments cannot afford to watch these costs for the poor under Medicaid go through the roof.

Private industry and working men and women cannot afford to watch those costs undermine their private health insurance programs.

Most of all, the average American family cannot afford to watch those costs wipe out their life savings. They cannot afford the rising premiums. They cannot afford the doctor and hospital bills that their insurance fails to cover.

In spite of the current urgency, the Administration is pursuing a backward policy of pessimism and retreat from health care as a right. The President has withdrawn his national health insurance proposal. He has offered no leadership whatever in controlling health costs or reforming the health care system. All he has done is try to bail out the Federal budget at the expense of the elderly, the poor, the states and American working men and women, who already cannot afford to pay their rising bills for health.

This year the President wants to cut back on Medicare, by requiring the elderly to pay $750 million more out of their own pockets for health. He has cut every other federal health program to the bone. Many of these programs, like the neighborhood health centers and the community health centers, are alive today only because the Congress fought to save them.

The President is saying that since health care is too expensive, the nation must pay less for health. We must offer less of it to the elderly, he says, less of it to the disabled, and less of it to the poor.

I disagree with that view. I will oppose that view. And so long as I am in the United States Senate I will seek to change it. We are capable of doing better for our citizens.

America needs responsible Federal action on programs to reform health care delivery and control the costs of health, while making decent care available to every community.

Long ago we guaranteed every American a decent education as a matter of basic right. Why is it so difficult to do the same for health? The freedom and opportunities we offer our people in so many other areas are hollow promises for those whose lives are shattered by unnecessary illness or poor health.

The health security program remains our best hope of decent health care for the future. I believe in this great and powerful nation we can achieve quality health care for all. That is perhaps the most crucial challenge we face in improving the quality of life for our people. But in this bicentennial year, there are other challenges as well.

We must restore our economy and turn on the lights in the 30 percent of our factories that remain dark today.

We must provide jobs for Americans who are able and willing to work, so they receive paychecks instead of welfare checks. And we must provide a decent education for the sons and daughters of all Americans.

One hundred years from now, let it be said, that at our bicentennial, we set a new course for America, a course in which we assured new dignity for the elderly, new opportunity for the young, and a new determination to fulfill the promise of this land.

I am confident that we can overcome the challenges of our third century of nationhood and outdistance our own expectations as we did those of our forefathers.

We can turn this nation we love toward a more just future once again. And we can achieve a new quality of life for all Americans.

NUCLEAR NAVY

Mr. THURMOND. Mr. President, there appeared in the September 27, 1976, issue of the Los Angeles Times an editorial relative to the composition of our future Navy.

Singled out for particular criticism was Adm. Hyman G. Rickover, who the editorial described as an individual who had not yet accepted the economic facts of life in connection with his efforts for an all-nuclear navy.

Those knowledgeable in this area know that neither Admiral Rickover nor anyone in the Navy or Congress has ever proposed an all-nuclear Navy. It would certainly be nice to have a Navy not dependent on oil, but the fact is that a ship must be of a certain tonnage to make nuclear energy economically feasible. However, many in the Congress and the Navy do support nuclear power for those large ships in the major strike force. These ships would include aircraft carriers, cruisers, and submarines.

An interesting response to this editorial in the Times was offered in a letter to the editor by a Mr. J. R. Johnson of Pasadena, Calif. Mr. President, I ask unanimous consent that this letter be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Bigger Is Not Always Best

Your editorial (Sept. 9), "Bigger Isn't Always Best," concerning the composition of our naval forces needs a bit of correction to reflect adequately the facts on this matter of great public importance.

The most serious error in your analysis is your characterization of the efforts of "Those Navy Men, notably Adm. Hyman G. Rickover, who have not yet accepted the economic facts of life" in behalf of an "all-nuclear Navy."

As a supplier of critical components for naval vessels procured under the direction of Rickover, I can speak with the authority of 16 years experience. Rickover is without a doubt the most economy-oriented individual in government service. To use current parlance, he gets "more bang for the buck" than any agency and, as the record of success attests, he gets the highest quality "bang."

His basic philosophy, to which I have been exposed over the years during my business dealings and from my reading of public documents and news accounts, is really quite simple. He contends that although the production of expensive weapons is an unfortunate diversion of efforts and materials, this country cannot afford to risk its well-being on weapons that cannot do the job that the country may require to be done in time of war.

Because of my personal interest in the issue of the composition of our Naval forces, I obtained a copy of the publicly released Navy's testimony, including that of Rickover, before the Senate in May of this year. Rickover's major points are:

1—The vast devastation of our tankers in World War II by the now antiquated and vastly inferior World War II submarines indicates that the oil our naval strike forces will need for their mobility may not get through in the face of Russian nuclear submarines and aircraft without a prohibitive cost in both lives and material.

2—All ships in the Navy cannot be nuclear-powered. He recommended that nuclear power should be provided only in the major strike force ships including carriers, cruisers, and submarines, on which the Navy will depend to fight in forward, high-threat areas. Those ships should be built now and not deferred on the basis of a hope for some as yet undeveloped technical breakthrough that enables us to get more for less money.

Incidentally, you are wrong when you say the National Security Council has concluded we should have only four nuclear aircraft carriers. Defense Secretary Donald Rumsfeld testified in May that the National Security Council and the President fully support proceeding with a fifth nuclear carrier and Congress has just appropriated initial funds for this ship.

Rickover's economics are sound in the long run in that the small additional peacetime operating costs of those few ships comprising our first-line carrier strike forces is justified by their contribution to the national defense.

J. R. Johnson,
Pasadena.

TRIBUTES TO T. EDWARD BRASWELL, JR., RETIRING CHIEF COUNSEL AND STAFF DIRECTOR, SENATE ARMED SERVICES COMMITTEE

Mr. THURMOND. Mr. President, on September 30, 1976, T. Edward Braswell, Jr., Chief Counsel and Staff Director of the Senate Armed Services Committee, retired after about 7 years in that position and a total of about 24 years on the committee staff.

A native of North Carolina, Ed Braswell was educated in the public schools of that State and then received his A. B. degree from Duke University and his law degree from Harvard.

He enlisted in the Army Air Corps in 1942 serving during World War II before being honorably discharged in 1946 with the rank of captain. Ed Braswell was recalled to military duty in March of 1951 and served for 2 years in the Air Force during the Korean war. After this service he entered the Air Force Reserve where he rose to the rank of colonel and is now in an inactive status.

Mr. President, Ed Braswell's early civilian career was highlighted by work as an attorney with the Justice Department from 1948 to 1951. After his service during the Korean war he began his work on the Senate Armed Services Committee.

He is the father of four fine sons, John McCauley, 20; Harry Armstrong, 18; T. Edward Braswell III, 15; and Andrew Sutherland, 9.

Despite his heavy professional and family responsibilities, he has found time for a number of wide-ranging public service roles in his hometown, Alexandria, Va. These include chairman of the Planning Commission, and member of the Board of Architectural Review; trustee, Alexandria Historical Foundation; member, Alexandria Library Company; and past president, Alexandria Old Town Civic Association.

A man of integrity and character, he has exhibited personal qualities of a high magnitude. Always responsive to the membership, Ed Braswell has that unique ability to drive right to the heart of an issue and summarize the key points in a concise manner, either verbally or in writing.

His counsel will be missed, but I wish him well in any new endeavors he undertakes. At this time of his departure I am sure he leaves with the knowledge that he has served the Nation well, especially in the vital area of national defense where he has dedicated his efforts these past 24 years.

Mr. President, I ask unanimous consent that the statements of tribute to Ed Braswell offered by other members of the committe be placed in the Record following these remarks in order that they may all appear together.

Also, Senator Robert Taft, who has been necessarily absent for the last several days has asked that I associate him with my remarks in recongition of Mr. Braswell's service. Senator Taft intends to submit a statement before the Record is closed after adjournment.

Mr. SYMINGTON. Mr. President, I am very glad to join some of my colleagues in expressing deep appreciation to Ed Braswell for his devoted and distinguished service as Chief of Staff of the Senate Armed Services Committee.

As a long-time member of the committee, it has been particularly rewarding to work with Ed on many matters relating to the defense needs of our Nation. On all occasions he has been a valued adviser and assistant.

Ed Braswell joined the Armed Services Committee in March 1953, only a few months after I myself came to the Senate; and this year—after a long and close association—we retire from the Senate together.

Ed will be greatly missed by the Armed Services Committee. No chief of staff of any committee on which I have been has served any more responsibly, or with greater dedication.

Let me wish him and him family every happiness in future years, I shall always cherish his friendship and support.

Mr. JACKSON. Mr. President, along with so many others of his friends and coworkers, I am very sorry to see Ed Braswell retire as Chief Counsel and Staff Director of the Senate Armed Services Committee. We wish he would stay on to continue the skillful guidance of our committee deliberations on the crucial issues of national security.

I admit Ed deserves some rest and even a change of scene after his long and dedicated service with our committee. He will soon be taking on the responsibilities of a full-time Washington, D.C., lawyer—with all the new experiences and adventures that is bound to entail. We wish him the very best in his new career.

But I and my staff want to say for the record that we will miss him. We have worked closely with Ed for many years on complicated and controversial legislation. We have been through many a national crisis together. We respect his unusual grasp of the facts, his basic good sense, and his lawyer's professionalism.

I want to thank Ed profoundly for his steady fairness, responsiveness, and objectivity. We are glad he will continue to be around Washington—with his four wonderful sons—so this is not a real goodby.

Mr. CANNON. Mr. President, I wish to invite my colleagues attention to the fact that Ed Braswell, one of the most respected staffers in the U.S. Senate is retiring at the end of this session.

He is currently the Chief Counsel and Staff Director of the Committee on Armed Services where he has served continuously since March 1, 1953. It is not necessary for me to outline his long and outstanding career since most Members know him from their personal contacts through the years. I, however, want to commend him for his eagerness to serve, prompt response to the needs of the members of the committee, and his overall outstanding demeanor. I, of course, recognize that personnel selected to serve in our congressional committees are highly qualified but every once in a while an individual like Ed Braswell surfaces just a notch above all others. It does help to make our jobs more tenable when people of his caliber are available. Senator Stennis hit the nail on the head when he said at a recent function in Ed's honor, that he was like a computer with a memory bank spouting out statistics. He has it all stored away with the capability of immediate recall. I for one am sorry to see him go and know he will be sorely missed by his many friends who have depended upon him in a personal way.

Mr. McINTYRE. Mr. President, I am pleased to have the opportunity to join my distinguished colleagues from the Armed Services Committee in paying tribute to Ed Braswell, staff director of our committee. After 6 years as staff director, and many more years as a staff member, Ed will retire this week.

As a member of the Armed Services Committee, I have appreciated Ed's fine work on two levels. His service to the committee has always been of the highest professional quality. Despite the increasing workload of the committee each year, Ed's responsiveness to individual members has been of the highest order and of great assistance to me personally.

I am certain every member of the committee joins me in recognizing that Ed Braswell's quiet leadership and high integrity has been an inspiration to the committee staff. The work of the committee has been notable largely because of the unity and responsiveness of its staff under Ed Braswell. He served as staff director during some of the most difficult years of the committee. When the defense authorization bill was the pending business of the Senate for over 7 weeks in 1969, and over 3 weeks in 1971, Ed led the committee staff in a dignified and professional manner which will remain an example for all Senate staff. Ed will be missed by committee members and staff alike.

Let me also note that Frank Sullivan, an experienced and competent professional from the committee staff, will succeed Ed as staff director. I know Frank will be an able successor to Ed.

I congratulate Ed Braswell for a job well done, and wish him and his wonderful family every success, satisfaction, and happiness in the future.

Mr. HARRY F. BYRD, JR. Mr. President, the Armed Services Committee is losing one of its most capable staff members at the end of this month. Mr. T. Edward Braswell, Jr., chief counsel and staff director of the committee is retiring after a long and distinguished career of public service.

Mr. Braswell began his public service as a military officer. He served with distinction in both the Second World War and in the Korean war. Upon leaving active duty in 1953, Mr. Braswell joined the professional staff of the Armed Services Committee and has served the committee faithfully to this very day.

Those of us who have served on the Armed Services Committee during Mr. Braswell's tenure are keenly aware of his unique talents.

His ability to keep track of a vast amount of detail and his awareness of procedure have earned him the respect of all those who have served with him. He has been an indispensable aid to the work of the committee and he will be sorely missed.

Mr. President, the professional talents of Mr. Braswell are well known to many of us here in the Senate. However, there is a whole other side to Mr. Braswell which is not as widely known but which is equally praiseworthy.

Ed Braswell is a family man and a respected and active member of his community, despite the fact that he has worked so many long hours for the committee. Mr. Braswell has for years been deeply involved in city planning for the beautiful and historic city of Alexandria, Va. The results of his work are evident in the on-going restoration and reinvigoration of Old Town, Alexandria.

Mr. President, I regret that this fine gentleman is leaving the Senate Armed Services Committee staff. He will be greatly missed.

Mr. NUNN. Mr. President, I am delighted to join in the well-deserved tributes to Ed Braswell on the occasion of his retirement from almost 24 years of outstanding service on the Senate Armed Services Committee.

Although I have been on the Senate Armed Services Committee just under 4 years, I have come to respect and value Ed Braswell's advice and counsel on national defense matters. Throughout his many years as a staff member and as chief counsel and staff director, he has remained a trusted, valued, and key assistant to many of the Senate's greatest leaders, especially the late Richard B. Russell of Georgia and JOHN STENNIS, current chairman of the Senate Armed Services Committee.

Ed Braswell's record of service to the Armed Services Committee, the Senate, and our Nation is one of singular and exceptional distinction. His expertise and vast experience will be missed but I know my colleagues share my wishes that his retirement be successful and enjoyable.

Mr. CULVER. Mr. President, I want to join my colleagues in saluting Ed Braswell, the chief counsel and staff director of the Senate Armed Service Committee, who is retiring from that position this month.

In my 2 years of service on that committee, I quickly recognized and grew to respect Ed Braswell's competence, diligence, and integrity. He has demonstrated a professionalism in the performance of his duties which is admired by all who work with him.

His 23 years of service to the Senate Armed Services Committee has given him a fund of knowledge and experience, and a long-range perspective, which enables the committee to evaluate better the year-to-year changes in programs and policies of the Defense Department.

Though we regret his departure, for a well-earned rest and a new career, we will continue to be aided by the remaining committee staff, which he recruited. That staff is one of his finest legacies.

Mr. President, I commend Ed Braswell for his dedicated service to me and other members of the Armed Services Committee, and I wish him well in his future endeavors.

Mr. TOWER. Mr. President, I would like to take this opportunity to offer a special tribute to Mr. Ed Braswell, chief counsel and staff director of the Committee on Armed Services, who is leaving this important position on our committee after 23½ years of faithful and dedicated service. Throughout his long tenure on the committee staff, Ed Braswell has shown an unsurpassed sense of duty to the Nation and its defense needs. He has routinely demonstrated a capacity for hard work and a knowledge and understanding of our military and naval services that have proven invaluable to the efforts of our committee. Those of us serving on the committee's minority have found him to be at all times fair and even-handed in his leadership of the committee staff, and it is his attitude which has been to a considerable degree responsible for the consistently nonpartisan approach our committee has taken with respect to its duties and responsibilities.

It has been a distinct pleasure for me to have been associated with Ed Braswell since my tenure on the Armed Services Committee began in 1961. Since the time when he was appointed chief counsel and staff director by our distinguished chairman, he has shown himself repeatedly to be one of the ablest and most outstanding staff members on Capitol Hill. It is with great regret that we witness his departure from our committee. The Senate is most assuredly losing one of its most valuable assets, and I join in what I know to be the unanimous wish from all Senators that he will continue to find the success and happiness in his every endeavor that he so richly deserves.

Not only will our daily tasks seem more trying without having the benefit of his counsel, but we shall all greatly miss our close association with such a fine gentleman and good friend.

Mr. GOLDWATER. Mr. President, Mr. T. Edward Braswell, Jr., the chief counsel and staff director of our Armed Services Committee, is retiring this week after over 30 years of service with the Federal Government. During that time Ed has served with the Armed Services Committee continuously since March 1, 1953, the year I first came to the Senate.

I first came to know Ed Braswell when we served together in the 999th Capitol Hill Air Force Reserve Squadron, an organization I was privileged to command. After I became a member of the Armed Services Committee in 1958, I worked with Ed on a regular and professional basis as we carried out our committee responsibilities. During those associations I was always impressed with the professional approach he took with everything he did.

Ed Braswell deserves the highest praise of the Senate because he is the epitome of the dedicated professional staffer that holds the place together. I cannot pay him a higher compliment than to say he is an outstanding professional whose expertise and counsel will be missed by the Armed Services Committee and the Senate.

I wish him well in whatever new endeavor he may engage in and there is no doubt in my mind that he will be successful.

Mr. BARTLETT. Mr. President, at the time I became a member of the Armed Services Committee Ed Braswell had been a member of the committee staff for over 21 years. I have only known Ed for the past 2 years. However, during that time I have come to respect his knowledge of and insight into the various issues that have come before our committee.

He has provided wise counsel for the senatorial members of the committee, and fine leadership for staff members.

Ed Braswell is now entering a new phase in his life, a new step forward into the private sector of our country after many years of devotion to the Federal Government.

I wish Ed Braswell good health and good fortune in his new career.

Mr. LEAHY. Mr. President, I join with my colleagues in paying tribute to an outstanding public servant who has served the Senate and the Nation well for more than 23 years. The importance of competent staff and qualified staff expertise in Congress cannot be overemphasized. For more than 23 years Ed Braswell has provided the Armed Services Committee his expertise, his sagacity, and just plain common sense.

While I have only had the privilege of knowing and working with Ed since my assignment to the Armed Services Committee in this Congress, I have come to regard him as a friend whose advice and counsel, especially in my early days on the committee, were of invaluable help to me. I am truly sorry to see him go, but his retirement is well earned. I hope that his retirement will be happy and productive and I know that Ed Braswell will continue to serve his country in whatever endeavors he may undertake in the future.

TRIBUTE TO SENATOR PASTORE

Mr. JOHNSTON. Mr. President, I would like to join with my colleagues in paying tribute to my distinguished colleague from Rhode Island, JOHN PASTORE.

Few men in the history of our country have so personified the American dream as JOHN PASTORE. The son of a poor immigrant tailor, who died when JOHN was a mere 9 years old, he worked to support himself and his family, all the while completing his secondary and legal education. His meteoric rise in public life once he was admitted to the bar is a testament to the American system. First the Rhode Island House of Representatives, then assistant attorney general, Lieutenant Governor, and finally in 1950, he began his brilliant career as a U.S Senator.

His record in the Senate is one of impressive accomplishment. The two legislative areas to which he has devoted himself bear his unmistakable imprint. He is responsible for much of the legislation which guides the conduct of radio and television. He is acknowledged as one of the most knowledgeable men in the field of atomic energy as a result of his decades of leadership on the Joint Committee on Atomic Energy. He played a crucial role in the ratification of both the Nuclear Test Ban Treaty and the Nuclear Non-Proliferation Treaty, as well as being one of the guiding lights in the establishment of the International Atomic Energy Agency.

In debate his oratorical skills have been matched by few. He is rightly compared to such giants as Calhoun, Webster, and Clay. His formidable legislative skills, his ability to get to the core of an issue, his colorful personality will be sorely missed in this Chamber. But with a record of hard work and accomplishment as long as JOHN PASTORE's, he has more than earned the right to relax for the first time in his life.

TRIBUTES TO SENATOR ROMAN HRUSKA

Mr. JOHNSTON. Mr. President, I would like to join my colleagues in paying tribute the distinguished Senator from Nebraska, ROMAN HRUSKA.

The adjournment of this session of Congress will bring to a close the distinguished 22-year career of ROMAN HRUSKA. As the ranking minority member of the Senate Judiciary Committee, he has worked tirelessly for the cause of judicial improvement and reform. His record of attendance at committee hearings is unequalled by his colleagues. But more than mere attendance, his yeoman effort as ranking minority member of the Subcommittee on Improvement in Judicial Machinery has been invaluable in the effort to revise and upgrade the American judicial system. Toward that same end, he has chaired hearings throughout the country with the Commission on Revision of the Federal Court Appeal System. These committees and their hearings have laid the groundwork for much-needed reforms of the judiciary. And without ROMAN's dedicated efforts, it is unlikely that they would have made as much progress as they have.

ROMAN HRUSKA returns to his beloved Nebraska now for a well-deserved time of rest and reflection. He will be able to look back with pride on his record of service and accomplishment.

Mr. WEICKER. Mr. President, I wish to share a few thoughts with my colleagues on the retirement of ROMAN HRUSKA, the distinguished senior Senator from Nebraska.

For over 20 years, ROMAN HRUSKA has been a respected Member of the Senate. Hardworking and honest, he has shunned flamboyance, choosing instead diligence and determination. As ranking minority member of the Judiciary Committee, he has distinguished himself by demonstrating time and again his thorough knowledge of the law and dedication to his work.

ROMAN HRUSKA has served the people of Nebraska well. He has served the Senate well. He will be missed by the Members of this Chamber

Mr. McGOVERN. Mr. President, at the conclusion of this session of the Congress Senator ROMAN HRUSKA will retire to Nebraska after 22 years in the Senate. I want to join my colleagues in bidding farewell to this effective and dedicated public servant.

ROMAN HRUSKA is and has always been a convinced and persuasive spokesman for a distinct, well-articulated point of view. He has devoted himself wholeheartedly to the work of the Senate, serving as the ranking minority member of the Judiciary Committee and the second ranking Republican on Appropriations. In these assignments, as in all else he has undertaken, he has impressed his colleagues with his capacity for hard work and his meticulous attention to detail.

Mr. President, ROMAN HRUSKA and I have not agreed with each other on a number of issues in the time we have served together in the Senate. Nonetheless, I respect ROMAN as a colleague and as a man of principle who has rendered many services to the Nation. I wish him happiness and fulfillment as he begins a well-deserved retirement.

Mr. HANSEN. Mr. President. It is my privilege to pay tribute and homage to the great Senator from my neighboring State, Nebraska, ROMAN HRUSKA.

Our cherished colleague has long been dealing with the law, after practicing in Omaha for 25 years, and then becoming a member of the Senate. He has established himself as an authority on the proceedings of the judicial system.

I salute the Senator from Nebraska in his wisdom and knowledge he has perpetrated on the floor of the Senate, and in his constituency in his home State.

He has earned, and rightfully so, the respect of Senators from both sides of the aisle, who have come to learn of his strength and ability as a man who commands the art—and it is an art—of knowing what is right and wrong.

Coming from the West, as we both do, I can well appreciate and understand this man's style, his ability, and his concern for the issues and problems we have been faced with in this body.

ROMAN HRUSKA will be missed in Congress, by the many people who have come to know him, and by me, personally.

TRIBUTES TO SENATOR STUART SYMINGTON

Mr. CURTIS. Mr. President, as STU SYMINGTON leaves the Senate, I want to join with his countless friends in congratulating him on his public service and extending to him every good wish for the future. Mildred joins me in this.

I shall miss STU SYMINGTON around the Senate. He comes from a State adjacent to mine. I served in the House of Representatives with his distinguished father-in-law, the Honorable James Wadsworth of New York. It has been my privilege to become acquainted with Senator SYMINGTON's son, JAMES, who serves in the House of Representatives. Public service has been an important part of the lives of this distinguished family.

It is my hope that there will be many exciting and challenging things in the future for Senator SYMINGTON and that good fortune will be his.

Mr. BUMPERS. Mr. President, like the other Members of this body, I deeply regret the retirement of the Senator from Missouri, STUART SYMINGTON, but I welcome this opportunity to express my admiration and respect for him.

The Senator was well known to me, of course, by reputation before I was elected to the Senate, and my opportunity to work with him and observe him personally during the past 2 years has reinforced my impression of him as a diligent and effective public servant. As a matter of fact, STUART SYMINGTON has been a leader all his life, as a member of the Elihu Club at Yale College, as Secretary of the Air Force, and as a Member of the Senate for four terms. His wise counsel has been especially effective on defense issues, and his experience in the executive branch as a high official of the defense establishment has been invaluable to his colleagues here in the Senate. On more occasions than I could number his calm voice and good judgment have been decisive in the discussion of matters of strategy, defense expenditure, and national security. It is in this area that his loss will probably be most seriously felt. A man with experience in both the executive and legislative branches brings to his work a breadth and perspective that are of great worth.

I would like to add a word about the Senator's personal demeanor. His courtesy, one might almost say his courtliness, has been an example of the civility that should characterize all of the deliberations of this body. But although his manners may be those of an aristocrat, his principles are those of a Democrat, and he has always been in the forefront of those whose voices are raised in defense of the ordinary citizen.

Mr. President, the name of STUART SYMINGTON has been prominently mentioned on several occasions as a potential President of the United States. There was a time when it appeared that the Democratic Party might turn to him as its standard bearer. His experience, moderation, and wisdom would have been assets in the White House. I know that other Members of the Senate join me in expressing deep affection for the Senator from Missouri and in confidently expecting that his counsel and advice will continue to be available to the Senate and the Nation after he leaves this Chamber next January.

Mr. EAGLETON. Mr. President, yesterday the Senate paid tribute to its distinguished retiring Member, my colleague from Missouri, STUART SYMINGTON. Stories on this tribute appeared in yesterday's editions of the St. Louis Post-Dispatch, the St. Louis Globe Democrat and the Kansas City Times. These stories are an appropriate part of our tribute to Senator SYMINGTON, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch, Sept. 30, 1976]

FORD AND CARTER LEAD IN TRIBUTE TO SYMINGTON

(By Sheila Rule)

WASHINGTON, September 30.—President Gerald R. Ford and former Gov. Jimmy Carter of Georgia led the list of prominent figures joining today in commending Senator Stuart Symington (Dem.), Missouri, on a long and productive career in public life.

The Senator will retire from the Senate after this term, which ends in January. The current Congress is expected to adjourn Saturday.

In letters of tribute, Symington was praised for his activities in the executive branch as well as for his 24 years in the Senate.

The President said Symington's retirement "brings to a close an illustrious career of public service encompassing more than three decades of our nation's history.".

In referring to Symington's duties as the first Secretary of the Air Force, the President said: "In the critical era of post-World War II, you were a participant in those decisions which brought the United States to its preeminent role of world leadership. As a United States Senator. you actively shared in the debates on decisions which have involved our nation's security and continued leadership."

Carter, the Democratic nominee for President, said the Senator's experiences as a business executive and in the Department of Defense had "uniquely prepared" him for the Senate.

"He lived up to his potential for service to the highest degree," Carter said. "His knowledge of defense policy, international relations and Government organization has given his views an audience and authority surpassed by few."

Symington, 75 years old, is ending in the Senate a career that began in the business world. He became president of Emerson Electric Manufacturing Co. in St. Louis before he was appointed to six high executive branch positions, including chairman of the National Security Resources Board, by President Harry S Truman. He was confirmed each time by the Senate with no dissenting votes.

He was elected to four consecutive terms to the Senate, beginning in 1952. Since 1961, he has been the only Senator to serve on both the Armed Services and Foreign Relations Committees. Since 1971, he also has been a member of the Joint Committee on Atomic Energy. He serves also on the Aeronautical and Space Sciences Committee, the Appropriations Committee and the Democratic Policy and Steering committees.

The letters were to be presented on the floor of the Senate this morning.

Among others sending messages were Vice President Nelson A. Rockefeller, Secretary of Defense Donald H. Rumsfeld and former Secretaries of Defense Clark M. Clifford, Melvin R. Laird and Robert S. McNamara; Clarence M. Kelley, director of the Federal Bureau of Investigation; Secretary of State Henry A. Kissinger, and former Secretary of State Dean Rusk.

Symington's colleagues in the Senate paid tribute also.

Senator Mike Mansfield (Dem.), Montana, the majority leader, said in a statement in the Congressional Record, "Typical of his devotion to mission rather than personal advancement, Senator Symington consistently has sought committee assignments where he believed he could make the greatest contribution to the nation's current and future security."

As chairman of the Foreign Relations subcommittee on security agreements abroad, Symington formulated a new definition for national security, "the ability to destroy any possible enemy who might attack America and the certainty that enemy knows we have the ability," said Mansfield.

Others honoring Symington included Democratic Senators John C. Stennis of Mississippi, Henry M. Jackson of Washington, Frank Church of Idaho, and Hubert H. Humphrey of Minnesota.

Republican Senators praising Symington included the minority leader, Hugh Scott of Pennsylvania, as well as Barry M. Goldwater of Arizona, Charles M. Mathias of Maryland and Clifford P. Case of New Jersey.

Clark Clifford made the principal remarks at a luncheon yesterday arranged by Missouri's other Senator, Thomas F. Eagleton, also a Democrat. The luncheon was attended by about 30 persons, including former Secretary of the Treasury John Snyder and Elwood R. Quesada, a retired Air Force general and former head of the Federal Aviation Administration.

Clifford said the retiring Senator had an unblemished record of integrity. He listed as some of Symington's achievements "an excellent record in uncovering the secret war the CIA was conducting in Laos and his efforts to restrict the ever-growing field of nuclear proliferation."

Symington has been a leader in calling the matter of nuclear proliferation to the attention of Congress.

The Senator's son, Representative James W. Symington (Dem.), Missouri, called attention ruefully to his defeat in the primary in his attempt to succeed his father. He said, "This business about 'You can't catch up with your father'—well, he's retiring and I'm retiring."

Former Democratic Senator George Smathers of Florida said, "I'm pleased that Stuart Symington is resigning. If my only concern were about the great issues, I would not say that. But the simple fact is I expect to see more of him and play more golf with him. The country's loss is my gain."

[From the St. Louis Globe Democrat, September 30, 1976]

The Senate's Salute to Stuart Symington

(By Dean Reed)

WASHINGTON.—They started arriving a few minutes after noon Wednesday, those giants of the U.S. Senate.

They were Jackson and Stennis, Humphrey and Scott, Church, Sparkman, Case, Byrd, Magnuson and other ranking leaders—all members not only of what Missourian Clark Clifford called the "world's greatest deliberative body," but of the Senate's heart, its club, its establishment.

And in the rushing, closing days of the 94th Congress, they were gathering not so much to bid farewell but to salute personally one of their own stalwarts—retiring Sen. Stuart Symington, D-Mo.

Symington, at 75 standing tall and erect, white-haired and handsome, smiled broadly as the luncheon host, Sen. Thomas F. Eagleton, D-Mo., greeted guests, poured wine and announced the ground rules:

"No senator can speak today except one," and Eagleton nodded toward Symington. But by that time Sen. Hubert H. Humphrey, D-Minn., had arrived, and Sen. Henry M. (Scoop) Jackson, D-Wash., cracked: "You'd better tell Hubert the rules."

"There's always an exception," Eagleton said.

And with that began a flow of praise for Stuart Symington that is expected to last at least two days.

The informal luncheon, held in a historic hideaway Senate office of Sen. Warren Magnuson, D-Wash., where the chief justice of the United States once held sway, was supposed to be a private affair for Symington, some ranking colleagues and old friends.

But with Symington, the other Senate stars, reporters, cameras and television lights, Senate staff members and straying tourists in the hallway, the luncheon rapidly became an event.

First, Eagleton noted that so many leading figures, ranging from President Ford and Vice President Nelson A. Rockefeller to Mrs. Lady Bird Johnson, Jimmy Carter, Henry A. Kissinger and a score of senators and House members, wanted to join in a Senate floor tribute to Symington Thursday morning that the opening hour had been moved up from 10 to 8:45 a.m.

Then Clark Clifford, attorney, former secretary of defense and Eagleton's "co-conspirator" in planning the party, led off:

"Stu Symington—successful businessman, holder of six separate positions in the administrative branch of our government, a member for 24 years in the greatest deliberative body in the World . . ."

Clifford lauded Symington's roles in opposing "improper secrecy" in government, his support for sound financing, and particularly his long campaign against nuclear proliferation.

"He believes that our system cannot endure unless the people are informed," Clifford said. Then, with other speakers, he singled out Symington as perhaps the person most influential in removing U.S. troops from the "morass" of Southeast Asia.

Rep. James W. Symington, D-Mo., son of the senator and known for his wit, followed Clifford:

"The reason for my being here is parent," Young Symington said.

He said he wasn't impressed by all the talk about how long people had known Stuart Symington—"I've known him all my life," the congressman said.

"And all that stuff about 'You can't catch up with your father'—fiddlesticks, he's retiring, I'm retiring."

(James Symington was recently defeated in a bid for his father's Senate seat.)

So it went, a mixture of voiced admiration, respect and humor as speaker after speaker greeted Sen. Symington and praised his record of service.

"No man has really sensed the great danger of nuclear proliferation more incisively than Stuart Symington," said Humphrey.

Then Humphrey recalled Symington's speech nominating him for vice president in 1956, and added:

"I'll tell you this, too. He will lie for a friend. He got up there and bragged on me so much, I don't know how they turned me down."

Outgoing Senate Republican leader Hugh Scott, R-Pa., spoke for the GOP and said of himself and Symington: "We're not retiring. We're just not running for public office."

Former Treasury Secretary John Snyder, retired Lt. Gen. E. R. (Pete) Quesada and other long time Symington friends joined in the salutes, until Stuart Symington himself finally stood and said:

"As Mike Mansfield has said, there is a time to stay and a time to go. For some time, I have felt it was time to go."

Symington lauded Jackson and recalled their closeness in the days they opposed McCarthyism. He praised his aide and close friend, Stanley Pike: "No man has ever had a better friend or finer associate."

He cited Tom Eagleton: "He is respected and liked by his colleagues, which is the guts of getting ahead in this body."

And then Stuart Symington quietly concluded and said he was, "in a true sense of the word, slipping over the hill." . . .

[From the Kansas City Times, Sept. 30, 1976]

Colleagues Salute Symington—Both the Man and His Career

(By Joseph A. Lastelic)

WASHINGTON—Senate colleagues and old friends of Sen. Stuart Symington, who is retiring this year, honored him at luncheon yesterday where he heard words of praise.

President Gerald R. Ford sent a letter saying Symington had "an illustrious career . . . marked with the wisdom, honor and integrity of a great statesman."

His fellow Missouri Democrat, Sen. Thomas F. Eagleton, was host, and Symington's longtime friend from Missouri, Clark Clifford, lawyer and former defense secretary, spoke at the luncheon in the Capitol. John Snyder, Treasury Secretary in the Truman administration, set next to Symington. Symington was secretary of the air force during the Truman administration.

Senator Eagleton noted that the guests and those who sent letters of appreciation included Democrats and Republicans, political candidates and judges who had one thing in common—admiration and affection for Senator Symington.

Clifford praised Symington for his work to help keep the dollar strong, his efforts to reduce improper secrecy in government, his campaign to alert this nation and others to the dangers of the spread of nuclear weapons.

Sen. Robert Byrd (D-W.Va.), the majority whip, called Symington a great senator. "He has helped to guide the destiny of this nation," Byrd said. "I believe in great measure the extrication of this country from that unfortunate, tragic war (in Vietnam) can be attributed to Stuart Symington."

Sen. Hubert H. Humphrey (D-Minn.) said of Symington, "there is no greater patriot, no finer man." Sen. Hugh Scott (R-Pa.), minority leader, said "I know no one who has the depth and breadth of experience you have."

Symington responded by saying, "There is a time to stay and a time to go," that he leaves the Senate with great regret, but with gratitude in his heart.

A period of time has been set side today for senators to make their comments on the floor in tribute to Symington for his work during the 24 years he has served.

Eagleton presented Symington with a packet of letters.

Vice-President Nelson A. Rockefeller in his letter said Symington's career was brilliant and added "that service has been marked by a broadness of vision which placed the national interest above the narrower considerations, a long view particularly apparent in your valuable contributions to American foreign and military policy."

Gen. George S. Brown said, "No matter what the national defense issue, those of us who have worked with him remained ever aware that he constantly kept the public interest foremost."

Jimmy Carter, Democratic presidential nominee, called Symington an inspiration for those who aspire to the highest elective office in this country. He said the senator has provided "a clear, incisive voice on questions of national defense and foreign affairs, and, has also represented the citizens of Missouri with compassion and strength."

Sen. J. William Fulbright, former chairman of the foreign relations committee, wrote of Symington's "wise and thoughtful counsel." Mrs. Lyndon B. Johnson wrote of her warmth and affection for the senator. Dr. Henry A. Kissinger, secretary of state, wrote "your service to this country has been long, steadfast and brilliant. We have disagreed sometimes but I have always found you a constructive and honest statesman."

Other letters filled with compliments presented to Symington came from Sen. Mike Mansfield; Clarence M. Kelley, FBI director; Melvin Laird and Robert S. McNamara, former defense secretaries; Dean Rusk and William P. Rogers, former secretaries of state; Donald Rumsfeld, defense secretary; Judge Floyd R. Gibson, Judge William Becker and Judge James H. Meredith, and Missouri members of Congress.

[From the Kansas City Times, Oct. 1, 1976]

RETIRING MISSOURIAN PRAISED—COLLEAGUES SAY "SO LONG" TO SYMINGTON

(By Joseph A. Lastelic)

Washington.—For more than an hour yesterday colleagues of Sen. Stuart Symington showered him with praise as they bade him farewell on his retirement.

The Missouri Democrat heard senator after senator recall associations of the last three decades that Symington served in government. When it ended he expressed his gratitude to his colleagues, to his staff and especially to Sen. Thomas F. Eagleton (D-Mo.) who Symington said has been like a younger brother to him. Eagleton had led off the round of short speeches.

Sen. John Stennis (D.-Miss.) said Symington's willingness to serve in government is an example for others, that he never wavered in those difficult days when the Russians launched Sputnik or during the Korean War. He called him "a great soldier." When Stennis was wounded in a holdup Symington took over as chairman of the Armed Services Committee and Stennis complimented him for "absolute faithfulness and dedication."

Sen. Henry Jackson (D-Wash.) called Symington "a pioneer in the continuing effort to forge a sensible and effective relationship between America's defense programs and its foreign, economic and diplomatic policies."

Sen. Barry Goldwater (R-Ariz.) told of Symington's work to rebuild the Air National Guard and of his fight for the B–1, the first U.S. strategic bomber. He spoke of Symington's broad knowledge that served other senators well through the years. As a friend, Goldwater said he looks forward to playing more golf and gin rummy with Symington.

Sen. Hubert H. Humphrey (D-Minn.) noted that when he had his drugstore he sold electric fans made by the Emerson Electric Company that Symington once headed, "It's another one of those blessed contacts that binds us so closely," Humphrey said smiling. He called Symington "one of America's foremost statesman," pointed out that when Symington served in the executive branch the Senate had confirmed him unanimously for six different posts. Speaking of Symington's senatorial career. Humphrey said, "in every measure for human rights, for senior citizens, for improvement of our cities you were always in the forefront, always cast your vote for the people."

Sen. John McClellan (D-Ark.) recalled that in the Army-McCarthy hearings Symington was a tower of strength and helped transform a bleak experience into a reaffirmation of faith in America, "No man has had a more distinguished career," McClellan said.

Sen. Jacob Javits (R-N.Y.) called Symington a man who respects honor and is willing to fight the President or anyone else, for his cause. "He's not intimidated by an idea or a person," Javits said.

Sen. James Allen (D-Ala.) found Symington "can truly walk with kings, yet not lose the common touch," Sen. Hugh Scott (R-Pa.) said Symington was a good neighbor in Georgetown when they lived in that part of the city, and said he appreciated their amiable and warm friendship. Sen. Charles Percy (R-Ill.) complimented Symington on a dazzling career and called him "a dear friend, a towering man of strength and courage." Sen. John Sparkman (D-Ala.) said Symington had done a tremendous job through the years. Sen. John Tower (R-Tex.) said he found Symington gentle but firm when they disagreed.

Sen. Charles Mathias (R-Md.) noted Symington grew up in Maryland and always had a special spot for the state in his heart, and said "we are proud to claim him as Maryland's third senator."

Sen. Robert Byrd (D-W.Va.) said in his actions in the Senate Symington "blended courage with wisdom" and has always understood the needs of working men and women.

Sen. Jennings Randolph (D-W.Va.) called Symington a man whose influence extends into the affairs of the world, a man of conviction, courage and compassion, "Through the grace of God," he said, "There will be a continuing place for Stuart Symington."

Many of the senators praised Symington's late wife, Mrs. Evelyn Wadsworth Symington, and their love and devotion to each other.

Mr. HANSEN. Mr. President, I pay tribute today to one of the Senate's finest and most distinguished Members, Stuart Symington.

Mr. Symington has been a politician, a statesman, a military expert, and a leader in the world of government for many years.

He has served in six high executive positions, and was confirmed every time by the Senate without a single dissenting vote. He was the first man ever to hold the position of Secretary of the Air Force. He has proven himself a worthy colleague, a worthy ally, a worthy friend, and a worthy opponent.

It has been my privilege to be associated with this man since I came to the Senate, and I am proud to say so.

Mr. Symington's expertise in the matters of the armed services has been a milestone in this body, and much of what he has done will be a guiding light in what we continue to do in his absence.

I am proud to have served with this distinguished gentleman, I am proud to call this man a colleague, and I am proud to claim him as my friend.

HIRAM L. FONG'S SERVICE ON THE COMMITTEE ON AGING

Mr. CHURCH. Mr. President, many tributes have been paid to Senator Fong this week as he nears the end of his Senate service.

Today, as chairman of the Senate Committee on Aging, I would like to pay special attention to the many contributions Senator Fong has made to that committee as its ranking Republican member.

He has held that status since September 10, 1971, but he has been a member of that committee since February 19, 1963. Throughout he has demonstrated a deep and far-reaching interest in the many matters which receive our attention.

One of his most valuable contributions was his sustained concern about the efficient operation and overall soundness of our social security system.

Another contribution is his deep concern that functional capacity—not chronological age—should determine whether a person is hired, fired, promoted or demoted. Senator Fong has been a leader in developing alternative arrangements for older Americans who want to remain active in their later years.

He sponsored legislation, for example, to remove the age-65-year ceiling for application of the Age Discrimination in Employment Act. And, he is advancing legislation to raise the delayed retirement credit under social security for persons who work past age 65 to 72 from 1 percent to 6⅔ percent per year.

Senator Fong places a high value upon work, as do older Americans.

Another valuable service has been his leadership role in the development of minority views which usually appear in the annual report of the Senate Committee on Aging. These views may differ in terms of recommendations or points of emphasis from those expressed elsewhere in our report, but I have come to regard them as an important component of the continuing exchange of opinion and facts which are needed in the essentially nonpartisan work of the committee.

That spirit of bipartisan concern about problems faced by older Americans—together with a hearty respect for their talents and experience—was very well expressed in two paragraphs of this year's minority views. They follow:

> There must be recognition that America's 23 million persons over 65 have an endless variety of personal needs and abilities: economic, physical, social, mental and spiritual—no less than do small children, teenagers, young adults, and those of middle age. Above all, there must be new awareness of the fact that the vast majority of older Americans have desire and capacities for full life participation. They have interests, skills, talents, and appetites—an undiminished zest for living. They deserve fullness of opportunity.
>
> There are many unmet needs in income, housing, job opportunities, health care, nutrition, recreation, education, and transportation to which the power of this Nation's resources, in and out of government, should be directed—always to the purpose of ending the patterns of rejection or discrimination which too often characterize society's attitude toward older persons.

We will miss HIRAM FONG on the Senate Committee on Aging, and we wish him well in all that he now does

TRIBUTE TO SENATOR HIRAM FONG

Mr. JOHNSTON. Mr. President, I would like to join with my colleagues in paying tribute to my distinguished colleague from Hawaii, HIRAM FONG.

As the last remaining statehood Senator and as the first Senator of Oriental descent elected to this body, HIRAM FONG's retirement marks the end of an era. It is an era which HIRAM himself did much to shape. His efforts on behalf of statehood for Hawaii were instrumental in his becoming his State's first representative to the U.S. Senate. He helped to write and actively supported an impressive list of civil rights and antidiscrimination laws. His work with the Senate Judiciary Subcommittee on Immigration and Naturalization is particularly noteworthy. He was the prime mover behind immigration reforms to allow more equitable treatment for Asian and Pacific peoples. As floor leader of the bill, I am well aware of the important role he played in securing commonwealth status for the Northern Marianas.

HIRAM FONG can retire to his beautiful State of Hawaii secure in the knowledge that he has left a significant legislative legacy to the people of his State and to the country he loves so dearly.

TRIBUTES TO SENATOR HUGH SCOTT

Mr. HUMPHREY. Mr. President, with the completion of the 94th Congress, one of the truly great Members of the Senate will retire. HUGH SCOTT came to Washington 36 years ago pledged to serve the people of Pennsylvania, who had elected him to the House of Representatives. He served with distinction in the House for 16 years, and has now given 20 years of outstanding service in the Senate.

His leadership capabilities have been well recognized. He was national chairman of the GOP in 1948–49, and he has served as minority leader in the Senate since 1969.

HUGH SCOTT has understood his position as minority leader well. Those of us on the other side of the aisle recognize him as a man who has diligently and effectively worked for and with his party, but also as a statesman on critical issues where a bipartisan position has been essential. As minority leader he has used his wit, gifted mind, and legal background to achieve, again and again, the agreements that have led to the enactment of major legislation.

HUGH SCOTT has worn many hats: lawyer, author, naval officer, politician, statesman, and art historian. We have all benefited from his great wealth of attained knowledge and innate wisdom.

And we will be forever in his debt for the education he has provided on the beauty and majesty of the English language which he has employed consistently with great eloquence and wry humor. Certainly, his ability to communicate effectively has on numerous occasions been of vital importance in helping the White House understand the positions of Congress on critical issues and legislation during the last 8 years.

I also think back to 1964 and 1965 when he helped lead the fight to guarantee that all citizens are assured of their civil rights. HUGH SCOTT also used his position as minority leader to help pass the campaign financing reform act of 1974—one of the major pieces of legislation in the last 30 years.

I have been greatly honored to have served in the Senate with HUGH SCOTT. But I am even more gratified to have had the privilege of his warm friendship. Muriel and I extend to Marian and HUGH our warm best wishes for many more years of happiness and fulfillment.

Mr. HANSEN. Mr. President, it is so often difficult to say again what has been said so many times and in so many ways before. But we often find ourselves wanting to say "hear hear," and add our own cheers to the throng of praise befiting a man like HUGH SCOTT.

I salute the great and distinguished minority leader from Pennsylvania for his long and effective service to this country in the House of Representatives, and in the Senate.

It has been my privilege to work beside, with, and for this man since I was first elected, and I must add that my own growth and education as a Senator has been greatly increased in having done so.

HUGH SCOTT is a man deserving of the highest praise for his life's accomplishments, not only in the seat of government, but also in the U.S. Navy, as a scholar, and as a humanitarian.

Mr. President, so much can be said, and so much has been said, of this man, that to say it again would merely be a faint echo in these great halls.

In Wyoming, and in Pennsylvania, it has always been appropriate to approach a man of his caliber, give him a firm handshake, a pat on the back, and say, "Well done."

I say now, to this man whose name will live on in the hearts of all of us assembled here, "Well done, my friend," and may others, lives be enriched in knowing you, as mine has been.

Mr. JOHNSTON. Mr. President, I would like to join with my colleagues in paying tribute to my distinguished colleague from Pennsylvania, HUGH SCOTT.

Thoughout the 4 years that I have had the pleasure of serving with him, HUGH SCOTT has impressed me with his intelligence, wit, and political acumen. He has performed his role as minority leader with unquestioned fairness and decency. It has been his fate to serve his party and his country at a time of great political trauma which would have sorely tested a lesser man. HUGH handled his position with the character, integrity, and skill which have marked his entire career.

His legislative record is one which any Senator would be proud to have. His accomplishments in civil rights, aid to the elderly, consumer protection, and crime control will serve as an impressive legacy for the country he loves.

When the next session convenes, we shall all miss his charm, his wit, and his good nature on the Senate floor.

TRIBUTES TO SENATOR PHILIP A. HART

Mr. CURTIS. Mr. President, Senator PHILIP HART will leave the Senate with the respect and good wishes of all 99 of his colleagues plus the multitude of people who have watched his work.

I will leave it up to the biographers and to those who were associated with Senator HART, to speak in detail about his distinguished service. I know Senator HART to be an honest, dedicated and faithful public servant. He remains steadfast to his principles and his economic and political philosophy. He does not waver. He does not play both sides. He does win the respect of those who disagree with him. In addition to all of that, he is a kind, gentle man. The rush of business and the many duties that he is called on to perform never cause him to be anything but patient, polite, and a perfect gentleman.

Mr. ABOUREZK. Mr. President, I have served in this body for only 4 years, but I have respected and admired PHIL HART ever since I first heard of his work for American consumers.

PHIL HART has shown that a decent and honorable person can be elected to the Senate, fight vigorously for what he thinks is right, be in the forefront of some of the most controversial issues ever to come before the Senate and leave without being tainted.

And, just as importantly, PHIL HART is leaving the Senate with the same positive attitude, the same diligence, the same honesty, the same decency he brought to the Senate in 1959.

I consider it a special privilege to have had an opportunity to serve in the Senate and on the Judiciary Committee with PHIL HART and to work closely with him, particularly on antitrust legislation. The Antitrust Improvement Act, signed into law just this week, is certainly one of the many tributes to this great man from Michigan.

In the face of pain from his illness, PHIL HART has worked calmly and kindly in the Senate. In the face of bitter division over the Antitrust Improvement Act, PHIL HART remained calm and counseled for reason to prevail. Over the years, in the face of being in a minority position many times on causes he has championed, PHIL HART has remained persistent and dedicated.

It is popular right now to criticize the Congress. But I sincerely hope that all Americans know that PHIL HART has served this Nation and his State in the most honest and decent manner.

We are fortunate as a people to have produced leaders like PHIL HART.

Mr. DURKIN. Mr. President, I would like to take a few moments to pay tribute to "one of those who goes forth before the daylight."

Carl Sandburg wrote that line. He meant it to describe the policeman and the milkman and the street cleaner who have been long at work when the rest of us reach for the alarm clock thinking we are about to make a great sacrifice in rising.

In a more general sense, Sandburg was writing of those few gifted individuals who awaken to the power of an idea or the relevance of an event long before the mass of their fellow men—those few among us who are out front both because they are courageous and steadfast, and because they have the vision and sensitivity to see further into the future than the shortsighted among us.

Senator PHIL HART is one of those who goes forth before the daylight. He has recognized and studied an issue long before his colleagues realize its relevance, its importance, or its political mileage. He works quietly while others sleep. And when others awaken to that relevance, importance, or political mileage, PHIL HART has usually slipped quietly away, taking no credit for himself but taking away no credit from others.

When I was running for the Senate more than a year ago, newsmen would often ask which Senator I most admired. It is a standard question for candidates and Senators, and there is, I have discovered, a standard answer: PHIL HART.

We admire his courage, his foresight, his peristence. We respect his judgment and his code of ethics. We envy the political savy which brings him popularity enough to defend school busing in a State where busing is a buzzword, enough to gain respect of both auto makers and auto unions alike. We stand in awe of his honesty and his integrity in a business which is stacked against them. We appreciate his thoughtfulness.

I am sorry that my late arrival at the Senate and PHIL HART's health prevented us from getting to know each other better. Like many on the outside, I will know him mostly as an ideal and as a model of a public servant.

One of Robert Frost's most famous poems ends:

> I shall be telling this with a sign
> Somewhere ages and ages hence;
> Two roads diverged in a wood, and I—
> I took the one less traveled by,
> And that made all the difference.

No other Senator in our time has better right to retire with that thought in his head, that satisfaction in his heart, than Senator PHIL HART.

Mr. HUMPHREY. Mr. President, it is with gratitude and a great sense of sorrow that I join today in bidding farewell to PHIL HART. Having served with him in the Senate for many years, I believe I speak for many of our colleagues when I say that he leaves us with great respect and, may I say, humility—humility that has rubbed off from this man who has avoided the limelight of public attention yet who has left his mark printed indelibly on the character and substance of the Senate.

PHIL's achievements in the areas of consumer protection, the environment, and civil rights will stand as tributes to his tireless efforts to protect individuals and the wonders of nature they revere from the encroachment of government and powerful interests.

His accomplishments often have been of the "ground-breaking," "behind-the-scenes" type, often receiving little publicity.

But those of us who have worked so closely with him over the years know of his principal role in enacting most of our milestone consumer legislation such as the Drug Safety Act of 1962, the Truth-in-Packaging Act, and the Truth-in-Lending Act. He has also worked hard in the area of environmental protection and cosponsored the landmark Environmental Protection Act. He has been responsible for adding tens of thousands of acres to Michigan's protected parks and forests, insuring that generations from now Americans will be able to enjoy the natural areas we cherish today.

One of the most memorable experiences of my own career was passage of the 1964 Civil Rights Act. During that turbulent time, PHIL HART was right there, and with the help of a sympathetic administration and the tireless efforts of many of our colleagues, we were able to win enactment of that landmark legislation. The next year, it was my privilege as Vice President to work closely again with PHIL in the passage of the Voting Rights Act of 1965, which since has been extended twice, in 1970 and 1975. PHIL served as floor manager for that legislation, which is widely regarded as the most successful civil rights bill ever passed. His skills as a strategist and a leader have been tested and proved numerous times in civil rights and other areas of constitutional protection.

As chairman of the Subcommittee on Antitrust and Monopoly, Senator HART has been a foremost defender of the free enterprise system. Recent passage of the Antitrust Improvements Act of 1976, which bears his name, is a testament to his persistent, tireless, and dedicated efforts to improve the procedures available for enforcement of antitrust laws. His efforts have added immeasurably to government efforts to promote competition by preventing massive economic concentration.

PHIL HART is a good man—an honest man. It will remain for history to discover every aspect of his contributions to the public interest, for PHIL HART could never be accused of blowing his own horn too loudly. His is the quiet, consistent variety of effectiveness. His absence will leave a void that is unlikely to be filled for many years to come.

He is a friend, and I will miss him. Mrs. Humphrey joins me in wishing for PHIL and Jane the very best of life's blessings.

Mr. HANSEN. Mr. President, when paying tribute to a man like Senator HART, it is difficult to keep an objective viewpoint about his accomplishments, abilities, and attributes.

PHIL HART has been a leader for many years in protecting the rights of the consumer, and in passing legislation to do this.

Since I have been in this distinguished body, I have found him to be a worthy adversary in areas where we disagree, and a welcome ally where we did agree.

But, on one thing the distinguished Senator from Michigan and I will always agree; that every man, woman, and child in this Nation deserves the same rights as we would accord ourselves.

Senator HART has been instrumental in protecting the rights of the minority, also, and in preserving human rights.

Knowing his concern and his dedication to his position, it will be difficult to replace him as we must push ahead to new times and new issues.

But in doing so, his knowledge which he has lent us, his abilities which he has taught us, and his concerns which he has given us, will serve as significantly in preserving his voice as if he were always on the Senate floor.

Senator HART deserves the praise of this body for his outspoken methods, and his modesty in his accomplishments.

But, most of all, Senator HART deserves the friendships, thoughts, and prayers of every Member of this Senate.

SENATOR PAUL FANNIN

Mr. SYMINGTON. Mr. President, one of the more pleasant aspects of my time in the Senate is the respect and affection developed over the years for my friend Senator PAUL FANNIN of Arizona.

Over the years I have shared with him his growing concern, his warnings about such vital matters as inflation, the energy crisis, pollution, and foreign trade.

Many years ago it was my privilege to run cattle in his State; and although that is no longer the case, I still have many friends in the Tucson area. All of them speak with respect and affection about their three-term Governor who has been here with us in the Senate since 1964.

We will miss PAUL FANNIN, an outstanding public servant, and I wish him and his family every good wish for health and happiness over the years to come.

Mr. HANSEN. Mr. President, no one has been a better friend to me during my years in the Senate than PAUL FANNIN. Contemplating the fact that he will be leaving us soon to return to the State he has so ably represented makes me sadly aware of the enormity of my debt to him.

I have recently reviewed the tributes paid to retiring Senators of previous Congresses and of this Congress, and have reflected that PAUL shares many noble qualities with them He, like others who have preceded him, is a man of unfailing integrity and decency. He is hardworking, he is industrious, he has been willing to take on great challenges and emerge triumphant, yet still modest, always giving thanks to those who helped him.

Like many of his predecessors, he is a leader. He has had the ability to see the needs of the people and work to meet those needs. In that context, I think immediately of the great development of the State of Arizona while he was Governor. I think of his work in staving off the repeal of section 14-B of the Taft-Hartley Act, thus assuring the strength of the right-to-work concept. I recognize, too, his responsiveness to State needs in securing legislation to benefit the Indians, and to set in motion the tremendous central Arizona project.

A quality Paul shares with other leaders is that he is a man whose life has been built on a long sequence of success. Success has brought power with it, but Paul has never abused that power. He has rather worked quietly, with tact and gentle persuasion, to achieve worthwhile ends. The quality which is the foundation of Paul's success is his great imagination in dealing with issues. He long ago perceived the reality of an energy crisis, and has been a leading advocate of domestic energy development. No one in the Senate is more knowledgeable on energy matters than Paul, and his expertise in solar energy is unrivaled.

But, as I have noted, these qualities of industry, leadership, success, imagination, and integrity are not unique to Paul. But what I can say of Paul that is, I think, unique, is his ability to serve as a model for us all. Paul and I have literally sat side by side for several years as we have worked in the Interior and Finance Committees. Paul has always been an example to me. He has always interrogated witnesses with an aim to learn facts, never to embarrass or humiliate or grind an ax. He has always respected the views of other Senators and has never tried to force an ideology on those who differed with him. As I have sat with Paul over the years, he has reminded me of the value not only of a sense of humor, but of simple, good natured resolution. During the recent tax reform conference, with its long hours and complex issues, Paul did not complain or snarl, but simply kept to the task at hand.

Sitting side by side with Paul over the years has reminded me of the strength that comes from shared viewpoints. Like the larger legal and judicial system, the legislative process is also an adversary system. We debate, we argue, we become zealous advocates, But with Paul, I have had the rare opportunity of sharing a view of life in our country, and of the quality life in the great American West, a pride in our enterprise system, a faith in the American people and a reliance on Christian principles. I have often taken great solace in Paul's commitment to this shared view of life. In this great body, where politics are the order of each day, I have come to regard my trusted friend Paul Fannin as a man politic, with the decorum, dignity, and scrupulous honesty that term implies.

Martha and I have spent many happy hours with Paul and Elma Fannin. We will always remember these pleasant times. We look forward to sharing many more happy occasions with them. The Fannin's are wonderful people whose friendship we cherish. As they prepare to leave Washington for their home in Arizona, we extend to them our thanks for all they have done for their country and our hope, that the future will bring great happiness and good health.

RESPONSE OF SENATOR FANNIN TO TRIBUTES IN HIS BEHALF

Mr. FANNIN. Mr. President, the kind and generous remarks made by my colleagues on the occasion of my retirement from the Senate have left me deeply touched. Although it surely must have been said by every Member who was about to retire from this body that looking back on the experience in the Senate results inevitably in mixed emotions there is a sense of loss in coming to grips with the fact that during succeeding years the retiring Member returns as a visitor to see his old friends; no longer as a continuing participant.

But, on the other hand, there is the positive side for those who are grateful for the opportunity of having been able to be associated with the Members of this U.S. Senate. Amidst the blurred memory of thousands of floor votes and several thousand more votes in committees and the maze of problems, issues and crises, certain experiences stand out above the rest for each Member.

My colleagues did me great honor by calling attention to many of these fine memories. Eight years ago I recall the satisfaction of having participated in the development of the legislation which created the central Arizona project. From that project Arizona benefited immensely. As my able colleague and esteemed Interior Committee chairman, the Senator from Washington, pointed out on the floor a day or so ago, had it not been for the assured water supply, people of Arizona would not have been able to experience the phenomenal growth which has taken place in our State.

Other memories called to my attention by our able chairman include various bills which have been helpful to our Indian communities. I remember the privilege of having been an active supporter of the Indian Self-Determination and Education Assistance Act. Also I was pleased to be able to cosponsor and support the Indian Health Care Improvement Act just signed by the President. It was also a privilege to participate in the development of the Indian Finance Act which provided major new sources of credit for the Indian community.

In recent years our national energy crisis has required much time and attention on the part of the Congress. As our chairman pointed out, I was pleased to join him in a truly bipartisan effort to develop several bills which in years may be regarded as landmark legislation. One of the bills that comes to mind is the Federal Nonnuclear Research and Development Act, which was signed into law on December 31, 1974. This legislation, in conjunction with the act which created ERDA and subsequent ERDA authorization legislation, provided the statutory cornerstone for the development of Federal programs and policies which hopefully will lead us down the pathway to ultimate energy self-sufficiency. Certainly not to be forgotten is the Geothermal Energy Research, Development, and Demonstration Act signed into law on September 3, 1974. It remains my hope that this bill will stimulate the development of geothermal energy, which in turn will be converted to the generation of electricity. From the heat of the Earth we may find the power to run our machinery and illuminate our homes and offices.

The chairman was particularly flattering when he suggested that I took a lead in making Arizona one of the leading, if not the leading, solar energy States in America. Not only have I been pleased to work with the Energy Research and Development Administration toward expediting the development of solar energy in Arizona, but additionally I have been pleased to have been able to provide some of the effort which resulted in the successful passage and enactment into law on October 26, 1974, of the Solar Energy Research, Development, and Demonstration Act, as well as the Solar Heating and Cooling Demonstration Act which also was signed into law in 1974.

In addition to working on energy bills related to the activities of the Department of the Interior, the Energy Research and Development Administration, the Nuclear Regulatory Commission, and the Federal Energy Administration, I have had the privilege of associating with the leaders appointed during the past two administrations to manage these agencies. I was pleased to initiate a series of regular monthly meetings in which we worked out together, along with the energetic support of the other minority members of the Senate Interior Committee, major positions on key energy legislation and key programs to be administered by those agencies. I know that my successor will continue this tradition which, to my great satisfaction and pleasure, has resulted in substantially improved communications between the Congress and the agencies which execute the energy policies laid down by the Congress. There were many other energy bills we worked on together during the past 4 years. I was pleased to be associated with most of them which finally became law.

But it would not be fair to suggest that there were not times of bitter and sustained struggle during recent years concerning many of the bills that were actively promoted and fought for by our friends on the other side of the aisle. Rather than mention them each by name and number, I would prefer to address one of the major problems which was common to each. Perhaps the occasion on which I expressed one of the major themes affecting national energy policy took place on the Senate floor on December 17, 1975. I recall stressing:

As to national energy policy, there is not a member of this body who would disagree that our three primary national goals regarding the petroleum sector of our energy economy are to: first. Step up domestic production; second. Reduce consumer demand; and third. Reduce the level of our oil imports.

These are our goals, and I feel that there is not a member of this body who would dispute that prices for domestically produced oil have a very influential bearing on the extent to which each of these three goals will be achieved. The relationship between supply and price was eloquently articulated in this classical quotation from the writings of Milton Friedman. He said:

"Economists may not know much, but we do know one thing very well—how to produce shortages and surpluses. Do you want to produce a shortage of any product? Simply have Government fix and enforce a legal maximum price on the product which is less than the price that would otherwise prevail. Do you want to produce a surplus of any product? Simply have Government fix and enforce a legal minimum price above the price that would otherwise prevail.

Too many of us in this body tend to close our eyes to the fact that when the Federal Government intervenes in the marketplace by thrusting upon it a regulatory morass coupled with price controls, the result cannot help but be exactly what Professor Friedman said it would be. At that time our opponents said that nothing was so important as controlling inflation and nothing was so important as the need to regulate petroleum prices. That inflation was a factor cannot be lightly dismissed, but there was another factor, too, and that factor was and still is our national security. In 1974 the United States was importing 7 percent of its oil—6.2 million barrels a day—from the Persian Gulf and north Africa. As of June 1976 this level had reached 7.2 million barrels a day, which equals 34 percent of all U.S. oil imports. The countries exporting this oil to the United States are members of the Arab oil exporting countries. Their exports to the United States have increased by five times what they were in 1974. The trend is bound to continue.

Looking toward the future and the ever-increasing possibility of another oil embargo, this Nation is sadly faced with but two alternatives. One is to become self-sufficient in energy as soon as possible and the other is war. War is by far the less desirable of the two alternatives. But unless energy self-sufficiency in America can become a reality, war may be the only alternative. Accordingly, I urge my colleagues to think long and hard about the impacts of price controls and massive regulation which have been made an integral part of several bills now law and will undoubtedly be the object of repeated attempts in subsequent legislation to expand such price controls and regulations.

Although the natural gas legislation considered by this body did not emanate from the Interior Committee, I was pleased to have been very active in its consideration. Here too is another example of our often shortsighted attempts to produce something for nothing; to produce more natural gas and pay nothing for it. It was really a sad reality to recognize that neither this body nor the other body was able to reach agreement on any constructive legislation designed to stimulate natural gas supplies. The history of Federal Power Commission regulation of the price of natural gas sold in interstate commerce has been one of the laughingstocks of the world. Fortunately, the Federal Power Commission finally worked up the courage to take administrative action which hopefully will provide some of the incentives needed to rapidly expand our search for new supplies of natural gas. I stress that in the oil and gas area the shortsighted legislation considered by this Congress cannot help but reduce rather than expand our domestic energy supplies. It cannot help but lead to greater oil imports and the ever-present threat of a renewed embargo.

Looking back to that floor discussion on December 17, 1975, and looking ahead to America's energy future, I cannot help but recall asserting that the legislation we were then considering could set the stage for nationalization of the U.S. petroleum industry. A glance at the history of nationalization in England tells why.

Following the Labour Party's victory in the 1945 elections, the new Government established a nationalization planning operation called the Committee on the Socialization of Industries. From this was soon given birth the bills nationalizing coal, electricity, gas, and other industries. The Labour government was substantially aided in its implementation of its nationalization program by virtue of the fact that strict price controls instituted during World War II were still in effect when Labour took over in 1945. It is to be recalled that the price controls instituted during World War I in Great Britain gave the Labour Party great impetus in its almost successful effort following that war to nationalize coal.

Price controls, regulations pertaining to procedures for wage bargaining leading to higher incomes for the labor forces, and other regulations imposing higher costs on the operation of various industries all led to a situation of chronic underinvestment of capital. It simply became more difficult for management to generate sufficient income to reinvest and, under the circumstances, borrowing sufficient additional capital was prohibitively expensive. Caught between an economic rock and a hard spot created by Government policies, businesses were run into the ground. They had considerable difficulty sustaining themselves as viable commercial institutions within the British economic climate and substantially greater difficulties competing in world trade. As a result, management's will to survive was significantly eroded and therefore its political resistance to nationalization became progressively weaker.

One of the greatest fears that I have about America's energy future is that many in the Congress will unwittingly be led down the primrose path into supporting a series of bills which taken together cannot help but result in ultimate nationalization of the energy industry in America.

As I reenter private life I intend to continue my interest in the energy programs. It is my hope to continue my work with Congress on this vitally important effort and to assist in any way I can to help this country achieve energy independence.

Mr. JOHNSTON. Mr. President, I would like to join my colleagues in paying tribute to my distinguished colleague from Arizona, PAUL FANNIN.

During the past 4 years which he served as ranking minority member of the Interior Committee, I have had the pleasure of serving with him. He has impressed me as being a man of integrity and character, eminently fair and reasonable. He has gained the respect and affection of all who have served with him.

The history of his service on the committee is one of accomplishment. He has been a leader in the field of energy legislation and played an invaluable part in the development of what national energy policy we have today. His leadership in the area of geothermal energy was particularly effective, as evidenced by the passage on September 3, 1974, of the Geothermal Energy Research, Development, and Demonstration Act, of which he was one of the principal cosponsors.

PAUL FANNIN has been a leader in the area of solar energy as well. And it is largely through his efforts that the slogan, "Arizona—the Solar Energy State," has taken on genuine meaning. His efforts in the passage of the two principal solar energy bills—of 1974 and 1976—were crucial.

He can be justifiably proud of his efforts on behalf of Indians in his own State and throughout the Nation. He played an important role in the enactment of the landmark Indian Self-Determination and Education Assistance Act as well as a number of other significant pieces of legislation affecting the quality of Indian life in this country.

PAUL FANNIN can retire secure in the knowledge that he has served his State and country well, as a three-term Governor and as a two-term Senator. He leaves behind him an impressive record of accomplishments and the affection of all those who have had the pleasure of working with him.

THE IMPACT OF COLOR TV IMPORTS

Mr. EAGLETON. Mr. President, I would like to direct the attention of my colleagues to the problems of the American color television industry. Although color television is currently the largest single consumer electronic product by dollar sales volume, the domestic industry is facing a deteriorating market situation because of the sharp rise in imports of color television receivers.

Petitions filed before the International Trade Commission allege that Japanese companies have engaged in unfair methods of competition, specifically direct Government subsidies and indirect relief through tax incentives for exports enabling these companies to price their products below fair market value. I believe strongly in expanded world trade, but I also feel that fair practices should be followed. I am asking the International Trade Commission to make every effort to bring the facts of this situation to light, and if serious injury is found, to recommend a meaningful plan of action to assist the industry and the workers who have lost their jobs due to this changing market situation.

Mr. President, I ask unanimous consent that a letter which I am sending to Mr. Will E. Leonard, chairman, International Trade Commission, regarding the petition of the Committee To Preserve American Color Television be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., September 30, 1976.

MR. WILL E. LEONARD,
Chairman, International Trade Commission, International Trade Commission Building, Washington, D.C.

DEAR MR. CHAIRMAN: The deteriorating situation of the American color television industry has recently come to my attention. In the first half of 1976 imports of color televisions constituted 27.0% of the domestic market; for the same period in 1975 the import share was only 14.1%. In July of this year alone imports were triple those of July, 1975. This trend has had a serious impact on the color television industry and 65,000 American jobs. In a Springfield, Missouri plant the peak employment was over 4,000 in 1973, and now only 2,300 jobs have been retained; 42% of the work force in this plant was laid-off. This shift could even more drastically affect the continuing employment level in this industry.

I have always believed strongly in free trade, but if other countries discriminate against our products and subsidize exports, a great injustice is perpetrated against American industry and workers if we fail to intervene. I do not presume to make a preliminary judgment in this case, but I ask you and your staff to give the petition being filed by the Committee to Preserve American Color Television your most serious consideration.

Sincerely yours,

THOMAS F. EAGLETON,
U.S. Senator.

CLOSED TV CAPTIONING FOR THE DEAF

Mr. SPARKMAN. Mr. President, on behalf of my 231,000 constituents in Alabama with hearing impairments, I am pleased that the Federal Communications Commission—FCC—is now considering a petition for proposed changes in FCC rules from the Public Broadcasting System. These changes, if approved, would bring about meaningful access to the television media for over 13.4 million hearing impaired Americans. The petition asks for allocation of line 21 on the television screen—a nonvisual line above the TV picture—to provide closed captioning coverage. Closed captioning is the process by which subtitles for television shows can be broadcast so that they are only visible on sets equipped with a special decoding device.

This method of transmission allows hearing impaired persons to enjoy more fully and to take advantage of television programing. Unlike open captions which appear on all TV screens, whether desired or not, closed captions are hidden in the picture and cannot be seen without the utilization of a special decoding device, avoiding any interference with the rest of the viewing audience. As the FCC indicates in the proposed rules (RM–2161), mandatory open captioning is necessary for the transmission of emergency information to ensure maximum communication to everyone.

Television, the major communication media in the United States, has become an integral part of the American way of life. The hearing impaired, however, have been unable to fully enjoy the benefits of TV which should be made available to all who desire to enjoy it. If the technological means are available to make it a richer experience for a large number of Americans with hearing impairments, then it is incumbent upon the broadcasting industry to provide the improved coverage.

The technological means are available to provide closed captioning and the deaf and hearing impaired community has indicated a strong interest in this improved means of TV coverage. Why, then, should not the FCC promptly approve the PBS petition? The petition has drawn the opposition of all three major commercial television networks, even though the petition includes no provision requiring the networks to provide closed captioning. Rather the petition makes line 21 available for closed captions for any network or station which chooses to make the service available to their viewers.

The primary reasons cited by the networks in opposition to the petition are that, first, further study of the PBS proposal is needed; second, the line 21 space should not be permanently used for closed captioning as the valuable space should be saved for future uses; and, third, that the costs of implementing closed captioning are too great.

Studies and development of closed captioning by PBS as well as experiments with public broadcast stations are proof of the viability of the method. The deaf and hearing impaired have waited 30 years for full enjoyment of TV coverage. Any further delay to over 13 million Americans for some unknown future use of line 21 is not justified. If little use should be made of line 21, the FCC could certainly withdraw reservation of the space.

The cost question for the broadcasting industry involves the initial capital investment for the closed captioning equipment and the cost per hour of broadcasting closed captions. While cost to the broadcaster is a significant factor, the broadcasters have an obligation to provide coverage to the entire audience and must make some reasonable factor to ensure it. The cost of decoders to the hearing impaired viewers is estimated by PBS to be about $100 each if manufactured in quantity.

The FCC will be considering the PBS petition again soon. The need for, and effectiveness of, closed captioning has been demonstrated. The FCC should now demonstrate their responsiveness to the public need by approving the petition.

FEDERAL ENERGY ADMINISTRATION STUDIES THE BOTTLE BILL

Mr. HATFIELD. Mr. President, the Federal Energy Administration today released their long-awaited report on the energy and economic impacts of a national returnable beverage container system similar to legislation that I have sponsored in the Senate. The results and conclusions contained in this study are very encouraging.

It is reported that cans will continue to have a significant share of the market in beverage containers and that there will be significant reduction in materials use and energy consumption. Based on a return rate of 10 trips for refillable bottles—and it is conceivable that the rate could be higher as it has been in Oregon—we could save about 81,000 barrels of oil daily by 1982, which is about 44 percent of the total energy that will be used by the entire beverage container industry.

An increase of 156,000 jobs is forecast primarily in distribution and retailing, against a decrease of about 38,000 jobs in the container and metals industry, leaving a net increase of about 118,000 jobs. This is a 32-percent increase in total employment for beverage-related industries. Total labor income would increase by $879 million or 22 percent.

This reflects the experience we have had in Oregon with our own bottle bill, and presents favorable prospects of success for a national system. This system can and does work, and the FEA study bears this out.

During the next session of the Congress I intend to reintroduce my national bottle bill, and based on this new report and other data that we already have, I hope that we can lay to rest the fears of those in the Congress and others who wanted more studies prior to taking action on this issue. Now is the time for this country to follow Oregon's lead in reducing litter, conserving energy, and saving other valuable natural resources.

Mr. President, I ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

ENERGY AND ECONOMIC IMPACTS OF MANDATORY DEPOSITS

EXECUTIVE SUMMARY

Overview

The subject addressed by this study is the impact of proposed mandatory national beverage container deposit legislation—commonly referred to as "bottle bill" legislation. The study examines specific impacts that the imposition of a 5-cent refundable deposit on all beer and soft drink containers (refillable bottles, nonrefillable bottles and cans) would have on the total beverage related industry.

The study is not a comprehensive cost-benefit analysis of mandatory deposit legislation, but rather examines three major areas of potential impact. These impact areas are 1) changes in annual energy consumption, 2) changes in capital investment requirements (in terms of fixed plant and equipment), and 3) changes in labor requirements (in terms of jobs and earnings). These impacts are developed for those industries in the total beverage system that would be most affected by changes caused by a mandatory deposit. The industries included are: retailers, beverage producers and distributors, container manufacturers, and producers of basic steel and aluminum.

It is important to recognize at the outset that this legislation would not ban any specific container type. Rather, it would create an incentive for consumers to return all types of empty beverage containers for a deposit refund. However, the response of consumers to the deposit incentive (and its requirement to bring containers back) is expected to cause shifts among the types of containers sold.

To develop the potential impacts, the report first projects energy, capital and labor requirements of the beverage industry assuming no deposit legislation is passed. These baseline projections are then compared to projections of what might happen after a deposit law. Results are reported for a 1982 steady-state situation, assuming that: 1) a law would be implemented in the late 1970's and 2) by 1982 transitory effects will have been dissipated.

Organization

The report is composed of a summary, three primary chapters and 13 supporting appendices.

Due to the controversial nature of this subject an early draft version of this study was sent to various individuals—in other government agencies, industry, labor, environmental groups, research, and to other knowledgeable and interested persons—for critical review and comment. Their comments and suggestions have been incorporated whenever possible in this final report. For the interest of the reader, these extensive comments have been printed verbatum in Appendix L of the study. Specific questions and issues brought out by these comments are addressed in Appendix M. For any reader not fully aware of the controversy this issue has generated, we suggest a close reading of these appendices.

Approach

The impact of a deposit law depends primarily on two factors: the *technical* interrelationships between container types and their respective requirements for energy, capital and labor; and the *behavioral* (market) responses of producers and consumers to the deposit incentive to return the empty container.

Data does not exist to estimate the energy, capital and labor requirements of the beverage container system as a function of the total beverage consumed in each specific type of container (based on a specific trippage of refillable bottles and return rate of cans). This study has identified and measured the technical requirements associated with the production and use of each container type. This was done starting with mining the raw materials and continuing through manufacturing, use and disposal of the container, including a loop for recycling or reuse as appropriate.

The behavioral/market response determines the extent and direction of any impact caused by a deposit law. Unfortunately no data exist to predict with any degree of accuracy what the market response to a deposit law is likely to be. However, it is assumed that under a deposit system the market share represented by nonrefillable bottles will fall to zero since, to the consumer, there is no intrinsic difference between a one-way bottle or a refillable bottle when both have an associated deposit. Because cans, on the other hand, are intrinsically different from bottles, being lighter weight, easier to stack and not subject to breakage, it is believed that cans will continue to have a significant share of the market.

What has been done is to establish a set of parameters from which many possible market responses can be evaluated. Three parameters essentially capture the total behavioral market response. These are: the can market share, the can return rate, the refillable bottle return rate (proportion of containers returned) or trippage. Each scenario of possible market responses can be described by a unique set of parameter values

General findings

The continuation of current trends in the beverage industry without the imposition of a deposit law will mean that in 1982, the base year for which impacts are examined, that the production and distribution of beverage will require 383 × 10^{12} Btu's of energy (about one-half of one percent of the Nation's total energy consumption), $7.3 billion in capital investment, and 369,000 jobs yielding $4.1 billion in labor earnings.

A deposit law could change these projections since the refillable bottle system, when the bottles are returned, is a comparatively labor and capital intensive system; the nonrefillable bottle and can systems are relatively materials and energy intensive. Therefore, any market shift toward refillable bottles with the bottles returned would tend to reduce materials and energy usage while increasing capital and labor requirements. Shifts toward nonrefillable bottles and cans would tend to have the opposite effects. The increased usage of recycled materials or increases in refillable bottle trippage would tend to reduce the amount of materials required and conserve energy resources for the total beverage system. Over time the technological innovations are reducing per-unit energy, labor and material requirements for all container types. The parametric curves displaying the potential impacts of the deposit legislation have these innovations embodied in them. Beyond these general statements the impact of a deposit law will depend on the extent and direction of the behavioral response.

Parametric relationships

Figures 1 through 5 present the three impacts examined in the study: figure 1, energy; figure 2 capital; figures 3, 4 and 5 labor. Because the impacts are not identical for beer and soft drinks, the impacts are presented for each beverage. To obtain the total impact of beverage container legislation the impacts for beer and soft drink must be added together. The curves are all parametric, showing the impact as a function of the can market share and the container return rate. In order to minimize the number of curves that would have to be displayed, the bottle and can return rates have been assumed to be identical. The subsequent paragraphs discuss the rationale for this assumption.

Figure 1 presents the net energy impacts of the beverage container legislation. This figure can be read, as all the other impact figures, by selecting a can market share and a container return rate. The figure is entered on the x (horizonal) axis at the can market share assumed after a deposit law is passed. A vertical line is projected until it intersects with the container return rate selected. A horizontal line is projected from the intersection point to the y (vertical) axis to read the impact. Figure 1, as all the impact curves, shows what the estimated 1982 can market share is projected to be without a deposit law. The numbers ① and ② on the curves correspond to two illustrative scenarios (discussed below) that are used as a means to aid the discussion in subsequent paragraphs.

The wide range of impacts at the extremes of the possible market responses point out one reason why this legislation has been so controversial. Figure 1 shows that under differing scenarios the energy impact could be either positive or negative. At one extreme, if all consumers switched to refillable bottles (a zero can share) and discarded them (a zero return rate) energy consumption would increase by 322 × 10^{12} Btu annually or 155,000 barrels of oil equivalent daily. (This value is obtained by entering figure 1a (the beer panel), at the zero can share point and the zero return rate reading 100 Btu × 10^{12} on the y axis and adding it to the 220 Btu × 10^{12} that is read in a similar manner from the soft drink curve). At the other extreme, if all consumers switched to refillable bottles and always returned them, energy consumption would be reduced by 292 × 10^{12} Btu annually or 141,000 barrels of oil equivalent per day.

Neither extreme is realistic. If all refillable bottles are discarded, producers would find it cheaper to package in one-way containers because unless refillable bottles are returned several times, they are more expensive to use. The other extreme is also unrealistic since some bottles will be broken or chipped and some consumers will not return bottles under any circumstances.

The format for figures 2 through 5 is similar to that for figure 1. In figure 2 the net change in the value of the capital stock for each post deposit law can market share—container return rate combination is shown. Figure 3 presents the net aggregate employment impacts.

Because jobs are gained in some industries and lost in others, aggregating the industries, as was done in developing figure 3, masks the impacts on the individual industries. Therefore, figure 4 presents the net employment impacts disaggregated into each of the six industries considered: glass container manufacturers, can manufacturers, steel manufacturing, aluminum manufacturing, beverage production and distribution, and retailing. These impacts are presented only for the extreme return rates; both beer and soft drinks are shown in the same panel. It is assumed that workers within any industry are substitutable, for example, the same worker can make a one-way bottle or a refillable bottle. In one case, 4f retailing, employment is insensitive to the market shares, and only sensitive to the return rate. Figure 5 is the complement to figure 3. It shows the net aggregate impact on earnings.

Illustrative scenarios

This study uses two illustrative scenarios to indicate how to use the parametric curves. The scenarios were chosen to avoid extreme values and provide the reader with two complete estimates of the impact of a deposit law that fall within the broad range of what can be considered to be a reasonable behavioral response to beverage container legislation. However, the reader is again reminded that figures 1–5 provide the vehicle for examining the impact of any scenario.

To place the behavioral responses assumed for the two illustrative scenarios into perspective, and to allow the reader some insight for making his own assumptions, a few observations are first in order.

Key behavorial parameters

(1) Refillable Bottle Return Rate—Currently this rate is about 0.9 or ten trips per bottle. It has declined over time. When the refillable bottle was the primary container, trippage rates of 30–40 were reportedly obtained. Two offsetting factors have to be evaluated to estimate the impact that a deposit law would have on trippage. First, since all stores would accept bottles back under a deposit law the ease of returning the bottles would be greatly increased thus suggesting a higher trippage. Second, present one-way container purchasers who switched to refillables might still be inclined to discard them which would argue for lower trippage. The assumptions chosen for the two illustrative scenarios, continuing today's trippage rate or reducing trippage by half seem to fall within a reasonable range of expected outcomes after a deposit law is in place.

(2) Can Return Rates—In most of the nation there currently are collection centers for the recycling of aluminum cans. Aluminum can collection centers, offering three-fourths of a cent per can, today receive approximately 25 percent of all aluminum beverage cans sold. The aluminum industry projects this rate to continue increasing rapidly in the future years. In the state of Oregon, which has a deposit law, about 70 percent of all cans are returned.

Under a national law the can return rate will depend on a number of key factors. Since individuals currently purchasing cans generally value the convenience of immediately discarding the container, low return rates would be obtained if this behavior continued. However, from a convenience standpoint, cans should be easier to return than bottles, since they are lighter and require less space. In addition, since cans may be returned even in a damaged condition, it will be relatively easy for scavengers to collect cans from waste or litter. Thus, while it is possible that a greater proportion of cans than bottles would be discarded by the initial consumer, it is also possible that the can return rate could be higher than the bottle return rate. With this background, the assumptions used in the illustrative scenarios—80 or 90 percent returns—seem to fall within a reasonable range of future (1982) expectations. Any return rate from zero to infinity can be found using the parametric curves. However, the parametric curves presented in the study tie the can and bottle return rates together, under the assumption that the consumer or scavenger will generally return either container at approximately the same rate.

(3) Can Market Share—By 1982 the can market share is projected to be 59 percent. With the imposition of a deposit law, and the likely (and assumed for this report) demise of nonrefillable bottles, the can market share could either rise or fall. Nonrefillable bottle consumers may switch to purchasing cans. This could lead to continued growth in can sales. In addition, since can makers and beverage producers currently have a large capital investment in equipment dedicated to handling cans, the bulk of which cannot be shifted to other uses, they will no doubt face significant incentives to maintain the can as a competitive container in the beverage market. Arguing for a lower can share is the fact that the imposition of a deposit will require can consumers to incur either some new inconvenience by returning cans or dispose of the cans, thus forfeiting the deposit and paying a higher price. This might lead to reductions in the can market share. However, since consumers perceive cans as having some unique attributes (safer and lighter than bottles), total or near total elimination of the can will probably not occur.

Based on the foregoing it has been assumed in the two illustrative scenarios that the can volumes stop growing after legislation; for scenario 1, can sales fall to the 1976 can volume, while for scenario 2 can volume falls to half the 1976 level. This represents a decline of 29 and 65 percent respectively from the projected 1982 levels without a deposit law. In any event, using the parametric curves any can market share from zero to 100 percent may be examined.

Technical reasons for impacts

In developing any particular scenario (the two scenarios used are illustrative) the reader must keep in mind the basic assumptions used in this study. These are:

1. Beverage markets are reasonably competitive.
2. Cans and bottles will be returned at the same rate.
3. The current prices of beer and soft drinks by container reflect the actual costs of each plus a normal return on investment.
4. The relative shares of the can market for steel or aluminum containers will be unaffected by the imposition of a deposit law.
5. The market share represented by nonrefillable bottles will fall to zero after a deposit law.
6. All returned containers will be either recycled or reused, as appropriate.

Combining these assumptions and the specific behavioral responses assumed for the illustrative scenarios yields the following results (table 1 presents the complete results).

Illustrative scenario 1

Behavioral Response Assumed: The 1982 quantity of can sales equal 1976 can sales; cans and refillable bottles are both returned at a rate similar to the current average return rate for refillable bottles; 0.9, for refillable bottles (this return rate implies a trippage of 10 for refillable bottles). Using the parametric curves, the resulting impact of these assumptions on energy, capital, employment and labor can be found.

Energy: Consumption would be reduced about 168x10^{12} Btu annually or 81,000 barrels of oil equivalent daily, compared with 1982 projections of energy use without deposit legislation. This savings is equal to 44 percent of the energy that would have been used by the beverage industry.

Capital: Requirements would be increased by $824 million. This is an increase of 11 percent over capital needs without deposit legislation.

Labor: Employment increases of 156,000, primarily in beverage distribution and retailing, and decreases of 38,000 in container and metals manufacturing for a *net* increase of 118,000 jobs. This represents an increase of 32 percent in total employment for the beverage related industries. Total labor income increases by $879 million or 22 percent. This smaller income gain is due to the slight reduction in average earnings per employee since the jobs gained are generally less skilled and lower paying than those in the original job structure.

Illustrative scenario 2

Behavioral Response Assumed: The 1982 quantity of can sales falls to one-half of the 1976 sales level; cans and refillable bottles are both returned at a 0.8 return rate (this implies an equivalent trippage of five, about one-half the current refillable bottle trippage rate).

The parametric curves, can be used to determine the impacts of this illustrative scenario. The results are displayed in table 1.

TABLE 1.—SUMMARY OF THE NET ENERGY AND ECONOMIC IMPACTS OF MANDATORY DEPOSITS: ILLUSTRATIVE SCENARIOS, 1982.

	1982 baseline value	Scenario 1 (canned beverage sales equal to 1976 value; container return rate of 0.9)[1]	Scenario 2 (canned beverage sales equal to ½ of 1976 value; container return rate of 0.8)[1]
Beverage consumption rate, 10^9 ounces annually	1,893.5	−3.6	−3.5
Container production rate:			
10^9 units annually	90.6	−33.6	−48.6
Glass containers	18.0	−12.2	−1.6
Refillable	2.4	+3.4	+14.1
Nonrefillable	15.7	−15.7	−15.7
Cans	72.5	−21.3	−47.0
Steel	42.0	−12.8	−27.5
Aluminum	30.5	−8.4	−19.5
System energy requirements,[2] 10^{12} Btu annually	383	−168	−144
System capital requirements,[2] 10^6 dollars	7,303	+824	+2,006
System labor requirements:[2]			
Net employment, 10^3 jobs	369	+118	+117
Jobs gained	(3)	156	166
Jobs lost	(3)	38	49
Labor earnings, 10^6 dollars annually	4,080	+879	+936

[1] The values reported in this column represent deviations from the baseline trends reported in the 1st column.

[2] Major direct and indirect industries.

[3] Not applicable.

Source: Research Triangle Institute.

Energy: Consumption would be reduced by 144 × 10^{12} Btu annually, or 70,000 barrels of oil equivalent daily.

Capital: Requirements would be increased by slightly more than $2 billion.

Labor: Employment increases by a *net* 117,000 jobs (increases of 166,000 jobs and decreases of 49,000). Total labor income increases by $936 million.

The impacts described have their basis in the assumptions and behavioral responses assumed. The following short discussion represents the reasons and logical format that yield these results. This same process should be followed to examine and evaluate the impacts obtained from any scenario taken from the parametric curves.

Energy—In the case of the illustrative scenarios, energy savings are due to the increased use of refillable bottles and in the recycling of cans. Reuse of bottles avoids the raw material extraction and processing stages of production, as well as the materials and container-fabrication stages. Energy savings are also obtained from recycling metal since recycling bypasses the raw materials extraction and processing stages and lowers energy needs in the refined materials processing steps. This is of particular significance in the case of aluminum cans.

Capital—In the case of the illustrative scenarios, increased capital needs are due to additional space and handling required to return containers as well as the fact that refillable bottle lines are more expensive per unit of output.

Labor—In the case of the illustrative scenarios, additional labor is required at the retail and the beverage producer and distributor level, both to handle and transport returned containers.

Sensitivity of results

Although the parametric curves can be used to examine the sensitivity of the impact of a deposit law across the total range of market response, it is convenient to use the two illustrative scenarios to highlight the sensitivity of the impacts to large perturbations in the market response.

With the exception of capital, all of the impacts are inelastic with respect to market responses in the range of the illustrative scenarios. For a 50 percent change in the can share of the market and a 50 percent change in the trippage (the market response changes going from illustrative scenario 1 to illustrative scenario 2), the energy impact changes only 14 percent, the jobs gained change only 6 percent, the jobs lost change 29 percent, the net jobs gained change 1 percent and the net labor earnings change 6 percent. The major shift is in capital requirements which change 143 percent. There is, however, no *a priori* basis for assuming that any particular scenario will in fact occur, which is why the parametric curves have been developed, allowing for the identification and examination of other scenarios.

It is apparent that within this broad range of potential market responses the impact of a deposit law on energy and labor is relatively constant.

Qualifications

In evaluating the conclusions of this research, the reader should keep in mind that the beverage production and distribution system is very complex and that packaging has a critical effect on the system. Any attempt to describe the system in terms of only three markets each for beer and soft drinks (the refillable bottle, nonrefillable bottle, and metal can markets), as is done in this study, is bound to ignore many factors that will influence the final set of impacts obtained if mandatory deposit legislation is enacted on a national scale. Furthermore, the set of impacts analyzed in this study, while it includes some of the more important issues, does not necessarily provide the complete set of impacts required for a comprehensive cost-benefit evaluation of mandatory deposits. Nevertheless, the material presented can provide an important input to an informed decision-making process.

NOMINATION OF MR. JACK OLSON

Mr. STONE. Mr. President, the Senate has received the nomination of Mr. Jack Olson to be the U.S. Ambassador to the

Bahamas. If Mr. Olson is confirmed by the Senate, I would hope that he would give the highest priority to the plight of the spiny lobster fishermen and if not the next U.S. Ambassador should.

The 1976 lobster harvesting season started in late August, and for the second year in a row American fishermen have been prohibited from fishing on the Bahamian territorial shelf. The Bahamian Government has taken the position that the lobster is a creature of their territorial shelf and that non-Bahamians are barred from fishing there.

For the lobster fishermen of south Florida this has been a severe blow. The lobster in Florida waters were overfished even before the Bahamian ban and the opportunities for fishing for other species are limited by the small size of the lobster boats. Many of the fishermen have too much invested, both in years and money to try to retrain for a new profession—lobster fishing is their life.

The negotiations with the Bahamas to remove or modify the ban have not yielded any results. What makes this so frustrating is that we know that the small population of the Bahamas is not capable of harvesting all the lobsters on their shelf. But the real frustration is seeing the American lobster fishermen deprived of their livelihood. The Federal Government came to their aid with a $2.3 million program which distributes grants to the fishermen for rent and mortgage payments so they do not lose their homes; loans for boat mortgage payments so the fishermen can go out and fish for other species; and loans to convert the lobster boats for other types of fishing. The lobster fishermen do not want handouts, they want the opportunity to fish in their old lobster territory and to earn a living as they have for decades. It is tragic to see the destruction of an industry that was earning $66 million a year for south Florida.

This situation is very serious and will require the immediate attention of the new Ambassador.

STAN KIMMITT'S 10TH ANNIVERSARY AS SECRETARY FOR THE MAJORITY

Mr. HOLLINGS. Mr. President, as we near adjournment of the 94th Congress, I would like to mark Stan Kimmitt's 10th anniversary as secretary for the majority and congratulate him on a job well-done.

I think my colleagues would agree that Stan has done an outstanding job. He came to this position near a time when the office was in a discredited state, when it was synonymous with dishonesty, and when the U.S. Senate, as a result, labored under a cloud of mistrust and apprehension.

Stan Kimmitt, in a short time, reversed that image—and he has worked long and hard to restore to his office the integrity and trust it must have. It goes without saying that the Senate as a whole enjoys the respect and esteem it so richly deserves largely because of the labors of Stan Kimmitt and his staff. He has brought great credit to his position and to this body, and I thank him for that.

I have known Stan Kimmitt for a number of years, and nothing that he has accomplished surprises me in the least. He is an intelligent and dedicated worker for the majority. He knows the Senate. He knows the membership. He understands the parliamentary process in every detail. He recognizes what a U.S. Senator must have in the way of logistical support in order to do an effective job for his constituents and for the country. Stan Kimmitt has always been there when he was needed, either on the floor or around Capitol Hill, and at any hour of the day or night.

I know that I owe a real debt of gratitude to Stan for his guidance and advice. The Senate is in his debt for his contributions to its smooth operation. The country is in his debt for his devotion to integrity and the scrupulous manner in which he has served the cause of good government.

MILITARY UNIONS

Mr. THURMOND. Mr. President, an interesting article entitled "A Military Union: Not Inevitable If" appeared in the August 30, 1976, issue of the Navy Times.

Authored by Brig. Gen. Don Hittle, this article points out that there is significant support in the military forces for a union, because of recent actions which have chipped away at military benefits.

Mr. President, the question of unions in the military is an issue of great importance. It is an issue with which the administration and the Congress must deal promptly and thoroughly.

General Hittle has a wide-ranging military background and also served as Assistant Secretary of the Navy. His findings are highly significant and deserve the attention of the Congress and the Nation.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A MILITARY UNION: NOT INEVITABLE IF * * *

(By James D. Hittle)

If some Congressional and Pentagon personnel attitudes don't change, there is going to be a military union.

Not because the serviceman thinks it is right, but because, almost in desperation, he doesn't see any other means of trying to protect what he sincerely believes is rightfully his.

This is my conclusion after returning from a recent trip to Europe and talking with military officers and enlisted men.

What I learned closely paralleled the experience of Robert W. Nolan, National Executive Secretary of the Fleet Reserve Association, who met with Naval personnel in the West Coast and Hawaii area several months ago. He was, he told me, surprised that senior petty officers expected there would be a union. What's more, many supported it as a means of defending their rights.

Practically all I discussed a union with saw the dangers it would create for military organization, discipline, and operational efficiency. But there is a sincere belief that there is a relentless attack on what they have been promised and what is rightfully theirs in terms of benefits (more are properly calling them entitlements) and conditions of service. There is a double view of a union—against it professionally; for it personally out of sheer necessity.

There is no question about it. Those in Washington who are working so hard to change retirement, to cut back on the number of commissaries and the savings from them, to require rent instead of a standard loss of allowance for quarters and to cut health care for dependents are getting big results.

But they are not the kind of results the nation needs. The results are in terms of disappointment, bitterness, resentment, and departures from the service. Those in Washington who "explain" with technical arguments that there never really was a contract on 20-year retirement, and that there wasn't any legal promise of continued commissaries and medical care for active and retired dependents, should try those arguments out on some of the stalwart servicemen I have listened to. Such technical and legalistic explanations won't do.

The serviceman is smart enough to know what he was promised—by formal contract or not—and he doesn't like the rules to be changed while he's doing his duty according to the rules.

I had a long talk with a chief petty officer. He has 22 years of service. And he is going out. Why? His reply, "The way things are going, there aren't going to be any benefits left in another ten years." Exaggeration? Yes, but an accurate reflection of how he, and others, feel. He said that his wife "used to like the service. But not now. She's mad at the way they are trying to take away the commissaries."

He added, rather sadly, that although he opposed the idea of a military union, he had come to the conclusion that there wasn't any other answer to the problem.

In the southern NATO area, I had a long talk with a senior NCO. He is the kind who is an asset to any organization—mature thinking, a man of common sense, unflappable. He had about 24 years of service.

I asked him, "What is the biggest complaint of the serviceman these days?"

His answer: "Taking away what we were promised." Again, the legalistic argument that those things weren't legally promised wouldn't cut much ice with him. He knew what he had been led to believe when he came into the service 24 years ago. As far as he was concerned, he knew a promise when he heard one. The rows of ribbons on his chest were evidence he had kept his promises about serving his country.

Here was a thoughtful man. He knew what he was talking about. He knew what makes the U.S. fighting man tick. I wanted to hear more of his opinions.

What about the proposed civilian-type salary system for the military? His answer: "It won't make much difference to me because I'll be out by the time that happens. But it won't be a good thing. I'm afraid that it will mean that some people will be soldiering because of a salary and not because of the love of the military profession."

I asked him why he thought that there were so many proposed changes that would, as the serviceman sees them, reduce his entitlements and take away what had been promised. His reply was a thoughtful one. He put it in a way I hadn't run into before:

"The thing that's wrong," he said, "is that the people in Washington forget that they are there and that we are here. They leave their wife and kids in the morning, drive to work, and eight hours later most of them drive home, have a beer, sit down to dinner with the family and then watch TV.

"We are here. I work 12 to 18 hours a day. I haven't seen my family in almost three months, and it will be months before I see them again.

"This difference in where they (Washington officials) and we are is what makes the service so different. And when the difference is forgotten—as it is now—it explains why the things that we were promised are being taken away."

What did he think of 20-year retirement?

His answer was as pointed as it was short: "It's a big reason I made a career of the service."

"As a military man," he said, "I hate to see it come. But I think it's coming because the serviceman needs the protection."

Aboard ship I stopped by the first class petty officers' compartment. I was asked to have a cup of coffee. There were two first class POs at the table with me when I started on the first cup of coffee. It turned out to be one of the most informative sessions I have ever had. Pretty soon we had 14 petty officers joining in the discussion. The conversation ranged over just about every aspect of service life. Here, I knew, was an example of the real voluntary service. Every one had voluntarily shipped over more than twice. Every one was highly trained, schooled, experienced and had, at least at one time, intended to make the service his career. I say "at one time" for a reason. Four out of the 14 said that they were not shipping over again.

I'd like to see how the so-called personnel management experts could get a computer to show how much of an unnecessary loss their departure would be to our Navy and national security. It can't be calculated.

Here are some of the observations I jotted down right after the discussion:

"No one cares or is looking after our benefits anymore."

"They wouldn't be cutting our commissaries if we had a union."

"We are just items on a computer."

"There's no one reason I'm not shipping over. It's a lot of little things."

Then I got a shocker. I asked them the question: "Aside from whether you think it should or should not happen, how many of you believe that, as things are now going, there will be a military union in five years or less?"

The tally? Thirteen-to-one that there would be a military union. And this was no group of new, inexperienced, one-enlistment-and-out men. These were tested and proven servicemen who had chosen to devote the best years of their lives to the protection of their country.

As a wind-up to the discussion I asked: "What's the solution to the problem?"

One of the first class POs came up with a quick answer: "Washington should stop picking our pockets."

One who has been listening and so far saying little offered this: "There's a solution to what's being done to the serviceman. All it would take to straighten things out is another war."

He simply stated the unfortunate facts of service life. When the shooting is going on, the fighting man isn't getting his pockets picked by those he is protecting. But when the shooting is over—it's only a little more than a year since Vietnam—it's different. Vastly different, as today's serviceman is finding out.

The U.S. serviceman isn't asking for a Christmas tree of new benefits. Basically, all he wants and believes he deserves is not to have those things he now has taken away from him.

The responsible commanders and officers are working hard to keep their personnel informed and to maintain high morale. Their efforts are being undermined by the virtually endless procession of proposals to cut out and chip away at the things the serviceman has been led to believe were promised him and his family.

The so-called military personnel economies being proposed may make their originators in Washington look good from the standpoint of theoretical savings. But such official attitudes will chase good people out of the service. In the long run, it will cost far more than it will save. And, in war, the cost could mean increased casualties, even disaster.

The mature, experienced petty officer and NCO doesn't like the idea of a military union. Yet reluctantly many, feeling they are abandoned by the civilian officialdom that should be looking after them, would accept one for the protection they feel they need.

If the result of all this is a military union, the ones who will be responsible for it are those whose proposals and efforts are, perhaps unintentionally, setting the stage for a military union, and the chain reaction of potential damage to our security that will result. The blame won't be the serviceman's.

Let's make no mistake about it—a union can be avoided. It is not inevitable. It will take civilian leadership in the Pentagon that understands the serviceman and fights for the fair shake he knows he deserves. It will take personnel *leadership*, not "management." It will take the realization that computers will never have a key that can be punched that will give the values of loyalty, devotion, faithful service and self-sacrifice that are the keystone of the character of the U.S. fighting man.

It means a stop to the faceless budget bureaucracy's constant quest for ways to take governmental savings out of the hides of the serviceman and his family.

It means, too, that some in Congress do the same. The serviceman shouldn't forget, though, that some of his most loyal friends are members of Congress and their staffs.

NATIONAL DEFENSE

Mr. THURMOND. Mr. President, I want to offer some comments on the matter of national defense and national priorities. I will present 10 facts which, I believe, are clear and simple and are very relative to the matters that concern us today.

First, Mr. President, all spending is up. Defense spending and domestic spending is up. Spending by the Congress and by the executive branch is up. Federal spending and spending by State and local governments is up. Public spending and private spending is up. All spending is rising to record highs. Inflation alone assures that. The fact that we must spend more for defense than we used to, in and of itself, is not surprising. So must we spend more on everything else.

Second, defense spending is not rising faster than other spending. Let us consider figures. Total Federal spending is estimated at $413 billion for fiscal year 1977, under the budget resolution. That is an increase of $39 billion from fiscal year 1976. Let us consider where that increase is:

Defense spending rises by almost $10 billion, or 10 percent.

Nondefense spending rises by $29 billion, or 10 percent.

Mr. President, nondefense spending is rising three times as much—$29 billion versus $10 billion—as defense spending and just as fast—a 10-percent rate. These simple facts leave no room for the allegation that defense spending is rising while other spending is being cut back.

It simply is not true that the defense budget is the only part of the Federal budget that is growing. Just the opposite is the case. Nondefense spending is growing three times as much, and just as fast, as defense spending.

Third, this is not just a matter of a 1-year comparison. It applies for as many years as you would like to use:

For the past 5 years—1972 to 1977:

Defense spending is up $26 billion, or 35 percent.

Nondefense spending is up $140 billion, or 81 percent.

For the past 10 years, 1967 to 1976:

Defense spending is up $22 billion, or 28 percent.

Nondefense spending is up $212 billion, or 210 percent.

For the past 20 years, 1957 to 1977:

Defense spending is up $59 billion, or 141 percent.

Nondefense spending is up $270 billion, or 625 percent.

Mr. President, there is simply no reason—there is no factual basis—for the allegation that other Federal spending is being cut back while defense spending is rising. The facts are just the opposite.

Fourth, we must consider total U.S. public spending—Federal, State, and local. National defense is carried out only at the Federal level, while domestic programs are carried out at all levels. The Federal Government pays for a large share of State and local spending, through grants-in-aid. Of course, the same taxpayers pay for all public spending. Net U.S. public spending is estimated at $607 billion for fiscal year 1977. That is a rise of $50 billion from fiscal year 1976. Defense accounts for $10 billion of this rise. Nondefense spending accounts for the other $40 billion.

Fifth, let us consider the share of total Federal spending; that is, the amount of our Federal taxes that go for each program. The budget resolution estimates Federal spending at $413 billion for fiscal year 1977. That includes $101.1 billion for defense, or 24.5 percent of the total. That is the smallest defense share of the Federal budget since fiscal year 1940, which ended 18 months before Pearl Harbor. Let me offer some key comparisons. The defense shares of total Federal spending were: 44.4 percent in fiscal year 1941—which ended 6 months before Pearl Harbor; 88 percent at the 1945 peak of World War II; 30 percent in the days of Secretary Louis Johnson—1949–50, bebefore the Korean buildup; 51 percent in the peacetime decade from the mid-1950's to the mid-1960's; and 24.8 percent for fiscal year 1976.

The defense share of the Federal budget is thus at a 37-year low.

I repeat, the defense share of the Federal budget is thus at a 37-year low. It follows that the nondefense share is at a 37-year high.

Sixth, the defense share of total U.S. public spending—the defense share of the total tax dollar—is also the lowest since before Pearl Harbor. Net total U.S. public spending is estimated at $607 billion for fiscal year 1977 and defense spending is estimated at $101.1 billion or 16.7 percent of that. That is the lowest share since, fiscal year 1940. Over the years, here are the defense shares of total U.S. public spending. Mr. President, I am going into this detail to present to this body the facts, the unquestioned facts, the facts that cannot be disputed, about defense compared with nondefense, and defense compared with other items in the budget.

Here are the defense shares of total U.S. public spending: 27.5 percent in fiscal year 1941—which ended 6 months before Pearl Harbor; 81 percent at the 1945 peak of World War II; 20 percent in the days of Secretary Louis Johnson—1949–50, before the Korea buildup; 33 percent in the peacetime decade from the mid-1950's to the mid-1960's; and 16.7 percent for fiscal year 1976.

Seventh, defense spending in fiscal year 1977 will amount to 5.5 percent of the gross national product—the lowest share since fiscal year 1950 Here are defense shares of GNP for selected years: 42 percent in 1944–45, the peak of World War II; 14 percent in 1953, the Korea war peak; 10 percent in the period 1955–58, peacetime years; 9 percent in 1962–64, again, peacetime years; and 5.8 percent in fiscal year 1976.

So the defense burden, the share of our total income that goes to defense, is at a 27-year low.

Eighth, defense employment will account for 5 percent of the labor force in fiscal year 1977, the lowest share since fiscal year 1940. The total labor force in fiscal year 1977 is estimated at 99 million. That is the total number of employed people, plus those unemployed and seeking work. Defense employment in fiscal year 1977 will amount to 4.9 million—military, civil service, and defense-related employment in industry. Defense employment thus amounts to 5 percent of the labor force; the lowest share since 1940—that is, the lowest share since before Pearl Harbor.

Ninth, a large part of public spending goes for the public payroll. Total public employment is estimated at 18.2 million for fiscal year 1977: Military and civil service; Federal, State, and local governments. The same taxpayers pay for all this employment. The Federal Government, considering grant-in-aid, pays nearly half of this payroll. Direct defense employment—military and civil service—is set at 3.1 million for 1977. That is 17.2 percent of the total, the lowest share since 1940. This defense share was 36 percent in 1941; 33 percent in 1949—before Korea; 33 percent in 1960; 31 percent in 1968; and is estimated at 17.2 percent in 1977.

Mr. President, the fact is important, because it is sometimes alleged or implied that nondefense spending is not real money. Some seem to think that all we spend, aside from defense, is for such things as social security, debt interest, and maybe a few seed samples. That is not true. We maintain a large number of public employees, for one thing; five times as many as there are in defense.

The 10th and final fact, Mr. President, is that all spending is up, and all spending has been impacted by inflation. Every housewife knows that she can spend more dollars, and buy less, than she did before. It is necessary to allow for inflation to determine where you stand in terms of real buying power: Food on the table or defense for the country. When we allow for inflation—using figures published by the Office of Management and Budget and the Department of Commerce—we find that:

Defense spending in real terms is at the lowest level since fiscal year 1950. Fiscal year 1977 defense spending is down 35 percent from fiscal year 1968, and 12 percent from peacetime fiscal year 1964.

Nondefense Federal spending in real terms is at the highest level since 1940—as far back as the records go. There is an increase of 51 percent from fiscal year 1968 to fiscal year 1977 and of 92 percent from fiscal year 1964 to fiscal year 1977.

State and local government spending is also the highest, in real terms, since 1929—as far back as the records go.

In conclusion, Mr. President, if we do not take account of inflation, we will find that all spending is up. But defense spending is up far less than spending for domestic programs. If we consider inflation, and measure trends in real purchasing power, we find that defense spending is sharply down and domestic spending is sharply up. If we consider employment—the total labor force or public employment—we find that defense is down and other sectors are up. We find that the defense share, the defense burden, is the lowest since 1950 at the latest, and the lowest since 1940 by most measures. That is true of Federal spending, all public spending, GNP, the labor force, and public employment. It simply is not true that we have been starving other sectors to provide for defense. It simply is not true that defense spending has been rising while other spending is falling. And it is not true that we can solve our domestic problems by further slashes in the defense budget.

HOSPITAL INSURANCE DEDUCTIBLE TO RISE BY 19 PERCENT

Mr. CHURCH. Mr. President, yesterday the Department of Health, Education, and Welfare announced a 19-percent hike in the medicare hospital insurance deductible, from $104 to $124.

This increase, which will become effective on January 1, 1977, means that aged and disabled Americans will pay the first $124 of their hospital bills.

This 19-percent rise comes hard on the heels of the recent $6 annual increase in the supplementary medical insurance premium charge for medicare beneficiaries.

The new $124 deductible is bad enough. But HEW would increase other charges, as well, by 19 percent.

The coinsurance charge for qualifying skilled nursing care, for example, would rise from $13 to $15.50 per day for patients who are in long-term care facilities from 21 to 100 days.

Individuals hospitalized from 61 to 90 days would pay $31 per day, compared with $26 a day now. And patients who must draw upon their "lifetime reserve"—the additional 60 days available to a beneficiary when more than 90 days of hospital care in a benefit period is needed—would pay $62 a day, instead of the present $52.

Under existing law these increases are mandatory, because the deductible is adjusted annually according to changes in the average per diem hospital costs covered by medicare.

Ideally speaking, I would like, here and now, to block this 19-percent increase in the deductible and coinsurance charges from becoming effective.

It is time to put a lid on the rising hospitalization deductible, which hits those hardest who can least afford it.

But as a practical matter, it would be impossible at this late date to enact legislation to freeze the part A deductible at $104 in 1977.

However, I plan to introduce legislation early in 1977 to roll back the part A deductible and coinsurance charges to their 1976 levels.

Nearly 6 million aged and disabled medicare beneficiaries are expected to receive reimbursable services under part A in 1977. And these individuals need all the help they can receive.

True security in retirement can never become a reality until our Nation overcomes the mounting health care costs which pose a serious threat to the economic well-being of the elderly.

For these reasons, I am hopeful that the Congress will act promptly and favorably on my proposal to roll back the part A deductible and coinsurance charges in 1977 to the 1976 levels.

POVERTY INCREASES BY 200,000 FOR OLDER AMERICANS

Mr. CHURCH. Mr. President, the recent Bureau of the Census poverty report demonstrates beyond any doubt the colossal failure of the Ford administration's bankrupt economic policies.

Last year the number of poor persons increased by 2.5 million, the largest jump since the Government began to keep poverty statistics in 1959. This should be a matter of deep concern for policymakers and all Americans.

As chairman of the Senate Committee on Aging, I am especially disturbed by the 200,000 increase in poverty among older Americans.

In 1974 almost 3.1 million persons 65 or older were poor, according to Census Bureau definitions. Last year the number of older Americans living in poverty climbed to 3.3 million, reversing a longstanding downward trend.

The Census Bureau's definition of poverty, I might add, is a bare bones standard: $2,572 for a single aged person and $3,232 for an elderly couple.

On a weekly basis this amounts to $42 for an aged individual and $61 for an elderly couple to pay for food, medicines, housing, transportation, utilities, and other everyday necessities.

Another 2.2 million older Americans are marginally poor, having incomes below 125 percent of the poverty thresholds.

In terms of dollars and cents this means that aged single persons would have annual incomes below $3,215, or about $62 a week. And in the case of elderly couples, the marginally poor line is $4,040, or nearly $78 a week.

The net impact is that 5.5 million older Americans—or one out of every four persons 65 or older—now live in official poverty or so close to it that they really cannot appreciate the difference.

And, the official Bureau of Census

figures do not, it should be pointed out, include the "hidden poor." Some estimates place that figure at almost 2 million, including:

Aged individuals living in institutions.

Older Americans with incomes below the poverty lines but who are not individually classified as poor, because they live with others with sufficient incomes to raise them above these inadequate thresholds.

These facts make it abundantly clear that the elderly cannot afford Gerald Ford.

Four more years of his disastrous policies—high unemployment and rampant inflation—would only intensify their deprivation and anxiety.

What is needed is thoughtful leadership and a spirit of cooperation between the executive and legislative branches to turn things around economically for all Americans.

ENERGY AND LIQUID FUELS

Mr. FORD. Mr. President, the Subcommittee on Aerospace Technology and National Needs, of which I am chairman, held hearings September 27–28 on the subject of "Alternative Fuels for Aviation." In the course of considering the present and future energy needs of aviation, it became increasingly clear to the subcommittee that the problems facing this industry are shared by our entire transportation system. Some points and views emerged from the hearings which I believe would be of benefit to this body, and I want to share them with you today.

After participating in the public discourse on the problems confronting the transportation industry, I have come to the conclusion that the economic wellbeing of the United States is facing a threat as great as any ever in our Nation's history.

Our entire transportation system and our economy are vulnerable, exposed by our own shortsightedness. If the American people fully realized the extent of our vulnerability, I believe there would be an immediate outpouring of national concern.

Just what is the nature of this vulnerability? If there is a lifeblood of our highly industrialized society, it surely is petroleum. Yet our economy today is subsisting on massive transfusions of that precious liquid—from foreign countries, many of them only lukewarm to our interests. Nearly one-half of what we need comes from abroad. More oil than ever comes from OPEC nations. Should the flow be cut off, or slowed by large price increases, our national transportation system would grind to a halt. Commerce moving on wheels, wings and water would similarly stop and our economy would be crippled—much more so than in the last embargo.

Even our military capability is vulnerable. In hearings I chaired on "Alternative Fuels for Aviation," Navy witnesses explained that 95 percent of the petroleum consumed by our U.S. Pacific Command is foreign oil. the figure is 81 percent for our European Command. Should that foreign oil become unavailable to us, then our Armed Forces would have to look homeward to America where our domestic production meets only half our needs. Frankly, this situation alarms me.

Now how do we get ourselves out of this precarious predicament?

Mr. President, the answer is not to assure ourselves a supply of OPEC oil, by military force or political negotiations or otherwise. If we could find a barrel big enough we could put all the OPEC oil and all the rest of the world's oil reserves in it. At the rate that oil is gushing out of the barrel to meet present demand, the barrel will be empty, not in a matter of centuries but in a matter of decades. And long before we reach bottom, the price of oil will escalate until burning it will be unthinkable. The chemical industry and the lubricants industry will pay a much higher price for the oil than anyone would pay to burn it. Today we wonder how our fathers and grandfathers could vent natural gas into the atmosphere or burn it off as a nuisance. Our great grandchildren will likewise wonder how we could burn precious petroleum for heat or to power machines. If anyone here has any doubts about the finite lifetime of our oil reserves, let them ask the Shah of oil-rich Iran why he's looking to buy nuclear powerplants with his petrodollars.

Continuing our enormous and dangerous reliance on petroleum is not the answer. The shortage of petroleum, in fact, is already upon us. Dr. John P. Longwell of Esso Research and Engineering Co. testified before the subcommittee of which I am chairman, that high quality petroleum is already in short supply. As a result we are getting less jet aviation fuel out of each barrel of crude. There are consequently shortages of jet fuel on the west coast. And Alaskan oil likewise is of low quality, so the future holds little promise in that regard.

Now there are those who say that the answer lies in conservation. I certainly do not want my remarks to be taken as any criticism of energy conservation, a concept and practice which I strongly endorse.

There is no more cost effective source of energy than by using what we have more efficiently. But conservation can only buy us time, time to find a long-term solution.

Take the aviation industry as an example. The Senate Committee on Aeronautical and Space Sciences, of which I am a member, initiated a NASA aircraft fuel efficiency program. Over the next decade NASA will spend about $670 million to develop the technology to make aircraft run on one-half the fuel they use today—with no loss in performance. And yet NASA told our Subcommittee on Aerospace Technology and National Needs that adoption of that technology will not be enough to keep aviation's energy demand from increasing—only the rate of increase will diminish.

And of course we have legislation now that is requiring the automobile industry to get away from building the land barges to which we are accustomed. By 1985 American automobiles must boast an average of 27.5 miles per gallon.

But even with all these programs and even if we apply our best technology to use energy more efficiently, that big oil barrel still has a hole in it, we can never plug it up altogether. Representatives of ERDA told our hearing that even with strict conservation, we will be short of oil by several million barrels per day in the 1990's.

So what is the answer? What about nuclear power, solar power, geothermal or all the other options we hear about to produce electricity? Well, that is the part of the energy problem that escapes many people. You cannot build electric airplanes—although the Committee on Aeronautical and Space Sciences did take a serious look at that. And you cannot build electric ships. We have built one nuclear cargo ship and it is now in mothballs. And nobody I have talked to has any plans for electric tractor trailers. Finally, there is the electric automobile.

It is marginal. I certainly hope we can solve the battery problem. But one thing is clear. The electric automobile is going to have to be a lot more than an advanced golf cart, if it is to play an important role.

The point is, our transportation system runs on liquid fuels. Liquid fuels are what we're short of now. Oil—our primary liquid fuel—is what the world is running out of. That is the heart of the energy crisis and many people miss that point. To be sure we will need these other sources of electric base power, but if commerce is to continue in this country then we need liquid fuels on which to run our transportation system.

The great irony in this energy situation is that America has been blessed with a great abundance of natural energy sources—coal and oil shale—that will last for centuries. Both of these are sources of liquid fuels that will fill that big oil barrel many times over.

Now, are coal and oil shale our only alternatives to petroleum? The answer seems to be yes, at least as far as air transportation is concerned. In our hearings on "Alternative Fuels for Aviation," witness after witness from aircraft engine manufacturer to oil company, to NASA all said that aviation must have liquid fuels with similar energy densities to petroleum. Synthetic fuels derived from coal and shale oil appear to be the only such fuels that are available in quantity to this country.

The rest of our transportation system is designed to run on petroleum-based fuels and so coal liquids and shale oil are suitable for the rest of the system as well.

Now why have we not turned to our coal and shale reserves as an alternative to petroleum? The truth of the matter is, this is by no means the first time we have turned to them. Scotland had an oil shale industry in 1862 and it functioned until its reserves were depleted a century later. Estonia worked its oil shale for fuel in the 1920's and so did Manchuria. During World War II, cut off from sufficient petroleum, Germany processed its coal into aviation fuel for its war effort. Its production peaked at 45 million barrels per year.

How about the United States?

Congressman JENNINGS RANDOLPH co-chaired hearings on "Synthetic Liquid Fuels," believe it or not, in 1943, and his testimony is just as valid today as it was then. Senator RANDOLPH knows that airplanes can fly on coal. In 1943 he flew in the first U.S. airplane using gasoline made from coal. The route was symbolic in itself—from Morgantown, W. Va., deep in coal country, to National Airport in Washington, D.C. Congress even enacted legislation on this in 1944—the Randolph-O'Mahoney Act. It authorized the construction of demonstration plants for synthetic fuels from coal and shale and it authorized research on coal gasification.

As Senator RANDOLPH related to our subcommittee, the synthetic fuels effort in this country died when the U-boats left our coastal waters. No longer did we fear a loss of access to petroleum abroad. Now that fear is very much with us again.

Today, in 1976, we have come to a critical decision point. The technology has long been avaliable to produce first-generation synthetic fuels plants. Just as important, it is feasible to burn these synthetic fuels in our aircraft, cars, trucks and ships. Our military has flown jet aircraft in fuel derived from shale. As we learned in our hearings, the Navy has just bench-tested coal-derived jet fuel in a military jet engine and found the performance every bit as good as with petroleum.

Everyone seems to agree that research and technology on second-generation synfuels processes should proceed. In fact, the Congress agreed on the need for research back in 1944. So research is not the issue.

The real need is to build some plants to give us a credible production capacity. Senator JENNINGS RANDOLPH at our hearings in "Alternative Fuels for Aviation" stated it best—for me, it was a dramatic moment to watch considering Senator RANDOLPH's 30-year struggle to encourage the United States to produce synthetic fuels. Let me quote him:

> We are dealing with a possible death that can come to the United States of America, a deterioration which can come to the United States of America—and how long it will take I do not know.
>
> But I hope that there is within the Congress, within the Administration, regardless of its party label, the commitment—if I am overworking the word, you will understand—I think there has to be a crusade, a real crusade within the policy makers and the thought leaders of the United States of America, and it comes at long last, I hope. Mr. Chairman, I continue to hope that next year, a new year, maybe we can do this job, set in motion these forces that need to be implemented here at home to make possible our dependence upon our own sources through synthetic fuels, rather than the continued and the increased importation of petroleum and other oil products.

A massive program to build a synthetics fuels industry in this country will not be inexpensive.

But if we are to reduce our vulnerability to embargoes, arbitrary price increases, and eventual depletion of the oil reserves, we must act with dispatch.

It is my hope that the next Congress will heed Senator RANDOLPH's challenge and call for a national commitment to a synthetic fuels industry. The Nation's national security and economic well-being depend upon it.

LONGING FOR FREEDOM

Mr. THURMOND. Mr. President, while we are celebrating our entry into the third century of our existence, millions of people in Communist countries suffer from oppression and yearn for freedom.

One year ago, 250 sailors of the Russian ship *Storozhevoy* attempted a break for freedom in the Baltic Sea on November 9. This coming November is the infamous first anniversary for the Western World. Since all these brave sailors of the 3,500-ton Soviet missile destroyer were refused political asylum by the Swedish Government and were turned back to the Soviet Union where most of them were executed.

I am referring here to an incident that took place in the port of the Swedish island of Gotland on November 9, 1975. The crew of the Russian destroyer *Storozhevoy* mutinied on this day against its captain and, under the leadership of Lieutenant Markov, entered Swedish waters and the Port of Gotland. The leader of the crew, Lieutenant Markov, radioed the request for political asylum to Swedish authorities of the port but was not granted the right of landing.

Swedish patrol boats surrounded the destroyer and asked for instructions from the Swedish Government. After about 2 hours of waiting, the Soviet ship was informed by the Swedish port commander that since the crew of the destroyer were naval personnel, they were considered by Swedish authorities to be deserters and must be treated accordingly without any grant of asylum.

After a short deliberation the mutineers set course for Denmark or Norway, hoping to get a better reception there. But in the meantime, the Soviet naval base in Leningrad obtained a report about the *Storozhevoy* mutiny and a squadron of Russian bombers was dispatched to prevent the escape.

Storozhevoy was machinegunned and bombed by the attacking Soviet planes, but only after an attack on another Soviet ship where several sailors and officers were killed before the mistake was discovered.

The real circumstances of the mutiny and the number of killed and executed officers and sailors may never become known. But, according to some reports from the port of Riga where the disabled *Storozhevoy* was towed after the destructive attacks by the Russian planes, the mutinous sailors were severely punished by the Soviet authorities.

It was reported later that Lieutenant Markov and six other officers of the destroyer had committed suicide on board the ship, and that the sailors who tried to swim ashore were killed by machinegun fire. According to some other reports from Riga, 50 sailors were executed after a short trial in Riga.

Mr. President, this tragic incident of November 9, 1975, will go down in history as one of the telling cases for people who are longing for freedom from oppression in the Communist world. It brings us also to the present. Last month a daring air force officer, Lt. Viktor Belenko, flew to freedom from his Russian Air Force base in Siberia to Japan, bringing his Mig-25. Lieutenant Belenko asked for asylum in the United States and has been here since October 9.

Mr. President, I would like to welcome Lt. Viktor Belenko to the United States and would like to assure him that as long as he desires to stay with us, we will be pleased to share with him the blessings of freedom and democracy.

STATEMENT BY SENATOR KENNEDY

Mr. GARY HART. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Massachusetts (Mr. KENNEDY).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR KENNEDY

LEAA REAUTHORIZATION

For the benefit of my colleagues and to make the matter of intent clear for the record, I would like to state my understanding of the discussion which took place in the Conference on LEAA reauthorization concerning the "mini-block" grant amendment.

Both Congressman Mazzoli and myself felt strongly that what was needed to simplify the funding process and to eliminate wasteful and inefficient redtape was a mechanism whereby larger jurisdictions or combinations thereof could receive a block of funds from the state planning agency to implement the local plan after approval of that plan by the state planning agency. This was the intent of the amendment which I introduced in 1973 which was adopted by the Congress, but which was never adequately implemented by LEAA. This was the intent of the language introduced by Mr. Mazzoli in Conference and approved by the Conference:

"Approval of such comprehensive plan or parts thereof shall result in the award of funds to the units of general local government or combinations thereof to implement the approved parts of their plans . . . ."

The additional clause attached to the amendment accepted by the Conference:

". . . unless the State planning agency finds the implementation of such approved parts of their plan or revision thereof to be inconsistent with the overall state plan,"

was included to assure that the state planning agencies would have the means to monitor and evaluate the implementation of the parts of the approved plan. It would permit the state planning agencies to request such data and information on projects within the local plan so that this monitoring function could be achieved. It was in no way intended to rescind or reverse the primary intent of the Conference Committee action on mini-block grants, that is to entitle units of local government or combinations thereof to receive a single annual grant of funds once their plan is approved by the state planning agency.

I plan to follow closely LEAA's implementation of this provision to insure that Congressional intent is preserved.

REPUBLICAN RHETORIC AND THE FIGHT AGAINST CRIME

Mr. GARY HART. Mr. President, Senator KENNEDY today released a very informative critique of President Ford's recent crime speech to the International Association of the Chiefs of Police. The Senator from Massachusetts (Mr. KENNEDY) made some very important points about Mr. Ford's record on crime. I would like my colleagues to have the benefit of Senator KENNEDY's remarks and I ask unanimous consent that they be printed in the RECORD, along with an editorial from today's Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPUBLICAN RHETORIC AND THE FIGHT AGAINST CRIME

(Remarks of Senator EDWARD M. KENNEDY)

I read with great interest President Ford's address delivered to the Conference of the International Association of the Chiefs of Police in Miami on Monday. The speech provided a great deal of heat—but not much light. It offers a good example of the standard Republican Administration prescription for reducing crime—a prescription first filled back in 1968—talk tough instead of doing things that count!

Now we are viewing the same old game: politics as usual, with the President trying to rally everyone around the flag by drumbeating the threat of crime and calling for "new," tough policies. Well, it won't work this year; it won't play in Peoria or Boston or anywhere else. The Administration roadshow on crime is closing after an unsuccessful eight year run.

All would agree with the President that the problem of crime must be a top priority in the next Administration. I certainly do. But where are the Administration's specific crime-fighting proposals? Where is the law enforcement blueprint for tomorrow? There is plenty of hard-hitting rhetoric in the President's prepared text, plenty of "law and order" phrasemaking. But the American people have been hearing cries of "law and order," or the President's own more subtle euphemism "domestic tranquility," for the past eight years.

And what has been the result—a soaring rise in violent crime, a steady growth in white collar crime, and increased government corruption. Crime is up some sixty per cent since 1968 yet the President praises his Administration for its performance. Rural and suburban crime is soaring, yet this Administration dares pat itself on the back. A person born in urban America today stands a greater risk of being murdered than he would have faced in combat in World War II—yet what the American people hear from this Administration are pious phrases of self-congratulation.

Let us analyze the President's speech, and look at the record to see whether this Administration has been effective and forthright in combating crime:

1. The President heaped praise on our local police departments and has signed the Public Safety Officers' Benefits Act of 1976, which provides $50,000 to the survivors of public safety officers killed in the line of duty. This he did "on behalf of every grateful American." Fine. The bill was bipartisan in nature, Congress enacted it, and I am grateful that the President signed it.

But where is President Ford when it comes to supporting public safety officer low cost life insurance? Where is his Administration when it comes to providing meaningful benefits to those public safety officers who, because of their high risk profession, are often unable to secure life insurance at reasonable cost? It has consistently opposed legislation which would establish low-cost life and disability insurance for those officers who are our front line of defense in the war on crime. The bill is modest—$30,000 dollars in maximum insurance, with the federal government helping to defray the cost of premiums And it is a purely voluntary program. Yet Republican Administrations—allegedly the friend of the policeman walking the beat—have opposed this bill, supported by all of the major police organizations in this country, for the past five years even though it has passed the Senate by overwhelming votes on *three* separate occasions.

2. The President says that special efforts must be made to rid our streets of the career criminals and repeat offenders who are the primary sources of violent crime in our nation. Fine. But what is the federal vehicle he would use to do this—the federal Law Enforcement Assistance Administration (LEAA). The Republican Administration has had eight long years to make LEAA more effective; over four and one-half billion dollars have been spent. And what has been the result? Failure after failure, leading to increased criticism of LEAA management, priorities, and goals. Why did the Republicans wait until 1974 to concentrate on the career criminal? Where were the Republican Administrations in 1970, 1972 and 1974 when the same facts were available? The President talks at length about the need for "swift" justice. Why has this Administration held to a minimum—a disgraceful six per cent—LEAA funds for the local courts of our nation, to be used to eliminate court congestion and backlog. Just talking about "swift" justice cannot unclog the nation's criminal justice system. What is needed is greater direction, stronger leadership from Washington. And the nation has not been getting it.

Until this year congressional efforts to reform LEAA were largely opposed by the Administration and were unsuccessful. This year a strong congressional effort to alter the structure and implementation of the LEAA program was undertaken and many suggested changes—long overdue—were literally forced on a reluctant Administration. More financial and technical assistance to local criminal courts, priority funding to both urban and rural areas suffering from high crime increases, increased aid to combat juvenile delinquency, new LEAA oversight and evaluation requirements—the Administration balked at all of these changes. But as a result of this year's congressional initiatives LEAA should have a brighter future.

Federal aid to state and local governments to fight crime must of course continue. LEAA cannot alone solve the crime problem in our country. The war on crime is primarily a local battle. But LEAA can be a more effective crime-fighting agency than it has been under this Administration.

3. The President advocates the use of mandatory minimum sentences as a way to insure "certainty of punishment." But the Administration's bill calls for the imposition of such sentences only in the limited cases of kidnapping, aircraft hijacking, trafficking in hard drugs, and crimes involving the use of dangerous weapons. The real fact is that offenders convicted of the crimes of kidnapping and aircraft hijacking already receive sentences of imprisonment in excess of the minimum provided in the legislation! Yet the President talks tough about his bill because he thinks it will pay off at the polls in November.

What about the violent crimes that really plague our local communities—what about imposing mandatory minimum sentencing in cases involving rape, burglary, assault and robbery? The President says that the federal government has no jurisdiction over such crimes. This is not always the case. Federal statutes encompassing most of these crimes do exist. More importantly, an effective federal mandatory minimum sentencing scheme—encompassing those violent street crimes that most trouble the American people—can be used as a model for those states enacting local mandatory sentencing plans of their own.

4. The President calls for comprehensive criminal code reform and criticizes the Congress for failing to act. But S. 1, "the Criminal Justice Reform Act of 1975", as originally introduced, was hardly an acceptable vehicle to realize such badly needed reform. Original S. 1 provisions supported by the Administration would have shackled the press, undercut civil liberties, and stifled lawful political dissent—all in the name of law enforcement. Instead of attacking the Congress for failing to enact that bill, the President should be encouraging the Congress to continue its ongoing effort to develop a workable, fair, and just federal criminal code.

5. The President promises to wage a new war on crime during the first one hundred days of his new Administration and to establish a new "interagency council" to wage a coordinated effort against crime. This new agency will "recommend changes to lower the crime rate." But where has this Administration been for the last 100 days, and the 100 days before that? Why wait until next year for a new, concerted effort against crime? Why didn't the President set up his "interagency council" two years ago? The answer is simple—talk about "one hundred day" plans and new "councils" are mere political ploys designed to garner votes. Such promises are reminiscent of Mr. Nixon's promise in 1968 of a "secret plan" to end the Vietnam War. The Republican Administration has had eight years to coordinate, concentrate, and commiserate on ways to reduce crime. They have failed. I am not saying that the federal government can eliminate crime from our streets. It cannot. But the President should level with the American people, and admit it. Why doesn't he tell the nation that although there are no panaceas, no magic cures for the crime problem, the federal crime-fighting effort can be much more effective than it has been. Instead he makes empty promises and berates the Congress.

And what about other congressional efforts to deal with crime, efforts sabotaged or ignored by the Administration. The President vocally opposes hand gun control despite the fact that a clear majority of the American people (and many law enforcement officers) favor rigid restrictions, and despite the fact that he even sent up one modest gun control bill to the Congress himself. The Congress, not the Administration, has taken the initiative in seeing to it that the white collar criminal does not avoid punishment. Legislation has been introduced which would eliminate arbitrary sentencing practices and end the sentencing disparity which threatens to undermine the very fabric of our criminal justice system. Moreover, Administration efforts to combat the soaring growth of drug trafficking have been seriously hampered by allegations of corruption and the inability of the Drug Enforcement Administration to get its own house in order.

Finally, the President speaks about "politicians . . underestimating the public concern about crime." He states that "American voters will examine their ballots in November and identify those candidates who have demonstrated indifference or permissiveness toward crime, and they should." This is language reminiscent of the elections of 1968 and 1970, when the previous candidates and incumbents spoke about "coddling criminals" and "a wave of permissiveness." Such talk does nothing to combat the growth of crime in America. Politicizing the crime issue can only result in a growth of public cynicism and indifference.

In the past eight years, the most important missing ingredient in the war on crime has been responsive public leadership. The problem of crime would be far less serious today, the rate would be far lower, if the many studies and recommendations of the past had been translated into vigorous programs of public policy by those in a position of leadership to implement them and see that they are administered effectively.

To make crime unrewarding our institutions must be capable of controlling crime where it occurs, but this must be accomplished within the law and Bill of Rights. There is nothing new or novel here. This twin approach to crime is as old as our American nation. It is actually enshrined in the Preamble of the Constitution, which speaks not only of establishing domestic tranquility but also of insuring justice. And that is what this Administration is in danger of forgetting. The President's law enforcement policy emphasizes "domestic tranquility" in the Preamble to the Constitution, but it does not reflect the companion constitutional goal of insuring justice. And for those who are strict constructionists, I would point out that in the hierarchy of the Preamble, justice comes first and domestic tranquility second. That is the way the Founding Fathers wrote it, and that must be our task today.

We cannot pledge our allegiance to half the Preamble of the Constitution. No amount of police firepower or mandatory prison sentences or presidential messages on crime can insure domestic tranquility, unless we are also prepared to devote a reasonable balance of our effort to establishing justice. And if that total effort is to succeed, the President must set an example and lead the fight. It is most unfortunate, therefore, that the President has, instead, succumbed to the passions of the moment in his quest for votes.

[From the Washington Post, Oct. 1, 1976]

Campaigning on Street Crime

On April 25, 1975, the President of the United States spoke at Yale Law School on the problem of crime. He said:

"Hardly a day passes when some politician does not call for a massive crackdown on crime, but the problem is infinitely more complex than that. Such an approach has not proven effective in the long haul; it is not the American style. We need a precise and effective solution."

Unfortunately, President Ford has been unable to dissuade Candidate Ford from going down the road he himself had so eloquently criticized 18 months ago. In Miami the other day, Mr. Ford, the onetime critic of calls for a "crackdown" on street crime, promised an audience of police chiefs that in the first 100 days of his new administration, he would lead a "crusade" to "tear away the shroud of fear" caused by crime in America. And he said of juvenile crime:

"We hear more about the rights of juvenile offenders than about the rights of their victims. Forty-five per cent of all violent crime is now perpetrated by juveniles. If they are big enough to commit crimes against society, they are big enough to be punished by society."

What makes this red hot rhetoric unfortunate is that it shows clearly how little Mr. Ford has considered the full consequences of his expressions; that is, he cannot divorce himself as candidate from his responsibilities as President. Nor can he explain how it is possible to promise dramatic inroads on crime in the first 100 days of a new Ford administration when he has now held office more than seven times that long—without making those inroads. Still less does he explain why, if he has a 100-day cure for crime, we should wait until next year for him to apply it; as we understand it, he is the President. In short, Mr. Ford, is damning his own past and denying the present, while promising (with no specifics) a brighter future. He is not the first Republican candidate for President to promise great changes in the crime picture. Indeed, Richard Nixon campaigned eight years ago on the theme that he would fire the Attorney General and replace him with someone who would be really tough on crime. That new Attorney General's criminal conviction is still on appeal.

Yes, it is easy to run against crime. All politicians do it, as President Ford so aptly stated to his Yale audience a year and a half ago. That's not the main problem here. It is that a President's words have a life of their own, apart from the campaign. It is one of the burdens of incumbency that offsets the advantages of incumbency. When the President urges punishment for juveniles, he joins a continuing debate on how to handle the juvenile offender and appears to give credence to the argument for incarceration, which is a reasonable way to read his call for "punishment." But many criminal justice experts believe that the longer you keep juveniles out of institutions, the greater the chance they may never have to enter one. As Mr. Ford's predecessor once pointed out, prisoners are "schools for crime." Those who are concerned about the very "career criminals" that Mr. Ford denounced in his Southern swing are looking for alternatives to juvenile detention. One of those ways is to find more jobs for teenagers, an area in which this administration has been something less than outstandingly successful, although Mr. Ford did acknowledge to the police chiefs that lack of jobs might bear some relation to teenage crime.

But, the point that the President cannot escape is that his words have singular power; they go far to establish the tone of our national debate. And when Mr. Ford spoke on gun control in Mississippi, he further muddled the national debate. He declared that "the law-abiding citizens of this country should not be deprived of the right to have firearms in their possession." Last year in Congress there were dozens of gun control bills introduced. One of them was President Ford's. None we can recall would have prevented law abiding citizens from possessing firearms. Their main objectives were (a) to ban the manufacture of cheap handguns, and (b) to require the registration of guns in a manner no more complicated, and in some respects even simpler, than registering a car. But that isn't the way Mr. Ford presented the matter in Mississippi.

The problems of crime in a large and diverse society are necessarily complex, and it is not solely—or even largely—in a President's power to bring down the crime rate. The primary responsibility for fighting crime, especially juvenile crime, rests with state and local government.

At Yale, the President quoted Edmund Burker ". . . to form a free government, that is to temper together these opposite elements of liberty and restraint in one consistent work, requires much thought, deep reflection, a sagacious, powerful and combining mind." We wish the Gerald Ford of that address would speak more often these days about these problems. We miss him. He was more sensible and more responsible on the subject of crime than the latter-day Gerald Ford—the one who is running for President.

"NIMITZ" CLASS AIRCRAFT CARRIER

Mr. LEAHY. Mr. President, during Senate consideration of the fiscal year 1977 Defense appropriations bill, I offered an amendment to delete the $350 million in the bill earmarked for long leadtime items for another 94,000-ton *Nimitz*-class aircraft carrier. At that time, I discussed the serious questions that have been raised concerning the future usefulness of those carriers, in view of their extremely high cost and ever-increasing vulnerability to an expanding Soviet submarine force and sophisticated antiship missiles.

However, I did not ask the Senate to seek immediate answers to those questions and make a yes or no determination on the future of the carrier itself. What I did ask was that the Senate defer the funding for another large-deck carrier until fiscal year 1978, as originally proposed.

The President had asked the National Security Council to study future carrier design, and to make a recommendation on the size of the next carrier before submission of the fiscal year 1978 budget request. However, in the midst of his extremely close primary struggle, the President changed his mind and went full speed ahead with a request for the $350 million in fiscal year 1977 without waiting for the completion of the NSC study he requested.

My amendment would have allowed the NSC to have made its recommendations before the Congress voted funds which will eventually commit more than $2 billion for building the carrier, and more than $20 billion over the next 30 years for equipping and operating the ship and its escorts.

The Senate, by a vote of 50 to 35, defeated the amendment, as it has almost every other effort to deny the Pentagon weapons systems that are technologically feasible but often unnecessary and wasteful.

Mr. President, in an August 16 letter to the distinguished chairman of the Senate Armed Services Committee, Secretary of Defense Rumsfeld released a summary of the tentative conclusions drawn from the NSC study which clearly addressed the question of the future of large-deck aircraft carriers and recommended that alternatives to those carriers must be developed.

The summary states:

> In the course of its review of naval force requirements, the NSC study shows that the rapidly rising costs of nuclear-powered carriers coupled with the prospective technological advances in the threat (particularly Soviet overhead surveillance systems coupled with advanced offensive strike systems) make it imperative that the development of a more flexible replacement for large-deck aircraft carriers be initiated.

It goes on to state:

> Moreover, potential advances in other U.S. ship, missile, and aircraft systems offer a prospect of fulfilling the requirements of sea-based air through a combination of new capabilities.

This section on aircraft carriers concludes by again stressing that the development of alternatives to large-deck carriers is "imperative."

In regard to the proposed new *Nimitz*-class aircraft carrier itself, the summary states that since the Navy has a requirement for 12 carriers, the new CVN–71 is needed to maintain that force.

I have not seen the analysis on which the National Security Council based its conclusion that 12 carrier task groups are required for the Navy's sea control mission and to sustain its current pattern of forward deployments. However, accepting that requirement for the sake of argument, it still does not necessarily follow that the next carrier must be of the *Nimitz*-class. To the contrary, there are extremely persuasive arguments for the construction of smaller carriers of the size necessary for the operation of VSTOL aircraft.

Mr. President, if advancing technology in weaponry has made the development of alternatives to large-deck carriers so urgent, as the NSC study concludes, why are we embarking on a multi-billion dollar project that will lock us into a vulnerable system and operational concept over the next 30 years? The NSC summary provides no explanation. I, for one, feel that it is inexcusable to proceed with these huge expenditures of limited defense resources until a satisfactory explanation is forthcoming from the National Security Council.

We have so far allocated only $350 million of the billions of dollars needed for this "super" carrier. We will undoubtedly be asked for the next installment in the fiscal year 1978 budget request. I hope we will at that time have the fortitude to recognize the obvious fact that continuing this project without a much clearer understanding for its need could result in a colossal waste of money.

Mr. President, I ask unanimous consent that Secretary Rumfeld's letter and the summary of the tentative conclusions drawn from the NSC report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., August 6, 1976.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Included in the Defense Report which I submitted to your Committee in January was a five-year shipbuilding plan containing the President's proposed FY 1977 ship procurement program. In May, the President amended this program, based on early results of the National Security Council study of U.S. maritime strategy and its impact on Navy ship requirements. I indicated then that the rationale for our immediate and long-term requirements would be forwarded as the NSC study was completed.

The enclosure is a summary of tentative conclusions drawn from the NSC study. The summary addresses in broad terms our maritime strategy, the major threats, and our requirements for specific classes of ships. This paper includes a tentative five-year shipbuilding program and provides the rationale for our shipbuilding program request. While the NSC study is not yet complete, I do not expect the final conclusions to vary significantly from those given in the enclosed summary.

The action taken by Congress to date, while incorporating many of the needs highlighted in the NSC study, does not adequately address the high priority need of the Navy for adequate defense against an increasingly sophisticated Soviet anti-ship missile threat. I urge you to give immediate attention to authorization of those remaining FY 1977 shipbuilding program deficiencies. Specifically, I regard as essential the funds for the DDG–47 AEGIS destroyer, Nuclear Strike Cruiser (CSGN), and the four-additional Frigates (FFG). Additionally, the President requested that funds to restore the BELKNAP be provided in FY 1976 or the Transition Period, but Congress authorized the funds in the FY 1977 program. We again request that those funds be authorized for the Transition Period. Finally, the Congress also authorized funds for a fourth attack submarine in FY 1977, and provided long-lead funding for conversion of the LONG BEACH to a strike cruiser configuration. We request that those funds be deleted, and priority given to the DDG–47, the CSGN, and the additional FFG's.

Your continued support is appreciated.

Sincerely,

DONALD RUMSFELD.

UNITED STATES MARITIME STRATEGY AND THE NAVAL SHIPBUILDING PROGRAM

(Figures and graphs not printed in the RECORD)

I. BACKGROUND

In his January 1976 Defense Report, the Secretary submitted a Five-Year Shipbuilding Plan. That Plan, including the proposed FY 1977 procurement program, was described as tentative, pending completion of a National Security Council study of U.S. maritime strategy and its impact on Navy ship requirements. The Plan as submitted called for expansion of the U.S. Navy with a mix of nuclear and conventionally powered surface ships.

In May, the President amended his FY 1977 procurement request to include long-lead funding for one nuclear-powered aircraft carrier, full funding for four additional patrol frigates, and full funding for one additional support ship. This amended program was based on early results of the NSC study. Table 1 shows the President's amended program and the subsequent action of the Congress.

As the Table shows, the action taken by Congress thus far, while addressing many of the needs highlighted by the NSC study, does not adequately address the high priority need of the U.S. Navy for adequate defense against an increasingly sophisticated Soviet anti-ship cruise missile threat. Therefore, the President and the NSC believe it necessary to request formally that this Congress authorize the full FY 1977 shipbuilding request as amended. Since the Congress plans to adjourn in early October it is urgent that the Congress address the remaining FY 1977 items expeditiously.

Specifically, we regard as essential the funds for the DDG–47 AEGIS destroyer, the nuclear strike cruiser, and the additional patrol frigates. The importance of these ships to the fleet in the 1980's and 1990's is discussed in the paragraphs which follow. The tentative five-year naval shipbuilding program which has evolved as a result of the ongoing NSC study is also described.

II. UNITED STATES MARITIME STRATEGY

The United States strategy derives from the clear need to preserve our ability to use the seas for commerce and to honor our commitments to friends and allies. This strategy requires that the U.S.: (1) be able to gain control and hold vital sea areas in a timely manner, particularly the areas essential to NATO; (2) be able to control crisis situations that threaten the vital interests of the United States; and (3) deploy naval forces forward in peacetime to deter aggression.

III. MAJOR THREATS AND U.S. RESPONSES

The NSC review of U.S. Strategy and Naval Missions has confirmed that there are three major threats to the control of the vital sea lines of communications: the Soviet submarine fleet, the Soviet surface fleet equipped with anti-ship missiles, and the new Soviet BACKFIRE aircraft equipped with a sophisticated air-to-surface anti-ship missile as well as longer range cruise missiles launched from ships or aircraft.

A. The submarine threat

The Anti-Submarine Warfare (ASW) mission takes on new importance as the Soviets replace short-range, diesel-electric ships with nuclear-powered and long-range, diesel-electric submarines. With these forces, the Soviets have the potential to interdict the sea lines anywhere in the world. In addition to posing a classic torpedo threat to surface ships, many of these submarines also pose an impressive long and short-range anti-ship cruise missile threat.

Current naval force structure of the United States and its principal allies as well as the associated research and development programs have been derived with the submarine threat uppermost in mind. The U.S. Navy has continued to improve the ASW capabilities of its own submarines. U.S. submarines are believed to be quieter and to have a better sonar suite than Soviet submarines. The U.S. also has a highly effective torpedo, the MK–48. The U.S. air ASW platforms, the P–3 and S–3, have introduced substantial improvements in the past few years with the acquisition of better acoustic processors and better sonobuoys. These, coupled with improvements to and expansion of the Underwater Sound Surveillance system, have done much to keep pace with improvements in Soviet submarine performance.

The tactical towed array sonar and the LAMPS helicopter now under development promise to add a new dimension to the anti-submarine capability of the surface fleet. When operational, these systems will provide a major improvement in the local ASW defenses of convoys, underway replenishment groups, and amphibious forces. Thus, qualitative progress is being made to increase our capability to find and destroy enemy submarines, either as they proceed to and from their patrol areas, loiter on station, or make the final approach to the defended force. However, the number of surface combatants now planned is not adequate to provide world-wide capability against the Soviet submarine threat. Equally important, should some cruise missile launching submarines go undetected and launch their missiles, the ability of U.S. naval forces to defend against these missiles is marginal at best.

B. The anti-ship missile threat from the Soviet surface fleet

Many units in the Soviet surface fleet are equipped with sophisticated anti-ship missiles. As in the case of the submarine threat, new offensive weapon systems in the U.S. program such as HARPOON, CONDOR, long-range cruise missiles, and improved tactical air forces, should provide capability to counter the launch platforms on the high seas. Until the Soviet fleet gains an organic air cover and a more efficient at-sea replenishment capability, the Soviet open-ocean fleet constitutes a threat primarily during the initial phases of hostilities when the fleets may be intermingled and when U.S. ships would be most vulnerable to a large-scale, coordinated attack. If open warfare were initiated, it is doubtful if the Soviet surface fleet could operate as an effective open-ocean force for a significant period of time. However, the many Soviet anti-ship missile equipped ships would still be quite effective in such peripheral seas as the Sea of Japan, the Barents Sea, etc., where they would operate under the umbrella of modern land-based tactical air power.

C. The threat from the air

The Soviet Naval aviation force already possesses a large number of long-range anti-ship missile launching bombers. However, the introduction of the BACKFIRE bomber and its anti-ship missiles give the Soviets the capability to threaten a much greater area of the oceans than before. Land-based Soviet naval air operating from fields in the Black Sea area can attack shipping throughout the Mediterranean. From northern fleet bases, the BACKFIRE can range deep into the Atlantic to strike resupply and reinforcement convoys to Europe. In the Pacific the BACKFIRE can reach to areas south of Hawaii making U.S. resupply of Hawaii, Japan and Korea difficult.

The BACKFIRE aircraft have the potential to launch up to two anti-ship missiles. The present U.S. defense against such an attack consists of interceptors from aircraft carriers and, in a few cases, from land bases. This defense is augmented primarily by surface-to-air guided missiles, such as TARTAR and TERRIER, plus point defense systems such as SEA SPARROW.

The introduction of the F-14/PHOENIX system has brought a major improvement in the carrier-based interceptor phase of defense. However, interceptors cannot do the total job. There will be situations when significant numbers of hostile bombers will survive the interceptor screen to launch air-to-surface missiles that must be opposed by the surface-to-air missile systems of the convoy protection forces.

IV. STATE OF U.S. ANTISHIP MISSILE DEFENSE

Present U.S. surface-to-air missile systems are not effective against the newer generation Soviet anti-ship missiles. This is especially the case in a high density attack—the type of attack in which the Soviets would employ their BACKFIRE bombers. The time from detection until target engagement is excessive, and coordination among missile batteries on different ships in the task force is poor. These difficulties are compounded by system vulnerability to electronic countermeasures. For these reasons the development of the AEGIS system with its high-power, narrow-beam, high-data-rate radar was started more than ten years ago. The AEGIS system would not only be far superior to the present systems, but it would also supply tactical information to the current TERRIER and TARTAR systems, making them more effective. Thus, deployment of the AEGIS system would offset a primary deficiency in fleet capabilities.

We propose to put the AEGIS system on two platforms, the DDG-47 class destroyer and the nuclear-powered strike cruiser (CSGN). A mix of nuclear and conventionally-powered AEGIS ships will strike a balance between quantity and quality, making an effective air defense system an integral part of all major fleet forces. The lower-cost DDG-47 has been proposed by the earlier and more numerous procurement since it can be produced relatively rapidly. The goal is to have up to two AEGIS ships per carrier, or a total of 24 AEGIS ships associated with an operational force of 12 aircraft carriers, with the mix of DDG-47's and CSGN's being determined primarily by the mix of non-nuclear and nuclear carriers.

In Figure 1, the number of AEGIS platforms that can be procured with a given amount of money is compared for three alternative fleets: one with DDG-47's only, one with CSGN's only, and one with a mix. While there is a faster build-up in the all-DDG-47 fleet, a mixed force of the type outlined above can be bought with only a small degradation to the building rate. It is essential that funds be provided in FY 1977 to initiate procurement of the lead ships in these two new classes.

In addition to the anti-ship missile threat to U.S. carrier forces, there is the threat posed by cruise missiles launched from surface ships, submarines, and aircraft that must be handled by surface combatants supporting convoys, underway replenishment groups, and amphibious ships. While the FFG-7 frigates have a significant ASW capability with tactical towed array sonars and LAMPS, they also have an effective anti-air warfare suite against a low intensity cruise missile threat. Ship-launched anti-ship missiles also are fairly common in third-world navies, and adequate defense against a small number of anti-ship missiles may be required in any contingency operation. We therefore propose to accelerate procurement of the versatile FFG-7, as noted in the President's Budget Amendment.

A FFG-7 construction program of 12 ships per year will provide suitable replacements for older destroyers and achieve the force level objective in a reasonable time. That number will keep three shipyards fully occupied and give the maximum benefit of learning consistent with early delivery of these ships. It is important that we convey to the shipyards that this is a stable program.

TABLE I.—CONGRESSIONAL ACTION ON FISCAL YEAR 1977 SHIPBUILDING

	Fiscal year 1977	
	Amended request	Authorization (June 25, 1976)
Trident submarine	1	1
SSN-688 attack submarine	3	4
CVNX nuclear carrier	(1)	(1)
CSGN strike cruiser	(1)	0
DDG-47 Aegis destroyer	1	0
FFG-7 guided missile frigate	12	8
Long Beach modernization	0	(1)
Belknap repair and conversion	(2)	(3)
Support ships	4	4
Total	21	17
Funding (billions)	$7.3	$6.7

[1] Long lead

[2] The President proposed that funds for the repair and modernization of the Belknap be authorized in fiscal year 1976 or the transition period.

[3] Repair and modernization.

V. CARRIERS

The aircraft carrier will continue to be a major component of the U.S. sea control force as well as the major element in the force of forward-deployed naval forces maintained for deterrence. Our analysis indicates that 12 carrier task groups are required both for the sea control mission in a major NATO war with the Soviet Union and to sustain the current pattern of forward deployments.

Through a vigorous service life extension program for the conventional carriers the U.S. can keep a total of 12 carriers in the force through the 1990's. However, while the service life extension program is proceeding, one or more carriers will be decommissioned for up to two years at a time. The extension program will begin in the early 1980's and continue into the 1990's, thus drawing existing carriers down to eleven deployable ships, one less than required. It was for this reason that the President requested one more large deck carrier. The accompanying chart shows the U.S. carrier force when ships reach the nominal end of service life and the effects on force levels of a service life extension program.

In the course of its review of naval force requirements, the NSC study shows that the rapidly rising costs of nuclear-powered carriers coupled with the prospective technological advances in the threat (particularly Soviet overhead surveillance systems coupled with advanced offensive strike systems) make it imperative that the development of a more flexible replacement for large-deck aircraft carriers be initiated. Moreover, potential advances in other U.S. ship, missile, and aircraft systems offer a prospect of fulfilling the requirements of sea-based air through a combination of new capabilities. In view of these factors, we propose to accelerate R & D on several new technologies—V/STOL, anti-ship missiles, cruise missiles, and long-range land-based aircraft. We need an additional $95 million in FY 1977 to explore vertical and short take-off and landing aircraft technology as well as a multi-mission long-endurance aircraft concept that might allow sea control missions to be conducted from land bases even in the continental United States. The funds would also be used to explore means to supplement the strike capability of the carrier, through improved cruise missile technology including target acquisition, damage assessment, and guidance. Cruise missiles will give the U.S. the capability to attack highly-defended areas and generally reduce U.S. reliance on manned aircraft. It is imperative that these initiatives be started as soon as possible.

VI. OTHER PROGRAMS

The President requested that funds to restore the BELKNAP be provided in FY 1976 or the Transition Period. However, Congress authorized the funds in the FY 1977 program. It is again requested that those funds be authorized for the Transition Period.

The Congress also authorized funds for a fourth attack submarine in FY 1977, and provided long-lead funding for conversion of the LONG BEACH to a strike cruiser configuration. We request that those funds be deleted. Our analysis dictates that priority be given instead to the DDG-47, the strike cruiser, and the additional frigates. The service life of the LONG BEACH is such that its conversion to the strike cruiser configuration can safely be postponed.

VII. FIVE-YEAR PLAN

The NSC review of U.S. strategy and naval requirements is continuing. However, certain general conclusions are already evident. These are:

The Soviet maritime threat presents a formidable challenge to the U.S. maritime capability.

The rate at which the U.S. Navy is rebuilt should be accelerated to meet this challenge.

The Allies have a substantial maritime capability which can and should augment our own capabilities.

There should be continued emphasis on improving our ASW capability.

There is a major deficiency in the U.S. capability to meet the anti-ship cruise missile threat, especially the high-density air-launched missile threat. Needed capabilities can be attained with a mix of AEGIS-equipped DDG-47 destroyers, CSGN strike cruisers, and FFG-7 frigates.

Through the 1990's our major sea control platform will be the large-deck aircraft carrier. However, in view of advancing technology and the high cost of carrier replacement, we must pursue all avenues to find new ways to put airpower to sea.

Once combatant ship force levels are firmly established, the increased requirements for specialized support and auxiliary ship needs must be addressed.

Table 2 summarizes the five-year naval shipbuilding plan submitted in January along with the changes which reflect these general conclusions. The number—and especially the mix—of ships in the outyears is still under review and will be refined upon completion of the NSC study.

SENATE RESOLUTION 555 AND HUMAN RIGHTS IN ROMANIA

Mr. THURMOND. Mr. President, I would like to address an issue which was presented to us last year, extension of the most favored nation—MFN—status to the Socialist Republic of Romania, under the waiver provisions of the Trade Act of 1974.

Last year we approved a Presidential proclamation in hopes that the Romanian Government would take seriously sections 402–409 of the Trade Act of 1974, concerning human rights and emigration.

Unfortunately, Romania's performance during the past year does not augur well for the future. The letter of the law provides for free emigration, particularly for close relatives of U.S. citizens. The figures since August 1975 are not encouraging. While some cyclical improvements may be shown, this results from Romanian action close to the dates when Congress has to take up extension. It does not indicate the normal flow of events. Administration witnesses attested at the September 8, 1976 hearings of the Senate Foreign Relations Committee that several hundred family reunification cases are still pending.

There is another aspect of Romanian internal policy which violates if not for letter, then certainly the spirit, of section 402 of the Trade Act of 1974. That section stated one goal of the act to be "to ensure that the dedication of the United States to the cause of fundamental human rights." However, Romania practices continued abridgement of human and cultural rights of the Hungarian and German minorities in Romania. The minorities cannot excise their rights in many fields of human endeavor, including education, job promotion, free use of the mother tongue, and religion.

There are concrete measures which the Romanian Government could take to alleviate this situation, which would not interfere with their system, and would provide evidence of good will on their part. For example, it would not overthrow the Romanian system to allow Hungarian university graduates to return to Hungarian areas where they are needed, instead of being transferred to purely Romanian provinces. Officials should be allowed to speak Hungarian with other Hungarians, without the fear of not being promoted and being reprimanded.

The root of the trouble is the denationalization policies of the government, which are still subtle, but very consequential. Minorities suffer the absence of true religious freedom, unfilled congregations and parishes, absence of cultural and social activities of the churches, and pressure upon parents not to send their children to religious instruction.

We cannot condone this state of affairs by extending MFN status to Romania. Either we must remove MFN status from Romania, or, if extension is to be passed, we must tell the Romanian Government that in the absence of positive, concrete measures, we will vote against further extension in 1977.

EQUAL OPPORTUNITY COMMISSION—GAO REPORT

Mr. WILLIAMS. Mr. President, this week the General Accounting Office completed a report to the Congress on the operations of the Equal Employment Opportunity Commission.

The findings of this report, which was requested by the Committee on Labor and Public Welfare more than 2 years ago, come as no surprise. The report carefully documents the administrative and management failures and difficulties that most regrettably have been part and parcel of the Equal Employment Opportunity Commission. The GAO suggests in very strong terms that the responsibility for this result lies with the failure, in recent years, to attract and keep competent management, and the high turnover in Commission members, especially the chairmanship, has also contributed to the management problems.

Much of what has been documented by the GAO has been predictable and, in certain respects, disclosed by previous reports from the Committee on Labor and Public Welfare and the House Subcommittee on Equal Employment Opportunity.

In the staff investigations and public hearings, and through the confirmation process, many of these failings have been made known to the public.

It is not my purpose to rehash these findings, which reinforce the conclusions Senator Javits and I reached, along with other supporters of EEOC, sometime ago.

This report also should be commended to the next administration. Whether Republican or Democrat, as a blueprint for the renewal of the commitment to equal employment opportunity, because it is the ultimate truth that equal opportunity is not a partisan matter. That it is in the interests of any administration to provide adequate funds, resources, and personnel to carry out the dictates and mandates of title VII of the Civil Rights Act.

An important finding in the GAO report deserves special attention. It is that, despite the pitfalls, travails encountered by this Agency, with its Perils of Pauline existence, there seems to be definite evidence that the Civil Rights Act of 1964 is working to eliminate employment discrimination.

It is doubly tragic that the failures in this Agency have denied so many Americans relief, but it is encouraging and a source of ultimate strength, that a basic foundation toward the elimination of discrimination regarding minorities and women has been laid in place, and is expanding.

We have a long way to go. As chairman of the committee, I want to assure my colleagues that the cause of equal employment opportunity must and will remain a paramount concern of mine and the committee's.

The great hope in our society is that one day we will all be able to look forward to a GAO report that finds that the Commission has reached a responsible level of operation, the caseload has been eliminated, and there are not enough cases for the Commission to handle.

Then we will have known how successful title VII could be.

Mr. President, at this time I ask for unanimous consent to have excerpts from the Comptroller General's report printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Comptroller General of
the United States,
Washington, D.C.

To the President of the Senate and the Speaker of the House of Representatives:

In this report we assess the Equal Employment Opportunity Commission's effectiveness in eliminating employment discrimination and discuss some of the factors which contributed to the agency's limited progress.

We made our review at the request of the Chairman, Senate Committee on Labor and Public Welfare, pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67). Because of the widespread congressional and public interest in the Commission, the committee agreed that our report should be issued to the Congress.

Copies of this report are being sent to the Director, Office of Management and Budget, and to the Chairman, Equal Employment Opportunity Commission.

Elmer B. Staats,
Comptroller General of the United States.

Reports to the Congress by the Comptroller General of the United States

The Equal Employment Opportunity Commission has made limited progress in eliminating employment discrimination.

Although the Equal Employment Opportunity Commission has had some success in obtaining relief for victims of discrimination in specific instances, it does not appear to have yet made the substantial advances against employment discrimination which will be necessary to make a real difference in the employment status of minorities and women.

The Equal Employment Opportunity Commission can do much toward achieving its potential as a viable force in eliminating employment discrimination through improved management controls over its program and administrative operations. However, this is contingent upon achieving a higher degree of stability and continuity in top-level management positions within the Commission.

DIGEST

The Equal Employment Opportunity Commission enforces title VII of the Civil Rights Act of 1964 which prohibits discrimination in employment on the basis of race, color, religion, sex, or national origin.

The Commission's objectives are to—

Provide relief to victims of employment discrimination through the receipt, investigation, and resolution of individual charges alleging discrimination and

Eliminate patterns and practices of discrimination in employment systems (usually referred to as systemic discrimination).

GAO's assessment of the Commission's effectiveness in achieving these objectives was hampered by inadequate data on program results and by difficulties in isolating other significant variables which may have a positive or negative impact on the equal employment opportunity posture of the employers (i.e., economic conditions, union agreements, labor market conditions, and the equal employment enforcement activities of other Federal agencies). Care must be exercised in using the assessment results to the extent that the impact of these other variables cannot be isolated.

GAO's analyses of data which were available indicated that the direct results of the Commission's individual charge and systemic discrimination activities have been minimal.

A number of interrelated factors have contributed to the Commission's limited impact on employment discrimination. Many are management problems which can and should be addressed by the Commission; others are outside management's control.

GAO believes that a major underlying cause of the management problems it found at the Commission was the frequent turnover in the top management positions of chairman and executive director. The exercise of meaningful management control over and accountability for the results of the Commission's operations are contingent upon achieving a much higher degree of stability and continuity in top-level management positions within the Commission. The management problems GAO identified included—

Weaknesses in administrative controls over charge processing,

Limited use of State and local fair employment practices agencies,

Questionable benefits of the expedited charge-processing strategy, Inadequate coordination between compliance and litigation activities,

Inadequate quality control reviews of district office charge resolutions,

Problems in the allocation of resources to field activities,

Combination of individual charge resolution and systemic activities,

Problems in the collection and use of employment statistics,

Inadequate compliance monitoring,

Inadequate procedures for handling cases against State and local governments,

Limited use of litigation authority, and

Lack of coordination with the Office of Federal Contract Compliance Programs.

GAO believes the Commission can do much toward achieving its full potential as a viable force in eliminating employment discrimination through improved management controls over its administrative and program operations and recommends that the Chairman take certain specific actions to address these problems.

AGENCY COMMENTS

To expedite this report, the Senate Committee on Labor and Public Welfare requested that GAO eliminate or substantially reduce the time period normally allowed for advance review and preparation of agency comments and that any advance review by the Commission be made under controlled conditions in GAO's offices. However, the matters in this report were discussed with officials on various occasions and their views were considered in preparing the final report.

Nevertheless, the Commission stated that the constraints placed on its review of the draft report effectively prohibited the agency from making an indepth analysis of the report. Nonetheless, the Commission took exception to GAO's conclusions on the grounds that the report failed to recognize the substantial direct and indirect impact it has had on employment practices since its inception.

GAO does not question the fact that the Commission has played a major role in changing employment systems practices. However, both the Commission and the courts have held that statistical data which shows that minorities and women are not participating in an employer's work force at all levels in reasonable relation to their presence in the population and labor force constitutes strong evidence of discriminatory practices, even though such practices are neutral in intent and fairly and impartially administered.

Accordingly, GAO believes the Commission's effectiveness should be measured by the extent to which its activities have improved the relative employment status of minorities and women, rather than on the basis of changes in employment systems practices which may or may not result in equal employment opportunity.

CHAPTER 1—INTRODUCTION

One of the basic principles of our American way of life is individual freedom, including the freedom to pursue the work of one's choice and to advance in that work considering only individual qualifications, talents, and energies Over the years, however, discriminatory employment practices have denied many this basic right, and various constitutional guarantees, Federal civil rights laws, State fair employment laws, and Presidential orders have not substantially alleviated this situation. Congressional concern over the continued failure of existing laws to adequately protect the rights of American citizens was a predominant factor in the eventual enactment of the landmark Civil Rights Act of 1964.

Title VII of the act (42 U.S.C. 2000e) which became effective July 2, 1965, prohibits employment discrimination on the basis of race, color, religion, sex, or national origin in classification, selection, hiring, upgrading, benefits, layoffs, or any other condition of employment. It also created and empowered the Equal Employment Opportunity Commission (EEOC) to seek out and eliminate unlawful employment practices in accordance with procedures prescribed in the law. Title VII, as amended by the Equal Employment Opportunity Act of 1972, extends EEOC's jurisdiction to virtually all non-Federal employers with 15 or more employees, including State and local governments, private firms, and educational institutions. Employment agencies labor organizations, and joint labor-management apprenticeship programs sponsored by employers, unions, or educational institutions are also covered, without regard to size of work force.

EEOC's enforcement powers were initially limited to the informal methods of conference, conciliation, and persuasion when it found reasonable cause to believe a discrimination charge to be true. The 1972 amendments to title VII strengthened EEOC's enforcement capabilities. These amendments authorized EEOC to file suit in Federal district courts against employers when a remedy could not be achieved through informal means and to take action on its own initiative against employers believed to be engaged in a pattern or practice of employment discrimination, except that any litigation against a State or local government, governmental agency, or political subdivision would be handled by the U.S. Attorney General.

Objectives

Title VII of the Civil Rights Act of 1964 establishes two basic operating objectives for EEOC:

Provide relief to victims of employment discrimination through the receipt, investigation, and resolution of individual charges alleging discrimination.

Eliminate patterns and practices of discrimination in employment systems (usually referred to as systemic discrimination).

Organizational structure

EEOC is headed by a chairman and four other commissioners appointed by the President by and with the advice and consent of the Senate for terms of 5 years. The chairman oversees EEOC's administrative operations, providing overall executive direction, and with the advice and consent of the other commissioners, determines policy and establishes general guidelines for program development. These individuals are assisted in carrying out their activities by an executive director, a general counsel, and other staff offices.

The executive director reports directly to the chairman and is the top line manager of all EEOC compliance activities. His duties include—

Assuring policy, procedure, and program implementation;

Developing operational standards;

Reviewing program operations;

Recommending policy, procedure, and program changes; and

Directing field compliance operations.

The general counsel, appointed by the President and responsible to the chairman, conducts EEOC litigation and provides legal advice on all phases of EEOC's work.

The bulk of EEOC's activities are carried out, under the supervision of the executive director, through 7 regional and 32 district offices throughout the country. The regional offices conduct various liaison activities concerning EEOC programs and functions and provide general administrative supervision for all EEOC regional activities. The district offices, under the direction of the regional offices, perform all enforcement functions, which include participating in both national and regional compliance projects. In addition there are five regional litigation centers, under the supervision of the general counsel, which conduct all litigation approved by the commissioners.

Resources and workload

EEOC has had periods of rapid expansion in both workload and resources. Its initial budget of $3.25 million and staff of 190 for fiscal year 1966 were predicated on the receipt of 2,000 charges, annually, but nearly 10,000 charges were received during its second operating year. During fiscal years 1969–75 the number of charges filed annually increased from 12,148 to 71,023, while its budget increased from approximately $9 million to $55 million and its authorized staff grew from 579 positions to 2,384. For fiscal year 1976, about $63 million was appropriated and an additional 200 positions were authorized to EEOC.

As of June 30, 1975, EEOC's actual staff of 2,114 was distributed as follows:

Location	*Staffing*
Headquarters	565
Regional offices	139
District offices	1, 133
Regional litigation centers	277
Total	2, 114

Analyses of EEOC's charge workload data as of June 30, 1974, showed that most charging parties alleged employment discrimination by private employers on the basis of race or sex. The issues most frequently raised were hiring, terms and conditions of employment, wages, promotion, demotion, and firing.

Charge-processing procedures

EEOC's compliance process begins with the filing of an employment discrimination charge. When received in a district office, the charge is screened to insure that EEOC has jurisdiction. If the alleged discrimination occurred within the bounds of a State or local entity which has an EEOC-approved[1] fair employment practices agency, the charge is referred to that agency for handling for a period of 60 days, pursuant to title VII. If a charge cannot be referred because there is no approved State or local agency, or when the State or local agency fails to reach an acceptable resolution of the charge during the referral period, the charge is processed by the recipient EEOC district office, and the employer who is the subject of the charge is notified, as required by title VII, that the charge has been filed with EEOC.

The charge is then investigated by the district office. Typically, an EEOC investigator visits the employer's place of business and interviews cognizant officials, the charging party, and coworkers and reviews employment records to establish the facts. Sometimes, however, the information is obtained through correspondence. After the investigation, the investigator prepares a letter of determination which summarizes the facts and states a conclusion as to whether reasonable cause exists to support a finding of discrimination, and the district office notifies all parties of its determination.

When reasonable cause is found, district office personnel attempt to negotiate an agreement between the employer and the charging party through informal methods, such as conference, conciliation, and persuasion. Under EEOC procedures this agreement also may be negotiated prior to or pending the formal announcement of a reasonable cause determination where the facts are uncontested and the employer has indicated a willingness to settle. A conciliation agreement negotiated at this stage is referred to as a predetermination settlement. Conciliation agreements, whether negotiated before or after a determination of reasonable cause, are characterized by EEOC as successful negotiated settlements. As a general rule, such agreements will set forth the relief to be granted to the charging party, as well as any other corrective actions required to eliminate unlawful employment practices disclosed by EEOC's investigation.

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[1] State and local governments whose fair employment practices laws and enforcement agencies meet certain minimum standards may apply to EEOC for approval to investigate and resolve title VII charges of discrimination which occurred within their respective jurisdictions.

When reasonable cause is found and district office personnel are unable to negotiate a conciliation agreement, the charge is closed out by the district office as an unsuccessful attempt, and the case is referred to the cognizant regional litigation center to be considered for possible litigation.

When the district office does not find reasonable cause to believe that discrimination occurred, all parties are so notified, the charging party is advised of his or her right to litigate the matter at his or her own volition, and the charge is closed as a no-cause finding.

As will be discussed in greater detail in chapter 2, most of the charges filed with EEOC are closed out on the basis of an administrative or clerical action, rather than going through the district office's regular investigation and conciliation process. Such cases are classified by EEOC as administrative closures.

All charges closed by EEOC's district offices through any of the above means are reported as resolved. EEOC's reported charge resolution statistics include those charges closed by district offices as unsuccessful settlement attempts even though such cases are referred to the litigation centers for possible litigation.

Scope of review

Our evaluation, which was completed in January 1976, focused primarily on determining to what extent EEOC had achieved its two basic operating objectives of (1) providing relief to individual victims of discrimination and (2) eliminating systematic discrimination, and on identifying factors which had limited its effectiveness. We interviewed cognizant officials and reviewed policies, regulations, practices, and procedures at EEOC headquarters in Washington, D.C., litigation centers and regional and district offices in Atlanta, Birmingham, Chicago, Detroit, Los Angeles, San Francisco, and Washington, D.C. We also interviewed officials of State fair employment practices agencies and members of the private bar.

In addition, we analyzed EEOC's individual charge resolutions for several recent years, made various statistical analyses of the results of successful negotiated settlements, made case studies of selected successful negotiated settlements, and made a nationwide questionnaire survey of charging parties and employers who had participated in recent successful negotiated settlements. Except for the questionnaire results which show the degree of charging party and employer satisfaction with the successful negotiated settlements in which they participated, we did not attempt to assess the quality of EEOC's charge resolutions. We also obtained information of EEOC's systemic discrimination activities authorized under section 707 of the Civil Rights Act of 1964, as amended; however, we were unable to obtain sufficient data with which to assess the impact of these activities on the overall problem of systemic discrimination.

As the Senate Committee on Labor and Public Welfare directed, we did not follow our normal procedures for obtaining formal agency comments on this report. However, the matters in this report were discussed with agency officials on various occasions during the course of our review. At the completion of our fieldwork, EEOC officials were also provided with copies of an informal statement of facts for their review and comments (although the statement of facts did not contain any conclusions or recommendations, it served as the basis for this report). In addition, a number of EEOC officials reviewed copies of an advance draft of this report under controlled conditions in our offices during the period June 3 to 11, 1976. The views of these officials, as expressed in each of these meetings, have been noted and incorporated into our report, where appropriate.

CHAPTER 6—CONCLUSIONS AND RECOMMENDATIONS

Conclusions

We believe that the great promise of title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, remains essentially unfulfilled. Although the Equal Employment Opportunity Commission has had some success in obtaining relief for victims of discrimination in specific instances, it does not appear to have yet made the substantial advances against employment discrimination which will be necessary to make a real difference in the employment status of minorities and women. We believe EEOC can do much toward achieving its full potential as a viable force in eliminating employment discrimination through improved management controls over its program and administrative operations.

The basic thrust of our evaluation was to determine how effective EEOC had been in achieving its two basic operating objectives and to identify any factors which tend to limit its effectiveness. Although our review efforts were hampered because of inadequate program results data and difficulties inherent in trying to isolate on a after-the-fact basis all significant outside variables which may have affected the problem, various quantitative and qualitative measures and statistical analyses of available data indicate that the direct results of EEOC's individual charge and systemic discrimination activities have been minimal.

Viewed from the charging parties' perspective, they have had to wait about 2 years for their charges to be resolved, and then only about 11 percent received relief through some form of successful negotiated settlement. Of those few who were involved in successful negotiated settlements, about two-thirds were generally satisfied with the settlements.

Conversely, EEOC's individual charge and systemic discrimination enforcement activities have had little direct impact on employers. With the passage of time, most individual charges filed against them were administratively closed rather than going through EEOC's regular investigation and conciliation process. In those few cases in which the employers agreed to negotiated settlements, any noncompliance with the agreements might go unnoticed since EEOC apparently carried out compliance reviews only on a limited basis. (Our finding that employment patterns of firms with conciliation agreements varied little from those without agreements suggests that such noncompliance may be extensive.) For those individual charge cases in which EEOC found discrimination but the employers refused to negotiate settlements, the likelihood that they would face litigation action by EEOC has been neligible. Similarly, the relatively small number of employers involved in or targeted for systemic discrimination reviews as of June 30, 1975, compared to the large number of employers subject to EEOC's jurisdiction, indicated that the prospect of any given employer being selected for systemic review was also negligible. Although we did not have sufficient data to evaluate the actual impact of EEOC's formal systemic activities on the employment status of minorities and women, as of June 30, 1975, only two systemic litigation cases had been filed, only three nationwide agreements were operative, and there was widespread noncompliance with the one nationwide agreement for which EEOC had data.

We recognize that EEOC may have made certain indirect contributions toward alleviating the problem of employment discrimination through such means as:

The ripple effect of a successful EEOC enforcement action which includes a substantial backpay settlement and

The potential deterrent effect which may result from the mere existence of EEOC.

However, any indirect benefits which might have resulted from EEOC's operations would be even more difficult to isolate and measure than the direct results of its operations. Nevertheless, we do not believe that considering indirect benefits would materially affect our conclusions since the direct and indirect results of EEOC's operations are inexorably related.

EEOC's limited impact on the problem of employment discrimination appears to stem from a number of interrelated factors, some of which may impact on the effectiveness of both individual charge and systemic discrimination enforcement activities. Many of the factors we identified are management problems which can and should be addressed by EEOC. Others are outside of EEOC's management control.

One of the more significant factors limiting EEOC's effectiveness has been its policy of trying to combine individual charge resolution activities with systemic discrimination activities by expanding individual charge investigations to include all like and related issues and by incorporating individual charge resolution goals into its systemic activities. Although both strategies may appear to have merit, we believe the negative effects, as discussed on page 46, far outweigh any potential benefits which might be derived. Other factors which EEOC should address include: weaknesses in its administrative controls over charge processing, inadequate use of State and local fair employment practices agencies, questionable benefits derived from the expedited charge-processing strategy, limited support of compliance activities by litigation centers, inadequate quality control reviews of district office charge resolution activities, problems in resource allocations to field activities, incomplete and untimely collection and dissemination of employment data, inadequate monitoring of employers' compliance with conciliation agreements and consent decrees, lack of effective procedures for handling systemic discrimination cases against State and local governments, limited use of litigation authority for systemic cases, and failure to coordinate its enforcement activities with the equal employment opportunity activities of the Department of Labor's OFCCP.

Although we noted several factors outside EEOC's control that limited its effectiveness, the most significant of these has been the frequent turnover in top management positions of chairman and executive director. In our opinion, the extent of turnover in these two positions complicates, if not completely precludes, the exercise of meaningful management control over and accountability for the results of EEOC's operations. We believe this turnover was a major underlying cause of the problems discussed in this report.

Recommendations

To improve EEOC's effectiveness in achieving its two basic operating objectives, we recommend that the Chairman take action to:

Improve EEOC's administrative controls over its individual charge-processing activities by (1) developing and implementing an integrated management information system which will provide timely and accurate data on the status and disposition of individual charges, workload, staff productivity, program results, and cost effectiveness of charge resolution activities, (2) developing more effective procedures for screening incoming complaints to insure that charging party abuses of the system do not result in inflated workload and productivity figures, and (3) expanding the charging party contact program to include uninvestigated charges less than 2 years old to identify those which may no longer be active and to provide management with more accurate workload statistics. (It may be necessary for EEOC to experiment with various time frames to determine the optimum followup time from a cost-effective standpoint.)

Maximize the use of approved State and local fair employment practices agencies in resolving individual charges. In some instances, this may necessitate strengthening the technical capabilities of certain State and local agencies.

Evaluate the expedited charge-processing strategy to determine whether its benefits compensate for the questionable overall quality of the settlements being reached and the increased costs of coordinators and special recordkeeping procedures required to monitor this program.

Strengthen the relationship between EEOC's individual charge compliance and litigation activities by (1) requiring closer coordination between litigation centers and district offices and (2) reconciling the problems caused by the different evidence standards used in EEOC's compliance and litigation processes.

Improve EEOC's quality control reviews of district office charge resolutions by (1) requiring more extensive use of hard audits, (2) documenting the findings and corrective actions taken, and (3) providing for more effective communication of the results of quality control reviews to EEOC management and field personnel.

Reevaluate EEOC's resource allocations to its field activities taking into consideration (1) the wide variances in charge workload and productivity among district offices, (2) the wide variances in the number of district offices and personnel supported by EEOC's seven regional offices, (3) whether the current regional office structure is warranted, including alternative methods of accomplishing the administrative functions now performed by the regional offices, and (4) the need to staff the preinvestigation analysis units with professionals.

Separate EEOC's individual charge resolution activities from its systemic discrimination activities, except when the benefits of a combined approach would clearly outweigh the negative effects, as noted in our review.

Improve EEOC's collection of employment statistics for use in its own compliance, litigative, and systemic activities and in other Federal and State agencies' equal employment opportunity enforcement activities by (1) identifying and following up on employers who fail to comply with the EEO-1 reporting requirements, (2) providing for more timely dissemination of the employment statistics to both internal and external users, and (3) revising the EEO-1 format to include other essential data such as average salary and wage information for the employers' major occupations.

Improve the monitoring of employer compliance with conciliation agreements and consent decrees by (1) requiring more intensive and extensive followup reviews to insure that discriminatory features of employment systems are eliminated as promised, (2) documenting the results of these compliance reviews, and (3) obtaining enough qualitative and quantitative data on changes in the employment status of minorities and women to evaluate EEOC's impact on the problem of systemic discrimination.

Establish effective procedures for handling the relatively new and unique issues and situations being encountered in EEOC's systemic discrimination cases against State and local governments, governmental agencies, and political subdivisions, including special coordination procedures with the Department of Justice, which must handle the litigation of such cases.

Increase litigation support of EEOC's systemic discrimination activities.

Improve EEOC's coordination with OFCCP by requiring effective implementation of the 1974 memorandum of understanding.

SENATOR WILLIAMS' STATEMENT ON FINANCIAL DISCLOSURE

Mr. WILLIAMS. Mr. President, starting in 1964, I established a policy of making periodic disclosure of my complete financial assets.

In addition to making copies of my statements available to the media, I have included them in this public RECORD.

I would like to do so again at this time and ask unanimous consent that my 1976 statement of financial assets be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASSETS

Cash in banks	$27,873
Life insurance—cash value	36,821
Civil Service retirement fund contributions	50,507
Fair market value of interest in real property in Westfield N.J., and Tamworth, N.H	33,000
Personal property	19,700
Stock holdings—fair market value:	
25 shares Wicks Corp	296
12 shares AT&T	720
Total stock holdings	1,016
Due from estate of the late Harrison A. Williams, Sr	85,210
Total assets	254,127
Total liabilities	0
Net assets	254,127

JOBS THROUGH OIC AND OTHER COMMUNITY-BASED ORGANIZATIONS

Mr. SCHWEIKER. Mr. President, I was very pleased to learn of President Ford's decision to sign H.R. 12987, the Emergency Jobs Program Extension Act of 1976. This bill provides for extension of the CETA, title VI program through fiscal year 1977, and in this period of high unemployment there can be no doubt there is a pressing need for this program.

One thing that should be noted in particular about this legislation is the important decision of Congress to adopt jobs-targeting under titles II and VI of CETA. The Senate initiated this approach in its version of the legislation and fortunately the House was willing to recognize the wisdom of the approach during the conference on the bill. All new jobs created above the June 30, 1976 level of public service jobholders will now be filled by long-term unemployed individuals with low household incomes. I commend my colleagues and the President for addressing through this legislation the needs of those people whose needs are greatest. The new jobs-targeting makes sense in human terms above all, but it also makes sense in terms of general Federal policy. It is infinitely more wise and just to provide people with productive employment than it is to continue to provide them with cash payments for not working.

When the Senate passed its version of H.R. 12987, a provision was contained in the bill which directed the Secretary of Labor to provide assistance to community-based organizations of demonstrated effectiveness and to seek the cooperation of other Federal agencies in giving special consideration to these groups in administering job creation programs. In the past, Congress has recognized the important role of community-based organizations such as OIC, SER, the National Urban League, Operation Mainstream, RTP, and other union-related organizations in providing disadvantaged persons with the opportunity and with the tools to become productive members of this society. No doubt the efforts of these groups would have been especially important under the new jobs-targeting approach, since they have been helping the people this program is designed to reach for many years. Unfortunately this provision was eliminated during the House-Senate conference on H.R. 12987, but I believe Congress is still aware that these groups are a critically important element of the machinery we must develop if we are to win the war against unemployment.

I have long been impressed with the efforts of these community-based groups in the areas of job training and job creation and have felt they could have even more of an impact if accorded sufficient consideration. I introduced S. 2939, the Opportunities Industrialization Centers Job Creation and Training Act of 1976 to provide a special program of financial assistance to OIC because I believe Reverend Sullivan's organization can be of tremendous assistance to us in reaching the disadvantaged members of this society who are most in need of employment services. Obviously, many of my colleagues share my sentiments, for 34 of them have become cosponsors of S. 2939. The plights of poor whites, blacks, Spanish-Americans, and minority youth have long been the concern of OIC and other community-based organizations. I believe we have an obligation to reach those individuals through the efforts of the groups I have just mentioned.

I am pleased to report that S. 2939, along with Senator CRANSTON's amendment, has been ordered reported to the full Committee on Labor and Public Welfare by the Subcommittee on Employment, Poverty and Migratory Labor. Although I wish further action could have been taken on this measure this session, I would like to thank the chairman, Senator NELSON, and other members of the subcommittee, for reporting S. 2939 to the full committee. If unemployment continues to persist at high levels, and continues to afflict in particular minority youth and other disadvantaged members of this society, there may be a need for further action on measures such as S. 2939 during the 95th Congress.

ARMS AND THE CONGRESS

Mr. CLARK. Mr. President, the final days of this Congress have been marked by a sudden concern with the issue of

U.S. sales of weapons abroad. The distress which I, and many of my colleagues, had regularly expressed over the role of the U.S. as the world's No. 1 arms salesman was suddenly and dramatically crystalized by the submission by the administration of proposals to sell a further $6.1 billion worth of arms to 11 countries.

Unfortunately, the way in which we dealt with this, Mr. President, recalls the lines of T. S. Eliot: "Not with a bang, but a whimper."

As a means of putting our current dilemma into perspective, let me remind this distiguished Chamber that during the past decade the annual world-wide arms traffic has doubled. An estimated $20 billion worth of conventional arms was sold or, in a few cases, given away last year.

Embarrassingly, for those of us concerned by the epithet "arms merchant," the fact is that the United States led the way. According to a report by the Senate Foreign Regulations Committee, in three decades the United States transferred to foreign nations weapons and services totalling some $110 billion, or about half of the world total. Since 1967, foreign military sales and military assistance grants alone climbed from $1 billion to a 1975 level of over $10 billion, that figure dropped just a bit to $8.6 billion in 1976.

In the past couple of weeks, however, it became clear that the trend was again towards new record levels. As Senator HUMPHREY pointed out in opening his subcommittee inquiry into the proposed sale of $3.8 billion worth of F-16's to Iran, alone since the President signed the Arms Export Control Act on June 30, 1976—that is, in only 2 months time—the administration has already proposed sales totaling nearly $7 billion. Everyone recalls how the administration opposed the $9 billion arms sales ceiling in the original version of that act. The apparent reason is now clear: They intend to sell substantially more than that $9 billion figure this year.

Now, there can be no question that the Congress, and particularly the Foreign Relations Committee, has shown an increasing awareness of the extent to which everyone—the Executive as well as the Congress—has ignored the far-reaching policy considerations inherent in the transfer of military weapons or services.

This concern resulted, in 1974, in the Nelson amendment, which requires that Congress be notified of any proposed Government sale over $25 mililon—this year lowered to $7 million—and then gives Congress 30 days to veto the sale with a concurrent resolution of disapproval. This was a significant, if incomplete, step forward.

But as we learned painfully this year, even 30 calendar days—raised this year from 20 in the original act—is precious little time for Congress to act. As of today, and I will get into this in more detail later, there has not been a single resolution of disapproval approved by the Congress.

Congress took yet another step toward controlling arms sales this year in passage of the Security Assistance and Arms Export Control Act of 1976-77. For the first time the U.S. development aid and the security assistance were separated into two authorization bills, so that each could be considered on its own merits. This makes it much easier for Congress to take an independent look at military programs.

In that bill, the Congress also made clear its determination to make this a "sunshine" bill. According to the language of the bill,

> Under the New Arms Export Control Act . . . policy emphasis will be placed on public disclosure of arms sales matters.

The act itself spells out three particular objectives: First, it is the sense of the Congress that the President should initiate multilateral discussions on controlling arms transfers; second, that arms sales should not exceed current levels, and third, the President should conduct a comprehensive study of the entire problem.

Having put so much effort and hope into this bill, Mr. President, it was understandable that I and some of my colleagues were literally shocked at the magnitude of the series of "letters of offer" sent to us during the September weeks. In all, there were 43 letters of offer—the Pentagon's intention to sell—totaling $6.12 billion, to 11 countries.

On top of that all, in the course of the hearings we were told by Lt. Gen. Howard Fish, the Pentagon's chief arms salesman, that the Iranians had originally wanted 300 F-16's, rather then the 160 in his package, with the strong implication that they would be back later with further orders. As if this were not enough, we have also been shown a letter from Gen. Hassan Toufanian, the Iranian Vice Minister of War, to U.S. Secretary of Defense Donald Rumsfeld, confirming Iran's intention to purchase 250 of the F-18's. I would like to point out that the F-18 jet fighter has not even been test flown. In short, throughout the hearings there was the clear implication that, massive though it was, this package was only a foretaste of things to come.

Under the circumstances, we could readily understand Senator NELSON'S reaction: He simply introduced resolutions of disapproval for the entire lot.

I must say, there was something to be said for that approach. Here we were, in the waning hours of the Congress, being asked to approve a massive arms sale before, and I emphasize this, before the administration had provided us with a policy framework within which these sales were supposed to be justified. As the Foreign Relations Committee report on the Iran sales pointed out, the National Security Council as far back as May 1975, directed a review of overall U.S. arms transfer policy—to be completed by June 25, 1975. A more specific review of sales to the Persian gulf—NSSM 238—was commissioned in April of this year. Neither is finished; neither has been accepted by the NSC; neither has been shared with the Congress.

I am reminded in this particularly of the portion of the committee's Iranian sale study that "many of those involved in the project came to believe that the senior NSC officials were not interested in a serious analysis of arms transfer issues or an in-depth examination of the nuances and implications of U.S. arms transfer policies to the Middle East and Persian gulf areas, the focal points of the study."

In my judgment, to approve these sales without a policy framework is putting the cart before the horse. And, much as I would have preferred to deal without discrimination with the entire, worldwide package, that would have been difficult because of some of this Nation's mutual defense agreements.

It would still have been possible, it seems to me, to delay the sales to the Persian gulf countries, on the grounds that the administration owed us a policy, and with the absolute assurances to those friendly governments of ours that the hold-up was only a delay, pending a full policy review of our delivery policy.

Let me pause for a moment to dwell on this point: my argument is not with the Persian gulf countries, who are our good friends. My objection to these sales is solely with the administration, and its failure to explain to us in rational, intelligible terms, where we are headed with our worldwide arms transfers.

Unfortunately, the majority of my colleagues felt that even this sort of general area-wide decision would unjustifiably irritate our Persian gulf friends, and so the motion lost.

But the record of that debate will show that there is an enormous concern among members of the committee—and I am sure this reflects a broad spectrum of the Senate—over these arms sales. One after another, the members lamented the absence of a policy guideline.

Senator HUMPHREY said:

> The simple fact, is that all of the sales relating to the Persian gulf and Middle East and to other countries, Pakistan, Philippines, all of the 43 letters of offer that we have here, are all ad hoc sales, without regard to any substance or fabric of policy.

Senator CHURCH added,

> I have been saying for some time that we are in the process of selling a big war in the Persian gulf. I don't know when it will come. I simply know the kinds of weapons that are being purchased and the magnitude of the purchases represent an unrestrained arms race in that part of the world, which we are fueling.

Senator McGOVERN agreed. He said:

> I think what is emerging from this discussion so far, is that what we most need is a thoughtful examination of the whole question of the U.S. role as the leading arms supplier to the world and a reconsideration of whether that is the course we want to follow.

Senator JAVITS was more abrupt:

> I think what is really needed is a review of the whole policy.

What do we mean when we insist upon the need for a policy framework within which to make decisions?

We need long-term projections of the political relations between the recipient nation and its neighbors. We must be able to judge how the sale will affect the military balance in the area. We need to know the nature of the governments involved, their intentions, capabilities, and likely evolution.

We need information on which to evaluate the economic impact of the proposed sales. Theodore Moran, Assistant professor at Johns Hopkins University, pointed out in our hearings that arms sales must of necessity have a destabilizing impact on the recipient society. the reason is simple, said Professor Moran.

> It goes back to the guns and butter issue. It means at the present level of expenditure that most of the societies simply cannot afford to pay for the other kinds of social and economic programs that they need to deal with the tension inside their own societies.

In many cases, economic destabilization is directly attributable to arms and weapons purchases.

We need the background on which to judge the social impact of the arms program as well. Recent history surely indicates that one of the fastest ways to radicalize the political structure of a developing country is through a rapid and substantial military buildup, with all that entails in the development of an educated and sophisticated military elite.

We need a far better insight into the role private U.S. companies play in stimulating a demand—perhaps artificial—on the part of the recipient countries for specific weapons systems. There's nothing wrong with a legitimate sales effort. But U.S. firms are almost unique in the international industry in being competitive with each other, while at the same time not closely coordinated by the government. The Multinationals Subcommittee heard testimony on how company representatives were deeply involved in persuading foreign buyers to select specific systems—in some cases before the local U.S. military mission or Embassy knew anything about it. Secretary of the Army Martin Hoffman also testified that the Shah complained to him that some salesmen had provided misleading data, and there is evidence that another company provided the Iranians with unrealistically low price estimates. In 1973, the then Secretary of Defense James Schlesinger sent a personal representative to Teheran, in part to get a handle on the operations of the private U.S. sales forces. At the very least the Congress needs a better comprehension of the extent to which U.S. weapons manufacturers provoke an interest in systems a country may not really need.

We could well use further information regarding the interrelationship between the U.S. services, particularly the Air Force and Navy, each competing for its own reasons in selling equipment. According to the Senate report, in Iran "on occasion, the Services fiercely competed with each other for sales." Obviously the degree to which this stimulates sales is also a legitimate congressional concern.

Finally, and this is a concern described at length in the committee's report on military sales to Iran, we need to know much more about the so-called back-end implementation aspects of arms sales. So often we focus merely on the "front-end" issues—events leading up to the sale itself. But we have seen little analysis yet on the "back-end" process, that is, the relationship to the recipient country after the contract is signed—the procurement, finance, logistics, maintenance, and training, which may continue for a decade afterward. A "back-end" consideration of particular concern, of course, is the presence of U.S. personnel. To sum up, as the report points out, the "back-end" effect leads to a "mutual and entangling relationship" with enormous policy ramifications.

Unfortunately, to everyone's distress, the issue of our overall concern with the aggregate of arms transfers around the world also got swallowed up in the controversy over the delivery of the Maverick missiles to Saudi Arabia.

Let there be no misunderstanding about where I stand: I am extremely reluctant to see high-technology weapons delivered to volatile areas of the world. I specifically do not like the idea of delivering Mavericks under these conditions, before the military and strategic considerations of the area as a whole are better understood. But what makes Mavericks so different than F-16's—which Iran will get even before our NATO allies?

I could see no sense in singling out this tiny part of the Saudi Arabia package for disapproval. For one thing, the case was not really made that these 650 Mavericks made all that much difference in military terms. The argument was also persuasive that a rejection would be viewed as a serious affront by the Saudis.

Far more important, however, I felt that the rejection of this weapon—some one half of one percent of the total $6.1 billion package—would profoundly misrepresent our real concern about that package.

In a word, I do not view the rejection of one-half of 1 percent of a mammoth package as evidence of a serious effort on the part of Congress to come to grips with the problem.

What is past is past. But as we go into recess, with some time to reflect on the next session, I think we must very carefully rethink our position on arms policies.

First of all, let me make my position clear. There are unquestionably arms sales which are necessary and proper—in our national interests, and in those of our allies and friends. As MIT Prof. Lincoln Bloomfield, one of the witnesses during the hearings, put it—

> This is not to argue that the United States should not befriend and, if necessary, sell substantial arms to any middle eastern state. It is to say, that if such a policy does not anticipate a range of potential consequences, particularly in stimulating a suppliers arms race, it can only be described as mindless.

Second, our experiences with this package have demonstrated that somehow the procedures must be changed to allow an earlier congressional input. What happens now is that the deal is all but consummated before the Congress is called on to act. We are handed a fait accompli. The sale has gone so far that to reject it provokes a diplomatic incident. The administration argument becomes not so much that the sale is justified, as that we are committed, the recipient country expects it, and to block it would create a major diplomatic disaster. Clearly, to be effective, machinery must be set up to bring Congress into the picture at a much earlier stage.

Finally, I would like to emphasize the necessity for doing away with what is unquestionably excessive classification by the executive branch in its advance notice of pending arms sales, the letters of offer. The reason regularly given is that classification is necessary for "national security," but in fact it is clear that the real reason is that either the seller or the recipient country has asked that details not be made public. This is understandable in some rare instances, but I am convinced that a rational discussion of arms transfers cannot take place with all the details classified and kept from the public.

In conclusion, Mr. President, let me extend my appreciation to those of my colleagues who have struggled so tenaciously with this problem. Secretary of State Henry Kissinger has assured us that the executive branch is finally really aware of our concerns, and is moving to establish the procedures to improve the dialog. Let us return to these Chambers next year resolved to deal more effectively with this critical area of national policymaking.

Mr. President, in an article in this morning's Washington Post, correspondent Don Oberdorfer goes into some other details of our current deliberations. As this deals directly with what I have just discussed, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Oct. 1, 1976]

SAUDI MISSILE DISPUTE STIRS CALL FOR NEW ARMS SALES POLICY

(By Don Oberdorfer)

Congress' first serious test of its power to block foreign arms sales created a near-crisis this week in the relationship between the United States and the world's most important oil power, Saudi Arabia.

As seen from both Capitol Hill and the executive branch, the battle over missiles for Saudi Arabia dramatically illustrated the dangers and weaknesses of present methods for reviewing overseas military transactions.

In December, 1974, Congress voted itself the power to approve arms sales over $25 million to foreign countries, and in June of this year that authority was expanded and embellished in the far-reaching Arms Export Control Act.

Both measures arose from the legislators' desire to have a role in the massive U.S. sales abroad which have grown many times larger than U.S. military assistance grants and play a vital role in regulations with many nations.

Under the 1974 law and its recent extension, any significant arms sale proposal must be submitted to Congress before the deal is consummated. Congress then has 20 days to act by majority vote of both houses to block a sale.

In early September, the Ford administration sent to Congress notification of 43 proposed military sales to 14 countries, with a total price tag of $6 billion.

Congressional committees and individual lawmakers were nearly overwhelmed by the size and scope of the package, which raised foreign policy questions in just about every region of the world.

As a practical political matter, the only sales that generated sufficient opposition to threaten a congressional veto were those to potential enemies of Israel.

With encouragement from the Israeli government and an active pro-Israel lobby group, attention focused on the proposed sale to

Saudi Arabia of Maverick air-to-ground missiles, a highly sophisticated antitank weapon, and of air-to-air Sidewinder missiles.

Although details are unavailable, the Saudi missile sales evidently had their genesis in still-secret discussions between Secretary of State Henry A. Kissinger and the late King Faisal following the 1973 Middle Eastern war and oil embargo.

After high-level U.S. approval, a three-service Defense Department team in April-June, 1974, made an extensive survey of the Saudi armed forces.

With the United States reaching out to the Arab world as a part of Kissinger's Middle East diplomacy, forging a military connection with Saudi Arabia was given high priority. Moreover, the U.S. military recommendations represented potential sales offsetting soaring Saudi oil revenues.

In November, 1974, the United States agreed to sell to the Saudis a group of F-5 jet fighters that would be specially modified for the highly sophisticated Maverick missiles. This requires adding a television screen in the cockpit and an onboard computer. The Saudis officially asked to buy the Mavericks in October, 1975, according to informed sources.

In February, 1976, Congress was informed of plans to sell 1,000 Mavericks to the Saudis, which was done without congressional objection.

However, the sale of an additional 1,500 Mavericks raised Congressional concern late in August, because of the numbers involved and because the lawmakers earlier had not known of the full extent of the F-5 delivery capabilities.

Seeking to head off a fight in Congress, President Ford met at the White House with Republican Sens. Jacob K. Javits (N.Y.) and Clifford P. Case (N.J.) and negotiated by telephone with Sen. Hubert H. Humphrey (D-Minn.) Mr. Ford reduced the numbers of both Sidewinder and Maverick missiles in the package. The Sidewinder issue was dropped, but last Friday the Senate Foreign Relations Committee voted 8 to 6 to block the sale of 650 Mavericks.

Vice President Rockefeller as well as Kissinger and many other officials were suddenly called in and the argument was made that Saudi Arabia would consider rejection of the sale an unfriendly political act.

The most effective—and ultimately successful—argument was that the sale of Mavericks was too far along to be blocked by Congress without grave damage to foreign relations.

Under existing practices, Congress did not learn of the planned sale until it was virtually signed, sealed and delivered.

The question for the future is, at what point should Congress be informed of discussions and decisions which may involve large sales. Notification to Congress early might breach diplomatic secrets and raises the possibility of triggering hostility from other nations.

Congress gave serious attention to only one arms sale this year that did not involve Israel and its Arab enemies. That was the proposed $3.8 billion sale of F-16 fighters to Iran.

While considering the F-16, Congress was also looking into the previous sale of F-14 fighters to Iran for $2.1 billion on personal orders of President Nixon.

During the discussions, Congress learned that Iran has just asked also to buy the still-nonexistent land-based F-18 fighter, a sale of $4 billion to $5 billion dollars more.

No serious effort was made to block the F-16 sale, though the significance for the Persian Gulf, oil prices and U.S. ties to Iran is extremely large and to some lawmakers, troublesome.

Nearly everyone agrees that it makes more sense to consider and evaluate a comprehensive arms policy toward a country or region than to fight legislative battles on individual weapons sales. The trouble is, little or nor comprehensive policy exists.

A high-level effort to write an overall U.S. arms policy for the Persian Gulf has languished in the National Security Council for more than a year.

The Senate Foreign Relations Committee recently demanded in a resolution that no additional sales to this area be made until the review is completed and reported to the committee. In view of the complexities and political sensitivities, it is doubtful whether the review will mean much even if it is finished.

While calling for comprehensive U.S. policies, Congress has also asked President Ford to seek multilateral agreement with the Soviet Union and other supplier countries to control the international arms trade. While the United States is the largest arms supplier, almost all observers agree that it alone cannot reverse world trends.

In a report sent to Capitol Hill recently, Kissinger responded that worldwide arms export controls by supplier nations are "politically infeasible" and that even limited restraints covering particular regions or weapons face "formidable political and psychological obstacles."

There is little sign of seriousness of purpose about worldwide conventional arms restraint on the part of Kissinger, who has used the supply of weapons as an important tool of his diplomacy.

Lincoln Bloomfield of the Massachusetts Institute of Technology told the Senate Foreign Relations Committee that senior Soviet experts in unofficial meetings recently expressed interest in curbing the buildup of arms by mutual agreements. However, Bloomfield concluded there is little chance of anything being done until the matter has much higher priority with the world's statesmen.

THE PUBLIC PARTICIPATION IN AGENCY PROCEEDINGS ACT

Mr. MATHIAS. Mr. President, one of the bills which will die at the end of this session, although it has been favorably reported from the Judiciary Committee and considered by the Government Operations Committee, is S. 2715, the Public Participation in Agency Proceedings Act. This bill, which I sponsored with the Senator from Massachusetts (Mr. KENNEDY), would authorize agencies and courts to award fees and costs to citizen groups who participate in administrative proceedings or who prevail in important actions seeking judicial review of agency decisions.

In the past week we have passed the Toxic Substances Act, the Civil Rights Attorneys' Fees Act, the Revenue Sharing Act, and other bills which contain authority for court awards of attorneys' fees in appropriate cases. The principle is firmly established, and the Congress will have the opportunity to act on S. 2715 early next session.

Over the past few weeks two consumer groups who have strongly supported S. 2715 have been discussing the advantages of this legislation with representatives of the J. C. Penney Co. That firm, reflecting a constructive attitude on consumer issues, has written a letter endorsing S. 2715 and proposing certain specific changes in the bill. Those are constructive proposals, and I am certain that they will be given most serious consideration when the bill is introduced next session.

I ask unanimous consent that the letter and bill, with proposed changes, be printed in the RECORD, and I commend this company for its forward-looking attitude on this significant measure.

There being no objection, the material was ordered to be printed in the RECORD. as follows:

J. C. PENNEY,
September 27, 1976.

MS. JOAN CLAYBROOK,
Director, Congress Watch,
Washington, D.C.
and
MS. CAROL TUCKER FOREMAN,
Executive Director,
Consumer Federation of America,
Washington, D.C.

DEAR JOAN AND CAROL: J. C. Penney Company, Inc. supports the principle of consumer representation before federal regulatory agencies. Consequently, we recognize the importance of S. 2715, the Public Participation in Government Proceedings Act of 1976, and its potential for furthering this principle. This bill would permit awards of attorneys' fees and other expenses of participation before federal regulatory agencies and in certain court cases involving the review of agency action. We believe that reasonable compensation should be provided to afford public participation in such instances, if the participation serves an important public interest and is not feasible without such compensation. A provision for compensating participants in rulemaking proceedings before the Federal Trade Commission was enacted in 1975 as part of the Magnuson-Moss Federal Trade Commission Improvements Act. The Company actively worked for passage of the Magnuson-Moss Act.

Although we endorse the objectives of S. 2715, certain clarifications are essential before we can support the bill. Our concerns are in three general areas:

Although it may be unduly restrictive to limit the funding of public participation to "proceedings" as that term is defined in the Administrative Procedure Act, in attempting to provide for participation in other appropriate circumstances the bill leaves uncertain the extent to which public participation will be funded before federal regulatory agencies in matters other than formal agency proceedings. Therefore, it is necessary to define with more specificity the extent to which public participation will be funded in matters other than formal "proceedings" as that term is defined in the Administrative Procedure Act.

A second major point of concern is the standard for determining whether a person is eligible to receive compensation for participation before federal agencies. The federal regulatory agencies must be given discretion to require consolidation of duplicative presentations or take other measures to limit the number of participants eligible for compensation or the amounts paid to persons representing identical or closely-related viewpoints so that agency action will not be unduly delayed.

Finally, reasonable ceilings on the amounts awarded are essential in view of the fact that public funds are being expended and will, of necessity, be limited.

We appreciate your willingness to meet with us in an effort to agree upon mutually-acceptable amendments to S. 2715. Enclosed with this letter is the product of our joint efforts. We believe that the language worked out among us is a reasonable resolution of the problems which we have with the bill and wish to confirm our commitment to support S. 2715, if amendments conforming substantially to the enclosure are adopted or if other amendments resolving our basic concerns are accepted.

I wish to add my personal support of the Company's position on this legislation, and of the agreements which are reflected in the enclosure.

We believe that the series of meetings which we held were constructive and sincerely hope that they will prove to be a forerunner of future cooperation between the J. C. Penney Company and responsible consumer groups.

Sincerely,

DAVID SCHOENFELD,
Consumer Advocate.

S. 2715

A bill to amend the Administrative Procedure Act to permit awards of reasonable attorney fees and other expenses for participation in proceedings before Federal regulatory agencies, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Public Participation in Government Proceedings Act of 1976".

SEC. 2. (a) Subchapter II of chapter 5 of title 5, United States Code (relating to administrative procedure), is amended by inserting after section 558 of such title the following new section:

"§ 558a. Attorney's fees; fees and costs of experts; participation expenses

"(a) (1) The Congress finds that effective functioning of the administrative process of Government requires Federal agencies to seek the views of all affected citizens. In practice, access to the administrative process is frequently an exclusive function of a person's ability to meet the high costs of participation in Government proceedings.

"(2) The purpose of this section is to promote increased public participation in agency proceedings, thereby insuring more effective functioning of the administrative process by enabling all affected persons to secure the representation in agency proceedings to which such persons are entitled. The Congress intends that Federal agencies shall utilize to the fullest extent the authority and funds provided pursuant to this section.

"(b) (1) For the purpose of this section the term—

"(A) 'person' means any person as defined in section 551(2) of this title and includes a group of individuals with similar interest and any individual member of such group.

"(B) 'proceeding' means any agency process including adjudication, licensing, rulemaking, ratemaking, or any other agency process in which public participation is authorized, pursuant to the administrative procedural requirements of any statute, regulation or practice, or which is conducted on the record after opportunity for an agency hearing, or which provides for public notice and opportunity for comment, whether or not such process is subject to the provisions of this subchapter.

"(2) This section applies to all rulemaking, ratemaking, and licensing proceedings, and, in addition, to such other proceedings involving issues which relate directly to health, safety, civil rights, the environment, and the economic well-being of consumers in the marketplace. This section does not authorize funds for merely attending, as opposed to participating in agency proceedings, nor for proceedings where the cost of participation would normally be minimal.

"(c) Each agency is authorized, in accordance with the provisions of this section, to award reasonable attorneys' fees, fees and costs of experts, and other costs of participation incurred by eligible persons in any agency proceeding whenever public participation in the proceeding promotes or can reasonably be expected to promote a full and fair determination of the issues involved in the proceeding. But where multiple applications are submitted, the agency may require consolidation of duplicative presentations, select the most effective representations or representatives, offer compensation only for certain categories of expenses, or jointly compensate persons representing identical or closely related viewpoints.

"(d) Any person is eligible to receive an award under this section based on participation (whether or not as a party) in an agency proceeding if—

"(1) the person represents an interest the representation of which contributes or can reasonably be expected to contribute substantially to a fair determination of the proceeding, taking into account whether the person represents an interest which is not adequately represented by a participant other than the agency itself, the number and complexity of the issues presented, the importance of public participation, and the need for representation of a fair balance of interests; and

"(2) (A) the economic interest of the person in the outcome of the proceeding is small in comparison to the costs of effective participation in the proceeding by that person, or whenever the person is a group or organization, the economic interest of a substantial majority of the individual members of such group or organization is small in comparison to the costs of effective participation in the proceeding, or

"(B) the person demonstrates to the satisfaction of the agency that such person does not have sufficient resources available to participate effectively in the proceeding in the absence of an award under this section.

(e) In any agency proceeding, the agency may require any participant to pay part or all of an award under this section upon a determination by the agency that the participant has acted in an obdurate, dilatory or mendacious fashion, or for oppressive reasons.

"(f) (1) In order to facilitate public participation, each agency shall make a written determination, giving reasons therefor, of the eligibility of a person for an award under this section, and the amount and computation of such award, if any, prior to the commencement of any proceeding, unless the agency makes an express written finding that all or any part of such determination cannot practically be made at that time. The agency shall make such determination after consideration of the maximum amount payable for awards under this section for the proceeding and the requests or possible requests for awards under this section by other eligible participants in the proceeding.

"(2) Payment of fees and costs under this section shall be made within ninety days after the date on which a final decision or order disposing of the matters involved in the proceeding is made by the agency.

"(3) If an eligible person establishes that the ability of such person to participate in the proceeding will be impaired by failure to receive funds prior to the conclusion of such proceeding, then the agency shall make advance payments to permit the person to participate or to continue to participate in the proceeding.

"(4) A person who receives advance payments pursuant to this section or who the agency determines to be eligible to receive a specified award pursuant to this section shall be liable for repayment of part or all of such payments actually received, or for forfeiture of part or all of the specified award for which such person is determined to be eligible, whenever the agency determines that—

"(A) the person clearly has not provided the representation for which the payments or specified award was made, or

"(B) the person has acted toward a respondent or applicant under subsection (e) of this section in an obdurate, dilatory, mendacious, or oppressive manner.

"(5) Reasonable attorneys' fees, experts' fees, and other costs of participation awarded under this section shall be based upon prevailing market rates for the kind and quality of the services furnished, provided that experts and consultants shall not be compensated at a rate in excess of the highest rate of compensation for experts and consultants to the agency whose proceedings is involved; and provided further that attorneys' fees shall not be awarded in excess of $75 per hour in the absence of special justification or action by the agency where special factors exist, such as increases in the cost of living or limited availability of qualified attorneys for particular proceedings.

"(g) A person may bring an action in accordance with chapter 7 of this title for review of a final agency action under this section—

"(1) denying an award or payment of an award of fees or costs, or both, or

"(2) granting an amount of fees or costs, or both, which is insufficient to enable such person to participate effectively in a proceeding, or

"(3) reimbursing an amount of fees or costs, or both, which is insufficient to compensate adequately such participation

in the appropriate court of the United States having jurisdiction of an appeal from the proceeding in which such person participated or sought to participate, except that no order to stay the proceeding in which application for payment of fees and costs under this section was made shall be entered by that court in such action.

"(h) (1) Each agency shall, within ninety days after the date of enactment of this section, propose regulations to carry out the provisions of this section. Such regulations shall be adopted by the agency and take effect no later than one hundred eighty days after the date of enactment of this section.

"(2) The head of each agency to which this section applies shall prepare and transmit to Congress on the date of submission of the President's budget an annual report with respect to the nature and disposition of all proceedings in which grants of fees and costs pursuant to this section were sought, and which report shall include the amounts sought and awarded in each such proceeding, the computation of such amounts, and the identity of each recipient.".

"(i) This section does not create any new rights to participate in federal agency proceedings which do not exist in law.

(b) The analysis of chapter 5 of title 5, United States Code, is amended by inserting immediately after the item relating to section 558 of such title the following new item:

"558a. Attorneys' fees; fees and costs of experts; participation expenses.".

SEC. 3. (a) Chapter 7 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 707. Attorneys' fees; fees and costs of experts; litigation expenses

"(a) For the purpose of this section, the term 'person' means any person defined by section 551(2) of this title and includes a class of individual and any individual member of such class.

(b) Notwithstanding any other provision of law, any party or party intervenor in a civil action or other proceeding for judicial review of agency action under this chapter shall be entitled to recover reasonable attorneys' fees, fees and costs of experts, and other reasonable costs of litigation, including taxable costs, from the United States, if—

"(1) the court affords such person the relief sought in substantial measure or, after the filing of such action, the agency affords such person the relief sought in substantial measure;

"(2) the court determines that such action served an important public purpose; and

"(3) (A) the economic interest of the person is small in comparison to the costs of effective participation in the action by that person, or whenever the person is a group or organization, the economic interest of a substantial majority of the individual members of such group or organization is small in comparison to the costs of effective participation in the action, or

"(B) the person demonstrates to the satisfaction of the court that such person does not have sufficient resources available to participate effectively in the action in the absence of an award under this section.

"(c) Reasonable attorneys' fees, experts' fees, and other costs of litigation awarded under this section shall be based upon prevailing market rates for the kind and quality of the services furnished.".

(b) The analysis of chapter 7 of title 5, United States Code, is amended by adding immediately after the item relating to section 706 of such title the following new item:

"707. Attorneys' fees; fees and costs of experts; litigation expenses.".

SEC. 4. The Administrative Office of the United States Courts shall, in accordance with such rules as the Judicial Conference of the United States may prescribe, prepare and transmit to Congress an annual report on awards of attorneys' fees and litigation expenses against the United States under section 707 of title 5, United States Code. Such report shall contain a list of all civil actions in which such awards were sought, and shall include the amounts awarded in each such action and the identity of each recipient.

SEC. 5. (a) In addition to the sums authorized under subsection (b), and in addition to any funds otherwise available for supporting public participation in agency proceedings, there are authorized to be appropriated for the purposes of carrying out the provisions of the amendment made by section 2 of this Act the sums of $10,000,000 for the fiscal year 1977, $10,000,000 for the fiscal year 1978, and $10,000,000 for the fiscal year 1979. All funds for any fiscal year which are not expended during such year shall remain available for expenditure in succeeding fiscal years for awards of fees and costs in proceedings commenced during such fiscal year.

(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of the amendments made by section 3 of this Act through fiscal year 1979, and there are authorized to be appropriated, for the fiscal year 1980 and succeeding fiscal years, such sums as may be necessary to satisfy court awards of fees pursuant to the amendments made by section 3 where the action was brought prior to the end of fiscal year 1979.

SEC. 6. The provisions of this Act shall take effect on the date of its enactment, except that—

(1) the amendment made by section 2 shall take effect one hundred eighty days after such date, but the provisions of the amendment made by such section shall apply to the proceedings in which regulations are required to be issued under section 558a(h)(1); and

(2) the amendments made by section 3 shall apply to any civil action brought after such date of enactment.

Amend the title so as to read: "A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation before Federal agencies, and for other purposes.".

MISADMINISTRATION

Mr. CURTIS. Mr. President, I know that my colleagues in the Senate share my concern for reasonable programs and efforts to protect our natural environment and wildlife and its habitat. I also know that many of my colleagues share my concern over the growing Federal bureaucracy that seems to take no cognizance of human beings and the problems of the effects on local communities of the many programs administered by the Federal Government.

One would think that with such genuine concerns for the citizens of the country and our natural resources, we should have no conflicts or problems. I regret to say, however, that this is not true. Unfortunately, the very nature of the Federal Government, in its excess, often leads to utter disregard for the ultimate effects on people.

Most of my colleagues, I am sure, have had instances in which the implementation of Federal programs have had adverse effects on individuals, groups of people, or whole communities. In such instances we try every way possible to correct the difficulties, and we are usually successful where the problems have come about more because of the vast bureaucratic involvement than the requirements of the programs themselves.

Occasionally, however, a situation arises in which the specific program or agency is at fault in administering a program. Such is the case in the matter I must share with you at this time.

I have learned of an instance in my State of Nebraska in which two Federal agencies have so exaggerated a situation as to make them appear ridiculous in their lack of consideration for a local community. In this instance, the Federal Government's hand in the lives of citizens is doubly damaging and shocking.

The situation involves the construction of a waste treatment system for the community of Henderson in central Nebraska. Henderson has a population of about 1,000, and it has outgrown its waste treatment system which was designed for a population of 500.

The community has taken all the steps necessary to qualify for a new waste treatment system under the grant program of the Environmental Protection Agency. About 2 years ago the total estimated cost of the project was $108,000, and today it is more than $281,000.

The project design met all the specifications of the EPA. It was approved by the EPA, the State Department of Health and all other affected agencies. The first phase of the planning is completed. The second phase was about to be completed and approved by EPA when the project was stopped by the Fish and Wildlife Service. A representative of the Fish and Wildlife Service visited the community and discovered that the two lagoons to be built would have an environmental effect.

Now, the citizens of the community don't deny that the new waste treatment system will have an effect of the environment. They know that the new system will lessen the dangers that now exist to the health of the community because the city has to bypass its current treatment system and dump the raw sewage into a draw the community owns for its sewage system. The people of Henderson know that by containing all of the community's sewage in a proper treatment system they will remove the pollution of the city's system that is now being bypassed into the draw.

But can you imagine, Mr. President, that the Fish and Wildlife Service has determined that the manmade pool of raw sewage being created by the bypass of the community's sewage treatment system is a wetland that should be preserved? Yes, the Fish and Wildlife Service determined that the sewage pool constituted a wetland, and as such the community could not build a waste treatment system that would endanger that wetland.

Well, Mr. President, not believing that even some of our wildest-eyed bureaucrats could be so stupid, I sent my field representative to the community to observe the situation first hand.

The report I received from him confirmed the information I just shared with you here. The Fish and Wildlife Service declared the sewage area to be a wetland beneficial to wildlife, and because of its opposition to the already approved waste treatment system, the EPA concurred and went through a whole process to change the system.

Engineers again were called in, the plan was redrawn for the community's waste system, and the two lagoons of 12 and 14 acres were relocated and reduced to lagoons of 12 and 6 acres. The result is that the capacity of the system for effectively handling the sewage for Henderson was reduced from 15 to 7 years. At the same time one of the new lagoon sites would require the relocation of a communications relay tower.

All of this has created a delay in the construction of the community's waste treatment system. The project already has more than doubled in cost. The health of the community is endangered through continual delay, and if the present sewage wetland is required to stay, there will be a further health hazard to the community.

Here is a case of Federal agencies reducing the benefits of a project, adding to other disadvantages, and causing considerable extra economic effect on the community by higher costs. All to save a manmade sewage site as a wetland that when the waste treatment plant is constructed probably will disappear anyway.

Mr. President, I have seen aerial photos of the area, and my field representative has taken several ground-level photographs. If the area in question is to be protected as a wetland, then I think every pig sty, cesspool, and waste treatment lagoon should be considered a wetland.

The community of Henderson is dumping raw sewage into the so-called wetland under a permit from the EPA until June of 1977. The community does not want to have to reduce or relocate its waste treatment system, and it would like to have the health threat of the current raw sewage site removed.

Yet the Federal Government acting through the Fish and Wildlife Service and Environmental Protection Agency says that the raw sewage site must be preserved as a wetland for fowl and wildlife.

I do not think the wildlife are dumb enough to use such a sewage site. They are smarter than the Fish and Wildlife Service and the EPA.

Mr. President, it is high time that the Federal Government woke up to the needs of the people. The Federal Government needs to start using commonsense. Commonsense to me dictates that waste treatment facilities are in the best interest of protecting the welfare of human beings and of wildlife. Or have all of our past efforts to clean up our Nation's waterways been wrong?

PUBLIC BUILDINGS COOPERATIVE USE ACT OF 1976

Mr. BAKER. Mr. President, I rise in support of the Public Buildings Cooperative Use Act of 1976, a bill to broaden the policy of the Federal Government in the acquisition and use of public office buildings. The measure directs the Administrator of the General Services Administration, where feasible and prudent, to acquire space for Federal offices in buildings of historic, architectural, or cultural significance. Prior to undertaking a survey of public buildings needs of the Federal Government within a geographical area, the Administrator would request the Chairman of the Advisory Council on Historic Preservation to identify existing buildings in the community that are of architectural, cultural, or historic interest and suitable for purchase to convert into Federal office space.

In addition, the legislation provides for the multiple use of Federal buildings by allowing rental to commercial and other tenants of a limited amount of space in Federal office buildings. The bill encourages the Administrator of GSA to lease space on pedestrian levels in Federal buildings for commercial, cultural, educational, or recreational activities in order to encourage public use of the buildings. It also encourages the Administrator to occasionally make available auditoriums, meeting rooms, courtyards, roof tops, and lobbies of public buildings for cultural, recreational, and educational activities.

Mr. President, my colleagues will recall that this creative and imaginative measure was originally authored and introduced in the Senate by my good friend, the distinguished junior Senator from New York (Mr. BUCKLEY). I especially commend the Senator from New York for his initiative in this area, which I believe will greatly enhance the environment in and near Federal office buildings to the significant benefit of the community as well as the employees. It will encourage preservation of architecturally and historically significant buildings. By providing a mix of office space with commercial, cultural, and recreational space, it will add vitality to downtown areas and provide conveniences for Government employees.

I was glad to cosponsor the bill, S. 865, introduced by the able Senator from New York (Mr. BUCKLEY). That bill passed the Senate in August of last year.

The bill as amended by the House is very similar to the original measure and I recommend that the Senate concur in the House amendments. The House added a new title to strengthen the provisions of the Architectural Barriers Act of 1968 to insure that public buildings are made accessible to the physically handicapped. Title II clarifies the coverage of the 1968 act and the application of that legislation to the U.S. Postal Service.

Mr. President, the House amendments do not change the basic purpose or thrust of the Senate-passed bill, and I urge my colleagues to adopt the measure before us, thus sending the bill to the President.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New York (Mr. BUCKLEY), and the material attached thereto.

STATEMENT BY SENATOR BUCKLEY

I urge that the Senate approve S. 865, the Public Buildings Cooperative Use Act. The Senate passed a nearly identical bill a year ago, a bill that I sponsored.

The bill achieves two major improvements in Federal buildings policy: it encourages the acquisition of older buildings that can be converted into new federal space, and it allows mixed commercial use on the ground floor of Federal buildings.

Because of the importance of this bill, which is now before the Senate, I attach a recent editorial and article in the Washington Star and an article in the Wall Street Journal.

In addition, a recent article relating to this legislation was published in Federal Architecture. The author, Mr. Robert Peck, was most helpful to the Congress in the development of the Public Buildings Cooperative Use Act. Because I believe the views of Mr. Peck will be of interest to my colleagues, I call to my colleagues attention a copy of his article.

The attachments ordered to be printed in the RECORD are as follows:

GOVERNMENT BUILDINGS: WILL THEY "GO PUBLIC"?

(By Benjamin Forgey)

"The term 'public building' has become a contradiction: No one in his right mind now goes into a public building except on business."

The words are those of a Harvard professor, but we in Washington don't need a Harvard professor to tell us about public buildings. We probably are the world experts on the subject.

Public buildings are not public buildings, they are government buildings. Government buildings are places, usually very large places, where people go to work in and to get out of. They are of no use whatsoever for anything else, except to look at. Mostly, they are not so nice to look at.

It should not be this way and, perhaps, it will not be this way. A House Public Works subcommittee yesterday completed hearings on a bill that would empower the government to make its buildings more hospitable to the people that work in them, the folks who visit them and the cities that surround them.

Conceivably, the bill could become law this year. So far, no substantial opposition has appeared, and the Senate adopted a similar bill last year.

This enlightened legislation, titled the "Public Buildings Cooperative Use Act of 1976," would enable the federal government to rent space in its buildings for shops, restaurants and the like and for "cultural, educational or recreational activities."

It would encourage the government to make "auditoriums, meeting rooms, courtyards, rooftops and lobbies" available to community groups, thus extending the useful life of federal buildings beyond working hours.

It would ask the government to act sensibly when assigning space in its buildings, so that "federal activities requiring regular contact" with the public be located near the street when possible—in other words, in common-sense places instead of "three lefts and a right" on the 13th floor.

In addition, an equally important section of the bill would make the federal government a national leader in the field of "adaptive re-use" of older structures by requiring the General Services Administration, whenever and wherever it considers expanding the vast stock of federal space, to take a close look at existing buildings and to use them, where possible, to meet federal needs.

These provisions represent substantial changes in existing policies, and their potential for good can hardly be underestimated. The federal government owns more than 400,000 buildings. It is, in the words of a provocative National Arts Endowment report, "by almost any measure the nation's biggest client for design of the physical environment." Huge federal projects can permanently alter entire neighborhoods for good or ill.

Most cities welcome these federal projects for the substantial economic benefits they bring, but all too frequently there are unfortunate side effects. The bill being considered by the House Public Works Committee addresses itself to two imposing bad habits of the federal building enterprise: the tear-down-and-build-again syndrome that often results in the unnecessary destruction of usable older structures whose visual, historical and psychological presence cannot be replaced even in the improbable event that the new building is very fine, and the monolithic single-use building syndrome that so frequently produces awesomely insensitive results.

Washington obviously is not lacking in examples of these long-lived federal bad habits—pick a building, almost any building, or pick them by the dozen. The Federal Triangle, a cohesive and in many ways visually impressive system of office buildings, is a planning disaster, a dead weight on the south side of Pennsylvania Avenue for 128 hours every week that isolates the Mall from downtown. It is conceivable that the Cooperative Use Act could be employed to mitigate this effect by permitting the government to rent space to businesses and entertainments that might attract people into the Triangle from both directions. Why not, for instance, an arcade of shops and restaurants along 12th Street?

The most recent and in some ways the most depressing case of federal architecture with bad urban manners is the gargantuan FBI Building on the other side of the Avenue, a building that may become a national symbol of the cold, the imperious and the off-putting in federal architecture. Admittedly, it could have been worse. The story is that it took some mighty leverage to get J. Edgar Hoover to agree to that reduced cornice line along Pennsylvania Avenue, so that some of the mass of the structure is "hidden" from the Avenue view by that comedic top-heavy conning tower in the back of the building.

Admittedly, there is not much you can do to make a heavy-handed building that is surrounded on three sides by a dry moat seem alluring to pedestrians, but even here the Cooperative Use Act could be of some not insubstantial benefit to the city. The building presents a solid concrete face along ground level at Pennsylvania Avenue, but this need not be so for all time. Those concrete panels are not structural and could easily be knocked out, and the rooms behind them filled with shops would greatly improve the streetscape and, not incidentally, might even improve the public image of the FBI.

It is said that the agency, not known for its sense of humor, is not all that enchanted with the prospect, and certainly its concerns about security are legitimate. But as a District official remarked the other day during the congressional hearings, "Ideas that seem far out today may be routine in the future."

Washington is in fact a laboratory of opportunities for applying the provisions of the proposed law. Both adaptive re-use and the multiple use sections, for instance, could not find a better application than the Old Post Office Building, which today presents a sparkling facade to the city thanks to a recent GSA cleaning job.

Nancy Hanks, chairman of the National Endowment for the Arts, has pushed long and hard for converting this building, which hides one of the more incredible interior courtyards in the country, into a combined office-building arts-and-crafts center. The stall so far has been lack of legislative authority to carry out Hanks' plan or an variation of it. Should the House bill become law, the stall presumably would end, and if it ends in Washington, it could end in cities across the country.

One of the encouraging things about the Cooperative Use Act, which in its House version also contains a section strengthening the federal commitment to making its buildings accessible to handicapped persons, is its history. It is a direct result of the work of the Federal Architecture Task Force initiated four years ago under the auspices of the National Endowment for the Arts and, as such, represents a use of national brain power that is well-nigh unprecedented in this field.

The bill, to be sure, is no panacea. It does not directly address several broader issues of architectural quality in federal building. But its provisions are intelligent and humane and it represents several very impressive steps in the right directions. Perhaps government buildings can again become public buildings, after all.

[From the Washington Star, Sept. 7, 1976]

Barren Federal Buildings

The federal government owns more than 400,000 buildings. The federal government spends in the dizzying neighborhood of $1 billion a year on new construction. Federal employes occupy enough office space to fill up—we are indebted to the *Wall Street Journal* for this curious but graphic tidbit—1,250 Empire State Buildings.

Government buildings, whether federal, state or local, tend to share two dreary characteristics: They have the aesthetic appeal of a chipped curbstone; they reek of the "official," which is to say of the impersonal.

While these un-attributes can, of course, be shared by private construction—along K and L Streets NW, for example—they dominate, overwhelm, establish the motif of most federal buildings—much of Independence Avenue, for example.

As to aethetics, we cite the inimitable social philosopher, Daniel Patrick Moynihan, who once fumed that the federal government has lost sight of the fact that buildings house people: "Somehow, somewhere in the course of democratic or demagogic tradition in this nation, the idea arose that concern with the physical beauty of the public buildings was the mark of—what?—crypto-deviationist anti-people monumentalism—and in any event an augury of defeat at the polls."

On the stultifying atmosphere of government structures, we quote Bill N. Lacy, who heads the architectural section of the National Endowment for the Arts: "People don't just leave those buildings at the end of the day, they *flee* from them."

Both of these factors contribute to a wider phenomenon: Downtown streets after the work-day resemble nothing so much as a desolate, foreboding set from a Hitchcock film. The reasons for this are far more intricate than government architecture, of course, but in Washington the federal presence reinforces other causalities.

The barrenness of buildings is not so intractable as many of our urban ulcers. A piece of pending legislation addresses the problem: This is the "Public Buildings Cooperative Use Act," being championed by Representative Bo Ginn of Georgia. There is a chance this measure can clear the Public Works Committee and get to the floor before adjournment; the Senate approved a similar bill last year so it is possible that passage could come before adjournment.

The bill, H.R. 15134, would enable the federal government to rent space in its buildings for shops, restaurants and the like, and for "cultural, educational or recreational activities." It would encourage the feds to make auditoriums, courtyards, lobbies and similar spaces available to community organizations, thus opening the possibility at least of a human presence during the two-thirds of each week day when such now is suspect.

A second and highly encouraging intent of the proposal would make the federal government assume an initiative in "adaptive reuse" of older buildings—perhaps curtailing the frantic tear-down-build-again syndrome. The General Services Administration, whenever and wherever it considers expanding federal space, would be required to examine closely existing buildings and to use them, where possible, to meet federal needs. Preservation and renovation even can be less expensive than new construction, as well as preserving noble old structures.

As *The Star*'s Benjamin Forgery noted in this connection, "The most recent and in some ways the most depressing cases of federal architecture with bad urban manners is the gargantuan FBI Building . . . that may become a national symbol of the cold, the imperious and the off-putting in federal architecture." The blunt concrete panels along Pennsylvania Avenue, it is conceivable under this bill, could be knocked out and replaced by shops and other small enterprises. Indeed, the entirety of the Federal Triangle might lend itself to salvage from monumentalism.

The Cooperative Use bill obviously would not be a wand for architectural redemption. It would help.

[From the Wall Street Journal, Aug. 27, 1976]

Our Domineering Public Buildings

(By Mitchell C. Lynch)

WASHINGTON.—Pennsylvania Avenue is one of the world's most famous streets. Stretching between the Capitol and the White House, it is the route of presidential inauguration parades. During the day it bustles with activity, bumper-to-bumper traffic, sidewalks teeming with government workers. But try walking it at night sometime. You'll think you've been caught up in one of Roman Polanski's more sinister thrillers.

The sounds of your footsteps seem inordinately loud as they echo off the giant mausoleum that is the Justice Department building. The street lights only seem to darken and lengthen the shadows in the doorways of the other huge structures along the avenue. Your one thought is to get out of the area as fast as you can.

All of which bothers Bill N. Lacy, because to him this twilight-zone eeriness says a lot about federal architecture. "People don't just leave those buildings at the end of the day, they flee from them." He and other critics like to quote President Kennedy as complaining that the architecture of some government buildings is "crummy." Actually, Mr. Lacy asserts, federal architecture is worse than "crummy," it is downright undemocratic.

Mr. Lacy's views are of some importance. He is head of the architectural section of the government's National Endowment for the Arts. While one of the main functions of the architectural section is to help cities and towns spruce up their buildings and neighborhoods, Mr. Lacy figures the time is long overdue for the federal government to put its own house in order.

It's a big house. One report by the National Endowment for the Arts says the government spends about $1 billion a year on new construction, and government workers occupy enough office space to fill up 1,250 Empire State Buildings.

SENATOR BUCKLEY'S CONCERN

Federal buildings actually dominate some cities and towns, meaning that government architecture often sets the tone for those communities. This influence worries some lawmakers. Sen. James L. Buckley says he doesn't like the idea of the government consolidating offices into big, domineering buildings. "We can reasonably question whether or not the local Secret Service office must be across the hall from the local Forest Service office," the New York Republican says.

Because of their sheer size and grim architecture, most federal buildings aren't very inviting. "No one in his right mind goes into a public building except for business," the National Endowment report says. Mr. Lacy suggests that the massive, fortress-like design of many government buildings reflects a traditional American attitude of assertiveness, which he feels is now outdated.

"At one time, large and imposing buildings were considered essential to express the stability of a young government," he says. "It is no longer necessary to flex our architectural muscles for public relations purposes. It is more important to express the concept of a government accessible to its people."

The government, Mr. Lacy adds, "has the role of a host; a person should feel comfortable going into a federal building; the ambience should be relaxing, welcoming, open. Instead, what does the person see? First, he sees a building surrounded by signs like 'No Parking,' no this, no that, no nothing." In short, Mr. Lacy comes down hard on the side of architecture for people.

"I remember sitting near a fountain (in another city) on a hot day," he says. "People didn't stand and look at the fountain, they rolled up their pantlegs or hoisted their skirts a little and waded right in. I said to myself, "That's the kind of fountain I like.' "

Government buildings, on the other hand, often repel people. One example of their effect can be found at Scollay Square in Boston. The area once was something of a center of nightlife—a little gaudy, with strip joints here and there; but lively enough to attract thousands of persons nightly. The federal and city governments ripped down the old buildings and replaced them with sterile office structures. Now footsteps echo loudly there after the government workers go home at 5 o'clock.

Mr. Lacy isn't a lone voice in protesting the unattractiveness of much federal architecture. Daniel Patrick Moynihan, former Ambassador to the UN and an architecture buff, once fulminated that somewhere along the line the federal government lost sight of the fact that buildings house people. "Somehow, somewhere in the course of democratic or demagogic tradition in this nation," he said in vintage Moynihan lingo, "the idea arose that concern with the physical beauty of the public buildings and the spaces of the city and nation was the mark of—what?—crypto-deviationist antipeople monumentalism—and in any event an augury of defeat at the polls."

"What makes Paris a far better city than Washington?" asks architect Gyo Obata. "It is the mood, the character, the humanness of the city. And much of that comes from the architecture of the buildings, the blend of the practical and the aesthetic." Mr. Obata designed the recently completed National Air and Space Museum, which has received some rave reviews from architecture critics.

Why doesn't the government build better buildings? "We're still caught in a kind of puritanical philosophy," Mr. Obata says. "The puritans say anything that's good is expensive." Hence Congress, fearing the wrath of taxpayers, opts for unimaginative and utilitarian design, he says. "The irony is that imagination in construction doesn't cost more than drabness."

For example, he says, much of the Air and Space Museum is sheathed in glass at no extra expense "so the inside blends in with the air and grass on the outside." With similar aims, many corporations are moving their headquarters from the cities to the suburbs "where they are able to surround their buildings with greenery," he says.

But what can be done to humanize those government buildings already situated in cities? Mr. Lacy thinks the solution is simple: Lease parts of the buildings to owners of restaurants, boutiques, snack bars, theaters, exhibit halls. "You could have ground-floor restaurants or other places for people, then several floors for office space, then perhaps a rooftop restaurant," he says enthusiastically. "Something could be going on around the clock; the public and the people working in those buildings would be enjoying themselves."

It isn't a wild-eyed idea. The Canadian government routinely leases parts of federal buildings to private entrepreneurs. Indeed, one of the attractions of the capital city of Ottawa is a mile-long shopping mall—all on the lower floors of government buildings.

Furthermore, Sen. Buckley and others are sponsoring legislation to enable the government to go into the landlord business. Currently with a few rare exceptions, commercial enterprises are forbidden in federal buildings.

A REFRESHING BREEZE

The General Services Administration, in charge of construction and maintenance of government buildings, likes the idea of letting shops and restaurants in. "It's a refreshing breeze in planning," says Raymond O'Brien, deputy assistant commissioner of space planning and management at the GSA. "It's also a challenge."

A particular challenge would arise in determining just what commercial facilities to allow "We wouldn't want to set up competition against someone who owns a restaurant nearby," he says. One challenge Mr. O'Brien doesn't mention is the fact that some government officials don't go for the idea of letting outsiders traipse around their buildings.

One legend hard to verify but nonetheless believable involves the new fortress-like Federal Bureau of Investigation Building on Pennsylvania Avenue. The late FBI Director J. Edgar Hoover reportedly was scanning architects' drawings of the proposed building when he noticed sketches of people shopping or seated at outdoor restaurants in a wide-open, ground-level area of the building. "Who are they?" Mr. Hoover grumbled. Tourists and FBI workers on their coffee or lunch breaks, aides replied. "Cement it up," he snapped. That was done, but with the agreement that the FBI not install gun-shooting ranges or other immovable fixtures on the inside. Architects hope that some future FBI director will relent and allow wrecking crews to hammer the cement walls down.

U.S. Property Keep Off

(By Robert Peck)

From beach houses to courthouses to secret cities, federal architecture has run the gamut of building types; the client-to-architect relationship has run a gauntlet of stumbling blocks.

In 1974, the most recent year for which there are figures, the federal government owned over 400,000 buildings in the United States and leased space in an additional 50,000 locations. Overseas, it owned or rented additional billions of dollars worth of embassies, war cemeteries, and military installations. In one recent fiscal year, 3,400 federal A–E contracts paid out $140 million in fees. Direct public works spending in the fiscal year just ended was about $5 billion; grants, loans, and subsidies accounted for another $10 billion or so of construction. These figures suggest the magnitude, if not the quality, of the U.S. government's current architectural activity.

Two hundred years ago, the national government's property consisted only of the fortifications and encampments of Washington's army. Before it finally settled in the Capitol, Congress met in nearly as many places as Washington slept. In 1776 the Continental Congress met in borrowed space in the Pennsylvania state-house (now Philadelphia's Independence Hall), and was forced to flee even that location late in the year, a step ahead of British occupation forces. In 1789, convening for the first time under the Constitution, Congress acquired a place of its own—the hundred-year-old New York City Hall, which Pierre l'Enfant neoclassically remodeled for the occasion (now long since demolished). By 1800, there were only 130 civil servants to be moved into quarters in the new city of Washington.

As the 19th Century progressed, the government planted its presence throughout the states and territories. It built, bought, leased (and, in at least one case, conquered) banks, customhouses, post offices, lighthouses, coastal defenses, frontier garrisons, and—shades of welfare state-ism—marine hospitals. Through the Army and its Corps of Engineers, the federal government encouraged expansion and settlement. The Corps built roads, canals, dams, and bridges, explored new territory (new to whites, anyway), and surveyed railroad rights-of-way. Following the Civil War, industrial growth stimulated construction of larger post offices and courthouses, as well as penitentiaries, mints, assay offices, and immigration stations. As the frontier dwindled, national parklands were set aside, patrolled for a time by the U.S. Army Cavalry.

THE CLIENT LOOMS LARGER

World War I put the government in the housing business. Dormitories for wartime clerks sprang up in the open spaces of central Washington, while suburban-style housing estates were built near shipyards and munitions factories. The "return to normalcy" did not immediately revive the civil construction program. But late in the 1920s, prosperity caught up with it. Most of the new effort was concentrated on providing permanent office space for the enlarged bureaucracies in Washington. Plans for memorials and grand open spaces in the Capital also were unveiled amid oratory about the founding fathers' original plans for the city and its new position as a prominent world capital.

New Deal pump-priming and welfare policies simply expanded the program. Migrant labor camps, rural and urban housing projects, and Greenbelt towns established a unique federal residential presence. Flood control, electric power, and conservation projects exploded the scale of federal public works undertakings, and federal workers built schools and civic centers, roads, bridges, and airports.

World War II mobilization produced the Pentagon, designed over a weekend, completed in 18 months, and scheduled, the public was assured, to become a storage depot when post-war needs would render it superfluous. (This was not the government's first "fast-tracked" job. That honor probably goes to the Treasury building in Washington, the foundations for which were poured before designs were finished in 1836.) The war effort gave birth to entire cities built and populated in secret—Oak Ridge, Tenn., Los Alamos, N.M., and Hanover, Wash.; and others not so secret—the Japanese-American detention camps. It also gave us the Quonset hut.

AND MORE MYSTERIOUS

Not surprisingly, federal activities did not subside to pre-war levels when the war ended. Since then, building types, as well as sheer numbers of buildings, have proliferated. And semi-secret "cities," have remained a part of the architectural mix; military camps under the ice in Greenland and atop the ice in Antarctica, underground missile complexes with living and dining facilities connected by tunnels, military command centers in mountain caverns on giant shock absorbers to withstand near-miss nuclear strikes, and underground cities, complete with sidewalks, street-signs, and caches of currency, to maintain a post-holocaust civilian government. Even apart from this architecture of apocalypse, a sampling of the current building inventory shows a dazzling variety of building types.

CONCENTRATION OF EFFORT

Despite the wide variety of building needs, only a few agencies carry out construction to satisfy their individual requirements. Two agencies, on the other hand, the General Services Administration and the Army Corps of Engineers, undertake a lot of work on behalf of others. The Corps of Engineers, which actually employs many more civilians than soldiers, will be responsible for approximately $1.6 billion worth of military construction in fiscal year 1977. Much of it is constructed for the Air Force, which maintains only a small construction branch of its own. (The Naval Facilities Engineering Command will carry out the Navy's approximately $400 million of construction on its own.) This work comprises airfields, barracks, family housing, equipment shelters, reserve centers, medical facilities, etc. In addition, the Corps has been allocated over $1.7 billion to continue its historic civil public works role—river dredging, and dike, dam, and canal work.

The Corps' most unusual work at the moment is superintending $4.5 billion worth of work for the government of Saudi Arabia: Under the Foreign Military Sales Act, the Corps manages the design and construction of installations for all of the Saudi armed forces, who reimburse the Corps for salaries and other expenses. As in most Corps projects, private American architects, engineers, and contractors are awarded contracts to execute the work. And, as in all work done for the Arabs, there has been controversy over the status of Jewish employees.

The Public Buildings Service of the General Services Administration, often called "the government's landlord," is the successor to a line of federal building offices dating back to the mid-19th Century. In 1949, to bring order to the untidy wartime proliferation of agencies, GSA was set up as a central procurement agency and was given charge of non-military construction in this role, GSA has built everything from prisons to payment centers for Social Security; "pay up" centers for Internal Revenue; post offices for the old Post Office Department and museums for the Smithsonian Institution. The agency is responsible for security, maintenance, interior planning, and general management of most civilian facilities. In addition, GSA rents privately owned space, which now accounts for over a third of the GSA-managed federal work space.

In the general cutback of civilian construction funds that President Ford announced in this year's budget, GSA's new construction and major alteration outlays have been set at $250 million. But $150 million of that is already earmarked for construction of a new Government Printing Office in Washington.

OTHER SIBLINGS

Two well-endowed agencies this year are the Energy Research and Development Administration and the U.S. Postal Service. ERDA will pour about $1.5 billion mostly into nuclear fission and fusion facilities, and an increased, yet comparatively small amount, into solar energy conservation research. The Postal Service has budgeted about $1.2 billion for buildings, but this includes land acquisition costs.

Other agencies that carry out construction include NASA, the space agency, which will spend about $124 million in 1977, the Veterans' Administration, with $210 million for its hospitals and extended care facilities, the Tennessee Valley Authority, the Bureau of Indian Affairs, the National Park Service, and the Foreign Buildings Office of the State Department. This latter agency gained recognition in the 1950s and 1960s for its employment of many of America's best known architects. Edward Durell Stone's embassy in New Delhi was touted; Saarinen's design riled Londoners to most undiplomatic language in defense of Grosvenor Square. Other embassies were variously criticized and praised. But, in any case, they attracted public attention.

THE RUINOUS CONNECTION

The Architect of the Capitol presides over the legislative branch enclave on Capitol Hill in Washington. The Architect's job is tradition-laden and prestigious, though not altogether envious. Building plans and management are overseen by the legislators in a swirl of standing and special committees and commissions, but the Architect takes the blame when a Rayburn House Office Building results. It would be wrong to assume from his title, moreover, that the Architect of the Capitol, or any of his staff, actually designs buildings. With few exceptions, federal agencies contract architectural design work out to private firms and individuals. It was not always this way. In fact, for much of our history, government architects performed this work.

The first federal architect was Benjamin Latrobe, who was also the only trained, full-time architect in the country at the time of his appointment in 1803. His job was to superintend construction of public buildings in Washington, which meant chiefly the White House and Capitol. Latrobe liked neither building's design—selected in competitions he hadn't entered—and modified the Capitol liberally, which put him in dispute with Congress, the winning dentist-designer William Thornton, and assorted officials. Forced out in 1812, Latrobe said, "government service is a ruinous connection."

Charles Bulfinch and Robert Mills ignored this warning and took up the position in turn. They were more fortunate in conceiving and executing some designs of their own. But legend has it that Mills lost the job to an economy-minded Congress irate over the cost of the Ionic columns on the Treasury Building.

Meanwhile, Congress authorized only a handful of buildings outside of Washington, and it was not clear who should design them. Mills grabbed the commissions for as many as he could and local architects got the leftovers. The Office of Construction established in the Treasury Department around 1850 quickly began preparing its own designs and its post-Civil War successor, the Supervising Architect's Office, designed most of the government's post offices, customhouses, fair buildings, and other non-military facilities from then until World War II.

As early as 1859, a building contractor in Texas prevailed on Senator Sam Houston to rail against government-supplied plans for a customhouse. By 1875, the American Institute of Architects was waging a campaign for legislation to give private architects a share of the work. In 1893, the AIA-sponsored Tarsney Act was passed. In contrast with current AIA policies, this law encouraged the government to select private architects through design competitions. The law was repealed in 1912, when Congress determined that the work of the Supervising Architect's office was less costly. Agitation for federal commissions for private architects subsided until the Depression years when, predictably enough, it broke out at fever pitch. The newly formed Depression agencies tended to form their own architectural sections, however, and the private architects made only limited headway until war preparations overwhelmed the government staffs. Civil service architects never regained their design role.

SECOND-CLASS CITIZENS

Private architects are selected for GSA and most other civil and military jobs under a system little changed since its adoption in 1939. The "Brooks Bill" wrote the system into the statute books in 1972, an accomplishment for which Representative Jack Brooks was made an honorary member of the AIA. In the view of the AIA, architectural design performed by government agencies deprives "architects" of their livelihood. Actually, since in-house design expands opportunities for public architects, the AIA position makes sense only if public architects are regarded as second-class members of the profession.

The states purpose of the Brooks Bill procedures is to select "qualified and competent" professionals for government design projects. To do this, it generally requires agencies to advertise design opportunities and to select, from those expressing interest, at least three finalists, ranked in order of preference. The agency negotiates with the first-ranked to try to agree on a "fair and reasonable" fee for the work. If negotiations fail, the agency turns to its second preference, and so on. By law, the fee is limited to 6 percent of the construction budget for the project. Trouble usually comes when the architect and agency start discussing what services have—and have not—been included.

As it was intended, the system effectively precludes any form of competition based on fee. In practice, it has precluded design-based competition, too. Only recently has GSA begun asking designers competing for a project award to submit technical proposals. Under GSA's conventional selection procedures, a regional or national panel of private architects initially screens all those expressing interest in a project and selects five to eight finalists, who are then ranked by an in-house GSA board. Selection and ranking are based on reviews of firms' or individuals' background and experience. All other agencies use in-house panels both to select finalists and to establish rankings. The Postal Service sends teams to finalists' offices to conduct numerically evaluated interviews. Others invite finalists to appear at the agency offices.

The National Park Service is the exception; it maintains its own design staff and contracts with private architects and engineers hired only for large projects. The Service is exceptional, too, in the consistently high marks critics give the design of its facilities. Perhaps because the Service's architects participate so extensively in the design of facilities they seem more willing to go out on a limb in selecting outside architects: it is, for example, the only government agency that has hired Venturi & Rauch (Franklin Court, P/A, Apr. 1976, p. 69.). The planning staff is conducting a unique master planning process for Yosemite National Park that has so far encouraged over 10,000 people and organizations to pore over detailed maps and documents and tell the Service how they think Yosemite should be run.

Other government agencies have architectural staffs, too. But they generally design only minor building alterations: most of their work involves programming, specification writing, and reviewing designs and working drawings submitted by private firms. Private architects frequently complain of the specifications being too restrictive and the design reviews nit-picking. In one recent selection interview, as the private architect tried to persuade the selection committee of his expertise in hospital programming, he was cut short and told that the agency already has a standard plan. The architect was asked only to concern himself with the building elevations.

PORKBARREL ARCHITECTURE

One ostensible purpose of the Brooks Bill is to insulate the selection process from political pressure. Whether that happens or not, architects do not seem to believe it does. Experienced firms routinely contact their congressional representatives for assistance during the selection process. During the Nixon years, there were allegations that GSA commissions were bought with political contributions, and that appointments to the GSA Advisory Panels were made on the basis of political loyalties. Nevertheless, while state and local A–E and construction kick-back scandals made the newspapers and the courts in the early 1970s, federal building programs emerged unscathed. The GSA Administrator at the time, Arthur Samson, however, described his job as "so politically sensitive, it's unbelievable." The Supervising Architect back in 1875 similarly reported, "it is difficult, if not impossible, to separate the Office of Supervising Architect from political control." Politics is, of course, the American way. If it does not determine who gets hired and fired, it certainly influences the disposition of building funds.

Military installations tend to cluster in geographic areas represented by representatives and senators on the armed services committees; an analogous system works for civilian agencies. It is no accident that sizable building projects must run a gauntlet of Capitol Hill and White House approvals, and that federal office buildings are frequently named for local Congressmen.

Porkbarrel politics has a long and colorful, if not too honorable past. One former Supervising Architect recalled that "the prominence of the Congressman was the moving consideration" in deciding how much to spend on a building in a particular location. "The result," he said, "was as incongruous as putting a $90 saddle on a $20 burro." During a 1916 debate on porkbarrel, one Congressman admitted that his district contained a half dozen federal buildings much more lavish than they needed to be. But, he added: "the other fellows in Congress have been doing it for a long time and I can't make them quit. Now we Democrats are in charge of the House and I'll tell you right now, every time one of these Yankees gets a ham, I'm going to get a hog."

MEANING IN FEDERAL ARCHITECTURE

There is another side to the porkbarrel issue. The presence of a federal building in a far-flung town connected it symbolically with the rest of the Union, and gave the town a sense of importance. What the customhouse, assay office, and post office once were, the federal office building is now—a tangible symbol of nationality.

Thomas Jefferson recognized this special role of public buildings when he urged that they be patterned after Roman architectural models, in order to express visibly the nation's republican principles. Federal architecture has followed Jefferson's advice for most of its history, although it has borrowed freely from both the Greeks and the Romans. Occasionally, however, it added its own indigenous motifs, such as corn cob and tobacco leaf capitals atop the columns. There was a lapse in the latter 19th Century, when the Supervising Architect built in the prevailing eclectic styles of the Gilded Age. In 1900, the government returned to the classical, acceding again to popular taste, then spellbound by the Beaux Arts spectacle of the 1893 Chicago World Fair.

Both public and private architects continued to turn out classical public buildings right through the 1950s. In the 1930s, International Style proselytizers argued that contemporary functions demanded a new architecture, but officials repeatedly pledged allegiance to the government's stylistic tradition. Modern architecture made its influence felt, however, and federal buildings took on an increasingly austere, starved classicism.

In 1937, Joseph Hudnut, Dean of Harvard School of Architecture, pointed up the fallacy of the traditional official style, observing that the Classic Revival had been embraced by Napoleon as well as Jefferson and had signified "sharply opposed ideals" to the two of them. A comparison of federal and fascist buildings demonstrates that there was a Government International Style in the 1930s that reflected antagonistic values. As Hudnut said, "Symbols obviously are treacherous materials."

An end of sorts came for classicism in 1962 when an ad hoc sub-cabinet committee isued a set of guiding principles for federal facilities designed in a "style and form which is distinguished and which will reflect the dignity, enterprise, vigor, and stability of the American National Government." But it added: "The development of an official style must be avoided."

When a Task Force on Federal Architecture, convened in 1972 by the National Endowment for the Arts, reported its findings, it attempted to shift attention away from the symbolism of style to the meaning of federal buildings' use. The Task Force found that, in giving up their symbolic *style*, federal buildings had also abandoned their symbolic *roles* as reminders of national traditions and as federal participants in community life. It noted that federal facilities were being designed and managed to keep the public out—a strange "public" buildings policy for a national government priding itself on its openness. The Task Force recommended the government turn to adaptive use and mixed (commercial, cultural, and recreational) use in its buildings and facilities programs, in order to declaim for them the meaning and prestige they used to bear

Senator Howard Baker, a member of Task Force, introduced an adaptive/mixed-use bill in the Senate in 1975. Under the management of Senator James Buckley and with bi-partisan support, the bill passed the Senate and had been introduced in the House of Representatives by Bella Abzug and Hamilton Fish.

Hudnut once wrote, "No architecture can protect a symbol ... If we love a symbol we call it beautiful; if we hate it, no art can make it less hateful." Accessible, adaptive use and mixed-use federal architecture probably cannot overcome jaundiced attitudes toward government, but it just might change the government's attitude. It was early 20th-Century pride in government, not affection for architecture, that prompted a Congressman to these remarks about the ornate federal buildings of his day:

"[The country boy] sees very little of the blessings of government beyond the post office ... and if I had the power I would erect for every post office a building representative of the sovereignty and the glory of this great country . . Is it worth nothing to inspire patriotism and love of country? ... No youth or citizen ever looked upon a Federal building in which the business of his country was being conducted but that he became a better American."

SENATOR MANSFIELD AND SENATOR ABOUREZK

Mr. McGOVERN. Mr. President, Andy Montgomery, Washington correspondent for the Rapid City, S. Dak., Journal, and several other Midwestern papers, knows and understands this body. He has watched our retiring majority leader for many years and shares the deep affection and respect we all have for Mike Mansfield.

I would like to share Andy's warm, moving tribute to our colleague and leader, Mr. Mansfield. I also call attention to the words of high praise which Senator Mansfield offered about the impressive record of some of the younger Members of the Senate, including my colleague from South Dakota, Senator Abourezk.

I ask unanimous consent that Mr. Montgomery's piece be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mike Mansfield Will Be Sorely Missed in Senate

(By Andy Montgomery)

Washington.—Senate Majority Leader Mike Mansfield bid farewell last week to the Senate he led for 16 years.

No senator will be missed more. For he is a gentle man, a respected man, a man of virtue in a time when those adjectives have been devalued by "ordinary" politicians.

He's in the People's Republic of China right now. And when he returns, the 94th Congress will have faded into history. Mansfield wants to be forgotten. He won't be.

For he was a good man, a decent man—and those are hard to come by these days.

"Steady, patient, dependable, courteous, and quiet strength come to mind when one pauses to think about Mike Mansfield," Republican Sen. Clifford Hansen of Wyoming observed of the Montana Democrat.

"I will always remember his unfailing kindness and genuine effort to be helpful and accommodating," Hansen adds. "His leadership has been both compassionate and productive . . I am most grateful to him and salute his stewardship of this great body through these troubled times."

Amen Goodbye, Mike.

SPECIAL PRAISE

It was characteristic of the Montanan to single out the junior members of the Senate for special praise as one of his last acts:

"I want to thank, in particular, the younger Senators whose full and equal participation in every aspect of the Senate's endeavors has been of particular concern to me. It would be my hope that the window which has been opened in the Senate in that respect will never again be closed."

He had in mind the freshmen, like James Abourezk of South Dakota, Dick Clark and John Culver of Iowa, among others. Whether you agree with them or not, they have been like fresh breezes sweeping through the musty, traditional chamber of the "upper body."

They have not kowtowed to the "Establishment," have fought tooth-and-nail for what they believe in. They have lost some but won some too. They have annoyed the leadership on occasion but they also have won its respect.

PLAINFIELD—TENANT INVOLVEMENT YIELDS SIGNIFICANT RESULTS

Mr. WILLIAMS. Mr. President, as chairman of the Subcommittee on Housing for the Elderly of the Senate Committee on Aging, I have witnessed repeatedly the importance of tenant involvement in housing developments. I believe that there is a major role for the tenant, especially in housing exclusively for the elderly for whom spare time is often abundant.

My faith in tenant participation has been backed up most recently by the experience of the Plainfield Housing Authority. Here, in a matter of a few years, tenant involvement—and a leadership that recognized the importance of that involvement—have transformed a public housing project from a rapidly deteriorating eyesore development to a model community.

The July issue of the Journal of Housing—the official publication of the National Association of Housing and Redevelopment Officials—paid special tribute to the progress that has been made in Plainfield, and I ask unanimous consent that that article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Tenant Involvement, Grantsmanship Are Keys to Housing Turnabout

(By Edwin C. Daniel)

Mrs. Dorothy Jackson doesn't think she is unusual—and the elderly public housing tenant is not. Not in Plainfield, New Jersey, where numerous of her neighbors in that city's housing project for senior citizens serve as volunteers in the community, the project itself, or both. Mrs. Jackson does volunteer work as a teacher's aide in one of Plainfield's elementary schools; she also is involved in other volunteer work, such as helping out at the local chapter of the American Red Cross. But, as she points out, she is no different from many who live in the 225-unit Richmond Towers complex and devote some of their spare time to helping others. In fact, so many tenants are involved in volunteer work that the local office of the Retired Senior Volunteer Program (RSVP) is housed in Richmond Towers in space provided by the Housing Authority of Plainfield.

Roland L. Turpin, the executive director of the authority, said the location of the RSVP office makes sense because Richmond Towers is the largest single concentration of the elderly in the community of 50,000 people, which is an older suburb of New York City. The RSVP office coordinates the volunteer work not only of the residents of Richmond Towers but also of other residents of the community who are interested in the program. Besides serving in the schools, volunteers work in nursing homes; in the library; as luncheon aides in the nutrition program for the elderly; in a city gardening program; and as security guards, hall captains, and as members of the social committee at Richmond Towers. Volunteers in the last three categories are all tenants.

"The RSVP program is a great boon," Mr. Turpin said. "It helps keep our tenants involved in being active, full-fledged citizens. And it is not the only program going either. We have quite a few activities, including adult education. It helps to keep the tenants busy, feeling useful, and happy I think it's safe to say there is little or no alienation here."

In addition to Richmond Towers, the authority also operates two older family projects, which are in the process of being modernized. A wide range of social service programs are offered the tenants in those two projects, too. And, as in the case of Richmond Towers, the tenant participation also is good, although not quite so dramatic because the tenants in the family projects do not have as much spare time. This pleasant state of affairs wasn't always the situation, however.

BACKGROUND

Only a few years ago—in the late 1960s—the Plainfield authority was in trouble. The two family projects were an embarrassment because they were getting so rundown. Alienation was the rule rather than the exception among tenants in the two projects, one of 128 units built in 1954 and the other, with 120 units, in 1961. Neither project had had any substantial renovation since its construction. Moreover, the prospect for housing for the elderly—then only a proposal—was less than good. The proposal was facing stiff opposition from a sizable and vocal part of the community. Although part of its opposition may have been based on the deteriorating condition of the two family projects, Elmwood Gardens and West End Gardens, there were other reasons, too.

Arguments against the proposal for elderly housing tended to fall into one of three categories. The first involved racial tension: Plainfield had been the scene of rioting by blacks in 1967 and, during the course of the violence, a policeman had been killed. The second argument involved taxes and the contention that no more property should be removed from the tax rolls for public housing. The third objection concerned the fact that the proposal called for twin highrise buildings in a city composed almost exclusively of lowrise structures. Public hearings on the elderly housing proposal were stormy affairs but that required city officials, on one occasion, to call upon the police department to restore order.

FROM "ANTI" TO "PRO"

What helped to transform the Richmond Towers project from a symbol of what's bad to one of what's good about public housing?

Several factors were involved, all of them coming together and beginning to mesh around 1970, with the process continuing on into the present. To begin with a change in the city administration resulted in a more professional city planning department that provided support and encouragement for the LHA in its improvement efforts. Next, new programs—such as model cities—came into existence and turned out to be sources of financial assistance that allowed the authority to expand its services. Finally, Mr. Turpin and Richard D. Fox, assistant to the director, joined the authority at about that time and, over the years, have proven themselves to be adept at grantsmanship on both the federal and state levels. This combination has permitted the LHA to make physical improvements and to start social service programs that otherwise would have been financially impossible.

GATHERING RESOURCES

Since 1970, the LHA has received federal grants from the Department of Housing and Urban Development in the model cities, modernization, and urban beautification programs and from the Department of Labor through the Comprehensive Employment Training Act program. From the state, it has received funds from the law enforcement planning agency and from the department of community affairs, office on aging. The federal grants ranged from a high of 1.2 million dollars for modernization of the LHA's two family projects to $25,000 from the CETA program to hire a social services coordinator for the elderly project and two other LHA employees. The state grants involved about $38,000 for security and $4,500 for social services, which was used with part of the CETA grant to pay the salary of the social services coordinator. In the future, the authority hopes to receive more modernization funds to further the upgrading of the two family projects and funds from Section 8 to accomplish rehabilitation of existing dwellings for use by low- and moderate-income families. Also, the LHA is enbarking on a $60,000 demonstration program funded by the state to provide elderly homeowners with income-producing apartments that will be rented to senior citizens under the Section 8 program. The money will be lent at no interest over a 10-year period. The $60,000 will be in a revolving fund, so it is hoped the program will perpetuate itself and spread (see 1975 JOURNAL No. 10, page 527).

Together, these programs effected the transformation of the Plainfield LHA. The change did not come overnight but slowly, steadily, the turnaround was wrought. It was a change that affected not only the citizens of Plainfield—those who had so vociferously opposed the Richmond Towers project in its proposal stage—but also the authority's tenants. Tenant apathy was replaced by tenant involvement.

TENANT INVOLVEMENT

In Richmond Towers, one of the first steps toward tenant involvement was taken by a tenant, Mrs. Virginia Betonsky, who was among the first residents of the project, which was completed in early 1974. She had been active in social work and senior citizen organizations before moving into Richmond Towers and so found it natural to continue her efforts in those directions after she became a resident of the project. Her first effort was simply a "get together" in the community room of the building. From that point on, Mrs. Betonsky, already active in RSVP, went to work on her new neighbors with an evangelistic spirit to get them interested in RSVP, too. Soon there were so many volunteers that officials of the program asked Mr. Turpin if he could provide office space for them in Richmond Towers, which he did at no cost to the program. With 70 volunteers from the project alone, there was logic in the request.

Two of the volunteer programs involve only Richmond Towers and its residents and each is a definite service to all of the tenants.

The first is the hall captain program. Each floor of each of the 12-story twin towers has two hall captains. Their job is to assist the residents of a floor with whatever problems arise. Robert Maybin, a tenant and a hall captain, said the most important function is to provide assistance in health emergencies. Each apartment has two emergency alarms, one in the bathroom and one in the bedroom, which automatically unlock the door and activate an alarm light over the door to aid the hall captain in finding the person in distress. Hall captains have received training from the Red Cross to allow them to give minor first aid while waiting for the arrival of medical personnel. Mr. Maybin said they also do their best to keep the halls and service rooms on each floor in neat condition.

The second RSVP program that is strictly for Richmond Towers is the security guard program. Like urban residents everywhere, the tenants of the project are concerned about their personal safety. The volunteer guards are placed at each outside entrance into the two-building complex and screen any and all visitors. Their job is made easier by the installation of an intercom system that connects the main entrance to each apartment. Tenants thus can admit those they know and refuse admittance to those they do not, which requires the strangers to state their business to the guard if they still seek entrance. A closed circuit television system, installed in the lobby, allows residents with cable television hookups to turn their television to a special channel and see who is buzzing them at the front door. The authority's staff also monitors the television during working hours.

SOCIAL SERVICES COORDINATOR

Many of the social service programs at Richmond Towers have their beginning in the state grant of $4500, matched with some CETA funds, to hire a coordinator for the project's community room. The purpose of the state grant, which was administered by Fairleigh-Dickinson University, was to overcome the problem familiar to many LHA's; no funds to staff the community room in elderly projects and provide a range of planned activities. The Plainfield authority was one of 14 in New Jersey selected to participate in the program. The authority hired Ms. Ide Cantwell Barnes as coordinator. She soon had community colleges and city and civic agencies involved in providing services that ranged from adult education courses to health information seminars to transportation programs.

"All we had to do was make a few suggestions to Ms. Barnes and she picked up the ball and ran," Dan Grodofsky, professor of social work at Fairleigh-Dickinson and administrator of the community room demonstration program, said. "She is a special person who was able to get wholehearted support from the management of the authority in carrying out the demonstration. Generally speaking, the demonstration worked well where the management of an authority was committed to the idea. The Plainfield authority carried out one of the better programs of the demonstration."

The demonstration ended when state funds ceased. However, Ms. Barnes's role at the Plainfield LHA continues: her salary is now being paid for through CETA funds and LHA social service funds. The authority hopes, however, that the state will resume the funding or that the city will pick up the part of Ms. Barnes's salary formerly paid by the state grant.

EDUCATIONAL ACTIVITIES

Some of the activities Ms. Barnes has arranged are noteworthy because they have been specially tailored to the interests of the tenants as a result of her consultations with them. For example, one adult education course, "The First Fifty Years of this Century," was just that—but with a personal touch designed to make the tenants relate more to the course material. John Wheeler, a professor of history at Union College, intertwined the historical facts of what was going on during a particular time span with what the resident-students were doing and experiencing then; for example, the "flapper age" of the "roaring twenties," when many of the residents of the project reached adulthood "Even the most general reference as to what life was like then would spur one specific reminiscence after another," Mr Wheeler said. "Sometimes I had difficulty leaving because the students just didn't want the class to end. They were great. Very involved." The class, like others, proved to be such a success that Ms. Barnes plans to repeat it this fall. Ms. Barnes has involved several colleges in the activities of Richmond Towers. Besides Fairleigh-Dickinson and Union, Rutgers University and Keane College also have various programs at Richmond Towers, including one in which interested residents are being asked to provide an oral history of their lives.

One educational program, begun by the Plainfield Adult School, began as a consumer awareness course but the class turned it into a consumer advocacy group, using its collective voice to pressure organizations ranging from local supermarkets to the New Jersey legislature into taking actions to accommodate senior citizens. One practical result of the group's efforts is that a local supermarket chain now provides bus service once a week to one of its markets to facilitate shopping by Richmond Towers residents.

Traditional social activities are also included in the program—everything from dinners for the residents to free concerts from various community entertainment groups. Ms. Barnes recognizes the importance of this aspect of social service activities for the residents; many of them are infirm enough that it is difficult for them to get to outside activities.

FAMILY PROJECTS SERVICES

In the two family projects, located only a block apart, several social service programs have been initiated in addition to modernization and beautification of the physical facilities. The result has been, Mr. Turpin says, a reversal in attitude on the part of many of the tenants of the two projects, which have a total of 1000 tenants, about two-thirds of whom are children.

Four programs compose the main thrust of the social service effort at West End Gardens and Elmwood Gardens. They are the safety and anti-litter patrol; the newsletter; a day camp program; and a recreation program.

The "safety" aspect of the safety and anti-litter patrol—which involves project children under the supervision of adult tenants—refers to playground supervision; the idea of the "anti-litter" aspect is to make the children conscious of the litter problem in the hope that later, when they are not part of the patrol, they will not contribute to the problem. Mr. Turpin intends, if the program is successful, that the money spent presently on litter control be diverted to maintenance, an area that always can use more money. As a result of a $5000 contract between the authority and the tenants association, the youths and adults in the safety and anti-litter patrol are paid for their efforts. Youngsters earn $18 a week and adult supervisors $50 a week. Another goal of the patrol program, Mr. Turpin said, is to provide project youngsters with summer work. The effort is not year-round.

The newsletter's purpose is to disseminate information to the tenants about the project and the city. Mrs. Shirley Branch, housing manager of the two family projects, said the monthly letter is an effective management tool because it is a good way of reaching all the tenants. Information for articles in the letter is submitted to the authority by tenants and any other individuals or public and private organizations with stories of possible interest to public housing tenants. The newsletter has a circulation of 500.

The day camp program for the children of tenants is for youngsters between the ages of four and 18, although Ms. Donnell Wilson, tenant services coordinator of the program, said most of the children who participate are between the age of eight and 12. The program's main thrust, other than the typical recreational activities for children, is arts and crafts and Ms. Wilson is making use of the assistance of the 4-H organization, which has become increasingly urban-oriented as more and more Americans move from the country to the city. A lunch program for the children, financed by a state grant, also is part of the day camp program.

The recreation program, while related in some aspects to Ms. Wilson's programs, is involved with recreation equipment for a community room that serves the two projects, playground improvements, and a salary for a part-time recreation superintendent. The city of Plainfield has since designated the community room as a city recreation center and funds for it, originally obtained through the model cities program, now come from the city. Various organized sports, such as basketball, track, soccer, and girls' softball, are available to the youth of the two projects through the recreation program. Also, the community room provides those not interested in organized athletics with a place to gather and things to do, such as pool and ping-pong.

The situation in Plainfield is indeed much different now than a few years ago. Instead of criticism, now there is praise. Mrs. Betty Arthur, a Plainfield civic leader, characterized the late 1960's as a time when many citizens strongly objected to public housing. "Thanks to . . . [the authority's] . . . diligent work, however, this program has become a wonderful success and has proven that we can have an integrated community with peace and harmony."

FTC REFUSES TO HALT RETAIL CARPET FRAUDS

Mr. PERCY. Mr. President, no other homefurnishing item is as mysterious to the purchaser as carpeting. Although perceived as a necessity by most, it is fraught with an intermediate number of variables that challenge the most sophisticated buyer.

Unfortunately, while the majority of retail dealers are highly reputable, a number of dealers throughout the Nation take advantage of consumer lack of knowledge in this area. These dealers perpetrate a wide range of frauds and deceptions. Public prosecutors, better business bureaus, State attorneys general, and the Federal Trade Commission corroborate that retail carpet fraud consistently ranks among the top half-dozen of all consumer complaints.

For that reason, I wrote a few months back to the Chairman of the Federal Trade Comission, Calvin Collier, urging that the Commission investigate prevalent abuses and frauds in the retail carpet industry. Instead of handling such matters on a case-by-case basis, I asked Chairman Collier to have the Commission consider issuing a trade regulation rule that would address itself to the most common frauds in the industry. They are detailed in my letter, together with the possible areas that an agency rule might suitably cover.

Chairman Collier has denied my request for an FTC investigation of the $2.3 billion annual retail residential carpet industry and the issuance of a trade regulation rule that would protect consumers, whose average carpet purchase is $257.

My request, which I would challenge anyone to say is not reasonable, and which would be supported by leading manufacturers of carpeting, can be summed up in this way: Consumers are entitled to know what they are buying on the carpet showroom floor. They should have the same type of information now afforded with the purchase of automobiles, clothing, home appliances, and food. There is a need for information to make an intelligent choice from the thousands of available carpet styles and fibers.

But the FTC responded by rationalizing away the need for informational labeling for consumers. And, in my opinion, that reasoning is specious. It is also self-defeating, since it will require the Commission to continue to squander time and resources by dealing with prevalent abuses on a case-by-case basis

The FTC letter first states that it is impossible to protect consumers through informational labeling requirements because—

> No suitable standards existed and because the cost of developing appropriate standards would be prohibitive.

The response further notes that:

> These severe technical difficulties led the staff to conclude that the public interest would not be best served by development of a carpet rule.

I cannot accept this characterization of the problem.

Such "severe technical difficulties" did not prevent Sears, Roebuck & Co. from issuing an informational label earlier this year for the entire range of its carpeting. Although the Sears label does not address all relevant informational needs, it is an important development in providing meaningful information to consumers. The entire Sears management, in particular Clem Stein, Jr., national merchandise manager for floorcoverings, should be applauded for leading the way in this effort.

Over the years, Consumers Union has also developed certain individual tests for carpeting, as have the American Society for Testing Materials and the American Association of Textile Chemists and Colorists. These tests certainly could be most helpful in developing an informational labeling system that is useful to prospective purchasers of carpet.

Several groupings of European countries have also developed test methods using objective criteria. The Nordic carpet classification scheme of the Scandinavian countries has at least 11 separate tests for such important qualities as colorfastness, static electricity, stain resistance, flammability, dimensional stability, and crush resistance.

The FTC response concedes that certain standards exist when it mentions that the Commission staff has checked with many of the organizations to which I have referred. Yet, the letter says that none have developed "suitable standards." Suitable to whom? There is no need for a labeling system that is 100 percent perfect; simply a system that could provide the buyer with meaningful information on certain useful quantitative and end-use characteristics.

With guidance and direction from the FTC, representatives of government, industry, and the consuming public could thrash out differences in test approaches to arrive at a good test system.

After indicating that no suitable standards exist, the FTC performed a bureaucratic sleight-of-hand by stating that the Federal Housing Authority carpet standards have had a "salutary effect" on the industry. The FTC then draws the tenuous distinction between the performance standards used by FHA for the last 2 years and the labeling standards that I suggested.

The FHA standards have been a relative success and have been accepted by the industry and by the public at large. Costing only one-half cent to 2 cents per square yard, FHA testing has cut down on a number of fraudulent practices and saved homeowners countless sums of money.

Frankly, I see little difference between informational labeling that I proposed and what the FHA has tried to accomplish. Buyers of contract carpets not only use the FHA test results to make sure carpeting meets minimum standard requirements, but they also examine the FHA information to find out if they are getting a good buy.

Additionally, I find confusing the statement that further enforcement against Commission violators is unnecessary while new rules to penalize unscrupulous retailers are developed. The FTC response states:

> Indeed, it was with the prospect of these new and more effective deterrents in mind that the Commission last year directed its staff to eschew further case-by-case challenges to isolated practices of individual carpet retailers.

Fortunately, the edict never filtered up to the New York City FTC regional office, which this past spring cited one of the largest Middle-Atlantic carpet chains for violating Commission rules.

I am especially concerned now that the FTC has announced that effective enforcement against carpet retailers has been tabled until new rules are developed. Is that a green light for unscrupulous retailers to renew or step up their illegal practices knowing that the Commission is looking the other way?

Local public prosecutors, reportedly, have been puzzled by FTC inaction in attacking carpet fraud. Happily, these prosecutors have taken up some of the slack, as evidenced by the rash of complaints throughout the Nation brought against carpet retailers over the last year.

Even if the proposed Commission enforcement tools prove to be effective, and they are a long way off, they still will not cover the issuance of installation guidelines for carpets. Nor will they deal with the mandatory posting of measuring conversion charts in retail stores. Nor will they insure that delivered carpeting is the same as the showroom sample, as might be accomplished by simply stamping a code number on the carpet backing. I believe all those safeguards need to be considered if the consumer is to be adequately protected against fraud.

The FTC may refuse to act to protect the consumer and the honest merchant, but I intend to vigorously pursue this matter with the help of concerned industry representatives, Government officials in other agencies, and consumers.

Staff is now in the process of working with precisely those affected groups in preparing an objective and complete analysis of fiber characteristics. Such a comparison is presently unavailable to prospective purchasers. Instead, consumers may be given a glossy pamphlet filled with empty superlatives to describe carpet fibers. Consumers are left in the dark with respect to the negative fiber characteristics. The industry, for some reason, has chosen not to point out the pros and cons of different fibers. If we can adopt as a matter of national policy "Truth in Lending," why cannot we have truth in carpeting?

Once staff has produced this comparison, ideally with the full assistance and cooperation of industry and Government officials, I hope to give it wide dissemination through consumer action organizations, the media, and enlightened carpet manufacturers, retailers, and trade groups.

I also plan to continue to work with the industry to develop voluntary informational labeling systems.Too many consumers have been injured. We should not and will not ignore the problem simply because the Federal Trade Commission has chosen to do so.

Mr. President, I ask unanimous consent to have printed in the RECORD my letter of June 1, 1976, to FTC Chairman Calvin J. Collier and his response of July 9, 1976. I invite the FTC to work cooperatively with us toward what I hope would be a common objective serving the American consumer.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON GOVERNMENT
OPERATIONS,
Washington, D.C., June 1, 1976.

Hon. CALVIN J. COLLIER,
Chairman, the Federal Trade Commission,
Washington, D.C.

DEAR CHAIRMAN COLLIER: Let me first congratulate you on assuming the position of Chairman of the Federal Trade Commission. I extend my personal best wishes as you carry out the important responsibilities of this public trust.

I want to direct your attention and that of the Commission, to certain prevalent abuses and frauds in the retail sale of household carpeting. No other home furnishing item appears to involve as much misunderstanding on the part of consumers, or is fraught with such abuse at their expense.

Carpeting has become a big ticket item that is perceived as a home furnishings necessity by consumers. In 1975, Americans spent an estimated $2.3 billion for residential carpeting. By 1980, the figure is expected to rise to $3.2 billion. These amounts become even more noteworthy when one considers that, on the average, carpeting is purchased only about once every eight years. That would put the current average carpet purchase per household at $257, rising to $323, in 1980.

Unfortunately, the American public knows far too little about carpeting. The typical consumer becomes overwhelmed and perplexed, trying to determine a suitable fiber, texture, color, and brand: there are thousands of combinations, most quite appealing. Proper pad selection adds to the confusion, as does calculating the appropriate amount of carpet needed.

Regrettably, this lack of consumer knowledge has led to a pattern of fraud at the retail end. Even though the majority of carpet wholesalers and retailers are honest, responsible businessmen, a minority have selfishly misled the public.

The FTC's Washington, D.C. regional director has told my office that he could easily assign all of his staff to carpet cases because of the large number of complaints in this area. I personally have received complaints which echo the same story of consumer dissatisfaction.

Better Business Bureaus, local public prosecutors, and the Commission's staff all report that carpet fraud consistently ranks among the top half-dozen areas of consumer complaint. Following publicity attendant to a recent carpet fraud case in Du Page County, Illinois, the State's Attorney received 309 calls in one week from disgruntled carpet consumers.

Common complaints involve:

Bait and switch. This is one of the most prevalent frauds. The advertised low-priced special (often placed in the local newspaper television guide) does not turn out to be as advertised. The salesman discourages consideration of the special in favor of carpeting that is either higher-priced or overstocked in inventory.

Inflating estimates. The customer is told that he needs more carpeting than he really can use. The excess is not installed, although the consumer has paid for it. Either the customer is incapable of realizing the fraud or, if it is discovered, he is told that the extra carpeting is needed to fill odd spaces.

Misrepresenting cushion weight. A customer is sold a pad with a tag implying a weight much higher than the real pad weight. Also, the pad as delivered is at times of a lesser quality and weight than the consumer has ordered and paid for, but since it is immediately covered over by carpeting, the switch goes undetected.

Substitution of yarn. A somewhat inferior carpet from that ordered may actually be delivered. The difference is so subtle that few customers are even aware of the switch.

False delivery promises. A customer is promised a certain carpet within two or three weeks, after placing a deposit. Several months may pass before the carpet is delivered. Meanwhile, the dealer earns interest on the deposit as the customer must wait, often his complaints going unanswered.

These are some of the most common frauds and problems. Each must be addressed separately by the Commission, so that only the dishonest merchant is penalized. I believe that the promulgation of reasonable, well-considered regulations will ultimately aid the merchandiser who believes in treating his customers fairly and with integrity. He should have nothing to fear.

In my view, consistent with its mandate to prevent unfair or deceptive trade practices, the Commission should immediately undertake a thorough investigation of retail carpet frauds and abuses. The results of that inquiry should demonstrate the need for the FTC to promulgate a comprehensive trade regulation rule which addresses some or all of the following points to assure better protection of consumers, namely:

Mandatory labeling: Labels should be simply-worded and include only those items relevant to consumers, such as durability, density, warranty, and a recommendation as to the rooms where the carpeting would be of maximum benefit. Some of the existing European labeling regulations deserve attention in this respect. Highly technical data, that would only confuse the consumer, should be avoided.

Banning of deceptive weight labels for padding: In one instance, a pad manufacturer calls one of his products the "100," implying that it is 100 ounces in weight. In reality the pad is only 80 ounces.

Mandatory posting of measuring conversion charts in retail stores and requiring that copies be furnished prospective buyers: The charts could be used by consumers to check the amount of carpet that is sold versus the size of the room where the carpet is to be installed. This would effectively put a halt to the deceptive sale of undelivered carpet.

Insuring that the delivered product is the same as the showroom sample: This could be achieved by some type of code number that would be stamped either on the label or the back of the carpeting. If the code numbers differed, the consumer would be in a position to know that he was not receiving the carpet actually ordered.

Limiting the length of time that deposit can be held: If, for instance, a carpet is not delivered within the promised period for delivery, the deposit would have to be refunded with interest, unless the purchaser desired to wait longer.

The issuance of installation guidelines so that when a consumer pays for "installed" carpeting there is a clear understanding of what will be done: Currently, a consumer may receive a partial installation job—e.g., moldings may not be replaced, or entry doors trimmed to open smoothly over the installed carpet. But because the consumer does not know what is common practice, he has no recourse to seek an adjustment.

Clearly, too many Americans have been deceived too often for the Commission to ignore a thorough inquiry of the retail carpet industry. That inquiry should uncover considerable abuse that has been swept under the rug for too many years. Commission action, I am certain, will lead to the timely issuance of corrective regulations that will protect consumers without harming the honest manufacturer and dealer.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

FEDERAL TRADE COMMISSION,
Washington, D.C., July 9, 1976.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of June 1, 1976, regarding abuses in the retail sale of residential carpeting. As you point out, this is indeed a significant consumer problem.

You have suggested, in particular, that the Commission should consider labeling requirements for manufacturers of carpeting as well as affirmative disclosure requirements and other prohibitory mandates for retailers.

In 1973, the Commission directed that carpet marketing be investigated to determine whether a trade regulation rule might be appropriate. That inquiry led the Commission staff to conclude that such a rule was not feasible.

With respect to possible labeling and other affirmative disclosure requirements, several obstacles are present. In order to promulgate a disclosure rule, it would be necessary to identify or develop reliable test methods as a basis for the disclosures. Following exhaustive investigation and staff consultations with industry, HUD-FHA, NBS, and several private standards organizations, the Bureau of Consumer Protection decided against proceeding with a rule because no suitable standards existed and because the cost of developing appropriate standards would be prohibitive. These severe technical difficulties led the staff to conclude that the public interest would not be best served by development of a carpet rule. More recently, some mandatory minimum performance standards (as opposed to labeling standards) have been established by the Department of HUD. These standards, embodied in the Federal Housing Administration's Minimum Property Standards, 24 CFR Sec. 200.925–929, will directly affect about 5% of the new carpeting market. In addition, many banks look to these minimum standards in making new home loans, which tends to have a salutary effect on the industry as a whole.

Although we have found that labeling standards for carpet manufacturing are infeasible at present, the Commission has proposed inclusion of carpet under the care labeling program.

With respect to unfair or deceptive marketing practices at the retail level, the Commission has issued seven negotiated and eight litigated orders during the past three years. Despite the high level of Commission activity in this area, several considerations militate against trade regulation rulemaking. Many of the practices reportedly associated with carpet retailing are not unique to that sector. For example, bait and switch advertising, deceptive pricing, inadequate credit term disclosures, and deceptive representations of salespersons unfortunately occur in retailing without regard to the product being sold. Rather than focusing its enforcement on particular products, the Commission is taking steps to arrest many of these "classical" abuses across-the-board. On December 30, 1975, the Commission directed its staff to evaluate past Commission orders, guides and other sources of policy and precedent with a view of possible development of proposals to codify into rules established principles relating to common marketing abuses, including bait and switch, deceptive pricing, and others. Under Section 206 of the Magnuson-Moss Act, these rules can be used to seek civil penalties against carpet producers or other retailers who engage in unfair or deceptive acts or practices. Similarly, under the Bureau of Consumer Protection's nonrespondent enforcement program, litigated orders may be used, in certain circumstances, as a basis for civil penalties against offenders who were not parties to the litigated orders. Indeed, it was with the prospect of these new and more effective deterrents in mind that the Commission last year directed its staff to eschew further case-by-case challenges to isolated practices of individual carpet retailers. This action came after the Commission, as noted above, had issued numerous complaints and orders against carpet retailers.

The Commission has also received your request of June 28, 1976, for staff analyses of the carpet industry. The staff is currently reviewing our files to identify such materials and the Commission will respond further in the near future.

Thank you for your continuing interest in the work of the Commission. If the Commission can be of further service to you, please let me know.

By direction of the Commission.

CALVIN J. COLLIER,
Chairman.

DRUG ENFORCEMENT ADMINISTRATION IMPROVEMENT ACT OF 1976

Mr. PERCY. Mr. President, the Senate and the House of Representatives have now both passed the conference report on S. 2212, which would amend the Omnibus Crime Control and Safe Streets Act of 1968. Most of this legislation is concerned with amendments relating to the Law Enforcement Assistance Administration—LEAA—and would reauthorize that program for three additional years. While I am not totally satisfied with every provision of this legislation, I believe that it represents a fair compromise between the positions of the House and the Senate and that it should be signed into law by the President.

On July 26, 1976, I introduced an amendment to S. 2212 which would have removed approximately 162 positions at the Drug Enforcement Administration—DEA—from the competitive service. That legislation was cosponsored by Senators NUNN and RIBICOFF. With my full support the conference committee adopted substitute language which would remove only approximately 40 to 45 positions from the competitive service.

Specifically, the conference provision reduces the number of positions to be excepted from the competitive service to positions classified at GS–16, GS–17, and GS–18 and only those GS–15 positions which are designated as regional directors, office heads, or executive assistants—or equivalent positions—under the immediate supervision of the Administrator—or the Deputy Administrator—of DEA. It also provides that during the 1 year beginning on the date of enactment of the act, incumbents of these positions will be given preference with respect to filling vacant positions at a grade not lower than GS–14 within DEA. If such an incumbent were to transfer to such a position he would suffer no loss of pay.

The conference committee provision further provides that effective beginning 1 year after the date of enactment of this act an individual in one of the excepted positions who has been employed in DEA for less than 1 year may be removed, suspended for more than 30 days, furloughed without pay, or reduced in rank or pay, by the Administrator, if the Administrator determines, in his discretion, that such action would promote the efficiency of the service. The provisions of sections 7512 and 7701 of title 5, United States Code, relating to adverse actions against preference eligibles, would not apply to such an action by the Administrator. Effective beginning one year after the date of enactment a present incumbent who is still employed in one of the excepted positions may be reduced in rank or pay by the Administrator if the Administrator determines, in his discretion, that such action would promote the efficiency of the service. A present incumbent who is reduced in rank would suffer no loss of pay.

Finally, the conference provision provides that sections 7512 and 7701 of title 5, United States Code, and otherwise applicable Executive orders, will not apply to any reduction in rank or pay of an individual in any position excepted from the competitive service pursuant to the section.

In my view, this amendment should give the Administrator of DEA the broad managerial authority he needs to properly administer that most complex Agency. My study of DEA during numerous hearings held by the permanent Subcommittee on Investigations has indicated that civil service reform legislation of the type encompassed in this amendment is sorely needed. This view was endorsed in the subcommittee's report on Federal drug law enforcement and has been echoed by other officials both in and out of Government service.

Now that such legislation has been approved by the conference committee and passed by both Houses of the Congress I do want to reiterate that only the most qualified individuals, whether they be recruited from within the Federal service or from outside the Federal law enforcement community should be appointed to top-level supervisory positions that have now become a part of the excepted service. This amendment is designed to give the Administrator of DEA significantly greater flexibility than he now has to fill top supervisory positions at DEA with individuals of quality, skill, and unquestioned integrity and to remove them if this is ever in the interest of the Federal drug law enforcement effort. Clearly, it is not the intent of the sponsors of this legislation, nor of either House of Congress in adopting it, that personnel actions taken with respect to these new excepted positions should be influenced by political or other special considerations inconsistent with a policy of hiring based on merit and merit alone.

Mr. President, it should be noted that 1 year after the date of enactment of this legislation, the DEA Administrator would not only be able to demote an individual from the excepted service to the competitive service, he would also have the authority to reassign employees within the excepted service. Any individual holding an excepted service position covered by this legislation who was demoted within the excepted service would be entitled to the now existing general pay saving provisions provided for in 5 U.S.C. 5337.

Under the pay saving provisions specifically written in this amendment, any individual who would be reassigned by the Administrator from one of the new excepted positions to a position in the competitive service would receive the salary he received just prior to the reassignment as provided for in subsection (d) of section 201 of the legislation. Even if such a reassignment occurred 1 year after the date of the enactment of this amendment, the reassigned individual would receive the pay he was receiving just prior to his reassignment in accordance with the general Federal pay-saving provision, 5 U.S.C. 5337.

As I have mentioned earlier in my statement, this amendment provides for a special procedure during the first year after the enactment of this act for giving preferential reassignment treatment to all those individuals who are now occupying positions which will become part of the excepted service. Effective beginning 1 year after the date of enactment, the special reassignment preference for those in excepted service positions covered by the legislation will cease to exist. The Administrator will have the authority to reassign individuals from the excepted service to the competitive service but as the legislation makes clear, he would be under no obligation to do so. Nor would he be under any obligation to fill any vacancies which may exist. Such decisions which would be within the sole discretion of the Administrator and should be based on his considered view of what would promote the efficiency of the service.

This legislation gives broad new managerial authority to the Administrator of DEA. In doing this the Congress is attempting to give the Administrator certain tools which should enable him to improve and strengthen the Federal drug law enforcement effort. Quality appointments to top managerial positions must be made and if the Administrator determines that individuals in these positions are not successfully carrying out their duties they should be removed or reassigned. Only in this manner can DEA continue to improve its effort to fashion a coordinated, effective drug law enforcement program designed to stem the flow of narcotics onto the Nation's streets.

Mr. President, I ask unanimous consent that the legislation excepting certain positions at DEA from the civil service protection be printed in the RECORD.

There being no objection, the legislation was ordered to be printed in the RECORD, as follows:

DRUG ENFORCEMENT ADMINISTRATION

SEC. 201. (a) Effective beginning one year after the date of the enactment of this Act, the following positions in the Drug Enforcement Administration (and individuals holding such positions) are hereby excepted from the competitive service:

(1) positions at GS-16, 17, and 18 of the General Schedule under section 5332(a) of title 5, United States Code, and

(2) positions at GS-15 of the General Schedule which are designated at—

(A) regional directors,

(B) office heads, or

(C) executive assistants (or equivalent positions) under the immediate supervision of the Administrator (or the Deputy Administrator) of the Drug Enforcement Administration.

(b) Effective during the one year period beginning on the date of the enactment of this Act, vacancies in positions in the Drug Enforcement Administration (other than positions described in subsection (a)) at a grade now lower than GS-14 shall be filled—

(1) first, from applicants who have continuously held positions described in subsection (a) since the date of the enactment of this Act and who have applied for, and are qualified to fill, such vacancies, and

(2) then, from other applicants in the order which would have occurred in the absence of this subsection.

Any individual placed in a position under paragraph (1) shall be paid in accordance with subsection (d).

(c)(1) Effective beginning one year after the date of the enactment of ths Act, an individual in a position described in subsection (a) may be removed, suspended for more than 30 days, furloughed without pay, or reduced in rank or pay by the Administrator of the Drug Enforcement Administration if—

(A) such individual has been employed in the Drug Enforcement Administration for less than the one-year period immediately preceding the date of such action, and

(B) the Administrator determines, in his discretion, that such action would promote the efficiency of the service.

(2) Effective beginning one year after the date of the enactment of this Act, an individual in a position described in subsection (a) may be reduced in rank or pay by the Administrator within the Drug Enforcement Administration if—

(A) such individual has been continuously employed in such position since the date of the enactment of this Act, and

(B) the Administrator determines, in his discretion, that such action would promote the efficiency of the service.

Any individual reduced in rank or pay under this paragraph shall be paid in accordance with subsection (d).

(3) The provisions of sections 7512 and 7701 of title 5, United States Code, and otherwise applicable Executive orders, shall not apply with respect to actions taken by the Administrator under paragraph (1) or any reduction in rank or pay (under paragraph (2) or otherwise) or any individual in a position described in subsection (a).

(d) Any individual whose pay is to be determined in accordance with this subsection shall be paid basic pay at the rate of basic pay he was receiving immediately before he was placed in a position under subsection (b)(1) or reduced in rank or pay under subsection (c)(2), as the case may be, until such time as the rate of basic pay he would receive in the absence of this subsection exceeds such rate of basic pay. The provisions of section 5337 of title 5, United States Code, shall not apply in any case in which this subsection applies.

MINIMUM WAGE IS TOO MINIMAL

Mr. WILLIAMS. Mr. President, the Fair Labor Standards Amendments of 1974 established the current minimum wage at $2.30 an hour to insure that individuals with limited job opportunities and skills received a fair wage for their labor.

The 1974 amendments sought to increase the minimum wage to coincide with increases in the cost of living, but today it reflects a level of income well below the poverty level.

Yet some economists feel that a fair wage is the villain in pushing prices higher and continuing the plague of unemployment. They argue that lower wages would increase profits, allowing industrial expansion and creation of more jobs. They believe that paying more people lower wages would minimize unemployment.

I do not feel it is fair to assume an individual can house, feed, and maintain the health of a family on anything lower than the poverty level. That level was established as a guide to what is required to maintain the very minimum basic human needs.

The September 9 issue of the Wall Street Journal contained an editorial complaining about the minimum wage and its effect on the national unemployment problem. The editorial argued specifically that a lower minimum wage might have a beneficial effect on the high numbers of unemployed youth. The figure for unemployed black teenagers is a tragically high 40.3 percent, and I believe it is wrong to conclude that such high numbers result from a minimal expectation of a fair wage.

Increasing numbers of teenagers, ages 16–19, are seeking permanent employment. Recent studies have shown that three-fourths of employers do not want to hire teenagers for full-time jobs until they reach age 21. Most young jobseekers are left with nothing at all, or part-time, low-paying jobs with no future.

The minimum wage not only maintains a livable standard but stabilizes longer term employment. As long as the wage is livable, and can promise some future, youth will be motivated to seek jobs.

Mr. Andrew J. Biemiller, director of the Department of Legislation for the AFL–CIO, responded to the Wall Street Journal with a letter to the editor containing some helpful facts.

The letter has not been printed by the Journal as yet, but I believe my colleagues will find Mr. Biemiller's letter to be a reasoned statement of sound policy, and therefore, I ask unanimous consent that Mr. Biemiller's letter and the editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., September 14, 1976.

EDITOR,
The Wall Street Journal,
New York, N.Y.

DEAR SIR: One would expect that the WALL STREET JOURNAL which has carried on an anti-minimum wage campaign for as long as we can remember would at least check what the minimum wage is before composing the latest diatribe. The editorial on September 9 opens with the statement—"Like a broken record, once every couple of months we use some of this space to complain about the minimum wage law."

With such an expenditure of space and attention, one would reasonably expect that the minimum wage figure cited would be correct, even if the reasoning were distorted. But no! Four times the editorial refers to a minimum wage of $2.35 an hour—although the minimum wage is $2.30 an hour and the $2.30 figure was written in law in 1974.

Furthermore, it is certainly not true that "every economist knows that the minimum wage causes unemployment." While it is true that research in the field of minimum wages has not always come up with clear cut consistent answers to all questions about the effects of minimum wage legislation, this merely reflects the difficulties in isolating the effects of higher minimum wages from the effects of other factors operating simultaneously. Unfortunately, no one has yet been able to develop a system for keeping "all other things constant" while a particular economic change is evaluated.

This much can be stated positively. All of the studies of minimum wage effects conducted by the Department of Labor over a period of more than 25 years have concluded that employment has increased in those activities most affected by changes in the minimum wage law and that there have been no discernible adverse effects on unemployment.

Different Secretaries of Labor in different Administrations representing both Republican and Democratic parties have reported their detailed findings to the Congress that adjustments to each increase in the federal minimum wage were accomplished successfully with increasing employment, very little impact on prices and only rare isolated instances of adverse effects.

In January 1970, for example, the then Secretary of Labor, George P. Shultz, reported to the Congress:

"There was continued economic growth during the period covering the third phase of the minimum wage and maximum hours standards established by the Fair Labor Standards Amendments of 1966. Total employment on nonagricultural payrolls (seasonally adjusted) rose in 28 out of the 32 consecutive months between January 1967 and September 1969. In the most recent 12-month period, employment climbed 3.2 percent, from 68.2 million in September 1968 to 70.4 million in September 1969. Employment rose in all major nonagricultural industry divisions in the 12-month period between September 1968 to September 1969. In the retail, services, and State and local government sectors—where the minimum wage had its greatest impact in 1969, since only newly covered workers were slated for Federal minimum wage increases—employment rose substantially."

It was Secretary Shultz who directed the Bureau of Labor Statistics to complete a comprehensive study of the relationship between youth unemployment and minimum wages. In his 1971 report to the Congress he concluded:

"This study provides information useful in evaluating the teenage unemployment problem. A significant finding was that it was difficult to prove any direct relationship between minimum wages and employment effects on young workers."

The AFL–CIO is proud of its support of minimum wage legislation. We are reluctant to think how much poorer the low-wage worker would be without it. We do not think that the minimum wage should be a poverty wage. We reject the WALL STREET JOURNAL logic that the way to create jobs is to reduce wages and that if wages were low enough, there would be no unemployment.

The AFL–CIO is disturbed that the $2.30 minimum wage has been eroded by inflation and is currently worth about 50 cents less than the hourly equivalent of the government's poverty wage.

We have reviewed the history of minimum wage legislation and find that in 1949 Senator Taft, Sr. proposed setting the minimum wage at 60 percent of average hourly earnings. We think it makes good sense to relate the wages of the low-man on the totem pole to wages of workers generally and we support this proposal. We urge the Congress to give high priority to increasing the minimum wage and to ignore those who would consign workers with limited bargaining power to a low-wage pool to serve marginal employers who would undercut living standards in the U.S.A. for their personal gain.

Sincerely,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

[From the Wall Street Journal, Sept. 9, 1976]

LOWER THE MINIMUM WAGE

Like a broken record, once every couple of months we use some of this space to complain about the minimum wage law. We assume that all of our 4,500,000 readers have long ago been persuaded by our arguments that the $2.35 standard has undesirable economic effects and no redeeming social value. But we get new readers every day, and one of them may be Jimmy Carter.

We hope so, because the Democratic nominee has been expressing a fervent desire to do something about unemployment as soon as he is inaugurated, saying that he especially wants to concentrate on those population classes with the highest unemployment rates. If he has in mind the 38% unemployment rate of black male teenagers, he should not dismiss the idea of lowering the minimum wage as the most direct remedy, even if it makes George Meany mad.

Every economist knows that the minimum wage causes unemployment. The only economists who defend it are those who do so on sociological grounds, i.e., it isn't nice for society to permit an employer to hire an employe for less than $2.35 per hour because an employe can't make ends meet at less than that rate. So if Smith wants to hire Jones at $2 per hour and Jones is agreeable, society says no. Smith is denied the profits of employing Jones and therefore consumes that much less in the exchange economy; society is denied the fruits of Jones' production; and Jones is invited to make ends meet by shoplifting and such.

There are people at the AFL–CIO who, by talking fast, make a case that the minimum wage has no effect on employment. They rely on the 18th Century mercantilist idea that at any moment there are only so many jobs to go around, so if Jones is hired at $2 an hour he causes the discharge of some workers making $2.35. Unemployment remains the same but there is an increase in poverty, 35 cents an hour suddenly disappearing from the economy. By this logic, poverty could be wiped out by increasing the minimum wage to $10 an hour, although it is obvious that production would almost cease until a wild inflation once again brought relative labor values back into line.

The AFL–CIO is now pushing hard to get the minimum up to $3 and tie it to the cost of living index thereafter. The cost of doing business would leap. Given the same money supply, enterprises would collapse and unemployment rise until the economy was back in equilibrium. If the money supply rose, prices would climb until $3 was only worth $2.35 in purchasing power. And because the minimum is tied to the consumer price index, it would keep climbing and inflation could not take any of the adjustment. Only unemployment would result. If Mr. Carter doesn't accept this rationale and wants to go for a $3 minimum, he should tell us before Election Day, perhaps announcing that he'd try it first on a trial basis in Georgia.

The AFL–CIO wouldn't like this, knowing the Georgia economy would suffer relative to the rest of the United States, which is why the AFL–CIO wants it applied to the entire country. But then the U.S. economy would suffer relative to the rest of the world, reflected not only by growing unemployment here but also a shift of capital investment to the rest of the world.

There is simply no way the U.S. economy or the members of the AFL–CIO benefit from the minimum wage law. A prohibition against employment means a fall in the supply of work and an equal decline in the demand for goods. And for every American who is not working because of the wage standard there is an equal fall in the demand for goods produced by someone else.

If he is not persuaded by these columns, our new reader would do well to consult Prof. Andrew Brimmer of Harvard, former governor of the Federal Reserve, who has been mentioned as a likely member of the Council of Economic Advisers in a Carter administration. When he recently testified before the Senate on the Humphrey-Hawkins bill, which would put unemployed teenagers to work with public jobs, Dr. Brimmer dismissed the idea as inflationary and instead counseled a lower minimum wage for them. One of our satisfied 4,500,000 readers, no doubt.

YOUTH EXCELLENCE WEEK

Mr. PERCY. Mr. President, the strength of our Nation depends upon its resources, and America's most valuable resource is its citizenry.

In the interest of developing every citizen's potential, we should provide the means for all Americans to realize their full capabilities. The media is one of the most effective means of reaching out to the people. And in fact, it has the capacity to play a major role in the development of the American character.

This week WLS–TV, an American Broadcasting Co. station in Chicago, is sponsoring "Youth Excellence Week." This initiative by WLS will educate the youth of Chicago on career opportunities. The program includes an outstanding group of local personalities who will be sharing their professional experience.

Among them are: Manyard I. Wishner, president, Walter E. Heller & Co.; Sister Margaret Traxler, director, Institute of Women Today; Antoni Zygmund, noted mathematician, University of Chicago; Noriko Nishi, top couture designer; and Barbara Proctor, president, Proctor Gardner Advertising, Inc.

In some of the seminars, local organizations will advise young people on scholarship opportunities and tutoring services. These special formates should be of great assistance to young people seeking career information and guidance.

Education is a life-long learning process. If we give the youth of America ample opportunities, I believe they will meet and even excel their potential.

I want to commend those who are participating in this worthy program, especially the staff of WLS-TV in Chicago. This is an exciting example of the media providing a helping hand to the youth of Chicago.

MOST-FAVORED-NATION

Mr. CURTIS. Mr. President, I wish to discuss the extension of the most-favored-nation, MFN, status to Romania under the waiver clause of the Trade Reform Act of 1974.

In weighing the merits of the issue, we have several considerations. The first consideration must be whether the Socialist Republic of Romania has fulfilled, or is trying to fulfill, the explicit requirements of the Trade Reform Act as expressed in section 402. Otherwise, the waiver provision cannot apply.

Unfortunately, the Romanian performance on emigration has been a disturbing one. While U.S. immigration visas issued since the MFN went into effect increased somewhat, there are several hundred family reunification cases still pending, according to State Department witnesses before the September 8, 1976, hearings before the International Trade Subcommittee of the Senate Finance Committee. Emigration to Israel also failed to increase; as a matter of fact, if compared with 1971–72 figures, we discern an absolute decrease.

Family reunification cases of close relatives of U.S. citizens represent a clear violation of the letter and spirit of the agreement. I personally heard of cases where a sister of a U.S. citizen could not rejoin her brother for 8 years, and in the meantime she was fired from her job and the brother had to support her with American dollars. Also, the original framework of the family reunification provision in the Trade Act was too narrow, excluding uncles, aunts, cousins, nephews, and nieces.

Romania is remiss not only with regard to emigration, but also the broad spectrum of human rights, respect for which has been made the main purpose of the Trade Act of 1974 in the first sentences of section 402.

Abridgment of human rights, especially those of speech, assembly and publication, is the rule for all the citizens of Romania. In some respects this repression surpasses that in several other countries of East Central Europe. For example, citizens who have conversed with foreigners and have not reported the content, time, and place of the meeting may be criminally prosecuted.

A particularly onerous measure is the use of subtly discriminatory measures against the national minorities over and beyond the general curtailment of human rights. The only two major nationalities, the 2.5 million Hungarians and one-half million Germans—Saxons—of the historical province of Transylvania, suffer most under such measures. I refer here particularly to the emasculation of Hungarian-language instruction in the schools of Romania, particularly on the secondary, technical, and vocational levels.

The number of Hungarian language courses during the past 20 years has decreased dramatically despite the tremendous expansion of the secondary school population. Romania has experienced an increasing birth rate for some time now, resulting in an expansion of the secondary school system. However, only after strong pressure from American Hungarian organizations did technical courses taught in Hungarian begin to appear earlier this month. This is only a "drop in the bucket" as far as resolving the problem of Hungarian language instruction.

Yet it must be remembered that alienation from the Romanian majority hardly can be the purpose for eradication of the Hungarian-language educational institutions, as even there three of the subjects are taught in Romanian, thereby providing ample opportunity for the students to learn the state language.

At the college and university level, the situation of the nationality students remains highly unfavorable. Despite the claim of "The Hungarian Nationality in Romania," published on the basis of official Romanian statistics, only about 20 of the courses at the merged Babes-Bolyai University at Cluj-Napoca—Kolozsvar—are taught also in Hungarian, out of a total of more than 200. Officials of the Romanian Ministry of Education admitted to Dr. Z. Michael Szaz of the American Hungarian Federation during his recent sojourn in Bucharest that the number "77" refers to subjects and not courses, and that some subjects are given every 2 years while others are given every 4 years only. The proportion of Hungarian students in the overall student body in Romania is 5.8 percent, a decrease of 3.2 percent since 1969 although the Hungarian population constitutes approximately 10 percent of the total population.

Even those who succeed in receiving a university education are curtailed. Their first job assignment usually takes them to purely Romanian areas, while Romanian graduates are assigned to the Hungarian territories.

Church archives were at least partially confiscated in late 1974 in the totally Hungarian Protestant congregations of northwestern Transylvania and further action was foiled only by exposure in major Western newspapers in early 1975—Neue Zürcher Zeitung, February 2, 1975, Washington Star-News, March 1, 1975. Religious liberty is even more restricted for the nationality churches than the already oppressed Romanian Orthodox church.

In view of these developments, I must admit that I have my reservations about extending MFN to Romania. If such extension will occur, it will be necessary on our part to put the Romanian Government on notice that the extension does not reflect an acceptance or approval of their human rights policies, including emigration and treatment of national minorities. Furthermore, I believe that the International Trade Subcommittee of the Senate Finance Committee should officially monitor the actions of the Romanian Government in this regard and make its determination in 1977 on the basis of hard data and not political expediency. Otherwise, the Romanian Government may feel that it can get away with obnoxious emigration and national minority policies which is certainly not my intention in the least.

OUR FLAG

Mr. WILLIAMS. Mr. President, our Nation's Bicentennial celebration is now approaching its official end. Throughout this year the people of this great country, and indeed the world, have looked at the United States with renewed and intensified interest. Our citizens are now more alert to their great heritage and the bright promise of an even greater future.

There have been countless examples of the people's love for America during our Bicentennial Year. Interest in our Nation's history and Government has reached new heights. On the Fourth of July, millions stood together to watch or participate in countless celebrations across the globe. More significant, perhaps, is the knowledge that these same millions have taken time to contemplate the meaning of the United States, and the symbols that espouse its greatness.

One such citizen is Edward H. Rowe, of Teaneck, N.J. In honor of the 200th anniversary of independence, Mr. Rowe was moved to write about one of the most important symbols of our country, the flag. His poem is currently hanging in the Bergen County Freeholders Office. It is a good example of the focus on our heritage that has inspired so many during this Bicentennial Year.

I ask unanimous consent that Mr. Rowe's poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

OUR FLAG

(By Edward H. Rowe)

Our flag. The flag of flags.
The red, the white and blue
The flag that never has to brag.
Its ideals stand out so true.
All should stand and bow the head,
Pray for the living and the dead,
To thank the Lord, who dwells above
To show each other, our abiding love
Through the trials and joys from 1776
And through the year of 1976.
We will never waver that's a must,
We still have faith, "In God We Trust"

H.R. 5546—HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1976

Mr. CRANSTON. Mr. President, I would like to speak about H.R. 5546 agreed to by the Senate and sent to the President yesterday.

As a member of the Subcommittee on Health of the Senate Labor and Public Welfare Committee, I have participated in the development of H.R. 5546, the Health Professions Educational Assistance Act of 1976, for the past several years, and in efforts to find solutions to the problems it seeks to address.

The policy matters dealt with in H.R. 5546 are of vital importance in determining the quality of health care that will be available in the 1980's and the ability of the medical community to respond to the needs of America in that—and the next—decade.

Numerous studies in the last several years have demonstrated that the major factors creating the inaccessibility of health care in many areas are the geographic and specialty maldistribution of physicians and dentists, and our overreliance, in the case of physicians, on foreign medical graduates.

In reality, Mr. President, there is not a shortage of physicians, nor is one projected in the next decade. Rather, what seems to be a shortage is caused by the fact that a majority of physicians serve in specialty and subspecialty areas—with very few providing primary care, the field most in demand by American families. In addition, there is a concentration of physicians in relatively affluent sections of the major metropolitan areas.

The nature of the medical practice of specialists requires a close association with a major medical center, where the specialist can interact with his colleagues in the research and teaching fields and maintain his skills at the highest level. Thus, the tendency toward specialization not only aggravates the specialty maldistribution problem by decreasing the number of new entrants into the primary care physician field, but aggravates the geographic maldistribution problem by clustering specialized medical services in areas convenient to a major medical institution—in most cases in a metropolitan area. In addition, foreign medical graduates, like U.S. trained physicians, for the most part are specialists and are concentrated in metropolitan areas.

Mr. President, in developing H.R. 5546 the members of the House and Senate committees recognized that a simple extension of the existing legislation, which essentially encourages the physicians to enter the specialty fields, would further aggravate these maldistribution problems.

The House and the Senate each weighed several approaches and considered many alternatives. There was a broad range of opinion and a wide variety of urban and rural interests represented among Members of Congress involved in the development of H.R. 5546. Despite the complexity and controversy surrounding this bill, Congress has been able to conciliate the broad range of interests involved, and arrive at an agreement which recognizes the totality of the Nation's medical interests and needs.

Mr. President, I believe the agreement which was reached in conference with the House effectively addresses the major problems of geographic and specialty maldistribution, while still maintaining the support necessary for our Nation's health training institutions to continue training the health personnel necessary to provide quality care to all Americans.

I would like to describe the provisions of this bill, and how they further the bill's major policy goals.

DISCUSSIONS OF PROVISIONS

EXTENSION OF EXISTING AUTHORIES

In order to avoid a disruption of these vital training programs, the legislation provides for an extension of existing legislation through fiscal year 1977. This extension includes not only those programs affecting schools of medicine, osteopathy, and dentistry, but also schools of veterinary medicine, optometry, podiatry, pharmacy, and public health, as well as programs that affect the training of allied health professionals.

The new provisions and modifications of existing provisions become effective in fiscal year 1978, so that schools and students have ample notice of the new requirements and available opportunities.

CAPITATION CONDITIONS

A major form of Federal financial support for schools of the health professions is the capitation grant, which is based on a specific amount of money for each enrolled student. The specific amount is determined by how much is appropriated each year for that purpose, and cannot exceed the amount authorized in the statute. The conference agreement sets authorized capitation amounts for schools of medicine, osteopathy, and dentistry at $2,000, $2,050, and $2,100 for fiscal years 1978, 1979, and 1980, respectively.

To be eligible to receive capitation grants, the schools must meet certain conditions. In the case of medicine and dentistry, Mr. President, the conditions are directly related to solving the problems which are the primary focus of the legislation—the geographic and specialty maldistribution of health professionals.

MEDICAL SCHOOLS

One way in which the compromise agreement addresses the specialty maldistribution of physicians is by requiring that in the school year beginning October 1977, 35 percent of the first year residencies affiliated with medical schools on a national basis must be in primary care fields. Primary care is defined as family practice, primary internal medicine, and primary pediatrics. In the 2 subsequent years the percentage is increased to 40 and 50 percent, respectively. If, in any of those years, the schools fail to reach the percentage on a national basis, in the subsequent year, each individual school would be required to meet the percentage called for in the pertinent year.

A second capitation condition, derived from the House passed bill, and considerably modified in conference, would require medical schools to accept a certain number of U.S. citizens enrolled in foreign medical schools in the third year, where the students pass part I of the National Medical Boards and meet academic requirements and were enrolled in the foreign medical school prior to enactment of the bill.

The Senate bill contained a comparable provision, retained in conference, which makes special project grant support available for programs at medical and osteopathic schools which accept and train U.S. students who transfer from foreign medical schools in their third or fourth year. I fully supported this provision in the Senate, and am hopeful that—through the two mechanisms established by the compromise bill—all those qualified U.S. students currently being trained abroad will be able to complete their training in U.S. medical schools.

Other conditions which had been suggested in the House bill, such as a requirement for remote site training and a first year enrollment increase, were not retained in the conference agreement. Similarly, another Senate capitation condition, which would have set aside a percentage of student places for students who agree to accept National Health Service Corps, NHSC, scholarships, was also dropped in the compromise agreement. We did agree, however, to adopt a funding mechanism which assures that funds available for NHSC scholarships would be sufficient to assure a sizable increase in the number offered each year.

DENTAL SCHOOLS

The compromise agreement addresses the specialty maldistribution of dentists by requiring that 70 percent of new residencies established after June 1977 must be in general dentistry or pedodontics. To be eligible for capitation, dental schools are given the option of increasing first year enrollment, or providing each dental student with 6 weeks of training in a remote site.

OTHER HEALTH PROFESSIONS SCHOOLS

Mr. President, although the administration had suggested that Federal support of veterinary, optometry, pharmacy, podiatry, and public health schools should be terminated, that suggestion seems contrary to the Nation's needs. The graduates of these schools perform critically important roles in maintaining the health of Americans and, in the case of veterinary medicine, in keeping our food supplies plentiful and safe, as well as in conducting much vital basic biomedical research.

Capitation conditions in the legislation for these schools include a requirement for increased enrollment—except in the case of schools of pharmacy. In addition, schools of veterinary medicine, optometry, and podiatry, may, as an alternative to the increased enrollment condition, agree to accept a certain percentage of students from States not having accredited schools in the appropriate discipline.

SCHOOLS OF PUBLIC HEALTH

As the dangers inherent in environmental pollution and occupational hazards become more apparent, graduates of schools of public health are becoming increasingly important in protecting the Nation's health. In addition, as more demands are made upon the Nation's health system, graduates of these schools are needed to organize and administer efforts to make health services more available and efficient.

The conference report authorizes, for the first time, institutional support as well as special project grants to accredited graduate programs in health administration, hospital administration, and health planning which have at least 25 graduates a year, expend at least $100,000 a year in non-Federal funds, and meet certain other requirements prescribed by the Department of Health, Education, and Welfare. In addition, students in these programs are eligible for traineeships.

Special priority in the case of traineeships as well as special project grants for these schools and schools of public health is placed upon training students in epidemiology, biostatistics, health planning and administration, environmental or occupational health, and dietetics and nutrition—all areas identified as having great relevance to addressing national needs.

SCHOOLS OF PHARMACY

A different policy approach is utilized with respect to capitation conditions for schools of pharmacy, Mr. President. Instead of requiring increased enrollment, the bill places an emphasis on developing quality programs for training of all students in clinical pharmacy. I was the author of this provision in the Senate and believe it will maximize the ability of pharmacy graduates to handle the increasing complexities of a career in pharmacy.

The rapid increase in the number of prescription drugs available and the pervasiveness of their use—along with the increased recognition of the potential for adverse reactions and interactions among drugs—has placed a greater responsibility on the pharmacist. Training in clinical pharmacy prepares the pharmacist for greater direct responsibility to the patient in terms of drug use, misuse, abuse, toxicity, and nonprescription drug advice, as well as in closer working relationships with physicians, dentists, and other health professionals.

Mr. President, drugs are responsible for approximately 10 percent of total health care expenditures in the United States. The effect of adverse drug reactions on the recovery of the patient, and the possibility of long-term injury or disability resulting from the improper prescription or utilization of drugs, are extremely serious considerations in the provision of quality health care. Recent surveys of community hospitals have indicated that the incidence of adverse drug reactions is substantial. It has been estimated by initial studies of tertiary care hospitals that from 3 to 6 percent of hospital admissions are due to adverse drug reactions, and that a minimum of 15 to 18 percent of all hospital patients suffer an adverse reaction subsequent to their admission. The costs involved resulting from these adverse reactions are overwhelming, based on the assumption that, on the average, adverse drug reactions double the patient's hospital stay.

I have been concerned for some time by the growing potential for needless illness and hospitalization due to adverse drug reactions, and addressed this problem in amendments I offered to the Comprehensive Health Manpower Training Act of 1971—Public Law 92-157. Those amendments required each school of pharmacy, in order to qualify for capitation grant support, to carry out projects that increase the emphasis on, and training in, clinical pharmacy. As a result of this provision, every school of pharmacy currently provides some training in clinical pharmacy, and at least half of all recent graduates have had the training that would qualify them to perform as a clinical pharmacist in an institutional setting.

The legislation which has been developed this Congress, Mr. President, builds upon those provisions and makes the clinical pharmacy training component of the curriculum more precise and specific. The clinical pharmacists who have been trained as a result of the provisions of the 1971 act have demonstrated that the provisions are valuable. I believe it is time for all pharmacists to have the benefit of this type of training, and am gratified that the current bill provides for this.

CAPITATION PAYBACK

The House bill had required every school of the health professions to give assurances that each student, after graduation, would repay to the Government an amount equal to the capitation amount paid the school on the student's behalf. This provision has been dropped from the legislation agreed to in the compromise.

STUDENT ASSISTANCE

Mr. President, several forms of student assistance are included in the compromise agreement. These include continuation of the health profession student loan program currently conducted by the health professions schools. The bill, in addition, deletes the current prohibition on the receipt of direct loans from the Office of Education to students of health professions schools which participate in the health professions student loan program.

The legislation agreed to in conference adds a new program based on that included in the Senate bill, which would authorize insured loans for students, permitting students to borrow up to $10,000 each year—in the case of pharmacy students, up to $7,000 each year—which would be repayable over a period of 10 to 15 years, with deferrals for internship and residency training, or service in the Armed Forces, the Peace Corps, or Vista. As originally offered in the Senate, this program would have been limited to medical, osteopathic, and dental students. At my suggestion, the program was expanded to be available to all the health professions students.

In addition, the compromise broadens and expands the NHSC scholarship program, and includes new incentives to students to participate in the program. The scholarship will be $400 per month for the student's living expenses plus the full tuition costs. Under the compromise, appropriations for the NHSC scholarship program are guaranteed to equal the lesser of either the amount authorized or 50 percent of the amount appropriated under title VII as long as 75 percent of the amount authorized is appropriated for capitation grants for medical, osteopathic, and dental schools.

Current appropriations for the scholarship program are $22,500,000—an amount which will allow 2,400 medical, osteopathic, and dental students to receive scholarships this school year. The new appropriations formula will permit a substantially greater number of students to receive scholarship support, beginning with the school year starting October 1977.

Mr. President, acceptance of an NHSC scholarship carries with it a commitment to practice medicine for a minimum of 2 years, in an area designated as underserved by HEW, or the number of years equal to the number of years for which scholarship support was received. The compromise provides very stiff conditions for reimbursement of the scholarship support in the case of a student who decides not to carry out his obligation to practice medicine in an underserved area. The repayment would have to be made within 1 year of the student's decision not to serve and the student would owe three times the amount of the scholarship assistance.

A comparable reimbursement penalty is applicable to the recipient of a federally insured loan where the student failed to fulfill a commitment to the Secretary to practice medicine in an underserved area in return for payment of a portion of his loan obligation.

Mr. President, I was very concerned that although these new student assistance programs would offer an adequate level of support to any student during his school years, a student from a low-income family might find it difficult to obtain a loan or be reluctant to enter into a debt of the magnitude required to complete professional training. As a result, that student would have no option but to participate in the NHSC scholarship program and the obligatory service it entails. For that reason, I was pleased that the compromise retained a Senate provision I helped develop for a new program of scholarships for students of truly exceptional need. This scholarship program is limited to the first year of post baccalaureate study, since I believe that after the first year the student should be able to assess his willingness to make the personal and financial commitment required to complete the training. Thus, at that point the student will be able to make a more informed decision between participation in the NHSC scholarship program or entering into a loan agreement to assist in the completion of his or her training.

ASSIGNMENT OF MEMBERS OF THE NATIONAL HEALTH SERVICE CORPS

Among the principal ways in which the legislation addresses the geographical maldistribution of health professionals is through an expansion of the NHSC, and a clarification of the definition of a "medically underserved area."

Mr. President, current law provides for the assignment of members of the NHSC to those areas which the Secretary has designated as medically underserved. Unfortunately, the Secretary's interpretation of a medically underserved area has been very restrictive, and has been based primarily on county-wide physician-to-resident ratios. The result has been that many medically underserved areas that are within a county which contains a populous area with an adequate supply of health professionals have not been designated as medically underserved. This secretarial interpretation has created a situation in which major metropolitan areas such as San Francisco or Los Angeles, which have areas within the county with few physicians—such as Hunters Point, Watts, or East Los Angeles—cannot be assigned a member of the corps.

The bill makes a number of important changes in the definition of a medically underserved area which speak to these problems. First, the bill specifies that the term medically underserved may be applied to either an urban or rural subcounty area, which has a health manpower shortage, as well as to a population group within an area which has a low ratio of physicians, or meets specific criteria with regard to infant mortality or other factors indicating inadequate medical care. Such areas would be eligible for the assignment of a member of the corps.

In addition, new specific authority is given to assign corps members to hospitals, mental institutions, prisons, and other public and nonprofit private institutions which are unable to recruit health professionals, as well as Federal facilities such as those of the Veterans' Administration or Department of Defense which have a shortage of professionals. In the case of public or Federal facilities the assignment of corps members must be at the request of the facility. In addition, the facility must be advised, at least 30 days prior to designation, of the Secretary's intention to designate it as a medically underserved area and be given an opportunity to comment on the proposed designation. These were all provisions I proposed.

This expansion of the guidelines for the designation of a medically underserved area will permit members of the Corps to serve in county hospitals in rural or metropolitan areas where much of the demand for primary care is made by medically underserved populations. At the same time, if the provisions in the legislation succeed in reducing the number of foreign medical graduates serving in such facilities, the members of the NHSC can fill the positions now held by these foreign medical graduates.

Under the provisions of the legislation, the Veterans' Administration and the Department of Defense can request designation as shortage areas for those facilities for which they have difficulty recruiting personnel and can arrange for Corps members to be assigned to them.

As chairman of the Health and Hospital Subcommittee of the Senate Committee on Veterans' Affairs, I am well aware of the difficulties some VA hospitals, located in remote areas, have in recruiting health professionals. This new provision has the potential of creating a source of well-trained physicians to provide care to veterans in those areas.

In addition, the compromise includes, with some modifications, a Senate provision which permitted, under certain enunciated limiting conditions, a recipient of an NHSC scholarship to fulfill his service obligation in a medical research field if the student shows exceptional promise as a research scientist.

OTHER PROVISIONS DEALING WITH GEOGRAPHIC AND SPECIALTY MALDISTRIBUTION

Mr. President, other provisions of the bill which deal with correcting the geographic maldistribution of physicians also recognize that this problem is not limited to rural areas but exists in major metropoltan areas as well. These are provisions which clarify that an area health education center program may be developed to serve urban areas as well as the rural areas to which they are limited at present. Modifications to the construction grant program are addressed to this concern as well. Under the new provisions, 50 percent of the sums appropriated are limited to the construction of ambulatory care training facilities, particularly those utilized in conjunction with an area health education center program. This modification of the construction grant authority serves two purposes—it will create primary care facilities in underserved areas, and it will place primary care physicians in other than a hospital setting.

POSTGRADUATE TRAINING OF PHYSICIANS

Among other provisions addressing the specialty maldistribution problem were provisions in the original Senate bill which would have set up a national and regional system of representative councils, which would have made recommendations on the number and distribution of postgraduate physician training programs. This provision was dropped on the Senate floor and replaced by an amendment which would have called for a national study of the problem followed by a joint governmental and medical community endeavor which would have advised and assisted provider institutions in implementing goals established by the study. This latter provision was dropped in our conference with the House. Thus, the bill as finally agreed to has no provisions specifically addressed to changing the number or location of residency programs.

AMENDMENT NO. 169

Another provision which was originally offered on the Senate floor—amendment No. 169—had as its primary purpose discouraging residency programs from disaffiliating with medical schools. That provision would have prohibited the Commissioner of Education from recognizing any accrediting body that had accredited programs in hospitals which are not affiliated with a medical school. I was not inclined to support this provision since I felt it would be detrimental to many outstanding training programs including family practice programs, many of which are not affiliated with medical schools—counter to one of the main objectives of the legislation—and in addition, since the Commissioner of Education does not currently recognize accrediting agencies, the impact, if any, of the prohibition was difficult to measure.

Further, this amendment had never been offered or discussed during committee consideration of the bill, and was poorly drawn. The conferees fully recognized these difficulties and agreed to a modification of the provision—proposed by HEW—which would give the Secretary general authority to develop criteria that will permit the equitable attribution of a school's graduate medical training positions and preclude a formal disaffiliation in order to allow the residency to technically escape from being counted in the number of filled residencies affiliated with medical schools, 50 percent of which nationwide by 1980 must be in primary care.

FAMILY MEDICINE RESIDENCY PROGRAMS

Mr. President, a provision which was included in both the House and Senate bills extends the existing special authority for support of family medicine training programs. Under this program, hospitals are given grants to operate approved residency programs in family medicine and to provide stipends to students enrolled in the programs. Unlike the majority of other residency programs, hospitals are rarely eligible for reimbursement of any part of the costs of training family medicine physicians, nor are the costs of the services the physicians provide covered by medicare or other major third party reimbursement programs. Because of this unique characteristic of family medicine programs, special financial support for their operation is warranted.

In conference, the provision was expanded to include support of residency programs in the general practice of dentistry, and a modest increase in the authorizations of appropriations was made to cover these programs.

FOREIGN MEDICAL GRADUATES

Mr. President, the Nation's heavy reliance on foreign medical graduates also seriously affects the quality of medical care provided in the United States. Many of these individuals are graduates of medical schools which are not reviewed and accredited in the same way as American medical schools. Many of these individuals are weak in English and are unfamiliar with American culture, making it difficult for them to be fully responsive to the needs of many patients. Many of the foreign medical graduates initially came to the United States to participate in internship and residency training programs, and then decided not to return to their native country. This has resulted in a "brain drain" on their native country—in many cases a developing nation where much of the population is without medical care. It is unjust for the United States, through its immigration policies, to create an atmosphere for attracting physicians from these nations whose need is so great.

The compromise adopts the Senate provisions, which address the difficult problems surrounding this issue in several ways. The legislation revises the eligibility for exchange visitor visas for physicians and requires that physicians applying for exchange visitor visas must be trained in skills needed in their home countries, as well as agree to return to their country to use these new skills for the benefit of their countrymen.

In addition, new provisions were added that require foreign medical graduates to pass either parts I and II of the National Board of Medical Examiners' examination or an equivalent examination; to participate only in residency or internship programs sponsored by a U.S. school of medicine or a recognized educational institution; to make a commitment to return to their country of origin, and to remain in the United States no longer than 2 years. These provisions should insure that foreign medical graduates will not be prevented from participating in training programs which will prepare them better to provide quality care. They also insure that after their training these individuals will return to their home country, and apply the knowledge and expertise obtained in the United States to the benefit of their native countries.

PHYSICIANS ASSISTANTS, EXPANDED-FUNCTION DENTAL AUXILIARIES, AND NURSE PRACTITIONERS

Mr. President, one answer to solving the specialty and geographic maldistribution of physicians has been the increased utilization of physician assistants, and more recently, the new expanded-function dental auxiliary. As a result of suggestions I offered in the Senate committee, which were retained in the compromise, the new legislation places special emphasis on programs to encourage the training of these new health personnel in several ways. First, a priority is given in funding of special projects to programs which will train physician assistants and expanded-function dental auxiliaries.

Second, area health education center programs are required to train nurse practitioners and physician assistants as well as to encourage their utilization in the area served by the program.

Third, in making assignments of members of the NHSC, the Secretary is required to give special consideration to sites which demonstrate that physician assistants, nurse practitioners, or expanded-function dental auxiliaries will be utilized to assist corps members.

INTERDISCIPLINARY TRAINING

The Senate passed bill contained a provision that I offered which stated, as a matter of policy, that in all training programs supported under the authorities of the Public Health Service Act the Secretary must take affirmative steps to encourage interdisciplinary training, emphasizing the team approach to the provision of health services—including the training of physician assistants, nurse practitioners, and expanded-function dental auxiliaries. Although the House refused to accept the provision as a broad application to all training programs, instead encouraging interdisciplinary training programs is now highlighted as a major purpose for which special project grants—one of three—may be awarded under the compromise bill.

Interdisciplinary training programs, with their emphasis on the use of physician and dentist extenders, can increase the efficiency with which health services are provided in community programs supported by the Public Health Service Act, as well as in primary care practice and in efforts to bring health services to remote areas or densely populated areas where there is a shortage of primary care services.

Studies conducted on the use of interdisciplinary teams have shown that interdisciplinary training and the team concept of providing health care makes quality health care more accessible and efficient. The emphasis placed on interdisciplinary training in the compromise agreement should maximize efforts to utilize this concept in the provision of health care.

SPECIAL PROJECT GRANTS AND CONTRACTS

Special project grants have long given health training institutions the opportunity to expand and experiment with innovative curriculum programs. The emphasis in special project grants in H.R. 5546 has been placed on projects whose purposes are consistent with the major policy of the legislation—resolving the problems arising from geographic and specialty maldistribution of health care personnel.

Both the House and the Senate bills authorized funds for special project grants; the House provided specific line item authority for several specific purposes, while the Senate bill combined many project grant purposes into one general authority. I was pleased that the Senate bill included an amendment I offered, to earmark 50 percent of the funds appropriated for special project grants for five vital purposes which had received support in the past. These areas were programs to recruit and retain students who due to socioeconomic reasons are disadvantaged, to support the training of physician assistants and expanded-function dental auxiliaries; to support area health education center programs; for start-up grants; and for financial distress grants.

In conference these priority areas were given a special appropriation authorization and in addition, the following areas also were given a specific appropriation authorization:

Projects to establish and maintain academic administrative units to provide instruction in family medicine;

Projects to train U.S. citizens who transfer from foreign medical schools;

Projects to support general internal medicine and general pediatric residency programs;

Projects to establish occupational health training and education centers; and

Projects to provide interdisciplinary training.

In addition to the purposes for which specific appropriations are authorized, $25 million is authorized each year for some 19 other purposes, all of them in innovative and useful areas. Included among these projects are projects for curriculum development in schools of optometry, pharmacy, and podiatry, environmental health education and preventive medicine, psychology training programs, and nutrition projects among other equally vital areas.

ALLIED HEALTH

Although both the Senate and House bills had extended the authorities for allied health training programs, Mr. President, only the Senate bill had extended the special improvement grant authorities. I am pleased to note that this provision was retained in the compromise.

As medical care becomes more complex, the need for new types of allied health personnel has become evident. In addition, changing medical practices, such as the shifting from institutional to community health care, has meant that many institutional personnel must be retrained to fill the new roles created by the provision of community health services. Thus, the legislation provides for the support of programs for the retraining as well as the training of allied health personnel.

The legislation places a special emphasis on the need to develop attractive career ladders for individuals entering the allied health field so they will be encouraged to stay in that field and utilize their training. As part of this emphasis, the bill provides support for the establishment of new and improved methods of credentialing.

RADIOLOGICAL HEALTH AND SAFETY

The Senate bill included a provision which would have provided for the development of Federal minimum standards for licensure of radiological technologists as well as for the accreditation of programs for the training of radiological technologists. These provisions were offered in order to provide greater protection to patients and technicians in minimizing exposure to ionizing radiation. The House bill did not include a comparable provision, nor had the House held hearings on this issue. On that basis, the House asked that the provision be dropped at this time, but indicated it would hold hearings in the next Congress on the hazards resulting from the use of radiologic equipment. As a result of this assurance, the Senate conferees agreed to drop the provision from the health manpower legislation.

Training in awareness of the cultural sensitivities related to health of minority populations and training of bilingual students. Mr. President, an area in which the individual whose primary language is not English meets particular difficulties is that of obtaining responsive health care. There are three major barriers to good health care for these individuals. First, the inability of the non-English speaking individuals to receive attention as patients because of their inability to make themselves understood, or to understand the system; second, the cultural sensitivities related to health which make the successful communication of health problems difficult; and third, the fierce competition for student places in health training institutions which mitigates against the enrollment of the student whose cultural or social background hinders successful performance on standard entrance examinations geared to the cultural awareness of the more affluent middle class.

In addition, cultural and language difficulties are frequently compounded by financial difficulties which deter many young people from seriously considering education in the health field because of the years of commitment required for training at the professional level.

Mr. President, the Senate bill included amendments I developed which addressed these problems in several ways. Specifically, the Senate bill required any entity seeking support for a training program in a facility which serves a population group of which a predominant proportion are of limited English-speaking ability to provide two assurances. First, that it would place a special emphasis on recruiting individuals for its training programs who were competent in the predominant language of the population served; and second, that it would plan, develop, or operate projects—including clinical training, team training, and continuing education—to increase the awareness by the trainees and staff to the cultural sensitivities of the population served.

I was very disappointed the House would not accept this provision without severe modification. At their insistence, I agreed to a provision which calls for a 1-year study to determine the adequacy of efforts taken by health training institutions which now conduct training in such facilities. The conferees agreed that if the study's findings indicate it is necessary to require assurances from applicants that they are making adequate efforts to achieve these goals, serious consideration would be given to legislation for that purpose at that time, without postponing action until Congress considers a renewal of the health manpower legislation. In addition, the conferees agreed that project grant support for these purposes would be fully consistent with the basic policies of the legislation, and added such projects to the list of those for which grants could be made.

Other related amendments I had been successful in adding to the Senate bill were retained in conference with the House, Mr. President. These included a provision specifying that special project grants could be made to establish bilingual clinical health training centers. This provision is designed to encourage the establishment of such centers affiliated with university medical centers in communities where a substantial proportion of the residents are of limited English-speaking ability, and encourage them to place a priority on the recruitment and training of personnel with bilingual backgrounds in internship, residency, and other health training programs—including nurse training programs, and allied health personnel training programs. Under the Senate bill, these centers were directed to utilize the concept of interdisciplinary team training to the maximum feasible extent, as well as to provide continuing education programs for center staff and for health personnel in the surrounding community.

In addition, another amendment I offered remains in the bill as agreed to in conference with the House, which mandates a study to determine the effectiveness of admissions examinations for health training institutions in evaluating accurately the ability and potential of students from a population group with limited English-speaking ability.

These provisions are part of a package that I originally introduced in 1974 to insure that federally supported health services and health training programs are responsive to the needs of population groups with limited English-speaking ability. The provisions I suggested with respect to health services were basically included in Public Law 94-63 which extended the legislative authorities for support of nurse training, community health centers, migrant health centers, and community mental health centers. This year, I added comparable provisions to Public Law 94-371 the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1976. With the inclusion of the amendments in the Health Professions Educational Assistance Act of 1976, Mr. President, the bulk of my original legislation will have been enacted into law. I am following the administration of these laws carefully to insure that appropriate emphasis is given to the needs of population groups with limited English-speaking ability.

RECRUITMENT AND RETENTION OF DISADVANTAGED

I have long urged that special priority in health professions training project grant funding should be placed on programs to recruit and retain individuals who, due to socioeconomic factors, are financially or otherwise disadvantaged.

Mr. President, I am the author of the original earmark in existing law for these programs, and urged the retention of earmarked funds for this program in the Senate bill. I am pleased that this provision was further strengthened in conference with the House, and that it now has a special authorization of appropriation of $20 million each year for continued support of programs to recruit disadvantaged students.

As I indicated earlier, a special one-year scholarship program is also available for students of truly exceptional need, which should assist these students in entering health professions schools and give them ample time to apply themselves to their studies. In this way, they will be able to determine their aptitude for the program without the extra financial burden of incurring a heavy indebtedness before they are certain of their career plans.

PREVENTIVE MEDICINE

Mr. President, I strongly believe that health personnel training programs for all health personnel should incorporate the concepts of preventive medicine. As a result of several amendments I offered to the Senate bill, which were retained in conference, the legislation emphasizes preventive medicine in several instances.

It requires that area health education center programs shall arrange for and support programs, including continuing education programs, to increase the competence of physicians and other health professionals and allied health personnel in the areas of disease prevention.

In addition, the bill encourages the utilization of nurse practitioners, physician assistants, and expanded-function dental auxiliaries. These health professionals play an extremely vital role in the prevention of disease through their ability to detect early stages of illness, and to counsel patients on good health habits that can prevent illnesses.

As I mentioned earlier, Mr. President, the newly authorized capitation grant program for schools of public health will insure those schools of continued institutional support through fiscal year 1980. These schools are an important factor in producing the trained personnel and developing the programs needed to mount an effective program of health prevention.

The legislation also places a special priority on projects for schools of public health and graduate programs in health administration to develop new programs or expand existing programs in areas such as biostatistics of epidemiology, environmental and occupational health, and dietetics and nutrition, all of which will direct more attention toward preventive health programs. In addition, priority in the awarding of public health traineeships is given to individuals pursuing a course of study in these fields.

Finally, a new program is authorized by the legislation to support the establishment of occupational health training and education centers. This provision recognizes that steps must be taken now to encourage the training of individuals who can prevent disease, particularly those individuals who can protect the individual from the health hazards of the working environment.

All of these provisions will encourage the implementation of vastly increased preventive health care programs, as well as a significant increase in the practice of preventive medicine.

CONCLUSION

Mr. President, I believe we have developed a bill which will have a major impact on addressing future health care needs and avoiding a serious breakdown in the Nation's ability to provide quality health care in the future.

The demands made upon the system will be heavy, but I believe we will be able to meet them better with the implementation of this legislation.

THE CIA AND GREECE

Mr. ABOUREZK. Mr. President, the tragic assassination of the former Chilean Foreign Minister and Ambassador Orlando Letelier in Washington last month should remind us of the great risks undertaken by political exiles when they represent their concerns for human freedoms and political justice. These exiles often serve as the conscience of their own countries and of the lands in which they find refuge.

The risks incurred by Orlando Letelier and which resulted in his death were also endured by other political exiles here. Last year I wrote the Senate Intelligence Committee to ask an investigation of published reports that American intelligence agencies were involved in "bizarre efforts of the Greek junta to kidnap exile leader Elias Demetracopoulos."

An interesting account of Mr. Demetracopoulos' ordeal in Washington during the 7-year Greek dictatorship was given in a recent interview by John Kapsis, editor of Ta Nea, Greece's largest newspaper and its leading liberal voice. Mr. Kapsis, himself imprisoned for a long time by the Greek colonels for his journalistic activities, has provided a very useful and timely record of the life of one leading political exile in Washington in the interview which I ask unanimous consent to have printed in the Record.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

[From the Athens daily, Ta Nea, January 7, 1976]

A Front Page Exclusive Interview With Elias Demetracopoulos

(EDITOR'S NOTE: Mr. Elias Demetracopoulos was born in Athens, Greece on December 1, 1928. He was arrested by the Germans during the Nazi occupation and sentenced to death. Since 1950, he has been a journalist with the newspapers Kathimerini, Ethnos and Makedonia and a foreign correspondent for Greece and the Mediterranean area with The Herald Tribune, Time-Life and the North American Newspaper Alliance. He escaped from Greece in September 1967—five months after a military coup—and finally settled in Washington. The junta deprived him of his citizenship; he was not permitted to return to Greece even for the funeral of his father in 1970. He returned to a free Greece in April 1975. He is currently based in Washington where he represents and is associated with a number of Wall Street banks and firms.)

BEHIND ENEMY LINES

QUESTION. During the years of the dictatorship you found yourself abroad. Was this part of a thought-out plan?

ANSWER. I did not "find myself" abroad, as you put it. I decided to go abroad because I realized that from there I could be more effective in the resistance against the dictatorship. It was not easy to leave Greece. The junta, for reasons of its own, tried to prevent my departure and limited my freedom in Athens. A few days before the military coup of April 21, 1967, I had published a book which warned of the imminent danger of a coup. That book was one of the first to be taken out of circulation by the junta and constituted one of many reasons why the junta initiated this war against me from the very start.

Finally, on September 13, 1967, after many confrontations I managed to leave Greece, thanks to the intervention of the Secretary General of the United Nations, Mr. U Thant; he threatened countermeasures if the dictators continued to obstruct my departure. The dictator, George Papadopoulos, as Minister to the Prime Minister, had personally ordered the denial of my exit from Greece. I had been officially invited by the United Nations to represent the Greek press at the Sixth Annual U.N. Editors Roundtable Conference in Poland.

The junta had confiscated my passport but was finally forced by the United Nations to issue me a special passport, valid only for Poland and only for the duration of the U.N. conference. Having left Greece, I oriented myself to work in Washington since I was more familiar with the political scene there from frequent journalistic assignments I had had throughout the U.S. in the past 20 years. In addition, I had been a correspondent in Greece for American newspapers, magazines and news services and had connections with outstanding persons in American political life and the news media who honored me with their friendship. Still, the decisive factor for choosing Washington as my base was the following: the military coup in Greece was the work of certain Americans—or at least had their support. Therefore, I concluded, this link between Athens and Washington must be fought at its very root, i.e., in Washington.

It was for these reasons that I came to Washington in early October 1967 after having been officially denied permission to enter the U.S. by the State Department through the American Embassy in Denmark. It took the active support and mobilization of the American Congress and the American press in appeals to President Johnson to override this denial. Later, of course, it was technically and logically impossible for me to return to Greece: the junta had deprived me of my citizenship for "anti-national activities" and refused to let me return to Athens even for my father's funeral.

THE INSECURITY

Q. Tell us about how you entered the resistance movement. What stands out from that time—did you feel you were operating from safety in Washington whereas your friends in Greece were in constant danger?

A. A principal feeling I had throughout my years in Washington was insecurity. I had daily evidence and demonstrations which justified this feeling. To be precise, I felt that I was indeed behind enemy lines. Fortunately or not, the knowledge that the junta had proscribed me and that the FBI and the CIA took a strong, insistent and continuing interest in my case was too definite to be ignored.

I could not, under the circumstances, feel that I was in "safety" while my friends in Greece were in danger day in and day out. Naturally, when I heard that one or the other of my friends, one or another of my colleagues and collaborators in Greece had been arrested by the military police or the security forces, every time I learned that one of them had been threatened or undergone interrogation by Roufogalis (the chief of the junta's "CIA") and his men, then, of course, I thought that I was in relative safety and they were not. Ultimately, however, I succumbed to the thought: "You are next, Elias." This, in turn, increased my determination to work more effectively so as to help those very friends and promote the cause of democratic resistance. It is safer by far to be in New York, Los Angeles or any other big city in America rather than in Washington, which is the powerful center of the American establishment and where a large percentage of the people work for the government, in one or the other of its numerous agencies. Furthermore, as has been proven by documents of the dictatorship that came to light as well as by U.S. government information, the colonels—in collaboration with certain U.S. intelligence agencies—attempted or at least had decided to have me killed or kidnaped.

THE CONGRESS

Q. What were the main difficulties you encountered and how did you try to maintain interest in the Greek question abroad?

A. My goal, in general, was to set the Congress in motion so that the policy of the White House, the State Department, the Pentagon and the CIA on Greece would not be applied. This policy, to the disgrace of America's avowed support for freedom, aimed at strengthening the junta and stabilizing the military dictatorship in Greece.

Specifically, I tried to create situations which would present problems to Papadopoulos and his clique. I tried to do this by working through Congress, which generally maintained a positive attitude about a return of democracy in Greece and sought on numerous occasions to delay or even cancel out pro-junta decisions taken by Johnson, Rusk, Nixon and Kissinger.

At the same time, through the media and with the help of top people in the American press, radio and T.V. to whom I would pass on as much information as came into my hands—including all information received from occupied Greece—I sought to influence the U.S. Congress and to inform American and world public opinion about the Greek issue. My purpose was to reveal the crimes of the junta and to demonstrate the degree of American involvement with the colonels.

I must underline here that the American press almost unanimously ignored the pressures of their government and the offers of sizeable rewards from the junta. The American press, by and large, consistently supported the cause of Greek democracy. The task, of course, was not an easy one. Often the Greek issue ran the risk of not being among the questions of immediate concern to the Congress. It is easy today to talk about the mobilization of the Greek-Americans for Cyprus. Let us not forget, however, that in the dark years of the dictatorship not only the Embassy and the consular offices of Greece in the United States, not only the Archdiocese under Iakovos but all the organizations of Greek-American, first and foremost the AHEPA, and the overwhelming majority of Greek-American newspapers and radio broadcasts in Greek were supporting the dictatorship.

Together they were exerting pressures on the Congress, on each and every Congressman and Senator. They were bombarding the American columnists with resolutions and letters, were trying to persuade them to ignore the information I was providing about the abhorrent actions of the junta and were attempting to convince them to support the junta. It took a great deal of courage on the part of Rep. Benjamin Rosenthal (D N.Y.) to ignore the organized campaign of pro-junta Greek-Americans who threatened Rosenthal with political extermination in his own congressional district in New York because of his strong opposition to the dictatorship. It took a great deal of moral fortitude on the part of Sen. George McGovern (D S.D.) to ignore the sarcasm and the threats as well as the actual hostility from the Supreme President of AHEPA, Sam Nakis. McGovern was harassed solely because he supported the return of democracy to Greece "under the tutelage of the anti-Hellene Demetracopoulos," according to Nakis's statements as printed in The National Herald, Atlantis, The Hellenic Chronicle and other pro-junta Greek-American publications throughout the U.S. (Sam Nakis, regretfully, is today associated with and given shelter by an Institute which recently surfaced in Washington.)

Responsible sources in the Congress had estimated that by March 1969, 80 per cent of the organized Greek-Americans in the United States were in favor of the dictatorship in Athens. The following example is characteristic. When Messrs. Max Van der Stoehl and Peter Kirk came to Washington representing the Council of Europe, I arranged for them, among other interviews, a meeting with Sen. Jacob Javits (R N.Y.).

During that meeting Senator Javits promised to assist in all possible ways the struggle for the return of democracy to Greece. However, he also asked his visitors whether it would be possible for the Council of Europe to send a special mission to America to inform and turn about Americans of Greek descent who, by and large, favored the regime in Athens and greatly inhibited the efforts of those in Congress wanting to help restore democracy in its birthplace.

THE CONTACT

Q. What was the relationship between your work abroad and other similar efforts within Greece?

A. The resistance to the dictatorship within Greece was not only a source of inspiration but also a valuable source of information to me, especially in matters concerning the terror deployed by the dictatorship, the tortures and the students' struggle against the junta. It is not yet time to reveal how this contact, cooperation and coordination were established and maintained between me and my comrades in Greece. After all, those who were in Greece or elsewhere in Europe and were communicating with me and those who took part in these "contacts" are really the ones to speak on the matter.

PUBLIC OPINION IN THE U.S.

Q. From your experience abroad, can you tell us whether the public dissemination of certain actions or some particular form of resistance in Greece had an adverse effect on world public opinion?

A. If you are referring to the possible negative reaction of the American public when a bomb exploded in Athens, or when a car belonging to an American military officer was destroyed, I can assure you that the American public to a great extent understood very well the meaning of both the crocodile tears of the colonels and the inanities of the spokesmen of the State Department. All of what the junta called "terroristic activities" created little, if any, reaction in the U.S. that could be detrimental to the cause of democracy. On the contrary, I would say that sympathetic Americans and members of Congress who knew of the glorious and effective armed resistance against the Nazi occupation were expecting at any moment something analogous to happen in Greece against the junta. In fact, I can go further and state that they thought this was imminent. When mutiny broke out on the Greek destroyer VELOS, many in Congress actually believed that this was only the prelude to a more dynamic resistance against the colonels.

THE INVASION OF CYPRUS

Q. You are the only one of those Greeks who fought actively against the junta abroad who has not yet returned to Greece for good. Can you explain why?

A. Gladly. The first reason was the fact that the brutal Turkish invasion of Cyprus and the creation of the huge problem of almost 200,000 Greek-Cypriot refugees dictated to me to stay on in Washington and continue to fight. My aims in this respect are threefold: to work for a congressional cutoff of the military aid to Turkey; to try for whatever relief is possible for these refugees; and to keep the American public informed on the Cyprus question. Developments proved the accuracy of my predictions as the devastating consequences of official American support for the cruel Athens junta. The fact that those gloomy predictions were later proven greatly facilitates my present efforts.

MOUSTAKLIS

The second reasons for my staying in Washington was the urgent need to get the heroic colonel Spyros Moustaklis to the U.S. at any cost and have him admitted to the famous Walter Reed Hospital in Washington against the strong objections of the Pentagon. This was necessary not only for humanitarian and medical purposes but also because his presence here was the best proof for Congress of the lies told by each Administration since April 1967 to refute our charges of torture under the junta in Greece. Officials of these Administrations stated that they did not know about these tortures, that they were in no position to know or that our accusations were exaggerated and lacking in proof. Now, when I present to them a mute and paralyzed hero like Spyros Moustaklis, none of these U.S. officials alleging for seven years I was lying when I was disclosing to the Congress the horrors of the juanta's tortures can give back to the hero Spyros Moustaklis his voice, his mental or physical well-being.

From this point of view, Spyros Moustaklis's arrival and stay in Washington greatly helped our efforts regarding the Cyprus issue in the Congress. Because, just as our arguments against the dictatorship were tragically proven to have been correct, so will the future justify our present arguments about Cyprus. Of this we are certain.

THE ROLE OF THE CIA

The third reason is that at this moment two committees of the U.S. Congress are investigating in depth the role of the CIA and the other intelligence agencies. I have made for a very long time strong efforts so that the Congress of the United States will investigate the Greek question. These efforts can be traced back to October 1967 when I first arrived in Washington after my escape from the tyranny in Athens. Consequently, it is natural that I should want the congressional investigations to go deeply and in detail into the role and activities that these intelligence agencies played in Greece. It is the first time in American history that these committees have the legal means and the power not only for an in-depth investigation but also to demand and subpoena from the Executive Branch all those documents needed for the exposure of all aspects of the cases under consideration. They can call witnesses to testify under oath, regardless of the offices they now hold or have held in the past.

In this connection, I can now disclose that these committees have already, in secret session, questioned Mr. Phillips Talbot, U.S. Ambassador to Greece during the events in April 1967 (when the military coup succeeded) and December 1967 (when King Constantine's counter coup failed) as well as Mr. John M. Maury, chief of the CIA station in Greece from 1962 to 1968 and currently Assistant Secretary of Defense for Legislative Affairs at the Pentagon. I have already submitted evidence to these two committees of Congress regarding Greece. I continue to hope that in the course of the crucial task undertaken by the Congress, i.e., the investigation of the covert operations of the CIA and the other intelligence agencies, I continue to hope that during these investigations both the Greek question and the evidence which I have submitted will be the subject of congressional scrutiny.

And I hope that they will persevere in their probes on Greece, despite the violent reactions of the Secretary of State, Dr. Kissinger and of the agencies directly involved. These quarters went so far as to try, in the last few days, to exploit in a provocative and misleading manner even the death before Christmas in Athens of CIA Station Chief Richard Welsh in order to achieve their previously stated goal. I am in a position to know that this exploitation has caused strong reaction among several members of the two investigating committees of Congress.

I am prepared to submit this evidence in Greece as well, provided, of course, that the investigation of the role of foreign agencies in the coup of April 1967 gets decisively under way in Athens. This investigation, as I understand it, is dying of "cancer." It is strange that even though it was time and again mentioned during the last few months, in both the Greek and American press that I would be called upon to testify as a witness in Athens—and indeed even the nature of my evidence was speculated upon in the press reports—that I have not yet been contacted by any Greek official authority regarding this matter.

Naturally, the total and unreserved cooperation of the present Greek government is a sine qua non for completion of the investigation in question. I want to believe that the Greek government will not submit to political considerations or pressures regardless of their origin and will want to make available to these two congressional committees all the relevant evidence it possesses from the files of the Greek Intelligence Agencies (KYP) or other Greek state agencies.

This is an absolute must for the Greek government if it really wants to avoid a repetition of the April 21, 1967 coup under whatever form and pretext. Only through such exposure can Greece avert the destruction of democratic freedoms by means of the latest methods of Western technology, so eloquently and dramatically described recently by Sen. Frank Church, the chairman of the Select Committee to Study Governmental Operations with Respect to Intelligence Activities.

THE FILES OF THE GREEK CIA AND THE GREEK MILITARY POLICE

In my opinion, the first step of the Greek government in this direction should be to immediately recover and safeguard at all cost the records of KYP (the Greek CIA) and ESA (the Greek Military Police) which various Greek and alien agencies managed to remove during the critical days before and after July 23, 1974, the day the junta collapsed.

I have studiously avoided making public my views and the evidence I possess regarding this critical issue. I did this to help the efforts of the two congressional committees and preempt possible use of procedural excuses by the powerful agencies which could have been invoked to squelch the investigation of the Greek question. However, I believe that the American role in the coup of the generals which was being planned since early 1965 and in the coup of the colonels which actually took place in 1967 must be uncovered. I also think it necessary that a through examination be made of a series of activities critical for Greece which took place in the U.S. in the spring and summer of 1966 and early 1967.

I will only mention that the American Admiral Arleigh Burke, Chief of Naval Operations, adviser to President Eisenhower and Nixon on matters of defense and longtime friend of the former royal family of Greece, said the following in a signed, detailed journalistic interview he gave me in the summer of 1966 in Washington: "I know that you have been unhappy with certain unfortunate activities of the CIA operatives in Greece."

Finally, I do hope that my country will never again need in the future services of the sort I had to offer during the years of the junta.

But if, against all hope, there should again appear "senseless men" like those of April 21, 1967 and February 1975, then the major front, in my opinion, will once again be here in Washington.

ROYAL COMMISSION'S NUCLEAR REPORT

Mr. EAGLETON. Mr. President, there are few issues in the field of environmental pollution that provoke such strong emotional reactions as the risks of radioactive contamination. One reason for this is the association with the destructive uses of nuclear energy, with which the world first became aware when the atomic bomb was dropped on Hiroshima and Nagasaki.

The development of nuclear power for peaceful use stemmed directly from the military armament programs of those few countries which, after the war, possessed the materials and the knowledge required. But the postwar world the deployment of nuclear power has become increasingly widespread. There are now about 200 commercial nuclear reactors in operation in some 20 countries. On current plans, this will increase to about 500 in more than 30 countries within the next 10 years. Some estimates suggest that by the year 2000 the world will be generating 30 times the amount of nuclear energy it now does.

The increase in nuclear capacity has been especially marked in the 1970's. This reflects the concern of governments to achieve security in energy supplies in the face of uncertainty over both the extent and availability of fossil fuels. It is against this background that the emergence of nuclear power as an alternative energy source for mankind appears providential.

However, anxiety about the long-term environmental and social implications of becoming highly dependent on atomic energy for the generation of electrical power has been growing—both here and abroad.

There is the problem of dealing with highly radioactive wastes produced in the nuclear fuel cycle and which will have to be contained and stored safely for long periods of time, possibly more than 100,000 years.

There is the problem of the creation of hazardous materials, especally plutonium, which if diverted into the wrong hands would pose an appalling threat to society. There is the risk of dangerous releases of radioactivity from reactors or other nuclear installations, whether by accident or sabotage.

Much effort has been, and is now being, devoted to seeking adequate technical and organizational answers to these risks. But this should not obscure, Mr. President, the underlying issues involved which are political, social, and ethical in character and which deserve the widest possible public debate.

I am proud to say that the United States has developed a vigorous public debate on these highly important questions. But this debate cannot take place in isolation from the debate in other countries. On the contrary, the question of the future development of nuclear power demands international discussion of, and agreement on, the best means of resolving these underlying issues.

With this in mind, Mr. President, I would strongly commend the appearance of a British Royal Commission report entitled "Nuclear Power and the Environment."

Nuclear energy technology is a field in which Britain is a world leader. Although this report is naturally written within a British context it represents a major contribution to our consideration of this subject.

The British Royal Commission has skillfully picked its way through a mass of interrelated topics to produce this highly readable report, which was released last week. It deserves a careful study in the United States, and should take its place on that small bookshelf of indispensable studies of nuclear power.

In order to facilitate just such a readership, both among my colleagues in the Senate, and among the people of this country, I ask unanimous consent that certain key extracts from this report be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. Mr. President, I would like to draw special attention to the chapter entitled "Major Issues Raised by Nuclear Power" which outlines the general principles and findings which are spelled out in greater detail elsewhere in the study.

In addition, I have excerpted some of the report's more eye-catching conclusions on the subject of the security and safeguarding of plutonium, and the development of the fast breeder reactor.

Should any Senator or member of the Senate staff wish to examine the report in full I have a copy available in my office. I anticipate that both the Library of Congress and the Joint Committee on Atomic Energy will eventually also have copies.

Mr. President, I ask unanimous consent that the referenced extracts from the British Royal Commission report on "Nuclear Power and the Environment" be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

CHAPTER IV—MAJOR ISSUES RAISED BY NUCLEAR POWER

INTRODUCTION

154. In the previous two chapters we have described the nature and effects of radioactivity and the principles of nuclear power and the nuclear fuel cycle. Our aim has been to provide the factual basis that is required in order to appreciate the problems raised by nuclear power and its actual and possible environmental effects. We are here considering nuclear power derived from fission; the arguments about fusion power, if it is successfully developed, would be quite different. Concern about nuclear development centres on a few major issues which we consider in some detail in later chapters. We thought it would be useful at this stage, however, to survey these issues as a whole so that they may be seen in perspective and to present the underlying social and ethical questions that they raise. We begin with some preliminary comments about world energy demand and the projected scale of nuclear development, and about nuclear hazards in relation to those arising from other technological developments.

WORLD ENERGY DEMAND

155. Energy is a necessity for economic growth and higher living standards and there is a steadily rising world demand. We consider energy questions in Chapter IX but we note here that great uncertainties are involved in forecasting future demand for energy. A wide range of forecasts can be prepared depending on the assumptions that are made about the rate of economic growth and population, which will interact with the assumptions made about the future prices of energy in its different forms in relation to price levels generally. Nevertheless, some general features of the energy situation are clear, in particular the threatened exhaustion of oil and natural gas (which at present supply a large proportion of energy needs, especially in industrialized countries) by about the turn of the century. On some projections of economic growth, there will be an increasing gap between world energy demand and the supplies that can be made available from fossil fuels after 1990. It appears that nuclear power is the only alternative energy source that is sufficiently developed to be capable of supplying energy on a scale commensurate with this gap, and on this time-scale. Accordingly, the energy plans for the major industrialized countries envisage massive investment in nuclear generating capacity by year 2000. The long lead-times involved in the design, construction and commissioning of nuclear plant imply an early commitment to the start of these programmes and to related research and development work.

156. We should not, however, be solely concerned with the energy requirements of this and other industrialised countries. A recurrent theme of the Stockholm Environment Conference in 1972 was that poverty represented a major form of environmental deprivation for very many people, and we should also be concerned with issues of world poverty and under-development. The question arises whether a great expansion of nuclear power in industrialised countries will help or hinder the struggle for development in the third world. It has been argued before us that for the UK and other developed countries to rely more heavily on nuclear power would release fossil fuels for developing countries. The proposition seems plausible but we are not convinced by it. The high demands of industrialised countries for fossil fuels will continue for many years, not least to sustain the economic growth which would be required to support large and costly nuclear programmes. We find it hard to see that nuclear development will release fossil fuels to an important extent unless the political will were to exist in industrialised nations to bring this about by a large international redistribution of income, and this does not appear likely. Moreover, the concentration of resources on nuclear expansion may mean that insufficient work is done on alternative sources of energy which could well be more appropriate to some of the energy requirements of developing countries. Thus, many of these countries have abundant sunshine which could be exploited as an energy source; research and development in this area would certainly be of more value to the relatively scattered rural populations, who compromise generally the poorest and most neglected section of the under-developed world.

PROJECTED NUCLEAR DEVELOPMENT

157. An understanding of the scale of possible future investment in nuclear power is necessary if the issues that it raises are to be seen in perspective. We consider projections of nuclear growth in more detail in Chapter IX but our present aim is to bring out the broad implications in terms of the numbers of reactors, the production of plutonium and the creation of highly radioactive wastes. For the UK we use figures relating to the programme projected by the AEA and provided in their evidence. We would emphasise that this is not a firm programme but a possible programme which is used by the AEA in their nuclear research and development planning. It is based on particular assumptions about growth in electricity demand. The details of this programme are given in Chapter IX (see Table 14, paragraph 468) where we also question its validity.

158. On this programme the total UK nuclear electrical generating capacity would increase from 5GW in 1975 to 104GW by year 2000 and 426GW by year 2030. There would be rapid growth in the use of fast reactors in the later years of the programme and, by year 2030, reactors of this type would constitute the main source, with a capacity of 370GW. Thus, by year 2030 there would be several hundred large reactors in operation and, depending on the siting policy adopted, these would be installed in perhaps 100 nuclear stations on coastal sites. There would be some growth in fossil fuel stations which would be needed to meet peaks in demand, the large base load being met by nuclear plant.

159. There would be concomitant increases in the production of plutonium and of highly radioactive wastes. Plutonium is produced in both thermal and fast reactors and would be used mainly as fuel for the latter. The amount involved in the AEA programme would increase from a little over 10 tonnes in 1975 to about 250 in year 2000 and perhaps ten times this figure by year 2030. There would need to be substantial movement of plutonium between different facilities, incorporated in new fuel elements. These move-

ments would probably number several hundred per year by 2000 and several thousand by year 2030. The quantity of highly radioactive wastes produced would increase in rough proportion to the growth in generating capacity, though the cumulative total of radioactivity would grow much less rapidly because of the rapid decay of some of the fission products. As described in paragraph 141, the wastes up to year 2000 if stored in liquid form would occupy a volume of about 6,000 cubic metres. We have explained that this waste remains intensively radioactive for many centuries and that because of the dangerous nature and exceedingly long half-lives of some of the constituents, particularly the residual plutonium, it must not be allowed to escape to the biosphere in significant quantity.

160. We have so far dealt with possible nuclear development in the UK but it is important to appreciate the scale of projected development in world terms. Predictions of world growth in nuclear capacity are of course subject to many uncertainties and show correspondingly wide variations. Some estimates suggest that by 2000 the installed electrical generating capacity may approach 3,000GW, about 30 times the figure projected by the AEA for the UK by that year, though there appear to be grounds to doubt whether such rapid growth would be possible (see paragraphs 475–476). For the USA alone it has been estimated that by year 2000 there might be the equivalent of 2,000 large reactors of current type in operation, most of them breeder reactors; that there might be about 60 fuel reprocessing and fabrication plants in operation; that plutonium generation might exceed 30,000 tonnes in total; and that, assuming a dispersed industry, about 100,000 shipments of plutonium might take place annually. Such proliferation of reactors, nuclear plants and shipments of nuclear materials throughout the world will certainly greatly increase the probability of accidents and the opportunities for malevolence.

161. The plutonium already created amounts to a little over 10 tonnes in the UK and perhaps an order of magnitude more in the whole world. (Of course, these figures do not include the quantities involved in weapons programmes, about which we have no knowledge.) Nuclear development on the scale indicated above, however, would create a new situation in which plutonium, notwithstanding its dangers, would be in widespread use as a staple commodity of energy supply; it would lead to what has been called *the plutonium economy.*

NUCLEAR POWER AND OTHER TECHNOLOGIES

162. Before discussing the hazards of nuclear power we would emphasise that in many respects these are not unique. Perhaps because of the deep-seated anxiety that is felt about radioactivity, there is a tendency to dramatise the risks in ways which may convey quite misleading impressions to people who have no basic understanding of the subject. It is said, for example, that a piece of plutonium the size of an orange contains enough of the substance to kill everyone on the earth. So it does, but it is impossible that it could be so distributed as to have this effect. A very similar statement might be made about other substances that are commonly produced and used in industrial societies. For example, chlorine is a very basic material in the chemical industry and is made in the UK alone to the extent of about 1 million tonnes per year. Yet a mere 10 mg would be lethal if inhaled; little more than a two-millionth part of our annual production would, in theory, suffice to kill the entire population. It is important to see nuclear hazards in perspective and we have tried to do this throughout our study.

163. We realise, however, that to say that other hazards exist is not to say that they, or those from nuclear power, should be accepted. With increasing environmental awareness there is a growing disposition to question the benefits of technological developments and to be concerned with their possible consequences. A recent report has stressed the need for the most searching examination of the implications of major technological developments, at the stage when these are conceived and before any commitment to them is made. Imaginative assessment of possible long-term effects, environmental and social, might disclose implications which, though necessarily speculative, might entirely change our attitude. The consequences of nuclear development on a massive scale certainly merit such examination. The report also refers to a general problem which we have ourselves encountered in the nuclear field during our study; that is, the difficulty of obtaining independent but expert advice on technical questions, since the acknowledged experts are often themselves involved in the related developments.

164. With these preliminary remarks we now turn to the arguments advanced against nuclear power. We consider them under the following headings:—

(a) the proliferation of nuclear weapon capability;

(b) reactor safety;

(c) radioactive waste;

(d) the diversion of plutonium;

(e) the uncertainty of radiological standards.

The proliferation of nuclear weapons capability

165. Nothing would be more disruptive to the environment than nuclear warfare and we feel bound to comment on the spread of civil nuclear power in relation to the proliferation of nuclear weapons. We list in Table 7 by quinquennia those countries that have or are expected to have commercial nuclear reactors in operation. The Table also shows the status of the nations concerned with respect to the Non-Proliferation Treaty (NPT) In ratifying this Treaty, nuclear weapon states agree not to transfer nuclear weapons or manufacturing technology to non-nuclear weapons states, and non-nuclear weapons states equally undertake not to manufacture or acquire these weapons, and to accept a system of controls and safeguards designed and operated by the International Atomic Energy Agency (IAEA) to prevent diversion to non-peaceful use of fissile material produced and used in their civil nuclear programmes. Ratification of the Treaty indicates acceptance of its principles by the states concerned. Following ratification each state has to negotiate with the IAEA to establish the details of the safeguards arrangements as they will apply to its civil nuclear installations.

TABLE 7.—COUNTRIES OPERATING OR EXPECTING TO OPERATE COMMERCIAL NUCLEAR REACTORS ABOVE 100MW, WITH THEIR STATUS UNDER THE NUCLEAR NON-PROLIFERATION TREATY (NPT)

Quinquennium	Cumulative total	Countries (s=signed; r=ratified)
1955–59	2	United Kingdom (r), and USA (r).
1960–64	5	U.S.S.R. (r), Italy (r), and France (—).
1965–69	11	Japan (r), W. Germany (r), Canada (r), India (—), Spain (r), and Switzerland (r).
1970–74	19	Pakistan (—), Czechoslovakia (r), Netherlands (r), Argentina (—), E. Germany (r), Belgium (r), Sweden (r), and Bulgaria (r).
1975–79	25	Korea (r), Taiwan (r), Finland (r), Austria (r), Mexico (r), and Brazil (—).
1980–84	32	Yugoslavia (r), Iran (r), Hungary (r), South Africa (—), Philippines (r), Egypt (s), and Israel (—).

166. The Table indicates that about fourteen countries per decade are in the process of acquiring nuclear reactors, and with them the material with which nuclear weapons may be made. Although the plutonium cannot be extracted without the use of an elaborate reprocessing plant, there are plans to install such a plant in a number of these countries. In particular, we are greatly concerned about the intended sale of these plants to countries that have not signed or ratified the NPT, such as Brazil and Pakistan. Even if irradiated fuel is sent abroad for reprocessing, the countries concerned are likely to require that the plutonium be shipped back in pure form. It will, of course, be subject to safeguards, such as those prescribed by the NPT. But a number of the nations are not parties to this treaty, and even those that are can terminate their commitments on three months' notice whenever unforeseen events have placed the vital interests of the state at risk. In the last resort, international inspectors can operate only by the consent of individual governments, and this might be withheld on short notice. There is nothing to stop the manufacture of all the non-nuclear parts of a nuclear bomb and of facilities that would permit returned plutonium to be fabricated into a suitable chemical and physical form when required. A possible check would be for all separated plutonium destined for non-nuclear weapon states to be returned only in the form of fuel elements for a reactor, these being made under international control, and perhaps briefly irradiated in a reactor to make the plutonium inaccessible. There is, however, little prospect of acceptance of such a system by states that are not parties to the NPT and it could be circumvented by those who were prepared and able to acquire and operate fuel reprocessing facilities.

167. We welcome the recent "secret" meetings of nuclear-exporting countries to discuss the proliferation problem and the safeguards that should be applied to the export of nuclear materials and facilities. Agreement on these matters would certainly reduce the risks and is highly desirable. Nevertheless, we do not think it would alter our conclusion that the spread of nuclear power will inevitably facilitate the spread of the ability to make nuclear weapons and, we fear, the construction of these weapons. In reality, total agreement on a comprehensive international control system for the products of civilian nuclear power that are relevant to the construction of nuclear weapons would be possible only in a climate of general disarmament, and the prospects for this are receding rather than improving. It has been argued that the possession of these weapons by the USA and the USSR has been a powerful force for mutual toleration, but however true this is it would be folly to suppose that proliferation would necessarily lead to a similar balance and restraint in relations between other nations. Indeed, we see no reason to trust in the stability of any nation of any political persuasion for centuries ahead. The proliferation problem is very serious and it will not go away by refusing to acknowledge it.

REACTOR SAFETY

168. We have explained that the materials within an operating reactor contain a vast quantity of radioactivity, and security of its containment under fault conditions is thus a major issue. Proponents of nuclear power point to the fact that in the design and construction of reactors very great efforts are devoted to the analysis of possible failure modes and to the incorporation of safety precautions to guard against their occurrence. Still, as described in paragraph 100–101, it is possible to postulate failure mechanisms, however unlikely which might result in the accidental release to the atmosphere

of some fraction of the gaseous and more volatile fission products contained in a thermal reactor core. As explained in paragraph 115, failure mechanisms can be envisaged for a fast reactor whose consequences would be intrinsically much more serious. A major release of radioactivity would have three types of effect. Direct radiation from the airborne cloud could cause acute medical effects (including possibly some deaths) among people fairly near to the site: there would be long-term medical effects, principally the induction of cancers, which would develop over a period of 10–20 years after the event: and there would be contamination of ground and property by the deposition of radioactive material which might require the evacuation of some areas for months, or even years, depending on the levels of radioactivity and the feasibility of decontamination.

169. We discuss reactor safety and the consequences of possible accidents in more detail in Chapter VI and we restrict ourselves here to some general comments on the matter. Much work has been done to assess the reactor accidents that could occur and their possible consequences. We accept in this matter the expert view that has been put to us that in highly complex technology of this kind it is not feasible to specify a worst accident whose environmental effects would be so small as to be accepted without concern, and to ensure by design that no accident of greater severity could occur. There is a range of accidents and consequences spanning many orders of severity with varying probabilities of occurrence. The practical aim of design can only be to ensure that the probability of an accident is sufficiently small in relation to its possible consequences.

170. The risk of death or injury through accident is a condition of living and many human activities imply a judgment that the benefits outweigh the related risks. The following Table gives some examples:

TABLE 8—*Probability of death for an individual per year of exposure (Orders of magnitude only)*

Risk and Activity

1/400, Smoking (ten cigarettes a day).
1/2,000, All accidents.
1/8,000, Traffic accidents.
1/20,000, Leukaemia from natural causes.
1/30,000, Work in industry.
1/30,000, Drowning.
1/100,000, Poisoning.
1/500,000, Natural disasters.
1/1,000,000, Rock climbing for 90 seconds*.
1/1,000,000, Driving 50 miles*.
1/2,000,000, Being struck by lightning.

*These risks are conveniently expressed in the form indicated rather than in terms of a year of exposure.

171. The Table is intended simply to give an appreciation of the scale of risks associated with a range of activities. Some of these risks, such as those arising from smoking or from rock climbing, are accepted voluntarily by individuals. Others are concomitants of our everyday lives, such as risks at work or from aircraft or car accidents. Another category of risks we attribute to acts of God. Generally, risks greater than about 1 in 1,000 per year are considered unacceptable. With risks of the order of 1 in 10,000 per year public money will be spent to try to eliminate the causes and to mitigate their effects. Risks below 1 in 100,000 are considered as individual risks and warnings may be given. Risks below 1 in 1 million per year are generally accepted without concern.

172. The risks we have discussed above apply to individuals. It is necessary to distinguish, however, between the risks of events that affect people individually or in small numbers, and which are fairly readily accepted as inevitable, and those that cause death or injury to many people at one time and which have, in proportion to the numbers affected, a much greater impact in creating public concern. Nuclear accidents would pose a threat to communities and what needs to be ensured is that over the whole spectrum of possible accidents and consequences, in terms of the numbers of people who might be killed or injured, the risks are sufficiently small as to be acceptable in relation to the benefits of nuclear power. In judging this acceptability we would have in mind the risk from other events, man-made or natural in origin, whose effects could be on a similar scale. We note here that the nuclear industry is not alone in presenting the risk of a major accident that could lead to the deaths of many people, though it appears unique in the persistence of the contamination that such an accident would cause. The chemical process industry may be instanced in particular as one where conceivable accidents could cause immense damage. The explosion at Flixborough brought a new awareness of these risks and is resulting in the more general application to other industries of techniques of safety analysis which have long been a feature of the nuclear industry.

173. Risks of the kind illustrated in Table 8 are known from extensive data on past occurrences. In contrast the risk of a serious reactor accident can only be estimated theoretically by an analysis of possible failure mechanisms and their probabilities of occurrence. We describe the techniques used in such analysis in Chapter VI and here simply record that we have received expert evidence that it is an attainable design objective to reduce the probability of a reactor failure leading to a substantial release of radioactivity to the range 10^{-5} to 10^{-6}/year. Taking account of the fact that the area affected by a release would depend on wind direction at the time, these figures would imply that the risk of death to an individual living near the reactor site would certainly be less than 10^{-6} a year, a level of risk which is generally regarded as negligible. As we have noted above, however, we should be concerned not so much with the individual risk as with the total effect of possible accidents. We reserve consideration of this aspect to Chapter VI but in the following paragraphs we discuss a general argument that is advanced concerning the reliability with which the risk of reactor failure can be predicted.

174. One argument advanced by opponents of nuclear energy concerns man's inability to foresee reliably all the failure mechanisms that could lead to serious reactor accidents and to introduce appropriate safeguards. Reactor technology is extremely complex; man is fallible. It is impossible to achieve absolute certainty that all engineering failures or human errors that could result in disaster have been identified through safety analysis, or that the risks have been reduced to negligible levels by design. On this viewpoint, a theoretical assessment of risks is one thing, but what is achieved in practice quite another. To some critics, therefore, calculations of the risk of disastrous failure in a complex technology, though carried out with undoubted thoroughness and integrity, are essentially irrelevant. They fear that the real risk will be dictated by human fallibility; that it will arise through circumstances which have not been foreseen and that it will become known only through experience of disasters which should not be countenanced. Such critics point to the fact that it is inherent in organisations responsible for technological development to believe in their ability to devise adequate safeguards, and that by their nature they are unlikely to address themselves to the question whether the degree of certainty about performance which is called for by the scale of the hazard is attainable.

175. There are thus conflicting views on reactor safety. There are those who believe that technical solutions can be found which will ensure that the risks of serious accidents are reduced to acceptable and negligible levels. There are others who believe that the potential hazards are so great, and the possibility of human error in devising safeguards to cover every contingency so inescapable, that an acceptable level of safety cannot be guaranteed. It is hard to see that these views can be reconciled *a priori*. The contacts we have had with the nuclear industry during our study leave us in no doubt that the most diligent attention is given to safety in the design, construction and operation of reactors. It is, however, a fact of everyday experience that all eventualities cannot be foreseen even when the most stringent precautions are taken. A commonly quoted incident in this context is the fire in a lunar module which killed three American astronauts in 1966 and which occurred because of the high inflammability of materials in a pressurised oxygen atmosphere. This had not been appreciated in spite of the immense resources devoted to safety in the project. A more directly relevant incident is one that occurred in 1975 at Brown's Ferry nuclear power station in the USA, involving fire in the cable room beneath the reactor control room. The fire was started by the flame of a candle which was being used by a workman to detect air leaks through cable openings. The emergency core cooling systems on one reactor were put out of action by the fire and very serious consequences were rather narrowly averted. The risk of fire in the inflammable cables was realised by some of the staff and had been brought to the attention of the management, but no action had been taken. No doubt the risk of fire from any cause should have been foreseen during design and no doubt it will be covered in future, but the question arises of what other unforeseen risks may exist. Certainly it is clear that the unexpected hazards are not necessarily only the small ones.

176. Nevertheless, a view must be taken on this. The human fallibility argument is one that, pressed too far, would set an arbitrary and unduly restrictive limit on technological development. It is imperative that there should continue to be the most rigorous application of safety techniques in the design and operation of reactors. Given the emphasis on safety in the nuclear field, the measured and cautious approach to development and the extent of the precautions taken in design to limit the consequences of possible failure mechanisms, we do not doubt that the risk of serious accident in any single reactor is extremely small. The hazards posed by reactor accidents certainly do not appear to us to be unique in scale and of such a kind as to suggest that nuclear power should be abandoned for this reason alone, though the possible effects of conceivable accidents and the uncertainties involved in assessing the risks are clearly factors which should be weighed in decisions on nuclear power, as they should be for any other technological development. We note here that as the number of reactors installed throughout the world increases, so will the risk. A major accident leading, say, to several hundred deaths and hundreds of millions of pounds of property damage, though a national disaster, could certainly be sustained, but it might have devastating consequences for the nuclear industry. Such accidents appear more likely to occur in less developed countries having little technological infrastructure or tradition, but the repercussions in the UK and elsewhere could still be considerable. This is an aspect that needs to be borne in mind in thinking on nuclear strategy.

177. Damage to reactors (or to other nuclear facilities) that might result in the release of radioactivity could be caused by enemy action in the event of war, by terrorist activity or sabotage, or by natural events such as earthquakes. Installations providing

vital energy supplies could well be prime targets in war. The safeguards introduced against severe nuclear accidents, including the massive structures that are used to contain highly radioactive materials, would certainly provide a measure of protection. Nevertheless, it is possible to postulate events of this kind whose consequences would be much more serious than those of a conceivable accident, and clearly the estimates of probability relating to accidental releases would no longer be entirely relevant. We consider this matter further in Chapter VII, but we note here that vulnerability to attack is one argument against the concentration of reactors and other nuclear installations in "nuclear parks" (see paragraph 184); it is also a reason why the underground siting of nuclear installations is advocated by some experts.

RADIOACTIVE WASTE

178. The highly active waste which arises from fuel reprocessing contains the fission products and actinides created by nuclear fission. The waste must be isolated until the various radioisotopes have decayed to insignificant levels. For the fission products this requires a period of perhaps a thousand years, but some of the actinides have half-lives of thousands or tens of thousands of years or longer. There are theoretical possibilities for transforming these elements into less long-lived forms (see paragraphs 384–388) but the process would pose considerable technical difficulties and operational hazards and appears unlikely to offer a solution in the foreseeable future. We must assume that these wastes will remain dangerous, and will need to be isolated from the biosphere, for hundreds of thousands of years. In considering arrangements for dealing safely with such wastes man is faced with time scales that transcend his experience.

179. The creation of wastes which will need to be contained for such periods of time, and hence of a legacy of risk and responsibility to our remote descendants, is a matter of great concern to many people. We think, however, that some continuity must be assumed in human affairs and institutions and in the ability of future generations to maintain the necessary containment. To suppose otherwise is to postulate breakdown in our society and our institutions, and thus conditions in which the hazards from radioactive wastes could well appear to be one of the less dire problems facing mankind.

180. Moreover, concern about the possible effects of our present actions in the remote future should not be limited to radioactivity. The widespread discharge of some pollutants to the environment, for example, of heavy metals to the oceans, though adequately controlled on the basis of present understanding, could prove to be a legacy of risk to our remote descendants and create problems just as serious as those of preserving the localised containment of radioactive wastes. There could be unexpected pathways back to man or effects on the natural world in the remote future: unlike radioisotopes, heavy metals do not decay but remain toxic forever. We do not imagine that anyone who was aware of the sufferings of the victims of mercury poisoning at Minamata would be particularly impressed with claims made for the uniqueness of pollution by radioactivity.

181. We have, however, no intention of minimising the considerable problems posed by the need to ensure the containment of highly radioactive wastes. There is general agreement that the present practice of storing these wastes in tanks in liquid form and in essentially accessible facilities, although safe enough for the present, is unacceptable as a long term solution. Processes are under development to convert the wastes to solid and virtually insoluble form, so facilitating safe storage. But the problem of isolation for immense periods of time still remains. There are various proposals for the permanent storage of the solidified wastes under the ocean bed or in deep geological formations where they will be virtually inaccessible. Much research is needed (though still on a very modest scale compared with that on reactors) to establish the safety and the feasibility of such methods, and we give our views on what should be done in chapter VIII. We are confident that an acceptable solution will be found and we attach great importance to the search; for we are agreed that it would be irresponsible and morally wrong to commit future generations to the consequences of fission power on a massive scale unless it has been demonstrated beyond reasonable doubt that at least one method exists for the safe isolation of these wastes for the indefinite future. The use of this method might appear unjustifiably expensive and alternative approaches might be adopted in the event. But it would, and should, be available as a fall-back position if circumstances demanded it.

THE DIVERSION OF PLUTONIUM

182. Many people who are concerned about the implications of nuclear power development see a great threat in the potential attraction of plutonium to terrorist or criminal organisations. One reason for theft would be the value of the element: if plutonium-fuelled reactors become common then it will be traded internationally. One kg of plutonium can produce as much energy in a power station as 1,700 tonnes of oil, currently worth about £80,000. The other reason would be because of its potential use in a terrorist weapon, which would have enormous psychological impact. It could be disseminated into the atmosphere with conventional explosives, when it would pose not only acute and long-term radiological hazards to those who inhaled the airborne particles, but would contaminate large areas of land. Decontamination would be very costly; an estimate of the cost, given to us in evidence by the NII, is several hundred thousand pounds per gram of dispersed plutonium. There is also the risk of the construction of a nuclear bomb by an illicit group. We consider these matters further in Chapter VII, but our view is that it cannot now be regarded as beyond the capabilities of a well-organised and determined group to construct a crude but very effective weapon. In sum, plutonium appears to offer unique and terrifying potential for threat and blackmail against society.

183. The problems of safeguarding society against these hazards could become formidable in a "plutonium economy". There are particular risks during transport of the element between nuclear installations, although techniques could be adopted to make access to the plutonium both dangerous and difficult. There is also, however, the risk of theft of plutonium by direct action at installations where it is stored or by people working in the industry. Of course, many measures are taken to prevent this but it cannot be entirely ruled out. In order to counteract these risks, some people foresee the need for the creation of special security organizations which, because of the vast potential consequences of plutonium loss, would need to exercise unprecedented thoroughness and vigilance to safeguard the material while significant quantities remained on the earth in accessible form.

184. A belief that the necessary vigilance and continuity could not be adequately guaranteed in any normal organisation led Alvin Weinberg to postulate a "nuclear priesthood"; this would be a dedicated, self-perpetuating body of people forming a technological *élite* which would be entrusted through the generations with the task of safeguarding society from the hazards of nuclear power. The idea of such a "priesthood" may seem untenable, but it is an indication of the extent of the anxiety felt by some responsible people about the hazards. Concern about security also led Weinberg to suggest that "nuclear parks" should be established. By this is meant the siting of reactors and related fuel fabrication and processing facilities in large, self-contained nuclear complexes in order to facilitate security arrangements, particularly by eliminating the need to transport plutonium.

185. Many people are concerned about the implications for society of the security arrangements that might become necessary in a plutonium economy. An effective security organisation could not be merely passive, simply reacting to events. It would need to have an active role (as was recommended for the USA in the Rosenbaum report; that is, to infiltrate potentially dangerous organisations, monitor the activities of nuclear employees and members of the public and, generally, carry out clandestine operations. It would also need to have powers of search and powers to clear whole areas in an emergency. Such operations might need to be conducted on a scale greatly exceeding what would otherwise be required on grounds of national security in democratic countries. The fear is expressed that adequate security against nuclear threats will be obtained only at the price of gradual but inexorable infringements of personal freedom.

186. We are sufficiently persuaded by the dangers of a plutonium economy that we regard this as a central issue in debate over the future of nuclear power. We believe that we should not rely for something as basic as energy on a process that produces such hazardous substances as plutonium unless we are convinced that there is no reasonably certain economic alternative. In forming a view on the future need for large-scale dependence on plutonium, therefore, we should consider the possibility and implications of alternative options for energy supply, and we discuss this aspect further in Chapter IX. We should also be aware of the advantages that nuclear power offers and which we refer to at the end of this chapter; though we do not think that these outweigh the risks we have described, they are real and should not be minimised.

THE UNCERTAINTY OF RADIOLOGICAL STANDARDS

187. Some people contend that scientific knowledge is at present inadequate to define the risks from exposure to radioactivity, and dispute whether the standards chosen for permissible exposures are sufficiently safe. We commented on one such issue, relating to the effects of plutonium particles, in paragraphs 68–71. Although there may indeed be uncertainty over some of the standards, there is nevertheless an impressive body of knowledge on the subject that has been built up over nearly a century. It is difficult to think of any other form of pollution that has had its effects on man so well examined as has ionising radiation. The ICRP, whose expert publications are universally recognised as being authoritative, is supported by many other international scientific review bodies. Although it would be foolish to suppose that all the standards are so well established that further research work will not require their amendment, there does appear to be more agreement over what can be tolerated than there is for most other pollutants. We remarked in our Fourth Report (paragraphs 144, 147–8) on the situation with lead, mercury and cadmium. The effects of quantities too small to cause symptoms of poisoning are not know with precision, and indeed are widely disputed by experts. And the technique of making a special study of the doses received by a critical group, long common in the control of radioactivity, seems for other pollutants to be still in its infancy.

188. For radioactivity as for many other pollutants we must balance its effects, and the uncertainties that attach to them,

against the related benefits. So far as assessing the effects is concerned, we can do no better than require that the agencies concerned are expert, open and independent, and such as to ensure that necessary research is undertaken and that assessments are appropriately revised in the light of new knowledge. The requirement reflects on organisational arrangements which we consider in the next chapter.

THE CASE FOR NUCLEAR POWER

189. We have presented in this chapter the principal arguments that are advanced against nuclear power. They have an environmental and ethical basis and it is proper that we should consider them. We are conscious, however, that arguments can also be advanced on similar grounds in favour of nuclear power and that our discussion would be one-sided if we were not to recognise them.

190. Potentially, nuclear power represents a vast additional energy source for mankind which could make a major contribution to raising living standards. We consider energy questions in more detail in Chapter IX but note here that if world uranium resources as currently estimated could be completely fissioned through the use of fast reactors the amount of electrical energy produced would be many times that available from all known fossil fuel reserves. Many experts in energy matters see nuclear power as the only prospect for meeting future world energy needs and would argue that the world faces a stark choice between a nuclear future and economic stagnation and decline. If reactors and the rest of the nuclear fuel cycle work as intended, that is, if we set aside the risks arising from possible accidents or malicious acts, then nuclear power is in many ways an attractive source of electricity, offering a number of advantages over alternative approaches that might be available, which would almost certainly imply the much greater use of coal. The progressive introduction of nuclear power stations would conserve fossil fuel reserves for uses such as feed stock for the chemical industry and as portable fuel for transport.

191. The routine environmental effects of nuclear power may well be much less damaging than those of fossil fueled power stations. Without nuclear power the amount of sulphur dioxide (SO_2) produced would probably have to be much greater. The discharges of radioactivity from nuclear stations, both to air and water, are radiologically insignificant and there are no discharges of offensive gases or particulates. Although discharges of the latter from fossil fuel stations have been much reduced, they still pose a number of air pollution problems as recent reports of the Chief Alkali Inspector testify. Nuclear stations in the UK are nearly all on coastal sites but they need not be unsightly, as Plate 1 shows. Routine discharges from fuel reprocessing works pose more difficult problems, especially that of the safe containment of highly radioactive wastes. As we have said, however, we believe that satisfactory solutions can be found to these problems.

192. One inevitable consequence of burning fossil fuels, particularly coal, is the production of large volumes of carbon dioxide (CO_2). There has long been concern that CO_2 might eventually reach such a concentration in the atmosphere as to imperil the world's climate, or substantially modify it in some areas. The consequences might include severe drought or a significant change in mean temperature. This effect was considered by the Commission in their First Report. The issue is still open, but if such climatic changes were to be firmly established the implications for energy strategy would be considerable. Nuclear power offers an alternative which at least does not have this particular consequence.

193. The expansion of nuclear power and the consequent reduction in the use of coal would reduce the future need for mining, and hence for men to work in unpleasant, and sometimes dangerous, conditions. We must not forget that these problems also arise in the mining of uranium in other countries, although the use of fast reactors on a large scale would greatly reduce the mining operations required for a given energy supply.

194. Another advantage possessed by nuclear electricity is that it appears to be significantly cheaper, at least in the UK, than electricity from coal and oil power stations which has recently increased dramatically as a result of the much higher fuel costs. There is also advantage in having diversity of supplies, which makes the electricity grid less dependent on a single source of primary energy. Indeed the SSEB specifically mentioned this as an argument in favour of ordering more nuclear stations in the future. While we can see that to have a fair proportion of nuclear power stations would be advantageous, it would not necessarily be prudent to aim at a predominantly nuclear system for the very same reason.

195. The last point we would adduce is the fact that nuclear power stations use much smaller quantities of fuel than do fossil-fuelled ones. For example, one AGR station of 1,000 MW nominal output requires only 50 tonnes of fuel a year, whereas an oil-fired one would need the oil contained in twenty tankers each the size of the "Torrey Canyon." The transport of large quantities of fossil fuels presents environmental problems and, especially with oil, the risk of accidents that may cause severe environmental damage.

CONCLUSION

196. The advantages described above must certainly be weighed against the fears and the risks attaching to nuclear power, which lead many people to regard its widespread development as a grave and unacceptable menace to the world. Acceptance of this development and these risks in return for the promise of abundant electricity supplies has been called "the Faustian bargain." It needs to be considered how real these fears are. Certainly if we look at the experience and the present extent of nuclear power in this country it might well appear that in contemplating such fears we are creating unnecessary spectres. We are concerned, however, with the future and the fact that the world is on the threshold of a huge commitment to fission power which, once fully entered into, may be effectively impossible to reverse for a century or more.

197. We conclude that development of fission power on the scale we have described earlier carries implications and potential risks for society which are too serious to be disregarded on the grounds that they are necessarily speculative and of a kind that we have not hitherto expected to address in decisions on technological development. Decisions should not be taken simply on the basis of technological or economic advantage and the assumed necessity of securing steadily increasing energy supplies. The social and ethical issues involved are real and important, and should be widely appreciated and discussed. We reserve further consideration of these issues until Chapter X.

Exhibit 2

Additional Extracts

DANGER FROM TERRORISM AND NUCLEAR BLACKMAIL

324. There seems no reason to doubt that a sufficiently determined group with the necessary expertise could construct a very crude bomb which might explode with the force of a few tonnes of TNT. The amount of plutonium required could easily be carried by hand. Though extremely inefficient in nuclear terms such a device would still cause much damage and would create immediate radiation which would be lethal over a range of several hundred metres as well as dispersing radioactive material over a wide area. More doubt attaches to whether an illicit group could construct a weapon with a much greater yield, say 100 tonnes of TNT or more. There is some dispute about this possibility. From the discussions we have had we have formed the impression that the British authorities are less persuaded than those in the USA about the credibility of the construction of such a weapon. We felt it necessary to settle the matter in our own minds and we therefore consulted eminent physicists both in the UK and the USA who are expert in the subject. Their judgment was that the construction of a bomb that would give such a yield was indeed possible, though the actual yield would be very uncertain, for it would be as much a matter of luck as of good judgment.

325. We have concluded therefore that it is entirely credible that plutonium in the requisite amounts could be made into a crude but very effective weapon that would be transportable in a small vehicle. The threat to explode such a weapon unless certain conditions were met would constitute nuclear blackmail, and would present any government with an appalling dilemma. We are by no means convinced that the British government has realised the full implications of this issue.

DEVELOPMENT OF THE FAST BREEDER REACTOR

518. The strategy that we should prefer to see adopted, purely on environmental grounds, is to delay the development of CFR1. This would provide time for the socio-political aspects of the plutonium economy to be fully investigated and debated, so that the risks could be widely understood and judged before this first step was taken. It would free resources and provide a stimulus for work on alternatives. It would give time for the problems of waste management and disposal to be properly investigated and, we hope, resolved. Each year of delay would increase the prospect of establishing whether a viable alternative strategy existed which would avoid the need for FBRs.

PUBLIC ASSESSMENT OF NUCLEAR POWER

521. We have explained our reasons for thinking that nuclear development raises long-term issues of unusual range and difficulty which are political and ethical, as well as technical, in character. We regard the future implications of a plutonium economy as so serious that we should not wish to become committed to this course unless it is clear that the issues have been fully appreciated and weighted; in view of their nature we believe this can be assured only in the light of wide public understanding. We are perfectly clear that there has so far been very little official consideration of these matters. The view that was expressed by the Department of Energy in their evidence to us was that there were reasonable prospects that the safety and environmental problems posed by nuclear power could be satisfactorily overcome and that, if this proved not to be so, other forms of energy would have to be used, or consumption somehow reduced. We see this as a policy that could lead to recognition of the dangers when it would be too late to avoid them. More is needed here than bland, unsubstantiated official assurance that the environmental impact of nuclear power has been fully taken into account.

522. The question arises of how the necessary public understanding is to be brought about. Considered judgment requires the weighing of many factors; estimates of future energy needs in relation to projections of economic growth, and the environmental consequences of different energy strategies

and their estimated economic and social costs. There is a need, we believe, openly and deliberately to weigh the risks and costs of embarking on a major nuclear programme against those of not doing so.

523. We have concluded that a special procedure is needed. This should follow, in general principles, that accepted for environmental impact statements now required for certain major projects in the USA. A comprehensive document setting out the issues and the evidence should be published first in draft. We envisage that much of the evidence would be prepared by the proponents of nuclear development, the AEC, but plainly other contributions would be required. The statement must not be confined to the effects of the first stage of development, but must follow through to the furthest point to which our curernt knowledge can attain. The social and economic, as well as the scientific, technological and environmental problems must be fully set out.

524. This publication should be followed by a further stage in which the comments made by interest agencies and individuals should be presented and evaluated. These presentations should ultimately receive independent assessment and we think that this would be an entirely appropriate function for the advisory body we have referred to in paragraph 515. No doubt the introduction of such a procedure would present many difficulties which we have been unable to examine closely, but we are convinced about the need for it. The ultimate aim is clear; it is to enable decisions on major questions of nuclear development to take place by explicit political process. The discussion of the possible environmental consequences of nuclear development which we offer in this Report will, we hope, contribute to this process but it cannot complete it.

KOREAN DEFENSE

Mr. HUMPHREY. Mr. President, when the foreign military and security assistance legislation was under consideration earlier this year, several Members of the Senate raised questions concerning the U.S. future relationship with Korea. Two matters were of primary concern: the future of U.S. forces in Korea and the denial of human and political rights by the Government of Korea. Although seemingly separate, these two issues are closely related.

We fought a long and bloody war in Korea in order to preserve Korean independence and democracy. Since the armistice our forces have remained in Korea to further those same objectives, as well as to secure our own strategic interests in North Asia.

Although Korea remains independent, it is no longer a democracy. It is primarily for this reason that many Members have questioned the justification for our continuing to station U.S. forces in Korea and to provide military assistance to the government of President Park.

When amendments were proposed to the aid legislation which might have substantially affected U.S. assistance and force levels in Korea, I urged a more moderate approach. I did this out of my longstanding belief in the importance of the traditional U.S. relationship with Korea. Recent actions by President Park, however, have disturbed me deeply. Along with a number of my colleagues, I have recently expressed my dismay at the actions which President Park has taken against those who have protested his increasingly authoritarian manner of rule.

As an alternative to more severe action—which might have included an effort to legislate a date for withdrawal of U.S. forces from Korea—we finally included in the foreign military assistance bill a requirement that the President report to the Congress within 90 days on a number of aspects of our relations with Korea. Among the elements of this report was to be an assessment of the prospects for a phased reduction of U.S. forces in Korea. During our consideration of this measure we were assured by one high ranking State Department official that the report required by law would be a meaningful one. I believe that this official even promised us that the report would not be "the usual pap."

Well, we have received the report required by law. It is not only the "usual pap," it is vintage "pap." I have rarely seen a purportedly serious document so filled with artful words and phrases, carefully calculated qualifications and circular reasoning. In no way can it be considered a serious response to our sincere concerns.

I am afraid that this response characterizes the shortsighted and sterile approach of the present administration to our security planning. It is a report which could have been written 5 or 10 years ago.

What we are told in this report is that the time is not right to think about the reduction of U.S. forces in Korea. This is what we are always told. While I personally agree that the moment has not come to withdraw U.S. forces from Korea, if the administration does not start thinking and planning seriously for reductions, they either will never come or, at some point, the Congress will lose patience and mandate a withdrawal.

Lest there be any mistake, I am in no way advocating abandonment of the U.S. commitment to Korea or the elimination of an adequate deterrent posture there. Rather, I am insisting that the executive branch begin to plan in specific terms for the day that the defense of Korea can be turned over to the Koreans with adequate military strength in the full control of the Republic of Korea.

The report states that the earlier Korean force modernization plan has been completed. This was supposed to have been the time when U.S. reductions could begin. If we leave things as they are the Koreans will never prepare themselves militarily or psychologically to stand on their own and they will never seriously explore other paths toward the maintenance of stability in the peninsula.

Mr. President, I ask unanimous consent that the State Department report referred to be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, September 29, 1976.

HON. JOHN SPARKMAN,
Chairman, Foreign Relations Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with section 688 of the Foreign Assistance Act of 1961, as amended, I am forwarding to you the attached report reviewing various aspects of our role in helping maintain the security of the Republic of Korea.

Sincerely,

GERALD R. FORD.

REPORT ON KOREA

This report is submitted in accordance with Section 663 of the Foreign Assistance Act of 1961, as amended.

The report begins with a brief introductory description of the military balance between North and South Korea, a balance in which the present advantage in the air and at sea is with the North while a rough equivalency exists on the ground. Part I of the report describes the progress of the Republic of Korea to modernize its armed forces under the US-ROK Modernization Plan and the present ROK Force Improvement Plan. Part II deals with the US security role in South Korea; this section gives the history of the US force presence in the Republic and describes the US security assistance program, including such aspects of the program as materiel assistance, training and technological transfer. The final section analyzes the prospects for phased reductions of US Armed Forces in the ROK and describes the dependence of these reductions not only on the ROK progress toward military self-sufficiency but also the importance of US Forces for the deterrence of North Korean aggression and for the preservation of regional stability, a matter of particular interest to Japan, the People's Republic of China and the Soviet Union.

PREFACE: THE MILITARY BALANCE

The North and the South are relatively comparable in the number of deployed ground force divisions. The edge in manpower is with the South. But the North Korean People's Army (KPA) probably has superior firepower because of a sizeable advantage in numbers of tanks and self-propelled artilley pieces.

In the air, the North has a substantial numerical advantage, with over twice the number of fighters as the ROK, although over one-half of these are old aircraft. In modern, high performance fighters, the North Korean numerical advantage is relatively small. The South has an advantage in total airlift capability.

In air defense the North has some distinct advantages. In addition to its numerical advantage in fighter aircraft, the KPA has double the number of anti-aircraft artillery pieces and missile launchers. The North has an extensive radar met with high early-warning capability. It has also invested tremendous amounts of money and labor in underground installations which greatly increase the survival capability of its weapons, particularly its air force. ROK aircraft, however, are also effectively sheltered. Thus a crippling first strike by either side against the opposing air forces would be very difficult, and an air war would likely be one of attrition.

At sea the North has a far larger number of craft than the South. While it has fewer large vessels, it has substantial numerical advantage in smaller patrol craft. A number of these are armed with the Soviet Styx missile, a highly effective anti-ship weapon. The ROK has about one-third as many missile equipped craft. Moreover, the North has acquired submarines, some of them domestically produced, and is continuing to manufacture them. The ROK has no submarines and at present only a limited anti-submarine capability.

As regards logistic support, the ROK has a far stronger economy and more highly-developed industry than the North. However, a smaller proportion of the ROK economy is devoted to military production, and in absolute terms the North's current capability for producing military equipment, particularly heavy equipment such as armored personnel carriers is probably superior. Moreover, the North has direct land communications with both the Soviet Union and the PRC, which could provide substantial logistic support in the event of a conflict, even if they did not become militarily involved.

Cause of imbalance

The ROK forces' relative weakness in numbers and quality of materiel inventories reflect: (a) a major long term build-up of North Korean forces at the expense of other segments of the society; (b) ROK emphasis on overall economic growth in contrast to North Korean stress on military expenditure; and (c) in recent years budgetary limits on US assistance. While the ROK has steadily increased its defense expenditures (as indicated in Table 1) that increase until recently has largely been used to absorb O&M costs; by 1974, the ROKs had assumed 100 percent of the O&M costs.

PART I: PROGRESS UNDER THE PROGRAM OF THE REPUBLIC OF KOREA TO MODERNIZE ITS ARMED FORCES

Five year modernization plan

Beginning in 1971, with the withdrawal of the US 7th Division from Korea, a combined ROK/US committee developed a list of requirements which became known as the Five-Year Modernization Plan (MOD Plan). This was an illustrative "kinds and quantities" list, outlining modernization projects valued at about $1.5 billion. The objective was to modernize ROK forces in order to give them the capability, within the scope of prudent risk, to contain North Korean aggression, assuming the availability of US air and naval power, together with logistic support. The US intended that the plan be accomplished with $1.25 billion of grant aid new obligation authority and the transfer of $250 million of excess defense articles.

In 1971, the ROK forces began receiving US assets in significant numbers toward attainment of the MOD Plan's objectives. The equipment provided the ground forces included vehicles, artillery weapons, and an Honest John missile battalion. The ROK air defense capability was improved with the acquisition of Vulcan guns and Hawk surface-to-air missiles and the modernization of the Korean Nike-Herculese surface-to-air missiles. The ROK air force received tactical, primarily air defense, aircraft, trainers and support aircraft and helicopters. The ROK navy received destroyers, mine-sweepers, one patrol craft, landing craft and S-2 ASW aircraft.

The impact of inflation and non-availability of programmed equipment caused reductions in the quantity of items that were originally to have been provided, and the yearly limitations in MAP fund required that the program be extended beyond five years. However, if the funds requested for FY77 are approved, the MOD plan will be completed in FY77, ending the period of ROK need for US grant assistance.

ROK forces improvement plan (FIP)

President Park, in mid-1975, directed the development of a Five-Year program to eliminate or reduce the long existing military imbalances vis-a-vis North Korea. Specifically, the Republic of Korea sought to develop, within five years, a force structure capable of meeting and defeating a North Korean attack, with US logistical support only. President Park further directed maximum expansion of ROK defense industries in order to reduce the outflow of foreign exchange and to reduce dependence on foreign sources of supply. Initiation of this plan was accompanied by a major increase in the defense budget and imposition of a new income tax surcharge for that purpose. With this tax the ROKG has increased the defense budget's share of GNP to 5.3 percent in 1975 and 7.3 percent (projected) in 1976. Recognizing that the ROK cannot develop the capability of deterring the USSR or the PRC from active support of North Korean aggression, however, the Korean Government would continue to rely on the US to do this and to provide logistical support.

Based on President Park's direction, the ROK Joint Chiefs of Staff developed a multi-project Force Improvement Plan designed to improve the relative balance between ROK and North Korean military power. The plan included a few projects to be initiated in late 1975, but generally phased the program over the Five-Year period 1976 to 1980. The cost of this program is estimated between $4 to $5 billion, 65 percent of which is foreign exchange.

The FIP is militarily justifiable and is generally consistent with US objectives The high rate of growth of the ROK economy, without putting at risk future economic growth, would be capable of supporting the plan in local currency; however, the ROKG would find it difficult to provide foreign exchange in the quantities and at the times required. Therefore, substantial US credit assistance is needed.

Current status of FIP

The ROK developed a revised Force Improvement Plan in July 1976. This revised plan includes more current cost data and set aside numerous projects into what is now called the "reserve" projects, to be acquired as equipment and/or foreign exchange become available. It includes within the five-year projection, several major projects, such as the first part of a tank improvement program, air defense upgrade of all three ROK Hawk battalions to the improved Hawk configuration, and some increase in artillery firepower.

Materiel status

Numerous acquisitions have been made against the FIP over the past year. Most notably TOW anti-tank companies have been introduced and Redeye air defense missiles have been obtained for the ground forces in defending the Northwest Islands. In addition, the purchase of F4E and F5 aircraft is scheduled, and coastal patrol craft with armament have been added to the sea forces. Overall, less than five percent of the FIP equipment has been delivered.

Funding status

Overall, 5.7 percent of the funding for the ROK FIP has been achieved. The major funding has been in the area of individual and unit weapons/equipment and air defense for the ground forces; tactical aircraft and tactical air control systems for the air forces; and anti-coastline and coastal patrol craft with weapons/missiles for the sea forces.

TABLE 1.—REPUBLIC OF KOREA, GNP/NATIONAL BUDGET/DEFENSE BUDGET SINCE 1953

[Percent of GNP]

	1949	1950	1951	1952	1953	1954	1955	1956	1957
National budget	10.0	10.0			10.1	11.5	10.9	11.4	13.7
Defense budget	5.0	5.6			5.8	7.2	5.3	4.9	6.4
	1958	1959	1960	1961	1962	1963	1964	1965	1966
National budget	14.3	15.8	15.7	15.8	16.3	13.7	11.2	14.7	14.0
Defense budget	6.9	6.9	6.4	6.3	6.9	4.9	4.4	3.8	4.2
	1967	1968	1969	1970	1971	1972	1973	1974	1975
National budget	15.1	16.9	18.0	17.2	17.9	14.4	13.2	14.1	16.6
Defense budget	3.8	3.9	3.9	4.0	4.2	4.1	4.0	4.3	5.3

TABLE 2—FIP COST BY ELEMENT AND CURRENT FUNDING STATUS

Element	*Percent required*	*Percent funded*
Ground	17.8	3.9
Air	24.7	3.2
Sea	13.1	9.8
Common	44.4	6.7
Total	100.0	5.7

PART II: US ROLE IN MUTUAL SECURITY EFFORTS IN THE REPUBLIC OF KOREA

A. Background

U.S. Posture in Korea

At the height of the Korean War, the U.S. forces in Korea numbered over 300,000. In 1954, following the war the US entered into a Mutual Defense Treaty with the Republic of Korea, From the Armistice in 1953 until 1968, the US maintained a sizeable military presence in Korea due to the almost total devastation of South Korea and the inadequacies of South Korean military forces. (See Table 3, United States Military Presence in Korea.) During those years, United States policy emphasized the reconstruction and development of the ROK economy by the infusion of massive amounts of assistance, while military aid was geared to the gradual improvement of the South Korean defense forces. This decision was possible because of United States security guarantees backed up by our large military presence. As ROK forces improved, US forces were reduced until they consisted of two US Army infantry divisions, combat air units, plus supporting forces.

Following the North Korean seizure of the Pueblo in 1968, our air capability was augmented with 150 fighter aircraft and the operational readiness of the ground forces was improved. By the 1970–71 period, however, the US decided that a major reduction in our forces in Korea was possible. The ROK forces' capability had increased significantly, which was demonstrated by the performance of the two plus ROK divisions in South Vietnam. This reduction was based on the assumptions that one US division would remain in Korea chiefly for its deterrent value and that ROK capabilities would improve as a result of a new modernization plan. One US division was therefore withdrawn reducing US personnel from the 1968 high of approximately 67,000 to the present authorized level of 42,000—a one-third reduction. Since 1972 actual strength has during several periods fallen below the authorized level of 42,000.

TABLE 3.—*U.S. military presence in Korea*

Year	*Number of troops*
1952	306, 000
1953	327, 000
1954	223, 000
1955	86, 000
1956	75, 000
1957	70, 000
1958	52, 000
1959	50, 000
1960	56, 000
1961	58, 000
1962	57, 000
1963	57, 000
1964	63, 000
1965	62, 000
1966	52, 000
1967	56, 000
1968	67, 000
1969	61, 000
1970	54, 000
1971	43, 000
1972	41, 000
1973	42, 000
1974	38, 000
1975	42, 000
1976 (present)	42, 000

Evolution of the Security Assistance Program

With the Japanese surrender in 1945, and the division of Korea at the 38th parallel, a US military advisory effort began with the purpose of training and equipping the newly formed Korean National Police, Coast Guard, and Constabulary with the objectives of providing internal security and countering infiltration from the North.

With the eruption of the Korean War, in addition to committing combat forces the US undertook a major effort at expansion and development of ROK forces to defend against further attack. US military advisors fought alongside their counterparts, while imparting invaluable advice and knowledge in leadership, tactics and equipment use and maintenance. Following the Armistice, the advisory effort peaked in terms of personnel strength. Advice and assistance were provided at small-unit levels in basic tactics, leadership and technical skills. At higher levels the focus was on developing tactical training needs, administration, organization, and intelligence, and within the newly established Ministry of National Defense assistance was provided in eventual force integration. As the Koreans became increasingly proficient in handling operations and administration, assistance was withdrawn from the lower levels, with assistance centering on the development of logistics procedures and basic management techniques.

In 1971, there occurred a fundamental shift in objectives with the first major U.S. drive to modernize the ROK forces, implemented by the Five-Year Modernization Plan. This effort was concurrent with the withdrawal of a US Army division from Korea and was in consonance with the objective of first building ROK ground forces, including air defense. with the understanding that in any hostilities, external air, naval and logistic support would be forthcoming. While security assistance funding was almost entirely grant assistance and excess defense articles, a major change in funding policy came about as a small amount of FMS credit was extended to the ROK for their own purchase of new equipment. In 1973, the program added emphasis to developing ROK forces, especially air and naval capabilities, to the extent practicable.

By 1975 the US advisory effort was increasingly stressing selective development of ROK capabilities. As the ROK begins to implement and revise its Force Improvement Plan, our major efforts are now directed in the development of the middle and upper management levels of the ROK Defense establishment. Guidance is provided to the ROKG in planning, programming, and budgeting the FIP, thus assisting in its annual rephasing and costing. The ROK of course continues to depend on the US for logistic support as well as specialized forms of combat support.

B. Aspects of the program

Funding

From FY 50 to the present, approximately $5.1 billion in security assistance has been provided to the Republic of Korea to support its defense effort. This assistance has been in the form of grant aid, excess defense articles (EDA), and foreign military sales (FMS) credits. In addition, approximately $1.2 billion in military assistance service funds (MASF) were provided from FY 66 through FY 73 to offset additional costs incurred by the ROK to support their two divisions in Viet Nam; however, these did not directly contribute to ROK forces modernization.

The portion of the total defense effort in Korea provided by the US in FY 66 was 85 percent. This decreased steadily to 12 percent in FY 76; two-thirds of that 12 percent was in the form of FMS credit to be prepaid by the ROK.

From FY 50 to FY 70, grant aid, EDA and US budget support funds (PL 480 and MSAF) constituted 100 percent of the US support of the Korean defense effort.

From FY 71–FY 73, grant aid, EDA and US budget support funds still accounted for the major share of US support, although the relative role of US funding declined during that period when a small amount of FMS credit was provided starting in FY 71, and the ROK started to purchase defense articles from the US under the FMS cash sales program. Use of FMS cash was accompanied by the complete phase-out of grant aid support of O&M costs at the end of FY 73. During FY 71–FY 73 the ROK also obtained a large quantity of EDA through PL 91–652, a result of the withdrawal of the 7th Infantry Division from Korea.

From FY 74 to FY 76 grant aid and EDA support declined sharply. US budget support was completely phased out by the end of FY 73. However, the US provided an increasing amount of FMS credit and the ROKG itself started to provide an increasing amount of FMS cash to cover their O&M requirements.

By FY 77, the entire US support effort will be in the form of FMS credit plus a small amount of grant-type funds for packing, crating, handling and transportation and training. Since FMS credit will eventually be repaid with interest, the ROK will be funding essentially 100 percent of their defense costs in FY 77 and beyond. At the same time the ROKG is making increasing use of commercial credits for defense purchases.

However, as indicated above, the ROK's ability in the near term to finance the foreign exchange requirements of its continuing heavy defense burden is limited. While the percentage of Korean GNP devoted to defense is increasing, for the next several years the ROK will look to the US for continued FMS credits to fund selected items of the force improvement plan which support US objectives in the ROK.

Materiel

The first military/constabulary forces organized in Korea at the conclusion of World War II were equipped with remnants from the Japanese Army and surplus US military items available in the Pacific areas. As the Korean forces were built-up prior to 1950, the US continued to supply them with outdated World War II equipment. Following the Korean War, the Korean forces were built up and again equipped with US materiel. The Korean military forces have thus been conditioned to the nearly exclusive use of US military equipment.

There have been some third country purchases, including some in earlier years with US funding. More recently the ROK has purchased two weapons systems from other countries because the required weapons were not readily available from the US.

The ROK Government has established defense industries to produce such items as spare parts, rifles, small caliber ammunition and tactical communication equipment, with plans to expand production capability to produce larger caliber weapons, vehicles, helicopters, and naval vessels. These production programs have been heavily dependent on US technology and technical assistance. They have progressed from the initial stages where all US-provided components were assembled in the ROK to the point where piece parts for the programs are manufactured in-country. Since equipment already on hand is nearly all of US origin, the ROK remains heavily dependent on the US for production of parts or for the technology needed to produce them in Korea.

US-produced materiel is provided through the military assistance program under FMS cash sales and credits, as well as through supply support arrangements (SSA) which allow the ROK to buy items from the US defense agencies' supply systems. By investing in an SSA, the ROK becomes a fully participating member of the US supply system and is able to avoid, in most cases, the administrative complications and procurement lead time experienced in other methods of procurement.

Services

At the end of World War II, a United States military government was set up in Korea to provide essential governmental services in the American zone of occupation. In this connection a handful of soldiers advised in organizing, equipping and training the national police force, the Coast Guard, and a constabulary to ensure Korea's internal security and to counter infiltration. As Korea became a self-governing republic, the military governors left while the military advisors remained to continue the work of building a regular Korean army and navy by teaching such rudimentary military skills as tactics, operations, supply and maintenance at small and large unit level. These advisors were on hand when the Korean War erupted and their numbers quickly grew as the Korean armed forces were expanded.

As Korean military professionalism grew, the advisory role shifted away from one of unit level advice in the field application of tactics, supply, maintenance and administration, to becoming more and more one of assistance. By 1971, the security assistance program in Korea had become one of integrated assistance to the total force with particular emphasis on the kinds of assistance which would develop Korean expertise in middle and upper level resource management.

Assistance, now given at each service's main logistics center, stresses the development of management policies, procedures, and techniques. At the Ministry of National Defense, assistance is geared to the development of comprehensive national-level resource management systems, embracing planning, programing and budgeting; acquisition and procurement procedures; logistics, maintenance, and supply; training; automatic data processing; quality assurance; and research and engineering for defense industrial development. At each of the ROK service headquarters, the assistance effort emphasizes the development of policies, procedures, and techniques for similar purposes.

The man-year effort currently being undertaken is shown in the following chart.

LEVELS OF EFFORT

[Direct man-years]

Function	Ministerial	Service	Depot
1. Development of planning, programing and budgeting systems	12.7	8.6	
2. Development of management, policies, procedures, and techniques:			
A. Acquisition	6.6	6.0	
B. Procurement	2.2		
C. Logistics	17.6	10.9	9.1
D. Maintenance	3.1		9.1
E. Supply	3.2		11.8
F. Training	5.2	3.1	
G. ADP	1.1	1.7	2.8
H. Quality assurance	1.4		2.9
I. Foreign military sales	10.1	6.7	7.3
3. Development of research, development and engineering support	9.8		
4. Government - to - government liaison	3.0		
5. Command and control	3.0		
Total	79.0	37.0	43.0

Training

The security assistance role in administering the military training program, recently renamed the International Military Education and Training Program (IMETP), has not changed significantly from its inception in 1950. However, there have been two major changes in the training itself. As indicated above, the emphasis of training is shifting from tactical and technological skills to resources management, to assist the ROK in developing expertise and the systems for effective overall management of its defense establishment. At the same time, the ROKG has assumed a continually increasing portion of the costs for the training.

The total cost of training, which included course tuition, student transportation, and student living allowance, was borne by grant aid until FY74, when the ROKG assumed the transportation costs. In the FY77 program, the ROK will pay for all transportation and all living allowances. Grant assistance funding for IMETP management training is expected to continue at the current funding level into the foreseeable future, although increased costs will probably reduce the man-years provided. At the same time FMS funded training which supports FIP material items and is almost exclusively technical and specialist training, will increase and be paid for entirely by the ROKG.

Since 1950, over 22,000 ROK military personnel have been trained in the US and over 10,000 personnel have been trained overseas (in-country/third country) under the auspices of the program. In the early years, the program was heavily weighted towards training personnel to operate and maintain US-furnished equipment. The emergence of a viable ROK service school system allowed the phase-out of operator and simple maintenance training. The recent establishment of hard-skill maintenance schools in Korea allows more of this training to be shifted from the IMETP to the ROK service school system, avoids the English language qualification problem, and saves the cost of transportation and living allowance for each student. These capabilities marked the beginning of the present era in which the grant aid emphasis is on resources management training, FMS cash cases cover highly skilled technical maintenance associated with the advents of new systems.

An additional long-term payoff of IMETP is in the creation of attitudes favorable to the US on the part of officers with promising futures in their country.

ROK industries now produce more than 25 defense end items in the areas of small arms, ammunition, small radios, mortars and general military materials.

A basic data exchange agreement (DEA) between the ROK and US was executed in 1963 authorizing the development of annexes relating to the exchange of technology in specific areas. Science exchange visits began in 1973 under existing data exchange agreement annexes. In 1975 a formal memorandum of understanding between the US and the ROK was implemented. The purpose of this program is to facilitate direct contract between scientists engaged in common endeavors.

Program objectives forecast

Just as the role of the advisor evolved as the professionalism and competence of the ROK armed forces increased, so the level of advice now must continue to be focused toward higher echelons of decision-making and more complex levels of management.

There is a need to provide in-depth assistance in planning defense requirements and analyzing the fiscal capabilities and resources to support these requirements. Concurrently, a planning, programming and budget system which integrates investment costs as well as operation and maintenance costs is needed to permit the rational implementation of decisions on defense programs.

The Koreans have made great strides in these management areas. It is clear that as they develop the ability to manage their defense resource requirements and defense industry, the MAG assistance will have to be focused on the higher management levels, stressing rationales and decision-making processes.

PART III: PROSPECTS FOR IMPLEMENTATION OF PHASED REDUCTIONS IN U.S. ARMED FORCES ASSIGNED TO DUTY IN THE REPUBLIC OF KOREA

United States forces are in Korea because they play an essential role in protecting two of our basic interests in the area: (1) preservation of peace in Korea and the security of the Republic of Korea, and (2) the promotion of peace and stability in Northeast Asia.

Our traditional associations with the Korean people, the sacrifices of those Americans who fought to preserve the Republic of Korea's independence, our economic ties, and our Mutual Defense Treaty obligations give us an important stake in the independence and well-being of the Republic of Korea. The need to maintain stability in Northeast Asia where the security interests of the People's Republic of China, the Soviet Union, and our close ally, Japan, converge is equally compelling.

The threat which North Korea poses is evident. One of the most regimented societies in the world during the 23 years since the signing of the Military Armistice, North Korea has remained intent on unifying the peninsula on its own terms. While its strategy has undergone permutations from time to time there are no signs that it has ruled out force as a means of achieving its overriding objective. Pyongyang maintains a military edge over the Republic of Korea, and its efforts to improve its military capabilities have not slackened. At the same time, North Korean proclivites for rash actions have been demonstrated by such acts as the seizing of the Pueblo, the raid on the South Korean President's residence, the shooting down of the EC–121, the tunneling operations under the DMZ, and most recently, the Panmunjom incident which resulted in the brutal murder of two American military officers.

To counter this threat to South Korea and stability in Northeast Asia, the United States has participated actively in the security efforts of the Republic of Korea. The preceding sections of this report describe this participation in detail, including the premises underlying our continued deployment of US forces in South Korea. These sections demonstrate both the value of the US presence as a deterrent and the fact that our contribution has been reduced as the Republic of Korea has acquired a growing capacity to meet its defense requirements from its own resources. Over the years our troop strength has declined from a post-Korea War high of 86,000 in 1955 to the current level of about 42,000. We withdrew a division of 20,000 men in 1971–72. The level since that time has not changed substantially but there have been some adjustments. At present, for example, we are phasing out our Nike-Hercules air defense units, and other adjustments in our military functions are being introduced.

As we have made clear on other occasions, the level of our forces in Korea is not immutable. The possibility of further reductions remains under review. The prospects for such reductions, however, depend on a number of important considerations and involve assessments which must be made with great care. A primary consideration is the threat from the North, and the extent to which our presence helps contain that threat. As noted above, North Korea's military advantages over the South, the actions of the Kim Il Sung regime and our assessment of its intentions indicate that the possibility of an aggressive strike by Pyongyang is a real one. We are convinced that the presence of US forces in Korea has played a key part in deterring the North from taking such a step and has, over the years, kept the tense security situation on the Peninsula essentially stable.

In this regard we must also consider how force reductions would be viewed in Pyongyang and elsewhere. Any future adjustments in our force levels must be planned and carried out so that they do not invite new aggressive and destabilizing moves by Pyongyang.

Another factor determining our specific troop levels is the ability of ROK forces to cope on its own with any threat from the North. South Korea clearly has made significant progress in improving its military capabilities. The North, however, with the support of its allies, is continuing its own buildup. Judgments as to the relative strengths of both sides and the resulting prospects for withdrawal of elements of our own forces inevitably entail an irreducible element of conjecture. Pyongyang's own assessment of the military balance and the implications they derive for their own strategy will be crucial to the success of our deterrent efforts. And we have no sure-fire method of evaluating their perspectives with confidence given the impenetrable wall of secrecy that surrounds their decisionmaking.

A third factor in determining the prospects for force reductions is the prevailing situation in Northeast Asia and the attitudes of the other powers in the area. Our decisions must take into account the possible reactions of Japan, the Soviet Union and the People's Republic of China and their perceptions of what future reductions may imply regarding our role in Korea and throuhgout Asia.

The Japanese Government favors our continued presence in South Korea, regarding it as a major factor contributing to stability in Northeast Asia. An early significant reduction of U.S. forces in Korea would raise apprehension in Japan about Japan's security and the credibility of the US-Japan Mutual Security Treaty. It is also noteworthy that although Moscow and Peking provide support to North Korea, they evidently give no encouragement to Pyongyang to take actions which might upset the present situation, and may view our troop presence as a stabilizing element on the Korean Peninsula.

It has been our hope that the interest in the stability evidenced so far by the great powers in the areas will pave the way for a negotiated solution of the Korean problem. We have consistently supported a meaningful renewal of the South-North dialogue, a proposal which the Republic of Korea has repeatedly made to the North. We have also proposed that South and North, joined by the United States and the People's Republic of China, discuss ways to reduce tensions on the peninsula. Thus far there has been no positive response from the other side on either of these proposals. We are nevertheless continuing to seek ways in which the North and South can reach agreements which will guarantee security and stability in the area.

In the meantime, we will maintain our support for the defense capabilities of the Republic of Korea as it moves toward self-sufficiency in this field. At the same time we will continue to review all the aspects of this support, striving to achieve the most effective and least costly mix of elements. In this context, we will continue to examine our force presence with a view toward further adjustments as these become appropriate.

SECTION 302(b) OF THE BUDGET ACT

Mr. PROXMIRE. Mr. President, in accordance with section 302(b) of the Budget Act, I am submitting to the Senate the fiscal year 1977 budget allocations for programs under the jurisdiction of the Committee on Banking, Housing and Urban Affairs.

I ask unanimous consent that the above-mentioned report of the Committee on Banking, Housing and Urban Affairs be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT PURSUANT TO SEC. 302(b) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

Function and program	Budget authority	Outlays
050—National defense, defense production guarantees	0	201
150—International affairs, Export-Import Bank	2,646,500	0
400—Commerce and transportation, total	869,881	−899,594
Rural housing insurance fund	1,170	1,170
Assessment funds, Department of Treasury	0	3,874
FHA fund	864,761	496,077
GNMA management and liquidating functions	0	−21,400
GNMA special assistance	3,500	3,500
GNMA participating sales fund	0	3,321
GNMA mortgage-backed securities	0	−16,806
GNMA participation sales fund (other)	0	−2,788
National insurance development fund	0	−1,758
Interstate land sales (special fund)	450	450
Emergency loan guarantee fund	0	−5,715
FDIC	0	−767,281
Federal Home Loan Bank Board	0	−242,084
FSLIC	0	−328,875
National Credit Union	0	−48
Credit union insurance fund	0	−21,131
450—Community and regional development, total	28,976	31,763
HUD revolving fund	1,335	1,335
GNMA sales fund (community)	0	2,040
New communities fund	26,452	27,159
Small business disaster loans	1,189	1,189
500—Education training, employment, and social services: GNMA sales fund (higher education)	0	7,392
550—Health: GNMA sales fund (health)	0	−470
600—Income security, total	5,568	−2,640
Homeownership	68	0
Annual contributions HO	5,500	0
Rental housing assistance	0	−5,000
Nonprofit assistance	0	2,360
700—Veterans benefits and services: GNMA sales (vets)	0	−9,220
800—General government:		
Treasury liquidation fund RFC	0	−424
College profit fund	3,500	3,500
900—Interest	8,025	8,025
Committee total	3,562,450	−861,467
DIRECT SPENDING JURISDICTION		
050—National defense	0	201
150—International affairs	2,646,500	0
400—Commerce and transportation	869,881	−899,594
450—Community and regional development	28,976	31,763
500—Education, training, employment, and social services	0	7,392
550—Health	0	−470
600—Income security	5,568	−2,640
700—Veterans benefits and services	0	−9,220
800—General government	3,500	3,070
900—Interest	8,025	8,025
ENTITLEMENTS REQUIRING APPROPRIATIONS ACTION		
600—Income security	94,000	80,000

EXTENDING SSI BENEFITS TO RESIDENTS OF PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

Mr. BUMPERS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Massachusetts (Mr. KENNEDY).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR KENNEDY

I urge the adoption of the Javits-Kennedy-Brooke Amendment to provide for Supplemental Security Income (SSI) benefits for the aged, blind and disabled of Puerto Rico, Guam and the Virgin Islands.

This amendment would end a long-standing discriminatory practice. As things now stand, the aged, blind and disabled residents of these territories receive benefits under the old adult categorical assistance programs. These benefits are considerably lower than the SSI payments for the aged, blind, and disabled in the fifty States and the District of Columbia.

For example, an elderly person from Puerto Rico can receive a maximum benefit of only $21.60. That is the maximum he or she would receive. Compare this to what the same individual would receive if he or she lived in my State. It would be approximately $282.41. Most States, like Massachusetts, supplement above the Federal minimum of $167.80. In other words, the aged person of Puerto Rico does not even receive one-fourth the benefit that an elderly person living in any State in the USA could receive.

Our amendment would correct this inequity. The aged, blind and disabled residents of these territories would be eligible for a benefit based on the ratio of their jurisdiction's per capita income to the State with the lowest per capita income: Mississippi. These recipients would also be eligible for the SSI cost-of-living adjustments, on the basis of this same ratio. These provisions would become effective on October 1, 1977, to give the Social Security Administration time to prepare for the transition.

Approximately 150,000 persons would become eligible for SSI under our amendment. These persons would be eligible for SSI benefits on the same basis as an applicant is considered in the United States. However, these benefits would be lower because of the per capita income formula. The guaranteed income levels to these new SSI recipients would be $91.12 for Puerto Rico, $153.87 for Guam and $167.80 for the Virgin Islands. This means that if the applicant has no other source of income he or she would receive the full guaranteed level. However, if the applicant has countable income he or she would receive a supplement which would equal the difference between that income and the guaranteed level.

For example, if an aged individual in Puerto Rico received $50 in countable income, he or she would be eligible for $41.12 in SSI.

These individuals have suffered as much and often more from our recent economic dislocations than the low-income persons in the 50 States. The blind, disabled and aged of these islands are just as impoverished, just as hungry, just as inadequately housed, and certainly as worthy for assistance as the low-income blind, disabled and elderly of the States. Their jurisdictions have suffered from unemployment and inflation to a greater degree than all of the States. Yet, their indigent are penalized because of their place of residence.

I urge my colleagues to support this amendment. The elderly, blind and disabled of these territories are U.S. citizens and should be treated as such. The sooner we equalize their status for assistance, the better it will be for all. I urge the adoption of this measure.

NUCLEAR PROLIFERATION

Mr. PERCY. Mr. President, I would like the attention of the Senate, to discuss a matter which is not only of great personal interest to me but which is also a compelling issue for the Congress, the American people, and the world as a whole.

In January of this year, the Committee on Government Operations, of which I am the ranking minority member, held extensive hearings on a topic which I can only describe as awesome—nuclear proliferation. The first witness at those hearings was Dr. David Lilienthal, the first chairman of the Atomic Energy Commission. During his testimony, Dr. Lilienthal made a comment which has had an enormous impression upon me. He stated that he was glad that he is not the age of his children or grandchildren, as the risk of nuclear catastrophe has become so great.

And during those hearings I learned that we really are just on the threshold of nuclear proliferation—at a time when concerted action might have a chance to reverse the seemingly inevitable spread of technology—in this case the knowledge and materials necessary to develop a nuclear weapons capability.

For many years it was assumed that only the technologically sophisticated industrial nations would be capable of launching a nuclear weapons program; a sobering prospect in itself. Then in 1974, India detonated what was euphemistically termed a "peaceful" nuclear explosion—a devastating development which proved that a Third World country could develop nuclear weapons out of a supposedly peaceful nuclear power program.

Since that time, the trend toward proliferation has accelerated as two of our allies, France and West Germany, have agreed to provide incredibly sensitive nuclear technology to Brazil and Pakistan. We have heard estimates that Israel has or could quickly develop nuclear weapons, and just recently Taiwan reconfirmed that Third World countries can develop the means to transform spent nuclear reactor fuel into plutonium—the basic component of a nuclear bomb. Although Taiwan has now agreed to forgo reprocessing, the mere fact that she successfully obtained such a capability demonstrates a serious weakness in existing international controls. Finally, an administration official recently noted that serious doubts have also been raised about the nuclear weapons intentions of South Korea, Pakistan, Brazil, Argentina, South Africa, and Libya.

The first step which must be taken to counter this threat is to assume an outspoken international position against the spread of sensitive nuclear technology. For many years the United States has been reluctant to take decisive action on proliferation even at major watershed points. We were barely heard in our opposition to the Indian explosion—even though U.S. heavy water probably was used. We voiced little if any opposition to the German-Brazilian deal and did not object to the French deal with Pakistan until years after it was initially discussed. Unless we make it clear that there are serious diplomatic costs associated with such actions, the message will be clear—that other nations can develop nuclear weapons with impunity.

The next and most important goal to be achieved is the negotiation of a broad international agreement to establish strict controls on the transfer and use of sensitive nuclear technology and to apply immediate sanctions against countries which act to further proliferation. Only through such international commitments can we reach a lasting solution to the proliferation threat.

The United States can and must assert strong and creative leadership in this effort, making it a major goal of U.S. foreign policy. Until recently, however, nonproliferation efforts have not enjoyed such prominence within the State Department. I do not mean to suggest that this issue has been totally ignored, as much vital work has been done in recent years with the Nonproliferation Treaty, discussions among the supplier countries, and successfully urging South Korea and Taiwan to abandon their reprocessing plans. Yet for years proliferation has been treated as one of many long-range goals, receiving only sporadic attention by top Government officials. I feel very strongly that unless we take immediate steps to impress upon the other suppliers and the world community that the United States is deadly serious and attaches primary importance to the achievement of effective international controls, the already fading opportunities for successful action will have passed forever.

For years I have been deeply concerned and for the past 2 years intimately involved in the effort to develop a consistent policy on nuclear proliferation which would embody a strong congressional statement to be implemented by a concerted executive branch effort to obtain necessary international agreements and to insure that U.S. nuclear exports are not misused for nonpeaceful purposes. During this effort several of my colleagues contributed a great deal of time and energy in the effort to develop sound legislation. I am sure that Senators ABE RIBICOFF and JOHN GLENN, with whom I have worked so closely on this legislation, would agree that Senators JOHN PASTORE, STUART SYMINGTON, HOWARD BAKER, and JACK JAVITS deserve particular acknowledgment for their efforts to develop legislation which would not only be constructive, but which would provide a real momentum to this issue which has been sorely lacking in the past.

After several months of congressional negotiations and numerous drafts of legislation, the question came down to the differences between a bill which incorporated a number of administration-proposed amendments and the compromise bill which was worked out among the members of the three directly involved committees, the Joint Committee on Atomic Energy, Government Operations, and Foreign Relations of the Senate. Indeed, it became clear that without a resolution of these differences it would be impossible to enact legislation this year.

As a result, I have personally spent a great many hours in intensive negotiations particularly over the past 2 weeks, with the support of countless hours of negotiations by my staff in an effort to develop compromise legislation with the administration which could be enacted this year. I must pay particular tribute to Robert Fri, Deputy Administrator of ERDA, and Charles Robinson, Deputy Secretary of the State Department for the enormously energetic and constructive role which they played in these negotiations. Both of these men stuck their necks out within the administration for principles which they felt were crucial to a responsible position of U.S. leadership in this field. These negotiations proved to be enormously valuable—not only in terms of moving toward a compromise on legislation but also in terms of focusing the issues on which we still disagree.

We came within a hair's breadth of reaching an agreement which members of the joint committee, the Foreign Relations Committee, and the Government Operations Committee and the administration could have supported, and I intend to insert in the RECORD at the end of my remarks the strict principles which were agreed upon to provide tough guidelines for international negotiations on this topic. Unfortunately, late this afternoon—with the pressure of the parliamentary situation on the floor and with but few hours remaining in the session, we reached an impasse which forced both sides to abandon the effort to enact legislation this year.

It is deeply disappointing to me that we failed, having come so close, to place the United States squarely on record as proponents of truly strict international controls on this growing menace to world peace. Yet these last few days of negotiations have been fruitful in drawing clearly into focus the one issue which I feel will be the crux of the debate next Congress when we resume our efforts to achieve decisive, responsible congressional executive branch action in this field.

Briefly, that issue concerns the fact that most of our existing agreements for cooperation in nuclear energy with other countries contain serious weaknesses which undermine our ability to minimize the risk of nuclear proliferation.

With many of these countries we have actual contracts for the supply of nuclear materials. The basic issue which will face Congress and the President next year is exactly what is the United States prepared to do in order to strengthen those existing agreements to the point where we can have reasonable assurance that U.S. peaceful nuclear exports will never be diverted to explosive purposes? Is this question so important that we must be prepared to refuse additional shipments—even under contract—until satisfactory amendments are in place, or are the implications of demanding such a renegotiation so fraught with diplomatic dangers that we must be satisfied with lesser sanctions?

Mr. President, I would like to make it known that I intend not only to introduce legislation in the 95th Congress to carry this debate forward, but I also intend to press for a concurrent resolution calling for congressional action early next year so that we do not lose any more precious time.

Let us act promptly early next year to reverse the sorry record of procrastination and neglect by both the legislative and executive branches of government over a period of years which has already cast doubt in the eyes of other nations upon our commitment to these fundamental objectives.

Mr. President, I ask unanimous consent that the language of section 15(b) of the negotiated compromise be placed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 15(b) The principles which the Congress finds to be necessary to fully achieve the purposes of this Act, and which shall be sought from all nations and groups of nations with respect to their peaceful nuclear activities, and from all nuclear exporting nations with respect to their international nuclear trade, are:

(1) Assurances shall be received from non-nuclear-weapon states that IAEA safeguards shall be applied with respect to all nuclear activities in, under the jurisdiction of, or carried out under the control of those states;

(2) Assurances shall be received from non-nuclear-weapon states that except as permitted in the treaty no nuclear material, equipment or sensitive nuclear technology in, under the jurisdiction of, or under the control of those states will be used for nuclear explosive devices for any purpose or for research on or development of nuclear explosive devices for any purpose;

(3) Assurances shall be received that all nations and groups of nations will establish and maintain adequate physical security measures for all of their nuclear activities;

(4) Assurances shall be received from all nations and groups of nations that no nuclear material, equipment or sensitive nuclear technology in, under the jurisdiction of, or under the control of those nations or groups of nations shall be transferred by them to the jurisdiction of any other nation or group of nations unless such nation or group of nations provides the assurances set forth in this subsection;

(5) Assurances shall be received from all nations and groups of nations that—

(A) no source or special nuclear material in, under the jurisdiction of, or under the control of any nation or group of nations will be enriched or reprocessed, no irradiated fuel elements containing such material which are to be removed from a reactor will be altered in form or content, no fabrication involving weapons-grade material shall be performed, and no weapons-grade material will be stockpiled except in a facility in a nuclear supplier nation which has been placed under effective international auspices, management, and inspection, and any such irradiated fuel elements shall be transferred to such a facility as soon as possible after removal from a reactor consistent with safety requirements;

(B) any facilities in, under the jurisdiction of, or under the control of any nation or group of nations for the necessary short-term storage of fuel elements containing weapons-grade material prior to placement in a reactor or of irradiated fuel elements prior to transfer as required in subparagraph (A) shall be placed under effective international auspices, management, and inspection; and

(C) any transfer of weapons-grade material, fuel elements containing weapons-grade material, or irradiated fuel elements shall be conducted under international auspices, management, and inspection.

Nothing in this paragraph shall affect military-related activities of nuclear-weapons states otherwise permitted under the treaty.

Mr. PERCY. As a Washington Post editorial recently noted:

> The United States cannot afford to leave anywhere the impression that it is not really serious about halting the spread of nuclear weapons.

DESEGREGATION OF THE NATION'S PUBLIC SCHOOLS

Mr. BROOKE. Mr. President, prior to our recess, I would like to call to the attention of my colleagues the recently released report of the U.S. Commission on Civil Rights entitled "Fulfilling the Letter and Spirit of the Law: Desegregation of the Nation's Public Schools." This report is based on one of the most extensive and thorough studies of school desegregation undertaken in recent years. Civil Rights Commission staff conducted over a thousand interviews with the people most affected by school desegregation—interviews with students, parents, teachers, school administrators, and local elected and civic leaders. The Commission's report provides detailed information on the progress of desegregation in 33 school systems in all parts of the country and presents general data based on a survey of over 1,200 school districts.

Although I cannot summarize the wealth of information contained in this 300-plus-page report, I would like to share a few of my thoughts and observations about it. Twenty-two years ago, the Supreme Court declared in Brown against Board of Education that racially segregated public schools violate the Constitution. The Commission's report documents the fact that despite delays and defiance, the Nation is moving closer to compliance with the constitutional command to eliminate school segregation.

The report of the Civil Rights Commission contradicts the widely publicized misconception that school desegregation is chaotic and counterproductive. Unlike the 60-second television reports which focus on the temporary problems of one school out of an entire school system, "Fulfilling the Letter and Spirit of the Law" documents that for most students desegregation is both a peaceful and positive educational experience. The Commission credits the general success of school desegregation to the conduct of students, strong community leadership, and citizen respect for the law.

I am sure that all Americans who share my concern for the children of this Nation and their constitutional rights are encouraged by the Commission's amply documented conclusion that "school desegregation works."

THE EXPORT ADMINISTRATION ACT AMENDMENTS

Mr. WILLIAMS. Mr. President, before the 94th Congress adjourns, there is one piece of business which we must not leave unfinished—the Export Administration Act amendments.

Both the House and the Senate have acted upon legislation which would, in addition to extending the Export Administration Act, strengthen the antiboycott features of the act. And I should add that both Houses have approved these bills (S. 3084 and H.R. 1577) by overwhelming margins.

Beginning in the 1950's the multiple and manifold dimensions and purposes of the Arab boycott of Israel have been discussed many times in this Chamber. More recently, and especially since the oil embargo of 1973—the scope, intensity, and the impact of the Arab boycott and its domestic and international consequences have been a matter of careful study.

The outcome of the vote in both Chambers—65 to 13 in the Senate; 318 to 63 in the House—illustrates that there is considerable sentiment for legislation to prohibit compliance by American firms with particular types of boycott requests. For example, the Senate bill would prohibit: First, U.S. firms from furnishing any information regarding the race, religion, or national origin of its employees, shareholders, officers, directors, or those of any other U.S. company where such information is sought for purposes of enforcing a foreign boycott; and second, from refusing to do business with other U.S. firms pursuant to a foreign boycott demand. By prohibiting compliance with boycott demands for discrimination against U.S. citizens, the Senate bill would attack directly attempts to interfere with internal American affairs, defend the sovereignty of the United States, and prevent U.S. companies from being drawn into the conflicts of foreign nations. The House bill would go further with a blanket prohibition on all actions in compliance with a foreign boycott, without exceptions.

In view of the extensive studies produced by the Congress which document and substantiate the economic distortions and religious discrimination resulting from the boycott, such legislation is long overdue.

Without question, the Arab boycott has an enormous impact on American business. The House Commerce Investigations Subcommittee reported that American forces are complying with over 90 percent of the boycott request as the cost of doing business with Arab States. The total value of goods and services involved in all reported boycott requests during a 2-year period from January 1974, to December 1975, was $2.7 billion.

During 1974 and 1975, 637 U.S. exporters sold at least $352.9 million and as much as $781.5 million in goods and services under boycott conditions. The actual figures are not determinable due to deficiencies in the Commerce Department's reporting requirements.

Putting aside the impressive and, in my judgment, persuasive congressional studies, the Commerce Department yesterday released its most recent figures to measure the economic impact of the boycott and its consequences.

Today's Wall Street Journal, in an article entitled "U.S. Exporters Comply with Boycott Bids from Arabs 94 Percent of the Time . . ." spells out the scope of the boycott and underscores the need for more effective legislation. These new statistics are particularly important because they provide the first reliable data on the extent to which U.S. exporters have been complying with boycott requests due to improved reporting requirements.

First, the figures indicate a sharp increase in both the number of transactions involving boycott requests and the number of companies reporting compliance. The upward trend results from the continuing increase in the level of trade in the Middle East as these countries continue to reinvest their petrodollars in American products, technology, and know-how. While this is beneficial to our overall economy, it also demonstrates that as trade grows, boycott pressures in U.S. busines will likewise increase.

In addition, these figures reveal, for the first time, the number of banks, freight forwarders, insurers, carriers, and other companies receiving requests, and the number of transactions in which they comply. And they confirm the central role of these intermediaries in effectuating the Arab boycott.

Mr. President, I ask unanimous consent that this article from the Wall Street Journal be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S. Exporters Comply With Boycott Bids From Arabs 94 Percent of the Time, Data Show

Washington.—Nearly all the American exporters that receive Arab boycott requests are complying with them, according to Commerce Department figures.

Statistics for the six months ended last March 31, made available yesterday in response to repeated requests, show that exporters indicated in reports to the department that they were complying with boycott requests in 94% of the 11,482 transactions in which requests were received.

The statistics provide the first hard look at the extent to which U.S. exporters have been complying with boycott requests. The department's statistics for previous periods were made under rules, since changed, that allowed exporters reporting that they had received boycott requests to avoid answering whether they intended to comply with them.

In the report for the six months ended Sept. 30, 1975, for example, exporters said they were complying with requests in 56% of the transactions received, but in another 42% of the transactions exporters didn't tell the department whether they were complying.

The figures also show sharp increases in the number of transactions—to 11,482 in the six months ended March 31 from 7,396 in the previous six-month period—and in the number of requests received. The number of companies reporting that they reecived requests increased to 894 from 517 in the previous six-month period. The number of requests received—there can be many requests in connection with one transaction—increased to 21,360 from 10,565.

Some of the period-to-period increases undoubtedly reflect increases in the volume of trade, but the boycott statistics don't make clear to what extent this was a factor.

The figures for the latest period also show for the first time the number of banks, freight forwarders, insurers, carriers and other companies receiving requests, and the number of transactions in which they complied with them. Previously, figures had been reported only for "exporters." The proportion of transactions in which requests were complied with by the other types of businesses is in line for the most part with the proportion for exporters.

Although the requests took a number of forms, those most frequently received were requests to assure the Arab importer that the exported goods weren't of Israeli origin or didn't contain material of Israeli origin and to assure the importer that the carrier of the goods wasn't included on the Arab League's blacklist.

The figures show a relatively small number of requests to discriminate directly against Jews. Out of the 51,083 received by all types of businesses, only eight appear to be requests to practice outright discrimination. Another 771 requests were received asking that goods not be marked with the star of David, or a hexagonal star. Under a recent Commerce Department ruling, such a request is considered discriminatory.

The figures appear to support the view of congressional critics who have alleged frequently that nearly all U.S. companies confronted with boycott requests comply with them.

The department normally releases figures a month or two after the reporting period. But the department said the inclusion of the other categories of concerns and the increase in the volume of reports from exporters slowed the computation of the figures.

Mr. WILLIAMS. Mr. President. I cite these figures to prove two points. First, the Arab boycott exists; and second, it is expanding to envelop more trade and more American individuals and firms. From an economic standpoint, then, the Arab boycott has a measurable, far-reaching impact on U.S. business as well as on the international trade.

That the Arab boycott also contains elements of religious discrimination is also supported by these recent figures. For example, the article indicates that boycott requests sometimes require outright discrimination. More frequently, it is requested that goods not be marked with a Star of David.

More egregious instances of such discrimination—actual cases—dramatize the serious and pervasive discriminatory effects of the Arab boycott. In each instance, Americans were coerced into discriminating against fellow Americans and European firms under pressure from Arab countries.

A U.S. bus manufacturer had its contract to sell buses to an Arab State terminated when it was learned that the seats were to be made by an American company on the blacklist.

Two American investment banking firms were disciplined by the National Association of the Security Dealers—NASR—for violating that organization's rules of fair practice in substituting nonblacklisted affiliates for blacklisted firms in underwritings with Arab participation.

Bechtel Corp. was sued by the Justice Department for violating the Sherman—antitrust—Act in refusing to deal with blacklisted American subcontractors and requiring American subcontractors to refuse to deal with blacklisted persons or entities.

Mr. President, the United States has always stood for international trade unimpeded by artificial barriers which disrupt the open market and interfere with free trade. And unconscionable religious discrimination, integral to the Arab boycott, is repugnant to our ideals as a nation. Neither our citizens nor our Government should tolerate such practices.

In particular, I strongly believe that U.S. businessmen should be protected against harassment and intrusion into their business affairs and from trampling by foreign governments and members of the Arab League of constitutionally guaranteed freedoms.

As I said at the outset, legislation has been acted upon by the Senate and the House of Representatives to assure our citizens, and serve notice to other governments, that the United States will protect its citizens' integrity—individual as well as corporate—from erosion under present international and political realities.

Unfortunately, the administration is opposing this legislation. By capitalizing on the early adjournment this session, the administration has been able to prevent the appointment of conferees and made clear that effective antiboycott legislation will be vetoed. The administration's intransigence has already resulted in the expiration of the Export Administration Act. The probable economic disruptions and chaotic effects of this cannot be predicted.

Moreover, the administration's opposition lends credence to those who wonder out loud if this country is equal to its legend as the home of the freedoms it was formed 200 years ago to protect from foreign interference and guarantee to its citizens.

Finally, in the face of the very strong antiboycott positions taken by some West European countries and some of our States, I must question whether the policies and directions of the United States are being chartered here in Washington or overseas by a handful of oil-rich countries.

Mr. President, strong antiboycott bills are now before us for consideration. I make this statement to request of my colleagues that we have the opportunity to debate and vote on these bills before we adjourn. Otherwise, I am afraid the 94th Congress will close having left one of its most important undertakings incomplete.

MENACING STATEMENTS FROM THE COMMUNIST WORLD

Mr. McCLURE. Mr. President, over the years, we have become accustomed to sorting through a wide variety of menacing statements issued by leaders in the Communist world. In the past, largely because of the economic and military inferiority of the Marxist-Leninist states, these vocal threats carried little weight in the American foreign policy establishment. Now, however, these strident pronouncements cannot easily be ignored. During the last 30 years, we have all seen American diplomatic and military superiority over the Soviet Union decline to the point where our leaders in the Congress and in the executive no longer feel comfortable using the word "superior" to describe our strategic position. "Sufficiency," "essential equivalence," and "rough parity" constitute the jargon of respectability today, while "superiority" increasingly applies to the effects of certain military accomplishments of the Soviet Union.

In this context of an enhanced Russian military capability, recent statements by East German Communist Party leader Erich Honecker and East German Defense Minister General Heinz Hoffmann are alarming. In a 4½-hour speech on the 18th of May, Honecker told the Ninth Party Congress in East Berlin that the "international balance of forces" now favors the Communist bloc, and he hinted that Warsaw Pact guarantees might be extended to nations outside Eastern Europe. Russian military superiority, according to Honecker, will promote "Wars of National Liberation" and assist pro-Soviet governments around the world. The "enforcement of international détente" through the neutralization of American influence overseas was the theme of Defense Minister Hoffmann's talk the following day. Both speakers stressed the importance of incorporating an ever larger number of nations into a system of military interdependence, and they expect East Germany to play a major role in this system of collective security. The presence of East German technicians, advisers, ships, and munitions in the Middle East and southern Africa suggests that greater international commitments have already been made.

In fact, an informal collective security system centered on the Soviet Union has existed on the Russian periphery for some time, and it continues to expand outward. This system of mutual support between several nations of the Middle East and the Indian subcontinent on the one hand and the Warsaw Pact on the other hand was described by Mr. Avigdor

Haselkorn of Stanford University in the Spring 1975 issue of Orbis: "A Journal of World Affairs."

According to Mr. Haselkorn, the Soviet Union has been very successful in promoting its own strategic objectives by exploiting regional conflicts and developing in certain non-Communist nations a dependency upon military aid from the Warsaw Pact or Soviet proxies. In exchange for this aid, participants are encouraged to become more deeply involved in regional disputes and "Wars of National Liberation." This continuous use of the system tests its reliability and reinforces the habit of cooperation. The process of military cooperation is further strengthened by an intertwined network of bilateral treaties linking participants to each other and to the Soviet Union. Although no overarching defense pact exists, the Soviet collective security system works, and it works to the advantage of the Soviet Union above all. Egyptian President Anwar Sadat has testified to this.

Growing Russian military power acting in conjunction with a worldwide Soviet collective security system can only reduce the risks and increase the opportunities facing the Soviet Union in the international sphere. The collateral reduction in American influence abroad can only serve to accelerate Soviet adventurism. The seriousness of these trends was painfully illustrated by recent developments in Angola.

Mr. President, I ask unanimous consent that "The Soviet Collective Security System" by Avigdor Haselkorn be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Soviet Collective Security System

(By Avigdor Haselkorn)

The idea of establishing an Asian collective security system was first raised by Leonid Brezhnev on June 7, 1969. Since then the typical view among Western commentators holds that "the USSR has continued, without great emphasis or success, [the] campaign to create a collective security system in Asia," [1] thus indicating that "[l]ike most Grand Designs on a continental scale, a Soviet Grand Design for Asia is almost certainly illusory." [2]

True, some Western analysts draw attention to the possibility that "what Soviet leaders envisage for Asia is not necessarily a single multilateral security pact but perhaps a network of bilateral treaties between the USSR and individual Asian countries on the model of the Soviet-Indian Treaty of Friendship of August 1971." [3] Moreover, certain observers correctly believe that there is some link between the idea of an Asian collective security system, the Soviet-Indian treaty, the Treaty of Friendship concluded between the Soviet Union and Egypt in 1971,[4] and the Soviet-Iraqi Friendship Treaty of 1972.[5]

However, even the latter group stops short of suggesting the defense connection existing between the different treaties in operational terms.[6] Put differently, one rarely encounters a macroanalysis of the direction and types of mutual strategic support among the various segments of the Soviet collective security system. This might be attributed to the preoccupation of many scholars with bilateral interactions rather than their totality—with compartmentalistic details rather than a systemic view.

The purpose of the present article is to prove the existence of a strategic link tying together the Warsaw Pact treaty, the Middle East treaties—including the recent Treaty of Friendship the Soviets signed with Somalia,[7] and those expected with Syria [8] and the People's Democratic Republic of Yemen (PDRY)—and the Indo-Soviet treaty. By demonstrating the performance of various strategic mutual-support functions between these security subsystems, I expect to show that a Soviet collective security system is far from being an illusive Grand Design and, in fact, is largely in place, and may well be extended in the future.

To illustrate the point, we will examine two groups of interactions: the Warsaw Pact-Middle East subsystem and the Middle East-Indian subsystem. The strategic mutual-support functions to consider in these instances are of three types: (1) logistic support, i.e., the supply of military advisers, equipment and bases; (2) defensive support, i.e., a threat of direct military intervention by one subsystem in support of another—obviously an option that could be used only with regard to cases in which a part of the collective security system had been put in jeopardy; and (3) offensive options, i.e., situations in which the security system could be utilized to initiate large-scale military operations against an enemy of the Soviet Union.

STRATEGIC MUTUAL SUPPORT: THE WARSAW PACT-MIDDLE EAST SUBSYSTEM

Support for the Middle East

The first dimension of the relationship between the two subsystems consists of strategic support given the Middle East (Egypt, Syria and Iraq) by the northwestern members of the Soviet collective security system, tho Warsaw Pact.

Logistic Support. After the Yom Kippur War in October 1973, it was claimed [9] that Egyptian President Sadat had been prepared as early as August or September 1972 to drop a parachute brigade somewhere in the Sinai and had actually issued orders to that effect, but his War Minister at the time, General Mohammed Sadek, refused to carry them out, probably because the Egyptian army lacked ammunition for more than three days of fighting. Yet while commenting on the war, Syrian President Asad claimed that Cairo and Damascus had planned for a ninety-day campaign.[10] This posed two important questions: Could the Arab leaders have risked planning a 90-day campaign if they had not had prior Soviet assurance of receiving additional munitions and equipment after the start of combat operations? Or, conversely, if the Soviet Union had limited the amount of munitions and supplies it had provided to maintain control over the actions of its clients, why did this control prove ineffectual as a restraint on the Arabs' decision to go to war? [11]

The 1973 Middle East war provides one of the best demonstrations of logistic support performed between subsystems of the Soviet collective security system. A Soviet airlift carrying supplies into Egypt, Syria and Iraq began operating on October 7, the second day of the war,[12] and reached massive proportions by October 10.[13] Within fourteen days (October 10-October 24) the Soviets flew 832 resupply missions, peaking at seventy to ninety flights daily,[14] and carried 13,000 tons of arms [15] to the three Arab states. Soviet air force pilots also flew MiG-21 fighters directly to Syria.[16] Simultaneously, some thirty Soviet merchant vessels were carrying resupplies to Egypt and Syria.[17] Two or three Soviet freighters a day docked at the port of Alexandria, and *at least one ship a day arrived from other East European countries*.[18] Within a thirty-day period some 225,000 tons of arms and ammunition were thus sealifted to the two Arab belligerents.[19]

It is important to stress for our purposes that the Soviet air and sea operations depended largely on stocks of heavy weapons and ammunition concentrated in Hungary for the support of Warsaw Pact forces in Central Europe.[20] In fact, a land link was established from Hungary to the Yugoslav port of Rijeka in order to sealift heavy equipment (including T-54 tanks) to the Middle East. It is estimated that at that time the Rijeka facility handled an average of 60,000 tons of material per week.[21] Further, military cargo flights were flown from a Soviet air base in Turkeve, Hungary, and from Bulgaria.[22]

The difference between the behavior of the Warsaw Pact members, "which cooperated energetically in the Soviet assistance to Egypt and Syria during the fighting," [23] and that of NATO members moved U.S. Secretary of State Kissinger to issue a bitter complaint to the European allies. Kissinger pointed out that the American administration was upset because the Europeans had denied the United States free access to military stocks and facilities in Europe in its effort to resupply Israel with weapons, even though the Soviet Union used its military stocks and facilities in Eastern Europe to resupply Arab countries.[24]

The supply of military advisers was another requirement of logistic support met effectively by the Soviet collective security system. During the war a sizeable body of Soviet military advisers and technicians were supervising, and assessing the performance of, new weapons systems supplied to the Arabs.[25] Deputy Defense Secretary William P. Clements told a Senate Foreign Relations Subcommittee that some Soviet troops had manned anti-aircraft missile sites during the fighting, but that they had "not actively engaged themselves in hostilities." [26]

Defensive Support. As one might expect, defensive support aspects of the Soviet collective security system are revealed only when one of its subsystems comes under direct military threat. Again, the closing days of the Yom Kippur War illustrate the point.

On October 25, 1973, the United States placed its forces on alert after it concluded that Moscow was preparing to send forces into the Middle East, presumably to defend the collapsing Egyptian army.[27] Among indications of the Soviet intent was the alert of some 40,000 to 50,000 Soviet airborne troops, stationed normally in East Germany, Poland and the USSR [28] but which had been moved to potential staging areas in the southern part of the Soviet Union.[29] This was compounded by the fact that at the same time the airlift of supplies to Egypt and Syria had tapered off as Moscow apparently shifted to ships to get military equipment to the Arabs.[30] The Americans reasoned that the Soviets were diverting their cargo aircraft to pick up the alerted airborne divisions.[31]

Further, the Soviets were reported to have approached Yugoslavia for permission to fly troops over that country to the Middle East,[32] and to have transferred an airborne division from Tula (about 100 miles south of Moscow) to a base near Belgrade. The staff of that division was alleged to be in Damascus.[33] Another reported move was of an air transport unit of approximately thirty aircraft from Prague to Belgrade.[34] In addition, a huge movement of Soviet rail traffic in Eastern Europe, probably the most concerted in all of Europe since World War II, was detected by the Americans on October 12, moving to the *east*—away from Soviet bases in Central Europe; this raised suspicions that the Soviets were moving war matériel to airports to support an airborne intervention.[35]

Concern was felt, too, about the possibility that Moscow might move in some of its "naval infantry" [36] from ships stationed in the Mediterranean. A naval infantry brigade of some 3,000-4,000 men is regularly deployed in each of the four Soviet fleet areas,[37] and there were reports that the Mediterranean

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contingent had been augmented during the war.[38]

In assessing the Soviet capability to intervene in defense of one of its collective security subsystems, several points should be considered. First, Soviet military doctrine stresses the airborne arm's ability to intervene in sudden crises either with paratroops or with infantry landing on friendly fields. Second, these forces have been expanded rapidly in recent years. Whereas Western intelligence estimated three years ago that there were seven Soviet airborne divisions, the present estimate is at least twelve and possibly thirteen, with a mobilized strength of 7,500 each.[39] Third, the expansion of the airborne forces has gone hand in hand with development of the Soviet airlift capability. It is estimated that the Soviet air force can currently move three airborne divisions in one lift over short or medium range,[40] and some sources say this capability is being expanded to handle the rapid deployment of five airborne divisions.[41] This will probably be achieved by the introduction of the new Il-76,[42] which seems capable of carrying some 250 troops over 5,000 kilometers (2,800 nm).[43] One hundred of these craft reportedly have been ordered.[44]

However, some military analysts who studied Soviet options for military intervention in the Middle East [45] suggest that units other than airborne would be more effective in the Sinai and in Syria. They point to the sustained tactical mobility required in both areas, mobility a Soviet airborne division does not possess. Moreover, it is said that as far as desert operations are concerned, Soviet military planners see close coordination with regular ground forces as a necessity, and they would probably not commit an airborne division without having available reliable link-up forces in the form of tank or motorized rifle units. Accordingly, Graham H. Turbiville reaches the conclusion that the most combat effective Soviet intervention force to be used in the desert regions of the Middle East would be composed of regular Soviet tank and motorized rifle units. While such units could not be quickly transported to the Middle East in their entirety, *personnel from a desert-trained tank division in the USSR could be transported in fewer than 100 An-12 aircraft flights.* Major items of equipment to include *tanks, APCs, artillery and logistic support vehicles would certainly be available in Egypt or Syria from the huge Soviet equipment stocks already provided to the Arabs.* Thus several Soviet motorized rifle and/or tank divisions could be flown in, reconstituted and converted to battle in a matter of days. The commitment of regular ground units, in *conjunction* with airborne troops and naval infantry, could decisively determine the outcome of combat operations in the Sinai or Syria.[46]

Finally, another aspect of defensive support furnished by Moscow to the Middle East security subsystem has to do with the introduction—under Soviet control—of SCUD-B SRBM's into Egypt. Two brigades of these missiles had left the USSR for Egypt *with crews* on September 12 and two more were airlifted to Cairo West Airport in AN-12 transports after the October 22 cease-fire had collapsed.[47] The deployment of the missiles in Egypt in the first place could be construed as deterrence against possible Israeli strategic air strikes, whereas the urgent dispatch of Soviet missile reinforcements to Cairo—once an Egyptian military collapse became imminent—probably constituted a Soviet signal warning Israel against pursuing the battle and/or mounting a direct threat to the Egyptian capital. Thus, this move should be regarded as a limited, but significant, direct Soviet intervention in the war aimed at providing *specific* defensive support to a threatened security subsystem.

There is little doubt that, given the willingness to act, the Soviet collective security system possesses a capability enabling the Warsaw Pact to perform satisfactorily a range of strategic mutual-support roles in behalf of the Middle East subsystem.

SUPPORT FOR THE WARSAW PACT

We now turn to the second dimension of the interaction between these two subsystems, namely, demonstrations of strategic support provided to the Warsaw Pact by the Middle East..

Logistic Support. Clearly, the naval facilities Egypt and Syria have made available to the Soviet Mediterranean Fleet help its main mission of countering the strategic strike capability of the U.S. Sixth Fleet.[48] Besides, the "provision of naval facilities at Alexandria and Mersa Matruch (Egypt) has enabled the Russian fleet to increase the number of its ships in the Mediterranean without placing a strain on the limited resources available for replenishment at sea." [49] It is therefore significant that in December 1972 (five months *after* the expulsion of Soviet advisers from Egypt), President Sadat extended the 1968 agreement on the right of the Soviet navy to use Egyptian port facilities, which was to expire in March 1973.[50]

Moreover, though Soviet-Syrian relations have not yet solidified into a friendship treaty similar to those signed with Egypt and Iraq, some observers draw attention to the military agreements concluded between the two countries. Specifically cited are the military agreement signed between the Soviet Union and Syria on May 14, 1972 and the security arrangement of September 1972.[51] Because of these agreements the Soviets were allowed to build improved naval facilities at two Syrian ports—Latakia and Tartus. A number of reports have also mentioned that a large Soviet submarine harbor is being built at Ras Shamra. Without doubt, naval facilities on the Syrian coast afford the Soviets even greater flexibility for their operations. In fact, as a direct consequence of these developments, Soviet naval spokesmen were able to claim considerable success in deterring the unilateral exercise of Western naval power in the Mediterranean.[52]

Admittedly, the Soviet fleet's biggest operational problem in the Mediterranean is that of airpower. This might be solved to some extent by its SSM (surface-to-surface missile) strength. Nevertheless, as long as it has no aircraft carriers with fixed-wing aircraft,[53] its air support must come from land-based squadrons, which, even when these are available, sets limits on the fleet's safe radius of action. In this respect the expulsion of the Soviets from Egypt in July 1972 was a serious setback for Moscow.[54] Yet it is far from certain that there are at present no Soviet pilots in Egypt and Syria and that, if needed, additional pilots would not be redeployed there.

Since the October 1973 war Soviet MiG-25's have been stationed in Cairo West Airport,[55] and the Ilyushin Il-38 maritime reconnaissance/anti-submarine aircraft with Egyptian air force markings that have shadowed NATO naval forces in the Mediterranean are believed to be operated by Soviet crews [56] Earlier reports suggest that the Soviets had moved approximately fifteen MiG-23 fighters and a squadron of nine to eighteen Su-7 ground-attack aircraft into Algeria. If true, this might have a considerable effect on the Soviet fleet's radius of operations in the Mediterranean. Significant also for the performance of the Kremlin's collective security system is the reported use of Soviet An-22's to fly these aircraft to Egypt, where they were assembled before being flown to Algeria.[57]

Finally, it is important to stress that although NATO has a marked edge over the Soviet Union in air cover and air support for its ships, it also has the task of securing its communications along its southern flank to Greece and Turkey. The USSR by contrast has interior lines on land. NATO's land-based air strength in the Mediterranean could be drawn off in war into the land battle. Additionally, by gaining a secure foothold in Syria and Iraq, the Soviet Union has totally outflanked CENTO and is in a position to ensure easy movement by land between the Mediterranean and the Persian Gulf.[58]

STRATEGIC MUTUAL SUPPORT: THE MIDDLE EAST-INDIA SUBSYSTEM

Support for the Indian subsystem

The first dimension of this relationship involves the support the Middle East security subsystem has furnished the Indian subsystem.

Logistic Support. A clear demonstration of this kind of support occurred before and during the Indo-Pakistani war of December 1971. As early as November 1971, a month before war broke out, it was reported that Soviet Foreign Minister Andrei Gromyko was offering the Indians (who had signed a Friendship Treaty with Moscow on August 9, 1971) an immediate supply of weapons, "with the most advanced missile and radar components flown in immediately and other materiel arriving in eight shiploads." [59]

An analysis of relevant geopolitical factors reveals that a Soviet airlift into India is a complex maneuver.[60] The only air corridor that can be safely utilized for this purpose lies over the Middle East. Two routes are available: over Egypt with a refueling stop in Somalia and/or the People's Democratic Republic of Yemen,[61] and over Syria with a refueling stop in Iraq. The diversity of Middle East routes and air bases provides flexibility, if political problems with a host country arise, and enables Moscow to fly jet fighters as well as transport aircraft into India. This saves the time-consuming acceptance-check flights that would be necessary if the aircraft had to be assembled in India.

All these advantages, together with those usually associated with the possession of a forward base area, were utilized by the Soviets before and during the Indo-Pakistani war. In early November twelve Soviet transport planes carried military equipment, mainly advanced versions of SAM's, to New Delhi and Bombay.[62] Moreover, during the war thirty An-22 transport aircraft used Cairo's military air base (Almaza) as more than a refueling stop in flying reinforcements to India: Sadat disclosed that Soviet cargo aircraft on their way to India *picked up Soviet equipment in Egypt.*[63] Simultaneously, the Soviets were reported transferring some of their jet warplanes from Egypt *directly* to India to replace Indian air force losses during the war. About fifteen MiG-21 fighters and Tu-16 bombers were reportedly delivered.[64] Plainly, Soviet conduct during this crisis fulfills John Erickson's expectation that "'on the spot' airpower and a highly mobile air force operated from the Soviet Union, would probably best serve Soviet interests." [65]

Several recent revelations further indicate the existence of a logistic link between the Middle East and Indian security subsystems. Noting them, the analyst must wonder why the Soviets are maintaining a squadron of medium bombers constantly in Iraq [66]—either Tu-16's or Tu-22's, jets with a range capable of reaching India—instead of the usual deployments of MiG's and Sukhoi's as in other Arab states. Again, why are they keeping a cache of several hundred Mikoyan and Sukhoi fighter aircraft in varying degrees of operational readiness in storage in Egypt, Syria and Iraq—stock that remained untouched during the Yom Kippur War and during the massive Soviet effort to replace Arab plane losses in that war? [67]

It is conceivable that these aircraft are being kept in readiness for the possible return

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of large numbers of Soviet pilots in case of an emergency in the Middle East and/or the Mediterranean. Similarly, the Tupolevs may be kept in Iraq for reconnaissance over the Mediterranean in case Syria turns its back on the USSR. Nevertheless, it is also true that these capabilities enable the Soviets to defend India (and the Indian Ocean) in a relatively short period of time.

Still another dimension of logistic support between the two subsystems came to light in February 1973 when in the Iraqi Embassy in Islamabad large quantities of Soviet arms were seized by the Pakistini security forces, presumably prior to their transfer to the Baluchi "freedom movement." The dismemberment of Pakistan could serve not only Indian interests but Moscow's as well. A friendly, but weak, independent Baluchistani government in that area would give the USSR access to a long coastline on the Indian Ocean, controlling the entrance to the Persian Gulf and the oil shipping routes.

Defensive Support. The fact that India as a subsystem in the Soviet collective security system escaped direct military threat in 1971 and faced only a potential threat (the possibility of intervention by China in the Indo-Pakistani war) makes an analysis of defensive support hypothetical. Yet it is worth considering.

Clearly, the Soviets have some options for India's defense which are not available to them in the Middle East because of different geopolitical conditions. The 4,500-mile border they share with China makes the difference. Therefore, the contribution of the Middle East security subsystem to the defense of India is less certain than its logistic role. On the one hand, there are statements like the one made by Colonel General Margelov, Chief of Soviet Airborne Troops, who pointed out that airborne units may be transported as far as the "operational radius of modern aircraft." [68] The role of such Middle East countries as Egypt, Syria and Iraq in such a scenario should be clear. On the other hand, the Indo-Pakistani war seems to indicate that Moscow would not view this scenario as the preferable one.

It was reported in 1971 that the Soviet Ambassador in New Delhi, N. M. Pegov, had assured India that in case of a Chinese attack across the Himalayas, the Soviet Union would begin diversionary action in Sinkiang.[69] Some observers say that one of the reasons [70] for China's military paralysis during that war on the subcontinent was Moscow's fulfillment of its part in the Soviet-Indian treaty—not only through stepped-up military supplies but also through timely troop movements along the Chinese border.[71]

Under what circumstances, then, might the Soviets decide to airlift troops to India via the Middle East, rather than stay with the seemingly preferable options for the defense of India that they chose in the Indo-Pakistani war? One possibility is that Moscow would find it in its interest to limit any Chinese-Indian conflict to India proper—assuming that with Peking already engaged on one front it would exercise restraint on the Sino-Soviet border. Another reason might be a Kremlin conclusion that a diversionary action would have no immediate effect in relieving pressure on the Indian army.

It should be noted that there is a degree of technical irreversibility involved in Moscow's calculations. Opting for the diversionary solution would probably drastically curtail the strategic airlift capabilities available for the support of India, and vice versa. The airlift capability presumably would be committed largely to the support of Soviet forces along the Chinese border if a Soviet diversionary action entailed active fighting. To cover a further possibility, Moscow could use a sealift to defend India. For the Soviets to choose the airborne option the eruption of a new Sino-Indian war would have to come as a total strategic surprise, leaving them unable to ship their forces in advance to India or the Indian Ocean.

To sum up, almost certainly the Middle East will be involved somehow in a projection of Soviet forces to India. If India becomes a Soviet forward base area like Egypt, for example, the need for Soviet arsenals stocked in Arab countries would diminish and the feasibility of moving personnel to India from Soviet tank and motorized rifle divisions (via the Middle East) would increase. Above all, in case of an emergency, Soviet support for India would probably utilize Middle East transit points and logistic capabilities. Hence, although there is no certainty that Moscow would use the Middle East to provide defensive support to India in the near future, logistic support to that country would most likely involve the Middle East as part of the Soviet collective security system.[72]

Support for the Middle East

We now turn to the other dimension of the Middle East-India security interaction to examine the kind of strategic support the Indian subsystem is providing. Several recent indications testify to the growing logistic link between the two subsystems. For example, "India is said to have 30 to 40, and possibly more, instructors in Iraq training pilots there to fly Soviet supplied MiG fighters." [73] This departure from the usual procedure of using only Soviet pilots to train foreign pilots to fly Soviet MiG's indicates that Moscow deems the solidification of the link between Iraq and India of high importance to its policy of strengthening the Soviet security system. (In this respect one should also take note of Soviet eagerness to supply India with Tu-16's despite repeated Indian rejections.) Moreover, the Indian-Iraqi link is by no means limited to the air force. The nine-day visit of the Chief of the Iraqi Naval Force, Brigadier Abdu Al-Deri, to India in August 1973 at the invitation of India's Chief of Naval Staff, Admiral G. N. Kohli,[74] marked a growing cooperation between the two navies, with obvious implications for the Persian Gulf. Further evidence of this strategic link was contained in a November 1974 *Washington Post* report that 150,000 winter military uniforms were airlifted from India to Iraq to assist the latter in its planned winter offensive against the Kurds.

Because China's opposition to the idea of a Soviet-designed Asian collective security system has meant that "other Communist-ruled states of Asia, independent and neutral in the Sino-Soviet conflict, would . . . have no part in [it] so long as it was perceived by Peking as directed against China," no Soviet statement in almost four years since the Asian system was launched has specifically mentioned North Vietnam or North Korea as a potential partner in the system. Indeed, "the USSR has carefully avoided tendering explicit invitations or requesting endorsements publicly from either Hanoi or Pyongyang, and the latter have studiously avoided the whole thing." [75]

Yet, as far as the link with the Middle East subsystem is concerned, there is growing evidence that North Vietnam and North Korea act as "silent partners" in the Soviet collective security system. Back in June 1973, a Syrian military delegation arrived in Hanoi to seek North Vietnamese military experts in the use of surface-to-air missiles built by the Soviets. What is more, en route to Hanoi the Syrian delegation stopped for a day in Moscow, where Major General Mustafa Tlass, head of the delegation (and currently Syria's Defense Minister), met with Soviet Defense Minister Marshal Andrei Grechko.[76] Two months later, reports of the presence of North Korean military personnel in Egypt appeared. Further, during the Yom Kippur War about thirty North Korean pilots were flying base defense missions in Egypt, and North Vietnamese advisers were reportedly with the Syrian forces, probably helping them in the use of SAM's. It was also significant that, despite Moscow's silence about its role in the war, the official Soviet news agency, TASS, disclosed that Premier Kim Il Sung of North Korea had met with the Egyptian and Syrian ambassadors in Pyongyang to inform them of his government's decision "to give material assistance including military aid to Syria and Egypt." [77] In November 1974, according to the Turkish press, North Korean warships were joining the Soviet navy in the Mediterranean Sea and were participating in the November maneuvers of the Soviet Black Sea Fleet.

The effectiveness of the use of proxies as a strategic option of the Soviet collective security system is shown by the fact that the United States, though successful in deterring direct Soviet military intervention on a massive scale in the Yom Kippur War, proved unable to deter the involvement of the above-mentioned proxies. Moscow may conclude, therefore, that this could constitute a viable option for the defense of its security subsystems once they come under a direct military threat.[78]

THE STRATEGIC UTILITY OF THE SYSTEM

The various functions performed by the Soviet collective security system point up its effectiveness.[79] Yet from Moscow's point of view its utility is determined directly by its ability to deal with threats posed to the USSR proper, rather than to its subsystems. However, to the extent that an effective defense of the subsystems diminishes the perceived threat to the Soviets themselves, it serves Moscow's purposes. In this respect it is significant that in the Indo-Pakistani and Yom Kippur wars Soviet justifications for assuming an active role in the conflicts were phrased in almost identical terms. On both occasions Moscow claimed that the USSR could not ignore a conflict taking place in the "immediate vicinity of its borders" and "consequently affecting its own security." [80] But theoretically at least, the distinction between threats to the system and threats to the USSR proper should be maintained for purposes of evaluating the system's strategic utility. Hence, in this section we will deal with possible utilizations of Moscow's system for the defense of the Soviet Union.

Basically, the strategic utility of the system for Moscow depends on its structure—i.e., on the contents of the various friendship treaties on the one hand, and on the number and identity of the membership-states on the other. To take a purely hypothetical case, the incorporation of Taiwan into the Soviet security system could have a drastic effect on the security of the People's Republic of China, with obvious utility for the USSR.[81] But even without such an extreme example, it should be clear that the logistic base supplied by Egypt and Syria in the Middle East have enhanced the Soviet Mediterranean Fleet's ability to cope with the U.S. Sixth Fleet's strategic strike capability, thus improving the USSR's own security. Assuming that Moscow has built a stable collective security structure (with the possible addition of the PDRY in the near future), it remains to speculate on how the southeastern part of the system—the one stretching from the Middle East to India—can benefit Soviet security.

Two obvious cases to be considered are the relevance of this subsystem, first to the Sino-Soviet conflict, and second to the military situation in the Indian Ocean. Regarding the Sino-Soviet conflict, it has been suggested [82] that the Soviet need for the Indian subsystem is basically a logistic one. According to this theory, Chinese ability to move troops

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from the south and southeast to the north, after American assurances given in 1971–1972 relaxed Peking's fears of an American or American-backed invasion of the mainland from Taiwan,[83] increased China's potential for exercising pressure on an already scarce Soviet strategic reserve. The buildup of a strong Indian army equipped with modern Soviet weapons therefore constituted a cost-effective option for Moscow in its efforts to prevent additional Chinese force redeployments.

From the perspective of the present article, that logistic argument may indicate one of the *potential* strategic utilities of the collective security system from Moscow's point of view, but it is deficient in several respects. To begin with, the magnitude of the Soviet strategic reserve is a matter of debate. The focus of the debate is prospective—i.e., on the impact additional force deployments (needed to counter Chinese reinforcements along the border) would have on the total Soviet posture. Some observers are convinced that the Soviet buildup in the Far East was not accomplished by transferring forces from the European front but rather by mobilization, which raised the overall number of active Soviet divisions from about 140 to 160.[84] The current Soviet force allocation is as follows: one quarter deployed against China, more than one half poised toward Europe, and the remainder—some forty divisions—constituting a strategic reserve.

Secondly, the effectiveness of such a strategy in terms of India's ability to prevent China from redeploying its forces to the north is questionable at best. It seems more accurate to say that in the current Sino-Indian military balance it is India that suffers from pathological fear of the adversary. Not that the Chinese are free from their own "Indian nightmares," but the point is that the effect of a stronger India on China's force deployment policy could be marginal. Moreover, if the Chinese reacted to such pressure by enlarging the PLA, Moscow's alleged strategy could be transformed into a counterproductive adventure. The recent expansion of the Chinese army from 110 to 120 infantry divisions suggests Peking's ability and readiness to augment its military forces.

Third, the logistic model offers a doubtful conclusion. William Griffith believes India remains more important for the Soviets than the Middle East. . . . the Middle East remains important for the Soviets as a transit area to Asia . . . but it may be relatively less important now that Soviet policy is primarily concerned with forging a *cordon sanitaire* of alliances around China *à la* John Foster Dulles.[85]

Although I, too, have stressed the transit value of the Middle East for Moscow, the performance of the Soviet collective security system as described herein indicates the extreme importance of the Middle East *in itself* to the Soviets, as well as its value as a crucial strategic double link in the system.

Given the present improbability of a war between the USSR and China, the relevance of India to the Sino-Soviet conflict is more political than strategic. However, should such a war break out, the Indo-Soviet treaty may well be the critical factor in ascertaining the potential strategic utility of the Indian subsystem to the Soviet Union. The unequal nature of the treaty's commitments in Moscow's favor has been noted elsewhere.[86] Yet the Indians themselves suggest that some kind of symmetry exists between *their* strategic need for the treaty and that of Moscow. In the words of one Indian military analyst: . . . the Soviet Union will not require Indian assistance in a war with China in which it is able to employ the full panoply of its power. But with China possessing a minimal nuclear capability already, the period for an all out cataclysmic war seems to have passed. A conventional war of the border variety where both sides use only frontier troops for fear of escalation will suit the Chinese with their great numbers and it is here that India's assistance will be most required by the Russians to draw the Chinese along the long and mountainous Himalayan frontier. Yet India could scarcely provoke a nuclear China unless it was certain that the Chinese would not use nuclear weapons.[87]

The most critical point of the controversial Sino-Soviet border, the area of the Pamirs, is close to India. On military grounds, the deployment of Soviet bombers in India, which now seems improbable, may prove to be an attractive option as far as Moscow is concerned. Soviet jet fighters in India would increase the threat to southern Chinese airfields, reduce the warning time available to them, and extend the operational radius of the Soviet air force, particularly against airfields located in southeast China.[88]

In regard to the Indian Ocean, the strategic utility of the Indian subsystem for Moscow is apparent. According to Soviet naval publications the primary reason for maintaining a squadron in these waters is to try to keep U.S. ballistic missile submarines beyond the range of industrial areas of the Ukraine.[89] In pursuit of this objective, one of the new *Kiev* class carriers that the Soviet navy is building, equipped with anti-submarine helicopters, will in all probability be deployed in the future in the Indian Ocean with supporting destroyers, submarines and anti-submarine trawlers. In both the Mediterranean and the Indian Ocean the Soviet fleet is striving, in the words of Siegfried Breyer, a West German naval analyst, "to reduce the offensive power [of Western navies] by committing far greater forces to the defense of the sea lanes than . . . to their attack."[90] Other Indian Ocean missions are domination of the Suez passage, exertion of influence on the oil-producing states, and posting a potential threat to the main oil lanes to the West. However, as in the case of the Mediterranean Fleet, a major prerequisite for the continuous type of presence needed to execute all these missions is the establishment of secure local logistic bases.

President Ford's recent revelation that there are three Soviet naval bases in the Indian Ocean—Aden in the PDRY, Umm Qasr in Iraq and Berbera in Somalia[91]—is therefore of much importance. The Indian role in this respect is still waiting clarification. Despite official denials India is known to be tolerant toward the free movement of the Soviet fleet in the Indian Ocean.[92] In 1969 a Soviet delegation under Admiral Gorshkov inspected Indian harbors. Since then there have been persistent reports that the Soviets are using port facilities equipped for their type of ships in Vishakapatnam[93] and that they were granted bunkering and other naval facilities in the Andaman and Nicobar Islands.[94] During Brezhnev's visit to India in November 1973 the Indian press confirmed that the USSR had made a formal request for port facilities in that country.[95]

Some observers say that although India may consider a Soviet naval presence in the Indian Ocean beneficial, New Delhi would nevertheless prefer that India, not the Soviets, dominate the ocean. This suggests that the most Moscow might gain would be more frequent, but still controlled, access to Indian naval facilities.[96] Assuming for the moment that this statement is correct, recent history testifies to the kind of scenarios one can expect in an Indian Ocean dominated by Indian naval units operationally integrated in a Soviet collective security system.

In April 1971 there was a Maoist uprising against the Ceylonese (Sri Lanka) government of Mrs. Bandaranaike. Common Indian and Soviet interests in putting it down were apparent, and assistance instantaneously materialized. A "protective ring" was thrown around Ceylon by *Indian* warships to prevent arms smuggling into the island, while the Soviets rushed six MiG's in to fight the rebels. The short time elapsing between the Ceylonese government's request for the Soviet fighters (and crews) and their arrival at Kutanayake military airfield (twenty miles north of Colombo) suggests that they had been airlifted via the "usual" Middle East route. A shipment of *East German* police equipment flown to Ceylon by a Soviet cargo plane must have taken the same route.[97]

Again, as in the case of the Mediterranean Fleet, in order to become an *operational* force in the Indian Ocean, the Soviet navy must secure adequate air cover in addition to a logistical base. The expected introduction of one of the new *Kiev* class aircraft carriers into the area will provide at least a partial answer to this problem, as it has in the Mediterranean. However, until then, and possibly for some time afterward, the Soviets will have to rely on shore-based air support. While, in view of the low probability of superpower conflict in these waters, the Soviet fleet can perform some of its missions, such as "showing the flag," without extensive air cover,[98] there are two developments that promise to aggravate the air cover problem: the possibility of a permanent American naval presence in the Indian Ocean, and the expected bolstering of the Soviet fleet (in numbers of vessels and/or their time-on-station) resulting from the reopening of the Suez Canal.

In this respect it will be more important, in the future, to look for new Soviet air bases in the littoral states (and to examine existing ones carefully) rather than to search for additional Soviet port facilities in the area. The implications of Moscow's policy of establishing long- and short-range air bases not only in Egypt, but in areas along the East African coast as well as in Iraq, cannot be disregarded. It could be difficult for even an American carrier force to operate in the western reaches of the Arabian Sea or the Somali Basin if the Soviets were quickly to dispatch combat aircraft to these bases—not to mention a *permanent* stationing of Soviet jet fighters there. Deployment of fighters and fighter-bombers through member-states of the Soviet collective security system—e.g., Egypt, Somalia, the PDRY, Iraq and India—is a much faster operation than sending carrier forces around the Cape or through the Malacca Strait.[99] Such a deployment might also make the improbable scenario of Soviet fighter-bombers operating from India against China somewhat more likely.

India may have still another use in the Soviet collective security system. The Soviet Union considers Pakistan an important neighbor in her geopolitical environment. Through Pakistan she could gain land access to the Indian Ocean to supply her naval units there. The strategic four-lane highway running through the mountains of northern Afghanistan, completed by Soviet engineers in July 1970, could link the USSR with the Indian Ocean, provided Pakistan granted transit facilities. In this situation India, backed by the Soviet Treaty of Friendship (to deter China), may be encouraged by Moscow, if it becomes necessary, to make use of its "free hand" against Pakistan. In such a scenario, given adequate air cover, the presence of the Soviet navy in the Indian Ocean would most likely blunt the impact of a possible American countermove, namely, a naval task force dispatched to the area as in 1971. The Soviets may expect that they can force the Pakistanis to adopt a more "enlightened" appreciation of the "facts of life" in the subcontinent and become more tractable without regard to Soviet strategic needs in the region.

Footnotes at end of article.

IMPLICATIONS

The major implications stemming from the existence of the Soviet collective security system may be summarized as follows:

(1) It is obvious that a Soviet-controlled tension policy (i.e., the cultivation of a no-war/no-peace situation) is necessary in areas essential to Moscow's security system to encourage continued participation among its member-states. Such a policy could be deliberately abandoned by the USSR (a) when opportunities for a quick success in eliminating an active or potential threat to the system present themselves, or (b) due to ineffective Soviet restraints on the subsystems.

(2) In either of the above cases, the structure of the collective security system, substantially codified in the various friendship treaties signed with Moscow, and the prospect that it may be extended to incorporate new member-states, raises the probability of what I shall term *systemic wars*, i.e., military cooperation between two or more Soviet security subsystems in case of war. Thus, we should not be surprised to find, for example, Syrian and Indian involvement in a possible Iran-Iraq war. During the Yom Kippur War the PDRY's naval units participated in an Egyptian blockade of the Bab el Mandeb Strait at the entrance to the Red Sea.[100] In the future this could be accomplished by Indian vessels substituting for Egyptian warships needed elsewhere—in addition to Delhi granting Cairo the "usual" strong political backing [101]—and air cover could be provided from Somalian air bases by local or Soviet-based pilots.

(3) Direct Soviet involvement in such wars could be expected if the military threat to one of the subsystems jeopardized its future membership—for example, in case of a military defeat which might bring down the friendly government in that country. However, proxy involvement could replace Moscow's own military intervention if the Soviets expected a strong American response. In wars not requiring active Soviet involvement, Moscow's role would probably be limited to logistic support furnished to the belligerent members of the system.

(4) The phrase often used in the West to comment on Moscow's arms aid policy—"this is the first time [such a weapon system] has been supplied to any country outside the Warsaw Pact countries" [102]—is an obvious fallacy. It assumes that the Warsaw Pact is somehow strategically different from the other components of the collective security system. Notions of the hierarchical status of the subsystems should be abandoned in favor of an integral conception stressing the interrelationship among the European, Middle East and Indian components, and much more attention should be paid to the system's multi-optional character (its possible uses against the West *and* against China). It is clear that it will not be easy "to push the Russians out" of the regions involved (e.g., the Middle East).

(5) One might also envisage scenarios that will put Soviet aims for the system under strain. Thus, Sadat's "year of decision" (1971) had to be postponed—contrary to his wish—because at precisely that time the Soviets were using Egypt for their airlift into India for the fight against the Pakistanis. An Arab-Israeli war then would have been regarded by a Moscow interested in logistics as a catastrophe from the point of view of the system. Yet preservation of the system—presumably a much more important goal—entailed a high cost for the Soviets: the expulsion from Egypt seven months later.

FOOTNOTES

[1] Ralph L. Powell, "China's Conflict with Russia: War or Polemic," *Pacific Community*, October 1973, p. 39. See also Sheldon W. Simon, "The Japan-China-USSR Triangle," *Pacific Affairs*, Summer 1974, p. 136.

[2] Arnold L. Horelick, *The Soviet Union's "Asian Collective Security Proposal": A Club in Search of Members* (Santa Monica, Calif.: The RAND Corporation, P-5195, March 1974), p. 19.

[3] Thomas W. Robinson, "Soviet Policy in East Asia," *Problems of Communism*, November-December 1973, p. 44. Also, Alexander O. Ghebhardt, "The Soviet Collective Security System," *Asian Survey, December* 1973, p. 1089.

[4] Horelick, *op. cit*, p. 7.

[5] Vernon V. Aspaturian, "Moscow's Options in a Changing World," *Problems of Communism*, July-August 1972, p. 3.

[6] A notable exception is John C. Campbell, "The Communist Powers and the Middle East: Moscow's Purposes," *ibid.*, September-October 1972, pp. 52–54.

[7] This treaty was signed in Mogadishu on July 11, 1974, by Soviet President Podgorny and the President of Somalia, General Mohamed Siad Barre. See Text of Joint Communique on Podgorny's Visit to Somalia, TASS News Release (in English), Moscow, July 12, 1974. The treaty has been ratified, but, contrary to usual practice, the text was not published in the Soviet Union until October. Brian Crozier, *The Soviet Presence in Somalia* (London: Institute for the Study of Conflict, Conflict Studies No. 54, February 1975), pp. 3–5.

[8] W.A.C. Adie, "The Communist Powers and the Middle East: Peking's Revised Line," *Problems of Communism*, September-October 1972, p. 67.

[9] *Jerusalem Post Weekly*, February 12, 1974, p. 18.

[10] *The Economist* (London), November 3, 1973, p. 62.

[11] Foy D. Kohler, Leon Gouré and Mose L. Harvey, *The Soviet Union and the October 1973 Middle East War: The Implications for Detente* (Washington: University of Miami, Monographs in International Affairs, 1974), p. 40.

[12] *New York Times*, November 28, 1973.

[13] Galia Golan, "Soviet Aims and the Middle East War," *Survival*, May-June 1974, p. 108. Some sources say this happened by October 9: see Kohler, *et al., op. cit.*, p. 64.

[14] *New York Times*, November 8, 1973. The bulk of these missions were flown by the An-12, capable of carrying some twenty tons a distance of 1,800 nm (nautical miles). (John Erickson, *Soviet Military Power* [London: RUSI, 1971], p. 63.) Others were performed by a variety of Soviet cargo aircraft including the An-22, which can lift some eighty-eight tons a distance of 3,100 nm. or fifty tons for 6,800 nm. P. M. Dadant, *American and Soviet Defense Systems vis-a-vis the Middle East* (Santa Monica, Calif.: The RAND Corporation, P-4352, July 1970), p. 15.

[15] A Pentagon estimate, quoted in *Ha'aretz* (Tel Aviv), October 25, 1973. Within a thirty-day period the Soviets flew 934 mission carrying 15,000 tons of equipment. *Aviation Week & Space Technology*, December 10, 1973, p. 16; *Strategic Survey 1973* (London: International Institute for Strategic Studies [IISS], 1974), p. 27.

[16] *Aviation Week & Space Technology*, October 22, 1973, p. 18.

[17] *New York Times*, November 9, 1975.

[18] *Aviation Week & Space Technology*, December 17, 1973, p. 14; *New York Times*, October 19, 1973, Unofficial Pentagon reports credited the Soviet sealift with delivering some 340 tanks to Syria by October 18, Kohler, *et al., op. cit.*, p. 64, note 27.

[19] *New York Times*, November 28, 1973; *Christian Science Monitor*, December 28, 1973.

[20] *New York Times*, November 28, 1973.

[21] *Aviation Week & Space Technology*, November 19, 1973, p. 14.

[22] *Ibid.*, and *New York Times*, October 25, 1973.

[23] *New York Times*, November 11, 1973.

[24] *Ibid.*, October 30, 1973.

[25] *Ibid.*, October 14, 1973. London's International Institute for Strategic Studies estimated 1,000 Soviet advisers in Egypt, 3,000 in Syria, and 1,500 in Iraq.

[26] *Ibid.*, November 6, 1973. On the involvement of non-Soviet military personnel in Arab states, see below.

[27] For an assessment of the possible global consequences of such an intervention, see Brian Crozier. "Soviet Aims in Desert War," *Soviet Analyst*, November 1, 1973, pp. 1–2.

[28] *New York Times*, November 25, 1973.

[29] *Ibid.*, October 28 and 27, 1973.

[30] U.S. Defense Secretary James Schlesinger revealed that the Soviet resupply effort had "diminished to zero flights." *The Times* (London), October 27, 1973; *New York Times*, October 28, 1973.

[31] One source reported that some Soviet troops were actually in flight to the Middle East when the American counter-alert was announced. *Aviation Week & Space Technology*, November 5, 1973, p. 7.

[32] *New York Times*, October 28 and November 19, 1973.

[33] *Aviation Week & Space Technology*, November 19, 1973, p. 14.

[34] *Ibid.* This transfer provided a logistic base for the Soviets approximately halfway between their forces in East Germany and Poland and the Middle East. Belgrade is on a direct line between Poland and Hungary and the presumed destination of these forces, and about 500 miles closer to the eastern Mediterranean than is Prague.

[35] *New York Times*, October 30, 1973.

[36] For general discussions of these forces, see John F. Mechan, "The Soviet 'Marine Corps.'" *Military Review*, October 1972, pp. 84–94; J. L. Moulton. "Seaborne and Airborne Mobility in Europe," *U.S. Naval Institute Proceedings*, Naval Review 1974, p. 127.

[37] *Strategic Survey 1971* (London: IISS, 1972), p. 29; *New York Times*, November 10, 1973.

[38] The *New York Times*, October 19 and 26, 1973, estimated that it had grown to 6,000.

[39] John Erickson, "MBFR: Force Levels and Security Requirements," *Strategic Review*, Summer 1973, p. 33; *New York Times*, October 26, 1973; *Military Review*, March 1975, p. 98. For a general discussion of these units, see Graham H. Turbiville, "Soviet Airborne Troops," *Military Review*, April 1973, pp. 66–70. Attention should also be given to the role they played in the following Soviet exercises: Dnieper in 1967, Dvina in 1970, and in particular Yug in 1971. See John F. Meehan, "Soviet Maneuvers Summer 1971," *ibid.*, April 1972, pp. 14–21.

[40] *Military Review*, April 1973, p. 100. Some estimates put this number at three to four divisions. Erickson, *Soviet Military Power, op. cit.*, p. 63. For more conservative estimates see Moulton, *op. cit.*, p. 129, and *The Military Balance 1970–1971* (London: IISS, 1970), p. 8.

[41] *Military Review*, April 1973, *loc. cit.*

[42] *Aviation Week & Space Technology*, May 28, 1973, p. 49.

[43] *Ha'aretz*, June 2, 1971.

[44] *Aviation Week & Space Technology*, June 11, 1973, p. 57.

[45] Notably Graham H. Turbiville, "Soviet Desert Operations," *Military Review*, June 1974, pp. 49–50.

[46] *Ibid.* (Emphasis added.) Soviet equipment stocks in the Middle East reveal another aspect of Egypt as "a Soviet forward base area." *Strategic Survey 1971, op. cit.*, p. 31.

[47] *Aviation Week & Space Technology*, November 5, 1973, p. 12; November 12, 1973, p. 11.

[48] *Strategic Survey 1971, op cit.*, pp. 31–32. For a comprehensive analysis see Ciro E. Zoppo, "The American-Soviet Mediterranean Confrontation and the Middle East," in Willard A. Beling, editor, *The Middle East: Quest for an American Policy* (Albany: State

University of New York Press, 1973), pp. 201–236.

[49] R. M. Burrell, "Opportunity Knocks for the Kremlin's Drive East," in Morton A. Kaplan, editor, *Great Issues in International Politics* (Chicago: Aldine, 1974), p. 472.

[50] Kohler, *et al.*, *op. cit.*, p. 35. Some sources say forty to eighty Soviet warships, oilers and supply ships are usually found moored in Alexandria's harbor or tied up at the docks. The situation regarding Soviet use of Port Said's facilities, however, is ambiguous. Lawrence Griswold, "Base Necessities: The World Lineup," *Sea Power*, August 1974, p. 19.

[51] Burrell, *op. cit.*, p. 479; *New York Times*, September 4, 1972 and July 18, 1974.

[52] See Barry M. Blechman, *The Changing Soviet Navy* (Washington: The Brookings Institution, 1973), p. 23.

[53] For recent developments in this field see Thomas W. Wolfe, *Soviet Naval Interaction with the U.S. and Its Influence on Soviet Naval Development* (Santa Monica, Calif.: The RAND Corporation, P–4913, October 1972), pp. 32–34, 37; John F. Funkhouser, "Soviet Carrier Strategy," *U.S. Naval Institute Proceedings*, December 1973, pp. 27–37; Norman Polmar, "The Soviet 'Aircraft Carrier,'" *U.S. Naval Institute Proceedings*, Naval Review 1974, pp. 145–161; R. M. Burrell and Alvin J. Cottrell, "More Power to the Navy," *Soviet Analyst*, November 1, 1973, pp. 2–3; *Aviation Week & Space Technology*, May 28, 1973, p. 141; *New York Times*, November 19, 1973.

[54] At the peak of its presence in Egypt, Moscow maintained 150 Soviet-manned MiG–21 fighters, at an average of two pilots per plane, operating out of six Soviet-controlled airfields. (*New York Times*, July 19, 1972.) The SA–3 and SA–6 advanced SAM's brought to Egypt were intended primarily to protect these six air bases. J. C. Hurewitz, "Weapons Acquisition: Israel and Egypt," Paper presented in the Interuniversity Seminar on Armed Forces and Society, Chicago, October 1973, p. 16.

[55] *Aviation Week & Space Technology*, November 5, 1973, p. 12; Golan, *op. cit.*, p. 112.

[56] *Aviation Week & Space Technology*, September 6, 1974, p. 27.

[57] *Ibid.*, April 19, 1971, p. 14.

[58] Burrell, *op. cit.*, p. 479.

[59] *New York Times*, November 30, 1971. (Emphasis added.)

[60] For an elaboration see Edward Luttwak, "Russia and China: A Logistic View of Soviet Policy," *New Middle East*, March/April 1972, p. 50.

[61] The 1974 Friendship Treaty with Somalia and the prospect of another to be concluded with the PDRY thus acquire additional justification. Somalia is said to allow Soviet medium-range jets to operate from her territory in return for Moscow's agreement to expand the airfield at Berbera. (*New York Times*, April 9, 1973.) Soviet assistance in constructing a new military airport near Mogadishu is also reported. See testimony of Seymour Weiss, Director, Bureau of Politico-Military Affairs, Department of State, in *Proposed Expansion of U.S. Military Facilities in the Indian Ocean, Hearings* before the Subcommittee on the Near East and Southeast Asia, Committee on Foreign Affairs, House of Representatives, 93d Congress, 2nd Session, March 6, 1974 (Washington: GPO, 1974), p. 32. Also, *New York Times*, March 9, 1975.

As for the PDRY, the Soviets have been accorded use of facilities at a former RAF airfield near Aden. It is not inconceivable that they may even use the jet airport in Sana (in the Yemen Arab Republic) which they built in the early 1960's. Wynfred Joshua, "The Middle East in Soviet Strategy," *Strategic Review*, Spring 1974, p. 63. There are some 200 Soviet advisers in the YAR currently, according to "Aid and Subversion for the Arabs," *Soviet Analyst*, December 13, 1973, p. 2.

[62] Zubeida Mustafa, "The 1971 Crisis in Pakistan: India, the Soviet Union and China," *Pacific Community*, April 1972, p. 507. It is likely that spare parts for MiG–21 and Su–7 aircraft were also delivered. (See *World Armaments and Disarmament: SIPRI 1972 Yearbook* [Stockholm: International Peace Research Institute, 1972], p. 127.) Details of the Soviet airlift into India were probably arranged when Marshal Pavel S. Kutakhov, Chief of the Soviet Air Force, visited India in October. *International Herald Tribune*, October 29, 1971; *Aviation Week & Space Technology*, November 8, 1971, p. 13.

[63] *Time*, December 20, 1971, p. 28; Anthony McDermott, "Sadat and the Soviet Union," *The World Today*, September 1972, p. 408.

[64] *New York Times*, March 31, 1972. For India's denial of the story see *Ibid.*, April 1, 1972.

[65] Erickson, *Soviet Military Power*, *op. cit.*, p. 63.

[66] *New York Times*, October 3, 1973 and January 25, 1974; *Aviation Week & Space Technology*, October 8, 1973, p. 11.

[67] *Aviation Week & Space Technology*, February 2, 1973, p. 8, and November 19, 1973, p. 15. For estimates of Syrian and Egyptian military arsenals after the 1973 war see *New York Times*, August 8, 1974.

[68] Quoted in Turbiville, "Soviet Airborne Troops," *op. cit.*, p. 69.

[69] See Vijay Sen Budhraj, "Moscow and the Birth of Bangladesh," *Asian Survey*, May 1973, p. 493. Also, Wayne Wilcox, *The Emergence of Bangladesh: Problems and Opportunities for a Redefined American Policy in South Asia* (Washington: American Enterprise Institute for Public Policy Research, 1973), p. 39; Angus M. Fraser, *The People's Liberation Army: Communist China's Armed Forces* (New York: Crane, Russak, 1973), p. 47; *New York Times*, January 11, 1972.

[70] The other two reasons: (1) Most of China's army was committed to its northern border facing some forty-four Soviet divisions, and (2) the heavy December weather in the Himalayas obstructed Chinese mobility. See Sheldon W. Simon, "China, the Soviet Union, and the Subcontinental Balance," *Asian Survey*, July 1973, p. 651; Wilcox, *op. cit.*, pp. 36–39.

[71] Aspaturian, *op. cit.*, p. 4. Chou denounced Soviet policy in the Indo-Pakistani war as aimed at catching China between two military jaws—Siberia and Mongolia in the North and "a Soviet dominated India and Bangladesh in the South." Quoted in S. P. Seth, "Sino-Indian Relations: Changing Perspectives," *Problems of Communism*, March–April 1974, p. 23.

[72] The overall probability of a new Sino-Indian war is low, since China's policy toward India is currently geared toward creating a sense of rapprochement in New Delhi, thus relaxing the latter's strategic need for the Soviet Union. See Seth, *op cit.*, pp. 22–26. However, "while the bulk of the PLA is kept on the northern border, India and Bangladesh can engage in subversion in such tenuously controlled Chinese border regions as Tibet, Sinkiang and Yunnan. The reality of such an apprehension is less important than the belief in Peking that it is at least plausible as long as Dacca and Delhi are so completely beholden to Moscow." Simon, "China, the Soviet Union . . .," *op. cit.*, p. 658.

[73] *News Review on West Asia* (New Delhi: Institute for Defense Studies and Analyses), March 1974, p. 101; see also *Aviation Week & Space Technology*, March 26, 1973, p. 13; *Washington Post*, June 2, 1973.

[74] *News Review on West Asia*, October 1973, p. 17.

[75] Horelick, *op. cit.*, pp. 10–11.

[76] *New York Times*, June 30, 1973.

[77] *Ibid.*, October 18, 19, 1973; October 14, 1974. On the silence of the Soviet press regarding the USSR's own role during the war, see Martin J. Slominski, "Soviet Military Press and the October War." *Military Review*, May 1974, pp. 43–44, 47.

[78] Recent reports say there are still North Koreans and North Vietnamese pilots and technicians as well as Soviets in Syria, *Chistian Science Monitor*, September 10, 1974.

[79] Moscow's supply of intelligence to its subsystems should be added to the list. For example, during the Indo-Pakistani war the Soviets launched numerous satellites to watch the war. (*International Herald Tribune*, July 25, 1972.) Similarly, Soviet intelligence activities in the Yom Kippur War included the launching of six reconnaissance satellites during a period of seventeen days, beginning October 3. *Aviation Week & Space Technology*, October 22, 1973, p. 16; October 29, 1973, p. 22.

[80] Quoted in Robert H. Donaldson, "India: The Soviet Stake in Stability," *Asian Survey*, June 1972, p. 485; Kohler, *et al.*, *op. cit.*, p. 68; Mustafa, *op. cit.*, p. 508. For the Chinese reaction to this line of reasoning, see Simon, "China, the Soviet Union . . .," *op cit.*, pp. 651, 657.

[81] See Horelick, *op. cit.*, p. 14; Ghebhardt, *op. cit.*, p. 1081.

[82] Luttwak, *op. cit.*, pp. 49–50; also William E. Griffith, *Peking, Moscow, and Beyond* (Beverly Hills, Calif.: SAGE Publications, Washington Papers, No. 6, 1973), p. 33.

[83] There were only twenty Chinese divisions stationed in the Military Regions of Wuhan and Canton in 1973, compared with thirty-one in 1972, and twenty divisions in Tsinan, Nanking and Foochow compared with twenty-five in 1972. *The Military Balance 1971–1972* (London: IISS, 1972), p. 41; *The Military Balance 1973–1974* (London: IISS, 1974), p. 46.

For general accounts of the military situation along the Sino-Soviet border see Fred Sagner, "On Both Sides of the Soviet-Chinese Border," *Aussenpolitik*, English edition, Vol. 23, No. 2, 1972, pp. 165–174; Thomas W. Robinson, *The Sino-Soviet Border Dispute: Background Development and the March 1969 Clashes* (Santa Monica, Calif.: The RAND Corporation, Memorandum RM-6171-TR, August 1970), and *The Border Negotiations and the Future of Sino-Soviet-American Relations* (Santa Monica, Calif.: The RAND Corporation, P–4661, August 1971); Harold C. Hinton, "Conflict on the Ussuri: A Clash of Nationalisms," *Problems of Communism*, January-April 1971, pp. 45–59; *Strategic Survey 1973*, *op. cit.*, pp. 65–69; Lawrence L. Whetten, "The Military Balance," *International Journal*, Summer 1974, pp. 478–501; Harry Gelber, *Nuclear Weapons and Chinese Policy* (London: IISS, Adelphi Paper No. 99, 1973), pp. 1–6, 34–36.

[84] Thomas W. Wolfe, *Worldwide Soviet Military Strategy and Policy* (Santa Monica, Calif.: The RAND Corporation, P-5008, April 1973), p. 30. Also Charles Stockell, "Soviet Military Strategy: The Army View," *Military Review*, October 1973, pp. 76–77. Some observers claim that not only were there no force diversions associated with the Soviet buildup in the East, but quite the reverse happened: the Soviets reinforced both fronts simultaneously. The recent movement of 1,200 Soviet tanks into East Germany, Czechoslovakia and Poland is brought up as supportive evidence. Neville Brown, "The Myth of an Asian Diversion," *ibid.*, January 1974, p. 35.

[85] Griffith, *op. cit.*

[86] See M. R. Masani, "Is India a Soviet Ally?" *Asian Affairs*, January-February 1974, pp. 125–126.

[87] Ravi Kaul, "The Indo-Pakistani War and the Changing Balance of Power in the Indian Ocean," in *Proposed Expansion of U.S. Military Facilities in the Indian Ocean*, *op. cit.*, p. 198. Kaul feels that this situation calls for an independent Indian nuclear capability,

but as long as India lacks a *credible* nuclear deterrent vis-a-vis China the Soviet-Indian treaty provides the essential umbrella.

[88] If reports that the Chinese are transferring nuclear and missile installations previously located in Sinkiang to Tibet prove to be correct, this might add to the list of lucrative targets for Soviet air force units operating from India.

[89] *New York Times,* October 31, 1973: January 25, 1974. With the development of the Polaris A-3 and Poseidon SLBM's, American nuclear submarines cruising in the northwest corner of the Indian Ocean have an arc of attack extending from the western frontier of the Soviet Union almost as far north as Leningrad and including all main industrial areas from the Ukraine to the Kuzbas. However, the expected introduction of Trident SLBM's to the American arsenal in the late 1970's will probably radically reduce Washington's strategic need for the Indian Ocean for purposes of threatening the Soviet homeland.

[90] *Ibid.*, May 5, 1971.

[91] *Christian Science Monitor*, September 3 and 9, 1974. For a detailed analysis of Soviet operations in these and nearby countries, see Mordechai Abir, "Red Sea Politics," in *Conflicts in Africa* (London: IISS, Adelphi Paper No. 93, 1972), pp. 25–30; R. M. Burrell, "The USSR and the Indian Ocean," *Soviet Analyst,* January 31, 1974, pp. 4–6; Alvin J. Cottrell and R. M. Burrell, "The Soviet Navy and the Indian Ocean," *Strategic Review,* Fall 1974, pp. 25–35.

[92] *New York Times,* October 31, 1973.

[93] T. B. Millar, *Soviet Policies in the Indian Ocean Area* (Canberra: Australian National University Press, Canberra Papers on Strategy and Defense No. 7, 1970), pp. 17–18; Burrell, "The USSR and the Indian Ocean," *op. cit.*, p. 5; Peter Hess, "The Indian Ocean: A 'Zone of Peace'?," *Swiss Review of World Affairs,* September 1974, p. 10; *New York Times,* March 21, 1972; *Aviation Week & Space Technology,* November 25, 1974, p. 22.

[94] Mustafa, *op. cit.,* p. 513; Burrell, "The USSR and the Indian Ocean," *loc. cit.; New York Times,* November 13, 1970.

[95] *Christian Science Monitor,* November 28, December 13, 1973; March 5, 1974. According to this last report, the Soviet request was turned down.

[96] William J. Barnds, "Moscow and South Asia," *Problems of Communism,* May-June 1972, pp. 30–31.

[97] See *New York Times,* April 21, 22, May 6, 8, 11, 1971; also *SIPRI 1972 Yearbook, op. cit.,* p. 134.

[98] "It . . . appears clear that the political value of a fleet arises from the mere capacity to make its presence known and is not contingent on relative military strengths (except at a time of general conflagration)." C. G. Jacobsen, "The Soviet Navy: Acquiring Global Capabilities and Perspectives," *Naval War College Review,* March 1972, p. 46. Also James M. McConnell, *The Soviet Navy in the Indian Ocean* (Washington Center for Naval Analyses, Professional Paper No. 77, August 1971), pp. 7–15.

[99] Frank E. Armbruster, *The Indian Ocean Area* (Croton-on-Hudson, N.Y.: Hudson Institute, HI-1620-P, April 1972), p. 16.

[100] *New York Times,* November 10, 1973. Some reports claim that Soviet vessels participated in the blockade as well. (Lawrence L. Whetten and Michael Johnson, "Military Lessons of the Yom Kippur War," *The World Today,* March 1974, p. 109.) If true, it provides further proof of the systemic nature of the Yom Kippur War.

[101] *New York Times,* November 1, 1973. Obviously, one can draw a much larger list of systemic war scenarios with different participants.

[102] See, for example, *Strategic Survey 1973, op. cit.,* p. 44. Identical terms were used by the Western press to comment on the February 1975 visit to India of Soviet Defense Minister Andrei A. Grechko accompanied by Air Marshal Pavel S. Kutakhov, Soviet Air Force Commander, and Admiral Sergei G. Gorshkov, Commander-in-Chief of the Soviet Navy. "This was the first time such a delegation visited any but a Warsaw Pact country, in other words, one of Moscow's formal client-allies." *Christian Science Monitor,* February 24, 1975; *Baltimore Sun,* February 28, 1975.

EMPLOYEE STOCK OWNERSHIP

Mr. LONG. Mr. President, during the recent Senate debates on the tax reform bill, a very spirited battle was fought on whether or not and to what extent we should enact tax incentives to encourage the establishment of employee stock ownership plans, ESOP's.

The Finance Committee bill proposed to double the "bonus" 1-percent investment tax credit already in the law for businesses which contribute to an ESOP an amount of stock equal to the value of that 2-percent credit. In addition, the committee bill sought to make this ESOP credit—like the basic 10 percent investment tax credit—a part of the permanent tax law.

As Senators know, the basic investment tax credit encourages new capital formation by reducing income taxes as reward for certain types of capital expansion which promote economic growth and creation of new jobs. To the extent that the investment credit is permitted without regard to the encouragement of ESOP's, the new wealth-producing capacity created thereby will be owned primarily by the existing owners of capital.

The Finance Committee's strong recommendation of a 2-percent ESOP credit on a permanent basis was prompted by what we considered to be an unhealthy concentration of wealth and of corporate stock ownership by a very small segment of the American public.

We felt that one of the significant weaknesses in the status of American capitalism is the fact that there are simply not enough capitalists in our system.

The source of our concern is best summarized by the following charts which describe the present imbalances: First, in the net worth, and second, in corporate stock ownership, between the wealthy and the poorer segments of our population. They demonstrate the urgent need for devices such as ESOP's to begin correcting the problem:

Distribution of wealth (net worth)

[In percent]

Top 5 percent own	40
Top 50 percent own	95
Bottom 50 percent	5

Distribution of stock ownership

[In percent]

Top 5 percent own	67
Top 50 percent own	92
Bottom 50 percent	8

It is vital to note that the distribution of wealth figures, top-heavy as they are, still fail to give an accurate picture in terms of true capital ownership. This is so because the primary form of "wealth" that most people own is an equity in a home and its furnishings, which are not income-producing but income-consuming property.

Since corporations account for some 86 percent of all goods and services produced in the private economy, the statistics on stock ownership throw more light on the concentration of economic productive power.

Mr. President, the Finance Committee believed that raising the ESOP credit from 1 percent to a still modest 2 percent would greatly increase the prospect that millions of employees might share in the newly formed capital brought about by the investment tax credit. If the 10 percent credit is good and needed, then the 2 percent ESOP credit is all the more needed by those millions of Americans who today own little or no share of our country's wealth-producing capacity but who deserve to share in the future wealth to be created.

Our position seemed to be strengthened by the contents of a June 1976 Joint Economic Committee staff study highlighting the fact that our wealth is highly concentrated. Like the JEC Annual Report, this study concluded that the ownership of new capital should be broadened.

It cited the fact that in 1972 over half the total value of outstanding stock was owned by the richest one percent of the population—a fact which should greatly concern anyone who, like me, fears for the future of capitalism for the simple reason that there are not enough capitalists in our system.

That same JEC staff study highlighted the very problems which the Finance Committee bill sought to correct. It concluded, in part, at page 57:

> With regard to ITC–ESOPs, such companies are reluctant to start a benefit program that will be difficult to discontinue if the Government's 2-year contribution in the form of a 1-percent credit does come to an end. (If the 2-year period were extended, many of the large, capital-intensive public companies would definitely be more interested.)
>
> Thus, the short period of applicability as well as the requirement of immediate vesting and a pass-through of voting rights have delivered a double-barreled punch to inhibiting the adoption of ITC–ESOPs.

So, Mr. President, as the date approached for action on the ESOP provisions in the tax bill, it seemed that the committee's recommendation would be approved with little or no controversy.

However, it was then announced that several Senators intended to submit an amendment to reduce the proposed investment tax credit from 2 to 1 percent. In addition, this amendment would reduce even that inadequate ESOP incentive to the status of a 1-year program rather than a permanent one on which businesses could rely.

The highly damaging effect of the latter provision is found in the fact that the law has always required regular and continuing contributions to ESOP plans. This means that an investment credit of limited duration fails to provide the participating company wth the certainty that is needed to establish a plan in the first place. The JEC staff study mentioned above makes that crystal clear.

Mr. President, to make a long story short, several behind-the-scenes negotiations and several exchanges of "Dear Colleague" letters failed to produce a satisfactory compromise. The result was that Senator Jacob Javits submitted amendment No. 2188 for himself and for Senators Humphrey, Kennedy, Percy, Proxmire, and Muskie. It proposed to transform the permanent 2 percent ESOP credit to a 1-year, 1-percent program.

There ensued a lengthy debate which can be found in the August 4, 1976, Congressional Record from page 25586 to page 25602.

The debate concluded by a vote of 62 to 28 in favor of my motion to table the Javits-Humphrey-Kennedy amendment. I ask unanimous consent that this vote, rollcall No. 470, be included in the Record.

There being no objection the vote was orderd to be printed in the Record, as follows:

[Rollcall Vote No. 470 Leg.]

YEAS—62

Abourezk, Allen, Bartlett, Bayh, Bentsen, Burdick, Byrd, Harry F., Jr., Byrd, Robert C., Cannon, Chiles, Church, Cranston, Curtis, Dole, Domenici, Durkin, Eastland, Fannin, Fong, Ford, Garn, Goldwater, Gravel, Hansen, Hart, Gary, Haskell, Hatfield, Helms, Hollings, Hruska, Huddleston, Jackson, Johnston, Laxalt, Long, Magnuson, Mansfield, McClellan, McClure, McGee, McIntyre, Montoya, Morgan, Nunn, Packwood, Pearson, Randolph, Ribicoff, Roth, Scott, William L., Sparkman, Stennis, Stevens, Stevenson, Stone, Talmadge, Thurmond, Tower, Tunney, Weicker, Williams, Young.

NAYS—28

Beall, Bellmon, Biden, Brooke, Buckley, Bumpers, Case, Clark, Culver, Eagleton, Glenn, Griffin, Hathaway, Humphrey, Javits.
Kennedy, Leahy, Mathias, Metcalf, Moss, Muskie, Nelson, Pell, Percy, Proxmire, Scott, Hugh, Stafford, Taft.

NOT VOTING—10

Baker, Brock, Hart, Philip A., Hartke, Inouye, McGovern, Mondale, Pastore, Schweiker, Symington.

So the motion to lay on the table was agreed to.

Mr. Curtis. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. Talmadge. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG. Mr. President, a surprising aspect of this vote is found in the fact that several avowed and proven friends of broadened stock ownership were prepared to vote for an amendment which would seriously diminish the Finance Committee's proposed tax incentives for ESOP.

I know that in the case of Senator Javits he was concerned that some aspects and implications of the Finance Committee bill might impinge on the jurisdiction of the Committee on Labor and Public Welfare of which he is the distinguished ranking minority member. That was not the case, and nor did the ESOP provisions in the Finance Committee bill in any way preclude the other committee from legislating to encourage broader capital ownership in still other ways. Nevertheless, I can understand the source of Senator Javits' concern on a committee jurisdictional basis.

A similar observation can be made of Senator Hubert Humphrey's vote. Senator Humphrey is a long-time enthusiastic friend of the ESOP concept and of broadened employee stock ownership in general. He has played a leading role as chairman of the Joint Economic Committee in holding extensive hearings on the subject of broadened employee stock ownership.

In the particular case in point, I think he was merely following the overly cautious advice of some members of the JEC staff that the whole area of ESOP's should be "studied" for another 2 or 3 years before further tax incentives are enacted to encourage the development of such plans.

I plainly disagreed with this "go-slow" point of view, as did the great majority of the Senate. But I can understand Senator Humphrey's sincere desire to set the best possible foundation under the growing institution of ESOP's. By contrast, my rationale was that we should move ahead at a steady pace to broaden capital ownership and that as we go along we can work into the law those worthwhile recommendations and changes which are proposed by various studies of the subject.

Without going into the complex factors which might have motivated each of the other Senators who voted the way they did, I suggest that one of the controlling elements in the thinking of many of my colleagues was a broadside attack on ESOP's contained in a compendium prepared for Senator Ted Kennedy and others by economists Stanley S. Surrey, Joseph A. Pechman, and Paul R. McDaniel.

The chapter of the Tax Reform Act compendium entitled "Tax Incentives for Employee Stock Ownership Plans" was probably relied on by many Senators who felt that the Surrey-Pechman-McDaniel attack on ESOP's could be trusted for accuracy and good sense.

The purpose of my remarks today is to demonstrate to Senators that Surrey-Pechman-McDaniel recommendations on the subject of ESOP make no sense at all. It is likely that many who voted against the committee position were seriously misled by inaccurate statements, false assumptions, and mistaken conclusions of the Surrey-Pechman-McDaniel compendium prepared for Senator Kennedy and others.

Fortunately, the Senate as a whole strongly endorsed the committee recommendation and rejected both the 1-percent, 1-year amendment and the totally negative recommendation of the Surrey-Pechman-McDaniel compendium.

In conference with the House, we had to settle for a reduction of the ESOP credit from 2 to 1 percent, with an additional one-half percent conditioned on an equal one-half percent contribution by employees. Also, we had to settle for a 4-year program rather than a permanent one. This final result is not as good as the Senate's bill's provisions, but it is nevertheless a far better and more reliable incentive than the modest provisions previously in the law.

Mr. President, in an effort to expose the inaccuracies and misinformation contained in the Surrey-Pechman-McDaniel chapter on ESOP's, I ask that their text be reproduced in full at this point in the Record. I ask that the points in contention, to each of which I shall submit a specific rebuttal, be printed in italics, labeled as "contentions," and numbered 1 through 14.

Then, Mr. President, I ask unanimous consent that my 14 answers to these erroneous or misleading statements be printed in proper sequence, so that when a Senator has read in italics a particular Surrey-Pechman-McDaniel contention, he can then look ahead to the numbered counterargument which I submit in response.

There being no objection, the material was ordered to be printed in the Record, as follows:

Tax Incentives for Employee Stock Ownership Plans

The Tax Reduction Act of 1975 granted an extra 1 percent investment credit if the employer contributes such extra amount to a trust for the benefit of employees and the trust is invested in voting common stock of the employer [contention #1]. *In effect, under such an Employee Stock Ownership Plan (ESOP), the federal government purchases stock of the employer and makes a gift of it to the participating employees.*

Employer stock is also a permissible investment for so-called qualified pension and profit sharing plans which receive favorable tax treatment under Section 401 of the Internal Revenue Code. While ownership of employer stock by retirement trusts was restricted to some extent by the Employee Retirement Income Security Act of 1974 (ERISA), Congress made an effort in that Act to encourage the formation of ESOPs by exempting such arrangements from the limits on ownership of employer stock.

ANALYSIS OF THE INVESTMENT CREDIT FOR ESOP'S

The 1 percent investment credit provision may well provide a source of capital for private investment but so may any other tax reduction. Obviously, in evaluating this program, one must consider alternative federal expenditures, or, if expenditures are not decreased, the effect of the increased deficit or the effect of the extra tax burden imposed on others to finance this expenditure.

The more important question is, can ESOPs, aside from the allocation of government funds, provide a source of new capital and an incentive to greater productivity through encouraging employee ownership of business? [contention #2] *There seems to be substantial doubt about whether ESOPs can significantly further these worthwhile goals.*[1]

On the other hand, an ESOP is clearly inconsistent with the aims expressed through federal regulation of private retirement programs. [contention #3] *The risk to an employee's future security if his retirement fund is invested entirely in his employer is unacceptable. Financial failure of the employer becomes doubly damaging by inflicting loss of both jobs and retirement income.* [contention #4] *Further, if an ESOP is used to redeem stock from the principal shareholder of the employer corporation and the transaction is treated as a sale taxable at capital gain rates, there is a blatant avoidance of the policy that cash withdrawals*

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[1] *See, for example, the statements of Neil A. Wassner, Partner, Main Lafrentz & Co., and Robert N. Flint, Vice President & Comptroller of AT&T, presented to the Joint Economic Committee, December 11 and 12, 1975.*

from a corporation that do not affect an individual's ownership or control should be taxed as a dividend.

Lack of permanency of employee ownership

It is not clear whether the economic benefit claimed to result from establishment of ESOPs depends to any extent upon the permanency of the ownership interest acquired by employees and their descendants. [contention #5] *If it does, it is well to point out that the employee's interest in the business is almost certain to terminate upon retirement or other separation from service.* In some cases, the employee will never obtain ownership of employer stock, but rather will receive a cash distribution based upon the value of the stock at the time of his retirement.

In other situations where the tax law requires a distribution in stock, [contention #6] *the employer will go as far as permitted to make certain that the stock will be redeemed as soon as possible. Thus, the employee will be given the right to sell the stock to the employer or the ESOP. While it may not be possible to force the employee to exercise this right, circumstances may make it the only viable choice.*

As a result in many circumstances, [contention #7] *the ESOP will not enable the employer to permanently conserve cash by paying compensation in stock. The stock distribution will be only temporary, to be replaced upon retirement with cash of equivalent value.*

Nature of employees' interest

The provisions of the Tax Reduction Act of 1975, which grant an extra 1 percent investment credit, specifically require investment in *common* stock which the employee will have an opportunity to vote. [contention #8] *If ownership of an interest which is extremely sensitive to changes in the value of the business and some say in the overall direction of that business is important to the aims of an ESOP, it should be noted that the tax benefits of a qualified plan may well be available even for an investment in nonvoting preferred stock, and there is certainly no requirement that the vote, if it exists, be passed through to the beneficiaries of the trust.*

ESOP conflicts with the policy underlying ERISA and qualified plans

The tax benefits of qualified retirement plans are available only if the employer currently contributes to the plan. ERISA significantly strengthened this funding requirement and extended it to some non-qualified plans. Further, [contention #9] *ERISA is replete with provisions designed to insure that the assets of the plan will not be dissipated. The reason is to protect the employee against the risk of financial failure of the employer which exists under an unfunded arrangement.*

It is clear that "employer" stock ownership by "qualified" retirement plans is inconsistent with Congressional insistence that such plans be *funded* and prudently invested. Stock ownership in the employer is even less protection to the employee than the creditor status of an unfunded plan because the employee as stockholder is subordinated to creditors. [Contention #10] *If the company fails, the employee not only loses his job, but also his nest egg for retirement.* Moreover, as noted above, if the employer remains in business, the expectation will be that the employer will redeem the employee's stock at the time of retirement. [Contention #11] *However, since the employer gets a tax reduction at the time of the contribution and not when the stock is redeemed, redemption of stock, distributed by a qualified plan, requires greater earnings during the employee's retirement years than an equal deductible deferred compensation payment.* [Contention #12] *If "retirement security" requires funding, surely that funding should not be in the stock of the employer.*

Use of an ESOP by the principal shareholder to save tax

It has been suggested that ESOPs can be used as a vehicle to redeem a portion of the stock of the principal shareholder. Since as described above, the employee ownership is generally transitory, the shareholder is not really selling to the employees. Rather, the ultimate result is a sale by the shareholder to the employer corporation with the ESOP acting as a conduit. If such a sale were made directly to the corporation, the tax impact would often be *ordinary income* for the *full amount* of the corporate distribution. It is hoped by tax planners, however, that the sale to the ESOP will limit taxable income to the appreciation on the redeemed shares, which income would be taxed at the reduced rates applicable to capital gains. If this maneuver succeeds, it could result in a considerable loss of tax revenue. [Contention #13] *This subsidy to major shareholders of closely held corporations should be weighed against the supposed economic benefit of the ESOP.*

CONCLUSION

[Contention #14] *ESOPs represent an ineffective and inequitable method of encouraging employee stock ownership. The federal government should not provide artificial inducements to a particular type of employee investment. The question of whether it is desirable for employees to own stock in their own employer can and should be left to collective bargaining.*

SENATOR LONG'S RESPONSES

ANSWER NO. 1

The statement that the ITC–ESOP is in effect the purchase by the Federal Government of stock of the employer and a gift of it to participating employees is accurate.

However, under the present tax reform legislation, there are really two kinds of investment tax credit. One is the 10 percent investment tax credit which makes the rich stockholders—the top 5 percent of wealthholding consumer units who own all individually owned capital stock in the U.S. economy—richer still.

The other kind of investment tax credit is the ESOP–ITC. It is 1 percent, provided the corporation issues a number of shares of stock equal in value to the 1 percent ITC and places those shares in a congressionally approved ESOP, a device adopted by Congress for broadening capital ownership to include all employees, great and small, in companies that elect the additional 1 percent.

Indeed, this additional 1 percent may be increased by another one-half percent if the employees themselves, with their own after-tax dollars, will match with their contributions the additional one-half percent.

It seems unbelievable that the liberal authors of this book level no criticism at a taxpayer gift of about $10.4 billion per year to the ultra rich, but can think of nothing but censure for the one-eleventh—approximately—of that amount which is available to finance new capital formation only if capitalized and the stock is put in an ESOP for all employees of the employer so electing.

ANSWER NO. 2

Wittingly, or unwittingly, the authors quote Mr. Neil A. Wassner out of context. In Viewpoint, 1975 first edition, a publication by the international accounting firm that employs Mr. Wassner, Main Lafrentz & Co., Mr. Wassner states in an article entitled "Employee Stock Ownership Plans—An Idea Whose Time Has Arrived?":

"But the truly interesting fact about the ESOP is that it aids the corporation in achieving its financial objectives at the same time that it is providing stock to the employees in furtherance of employee-capitalism."

* * * * *

"In today's business environment, the ESOP appears to be a concept whose time has arrived. The Senate Finance Committee may have said it best when it recently stated that employee stock ownership plans, if widely adopted, 'will strengthen our national well-being and our capacity to remain competitive in world trade'."

Similarly, Mr. Robert N. Flint, vice president and comptroller of A.T. & T. is quoted out of context, for he expressly told the Joint Economic Committee, and has similarly assured the Senate Finance Committee, that if legislation preventing a regulated public utility from being required to "flow-through" to its consumers the value of the stock put in an ITC–ESOP, his corporation intends to establish such an ESOP.

The legislation necesary to prevent this obvious injustice to public utilities has been included in the version of the Tax Reform Act of 1976 as approved by the House-Senate Conference Committee on the bill.

ANSWER NO. 3

The critics of the ESOP seem unaware that there is no device, capable of widespread application within the U.S. economy, other than techniques constructed upon the principles of two-factor economics, as is the ESOP, to make significant holders of capital out of the capital-less massess—the ninety-five percent of consumer units who own no significant productive capital of any kind.

Fifty years of intensive application of the principles of conventional fixed benefit pensions and of profit sharing have not done this, indeed the capital ownership base was ten times larger at the turn of the century than it is today!

The "Prudent Man Rule" which calls for diversification of investment as a safety factor, is actually a Rich Man's Prudent Man Rule. It instructs a rich man, or a fiduciary for a rich man, how to keep his wealth intact and to optimize income, so that he can live well, and still continue to be rich. But there is no such thing as a poor man—and in the sense of being capital-less, virtually all employees, including management employees, in the U.S. economy are poor—ever having attained significant capital ownership under the Rich Man's Prudent Man Rule.

Rather, it is the "Poor Man's Prudent Man Rule", that is the basis for all significant capital holdings, except those derived from inheritance, or, in a rare case pure luck. The rule can be very flatly stated: "If you want to be rich, put all your eggs in one basket and watch that basket very closely."

The ESOP enables every corporate employee to do that, and to do it under conditions where he almost invariably has access to better management of "the basket" than he himself could provide.

The position of the welfare-oriented intellectuals is to keep the population dependent on handouts. The ESOP is designed to make individuals economically self-sufficient. It cannot normally be taken advantage of by a financially unsound corporation or by a badly managed one, since there is neither tax benefit nor financeability in such cases.

In the view of these misguided ESOP critics, the possibility that some corporations will become bankrupt (and this is invariably a tiny minority of established businesses) is a greater evil than the certainty that without ESOP's and other techniques of finance built upon two-factor economics, everyone but the top five percent will for a certainty remain poor.

ANSWER NO. 4

There are two main thrusts involved in promoting the widespread use of ESOPs: First, to facilitate the rate of growth of newly formed capital, and to increase the probability that such newly formed capital will become owned by the workers and that they be motivated by such opportunity; and second, that the ownership of existing concentrated holdings of capital be spread out broadly among large numbers of employees.

After all, any rich stockholder can sell his stock to another rich stockholder and take a capital gain. What is equally as frequent is that he arranges to have a corporation in which he has a major interest merged into an even larger corporation in a stock-for-stock, tax-free reorganization. The end result: the rich get richer, and the poor stay poor.

It is incredible that the authors are so blind to this, or callous to the damage that it does. It is equally unexplainable, considering their professed point of view, that they do not embrace the ESOP with all the energy at their command.

ANSWER NO. 5

This amounts to criticism that is not criticism. What point is there to motivating a retired employee? To what end should he be motivated? If he desires to sell his former employer's stock back to the ESOP, and to use the proceeds to diversify his holding, so what? It is the active employees who need to be motivated, and since they are the ones who acquire stock resold to the ESOP, that is one of the key means of motivating them.

As to the sentence following this, that in some cases the employee will receive only cash, this evidences an abysmal lack of knowledge of the law which *requires* distribution from an ESOP in company stock. Simply another of the numerous mistakes and distortions in the book.

ANSWER NO. 6

Most profit sharing plans permit the distribution of the employee's account at retirement in kind. There again, if the employee wishes, as an exercise of his free will, to convert the portfolio into cash, he should certainly have that choice.

ANSWER NO. 7

This is hardly criticism when compared to profit sharing plans or pension plans in general can be invested in nonvoting pre-but cash. The fact of the matter is that a sizable proportion of employees who receive their account distributions in kind in the employer's stock, either from ESOPs or quasi-ESOPs (like Sears Roebuck, which is wholly invested in company stock, but buys its stock primarily from the public markets) become permanent holders of stock because they have learned of the value of ownership of income producing capital. The economy needs millions upon millions more like them.

The fact of the matter is that the passage of H.R. 462, now pending in the House Ways and Means Committee, could vastly increase the effectiveness of ESOPs in building economic self-sufficiency into large numbers of people.

ANSWER NO. 8

This is simply a nonsense comment, and shows a pervasive ignorance of the law. The general ESOP (and most of the comments in this chapter are aimed at ESOPs in general) can be invested in nonvoting preferred stock, or voting preferred stock.

Anyone who understands stock, however, realizes that unless a preferred stock is convertible, there is no possible growth involved in it. At the same time, the bulk of wealth in the United States is the result of appreciation through growth. So employees normally would be disadvantaged by not having either common stock, or at least a convertible preferred stock.

Similarly, the standard ESOP can be, so far as the law and regulations are concerned, one in which the ESOP Committee votes the stock, or one in which the vote is passed through to the employees.

As to the limited ITC-ESOP, Congress insisted that the stock be common stock, presumably because Congress is interested in putting the growth in employees in general, and insisted that the vote be passed through to employees. This is a step in the direction of shareholder democracy, and it ill-befits liberal critics to oppose it.

ANSWER NO. 9

Apparently the authors do not understand that an ESOP is at all times 100% funded.

ANSWER NO. 10

This statement is simply false. The company does get a tax deduction when it makes a payment into the ESOP Trust so that the employees is the best guarantee against failure of the company that has ever been developed.

ANSWER NO. 11

This statement is simply false. The company does get a tax deduction when it makes a payment into the ESOP Trust so that the Trust can repurchase, at current fair market value, stock which an employee voluntarily wishes to sell. And the repurchased stock is promptly allocated to the accounts of the active employees. Thus the authors simply do not understand how an ESOP operates.

ANSWER NO. 12

This is clearly a non-sequitur. For example, one of the Senators sponsoring this biased ill-conceived and unknowledgeable volume, is Senator Edward Kennedy. His family, like every other affluent family, got that way by investing initially and primarily in the family business. Diversification came later, after the family was rich.

Congress has on four different occasions legislatively declared just the opposite. The Rich Man's Prudent Man Rule, which is what is referred to here, is as effective in keeping the poor poor, as it is in keeping the rich rich!

Another oversight of the authors is the vast importance of facilitating new capital formation. Conventional retirement systems, profit sharing plans and pensions, invest almost exclusively in securities bought in the secondary market—so called "seasoned securities."

These purchases not only do not finance new capital formation to any significant degree, but they erode, each time a resale is made in a vain attempt to achieve "performance" beyond the normal market return through dividends and interest, the capital of the retirement system through brokerage and handling fees. Conventional retirement systems make brokers and bureaucrats rich. ESOPs make employees rich.

ANSWER NO. 13

The tax advantage of the legislation in question here is expressly designed to make previously non-capital-owning employees owners of significant capital estates, and that is the way these plans in fact work. The already-rich existing shareholders—usually not employees—can get capital gain treatment by selling to other rich stockholders or through tax-free mergers with other corporations, thus helping to keep the rich rich and the poor poor.

ANSWER NO. 14

This is simply a non sequitur, ESOPs are, and have always been, a proper subject for collective bargaining. But that is not enough. Only 25% of the U.S. labor force are members of unions. Furthermore, all the available evidence shows that the most powerful motivator of employees is ownership of significant stock in their employer. This has been common sense and common knowledge in the United States since the days of Jefferson. See the memorandum attached hereto as Exhibit A.

Mr. LONG. Finally, Mr. President I ask unanimous consent that a very interesting article from the October 4, 1976, issue of Time magazine be printed in the Record at this point. The article, entitled "More Worker Owners," describes the history and the current status of a South Bend, Ind., company whose welcome sign reads "South Bend Lathe, America's Largest 100 Percent Employee-Owned Company."

The Time magazine article tells a most interesting and inspiring story about what an ESOP has done for a participating company in terms of productivity, profitability, and the ability to survive in the competitive business world.

There being no objection, the article was ordered to be printed in the Record, as follows:

More Worker-Owners

Welcome to South Bend Lathe America's Largest 100 Percent Employee Owned Company. So reads the proud sign in front of a sprawling red brick factory in South Bend, Ind. Little more than a year ago, the 70-year-old machine-tool maker faced liquidation because its performance was not up to the expectations of its owners, Amsted Industries Inc., a Chicago-based conglomerate. But South Bend was a solid company with good years ahead of it, thought some of its top executives. They went shopping for a way to buy the company and pump in enough working capital to keep it going until times got better. Today South Bend is doing well and is totally independent, with most of its stock already deposited in a trust in which each of the company's 440 employees share, according to salary and seniority. SBL's turnaround probably owes much to the U.S. economic recovery, which has sharply driven up orders for machine-tool producers. But the company might not exist at all were it not for a financial device called ESOP, or Employee Stock Ownership Plan.

ESOP is no fable. The device is becoming increasingly popular as a way for companies to raise needed capital and give employees a stake in the business. As in the case of South Bend Lathe, an ESOP can help a basically sound business to keep going when it would otherwise be sold off or closed down. But its use is not limited to such last-chance situations. According to the Internal Revenue Service, more than 250 firms now operate some form of ESOP program, including such corporate successes as Hallmark Cards of Kansas City, Mo.; Gamble-Skogmo, a Minneapolis-based retailer with 18,000 employees; E-Systems, Inc., a Dallas defense contractor; and Houston's Zapata Corp.

TAX BREAK

The main attraction is that an ESOP gives a company a huge tax break. The mechanism: an employee trust is set up, borrows money and uses it to buy newly issued stock from the company. Then the company makes contributions to the trust that are used to repay the loan; they are contributions to an employee benefit plan and are tax deductible. Had the company borrowed the money directly, it would be able to deduct only the interest as a business expense. When the money goes through ESOP, the company can in effect deduct principal repayments too, thus cutting borrowing costs by as much as half.

Even that is not all. In recent years Russell B. Long, the conservative but populist chairman of the Senate Finance Committee, has become an evangelical disciple of Louis O. Kelso, a San Francisco attorney who has long championed various forms of "worker capitalism." In 1974 and 1975, Long pushed through legislation increasing the 10% investment-tax credit that a company gets for purchases of new equipment to 11%—provided that the extra 1% is used to pay for company stock distributed to employees through an ESOP. This year Long pushed further; that 1% special credit (which is directly subtracted from the tax a company owes) has increased to 1½% in the tax-reform bill that Congress passed last month (Time, Sept. 20) The extra half-point, however, is available only if employees dig into their own pockets and invest a matching amount in the company's stock. American Telephone and Telegraph Co., which has more than 770,000 employees, is now considering setting up a limited ESOP. Such a plan could have saved Ma Bell $80 million in 1975 taxes alone.

Critics of the tax breaks argue that they amount to a gift from the Government that will mainly benefit high-salaried workers in such capital-intensive industries as oil drilling and machine tools. They are the industries that use the investment-tax credit most heavily, and their capital needs make them especially likely to grab at what amounts to a chance to borrow at low cost.

But the ESOP idea has strong support from Congress' Joint Economic Committee, and the Economic Development Administration of the Department of Commerce is actually requiring that some companies to which it gives loans establish ESOPs.

The most powerful defense of ESOP comes from Long, who waxes as fervent on the subject as Kelso. The Louisiana Democrat contends that the idea will spur managers to invest more of the $3 trillion to $5 trillion that economists say will be needed over the next decade to modernize U.S. industry—besides the philosophical benefits to capitalism of having workers become owners. ESOP, says Long in a burst of lyricism, "is better than Geritol. It will increase productivity, improve labor relations, promote economic justice. It will save this economic system."

MEASURING UP

Labor leaders have been ambivalent about ESOP, but at South Bend Lathe, United Steelworkers Union members are enthusiastic, and two local representatives sit on the company's board of directors. Union Organizer June Molnar, 26, a tool and cutting grinder, reports that workers check out new recruits to be sure they measure up. Slacking off is not tolerated. Says Molnar, who expects to get about $2,000 deposited in her ESOP account this year: "It's 'Hey, you've got your hand in my pocket if you don't do your job.'" Molnar's boss, SBL President Richard Boulis, 53, is just as ebullient. Contemplating a 20% rise in productivity in the past year and close to 10% more pretax profits during the first year of independent operation, he exults "Worker-owned companies are the way to go."

H.R. 13955, THE IMF BILL

Mr. HELMS. Mr. President, this measure provides for the allocation of up to $7 billion of U.S. resources for purposes of stabilizing the international monetary system, not just the $2 billion increase in the U.S. quota. It provides for continued authority to loan the IMF $2 billion and authority to use the $3 billion Exchange Stabilization Fund to intervene in world money markets.

Unfortunately, the bill does not provide for a substantive or stable international monetary system.

The bill would put the stamp of approval on the present system of floating exchange rates—which are themselves destructive to world trade and to the economic well-being of all participants.

The bill puts the stamp of approval on the present system which encourages inflation and indebtedness and makes sound fiscal and monetary policies impractical, if not impossible, for smaller nations. Although some improvements have been made in the bill, its overall effects are counterproductive. If this were the best of all possible worlds, the proposed system could conceivably work. But it is not and it will not.

Really, Mr. President, the Senate ought to reject this proposal in hopes that U.S. negotiators and the Treasury Department will return next year with a bill that will provide for a system embodying a transition to an international monetary system characterized by stable exchange rates, the limited creation of credit, and the automatic imposition of real costs upon nations that chronically inflate.

I do not favor a return to a period of beggar-thy-neighbor policies that characterized the last decade of the Bretton Woods system. But the present system seems to make "legal" the worse beggar-thy-neighbor tactics—currency manipulation.

In very real terms, the institution which is maintained by the bill before the Senate, the International Monetary Fund, has evolved into a foreign aid—as well as an inflation—assembly line. It has a series of special lending agencies which help only nations with special problems. Because these loans tend to provide for the export of inflation from profligate to prudent nations, they have the effect of transferring real resources. Since it is doubtful that all these loans will ever be repaid, and since the loans are made at below-market rates for commercial loans, it is doubly an aid program.

It is unfortunate and ironic that the nations that can least afford to manage massive indebtedness, the less developed countries—LDCs—are the ones who are given new loans so freely.

Specifically, the amendments to the Bretton Woods Agreement would allow the IMF to extend credit to more nations in greater amounts. It would give official recognition to a system of international monetary exchanges which depends on market forces acting on the relative values of the various currencies. IMF loans would be made ostensibly to "provide temporary financing while adjustment takes place."

However, the agreement specifically allows nations to "float" their currencies, peg their currencies to another, peg their currencies to a group of currencies or in other ways do just about what they want. These actions are "orderly exchange arrangements" and they are permissible. However, the agreement prohibits "manipulation" of currency values. No one will define these terms, and clearly one man's orderly arrangements will turn out to be another's manipulation.

With regard to gold, a side agreement of major nations pledges no effort to peg the price of gold or to add to their gold stocks. Additionally, gold will not be used in international balance-of-payments transactions.

Additional provisions of the bill would continue an authorization for the Secretary of the Treasury to loan the IMF $2 billion for purposes "of forestalling or coping with an impairment of the international monetary system." But, the description of the "international monetary system" in the bill before the Senate is filled with ambiguous, undefined terms.

Another provision revises the Secretary of the Treasury's authority to use the Exchange Stabilization Fund, a $3 billion pool of dollars that was initially used to maintain our former, fixed exchange rates. It now will be used, as the Secretary wishes, "consistent with U.S. obligations in the International Monetary Fund"; obligations, which are at best unclear, and, at worst, contradictory. Presumably, the $3 billion could be used to influence the market price of currencies of nations that "manipulate" values. However, we do not know what "manipulate" means.

The proposed amendments of the Article of Agreement contains a paragraph requiring the IMF to exercise "firm surveillance" of exchange rates in order to insure the effective operation of the system. "Firm surveillance" is a term which remains to be defined. Members are to have specific obligations to pursue economic growth and "reasonable" price stability policies. Only if all Members apply economic criteria and disregard the domestic political consequences of playing according to the rules of the new ball game, would the system have a chance of working. If, however, it does not suit a Member, particularly an economically powerful one, to play according to the rules of the book for whatever reason, there would seem to be little to look forward to in the form of stability in the world monetary sphere. That, of course, is the most likely scenario. If one adds to this view the practical certainty of rising rates of inflation throughout the world from a much higher base than in any recent economic cycle, it stands to reason that a serious look would make anyone skeptical about the results of paper rules which have not yet withstood the test of time.

Even if one assumes monetary decisions are taken by monetary authorities on purely economic grounds, that all other factors are ignored, the fund would have a nearly unmanageable task in surveilling the system. However, in the real world of today the position is far from ideal and as a result the abandonment of a system based on real penalties and resources—such as gold—and the substitution of it with one based only on paper and credits, is like abandoning a weathered house, built on rock and moving into one built on sand.

The IMF's function to grease the wheels of inflation is tied inextricably to its emerging role as the newest unwanted international foreign aid agency.

In January, the "Economist" said that the IMF is not of much use for purposes of monetary stabilization. However, "it can intervene to make rich countries collectively help poor countries in a way that no one of the rich, looking into its own national advantage, would willingly do on its own."

The "Economist" meant that the IMF, by expanding liquidity was, in fact, making more real resources available to the less-developed countries. The editorial continued, "It is not easy loans but grant aid that most poorer countries need Many have already borrowed to the hilt. It would be better if the IMF's twin, the World Bank, made the running by negotiating a rich country's fund to relieve poorer countries of some of their existing debt burden. But that would involve too explicit a sacrifice by the rich countries; and raising money among the rich for the World Bank's soft loan agency, the International Development Association, has been exacting work recently, particularly in America. This is perhaps why aid must still be dressed up as a reform of the world money system."

Even the Fund's gold sales are intended to finance the trust fund with profits in order to make available low interest rate loans to the poorest of the LDC's. The question that arises is whether many of the LDC's will be able to redeem these loans in future—consider the latest UNCTAD resolutions which for at least 10 LDC's urges renegotiation of debt burdens at this stage already. Defaults could in the future become a serious problem to the detriment of their creditworthiness and thus the inflow of private capital into those countries. In this way the original purpose of the exercise will be completely negated.

The rhetoric of the Third World ideology is this: Loans are a "right" of nations. Indeed, it is "imperialism" to put conditions on loans, and it is "imperialism" to insist on the repayment rather than "rescheduling" of loans.

It is interesting to note the line of the Italian Communist Party and of leftist Italian press: The refusal of loans to help maintain the lire is interference with the domestic affairs of Italy: Yes, domestic affairs of that nation. It is as if the creditworthiness of a loan recipient were of no business to the makers of the loan.

Under the system of floating exchange rates endorsed by this bill, the U.S. dollar is again being held by other nations and will be exposed to more trials and tribulations as an even more important reserve currency. This is in large part due to the fact that the dollar is filling the gap left by the U.S.-advocated elimination of gold from the monetary system. The dollar will be subjected to severe, though often irrational and illogical yet very real bouts of speculation. The case of sterling serves an example: The Bank of England was not able to check the fall of the pound sterling due to the existence of excessive sterling balances in the hands of nonresidents. Great Britain is now gathering the bitter fruit of the policy of financing deficits and investments abroad by systematically attracting sterling deposits from foreign countries. In the same way the uncontrolled Eurodollar market and large dollar reserves abroad are potential allies in any attack by speculators on the dollar. Because of the drive to push gold out of the monetary system and replace it with a growing supply of paper credits, the dollar is bound to become even more prone to such speculative attacks.

The massive overhang of credit owed by the LDC's is obviously a threat to major American banks and some might accuse the United States of endorsing IMF liquidity expansion as a means of aiding these creditors. Most likely, the U.S. Treasury endorsement of more expansion of world credit will give encouragement to financial officials to provide even more loans. Thus, we may not be helping the adjustment of other nations. More likely, we are merely postponing the day of reckoning.

The IMF policies with regard to gold may well be myopic. The U.S. advocacy of gold policies adopted by the IMF may in fact hurt allies of the United States more than it will help the intended recipients. The questionable legality of IMF gold sales further hurts the credibility of an organization with little credibility left.

It would have been far better and economically more defensible if in an effort to divest the IMF of its gold, such gold is returned to its members proportionately in the form of bullion and then left it to each member to do with it what he liked.

In the case of our Nation, such gold returns could be offered for sale by auction or otherwise over a period of time, most probably at a much higher overall revenue to the U.S. Treasury.

The Treasury Department is not asking for a mere "accounting procedure" to provide for a credit at the Federal Reserve Bank of 1.7 billion special drawing rights. It is requesting $2 billion worth of purchasing power to channel through the IMF. But in addition to that, it is asking for continued authority to loan the IMF $2 billion for unclear purposes under an old borrowing agreement, and continued authority to use $3 billion in the Exchange Stabilization Fund for unclear purposes. That's $7 billion in this little four-page bill. That's $7 billion in a bill that was given less than 1 day of hearings.

The Treasury Department should be instructed to enter into negotiations with our major trading partners to attempt to impose limits on the creation of international liquidity and provide for progress toward a system of stable exchange rates and the necessary economic conditions to facilitate it. Such a system, with disincentives for inflation such as the loss of gold reserves would provide the economic framework for a prosperous Western world economy. Indeed, with continued inflation, parliamentary democracies cannot survive.

The importance of international monetary matters is not only the prosperity of the Western trading nations. We are hurt by inflation, and the American people are rightly beginning to equate inflation with economic stagnation, recession, and unemployment. Internationally, inflation has these economic effects, but it has the effect of undermining free governments. It particularly undermines parliamentary democracies, and even noneconomist Henry Kissinger has said that democratic nations "could not survive" continued inflation of the rate we experienced in 1973–74. The steady-as-she-goes policies contained in the bill before the Senate will make such inflation nearly inevitable.

MINE SAFETY AND HEALTH ACT OF 1976

Mr. WILLIAMS. Mr. President, on Thursday, September 23, 1976, the Labor and Public Welfare Committee received a copy of a letter to the President of the Senate from the Department of the Interior, on behalf of the administration, opposing S. 1302, the Federal Mine Safety and Health Amendments Act of 1976. That letter contained recommendations for more than 15 amendments, plus a suggestion that many more would follow.

This avalanche of 11th hour amendments was a blatant attempt to forestall action on this urgently needed legislation. I view it as an insult to our legislative process and an outrage against all American workers.

The intent is clear. It is nothing but an attempt to obfuscate and confuse the work of the Senate and to eliminate any chance for meaningful debate of the inadequacies of the current mine health and safety program.

This attempt to prevent the improvement of mine safety legislation is nothing but a political maneuver.

Mr. President, this bill did not spring full grown from the head of Zeus. It was introduced on March 22, 1975, 18 months before this late-blooming effort of the administration.

The Labor Subcommittee commenced its hearings on this measure on March 24, 1976. At that time, the administration was invited to testify at the hearings, and representatives of the Interior Department did indeed testify. The administration stated at that time that it opposed the bill.

One of the administration witnesses was Assistant Secretary of the Interior William L. Fisher, who signed the letter of September 23, 1976. At the time of the hearings, Mr. Fisher limited his comments to an opposition to transferring responsibility for enforcement of the mine safety and health program to the Labor Department, and did not discuss any of the matters which are the subject of his 15 proposals of September 23, 1976.

Mr. Barrett, the Administrator of the Mining Enforcement and Safety Administration, also testified before the Labor Subcommittee on three separate occasions. Mr. Barrett in his testimony gave a detailed analysis of the bill then pending before the subcommittee.

Mr. Barrett's analysis contained 14 specific recommendations on how the bill could be improved. Nine of those recommendations found their way into the bill as it was finally reported. Three of these points dealt with vaguenesses which are clarified by the committee's report language.

One recommendation was accomodated by the Labor Subcommittee, but in a form different from that suggested by the MESA Administrator. Only one of the MESA Administrator's recommendations was rejected by the committee.

A useful exchange between the committee and the Department of the Interior witnesses was had, and the committee indicated that it was anxious to have and to consider the constructive input of the Interior Department in improving mine safety legislation, even though the committee might and did disagree with certain positions of the Department.

What were the results of this before the Interior Department's 11th hour gambit of last Thursday? Nothing. No further official positions of the Department were forthcoming to assist this committee in the performance of its legislation function.

The Department was not to be seen in any meaningful sense when the mine safety bill was being considered by the full Senate Labor and Public Welfare Committee or by the House of Representatives when it considered the companion bill, H.R. 13555.

This lack of followthrough is indicative of the true position of the Department of the Interior in the matter of mine safety and health. The Department is not willing to talk seriously and constructively about improving the working conditions in our mines. It has the desire only to be an obstacle to constructive legislation as it has been an obstacle to serious enforcement of the existing program.

In holding back until literally moments before the Senate was scheduled to consider this measure and then spewing forth this clutch of last minute amendments which the Senate could only hastily consider, the Department was taking the same tack as the industry opponents to this bill.

We saw an unwillingness to even admit that there are problems, an unwillingness to permit meaningful discussion, an unwillingness to allow the Senate to do its duty. Rather we saw an attempt to bury this bill in a mountain of amendments.

The Senate should look with scorn at this obvious attempt to interfere with the performance of its responsibilities. The administration has turned its back on the plight of American miners, and engaged in an effort to make the Senate do so, too.

The time for the Executive's meaningful input into the legislative process had long passed. Nothing which the Department of the Interior sends over at such a late stage, can be intended to be a contribution to aid the Senate in its serious consideration of this serious problem.

Anything sent over so late must be assumed to be for the purpose of creating an obstacle to the Senate's consideration of this bill and should properly be rejected out of hand for what it obviously is, an insincere effort.

So that my colleagues can appreciate the nature of this tactic, I ask unanimous consent that the letter of September 23, 1976, from Assistant Secretary of Interior William L. Fisher be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
SEPTEMBER 23, 1976.

HON. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: This letter presents the Administration's views concerning S. 1302, a bill "To promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes." Having conducted a thorough review of the bill, the Administration very strongly believes that it is unacceptable in its present form.

S. 1302 combines some features of the Federal Metal and Nonmetallic Mine Safety Act, the Federal Coal Mine Health and Safety Act of 1969, and the Occupational Safety and Health Act of 1970. The bill also contains many new concepts. It also transfers responsibility for administration of the Federal mine health and safety program from the Interior Department to the Labor Department.

Our analysis has led us to conclude that enactment of S. 1302 will not improve the ability of the Federal mine health and safety program to achieve its mission—to reduce fatalities and injuries in the mining industry so that mining is as safe and healthful an occupation as any a person may choose. To the contrary, the bill would substantially impede the real progress made by the program since 1970. Such progress would be impeded by enactment of S. 1302 because:

It needlessly transfers the mine health and safety program to the Department of Labor. Such a move would ignore MESA's significantly improved record of mine safety since 1970, as shown in the attached graphs, and disrupt current MESA management improvement efforts. Moreover, it would disconnect MESA from critical research and development support in the Bureau of Mines.

S. 1302 changes the format and terminology of existing mine health and safety law and, therefore, would impede Federal enforcement and retard compliance by the mining industry without making appreciable improvements in mine health and safety. The entire industry would have to learn new concepts, terms, and procedures, and Federal enforcement agencies would have to be reorganized and retrained in new procedures. Moreover, a new interpretive body of case law would have to be developed and much existing case law would be rendered obsolete.

In addition we estimate that the bill will greatly increase the cost of Federal mine health and safety activities from $93 million in 1977 to $161 million. Because of new regulatory and recordkeeping requirements, costs to the mining industry would increase by an estimated $260 million.

Specific provisions of S. 1302 which we have identified as major problems are set forth below, listed in the sequence in which they appear in the bill.

(1) *General Duty Clause:* Sec. 101(a) of S. 1302 provides that the mine operator furnish to each miner a place of employment "free from recognized hazards." The administering agency could cite a mine operator for violation of this provision and take enforcement action in the absence of a specific standard regarding recognized hazards causing or likely to cause harm to employees. The Occupational Health and Safety Act has a similar provision which is generally referred to as the "general duty" clause.

Substantive problems may well result from the inclusion of this clause in the bill. There are numerous mine health and safety standards. If an inspector errs and cites the "general duty" clause when another regulation applies, the Courts may vacate the citation, as the Occupational Health and Safety Review Commission has done under the OSHA Act. The "general duty" clause, however, essentially allows a determination to be made on the inspector level as to what the health or safety standard should be. We believe that this would threaten uniform enforcement policy that should be specified at the Secretarial level and that this uniformity is essential for credible enforcement of the law. Finally, the term "recognized hazard" is vague as to what they are, and as to who is responsible for recognizing them, providing another source for non-uniform enforcement.

We recommend deletion of the "general duty" clause.

(2) *Rulemaking:* The bill provides new rule making procedures for health and safety standards applicable to mines covered by the Act. These provisions, which become Section 102(a) of the amended Coal Act, are markedly different from present procedures under both the Coal and Metal Acts. While these provisions have some advantages over existing provisions, e.g., elimination of formal hearing procedures and mandatory consultation meetings, they also contain several administratively unmanageable features. Chief among these are the timetables for action specified by the law. These time frames are generally unreasonable. Complex new standards require sufficient time for governmental study and comment. Rigid time schedules that cannot reasonably be met may later prove to be an effective avenue for legal attack on the standards. We suggest the procedures set forth in Section 101 of the Coal Act be substituted. The Department and the mining community have considerable experience using these procedures and have found them to be workable and fair.

(3) *Limited noncompliance:* Section 102(d) enables an operator to apply and obtain a temporary order from the Secretary permitting limited non-compliance for up to eighteen months following promulgation of new standards. We strongly question the advisability and desirability of this provision. Because of the unrealistically short effective dates required for standards under the bill (ninety days after promulgation), operators will be tempted to file numerous petitions under this subsection. Sudden and heavy backlogs will likely ensue, creating a mountain of paperwork for the Secretary and the operator. Moreover, under the proviso for interim relief the Secretary will be forced to issue interim orders until hearings can be scheduled and decisions issued. Small operators who would most likely be in need of this provision would have great difficulty strictly complying with the detailed, specific requirements for filing without resorting to legal counsel. The Secretary would likely have to choose between a liberal interpretation of the filing requirements or wholesale return of petitions (with the certain refilling of the same petitions). We recommend deletion of subsection 102(d).

(4) *Variances:* Section 102(e) is intended to replace present Sec. 301(c) of the Coal Act. Under Sec. 301(c) a modification in application of a standard may be granted if the operator demonstrates that he has an equally safe or safer method or that application of the standard will result in a diminution of safety. Sec. 102(e) drops the *diminution of safety* criterion as a basis for relief. While careful formulation of standards may offset the deletion of the *dimunition* of safety criterion, it should be recognized that all circumstances cannot be foreseen in promulgating standards of general applicability. In the absence of the "safety" criterion, there may be cases where a variance now granted under the Coal Act could not be granted under S. 1302.

We recommend retention of the language of Section 301(c) of the Coal Act in lieu of Section 102(c) of the bill.

(5) *Inspections*: Section 104(a)(2) requires that all mines, coal and noncoal, subject to the Act be inspected at least four times a year. MESA's experience shows that certain types of mines (underground), certain problem mines, and certain areas of mines require much more inspection than others. Experience has also shown that administrative discretion for determining the number of inspections required is needed to enforce the law and that it would not be possible without a considerable enlargement of the inspector force to make four inspections annually of all mines. Such an increase would not produce commensurate results in terms of improved health and safety. A bet-

ter approach would be to grant the Secretary latitude to best deploy his inspector resources.

(6) *Miner reassignments:* Sec. 104(c)(3) provides authority for health standards to include mandatory job reassignments of miners exposed to excessive levels of toxic materials or harmful physical agents at not less than the regular rate of pay received prior to reassignment. Sec. 203(b) of the existing Coal Act contains a similar provision designed to protect coal miners who have "evidence of the development of pneumoconiosis." About 5,800 coal miners are eligible for protection under Sec. 203(b) of the Coal Act, as opposed to about 425,000 miners who would be potentially eligible for coverage under Sec. 104(c)(3) of the bill.

When Sec. 203(b) of the Coal Act was implemented in 1971, significant problems occurred because of conflicts with the preexisting seniority and job-bidding provisions of the collective bargaining agreement between the United Mine Workers of America and the Bituminous Coal Operators' Association. Sec. 104(c)(3) of S. 1302 would cause the same kinds of problems but on a much larger scale.

We recommend an amendment to the bill which would restrict coverage of Sec. 104(c)(3) only to those miners whose continued exposure to a health hazard will lead to medically demonstrable progression of disability

(7) *Special inspection:* Section 104(f)(2) provides that prior to or during an inspection a miner or representative of miners may notify the representative of the Secretary, in writing, of a violation of the Act or an imminent danger which they *believe* exists. MESA currently responds to all miner complaints, and administratively reviews all disputed decisions. S. 1302, however, would mandate that the Secretary must provide, by regulation, procedures for a review of any refusal by the representative of the Secretary to issue a citation. The supervisor of the representative of the Secretary or other person who must review the matter and make a written statement could be swamped with such requests. Potentially, any time an inspector refuses to issue a citation a miner feels should be issued, the review procedure would be triggered, thus creating what could be an onerous burden. Deletion of the last sentence of Section 104(f)(2) is recommended.

(8) *Civil Penalty Closure Order:* Sec. 105(a)(2) and 111(d) contains a new concept for a Federal regulatory program. It authorizes the Commission to close a mine for up to 30 days upon finding that the operator willfully or with gross negligence violated a standard which caused a miner or miners to be subjected to imminent danger. This closure order is to remain in effect until the Commission makes another finding that no unabated health or safety violations exist at the mine. The section further provides that, in addition to loss of production during the closure period, the operator must pay all miners put out of work by the closure at their regular hourly rates of pay (except any miner who willfully or with gross negligence contributed to the violation).

The criteria for the civil penalty closure order are close to those established for criminal penalties. Civil penalties are not appropriate where criminal behavior is involved. Furthermore, the difficulty of distinguishing between the findings necessary to trigger the sanctions of the civil penalty closure order and the unwarrantable failure mechanism will pose serious problems. It is not practical to require a miner inspector to determine, during the rigors of an inspection, whether a violation could "significantly and substantially contribute to the cause and effect of a mine safety or health hazard," and also whether it is caused by the "unwarrantable failure of the operator to comply" (Sec. 105(e)(1) of S. 1302); or whether it is "willfully committed or committed with gross negligence" and subjects miners to an "imminent danger" (Sec. 105(a)(2) of S. 1302).

We predict that, without any doubt, enactment of these provisions will continuously involve the enforcing agency in time-consuming litigation and will lead to immense confusion of all affected parties. Litigation and confusion will substantially restrict the effectiveness of these provisions in improving mine health and safety.

We recommend that Sections 105(a)(2) and 111(d) be deleted from the bill.

(9) *Interest on unpaid civil penalties:* Section 106(a)(1) procedurally implements Section 111(a) and 111(d) of the bill, which calls for a mandatory penalty for all violations of the Act or standards. While these procedures are improvements over procedures in the present Coal Act, the Secretary must still seek court redress to collect against his administrative judgment. We believe that a provision including a stiff interest charge running from the date of the final order would encourage prompt payment.

(10) *Judicial Review:* Section 107(a) authorizes the Courts of Appeals to grant such temporary relief as it deems just and proper from an order of the Commission. The Coal Act (Sec. 106(a)) is more restrictive in that it specifies the circumstances under which the Court can grant temporary relief from an order—viz., all parties have been heard on the request; there is substantial likelihood that persons requesting relief will prevail in a final determination; and the health and safety of miners will not be adversely affected. We recommend that the limitations on granting temporary relief contained in Sec. 106(a) of the Coal Act be retained.

(11) *Civil penalties:* Section 111 contains the penalty provisions of the bill. Under Section 111(a) a mandatory civil penalty of not more than $10,000 shall be assessed against the operator for each violation of the Act, standards or regulations. Mandatory civil penalties under the Coal Act have proved extremely difficult to administer because they have created protracted litigation and require a great expenditure of inspectors' time which could be more effectively utilized in actual mine inspection. We would prefer a system of mandatory civil penalties for violations resulting in closure orders; for unwarrantable failure violations; and for failure to admit the Secretary to the mine. All other violations should be subject to discretionary civil penalties. This combination would be effective and administratively efficient. It maximizes the inspection time of the Federal inspectors and emphasizes the most important areas for enforcement.

(12) *Independent Review Commission:* Sec. 114 of S. 1302 creates an independent review commission to adjudicate cases arising from initial MESA enforcement actions. This new body would be similar to the Occupational Safety and Health Review Commission (OSHRC) which adjudicates OSHA citations. Like OSHRC, it would be a separate, independent agency in the Executive Branch. Under existing mine health and safety law, administrative review functions are performed by Interior's Office of Hearings and Appeals which is subject to the direction and control of the Secretary of the Interior. Creation of an independent commission is unwise, in our opinion, because it interposes a new, quasijudicial authority over the Secretary. The Commission concept subverts the basic premise of the Administrative Procedure Act that agency heads have review authority over initial administrative decisions.

Concern for impartial hearings is now satisfied by the provisions for full evidentiary hearings before administrative law judges, followed by an opportunity to appeal rulings in the courts. Creation of a new review commission requires more resources than keeping these functions under the Secretary.

It is recommended that all administrative review functions remain vested in the Secretary.

(13) *Reduction in Research Funding:* The Federal Coal Mine Health and Safety Act of 1969, in Sec. 501(e), authorizes annual appropriations of $30 million for coal mine safety research. Additionally, Congress has appropriated various sums for metal/nonmetal mine safety research. Thus, in FY 1977, $30 million is budgeted for coal mine safety research and $6 million is budgeted for metal/nonmetal safety research.

By amending Sec. 501(e) of the Coal Act, Section 303 of S. 1302 would have the effect of making the $30 million ceiling applicable to both coal and metal/nonmetal mine safety research. We recommend that a ceiling of $45 million for all mine safety research be provided in the bill.

(14) *OSHA Exclusion, including definition of milling:* There have been jurisdictional disputes between MESA and OSHA which have created a burden for the private sector.

In order to avoid overlapping jurisdiction or gaps in jurisdiction between OSHA and MESA, there should be a specific demarcation of the respective agencies' authority. Specifically, Congress should state that no provision of OSHA shall apply to any mine. Defining jurisdictional boundaries in law is the best way to minimize inspection duplication at work sites and to permit workers and employers to know as closely as possible which regulations apply and who will inspect.

For further clarification definition of "milling" should be included in Section 102 of the bill. The definition should appear as a new paragraph under Section 102. We suggest that the definition which is now a part of a joint MESA/OSHA Memorandum of Understanding be adopted. Without the definition of milling, the statutory basis for demarcation of jurisdiction would remain unclear.

(15) *State Plans:* S. 1302 conflicts with Administration policy in occupational health and safety by its failure to encourage or permit States to share enforcement responsibility. The Metal Act (Sec. 16), and the OSHA Act (Sec. 18), for example, contain such provisions. We recommend that the bill provide for State plans.

In addition to the problems enumerated above, there are many other flaws which should be corrected in the bill. The Administration recognizes the need for improvement in existing mine health and safety legislation and will work with the Congress toward that goal. I cannot emphasize too strongly, however, that S. 1302 contains seriously objectionable features which must be changed to enable the Federal mine health and safety program to properly protect the health and safety of the Nation's miners. Accordingly, we are strongly opposed to the enactment of the bill unless these defects are remedied.

The Office of Management and Budget has advised that there is no objection to the presentation of this report and that enactment of S. 1302 would not be in accord with the President's program.

Sincerely yours,

William L. Fisher,
Assistant Secretary of the Interior.

Mr. WILLIAMS. Mr. President, the safety and health of our working people has always been a matter of great concern to me. The special problems of our Nation's miners have been of particular concern to me over the years.

As the author and principal sponsor of the 1969 Federal Coal Mine Health and Safety Act, I attempted to address these problems. As the chairman of the Labor and Public Welfare Committee, I know that the committee's almost constant oversight of the administration and enforcement of the mine safety laws, both in the coal and the hard rock segments of the mining industry, has been sorely deficient.

There has been some improvement in health and safety conditions in our mines particularly in the coal mines. But that improvement has not been as great as it should have been considering the Federal effort involved. Clearly it is not as good as we in the Senate would have wanted.

On the average, every working day of the year one miner is killed and 66 miners suffer serious injuries. This is too great a price for a civilized nation to pay for its energy and mineral resources.

In reaction to this concern, I introduced S. 1302, the mine safety bill, which ultimately became the subject of the administration's criticism to which I just referred.

That bill was referred to the Labor and Public Welfare Committee and received its careful consideration. In early March of this year, I announced hearings on that bill. Five days later a terrible tragedy occurred at the Scotia coal mine in eastern Kentucky. An explosion of lethal methane gas killed 15 miners. Two days later a second explosion took another 11 lives.

The Labor and Public Welfare Committee conducted a thorough and careful investigation of the Scotia tragedy as part of its consideration of S. 1302. Our intention, quite frankly, was to learn what happened at Scotia and see if our new mine safety bill could be improved to address the specific weaknesses in the mine safety program which that tragedy demonstrated.

We hoped to profit by that tragedy and make S. 1302 a comprehensive mine safety law which would provide the much needed reform of our Nation's mine safety program. The committee reported out its considerably improved bill in August of this year, and it was placed on the calendar on September 1, 1976.

This is the bill which was the object of the last minute assault by the administration.

Unfortunately, the bill has fallen victim to the rush of events in the closing hours of the 94th Congress.

Yesterday, while the Senate was considering the black lung legislation, an explosion in a coal mine in France took 16 lives.

This reminds us once again of the ever present dangers that miners confront. It happened in France, but it could have happened in West Virginia or Pennsylvania or Kentucky or Alabama, Utah, Arizona, Idaho, or any other State where mining takes place. This legislation must sooner or later be enacted. The problems that have plagued our Nation's miners are still with us.

The law covering hard rock mine safety is still too weak to provide effective and meaningful results. The Coal Mine Health and Safety Act still suffers from uninspired and indifferent enforcement which renders its strengths nugatory.

We cannot in good conscience let these conditions go on any longer. When we return in January, it is my fervent hope that we can make a mine safety and health bill, such as S. 1302, one of our first orders of business; and that we will once and for all provide effective and meaningful safety and health for our Nation's miners and eradicate unnecessary death and suffering from our Nation's mines.

THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1976

Mr. CHURCH. Mr. President, I welcome debate on the Foreign Intelligence Surveillance Act of 1976, a bill introduced by the distinguished senior Senator from Massachusetts (Mr. KENNEDY). This bill amends title 18 of the United States Code to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information within the United States.

The need for legislation on this subject became apparent during the Senate's investigation of U.S. intelligence agencies. The Select Committee on Intelligence uncovered the widespread use of wiretaps and bugs directed against domestic citizens and groups. At first limited to cases where terrorist activity was suspected or evidence was sought to identify a spy, the bugging and tapping spread to include law abiding American citizens—protestors against the Vietnam war and participants in the civil rights movement.

This bill is a major step forward in preventing future abuses in the area of electronic surveillance, and I support its concept. Senator KENNEDY, the Judiciary Committee and the new Intelligence Committee have done an excellent job in working with the administration to draft a bill which significantly improves the 1968 Omnibus Crime Act. However, as now drafted, it still contains certain serious loopholes.

The Senator from California (Mr. TUNNEY) has labored long, hard, and effectively to uncover the loopholes in S. 3197 and has been the leader in the Senate in preventing future abuse of American citizens' fourth amendment rights.

I refer now specifically to section 2521 (b)(1)(E), dealing with the transmission of information to a foreign intelligence service or network, and section 2528, dealing with Presidential powers.

Section 2521 has been improved significantly by the new Intelligence Committee. Amendments adopted by the committee, with one exception, require a judicial finding of probable criminal activity. The exception involves the transmission of information to a foreign power which will "harm the security of the United States." Such an exception runs contrary to the recommendations of the select committee, which, in its final report, held that "targeting an American for electronic surveillance in the absence of probable cause to believe he might commit a crime is unwise and unnecessary." If an action of an American is deemed so deleterious as to require a wiretap or a bug, then it should be made a crime and thus subject to the probable cause test. Senator NELSON has introduced, and I have cosponsored, an amendment that would invoke the probable cause test in cases where authority is sought for electronic surveillance involving transmission of information. He is the prime mover of this amendment, and I wish only to express my full support for it at this time.

The other area of particular interest to me is the provision regarding the President's authority to institute electronic surveillance. Section 2528 allows the President to order electronic surveillance to acquire foreign intelligence, without a court order, when "the facts and circumstances giving rise to the acquisition are so unprecedented and potentially harmful to the Nation that they cannot be reasonably said to have been within the contemplation of Congress in enacting this chapter."

I see no purpose for this exception which creates an escape hatch through which any President could bypass the courts and the Congress in ordering a wiretap or the placement of a listening device within the United States. If an emergency arises where time is of the essence and the President and Attorney General feel they must institute a wiretap or install a bug immediately, there is already a section in the bill permitting it. An application must then be filed with a judge within 24 hours and the regular review and approval process initiated.

Another problem with section 2528 is that it is impossible to define what "facts and circumstances * * * are so unprecedented and potentially harmful * * * that they cannot be said to have been within the contemplation of Congress." The language is so broad that it allows for wide Presidential interpretation, and it could be misconstrued as a congressional concurrence in the dubious theory that the Chief Executive possesses "inherent authority" to wiretap. Such a "Presidential prerogative" was rejected by the Senate Intelligence Committee's final report.

Although the constitutional issue concerning inherent Presidential power in this field has not been resolved, it is clear that the Congress and the courts must assert their authority. If they do not, restraints on a runaway Presidency will be eroded still further. As Arthur Schlesinger points out—

> In the last years, presidential primacy, so indispensible to the political order, has turned into presidential supremacy. The constitutional presidency—as events so apparently disparate as the Indochina War and the Watergate affair showed—has become the imperial presidency and threatens to be the revolutionary presidency.

This concern is not new. Twenty-four years ago the Supreme Court turned back an attempt by President Truman to take over the striking steel industry by means of an assertion of "inherent" emergency power. Speaking for the majority, Justice Black issued the Youngstown Steel opinion which still stands as a definitive statement in the area of "Presidential prerogative." Justice Black held that "the President's power, if any, to issue the order must stem from an act of Congress or from the Constitution itself." He characterized President Truman's action as an unconstitutional arrogation of "lawmaking power" by the Executive.

Justice Jackson's widely quoted and praised concurring opinion stressed that our system of government is a "balanced power structure" and pointed out that Executive power to act is a variable depending upon the collective will of Congress for its authority. Justice Jackson listed three situations which determine the extent of the President's power:

> 1. When the President acts pursuant to an express or implied authorization of Congress, his authority is at its maximum, for it includes all that he possesses in his own right plus all that Congress can delegate . . .
>
> 2. When the President acts in absence of either a congressional grant or denial of authority, he can only rely upon his own independent powers . . .
>
> 3. *When the President takes measures incompatible with the expressed or implied will of Congress, his power is at its lowest ebb,* for then he can rely only upon his own constitutional powers minus any constitutional powers of Congress over the matter. (emphasis added)

With regard to electronic surveillance, the first Supreme Court case, Olmstead against United States, decided in 1928, held that the warrantless use of the wiretap was constitutional because the customary warrant requirement applied only to physical trespass and not to the seizure of conversation. This case left Federal agencies free to engage in electronic surveillance in both criminal and intelligence investigations.

Six years later, the Federal Communications Act was passed making it a crime to intercept and divulge the contents of wire communications. However, the Congress acquiesced in the Justice Department's contention that executive branch warrantless wiretapping for intelligence purposes, rather than criminal prosecutions, was not covered by the law.

The next major turning point came in 1967 when the Supreme Court, in the Katz case, reversed the Olmstead case and decided that the fourth amendment requirement for a warrant did apply to electronic surveillance. However, the court specifically excluded cases involving the national security.

The Omnibus Crime Act of 1968 established a warrant procedure for both bugging and tapping in criminal cases but included the extraordinary provision that nothing contained therein or in the Communications Act of 1934 "shall limit the constitutional power of the President." This language has since been relied upon by executive branch as permitting warrantless electronic surveillance whenever the purpose is claimed to relate to national security.

Nevertheless, in the 1972 Keith case—United States against District Court—the Supreme Court held that the President did not have the power to authorize electronic surveillance without a warrant where the claimed threat to "national security" was domestic, rather than foreign, in character. The court scope of the President's surveillance refrained from "any judgment on the power with respect to the activities of foreign powers, within or without this country." This leaves a vacuum on the proper role of the President in the field of electronic surveillance for the Congress to fill by legislation.

Section 2528 of this bill would allow the President to authorize bugging and tapping without a warrant within the United States. In my view, the President does not now have, nor should the Congress create the impression that he possesses, inherent authority to conduct electronic surveillance of American citizens residing in the United States.

The Intelligence Committee, in reporting out this bill, held that section 2528 was neutral on the question of inherent power:

> The precise phrasing used—"any constitutional power the President may have subject to determination by the courts"—is designed to make it absolutely clear that this section constitutes neither a grant of, nor limitation on, such power nor a congressional recognition of such power. The phrase "subject to determination by the courts" was added by the Select Committee to underscore this point.

I see no reason to maintain the language in 2528(b) and, if the bill were to come to the floor, I would move to strike it. This subsection is not neutral—it allows the President to wiretap without a court order. In effect, it exempts the President from the warrant restriction of the bill in "unprecedented and potentially harmful" situations. The purpose of section 2528 should only be to make clear that S. 3197 is not intended to deal with the foreign intelligence activities of the National Security Agency. The electronic surveillance actions of the NSA are not currently bound by statute and have not been resolved in court. However, a subcommittee of the new Intelligence Committee, chaired by Senator HUDDLESTON, is now engaged in drafting a charter for the NSA as well as for the other intelligence agencies.

In conclusion, I must again say that I welcome this bill that Senator KENNEDY, Senator INOUYE, and Senator BAYH have worked so hard to bring before the Senate. It is a bill that has had the benefit of careful staff work by two committees. With the proper attention by the Senate and the House in the next session, I am hopeful that we can pass legislation which will, once and for all, establish a standard for electronic surveillance within the United States, which will enable the courts to effectively prevent the abuses of the past, so abundantly documented and exposed by the investigations of the select committee.

S. 3197—THE FOREIGN INTELLIGENCE SURVEILLANCE ACT

Mr. ABOUREZK. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from California (Mr. TUNNEY) on S. 3197, the Foreign Intelligence Surveillance Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

(STATEMENT BY SENATOR TUNNEY)

As the session draws to an end, we should take note of one bill on which Senators worked hard this session, which is not going forward to passage, S. 3197, the Foreign Intelligence Surveillance Act.

This was a bill which authorized "court orders" to permit "electronic surveillance" against "agents of a foreign power" within this country, for "foreign intelligence" purposes.

S. 3197 was introduced on March 23, 1976, by the Senator from Massachusetts (Mr. KENNEDY) with several distinguished cosponsors. The regulation of electronic surveillance conducted for foreign intelligence purposes is a subject on which Congress has been trying for years to secure enactment of controlling legislation. By now, there have been six Senate hearings on this subject in the last 4 years, plus hearings in the House. The most widely known investigation is that of the Select Committee on Government Operations with respect to Intelligence Operations, chaired by the Senator from Idaho (Mr. CHURCH). Volume 2 of the Church committee report, to which the Senator from Minnesota (Mr. MONDALE) made major contributions, documented widespread abuses in the activities of intelligence agencies targeted against Americans.

Wiretapping entails a major intrusion upon the privacy of the individual. Many argue that it is unconstitutional as the sort of general search which the Founders of our country condemned, and which they outlawed in the fourth amendment. If wiretapping and other electronic surveillance is to be ever utilized, it must be only in matters of the utmost national needs, and under the most carefully drawn safeguards of our constitutional rights.

As chairman of the Constitutional Rights Subcommittee, I have a special concern for these issues of privacy and civil liberties.

When wiretapping first began, the Supreme Court held that it was not within the coverage of the Fourth Amendment *Olmstead v. United States,* 277 U.S. 468 (1928). Then when the Federal Communications Act of 1934 made it a crime "to intercept and divulge" wire and radio communications, the Justice Department interpreted this as permitting interception by wiretaps as long as there was no divulgement outside the executive branch. Attorney General Brownell in 1954 authorized the FBI also to conduct bugging, involving trespassory surreptitious entry.

In Katz against United States, 389 U.S. 347 (1937) the Supreme Court for the first time held that the fourth amendment's warrant provision applied to electronic surveillance, and explicitly declined to rule on cases "involving the national security" 389 U.S. at 358n.23. Congress the next year enacted a bill authorizing wiretapping in important criminal cases, title III of the Omnibus Crime Control and Safe Streets Act, 18 U.S.C. 2510–2520. It included a disclaimer (section 2511(3)) that the statutes did not limt the President's constitutional power to act in national security cases, involving either foreign or domestic aspects.

The administration had taken the position that the President had an "inherent power" to tap in both foreign and domestic national security cases. In the Keith cases, United States against United States District Court, 407 U.S. 297 (1972), the court held that the title III disclaimer, 18 U.S.C. 2511(3) conferred no power, and that there was no inherent power to tap in domestic national security cases. The court "expressed no opinion as to issues which may be involved with respect to activities of foreign powers, or their agents." 407 U.S. at 302.

The circuit courts have differed as to whether there was any inherent power as to foreign national security cases. In the best reasoned of the cases, Zweibon against Mitchell, 51 F.2d 584 (D.C. Cir. 1975, en banc), Judge J. Skelly Wright applied the Keith analytical framework to suggest that the fourth amendment limited all powers, including the President's, and that a warrant would be required to conduct electronic surveillance even in national security cases Other courts took another view.

Notwithstanding the long efforts of Congress to adopt legislation in this area, the administration had resisted until this March any effort to regulate national security wiretapping. Then the administration consented to the introduction of S. 3197. Senator KENNEDY's statement to the Senate on introducing S. 3197 expressed the hope that the defects and ambiguities in the bill could be cured during congressional consideration.

I am proud to have participated in the three rounds of negotiation between representatives of the Senate and the administration which secured agreement on a number of improvements in S. 3197—during its consideration in the Judiciary Committee, its consideration in the Intelligence Committee, and while awaiting action by the Senate. In the last round of negotiations, I am happy to note that representatives of the administration agreed to strike section 2528(b), which continued a reference to a Presidential claim of inherent power to conduct warrantless taps in this country.

However, it was not possible to secure agreement with the administration on a number of key points. One who refers to my dissenting opinion in the report of the Judiciary Committee will see a long list of amendments which I felt to be desirable.

While many of my distinguished colleagues felt that S. 3197, in the form to which the administration would agree, was an improvement over the present legal situation, others of us thought that S. 3197 was too flawed a piece of legislation to merit passage.

It is worthwhile to note for the record the points as to which S. 3197 marks a step forward, for these are points as to which the Department of Justice and the administration have agreed, and as to which there is overwhelming consensus in the Senate. There is agreement that electronic surveillance in the United States for foreign intelligence purposes is to be regulated by statute. There is agreement that there must be political accountability for any such surveillance, by requirements that the President authorize the overall program of surveillance, that the President designate high-ranking officials as the persons authorized to initiate surveillance, that such Presidential designees certify the need for each individual tap, and that the Attorney General personally approve each individual tap. There is agreement that a permanent written record be made of the approval of each tap, and the details on the reasons for the surveillance. There is agreement that the Attorney General control all electronic surveillance in this country by any Federal agency.

There is agreement that electronic surveillance be conducted only pursuant to a warrant issued by a judge—except for temporary taps under exigent circumstances pending a court order—and that the judge must find probable cause that the target of the tap is an agent of a foreign power, and a place or phone he uses. And there is agreement that a court issue minimization orders to prevent the acquisition or retention of material which is not foreign intelligence information. All these points, as well as the other provisions of S. 3178 as the Intelligence Committee reported it, were agreed to by the administration, as a statutory scheme to replace the disclaimer of 18 U.S.C. 2511(3).

These points were hammered out in negotiations between the Senate and the administration, and represent a firm foundation upon which work can be based next session. These points represent a minimum below which we will not fall in drafting legislation on this subject in the future, and I believe they represent a constitutional minimum below which the courts may not go in ruling upon the issue of foreign intelligence electronic surveillance.

But S. 3197 was deficient in a number of vital aspects, as to which I trust we will be able to have a better bill next session. S. 3197 continued to contemplate the continuation of Presidential claims for an "inherent authority" or "prerogative" to tap Americans without court order at least as to Americans abroad and international cable and radio traffic. I do not believe the Constitution so permits. The role of the judge under S. 3197 was so restricted that he was not permitted to review the existence of probable cause that the information sought was likely to be found by the tap requested, or fell within the category of foreign intelligence information subject to seizure under the statute and the Constitution. I do not believe that the fourth amendment permits such an attenuated warrant procedure, or permits certificates from the executive branch to take the place of the independent scrutiny of a judge.

The definition of "agents" of a foreign power in S. 3197 was so broad as to include Americans in this country who were breaking no law. Many argue pursuantly that any law on foreign intelligence surveillance should exclude application to Americans. It is certain that it should not apply to Americans who are violating no law. And to allow its application to Americans who were not even connected with a hostile foreign government, as S. 3197 did, strains belief.

The definition of "foreign intelligence information" in the bill was far too broad. It included, for example, everything essential to "foreign affairs," as defined by executive officials. That range could cover any topic from ping pong to wheat deals.

The definition of "foreign power" included nations who are our allies and friends as well as those hostile to us. It included political parties and political organizations as well as governments. It included "entities" controlled by them. Such a vast sweep might cover many groups as to whom we have no legitimate reason to tap.

The power to tap was not explicitly limited to the FBI. We might have found taps in this country conducted by the CIA against our citizens, by military intelligence against civilians, or by a new White House "Plumbers squad" against political enemies.

The bill authorized not only taps of telephones, but also bugging of homes and offices, break-ins to install them, orders to private citizens to cooperate in the installation, and a range of undefined exotic "other" surveillance devices.

Many provisions of S. 3197 were defined so loosely as to create loopholes. For example, one of the conforming amendments would have allowed the microwave portion of anyone's long distance telephone calls to be tapped at any time without court order and with the Attorney General's knowledge, for 90 days at a time, in order to "test the equipment." Obviously it is both possible and necessary to draft statutory language more tightly than such sections.

The bill had many other deficiencies, many of which are discussed in my section-by-section analysis in the report of the Judiciary Committee. Many Senators joined in the efforts to secure improvements in S. 3197. The Senator from Minnesota (Mr. MONDALE) joined me in testifying against the bill before the Select Committee on Intelligence. The Senator from Idaho (Mr. CHURCH) took the lead in sponsoring the amendment resisting the President's claim on an inherent power to tap, and the Senator from Wisconsin (Mr. NELSON) led on the amendment to prohibit the electronic surveillance of Americans who were violating no law. The Senator from North Carolina (Mr. MORGAN), who dissented from the Intelligence Committee's approval of the bill, my senior colleague from California (Mr. CRANSTON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Connecticut (Mr. WEICKER) and other Senators joined in support of the proposed amendments to the bill.

Among the many organizations which joined in the effort to secure the needed improvements in S. 3197, or to defeat it, and the publications which helped educate the public to its flaws, were Common Cause, the ACLU, NCARL, the New York Times, the Los Angeles Times, the Nation, the Boston Globe, the Progressive magazine, the Chicago Sun-Times, the United Presbyterian Church in the USA, the American Jewish Committee, the Jesuit Conference, the National Council of Jewish Women, the HUAC Religious Action Center, the Southern Christian Leadership Conference, the National Jewish Community Relations Advisory Council, the International Longshoremen and Warehouse Union, the Oil, Chemical and Atomic Workers International Union, the United Methodist Church (Los Angeles), the Friends Committee on National Legislation, Church of the Brethren, Emma Lazarus Federation of Jewish Women's Clubs, the Methodist Federation for Social Action, American Baptist Church, Women's Strike for Peace, Women's International League for Peace and Freedom, the Democratic League, East Bay Women for Peace, the Committee for Public Justice, the Center for National Security Studies.

These citizens groups played a valuable role in contributing to public debate.

I have no doubt that when Congress returns to this subject next session, we will adopt a bill which will be far better because of the efforts expended in considering S. 3197.

THE SECTION 404 PERMIT PROGRAM

Mr. PACKWOOD. Mr. President, I think the people of this country have the right to expect Congress to clear up questions surrounding the section 404 permit program. When the Federal Water Pollution Control Act was passed in 1972, it was hardly expected that the Corps of Engineers would expand its jurisdiction over dredge and fill activities to the extent that it has. Recent court decisions and administrative actions, however, will require by July 1, 1976, Federal permits for a wide range of activities affecting virtually all wetlands, streams, rivers, lakes, territorial seas, and other navigable waterways of the United States.

Mr. President, I have long supported efforts to establish high priorities for protecting the Nation's waters. As a State economically reliant on agriculture and forest products, Oregon is well aware of the value of its water resources. In fact, we depend on their preservation for successful crop and timber yields each year.

But farmers, ranchers, and foresters in Oregon are growing tired of carrying the burden of needless Federal regulation. The expense, effort, and delay caused by obtaining permits for roadbuilding across streams and other activities under section 404 may have a debilitating effect on responsible operations.

It is true that regulations implementing the 404 program already contain exemptions for some vaguely defined silvicultural and farming activities. But the last thing we need is Federal regulations exempting everyday business from other Federal regulations.

What we do need is a change in the statutes that will protect normal farming and forestry activities from the regulatory whims of the Federal Government without weakening essential environmental controls.

Mr. President, I am disappointed that the conference committee on S. 2710, the Federal Water Pollution Control Act

Amendments of 1976, was unable to reach common ground on a provision to clear this up before adjournment. I strongly hope that this issue is given priority consideration when the new Congress convenes in January, and I will work to assure that a responsible solution is reached.

SENATOR RANDOLPH OUTLINES ACTIVITIES OF THE SENATE SUBCOMMITTEE ON THE HANDICAPPED DURING THE 94TH CONGRESS

Mr RANDOLPH. Mr. President, as we review the work of the 94th Congress, I reaffirm the commitment of the Subcommittee on the Handicapped to the goal of equal rights for handicapped Americans and to legislation which will enrich the lives of the mentally and physically impaired of our Nation.

It is my privilege to chair the Subcommittee on the Handicapped and I am joined in this commitment by the members of our subcommittee, Senators ALAN CRANSTON of California; HARRISON A. WILLIAMS of New Jersey; CLAIBORNE PELL of Rhode Island; EDWARD KENNEDY of Massachusetts; WALTER MONDALE of Minnesota; JOHN A. DURKIN of New Hampshire; ROBERT STAFFORD of Vermont; ROBERT TAFT of Ohio; RICHARD SCHWEIKER of Pennsylvania; and J. GLENN BEALL of Maryland. Although Senator JACOB JAVITS of New York is not a member of the subcommittee, as the ranking minority member of the full Committee on Labor and Public Welfare he works closely with our members and staff.

It is gratifying to be able to share with the Senate the activities of our subcommittee during the 94th Congress.

As Senators know, the Subcommittee on the Handicapped is a standing subcommittee of the parent Committee on Labor and Public Welfare. It was established in the final months of the 92d Congress. Its existence as a permanent subcommittee is an indication of the importance which the Congress has attached to legislation affecting handicapped individuals. It was established in order to have a focal point for and to coordinate such legislation. Our subcommittee is charged not only with developing legislation, but also formulating national policy on such issues as education, vocational rehabilitation, employment, architectural, transportation and communications barriers, and adequate housing.

The subcommittee has specific jurisdiction over the Education of the Handicapped Act, including the Education for All Handicapped Children Act of 1975; the Rehabilitation Act of 1973, as amended; the Developmental Disabilities Services and Facilities Construction Act, as amended; the Randolph-Sheppard Act; and the Javits-Wagner-O'Day Act. In addition, the members and staff of the subcommittee work with other committees on matters relating to handicapped persons, but over which the subcommittee has no direct jurisdiction.

The subcommittee has cooperated with the Public Works Committee in the effort to lessen the effects of the energy crisis on handicapped persons and to achieve accessible transportation systems; with the Banking, Housing and Urban Affairs Committee on housing, transportation, and low-cost loans for handicapped persons; with the Post Office and Civil Service Committee on support personnel for handicapped Federal employees; and with the Appropriations Committee in order to secure the maximum possible funding for the programs authorized by the subcommittee.

During the 94th Congress, the subcommittee has worked primarily on the Education for All Handicapped Children Act of 1975 (Public Law 94-142); the Developmentally Disabled Assistance and Bill of Rights Act (Public Law 94-103); and the Rehabilitation Act Extension of 1976 (Public Law 94-230).

EDUCATION

During the first session, S. 6, the Education for All Handicapped Children Act was introduced by Senator WILLIAMS and myself, with the cosponsorship of Senators MAGNUSON, BENTSEN, BROOKE, CANNON, CHILES, HART of Michigan, HOLLINGS, HUMPHREY, JAVITS, KENNEDY, MCGEE, MONDALE, MOSS, PASTORE, PELL, SCHWEIKER, STAFFORD, STEVENS, MCGOVERN, PERCY, CRANSTON, CLARK, CULVER, MCINTYRE, TAFT, BIDEN, HATHAWAY, and METCALF. The purpose of this legislation is to provide financial assistance to the States for improved educational services for handicapped children, a long-neglected minority in our school systems. The subcommittee held hearings on this bill on April 8, 9, and 15, 1975. On June 2, the committee reported the bill to the Senate, and on June 18, S. 6 passed the Senate by a vote of 83 to 10. Since the House had a comparable bill, H.R. 7217, House and Senate conferees met on October 8, 9, 23, 29, and 30, 1975. The conference report was filed on November 14, 1975, and President Ford signed the bill into law on November 29, 1975.

This new legislation provides for a gradually increasing Federal fiscal role for the education of handicapped children; establishes eligibility requirements for States to meet prior to receiving Federal funds; requires both State plans and local applications; places responsibility for implementation of the act on the State educational agency; expands due process protections in existing law; requires individual educational plans for handicapped children; and contains provisions on the removal of architectural barriers, advancement in employment of handicapped individuals, congressional disapproval of regulations, and centers on educational media and materials for the handicapped.

Since there was a concern that the funding formula in effect for fiscal year 1975 only would lapse if new legislation were not enacted prior to the end of the fiscal year, Senator MATHIAS introduced S. 1256 on March 20. This bill would have extended the funding formula through fiscal year 1976. This bill was also reported to the Senate on June 2, 1975. A 2-year extension of the funding formula was also contained in a bill I introduced on March 20. However, since S. 6 extended the existing formula through fiscal year 1977, no action was taken on these two measures.

DEVELOPMENTAL DISABILITIES

Because the Senate and House of Representatives could not schedule a conference on developmental disabilities legislation at the close of the 93d Congress, I introduced S. 462—to extend and amend the programs authorized by the Developmental Disabilities Services and Facilities Construction Act—on January 28, 1975. The measure as introduced was identical to the bill passed by the Senate in October 1974. Hearings were held in March, and on June 2, 1975, the Senate passed H.R. 4005—the number carried by the development disabilities bill which had passed the House of Representatives in April—amended in the nature of a substitute with the provisions of S. 462. The conferees began meeting in late July and in September the conference report was agreed to. The President signed the measure on October 4, 1975. It became Public Law 94-103.

The basic provisions of this law are:

First, an extension of the demonstration, training, and operational grants for university affiliated facilities and a new program of satellite centers to serve as clinical outreach facilities of the university affiliated facilities;

Second, an authorization for a special projects section, including the existing projects of national significance and projects previously funded under the Vocational Rehabilitation Act and the Public Health Service Act;

Third, an authorization of a new $150,000 minimum for each State;

Fourth, a strengthening of State planning councils by clarifying and enlarging their functions and insuring sufficient stature of the council within the State;

Fifth, an increased membership of the National Advisory Council to include the heads of each of the agencies of the Department of Health, Education, and Welfare that have the responsibility of administering programs for the handicapped;

Sixth, a removal of the requirement from the previous act which required that each construction project had to be approved by the Secretary of Health, Education, and Welfare;

Seventh, a requirement of the Secretary to insure that recipients under the act shall take affirmative action to employ and advance the employment of handicapped individuals;

Eighth, the establishment of an evaluation system by the Secretary and a phased plan for each State's implementation of an evaluation system;

Ninth, a change in the definition of the term "developmental disability" to include autism and dyslexia if the latter results from mental retardation, cerebral palsy, epilepsy or autism;

Tenth, a requirement that the Secretary determine other handicapping conditions which should be included in the definition of a developmental disability; and

Eleventh, a new title on the rights of handicapped persons to protect such rights; mandate an individual written habilitation plan for each developmentally disabled person being served in a program funded under this act; and mandate an advocacy system in each

State to protect and advocate the rights of persons with developmental disabilities.

VOCATIONAL REHABILITATION

On December 9 and 10, 1975, the Senate Subcommittee on the Handicapped and the House Subcommittee on Select Education held joint hearings on an extension of the Rehabilitation Act of 1973. One week later, it was my privilege, together with Senators CRANSTON, WILLIAMS, PELL, KENNEDY, HATHAWAY, STAFFORD, TAFT, SCHWEIKER, and JAVITS, to introduce S. 2807, a bill to extend the Rehabilitation Act for 1 year at the fiscal year 1976 authorization level through fiscal year 1977. This measure was passed by the Senate on December 19, 1975, as H.R. 11045—amended in the nature of a substitute with the text of S. 2807. On January 27 and 28, 1976, conferees met in executive session to resolve the differences between the House and Senate versions. The conference report was filed in the Senate on February 5, 1976, agreed to by the House on February 17, by the Senate on March 2, and became Public Law 94–230 on March 15, 1976.

As enacted, H.R. 11045 authorized a 1-year extension—through fiscal year 1977—of the authorities contained in the Rehabilitation Act of 1973 and also provided for a 1-year contingency extension for fiscal year 1978 should legislation amending the Rehabilitation Act not be enacted by April 15, 1977.

The subcommittee also has held oversight hearings on the implementation of the rehabilitation program. The issues covered in the hearings included:

First, the conditions under which a waiver of the sole State agency mandate could be granted by the Secretary of Health, Education, and Welfare in situations where a State chooses to reorganize its human service delivery systems; second, the allocation formula by which grants are made to the States; third, the lack of regulations on section 504 or the act, a few weeks after the hearing on this matter, the Department of Health, Education, and Welfare issued proposed regulations; fourth, the recommendations of the various studies mandated by Public Law 93–112, sheltered workshop, comprehensive service needs, and long-range projections; fifth, transportation problems for handicapped individuals; sixth, the activities of the Architectural and Transportation Barriers Compliance Board and the Interagency Committee on the Employment of Handicapped Persons; seventh, affirmative action and section 503 of Public Law 93–112, and eighth, the emphasis given to severely handicapped persons as mandated by Public Law 93–112. The subcommittee held 8 days of hearings, heard testimony from 50 witnesses, and received an additional 13 written statements.

Further, the subcommittee sent approximately 250 questions to the Departments of Health, Education, and Welfare and Labor, to the Office for Civil Rights, Department of Health, Education and Welfare, and to the Interagency Committee for the Employment of Handicapped Persons on the implementation of Public Law 93–112. The questions and responses are part of the three volumes of oversight hearings.

The subcommittee will review the testimony received during these hearings in order to make future amendments to the Rehabilitation Act of 1973.

WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

The Rehabilitation Act Amendments of 1974, Public Law 93–516, authorized the President to call a White House Conference on Handicapped Individuals no later than 2 years after date of enactment of the bill. The conference will have the objectives of developing recommendations and stimulating a national assessment of problems, and solutions to the problems, facing handicapped individuals. However, because of a delay in the Presidential announcement of the conference, the lateness in the appointment of council members, and the short planning period allowed by law, a joint resolution—Senate Joint Resolution 154—was introduced and agreed to by the Senate on December 19, 1975. This resolution amended Public Law 93–516 so that the conference could be held not later than 3 years from date of enactment of the Rehabilitation Act Amendments of 1974. The White House Conference will be held in May of 1977.

BARRRIER-FREE ENVIRONMENT

On February 7, 1975, I introduced a concurrent resolution, Senate Concurrent Resolution 11, "Toward a Barrier-Free Environment for All Handicapped Americans." This resolution, which was agreed to by the Senate on May 20, 1975, expresses the Congress' endorsement of a national policy to eliminate environmental barriers that prohibit disabled persons from realizing their true potential. A similar resolution, House Concurrent Resolution 134, was introduced in the House of Representatives. Disabled persons are confronted daily with difficult or unsurmountable obstacles, which are simply not perceived or understood by the majority of our citizens. The resolution is patterned after the national policy adopted by leaders in the field of barrier-free design at a conference in 1974.

LEGISLATION INVOLVING OTHER COMMITTEES

S. 622, the Energy Policy and Conservation Act of 1975, contained provisions for handicapped persons developed by the Subcommittee on the Handicapped and the Committee on the Interior. These provisions direct the President to take into consideration the mobility needs of handicapped individuals when prescribing energy conservation contingency plans and a program for the rationing and ordering of priorities among classes of end-users of gasoline and diesel fuel. This legislation became Public Law 94–163 on December 22, 1975.

Additionally, H.R. 12566, authorizing appropriations for the National Science Foundation, added to section 7(a) a new provision calling on the Director of the National Science Foundation to initiate a search for qualified handicapped individuals to fill executive level positions in the National Science Foundation. It further requires that the Director work closely with organizations that have been active in seeking greater utilization and recognition of the scientific and technical capabilities of handicapped individuals. The Director of the National Science Foundation shall also improve the representation of handicapped individuals on advisory committees and review panels and in the programs by which the scientific community provides assistance to the Foundation. Our subcommittee anticipates reviewing the quarterly reports to the Congress by the Director of the National Science Foundation.

Today, with the support of the subcommittee I introduced a Senate resolution supporting the petition of the Public Broadcasting Service to the Federal Communications Commission to reserve line 21 of the vertical blanking interval of the television broadcast signal for captioning for deaf and hearing impaired individuals. This resolution expresses the sense of the Senate that line 21 should be reserved for the voluntary transmission of "closed captions" so that deaf and hearing impaired Americans will have the opportunity to enjoy entertainment, education, and news television programs.

There are approximately 13.4 million Americans with hearing impairments. A survey shows that 70 percent of these persons watch television even though they may not be able to understand the audio portions. A favorable ruling from the Federal Communications Commission would provide deaf and hearing impaired individuals with the opportunity to realize the benefits of television. It will not interfere with the viewing of the hearing public since a special decoder must be placed in television sets for the captions to be visible.

Mr. President, I stress that these accomplishments of our Subcommittee on the Handicapped could not have been brought into being without the significant support and cooperation of handicapped individuals and the organizations that serve the handicapped. They have been a tremendous resource in achieving our objectives, and I am certain they will continue to share our commitment. Much remains to be done to achieve equal opportunity for the handicapped citizens of America.

CONGAREE SWAMP NATIONAL PRESERVE BILL

Mr. HOLLINGS. Mr. President, I rise to speak on the bill to establish the Congaree Swamp National Monument which is of vital concern to my State and, indeed, the Nation. I am sure that many people join me in expressing a real appreciation for the interest, cooperation, and support this body has provided.

The issue to protect or preserve the Congaree Swamp has been with us for nearly 20 years. The first studies were undertaken of the general geographic region two decades ago. It was then that the swamp was first identified as a biological museum. My involvement in the matter dates back to my early days as a U.S. Senator. At that time, Mr. Ambrose Hampton, the publisher of the Columbia State, and Mr. Peter Manigault, the publisher of the Charleston News and Courier, approached me with a proposal for the Federal Government to purchase and maintain that tract of land held by the Francis Beidler Family of Chicago. At that time, the Beidlers had no interest in selling their property and they resisted overtures to accomplish such a goal. Public support in South Carolina was limited, and the proposal, however noble, soon faded from priority.

Since that time, we have experienced an awakening of our environmental concerns. We have become aware that our resources are finite, and we understand that our greed and lust are threatening our existence. In short, we are aware of our limitations and we seek to act with logic and reason to protect our environment—for ourselves and for future generations. The Congaree Swamp issue is a part of that concern. Nowhere else does there remain such an area of virgin riverbottom southern hardwood. Nowhere else is there the beauty and majesty which once was so common in our Southland—the record trees, the renewing ecosystem, and the identity of what once was a pristine land. We have no other opportunity to enshrine for posterity such a virgin wilderness and it is important that we do so now.

This issue has elicited a chorus of support in my State. I have received over 850 letters since January on this matter, and there are cadres of concerned citizens who wish that this goal be accomplished.

But the proposal, however desirable and whatever its urgency, has not been without obstacles. As you are aware, Mr. President, we in the Congress have sought to regulate Federal spending—an effort which has been largely successful in this its first year. I am a member of the Senate Budget Committee and I support the efforts of the committee to impose restraints on profligate spending—even when my own State stands to lose from that effort. This is when the chickens come home to roost because for our new budgetary process to work, it must have the unwavering support of us all. I have approached the question of funding for the Congaree Swamp National Monument with a sense of dedication to this new budgetary process. I have tried to balance that concern with my desire to preserve the swamp.

In order to authorize any funds for the purchase this year, the request normally should have been reported from committee in both Houses by May 15. This deadline was not met and there were but two remaining alternatives to circumvent the problem. We could have requested a waiver from the Budget Committee for the inclusion of specific funding for the Congaree Swamp this year.

As a member of the committee, I could not in good conscience support such an effort; the integrity of the budgetary process would have been violated. However, it developed that specific authorization could be tied directly to the land and water conservation fund, the normal funding source for such acquisitions. The language of this bill allows for such an option and I believe this to be the most expeditious means of realizing our goal.

Mr. President, it should be pointed out, however, that the official position of the Ford administration has been one of opposition to the proposal and it remains so even today. To pass this bill and to preserve the area for future enjoyment, we must overcome the stated opposition of the Office of Management and Budget and the White House.

And as we have wrestled with these problems, the cutting of timber, an economically necessary activity for the owners, has continued. My staff and I have met with Francis Beidler III, the representative of the family, on numerous occasions in an effort to establish some form of a moratorium on the cutting of this virgin forest. The Beidler family, in an effort to protect its financial standing, has released approximately 3,500 acres for cutting since they began their sales program in 1969. It has been their intention to continue this based on economic necessity. The Beidlers are reasonable, intelligent people. They realize the value of their resource and with the apparent intent of the Congress to create this preserve, they understand the importance of maintaining the virgin condition of their holdings for the larger community. Our meetings proved to be fruitful. They have agreed with me that a halt in cutting would be desirable if it could be reconciled with the family's obligations under the terms of the trust instruments which govern the management of their property. With my assistance, they have met with representatives of the National Park Service to discuss a solution to the problem. Those discussions progressed to the point that the family announced its intention to enter the moratorium upon the receipt of a letter outlining in definitive terms the points agreed to in negotiations with the Park Service.

I congratulate and thank the Beidlers for that cooperation and gracious accommodation on the moratorium and their very noble attitude; the State of South Carolina is indebted to them.

Mr. President, I now ask unanimous consent that the bill as passed by the House and Senate be entered into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

H.R. 11891

An act to authorize the establishment of the Congaree Swamp National Monument in the State of South Carolina, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve and protect for the education, inspiration, and enjoyment of present and future generations an outstanding example of a near-virgin southern hardwood forest situated in the Congaree River floodplain in Richland County, South Carolina, there is hereby established the Congaree Swamp National Monument (hereinafter referred to as the "monument"). The monument shall consist of the area within the boundary as generally depicted on the map entitled "Congaree Swamp National Monument", numbered CS–80, 001–B, and dated August 1976 (generally known as the Beidler Tract), which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Following reasonable notice in writing to the Committees on Interior and Insular Affairs of the Senate and House of Representatives of his intention to do so, the Secretary of the Interior (hereinafter referred to as the "Secretary") may make minor revisions of the boundary of the monument by publication of a revised map or other boundary description in the Federal Register, but the total area may not exceed fifteen thousand, two hundred acres.

SEC. 2. (a) Within the monument the Secretary is authorized to acquire lands, waters, and interests therein by donation, purchase with donated or appropriated funds, or exchange. Any lands or interests therein owned by the State of South Carolina or any political subdivision thereof may be acquired only by donation.

(b) With respect to any lands acquired under the provisions of this Act which at the time of acquisition are leased for hunting purposes, such acquisition shall permit the continued exercise of such lease in accordance with its provisions for its unexpired term, or for a period of five years, whichever is less: *Provided,* That no provision of such lease may be exercised which, in the opinion of the Secretary, is incompatible with the preservation objectives of this Act, or which is inconsistent with applicable Federal and State game laws, whichever is more restrictive.

SEC. 3. (a) The Secretary shall administer property acquired for the monument in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the provisions of this Act.

(b) The Secretary shall permit sport fishing on lands and waters under his jurisdiction within the monument in accordance with applicable Federal and State laws, except that he may designate zones where and establish periods when no fishing shall be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. Except in emergencies, any regulations promulgated under this subsection shall be placed in effect only after consultation with the appropriate fish and game agency of the State of South Carolina.

SEC. 4. Within three years from the effective date of this Act, the Secretary shall review the area within the monument and shall report to the President, in accordance with subsections 3(c) and 3(d) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132 (c) and (d)), his recommendation as to the suitability or nonsuitability of any area within the monument for preservation as wilderness, and any designation of any such areas as wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

SEC. 5. (a) The Secretary may not expend more than $35,500,000 from the Land and Water Conservation Fund for land acquisition nor more than $500,000 for the development of essential facilities.

(b) Within three years from the effective date of this Act the Secretary shall, after consulting with the Governor of the State of South Carolina, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a general management plan for the use and development of the monument consistent with the purposes of this Act, indicating:

(1) the land and interests in lands adjacent or related to the monument which are deemed necessary or desirable for the purposes of resource protection, scenic integrity, or management and administration of the area in furtherance of the purposes of this Act, and the estimated cost thereof;

(2) the number of visitors and types of public use within the monument which can be accommodated in accordance with the protection of its resources;

(3) the location and estimated cost of facilities deemed necessary to accommodate such visitors and uses.

H.R. 10760—BLACK LUNG LEGISLATION

Mr. WILLIAMS. Mr. President, I rise in support of H.R. 10760, a bill to revise the black lung benefits program established under the Federal Coal Mine Health and Safety Act of 1969.

The broad purposes of H.R. 10760 are to correct inequities that exist in the current law.

The bill removes certain eligibility restrictions for the victims of black lung and their families. It also reaffirms congressional intent with respect to certain administrative functions that have been misinterpreted, while starting the shift of this program's financial burden from the Government to coal mine operators.

Although the Black Lung Benefits Act has been beneficial to many coal miners afflicted with the disabling and crippling pneumoconiosis, there are some very serious shortcomings in the law that have resulted in an inequitable, and at times, unjust distribution of benefits. These shortcomings have been addressed by this Congress in the past, yet many of them still exist.

What we have been attempting to do today and yesterday is to finally remedy the problems inherent in the present administration and interpretation of the black lung law and to thereby provide a just and fair compensation system for the victims of this devastating occupational disease and for their families.

Black lung is a disease that is widespread throughout the coal mining communities of this Nation. Its effects are felt by all involved in the business of providing the country with the necessary supplies of coal, in one way or another. The victims of black lung suffer immeasurable pain and misery in their fight to live out their lives in dignity.

The families and friends of these victims suffer the misery of watching a father, or a husband, or a neighbor slowly succumb to the disease. The rest of the country, you and I, enjoy the benefits produced by the coal that was once mined by these victims. The coal operators enjoy the profits that the miners make for them year in and year out.

The symptoms of pneumoconiosis are a horror. Victims of the disease find themselves with lungs that are almost totally useless because filled with the dust that is produced in the process of mining coal. A black lung victim finds it hard to do anything. Imagine the plight of a once active man being restricted to his house, barely able to muster enough energy to feed himself. The picture is not a pleasant one, but it is reality.

These amendments were not designed to do away with black lung. That task is being left to the many professionals involved in the search for a cure to the disease. H.R. 10760 is, however, legislation that will allow all black lung victims and their families to be compensated fairly for the suffering that they must endure.

The Senator from West Virginia outlined for you the provisions of this legislation and how the bill would have remedied the problems encountered by black lung victims in applying for benefits under the law. I would urge my colleagues to support this legislation when we do get to consider it, and to reflect for a moment on the people whose lives will be affected by the way in which this distinguished body handles black lung legislation.

I sincerely hope that each of us will remember the suffering and hardship that results from the disease. I regret we will not be able to proceed with this bill. But we must correct the inequities in the compensation program that the Congress has established to aid these people in their fight to continue to lead productive and useful lives. I hope the next Congress will be able to give full consideration to this effort.

LEGISLATIVE ACTIVITY BY CHARITABLE ORGANIZATIONS

Mr. MUSKIE. Mr. President, the enactment of the Tax Reform Act of 1976 brings to a conclusion an effort undertaken several years ago to provide more equitable treatment under the tax laws for public charities which engage in legislative activity.

Nearly a majority of the Members of the Senate have cosponsored legislation to achieve this goal in the 94th Congress. I first introduced a similar proposal in 1971 when presented with studies of the uneven application of our tax laws relating to public charities.

That proposal was patterned after a resolution adopted by the American Bar Association. Again in the 93d Congress, I was joined by Senators SCOTT, NELSON, DOLE, and 35 other Members of the Senate in an effort to define the amount of legislative activity in which public charities could become involved.

Under current law, publicly supported charities may lose their sources of revenue from tax deductible contributions if a substantial part of their activities involves efforts to influence legislation.

Although the present law has been in effect for approximately 40 years, neither the courts nor the Internal Revenue Service has been able to arrive at a universally acceptable definition of "substantial."

Dr. Elvis J. Stahr, chairman of the Coalition of Concerned Charities, outlined the practical problems facing public charities in a statement submitted to the Senate Finance Committee as follows:

> In addition, the Service, as a result of the vague regulations, inevitably interprets the law differently from district to district and even from revenue agent to revenue agent, resulting in even greater confusion to the charities. As former Commissioner Mortimer Caplin pointed out in testimony before the Ways and Means Committee in 1972, revenue agents are normally experts in accounting not ideology: this, combined with the vagueness of the tests used, inevitably results in widely varying applications of the rule, and in subjective rather than objective determinations. All this is unconscionable in a nation which believes in fair play. Surely, at the very least, a charitable or educational organization is entitled to a clear statement of "the rules of the game".
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> When a charity's exemption is revoked, no matter how tenuous or unfounded the grounds, it takes a considerable period of time to get the action reversed, whether by administrative or Court action. During this period, the charity cannot assure contributors that their contributions will be deductible, and the normal programs of the charity inevitably suffer drastically. In many instances, loss of contributions will result in severe crippling and even total and permanent cessation of the organization's charitable activities. In either case the eventual finding that the revocation of exemption was itself mistaken and illegal cannot repair the damage. In a nation whose basic traditions include strong reliance on and encouragement of voluntary citizen service and activity, this is indeed an ironic situation.

Mr. President, in 1962 I supported the amendment to section 162 of the Internal Revenue Code which permits tax-exempt business associations to engage in lobbying activities. I did so to assure that Congress would have the most complete record possible as it considers lgeislation. I did so with the feeling that the denial of tax-exempt status for such organizations would hamper their ability to communicate effectively with the Congress on matters where their expertise, experience, and interest were directly involved. The 1962 amendment which added section 162(e) to the tax laws has resulted in a flow of valuable information to the Congress.

Public interest and environmental organizations, however, are legally prohibited from contributing to the legislative process. These organizations can be a valuable source of information; they can broaden legislator's understanding of proposed legislation, and they can suggest valuable legislative alternatives.

As a result, I introduced a bill which would have amended section 501(c)(3) of the Internal Revenue Code. My bill was identical to a measure introduced in the House by Representative BARBER CONABLE.

Our proposal has since been modified by the Committees on Ways and Means and Finance with the able assistance of staff of the Joint Committee on Internal Revenue Taxation and assistance from the Coalition of Concerned Charities.

The new provisions approved by the conference set expenditure limits according to a percentage of a charity's budget for certain legislative activities. A reverse graduation feature permits smaller charities to spend a greater percentage than larger ones.

Certain activities are excluded from a definition of "lobbying" so that organizations may engage in various types of communications with their membership.

Attempts to influence the general public are considered to be grassroots lobbying and spending for such efforts is limited to 25 percent of an organization's total lobbying limitation. Communications with members of the organization which directly encourage them to lobby is not grassroots but would be covered within total lobbying spending limits. However, if an organization asked its members to influence nonmembers that would be grassroots activity.

Mr. President, these amendments will mean a great deal to several thousands of organizations around the country such as the American Cancer Society, the American Heart Association, the Arthritis Foundation, the American Public Health Association, among others.

In addition, however, I would like to

note that this legislation has had the support of several public charitable organizations from my State of Maine including the Diocesan, Human Relations Services, and the United Low Income and Abilities and Good Will oganizations.

REPORT TO THE PEOPLE OF MISSISSIPPI FOR 1976

Mr. STENNIS. Mr. President, as the 2d session of the 94th Congress draws to a close, I will follow my usual practice of making a report to the people of Mississippi. In it I will discuss the matters which I have worked on during the year that I think are of particular interest to them. I am respectful of the responsibilities entrusted to me by the citizens of Mississippi, and I consider it a very great privilege to work in the Senate on their behalf. I will begin by thanking them for their trust and for their expressions of confidence in me. For this I am deeply grateful.

I also wish to express my thanks to the other members of the Mississippi delegation in Congress. We enjoy a close and cooperative working relationship that is mutually helpful in legislative matters that help our people and our State. They are always helpful to me and I endeavor to reciprocate.

My thanks also go to my colleagues from the other States here in the Senate. Their cooperation and assistance in my endeavors are essential in accomplishing the legislative actions that help Mississippians, and I appreciate their many courtesies. I wish to say a word of thanks to my office staff also. It is a relatively small staff, compared to those of many other States, but they have worked loyally and hard and I believe have reflected my policy that we are here to serve and to be of assistance.

Finally, of course, my thanks go to my family and friends for their unfailing understanding, support, and encouragement.

One thousand nine hundred and seventy-six has been a momentous year. It has seen us celebrate the Bicentennial birthday and enter the third century of the existence of our Nation. It has been a year which brought the turning point in an economic depression and cut down a very harmful rate of inflation.

There are many aspects of the events of the year that all Americans should find gratifying, and there are some in which I am dissatisfied with the progress. We are well on the road to regaining our economic strength. We have maintained our position as the leading nation of the world and carried out the responsibilities that go with this leadership with dignity, reasonableness, and compassion. We are at peace with all nations, and can stay that way if we maintain our military strength and our national will. As a people we have rekindled our patriotism, our pride in the past, and our confidence in the future, and the paths for the Nation to follow in the years to come seem more clearly defined than they were during the international events of the last few years.

However, I am dissatisfied with the lack of progress toward a national energy policy that will lead us away from dependence upon foreign energy sources. Only a start has been made, and a very tentative one at that. I am displeased with the contention that has continued between Congress and the executive branch, hampering cooperative efforts in many endeavors of national importance. I am disquieted by the fact that there is a continued trend in which the courts, in addition to interpreting the law, are entering into extensions of the law with economic and social consequences. There is much work to be done by all three branches of Government. It can be done better, and quicker, and it must be.

Nevertheless, on the whole 1976 has been a good year for the Nation, and for Mississippi. There have been some accomplishments here in Congress in which I am proud to have had a part. I have selected some that I think will be of special interest to Mississippians, and I will discuss them under the headings that follow.

BRIDGES FOR TENNESSEE-TOMBIGBEE WATERWAY

In August, Congress took final action on the transportation appropriations bill, and sent the legislation to the President for signature. This is the bill that provides $35 million for Federal assistance to States to build highway crossings over Federal public works projects, when there have been very large increases in costs to the States since the project started. The highway crossings over the Tennessee-Tombigbee Waterway fall in this category and are eligible to receive money under this bill. I strongly supported this Federal help to build the bridges.

Only a week before the end of the session, however, the President sent a message to Congress asking that the appropriation be rescinded. This has been a common practice by the administration on money that was not in the budget, and only very rarely has Congress agreed to reverse its position.

As this is written the President has stated that the rescission request has been reconsidered, and the funds will be released. I was confident that once he understood that he had not been fully advised of the facts he would correct the mistake and I am very pleased that he did so.

As is required for every appropriation, this had to be preceded by a specific authorization, in another bill. In this case the authorization for the appropriation was contained in the Federal-Aid Highway Act of 1976, which was signed into law on May 5.

The act authorized money for the construction or reconstruction of public highway bridges crossing any Federal public works project when there has been a substantial change in the cost of the bridge since the public works project was authorized and when the increased cost would work an undue hardship upon local interests.

These funds apply to water resources projects which were authorized some time ago under different policies and on which construction has not yet been completed. The Tennessee-Tombigbee Waterway is an example of a Federal project where there have been very substantial changes in the requirements and cost of highway bridges over the project, with vastly increased costs to local interests.

The Tennessee-Tombigbee Waterway was authorized by the River and Harbors Act of 1946. Since that time there have been changes in design which increased channel widths and bridge clearances, all of which greatly increased bridge costs. Also, over the intervening years the costs of bridge construction have escalated because of inflation. The result of these changes has been that the costs to local interests for the highway bridges, according to the estimate this year, is more than ten times over the amount contemplated when the assurances were provided.

To provide additional funds for the highway crossings, over and above those available to the Waterway Management District, the Mississippi legislature this year authorized the issue of $40 million in State bonds. Alabama has taken similar steps toward the financing of their highway crossings.

In both the authorizing bill and the appropriation bill the Mississippi delegation in the House and the Senate worked together very closely. Much credit must be given the House Members, especially Congressman WHITTEN, for their effective work on these bills. The passage of these legislative actions alleviated a very formidable problem in the completion of the Tennessee-Tombigbee Waterway.

WATER RESOURCES PROJECTS

We are fortunate that Mississippi is so richly endowed by nature with many fine, clean streams, lakes, and reservoirs. Our water resources are among our most valuable assets, and their proper development is one of the most vital factors in our future economic growth. This can be done without detrimental environmental effects. In fact, properly planned water resource projects are environmental improvements. This is particularly true of flood control projects. As our people know from experience, a bad flood is an environmental catastrophe, and it leaves its scars as a reminder for many years.

Also, experience has shown that one of the very best ways to create jobs, at a time when they are very badly needed, is to provide all the money that is reasonably necessary to keep water resources construction projects going at an efficiently rapid pace.

These flood control and navigation projects are a capital investment for the future. They pay their way, because Congress tests each one on a benefit-to-cost basis. They are not make-work projects, because when they are finished they will be there to benefit generations to come. To invest in assets of this kind is money in the bank, so to speak, in a long-term economic sense, and does not have the inflationary aspects of very large temporary Government jobs programs.

These construction projects are usually outside the big cities, in generally rural areas. While they are under construction the effects of their payrolls and materials purchases are felt in all the communities for many miles around, as we have seen repeatedly in Mississippi.

When they are finished they continue to assist the economy by accomplishing their flood control or navigation purposes, they create useful jobs in operation and maintenance and they often result in a booming local recreation industry. Compared to many other Government programs, these are not just spending to accomplish a purpose. They are investments.

As I have indicated elsewhere in this report, I am privileged to chair the Public Works Subcommittee of the Senate Appropriations Committee. We have jurisdiction of the funding of various agencies which have public works and energy programs, such as the Bureau of Reclamation and the Energy Research and Development Administration, but for the purposes of our State, the most important agencies are the Corps of Engineers, the Tennessee Valley Authority, and the Appalachian Regional Commission. The Appalachian program is covered in a separate section of this report.

My subcommittee holds hearings regarding the water resource projects, and recommends to the full Appropriations Committee the amount that should be included for each project in the appropriations bill. When the bill is considered by the Senate I am the floor manager for the bill, and when a conference is held with the House to resolve differences with their bill, I am the chairman of the Senate conferees.

In June of this year the Appropriations Committee and the Senate approved the public works appropriations bill, which contained almost $284 million for water resources projects in Mississippi. All these items were retained in the conference with the House and subsequently signed into law by the President.

Money was provided to continue studies now in progress in the Yazoo Basin and the Pascagoula River Basin, seeking additional means to reduce future flood losses. A study will proceed on the lower Pearl River, to include navigation prospects as well as meeting other problems. Also there is one of Pascagoula Harbor, to consider increased depths and other improvements. The studies of Gulfport Harbor and Vicksburg Harbor are being completed with funds provided last year.

Numerous so-called small project studies are underway in Mississippi, under the continuing authority granted by Congress to the Corps of Engineers to investigate flood control and navigation projects of an estimated cost less than certain fixed limits. These include, among others, Lead Bayou, at Cleveland, Houlka Creek at Houston, the East Pearl River to Port Bienville, Cadet Bayou, Rosedale Port, Pass Christian Harbor, and Krebs Lake. The administration had attempted to stop these small project studies by failing to budget for them, but the Congress restored the money and directed that they be continued.

Money was provided for advance engineering and design, preliminary to construction, for the expansion of Greenville Harbor, proposed ring levee projects near Vicksburg and Natchez Harbors, and Edinburg Dam and Lake in Neshoba County, for which an economic reanalysis is underway.

Money was included in the bill for TVA to continue work in the Bear Creek Basin, in east Mississippi and Alabama.

For construction, money was included for Tallahala Creek Lake, the flood control work on the Tombigbee River and tributaries, the very extensive work in the delta, on the Yazoo, Sunflower, and other streams, and the Yazoo backwater project, to prevent flooding when the Mississippi River is high and backs into the delta. About $35 million was provided for operation and maintenance of all the existing projects in Mississippi.

The Tennessee-Tombigbee Waterway in east Mississippi and Alabama is the largest water resources project now under construction in the Nation. The appropriation bill provided $104 million to continue this project during fiscal year 1977.

Work on the Tennessee-Tombigbee Waterway locks and dams is progressing steadily northward from its starting point in Alabama, and the bridges will be needed soon. At Gainesville, Ala., the lock is essentially completed and the dam will be finished next year. The lock and dam at Aliceville, Ala., began last year and will be finished in 3 years. Concrete is being poured at Columbus lock and dam, and bids are being awarded to construct Aberdeen lock and dam.

As each of these locks and dams goes into operation it provides a fully usable section of the waterway as far north as the next lock and dam, and that part of the project begins to return economic dividends right away. Work is also proceeding at the north end of the project, moving south toward the future Bay Springs lock and dam.

The latest economic studies show that during the next 15 years, as a result of the Tennessee-Tombigbee, east and northeast Mississippi and the entire project region will grow very rapidly economically, with about 27,000 new jobs being created as a direct result of the waterway.

This projected growth emphasizes the importance of barge transport to our State, with the Gulf Intracoastal Waterway to the south and the growing Mississippi River ports in west Mississippi. We are indeed fortunate to have these water resources to develop for our uses now and for future generations.

Every project, whether it be for flood control or navigation owes its start to the efforts of the local people and their civic leaders. Without that initiative the necessary preliminary studies would never get underway, and sometimes it takes many years of local effort before a project can be proven economically feasible and gotten underway. Great credit is due the many fine people who worked so hard at the local level to get these water resources projects started.

OMNIBUS WATER RESOURCES BILL

The bill that authorizes water resources projects, so that they become eligible for subsequent appropriations, is called the omnibus bill, or the rivers and harbors and flood control bill. Such a bill is usually passed once every 2 years, after extensive hearings by the Public Works Committees of the House and Senate.

This year the omnibus bill came up for consideration in the final week of the session. As it was reported from the Senate Public Works Committee, the bill contained a number of very controversial legislative provisions, including user charges on waterways, as well as the normal authorizations for numerous individual projects around the Nation. The House bill as reported from committee did not contain these controversial provisions.

Both Houses acted quickly on their respective bills, and in conference it was agreed that because the session was in its last day, the matter of user charges would be stricken, as would the controversial authorization for replacing locks and dam 26 at Alton, Ill., on the Mississippi River, a project essential for our barge shipments in the Mississippi Valley. These matters will come up again in the next session.

In the Senate bill this year I was able to get authorization for the lower 10 miles of the Sowashee Creek flood control project, in Meridian. On the House side Congressman MONTGOMERY was able to get this project into the House bill, so the matter was not in conference and was included in the final bill.

I have been given firm assurances on the Senate floor, as a part of the formal record of proceedings of the Senate, from the chairman and other members of the Public Works Committee that there will be another such bill early in the next Congress. This is important because there are two project reports that are in process of being completed by the Corps of Engineers. I hope and expect that they will be completed by early next year, in time to be considered by Congress in the new bill. One is the deepening of the channel at Gulfport Harbor. The other is the expansion of the harbor facilities at Vicksburg. Both are much needed improvements, and I am confident that they will be approved by Congress.

As I mentioned, one of the controversial matters in the bill reported from the Senate committee was a proposal to assess user charges on inland waterways. I am totally opposed to the imposition of such charges.

It is well established that it requires less energy to move a ton of freight 1 mile by water than by any other method, and it is particularly important that this method of energy conservation be encouraged, particularly since it benefits consumers.

The imposition of user fees on waterways is not a penalty on anyone except the consumer. The transportation charges will be passed on to him. To assume that somehow these charges are going to come out of the pockets of barge operators is a superficial view. They are in a very competitive business, and if the costs go up they will be passed on to the customer, who is the American consumer.

This consumer is the public as a whole, not some particular part of the public, by reason of the nature of the cargoes involved. Waterborne cargo is bulk cargo—basic materials—coal, petroleum, grain, steel, ore, chemicals. When you add to their cost you penalize every taxpayer.

Not enough is known about what the effects of user fees would be. For example, consider the tremendous downstream movement of grain on the Mississippi River, carrying our export trade to deepwater ports, and the corresponding upstream movement of fertilizers and fuel. A user tax would have a profound effect on agriculture in the Middle West and the Mississippi Valley and thus a regional economic impact that is of large but unknown magnitude, because it has not even been evaluated.

In Mississippi we have a very strong interest in the movement of freight by barge on the inland waterways. It has a massive effect on our economy because we are so fortunate as to have many areas of our State with direct access to such waterways. Millions of tons of freight move in and out of our river ports of Greenville, Vicksburg, and Natchez via the Mississippi River system.

The Gulf Intracoastal Waterway, which provides a barge canal that is not subjected to the hazards of the open sea, carries tremendous traffic, serves all of our coastal ports, from Bay St. Louis on the west to Pascagoula on the east.

Yellow Creek Port, in the northeast corner of the State, is connected to the entire inland waterway system by way of the Tennessee River.

The Tennessee-Tombigbee Waterway which when completed will connect with the Tennessee River on the north and the Gulf Intracoastal Waterway on the south, will provide barge traffic to our cities in east Mississippi, and will have a profound effect on the regional economy.

The proposal to have user fees on inland waterways will come up again in the next Congress. I shall oppose it. I believe Congress should reject the proposal because the economic consequences to the general public can be very severe, and they have not been properly evaluated.

GENERAL REVENUE SHARING

I am very pleased that the Congress enacted, with my strong and active support, legislation in the dying days of the session extending the general revenue sharing law which otherwise would have expired December 31, 1976. The extension is for a period of 3¾ years or until September 30, 1980. Under the new bill $6.65 billion is authorized for distribution to the States, counties, municipalities, and other political subdivisions during fiscal year 1977 for worthwhile projects and programs to be decided upon at the local level. This will be increased by $200 million in fiscal year 1978 and will remain at that figure without any further increase for the remainder of the life of the bill. Mississippi can be particularly gratified because the formula under which the funds are distributed at the present time was not changed or modified in any respect. This formula is very favorable to our State and, under the new law, Mississippi will continue to receive the maximum allowable of $40 per person per year.

THE RICE BILL

On February 3 of this year the Senate passed the Rice Production Act. I was a cosponsor of this bill, and I was very pleased that it was passed and signed into law in time for farmers to make their plans for this crop year.

What this bill did was to extend to farmers who wished to grow rice the same prerogatives that were accorded to wheat, cotton, and feed grain growers by the Agriculture Act of 1973. It will be the farmer's decision, based on his estimate of the market situation. It permits new rice farmers to enter an activity heretofore reserved to traditional rice growers, who hold rice allotments on their land.

At the same time, this bill recognizes the importance of the traditional rice producers. It provides them protection through target prices and loan levels. An increase of 200,000 acres in the minimum acreage allotment is also provided in the bill, to 1.8 million acres nationwide. The provisions of the act will be in force for 2 years to allow time to evaluate its effects on production and the market.

In Mississippi the rice allotment under the old law was 46,000 acres. This was a very small part of the total allotment established by present law for the United States, although our State has been producing rice commercially for 25 years. On the other hand Mississippi has a large amount of land well suited to rice growing, and the necessary irrigation water to go with it. We have some heavy clay soils which are better suited for rice than any other crop, but did not have the allotments to go with the land. This land will produce excellent yields of high quality, long-grain rice, the kind that is in strong demand in foreign markets.

An indication of the situation in Mississippi is that in 1974 and 1975 during which marketing quotas have been suspended, rice producing land in Mississippi increased from 46,000 to 150,000 acres. This occurred in spite of the fact that new farmers entered into rice production, making initial investments that were often heavy, without any assurances that quotas would not be reimposed the following year.

It is well accepted, I believe, that the world is moving toward a food crisis, because population growth exceeds production increases. There is already malnutrition—even starvation—in some parts of the world. In the face of this situation it would defy logic to restrict production of rice, which is a staple food for so much of the world, and for which the demand is growing very rapidly Each year there are 6 million more people who eat rice, and the world demand grows by 7½ million tons.

Since the 1971–72 crop year, our rice exports have grown from 1.7 to 2.3 million metric tons, and the United States ships 30 percent of all the rice that moves in world export trade. Last year this brought in $1 billion to help our balance of payments. New markets are being developed in the Middle East and in Africa The opening of the Suez Canal has placed the United States in a very favorable position for export markets in Iran, Iraq, and elsewhere. The Soviet Union bought substantial amounts of rice this year.

To have continued the former restraints on rice producers would mean less rice for export, higher demand for what is grown, and ultimately, therefore, higher prices for consumers. Under the new law more Mississippians can take advantage of existing and future market conditions and have more flexibility to diversify their farming operations.

All of the Mississippi delegation strongly supported this legislation, and its passage is a very satisfying accomplishment.

NATIONAL FORESTS BILL

The national forests of the United States, of which there are six in Mississippi, are a great national asset. They are required by law to be operated under a policy of multiple-use management, recognizing that there are many uses of this resource such as recreation, enhancement of the environment, and preservation of wildlife, as well as production of timber.

These forest lands, administered by the U.S. Forest Service, currently provide about one-quarter of the softwood sawtimber that is harvested each year, and they constitute about half of the Nation's inventory of such timber. For many years the annual harvesting of this timber has proceeded at a relatively stable rate, and the mills that buy the timber and cut it into lumber and plywood have of course become dependent to a degree on this source, as in turn have been the housing industry, furniture manufacturers, and other users. Any drastic change in the annual supply of timber would of course be immediately reflected in sharp price increases to consumers, closure of mills and plants, and other highly undesirable economic effects.

Such an economic disruption became an immediate prospect as a result of a circuit court decision in August 1975. The case involved planned timber sales from the Monongahela National Forest in West Virginia. The court made a new interpretation of the wording of the National Forests Act of 1897, which provides much of the policy under which the forests have been managed over the years. The ruling was that the only timber that could be cut and sold would be dead trees or mature trees which had been individually marked. In other words the harvest would be greatly reduced in quantity and increased in cost. In December 1975, a similar decision was made by an Alaska court in another timber sale, and in July in Texas.

With the longstanding forest management practices having been changed by court decision, and severe effects on American consumers in prospect, it became clear that a legislative solution was necessary. Extensive hearings were held on two legislative proposals by the Senate Agriculture and Interior Committees. The differences between these two bills were reconciled and a single bill, the National Forest Management Act of 1976, was reported by the two committees.

I strongly supported that bill. It was a reasonable, carefully considered solution which took into account the environmental considerations and the need for sustained yield without overharvesting. In its final form it best met the criteria for being in the national interest and the public good. I am glad to say that this bill passed the Senate on August 25, 1976, by a unanimous vote of 90 to 0.

As the session drew to a close, the House passed a similar bill. The conferees met and resolved the differences between the two bills, and the legislation was sent to the President for signature.

One provision of the bill will have beneficial effects in the many Mississippi counties which have large acreage set aside in national forests, and which are partially compensated for their sizeable tax losses by participation in the proceeds of the timber sales from the forests. Under the old law the counties received 25 percent of the proceeds from net timber sales, computed after deducting the costs of forest roads and reforestation. The new law will compute the 25 percent before deducting road and replanting costs. The difference will not be great, but enough to have some significance to hardpressed county budgets.

I was pleased to be a part of the success of this legislation. Scientific forestry procedures have evolved over the years since the old laws were passed, and these improved management practices needed recognition in new legislation.

COOPERATIVE FORESTRY RESEARCH

An organized and systematic research program is essential to the growth and progress of any large industrial or agricultural enterprise. Our Mississippi forests and their related industrial forest products have been greatly improved by modern research, so I wish to comment briefly on the cooperative forestry research program.

I am speaking here of the program that was authorized by law in October of 1962. I was a coauthor of that legislation along with Congressman Clifford G. McIntire of Maine, and it is a source of pride and pleasure to me that it has come to be known as the McIntire-Stennis Act.

Under this program research in forestry-connected endeavors is carried out at 63 State universities and land grant colleges throughout the Nation. The research is carried out by graduate students, working under professionally qualified supervision. It is financed on a 50-50 cost sharing basis, half by Federal funds. For each Federal dollar invested, another is spent from State or private funds.

The Cooperative State Research Service in the Department of Agriculture has built this program at a measured but steady rate, to provide a firm basis for sound forestry research in a university network that touches the forested lands of every State. It was for precisely this purpose that the Cooperative Forestry Research Act was passed and now this research network is making a very significant contribution to the solution of some of the problems that threaten the forests and natural lands of this country, and that place in jeopardy the economic strength of forest based industry.

This year, for the second straight year, the administration made no increase in the budgeted amount for the program, although research costs have been rising. Consequently I undertook to raise the appropriation in Congress, and was able to get an increase of about 10 percent in the money, increasing it to a little over $8 million, some of which of course will be spent at Mississippi State.

This has been an extremely successful program. It has the enthusiastic support of the universities, industry, and the Department of Agriculture. I am confident that it will continue to grow and prosper, and as one of its founders I am proud of its success.

FORESTRY INCENTIVES PROGRAM

In 1972 I introduced the Forestry Incentives Act, and it was signed into law in August 1973. I have been very pleased with the immediate success of this program, and its worth was again demonstrated in 1976.

The demands for wood in our Nation are expected to double in the next 30 years. The most informed opinions and projects show that a very large part of it must be grown in the pine and hardwood forests of the South. So the demands for Mississippi timber are going to be very large. This being the case, it seems clear that the increased production will have to come, for the most part, from the forest lands in small, privately owned tracts. If this is to come about, there will have to be a program which will provide the small owner with the incentives that have so far been lacking, and which account for the relatively low production of these kinds of lands. This was what led to my bill, the Forestry Incentives Act of 1973.

The bill establishes a forestry incentives program, to be carried out under the Secretary of Agriculture, to encourage and assist landowners to plant seedlings and to develop their forest lands to produce timber, expand recreational facilities, protect the land from erosion, improve fish and wildlife conditions, and enhance environmental values. For private, nonindustrial lands, the Federal Government would pay up to 75 percent of the costs of this reforesting and land management program.

This program has been funded by Congress in the amount of $15 million, and is entering its fourth year of successful operation. This is in spite of the fact that the administration has consistently failed to budget for it, and has resisted the expenditure of the money after Congress appropriated it, thereby causing some troublesome delays and missed planting opportunities.

This year has been no exception. There was no money in the budget for forestry incentives, but with excellent cooperation from the House side we were again able to appropriate $15 million for it. There has been the usual effort by the administration to rescind or delay the money, but we persevered and the program goes on. In the fiscal year just completed Mississippi landowners showed their enthusiasm for the program by requesting about twice as much cost-sharing money as was available. Next year it will be possible to demonstrate that this increased need exists on a nationwide basis, and I intend to go after a larger appropriation.

It was a great "plus" for forestry incentives when in 1974 the State legislature passed the State forest resource development program, which is financed from timber severance tax. The two programs complement each other very well. At the present level of funding of the two programs, over a million acres of our forest land will be planted, or the timber stand improved, over the next 10 years.

Significant investments of State and private capital have been made to insure the efficient continuation of the program. Seedling nurseries have been expanded. Small contractors and vendors have made heavy investments in specialized equipment, and are prepared to undertake an increased program.

This very worthy program is acknowledged to be the only way that our Nation can meet its projected needs for wood in the future. In addition, however, in the light of the present serious situation with respect to unemployment, and in view of the recent energy crisis, there are very practical and persuasive reasons why this program should be carried on at an increased level. The forestry incentives program is providing employment now, and in doing so it requires an input of at least $1 in private money for every $3 in Federal money. The program is carried out in rural areas, where income levels are low and unemployment is a serious problem. It does not require expensive labor training programs.

The forestry incentives program is an investment in a renewable resource which yields products that are used in place of those from energy depleting sources, and it does so at a minimum consumption of energy.

The State Forestry Commission and the State Forester and staff certainly are to be commended for the highly effective way in which this program is being carried out. They are making it work so well that they are setting a very high standard for other States to emulate.

I look forward confidently to greater accomplishments at both the State and national levels under the $15 million forestry incentives program the Congress has approved for 1977. In the coming year I believe that we can anticipate that the program will have even greater popularity among small nonindustrial forest landowners, and correspondingly greater accomplishments in increasing the production from those forests. There will be, of course, concurrent increases in the numbers of people who will be able to obtain gainful employment. At the same time, the program will be creating substantial assets in forest products which will be in critically short supply in the foreseeable future.

RURAL WATER SYSTEMS

Over the years I have been a strong supporter of what I consider to be one of the most effective and constructive of all Government programs for rural areas. This is the program of the Farmers Home Administration in which communities can develop their own waterworks. In so doing they protect the health of the citizens and assist the economic growth of the area.

Under this program grants and loans are made to nonprofit organizations representing their communities, which can be as large as 10,000 in population. Loans are made at interest rates of not more than 5 percent, and for terms not to exceed 40 years. A typical community water system would include wells, storage tanks, treatment of the water to clean and purify it, and the pipes to distribute the water to homes.

Since 1972 the administration has resisted this program, failing to budget for it, impounding or proposing the rescission of grants appropriated for it by Congress, and it has been necessary for those who represent rural States to fight especially hard to keep the program going.

The small rural areas that need these systems to revitalize their economies need some grant assistance to get started, reinformed by the amount of the loans that they can expect to repay from their revenues. Otherwise they are left out.

Mississippi has consistently been one of the leading States in using this fine program, and there continues to be a strong demand on the money allocated each year to the Jackson office of the FHA for this purpose. Last fiscal year the State office in Jackson through the county offices allocated for rural water and waste systems $13.2 million in loans and $3.4 million in grants. For the present fiscal year there are 138 applications on file with Farmers Home which total twice those amounts, seeking money from the fiscal year 1977 appropriations.

There are presently 665 rural water or sewer systems in Mississippi which are partially financed by Farmers Home Administration loans. They serve over 217,000 residential and commercial users.

Year after year I have consistently urged appropriations for both grants and loans, and this present fiscal year is no exception. In June the Senate and House agreed on an amendment proposed by me and others providing amounts for this essential rural development program that will enable it to operate this year at an appreciably increased level. This is a worthy and constructive program that builds up our State as much as any other available program, and it will have my active continued support.

APPALACHIAN COMMISSION PROGRAMS

At the very end of the last session of Congress, in December 1975, legislation was enacted to extend the authorization for the Appalachian Regional Commission and its development programs for another 4 years, through 1979.

Under the Appalachian Regional Development Act of 1965, programs are sponsored by the Appalachian Commission to further economic development, and educational improvement, and health care within the 13-State Appalachian region. As originally passed, this act did not include any part of Mississippi, but an amendment I sponsored in 1967 resulted in the inclusion of the 20 northeast counties of our State in the area eligible to participate in projects sponsored by the Appalachian Commission.

Since my amendment was signed into law, very significant progress has been made in these programs, all aimed at health, education, and job development. We are in the ninth fiscal year of that period, and projects have been completed or approved that now have a dollar total of well over about $150 million. Of this money about half came from grants from the Appalachian Regional Commission and other Federal programs, and half from matching funds of State and local money.

I take particular satisfaction in the projects that are completed under the Appalachian program. As the chairman of the Public Works Subcommittee of the Senate Appropriations Committee, it is my duty to conduct the hearings that examine into the budget requests for this work, and to recommend the amounts that shall be appropriated. Typical projects that are built under this program are access roads, water systems, expansion of hospitals, medical centers, sewer improvements, and facilities for vocational and technical training. The purpose of the Appalachian Regional Development Act is to develop the economy, and as a part of accomplishing this is to undertake programs in health, child development, vocational and other education, community facilities, and to develop and care for natural resources and the environment. This year my subcommittee added $4 million, over and above the budget request, for these programs.

The Appalachian Regional Development Act of 1965 established authority for a system of so-called corridor highways—major multiple lane highways through the Appalachian States linking population centers and connecting with the Interstate Highway System. Because Mississippi was not included in Appalachia until 1967, we did not receive an allocation of corridor highway, nor did Alabama and South Carolina.

I am glad to say that a resolution of the problem was reached 2 years ago, and Mississippi and Alabama are to have a corridor highway which will run from Huntsville through Tupelo for a junction with I–55 west of Oxford.

Last year I was instrumental in having the Commission's authorization for development highways increased by 200 miles to include projects in Mississippi, Alabama, and South Carolina. In April of this year the Commission authorized the remaining mileage necessary for the development highway from Batesville eastward to Decatur, Ala

During hearings this year I inquired about the availability of money to initiate the Mississippi Appalachian Highway The Federal Cochairman informed me that the money has been made available to the Commission and they in turn have made it available to the State of Mississippi. A total of $22,701,000 has been allocated for the Mississippi highway with $9,367,000 available through September 1977.

A change made in cost sharing for highways during fiscal year 1975 raised the Appalachian Commission contribution from 50 to 70 percent. A bill under consideration in Congress would give the States additional options in funding Appalachia highways, under which it would be possible for a State to reduce its share to 10 percent. I expect action on this bill next year.

Much has been accomplished by the Appalachian programs, and it is especially gratifying to see the fine uses being made of the new health and educational facilities. I am pleased that our State has taken full advantage of these programs, within the 20 counties that are eligible, and I intend to press for continuation of adequate authorizations and funding for this work. It is important to our State.

THE NATCHEZ TRACE PARKWAY

I have for many years been a strong supporter of the construction of the Natchez Trace Parkway, and it has been a struggle each year to get the money. From fiscal year 1963 through fiscal 1968, a total of $23,149,000 was appropriated for construction of the Natchez Trace. In fiscal 1969, however, the administration abruptly withdrew support of funding the project to assure construction progress, and budgeted only $54,000 that year. Thereafter getting the money was a matter of adding it in Congress, over and above the budget, and when this was done it was sometimes impounded. We have stopped the impoundment by the new congressional budget legislation, but it is still a struggle each year to get money.

Two years ago I was able to get the Senate to include in the Interior appropriations bill for fiscal year 1975 a program of $7.4 million for the Natchez Trace, over and above the budget. The addition was retained in conference with the House, and this work is being carried out.

Last year I was able to get $9,160,000 in the Senate bill for fiscal year 1976, which was approved in the Senate-House conference, and this work is also underway.

This year my amendment was passed to put $9,560,000 in the Senate bill for fiscal 1977, as opposed to $1,100,000 that had been added in the House bill. This is in the face of the fact that there was no money recommended by the administration in the budget. In the Senate-House conference, unfortunately, the conferees found it necessary to compromise, and the amount approved for fiscal 1977 was $3,687,000.

Appropriations for the parkway actually are opposed by the Department of Interior, as they have written off the Natchez Trace. I have a letter from the Secretary of Interior that says—

> Unless or until new methods of funding the Natchez Trace Parkway become available, we would be less than candid if we did not conclude that a mutually satisfactory rate of progress of new mainline construction will be impractical in the fiscal climates of the forseeable future.

This was in response to my advocacy of an all-out 5-year plan for full completion of the project.

Although I do not anticipate a sudden change of attitude in the administration on this subject, I have again proposed to them in strong terms that the budget for fiscal year 1978, to be submitted soon, provide adequately for the continued construction of the Natchez Trace.

There is another way to fund the construction of the parkway, and I have been pursuing both courses of action. The second way is to pass authorizing legislation to permit the use of money from the highway trust fund to complete the parkway, at the same time providing that it shall be managed solely for scenic and recreational use and passenger car travel.

I would prefer not to open up the highway trust fund to diversions for other uses, such as mass transit, and to authorize its use for parkways might bring on such attempts by urban-oriented House members. However, there are 120 miles of the Natchez Trace yet to be built, 63 in Mississippi, 11 in Alabama, and 45 in Tennessee, and it has taken almost 40 years for the Government to build the 320 miles that are now in use.

Using the trust fund would be the quickest way to complete the Natchez Trace. Based on present estimates, if this money were available the Federal Highway Administration could obligate over $32 million for the Natchez Trace in fiscal year 1977 alone.

I was the cosponsor of legislation in 1974, with Senator EASTLAND, to authorize the use of money from the highway trust fund to construct parkways, of which there are several which have not been completed. This legislation passed the Senate without opposition, but unfortunately was rejected by the House in conference.

We again introduced this authorizing legislation in this Congress, under date of March 6, 1975. The chairman of the Senate Public Works Committee told me the purposes of my bill are consistent with his thinking in this matter, as he believes that proper parkway development cannot take place so long as it is dependent on erratic appropriations from the general fund. He assured me that the Public Works Committee gave every consideration to our bill, as they did before, but adoption of similar legislation in the House was of course necessary for it to become law, and the indications were that the House was again not prepared to accept the bill.

The Department of Interior plainly views parkway construction as too large in scope to accommodate in a small National Park Service budget, and considers use of the highway trust fund as the only practicable alternative. As I have pointed out, that alternative has been found to be quite acceptable as far as the Senate is concerned. In the House it is a much more difficult problem. There are only a relative handful of Members interested in the several national parkways that are still incomplete, but there are many, many big-city Members who would like to open up the highway fund for various other purposes. Those of us from less populous States know that highways are the arteries that carry the lifeblood of our economy, and want the trust fund, which is the Federal gasoline tax money of highway users, reserved to highway use. The gasoline used in driving on national parkways puts tax money into the trust fund, and we would like to see the parkways eligible for that money also, but not city subways and other subsidized urban transport systems. The problem remains and we have to work on it.

I intend to devote my strongest efforts to strive in every way for increased construction on the Natchez Trace Parkway, and to complete it at the earliest possible date.

DREDGE AND FILL PERMITS

For a year and a half I have been opposing a Federal permit program, covering dredging and fill materials, that was ordered by a Federal court. An opportunity to correct the situation by legislative action occurred on September 1 of this year when the Senate considered the extension of the Water Pollution Control Act of 1972. An effort in which I shared came within one vote of total success. We finally had to accept a compromise solution.

When that bill was considered I cosponsored an amendment with Senator TOWER of Texas called the Tower-Wright amendment. This amendment was a much needed legislative remedy to a very confused situation that has existed for over a year with respect to interpretation of section 404 of the Water Pollution Act of 1972. Section 404 directed the Corps of Engineers to implement a new regulatory permit program to control the disposal of dredged or fill material. As initially implemented the permit program was applied to navigable waters.

In March 1975, however, the Federal District Court for the District of Columbia ruled that the program should be carried out in all waters of the United States, navigable or not, thereby literally expanding the program to every stream, brook, or pond, however small and wherever located. The court ordered publication of new regulations to so provide.

In compliance with the court mandate the Corps of Engineers published regulations in July 1975 that would be effective in three annual phases. In the first phase permits would be required immediately in navigable waters and adjacent wetlands. Beginning in July 1976, they would be necessary in tributaries of a given size, and in the next year extended to the remaining waters.

On June 10 of this year I joined with 29 other Senators in a letter to the President asking that the implementation of phase II of the permit program, scheduled for July 1, be delayed. We pointed out that a few days prior to our letter the House of Representatives had enacted a statutory definition of the waters subject to the permit—a definition that we consider consistent with the original intent of Congress. This was the so-called Wright amendment.

The President then directed a 60-day delay in implementation of phase II. He stated that this action was being taken to give Congress the opportunity to give consideration of the section 404 program, and to avoid the possibility that those being regulated would be subject to the rules being changed soon after July 1.

We offered the Tower amendment to allow the Senate to act promptly to resolve the confusion and controversy that have resulted from this judicially imposed permit program. I urged the Senate to act promptly, before the 60-day delay expired, and before many more citizens and local government entities became subject to the paperwork harassment of this unreasonable expansion of the requirement for Federal permits.

The Tower amendment was the same as the Wright amendment which was passed by the House on June 3 by a very strong vote of 234 to 121. An even stronger amendment had been proposed in the House, which would have limited the program only to those waters used for commercial water transportation. The Wright amendment was offered as a reasonable alternative and a moderate and effective solution to the problem.

The Tower-Wright amendment was in fact an effective and reasonable solution. It met the expressed objective of the Environmental Protection Agency to protect wetlands from land development programs, but without unreasonable Federal intervention into matters that are properly State jurisdiction. Under this amendment the section 404 program would apply to navigable waters—those actually subject to the usual Federal navigation servitude. In addition it would apply to adjacent wetlands. Further, additional wetlands, besides those adjacent to navigable waters, could be included in the permit program if a State so requested. It seems to me that this covers the wetlands situation very adequately.

Of very great importance, this amendment would have resolved the problem of whether permits would be required in farming and forestry activities, a question the administration agreed should be clarified. The Tower amendment granted broad exemptions to normal farming and irrigation practices, and to the usual silviculture practices in forests.

As to environmental considerations, I believe that the Congress has a very solemn obligation to carefully evaluate the environmental consequences of any legislation that is passed. A part of this evaluation is that the environmental requirements must be reasonable and when established must be met with dispatch. The cost of compliance, the cost of delay, and the needs of the people in making a living must all be seriously considered. The Tower amendment provided protection for wetlands, without unreasonable Federal intrusion into other jurisdictions.

What it did not do, and what would have been done under the existing judicial mandate would be to make a furthere gigantic Federal intrusion into the regulation of the daily activities of our citizens. We certainly needed to resist the creation of another massive and costly Federal bureaucracy to administer an unnecessarily detailed permit program.

In my view it is pretty well established, and has been for some time, that the American people feel that they are overregulated by their Government. I think they are right. I felt that to allow the present permit program to go on into phase II and phase III would be another example of the overregulation which they so justly complain about.

To my regret, we lost the vote on the Tower amendment by the margin of one vote. We had it won at one point, but two Senators who had been temporarily absent on other business came to the Senate floor and voted against the amendment.

The Senate finally agreed on a compromise offered from the Public Works Committee, called the Randolph-Baker amendment. This limited the Corps of Engineers permit jurisdiction to truly navigable waters, as did my amendment, and it also granted broad exemptions to agriculture and forestry operations. However, it kept the permit program in the smaller tributary streams and other nonnavigable waters, putting it under the Environmental Protection Agency.

This solution seemed superficially attractive to many, from the point of view of protecting the environment—enough so that it got the votes to pass. In my view, however, it is overprotection by the Federal Government in minor waters that are properly the responsibility of the States and their citizens. Also this creates an administrative monstrosity that is expensive and impractical, and never contemplated by the original Water Pollution Control Act.

The bill went to conference to resolve the differences between the Senate and House. The conferees did not reach agreement by the time Congress adjourned, so it will be necessary to take the matter up again as a new bill in the next session. At least, some progress has been made, for both Houses have indicated that the present permit program is recognized to be unsatisfactory.

There will be other opportunities to get further compromises in the future, and I shall continue to actively advocate a simple, workable system of protecting the waters of the United States from unreasonable pollution, with minimum paperwork and a commonsense division of the responsibility and authority between all levels of government.

ESTATE AND INHERITANCE TAXES

The Tax Reform Act of 1976 provides much needed relief to owners of farms and small businesses and other taxpayers by significant reductions in estate and inheritance taxes. This is achieved primarily by raising the level at which an estate becomes taxable from $60,000 to $120,000 in 1977 and then in gradual steps to almost $176,000 by 1981. The new bill also increases the maximum estate tax marital deduction to the greater of $250,000 or one-half of the decedent's adjusted gross estate. In addition, the gift tax marital deduction is expanded to permit larger tax-free transfers between husband and wife. These are very beneficial and constructive actions and I supported them strongly. Of course, I would have preferred the even higher estate tax exemptions provided by the bill as it was passed in the Senate but it was necessary to reach a compromise with the House.

TVA POWERPLANT

As chairman of the Public Works Subcommittee of the Senate Appropriations Committee I conduct the annual hearings on the TVA budget and programs. The Board of Directors and the staff of TVA appear before the subcommittee, and we review their current activities and their plans for the future.

I was very gratified to receive word last year that a site in northeast Mississippi has been selected as the probable site for one of two additional nuclear electric power generating plants to be constructed by the Tennessee Valley Authority. The site is in Tishomingo County, located on the Yellow Creek embayment on Pickwick Lake, about 15 miles east of Corinth.

In 1971, with my encouragement, TVA acquired the land for this plant, called the Yellow Creek site, and began extensive core borings and other investigations to insure its suitability for a nuclear plant. The alternative would be a coal-fired generating plant. I have been encouraged by the progress of these engineering studies, and am very pleased that the selection of the site has been confirmed.

This large plant will mean many new jobs for the area, when actual construction starts. It is a two-unit plant, generating about 2,600,000 kilowatts, and will cost about $2 billion. During the peak of the construction period TVA estimates that about 3,300 workers will be employed. The plant is expected to start providing power about 1985 or 1986, and be completed a year later. Thereafter there will be permanent positions for 150 to 200 employees at the site. When the plant is operational it will help to keep the TVA power rates in Mississippi as low as possible.

When the chairman of TVA testified before my subcommittee in March of this year he said that site preparation at the plant is scheduled to begin in mid-1977. Lead times of many years are involved in the equipment for a plant of this kind, and the subcommittee approved an expenditure of $116 million in fiscal year 1977 for the nuclear steam supply system.

This plantsite is on the east side of the Yellow Creek embayment, just across from the location of the Yellow Creek Public Port complex. This complex is a $7 million facility which was built as a cooperative endeavor between TVA, the State of Mississippi, and the Tombigbee River Valley Water Management District. Construction was begun by TVA in 1971, and the project was officially turned over to the Mississippi Agricultural and Industrial Board in April of this year. It consists of a barge terminal and freight handling facilities, with an industral area of 2,200 acres, served by a 10-mile rail spur.

This port complex is also located at the northern terminus of the Tennessee-Tombigbee Waterway, which when completed will carry vast amounts of tonnages by barges between that point and the sea at Mobile, Ala., as well as northward to the Ohio River Valley and beyond. The progress on construction of this great waterway is discussed elsewhere in this annual report, under the section on water resources projects.

With the new TVA powerplant, the Yellow Creek Port, and the Tennessee-Tombigbee Waterway, this area of northeast Mississippi will have all the essentials for very rapid industrial and economic growth.

SHIPBUILDING

I share with most other Mississippians an intense pride in the outstanding shipbuilding program underway at Ingalls Shipbuilding in Pascagoula. We share pride not only in the quantity and quality of these ships, but also the dedication and perseverance of the thousands upon thousands of men and women who have made this shipyard work. It was a totally new method of building ships not previously tried in the United States. Many problems arose, but they were all solved. Today, this shipyard is a dynamic and productive enterprise, successful in every way. Employing more than 24,000 people, Ingalls is the single largest employer in the State of Mississippi.

Presently the shipyard has under contract 5-LHA's for the U.S. Marines. The first of this new line of ships was commissioned on May 29, 1976.

I was very much pleased to attend the commissioning ceremony and have a part in the activities. Secretary of the Navy Middendorf and I also had the opportunity to talk with some of the crew members of the U.S.S. *Tarawa*, LHA-1, and sensed among them a feeling of excitement about this totally new type of ship. Information that I have received since she joined the fleet is that her performance has met or exceeded all anticipations.

A second LHA has been launched and keels have been laid for the third and fourth LHA's. Of the 30 destroyers of the DD-963 class under contract for construction at Pascagoula, 4 have been commissioned and have joined the fleet. Nine others have been launched. Keels have been laid for eight others. The nine remaining destroyers are well into early production phases.

There is no doubt in my mind that privately owned and operated shipyards will be the mainstay in the future as they have in the past to meet our shipbuilding needs. Ingalls Shipbuilding and other privately operated shipyards are great national assets, indispensable to our national defense.

However, there is one major obstacle to the continued viability of these shipyards and the Navy's shipbuilding program. I refer here to the urgent need to resolve prior-year shipbuilding claims.

During August the Senate passed an appropriation bill for the Department of

Defense which should open the way for settlement of these huge claims in the shipbuilding program. I took the lead in urging the appropriation of $1.6 billion for claims settlement, to cover inflation under the old ship contracts, change orders under those contracts and other points of dispute between the shipbuilders and the Navy. The Congress has fulfilled its obligation in this matter. The Navy and our shipbuilders must negotiate and come to an agreement as to the proper amount due under these contracts.

In no way do I attempt to assess the validity or place the blame with respect to any of these claims. However, I have repeatedly warned that significant further delay in resolving these claims could materially retard our ship construction program. Due to the existing delays in settling the claims and the vast sums of money involved, some shipbuilders have already stopped bidding for Navy contracts and others have threatened to do so. Until these long pending claims are settled there is some question as to whether the Navy will be able to acquire the ships needed for our future national defense.

I am confident that the shipbuilders, the Navy and the Department of Defense will continue to seek a fair settlement of these claims. It is imperative that this be done as soon as possible so that existing and future shipbuilding programs can proceed in an efficient manner.

Free access to world sea lanes is critical to our Nation's economy. The most powerful Navy in the world is essential to keeping these trade routes open at all times. The American people expect to have the most powerful Navy in the world. In fact, they deserve no less.

U.S.S. "MISSISSIPPI"

On July 31, the U.S.S. *Mississippi*, a nuclear-powered, guided-missile cruiser, was launched at Newport News, Va. I was highly honored to be the principal speaker at the launching ceremony.

Although his duties in Jackson made it impossible for Governor Finch to attend, members of his family played significant roles in the launching ceremony. Janet Finch served as the ship's sponsor and Anne Finch served as maid of honor. Mississippi's first lady, Mrs. Cliff Finch, represented her husband and was instrumental in helping make the day's activities a complete success.

I made special mention to the hundreds of people gathered for the launching that we Mississippians are proud of our heritage, our culture, our traditions of our loyalty. Mississippians have fought with valor in defense of our Nation in past wars and take pride that they have been found in the forefront when duty called. Mississippians are a proud people and we all share a sense of pride that this will be the fourth U.S. fighting ship to bear the name U.S.S. *Mississippi*.

During my speech at the launching, I pointed out that in most of our wars in our Nation's history, including the war for American independence, this country would not and could not have been victorious without superior naval power. Our Navy which is second to none is the greatest deterrent to war and the greatest influence for peace that our country possesses. I believe beyond all question that we have today the most balanced and effective Navy in the world. However, we must keep a constant vigil to make sure this is forever true. The new U.S.S. *Mississippi* is a dramatic part of a dramatic modernization program which is essential for our continued supremacy of the seas. She will continue the proud tradition of her three predecessors.

The first U.S.S. *Mississippi* was a sidewheel steamer which served as Commodore Mathew C. Perry's flagship on his historic mission to open Japan to Western trade. The second U.S.S. *Mississippi* represented the United States at the inauguration of the President of Cuba and later distinguished herself by serving as a floating base for the then fledgling seaplanes and, thereby, ushering in the era of aerial reconnaissance by sea-based aircraft. The third U.S.S. *Mississippi* won eight battle stars during World War II and later helped launch the Navy into the age of the guided-missile warship by successfully test firing the Terrier missile in 1953 and the Petrel missile in 1956.

The new U.S.S. *Mississippi* will combine the virtually unlimited endurance of nuclear propulsion with the latest antiair and antisubmarine weapons systems. She will provide protection to a nuclear aircraft carrier task group, as well as, have the capability for independent missions.

NAVY OCEANOGRAPHIC TRANSFER TO NSTL

On May 28, it was a great pleasure to participate in a flag-raising ceremony at the National Space Technology Laboratories in Hancock County to officially signal the transfer of the Navy Oceanographic Office to that facility. This transfer was the most stubbornly resisted of any transfer of a Federal facility I have ever witnessed.

As I had contended all along, the program transfer was totally justified in the areas of program management and cost effectiveness. It also complied with previous congressional directives for the Navy to move several elements of its operations out of the Washington, D.C., area. Before the move was finally allowed these facts have been found to be correct by the Department of the Navy, the Department of Defense, the House of Representatives, the Senate, and a Federal district court.

This transfer will prove to be a tremendous asset to the entire State and will evolve into a national center for oceanography and related activities. The naval oceanographic program is a vital element in our national security requirements and becomes increasingly more important with each new development in undersea warfare.

At the present time approximately 400 Navy employees have been transferred to the National Space Technology Laboratories which represents 30 percent of the total number being moved from the Washington, D.C., area. By the end of this year, this figure is expected to be in the range of 782. The Naval Oceanographic Office, Navoceano, is presently in the second phase of a three-phase relocation with approximately 250 civilians and 10 military personnel onsite in Hancock County. Navoceano will continue to transfer employees throughout 1977 and into 1978.

The Naval Ocean Research and Development Activity, NORDA, has approximately 140 civilians and 7 military personnel either onsite or en route to their new jobs in Hancock County. NORDA anticipates filling the remainder of its vacancies and making final personnel transfer by the end of this year bringing their total to 235 civilians and 13 military personnel.

On September 1, the Director of Naval Oceanography and Meteorology shifted all of his operations from Washington to his new offices at NSTL. This unit, composed mostly of officers and enlisted men of the Navy, has 13 personnel onsite now and expects to transfer in 13 additional people from field units of the Navy's oceanographic program located around the world and at sea.

By the summer of 1978 the total population of the Naval Oceanographic Center at NSTL in Hancock County should reach 1,288.

To date, nearly 70 percent of the civilian personnel in the programs who have been notified that their jobs will be transferred to Hancock County have agreed to transfer. Approximately two-thirds of the people who have transferred thus far have chosen to reside in Mississippi. During the past summer, the Naval Oceanographic Center hired some 25 summer employees from the surrounding communities. The first phase of establishing a co-op program with local 2-year and 4-year technical schools and colleges was also started during the past summer. Forty-six individuals, not including the summer employees, have been hired from the surrounding Mississippi communities since the transfer began.

NAVY HOME

The recently completed U.S. Naval Home in Gulfport is a tremendous asset to the gulf coast area. The new 10-story high rise facility is a continuation of the tradition established in 1811 by an act of Congress to provide an honorable residence for qualified Navy, Marine, and Coast Guard veterans.

I was very much impressed with the new facility when both Secretary of the Navy J. William Middendorf and I toured the home in May. Construction was virtually complete and both of us had ample opportunity to get a good feel for what the home will be for the residents and the gulf coast area.

In addition to the new residents, the Naval Home will provide additional employment for local citizens due to the Navy's decision to contract for food, janitorial, security and other services in the local area. It is estimated at least 100 new jobs will be created.

I well remember the intense competition among many communities throughout the country seeking the new Naval Home. I did what I could to present the Mississippi story. After careful consideration by the Navy, Gulfport was selected as the best possible site for the new home. The fact that the Mississippi Gulf Coast was selected as the most favorable of all the sites considered in the Nation says a great deal to people in other parts of the country about the quality of life found in Mississippi.

The new Naval Home has a capacity of 600 with the capability for expansion to house 1,200. The Naval Home is located on a 30-acre site once occupied by annex three, Keesler Air Force Base and prior to that by the Gulf Coast Military Academy.

APPRECIATION TO THE NEWS MEDIA

As I bring this report to a close, I would feel extremely derelict if I did not mention the very fine contributions of the Mississippi news media to our endeavors here in Washington. I feel a deep debt of appreciation to the men and women of the Mississippi news media for their untiring efforts in helping keep the people of my home State informed of the events taking place in their Nation's capital. This is indeed a two-way street. The news media of Mississippi provides a valuable function as yet another source of information for me about events back home.

No matter how diligently I read my mail, return telephone calls or return home, I have found the men and women of the news media to be an invaluable source of information and objectivity. As we often find ourselves encumbered with programs and their impact on the national level, I have found the news media back home to be a true indicator of what a national program will or will not accomplish at a local level.

Throughout the years, I have produced weekly radio and television reports to the people of Mississippi in addition to written news releases. I have always felt that the radio and television programs provided a link of understanding between me and the people I represent. However, due to my candidacy for reelection this year and the provisions of the Federal Communications Act, I suspended the programs until after the election. I have sorely missed these opportunities to discuss with the people of Mississippi various proposals pending before the Senate. I eagerly anticipate resuming the programs as soon as possible.

To each of my colleagues in the Senate I would say that I hope you are as fortunate as I in having such a vast and responsible group of newsmen and newswomen as we have in Mississippi. To each of them I extend my sincere appreciation for the excellent work they do.

COMMITTEE WORK

The matters I have discussed so far in this report are for the most part those which are of direct interest to Mississippians because they affect their daily lives, their work, and the committees in which they live. These matters are of intense interest to me, of course, and to them I devote a large part of my time and effort.

In addition to this work, I also have, as do all Senators, legislative responsibilities of a national nature. Most of this work is done in committees. As a body, the Senate represents the union of 50 States, each State having equal rights. In national matters a Senator is speaking for his State, and when legislation is passed into law, that law becomes binding upon the people of his State, so this is a responsibility that is taken very seriously indeed.

This work is for the most part carried out in committees. When a bill is proposed by a Senator, or received as a recommendation from the administration, it is referred to the Senate committee that has jurisdiction over the subject matter of that particular bill. The committee holds hearings, to obtain the views of citizens, interested organizations, and the appropriate agencies of the executive branch. The facts are established, and in committee deliberations the final form of the legislation is worked out, with differences of opinion being decided by majority vote of the committee members. When the bill is sent to the full Senate for debate and vote on passage, it is normally accompanied by a committee report that explains the committee reasoning in resolving the various complexities involved in the bill. In the debate on the bill, the committee chairman serves as the floor manager, and when the bill goes to conference to reconcile differences between the Senate bill and the comparable bill passed by the House, the committee chairman is the leader of the Senate delegation on the conference committee.

I feel very fortunate in my committee assignments. They require much time and hard work, but they give me opportunities to participate in the formulation of legislation that is important to the State of Mississippi and to the Nation.

It is my privilege to serve as chairman of the Senate Armed Services Committee, a position I have held since 1969. It is a major committee which deals with all military matters involving the security of our Nation and of our national support of the security of the free world. This is a very broad field of activity because it is related to so many other aspects of our society and so closely interrelated with other national and international endeavors. This year the committee or one of its subcommittees met 153 times to consider or report to the Senate 36 bills or resolutions as well as 55,591 nominations of military and civilian officials.

The major work of the committee this year, as in previous years, was the annual military authorization bill. This bill authorizes the funding for procurement of weapon systems and research and development and authorizes the manpower strengths for the active force, reserves, civilians working for the Department of Defense, and military student training loads. While only about one-third of the Defense budget in dollar terms, this bill covers all military concerns and affects the entire defense budget.

Examination of the President's request for $34.2 billion took the form of hearings over a 3-month period. The committee and three of its subcommittees held a total of 80 hearings compiling a hearing record of 13 volumes totaling 7,315 pages. The committee carefully scrutinized hundreds of items. After 15 meetings to mark up the bill, the committee approved a bill totaling about $32 billion or 6.6 percent less than the President had requested. After 4 days of active and important debate in the Senate, including consideration and votes on 18 amendments, the Senate passed the bill 87 to 2. It was my job, and a great privilege, to serve as floor manager for the bill and to lead the Senate conferees in the conference committee meetings held to work out a compromise between the Senate and House bills. The Senate and House conferees met 13 times and the outcome was a compromise bill totaling $32.5 billion which the President signed in July.

There is stiff competition for the tax dollar among many valuable and useful programs. However, this Nation can ill-afford to allow its defense to slip nor can we afford to spend any money not absolutely necessary for the defense effort or waste any of the tax dollars being spent.

We must continue to maintain a strong military not only to protect this Nation but also to fulfill our far-reaching commitments for the cause of freedom throughout the free world. There have been some intense debates and criticisms over our military strength but this Nation is second to none.

I serve on the Aeronautical and Space Science Committee, a major committee which had jurisdiction over the Moon landing program and now works on the space shuttle and various other space exploration programs. I am also a member of the Select Committee on Standards and Conduct for the Senate.

The Senate Appropriations Committee is the third major committee on which I serve. I value this assignment particularly, for it affords special opportunity to participate in the very early stages of allocating funds to specific programs and projects, many of which are particularly important to Mississippians. I chair the Public Works Subcommittee on the Appropriations Committee, as I mentioned previously, and I am a member of five other subcommittees. Those on which I serve deal with the money for funding the programs for agriculture, defense, housing and urban development; labor, health, education and welfare; and transportation. Membership on these subcommittees also permits me to serve on the conference committees which resolve appropriation differences between House and Senate bills, and which have much to do with the substance of these bills as they are signed into law.

Committee work is demanding, and takes time, but in my judgment it is time well spent. My assignments give me many opportunities to look out for the interests of my State, and its people, in the formulation and enactment of the public laws that apply across the Nation.

CONCLUSION

The foregoing comments were limited to some specific subjects that I thought might be of particular interest to Mississipians. There were many other legislative matters that would have been included had space permitted, for example the very extensive higher education bill, or the Health, Education, and Welfare appropriations, to which I devoted considerable time during the session.

In concluding this report, I want to comment that I believe that Americans should be reassured and proud at the way our constitutional processes have proceeded in an orderly way to meet the problems of the past 2 or 3 years. We have seen a crisis and shakeup in National Government, a recession surge and ebb, inflation being slowly beaten back, an embargo on oil, and various international crises, all going on at the same time. The rest of the world wondered many times how democracy would deal with these trying events. It was the strong faith of the American people in the constitutional processes that prevailed, and met these problems, and the people have a right to be proud that they were steadfast.

Making a report for the year means looking back, of course, and telling you what was done, and why. Now I want to conclude by looking ahead.

The next year will bring new endeavors, and new challenges. Some of them cannot be anticipated—only met as they arise with the best possible effort, resolution, and judgment. There are others, however, that we know are there, and are going to have to be dealt with sometime, and the sooner they are acknowledged the better the solutions will be.

One is to stop this pernicious and seemingly endless cycle of deficit spending by the Government. It has to stop. If it takes a constitutional amendment to stop it then I favor that.

Another problem that is going to be with us until it is faced up to and dealt with is American dependence on foreign oil for the energy we must have and cannot do without. With our coal reserves and nuclear energy resources, together with advancing technology in solar, wind, geothermal, and other energy sources, we can cope with this problem. We simply are too slow in getting on with it.

There is a third problem that really belongs to the world rather than the United States, but it becomes ours because of our unique ability to produce much more food than our population requires. At a predictable time in the future, based upon the population growth in the developing and undeveloped nations, and their own agricultural methods, there will be more people on Earth than there is food to feed them. That time is beginning to come close. This is a problem the United States cannot solve—only alleviate temporarily by exporting what we have to spare. But we can and should take the lead in international steps to stop the catastrophe before it occurs.

There are other problems, as you and I know, of a more domestic nature—slowing big government, protecting the environment without allowing activists to use the enthusiasms of a few to harm the economic progress of many, legislating well enough so the courts do not try to do it for us, and others.

There is much work to be done in 1977. I look forward to doing my part of it. I will dedicate myself to that work on behalf of the people of Mississippi. I am grateful for your trust, support, and confidence, and I welcome your continued advice and counsel.

TRIBUTE TO SENATOR FONG

Mr. CASE. Mr. President, it is never a happy occasion to see a colleague of many years leave the Senate. I am sorry that HIRAM FONG has chosen not to seek reelection this year, especially since the Senate will lose the accumulated wisdom and experience of a man who has spent almost his entire adult life in public service.

It has been a pleasure to serve with HIRAM FONG these many years, and a special pleasure to work together on the Appropriations Committee. I hope his years in retirement will be as memorable as the climate and the beauty of his lovely State.

TRIBUTE TO SENATOR HUGH SCOTT

Mr. CASE. Mr. President, some of us who serve in Washington have a tendency, every now and then, to overstate our own importance. HUGH SCOTT is often at his eloquent and pointed best when he turns a phrase into a dart and pops an over-inflated senatorial balloon. He is good at reminding us that we are, after all, mere mortals.

And that is typical of HUGH SCOTT, the warm, friendly, cheerful, and witty minority leader.

HUGH SCOTT and I served in the House of Representatives together longer ago than either of us would care to admit. We have represented neighboring States with compatible interests, and, as such, we have found ourselves very often on the same side of the issues. I will miss HUGH SCOTT as an ally, I will miss him as minority leader, I will miss him as a man with rare talent with the spoken word, but most of all I will miss him as a friend.

TRIBUTE TO SENATOR HRUSKA

Mr. CASE. Mr. President, ROMAN HRUSKA and I have served in the Senate together for more than two decades. In that time, I have met few men who are as hard-working and diligent as Nebraska's senior Senator. I have seen the results of his attention to detail in the many hours we spent together going over line item after line item in the Senate Appropriations Committee. I have observed ROMAN HRUSKA's fairness and even-handedness when I have appeared before the Senate Judiciary Committee on behalf of judicial nominees. He was always an outspoken advocate of the interests of the people of Nebraska, and his State, as well as the Senate, will feel the loss now that he is retiring. Mrs. Case and I wish the very best to Senator HRUSKA and to Vicky, his lovely wife.

APPOINTMENT OF MEMBERS OF COMMISSION ON POSTAL SERVICE

The PRESIDENT pro tempore. Pursuant to the provisions of section 7(a) (1) (C), Public Law 94–421, the President pro tempore appoints as members of the Commission on Postal Service the following from private life: James H. Rademacher and Rose Russell Blakely.

CONGRESSIONAL CEMETERY

Mr. MATHIAS. Mr. President, I rise in support of S. 3441. This bill authorizes the Architect of the Capitol to spend up to $250,000 for the next 2 years to do what in his expert opinion is necessary to stabilize the deterioration of the historic section of the Congressional Cemetery. In addition, the legislation would provide $50,000 to the Architect of the Capitol to enable him to undertake a study and formulate proposals for renovation and perpetual maintenance of the historic sections of the cemetery.

This cemetery has been known as the Congressional Cemetery almost since its establishment and is usually referred to as such in acts of Congress and by the public. It has often been called the Nation's first national cemetery and is certainly the only one that is not reserved exclusively for the burial of those who have served in the Armed Forces. In total, 16 Senators and 68 House Members have been buried there at different times, and the cemetery still contains the remains of 14 Senators and 43 Members of the House. Congress must undertake a long-term solution and recognize its responsibility in caring for our first national cemetery.

In this historic year we must show proper tribute for the fallen patriots and the principles for which they lived, fought, and died.

A country that forgets its past can have no future. We hope that you will join in this effort to correct what is in effect a national disgrace.

WALTER DURLEY BOYLE

Mr. STEVENSON. Mr. President, next month Walter Durley Boyle of Hennepin, Ill., will step down after 38 years as State's attorney for Putnam County, Ill. Nominated for the office while still a law student at the University of Illinois, Mr. Boyle served 10 terms, with time out for service in the Navy during World War II.

While prosecuting the usual wide range of criminal cases coming before a State's attorney, Mr. Boyle also became a champion of consumer protection long before the problems of consumers began to arouse national interest. His prosecution of consumer fraud cases led to some of the early decisions in that area of the law and won for Mr. Boyle the respect of his colleagues and the gratitude of citizens throughout Illinois. He has been a true public servant.

Mr. President, I submit for the RECORD a newspaper article about Mr. Boyle entitled "Putnam Attorney's Career Unrivaled."

The article is as follows:

HE WILL END RECORD 10 TERMS—PUTNAM ATTORNEY'S CAREER UNRIVALED

(By Bill Smith)

HENNEPIN.—Forty years ago the young attorney, admittedly weak in legal savvy but stuffed with determination, stepped into the Illinois Supreme Court building to plead his first case on behalf of the state's smallest county.

Twenty-two years old and just weeks out of law school, Walter Durley Boyle, to be honest, didn't really have a lot of business being there.

"When I first walked in, I thought the world was going to drop in on me," he said. "As I look back on it now, I know the judges understood everything that was happening and I see that they were probably very kind to me.

"But back then, it looked very, very ominous."

Since that first case in 1936, a case in which a railroad was trying to whittle away at the amount of taxes it paid Putnam County, Boyle, 62, has visited the Supreme Court chambers many more times. He knows the judges personally now and his hands no longer tremble, his voice no longer shakes.

For 10 terms, minus two years in the Navy, Boyle has served as Putnam County's state's attorney. It is a record that stands unrivaled in Illinois history, a record which may never be equaled.

This November, Boyle will step down as state's attorney and devote full-time to his successful law practice. In a way, it will be the end of an era in Putnam County politics.

"Those 40 years of experience, will be hard to replace," said Joe Panier, Putnam County clerk. "I was just a boy when he first ran for office and I never thought he would be state's attorney this long."

"He was quite young, just out of school, when he started here," said Olive Studyvin, a former circuit clerk, "but I never questioned that he could make it.

"He just drives himself and everybody around him; he's the big wheel. He's a lot better than a lot of those lawyers who come down here out of Chicago."

The son of a farming family, Boyle was born 10 miles south of town, at the home where he spent his boyhood. After high school, he enrolled at the University of Illinois, and eventually the university's law school.

Boyle says he was still in school when several people approached him and asked him to run on the Democratic ticket for state's attorney.

"I didn't even have a law degree," said Boyle, smiling. "I was quite naive in those days."

REAL WORLD POLITICS

Almost immediately after he filed as the lone candidate in the Democratic primary, Boyle got his first taste of the real world of politics. The incumbent Republican state's attorney protested Boyle's candidacy, saying he couldn't run for office without a law degree.

Fortunately, perhaps, the assistant attorney general who ruled on the matter was the father of one of Boyle's college classmates. He decided that a Republican could not protest a Democratic primary, and Boyle was on his way.

Boyle won tha first election "comfortably but not convincingly" and served as state's attorney from 1936 until 1944 when he enlisted for a two-year Navy hitch.

He returned to Putnam County in 1946, won a special state's attorney election that year, then served for the next 30 years.

Boyle calls his first months as state's attorney "traumatic."

"I had no idea," he said, "what the practice of law was all about."

He remembers that it was only through the help of County Judge James E. Taylor, a former Putnam County state's attorney, "that I was able to keep from stepping into too many holes."

In 1936, Boyle made $1,150 a year as state's attorney. Today, he is earning $20,000 and the winner of this fall's election will receive $25,000. In his 38 years as state's attorney, Boyle has prosecuted just about every type of criminal case imaginable, from vandalism to attempted murder.

Interestingly, during his terms, a murder case has never come to trial in the county.

Not that there haven't been some murders.

Boyle remembers most vividly the killing of colorful John S. Redshaw, a Granville trader, in 1955, a shooting death that was never solved. "A professional job," Boyle says, "professional all the way."

FRAUD, A MAJOR CAUSE

The state's attorney began early working on the kinds of consumer fraud cases that would earn him respect and admiration in later years.

Long before it became popular to prosecute consumer fraud, "Putnam County had a bureau of consumer fraud," Boyle boasts.

"They'd get some old lady to pay all the money she had in the bank for some type of improvement, like remedying a termite situation or putting new siding on her house.

"Once I got started in that type of thing, I just kept it up.

"I guess maybe it was a little beyond what the duties of the state's attorney were at the time. It was just something I did."

Boyle married his high school sweetheart shortly after he was first elected state's attorney. Boyle and his wife, Hazel Marie, have two children, John and Marcie, both in college.

When he's not pulling his briefcase from courtroom to courtroom, Boyle says he enjoys getting outdoors.

"You can't live in Putnam County and not be a duck hunter," he says.

Boyle is taking no public position on the upcoming election, the first contested state's attorney election in Putnam County since 1946.

"It wouldn't be proper for me to dictate to the people who should be the next person in this office," he says.

Boyle says when he first ran for office in 1936, he never imagined that he would still be trying cases in the old County Courthouse four decades later. But he has no regrets.

"How it happened, I'm not sure yet," he said. "I've thought about going to other places, to Chicago or Peoria, but I so enjoyed the practice here.

"If I had it to do over again, I probably wouldn't change very much. I just couldn't go to a big city and become so immersed in the commercial practice of law that I'd be missing the opportunities to help the individuals in the county.

Dorothy Serrine of Granville, current circuit clerk, says Boyle's long service as state's attorney has not been without its problems.

"It gets sort of laughable sometimes when you're trying to pick a jury here," she said. "This county is so small and when prospective jurors are asked if they know any of the attorneys involved, of course everybody knows Mr. Boyle. Almost everybody in the county has been before him, at one time or another, for some advice."

Asked whether she feels Boyle will take more time for leisure after he leaves county office, the circuit clerk shook her head.

"No," she said emphatically, "he'll never slow down.

"He won't slow down till they carry him away."

TRIBUTE TO SENATOR HIRAM FONG

Mr. METCALF. Mr. President, I was privileged to serve on the House Committee on Interior and Insular Affairs when Hawaii became a State. The case for Hawaiian statehood had been overwhelming for many years and finally statehood was achieved.

One of the Senators that Hawaii sent as the first statehood Senators was HIRAM FONG who quickly demonstrated the wisdom in admitting Hawaii. He was able, informed and brought to the Senate a new perspective, that of the "Man From the Pacific." In his tenure in the Senate he has been diligent in every assignment. He has served on two of the most important committees of the Senate. He has represented his country in many conferences, both in the United States and abroad. He has performed many special tasks with skill and facility.

After 17 years of distinguished service there is no Senator left that first represented Alaska and Hawaii as they were admitted to the Union as the 49th and 50th States. Thus ends for a time an important era of expansion in our own lifetime. Senator FONG was a shining example of the foresight of those decisions. And now he is retiring. I have known him as a colleague, a friend and admired him as a legislator. I envy him the opportunity to return to his beautiful State of Hawaii and wish him the joys and pleasures of retirement he has so abundantly earned.

TRIBUTE TO SENATOR PAUL FANNIN

Mr. METCALF. Mr. President, during the last few years, I have been privileged to work closely with Senator FANNIN on the Interior Committee, where he was the ranking minority member and I have been interested with resource and energy development. It is a rewarding experience to work with a person in a leadership position who is so patient, tolerant, and understanding of the problems arising from mutual differences and yet the necessities to enact reasonable legislation that will be acceptable to all. Senator FANNIN has been a most effective spokesman for his point of view and his party. Time after time he has remained to hold a quorum on urgently needed legislation even though he knew that his point of view was goingt to be outvoted.

But despite the party differences and his leadership position as a member of the opposition, Senator FANNIN and I enjoyed a common interest in the West, in the vastness of our mountains and plains, in our trees and lakes and parks and playgrounds. We shared a concern for the mining industry, forestry, recreation, and water. It has been an inspiration to share his ideas and his western experience.

I know that Senator FANNIN also was a ranking Republican member on the Finance Committee and many times when we of the Interior were through with our tasks relating to a bill on the floor of the Senate, Senator FANNIN immediately had to assume a new role as minority floor manager of a Finance Committee bill. He performed both arduous tasks well, with careful preparation and reasoned arguments.

Such a relationship, born of controversy and confrontation but insofar as Senator Fannin was concerned, maintained with dignity and gentlemanliness, has brought about for me a warm affection for Senator Fannin. I admire his ability and his considerations, I am proud to feel that we have been friends and that as westerners we will continue to meet along the way. All good wishes and good luck Senator Fannin in the years ahead.

TRIBUTE TO REPRESENTATIVE PHIL LANDRUM

Mr. METCALF. Mr. President, Representative Phil Landrum and I were elected as new Members to the House of Representatives the same year in 1952 and came together to the 83d Congress in January of 1953. This was a small class of new freshmen from the Democratic side because of the landslide that President Eisenhower achieved in the election in the previous year. Hence it was the last Congress in which the Republicans were in the majority. Phil and I were assigned to the Committee on Labor and Education and during my service on the committee, we sat side by side.

That small class of new Democratic Congressmen became fast friends and despite any regional or philosophic differences of opinion that friendship has lasted to the present time.

Subsequent to my service on the Ways and Means Committee Phil was elected a member and served until the present time. I personally know of his distinguished service on both committees. I also know that he is a fine colleague and a fast friend. I know that I join with the small handful of that class of 53 in wishing him many years of happiness in his retirement.

TRIBUTE TO SENATOR JOHN PASTORE

Mr. METCALF. Mr. President, my colleagues have given Senator Pastore the accolades that he has earned and deserved. A brilliant and formidable debater, always knowledgeable and informed, Senator Pastore was one of the very few Senators I have known who was able to change votes during the debate. Several Senators have spoken of his ability, his colorful and sometimes theatrical debating technique. But two events stand out in my memory that I want to emphasize about this man. The first is the forceful and inspiring speech he made to the Democratic National Convention at Atlantic City that kicked off an effective winning campaign. The second is personal. The Senator from Rhode Island was vacationing in Yellowstone National Park when the Montana State Democratic Central Committee desperately turned to him for help as a speaker at our State convention. He graciously consented and that night gave a rousing speech that helped me in my campaign that year as much as any one thing. I have been grateful ever since.

After long and distinguished service, Senator Pastore has earned retirement. He has served the Nation faithfully and well. All good wishes to him in the years ahead.

TRIBUTE TO REPRESENTATIVE WILBUR MILLS

Mr. METCALF. Mr. President, as a Member of the House of Representatives, I was honored by election to serve on the Ways and Means Committee when Wilbur Mills was chairman. As a new member at the bottom of the committee, I had a lot to learn about the subject matter that was under the jurisdiction of that great committee. Nevertheless, Wilbur was courteous and attentive in recognizing me and listening to my comments with the same consideration he gave every other Member.

Wilbur Mills was the ablest legislator with whom I have served in the time I have been a Member of Congress. Uniquely a product of the House of Representatives, he thoroughly mastered his assignments under the jurisdiction of his committee and became nationally recognized. The breadth of his knowledge of taxes, social security, welfare, medical aid and assistance, trade, customs and all the other myriad of problems faced by this revenue committee is evident to anyone who reads the hearing records or the congressional debates.

Wilbur Mills' record of service to the United States has been almost unparalleled and the loss of his knowledge, understanding, and ability will be sorely felt in the next few years.

I sincerely wish Wilbur Mills health and happiness in his retirement.

FEDERAL COAL LEASING—ARBITRARY AND CAPRICIOUS

Mr. METCALF. Mr. President, one of the great concerns of people living in the Northern Great Plains and the other coal-bearing Western States is that the leasing of Federal coal must proceed in an orderly fashion. Repeatedly, the Governors of these States have voiced this concern. They worry about the environmental and social impacts which strip mining federally owned coal will have on the fragile plateaus and prairie lands of the region.

In response to these concerns, Congress twice passed a Federal strip mine bill which was twice vetoed by the President. A Federal coal leasing bill, S. 391, was successfully passed over the President's veto in August, but the fact remains that a great deal of discretion as to the handling of individual coal leases rests with the Secretary of the Interior.

With this in mind, I questioned Secretary Kleppe closely during oversight hearings held by the Senate Interior Committee on February 16, 1976. I wanted to make sure that his lifting of the moratorium on Federal coal leasing would not in any way preempt action by Congress or disrupt the orderly development of Federal coal. Secretary Kleppe was very reassuring on that occasion.

During the course of our discussion, Deputy Under Secretary William Lyons referred to the 192 outstanding preference right lease applications then pending before the Department. He stated that Department of Interior policy would require each lease application to meet the definition of "commercial quantity" and also meet the Department's short-term criteria.

Mr. Lyons explained that short-term criteria require that "the lease must either be for an ongoing operation or for a reserve in the near future, plus compliance with NEPA and assurance that the area could be reclaimed."

Since that hearing, Secretary Kleppe has issued a coal lease for 14,902 acres of land under a preference right lease application of the Rosebud Coal Sales Co., affecting some 60,000 acres of land in Sweetwater County, Wyo. One hundred million tons of Federal coal are involved. This is said to be the second largest Federal coal lease ever approved on non-Indian lands.

Secretary Kleppe took this action over the strong protest of his Assistant Secretary for Land and Water Resources and against the advice of the Chief of the Conservation Division of the Geological Survey. Both of these officials stated that approval of this lease violated the following requirements of Department policy:

First. The Department's short-term criteria.

Second. A written commitment to the Western Governors that there would be prior consultation with State and local governments, complete compliance with NEPA and prior land use planning under the BLM Management Framework Plans.

Third. The Department's own coal leasing system—EMARS.

In stating the case against issuing the Rosebud lease, Assistant Secretary Horton asserted that the only conclusive reason for its issuance appeared to be financial. Rosebud needed to arrange financing by nailing down, by means of the lease, an agreement to deliver Federal coal to the Utah Power Co., for a powerplant which—it later developed—has yet to be sited, let alone constructed. The propriety, if not the legality, of issuing the Rosebud lease on this basis was sharply challenged by Mr. Horton, but to no avail. Secretary Kleppe, for reasons best known to himself, went ahead and issued the lease.

Mr. President, this whole episode shows how Secretarial discretion can be used arbitrarily. It shows why the Western Governors are deeply concerned about the Interior Department's coal leasing program. It shows why Congress feels it cannot rely on assurances from the Ford administration about Federal mineral development policy. It shows why Congress overrode President Ford's veto of the Federal Coal Leasing Amendments (S. 391). It shows why Congress must enact a Federal strip-mining law and reform the Outer Continental Shelf Lands Act.

H.R. 9719—THE PAYMENTS IN LIEU OF TAXES BILL

Mr. LAXALT. Mr. President, I strongly support H.R. 9719, which provides for payments to be made to State or local governments by the Secretary of the Interior based upon the amount of public lands within the boundaries of such State or locality.

In my State of Nevada, all but one county has more than 50 percent of their land in Federal ownership. In fact, 86½ percent of the total land base of my State is federally controlled. That is why I am particularly pleased to support passage of this bill because it will help reduce strain on local property tax bases, which has long plagued my State, caused by the tax-exempt status of Federal lands.

Federal ownership of land imposes an unfair burden on local governments, making it difficult for them to provide basic public services. As you are aware, Mr. President, the local governments have to provide services such as road maintenance, fire protection, law enforcement waste disposal, and health and rescue operations for the public lands and activities on the lands. H.R. 9719 would more fully compensate local governments for the burdens imposed upon them by the presence of Federal lands.

I would like to bring to the attention of my colleagues that H.R. 9719 will finally implement a major recommendation made 16 years ago by the Public Land Law Review Commission. The Commission's June 1960, report suggested that—

> If the national interests dictate that land should be retained in the Federal ownership, it is the obligation of the United States to make certain that the burden of that policy is spread among all the people of the United States and is not borne only by those states and governments in whose area the lands are located.
>
> Therefore, the Federal government should make payments to compensate the state and local governments for the tax immunity of Federal lands.

Mr. President, I feel that H.R. 9719 makes a significant move toward providing equitable levels of payment to local governments strapped by the tax-exempt status of Federal lands within their boundaries. I urge my colleagues to support this bill.

TRIBUTE TO SENATOR MANSFIELD

Mr. STENNIS. Mr. President, I wish to pay tribute to the distinguished majority leader, Senator MIKE MANSFIELD, on the eve of his retirement from the Senate.

I have served during his leadership for the past 16 years, and I find it difficult to say goodby to him. We have shared many experiences, and I shall always value my memories of them.

I wish to emphasize strongly a point about Senator MANSFIELD's position as majority leader, and that is that the office sought the man—the office sought the man, and not vice versa. MIKE MANSFIELD is too modest a man to consider himself best fitted to hold the leadership, but his colleagues knew it, and that is why they kept him in that office for 16 years. It involved many arduous additional duties, but he graciously acceded to our wishes and performed in a magnificent manner the responsibility we pressed upon him.

Sixteen years is longer than any other man has ever served as the leader of his party in the Senate. This in itself tells us a great deal about his abilities and his character. He has the kind of character that comes from a quiet, inner strength—the discernment to always know what is just, in dealing with his colleagues, and the courage to follow that judgment.

I think some of this strength of character must have come from being tempered in the forge of experience. As a very young man he served in the Navy in World War I, and subsequently in the Army and Marine Corps as an enlisted man. He worked in the mines of Montana, and he knows firsthand what it is to be a laboring man. He was a college professor for 10 years, and he served in Congress for 34 years.

Fairness has been MIKE MANSFIELD's hallmark as majority leader. He never forgot that every Senator has equal rights, even in the most heated of debates. His calmness, courtesy, and patience were unfailing. He brought quiet dignity to his post as majority leader, and lent that dignity to the Senate as a body.

Mr. President, the words "useful" and "usefulness" sum up the approach of Senator MANSFIELD to his work and also is a summary of his career. He wanted to be useful and he has been useful, abundantly so.

Mr. President, Montana is losing a great Senator, who served his State and its people with devotion and distinction. His lovely wife Maureen will be greatly missed also.

Mrs. Stennis joins with me in wishing MIKE and Maureen Mansfield all good things in the coming years. Each has made a splendid contribution to public life in our Capital City and throughout the Nation. Their work here will endure and benefit the Nation for many generations to come. All wish them well and many years of happiness and contentment.

MEAT IMPORTS

Mr. CURTIS. Mr. President, the Senate passed my amendment to the 1964 meat import quota law in the form in which it was reported out of the Finance Committee. This would have stopped the loophole importation of foreign beef into the United States through Mayaguez, P.R.

However, the House made two changes in the language, thereby rendering the amendment totally ineffective in dealing with the problem of meat coming into this country in circumvention of the 1964 law.

My proposal would have become effective on enactment. The House changed this to make it effective on February 1, 1977.

Second, the House fixed the amount of foreign beef that could move through the Mayaguez loophole for the period from January 1, 1976, to February 1, 1977, at 100 million pounds.

This latter change would have invited the importation of 40 million pounds more beef through the loophole than has been shipped or scheduled to be shipped through Mayaguez during this calendar year without any change in the law.

In my opinion, this provision in the House action also would have the effect of recognizing the validity of the loophole and thereby make it most difficult next year to get any legislation cutting the amount back.

The bill containing the House amendments was returned to the Senate just a few minutes before the Senate adjourned. I examined the language, and I had a committee lawyer analyze it. I made no move in the Senate to accept the House language. It was too late to call for a conference and go back and try to negotiate with the House.

Nebraska Members of the House of Representatives fought to the end for adoption of the Senate language. They did the very best they could do under the circumstances. I commend their efforts.

Opponents of the efforts to close the Mayaguez loophole are guilty of repeating efforts of considerable magnitude.

They charged that the language of my proposal would do away with foreign trade zones and that it would prohibit manufacturing in foreign trade zones. An examination of the language proves this charge is totally false.

The opponents also argued that my proposal would close the existing meat processing plant in Mayaguez, P.R. This was not correct. All that it would have done was require that the meat coming through Mayaguez be counted in the quota for the foreign country shipping it.

The opponents also contended that this fresh meat is processed in the trade zone and, therefore, should come in as processed meat. As a matter of fact, it is merely cut into cubes and repackaged. The spokesman for the company doing the work testified at our Finance Committee hearing that the meat is shipped from the plant in Puerto Rico to processing plants in the United States. This is evidence that the meat is not already processed.

Opponents of the Senate language spread the rumor that 1,000 jobs were at stake in Puerto Rico. Actually, there are 150 persons employed in the Mayaguez plant, according to testimony taken by the committee. Furthermore, the Senate language would not have made their jobs illegal. It merely would have required the meat to be counted in the quota for the foreign country shipping it.

The meat import quota law provides that fresh, frozen, and chilled processed meats are not covered by quotas. The operation in Puerto Rico consisted of cutting up meat into small cubes and packaging it. This is not processing, and is clearly a loophole.

As a result of what is happening through Mayaguez and of the precedent this sets for similar circumvention of the law through other foreign trade zones, I think quotas should be imposed and enforced for all foreign meat coming into the United States. Such quotas should replace the voluntary agreements which we now have with foreign countries as to the amount of meat they are shipping here.

Moreover, I think that efforts should start now to work for legislation early next year which will totally rewrite the meat import law. These efforts should be directed toward cutting our imports in half immediately and then gradually phasing down the rest of the imports until we are totally self-sufficient.

If we produced all of our own meat in this country, it would bring prosperity to all of agriculture. Not only would it result in a prosperous livestock industry, but also it would maintain a tremendous market for grain and forage crops. It would add materially to our employment in the United States.

This is not turning our back on world trade. We should not expect any country to import that which it does not need and which it can produce. No other country should expect such treatment from the United States.

ON CAPITOL HILL WITH SENATOR YOUNG

Mr. YOUNG. Mr. President, I submit for the Record my recent newsletter entitled "On Capitol Hill with Senator Young—A Personal Report to the People of North Dakota."

The newsletter is as follows:

On Capitol Hill With Senator Young

It is understandable that there is strong anti-Washington sentiment among many people. Some candidates seeking high office even use this as their basic campaign strategy.

The Executive Branch of the government has quite effectively recovered from the Watergate debacle. We now have a strong, viable Federal Government in good standing throughout the world. The Congress currently has its problems and much of the criticism is warranted.

The Senate of the United States is still the greatest legislative body in the world and the best way to improve and preserve it is by defeating undesirable and ineffective members.

The extremist leaders of some organizations are out to destroy what they call the "establishment." They are leveling their criticism against the more conservative and oftentimes most effective and respected members of the Senate.

If members of the Senate assume no leadership, accept no real tough and responsible committee assignments, and sit back and do nothing, they usually escape being the target of irresponsible criticism. The more important committee assignments accepted and the more accomplished, the more one becomes the subject of totally inaccurate criticism and false accusations of all kinds. I should know, having been the subject of several unreasonable and false accusations in recent years.

One example is a charge leveled before the Securities and Exchange Commission about two years ago that a witness stated he "believed" I had received an illegal campaign contribution of $3,500 from Ashland Oil Company in 1968. For many years it has been illegal for corporations to make a campaign contribution in any amount. It is perfectly legal, though, for labor organizations to make contributions which run into millions of dollars.

The Ashland Oil Company accusation received considerable publicity in the big Eastern newspapers, but very little in North Dakota. Many believe it would be best to just ignore these accusations even though they continue year after year. All during the many years of service in public life, I have tried hard to maintain a record of honesty and integrity. Attacks such as these are something that an honest person cannot ignore. For this reason, I insisted that the Senate Select Committee on Standards and Conduct thoroughly investigate this charge. Following is a copy of a letter signed by the Chairman, Senator Howard Cannon, based on the findings of this investigation and printed in full:

Washington, D.C., *September 24, 1976.*

Hon. Milton R. Young,
U.S. Senate,
Washington, D.C.

Dear Senator Young: The Select Committee on Standards and Conduct has been investigating allegations that you or your representative received a contribution from a corporation in violation of law. You have stated that a thorough search of your records, and inquiries conducted by you, have failed to reflect any record or indication that such a contribution was in fact received.

A special review committee was established by Ashland Oil Company at the direction of the Securities and Exchange Commission to examine any illegal corporate contribution made by that firm. The report of that committee filed with the S.E.C. states that a $3,500 contribution was "believed" to have been made to your campaign in 1968.

Inquiries conducted by the Select Committee on Standards and Conduct including interviews with senior officers of Ashland Oil Company, knowledgeable about illegal contributions, developed the following information.

Internal Ashland Oil Company reconstruction of contributions indicated that it was believed $3,500 was given by Mr. Clyde Webb, Vice President of Ashland, to a Mr. John Dietrich, who was not an employee of Ashland Oil Company but a Republican National Committeeman from Kentucky for delivery to you for your campaign. Mr. Dietrich has been deceased for several years. Mr. Webb, Vice President of Ashland, states he has no recollection whatsoever of any understanding with Dietrich concerning a contribution to your campaign. Mr. Orrin Atkins, Chairman of the Board of Ashland Oil Company, has advised the committee that if such a contribution were made, which he denies any knowledge of, there was no way any recipient could have been aware the contribution consisted of corporate funds. Mr. William Seaton, Vice Chairman of Ashland Oil Company, who was the custodian of corporate political funds, denies any knowledge of any contribution to your campaign. The Committee has been unable to locate anyone, or any records that can confirm that such a contribution was actually made. Therefore the committee concludes from the information that no such contribution was received by you or your representative.

In the interest of fairness and to alleviate any suspicions of improper conduct by you, we wish to notify you personally of our conclusions.

Sincerely yours,

Howard W. Cannon,
Chairman.

SENATOR HRUSKA'S RETIREMENT

Mr. McCLURE. Mr. President, Senator Hruska once referred to himself as "just a simple, prairie lawyer." But those of us who pay tribute to him as his service in the Senate draws to a close know better. The simple, prairie lawyer was actually a giant—a man who left his imprint on every piece of legislation he touched.

He was the kind of man the Nation needs in critical times—able and independent, calm and reasoning, always fully informed on the great issues. We often say that the Senate will not be the same without the presence of a particular colleague—but that overused phrase best sums up the way we feel about the senior Senator from Nebraska. There are only a handful of men who can rise on this floor and with a few, well-chosen words change the minds and the votes of those who listen. Such a man is Roman Hruska.

Recently, I asked a member of Senator Hruska's staff what one thing sticks out in his mind as the major accomplishment of the Senator's career—an unfair question perhaps, inasmuch as the Senator's time in Congress alone covered a quarter of a century. In the conversation that followed, I learned that Senator Hruska is particularly proud of his work as chairman of the Commission on Revision of the Federal Court Appellate System. It was this commission which recommended the creation of a new National Court of Appeals—an idea endorsed by the Chief Justice and by the bar. Subsequently, Senator Hruska authored an article in the American Bar Association Journal concerning the work of the commission. The Library of Congress has supplied me with a copy of it, and I am submitting that article at the conclusion of my remarks.

One does not have to agree with the conclusions of the commission to appreciate the scholarly approach which guided Senator Hruska in the development of the proposal. The article is an excellent example of the keen, incisive mind of Roman Hruska—a man whom we are all going to miss very much indeed.

The article is as follows:

Commission Recommends New National Court of Appeals

(By Roman L. Hruska)

Phase two of the mission of the Commission on the Revision of the Federal Court Appellate System was "to study the structure and internal procedures of the federal courts of appeal system, and to report . . . its recommendations for such additional changes in structure or internal procedure as may be appropriate for the expeditious and effective disposition of the caseload of the federal courts of appeal, consistent with fundamental concepts of fairness and due process."

It should be noted that the commission's legislative mandate is limited to what the statute terms the "federal courts of appeal system." We are precluded from considering the jurisdiction of the district courts, and it was not intended that we focus on the Supreme Court.

This commision report on the second phase will propose a new National Court of Appeals, consisting of seven Article III judges appointed by the president of the United States, by and with the advice and consent of the Senate.

The decisions of the new court would be precedents of nationwide effect, binding on the federal district courts, the regional courts of appeal, and on state courts as well—unless the Supreme Court modifies or overrules these decisions. Thus, the constitutional requirement that there be "one Supreme Court" will remain untouched.

The new court's docket would be composed of cases derived from two sources: (1) A "reference jurisdiction" under which the Supreme Court would refer such cases as it deemed wise; (2) a "transfer jurisdiction" under which regional courts of appeal could transfer cases with specified characteristics which would otherwise be heard by those courts.

The commission envisages the reference jurisdiction as the principal source of the National Court's docket, at least initially.

The essence of our proposal is that the Supreme Court be empowered to refer any case within its appellate jurisdiction to the National Court of Appeals. The power would extend to any case before the Supreme Court on petition for certiorari or on jurisdictional statement; we do not contemplate that the enabling legislation would contain any limitations on the kinds or classes of cases that could be referred. We specifically intend to include cases from the highest courts of the states, as well as appeals from the decisions of three-judge courts over which the Supreme Court now has obligatory jurisdiction.

The commission does not propose to instruct the Supreme Court on the procedures and standards that should govern the exercise of the reference jurisdiction. Rather, we envision a process of rule making, with the Supreme Court benefiting from the recommendations of an advisory committee, as was done at the time of the substantial revision of the Court's rules in 1952. However, the commission has recognized the importance of assuring that the availability of the reference option and its exercise in particular cases do not impose an undue burden on the Court. We believe, too, that the public and the Congress can rightfully ask that the commission outline procedures that in its judgment have the promise of being both effective and efficient in making the jurisdiction operational. It is in that spirit that we suggest the following principles.

With respect to any case before it, excepting only those which the Constitution requires it to accept, the Supreme Court may choose (1) to retain the case and render a decision on the merits; (2) to refer the case to the National Court of Appeals for that court to decide on the merits; (3) to deny certiorari, terminating the litigation; and finally (4) to refer to the National Court as many cases as it chooses, perhaps hundreds, which the Supreme Court has decided not to consider on the merits, from which cases the National Court would fashion its own docket, selecting those which it will decide on the merits and denying review in those which remain. For cases in which review was denied, that would be the end of the road.

The Supreme Court would refuse to refer any case in which it was in the national interest that no nationally binding decision be made at that time. This would allow for continuing percolation when it was considered desirable. It would also allow for complete discretion on the part of the Supreme Court to choose appropriate vehicles for adjudication of important issues of constitutional law.

TRANSFER JURISDICTION ALSO IS PROVIDED

In certain types of cases, it would appear clearly to the advantage of all concerned to invoke the jurisdiction of the National Court without requiring a decision on the merits by one of the present courts of appeals. There may be relatively few such cases transferred, at least in the early years of the National Court. But that should not prevent us from gaining the advantage of transfer when it would be beneficial.

We suggest that the transfer jurisdiction would operate as follows. Upon the filing of any case in a court of appeals or later, if appropriate, the court would have the authority—and I stress that this is only a grant of authority, to be exercised when appropriate—to transfer the case to the National Court of Appeals under any of three circumstances: (1) when the case turns on a rule of federal law and federal courts have reached inconsistent conclusions with respect to it; or (2) when the case turns on a rule of federal law applicable to a recurring factual situation, and a showing is made that immediate consideration of the question by the National Court is in the public interest; or (3) when the case turns on a rule of federal law which has theretofore been announced by the National Court of Appeals, and there is a substantial question about the proper interpretation or application of that rule in the pending case.

NATIONAL COURT MAY DECLINE TRANSFERS

The National Court would be empowered to decline to accept the transfer of any case which, either for reasons having to do with the nature of the case itself or for reasons of docket control, it concluded was more appropriately heard initially by the court in which it was originally filed.

Under our plan, decisions of the regional courts of appeals granting or denying motions for transfer and decisions by the National Court accepting or rejecting cases would not be reviewable under any circumstances, by extraordinary writ or otherwise. We intend by this provision to preclude wasteful and unnecessary litigation either over "jurisdiction" or over the exercise of discretion.

The commission expects, however, that rules would be promulgated by the Supreme Court that would serve both to guide the regional courts in passing on transfer motions and to govern the National Court in the exercise of discretion in accepting or rejecting cases after transfer. Such rules would in the normal course be devised with the aid of an advisory committee including both members of the bar and judges of the regional courts of appeals.

The commission is confident that this transfer mechanism is highly desirable. We are confident, too, that it can be made operational through a variety of procedures that would be both effective and efficient. Several considerations underlie this conclusion.

First is the kind of case which we envisage as appropriate for transfer. Specifically, we would exclude cases involving difficult and sensitive issues of significant public import.

Second, it is not necessary to the success of the new court that the regional courts transfer every case that may appropriately be transferred; on the contrary, the national interest would be well served, at least initially, if transfers were ordered only in cases readily identified as appropriate and, in addition, in those complex cases, otherwise appropriate, when transfer would permit a substantial saving of time to the regional court.

In short, what is crucial is that the motion practice occasioned by transfer requests not consume any substantial amount of judge time, that it not delay significantly the disposition of individual cases, and that it not require elaborate administration or "overhead." Achieving efficiency and dispatch in the process is far more important than avoiding error in the application of the criteria, whether the result be to underutilize or to overutilize the transfer option. Indeed, a wide margin of error can be tolerated in the operation of the transfer process without threatening the success of the new court, but extensive burdens on the judges or the litigants cannot.

Two examples of transfer cases may serve to illustrate that utility of this head of jurisdiction. First, suppose that a case turns on a narrow, technical question of tax law on which two circuits are already in conflict, and suppose further that all of the parties concede as much. No decision by yet a third circuit court can resolve the conflict. It would save time and expense if the court of appeals were relieved of the burden of decision and the case promptly transferred to the National Court. Second, consider an appeal under one of the statutes concerned with protecting the environment, one based on a long and complex record and involving an issue of law which in the interest of efficient allocation of national resources should be resolved promptly on a national basis. Again, prompt transfer would relieve the regional courts of appeals and be in the interest of the litigants, as well as in the national interest.

SUPREME COURT HAS RIGHT OF REVIEW

We contemplate that any case decided by the National Court, whether transferred by a regional court of appeals or referred by the Supreme Court, would be subject to review by the Supreme Court on petition for certiorari. Access to the Supreme Court would not be cut off in any individual case or class of cases. We anticipate, however, that few decisions of the National Court in cases that came to it from the Supreme Court would in fact be reviewed thereafter by the Supreme Court.

We have considered a wide variety of alternate proposals for selection and tenure of the judges, both in terms of the court as a continuing institution and in terms of the special problems of creating an altogether new court. I shall not dwell on these matters, for ultimately they will be determined in the Congress by the political process, but that process will have gained from the thoughtful attention focused on the subject by those who have commented on our preliminary proposal.

COMPLEX ISSUES REQUIRE RESOLUTION

The proposal to create a National Court of Appeals represents a response to a felt need. The scope of federal law has expanded vastly since the days of the founding fathers and indeed since most of us first began to practice law. Inevitably, these new statutes, new regulations, and new court rulings give rise to a myriad of questions of interpretation and application. Inevitably, too, the questions are brought to the courts for resolution.

Notwithstanding the increased scope of federal law, one feature has remained constant. Today, as in 1789, there is but one court empowered to hand down judgments that constitute binding precedents in all state and federal courts: the Supreme Court of the United States. The rise in the number of cases brought to the Supreme Court by way of appeal and certiorari is familiar—and spectacular: from about twelve hundred in 1951 to more than four thousand in the most recent complete term.

Clearly there is a limit to the number of cases the Supreme Court can decide on the merits each year. Over the past five decades, in fact, the number of cases disposed of by the Supreme Court after plenary consideration has remained relatively constant. In the words of Dean Erwin Griswold, the Court "was hearing about one hundred and fifty cases on the merits in 1925; it was hearing about one hundred and fifty cases on the merits twenty-five years ago. It hears about one hundred and fifty cases on the merits today."

Dean Griswold in his Irvine lecture summarized the significance of these figures as follows: "Putting it another way, about 18 per cent of paid cases (appeals and certiorari) were heard on the merits twenty years ago, while about 6 percent of paid cases were heard on the merits during the 1973 term.

What became of the other 12 per cent of paid cases? . . . They were lost in the 1973 term simply because of inadequate appellate capacity to hear cases on a national basis."

I shall not burden you with detailed analysis of the data or their limitations. What they suggest is borne out by other studies: the result is an increasing need for definitive decisions, and no added capacity for providing them.

LACK OF CAPACITY HAS VARYING IMPACTS

The lack of capacity varies in its impact on different categories of cases. Understandably, an increasing proportion of the Supreme Court's decisions in recent years has involved constitutional issues. Since the total number of decisions has remained constant, the result is that the number of opinions dealing with nonconstitutional issues has been decreasing.

In other words, while the scope of federal regulatory legislation—typically including provisions for judicial review—has been steadily broadening, the number of definitive decisions interpreting that legislation actually has been decreasing. Specifically, the Supreme Court can be expected to hand down no more than eighty and perhaps as few as fifty-five plenary decisions per term in all areas of federal nonconstitutional law. There is ample evidence that this number of decisions is inadequate to meet the country's needs for authoritative exposition of recurring issues of federal law. The adverse effects disclosed by the commission's studies and detailed in our preliminary report may be briefly stated:

First, the lack of definitive declaration of the national law frequently results in lengthy periods of uncertainty as to what the law is, whether or not a conflict has been generated. Years may elapse before a given circuit will rule on an issue.

The uncertainty breeds repetitive litigation as successive taxpayers, or manufacturers, or other citizens who are subject to federal regulation litigate the identical issue in circuit after circuit.

By the same token, the government frequently persists in enforcing a policy despite adverse rulings in several circuits. Not long ago the National Labor Relations Board lost successively in five circuits, only to succeed at long last, in creating a conflict in the sixth try. Repetitive litigation of this kind exacts a high price in waste. Moreover, it cannot be cured without modification of our present structure. It would be wrong to penalize the government for not seeking or not obtaining a definite decision when the appellate system lacks the capacity to provide it. A prerequisite to solution is to increase the capacity, and that, in our view, requires a new court.

An important further consequence of the lack of adequate capacity for declaration of national law is the burden on the Supreme Court to hear cases otherwise not worthy of its resources. An alternate forum for resolving conflicts would allow the Supreme Court greater freedom to hear or to refuse to hear such cases, relieved of the pressure to adjudicate solely because two other courts had disagreed.

Of course, the Supreme Court does not resolve every conflict that is brought before it. A study of petitions for certiorari in which review was denied, undertaken for the commission by Prof. Floyd Feeney of the University of California at Davis, reveals that a substantial number of actual conflicts are denied review. The data will be presented fully in the commission's final report. Suffice it to note that they are impressive. Eliminating conflicts on issues of constitutional law, duplications, and procedural problems, the total number of nonconstitutional conflicts—direct and strong partial—in the cases denied review is currently projected by Professor Feeney at between fifty and sixty per term.

In this regard, one other point should be emphasized. The fact that the Supreme Court ultimately resolves a conflict does not demonstrate that the system is working in an optimum fashion. Resolution may come only after years of uncertainty, confusion, and, inevitably, forum shopping by litigants eager to take advantage of the situation. Even when the Court acts expeditiously to resolve conflicts that have been brought to its attention, development of the conflict may have taken so much time that the total period of uncertainty may be a decade or more.

DISPARATE APPLICATIONS OF SETTLED RULES

The commission also has been concerned about a different kind of conflict—not disagreement about the governing rule of law but a persevering disparity in the application of an accepted rule. Such appears to be the situation in the field of patent law. The commission's consultants, Prof. James B. Gambrell of New York University and Donald R. Dunner, confirmed what has long been asserted: the perceived disparity in results in different circuits leads to widespread forum shopping. "[M]ad and undignified races," Judge Henry Friendly describes them, "between a patentee who wishes to sue for infringement in one circuit believed to be benign toward patents and a user who wants to obtain a declaration of invalidity or noninfringement in one believed to be hostile to them."

Such forum shopping, write Professor Gambrell and Mr. Dunner, "demeans the entire judicial process and the patent system as well." At the root of the problem, in their view, is the "lack of guidance and monitoring by a single court whose judgments are nationally binding."

The Supreme Court has set, and can be expected to continue to set, national policy in the area of patent law as in other areas of federal law. However, the Court should not be expected to perform a monitoring function on a continuing basis in this complex field. The additional appellate capacity for nationally binding decisions that a National Court of Appeals would provide can be expected to fulfill this function.

A caveat is in order. There are some issues as to which "successive considerations by several courts, each re-evaluating and building upon the preceding decisions" will improve the quality of adjudication. As to those, there may be reason to avoid premature adjudication by a court whose decisions are precedents of nationally binding effect. In discussing the consequences of inadequate capacity, we do not speak of such cases. We speak here of those cases to which, to borrow Dean Griswold's words, "the gain from maturation of thought from letting the matter simmer for awhile is not nearly as great as the harm which comes from years of uncertainty."

In short, we have endeavored throughout to put to one side cases in which delayed adjudication is appropriate; we would not sacrifice the quality of either process or product for speed or for the appearance of efficiency. However, we find no value in a system that fosters prolonged uncertainty and delay because the design of the system cannot accommodate more rapid resolution.

Some have suggested that the lack of capacity to declare the national law should be remedied by the creation of specialized courts, specifically a court of tax appeals and a court of patent appeals. The commission finds this suggestion unpersuasive. The arguments against specialized courts are familiar. They are set forth in the commission's preliminary report.

Quite apart from the undesirable consequences of creating specialized tribunals, however, the commission's studies show that the problem of inadequate appellate capacity is not limited to one or two areas of the law. I note, for instance, that of ninety direct conflicts studied by Professor Feeney, only three were in the area of tax law, and only three in the area of patents.

Finally, Chief Judge Clement Haynsworth of the Fourth Circuit, has written: "I am realist enough . . . to know that any proposal of such specialized courts is going to meet insurmountable opposition. Objection to a feasible solution on the ground that its objectives could be met even in substantial part by some other device which is politically infeasible seems to me to carry little weight."

CRISIS SHOULD NOT CLOUD THINKING

The decision to recommend a new National Court should not be made to turn on whether present conditions have reached crisis proportions, although in the opinion of some a crisis clearly exists. A state of emergency should not be viewed as a prerequisite to the consideration of improvements in the federal judicial system. Rather, we should ask whether the system is operating as well as it could and should.

In the commission's view, it is not. Nor can it function in optimal fashion until the demonstrated national appellate capacity has been met.

Of no less significance, the demands on the federal judicial system continue to grow. The Congress continues to consider—as it must—new programs designed to cope with new national problems, from energy to environment. Typically, their implementation imposes new burdens on the courts, burdens that must be met in the interest of society as a whole. In short, the need for additional national appellate capacity exists now and there is every evidence that it will continue to grow.

The focus of the commission's inquiry has not been the burden on the Supreme Court. Nevertheless, we believe that the plan just described has the promise of bringing significant relief to that Court.

First, it reduces the amount of attention that the justices and their clerks would have to give to a case raising an issue that may require national resolution but does not require a decision by the Supreme Court. Once the justices are satisfied that there is no reason not to have the issue decided at that particular time, the case can be referred without the need for the justices to spend further time evaluating the significance of the issue or the appropriateness of the particular case for resolving it.

Furthermore, the availability of the reference procedure would relieve the justices of the obligation to decide the merits of some cases in which review is granted today to resolve a conflict.

The commission has felt the obligation to fashion a specific proposal, one that included details with respect to the jurisdiction of the new court, its size, its obligation to sit only *en banc*. It was our purpose to facilitate a transition from the area of generalized thinking and comment to a concrete proposal that might then be embodied in a bill considered by the Congress.

We would be disappointed if our efforts produced no more than continued debate in the journals and on the lecture platform, important as such continued discussion must be. It must be altogether clear, however, that we do not consider our recommendations to be set in concrete. In normal course, there will be hearings before appropriate committees in the House and in the Senate. We are beginning, rather than concluding, the process of close and critical examination of every facet of the commission's recommendations. This is all to the good, for inevitably a process so rigorous must result in improvements. We welcome both the process and whatever beneficent change may result.

THE RETIREMENT OF SENATOR FONG

Mr. McCLURE. Mr. President, the retirement of Hiram Fong from the U.S. Senate is a particular loss to this body because he has been a tower of integrity here. Coming as it does at a time when the ethical conduct of other public officials has been splashed across the front pages of the Nation's newspapers, it is regrettable that a man as dedicated to the welfare of our people has chosen to retire.

There is not a single Member of the Senate who does not consider the senior Senator from Hawaii his personal friend. He will be missed, but Senator Fong carries with him the best wishes of all of us.

Recently, I read a commencement speech delivered by Senator Fong last May to the graduates of the California Western School of Law. Although it deals primarily with regulatory reform, it reveals far better than words of mine can, the basic philosophy that has guided the career of this good and decent man. As such, it is also a valedictory statement of its own, a summary of a remarkable man's beliefs and his faith in the American system.

I submit the speech for printing in the Record:

Commencement Address by U.S. Senator Hiram L. Fong, of Hawaii

FREEDOM UNDER LAW

Chairman and President, Justice Ault; Mayor Wilson; Members of the Board of Trustees; Dean Castetter; Faculty Members and Staff; Fellow Recipients of Honorary Degrees; Candidates for Juris Doctor degree; Families and Friends; Ladies and Gentlemen:

Have I overlooked anyone?

May I first extend my greetings in the traditional Hawaiian way—Aloha! With that beautiful word, I can best express the feelings that flow from my heart, for Aloha conveys friendship, goodwill, understanding, all the warm and human sentiments.

I am delighted to share this memorable day with you and to have the pleasure of delivering the Commencement Address on this, the first graduation program of California Western as an independent School of Law. To be associated with you as an honory alumnus of your distinguished and venerable school, which in nearing half a century of education in law, is for me a high privilege and a cherished distinction.

I must confess that to receive an advanced degree in so pleasant and easy a manner—without going to classes, without study, without examinations, without anxiety—leaves me with some feelings of embarrassment, knowing how hard and how long you have worked for your degrees. I am deeply conscious of how much more case law, administrative law, tax law, and subject law you have had to learn than I did. I congratulate you on earning your degrees the hard way.

In this, the Bicentennial year of the adoption of our Declaration of Independence, it is especially fitting that we examine the role of law in relation to freedom in America. Our forefathers, you may recall, fought a revolution against the tyranny of laws enacted by the Mother Country in which the 13 Colonies had no real say and no real representation.

Today, speaking from the vantage point of nearly 43 years in government service, the last sixteen in our Nation's highest legislative body, I am concerned that the veritable floodtide of laws pouring out of Congress and the rules and regulations pouring out of the Federal Departments and agencies are rapidly approaching government tyranny upon the American people.

In the last 15 years alone, 236 Federal Departments, agencies, bureaus and commissions have been created. But only 21 have been eliminated. The vast Federal establishment implements more than 1,000 domestic assistance programs, all with attendant rules and government red tape. Federal regulations comprise 141 volumes codified, and new ones are proposed every working day.

Congress, too, has expanded. In the past five years, Congress doubled its budget and increased its staff by 70 per cent. Now Congress has nearly 60 legislative, select, and joint committees and more than 320 subcommittees, all requiring staffs, making investigations, holding hearings, and thinking up new programs and new laws to push. The last Congress enacted 650 laws, most of which were added to the 175 volumes of Federal laws already codified. In this Congress, we have enacted nearly 300 more.

The proliferation of Federal Congressional and Executive entities has not only generated a mind-boggling array of Federal laws, rules and regulations but has also spawned more laws, rules, and regulations in the 50 States and the thousands of local jurisdictions throughout America.

Together with the sharp increase in crime, the liberalized access to courts, and the growing tendency to go to court rather than settle disputes amicably, this proliferation has helped clog the court dockets and produced an outpouring of judicial laws. In turn, this has multiplied adjustments required in schools, homes, business, governments, indeed every sector of American life.

Filings in Federal District Courts are averaging more than 40 per cent higher per judgeship this year than in 1970. In U.S. Courts of Appeals, case filings per judge have more than doubled in less than ten years, with an estimated 600 per judge in the current year. That means more than two new cases filed on appeal each workday of the year per judge.

The caseload at the Supreme Court has likewise risen sharply, doubling in the past 15 years, until now the Court is able to hear oral argument on only about four per cent of the 4,600 cases that reach it annually. As attorneys, you know in advance there is a 96 per cent probability the Supreme Court will decline to hear oral argument on a case appealed to it.

Furthermore, whereas before 1960, constitutional cases comprised one-fourth to one-third of the Court's decisions, the reverse has been true in recent years, with constitutional cases comprising one-half to two-thirds of the Court's plenary decisions. This means the number of decisions interpreting the vast array of Federal regulatory laws has been diminishing. Only if the case involves a constitutional question does it have much chance for oral argument.

So while the scope of Federal regulatory law has been enormously expanding, the number of Court decisions on non-constitutional issues has been declining. Under these circumstances, judicial review of points of law involved in Federal regulatory statutes in oral hearing by our Nation's highest Court becomes less and less a reality.

Today there are more than 80 Federal regulatory agencies. Whereas old-line regulatory agencies were set up each to regulate a particular industry, such as railroads, ships, airlines, securities, and the like, latter-day regulatory agencies have jurisdiction over a broad spectrum—Environmental Protection Agency, Consumer Product Safety Commission, Occupational Safety and Health Administration, known as OSHA, to name a few.

These regulatory agencies churned out 7,496 regulations in 1974 alone. Their proposed rules, notices, and final regulations occupied 45,400 pages of fine print in the Federal Register and, in 1975, 60,000 pages—a 32 per cent increase in one year!

The Office of Management and Budget—top bookkeeper in the Executive Branch—estimates Federal regulations cost $130 billion a year—$2,000 per family—a result of the additional expense of doing business and lost productivity, which in turn means higher prices for consumers.

There are more than 5,146 different Federal forms required to be filed by businesses, costing an estimated $40 billion yearly. So monumental is the paperwork problem that Congress set up a Commission on Federal Paperwork to reduce the crushing volume.

There is an army of 100,000 Federal employees with regulatory functions. All too often they are at odds with each other. U.S. Department of Agriculture food standards require meat packing plants to be kept clean and sanitary, and tile and stainless steel are preferred for this purpose. But tile and steel reflect noise and do not meet noise standards set by OSHA! One section of OSHA ordered that construction equipment include warning bells designed to ring when vehicles back up. But the anti-noise section of OSHA insists workers at construction sites wear ear plugs. Result: these workers cannot hear the warning bells!

Internal Revenue Service forms and regulations are so complex that even I.R.S. personnel are baffled. A House Ways and Means Subcommittee had its staff call seventeen I.R.S. taxpayer assistance offices with a list of 124 typical taxpayers' questions. Although the questions required no calculations, only yes or no answers, there were 32 incorrect answers—an error rate of 25 per cent. Remember, the I.R.S. will fine a taxpayer if his return is incorrect, even if based on I.R.S. advice which proves incorrect!

A recently completed year-long study by a reading comprehension professor at California State University showed that even graduate students with highly developed reading abilities have so much trouble understanding I.R.S. Form 1040 income tax instructions that they might be mistaken for "functional illiterates."

According to a news report, the problem lies not so much in the density of taxpayers' minds as in the density of the prose produced by the Federal tax collectors. So incomprehensible have I.R.S. tax law and forms become that 43 per cent of American taxpayers hire someone else to prepare their income tax returns. Even so, the taxpayer is liable should there be any mistakes on his Form 1040.

In addition to such frustrations, Americans may be badgered by regulatory agencies that have become quite arrogant. The Consumer Product Safety Commission ordered a toy company to correct a potentially hazardous toy; yet after the company made the correction, the Commission erroneously included the toy on its banned list. The Commission refused to correct its error, and the company had to close down 75 per cent of its toy operations, throwing two-thirds of its employees out of work. One member of the Commission has been quoted as saying, "Anytime that consumer safety is threatened, we're going to go for the company's throat."

This is the same Commission, by the way, that issued reports on how to strike a book of matches and how to get into and out of a bathtub!

In an effort to be helpful to consumers, the Department of Transportation devised quality grading standards for tires. But these standards offer consumers 72 options—not confusion reduced, but confusion compounded!

Too often Washington thinks it knows best! Washington determines what planes will fly and where and how much the fares shall be; what trains shall operate; what trucks will carry freight between States. Washington approves the designs of automobiles, their safety accessories, their pollution control devices, what kind of gasoline they use.

Washington decides whether a company is too big and should be dismembered and whether a company can use domestic or foreign-flag vessels.

Washington decides whether crops shall be price supported, how many acres the farmer can cultivate, and what fertilizers he can use.

Washington decides what medicines we can take, what clothes are safe to wear, what schools children can attend.

We have, literally, come to the point where Federal agencies are regulating the American people from cradle to grave. The Consumer Product Safety Commission dictates the design of beds for babies, the composition of clothing for infants and children, and the toys sold for them. When a person dies, his funeral director will be required to follow regulations now being drawn up by the Consumer Protection Bureau of the Federal Trade Commission.

No one quarrels with the objectives of Federal laws and regulations: safer working conditions, better quality merchandise for consumers, enforceable warranties, elimination of discrimination in employment, reducing environmental pollution, and so on.

But when we find along with this so much waste, bias, stupidity, concentration on trivia, conflicting regulations, impossible goals, and arbitrary and uncontrolled power, then we begin to ponder whether we have reached an intolerable stage.

No wonder over the past decade there has been a growing hostility toward, and a lessening of confidence in, government institutions at all levels. One nationwide public opinion survey showed that fewer than 34 per cent of the American people have great confidence in Congress, the Executive Branch, or the Supreme Court The majority—52 per cent—placed their greatest confidence—not in government, not in educational institutions, not in the news media—but in trash collectors!

Americans realize that with the proliferation of laws and regulations has come harassment of private enterprise and of individuals; arbitrary and capricious action by government agents; escalating litigation; clogging of the court dockets, to the point where we are concerned about what is happening to our cherished concepts of due process, search warrants, speedy trials, economic and political freedom.

OSHA has no-knock to enter the premises of virtually any business in the U.S.—even the one or two-person shop—without a search warrant or prior notice of the intention to inspect for health and safety violations. As a matter of fact, a fine and/or jail term are provided in the OSHA law for anyone tipping off an inspection.

In its first year of existence, OSHA issued 15,000 rules and regulations. How in the world can the small business entrepreneur who has a pizza carry-out or a dress shop or a hardware store possibly know what is in those regulations. Yet if an OSHA inspector finds anything he deems in non-compliance, he can fine the employer on the spot.

Furthermore, employers are prohibited from advance consultation with OSHA personnel even to find out whether a situation is in compliance with OSHA regulations or how it might be corrected. To allow some common-sense prior consultation will require an Act of Congress.

The dollar impact of regulations is indeed significant. Goodyear Tire and Rubber Company recently reported that complying with government regulations costs the firm $30 million a year—enough to employ 3,400 new workers. Business as a whole estimates that to install non-income producing systems whose merits are dubious costs $30 billion. These are funds that could otherwise be used as capital investment to create additional enterprises and more jobs.

A couple of years ago, the private sector provided jobs for 85 per cent of the workforce. As Government at all levels has grown, the percentage of American workers on government payrolls has grown and the private sector share has now edged down to 83 per cent. Stated another way, a smaller percentage of workers in the private sector, and the enterprises which employ them, are carrying a greater burden to finance the cost of bigger government.

The average American works all of January, February, March, and April—one-third of the year—just to pay taxes to Federal, State, and local governments. Two hundred years ago our forefathers fought a revolution against taxation without representation. Now look at the taxes we have with representation!

The inevitable consequence is to remove more and more funds from the private sector—individuals as well as business—and to leave fewer dollars to create jobs, services, and manufactured products. The median cost to create one job in industry is $33,538, but the cost can run as high as $177,680 per job. The dollar government eats up for nonproductive purposes leave that much less for individual savings, for capital investment, and for the 14-15 million jobs that need to be created in the 1975-85 decade.

Just to meet our Nation's material needs in the next 25 years—before most of you reach age 50—we must grow, mine, transport, build, manufacture, and distribtue as much as we have in all previous American history. Our economic system can meet these needs, provided government encourages, rather than impedes, the productive energies of the American people—through less red tape and through enlightened tax and fiscal policies. At the Federal level, particularly, we must reverse the trend toward more regulation and we must begin to put our financial house in order.

For, with the advent of the idea that Washington, D.C., has all the answers, we have seen the burgeoning of government and the creation of vested interest groups who plead with Congress not to reduce funds for their pet programs and projects. As of last June 30, there were more than 45 million Americans receiving a Federal check each month, either as salary or benefit. Add to that the millions upon millions of contractors and grantees and you begin to get an idea of the constituency among our 215 million Americans who plead against reducing Federal expenditures.

This helps explain why the Federal budget over the past decade has become uncontrollable—a game of one upmanship between the President and the Congress. No one wanted to be a tightwad or to offend any of the millions of recipients of Federal checks or Federal assistance. From time to time, attempts were made by the White House or by Congress to curtail the mushrooming Federal budgets. But not until New York City teetered on the brink of bankruptcy was there a general awakening that, if it can happen to New York City, it can happen to the Federal Government too.

Economic freedom and political freedom go hand in hand. When government spending comprises 36 per cent of our gross national product, as it does now; when Government—rather than the marketplace—dictates basic decisions of enterprises across the Nation; when government stifles initiative and investment; when government harasses its people, our competitive private enterprise system with its built-in incentives to produce better is jeopardized. Our freedom as individuals to retain the fruits of our labors is severely curtailed. Our happiness and our contentment are diminished.

Our system has provided the highest standard of living in the history of mankind. We should be doing everything possible to improve it. Instead, it is under continuing assault. There is in Congress and in some Federal agencies a decided anti-business sentiment. This is accompanied by demands for more government regulation, for more government usurpation of private enterprise, and more government agencies. Some are even seriously proposing that Washington should draw up a master plan for the Nation's economy.

This is rather presumptuous when we recall some notable failures of government:

The Postal Service, which, despite a nearly $1 billion subsidy each year, had a deficit of $1.6 billion through fiscal year 1975, and anticipates another deficit of $1.5 billion this year;

AMTRAK, whose deficits will require taxpayers' subsidies exceeding $6 billion over the next four years;

ConRail, which even with $2 billion in taxpayers' subsidies faces a deficit of $359 million this year and must lay off thousands of workers, but which, nevertheless, has just decided to grant free cars and country club memberships to its top executives;

Supplemental Security Income Program of the Social Security Administration, which in its first year of operation overpaid recipients by some half billion dollars;

The Federally-mandated seat-belt interlock which cost over $1 billion to develop and which cost feel ultimately on car buyers, only to be canceled by the government;

The energy fiasco, where Congress set up several new agencies but at the same time took actions whereunder, two and one-half years after the oil embargo, America finds itself with less domestic oil production, less natural gas production, and more dependent on oil imports than before?

That is why I suggest we would all be well advised to question whether Washington "experts" can cope successfully with economic planning of our Nation's far-flung, intricate, and complex economic machinery.

After central planning, what next? Central supervision and central enforcement?

Are we to have a five-year Federal economic plan like the Soviets, whose central planning has time and again failed to reach the projected goals and whose people still cope with shortages of most consumer goods?

Shall we emulate the British government, which has nationalized basic industries like transportation, steel, coal, and embarked on a number of socialist programs? Do we want our economy to be in shambles like theirs?

Shall we emulate the Swedish government, which is frankly socialist and whose confiscatory taxes are driving creative, inventive, and income-producing citizens to flee the country?

Because, if we want to give up our economic system, based for the most part on private ownership, competition, incentive to do better—then what alternatives do we have? Socialism or communism.

Let us look at some other examples. Before communism, Austria and Czechoslovakia had comparable standards of living, as did Greece and Yugoslavia and what are now West Germany and East Germany. Today, each of the free capitalist nations has clearly outdistanced its communist rival.

You who are well educated, trained in law, and about to embark upon your careers should be in the vanguard of resistance to efforts to overturn our economic system. You should be in the vanguard of resistance to ever-encroaching government, which has already reached the point of diminishing returns and is already eroding the economic and political freedom of the American people.

You will find out, if you have not already done so, that government is a constant companion today in America. You will be particularly conscious of this when you pay your taxes, when you obtain the permits to build your home, when you fill out the government forms required of law firms and other private enterprises. You may even be visited—not by the Avon lady—but more likely by someone from OSHA!

You will be dismayed by the protracted legal processes of 1976 and by the multiplicity of reference works and publications you must read in order to keep abreast of developments in your chosen field. You will be frustrated by the layers of bureaucracy that must be penetrated in order to accomplish your goals. You will be amazed at how much government takes from your earnings and how small your actual disposable income is by comparison.

And yet, with all this, you will still be living and working in a Nation that offers greater personal freedom and greater opportunity for advancement and self-fulfillment than any other country in the world.

Be not satisfied or complacent, however. America can and must be improved. So use your talents, your training, your respect for our Constitutional system and our Constitutionally guaranteed rights to try to swing the pendulum away from greater government interference in your life and the lives of your fellow Americans.

Obviously, you cannot turn the clock back to the simple, bucolic life of our once agrarian society. But you can reduce the unnecessary complexities of today's America, thereby enhancing the quality of life and creating a happier, more contented Nation.

As each drop of water helps form the oceans, as each grain of sand helps form the deserts, as each speck of earth helps form the mountains, so each of you can help preserve and perpetuate the cherished features of the American way: due process, protection against unreasonable search and seizure; speedy justice, the right to retain the fruits of one's labors, and freedom to pursue life, liberty, and happiness.

In this way, you will do credit to this great institution of learning, California Western School of Law, you will bring honor upon your family and yourselves, and you will hand the torch of freedom to the next generation.

Thank you and Aloha.

TRIBUTE TO SENATOR FANNIN

Mr. McCLURE. Mr. President, every new Member of this body soon finds himself indebted to at least one of his older, more senior colleagues. For me, the one who comes most readily to mind is Senator PAUL FANNIN, who is retiring from public life this year.

He went out of his way to assist me with my duties on the Interior Committee. If I have made any contribution to that committee, it is in part due to the wise counsel I received from Senator FANNIN.

Although we respect his decision not to offer himself to the voters of Arizona, that decision at least gives us the opportunity to evaluate the man. I cannot recall any Senator who has approached his Senate responsibilities with higher motivation to the ideals of this country or more conscientious to the obligations that public office imposes.

We recall his work to establish the Central Arizona project and his defense of 14–B. And more recently, we remember his efforts to decrease our dependence on foreign oil and the victory he won over the bureaucrats in behalf of father/son, mother/daughter school events.

He has been the voice of the minority on the Interior Committee at a time when that committee has considered many landmark bills such as land use planning and the BLM Organic Act. He has been especially effective in promoting individual initiative over government dependence.

A record of his accomplishments would take up page after page in the CONGRESSIONAL RECORD. And yet, I say that most of us will remember him in a much more personal fashion because of his honesty and integrity.

During his first year in the Senate, PAUL FANNIN addressed the Senate Breakfast Group, expressing the philosophy that guides his career—a philosophy based firmly in our religious heritage. In that speech, the Senator from Arizona noted that British historian Thomas Macaulay once prophesied that the American Republic would collapse in a manner reminiscent of the Roman Empire. Senator FANNIN then said:

> In my judgment, every American today in any position of leadership, whatever the field, has a compelling duty to prove this prediction was wrong. Let it not be said of us by some future historian that we tried to establish a reign of law based on the consent of the governed—and that we failed.

Now, nearly 12 years later, PAUL FANNIN can look back upon his two terms in the Senate, secure in the knowledge that our Nation has not succumbed to the forces that would have us fail—and that he as much as any man in this body stood firm, promoting those principles which have sustained this Nation for 200 years. He lived up to his own ideals.

America has been blessed with many great public servants. Reviewing the career of PAUL FANNIN offers evidence anew that the long line of patriots continues.

Mr. President, I submit the speech Senator FANNIN delivered to the Senate Breakfast Group back in September 1965 for the RECORD:

REMARKS BY SENATOR PAUL J. FANNIN, SENATE BREAKFAST GROUP, SEPTEMBER 29, 1965

More than 50 years ago, a famous British jurist, Lord Moulton, made some observations on law and manners which I submit are still valid and worthy of our serious consideration today. In his article he outlined what he called the three great domains of human action. First was the domain of positive law which prescribes our actions and which must be obeyed.

At the opposite end of the scale he put the domain of free choice, which includes all those acts we claim a right to perform in complete freedom. But in between these two domains, he said there is another large and important area ruled neither by positive law nor absolute freedom.

He called this vital middle ground the domain of the unenforceable. How large this area is depends upon the extent to which a nation trusts it citizens and the way they behave in response to that trust. Lord Moulton concluded that in the final analysis—and at this point I quote him exactly: "The true measure of a nation's greatness is the extent to which the individuals composing the nation can be trusted to obey self-imposed law."

If we apply Lord Moulton's standard of greatness to the United States of America today, how do we measure up? This is a sobering question for which there is no easy answer. But it is a question all Americans should be asking themselves today.

At this moment in history, I am concerned that our country is not measuring up to greatness in all of the ways that it can and should. The annual FBI reports have been indicating an alarming increase in crime for a long time. But it has taken a savage explosion of mob violence in Los Angeles to shock us into recognizing that crime has become the number one domestic issue confronting our Nation. Since the riots I'm sure all of us have formed some personal opinions on the subject. The public dialog of condemnation and explanation continues—and this is as it should be in a free society.

Seldom in our history has a thorough, searching national discussion been more in order. In one of our own recent meetings—incidentally I count these meetings among the most rewarding associations of my brief Senate experience—we enjoyed a fine talk on some aspects of this problem by Senator WALLACE BENNETT.

More recently in a talk on the floor, our colleague, Senator ROBERT BYRD, of West Virginia, put the Los Angeles riot in proper perspective as another horrible example of the overall weakening state of law and order in the land.

We can no longer afford to ignore the unmistakable evidence that a moral cancer is spreading in our society. Including the recent additions of mass murder and destruction, our crime rate now represents a serious threat to the basic codes of human behavior which most Americans have long taken for granted. Because we have been entrusted with public responsibility at a high level, it is especially incumbent upon us to defend these codes and reinforce them by all possible means.

A vital first step in preparing this defense is suggested by a phrase in the constitution of my State of Arizona which I want to share with you. Section 1 of article 2 reads as follows:

"A frequent recurrence to fundamental principles is essential to the security of individual rights and the perpetuity of free government."

In another troubled age, 600 years before Christ, we were admonished in much the same language by the prophet Jeremiah when he said: "Stand ye in the old ways, and see, and ask for the old paths, where is the good way, and walk therein."

Surely no further warnings should be needed to convince us that we have strayed from the proven good way of the past, and that we have been neglecting our fundamental principles. All of us know that among these fundamental principles is personal responsibility for one's own conduct and actions. Behind this principle is the combined weight and experience of our Judeo-Christian heritage.

Like our fathers and grandfathers before us, we have been taught a morality which places a distinct obligation upon each individual in our society. We have built our society on the firm belief that the Creator endowed each of us with certain inalienable rights. And because of our belief in the worth and dignity of the individual, we have constructed a framework of constitutional law to protect and enforce the rights of each citizen.

Implicit in both our spiritual and governmental life has always been the concept of responsibility accompanying privilege. For every right there is a corresponding duty.

Referring to Lord Moulton's categories of human action, our Founding Fathers deliberately expanded the realm of free choice beyond anything ever attempted before.

In all of their recorded statements or published writings, so far as I can determine, there is nothing to indicate they ever gave any credence to the idea that civil responsibility was a collective matter. To them it was highly personal and individual—and they had supreme confidence in the ability of a free republic, conceived in liberty and dedicated to human welfare, to grow and prosper under this concept. In short, they were convinced that it is the individual who makes society, and not society the individual.

Contrast that with the modern doctrine expressed by sociologists and, unfortunately, even some public officials, that society is somehow responsible for the criminal acts of a few individuals. For example, how often have you heard well-meaning people say that "society is really to blame for juvenile delinquency"?

Or consider the rash of statements in the wake of the terrible riots in Los Angeles. From spokesmen prominent in government, religion, and the civil rights movement we heard incredible assertions that all of us must share some of the guilt of those who killed, burned, and looted.

This absurd notion should have no place in American thought. The fact that it has been accepted by so many otherwise intelligent people is a graphic illustration of how far we have deviated from our original principles.

Those who assembled at Philadelphia to write the Constitution would have rejected this kind of thinking. They believed—as we still do—that man does have the inherent capacity to govern himself, if he is encouraged and trained to do so.

Thus our Constitution and laws impose the minimum possible amount of restraint upon the individual in the exercise of his freedom.

Again in Lord Moulton's terms, our system places a tremendous degree of trust in the individual citizen to obey self-imposed law. And by that standard of measurement, we did indeed achieve greatness as a nation. At the same time, however, the founders of our Republic knew very well that unrestricted democracy would degenerate into anarchy, just as unbridled license will destroy the individual. James Madison and Alexander Hamilton, two of the authentic geniuses of the Convention, argued this point with eloquence and determination. It was Hamilton who declared, and I quote:

"Give all power to the many, and they will oppress the few. Give all power to the few, they will oppress the many. Both, therefore, ought to have the power that each may defend itself against the other. * * * We are forming a republican government. Real liberty is never found in despotism or the extremes of democracy. If we incline too much to democracy, we shall soon shoot into monarchy."

The inspired result was a system of government which defined and guaranteed individual rights but also demanded of each citizen that he respect the rights of others. This duty of the individual citizen, under our system of constitutional government, is in perfect harmony with the spiritual commands of the Christian faith, because it is derived directly from them.

When we say that every American should respect the rights of others, whether it be their person or property, isn't this just another practical way of following the Golden Rule of Christ? We were told by Christ that all laws rested upon two fundamental commandments; namely, that we should love the Lord above all things and that we should also love our neighbors as ourselves.

From the fine presentation by Senator JENNINGS RANDOLPH at one of our recent meetings, you will recall the intense labor and dedication that went into the Declaration of Independence, and our Constitution. These guidelines were hammered out by men who risked everything they had for the public interest.

It should be emphasized that nowhere in the Constitution is there any mention of race or class or varying degrees of privilege. Those demagogs who preach that our Constitution is obsolete should remember that our Nation offers political privileges and freedoms unmatched by any nation on earth.

Likewise, those who incite disobedience of the law to gain privileged status—under the protective cloak of constitutional rights—are demonstrating a dangerous ignorance of their Nation's history and purpose.

By now, only the most prejudiced or naive observers would deny that apostles of nonviolence have had a cumulative effect on public respect for law and order. The ugly explosions of mob violence in Los Angeles, Chicago, and elsewhere can be traced—at least in part—to the pernicious doctrine that a citizen can be selective in his obedience to law.

One of our most acclaimed modern theologians, Reinhold Niebuhr, has pointed out that internal order, after all, is the first necessity of every society. Logically, it ranks ahead of even justice, for without order there can be no society and no justice.

Americans of today tend to forget that our truly great leaders of the past passionately believed what the Declaration of Independence and the Constitution said.

There is not the faintest suggestion of class consciousness or class action in the Constitution. Its only requirement of those who aspire to public office, for example, is an oath to support and defend that Constitution. The results have been phenomenal—Presidents, Senators, and judges from muledrivers and railsplitters. We made college presidents of men who worked their way through school, railroad presidents out of section hands, bank presidents out of boys who ran errands, and captains of industry from men who worked in the factories.

Oddly enough, by today's standards all of these men would have been considered underprivileged. To the extent that we have allowed ourselves to become class conscious, we have become a house divided by race and color, by capital and labor, and by rural and urban.

In our preoccupation with current disorders and problems, we have downgraded our own magnificent record of the past—a record of individual achievement and national progress unequaled in history. Our system works because it is based on the record of human experience and because it is, in the final analysis, rooted strongly in our common religious tradition. There is nothing in that religious tradition which holds that we can justify immoral acts on material grounds.

Neither our spiritual nor our governmental heritage tells us that a man may disobey the legal and moral codes with impunity if he considers himself underprivileged by comparison with his neighbors. On the contrary, we know that man cannot excuse what the Creator himself forbids. William Penn summed it up very well when he warned that:

"Those people who will not be governed by God will be ruled by tyrants."

It is an ugly perversion of our system to suggest that individual citizens have different degrees of responsibility to one another, and to the Nation, depending upon whether they are white, black, red, yellow, rich, middle class, or poor. Just as the Creator's Commandments apply equally to all men, so do our constitutional requirements of responsibility apply across the board to all citizens.

In recent times we have seen the tragic consequences of downgrading individual responsibility and respect for the system of law that brought the American people to power and prominence. In the latest agitations can be seen the ominous disposition to substitute a government of men and emotions for a government of laws—and this is surely the way to chaos.

It is particularly disturbing to find so many religious leaders lending the moral prestige of their calling to movements which can only undermine the foundations of our country. But it is also encouraging to note that many of them are alert to the danger and are speaking out with vigor and courage. One of them is the rector of a large church in my home city of Phoenix—the Reverend Paul Urbano—whose sermons and articles on contemporary matters have been widely reprinted. He has not hesitated to denounce so-called crusades for rights that degenerate into street mobs—for the very good reason that they imperil other rights just as important. He concluded one sermon with the following words which I wish every citizen in our land would heed—and I quote:

"The way to improve a society is to keep the law and to improve the heart. We must do both if we are to solve our dilemma."

And in a masterful column earlier this month he concluded with the following observation I want to share with you. Again I quote:

"A great society is necessarily composed of great individuals. Nothing else ever has or can make a great society. A great society has little if anything to do with affluence, but it has a great deal to do with justice and the rule of law."

We have witnessed to our sorrow what happens when men are told they can achieve desirable goals by evil methods—especially when they are led to believe their violence is justified. Even the ancient pagan thinkers knew better than this. Aristotle, for example, warned more than 2,500 years ago that men will not obey the law unless they acquire the habit of obeying.

The doctrine of violence to bring about change is as old as the primitive jungle. It is an alien and atheistic doctrine that should have no place in American thought—and it must be repudiated. We will not deserve or long enjoy freedom if we permit any compromise of our principles on this issue.

Psychiatrists and clergymen may disagree on many things, but on one point they are in complete agreement—and that is that men keep laws and commandments largely out of fear. The religious man obeys because he fears God. But the material man obeys because he fears the consequences if he gets caught. Reason tells us that if the consequences are neither swift nor certain, then the fear is minimized.

Something like this has been happening for a long time in our society. Given enough time, the slow erosion of respect for law and order can destroy America just as surely as all the nuclear missiles in the Soviet arsenal.

Modern Historian Arnold Toynbee, in his monumental study, has pointed out that almost all of the great civilizations on earth have eventually withered and fallen from internal decay, not from external force. And another famous British historian, Thomas Macaulay, who died on the eve of our Civil War, wrote the following prophecy:

"Your Republic will be fearfully plundered and laid waste by barbarians in the 20th century as the Roman Empire was in the 5th, with this difference: That the Huns and vandals who ravaged the Roman Empire came from without—and your Huns and vandals will have been engendered within your own country, by your own institutions."

In my judgment, every American today in any position of leadership, whatever the field, has a compelling duty to prove this prediction was wrong. Let it not be said of us by some future historian that we tried to establish a reign of law based on the consent of the governed—and that we failed.

Instead, let us remember the counsel of the 112th Psalm, which tells us that the man who delights in the Lord's commandments will be blessed and his descendants will be mighty in the land.

And as we work together in this cause, we would do well to remember the words of St. Paul when he told Timothy that "The law is good, if a man use it lawfully."

TAX CODE IS THE MOTHER LODE FOR ELECTRIC UTILITIES

Mr. METCALF. Mr. President, each year Electric Light and Power, an industry trade publication, prints financial performance statistics of the 100 major electric utilities during the preceding year. The 1975 figures show that the industry appears to be getting along quite well financially. Editor Robert A. Lincicome described 1975 as "a year of recovery," going on to say:

For one thing, kilowatt hour sales increased. Inflation slowed, also. The rapid escalation of fuel costs ended and fuel costs leveled off. Bond downgradings, so prevalent in 1973 and 1974, slowed. Commissions tended to be more responsive to utility rate requests, both in terms of the amounts of increases granted and reduced time required to arrive at decisions. All in all, the factors that were so severe in 1973 and 1974, were much improved last year and utility managements were quick to take advantage.

The result was higher revenue, improved kilowatt hour sales, and higher earnings available for common shares.

The strong financial position of electric utilities indicates the wisdom shown by the 94th Congress in rejecting the administration's reckless proposal, early in 1975, to force additional customer payments to utilities and supersede State regulation of utilities with Federal statutes. Those proposals—title VII of S. 594—would have mandated use of fuel adjustment clauses, forced allowance of construction work in progress in rate bases and mandated the "normalization" method of accounting, which permits utilities to keep separate books for stockholders and tax collectors.

The September 24 issue of Energy Daily reported a utility tax specialist's view that "there is much reason for cheer" in H.R. 10612, the major tax bill approved by Congress. It extended use of the 10-percent investment tax credit by utilities to 1980. It also extended to 1980 the 1-percent credit for utility employee stock ownership plans—ESOP. Beginning next year an extra half a percent will be allowed, provided employees match that amount. Furthermore, beginning this year, the ESOP benefits will not be flowed through to utility customers in the form of rate reductions.

Congress also provided, in the tax bill, that utilities use investment tax credits accumulated in previous years first. This permits utilities to use such credits before they are forfeited, and save current tax credits for future years. Furthermore, under the approved tax bill, utilities can amortize pollution control equipment over a 5-year period and get an extra 5 percent investment tax credit on pollution control equipment installed from next year on.

The tax code has become the mother lode for electrical utilities, distorting the regulatory process and granting the industry costly favors from taxpayers which, as its own figures show, are unnecessary, unjustified, and ill-timed.

I have asked the Congressional Research Service of the Library of Congress to prepare a table based upon the industry's own 1975 figures as published in Electric Light and Power. The table shows the net income for common stock as a percent of total revenues for each of the 100 largest electric utilities.

I submit for the RECORD the memorandum from the Congressional Research Service and attached tables:

The material is as follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 22, 1976.

To The Honorable LEE METCALF.
From Economics Division.
Subject: Net Income for Common Stock as a Percent of Total Revenues for the 100 Largest Electric Utilities in 1975.

As you requested, attached is a table showing the largest 100 electric utilities in the U.S., ranked by the percentage that net income for common stock was to total revenues in 1975. These calculations are based on data published in Electric Light and Power, June 1976.

Four utilities had net income as a percent of revenues of over 20 percent—Pacific Power and Light, Montana Power, Central Louisiana Electric, and Portland General Electric. And five companies experienced less than 5 percent of net incomes to revenues—Boston Edison, Iowa Electric Light and Power, San Diego Gas and Electric, Eastern Utilities Associates and New England Gas and Electric Association. Total revenues for these 100 companies were a record $48.2 billion and net incomes for common stock totaled $4.82 billion. Thus, the average percentage of net income to revenues was 10 percent.

We hope that this information will be useful to you. If you have any additional questions, do not hesitate to contact us.

ANGELA LANCASTER,
Analyst in Utility Economics.

100 LARGEST [1] ELECTRIC UTILITIES—1975, RANKED BY NET INCOME FOR COMMON STOCK AS A PERCENT OF TOTAL REVENUE

[Dollar amounts in thousands]

Rank and utility	Net income for common stock (1)	Total revenue (2)	Percent net income to total revenues (3)
1—Pacific Power & Light	$63, 813	$301, 495	21. 2
2—Montana Power	29, 741	145, 134	20. 2
3—Central Louisiana	19, 402	96, 173	20. 5
4—Portland General Electric	36, 185	179, 942	20. 1
5—Pennsylvania Power & Light	97, 541	544, 129	17. 9
6—Public Service of Indiana	48, 693	305, 898	15. 9
7—Idaho Power	18, 627	121, 324	15. 4
8—Southwestern Public Service	28, 124	190, 406	14. 8
9—Toledo Edison	28, 247	191, 564	14. 7
10—Puget Sound Power & Light	24, 112	163, 964	14. 7
11—Duquesne Light	58, 663	405, 124	14. 5
12—Utah Power & Light	30, 111	212, 440	14. 2
13—Columbus & Southern Ohio	36, 003	259, 078	13. 9
14—Texas Utilities	120, 976	888, 736	13. 6
15—Tucson Gas & Electric	22, 585	166, 833	13. 5
16—Public Service of New Mexico	11, 264	84, 978	13. 3
17—Washington Water Power	17, 492	134, 902	13. 0
18—Arizona Public Service	46, 074	359, 747	12. 8
19—Carolina Power & Light	75, 870	606, 329	12. 5
20—Oklahoma Gas & Electric	34, 085	274, 424	12. 4
21—American Electric Power Service	201, 300	1, 644, 221	12. 2
22—Gulf States Utilities	44, 697	365, 265	12. 2
23—Illinois Power	49, 493	408, 951	12. 1
24—Indianapolis Power & Light	21, 303	177, 876	12. 0
25—The Southern Co	238, 169	1, 998, 912	11. 9
26—Central & Southwest	87, 588	740, 153	11. 8
27—Kansas Gas & Electric	14, 874	126, 166	11. 8
28—Virginia Electric & Power	118, 764	1, 033, 336	11. 5
29—Atlantic City Electric	22, 796	196, 079	11. 5
30—Ohio Edison	67, 641	593, 324	11. 4
31—Union Electric	66, 395	583, 455	11. 4
32—Northern States Power	76, 587	675, 356	11. 3
33—Southern Indiana Gas & Electric	9, 352	83, 017	11. 3
34—Central Telephone & Utilities	46, 048	418, 807	11. 0
35—Louisville Gas & Electric	21, 941	200, 596	10. 9
36—Baltimore Gas & Electric	74, 215	680, 042	10. 9
37—Kansas City Power & Light	22, 585	210, 318	10. 7
38—General Public Utilities	100, 918	941, 997	10. 7
39—El Paso Electric	10, 098	9[illegible], 398	10. 7
40—Florida Power & Light	125, 155	1, 182, 644	10. 6
41—Florida Power	53, 310	504, 496	10. 6
42—Allegheny Power Systems	68, 730	653, 916	10. 5
43—Houston Lighting & Power	64, 418	634, 151	10. 2
44—Public Service of Colorado	46, 507	463 628	10. 0
45—Long Island Lighting	66, 984	671, 527	10. 0
46—Tampa Electric	25, 238	254, 887	9. 9
47—Duke Power	93, 891	957, 058	9. 8
48—Niagara Mohawk Power	95, 365	972, 206	9. 8
49—South Carolina Electric & Gas	31, 362	321, 131	9. 8
50—Iowa Public Service	12, 105	123, 957	9. 8
51—New York State Electric & Gas	33, 277	340, 785	9. 8
52—Northeast Utilities	76, 218	789, 455	9. 7
53—United Illuminating	18, 123	188, 651	9. 6
54—Kentucky Utilities	21, 209	221, 085	9. 6

Rank and utility	Net income for common stock (1)	Total revenue (2)	Percent net income to total revenues (3)
55—Cleveland Electric Illuminating	50, 072	523, 165	9. 6
56—Commonwealth Edison	164, 121	1, 722, 331	9. 5
57—Philadelphia Electric	107, 899	1, 134, 810	9. 5
58—Central Illinois Public Service	23, 837	251, 556	9. 5
59—Minnesota Power & Light	10, 562	11, 980	9. 4
60—Central Vermont Public Service	5, 250	55, 861	9. 4
61—Middle South Utilities	86, 199	923, 023	9. 3
62—Public Service of New Hampshire	17, 204	186, 393	9. 2
63—Iowa Power & Light	14, 941	162, 670	9. 2
64—Delmarva Power & Light	25, 537	278, 548	9. 2
65—Dayton Power & Light	32, 774	357, 575	9. 2
66—Pacific Gas & Electric	203, 278	2, 233, 371	9. 1
67—Missouri Public Service	6, 499	71, 785	9. 1
68—Kansas Power & Light	15, 831	175, 975	9. 0
69—Empire District Electric	3, 547	39, 752	8. 9
70—Southern California Edison	147, 058	1, 668, 488	8. 8
71—Nevada Power	7, 998	91, 397	8. 8
72—Otter Tail Power	4, 883	57, 147	8. 5
73—Wisconsin Public Service	18, 669	219, 946	8. 5
74—Wisconsin Electric Power	41, 923	506, 568	8. 3
75—Northern Indiana Public Service	44, 184	536. 751	8. 2
76—Rochester Gas & Electric	22, 317	271, 940	8. 2
77—Potomac Electric Power	[2] 40, 051	492, 510	8. 1
78—Iowa Illinois Gas & Electric	15, 254	188, 505	8. 1
79—Orange & Rockland Utilities	16, 707	207, 003	8. 1
80—Central Maine Power	12, 058	149, 678	8. 1
81—Cincinnati Gas & Electric	38, 097	480, 000	7. 9
82—Wisconsin Power & Light	15, 505	196, 568	7. 9
83—Interstate Power	8, 172	103, 687	7. 9
84—Consolidated Edison	207, 089	2, 667, 938	7. 8
85—Savannah Electric & Power	4, 771	62, 486	7. 6
86—Public Service Electric & Gas	122, 598	1, 630, 525	7. 5
87—Madison Gas & Electric	5, 572	75, 524	7. 4
88—Hawaiian Electric	15, 074	204, 424	7. 4
89—Central Hudson Gas & Electric	11, 471	158, 311	7. 2
90—New England Electric System	46, 372	661, 216	7. 0
91—Central Illinois Light	12, 193	178, 165	6. 8
92—Detroit Edison	71, 991	1, 070, 780	6. 7
93—Sierra Pacific Power	6, 592	98, 071	6. 7
94—Community Public Service	4, 039	74, 389	5. 4
95—Consumers Power	70, 641	1, 341, 100	5. 3
96—Boston Edison Co	23, 735	501, 744	4. 7
97—Iowa Electric Light & Power	6, 859	159, 367	4. 3
98—San Diego Gas & Electric	15, 969	374, 252	4. 3
99—Eastern Utilities Associates	5, 755	140, 406	4. 1
100—New England Gas & Electric Association	11, 130	288, 330	3. 9

[1] In terms of electric sales.

[2] Corrected from a reported $36,185,000.

Source: Congressional Research Service, based on Robert A. Lincicome, "The Top 100 Electric Utilities, 1975: The Industry Bounces Back, Part I · Financial Performance," "Electric Light & Power," June 1976, p. 12.

STATEMENT BY THE AMERICAN PUBLIC WELFARE ASSOCIATION BOARD OF DIRECTORS ON NATIONAL HEALTH INSURANCE

Mr. KENNEDY. Mr. President, I am pleased to introduce in the RECORD a statement from the American Public Welfare Association on National Health Policy. This statement enunciates the principles declared by the Board of Directors of the American Public Welfare Association that must be present in any system of national health insurance.

Because of my interest in the need to adopt a system of national health insurance for the people of this country, I ask unanimous consent to print in the RECORD this statement adopted by the APWA Board of Directors on September 24.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC WELFARE ASSOCIATION STATEMENT ON NATIONAL HEALTH POLICY

(Adopted by APWA Board of Directors, September 24, 1976.)

The American Public Welfare Association has long recognized the importance of health in a coordinated, national policy of human services. Without adequate health care and health maintenance, related programs such as income maintenance and social services are blunted in their effectiveness. Only an integrated social policy which includes all these components is likely to prove effective in meeting human needs. "Access to comprehensive physical and mental health services is essential for all persons"—a statement adopted by APWA in 1970 reflects this concern. The present statement further amplifies the necessary components of a system which can meet this broad goal; the existing fragmented, uncontrolled and inequitable health care delivery and financing systems have proven that they cannot.

The American Public Welfare Association believes that the Nation must now enunciate a national health policy, a fundamental and guiding strategy of which must be a national health insurance program which meets the principles outlined in this paper. The NHI program should be enacted immediately, setting forth the long range goal of adequate quality health care for all citizens. Implementation of the program, however, should be scheduled over a period of years in order to assure that the NHI program will:

Be financially sound and capable of controlling expenditures;

Be administratively feasible, with efficient management techniques and regulatory measures capable of implementation;

Build upon what now exists and works effectively within the health care system, including maintaining private, and public financial support for existing programs until they are phased into NHI;

Be planned and implemented to anticipate the changes in demand on the health care system it will produce, and to develop the capacity of the system to respond to those changed demands; and

Assure and preserve individual integrity and freedom of choice within the health care delivery system.

The American Public Welfare Association recommends that national health insurance should:

(1) Provide coverage for all residents of the United States.

(2) Cover a comprehensive scope of essential health care services including:

(a) Primary preventive care;

(b) Emphasis on health education so that the consumer has an active role in the maintenance of his own health; and

(c) Long term care.

(3) Impose no deductibles or coinsurance.

(4) Be financed through earmarked Federal revenues to the maximum extent possible on a progressive basis.

(5) Be enacted immediately, setting forth the long-range goal of adequate health care for all citizens with phased implementation over a period of years.

(6) Be administered by an independent Federal agency, newly established, which would be responsible for overall policy determination, budgeting and allocation of funds, supervision of program and health system performance and research and program evaluation.

(7) Authorize the use of regional, state and local public and private organizations which, through contracts negotiated on a periodic and competitive basis, could be delegated the daily operation of the benefits payment process, including client and provider relations. In addition, contracts with public agencies would be negotiated to assure regulation of the delivery system performance and resource development.

(8) Utilize the budgeting appropriations as the basic expenditure control in the program with appropriations planned on a five-year basis and subject to annual review. Within that constraint, adoption of a flexible management process through controls and incentives will assure adequate administrative performance, quality of care, cost control, and accessibility to appropriate services.

(9) Provide Federal leadership and earmarked funding for research, planning, and development of resources to improve the capacity of the health care system to perform in relation to its financing, organization, quality, and supply of facilities, manpower and services.

(10) Assure an open and participatory process of policy making at all levels, initially and on an ongoing basis, which includes participation from consumers, providers, and Federal, state and local public and private interests.

(11) Allow states a major role in administration of NHI, particularly in regulatory activities, but with no responsibility in the financing of NHI.

(12) Give priority in the first years of NHI to coverage of children and primary-preventive care while improving Medicaid, Medicare and related programs until NHI is fully comprehensive.

AMERICAN PUBLIC WELFARE ASSOCIATION REPORT OF THE COMMITTEE ON HEALTH POLICY, SEPTEMBER 1976

PART I: SCHEDULING PRIORITIES FOR NATIONAL HEALTH INSURANCE

A national health insurance program that meets the principles endorsed by APWA, cannot be put into operation at once. A careful plan following stated priorities must guide the scheduled implementation of the program. Before any of the population is covered by any scope of benefits, there must be assurance that the capacity of the health care system can respond to the new demands that will be placed upon it and that the management systems are in place and capable of assuring efficiency and cost effectiveness.

Therefore, the American Public Welfare Association recommends that the following priorities be taken into consideration in planning for the scheduled implementation of NHI:

(1) The capacity of the health care system to deliver the services must be developed in advance of creating new and additional demands on those services, keeping pace with the changes in NHI coverage over time. Funds must be available and planned for development of such resources e.g., facilities, manpower and services, and more importantly for their appropriate distribution and organization. A lead time of two (2) years should be allowed to carry out planned development and organization of resources, building upon existing capacity and expanding it in relation to the priorities of population coverage and benefits. Such investment in the system's capacity will continue until there is assurance that demand and supply are balanced within overall expenditure controls.

(2) The capability of the administrative management system to assure achievement of

the program's objectives within expenditure constraints must be built and tested prior to full implementation of the program. Various mechanisms, some of them now in place or being demonstrated, may be appropriate. The new Federal agency for NHI must be established on enactment of the NHI legislation and given authority over and responsibility for all Federal programs that relate to the financing and delivery of personal health services, and to regulation and policy for personal health services. In this way, existing programs can be molded and modified to test out management procedures and all the programs that will ultimately be incorporated into NHI will come under one administrative agency during their phase-out—phase-in periods. Budgeting and forecasting techniques can also be developed and tested.

(3) After the two year lead time, the NHI program should begin operation with coverage of some benefits for all the population—something for everyone. However, children, as a particularly vulnerable population, must receive special priority and offer the greatest potential rewards from preventive health dollars. Children should have initially the most comprehensive coverage, particularly covering pre-natal and post-natal services and comprehensive care up to age 6. Until more comprehensive coverage is available, the aged should continue to be covered by Medicare, supplemented where necessary by Medicaid.

With respect to the poor, Medicaid must temporarily be continued, but in modified form until comprehensive care is available including:

(a) Simplification of existing regulations to stress less the process of administration and more the performance of state agencies, including more technical assistance by the Federal government, simplification of eligibility requirements, and 100% Federal funding of administrative costs that relate to federally mandated priorities, e.g. EPSDT, utilization review, fraud and abuse control, etc.

(b) Federal assumption of total Medicaid costs for the SSI population.

(c) Assuming a welfare reform proposal is adopted along the lines being recommended by APWA, then, until NHI assumes total responsibility:

1. Medicaid for those covered by the welfare reform measures should be totally financed by the Federal government.

2. States should be mandated to provide Medicaid coverage for the medically needy not receiving cash grants, within Federal guidelines and with Federal sharing in the costs.

(4) In scheduling priorities for benefit coverage, primary health care and preventive health services should be emphasized. Benefits should not be biased toward the high cost, institutional services except for those who require such.

APWA estimates that it may take up to ten years to fully implement NHI in a comprehensive fashion.

PART II: ADMINISTRATIVE STRUCTURE AND FUNCTIONS OF NATIONAL HEALTH INSURANCE

National health insurance will be an extremely complex program to administer. There must be centralized policy decisions based on consultation with the multitude of affected interests and implemented through a decentralized management structure, in order to accommodate the vast differences in regional capacities and capabilities. Existing bureaucracies and agencies at Federal and State levels, and traditional regulatory relationships between governmental levels, will not be adequate to carry out the administrative task.

Therefore APWA recommends the following approach to administrative structure and functions under NHI:

Federal agency structure and functions

Structure

1. NHI should be administered by an independent Federal Board or Commission empowered by statute to carry out or delegate all appropriate program functions. The agency's independence and commission structure should assure that:

(a) It will be less subject than a cabinet department to political changes in the Executive branch.

(b) It will have statutory authority guaranteeing access to the Congress through a requirement for periodic independent recommendations and reporting by the NHI agency.

(c) Its authority, powers and sanctions are sufficient to make its decisions effectively binding, and that judicial review is largely limited to constitutional policy issues.

(d) A chief executive officer of the agency is responsible for implementation of policy established by the Commission/Board.

2. NHI administration must assure a broad representation from all interests in the policy making process. Advisory councils should be established including:

(a) A strong general advisory council, representative of a wide range of viewpoints but not of organizations, and with independent staffing and funding for its role.

(b) An interagency Council representative of all Federal agencies with an interest, direct or indirect, in NHI.

(c) An advisory council of State and local governments.

(d) An advisory council of contract administering agencies.

(e) An advisory council of providers of service.

(f) An advisory council of consumers.

Functions: The NHI Federal agency would carry out the following functions:

1. Policy determination, through the rule making process as well as through the contracting mechanism, in the following general areas:

(a) Establishing coverage and benefit definitions, which must evolve over time with changing medical technology and concepts of health status, and which may require modification based on expenditure control.

(b) Establishing standards of administrative performance for contracting agencies, including determining the geographic areas for contract management, standards of administrative performance of decentralized functions, and standards for data processing.

(c) Establishing standards for performance of the health care delivery system, including general parameters in such areas as: reimbursement methods, conditions of participation and performance by providers, quality of care and utilization, and accessibility to services.

(d) Establishing policies and priorities for resource planning and development, including capital investment, manpower planning, and organizational innovation and development.

(e) Establishing standards with respect to consumer and provider rights, responsibilities and relationships.

2. Budget planning and allocation of fiscal resources through contract negotiation with state or other public or private administering agencies.

3. Supervision, review and monitoring of decentralized management, including:

(i) Monitoring of contractor performance.

(b) Program evaluation in such areas as: administrative effectiveness, quality of care, access to services, control of fraud and abuse, etc.

(c) Establishing of an internal review and grievance mechanism and appeals process to assure that consumers and providers receive prompt and adequate resolution of complaints. This will be supervised by the Federal agency, and adjudicated where necessary at the Federal level, including binding arbitration. Judicial review should be limited to constitutional issues.

(d) Federal capability to undertake the State-local management and control processes, if no state agency is able or willing to do so. The Federal agency may maintain and operate model administrative areas for testing out techniques and to develop its capabilities to step into direct administrative management.

4. Authority to contract with other Federal agencies and with State and local agencies for specified functions that the other agencies are better able to carry out.

5. Conduct research in health services delivery systems, financing, and management techniques.

State/regional structure and functions

Structure

The nature of the decentralized functions will require public accountability. Contracting with agencies would normally be within existing governmental jurisdictions, most usually state areas or substate areas of sufficient size. Contracts may be with either public or private agencies (including State government) for administrative functions. Resource development activities may only be delegated (by contract) to public agencies. Regulation would only be delegated to State or other government bodies. Contracts would be negotiated with agencies qualified within Federal standards, but to the extent possible a competitive bidding process would be used to select the most qualified agency. Contracts would encompass a five year span, consistent with the budgetary cycle adopted. Advisory council structures reflecting the scope of participation at the Federal level would be established at the State/substate level as well.

Functions: The three basic functions to be decentralized include:

1. Management of the benefits payment process, including:

Client relations, information on clients, promotion of client education programs, information and services to clients.

Provider relations, information on providers and information and services to providers.

Claims payment, to the extent fee for service is used; institutional budgeting, prepayment, etc., to the extent these mechanisms are used.

Coordination with related organizations.

Internal management controls, and collection and reporting of data to the Federal agency.

2. Application of controls and incentives to assure adequate performance of the health care delivery system (see related position statement).

3. Resource planning and development, including State area-wide planning of facilities, manpower and services, allocation of funds for development of needed resources and for improvement in the organization, quality, and distribution of existing resources.

PART III: FINANCING OF NATIONAL HEALTH INSURANCE

Sources, allocation, uses

National health insurance of the scope recommended by APWA, will be extensive and costly. It will represent, on the one hand, a large transfer of expenditures from the private sector to the public sector, and on the other hand will represent a redistribution of income—from the well to the sick, and from the wealthy to the indigent. As a basic principle the method of financing NHI should treat all persons equitably, and should not impose any degrading or administratively complex test of financial resources, such as income testing used in welfare programs.

There are three alternative sources for the financing of NHI: premiums, payroll tax, and general revenue. (Deductibles and coinsurance are a method of controlling expenditures, not a source of income for NHI. They are controls that the APWA recommends not be used since they may discourage necessary services, delay treatment and add considerable complexity to the administrative process.)

Premiums represent a payment by the individual (family), usually in a flat amount in order to secure coverage. The term is usually applied to voluntary enrollment; if it is mandated to be paid, it constitutes a tax. Flat premiums would be unacceptable since they fall unevenly upon the poor and would constitute a disproportionate share of their income relative to the more affluent. Any premium subsidy approach would necessarily introduce a means test, which is an unacceptable procedure.

Payroll taxes usually take the form of a flat percentage of funds withheld from wage payments to cover the cost of the benefits. Most usually, the payments are shared between the employer and employed, but sometimes are paid totally by the employer. Payroll taxes would apply only to the wage earning population and thus would be limited in population coverage, requiring supplementation from other sources for unemployed. Payroll taxes are regressive, placing a heavy relative burden on those with lower incomes. The working poor would be particularly vulnerable to this unequal tax treatment. In addition, the payroll tax would not involve non-wage earners in the support of NHI.

Federal revenues, largely composed of income and related taxes, offer a broadbased, generally progressive, means of financing NHI. Such funds may also be earmarked to finance particular government programs.

Therefore, APWA recommends that:

1. NHI be financed from Federal revenues.

2. The basic expenditure control over NHI will be the budgeting-appropriations process, with appropriations planned for a five year period, subject to annual review.

3. Within the overall appropriations, funds would be allocated to state-substate regions, through the contracting mechanism. The allocation would be negotiated with each area, based broadly upon the number of people in each jurisdiction, and with consideration of regional needs and variations in costs, and taking into account administrative expenditures for the three functions being decentralized.

4. A percentage of NHI funds (up to 5%) should be earmarked for resource planning and development to improve the supply, distribution, quality, and organization of health resources, and to finance research and evaluation of the health status of the population health services, and health care financing system. Allocations of these earmarked funds would be made based on contracts with state and substate agencies delegated responsibility for the resource development function, with a portion of the earmarked funds reserved for national priority programs, and national research and evaluation.

PART IV: ASSURING PERFORMANCE OF THE HEALTH DELIVERY SYSTEM UNDER NATIONAL HEALTH INSURANCE

Under NHI the performance of the health care delivery system will be directed at four key objectives:

Assuring adequate quality of care.

Achieving an optimal accessibility to needed service.

Curbing excessive program expenditures.

Promoting appropriate utilization.

These are not new concerns and a variety of techniques designed to achieve such goals have been tested. So far the experience has been mixed. No one method or set of methods has been proven most effective in meeting the four program objectives. This has been the case for several reasons: policies are not flexible enough to account for the wide variations in capacity among geographical areas they are implemented unilaterally, with little attention to their mutual impact (e.g. the effect of quality control measures on cost containment); and they tend to be adopted without sufficient planning, coordination, or evaluation to project their likely overall effectiveness.

The national health insurance program will ultimately impact every sector of the health care delivery system. It must have the means to influence appropriately the cost, quality, availability and utilization of services. However, given the lack of knowledge about present control mechanisms and the variability among regions and states, reliance on one or even a set of existing methodologies may not prove adequate. Only when sufficient information becomes available from a working, comprehensive NHI program can the positive and negative effects of various control strategies be evaluated. And even then a method which proves effective in one region may be wholly inappropriate for another. Therefore, APWA recommends that:

1. Until adequate information is available concerning the effectiveness of certain controls and incentives, NHI policy should be flexible and cautious with respect to a system of regulatory controls.

2. The basic expenditure control should be the national budget, allocated to the States or region, through the negotiated contract.

3. A decentralized program of incentives and controls should be adopted. Each regional or state (public) contracting agency will negotiate a set of performance objectives goals. Performance criteria would be formulated to reflect the variations in resources ulated to reflect the variations in resources and expertise each agency area might demonstrate. The contract will specify which set of strategies will be undertaken to achieve the objectives. Should a jurisdiction be unable or unwilling to meet the performance objectives, the NHI agency should be empowered to implement necessary controls and incentives.

4. The NHI agency should monitor, through the contract mechanism, the performance of each contracting agency and should take appropriate action to upgrade such performance as necessary.

5. Information regarding the effectiveness or lack thereof, of particular mechanisms, should be documented, analyzed and evaluated, so that effective methods can be used more widely.

6. Areas that controls and incentives will likely address include the following:

Capital expenditure control to assure that the appropriate supply of services is available (to curb those found medically unnecessary and encourage those that are)

Institutional quality control to assure that facilities meet appropriate physical plant and staffing requirements.

Provider reimbursement policies, to explore the use of financial incentives to curb inappropriate expenditures (would include prospective reimbursement, rate setting, capitation, fees, etc.)

Practitioner quality assurance to assure the level of provider qualifications and services (including certification, licensure, continuing education, utilization review)

Manpower planning to assure appropriate supply and distribution of physicians, nurses and allied medical personnel.

Interchange with claims processing systems to monitor and structure appropriate reimbursement policies, provider eligibility and fraud and abuse detection.

Consumer utilization review to provide enrollees with incentives to seek appropriate health services (e.g. immunizations, screening, pre-natal care) and practice good preventive medicine (e.g. moderation in smoking, diet, drinking). This would involve a great deal of consumer education (see Preventive Care Section)

Health product quality control to assure effectiveness of medical devices, foods, drugs, cost/benefits of technological advances. (This function would be largely administered by other Federal agencies in conjunction with the NHI agency.)

Assurance of consumer involvement in all aspects of regulation and controls.

PART V: THE ROLE OF THE STATES IN NATIONAL HEALTH INSURANCE ADMINISTRATION AND FUNDING

The flow of funds for health programs between Federal, state and local governments has long been complex and largely disorganized. Myriad programs with similar objectives have frequently competed with one another for limited funds. Programs with required matching, the most prominent being Medicaid, have long been a source of controversy. Wealthy states have been able to spend more and thus capture greater Federal funds than their poorer counterparts. As a result, Medicaid is not uniform among participating jurisdictions. Some states have broad based programs, while others are fairly limited. As a result, indigent persons have not been treated equally.

States have, however, assumed major responsibilities in several areas: regulation, quality assurance, cost containment and resource development. Some jurisdictions have developed sophisticated administrative mechanisms under Medicaid. The key characteristic of states is, however, their tremendous variability. Therefore:

1. To assure uniformity of coverage and benefits, states and local governments should have no role in financing of NHI. All present Federal categorical grant-in-aid programs should ultimately be eliminated, including Medicaid.

2. States should have major involvement in the administration of NHI. In particular, states should generally be responsible for regulatory functions under contract to the NHI central authority. They may also have responsibilities in resource development and benefit management.

3. States should continue to finance services, e.g. Medicaid, or residual parts of them, until they are fully covered under NHI.

4. States should also continue to finance health services as they deem necessary which are eliminated under national health insurance (particularly those categorical grant programs), perhaps under a Federal block grant. Such services could include community mental health centers, migrant health programs, etc.

5. The states should maintain epidemiological and environmental health services.

PART VI: PRIMARY PREVENTIVE CARE UNDER NATIONAL HEALTH INSURANCE

Within the spectrum of preventive services, health care services are but one component. Adequate nutrition, housing and sanitation are more important factors in determining level of health status than is medical care. In addition, perhaps the most important single factor in preventing illness and disability is the behavior and life style of the individual consumer of health services. Here, health education can play a major role. National health insurance cannot finance all factors that affect the health of the populations. It must be limited to health care related benefits. Therefore, APWA recommends that:

1. National health insurance should place great emphasis on health education to assure the individual consumer assumes an active role in the maintenance of his health. This should be the responsibility of NHI contracting agencies but may be funded from Federal resource and development allocations. One appropriate locus for basic health education is the school health program, which should ultimately be financed by NHI.

2. Routine maternal and child health services should be among the first covered services for appropriate populations in the phased-in implementation of NHI, including well baby care, pre-natal and post-natal care, immunizations, and necessary examinations to assure appropriate growth and development. Adults should have equal access to preventive services.

PART VII: LONG TERM CARE UNDER NATIONAL HEALTH INSURANCE

There are among our citizens of all ages and all economic circumstances, a significant number for whom day-to-day life activities are limited due to disability: physical, mental, emotional, or developmental. A large number have adjusted to these limitations or have continued to function independently, sustained within their own environment with the support of family and friends. For other, however, external support services—economic, social, vocational, educational, housing, as well as medical—are necessary for the maintenance of life at a satisfactory level of quality. It is these persons who are the target population of what has come to be known as "long term care."

Three major areas of concern that arise out of the current situation must be addressed by any National Health Insurance Program:

1. For persons who require a combination of external support services, the most frequent choice tends to be an institutional setting. This occurs largely because of the inertia of the providers (it is easier to hide the person away in an institution), the paucity of organized services that can combine to maintain the individual in his or her own environment, and the availability of financing mechanisms which tend to deny payment for non-institutional services while paying for the higher cost of institutional care.

2. The major source of payment for long term institutional care is Medicaid. This source of payment further skews the delivery of long term care to the institution. Medicaid also tends to put the delivery of services into the medical model, which not only may be inappropriate to the needs of the individual but also more expensive than necessary. Because of the lack of financing from other sources, and because of the heavy reliance on nursing home and intermediate care facility services, payments for long term care now consume almost 40% of all Medicaid expenditures.

3. With the exception of a few experiments and demonstrations, there are no community-based organizations that have the authority to bring together the range of interrelated support services in order to focus on the needs of those persons requiring long term care. The problem of defining the population in the community that needs long term care is a difficult one. The problem of preventing unnecessary admission to institutions is even more difficult given the lack of coordinated support services and absence of payment sources. However, prevention of unnecessary admission—or control of entry into—institutions is a key element, because the individual tends to lose whatever resources of support might have sustained him outside, and once in the institution finds change or transfer to other settings traumatic.

The objectives of any long term care must be to:

(a) Sustain individuals in their own environment to the extent possible.

(b) Where the individual cannot or should not be maintained in his own environment, then assure the most appropriate institutional placement, with all service support systems paying their share of the costs.

Therefore, the APWA recommends that:

1. National Health Insurance be responsible for financing all of the medical-health services required by persons needing long term care. In addition to the services of physicians, other health care practitioners, hospital care and outpatient care, this would include such long term care-related services as:

Home health aide services.

Nursing and medical services provided in the individual's residence, including medical devices and supplies for use in the home.

Therapeutic and rehabilitative health and mental health services required to maintain an optimal level of functioning.

Health related day care services, beyond those needed for socialization, including medical, nursing and rehabilitative services.

Transportation related to the need for medical care.

Institutional care, exclusive of hotel costs, for those whose disability or social condition do not allow maintenance at home and where the institution can provide a variety of levels of personal, medical, social and rehabilitative services.

2. Persons covered under NHI and found to need a combination of non-medical support services, should automatically be eligible for those services needed, with an appropriate co-payment as necessary.

3. NHI should finance appropriate assessment, review, placement functions for persons requiring long term care. Community agencies should be established which will carry out the following functions:

(a) Identification of persons needing long term care services, and including referrals from all service support systems of persons they identify as needing such services;

(b) Assessment of each person identified or referred to determine the range of support needed;

(c) Assistance in securing the services needed and the financing for the services;

(d) Continuing review and assessment of changing needs of persons using long term care services (both institutional and non-institutional) with recommendations to the various support systems of changes in services or financing required;

(e) With respect to placement in institutional settings, no NHI payments will be made for care in institutions, including day care, unless and until the community agency has conducted as assessment and determined that such placement is the most appropriate needed by the individual; and

(f) Advise the NHI resource development agencies concerning the community-based and institutional long term care services needed to be developed.

CIRCUIT COURT EN BANC HEARINGS—A NEW APPROACH

Mr. HRUSKA. Mr. President, the report of the Commission on Revision of the Federal Court Appellate System, filed in June 1975 is probably best known for its recommendation that a new court be added to the Federal judicial system, a National Court of Appeals. Legislation to implement that recommendation has been introduced, both in this body and in the other body. Having had the honor of serving as chairman of the Commission, I have taken occasion to comment before this body on the genesis of the proposal to create a National Court of Appeals, the need it is designed to meet and the manner in which it would fulfill its function.

It may be appropriate to note, however, that the Commission, in the same report, presented 18 other recommendations, which concerned internal operating procedures such as oral argument and opinion writing, problems of administration, such as the tenure of chief judges, and the easing of the requirements for the taking of senior status. Some of the recommendations do not require congressional approval and, indeed, I am pleased to report that the Commission's recommendation that the several courts of appeals invite the participation of the bar in rulemaking, has already been implemented by some courts. Other recommendations are embodied in legislation, introduced both in this body and in the other body.

One of those recommendations, which would provide for en banc hearings and determinations by less than the full complement of active judges on a court of appeals in some circumstances has attracted particular attention. It is an important provision, designed to make possible the effective functioning of large circuits. I should like to comment upon it.

Courts of appeals typically sit in panels composed of three judges. As the number of judges on a given court grows larger, the number of different combinations of judges making up the various panels increases geometrically. Understandably, there must be some mechanism for assuring that there be a coherent and predictable law of the circuit. It is the en banc hearing and determination which provides the mechanism for assuring that conflicts between panels—intracircuit conflicts, as they are known—will be resolved promptly, providing the stability and predictability to which consumers of justice, the citizenry, are entitled.

An en banc determination, however, is an inherently inefficient device. Under present law, all of the active judges of the circuit must be brought together. Even where the litigants are denied the opportunity for oral argument before the judges who will decide their cause, there is need for a conference and for deliberation. As the number of judges on a court increases—to 13, 14, and 15—not only does the time expended increase, but the very process changes. A "convention" rather than a judicial conference, some have said.

The first step to be considered when a court grows to this size is circuit realinement. In some quarters some confusion appears to have developed concerning the relationship between the proposal for an en banc with less than all of the active judges and the Commission's earlier recommendations for circuit realinement.

It should be emphasized that the Commission, in presenting its final report, adhered:

> Without reservation to its previous report calling for immediate relief to the Fifth and Ninth Circuits by way of creating new circuits or . . . independent divisions.

It did so for clear and compelling reasons. There is inevitably a significant loss in a procedure which excludes even one active judge from participating in fashioning the law of the circuit, law which will bind him as well as his colleagues on the court. Circuit realinement, where appropriate, avoids the problems of the circuit which is too large.

The Commission did recognize, however, that in some situations circuit realinement would be an inappropriate response to burgeoning caseloads. A "U.S. Court of Appeals for the southern tip of Manhattan," the final report notes, would create a far different situation from that presented by a realined fifth or ninth circuit, the former now extending from the Atlantic Ocean to the Rio Grande and the latter now reaching from north of the Arctic Circle to the Mexican border and from Hawaii to Montana, inclusive.

When realinement is not possible, a limited en banc is the best solution. The courts must continue to function; problems of administration must not be allowed to close the courts to litigants seeking redress for grievances or to clog them to the point where justice is delayed and effectively denied.

The specific provisions recommended by the commission are worthy of analysis. They illustrate the subtleties and the complexity of the considerations which must govern whether courts are allowed to grow so large that present practices and procedures become impracticable and unworkable.

The heart of the commission's proposal is that en banc hearings and determinations should be the responsibility of the chief judge and eight associate judges. The simplest provision, and perhaps the most traditional, would have been for the eight most senior in point of service to be designated for service en banc. The difficulty, however, is that such a court would be least responsive to the views of new appointees to the court. In the view of the commission, it is important in fashioning the law of the circuit to be sensitive to the judgment and, indeed, to the attitudes, of more recent appointees. Accordingly the commission recommended that judges eligible for senior status would not serve on the court en banc, with some exceptions which are detailed in the commission's report, but which need not be repeated here. I should emphasize that I am not referring to judges who have in fact taken senior status; they do not sit en banc today. I refer to those judges who, although eligible for what is popularly—and inaccurately—referred to as retirement, but who chose to remain on active status. They, too, would be excluded to the extent necessary to limit the en banc court to nine.

Whenever any judges are excluded from voting en banc, there is the risk that a determination en banc does not in fact reflect the views of the majority of the judges of the circuit. This involves a loss, but one which must be endured to make it possible for the system to function. At the point, however, where the nine-judge en banc court becomes a minority of the authorized judgeships on any court of appeals, the problem is exacerbated. Not only is there the risk that a majority of five participating in the en banc, would not represent the majority view of a court of 20, for example, but the probability that this would be so is increased substantially. The probability of some judges never serving on an en banc court is likewise increased.

Recognizing these factors, the commission was unwilling to propose that the method described above should apply when a court becomes so large that the nine-judge en banc comprises only a minority of the full complement of active judges. Some favored random selection; others might have preferred still different alternatives. The conclusion of the commission was to leave that question for reconsideration by the Congress, based on experience gained with the partial en banc with smaller courts.

In short, the commission has developed a mechanism for assuring stability in the law of the circuit even where the courts of appeals have grown large in the effort to accommodate our judicial system for the needs of the country. It is a practicable mechanism, one which will contribute to the smooth functioning of the Federal judicial system. It is not, however, an alternative to circuit realinement where circuit realinement is appropriate.

Permit me to conclude by quoting an observation made at the very first hearing of the commission, one which describes our common goal and our shared aspiration:

> The importance of the Federal Judiciary to the well-being of the country needs no reiteration here. The importance of the Courts of Appeal within the Federal Judicial System is equally well known.
>
> Our task is to do what we can to assure that these courts function as efficiently and effectively as possible, consistent always, as the Congress has reminded us, "with fundamental concepts of fairness and due process."

TRIBUTE TO FRANCES G. KNIGHT

Mr. HRUSKA. Mr. President, it is my extreme pleasure to compliment Frances G. Knight, Director of the Passport Office Office of the U.S. State Department, on her continuing devotion to duty and outstanding public service.

Miss Knight has been in charge of this important office for the past 21 years. During that time she has worked hard to improve the responsiveness and accountability of the Passport Office. She has devised many ways to save the taxpayers money by streamlining the operations of her agency. In addition, she has endeavored to make it much easier for every American to be able to travel abroad, secure in the fact that his or her Government is at the ready should there be a need.

Mr. President, after 24 years in the Congress, I am preparing to step down. During the period of time I have served, I have never met a more sincere, dedicated public servant than Miss Knight. As ranking minority member of the Appropriations Committee's Subcommittee on State, Justice, and Commerce, I have had the opportunity to closely scrutinize the operations of the Department of State, which includes Miss Knight's office. I believe I am qualified to state that the U.S. Passport Office has been increasingly effective and efficient under Miss Knight's directorship. She is to be highly commended.

As I prepare to leave the Senate, I feel much better, because the American people have had and still have Frances Knight to serve them.

REMARKS ON SENATOR HRUSKA BY SENATOR HART

Mr. PHILIP A. HART. Mr. President, the Senate being what it is, with specific committee assignments for each of us that are generally long term, we get to know some colleagues better than others.

One with whom I have had a long-run professional relationship is the senior Senator from Nebraska (Mr. HRUSKA).

In truth, generally we have been on opposite sides of the question. Perhaps because of that, I have had ample opportunity to note, appreciate, respect—and, at times, fear—the ability he has carried into each battle. Indeed he is a formidable opponent. He is the complete advocate-lawyer.

Yet in and out of battle, the overriding quality which comes to mind about ROMAN HRUSKA is his desire to be fair, courteous, and genteel.

He has been a credit always to the causes he represented. The Senate was better off for having had such an able spokesman to present this viewpoint.

But political philosophy quite aside, I welcome this chance to record the personal satisfaction which has been mine to have had as a more constant companion than most one whose personal qualities made it fun even when it sounded like work.

TRIBUTE TO STUART SYMINGTON

Mr. BENTSEN. Mr. President, as we approach the close of this 94th Congress, we are saddened by the thought that the distinguished senior Senator from Missouri is retiring. We shall miss him, and I only hope that the multitude of tributes he has received this week have given him a sense of the high esteem in which he is held by the Members of this body.

I have known STUART SYMINGTON for the past 25 years. I have valued his friendship, benefited by his wise counsel, and learned from his vast knowledge and broad experience. Throughout his life, STUART SYMINGTON has exuded competence, a competence distinguished by warmth, compassion, and style.

STUART SYMINGTON has been a true patriot, statesman, and public servant. As a former Secretary of the Air Force and long-time member of the Senate Armed Services Committee, Senator SYMINGTON has eloquently championed the need to maintain a strong national defense and repeatedly insisted that it be used in accordance with our national principles and ideals.

On arms negotiations, nuclear proliferation, and a host of other issues of international importance, the Senator from Missouri has applied himself to determine where America's real interests lie and what action should be taken. With an expertise developed from long years of hard work on both the Armed Services and Foreign Relations Committees, STUART SYMINGTON's opinion has always been informed, incisive, and invaluable.

One of the most remarkable aspects of Senator SYMINGTON's life has been the great number of careers he has undertaken and the success he has achieved in each. Whether in reestablishing a foundering business, in meeting the responsibilities of a half dozen administrative posts in the executive branch, or in representing the people of Missouri in the U.S. Senate, STUART SYMINGTON has met every challenge and distinguished each endeavor and himself in the process. He has set a standard of uncompromising excellence for us all.

I have enjoyed working with STUART SYMINGTON. I have valued his friendship. And I shall miss him deeply. I wish him the very best in his retirement.

TRIBUTE TO REPRESENTATIVE JIM O'HARA

Mr. METCALF. Mr. President, in the 83d Congress I was a member of the Committee on Education and Labor and advanced some legislative proposals that were met with less than enthusiasm. The chairman of our committee that year was Sam McConnell and he was one of the kindliest and most understanding chairmen with whom I have ever served. Nevertheless, in that Congress Federal aid to education was anathema.

When JIM O'HARA came to Congress and was assigned to the Committee on Education and Labor, I had an ally who was forceful and insistent for educational reform and increased appropriations for quality educational activities.

Over the years we have been advocates of better and more education. But we have been associated too in a reform of procedures in both the House of Representatives and the Senate. We have served together on the Joint Committee on Congressional Operations.

The Congress in losing JIM O'HARA is losing a most competent and experienced legislator, not only in the special fields of education and labor legislation, but in the administration and reform of procedure. It has been a great experience to work with JIM O'HARA in the House and Senate. JIM O'HARA is a leader who has been respected and admired by his colleagues and he will again be heard from in carrying out the ideals which he has so stalwartly asserted.

TRIBUTE TO SENATOR PHILIP HART

Mr. METCALF. Mr. President, I concur in all the praise and acclaim my colleagues have accorded Senator PHILIP HART. His dedication, his ability, his legislative skill have been applauded by many. I agree.

It has been my opportunity to work with Senator HART on such matters as antitrust and consumer affairs and it has been a satisfying experience to have the human perspective that this capable and kindly lawyer applies to these areas.

The flood of tributes to Senator HART's integrity, his nobility, his high principles have been so well stated and so sincerely advanced that all I can say is I agree the Senate loses a fine and decent man of great strength and compassion for every righteous cause. All good wishes, PHIL, in the years ahead.

TRIBUTE TO SENATOR HUGH SCOTT

Mr. METCALF. Mr. President, several of the retiring Senators this year were Members of the Senate while I was a Member of the House. I observed them and admired and respected them from a distance. Senator SCOTT was a Member of the House of Representatives when I first came to Congress and we have been colleagues in both Houses.

He was an outstanding Member of the House. A leader in the House, he was a member of the powerful Rules Committee, and especially respected as a former Chairman of the Republican National Committee, and a significant member of the Eisenhower entourage in that Republican Congress. As a very junior Democrat I watched and admired his legislative skill and his grasp of issues and policies.

For much of the time I have served in the Senate, Senator SCOTT has been minority leader. He succeeded Everett Dirksen, and as they say in show business, that was a difficult act to follow. But he assumed his duties and performed them with a grace and style that was inimitable. It has been my good fortune to attend a couple of international conferences with Senator SCOTT, and his experience and broad knowledge have been invaluable to the American delegates.

HUGH SCOTT brought solid political skill and tough debating ability to the Senate, but he also brought an elegance that few others have achieved. As he retires from a distinguished career in both Houses and in private activities, his special abilities will be missed by everyone, no matter what political persuasion.

Mrs. Metcalf and I wish Senator and Mrs. Scott all the joys they must anticipate upon retirement.

TRIBUTE TO SENATOR STUART SYMINGTON

Mr. METCALF. Mr. President, STUART SYMINGTON came to the Senate the same year I came to the House of Representatives. That was a Republican Senate and Senator SYMINGTON was a member of the minority during that Congress. Nevertheless he distinguished himself as a leader, because of his experience as well as his knowledge gained from background in previous service in the executive department and in business.

When I came to the Senate, I looked forward to having the benefit of Senator SYMINGTON's guidance and counsel in legislative problems within the scope of his knowledge and activity. I did enjoy the benefit of his wisdom. I recall once when I had voted against his opinion, he sadly told me I had voted wrong. I looked into the question in the light of his suggestion and concluded I had erred.

I have never had the good fortune to serve on the same committees with Senator SYMINGTON. I would have liked to have done so, because I came to the Senate with an admiration and respect for him that I would have liked to develop into a closer relationship.

Nevertheless in my last 2 years in the Senate I will miss the guidance and the kindly counseling of Senator SYMINGTON in the many places in which I respect him as expert. I will regret that I never had an opportunity to really know this patrician and giant in the Senate as a friend. But we did know each other as participants in legislation for the best interests of our country. All good wishes to you, Senator SYMINGTON, as you start another distinguished career.

TRIBUTE TO SENATOR ROMAN HRUSKA

Mr. METCALF. Mr. President, the retirement of Senator ROMAN HRUSKA brings to mind a most satisfying and rewarding experience that I enjoyed with him when we were members of the Migratory Bird Conservation Commission. For several years, he was the Republican representative and I the Democratic representative from the Senate on that Commission. In trying to administer our trust responsibilities for the duck stamp funds to preserve our national waterfowl areas and trying to use every opportunity to carry out the master plan for the preservation of our great water resources for the propagation and preservation of waterfowl and wildlife, I came to respect and admire Senator

Hruska's legal ability, his wisdom in gleaning the most out of a difficult bargain and his interest and concern with our American land and people.

Of course, he used this same ability day after day on the floor and in committee, and his determination to have every proposition explained and verified made him a most valuable and influential Member of the Senate. I wish him all good things in the years ahead.

GARBAGE IN—GARBAGE OUT

THE FPC REGULATORY INFORMATION SYSTEM

Mr. METCALF. Mr. President, Members of Congress and the public should be concerned by strange rulemakings recently proposed by the Federal Power Commission.

The Commission is trying to update its information management system. That is a laudable goal. In the process, however, the FPC is so absorbed with computerization that it has failed to address its primary information management problem. That is the revision of reporting requirements which do not produce the responses from regulated firms which regulators, the Congress, and parties to proceedings must have in order to carry out their responsibilities.

If the FPC puts garbage into the computer, it will get garbage out of the computer. The obvious and better procedure is to correct glaring deficiencies in the reporting requirements so that misleading data submitted in response to deficient reporting requirements are not stored in the computer.

At stake is the credibility of an important information system.

The two FPC dockets involved are RM 76–33 and RM 76–34. The first deals with corporate and financial reports for major natural gas companies, the latter with similar reports from major electric utilities. Deadlines for comment by interested parties are October 27 and October 29, respectively.

The inadequacies of the FPC's reporting requirements with which I am most familiar deal with ownership and control of regulated utilities. Neither the FPC nor anyone else using its data can determine from it the major stock voters in the utilities. Nor can they determine the major debtholders. Nor can they find relevant information about outside business affiliations—and possible conflicts of interest—of officers and directors of regulated utilities.

These deficiencies were recognized by the FPC more than 2 years ago. In docket RM 74–17, announced on April 19, 1974, the Commission proposed to require utilities to list their top 30 security holders—rather than the top 10 at present—to identify stockholders by institution—rather than nominee name—and to require aggregation of holdings of those institutions which hold stock in a utility in several different nominee accounts. In this same rulemaking the FPC proposed to require the listing of major utility debtholders, and to identify by name and address the holders of notes payable.

In the press release accompanying this rulemaking the Commission said:

> (The FPC's) present reporting requirements do not contain adequate information from which a full and meaningful evaluation of corporate control can be made . . . The small stockholder, consumer and the public in general need pertinent information with respect to possible control by large security holders.

On August 29, 1974, the Commission formally proposed to require electric and gas utilities' officers and directors who hold similar positions in other companies to "furnish an explanation to include the name and the primary business of the other company(s), the position held and the nature and extent of transactions between the respondent and the other company(s) during the year." The Commission press release accompanying issuance of that proposal (Docket No. RM 75–7) said:

> We are proposing that all such interlocking positions be fully disclosed so as to enable this commission in carrying out its regulatory responsibilities, and for stockholders, consumers, and the public in general to be cognizant of the possible influence that might be exercised over business operations of the regulated companies by virtue of the interlocking positions.

These strong disclosure positions were reinforced by testimony that year, before Senator Muskie's and my Government Operations subcommittees, from the then Chairman of the FPC, John Nassikas. For example, his discussion of the ways in which bondholders can control management, through the terms of bond indentures, is a classic exposition of the need for a type of disclosure which should be routinely required of all large firms by regulatory commissions.

But the Commission never acted on its own two 1974 proposals described above. Nor in the alternative did it act on the similar model corporate disclosure regulations developed by the interagency Steering Committee on Uniform Corporate Reporting, which have been before the Commission since January 1975.

Instead, the Commission is now proposing to load its computer with gobbledygook responses dealing with their major stockholders. Furthermore, under the two new rulemaking proposals now under consideration the information on stockholders, debtholders and interlocks, which former Chairman Nassikas and his associates proposed to collect 2 years ago, will not be available either within or outside the computer.

Mr. President, persons who are not familiar with the ludicrous "information" on utility ownership accepted by the FPC and now proposed for computerization can better understand the problem by viewing an actual report. I ask unanimous consent to print at this point in the Record the FPC report Form, "Security Holders and Voting Powers," and a tvpical response this year of a utility, which in this case is Dayton Power and Light.

There being no objection, the table was ordered to be printed in the Record, as follows:

ANNUAL REPORT OF DAYTON POWER & LIGHT CO., YEAR ENDED DEC. 31, 1975

SECURITY HOLDERS AND VOTING POWERS

1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders not compiled within 1 year prior to the end of the year or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in col. (a) he titles of officers and directors included in such list of 10 secutity holders.

(B) Give also the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars concerning the voting rights of such security. State whether voting rights are actual or contingent and if contingent describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method explain briefly. See note on p. 107.

4. Furnish particulars concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates and other material information relating to exercise of the options, warrants or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the 10 largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

5. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing. Not closed, record date of Nov. 7, 1975, for dividend payment.

6. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy: Total, 10,800,443; by proxy, 10,796,667.

7. Give the date and place of such meeting, Dayton, Ohio, Apr. 10, 1975.

Line No.	Name and address of security holder	Voting securities Number of votes as of................			
		Total votes	Common stock	Preferred stock	Other
	(a)	(b)	(c)	(d)	(e)
1	Total votes of all voting securities	15, 403, 639	15, 403, 639	See note on p. 107.	None
2	Total number of security holders	51, 325	51, 325		
3	Total votes of security holders listed below	2, 199, 133	2, 199, 133		
4	1 (A).				

ANNUAL REPORT OF DAYTON POWER & LIGHT CO., YEAR ENDED DEC. 31, 1975 —Continued

SECURITY HOLDERS AND VOTING POWERS —Continued

Line No.	Name and address of security holder	Voting securities — Number of votes as of______			
		Total votes	Common stock	Preferred stock	Other
	(a)	(b)	(c)	(d)	(e)
5	Cede & Co., New York, N.Y.	1, 194, 483	1, 194, 483		
6	Gepco, Newark, N.J.	171, 000	171, 000		
7	Oneco, Newark, N.J.	145, 000	145, 000		
8	Public Employees Retirement Board of Ohio, Columbus, Ohio	141, 400	141, 400		
9	Main Miller & Co., Akron, Ohio	120, 000	120, 000		
10	Norton & Co., Boston, Mass.	110, 000	101, 000		
11	Sten & Co., New York, N.Y.	90, 000	90, 000		
12	Continental Corp., New York, N.Y.	79, 250	79, 250		
13	Pitt & Co., New York, N.Y.	76, 000	76, 000		
14	SFS & Co., Hartford, Conn.	72, 000	72, 000		

Mr. METCALF. According to that report, Dayton Power & Light's major security holder, with more than 6 percent of the voting securities, is Cede & Co. And what or who is it? Cede & Co. denominates stock held by Depository Trust Co. of New York. It is a depository established by the financial community to simplify settlement of securities transactions among brokers and institutional customers. Depository Trust participants, which include 29 banks and 219 broker dealers, held more than 2.5 billion shares of stock in more than 8,000 companies at the end of last year. But Depository Trust—Cede & Co.—has no power to buy, sell, or vote any of the stock it keeps for those institutional customers.

Depository Trust provides companies whose stock is in its vaults, such as Dayton Power & Light, with a security position listing. This listing identifies each bank, brokerage house, or other depository participant for whom Depository Trust holds stock in the company. The listing also shows the number of shares held, for each depository participant, in the company.

The FPC could easily tell companies which report to it—as the ICC has since 1974—to use the security position listing provided it by Depository Trust, and report stock in the name of the appropriate banks and brokers. From lists of institutional investors and their holdings it is increasingly easy for regulated companies and commissions to ascertain significant voting interests. But the FPC simply accepts without question major misstatements as to the principal stockholders in utilities which report to it.

In this illustrative report from Dayton Power & Light, the second and third largest security holders are reported as being "Gepco" and "Oneco" of Newark, N.J. And who are these influential fellows? Both Gepco and Oneco are nominees of the Prudential Insurance Co. It has the power to buy, sell, and vote both blocks of stock, which amount to more than 3 percent of the 1,800,443 shares voted at the company's last annual meeting last year. But Prudential is not mentioned on the ownership report. The FPC proposes to fill its computer with Gepco, Oneco gibberish rather than factual data on the voting power, debtholdings, and interlocks of identified institutional investors.

Dayton Power and Light is not an isolated example, as shown by staff analysis of reports filed this year with the FPC by the 213 major electric utilities.

Ninety-five of these major electric utilities—45 percent—are owned by holding companies, other utilities or nonutility entities. Accurate information on their major stock voters cannot be found at either the FPC or SEC.

Seventy-six of the 118 major electric utilities—and three of the holding companies and other entities which did not hold all the stock in a utility—erroneously reported Cede & Co. to be a stockholder. In 69 of the 79 instances, Cede & Co. was erroneously reported to have more than 5 percent of a utility's stock, in 12 instances more than 10 percent and in 3 instances more than 15 percent.

Thus the FPC's records are replete with erroneous attribution of stock to a depository which has no power whatsoever to buy, vote, sell or in any way control it.

I would point out here that officials of Depository Trust have been most cooperative with my Subcommittee on Reports, Accounting and Management and—to the best of my knowledge—with regulatory commissions who want to get accurate ownership reports from companies subject to their jurisdiction. But when regulatory commissions refuse to require companies to use the security position listing which Depository Trust makes conveniently available to them, the fault lies squarely with the commissions, and not with Depository Trust. Only by adoption of its own proposals, or the more finely honed similar reporting requirements developed by the interagency steering committee on uniform corporate reporting, will the FPC obtain stock ownership data worthy of display in its files and storage in its computer.

Mr. President, I ask unanimous consent to print in the RECORD three tables which show ownership of electric utilities by holding companies, other utilities and nonutility entities; electric utilities which erroneously reported Cede & Co. as a major stockholder, and electric utilities which reported no Cede & Co. holdings. All three tables are derived from form 1 reports for 1975 filed by the utilities at the FPC this year.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I—MAJOR ELECTRIC UTILITIES HELD BY HOLDING COMPANIES

Subsidiary and holding company:

Alabama Power—The Southern Company.

Appalachian Power(*)—American Electric Power.

Arkansas-Missouri Power—Middle South Utilities.

Arkansas Power & Light—Middle South Utilities.

Blackstone Valley Electric—Eastern Utilities Associates.

Brockton Edison—Eastern Utilities Associates.

Cambridge Electric Light—New England Gas & Electric Assoc.

Canal Electric—New England Gas & Electric Assoc.

Central Kansas Power—United Telecommunications.

Central Power & Light—Central and Southwest.

Cheyenne Light, Fuel & Power—Morgan Guaranty Trust Co. of N.Y., Trustee, under Indenture of Public Service Company of Colorado.

Cliffs Electric Service—The Cleveland-Cliffs Iron

Commonwealth Edison of Indiana—Commonwealth Edison.

Conowingo Power—Philadelphia Electric.

Connecticut Valley Electric—Central Vermonth Public Service Corp.

Connecticut Light and Power—Northeast Utilities.

Connecticut Yankee Atomic Power—(1).

Consolidated Water Power—Consolidated Papers, Inc.

Dallas Power and Light—Texas Utilities Company (99.57%).

Delmarva Power and Light Company of Maryland—Delmarva Power and Light Company, Delaware.

Delmarva Power and Light Company of Virginia—Delmarva Power and Light Company, Delaware.

Duke Power(*)—Duke Endowment and Doris Duke Trust.

Electric Energy—Union Electric Company et al. (2).

Fall River Electric Light—Eastern Utilities Associates.

Georgia Power—The Southern Company.

Granite State Electric—New England Electric System.

Gulf Power—The Southern Company.

Hartford Electric Light—Northeast Utilities.

Hawaii Electric Light—Hawaii Electric Light, Co., Inc.

Hershey Electric—Hershey Estates.

Holyoke Power and Electric—Holyoke Water Power.

Holyoke Water Power—Northeast Utilities.

Home Light and Power—Public Service Company of Colo. et. al. (3).

Indiana-Kentucky Electric—Ohio Valley Electric.

Indiana and Michigan Power—Indiana and Michigan Electric.

Jersey Central Power and Light—General Public Utilities.

Kentucky Power—American Electric Power.

Indian and Michigan Electric—American Electric Power.

Kingsport Power—American Electric Power.

Lincoln Service Corp.—Lincoln Corp.

Lockhart Power—Deering Milliken.

Long Sault, Inc.—Aluminum Company of America.

Louisiana Power and Light—Middle South Utilities.

Maine Electric Power—Central Maine Power et. al. (4).

Maine Yankee Atomic Power—Central Maine Power et. al. (5).

Massachusetts Electric—New England Electric System.

Maui Electric—Hawaiian Electric.

Subsidary holding company:

Metropolitan Edison—General Public Utilities.

Michigan Power—American Electric Power.

Mississippi Power—The Southern Company.

Mississippi Power and Light—Middle South Utilities.

Missouri Edison—Union Electric.

Missouri Power and Light—Union Electric (97.9%).

Missouri Utilities—Union Electric (95.75%).

Monongahela Power—Allegheny Power System.

Montaup Electric—(6).

Nantahala Power and Light—Aluminum Company of America.

Narragansett Electric—New England Electric System.

New Bedford Gas and Edison Light—New England Gas and Electric Assoc.

New England Power—New England Electric System (98.77%).

New Orleans Public Service—Middle South Utilities.

Northeast Nuclear Energy—Northeast Utilities.

Northern States Power (Wisc.)—Northern States Power (Minnesota).

Ohio Electric—Ohio Power.

Ohio Power (*)—American Electric Power.

Ohio Valley Electric—American Electric Power et al. (7).

Old Dominion Power—Kentucky Utilities.

Pennsylvania Electric—General Public Utilities.

Pennsylvania Power—Ohio Edison.

Potomac Edison—Allegheny Power System.

Public Service Company of Oklahoma—Central and South West.

Rockland Electric—Orange and Rockland Utilities.

Rumford Falls Power—Ethyl Corp.

Safe Harbor Water Power—Baltimore Gas and Electric (50%) and Pennsylvania Power and Light Company (50%).

South Beloit Water, Gas and Electric—Wisconsin Power and Light.

Southern Electric Generating—Alabama Power (50%) and Georgia Power (50%).

Southwestern Electric Power—Central and Southwest.

Superior Water, Light & Power—Minnesota Power and Light.

Susquehanna Electric—Philadelphia Electric.

Susquehanna Power—Philadelphia Electric Power.

Tapoco, Inc.—Aluminum Company of America.

Texas Electric Service—Texas Utilities.

Texas Power and Light—Texas Utilities.

Union Light, Heat and Power—Cincinnati Gas and Electric.

Upper Peninsula Generating—Cliffs Electric Service (80.96%) and Upper Peninsula Power (19.04%).

Vermont Electric Power—Central Vermont Public Service (68.39%) and Green Mountain (24.44%).

Vermont Yankee Nuclear Power—Central Vermont Public Service et al. (8).

West Penn Power—Allegheny Power System, Inc.

West Texas Utilities—Central and South West.

Western Massachusetts Electric—Northeast Utilities.

Wheeling Electric—American Electric Power.

Wisconsin Michigan Power—Wisconsin Electric Power.

Wisconsin River Power—(9).

Yadkin, Inc.—Aluminum Company of America.

Yankee Atomic Electric—New England Power Company et al. (10).

FOOTNOTES

(*) Appalachian Power, Duke Power and Ohio Power are also listed in Table III because some of their stock was erroneously reported to be held by Cede & Co. American Electric Power holds 90.2% of the stock in Appalachian Power. The Trustees of the Duke Endowment and Trustees of the Doris Duke Trust hold 28.1% of the stock of Duke Power. American Electric Power holds 90.3% of the stock of Ohio Power.

(1) Connecticut Yankee Atomic Power jointly owned by Connecticut Light and Power (25%), New England Power (15%), Boston Edison (9.5%) et al.

(2) Electric Energy jointly owned by Union Electric (40%), Illinois Power, Central Illinois Public Service and Kentucky Utilities (20% each).

(3) Home Light and Power owned by Public Service Company of Colorado (10.45%) et al.

(4) Maine Electric Power owned by Central Maine Power (77.94%), Bangor Hydro-Electric (14.19%), Maine Service (7.49%).

(5) Maine Yankee Atomic Power owned by Central Maine Power (38%), New England Power (20%), Connecticut Light and Power (8%) et al.

(6) Montaup Electric owned by Brockton Edison (33.63%), Blackstone Valley Electric (33.32%) and Fall River Electric Light (33.05%).

(7) Ohio Valley Electric Corp. owned by American Electric Power (37.8%), Ohio Edison (16.5%), Allegheny Power (12.%), and Cincinnati Gas and Electric (9%) et al.

(8) Vermont Yankee Nuclear Power owned by Central Vermont Public Service (31.28%), New England Power (20%), Green Mountain Power (17%) et al.

(9) Wisconsin River Power owned by Consolidated Water Power (33.67%), Wisconsin Public Service and Wisconsin Power and Light (33.12% each).

(10) Yankee Atomic Electric owned by New England Power (30%), Connecticut Light and Power (15%), Boston Edison, Central Maine Power and Hartford Electric Light (9.50% each) et al.

TABLE III.—MAJOR ELECTRIC UTILITIES WHICH ERRONEOUSLY REPORTED TO FPC THAT CEDE & CO. IS MAJOR STOCKHOLDER

Utility	Total voting securities	Shares reported held by Cede & Co.	Percent reported held by Cede & Co.	Reported Cede rank as stockholder
Appalachian Power Co.*	11, 020, 240. 0	17, 874. 0	0. 162	8
Black Hills Power & Light Co	560, 353. 0	6, 812. 0	1. 21	6
Boston Edison Co	9, 534, 500. 0	742, 452. 0	7. 79	1
California-Pacific Utilities Co	1, 679, 844. 0	120, 759. 0	7. 19	1
Central Hudson Gas & Electric Corp	4, 872, 873. 0	439, 894. 0	9. 03	1
Central Illinois Light Co	9, 584, 235. 0	708, 938. 0	7. 40	1
Central Illinois Public Service Co	13, 650, 000. 0	784, 362. 0	5. 75	1
Central Louisiana Electric Co., Inc	7, 508, 142. 0	413, 470. 0	5. 51	1
Central Maine Power Co	758, 276. 6	37, 913. 6	5. 00	1
Central Telephone & Utilities Corp	20, 466, 123. 0	814, 187. 0	3. 97	1
Central Vermont Public Service Corp	2, 312, 966. 0	108, 467. 0	4. 68	1
Cincinnati Gas & Electric Co	21, 000, 000. 0	1, 018, 128. 0	4. 84	1
Cleveland Electric Illuminating Co	16, 234, 332. 0	998, 025. 0	6. 14	1
Columbia & Southern Ohio Electric Co	11, 000, 000. 0	1, 369, 591. 0	12. 45	1
Commonwealth Edison Co	76, 316, 452. 0	3, 039, 072. 0	3. 98	1
Consolidated Edison Co. of New York	63, 463, 601. 0	6, 254, 668. 0	9. 85	1
Consumers Power Co	31, 028, 812. 0	3, 102, 760. 0	10. 0	1
Dayton Power & Light Co	15, 403, 639. 0	1, 194, 483. 0	7. 75	1
Delmarva Power & Light Co	16, 514, 732. 0	1, 729, 945. 0	10. 47	1
Detroit Edison Co	49, 085, 480. 0	3, 254, 322. 0	6. 62	1
Duke Power Co.*	53, 428, 115. 0	4, 251, 049. 0	7. 95	1
El Paso Electric Co	7, 392, 055. 0	582, 540. 0	7. 88	1
Empire District Electric Co	2, 345, 122. 0	136, 500. 0	5. 82	1
Fitchburg Gas & Electric Co	455, 475. 0	22, 058. 0	4. 84	1
Florida Power & Light Co	37, 050, 000. 0	2, 705, 210. 0	7. 3	1
Florida Power Corp	14, 177, 817. 0	1, 477, 678. 0	10. 42	1
Florida Public Utilities Co	323, 318. 0	14, 885. 0	4. 60	3
Green Mountain Power Corp	1, 195, 422. 0	50, 236. 0	4. 2	2
Gulf States Utilities Co	28, 547, 328. 0	2, 312, 976. 0	8. 10	1
Hawaiian Electric Co., Inc	5, 522, 224. 0	386, 293. 0	6. 99	1
Houston Lighting & Power Co	24, 599, 524. 0	2, 223, 158. 0	9. 03	1
Illinois Power Co	22, 170, 000. 0	1, 011, 316. 0	4. 56	1
Indianapolis Power & Light Co	11, 444, 172. 0	589, 639. 0	5. 15	1
Iowa-Illinois Gas & Electric Co	7, 577, 440. 0	584, 909. 0	7. 71	1
Iowa Power & Light Co	5, 279, 921. 0	358, 826. 0	6. 79	1
Iowa Public Service Co	5, 585, 585. 0	469, 020. 0	8. 39	1
Kansas City Power & Light Co	6, 747, 092. 0	686, 293. 0	10. 17	1
Kansas Power & Light Co	6, 665, 424. 0	202, 793. 0	3. 04	2
Kentucky Utilities Co	6, 600, 000. 0	342, 927. 0	5. 19	1
Long Island Lighting Co	32, 073, 338. 0	3, 744, 890. 0	11. 67	1
Louisville Gas & Electric Co	9, 923, 306. 0	232, 285. 0	2. 34	3
Madison Gas & Electric Co	3, 805, 715. 0	162, 765. 0	4. 27	1
Maine Public Service Co	665, 734. 0	41, 262. 0	6. 19	1
Minnesota Power & Light Co	4, 718, 188. 0	502, 710. 0	10. 65	1
Missouri Public Service Co	3, 532, 137. 0	253, 751. 0	7. 18	2
Montana-Dakota Utilities Co	3, 354, 738. 0	219, 543. 0	9. 32	1
Nevada Power Co	2, 518, 902. 0	417, 775. 0	16. 58	1
Newport Electrical Corp	336, 860. 0	16, 561. 0	4. 91	1
New York State Electric & Gas Corp	10, 200, 000. 0	852, 191. 0	8. 35	1
Niagara Mohawk Power Corp	50, 089, 210. 0	6, 896, 112. 0	13. 76	1
Northern States Power Co. (Minnesota)	29, 963, 517. 0	1, 194, 201. 0	3. 98	1
Northwestern Public Service Co	1, 338, 897. 0	79, 923. 0	5. 96	1
Ohio Edison Co	35, 695, 121. 0	3, 075, 397. 0	8. 61	1
Ohio Power Co.*	24, 314, 875. 0	134, 169. 0	. 55	2
Oklahoma Gas & Electric Co	23, 295, 367. 0	1, 175, 739. 0	5. 04	1
Orange & Rockland Utilities, Inc	9, 546, 734. 0	789, 533. 0	8. 25	1
Pacific Gas & Electric Co	111, 065, 321. 0	4, 527, 583. 0	4. 07	2
Pennsylvania Power & Light Co	30, 215, 726. 0	1, 411, 960. 0	4. 67	1
Philadelphia Electric Co	64, 024, 888. 0	4, 372, 930. 0	6. 83	1
Portland General Electric Co	15, 500, 000. 0	1, 407, 241. 0	9. 07	1
Potomac Electric Power Co	35, 325, 658. 0	3, 794, 956. 0	10. 74	1
Public Service Co. of Colorado	23, 212, 577. 0	2, 074, 919. 0	8. 93	1
Public Service Co. of Indiana, Inc	15, 172, 936. 0	947, 400. 0	6. 24	1
Public Service Co. of New Hampshire	6, 172, 422. 0	391, 936. 0	6. 34	1
Public Service Co. of New Mexico	5, 131, 152. 0	459, 239. 0	8. 95	1
Savannah Electric & Power Co	2, 725, 343. 0	466, 868. 0	17. 13	1
South Carolina Electric & Gas Co	15, 905, 342. 0	2, 234, 967. 0	14. 05	1
Southern California Edison Co	87, 515, 377. 0	5, 239, 865. 0	5. 98	1

Footnotes on following page.

TABLE III.—MAJOR ELECTRIC UTILITIES WHICH ERRONEOUSLY REPORTED TO FPC THAT CEDE & CO. IS MAJOR STOCKHOLDER—Continued

Utility	Total voting securities	Shares reported held by Cede & Co.	Percent reported held by Cede & Co.	Reported Cede rank as stockholder
Southwestern Electric Service Co	481, 987. 0	6, 374. 0	1. 32	3
Southwestern Public Service Co	21, 538, 987. 0	1, 326, 332. 0	6. 16	1
Tampa Electric Co	14, 011, 008. 0	734, 935. 0	5. 24	1
Toledo Edison Co	9, 646, 769. 0	693, 652. 0	7. 19	1
Tucson Gas & Electric Co	17, 178, 000. 0	2, 670, 041. 0	15. 57	1
UGI Corp	4, 084, 522. 0	299, 586. 0	7. 33	1
Union Electric Co	40, 987, 569. 0	2, 667, 594. 0	6. 50	1
Upper Peninsula Power Co	727, 407. 0	22, 175. 0	3. 05	1
Washington Water Power Co	7, 234, 523. 0	524, 003. 0	7. 24	1
Wisconsin Electric Power Co	17, 518, 060. 0	781, 708. 0	4. 46	1
Wisconsin Public Service Corp	9, 589, 734. 0	513, 202. 0	5. 35	1

*See asterisked comment on table I regarding Appalachian Power, Duke Power &Ohio Pow.er

TABLE II—MAJOR ELECTRIC UTILITIES WHICH DID NOT REPORT CEDE & CO. HOLDING TO FPC(*)

Alaska Electric Light & Power Co.
Alcoa Generating Corporation.
Alpena Power Company.
Arizona Public Service Company.
Atlantic City Electric Company.
Baltimore Gas & Electric Co.
Bangor Hydro-Electric Co.
Carolina Power and Light Co.
Chestertown Electric Light & Power Co. of Kent County.
Citizens' Electric Company of Lewisburg Pennsylvania.
Citizens Utilities Company.
Community Public Service Company.
Concord Electric Company.
Duquesne Light Company.
Edison Sault Electric Company.
Exeter & Hampton Electric Company.
Idaho Power Company.
Interstate Power Company.
Iowa Electric Light and Power Company.
Iowa Southern Utilities Company.
Kansas Gas and Electric Company.
Lake Superior District Power Company.
Montana Power Company.
Mt. Carmel Public Utility Company.
Nantucket Electric Company.
New Mexico Electric Service Company.
Northern Indiana Public Service Company.
Northwestern Wisconsin Electric.
Otter Tail Power Company.
Pacific Power and Light Company.
Public Service Electric and Gas Company.
Puget Sound Power and Light Company.
Rochester Gas and Electric Company.
St. Joseph Light and Power Company.
San Diego Gas and Electric Company.
Sherrard Power System.
Sierra Pacific Power Company.
Southern Indiana Gas and Electric Company.
The United Illuminating Company.
Utah Power and Light Company.
Virginia Electric and Power Company.
Wisconsin Power and Light Company.

FOOTNOTES

(*) Absence of Cede & Co. from the reported list of major stockholders could mean

(1) that Depository Trust held no stock in the company for banks and brokers,

(2) that the utility used the Security Position Listing provided it by Depository Trust and reported the stockholding in the name of a bank or broker, if the holding was sufficient to rank the bank or broker among the top 10 stockholders,

(3) that the utility used the Security Position Listing but that none of the bank or broker holdings were large enough to rank among the top 10 stockholders or

(4) that stock in the utility was held by Depository Trust for banks and brokers but the utility did not use the information in the Security Position Listing, provided it by Depository Trust, in preparing its report for the FPC.

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

Mr. HUMPHREY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on October 4, 1976.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room S-116 in the Capitol.

EPA RESEARCH AND DEVELOPMENT

Mr. CULVER. Mr. President, on September 28, 1976, the Panel on Environmental Science and Technology of the Senate Public Works Committee conducted the fourth hearing in its yearlong series entitled "Choosing Our Environment: Can We Anticipate the Future?" The hearings have focused on the need for more effective long-range forecasting in public policy and on the identification of emerging issues of interest to the Environmental Pollution Subcommittee. As chairman of this panel, I strongly believe that failure to look at public policy with a long-term perspective forced us to lurch from crisis to crisis rather than resolving problems before they become national emergencies.

We have learned from several events over the last two decades that adverse environmental effects are often the result of decisions made several years before. By the time the impact has been recognized, it is often too late to recover what we failed to foresee originally. Only through strong and vigorous research can we have greater opportunities to detect environmental consequences before irreversible damage occurs.

In this fourth session, EPA, Long-Range Forecasting, and Environmental Policy, the Panel on Environmental Science and Technology turned its attention to the research and development program at the Environmental Protection Agency—EPA. EPA has been criticized recently for not devoting greater resources to longer range environmental research, and this criticism has resulted in the establishment this year for the first time of a 5-year research and development plan at EPA. The panel looked at the management and organization of the Office of Research and Development—ORD—which has just undergone a major reorganization, and at the level of resources which has been earmarked for long-term research in the Agency's 5-year plan. This hearing attempted, as a first step, to determine whether or not EPA is developing the necessary information through its research efforts for anticipating future environmental problems.

The witnesses at this session included Dr. Wilson Talley, EPA Assistant Administrator for Research and Development, and Dr. Robert Sansom, who is a consultant with Energy and Environmental Analysis, Inc. Dr. Talley recognized the importance of long-range environmental research, but he admitted that it was difficult to plan for and conduct research directed to future problems because of the short-term regulatory demands. He went on to say that the constraints faced by EPA include a lack of expertise in certain skills, inflexibility in hiring practices, and funding restrictions. To deal with these problems, he recommended consideration of a contract laboratory structure similar to that used by the Energy Research and Development Administration, and also pointed out the need for multiyear research authorizations to assure continuity of effort.

Dr. Sansom testified that toxic and chemical pollution requires greater leadership in research by the Environmental Protection Agency. Congress cannot tell EPA to regulate those pollutants which have not yet been identified. He urged EPA to undertake long-range research on the environmental limits to growth in some typical geographical areas, including an assessment of how such limits may affect individual lifestyles. He concluded by saying that Congress must become more involved with EPA's research and development program for it to be effective.

Mr. President, I submit for the RECORD the chairman's opening statement and the prepared statement of each witness:

OPENING STATEMENT BY SENATOR JOHN C. CULVER

I want to welcome you here this morning to the fourth hearing by the Panel on Environmental Science and Technology in its ongoing series entitled "Choosing Our Environment: Can We Anticipate the Future?" As you may know, the Panel was created by the Environmental Pollution Subcommittee in 1971 to focus attention on research regarding the science and technology of controlling the environment. In this year-long series of hearings, we have explored the importance of a more effective foresight capability in public policy. There is a growing concern among the citizens that our public institutions are not adequately shaped or equipped to anticipate and resolve problems before they become full-fledged national crises, and these hearings have afforded us an opportunity to identify future environmental problems and to determine what should be done to improve long-range forecasting in government.

In 1975, the Environmental Protection Agency undertook an extensive reorganization of its Office of Research and Development as a partial response to critical reports that had been issued the previous year. It was also felt that the management of the Research and Development Program lacked a sound long-range perspective. In response to this criticism, Congress last year instituted a requirement that a comprehensive five-year plan for environmental research and development be submitted to the Congress annually. The first five-year overview of research was transmitted to Congress in February of this year.

This plan represents a major change in EPA's management because it is an initial attempt to structure the research program so as to anticipate future environmental problems. I believe it is important to recognize that this five-year plan is the first of its kind at EPA and has been designed to raise issues and indicate priorities. The plan provides an opportunity to develop a meaningful dialogue between EPA and the Congress that goes beyond the usual considerations and budget for programs for the upcoming year.

An adequate anticipatory capability is nowhere more critical than in the field of environmental policy. We have learned from recent crises such as kepone in the James River and asbestos in Lake Superior that a failure to forecast environmental degradation in the longer range can result in irreversible harm, and we must be able to detect adverse environmental consequences before widespread damage is done. The key to such a capability is a strong research and development program which addresses long-range environmental concerns. Only through a strong commitment to research can we plan for the unexpected.

In today's hearing, *EPA, Long-Range Forecasting and Environmental Policy*, we will turn our attention to an analysis of the Environmental Protection Agency Research and Development Program. We will review the newly developed five-year research outlook prepared by the Office of Research and Development. We will also be interested in whether or not appropriate personnel and financial resources are being devoted to research and development, and what can be done to improve the management and organization of this function in the Agency. Is EPA developing the proper information base to anticipate future environmental consequences as well as the technology base to deal with problems as they develop?

I am confident that today's select group of witnesses will provide us with a better understanding of the considerations regarding the Research Program at EPA and will provide stimulating answers to the many concerns regarding EPA's anticipation of long-range problems. We will hear testimony from Dr. Wilson Talley, Assistant Administrator for Research and Development at the Environmental Protection Agency. Mr. Talley will be accompanied by Dr. Delbert Barth, Assistant Administrator for Health and Ecological Effects and former director of the Environmental Monitoring and Support Laboratory, and Phyllis Daly, Acting Director of the Office of Planning and Review. We will also hear from Dr. Robert Sansom of Energy and Environmental Analysis, Inc. Dr. John Neuhold, who is Director of the Ecology Center at Utah State University, is unable to be here for personal reasons, but he will submit his testimony for the record.

STATEMENT OF DR. WILSON K. TALLEY, ASSISTANT ADMINISTRATOR FOR RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

Mr. Chairman, Members of the Panel, I am happy to be here this morning to discuss with you how long-range planning is essential to the Environmental Protection Agency's research program. Accompanying me today are Dr. Delbert S. Barth, Deputy Assistant Administrator for Health and Ecological Effects, and Miss Phyllis A. Daly, Director, Office of Planning and Review.

Dr. Barth, who was until recently Director of our Environmental Monitoring and Support Laboratory in Las Vegas, has now joined us in Washington in his current position. He will provide, I believe, valuable viewpoints on long-range planning, both from a Laboratory Director's and a Deputy Assistant Administrator's perspective.

Miss Daly is responsible for developing, recommending, and coordinating long-range planning activities in the Office of Research and Development.

The Office of Research and Development (ORD), as part of a regulatory agency, must fulfill the responsibility to develop accurate and reliable scientific information for environmental decision-making. Such information is often needed in a short time frame to meet, for example, legislative mandates, court orders, or environmental emergency situations. This need makes it difficult to plan for, fund, and conduct research directed to future problems. Thus, a continuing problem for ORD is striking a balance between longer term research and meeting the Agency's regulatory needs. Because of the nature of the research in certain programs, particularly in the health and ecological effects area, significant lead times and long-term commitments with respect to level and stability of funding are required. Periods of level or decreasing resources make it difficult to determine priorities among competing research projects.

One of the ways the Office of Research and Development has tried to limit the competition between short- and long-term research problems is through its organization. ORD's present time activities, primarily quality assurance, monitoring systems development, and analytic responses to the needs of other agency programs, are grouped together into the Office of Monitoring and Technical Support. Though specific problems cannot be anticipated, planning for this area can proceed based on historical data. The relatively longer term research activities, relating to the human and ecological effects of pollutants, need several years to obtain the necessary results and consequently need a relatively stable level of resources. These activities, in order to more effectively protect the stability of the resources, are in a separate Office of Health and Ecological Effects.

Intermediate problem-oriented research—meeting legislative and Agency mandates for control or abatement methods and technology—is divided into two offices. The Office of Energy, Minerals, and Industry focuses on point, or basically industrial, sources. The Office of Air, Land, and Water Use addresses the nonpoint source and public sector areas, as well as the transformation and physical transport of pollutants in the environment.

Another way the Office of Research and Development is addressing the need for stability of the long-term research is through long-range planning. A fundamental element of our planning system is the development and annual revision of a five-year research plan which includes budget projections. It is designed to reflect Agency goals and program direction, relate ORD goals and objectives necessary to support Agency goals, and describe the research program and priorities for meeting the goals. The "Environmental Research Outlook—FY 1976–1980" was published in February of this year, and we plan to update and publish it annually. As the first attempt to produce a five-year research plan for ORD, the document suffers from the usual weaknesses or deficiencies that are associated with a first effort. The Office of Technology Assessment review of the plan, as well as comments received from our Federal research agency counterparts, and interested public and private scientific groups and individuals, have provided valuable suggestions on how the plan can be improved in the revision we are about to undertake.

So far this morning, I have talked about how long-term planning can minimize instability of long-term research funding. Resources, however, means more than just funding. The capabilities of research personnel are another important resource which requires long-range planning and stability. Due to personnel system inflexibilities, it is difficult to make shifts in skill-mix in short periods of time. Future program requirements for skills must therefore be anticipated through long-range planning so that desired personnel can be hired and gain experience in an appropriate time frame.

Certain constraints on flexibility in hiring researchers with the right capabilities are already critical. One of these is the ability to hire medical doctors. The current Civil Service salary structure simply does not provide the monetary incentive to attract and retain highly qualified and experienced physicians.

One way of relieving these constraints is to supplement our current civil service laboratories with a contract laboratory system, like that of the Energy Research and Development Agency. The ability to recruit and maintain highly qualified scientific staffs is greatly enhanced in such a system.

A related problem in research capabilities is the lack of expertise in certain critical skills. For example, ORD and other research organizations have a clear need for epidemiologists, but there is a very small number of epidemiologists in the country.

Long-term planning for skill-mix and funding is also essential for achieving a balance between in-house and extramural research. This balance is important because, on the one hand, a regulatory agency must have expert scientists who can provide independent scientific judgments. This necessitates that the scientists themselves be actively involved in research. On the other hand, a research agency cannot rely on its own limited number of personnel for all its research needs.

The right kind of balance must be achieved over a number of years, with stable funding. A large increase in funds, for instance, with no corresponding increase in personnel, requires a shift to extramural research. Such a large increase in extramural research also requires higher skill levels. Conversely, a large drop in funding must greatly reduce the extramural funds, since salaries must continue to be paid. The extramural research thus turned off, cannot be turned back on immediately with a simple infusion of funds.

A way of leveling out these peaks and valleys would be to let research resources flow from multi-year plans. Authorizations could be made for five-year periods without giving up Congressional control over yearly appropriations. Appropriations also can help stabilize research funding. No-year funding authorization gives the research manager the flexibility to terminate poorly performing grants or contracts without fear of losing the remaining money. In this way the remaining funds can be reapplied toward meeting the planned objectives.

There are a number of Federal agencies performing and supporting environmental research. However, these agencies have their own missions which their research must address, and thus the results are sometimes not applicable to EPA's needs. Naturally, EPA's research results are not always applicable to other agencies' needs, either.

The greater stability provided by multi-year research plans and multi-year authorizations would also greatly facilitate inter-agency research coordination. In this way, research agencies would not constantly be dealing with moving targets. The long-range documents would serve as the basis for discussion, making other agencies aware not only of how EPA's research can help their mission, but also how their expertise, capabilities, and research can be made more responsive to EPA's needs.

Another remedy which can improve inter-agency coordination in conjunction with multi-year planning, is the concept of a lead agency focusing on a specific problem with pass-through funding. This concept has worked very well in our Federal Interagency Energy/Environment Research and Development Program. In fact, in FY 1977 the ORD is beginning another such program to determine biological and climatic effects of stratospheric ozone reduction. Although the program will be funded by EPA, the majority of the research will be carried out through interangency agreements.

A problem which specifically inhibits EPA's ability to do long-range planning is the number of laws to which we have to respond. EPA was formed through a Reorganization Plan which brought together some 15 programs scattered among several Federal agencies. Similarly, the legislative authority for our research stems from nine different Acts. Because each Act charges EPA with different and possibly conflicting missions, gives EPA different responsibilities, and provides different regulatory remedies, it is often difficult to plan a coordinated attack on environmental problems.

Mr. Chairman, I appreciate the opportunity to discuss with you this morning our long-range planning and some of the constraints which restrict our ability to perform that planning. I have touched on a number of subjects very lightly, and we will be happv to discuss any of these with you in more detail if you wish.

This concludes my prepared remarks, Mr. Chairman. My colleagues and I would be pleased to answer any questions.

TESTIMONY: DR. ROBERT L. SANSOM, SEPTEMBER 28, 1976

Mr. Chairman, I have been asked to address several issues related to the subject of long-range environmental forecasting and environmental policy. The list is much longer than I can cover in the few minutes allotted. Assessing, today, the future of America and the globe in environmental terms requires more than anything a rigorous scientific approach. This wasn't true five or even two years ago because the dimensions of the environmental problem had not emerged. Now the picture is in a vague focus. It is almost as if the ecological world is defined as well as the physical globe was defined at the end of the Spanish and Portugese era of exploration around 1600. Now we must set up "colonies" in each major arena. First we must systematically plot the scope of global environmental threats, setting up world monitoring systems and accomplishing pollutant screening on a world-wide scale. The second arena is that of toxic and chemical pollution with both chronic and acute effects. Third are conventional pollution problems from the growth in the economic production. Fourth are pollution problems that are a derivative of our productive-consumptive zeal; that is, pollutants like oxidants, biochemical oxygen demand and particulates that we can live with in modest amounts but which, if they accumulate in millions of tons, the public health and welfare cannot tolerate.

If we break out the areas for environmental research as just described, EPA's ORD role becomes more comprehensible. The global area is not one of EPA primacy. NOAA, CEQ and other government agencies have equal or superior roles. The second area of toxic and chemical pollution is ripe for EPA research leadership. How does one decide whether substances like Kepone, DDT, vinyl chloride, PCB's, mercury, and all the rest of substances that face us in our newspapers every day are being managed from a research standpoint? What framework, what system of prioritization does EPA have for identifying and searching out threats from such pollutants? How many substances are hazardous in parts per billion? In parts per million? How does one rank the threat of a substance that can damage man's gene pool along with asbestos, for example, which can cause cancer? What we need is not a long-range plan but a short range guide or score-card. Where do all these things fit in on a scale of threats to man and cultural eco-systems? Examination of this field demonstrates the futility of ORD marching solely to the signals of the regulatory program. Congress is not going to tell EPA to regulate pollutants EPA, or someone else, hasn't told Congress exist.

A document like EPA's Five Year Plan could be used to report annually to the Congress on the status of chemical-toxic research and its assessment of pollutant criticality. EPA has the capability to conduct such research. Supplementary documentation to EPA's first five year plan did say such studies were underway but it failed to disclose what was sought or might be produced and when. If the Congress hopes to get such a document from EPA it must specify what it requires.

It is also essential to mandate that before EPA produces finally such a document it be given adequate peer review within the scientific community and public exposure.

The third area of analysis is the only one addressed by the formal "limits" type of analysis. It is not difficult to handle with scientific precision. I am unconvinced there are global environmental limits to growth, that is, pollution effects such as man-caused warming or heating of the biosphere probably do not pose an obstacle to growth. Problems like fluorocarbons can be managed without harming growth if we want to reduce the risks of ultraviolet radiation. Anyway, as I mentioned, EPA appears not to have the leading research mission in these global areas. With regard to the U.S. economy at large, EPA should maintain an on-going assessment of whether the rate of reduction in emissions per unit of production in our major growth industries is adequate to keep emissions declining while normal growth in output occurs. EPA's new integrated technology assessments are a step in this direction.

The fourth area of environmental futures analysis is the most difficult to handle with scientific precision. I call the problem life-style pollution. While there are probably no limits to the overall growth of the U.S. economy, in regions like the Los Angeles basin or even most urban areas of one million or more there probably are environmental limits to growth. We cannot say for sure because the potential for growth with high level controls has not been examined. This is a problem ORD needs to address. The list of concerns is very long. Recent studies show, for example, that attainment of the oxidant standard is unlikely in almost every major metropolitan area. Probably the same is true for attainment of dissolved oxygen or some heavy metal standards in rivers like the Passaic. Does this mean land use and transportation controls or reliance on mass transit are the only approaches to urban development that can make urban living in the auto era compatible with a clean environment? Similiar problems are raised by the sulfate and other long-range transport pollutant problems, but these apply to larger geographic regions.

The need is for ORD to tell the nation with regularity and scientific vigor where we stand on the growth-environment spectrum.

This brings me to the Forester type of analysis. I doubt it has any utility because it has no empirical content. Conceptually it posed the question in an interesting and provocative way. Now we need research and analysis, not provocation. This is a task for ORD. In executing this requirement ORD should be careful to avoid costly modelling with excessive amounts of obsolete data. The public needs to relate to EPA's product. Thus specific city or regional studies will prove of greater utility.

Congress must take an interest in these studies if they are to be accomplished competently. ORD has the capability to do all the things I've mentioned. There is some question whether institutionally the organization is equipped to do so. The vision and scope needed to perform such work must come from the top and it must come together in documents like ORD's five year plan or an equivalent instrument sought by the Congress.

TRIBUTE TO SENATOR PHILIP A. HART

Mr. STEVENS. Mr. President, a good many friends are retiring from the Senate this year and among them is the distinguished senior Senator from Michigan, Philip A. Hart.

Phil Hart is referred to by many as "Mr. Integrity" and indeed his integrity is without question. However, to refer to Phil Hart as "Mr. Integrity" is simply not good enough, for his legislative accomplishments are many and significant and deserve recognition.

His legislative actions include a leadership role in the passage of the 1965 Voting Rights Act and the 1970 extension of that act. He also played a significant role in the passage of the 1968 Fair Housing Act. Phil Hart has been the author or cosponsor of almost every major piece of consumer legislation enacted by Congress beginning with the Drug Safety Act of 1962. He wrote the Truth in Packaging Act of 1965 and was the cosponsor of the Truth in Lending Act enacted the following year. He indeed has been a leader in the field of consumer protection and deserves a great deal of credit for bringing to the public's attention the need for protective legislation.

It was my privilege to have the opportunity to work closely with him in the Commerce Committee as well as in our efforts to insure passage of no-fault auto insurance legislation. Despite his 18 years of outstanding service in the Senate and his significant legislative accomplishments, PHIL HART has remained one of the most humble men in the U.S. Senate.

We in this body will miss PHIL HART's cogent remarks and wise counsel. We will miss his warm friendship and that of his lovely wife, Jane. I know I speak for the entire membership of this body when I express our hope that he will come back often and visit us.

JAMES BENNETT CHILDS HONORED

Mr. BEALL. Mr. President, on August 16, Mr. James B. Childs, former employee of the Library of Congress and currently honorary consultant in the Government documents bibliography was himself presented the first James Bennett Childs Award for distinguished contributions to documents librarianship.

The Library of Congress is an invaluable aid to me as it is to other Members of Congress, and its value is high because of people like Mr. Childs. He has spent his life developing these fine qualities of librarianship, and I am pleased to extend my congratulations to him as he receives this significant award.

I submit for the RECORD the article included in the Library of Congress Information Bulletin of August 27, 1976:

JAMES BENNETT CHILDS HONORED

At a ceremony in the Whittall Pavilion on Monday morning, August 16, James B. Childs, former employee of the Library and currently honorary consultant in government documents bibliography, was himself presented the first James Bennett Childs Award for distinguished contributions to documents librarianship.

The presentation was made by Nancy Cline of Pennsylvania State University, representing the Government Documents Round Table of the American Library Association, which established the award. William J. Welsh, Deputy Librarian of Congress, presided at the occasion, which was attended by some 50 people, including three of Mr. Childs' sons and two of his grandchildren. In addition to his colleagues from the Library of Congress, Sara Case of the ALA Washington office and LeRoy Schwarzkopf of the University of Maryland Library were also present.

The award is a mounted and framed brass plaque, which bears a line drawing of Mr. Childs and the following inscription:

JAMES BENNETT CHILDS

To James Bennett Childs in grateful recognition of a lifetime of unmatched contributions to the growth and development of government documents librarianship, the Government Documents Round Table of the American Library Association presents the first James Bennett Childs award for distinguished contributions to Documents Librarianship.

JULY 21, 1976

Under the entry, "Childs, James Bennett, 1896–," the public catalog of the Library of Congress has 55 cards, the earliest dated 55 years ago. His most voluminous works are six volumes of bibliography on Spanish government publications, and six more volumes of bibliography on German government publications—four for West Germany and two for East Germany. He is also author of Sixteenth Century Books: A Bibliography of Literature Describing Books Printed Between 1501 and 1601 and of "Disappeared in the Wings of Oblivion": The Story of the United States House of Representatives Printed Documents at the First Session of the First Congress, New York, 1789.

THE TRUTH IN LENDING SIMPLIFICATION ACT OF 1976

Mr. TOWER. Mr. President, I am pleased to join Senator GARN in the introduction of the Truth in Lending Simplification Act of 1976.

The purpose of this legislation is to simplify the Truth in Lending Act to give the consumer understandable disclosures or credit costs to facilitate shopping for credit and to relieve creditors, particularly small businesses, of the horrendous burden of compliance with a totally unfathomable law and regulation.

The original intention of the Truth in Lending Act to enable the consumer to compare credit costs and intelligently shop for credit has been obscured by the lengthy and unintelligible truth-in-lending disclosures now given the consumer. To compound this, credit advertising, an important source of shopping information, is seldom utilized. The paperwork burden is forcing small credit retailers out of the credit business. Delays and compliance costs connected with the preparation of the truth-in-lending statement are ultimately borne by the consumer.

The Truth in Lending Simplification Act addresses these problems by simplifying the disclosure requirements, removing ambiguities in the language of the act, and improving the administration of the act.

One important provision would amend the Truth in Lending Act to limit changes in forms and disclosures to once a year and require that business be given at least 9 months advance notice of any such change. The presence of numerous consumerlending forms with no correlation to date of effectiveness leads to confusion on the part of both the lender and the consumer. In addition, the actual printing cost associated with the current disorganized procedure are excessive and wasteful and lead to higher costs of doing business.

For example, one national creditor utilizes 228 different retail contracts and refinancing agreements. All of these forms would require revision in the event of a mandated change under the Truth in Lending Act or regulation Z. This figure does not include customer credit application forms which are affected by regulation B and by various State regulations.

The composition and printing costs alone for a revision of these forms is just under $600,000. Not included in this estimate is in-house verification for accuracy, distribution of revised forms to branches and dealers and the discarding of the obsolete forms. The leadtime of 9 months for changes is necessary to avoid unnecessary printing costs. I am advised that any shorter period requires an overtime effort by employees, typographers, and printers.

Another important provision would limit civil liability to violations involving disclosures of four credit terms: First, the annual percentage rate; second, finance charge; third, the amount financed, and fourth, the number, amount, and due date or periods of payments scheduled to repay the indebtedness. This follows the original intent of the Truth in Lending Act to provide the consumer with the ability to make meaningful comparisons of credit terms. These four categories allow the consumer to compare the truly meaningful credit cost terms.

Mr. President, this legislation is important to both the consumer and the industry and I urge that Congress promptly take the matter up when it convenes next January.

TRIBUTE TO SENATOR SYMINGTON

Mr. STEVENS. Mr. President, recently a constituent of mine, after spotting the senior Senator from Missouri, STUART SYMINGTON, walking in the hall, remarked that he looked exactly as a U.S. Senator should look: Tall, distinguished, active, and mature. Certainly the American public could do no better than to utilize STU SYMINGTON as their image of a perfect U.S. Senator.

I am sure many of us would like to be as active and involved as STU SYMINGTON is after 24 years in the Senate. But STU SYMINGTON is more than an image; he is more than just having the appearance of an ideal Senator. He is and has been an ideal Senator. The dignity and respect which STU SYMINGTON brought to this body will be missed.

Missed, too, will be his steady hand and his calm and intelligent influence. But, Mr. President, I will especially miss his personal friendship over these past years. Ann and I will never forget the good times with STU and Eve during our trip through Russia and other Iron Curtain countries. I hope he will return to these Chambers often, for he has many friends who pay great heed to his words.

Mr. President, I submit for the RECORD a complete list of the numerous honorary degrees awarded Senator SYMINGTON:

HONORARY DEGREES AWARDED
SENATOR SYMINGTON

1953, Doctor of Laws, William Jewell College, Liberty.

1957, Doctor of Laws, Park College, Parkville.

1958, Doctor of Letters, College of Osteopathy and Surgery, Kirksville.

1959, Doctor of Laws, Rockhurst College, Kansas City.

1963, Doctor of Laws, Avila College, Kansas City.

1963, Doctor of Humane Letters, Missouri Valley College, Marshall.

1965, Doctor of Laws, University of Missouri, Columbia.

1966, Doctor of Laws, Washington University, St. Louis.

1969, Doctor of Laws, William Woods College, Fulton.

1972, Doctor of Laws, Drury College, Springfield.

1973, Doctor of Laws, St. Louis University, St. Louis.

1973, Doctor of Political Science, Westminister College, Fulton.

THE LEE FAMILY AT THE BICENTENNIAL

Mr. MATHIAS. Mr. President, this year I have been fortunate to be able to participate in a number of interesting and memorable commemorations of our Nation's Bicentennial. Among the most memorable of these was the annual meeting of the directors of Stratford Hall, that lovely house on the banks of the Potomac which was the birthplace of so many great Americans. On that occasion I was honored to be the principal speaker and to be able to recall the enormous contributions made by the Lees of Virginia and of Maryland to the cause of American independence. Because no American family gave more to the cause of liberty, I submit my remarks honoring the Lees to be printed in the final RECORD of this Bicentennial Year:

THE LEE FAMILY AT THE BICENTENNIAL

There could be no greater honor during our Bicentennial Year than to be asked to speak at the annual meeting of the directors of Stratford, in the great hall at Stratford.

I am conscious of the honor you do me, and I am a little awed by it.

Stratford Hall is rightly called "The Birthplace of Genius". It can, with as much justice, be hailed as the cradle of liberty, for none contributed more to securing America's independence than the members of that remarkable generation of Lees who were the first to be born in this lovely house.

Virginia's 19th century historian, Hugh B. Grigsby, in his "Discourse on the Virginia Convention of 1776," said of them:

"Among the patriotic names distinguished in our early councils none is invested with purer luster than the name of Lee. It is radiant with the glory of the revolution."

Mr. Grigsby was not alone in ascribing radiance to the name of Lee. That frequently acerb chronicler of the revolution, John Adams, was equally rhapsodic in his praise of the brothers Lee. Looking back on the revolution from the vantage point of 1819, he recalled them as:

"That band of brothers, intrepid and unchangeable, who, like the greeks at Thermopylae, stood in the gap, in the defence of their country, from the first, glimmering of the revolution in the horizon, through all its rising light, to its perfect day."

I would not presume to lecture this audience about the Lees of Virginia. Your expertise would put my modest scholarship to shame. But I do want to say a few words in tribute to those extraordinary sons of Colonel Thomas Lee, the man who built Stratford Hall and made this gathering possible.

The Lee brothers—Thomas Ludwell, Richard Henry, Francis Lightfoot, William and Arthur—who fought so tenaciously for the revolution, were a far cry from revolutionaries as we are accustomed to think of them. They were not oppressed, exploited, downtrodden, or deprived. They were not desperate men. Quite the contrary. As the comfort of this house and the grace of its appointments suggest, the Lees were men of wealth, power and privilege.

They do not fit today's stereotype of revolutionaries.

But the Lee brothers were revolutionaries. They were revolutionaries of a particularly noble kind. They had much to risk and they risked it all for the sake of principle. They gave no thought to personal loss or gain.

The Lees were animated, in all that they did, by a single consideration: That what was right, must be defended. They acted as loyal Englishmen to protect the rights guaranteed, by law and by custom, to all Englishmen.

In May 1775, when William Lee was elected alderman of London for Aldgate (incidentally, the only American ever to hold such an office), he made a victory speech which conveys, far better than I could convey, the conviction that thrust the Lee brothers to the forefront of the revolution.

The London Chronicle of that day gives this account:

"(William Lee) said that as to his public principles, he held the free constitution of this country sacred and inestimable, which, as the source and security of all our happiness, it was the duty of every honest man to defend from violation; that therefore, it should ever be his care, from every exertion and every hazard, to resist arbitrary encroachment of the crown and its ministers, upon the rights of citizens and the liberties of the people.

"As an American, he declared, it was his wish that the union between Great Britain and the Colonies might be re-established and remain forever, but that constitutional liberty must be the sacred bond of union."

Clearly, the cause that brought the Lees to the point of revolution was an essentially conservative one: They sought to protect and preserve constitutional liberty as it had existed in the past. Paradoxical as it may sound, the revolutionary Lees had a conservative impetus.

To illuminate this paradox, let me mention a personal experience, as some of you know, in the early days of the Watergate scandal, I called for full disclosure of the affairs. I was promptly branded a "radical" by loyalists in my own party and extolled as a "liberal" by democrats who welcomed my move.

In fact, I was acting as a classic conservative. What I was attempting, and, what was finally achieved, was to bring the executive power within the bonds of the constitution. I was moving in a traditionally conservative way to restore the balance of powers as laid down in our constitution and to protect the liberties guaranteed in the Bill of Rights.

Fortunately, if the case of Watergate, we were able to correct the abuses of power within our constitutional framework. In 1776, the Lees and our other founding fathers were not so fortunate and so the step from conservatice to revolutionary became inevitable.

The Lee brothers never faltered as they took that step. They were early in the vanguard of the revolution and they remained there. They opposed the Stamp Act, framed the Westmoreland resolves, denounced the Townshend acts, initiated committee of correspondence and of safety.

One of the brothers proposed the resolution for independence in the continental Congress which is repeated verbatim in the Declaration of Independence; two of them signed the Declaration of Independence; two others worked assiduously and successfully to win European allies to the American cause. The Lees' individual and collective contributions to American liberty are too numerous to examine here, even were they not already so well known to you.

Instead, because I am a Marylander, I would like to take a few moments to pay homage to a Maryland Lee whose dedication to the revolutionary cause, while less well-known perhaps, was no less hot than that of his more famous Virginia cousins.

I refer to Maryland's second elected governor, Thomas Sim Lee, whose grandfather, Philip Lee, was an older brother of the man who built this house.

Little is known of the early life of Thomas Sim Lee. His parents died when he was four and it is thought he grew up at his grandfather's estate, Blenheim, in Prince George's County, Maryland. We do know that in 1771 he married Mary Digges of Melwood Park near Upper Marlboro, and that they had six sons and two daughters.

Like his Virginia kinsmen, Thomas Sim Lee was a patriot from the start. He organized a local militia unit in Prince George's County in 1775 and served as its colonel for two years. In July 1775, he represented Prince George's county at the provincial convention held in Annapolis and there signed the the association of freemen of Maryland. He participated in the provincial convention of August 1776 which framed a constitution for the State, providing that a governor and a council of "five of the most sensible, discreet and experienced residents of the State" would share executive power.

Thomas Sim Lee was elected to Maryland's first council and two years later in 1779, at the age of 34, he became Maryland's second governor.

Those bare bones of chronology do not adequately prepare us for the man we encounter when we come to the well-documented part of Thomas Sim Lee's life. We discover, through his letters, that he was a man in whom energy and unflagging devotion to the revolution were combined with such charm and social grace that even his most herculean exertions in the cause of liberty seemed easy.

When Thomas Sim Lee took office as governor of Maryland on November 12, 1779, the fortunes of the revolution were at their lowest ebb. Almost immediately, Lee received a desperate call for help from George Washington, from his "head quarters" at Morris town in Pennsylvania on December 16, General Washington penned these anguished words to Lee:

"The situation of the army with respect to supplies is beyond description. It has been five or six months past on half allowance, and we have not more than three days bread on hand, nor anywhere within reach.

"Our magazines are absolutely empty everywhere, and our commissaries entirely destitute of money or credit to replenish them.

"We have never experienced a like extremity at any period of the war . . . unless some extraordinary and immediate exertions are made by the states from which we drew our supplies, there is every appearance that the army will infallibly disband in a fortnight."

Lee's reply was in the best "not to worry, dear" British tradition. He wrote:

"I have the pleasure to assure your excellency (that) the resolution of that honorable body (the Maryland general assembly) is to make the most vigorous exertions in sending forward every supply the state is capable of furnishing."

The tone of complete assurance which permeates Lee's letter must have been a comfort to Washington. Lee mentions no difficulties. He says nothing of his role in persuading the general assembly to pass this Act, nor does he mention his own proclamation calling for the collection of food for the starving army. To his everlasting credit, Thomas Sim Lee took the most exigent demands as a matter of course. He made the impossible, possible, and he even made it look easy.

Perhaps this is why Washington and the continental Congress called on Lee repeatedly for help for the remainder of the war. They asked for supplies. They asked for troops. They asked for vessels to transport the troops. And not once did Thomas Sim Lee demur. Not once did he fail to produce what was required. Without rhetoric, without histrionics, he simply supplied the necessary.

Thomas Sim Lee was aided and encouraged throughout by his wife, Mary Digges Lee. This remarkable woman galvanized the women of Maryland behind the revolution and in September 1780 wrote herself to General Washington:

"I have the honor to inform your excellency that the ladies of Maryland have manifested their gratitude, by subscribing a considerable sum for the relief of the American army. They are daily depositing money in my hands."

George Washington's grateful reply included the suggestion that: "The money cannot be expended in so eligible and beneficial a manner, as on the purchase of shirts and socks (black) for the use of the troops in the southern army."

Still the need did not abate. In a letter written to Thomas Sim Lee on October 9, 1789, we learn that "Congress is happy to find that the requisition for cattle is likely to be carried into effect . . . the distresses of the army still continue and we wish we could point out to you the period when they would possibly terminate."

Thomas Sim Lee's ultimate service to the revolution, and perhaps his greatest, was in helping supply and move the troops of Lafayette and Wayne from the Elk river to Yorktown, thus insuring the capitulation of Cornwallis.

On October 9, 1781, James McHenry, Lafayette's aid-de-camp, reported to Thomas Sim Lee from the "line of the camp before York (town)":

"As yet, my lord (Cornwallis) has scarcely disturbed us, his firing having only killed and wounded sixteen. It is now, however, that we shall have more serious business.

"I have great confidence in our troops and you may have as great. One hears no complainings, although the duty is not very light."

Three days later Lee heard from Washington himself. Writing from his "headquarters before York", about 70 miles from Stratford Hall, Washington assured Lee that "the supplies furnished by the State are so liberal, that they remove every apprehension of want . . . A few days," he added, "may determine whether (Cornwallis) will or will not give us much trouble".

For a few days Lee heard nothing at all. Then a letter from Admiral De Grasse, dated October 18, informed Lee almost casually: "Ld. Cornwallis has surrendered, which perhaps you will not have heard before this reaches you".

Not only had Lee not heard the news, neither had the Continental Congress in Philadelphia. They learned of the victory from Lee's hastily dispatched note to Thomas McKean, President of the Continental Congress:

"Lord Cornwallis surrendered the Garrison of York to General Washington on the 17th October."

The Continental Congress received Lee's message on October 22 but could hardly credit it. A day later another Marylander, Colonel Tench Tilghman, General Washington's aide-de-camp, arrived in Philadelphia with confirmation and the terms of the surrender.

The crucial role Governor Lee played in this campaign and throughout the war was promptly acknowledged by General Washington. With the smoke of battle still hanging over York Town, Washington took time out to salute Lee:

"I have the honor of transmitting to your excellency the terms upon which Lord Cornwallis has surrendered the Garrisons of York and Gloucester.

". . . my present engagements will not allow me to add more than my congratulations on this happy event, and to express the high sense I have of the powerful aid which I have received from the State of Maryland in complying with every request to the executive of it."

When Lee retired as Governor the following year, the legislature adopted a series of resolutions commending him. He acknowledged these honors with characteristic simplicity: "I feel myself happy", he said, "in having executed the powers entrusted to me to the satisfaction of my country".

I will leave Thomas Sim Lee's story here, noting only that he served a second term as Governor from 1792 to 1794 and during the "whiskey rebellion" of 1794 once again responded to a call from Washington for troops to put down the rebellion. These troops were commanded by Light Horse Harry Lee which brings us back to Westmoreland and Stratford once again.

William Meade, Episcopal bishop of Virginia in the early years of the last century, wrote of "mournful thoughts" aroused by "the ruins of churches, of mansions, and of cemeteries, in Westmoreland". He recalled that "by reason of the worth, the talents, and patriotism which once adorned it, (Westmoreland) was called the Athens of Virginia". Now, he said "Stratford alone remains".

Thanks to you, who are assembled here tonight and to your predecessors on the Robert E. Lee Memorial Association, Inc., Stratford still remains and attests that "the Athens of Virginia" indeed once was here.

Thucydides reminds us that "when Athens shall appear great to you, consider that her glories were purchased by valiant men, and by men that learned their duty, but men that were sensible to dishonor when they came to act."

The Lees of Stratford, and of Maryland, were such men. To me the lasting importance of our bicentennial lies in the fact that we have been summoned by it to explore and to reflect upon our past. It is at least in part through the dusty pages of old manuscripts, through the doors and design of our historic houses, that we can reconstruct and reclaim, in all its fullness, all of the emotion and physical stress, the anguish and ideals, that went into the founding of our nation.

This Bicentennial year has quickened us to the richness of our heritage. It has brought us to the very threshold of our third century as a nation primed with the knowledge of our greatness and attuned to its responsibilities.

As we move forward into that third century, I can wish no more for America than that Richard Henry Lee's vision of our destiny be fulfilled. It is incorporated in these final lines from his exhortation to the delegates assembled at the First Continental Congress:

"Let (America) rise, not to devastate and conquer, but to re-establish the reign of peace and law. The eyes of Europe are fixed on us. She demands of us a living example of freedom, that may exhibit a contrast in felicity of the citizen, to the ever-increasing tyranny which desolates her polluted shores. She invites us to prepare asylum, where the unhappy may find solace and the persecuted repose. She entreats us to cultivate a propitious soil where that generous plant (liberty) which first sprung and grew in England . . . may revive and flourish, sheltering under its salubrious and interminable shade, all the unfortunate of the human race."

BASIC RESEARCH TODAY AND TOMORROW

Mr. MATHIAS. Mr. President, the importance of basic research in a complex industrial society cannot be overemphasized. This year the Congress acknowledged the critical nature of basic scientific research by approving a $582 million grant for the National Science Foundation for basic research programs. I submit my remarks on this subject written for delivery to the graduate faculty of the University of Maryland to be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Senator Mathias

While I was studying law at the Baltimore campus of the University of Maryland, I really had no time to sample the pleasures of College Park much less to get to know faculty members from disciplines other than my own. I am delighted to be able to make up for that now.

As an alumnus, as a Marylander and as a Senator from Maryland, I am proud of the quality of this faculty. There once was a time when Maryland was better known for its football and basketball teams. Now, even though the Terbs are giving you some pretty fancy competition at Byrd Stadium and Cole Field House, the Maryland faculty can more than hold its own. I have watched Maryland grow in academic strength year by year and as far as I'm concerned you've been in the top ten for a long time now.

Today, I would like to talk a little bit about the nature of America's reliance upon you and your colleagues in the university community for basic scientific research. Then perhaps we'll have time for some questions.

This year, as you know, Congress approved $582 million for the National Science Foundation for basic research programs to be carried out in American universities. The President signed the appropriation on August 9.

That action reversed an eight-year trend of declining Federal funding for basic research programs. I am proud to have had a part in reversing that trend. I consider it an important achievement.

Let me give you some idea of what went on behind the scenes in Congress to bring about this reversal. As you all know, the administration sent to Congress, within a generally sparse budget request, a recommendation for a substantial boost in National Science Foundation (NSF) funding. The President requested $610 million for NSF basic research, which was an increase of $87 million over the fiscal year 1976 appropriation.

But the House of Representatives reduced the administration request by close to ten percent and sent the Senate a request for only $554 million.

This request was considered by the HUD-Independent Agencies Subcommittee of the Senate Appropriations Committee of which I am the ranking minority member. In May, it was already obvious that the House intended to reduce the NSF basic research funding, and so, I began to put together a bipartisan group in the Senate that would push to restore the funds cut by the House.

On June 2, I sent what I hoped would be a persuasive letter to Senator Proxmire, the chairman of our sub-committee, supporting the administration's full budget request, Senators Bayh, Brooke, Case, Fong and Hruska co-signed this letter. In it we pointed out that our Nation's total funding for basic research had declined in terms of real dollars so drastically that in 1974 we were spending at the 1965 level. The story in industry was worse. Inflation had reduced basic research expenditures in private industry in 1974 to approximately the 1961 level.

I was delighted when the subcommittee responded by approving the full $610 million administration request. Not so delighted when we lost some funds in the compromise finally worked out by the House-Senate conference committee. But that's the way the system works. The final appropriation of $582 million was $28 million less than the President had requested and $28 million more than the House had approved. In other words, we split the difference.

We are still not making the commitment to basic research that a country with our resources and responsibilities should be making. But we have at least reversed the negative trend of the past eight years.

I cannot predict how future administrations or future Congresses will feel. The only safe prediction ever made about Congress was when Will Rogers said: "All you can say for sure about Congress is that it begins with a prayer and ends with an investigation".

However, I do think that this year's resolution of the NSF budget marks a favorable turning point. The feeling of the Senate is obviously positive. I will do all I can to see that it stays that way. I also plan to keep close watch on the funding requested for NSF basic research in the future and to oppose any effort to reduce Federal support in this critical area.

The importance to our Nation of basic scientific research cannot be overestimated. One of the great tasks facing our society and facing you and your colleagues in the academic community is to see that adequate time and attention are given to creating and to testing new ideas, new theories, new approaches.

Many people have suggested that our country is suffering a failure of national spirit. I think the extent our national spirits flag can be measured by the distance the Vietnam and Watergate years have put between us and the finest of our traditions.

One of our finest traditions—and a source of immeasurable strength—is our devotion to free intellectual inquiry. That tradition was established early in our history. Indeed our form of government itself was experimental.

We have the founders of our Nation to thank for this—those men who, like Jefferson, Franklin and Adams, were as hot in their pursuit of science as they were in their politics.

Jefferson wrote longingly of his love of science: "Nature intended me for the tranquil pursuits of science, by rendering them my supreme delight". He believed there was a positive correlation between liberty and the pursuit of scientific knowledge, and that one of the great legacies of his generation to future generations was the freedom to engage in scientific research.

Jefferson described his feelings about science in a letter to Harvard College President Joseph Willard. He wrote:

"It is the work to which the young men whom you are forming should lay their hands. We have spent the prime of our lives in procuring them the precious blessing of liberty. Let them spend theirs in showing that it is the great parent of science and virtue; and that a nation will be great in both, always in proportion that it is free."

John Adams put it equally wistfully. Here's what he said:

"I could fill volumes with descriptions of temples and palaces, paintings, sculptures, tapestry, porcelain, etc., etc., etc., if I could have time; but I could not do this without neglecting my duty. The science of government it is my duty to study, more than all other sciences; the arts of legislation and administration and negotiation ought to take place of, indeed to exclude in a manner, all other arts.

"I must study politics and war, that my sons may have liberty to study mathematics and philosophy, geography, natural history and naval architecture, navigation, commerce and agriculture, in order to give their children a right to study painting, poetry, music, architecture, statuary, tapestry and porcelain. . . ."

Jefferson and Adams would envy you your lives and studies even though the pursuit of science is now not quite the "tranquil" thing it was in the 18th century. Today, research demands intense and expensive efforts. We are not apt to see again such individual feats of discovery as Einstein made with pencil and paper or, as we are told, Galileo made by dropping unequal weights from the Leaning Tower of Pisa, or Newton made while sipping tea under an apple tree in his garden. If we do encounter such leaps of discovery, they will almost surely be made from a staging area constructed at great cost by large teams of professionals.

As you know, thousands of computer hours are now the prelude to advances in pure mathematics and the statistical techniques used in the social sciences have made social inquiry a very expensive proposition indeed.

It has been clear for some time that we cannot rely exclusively on private industry to support basic research. The market forces simply do not exist which would induce a company to build a cyclotron dedicated to researching subatomic particles. Even when eventual practical benefits are predictable, they are too remote to justify the costs involved.

There is no doubt that private industry has great contributions to make in research, especially in the field of the environment, but it will fall to the Federal Government to insure that a properly broad range of scientific investigation is undertaken.

A serious Federal commitment to basic research is also sound economics. We waste money by handling technical problems on a crisis to crisis basis. When we gear up programs to meet specific emergencies, as we did with the space program and as we seem to be doing now with energy, we almost inevitably waste money. Programs proliferate and overlap; personnel are often hastily and badly selected.

To spend money effectively there must be infrastructure to build on. We can predict now that certain problems—energy for example—sooner or later will reach crisis proportions. I would feel more confident about our chances of dealing sensibly with such problems if I knew that they were under continuing scholarly scrutiny and that solutions to them were being sought calmly and dispassionately through basic research.

Only when there is ongoing research on problems of potential national concern can we expect to have the people and tools in place for building larger programs when they are necessary.

Our before-NASA-space-program was a horrible example of what can happen where no rational structure exists to coordinate research and development. Every one of our services—except the Marines—was working on a satellite program of its own. There was waste and overlap that could have been eliminated and eventually was when NASA came into being.

For these reasons, I believe the mood of the country and the mood of the Congress favors sustaining the tradition of independent and efficient basic research. In spite of some highly publicized criticism of specific NSF grants, the program still commands wide support. I think there could be some improvement in the way grants are made, including greater peer review in choice of project, but I am confident such reforms will be initiated spontaneously by NSF, in consultation with the research community.

We don't want the direction of our scientific inquiry decided in Congress and we certainly don't want to add bureaucratic shackles to what is fundamentally a sound institution.

You in the academic community can do much to protect yourselves from political pressures by keeping a keen ear out for congressional and public criticism, and by reacting promptly if the criticism is justified. You also should share your professional expertise with policy makers and let us know whenever you think political decisions are in error.

I think it is important that there be open, fluid communication within the research community. I know that professional journals perform that function to some extent now. But I think a more comprehensive system could be devised for retrieving and compiling the results of your research. You should determine what kind of a system would be practical—perhaps something within the National Science Foundation—but it is important that you make the results of your work available to those who can use then in developing public policy.

I also urge you to inform the public as much as possible about what you are doing. I don't propose that you hire teams of public relations people as some Government agencies, regrettably, do. But I do encourage you to make a point of bringing your findings to public attention.

Your enthusiasm for your work is electric and contagious. If you can communicate that to the public and if you let the public in on some of the exciting work you are doing, I think I'm safe in saying you'll never have to worry about where your next research dollar is coming from.

DENMARK CELEBRATES U.S. BICENTENNIAL

Mr. HUMPHREY. Mr. President, on July 4, 1976, a significant observance of the 200th birthday of the United States took place in Rebild Park, Denmark. The year 1976 also marks the 175th anniversary of the establishment of diplomatic relations between Denmark and the United States.

Her Majesty Queen Margrethe II extended Denmark's sincere good wishes to our Nation. The principal address on this occasion was given by Mr. Victor Borge, the eminent pianist and humorist.

These addresses underscore the great contributions that Danish Americans have made to our Nation, and the strong ties of friendship that bind Denmark and the United States.

Mr. President, I submit the texts of these addresses, and an article describing the significant history of Rebild Park, and ask that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPEECH BY HER MAJESTY QUEEN MARGRETHE II AT THE FOURTH OF JULY CELEBRATION AT REBILD NATIONAL PARK, DENMARK

Since I was quite a small girl I have taken part in the Rebild celebrations together with my family. I have always been impressed and touched by the eagerness with which Danish-Americans celebrated the National Day of their new country in the land of their fathers. But not till now have I been able to appreciate the true significance of Rebild both as a means for Americans of Danish descent to keep in touch with their old country and as a yearly renewing of the ties of friendship between the United States and Denmark.

The journey which the Prince and I made through the United States a few weeks ago was an unforgettable experience and one which opened our eyes to many things concerning both America and Denmark. Wherever my husband and I would go, Rebild was the catchword, spoken of in fond memory by old participants and with longing by those who had never been; with happy anticipation by prospective travellers and not least impressive: with admiration by Americans whose background was not of Denmark but who spoke with wonder of this faithful celebration of the American Day of Independence in a country far away.

The day this year has a special significance because we are also celebrating the 200 years of the birth of a great nation. In 1776 the Declaration of Independence constituted a break with the past. The 13 original states decided to shape from then on their own destiny. By the famous Declaration of Independence they created the basis for a unique political and spiritual community. But what must then have seemed as a rupture was a beginning and became an inspiration for the old nations of Europe and in time for nations and peoples all over the world. The words of the Declaration of Independence are an expression of Western thought which must fill us with pride. It is therefore natural and right that the Bicentennial of the Declaration of Independence is solemnly celebrated not only in the United States but all over democratic Europe. It is therefore significant that the Rebild Committee has chosen these words as a motto for the Rebild festivities this year: "Your heritage—the best of two worlds".

The United States have attracted countless nationalities offering to all the challenge of a new country rich in possibilities and with freedom for each one to practice their beliefs and ideals and to shape new lives for themselves. In return each nationality contributed their effort and the qualities inherent in their tradition.

We are proud of what the Danish immigrants have been able to contribute over the 200 years towards the shaping of the American society.

We know that the pride you take in your new country and the loyalty and love with which you serve her go hand in hand with your awareness of your Danish heritage and the loving memories you cherish for your old country. In this way you are a constant bridge between the American and the Danish people and keep alive the ties of friendship which unite our two countries.

During our visit to the United States the Prince and I travelled from coast to coast and received an impression of many sides of American life and culture. The hospitality with which we were received has touched us deeply. We remember with gratitude the welcome which was given us by the President of the United States and Mrs. Ford and by the large number of other representatives of the American society with whom we came in touch. Last but not least we will keep in our hearts the memory of our contacts with those who had their origin in Denmark and who showed us so clearly that the old country was still a living reality for them.

On this 4th of July, the Bicentennial of the American Declaration of Independence, I extend a warm greeting from Denmark to the President of the United States, to the American People and in particular to those gatherings organized by Danish-Americans to correspond with our celebrations here at Rebild.

May peace and prosperity and happiness be yours now and in the years to come.

MR. VICTOR BORGE'S SPEECH AT DENMARK'S FOURTH OF JULY CELEBRATIONS AT REBILD NATIONAL PARK, DENMARK

There is something very Danish in the idea that an ability to make people laugh is a qualification for giving a serious address on a solemn occasion like this—the Danish celebration of the 200th anniversary of American independence.

But this is something American, too. If our two countries have anything in common, it is the ability to laugh at ourselves—enough that we build story-tellers and entertainers into great public figures. Some entertainers even run for President . . . while some Presidents provide us with better entertainment.

To prepare for today, I have read carefully all the previous Rebild speeches I could find. Some very great men have spoken here: Eminent lawyers, judges, politicians, statesmen, and journalists. They have been remarkably unanimous in their conclusions—that Danes and Americans are both extraordinary people; that most of each of us are good, and a very few may be not too bad; that America is bigger than Denmark, but that good things come in little packages, too.

They have been serious speakers and drawn serious conclusions, but for the most part, they don't seeem to have had much fun. So I would like to begin my remarks by speculating for a moment on what might have been if history had happened a little differently.

Suppose Max Henius, who conceived Rebild, had taught Chicago to distill acquavit instead of brewing beer. Would the world ever have heard of Aalborg? Suppose Hamlet had said: "Something is rotten in the state of the union. . . ." He most certainly would have referred to what over there contemptuously is called: Danish pastry!

Suppose that just once in these 200 years Denmark had declared war on the United States. It wouldn't have been a good idea in 1776 because we were about the same size and Denmark might have won! But any time after 1801 when the Danish fleet had been partly destroyed, the Danes would have safely lost. I say safely—because those nations who lost their war against the United States happily won the peace! For, shortly after their defeat they joined the leading countries of the world in economy and productivity, thanks mainly to the immense American aids programs showered upon their former antagonists.

I have had the rare good fortune to be born and raised in the kingdom of one of the world's smallest and most select families. Just think, of the billions of people in the world, what a small fraction can claim to be Danish.

On the other hand, I have had the equally good luck to make a career in a country where reincarnation seems to start the day you get there—by whatever shape. It is a country where, if you're able or lucky enough or a bit of both, you can be or become just about anything you please.

Of course, there are limits: There can be only one president at a time in America, which is a great relief to the rest of the 220 million Americans. In Denmark, on the other hand, it is possible to have about five million prime ministers simultaneously.

Obviously there are other differences. For instance, it is very important in setting the different national characters to note the size of population. The smallest problem, or hobby or situation in America can involve more people than there are in the whole of Denmark—whether it's birdwatchers, bassoon players, button collectors, or brain surgeons.

Here in Denmark, some Danes might have been Danes for the last two thousand years and all Danes are each other's cousins or something! Over in America, the largest part of the population was somewhere else a hundred years ago. And a lot of tomorrow's population hasn't even arrived yet, an infinite variety of colors, and sizes and backgrounds.

In America, English is spoken . . . sometimes . . . and sometimes even the King's English! In Denmark only the Queen's Danish is spoken . . . and always.

Denmark tries to assure every Dane of security by dividing as equally as possible what a limited economy can afford. America is still able to grasp the other end of the stick, by encouraging Americans to seek their own security by competitive risk and enterprise.

Certainly there are great differences. Americans live, thrive and sometimes suffer in an atmosphere of tension. Danes live a quieter, less stressful life—go to bed 6 hour earlier. (In wintertime: only 5 hours!)

Yet there are more things in common: Both try to live up to the same standards—neither can afford the present social welfare programs—but, on the occasions when the supreme test has come, both Danes and Americans have been willing to die for the same beliefs.

When asked to make a speech on the subject: "The Best of Both Worlds", I accepted gladly. Gee, I thought, I can get away with it in one single sentence. The sentence would say the whole thing . . . with a few Danish and English words which combined are in reality the ethic and spiritual foundations upon which our two worlds are functioning.

The Danish words are inscribed above the entrance to the former city hall in Copenhagen: "Med Lov Skal Man Land By Gge" (by law shall a land be built), and the English words are the last six in the Pledge of Allegiance:

"With Liberty and Justice for All."

Now, I didn't come all the way to deliver just one sentence! So let me begin with the revolution. As we look around us, we know that it is as vital and significant—and, perhaps, as unfulfilled—as it was when two hundred years ago the nation was born! Well, I've thought a lot during these 200 years! And I've concluded that our generation has not completed what it expected to accomplish. Now, that's pretty sad. But, according to Oscar Wilde, neither has any other generation. . . .

"The longer I live," he said, "the more keenly I feel that whatever was good enough for our fathers is not good enough for us!"

But give it time . . . the globe keeps spinning . . . and American modern ingenuity and lifestyle are becoming more and more adaptable to the Danes . . . as Danish products and skills become increasingly prevalent in the United States . . . (even a little Danish humor hasn't hurt.)

When a Dane goes to America, he finds himself at first swimming in a much bigger sea than he's been used to. It may hide many reefs—and it nourishes sharks as well as mermaids. But Danes swim well in American waters and flourish there. And coming from Denmark, one has learned to appreciate good things . . . and the more one comes from Denmark, the better are all good things. . . . And while they never forget Denmark, they find it easier and quicker than you would imagine to feel at home in America. They can have the best of both worlds: I know, because it has happened to me.

It is not possible to describe the joy that envelopes my heart when in America I am "the Danish artist" or "goodwill ambassador" . . . whereas in Europe I am mostly called the American.

However, it is neither the artists nor the geniuses who make a great people . . . but only a great people who allow its geniuses and artists to develop. We saw that clearly during the tragic holocaust.

Virtually all of us who have made speeches so far as Rebild have been of a certain age. We can recall as personal experience the trying days of the 30's and the even more testing and dreadful days of World War II. For most of us, these were the great determining factors of our lives and opinions.

Yet in both our countries, an influential and growing part of the population look upon the great events of my generation as history, rather than experience. But people of my age can never forget the days when America was the hope of the world and the will to resist was the greatest possible heroism in Denmark.

Perhaps the methods, motives and meanings of America in a much more complicated world may not appear as bright and shining as they did in the 40's and 50's.

In my "View from the Bridge", let me ask the newer generations to ponder what I have to say on that essential subject. I move around in America a very great deal. I meet people in theaters, in the streets and in colleges and universities, and share tables with members of all levels of society. I have kept pretty well up to date with what is in their hearts and minds, and I can tell you that they are sound and that they contain as much concern and compassion and common sense as they ever did.

You have heard a lot in the last 10 or 15 years about the imperfections of America. They exist—but you must remember that you have heard about them only because the Americans themselves have revealed them, have anguished about them, and have tried to remedy them. One of the wonderful things about the structure of the American constitution is that the wise men who wrote it didn't just create a structure of imposing public buildings—they also put into it a very good plumbing system, and made sure that there is always somebody around to see that it works.

No American will tell you that his country has found the exact formula which will assure the good life—and enough of it—for everyone. But Americans are wedded to the idea that their system must give everyone equality in the pursuit of happiness. America remains the promise and the opportunity—and she remains infinitely more generous than any other country or society with an ever-increasing, bottomless flow of material and economic help to every corner of the globe . . . and in welcoming newcomers who want to earn a share.

Americans remain the world's champion self-critics. Nowhere else will you find as much readiness to acknowledge that they may be doing something wrong and so much commitment to try to put it right. But please . . . have patience! Don't expect the mistakes to be corrected with the same speed with which the recent sweeping search for wrongdoings is being conducted and broadcast to the world.

Today, only one of the super powers is democratic, permissive and open to all the winds of opinion, where the rights of the individual are protected, and where citizens have the right and ability to transfer power from one set of hands to another by peaceful, lawful means. Granted, that in the search for the ultimate living conditions certain ethics and behaviors are eroding—causing reason for some concern—it is perfectly proper that America, like any other country or system, must stand up to the judgment of its contemporaries as well as of posterity. Yet the honest and wise judge must also assess his own bias and limitations.

Denmark is fortunate that she does not have the great global responsibilities which circumstance has placed on America in the last thirty-five years. But Danes might pause for a moment to ask whether they would have done better if they had had to carry the burden. Every Dane knows that Denmark is the upper right corner of heaven—but does every Dane agree that everything is perfect, even in heaven?

The founders of Rebild created this celebration out of a feeling of gratitude to America and nostalgia for Denmark. They were themselves a living link between the two countries. As they did, so do we celebrate the wisdom that we cannot know where we are going unless we thoroughly appreciate where we have been. So, with music and ceremony we perform now an unashamed act of patriotism. We are stating for the world to see and hear our true affection for the two countries that have allowed us to call them home (what a delightful feeling to leave home and be glad to be home and then look forward to go back home again! Truly, there's no place like homes!)

Is what happens here today then just a quaint tradition? Presently, in many circles, patriotism is unfashionable, viewed as an embarrassing act of narrow nationalism and emotional chauvinism; but devotion to country is devotion to social and geological heritage that welds us to a common purpose, and when it is in our hearts, why shouldn't we give it voice and life? Why should we suppress so vital a part of our own identity in an age when many people seek and are encouraged and allowed to do their own thing? For we proudly express our deep affection for our countries, not out of self-congratulation, but out of high idealism. We honor our flags not just for the territory over which they fly, but for the ideals for which they stand . . . and we accept praises not for what we are, but for what we hope to be!

To be a Danish-American offers the privilege of participating in the efforts of building a bridge between our two countries. However, recently I have suggested, because of the uncertain weather conditions over the Atlantic that instead of building a bridge across, we dig a tunnel! As Danes we dig from here and as Americans we dig from over there. "Well, then," asked someone, "What'll happen if you don't meet in the middle?" "Then," I said, "we'll have two tunnels!"

The founders of Rebild inaugurated this celebration 64 years ago for a simple reason—to say "thank you"—two simple but powerful words. To say "thank you" for the emotionally cultural security of Denmark which helped make possible their successful future in their adopted land and "thank you" to America for openly welcoming them and hailing their contributions. Those of us who have come after them here have no less reason to speak, for our gratitude and nostalgia are as strong as theirs ever were. I am equally certain that as the new generations look more deeply into this peculiar relationship between Denmark and America, they will be able to verify—not just from personal ties—but from commonly-held attitudes, objectives and ideals, that these links between us are perhaps stronger and certainly more important in a rapidly changing world than they ever were.

To me, the really significant fact is that it has not been difficult to be a true Dane and a true American at the same time. Can you not be a good son or daughter to both your parents? This is not just a personal discovery. It has happened to hundreds of thousands of Danes, and over a long, long period of time. Standing in the shadow of the two flags that give much meaning to my life, this is an intense personal moment.

Albert Einstein has said: "A thousand times every day I remind myself that my inner and outer life depends on the labors of other men, living and dead, and that I must exert myself in order to give in the same measure as I have received and am still receiving."

How honorable if one could be among the men who deserved such accolade; whether in Denmark, America—or anywhere!

REBILD NATIONAL PARK

Welcome to Rebild! To the bicentennial celebration of the American Independence Day in the Rebild Hills. Welcome to both new and old friends from both sides of the Atlantic!

WHAT IS REBILD?

It started in 1912 and found its roots through the desire of a number of Americans of Danish descent to hold an annual reunion in the "old country" and with its inhabitants.

The setting for this reunion is the Rebild National Park situated in the heart of Jutland and presented to the Danish Nation by Danish-born Americans. The deed states expressly that it is to be a sanctuary and a place where Independence Day will be celebrated.

As many as 40,000 have attended in person a single July 4th Festival whilst countless numbers have seen the ceremonies on Television, or heard them on the Radio.

BUT WHAT IS THE BACKGROUND?

Over one hundred years ago the first groups of Danish emigrants crossed the Atlantic bound for the United States; others followed; hundreds of thousands of Danish men and women went West to establish homes in the land of riches and grasp the opportunities about which they had heard.

These Danes became Americans; most of them found soil and became farmers. The Danish Church followed the stream of immigrants. Schools and societies were founded and soon they were absorbed in the life of their new country and their local communities. Danish immigrant history tells us that these Danes were a credit to their old country. Numerous names could be mentioned of those who helped build America and became outstanding leaders in their various fields. When these pioneers grew older, their minds went back to their land of birth. Their children were adults, and they wanted them to cherish their heritage. They wanted them to be good citizens in their own country, but not to forget the land of their ancestors. They decided to buy a tract of land where relatives and friends from both sides of the Atlantic could meet. They chose the site on which we stand today, these heather clad hills of Jutland from where most of them came.

To organize such an operation takes time. In 1905 a society was formed largely through the initiative of Ivar Kirkegard, Wisconsin, editor and poet.

In 1909 the City of Aarhus sponsored a great exposition, and its was here that the American Independence Day was celebrated for the first time in Denmark.

Among those present was Dr. Max Henius of Chicago, who became the prime mover in the purchase of a piece of land, the deeds for which, in 1912, were presented to King Christian X, the piece of land was to be named Rebild National Park and as the deed stated "should remain in its natural state."

During the years a few interruptions were painfully felt: The First World War in which Denmark was neutral, and the five dark years 1940–1945 when Denmark was occupied by the Nazis, but faithful friends managed to hoist the Star-Spangled Banner and the Danish Dannebrog on July 4th.

In the summer of 1945, after Denmark had been liberated on May 5th, though preparations were few and hurried, and means of transportation limited, the attending audience was as large as few other gatherings ever seen at Rebild.

Royalty, Danish and American ambassadors, poets, actors, statesmen and men of science have spoken here from the Rebild platform. Prominent artists have recited and sung, but the most solemn moments come when the whole assembly join in singing the songs dear to all Danes and Americans.

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

Mr. HUMPHREY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on October 14, 1976.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room S-116 in the Capitol.

THE DEDICATION CEREMONY OF THE BIRTHPLACE OF THOMAS E. WATSON

Mr. THURMOND. Mr. President, on September 5, 1976, I had the privilege of attending the dedication ceremonies at the birthplace of Thomas E. Watson of Thomson, Georgia. This event was held on the 120th anniversary of Mr. Watson's birth. Many of those attending were his direct descendants who are now living in Georgia and South Carolina.

Mr. Watson was a U.S. Congressman, Senator, Vice Presidential and Presidential candidate, a noted journalist, orator, historian and superb lawyer. He was a man of courage, character, and resourcefulness. He fought for the common man who labored not only to exist, but to make life better for his children and their children.

Mr. Watson exemplified the fighting spirit of Reconstruction Southerners of which fellow Georgian Henry Grady spoke during his 1886 speech before the New England Club in New York City. In referring to the Confederate soldier upon returning to his devastated farm, ruined home, and altered social system, Grady asks a rhetorical question of the soldier:

> What does he do—this hero in gray with a heart of gold? Does he sit in sullenness and despair? Not for a day. Surely God, who had stripped him of his prosperity, inspired him in his adversity. As ruin was never before so overwhelming, never was restoration swifter.

Mr. President, Tom Watson certainly drew his strength from the adversity he faced. His character and intellect were molded during the Reconstruction era. He suffered, as all Southerners did, during this period of painful humiliation. However, out of this suffering and despair rose a man possessed with uncommon determination, capacity, and drive to achieve those goals which he believed to be in the best interest of the common man.

Mr. President, Tom Watson advocated a number of reforms which were considered too progressive for his time. Some of his reforms were rural free delivery, automatic railroad car coupler, a graduated income tax, an inheritance tax, free school books for the common school grades, and agricultural subsidies. Although only a few of these reforms reached fruition during his lifetime, practically all of Mr. Watson's ideas have now been implemented in the 50 States.

During this dedication ceremony, several speeches were made by various individuals who were qualified to extol the attributes of Thomas Watson. Mr. President, I believe that my colleagues would greatly benefit from these speeches; therefore, I submit them to be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

DEDICATION CEREMONY

TOM WATSON BROWN

It is my pleasure to welcome you to Hickory Hill on this Sunday for these ceremonies. I will ask that first we have the invocation by Dr. Stanley Hahn, Pastor of the First Baptist Church of Thomson. Dr. Hahn.

DR. STANLEY HAHN

Let us pray. Our Father and our God, we thank you for this opportunity of gathering together as citizens in a free land to express our appreciation for the accomplishments of a citizen who has meant a great deal to this country as well as to his own community. We thank you for all of those who have gone before and many of whom are still with us serving their country, thinking sometimes ahead of their time, but always for that which is right, good and progressive. We thank you for those who have the courage of their convictions, who are willing to stand on them regardless of the cost, for only this way can we keep on building what was meant to be the greatest nation on earth.

Bless us in every part of this program today. May the name of God be glorified in it, we pray through Jesus Christ, our Lord and Savior. Amen.

TOM WATSON BROWN

I am Tom Watson Brown, and it is my pleasure as President of the Watson-Brown Foundation to welcome you to the dedication of Tom Watson's birthplace on the 120th anniversary of his birth in the log cabin where we are seated here, the home of his grandfather, Thomas Miles Watson. I would direct you to the description of the house written by Senator Watson and reprinted on the second page of your program. This appeared in *Bethany*, his fine autobiographical novel which is really about his family during the War Between the States, which tells you something of what Tom Watson was all about in his endless struggle to preserve a rural agrarian civilization against the onslaught of the twentieth century.

We have a number of distinguished guests here, and I would like to call on Bob Knox, who is one of the trustees of the Foundation, a distinguished attorney and former Mayor of Thomson, to introduce these guests.

ROBERT E. KNOX

Thank you, Tom, and before I introduce these special guests that we have with us today, I want to take just a very short brief period, if I may, to pay tribute to a fellow Thomsonian and really the man who is responsible for the location of this fine facility here and these other grounds, but also a man who has done just a tremendous job in everything that he undertakes. He shares his time between Hickory Hill and South Carolina, but we are, indeed, proud to claim him as a true Thomsonian. He is just the salt of the earth, one of the finest men that ever set his foot on the good earth upon which we are all privileged to be. And, of course, I have reference to none other than Walter J. Brown. I am going to ask Walter to stand. Let's give Walter a hand.

We appreciate all you do not only in memory of Mr. Watson, Thomson and the United States, but just everything. Thank you very much, old buddy.

Now, as Tom Brown has indicated, we have a number of distinguished guests with us today; and before I present some of the others who are now in the field of public service, I want to present two particularly because of the connection they have with Senator Watson. One of them is a fellow—I don't know whether you fellow Thomsonians realize it or not—the man who is seated down here on the front row worked with Mr. Watson and who served as his clerk, and I am going to ask him to stand at this time—Mr. Justin Reese. Stand up Justin. We are delighted to have you.

And here on the porch we have another gentleman who served with the Senator when he was in Washington. He has many memories of that association with Senator Watson; and, of course, we are delighted to have him. I have reference to Mr. John I. Kelley. Mr. Kelley, would you stand. The Senator's secretary.

Now, we have a great many public servants here. I hope I won't overlook too many of them, but starting with our good people here from Thomson, His Honor, the Mayor, Wilson Hawes; the Judge of our Superior Court, the Honorable Robert L. Stevens; out in the audience, I believe, is Judge Woodrow Tucker, of Atlanta. We are delighted to have you, Judge. Also out in the audience is Judge Osgood Williams, of Atlanta, formerly of Crawfordville. We are delighted to have you. Another distinguished jurist, Judge of the Superior Court of Fulton County, Judge Charles Weltner. We are delighted to have you, Sir. Also here on the porch is another distinguished public servant, the Vice Mayor of Atlanta, the Honorable Wyche Fowler. Will you please stand.

Just to my left is another distinguished jurist, Judge Peyton Hawes, formerly of the Supreme Court of Georgia and from up Elberton way. Peyton, we are delighted to have you. Then up from the classic city of the South, Athens, Georgia, we are delighted to have our distinguished Congressman from the Tenth Congressional District, the Honorable Robert Stephens. Bob, nice to have you, Sir. We are delighted to have all of you. There is one other man here on the platform that I want to present to you at this time for whatever remarks he might want to make. He, too, is a distinguished American. It happens that he is not a Georgian, but he comes from just a few miles over across the Savannah River in South Carolina. He has had a distinguished record of public service, not only to his great State of South Carolina but also to the United States where he now serves in the Senate. He has a most outstanding and enviable record there, and we are, indeed, honored to have him come and join with us on this fine occasion this afternoon. Without taking anything away from the tremendous and exceptional service that he renders not only to the people of South Carolina but to the people of the United States as a whole, he is just, you might say, like our having another senator in Washington from Georgia. We feel just that close to Senator Strom Thurmond, and we appreciate the tremendous work that he does for the welfare of our nation and our nation's capital. So it is a real pleasure for me at this time to present to you another outstanding, tremendous distinguished American, the Honorable Strom Thurmond, United States Senator from South Carolina.

SENATOR STROM THURMOND

Mr. Chairman, Mayor Hawes, Senator Talmadge, Congressman Stephens, distinguished members of the judiciary, other distinguished guests, ladies and gentlemen.

I am, indeed, honored to be here on this auspicious occasion. When I received the invitation, I had another engagement and wondered what I would do, but I knew I could not afford to miss this engagement and I offer no alibis. If you know what an alibi is it's putting you in prayer meeting where you wasn't in order to show that you wasn't at the crap game where you wuz. So I immediately accepted the invitation.

Seeing all these people here on the platform—I don't know how many of them are going to talk—I think I had better make my remarks brief. I am reminded very much of this colored pastor in our State who was classifying the prophets in the major prophets and minor prophets, and he had gone for about 35 minutes. His audience was tired and sleepy, and finally he reached Hosea. He yelled out, "Where shall we put Hosea? Where shall we put Hosea?" Finally, he woke up somebody in the rear of the church, and he raised his head and said, "Brother, Hosea can take my seat. I am so tired I'm going home." At any rate, I am honored to be here.

I just want to say I'm delighted that the birthplace of Thomas Watson is being preserved. I'm not a bit surprised that it is being preserved because knowing Walter Brown as I have over the years, I know his interest in preserving the history of this Nation. I know his love for the great State of Georgia, although we claim him now, and I knew that he would take steps to preserve what Tom Watson did if he could. We think very highly of Walter Brown in South Carolina. He's out in the forefront of everything good for the public, and I am so pleased that this house has been placed here on this spot where Tom Watson published his papers and documents and rendered such a great service to our Nation. Ladies and gentlemen, Tom Watson was a man who lived ahead of his time. I was just looking a few moments ago, and according to the information I had read about him for many years, the list of the things that he advocated. He brought about Rural Free Delivery which probably is one of the greatest things that has ever been done for the rural people of this nation, and he advocated protecting child labor, and he advocated many of the things that have come to pass since then that I shall not take time to relate now. But I simply say that he was a literary genius. I realize Georgia has produced many outstanding citizens, but I doubt if she has produced a citizen who possessed more literary talents, who did more effective writing, who did more to bring about reforms in the State of Georgia and the United States than Tom Watson.

So we all claim him in this country as well as Thomson and the State of Georgia. We are delighted to be here on this occasion to have a little part in this dedication, and again I congratulate my long time and distinguished friend, Walter Brown, for what he has done to bring this about. Thank you very much.

ROBERT E. KNOX

Thank you, Strom, you do us great honor to come and be with us on this occasion.

There are a couple of people I believe I overlooked a moment ago. I extend my apologies. First of all, to my law partner, Warren Evans. He is a member of the General Assembly from this section. Warren, we are delighted to have you.

The man that is just coming up to the porch is the other man I had in mind; and, of course, he is a man who had a tremendous record in Washington and the United States Congress, serving from South Carolina. I have reference to William Jennings Bryan Dorn. Bryan, stand up and let these people give you a hand. Thank you, Bryan.

TOM WATSON BROWN

As the next order of business I would like to introduce to you one of our speakers today who is a native of McDuffie County, well known to all of you, a former Justice of the Georgia Court of Appeals, prominent attorney, advocate of advocates and, more important, a life-long Tom Watson man. I speak, of course, of Judge Randall Evans.

JUDGE RANDALL EVANS, JR.

Mr. Toastmaster, Mr. Tom Brown, Mr. Bob Knox, members of the family of him in whose honor we have met today, distinguished platform guests, distinguished people from all over Georgia. Let me bid you greetings and tell you how happy we are that you are here.

One hundred and twenty years ago about four miles from this spot, but in this house, there was born into the family of John Smith Watson a man who was destined to become the greatest intellect in the entire South—not just Georgia, I say the entire South. He was destined to be that; he became that.

He was a descendant of the Quakers who settled Wrightsboro. When he was thirteen years old, he joined the First Baptist Church of Thomson. Our Baptist Church records show that he was Assistant Clerk of the First Baptist Church on many occasions when the Clerk was not there.

When he was twenty-one years old, he met, and wooed, and won the heart of Georgia Durham who became his wife and forever after walked down the Pathway of Life with him.

He attended Mercer. He did not graduate there because the money ran out. He went on down to Screven County (the natives call it "Scriven"), and he taught school there in order to get hold of some money and then he began to practice law. In his first year of law practice, he grossed the great big sum of $212.

When he was twenty-six years old, he became a member of the General Assembly, and in 1891–1893 he was our Congressman from the 10th District of Georgia. In that short space of time, two years, he not only got us Rural Free Delivery, inspired by working up at Norwood where a Black man was coming in and gathering up the mail and carrying it to a few of the people for a little bit of pay. He got us Rural Free Delivery, and something that is not often spoken of is the Automatic Car Coupler on the railroads. Before that you had to couple the cars with a pin that was dropped in, and many an arm and many a leg and many a man were ground up under those trains because of it. It cost the railroad a lot of money to begin with, but it also saved them a lot of money later on. Tom Watson—not too often spoken of in that respect—is the author of the Automatic Car Coupler. He did that for us.

He didn't have but two years in Congress. He ran again, but they gerrymandered his district; they took his good counties away from him; they put the bad counties in his district. Down in Richmond County they voted more people against him than there were people in Richmond County. That's the way they finally got him out of Congress. That was 1893.

He wrote the famous Ocala Platform that became the guidestone of the Agrarian movement. In 1896 the Populists nominated him as candidate for Vice President on the Populist Party and nominated William Jennings Bryan as candidate for President. Then the Democrats came along and also nominated William Jennings Bryan, so Bryan rejected the Populist nomination which he didn't have to do. He could have been nominated by both Parties. He was defeated and justly so because he had turned down that wonderful nomination by the Populist Party. Afterwards Tom Watson ran for President on the People's Party in 1900. Of course, he was not elected, but the principles he was running for—they stand today because he advocated them.

His union with Miss Georgia was blessed by three children. There was Durham, there was Agnes and a little girl named Louise who died when she was just four years old; in his writings—in the abstract—he speaks of that little girl who was no longer there. One of the wonderful pieces he wrote is in his *Prose Miscellanies* entitled "A Rose on the Snow." I advise you to read it. He tells about walking down through the woods one Autum day with Miss Georgia, and he tells about the leaves falling into the brooks and watching the leaves float down the stream. He was so wonderfully descriptive in his powers that you could just see the scene there, as he talked about all the beauties of Nature that he and Miss Georgia, as he called her, enjoyed as they walked along and observed all those things. And he said: "But there was ever between us that question, not answered to her any more than to me, will she ever be ours again?" That thought was always recurring in his writings.

He wrote about "Dream Children," about his little girl. He said some people think that the dream children—those that are taken—

grow up along with the others. He said they do not. Children they were the day the dreadful sickness seized her, and a child she is today. He said other people can't see her, but in the late afternoon on the tennis court he could sit there in the quiet and the still of the afternoon—the other children had quit playing tennis—and Tom Watson, the father, could see her playing tennis out there on the tennis court. He said that question would arise in his mind; last year there were three stockings at the fireplace, and this year there would be only two.

He could write in such a way as to let you know that he had the deepest feelings about profound matters. He could put you right there in his own place. There was no trouble at all for him to do it.

Let me tell you a few of the products of his pen, and his pen surely had to have been dipped into the ink of Genius, *The Story of France, The Life and Time of Andrew Jackson, Prose Miscellanies.* (That's a collection of wonderful stories; it is a classic that everybody ought to read—short stories but wonderful stories.) *The Life of Napoleon, Roman Portraits*—he breaks it down and puts the thought on the ground where we all can understand those old Roman stories, the Gracchi, Julius Caesar, Anthony and Cleopatra, and many others—*Handbook of Politics and Economics, Life and Speeches of Thomas E. Watson, Life and Time of Thomas Jefferson.* All of those wonderful works were a part of the product of that facile pen of his.

Our community owes an undying debt of gratitude to the members of this Foundation, and I want them to know it. There is Monroe Kimbrel, Bob Knox and Walter Brown, a member of the family, and Tom Watson Brown—for having preserved this situation, for keeping alive the memory of the greatest Georgian, the greatest Southerner, that ever lived, Thomas E. Watson. For what they have done and what they are doing—Walter, Tom, Bob, Monroe and anybody else that is a member of that Tom Watson Foundation—we thank you, and I want all of you to give them a round of applause right now. We appreciate this great Foundation.

When I started to school and reached the Fifth Grade, two of the prettiest girls I ever saw joined our class in the Thomson Grammar School. They hadn't been going to public school; they had been taught by private tutors. Those two little girls were Georgia Lee, daughter of Agnes Watson who had married Mr. Oscar Lee, and the other one was Georgia Watson, who was the daughter of Durham Watson, son of Thomas E. Watson. There were just three weeks difference in the ages of these pretty little maidens. They came to our school, and from there on out they were members of our class.

And there sits Georgia Watson (now Mrs. Avery Craven) out there today. I told her yesterday for the first time—I never had the nerve before—I will tell her again today—that she was my secret sweetheart. I didn't tell her; I didn't have the nerve to do it, but my nights were spent in thinking about Georgia and my waking hours were spent in thinking about Georgia, and now in the afternoon of life, I finally have found the courage to tell her that. Georgia, you were just wonderful; you filled many and many of my days and my nights.

In 1892 Tom Watson bought "The People's Party." He published it for awhile in New York, and then he moved it to Thomson; and here on this spot—right about here—he had one of the greatest printing plants in the South. It wasn't just a plant like the Atlanta Journal or the Atlanta Constitution. It was bigger and it was better. We sent papers—I say *we* because I identify myself with the Tom Watson movement—too young to actually have been a part, but I felt as if I were a part. We sent those papers into every state in the nation, and they were read when they reached their destination. Along about that time William Randolph Hearst—you have read in the papers lately about his granddaughter—William Randolph Hearst owned the greatest and largest syndicate of newspapers of that day. His principal editorial writer was Arthur Brisbane. Arthur Brisbane asked Tom Watson to come to meet him in New York at Delmonico's. That seemed to be the great restaurant of New York City then—I don't know whether it still is or not. It's been a long time since I have been to New York. When I got there, I didn't get to the finer eating places. I went in the Stork Club and gave my tip to the head waiter; and when we left, the waiter that waited on us picked up every plate on our table and held it up for everybody to see that we hadn't left a tip. I thought you were supposed to give it all to the head-waiter. I didn't know how to eat at those fancy restaurants. I have learned a little since—but not much. I learned not to give the entire tip to the head-waiter on that day.

Now Mr. Brisbane said: "Mr. Hearst wants you to write for his papers; he wants you to write editorials." And Mr. Watson said: "May I write what I want to?" Mr. Brisbane said: "Oh, no. I have to look them over." Mr. Watson said: "Look, you write in your papers, and I'll write in my papers. I won't take the job." He didn't accept it, but he was offered the job of being editorial writer for the greatest number of newspapers in the United States. In Atlanta Hearst's paper was called The Atlanta Georgian, but in every state the Hearst newspapers were operating in that particular era Watson turned the job down because he was not willing to hire out his mind and his pen to be subservient to someone else; he didn't want to be in harness where William Randolph Hearst or Arthur Brisbane or anybody else would dictate to Tom Watson.

As little boys, we used to go to the place up here at Hickory Hill and buy those Jeffersonians. Watson had two newspapers. He called one the Weekly Watson Jeffersonian and the monthly, Tom Watson magazine. We would buy the Jeffersonians for a penny apiece, buy them out of the basement window there, and then go down to the trains and sell them for 25 cents, 20 cents, 10 cents never less than a nickel. We made a great profit on that one cent investment, and those people who rode the trains wanted those papers and they bought those papers.

Long years ago everyone had to re-register to vote. I was not old enough. Along about 1915 they passed a law that everybody had to register again; and in later years, after I got old enough to do it, I decided I would look and see how Mr. Watson registered himself. He had to say I am a farmer, I am a lawyer, I am a merchant or whatever, and I just wondered what he put down there—whether he was going to say he was a lawyer or farmer or what? He wasn't modest at all. He signed: "Thomas E. Watson, author." That's what he named himself, and he was indeed that, and he was the only author here. We have just one other now, and that is Vinnie Williams, who is here today. We have just had one author since Thomas E. Watson. Vinnie, stand up and take a bow. Let these people give a hand to Vinnie Williams right there. She wrote *The Fruit Trav* which was a best seller, and *Walk Egypt* which was a best seller. She is also a correspondent for several daily newspapers today.

For two decades the people wended their way to Hickory Hill if they wanted to run for governor or if they wanted to run for the United States Senate. Nobody, but nobody, was elected governor—nobody was elected Senator—unless he first got the blessing of Thomas E. Watson. He didn't always have a majority, but he had enough for the balance of power. You just couldn't get elected unless Tom Watson was for you. In 1906, Hoke Smith, with Watson's support, beat Incumbent Joe Brown for governor on the platform of doing away with the lease system as to convicts. The State, at that time, leased convicts for a dollar a year, and Watson and Hoke Smith did strike the law down, but in the meantime Mr. Watson and Hoke Smith fell out. There was a man named Glover who had served as bodyguard for Mr. Watson.

We had some tempestuous, turbulent times during that period. Glover, Watson's former bodyguard, killed somebody in Augusta, and Mr. Watson thought that Hoke Smith promised to commute his sentence to life. Hoke Smith didn't commute the sentence. So what did Watson do in 1908? He took Joe Brown and beat Hoke Smith, put Joe Brown back in as governor and put Hoke Smith out as governor. That's the power the man had. Whoever he was for, he could put in; whoever he was against, he could put out of office. That was the mighty Tom Watson, Sage of Hickory Hill.

I heard John Lewis from Sparta—my friend, but much older than I—tell of a trip John and an elderly gentleman took to Crawfordville to hear Tom Watson speak. John told me Watson spoke for two hours. It seemed but as five minutes, and he said during that speech, along towards the last, this elderly man, who had accompanied John on the trip from Sparta to Crawfordville, excitedly exclaimed: "Look at him! He is prettier than any 16-year old girl I ever saw!"

That was the power of the man, the power of his eloquence—the charm of his oratory. There aren't many people with the gift of writing, who can also speak and move and touch the hearts of the people as could Tom Watson. Old Sheriff Shade Hawes, who was the grandfather of our distinguished mayor—he was a forthright character himself. So one day somebody said: "Mr. Shade, are you going up to the courthouse to hear Tom Watson speak?" He said: "I certainly am not." The question was then put: "Why not?" He said: "I am a Democrat. Tom Watson is a Populist. If I go up there and listen to him, he will convince me, and I'll come home a Populist. I intend to stay a Democrat. I am not going up there and listen to him." That helps to illustrate the feeling Watson's political enemies had as to his power of persuasion, because he had it. Everybody doesn't have it. No one ever had greater power of persuasion than did Thomas E. Watson, both in his writings and in the use of the spoken word! To illustrate the tenseness of the political times of Watson's day, Mr. Gordon Farr lived out in the Mt. Auburn District. He was a Justice of the Peace and in charge of the Mt. Auburn voting precinct. One election day Watson's enemies wanted to cause all confusion possible and to make it appear they were not going to hold an election. Mr. Gordon Farr, who was the uncle of our present County Commissioner, Bob Farr, had the election papers on the day before the election and went into the bank as he was fixing to go out to Mt. Auburn to hold the election the next day. One of the bigwig politicians in Thomson stepped up behind him and said: "Mr. Farr, what are you doing with those papers?" He said: "These are the election papers. We are going to hold an election tomorrow." He said: "Well, don't do that. Don't go out there and try to do it. Take the papers back." He said: "It is going to be a terrible thing tomorrow. There will be a lot of shooting, a lot of cutting, a lot of blood spilled. We called the election off so don't go." Mr. Farr knew that they were trying to cause confusion, and he said: "Unless blood gets more than knee deep, we will hold the election." So they did have the election. That's the way the times were in those days. That was the loyalty the Tom Watson supporter felt for his Chieftain!

Today, Walter Brown sits out there. One day he and Mr. Watson were in conversation. Now, Mr. Watson wasn't any shrinking violet. He knew his powers, and he said: "Walter, you know your father, Mr. J. J. Brown"—(all of us loved Mr. J. J. Brown, Walter's father). And he said: "You know, he's the second best stump speaker in the State of Georgia, the very best except one!" Walter inquired: "Mr. Watson, who's number one?" Mr. Watson slowly and grandly pointed to himself. He knew he was the best, and Walter did, too, when Watson finished telling him.

One of the most important criminal cases we ever had in Georgia was the Leo Frank case. That happened about 1915. Tom Watson's writings in his paper was credited with Frank's conviction not being reversed on appeal. Governor Slaton, on the last day of his term in office, after Frank had been convicted and given a death sentence, commuted Frank's sentence to life imprisonment. The people were aroused and tried to get to Governor Slaton, but he got away to England.

Tom Watson died in 1922. In 1926 Governor Slaton surfaced again. Tom Watson had been dead four years! Slaton ran for the United States Senate, carried only one county (Laurens County) and got those six county unit votes. That was the influence that Tom Watson had as to any cause he espoused. In Frank's case, Watson did the writing and Hugh Dorsey was doing the actual prosecuting as Solicitor General. Watson rewarded Dorsey by helping him to be elected governor following the Frank conviction.

There was a time in the turbulent life of Thomas Watson when he called his brother Top. Top Watson was unlike Mr. Tom Watson. Tom Watson was quick to resent an insult; he was fiery, and Mr. Top Watson was a mild man. Everybody loved him; nobody was an enemy to Mr. Top Watson. Mr. Top was the grandfather of our present Clerk of Superior Court. And Tom Watson called him and said: "Top, come on over here and bring your shotgun. We are having trouble; people are coming in tonight, and we have got a lot of people coming from Lincoln to help us out and come and bring your shotgun." Mr. Top said: "Brother Tom, I am going to pray for you." Tom said: "Top, did you hear what I said? Bring your shotgun. Leave that praying off. We will do that after this thing is over with. Right now a shotgun is what I want, and you get on over here and bring your shotgun with you!"

Down in Wrightsville, Georgia, Judge Chan Brinson wrote his memoirs some years ago. He was an old man, and he said one day he was in court but wasn't trying a case. Someone came in and handed Judge Kent a telegram. Judge Kent rapped with his gavel and announced: "Gentlemen, I have just received the intelligence that Senator Tom Watson has departed this life, and this court stands adjourned in respect to his memory." Brinson stated that everyone continued to sit as if stunned, and it was about a minute or two before anybody moved; and then they began to slowly get up, and he said many men, and particularly the older ones, had tears in their eyes as they walked out of that courthouse. Those people, most of them, had never more than merely seen Tom Watson. But they read his paper; they heard his speeches. They didn't know him personally, but they shed tears because they knew their champion had gone.

Luck Gambrell, the wife of Senator David Gambrell showed me a photostatic copy from her grandmother's diary, Mrs. Coleman, down in Swainsboro, and Mrs. Coleman told how on the day after Tom Watson died many people came into Swainsboro sad-looking and depressed; they were all sad because Tom Watson had passed away.

Down in Glascock County, Tom Watson had a case involving custody of a child. The question was whether or not the mother should have the child. You know, when speaking to a jury, Tom Watson had no peer, and all lawyers sitting up on this bench—Peyton and Herman and all the other lawyers—know that it is not as hard to sway a jury as to sway a judge. Judges are sometimes pretty hard-boiled. Sometimes Judge Robert Stevens might not want to even listen to an emotional appeal, but Tom Watson—it didn't make any difference to him, whether he was addressing a jury or a learned judge. He said the woman was trying to get her child back; she had been overtaken in sin, and they were trying to take her child from her. And so Tom Watson made his argument to the judge. They didn't have a jury, but they had a courtroom full of people. Watson said:

"May it please the Court, in this courtroom filled with people, nearly everybody here has a title to his home, or to a little piece of land; he proves that with a little piece of paper. The person who did own it described it and signed it and said this is yours. Sometimes they record the deed with the Clerk. That's their title deed. That's the way they show their title to the land that they own. Now, this mother doesn't have any paper; she doesn't have any title deed, but may it please the Court, that child was conceived inside of that mother; she brought forth the child (and in those early days more mothers died at child-birth than now), she went down into the valley of the shadow of death to give that child life." And he said "she's been caught in a sin. We can't deny it because it has been proven. Who in this courthouse has not committed sin—the judge on the bench, or I or opposing counsel or anybody else? Which one of us hasn't been caught in sin?" He continued by stating that "there was that day I ask you to remember 2,000 years ago when a woman had been overtaken in sin and convicted and, as was the custom of that day, the populace came to stone her and to put her to death. And Jesus walked up; He was told what was going on, and He sat down and wrote in the sand, and then He said: 'Let him who is without sin cast the first stone.' And one by one the people put down their stones and departed, and Jesus said: 'Woman, where are thine accusers?' The woman said: 'Master, they have all gone. There is none.' He said: 'Neither do I accuse thee. Go and sin no more.'" Tom Watson then said: "Your Honor, that's the only title we have to this baby, and we hope you will recognize it." The judge immediately said: "Mr. Watson, you may take a written order which will be the decree of the Court that custody of this child is awarded to the mother."

Many years ago I was a member of the General Assembly in Atlanta and was trying to get a highway named for Tom Watson, and old Judge J. J. Flynt from over in the Senate—Jack Flynt's Daddy, whom so many of you know—all these Congressmen, Herman, Bob Stephens and all of them—a lot of you know Jack Flynt. You knew him, didn't you, William Jennings Bryan Dorn? His Daddy came over there, and he was raising sand to help me to get that road named for Tom Watson. And there was another fellow who was stoutly helping me in my endeavors to name the road for Watson. And I said: "Judge Flynt." By the way, he was a great big portly fellow, a lot taller than Jack; and he wore a frock-tailed coat and he had long hair and was a distinguished looking man, and I said: "Judge Flynt, I appreciate your coming over here and helping me. Why did you do that?" "Well," he said, "son, in 1920 I was Chairman of the Democratic Committee when Tom Watson was nominated for the United States Senate; he made me Chairman of the State Democratic Party, and then made me President of the State Senate twice, and there was one other little thing—he defended me for murder one time, too, in court." And I said to the other man: "Stonewall," (Stonewall Dwyer, Woodrow, you knew Stonewall) and I said, "Stone, you helped me tremendously today." Osgood, you knew Stonewall Dwyer, because he was finally elected Judge of Superior Court just like Osgood Williams is; and, Osgood, we are proud of the record that you make up there. And I said, "Stone, why have you helped so much with this proceeding? I greatly appreciate your help!"

He said: "Well, when I was a little boy I didn't get a chance to have an education. I was a ferryman on a boat with a pole that would pole the ferry across, and one day a car came on that ferry near Newnan, Georgia, in Coweta County where I lived, and in the front seat of the car sat Thomas E. Watson. It was his car and his driver, and he got to talking with me, and by the time we got to the other shore he said: 'Son, how would you like for me to take you off this ferry and send you to school and then send you to law school?' Stonewall replied: 'Mr. Watson, I'd love it!' And Mr. Watson sent me to school, and then to law school, and I am a lawyer, and that's why I am up here today, and that's why I helped you."

Those kind of things that Mr. Watson never did advertise could be multiplied by a thousand. We didn't know about them, he didn't brag about them, I just happened to learn about it. He took that boy off the ferry and sent him to school and there were so many, many others who felt the kindness of this great man. That was the kind of man Thomas E. Watson was.

All of his writings leave it beyond any peradventure—his whole life was devoted to helping the little man. That was what he stood for—preventing the powerful from taking advantage of those who were less powerful. You know, the powerful can pretty well take care of themselves, and so nearly as I have been able, that has been my philosophy in life because I got my philosophy from Tom Watson.

And so, on the 26th day of September, 1922, the golden mold was gently broken, the silver cord was softly loosed, the black camel knelt before the door of our Thomas E. Watson, and his soul went back to God.

He had reaped in the freshness of the morning, in the heat of the noonday—and in the afternoon of life with his arms filled with the sheaves of good deeds, of a Life-Time, his Master came down the pathway to meet him—found him ready, his house in order. Together they walked through the curtain and across the distant mountains and into that wonderful land where there is no sorrow and no partings and no farewells, forever.

And it is inspiring to those of us who loved him so much and loved the principles he stood for, and pray that they will continue to persevere and to stand; it is inspiring to know that on this day Mother Earth tenderly holds him to her bosom down here in our cemetery in Thomson.

He is in that land where there is no sadness or farewell—where the cross of thorns is never pressed down upon the brow—where the feet are never made to bleed upon a pathway of stones. There he is on this day. He had a tempestuous and turbulent life, but now his barque has sailed into the calm of God's everlasting sunshine—his face is forever turned towards the East, and there he is safe, safe forevermore!

You know, he loved good music, and he also loved country music. "Fiddlin' John Carson" was one of his favorites, and "Fiddlin' John Carson" loved Mr. Watson. He was a country fiddler. That isn't exactly the same as a virtuoso or a person who plays like a master concert violinist, but after Mr. Watson's death, Fiddlin' John composed this song. You may say it is corny—I say it is true and it is beautiful! Fiddlin' John wrote and sang:

"Down in McDuffie County
Where silent willows weep
In a little town called Thomson
Our mighty statesman sleeps.
"The Sage of old McDuffie
Is lying now at rest,
And in that fallen hero
Old Georgia lost her best!"

We can say of Tom Watson as David said of his son when David learned of his death: "Know ye not that there is a prince and a great man fallen this day in Israel." Tom Watson went about doing good, and in so doing, he walked in the foot-steps of our Saviour.

I close with these lines:

"A Pilgrim going a lone highway
Came at the evening cold and gray
To a chasm, deep and vast and wide.
The Pilgrim crossed in the twilight dim,
The sullen stream had no fear for him,
But he turned when safe on the other side
And built a bridge to span the tide.
" 'Old man, said of a journeying Pilgrim near,
'You are wasting your strength with building here.
Your journey will end when ends this day,
You never again will pass this way.
You will crossed the chasm deep and wide.
Then why build you this bridge at eventide?'
"The Builder lifted his old gray head.
'Good friend, in the way I have come,' he said,
'There followeth me on this journey today
A youth whose feet must pass this way.
This chasm which has been as naught to me,
To that fair-haired youth might a pitfall be.
He, too, must cross in the twilight dim
Good friend, I am building the bridge for him.' "

God rest the soul and bless the memory of the greatest Georgian of them all—Thomas E. Watson; and may the whole world be made better because this great man lived. Thank you for allowing me a part on this program.

May God bless you every one!

TOM WATSON BROWN

Thank you so much, Judge Evans, for that magnificent tribute. It is my pleasure at this time to introduce you to all of the living descendants of Tom Watson, all of them being with us here today. First, his granddaughter, Mrs. George Watson Craven. "Cuzzy, if you will stand for a second." She is the warm but quite unformidable matriarch of our family. As for the next generation, you have already seen too much of him, and as for the next generation, there are three great-great grandchildren, the first of which is my older daughter, Melissa Ellen Brown, who has delightfully inherited the Watson looks and not so delightfully the Watson temperament. Missy, if you would stand up. Next is my son, Thomas Watson Brown, Jr., who has the rangy frame and fair complexion of his forebears. Tad. And lastly my youngest, Anne Georgia Brown, who shares the name of her great-great grandmother, her grandmother and innumerable Watson cousins along with the Watson red hair and with what must surely be the voice of her great-great grandfather; already at the age of four she can shatter a crystal glass at 200 yards.

In addition to these direct descendants we have a substantial number of the descendants of Tom Watson's brothers and sisters and of his uncle who are a marvelously diverse group but banded together by what really matters—blood and kind—and I would like to ask all of the Watsons-descendants of Forrest Watson, W. A. Watson, Mary Belle Watson, Julia Watson, Julian Watson, Addie Watson and Thomas Peter Watson to stand together at this time if they would.

Thank you all so much for being here, and I hope you come back again in two years for the next Watson family reunion.

At this time I would like to introduce the third member of the Watson-Brown Foundation, the Honorable Monroe Kimbrel, who is well known to most of you, a resident of Thomson, currently serving as President of the Federal Reserve Bank in Atlanta. Monroe.

MONROE KIMBREL

Mr. Chairman, Senator Thurmond, Mr. Mayor, distinguished guests and ladies and gentlemen.

Born of a friendship spanning more than 40 years since our days at the University of Georgia, we share pride and gratitude with millions of Georgians as our distinguished guest continues to add prestige, dignity and vision to the service of his country. Most of you here today know and are known by our friend, many on a first-name basis. Even so, some mention of his service seems appropriate.

Graduated with a law degree, he started practice with his father, the late Governor Eugene Talmadge. Eight months before Pearl Harbor he left his practice to enlist in the Navy where he saw 32 months of combat duty in the Southwest Pacific, including Okinawa and being present in Tokyo Bay for the Japanese surrender.

In September, 1948, he was elected Governor of Georgia. Re-elected in 1950, he served until January, 1955. His administration was characterized by unprecedented accomplishments, particularly in education, health and welfare. He has served as National President of the University of Georgia Alumni Society, as Chairman of the Richard B. Russell Foundation, as co-founder of the highly successful Joint Tech-Georgia Development Fund, as a member of the Baptist Church and numerous honorary, civic, business and professional organizations.

Married to Betty Shingler, of Ashburn, they had two sons, Gene and the late Robert Shingler.

Now in his twentieth year as a member of the United States Senate, he has earned recognition, as a hard-working advocate of responsible government, as an outspoken opponent of deficit spending, as a convincing spokesman for constitutional government, acknowledged as one of the nation's most respected authorities on fiscal policies and agricultural programs. In the 94th Congress, he assumed positions of increased responsibilities—Chairman of the Agriculture and Forestry Committee, second ranking on the Finance Committee, and second on Veteran Affairs Committee, and became a member of the influential nine-member Democratic Policy Committee. In May of 1973, he was appointed to the seven-member Select Committee on Presidential Campaign Activities, better known as the Watergate Committee.

Demands as a public speaker are tremendous not only in Georgia but throughout the nation. He appears frequently on national television programs such as "Issues and Answers," "Meet the Press" and "Face the Nation." Despite these heavy demands he has maintained an average Senate voting attendance record of 95 percent. By numerous personal visits, from an avalanche of correspondence and a barrage of telephone conversations with average Georgians all over the State, our guest is credited with possessing a more reliable reading of the concerns of the people of Georgia than any of the numerous polls and of any other single individual.

Ladies and gentlemen, it is fitting that we should welcome on this occasion a fiscal conservative, an effective and responsive public servant, a truly great American, the Senior United States Senator from the State of Georgia, the Honorable Herman E. Talmadge.

SENATOR HERMAN E. TALMADGE

Chairman Brown, Mayor Hawes, Senator Thurmond, Congressman Stephens, Congressman Dorn, distinguished members of the judiciary, members of the Watson Family and, as Tom Watson would say, my fellow countrymen.

First, let me express my deep appreciation to my life-long friend Bones Kimbrel for the generosity and warmth of his presentation.

You know, in the early days of our Republic it was common for orators to speak for two to three hours; and when they dedicated the Gettysburg Battlefield, Edward Everett Hale, who was the Chaplain of the United States Senate, was considered the pre-eminent orator of his time. So when they dedicated the battlefield, Hale was the unanimous choice of the committee to make the dedicatory address. I assume they invited Abraham Lincoln as an afterthought because they didn't want to snub the President of the United States.

Lincoln while going to the battlefield scene jotted down a few notes on the back of an envolope, and his words of three or four minutes are immortal throughout the world today. Hale spoke for two or three hours. If you want to find out what he had to say, you have to go to the Library of Congress to do so. But Hale did make one remark, I think, that gives him some claim to immortality.

One day a lady asked him, "Dr. Hale, what are your duties? Do you pray for the Senate?"

He said, "No, I look at the Senate and pray for the country."

So it hasn't changed a bit since Lincoln's day.

I'm honored to be back in McDuffie County on this historic occasion. It is historic not only for McDuffie County but for our State and for our Nation also.

We meet here to honor the birth and the birthplace of one of our Nation's greatest sons. We remember Tom Watson as a Congressman, we remember him as a United States Senator, as a Presidential candidate, an author and a fiery journalist.

History calls Tom Watson "the Sage of Hickory Hill." To those of us here today—including many of his direct descendants from Georgia and South Carolina—Tom Watson was the embodiment of the undaunted spirit of Georgia and the South in struggling to rise from the ashes and devastation of the War Between the States.

It was because of people like Tom Watson that Georgia and the South did survive. It was because of the fighting spirit, the courage and resourcefulness of people like Tom Watson that Georgia and the South did rise again.

And as I am sure that all of you know, something special and extremely noteworthy is happening today in America. An entire region of the United States, long the unappreciated stepchild of the Republic—what Franklin D. Roosevelt once called the nation's "number one economic problem"—is now causing the rest of the country to sit up and take notice.

The South, once considered a burden on the rest of the nation, now leads in virtually every area of human endeavor and economic activity. This is as it should be. And if I might borrow a phrase from our Yankee friends from the dairy state of Wisconsin, "The cream always comes to the top."

Not only has the South become a new frontier for economic development in the United States, it has, at long last, captured the nation's attention in national politics.

In fact, come the Presidential inaugural ceremonies next January, headlines in the newspapers around the nation might well read: "Reconstruction is over; the South is in the Union again."

The quality of life in the South today is far ahead of most of the rest of the nation. Businesses and corporations are moving our way. Families from across the nation are flocking to Georgia and the South.

We stopped the outward migration and brain drain which plagued our region for decades, we are bringing new people in, and we are attracting the best kind of people.

Children in the South today have unlimited opportunities. They no longer need to go north for quality education. They can stay here. They no longer need to go north for job opportunities. The nation is coming to us.

Our time has arrived. It has been a long time coming. It has not been easy. The South suffered defeat, our land was devastated, economic discrimination was like a millstone around the South's neck, more than once, the South was left virtually for dead.

But Georgians and the people of our sister states refused to give up and roll over. There beat within the South during its most terrible times of adversity, a strong pulse. And that pulse today, in a time of unprecedented prosperity, beats stronger than ever before.

In my judgment, few men embody the qualities of perseverence and total commitment more than the man whom we honor today. Tom Watson was what Georgia and the South are today, diverse and talented, energetic and boundlessly brave.

That was the essence of Tom Watson. That is the essence of Georgia and the South today.

Tom Watson was a man of uncommon courage, unswerving conviction, and unmatched boldness. He viewed life not from ivory towers, or from the dizzying heights of condescension.

He was first and last a man of the earth, as this humble cottage so clearly demonstrates. His concern was for the common man, the man who labored, not only to exist for himself but to make life better for his children, and their children.

Tom Watson was an enemy of injustice. He fought the oppression of poverty and of ignorance. They called him a Populist. If that means that he was a champion of the little people, then he was a Populist of the first order.

If being a Populist means that you are more interested in giving the people a break—people who work, people who pay taxes and support this country—than in personal gain and aggrandizement, then I wish that every elected and appointed government official could call themselves Populists.

If Populist means serving the people instead of abusing the people,

If that means giving the taxpayers a dollar's value for every dollar spent,

If that means allowing the people alone to determine their own destinies, to work and to produce and enjoy the fruits of their labor,

If that means government is supposed to be the servant of the people, and not their master,

Then, under those terms, I for one wish we could fill every department, bureau, agency, and offices with Populists—particularly in Washington, D.C.

Theodore Roosevelt said essentially the same thing about Tom Watson more than 60 years ago:

"Mr. Watson himself embodies not a few of the very attributes the lack of which we feel so keenly in our public men ... he is honest ... he is earnest ... he is brave."

This was the man we come to pay tribute to today. If our nation and our region are to continue to move forward and stand tall in the world, we must have men of integrity and ability. We must have men who are willing to lead, willing to sacrifice, and willing to put their reputations on the line.

At a time when Georgia and the South needed him most, Tom Watson was such a man.

So, as much as we honor the man, who of course cannot be with us, we honor as well his spirit, which will always be with us.

We honor the quality of excellence in all of his undertakings, as a farmer, a teacher, historian, author, newspaperman, lawyer, legislator, poet and musician.

As Senator Thurmond and Judge Evans told you, much of what Tom Watson advocated was ahead of his time. Some of it he was able to accomplish as a legislator in the Georgia Legislature, as a Congressman and as a United States Senator. Most of what he advocated was ahead of his time, and it was left to others to write into law, which has been done almost without exception. I have had the privilege of reading virtually everything that Mr. Watson wrote—his *Story of France*, I thought was a classic. It won fame all over the world. His "Biography of Napoleon" I am reading now for the fourth time. He was one of the few men that I have ever read that could make words just stand up and walk. Jim Reed, of Missouri, who served in the United States Senate with Tom Watson, could do likewise. Sometimes I get a thrill reading some of his famous speeches. When you can read paragraphs that he wrote, you can imagine in your mind that while Tom Watson was dictating to his secretary probably in Hickory Hill in a lonely room that he imagined himself addressing 30,000 people in the Roman Amphitheater, and the words were dictated accordingly.

His personal following, as Randall told you, was probably the strongest of any man who ever lived in the State of Georgia. He was one of the few men that his followers would follow him to the Gates of Hell or to the Gates of Heaven. Whatever he suggested about voting, his followers en masse almost did so. And as Randall told you, he made and unmade governors at will for about two decades; and even following his death, his following was so vast and so strong that his foes could rarely win at the ballot box.

So he was truly a remarkable man.

We honor the spirit of this man who rose from deprivation and obscurity to do battle with the mighty, and who left his mark on the South and the American society in a way that can never be erased.

The spirit and the influence of Tom Watson will never be diminished as long as we, as Georgians, as Americans, as concerned citizens, continue to fight as Tom Watson fought for a nation strong, a nation free and committed to the principles of equality and justice for all.

TOM WATSON BROWN

Thank you very much, Senator Talmadge, for being with us today and bringing us those kind words in the spirit that is encompassed within them.

Before adjourning, I would like to recognize on behalf of the Foundation Mr. Bill Mitchell, who did so much to help restore this house; J. C. Stockton and his people who did the actual work, and Mr. A. L. Honeycutt, Jr., Restoration Consultant of Raleigh, N.C., who did a great deal of the original research to restore this house in an authentic fashion. We would also like to thank the Thomson High School Band.

Thank you all for being here.

TRIBUTE TO SENATOR PHILIP HART

Mr. DOLE. Mr. President, I wish to associate myself with the many tributes paid to Senator Philip A. Hart on the occasion of his retirement. Few Members of this body have ever been as well respected and well liked on a personal and professional basis as Phil Hart. I am certain that every Senator on both sides of the aisle is saddened by his departure.

My common experiences with Phil Hart date back to when we both were hospitalized at Percy Jones Army Hospital in Battle Creek, Mich., after World War II. The people of Michigan can be thankful that he not only recovered but stayed in that State to become one of the most able Senators in Michigan history. His record shines with the brilliant glow of honesty, integrity, and hard work. He has not sought the limelight when efforts behind the scenes would be more productive. When a piece of Phil Hart legislation came to the Senate floor, everyone knew that it would be expertly drafted and vigorously defended by a man who had studied the subject matter thoroughly.

We are all aware of the adversity that Phil Hart presently faces. I know that he has beaten the odds before. I hope and pray that he will do so again because Phil Hart has earned the respect and well wishes of the entire country and a long, happy retirement.

TRIBUTE TO SENATOR HUGH SCOTT

Mr. DOLE. Mr. President, when Senator Hugh Scott leaves his seat on the center aisle for the last time, his absence will create the type of void that occurs only when a great man has departed. I count myself as very fortunate to have been able to work with a man like Hugh Scott, a man who can truly be called a giant. His 34 years in Congress have been filled with legendary accomplishments which need not be enumerated to be recognized.

Both sides of the Senate will be poorer for no longer having his counsel, insight, and legislative acumen. His uncommon intelligence, his constant good humor and wit are all widely admired qualities of Hugh Scott. However, what has made him unique and invaluable to the Senate and the country is his ability to use these talents and abilities within the legislative process. It can truly be said that he always had the greater good of America foremost in his mind.

The Senate and the country will sorely miss the distinguished Senator from Pennsylvania. A man who is a scholar, an effective leader, an art historian and collector, a wit and tremendous public speaker will not be easily replaced, if he can be at all. Though I regret that he is leaving, my wife Elizabeth and I want to wish HUGH and Marian Scott the very best in all their future endeavors.

TRIBUTE TO SENATOR ROMAN HRUSKA

Mr. DOLE. Mr. President, directly north of my State of Kansas lies the great State of Nebraska which has been fortunate enough to have had many well respected representatives from it in the Senate. Nebraska is indeed blessed to have found two men like Senator HRUSKA and Senator CURTIS to speak for her at the one time. It is with deep personal regret that I note the retirement of one of these two distinguished Senators, Senator ROMAN HRUSKA.

I personally and the entire Senate will sorely miss the intelligence and insight of ROMAN HRUSKA. He has been a tireless worker in the struggle for a good Government which is responsive to the people. As a member of the Judiciary Committee, he has effectively balanced the interests of law enforcement and fairness for the accused in proposing and securing the passage of legislation which truly can be called landmark. His efforts in the passage of the Organized Crime Control Act of 1969 and the Omnibus Crime Control and Safe Streets Act of 1968 are only two of many examples.

His high and constantly held principles are unquestioned, his hard and diligent work fabled, and his devotion to the people of Nebraska is well appreciated. When ROMAN HRUSKA returns to the plains of Nebraska, the Senate will be poorer for his absence, but the people of his beloved State will welcome home a great man and a fine human being. I sincerely hope that he and his wife Vicki have many productive and contented years before them.

TRIBUTE TO SENATOR STUART SYMINGTON

Mr. DOLE. Mr. President, I rise to pay tribute to the retiring Senator from Missouri, STUART SYMINGTON. As everyone knows, my home State of Kansas is a neighbor of Missouri. This means that Kansas and Missouri have at least two things in common, a common borderline and a mutually held respect and admiration for STUART SYMINGTON.

Since serving as the first Secretary of the Air Force, STUART SYMINGTON has been an effective voice for a strong and efficient national defense system. He is an acknowledged expert on atomic and nuclear matters and has been an unstinting advocate for rational and realistic nuclear arms control.

His insight and knowledge concerning foreign affairs has made him a valued member of both the Foreign and Armed Services Committees, and he is the only Senator who serves on both committees.

The public accomplishments of STUART SYMINGTON represent only one side of this man. Those of us who have been fortunate enough to serve with him in the Senate know him as a friendly, sincere, and considerate colleague. When he leaves the Halls of Congress for the last time, I am sure that he will not leave the hearts and minds of the American people who owe him a debt of gratitude for his many years of service to the great State of Missouri and the entire United States.

TRIBUTE TO PAUL FANNIN

Mr. DOLE. Mr. President, I am particularly appreciative for the years of service Senator PAUL FANNIN has given to Arizona, to the Senate, and to our country. In his years of public service, he has provided reliable, conservative leadership in a period when it would have been all too easy to yield to the popular voice of liberalism.

Because both PAUL and I serve on the Finance Committee, I have had the opportunity of working with him, and of observing him tackle weighty committee matters. I have appreciated having ready access to his opinions, and through the years, the accuracy of his assessments has become evident.

The Senator from Arizona has always been concerned with his State's greatest natural resources—I refer to Arizona's native Americans and her plentiful sunshine. PAUL has dedicated himself to improving the American Indians' status in life, and to seeing that they be accorded full civil rights. PAUL has also been a pilgrim in the area of solar energy, and long ago recognized the potential and importance of harnessing the Sun's rays.

Senator FANNIN worked long, productive hours throughout his two terms in the Senate. Those of us who have been around him recognize and appreciate what PAUL has contributed during his years on Capitol Hill. The Senate is a better place because of him.

TRIBUTE TO HIRAM FONG

Mr. DOLE. Mr. President, HIRAM FONG comes from what is generally referred to as a humble background. His parents were indigent Chinese immigrants, who found it necessary for their children to begin hard labor at a young age. During his impoverished childhood, HIRAM nonetheless amassed a fortune that few persons—rich or poor—ever realize. His fortune was that he learned first hand the value of hard work and perseverance. Equipped with these inner resources, HIRAM began a remarkable climb that resulted in an excellent education, an outstanding political career, and impressive personal accomplishments.

I appreciate HIRAM's unceasing efforts to bring about civil rights for all citizens, to reform our immigration policies, and to improve educational opportunities for our children. His own experiences in these areas made him an especially dedicated crusader for these causes. HIRAM is not a flashy, in-search-of-the-spotlight reformer, but a steady, consistent advocate of fair policy.

The retirement of Senator FONG leaves a void in our ranks. It will be no problem to fill the Hawaii Senate position, but HIRAM's commitment and his integrity will not be easy to replace.

TRIBUTE TO SENATOR PASTORE

Mr. DOLE. Mr. President, the retirement of Senator JOHN PASTORE from our ranks means that the Senate is losing a dependable and decent man. We are losing a man who for 26 years has conscientiously served the Congress and who has served it well.

In his role as chairman of the Joint Committee on Atomic Energy, JOHN has displayed his ability to analyze, question, and interpret technical projects and ideas. He is recognized as an expert in the field of energy, and has provided useful leadership to our country. Additionally, as a member of the Appropriations and Commerce Committees, JOHN has provided guidance on many key legislative issues. His contributions have been many.

As the Senator from Rhode Island, JOHN has consistently served it well. I appreciate the value of JOHN's opinion, and delight in remembering his unique style of delivery. We all know of JOHN's convincing oratorical skills which make him one of the most effective speakers in the Senate. His remarks are always on target, and his effectiveness is enhanced with his characteristic enthusiasm.

JOHN's retirement means, among other things, that we are losing one of our staunchest advocates for a sensible hour of adjournment during marathon Senate sessions. Senator PASTORE has always been a realistic, perceptive legislator. Although I will miss him, JOHN leaves with my best wishes and with my gratitude for his contributions to the Senate.

TRIBUTE TO SENATOR MANSFIELD

Mr. DOLE. Mr. President, the adjournment of this session of Congress marks the end of Senator MIKE MANSFIELD's tenure as Senate majority leader. During my 8 years in the Senate, Senator MANSFIELD's capable leadership has been steady and reliable. He has proven himself a good politician, who possesses the ability to transcend party differences as the situation demands.

There are many remarks one could make in tribute to this leader. Senator MANSFIELD is a man of integrity, who protected the interests of those he disagreed with, as well as those with whom he shared common convictions. In my dealings with him, he has been fair, and has listened well to all views on any given topic.

Through the years, my admiration for the Senator from Montana has continually increased. He is smart, he is sensible. He possesses the uncommon ability to look at a problem, perceive the significant issues, and formulate an intelligent opinion. I particularly appreciate the fact that when asked a question, the majority leader would respond with a "yes," "no," or "maybe." He gives a definite, straightforward answer to a long, complicated question, and does not attempt to answer around the question.

When talking recently about Senator MANSFIELD, one of my constituents made the following remark, which I particularly enjoyed. "If you've got to have a liberal Democrat, Senator MANSFIELD may be about the best kind there is," said my fellow Republican. It is an accurate assessment, and reflects my own feelings concerning the Senator's objectivity and integrity.

These brief comments can only portray in part the character of MIKE MANSFIELD. His loyalty and dedication to getting the job done right cannot be adequately expressed. One of my staff members was dumbfounded when she met Senator MANSFIELD coming to work at 6:15 a.m. as she was jogging around the Capitol grounds. But that is typical of the Senator—hardworking, and firmly dedicated to his responsibilities as the Senator from Montana, and as the majority leader.

I am glad to know the distinguished Senator, and to have worked with him. I think it now becomes our responsibility to see that we attempt to follow and pass on his exemplary leadership. We would do well to embrace his standards of fairness, his controlled discipline, and his sense of justice.

THE DUBUQUE-WISCONSIN REPLACEMENT BRIDGE

Mr. CULVER. Mr. President, Iowa's agricultural economy is highly dependent upon a safe and timely transportation system; the transportation of grain and other commodities from farms to markets is critical to Iowa and the Nation. One of the most important links in an effective road system is sound, well-constructed bridges. Though funds from the primary, secondary, and urban road systems of the Federal-aid highway program can be used for improving bridges located on these systems, these funds are usually committed by the States to the increasing costs of road construction and maintenance.

To help provide specific funding for the renovation of deteriorating bridges, the Congress established the special bridge repair and replacement program in 1970. Funds under this program are allocated to States according to a ratio of a State's deficient bridge replacement needs to national needs, and the Federal share of project costs can be as high as 75 percent. As costly as bridge replacement and repair projects are, it soon became apparent that the original level of funding was inadequate. For instance, Iowa received only $2 million under this program in fiscal year 1976, which does not even come close to fulfilling our pressing needs. Consequently, the joint Senate-House conference committee on the 1976 Federal-Aid Highway Act, of which I was a member, took an encouraging step forward by increasing the authorization of this program from $125 to $180 million annually.

The very unique problem facing the Dubuque, Iowa, metropolitan area demonstrates the immediate need for even greater Federal funding for replacing major bridges of substantial cost. The city of Dubuque is the industrial and commercial center for the seven-county, tri-State region with a population of 240,000 people. It is a growing area with a great future. Dubuque is also one of only a handful of cities of its size which are isolated from the benefits of the safe, modern, and congestion-free interstate highway system. The city's social and economic well-being is closely tied to both Illinois and Wisconsin, and fully 25 percent of the Dubuque work force commutes daily from those States.

Presently, transportation across the Mississippi River to Dubuque is provided only by two deteriorating bridges. First, there is the Julien Dubuque Bridge, which is a two-lane structure opened to traffic in 1943. The second bridge is the Eagle Point Bridge which was constructed in 1902. It is only 17 feet wide and has severe weight restrictions, limiting its capacity to passenger vehicles and small trucks. The 1990 transportation plan for the metropolitan area anticipates 39,000 river crossings daily, which greatly exceeds the present combined capacity of 23,000 vehicles per day. The need for constructing a new bridge to remove present hazards, recently became even more critical. The June inspection of the Julien Dubuque Bridge showed an increasingly rapid rate of deterioration, and repairs cannot be delayed much longer. Repairs, under existing conditions, would entail one-lane traffic, 24 hours a day, 7 days a week, for several months. This would be absolutely devastating to the city.

As a result of the outstanding efforts made by various city officials, the Dubuque Chamber of Commerce, representatives from the Dubuque area in the Iowa General Assembly, and other individuals to demonstrate the urgent need for a new bridge, progress is occurring at the State level. The States of Iowa and Wisconsin have included the proposed Dubuque-Wisconsin Replacement Bridge among their highest priorities for funding through the special bridge repair and replacement program. Iowa ranks it as the No. 1 bridge priority in the State, and Wisconsin ranks it as the No. 2 priority project. Unfortunately, this $35 million project cannot be fully funded through the special bridge repair and replacement program, because of the program's limited national funding level. In addition, last spring the Iowa General Assembly appropriated $4 million for work on interstate bridges, and this money will be spent according to the Iowa Department of Transportation's priorities. This appropriation provides initial funding for the proposed bridge, and the Iowa DOT is proceeding with design work. State officials have already entered into negotiations with Wisconsin regarding the construction of the bridge.

Mr. President, the State of Iowa, with the support of the States of Illinois and Wisconsin, has submitted an application for additional funding under the priority primary program of the 1976 Federal-Aid Highway Act. The money authorized for fiscal years 1977 and 1978 under this program is allocated at the discretion of the Secretary of Transportation for projects of unusually high cost on the priority primary system. The State has classified the replacement bridge as a priority primary project. I wrote Secretary of Transportation William T. Coleman, Jr., supporting this application by Iowa, and it is hoped that this application will receive full consideration.

The people of Dubuque cannot stand to be isolated from safe, congestion-free, modern bridges any longer. Iowa has made an energetic and dedicated effort to develop sources of funding for this project, and I believe the compelling need for the Dubuque-Wisconsin Bridge clearly demonstrates the importance of Federal financial assistance in assuring adequate bridges on the Federal-aid highway system.

LAW OF THE SEA CONFERENCE

Mr. PELL. Mr. President, the fourth substantive session of the third United Nations Law of the Sea Conference ended in New York on September 17 amid gloomy press accounts that nothing was achieved and that the conference was foundering. In the wake of the New York session, there has also been renewed talk of the need for unilateral legislative action by the United States to authorize American companies to mine the mineral resources of the deep seabed without waiting for the Law of the Sea Conference to set internationally agreed procedures for such activity.

Before making hasty judgments concerning the results of the most recent session in New York and the desirability of going it alone on deep seabed mining, I believe that further reflection is in order about the complex nature of the Law of the Sea Conference and about how far the negotiators have come in the 3 years since the conference began.

In this connection, Elisabeth Mann Borgese, chairman of the planning council of the International Ocean Institute in Malta, recently gave her evaluation of the conference in an article appearing in the October 1 edition of the New York Times. She points out, correctly in my view, that—

> The treaty being negotiated is the most comprehensive and complex treaty ever negotiated in history.

To expect instant results or to cite one difficult session as grounds for throwing up one's hands in despair is, therefore, not realistic and does not do justice to the solid accomplishments achieved thus far. Not only has Dr. Borgese put developments at the Law of the Sea Conference in their proper perspective, but she has also made an excellent case, in my view, that since people everywhere will be affected by what happens to the oceans they have a right to know more about how decisions are made at the conference. I agree with her that, at the least, representatives of accredited nongovernmental organizations ought to be admitted to the working sessions of the four conference committees. Currently, all committee meetings, where most of the conference work is done, are closed to the press and the public.

It is my earnest hope that the next administration, as well as my congressional colleagues, will heed the advice and insight provided by Dr. Borgese. In particular, it is my view that as long as reasonable progress is being made at the conference, there should be no unilateral legislation enacted to license deep seabed mining by American companies. If unilateral action—whether legislation or an international agreement negotiated by a limited number of countries—eventually becomes necessary because of the intransigence of some delegations, I believe that such action should be carefully drafted so that the door is left open for an eventual broadly negotiated arrangement at the Law of the Sea Conference.

Mr. President, I submit Dr. Borgese's article of October 1 to be printed in full in the RECORD:

THE COMPLEXITIES OF A SEA CHANGE

(By Elisabeth Mann Borgese)

As the fifth session of the third Conference on the Law of the Sea ended, the news media reflected an atmosphere of gloom. They said that the proceedings were all but grounded. But there are a few aspects the public is not aware of, and the press has not stressed.

First, the treaty being negotiated is the most comprehensive and complex treaty ever negotiated in history. With the penetration of the Industrial Revolution into the oceans, the law of the sea is no longer what it used to be. Every issue facing the international community today reflects itself in the oceans: relations between industrialized and developing countries; the arms race; the impact of science and technology on institutions, on society, on the environment; relations between states, the international community, and the multinational corporations; food; energy; resource management; communications and international trade—to name only the most important ones.

To negotiate a treaty on the new law of the sea, therefore, is to negotiate a vital part of world order, including the new international economic order.

Second, and contrary to general opinion, the issues before the conference are not clearly circumscribed technical issues that can be solved in isolation. The general crisis in international relations reflects itself also in the crisis of the conference.

The breakdown of the international law of the sea is part and parcel of the breakdown of international law and order in general. It would not be fair to blame the delegates to the law of the Sea Conference for this breakdown. On the contrary, it is in the conference that the birth pangs of the new international order are more perceptible than anywhere else.

Third, and lest we forget among the daily frustrations: *Something* has been acquired in the nine years since the Maltese Ambassador, Arvid Pardo, drew the attention of the United Nations to the economic potential of, and the ecological perils to, the oceans and proposed that the oceans and their resources be declared to be the common heritage of mankind, that a Declaration of Principles be adopted, and that this conference be called to embody these principles in a treaty.

These principles are here to stay. Even should we fail this time around—which we shall not—they would crop up again, whether in the context of the oceans or with regard to the environment, outer space and satellites, climate and weather modification, energy or food. We shall learn to do together what none of us can do alone.

Fourth, during this process, and little as we may be aware of it, issues and obstacles are changing. What seem to be unsurmountable problems today may offer easy and unsuspected solutions tomorrow.

To give just one example: The alternatives before us in the committee charged with the responsibility of creating the international seabed authority quite likely are not either a system managed and controlled by the international community, or free access for states and companies. Quite likely, there is a third possibility in a comprehensive and flexible system of joint ventures, acceptable to states and companies, under the financial and administrative control of the authority and for the benefit of all countries, especially the poorer ones.

Dilemmas may turn out to be optical illusions, and if an apparently insoluble problem is approached from a slightly different angle new solutions may * * * and-dried articles were agreed upon during this session, such new perspectives have been opened for the next session, at the United Nations in May.

The effort to build a new international order in the oceans may turn out to be the most important international development of this century. People everywhere are affected directly by what happens to our oceans. They have a right to know more about how decisions are made.

It would not detract from the efficiency of the decision-making processes or of the debates of this great conference if the press and at least the representatives of accredited nongovernmental organizations were admitted to the working sessions of the committees. Public support is essential if the treaty that will result from this conference is to be ratified and observed. This support must be built now, through the wide sharing of this knowledge. There would be, I believe, less gloom if there were more participation.

SENATOR JOHN C. CULVER AND THE GREAT RIVER ROAD

Mr. BUMPERS. Mr. President, every American, whether or not he has had the personal opportunity to enjoy its unique beauty, recognizes that the Mississippi River is one of our Nation's greatest natural resources. It is the most scenic North-South waterway in the Nation, and it has played a major role in the development of America. The history and culture of the Midwest, going all the way back 300 years ago to the first French settlers and fur traders, has been dependent upon the "Father of the Waters."

Almost 40 years ago, Secretary of the Interior Harold Ickes initiated the concept of the Great River Road, a midcontinent parkway from Minnesota to the Gulf of Mexico. The purpose of the road is to enhance environmental and historic values along the river by assuring that remaining undeveloped areas are preserved, and to provide access to the most scenic, historic, and cultural sites in the Mississippi River Valley. Though much planning and thought have gone into this vital project since the late 1930's, construction funds were not authorized until $90 million was included in the 1973 Federal-Aid Highway Act. It has only been recently that these funds were finally allocated to the States.

Senator JOHN C. CULVER was one of the original coauthors of legislation authorizing construction funds for this project when he was a Member of the House of Representatives, and he has continued his deep interest in the development of this program ever since. In fact, as a member of the Senate Transportation Subcommittee last year, he helped to include an additional authorization of $78.75 million for the road in the 1976 Highway Act. Recently, Senator CULVER delivered the keynote address at the annual convention of the Mississippi River Parkway Commission in St. Louis, Mo. In this speech, Senator CULVER examined the history of this program and the problems it has faced over the years. His remarks clearly demonstrated how the Great River Road will preserve for all Americans the priceless heritage and tradition which lie along the banks of the Mississippi River.

As a Senator from one of the States bordering the Mississippi River, I know firsthand the importance of the Great River Road and commend Senator CULVER's address to the attention of my colleagues. I submit a copy of his speech to be printed in the RECORD:

REMARKS OF SENATOR JOHN CULVER

In my major committee assignments in the United States Senate, I believe I am fortunate to be a member of two committees—armed services and public works—that deal with some of our most important national priorities, as viewed by most Americans.

There are differences on details, but the vast majority of Americans are agreed on the need for a strong national defense.

And, while we sometimes lose our perspective on longer range objectives, we do share a basic sense of what we are defending with our armed forces—our values, our freedoms, our cultural and economic heritage, our God-given natural resources.

Along with the construction of public buildings and highways, part of the responsibilities of the public works committee relate to the preservation of our natural resources and beauties.

Certainly, one of the most precious of those natural resources is the legendary great river and the magnificent valley through which it flows.

I have a home at McGregor from which we look down a thousand feet at one of the most picturesque bends of the Mississippi, across to Prairie du Chien. I feel close to that river.

"It is," as Mark Twain wrote, "the longest river in the world—four thousand three hundred miles. It is also the crookedest river in the world, since in one part of its journey it uses up thirteen hundred miles to cover the same ground that the crow would fly over in six hundred seventy five.

The magic world of Huck Finn was dominated by this "monstrous big river," and the impact of the Mississippi on our history, our culture, and our economy is remarkable.

What, then, could make more sense than to design a protected corridor to provide access to the Mississippi for living Americans and generations to come. This is, of course, what the Great River Road Project is all about—not just to provide another road to compete with other ribbons of concrete, but to preserve the special quality of the river valley with a park-like corridor to insulate the road from unsightly defacement and over-development and to enable millions of Americans to enjoy the scenic beauties and recreational opportunities the Mississippi provides.

Obviously, a project of this magnitude and long-range significance cannot be accomplished without incredible effort and persistence.

I want to thank and commend you members of the association for your public-spirited commitment and continuing dedication to this project.

In outlining to me what points he thought would be most appropriate and of greatest interest to you, your secretary, Bob Edmond, suggested that a review of the legislative history of the project, as seen by a Member of Congress who was involved in it, is what you would most want.

I have a feeling that I will be going over some territory with which you are familiar, but there may be some value in this because we have a long way to go with the great river road project and perhaps a closer look at what has happened thus far will help guide our future efforts.

As you all know, the great river road is not a new concept. It was endorsed in 1938 by Secretary of Interior Harold Ickes as a scenic parkway from Lake Itasca, Minnesota, to the Gulf of Mexico. To demonstrate the need for such a road and to study its feasibility, the Mississippi River Parkway Commission was created in 1938, and the commission has made a valuable contribution through the years.

In 1949, Congress authorized a joint survey of the river route by the National Park service and the Bureau of Public Roads. This survey was completed in 1951, and the National Park Service and Bureau of Public Roads reported that a parkway along the Mississippi River, crossing back and forth over mostly existing roadway, was highly feasible and worthwhile. The report stated:

"The development of the great river road would directly benefit the ten States which comprise a large section of the country, but the Mississippi River possesses national interest and a parkway along it would have national significance."

Though limited planning funds had been authorized periodically through the 1950's, funds for the construction and reconstruction of the great river road were not authorized by Congress until 1973 under the leadership of our long-time friend, Congressman John Blatnik.

As a result of the 1973 Federal-Aid-Highway Act, $90 million was authorized for the acquisition of areas of scenic, historic, or scientific importance, construction of roadside rest facilities, and the work on the roadway itself.

Of the $90 million authorized in 1973, $20 million was to be allocated among the states for 1974, with the remaining $70 million to be split between 1975 and 1976. It seemed at that time that the great river road project had become a reality, but we soon discovered that only one phase of the battle had been won.

The basic problem was that the administration was strongly opposed to the program and unwilling to allocate the money among the ten States. There were also other reasons for the delay.

First, the Federal Highway Administration (FHWA) was slow in developing a formula for apportioning the funds among the states, a matter that still hasn't been fully resolved.

More importantly, the administration balked at moving forward on this program because, according to a response by Secretary of Transportation William Coleman, Jr. to Senator Humphrey and myself last year, they had concluded that the benefits of the Great River Road were not commensurate with its costs.

This recalcitrance was based on a total misunderstanding of the original scope and purpose of the program as expressed by Congress in the 1973 Highway Act. The road was misconstrued as being designed as a major transportation corridor along the entire length of the Mississippi River and as a competing route parallel to the Interstate Highway. The concept of the scenic road, winding back and forth on both sides of the river, and utilizing largely existing roadways just didn't get through.

Consequently, the projected cost of the road was greater than originally expected and, after a one-year deferral, the administration proposed to rescind the authorization of the program in 1976.

Neither House of Congress approved this rescission within the mandatory period of time, thanks to the outstanding efforts of Congressman Bill Alexander, among others. Subsequently, the House Appropriations Transportation Subcommittee requested a deferral of funds until confusion over the scope of the road could be resolved.

During consideration of the 1976 Federal-Aid Highway Act last fall, the Senate Transportation Subcommittee, of which I am a member, adopted my motion to include an authorization of $78.75 million for the Great River Road program for fiscal years 1977 and 1978.

It was hoped that this authorization would demonstrate conclusively the congressional commitment to a National Scenic and Recreational Highway program.

Though the subcommittee, over the objections of its chairman, narrowly voted to authorize these additional funds, the fight was by no means won.

The battle for the road continued when the full Senate considered the 1976 Highway Act, last December.

At that time, Senator Buckley proposed an amendment to strike the Great River Road funds in the bill. Citing the arguments and misconception put forth by the administration at that time, Senator Buckley persuaded the Senate Budget Committee that the ultimate costs of a road running along both sides of the Mississippi would be excessive and prohibitive.

Seeing that some quick action was necessary to save this money, I worked out an agreement with Mr. Buckley to limit the Great River Road funds for reconstruction purposes. Obviously, this would have limited not only the cost but the scope of the program, but the compromise saved the road legislation from being killed at that point. So the $78.75 million was preserved in the Senate version of the bill, albeit with the limiting provisions of the compromise.

Next came the joint Senate-House conference committee meeting on differences between the Senate and House 1976 Federal Aid Highway Bills. As a member of the conference committee, I strongly supported language in the committee's report re-clarifying the original intent of Congress regarding the Great River Road.

The specific language states:

"The Great River Road is not meant to be a major roadway along the entire length of both sides of the Mississippi River. It is to be one road that criss-crosses the river several times. The conferees want to reaffirm that existing road bed along the Mississippi River should be used feasibly except where there are significant breaks in the continuity of the Great River Road."

The language, worked out by Congressman Oberstar and myself, persuaded the conferees to continue funding for both construction and reconstruction. It also, at long last, served to convince the administration of the seriousness of the congressional intent about this project. As a consequence, they proceeded with the allocation of the $90 million provided by the 1973 Act.

On May 12, 1976, the administration withdrew the deferral it had imposed at the request of the House Appropriations Transportation Subcommittee last year. On May 20, the President released the interim criteria for allocating the funds among the ten states and subsequently began allocating $80 million of the $90 million for obligation by the states.

As you all know, the FHWA is currently reviewing the interim regulations for allocating the $80 million among the 10 states, and these long-awaited funds will be used quickly. That will leave the $78.75 million authorized for 1977 and 1978 available.

But if we have learned anything at this point, it is that we can't afford to be complacent. There are still battles to be fought to preserve the Great River Road project, and the full congressional support of the ten member states will be absolutely essential.

Additional funding beyond the $168.75 million already authorized may be needed, and the FHWA has indicated at hearings before the Appropriations Committee this spring that the Great River Road program may be a candidate for "consolidation".

This would amount to killing the program as a separate category in the Federal Highway program and lumping its funds in other general programs.

I don't need to draw a diagram to convey to you how this "consolidation", if it were to occur, would complicate further funding of the road. We in Congress will need your full support and I know that it will be forthcoming.

So the battles never seem to end, but I know that we all agree that the cause is infinitely worth whatever effort it requires.

No one can question that the Mississippi Valley is the most important scenic corridor in our Nation and its rich cultural and historic values are a national heirtage on which no price tag can be set.

It is fitting and appropriate that in our bicentennial year, we reaffirm our dedication to the Great River Road project—whatever the difficulties and roadblocks may be—and thus keep faith with the generations of Americans to come.

RICHARDS-GEBAUR AIR FORCE BASE

Mr. EAGLETON. Mr. President, the citizens of Kansas City have been greatly concerned over a proposal by the Air Force to move the Air Force Communications Service from Richards-Gebaur Air Force Base, in Kansas City, to Scott Air Force Base, Ill. A recent editorial in the Kansas City Star stated one of the reasons for their concern over the proposed move, which was the subject of a recent hearing by the Military Construction Subcommittee. As it is too late to include this editorial in the hearing record, I submit it to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RICHARDS-GEBAUR MOVE WOULD CRIPPLE HOUSING MARKET

Property values in the area of Richards-Gebaur Air Force Base had been increasing at the rate of 8 per cent annually . . . that is, until plans were announced that the Air Force Communications Service would be moved to Belleville, Ill. Within that period of approximately a year the rate of property value increase has slowed to about 6 per cent.

That serves as a clear warning of the impact the transfer would have on the housing market in the Grandview-Belton area. If the major portion of base operations is moved, about 1,700 homes would be placed on the market, at an average sale value of about $40,000. The rental market would also be glutted with more than 1,600 vacancies. The Air Force claims that approximately 71 per cent of the homes could be sold outright by the owners, that figure being according to the national average.

Unfortunately for the residents concerned, the Grandview-Belton area does not follow the national average in sales. The area is already described by realtors as a "soft" market. That being the case, the Army Corps of Engineers would have to purchase the houses vacated by mandatory moves and pay for them in accordance with the Homeowners Assistance Plan. The houses would then be turned over to the Housing and Urban Development Department for management. There's not much excitement by HUD officials because the agency had 19 homes under the H.O.A.P. and could sell only seven of them in a 10-month period.

The Air Force says that it can save the Defense Department $11 million by relocating. Reports on the impact of the move show that the move would cost other government agencies $30 million. HUD would need an extra $3 million for the simple purpose of managing the vast property gain. Thomas Kilbride, director of the Kansas City area office of HUD, said that the sales prices for homes in the Richards-Gebaur area already have dropped by 10 to 15 per cent.

Among the major concerns of what would occur in the instantly flooded housing market are sales in the area and maintenance of the property. Sure the housing would be available at a bargain price, but it is doubtful that enough buyers would purchase homes in that area. The problems there are vacant houses, which drive insurance rates up and lure crime into the area. If those two pitfalls can be avoided, then the homeowners are still stuck with a neighborhood full of houses with boarded-up windows and weed jungles for yards. That hurts the homeowners' chances of competing on the sales market.

Conversely, there might be a rush to fill the apartment vacancies created by the proposed transfer of the communications facility. The lure of inexpensive rent might cause that, which would hurt the competitive rent of other accommodations in the metropolitan area. The prospect of full apartment houses in the south Jackson County area doesn't seem bright, however, because of the vacancies there now.

It would take about seven years to clear the market of all homes, both resale and rental, vacated by Richards-Gebaur personnel. In that time there would be virtually zero housing starts, thereby permitting dilapidated conditions to spread.

Other effects would bring on erosion of the tax base, with those homeowners remaining in the area burdened with a bigger tax load to maintain services. HUD would pay in the interim period, but the residents would be left to handle it themselves in the long run.

Lending institutions already are hesitant about new construction loans in the Grandview area and confidence in that housing market is dwindling. The Air Force has a mandate from Congress to reduce its spending, but this non-tactical (not necessary for national defense) move is highly questionable.

The irony of the matter is that while destroying the housing market in the vacated area, the Air Force move to Belleville would drop about 4,000 employees (with their families) into an area where housing is desperately needed now.

Although the battle lines drawn between Belton and Belleville seem to indicate a crossing of international borders, we realize that the two cities are in the same country and under the protection of the same armed forces. The move of the bulk of operations at the $90-million Air Force base cannot be justified by the figures presented.

The housing area, quite naturally, would be the first to show the ill effects of a transfer that would have a secondary effect on the metropolitan economy that could run as high as $400 million on the housing market alone.

TRIBUTES TO SENATOR SYMINGTON

Mr. EAGLETON. Mr. President, I submit the following: An article from the St. Joseph, Mo., News-Press; an article from the Warrensburg, Mo. Daily Star Journal; a letter from General Omar N. Bradley; a letter from Speaker Carl Albert and a letter from George Bush, Director of the Central Intelligence Agency detailing the tributes paid in the Senate to our retiring colleague, the senior Senator from Missouri (Mr. Symington), and ask that they be printed in their entirety in the Record.

There being no objection, the article and letters were ordered to be printed in the Record, as follows:

[From the St. Joseph (Mo.) News-Press]

Senate Members and Top Officials Sing Praises of Stuart Symington

(By Dorothy Williams)

Washington.—The Senate, virtually on the eve of adjournment, took time to extoll retiring Sen. Stuart Symington with an impressive outpouring of praise and warm regard.

Missouri's junior senator, Thomas F. Eagleton, who coordinated the tributes to his fellow Democrat, also read communications from President Gerald Ford, Vice-President Nelson Rockefeller, Democratic presidential candidate Jimmy Carter, Secretary of State Henry A. Kissinger, Gen. George S. Brown, chairman of the Joint Chiefs of Staff, former Defense Secretaries Clark M. Clifford, Robert S. McNamara and Melvin Laird, former Secretaries of State Dean Rusk and William P. Rogers among others.

Mr. Ford said Symington's career was "marked with the wisdom, honor and integrity of a great statesman."

The vice president said Symington's more than 45 years of public service showed "a broadness of vision which placed the national interest above narrower considerations, a long view particularly apparent in your valuable contribution to American foreign and military policy."

From Ladybird Johnson, widow of the late president, came a "Dear Stu" note which read:

"I think back to those vigorous, hard working days when Lyndon and I knew you as the Assistant Secretary of War for Air and Secretary of the Air Force, and I remember warmly and affectionately the friendship we shared during the years that followed through the Senate days and beyond.

"How dear you were to our little children whenever you came to our old house on 30th Place and talked with Lyndon about the heavy matters of the day!"

She concluded with the hope the Missourian "will find every contentment and satisfaction, as we did, in the time ahead."

Frequently in reviewing Symington's career, colleagues, such as Sen. Hubert Humphrey, D., Minn., mentioned with affection the senator's late wife, Eve.

Our friend Stuart Symington has blessed us with his service, but he was blessed, as has been noted here today, by a marvelous and beautiful woman, whom Muriel and I were privileged to know," Humphrey said.

It was a bipartisan salute voiced by politicians of all shades of thought in the Senate.

Sen. Charles McC. Mathias Jr., Maryland Republican, claimed Symington as a fellow Marylander, pointing out the Massachusetts-born Symington came from "a distinguished Maryland family . . . grew up in Baltimore and went to school there."

Like many speakers to follow, Mathias commended Symington for his "crucial role" . . . in efforts to prevent nuclear proliferation throughout the world.

"If we finally manage to avoid nuclear holocaust and to curb nuclear proliferation much of the credit will belong to Stuart Symington," Mathias said.

Also like many others in the Senate, Mathias expressed gratitude to Symington for "arousing this body and the nation to the menace of McCarthyism."

Sens. Henry Jackson, the Washington Democrat who entered the Senate on the same day with Symington in 1952, and John C. McClellan, D-Ark., recalled service with the Missourian in 1954 on the investigative subcommittee which eventually exposed the late Sen. Joseph McCarthy, R-Wis. as a red-baiting demagogue.

One of the most comprehensive tributes came from Sen. Edward M. Kennedy, who called Symington "one of America's finest and wisest leaders." As first secretary of the Air Force under President Truman, Symington was "an early national leader in the continuing debate over the proper balance of America's military forces in a changing world," the Massachusetts Democrat noted.

"He (Symington) always had the courage of his strong convictions," Kennedy said. "The high quality of leadership that brought him to challenge Joe McCarthy in the difficult cold war years of the 1950s was the same quality that made him an early opponent of the Vietnam war in the 1960s," Kennedy said.

"The outstanding ability and dedication that led him to investigate and expose and finally end the secret war and bombing of Laos and Cambodia were the same qualities that made him a major figure in the investigation of the Central Intelligence Agency's role in the cover up of Watergate," Kennedy continued.

Kennedy credited these Symington inquiries with laying "the groundwork for the Senate Intelligence Committee's comprehensive oversight work in this Congress which has done so much to end the abuses of the past and bring the United States intelligence agencies under firm and responsible congressional control.

Symington knows the military budget as well as anyone, Kennedy said, and he knows the need for a strong defense and at the same time for efficient defense spending.

"He understands that America cannot afford to become so musclebound with military might that we lose sight of our other basic goals in both foreign and domestic policy," Kennedy said.

Kennedy recalled an occasion when Symington said on the Senate floor that he could not understand how the administration could ask $1.5 billion and turn down $75,000 needed for a dam near Joplin.

"He was at home in handling delicate issues of international relations as he was on basic issues like homes and schools and jobs and health," Kennedy went on. "In dealing with these and many other challenges, he was a model for us all in the effective way he combined the roles of senator from Missouri and U.S. Senator."

Symington, in acknowledging the eulogies, in effect, had a response to that.

He said he was grateful for the cooperation of his young colleague, Tom Eagleton.

"I would also express deep gratitude to my staff, above all to Stanley Fike, possibly the most popular man in Missouri, my administrative assistant for every day of the 24 years I have been in the Senate, and to his superb wife, Mildred, for putting up with his consistent long hours in the office."

Symington told the Senate "the respect and admiration for Stan back in my State have made it possible for me to do much more work in committees that have been mentioned, because all Missourians knew that when they talked to him they were, in effect, talking to me."

Fike and all other members of the Symington staff were seated in the Senate galleries throughout the tributes.

[From the Warrensburg Daily Star-Journal]

An Outstanding Career

As the 94th Congress adjourned Sept. 30, Stuart Symington, Missouri's senior senator, stepped down from a 24-year senatorial career—one marked with distinction and just a year short of spanning a quarter of a century.

Actually the Senator's service in national government totals 31 years. Prior to his lengthy tenure in the U.S. Senate, he had a seven-year stint which began in 1945 in the Executive Branch of the federal government.

During this time the quality of his performance and the kind of ability he possessed were soon recognized as superior. He was approved six times by the Senate for high office without a single dissenting vote by Democrats and Republicans alike.

After being Secretary of War for Air in 1946, he became the nation's first Secretary of the Air Force the following year. Appointments as chairman of the National Security Resources Board and administrator for the Reconstruction Finance Corporation ensued.

So when Missourians sent Stuart Symington to the Senate in 1952, he had already gained a national reputation. Not unexpectedly, he quickly became one of the most respected and prestigious senators. And his influence was felt continuously.

Keenly interested in Missouri and Missourians, he served them extraordinarily well as he did his nation. Small wonder that he would be re-elected for three successive terms.

As the Missouri senator distinguished himself nationally in governmental affairs, the State of Missouri basked in the reflected limelight.

Sen. Symington is a gentleman and a statesman. To his office he brought dignity, intellectual sharpness, integrity, devotion and a warmth of friendliness.

Attesting to the esteem and admiration in which he is held so widely were the accolades that came from many of the nation's leading figures and his colleagues as the Congress drew to the end last week.

Among those paying tribute to him were President Gerald Ford and Vice President Nelson Rockefeller. So numerous were those who insisted on joining in a Senate floor tribute to Sen. Symington the time scheduled for it had to be moved up an hour and fifteen minutes.

As Missouri's outstanding senator has reached retirement, he is leaving a special imprint on Congress and the Washington scene.

In all probability few will be able to emulate his effectiveness. It can be hoped that many will try.

We are certain countless Missourians join us in expressing gratitude to Sen. Symington for the splendid representation he has given us and our state.

We wish him Godspeed.

Los Angeles, Calif.,
September 28, 1976.

Hon. Thomas F. Eagleton,
U.S. Senate,
Washington, D.C.

Dear Senator Eagleton: It has been brought to my attention that Senator Stuart Symington is retiring from public office after a lifetime of dedicated service to the nation.

My professional and personal association with Senator Symington has been marked by an unfailing sense of deep admiration and friendship. During his tenure as the first Secretary of the Air Force and throughout his twenty-four years in the Senate, Senator Symington's concern for our country has been his guiding light.

Senator Symington has added to the rich weave of our nation's tapestry, and we are indebted to him.

Sincerely,

Omar N. Bradley,
General of the Army.

Washington, D.C.,
September 30, 1976.

Hon. Stuart Symington,
U.S. Senate,
Washington, D.C.

Dear Stu: While I certainly empathize with your plans to retire from public life, your absence from the Senate next year will create a void that will be sorely felt by the American people, particularly the citizens of Missouri. Your significant contributions, both to your constituents and to the Senate Committees on International Relations and Armed Services, are well known among your Colleagues here in Congress.

First as a member of President Truman's Cabinet, serving in a number of capacities, and later during a career in the Senate that spans almost a quarter of a century, you have always had uppermost in your mind the views and aspirations of the citizens of this Nation. I can only assume that it took a fellow Missourian, in the person of President Truman, to lure you away from your highly successful career and assured future in private industry.

Best wishes, Stu. The people of America will be losing a strong voice that has always been willing to speak up in their behalf, but the people of Clayton will be regaining their most distinguished citizen. That may be your greatest tribute of all.

Sincerely,

Carl Albert,
The Speaker.

Hon. Stuart Symington,
U.S. Senate,
Washington, D.C.

Dear Stuart: This is just a little note to wish you well as you leave the United States Senate and to thank you for your leadership and great service to the United States. Dad loved working with you as a peer and the same is true of his son, in a somewhat different capacity.

The Senate won't be the same without a Symington in it, but as you leave you've got to know that all your friends have great respect for the job you did and for your selfless service to your country.

During these last few months as Director of CIA I have valued your constructive counsel.

More importantly, I have valued your friendship.

Sincerely,

George Bush.

VETERANS' EDUCATION AND EMPLOYMENT ACT

Mr. GARY HART. Mr. President, as the Senate considers this bill, the Veterans' Education and Employment Act of 1976, I would like to remind my colleagues that American veterans are today facing many crippling problems. This bill will go a considerable distance toward solving some of those problems, and I wish to recognize the many hours of hard work put in by the committee members and their staff on this vital piece of legislation, and to commend them for their efforts.

One of the biggest problems veterans encounter today is unemployment. For the young, minority, or disabled Vietnam-era veteran, unemployment is outrageously widespread. The unemployment rates for these men and women, aged 20 to 24, was 15.4 percent in August. For the minority veteran in that group the unemployment rate is approaching 30 percent. I think this is disgraceful.

Current provisions to deal with this problem have proved totally inadequate. For example, Public Law 92–540, section 2007 requires State employment services to provide eligible veterans with prompt placement services in a satisfactory job or job training opportunity. At the very least, it was intended to provide assistance to the veteran in job development or employment counseling. The figures I have cited indicate that the Vietnam veteran is not getting the needed job services from federally funded State employment agencies as required by Federal statute.

This is substantiated by a fiscal year 1977 report published by the Department of Labor's employment service automated reporting system—ESARS—which showed that out of 2,136,673 Vietnam-era veterans who applied for services at State employment agencies across the Nation, over a third were "inactivated with no service." Only 370,419 were placed in jobs having a maximum duration of 3 days.

In Colorado, the Colorado Association of Collegiate Veterans and Dean K. Phillips filed suit (Civil Action 74–F–383) in April 1975 in Denver Federal District Court against the U.S. Department of Labor and Colorado Division of Employment for their failure to provide adequate services to veterans as mandated by Federal statute. On August 15, 1975, an out-of-court settlement was reached and a plaintiff's review committee was formed to actively examine the internal processes of the Colorado Division of Employment to assess its effectiveness in meeting the established goals of employment, job training and counseling of veterans. It also provided a mechanism whereby those specific problems identified by the review committee and recommended solution could be added to the overall planning process to the division's plan of service, thus improving employment and training opportunities for the veteran.

This committee, comprised of mostly Vietnam veterans, has done a remarkable job in pointing out to State and Federal officials problem areas within the employment service and has offered constructive suggestion for improving job services to veterans.

Mr. President, it is distressing that American veterans have to sue their own Government to force it to comply with its own law.

Mr. President, as the Veteran's Affairs Committee's report on S. 969 and Senator Cranston's eloquent statement of September 16 points out, the Department of Labor, under Republican leadership, has failed miserably in helping the Vietnam-era veterans find decent employment. It appears, as in the case of Colorado, that we might have a more compassionate and efficient employment service if we let the veterans themselves run the agencies.

JOHN W. POWELL

Mr. McGEE. Mr. President, before the year is out and before the 95th Congress convenes, a fine public servant with whom I have become well acquainted over the past few years will leave Washington, D.C., to return to private business in his native State of Pennsylvania.

John W. Powell, as a senior representative of the U.S. Postal Service's Government relations department, came to know many Senators from both sides of the aisle and has gained great respect on the Senate side of the Hill, even though a major portion of his responsibilities at the Postal Service were more deeply involved with the House of Representatives.

When Jack Powell came to Washington in 1966 it was to a position on the minority staff of the House Committee on Post Office and Civil Service, where he served until he was tapped in 1969 to join the old Post Office Department and work on the Postal Reorganization Act of 1970. After the reorganization, Jack remained with the U.S. Postal Service as a Government relations representative, initially for the eastern region, but in recent years for the western region. He has been closely involved, not only in the development of the original Reorganization Act, but also Public Law 93–328 and, most recently, the Postal Reorganization Act Amendments of 1976, Public Law 94–421.

While Jack came to Washington a partisan Republican and, I am sure, remains confirmed in his political convictions, he has consistently dealt with all Members of both Houses in a fair, open, and nonpartisan manner while discharging his duties as an advisor to and representative of the past three Postmasters General.

Jack's services will be missed, not only by the Postal Service, but also by the many Members who have had the privilege of dealing with him over the past 10 years. He leaves Washington at the young age of 33 to return to his home and to private business. I know I speak for many Senators in wishing him good luck and good fortune.

NORMAN S. HALLIDAY

Mr. McGEE. Mr. President, on November 1, Assistant Postmaster General, Norman S. Halliday, will be leaving the U.S. Postal Service to enter the private sector. It was with considerable regret that I learned of Norman's coming departure.

The Senate knows well that in Washington, D.C., there are many men and women with great talent and effectiveness, but it is worth remarking that Norman stands out among those talented and effective people. Yet, with all he has going for him, he is free from the arrogance and aloofness that sometimes characterizes those with full-blown talents.

Perhaps Norman's generosity can be best demonstrated by the reports I have received from time-to-time about his abundant concern for people who are in desperate circumstances. I have been told, for example, that friends of Norman's, who have suffered a death in their family or a divorce, call upon him for counsel and mitigation of their pain. I understand that under those circumstances, he has been a source of strength and sympathy. There are not many who will take the time and the energy out of a busy and demanding life to lend an ear and a large heart.

With those rare human qualities working for him, Norman has been instrumental in keeping the U.S. Postal Service a viable operation. The Senate knows well the difficulties that the USPS has had during the 5 years of operation under the Postal Reorganization Act. His knowledge and expertise about the Service and his understanding of the men and women in Congress have been a rare meld which has helped both the Service and the Congress.

In my judgment, there are three things which are necessary for good liaison work. Norman has all three in abundance: First, good liaison requires an immense expenditure of time and energy; second, a thoroughgoing knowledge of the agency represented; and third, the ability to be an accurate headcounter. Put these there ingredients together with Norman's sense of humor and you have a very good man indeed.

I wish Norman the very best of luck, even though his good fortune might very well keep him away from additional Government service. So, in my ambivalence, I can only express with inadequate words my admiration of Norman Halliday for a job well done.

FRANZ E. DANIEL, "LABOR AGITATOR, ORGANIZER, HUMANITARIAN"

Mr. SYMINGTON. Mr. President, Franz Daniel, a pioneer labor organizer in the early thirties and a tower of strength in the labor movement for some 40 years, died in Springfield, Mo., on August 19.

On September 29, union labor leaders and friends from all over the country joined at the AFL–CIO auditorium here in Washington in a memorial service tribute to "Franz E. Daniel, labor agitator and organizer, humanitarian." The full transcript of the memorial service filled 17 typewritten pages, far too much for our limited space, but I do submit for the Record excerpts from the tributes including the remarks of my colleague, Senator Thomas F. Eagleton, and two articles from the August 24 Leader-Press of Springfield, Mo., where Franz had returned in 1969 to live and work until his death on August 9, 1976.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Joe Geazer. "We all read in the papers that Franz Daniel died. But we all know that he never died. He's up there in the big sky, marching on that heavenly picket line. So I will sing a little bit of 'Joe Hill'."

Nick Zonarich. "Franz Daniel was a labor agitator and an organizer, a humanitarian, a scholar, a fighter, a distinguished trade unionist, a man of sterling character. He met his journey on August 19, 1976. Men like Franz Daniel are the very reason for the existence of the American labor movement.

"He studied to be a preacher. Inspired by the social gospel, as it was embodied in him, he joined the labor movement early to help others—those less fortunate. He was a crusader. He knew that our society needed a strong labor movement. He was a soldier in the ranks of labor unafraid. During his career he made war on poverty. He was a promoter for social change, for civil rights and civil liberties.

"I had the rare privilege of being associated with Franz Daniel for over 40 years in the labor movement. To me he was a source of inspiration. He was a power within us."

Andy Biemiller. "Before I make my own brief remarks, I want to take the time and have the pleasure and the privilege of introducing a distinguished friend of Franz. When Franz left the Industrial Union Department for retirement he went back to Missouri . . . while living there it was typical of Franz that he threw himself into the political battles of that state. In the course of those battles he became a close friend of Missouri's United States Senators. I am very proud and honored to present to you Senator Thomas Eagleton of Missouri."

Senator Eagleton. "I am here in a dual capacity first, of course, for and of myself and also for Senator Stuart Symington. He was not able to be here but his administrative assistant, Stanley Fike, came with me and Senator Symington asked me to say to you that his feelings are the same as mine—a deep personal loss for a very wonderful man.

"'As with all good in the world, his presence lives on to sense the right, the appropriate and the required thing and, in the face of adversity, to do it well, to do it in style. That was our father.' So spoke the sons of Franz Daniel, James and John, at the time of their father's death.

"Franz was a scholar; he was certainly a fighter; he was a civic leader and a man of great merit. In the 72 years of his life, there were many great accomplishments. He started out to be a preacher with three years of graduate study at the Union Theological Seminary in New York. He then became an organizer for the Clothing Workers in the 30's, the troublesome 30's when it wasn't easy to be an organizer for anything, especially the very difficult work for the Clothing Workers.

"He later worked in major organizing campaigns in the South for the CIO. He also served as an international representative of the Marine and Shipbuilding Workers in the 40's in Washington. And a state regional director of the CIO north and south from 1946 to 1953. In 1953 he was named CIO regional director for the Rocky Mountain states and was appointed as assistant to the great president of the CIO at that time, the late Walter Reuther. Following the merger of the AFL–CIO Franz became the assistant director of organization. He transferred to the Industrial Union Department organizing staff in early 1963.

"And then he returned to his native state of Missouri, Springfield, southwest Missouri, in 1969 and devoted much time to service-oriented organizations including such things as the Springfield Public Utilities Board, the Unitarian-Universalist Church, the Democratic Party and Alcoholics Anonymous.

"At the funeral services held in Springfield on August 24 an overflow crowd heard several memorials to this devoted labor leader and good citizen.

"John Daniel, his son, recognized his father in this way. He said, 'Dad never figured out how to keep squirrels off his bird feeder, but he tried like hell. He saw the good and music in people. He recognized injustice when he saw it. He was the epitome of a morally engaged human being who taught us that we grow from stress and pain if we are strong enough. The social fabric of the nation has been altered by his life.' So spoke his son. And adequately and accurately so.

"So I join with the many friends of Franz Daniel in saluting this remarkable person. He was a man of great compassion and sincerity and accomplishment. Franz himself wrote later in life as follows: 'I'm persuaded more now than ever that wrongs can be made right, that peace can supplant war, that justice can prevail.'

"Well, I too believe in these same things, Franz. And I think all in this room have been enriched by your work, by your goal and by your purposes and that we have much to do in your name and in your honor. I glance down at this very fine memorial program. I like that cover picture. He would have liked it too. It says below his name: 'Labor agitator, organizer, humanitarian.'

"We need some agitators, ladies and gentlemen, in this world. When we tend to think that the work has been done, that all of the goals that organized labor set forth to do in the 20's and the 30's and the 40's have been accomplished—social security, minimum wages, unemployment compensation, medicare, medicaid—all goals and aspirations of labor, many achieved, some only partially achieved, but Franz Daniel would say there's still an awful lot of work to be done.

"The word agitator to me is a good word. It doesn't mean trouble maker. It doesn't mean one who just creates motion and wind for the sake of it. It means one who identifies himself or herself with important social issues and is willing to speak out on them and to keep speaking and to keep agitating until justice is done.

"Organizer—Mr. Potofsky and others will speak with great expertise on that, because I'm told that Franz was an organizer preeminent.

"Finally humanitarian—that's what we all would like to be. You know outside of labor, young. old. rich, poor, black, white. If it could be said of all of us when our day comes, as it will, he or she was a humanitarian—that's about as good praise as any of us could get and few of us will deserve.

"So Franz would appreciate this recognition here today He'd appreciate all of it, because of his identification and his affection for labor and the labor movement. But most of all I think he would appreciate and say how good it is to be remembered as 'Franz Daniel, labor agitator, organizer, humanitarian.'"

ANDY BIEMILLER. "Before I begin a few brief reminiscences of our very dear friend, Franz, I want to read to you a letter from George Meany.

"'DEAR ANDY: I deeply regret that my schedule makes it impossible for me to be present at the memorial services for Franz Daniel. I certainly join in spirit with all of those who pay tribute to his memory.

"'Throughout his life Franz fought for the underdog and upheld the rights of free men and women on and off the job. Many people including those who never met Franz are better off because of his lifetime of services to others.

"'The workers Franz fought for, especially in the South, still are engaged in those battles. When those workers eventually succeed in building their union—and they will—they will remember that Franz was at their side. The fight for decency and equity will go on, as it has for many generations, until it is won. And Franz Daniel will certainly share in the victory he helped to fashion.

(Signed) GEORGE MEANY.'

"Franz Daniel is in one sense, the product of his times. It was a time . . . that many, many college students were trying to find some sense in the turmoil of the late 20's and the early 30's. And I think that the wisest of us—and there are some in this room who had similar experiences—came to the conclusion that the only real vital force that we could work with in the United States was the labor movement. And that's where a lot of us wound up. And I don't think any of us ever regretted it.

"Our sense of social justice drove us there. And Franz, to the bitter end, and I talked with him just a few days before he died, was still full of fight, wanting to get things accomplished . . . I cherish that memory of the man who knew how to fight and to fight effectively. He loved human beings and I think that's the answer to any great person. He was truly a humanitarian. And I am honored to have some small role in paying tribute to him today."

NICK ZONARICH. "One of Franz's early employers was the Amalgamated Clothing Workers. It is my privilege now to call upon our good friend, Jacob Potofsky."

JACOB POTOFSKY. "It seems only yesterday, but it was forty-four years ago when I first met Franz Daniel. It was in the Fall of 1933 and the Depression was at its worst. The times were hard and the outlook was without hope or cheer. In the Amalgamated office we heard rumors about sweatshops and the use of child labor in the shirt industry in Pennsylvania . . . It was in Allentown that I met Franz Daniel, who had been working in the Socialist Party and, on behalf of the Amalgamated, I stole him away at a magnificent salary of $5 a week. Perhaps you think that wasn't very much. Well, it was twice as much as the Socialist Party had been paying Franz.

"The times are different today. We have to realize that at least one quarter of the shirt industry employees then in Eastern Pennsylvania were children under 16 years of age. With the great help from Franz we declared war on the sweatshops and child labor. We sent delegations to Harrisburg and won the sympathy of a great lady, Mrs. Gifford Pinchot, the Governor's wife. And we called strikes . . . we won support of the community, of clergymen, and of public officials like the Mayor of Allentown. It wasn't long before we tied up some twenty factories, and the shirtmakers of Pennsylvania became the backbone of the cotton garment division of the Amalgamated and have been ever since, and we now have more than 100,000 of them in the union.

"I'm here to recall the spirit and the joy of living that marked the character of our friend, Franz Daniel. Franz was a leader. He helped us out, helped recruit a staff of upstanding people such as Phil van Gelder, Newman Jeffery, Elden Lamar, only to mention a few. Franz fully carried the spirit of the union. His goodness showed through in many ways. Whenever he used to walk in picketing, I remember that kids followed him around as though he were Santa Claus or a Pied Piper. One day a group of young people walked out in disgust from a starvation wage, non-union factory. Franz gathered them together and said quietly, 'Let us pray.'

"It was the minister in him talking. They would have gone anywhere done anything for Franz. All he asked was that they stand up strong and stick with the union.

"Franz was a giant of a man physically and spiritually. It was people like him who built the AFL–CIO and changed the course of our history all for the better. Today and tomorrow long after his departure, we will remember his dedication, his idealism, his wonderful sense of humanity. He made his mark and it was very deep and it was very good, and we salute him and will remember him for many, many years to come."

LARRY ROGIN. "Each of us has long and many memories of Franz . . . He had an ability to respond to crises, whatever they were. A crisis in organization. A crisis in meeting people.

"He could move workers and staff to accomplishments beyond their abilities. And that, of course, is what labor leadership is—to make people do more than they are able to.

"He never got discouraged. He always saw room for hope.

"And I think it's appropriate that, just these last few weeks before he died, he was being called upon again to lend his efforts to the J. P. Stevens organizing campaign because it was a kind of climax to what he was doing all his life."

ALICE COOK. "I'd like to talk about Franz's days in Philadelphia in the early 30's. The northeast of Philadelphia where many of us lived in Kensington or in Frankford the domination there of the Hosiery and Textile Workers with Emil Rieve Alex McKeoun, Carl Holderman John Edelman and Larry Rogin and the happenstantial organization of a house in which many of us lived for a period of seven years and which came to be called—not by us but by our neighbors—the Soviet House. And Franz . . . was head and shoulders above all of us. We all looked up to him, whether we were younger than he or older than he. We regarded him as the center of our existence, the most colorful figure in our lives. And I think anything which we have become since then is deeply imbued with his personality, with his dedication and with his talent."

NEWMAN JEFFREY. "Back in the 1930's, when Jacob Potofsky was known as the Major Bowes of the labor movement—at least that's what we thought he was—because he used to pick up amateurs and train them to become labor organizers. Of all the people that Jacob and the Amalgamated and the early CIO picked up and trained, I think by far in a way the most outstanding of us all as an organizer and as a leader was Franz Daniel.

"Only those of us who had the opportunity to visit Franz in Springfield in the last 10 years have any real conception of the extent and the breadth and the depth with which Franz lived and communicated with the people of that area, which . . . was the area where he was born and raised 72 years ago. In those ten years he probably crammed more living for others than most of us are able to do in a whole lifetime.

"And I think it a measure of Franz's unique ability to cross all lines and all stratifications in almost any organization or almost any society and find something in common with others of those that he might have been closely associated with in other fields. I would like to introduce to you one of Franz's very close associates from Springfield, who will tell you in more detail about Franz's life in Springfield and what it meant to the community . . . Del Caywood, the chairman of the Springfield Public Utilities Board."

DEL CAYWOOD. ". . . Franz came home to a community that he had left some forty to forty-five years ago that was essentially the same that he had left. We knew not what to expect but instead of the agitator, the organizer, the Socialist, we found a kindly man . . . we found a man who was almost as if he wanted to get lost and immersed back into the community in which he had originated.

"And he worked with a zeal that was uncommon. He threw himself physically and emotionally into every cause for good that embraced the fabric of this community. He didn't force himself upon us. But his kindly wisdom was soon sought out . . . and he came to be a revered figure . . .

"He was appointed to the utility board as was I and again I had the pleasure of serving as chairman of this group and he as my vice chairman . . . Franz brought to this group the same counsel and the same wisdom that he brought to everyone in our community. Those qualities and traits of kindness and gentleness, patience and tolerance that gave us the opportunity to listen and to learn at the feet of one who really was an acknowledged master in the social graces of human relationships."

Jake Clayman. "I knew Franz Daniel in the CIO days and thereafter when he worked for the Industrial Union Department . . . I remember Franz, of course, a big bear of a man speaking to an audience with a natural eloquence which came not only from his tongue and lips, but emanated from his inner being. In many ways he reminded me of another great trade unionist, Heywood Broun. Both deeply earnest, but wearing their virtues lightly; both free spirits who did not easily endure even the gentle yoke of organization regimentation. And yet it was this free spirit quality which gave them a special magic and the rare gift of sensitivity and compassion to empathize with others and their problems . . . So I join with you in saluting a man of goodness, a man of principle, character and worthy purpose. A comrade and friend who worked in the vineyard with us and may he long be remembered and his memory revered."

[From the Springfield (Mo.) Leader-Press, Aug. 24, 1976]

Franz Daniel Remembered by Friends From all Walks

(By Ann Fair Dodson)

"As with all the good in the world, his presence lives on."

"To sense the right thing, the appropriate and required thing, and in the face of adversity to do it well, to do it in style—that was my father."

So spoke the sons of Franz Daniel at memorial services for their father at the Herman Lohmeyer Chapel late yesterday. Franz Daniel, retired from the national union labor movement, vice chairman of Springfield's Public Utilities Board, active in numerous service-oriented organizations, died last Thursday night at St. John's Hospital, of cancer.

His ashes were to be interred today at Osceola Cemetery, with services attended by relatives and home town friends.

Yesterday's memorial tribute filled the chapel past capacity, with people standing in the side aisles and at the rear. There were representatives of union labor here and from out-of-state. Members of the Utilities Board entered as a group and sat behind the family, and there were many from the City Utilities staff. There were also men in work clothes; the service had been timed for late afternoon for their convenience.

The Rev. Henry Little, brother-in-law of Daniel and a Presbyterian minister in Kansas City, read from Daniel's own Bible, the New English version, the story of the prodigal son, and from Ecclesiastes: "For everything there is a season, and a time for every matter under heaven—a time to be borne, and a time to die . . . a time to weep, and a time to laugh . . ."

The Rev. Jack Stanley Hart, pastor of First and Calvary Presbyterian Church here, gave the benediction.

The sons, both from the west coast, are tall men like their father, bending slightly over the rostrum as he did when he spoke.

James Daniel remembered that his father lived long and well, with "dignity, strength, humor, love, faith and learning"—and that he taught those things to his sons.

John Daniel remembered the stories which his father told "outrageously well . . . . He had a tendency to repeat them, and he was the only man I ever knew who could get away with it."

"He could grow fat tomatoes and build sturdy furniture," said the youngest son. "He never figured out how to keep squirrels off his bird feeder, but he tried like hell. He saw the good and the beautiful in music and in people. He recognized injustice when he saw it. He was the epitome of a morally engaged human being, who taught us that we grow from stress and pain if we are strong enough. The social fabric of the nation has been altered by his life."

Fred Kieferndorf of the Southwest Missouri State University faculty read a sermon which Franz Daniel gave at the Unitarian Universalist Church, of which he was board chairman, two years ago when he was 70.

Life's priorities, as Daniel saw them, included food and other essentials, security, social relationships, man's own ego, and self fulfillment. In later years he had rearranged them, he said, dropping the first and second from consideration as "ridiculous" at his advancing age.

He continued deeply concerned about the third, represented for him by the labor movement, in which he was grieved to see the inroads of ambition, power and money, and the church, for whose future he feared.

No man can be rid of his ego, he said, but at 70 he had "learned to use it for the necessary job, to keep one liking one's self."

As for self-fulfillment, he found it in his faith in people, his assurance that "the fight against ignorance and prejudice is worth making," and a confidence in the future "based on experience rather than blind faith."

He liked to look at the great Arch on the St. Louis riverfront, he said, and he saw in it an allegory—the left base being the foundations of his life, the ascending left curve "the upward thrust" of youth toward a plateau at the top, and the right curve descending toward death. From a point on that curve he saw a second ascending arch representing his more recent years of accomplishment—to end, nevertheless, with rest "in the hills and bluffs of West Missouri, with those I love and who have loved me. I shall be at peace.

Stanley Roush, businessman, former city councilman and longtime friend, told of Daniel as he knew him, "a cultured, well-educated man, a man of wide reading and an almost infinite variety of experiences."

"He loved baseball and football," Roush remembered. "He liked to play poker for substantial stakes, and he loved to bet on the horses. He was a gracious host and a rare storyteller. He was a crack shot with a rifle and loved to tramp the woods. He could smoke and cure a ham, or build a kitchen cabinet. He spoke with power, and he worked with precision and pride."

He spoke of Daniel's years in union labor, "at the turn of the century, when men in the steel mills worked 10 hours a day, six days a week, when the crushed and broken bodies of sooty coal miners were the daily toll of unsafe mining practices, when a mother and all her children worked in the garment trade at starvation wages, when children of tender years toiled in the dirty and dangerous factories."

He told of Daniel's role in correcting those ills through the labor movement, and of his grief in later years "to see that 'boss-ism' and corruption had filtered in where he had dreamed of the free citizen in a free society, with equality of opportunity and the rightful division of the fruits of industry and labor."

He quoted from John Masefield, as Daniel often did, "For death takes toll of beauty, courage, youth—of all but truth." And he concluded with an old Irish blessing:

"May the road rise to meet you, may the wind be always at your back,

May the sunshine fall soft upon your fields and the gentle rain upon your garden,

And until we meet again, may God hold you in the hollow of his hand."

[From the Springfield (Mo.) Leader-Press]

The Gate Opens

The big man in the washed blue denims and wide-brimmed straw hat stood at the open gate, looked about him thoughtfully, and extended his hand.

"Franz Daniel here," he said.

"Simon Peter here," the big saint in the white robe put down his keys and shook hands heartily. "Welcome."

"I take it then that this is Heaven," said the big man. "I was never sure it existed."

"If God hadn't meant men to question, I don't suppose He'd have given them minds," said St. Peter.

"Are you sure I'm expected?"

"Certainly," St. Peter consulted a large book. "There's a house down the street with your name on it."

He read on a bit further:

"It says here that you saw them sick and in prison, and you visited them. You saw them hungry, and you gave them food—or taught them how to earn it, which is better. You used your talents, and you multiplied them."

"I did a good many other things to which He might object," said the big man. "A lot of men certainly objected—vigorously. I suppose you have all those things down, too?"

"Oh yes," St. Peter replied. "He said a long time ago, 'Judge not, that ye be not judged.' He wishes you people down there would do a little less of it, especially on ideological and philosophical matters. He prefers to do the judging Himself."

"I didn't do much judging, but I didn't care much for organized religion either. In fact, there were times when I disavowed Him."

"You're not the first to do that," said St. Peter, drily. "If there were no mistakes, He'd have nothing to forgive, and He pays more attention to deeds than words anyway. Now do come in, or I'll think your curiosity about the Other Place has got the better of you."

The big man stepped inside the gate.

"What can I do for you?" asked St. Peter.

"There are a good many people I'd like to see, if they're here—Beethoven, Goethe, Plato, Marx, Thoreau, Chopin, Debs, Reuther, Scott . . ."

"Walter or Fitzgerald?" St. Peter was flipping pages rapidly. "Look, I can't keep track of all these people every day. I'm sure you'll find friends."

"I hope you have libraries, and I could use an entertainment calendar—concerts, lectures, that sort of thing."

"The place is lousy with free libraries and book stands," said St. Peter. "There's a concert every hour on the hour, and people speaking on every street corner. You may want to say a word yourself now and then."

"When I've learned my way around, I'd be happy to oblige," replied the big man. "And I'll need a job of some kind."

"One of the greatest misapprehensions you people have is that we float around up here doing nothing," said St. Peter. "Heaven may be the ultimate in rose gardens, but it requires a lot of tending. You'll find plenty to keep you busy. Now I've really got to chat with some of these other new arrivals. You're holding up the line."

"Sorry. When you've the time for it, I'd like to discuss a couple of points in your Letters."

"Come back any early evening."

The big man walked off down the golden street, eyes glinting with interest and excitement. A small angel sat on the curb trying to adjust a slipped wing.

"May I help you," said the big man. And he did.

St. Peter, watching, closed the book. And smiled.—Ann Fair Dodson

CONGRESS AIDS VETERANS

Mr. CULVER. Mr. President, this has been active and productive year for the Congress in many crucial areas of national need. I wish to call attention today to our actions on behalf of veterans.

Ruinous inflation and soaring unemployment have caused serious problems throughout our economy and across our country, but their impact has been especially severe on veterans. Older veterans have seen their monthly checks squeezed by higher prices, and recent Vietnam veterans have had great difficulty finding jobs, although they are able and willing to work. In fact, over half a million Vietnam veterans are out of work today.

Our laws have long recognized that those who have defended our Nation deserve special recognition—in returning to productive civilian life, in coping with disabilities, and in their retirement years. Building on a solid foundation of benefits and programs, the Congress this year has approved several additional bills which will aid veterans.

Veterans' and Survivors' Pension Adjustment Act: This bill makes permanent the temporary increases enacted last December which were scheduled to expire on October 1, and also provides a 7-percent cost of living increase in pension rates and maximum income limitations effective on January 1, 1977. For most World War I veterans, this bill also provides a special additional 25-percent increase in benefits for all veterans pensioners aged 78 or older.

Veterans Disability Compensation and Survivor Benefits Act: This measure provides an 8-percent cost of living increase in disability compensation benefits for disabled veterans and survivors of veterans killed on active duty.

Veterans Education and Employment Assistance Act: This bill extends the basic educational assistance eligibility for veterans and for certain dependents from 36 to 45 months. It also increases vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of veterans benefits legislation. In addition, this measure creates a new post-Vietnam era veterans' educational assistance program for those entering military service on or after January 1, 1977, since the final day for establishing eligibility for Vietnam era assistance is December 31, 1976.

Veterans Omnibus Health Care Act: This bill authorizes a full range of outpatient medical services for any veteran with a service-connected disability rated at 50 percent or more, instead of the present 80-percent requirement. The bill also establishes statutory priorities for outpatient care so that veterans with service-connected disabilities can be assured of treatment.

In addition to these major bills, the Congress amended existing law to extend eligibility for certain veterans housing loan benefits and to improve veterans care in State homes.

I supported these measures, Mr. President, for they are timely and well-justified. I believe that the Congress this year has shown special sensitivity and responsiveness to the needs of our veterans.

THE 94TH CONGRESS AND EDUCATION

Mr. CULVER. Mr. President, education is not only the fundamental basis for the social and economic advancement of this Nation but also an integral part of the daily lives of many of our citizens. One-third of our population is involved in education either on a full or part-time basis, and except for national defense, public education is the largest function of the American Government.

I believe that the 94th Congress has demonstrated renewed leadership and a sense of dedication to our continuing responsibilities in the field of education and I would like to take this opportunity to review the progress that Congress has made in meeting the objectives of education.

EDUCATION FOR ALL HANDICAPPED CHILDREN ACT

A 1974 U.S. Office of Education study showed that only 3 million of the Nation's 6 million school age handicapped children, and virtually none of the 1 million children of pre-school age, received the special attention they need.

In an effort to meet the education needs of these children, the Congress passed and sent to the President the Education for All Handicapped Children Act. This landmark legislation set the goal of providing full, free public education to all handicapped children aged 3 to 18 by September 1, 1978, and all handicapped persons aged 3 to 21 by September 1, 1980. The Handicapped Children Act became law on November 29, 1975. It has expanded Federal financing for the education of handicapped children, increasing the authorized levels from $200 million in fiscal year 1977 to over $3 billion by fiscal year 1982.

EDUCATION AMENDMENTS OF 1976

Within the past 7 years, the number of students enrolled in full-time vocational or technical schools has risen from 150,000 to near 2 million. A recent study done by the Department of Labor found that, by 1980, approximately 80 percent of all jobs will require training beyond high school, but less than a 4-year college degree. The National Advisory Council on Vocational Education has estimated that the flow of untrained young into the unemployment lines amounts to 750,000 people yearly.

The Congress, in response to the need for alternatives to traditional post-secondary education, authorized a new program of Federal aid for vocational as well as higher education programs. The Education Amendments of 1976 reaffirm the Federal commitment to sound national educational policy by authorizing 3 years of continued development for successful higher education programs and 6 years for vocational education programs. The legislation reorganizes programs and patterns of funding in vocational education to allow greater flexibility to States in allocating resources while maintaining nationwide priorities for the disadvantaged and handicapped. This legislation will help relate more effectively the world of education and the world of work. This bill also provides for improvements in vocational education planning activities to broaden participation within the States.

In higher education, this bill strengthens the existing policy of Federal assistance. The maximum allowable award to a student under the basic opportunity grant program is raised by steps from $1,400 to $1,800 and students from families with incomes up to $25,000 rather than $15,000 will now be eligible for Federal payments of interest on their insured loans. These changes provide modest increases to account for the rising costs of college attendance and the impact of inflation. Numerous improvements are made in the guaranteed student loan program to strengthen its administration and correct the problems that detract from this worthwhile program which has extended financial assistance to millions of America's students. Other student aid programs are maintained and improved to meet the commitment to equal educational opportunities through a mixture of grant, loan, and work-oriented assistance.

This legislation contains, in addition, provisions for necessary improvements and new program initiatives. For instance, one new program, lifelong learning, establishes for the first time a comprehensive national commitment to all our citizens, whether adults seeking to improve their job skills, or those wishing to enter higher education later in life. A program for teachers' centers designed to improve teacher development and training at the local level is also newly authorized.

And, finally, the Education Amendments Act reflects the Federal commitment to education by strengthening education research with amendments to help the National Institute of Education in carrying out research and development activities to improve American educational practices and policies.

The array of issues this bill addresses and the numerous new programs that it creates make it an outstanding legislative accomplishment and one of the most complete and far-reaching Federal education laws ever passed.

VETERAN'S EDUCATION ASSISTANCE ACT

The Congress took another step forward in the education of our Nation's veterans with the passage of the Veteran's Education Assistance Act providing an 8-percent increase in the GI bill benefits and an additional 9 months or a school year eligibility.

FISCAL YEAR 1977 LABOR-HEW APPROPRIATIONS BILL

One more achievement in education came with the override of the President's veto of the fiscal year 1977 Labor-HEW appropriations bill on September 29, 1976. The bill provides $56.6 billion for more than 400 major programs. Continued funding for the vitally important elementary and secondary education programs are a part of this legislation. Grants for the disadvantaged, bilingual vocational training, right-to-read, Project Follow-Through, drug abuse education, environmental education, and ethnic heritage studies are only a few of the important programs that will be funded with enactment of this legislation.

Education legislation passed by the 94th Congress represents a major advancement in Federal support of the Nation's schools, and its impact will be lasting. Mr. President, we have made great progress, but there is much to be done. I have long been concerned that American education be more flexible and responsive to the needs of the people. There are currently more than 18 million children from low-income areas; only 6.8 million of these children participate in Federal education programs. Women and minority groups are still the victims of discriminatory practices in our Nation's academic communities and increased college costs are posing heavy burdens on lower- and middle-income families. Our system of education demands a greater relevance to the complex world in which we live, and to that end, I am confident that when the 95th Congress convenes in January, we will endeavor in our efforts to improve the quality of American education for each and every citizen.

PRESERVING FAMILY FARMS AND BUSINESSES

Mr. CULVER. Mr. President, among the most significant of all congressional actions in this past year was the revision of outdated provisions of the IRS code dealing with estate and gift taxes. These changes, part of the Tax Reform Act of 1976, were made to compensate for the increased value of farmland and will go a long way toward preserving family farms and businesses in America.

Over the years inflation had eaten up the $60,000 exemption which was passed in 1942. Intended to allow a family-owned farm or business of reasonable size to pass to one's children without undue financial burden, the exemption had long since been outrun by skyrocketing costs of the price of land. More and more, families were forced to sell all or a significant portion of their inheritance to pay their tax bills. Although passed as a modest revenue-raising device and revised to moderate the accumulation of grossly undue wealth in a few hands, the estate tax had become instead a deterrent and penalty for family-owned enterprise in America.

Obviously this evolution was neither consistent with the intent of Congress nor sound public policy. Family farms and businesses have long been the bulwark of American economy and society, producing our goods and teaching the values of familial strength, personal responsibility, and hard work. To allow that social base to erode was not in the national interest.

I am pleased that this year's action, which I have strongly advocated for some time, will do much to correct this erosion. By updating the exemption in the form of a phased-in credit, by allowing farmland to be evaluated on the basis of its current use, by lengthening the period for payment of the estate tax, and by other provisions, Congress has made clear its own belief in the value of family enterprise and has made the survival of such enterprise possible.

I submit a factsheet outlining the major details of the changes in estate tax provisions be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

A BRIEF SUMMARY OF THE ESTATE AND GIFT TAX PROVISIONS OF THE TAX REFORM ACT OF 1976

EXEMPTIONS

Tax rates for estate transfers and gifts are unified in one schedule and will be phased in as follows:

	Credit	*Exemption equivalent*
1977	$30,000	$120,666
1978	34,000	134,000
1979	38,000	147,333
1980	42,000	161,563
1981	47,000	175,625

SPOUSE PROVISIONS

The size of the estate a person can leave taxfree to a spouse is increased to $250,000, or half the estate, whichever is greater.

PRESENT USE EVALUATION

A farm or small business may be evaluated for taxation on the basis of its *present* use rather than its *highest* use, provided the transfer is within the family and the farm or business is maintained for the same purpose for 15 years.

PAYMENT

The estate tax payment period for farms and small businesses is generally changed from 10 years at 7% to 15 years at 4%. Time extensions for qualified estates are available where reasonable cause is shown.

GENERATION-SKIPPING TRUSTS

Generation-skipping trusts are subject to tax, although there is a $250,000 deduction on transfers to each grandchild.

LOUGHRAN MEMORIAL CENTER

Mr. CULVER. Mr. President, last month I was privileged to participate in the groundbreaking ceremony in New Haven, Conn., for the Major Joseph M. Loughran, Jr. USMC Memorial Naval and Marine Corps Reserve Center.

Joe Loughran and I served together in the Marine Corps. He later returned to active duty and was killed in action in Vietnam. He was an outstanding officer and human being whose memory fully deserves the recognition this future facility bearing his name will give him.

Happily, both the design and setting for this reserve center are worthy of his memory and the plans have been so conceived as to blend with the contemplative restorations of Fort Nathan Hale and the development of Fort Hale Park in New Haven. The groundbreaking was favored by the presence of Joe Loughran's parents, Mr. and Mrs. Joseph Loughran, his brother James, his sister and brother-in-law, Mr. and Mrs. George Hyland, his cousin, Mrs. Timothy Sullivan, many of his friends, and Mayor Logue and other civic officials. Circumstances prevented Joe's widow, Mrs. Julia Mevers and their son, Joseph M. Loughran III, from attending the groundbreaking ceremony for the Reserve Center, but they plan to take part in the dedication of the facility at its completion.

Mr. President, the principal address at the occasion was delivered by Rear Adm. Thomas E. Morris, the commander of the Naval Reserve Readiness Command in Boston. I submit his remarks together with a brief biographical sketch of Major Loughran and the program of the groundbreaking to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF REAR ADM. THOMAS E. MORRIS

Good morning: Senator John C. Culver, Mayor Logue, General Jaskilka, Colonel Wilson, Captain Degrott, Lt. Fisher, Mr and Mrs. Joseph Loughran and Mr. James Loughran, ladies and gentlemen.

As Naval Reserve Readiness Commander in Boston for the past year and ½ I have been privileged to participate in a number of official functions and ceremonies.

But being with you this morning in New Haven, Connecticut has special meaning for me. It has special meaning because we honor the memory of Marine Major Joseph E. Loughran, of New Haven, who gave his life in defense of freedom in Vietnam. While nothing will completely ease the pain which the Loughran family still feels, this is a fitting tribute to his memory.

It has special meaning for the city and people of New Haven, the Naval and Marine Corps community, and ultimately for our country's defense.

As the first spadeful of dirt is ceremoniously removed we initiate events which will culminate in an almost $2 million dollar facility to train Naval and Marine Corps personnel. Young men and women will receive training which all of us recognize is so essential to our Nation for today and tomorrow. Just recently as the Carrier *Midway* and escorts left Japan and Korean waters we were reminded of the continuing need for vigilance and preparedness in preserving a sometimes tenuous peace.

While it is fitting for us to look ahead to the completion and occupancy of the Loughran Center in 1978 it is not inappropriate that we briefly look back in history. The World War II vintage, Butler Hut, which will be razed in the near future holds many memories for men and women who served their country. Constructed shortly after World War II ended, Connecticut men returned here from Atlantic convoy duty which was critical to our victory in Europe. Still others returned to New Haven from island-hopping campaigns in the Pacific. Marines returning to this building had perfected amphibious assaults at Guam, Midway, Wake, and Okinawa. In 1950 New Haven citizen-sailors and Marines trained here, arrived in Pusan, South Korea. Twenty six years ago, in September 1950 sailors and Marines from Connecticut participated in the amphibious assault on Inchon. After crossing the 38th Parallel, Marine units landed in Wonsan Harbor and commenced a campaign which proved to be one of the most difficult in the history of the Corps.

In more recent years Navy and Marine Corps personnel along with the U.S. Coast Guard sailed the waters of the South China Sea and added names like Da Nang, Hue, and Pleiku, to the pages of their respective histories.

It is particularly fitting that we break ground for this modern facility in our Bicentennial year. Two-hundred years ago, colonial "reservists" had embarked on one of the most remarkable military campaigns of recorded history. Armed with pitchforks and muzzle loaders, sons of Connecticut set out to win their freedom from one of the most formidable powers in the world, Great Britain.

Nathan Hale, the man after whom the park in which we stand is named, is a symbol of our patriotism. Born in Coventry, Connecticut, graduated from New Haven's Yale University, Hale was a school teacher when the revolution broke out. Surrendering his books for a musket, Hale served in the siege of Boston and later took part in operations in New York. Volunteering for the dangerous mission of getting information about the British in Long Island, Hale was discovered, captured and hanged without trial. As he stood on the gallows, awaiting certain death, Hale uttered the now famous words, "I only regret that I have but one life to lose for my country."

As we recall the events of 1775–76, we find eight Connecticut Marines sent to Garrison for Ticonderoga. This first record of American marines participating in the revolution occurred in May 1775. These marines came to be known as the "original eight."

Governor Jonathan Trumbull of Connecticut also played a leading role in the revolution, as did still another Connecticut schoolteacher, David Bushnell. In 1776 Bushnell proposed attacking roving British ships from under the surface. His early submarine invention was known as the Marine Turtle. Bushnell is also credited with designing and manufacturing a functioning torpedo, complete with contact fuse.

Writing during the revolution, General George Washington penned these words:

"Whatever efforts are made by the land armies, the Navy must have the casting vote in the present conflict . . . in any operation and under all circumstances, a decisive naval superiority is to be considered the basis upon which every hope of success must ultimately depend."

It was "Silas Deane" of Connecticut, who on October 13th of 1775, moved that Congress outfit a 10-gun warship for intercepting such transports as may be laden with stores for the enemy.

And so began the U.S. Navy.

As if recalling Washington's words and Deane's urging, we dedicate this center to insure our freedom through a trained, ready, maritime force.

As many of you know, the U.S. Naval Reserve has undergone recently a comprehensive re-structuring. Stated simply this reorganization provides training which more closely parallels that of the active forces and provides for almost immediate re-call of selected reservists in the event they are needed.

While not without some discomfort and inconvenience this concept *is working* and *will work*. Proof positive is shown in the commitment of 2 million dollars for the training of reservists here in Connecticut. Modern, sophisticated, equipment will be provided to train reservists of the late 70's, 80's and beyond.

As I conclude let me state that we can reflect on the 200 years of American history with pride, and look *forward* with optimism and confidence. Inspired by the memory of men like Major Loughran and Nathan Hale, and buoyed by the confidence which Congress has expressed in our maritime forces, I look forward to the training of reservists in this modern facility. That "training" which is necessary to insure the uninterrupted flow of raw materials, vital to our economic and military security. That "training" that will provide highly qualified men and women to respond to the needs of our national defense and the maintaining of the freedom of the seas.

We can look forward to the start of our 300th year of freedom knowing that the American people and Congress *will not* allow our country to drift unknowingly and unwittingly into a second rate "seapower." This we cannot let happen, for when the Great British Empire, against whom we fought our revolution, could no longer carry the flag of seapower on the oceans, we were there to carry on. When we no longer can do it the Soviets will.

Finally, I am gratified that the Department of Defense and the Department of the Navy, through the naval facilities engineering command, have provided that the design of this new building be in keeping with the restoration plans of Fort Nathan Hale Park.

This facility, training almost 1000 reservists, will complement very nicely the excellent renewal work carried out under the leadership of Mayor Logue.

Ladies and gentlemen—it has been a pleasure being with you—thank you.

Major Joseph M. Loughran, Jr., USMC

Joseph M. Loughran Jr., was born in Greenwich, Connecticut in 1933. He was graduated from Fairfield Prep and Holy Cross College, Commissioned in the Marine Corps in June 1955, 1st LT Loughran was released from active duty in July 1958. He attended Georgetown Law School, receiving his law degree in 1962.

Captain Loughran returned to active duty in the Marine Corps in 1963, serving with the 1st Battalion, 8th Marines until August 1965. He then served with the Marine Detachment aboard the USS CANOPUS until his promotion to Major in September 1966.

In September 1967 Major Loughran was assigned to Vietnam where he served as Executive Officer of the 3d Battalion, 26th Marines. On 2 May 1968 Major Loughran was killed in action while participating in search and destroy operations with his Battalion.

Major Loughran's medals and decorations include: The Legion of Merit with Combat "V"; Purple Heart; National Defense Service Medal; Vietnam Service Medal with 1 Star; National Order of Vietnam 5th Class; Vietnam Cross Gallantry with Palm; and Vietnam Campaign Medal.

The Major Joseph M. Loughran, Jr., USMC Memorial Naval and Marine Corps Reserve Center

(Groundbreaking ceremony, 10:30 o'clock, Sept. 1, Fort Hale Park, New Haven, Connecticut)

Presentation of the Colors and National Anthem.

Invocation, LCDR. O. J. Sanderson, CHC, USNR, Chaplain.

Welcome & Introduction, LT D. B. Fisher, USNR, C.O. Naval & Marine Corps, Reserve Center.

Remarks, Capt. W. W. de Groot, CEC, USN, Commanding Officer, Northern Division, Naval Facilities, Engineering Command.

Principal Speaker, RADM T. E. Morris, USNR, Commander, Naval Reserve, Readiness Command, Boston.

Groundbreaking, RADM T. E. Morris, LT D. B. Fisher, Invited Dignataries.

Benediction, LCDR O. J. Sanderson.

BLACK LUNG LEGISLATION

Mr. SCHWEIKER. Mr. President, I was very disappointed by the Senate's failure to act on H.R. 10760, the Black Lung Benefits Reform Act, prior to adjournment.

In 1969, Congress took constructive, affirmative action to deal effectively with the hazards unique to the coal mining industry. The Coal Mine Health and Safety Act of 1969 initiated the program of benefits for miners disabled by black lung disease and I strongly supported that initiative. I felt, as I am sure those who supported the original act did, that it would be sufficient to provide equitable treatment of the coal miners in this Nation afflicted by black lung disease. Unfortunately, this has not been the case.

In light of deficiencies in the program brought to the attention of Congress, action was again taken in 1972 and improvements in the program were made. However, it has become clear to me and to other Members of this body that action is again necessary if we are to insure that the coal miners in this Nation and their survivors are treated equitably and not denied compensation unjustly.

H.R. 10760 would have revised certain of the eligibility standards for receiving black lung benefits and would have effected other positive modifications in the program. Although I am not certain that these amendments would have been sufficient to remedy fully the problems which presently plague the black lung program, I believe passage of H.R. 10760 would have been a step in the right direction. The Senate failed to take this step during the 94th Congress and the need for this legislation remains to be satisfied.

ACTIVITIES AND ACCOMPLISHMENTS OF THE JOINT COMMITTEE ON ATOMIC ENERGY IN THE 94TH CONGRESS, SECOND SESSION (1976)

Mr. PASTORE. Mr. President, I submit for the RECORD the report of the activities and accomplishments of the Joint Committee on Atomic Energy for the second session of the 94th Congress:

Activities and Accomplishments of the Joint Committee on Atomic Energy in the 94th Congress, Second Session (1976)

FOREWORD

It has been the practice of the Joint Committee on Atomic Energy, at the close of each session of the Congress, to submit for the information of the Congress, the executive branch, and the public, a report of its activities. (The report for the first session of the 94th Congress was printed in the Congressional Record of January 20, 1976, S–159.)

The Joint Committee on Atomic Energy was organized on August 2, 1946. It consists of nine Members from the Senate and nine Members from the House of Representatives. No more than five from each body can be members of the same political party. The chairmanship alternates between the Senate and the House of Representatives with each Congress.

Present membership is:

John O. Pastore, Rhode Island, Chairman.
Melvin Price, Illinois, Vice Chairman.
Henry M. Jackson, Washington.
Stuart Symington, Missouri.
Joseph M. Montoya, New Mexico.
John V. Tunney, California.
Howard H. Baker, Jr., Tennessee.
Clifford P. Case, New Jersey.
James B. Pearson, Kansas.
James L. Buckley, New York.
John Young, Texas.
Teno Roncalio, Wyoming.
Mike McCormack, Washington.
George E. Brown, Jr., California.
John B. Anderson, Illinois.
Manuel Lujan, Jr., New Mexico.
Frank Horton, New York.
Andrew J. Hinshaw, California.

The Joint Committee is one of the few Committees established by statute rather than by rule of each House. By statute, it is the Committee of the Congress which has responsibility for all legislation relating primarily to atomic energy. The Committee is also charged by law with legislative responsibility as "watchdog" of the U.S. atomic energy program. As part of its repsonsibilities, the Committee follows closely the classified activities of the executive agencies including the Energy Research and Development Administration and the Departments of Defense and State, concerning the peaceful and military applications of atomic energy. The unclassified nuclear activities of these agencies and the Nuclear Regulatory Commission are closely reviewed as well.

In all of these activities, the Joint Committee on Atomic Energy, representing the Congress and the public, seeks to assure the implementation of the following national policy expressed in the Atomic Energy Act of 1954:

"... the development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security."

During the 94th Congress, second session, the Joint Committee and its subcommittees held a total of 45 meetings, of which 7 (16%) were held in executive session because the subject matter discussed was classified, and 38 (84%) were held in public session.

A total of 32 publications consisting of hearings, reports, and committee prints were released by the Joint Committee in the second session of the 94th Congress, as follows:

(1975–76)

Review of the Liquid Metal Fast Breeder Reactor Program

Vol. I—Hearings, April 29, May 1, 6, 7; and June 10, 11, and 17, 1975.

Vol. II—Hearings, June 18, 24; and July 10, and 17, 1975; and Appendices.

Review of National Breeder Reactor Program—Committee print, January 1976.

S. 1717 and H.R. 7002: Proposed Nuclear Powerplant Siting and Licensing Legislation—Hearings, June 25 and November 11, 1975.

Storage and Disposal of Radioactive Waste—Hearing, November 19, 1975.

S. 2035 and H.R. 8401: Nuclear Fuel Assurance Act of 1975

Part I—Hearings, December 2, 3, 4, 9, and 10, 1975.

Part II—Hearings, February 6; March 23; April 6 and 7, 1976; and Appendices.

Reports: Nuclear Fuel Assurance Act of 1975—S. Report 94–897, May 14, 1976 (H. Report 94–1151, May 14, 1976).

Atomic Energy Legislation through the 94th Congress, 1st Session—Committee Print, March 1976.

ERDA Authorizing Legislation, Fiscal Year 1977

Part 1: Volume I—Hearing, January 21, 1976 and Appendices 1 to 11.

Part 1: Volume II—Appendix materials.

Part 2—Hearing, February 4, 1976.

Part 3—Hearings, February 17; March 11, 17, 18 and 19, 1976.

Reports: Authorizing Appropriations for the Energy Research and Development Administration for Fiscal Year 1977—S. Report 94–762, April 14, 1976.

(NOTE: Report titled as above filed in House jointly with House Committee on Science and Technology)—H. Report 94–1081 (Part 1), May 1, 1976.

Atomic Energy Legislation through 94th Congress, 1st Session—Committee print, March 1976.

Nuclear Regulatory Commission Authorizing Legislation, Fiscal Year 1977—Hearings, January 29, February 17, and March 19, 1976.

Reports: Authorizing Appropriations for the Nuclear Regulatory Commission for Fiscal Year 1976—S. Report 94–772, May 3, 1976 (H. Report 94–1079, April 30, 1976).

INVESTIGATION OF CHARGES RELATING TO NUCLEAR REACTOR SAFETY

Volume 1—Hearings, February 18, 23, 24; and March 2 and 4, 1976; and Appendices.

Volume 2—Appendices.

Current Membership of the Joint Committee on Atomic Energy—Committee print, March 1976.

Authorizing Supplemental Appropriations to ERDA (Weapons Program)—S. Report 94–707, March 22, 1976, H. Report 94–931, March 19, 1976.

Markup of S. 3107 and H.R. 12337: NRC Authorizing Legislation, Fiscal Year 1977—Committee Print.

Markup of S. 2305 and H.R. 8401: Nuclear Fuel Assurance Act of 1975—Committee Print.

Development, Use, and Control of Nuclear Energy for the Common Defense and Security and for Peaceful Purposes (Second Annual Report of the Joint Committee)—Committee Print, June 30, 1976.

S. 1439: Export Reorganization Act of 1976—Hearing, June 22, 1976.

Report by the JCAE pursuant to Section 302(b) of the Congressional Budget Act of 1974—S. Report 94–1026, July 1, 1976.

Markup of S. 3107 and H.R. 12387; NRC Authorizing Legislation, Fiscal Year 1977—Committee Print.

The Nuclear Explosive Proliferation Control Act of 1976 (to accompany H.R. 15419 and S. 3853)—H. Rept. 94–1613, Sept. 18, 1976; S. Rept. 94–1336, Sept. 29, 1976.

The following publications will be released in the near future:

S. 2435 and H.R. 9948: To Amend the Atomic Energy Communities Act with regard to Financial Assistance Payment to the County of Los Alamos and the Los Alamos Schools—Hearing, October 14, 1975.

Modifications in the Proposed Arrangements for the Clinch River Breeder Reactor Demonstration Plant—Hearing April 14 and 29, 1976.

To Consider Whether Financial Risk To Utilities Under the Price-Anderson System Should Be Increased—Hearing March 3, 1976.

Radioactive Waste Management—Hearings, May 10, 11 and 12, 1976.

S. 1439: Export Reorganization Act of 1976 (Part 2)—Hearing, July 28, 1976.

S. 3770 and H.R. 15273: Nuclear Explosive Proliferation Control Act of 1976—Hearing, August 31, 1976.

Extent and Significance of Impact on Reactor Licensing of Recent Court Decisions—Hearing August 27, 1976.

Markup of S. 3770 and H.R. 15419: To Provide for More Efficient and Effective Control Over the Proliferation of Nuclear Explosives—Committee Print.

Markup of S. 1439: Export Reorganization Act of 1976—Committee Print.

Nomination of George F. Murphy, Jr., To Be a Member of the Nuclear Regulatory Commission—Hearing, September 23, 1976.

Investigation of Charges Relating to Nuclear Reactor Safety—Committee Print.

Naval Nuclear Propulsion Program 1976 (Declassified)—Hearing March 18, 1976.

I. LEGISLATIVE ACTIVITIES

A. Energy Research and Development Administration Authorization Act for Fiscal Year 1977

The Energy Research and Development Administration's total authorization request for fiscal year 1977, as submitted to the Congress on February 2, 1976, called for authorization of $4,622,126,000 for "Operating expenses" and $1,738,194,000 for "Plant and capital equipment" (including increases in prior-year authorizations), making a total requested authorization of $6,360,320,000. This request represents an increase of $1,367,837,000 or about 27.3 percent, above the $4,992,483,000 authorized for fiscal year 1976.

ERDA's request for its nuclear and supporting programs called for authorization of $3,896,696,000 for "Operating expenses" and $1,651,074,000 for "Plant and capital equipment" (including increases in prior-year authorizations) making a requested authorization for these programs of $5,547,770,000.

The Joint Committee recommended increases in the funds requested for several of ERDA's programs to better reflect the Nation's needs in these areas. The committee realigned ERDA's request to some extent to provide for a higher level of effort on several of ERDA's high-priority programs. The Committee recommended authorization for fiscal year 1977 for ERDA's nuclear and supporting programs in the amount of $5,882,332,000, which is $334,562,000, or about 6 percent, more than the amount requested.

Generally, the Administration's authorization request reflects estimated costs in two broad categories of effort; namely, military and civilian applications. Military applications include primarily the nuclear weapons and naval reactor development programs, as well as the weapons materials production program.

Approximately 30.5 percent of the Administration's total fiscal year 1977 estimated program costs (as compared to about 33.7 percent of estimated fiscal year 1976 costs), or $1,819,828,000 is attributable to the military applications—$1,508,610,000 in operating costs and $311,218,000 in plant and capital equipment. The estimated cost for the civilian applications totals $4,145,404,000, or about 69.5 percent of the program costs (as compared to about 66.3 percent of estimated fiscal year 1976 costs)—$3,365,007,000 for operating expenses and $780,397,000 for plant and capital equipment. The amounts shown above reflect total program costs and are exclusive of adjustments for revenues received and for changes in selected resources.

The Joint Committee began consideration of the proposed legislation authorizing appropriations to ERDA for fiscal year 1977 with a public hearing on January 21, 1976. At this hearing, the Honorable Robert C. Seamans, Jr., Administrator, ERDA, reviewed the overall budget request. Subsequent public hearings occurred on February 4 and 17, and March 11, 17, 18, and 19. In the course of these hearings, the ERDA's programs for magnetic fusion power research and development, laser fusion power research and development, fission power reactor development, uranium enrichment activities, fuel cycle research and development, space nuclear systems, nuclear materials security and safeguards, environment and safety research, high energy physics, and basic energy sciences were the subjects considered.

Other hearings were held in executive session on February 3 and March 18. ERDA programs reviewed during these hearings were weapons activities, weapons materials production, and naval reactor development.

B. Supplemental Authorization of Appropriations for the Energy Research and Development Administration for Fiscal Year 1976 (Public Law 94–269)

On February 3, 1976, the Subcommittee on Legislation of the Joint Committee on Atomic Energy held an executive hearing on the request for authorization of supplemental appropriations for fiscal year 1976 and the transition period as well as for fiscal year 1977.

The ERDA request, which was made on January 13, 1976, was for an increase of $34,000,000 for fiscal year 1976 and $23,000,000 for the transition period in budget authority and $26,500,000 and $17,500,000 in budget outlays for the respective periods. ERDA states this supplemental would provide amounts for the following purposes:

(1) *Research and Development*. The level of scientific manpower in the ERDA laboratories for nuclear weapon activities has declined from about 9,800 man-years in fiscal year 1970 to about 7,900 man-years in fiscal year 1975. Since the Department of Defense requirements for engineering development of current weapons has not diminished over this period, the major impact of this reduction has been particularly serious in advanced development for future weapons where the level of efforts was reduced from about 2,150

man-years in fiscal year 1970 to about 1,450 in fiscal year 1975. Without the supplemental, the total laboratories' effort will reduce to 7,600 man-years and advanced development to 1,250 in fiscal year 1976, whereas the supplemental will permit holding to approximately the fiscal year 1975 levels.

(2) *Nuclear Testing.* To accomplish all required high yield nuclear testing prior to the proposed March 31, 1976 effective date of the Threshold Test Ban Treaty, ERDA deferred all advanced development tests for over a year. Funds, which remain for the fourth quarter of fiscal year 1976 and fiscal year 1977, will support only a few low yield tests, only 60 percent of that for recent years. Without this supplement, ERDA would be unable to restore testing to a minimum required level. In addition, ERDA would have to make a force reduction of approximately 800 test personnel, an area where there had already been a reduction in strength of about 50 percent during the past five years.

(3) *Special Test Detection.* Negotiations between the United States and the Soviet Union are going on and are directed toward reaching a Peaceful Nuclear Explosion (PNE) agreement by March 31, 1976. The supplemental would provide the necessary funds for development of equipment, techniques, and data analysis needed for accomplishing verification that the Soviet PNE experiments are consistent with the agreement. Without these requested amounts, the United States could find itself unprepared to take the necessary Treaty verification actions for U.S.S.R. nuclear explosions. This would be an important element in completing the Threshold Test Ban Treaty signed in July 1974 between the United States and the Soviet Union.

(4) *Capital Equipment.* Because the new Control Data Corporation Star computers installed at the Lawrence Livermore Laboratory (LLL) have not yet reached anticipated capability, it has been necessary for the laboratory to hold a leased CDC 7600 computer longer than expected. Purchase rather than further leasing of that computer offers substantial financial advantages to the Government. Without this computer, there would be a severe shortage of weapons program computing capacity in LLL.

The Joint Committee recommended approval of the request of the Energy Research and Development Administration.

C. *Nuclear Regulatory Commission Authorization Act for Fiscal Year 1977 (Public Law 94–291)*

The Nuclear Regulatory Commission's authorization request for fiscal year 1977, as submitted to the Congress on January 26, 1976, called for authorization of $249,430,000 for salaries and expenses.

The Joint Committee recommended authorization for fiscal year 1977 of $274,300,000 which is an increase of $24,870,000 above that requested by the Nuclear Regulatory Commission.

With respect to appropriations, the Joint Committee estimated that NRC's fiscal year 1977 activities will call for new appropriations of $274,300,000, the same as the amount recommended by the Joint Committee for authorization.

The Joint Committee began consideration of the proposed legislation authorizing appropriations to the Nuclear Regulatory Commission for fiscal year 1977 with a public hearing before the Subcommittee on Legislation on January 29, 1976. At this hearing, the Honorable William A. Anders, Chairman of the NRC, reviewed the overall budget request. Subsequent public hearings occurred on February 17 and March 19. In the course of these hearings, the NRC's programs for nuclear reactor regulation, regulatory research, nuclear materials safety and safeguards, standards development, and inspection and enforcement were the subjects considered.

D. *Nuclear Powerplant Licensing Improvements*

Since 1971, the Joint Committee has been carefully considering the problem of delays in the siting and licensing of nuclear powerplants. Extensive hearings on this issue were conducted in 1971, 1972, and 1974. During 1975, the Joint Committee continued its consideration of methods to improve the procedures for siting and licensing of nuclear powerplants. Legislative proposals were again introduced on February 25, 1975, by Mr. McCormack (H.R. 3734), and on February 27, 1975, by Mr. Price for himself, Mr. Anderson of Illinois, Mr. Hinshaw, Mr. Horton, and Mr. Lujan (H.R. 3995). A legislative proposal was also submitted by the Nuclear Regulatory Commission and introduced as S. 1717 in the Senate and H.R. 7002 in the House of Representatives. Finally, a related bill to provide financial assistance to intervenors in nuclear licensing proceedings was introduced by Senator Kennedy on May 6, 1975 (S. 1665). Each of these bills was referred to the Joint Committee.

The changes in existing licensing procedures which would be made by those proposals include provisions for the following: designated sites reviewed in advance of specific applications; standardized plants; replacement of mandatory hearings with an opportunity for a hearing in certain instances: discretionary, rather than mandatory ACRS review of applications; limited work authorizations; interim operating license prior to completion of hearings, where need is shown and environmental and safety reviews have been completed; expedited hearing procedures; coordination of Federal and State reviews; and increased participation by intervenors through early notice of intent to file applications and through provision of technical reports and other documents.

Further hearing on these specific proposals were held by the Joint Committee on June 25 and November 11, 1975. Witnesses for the Nuclear Regulatory Commission testified at the June 25 hearing. During the November 11 hearing, the Committee received testimony from witnesses representing the nuclear power and electric utility industries, State energy facility siting agencies, utility regulatory authorities, and other groups with interest in this area.

During the second session of the 94th Congress, the Joint Committee continued its efforts to develop legislation which would enhance earlier and more effective public participation in the licensing process for nuclear facilities; which would enable the Nuclear Regulatory Commission to make the most effective use of its resources and to perform its licensing responsibilties as efficiently as possible; which would enhance public confidence in and understanding of the licensing process; which would reduce the burden of the licensing process on the public and on the participants in individual proceedings by minimizing unnecessary and costly duplication and delay in the procedures for licensing nuclear facilities; and which would reduce the long lead time (now approximately 10 years) required for the licensing of nuclear facilities under existing law by 3 or 4 years while at the same time preserving fully the quality and thoroughness of the Commission's regulatory responsibility under existing law with respect to protection of the public health and safety, the common defense and security and the environment.

As a result of the hearings held during the first session of the 94th Congress, new legislative proposals were introduced on April 9, 1976, in the Senate by Mr. Pastore, for himself and Mr. Baker (S. 3286), and on May 3, 1976, by Mr. Price, for himself, Mr. Young of Texas, Mr. Anderson of Illinois, Mr. Lujan and Mr. Hinshaw (H.R. 13512, identical to S. 3286). These bills represent a refinement of the earlier licensing proposals considered by the Joint Committee in 1975. The bills preserve the principal changes in existing licensing proposals and add a new provision which would provide policy guidance to the Nuclear Regulatory Commission to reaffirm, supplement and strengthen the objectives which the Joint Committee has stressed from the beginning of the commercial nuclear power program must be the foundation for a regulatory system which is both sound and acceptable to the public.

At the close of the session, these bills were being considered by the Committee.

E. *Uranium Enrichment (Nuclear Fuel Assurance Act)*

During 1976, the Committee continued its consideration of the Nuclear Fuel Assurance Act (S. 2035 and H.R. 8401), a bill designed to assist in the construction by the private sector of additional uranium enrichment plants in the United States. Under the proposed legislation, the Energy Research and Development Administration (ERDA) would be authorized to negotiate and enter into cooperative agreements with private organizations to build, own and operate uranium enrichment plants. The proposed legislation would also authorize ERDA to initiate construction planning and design activities for expansion of an existing Government-owned uranium enrichment facility.

This legislation was originally transmitted to the Congress by the President on June 26, 1975, and soon thereafter, the proposed legislation was introduced by request in both the House and Senate. On July 1, 1975, Chairman Pastore asked the Comptroller General of the United States to have the General Accounting Office make an exhaustive, analytical review of the Administration's proposal. The Comptroller General's report was completed on October 31, 1975. Subsequently, the Joint Committee received testimony from Government witnesses on December 2, 3, 4, 9 and 10, 1975, on the proposed legislation. The JCAE print covering these hearings was released by Chairman Pastore on January 28, 1976.

Secretary of State Kissinger presented his views on S. 2035 to the Joint Committee on February 6, 1976. The series of hearings concluded on March 23 and April 6 and 7 when testimony was received from nonadministration witnesses. The JCAE print on the final four days of hearings was released on June 7, 1976.

The extensive hearings held by the Committee on this matter during 1975–1976 clearly reconfirmed the need for the United States to build additional plants to assure that sufficient enriched uranium is available in the mid-1980's to provide a continuing supply of fuel for nuclear power plants here and abroad. Present U.S. enrichment capacity, which is provided by three Government-owned plants, has been fully committed under long-term contracts since mid-1974. Since that date, the Government has been unable to accept contracts for additional enrichment services. If this situation is allowed to continue, it will severally inhibit the growth of generation of electricity with nuclear fuel in this country.

The hearings also indicated that failure to expand domestic enrichment capacity in a timely manner will have an additional adverse impact on U.S. trade. U.S. foreign exchange revenues to date from the sale of enriched uranium and enrichment services have reached $1.1 billion. However, the Government has not been able to execute new foreign sales of enrichment services until new capacity is assured. Current indecisiveness concerning the construction of new capacity has encouraged foreign nations to accelerate efforts to expand their own facilities to enrich uranium or to procure it from non-U.S. sources. Thus, these uncertainties have already injured the potential sales of U.S. nuclear reactors and enrichment services.

Furthermore, the ability of the United States to be an effective force in guarding against the proliferation of nuclear weapons will decrease as its proportion of world enrichment capacity decreases. Failure to expand U.S. enrichment capacity will turn foreign users to other sources, thereby curtailing U.S. influence on nonproliferation objectives and efforts.

On May 11, 1976, the Joint Committee met to consider the legislation. At that time, the committee voted to amend the bill and to report it favorably as amended. The bill as amended was ordered to be reported by a roll call vote of 15-0.

In considering the legislation submitted by the Administration, the Joint Committee was concerned that the proposal did not provide adequate opportunity for participation by the Congress of the United States. To remedy this situation, the Committee's amendments provided explicitly for a congressional review and approval of any proposed contract for a cooperative arrangement, prior to the execution of the contract. The bill, as amended, clearly precludes the Administrator of ERDA from executing any such proposed cooperative arrangement until the Congress has indicated by concurrent resolution that it favors the arrangement. Furthermore, before the contracts are entered into, an appropriation act to cover potential government liabilities must be passed by the Congress.

In addition, the Committee strengthened the language with respect to the construction of the add-on plant at Portsmouth. As amended, the Point Committee directed and authorized that an additional Government-owned enriched uranium production facility be constructed and placed in operation. The amended language was meant to provide a clear direction to the Energy Research and Development Administration that regardless of the construction of private enrichment facilities, the expansion of the public facility at the Portsmouth, Ohio site is necessary.

The legislation as proposed by the Joint Committee was considered by the House of Representatives on July 29, 30 and August 4, 1976. An amendment which in effect nullified the purpose of the legislation was agreed to in the Committee of the Whole by a vote of 170 to 168. The amendment was subsequently defeated by the House by a vote of 193 to 192. The bill was passed by the House by a vote of 222-168. Several amendments were added by the House, the most important of which was a Committee amendment to provide that "the guarantees under any such cooperative arrangement which would subject the Government to any future contingent liabilities for which the Government would not be fully reimbursed shall be limited to the assurance that the Government-furnished technology and equipment will work as promised by the Government over a mutually-agreed-to and reasonable period of initial commercial operation."

The bill as passed by the House was brought up for consideration in the Senate on September 29, 1976. After debate, a motion to table the measure was agreed to by a vote of 33-40.

F. Nonproliferation Legislation

Amendments to the ERDA authorization bill, H.R. 13350, which were sponsored in both the House and Senate by members of the Joint Committee on Atomic Energy were the first legislative responses to the growing threat of the proliferation of nuclear explosives to be acted upon by the House and Senate during the second session of the 94th Congress. The amendment to H.R. 13350 offered by Vice-Chairman Price and Mr. Anderson and accepted by the House on May 20, 1976, would have required congressional review of the next licensing activity relating to the export of a nuclear power reactor or nuclear fuel for a power reactor to any country not a party to the Treaty on the Nonproliferation of Nuclear Weapons. This would have occurred in cases where the covering Agreement for Cooperation had not been reviewed by the Congress under the procedures of section 123 d. of the Atomic Energy Act of 1954, as amended by Public Law 93-485.

A similar amendment to H.R. 13350 was sponsored by Chairman Pastore and accepted by the Senate on June 25, 1976. The conferees for the nuclear-related portions of the ERDA authorization bill added an additional provision to H.R. 13350 to accompany the House amendment. This provision would have established by statute for the first time a set of fundamental principles to govern the licensing of nuclear exports for the United States. These principles would have provided a standard for measuring the sufficiency of the nonproliferation controls required for those nuclear exports to be reviewed by the Congress under the terms of the House amendment. Although the conference report on H.R. 13350 was accepted by the House on September 30, 1976, the Senate failed to act on the measure prior to the adjournment of the 94th Congress.

On May 13, 1976, a bill was referred to the Joint Committee which would have required a major reorganization of the nuclear export functions of the agencies and departments of the Federal Government. That bill, S. 1439, was the subject of hearings before the Joint Committee on June 22, 1976. Testimony was received from senior officials of the Energy Research and Development Administration, the Nuclear Regulatory Commission, the Department of Commerce and the Arms Control and Disarmament Agency. It was the unanimous view of those witnesses that the reorganization approach embodied in S. 1439 would do little to address the specific proliferation problems associated with international nuclear exports and at the same time would create significant obstacles to the effective administration of the United States nuclear export program.

Following those hearings, at the direction of the Chairman of the Joint Committee, legislation was prepared for the Joint Committee which would establish a comprehensive proliferation control policy for the United States. The approach followed by this legislation, which differed markedly from the approach followed in S. 1439, included major proposed initiatives on the part of this government with other nuclear supplier states and other countries of the world to strengthen, standardize and make more effective the international regimes for safeguarding and controlling the export of nuclear material, facilities, components and technology which could be of significance from the standpoint of the proliferation of nuclear explosives, and provisions to clarify and strengthen the criteria which this Government would apply, pending further international agreements.

Also included were incentives, in the form of the assurance of a reliable supply of nuclear fuel services by the United States, to encourage other nations of the world to agree to adhere to policies designed to limit the further spread of nuclear explosives. Because the order books have been closed for all existing uranium enrichment capacity in this country since July 1974, these incentives would have also required action to assure the existence of additional United States enrichment capacity. This legislation was introduced in the Senate by Chairman Pastore and others on August 25, 1976 (S. 3770) and in the House, by request, by Vice-Chairman Price and Mr. Anderson on August 25, 1976 (H.R. 15273). A modified version of this legislation was introduced by Mr. Price, for himself and Mr. Anderson, on September 2, 1976 (H.R. 15419), and was reported by the Joint Committee with amendments on September 18, 1976. An identical original bill, S. 3853, was reported by the Joint Committee to the Senate on September 29, 1976. The Joint Committee intends to continue its efforts during the 95th Congress to develop workable legislation to establish a nuclear explosives proliferation control policy for the United States.

G. Modification of the Price-Anderson Act

The Price-Anderson Act was enacted in 1957, and extended and amended in 1965, 1966, and 1975. The Act is designed to protect the public by providing for the payment of claims in the unlikely event of a catastrophic nuclear incident. The Price-Anderson system, as amended by Public Law 94-197, provides funds for public liability in the event of a nuclear incident with a total amount of at least $560 million. These funds are provided by requiring nuclear powerplant licensees to maintain financial protection through insurance or other means in the full amount available from private insurance (currently $125 million) and to participate in a retrospective premium insurance system in the event of a nuclear incident, and by provisions for government indemnification where private insurance and retrospective premiums do not total at least $560 million. Under the amendments to the Price-Anderson Act enacted during the first session of the 84th Congress, the Price-Anderson Act will expire on August 1, 1987, the Government's obligation as an indemnitor would be phased out at least by 1985, and from that point onward, the amount of funds available to compensate the public in the event of a nuclear incident would rise above $560 million.

During the floor debate in December 1975 on the bill, H.R. 8631, which was subsequently enacted as Public Law 94-197, the Chairman of the Joint Committee agreed, at the request of Senator Charles Percy, to hold further hearings to consider whether utilities having licenses to operate nuclear power reactors can and should accept an even greater share of the risk of public liability in the unlikely event of a nuclear incident. These hearings were held on March 3, 1976. At those hearings, the Committee received testimony from Senator Percy, a representative of the financial community, representatives of the electric utility industry, and individuals and representatives of a number of other organizations interested in this area. The Committee subsequently received the views of the Executive Branch regarding the proposals advanced by the witnesses at the March 3 hearing.

On September 20, 1976, the Nuclear Regulatory Commission printed in the Federal Register (41 Fed. Reg. 40511) its proposed regulations for implementing Public Law 94-197. The Committee intends to monitor NRC's implementation of these amendments to the Price-Anderson Act, and to ensure that the Price-Anderson system continues to provide adequate protection to the public through a system which requires the maximum amount of public liability insurance which is commercially available as the first level of protection, and as needed, deferred financial assessments by the utilities operating nuclear powerplants in this country.

II. INFORMATIONAL HEARINGS

A. Naval Reactors

On March 18, 1976, the Subcommittee on Legislation, in executive session, heard testimony from Vice Admiral Hyman G. Rickover, Director, Division of Naval Reactors, ERDA, on the status of the Naval Nuclear Propulsion Program and the Administration's request for authorizing funds for that program for fiscal year 1977. Much of the material was of classified nature and thus cannot be summarized here. It is of importance to note that Admiral Rickover reported that the United States had in operation 106 nuclear submarines and 7 nuclear surface ships; the 135 reactors in the naval program have been operated for a total of 1,400 years without accident; and the nuclear fleet has steamed for a total of more than 31 million miles.

B. Liquid Metal Fast Breeder Reactor

On February 17, 1976, the Joint Committee released the report of its Ad Hoc Subcommittee to Review the Liquid Metal Fast Breeder Reactor (LMFBR) Program. This Subcommittee conducted its review in 1975 with the purpose of examining the various concerns that have been expressed and questions that have been raised within the Congress and outside by members of the public with respect to several fundamental issues such as the need and timing of the breeder program, the cost and potential benefits to be realized from it, and the attendant risks associated with the ultimate widespread commercial use of this type of energy production and conversion technology.

The principal conclusions of the report were as follows:

1. Continuation of the breeder development program, as a high priority effort, is essential to the energy future of this Nation.

2. The breeder is needed no later than it will become commercially available under current development plans, i.e., the early 1990's.

3. Vigorous pursuit of LMFBR development at this time, including construction of demonstration plants, is essential to provide adequate information on which to base future decisions concerning commercialization of breeder technology. The collection of this information does not constitute a commitment to future commercialization.

4. An aggressive program of research and development on the safety and environmental impacts of breeder commercialization must be continued as a top priority effort. Our present knowledge and understanding of these issues suggests no reason for delaying the breeder program.

5. Substantial reliance on foreign technology beyond the establishment of information exchange agreements is not a satisfactory substitute for development of a breeder reactor industry in the U.S.

6. A very substantial review effort on breeder development plans, approach and strategy has been and continues to be made by advisory groups and others. The conduct of such studies should not be allowed to occasion delay in the program.

These conclusions strongly reaffirmed the need for the United States to proceed vigorously with LMFBR development, including construction of a demonstration plant, the Clinch River Breeder Reactor (CRBR). The Joint Committee, therefore, recommended in its report on the ERDA authorization bill for FY 1977 that the full amount of funding requested by the Administration for the LMFBR program be authorized. This funding level represents an increase of $151,000,000, or almost 50%, over the estimated costs for FY 1976. Most of this increase will be applied to continue design, engineering and development and procurement of long-lead equipment for the CRBR.

The Joint Committee also held hearings on and approved the justification data and criteria providing a new contractual basis for the management structure of the CRBB project. This new basis, under which ERDA assumes the managemnet control previously held by Project Management Corporation, was considered appropriate in recognition of the larger financial commitment now undertaken by the government. Authority for this reorganization was contained in the FY 1976 ERDA authorization bill approved in December 1975, which required that the revised criteria lie before the Joint Committee for a 45-day review period after the enactment of the authorization bill. Following this period and after consideration of several potential deficiencies in the revised contractual arrangements as raised by some Committee members, the Joint Committee approved the new arrangement by vote of nine to two. The revised contract was subsequently signed by ERDA and other project participants in May 1976.

The Joint Committee will continue to examine the performance under this contract, as well as cost and schedule performance on other major LMFBR projects such as the Fast Flux Test Facility, in the next congressional session.

C. Nuclear Reactor Safety

Since the inception of the commercial nuclear power program, the Joint Committee on Atomic Energy has repeatedly emphasized the paramount importance of safety in the development and application of nuclear power. To assure that the public health and safety is always adequately protected, the Congress established through the Atomic Energy Act of 1954 a comprehensive Federal regulatory system with multiple independent reviews by qualified experts and full opportunity for free and open public participation. In 1974, the Congress created an independent agency, the Nuclear Regulatory Commission, with the sole responsibility of regulating, in the public interest, the commercial nuclear power industry and other peaceful uses of atomic energy.

The Joint Committee, as the responsible representative under law of Congress and the American people in atomic energy matters, has consistently acted to assure that nuclear activities are carried out in a safe manner. Over the years, the Joint Committee has generally recommended to the Congress the full funding levels requested for nuclear regulatory programs and has often added funds to assure that adequate resources are made available to carry out the regulatory function. The Committee has continually examined the effectiveness of the regulatory program through hearings and other means. The overwhelming preponderance of technical evidence presented to the Committee at these hearings has supported the view that nuclear reactors are safe, and that adequate protection is being given to the health and safety of the public. This position is supported by the excellent health and safety record achieved in nuclear programs for the past two decades. There have been no nuclear accidents in this country which have injured any member of the public.

Early in 1976, the regulatory system established by the Congress was put to test when an employee of the Nuclear Regulatory Commission and three employees of the General Electric Company resigned their positions charging that nuclear power reactors are unsafe. In essence, all of these individuals alleged that certain nuclear power plants have design deficiencies and operational problems to an extent that poses major safety concerns. The former NRC employee also charged that safety information and certain staff views are suppressed within the Nuclear Regulatory Commission.

In view of the seriousness of the charges, and the fact they had been made by individuals who had considerable experience in certain aspects of the nuclear power program, the Joint Committee immediately began a thorough investigation to determine the validity of the allegations. Five days of extensive public hearings were held by the Committee in February and March. At these hearings the persons making the allegations were heard from first, and were given every fair, reasonable, and just opportunity to present their position to the Joint Committee. Subsequently, testimony was received from the Nuclear Regulatory Commission, as well as the Chairman and some members of the Advisory Committee on Reactor Safeguards, an independent advisory group established by the Congress. In addition, testimony was received from representatives of several private organizations. The complete record of these comprehensive hearings was released on May 11, 1976.

The investigation carried out by the Committee clearly demonstrated that the nuclear regulatory system established for commercial nuclear facilities can and does work to assure that public health and safety considerations are always given paramount consideration and to assure that such activities provide adequate protection to the health and safety of the public at all times. Furthermore, the testimony presented in support of the allegations provided no factual basis which brings into question the safety of any nuclear facilities which have been licensed to operate by the Nuclear Regulatory Commission or its predecessor.

D. Radioactive Waste Management

On January 20, 1976, the Joint Committee released the print of a hearing on the "Storage and Disposal of Radioactive Waste," which was held in November 1975. The purpose of this hearing was to review the plans, policies and programs of the Executive Branch for dealing with the management of commercial radioactive wastes. In releasing this print, Senator Pastore, Chairman of the Joint Committee, noted that the Nation has taken too long to solve the waste management problem, that we must act immediately and with resolve to pursue this matter, and that we must spend the funds necessary to assure safe and secure waste storage. Subsequently, the Joint Committee was gratified to note that ERDA responded affirmatively on this matter by announcing in February 1976 a substantial expansion of its program for managing radioactive wastes. Specifically, ERDA requested that almost $60 million be spent on commercial waste management in fiscal year 1977, a five-fold increase over the funding for fiscal year 1976.

The Joint Committee subsequently expressed the view that these funds are justified, but also stated its belief that even a larger amount could be well spent on this urgent subject. Accordingly, in its April 1976 report on the ERDA authorization bill for fiscal year 1977, the Committee recommended that the operating funds for the commercial waste management program be raised to a total of $78,370.000—an increase of $18,400,000. This action was taken to restore a major portion of the funds which had been cut by the Office of Management and Budget, and which are considered necessary by ERDA to conduct the waste management program at an appropriately accelerated pace. The Joint Committee directed that the additional funds be used in the areas of investigation of potentional storage sites, research and development of waste processing methods, and study and analysis of the safety and environmental aspects of waste management.

The Joint Committee also held extensive hearings in May 1976 on a multi-volume ERDA document[1] discussing the current methods and alternatives for handling and storing commercial radioactive waste. This document was prepared in response to a request by the Committee in its report on the FY 1976 ERDA authorization bill that ERDA prepare a comprehensive and detailed analysis of the options for storage or disposal of commercially-generated radioactive wastes in various future time periods. During the three-day hearing held by the Committee on this report and related matters, government witnesses testified that there seems to be a general consensus in the technical community that emplacement in geologic formations will provide an effective method for the long-term exclusion of wastes from the biosphere. These witnesses also reported to the Committee that it is scientifically and technically feasible to manage commercial radioactive wastes in a safe manner, and that the ERDA program for accomplishing this is scheduled to satisfy the need for terminal waste storage facilities on a timely basis. The Joint Committee will continue to devote major attention to this subject during the next Congressional session.

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[1] Alternatives for Managing Wastes from Reactors and Post-Fission Operations in the LWR Fuel Cycle, ERDA 76–43, May 1976.

E. Assessment of the Environmental Impact of Nuclear Waste Disposal Methods

On July 21, 1976, the United States Court of Appeals for the District of Columbia Circuit issued two decisions concerning among other things, the Nuclear Regulatory Commission's consideration in the reactor licensing process of the environmental effects of nuclear waste management and fuel reprocessing. Because of the potential significance of these decisions for further licensing of nuclear power reactors in this country, the Joint Committee held hearings on these matters on August 27, 1976. The purpose of the hearings was to inform the Committee both on the substance and effect of the Court decisions and on the procedures developed by the Nuclear Regulatory Commission to satisfy the requirements of those decisions. Testimony was received by the Committee from the Chairman and other senior officials of the Nuclear Regulatory Commission.

The Committee intends to carefully monitor the progress made by the Nuclear Regulatory Commission in implementing its policy in response to the Court decisions.

III. CLASSIFIED ACTIVITIES

As required under Section 202a. of the Atomic Energy Act of 1954, as amended, the Joint Committee is kept fully and currently informed with respect to all matters within the Department of Defense, the Energy Research and Development Administration and other agencies of the government relating to the development, utilization or application of atomic energy. Classified information is provided to the Committee on a continuing basis. From time to time hearings in executive session are held to delve into specific areas of classified information in greater detail.

A. Disarmament Matters

On March 30, 1976, the Director of the Arms Control and Disarmament Agency briefed the Joint Committee on the status of negotiations with the Soviet Union with respect to agreement on conducting peaceful nuclear explosions, SALT, and Mutual Balanced Force Reductions.

B. Foreign Activities

On February 19, 1976, the Director, Central Intelligence Agency briefed the Joint Committee on foreign intelligence matters.

C. Nuclear Weapons

On February 12, 1976, the Subcommittee on Legislation of the Joint Committee on Atomic Energy met in executive session to receive testimony from the Administrator, Energy Research and Development Administration on the national security program as defined in the Fiscal Year 1977 ERDA Budget Request and on a supplemental to the Fiscal Year 1976 and Transition Period weapons budget.

IV. OTHER ACTIVITIES

A. Confirmation Hearings

The Senate Section of the Joint Committee held hearings on February 4, 1976, to consider the nomination of Mr. Galen L. Stone to be Deputy Representative to the International Atomic Energy Agency; on March 11, 1976, to consider the nomination of Mr. Robert L. Hirsch to be Assistant Administrator for Solar, Geothermal and Advanced Energy Systems for the Energy Research and Development Administration; and on September 23, 1976, to consider the nomination of Mr. George F. Murphy, Jr., to be Commissioner, Nuclear Regulatory Commission.

B. Changes in Committee Membership, 94th Congress, 2d Session

John E. Moss, California, Resigned May 3, 1976.

George E. Brown, Jr., California, Appointed May 3, 1976.

V. COMMITTEE'S PLANS FOR THE 95TH CONGRESS

The Joint Committee on Atomic Energy is the only Committee of Congress authorized to receive and recommend to the Congress proposed legislation in the field of atomic energy. In addition under its statutory charter in the Atomic Energy Act of 1954, as amended, the Joint Committee on Atomic Energy was established as an agent of the Congress and the American people and charged with the responsibility of making continuing studies of the activities of the executive branch in the field of atomic energy and of problems relating to the development, use and control of atomic energy. Thus under the Atomic Energy Act, the Joint Committee on Atomic Energy has the responsibility of carrying out the "watch-dog" or oversight function in that field.

The Joint Committee's plans in connection with its legislative and oversight responsibilities during the first session of the 95th Congress include the following:

A. Legislation

1. Authorizing legislation will be required for the nuclear part of the ERDA budget for fiscal year 1977.

2. Annual authorization hearings will be held on the nuclear part of the ERDA budget for fiscal year 1978.

3. Annual authorization hearings will be held on the Nuclear Regulatory Commission budget for fiscal year 1978.

4. The Committee will continue its efforts to develop workable legislation which would establish a comprehensive nuclear explosives proliferation control policy for the United States.

5. The Committee will continue its consideration of legislation to improve the efficiency and effectiveness of the procedures for siting and licensing nuclear facilities.

B. Oversight activities

1. The Committee intends to continue to examine closely the adequacy of safeguards requirements and procedures for safeguarding nuclear materials at domestic nuclear facilities.

2. The Committee intends to hold further hearings and examine closely matters relating to the proper disposal of both high and low level radioactive wastes from the civilian nuclear program as well as matters related to other parts of the so-called "back-end of the fuel cycle", such as the reprocessing of irradiated fuel. The Committee also intends to review thoroughly the progress which is being made by ERDA and other agencies to survey the adequacy of uranium ore supplies in the United States.

3. The Joint Committee will continue its active oversight of topics relating to the proliferation of sensitive nuclear technology and equipment which could lead to the further proliferation of nuclear explosives. The Committee will also continue its long-standing interest in maintaining and improving the security of U.S. nuclear weapons deployed at home and abroad. Finally, the Committee will continue to review carefully all matters related to the International Atomic Energy Agency.

4. The Committee intends to continue to examine closely the activities of the Nuclear Regulatory Commission to assure that the safety and environmental responsibilities of that agency continue to be carried out at the highest levels of efficiency and under procedures which are designed to achieve maximum efficiency, but without any sacrifice of the overriding goal of the regulatory mission.

5. If time permits, the Committee intends to schedule Section 202 hearings on the status of commercial nuclear power, including such matters as difficulties which are being encountered, fuel cycle problems, reliability and safety record.

6. In the classified field, the Joint Committee will actively pursue items relative to the strategic arms limitation talks and the mutual and balanced force reduction meetings. Also, in executive session, the Committee will receive its annual briefing by the CIA on overseas matters related to atomic energy.

7. Pursuant to Section 202b. of the Atomic Energy Act of 1954, as amended, the members of the Joint Committee who are Members of the Senate and members of the Joint Committee who are Members of the House of Representatives shall, on or before June 30th of 1977, report to their respective Houses on the development, use and control of nuclear energy for the common defense and security and for peaceful purposes.

LEGISLATIVE ACTIONS AFFECTING OLDER AMERICANS—94TH CONGRESS

Mr. CHURCH. Mr. President, every 2 years the Senate Committee on Aging—of which I am chairman—provides a staff report summarizing the major legislative developments affecting older Americans during each Congress.

The 94th Congress continued to build upon the solid achievements of earlier Congresses on behalf of the elderly.

Impressive victories were won in the areas of housing, employment, the Older Americans Act, and Supplemental Security Income.

Several of these measures, I am pleased to say, were identical or similar to proposals I have advanced, including:

Continuation and expansion of the Older Americans Act.

The designation of four priority services—home health, legal counseling, transportation, and residential repairs—for funding under the title III State and community programs on aging under the Older Americans Act.

Expansion of the title IX senior community service employment program.

Enactment of a new Age Discrimination Act to prohibit bias because of age in any program or activity receiving Federal financial assistance.

Establishment of a demonstration program to make home health services more readily available to the elderly.

Requiring the Consumer Products Safety Commission to consider whether the aged and handicapped would be adversely affected by the promulgation of any rule.

Protecting certain disaster victims from having their SSI benefits reduced by one-third when they are forced to move into another's household.

Excluding disaster assistance as countable income for SSI recipients.

Increasing the 15-percent retirement income credit from $1,524 to $2,500 for single aged persons and from $2,286 to $3,750 for elderly couples.

Mr. President, I submit for the Record the Committee on Aging legislative summary—"Action on Aging Legislation in the 94th Congress."

ACTION ON AGING LEGISLATION IN THE 94TH CONGRESS

The Administration and the Congress clashed often during the 94th Congress (1975–76). However, on several major matters relating to older Americans, considerable progress was made, particularly in the areas of employment for older workers, housing for the elderly, the Older Americans Act, and funding for senior citizen programs.

The U.S. Senate Committee on Aging presents a staff report[1] summarizing these actions for the elderly, practitioners in the field of aging, policymakers, and others.

OLDER AMERICANS ACT AND ACTION

Older Americans Amendments of 1975

(Enacted November 28, 1975)

Congress gave overwhelming approval to the Older Americans Amendments of 1975. Public Law 94–135 continues and expands programs (with a total authorization exceeding $1.7 billion) under the Older Americans Act, the Older American Community Service Employment Act, the Domestic Volunteer Service Act, and other legislation affecting the elderly. In addition, the Act includes several innovations. Among the major provisions:

Three-Year Extension of Older Americans Act: Programs under the Older Americans Act (including area planning and social services, model projects, training, research, multidisciplinary centers of gerontology, multipurpose senior centers, and nutrition) are continued through fiscal 1978 with nearly $1.1 billion in new authorized funding. The National Information and Resource Clearing House for the Aging is also extended through fiscal 1978.

Priority Services: Four priority services—including transportation, legal counseling, residential repair, and in-home services—are earmarked for funding under the Title III State and Community Programs on Aging. Beginning in fiscal 1977, States must commit at least 50 percent of the increase in their allotment for planning and social services (the difference between their allotment in fiscal 1977 compared with fiscal 1975) for the four enumerated services, but in no event can this be less than 20 percent of the Title III State planning and social services funding. States assuring AoA that they would use one-third of their Title III allotment to provide some or all of the four priority services are exempt from either the 50-percent or 20-percent requirements.

Expansion of Section 308 Model Projects: The listing of priority services for funding under the Section 308 Model Projects program is expanded to include (a) ombudsman services for nursing home residents; (b) improving the delivery of services for low-income, minority, Indian, and limited English-speaking individuals and the rural elderly; and (c) assisting in the establishment and operation of senior ambulatory day care centers.

Direct Funding of Indian Tribes: Direct funding of Indian tribes is authorized under Title III, provided that the Commissioner on Aging determines that (a) Indian tribe members are not receiving benefits equivalent to other older persons in the State, and (b) they would be better served through direct funding.

State Administrative Costs: The floor for administrative costs is increased from $160,000 to $200,000 for States and from $50,000 to $62,500 for outlying territories and possessions. States which desire to receive amounts in addition to their allotments may make an application with the AoA Commissioner. The Commissioner may approve the application upon the determination that (a) the State will be unable to carry out programs effectively unless additional amounts are available, (b) the State is making full and effective use of its allotment and personnel, and (c) the State agency and area agencies on aging are carrying out, on a full time basis, programs and activities in furtherance of the Act. However, the amount a State receives may not exceed ¾ of 1 percent of the sums allotted under the Title III area planning and social service programs and the Title VII nutrition program.

Surplus Commodities: The Secretary of Agriculture is required by law to donate surplus commodities to Title VII nutrition projects. Public Law 94–135 directs the Secretary of Agriculture to maintain an annually programed level of assistance of 15¢ per meal in fiscal 1976 (compared with 10¢ per meal in 1975) and 25¢ per meal in fiscal 1977. In addition, the Act requires the Secretary to purchase meats and other high protein foods for the Title VII nutrition program.

Training Expanded: The Title IV training program is broadened to include lawyers and paraprofessionals to (a) provide legal counseling or (b) monitor the administration of programs for older Americans. Training is also authorized for purposes of identifying legal problems affecting older persons and developing solutions for their needs.

Older American Community Service Employment Act Extended: The Title IX Older American Community Employment Service Act is continued through fiscal 1978 with $487.5 million in new funding authority.

Maintenance of Effort for National Contractors: The 1975 Amendments direct the Secretary of Labor to reserve a sufficient sum under each year's appropriation for the Title IX program to continue older worker employment programs conducted by national contractors at least at their fiscal 1975 job level. The remaining appropriations may be distributed to the States by a formula, taking into account the 55-plus population and a State's relative per capita income.

ACTION's Older Americans Programs: RSVP (Retired Senior Volunteer Program) Foster Grandparents, and Senior Companions are extended through fiscal 1978 with $146.75 million in new authorized funding. The Act requires the Director of ACTION to coordinate ACTION's older persons programs with the Title III and VII programs under the Older Americans Act.

Foster Grandparents-Mentally Retarded Child Relationship: The conference report also responds to a major problem confronting the Foster Grandparents program—the termination of the Foster Grandparent relationship when a mentally retarded child reaches age 18. ACTION had issued regulations to modify this provision, allowing Foster Grandparents, in exceptional cases, to serve children through age 20. The conference report makes three important points: (1) Foster Grandparents supportive services should be continued through age 21—not 18 as initially provided by ACTION's regulations; (2) the Foster Grandparent relationship should be permitted to end only when ACTION is certain that an alternative arrangement can be made, satisfactory to the needs of the Foster Grandparent, the child's family, and the sponsoring agency; and (3) the Foster Grandparent relationship must be continued if suitable alternative arrangements cannot be made.

Age Discrimination Act: The Civil Rights Commission is directed to undertake a study concerning age discrimination in programs and activities receiving Federal financial assistance. Within one year after the Civil Rights Commission's report (or 2½ years after enactment of the Age Discrimination Act if the report is not submitted), the Secretary of Health, Education and Welfare must issue regulations to prohibit discrimination on the basis of age in programs or activities receiving Federal financial assistance.

AUTHORIZATIONS FOR OLDER AMERICANS AMENDMENTS (H.R. 3922)

[In millions of dollars]

	Fiscal year 1976	Transitional quarter July 1, to Sept. 30	Fiscal year 1977	Fiscal year 1978
Title III—Area Planning and Social Services	180	57.75	231	287.2
Title VII—Nutrition	(1)	62.50	(2)	275.0
Title IX—Community Employment	100	37.50	150	200.0
Domestic Volunteer Service Act:				
RSVP	(3)	6.00	22	22.0
Foster Grandparents	(4)	8.75	25	35.0
Senior Companions	(5)	2.00	8	8.0
Total[6]	280	174.50	446	827.2

[1] Authorized at $200,000,000 under Public Law 93-351.
[2] Authorized at $250,000,000 under Public Law 93-351.
[3] Authorized at $20,000,000 under Public Law 93-113.
[4] Authorized at $32,000,000 under Public Law 93-113.
[5] Authorized at $8,000,000 under Public Law 93-113.
[6] Open-ended (such sums as may be necessary) for all other programs under Public Law 94-135.

Domestic Volunteer Service Act Amendments of 1976

(Enacted May 27, 1976)

Public Law 94–293, extending the international and domestic programs of ACTION through September 30, 1978, contains a provision to allow foster grandparents to continue their relationship with a mentally retarded child beyond the age of 21, as long as the child is enrolled in the program before reaching that age.

TAXATION

Tax Reduction Act of 1975

(Enacted March 29, 1975)

Public Law 94–12 was enacted to stimulate the economy in 1975. It included a number of provisions of direct benefit to aged and aging Americans, including:

Refund of 1974 Individual Income Taxes: A refund equal to 10 percent of 1974 tax liability, with a $200 ceiling ($100 for married taxpayers filing separately), provided nearly $8.1 billion in relief for individuals in 1975. Each taxpayer received a refund of at least $100 ($50 if married and filing separately) or the full amount of his or her actual tax liability if it is less than $100. The refund was phased down as the taxpayer's adjusted gross income (gross income less trade and business deductions) rose from $20,000 to $30,000.

Increase in Standard Deduction and Low-Income Allowance: The standard deduction increased in 1975 from 15 percent of adjusted gross income with a $2,000 maximum allowance to 16 percent with a $2,300 ceiling for single persons and $2,600 for married couples filing joint returns. The low-income allowance was also raised from $1,300 to $1,600 for single persons and $1,900 for married couples filing jointly.

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[1] The staff report summarizes only legislation which was actually enacted into law during 1975 and 1976. A brief description, however, is provided of the 1975 and 1976 Social Security cost-of-living adjustments, which became effective under provisions of legislation enacted in prior Congresses. The staff report does not include bills introduced, measures passed only by the House or Senate, or vetoed proposals sustained by the Congress.

$30 Tax Credit in Addition to $750 Personal Exemption Deduction: A $30 tax credit in addition to the $750 personal exemption was provided in 1975 for each taxpayer, spouse, and dependent.

Extension of Period for Replacing Old Residence for Nonrecognition of Gain: The time period for a taxpayer to purchase a replacement residence to defer the gain on the sale of the old residence was extended from one year to 18 months (either before or after the sale). Similarly, the period in which a taxpayer may construct a subsequent residence was extended from 18 months to 24 months (if construction begins within 18 months after the sale of the former residence). This provision applies to the sale of residences on or after January 1, 1975.

Tax Cut Extension Act

(Enacted December 23, 1975)

The Tax Cut Extension Act (Public Law 94-164) provided $6.1 billion in tax relief for taxpayers. Major provisions include: The 1975 individual income tax reduction was extended for six months (through June 30, 1976), at a level to insure that withholding rates do not rise on January 1, 1976. The low-income allowance was increased from $1,600 to $1,700 for single persons and from $1,900 to $2,100 for married persons filing joint returns. The 16-percent (of adjusted gross income) standard deduction was boosted from $2,300 to $2,400 for individuals and from $2,600 to $2,800 for couples. Individuals were given the option of claiming a credit equal to 2 percent of the first $9,000 of taxable income (up to a maximum credit of $180) or $35 for the taxpayer, spouse, and each dependent—whichever is greater.

Tax Reform Act of 1976

(Enacted October 4, 1976)

The Tax Reform Act of 1976 (Public Law 94-455) makes numerous changes in the Internal Revenue Code, including several with potentially important implications for the elderly. Among the key provisions for older Americans:

General Tax Credit: A credit equal to the greater of $35 per personal exemption or 2 percent of the first $9,000 of taxable income is effective in 1976. No additional credit for age or blindness is available.

Standard Deduction: The 1975 increases in the standard deduction (from 15 percent to 16 percent of adjusted gross income with a boost in the overall ceiling from $2,000 to $2,400 for single persons and $2,800 for couples filing jointly) and the minimum standard deductions (from $1,300 to $1,700 for individuals and $2,100 for couples) will become permanent in 1976.

Excludable Gain from Sale of Personal Residence: Public Law 94-455 allows taxpayers 65 or older who sell their residences to exclude the entire gain, provided the adjusted sales price is $35,000 or less, beginning in 1977. Now the entire gain can be excluded (provided certain conditions are met) if the adjusted sales price is $20,000 or below. A pro rata amount is excludable if the adjusted sales price exceeds these amounts.

Revision of Retirement Income Credit: The retirement income credit is restructured to include earned income, as well as retirement income. The maximum amounts for applying this 15-percent credit are boosted from $1,524 to $2,500 for single aged persons and from $2,286 to $3,750 for elderly couples (both 65 or older) filing joint returns. These maximum amounts, however, are reduced by $1 for each $2 of adjusted gross income in excess of $7,500 for a single person and $10,000 for a married elderly couple filing a joint return. Thus, the credit is no longer available for a single person with adjusted gross income of $12,500 and an elderly couple with $17,500.

Changes in Sick Pay Exclusion: The existing sick pay exclusion is generally repealed and replaced with a maximum annual exclusion up to $5,200 for individuals under 65 who have retired on disability and are permanently and totally disabled (unable to engage in any substantial gainful activity because of a physical or mental impairment which is expected to last for at least 12 months or result in death. After age 65, these retirees will be eligible for the revised elderly credit.) The maximum amount excludable must be reduced on a dollar-for-dollar basis by an individual's adjusted gross income (including disability income) in excess of $15,000 (this amount applies to individual and joint returns).

Credit for Dependent Care Expenses: The existing itemized deduction for dependent care expenses is replaced with a tax credit equal to 20 percent of employment related expenses (up to $2,000 for one dependent and $4,000 for two or more dependents) for the care of a child under 15 or an incapacitated dependent or spouse in order to enable the taxpayer to work. Thus, the maximum credit in 1976 is $400 for one dependent and $800 for two or more dependents.

Deduction for Cost of Removing Architectural Barriers: Beginning in 1977, taxpayers can claim a current deduction, up to $25,000 a year, for the removal of architectural or transportational barriers for handicapped and elderly persons in business facilities and public vehicles.

Unified Estate and Gift Tax Rates: A new single unified rate schedule for estate and gift taxes will replace the existing rates for estate and gift taxes in 1977 (the gift tax rate is now 75 percent of the estate tax rate). For 1977 and 1978, the lowest rate (after taking into account the unified credit equivalent to an exemption of $120,667) is 30 percent. The existing estate tax exemption is $60,000. The present lifetime gift tax exemption for a donor is $30,000. After 1980, the lowest rate (taking into account the fully phased-in unified credit equivalent to an exemption of $175,625) will be 32 percent.

Marital Deduction: Public Law 94-455 increases the estate tax marital deduction for small- and moderate-sized estates passing to a surviving spouse. The allowable deduction for property passing to a spouse is the greater of $250,000 or one-half of the decedent's adjusted gross estate. With the new marital deduction and the revised exemption, only about 3 to 5 percent of all estates will be subject to Federal estate tax.

SOCIAL SECURITY

Special Payment for Social Security Beneficiaries

(Enacted March 29, 1975)

The Tax Reduction Act of 1975 (Public Law 94-12) included a one-time $50 payment ($100 for couples) for Social Security, Railroad Retiree, and Supplemental Security Income beneficiaries. An individual received only one $50 payment if he was entitled to benefits under two or more programs. This special payment, which provided an additional $1.7 billion for 34 million persons, was non-taxable. It was disregarded in determining eligibility under any State or Federal public assistance program.

Eight-Percent Social Security Cost-of-Living Adjustment in 1976

(Effective Under Provisions in P.L. 92-336 and P.L. 93-233)

Nearly 32 million Social Security beneficiaries received an 8-percent cost-of-living adjustment in 1975. The automatic escalator provision provided Social Security beneficiaries with an additional $5.5 billion in fiscal 1976. President Ford had recommended a 5-percent ceiling in his fiscal 1976 budget message. The Senate, however, adopted (by a vote of 76 to 13 on May 6, 1975) Senator Church's amendment to a bill to extend the Council on Wage and Price Stability (S. 409). The effect of the amendment was to assure enactment of the 8-percent adjustment as authorized by law, instead of the 5-percent ceiling proposed by President Ford. The Social Security 8-percent increase also had spillover effects for Supplemental Security Income and Railroad Retirement beneficiaries. Federal SSI income standards were also increased by 8 percent, since the automatic escalator provision is pegged to the Social Security cost-of-living adjustment mechanism. The 1975 adjustment increased the monthly Federal SSI income standards from $146 to $157.70 for qualifying individuals and from $219 to $236.60 for couples. The Social Security cost-of-living adjustment was passed through to most Railroad Retirement beneficiaries as an increase in their tier one benefits (the portion calculated on the basis of their combined Social Security-Railroad Retirement earnings).

6.4 Percent Social Security Cost-of-Living Adjustment in 1976

(Effective Under Provisions in P.L. 92-336 and P.L. 93-233)

Nearly 32.6 million Social Security beneficiaries received a 6.4 percent cost-of-living increase on July 3, 1976. This adjustment will provide $4.9 billion in additional payments for fiscal 1977. Average monthly benefits increased from $204 to $218 for a retired worker, $348 to $372 for a retired couple, $196 to $208 for an aged widow, $228 to $242 for a disabled worker, and $447 to $475 for a disabled worker with a wife and one or more children. The minimum monthly benefit (for a worker retiring at age 65) increased from $101.40 to $107.90 for a retired worker (from $152.10 to $161.90 for a retired couple). The maximum monthly benefit for a male worker retiring in 1976 at age 65 rose from $364 to $387.30 (from $546 to $581 for a retired couple). Special age-72 payments increased from $69.60 to $74.10 a month (from $104.40 to $111.20 for a couple).

In addition, 4.4 million Supplemental Security Income recipients (2.3 million aged and 2.1 million disabled and blind persons) will receive an additional $315 million in benefits for fiscal 1977 under the 6.4 percent cost-of-living adjustment. Monthly SSI income standards increased from $157.70 to $167.80 for qualifying individuals and from $236.60 to $251.80 for couples.

Most Railroad Retirement annuitants received a similar increase for their tier one benefits.

Expedite Social Security Hearings and Appeals

(Enacted January 2, 1976)

Public Law 94-202 permits the Social Security Administration to use existing Supplemental Security Income hearing examiners to hear Social Security and Medicare cases until the end of 1978. In addition, it makes the provisions governing hearings and judicial review under SSI virtually identical to those of the Social Security and Medicare programs. The time limitation for a person to request a hearing after the disallowance of a claim is 60 days for Social Security and SSI cases—an increase from 30 days for SSI claims and a decrease from 6 months for Social Security claims. It is estimated that this legislation can help reduce the hearing backlog by 3,000 a month. Public Law 94-202 requires the Secretary of HEW to give at least 18 months notice of any proposed changes for payment of Social Security taxes by State and local governments.

SSI, MEDICAID, AND TITLE XX SOCIAL SERVICES

Food Stamp Continuation for SSI Recipients

(Enacted June 28, 1975)

Public Law 94-44 extends for one year (through June 30, 1976) food stamp eligibility for SSI recipients.

Continuation of Food Stamps Through June 1977 for SSI Recipients

(Enacted July 14, 1976)

Public Law 94-365 continues food stamp eligibility for SSI recipients from June 30, 1976 to June 30, 1977.

Protection for SSI Disaster Victims

(Enacted June 30, 1976)

Senator Church won approval of two amendments to Public Law 94-331 (allowing certain distributions of taxes by life insurance companies) to assure that Supplemental Security Income recipients will not lose benefits because of a disaster. The first amendment allows SSI recipients to receive their full benefits for six months if they are forced to move into another's household because of a Presidentially-declared disaster. An SSI beneficiary's basic monthly grant is ordinarily reduced by one-third ($55.93 for a qualifying individual and $83.93 for a couple) upon moving to another's household. In addition, the Church amendment exempts from countable income assistance received because of a disaster. This action was prompted by the Teton Dam disaster in Idaho. The Church amendments apply to disasters occurring from June 1, 1976 and before December 31, 1976 in order to allow ample time to determine the potential cost for future disasters.

Group eligibility for title XX social services

(Enacted September 7, 1976)

Public Law 94-401 permits group eligibility for Title XX social services when a State determines that substantially all members of a group have incomes below 90 percent of the State median income. The effect is to allow States to substitute group eligibility for individual means test in the delivery of social services to the elderly.

Prevention of one-third reduction in SSI benefits for disaster victims

(Enacted October 4, 1976)

The Tax Reform Act of 1976 (Public Law 94-455) also includes Senator Church's amendment to permit SSI beneficiaries to receive their full grant for 18 months when they move into another person's household because of a Presidentially-declared natural disaster occurring during the last half of 1976. Ordinarily a needy aged, blind, or disabled person's basic grant is reduced by one-third when he or she resides in the household of another.

SSI provisions included in unemployment compensation amendments

(Enacted October 20, 1976)

Public Law 944-566 makes important changes in the Unemployment Insurance and the Supplemental Security Income programs. Among the major amendments affecting SSI:

Institutionalization of a Spouse: The maximum monthly Federal SSI payment for a couple (now $251.80) is reduced to $192.80 when one spouse is in a Medicaid institution ($167.80 to the noninstitutionalized spouse and a $25 personal needs allowance to the spouse in the Medicaid institution). The total amount payable to the couple is determined on the basis of this joint income for other sources. Public Law 94-566 determines their income and benefit amount separately in these circumstances.

Protection of Medicaid Eligibility: Persons entitled to Medicaid because they receive SSI payments or State supplemental payments are protected from losing Medicaid coverage when there is a Social Security cost-of-living adjustment. This provision becomes effective for benefit increases starting June 1977.

SSI Payments to Persons in Institutions: Under prior law, State assistance furnished to an SSI recipient on the basis of need would result in the reduction of the Federal benefit unless it was furnished in the form of a cash State supplementary benefit as defined in the law. The amendment eliminates any reduction for any State assistance based on need. The amendment also modifies a provision reducing SSI benefits if a State used State-funded benefits to provide remedial care in an institution, rather than providing the care through the Medicaid program. Under the amendment, this reduction would only occur if the institution was not approved as meeting the appropriate State or local standards. The amendment also eliminates a ban on SSI payments to persons in public institutions serving no more than 16 persons.

Exempt Value of Home for SSI Eligibility Purposes

(Enacted October 20, 1976)

Senator Clark and Representative Ketchum won approval of an amendment to Public Law 94-569 to exempt the value of the home for purposes of determining SSI eligibility. An individual SSI recipient's countable resources cannot exceed $1,500 ($2,250 for couples). Under prior law and regulations the home was counted as a resource to the extent the current fair market value exceeded $25,000 for individuals living in continental United States and $35,000 for residents of Hawaii and Alaska.

Humphrey Pass-Along Amendment Adopted

(Enacted ——————)

Public Law 94-—————— includes Senator Humphrey's amendment to require States that supplement SSI benefits to pass along the Federal SSI cost-of-living increases. The purpose of this measure is to assure that a qualifying individual's total income will increase by the amount of the Federal SSI increase. This means that States will not be able to deduct the amount of the Federal SSI increase from the State supplemental payment. However, States are allowed, as an alternative, to make changes (including reductions) in their State supplementary benefits provided that they do not reduce their overall level of funding for the program. This provision becomes effective in July 1977.

SSI Cost-of-Living Increases

(See discussion under *Social Security*)

HOUSING

The Housing Authorization Act of 1976

(Enacted August 3, 1976)

Housing for the elderly was advanced with the enactment of the Housing Amendments of 1976 (Public Law 94-375). This legislation did the following:

Authorized $2.5 billion in loan authority for the Section 202 program for fiscal years 1977 through 1979. This program provides long-term direct loans to non-profit sponsors for the purpose of developing housing suitably designed for elderly and handicapped persons. This level of funding should make possible the development of approximately 30,000 units of housing annually.

Revised the computation of the interest rate charged by the government to 202 sponsors. By changing the computation formula to reflect the average interest rate on all interest-bearing obligations of the United States, the interest rate charged to 202 sponsors should drop from over 8 percent to about 6.5 percent. The ultimate savings will go to the tenant in the form of lower rental costs.

Directed HUD to use actual development cost (rather than the average cost of all comparable buildings, old or new, in the area, as was the case) in determining the Section 8 contract rents for 202 projects. This will allow 202 to avoid the problems prevalent with the section 8 program, where fair market rents are too low to allow new construction.

Provided $100 million in new construction funds for public housing. Forty percent of the heads of household of existing public housing units are elderly persons.

Provided $60 million in modernization funds for public housing, funds which may be used to provide congregate dining facilities for elderly persons in existing public housing.

HEALTH

Health Revenue Sharing and Health Services Act

(Enacted July 29, 1975)

Public Law 94-66 includes four measures—advanced by Senators Church, Muskie, and Moss—for older Americans. The Church Amendment authorizes an $8 million demonstration program for fiscal 1976 to establish new home health agencies and to expand services of existing units. The Muskie Amendment creates a 9-member Committee on Mental Health and Illness of the Elderly to conduct a study and make recommendations concerning (a) the future needs for mental health facilities, manpower, research, and training; (b) providing appropriate care for elderly persons in mental institutions; and (c) implementing the recommendations of the White House Conference on Aging to improve mental health care for the elderly. The first Moss Amendment authorizes funds to schools of nursing to provide in-service training programs for nursing home aides and orderlies. The second Moss Amendment authorizes funding to train nurse practitioners in geriatrics to provide primary care in nursing homes.

Medicare Deadline Amendments

(Enacted December 31, 1975)

Public Law 94-182 (the Medicare Deadline Amendments) made several changes in Medicare. Among the key provisions:

(1) Prevailing charges for physician fees in fiscal 1976 would not be less than in fiscal 1975. (2) The Secretary of HEW's authority is extended for three years to grant temporary waivers of nurse staff requirements in small hospitals in rural areas. (3) A technical error in the 1973 Social Security Amendments is corrected to permit annual changes in the Part B premium, beginning on July 1, 1976. That adjustment could not, however, exceed the Social Security cost-of-living percentage increase (8 percent) in July 1975. This enabled the monthly Part B premium to rise from $6.70 to $7.20 in July 1976. (4) A provision in the 1972 Social Security Amendments is repealed, requiring the Federal Employees Health Benefits (FEHB) program to be rewritten to provide supplementary benefits for persons who have Medicare eligibility. Otherwise, Medicare would no longer serve as the primary payor of benefits. The effect of the change is that Medicare would continue as the primary payor of benefits without requiring any change in the FEHB program. Federal retirees were also protected from a major premium increase in January 1976. (5) The 1967 Life Safety Code requirements applicable to Medicare and Medicaid skilled nursing facilities are replaced with the 1973 edition of the code. However, facilities currently qualified under the 1967 code, or State codes approved by the Secretary of HEW, would not lose their eligibility for participation in Medicare and Medicaid. (6) The

Secretary of HEW is directed to conduct a four-month study of the appropriateness of reimbursement under Medicare for diagnostic services performed by optometrists on patients whose eye lens have been removed because of cataract surgery.

Health Maintenance Organization Amendments of 1976

(Enacted October 8, 1976)

The Health Maintenance Organization Amendments of 1976 (Public Law 94–460) provided a one-year extension of the authority for home health demonstration projects and the Committee on Mental Health and Illness of the Elderly, established under Public Law 94–66 (see discussion under Health Revenue Sharing and Health Services Act). The Church-Kennedy Amendment authorizes $10 million for the development or expansion of home health agencies and $5 million for the training of professional and paraprofessional personnel to provide home health services. The Muskie Amendment grants the Committee on Mental Health and Illness of the Elderly an additional year to submit its report. Additional time is needed because the Administration named the nine Committee members less than two months before the deadline date for completing the report.

Office of Inspector General

(Enacted October 15, 1976)

Public Law 94–505, establishes an Office of Inspector General in the Department of Health, Education, and Welfare. The President will appoint the Inspector General with the advice and consent of the Senate. The Inspector General is responsible for conducting and supervising audits, investigating program operations, and preventing fraud and abuse in HEW's programs. Special emphasis will be directed at eliminating fraud and abuse in the Medicare and Medicaid programs.

EMPLOYMENT

National Employ the Older Worker Week

(Enacted April 21, 1976)

Public Law 94–275 authorizes the President to designate the week beginning March 13, 1977 as "National Employ the Older Worker Week."

Emergency Jobs Programs Extension Act

(Enacted October 1, 1976)

Public Law 94–444 provides a one-year extension (through fiscal 1977) of the Title VI emergency public services jobs program (Comprehensive Employment and Training Act). In addition, it directs that one-half of the jobs that become vacant because of attrition must be filled by individuals who (a) have been unemployed longer than 15 weeks, (b) have exhausted their unemployment insurance benefits, or (c) are receiving Aid for Families with Dependent Children. The Act also includes a Senate Amendment (sponsored by Senators Williams, Kennedy, Randolph, and Nelson) to direct sponsors of employment projects to give special consideration to alternative working arrangements—including flexible hours, shared time, and part-time jobs—particularly for older persons and parents with young children.

Public Works and Economic Development Act Amendments

(Enacted October 12, 1976)

Public Law 94–487 continues the programs under the Public Works and Economic Development Act for three years with a $4.9 billion authorization. Of special significance for the elderly, the 1976 amendments continue the Title X job opportunities program. Funding for Title X would be triggered when the unemployment rate is 7 percent or greater during a calendar quarter. Nearly 65,000 jobs can be provided under the maximum annual authorization of $325 million.

REVENUE SHARING

Revenue Sharing Amendments of 1976

(Enacted October 13, 1976)

Public Law 94–488, extending General Revenue Sharing through September 30, 1980, includes three changes which will directly benefit states and federal programs for the elderly. The new law (1) repeals a prohibition on the use of revenue sharing funds as matching money for other federal programs; (2) strengthens non-discrimination provisions of the law by adding a prohibition against discrimination on the basis of age, effective upon implementation of the Age Discrimination Act of 1975 (Public Law 94–135); and, (3) strengthens requirements for elderly participation in decisions regarding allocation of funds by directing state and local governments to provide senior citizen groups with an opportunity to be heard prior to the final allocation of any funds.

VETERANS

Veterans Compensation and Survivor Benefit Act of 1975

(Enacted August 5, 1975)

The Veterans Compensation and Survivor Benefit Act of 1975 provided an increase in benefits for 2.2 million disabled veterans and 390,000 survivors. Public Law 94–71 included the following major provisions: (1) a 10-percent increase in compensation payments for veterans with disabilities rated up to 50 percent and a 12-percent raise for disabilities of 60 percent or greater; (2) a 12-percent increase in indemnity and compensation payments for widows and children; and (3) a $25 boost in the annual clothing allowance (from $150 to $175) for disabled veterans who wear or use prosthetic or orthopedic appliances (including a wheel chair) which tends to wear out clothing. The increases were effective August 1, 1975.

Veterans and Survivors Pension Adjustment Act of 1975

(Enacted December 23, 1975)

Public Law 94–169 provided a temporary 8-percent increase in nonservice-connected disability pensions for veterans and their widows, effective from January 1976 (for checks delivered in February) through September 30, 1976. The Veterans and Survivors Pension Adjustment Act also raised the countable income standards from $3,000 to $3,300 for qualifying individuals and from $4,200 to $1,500 for veterans or widows with dependents.

Veterans and Survivors Pension Adjustment Act of 1976

(Enacted September 30, 1976)

Public Law 94–432: (1) makes permanent an 8-percent pension increase enacted into law in 1975 (which was scheduled to expire on October 1, 1976); (2) provides a 7-percent hike (for checks delivered in February 1977); (3) raises the annual countable income limitations (from $3,300 to $3,540 for veterans and widows without dependents and from $4,500 to $4,760 for veterans and widows with dependents) to provide protection against loss of VA pensions because of the 6.4% Social Security cost-of-living adjustment; (4) provides a 25-percent added differential in pension rates for veterans 78 or older; (5) increases the aid and attendance allowance from $69 to $74 a month for widows and dependent parents and from $133 to $155 a month for veterans; and (6) directs the Veterans' Administration to submit recommendations to the Congress to assure a level of income for eligible veterans and widows at or above the minimum standard of need.

Veterans Disability Compensation and Survivor Benefits Act of 1976

(Enacted September 30, 1976)

Public Law 94–433 provides an 8-percent increase in compensation payments for veterans with service-connected disabilities and their dependents. The Act also increases the annual clothing allowance from $175 to $190 for veterans with a disability that causes clothing to wear out or tear.

RETIREMENT INCOME

Allotments or Assignments from Civil Service Annuity

(Enacted December 23, 1975)

Public Law 96–166 permits an individual entitled to a Civil Service annuity to make allotments or assignments of amounts from his or her annuity for purposes that the Civil Service Commission considers appropriate.

Enrollment by Surviving Spouse in Civil Service Health Benefit Plan

(Enacted July 6, 1976)

Public Law 94–342 permits a surviving spouse whose Civil Service annuity was terminated because of remarriage to enroll in a Civil Service health benefit plan upon restoration of the spouse's annuity if the spouse was covered by a Civil Service health benefits plan at the time the annuity was terminated.

Elimination of 1-Percent Add-On for Civil Service Annuitants

(Enacted October 1, 1976)

The Fiscal 1977 Legislative Branch Appropriations Act (Public Law 94–440) includes a provision to eliminate the 1-percent add-on for Civil Service annuitants. The Act provides a new method of computing adjustments semiannually on the basis of the actual cost-of-living increase. The computation will be made each January and July. Annuity checks reflecting the cost-of-living adjustments will be mailed no later than April (for the January computation) and October (for the July computation).

CRIME CONTROL

Crime Control Act of 1976

(Enacted October 15, 1976)

Public Law 94–503 amends the Omnibus Crime Control and Safe Streets Act of 1968 to insure that the problem of crimes against the elderly is addressed by comprehensive planning and adequate funding. The importance of this new emphasis was underscored by a Victimization Survey released by the Department of Justice in 1976 which revealed that, for many categories of "street" crime, the rate of victimization was rising at a much higher rate for citizens 65 and older than for the general population.

The Crime Control Act requires that each state establish a Planning Agency which is charged with developing a comprehensive plan for the improvement of law enforcement and criminal justice, coordinating state activities, and establishing priorities. The plan developed by this Agency must meet certain criteria for the state to be eligible for federal anti-crime funding. One of those requirements is that the plan must provide for the development of programs and projects to prevent crimes against the elderly, unless the State planning agency makes an affirmative finding that this requirement is inappropriate. The qualifying language is intended only to prevent a misallocation of resources where it can be shown that there is no substantial problem involving crime against the elderly in a state. The grants for elderly crime prevention apply to both permissive and mandatory sections of the Act.

In addition to the above requirement, the Act establishes an Office of Community Anti-Crime Programs within the Law Enforcement Assistance Administration (LEAA). This Office is charged with providing (1) technical assistance to community and citizens groups to enable them to apply for grants (coordinating its activities with other Federal agencies and programs) and (2) information about successful programs to citizen and community groups. Advocacy groups representing older citizens should be able to use the Office's resources to assure that the crime-related problems of the elderly are adequately addressed within their communities. They should also be aware that the state planning agency is required by the Act to assure that citizen and community organizations participate at all levels of the planning process.

LEAA is extended by the Act through fiscal year 1979, with $880 million authorized for fiscal 1977 and $800 million for each of the succeeding two years.

CONSUMER PROTECTION

Equal Credit Opportunity Act Amendments

(Enacted March 23, 1976)

Public Law 94-239 prohibits credit discrimination against credit applicants because of race, color, religion, national origin, sex, marital status, or age. A creditor is permitted, however, to inquire about an applicant's age if the purpose is to determine the amount and probable continuance of income levels. The law also requires creditors to respond to credit applications within 30 days and entitles any applicant who is refused credit to a statement of specific reasons for denial.

Consumer Product Safety Commission Improvements Act

(Enacted May 11, 1976)

Public Law 94-284 includes a provision directing the Consumer Product Safety Commission to consider the special needs of elderly and handicapped persons to determine whether they would be adversely affected by the promulgation of any rule.

REMOVAL OF ARCHITECTURAL BARRIER

Public Buildings Cooperative Use Act of 1976

(Enacted October 18, 1976)

Title II of the Public Buildings Cooperative Use Act of 1976, Public Law 94-541, amends the Architectural Barriers Act of 1966 to extend the scope of that law and to strengthen its effective implementation and enforcement. The 1968 Act established as national policy that Federal buildings be accessible to those 18 million Americans—a large percentage of whom are elderly—who require special design features in order to utilize these structures. The 1976 amendments incorporate the recommendations of a General Accounting Office study which found that both the letter and spirit of the law were being violated.

The Public Building Cooperative Use Act imposes a clear statutory mandate that the Federal agencies named in the Act insure accessibility. The law's coverage is extended to include all Government-leased buildings intended for public use or in which the handicapped might be employed, all private structures leased by the Federal government for public housing, and the U.S. Postal Service. And the Act requires that (1) the General Services Administration issue an annual report on the status of the Agricultural Barriers Act activities, (2) the named Federal agencies establish a system of continuing surveys to insure compliance, and (3) the Architectural and Transportation Barriers Compliance Board report to the appropriate Congressional committees during the first week of each January on its activities and actions to insure compliance with the prescribed standards.

APPROPRIATIONS

[Funding in millions of dollars for Older Americans Act]

Older Americans Act	Fiscal 1976	Transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
Title III:			
Social Services	93	31.25	122
Model Projects	13.8	2.5	12
Administration	17.035	4.25	17
Title IV			26.5
Training	10	4	(1)
Research	8	2	(1)
Gerontology Centers	1	1	(1)
Title V: Senior Centers	0	5	20
Title VII:			
Nutrition	125	31.25	203.525
Operating Level	(187.5)	(187.5)	(225)
Federal Council on Aging	.575	.150	.575
Total	268.41	81.4	401.6
Title IX: Senior Employment	[2] 55.9	(2)	[3] 90.6

[1] Amounts not specified in the fiscal 1977 Labor-HEW Appropriations Act. However, the Administration on Aging plans to allocate $14,200,000 for training, $8,500,000 for research, and $3,800,000 for multidisciplinary centers of gerontology.

[2] Funding is available from July 1, 1976, to June 30, 1977.

[3] Funding is available from July 1, 1977, to June 30, 1978.

[Funding in millions of dollars for other aging programs]

Program or act	Fiscal 1976	Transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
National Institute on Aging	19.388	4.048	30
Community Schools	3.553	0	3.553
Domestic Volunteer Service Act:			
RSVP	17.5	4.708	19
Foster Grandparents	28.347	3.410	34
Senior Companions	3.58	1.353	3.8
Community Services Act:			
Senior Opportunities and Services	10	2.5	10
Community Food and Nutrition	26.2	6.55	27.5
Age Discrimination in Employment (Enforcement)	2.215	.561	2.289
Service Corps of Retired Executives	.485	.158	1.3

[Funding in millions of dollars for key HUD programs affecting elderly]

Program	Fiscal 1976 and transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
Sec. 202—Housing for the Elderly	[1] 750	750
Public Housing:		
New construction	0	85
Modernization	20	35

[1] No contracts were entered into in fiscal year 1976 for new public housing units. However, outlays may have been made by HUD for previous commitments.

ALARMING PROBLEMS IN CHAMPUS PROGRAM IGNORED BY DEFENSE DEPARTMENT

Mr. PERCY. Mr. President, the latest report by the General Accounting Office on treatment facilities certified by the civilian health and medical program of the uniformed services—CHAMPUS—is extremely disturbing. As you know, the Permanent Subcommittee on Investigations conducted an extensive inquiry and held hearings more than 2 years ago on problems in the administration of the CHAMPUS program's care for psychiatrically disturbed military dependents.

During those July 1974 hearings, we learned that facilities were allowed to participate in the CHAMPUS program without having been inspected and that certain forms of treatment of these disturbed youngsters were plainly bizarre and harmful. Yet CHAMPUS knew nothing about this. Nor were CHAMPUS officials aware that, while the parents of these troubled youngsters were supposed to pay part of the CHAMPUS bill for their youngsters' treatment, the facilities often knowingly overlooked that portion of the obligation owed by the parents.

Sadly, these very same findings appear in the GAO report of October 21, 1976. In other words, the problem remains, notwithstanding the assertions of CHAMPUS officials to the contrary.

This matter is of extreme concern to me since, only last June 9, Deputy Assistant Secretary of Defense for Health Affairs, Sherman Lazarus, told the Investigations Subcommittee during a follow-up hearing that:

> A quality assurance program for both in-patient and out-patient mental health benefits under CHAMPUS is well underway in its development.

In contrast to this rosy assessment which the Defense Department would have us believe, the facts as presented in the GAO report suggest that the bureaucracy at DOD has permitted to fester many of the problems first pointed out by the subcommittee more than 2 years ago. Moreover, DOD is said to have moved at a snail's pace to correct other flaws which we identified in the program.

Mr. President, it is indeed frustrating to see how little has been done to remedy these problems. Since those echelons of authority within the Defense Department have not been adequately responsive, I intend to bring this matter to the personal attention of the Secretary of Defense in the expectation that he will move immediately to speed up efforts to control this program. It is a most worthwhile program which has been allowed, through bureaucratic neglect, to harm the very military dependents we sought to assist when Congress passed the enabling legislation.

I submit for the RECORD at this point a digest of the report of the Comptroller General, entitled: "Greater Assurances Are Needed That Emotionally Disturbed And Handicapped Children Are Properly Cared For In Department Of Defense Approved Facilities." Hopefully, upon reading this digest, those concerned about the vitality of this program will be encouraged to peruse the entire report.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT TO THE CONGRESS BY THE COMPTROLLER GENERAL OF THE UNITED STATES

Greater assurances are needed that emotionally disturbed and handicapped children are properly cared for in Department of Defense approved facilities.

The three major types of specialized treatment facilities approved for participation in the Civilian Health and Medical Program of the Uniformed Services are psychiatric residential facilities for children and adolescents, handicap facilities, and specialized inpatient treatment facilities.

Standards, inspections, case approvals, and other aspects of administration need to be improved so that these facilities provide acceptable quality care appropriate to patients' needs and that charges for such care are reasonable. Revising outdated financial provisions of the handicap portion of the program also should be considered.

The Department of Defense needs greater assurances that emotionally disturbed and handicapped children are properly cared for in specialized treatment facilities participating in the Civilian Health and Medical Program of the Uniformed Services. Better assurances are also needed that charges for this care are reasonable.

These matters are of concern to the Congress and action has been taken to improve the program. GAO believes, however, that more needs to be done.

About 1,600 psychiatric, handicap, and specialized inpatient treatment facilities throughout the U.S. have been approved by the Department of Defense to care for emotionally disturbed and handicapped children and adolescents. Payments by the Department to those facilities in 1974 were about $18 million. (See pp. 3 and 4.)

Within about the past 2½ years, the Department has taken actions, primarily in the psychiatric area, to improve the facility approval and case approval process in order to correct known problems.

Important actions taken on facility approvals were the adoption of new standards for psychiatric facilities and improved facilities inspections.

Changes in case approval procedures involving psychiatric care for children and adolescents involved the establishment of an independent case review and the obtaining of more complete information from facilities for evaluation purposes.

These actions have resulted in a large number of psychiatric facilities being excluded from the program and greater assurances of the capability of facilities remaining in the program to provide quality care. Also, improved case review procedures have resulted in terminations of care considered unnecessary and have provided greater assurances that extensions of care granted patients are medically necessary. (See pp. 6 to 8.)

Problems have continued, however, with psychiatric residential facilities for children and adolescents approved under the new standards. These problems have included lack of treatment programs, minimum involvement in treatment by professional medical staff, unsanitary conditions, hazardous and unsatisfactory physical plants, and excessive charges to the program.

Standards for participation of handicap and specialized inpatient treatment facilities providing handicap care are limited. GAO visits to 14 of these facilities showed that few could meet minimal standards. (See pp. 8 to 17.)

Many facilities have been approved without having been inspected even though an inspection requirement has existed since 1972. In addition past inspections of handicap and specialized inpatient facilities have been of questionable value because the standards by which facilities were measured were limited, and qualifications were not established for inspectors. (See pp. 17 to 23.)

GAO visits to facilities showed that children and adolescents were (1) not always placed in facilities most appropriate to their needs and (2) kept too long in some facilities. In addition, parents were not always involved in their children's treatment programs, and medical care, when not part of facility programs, was not always provided to or arranged for patients by facilities.

Procedures for approving initial and continued care for handicapped children are inadequate, as are procedures for approving the first 120 days of care for children and adolescents placed in psychiatric facilities. Facilities cannot be relied upon to properly handle these matters because they do not all use utilization review or discharge planning programs, nor do they all involve parents in their children's treatment programs. (See pp. 33 to 47.)

Questionable charge practices existed at facilities we visited which included charging higher rates for program beneficiaries than for others, charging rates which were not supportable by costs, and failing to collect cost-sharing amounts from sponsors. Participation agreements are needed which would provide for negotiations of reasonable rates based on examination of financial records.

The $350 maximum Goverment payment under the program for the handicapped plus the sponsor's required share of the cost, which were established in 1966, is generally not adequate to cover the cost for residential care of the handicapped. (See pp. 49 to 58.)

The Secretary of Defense should:

Develop standards for the delivery of care at handicap and specialized inpatient treatment facilities, and adopt additional standards to cover aspects of care at psychiatric facilities not covered by existing standards. (See p. 31.)

Require (1) periodic inspections of all specialized facilities providing care to program beneficiaries and (2) prompt inspection of those facilities which have never been inspected. (See p. 31.)

Set qualification standards for inspectors. (See p. 31.)

Adopt preadmission approval procedures for care of emotionally disturbed children and adolescents whose sponsors apply for psychiatric benefits. (See p. 47.)

Adopt procedures for approving initial and continued care for patients at all facilities which require that definite determinations be made as to the:

Appropriateness of the admission;

Length of treatment;

Benefits to be obtained from treatment;

Need to involve children's parents in treatment programs;

Opportunities for children to function normally while undergoing treatment; and

Opportunities for care by means other than residential care. (See p. 47.)

Require that all approved facilities adopt utilization review and discharge planning programs. (See p. 48.)

Study cases involving long-term care to determine whether sponsors require, and are receiving, special assistance to enable them to deal with their concurrent, but perhaps conflicting, responsibilities to their families and the military departments. (See p. 48.)

Enter into formal written contracts for services and charges with facilities caring for program beneficiaries, considering the specific services to be provided individual patients. (See p. 55.)

Determine an appropriate maximum Government payment and equitable sponsor's payments for residential handicap care and prepare legislation to effect these program changes. (See p. 58.)

The Department of Defense generally agreed with GAO's findings and recommendations and indicated that all of the problems discussed in this report are receiving attention. (See app. I.)

SENATOR RANDOLPH STRESSES THE NEED TO EXPLORE NEW SEWAGE TREATMENT CONCEPTS

Mr. RANDOLPH. Mr. President, the construction of municipal sewage collection and treatment facilities is now the largest single public works program in our Nation. Despite the appropriation of billions of dollars, the 1970 census shows that 28.8 percent of the housing units in the United States are not served by public sewers. This means that 19.5 million households consisting of 58.5 million Americans must provide for themselves some method of home disposal for the nearly 3 billion gallons of domestic sewage which they generate daily. In the vast majority of cases, this situation creates serious health hazards.

The efforts initiated through Federal grant programs to meet the need for proper collection, treatment, and disposal of waste, which the environmental health of our Nation demands, has been hampered by soaring construction costs. There is also a reluctance on the part of both Federal and State agencies to adopt technological advances available to them in the area of sewage treatment. In many cases the preoccupation with centralized sewage systems has precipitated their construction where they are neither suited nor cost effective. As a result, in many rural areas around the country it is not uncommon to find the cost of conventional public wastewater collection and treatment facilities running between $5,000 to $10,000 per house. One example of this problem is the Hepzibah Public Service District in Harrison County, W. Va. This area does not have adequate public sanitary facilities and a new sanitation system serving 600 families is now under study. One segment of the proposed system which will serve 150 homes has an estimated construction cost of $1.2 million, or $8,000 per family. Even with 75 percent grant funds from EPA, poor rural communities cannot afford to finance such facilities.

Thus, it is impossible for local, State, and Federal governments to provide this most fundamental service to a large segment of the American people by conventional means. It is critical that alternative methods which have been developed to handle household sewage be given a responsible trial and that further development of them be aggressively pursued.

In my judgment, new technology has developed possible alternatives which make the treatment of waste for individual homes, a practical, cost effective way of meeting the problems of rural sanitation without the need for miles of costly collection lines and large treatment facilities. Individual home treatment units could provide effective sanitation to millions of families living in areas which cannot be serviced economically by conventional methods. Such systems will reduce the cost of sanitation and help preserve our precious water supplies. Systems are available which can recycle treated, filtered and disinfected wastewater which can be reused for sanitary purposes. This technology could be of great importance in areas where scarce potable water should be reserved for cooking, drinking, and bathing. Such programs can reduce by 40 percent the amount of water used by an average household.

One Government agency, the Appalachian Regional Commission—ARC—has recognized the potential of alternative systems for serving more households at lower cost. The Commission is presently engaged in a demonstration project in Boyd County, Ky. A primary factor in the ARC project is that although most of the equipment in the demonstration serves single homes, all systems are owned, operated, and maintained by a public sanitary district. This concept insures responsible maintenance and optimum operation.

Members of the Public Works Committee have expressed the view many times regarding the institutional uniqueness of the Appalachian Regional Commission as a Federal/State partnership. I believe the Boyd County residential wastewater treatment demonstration illustrates an aspect of the Commission which has not often been commented upon: It is small enough to be able to respond to new ideas. In this instance, the Commission employee with the new idea was Mr. Larry Waldorf, ARC Program Coordinator. It was Mr. Waldorf who first brought to the attention of the Commission the contribution which could be made to dispersed rural populations by self-contained waste treatment units, and it was Mr. Waldorf's suggestion to the Commission that a public sanitary district be established to assure the effective maintenance of the units.

Additionally, this program has had the active support and involvement of ARC Federal Cochairman Don Whitehead; the ARC Executive Director Harry Teter; and Gary Curran, Special Assistant to the Federal Cochairman. This vital project reflects the commitment of these public servants to assist people in solving their problems.

According to engineering studies, the estimated cost of providing centralized sewage facilities to the area of Boyd County served by the ARC demonstration project is approximately $565,000 or more than $9,000 per house.

The present cost of the Boyd County demonstration is $200,000 or $4,200 per house. It should be noted, however, that this cost includes many items which are a result of the demonstration nature of the project. In addition, the innovative nature of the project resulted in rather inefficient installation procedures and resulted in higher cost. The lessons learned in the Boyd County project, however, will be of great benefit in the efficient and economical development of future systems of this type. The Commission feels that, based on what they know from this demonstration, it is not unrealistic to expect the cost of future systems to be in the $2,500 to $3,000 range per house.

The effluent quality tests from the project indicate that the management concept developed for the project will permit optimum operation of the treatment. This is particularly demonstrated by the fact that equipment using surface discharge is meeting or exceeding EPA standards.

I believe that the Appalachian Regional Commission has taken a significant step in developing this system approach to individual rural sanitation and earlier this year, in a letter to Administrator Russell Train, I urged EPA to fund such projects under title II of Public Law 92–500. Indeed, the law requires that such alternative systems be utilized where they can be shown to be cost effective.

It is gratifying that the Environmental Protection Agency is responding to this new concept. EPA has conducted a site visit of the Boyd County project and is in the process of scheduling a future inspection. I am informed also that EPA is in the process of formulating regulations with regard to the utilization of systems to serve single homes. I am hopeful that EPA pursues this effort vigorously.

Mr. President, I submit a briefing paper describing the ARC project, my letter to Mr. Train—with enclosures—and his response for printing in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Briefing paper from the Appalachian Regional Commission, Washington, D.C.]

RURAL SANITATION: A SYSTEM APPROACH TO INDIVIDUAL HOME TREATMENT

This briefing paper describes the Home Wastewater Treatment Demonstration Project now underway in Boyd County, Kentucky, and the rationale behind the project's development.

The Appalachian Regional Commission has approved the sum of $100,000 in Section 302B Commission Research funds for the purpose of establishing and conducting this demonstration project. The purpose of the demonstration is to bring together the latest technology in the field of home wastewater treatment in a way which will be potentially most beneficial to rural Appalachia.

THE PROBLEM DEFINED

Throughout Appalachia, as well as other rural sections of the United States, countless areas exist which pose significant obstacles to the installation of conventional sewage collection and treatment facilities. Factors such as severe topography and low population density make the cost of conventional sanitation facilities prohibitive, ranging from $5,000 to $10,000 per connection. Although septic tanks are widely used in rural areas as an alternative, it is estimated that approximately 50 percent of these septic systems do not function properly. The soils in much of Appalachia do not provide the percolation required for septic tank use. The choice, therefore, is either to prohibit development in such areas or to finance the extremely high cost of conventional sewage collection and treatment facilities. This cost is, in itself, a substantial deterent to development in new areas. Similarly, there remains the problem of homes presently in use with failing septic equipment. The alternative here is either to provide adequate sanitation facilities or, short of moving families from their homes, to allow the existing unsanitary conditions to persist. In addition, even in areas where the ground will percolate the effluent produced by septic facilities is of a poor quality and therefore presents the danger of ground water contamination.

With constant improvements in technology, the use of alternative methods of sewage treatment, such as aerobic equipment, offer a new dimension of flexibility for rural area sanitation with advantages over both septic facilities and conventional collection and treatment systems. While aerobic equipment can provide superior treatment over septic equipment, and considerable savings over conventional collection and treatment, (costs range from $1,000 to $3,000 per home) the complete effectiveness of such methods is dependent upon proper ongoing supervision.

One of the primary arguments in opposition to the uses of aerobic home treatment equipment is simply that the equipment is mechanical in nature, and therefore requires maintenance on a regular basis. In the past, the lack of proper maintenance has resulted is equipment operation at less than optimum level or in the complete shutdown of the unit.

The requirement for proper maintenance of aerobic equipment has in the past (as with septic tanks) been left to the homeowner or to the distributor selling and installing the equipment. The Appalachian Regional Commission feels that the unworkability of this method is self-evident from past experience, and will, in fact, become more acute as additional home sanitation equipment is installed.

THE SYSTEM APPROACH

The alternative which seems to hold the most promise is the "system approach" to individual home sanitation as now in operation in the Boyd County project. The demonstration project has created a public sanitary district (Sanitation District No. 3) under the laws of the Commonwealth of Kentucky. All of the equipment in the Boyd County project will be owned, operated and maintained by Sanitation District No. 3. The Districts has in its employ a licensed sewage treatment plant operator whose full-time responsibility is the efficient operation of the entire system of individual aerobic treatment units. In the initial stages of the project, the operator has been involved in the installation and start-up of all project equipment. He receives instruction from the manufacturers involved in the project in repair and maintenance of each type of equipment. In addition, the operator is on-call for emergencies and has at his disposal the necessary spare parts to quickly replace any malfunctioning components.

In the first year of the demonstration the Appalachian Regional Commission will fund 100% of the cost of maintaining all equipment in the system. In the second year of operation the maintenance cost will be shared 50% by ARC and 50% by the homeowners. In the third year, all maintenance will be paid for at the local level. To accomplish this, starting in the second year each home will be assessed a maintenance fee which will be paid to the Sanitation District. As the Boyd County District No. 3 is a permanent sanitation system which will operate in the same manner as a municipal system, it is envisioned that the number of homes served by the system will be expanded in the future. It is presently calculated that a system serving one hundred homes could be operated, after the initial 3 month period, for a per unit operating fee of $5 to $7 per month. This fee compares favorably with charges paid for municipal sewage collection and treatment facilities.

If it can be demonstrated that this system approach to individual home sanitation is a cost effective and efficient method for meeting the growing rural sanitation problem, the Commission feels that the major Federal grant-in-aid programs such as EPA and the Farmers Home Administration should participate in such systems through regular construction grants. The system approach as presented in the Boyd County project established for the first time, an ongoing public body which is a legal applicant for Federal grant-in-aid funds for sanitation systems composed of individual home treatment units.

PROJECT SCOPE

The project has the participation of the six National Sanitation Foundation (N.S.F.) approved manufacturers of aeration home wastewater treatment systems. The six manufacturers participating in the demonstration are as follows:

Multi-Flo Incorporated—Dayton, Ohio.

Nayadic Sciences, Inc.—Uwchland, Pennsylvania.

Cromaglass Corporation—Williamsport, Pennsylvania.

Bi-A-Robi Systems—Hamlin, Pennsylvania.

Jet Aeration Company—Cleveland, Ohio.

Flygt Corporation—Norwalk, Connecticut.

Each of these manufacturers has agreed to supply six single family units for the project at a price which is at or below dealer cost. The total of 36 units are located in a small area of Boyd County known as Upper Chadwick Creek approximately five miles from the Huntington Airport. The 36 units are placed in individual homes in this area and will be serviced and monitored for a period of one year. In addition, two multi-family units service a total of eleven families where small clusters of homes provide a natural setting for such multi-family units.

As some manufacturers offer more than one system configuration, maximum project range has been achieved by utilizing as many system variations as possible. For example, Multi-Flo offers a system which can be used in conjunction with recycling equipment which reuses treated water for the toilet. It is proposed, therefore, that Multi-Flow supply three units with recycling equipment and three without. Similarly, Jet Aeration manufactures a system with or without a secondary treatment tank. Both options have been incorporated into this project. Further options are available with other manufacturers which allow wastewater treatment facilities to be used in addition to or replacement of existing septic tanks, as well as the modification of such septic tanks for use as the major component of the wastewater treatment system. The project has been laid out, therefore, to assure the maximum number of possible individual configurations. This aspect of the project has also been aided by the many different installation requirements encountered in the project area.

Since a properly maintained aerobic treatment unit produces an effluent of superior quality to that of a septic tank, aeration offers greater flexibility in the options available for effluent disposal. The methods of disposal being used in the Boyd County project are: subsurface drain field, evapotranspiration, spray irrigation, stream discharge.

Because all the homes served by the Boyd County project were existing structures, the particular characteristics of each individual site dictated in many cases which types of disposal could be considered. Since the subsurface drain field is the only method of disposal which can be used with a septic tank, many homes in the area could not be served with any sanitary facilities either because the ground would not percolate or because there was not enough land around the house on which to build a drain field. In these cases raw sewage was discharged directly into Upper Chadwick Creek. The individual onsite wastewater treatment units, as used in the Boyd County "system approach," appear to be the only cost effective alternative presently available for meeting such rural sanitation needs.

PROJECT ADMINISTRATION AND MONITORING

The FIVCO Area Development District in Boyd County received the grant to carry out this project, and contracted with the participating firms for the purchase of all equipment. For the purpose of insuring efficient operation, each manufacturer supervised the installation of his six units through a company representative or distributor. While all installation costs are paid by the project, the power required for each system will be tied into existing service and the homeowner will pay for any additional electricity. Homeowners have been asked to record the increase in their monthly electric bill so that the average operating cost can be determined. Prior to the start-up of the wastewater treatment units, FIVCO had water quality tests performed on the stream which drains the project area (Upper Fork of Chadwick Creek). Similar tests will be performed at the conclusion of the demonstration to determine if any improvement in water quality has resulted from this project. In addition, each demonstration unit will be tested twice monthly. A series of tests will be performed to determine the quality of effluent produced by each system. Tests to be performed are: BOD, SS, Ph, Temp, Desolved Oxygen and Fecal Coliform. Test results will be available from ARC on a monthly basis, and a final report will be issued at the end of the demonstration.

THE DEMONSTRATION AREA

The actual site of the demonstration area was chosen for its unique combination of characteristics.

1. The area is first of all in central Appalachia and located on the border of three Appalachian states within ten minutes of a regional airport which allow good access for visitors interested in the project.

2. This very small area contains an extremely wide variation of income groups. As different income groups have different social habits the wastewater system will be exposed to a broad spectrum of user habits. This should provide a more meaningful demonstration of system flexibility rather than a carefully controlled system use.

3. The entire area to be served is drained by a single stream which will allow for an accurate measurement of the effect of the project.

4. Due to the extremely rough topography of the area, a wide variety of installation problems will be encountered.

6. Relationship of FIVCO's leaders with the people of the area is particularly good. As new ideas are not always readily accepted, this relationship is important.

PURPOSE

The project is to provide a showcase of the technology available in the field of home wastewater treatment. The equipment which will be part of the demonstration has been extensively tested in many areas of the county. To date, however, the use of such equipment has been somewhat limited because information about such systems has not been widely disseminated, and because of existing health department regulations which do not accommodate home wastewater systems. The project described here will serve to demonstrate to the states and municipalities within the Appalachian Region the results which can be achieved with such equipment, if the equipment is maintained properly. It is hoped as a result of this demonstration that state and local governments will begin to consider the system approach to home wastewater treatment as an alternative to conventional municipal facilities.

SUMMARY

It should be again noted the Commission's goal in Boyd County is to establish an ongoing home wastewater sanitary district with the expectation that its performance will prompt replication throughout the Appalachian Region. This interest has been initiated by the realization that the rapidly increasing cost of municipal sewage facilities makes it virtually impossible for the Commission to meet the needs of the Region through conventional methods. Studies now set the cost of municipal sewage facilities to accommodate the Region's needs at $5 to $8 billion. Clearly the cost of providing adequate sewage facilities to the citizens of Appalachia can be reduced in many cases through the use of the technology now available in home wastewater treatment systems. It is hoped that through this method we will be able to serve more families with the limited funds at our disposal.

ADDITIONAL INFORMATION

Additional information including test results are available upon request from ARC. Address inquiries to: Lawrence E. Waldorf, Appalachian Regional Commission, 1666 Connecticut Avenue, N.W., Washington, D.C. 20235.

February 20, 1976.

Hon. Russell E. Train,
Administrator, Environmental Protection Agency, Washington, D.C.

Dear Russell: This letter expresses again my concern over the need to develop innovative and low-cost sewage treatment programs in rural areas. There has been in my opinion, a lack of effort to investigate the many sewerless toilet systems now being developed. See enclosed article from the November 1975 Bulletin of Atomic Scientists. The intent of Congress in Sections 104(q) and 105(e)(2) of P.L. 92–500 was that the Environmental Protection Agency conduct such a comprehensive research and demonstration program.

Enclosed also is an article from the Washington Post of January 31, 1976, describing an in-the-field demonstration project by the Appalachian Regional Commission in Boyd County, Kentucky. This endeavor is to test a system approach to individual small single family and multiple family aerobic treatment plants, utilizing a public sanitary district management concept. It is my understanding that EPA, four years after the enactment of P.L. 92–500, has no demonstration project that has progressed as far as the Commission's field testing project. This apparent neglect of Sections 104(q) and 105(e)(2) should be remedied immediately.

The Hepsibah Publis Service District (PSD) in West Virginia is currently completing its Step 1 phase for a conventional sewer system with central treatment connected to homes by sewer lines. Prohibitive costs have caused approximately 150 residences in three very isolated areas in the PSD to be removed from the project. It seems that these three areas would provide an excellent location for an expanded demonstration project similar to the one in Boyd County. These homes would provide a cost comparison with the other areas of the PSD served by the more traditional treatment and collection line system.

Enclosed is a description of the Commission's demonstration project. Our staff has met with officials of the PSD, the Appalachian Commission, and representatives of EPA from both Washington and Philadelphia. The EPA personnel have been helpful and cooperative in our discussions. The PSD is anxious to cooperate in this type of aerobic system project in the three areas and the Commission has made a commitment to provide advice and counsel based on their current experience in Boyd County.

I strongly urge you to assure the continued cooperation of EPA with the PSD staff, their consulting engineer, and the Appalachian Commission to expand the present project to include aerobic systems in the above-mentioned isolated areas.

As you know, there is a limited amount of funding available for research and demonstration. Thus, I believe this aerobic system, which is eligible under Section 212(2) (a) and (b), should be funded under the regular EPA 75 percent grant program. This procedure is important because it may be possible for the Appalachian Commission under its Section 202 or 214 authority to provide a supplemental grant of up to five percent.

In my judgment, a further demonstration of aerobic systems or other single family or multiple family systems by EPA is required to carry out the Congressional intent of Section 104(q) and 105(e) of P.L. 92–500. The cost factors demand it. If the conventional Hepzibah project was to be expanded to the three isolated areas presently deleted (150 sewage connections), it would add at least $1.2 million to the total project cost. Preliminary estimates based on the figures from the Boyd County demonstration project indicate that the aerobic systems would cost approximately $400,000, a two-thirds savings.

If this projected cost savings proves out, it will have a major beneficial impact on the cost of cleaning our Nation's wastewater problems. It would also improve substantially at reasonable cost the quality of life in rural areas.

Russell, I am very excited about this concept and its potential. Your personal efforts to insure that it receives a full and fair test will be genuinely appreciated.

With sincere thanks and very best wishes, I am

Truly,

JENNINGS RANDOLPH.

Enclosures.

[Extracted from the Bulletin of the Atomic Scientists, November 1975]

THE SEWERLESS SOCIETY

(By Harold H. Leich)

The flush toilet took civilization down the wrong road a century ago, and the problem grows worse each year; now, a quiet revolution in disposal methods promises a more sensible alternative, but it will take concerted public effort to bring it about.

To a visitor from another planet it would seem incredible that human beings who are intelligent enough for space travel solve their problems of personal hygiene by putting their body waste into the public drinking water and then spend billions in futile efforts to restore the water to its original condition. It is scientifically possible but financially infeasible to restore water completely once it has been contaminated by body wastes.[1]

The flush toilet, long considered the very symbol of modern sanitation and progress, wastes about 40 percent of all water piped into the home and befouls waterways from the muddy Potomac to the blue Mediterranean. Despite the money and energy spent on sewage treatment, traditional disposal methods are at a dead end—more sewers for more people, more billions for more treatment plants, more refined methods of intensive treatment, and still the effluent damages water quality downstream. Adverse effects of present sewage disposal systems include the following:

Risk of transmitting diseases to water users downstream. Chlorination effectively kills bacteria in the drinking water but there is less certainty about killing viruses, which cause diseases such as polio and infectious hepatitis and are suspected as one cause of cancer.[2] Recent findings in the Mississippi River basin indicate that chlorination to kill bacteria from toilets upstream may itself create carcinogenic substances in the drinking water.[3]

Waste of large quantities of purified drinking water to carry away small quantities of body wastes. The average toilet flush uses about five gallons of water. In one year the typical user of a flush toilet contaminates 13,000 gallons of fresh water to carry away 165 gallons of body wastes.

Enormous expenditures for sewer lines and treatment plants. A recent estimate states that complete sewage treatment for one small river basin—the Potomac—will cost $1.4 billion in addition to the substantial sums already invested in recent decades. But even this huge expenditure will not make the river swimmable. (In 1965 President Johnson, in signing a water quality bill, pledged to reopen the Potomac for swimming by 1975.)

Accelerated eutrophication of lakes and estuaries. Even advanced treatment does not completely remove the dissolved unwanted nutrients from the effluent.

Leakage of raw sewage. Aging sewer lines can allow leakage into the ground water supply or into surface waters.[4] The reverse, ground water leaking into sewer lines, can also happen.

Build-up of large amounts of sewage sludge. The sewage sludge produced at the Blue Plains Plant serving the Washington, D.C., area, for example, is expected to reach 2,400 tons a day when fully operational. Rural residents do not look with favor on receiving the growing waste load.[5]

In an effort to overcome environmental problems caused by the flush toilet, sanitation authorities have developed excessively centralized systems—the collection of human wastes from hundreds of thousands and even millions of people into one place for disposal. Such centralized systems are vulnerable to power failures, equipment breakdowns, employee strikes, and by-passing during flooding or high water—all of which can send millions of gallons of raw sewage downstream.

* * * * *

The present situation is bad enough, but what of the future? In 1970 the Council on Environmental Quality estimated that municipal sewage loads would nearly quadruple within 50 years. The Environmental Protection Agency received estimates in 1973 from municipalities for more than $60 billion to build sewage treatment facilities by 1990, but cautioned that the estimates might include inflated costs because 75 percent of the amount would come from Federal funds. Winfield M. Kelly, Jr., of Prince George's County, Md., stated that 1985 sewage-flow estimates for a huge proposed regional treatment plan for that county exceeded the available water supplies for the area by 321 million gallons a day.

Thus it is increasingly apparent that sanitary engineers and public health officials took the wrong turn in the road in the nineteenth century when they encouraged widespread adoption of the flush toilet. The tens of billions now programmed in this country for sewage disposal merely take us further down the same road. Sanitation authorities should also take a hard look at the kitchen garbage grinder, which puts a heavy load of organic wastes into the public water supply. Now is the time to stop this new threat to our rivers, lakes, and oceans.

The solution to these water-supply and sanitation problems seems elementary: (1) body wastes should not be put into the public water supply, and (2) sewage disposal systems should be decentralized with wastes disposed of in the individual house, apartment building, or factory. Before the days of "modern" plumbing, societies had systems for recycling body wastes back to the land—crude, perhaps, but more ecologically sound for the long run than flushing them into the water supply of the next town downstream.

A quiet revolution in sewage disposal is fortunately now taking place in Sweden and the United States. New methods promise to solve the sewage problem by disposing of wastes on or near the site without the use of large quantities of water. They offer us the chance to decentralize human sanitation without going back to the evils of the outhouse. If widely adopted they would drastically cut down water consumption and could eventually eliminate costly sanitary sewers and treatment plants.

Waterless toilets were developed several decades ago for owners of homes where water and sewer connections were not available. Because it is now forbidden by law to discharge body wastes into harbors and other confined waters there is a need for sewage disposal systems aboard inland and ocean-going vessels, and several large companies are now investing millions in this field. It is only a step to adapt this new marine technology for use in year-round dwellings and high-rise buildings ashore.

There are at least seven different types of sewerless toilets or sewage disposal systems on the market or under development at this time. (The author has not personally tested any of these systems.)

AEROBIC TANKS

The problems of septic tanks are well known. Recently a number of U.S. companies have marketed disposal systems that depend on aerobic rather than anaerobic action to digest waste materials in the tanks and drain fields. They differ in cost and design but have in common the use of small electric pumps that periodically mix air into the tanks to break up solids and speed up digestion of the wastes. In contrast to a septic tank, the aerobic action does not generate foul odors,[11] and the effluent going into the tile drain field carries a charge of dissolved oxygen which helps to prevent clogging of the field. Some manufacturers claim that their systems do not build up a load of sludge that would require periodic removal as with a septic tank. Others claim merely that the cycle for pumping out sludge is greatly lengthened as compared with a septic tank.

The Maryland Environmental Health Administration concluded in 1974 a two-year trial of aerobic systems from six manufacturers in suburban homes in Oakland in the Alleghenies. This area was chosen in order to give the units a severe test because of the cold climate, heavy rainfall, low winter temperatures, and heavy clay soil. The units were installed at homes where septic tanks had failed. The test was considered to be successful, although one unit failed to meet standards.[15] The Health Administration has recommended a number of aerobic systems to county health departments, which have final approval authority.

Some public health authorities look with skepticism on the new aerobic systems because they require a greater degree of care by the householders than do septic tanks.[16] One answer to this problem is to set up a public maintenance service with costs charged to the householder.

True enough such aerobic systems use as much water going through the flush toilets as do traditional methods and thus cannot match the water-saving benefits of the six preceding categories. But one manufacturer, Multi-Flow, Inc., has developed an aerobic-tank system which filters the effluent to the point where it can be safely recycled back to the flush toilets, with consequent water saving in the home.

Another cure for failing septic systems has been introduced by another U.S. company. (LLMD, Micro-bio Product Company, 632 N. Washington St., Alexandria, Va. 22314.) This involves biological rather than electro-mechanical action. For many years efforts have been made to grow bacterial cultures that could be placed into septic tanks to stimulate the digestion of body wastes. These efforts often failed because the bacteria died during transportation from the producer to the home. A new biological discovery keeps the bacteria alive but in a dormant state for an indefinite period. Then when they are placed into a septic tank, sewage lagoon, or other waste receptacle, the bacteria become active and feed on the wastes. Each gallon of liquid supplied by the company is said to contain about 50 billion microorganisms, both aerobic and anaerobic. By their action in attacking body wastes and grease, they accelerate the digestion process, and eliminate foul odors. After they are initially established in a waste receptacle, additional quantities are added periodically to maintain the biological action.

Footnotes at end of article.

One advantage of vacuum toilets and aerobic or septic tanks of the other categories described above is that they can be designed to dispose of all wastewater from the home or larger building: 'black water' from the toilets and 'gray water' from basins, sinks, baths, and washing machines. But if black water can be safely disposed of by the five other systems above, then it should be a fairly simple matter to develop home filtration devices to cleanse the gray water since such drainage does not carry a heavy load of pathogenic organisms. After filtration the water could be used for non drinking purposes such as watering lawns and washing cars, with further reduction of domestic water use. Any excess could be led away to storm drains or streams with no ecological damage. One company is devoting a major research effort to the development of such a home filtration system.

New non-polluting technology is thus solving the problems of sewage disposal and promises to eliminate the need for expensive sanitary sewers and treatment plants. It may be that not one of the systems described above will be the best answer. But on the other hand perhaps each one of these systems will find a niche in the sewerless society of the future, or perhaps some wholly new idea will sweep the field. What is highly encouraging is that ingenious people have already produced what seems to be workable systems and manufacturers are investing millions to perfect and market them.

Concern about the wasteful use of energy is one element that must be kept in mind in evaluating these new systems. On this element the highest rating goes to the Swedish composting toilet since it requires no electricity, gas, pumped-in water, or any other form of energy once it is installed. The biological toilet is a close second; it requires no fuel or water except for an initial amount, but does require the weekly addition of bacteria and enzymes. The two household collection systems use no energy themselves but require the expenditure of energy to operate the bi-weekly collection system. One of the systems might pay for itself by the production of methane gas, which could be sold for household or industrial use.

All other devices in the categories above require some use of electricity, oil, or gas and, in addition, the vacuum toilet uses small amounts of pumped water. It would take a detailed study of each system in actual use by many families for a period of months to make valid rankings among them, and to compare their total energy requirements in a city of say, 100,000 people with the great amount of energy needed for pumping millions of gallons of fresh water and sewage a day through the traditional centralized disposal system of that city.

The economics of the new equipment may favor a sewerless society over traditional methods. In some places it now costs a builder from $1,000 to $1,700 to connect a new house to a sewer line, in addition to the cost of commodes and waste lines in the house. Such costs would go a long way to pay for the new devices. But even if present costs were doubled, the new equipment would be worth installing because of its great ecological benefits.

Clearly the transition to the sewerless society will be a task which will take decades. As a first step the new devices could be installed where no sewer lines exist; and they could be installed as original equipment in our growing suburbs and new towns. Finally they could be used as replacement equipment in existing cities and towns, block by block, with the help of public funds in whole or in part.

In the meantime, what about the tens of billions already programmed for new sewer lines and treatment plants? We have no choice but to proceed with building these facilities, even though they will be only an interim clean-up measure. When the sewerless society arrives sewage treatment plants can be converted to cleaning off-street storm drainage, in itself a heavy ecological burden for rivers and lakes to absorb.

While awaiting the sewerless society we can make better use of cenralized sewage sludge than stockpiling it in old quarries, burning it, or dumping it in the ocean off our bathing beaches.[17] For many years Milwaukee has dried it and sold it in 50-pound bags as a garden fertilizer under the name "Milorganite." The U.S. Department of Agriculture has an encouraging experiment under way at its Beltsville, Maryland, station to compost sludge from the Blue Plains treatment plant in Washington. The sludge is heated for 10 days and is then mixed with wood chips and composted for about three weeks. The temperature in the heaps rises to 150 ° F, and the resultant product is said to be odorless and nearly sterile. Nevertheless the White House turned down an offer to spread the finished compost on the south lawn.

A few experiments are under way to pipe liquid sewage to farmlands and forests, where it is sprayed as a fertilizer.[18] This has a double advantage: the waste is recycled to the land and the water, filtered by the soil, replenishes the water table. But the long-range effect is not yet clear; there may be an undesirable buildup of heavy metals and toxic chemicals in the soil, and air drift of pathogenic organisms is possible. Such land treatment for all municipal sewage would require immense tracts of land near large cities; for example, about 124,000 acres near Washington, D.C., and more than one million acres near New York City.[19]

Agricultural use of sludge and compost from household sources like vacuum, oil-flushed, and composting toilets would involve less danger of accumulating heavy metals and toxic chemicals in the soil than would sludge from municipal plants since the harmful contaminants generally come from factories that dump their wastes into municipal sewers. But regulations to discourage householders from dumping paints, pesticides, and crankcase oil into their toilets might still be needed.

Another use of sludge would be for methane production. Plans for the new headquarters building of the U.N. Environment Programme, Nairobi, Kenya, call for generating methane gas from many waste sources such as leaves and manure.

Sewerless systems would offer developing nations the chance to avoid the sanitation errors of the industrialized ones. These systems would also be far more economical to install, if the expenses of sewer lines and treatment plants are taken into account. As an Environmental Protection Agency representative in New York City said, "If we had to do it all over again, we might do it differently, but we're kind of stuck with the system now." [20] With no investment in sewer lines or treatment plants, the developing nations can leapfrog the flush toilet and go right to the new non-polluting technology. The government of Nigeria has approved the use of the biological toilet.

It is encouraging that more attention is now being paid to the major environmental problems created by the flush toilet. Several articles in widely read publications have recently discussed this subject. At the School of Architecture at McGill University in Montreal, study of alternatives to the flush toilet identified 60 alternative systems.[21] On the other hand, the voluminous 1973 study of sewage problems by the National Water Commission did not contain a word about sewerless disposal methods.[22]

As the next step, official U.S. agencies might take a more positive view of the new technology. Certain public bodies such as the Maryland state government, Montgomery County, Md., and Fairfax County, Va., should be commended for their open-minded testing of new sewerless devices. The EPA has an experiment under way to try an incinerating toilet system in an Eskimo village in Alaska. But a more concerted effort, taking only a minute fraction of the funds being devoted to building sewers and treatment plants, would be fruitful.

For example, EPA could coordinate a nationwide testing program through state and local sanitation agencies to insure that every promising sewerless device is tested on a large scale in actual use and carefully monitored. Part of the evaluation would involve relative costs of installation and operation and energy needs. The results could then be discussed at a national conference of sanitation authorities and, hopefully, measures would be taken to encourage rapid adoption of the successful systems.

But if the tests show that no existing commercial product can do the job, then a major federal research project should be launched in view of the great ecological and financial benefits to be achieved if a sewerless solution is found. Surely the brilliant scientists of the National Aeronautics and Space Administration and the National Bureau of Standards have a contribution to make on waterless waste disposal. Federal millions are going into energy research. Sewerless waste disposal, however, is equally important to our nation's future as well as to modern society which must soon adopt methods for non-polluting disposal of human body wastes for the world's growing population.

FOOTNOTES

[1] A task force headed by Ralph Nader, however, concluded that after the United States had spent $3.5 billion in a 15-year water clean-up effort, the level of filth had not been reduced in a single major body of water.

[2] Washington Post, July 29, 1971, International Herald Tribune, Nov. 13, 1972.

[3] Washington Star-News, Nov. 8, 1974.

[4] At the height of the 1975 tourist season the National Park Service closed Crater Lake National Park in Oregon because several hundred people became ill when sewage leaked into the water supply (Washington Post, July 12, 1975).

[5] "Containing the Flow of Sewage Sludge," Environmental Science and Technology, August 1974, p. 702.

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[14] On Site Waste Water Disposal for Homes in Unsewered Areas, Small Scale Waste Management Project, University of Wisconsin, September 1973, p. 10.

[15] Merrill B. Glasser, "Garrett County Home Aeration, Wastewater Treatment Project," Draft (Baltimore, Md., Environmental Health Administration, May 1975).

[16] Anthony T. Voell and Richard A. Vance, "Home Aerobic Wastewater Treatment Systems. Experiences in a Rural County," Ohio Home Sewage Conference Proceedings, Ohio State University, 1974, pp. 26–36.

[17] For an excellent discussion of ocean dumping see Tracy Kidder, "Sludge," Atlantic Monthly, April 1975 pp. 62–70.

[18] For example, "Using the Land for Sewage Disposal." *World*, Dec. 19, 1972, p. 48, and Paul W. Eastman, "The Muskegon County, Mich. Waste Water Management System." Potomac Basin Reporter, Interstate Commission on the Potomac River Basin, Oct. 1974, p. 4.

[19] Mid-Atlantic Region. Environmental Protection Agency, Draft Environmental Impact Statement for the District of Columbia Water Pollution Plant, April 1972.

[20] Kenneth Walker, as quoted in New York Times, July 26, 1971.

[21] Witold Rybozpski and Alvaro Ortega. Stop the Five Gallon Flush (4th ed. Montreal Minimum Cost Housing Group. School of Architecture, McGill University, March 1973).

[22] National Water Commission, Water Policies for the Future. Final Report to the President and to the Congress. Washington, D.C., June 1973. Another voluminous 'study by David Zwick and Mary Benstock, with an introduction by Ralph Nader, also did not contain a word about sewerless disposal methods (Water Wasteland (New York Grossman Publishers, 1971)).

[From the Washington Post, Jan. 31, 1976]

AEROBIC TANK TEST IN KENTUCKY AS ALTERNATIVES

(By Harold H. Leich)

The remote valleys of Appalachia have long been the preferred locale for jokes about hillbillies and outhouses. Now something new is happening out yonder—indoor plumbing is being tested under conditions that promise a boost for the environment as well as a pleasanter life for participants in the project.

The Appalachian Regional Commission, a federal-state agency charged with improving living conditions in 13 eastern states, is devoting $100,000 to a demonstration project in Boyd County, Ky., to show how new nonpolluting technology can improve home sanitation.

If the demonstration is successful, the commission hopes that the equipment will be installed throughout rural Appalachia and thereby avoid the need to spend some $5 billion or more that would be required for traditional sewer lines and centralized sewage treatment, plus the related environmental problems.

A slide show by the ARC director of the project illustrates the problems of rural sanitation that the project hopes to solve. Expensive homes are shown with beautiful lawns that have been gouged out by the overflow of sewage from failing septic tanks. Other slides portray sewer drains pouring untreated waste waters into sparkling streams. Only the odors are missing from the show.

The new equipment, made by six different manufacturers, comes under the heading of the aerobic tank, an improvement over the septic, or anaerobic, tank. It treats all wastewater from the home in a tank under the lawn and releases relatively clean water to the environment. Unlike a septic tank, an aerobic tank has an electric pump that mixes air into the wastes, breaks up solids and promotes the growth of air-loving bacteria that reduce odors and speed up digestion of the wastes.

After treatment, water from the aerobic tanks will be dissipated in several different ways as part of the experimental project:

To a typical tile drain field under the lawn, as with a septic tank.

Through a sand filter and then into a stream or drainage ditch.

Into an evapotranspiration bed.

To a spray field.

Or right back to the house for reuse in the toilet tanks.

(The consequent water saving will allow one family to stop hauling water for household use.)

These various disposal methods will be carefully monitored to determine relative advantages and disadvantages. In the case of discharging to a stream—the effluent will first be . . . disinfected with iodine. Cholorination will not be used for disinfection because it is suspected of creating carcinogenic substances in the drinking water.

Each of the six manufacturers will supply six units to the project at dealer's cost. Thus 36 different homes along Upper Chadwick Creek in Boyd County will receive the equipment. Costs will be borne by ARC and the units will become the property of the local sanitary district.

The homes differ greatly in location, some being on steep land and others being more favorably situated. Because of wide disparities in family income and living patterns, the units will be exposed to a broad variation in use. To insure proper installation, they will be placed in service by representatives of the manufacturers, and all units will be inspected by trained personnel twice a month.

In addition, two larger units will be installed—one serving five houses and one serving six. Thus, variables are being deliberately cranked into the project by ARC so that results can be compared and the best configurations determined for future use. Since all of the houses are built along Upper Chadwick Creek, one test of the project's success will be "before" and "after" measurements of the creek's water to see whether any improvement in quality has resulted.

A novel feature of the Boyd County project is that the local sanitary district, rather than each homeowner, will be responsible for inspecting each unit periodically and making any necessary adjustments or repairs. A service man with a stock of spare parts will be on call 24 hours a day. This new arrangement overcomes objections from some sanitary engineers that homeowners cannot be expected to keep such units operational on a long-term basis and that a traditional sewage treatment plant is the only permanent solution.

During recent months some of the manufacturers participated in a trial of aerobic units, on a smaller scale, in the town of Oakland in western Maryland. The demonstration was considered successful by the Maryland Environmental Health Administration but each homeowner was responsible for maintenance of his own unit. The ARC project is a "first" in respect to centralizing responsibility in a sanitary district.

ARC will pay 100 per cent of maintenance costs during the first year of the project and 50 per cent during the second year. Thereafter, each home owner will be billed for maintenance expenses by the sanitary district. The cost of electricity to service the new units will be paid by each homeowner, who will keep records so that cost comparisons can be made among the different installations.

Harry Teter Jr., executive director of ARC, stated that the new project will serve as a demonstration for all of Appalachia by testing the long-term feasibility of these systems as an alternative to expensive conventional sanitation methods.

The real estate world will watch the Boyd County demonstration with interest to see if this new pattern of sewage disposal can be used in the Washington metropolitan area and other places where sewer moratoriums have been imposed and home building has been hampered. If successful, ARC may establish a useful pattern that will prove less costly as well as more environmentally acceptable than the usual pattern of long and expensive sewer lines leading to centralized treatment plants that have been so detrimental to our waterways.

As to cost comparisons between aerobic tanks and centralized sewer treatment, a recent news story is enlightening. In Prince George's County two new sewer lines are being installed to service 10 houses with faulty septic tanks at a total cost of $103,850, or $10,850 a house. And this does not include the pro-rata cost per house of building and operating the sewage treatment plant. (True enough, it is possible that new houses may be built along these sewer lines at some time in the future.) An aerobic tank can be purchased and installed for $1,000 to $3,000 a house.

The following manufacturers are participating in the Boyd County project: Bi-A-Robi Systems, Hamlin, Pa.; Cromaglass Corp., Williamsport, Pa.; Flygt Corp., Norwalk, Conn.; Jet Aeration Co., Cleveland; Multo-Flo, Inc., Dayton, Ohio and Nayadic Sciences, Inc., Uwchland, Pa.

In addition to the Kentucky project with with reliance on aerobic systems, ARC is looking into other types of sewerless toilets which could be installed in new homes to be built in the area; for example, incinerating and composting toilets and vacuum and oil-flushed systems.

Thus, ARC is taking the leadership role in using Appalachia as a laboratory for testing innovative and non-polluting technology of great potential value to our entire nation.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C., April 9, 1976.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR JENNINGS: We apologize for the delay in responding to your letter of February 20, 1976 concerning the Hepzibah Public Service District Project. The concerns expressed in your letter about the need for a more concerted research effort in developing low-cost sewage treatment programs in rural areas and in the attached article by Mr. Harold Leich titled "The Sewerless Society" are quite valid. It is the purpose of this response to attempt to clarify the problem and describe present Agency research and development efforts toward its alleviation.

The rural and suburban wastewater disposal problem is the one which is most seriously addressed by your remarks and Mr. Leich's article. Conventional technology and planning approaches have historically been limited to sewered and non-sewered areas, the latter usually being served by conventional septic tank-soil absorption fields. In many rural areas the onsite treatment and disposal of household wastes by septic tank systems has been successful and economical. In several areas these systems have not performed their functions properly due to improper application, faulty design and construction techniques, inadequate maintenance and unfavorable soil conditions. Proper construction and maintenance procedures are relatively well document in the professional literature, and they can be implemented through proper guideline preparation and enforcement by state and local regulatory agencies. Determination of proper application and design methods is a more difficult task which requires greater understanding of the functioning of septic tank-soil absorption systems than presently exists.

In suburban areas conventional technologies are not ideally suited. If sewers are chosen, they are often in the form of urban sewer extensions which causes additional loads on already overloaded urban treatment systems. Even if they are kept separate from sprawling urban systems, the population densities are still relatively low, which results in high per capita costs when compared to high density urban areas. If septic tank systems are chosen, the relatively small lot sizes which are common in suburban communities present the opportunity for serious health hazards and aesthetic problems in the event of any system failure. In less-suitable soils which do not accept wastewater readily the minimum lot sizes may necessarily increase, resulting in significant increases in the cost of homes. Even in well designed and properly operated septic systems there is a need for the septic tank to be pumped periodically. The solid materials, which are removed, then must be disposed of in an environmentally safe manner. Further groundwater problems can occur by failure of percolation systems; effluent moving through coarse gravel beds, fractured rocks, solution channels or lava tubes; and percolation systems being located below the biologically active zone.

Approximately 70 percent of the United States is served by municipal sewers and centralized treatment. The remaining 30 percent is served by septic tank-soil absorption and, to a smaller extent, other onsite technologies, such as pit privies. Unfortunately, less than 50 percent of the available land area of the U.S. is amenable to soil absorption systems with reasonable hydraulic loading rates. This fact and the already noted lack of understanding of onsite soil absorption system operation have resulted in significant wastewater disposal problems from septic tank installations. As a consequence of these problems, EPA has undertaken activities which are designed to provide the necessary data on new alternatives to conventional systems and some long-overdue information on the functioning and design of existing technologies.

In order to relate these activities to Mr. Leich's article, several facts must be considered. Two EPA funded studies show that the per capita water usage in the home is about 45 gallons per day which is substantially less than the figure quoted by Mr. Leich, of which about 30 percent is used for toilet flushing. The 30 percent used for toilet flushing (black water) contains approximately one-half of the organic and suspended solids pollutants, about two-thirds of the nitrogen, one-sixth of the phosphorous and most of the microbiological pollutants. However, the remaining seventy percent of household wastewater, which contains pathogens, nutrients and organic matter, generally is ignored in Mr. Leich's discourse. The gray water (non-toilet wastes) is polluted and must be disposed of in a safe and environmentally acceptable manner. If the entire household wastewater is considered, one can readily determine that the devices cited in the subject article are essentially tools which may have potential in solving several problems in the water pollution control area, but they must be combined with other systems and devices to provide complete solutions to both black and gray water pollution from households. EPA, through its Research and Development program is analyzing the capabilities of these various combinations to determine feasible alternatives which are designed to handle all of the household wastes.

One of EPA's first projects relating to methods of sewage disposal involved a study of flow reduction and treatment of wastewater from households. This was followed in early 1971 with a series of contracts and grants for research, development and demonstration of sewage treatment systems that could be installed on various watercraft (recreational to commercial size vessels). The developed systems were required to remove 90% of the biochemical oxygen demand, 90% of the suspended solids and produce and effluent having a coliform density of less than 240 coliforms per 100 ml. Twelve prototype systems were developed. Included in the systems were various methods of clarification, catalytic oxidation, sludge incineration and disinfection. Although these systems have not been developed extensively because of the issuance of regulations prohibiting discharges by marine sanitation devices on June 23, 1972, the reports prepared on these systems could provide an excellent basis for development of non-sewered systems for rural homes, camps, park sites and other recreational facilities. In addition, a non-sewered system was developed for a recreational site and was demonstrated at Mount Rushmore. The system used oil as a flushing medium. The oil was clarified and recirculated. The project was a limited success, but before it can be accepted several inherent problems associated with the use of oil must be solved.

Some of the many areas under study currently by EPA are the vacuum toilets and aerobic treatment systems described by Mr. Leich. An EPA vacuum sewer contract entails some study of vacuum toilets. Aerobic units for individual home treatment are being studied under an EPA grant at the University of Wisconsin. As in other cases Mr. Leich presents manufacturers' claims as supporting evidence for the superiority of these devices. Unfortunately, the claims cited regarding longer soil life and less frequent pumpout requirements are not supported by the controlled studies conducted at the University of Wisconsin.

Also, as part of the University of Wisconsin's study, work has been done on wastewater characterization, analysis of performances of several treatment systems, soil system design improvements and alternatives, removal of biological and chemical pollutants, which include virus and nutrient studies, and institutional control system development for optimal use of onsite alternatives.

A grant to the University of Colorado will define the cost, applicability and design parameters for onsite systems which dispose of liquid wastewaters by evaporation and evapotranspiration to the atmosphere where conventional approaches are not feasible. When combined with flow reduction and recycle devices, concepts of this type may eliminate soil impermeability as a limitation on residential development of land.

Several projects have been undertaken to develop and demonstrate improved sewage collection methods for small communities, low-density suburban areas, and other clusters of homes for centralized treatment. The improved systems for low-density areas are based on pressure and vacuum methods, which result in significant savings in capital expenditures through reduced labor and materials requirements in rocky or hilly areas or where high groundwater conditions are prevalent. Early pressure sewer demonstration projects have indicated that these systems can be installed for around $2,000 per home, as opposed to conventional sewerage estimates of more than twice this amount. Other active projects will yield information on vacum systems and even less expensive pressure system modifications.

Another area of activity has focused on the sludges (septage) which must be pumped periodically from septic tanks. This septage occurs throughout the country in voluminous quantities (one billion gallons, or the same order of magnitude as sludges from municipal treatment plants) each year and requires proper treatment before disposal. Several EPA pilot studies have been made to characterize the septage and develop alternative methods of treatment. In addition, a contractor is presently consolidating the results of these studies and other non-EPA information in a report for use by local officials affected by the septage problem.

Although our past efforts have been modest, the Office of Research and Development is planning to increase their activity in this area in Fiscal Year 1977. Our researchers are closely following the Boyd County, Kentucky, project and they will be receiving monthly progress reports from the Appalachian Regional Commission. The University of Wisconsin project is somewhat similar; it also is evaluating a number of different home treatment systems. However, we feel the Boyd County Project is very significant because of the recycle systems that are also under study there. We certainly plan to incorporate some of the results from Boyd County into our overall program.

Our Regional Office in Philadelphia is working with the State and the Hepzibah Public Service District to determine if treatment units for individual homes or clusters of homes in the isolated areas of Hepzibah would be cost-effective relative to other methods of wastewater collection and treatment. If cost-effectiveness can be shown and other applicable requirements can be met, such as public ownership and operation, the treatment units would be eligible for a 75 percent contruction grant assistance under Title II of P.L. 92-500.

Since the Hepzibah project may well be the first of its kind in the country funded under Title II, there may also be interest by the Office of Research and Development in a grant for field evaluation of the project. We would be happy to consider any proposal that Hepzibah may wish to submit.

Please be assured that the Hepzibah Public Service District Project will be given our close attention as the application moves through the grant processing stages.

Sincerely yours,

RUSSELL E. TRAIN.

STATEMENT OF SENATOR JENNINGS RANDOLPH ON THE FAILURE OF CONGRESS TO ENACT BLACK LUNG AND MINE SAFETY LEGISLATION

Mr. RANDOLPH. Mr. President, I am disappointed that the Senate was unable to conclude action on needed amendments to the Black Lung Benefits Act. The failure of this legislation was a disappointment to me personally. I worked long and hard to bring the bill to Senate passage.

More importantly, however, I am most concerned about the plight of those who would have benefited from this important legislation. I refer particularly to widows of disabled coal miners and those miners with families to support. These people are in too many cases impoverished. They are carrying on the best they can, but are faced with a day-to-day, hand-to-mouth existence.

I have no doubt that most of these tough, proud people will survive without the black lung amendments, but that is not the point. The point is that there are thousands of miners and widows who are not now receiving benefits but who should be receiving them. They are not looking for a handout, but for a helping hand—and the Nation, which has so clearly and for so long reaped the bounty from these miners' efforts, should extend that helping hand.

I regret that the current administration has so strongly opposed any improvement to the black lung program. I regret also that there were a few Senators who likewise opposed these improvements and who successfully delayed this legislation to the point that the Senate could not act. This was a situation in which a small minority thwarted the will of the majority.

H.R. 10760, the Black Lung Benefits Reform Act that I brought to the Senate on behalf of the Senate Committee on Labor and Public Welfare, was a good bill. It was not as strong a bill as I would like to have had enacted, but it was a bill that would have been difficult for the President to veto. At the same time, it offered a number of changes to the law that would have extended that helping hand to thousands of widows, disabled miners, and their families.

The mine safety bill, S. 1302, suffered the same fate as the black lung measure. I supported S. 1302, for I believed, with the Labor and Public Welfare Committee, that compliance with and enforcement of procedures should be substantially strengthened. The Mine Enforcement and Safety Administration to accomplish that should be transferred from the Interior Department to the Labor Department. Too many miners are being injured, and too many miners are slowly dying in the mines. Mines must be made as safe as possible. Mine conditions must be changed for the protection of the health of the miner.

Coal is available to meet the energy needs of America because there are miners—180,000 strong—to extract this abundant and vital resource. America needs sound and healthy miners—but when they die, or become sick or disabled because of their difficult and dangerous work, those who employ them, and those who benefit from what they do, must be ready to protect them, compensate them, and where possible, restore them to health.

I am ready to continue efforts to aid the miner and the miner's widow to the extent that legislation can aid them. I pledge to those thousands who need that help that I will introduce a new black lung bill in January when the 95th Congress begins its legislative work. I will strive with determination and purpose to see to it that a good black lung law is enacted as early next year as is possible.

In addition, I will continue to support legislative efforts to improve mine health and safety and will press for early enactment of needed legislation.

SAVING THE CHESAPEAKE BAY

Mr. MATHIAS. Mr. President, the Chesapeake Bay is our Nation's largest estuary taking in 1,726 square miles in Maryland and 1,511 in Virginia. Its shoreline is 195 miles long, virtually all of it in private ownership.

Maryland leads the Nation in oyster production and ranks second in blue crabs. In 1973, my State produced over 18 million pounds of fish; over 18 million pounds of crabs; 2.9 million bushels of oysters; and over 8 million pounds of clams.

The bay is a fertile ground for seafood production. But it is threatened with a variety of contaminants. Those seafood catch figures I have just quoted to my colleagues are all significantly smaller catches than the previous year.

The decline of seafood production from the bay is directly related to environment degradation of it. Among the more obvious dangers to the bay are:

First. Dumping of chemicals such as Kepone, herbicides, and other toxics into the bay;

Second. Effects of offshore ocean dumping by neighboring States near Ocean City, Md.;

Third. Major oil spills;

Fourth. Dumping in the bay of untreated sewage;

Fifth. Dredging operations;

Sixth. Filling of wetlands; and

Seventh. Urban and rural runoff.

Fortunately for all of us who care about the bay, there are currently two studies underway to head off further bay deterioration.

The Army Corps of Engineers is well on its way toward identifying and correcting major pollutant sources. The corps' long-range study now in phase two, addresses both land- and water-based pollutants and uses vital data from its hydraulic model of the bay located at Matapeake. The model simulates conditions in the bay and its environs and helps in forecasting future changes in the ecosystem of the bay region.

Some of the corps' future forecasts for the bay are startling and worth pondering here.

Both population and employment in the bay region will double in the next 45 years. The demand for water-oriented recreation will grow and continue to exert pressure on the bay where over 90 percent of the shoreline is presently in private ownership. Commercial shipping tonnage will surpass existing ports' capacities.

Pollution, incompatible shoreline development, and overharvesting will continue to reduce the catch of the shellfish and finfish industries. Twenty thousand waterfront acres will be lost to erosion by the year 2020.

As my colleagues know, I have a longstanding concern for and commitment to the bay. In this past year I have taken the lead in several areas to avert further degradation of the Nation's largest estuary.

For example, I added funds to the EPA appropriations bill which was accepted by the Congress. The funds provide for an investigation of the water quality and changes in its salinity by EPA in cooperation with and building upon the work of the Corps of Engineers. The goal of this EPA program is to manage all known water quality problems of the Chesapeake Bay.

The program will be coordinated with the Coast Guard, Corps of Engineers, National Oceanographic and Atmospheric Administration, National Science Foundation, and the Smithsonian Institution.

The recent discovery of kepone in the southern portion of the Chesapeake Bay further illustrates the need to undertake effective action in protecting the bay. Thus, it is imperative that the study focus on the kepone problem as an urgent consideration.

The kepone finding also emphasizes the need for establishment of a joint Federal-State commission which I proposed 2 years ago as a means of coordinating action on the bay's problems.

In view of the disturbing current situation, I have urged the Governors of Maryland and Virginia to move promptly to take the steps required in their respective States to form this commission, before time runs out on the Chesapeake Bay.

Indeed, recently I have met with James Coulter, secretary of natural resources of the State of Maryland, to discuss the implementation of such a commission. Our talks were constructive. We believe that the commission would not be an overlord or "supermanager" of the bay. Rather its goal would be the coordination of existing management and the establishment of a single forum for the exchange of information. Moreover, it would enable the Federal Government's response to State inquiries to be more timely and informative so that decisions could be made. The ultimate result would be a heightened sense of responsibility to share knowledge.

All of these steps are taken out of sense of duty to the bay which all have who share a love for its beauty and majesty. Each decision we make concerning the bay must reflect our own resolve to leave it as part of our natural legacy to those who will follow. It must be left to foster and nurture the fish, fowl, and other wildlife which serve as constant reminders of our meekness in comparison to the awesomeness to nature's bounty.

ENERGY POLICY: A TIME TO DECIDE

Mr. PERCY. Mr. President, I would like to draw the attention of my colleagues to an article which appeared in a recent edition of the New York Times concerning our present energy situation. What is most disturbing is the overwhelming evidence which indicates that the U.S. energy position has actually grown worse since the Arab boycott in 1973. We are now importing more oil from OPEC than ever before, and our domestic production of both oil and natural gas has fallen significantly.

What becomes increasingly clear is that conservation and the development of renewable sources of energy must be given top priority in the 95th Congress.

I submit the article appearing in the New York Times and ask that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Oil Experts Say an Embargo Now Would Hurt U.S. More Than in '73

(By William D. Smith)

Three years ago today, the Arab states announced an oil embargo and production cutback. It was followed by a five-fold price increase, and thrust the United States into one of the most serious economic challenges in its history.

Yet today, most experts agree, America is in worse condition with regard to energy than it was in 1973 when the Arabs first unsheathed their oil weapon.

These experts say that if a comparable embargo and production cutback were put into effect now, Americans would suffer even more than they did between Oct. 18, 1973 and March 18, 1974—the period of the embargo and cutbacks.

At that time, the chief surface discomfort was the gasoline waiting line. A less visible impact of the oil-supply denial and the accompanying price advance, according to Secretary of State Henry A. Kissinger, was that it "cost the United States 500,000 jobs, more than $10-billion in national production and a rampant inflation."

While most analysts consider the present energy posture of the United States unsatisfactory and find the future disturbing, a number of experts contend that the nation has finally begun a serious attempt to attack its energy problems.

Another embargo does not seem likely at the moment. Indeed, most economic and diplomatic experts believe that the odds are heavily against the Arabs resorting to an embargo again except under the most extreme conditions.

However, even without an embargo the United States and other oil-importing countries face a series of serious and possibly shattering energy problems.

The first is expected around the middle of next year if the world economy continues to improve and energy consumption increases before oil from the North Slope of Alaska and the North Sea of Europe enters the market in full force. At that time, according to Walter Levy, the oil economist, only a sharp increase in Saudi Arabian production will prevent the world from experiencing tight supplies, possible shortages and probable sharp price increases.

With the advent of the Alaskan and North Sea oil between late 1977 and 1980 the problem could abate until sometime after 1985 when world oil production is expected to peak out and demand could then force prices to exorbitant levels with possibly disruptive economic effects.

In this scenario, peak or near-peak production of oil in the world would be maintained for several years before a decline sets in. Such decline, which will take place in the first half of the next century (the year 2000 is less than 25 years away), would mark the end of the oil and gas era of history, the most dynamic mankind has ever known. The world will then begin to grow short of oil and if alternate energy sources are not on hand a frantic scramble for natural resources among nations could develop.

In assessing any energy problem it is essential to remember that lead time for development is considerable. It takes 4 to 6 years to open a new coal mine or develop an offshore oilfield. It takes 10 years to design, license and build a nuclear plant.

But even ignoring further development of these three potential energy sources and the lead time necessary to meet their challenges, there is evidence to suggest that energy prices will continue to rise. Unless there is some cost breakthrough elsewhere the higher energy prices suggest that future generations may not enjoy so comfortable a life as we have had in the past and that the aspirations of the poor in industrialized societies and the hopes of the entire population of the less-developed nations may never be realized.

The Organization of Petroleum Exporting Countries is meeting Dec. 15 in Qatar to decide whether to increase crude oil prices from their present level of $11.51 a barrel. Experts predict a price advance ranging from 10 to 25 percent.

Since December 1973, OPEC, considered the most successful cartel in history, has taken upon itself to set prices for world oil unilaterally. Prior to that, prices were set in negotiation with the oil concerns, with the companies and the consuming countries holding the upper hand between 1960 and 1970 when prices stabilized at between $1.80 and $2.00 a barrel.

In the early days of the embargo there was considerable talk of OPEC breaking up and prices returning to lower levels. Very little of this type of talk is heard today.

"Thinking that OPEC will break up and prices return to their old low levels is like believing that the Czar will be returned to the Winter Palace or that the Austro-Hungarian Empire will be restored," said John Lichtblau, head of the Petroleum Industry Research Foundation.

Informed optimists expect world oil prices to rise at the rate of world inflation or slightly below; informed pessimists expect oil prices to move at a pace above the world inflation rate.

GUARANTEEING ECONOMIC GROWTH

C. Howard Hardesty Jr., vice chairman of the Continental Oil Company, commented: "When the history of this decade comes to be written, the most significant issue will not be Watergate. It will not be the financial problems of the cities, not health insurance or even inflation and unemployment, détente or the other issues that will dominate the Presidential campaign important as they may be. It will be whether this country is able to solve its energy problem and thus guarantee the economic growth for future decades on which solutions of all these other problems depend. It will be whether this country can solve its energy problem and thus guarantee its right to continue to speak and act as a world power."

It has long been an adage that democracies react only in times of crisis. The actions of the United States since October 1973, would seem to belie this maxim.

Interviews with informed analysts of all political and economic persuasions including government officials, energy economists, company executives and oil-industry critics indicate that the nation has made very little progress toward solving either short-term or long-term energy problems in the years since the embargo.

A review of the record since October 1973 indicates a deteriorating situation where accusations of negligence have been leveled at all parties from the President to the public with the Congress, consumer advocates, environmentalists and the oil companies each receiving a share of the blame.

These basic changes in the United States energy situation have taken place since October, 1973:

United States imports of oil have grown from 34 percent of the total consumption to 41 percent and are still rising.

The Arab countries involved in the embargo supplied about 11 percent of the American oil demand in 1973. They now supply about 18 percent both directly and indirectly through mixing with other crudes in overseas refineries.

Domestic oil production has fallen to 8.04 million barrels a day, its lowest level in 10 years. This compares with output from American wells of 9.2 million barrels a day in 1973 and peak production of 9.6 million barrels a day in 1970.

Saudi Arabia has replaced Venezuela and Canada as the leading supplier of oil to the American market.

Natural gas supplies continue to decline as output is expected to fall 22 percent short of demand this winter, compared with 18 percent last winter and 14 percent the winter of the embargo. Warm winters over the last three years have prevented any major dislocations from natural-gas shortfalls, but there have been plant shutdowns and some jobs lost. Oil is the most common substitute for natural gas, and that oil will have to be imported.

Oil from shale and tar sands, once considered the North American continent's energy aces in the hole, are now thought to be practically and commercially farther away from realization than they were in 1973.

The International Energy Agency, the 17-nation group of energy-consuming industrial states, has consistently found that conservation efforts by the United States are the worse among the members of the association—a particularly fascinating designation since the group is the invention of Secretary of State Kissinger and the United States is the major force behind it

Martin Lobel, a frequent critic of the oil companies, uses the word "disastrous" to describe the course of events since 1973. The same word is used time and again by industry executives to depict the situation. Seldom do oil company chairmen and Mr. Lobel agree on anything.

While events seen from either of these two poles may be colored by vested interest, informed opinion almost universally agrees with their somber assessments. M. A. Adelman of the Massachusetts Institute of Technology comments: "We have wasted time, gone in the wrong direction and talked a lot of nonsense."

James B. Atkins, former United States Ambassador to Saudi Arabia and the man who while with the State Department in 1972 drafted the first total energy program for the nation (later rejected by President Richard M. Nixon) remarks: "We have done little or nothing to formulating a comprehensive energy program. Instead we have 50 policies, often conflicting. In the meantime, Americans have convinced themselves that nothing has changed."

While the bulk of informed opinion paints the United States energy situation in solemn hues, many of the experts nonetheless share a couple of brighter themes, which make the total composition both more comprehensible and optimistic.

The first is enunciated by Walter Levy: "To change a huge economy that was used to an abundance of energy at low price into an economy that is reducing its energy consumption on a per capita basis is not a job that can be done overnight. It requires the establishment of national goals by the Chief Executive.

"Implementation takes a consensus between the Executive and Legislative branches and then acceptance by the public and private sectors of the economy. To be effective, appropriate legislation has to be passed providing the incentives and disincentives for the private sector to adopt the necessary measures in the field of energy conservation and supply.

SLIGHTLY DIFFERENT NUANCE

"It also involves a change in the habits and life style of a large citizen body. Looked at in this perspective three years is not a long time."

Howard Kaufman, president of the Exxon Corporation, the world's largest oil company puts a slightly different nuance on the same theme: "Praise the Lord we have democracy, but in a democracy you have a hard time getting a consensus. It is difficult to get action in areas that require difficult choices."

Frank G. Zarb, head of the Federal Energy Administration, puts it in the perspective of a man in the thick of the fight: "I am not saying that we have put together the perfect energy policy. I am saying we have put together the best program possible given the democratic system and the circumstances."

The F.E.A. chief contends that if none of the measures proposed by the president had been enacted, the nation's imports would total almost 12 million barrels a day by 1985, but as a result of programs already enacted imports will be approximately 7.5 million barrels a day in 1985. If the President's full energy program is enacted, imports would be cut to possibly about 4.5 million barrels a day, according to Mr. Zarb. Consumption is expected to be between 20 million and 21 million barrels a day in 1985, compared with 17 million today.

It is difficult to find an outside expert who would agree with Mr. Zarb's forecast of lower imports by 1985, although a number would give the President at least a passing grade for results and effort, all things considered.

According to one oil-company executive, Mr. Zarb, "is applying 'O'Brien's Law,' which is the opposite of 'Murphy's Law.' Under Murphy's Law you assume that every thing that can go wrong will go wrong; under O'Brien's Law you just assume that everything will go right."

Most analysts see the United States increasing its imports until the North Slope oil comes down in the latter part of 1977, then a hiatus, then another build-up in the early 1980's as demand passes increased production levels.

Many analysts expect imports to make up from 40 to 50 percent of our oil supplies as far in the future as can be forecast and some suggest that the nation simply accommodate.

Ragaei el-Mallakh, professor of economics at the University of Colorado and editor of the Journal of Energy and Development, notes that the other major industrialized nations have been importing massive amounts of oil since petroleum became the world's major fuel. "Japan, Britain, France and Germany have lived with the producers for a long time," he said. "Coexistence is natural to them, but it is new and shocking to the United States."

Mr. Lichtblau adds: "All this talk of energy independence is counterproductive. It is probably unattainable and possibly undesirable. The United States has to learn to live with imported oil, and it need not be that bad."

The other positive note in a generally dismal energy situation is sounded by Charles Di Bona, executive vice president of the American Petroleum Institute, the oil industry's chief trade association: "There are signs that we as a nation are beginning to come to grips with the problem.

"Congress has moved a long way toward understanding the situation. The media has generally come out of the dark of accusations and simplistic solutions. The public is better informed. We are not on the right track yet, but we appear to be heading in the right direction."

Mr. Zarb of the F.E.A. also sees a transformation:

The F.E.A. administrator commented: "The working environment on energy has changed. A year ago, if the President sent me up to the Hill to talk about deregulating the price of home heating oil, I would have been tarred and feathered.

"Over the last couple of months not only heating oil but all petroleum products except gasoline have been deregulated by Congress, and that in an election year. We have all learned a lot."

Whether or not the United States has actually turned the corner in terms of formulating an energy policy that will meet the nation's short-term and long-term needs, a number of major steps have already been taken.

Many people consider the passage of the Alaskan Pipeline Bill, which expedited the construction of the artery that will bring oil from Alaska's North Slope toward the lower 48 states, as the single most constructive step taken since the Arab embargo.

Indeed, some people doubt that the embargo and subsequent five-fold price advance would not have occurred had the pipeline not been delayed.

Joseph Lerner, energy adviser in the Bureau of Competition of the Federal Trade Commission, agrees with the importance of the Alaskan oil and that it should have and could have been brought down earlier. He makes an interesting, albeit controversial, point, however. "Sure the environmentalist delayed the pipeline beyond the point of reason, but the oil industry gave them the opportunity" he said. "The trans-Alaskan pipeline embodies the largest series of industrial mismanagements and judgment in history. From the original inept environmental statement to cost estimates, which ballooned from $900 million to $7 billion, to the present welding problem; it is the stuff business-school studies are made of."

The creation of the International Energy Agency is considered a major although an untested prop of the nation's energy policy. Its covenants include automatic activation of a burden-sharing program between members in the event of another embargo against any one of the 17-nation group.

Walter Levy, a major advocater of the I.E.A. comments: "The United States can get by. It has the potential energy resources that only a few countries can match. If we lag, the less endowed nations will be doubly disadvantaged, by lack of indigenous energy resources and by competing United States claims on increasingly scarce world resources. The United States cannot be indifferent in an interdependent world."

Charles Maxwell, an energy expert for the Wall Street firm of Cyrus J. Lawrence, while agreeing that the I.E.A. is a positive step, notes that only the United States of all the major industrialized nations does not currently have in place strategic oil storage.

The passage of the bill that created strategic oil storage is also universally considered a major positive step although it should be noted that not one barrel of oil has gone into it yet. In theory, the program will provide the nation with 150 million barrels of petroleum storage within three years and up to 1 billion barrels by 1985. This stockpile is designed to protect the United States from import stoppages whether politically or otherwise inspired.

The storage program was not enacted until the end of 1975, which raises the question of why it took so long to do the obvious.

"Everyone was for strategic storage, but nobody actively lobbied for it," Mr. Lichtblau said. "It benefited the nation but not one particular interest group so there was no impetus toward its passage."

The setting of standards for automobile-fuel efficiency is also generally rated a major step in an energy program. The law calls for car manufacturers to have an average fuel economy for all of their models of 18 miles per gallon by 1978 and 27.5 m.p.g. by 1985. The auto industry is lobbying to get the latter standard eased.

"Although the public may be still buying big cars this year and maybe next year, it is the last gasp of the large gas-guzzling auto," Mr. Zarb said. "The big car has been mandated out."

Drilling for oil onshore in the lower 48 states has reached its highest level in history in terms of drilling rigs operating. This stepped-up drilling activity has not reversed the decline in domestic production, but it is believed to have slowed down the rate of decline.

Accelerated leasing of the outer continental—including areas off New Jersey—shelf offshore areas is also considered a positive step although the optimum pace of acceleration is still being debated betweeen environmentalists and those pushing for more rapid development.

What should have been done or could have been done, but hasn't been done?

The list according to many experts is headed by a call for sharp increase in the price of gasoline. "Gasoline is the high-profile petroleum product; it signals to our consumers, our allies and OPEC how serious we are about the energy situation," says John Sawhill, former head of the F.E.A. and now president of New York University.

"The [low] price of gasoline and other energy products in the United States is giving everyone the wrong signals," according to Professor Adelman.

The 60 cent a gallon average price for gasoline in the United States [now averaging 59 cents a gallon of regular] is less than half of what it is in almost all other I.E.A. countries. The average tax bite on gasoline at the retail level is 20 percent in the United States. In Europe it runs up to 60 percent.

"Our gasoline pricing is in effect subsidizing and supporting OPEC, by encouraging consumption," Mr. Di Bona said. "Every extra gallon burned comes from just one source—OPEC."

Most oil companies call for domestic crude oil prices to be decontrolled, allowing gasoline and other product prices to rise to world levels. They contend that whatever extra profit they make would be plowed back into the search for additional energy, and that the price advance would encourage conservation.

Some energy experts, such as Mr. Levy, oppose the companies' decontrol proposals for economic reasons contending that prices need not go to world levels to encourage the search for oil. Others oppose an increase in prices brought on in this manner for the purely political reason that the American public might be very unhappy paying at the gas pump for any sharp advance in oil company earnings no matter what good use the profits are put to. The Mobil Corporation's purchase of Marcor also causes some discomfort with the profit retention concept.

A large segment of energy analysts believe that a heavy tax on gasoline would be the best way to accomplish the desired ends.

The most commonly suggested form of gasoline tax calls for a heavy levy to be put on the gas pump but with full or partial rebates for all or at least the less advantaged The portion not rebated would be put to use in developing synthetic fuels, strategic storage or mass transportation. However, the cost of administering such a complex program is questioned.

Mr. Levy is one expert who does not support sharply higher gasoline prices or taxes. He contends that Americans are too affluent to pay attention to all but the most repressive increase in gasoline taxes and thus, only small conservations gains would be made by higher prices.

A sharply higher price for natural gas also appears to be an idea whose time may have come.

The central problem is that natural gas is in short supply; indeed, it is the only fuel of which there is simply not enough to go around.

Yet this premium fuel, which burns the cleanest environmentally and is particularly valuable in certain industrial processes, is priced at one-third the cost of domestic oil, one quarter of OPEC oil and even below the cost of coal based on competitive heat content.

Discussions on natural-gas pricing often breaks down into a debate on whether prices should be deregulated or not. A consensus seems to be developing that higher prices are needed and whether or not they come in the form of deregulation or through a regulated advance is peripherical to the central problem.

Another major issue that must be faced and settled according to analysts is the passage of some form of strip-mining legislation that will allow the nation to get on with the development of its greatest energy resource—coal.

President Ford recently vetoed a strip-mining regulatory bill that was opposed by the industry as being too costly to them and to the public. Mr. Akins describes the defeated bill as too stiff. But it was a bill, others say, "it would have got things moving."

Mr. Lobel, a Washington lawyer who is an energy adviser to Jimmy Carter, said: "Whatever the merit of the bill, its passage would have done away with uncertainty, which is supposed to be the worst roadblock to business."

DEVELOPMENT OF SYNTHETIC FUELS

It is likely that some strip-mining bill will be passed in the next Congress, and an infrastructure can begin to be put in place to develop the coal riches of the Western states.

A program for the development of synthetic fuels is another policy question high on any energy agenda. Although the F.E.A. is of the opinion that synthetic fuels will supply about only 1 percent of the nation's energy by the 1985, the experts say a major effort should be initiated in the near future if energy is to be available when the oil and gas era passes into history some time in the first half of the next century.

The House recently killed legislation that would have provided $4 million in Federal guarantees for the synthetic fuel industry.

Some sort of compromise is expected to be reached in the next Congress, which could include a combination of loans, subsidies and direct Government participation.

The experts caution against viewing any alternate fuel as a panacea for the national energy problem.

Mr. Kaufman of Exxon notes that "even if some new energy form were discovered it would take many years to develop to a point of mass consumption.

Mr. Lerner of the F.T.C. suggests that the commonly held belief in the early 1970's that oil from shale was the solution to all America's problems was a major factor in lulling the nation into a crisis situation.

Mr. Lichtblau warns that solar energy may have assumed shale's role as the great white hope of energy.

Nuclear energy is probably the most difficult issue of all to settle. Its very name sends shivers up many peoples' spines.

It is the perfect example of the difficult decisions involved in coming to grips with the nation's energy problem.

GO-SLOW ATTITUDE SPREADS

Atomic power was expected to generate about 30 percent of all the nation's electricity by 1985, compared with the present level of about 9 percent.

Nuclear energy's estimated contribution by 1985 has recently been dropped to about 26 percent because of cancellations and deferments caused by uncertainty in demand growth, financial difficulties and environmental challenges.

A go-slow attitude seems to be becoming more prevalent even among people whose philosophic roots are not ground in environmental virginity and fail-safe guarantees.

Making the nuclear decision will not be an easy task for our political leaders or for the public. The smaller the role for nuclear energy the greater the role for coal with its threat to air pollution as well as the ravages of strip mining. If not coal, the substitute will have to be imported oil, which means sharply higher prices and a greater strain on the nation's balance of payments. If it is not nuclear energy, coal or oil, it means less electric power available, which translates to a loss of comfort for the public and a reduction in the level of economic activity.

It is the classic case of damned if you do, damned if you don't.

When all is said and done, the major paths to an effective energy policy for the United States remain the same now and in the future as they were at the time the embargo began, according to most experts.

In the short term, the United States must reach some form of modus vivendi on supplies, price and politics with O.P.E.C., the Arabs and Saudi Arabia while doing the utmost to conserve its own resources and develop new supplies.

For the intermediate term, coal, the nation's most bountiful energy resource, must be made acceptable and utilized.

In the long run, alternate fuels must be developed whether they be solar, shale, nuclear, geothermal or some yet unthought-of solution.

The major steps already taken, as well as the settlement of the issues still pending, all involve the average American paying ever increasing prices for energy, according to economists. No matter who is elected in November, and what policies are adopted, it appears that higher prices will be part of any future energy picture.

John Sawhill addressed himself to the overall problem this way: "Energy is a tough issue, and the solutions may be hard on everyone. It requires a different kind of leadership. In the past, politicians have always promised the American people more and more. We need a leadership that will take the chance to tell the American people they may be getting less and less."

THE ROOTS OF REGULATION

Mr. PERCY. Mr. President, Government overregulation of business is a concern to all Americans. Regulation is, of course, needed to protect the public against unscrupulous or negligent activity, when market forces prove to be inadequate to the task.

But as Thomas A. Murphy, chairman of the General Motors Corp., noted in a recent speech before the Associated Industries of New York:

> Every regulation poses a threat to economic freedom, and its benefits must always be weighed against its costs, in terms of the average American's liberties as well as in terms of his pocketbook.

Mr. Murphy, in his thoughtful and incisive talk, searches for the causes of increased regulation of business and its remedies. He finds a partial answer in "bureaucratic wrongheadedness" and "those in Government who have irresponsibly exploited the uncertainties and fears of the public." But Government, he observes, is not the prime cause. Nor is "overregulation a result of some kind of tragic malaise in an educational system which has produced a generation of economic illiterates." Rather, the root cause of overregulation is the "public's low opinion of business." The great corporation is seen as "faceless, monolithic, powerful, irresponsive, and irresponsible."

Self-criticism is always difficult. But, commendably, Mr. Murphy is willing to look within the American business community, wherein he is a leader, for much of the responsibility for this widespread public antipathy. I agree with Mr. Murphy's assessment that such disenchantment does not spring from economic ignorance or misunderstanding. It largely comes from poor performance. In short, as he observes:

> Adverse public opinion, the antecedent of government regulation, has been shaped to a great degree by the failures of business to satisfy the customer. Other factors are involved, but much of the public's antipathy toward big business is rooted in the American consumers' own bad experiences in the marketplace.

It is this consumer dissatisfaction which most fully explains regulation. "Every shoddy product, every neglected service, every reason for complaint, is worse than bad business: It invites more regulation by Government," Murphy concludes.

Mr. Murphy notes that the first step to a real remedy to overregulation is recognition by business people that increasing Federal regulation is a reaction to the mood of the public. The next step is to change that feeling, and the chairman of General Motors suggests several ways of doing this.

First, business must restore its credibility: "We in business should not ignore or excuse demonstrated instances of misleading advertising, of misrepresented warranties, and of other questionable practices," Mr. Murphy believes.

He adds that:

> No one believes that business is blameless in every respect. For us to try to make it seem to be is worse than ineffectual: it only deepens disbelief. . . . Let us admit when we are wrong and correct our mistakes, promptly and fully.

Second, the businessman must be consistent: he cannot rail against government regulation—except that which protects him from foreign competition. He cannot oppose Government handouts—except those which save particular industries.

Finally, business must strive for higher quality products and improved service:

> In short, we counter the threat of government over-regulation when we do what we must and should to satisfy our customers, when we get back to what competition in business is all about—when we do business as business should be done, openly and honestly, with the customer's needs upper most in mind . . . For in the end, only when and as we serve our customers, do we serve the cause of free enterprise.

Mr. President, I want to commend Mr. Murphy for his well-stated, insightful, and soul-searching analysis of the roots of overregulation and its remedies. Preservation of the free enterprise system is a fundamental prerequisite to continuing economic freedom in this country. For both Mr. Murphy and myself, the real question is not whether there should be regulation but how much is needed, and under what circumstances. He says that "the marketplace rather than the Government is almost always a better regulator." This is generally true, but there are important exceptions. For instance, we have seen that the safety of products is not adequately guaranteed by market forces. Here, Government regulation, reasonably conceived and fairly applied, is essential.

Nonetheless, changes which lessen the need for regulation are highly desirable. They help the competitive efficiency of the market and support the cause of a free market economy.

The chairman of General Motors has set forth a list of changes—changes business itself can make to prevent excessive regulation. I urge the business community to follow through on his suggestions. There is no surer root to consumer satisfaction and diminished Government interference than by improving the overall quality of the goods and services offered to the public.

In the recently completed session, Congress began an effort to reappraise the entire Federal regulatory system. Senator ROBERT C. BYRD and I sponsored S. 2812, the Regulatory Reform Act of 1976, which unfortunately did not pass last year. This bill provided for a comprehensive review of all Federal regulatory agencies, and contained a specific action-forcing timetable and discipline. Importantly, it included a "sunset" provision for agency activity in the event no reform legislation was passed.

We are presently preparing a somewhat modified bill, the Regulatory Reform Act of 1977, for early priority consideration in the 95th Congress. In view of the public demand for action and the enlightened support of the business community, I feel that substantial regulatory reform which will benefit consumers, labor, and industry alike, is in the offing.

Mr. President, I ask unanimous consent that the complete text of Mr. Murphy's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE ROOTS OF OVERREGULATION

(By Thomas A. Murphy, chairman, General Motors Corp.)

I have looked forward to this occasion for some time. I wanted to discuss with you—with business people like myself—an important and growing development which should concern everyone in America. All of you may not agree with all that I have to say on this subject. So I will start with a statement upon which I think we all will agree: American business today is wastefully and alarmingly burdened with excessive government regulation.

That being the case, we should ask ourselves: who really is to blame for overregulation—and who really suffers from it? I don't have complete answers, but I do have a few thoughts on these questions. I would like to offer them to you, to say some things that I feel need to be said—said about business, by a businessman, and to a business audience.

REGULATION—HOW MUCH AND BY WHOM?

Now, no thoughtful person will deny the need for regulation, properly defined and properly applied. Some regulation is necessary to protect against the unscrupulous. It is the way society seeks to assure benefits and, to some degree, protection from the exercise of power. The real questions are not whether there should be regulation, but how much is needed? And who is to regulate: how much of the regulation should be by the consumer in the marketplace and how much by government?

What is really wrong with overregulation by the government is not that business people don't agree with it, or that we find it burdensome and costly, but that in the long run its principal victim is the consumer. The fall guy is not the businessman; it is the shopper, the person at the end of the line, the one who in the final analysis pays all America's bills.

The consumer pays for excessive regulation in higher prices, in higher taxes, and in reduced choices. And apparently—and frustratingly—he is unaware that he is being had. Every time a government mandates a product standard, it takes away some of the consumer's freedom to choose—and not always with sufficient reason or with compensating benefits. Every regulation poses a threat to economic freedom, and its benefits must always be weighed against its costs, in terms of the average Americans liberties as well as in terms of his pocketbook.

MORE THAN BUREAUCRACY

As for the question as to who is ultimately responsible for government overregulation, let me follow a process of elimination. First, I submit, the blame cannot be placed entirely on bureaucratic wrongheadedness—not entirely, and perhaps not even for the most part.

True, many—not all, but many—government officials are hostile to big business. But, whether elected or appointed, they rarely go against popular sentiment. They should not—nor can they for any protracted period. And, distressingly, public sentiment is clearly against big business. A recent poll indicates that four out of ten adult Americans believes that big corporations are above the law, and can get away with just about anything. More than half believe that big corporations got to be big by manipulating the market in some unfair way, and this majority thinks big corporations should be regulated more tightly.

Because business has not always been held in such low esteem, we must ask what has caused this decline. What has prompted Americans to modify their traditional suspicion of government and to favor the costly and dangerous intrusion of the public sector into the private?

Some of the blame, some of it, must go to those in government who have irresponsibly exploited the uncertainties and fears of the public. Unfortunately, there are many whose idea of political leadership is to find out which way the parade is moving and then to run faster than everybody else to be out in front. Such political one-upmanship helps to intensify and inflame public opinion. It can turn a demonstration into a mob, and an inquiry into a witch-hunt. In our time, to the misfortunate of the American consumer, it has turned a trend toward the government's regulation of enterprise into a rush to have government dominate it.

ECONOMIC AND EDUCATION

So, while some in government have contributed to the trend towards closer regulation of business, government itself is not the essential cause. We have to look beyond government—but where? How about our educators? Is overregulation a result of some kind of tragic malaise in our educational system which has produced a generation of economic illiterates? Again, I don't think so. As Irving Kristol has pointed out, the reputation of business was better when the public knew even less about economics.

True, far too often, economics as taught in our colleges and economics as practiced in our businesses and in our everyday lives are related only in name. Since the mid-Thirties, a tenet of economic theory and teaching has been that competition is not an effective regulator of business. This post-depression generation of economists has been taught—and now teaches—that the discipine of market competition is as out of date as an old-fashioned paddling behind the woodshed. Their theory may be interesting, but it finds little support from the 28 "Fortune 500" companies who lost money last year, or from W. T. Grant and the 11,431 other American businesses who failed, or from Abercrombie & Fitch who filed for bankruptcy this year—or for that matter from any one of us who competes in the marketplace every day.

Nevertheless, the idea that competition is passé really took root in the more numerous and more crowded campuses of the late Sixties. By then, the war-baby generation was going to college. These were different students—different in that there were more of them, and different in that they came from a broader spectrum of our society. Some who had little question about the worth of business when they enrolled were strongly influenced by these new and disturbing ideas. Others found in colleges an intellectual base for anti-business attitudes they were already developing.

Many of these students of only yesterday are already the teachers of today. And their syllabus includes the anti-business concepts learned in their college days, attitudes which have worked their way into the conventional wisdom of our society. In this era of instant and better communication, the process has been quickened by the natural, commendable, and enriching interplay of academia and the media. Ideas make discussion and discussion makes ideas; professors write books and professors read books, as do publishers and reporters, and editors, and television commentators. And students study them all—as they should.

A DISRESPECT OF BUSINESS

So it is not surprising that students today find little in what they see and hear of business to merit the regard in which we held it when we were in school. Business is no longer widely respected. One associate of mine exclaims, "Not even in the B School!"

It has become commonplace today—both on and off the campus—to hear big business portrayed as alien to a democratic society. Critics of American business maintain that the modern large corporation is run by managers who are answerable only to themselves, rather than to the stockholders who own the business or to the customers it serves. They assert that the typical corporate director chooses not to interfere with the company's operations, or not even to inquire too deeply into them. These critics further charge that the government's regulatory agencies, much less market forces, are powerless against the large corporation, or are actually in management's hip pocket.

The great corporation, then, is perceived to be no longer disciplined by competition, and is pictured as needful of sterner regulation. Obviously so because it is said to stand remote from the people, above and apart, oblivious of human needs; impervious, beyond popular control either by stockholders, consumers, or citizenry. Faceless, monolithic, powerful, irresponsive and irresponsible: these are today's sorry synonyms for great establishments which once were regarded as the exemplars of successful enterprise.

ANTIPATHY AND ITS REASONS

We have come to a sad state of affairs, and for us in business these affairs are distinctly ours—yours and mine. Yet, where are we business people to look for remedy? The government, we have seen, is largely responsive to a prior public antipathy toward business. And the critical intellectuals—on and off campus—are rationalizing and capitalizing upon the same antipathy.

So, in our effort to seek out the root cause of overregulation, we are finally left with the public's low opinion of business—and we must address ourselves to the public if we are to remedy that.

I submit that the real remedy will begin when business people recognize and act upon the fact that the increasing regulation by government is a reaction to the mood of a large segment of the public that is disappointed, dissatisfied, and disenchanted with the everyday performance of American business, especially big business. This widespread antipathy did not just spring from economic ignorance or misunderstanding. Nor did it begin with the post-Watergate disclosures of illegal political contributions by corporations. It has been building for many years, and for a number of reasons.

This month, U.S. News and World Report goes into these reasons. The article is entitled "Why Business Has a Black Eye." A survey of over 5,000 consumers shows business to be weakest in: communicating with the public and employes, being interested in customers, providing value for the money, dealing with shortages, controlling pollution, conserving natural resources, and, finally, in being honest in what is said about products. Today's customers certainly expect a great deal, but no more than the promises our advertising and the achievements of our past have led them to expect. Justified or not, reasonable or not, these expectations nevertheless establish the minimum level of satisfaction which we must compete to achieve.

THE RESULTS OF SHORTCOMINGS

Business has been falling short of these expectations, and today's customer dissatisfaction is both the sorry evidence and the sad result. Hardly any business is exempt, nor is dissatisfaction centered in any one group. The polls show dissatisfaction, however, is greatest among the youngest (those under 30 who are getting older and more influential every day), among the wealthiest (those with incomes over $15,000, our best customers), and among the best-educated (the most articulate). As for political party, independents outnumber either Democrats or Republicans. So we can't expect this attitude to change with the election.

There are many reasons all of us have advanced for poor performance which leads to customer disaffection. There are the difficulties of mass production, wide distribution, heightened expectations, disinterested workers, and other causes. You know them and I know them, but the average customer expects more than explanations. If good money is paid for a product, then full value is expected. Indeed, in this age of the consumers, it is demanded. Much, then, can explain today's customer dissatisfaction, but nothing really can justify its continuance.

AN ANSWER TO DISSATISFACTION

What, then, can we do to change that feeling, and with it the course of government regulation? Businessmen usually begin deliberation of such questions with the assumption that the public is wrong about business, that the people are being sadly deceived and misled. Then we swing into a denunciation of those we think responsible. We blame the media, ambitious politicians, and leftist-leaning educators. And we are so often told that all we have to do is to speak out and get across our side of the story. The time has come for us to recognize that this speaking out has not produced very much in the way of results, nor is it likely to.

First of all, we haven't done the job of communicating very well. Paul Samuelson, the economist, recognizes this as he questions the effectiveness of business' ambitious attempts at telling its story. He writes: "I've seen it happen about 20 different times in the last 30 years. Some businessman says, 'Gee, we aren't getting our message across.' So they start a program, but it turns out no one is listening. Unless you have a captive audience, these programs tend to speak to the converted. They have no cutting edge toward people on the margin." Dr. Samuelson makes a valid point.

The business community really has done next to nothing to persuade the public—and much less the professor and student or the lawmaker, the law-writer, and the law-keeper—that the marketplace rather than the government is almost always a better regulator. Judging from results, we certainly haven't communicated enough to the people who were urging and enacting government regulation. And we still aren't.

For one thing, we are not consistent in what we say. Businessmen too often rail against government regulation—that is, except regulation to protect us against foreign competition. We oppose government handouts—except those used to bail out particular companies or particular industries. We are dead set against controls on prices—but wage controls might be worth a look. Herbert Stein, a former chairman of the President's Council of Economic Advisers, cautions against this kind of inconsistency. "It will be essential," he says, "for business to take a consistent stand against government planning and controls. Business must not be in the position of opposing all controls except those that it thinks beneficial to business or to some segment of business." Mr. Stein is so right.

A NEED FOR CREDIBILITY

Then there is the matter of our credibility: we are simply not being believed. Credibility requires that we in business should not ignore or excuse demonstrated instances of misleading advertising, of misrepresented warranties, and of other questionable practices. We cannot overlook the admitted wrongdoings of some of our country's largest and most respected corporations. No one believes that business is blameless in every respect. For us to try to make it seem to be is worse than ineffectual: it only deepens disbelief. It suggests that we in business can no longer distinguish between what is right and fair and honest and what is not. It gives credence only to the feeling that business is single-mindedly interested only in making profits.

Further, to communicate with a skeptical public we lean heavily on advertising, the easy medium, but unfortunately one which has credibility problems of its own. We try to gain understanding for our economic system in a medium that is most often associated with less lofty messages—with sales pitches for oleomargarine, the mere taste of which converts a man to a king, hair-dressing, we all know that a little dab will do you; and yes, automobiles which never know a traffic jam, a dirty windshield, or even an unattractive passenger.

No one expects vacation resorts to advertise rainy days, or cigarettes the morning cough, or liquor the hangover. But the public does expect honest advertising and suspects that we sometimes are less than forthright in our advertising messages. So the Federal Trade Commission moves in with a slogan such as Truth in Advertising, attracts popular support, and then looks beyond to scrutinize other areas of business activity.

Better communication—the kind that builds credibility—is certainly needed. The marvelous medium of advertising needs to be used better, not only to sell our products, truthfully and forcefully, but to communicate with our customers, even more truthfully and even more forcefully. Without question, we have to be more effective in communicating with people—all of the people.

MORE THAN COMMUNICATION

Better communication can lessen the public suspicion and hostility. But bear in mind that, like aspirin, while it may lower the temperature, it doesn't cure the disease. Yes, we must communicate more, but more important—we must do more than communicate. We must compete for the public's favor where this favor is to be won, in the crucial interface of business with the customer, in the myriad one-on-one encounters between buyer and seller which take place every day.

There is surely a guide for us in the fact that the same public that feels so negative about big business feels so differently about small business. A recent poll asked Americans to rank basic institutions for honety, for dependability, and for integrity. Small business placed second only to banks—and ahead, incidentally, of organized religion. Large businesses were far down the track, a distant sixteenth. For honesty, dependability, and integrity, we beat out only parts of the Federal Government, advertising agencies, the two political parties, labor leaders, bureaucrats, and politicians.

CARING ABOUT THE CUSTOMER

Another recent survey showed that a majority opposed Federal regulation of business as a whole, but nevertheless favored Federal regulation of big business. Why this difference in attitudes toward small business and big business? I suggest that one reason is that the customer often knows the local merchant personally. They talk together, and thereby communicate better. The customer understands that the butcher, like himself, is basically a good fellow; that the baker too just can't find good help anymore, and that the candlestick-maker's costs are going up like everyone else's. The small businessman knows his customer, and his customer knows him. That is one reason why the public is more tolerant of butchers than of meat packers, of bakers than of wheat producers, and of candlestick-makers than of electric companies. The same survey gave big business better marks than small business in providing career opportunities for minorities and women—but, significantly, the majority responding said small business, not big, "really cares about the individual customer." Think about that—and what we can do about it.

To me the lesson is clear: we in the community of bigger business must be more accessible to our customers. We must identify better with them and their needs. We simply must serve them better. We must make it easier for our customers to be heard and to get the personal treatment and satisfaction they deserve. A great many of us are learning this lesson of talking with our customers—not talking to, or talking at them, but talking with our customers. If we are not learning it, for our own sakes, we had better begin now.

The problem, and its solution, lies right on our doorstep. And it is time for business people to face this fact. Some of us are. Stanley Marcus of Neiman-Marcus points out that we should not shrug off the decline in public confidence as merely a part of a larger loss of confidence in all our institutions, even if it is true. He says, "Let's not kid ourselves into believing that the negative attitude toward business is merely part of an 'anti-establishment' mood throughout the nation. It is a lot more specific than that—and a lot more justified than that."

ADVICE FOR THE BUSINESSMAN

Mr. Marcus continues: "In our business—which depends so much on the good will of the people—I have always operated on the theory that, 'where there's smoke, there's fire'. If the reputation of Neiman-Marcus were to begin to slide, I wouldn't ask the local religious leaders if church attendance had fallen off. I wouldn't ask the politicians if voter registration was down. I wouldn't even ask our competitors if their sales were sagging. I'd ask what we were doing at Neiman-Marcus to hurt our own reputation. I'd ask if the famous friendliness and courtesy of our service had fallen off, or if the quality of our merchandise had dropped.

"Those are the kinds of questions that the entire business community should be asking itself today, rather than looking for excuses, rather than blaming a vague mood of public discontent." Mr. Marcus wisely advises that we look to ourselves.

Rather than to attempt more public education, business would be better advised to strive for even greater quality and improved service of our product, and to devote at least equal care and attention to our relationship with the individual customer. Let us admit when we are wrong—and correct our mistakes, promptly and fully. If we don't then we deserve the consequences. Our competitive economic system does work. Everyone in business knows the discipline of the marketplace. Our entire experience teaches that those who offer substandard quality, inadequate service, and poor response to customers will be steadily and inexorably moved off the board by those who offer better quality, better service, and more complete customer satisfaction.

Yet, counterforces are already loose in our society which would replace the corrective forces of competition with the discipline of government. Should we in business, by our inaction or indifference, allow this to happen, we will all be the losers; not only business, but the whole of American society which has been shaped so profoundly by our deep commitment to economic freedom.

TO BE WORTHY OF FREEDOM

Only last week, the Dallas Morning News concluded in an editorial: "American business has an obligation of being worthy of the economic freedom in which it wishes to function. That worthiness is centered, heart and soul, in its fair, responsible and sensitive dealings with consumers of its goods and services."

I want to contribute a note of urgency—that the clock is running on free enterprise and it is later than we think. I want to make certain that we recognize that all the fault does not lie elsewhere—much of it lies in our own business community, and perhaps in our own organizations.

We know that every shoddy product, every neglected service, every reason for complaint is worse than bad business: it invites more regulation by government. Adverse public opinion, the antecedent of government regulation, has been shaped to a great degree by the failures of business to satisfy the customer. Other factors are involved, but much of the public's antipathy toward big business is rooted in the American consumer's own bad experiences in the marketplace. To the extent that it is rooted there, it can be remedied only there.

REMEDIES FOR OVERREGULATION

This situation will not be turned around overnight. We cannot expect customers, even if suddenly more satisfied, to become instant advocates for the de-regulation of business. But we can begin immediately. We move in the right direction every time we emphasize quality as well as quantity in our products, every time we focus on service as well as sales, every time we welcome criticism and act on it rather than avoid it and condemn it. We move again in the right direction every time we talk with a customer, with a stockholder, with an employee; every time we take the trouble to teach a youngster, whenever we invest what we must to provide better products and better service.

In short, we counter the threat of government overregulation when we do what we must and should to satisfy our customers, when we get back to what competition in business is all about—when we do business as business should be done, openly and honestly, with the customer's needs uppermost in mind.

Freedom, it has been said, it nothing more than an opportunity to discipline ourselves, rather than to be disciplined by others. If we in business want to remain as free as we still are to respond to the desires of our customers, rather than to those of government regulators, we are going to have to fulfill the businessman's first, last, and always responsibility: the responsibility to satisfy these customers, today, right now, not tomorrow. American business will remain free from excessive government control only to the extent that we meet this responsibility quickly. It comes down to this: if we want to be allowed to compete in satisfying the customer, we must be willing to compete—and willing to satisfy.

More important than what we say, or what we feel, or what we think about free competitive enterprise is what we do, each of us, in our daily dealings with our customers. Many may say: the job of preserving and enlarging free enterprise is too big for me. I can only influence one company, or one department, or one product. My ability to act is limited. This, my friends, is wrong. It is a cop-out.

THE MAGIC AND THE MIGHT

The men and women of American business have a chance every minute of every day to further the cause of economic freedom. This is true whether we work behind a desk or at a check-out counter, on the telephone or on the assembly line. The work of America is ours to do—no one else's. We, individuals free to act, we are the magic of America. And we, choosing to act, we are the might of America. It is up to us to put that magic to work to further the cause of freedom, and the free economic system which in so many ways has so enriched us all.

For in the end, only when and as we serve our customers, do we serve the cause of free enterprise.

SAVANNA ARMY DEPOT

Mr. PERCY. Mr. President, on April 1, 1976, the Department of the Army announced its need to reduce nonessential overhead support personnel and costs connected with its base structure. As a result, the Savanna Army Depot was selected for possible conversion to contract operations with closure by the end of fiscal year 1979. Preliminary analyses indicated that this realinement should be further examined as it appeared that reductions in annual costs could be realized and significant overhead savings could result from closure. The study would also determine whether, during a drawdown period, the depot operations could be more economically accomplished by commercial contract rather than by a Government workforce. The review would consider relocating the depot's logistics activities to other Army depots.

This task force study has recently been prepared and is now in the process of review at the Pentagon. The recommendations of this study are expected to be made public before the end of the year. I feel it important, while we wait for this report, once more to present the case for maintaining this military facility.

The primary mission of Savanna Army Depot is to receive, store, maintain, and issue conventional ammunition and perform associated tasks and missions assigned; 137,000 tons of ammunition supplies are stored at the facility which, until recently, employed 730 people. The depot has a current replacement value of $247,000,000. The 13,000-acre facility has more diversified types of ammunition storage facilities than any other ammunition depot in the United States. The depot is unique in that it has two World War II ammunition loading plants which have been converted into other type production facilities. Until after the Vietnam war these facilities were utilized for the major overhaul, renovation, and maintenance of all classes of ammunition items.

The depot has a great capacity for storage. At its peak in 1943 more than 8,800 civilian employees worked at the depot. More than 300,000 tons of ammunition stocks can be maintained in covered storage. Since September 1968 more than $4 million has been spent for major repair, modifications, and new construction at Savanna to make it one of the most modern Army depots.

The cost of moving ammunition is extremely costly, but as shown by the following figures, Savanna consistently shows the least cost as compared to costs from other depots. I submit two charts at this point for printing in the RECORD.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

COST FOR 1 SHORT TON OF AMMUNITION FROM AMMUNITION PLANTS INDICATED TO DARCOM STORAGE DEPOTS

	Anniston	Blue Grass	Fort Wingate	Letterkenny	Navajo	Pueblo	Red River	Savanna	Seneca	Sierra	Tooele	Umatilla
Cornhusker AAP, Grand Island, Nebr.: 8-in projectile	$58.07	$54.43	$71.86	$86.82	[1] $100.40	[1] $30.51	$57.60	[1] $23.00	$82.56	$109.40	[1] $85.60	$119.00
Indiana AAP, Charlestown, Ind.: Prop charges	40.17	23.28	120.61	57.91	75.74	74.80	43.02	45.70	58.29	94.72	94.72	94.72
Iowa AAP, Burlington, Iowa: Artillery ammo and separate loading projectiles	46.97	37.38	97.40	70.31	[1] 91.00	67.61	56.19	24.18	66.91	97.40	97.40	97.40
Joliet AAP, Joliet, Ill.: 105 mm projectile	43.73	35.63	73.01	62.82	73.01	73.28	58.67	20.07	58.83,	73.01	73.01	73.01
Kansas AAP, Parsons, Kans.: 105 mm projectile	46.86	46.86	60.40	81.57	60.40	48.18	40.71	36.91	78.88	60.40	60.40	60.40

[1] Denotes truck rate (low between rail and truck).

Note: All rates are in effect as of June 1, 1976.

TRANSIT APPLICATION

	Military Ocean Terminal Supply Point, Leland, N.C.			Naval Weapons Station, Concord, Calif.		
	Direct	Combination cost	Transit cost	Direct	Combination cost	Transit cost
From—Cornhusker	$82.05			$93.60		
Anniston		$97.74	$91.25		$268.67	(1)
Blue Grass		98.23	91.25		171.43	(1)
Fort Wingate		238.66	(1)		141.46	$109.19
Letter kenny		130.22	92.45		322.82	(1)
Navajo		268.40	(1)		155.40	135.74
Pueblo		124.24	(1)		111.91	103.40
Red River		122.53	91.85		127.80	(1)
Savanna		91.67	[2] 92.45		101.80	(1)
Seneca		135.09	(1)		318.56	(1)
Sierra		337.00	(1)		121.70	103.40
Tooele		217.00	(1)		135.60	103.40
Umatilla		363.00	(1)		192.60	143.80
Indiana	58.87			94.72		
Anniston		79.84	68.07		250.77	(1)
Blue Grass		67.08	68.07		140.28	(1)
Fort Wingate		287.41	(1)		190.21	107.40
Letterkenny		101.31	(1)		293.91	(1)
Navajo		243.74	(1)		130.74	[2] 133.48
Pueblo		168.53	(1)		156.20	104.52
Red River		107.95	(1)		113.22	104.52
Savanna		114.37	(1)		124.50	105.12
Seneca		110.82	(1)		294.29	(1)
Sierra		322.32	(1)		107.02	104.52
Tooele		226.12	(1)		144.72	104.52
Umatilla		339.52	(1)		168.32	[2] 333.42

Footnotes at end of table.

TRANSIT APPLICATION—Continued

	Military Ocean Terminal Supply Point, Leland, N.C.			Naval Weapons Station, Concord, Calif.		
	Direct	Combination cost	Transit cost	Direct	Combination cost	Transit cost
Iowa	67.08			97.40		
Anniston		86.64	76.28		257.57	(1)
Blue Grass		83.18	76.28		156.38	(1)
Fort Wingate		264.20	(1)		167.00	109.07
Letterkenny		113.71	77.48		306.31	(1)
Navajo		259.00	(1)		146.00	135.60
Pueblo		161.34	(1)		149.01	107.20
Red River		121.12	(1)		126.39	107.20
Savanna		92.85	77.48		102.98	(1)
Seneca		119.44	(1)		302.91	(1)
Sierra		325.00	(1)		109.70	107.20
Tooele		228.80	(1)		147.40	107.20
Umatilla		342.20	(1)		171.00	147.60
Joliet	63.17			73.01		
Anniston		83.40	72.37		254.33	(1)
Blue Grass		79.43	72.37		152.63	(1)
Fort Wingate		239.81	(1)		142.61	109.97
Letterkenny		106.22	73.57		298.82	(1)
Navajo		241.01	(1)		128.01	[2] 136.74
Pueblo		167.01	(1)		154.68	91.47
Red River		123.60	(1)		128.87	82.81
Savanna		88.74	76.87		98.87	87.74
Seneca		111.36	(1)		294.83	(1)
Sierra		300.61	(1)		85.31	82.81
Tooela		204.41	(1)		123.01	82.81
Umatilla		317.81	(1)		146.61	123.21
Kansas	65.79			60.40		
Anniston		86.53	79.91		257.46	(1)
Blue Grass		90.66	79.91		163.86	(1)
Fort Wingate		227.20	(1)		130.00	109.50
Letterkenny		124.97	81.11		317.57	(1)
Navajo		228.40	(1)		115.40	[2] 136.14
Pueblo		141.91	(1)		129.58	91.09
Red River		105.64	80.51		110.91	(1)
Savanna		105.58	81.11		115.71	(1)
Seneca		131.41	(1)		314.88	(1)
Sierra		288.00	(1)		72.70	70.20
Tooele		191.80	(1)		110.40	70.20
Umatilla		305.20	(1)		134.00	110.60

[1] Transit does not apply.

[2] Combination rates produce lowest cost.

RANKING ARMY DEPOTS BASED ON INTRANSIT PRIVILEGES
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Ammunition plant: Terminal: Ranking depot	Cos
Cornhusker:	
Sunny Point:	
Anniston	$91.25
Blue Grass	91.25
Savanna	91.67
Red River	91.85
Letterkenny	92.45
Concord:	
Pueblo	103.40
Tooele	103.40
Sierra	103.40
Fort Wingate	109.19
Navajo	135.74
Umatilla	143.80
Indiana:	
Sunny Point:	
Blue Grass	67.08
Anniston	68.07
Concord:	
Red River	104.52
Pueblo	104.52
Sierra	104.52
Toole	104.52
Savanna	105.12
Fort Wingate	104.70
Navajo	130.74
Umatilla	168.32
Iowa:	
Sunny Point:	
Anniston	76.28
Blue Grass	76.28
Savanna	77.48
Letterkenny	77.48
Concord:	
Pueblo	107.20
Red River	107.20
Sierra	107.20
Tooele	107.20
Fort Wingate	109.07
Navajo	135.60
Umatilla	147.60
Joilet:	
Sunny Point:	
Anniston	72.37
Blue Grass	72.37
Letterkenny	73.57
Savanna	76.87
Concord:	
Red River	82.81
Sierra	82.81
Tooele	82.81
Savanna	87.84
Pueblo	91.47
Fort Wingate	109.97
Umatilla	123.21
Navajo	128.01
Kansas:	
Sunny Point:	
Anniston	79.91
Blue Grass	79.91
Red River	80.51
Letterkenny	81.11
Savanna	81.11
Concord:	
Sierra	70.20
Tooele	70.20
Pueblo	91.09
Fort Wingate	109.50
Umatilla	110.60
Navajo	115.40

Mr. President, the first chart compares the cost of moving one short ton of ammunition from the major ammunition plants to various DARCOM storage depots. The costs to Savanna in almost every case is cheaper. The second chart shows the costs of shipping one short ton of ammunition from the, first, ammunition plants directly to the east and west coast terminals; second, ammunition plants to the depots and from the depots to the terminals; and third, ammunition plants via the Army depots to the terminals. Shipping via the depots allows the stopping of shipments at specific intermediate stopoff points for storage, processing or other purposes and subsequently forwarding the shipment or its equivalent to final destination. Army manufacturing facilities generally have very limited storage capacity for end items of ammunition, so if direct shipment to the user is not feasible, the ammunition must be shipped to an ammunition depot for storage. Since the Savanna Army Depot is centrally located, it can be readily seen that the transit privilege could be more effective at Savanna than at other ammunition storage depots, and, as a result, transportation costs could be saved. Savanna is one of the few depots with a transit privilege which results in savings to the taxpayer.

The Savanna depot is the only depot which is located next to a navigable river, the Mississippi. It may be vital to our national interest to retain the Savanna installation since in-depth studies are being completed on the barge ship concept for the movement of Army supplies.

In 1974 the Army announced the movement of the Special Weapons Mission from Savanna to the Sierra Army Depot in California, with the estimated one time cost of this action as $1,474,000 and the annual savings to be realized as $7,436,000. However, it appears that not enough planning and research was undertaken before this move and the actual savings planned has not materialized. It was found that a new barracks with a mess hall was needed at Sierra at a cost of $1,160,000.

Other expenses, possibly as a result of the move, include $1,525,000 for security measures, $1,489,000 for a cargo aircraft apron on the runway, and $4,868,000 for a SW maintenance and storage building. Other than the SW facilities many of the other buildings at Sierra were built in 1942 of temporary wooden construction. They probably will have to be replaced within the next 10 years at an estimated cost of $21,611,000.

I would not want to see this same mistake of underestimating cost savings made again by the Army in connection with its current decision affecting the Savanna facility.

The economic impact of the loss of 260 additional jobs must also be considered. As a result of the realinement of the depot's mission in November 1974 the area is still trying to recuperate financially. This realinement caused a direct income loss of over $4.2 million. Indirect lossess resulting from curtailment of defense contracts and reduction of educational and support funds, increase losses by another $1 million. The school district in Hanover alone will lose almost one-quarter of its total enrollment and all the impact aid received from the Federal Government. Now the community is faced with the possibility of another $3 million direct payroll loss. This monetary loss is especially critical in Jo Daviess County where family income is now below the State's poverty level.

The social impact of the loss of another 260 jobs is a matter of primary concern. The area presently has few persons under the age of 40. The lack of job opportunities for the 15 to 29 age group has caused a migration from the area of the young people seeking employment elsewhere. A report by the Department of Defense's Office of Economic Adjustment has confirmed this lack of alternative employment. Obviously any further reduction of job opportunities is going to make this situation worse.

It is hoped that these points were fully considered in the task force study and that they will be noted during the review process by the Secretary of the

Army as he considers the recommendations.

REPORT ON SOLAR ENERGY CONFERENCE

Mr. PERCY. Mr. President, I am pleased to report that a solar energy conference that I sponsored at the University of Illinois Circle Campus—the first of several energy conferences that I am sponsoring—was a great success. About 2,500 people attended.

The astonishing interest and enthusiasm shown at this conference in solar energy is encouraging. The rapid development of solar energy provides one of the most exciting challenges of the seventies. It can help to make America less dependent on dwindling domestic energy supplies and expensive imported oil.

The aggressive development of solar energy is needed in order to quickly achieve economies of scale. The importance of solar energy to the national effort toward greater energy independence was highlighted by a resolution adopted by acclamation at the end of the conference. The resolution reads as follows:

First. This conference resolves that each Presidential candidate and each of the congressional candidates specifically define before November 2 the major components of the national energy policy, and in particular such conservation measures and the development of alternate sources of energy such as solar energy that they would propose and support.

Second. This conference calls upon our next President and the 95th Congress to establish as a high priority a comprehensive national energy program which gives appropriate recognition to conservation and the development of alternate sources such as solar energy.

Third. In conclusion, this conference strongly urges that the benefits of federally financed energy development programs be made equally available to citizens of all economic levels.

One of the chief goals of the conference was to increase public knowledge about solar energy. The conference clearly showed through its display of solar equipment that solar energy is not an exotic dream of the future. Rather, it is workable today, and rapidly becoming commercially viable. In many parts of the country, consumers can actually save money now by heating their homes with solar energy. Earlier this year, a Federal Energy Administration study pointed out that even using preembargo fuel prices, the present cost of solar heating is considerably less than the cost of heating with electricity.

Mr. President, before reporting further on this conference, I want to express my deepest appreciation for the outstanding job done by the University of Illinois in helping me and my staff to make this conference a success. In particular, Dr. James Hartnett and Mrs. Eileen Schmitz of the university's energy resources center, and Mr. Stanley Delaney of the Chicago Circle Center, showed preeminent organizing skills in working with my staff to arrange all the details that a conference of this magnitude entails. I am extremely grateful to Dr. Donald Riddle, chancellor of the University of Illinois, for making the facilities at Chicago Circle available to us and to Mr. Chris Palmer for his brilliant leadership of the staff effort and for his performance as executive director of the conference.

Another group that was critical to the success of the conference was the Conference Advisory Committee, which included the following members:

Dugald O. Black, Advisor, Illinois Energy Resources Commission, Springfield..

W. William Brubaker, Senior Vice President, Perkins and Will Architects, Chicago.

Sheldon H. Butt, Director, Marketing Research and Planning, Olin Brass, Alton.

Jerry L. Campbell, Executive Vice President, Homebuilders Association of Illinois, Springfield.

J. E. Dunwoody, Energy Division, Illinois Department of Business and Economic Development, Springfield.

Herschel J. Farr, Executive Vice President, Homebuilders Association of Chicago, Hinsdale.

James P. Hartnett, Director, Energy Resources Center, University of Illinois, Chicago.

John Martin, Consultant, Shaeffer and Roland, Inc., Chicago.

Martin Mavis, President, Central Illinois Solar Energy Society, Rochester.

Senator John J. Nimrod, Illinois Senate, Springfield.

James J. Overlook, Director, Auxiliary Services, University of Illinois, Chicago.

Richard Robbins, Executive Director, Lake Michigan Federation, Chicago.

William F. Rush, Senior Advisor, Solar Programs, Institute of Gas Technology, Chicago.

Y. B. Safdari, President, Sun Systems, Inc., Peoria.

Mr. President, the conference had three major components: speakers, workshops, and exhibits.

THE SPEECHES

The speakers were in two sessions, each followed by a lively question and answer session.

I opened the first session by emphasizing the questions about solar energy that the conference should be seeking to answer. I ask unanimous consent that my opening remarks be printed at the conclusion of my statement. See appendix A.

Mr. Frank Zarb, the Administrator of the Federal Energy Administration, gave the first speech at the conference, and I ask unanimous consent that his remarks be printed at the conclusion of my statement, see appendix B. Mr. Zarb noted that commercial production of solar collectors in 1975 was roughly 400 percent higher than in 1974. The industry seems to be in a trend of quadrupling production annually. As Mr. Zarb said, in a very real sense, solar energy is now. For example, residents of many areas of the country could economically install a solar hot water system in a new home. In some areas, it would mean saving money over electrically heated water in only 2 years.

Mr. Zarb went on to point out that there are a number of things the Government can do to help overcome one of the chief obstacles to solar energy market development; namely, high production cost. This characterizes the initial stages of any new industry. These costs are governed, in part, by the volume of production, which, in turn, is a function of demand. By making the Government a customer of solar energy, the Government can do something about that volume, since it is the biggest single consumer in the economy.

Mr. Zarb announced at the conference that the Federal Energy Administration, the Department of Defense, the General Services Administration, and the Veterans' Administration are working to identify specific opportunities for the use of solar hot water heaters in their facilities. For the industry, this could mean several million additional square feet of production over the next few years—more volume which should help lower the cost of production, and make solar heated water even more competitive than it is. And that means less oil and natural gas used to heat water, a growing solar industry, and more jobs for Americans who will be needed to design, manufacture, and install solar equipment.

The second speaker in the morning was Mr. John Eberhard, the president of the American Institute of Architects Research Corp. He presented an eloquent and handsomely illustrated lecture on "The Sun: A New Aesthetic Challenge for Architecture."

He began by saying that he wished to help everyone understand that solar energy was not just another plumbing system to be installed by home builders as a substitute for a boiler in the basement. He finished with a quotation from the Beatles' song, "Here Comes the Sun."

Mr. Eberhard called his presentation "A Bicentennial Rhapsody in Four Parts," and organized it around musical terms. In his "overture" he talked about solar energy as a symbol for the more fundamental changes of attitudes and life syles occurring in the United States. He compared the development of solar energy to the early history of the development of glass, and pointed out how many changes in human lives followed from such developments.

In the second "movement," he talked about the Sun itself in both scientific and historical terms. He argued that references to the Sun in religious ceremonies, art, music, and architecture made it a potentially powerful thing—"not so much in its technological potential as in the symbolism and poetry of what it may mean."

In his third "movement" he discussed the four basic methods of capturing the Sun's heat in our homes and gave examples of each. These four ways he called: First, Sun to space; second, Sun to mass; third, Sun to collector to storage to space—the most familiar way; fourth, Sun to solar cell to use as electricity.

In the final part, or "coda" he suggested that it was not too late to recognize the importance of solar energy as a means of dealing with our growing shortage of fossil fuels. He also pointed out its implications for enhancing the quality of life, but noted that we will have to change our priorities to do so. He pointed out that as we experimented with new ideas in using the Sun's energy, we would produce some mistakes along with exciting new innovations "not a bad agenda for the third century of a venturesome nation."

The speakers' session in the afternoon featured three more speakers, the first of whom was Dr. Barry Commoner, director, Center for the Biology of Natural Systems at Washington University in St. Louis. A summary of Dr. Commoner's remarks is as follows:

The nation's energy problems are serious and urgent. Every human activity—agriculture, industry, transportation, communication, and indeed our very bodily survival—is absolutely dependent on work, and therefore on energy, which is the unique source of work. Because of this relationship energy is intimately connected with the design of the system of production and exerts a powerful effect on the entire economy. But, despite the enormous importance of energy to national welfare, we have had no discernible national energy policy, and were even unaware of its absence until that was forcibly impressed upon us by the oil embargo of 1973.

Since 1973 there has been a sharp increase in the price of energy. The conventional response is that we are, after all, "running out" of energy; that it has been "underpriced"; and that we will simply have to learn how to live with higher energy prices in the future.

In contrast, the real issue is not that we are running out of energy but that we are running out of our ability to pay for it; that the present, very rapid rise in the relative prices of energy (i.e., as compared with the price of all commodities) is unprecedented in the history of modern agricultural and industrial development; that because energy is a unique and irreplaceable input to every production process, the entire system of production and the economy that depends on it will be seriously disrupted if the energy price rise continues; that not only energy problems but also the problems of environmental quality and unemployment mandate changes in the production system, which must be made in an orderly fashion if catastrophic effects on the national economy and public welfare are to be avoided; that the inherent properties of the energy sources and technologies which dominate the present U.S. energy system can only continue and worsen the rising price of energy and thereby disrupt orderly changes in the production system; that the essential task of national energy policy ought to be to slow down the rise in the price of energy and to stabilize it as soon as possible by fostering the development of appropriate energy technologies in place of present ones; and that the Administration's plans for the development of energy sources and technologies—if allowed to proceed—will not only fail to accomplish this aim, but will actually help to defeat it.

It is possible, beginning at once, to slow down the present escalation of energy prices and to move toward stabilization by (a) relying on coal-fired power production in the near- and mid-term, and (b) introducing the various solar technologies as they mature, beginning with solar heat and heat/power installations. Allowing for the uncertainties involved in converting solar electricity to essential liquid fuels (through the use of hydrogen either directly, or after conversion to a hydrocarbon), it should be possible to gradually approach approximate energy price stabilization over the next 20–25 years. Such a plan could provide the nation with means of producing and using energy which, unlike our present energy system, will support the national welfare.

Mr. President, following Dr. Commoner was Dr. Henry Marvin, head of solar energy at the Energy Research and Developent Administration. A summary of Dr. Marvin's remarks is as follows:

In response to Senator Percy's request, I would say I have no great quarrel with Prof. Commoner's solar numbers. The market penetration is considerably greater than I visualize and I am not equipped to comment intelligently regarding the other energy sources he referred to.

I would caution against deluding ourselves with overestimates as to what we can do with solar energy. This is an attractive energy source and I am a solar advocate, but we must bear in mind that this is a diffuse source of energy. It is captured and put to use with some difficulty and considerable cost.

Having mentioned cost, let me turn to the ERDA solar budget for FY 1977. The congressional appropriation is at a level of $290 million and we will be operating for some period without the benefit of congressional authorization. The President's budget request of last summer was at the $160 million level. At either level the solar electric program represents about ⅔ of the activity. I would like to defend that part of the program because of the comments earlier today, and since we are in the windy city I will choose wind for my example with no further reference to the other programs in photovoltaics, solar thermal and ocean energies. This first slide shows the wind profile in the United States. In Chicago you will be quick to note the high wind areas around Lake Michigan. The next slide shows 17 sites recently selected which follow that profile pattern including the site at Luddington, Michigan. This program is directed toward technical feasibility of large machines and most strongly toward cost reduction. The key point in our plan is in 1979 when we design a 1.5 MW turbine for low-wind speeds. Only then can we judge cost effectiveness. And so it is with all solar electric options. I believe all developments should be pressed hard to an early critical decision point and the program is laid out that way.

In the heating and cooling program I will be proud to describe our demonstration program in as much detail as you wish. For now let me simply say that it is in very good shape with some 300 buildings under contract or complete and with hundreds more to be announced within the next few days. Prof. Commoner showed charts dealing with the economics of hot water and space heat. The data I show here are from the same study at ERDA and indicate immediate payoff of both if we can reduce the cost of collectors from an assumed $20/sq. ft. installed to $10/sq. ft.

Mr. President, the final speaker at the conference was Mr. Paul Cronin, a former Congressman and now president of Sun Sav, a firm manufacturing solar energy equipment in Massachusetts. I ask unanimous consent that Mr. Cronin's remarks be printed in the RECORD at the conclusion of my statement, see appendix C. Mr. Cronin pointed out that of all the energy options currently available to the United States, solar for heating and cooling is the only vehicle that can have an immediate impact on our overall energy budget. I commend Mr. Cronin's excellent speech to my colleagues.

WORKSHOPS

The second major component of the conference was workshops. There were 13 of them on the following subjects:

First. Heating and cooling of buildings: Active and passive—William F. Rush, Institute of Gas Technology, Chicago; and Philip Anderson, Arkla Industries, Evansville, Indiana.

Second. Solar Collectors for Heating and Cooling—Robert G. Ragsdale, NASA-Lewis Research Lab, Cleveland.

Third. Solar Architecture: A Do-It-Yourself Clinic—Rodney Wright, RWA Limited, Chicago.

Fourth. Photovoltaics—Ron Ignatious, M-7, Incorporated, Arlington Heights.

Fifth. Wind Energy—Harold A. Simon, University of Illinois, Chicago; and Andrew Fejer, Illinois Institute of Technology, Chicago.

Sixth. State and Federal Government Solar Energy Policy—Richard Gariboldi, Energy Research and Development Administration, Washington, D.C.; J. E. Dunwoody, State of Illinois Division of Energy, Springfield; and Senator John J. Nimrod, Illinois Senate.

Seventh. Heating and Cooling of Buildings: Active and Passive.—Norman Sheridan, University of Illinois, Champaign-Urbana.

Eighth. Solar Architecture—Hans J. Fischer, Fischer-Stein Associates, Carbondale.

Ninth. Biomass—John Martin, Shaeffer and Roland, Chicago, and Donald Klass, Institute of Gas Technology, Chicago.

Tenth. Central Solar and Wind Power Systems—Joseph Savino, NASA-Lewis Research Lab, Cleveland.

Eleventh. Solar Applications in Industry—Sheldon H. Butt, Olin Brass, Alton.

Twelfth. Institutional Barriers—Alfred L. Portis, Christian Action Ministry, Chicago; Karl Reinke, Jr., Karl Reinke, Jr. and Company, Dundee; and Richard L. Robbins, Lake Michigan Federation, Chicago.

Thirteenth. Solar Energy in the University—Al Cassella, Sangamon State University, Springfield; and Zalman Lavan, Illinois Institute of Technology, Chicago.

Mr. President, I was able to briefly attend a number of these workshops, and was highly impressed by what I saw and heard. Brief descriptions of the contents of some of the workshops now follow:

Prof. Norman R. Sheridan, from the Department of Architecture, University of Illinois at Urbana-Champaign, conducted a workshop on "Solar Heating and Cooling of Buildings—Active and Passive." A brief summary of Dr. Sheridan's workshop session is as follows:

Buildings can be heated and cooled by Solar Energy with today's technology. Commercial equipment is readily available for space heating and domestic water heating, which are cost effective in most areas and promise substantial savings in fossil energy. While solar space cooling is feasible, the equipment is less well developed.

For the satisfactory application of space heating, an energy conservative building is essential. Reduction of heat loss by insulation and air tightness is a first step in solar design.

Passive devices such as the thermic diode and the south-glass wall may be all the solar equipment needed in mild climates. But, collection and storage of solar energy by active systems will be needed for places with lower temperatures.

Flat-plate collectors can produce sufficiently high temperatures for space heating and integrate easily into the building structure. Air collectors are simple, safe and easily attached to forced air heating systems but have relatively bulky ductwork. Ease of installation is a prime advantage of water systems.

A simple method of selecting the collector variables such as azimuth, inclination, area and fluid flow rate was presented. It was suggested that the storage capability should be chosen to be compatible with the collector area.

Prof. Harold A. Simon of the University of Illinois and Prof. Andrew Fejer of the Illinois Institute of Technology discussed windmill systems. A summary of their presentation is as follows:

The wind is a replenishable, virtually limitless resource. However it is dilute and intermittent in character. Use of the wind as a source of power dates back to the early sailing ships. Wind turbines were used in Persia (200 B.C.) for grinding grain. In recent times wind power was widely used in Holland. In the U.S. rural use of wind power was common until the low price of oil favored rural electrification.

Today wind is again being seriously considered as an energy resource. Current prices are roughly $1,000 per KW for the small machines, rated at about 10 kw. However, the larger size units should reduce the price to a few hundred dollars per kilowatt.

Several different types have been used, ranging from the slotted soil type operating mostly on drag force to the carefully designed aerodynamic profiles found on modern wind turbines. The latter generate low torque at high speed, in contrast to the multi-vane type found in rural districts, which generate high torque at low speed.

Vertical axis types such as the Darrieus and Savonius do not need to be pointed into the wind. A Darrieus turbine, 58 meters in diameter will generate about 1000 kw, whereas the propeller type requires about 45 meters for the same output.

Current research is looking at a variety of methods of augmenting the output from wind turbines.

Grumman Aircraft have developed a diffuser capable of almost doubling the output of a wind turbine, with a diffuser length only half the diameter of the turbine.

Several proposals for very large machines have been studied, and two bladed machines generating 1.5 MW have been suggested.

Mr. Hans J. Fischer, architect, Fischer Stein Associates, conducted a workshop on solar architecture. He attempted to identify and develop opportunities for achieving energy-efficient buildings. These opportunities present themselves in all phases of the decisionmaking process that initiate, create and use buildings.

Most work in the profession to date has concentrated on improving ways to design and operate mechanical systems that rely on energy derived from nonrenewable resources.

In his presentation, Mr. Fischer discussed the architectural decisions related to form, layout, and materials. He attempted to focus on ways in which buildings can capitalize on natural energy sources. This included the application of systems which convert onsite natural energy—that is solar, wind, water. He also covered the architectural responses that work both with and against climatic variations to lessen the need for supportive energy derived from centralized energy systems.

Mr. Fischer presented his material under the major headings of Site, Enclosed Spaces, Building Envelope, On-Site Energy, Environmental Systems, and Operation and Maintenance. In general, his approach was to inform the participants about the use of passive techniques both with and without active alternative energy systems—including solar—to accomplish energy efficient buildings.

Dr. John H. Martin, consultant, Shaeffer and Roland, Inc., in his workshop on biomass, described examples of what is being done to utilize biomass resources, and Mr. Donald L. Klass, director of Basic Research at the Institute of Gas Technology, described the character of the energy resources available from biomass in the United States and in Illinois.

Dr. Klass concluded that after suitable development, the commercialization of a synfuels industry based on both organic wastes and low-cash-value, high-fuel-value biomass raw materials will probably be economically attractive and permit conservation of our valuable fossil fuel reserves. Mr. Klass added that since the basic technology is already on hand, large-scale programs to refine it and to develop integrated systems should be started without delay before fossil fuel depletion causes greater energy supply problems.

Mr. Klass finished his presentation with this statement:

> It seems inevitable to me that the technology of converting nonfossil renewable carbon sources to establish organic fuels as we know them today will become commercial reality in the foreseeable future. Indeed, some first-generation commercial plants and systems for the conversion of organic wastes to substitute fossil fuels are already on line. The utilization of solar energy as organic fuels via wastes and biomass is a practical, if not the only, long-term solution to fossil fuel depletion and shortages of organic fuels and chemical feedstocks. I think that it is only a matter of time before the growth rate of this new industry reaches the exponential phase.

Mr. Robert G. Ragsdale, chief, Solar Energy Branch, National Aeronautics and Space Administration at Lewis Research Center discussed large experimental wind turbines.

Several large wind turbine projects have been initiated by NASA-Lewis as part of the ERDA wind energy program. The projects consist of progressively large wind turbines ranging from 100 kW with a rotor diameter of 125 feet to 1,500 kW with rotor diameters of 200 to 300 feet. Also included is supporting research and technology for large wind turbines and for lowering the costs and increasing the reliability of the major wind turbine components.

Mr. Sheldon H. Butt, president, Solar Energy Industries Association, conducted a workshop in which he discussed current and near term solar applications in industry. He made the important point that a solar installation provides inflation insurance. The cost of the solar energy which it will produce is not subject to escalation but is fixed by the first cost of the equipment. I ask unanimous consent that Mr. Butt's excellent presentation be printed in the RECORD at the conclusion of my statement, see appendix D.

Mr. Karl Reinke, Jr., K. Reinke, Jr. and Co., and Mr. Richard Robbins, executive director, Lake Michigan Federation, made the following points in their workshop on Institutional Barriers:

> First. Expertise is needed in developing sensible building and zoning codes to encourage solar energy usage—not the haphazard method now used by local building inspectors who have no knowledge or expertise on the subject and in effect are "anti-anything" they don't understand.
>
> Second. A sensible tax law is required to encourage the use of solar energy and encourage its use and related utility rates.
>
> Third. New laws are required to protect the sun's access to those who have collectors and "use" the sun.
>
> Fourth. Present laws do not consider the importance of the overall comprehensive planning necessary for proper use of solar energy and energy conservation.
>
> Fifth. Excessive government regulations hamper builders and developers and add $5,000 to $8,000 per house without adding any real value to the house. For this same amount, solar heat could be added to dwellings and lead to better energy usage. Excessive governmental regulations have in effect reduced efficient construction to the point where few people can afford a home: least of all solar energy.
>
> Sixth. Energy conservation legislation is basically nonexistent and all governmental leadership in this area is twenty-five years behind the present needs.

I ask unanimous consent that the presentation by Mr. Richard Robbins entitled "Building Codes, Land Use Controls and Other Regulations To Encourage Solar Energy Use" be printed in the RECORD at the conclusion of my statement, see appendix E.

Mr. Philip Anderson, consultant, Arkla Industries Inc., in Evansville, Ind., conducted a workshop on cooling and heating of buildings with solar energy. A summary of his presentation is as follows:

> Current annual energy usage in the U.S. is approximately 75 quadrillion Btu and energy usage increases each year. Predictions of an energy shortage made a number of years ago had generally been ignored until recently. In the current search for alternate sources of energy, solar energy is receiving wide spread attention. The direct use of solar energy is not new; occasional use goes back several centuries and more recently, it was extensively used for domestic water heating in Florida during the 30's and 40's. Moreover Frank von Hippel and Robert H. Williams in an article in the November 1975 Bulletin of the Atomic Scientists state that if the solar energy used for photosynthesis and water evaporation is included in our energy usage, we are using 400 times as much solar energy as all other energy sources.
>
> Solar energy can be captured as thermal energy by solar collectors. The collector absorbs solar energy and transmits it to a heat transfer fluid which circulates through the collector and through some form of storage from which the heat can be withdrawn as needed. The two types of collector used are the flat plate collector and the concentrating collector. The common heat transfer fluids are water and air. If water is used the storage consists of a large tank and heat is stored by raising the temperature of the water. If air is used the usual storage is a rock bed through which the air circulates.
>
> Passive systems are also used. They consist of large masses such as a concrete wall or stone floor which absorb sunlight during the day thereby storing up heat which can be used during the night.
>
> Assuming that the storage tank is full of hot water, there are several methods by which heating and cooling can be accomplished.
>
> A heat exchanger can be used to provide domestic hot water or at least preheat it.
>
> To provide heat for the building the hot water can be circulated through a fan coil or it can be used with a heat pump.
>
> To produce cooling, the hot water can be used to power a Rankine cycle driving a compression system.
>
> The hot water can also be used to power an absorption cooling unit. 3 and 25 ton Solaire units are presently available. Improved models of these units which will operate at lower firing water temperatures will be available shortly. A third generation residential unit is being developed under a

contract with the Energy Research and Development Administration.

Mr. Ron Ignatious, president of M–7 Inc., conducted a workshop on photovoltaics, or solar cells. Solar cells are devices that convert sunlight directly into electricity.

This is an exciting aspect of solar energy conversion because a majority of the demonstration panels can be hand held and the conversion is instantaneous. This makes it very convenient for the public to participate in and understand the basic concept.

Mr. Ignatious handled the workshop in an open discussion format so that people could feel free to ask questions at any time. He started out with a description of solar photovoltaic energy as distinguished from solar thermal. He then went on to explain the processing steps that are required to make a silicon solar cell, from silica sand—Ottawa, Ill.—reacted with hydrofluoric acid made from Illinois fluorite—State mineral—to a finished product—Arlington Heights, Ill.

As he defined the processing steps he also broke down the costs and some of the technical problems that would have to be resolved before these costs could come down.

Mr. Ignatious also explained how tax dollars were being applied through ERDA in research and development programs and how ERDA's contribution was expected to impact the challenge of cost and technology and the time frame within which they expected to achieve their goals.

He then used one of his commercially available 12-volt 15-watt solar panels to explain the construction and some of the technical points the layman must be aware of prior to purchasing to assure themselves of getting the most versatile, highest quality product for the money.

Mr. Ignatious closed by describing a brand new development in the collection of solar electric power. The device is called the dielectric compound parabolic concentrator, or DCPC, or Winston collector after its inventor, Dr. Roland Winston, of the University of Chicago.

It is a development that at its inception was not deemed worthy of Federal funds but 1 year later has been defined as a major breakthrough in solar collection. It is a development that was the result of a unique cooperative effort between a few very dedicated people from the University of Chicago and two Illinois small businesses, Formel Molding of Gilberts, and M–7 International of Arlington Heights. It is a development that can effectively cut the cost per watt of solar electric power by a factor of 10, from $20 per watt to less than $2 per watt and this reduction could be realized today without requiring a major breakthrough in materials or processing technology.

EXHIBITS

The third major component of the conference was a superb display of solar energy equipment from about 30 firms and organizations, most of them based in Illinois. These exhibits featured many types of solar energy systems, including solar collectors and solar cells. The displays vividly illustrated that many of the solar energy systems designed for residential, commercial and industrial buildings are rapidly becoming economically competitive with more traditional energy sources such as oil, gas and coal.

I am deeply appreciative to all those people who put up exhibits at the conference. They added immeasurably to its success. I ask unanimous consent that a list of the exhibits be printed in the RECORD at the end of my statement, see appendix F.

Mr. President, I am giving a fairly detailed report on this solar energy conference because there is widespread and intense interest in the subject of solar energy. I am delighted by this enthusiasm and want to do all I can to encourage it. For those who would like to review another perspective on the conference, I ask unanimous consent that a description prepared by Mr. Ernest Dunwoody, manager of the Energy Conservation and Alternate Energy Section in the Department of Business and Economic Development in the State of Illinois be printed in the RECORD at the conclusion of my statement, see appendix G.

The capacity attendance at the conference demonstrated that citizens are interested in the future of the country; that the consumer is concerned about energy costs and that the public is anxious to learn of new opportunities. As a group, the participants were different from those seen at other solar conferences. These were representatives of the city population—the businessman, the schoolteacher, the tradesman, the housewife—and not a select group of intellectuals or avant-garde seekers after an alternative life style.

Mr. President, the energy situation is so serious in this country, and the need for national debate so important, that I intend to sponsor further conferences on various energy options. The next one, scheduled for early 1977, will be on coal. I hope it will be equally as successful as the solar energy conference on which I have just reported.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

APPENDIX A

OPENING REMARKS BY SENATOR CHARLES H. PERCY, SOLAR ENERGY CONFERENCE, UNIVERSITY OF ILLINOIS

It is essential that we, as a nation, confront our energy problem and have the courage to move now toward greater energy independence. If we fail to heed the danger signals, if we fail to act, future generations of Americans will scorn us for our lack of vision and fortitude.

We cannot allow this nation, through neglect of our own domestic energy sources, to become the future hostage of foreign energy suppliers. We cannot allow the oil-producing countries to have increasing influence over our national life and our foreign policy.

No discussion could be more timely than our consideration of solar energy. Developments in the past three years concerning the supply and the cost of conventional fuels have belatedly put solar energy on our national agenda.

Congress has moved aggressively to make solar energy a priority item in the national energy program, since the oil embargo of 1973. Federal support of solar programs has grown from $15 million in fiscal year 1974 to $290 million for the current fiscal year.

But simply spending money on solar energy development will not solve the nation's energy problem, nor will it guarantee that solar energy will contribute significantly to our energy supply in the future. The outcome of certain key energy policy issues, such as the deregulation of the price of natural gas, will affect the future impact of solar energy just as much as the amount of Federal money spent for solar energy research and development.

Aside from the major policy issues which cut across all energy technologies, I believe we should seek answers to the following questions concerning solar energy:

First, is the pace of the Federal solar energy program adequate? The Energy Research and Development Administration (ERDA) estimates that by the year 2000 about 7 percent of the total U.S. consumption of energy will be met by solar energy; twenty-five percent by the year 2020. Is this the estimate of an agency dedicated to nuclear power over any other energy source? Or is it a realistic estimate taking into account the technical and economic feasibility of solar energy? Could ERDA's energy priorities be shifted to work toward a larger share of solar energy production?

Second, is the so-called "solar conspiracy" real or imagined? Is there any danger that big business with interests in nuclear or fossil power could be maneuvering to invest in and preempt solar energy projects and then move to stifle solar energy research and development so as to not be in competition with itself?

Third, why is solar energy funded at such a low level compared to nuclear fusion and breeder reactor programs? The Administration in its FY 1977 budget proposal reported almost 12 times as much funding for these nuclear technologies as for solar electric applications. Should our priorities be reordered?

Fourth, how much can be spent effectively on solar programs? The Administration asked for $160 million for solar programs in FY 1977; Congress appropriated $290 million. Can these funds be spent responsibly and effectively?

Fifth, what can the Congress do to accelerate the commercial implementation of solar energy system? What is the appropriate role of Congress in the commercialization of solar thermal and electric conversion systems? Is it necessary or appropriate for Congress to be involved in commercialization?

Answers to these questions will provide us with a more precise understanding of the complexities of developing solar energy for commercial, industrial and residential use.

In Illinois, we are fortunate to have one of the most aggressive state solar programs in the nation. Already the state legislature has enacted laws which provide for exemption of solar heating and cooling equipment from local real estate taxation. The Department of Business and Economic Development's Division of Energy has also made great strides in promoting solar energy development by encouraging education, research and development, technical development and marketing.

I hope all of you will have an opportunity to examine the solar energy exhibits on display here today. Much of what is exhibited is commercially available now and can be installed in homes.

The energy problem facing the nation today is not a shortage of energy, but rather a shortage of energy in its most convenient form, namely petroleum. Solar energy is one alternative to petroleum which we can begin to exploit now. With responsible Federal action and with the continued dedication of solar enthusiasts everywhere, I am confident that solar energy will contribute significantly to the nation's energy supply in the future.

APPENDIX B

REMARKS PREPARED FOR DELIVERY BY THE HONORABLE FRANK G. ZARB, ADMINISTRATOR, FEDERAL ENERGY ADMINISTRATION, BEFORE THE ILLINOIS SOLAR ENERGY CONFERENCE, SPONSORED BY SENATOR CHARLES H. PERCY

Chuck, thanks very much for your kind introduction. It's a pleasure to share a platform with someone who has been such a strong force in formulating this nation's energy policy.

I want to answer as many questions from you in the audience as possible, as fully as possible.

But before we get to that portion of the program, I want to develop some perspective for our discussion. And I want to do that by describing some of the progress we've made toward a comprehensive, national energy policy, as well as some of the steps that still need to be taken.

I believe that over the last two years we have begun to lay the foundations of an embargo-proof economy. More remains to be done—a great deal more. But if we continue to build on the foundation that has been developing over the past few years, we can insulate our economy from embargoes; and we can begin to assure ourselves of adequate energy on into the next century.

Please don't misunderstand me. We still have a problem—a severe problem.

We import more oil now than we did in 1973, and more of it comes from those same nations that instituted the last embargo. Without a complete program—fully established and intelligently implemented—we will remain unacceptably dependent on these countries. We will remain dangerously vulnerable to another embargo. And we will remain increasingly susceptible to the manipulation of oil prices.

Nevertheless, we have made progress over the last two years; and it has been substantial. For a few moments now, I would like to highlight what has been done and what remains to be accomplished. Then, I will outline the role we think solar energy can play in both the distant and the more immediate future.

Let's begin by examining where we were some two years ago.

Two years ago, the only legal instruments this country had to cope with a radically new energy situation were a complicated allocation program meant to deal with shortages that no longer existed, and other measures that retarded oil production. Today, these are being phased out gradually—with sensitivity for people's pocket books—to provide adequate incentives for more energy conservation, greater efficiency, and increased oil production.

And today, there are signs—tentative signs—that the decline in oil production may soon be turned around.

Two years ago, another embargo would have meant hoping that oil could be shifted to the United States from friendly countries that were unaffected by the cutoff. Today, we can look forward to an oil storage program that will reduce the threat of future embargoes, and cushion the effects of any that might occur.

Two years ago, coal was a relic of the nineteenth century. Today, we are actively converting industry and utility boilers to coal.

Two years ago, the closest thing we had to an energy policy was an interagency task force report on energy options. Today, the United States has a program that addresses all phases of the energy issue exhaustively—from point of production to point of consumption.

Two years ago, none of that program existed in law. Today, a number of major pieces of legislation have been enacted—legislation that will stimulate domestic energy production and foster conservation.

Two years ago, this nation faced the prospect of importing twelve million barrels of foreign oil every day by 1985. Today, as a result of those parts of the program that are now law, that prospect has been reduced by four to five million barrels daily.

That's barrels of oil we won't import; that's American dollars that will stay in our own economy; that is, in short, progress.

But we have only made a beginning—an uncertain beginning. Much remains to be done. We still need to take steps:

To encourage conservation by individual Americans;

To stop the decline in natural gas reserves;

To almost double coal production;

To increase the amount of electricity produced from nuclear power to about a quarter of our needs;

To ensure the commercial availability of synthetic fuels; and

To proceed with the development of alternate energy sources.

Perhaps we have begun to turn the corner of the energy crisis, but there is a new trail to blaze—one that will lead toward adequate energy supplies for the future as well as the present.

And to do that successfully, we will need all our skills, and all our ingenuity, and all our resourcefulness, and all our resources—coal, oil, natural gas, uranium, geothermal fusion, and solar energy, and all the advanced technologies that we can develop successfully and implement practically.

That is the context in which, I think, we have to view solar energy—as one important resource, with its own unique advantages, and with its own short-term limitations.

I'd like now to examine the immediate and future potential of solar energy. And I will begin by addressing one solar application which lies primarily in the future. I'm talking about the large scale conversion of solar energy into electricity.

The advantages of producing electricity with solar energy are practically self-evident. It appears to be the safest and most environmentally sound of all energy sources. It is free, and available to all.

For all practical purposes, the source is inexhaustible and it can't be embargoed. So our source of supply is secure and renewable.

A number of methods for converting the sun's power to electricity have been described. They range from huge fields of mirrors that focus the sun's energy on a boiler to produce steam and then electricity to ocean-based power stations which could use the heat stored in the sea to produce electricity or other fuels.

None of them should be derided as "visionary." But by the same token, we should not underestimate the job they must undertake.

My reason for saying this is, in part, a paradox. Let's consider the central station system—the field of mirrors—as an example. The technology exists—now—to build power plants like this. A test facility is being built in Albuquerque, New Mexico. The technology is, in fact, remarkably simple; the basic component is just a sophisticated mirror that rotates to follow the sun.

But the very simplicity of the technology is one of the impediments to reducing its cost to the very low levels needed to make solar electric power competitive. It will be very difficult to reduce the cost by simplification. The answer lies in expanding markets, and—perhaps—different technological approaches.

Right now, we're uncertain. But we are so convinced of solar energy's value for electricity generation that we're aggressively proceeding with the research and development needed to find out.

Another limitation could be storage. As we all know, the sun does not shine 24 hours a day. Some economical means of storage has to be developed so that a central station power plant can remain in service at night and during periods of cloudiness.

Will one be developed? Yes—but it will depend on a continued, vigorous program of research, development and demonstration.

Storage of solar based electricity also means that the array of solar collectors—that simple field of mirrors I mentioned—must be large enough to produce electricity that can be stored for night time use, while simultaneously generating electricity for daylight demand. That problem becomes even more important in areas of the country subject to prolonged periods of cloudiness.

The significance of the larger generating capacity is that it could add to the cost of electricity.

Can it be brought into an economical range? I believe it can, but we're working to find out for sure.

But, even if the problems that I mentioned cannot be solved in the near-term, some useful electricity could still be generated with solar energy, what would be questionable would be the availability of solar energy for what is called base-load electric generating capacity—the basic capacity which is kept in use twenty-four hours a day.

Quite possibly, that base-load energy would have to come from some other technology. Solar electricity might then be used to satisfy intermediate, or peak electricity demands, which occur during the day because of the increased domestic and industrial need for power.

So, electricity from solar energy is not an all or nothing at all proposition today. We are optimistic that it will have a role in the future, but the scope of that role is not fully apparent—yet. What is clear is that our efforts to develop the largest, feasible role for solar electricity will be continued and intensified.

Even now, we are beginning to examine opportunities for accelerating the use of solar energy by the utility industry. A few days ago, we provided a half-million dollars to analyze approaches for assuring the large-scale, accelerated use of solar energy in eight southwestern states. And, as far as I'm concerned, this is only the beginning of our effort to make solar electricity available to the public.

My chief purpose in dwelling on some of the uncertainties is not to dismiss the promise of solar energy, but to sharpen our perspective, and clarify some of our expectations. But—perhaps most important—it is to point to the challenges that American technology must—and, I believe, will—solve.

So, we should not be discouraged simply because we cannot say with absolute certainty that solar energy is the single, unqualified answer. Instead, we should recognize that some uncertainties may remain uncertain, and proceed with prudence and flexibility on an active program of research, development and demonstration.

Prudence dictates using research funds to pursue all reasonable solar options, and flexibility means being prepared to accept the answers produced by our best—and most exhaustive—research and development efforts.

Flexibility also means funding research on a variety of advanced energy technologies, such as fusion. It may not have all the appeal of solar energy, but, nonetheless, fusion does appear to be capable of providing economical energy in a safe and environmentally acceptable manner in the next century.

But a vitally important and growing part of that research effort remains solar energy.

Funding for solar research has gone from virtually nothing in 1970 to a budget authorization of $115 million in the last fiscal year. The actual outlay for solar research last fiscal year was more than 400 percent higher than the year before. And I see every reason to expect healthy increases in funding for solar research over the next few years.

So far, I've been talking about the longer range solar technologies—those for the next century—or, at best, late in this century. And, from my perspective, I find that prospect very promising. But, in some very important respects, the future of solar energy is now.

Perhaps I can illustrate that point by briefly examining the way we deployed last fiscal year's solar research funds. Of the total solar R&D budget, about two-thirds was devoted to solar electric applications, such as those I mentioned earlier. Roughly a third went for research on the heating and cooling of homes and large buildings.

There's a reason for that disparity, and its a very practical one: large amounts of money are not really required to develop and demonstrate heating and cooling technologies on a large scale. In many respects, these applications of solar energy either are now, or are rapidly becoming, competitive with other energy sources.

Solar heating and cooling technologies, in a real sense, are already out of the research laboratory, and on their way to the building contractor. In fact, some are already there.

Commercial production of solar collectors in 1975 was roughly 400 percent higher than in 1974. And, in fact, the industry seems to be in a trend of quadrupling production annually.

We aren't talking about an industrial giant—yet. The industry only does about $12 million worth of business today. But, still, it is evident that we are not dealing with fundamental research, but with product and market development—in short, broad commercial availability.

And we are prepared to accelerate that transition to commercial availability. The Energy Conservation and Production Act—which we consider an extremely important achievement—calls for a National Plan to do just that. We are already beginning to develop that plan to stimulate market demand, encourage consumer acceptance, and add to the growth of the solar heating and cooling industry.

That effort will continue to grow. We have the authority; we have the money; and we intend to use both to promote these technologies. We want to move vigorously in this area because it is in the national interest, and in the interest of the American consumer.

For example, given certain assumptions about mortgage availability, interest rates and installation costs, there is every reason to believe that residents of many areas of the country could economically install a solar hot water system in a new home.

In some areas, it would mean saving money over electrically heated water in only two years. And in thirteen years, the system would have paid for itself with savings on utility bills.

If that individual chose at the same time to add solar space heat, the entire system would be saving him money over electricity in three years, over a heat pump in seven, and over heating oil in eight. As the industry develops more experience with these solar technologies, their costs will certainly drop. And as the cost of oil and electricity increase, the economy of these solar technologies will improve.

There are a number of things the government can do to help overcome the two chief obstacles to market development. We think we understand them; we feel they are manageable; and we are dealing with them.

The first barrier is the high production cost. This characterizes the initial stages of any new industry. These costs are governed, in part, by the volume of production, which, in turn, is a function of demand. There is something the government can do about that volume since we are just about the biggest, single consumer in the economy. And we're going to use that market power by making the government a customer of solar energy.

The FEA, the Department of Defense, the General Services Administration and the Veterans Administration are working to identify specific opportunities for the use of solar hot water heaters in their facilities. For the industry, this could mean several million additional square feet of production over the next few years—more volume which should help lower the cost of production, and make solar heated water even more competitive than it is.

And that means less oil and natural gas used to heat water, a growing solar industry, and more jobs for Americans who will be needed to design, manufacture, and install solar equipment.

The second factor, which is hindering the expansion of demand in the private sector, is the high cost of installation. You may begin to save money over other fuels with a solar energy system, but to accomplish this, you must spend a lot of money right up front.

We're beginning to do something about that. Two billion dollars has been authorized to guarantee loans for investments in energy conservation and renewable energy sources—and that includes solar energy technologies.

We will use some of this authority to reduce the burden of installation costs, and help the builders, owners, and occupants of multi-family dwellings and commercial buildings to take advantage of the life time value of solar energy.

We think this will help. But the initial high cost of installing solar heating and cooling systems will still hinder the development of the solar industry—unless some adjustments can be made in the way we build and finance new construction, and renovate existing buildings.

That's one objective of a nationwide program to demonstrate the practicality of solar heating and cooling in private residences, apartment buildings, and commercial structures, as well as government facilities. Based on the results, we plan to recommend legislation to enact building and financial reforms that will pave the way for the widespread use of solar energy in private buildings. I don't mean just new buildings, but existing buildings as well.

Twenty-five percent of the energy used in this country goes for heating and cooling buildings, and for heating water. That means that this nation has a profound economic and political interest in the most economical and secure source of energy to perform these functions. That can be solar energy. And it's earliest, practical, widespread availability is a *commitment of the United States.*

I think we have the resources to fulfill this short-term commitment, and also our commitment to adequate energy for the next century. We have an abundance of creativity, a wealth of capital, and a store of technological talent unmatched anywhere in the world—or in history.

What other people only dream, Americans habitually seek to transform into reality. We have begun that process with solar energy, and it will continue.

APPENDIX C

PRESENTATION BY HON. PAUL W. CRONIN, SENATOR PERCY'S SOLAR ENERGY CONFERENCE

THE PROBLEM

Though Congress has done a great deal of talking from 1973 to 1976, we still have no energy policy. One of the problems is that people are still looking for the answer, and everyone sees the solution to the energy problem differently . . . more coal, more oil, more gas, etc.

A. Supply

I tried to put the problem in perspective. Supply problems are becoming more crucial. Pessimists say that the half life of natural gas is only 2½ years, optimists say 12 years. Pessimists say that the half life of petroleum is about 15 years, optimists predict 30 years. While we have 300 years of coal, our usable coal is only about 100 years. Then, it's all gone.

B. Choices

By definition, our short-term choices would be two to five years, starting with now. *Solar Photo Voltaic* is not competitive now even though price is decreasing—$10/watt, down from $100/watt. *Geothermal* is okay in some geographical locations but does not have major application. *Fossil fuel electric* generating plants need a five year lead time. If they use a fuel other than coal, they will be required to change it before the plant is paid for. With *nuclear*, we have a 12 year lead time with increasing public resistance. This leaves *SOLAR for heating and cooling* as the only vehicle that can have an immediate impact on our overall energy budget, and while this may come as a surprise, since most people think of solar as something of the future or of the space age, nothing can be more further than the truth. It is hundreds of years old. The ancient Romans used it to heat water for their baths. Most of the U.S. patents on solar were issued in the 1890's. Florida received the majority of all its hot water from solar energy until after World War II. Now, with the shortages of fuel and increased prices of energy, SOLAR has again become a viable alternative.

SOLAR DEVELOPMENT IN LAST THREE YEARS

I was once a skeptic. As a member of the U.S. Congress listening to committee testimony on energy, I wondered why authorities were saying SOLAR was great now when it wasn't selling. I found it tended to be an engineering plaything, a curiosity. It was not competitive. There were no industrial standards. Many wild claims were being made. During the last three years, much of this has changed through the beginning of Solar Energy Industries Association who developed standards for the industry. Two of the principal members of the association are Sheldon H. Butt and Dr. Y. B. Safdari, who are also serving on Senator Percy's advisory committee.

When I left Congress, I decided to do something about solar energy. The first thing was to obtain the exclusive worldwide rights from Itek Corporation to both manufacture and market the solar technology. I then set out to design solar systems so the tradesmen in the field could simply connect a few wires and pipes and have the entire system work. We've achieved this with our complete systems for the utilization of solar; i.e., domestic hot water, space heating assist, full space heating, swimming pools and air conditioning.

The second thing was to make sure it was fail-safe for the homeowner. A housewife has no more concern with the solar system than she had with whatever it replaced. We've also achieved this.

The third thing was to make it cost effective so that it would pay for itself in five years or less. This has been achieved.

WHERE DO WE GO FROM HERE?

A. Research and development

Sen. Percy questioned ERDA's statement that 7% of heating and cooling would be supplied by solar by the year 2000. Should we shift priorities? I say yes, and one of the ways is to have a small "r" in ERDA instead of a capital "R". While research is needed, effective research for heating and cooling was completed over 100 years ago. ERDA should concentrate more on development at this time to show the nation that it works. With proper information, the consumer will act favorably. The consumer will not act when government agencies say that solar is ten years away.

B. Commercialization

Sen. Percy asked if Congress should commercialize solar energy. I say yes since it is in the national interest to do so. Our balance of payments are being distorted by expensive energy imports. It would create jobs which would offset these costs as well as the expenses government pays for welfare, unemployment, et cetera. Also, government buildings pay for energy, and the cost for energy alone is one of the government's highest operating costs.

C. National goals

Sen. Percy also asked if solar makes that much difference. One example of this: Project Independence's goal was to reduce our oil imports 3 million barrels a day by 1980. Many feel that this goal cannot be achieved. However, if the government made a decision to provide a solar hot water heater to every home in the United States, which could be done over the next three years, it would save over 1½ million barrels of oil a day, create enough jobs that would pay taxable income to provide government enough money to pay for the program. It is a case where everyone would benefit—the homeowner, our environment, our balance of payments and our government income.

D. Financing

Sen. Percy questioned should Congress get involved in financing now. Frank Zarb mentioned two billion in energy conservation. Yet, if the government is serious about having a policy to conserve energy and cut down the use of imported fossil fuels, there are many precedences established to assist homeowners, such as the FHA, home insurance programs, and the Homestead Act.

Financing will be needed, not only for homeowners but also for manufacturers Solar is different from the weapons system or space system. The large system development companies are not cost effective in this area. They are the dinosaurs of the economic age.

Solar is and will be a small-to-medium size regional business with one or two national companies, much like the domestic hot water heating business. These companies need venture capital and access to traditional sources of funding. Government can help through guarantees or tax assistance. Again, there is plenty of precedence.

When the nation needed a transportation system, the federal government created railroads and backed the investors with rights of way and funding. When we needed cheap energy to develop our industrial base, the government gave coal a transportation cost break on the railroads. Oil has had a depletion allowance and other benefits. Nuclear has had complete government support from R and D through the cost of fuel development.

I ask the question: WHY NOT SOLAR: Its time has come. It is in the nation's best interest, and it's the one investment government can make that gives an immediate return on its investment. This is the type of program we need in a basic new industry to get our Gross National Product on the move again.

In closing, I would like to read an excerpt from Solar Age entitled "A Pioneer Talks about Direction," by Rich Farber.

"Our fossil fuels right now are our main source for medicines, preservatives, fertilizers, pesticides, all of our plastics, much of our clothing, many other things just as important for us, for our survival, as energy. So, therefore, we should really reserve our fossil fuels for those purposes and should get our energy from some other sources. The longer we wait, the more of these resources we waste, the more critical the whole picture becomes. We should have shifted to solar energy yesterday and since we didn't, we should do it today. If we don't do it today, we should certainly do it tomorrow."

APPENDIX D

SOLAR PROCESS HEAT, PRESENTED TO SENATOR PERCY'S SOLAR ENERGY CONFERENCE BY SHELDON H. BUTT, PRESIDENT, SOLAR ENERGY INDUSTRIES ASSOCIATION

The purpose of this paper is to discuss current and near term solar applications in industry, essentially for use as industrial process heat. In addition, it is certainly true that solar energy can be used in industrial and commercial buildings for space heating and for heating service hot water. However, these applications are essentially the same in principle as in the residential market and will not be discussed here since they are being discussed in other Workshops.

The term "industrial process heat" covers a broad and complex area of application. Industrial process heat means everything from warm air, as used for drying, to the very high temperatures associated with metal melting furnaces, glass furnaces, etc. It includes everything from warm water used in cleaning operations, plating processes and the like, to superheated steam.

The development of applications for solar energy for industrial process heat has been somewhat neglected. The principal reason is their complexity, There are no large and homogeneous applications, such as residential space heating or domestic hot water. There are no single, very large applications, which, if converted to solar, would replace ten or hundreds of millions of barrels of imported oil or its equivalent. However, in the aggregate, industry consumes more energy than does residential space heating, domestic hot water and air-conditioning.

Title IV of the Act extending the Federal Energy Administration (P.L. 94–385), which was passed in August, authorizes a $2 billion loan guarantee program intended to make money available for solar applications, as well as for conservation, for multi-family residential units (three or more units), business, commercial and industrial use. The effect of this legislation will be to make capital available for solar industrial process heat applications through Government guaranteed loans. Because of the Government guarantee, the funding required for a solar installation does not compete directly for capital with the other requirements of the business. Furthermore, the Government guarantee will often mean a somewhat lower interest rate than could otherwise be obtained. These two factors place the solar investment in a quite different light than would otherwise be the case and should make it possible for the potential industrial user to go ahead with a solar installation without the need for very high rates of return on investment. We expect that this new legislation should greatly accelerate the development of solar process heat applications. The Law requires, and wisely so, that eligibility for loan guarantees be limited to those projects which make economic sense—meaning that they will pay out within their lifetime. At present, the Federal Energy Administration is preparing the rules and guidelines needed to implement these provisions of P.L. 94–385. These should be ready in ninety (90) days or so.

Within the broad range of industrial process heat applications, there are some in which solar energy would make sense and others where it would not. In separating the economically viable applications from those which are not, there are three primary factors which we should consider:

(a) The cost of the solar installation itself.

(b) The productivity of the solar installation—how many useful Btu will it produce per year?

(c) The cost and availability of the "conventional" energy source now used which solar energy would replace.

All three of these factors can vary quite widely. If we assume that, with a Government guaranteed loan, the "capital charges" against the solar installation are 10% of its first cost per year, the cost of solar energy "produced" can vary from $2.00 to $20.00 per million Btu of net useful heat delivered by the installation. At $2.00 per million Btu, solar energy is quite competitive with even low cost energy sources, such as natural gas, and particularly so when we remember that the $2.00 price tag relates to the net useful energy provided; and to make a valid comparison, we must consider the factor of combustion efficiency in burning natural gas. Depending upon the installation, only between 60% and 80% of the heating value of natural gas or other fuels can be recovered as useful heat. In effect, $2.00 solar energy is competitive with nautral gas if the gas cost ranges between $1.20 and $1.60 per MCF, which is well within the range of current natural gas prices. In the same manner, solar heat will be found to be less costly than burning oil or propane and can offer large savings compared to the use of electricity.

A very important additional point to consider is that the purchase of a solar installation is equivalent to buying inflation insurance. The cost of the solar energy collected and used almost entirely represents the cost of acquiring the solar installation. Thus, the cost of the solar energy is fixed, and it is not subject to inflation and escalation as are the prices of fossil fuel and elecetric energy. Solar offers zero inflation. The importance of solar "inflation insurance" may be recognized when we consider that energy economists generally anticipate that the price of natural gas will escalate at a rate of 10% per year or more, the price of oil will increase at a 10% annual rate, and the price of electricity will escalate 7½% per year. (These total rates of escalation are based on the expectation that the general rate of inflation will be 5% per year.)

As we consider solar applications which make sense today, we may start by defining those which don't. Solar energy is not a good source for high temperature furnace heat. It does not make sense to use it to generate high temperature steam. It is not very cost-effective in air-conditioning applications. In all of these cases, the basic reason is that, at higher temperatures, the solar collectors are normally relatively expensive and generally always relatively inefficient. The combination of high cost collectors and low efficiency means high cost solar heat and applications such as these are the type in which the solar energy cost would be in the $20.00 per million Btu area.

Solar heaters heating air to moderate temperatures are probably the best bet, followed very closely by systems heating water or other liquids to moderate temperatures. By moderate temperatures, we mean temperatures in the 100°F to 180° F range. A somewhat more precise definition is temperatures in the range of 50° F to 100° F above ambient since it is the difference between collection temperature and ambient which governs efficiency rather than the absolute temperature of collection.

For such solar applications, we will be dealing with very simple and therefore, very inexpensive systems. The very simplest solar air system consists of a glazed box mounted upon an insulated black roof and equipped with a damper at the lower end to control entry of outside air, and ductwork at the upper end to carry off the solar armed air with an appropriate fan or blower in the duct system to pull the air through the collector

Such a system is about as basic and inexpensive as you can get but will raise air temperatures 40° to 50° above ambient with good efficiency. A system of this sort, if not sized too large in relation to the load so that its full potential can be used, can deliver solar heat in a climate such as that of Illinois at a cost of $2.00 per million Btu. A very slightly more sophisticated air heater places air passages below a flat black metal plate with a glazed box resting on the metal plate to reduce heat losses from the metal plate. Since the heated air is not being pulled directly across the relatively cold glazing, this system is somewhat more efficient—but also somewhat more costly. It can also deliver solar heat at low cost. We can maintain reasonable efficiency up to temperatures as much as 100° F above ambient. We can gain additional efficiency by double-glazing the box. However, this increases its cost and dictates the use of tempered glass for glazing—particularly for the inner layer of glass because of the high temperatures which can be developed under stagnation conditions. (Solar collectors will get quite hot when, for one reason or another, circulation of the heat transfer medium, whether liquid or gas, is interrupted.) Double-glazed collectors will improve efficiency at higher temperatures as compared to single glazing but entail a significant economic penalty. Since some solar heat is lost in passing through the glazing, whether glass or plastic, double-glazed collectors are not necessarily more efficient at lower temperatures.

Applications for the rather basic solar air heaters include all sorts of applications for moderate temperature air, such as dryers, ovens, space heating and the like. Moderate temperature air systems can also be used to preheat air for higher temperature applications, reducing the amount of "conventional" energy which must be used to attain the final temperature. Solar heated air can be used in the combustion heaters themselves since preheating the combustion air reduces the amount of fuel required to maintain a given furnace temperature.

A basic liquid system is very similar to the basic air system described. The air passages attached to the back of the flat absorber plate are replaced with suitable fluid passages, and the absorber plate is again covered with a glazed box to provide an insulating "dead" air space. Water or a water-antifreeze mixture is pumped through the fluid passages, picking up and delivering the solar heat. In many cases, it is advantageous to use the solar heated fluid to heat water, cleaning solutions, etc., by the use of a heat exchanger.

Basic liquid systems, such as those described, are somewhat more efficient than the basic air systems. Water and other heat transfer fluids normally provide better heat transfer performance than air. In general, the efficiency advantage of the liquid system will increase with increasing temperature. However, they do cost more than do air systems; and in the case of the very basic systems, the cost per million Btu of useful energy produced will be modestly higher in the case of a liquid system than in an air system. Applications for basic liquid systems include heating or preheating water or other liquids, space heating, and with the use of liquid-to-air heat exchangers, heating or preheating air. With modifications to provide "fail safe" isolation of the heat transfer fluid from potable water, they may be used for heating domestic hot water.

The basic minimum cost air and liquid systems which we have discussed do *not* include any provision for heat storage. They are intended to produce solar heat for immediate use. This means that they will provide significant quantities of energy only during the middle part of the day and only when the sun is shining. This limits the proportion of the thermal load which can be carried by the solar system to a relatively modest percentage of the total. Of course, they can save this small proportion of the total heat requirement at very minimum cost and certainly can save substantial amounts of money and substantial amounts of fossil fuel where large amounts of energy are being used for applications to which they are suited.

Heat storage can be added to the basic systems, making it possible to store part of the heat collected when the sun is shining for use later when it is not. This makes it possible to increase the proportion of the load being carried by solar energy and depending upon the size of the storage system to be provided, rather large percentages of the thermal demand can be met with solar. If we assume that both the basic system and the basic system with storage are properly sized with relation to the load and in the case of the storage system, also with relation to storage capacity, we will always find that the system, including storage, produces solar heat at a higher cost than the system without storage, both because of the cost of the storage facilities themselves and because of the loss of efficiency inherent in moving heat energy in and out of storage.

No doubt, there are many applications in which the cost of the competing fuel or its questionable availability may make an investment in a storage system advantageous because it permits replacement of a much larger percentage of energy requirements with solar energy than does a system without storage. Storage for air systems usually takes the form of a bin of sized coarse gravel through which the solar heated air is forced, resulting in heating the gravel, with its heat content being later removed by passing cold air through it. The typical storage for liquid systems is provided by a water tank storing heated water.

We can conclude this discussion with a series of do's and don'ts:

Do:

(a) Look for moderate temperature air, water, and liquid heat requirements.

(b) Look for thermal loads with a relatively constant year-round and day-in, day-out load profile.

(c) Keep the solar system as simple as possible, consistent with the requirements of the load. Simple systems will generally produce the lowest cost solar energy.

Don't:

(a) Try to use solar energy to reach high temperatures (although in high temperature applications, solar energy can be used as a preheater).

(b) Try to carry too large a percentage of the load with solar energy. If you do, you will find that the solar equipment will be sitting idle part of the time, producing only useless energy instead of useful energy.

(c) Get carried away with overly complex and overly sophisticated solar systems.

Always remember that a solar installation provides inflation insurance. The cost of the solar energy which it will produce is not subject to escalation but is fixed by the first cost of the equipment.

Do:

(a) Look at conservation and waste heat recovery as a supplement or alternative to a solar installation. Save as much energy as you can and reuse energy now wasted and use solar energy for the appropriate fraction of your remaining energy requirements.

APPENDIX E

BUILDING CODES, LAND USE CONTROLS, AND OTHER REGULATIONS TO ENCOURAGE SOLAR ENERGY USE, PRESENTED AT SENATOR PERCY'S SOLAR ENERGY CONFERENCE, BY RICHARD L. ROBBINS, EXECUTIVE DIRECTOR, LAKE MICHIGAN FEDERATION, CHICAGO, ILL.

I. INTRODUCTION

The institutional structure which surrounds the construction of buildings and solar energy systems and the supply of energy can have a severe effect upon the use of solar energy systems. Codes and laws which are not readjusted to meet solar energy needs can deter the use of these systems even though the systems are otherwise economical. However this same institutional structure can be used to encourage or require solar energy systems where public incentive is necessary to meet public needs.

Basic institutional structures which affect solar energy use occur in at least the following situations:

1. Zoning regulations and large scale development controls govern aesthetics, placement of solar energy systems and related building and uses for which property is made could affect solar skyspace.
2. Building codes regulate the type of energy systems, materials used and the location and safety of components.
3. Basic common law gives solar energy users limited rights of access to the sun, and limits the means of protecting rights.
4. Tax structures affect the economics of solar energy systems.
5. Regulation of utilities and utility rates affects the supply of auxiliary energy needs by many systems.
6. Overall comprehensive community planning fails to consider solar energy use.

Each of these areas of concern should be considered by a state or local government or an advocate who desires to encourage the use of solar energy. This paper will outline some of the key issues in the zoning and subdivision controls as well as in building code issues. Other issues which relate closely to sun rights (what we call "solar skyspace") and utility auxiliary energy will be considered here only partially as other papers will be presented at these sessions covering those topics.

II. DEFINITION

A key threshold issue which arises in considering building codes, land use controls and other regulations relates to definitions. Far too few of the presently enacted solar energy laws accurately define the terms used in the laws. At the threshold then it is necessary to clearly delineate the scope and nature of terms used in statutes. Here are some of the definittions and the issues raised.

"Solar Energy" is a key definition. If zoning ordinances, building codes and tax exemptions are to encourage use of solar energy, the term should be defined. One definition would exclude fossil fuel energy, photosynthetic products and wind energy except where they were part of the policy objectives of the particular legislation.

"Solar collectors" should also be clearly defined. A building wall could be a solar collector but the draftsman may wish to include only assembly or structures which are specially designed to retain useful thermal energy or transfer that energy.

A "solar energy system" should also be defined. Such a system may, for example, include a "collector," an "energy storage facility" (both of these should be defined) and it should "use" solar energy as defined elsewhere. To prevent the use of tax incentives for subsidizing conventional systems or their related distribution systems, there must be clear exclusion of unrelated elements. "Systems" may also be defined as those certified by a government agency.

Other definitional problems need be faced. For example "solar skyspace" is a new term which defines the area between a collector and the sun that should be kept free of obstructions for effective use of the solar energy system.

"Solar skyspace" is that with which the "right to light," "sun rights" and "easements" are concerned. It is a three dimensional space, clear of most "obstructions" that radiates from the collector to locations of the sun at various designated points in time.

A "cost-effective system" might be defined to insure optimal design. Whether a system is "available" should determine whether a system can be required. And where solar skyspace is to be protected for future as well as present collectors, the collector's status as "actual," "proposed" or "designated" is important.

III. ZONING

Zoning is one prime example of an institutional barrier and a potential regulatory source of encouraging systems. Zoning changes are often needed to permit optimum location of collectors, to protect solar skyspace and to allow buildings to be placed so as to maximize solar energy use.

Optimum location of collectors requires the freedom to locate a collector in a rear yard, side yard or back yard above existing height limitations. Without more, use limitations could bar certain solar installations. Solar skyspace could be protected through height limitations. The regulation of building and land uses in new development could encourage solar energy use.

State and local ordinances should be altered based on these suggested criteria. The fabric of state case law, constitutions and statutes must be analyzed to determine the exact mechanisms. Specific suggestions for zoning changes as well as other legislative changes now follow.

IV. PURPOSES AND POWERS

The purposes and powers of local zoning must be specifically enlarged to require consideration of solar energy needs. Since courts often are reluctant to permit municipal extension of powers beyond specific grant delegations and since the delegation here is within the police power in most states the change should encourage solar energy use in a valid manner. *See City of New Orleans v. Levy,* 223 La. 14, 64 So. 2d 798 (1953); *Nasfell v. Ogden City,* 122 Utah 344, 249 P.2d 507 (1952).

V. REQUIRED REGULATIONS

Local governments should be required to regulate height, location, setback and use of buildings and structures, height and location of vegetation, and use of energy sources to encourage use of solar energy systems. Division of a community into special solar use districts should be encouraged.

Specific reference to setback controls and vegetation is necessary since these rights are not always included in a general delegation of authority. *See Goreib v. Fox,* 274 U.S. 603 (1927); *Stevens v. City of Salisbury,* 240 Md. 556, 214 A.2d 775 (1965).

Special districts for required solar energy use in new construction could be created where shade trees and a mixed heights did not present a problem for solar skyspace, where solar energy systems were available and cost-effective and where solar skyspace would be protected. Use of similar powers has been validated as in water and air pollution controls, Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C.A. § 1151 *et. seq.* [P.L. 92–500], building codes, Rhyne, *Survey of the Law of Building* Codes (1960), provision of amenities and parking, *Ayres v. City Council of Los Angeles,* 34 Cal. 2d 31, 207 P.2d 1 (1949), *Ronda Realty v. Lawton,* 414 Ill. 313, Ill. N.E. 2d 310 (1953), and in regulating waste of natural resources, *Miller v. Schoene* 276 U.S. 272 (1928); *Consolidated Rock Products v. City of Los Angeles* 57 Cal. 2d 515, 20 Cal. Rptr. 638, 370 P. 2d 342 (1962), *app. dismissed,* 371 U.S. 36 (1963).

VI. REQUIRED USE OF SOLAR ENERGY

Local governments should also legislate to require use of solar energy systems in older buildings. Such regulation should consider the efficiency of the present energy system and its age, resultant pollution or public injury, the expected life of the building, availability of skyspace and solar energy systems.

Presently Florida requires the installation of stubbed-in lines in new residential construction for eventual use of solar energy systems. *Fla. Stat. Ann.* § 553.87 (Supp. 1975). Laws also permit the termination of nonconforming uses and nonconforming structures. *See e.g., City of Los Angeles v. Gage,* 127 Cal. App. 2d 442, 274 P. 2d 34 (1954), and building codes have long required installation of health and safety devices in both new and old construction.

VII. LAND AND STRUCTURE USE

Local governments should allow specific solar energy systems as the sole permitted use on a piece of land, as an addition to a nonconforming structure, as an accessory to an existing or new use for other purposes and as consistent with aesthetic controls. Local zoning controls should be amended to permit these changes.

Communities have been barred from excluding a public utility from the area. *Long Island Water Corporation v. Michaelis,* 28 App. Div. 2d 87 282 N.Y.S. 2d 22 (Sup. Ct. 1967).

Where zoning bars an accessory use from another lot than the primary use, the change would allow a system to be located nearby and shade trees preserved for summer cooling and winter windbreak on the primary use. Other limits on accessory uses which need to be circumvented include limits on area of coverage of land (no more than 40% in some communities) and similar requirements.

Although an appeal process as a special use, special exception or variance might be adopted rather than a wholesale change in an ordinance, the undue burden on the underfinanced builder and contractor, who are or may be skeptical of solar energy use, could discourage such appeals.

Revision in aesthetic controls is especially important. In both residential areas and some business areas unusually designed buildings, large glass areas, exposed plumbing and other attributes might be unwelcome. Aesthetic considerations could bar such solar energy systems. *See Reid v. Architectural Bd. of Review,* 119 Ohio App. 67, 192 N.E. 2d 74 (1963). Yet there is no reason to design systems without any consideration of aesthetics. Enlargement of nonconforming uses is often prohibited and specific legislation is required for the change. *Selligman v. Von Allmen Bros., Inc.,* 297 Ky. 121, 179 S.W. 2d 207 (1944).

VIII. HEIGHT AND PLACEMENT CONTROLS

Height regulations should be revised to protect solar skyspace and to provide rights to the solar energy user in case of proposed change in those regulations. Related building placement rules should also be altered.

Both open space and height regulations have long been accepted. *Goreib v. Fox,* 274 U.S. 603 (1927). However where height limitations had a severe effect on property values the rationale of a strong public need is needed. *See Consolidated Rock Products Co. v. City of Los Angeles,* 57 Cal.2d 515, 20 Cal. Rptr. 638, 370 P.2d 342 (1962).

IX. COMPREHENSIVE PLANNING

Comprehensive plans for communities and regions should include solar energy elements.

Often requirements of consistency with a comprehensive plan can encourage local use of solar energy. A comprehensive plan can also validate legislation in a new area. Specifically, building permits, zoning laws, subdivision plats and other requirements can be conditioned upon compliance with a solar energy system element in a comprehensive plan. The overall land use and development of a community can take into account specific needs for solar skyspace and requirements for solar energy.

On a regional scale approval of federally funded projects under A–95 review and similar mechanisms could be conditioned upon compliance with the solar element in a regional plan. *See Speakman v. Mayor and Council of North Plainfield,* 8 N.J. 250, 84 A.2d 715 (1951). The California South Coast Regional Commission has such an element in their plan for the area.

Official map techniques may also be used to protect skyspace from construction by early designation of open areas in a related comprehensive plan.

X. LARGE SCALE DEVELOPMENT CONTROLS

Municipalities should revise subdivision and large scale development controls to allow and require solar energy systems.

Revision is needed to minimize the adverse effect of rigid use of placement controls over buildings and protection of existing vegetation. Basis of requirements of solar energy could be the impact of demands of these large developments upon other community lands for power transmission and generation. *See Sansoucy* v. *Planning Bd. of Worcester,* 355 Mass. 647, 246 N.E. 2d 811 (1969), *Jordan* v. *Menomonee Falls,* 28 Wis. 2d 608, 137 N.W. 2d 442 (1965), *app. dismissed* 385 U.S. 4 (1966).

Large scale developments could be required to provide shared solar energy systems, covenants and agreements to protect solar skyspace, and dedication of land for solar energy systems. *See Ayres* v. *City Council of Los Angeles,* 34 Cal. 2d 31, 207 P.2d 1 (1949). Since benefit flows directly to the large scale development's owners and users, there should be no concern on the "benefit" issue. *Rosen* v. *Village of Downers Grove,* 19 Ill. 2d 448, 167 N.E. 2d 230 (1960).

Performance bonds or municipal installation in special districts supported by a later assessment might also be used to encourage provision of solar energy.

XI. SKYSPACE PROTECTION

Governments should be empowered and encouraged to protect solar skyspace and provide solar energy systems through direct purchase or exercise of eminent domain. Private and public easements assuring sunlight access should be validated to prevent later court rejection.

It is clear in United States law that no present landowner is entitled to receive light across neighboring property without specific ownership of those rights or agreement. English law is different and entities a landowner to light needed for reasonable use and enjoyment providing the right has been used for at least twenty-seven years and the neighbor has not filed notice halting this "prescription." *See Right to Light Act of 1959,* 788 Eliz. 2, C. 56, § 283; *Edgarton* v. *Foote* 19 Wend. 309 (N.Y. 1838); *Fontainebleau Hotel Corp.* v. *Forty-Fve Twenty-Five, Inc.,* 114 So. 2d 357 (Fla. App. 1959); *Boyd* v. *McDonald,* 81 Nev. 642, 408 P. 2d 717 (1965).

Eminent domain may be necessary where protection of skyspace and provision of systems could not be supported under the police power. Though the use will not be for one landowner, completely public use of property purchased by eminent domain is not always necessary. The public use may be related to community concerns more generally. *See Comment, Rex Non Potest Peccare?: The Decline and Fall of the Public Use Limitation on Eminent Domain,* 76 Dick L. Rev. 266 (1971).

Legislating this power puts full weight behind the local use of eminent domain for solar energy purposes. Public acquisitions of easements and use of eminent domain for such easements should be validated as well. *See Stein* v. *Darby,* 126 So. 2d 313 (Fla. App. 1961).

Solar skyspace rights in urban areas may have considerable value. However concurrent exercise of maximum zoning powers could reduce the costs of purchase. Transferable development rights might also be utilized. Costonis, *The Chicago Plan: Incentive Zoning and the Preservation of Urban Landmarks,* 85 Harv. L. Rev. 574 (1972).

Purchase of easements should be achieved before property values have escalated and should be coupled with a provision for repayment by the benefited solar user. Abandonment, nonuse and change of use must also be considered. Unfortunately, legal decisions are not favorable to enforcing certain kinds of restrictions or easements governing use of property. *Delmarva Power & Light Company of Maryland* v. *Eberhard*, 247 Md. 273, 230 A.2d 644 (1967). Even a municipally purchased skyspace easement might not be assignable to a solar energy user. *Lindenmuth* v. *Safe Harbor Water Power Corporation*, 309 Pa. 58, 163 A.159 (1932). *See Brenneman, Techniques for Controlling the Surroundings of Historic Sites*, 36 Law & Contemp. Prob. 416 (1971).

XII. BUILDING CODES

Local and state governments should be required to revise building codes so as to encourage solar energy use.

Revision of the codes should be responsive to some considerable problems which have arisen or could arise in complying with the codes. A few provisions that discourage effective solar energy use include: chimney and plumbing clearances design temperatures for heating and cooling, inspection requirements for prefabricated or modular components, boiler inspection standards, use of walls as collectors, use of collectors as roofing, protection of interior spaces from seepage, window area requirements, roof slope and safety requirements for glass and plastic substitutes. Considerable difficulties may also arise where building inspectors are unfamiliar with solar energy systems. *See Hirshberg and Schoen, Barriers to the Widespread Utilization of Residential Solar Energy: The Prospects for Solar Energy in the U.S. Housing Industry*, 5 Policy Sciences 453 (1974).

Though local appeals under performance and design standards may be utilized to circumvent some specific requirements, the procedures are cumbersome and costly and likely to deter solar energy use. However, suggested state and local laws should also provide a specific exception process for the exemption from building codes that affect installation or use of solar energy systems as well as revision of the code itself. Such appeals should ultimately be heard by a well-informed state or regional hearing officer.

National code organizations should also be encouraged to alter codes to meet solar energy needs.

XIII. STATE AGENCY

A specific state agency should be created to develop and oversee municipal laws, plan for statewide use of solar energy systems, establish standards for construction, maintain a public information center, and fund, underwrite or subsidize solar energy systems.

Substantial commitment to solar energy use requires an educated and informed citizenry, and informed professional response by government agencies. Though some local governments in densely populated regions may be able to disseminate information and may have the technical competence to encourage solar energy, a central state clearinghouse could be a more viable means to enourage use of solar energy.

Specifically, the state agency would generate model laws and statutes, which were well-tuned to state legal precedent and existing legislation. The agency could oversee local activities, rule on appeals from local government action, educate local officials, including building inspectors, collect data and encourage statewide programs for solar energy use.

Where the state took on fiscal interest in encouraging solar energy through loans, interest subsidies, or other methods, the state agency would administer these programs as well.

XIV. TAX LAWS

State regulation of property tax assessment and state income tax laws should recognize solar energy needs. Laws specifically exempt taxing any increase in value resulting from solar energy systems and permit state income tax credits.

Additional property tax income from a solar energy tax would provide an unnecessary windfall to a community which had no additional municipal costs from such a system and perhaps enjoyed substantial short and long term benefits. A property tax exemption limited to well-defined components of a solar energy system would reduce the inequity that arises from the high capital costs of the solar energy system. Almost twenty states have adopted such an exemption already. However, the maximum exception is usually $2000, and this is insufficient to encourage large systems which in some forms may add $10,000 to the value of a large building. Constitutional change may be required where uniformity clauses bar specific exceptions of this type, or for specific classes of residential, commercial or industrial uses. Tax assessors will need training in determining the extent and value of solar energy systems affected by this provision.

Tax credits should be applied so as to reduce the potential for multiple credits. However, credits can be generally stated to apply to specific classes of solar energy users and to specific systems that need support.

XV. RATE STRUCTURES

State regulatory agencies should adopt rate structures for regulated utilities that consider the needs of solar energy users, the effects upon conventional energy use and long term energy requirements and sources.

Rate schedules are needed to reduce discrimination against solar energy users who need electricity or gas for auxiliary or backup energy. These rates should also require that utilities develop specific responses, such as time of day pricing, phase-in methods to prevent large peak load demand and develop other systems to reduce the price impact to solar energy users.

Suppliers of conventional fuels such as oil which are not now regulated as closely as utilities might also be required to consider solar auxiliary as a special rate situation. In addition, capital investments by utilities should be carefully scrutinized to assure that conventional and auxiliary energy users will not be burdened with excessive rates for unused or unneeded capacity where solar energy could have been or will be utilized, in place of future electrical generation.

Rate review must be available not only to a user of a solar energy system but to designers, manufacturers, distributors and others who have an important stake in sound regulatory policy. Potential withholding of basic utility connection may also be used as means to encourage proper solar energy or energy conservation design.

Regulatory authorities should also consider the role of existing utilities in supplying solar energy systems, the need for new solar utility systems and the regulatory problems involved in joint or shared systems used in neighborhoods or in large scale developments. Such a study could consider both nonmonopolistic and monopolistic supply of solar energy systems, the need of shared systems to cross public streets and obligations to fairly distribute energy from solar sources.

XVI. FINANCING

Other regulatory changes include a study of financing for solar energy systems. State legislation could consider alternative means to use state funds for loans, interest subsidies, loan guarantees, revolving funds, grants, and other inducements to users, builders, designers and installers. Legislation should also require study of means to prevent refusal of financial institutions to support solar installations and similar requirements to consider life-cycle costs of energy in all financing decisions for a structure.

This legislative package would improve the financial posture for solar energy in a state and encourage conventional sources of financing to back solar energy systems. State subsidy in any manner should be tied whenever possible to the need for an inducement to solar energy systems and the public benefit which arises from minimal use of conventional energy sources through improved land use, lower pollution levels, minimal transportation of both fuels and energy, conservation of energy resources and increased safety and long term reliability in an energy system.

XVII. SOLAR SKYSPACE RIGHTS

Other legislation should specifically create sun rights in an analogy to the English Right to Light Act. Though discussed elsewhere in this Consumer Conference on Solar Energy, it is suggested that the protection of solar skyspace could be legislated through a system that has the following attributes:

1. Use of eminent domain and public purchase and assessment of users.
2. Protection of privately negotiated easements.
3. Use of official map techniques to protect skyspace before conflicting development is imminent and to encourage the development to occur on owned property but in other locations than a neighbor's skyspace.
4. Creation of a prescriptive easement to perpetual use of skyspace that arises after seven full years of an actual collector's use, or notice of a proposal or seven years of official designation. Such a right, though, could be terminated by the underlying landowner's petition for a building permit. The petition when filed promptly would set off a public examination at public cost of the relative value of the skyspace for solar energy use or for construction and the alternative means (including different placement of structure and collector) feasible for otherwise supplying solar energy.

Support for such rights comes from case law approving environmental limits on shorelands development, *Just v. Marinette County*, 56 Wis. 2d 7, 201 N.W. 2d 761 (1972), which restricts an owner from changes affecting the natural condition of the property. Flood Plain Zoning limiting development has been approved. Watson v. Mayflower Realty, Inc., 223 So. 2d 368 (Fla. 1969). Numerous state laws allocate water resources. Development has been scrutinized and construction permits denied on the basis of environmental, social and energy effects. *See Maine Site Location of Development Law*, 38 M.R.S.A. § 481 *et. seq., Golden v. Town of Ramapo*, 285 N.E. 2d 291, 334 N.Y.S. 2d 138 (1972).

XVIII. SUMMARY

Change in state and local legislation and practices should have an important effect on encouraging use of solar energy systems. A legislative program should be combined with broad public education, publicity, courses for builders, contractors, local officials, building owners and tradesmen and others concerned with sound energy planning. However, an important barrier to the conservative attitude of governments and the construction industry will have been overcome when a user of solar energy will have legislation that overcomes barriers that are unneeded and unnecessary but are remnants of other regulatory objectives.

APPENDIX F

EXHIBITORS—SENATOR PERCY'S SOLAR ENERGY CONFERENCE, OCTOBER 9, 1976

1. Aevis, 410 North Michigan Avenue, Chicago, Illinois 60611:

Exhibit: Three different videotape programs dealing with the General Services Administration Environmental Demonstration Building in Saginaw, Michigan; the Woodridge, Illinois Elementary School; and other applications of solar energy.

2. Am-Con, Inc., 211 West Willow, Carbondale, Illinois 62901:

Exhibit: Solar air system collector.

3. Argonne National Laboratory, 9700 South Cass Avenue, Argonne, Illinois:

Exhibit: Display of Argonne's solar activities.

4. York Division, Borg-Warner Corporation, 7077 North Lincoln Avenue, Chicago, Illinois 60646:

Exhibit: Solar energy cooling.

5. Builders Plastic Research and Solarite, Inc., Post Office Box 190, Salem, Wisconsin 53168:

Exhibit: Solar beam.

6. Chamberlain Manufacturing, 845 Larch Avenue, Elmhurst, Illinois 60126:

Exhibit: Solar module unit.

7. De-Vac, Inc., 10130 State Highway 55, Minneapolis, Minnesota:

Exhibit: Efficiency aluminum windows.

8. Fermi National Accelerator Laboratory, Post Office Box 500, Batavia, Illinois 60510:

Exhibit: Photos and description of solar heated house at Fermilab; models of optimized mirror augmented solar collection; and model of a non-tracking solar concentrator.

9. Edward Hines Lumber Company, 200 South Michigan Avenue, Chicago, Illinois 60604:

Exhibit: Do-it-yourself solar heat collector.

10. Instra-Foam Products, Inc., 2050 North Broadway, Joliet, Illinois 60435:

Exhibit: Urethane form "machines in a carton" used in the sealing of solar energy collector plates.

11. M-7 Corporation, 210 Campus Drive, Arlington Heights, Illinois:

Exhibit: Solar panel and kitchen appliances operated by solar energy.

12. NASA-Lewis Research Laboratory, 21000 Brookpark Road, Cleveland, Ohio 44135:

Exhibit: Wind model.

13. Northrup, Inc., 302 Nichols Drive, Hutchins, Texas 75141:

Exhibit: Three types of solar types of solar energy collectors with emphasis on Fresnal lens collector.

14. Olin-Brass, East Alton, Illinois 62024:

Exhibit: Working model of solar collector using copper absorbing panels.

15. Solar Dynamics Corporation, Post Office Box 275, Park Ridge, Illinois 60068:

Exhibit: Solar panel.

16. Sun Systems, Inc., 4609 North University, Peoria, Illinois 61614:

Exhibit: Working model of a solar collector.

17. Fluid Handling Division, International Telephone and Telegraph Corporation, 4711 Golf Road, Skokie, Illinois 60076:

Exhibit: Display of solar products including pumps, heat transfer equipment and various control devices.

18. Thermography of Illinois, Inc., 1845 Winmoor Court, Dundee, Illinois 60118:

Exhibit: How thermography works, including camera and display units with a photo recording attachment.

19. Professor Gene C. Shove, Department of Agricultural Engineering, University of Illinois at Urbana-Champaign, Urbana, Illinois 61801:

Exhibit: Models of grain bins and buildings showing how solar energy collectors can be applied to the drying of grain.

20. Williams-Pollock Associates, Architects, 210 North Hale, Wheaton, Illinois:

Exhibit: Display of the design for a solar energy system to heat and cool a high school in Milford, Illinois.

21. Northern Illinois Solar Energy Association, Post Office Box 352, Argonne, Illinois 60439:

Exhibit: Distribution and display of ISES bibliography on solar energy and ISES publications.

APPENDIX G

DESCRIPTION OF SENATOR PERCY'S SOLAR ENERGY CONFERENCE BY MR. ERNEST DUNWOODY, ILLINOIS DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT

Solar Energy Conference sponsored by Senator Charles H. Percy in cooperation with the Energy Resources Center, University of Illinois, was held on Saturday, October 9, 1976, Chicago Circle Center, University of Illinois at Chicago Circle.

Senator Percy in his first comment announced the awarding of $45,000 to the State of Illinois for their solar design competition which had been proposed to the federal government by the State of Illinois, Division of Energy. Senator Percy's opening comments included a statement that the national shortage of energy is not in the available energy but is the shortage of usable energy and that the methods of converting from one to another is the problem. David Rockefeller's recent press release while he was in Hong Kong about an impending 10 to 15 percent price increase in the cost of petroleum products was referred to as an example of the seriousness of the situation.

Senator Percy went on to stress that solar energy development must start now to avoid eventual wastage in monies allocated for such projects. He stressed that if we wait until later when the nation is in energy extremis (the last stages of an eventual fuel outage) large amounts of money allocated into a solar program would not be sound because of the need to build over a period of time, an organization which could handle such large sums.

Senator Percy then posed a number of questions that he hoped would be answered during the course of the solar conference. They included the following: Is the pace of solar energy development as presently pursued at an adequate rate? Is the so-called solar conspiracy a reality? Why is the solar energy funding level as presently authorized by Congress low as compared to other technological development programs? As a corollary to that, just how much money can we effectively spend given the present state of solar development? And, finally, what can the Congress presently do that would promote solar development within the United States such as provide incentives or guaranteed loans for solar projects, developmental guidelines and standards and other forms of help?

Senator Percy went on to predict that at the present level of solar development, the United States would only have a 7 percent solar energy capability in the year 2000. Senator Percy then introduced the next speaker, Frank Zarb, present director of the Federal Energy Administration.

Mr. Zarb opened his remarks with a scenario of our present petroleum/energy situation. "It is worse than that in which we found ourselves in, in 1973" he stated. We are more susceptible to an OPEC nation petroleum embargo now than we were during those dark days of 1973. We now import 41 percent of our petroleum needs as opposed to the 1973 level of 32 percent. Many people have stated that there is no energy crisis and yet the FEA and other federal agencies have implemented many changes to correct the problems during the last two years. Energy programs such as the Energy Conservation and Production Act, 1976 and the Energy Policy and Conservation Act of 1975 have been passed through the United States Congress and all have been positive actions pointing to partial solutions of the energy shortage situation we find ourselves in. These programs and others are designed to reduce our daily petroleum level from 12 million barrels to seven million barrels by 1985. In addition, he went on, our vast energy resources of coal must be better used as does further implementation and development of our nuclear generating capability. Mr. Zarb continued stating that these and other legislative acts and federal agency efforts have resulted in turning around the falling United States petroleum production picture and we are now looking forward to an oil stores program which would cushion us somewhat from another embargo. He stated that only one half of the legislation required for a comprehensive national policy has been enacted today. Further development in coal production as well as a need to place a 24 hour base load floor on electrical power is needed. Two million dollars have been allocated so far in the guaranteed insulation and solar installation programs. The opportunity for solar-electric energy generation looks exceedingly good since its many technologies are rapidly developing and prices for individual photovoltaic cells and other solar technologies, are coming down. He went on to stress, however, that there is not, in his opinion, a single, unqualified answer to the energy needs of the United States but that much additional research development demonstration projects in all energy sectors are needed.

The money, the technology and the authorization to spend it effectively, all contribute to the successful implementation of such programs. He further stated that present high installation costs of solar technology implementation is a problem due to the uniqueness of the hardware but that it is on a downward trend as it develops. Two bills, guaranteed loans up to $2,000 for individual solar installations and $400 for insulation, has been passed. Mr. Zarb concluded his speech with a statistic that 25 percent of all the energy used in the United States is used for heating, cooling, and domestic hot water; and that solar energy is in an excellent position to eventually be used to reduce this heavy load on our fossil fuel supply.

The next speaker was John P. Eberhard, President, American Institute of Architects Research Corporation, Washington, D.C., who spoke on "The Sun: A New Aesthetic Challenge for Architecture." Mr. Eberhard's excellent speech was likened to "A Rhapsody in Four Parts" and was accompanied by a slide presentation. Mr. Eberhard's parallel speech structure excellently highlighted the similarities between solar energy technology and the four part construction of a musical rhapsody, the four parts of which were overture, moderato cantabile molto espressivo, rondo allegro, and finally, coda, an independent passage at the end of the composition, introduced to bring it to a satisfactory close.

Mr. Eberhard's talk was prefaced by his outstanding rendering of a poem by Duke Ellington called, "I Like the Sunrise" and set the tone for the rest of the speech which struck parallels between the ancient and expensive development of glass and its present use with today's solar energy situation. He went on to develop the ways to provide solar energy for heating, cooling, and domestic hot water through the four available mechanisms for such technology. They were sun to space, or a passive method; sun to mass, or a thermal mass method; sun to collector to storage to space, or the collector method; and finally, sun to solar cell to use or storage to mechanical equipment to space, or the photovoltaic method. His final "coda" plea expressed a hope of pulling ourselves out of the energy orgy of self-gratification that we have been involved in over the past centuries and to seek new solutions for our old mistakes.

After lunch, Senator Percy introduced our next speaker as Barry Commoner, Director, Center for the Biology of Natural Systems, Washington University, St. Louis, who presented an outstanding, logically organized and persuasive speech detailing in a step-by-step fashion the validity of the ultimate use by everyone of solar energy. He started with a treatise on the "hidden" energy crisis today and took his captivated audience through the basics of physics of work and energy in a technological sense and expanded that thought into the definition of the efficiency of machine useable energy. He continued with that theme into the economics of energy production and uranium fuel costs, finally bringing the concept of technology maturity and its effect on the rising economic costs for natural gas, petroleum based energy and nuclear fuel. The initial thrust was a short discussion on why petroleum products and other natural fossil fuels in ultimate short supply have no economic opportunity but to increase in cost. His second thrust was to apply the same thinking to the machinery which extracts useful energy from these fuels and converts them to a form that we can successfully use. His main conclusion was that petroleum based products (which provide 75 percent of our energy needs today) can only rise drastically in price due to limited supplies and exotic new technologies which are immature. They are immature because of their rising costs resulting from "surprises" during their construction phase and can only at this point be doubtful opportunities in our quest for successful, safe, cheap and practical energy fuels that do not have disposal problems.

He applied the same technology maturity theme to solar energy techniques and came to the conclusion that since the present cost of this technology is dropping and will continue to drop in the future, it is a viable, mature machine at present and the only ultimate hope of providing the human race with such an effective energy source. He finished with the thought that the $100 billion of capital spending which the government is presently planning to expend on all sources of energy development, is applied correctly could finance and successfully implement a non-polluting solar solution for all Americans.

The next speaker was Mr. Henry Marvin, Director of Solar Energy, Energy Research and Development Administration, Washington, D.C. who brought up the problem that is inherent in the use of solar energy which is the sun's propensity to disappear at night. He further went on to discuss the present ERDA $290 million appropriation for solar development which is presently allocated two-thirds to solar electrical or photovoltaic and one-third to thermal development. He went on to state that ERDA is presently spending some of this money in purchasing a certain number of kilowatts of photovoltaic capacity to encourage its development through economies of scale made available by these large buys. ERDA is further administering a $7.5 million authorization for commercial solar electric demonstrations. He further states his agency's cooperation with the Department of Housing and Urban Development for encouraging solar installations in residential housing. He concluded his remarks with his opinion that the $290 million appropriation and authorization is the maximum amount of money that can presently be efficiently used in the solar development areas without causing an undue amount of waste.

The next speaker was Paul W. Cronin, President, Sun Sav Corp., Lowell, MA., who was introduced as a former legislative representative from the State of Massachusetts and who through his extensive knowledge of governmental workings in addition to his extensive technical background was eminently qualified to be an effective solar energy advocate. Mr. Cronin made an effective plea for solar energy use throughout the nation by stating that the technology of this energy source would enable simple, fail-safe and cost-effective solar systems to be utilized.

All other technologies available could not make this statement. His further opinion was that ultimately small to medium sized regional companies would be best for solar thermal application supply and implementation. His concluding remarks concerned his opinion that the large oil and utility companies although not working over time to implement solar technology have not, by the same token, done anything to inhibit its development.

Upon conclusion of the speeches before and after lunch, the session was thrown open to the approximately 2,000 people attending the conference so that they could ask questions in areas of their concern. Many were answered about the development of bio-mass conversion, solar energy, oil and utility company policy, low income benefits and on other pertinent topics. Upon conclusion of these sessions, all speakers were given a rousing hand of applause to thank them for their considerable efforts in effectively presenting this information. The time period of 2:30 p.m. to 5:00 p.m. was broken down into two sections each containing a number of mini-seminars on various technical and institutional factors surrounding the implementation of solar energy within our society.

The first block of sessions commenced at 2:30 p.m. and went to 3:40 p.m. and included the following topics presented in all cases by qualified experts in their respective fields:

1. Solar heating and cooling of buildings, active and passive.
2. Solar collectors for heating and cooling.
3. Solar Architecture—a do-it-yourself clinic.
4. Photovoltaics
5. Wind Energy
6. State and federal government solar energy policy.

The second session was broken down into seven separate seminars again presented by qualified experts in their fields and included:

1. Solar Heating and Cooling of Buildings—Active and Passive (second session).
2. Solar Architecture.
3. Biomass.
4. Central Solar and Wind Power Systems.
5. Solar Applications in Industry.
6. Institutional Barriers.
7. Solar Energy in the University.

The first significant session in the block of seminars, Heating and Cooling of Buildings—Active and Passive, was presented by William F. Rush, Institute of Gas Technology, Chicago and Mr. Philip Anderson, Arkla Industries, Evansville, Indiana, both of whom gave an excellent dissertation on the subject. They opened by saying the Greeks used the sun to burn enemy sails while the Romans used sun power to heat their hot water.

During this seminar the speakers also indicated that there are 75 quadrillion Btu's of energy or 4% of our national energy budget supplied through sun powered hydroelectric generation. Four hundred times this energy is supplied by the sun in promoting plant growth through evaporation. Solar energy can clearly be an effective alternate to present energy sources. Advantages to using solar energy are that it is a high-grade, clean, non-depletable, free (except for equipment), low ground level power density energy source.

In spite of most people's belief that Chicago is cold in December, the sun provides up to 482 Btu's per square foot per hour in this city using either the flat plate fixed or focusing movable collector when the sun is not obscured by clouds. Once the sun's rays enter the collector and strike the black background surface they are converted to infrared which cannot escape back through the glass and out of the collector, thus concentrating the heat in the collector. A parabolic reflector may also be used for concentrating the sun's rays for electric generation. In the solar development of air conditioning systems for buildings, the absorption lithium bromide rankine cycle or the 350°F arco ammonium cycle may be used. ERDA presently has a project underway to develop this technology and to get the cost down. The absorption cycle is only one method available for both heating and cooling through the use of solar energy Other systems include environmentally controlled gas fired air conditioners powered by solar energy. In addition, General Electric offers solar assisted heat pumps which provide heat only at this stage of their development, no solar cooling is yet available. Another method of heating and/or venting to humidify occupied spaces is the heat wheel. After 1980, heating and cooling by solar means will scale up rapidly.

Another significant session was held on Photovoltaics presented by Mr. Ron Ignatius, M7 Inc., Arlington Heights, Illinois. Mr. Ignatius presented the basic theory of using photo-electric cells for electric power generation. He presented and passed around samples of items from his own company that demonstrated the various stages of solar cell production. He cited statistics that showed that solar power in Chicago during July can provide 90 to 95 milliwatts per square centimeter or about 15 watts at 12 volts output from 36 photovoltaic cells in a parallel hookup. If 36 cells are paralleled, each generating an output voltage of 420 millivolts, the result will be 12 volts output at 15 watts of power after circuit losses. A simple circuit can be constructed utilizing this collection of 36 to 40 cells to charge batteries with electrical power. The circuit, however, must contain a backward-biased diode to keep the battery from discharging through the photo cells when the sun is absent. He went on to summarize the economic situation in the solar cell industry which he said is being helped through ERDA's purchase of predetermined amounts of kilowatts of photocells each year. The first purchase of such production by ERDA was for 46 thousand watts of capacity at $30 per watt last year. This year ERDA is purchasing 130 thousand watts at $17.25 per watt. As you can see, the price is rapidly falling due to the economies of scale made available through these large orders. By 1985, it is estimated that such purchases augmented by increasing use of photovoltaics throughout the country will bring the cost down to $.50 a watt. This year, the R. & D. budget for photovoltaic development is $20 million and, in addition, ERDA's kilowatt purchase schedule over the next two years should be 176 thousand watts and 300 thousand watts respectively. Mr. Ignatius followed his economic discussion with a description of new photovoltaic collector efficiency developments center around the new CPC or compound parabolic concentrator (or light funnel for short) and the DCPC, solid or Dielectric compound parabolic concentrator. A beam of light from any direction striking this concentrator (which is attached to the photovoltaic cell at its surface) effectively captures the beam and concentrates it at the photovoltaic cell's surface thereby increasing the cell's energy output dramatically. Collectors do not need to be mechanically positioned for optium solar input and have caused a dramatic drop of $18 per watt cost per cell last year to the present $2 per watt using this technology. An additional benefit is that the packing density of the number of cells per square foot can be increased significantly. A large portion of the success of the photovoltaic cell technology centers around an electric storage capacity to supply energy when the sun is no longer present and is generally supplied by lead acid or other present low energy density batteries. Recent research and development in the area of such storage capacity has resulted in the discovery of a new higher energy density battery called the Gates lead acid battery. Further development, however, must be undertaken to further enhance this critical parameter of photovoltaic cell system efficiency.

Another important seminar in this series was that given on "The State of Illinois and Federal Government Solar Energy Policy" given by Richard Garibaldi, Energy Research and Development Administration, Chicago Operations Office, Washington, D.C.; J. E. Dunwoody, State of Illinois, Division of Energy, Springfield; and Senator John J. Nimrod, Illinois Energy Resources Commission.

Senator Nimrod spoke about the need for Illinois to develop a more active solar energy program including solar energy on state buildings and separate legislation to authorize the Illinois Division of Energy to undertake further solar energy work.

Mr. Garibaldi spoke about the solar demontration programs being conducted by ERDA and the Department of Housing and Urban Development. ERDA recently announced their intent to fund two-thirds of the cost of a major solar demonstration project to be located on the rehabilitated Navy Pier Administration Building in Chicago. This project will have 8,000 square feet of solar collectors and cost more than one-half million dollars. It is the first major commercial demonstration to be located in Illinois.

Solar programs of the Illinois Division of Energy are being carried out in four areas:

A. *Education:* HUD recently announced their intent to fund the Illinois solar energy residential design competition. This will provide financial awards to designers of outstanding solar residences. In support of this design competition the Division, assisted by the Illinois Institute for Environmental Quality and the National Science Foundation will conduct four three-day solar design workshops for student and professional architects in Illinois. The Division also cosponsors solar conferences throughout the State which have an attendance of many thousands of people.

The Division publishes a variety of information including a Directory of Solar Equipment Manufacturers and a Homeowners Solar Energy Manual to help educate the general public. Workshops will be held for professional and student engineers and mortgage bankers to help familiarize them with new solar technologies.

B. *Research Studies:* Recently completed in-house research studies indicate that solar energy has the potential to become a major industry in Illinois in the next 15 years. Additional studies are underway to determine the optimal size for Illinois citizens to build solar systems. However, additional financial assistance is needed to expand these studies into the commercial, agricultural and industrial sectors. An assessment of the impact of solar energy on utility rates is also being undertaken.

C. *Federal Proposal Assistance:* Technical staff of the Division of Energy provide free consulting assistance to help Illinois solar developers prepare proposals for funding to the federal government.

D. *Legislation:* Illinois needs comprehensive enabling solar legislation so that solar developers in Illinois can be assured of a stable regulatory basis for such things as sun light brights, set-back requirements, etc. Work on this legislation will have to be a joint venture by the Illinois Resources Commission and the Illinois Division of Energy.

There was much active discussion from the participants in the workshop most of which revolved around their need to obtain more information about what the federal and state governments were doing to make solar information available to their citizens. A knowledgeable spokesman pointed out deficiencies in the existing federal program.

THE EVOLUTION OF SOCIAL RIGHTS

Mr. STEVENS. Mr. President, I offer for printing in the RECORD an address by a distinguished constituent of mine, Mr. Vernon E. Jordan, Jr., executive director of the National Urban League.

Mr. Jordan's remarks embody a historic summary of the evolution of social rights during the Kennedy and Johnson administrations as seen by one of the most distinguished and experienced black leaders of our time. Mr. Jordan's remembrances offer a perspective on the success the United States has had as striving toward the achievement of "the long arduous journey toward true equality and justice for all." In a time when we all too frequently dwell on our failures it is a refreshing and useful exercise to be stirred once again by our achievements. The road is long but we have taken steps that reveal our determination.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE EVOLUTION OF SOCIAL RIGHTS

(Address by Vernon E. Jordan, Jr., Executive Director, National Urban League)

Two hundred years ago Americans rose in armed revolt against the British Crown, basing their actions upon the philosophical premise that "all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness."

The leaders of that revolt were largely drawn from the elite of colonial society. For many of them, the "inalienable rights" inherent in all men, were rights they themselves denied to black people whom they owned as chattel, whose lives and labor they commanded.

But if the men who gathered to declare their independence from English rule were blind to the hypocrisy of their position, those whom they held in bondage were not. Two years before the Virginia slaveowner, Thomas Jefferson, enshrined the concept of "inalienable rights," a group of black people petitioned the Massachusetts General Assembly for their freedom, declaring:

"We have in common with all other men a natural right to our freedoms without being deprived of them as we are a freeborn people and have never forfeited this blessing by any compact or agreement whatever."

Thus, masters and slaves agreed on the common concept of man's natural right to freedom, and the history of our nation has largely been the record of the fight to reconcile the ideals of freedom with the reality of its denial to significant segments of the population. Our first century was characterized by the struggle to extend the most elementary rights to all Americans, and it took a long and bloody civil war to do it. Our second century was marked by the struggle to break the bonds of a narrow interpretation of the meaning of those God-given "inalienable rights" in order to extend to larger and larger portions of the population the rights and privileges enjoyed by the few.

This effort may be seen as an illustration of Lincoln's dictum that the "legitimate object of Government is to do for a community of people whatever they need to have done but cannot do at all or cannot do so well for themselves in their separate and individual capacities."

Governmental power is thus seen as an intervening force to help right the balance between the powerful and the powerless. But government has never been neutral; indeed, it has often been the instrument to deny rights to people without the wealth, status and education that characterize the powerful. It was state power that made formal freedom for blacks relatively meaningless, and it was federal power that enshrined "separate but equal" as the law of the land, that encouraged rapacious "robber barons" and discouraged social and economic equality for blacks and for working people of all races.

With the coming of the New Deal and World War Two we saw more active federal action on behalf of the dispossessed and a new awareness of the need to widen basic human rights. The shared agonies of the Depression, the hardships, sacrifices and democratic rhetoric of the war experience, and the large-scale economic rearrangements caused by both events, helped to open our society to the winds of change.

For black people, the mass migration from southern agriculture to northern urban industry, the growth of the union movement, the New Deal reforms, and the experience of fighting for democracy in a segregated army resulted in a new insistence that rights are not a function of whiteness, and that the Constitutional guarantees enjoyed by white people must be extended to the black minority.

The civil rights movement of the 1950s and 1960s fought for those rights, but even while demonstrating against segregated buses, segregated drinking fountains, and segregated schools, there was a basic awareness that beyond the basic right of equality before the law, was the need for equality of opportunity in every sphere of human life. It is often forgotten that the slogan of the 1963 March on Washington was for "Jobs and Freedom," and not for an otherwise empty "freedom" alone.

Without access to jobs, economic security, quality education, and other means of exercising political rights, our traditional rights would wither and die. And because traditional "rights" are empty without the ability to use them, the struggle to secure what may be called "social rights" has become the focus of our attention. Indeed, from the Declaration of Independence's insistence that "all men are created equal" comes the natural conclusion that those elements basic to securing equality of opportunity are rights as fundamental as those enshrined in the Bill of Rights.

It is a measure of the vision of the architects of the New Frontier-Great Society era that much of their energies were devoted to extending economic and social rights to those denied them. This Second Reconstruction combined executive orders, judicial decisions and Congressional actions to dismantle some of the barriers to equality, and to confer upon the poor and the powerless some small measure of economic security.

The Second Reconstruction swept away laws and practices that denied civil rights to blacks and other minorities, extended the right to vote, enabled access to schools and housing to those denied them, and provided for federal programs of health, housing, education, and economic security designed to assist groups disadvantaged in those areas. Through the "war on poverty," it stimulated organization of the poor and increased their access to the judicial system and to public policy-making, in addition to concrete programs to improve their neighborhoods.

This was a significant era in our national history, one that will be seen as effecting a revolution in the status of minority groups. It enabled the South to finally rejoin the Union. And by stressing the economic prerequisites for a more equal society it helped win greater acceptance for the concept of social rights, and for their extension to all citizens.

If history will judge those Kennedy-Johnson years favorably, it must be admitted that our own day does not. Today the period of the '60s is widely regarded as a time of unwise social experiments, unfair advantages to minorities, and undue governmental interference in the economy and in private decisions.

Such a view is mean-spirited and wrong. It is the natural response of many forced to share their monopoly on rights and privileges. It elevates the right to oppress and to discriminate above the right to equality.

What concerns me most is not the attack on the reform of the 1960s by last-ditch segregationists and the radical right. Such a last gasp of venom is expected from those unwilling to admit black people's right to vote and to work.

What distresses me is the failure of moderates and liberals to take pride in the accomplishments of reforms they helped institute and supported. There is a fatal flaw of compromise and timidity in conventional liberalism that today takes the form of retreat from the uncompleted battle for equality and in the overly defensive reaction to unfounded criticisms of the reforms of the '60s.

It cannot be said too often—the Second Reconstruction was a success. Whatever the failings of this or that specific program, the overall thrust to extend equality, increase community initiatives, focus national efforts to solve those problems constitute one of the few periods of our national history of which we can be proud.

The social programs of the Kennedy and Johnson Administrations did not bring about full racial equality, they did not end poverty, they did not build a new Jerusalem. No eight-year-long effort can be expected to overcome centuries of poverty, neglect and discrimination. No social thrust as underfunded as were the programs of the '60s and so bitterly opposed by so large a segment of the population, could possibly achieve all its goals. And like other periods of social reform—Wilson's New Freedom and Roosevelt's New Deal—the Second Reconstruction ended on the battlefields of a far-off war, untimely killed before it could achieve its ends.

For black people, the era of the '60s was a period of unprecedented advances. The numbers of the black poor were reduced from over half the black population in 1960 to a third in 1969. Median black income, half that for whites in 1960, rose to over 60 percent of white income by the end of the decade. Black college attendance doubled. Black gains in housing, political participation, job distribution, and other indicators all showed startling improvements.

So black people are not inclined to be apologetic about the experience of the '60s. We are not inclined to be overly critical of the Kennedy-Johnson social programs although they were too few and too underfunded to fully solve the problems they tackled.

But the changes of the '60s did not bring equality to black people. They did remove the restrictions imposed by race on crucial civil rights. They did provide the impetus for developments that made it possible for that portion of the black community that had skills and education to win a measure of economic progress. And they provided some measure of assistance to the majority of blacks chained in the prisons of poverty.

It is all too often conveniently forgotten that the real beneficiaries of the social reforms of the '60s were white people. Even in those programs popularly believed to be "black," the majority of participants were white. The so-called "black" war on poverty became a major instrument for reducing white poverty faster and in greater numbers than black people.

It is a truism that some poor whites raised to middle class status by the New Deal wound up cursing "that man in the White House" for his liberalism. So too, in the '60s, we saw the weird phenomenon of white people trained by manpower programs and placed in well-paying jobs, who bought their homes with federal loans and guarantees, whose children went to college on federally-financed scholarships and grants, and whose entire well-being was made possible by the programs of the Kennedy-Johnson era, now castigating those same programs as being for black people.

To the extent that blacks benefited in disproportionate numbers from those programs it is because blacks were disproportionately poor. But by sheer weight of numbers, those programs were white programs, just as today the so-called "black" welfare system has more whites than blacks on its rolls.

At the end of the '60s a great gap between whites and blacks remained, a gap that has grown wider with each passing year. The reason for that gap is not hard to find. Without positive intervention on behalf of the poor and the powerless, the wealthy and the powerful will increase their share of both health and power.

This has been proved through recent experience. The abdication of federal responsibilities has been followed by intolerably high levels of unemployment, accelerated urban decay, and by increased black disadvantage. Today, every fourth black worker is unemployed, two out of three black young people cannot find jobs, the numbers of the black poor are increasing, and a people who, just a few short years ago, were glibly characterized as "middle class" are once again struggling simply to survive.

Lyndon Johnson understood that it's not enough just to say "we won't discriminate any more." I was here at the Civil Rights Symposium in 1972, shortly before he died, when he said: "To be black in a white society is not to stand on level and equal ground. While the races may stand side by side, whites stand on history's mountain and blacks stand in history's hollow. Until we overcome unequal history, we cannot overcome unequal opportunity."

And Johnson concluded by saying, "It's time we get down to the business of trying to stand black and white on level ground. In specific areas we must set new goals, new objectives and new standards."

It is indeed time our society stopped the rear-guard warfare against affirmative action programs that compensate for an unequal past. It is time our society scrapped the outmoded myths of limited government and neutral market forces and replaced them with policies based on the new realities of the complex economy we live in today. And it is time, long overdue, for our society to build upon the pioneering reforms of the past forty years to finally build a nation of political, social and economic justice for all.

A prerequisite for such an effort is the formulation of an extended concept of rights, a concept that includes the traditional rights embedded in the Constitution but goes beyond them to assure economic and social rights so long withheld from those excluded from privilege based on wealth, class and race.

Thus, I suggest to this Conference titled "Toward New Human Rights," the necessity for a New Bill of Rights that extends traditional American freedoms to include the natural rights that truly enable groups and individuals to enjoy "life, liberty and the pursuit of happiness."

The New Bill of Rights for America's third century would include:

The right to education, preparing all children for fuller, freer lives;

The right to economic security, which includes the right to a decent job at a decent wage for all and an income maintenance program that replaces the welfare system;

The right to health, and the need for a national health policy that ensures decent health care for all;

The right to family stability, enabling families to survive the relentless pressures of poverty and discrimination;

The right to representation, enabling minorities to achieve full participation in the political process; and

The right of safe communities, so that no neighborhood need live in fear of crime and violence.

And implicit in these rights is the right of our cities to survive, to prosper, and to flourish as the centers of our economy and of our civilization, thus fulfilling their historic role in human history.

I suggest these new rights not as vague formulations, unattainable goals toward which to strive, but as essential elements of true democracy to be enjoyed—as rights—by all of our citizens. There is no reason why this, the world's richest nation, cannot implement them within a short, realistic time frame. There is no reason why we cannot have zero-level involuntary unemployment, and not the four percent level that's supposed to be "full employment," a level incidentally, that means 8–10 percent black joblessness. There's no reason we can't have an income maintenance program built into a reformed tax structure, health and educational systems that deliver quality services to all, or a Domestic Marshall Plan that restores urban viability.

Despite the warnings against too much government, the federal share of the gross national product is about what it has always been since the 1950s. Despite alarmist warnings about higher national debt, it is lower in proportion to GNP than in the past. Despite the warnings against inflation, there is plenty of slack in the economy and we suffer not from classical inflation but from underproduction and from wasted resources.

There is a view of federal responsibilities I have called "the new minimalism." It is a view that insists on less government, less social programs, and—ultimately—fewer rights and freedoms for those on the bottom half of our social ladder. It is a view that is incompatible with a desire to extend and reinforce social rights, for it sees as exorbitant spending programs what are really basic investments in our nation's future, investments in America's third century.

We of the Urban League Movement have experience with the kinds of investment in human resources that pays off, and pays off well. For the past nine years, our Labor Education Advancement Program has been recruiting and training young people for jobs in the construction trades. Some of these young people were on welfare. Some of them were on street corners and some of them, yes, some of them were keeping body and soul together in hustling and in crime. Many were high school dropouts. Most were on the outermost margins of our society, part of the growing pool of invisible black people ignored by the statistics-keepers.

Over the nine years of LEAP's life, the government has invested $22 million in the Program. Last year alone, LEAP's 16,000 placements paid $31 million in taxes—or nine million more than Washington's total investment over nine years. Over the whole nine years, LEAP's placements earned a cumulative $380 million and their total taxes have come to $90 million. That means for every dollar the government put into LEAP, it got four back.

So social programs, federal spending, and a new Bill of Rights are perfectly compatible with sound resource management and practical human investment policies. The social devastation we see around us today, the blasted hopes and embittered dreams of so many millions of our people, the hunger and homelessness and bleakness that characterize so many of our cities, must inspire us to reject the prophets of the new minimalism, to restore the social concern and activism of the Second Reconstruction, and to devote our energies to securing new human rights in our third century.

A hundred years ago, on the occasion of the Centennial, Thomas Huxley said:

"As population thickens in your great cities and the pressure of want is felt, the gaunt spectre of pauperism will stalk among you. . . . Truly America has a great future before her: great in toil, in care, and in responsibility; great in true glory if she be guided in wisdom and righteousness; great in shame if she fail."

History will record that the Kennedy and Johnson Administrations strove to take our country to the high road of care and responsibility, that their energies, accomplishments, and even their mistakes, were all informed by the desire to capture for America the greatness that is based on decent and righteous behavior.

It is my hope that in these first days of our third century Americans will revive that dedication and take their first steps on the long arduous journey toward true equality and justice for all.

MYTHS OF WORLD HUNGER POLICY

Mr. PERCY. Mr. President, in introducing a June 1976, Nutrition Committee staff report on the food and agriculture organization I called for a more coherent U.S. food policy based on a larger and more inclusive worldwide antihunger strategy. I firmly believe that global hunger problems are essentially solvable and that the United States has a major role to play in their solution.

The elimination of hunger is intimately connected with progress toward the solution of other problems, including education, population, disease, and sanitation. Also, ending hunger worldwide cannot come about without accompanying social and economic reform. Agricultural development must take place in the framework of overall economic development.

In the months ahead, as we approach reauthorization of the Foreign Assistance Act and the farm bill in the next session of Congress, we ought to evaluate carefully our domestic and international agricultural and food-related programs to see whether or not they reflect the aims and priorities we feel are important and whether or not they form coherent policy. In this vein then, I commend to your attention this extract from remarks made by Gerald E. Connolly, executive director of the American Freedom From Hunger Foundation, before the National Conference of Catholic Charities on October 2 in Denver. Mr. President, I submit the remarks for printing in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY GERALD E. CONNOLLY

How is it that after landing a man on the moon, harnessing the power of the atom, and developing swift methods of travel and communication, the world community still had to turn its attention, only two years ago, to the most fundamental of human needs—food?

My own bias is that hunger is more a question of distribution than it is a question of simple food production. Hunger is also, however, a question of agricultural underdevelopment—including political and economic neglect of rural areas in most parts of the world.

In the age of electronic media there is no dearth of statistical data concerning food and hunger. To understand that half a billion people suffer chronic malnutrition or to understand that the cumulative cereal deficit in the third world may reach 100 million tons is not, however, to grasp why the hunger or why the deficit exists in the first place.

One reaction to the ingestion of seemingly endless reams of data is to allow ourselves to become inured to such facts, for the facts do not give us a genuine feeling either for the suffering or for the hopes of the millions of human beings who are statistically dissected and quantified for us each day.

But two obvious lessons we should have learned from the data accumulated in this decade are the need for long-range planning to see us through temporary supply inadequacies, and the need for fundamental changes in the infrastructure of the rural areas of the developing world. Long range planning by the international community was called for at the World Food Conference and is needed in the areas of grain reserves, interim food aid commitments, ocean fisheries and pollution control, and climate study and monitoring. Some radically new initiatives and new thinking will be needed soon regarding rural infrastructure if we are to reach what World Bank President Robert McNamara has called the by-passed 40% of third world populations.

Having sifted through the tomes of data and factual analysis to gain an understanding of the hunger and food nexus, we often arrive at the debunking state. What we previously thought solid facts were less than whole, less than all-encompassing. I think it is important that we de-mythologize our beliefs about hunger. Six such myths come to mind which stand out as obstacles to a deeper understanding of hunger and its causes:

Myth I: The Too Little, Too Many Myth.—This is the theory that hunger is, after all, essentially a supply and demand problem; there are too many mouths and too little food to go around. Unfortunatly, this belief does not take into account the fact that hunger is widespread in the U.S. (at least 25 million hunger-vulnerable persons and maybe 1 million children suffering malnutrition). In most cases people go hungry because they lack sufficient income with which to purchase an adequate diet.

Myth II: The Ghost of Malthus Myth.—This myth holds that Thomas Malthus, who wrote his Essay on Population in 1798, was right after all. The world is swiftly headed towards an overpopulated Armageddon because food production increases only arithmetically whereas demographic growth increases geometrically. Conveniently this myth seems to be applied only to the Third World countries. This myth overlooks, however, the fact that highly industrialized nations such as Great Britain and Japan are food-deficit countries. Their affluence, not their curbs on birth rates, is what mitigates the possibility of widespread hunger in those societies.

Myth III: The We Can't Feed the Whole World Myth.—Too often food "activists" in their articulation of the hunger issues leave the clear impression that solving the world hunger problem is somehow the sole or even primary responsibility of the U.S. Few have realistically asserted that hunger is exclusively the responsibility of the U.S., however; not the World Food Conference, not third world leaders, not U.S. governmental or nongovernmental representatives. Debunking this straw man myth is not to negate the legitimate expectation that the U.S., with its vast agricultural and capital resources, can assist developing countries in the development of their agricultural sectors.

Myth IV: Food Self Sufficiency for Poor Countries Myth.—This myth carries the most attraction, particularly in professional circles, by holding that massive increases in food production in the poorer, food deficit countries constitutes the lynchpin to any solution of the hunger problem. This is attractive primarily because part of the belief is true; clearly more food must be produced in the third world. However, the mythical aspect of this theory is that it is part and parcel of the discredited "trickle down" theory of economic development. Massive increases in food production will never guarantee that the underfed will be better fed. The experience of the U.S. ought to demonstrate that. This myth frequently ignores the needs for agrarian reform, labor-intensive technologies, and smaller-scale agricultural and nutritional projects on the village level.

Myth V: The Lifeboat Myth.—Carrying the Malthusian argument to its logical conclusion, this theory postulates that countries like the U.S. are affluent lifeboats in a sea of misery. The more moral decision would be to withdraw our resources rather than prolong the misery of the poor. The lifeboat myth has an eerie kind of tunnel vision that ignores the ecological and economic interdependence of the world today (Where, one might ask, would the U.S. get its minerals and raw materials for its industrial base if the third world were to "drown?") Further, the lifeboat myth breaks down, in that nations don't just quietly drown as do people.

Myth VI: The Free Market Myth.—Generally this myth holds that if only the free market were allowed to function, there would be plenty of food for all. The U.S. is most frequently held up as an example of this system. However, all kinds of non-free market incentives and disincentives have existed in American agriculture since the 1930s. If the free market system was not enough to foster growth and improvement in our own agricultural sector, why should we believe it will work in rural societies?

In the process of de-mythologization, some new perceptions are created about the nature of the hunger problem and the future role of the U.S. in building a stable and adequate world food supply. Most of us recognize that even mild disruptions in weather patterns or shifting ocean streams can radically affect food supply. We know too that food and agriculture is big business for the U.S. with $22 billion in export sales last year; and that even in times of tight global supply, commercial sales to those with the money go mostly unabated.

We know that rising food demand is caused by increases in both population and affluence. We are also aware of the fact that the U.S. is posed uniquely because of its preeminence in agriculture to affect the future course of hunger in many parts of the world. There remains an enormous food production potential in large parts of the world—Predictions of Armageddon are premature.

In this process we—all of us—need to reexamine our actions, our involvement in the fight against hunger. We need to ask ourselves if our actions are effective; do we treat only the symptoms of hunger to the neglect of its political and economic causes? If hunger is systemic, and if our perception of hunger shifts to one of distributive justice, then our actions must reflect the new-found understanding. Inevitably, this will mean ever more political involvement. The first step towards hunger awareness is to examine the political posture of our own structures. This is necessary before we can hope to build the political will here in the U.S. to forge a comprehensive food and nutrition policy encompassing domestic and global concerns.

Many of the poorer nations have asked the wealthy nations in international conferences recently to forgive the huge debts piled up over the last twenty years—an increase of $30 billion coming during 1974 alone. There is no reason why both rich and poor nations could not develop a scheme by which the poor countries themselves could reinvest sums equivalent to the forgiven debts for the purposes of rural development.

Much can be done, much needs to be done on local, national and international levels. We can ill afford to be lured into apathy by the magnitude of hunger, nor can we afford to yield all hope of doing anything to affect its future course. Several years ago one prophetic Catholic wrote that hope—real hope—must be created and fought for. Among any community of believers, hope springs from a creed of operating myths. As we sometimes demythologize the creed to make it clearer, we create new, more relevant myths. It is in this dialectic that our hope for a more just global society is created. And it is in this process that we commit ourselves to the promise of its fulfillment.

SEC REPORT TO PRESIDENT INDICATES SUBSTANTIAL REGULATORY REFORM

Mr. PERCY. Mr. President, Chairman Roderick Hills of the Securities and Exchange Commission sent President Ford a report on the progress of the SEC in reforming its regulatory procedures. The 18-page report indicates a significant and encouraging effort to respond to a nationwide desire for more responsible regulatory activity.

The survey describes action on many fronts, including improving SEC's responsiveness to consumers, shortening the time between the adjudication and initial decision in administrative cases, further probing into areas of anticompetitive industry and brokerage rules, and lessening the terrible burden of paperwork on regulated interests.

The report also stresses action in other areas of particular interest to me in that they relate to regulatory activities of many other Federal agencies. These include improving the use of economic analysis in the regulatory process and a continued monitoring of the economic effects of regulation. This new emphasis at the SEC is long overdue at all regulatory agencies. The SEC report especially singles out the agency's effort to reduce costly delays that result from the regulatory process—an effort that will ultimately save business and consumers considerable time and money. Another most welcome sign is the adoption of competitive commission rates for brokers and a general increased emphasis on competition in the securities market. This signifies a recognition of the important benefits of competition and a willingness to act accordingly.

Last year, Senator Robert Byrd and I sponsored S. 2812, to set a disciplined timetable for comprehensive review of all Federal regulatory agencies. We are presently preparing the Regulatory Reform Act of 1977 for early submission in the next session. However, I am most pleased that the SEC has taken so many of the actions indicated in this report. It has long been my feeling that it is far better for industry and Government agencies to carry out reform from within rather than have it legislated for them. Unfortunately, this does not happen nearly as much as it should.

It is not our intention, by introducing legislation, to hinder or postpone any other attempts at regulatory reform. In the past, we expressed hope that it would stimulate reform well in advance of the time schedule established in the legislation. In this light, I congratulate Chairman Hills, as well as the other members of the SEC, for these consistent efforts to improve the performance of the agency. Such actions allow our economy to be more productive, help to slow the rate of inflation, and will eventually create more jobs for the working people of this Nation. I sincerely hope other chairmen of regulatory agencies will follow Mr. Hills' outstanding example.

Mr. President, I submit the SEC report to President Ford to be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Securities and Exchange Commission,
Washington, D.C., Oct. 5, 1976.

The President,
The White House,
Washington, D.C.

Dear Mr. President: I am pleased to submit this report on the progress which the Securities and Exchange Commission has made in implementing the four-point regulatory reform program you articulated on July 10, 1975 at a meeting with representatives of the ten independent regulatory agencies. Outlined below are the significant improvements we have made in each of the four areas, and, where appropriate, a description of how our reforms will affect consumers, small businessmen, and taxpayers. In addition, I have prepared a statement of the Commission's priorities for regulatory reform, and a summary of our recent efforts to reduce the burden of paperwork incident to Commission regulations.

I. IMPROVING RESPONSIVENESS TO CONSUMERS

As I indicated in my letter of January 8, 1976, the Commission's activities do not involve consumers in the usual sense of the word. Broadly speaking, on the other hand, all of the Commission's activities are directed toward the protection of the investing public, and, thus, are, in a sense, "consumer-oriented." In harmony with the spirit of the President's program we have endeavored to increase our responsiveness to individual investors and particularly to small investors—persons who might be regarded as "consumers" within the context of our authority.

The Commission took major action in this area through the creation, on May 20, 1976, of an Office of Consumer Affairs to deal with the needs of small investors. The objectives of this Office are to protect smaller individual investors in their dealings with the securities industry and to provide special representation for such investors in matters before the Commission. In order to translate these objectives into specific programs, the new Office has three projects underway.

First, the Office of Consumer Affairs is formulating a proposal for the establishment of dispute grievance procedures for individual investors which will utilize the resources of securities industry's self-regulatory organizations. Our goal is to avoid both cumbersome requirements and new layers of government regulation, but at the same time to enable small investors to obtain monetary recovery where appropriate. We visualize that the functions of the grievance system will be comparable to those of small claims courts. In developing this system, the Commission obtained input from those who would be primarily affected. Our staff is currently preparing its recommendation, which is based in large part on the suggestions we have received, for submission to the Commission.[1]

Second, the Office is developing a consumer protection program which includes an upgrading of the Commission's own complaint processing effort. Examples of actions which the Office is considering in this area include instituting a legal aid system for injured consumers who meet requisite qualifications and making greater use of public, fact-finding investigatory proceedings.

Finally, the Office of Consumer Affairs also is giving special emphasis to developing ways the public can be made aware of existing opportunities to comment on Commission rule proposals, including the publication of a new periodical, oriented to the general public, in which the Commission would alert investors and the popular media to pending rule proposals.

While the objective of each of these programs is to benefit the consumer, we also believe that there will be significant benefits to smaller broker-dealers, particularly to the extent that informal procedures, not requiring the expense of counsel, can be developed for resolving customer disputes which might otherwise be litigated. Further, we intend that our efforts at increasing responsiveness to consumers be accomplished without any significant increase in Commission expenditures. Accordingly, the Office of Consumer Affairs has been staffed from existing Commission personnel and, as described above, we hope to place primary reliance on the self-regulatory organizations for the administration of grievance procedures for small investors. A copy of the draft staff report on the work done to date is being submitted with this letter.

II. IMPROVING THE USE OF ECONOMIC ANALYSIS IN THE REGULATORY PROCESS

The Commission has greatly increased the use of economic analysis in the regulatory process. To the extent that regulation is more realistically based on economic factors, the free and efficient operation of the economy is enhanced. This, in turn, should, in the long-run, produce savings for both taxpayers and consumers who must ultimately bear the cost of government economic regulation.

A. Directorate of economic and policy research

As we reported in our January 8th letter, on July 11, 1975 the Commission created the Directorate of Economic and Policy Research to integrate the Commission's economic analysis and data gathering activities with its policy planning activities. Since that time, the Commission has made a commitment that no major regulatory action will be taken without first reviewing the potential economic consequences and subsequently monitoring the economic impact. Economists within the Directorate are extensively engaged in efforts to improve the overall efficiency of the Commission's regulatory efforts by analyzing the costs and benefits of Commission activities. They are also studying the economic impact of Commission decisions, made prior to the Directorate's creation, particularly that of allowing competitive economic forces to determine the levels of public brokerage charges.

The Directorate has developed an academic fellow program to complement its permanent staff. It is anticipated that eventually there will be four fellows in residence. At present, two fellows with excellent academic credentials are on board—Professor Susan Phillips of the University of Iowa and Professor Alan Hess of the University of Washington. Professor Phillips is currently engaged in studying the economics of auction and dealer markets, and Professor Hess is undertaking a study to quantify the costs and benefits of major SEC regulations.

Footnotes at end of article.

Economic analysis is also playing a stronger role in the research efforts of the Commission's principal operating Divisions. A program was recenlty instituted which placed economists directly in the Division of Market Regulation and the Division of Investment Management. The success of this experiment has encouraged the Directorate to seek additional economists to join the staffs of other Divisions.

The Directorate has also undertaken a major effort to increase the input of economic analysis from sources outside the Commission. Several professors from leading universities have been engaged to contribute definitive research, to provide critiques of studies completed by economists within the Directorate, and to present seminars to Commissioners and members of the SEC legal and economic staffs. Those professors already engaged include Professor Frank Reilly of the University of Illinois, Professor Nicholas Gonedes of the University of Chicago and Professors Benston and Smith of Rochester University.

These innovative programs are intended to culminate in the streamlining of existing regulations, and, in areas where regulation is actually shown to be necessary, in premising regulation more rationally on economic and market factors. Some of the specific areas which the Directorate is studying, and their estimated dates of completion, include:

(a) Impact of exchange trading in options—this is a complex of related studies involving the options market and the impact that options trading has on the price of the underlying security. A draft of one segment of the study is already complete and additional segments will be completed throughout the upcoming year; the entire project will be concluded by December 31, 1977.

(b) Impact of short sales on securities prices—the first phase of this study has been completed and additional aspects of the short sales issue are currently being subjected to sophisticated empirical analysis. It is anticipated that the bulk of this study will be completed in time to present the economic arguments to the Commission by the spring of 1977.

(c) The relative advantage of auction and dealer markets—this study, which investigates an issue central to the development of a national market system, has been undertaken by Professor Phillips in conjunction with members of the permanent staff of the Directorate. Some initial findings will be presented to the National Market Advisory Board in its meetings this fall. It is anticipated that other evidence, which will emerge primarily as a product of this study, will be furnished to the Board and the Commission throughout calendar year 1977.

(d) Systematic changes in securities prices as an indicator of fraud—this project, which is of primary interest to the Divisions of Enforcement and Market Regulation, is being undertaken jointly by the Directorate's staff and outside professional contractors. A draft of one aspect of the study has just been completed. The next phase will be finalized by January 31, 1977, with completion of the entire project anticipated by the end of calendar year 1977.

The commission is utilizing the Directorate to develop a broad understanding of the economic environment in which the Commission operates in order that it may develop and apply a coherent regulatory philosophy. The Directorate will eventually develop a model of the securities industry in order to permit identification of problems which are a function of the business cycle.

The Directorate has already initiated studies of the economic impact of government regulation and tax policy on capital formation, and the economic effects of accounting rules. As part of this effort, a liaison with the Office of Tax Policy of the Treasury Department has been established. Two priority agenda items are:

(i) relating new Commission disclosure requirements that deal with the impacts of inflation to a revenue policy that will not tax corporate profits which, because of inflation, are not profits in the true economic sense; and

(ii) coordinating legislative and Executive Branch efforts to eliminate the discriminatory tax policy that now favors corporate debt securities over corporate equity securities.

We are hopeful that this effort, augmented by a close liaison with the Congress, can result in a change in tax policy on these two important issues in the 1978 legislative session.

B. Advisory Committee on Corporate Disclosure

In our January 8th letter we reported that an advisory committee would be formed to develop proposals for modifications to the disclosure system and on February 2, 1976 the Commission announced the appointment of this body—the Advisory Committee on Corporate Disclosure. The Committee has been mandated to define the purposes and objectives of the Commission's corporate disclosure system, to assess the present system in light of those objectives, to study the costs of the present system, to weigh those costs against the resulting benefits, and to recommend to the Commission appropriate steps to better equate the operation of the disclosure system administered by the Commission with those objectives.

Fundamental to the Committee's work are identification of the users of the information available in the corporate disclosure system, the users' sources of information, the particular items of information which are of crucial importance to an understanding of the issuer's financial position, and the cost to companies of providing this information The Committee is seeking answers to these and related questions in two principal ways. First, through an analysis of the body of literature which has developed on disclosure, the Committee is attempting to identify the implications of modern theories concerning portfolio management and the extent to which academic research concerning markets indicates the need for modification of the system. Second, the Committee is surveying approximately 30 publicly-owned companies, 120 financial analysts, 60 portfolio managers and 8,000 individual investors.

The Committee anticipates that when this two-pronged research program is complete, it will have the first clear and complete picture of the operation of the disclosure system and the Commission's role therein, and that this new understanding will serve as a basis for the Committee's recommendations to the Commission. Proposals to translate these recommendations into new Commission rules and possible legislative initiatives are expected no later than July 1, 1977.

C. Monitoring economic effects of regulations

As previously stated, the Directorate of Economic and Policy Research is engaged in a broad-based study of the economic effects of competitive commission rates. In addition, however, the Commission is experimenting with programs by which operating divisions would be required to monitor and to justify the burdens imposed by those regulations for which they are responsible. For example, the Division of Corporate Finance is considering the economic consequences of proposed staff "Guides for Statistical Disclosure by Bank Holding Companies" and the "Guides for the Preparation and Filing of Reports and Registration Statements." The Division will attempt to determine the costs to registrants and benefits to users of these disclosure guides, and based on the results, the Commission will then determine, before June 30, 1978, whether these two Guides should be retained, rescinded, or revised.

Similar programs will be implemented in connection with major rules in the future. Indeed, we believe that this process of continuous monitoring of the economic effects of new regulatory activities, with a fixed date by which it must be determined whether the new program has justified its existence, is essential to the type of regulatory reform which you have asked that the agencies undertake.

III. REDUCING REGULATORY DELAYS

We are intensifying our efforts to increase the efficiency of the Commission's internal operations. To the extent that the Commission is able to perform its mission more rapidly and efficiently the costs incurred by those businesses subject to its regulation are also reduced. In addition, improvements in our internal procedures permit the more effective utilization of the Commission's staff and correspondingly, reduce the cost to the taxpayer for the performance of the Commission's work. In its efforts to increase internal efficiency, the Commission has established a Management by Objectives Program in each of its major administrative units. This program entails three major steps:

(1) stating the goals, programs, and projects of the division with specificity;

(2) setting time objectives and defining specific steps or milestones by which management can monitor program progress; and

(3) following progress as the program develops and evaluating its effectiveness upon completion.

The implementation of this program has afforded us a much better grasp of how our resources are being utilized. The Division of Market Regulation has, for example, identified 41 key projects from among more than 400 for which it has direct responsibility. The Division has set a target completion date for each and has established an estimate of required employee hours. On a monthly basis the Division develops a management by objectives report describing whether the previous month's goals were met and the action contemplated on each project during the next six months. The report also summarizes the Commission's action to date on each assignment and sets forth a running total of employee hours expended on each project. This report allows the Division and the Commission to make appropriate adjustments in the deployment of resources.

Key projects in which the Division is presently involved include the development of the constituent elements of a national market system for transactions in securities, the establishment of a lost and stolen securities system in accordance with Section 17(f) (1) of the Securities Exchange Act of 1934, and a review of all rules of the various self-regulatory organizations to resolve any conflicts with the Act or the Commission's rules.

Much in the same vein, the Division of Investment Management is focusing its attention on a limited number of key projects out of a total of approximately 60 for which it has primary responsibility. By November 15, 1976, for example, the Division plans to publish for comment, a proposed rule designed to eliminate unnecessary restrictions on advertising by mutual funds. By June 30, 1977, the Division will make recommendations for substantive amendments to the Investment Company Act of 1940, including a recommendation dealing with Section 22(d) of the Act, the retail price maintenance provision.

A hearing on the distribution systems of mutual funds will commence on November 17, 1976, and will inquire into such questions as the propriety of using funds under management to finance the sale of additional shares. The Division proposes to make recommendations to the Commission on this subject by January 31, 1977. On a related issue, the placement of fund brokerage business to reward dealers who sell fund shares, the Division's recommendations will be presented to the Commission by October 31, 1976.

The Division also has been working for some time to integrate the filing system for open- and closed-end management investment companies under the Securities Act of 1933 and the Investment Company Act of 1940. The proposal of the Division will be presented to the Commission by December 1, 1976. By March 31, 1976, the Division will make recommendations to the Commission to eliminate unnecessary duplicative regulation under the Investment Advisers Act of 1940 and under the Securities Exchange Act of 1934 of broker-dealers who also act as investment advisers for compensation.

In addition, the Commission has continued its efforts to reduce delays in the regulatory process, and has made significant progress in the major areas, described in my letter of January 8, 1976, in which undue delays had previously been encountered.

A. Adjudicatory proceedings

1. *Initial decisions.* In fiscal year 1974, the average length of time between service of the record on the Administrative Law Judge and the submission of an initial decision was 117 days. That average time was reduced to 52 days in fiscal year 1975 and reduced further to 41 days in fiscal year 1976. Delays in scheduling hearings were also shortened, so that, by the end of fiscal year 1976, all proceedings involving hearings were placed on the hearing calendar within 30 days of the institution of the proceedings.

2. *Commission Review.* Statistics have also been developed for opinions resulting from oral arguments before the Commission in matters involving initial decisions rendered by Administrative Law Judges and appeals of disciplinary actions taken by self-regulatory organizations. From February 1974 to November 1975 the average time between oral argument and the issuance of an opinion was approximately 14 months, with some opinions being issued as long as 20 months after oral argument. In November 1975, the month in which we began our present program, five oral arguments were heard and the average time to the issuance of a Commission opinion was 75 days. In the period from May 11, 1976 through August 26, 1976, nine arguments were heard and 9 opinions were issued in an average of 23 days.

The Commission is deeply concerned with the lengthy delays that are all too commonly experienced in administrative proceedings generally. Often, two or three years elapse between the date on which the Commission authorizes the commencement of a proceeding and the date of its final disposition by the Commission. We now have a computerized monitoring program that will track the progress of each proceeding at every critical stage of its development and identify problem situations before they create unnecessary delays. Working in close cooperation with the Commission's Chief Administrative Law Judge it is our belief that this monitoring system can reduce the overall time in many of these proceedings by one or two years.

As described in our January 8th letter, the Commission has adopted new procedures in its Office of Opinions and Review to reduce the backlog of pending cases. As a result of these reforms, that Office has been able to provide drafts of opinions in cases argued before the Commission within two to four weeks after the date of argument, depending on the degree of difficulty of the matter. The task force created to deal with the existing backlog has substantially completed its mission: except for a few extremely complex cases, the Commission is current in its disposition of administrative proceedings.

B. Rulemaking

The Commission has implemented the program described in the January 8th letter to expedite its rulemaking functions. Each month, a report is prepared specifying the status of all pending rule proposals, and the Commission regularly reviews the status of each rule proposal with the responsible Division Director or Office Head to assure that pending rules are promptly adopted, amended, or withdrawn.

C. Review of registration statements and other things

The procedures outlined in our January 8th letter to reduce delays in processing registration statements filed pursuant to the Securities Act of 1933 have also been implemented. The result to date has been a substantial reduction in the average time required to issue a staff letter of comment on registration statements filed in conformity with eleven of the fifteen principal forms utilized by private enterprise in distributing securities in public markets. Our goal is to achieve a 25 percent reduction, in most cases, by November 1976.

As a step in meeting these goals, the Commission recently published for comment proposals to require registrants to provide advance notice of their intention to file certain registration statements. This advance notice should enable the Commission's staff to review the information concerning that registrant currently on file, and in most cases, to reduce the time required to process the registration statement once it is received.

Steps are also being taken to reduce delays in the processing of reports and other disclosure documents filed pursuant to the Securities Exchange Act of 1934. Criteria for selective review and screening of annual reports filed under that Act have been developed and processing time goals will be established within the next several weeks so that the new review system can be implemented. Likewise, new criteria and procedures to expedite the review and processing of proxy and information statements filed pursuant to Section 14 of the Securities Exchange Act are being developed, and the target date for implementation of these procedures is December 31, 1976. While it is impossible to predict what the effect of these new procedures will be, proxy statements eligible for expedited treatment under our current standards—which we intend to expand—are generally processed within five days of receipt while those not eligible require more than twice as long.

D. Use of data processing technology and equipment

As a part of our efforts to reduce delays and increase internal efficiency, the Commission is making increasingly greater use of modern data processing technology and equipment. As described in our January 8th letter, we are preparing a five-year plan to identify the steps necessary for the development and improvement of our information systems and to outline computer hardware and software procurement requirements. Although the inherent complexity of preparing such a plan has delayed its completion beyond the date specified in our earlier letter, we now expect to have the plan completed before December 31, 1976.

The Commission has also taken steps to reduce the volume of paper files which it maintains. During September, 1976, the Commission published a detailed request for proposals soliciting private contractors to develop a micrographics system by which documents filed with the Commission would be stored on film rather than in their original, paper form. We plan to have the installation of this filming system commence during January, 1977 and intend that by March or April, 1977, all new filings—up to 40,000 pages per day—will be filmed within several days of receipt. Eventually, pursuant to the five-year plan, the index of the microfiche file will be computerized in order to permit swift access to and retrieval of its contents. Although it does not appear feasible to convert existing paper files to microfiche, we have developed, during the past several months, retention schedules which call for the destruction of existing paper files as they become obsolete.

The savings which will result from the micrographics system are substantial. We estimate a net annual savings to the government of $634,000 once the system is fully implemented (in three years) including the elimination of 18 employee positions by the end of fiscal year 1978. Further, savings in space requirements are anticipated; the present paper file system requires 18,000 square feet of storage space to maintain three years of material. We estimate that this storage requirement can be cut to 500 square feet—or one fortieth of the current requirement—when the micrographics system is fully implemented.

We are also attempting to increase our internal efficiency through the development and implementation of "tracking" systems—computerized procedures for monitoring the flow of work within the Commission. As indicated above, we now have a computer system designed to record and trace all steps in administrative proceedings commencing with the date of initiation. A tracking system is also in operation which provides in-depth analysis of the time used for staff response to registration statements and other filings. A similar system for enforcement matters is in the planning stage. These systems should improve our capacity to identify where and how delays occur, to develop procedures to alleviate such delays, and hence to expedite the flow of Commission work.

Greater internal efficiency should allow the Commission to carry on existing and new programs with less new manpower, thus resulting in savings to the taxpayer. In addition, reduction in delays within the Commission should result in reductions in delays experienced by businessmen, large and small, whose activities are within the scope of the Commission's regulatory jurisdiction, with concurrent savings to those businesses and their customers.

IV. INCREASED EMPHASIS ON COMPETITION

As I have stressed in our previous correspondence, the Commission considers the competitive effects of its activities as an element in all of its work. This practice became an express statutory obligation as a result of the Securities Acts Amendments of 1975. That legislation, which requires the Commission to consider competitive factors in both rulemaking under the Securities Exchange Act and in overseeing the operations of the securities industry self-regulatory organizations, also included a variety of substantive provisions designed to eliminate unnecessary obstacles to free and open competition in the securities industry. Almost all of the Commission's regulatory activities entail the balancing of competitive consideration against the requirements of investor protection, whether or not such actions are in an area in which Congress has expressly required us to consider competitive consequences.[2]

We believe that steps to enhance competition, both between securities markets and between broker-dealers, are directly beneficial to investors and small broker-dealers. To the extent that access to, and information concerning, all markets is more readily available, the investor, through his broker, is offered a wider range of opportunities to insure that he receives the best available execution of his transactions. Further, competitive commission rates have enabled the investor to shop for, and pay for, only the particular services

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Footnotes at end of article.

which he actually wishes to purchase. Correspondingly, the trend toward a single national market system will permit smaller or regional brokers to participate in markets which were formerly the exclusive province of larger firms. Such brokers are also able, as a result of unfixed commission rates, to engage in price competition with larger firms. Described below are some specific developments during the past several months in our efforts to increase competition.

A. Consideration of anti-competitive effects of self-regulatory organization rules

Section 31(b) of the Securities Acts Amendments of 1975 directs the Commission to initiate a direct attack on exchange or NASD rules which do not comply with the requirements of the Securities Exchange Act. The Commission is required, before December 31, 1976, to notify any exchange or national securities association of those of its rules which conflict with the Securities Exchange Act, and may suspend the registration of any exchange or association which fails to take corrective action within 180 days. We have detected approximately 500 separate instances of noncompliance—some significant and some rather technical—and will be sending the required notifications to 8 registered exchanges and the NASD before October 31, 1976.

B. The national market system

One of the areas in which Congress has specifically directed the Commission to act is in the creation of a national market system for securities to replace the fragmented and artifically restricted markets which have existed in the past. As we described in our January 8, 1976, letter, fair and open competition throughout the industry is the essence of such a system.

Since our prior letter, the Commission has continued its efforts to encourage the development of a national market system. For example, the opportunity for competition among dealers in listed securities has been enhanced by the implementation of a consolidated transaction system. This system, which electronically reports all transactions in securities listed on the New York Stock Exchange, regardless of the market in which they occurred, has established greater equality between market makers and specialists on regional exchanges and those on the Exchange floor in New York, since each market maker or specialist can "advertise" the quality of his market on the consolidated tape.

In addition, the Commission views the development of a broader composite quotation system, which would report all transactions in all eligible securities, as a major prerequisite to establishment of a national market system. Such a system would create and enhance competition among disparate markets for a particular security by providing broker-dealers with essential information enabling them to select the best possible execution for customers' orders. Toward this end, on July 29, 1976, the Commission proposed for public comment Rule 11ACl–1 which would require national securities exchanges and associations of broker-dealers to collect quotations in eligible securities for dissemination to quotation vendors. The Commission believes that its efforts with respect to fostering the implementation of a composite quotation system reflect a continuing commitment by the Commission to employ reliance upon competition in the private sector, to the exclusion of potentially burdensome direct regulatory intervention wherever feasible.

C. Competitive commission rates

As we reported in our January 8 letter, on May 1, 1975, the Commission adopted Securities Exchange Act Rule 19b–3 which prohibits any national securities exchange from adopting or retaining rules that require members to charge a fixed rate of commission. In monitoring the effects of this rule the Commission has been sensitive to the expressed concerns of broker-dealers regarding the serious economic impacts of the unfixing of commission rate schedules. We also recognize that requiring Commission rates to be negotiated appears to have accelerated a trend marked by several small institutional broker-dealers leaving the securities commission business or merging with larger retail oriented broker-dealers.

There is, however, no evidence to suggest that investors are experiencing any loss of services provided by broker-dealers resulting from impaired operations. Likewise, negotiated commission rates apparently have neither adversely affected the operating performance of self-regulatory organizations, which reported improved operating results, nor have they significantly affected the liquidity or volatility of the securities markets.

Unfixed rates of commission have resulted in substantial savings to investors, both individuals and institutions. Commission studies indicate that investors already have saved approximately $335 milion since May 1, 1975 when price competition commenced. The largest savings accrued, quite naturally, on the largest transactions, and, for example, on trades exceeding 10,000 shares, individuals received a 33% discount and institutions a 27% savings, through March, 1976. Between April, 1975, and March, 1976, the average commission measured in cents per share fell 26 cents or 30% for institutions and 18.2 cents or 6% for individuals.

V. REDUCTION IN PAPERWORK REPORTING REQUIREMENTS

The Commission is sensitive to the need to reduce the burden of federal paperwork, and has initiated action in two major areas—corporate disclosure and broker-dealer registration—to accomplish this goal. The most far-reaching of these efforts was the formation of the Advisory Committee on Corporate Disclosure, described above at p. 5. While the Advisory Committee's work is still in progress, we believe that its recommendations will ultimately result in significant streamlining of the Commission's reporting requirements.

A. Commission forms

As an interim measure, the Commission, in April 1976, authorized the staff to develop a program to integrate, wherever possible, the corporate disclosure requirements under the Securities Act and the Securities Exchange Act in order to lessen the reporting burden on registered corporations while, at the same time, providing more meaningful information to investors. We believe that there is considerable potential for combining our existing disclosure requirements in order that the total number of filings which registrants need prepare can be considerably reduced. In addition, we intend to rescind forms which have become obsolete or infrequently used and to increase the opportunities for registrants to use existing abbreviated or summary registration forms.

Although the Commission has taken a number of steps to implement this program during the past several months, three examples should suffice to illustrate our objectives. First, on July 17, 1976, in Securities Exchange Act Release No. 12619, the Commission published for comment a proposal to reclassify certain items of information which must presently be reported, on Form 8–K, immediately following the month in which they occur. We have proposed to require instead that such information be included on quarterly reports on Form 10–Q. Such a reclassification would, we estimate, reduce by 40% the number of monthly reports which must be filed. There would, however, be no reduction in the information disclosed to investors since the material deleted from the monthly reports would be included in quarterly reports.

Second, on July 26, 1976, in Securities Act Release No. 5728, the Commission published for comment a proposal to substantially increase the number of securities offerings which could be registered under the Securities Act of 1933 by means of existing forms S–7 and S–16—short forms which are available to those corporations which already provide continuous disclosure pursuant to the Securities Exchange Act of 1934. Issuers using Forms S–7 and S–16 are permitted to omit from the S–7 prospectus, or to incorporate by reference in the S–16 prospectus, certain information already provided to security holders or available to investors in reports filed under the Securties Exchange Act. Thus, these proposals represent a significant step toward eliminating unnecessary duplications in filings with the Commission and reducing the burdens of complying with the disclosure requirements.

Third, the Commission, in Securities Act Release No. 5744 (September 27, 1976), published a proposal to create a new short registration form, S–14A, for registration of securities issued in certain reclassifications or business combinations. Part I of this form would contain an abbreviated description of the proposed transaction and would be furnished to all investors. Part II, on the other hand, would contain detailed financial and other information and would be delivered, free of charge, to any investor who requested a copy. As part of this proposal, the Commission is considering amending its proxy rules to provide that the material filed in S–14A would satisfy not only the disclosure requirements of the Securities Act, but also the proxy statement requirements of the Securities Exchange Act. While the concepts underlying proposed Form S–14A are experimental, they illustrate the type of action which the Commission hopes to take in order to simplify disclosure requirements and reduce the burdens thereof by permitting one form to satisfy multiple statutory requirements.

B. Federal-State reports

1. *Uniform registration forms.* In the area of broker-dealer registration, new uniform registration forms have been jointly developed by the Commission and 49 states to substantially reduce the paperwork burdens on registrants who must register with multiple self-regulatory or state regulatory organizations. Previously, each organization required a separate application from a single registrant despite the fact that substantially the same information was required in each form.

The cost savings potential of this action could mean the difference between an overall profit or loss to some broker-dealers, particularly the smaller firms. A firm registered with the Commission and 40 states, for example, would enjoy a reduction of over 95% in the number of registration forms filed.

2. *Central File*· We are now engaged in a more ambitious application of this concept—the creation of a single filing place and central data base for these uniform broker-dealer registration forms. The Commission, the National Association of Securities Dealers ("NASD"), and the states of Massachusetts, Virginia, Michigan and Tennessee are cooperating in a pilot project to determine the feasibility of this type of centralized system. The system will be structured so that information filed with the Commission by brokers, dealers, and their agents will be processed by the NASD and provided to the states in a computer printout. If the pilot project succeeds, the system will be available to the rest of the states.

Anticipated results of the system are that the burden on the registrant of filing multiple copies of the application form and the burden on the various state agencies of collecting, reviewing, and processing these forms will be drastically reduced. Further, the responsibility of enforcing compliance with the registration requirements of these agencies will be focused in one place, and will lend itself to computerized access.

3. *Uniform Financial and Operational Reports.* Further, we have significantly reduced the burden of broken-dealer reporting. Our January 8th letter described the adoption of a financial and operational combined uniform single report, the FOCUS report, which incorporates the substance of the information required in various reports filed with the Commission, the securities industry self-regulatory organizations, and state regulatory agencies. The system consolidates broker-dealer reporting requirements for many purposes: surveillance, annual audits, consumer statements, and economic data collection.

After eight months of operation the FOCUS program has resulted in significant savings. For example, a broker-dealer who is a joint member of the New York Stock Exchange and the American Stock Exchange formerly had to file reports with both exchanges, the Commission and various state regulatory agencies. Now, only one report need be filed, resulting in a 15% reduction in paper work. Introducing broker-dealers, many of whom are smaller businessmen, formerly were required to report 412 items of information per month. Under the FOCUS system, they must report only 175 items quarterly, a reduction in paperwork of 86%. In addition, the new auditing procedure allowed by the FOCUS system has reduced the time required for the audit of broker-dealers by about 50%.

4. *Other.* The Commission's efforts to reduce paperwork have not been limited to minimizing the burdens of its own reporting requirements but also have extended to the reports which the Commission requires that registered broker-dealers furnish to their customers. Since the costs of regulation are, in the final analysis, paid for in large part by the investor, the Commission is endeavoring to eliminate regulatory requirements for which compliance costs appear disproportionate to the resulting practical benefits in investor protection.

As an example, in Securities Exchange Act Release No. 12806 (September 16, 1976), the Commission proposed Rule 10b–10 to replace its existing Rule 15cl–4, originally promulgated in 1937. The proposed rule would allow brokers to provide confirmations on a monthly basis, rather than immediately as now required, to customers who purchase or sell stock according to a prearranged periodic plan. Proposed Rule 10b–10 would also, with several exceptions, end the requirement that a broker who represents parties on both sides of a securities transaction report to each party the commission charged to the other party, provided that such information is made available to customers on request.[3]

It is expected that the proposed rule, if adopted, would reduce the costs to brokers and dealers of complying with Commission regulations, and thereby reduce costs to investors.

VI. COMMISSION PRIORITIES FOR REGULATORY REFORM

We have been asked to list and discuss the Commission's priorities for regulatory reform and provide a timetable for their achievement. In large measure, the foregoing discussion of the Commission's efforts to implement your four-point regulatory reform program reflects our priorities; and in each instance, where it is possible, we have indicated our timetable for taking the necessary steps. I will, however, summarize briefly our overall goals.

1. *Decreasing direct regulation.* The Commission's highest overall priority is to avoid the ever-present temptation to impose new regulations on registered corporations or the securities industry in response to specific, short-term problems. In the area of disclosure of improper corporate payments, for example, the Commission has been urged by some to promulgate new and detailed reporting requirements aimed at exposing conduct which could be symptomatic of such improprieties. S. 3379, one such measure introduced in the Senate on May 5, 1976, would have, if enacted, mandated such reporting requirements as well as the creation of audit committees composed of outside directors to serve as a check on management excesses.

The Commission, however, has concluded that such reporting requirements would prove to be burdensome and over-inclusive and without corresponding benefit to investors. And, rather than seek new federal legislation to require outside audit committees, on May 11, 1976, we asked the New York Stock Exchange, by amending its listing requirements, to compel listed corporations to maintain audit committees composed of independent, outside directors. In response to this request the New York Stock Exchange solicited comments from the chief executive officers of companies listed with it on a draft proposal requiring that they maintain audit committees composed of independent directors as a condition of listing on the Exchange. The NYSE Board of Directors is scheduled to act on the proposal at its October 7, 1976 meeting.

Experience has shown a close relationship between the failure to utilize such committees and the incidence of improper conduct. Thus, a proposal of this nature would, we believe, accomplish the objective of curbing the type of improper conduct in question, but would not require new reporting requirements, new government intrusion into the private sector, or additional federal expenditures.

We believe that this type of self-regulation, subject to the kind of Commission oversight which is one of the major themes of the Securities Exchange Act, can be imaginatively employed in order to reduce direct Commission regulation while at the same time enhancing investor protection.

2. *Increasing competition.* As our previous correspondence has outlined, the Commission has taken major steps to increase competition in the securities industry. The Commission is under a continuing mandate to refrain, in its rulemaking and in its oversight of the self-regulatory organizations, from imposing any unnecessary burdens on competition.

3. *Increasing internal efficiency.* As described above, we have made substantial strides in reducing administrative delay and are presently engaged in programs to increase our utilization of modern computer and microfilm technology. These steps will, we believe, aid the Commission in more rapidly and efficiently servicing those subject to its regulation and will result in significant savings to the taxpayer.

4. *Streamlining disclosure requirements.* As described at p. 5, the Advisory Committee on Corporate Disclosure is engaged in a comprehensive review of the Commission's disclosure requirements. We believe this effort, the first of its kind in the Commission's history, will result in a major reduction in the burdens imposed by the Commission's disclosure requirements without corresponding reduction in the usefulness to investors of disclosure documents.

5. *Reliance on economic analysis as a predicate to regulatory action.* The Commission has committed itself to undertake no new regulatory programs without first assessing the economic consequences and is attempting to balance the costs against the benefits in determining whether to adopt or retain particular rules. Toward this end, we are working to develop a better understanding of the relationship between our regulatory activity and the economy as a whole.

Each of these five goals will receive constant attention and thought; none is subject to implementation without the need for constant review and the balancing of competing concerns. I am, however, convinced that we have taken significant steps towards accomplishing the objectives of your program of regulatory reform and can assure you that the Commission has a continuing commitment to that program.

Sincerely,

RODERICK M. HILLS,
Chairman.

Enclosure.

FOOTNOTES

[1] On June 9, 1976, the Commission invited all interested persons to submit in writing their ideas for a procedure to use the self-regulatory organizations for settling disputes between a customer and a registered broker-dealer. It also announced that a representative selection of persons who submitted written documents would be invited to make an oral presentation at an informal public forum, which was subsequently held on July 15, 1976. This forum included representatives of the National Association of Securities Dealers, various securities exchanges, individual investor groups, the American Arbitration Association, the Council of Better Business Bureaus, Inc., and others.

[2] For example, the practice of market-makers making a market in both options and the underlying securities is not currently authorized. However, the Commission believes that allowing the practice would be appropriate in a competitive environment and that it would provide an opportunity to test the extent to which competition can be a regulator of a unified market for options and their underlying securities. The Commission, therefore, on September 27, 1976, advised the NASD that such dual marketmaking would be appropriate and is developing a program to analyze various aspects of the functioning of such a system.

[3] This change was made in response to the suggestion that, as a consequence of the use of varying commission rate schedules by brokers, brokers have had practical difficulties reporting this information on a confirmation. Those reported compliance difficulties include substantial reprogramming of computer systems and restructuring of order-handling procedures.

THE DANGER OF FLUOROCARBONS

Mr. BUMPERS. Mr. President, as I have indicated in previous remarks, a fruitful conference on the danger posed to the ozone layer in our atmosphere by fluorocarbons was recently held at Logan, Utah. One of the addresses delivered before the conference was by R. David Pittle, vice chairman of the Consumer Product Safety Commission. Commissioner Pittle, in common with a number of other Federal regulators, is becoming more and more aware of the scientific evidence indicating an unacceptable risk of damage to the ozone layer from nonessential uses of aerosols.

His address was thoughtful and well-reasoned, and I commend it to the attention of the Senate and the public. I submit Mr. Pittle's remarks to be printed in full in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SCIENCE AND PUBLIC POLICY: DYNAMICS OF DECISIONMAKING ON THE STRATOSPHERE

Good afternoon, I would like to begin this talk with a brief explanation followed by a quick disclaimer. The United States Consumer Product Safety Commission is an independent regulatory agency created by the U.S. Congress and charged with protecting consumers from illnesses and injuries associated with consumer products. Decision concerning the need for product standards, recalls, or bans are made, as I will discuss a bit later, by vote of a majority of the Commissioners (nominally five—at present there is one vacancy) acting on the basis of material and information supplied to the Commission by its staff and by interested outside persons. Regulatory decisions made by the Commission may be reviewed and, if improperly made, can be reversed by the courts.

What products fall within the definition of a consumer product is a little more difficult to explain. At the time the Commission was created, a number of Federal agencies were already regulating the safety of some products such as automobiles, drugs, and cosmetics. Congress therefore excluded those products from the Commission's jurisdiction. Nevertheless, the Commission was left with a wide range of products to regulate, products that run the gamut from toys to televisions.

In directing the Commission to look at illnesses as well as injuries associated with consumer products, Congress plunged the Commission directly into the morass of complex decisionmaking that typifies the linking of cancer and other chronic diseases with their causes. My comments today will reflect my experiences with deciding difficult and uncertain issues such as the relationship between chlorofluoromethane (CFM) release and skin cancer.

Before proceeding, let me state my disclaimer. Because cosmetics are excluded from the Commission's jurisdiction, we do not have authority to regulate CFM propellants used in hair spray and underarm deodorants. However, the Commission does have jurisdiction over those propellants when they are used in household cleaning products. Furthermore, because automobiles are excluded, the Commission may lack jurisdiction to regulate auto air conditioning systems. However it does have authority over household refrigerators and air conditioning systems. To add to the confusion, Congress has directed this Commission to defer to the Environmental Protection Agency whenever that agency can take action under the Clean Air Act to reduce or eliminate a risk of injury or illness. Amendments presently pending before the Congress may well give the EPA this authority for risks associated with CFM release and thus may remove the Commission's authority in this area.

Nonetheless, the fluorocarbon controversy has raged before the Commission for almost two years since the Natural Resources Defense Council first petitioned the Commission to ban the use of CFM propellants in aerosols. My interest in this problem is and remains a strong one both as a regulator and as one who in the past has done extensive research on modeling the structure of the lower atmosphere.

Ordinarily when the Commission regulates a product, injuries associated with it are directly and easily traceable to some defect in either the design or the manufacture of the product. For example, a bicycle manufactured with a structural weakness in its frame could fail thus causing a child riding it to fall and break an arm. To obtain the evidence it needs to establish the risk of injury associated with those bicycles, and other products, the Commission maintains nationwide surveys of injuries reported to hospital emergency rooms and investigates a sample of the reported injuries to determine their causes and to look for recurring patterns. The Commission also has engineers on its staff who are able to test products for defects and predict, based on their tests, whether the product contains a defect that is likely to cause injuries. If the Commission does not have or cannot develop the necessary knowledge, itself, it may contract with outside experts.

Let me not oversimplify. Even this analysis of ordinary cause and effect can be difficult. For example, fire often destroys the evidence of its cause. But more often the difficult question the Commission must answer in the case of direct and immediate injuries is not the relationship of cause and effect, but whether the risks that it can establish are unreasonable—that is, should the Commission act to reduce these known risks? Answering this question usually involves complex judgments of policy.

Where injuries and illnesses are remote in time and place from their causes, however, the establishment of causation becomes a principal difficulty. The problem that haunts all government officials charged with protecting the public health—and it is a question that faces all the people of the world—is how can we determine whether today's activities will cause tomorrow's illnesses?

In resolving the question of causation two basic issues must be addressed. The first is how do we ensure that regulatory decisions are founded on the most complete and accurate scientific information possible? The second concerns the degree of scientific certainty required before regulatory action should begin. Separating these two issues is often difficult in practical applications because they are so closely related. Nevertheless the attempt must be made since one is largely a question of fact and scientific method while the other is mainly a policy judgment.

Some scientific agreement that a problem exists is a prerequisite for governmental action. This is so because of the legal need to establish a factual predicate for regulation. Some rational basis for government interference in the marketplace must be shown before that intervention can take place. Moreover, if government regulation is to have any credibility, the citizens of this country must be able to understand the reasons why regulation is necessary. This is not to say that regulation must await the resolution of all disagreement. If that were the case, public health agencies might just as well close down. Rather I mean only that the theoretical underpinnings of a regulation must be clear, convincing, and explicable.

Various means are currently used to attain a measure of scientific certainty as to the causes of problems in the public health and environmental areas. Two such methods have been used in the present controversy. One was the formation of an intergovernmental task force, made up of representatives of all agencies with expertise in the area, to examine the available data and make recommendations for further government action. The second was the referral of the same material, together with the report of the government task force, to a panel of the National Academy of Sciences (NAS) to review the conclusions in light of some new studies to be performed.

A third method of scientific review has also been suggested by some as appropriate to this problem. That is the formation of a scientific "court of inquiry" to "adjudicate" opposing points of view on complex questions; e.g., the need for regulation of aerosol propellants. In a moment I will touch briefly on some emerging issues concerning that court.

It is extremely important to point out that these methods of review of the scientific evidence are usually made use of during the initial phases of an agency's investigation of a problem, i.e., while the regulatory agency is still attempting to determine whether action is necessary. Once an agency such as the Commission decides that sufficient evidence exists to form the basis for governmental regulation then certain further steps are legally required. The agency must, at a minimum, publish a proposal in the *Federal Register* in which it outlines the action it proposes taking and why it believes such action is necessary, including a summary of the scientific evidence upon which the action is based. The public, including the industry proposed to be regulated, is then free to comment in writing on any part of the proposal. An oral hearing may be permitted or, in some cases, required. Before making the regulation final, the agency must respond publicly to the comments it receives. Thus, the law provides a further opportunity for independent scrutiny of the agency's scientific case.

If, after reviewing the comments it receives, the agency decides that it should take the course of action it proposed, the process is not necessarily complete. Upon request by interested parties the courts will scrutinize the action to determine not only that it is within the agency's legal authority but also to see that the agency has adequately assessed the evidence before it and chosen a reasonable course based on that evidence.

I stress these legal requirements for notice and comment and judicial review for two reasons. First, they provide an explicit opportunity to challenge the scientific validity of an agency's assumptions and to obtain an impartial review of the agency's conclusions. In this way the law has provided a brake to help guard against impulsive agency action not adequately grounded in fact or law. Second, as a braking process these steps take considerable time. Two or three years, for example, would not be uncommon in a matter as legally and factually complicated as the issue of ozone reduction.

Consequently, in determining the certainty needed to propose regulatory action, sight must not be lost of the fact that a proposal is only the first of three steps. If near unanimity of scientific opinion could be achieved during the investigatory phase, this consideration would, perhaps, be less important. In theory at least the scientific agreement would result in few comments on the agency proposal and less impetus to seek judicial review. In practice, however, such unanimity is rare—particularly when the agency action will have an adverse effect on powerful economic interests.

I believe that agencies should generally use less formal means to test the soundness of its scientific conclusions. Open meetings with outside experts, or informal hearings at which expert scientists are invited to testify, are approaches which should be frequently used. Papers prepared by staff experts and circulated for peer review is another. The procedures permitting comment on a proposed regulation is a third. By keeping the mechanisms informal and unstructured, the agency can obtain an assessment of the relative strengths and weaknesses of its case without spending time unnecessarily in implementing formal, procedurally complex methods of obtaining the same scientific comment.

However, I do strongly support one addition to the set of informal data gathering and weighing techniques that are used by agencies in assessing the existence and scope of a problem. I believe there is a need to make funds available to the public, including interested scientists, so that independent technical knowledge is available in agency deliberations. Congress is considering a variety of legislation in this area such as the Agency for Consumer Advocacy and Legislation sponsored by Senator Kennedy to compensate public participants, including expert witnesses, in agency proceedings. I have been a regulator for nearly three years and each passing day of my term makes me realize more strongly the need for adequately funded public participation in agency proceedings.

Where an agency is faced with a high degree of scientific uncertainty there may be a need for some more formal method of scientific peer review in order to assure the correctness of agency decisions. However, in this connection I reemphasize the distinction that I drew earlier between the method of assessing the degree of certainty and the separate judgment that sufficient certainty is present to commence regulation. The latter question involves examination of the agency's mandate in order to determine the level of certainty intended by Congress. The degree of certainty required prior to action may vary from agency to agency or may vary within an agency depending upon the particular statute under which regulation is proposed. Moreover the decision that regulation is needed in the face of some uncertainty is not a scientific judgment but a social one that requires regulators to weigh the degree of potential future illness and misery against the potential harm of economic disruption and unemployment and the restrictions on consumer choice that arise from changing or removing products from the market.

Peer review mechanisms should, therefore, be limited to assessment of the available data and the weight it should be given in view of facts as yet unknown and theories as yet untested. Ideally it would also include a full description of how to reduce uncertainty by specific amounts, and the costs in time and resources for that reduction.

The National Academy of Sciences report on the fluorocarbon controversy is an ideal example of what in my view are both the good and bad aspects of peer review. Thus, on the one hand the report does provide a lucid assessment of the uncertainties remaining with regard to the effect of the release of CFMs on the environment and on man. This assessment will be extremely helpful to agencies charged with protecting consumers from the environmental and health risks of CFM release.

But the report goes further and enters into the domain I believe belongs more properly to the regulatory agencies. The NAS panel calculated the expected increment of ozone reduction that would result from a two-year delay and found that increment to be small. It therefore recommended a two-year delay in the commencement of regulatory proceedings in order to obtain results from additional studies. NAS believes these studies would further reduce uncertainties regarding both ozone reduction and climatic changes. According to NAS, reduction of uncertainty would enable the regulatory agencies to better determine the extent to which fluorocarbon usage should be curtailed. For example, agencies will be in a better position to address the need to restrict the use of fluorocarbons in automobile and building air conditioning systems as well as in aerosol containers.

While recognizing the general mandate of the National Academy of Sciences, I find it difficult to accept the issuance of a policy judgment, that we can afford to delay the commencement of regulatory action for two years. Moreover this judgment carries with it added credibility simply because NAS made it and, consequently, it sets a strong public mood.

Not only is this public pronouncement confining to me as a regulator, but I also believe NAS has ignored two critical considerations in arriving at this conclusion. The first of these is the extent to which the law permits, and Congress intended, regulatory action that is precautionary in nature. This is action taken, not on the basis that injuries and illnesses will occur with certainty but rather on the basis that there is a risk that illness or injury may occur. In the case of the Consumer Product Safety Commission, the trigger for regulatory action is a finding by the Commission that a risk exists and that the risk is unreasonable in nature. In the House Report accompanying the Consumer Product Safety Act, Congress directed the Commission to determine whether a risk associated with a product is unreasonable by balancing "the probability that risk will result in harm and the gravity of such harm against the effect on the product's utility, cost and availability to the consumer."

This balancing test can be translated to the hazards of ozone reduction by stating that the Act requires the Commission to assess the probability that the ozone reduction theory is accurate and that continued release of CFMs into the atmosphere will eventually result in an increased incidence of skin cancer. This is balanced against the utility of and the necessity for the aerosol container that makes use of fluorocarbon propellants.

I balanced these considerations in July 1975 and again in February, 1976 when the Commission denied petitions requesting it to commence proceedings to ban use of fluorocarbon propellants in consumer products. I disagreed with those Commission decisions not to take action and voiced my dissent in opinions in which I stated my belief that the ozone layer was being adversely affected by the release of CFMs. I stated then that I did not believe the commencement of regulatory action should be delayed merely to refine the precision of our assessment of the problem.

It seemed to me then that the proposed NAS study was likely to produce only evidence that would further substantiate the conclusions of the IMOS task force. And, indeed, in my judgment this has been the case. Based on additional evidence NAS substantially corroborates the IMOS figures for predicted ozone reduction. Beyond this it finds greater substantiation for the relationship between malignant melanoma and ultraviolet exposure, a finding that substantially increases the severity of the risk of cancer. Moreover, the NAS also concluded that release of CFMs creates a serious risk of climatic changes. The presence of additional supporting evidence, and findings that indicate an increased magnitude of risk, leads me to seriously question a recommendation for an additional two years' research as a condition precedent to the commencement of regulatory action. I particularly question this delay as it seems highly unlikely that the additional studies will result in a recommendation that the use of CFMs as aerosol propellants not be banned.

Earlier I discussed the time needed to complete regulatory action from the date of its commencement, and suggested two to three years as a likely time frame in a complicated question such as this. Apparently this inherent time lag between proposal of a regulation and final disposition of court challenges was not considered in the report. The incremental certainty that might be gained from additional research will be useful, but in view of the apparent necessity for a ban of at least those CFMs used as aerosol propellants, and in view of the two to three years that administrative and legal proceedings are likely to consume, I believe regulatory proceedings should begin now.

As I mentioned earlier, beyond the consideration accorded the ozone reduction problem of IMOS and the NAS, some people have suggested that this issue might be appropriate for the convening of a "science court." As I understand the general concept, it calls for a panel of scientific experts who would hear and judge cases presented by opposing scientific advocates. The cases would concern current problems facing regulatory agencies and other governmental bodies where there was substantial disagreement on questions of science and technology. Ideally the court, which would use an adversary system, would concern itself only with technical matters and not at all with social or policy judgments.

This concept appears to answer one of the major concerns that I just expressed concerning the tendency of existing groups such as the NAS to commingle policy decisions with judgments as to the state of the scientific record. However, the creation of an entire court structure simply to attempt to remove value judgments from scientific conclusions strikes me as being somewhat akin to the left-handed use of a sledgehammer to drive a carpet tack: It seems that the tool is much more potent than is needed and frankly it could accidentally do harm.

While I am in complete agreement with the desired goals, I have a major reservation about the need for, and the utility of, a science court as a technique to aid in government decisionmaking. The conclusions reached would have a very strong binding effect on the agencies involved simply because of the public aura that would be associated with its impressive character. More importantly, the length of time needed for this body to deliberate will hamper responsive government regulation of the public health and safety.

My reservations concerning delay introduced by the science court stem from the experiences of the Food and Drug Administration and the CPSC with the use of adjudicatory procedures to reach decisions in technical matters. These procedures are required by law in certain instances and their use has resulted in ten and twelve-year delays in the implementation of regulation while hearings are conducted. Obviously such long delays are unnecessary but it is foolish to ignore the fact that delay is inherent in most adjudicatory procedures.

Moreover highly complex scientific matters about which there is disagreement appear to me likely to have two natural characteristics. The first is that disagreement exists precisely because the answers are uncertain. In resolving the uncertainty, questions of policy are difficult to avoid. The second is that there will be more than two "sides" to the disagreement, thus requiring an adversary process of exponentially increasing complexity if for no other reason than to provide due process to all parties concerned.

As I stated earlier I believe there must be experimentation with improving the process of arriving at decisions in complex and uncertain matters.

I believe that we should try the idea of adequately funding public participants in various informal agency processes before considering the notion of a formalized procedure such as the Science Court.

In leaving this subject, I believe it important to note that statements in the press that the Consumer Product Safety Commission has agreed to be a guinea pig for the science court experiment are not accurate. The matter of the science court has never been discussed or voted on by the Commission. I do not know what the Commission's decision would be if and when the matter arises.

Those of you who are still awake may be wondering at this point what magic I possess to make the best public decisions. In partial response I would like to stress that I am only one of five commissioners charged with jointly considering and arriving at decisions that we hope are in the best interest of the public. The Commissioners are persons of diverse backgrounds and include at the moment a chemist, a lawyer, an MBA, and myself, an engineer. (There is one vacant seat.) The decisions that we make are constrained by the standards set forth in the laws we administer and the evidence in the record before us. We are accountable to the courts and to Congress for our exercise of judgment.

We can be reversed by the Courts if we act arbitrarily and Congress can cut off our funding or amend our laws if we fail to carry out Congressional intent. Panels of scientists, on the other hand, whether convened by the NAS or by a court of inquiry, are accountable only to their peers. In my opinion, this is an extremely important reason why such panels should not make decisions that go beyond the bounds of their scientific expertise.

However, this does not mean that I think scientists should not be permitted to express views on policy. On the contrary, I urge you all to make recommendations to the Commission and other government agencies. Your technical recommendations are entitled to great weight. But your recommendations as to policy should not carry more weight than those of any other informed and responsible citizen.

Weighing risk and reaching a decision on whether that risk is acceptable to society is not easy when the information on which decisions must be made is incomplete. Judge J. Skelly Wright of the United States Court of Appeals for the District of Columbia in a decision involving the Environmental Protection Agency described the dilemma in this way.

"Man's ability to alter his environment has developed far more rapidly than his ability to foresee with certainty the effects of his alterations. It is only recently that we have begun to appreciate the danger posed by unregulated modification of the world around us, and have created watchdog agencies whose task it is to warn us, and protect us, when technological 'advances' present dangers unappreciated—or unrevealed—by their supporters. Such agencies, unequipped with crystal balls and unable to read the future, are nonetheless charged with evaluating the effects of unprecedented environmental modifications, often made on a massive scale. Necessarily, they must deal with predictions and uncertainty, with developing evidence, with conflicting evidence, and, sometimes, with little or no evidence at all."

Vinyl chloride, abestos, PCBs, CFMs, the litany of dangerous substances grows daily. Agencies must act on the basis of as much certainty as possible. But we cannot delay forever if we are to adequately protect the public's health.

SPEECH BY JOHN E. ROBSON, CHAIRMAN OF THE CIVIL AERONAUTICS BOARD

Mr. KENNEDY. Mr. President, John Robson assumed the chairmanship of the Civil Aeronautics Board at a time when the airline industry was in financial difficulty and during a period when the long-held assumptions about Federal regulations were being challenged and in many cases debunked. Chairman Robson has been there for about a year and a half and in that short time the CAB has become a fundamentally different agency than the one I studied and criticized during the many weeks of hearings in 1974 and 1975 which I chaired before the Subcommittee on Administrative Practice and Procedure. Today, morale is high at the Board. The members and the staff are striking out in new directions. The old shibboleths about price and entry regulation are not the governing concepts anymore. Since John Robson has headed the CAB, a unanimous Board has recommended that the Congress pass legislation that could eventually result in the Board's ultimate extinction.

Many of the new and creative ideas regarding economic regulation are reflected in a recent address Chairman Robson prepared for delivery to the New York Society of Security Analysts. John Robson's speech recounts some of the changes we have seen at the Board in the last year or so—changes that deserve our support. But, rather than simply list his achievements, Chairman Robson took the opportunity in that speech to outline in clear and convincing terms why fundamental reform can only be accomplished by moving from rigid economic control to a fundamentally competitive system in the airline industry. I have often expressed the view that streamlined procedures and better appointments—as important as they may be—do not close the book on regulatory reform. The underlying mandates of the agencies are as often as not the real problem and the CAB is a perfect example of that. It must guarantee market stability and the financial health of each regulated firm. At the same time it must keep air fares low for consumers. And it must perform these contradictory functions in an ever-changing economy and a pluralistic environment.

The Chairman of the CAB clearly perceives the ultimate futility in store for even the most conscientious of regulators when the law we in the Congress give them to faithfully follow leads an important industry and the Nation's travelers down a regulatory rabbit hole to an economic never-never land. John Robson's speech suggests some paths we might take. I submit his speech and ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY JOHN E. ROBSON, CHAIRMAN OF THE CIVIL AERONAUTICS BOARD

Just a year ago this month I spoke before you and we faced many of the same difficult questions we face today. Who will win the World Series? Where will the Dow Jones be at year-end? And what's the Civil Aeronautics Board going to do next?

We found ourselves then in the last quarter of one of the bleakest financial years in airline industry annals—with deep concern about both the immediate problems and the long-term future of the industry. As a newly arrived CAB Chairman, I felt keenly then, as I do now, the burdens of attempting to grapple responsibly with the present and simultaneously plan for the future.

We stand this October day near the end of what, from all appearances, will be a reasonably good year for the airline industry. I suppose one might complain that the sharp criticisms leveled at the Board for the industry's bad showing in 1975 were not succeeded by plaudits for a superb regulatory performance in 1976. But I don't. For we cannot claim credit for the resurgence of the general economy, the decline of inflation, the solid gain in air traffic or for various cost economies affected by individual carrier managements.

Moreover, I hope that the sense of relief occasioned by having passed through the immediate past difficulties does not euphorically distract us from addressing the fundamental issues of the future which remain.

Some brief accounting of the regulatory and legislative events of the past twelve months is perhaps appropriate. For it has been an eventful period.

A year ago I said to this group that I expected the Board to act favorably on requests for fare increases that met the tests of our then established and currently effective rate-setting formula; that I expected the Board to pursue a relatively active route hearing program; and that I hoped the Board would be able to deal in a progressive manner with the removal of unnecessary certificate operating restrictions. I believe it is fair to say we have done so.

I also expressed the hope for progress in hastening regulatory decision-making through improved procedures and tighter internal mechanisms. Laboring under the heaviest workload in the Boards history—an ever growing one I might add—and the limitations imposed by our statutory procedural requirements, we attained a comparatively good productivity. But we have not—to my personal disappointment I confess—achieved the degree of progress I hoped for. There have been some procedural changes—chiefly the imposition for the first time of a time limit for action on one category of the Board's work (rulemaking petitions) and the development of an internal work item tracking system that will give us the capability to assign and monitor time ladders for all significant pending work items. We will be able to track each item as it climbs from the beginning rung to final decision to see that it stays on the assigned schedule. But the task of expediting the decision-making process under existing laws remains one at which we shall have to keep plugging away.

I indicated to you last year my strong hope for an energy bill that would provide for gradual decontrol of aviation fuel prices. Along with others, the Board urged such a program and Congress adopted one. While the recent decontrol of middle distillate products may accelerate the pace of jet fuel price increases faster than contemplated when the energy bill was passed, jet fuel prices have been relatively stable this year.

Last year we discussed proposed changes in the investment tax credit which would assist carriers in realizing originally contemplated tax incentives for investment in equipment and plant, as well as proposals to reduce the present 8% ticket tax. The recently enacted tax bill gives some investment tax credit assistance. The matter of ticket tax reduction seems to have become entwined with various plans for aircraft noise retrofit and replacement which are in a somewhat confused and uncertain status.

While I offered the view here last autumn that, during 1976, Congress would not enact sweeping changes in the law governing the regulation of civil air transportation, I noted that we had been presented with a unique opportunity for the constructive consideration of aviation regulatory policy. The extensive Congressional hearings on this subject and the development of a number of pending legislative proposals for air transport regulatory reform allow us to conclude, I think, that the opportunity was used.

In other areas, too, this has been an active time at the Board. Actions have been taken or work is well under way on new charter forms, subsidy matters, consumer protection and information programs, efforts to reduce the burdens on firms which report and file forms with the Board, enforcement activity, and some critical international aviation issues.

So much for the immediate past.

For the year approaching I am reasonably optimistic. Traffic should continue to grow, although probably more moderately than in 1976. Assuming a prudent employment of capacity, demand and capacity can continue to draw closer together. I foresee continuation of the Board's present fare policies. Yields, of course, will be influenced in part by carrier management decisions on discount fares. Costs will assuredly rise somewhat, although most economic forecasters do not expect a resumption of anything like the 1975 inflation rate. But we could be unpleasantly surprised by the level of increases in fuel or labor costs. Opportunities for significant productivity gains through technology or reductions in force appear limited. I suspect that this picture for next year may be pretty much in line with assessments that many of you have made.

What about the long term? And here I intend to reach beyond the next two or three years as to which, barring unexpected events, I am cautiously optimistic for the industry.

It may seem somewhat presumptuous that I am talking of the long term issues of air transportation less than a month away from what the pollsters say will be a very close Presidential election. But whatever happens on November 2, the problems of the future of civil aviation that have occupied a great deal of my thought since I came to the Board will persist. They will have to be addressed and dealt with imaginatively and successfully—or not so imaginatively and successfully—by the Congress, the regulators, the industry, the lawmakers and by you in the financial community.

These issues will exist regardless of which President or party occupies the White House or controls Congress, or who sits in the seat of the CAB Chairman. For they represent some of the fundamental problems of economic regulation.

Most of you earn your living by guiding investment dollars into one security or another. You try to advise your clients and customers to put funds into investments which you believe are sound and will make them a profit. As expert and objective counsellors, how many of you would select one of the Government regulated industries as the best long-term choice against opportunities in other non-regulated industries?

My personal impression is that investors have become somewhat wary about the long-term aspects of regulated industries. And perhaps there are reasons for that caution.

I realize the difficulty in generalizing with respect to an entire economic sector and that there are always individual exceptions to any broad observations which one may draw. Nonetheless, it may be instructive to examine the industries subject to economic regulation—meaning industries where prices and entry are controlled by public bodies. Generally, the report card appears to me to be pretty unsatisfactory. While each has its peculiar characteristics, they seem to show certain common attributes—capital malnutrition and high capital costs, difficulty in maintaining a balance between capacity and demand (that is under or over-capacity), and sluggish productivity gains, particularly when compared to their historical productivity performance, and less apparent prospect for major productivity gains through technological breakthroughs.

I should like to offer some observations why these conditions may exist.

First, the process of governmental economic regulation is one which employs historical cost data to establish prices and allowable rate of return levels. This system can work reasonably well in an economic environment which has stable operating and capital costs. Consider, for example, the experience of the airlines during the 60's when, in addition to phenomenal sustained traffic growth, operating costs fell and productivity shot up primarily due to the advent of highly efficient jet equipment. But the economic regulatory system has more difficulty in responding and functioning effectively in an economic environment characterized by rapid shifts, rising operating and capital costs, and relatively stagnant productivity. It is precisely such an economic environment through which we have come in the past few years and which many respected observers believe will predominate into the foreseeable future.

High velocity changes in economic conditions accentuate this lag problem. A few attempts have been made to deal with the problem—most notably, perhaps, fuel clauses under certain electric utility regulation. But, because of broader public and political considerations, it may not be realistic to expect that the present historical perspective of economic regulation will be replaced by a basic reliance by Government regulators on speculation as to specific future costs, including costs of capital, or prospective levels of inflation.

Second, the well imbedded due process procedural requirements associated with Government economic regulation, coupled with the quantum of inherent delay in multimember regulatory bodies, impose a certain rigid quality.

Notwithstanding substantial good faith efforts by the Board and others to ameliorate this problem, I am, frankly, pessimistic that the present system will produce a pace of regulatory response fully adequate to the challenge of rapidly changing economic conditions.

Just as importantly, these same elements of delay and rigidity frustrate corporate management's ability to plan and implement actions it concludes are essential for marketplace or financial reasons.

Third, the Government regulator has multiple obligations to separate constituencies with competing demands and goals which must be balanced in discharging our regulatory responsibilities. The interests of these constituencies are frequently in conflict. And a proper balancing of them by a public regulatory body means that trade-offs are made and that concerns prevail in the regulators' decisions that may be contrary to perfectly sound and responsible judgments of the regulated industry. Assuredly this can create disruptions and distortions for the regulated industry. But, in a free society such as ours, the responsibilities of a Government regulator will always be subject to those tugs and pulls. It is the inexorable politics of a democracy where the diverse elements of our society are entitled to press their respective points of view and interests upon the public decision-makers. And it can become a force which, in the regulators' attempt to satisfy competing goals, can draw Government into an increasing degree of involvement in private economic decisions.

Moreover, in a regulatory system which relies heavily on human judgment to weigh the competing interests, reasonable men can and do differ on where the emphasis should be placed. This adds a significant element of volatility to the economic life of a regulated industry and an uncertain factor to be weighed by investors and lenders in addition to their evaluation of the basic business and quality of management.

Fourth, I perceive the economic regulatory system may confront great difficulty in maintaining policies which, when set down, were intended to prevail over the long term. This additional factor of volatility is, I think, a product of both the obligations of public regulators to multiple constituencies with often conflicting goals, and of our national economic traditions which have encouraged commercial freedom for the person who shows up with what appears to be a better (or cheaper) mousetrap. The recent struggles over new entrants into certain functions of the telephone system manifest that difficulty.

Take also the case of air transport rate regulation. In recognition of the cyclical nature of the industry, the DPFI policies contemplate that the earnings valleys of cyclical downturns would be compensated by earnings peaks in economic upswings—so that adequate average earnings over the long term could be achieved. But I cannot speculate as to the impact of the external factors I have just mentioned on this DPFI policy if, at some future time, the industry strings together a few successive years of comparatively high earnings which may then be characterized as excessive.

As you are all aware, the Board proposed earlier this year a broad legislative program for regulatory reform—one which would shift the economic regulation of air transport toward reliance on competitive market forces and reduce the degree of regulation. While I will not review that program here, I believe that the Board's testimony before Congress and proposed legislative program were honest and thoughtful statements and offered a sound solution for Congress to consider. We did not over-promise and we were forthright about the risks and uncertainties which the difficult transition to a different regulatory regime would present.

Apart from the more fundamental long-term structural aspects of economic regulation I have discussed, neither the condition of regulated industries in general nor the financial history of the airline industry in particular offers a compelling financial case for clinging to the present system of regulation for the long-term.

Over the past quarter century, the corporate rate of return for domestic trunk airlines has reached or exceeded 10% eight times—five of those eight years being 1951 through 1955—and the most recent year being 1966. In the past decade corporate rate of return hit 10% only once and in seven of those ten years it has not climbed over 6%.

True, the industry has, until recently, been able to expand and attract capital. But certainly there prevailed during most of these years an optimum economic environment and perhaps aviation has enjoyed a peculiar glamour and excitement which was a factor in endearing it both to the public and financial decision-makers.

As analysts you know that this is not too impressive a story, particularly in an industry where demand has generally risen much faster than the rate of growth of the GNP. I do not see Government economic regulation being formally converted into a system more restrictive on entry and competitive policies or which more directly favors the interests of the regulated industry—for example, great freedom in maximum pricing while at the same time maintaining tight Government protection on entry. I personally find it difficult to perceive future economic or other factors under the current system of regulation which persuade me to the view that, over the long term future, things will surely take a turn for the better.

As I believe you are, I am also concerned that the role of Government regulation in air transport may increase the reliance on Government for maintenance of individual carriers—a reliance which can turn into a requirement for significant support with public funds in times of industry distress, or ultimately lead even to nationalization. I do not presume to speculate or assert that such is inevitable. But the experience of the railroads cannot be ignored. However, such a denouement for the airlines seems to me both unfortunate and unnecessary.

If the long-term assumptions I have outlined are reasonably accurate—that is:

An economic environment of rising costs, moderate traffic growth by historical standards, and increasing difficulty in achieving meaningful productivity gains; and

A persistence of inherent problems in regulation which is likely to confine regulated industries to a condition of financial mediocrity and also presents the prospect of growing Federal involvement,

is this not an argument for changing the regulatory system—particularly where such a change appears to offer the prospect for long-term benefits to both the public and to private interests?

I emphasize the positive long-term aspects of regulatory change and my belief that a more competitive, less regulated air transport system offers substantial potential benefits to the public and to the private sector. I see their interests as mutually served. A system more reliant on competitive forces should produce, over the long-term, a more efficient system. And this should provide the opportunity for fares to reflect those efficiencies while at the same time maintaining service levels and types which meet public demand for air travel. Such a system should also offer to the industry growth and profit opportunities and, therefore, the ability to attract necessary capital. Carriers will be better able to rationalize their systems, price their services correctly, and respond more rapidly to changing conditions in the marketplace and the economy.

I am not pessimistic about air transportation maintaining its vital national role. The essentiality of air travel to our economy and our way of life has been proven beyond any doubt. The issue is under what conditions and what regulatory framework can aviation best carry out, expand and improve its role.

I must also specifically dispel any interpretation of my remarks today as a criticism of the Board as such. My affection and respect for the Board have grown in my time there. What I have attempted to point out are some personal views on fundamental issues pertaining to all economic regulation and some observations on the future economic environment.

As professional financial analysts more than a little interested in an environment which will promote the long-term economic health and prosperity of the airline industry, you have a big stake in the responsible resolution of these problems. I do note that a few of you have publicly recognized the potential advantages of regulatory reform. But I know there are many which oppose any substantial change in the regulatory framework.

I appreciate fully the difficulty in changing from a regulatory environment which has been in place almost four decades. I recognize that uncertainties and risks exist in such a move. But what must be weighed against this, are the prospects for success under the status quo and the potential public and private benefits of change.

During this past year a great deal of constructive public discussion of the various facets of the problem has been accomplished.

It is now a matter for national decision. Perhaps by the time of your next annual meeting with the Chairman of the CAB we shall know what that decision was.

ESTATE AND GIFT TAX PROVISIONS OF THE TAX REFORM ACT OF 1976

Mr. MATHIAS. Mr. President, for a long time I have been troubled by a change in America that we can see happening before our very eyes. I am referring to the abandonment of farmland, the sight of farm buildings in decay, and the gradual absorption of that farmland into urban and suburban areas, and into paving for shopping centers and highways. This abandonment is occurring without any regard to what is the best land to be kept for agricultural purposes and without much regard for the future of the country with respect to feeding the people at home and doing our share in feeding people abroad.

One of the reasons this change has been taking place is because of our tax laws. As the value of real estate has increased, the effect of the estate tax is to force the average farm family to sell its property upon the death of the head of the household.

This means that the family that would like to continue to be farmers—families who want to continue to produce crops and livestock to feed our people and the rest of the world—find that they just simply cannot do it because at the death of the head of the household they have to raise cash to pay the Federal estate tax. And that kind of cash simply is not available in the average farm family.

I have been concerned about this for many years. A few years ago I took positive action by introducing a bill which would provide that while property is kept in agricultural production it should be entitled to valuation at agricultural level, rather than appraising it as its potential development use which often results in the imposition of a much higher tax.

Under my bill this agricultural valuation would be available unless the property is, for example, put back into the speculative real estate market, or, is sold for a development or shopping center or a highway. If such a sale is made, the full estate tax should and ought to be paid. But, while it is farmland, while it is kept for agricultural use, then it should be entitled to different valuation rules.

I am pleased that a majority in the Congress has finally agreed with that point of view, and that we have provided for this kind of tax relief in the current tax reform bill which the Congress has just approved and which the President has signed. In addition to the new valuation procedures, the tax bill also replaces the present $60,000 estate tax exemption with a tax credit that will be the equivalent of a $175,000 exemption when it is entirely phased in, in 1981. Under the bill, farmers and owners of closely held businesses will benefit from an extension of the time in which estate takes must be paid.

These changes will be an enormous help to farm families who want to stay on the land and who want to preserve not only the natural environment of their farms but want to preserve a way of life which is very closely associated with bedrock American principles. I do not think the Tax Reform Act of 1976 went far enough to achieve reform in the tax laws. But this is one of the cases where I think equity and fairness were enhanced and improved. I believe that this is a step forward, not only in our tax system but I think it is a step forward in the preservation of farm values, which are important for all time and, if lost now, will be lost forever.

Mr. President, I submit and ask unanimous consent that an editorial that the Star Democrat, Easton, Md., September 21, 1976, and a memorandum prepared at my request by the Library of Congress dealing with the treatment of farms under the Tax Reform Act of 1976, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Star-Democrat, Sept. 21, 1976]

A LONG-NEEDED REVISION

Congress did something important last week, important especially for our agricultural area. The federal lawmakers finally revised the estate tax law, which in its present form, has had some disastrous effects on small, family farms.

Too many times, when a farmer died, his family had to sell the land he left to pay the inheritance taxes. The farmland was then developed, not always in the most attractive or practical way, and another bit of our dwindling agricultural acreage was lost.

The congressional revision converts the $60,000 estate tax exemption to a combined estate and gift tax credit against total taxes owed, meaning that the estate tax exemption will climb immediately to $120,666 and by 1981 to $175,625.

Another important provision of the revision is one allowing for the evaluation of farm land for estate tax purposes on the basis of its present farm use instead of its potential developed use. A farmer's heirs will also be allowed 15 years to pay off any estate tax rather than the 10 now allowed, and at an interest rate of four percent, not seven.

With more and more of the Eastern Shore being converted from farm land to housing projects, and the numbers of farming families decreasing drastically, Congress has acted none too soon.

CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 21, 1976.

To: Hon. Charles McC. Mathias.
From: American Law Division.
Subject: Estate tax treatment of farms under the Tax Reform Act of 1976.

This memorandum is prepared pursuant to your inquiry of September 20, 1976, requesting an analysis of the impact of the estate and gift tax provisions of the Tax Reform Act of 1976, as passed by the Congress on September 17, 1976, on farms. A number of the estate and gift tax provisions will have notable impact on the problems of farms, including the unified estate and gift tax credit, the new valuation methods for farms, the increased marital deduction, the joint interest rules, and the new extension of time for payment of estate taxes.

One of the principal problems of farms in the estate tax area has been illiquidity. A farm's principal asset is usually the real estate on which it stands and, if the farm is to be continued, this cannot be liquidated to pay estate taxes. Consequently, farms have been required to resort to various estate planning techniques to avoid dissolution upon death of the principal owners.

Such techniques included incorporation of the farm and inter vivos disposition of the stock to the family of the primary owner, and purchase of large life insurance policies designed to fund the estate tax liabilities. See, e.g., Statement of National Association of Wheat Growers in Public Hearings and Panel Discussions before the House Committee on Ways and Means, on Federal Estate and Gift Taxes, 94th Cong., 2d Sess., 14–17 (1976). This problem is addressed in three different ways under the new law.

First, the new unified estate and gift tax transfer credit is higher in tax value than the former estate tax exemption or gift tax exemption. The former exemptions amounted to a $30,000 lifetime gift tax exemption and a $60,000 estate tax exemption. Int. Rev. Code, sections 2052, 2021, The new, unified credit is equivalent to an exemption of about $175,000 when it is entirely phased in, in 1981. H.R. 10612, section 2505. Therefore, a larger amount of farm land and other farm assets may be left by a decedent without imposition of an estate tax, or given away without imposition of a gift tax, than under prior law.

Second, the new, higher marital deduction will permit a farmer to leave more property to a surviving spouse without imposition of an estate tax. Prior law permitted a decedent's estate to take a deduction for the value of all property left to a surviving spouse, subject to a limitation of one-half of the adjusted gross estate (the gross estate, less taxes, expenses and losses). Int. Rev. Code, section 2056. The small estate, be it farmland or otherwise, received far less marital deduction than the larger estate, because its adjusted gross estate was lower. However, the new estate and gift tax laws, under the Tax Reform Act of 1976, permit an estate to deduct the value of property passing to a surviving spouse subject to a limitation of the greater of $250,000 or one-half of the adjusted gross estate. H.R. 10612, section 2202(a). This will permit a farmer leaving a substantial portion of his or her estate to a surviving spouse to leave an estate of up to $425,000 (after 1982) without imposition of any estate taxes at all. This figure is computed as follows:

Gross Estate, $425,000.
Marital Deduction, $250,000.
Taxable Estate, $175,000.
Tax Liability, $46,800.
Unified Estate Tax Credit, $47,000.
Taxes Owed after Credit, None.

Third, the new estate and gift tax provisions also provide for special valuation of farm lands in certain circumstances. Under present law, all properties are included in the gross estate at their "highest and best" use valuation on the date of decedent's death, or an alternate valuation date. If, therefore, a farm is situated near an urban area and has a greater value for urban use than farm uses, the property will be included in the gross estate at the former valuation. This is changed in many instances, under the new estate and gift tax reforms of the Tax Reform Act of 1976.

Under the new estate and gift tax rules, the executor of the estate may elect to have the real estate used in a family farm valued at its current use, rather than the "highest and best use." In order to qualify for this alternate valuation, the farm or closely held business must (1) constitute at least 50 percent of the decedent's gross estate, adjusted for debts, taxes and losses (this includes both the realty and personality used in the farm or closely-held business); (2) constitute at least 25 percent of the adjusted gross estate (this includes only the realty); (3) pass to a qualified heir (lineal descendant, parent, spouse, aunt, uncle or their descendants); and (4) have been used as a farm or closely-held business, and operated by the decedent or his or her family, for five of the last eight years.

The valuation for a farm is determined by dividing the average annual rental of comparable farm lands by the average effective interest rate for new loans by the Federal land bank, taking an average over the five most recent calendar years. If there is no comparable land or if the executor so elects, the farm may be valued under an alternate method.

The alternate method for valuing farms and closely-held businesses is an appraisal of the value of the land, considering all relevant factors. Specifically, the factors must include the capitalization of the income yielded as a farm or closely-held business, the fair rental value of the property as a farm or closely-held business, also capitalized, the assessed value of the real estate for State tax purposes as long as the State assesses at current use, and comparable sales prices of similar land also situated away from locations in which they would be used for other, "higher" uses.

In no event may the alternate valuation reduce the gross estate by more than $500,000.

The property must be continued in its use as a farm or closely-held business by the decedent's family for at least fifteen years after his or her death. If the property is either disposed of, or the use changed within this period, the Government may recapture the tax benefits realized by alternate valuation. If the change or sale occurs within 10 years of the death of the decedent, the entire tax benefit will be paid by the successors to the Government. If the change occurs between the tenth and fifteenth years after death of the decedent, there is a phase-in of the tax benefit. H.R. 10612, section 2203.

Fourth, the farms will benefit from the new extensions for time within which estate taxes must be paid. Under current law, the estate tax must be paid nine months after the decedent's death. However, if the value of the closely-held business of the decedent is greater than 35 percent of the value of the gross estate, or 50 percent of the taxable estate, then a 10-year extension is afforded. Int. Rev. Code, section 6166. If, secondly, the executor can show that there would be "undue hardship" caused by the payment at the due date, the Government may extend the time for payment for up to 10 years. Int. Rev. Code, section 6161(a).

The new Tax Reform Act would substitute a "reasonable cause" standard for the current standard of "undue hardship," in order to obtain a discretionary extension of up to ten years for payment of estate taxes. In addition, if a family farm or closely-held business constitutes at least 65 percent of the adjusted gross estate, an extension of up to 15 years is granted, with no tax payable during the first five years and the rest paid over the last ten years. A special 4 percent interest rate, rather than the normal 7 percent, would apply in these cases. The new law would also contain the current ten-year extension where the farm or closely-held business constitutes over 35 percent of the gross estate or 50 percent of the taxable estate.

The impact of these changes will be to reduce the overall burden of estate taxes on farms and small businesses, and to make it more simplified for such a farm or business to be passed from one generation to another within the same family. It will also facilitate extension of the time for payment of estate taxes.

THE TAX REFORM ACT OF 1976 AND THE ELDERLY

Mr. MATHIAS. Mr. President, tax relief for the elderly was one of the most frequently raised issues during the consideration of the Tax Reform Act of 1976, Public Law 94–455. It is increasingly clear that some form of relief was imperative for this large segment of our society. For it is they who are often particularly burdened by the existing tax laws. The Tax Reform Act of 1976 included a number of measures to give tax relief to the elderly.

I have requested and received from the Library of Congress a summary of the provisions of the Tax Reform Act of 1976 which impact most directly upon the elderly. I submit this memorandum to be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C.

PROVISIONS OF THE TAX REFORM ACT OF 1976 PRINCIPALLY AFFECTING OLDER AMERICANS

A number of the new provisions of the Tax Reform Act of 1976,[1] have their primary impact upon older Americans, either by the nature of the tax law involved, such as estate taxes, or by the requirements of the provision, such as the new rules for sale of a home by an individual over age 65. This report will summarize the various aspects of the new tax law which deal principally with older Americans.

MAXIMUM TAX ON PENSION INCOME—TAX REFORM ACT, SEC. 302

While individual income may be subject to marginal tax rates extending up to 70 percent, personal service income is subject to a 50 percent limitation on tax.[2] One of the provisions of the new law which affects older Americans is the application of this maximum tax rate to pension income.[3]

RETIREMENT INCOME CREDIT AND THE TAX CREDIT FOR THE ELDERLY—TAX REFORM ACT, SEC. 503

Under prior law, individuals who had retired on a pension but who did not receive Social Security benefits or similar taxfree Government pension benefits, could be eligible for a tax credit of up to $342.90.[4] Under the Tax Reform Act, however, the retirement income credit is eliminated, and in its place is put a more generally applicable tax credit for the elderly.

The retirement income credit had been established with Social Security parity in mind. In light of this, the rules tended to parallel those of the Social Security System, leading to some complexity.[5] Furthermore, while Social Security benefits increased over the years, the retirement income credit remained the same, leading to a return to inequality between Social Security recipients' taxation and that of indivduals not receiving the Federal payments.[6]

The tax credit for the elderly is available for all persons who are at least 65 years of age and have a lower or moderate income, from pensions or otherwise. If, for example, a husband and wife are both at least 65 years of age, they may receive benefits of the new tax credit if their incomes do not reach a combined total of $13,750. If their combined incomes do not exceed $10,000, (adjusted gross income), they will receive the maximum benefit of $562.50, assuming they receive no Social Security benefits.[7] Their benefits will be reduced if either of them is not yet 65, if they receive Social Security benefits, or if their gross incomes reach above $10,000.

CREDIT FOR CHILD CARE EXPENSES—TAX REFORM ACT, SEC. 504

Formerly, the child care deduction was available for payments to individuals who care for a married couple's or single person's child in order to let the couple or person be gainfully employed. However, no payments were deductible if made to a related person.[8] Under the amendments of the Tax Reform Act, however, payments to a related person are deductible if that person reports them as income for purposes of Social Security taxes.[9] This is perceived as being of greater assistance to older persons because, in many instances, it will be grandparents or older relatives who will have the time to look after the children involved.

DEDUCTION FOR COST OF REMOVING ARCHITECTURAL AND TRANSPORTATION BARRIERS FOR THE HANDICAPPED AND ELDERLY—TAX REFORM ACT, SEC. 1323

Generally, when one improves his or her property, the expenditure must be added to the value of the property (capitalized) and amortized or depreciated over the useful life of the asset. Under the Tax Reform Act, however, a current deduction can be taken for the removal of architectural and transportation barriers to the handicapped and elderly in any facility or public transportation vehicle owned or leased for use in a trade or business. In addition, the removal of the barrier must meet Government standards, and the maximum deduction is $25,000 per taxpayer for any single taxable year.[10]

PENSION CHANGES BENEFITTING OLDER AMERICANS—TAX REFORM ACT, SECS. 1501–1503

While changes in the pension laws generally benefit all persons who may be eligible for the particular pensions affected, they may be

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Footnotes at end of article.

considered as benefitting older persons principally, since the ability to save for one's retirement more favorably can bestow a direct benefit on older Americans. Therefore, the major pension provisions will be viewed as within the scope of the provisions benefitting older Americans

There are three primary provisions on pensions which have a direct effect on a number of taxpayers. First, for the first time an individual retirement account (IRA) can be established for a spouse who has no employment outside of the home. Under prior law (continued under the new Act), an individual who is not otherwise covered by a pension or profit-sharing plan can set up an individual retirement account into which he or she can deposit 15 percent of salary, up to a maximum of $1,500 a year. The earnings of the account are taxfree and the individual gets a tax deduction for the contributions made to the account.[11]

Under the Tax Reform Act, however, an individual can establish a double or two-tiered IRA instead, contributing 15 percent of his or her earnings up to $1,750. In this case, though, one-half of the contributions are deemed made for the employee and one-half for his or her nonworking spouse. Each individual can, therefore, save for his or her retirement.[12]

Another pension plan change respects contributions to a self-employed retirement plan, or H.R. 10 plan. The tax law sets a maximum deductible contribution limitation for H.R. 10 plans at 15 percent of compensation or $7,500, which ever is less. If this limit is exceeded, the excess contributions are not deductible.[13] The law also sets a limit on contributions to a defined contribution plan, including, presumably, an H.R. 10 defined contribution plan. This limitation is set at 25 percent of compensation and, if exceeded, the pension plan loses its tax-qualified status, resulting in significant tax detriment to the employees and employer.[14] The law also states that a self-employed individual may set aside up to $750 a year of earned income even though his or her earned income does not support this contribution, on the 15 percent formula.[15]

Recently, the Internal Revenue Service determined that the 25 percent limitation applied over the $750 rule, and that if an individual contributed $750 to an H.R. 10 plan, and that $750 exceeded 25 percent of compensation, the plan would be disqualified.[16]

The Tax Reform Act of 1976 provides that if an individual's adjusted gross income is less than $15,000, then the $750 floor applies irrespective of the 25 percent limitation.[17] In other words, if an individual has an income of $750 in 1978 and has established an H.R. 10 plan, he or she can contribute the entire $750 to the plan without its being disqualified.

Another pension provision relative to older persons is the new rule that firefighters and national guardspersons can now set up IRA's, without considering their firefighter or national guard or reserve pension plans.[18]

ESTATE AND GIFT TAX CHANGES—TAX REFORM ACT, SEC. 2201–09

While an exhaustive treatment of either the former or new estate and gift tax laws is not really possible in close, summary form, it may be noted that the amount of property which an individual may leave without imposition of Federal estate taxes was raised by the 1976 Act significantly. Assuming the individual has a surviving spouse and has not made any taxable gifts (gifts above $3,000 per donee per year), after 1982 he or she may leave an estate of up to $425,000 without imposition of an estate tax. Prior to the new law, the maximum estate which could be left untaxed in these circumstances would be $120,000.[19]

SALE OF RESIDENCE BY THE ELDERLY—TAX REFORM ACT, SEC. 2713

Under the prior law, when an individual over the age of 65 sold his or her principal residence, an election could be made to eliminate the capital gains tax on the sale or exchange. The election was limited to one-time only, and also limited to situations in which the sales price did not exceed $20,000. If the sales price did exceed $20,000, a proportionate portion of the gain could be eliminated from tax.[20] The Tax Reform Act of 1976 raises the limitation from $20,000 to $35,000.[21]

FOOTNOTES

[1] Pub. L. 94–455, 94th Cong. 2d Sess. (1976) (Hereinafter cited as Act).

[2] Int. Rev. Code of 1954, sec. 1348 (Hereinafter, unless otherwise noted, all references to "Code" will refer to the Internal Revenue Code of 1954, as amended).

[3] Code, sec. 1348(b) (1), as amended by *Act*, sec. 302(a).

[4] Code sec. 37.

[5] See H.R. Rep. No. 1515, 94th Cong. 2d Sess. 431–32 (1976); H.R. Rep. No. 658 94th Cong., 1st Sess. 139–146 (1975).

[6] *Id.*

[7] Code, sec. 37(b), (c), as amended by *Act*, sec. 503.

[8] Code, sec. 214.

[9] Code, sec. 44A, as added by *Act*, sec. 504.

[10] Code, sec. 190, as added by *Act*, sec. 1323.

[11] Code, secs. 219, 408.

[12] Code, sec. 220, as added by *Act*, sec. 1501.

[13] Code, sec. 404(e).

[14] Code, sec. 415(c). A defined contribution plan is one in which the employee or self-employed person is promised the right to employer or self-employed contributions on his or her behalf expressed as a percentage of compensation. The benefit promised is only that which is available at the retirement date, from the contributions and interest accrued thereon. This is contrasted with a defined benefit plan which promises a specified benefit and computes the contributions actuarially to reach that benefit.

[15] Code, sec. 404(e) (3).

[16] Prop. Regs. sec. 1.404(e)–1A(b) (3) (i) (C).

[17] Code, sec. 415(c), as amended by *Act*, sec. 1502(a).

[18] Code, sec. 219(c), as amended by *Act*, sec. 1503(a).

[19] *Act*, sections 2201–09.

[20] Code, sec. 121(b).

[21] Code, sec. 121(b), as amended by *Act*, sec. 2713.

PROTECTING THE STRATOSPHERIC OZONE SHIELD

Mr. BUMPERS. Mr. President, in the rush to adjournment, an important piece of legislation failed to be enacted by the Senate. This was the Clean Air Act Amendments of 1976, which contained a carefully worked out section designed to protect the stratospheric ozone shield from destruction by halocarbons released from spray cans, air conditioners, and other sources. During Senate debate on that matter, I offered with Senator PACKWOOD, Senator MCINTYRE, and others an amendment which would have required the abandonment of nonessential spray can uses of halocarbons by early 1978. That amendment was not accepted by the Senate, but since the bill of which it was a part was not enacted, that makes little difference now.

The tragedy of the situation, however, is that halocarbon regulation authority is still widely dispersed among several agencies. Fortunately, authority does exist in at least three agencies to regulate the greatest source of halocarbon emissions, the Environmental Protection Agency, the Food and Drug Administration, and the Consumer Product Safety Commission. According to the National Academy of Sciences report released last month, 74 percent of halocarbon releases to the atmosphere are from spray cans. It is clearly essential that this be the major focus of our initial regulatory efforts. Prompt action is even more essential in light of the finding by the National Academy of Sciences that we can expect a 7-percent steady state ozone depletion if halocarbon release continues at the 1973 rates. New data reported at the Logan, Utah, conference on Problems of the Stratosphere held subsequent to the Academy report, show that this figure is too low, and that 11-percent depletion is a more likely expectation.

At the Logan meeting Commissioner David Pittle of the Consumer Product Safety Commission, Chairman Russell Peterson of the President's Council on Environmental Quality, and Dr. Wilson Talley, Assistant Administrator for Research and Development at the Environmental Protection Agency, spoke. Based upon the National Academy of Sciences findings, all three supported near-term regulation of halocarbons, and particularly those used as propellants in spray cans. I know there are people who will argue that there are still uncertainties in the amount of ozone depletion. However, they miss the point that we do know with a high degree of certainty that ozone depletion will occur. Therefore, how can there be any question as to the proper course of action? As Chairman Peterson, who has nearly 30 years experience in the chemical industry, said, "Chemicals are not innocent until proven guilty."

In addition, the 15-agency task force studying the inadvertent modification of the stratosphere—the IMOS Committee—recommended unanimously to Dr. Stever, the President's science adviser, and to Dr. Peterson, that rulemaking to contol halocarbon release should begin immediately. Further, Dr. Schmitt, head of the Food and Drug Administration, has announced that FDA intends to ban most uses of halocarbons in spray cans under its jurisdiction. It is significant to note that about 80 percent of all spray cans, including those for nonessential purposes such as hairsprays and deodorants, come under FDA jurisdiction. I would like to commend Dr. Schmitt for his straightforward approach to this issue. He cut straight to the heart of the matter when he said,

> The known fact is that fluorocarbon propellants, primarily used to dispense cosmetics, are breaking down the ozone layer. Without remedy, the result could be a profoundly adverse impact on our weather and on the incidence of skin cancer in people. It's a simple case of negligible benefit measured against possible catastrophic risk, both for individual citizens and for society. Our course of action seems clear beyond doubt.

The Environmental Protection Agency has also announced that it will crack down on the use of fluorocarbons in pesticides.

Despite the failure of the Congress to

act on this important matter, I am delighted to see that those agencies which do possess regulatory authority, however badly fragmented, are moving ahead. They are to be commended for the careful manner in which they have considered the information in hand, have decided that there is a substantial risk which outweighs the limited benefits of continued use, and are acting now to do something about it.

Mr. President, I submit an article from the New York Times of September 18, 1976, describing the proceedings at Logan, to be printed in the RECORD.

There being no objection, the article is ordered to be printed in the RECORD, as follows:

FLUOROCARBONS' END SOUGHT BY PETERSON

(By Walter Sullivan)

LOGAN, UTAH, SEPT. 17.—Dr. Russell W. Peterson, chairman of the President's Council on Environmental Quality, urged industry today to phase out its use of fluorocarbons—particularly as spray-can propellants—as a measure to preserve the earth's protective ozone layer.

He proposed that the public stop using such products and said he agreed with Monday's report by the National Academy of Sciences that some form of regulation seemed inevitable.

Dr. Peterson, who has resigned his position as of Oct. 1, was formerly Governor of Delaware and for 27 years was with E. I. du Pont de Nemours & Company, primarily in the textile division. Du Pont is the chief producer of fluorocarbons.

In a digression from his prepared speech, he also termed proliferation of nuclear weapons an inevitable consequence of the proliferation of nuclear energy and proposed that atomic fission be phased out as an energy source early in the next century.

SHIFT IN CONFERENCE TOPIC

Dr. Peterson spoke at the closing session of a three-day international conference at Utah State University here dealing with threats to the ozone layer of the stratosphere. Having discussed evidence that the fluorocarbons may be depleting that layer, which shields the earth from cancer-causing ultraviolet rays, the meeting yesterday and today turned to the problem of regulating the release of such substances.

Erik Lykke, director general of Norway's Ministry for the Environment, proposed an international convention for protection of the stratosphere and said that his Government would welcome it.

Wilson K. Talley, assistant administrator for research and development in the United States Environmental Protection Agency, told of preparations in the E.P.A. "to assess the need for fluorocarbon regulations."

While some scientists at the meeting, including several being supported by industry grants, continued to challenge the seriousness of ozone depletion and asked for further studies, Mr. Talley said: "We just cannot postpone decisions on these problems indefinitely in the hope that better data may be available in the indefinite future."

RESTRICTIONS CALLED LATE

David Pittle, a commissioner of the United States Consumer Product Safety Commission, spoke in far stronger terms. He said that restrictions on fluorocarbon use should have been imposed after the Interagency Task Force on Inadvertent Modification of the Stratosphere suggested such a ban in June 1975. The task force had been formed at the initiative of Dr. Peterson and Dr. Guyford Stever, then head of the National Science Foundation.

Mr. Pittle said that when the Natural Resources Defense Council petitioned the Consumer Product Safety Commission for similar restrictions he supported the proposal but was outvoted by other members. While he praised the scientific aspects of last Monday's voluminous report by the academy he deplored its recommendation for another two years of data collection, arguing that enough evidence to justify regulation was already in hand when the Federal Task Force Report was issued in June 1975.

The academy scientists, he said, should have confined their findings to scientific matters and left the recommendations on possible action to the regulatory agencies.

While Mr. Peterson did not specifically criticize the academy proposal for further delay in regulation, he saw in it "a slightly different value judgment" from that of their earlier task force. The continuing doubts regarding precise effects of the fluorocarbons are not justification for delay, he said.

"Chemicals are not innocent until proven guilty," he said. He also proposed that substitutes be sought for the fluorocarbons used in refrigerator systems.

JURISDICTION NOT CENTERED

Part of the regulation problem, as noted by both Mr. Pittle and Mr. Talley, is that no agency has had jurisdiction over all uses of fluorocarbons. E.P.A.'s concern has been limited to pesticide dispensers. The Consumer Product Safety Commission controls fluorocarbons used as refrigerants in home refrigerators but not in automobile air-conditioners. The Food and Drug Administration is responsible for cosmetic and drug dispensers.

According to Mr. Talley, however, legislation currently making its way through Congress could give E.P.A. authority over all sources of fluorocarbon emission.

With regard to the necessity for international action, Mr. Talley pointed out that the United States produces only 38 percent of the fluorocarbons most widely used as propellants and refrigerants. They are often referred to as Freon 11 and Freon 12.

Most of the remainder is produced by other industrialized nations belonging to the Organization for Economic Cooperation and Development, accounting (with the United States) for 89 percent of world production.

James Brydon, Canadian representative on the economic organization's chemicals group, said that that agency was the most logical one to organize early international action, with the convention approach as a later step.

Mr. Talley said that "international decision-making is a slow process." Then looking at an audience that included many who have long sought fluorocarbon regulation in this country, he brought a laugh when he added that it was slow as well on a national level.

Robert J. Reichert of Du Pont said that in view of current research on fluorocarbon substitutes his company was "guardedly confident" it could cope with regulation if it came to pass.

Mr. Talley said the Federal Council for Science and Technology—now the Federal Coordinating Council for Science, Engineering and Technology—had recommended that research on the ozone problem be divided into a long-range effort, to begin in the 1978 fiscal year, and a short-term study to be conducted in the interim by E.P.A.

NUCLEAR PROLIFERATION

Mr. PERCY. Mr. President, one of the most important issues which will face the next Congress is the revitalization of U.S. policy to prevent nuclear proliferation. We must renegotiate those provisions of existing U.S. nuclear agreements which do not adequately protect our security interests, and we must vigorously seek agreement among the other supplier nations for strict international controls on the transfer and use of sensitive nuclear technology.

Unfortunately, we failed to pass any legislation in the 94th Congress which adequately addressed these problems. Yet we did accomplish a great deal in terms of raising the issue before the American people and the world community. A recent article in the New York Times makes a real contribution to this goal of improving the public's understanding by explaining the basic components of the issue in terms which are sophisticated yet technically simple. Mr. President, I submit this excellent piece by David Burnham and David Binder to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. DILEMMA: WORLD ENERGY NEED ENCOURAGES SPREAD OF ATOMIC ARMS

(The following article was written by David Burnham and David Binder)

The construction of nuclear reactors around the world for the production of electricity and the resulting spread of material that could be used for making atomic weapons are placing increasing pressure on the United States to devise new policies on nuclear energy and international control.

The pressure stems from a realization that the spread of reactors can also mean increasing the availability of plutonium, which can be used to make atomic bombs. This was stressed by most of the 35 nuclear experts interviewed in recent weeks in the executive branch, Congress, industry and academic circles.

MAJOR STATEMENT EXPECTED

The subject of preventing the spread of nuclear weapons figured in the Presidential election-campaign debate on television last Wednesday when Jimmy Carter, the Democratic candidate, charged that the President had only recently become concerned about the problem. Mr. Ford defended his efforts, and the Administration reportedly plans to issue a major policy statement on the proliferation question this week.

Most specialists interviewed in recent weeks said that both the Administration and Congress were faced with two fundamental questions, linking domestic and foreign policy:

Whether the United States, in view of warnings from the atomic industry that a serious shortage of uranium for reactor fuel could be impending, should foster reactors using plutonium instead, even though it is a material that a nation or terrorist gang could use to fashion an atomic bomb.

¶Whether the United States should use more forcefully its leverage as the world's leading supplier of nuclear equipment and enriched uranium fuel to try to create tougher international controls over the indiscriminate spread of materials that can be transformed into bombs.

Widespread demands for greater controls were set off in May 1974, when India detonated an atomic device manufactured with equipment and materials supplied for peaceful purposes by the United States and Canada.

But the concern about the dangers of nuclear proliferation has become even more intense in recent months as such countries as Iran, Pakistan and Brazil have acted to acquire nuclear equipment to produce electricity but which ultimately would give them the option of building nuclear bombs.

"Our analysis of what it would be like to live in a crowd of nuclear nations leaves very little doubt that the potential spread of plutonium would intrude new and very threatening dangers in the world," concluded Albert Wohlstetter, a professor at the University of Chicago, in a recent report to the Arms Control and Disarmament Agency, a branch of the State Department.

In addition, the experts contend, the pending decisions on nuclear policy certainly will influence the availability of electricity in the nation and the world, which face sharply higher oil prices as known sources of oil decline.

Finally, at least some specialists believe that, if the United States tightens required plutonium controls too much, an increasing share of the world's reactor market will go to such countries as West Germany and France, and reactor manufacturers in the United States, primarily General Electric and Westinghouse, may completely abandon this multi-billion dollar industry.

Nuclear issues have gathered momentum almost imperceptibly during 31 years of American dominance of nearly all aspects of atomic development. That dominance extended from the first fission bomb detonated in 1945 to the commercial manufacture of giant nuclear reactors that today supply electricity for millions of people around the world.

U.S. DOMINANCE HAS RECEDED

That dominance has receded in the face of competition from foreign nuclear industries, that, ironically, were initially financed, fueled and supplied with technical expertise supplied by the United States as a result of the 1954 Atoms for Peace Program. The spread of nuclear reactors has been further subsidized by $2 billion in low-cost loans and guarantees extended to more than 27 nations by the Export-Import Bank and other agencies.

At the moment there are 61 reactors licensed to operate in the United States and, according to the Atomic Industrial Forum, a total of 112 reactors running in 18 other countries.

When India became the sixth nation to set off an atomic explosion, joining a nuclear club previously limited to the United States, Britain, the Soviet Union, France and China, American policymakers began to conclude that nuclear development, for entirely peaceful purposes, was probably impossible. Many specialists saw a serious vacuum in United States policy, a vacuum many believe is still unfilled.

Both the Nixon and Ford Administrations, the experts contend, failed to develop a timely, unified policy coordinating the activities of the multitude of Federal agencies involved in nuclear affairs. Instead, units such as the State Department and the Energy Research and Development Administration have continued to pursue separate and sometimes conflicting goals.

Congress, taking up the issue, held a series of hearings on various proposals. One key bill would have in effect barred by law the export of sensitive nuclear equipment. A second would have required the President to negotiate with other world suppliers to tighten nuclear export controls. But both died in the last hours of Congress as compromises proved unreachable.

FORD ALLY CRITICIZED WHITE HOUSE

Congressional pressure on the Administration hit a peak in June when Representative John B. Anderson, an Illinois Republican and a strong supporter of President Ford, denounced the White House for a "failure to act" on the nuclear issues.

In addition, environmental groups such as the Natural Resources Defense Council and the Sierra Club added to the pressure by successfully suing in Federal Court to prevent the interim use of plutonium in power reactors in the United States.

The issues involved are individually important, but also seem almost hopelessly interconnected.

To begin with, the international energy crisis, highlighted by the Arab oil embargo and steep price increases, intensified the demands of hard-pressed developing countries for independent energy sources, usually nuclear. And it stimulated proponents of nuclear power in this country.

But there have been warnings by the American atomic industry during the last year that a serious shortage of uranium ore is pending. The industry contends that this justifies the immediate introduction of plutonium reprocessing and the development of breeder reactors.

According to several high Administration officials, Mr. Ford's package on the spread of nuclear weapons will include a large Federal demonstration project in which the technique of reprocessing will be tested, probably at a privately constructed facility in Barnwell, S.C.

A decision to permit commercial reprocessing and the widespread use of plutonium fuel within the United States, however, would automatically encourage similar decisions by other countries, many administration experts said. A longtime advocate of atomic power in the State Department cautioned: "The economics of reprocessing are certainly doubtful."

The Administration's dilemma has been compounded by the decisions of West Germany to sell a reprocessing facility to Brazil and of France to sell similar equipment to Pakistan during the time in which the United States has barred such sales.

Most experts believe that reprocessing plants are also essential to the operation of the breeder reactor, an advanced but as yet unproven design on which the Government is spending massive amounts of research dollars.

But given the existing international controls, the specialists agree that any country with a reprocessing plant could make an atomic weapon within days or even hours after its leaders decided such a weapon was required.

AMOUNT OF URANIUM IS LIMITED

A recent report to the Government by Mason Willrich, an energy expert at the Rockefeller Foundation in New York, argues that without the breeder reactor the United States and the world cannot count on nuclear fission as long-term source of energy because, like gas and oil, there are limits on the amount of uranium in the earth.

Nuclear facilities also create waste problems. All reactors, whether conventional or breeder, and all reprocessing facilities produce radioactive wastes that must be isolated from the human environment for hundreds of thousands of years.

Despite occasional Government assurances that the problem of wastes has been "solved," most atomic scientists say no satisfactory disposal method has been devised.

Aggravating these interconnected problems is the fact that most nuclear equipment takes years, sometimes decades, to design and build.

John Newhouse, the Arms Control Agency's long-range thinker on nuclear issues, observed: "The trouble is that we are all at the same point on the learning curve about proliferation—the Administration, the importers, the Congress. Everybody's starting from scratch. Ideas that seemed good three or four months ago won't fly."

JOINT REPROCESSING WAS SOUGHT

For example, the Administration tried last year to whip up enthusiasm for organizing "multinational reprocessing centers" to avoid the problem of acquisition of plutonium by individual countries.

But when a Senate staff member inquired about a suitably stable site for such an international facility he was told that Lebanon, now involved in a civil war, might be a good spot.

A final complication is that reprocessing and the general use of plutonium would inevitably result in regular, large shipments of hazardous nuclear material around the world. For most American experts this means an increased likelihood of plutonium falling into the hands of terrorists and that, in turn, means that greatly tightened national and international controls are required.

An arms-control specialist in the State Department blamed the current United States difficulties in obtaining tighter international nuclear safeguards on "illusions" about the efficacy of the International Atomic Energy Agency and the treaty to halt the spread of nuclear weapons.

The agency was set up under United Nations auspices in Vienna in 1957 and now has 109 member nations. The non-proliferation treaty was concluded by Britain, the United States and the Soviet Union in 1968 and now has, with some outstanding exceptions, 109 adherents.

The agency is not regarded as being highly effective, partly because it has only a handful of inspectors. The General Accounting Office, a Congressional agency that conducts audits and investiagtions of the executive branch, concluded in a report submitted Sept. 14: "We believe the United States does not have adequate assurances that international safeguards inspections are being adequately carried out."

It added. "A country could circumvent them if it was willing to assume the risk of detection, incur the expense and take the trouble to do so."

Last month, the Administration said it was concerned that Taiwan, Pakistan, South Korea, South Africa, and perhaps one day Libya might already be on that course.

In the case of client states like Taiwan and South Korea, however, it appears the United States has been able to apply enough diplomatic pressure to persuade them to slow, if not stop, their moves toward joining the nuclear-weapons club.

Almost all of the specialists interviewed said, in retrospect, that the United States should have begun at least three years ago to draft tighter safeguards and worked to have them adopted by the international community.

One official recalled that as early as 1967 a top-level interagency review concluded that India was bent on developing nuclear explosives. Despite that fore-knowledge, the United States was unwilling at the time to take peremptory prevention action such as cutting off what was then substantial aid for India.

Even today the sovereignty of individual nations and the continuing spread of nuclear knowledge, still fostered by the United States, militate against effective safeguards and controls.

Recently, for instance, Representative Clarence D. Long, Democrat of Maryland, reported that 1,478 scientists from 41 countries had been trained in this country in nuclear engineering between 1970 and 1975. Seven of these were trained in plutonium technology.

But on a hopeful note, a State Department specialist said: "If we've done nothing else, at least we have sensitized other countries to the nuclear issues in the last year."

CONTINUED U.S. ROLE IS URGED

Many of these officials added that it was essential for the United States to continue as a reliable supplier of nuclear fuel and equipment in order to influence individual decisions by other countries about the use of plutonium. These officials are sometimes called "the inevitablists" by their colleagues.

But others, including nuclear physicists employed by the Federal Government, feel the answer lies in moving away from dependence on nuclear power over the next 30 years and moving toward development of solar power and refined coal utilization.

Most of the specialists interviewed said they felt the United States had reached "a crossroads" in nuclear policy. But all were skeptical about what could be done by the United States alone, or even in concert with other concerned countries, to halt the spread of nuclear arms.

"At best, we can restrain countries that want to go nuclear," said one official. "We can't stop them."

But there is at least one nuclear expert, Dr. David Rosenbaum of the General Accounting Office, who believes there are even more serious problems than the spread of nuclear weapons.

"I have a feeling," he said, "that mass starvation will kill a lot more people than proliferation."

GLOSSARY

Reactor—A device for initiating and maintaining a controlled nuclear chain reaction in a fissionable fuel—that is, splitting, or, in effect, burning uranium atoms—for the purpose of creating heat to drive a steam turbine to generate electricity or of producing additional fissionable material.

Uranium—A heavy metal that is now the basic fuel of reactors. It is found in ores in many countries, including the United States, Soviet Union, South Africa, Canada and Australia.

Enrichment—A process by which uranium is "strengthened" by increasing the proportion that can easily be split or burned in a reactor. Slightly enriched uranium is used to fuel most conventional reactors. Highly enriched uranium is used to fuel reactors on Navy vessels and can also be used in the process of making atomic bombs,

Reprocessing—A chemical method of extracting uranium and plutonium from what is left after uranium is burned in a reactor. The three major components remaining are uranium residue, plutonium and highly toxic wastes that now have no commercial use.

Plutonium—A heavy gray metal rarely found in nature. According to many experts, a grapefruit-sized lump of plutonium weighing only 13 pounds could be fashioned into an atomic bomb.

Plutonium recycling—Reusing plutonium as a reactor fuel after it is extracted from burning uranium. Industry and the Ford Administration argue that plutonium recycling will permit reactors to generate more electricity from a given amount of uranium. Critics contend that it is economically unsound.

Breeder—An advanced reactor that theoretically will create more plutonium than it burns.

AMERICANA FEDERAL SAVINGS & LOAN ASSOCIATION

Mr. PERCY. Mr. President, it is with pleasure that I bring to the attention of my colleagues the first chartered Hispanic Savings and Loans institution in Illinois. A year ago a group of Hispanic citizens from the Logan Square area in Chicago organized the Americana Federal Savings and Loan Association to serve the Hispanic community. The association has been remarkably successful. Americana will mark its first anniversary Saturday, October 2. Hopefully within 3 months it will show a profit.

During this past year, Americana has achieved a unique rapport with the community it serves. The bank has been an advocate of the need for community involvement and participation in the neighborhood's economic development. Mr. Nelson Carlo, chairman of the board of directors and one of the original organizers, believes Americana made progress in stimulating the community's awareness. He feels, however, that much work lies ahead.

I want to congratulate the association's bilingual staff, Mr. Florentino Diaz and Gustavo Botero, as well as the board of directors and Mr. Nelson Carlo, its chairman.

I would also like to submit for printing in the RECORD at this time a news article that appeared in the Chicago Tribune on Thursday, September 23, 1976, which focuses on the services rendered by Americana Federal Savings and Loan Association.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIRST HISPANIC S&L ENDS YEAR IN OPTIMISM

(By Gary Washburn)

Americana Federal Savings & Loan Association, touted as the first Federal S&L in the Chicago area organized and controlled by Hispanic Americans, has ended its first year of operation with $1.5 million in deposits and 59 mortgage loans on its books.

"We're doing well," said Florentino Diaz, president and manager of the association at 2603 N. Milwaukee Av.

"Loan demand has been excellent. Savings flows have been as good as we've worked for them. I don't think savings will come in the door when you turn the key. You have to go out and get them."

Though it usually takes a new S&L a few years to make a profit, Diaz said, Americana should be in the black "very soon." He said the association plans to open branches in its third or fourth year of operation.

Before Americana's formation, Diaz asserted the financial needs of Spanish-speaking persons in the Logan Square area were not being met.

"There are characteristics of idiosyncracies of a group of people which can only be correctly interpreted and understood by people of the same type. It all comes down to being able to understand what the guy is telling you," he explained.

Diaz stopped short of saying Logan Square was redlined before the advent of Americana but said few mortgages were being issued.

"Most of the credit in the United States is based on character and capacity to repay," he said. Some residents had the capacity to meet mortgage requirements, but loan officers couldn't assess their character, largely because of the language barrier.

Americana, with a bilingual staff, has established financial counseling to show savers how to budget and handle money.

"Many Latinos are financially naive," said Nelson Carlo, the S&L's chairman who also is president of Abbott Specialty Metals Co., Inc. "They are easy to victimize."

Because Hispanic Americans don't use checks "by nature," Carlo said, Americana offers free money orders.

"There is a tremendous job for us here to educate," Diaz said. "Teaching thrift, how to use money, and explaining how it works is a big thing for us."

ENERGY REORGANIZATION

Mr. PERCY. Mr. President, I wish to draw the attention of my colleagues to a recent letter I sent to Dr. Norman Beckman, Acting Director of the Congressional Research Service.

The letter requests CRS to conduct further work on the issue of energy reorganization.

I submit my letter to Dr. Beckman to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Dr. NORMAN BECKMAN,
Acting Director, Congressional Research Service, Library of Congress, Washington, D.C.

DEAR DR. BECKMAN: I wish to express my deep appreciation to you for the outstanding response of your staff to my request of April 26, 1976, for assistance in thinking through the fundamental issues associated with reorganization of the Executive Branch for energy affairs. The results of your analyses and of the workshop organized for you by the National Academy of Public Administration Foundation have now been published in a Committee Print by the Government Operations Committee. I placed your thoughtful letter of transmittal in the Congressional Record when I announced the availability of your report.

Based on the insights generated by your studies, I have developed a draft energy reorganization bill. I have enclosed a copy of this draft bill, along with a description of the bill which appeared in the Congressional Record.

One of the principles on which my proposal is based is the separation of energy supply from energy end use conservation activities. Associated with this idea is the formation of a new Cabinet-level Department of Energy Supply and Natural Resources (DESNR) bringing together supply-related activities currently dispersed in the Department of Interior, the Federal Energy Administration, and the Energy Research and Development Administration.

DESNR will pose some difficult organizational problems as it will include divergent interests. For example, the development of energy resources on public lands versus the management of those same public lands for other purposes such as recreation and ecological values.

The purpose of this letter, therefore, is to request CRS assistance in thinking through ways in which DESNR might be organized to best fullfill these several mandates. It is unlikely, of course, that the Committee on Government Operations will include specific reorganizational directives in its future energy reorganization legislation. Nevertheless, I think it would be in the Committee's interests to have in hand an indication of some of the problems and opportunities that would be created by the establishment of such a department.

In light of the probability that the Committee will take up the matter of energy reorganization early next year, I would appreciate receipt of your report by the end of January, 1977. Chris Palmer, who worked closely with your staff during your previous studies, will also be available to work with you on this one.

I look forward to your response to this request as eagerly as I did to my earlier one.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

SENATOR PHILIP A. HART AND COMMISSIONER ALEXANDER M. SCHMIDT RECEIVE BICENTENNIAL AWARDS

Mr. NELSON. Mr. President, two very distinguished and dedicated public servants are leaving office in the Federal

Government at the end of this year. I refer to our illustrious colleague, the senior Senator from the State of Michigan, PHILIP A. HART, and the eminent Commissioner of the Food and Drug Administration, Alexander M. Schmidt.

Although they have served in entirely different governmental capacities—one in the legislative branch and the other in the executive branch—each of these men has been widely recognized and respected for his diligence, honesty, integrity, and dedication to the public welfare.

Earlier this year, the American Pharmaceutical Association (APhA)—the national professional society of pharmacists—honored Senator HART and Commissioner Schmidt with special Bicentennial Awards. These awards were intended to recognize their noteworthy public service, and particularly their unique contributions in protecting the public health and advancing the quality of the U.S. health care system.

Mr. President, as a gesture of our esteem for these two gentleman, I submit for the RECORD the text of the remarks by APhA officials in conferring these awards, as well as the respective responses of Senator HART and Commissioner Schmidt.

(At the Opening General Session of the APhA Annual Meeting on Sunday, April 4, 1976, then APhA President Kenneth E. Tiemann made these remarks)

To celebrate the United States' 200th birthday and recognize outstanding public service rendered our nation, the APhA Board of Trustees decided this year to present to two Americans, Special Bicentennial Awards for Distinguished Public Service.

The recipient of the first of these Awards is a longtime friend of pharmacy and the man charged with the awesome responsibility for the quality and integrity of the medications our patients use every day. The recipient of this Special Bicentennial Award for Distinguished Public Service received his MD degree from the University of Utah in 1955, completed his internship and residency in Utah, and served in the U.S. Army in Europe. Joining the medical faculty at the University of Utah in 1962, he became Assistant Dean in 1967 while continuing to pursue his research and teaching interests in cardiorespiratory therapy.

In August 1967 he became Chief of Education and Training for HEW's Regional Medical Programs service. Two years later, he was named Dean of the Abraham Lincoln School of Medicine at the University of Illinois Medical Center, a position he held until becoming Commissioner of the Food and Drug Administration in 1973.

He became FDA Commissioner in perhaps the most critical period in the agency's history. He has displayed an evenhanded effort in dealing with the complex issues involving the health of all Americans and has displayed the type of leadership essential for the credibility and effectiveness of the Food and Drug Administration.

ACCEPTANCE RESPONSE BY COMMISSIONER ALEXANDER M. SCHMIDT

I am greatly cheered and pleased to have been selected, along with the most distinguished Senator Philip Hart, to receive your special Bicentennial Award. I accept this Award with warm gratitude for the recognition you have given me personally. I have also a sense of pride and appreciation that this Award symbolizes your continuing firm support of the Food and Drug Administration.

My pride in receiving this honor reflects my pride in the some 6,500 people who are the FDA. About half that number work with me in the Washington Headquarters; the others, representing to most Americans the *real* FDA, work in every part of this country—in Regional and District Offices and Resident Inspection Posts. The highly motivated, hard-working and excellent people in FDA do an increasingly larger, and more difficult job very well, and deserve your respect and support.

In 1902, Congress authorized an investigation of the adulteration of drugs on the United States market. The American Pharmaceutical Association was also concerned about the safety of drugs; 1902 was the year of your 50th anniversary annual meeting in Philadelphia. An important resolution was passed by APhA that year:

"Whereas, we have learned that under authority of an act of Congress the Secretary . . . has established a laboratory . . . to study the composition and adulteration of drugs; therefore Be it resolved, that the American Pharmaceutical Association offer to the Secretary . . . its most cordial collaboration in this work, which provides so much benefit to the manufacturers of and dealers in drugs, as well as the consumers thereof."

We have all—manufacturers, dealers and consumers of drugs, as well as the regulators—benefited from APhA's most cordial collaboration and support ever since. I thank you for your past leadership, and earnestly solicit more of your help now.

The same day I received notice of this award, I got a letter from one of the world's leading scientists, who also had been watching sympathetically as we tried to deal logically and reasonably with our many complex problems. This eminent scientist had this to say:

"It is indeed true that we have laboratory means by which to develop grave suspicions about a wide variety of chemicals . . . (but) we do not have the scientific means to completely remove that cloud of suspicion once it has been raised."

He went on to suggest, in effect, that I stop attending to considerations of common sense reason, and simply go ahead and remove from commerce everything, to ban and recall everything, about which any suspicion is raised. He said:

"I do not think that will be acceptable public policy, but I think the time has come to get a more enlightened debate on that outcome. Failing that, we will simply have one crisis after another on individual substances, the (individual) costs of which will never seem quite enough to . . . call the whole system into question."

I am not ready yet to abandon common sense reason, nor am I willing to make consumers pay the immense dollar costs of an irresponsible or unnecessary disruption in the economy of this nation, for the purpose of fostering debate.

Human safety will always come first at FDA. We will continue to make scientific assessment of risk, and of benefit, and will continue to side with safety.

But a debate is sorely needed in order to establish some logical framework for handling risk-cost-benefit decisions when there is *no* proved risk, or when there is a proved, but extremely small risk. FDA could provoke that debate easily, by taking some extreme position. One course being urged on me right now is to ban anything that might be a carcinogen—anything about which a suspicion that it might cause cancer has been raised, even in the absence of any relevant scientific data.

I would feel better about doing so, if this were clearly enunciated public policy.

FDA is in an excellent position right now to be criticized, no matter what action it takes, and because of that criticism, is not ideally situated to force the obviously needed policy debate.

Ultimately, that debate must reach Congress. To some, it has seemed that the many Congressional hearings centering on FDA have been designed only to criticize—to censure the Agency. But the effect of the hearings, intended or otherwise, has been to set the stage for informed discussion, leading to a necessary clarification of our role.

This Association, and other professional groups in the nation, should see to it that needed public policy in such a critically important area is set.

Again, I'm deeply appreciative of this honor, and I and the Agency will strive to remain deserving of your respect and approbation.

REMARKS BY PRESIDENT WILLIAM F. APPEL

(On March 25, 1976, in Washington, D.C., incoming APhA President William F. Appel made the following remarks which were filmed and shown at the APhA Annual Meeting Final General Session, April 8, 1976, New Orleans, Louisiana)

The recipient of the second Bicentennial Award for Distinguished Service is United States Senator Philip A. Hart of Michigan. Senator Hart has been the author or cosponsor of almost every piece of consumer legislation enacted by Congress, beginning with the Drug Safety Act of 1962. He wrote the Truth-in-Packaging Act passed in 1965, and was cosponsor of the Truth-in-Lending Act enacted the following year. As chairman of the Senate Antitrust and Monopoly Subcommittee, he conducted penetrating investigations into the prices of drugs, funerals, schools books, auto insurance and repairs—investigations that have sparked national discussion and often remedial action.

The Hart Subcommittee was the first to expose an international cartel that was illegally rigging the price of quinidine resulting in the conviction of the conspirators and a reduction in the price of quinidine. The three-term Senator from Michigan also first brought to national attention the problems associated with physician ownership of pharmacies and the health hazards of "Diet Pills." Senator Mike Mansfield (D-Mont.) has said that he hopes historians will take note of Hart's achievements because the Michigan's Senator "so often prefers to leave the glamor and glory to others as long as the result is right."

Senator Edward Brooke (R-Mass.) wrote: "Your humanitarianism provides an unforgettable example to all of us who share your concerns."

A native of Bryn Mawr, Pennsylvania, a graduate of Georgetown University and the University of Michigan Law School, Philip A. Hart practiced law in Detroit prior to and following his service as Lieutenant Colonel in the U.S. Army during World War II. He was elected Lieutenant Governor of Michigan in 1954 and again in 1956 before he commenced his long term in the U.S. Senate (1959–1977).

Unfortunately Senator Hart's health does not permit him to be with us today, but we have presented Senator Hart with a plaque featuring his photograph and the inscription "Bicentennial Award for Distinguished Public Service. Philip A. Hart, United States Senator (1959–1977), April 8, 1976, New Orleans."

ACCEPTANCE RESPONSE BY SENATOR PHILIP A. HART

I am very grateful to have been selected for one of these Bicentennial Awards.

When I listened to your President comment on the investigations that we have held over these years, he said they sparked interest and sometimes remedial legislation.

I wish there had been more remedial legislation resulting from some of those hearings.

I remain convinced now, as I was then, that doctor-merchants are bad for doctors, and bad for the community. I would hope very much that you would remain constant in your efforts to persuade the Congress to prohibit the practice of physician ownership of pharmacies.

Progress is dreadfully slow, particularly in a free society, but climbing those molehills successfully once in a while is the way man ascends. It's just a process of slow evolution. And if we really believe that, you will stay busy trying to get rid of doctor-merchants and that molehill will be climbed.

ILLINOIS NEEDS NO-FAULT

Mr. PERCY. Mr. President, although the 94th Congress failed to enact the National Standards for No-Fault Insurance Act (S. 354), I believe that we must continue to work for reform in this field. Many States have not accepted their responsibility to provide swift and fair compensation to automobile accident victims and to remove small automobile liability suits from the courts to help combat court congestion. Chicago Tribune task force reporters William Gaines and John McCarron recently completed a 2-month investigation into the automobile liability insurance situation in Illinois. An excellent series of articles written by Wesley Hartzell summarized the results of that investigation, and I would like to share these articles with my colleagues. I submit the Chicago Tribune task force report to be printed in the Record.

There being no objection, the series of articles was ordered to be printed in the Record, as follows:

Car Insurance: High Rates, No Control

(Note.—Task force report: Illinois motorists will pay $1 billion in auto insurance premiums in 1976—and what will they get in return? Tribune Task Force reporters William Gaines and John McCarron, in a two-month investigation, found that though they often pay more for auto insurance than people in other states, Illinois motorists get less because of a costly, antiquated, and sometimes cruel system of auto insurance payment. This is the first article in a series written by Wesley Hartzell.)

What happened to J. A. [Tony] Villegas May 30 could happen to anyone who owns a car in Illinois.

Early that morning, his parked car was struck broadside by another vehicle in front of his home at 1218 Ridgeland Ave., Berwyn. The car was a total loss and Villegas had it towed to a storage lot.

Villegas said it provided good transportation, though it was 10 years old. He had no reason to fear that the car would not be replaced after he learned that the other driver had liability insurance.

But he was too optimistic. He has not yet managed to collect a cent from the other driver's insurer, Kenilworth Insurance Co., though the other driver was arrested and charged with negligent driving, resisting arrest, and assaulting an officer.

Villegas is among the more than 5,000 persons each year whose complaints to the Illinois Department of Insurance form a litany of frustration over a costly, antiquated, and frequently cruel system of auto insurance claim payment.

The extent of the system's deficiencies was investigated for two months by the Tribune's Task Force. Reporters examined insurance case records in courts and talked with accident victims, public and private insurance officials in Illinois and surrounding states, and the judges who are swamped with suits from disputed claims.

The investigation found the kinds of situations that led Chief Judge John S. Boyle of the Cook County Circuit Court to remark—only half in jest—about auto insurance: "It's a good business; you take in premiums and don't pay any claims." One official estimates $1 million in complaints about unpaid claims go unresolved each year.

In its investigation, the Task Force found:

The Illinois Department of Insurance lacks the power to compel insurance firms to pay claims filed by policy holders or suspend firms which do not. Three years ago, when Fred Mauck, then the Illinois insurance director, attempted to move against companies that routinely delay or ignore legitimate claims from their own policy holders, the courts found that existing insurance laws did not permit him to do so.

In effect, the courts ruled that the state did not have the power to act against insurance companies even in the most clear cut consumer abuses.

The department also does not have power to regulate rates set by auto insurance companies. Congress has given the states sole jurisdiction over rates. To implement this authority, Illinois passed a law allowing open competition among the companies in setting their rates.

The law permitted the state to move in if it regarded rates "excessive, inadequate, or unfairly discriminatory." In 1971, however, the legislature let that law—which required renewal at that time to remain in force—expire quietly.

The Task Force found the rates for the same auto insurance coverage for the same person in Illinois cities now are higher than in cities the same size in surrounding states.

In fact, Illinois is the only state unable to exert control over even runaway rates. The Task Force found the rates in Illinois 15 to 40 per cent higher than those for comparable policies in other states.

The Task Force found that although the Illinois motorist pays more, he often gets less when he tries to make a claim.

When he tried to collect damages for his car, Villegas discovered that he would get nothing.

When he contacted Kenilworth Insurance Co., the other driver's insurer, he was told the company would pay nothing until its policyholder reported the accident.

Months passed and Villegas turned to the Illinois Department of Insurance for help. He filled out a complaint and got back a form letter from the department reading:

"We have received your inquiry and the accompanying reply from the insurance company. The company's position is stated therein. This office has no other information that warrants a different conclusion. However, if you have information which shows the company is in error, please send a statement of those facts to me and we will continue our investigation."

The pledge to continue the investigation had little meaning, because the insurance department has no power to act effectively against a company as a result of any investigation.

In fact, the department has another form letter it sends to policy holders explaining that when a question of claims settlement arises between a policy holder and an insurance company, the department has no power to intervene.

With its letter to Villegas, the department enclosed a letter it had received from Kenilworth which said the claim could not be paid because the company didn't have enough information from the insured

Villegas checked the auto storage yard and found that he owed $3 a day storage costs for more than 100 days. He surrendered the car because the cost exceeded its value.

"I know it's going to cost plenty to get any driveable car but if I could only have collected something I could have used it for a down payment," he said.

Asked about the case by The Tribune, a Kenilworth spokesman said, "This is a classic situation that confronts us every day . . . you can't pay claims based on the word of the claimant."

And the president of Kenilworth, Chester Mitchell Jr., said:

"If it were me, I'd just take the loss or take the other driver to Small Claims Court."

Those who go to court face complicated rules of evidence. Illinois laws provide that a driver who is negligent in an accident cannot collect damages in a suit, even though the other driver's negligence was greater.

"It's a cruel law and it should be changed," said Leonard Ring, past president of the Illinois Trial Lawyer Association. "If a person is less than 50 per cent at fault, he should have a right to some kind of recovery."

Juries in Illinois ruled against more than half of the people who sued for bodily injury damage in auto accidents in 1975 and they got nothing, according to statistics compiled by the Illinois Insurance Information Service.

Other States, such as Wisconsin, have "comparative negligence" laws. These laws allow a plaintiff in a suit to collect something even if he may be partially negligent.

The question of negligence would not have mattered at all in some states, such as Michigan, which have no-fault laws. There a driver can collect from his own company no matter who caused the accident.

A no-fault bill in Illinois, although among the weakest proposed in any state, was vetoed in 1973 by Gov. Walker because, he said, it was too limited to be effective.

Proponents of a strong no-fault measure, which would allow payments to accident victims by their own insurers no matter who was to blame, complained that lobbyists for Illinois trial lawyers, who have the most to gain from the present system, worked to weaken and eventually kill it.

The system of insurance claims recovery in Illinois was described by the U.S. Department of Transportation in a 1970 study as ill-serving the accident victim, the insuring public, and society.

"It is inefficient, overly costly, incomplete, and slow. It allocates benefits poorly, discourages rehabilitation, and overburdens the courts and the legal system," the study added.

Because of the burden, Cook County courts are hearing cases filed three years ago.

When his case finally is called for trial, the Illinois driver must prove that he was totally blameless for the accident and that the other driver's negligence was solely responsible.

This was the explanation given Carol Chaney, 21, when she tried to collect a claim against Ambassador Insurance Co.

She was awakened early on a morning in 1974 by the sound of crashing metal and breaking glass on the street in front of her home at 3108 S. Green St.

Rushing outside, she found that a motorist had crashed his auto into four parked cars, including hers.

Her car was a 1967 sedan, which she estimated had a value of only $600 but which was her only means of transportation to her job as an accounting clerk.

Chaney obtained estimates on how much it would cost to fix her car. The lowest price was $303.

When she sought payment from Ambassador Insurance Co., the insurer of the other driver, the company refused to pay and explained: The driver they insured had crashed into the cars because he suffered a heart attack at the wheel, and they were not liable because he was not negligent.

Chaney contacted the Department of Insurance and was told to take her complaint to Small Claims Court.

In court, the firm's lawyer said having a heart attack does not constitute negligence, Chaney said:

"He had to be negligent or he wouldn't have been driving with heart trouble. But they said I couldn't prove he had heart trouble. I called the man's doctor but he wouldn't tell me anything.

"They had a lawyer to argue their side but I couldn't get one for a small case like mine," she said.

Chaney's claim was thrown out of court.

"People have the very sad misconception that an insurance company has to pay every time its insured has an accident," said Jeffrey M. Lampert, president of Ambassador.

Lampert said Ambassador regularly dismissed claims by stating their insured was not negligent or that the other driver was partially negligent.

Faced with a one-sided decision, a claimant either will have to sue if the claim is sizable enough or complain in the Illinois Insurance Department if it is small.

But the insurance department has been handcuffed from acting in claims matters both by court injunctions and by a severe manpower shortage.

Six years ago the department began examining the claims-handling of Illinois insurance companies and found that many firms, especially those operating mostly in the inner city, routinely deny or delay legitimate claims.

However, when the insurance director in 1973 first tried to use his powers under state law to suspend one such company, a Circuit Court judge issued an injunction blocking the suspension.

The department budget has been cut back so drastically that only eight staffers are available to handle the thousands of complaints their offices get each year. The Task Force found that most of these complaints reach a dead end in the department's form letter system.

The consumer enforcement section is so undermanned that several of the companies which have been the subject of the most complaints have not been inspected since they promised to alter their claims practices three years ago.

A former state insurance department deputy estimated complaints to the department involving more than $1 million in unpaid claims go unresolved each year.

Many are fender-bender claims like the one that damaged the car of Louise Starzynski, wife of a Chicago policeman, who lives on the Northwest Side.

Starzynski paid $149 to repair the car, with his company, Liberty Mutual, contributing $49. Starzynski paid the $100 deductible required by his policy.

Because police ticketed the other driver for an improper turn, Starzynski sought to get the $149 back from the other insurer, Industrial Fire and Casualty Co. They sent him a form letter stating Industrial didn't believe its policy holder was responsible.

"What can I do?" he asked the Task Force. "No lawyer is going to take a case for $149. My company paid all but the $100, but I want to reimburse them. They could raise my rates or cancel me because of the claim."

How Insurance Firms Have Cake and Eat It Too

Insurance companies often point to huge losses in insuring motorists as justification for rate increases.

Allstate Insurance Co., as an example, filed financial data with the Illinois Department of Insurance indicating it lost 295 million dollars in its underwriting of all insurance in 1975.

After deducting income from investments, the report shows, it still lost more than $24 million.

But for that same year, Allstate's report to its stockholders showed a profit of $75.9 million.

It's all perfectly legal and here is how it happens:

For the inspection of state officials, Allstate and other insurance writers in the state follow the recommendations for reporting profit and loss set up by the National Association of State Insurance Commissioners.

This means they do not have to report money they have received from annual or six-months premiums paid in advance by policy holders.

These premiums, although already invested and earning interest for the firms, is not theirs, they argue, until the term of the policy has passed.

They also show—in the loss column on their books—money which they retain but which they believe may have to be paid out in the future for current claims against them. They also include as losses expenses they believe might be incurred in paying the claims.

In reporting to stockholders, however, they use a system mandated by the Securities and Exchange Commission which is designed to give investors what the SEC believes is a true picture of income and outgo.

In essence, the SEC system requires that a firm's report show money taken in when actually received, and expenditures or other payments when actually paid.

The accounting methods they [insurance companies] use could mean that as much as 10 per cent of the premiums taken in by the companies are not shown as profits," says T. Grayson Maddrea, a certified public accountant specializing in insurance accounting.

"As the premium volume increases, the companies will continue to show losses and make profits."

Want Insurance Deal? Flee State; You May Save 40 Percent

Illinois residents pay as much as 40 per cent more for the same auto insurance coverage as do residents of six other states surveyed by the Tribune Task Force.

The states whose rates were compared with those in Illinois—Indiana, Wisconsin, Michigan, Ohio, Pennsylvania, and Iowa—all have some form of state rate control. Illinois has none.

Reporters applied for identical coverage in cities of about the same population. In each city they gave insurance agents the same personal background, including driving record, marital status, occupation, make and year of car, and the distance they said they drove it to work.

Illinois auto insurance agents and brokers consistently quoted higher prices.

The insurance companies claim that rates are based only on the loss they experienced in each rating area. However, The Tribune found that out-of-state cities with higher loss experiences had lower rates than Illinois cities.

In Chicago, which has four rating zones for some auto insurance companies, the rate of an unmarried 27-year-old hospital worker with no chargeable traffic accidents was $672 in the highest rating zone. In Philadelphia it was $603, and in Detroit $470 in the highest zone.

For a 32-year-old married school teacher with no chargeable accidents, the rates in Chicago's four zones ranged from $483 to $389. In Philadelphia the rate was $361, and in Detroit $372.

These rates applied in spite of the fact that Pennsylvania and Michigan both have no-fault insurance laws under which more benefits are provided policy holders. These include payments for lost wages and unlimited medical payments.

The reporters contacted agents in smaller cities as well.

Prices quoted for a married teacher who would drive four miles to work in these cities ranged from $255 in Peoria to $186 in South Bend, for the same amount of coverage by Allstate Insurance Co.; $210 in Rockford to $179 in Des Moines for State Farm; and $268 in Peoria to $174 in Madison, Wis., for Travelers Insurance Co.

In even smaller cities, the teacher applying for insurance would be asked to pay $221 in Decatur, Ill., but only $174 in Muncie, Ind., for Allstate; $210 in Springfield, Ill., but only $146 in Cedar Rapids, Ia., for State Farm; and $240 in Decatur to $184 in Springfield, Ohio, for Travelers.

Analysis of these figures indicates that Illinois motorists could be paying $200 million less if they lived in similar communities in other states.

Spokesmen for State Farm and Travelers concede that rates are generally higher in Illinois than in surrounding states. Allstate said its rates are higher only in the cities surveyed by the Task Force. State Farm and Travelers said the higher rates in Illinois were the result of greater losses by the insurance companies in the particular rating district.

But State Farm's own figures showed that, in proportion to the number of policies written, Rockford rates were higher than those in Madison and Des Moines despite the fact that losses in Rockford were lower.

Des Moines had 9.5-per-cent higher losses than Rockford. Rockford had 6-per-cent higher prices than Des Moines. This disparity grew even larger on Oct. 1—to 11-per-cent higher premiums—when State Farm put a rate increase into effect in Illinois.

In Madison, the company had 4-per-cent higher losses than in Rockford, according to the State Farm figures, but Rockford had 12-per-cent higher premiums.

Even insurance agents recognize that Illinois rates are high. When the hospital worker who said he was moving to Chicago's Near North Side was quoted a price of $672, an Allstate agent told him:

"You're crazy to pay that much for insurance. You'd be better off selling your car."

The agent may have been right, because the price quoted was based on a car driven less than 7,500 miles a year, meaning its driver will spend more for auto insurance than for a year's supply of gasoline.

Another Allstate agent, considering the request for insurance for the teacher with a perfect driving record, said as he was about to quote a $455 premium:

"If you are just moving in from Indiana sit down, because this is going to shock you out of your boots."

Insurance Cancellation: Dead End for Drivers

(Note.—Task Force report: Illinois motorists will pay $1 billion in auto insurance premiums in 1976—and what will they get in return? Tribune Task Force reporters William Gaines and John McCarron, in a two-month investigation, found that though they often pay more for auto insurance than people in other states. Illinois motorists get less because of a costly, antiquated, and sometimes cruel system of auto insurance payments. This is the second article in a series written by Wesley Hartzell.)

For the largest part of the last 18 years, George Stevens of 2341 N. Lockwood Av. and State Farm Mutual Insurance Co. had formed a mutual admiration society.

Since 1958, Stevens had bought his car insurance from State Farm and he was happy with it. And until recently State Farm had been happy to sell it to him.

All that changed this summer, Stevens got a letter from the company telling him the deal was off. In part it read:

"Our decision to not offer renewal of your policy is based on what we termed as abnormal frequency of loss occurrences. While there is no fault attributed directly to you in most of the losses we still face a situation of a frequency to an alarming degree."

Stevens told the Tribune Task Force that the "abnormal frequency of loss occurrences" included an incident in 1974 in which a child darted in front of his car and was treated for minor injuries.

Stevens said he also had been involved in a six-car chain accident on the Dan Ryan Expressway during a storm. Later a hubcap valued at $42 was stolen, and his car was struck twice by hit-and-run drivers while parked. All the accidents were in 1973, the company noted.

"I was forced to take another company," says Stevens. "I grabbed at it like a drowning man. I had all my policies with them [State Farm] all those years. I thought I was paying insurance to protect me if something like this happens."

Mrs. John Papp, of 3812 S. Clinton Av., Berwyn, has a similar story. She was insured by Allstate Insurance Co. for 24 years, she said.

But this summer she got a letter telling her Allstate was not going to issue her any more policies because she had had four claims in the last three years.

"We have four vehicles insured with them, a truck and three cars," she told a Tribune reporter, "but they don't take that into consideration. They also don't consider that three of the claims were for incidents that happened when we were not even in the car.

"One time it was a hit-and-run accident in the lot at the grocery store; then somebody shot three holes in the car when it was parked on the street, and somebody else broke the vent window and stole the CB radio. I'll get another insurance company, but I know I'm going to end up paying more."

Task Force reporters interviewed spokesmen for the two insurance companies who had sent the nonrenewal letters to Stevens and Mrs. Papp.

David J. Phillips, vice president of State Farm, Stevens' insurer, said:

"There is no computerized strict rule on nonrenewals. Each is weighed individually. . . We are fully aware of our social responsibility. We are a quasi-public utility. People have to buy our product by force of law. But we have to operate in the reality of economic losses.

"There is no question that many companies are cutting back on the risks they will insure. Some companies have completely pulled out of the market."

A spokesman for Allstate, Mrs. Papp's insurer, said:

"A person can be hit four times when he is parked on the street and it is not his fault, but the frequency of the accidents show that his vehicle is not properly garaged. There can be a pattern of nonnegligence as well as negligence."

Asked if a person might not be more careful if he has had an accident, and thus become even a better risk, the Allstate spokesman said:

"For a while, yes, but statistics show that soon he will revert back to his old pattern of driving that caused the first accident."

In predicting that she would wind up paying more for her auto insurance, the Task Force found that Mrs. Papp pointed her finger directly at the squeeze now facing motorists whose insurance firms will not renew their policies. They have two options, both expensive:

They can obtain insurance from the Illinois Auto Insurance Plan, established by the insurance industry to provide coverage at high cost to "high risk" motorists.

They can buy insurance, if their accidents or traffic offenses have not been too numerous, from the so-called "high risk" or "substandard" firms.

Because motorists like Stevens and Mrs. Papp are being squeezed out by the standard insurance companies, the high risk firms are picking them up and growing rapidly. Their growth is aided by the fact that independent insurance brokers have taken to steering customers to them in return for lucrative commissions and because their rates are not as high as the Illinois Auto Insurance Plan.

The dilemma for such drivers is that the high risk firms have a poor record on paying claims without being sued, the Task Force found.

The Illinois Auto Insurance Plan, whose rates are often double those quoted by the high risk firms, has its rates set in New York City, headquarters of the Automobile Insurance Plans Service Office. It sets rates for such service not only in Illinois but for 43 other states.

Its Illinois rates, however, must have the approval of the state's insurance department. Any company wishing to do business in the state must agree to participate in the plan and sell policies to drivers who otherwise might find it impossible to obtain coverage.

The companies must accept these applicants in a proportion equal to their share of the regular insurance market in the state. State Farm, for example, writes 12 per cent of the auto insurance business in Illinois, so theoretically it must accept 12 per cent of all applicants to the plan.

The plan is not popular with Illinois motorists, however. One reason is its high cost. Another is that a motorist who is insured through the plan carries the stigma of being a poor driver, according to many of the insurance agents questioned by the Task Force.

A State Farm agent who had just refused a request for insurance coverage for an applicant who said he had been nonrenewed by another firm, told him: "Whatever you do, don't go to the Illinois Plan—that's stinko. Once you're in the plan nobody else will want you. It's very expensive and you won't want it."

Only 19,887 of the 5,406,000 private autos in the state, or one of every 272, are insured through the plan.

A reporter sampled the costs involved. Listing himself as 27 years of age, unmarried, living on the Near North Side, and with one accident and one moving violation on his record, he was quoted a figure of $998 a year for a policy containing liability limits of $50,000 for each person, $100,000 for each accident, and $25,000 for property damage.

When he applied to an independent agency, American Automobile Insurance Brokers, the reporter was quoted a price of only $539 for a policy with a high risk company. Other agencies, including Chicago Motor Vehicle, House of Savings, and Yale, provided similar quotes.

The Task Force found evidence, however, that the high risk companies may be in for a golden future as a result of nonrenewals by the standard companies.

The zoom in business is evident. According to the companies' own figures as reported to the Illinois Insurance Department, five of the top Chicago-area high risk companies wrote more than $39 million worth of business in 1975, up from $31.5 million in 1974.

The five—Ambassador Insurance Co., Comet Casualty Co., Kenilworth Insurance Co., Prestige Casualty Co., and Safeway Insurance Co.—averaged a 24-per-cent gain during the year.

Prestige, largest of the high risk companies, gained 25.5 per cent in premiums in 1975, while one of the state's largest underwriters, Allstate, gained only one per cent.

Five of the state's top standard insurance companies, averaged only a 9.1-per-cent gain during the period.

A guidebook issued by Allstate to its Illinois agents attempts to set policies on whom it will insure or renew.

It forbids, for example, the insuring of any unmarried male with a moving violation or a "chargeable" accident in the last three years.

Moreover, the guidebook specifies that Allstate will not insure anyone who has not had "prior insurance." An adult who has just learned to drive, for example, cannot obtain his initial auto policy from the agents.

The Allstate guide tells its agents to "seek to insure the law-abiding citizen who evidences stability in residence, employment, and car ownership, who resides in an area where excessive traffic congestion, vandalism, or theft hazards are not prevalent."

A national survey of insurance companies found that several firms keep lists of "unwanted occupations."

The list includes clergymen as well as restaurant workers, professional athletes, longshoremen, law enforcement officials, firemen, gas station employes, hospital workers, students, unskilled airline employes, and garbage workers. The survey didn't go into reasons why these occupations are considered bad risks.

The survey, made by the Stanford Research Institute, said insurance companies have been known to have their agents also screen out drivers under 25 and over 65, aliens, the recently divorced, and those with questionable morals.

Said Harry Veren, 1738 Sunnyside Av., Northbrook, whose policy Kemper Insurance Companies refused to renew after he had an accident:

"All they want is to insure people who don't have acidents. They take your money every six months or so, but God help you if you have an accident. . . . I'm sure that somewhere there is a record going into some computer that shows it was my fault when it wasn't."

A spokesman for Kemper said Veren's nonrenewal was a clerical error and denied there is a computer that records nonrenewals.

The Task Force found that many independent insurance brokers, some of whom advertise heavily that they will find the insurance firm and policy that best fits the motorist's needs at the lowest cost, steer motorists to the high risk companies.

A review of Illinois Insurance Department reports shows that the high risk firms pay agents up to 28 per cent commissions, while the standard insurance firms pay only 10 to 15 per cent commissions.

When a Tribune reporter, for example, tried to buy insurance from the agencies advertising in the Yellow Pages, 9 of 10 tried to place him with a high risk firm.

Many also tried to persuade him to change his request for liability coverage of $50,000 for injury to one person.

"You're overinsuring yourself," one agent told him. "It just isn't worth it. About 95 percent of the people carry only 10–20 [$10,000 per person and $20,000 total for an accident.]"

The agent's estimate was labeled "unquestionably false" by Tom Reynolds, manager of the Illinois Insurance Information Service.

He said, "The majority have more than that."

Virtually all the state regulators, insurance trade association spokesmen, judges, and personal injury lawyers interviewed by the Task Force agreed that the minimum $10,000 coverage is totally inadequate.

Agents selling the high risk companies quoted lower rates to the reporter with an accident on his record [about $530] than did Allstate for a reporter with a clean driving record [$672] for the same coverage.

How does a high risk firm feel about picking up those rejected by the standard firms?

"Don't say that we insure high risks," says Charles Waters, president of Prestige Casualty Co. "Some of the people we insure are very good risks. But we are picking them up becausé the major companies are dropping them.

"We may refuse a guy with a drunken driving record or who has had a suspension [of his driver's license], but we don't refuse a person just because he has had an accident or lives in a high-risk neighborhood and doesn't have a garage."

Twenty Thousand Dollar Chevy: Why Insurance Rates Soar

(By John McCarron)

Asked to single out the main reason for higher auto insurance premiums, insurance industry executives like to tell the story of the $20,000 Chevy.

The American Mutual Insurance Alliance, a large trade association, recently studied how much it would cost to rebuild with new parts a 1976 Chevrolet Impala with an original factory price of $4,438.

The bill, including labor, came to $19,979.

Although few would attempt such an uneconomical rebuilding project, the study attempts to show how the cost of parts and labor has zoomed in recent years for all makes of cars.

The alliance also used an Impala to study the increase in cost over the last six years for repairing damage caused by a common front-end collision.

The study showed it would have cost $825.73 in 1970 to repair an Impala of that year. In 1976 the same job on a new car costs $1,566.53—an increase of 91 per cent in parts and labor.

Although the labor portion of the bill jumped by 73 per cent, the alliance found that most of the cost increase was due to the spiraling cost of "crash" parts—items such as bumpers, fenders, and grilles which frequently are crumpled in accidents.

The study said that over the five years, the cost of parts alone required to fix the Impala had jumped 95 per cent. Government statistics show that the average cost for all manufactured goods rose only 40 per cent for the same period.

The alliance said owners of late model medium-sized cars now pay 60 to 70 per cent of their auto insurance premiums to cover the high cost of auto repairs.

Not surprisingly the auto industry isn't about to shoulder the blame.

A spokesman for General Motors Corp. labeled the $20,000 Chevy "an extremely misleading concept—about as fictitious as TV's "Six Million Dollar Man."

The spokesman contended that GM's crash parts have risen in price by only 35 per cent over the last 4½ years, even though the price of the steel rose by 58 per cent, labor 51 per cent, rail transportation 67 per cent, and cardboard packaging 67 per cent.

The spokesman said it was ironic that the insurance industry complains of the higher cost of the new reinforced bumpers and energy absorbers, because the insurers have demanded these improvements as a means of reducing damage in low-speed collisions.

"High-Risk" Insurers Can Be Risky For Drivers

(Note.—Task Force report: Illinois motorists will pay $1 billion in auto insurance premiums in 1976—and what will they get in return? Tribune Task Force reporters William Gaines and John McCarron, in a two-month investigation, found that though they often pay more for auto insurance than people in other states, Illinois motorists get less because of a costly, antiquated, and sometimes cruel system of auto insurance payments. This is the third article in a series written by Wesley Hartzell.)

The Chicago area is fertile ground for auto insurance firms that are referred to in the industry as "high risk" or "substandard."

That terminology refers not to the companies themselves but to the kinds of drivers they insure: those considered greater risks on the streets and highways.

These firms, the subject of a large portion of the Tribune's Task Force investigation of the auto insurance industry, are much smaller than the standard insurance companies which operate all over the state and nation. And they solicit business for the most part in the city and its near suburbs.

Though small, some of them have outsize records for aggressively grabbing new customers, particularly those rejected by the standard firms; delaying and failing to provide adequate settlements of claims; clogging court dockets with cases brought by accident victims; frustrating attempts by the Illinois Department of Insurance to police them; and demoralizing department investigators and other employes.

The Tribune found, for example, that complaints registered with the department against the high-risk companies averaged 15 times greater in number than those against the standard insurance writers, when considered in relation to the amount of insurance written by each.

Complaints against the high-risk firms formed a big part of the 6,006 that the department received from disgruntled auto policy holders last year.

One of the complainers was Jawaid Ekram, 25, of 227 Des Plaines Ave., Forest Park, who was driving in the Grant Park parking lot when his car collided with another.

Ekram complains that his insurance company, Industrial Fire and Casualty, made him take his car to a particular auto repair firm. He left it there in the belief he would have to pay only the $100 deductible for the repairs, he said.

But when he went for the car he found the bill was $200. He said he was told by the insurance company that the additional cost was for replacement of a panel which had been rusted out and which could not be repaired.

When he asked the insurance company to show him the repairs estimate, Ekram says, they told him to get it from the repair shop. When he asked the shop, he added, "They said I should get it from the insurance company To this date I have not seen the estimate for the car repair."

Others complaining to the department disagree with the quality of work done on repairs by a garage where the car was sent by an insurer; or complain that their car was stolen but the company wouldn't believe it; or charge that the insurance company demanded that they prove the motorist who struck their car and said he was uninsured really was uninsured.

Or they may complain that they can't get any answer from the company when they file claims.

Even though it can't do much about it the insurance department periodically subjects auto insurers, including the high-risk firms, to what it calls a performance examination. The examiners especially have zeroed in on the high-risk firms.

The Task Force, in its investigation, checked the reports based on these examinations. They have never before been publicized. Here are excerpts from reports on risk firms.

Ambassador Insurance Co.—Last examined June 27, 1973, now operates under a consent agreement to discontinue "inadequate and unfair settlements."

Comet Insurance Co.—Last examined May 6, 1974, is under orders to cease 37 violations of insurance regulations and to "implement reasonable standards for the prompt settlement of property damage liability claims. . . ."

Coronet Insurance Co.—Last examined Dec. 28, 1973, agreed to a civil forfeiture of $2,000 for "improper claims practices" which included "failure to answer correspondence . . . failure to settle total losses . . . failure to pay towing charges . . . failure to institute measures which would result in prompt settlement of property damage liability claims."

Merit Insurance Co.—Last examined May 24, 1973, agreed to a consent order which said the company "failed to handle claims in accordance with" the Illinois Insurance Code.

Safeway Insurance Co.—Examined July 24, 1972, was found to be "habitually and without just cause engaging in a general business practice of unreasonable delay or refusing to pay or settle claims arising under coverage of its policies."

Kenilworth Insurance Co.—Last examined Nov. 13, 1974, was found to have "failed to maintain sufficient records in its claim files" . "knowingly misrepresented to claimants and insureds pertinent facts or policy provisions relating to coverage. . . . refused or neglected to answer with reasonable promptness pertinent communications with respect to claims" . . . and "failed to adopt" and implement reasonable standards for the prompt investigation and settlement of claims."

After a study of complaints in 1972, the department attempted to act against several of these companies. Fred Mauck, then director of the department, suspended Safeway for 15 days. But Circuit Court Judge Daniel A. Covelli issued an injunction blocking the suspension, ruling that the department had exceeded its authority.

Kenilworth and Industrial Fire and Casualty have been able to obtain temporary injunctions preventing the department even from holding a hearing on the results of the examinations. The injunctions were issued in 1974 and are still in effect.

The Task Force found that some of the same companies which were strongly criticized in these performance examinations are still among those most complained about.

Based on complaints per $1 million of auto premiums written in Illinois in 1975, Coronet had 55.5 complaints; Industrial Fire and Casualty, 54.1, Kenilworth, 38.7; Safeway, 37; Merit, 35.7; and Amabassador, 32.2. Another high risk firm, Prestige Casualty Co., which got a comparatively good report in its performance exam in 1974, collected 33 complaints per $1 million in premiums written in 1975.

By comparison, the larger standard auto insurance writers, such as State Farm, Allstate, and Travelers Indemnity of Illinois, had fewer than 3 complaints per $1 million of auto premiums written in 1975.

Delays in paying claims are also a matter of record in department files.

The department defines as an "unreasonable delay" a median over 40 days in payment of collision claims.

The department's performance exams showed that Coronet took a median of 63 days to pay such claims, Merit 43 days and Ambassador 49 days. On the other hand, Allstate paid such claims within a median of 6 days.

Several high-risk firms also have records of "unreasonable delays" in paying claims of accident victims who incurred damages in collisions with their policy holders.

The department says such clams should be paid within a median of 60 days. But Coronet took 140 days, Merit 69 days, and Comet 73 days. The latest department figures for Allstate showed it pays such claims within a median of 7 days.

Mauck says:

"We found substantial discrepancies between several companies' practices and the terms of their policies. Any company is going to foul up, but some do it consistently."

Herbert Denenberg, former Pennsylvania insurance commissioner, says tight-fisted reluctance to pay claims can be blamed in part on the general attitude of claims people in the insurance industry.

"Claims people don't know what they're doing," Denenberg said. "They are low-paid and cynical. They think that everyone is out to con them."

Robert Halbert, of 184 W. 154th St., Harvey, told The Tribune he encountered this reluctance to pay from his own insurer, Merit.

His car, which he valued at more than $3,000, was wrecked along with several others in an accident in 1974. He said the company wanted to attach the rear half of the body from another auto onto the front of his car. He refused and filed suit. He has run up a bill for more than $600 in car storage costs while the case has dragged through the courts for two years.

A spokesman for the company said offers of $1,200 and then $1,800 were refused by Halbert. And he said attaching a new back end onto a car of the same model is common in the insurance repair business.

Equally upsetting was the experience of Mrs. Eve Johannes, 342 Eastgrove Av., Riverside, who told The Tribune she was involved in a Florida accident with her 1975 Cadillac.

Her insurer, Safeway, had her take the car to a small garage and body shop.

"When we got the car," she said, "I could have cried. They had put used parts on it and the bumper wasn't replaced. It was just rechromed.

"We had trouble with it on the way home. We had paid over $100 for more repairs on the way here and then another $400 when we got back home. Still the door is loose. If you can't trust your own insurance company that you pay big money to, then who can you trust?"

Safeway would not respond to The Tribune's request for comments on this case.

An analysis of court records by the Task Force also shows that if you're hit by a driver insured by a high-risk company, you're more likely to have to sue that driver before his insurance company will pay you anything.

For example, Prestige, largest of the high risk companies, has six times as many major liability suits pending against its policy holders in Circuit Court as the Chicago Motor Club's Interinsurance Exchange, even though the exchange wrote $2 million more premiums in the county last year than did Prestige.

One high-risk company, Ambassador, was found in a 1973 performance examination to be fighting in court 96.1 per cent of the property damage claims examined. By contrast, less than three per cent of Allstate property damage claims analyzed in the performance exams were involved in lawsuits.

The auto insurance litigation is one reason the courts are clogged, delaying settlements. In the court's Law Division, where cases involving more than $15,000 in damages are tried, the average time from the filing of a suit to a verdict is 39.26 months.

Chief Judge John S. Boyle of Circuit Court, who blames many of the suits on the firms' failure to pay legitimate claims, has initiated a program to try to speed cases to settlement. Called the Summer Pre-Trial Program, it tries to get claimants and attorneys whose lawsuits are two years away from trial into the judges' chambers.

The judges oversee settlements agreeable to both sides, and the cases are wiped off the docket. The program eliminates about 5,000 cases from the backlog each summer.

But none of the high-risk firms participate. Judge Boyle says he believes it's "because they can make money by not paying," and adds: "Have you ever heard of taking money under false pretenses? That's what many of these companies do."

Boyle listed other "delaying tactics" some of the firms engage in. He said:

"Defense attorneys [for the insurers] often demand jury trials. It costs them only $50 to request a jury, but they get to keep their [claims] money that much longer." He explained that trials can be dragged out 14 months longer with a jury than without one.

The tactics seem to work for the high-risk firms. When the Task Force used Circuit Court records to compare a sampling of high risk companies with a sampling of the major standard companies, it was found that, for their size, the high-risk companies were fighting, on behalf of their policy holders, nine times as many major lawsuits as the majors.

Complaints against high-risk firms investigated by the Task Force show that when offers of payment are made, even to their own policy holders, they often are inadequate.

The case of Sam Abate, 25, of 140 55th Pl., Calumet City, is illustrative.

Abate's car skidded off the road in December, 1975, and was damaged. His insurance company, Prestige, would only allow him $189 for the damage. Abate estimated repairs would cost $500. An adjuster, said Abate, told him that if he didn't like the estimate he could take his car to a repair shop the company chose.

Abate declined and instead filed suit in Small Claims Court. Prestige settled for $100 more than the first offer, he said.

A Prestige spokesman said of the settlement, "We call it a nuisance payment, or tribute."

"HIGH-RISK" INSURERS DEFEND FIRMS' POLICIES

(By William Gaines)

The Tribune's Task Force endeavored to obtain comments from spokesmen of six high-risk firms who write a large portion of the automobile insurance in the Chicago area. Officials of four companies responded to specific questions raised by The Tribune's current series on auto insurance.

Those responding were Jerome H. Stern, president, Merit Insurance Co.; Charles Waters, president, and Norman S. Greenberg, director, Prestige Casualty Co.; Chester Mitchell II, of Kenilworth Insurance Co., and Jeffrey Lampert, president of Ambassador Insurance Co. Here are the questions and their answers:

Q. Insurance people use the terms "high risk" or "substandard" to describe companies like yours. Is that a fair description?

STERN. The adjective "substandard" sounds like we're shoddy, and that's not so. You might call us "nonstandard."

WATERS. Call it a specialty company, not substandard or high risk. I don't like those names.

Q. Agents for major insurance companies tell us their companies are seeking to insure only the best driving risks in the safest areas. Is that why many high-risk firms are growing much faster than the major firms?

WATERS. Our business is still the inner city, but it is getting larger as big companies get out of the city. We're getting people in the close-in suburbs that they don't want now.

STERN. The majors could take our business away any time they want. We exist because the larger companies let us exist.

Q. Department of Insurance figures show that its office gets about 15 times more complaints about high-risk companies for their size than the larger standard companies. Why is that?

STERN. We're not as anxious to settle as some companies. The public considers insurance to be an unending disbursement window. That's not true for small companies like us. We watch our money a little more carefully.

GREENBERG. The big companies hand the man a check and if his car isn't fixed right by the shop he chooses, he's got nobody to blame but the shop. When we have the work done at a shop, we get the complaints.

Q. State examiners have found many of the high risk firms "unreasonably delay" payment on collision and physical damage claims. Why is that?

GREENBERG. We don't consider a claim closed until the repair work is done and inspected. Some companies just write a check and close the claim.

MITCHELL. The hostile claims climate in this city is such that we have rules to protect ourselves. We try to seine out the claims that are phony.

[On the subject of Kenilworth's successful effort to halt a hearing on its claims practices, Mitchell said, "There's absolutely no doubt in my mind that those charges are unfounded."]

LAMPERT. The department says we should pay claims within the same number of days as a State Farm or Allstate, and that's not fair. The nonstandard companies can't do business the way they do—this is a different kind of market we serve.

Q. Court records show that, for their size, the high risk firms have many times the number of major lawsuits pending against their policy holders as do the major companies. Does that mean the high risk companies are using the backlog of lawsuits as a means of hanging on to claims money as long as they can?

WATERS. If a claim is reported today, and if it's a fair claim, we'll pay it tomorrow. Fast claims service costs us a lot less. Quite often we'll pay dollars we don't owe because of legal economics.

STERN. We are religious about getting things done within the number of days the [state insurance] department wants. Our time for paying collision claims is now around 25 or 26 days.

Q. The Circuit Court has set up a Summer Pre-Trial program in which insurance companies are invited to meet with claimants in a judge's chamber and reach settlements. About 150 companies participated this year, but none of the high risk companies were among them. Why?

STERN. We don't do it because we've found we don't get bad results when we go to trial. If it costs us $1,000 at verdict, there's no point in us settling two years early for the same amount.

MITCHELL. As far as I know, we do participate. I don't remember us ever getting such a letter [inviting Kenilworth to participate in the program].

Q. The major companies tell us that carrying the minimum liability limits of $10,000 for an injury to one person and $20,000 for each accident is totally inadequate with today's high medical costs and big jury awards. Why then do most of the high risk firms write the minimum limits on almost all of their policies?

STERN. The industry should be more concerned about uninsured drivers than about minimum limits. It's better to sell a man 10/20 than have him go uninsured . . . For the public good it would be nice if everyone had higher limits, but people don't insure themselves for the public good—they buy it to protect themselves. The poor ghetto resident has less to protect.

GREENBERG. The big companies make money by selling you excess limits. If Nelson Rockefeller had $10,000 minimum insurance and crashed somebody, 99.9 percent of attorneys would only sue him for that $10,000

EXPERTS CALL FOR NEW INSURANCE LAWS

(NOTE.—Illinois motorists will pay $1 billion in auto insurance premiums in 1976—

and what will they get in return? Tribune Task Force reporters William Gaines and John McCarron, in a two-month investigation, found that though they often pay more for auto insurance than people in other states, Illinois motorists get less because of a costly, antiquated, and sometimes cruel system of auto insurance payments. This is the last article in a series written by Wesley Hartzell.)

The state legislature and the governor's office can take action on several fronts to straighten out Illinois' costly and often unfair auto insurance system, according to persons closest to the problem.

The Tribune's Task Force, in interviews with judges, lawyers, insurance executives, and state regulators, found they had many suggestions for keeping rates down, reducing cancellations and nonrenewals, getting prompt and fair claims payment, and disciplining companies for unfair practices.

The suggestions would:

Establish a strong no-fault law under which an accident victim's own insurance would pay for his medical costs and lost wages, even if the insured was at fault.

Restore to the Department of Insurance the power to regulate insurance rates.

Give the Department of Insurance the authority and manpower needed to investigate, hold hearings, fine, and suspend insurance firms which consistently short-change their policy holders.

Scrap the state's little-used assigned risk pool, in which poor drivers pay sky-high premiums to a company they didn't select, and replace it with a voluntary reinsurance system that allows those drivers to choose their company and pay rates competitive with the poorly performing high-risk companies.

Make it easier for the state to suspend the driver's license of those whose recklessness raises everyone's insurance premiums.

Appoint a director of insurance from outside the insurance industry whose sympathies lie with the consumers, not the companies.

The people interviewed by the Task Force are far from unanimous, however, in their suggestions. Some, in fact, believe that a change in the laws is not as important as a change in attitude.

"Laws don't really mean anything," according to Herbert Dennenberg, former Pennsylvania Insurance Commissioner.

"You can have a lousy law and a good commissioner and you can have consumer protection. Or you can have good laws and have the commissioner sit on his hands. . . . Everywhere the laws are ambiguous, ineffective, and inadequate. But if the commissioner wants to do the job, he can."

But it's not all that simple, in the view of others.

Establishment of a no-fault law for Illinois, favored by many the Task Force interviewed, would take new legislation, not just an edict from an aggressive insurance commissioner.

"About one-third of our legislators are lawyers," notes Tom Reynolds, manager of the Illinois Insurance Information Service. "They have a good thing going in the fault system and don't want to lose it. They won't give an inch and are better organized here than in any state of the union."

Jeffrey O'Connell, the University of Illinois law professor who was among the pioneers of the no-fault concept in the early 1960's, still thinks no-fault will arrive in Illinois but worries about what form it will take.

O'Connell favors no-fault with a high limit on benefits for the injured, coupled with tough restrictions on the right of the injured to sue for "pain and suffering."

"The Michigan no-fault law has some problems but it would be a tremendous improvement over what we've got in Illinois now," O'Connell said.

O'Connell would bar accident victims from suing for damages unless they were disabled for more than 90 days. The Michigan law allows such suits if the victim can show "permanent serious disfigurement."

"There have been a lot of state laws that are no-fault in name only," said Robert Rowe, former deputy commissioner of Michigan's insurance department.

"Florida had a bad law. So did New York. The Florida law was the worst, but I understand they have changed it. It said you could sue for pain and suffering if your medical bills were over $500. A doctor willing to cooperate could run the costs up over $500 easily enough."

Although most experts agree that no-fault means more adequate compensation to auto accident victims, nowhere has the adoption of no-fault brought an across-the-board reduction in rates.

That situation probably would hold true in Illinois' totally unregulated rate system.

The Task Force found that auto insurance rates are generally higher in Illinois than in other states, and that Illinois has no administrative power to correct the situation.

The Task Force found that Illinois is the only state in the union that does not have some form of control over auto insurance rates. Instead, the companies are free to set whatever rates they want—at the risk, however, of being undercut by other companies.

Many states, such as Pennsylvania, require prior review of rate increases.

Vincent Travis, an insurance department official there, explained that firms seeking an increase must request it from the department. The increase automatically goes into effect after 60 days unless the department objects. He added, "We make an effort to render a decision on each request rather than just let the time run out."

Travis said his department bases a rate increase on the actual loss to the companies.

"Sometimes we may object to the way in which they want to make up the losses by raising rates for a particular classification of persons. We can change the distribution of the cost or refuse an unjustified increase."

Not all those the Task Force talked to about rate regulating wanted rigid controls.

Michael P. Duncan, who became director of the Illinois Department of Insurance last July, says he believes in "open competition" as a means of setting rates.

"I think prior approval would be a mistake," he said. "On the other hand, not having any law can lead to two possible problems: first, the federal government might say we're in violation of the McCarran Act by not regulating rates, and second, if you don't have anything on the books about excessive rates, what would happen if you came to me with a complaint showing rates are excessive and companies are making a 100 per cent profit?"

Not only do Illinois motorists tend to pay more for their auto insurance, but the Task Force found that many also get unfair treatment when they submit claims to their companies.

Regulators within the Illinois department insist that laws here are adequate to police unfair claims handling. They blame the department's failure to get tough on a lack of manpower.

If you don't have an efficient and effective enforcement system, it doesn't matter what's written.

"We have only six casualty field examiners to inspect the state's 300 auto insurers," Taylor said. "We need at least 12 to do the job."

Taylor said the State of New York, with far fewer licensed insurance companies, has 1,200 employes, including 400 field examiners of all types, including casualty. The Illinois department gets by with 200 employes, and less than 40 field examiners of all types.

"You can't have Cadillac government on a bicycle budget," Taylor said.

If the insurance department were allowed to keep more than 6 per cent of the $30 million in taxes and fees which it channels into the state coffers each year, Illinois might have the manpower to staff consumer programs that have worked elsewhere.

James F. Mosier, Ohio insurance department official, says his department has two hotlines to enable consumers to complain about insurance companies. In 1974, the department received 20,000 such calls.

Travis, the Pennsylvania regulator, said his department has a "policy-holder services division" which hears complaints in Philadelphia, Pittsburgh, and Erie, plus a "circuit rider" complaint officer who visits 15 of the state's smaller cities one day a month. He said:

"We can hold a hearing and get a consent order against a company. We publish the results of the hearing or consent order, and no company wants to get such bad publicity. It usually settles informally in the office."

The Task Force found the worst abuses of claims handling occur among the smaller "high-risk" companies that sell insurance to those whose neighborhoods or driving records aren't acceptable to the major companies.

One reason the high-risk companies are thriving is the failure of the industry-sponsored Illinois Automobile Insurance Plan—the assigned risk pool for those rejected by the bigger companies.

Fred Mauck, a former Illinois insurance director, says the Illinois plan should be changed to a voluntary one in which the high risk driver picks the company he wants to insure him. That company then issues him a policy at a rate higher than for "preferred-risk" drivers but well below the current plan rates.

If the driver later makes a claim, the company is reimbursed for any excess damages from a fund set up by all insurance companies operating in the state. This way, Mauck said, the driver gets a reputable company and the company doesn't get stuck.

Many experts interviewed by the Task Force said that some high-risk insurance customers have no business behind a wheel.

David J. Phillips, vice president of State Farm Mutual Auto Insurance Co., said, "The state should take more responsibility in the issuance of driving licenses. This would reduce losses and the cost of insuring for everyone."

Phillips said the state should act as "the underwriter in the control of licenses. Because of laxity in the courts and in state government, the burden falls on the companies over whom they should renew."

Dennenberg, the former Pennsylvania insurance director who stresses attitudes instead of laws, said the best hope for reform lies in the choosing of the regulators.

"Insurance commissioners are insurance industry people. I made a study and found that 40 per cent of the state commissioners came right out of the corporate offices of insurance companies. Many others were lawyers who represent companies.

"I call it regulatory incest. It's the same old story everywhere. When they leave the state office, they go right back to insurance jobs."

TEN TIPS IN BUYING AUTO INSURANCE

When you go shopping for automobile insurance in Illinois, here are ten things to remember, according to findings of the Tribune Task Finder:

Shop around first by telephone. Task Force reporters found the prices quoted by insurance companies for the same car and driver varied by as much as $200.

Be honest with the insurance agent. If you've had a moving violation or an accident, be sure to tell him so. Many companies won't stand behind their policies if they can show that you made false statements on your application.

In buying personal liability insurance, make sure you have adequate coverage. Although the minimum limit is $10,000 for injury to one person, big court awards for damages and inflated medical costs have led state insurance officials to call this minimum "inadequate and inhumane." The cost of buying larger amounts of coverage—$50,000 for example—is relatively small considering the consequences of being under-insured.

Ask your agent about higher deductibles on your comprehensive [fire and theft] and collision [damage to your own car] coverage. The savings can be as high as 50 per cent on premiums.

If you have an older car, study how much you might save by dropping collision and comprehensive coverage entirely. The premiums might cost more than the car is worth.

If you go to an independent insurance broker, make sure he doesn't place you with a company just because it is paying him a higher commission than other companies. Don't be afraid to ask the broker about his commission.

Report important changes in your life or lifestyle to your insurance company or agent. If your son gets married or you start taking the bus to work, or you move to the suburbs, you're probably eligible for a reduction in the premium you pay.

Check to see if the "medical payments" portion of your auto policy duplicates other health insurance you may have. You may wish to drop it from your policy, at some saving.

If your policy doesn't replace wages you may lose as the result of an accident, you might consider getting this coverage. Check, however, to see whether it duplicates disability coverage you may already have from your employer.

When you have an accident or loss, report it immediately to companies insuring both you and the other driver if one is involved, preferably by telephone. Follow this up with a letter, keeping a dated copy for yourself. Gather information at the scene of the accident and get a police report.

Illinois' Auto Insurance System Adds Insult to Accident Injuries

(Note.—Task Force report: Illinois motorists will pay $1 billion in auto insurance premiums in 1976—and what will they get in return? Tribune Task Force reporters William Gaines and John McCarron, in a two-month investigation, found that though they often pay more for auto insurance than people in other states, Illinois motorists get less because of a costly, antiquated, and sometimes cruel system of auto insurance payments. This is the fourth article in a series written by Wesley Hartzell.)

The Richard Krakowskis family of suburban Franklin Park has something in common with the Robert Weber family, which has a 40-acre "ranch" near Grand Rapids, Mich. They both had automobile accidents involving severe bodily injuries.

But that's where all similarity ends. Because of Illinois "fault" system of auto insurance, which contrasts to Michigan's "no-fault" system, the Krakowskis face a never-ending economic crisis in addition to the physical suffering of their injured son.

The Webers have little to worry about financially because their automobile insurance is paying for practically all expenses involved in the accident, including rehabilitative as well as medical therapy for their son.

Their stories, as told to The Tribune's Task Force, serve to illustrate one of the glaring deficiencies in Illinois' auto insurance system.

The Krakowskis' ordeal began July 12, 1972, when they were on a vacation trip and Dickie, their 6-year-old son, ran into a road. He was hit and seriously injured by a car whose driver, an elderly woman, had auto insurance with a $20,000 limit on personal liability.

Dickie suffered multiple fractures, internal injuries, and permanent brain damage. Medical and rehabilitation treatments have cost more than $100,000. The father's health insurance policy paid 80 per cent of most medical bills, but nothing on rehabilitation expenses.

The Krakowskis were eligible only for a $1,000 medical cost payment from their own auto insurance.

The family sued the other driver. This year an out-of-court settlement for $20,000 was reached. Their lawyer told them it would be useless to ask for more than the other driver's $20,000 liability coverage because she was a pensioner with little money.

After the lawyer's fee and other legal expenses were paid, the settlement had shrunk to $11,000. The money was put in a trust fund for Dickie.

Despite this settlement, Mrs. Krakowski says, the family has paid $25,000 out of pocket, and savings are depleted. She says, "We drive a used car now; we can't afford a new one."

She also said they carry $300,000 liability limits on their own auto insurance, because "I wouldn't want to put anybody through what we've gone through."

Dickie is living at home now, but the bills keep coming for speech lessons, physical therapy, and special dental work—items not covered by the family's health insurance.

The accident that left Dale Weber, now 21, paralyzed from the waist down occurred on Oct. 13, 1973, only 13 days after Michigan's no-fault law took effect. Dale admits he may have been pushing his motorcycle too fast when it crashed head-on into an automobile, which may have been over the center line of the road.

"After the accident my husband said he could lose the house over this," said Dale's mother, Bernice.

Had the accident happened in Illinois this could have been a real possibility. Their equity in the home may have had to go to pay Dale's $20,000 in medical bills. This state's insistence on a determination of who is right and who is wrong in an accident may have freed other insurance company from obligation.

The accident crushed three of Dale's vertebrae, fractured his right arm, and caused internal injuries. He has been in three different hospitals and has been in a rehabilitation program for eight months.

Under Michigan's no-fault system, however, the Webers' auto insurance has paid bills his family's health insurance didn't cover, including wheelchair, crutches, leg braces, special shoes, and even the labor of attaching braces to the shoes.

It also paid for special hand controls on two of the family's cars and for driving lessons to teach Dale how to drive them. And it's still paying for rehabilitative therapy for him twice a week.

Dale is now able to drive every day to a community college where he studies electronics. He hopes to get a job servicing automotive testing equipment.

More than half the United States population is covered by some form of no-fault auto insurance, although few of the states have any as effective as Michigan's.

Illinois motorists remain stuck with a "fault" system that a federal study as long as five years ago labeled "inefficient, overly costly, incomplete, and slow."

The study, made by the U.S. Department of Transportation, concluded that the fault-based system "allocates benefits poorly, discourages rehabilitation, and overburdens the courts . . ."

The Task Force's investigation disclosed that the Illinois fault system can:

Pressure claimants into hiring attorneys and taking their claims to courts, while even judgments they may win are reduced by attorneys' fees, which can take as much as a third.

Expose a claimant who does sue for a settlement to a jury legally may award him nothing although police evidence indicates the other driver was at fault.

Award him only the minimum liability coverage contained in the faulted driver's auto policy, even though medical bills and lost wages may amount to thousands of dollars more.

Illinois' fault system requires that a motorist involved in an accident must prove—if a case goes to trial—that the other driver was 100 per cent responsible for it. In order to collect for car repairs or medical bills from the other driver's insurance firm, the crash victim must show in court that nothing he did contributed to the accident.

Thus, in an accident where neither party could show he was 100 per cent in the right, neither could collect from the other's liability insurance.

This means the injured—in a contested case—would have to pay his own medical bills from the "medical payments" coverage in his own policy. Most policies pay only $2,000 or $3,000 for medical costs—an amount that could vanish quickly with today's high medical costs.

Among its other weaknesses, the fault system also assures that victims with the most medical expenses are the least likely to recover their full costs.

The Federal Department of Transportation study showed that in states having fault systems, including Illinois, accident victims with more than $5,000 in medical expenses recovered only 55 per cent of their costs. But those with less than $500 in medical expenses received payments amounting to 4½ times these expenses.

The reason for this, according to investigators involved in the study, is that insurance companies do not like to contest claims under $1,000 in court even when they know the claim is inflated. A court trial on such a claim could cost them more than $1,000 in legal expenses should the claimant choose to sue.

The fault system gives insurance firms a built-in incentive to delay payment of the larger claims, according to T. Grayson Maddrea, a certified public accountant specializing in insurance accounting.

In Cook County, where having injury suits pending for more than four years is not uncommon, an insurance company which could delay a $10,000 settlement for that period of time could earn $3,604 on its retained cash compounded at 8 per cent interest.

Conversely, a claimant who wins his case after the four years' delay will find that inflation has taken a big part of his benefits.

According to figures supplied by State Farm Mutual Auto Insurance Co., only 25 cents out of every dollar paid in bodily injury insurance premiums is paid out to an injured person under Illinois' fault system. A proposed federal no-fault law, according to the company's figures, who have brought a payout to cover the injured's expenses of 51 cents out of the premium dollar.

If the state's fault system deprives the actual accident victims, it provides big rewards to the fraternity of trial lawyers, according to John M. McCabe, legislative director of the National Conference of Commissioners on Uniform State Laws.

"Auto liability insurance was created to hire lawyers," he says.

An attorney specializing in automobile injury cases can gross up to $1 million a year in Cook County, according to Patrick Ward, regional director of the Insurance Crime Prevention Institute.

"Some are so busy they farm work out to others."

A true no-fault system takes away the right to sue a driver who was at fault in an accident. Instead, both the victim and the driver at fault would recover losses from their own insurance companies, thus cutting court cases.

Michigan is recognized widely as having one of the most genuine no-fault insurance laws in the nation.

All Michigan automobile policies provide their insured after an accident with unlimited medical, hospital, and rehabilitation benefits—for life, if necessary—as well as compensation for lost wages up to $1,000 a month.

The wage clause has a cost-of-living escalator as well. In addition Michigan policies pay funeral expenses and ancillary costs such as day care and baby-sitting.

The Michigan policies there also cover victims of single vehicle accidents.

Michigan insurance companies meet the cost of such prompt and unlimited claims payments in several ways:

Except for very severe injuries, accident victims in Michigan may not sue for damages in the category of "pain and suffering."

By contrast, in the premium dollars Illinois insurers pay out for bodily injury, almost as much goes for "pain and suffering" as for actual medical bills or for lost wages.

Michigan drivers may not sue other drivers for the cost of repairing their damaged vehicles. Repairs are paid for out of the driver's own collision insurance, minus his deductible which the driver has to pay himself.

This latter feature is not popular with many Michigan motorists because it compels them to pay the deductible even when the accident is not their fault.

(At extra cost, however, Michigan motorists may buy collision insurance which will pay the complete cost of damage to their car if they can show the other driver was at fault.)

Michigan's no-fault law has not kept the cost of collision insurance from rising along with the prices of replacement parts and labor for repairs. Such insurance costs have risen 25 per cent since late 1975, according to Lee-Matthews, manager of the Michigan Association of Insurance Companies.

Michigan's no-fault premiums for bodily injury coverage, however, have gone down from 2 to 27 per cent depending on location and the driver's circumstances, according to that state's insurance commission.

Three years ago, the U.S. Department of Transportation funded a study of the effects of a true no-fault law. The study predicted that bodily injury premiums in Illinois would drop an average of 16 percent under a no-fault law.

The law has affected the number of court suits drastically. Michigan court officials report a 20-per cent decline in suits involving automobile accidents filed since 1972, the last full year of its "fault" system.

Compare this with Cook County, where the backlog in personal injury and property damages cases under our fault system grew by 6,427 cases during 1975, according to court records.

With all its available benefits, Michigan auto insurance still costs less than similar coverage in Illinois.

A Task Force reporter checked rates of three insurance firms for residents of Kalamazoo, Mich., and Rockford, Ill., cities of comparable size. The reporter gave the same personal data and driving records in obtaining estimates. He found the average costs of the three firms was $279 a year in Kalamazoo and $319 in Rockford.

A proposed no-fault law for Illinois was rejected by the legislature last June, its third rejection in the last three years.

The insurance committees in both the House and Senate developed a compromise no-fault law designed for acceptance by insurance companies and attorneys.

Rep. Jack Beauprais [D., Kankakee], who was chairman of the House subcommittee that drafted the bill, said it contained a sop for both the companies and the personal injury trial lawyers.

For the companies, the drafters put in a $10,000 ceiling on medical payments and a one-year limit on payments of lost wages of up to a maximum of $200 a week.

To get lawyers to support it, the drafters okayed suits for "pain and suffering" when medical expenses of accident victims exceeded $1,000.

In the end, the lawyers would not even accept this watered-down version of a no-fault law. They pressured the committee to eliminate any restraints whatever on pain and suffering lawsuits.

"Believe me," said Beauprais, "they were active."

Other compromises included the lowering of the ceiling on medical benefits to $5,000 per accident victim, and the lowering of wage loss maximums to 70 per cent of regular income, not to exceed $750 a month or extend beyond a year.

Even this no-fault legislation got sidetracked and never reached the voting stage before the legislative session ended.

THREAT OF NUCLEAR PROLIFERATION

Mr. PERCY. Mr. President, during my 10 years of service as a Senator I have attended countless hearings on a large range of topics. I have heard hundreds of witnesses give testimony. I have listended to accounts of heinous, unlawful acts both within the auspices of the Government and outside of it. I have heard testimony which was necessarily classified due to its highly sensitive nature. I have heard people testify about the miserable state of our economy, the plight of the poor, and the failure of our Government to meet the needs of the people it purports to represent. Yet in all these years and during all the hours of hearings through which I have sat, no single statement made the impact on me as did Dr. David Lilenthal's, the first Chairman of the Atomic Energy Commission. During hearings before the Senate Government Operations Committee, Dr. Lilenthal said that he was thankful that he was not the age of his children or grandchildren because the risk of nuclear catastrophe is so great.

Recently, I was asked to participate in a lecture series which was dedicated to Adlai E. Stevenson II. Thinking about what I should say in the lecture, I recalled Governor Stevenson's extraordinary vision in realizing the interdependence among all the nations throughout the world. This very concept brought to my mind Dr. Lilenthal's warning about the kind of threat posed to the entire world if the United States does not take a lead in halting the spread of nuclear technology. The fact that we are interdependent means that we have a responsibility to protect the welfare of our fellow nations throughout the world.

I submit the full text of my speech for the "Adlai Stevenson Fellows in International Affairs" to be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Adlai Stevenson Fellows in International Affairs

It is a special privilege and pleasure for me to keynote this series of lectures in international affairs dedicated to Adlai E. Stevenson.

As a lifelong citizen of Illinois, and as an elected official from the state, I have great admiration and respect for Governor Stevenson.

Adlai Stevenson was a rare political personage. His urbanity, wit and wisdom set him apart from the crowd. He was, simply, a man for all seasons who brought dignity and distinction to the political arena.

Although he compiled a long list of honors and accomplishments—Governor of Illinois, twice the nominee of the Democratic Party for President of the United States, United States Ambassador to the United Nations—Adlai Stevenson never lost his sense of himself. Void of pomposity or pretension, he radiated reason, conciliation, understanding and humility.

"Fame is fine," he once said, "provided you don't inhale it."

It is fitting that the Stevenson Fellows lecture season is being launched in the midst of a Presidential campaign. We remember Adlai Stevenson best, perhaps, for his contribution to the political dialogue in his two runs for the Presidency.

I believe he would have rejoiced at the Presidential debates, believing them to be constructive vehicles for discussion and deliberation. But I also believe he would have scorned the trivial subjects that often occupy the public and the press in a national campaign.

Governor Stevenson had the ability to cut through the smokescreen of political rhetoric and isolate the truth. He showed that ability impressively in his speech accepting the Democratic Presidential nomination in Chicago in July of 1952 when he said:

"More important than winning the election, is governing the nation. That is the test of a political party—the acid, final test."

Governor Stevenson also kept his attention firmly focused on the stage of international relations, a field in which he displayed extraordinary vision. Time and again he reaffirmed his statement that the United States should aim to build a community of nations bound together by a common interest in peace and progress.

Long before it was fashionable or politically advantageous, Governor Stevenson was an outspoken advocate of interdependence among nations. Shortly before his death in July, 1965, he characterized mankind's plight and challenge in words that still ring true:

"We travel together, passengers on a little space ship, dependent on its vulnerable reserves of air and soil; all committed for our safety to its securtly and peace; preserved from annihilation only by the care, the work and, I will say, the love we give our fragile craft."

It is in this spirit that the United States has pursued detente with the Soviet Union, normalization of relations with the People's Republic of China, the search for peace in the Middle East and the establishment of majority rule with minority rights in Africa.

It is the same spirit that compels us to vigorously pursue an international policy to control the perilous spread of nuclear technology that threatens the very survival of mankind.

In the Presidential campaign exactly 20 years ago, Governor Stevenson made nuclear testing a major issue. He believed a halt in testing would be beneficial to all nations, eliminating the contamination of the atmosphere and reducing the danger posed by growing nuclear capability.

The nuclear test-ban treaty, signed in

July of 1963 by the United States, the Soviet Union and Britain, recognized the danger that Governor Stevenson emphasized years before.

We face an even more dangerous threat today in the global spread of nuclear technology. Worldwide nuclear proliferation is our most pressing foreign policy challenge, a matter of life and death that demands immediate attention from the President and the Congress.

In testimony before the Senate Government Operations Committee earlier this year, Dr. David Lilienthal, the first chairman of the Atomic Energy Commission, made a shocking statement about the danger posed by the global spread of nuclear capability. He said that because the risk of nuclear catastrophe is so great, he is thankful that he is not the age of his children or grandchildren.

That statement has particularly ominous overtones for your generation of Americans. And if we do not act soon to control the spread of nuclear technology, the legacy of my generation may be a world gripped by the threat of nuclear terror and annihilation.

For years we foolishly assumed that only the technologically sophisticated industrial nations would be capable of launching a nuclear weapons program. But in 1964 the People's Republic of China joined the "club" of nuclear nations, proving that a determined nation could develop nuclear weapons without a solid industrial base.

In 1974, India detonated what they called a "peaceful" nuclear explosion. This was an especially alarming watershed. It proved that a developing nation could produce nuclear weapons from an ostensibly peaceful nuclear power program.

The first step which must be taken to counter this global threat is for the U.S. to assume an outspoken international position against the spread of sensitive nuclear technology. For many years the United States has been reluctant to take decisive action on proliferation even when it was evident we should have.

We were barely heard in our opposition to the Indian explosion, even though U.S.-supplied materials probably were used. We voiced little if any opposition to the German-Brazilian deal and did not object to the French deal with Pakistan until years after it was first discussed.

Unless we make it clear that there are serious diplomatic costs associated with such action, other nations will assume that they can develop nuclear weapons with impunity. We finally did so in the case of South Korea.

An equally important goal is the negotiation of an agreement among the nuclear supplier countries placing tough new controls on the transfer and use of sensitive nuclear technology and promising immediate sanctions against countries which act to further proliferation. In this regard, it is indeed encouraging that France has now expressed a willingness to discuss controls on nuclear exports.

We must not fool ourselves. Strict controls cannot be implemented without risking the loss of some lucrative overseas sales. But the United States and the other nuclear exporting nations must recognize that this is a small price to pay to avert a major threat to world peace—and possibly even human survival. Future generations will judge us harshly if we do not make a determined effort.

The United States can and must assert strong and creative leadership in this effort by making it a major goal of U.S. foreign policy. For years, in both Republican and Democratic administrations, control of nuclear proliferation has been treated as a long-range goal, receiving only sporadic attention by top government officials.

It is encouraging to note that nuclear proliferation is an issue in this year's Presidential campaign. Political needs combined with intense Congressional pressure has led the Ford administration to suggest a firmer policy in this area.

But I am deeply disappointed that after two years of work and countless hours of negotiations in the final weeks of the 94th Congress, no nuclear control legislation was passed. Senators favoring such legislation and the White House were unable to agree on compromise legislation that would have placed the United States squarely on record as a proponent of effective international nuclear controls.

I intend to reintroduce nuclear control legislation at the outset of the next Congress to carry this debate forward; I will press for a House-Senate resolution to set an early deadline for Congressional action.

Today we still have the chance to forge the policies and priorities in our own nation and around the world to make you and future generations safe from the nuclear threat. What is more, we have the opportunity to help assure that the great potential of nuclear power is realized for the benefit and not the destruction of mankind.

But we cannot afford to delay. Global control of nuclear proliferation is an issue of such magnitude that the loss of a month or a year in reaching international agreements could be fatal. In the weeks and months ahead, I fervently hope that leaders in the Congress and the Executive branch will give this issue absolute top priority.

We can turn again to the words of Adlai Stevenson for wisdom and guidance when we consider the urgency of controlling nuclear proliferation. Exactly 24 years ago he captured the essence of the debate about the use of nuclear power.

"Nature is neutral," he said. "Man has wrested from nature the power to make the world a desert or to make the deserts bloom. There is no evil in the atom; only in men's souls."

TRIBUTE TO THE REVEREND JESSE JACKSON

Mr. PERCY. Mr. President, the degree to which Americans emphasize human progress and development is an important gauge of the quality of our society.

This year marked the Nation's Bicentennial and the beginning of the last half of the seventies. Without the advantage of historical retrospect, I feel confident that this period will be distinguished by a demonstration of our ability to approach problems constructively. In these challenging times, many of our leaders have shown qualities of vision and perseverance.

One of these individuals is the Reverend Jesse Jackson, National Director of Operation PUSH—People United to Save Humanity. The Reverend Jackson who has found his ministry in the cause of human rights and development, has been instrumental in salvaging and rebuilding the pride of black Americans who have felt victimized and helpless. The Reverend Jackson teaches the principles of self-respect, discipline, and excellence, qualities that contribute to the strength of the Nation.

On September 26, 1976, the Chicago Sun-Times carried two articles on Operation PUSH: "PUSH" by the Reverend Jackson and "It's inconsistent to talk about black is beautiful and not * * * read and write," by Mike Anderson. I submit these articles to be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Sun-Times, Sept. 26, 1976]

PUSH

(By Jesse L. Jackson)

For nearly a year Operation PUSH has been engaged in a national education campaign. We contend that the present atmosphere around and attitude toward education must be radically changed.

Specifically, education must be seen by black and other oppressed people as essential to our struggle for liberation. Generally, education must be seen by all as essential to progress and as a civilizing agent.

Everyone agrees that excellence is a worthwhile goal. But push means something specific when we call for a "Push for Excellence" in education.

First, Push for Excellence is the recognition of the intrinsic worth and potential of every human person. Education is not a reward conferred only on those who succeed and win as competitors. Ultimately we must compete, not merely with others, but for our own unfulfilled potential. From this recognition will come increased personal freedom and self-direction. We can pursue excellence without holding others less gifted or fortunate in contempt.

Secondly, Push for Excellence is a move toward self-reliance and away from dependency. That is what I mean when I say, "nobody will save us, from us, for us, but us." In our schools and in our society it is time for self-reliance to replace the dependency that has victimized too many of us. We must break the chains of mediocrity, striving mightily to achieve excellence in education as in all areas of our lives. Academic excellence is achieved by using the same formula as athletic excellence: sacrifice, discipline, duty and perseverance.

Thirdly, Push for Excellence is a total involvement concept. Parents, pupils, principals, preachers, teachers, businesspersons, politicians, civic and community leaders, and the media must all see good education as part of their responsibility. It has been too easy to hold the notion that the schools and professional educators have the total responsibility or capability for educating our children. We must redistribute *responsibility*, so that education will be seen as a shared function, benefiting all who participate.

Parents must provide care, motivation, chastisement and discipline in love. Students must be challenged with what they need and not coddled with what they want; given appropriate freedom and held responsible for exercising it. They must be taught, by precept and example, that a combination of sacrifice and self-reliance will take them further than a combination of liquor and "luck".

Professional educators must administer and teach with competence and enthusiasm. Preachers must view education as part of God's will. Businesspersons, politicians, the media, civic and community leaders must see education and support it, among other reasons, out of an enlightened self-interest.

At the teaching level, the Chicago Teachers Union must find ways of protecting the pay and benefits of the teaching staff without losing integrity and excellence. Teachers who are incompetent should be made competent or fired—with the understanding and support of the union.

At the administrative level, the ratio of one staff person to every eleven students (or approximately 48,500 employes to 520,000 students) should be examined, with a way found to increase the proportion of teachers while decreasing the proportion of administrators or overlapping bosses.

Saving children must be our first priority.

Only a moral and ethical imperative will result in dedicated teachers, concerned parents and motivated students.

[From the Chicago Sun-Times, Sept. 26, 1976]

"It's Inconsistent to Talk About Black Is Beautiful and Not . . . Read and Write"

(By Mike Anderson)

In high schools from coast to coast, Jesse Jackson takes the stage, staring out at an auditorium of young black faces and translates the social philosophy of his Push for Excellence program into street-style "survival talk."

"I want to talk survival talk," says the leader of Operation PUSH. "I love you too much to lie to you. And the struggle we're in is too great to let it down."

"The children are very receptive. I think it is fair to say that most of our children want a better atmosphere in the schools, and they want to achieve more opportunity.

"Our children are more willing to accept the truth than most people realize.

"But something is missing: there's been a breakdown of moral authority . . . If I go into a school where there is a breakdown of moral authority, there can be no development.

"When I crack down on students, they know it's not contempt. They know I'm not aloof. Students like it because they know it's the truth. They come up to me and say, 'Reverend, I'm glad you said that.'

"We talk it out. They communicate with me and that makes me feel good. They turn me on."

During his hour-long "sermon," the Rev. Mr. Jackson will adopt an easy conversational tone to remind his young listeners of the sacrifices their parents made during the civil rights struggles of the 1950s and '60s.

He will mimic the manner of black pseudo-chic and exhort the students to develop a sense of racial pride "more profound than hair style or shoe style."

And with impassioned solemnity, he will call on them to heave by the bootstraps, not to use oppression as an excuse for mediocrity, to exchange drugs, promiscuity and anomie for discipline and achievement.

"It's inconsistent to talk about black is beautiful and then not be able to read and write," Mr. Jackson says. "No one will save us from us but us."

"I was speaking at a school in Hartford, Conn. I saw a couple of guys in the audience still had their hats on after the teachers told them to take them off.

"So I said, 'One or two of you brothers don't have your hair combed, don't have your teeth brushed, don't have your face washed and you still got your hats on.' And everybody giggled at them and they took them off—all except this one dude up in the balcony who still had his hat on.

"So I said, 'I'm talking to you, too, brother, will you get your hat off?

"He was sitting up in the farthest corner of the upper balcony but after I was done and walking toward the door, he somehow ran down and met me.

"He said, 'Reverend, how can I get to be a guy like you, a reverend? How do you get to be the man you are?'

"I put my arm around him and said, 'First you've got to desire to be somebody.

" 'Second, you've got to want to help somebody. Then, you can use your talents to help them. But you've got to learn your basic skills, to read, to write . . .'

"He stands out in my memory. He wasn't really a bad boy. All he needed was someone who loved him to challenge him."

Along with speeches at high schools in such cities as Los Angeles, Washington, D.C., Denver and Kansas City, Mr. Jackson has organized conferences of inner-city schools, where students, parents and administrators exchange thoughts and experiences and commit themselves and their schools in the PUSH program.

Chicago is due for a similar conference next month, Mr. Jackson says, and also an "ethics conference:" a meeting of area disc jockeys, radio and television station managers, advertisers and others whose influence reaches teen-agers through the mass media.

Mr. Jackson says he will attempt to enlist them in the campaign, to show them the community will "make it possible for these stations to pursue an ethical stand without losing their economic base."

"We're setting a national trend toward discipline in public schools," he says. "A new wind begins to blow."

"When I was speaking in Gary, 78 students presented me with their names, addresses and telephone numbers. They had pledged to pursue excellence. They were students of Purdue. They were going to take hard subjects and conquer them.

"Of all the awards I've gotten . . . that meant a lot to me. That is the spirit through which progress will come."

As Jesse Jackson closes his speech to a high school audience, he won't always tell about those Purdue students, or the students at Marshall High on the West Side who have signed a "Push for Excellence" pledge.

And seldom will he tell them of his own push for excellence during his high school days in North Carolina where he and his best friend had a friendly competition in everything from grammar to sports.

But he remembers the spirit that motivated him. "We were poor," he says, "and our parents hadn't been to high school but our environment was excellence."

It's the same spirit he tries to inspire as he concludes with leading the teen-agers with the chant:

"I am somebody! My mind is a pearl; I can learn anything in the world. Down with dope! Up with hope! I am somebody!"

"Right on," says Jesse Jackson. It sounds like Amen.

BETTER RELATIONS ON THE SUBCONTINENT

Mr. PERCY. Mr. President, Pakistan, India, and Bangladesh have made major progress in resolving longstanding differences. This has been made possible by the creativity, initiative, and leadership of Prime Minister Gandhi, Prime Minister Bhutto, and the leaders of Bangladesh. While the Farakka Dam problem is still a thorny one between Bangladesh and India, and the Kashmir dispute remains unresolved, the three nations have made steady progress in other fields.

An excellent article by Azhar Ali Khan, a Pakistani-born journalist now living in Canada, in the Chrisitan Science Monitor on September 13, 1976, entitled "Pakistan: The Gloom is Gone," summarizes the present situation. I ask unanimous consent that it be incorporated into the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

Pakistan: The Gloom Is Gone

(By Azhar Ali Khan)

Pakistan is enjoying political stability. Though the loss of Bangladesh was a trauma, the operation cured Pakistan of political schizophrenia. The Pakistan of today is more manageable and compact. The revolt in Baluchistan is over and the government is planning confidently for next year's election.

It is generally agreed that, if there is a free election, Prime Minister Zulfiquar Ali Bhutto will win by a landslide. The Bhutto regime is tough on real or imaginary political opponents and it has retained the oppressive laws which give it arbitrary and wide powers. Nor has it hesitated in using them. But its economic policies have endeared it to the working people, who were suppressed under the Ayub Khan regime.

On the international front, Pakistan again is doing well. Most Pakistanis seem to realize that the clock cannot be turned back and that East Pakistan is indeed gone and gone for good. But they take comfort from the fact that, notwithstanding the dispute over the division of assets, Pakistan and Bangladesh have managed to develop excellent relations, including diplomatic, communications, postal, air, and trade links.

Relations with India have also improved enormously. For the first time since the 1965 war, the two countries have trade, diplomatic, communications, air and rail links. Families which had been separated for more than 10 years are being united across borders.

Although Kashmir remains an emotional and thorny issue and the Bhutto government maintains it will not compromise on it, it is not ready to go to war over it. Nor is it using the dispute as an obstacle to cooperation with India for mutual benefit.

Bhutto's visit to Afghanistan this spring also apparently has paid off to some extent. The two countries have stopped their propaganda war, and the two countries may exchange ambassadors. If the propaganda war remains suspended and the two countries start to cooperate in various fields, Pakistan will see that as a positive gain.

Relations with the U.S., West, China, and the oil-producing and the "third-world" countries also are good.

The one trouble spot for the Bhutto regime involves the $150 million reprocessing plant the country is planning to buy from France. Pakistan is planning 24 atomic reactors to lessen its dependence on costly imported oil. As part of the complex, it wants to buy the French plant to reduce its dependence on imported raw materials for its reactors.

The U.S. and Canada maintain that reprocessed materials could be used to manufacture atomic weapons and they want tighter safeguards. If they are not satisfied on this issue, the U.S. may suspend its aid to Pakistan while Canada is likely to stop the supply of raw materials and spare parts for its nuclear reactor in Karachi, which supplies the city with most of its power.

The problem is a tough one for the Bhutto regime. If it weathers it, the future both for the government and for the country looks brighter than the immediate past.

ASSURING THAT MAJOR NARCOTICS TRAFFICKERS GET THEIR DUE

Mr. PERCY. Mr. President, there has been increasing awareness and concern over the continuing rise in the number of major narcotics law violators who forfeit bail or appeals bonds and flee the jurisdiction of the courts. In a message to the Congress last spring, President Ford urged legislation which would have allowed Federal judges to refuse bail altogether in noncapital cases involving major drug traffickers, if there was reason to believe the defendant would jump bail. Legislation to this effect reached an impasse in both Houses and failed to come to a vote in the 94th Congress.

However, related action was taken by the Senate in the closing hours before adjournment sine die. Senator Nunn and I introduced, and the Senate passed on October 1, Senate Resolution 578, "urging

Federal judges to set more realistic bail for major narcotics law offenders."

This resolution clearly states the position of the Senate on this matter. It is the sense of the Senate that, due to the peculiar circumstances which surround drug law violations, the Federal judiciary should "make every effort * * * to set bail and other conditions to better assure the presence of drug law violators for trial and, upon conviction, for sentencing and incarceration."

Senator NUNN and I have written President Ford informing him of the passage of this resolution, and expressing our confidence that the courts will take corrective action to insure that sufficient bail is set to prevent these criminals from fleeing in the face of almost certain conviction and incarceration.

Mr. President, I am well aware that the problem of drug abuse in this Nation is a tragic and complicated one, and that this resolution alone is but one of many steps that must be taken before we can make major progress toward a solution. Patience, diligence, and continued watchfulness must prevail as we try to control the use of heroin and other hard drugs which gnaw at the core of our society. An effective control of narcotics abuse demands, among other things, honest and open education programs, efforts to stop foreign supplies of hard drugs at their source, professionalism and alertness by drug law enforcement officials, and effective rehabilitation programs for those who want to escape the shackles of drug addiction.

This resolution, if heeded by the courts, can go far in assuring that major suppliers, once arrested, will be brought to trial and convicted. We cannot and will not tolerate a situation in which traffickers continue their destructive trade by simply paying what is, to them, a relatively small sum and then fleeing the jurisdiction of the courts.

I submit Senate Resolution 578 be printed in the RECORD at this point, together with the letter which Senator NUNN and I have sent to President Ford.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. RES. 578

Whereas the Congress of the United States has determined that drug abuse in the United States is a problem of increasing national concern and that immobilization of illicit drug traffickers is a matter of national priority;

Whereas the nature of illicit drug trafficking is so fraught with danger and conspiracy and the profits are so high that the amounts set for bail and appeals bonds are often too low to ensure the presence of drug law defendants at trial and, upon conviction, for sentencing and incarceration;

Whereas in recent years over 1,000 persons who had been arrested and released on bail by Federal judges and magistrates subsequently fled the jurisdiction of Federal authorities; approximately 900 of these fugitives fled before trial while over 100 failed to appear for sentencing and incarceration after having been convicted of felony drug offenses;

Whereas enormous time, resources, and energies are spent by Federal drug agents, sometimes at great risk to their lives, to gather evidence sufficient to arrest those narcotics traffickers who flee the jurisdiction of Federal authorities;

Whereas in view of the magnitude of such enforcement efforts and the ease by which traffickers, to avoid certain incarceration, forfeit the too low sums now being set, the current situation is especially demoralizing and debilitating to the entire drug law enforcement effort; and

Whereas the Bail Reform Act of 1966 specifies that judicial officials shall impose conditions of release which will reasonably assure appearance of the accused for trial: Now therefore, be it

Resolved, That the Senate of the United States believes that it is an urgent and imperative function of the entire Federal judiciary to prevent, so far as possible consistent with the eighth amendment, persons from becoming fugitives from controlled substances prosecutions.

SEC. 2. That the President of the United States, the Chief Justice of the United States, the Attorney General, and other high government officials charged with enforcing the law, bring to bear the authority and prestige of their positions to raise this important concern with various legislative and judicial committees, individual judges and magistrates, and the American people.

SEC. 3. That the judiciary of the United States, and in particular the United States District Courts and magistrates, make every effort, consistent with the eighth amendment and within their discretionary authority under the Bail Reform Act of 1966, to set bail and other conditions that will better assure the presence of accused drug law violators for trial and, upon conviction, for sentencing and incarceration.

U.S. SENATE,
Washington, D.C.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In your message to the Congress several months back, you expressed concern about the continuing rise in the number of major narcotics law offenders who forfeit bail or appeals bonds and flee the jurisdiction of the federal courts. To remedy this situation you proposed legislation to allow federal judges to refuse bail in noncapital cases involving major drug traffickers if there is reason to believe the defendant would jump bail.

We share your concern about this serious problem of fugitives. It is imperative that such major drug law violators, once arrested, are brought successfully to trial.

However, it became apparent, in the closing days of the 94th Congress, that the legislation you recommended had reached an impasse in both Houses and would not come to a vote. In our view, it was essential that the matter be addressed. Accordingly, late in the evening of October 1, in the closing hours before adjournment *sine die*, we introduced, and the Senate passed, S. Res. 578, "urging federal judges to set more realistic bail for major narcotics law offenders."

The Senate is now clearly on record. It is the sense of the Senate that "drug trafficking is so fraught with danger and conspiracy and the profits are so high that the amounts set for bail are often too low to ensure the presence of drug law defendants . . ." The Resolution stresses the enormous effort, resources, and risks which are involved in gathering sufficient evidence to make a successful arrest of a major drug law offender. It further notes that the present high rate of bail jumping has had a particularly demoralizing effect on drug law enforcement officials.

For these reasons, S. Res. 578 urges the federal judiciary "to make every effort . . . to set bail and other conditions that will better assure the presence of drug law violators for trial and, upon conviction, for sentencing and incarceration."

We believe this Resolution, in conjunction with the expressed concern of you and Attorney General Levi, will bring the problem of too-low bail for high-level drug law offenders to the attention of the federal judges and the American people. We are confident that, in response to these initiatives, the federal judiciary will take corrective action, consistent with the Eighth Amendment, to ensure that bail is set at sufficiently high levels to prevent major narcotics traffickers from buying their way out of the reach of the law.

Respectfully yours,
SAM NUNN,
Acting Chairman.
CHARLES H. PERCY,
Ranking Minority Member.

Attachment: Senate Resolution 578.

OPPORTUNITY FOR CAB TO PERMIT LOWER MIDWEST AIR FARES, IMPROVED SERVICE

Mr. PERCY. Mr. President, two organizations have drafted proposals recently for instituting reduced fare air service from Chicago to as many as 14 cities within a 500-mile radius.

One organization is led by M. Lamar Muse, president of Texas-based Southwest Airlines, and the other is headed by Irving Tague, former president of Hughes Air West.

The Civil Aeronautics Board will, I trust, give serious consideration to both these proposals for a variety of reasons.

First, both would offer reductions of from 26 to 63 percent on the present cost of economy class airline travel to and from Chicago. For instance, the Southwest Airlines group proposes offering a $15 one-way fare on "no frills" service after 7 p.m. weekdays and weekends between Chicago and Detroit and Chicago and St. Louis, compared with the present fare of close to $40. Air service would be opened to those now forced to travel by automobile or not at all because they cannot afford the higher interstate air fares.

Second, approval of one or both of the proposals would test the resolve of the CAB to truly deregulate interstate airline service, as it proposed to the Congress this year. Three important questions would be answered. Is the CAB ready to certify new carriers for interstate competition? Is the CAB prepared to allow airlines to fly competitively on such routes they deem appropriate? Is the CAB prepared to allow an airline to compete on the basis of lower fares, which is now virtually unheard of?

Third, approval could be an important catalyst to the revival of Chicago's Midway Airport, which, with the exception of Delta Airlines, has been virtually abandoned by the commercial airlines. The introduction of new reduced-price service at Midway would be a vital "shot in the arm" for the economically strapped South and Southwest sides of Chicago. Air traffic delays at O'Hare International Airport might be reduced as other airlines see the wisdom of shifting some of their short-haul service to Midway. Businesses associated with air transportation might shift to the Southwest side of Chicago. Other businesses could be revitalized. If service is approved, it is my hope that the airlines will work with community organizations, such as in Garfield Ridge, to make any increase in noise levels as acceptable to area residents as is humanly possible.

Mr. President, I ask unanimous consent to have printed in the Record two informative articles written by Chicago Tribune reporters R. C. Longworth and Todd Fandell and one by Washington Post staff writer, Carole Shifrin, on this subject.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Chicago Tribune]

Airline Proposed Serving Six Cities From Midway

(By R. C. Longworth)

A group of businessmen applied Wednesday to start a new regional airline to shuttle commuters at cut-rate fares from Midway Airport to six Midwest cities.

The line would be named Midway Airlines, after the now-dormant airport.

Its president, Irving Tague, said its jets would fly eight one-class flights per day to St. Louis, Minneapolis, and Cleveland, and later to Pittsburgh, Kansas City, and Detroit.

Tague said some sample fares would be $25 one way to Minneapolis and $20 to St. Louis for off-peak flights, compared with the present $48 to Minneapolis and $40 to St. Louis.

Tague said he applied to the Civil Aeronautics Board in Washington Wednesday for permission to start the airline, and said he hopes it will be in operation within a year.

He conceded that the CAB never has licensed a low-fare interstate airline, although two lines operate without CAB approval within Texas and California. He added that existing airlines would be free to cut fares to Midway's level.

Tague, of San Francisco, is former president of Hughes Air West. Other officers are Ken Carlson, vice president of a Washington consulting firm; Charles S. Downey, a Chicago consultant; and Louisiana attorney William Owens.

Tague said it would take $65 million to get Midway Airlines off the ground. He said he is getting "a lot of encouragement" from Chicago banks, which he refused to name.

He predicted quick success by offering frequent nonstop flights with basic service—drinks but no meals—to persons flying between Chicago and the six cities, all within 500 miles. He said Midway would not try to get passengers who must connect with flights at O'Hare.

Other fares cited by Tague include $25 off-peak one way to Cleveland, Kansas City, and Pittsburgh, and $20 to Detroit. Fares to those cities now are $45 to Cleveland, $53 to Kansas City, $54 to Pittsburgh, and $38 to Detroit.

Midway's standard fares as opposed to off-peak would be somewhat higher, he said—$30 one way to Detroit and St. Louis, $35 to Cleveland and Minneapolis, and $40 to Pittsburgh and Kansas City.

Tague denied that Midway Airlines would take business from existing airlines.

"Our main thrust is to take people off the road, to get the commuter or businessman who otherwise would drive," he said.

Only Delta Air Lines now flies out of Midway Airport. Tague predicted his airline would have a "ripple effect" that would generate millions of dollars of new business and construction in the Midway Airport area.

The new airline would use 112-seat Boeing 737s and 130-seat DC9s, he said.

Tague admitted that Midway Airlines "wouldn't work" if it got permission to fly the routes but without lower fares. If other airlines lower their fares, however, he said, "We'll just hang in there."

[From the Chicago Tribune]

Texas Airline Eyes Midway

A second battle of Midway is shaping up, this one for the right to serve Chicago's nearly-deserted southwest side airport.

Southwest Airlines, a five-year-old Texas carrier which has written a big success story in airline circles, plans to ask the Civil Aeronautics Board for the right to start service from Midway airport to many U.S. cities, The Tribune learned.

Southwest's plans were confirmed by M. Lamar Muse, president of the Dallas-based carrier. He said Southwest intends to establish a subsidiary airline to serve Midway. Although not linked with existing Southwest routes that serve four Texas cities, the subsidiary's operations would be patterned after Southwest's own low-fare, frequent-service style and use Boeing 737 jets.

After years of unsuccessfully attempting to lure major airlines back to Midway, the city now is confronted with at least two carriers that are eagerly seeking authority to use the airport.

Last Wednesday, a group headed by Irving Tague, former Hughes Airwest executive, filed with the CAB for authority to link Midway with Cleveland, St. Louis, Minneapolis, Detroit, Kansas City and Pittsburgh. Tague's newly-formed airline, called Midway Airlines, proposes fares much lower than those now charged by carriers connecting those cities with O'Hare airport.

Muse said his plan is similar in concept but the proposed service "will be much more extensive" than that outlined by Midway Airlines. "We'll get the authority instead of them because of our proven record," he predicted.

Muse also said his airline has been planning the move for a long time and accused the rival group of adopting the same name and plans he had intended to use. One of the principals in the Midway Airlines group was identified as a vice president of the same aviation consulting firm used by Southwest in planning its operations.

—Todd Fandell.

[From the Washington Post]

Southwest Airlines To File Interstate Routes

(By Carole Shifrin)

Southwest Airlines, a successful airline now operating solely in Texas outside the scope of federal regulation, plans to ask the Civil Aeronautics Board for permission to offer consumers flights between Chicago and 14 cities at about half the going fares.

M. Lamar Muse, president of the five-year-old Texas carrier, said yesterday he wants to apply to the interstate market the same formula that has worked to the benefit of Southwest and consumers in Texas: low-fare, frequent, on-time, commuter-type service using airports close to the major cities being served when possible.

It is too soon to tell what chances the application might have at the CAB. Muse said yesterday he realized that, based on past CAB policy, the application never would have been considered seriously by the board. "A year ago, I'd have to be crazy to spend two days filing an application," he said. "It would have been sitting at the CAB forever.

"I just don't feel that's the case today."

He cited a changed—and more receptive—climate to applications such as Southwest's, partly based on hearings over the year on the state of the airline industry and proposals to reform it, and on pledges by Senate and House aviation subcommittee chairmen to push for reduced regulation in the next Congress.

Within the next month, Muse said Southwest will apply for authority to fly between Chicago's close-in but little-used Midway Airport and 14 cities located between 200 and 500 miles away from Chicago: Buffalo, N.Y.; Detroit, Mich.; Cleveland, Columbus, Dayton and Cincinnati, Ohio; Pittsburgh, Pa.; Louisville, Ky.; Memphis, Tenn.; St. Louis and Kansas City, Mo.; Omaha, Nebr.; Des Moines, Iowa; and Minneapolis, Minn.

Southwest also will seek non-stop authority between Midway and Las Vegas at round-trip fares the carrier says are less than the current one-way coach fares between the two cities.

Muse and Southwest would institute the same kind of fare structure it uses in Texas, where one fare called Executive Class—$25 on all but one route in Texas—is charged for flights during weekdays until 6:59 p.m., and a Pleasure Class fare of $15 is charged in the evenings and on weekends.

Muse said Southwest would charge $25 for the Executive Class and $15 for the Pleasure Class on flights lasting under an hour—such as the Detroit and St. Louis routes—and $40 and $25 for the two classes on flights of more than an hour, such as the Buffalo and Pittsburgh routes. In contrast, he noted that the Chicago-St. Louis CAB-regulated fare is currently $40 one-way; the Chicago-Buffalo fare is now $60.

In an effort to keep Southwest's Texas operations, currently regulated by the more liberal Texas Aeronautics Commission, from CAB jurisdiction, Southwest will apply for the new authority through a subsidiary company yet to be formed, Muse said yesterday. "It would bankrupt Southwest if we had to charge CAB fares," he said.

If the application is approved by the CAB, Muse said the operation would need 15 Boeing 737 aircraft and one bigger aircraft for the Las Vegas route.

FEDERAL RECORDS MANAGEMENT ACT

Mr. PERCY. Mr. President, during consideration of H.R. 13828 on the floor of the Senate on October 1, 1976, I asked unanimous consent that a statement by the General Services Administration describing its position on an amendment to that bill be printed in the Record. The statement was not printed at that point in the Record. I therefore submit the GSA statement for printing at this time so that GSA's objections to the amendment offered to the Federal Records Management in the Senate Government Operations Committee can be read by interested parties.

As a result of those objections, and after consultation with GSA and the House and Senate Government Operations Committees, new amendment language was adopted on the floor of the Senate on October 1 to this legislation. That language and my statement can be found on pages 34558-34559 of the Record of October 1, 1976.

The statement of GSA with reference to the original committee-passed language follows:

There being no objection, the statement was ordered to be printed in the Record, as follows:

GSA Objections to the Proposed Amendment to H.R. 13828, An Act to Amend Title 44, United States Code, to Strenghten the Authority of the Administrator of General Services With Respect to Records Management by Federal Agencies, and for Other Purposes

The following amendment has been proposed to H.R. 13828:

"If the Administrator of General Services or his designee knowingly and willfully publishes, communicates or uses any information coming into his possession of such Administrator or designee by reason of any inspection or use conducted as provided in subsection (a)

(1) in such a manner as to disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy, or

(2) for any purpose other than for the inspection of records management practices or programs,

he shall be guilty of a misdemeanor and fined not more than $5,000."

GSA takes strong objection to the proposed amendment for the following reasons:

1. Unlike both the Freedom of Information Act (5 U.S.C. 552) and the Privacy Act of 1974 (5 U.S.C. 552a), the proposed amendment focuses on "information" rather than "records." No legal definition currently exists for the term "information." However, the Privacy Act provides a definition of "record":

> . . . the term "record" means any item collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph. . . . (5 U.S.C. 552a(a)(4)).

The Federal Records Act provides a significantly different definition of "records":

> As used in this chapter, "records" includes all books, papers, maps. photographs, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Government or because of the informational value of data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stocks of publications and of processed documents are not included. (44 U.S.C. 3301).

The problems posed by the proposed amendment's use of the term "information" rather than "record" are two-fold. First, implementation of the amendment would be complicated by the absence of a definition of "information." Second, even if a definition of "information" were developed, it would be nearly impossible to regulate the transfer of "information," since that term normally connotes non-tangible ideas, rather than physical documents.

We strongly urge that any amendment regulating disclosure of reviewed material be limited to disclosure of tangible items, i.e., "records" as defined under either the Privacy Act or the Federal Records Act.

2. The scope of the restriction on disclosure which the proposed amendment would impose on the Administrator or his designee is far broader than the comparable prohibition against disclosure of personally identifiable records contained in the Privacy Act.

The Privacy Act provides that:

> No agency shall disclose any record which is contained in a system of records by any means of communication to any person, or to another agency, except pursuant to a written request for, or with the prior written consent of, the individual to whom the record pertains . . .

unless disclosure would be to one of eleven special recipients (5 U.S.C. 552a(b)). The criminal penalty provisions of the Privacy Act prohibit willful and knowing disclosure of records contained in a system of records:

> Any officer or employee of an agency, who by virtue of his employment or official position, has possession of, or access to, agency records which contain individually identifiable information the disclosure of which is prohibited by this section or by rules or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. . . . (5 U.S.C. 552a(i)(1)).

It should be noted that the Privacy Act's criminal penalty provisions are restricted to unlawful disclosure of "records . . . the disclosure of which is prohibited by this section." Paragraph (b) of section 552a of title 5, as quoted above, restricts disclosure of records in a "system of records." "System of records" is the core operational concept of the Privacy Act, and is defined as: a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual. (5 U.S.C. 552a(a)(5)).

Consequently, the Privacy Act prohibits only unauthorized disclosures of information contained in a manual or automated file which contains some personal information and which is organized by a personal identifier.

In contrast, the proposed amendment would apply criminal penalties to disclosures of information, regardless whether recorded in tangible form, whether filed in a personally indentifiable manner, and whether containing personal information.

We strongly object to subjecting the Administrator and his employees to criminal sanction for disclosure of a limitless and indescribable field of information. We suggest, that statutes providing criminal penalties must be far more narrowly drawn as to the object of the prohibited activity.

3. GSA opposes the proposed amendment's incorporation of the concept "clearly unwarranted invasion of personal privacy" in a mandatory prohibition on disclosure.

The term "clearly unwaranted invasion of personal privacy" derives from the sixth exemption from mandatory disclosure of the Freedom of Information Act.

That exemption permits an agency to withhold from a requester:

> . . . matters that are—
>
> * * * * *
>
> (6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. . . . (5 U.S.C. 552(b)(6)).

Significantly, the Freedom of Information Act does not forbid an agency from disclosing records the disclosure of which would constitute a clearly unwarranted invasion of personal privacy—the Freedom of Information Act merely permits the agency, in its discretion, to withhold such records. In deciding whether to withhold or disclose, the agency must balance the interests of the requester against the interests of the individual whose privacy may be invaded.

In contrast, the proposed amendment would prohibit the Administrator from disclosing any information "of a personal nature" where disclosure would constitute a clearly unwarranted invasion of personal privacy. As determination of what constitutes a "clearly unwarranted invasion of personal privacy" requires the exercise of discretion, GSA strongly opposes the interjection of criminal penalties into such a judgmental exercise.

4. GSA most strongly opposes the inclusion of clause (2) of the proposed amendment, which would prohibit the Administrator from publishing, communicating or using information gleaned from a records review: for any purpose other than for the inspection of records management practices or programs.

The result of the proposed amendment is permanently to taint information acquired by GSA employees in the course of a records review, prohibiting them from communicating such information in any way in the future This is true regardless whether the information contains any personal information

For example, a GSA employee would be unable to disclose to another GSA employee in the course of non-records management activities the names and positions of the staff of the agency for which the records review was conducted, if that information was procured during the records review—even though such information is treated by the Civil Service Commission as public information, which may *not* be withheld under the Freedom of Information Act (see Chapter 294, Federal Personnel Manual).

GSA strongly objects to such restriction on the otherwise lawful activities of its officers and employees—a restriction of a nature and degree not imposed on the personnel of any other Federal agency—and urges deletion of such language from the proposed amendment.

SUMMARY AND RECOMMENDATIONS

In the opinion of the GSA Office of General Counsel, the Privacy Act of 1974 currently fully protects the privacy of individuals whose records are maintained by a Federal agency. GSA also believes that paragraph (b) of the Privacy Act, quoted above, extends its prohibitions on disclosure to GSA officers and employees who are conducting records management reviews as the agents of another Federal agency pursuant to the Economy Act of 1932 (47 Stat. 382).

No additional statutory language is required to apply the Privacy Act prohibitions to GSA employees conducting records reviews.

To resolve any possible doubt, however, language might be drafted to clarify that the Administrator or his designee, in conducting a records review, will be considered the "employee" of the reviewed agency for purposes of the Privacy Act's penalty provisions. We recommend the following amendatory language: In conducting the inspection of agency records provided for in subsection (a) of this section, the Administrator or his designee shall be considered an employee of the subject agency for purposes of section 552a(i)(1) of title 5, United States Code.

EXAMPLES OF PROHIBITED ACTIVITIES UNDER PROPOSED AMENDMENT TO H.R. 13828

1. A GSA employee who visits the Department of Treasury Building on a records review assignment and observes the condition of the building would be prohibited from communicating to someone other than a records officer the information that "the Treasury Building is painted green."

2. A GSA employee who prepared an evaluation report on the records management procedures of a Federal agency would be barred from transferring the report to the Office of Management and Budget for fiscal review purposes.

3. During the course of an inspection, a records officer reveals to a GSA employee his home address, for the purpose of contracting the records officer after hours for purposes of the records review. Under the Freedom of Information Act, an attorney representing the former wife of the records officer, who is attempting to locate him in order to obtain delinquent child support payments requests the home address. The amendment would make release of the information a crime. Yet a recent court decision has held

that although release of a home address normally would constitute a clearly unwarranted invasion of personal privacy, in this situation the agency is prohibited from withholding the information.

4. In the course of a records review, a GSA employee observes an individual stealing government property. The GSA employee would subject himself to a criminal penalty by reporting the crime or testifying against the defendant in court.

A PROPOSAL FOR REFORM: LET THE SUN SET ON GOVERNMENT AGENCIES

Mr. PERCY. Mr. President, the Administrative Law Review recently published an excellent article by Bruce Adams of Common Cause entitled "Sunset: A Proposal for Accountable Government." The theme of the article is that the public's loss of confidence in government results from the inability of Government agencies to deliver certain essential services efficiently and without waste. Mr. Adams points to the various kinds of sunset proposals as a possible means of making government more accountable and better able to deliver on its promises.

In beginning his review of current sunset proposals, Mr. Adams makes a very important point: "In a period of economic scarcity, the result of—duplication of efforts—is that old, inefficient programs squeeze out new, much-needed programs." We in Congress have seen that dramatically demonstrated in the last few years. There simply is not enough money to do everything that we would like to, and the mechanisms for initiating new programs are easier to crank up than those for finding and eliminating expensive and expendable old programs.

The article reviews traditional methods of Government reorganization and program evaluation as a background for its study of sunset proposals. It outlines executive branch reorganizations, several legislative reorganization acts, the role of the General Accounting Office, the Office of Management and Budget, the Congressional Budget Office, and the substance of the Congressional Budget and Impoundment Act.

The commentary analyzes several present sunset proposals, including the Muskie-Roth zero-based budgeted bill, the Federal Advisory Committee Act of 1972 which Senator METCALF and I authored, the Colorado Sunset Law, the Kentucky Administrative Reforms, certain provisions of the Proposed Texas Constitution of 1975, and the Regulatory Reform Act of 1976 which Assistant Majority Leader ROBERT C. BYRD and I introduced last year. The description and analyses of the reform measures is quite detailed and thorough. In fact, one specific criticism of the Percy-Byrd bill he mentions is that it was a "one-shot" measure, not providing for a long-term continuing reevaluation of agencies. The Regulatory Reform Act of 1977, which we are now preparing, will address this point.

Adams concludes his article with 10 basic principles of sunset legislation. They provide an excellent guide to policymakers and interested citizens alike. I would like to mention three of them which I think deserve special attention. The first is that programs and agencies should automatically terminate upon a certain date unless affirmatively reenacted by law. Adams concludes that "program evaluation will not work until incentives are established." Such incentives in the form of a sunset law, "give legislators reasons to reorder their legislative priorities and to reallocate their staffs and time."

Another principle is that programs and agencies in the same policy area should be reviewed simultaneously in order to encourage coordination, consolidation, and responsible pruning. This addresses the expensive problem of duplication of efforts by the Government. Unless similar programs are reviewed at the same time, needed consolidations become less likely.

The last principle I would like to single out is that substantive preliminary work must be packaged in manageable forms so that top decisionmakers can best exercise their commonsense political judgments. While this principle is self-evident, I think it is extremely important to bear in mind that most reorganization problems can be solved with commonsense if legislators discipline themselves to consider the problems according to a realistic timetable for reform.

I would like to commend Mr. Adams for contributing this thoughtful and important piece on Government reform. It is well researched, lucidly written, and provides a substantial source of information on reforming Government agencies. I would also like to thank John Gardner and the directors of Common Cause for actively lobbying for needed reforms aimed at limiting the seemingly uncontrollable expansion of Government while simultaneously assuring that the essential services Government provides are delivered effectively and without waste.

Mr. President, because of its importance, I submit the article entitled "Sunset: A Proposal For Accountable Government" be included in the RECORD.

There being no objection, the proposal was ordered to be printed in the RECORD, as follows:

SUNSET: A PROPOSAL FOR ACCOUNTABLE GOVERNMENT

(By Bruce Adams)

Government at all levels is held in low esteem by the governed. In 1973, pollster Louis Harris surveyed public attitudes toward government and found "a full-blown crisis of confidence." [1] Seventy-four percent of the people believed that "special interests get more from government than the people do." Fifty-five percent felt that "people running the country do not really care what happens to you." Three years later, things have not improved. Last fall, Harris reported that "72 percent of the public no longer feel they get good value from their tax dollars." [2]

The reasons for this public disenchantment with government are obvious: Certain essential services are not provided; still others are provided in an inefficient and wasteful manner. Accountability is often undermined by secrecy and special interest domination. Bureaucrats are overwhelmed by the white plague of paperwork. Legislative bodies have not performed their program evaluation function adequately.

In this situation, government is a tempting target for demagogues. A jab at the federal government is always good for laughter or applause. But while many of the criticisms of government are justified, demagoguery simply does not help. We will never make significant progress in solving urgent national problems if the clanking machinery of the government is unequal to the tasks laid upon it. The nation needs a positive program designed to make government work.

SUNSHINE: THE WAVE OF REFORM

Watergate pointed out two of the chief obstacles to responsive government: the scandalous capacity of money to buy political outcomes and the bad habit of doing the public's business behind closed doors. Since the Watergate revelations, governments at all levels have been part of a wave of reform unprecedented since the turn-of-the-century Populist movement. Since November of 1972, forty-nine states have taken significant steps in at least one of four critical Sunshine areas—campaign financing, open meetings, lobbying disclosure, or personal financial disclosure.[3] In 1974, Congress enacted sweeping amendments to the Federal Election Campaign Act of 1971, including public financing of the Presidential election.[4] Congressional committees have opened most of their meetings to the public.[5] Legislation is pending in Congress regarding open meetings of executive branch agencies, lobbying disclosure, and financial disclosure.[6] As this legislation is enacted and begins to change the way government operates, public confidence in government should begin to increase.

SUNSET: A PROPOSAL FOR ACCOUNTABLE GOVERNMENT

While the Sunshine legislation has and will continue to make government more open and accountable to the public, organizational arrangements that make for inertia, duplication of effort, and all of the other familiar ills will remain. According to a recent National Policy Statement of the Committee for Economic Development:

"We are not suggesting that improving state and local productivity is all that is required to restore national confidence in government. The highest priority is the demonstration of integrity and decency by public institutions. However, full confidence will be established only when the nation is also reassured of the competence of government. We believe that a practical way to contribute to that objective is to strengthen the capacity of states and localities to deliver quality public services at reasonable cost." [7]

Present legislative program evaluation mechanisms have not been successful in establishing executive branch accountability. Traditional legislative oversight and budget review have been largely ineffective in providing periodic and comprehensive evaluation of existing programs and agencies.

There is a grain of truth in the saying that "Old agencies never die. They don't even fade away." Over the last 15 years, 236 new federal departments, agencies, or bureaus have been created, while only 21 have been terminated.[8] The beneficiaries of government programs and regulation organize to lobby for continuity and ultimately weave a network of allies in the legislative and executive branches.[9]

Programs tend to proliferate. To cite but one example: according to a 1973 study by the General Accounting Office (GAO), before 1930 there were two federal agencies administering two manpower programs under four local program operators in the District of Columbia. By 1972, there were five federal agencies, 17 manpower programs, and 76 local program operators. The GAO concluded that the result was "a complex, confusing, and uncoordinated effort to assist those per-

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Footnotes at end of article.

sons in becoming gainfully employed."[10] Similar results can be found in city after city and program after program across the nation.

In a period of economic scarcity, the result of this duplication of effort is that old, inefficient programs squeeze out new, much-needed programs.[11] Allen Schick, of the Congressional Research Service of the Library of Congress, has pointed to "a hardening of the budgetary arteries" in recent years—a scarcity of money for new programs.[12] According to Senator Edmund S. Muskie (Me.), Chairman of the Senate Budget Committee, ". . . until we bring what programs we now have under control, we simply may not have the reserves we need—either in the budget or the public's trust—to pursue new legislative solutions to pressing national problems."[13]

Common Cause believes that it has found an *action-forcing* mechanism that will create an incentive for periodic and comprehensive executive and legislative evaluation of existing programs and agencies. We call our proposal Sunset, as the complement to the Sunshine proposals mentioned above. Sunset will be high on Common Cause's federal and state legislative agenda in coming years. Under Sunset, programs and agencies are periodically and comprehensively reviewed under threat of termination. Overlapping jurisdictions can be untangled and agencies rejuvenated. Programs and agencies that no longer serve a public purpose can be eliminated.

The purpose of this article is to discuss the possible risks and benefits of the Sunset mechanism for federal and state government. As background, we begin with a discussion of recent attempts to make government more accountable through executive branch reorganization and improved legislative and executive program and budget review.

BACKGROUND: GOVERNMENT REORGANIZATION AND PROGRAM EVALUATION

The level of public dissatisfaction with government does not mean that government reorganization and program evaluation are nonexistent today. Important steps have been taken on both the state and federal levels. But comprehensive reorganization and evaluation have not been institutionalized in the government process. A brief review of recent initiatives in these areas is instructive as background for our discussion of the Sunset mechanism.

EXECUTIVE BRANCH REORGANIZATION

On the federal level, significant executive branch reorganization has taken place as a result of the Reorganization Act of 1949.[14] The Act, based on the recommendations of the first Hoover Commission,[15] authorized the President to submit reorganization plans to Congress that went into effect absent a resolution of disapproval by either House.[16] Between 1949 and 1972, 71 reorganization plans became effective while 19 were rejected.[17] Recent reorganization plans established the Office of Management and Budget,[18] the Domestic Council,[19] and the Environmental Protection Agency.[20] In 1971, the President's Council on Executive Reorganization proposed that the 12 present Cabinet departments be reduced to eight, but the proposal was not given serious consideration by Congress.[21]

Over the last decade, 20 states have completely overhauled their executive branch structures.[22] Another 20 states have reorganized significant areas of government to facilitate problem-solving in such fields as transportation and environment.[23] According to the Council of State Governments, the principles underlying state government reorganization have been: (1) grouping of agencies into broad functional areas; (2) establishment of relatively few departments to increase the scope of authority and to pinpoint responsibility to the Governor and the Legislature; (3) delineation of single lines of authority to the top; and (4) administration of departments by single administrators rather than boards or commissions.[24] In Idaho, for example, reorganization took the form of consolidation of 260 boards, agencies, and commissions into 19 executive branch departments.[25] In Delaware, 11 cabinet departments replaced 140 commissions.[26]

PROGRAM EVALUATION

The Legislative Reorganization Act of 1946 assigned each substantive committee of Congress the responsibility to "exercise continuous watchfulness of the execution by the administrative agencies concerned of any laws, the subject matter of which is within the jurisdiction of such committee."[27] The Intergovernmental Cooperation Act of 1968 required congressional committees to study at least every four years grants-in-aid programs that do not have expiration dates.[28] In the Legislative Reorganization Act of 1970, Congress directed the Comptroller General to "review and analyze the results of Government programs and activities carried on under existing law" and to have available General Accounting Office (GAO) employees to assist committees with their program evaluation duties.[29] The Congressional Budget and Impoundment Control Act authorized the GAO to establish a special office to carry out GAO's responsibilities under the law, including the development and recommendation to Congress of methods for evaluation.[30] In 1973, the Office of Management and Budget created a Division of Evaluation and Program Implementation to work with federal agencies to improve the quality of their evaluation work.[31] According to the Congressional Research Service of the Library of Congress: "Federal expenditures for program evaluation are estimated to have risen by more than 500 percent from 1969 to 1974, from $20 million to more than $130 million."[32]

In 1974, the House of Representatives amended its rules to require its legislative committees to establish special oversight subcommittees or to require oversight by the existing subcommittees within their own legislative jurisdictions.[33] The 1974 amendments to the House rules also required the Committee on Government Operations to assist in coordinating the oversight activities of the House at the beginning of each Congress.[34] According to a Library of Congress study, to use another indicator of increased oversight authority, the number of specific provisions for legislative vetoes over executive rules and regulations has multiplied significantly over the last decade.[35]

State legislatures have also taken steps to improve their capacities to deal with the increasingly complex problems that they face. In many states, legislative salaries have increased, annual sessions have become the norm, committee structures have been streamlined, and staff capacity increased.[36] Legislative program evaluation has increased as a result. According to Edgar G. Crane, in a study prepared for the Institute for Public Policy Alternatives: "Roughly half of the state legislatures are making a substantial effort to review program effectiveness."[37] In nearly a dozen states, legislatures have adopted procedures designed to formalize legislative review of executive branch rules and regulations.[38]

BUDGET REVIEW

In recent years at the federal and state levels, most of the oversight that has taken place has been as part of the budget process. Performance auditing and program evaluation have gained favor as means of budget review. On the federal level, the Office of Management and Budget (OMB) was established in 1970 to replace the Bureau of the Budget.[39] In 1973, OMB inaugurated a governmentwide management by objective (MBO) system to give OMB a role in management of the bureaucracy.[40]

In 1974, Congress enacted the Congressional Budget and Impoundment Control Act to increase its control over federal spending.[41] The Act established the House and Senate Budget Committees and the Congressional Budget Office (CBO).[42] The Act mandates a congressional overview of the total budget, forcing the establishment of spending and revenue targets and budget priorities.[43] A number of the provisions related to legislative oversight. Legislative committees are authorized to evaluate federal programs, agencies, or laws themselves or require the affected agencies to do so and to report to Congress.[44] The General Accounting Office (GAO) is authorized to establish an office to develop and recommend to Congress methods for evaluation.[45] The Treasury Department and OMB are to provide information on federal programs and spending to committees, the GAO, and the CBO on request.[46] The Act's impoundment provision provides for increased congressional control over executive spending decisions.[47]

On the state level, a 1973 Council of State Governments survey on budget reform found that increased analysis and evaluation in recent years have improved the budget process in each of the five states surveyed.[48] These improvements have taken place in both executive branch budget preparation[49] and legislative review.[50] In 1971, Georgia Governor Jimmy Carter instituted a system of zero-base budgeting.[51] As practiced in Georgia, zero-base budgeting means that all financial requirements for a budget unit are justified and analyzed by decisionmakers, not just the amount of increase over the previous year's budget. The analysis is contained in decision packages that are later ranked in priority.[52] According to George A. Bell, Executive Director of the National Association of State Budget Officers, modified versions of zero-based budgeting are in use in four additional states.[53]

SUNSET: THE CONCEPT AND ITS POTENTIAL APPLICATION

While it is clear that steps have been taken to increase legislative oversight and executive branch accountability, it is equally clear that more must be done. According to Alan Rosenthal, of the Eagleton Institute of Politics at Rutgers University: "Although there probably has been progress across the board, the performance of oversight undoubtedly maintains its status as neglected step-child."[54]

Good intentions have exceeded performance. Morris S. Ogul, of the University of Pittsburgh, has referred to the oversight mandate in the Legislative Reorganization Act of 1946 as "that often quoted and seldom heeded statement."[55] The reasons for this under-performance are obvious. Rosenthal explains:

> Retrospection may not be fun. Looking backward, and discovering past mistakes is not likely to be congenial. Most legislators deal prospectively, looking forward to the introduction and passage of new bills . . . Review and evaluation is hard and not very glamorous work.[56]

Most legislators have, in the past, found evaluation and oversight to be politically unrewarding. Because of recent tight budgets, however, there is a growing interest among public officials in evaluation. What they need are the habits and the tools that can put their interest to work in the most productive manner possible.

The Sunset mechanism—where programs and agencies are periodically and compre-

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hensively reviewed under threat of termination—promises to provide the incentive and the discipline necessary to motivate public officials to increase program evaluation. The concept is not new. Former Justice William O. Douglas, then chairman of the Securities and Exchange Commission, proposed to President Roosevelt that every agency should be abolished within ten years of creation. The prophetic Douglas suggested that otherwise the regulatory agencies would be captured by the very industries they were established to regulate. According to Douglas: "Roosevelt would always roar with delight at that and of course never did anything about it."[57] In 1969, Professor Theodore J. Lowi of Cornell proposed a tenure of statutes act, a limit of from five to ten years on the life of every organic act. Lowi wrote: "This may ultimately be the only effective way to get substantive evaluation of a program and an agency."[58]

The potential application of the Sunset concept is broad. Douglas suggested termination of agencies. Lowi proposed limitations on statutes. Rules, regulations, forms, tax preferences, departments, agencies, and programs could all be made subject to Sunset. The concept could be used on all agencies or on selected agencies. It could be used on existing programs or future programs or both. A brief discussion of several Sunset proposals suggests some of the many ways that this concept could be used and serves as the background for a discussion of the basic principles that must be included in any workable and responsible Sunset law.

GOVERNMENT ECONOMY AND SPENDING REFORM ACT OF 1976

Senators Edmund S. Muskie (Me.) and William V. Roth (Del.) and Representatives James J. Blanchard (Mich.) and Norman Y. Mineta (Calif.) are the principal sponsors of the Government Economy and Spending Reform Act of 1976.[59] This bill puts all government programs and activities on a four-year re-authorization schedule. Unless re-authorized every four years, the programs, with limited exceptions, terminate. According to Senator Muskie, the bill "is designed to give Congress a procedure for conducting a working oversight of all federal programs and activities . . . [T]he bill would reverse the assumption that old programs and agencies deserve to be continued just because they existed the year before, by incorporating a zero-base review into the re-authorization process."[60]

The Government Economy and Spending Reform Act goes beyond the concept of zero-base budgeting. Senator Muskie has explained: "I have come to see the budget process not as an end in itself, but as a first step in a broader effort we need. Budget reform gave us a badly needed method for looking at the picture as a whole. [This legislation] will make us take a closer look at all the component parts of that picture, to ensure that we are getting the most for the money we spend. It is a logical second step."[61]

As stated above, the Muskie bill puts all government programs and activities on a four-year re-authorization schedule. Unless re-authorized every four years, the programs terminate. The only exceptions are for payments of interest on the national debt and programs under which individuals make payments to the government in expectation of future compensation (*e.g.*, Social Security).[62] Programs with similar functions (*e.g.*, agriculture or manpower training and employment) are considered simultaneously under a review schedule designed to focus on the possibility of consolidation and elimination of duplication within policy areas.

The first termination date is established as September 30, 1979. The review by the committees with legislative jurisdiction would begin March 15 of the year before termination. The bill requires the General Accounting Office and the Congressional Budget Office to report the results of relevant audits and evaluations and other requested information to the committees by December 31 of the year before termination. By the fifteenth day after Congress meets in the year of termination, the President must submit with his budget message the results of the zero-base reviews of programs scheduled for termination that year. By March 15, the committees must complete the zero-base reviews and report to the House or Senate. The zero-base review must include: (1) identification of other government programs having similar objectives; (2) examination of the extent to which the initial objectives of the program have been achieved; (3) specification of the objectives of the program during the next four years; and (4) examination of the impact of the program on the national economy. In order to enforce the requirement for zero-base review reports, the Muskie bill provides that no bill authorizing expenditures for a government program designated for termination would be in order in either House unless the appropriate committee had submitted its report. By May 15, the authorizing committees must, pursuant to the Congressional Budget Act of 1974, report authorization legislation to the House or Senate unless waived by resolution of the appropriate House.[63]

REGULATORY REFORM ACT OF 1976

Senators Charles H. Percy (Ill.) and Robert C. Byrd (W. Va.) and Representatives John B. Anderson (Ill.) and Barbara Jordan (Texas) are the principal sponsors of the Regulatory Reform Act of 1976.[64] This bill provides for the termination of the rules of regulatory agencies, with certain exceptions, if comprehensive regulatory plans are not adopted after comprehensive review.

Senator Percy states that there is a need "to establish a framework for a timely and coordinated response to the full range of regulatory problems."[65] According to Senator Percy, the bill "would constitute an effective countervailing force against this tendency."[66] Percy points to the fact that:

The bill also provides for an action-forcing mechanism—in the form of impending abolition of specific agencies and regulations unless a comprehensive regulatory reform measure is enacted by a certain date—as the best way to assure prompt and effective action on the full range of regulatory issues. Responsibility for action is thus squarely placed on the Congress as a whole. Without such a provision, any specific proposal for reform might be left to expire quietly in committees which may be heavily lobbied by affected industries.[67]

The Regulatory Reform Act of 1976 provides for a comprehensive review of regulation in five specific areas of the economy over a period of five years, from 1977 through 1981. In each of the five years, a specified area of regulation would be considered: (1) banking and finance in 1977; (2) energy and environment in 1978; (3) commerce, transportation, and communications in 1979; (4) food, health and safety, and unfair or deceptive trade practices in 1980; and (5) labor, housing, government procurement, and small businesses in 1981.

By March 31 of the appropriate year, the President is required to submit to Congress a comprehensive plan for reforming regulatory practices in the designated area. The President's plans shall include recommendations for: (1) the transfer, consolidation, modification, or elimination of functions; (2) organizational, structural and procedural reforms; (3) merger, modification, establishment or abolition of federal regulations or agencies; (4) eliminating or phasing out outdated, overlapping or conflicting regulatory jurisdictions or requirements of general applicability; and (5) increasing economic competition.

If the President fails to submit an appropriate plan, the congressional committees having primary legislative jurisdiction or oversight responsibilities with respect to the area under review are directed to join with the appropriate Committee on Government Operations to prepare a plan. If the President submits a plan, it is referred jointly to these committees. The committees must report a bill approving or disapproving the plan in whole or with amendments to the appropriate House floor where it shall become the pending business by September 15. If no comprehensive regulatory reform legislation is enacted by December 31, the President's original plan becomes law as of March 15 of the following year unless either House specifically disapproves the President's plan. If Congress blocks the President's plan, but does not adopt its own plan by June 30, all rules of the agency described in the plan terminate, except those that protect the public safety, encourage economic competition, or protect consumer interests.

FEDERAL ADVISORY COMMITTEE ACT OF 1972

The Federal Advisory Committee Act of 1972 provides for the termination of each advisory committee every two years unless renewed by the President or other executive officer who established the committee or its duration is otherwise established by law or it files a charter with the appropriate committee.[68] The Act was based on congressional findings that "the need for many existing advisory committees has not been adequately reviewed" and that "advisory committees should be terminated when they are no longer carrying out the purpose for which they were established."[69] The Act has led to the termination or merger of more than 700 advisory committees in its first 28 months of operation.[70]

The Act directs each standing committee of Congress to make:

. . . a continuing review of the activities of each advisory committee under its jurisdiction to determine whether such advisory committee should be abolished or merged with any other advisory committee, whether the responsibilities of such advisory committee should be revised, and whether such advisory committee performs a necessary function not already being performed.[71]

The President is required to make an annual report to Congress regarding advisory committees, including a list of committees abolished and those statutory committees that the President recommends be abolished.[72] The Director of the Office of Management and Budget is required to establish a Committee Management Secretariat to assist the Director in conducting an annual review of advisory committees and to assist the advisory committees.[73]

COLORADO SUNSET LAW

The Colorado General Assembly has enacted a Sunset law proposed by Colorado Common Cause. The law would limit the life of each of the 43 boards and commissions in Colorado's Department of Regulatory Agencies to six years.[74] The law was premised on this fortright statement:

"The General Assembly finds that state government actions have produced a substantial increase in numbers of agencies, growth of programs, and proliferation of rules and regulations and that the whole process developed without sufficient legislative oversight, regulatory accountability, or a system of checks and balances. The General Assembly further finds that by establishing a system for the termination, continuation, or re-establishment of such agencies, it will be in a better position to evaluate the need for the continued existence of existing and future regulatory bodies."[75]

The law establishes a schedule for legisla-

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tive review with one-third of the Department's boards and commissions designated for termination every other year beginning on July 1, 1977. Agencies with similar functions are grouped together. The Sunset law requires the Legislative Audit Committee to have a performance audit report prepared on each agency at least three months prior to the termination date. A public hearing is required before termination, continuation, or reestablishment of any agency. The law lists nine factors to be considered in determining whether there is a public need for the agency's continued existence, including:

"The extent to which the division, board, or agency has operated in the public interest, and the extent to which its operation has been impeded or enhanced by existing statutes, procedures, and practices of the department of regulatory agencies, and any other circumstances, including budgetary, resource and personnel matters."

If terminated, a board continues for one year to wind up its affairs. Newly created and re-created boards and commissions are limited to lives of six years. The law provides that termination or re-creation shall not cause the dismissal of any claim or right of a citizen against the agency.

KENTUCKY ADMINISTRATIVE REFORMS

In 1974, the Kentucky Legislature enacted a law that abolished all administrative regulations unless printed in Kentucky *Administrative Register* and filed with and reviewed by the Administrative Regulation Review Subcommittee.[76] According to Kentucky's Legislative Research Commission, the law helped trim Kentucky's 2,572 regulations down to 1,601 by June of 1975.[77]

Based on the success of the law regarding administrative regulations, Kentucky Governor Julian M. Carroll issued an executive order in October of 1975 that abolished the state's 20,000 government forms effective June 30, 1976.[78] The Governor's order stated: "unnecessary and duplicating forms now required by the various departments and administrative bodies of State Government can only be immediately and effectively eliminated by abolishing all such forms and then reissuing only those forms as are absolutely necessary in the administration of the laws and the rendering of services."

The Executive Order provided that "forms found to have a valid purpose and to be in the interest of efficient government shall be reissued effective July 1, 1976." The Order required the Secretary of each cabinet or department to establish a Form Review Committee composed of agency representatives, legislators, and members of the public. Bureau and agency heads are required to catalog all forms in use, determine which can be eliminated, consolidated, modified, or reissued, and submit the recommended forms to the appropriate Form Review Committee for approval.

PROPOSED TEXAS CONSTITUTION OF 1975

In 1975, the Texas Legislature proposed a new constitution that contained a Sunset provision.[79] Unfortunately, the comprehensive and controversial constitution was rejected by the voters, largely for reasons other than Sunset. Statutory state agencies with statewide jurisdiction and having appointed officers, except institutions related to higher education, would have been limited to a life of ten years unless renewed periodically for terms of not more than ten years.

According to Louie Winecup, a former Research Associate with the Texas Legislative Council:

"This places a burden on both the governor, through his reports to the legislature and his reorganization authority, and the legislature to organize, keep track of, and carefully review the administrative agencies of the state. This review policy would hopefully encourage those responsible to untangle the web of overlapping jurisdiction and, simultaneously, to find the cracks in the floor through which problems slip, and would bring greater efficiency to the administration of state government. As order is brought out of chaos, the average citizen will be able more easily to determine where to go for specific services. The efficiency would also be reflected in a decreased cost to the state."[80]

Within two years of the effective date of the constitution, the Texas Legislative Council was to have proposed a suggested agency disposition list. Beginning in the 1979 regular session, the legislature was to have considered individually each agency on the disposition list. The proposed constitution provided that a bill to renew an agency that was scheduled to terminate in less than two years must be reported from committee and brought to a vote in each House not less than 20 days before adjournment. An agency with outstanding bonds would not terminate unless the legislature provided for administration of the agency's property and servicing of the outstanding debt. Unless otherwise provided by law, appointed officers serving on the effective date of a renewal continue to hold office for their appointed terms.

SUNSET: THE TEN BASIC PRINCIPLES

Over the years, there have been numerous proposals designed to improve program evaluation. While some meaningful steps have been taken, most proposals for improved oversight have been ignored. It is essential that the Sunset mechanism contains the institutional arrangements necessary to guarantee meaningful and thoughtful program evaluation. Otherwise, the Sunset name can be used to describe present inadequate practices and thereby give the public a false feeling of security that programs and agencies are being evaluated properly.[81] The present congressional authorization process suggests that the mere threat of termination without substantial requirements for the evaluation process might soon lead to the routine re-creation of programs and agencies based on superficial evaluations. A more serious risk is that programs and agencies will be terminated without adequate review and justification.

As demonstrated by the proposals described in the previous section, the potential application of the Sunset concept is broad. Sunset could apply to administrative actions of government. The Kentucky Executive Order on government forms and the law regarding administrative regulations are examples. Or Sunset could apply to statutes as suggested by Lowi. Sunset could apply to agencies as suggested by Douglas. The Percy-Byrd and Texas proposals and the Colorado law are examples. The Muskie bill applies Sunset to government programs.

As a result of our study of the proposals and laws described above, Common Cause has identified ten basic principles that must be in any workable and responsible Sunset law. The remainder of this section is a discussion of the ten basic principles.

First: Programs and Agencies Should Automatically Terminate at a Date Certain Unless Affirmatively Re-created by Law.

Automatic termination is, of course, the essence of Sunset. Program evaluation is difficult, often thankless work. As Alan Rosenthal, of the Eagleton Institute of Politics, has noted, most legislators prefer lawmaking to oversight.[82] Allen Schick, of the Congressional Research Service, has written that program evaluation will not work until incentives are established.[83] Sunset—through its termination provision— could, if part of a comprehensive evaluation scheme, be the incentive necessary to make program evaluation a legislative priority. Without the threat of termination, recommendations for reorganization and reform can be ignored. The threat of termination is the action-forcing mechanism that provides visibility and instills discipline. Sunset gives legislators reason to reorder their legislative priorities and to reallocate their staffs and their time.

Second: Termination Should Be Periodic (e.g., Every Seven or Nine Years) in Order to Institutionalize the Program Evaluation Process.

The Percy-Byrd bill uses the Sunset mechanism to establish an orderly timetable for oversight of specific subject matter areas on a onetime basis. The Kentucky Sunset reforms were also invoked only on a onetime basis. In these situations, there is limited opportunity to hold an agency accountable for complying with the mandate of the original review process. It has taken years for some government programs and agencies to evolve to their present levels of mediocrity and inefficiency. It was not the work of a day. It will not be undone in a day. Periodic review is necessary.

The Muskie and Texas proposals and the Advisory Committee Act and Colorado law institutionalize the review process by establishing a limitation on the period for which agencies, programs, or committees may be re-created (four, ten, two and six years respectively).[84] This periodic Sunset review is a minimum standard for comprehensive review. It should not limit ongoing oversight, nor should it be used as an excuse to put off already identified reforms. Different programs have different life cycles. Some programs may require some type of review more frequently than every seven years. Nothing in the Sunset process would prevent such a review, but a general requirement for comprehensive program evaluation at a short cycle raises at least two problems. First, the government probably does not have the capacity to re-examine all government programs every three or four years. Such a requirement might fatally overburden the program evaluation system to the lasting detriment of the Sunset concept. Second, short-cycle review might unnecessarily interfere with desirable long-range program planning.[85]

Third: Like All Significant Innovations, Introduction of the Sunset Mechanism Must Be a Learning Process and Should Be Phased in Gradually.

Eventually, Sunset could be applied as a comprehensive, governmentwide program evaluation system. However, in the short term, Sunset could be discredited if too much is attempted too soon. David B. Walker, of the Advisory Commission on Intergovernmental Relations has pointed out:

> The oft maligned planning-programming-budgeting systems (PPBS) after all did not fail because of inadequacies in the concept, but because of the weight of its procedures, the amount of paper work required, and the highly technical nature of the evaluations required. The same fate easily could await zero-based periodic program review and evaluation unless major efforts are made to guard against it.[86]

It is clear that the institutional capacities of government are not adequate to provide comprehensive evaluation of all government programs and agencies in the near future.[87] It is also clear that we have much to learn about program evaluation. According to OMB Director James T. Lynn: "Over the years we have learned a good deal. But in many respects evaluation is still a very imperfect art requiring constant experimentation and demonstration with a variety of techniques."[88]

In order to avoid fatally overburdening the system in the early years, priorities should be established based on such things as subject matter, areas of greatest program or agency proliferation, funding levels, maturity of program, and other relevant

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factors. The programs or agencies should be representative and should be spread out among the various legislative committees. The Percy-Byrd bill and the Colorado law have focused on regulatory practices, an area that cries out for review.[89] Other areas in which duplication and overlap abound are inviting targets for early review.

In addition to the need to phase-in the comprehensive Sunset review, consideration must be given to whether some programs, agencies, or departments are either inappropriate or less suitable than others for the Sunset review. It would not appear credible to threaten termination of major departments such as the Department of Defense or the Department of Housing and Urban Development. Subunits or programs within these departments would, however, be appropriate for Sunset review.

Consider some of the other exceptions suggested in the proposals reviewed in the previous section: The Muskie bill exempts payments of interest on the national debt and programs under which individuals make payments to the government in expectation of future compensation. At the time of introduction of the Muskie bill, a co-sponsor, Senator John Glenn (Ohio), raised the question of whether civil rights protections were properly subject to the type of review envisioned by the bill.[90] The Texas proposal excluded institutions related to higher education. The Percy-Byrd bill exempts those regulations that protect the public safety, encourage economic competition, or protect consumer interests.

Fourth: Programs and Agencies in the Same Policy Area Should Be Reviewed Simultaneously in Order to Encourage Coordination, Consolidation, and Responsible Pruning.

One of the most obvious facts of government today is the extraordinary duplication of government programs designed to deal with the same problem. It is important that all aspects of a policy area be reviewed simultaneously. Otherwise, coordination, responsible pruning, and, where appropriate, consolidation are unlikely. Numerous federal programs have limited authorizations, but there has not been any attempt to arrange the termination dates to facilitate meaningful review.[91]

Under the Muskie bill, programs are grouped by functional budget category. The Percy-Byrd bill and the Colorado law provide that all aspects of specified areas of regulation are considered together. Under the Texas proposal, the Legislative Council was given flexibility to propose a suggested disposition list. It is also important that tax expenditures be reviewed along with related program expenditures.[92]

Fifth: Existing Entities (e.g., OMB, CBO, GAO and Analogous State Bodies) Should Undertake the Preliminary Program Evaluation Work, but Their Evaluation Capacities Must Be Strengthened.

While the ultimate responsibility for evaluation under Sunset is with the legislative branch, it is necessary that much of the basic preparatory work be done outside of the legislative committee structure. Obviously, the agency under scrutiny is the major source of information and expertise. According to Elmer B. Staats, the Comptroller General: "the primary responsibility for evaluating Federal programs lies with the Federal departments and agencies. Program evaluation is a fundamental part of effective program administration." [93]

Internal agency program evaluation should not be discouraged but neither should its objectivity be assumed. According to the Office of Management and Budget:

"A critical dilemma faced by any evaluation effort is the likelihood of arriving at adverse judgments concerning individual program accomplishments. Program managers naturally resist such conclusions and can be expected to argue against their validity. This leads to the conclusion that, to assure adequate objectivity, evaluation capability should lie outside the direct line of command of responsible program managers."[94]

Peter A. Pyhrr, who helped initiate Georgia's system of zero-base budgeting, has noted several implementation problems that result from the lack of overview and objectivity by program managers: "Many managers developed their packages and rankings to protect their people. . . . Alternative ways of performing each function were not adequately identified or examined; many managers did not seem to consider seriously any type of organizational changes." [95]

On the federal level, the Office of Management and Budget must be responsible for preparing final recommendations for the President. OMB Director Lynn has made a suggestion that could increase the objectivity of executive branch evaluation without overloading OMB. At his confirmation hearing as OMB Director, Lynn pointed to the Assistant Secretary for Policy Development and Research position that he created while Secretary of the Department of Housing and Urban Development and said: "I think to have an organization within each Department with some independence to do an evaluation of programs would be extremely useful." [96] Creation of independent evaluation offices within departments will have the further advantage of minimizing distraction of agencies from their primary missions.

Despite the screening role played by OMB and its state counterparts, the legislative branch must not rely exclusively on the executive branch's recommendations. These recommendations should be used as the basis for evaluation by an arm of the legislature. The Muskie bill requires the General Accounting Office and the Congressional Budget Office to report the results of relevant audits and evaluations along with information requested by the standing committees. As noted above, the Legislative Reorganization Act and the Congressional Budget Act have placed reliance on the GAO to assist Congress with its program evaluation duties. On the state level, the Colorado law requires the Legislative Audit Committee to have a performance audit completed at least three months prior to the termination date.

Conceptually, the review mechanisms now in place at the federal level and in many states are sound.[97] The agencies can generate basic information on which OMB and other agents of the executive can base recommendations. With access to agency information, GAO and CBO and their state counterparts can critique the executive's recommendations and generate alternatives for consideration by the legislature. With a limited workload, the existing entities could probably perform well. But there is little chance that they could handle the huge workload that the comprehensive evaluation proposed by the Muskie bill would require. The evaluation capacities of GAO and OMB and their state counterparts would have to be strengthened considerably if quality work is to result. Federal and state programs to train people in program evaluation must become a high priority.

Sixth: In Order to Facilitate Meaningful Review, the Sunset Proposal Should Establish General Criteria to Guide the Program Evaluation Process.

It is difficult for meaningful program review to take place in the absence of clear program goals and objectives. According to a Congressional Research Service study: "much of the failure of program evaluation can be attributed to policy makers and legislators who write vague statements of program goals, which give evaluators imprecise yardsticks or standards against which to measure program accomplishments and deficiencies or costs and benefits." [98]

To remedy this deficiency, legislative committees should work closely with program evaluators to develop evaluation plans based on program goals and objectives early in the review process. Otherwise, the evaluations will not be used. According to the GAO: "There appears then to be a need to tailor the results of evaluation studies to the type of congressional decision to be made so that the best available data are provided on a timely basis." [99] In addition, one of the objectives of the first review of a program under Sunset should be the specification of goals and objectives to guide the development of the program and to require information-gathering designed to facilitate useful follow-up reviews.

The preliminary review will be done by a variety of sources—the agencies, OMB, GAO, CBO, CRS, and outside consultants. In order to ensure a relatively consistent work product that will produce useful decision-making documents and encourage program comparison, it is important that the Sunset proposal establish general criteria for the program review. Admittedly, no single set of specific criteria will apply to the wide variety of government programs. Alice M. Rivlin, Director of the Congressional Budget Office, citing the experience with PPBS in the 1960s, has warned that if the process is too rigid, it could "lead to changes in behavior that were mechanistic and meaningless rather than the thoughtful reassessments that are intended." [100]

While the process must not be overly mechanistic, some effort must be made to indicate the types of questions that must be asked and answered in the review process. Otherwise, agencies will be able to avoid collecting hard data and answering difficult questions. Lacking supportive data, they might undertake expensive and time-consuming public relations campaigns designed to ensure their re-creation.[101]

As noted in the previous section, the Muskie and Percy-Byrd bills and the Colorado Law set forth basic areas for inquiry (e.g., identification of other programs having similar objectives, compliance with affirmative actions plans). The General Accounting Office has developed evaluation language for use in legislation. GAO's model language, with appropriate modifications, could serve as the basis of a Sunset review:

(1) Contain the agency's statement of specific and detailed objectives for the program or programs assisted under the provisions of this Act, and relate these objectives to those in this Act,

(2) Include statements of the agency's conclusions as to effectiveness of the program or programs in meeting the stated objectives, measured through the end of the preceding fiscal year,

(3) Make recommendations with respect to any changes or additional legislative action deemed necessary or desirable in carrying out the program or programs,

(4) Contain a listing identifying the principal models, analyses and studies supporting the major conclusions and recommendations, and

(5) Contain the agency's annual evaluation plan for the program or programs through the ensuing fiscal year for which the budget was transmitted to Congress by the President.[102]

Seventh: Substantive Preliminary Work Must Be Packaged in Manageable Decision-making Reports So That Top Decision-Makers Can Exercise Their Common Sense Political Judgments.

Experience with the budget and confirmation processes demonstrates that a mandate for review does not guarantee that a meaningful review will actually take place. Along with the termination mechanism there must

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be a requirement that a meaningful review process be undertaken to ensure that any termination, reorganization, or re-creation that takes place is justified by the facts. Colorado Senate President Fred Anderson, a principal sponsor of Colorado's Sunset law, has pointed out:

> People fear an agency's fate may rest upon whim not rationale . . . By using a performance audit report as the basic document for reviewing the reasons why an agency should or should not be terminated, there is factual evidence which precludes mere emotion becoming the deciding factor for an agency's continuation or termination.[103]

The job of marshalling information into a manageable review package with policy alternatives set forth in straightforward terms is a difficult but essential task. Not all programs and agencies can be evaluated in quantitative terms. The decisionmaking package must set forth information that allows top decisionmakers to exercise their common sense political judgments. Mark Chadwin, in a report prepared for the Eagleton Institute of Politics, has pointed out:

> It is especially important for the *legislative* evaluator to seek means of presenting such material in clear straightforward ways that are likely to be remembered. His primary clients are busy men and women who are often forced to rely on a quick reading to gain a general overall impression. Furthermore all of us eventually become numbed by an unrelieved torrent of digits, ratios and percentages. A real-life example of a flavorful quote that illustrates the point can sometimes help. So too, can various forms of graphic or pictorial presentation.[104]

In addition to being understandable, it is essential that the decisionmaking packages be as brief as possible. Otherwise, top decision-makers will be paralyzed by an unmanageable amount of paperwork. Peter Pyhrr has described the use of the decision packages developed in a zero-base budgeting process in Georgia and elsewhere as follows:

> The volume problem can be the most serious obstacle to effectively implementing the zero-base budgeting process in a large organization . . . However, the basic solution to the volume problem lies in limiting the number of packages ranked at any consolidation level and properly focusing top management's attention on areas requiring decision making, thus leaving it to lower management levels to perform the detailed evaluation and ranking.[105]

Manageable decision packages with policy alternatives are especially important because of the fact that termination will not always be a real option. The decisionmaking packages not only make the question of whether or not to terminate an agency or program easier, but, if they are properly done they will point the way to consolidation or revamping of agencies or programs where appropriate.

The Muskie bill requires both the President and the legislative committees to prepare zero-based reports that should meet the test set out above. The Percy-Byrd bill provides for the President to submit to Congress comprehensive plans for regulatory reform.

Eighth: Substantial Committee Reorganization Including Adoption of a System of Rotation of Committee Members, Is a Prerequisite to Meaningful Sunset Review.

The substantive committees have the oversight responsibility under the Legislative Reorganization Act and the Congressional Budget Act of 1974. Also, the 1974 amendments to the House Rules required each substantive committee to establish special oversight subcommittees or to require oversight by the existing subcommittees within their own legislative jurisdiction. The Muskie bill also puts reliance on the substantive committees, requiring them to conduct a zero-base review of all government programs within their jurisdictions every fourth year. The Percy-Byrd bill provides for joint responsibility between the Government Operations Committee and the appropriate substantive committee.

Conceptually, the reliance on the substantive (or authorizing) committees is sound. However, it raises serious practical problems. At the federal level, as in many state legislatures, the Senate and House committee structures are far from the ideal. In many legislative bodies there are too many committees. Committee jurisdictions are fragmented—few standing committees have exclusive jurisdiction over major policy areas. Committee staffs are not oriented to oversight. The congressional committee structure is dominated by an unholy trinity: the long-standing underground alliance of a committee member, a middle-level bureaucrat, and a special interest lobbyist concerned with the same subject matter.[106]

Significant committee reorganization is a prerequisite to meaningful oversight by standing committees. Two reforms stand out: First, the House and Senate should adopt a system of rotation of members among committees.[107] Under rotation, members would move from one committee to another, perhaps every six to eight years. The House Budget Committee operates under a rotation plan with members limited to serving for two Congresses in a period of five successive Congresses.[108] Rotation would have the advantage of giving the members wider exposure to government policy, would break up the unholy trinities, and would further loosen the grip of seniority. Of the present committee system, Davidson and Oleszek have written: "To the extent that committees are boosters of the programs they have sponsored, however, vigorous questioning of these programs may be frowned upon by committee leaders and outside clienteles." [109] Rotation would increase the objectivity of the standing committees. The people who created programs would not be exactly the same people asked to judge them.

Second, committee jurisdictions should be revised. In 1974, the House Select Committee on Committees recommended that the existing hodge-podge of committees be replaced with a system that concentrated responsibility over single subject areas among 15 major committees. Unfortunately, the Select Committee's proposals failed and a weak substitute prevailed.[110] Without significant restructuring of committee jurisdictions, program evaluation of subject matter areas will be exceedingly difficult because of the many committees that will have oversight responsibility. For example, the Percy-Byrd bill proposes review of regulatory policy in the energy-environment field in 1978 and the Muskie bill requires a review of the "Natural Resources, Environment, and Energy" category in 1981. But Senator Adlai E. Stevenson (Illinois), in successfully arguing for a resolution calling for a study of the Senate committee structure, has pointed out that 14 standing committees operating through 38 subcommittees have dealt with some aspects of energy legislation in the Senate in recent years.[111] It will be difficult, if not impossible, to have a rational program evaluation process based on such a disjointed committee structure.

Even if committee reorganization is accomplished, significant reallocation of legislative time and staff is necessary. More staff with program evaluation knowledge, experience, and interest may be necessary, but the primary need is for legislators to decide that program evaluation is important and to devote the necessary time and staff to it.

Ninth: Safeguards Must Be Built into the Sunset Mechanisms to Guard Against Arbitrary Termination and to Provide for Outstanding Obligations and Displaced Personnel.

Sunset contains risks. Some of the risks are inherent in the political process and are justified by the strong need to regain control of our government. As Senator Percy has stated: "Any such effort necessarily involves certain risks, on the part of all of us. Simply stated, nothing ventured, nothing gained. And, in this crucial area, if nothing is gained, ultimately too much will be lost.[112] Some of the risks can be minimized by legislative safeguards. The Sunset process could be discredited if re-creation of essential programs or agencies is blocked by action of a minority of the members of the legislative body. The younger, activist agencies that have offended powerful special interest groups because of their enforcement of safety, health, consumer, or environmental legislation, might be more vulnerable than the older established agencies that have developed strong constituencies both inside and outside the legislative body. Arguably, a bill to re-create an agency with broad public support could be held back by allies of the special interests and never brought to a vote. An arbitrary chairman should not be allowed to hold back a bill to authorize continuance of a program. A minority should not be able to filibuster a bill to re-create an agency. Sunset is designed to force the legislative body to act, not to allow it to abdicate its responsibility. The Texas proposal provided that a bill to renew an agency that was scheduled to terminate must be reported from committee and brought to a vote in each House not less than twenty days before adjournment. The Colorado Law provides that an agency that is terminated continues in existence for one year to wind up its affairs. If the termination was arbitrary or against the public interest, the year will give proponents time to re-create the agency. The House version of the Muskie bill differs from its Senate counterpart in one important respect—the House bill provides that if the zero-base report were prepared by the committee, a budget authorization would be in order (unlike the Muskie bill), but not in excess of the preceding year's authorization.[113]

Other safeguards must be included. Under the Texas proposal, an agency with outstanding bonds would not terminate unless the legislature provided for administration of the agency's property and servicing of the outstanding debt. The Colorado law provides that termination or re-creation shall not cause the dismissal of any claim or right of a citizen against the agency. Employees who lose their jobs because of termination or reconstitution of their programs or agencies should be given special consideration in relocating.[114]

Tenth: Public Participation in the Form of Public Access to Information and Public Hearings Is an Essential Part of the Sunset Process.

One of the goals of Sunset is to help restore public confidence in government by demonstrating that public officials are constantly attempting to improve the efficiency of the machinery of government. If this goal is to be met, public participation must be an essential part of the Sunset process.

Sunset will fail if the process is dominated by secrecy and special interest influence. Public participation can be facilitated in at least three ways: First, the public and Congress should be guaranteed access to the program evaluation reports generated in the Sunset review.[115] Second, a Sunset proposal should guarantee an opportunity for public hearings as in the Colorado law. Third, all legislative committee meetings should be open to the public and held only after public notice.

CONCLUSION: MAKING GOVERNMENT WORK

Legislative oversight has been, in the words of Alan Rosenthal, the "neglected stepchild" of the legislative process.[116] According to

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Rosenthal: "Much of the transfer of power from legislatures to executives, and especially to executive bureaucracies, in recent times is due to the lack of legislative capability in this respect." [117]

As Morris S. Ogul has pointed out: "If more and better oversight is to be achieved, members need to alter their priorities for allocation of their time and they need to insist on *better* staffs." [118] But as Allen Schick has written, the needed reallocation will not occur until the necessary incentives are established.[119] The Congressional Budget Act appears to have given Congress the capacity and the discipline to improve its budget review practices.[120] Perhaps Sunset could provide the necessary incentive and be the action-forcing mechanism that institutionalizes legislative program evaluation.

Sunset is not a panacea. But it could make a significant difference. It is a powerful concept with great promise. Sunset contains risks and presents problems, but they can be managed. If legislators have the will and provide the institutional capacity to implement the Sunset principles set forth in this article, Sunset could help to restore the balance of power between the two major branches of government. The visibility provided by the Sunset process might strengthen the hands of public interest advocates where special interest pressures now dominate. But Sunset is designed to ensure review, not to guarantee any predetermined result. Sunset could foster a stronger legislative branch overseeing a more accountable executive branch. If a lean, strong government results, it would help to restore public confidence and undercut the anti-government feeling that is sweeping the nation today.

FOOTNOTES

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[1] Harris, *Hearing on a Survey of Public Attitudes Before the Subcommittee on Intergovernmental Relations of the Senate Committee on Government Operations*, 93d Cong., 1st Sess., 7 (1973).

[2] L. Harris, "The Emerging Shape of Politics for the Rest of the 1970s," Oct. 7, 1975 (Remarks to the National Conference of State Legislatures).

[3] Common Cause, *States Spearhead Open Government*, 6 In Common 4 (1976).

[4] The Federal Election Campaign Act Amendments of 1974, Pub. L. No. 94-443, 88 Stat. 1263, *amending* the Federal Election Campaign Act of 1971, Pub. L. No. 92-225, 86 Stat. 3 (codified in scattered sections of 2, 18, 47 U.S.C.). The Supreme Court recently upheld the Act as amended in substantial part. Buckley v. Valeo, 96 Sup. Ct. 612 (1976).

[5] H. Res. 259, 93d Cong., 1st Sess. (1973) *amending* House Rule XI, § 2(g); *see More House Meetings Open*, 4 Common Cause Report From Washington 2 (1974); S. Res. 9, 94th Cong., 1st Sess. (1975) *amending* Senate Rule XXV, § 7(b).

[6] *See, e.g.*, Government in the Sunshine Act, S. 5, 94th Cong., 1st Sess. (1975) (as passed by the Senate Nov. 6, 1975); Public Disclosure of Lobbying Act of 1975, H.R. 15, 94th Cong., 1st Sess. (1975); and Financial Disclosure Act, H.R. 3249, 94th Cong., 1st Sess. (1975).

[7] Research and Policy Committee of the Committee for Economic Development, Improving Productivity in State and Local Government 26 (March, 1976).

[8] U.S. News and World Report, Nov. 10, 1975, at 39.

[9] Gardner, In Common Cause 65 (1972). *See also*, Montgomery, *Far-Reaching Reform of Licensing Boards Urged in Many States*, The Wall Street Journal, Jan. 8, 1975, at 1.

[10] Comptroller General of the United States, Study of Federal Programs for Manpower Services for the Disadvantaged in the District of Columbia, at 1 (1973).

[11] *See* Van Dyk, *Fixing the Potholes: The Need for a New Democratic Domestic Agenda*, Democratic Rev. Oct.-Nov. 1975, at 64.

[12] Havemann, *Budget Report/Ford, Congress Seek Handle on "Uncontrollable" Spending*, 7 Nat. J. Rep. 1620 (1975).

[13] Address by Senator Muskie in the Senate, Feb. 3, 122 Cong. Rec. 1134 (1976).

[14] Reorganization Act of 1949, 5 U.S.C. §§ 901 *et seq.* (1970). *See, Congress and the Nation*, 3 Cong. Q. 960 (1969)-72). The President's reorganization authority under the Act terminated on April 1, 1973. 5 U.S.C. § 905(b) (1970).

[15] The Commission on Organization of the Executive Branch of the Government, known as the Hoover Commission, was established by Act of July 7, 1949, ch. 207, 61 Stat 246.

[16] Reorganization Act of 1949, *supra* note 14, § 906.

[17] *Congress and the Nation, supra* note 14, at 960.

[18] Reorganization Plan No. 2 of 1970, 3 C.F.R. 197 (1970), 3 U.S.C. § 301 (Supp. 1972).

[19] *Id.*

[20] Reorganization Plan No. 3 of 1970, 3 C.F.R. 199 (1970).

[21] *Congress and the Nation, supra* note 14, at 960.

[22] *Peirce, State-Local Report/Structural Reform of Bureaucracy Grown Rapidly*, 7 Nat. J. Rep. 503 (1975). *See also*, Bell, *State Administrative Organization Activities*, 1974-1975, The Book of the States: 1976-1977 54 (The Council of State Governments).

[23] *Id.*

[24] The Council of State Governments, Reorganization in the States 2 (1972).

[25] Peirce, *supra* note 22, at 502.

[26] *Id.*, at 504.

[27] Legislative Reorganization Act of 1946, § 136, ch. 253, § 136, 60 Stat. 832 (1946), *as amended* 2 U.S.C. § 190d(a) (1970).

[28] Intergovernmental Cooperation Act of 1968, 42 U.S.C. § 4241 (1970).

[29] Legislative Reorganization Act of 1970, Pub. L. 91-510, 84 Stat. 168 as *amended* 31 U.S.C.A. § 1154 (1976).

[30] Congressional Budget and Impoundment Control Act of 1974, 31 U.S.C.A. § 1154(d) (1976). The Comptroller General established an Office of Program Analysis in September of 1974. The organization and responsibilities of the Office are described in Order No. 0130.1.17 of Jan. 16, 1976.

[31] Knezo, Program Evaluation: Emerging Issues of Possible Legislative Concern Relative to the Conduct and Use of Evaluation in the Congress and the Executive Branch, 31, Nov. 16, 1974 (Congressional Research Service, Library of Congress). The organization and responsibilities of the Division are described in Salasin and Kivens, *Fostering Federal Program Evaluation: A Current OMB Initiative*, 2 Evaluation 37 (1975).

[32] Knezo, *supra* note 31, at 1. The Evaluation and Program Implementation Division of OMB surveyed 18 agencies in 1975 and found that "approximately $116 million and 1,275 government professionals are directly involved in the development of program evaluation information." Office of Management and Budget, Survey of Federal Evaluation Activities at 1 (1975).

[33] House Committee Reform Amendments of 1974, H. Res. 988, 93d Cong., 2d Sess. (1974) *amending* House Rules X and XI.

[34] *Id. See*, House Comm. on Government Operations, Oversight Plans of the Committees of the U.S. House of Representatives, H.R. Rep. No. 61, 94th Cong., 1st Sess. (1975). *See also, Congress May Step-Up Oversight of Programs*, 33 Cong. Q. 595 (1975).

[35] American Law Division, Congressional Research Service, Library of Congress, Compilation of Legislative Veto Provisions, Jan. 31, 1975.

[36] Citizens Conference on State Legislatures, The Sometime Governments 3 (1971). *See also*, Rosenthal, Legislative Performance in the States (1974).

[37] Crane, Legislative Review of Program Effectiveness for Government Accountability 15 (Institute for Public Policy Alternatives, State University of New York). *See*, Chadwin, Legislative Program Evaluation in the States: Four Case Studies 1, Aug. 1974 (Center for State Legislative Research and Service, Eagleton Institute of Politics, Rutgers University). *See also*, Council of State Governments, State Government Program Evaluation Activities, Summer, 1972.

[38] Pound, *Legislative Review of Administrative Rule-making*, St. Legislatures Nov./Dec. 1975, at 23.

[39] Reorganization Plan No. 2 of 1970, *supra* note 18.

[40] Lewis and Zarb, *Federal Program Evaluation From the OMB Perspective*, 34 Pub. Ad. Rev. 313 (1974). *See Symposium on Management by Objectives in the Public Sector*, 36 Pub. Ad. Rev. 1 (1976). *See also*, Havemann, *Executive Report/OMB's New Faces Retain Power Structure under Ford*, 7 Nat. J. Rep. 1071 (1975); Havemann, *Executive Reports/OMB Nears Second Phase, Linking Goals to Budget Process*, 6 Nat. J. Rep. 609 (1974); Havemann, *White House Report/OMB's "Management-By-Objective" Produces Goals of Uneven Quality*, 5 Nat. J. 1201 (1973); and Havemann, *Administration Report/OMB Begins Major Program to Identify and Attain Presidential Goals*, 5 Nat. J. 783 (1973).

[41] Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93-344, 88 Stat. 298, (codified in scattered sections of 1, 2, 31 U.S.C.A.). *See* Havemann, *Budget Report/New Senate, House Panels Making Mark on Spending Bills*, 7 Nat. J. Rep. 1499 (1975). *See also*, Havemann, *Congress is Preparing a Budget Larger than Ford's—and Very Different*, 8 Nat. J. 408 (1976).

[42] Congressional Budget and Impoundment Control Act of 1974, *supra* note 41 at 2 U.S.C.A. §§ 601 et seq. (Supp. 1976).

[43] *Id.*, 31 U.S.C.A. §§ 1321-1326.

[44] *Id.*, 2 U.S.C.A. § 190d(a).

[45] *Id.*, 31 U.S.C.A. § 1154.

[46] *Id.*, 31 U.S.C.A. § 1153.

[47] *Id.*, 31 U.S.C.A. §§ 1400-1404.

[48] Council of State Governments, A Survey of Budgetary Reform in Five States 4 (1973). *See*, Howard, Changing State Budgeting (1973). *See also*, Axelrod, *Post-Burkhead: The State of the Art or Science of Budgeting*, 33 Pub. Ad. Rev. 576 (1973).

[49] The Council of State Governments, Budgetary Processes in the States (1975).

[50] The Council of State Governments, State Legislative Appropriation Process (1975).

[51] J. Carter, *Planning a Budget From Zero*, Innovations in State Government, 4 June 1974 (National Governors' Conference). *See also*, Pyhrr, Zero-Base Budgeting 1973).

[52] Office of Planning and Budget, State of Georgia, General Budget Preparation Procedures: Fiscal Year 1977 Budget Development (1975).

[53] Bell, *supra* note 22, at 59. Richard C. Leone, State Treasurer of New Jersey, has pointed to the success of New Jersey's zero-base system: "After 20 years of large budget increases, we last year proposed a budget with 1.8% increase. We finally settled for a budget which was *reduced* by 3%. This year, our basic 'no new revenues' budget proposes an increase of about 2%—a figure which would bring State spending back to the level of a year ago. In other words, we have not only changed the budget process, we have altered budget outcomes." *Hearings on S. 2925 Be-*

fore the Subcomm. on Intergovernmental Relations of the Senate Committee on Government Operations, 94th Cong., 2d Sess., at 294 1976 [hereinafter cited as *1976 Hearings*].

[54] Rosenthal, *Legislative Review and Evaluation—The Task Ahead*, State Gov., Winter 1972, at 43. A report prepared for the Office of Management and Budget made a similar point: "In short, despite their substantial achievements, the States face a continuing set of public management challenges." Study Comm. on Policy Management Assistance, OMB, Strengthening Public Management in the Intergovernmental System 22 (1975).

[55] Ogul, *Legislative Oversight of Bureaucracy, in Hearings Before the House Select Comm. on Committees on Comm. Organization in the House*, 93d Cong., 1st Sess., Vol. 2, pt. 3, 701 (1973).

[56] Rosenthal, supra note 54, at 45.

[57] Douglas, Go East Young Man 297 (1974).

[58] Lowi, The End of Liberalism 309 (1969). *See also*, Cutler and Johnson, *Regulation and the Political Process*, 84 Yale L.J. 1415 (1975).

[59] S. 2025 and H.R. 11734, 94th Cong., 2d Sess. (1976) [hereinafter cited as the Muskie bill].

[60] Muskie, *supra* note 13. *See also*, Muskie, *Effective Government: Our Next Big Challenge*, 8 Nat. J. 458 (1976).

[61] Muskie, *supra* note 13 at 1133.

[62] The Comptroller General of the United States has estimated that "of the total outlays proposed by the fiscal year 1977 budget, the reauthorization or termination provision of the bill would apply to about $135 billion in domestic assistance and $115 billion in direct Federal operations, mainly, national defense. Outlays excluded from the provision—interest payments on the public debt, Medicare, and retirement and other trust funds payments—total about $144 billion." Staats. *1976 Hearings, supra* note 53, at 126.

[63] Congressional Budget and Impoundment Control Act of 1974, *supra* note 41 at 31 U.S.C.A. § 1352 (Supp. 1976).

[64] S. 2813, 94th Cong., 1st Sess. (1975) and H.R. 11450, 94th Cong., 2d Sess. (1976) [hereinafter cited as the Percy-Byrd bill]. *See*, Cohen, *Regulatory Reform—535 Different Meanings for Members of Congress*, 8 NAT. J. 476 (1976).

[65] Address by Sen. Percy in the Senate, Dec. 18, 1975, 120 CONG. REC. 22655.

[66] *Id.*

[67] *Id.*

[68] Federal Advisory Committee Act of 1972, 5 U.S.C.A., App. I, § 14 (Supp. 1976).

[69] *Id.*, § 2(b).

[70] Address by Sen. Metcalf in the Senate, Feb. 6, 1976, 122 Cong. Rec. 1455. Metcalf points out that from Dec. 31, 1972 to May 1, 1975, the number of advisory committees only decreased by 189 (from 1,439 to 1,250) because 525 committees were newly created or belatedly discovered during the period.

[71] Federal Advisory Committee Act of 1972, *supra* note 68, § 5(a). *See* Staff of the Senate Comm. on Government Operations, 94th Cong., 2d Sess., Oversight of Federal Advisory Committees (Comm. Print 1976).

[72] Federal Advisory Committee Act of 1972, *supra* note 68 § 6.

[73] *Id.*, § 7.

[74] H.B. 1088, 50th Colorado General Assembly, 2d Reg. Sess. (1976) [hereinafter cited as the Colorado Law]. *See* Peirce, *The "Sunset" Challenge to Bureaucratic Growth*, The Washington Post, March 16, 1976, at A19, and Peirce, The *"Sunset" Demand for Bureaucratic Justification*, The Washington Post, March 23, 1976 at A19. *See also*, Brooks, *Sunset Law*, Rocky Mountain News, April 11, 1976. Since this article was written, the Florida Legislature enacted a law similar to the Colorado Sunset Law (Chapter 76–168).

[75] The Colorado Law, *supra* note 74 at § 1.

[76] K.R.S. §§ 13.084, 13.085 (Supp. 1974) [hereinafter cited as the Kentucky Law].

[77] Letter from Mabel D. Robertson, Regulations Compiler, Kentucky Legislative Research Commission, April 26, 1976.

[78] Carroll, Kentucky Executive Order 75–916, Oct. 3, 1975 [hereinafter referred to as the Kentucky Executive Order].

[79] Proposed Constitution of the State of Texas, approved by the Sixty-fourth session of the Texas Legislature, art. IV, § 24 and Transition Schedule, § 13 [hereinafter referred to as the Texas proposal].

[80] Winecup, *Proposed Article IV: The Executive*, in TEXAS PUBLIC NOTES, Aug. 1975. (Institute for Urban Studies, University of Houston).

[81] A. E. Fitzgerald has described how the Pentagon used the name but not the substance of an innovative budget cutting technique ("should-cost") to mislead the public and Congress, *Hearings on the Acquisition of Weapons Before the Subcomm. on Priorities and Economy in Government of the Joint Economic Committee*, 93d Cong., 1st Sess., at 2624 (1973).

[82] Rosenthal, *supra* note 54, at 45.

[83] Shick, *Congress Versus the Budget, in Hearings Before the House Select Committee on Committees on Comm. Organization in the House*, 93d Cong., 1st Sess. Vol. 2, pt. 3, at 627 (1973).

[84] The cycle of review should probably be for an odd number of years (*e.g.*, seven or nine). Otherwise, the same programs will consistently come up for evaluation in election years when there is less time for review. This, however, will not be possible in the states that do not have annual legislative sessions (*e.g.*, Kentucky and Texas), have sessions that are limited to matters suggested by the Governor (*e.g.*, Colorado), or have sessions limited to budget matters.

[85] Allen Schick has written of the annual appropriations process: "within the bounds of a single year, it is virtually impossible to make a genuine evaluation of alternatives . . . Only when he escapes from the immediate budget predicament and views expenditures in terms of aggregate spending increases over a number of years can the budgeter give serious thought to significant program changes." Schick, Budget Innovation in the States 93 (1971).

[86] Walker, *1976 Hearings, supra* note 53, at 283.

[87] Morris S. Ogul of the University of Pittsburgh has stated: "No amount of congressional dedication and energy, no conceivable increase in the size of committee staffs, and even no extraordinary boost in committee budgets will enable the Congress to carry out its oversight obligations in a comprehensive and systematic manner. The job is too large for any combination of members and staff to completely master." Ogul, *supra* note 55, at 702.

[88] Lynn, *1976 Hearings, supra* note 53, at 380.

[89] *See* Shimberg, Esser and Kruger, Occupational Licensing: Practices and Policies (1972). But in one sense, regulatory agencies do not represent a sufficient test of the Sunset mechanism. While their impact on the economy is large, in most states they take little or no money from general funds. According to the Council of State Governments: "Professional and occupational licensing boards in thirty-three of the forty-eight respondent States obtain operating expenses entirely or for the most part from fees and other payments received by licensees." The Council on State Governments, Financial Arrangements for Professional and Occupational Licensing Boards, 2 (Oct. 1968).

[90] Address by Sen. Glenn in the Senate, Feb. 3, 1976, 122 Cong. Rec. 1137.

[91] William A. Morrill, Assistant Secretary for Planning and Evaluation of the Department of Health, Education and Welfare, has pointed out: "Most HEW programs already have termination dates, and they could be rearranged to facilitate careful review and analysis." *1976 Hearings, supra* note 53, at 496. Allen Schick has written that permanent authorizations were once the standard practice but that based on fiscal year 1973 figures, 60% of spending is under permanent authorization, 15% is under annual authorization, and less than 10% of each year's budget requires renewal of multiyear authorizations. A. Schick, A Three-Year Limit on Authorization Bills, March 27, 1973.

[92] The Congressional Budget and Impoundment Control Act of 1974 defines "tax expenditures" to mean "those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability." 31 U.S.C.A. § 1302(a)(3) (Supp. 1976). The Act requires the President to set forth levels of tax expenditures in the annual budget. *Id.* at § 11(e). Senator Glenn has proposed an amendment to the Muskie Bill to require review of tax expenditures along with related program expenditures. 122 CONG. REC. 4768 (1976). In 1972, Representative Wilbur Mills, then chairman of the House Ways and Means Committee, introduced the Tax Policy Review Act of 1972. The bill would have terminated fifty-four tax preferences over a three-year period from 1974–76 in order to ensure an orderly time-table for review. H.R. 15230, 92d Cong., 2d Sess. (1972). *See* Staff of House Comm. on Ways and Means, 92d Cong., 2d Sess., Material Relating to H.R. 15230, the Proposed "Tax Policy Review Act of 1972" (Comm. Print 1972).

[93] Staats, General Accounting Office Support of Committee Oversight, in *Hearings Before the House Select Committee on Committees on Comm. Organization in the House*, 93d Cong., 1st Sess., Vol. 2, pt. 3 (1973). *See* Marvin and Hedrick, *GAO Helps Congress Evaluate Programs*, 34 Pub. Ad. Rev. 329 (1974). *See also*, Crane, *supra* note 37, at 13.

[94] Lewis and Zarb, *supra* note 40, at 315.

[95] Pyhrr, *supra* note 51, at 131–2.

[96] *Hearing on the Nomination of James T. Lynn to be Director, Office of Management and Budget, Before The Senate Comm. on Government Operations*, 94th Cong., 1st Sess., 42 (1975).

[97] For background on state executive and legislative budget offices, *see* materials cited, *supra* notes 49 and 50. *See also*, U.S. General Accounting Office Directory of State Auditors (Jan. 1974). For background on-state program evaluation, *see* note 37 *supra* and accompanying text.

[98] Knezo, *supra* note 31, at 9. *See* Carlson and Houston, Legislation by Objectives: The Need for a Fresh Approach, (March 1976) (California State University). *See also*, Lowi, *supra* note 58.

[99] Marvin and Hedrick, *supra* note 93, at 332.

[100] Rivlin, *1976 Hearings, supra* note 53, at 404.

[101] *See e.g.*, House, *Energy Agency Spends Much Energy to Insure A Long Life, Foes Say*, The Wall Street Journal, March 9, 1976, at 1. *See also*, Fialka, *The Selling of the Government*, The Washington Sar, April 12, 1976, at 1.

[102] Marvin and Hedrick, *supra* note 93, at 331.

[103] Anderson, *1976 Hearings, supra* note 53.

[104] Chadwin, *supra* note 37, at 5–6.

[105] Pyhrr, *supra* note 51, at 17.

[106] Gardner, *Restructuring the House of Representatives*, 411 Annals 171 (Jan. 1974).

[107] *Id.* Rotation might not be as high a priority in the state legislatures as in Congress because of the high turnover of membership in state legislatures. *See* Rosenthal, *Turnover in State Legislatures*, 18 Am. J. of Pol. Sci. 609 (1974).

[108] Congressional Budget and Impoundment Control Act of 1974, *supra* note 41, amend-

ment to clause 1 of Rule X of the Rules of the House of Representatives.

[109] Davidson and Olezek, *Adaptation and Consolidation: Structural Innovation and the U.S. House of Representatives,* 1 Legis. Studies Q. 56 (1956).

[110] House Committee Reform Amendments of 1974, *supra* note 33. *See* Malbin, *Congress Report/House Committee Reforms Will Change 94th Congress,* 6 Nat. J. Rep. 1614 (1974). *See also,* Davidson and Olezek, *supra* note 109. For a discussion of state committee structures, *see* Rosenthal and Citizens Conference, *supra* note 36.

[111] 122 Cong. Rec. 4736. *See* S. Res. 109, 94th Cong., 2d Sess. (1976), a resolution approved by the Senate to establish a bipartisan twelve-member temporary select committee to conduct a thorough study of the Senate committee structure and to report to the Senate by February 28, 1977.

[112] Percy. "The Unexamined Agency is Not Worth Keeping," an address before the Executives Club of Chicago, March 24, 1976.

[113] H.R. 11734, 94th Cong., 2d Sess., § 102 (a) (1) (1976).

[114] Civil Service regulations provide that when employees have to be released from service because of lack of work, shortage of funds, or reorganization, they are placed on a retention register and transferred to a similar position whenever such a position becomes available *within* the agency. 5 C.F.R. §§ 351.201 et seq. (1975). The Act establishing the Federal Energy Administration, an agency with a limited lifetime established by law, specifically provided that a government employee appointed to a FEA position, upon separation from the position, is entitled to employment in his previous position or in a comparable position. 15 U.S.C.A. § 786 (Supp. 1976).

State practices for the retention and separation of employees vary, but they are generally directed at the protection of permanent employees. *See* U.S. Civil Service Commission, Reduction-in-Force Practices in Private Industry and State and Local Governments, May 1970, and National Association of State Budget Officers, Procedures for Handling Lay-Offs and Reductions-in-Force, Jan. 1975.

[115] Senator Glenn has proposed an amendment to the Muskie bill to require that all requests for new budget authority that agencies submit to OMB be submitted to Congress concurrently with their submission to OMB, and that the requests of all subagencies to their agencies and department heads be available upon request to all standing committees. 122 Cong. Rec. 4768 (1976). The public should also have access to most of this information. Under the Congressional Budget and Impoundment Control Act, the public has access to most information that Congress obtains from the executive branch pursuant to the Act. 2 U.S.C.A. § 603 (Supp. 1976).

[116] Rosenthal, *supra* note 54, at 43.

[117] *Id.*, at 45.

[118] Ogul *supra* note 55, at 709.

[119] Schick, *supra* note 83.

[120] Havemann, *Budget Reports/New Senate, House Panels Making Mark on Spending Bills,* 7 Nat. J. Rep. 1499 (1975).

SUBCOMMITTEE INQUIRY LEADS TO INDICTMENTS IN FEDERAL STUDENT LOAN PROGRAM

Mr. PERCY. Mr. President, on October 15, the U.S. attorney in Los Angeles indicted a number of officials of the now-defunct West Coast Schools on 12 counts having to do with defrauding the Federal student loan program. These indictments were the direct result of an investigation by the Permanent Subcommittee on Investigations during 1974 and 1975, and the hearings we conducted in November and December 1975.

During these hearings, testimony revealed that operators of West Coast Schools bribed an employee of the Department of Health, Education, and Welfare, in return for which he allegedly approved Federal grants to the schools. Testimony also indicated that school operators were enrolling students whose academic ability was not equal to the course work. They enrolled poor persons almost exclusively, and encouraged these enrollees to utilize the student loan guarantee program. The school operators subsequently sold these federally guaranteed notes to credit unions in California and other States and later closed down the schools, leaving thousands, who could least afford it, in the lurch.

Following these hearings, the subcommittee voted to turn over all relevant information to the Department of Justice. A Federal grand jury in Los Angeles carefully considered the material submitted by the subcommittee as well as the testimony of numerous witnesses and then indicted the West Coast Schools officials. The grand jury also indicted the former senior program officer in San Francisco for HEW's Office of Education.

Many of the activities carried out by the operators of West Coast Schools, including the deliberate concealment of records from auditors as well as payments to third parties to induce the purchase of student loan notes by a financial institution, were perfectly legal at the time of our investigation. Senator Nunn and I, concerned about the absence of criminal penalties in the student loan program, proposed that acts such as those I have cited should be punishable by jail terms. Both the Senate and the House adopted this proposal as part of the legislation amending the Higher Education Act. As a result, Federal prosecutors now have more effective means with which to combat the fly-by-night operators who seek to abuse the very worthwhile objectives of the Federal student loan program.

Mr. President, I submit for the Record at this time, an article from the Los Angeles Times concerning the indictments handed down in Los Angeles.

There being no objection, the article was ordered to be printed in the Record, as follows:

Five Indicted in Trade School Fraud Case; Accused of Scheme To Obtain Massive Federal Funding

(By Robert Rawitch)

A former U.S. Office of Education official and four persons once connected with the now-defunct West Coast Trade Schools of Los Angeles were indicted by a federal grand jury Friday on charges of conducting a fraudulent scheme to obtain massive federal funding to operate the six vocational schools.

The 12-count indictment culuminates a more than two-year investigation by local and federal authorities as well as a congressional inquiry in which four of those indicted were called as witnesses but refused to testitfy.

Indicted on conspiracy, fraud in the sale of securities and other charges were: James Hoffe, a former senior program officer in San Francisco for the Office of Education; William Fred Peters, Franklin Peter Fisher and David Mansfield Carman, all former officers of West Coast Trade Schools, and O. A. Dameron, an officer of Automation Institute which bought the vocational schools in 1972.

When the schools closed without warning May 24, 1973, several thousand students were taking part in vocational programs financed almost exclusively by federal grants or government-insured loans obtained by the schools for the students.

The indictment alleges that Hoffe took a $5,000 bribe during 1972 and 1973 from school officials in exchange for making favorable recommendations to the Office of Education on the schools' requests for more than $5.8 million in student loans.

Hoffe headed a committee which made recommendations on loan applications from Automation Institute and other schools participating in what is known as the National Direct Student Loan Program.

Once the loans were approved and students signed promissory notes, loan packages totaling $1.4 million allegedly were sold to banks and federal credit unions in order to convert the notes into cash.

But in selling the loans, the defendants failed to disclose that they had substantially exceeded the lending limitation imposed upon the schools by the Office of Education, said Asst. U.S. Atty. David Hinden who took the case to the grand jury.

The indictment further alleges that Peters, Fisher and Carman failed to tell the lending institutions that the schools had been unable to obtain accreditation, thereby jeopardizing the schools' chances of continued existence.

The same three defendants were also accused of falsely telling the banks and credit unions that the schools would repurchase any defaulted loans, when in fact Automation Institute was in no position financially to do so.

Only two days before the schools closed, the indictment states, the three trade school officials withdraw $290,000 in $100 bills from a Los Angeles bank account maintained by them, laundered the money through numerous other banks and diverted most of the money to their personal benefit.

Attorney Harland W. Braun, who is representing Peters, the former West Coast Trade Schools president, said the charges were false and Peters planned to prove his innocence at a forthcoming trial.

"It's basically a situation of the federal bureaucracy being upset because he (Peters) fought with them in trying to get his school off the ground," Braun continued.

In a separate related indictment, Peters, 45, of Walnut was accused of understating his taxable income for 1972 and 1973 by $191,422, and thereby underpaying $101,748 in federal taxes.

Asst. U.S. Atty. Steven V. Wilson, chief of the frauds and special prosecutions section, praised the Los Angeles district attorney's office, which along with a congressional committee conducted an extensive audit of the school's books.

All but Dameron refused in November, 1975, to testify before the permanent investigations subcommittee of the Senate Government Operations Committee which was looking into possible abuses of federally insured student loan programs.

Dameron, one-time general manager of the West Coast schools, as it also was known, told the committee that he set up a consulting firm at the request of Peters to process loan applications even after the schools had closed.

One subcommittee investigator maintained that about $712,148 in federal loans was paid to the schools after they went out of business.

INDIVIDUAL OBSERVATIONS OF ARNOLD A. SALTZMAN ON NATIONAL GROWTH POLICY

Mr. MANSFIELD. Mr. President, at the beginning of the 93d Congress we were in the midst of a serious petroleum crisis. At that time, I pointed out that what was resulting from the dwindling of domestic petroleum supplies and growing foreign dependency could also in a few years extend to many other commodities and that a variety of complications of comparable magnitude could eventually undermine the base of the U.S. economy. Against this contingency, very little was being done in the way of economic foresight. I pointed to the need for improved mechanisms in the Federal Government to coordinate information and national policy with regard to such economic difficulties.

With the cooperation of the joint House and Senate leaderships and the executive branch, the 93d Congress established an independent Commission on Supplies and Shortages which is composed of Members of Congress, relevant executive branch officials, and representatives from the private sectors. To aid in the study of the Commission, Congress decreed by law the establishment of an Advisory Committee on National Growth Policy Processes to look into what institutional changes needed to be made to improve Federal coordination in this sphere and to translate such improvements into Federal policy. In the final days of the 94th Congress, I wrote to the Chairman of the Advisory Committee, Mr. Arnold Saltzman, a businessman long interested in this question who has also had a great deal of experience in the Federal Government, and asked him to give me a report on the work of his group to date. He had advised me that his committee has not completed its work and is, as yet, unable to supply official findings, but that it will do so, in due course, to the Commission and to the Congress. In the meantime to be responsive to my request, he has submitted to me his individual observations as Chairman, as of this date. I wish to stress that what I am inserting in the RECORD are solely the views of Mr. Saltzman which may or may not reflect the findings of the Advisory Committee on National Growth Policy Processes when it submits its final report. The problem seems to me to be of such transcendent national importance that I do not want the interim period between Congresses to go by without a basis for study and consideration of this question by those who will remain in the Government.

I submit for the RECORD the material to which I have referred.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDIVIDUAL OBSERVATIONS

INTRODUCTION

I am not an advocate for frequent changes in laws and constitutions, but those institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered, and opinions change with change of circumstances, institutions must advance to keep pace with the times.—Thomas Jefferson.

The Advisory Committee on National Growth Policy Processes was established by Public Law 93-426, Section 720(i)(2) and charged with developing recommendations:

". . . as to the establishment of a policy-making process and structure within the Executive and Legislative branches of the Federal Government as a means to integrate the study of supplies and shortages of resources and commodities into the dual problem of balanced national growth and development, and as a system for coordinating these efforts with appropriate multi-state, regional and state governmental jurisdictions."

The legislation creating the Committee was jointly sponsored by Senate Majority Leader Mansfield and Senate Minority Leader Scott. In Senator Mansfield's view it had "become clear that institutions of government and the traditional processes relied upon to develop national policy do not adequately respond to new challenges . . . the finiteness of natural resources . . . and the needs of state and local governments across the nation." This is a view shared by the overwhelming majority of members of both Houses of Congress which have supported our efforts to date. In the minds of those who established the committee, the object of its work and its recommendations is to "make it possible at the highest levels of our national life to—think long-range, to analyze in a methodical way the full spectrum of problems and opportunities that lie before our Nation in the years and decades ahead."

Since its first meeting in January, 1976 this Committee has sought to reach agreement on a series of measures designed to improve the Federal government's abilities to anticipate and then deal with the challenges of the future. To a gratifying degree, this has truly been a *working* committee; a small staff, small budget, and tight deadlines meant that Committee members were asked to give much of their time and themselves, and they have responded generously with both. The Committee's work has benefitted accordingly.

America in a changing world

This Committee grew out of a congressional sense of frustration and concern—frustration at the Government's apparent inability to anticipate and deal with the larger problems of our time, and concern that unless this drift were checked America's position in the world and progress at home would be irreversibly damaged.

Congress' concerns mirror those of the nation as a whole. Only in the last few years have Americans even begun to face the fact that we no longer have water to waste, oil to spill or forests to raze. We do not possess or dominate the vast natural resources and share of the world's productive capacity that once was ours by default. The dollar, though still a leading currency, is not the strongest or most stable in the world. As a nation we are belatedly only beginning to deal with the facts of our limitations of power abroad and the end of a "frontier society" with an abundance of riches to exploit at home.

One reaction to the end of American dominance is a sense that government has been inadequate; that it does not serve the needs of the governed. A Louis Harris poll of September, 1976 found that 45 percent of American voters feel "left out of things going on around me," up from 9 percent in 1966, and fully 64 percent agree that "the people running the country don't really care what happens to you," compared to 26 percent who shared that view a decade ago.

The initial question facing this Committee was: Why? Why doesn't "the System" work well any more? What has changed over the past dozen years that gives people the feeling that their government is no longer up to carrying out its assigned tasks?

The short answer is a simple one. It was alluded to by Thomas Jefferson two centuries ago in the quotation which opens this Report: Our nation and the world have changed since 1960 but our government has not kept pace. Governmental institutions and processes have not responded to changes in the environment that they are supposed to understand and manage. We are backing into the future, stumbling as we go.

There are two major changes which have materially altered the condition of the United States and which our nation has not fully recognized and our Government has not adequately reacted to. The first is the accelerating interdependence of the nations of the world (an interdependence in the face of increased nationalism and lack of cooperation) and the effects of this on the United States economy committed—in theory if not in practice—to free-market principles. The other is the almost unmarked but rapid shift of our already mature industrial civilization into a new phase of industrial and societal development. Together these add up to an enormous total of new problems taxing our Government's capacity to understand, let alone to deal with, and further exacerbated by the increasingly widespread belief that improving the economic well-being of individual citizens is a legitimate responsibility of Government.

The world is indeed smaller, but the benefits have been obscured by the willingness of nations—particularly of emerging or relatively underdeveloped nations—to use their sovereignty as a nationalistic economic sledgehammer. Growing world trade has spurred the prosperity of recent decades and cemented global interdependence. Between 1960 and 1974, the United States' Gross National Product tripled, but the value of its imports and exports multiplied sixfold. Whereas in 1960 exports and imports each totaled approximately $25 billion, fourteen years later both exceeded $140 billion. Today, 10 percent of all American-produced goods and services are destined for use overseas, and 10 percent of what Americans consume originates outside our borders. It is symptommatic of the changing world that trans-national corporations have recently grown at an annual rate of 10 percent, twice that of the world's economies taken as a whole. By 1980, it is expected that sales of trans-national corporations will constitute 16 percent of the Gross World Product.

Trade expansion contributes to American prosperity, but it has also increased our vulnerability to foreign economic and political pressure. The American economy has expanded relatively slowly (our growth rate since 1960 has been below that of any other major industrial nation except Great Britain), and simultaneously there has been an increased American dependence on imported raw materials. A recent analysis by the United States Geological Survey identified 29 minerals required in significant amounts to produce and transport energy: the U.S. depends on imports for more than half of its supplies of 14 of these minerals. Foreign sources now supply about 40 percent of the petroleum consumed in this country. Since the Arab oil embargo demonstrated our dependence on foreign oil in 1973 and the nation embarked upon "Project Independence" to free us from reliance on foreign energy sources, oil imports have increased by 20 percent. The world does not face an imminent shortage of natural resources, but American dependence on imports and the willingness of producers to form cartels or to use materials to promote immediate national objectives may combine in the future, as they have in the past, to create domestic shortages of necessary raw materials or sudden artificially high prices.

Moreover, the growing importance of world trade complicates the Government's desire to achieve balanced national growth largely through the expansion of the free market economy. It implies a removal of a good portion of economic decision-making authority from private firms to the Government, both because foreign trade is more regulated than internal commerce, and because most nations expect and demand greater government participation than we do in economic affairs. The reluctance of our Government to intervene in transactions between foreign central governments and American firms occasionally puts American industry at a severe disadvantage, as in the notorious Russian wheat deals of 1973, or the government's current refusal to halt the unregulated export of cattle hides (contributing to accelerating import of finished shoes and garments and corresponding unemployment) while other nations with cattle hides permit only finished goods to be exported. International trade is not immune to market forces, but it is certainly less responsive to the "invisible hand" and more responsive to political considerations than domestic commerce. The Government cannot expect to play the same role in foreign trade that it does internally with the same result, for there is no single authority in the international trade fields to make rules and authoritatively arbitrate disputes as they arise.

Because it cannot unilaterally make and enforce rules to govern international trade as it does to govern commerce at home, the growth of international commerce inevitably lessens America's control over its economic destiny, suggesting a more aggressive role consistent with that of other industrial nations. That is understood if not fully accepted. What the American people and their leaders have not understood are the *domestic* changes that have diminished our ability to chart an economic course and to hold to it.

The economic and social structure of the United States has been profoundly transformed since the end of World War II, and even since the early 1960s. Many believe that after successively (1) filling the nation and commencing development of its natural resources, (2) industrializing the Northeast and Midwest, and (3) becoming a largely urban society, America has entered on a fourth stage in its national development. Beginning in the late 1960's, this new era has been marked by an end to the exodus of rural population to the cities, the resurgence of the South and Southwest, less manufacturing employment relative to service employment, decentralization of financial and corporate enterprise as the tie between manufacturing and the cities is severed, and the decline of older metropolitan areas in the Northeast and industrial Midwest. Government programs and priorities have lagged behind these developments. The Federal government continues to return 60–80¢ to Northeastern and Midwestern states for each dollar they contribute to Federal coffers while the booming South and West receive 120–170 percent of their tax dollars back as Federal assistance of various kinds.

The "post-industrial revolution" is viewed by many as a phenomenon with a potential impact the same order of magnitude as the agricultural revolution of 10,000 years ago and the industrial revolution, now two centuries old. The earlier revolutions witnessed successive transformation of society's economic base from hunting and gathering to agriculture and towns and then industrial manufacturers, each accompanied by a tenfold increase in median per capita income. The latest upheaval is marked by still another shift, this time from industrial production to services. In 1947, over 50 percent of all American workers were employed in the production of goods. By 1980, two-thirds of the nation's manpower will be concentrated in service industries such as transportation, trade, finance and government.

The post-industrial revolution has profound implications for the nation's economy. For example, productivity is far more difficult to measure and much harder to increase in the provision of services than in the manufacture of goods. Yet service employees have demanded—and received—wage increases roughly equal to those received by industrial employees, raising the spectre of continuing inflationary pressures as service employment begins to predominate. Moreover, Government itself is a leading "service" industry, and it is less responsive than others to market forces or constraints. Since the close of World War II, state and local expenditures have increased 35 times faster than the increase in the American population, rising from 5 percent of the GNP in 1946 to 15 percent in 1974. State and local employment has doubled since 1960, growing faster than in any other sector of the economy. Though expenditures for Federal programs have grown no faster than the economy since World War II (the number of Federal civilian employees has increased by less than 25 percent since 1946) Federal aid to states and localities rose from $2 billion in 1950 to $52 billion in 1975; today about one out of every seven dollars in the Federal budget is earmarked for aid to sub-Federal governments.

Two of the most important aspects of economic transformation are the declining influence of market forces and the growing interdependence of sectors and regions. The former has been aggravated by industrial concentration—the 200 largest manufacturing corporations in America controlled 48 percent of all manufacturing assets in 1950, 56 percent of such assets in 1960, and 60 percent of those same assets in 1970. The latter is a function of the complexity of society and specialization within it. Before the agricultural revolution a family could be self-sufficient; before the industrial revolution a single village might supply all its own needs; before the post-industrial revolution a region, consisting of a city and surrounding agricultural areas, could survive on its own. Today, however, no family, village, region, or even nation produces the variety of goods and services which it consumes, and no government can embark on a new enterprise without profound effects both on its immediate surroundings and on remote portions of the world.

The emerging post-industrial order has had profound effects not only on the American standard of living, but also on the psychology of the American people. Advancing technology has both sparked the need for the environmental movement and also made possible most of its successes to date. For the first time in its history, this nation is engaged in a debate over national growth and development, pitting those who unreservedly favor such growth, and the industrial development which fuels it, against others whose view is that sometimes "less is better." American attitudes change to reflect changes in the world. As in the cases of the transition from a world view of limitless resources and opportunities to one in which both are limited, the shift is often slow, painful and accompanied by alienation and unease.

The Government's response to a changing world

Government in a free society facilitates economic growth and development by providing for those left behind, arbitrating disputes which cannot be resolved in the market place, maintaining defense and hopefully preserving peace at home and abroad, and supplying goods and services which are necessary but inadequately provided by the free market. In a post-industrial nation, with all of the new pressures that brings, part of an even more economically interdependent world—but a world marked more by narrow economic antagonisms and competitions than by accommodation, it is increasingly difficult for our government to perform well. Government today has greater responsibilities to successfully influence our economic involvement with other nations and simultaneously to avoid or minimize those crises more prone to surface in complex and delicately balanced, social systems.

Present government institutions do not effectively carry out these responsibilities. It is not so much a question of individual competence, or a lack of human or material resources as it is one of structural inability of the government to confront changing needs in a timely and cohesive fashion.

It is simple to grasp the implied benefit of timely or early grasp of a potential problem and thus minimize it. But the price we pay for failure to integrate our policy-making is less clear. We must first understand that almost everything in this complex world relates to something else. Each problem, such as energy, has tentacles wrapping around a multiplicity of economic, social, environmental and foreign policy considerations.

In energy policy alone—and without reference to macroeconomic regulation on the above-stated considerations—we find fossil fuels, nuclear power, pipe and transmission lines, rails, tankers, employee health and safety, air and water quality, motor vehicle performance standards, taxes, import restrictions, and energy research—11 related components of the energy problem—each within the jurisdiction of a different agency which in each case states that its own statute precludes it from subordinating its control.

In sum, Federal performance suffers from two major shortcomings: (1) A lack of integrated policy-making within both our executive and legislative branches which had caused us as a Nation to tackle problems in bits and pieces, often producing results favorable in one area but seriously counterproductive in another; and (2) a lack of foresight in averting problems because we do not have mechanisms to anticipate, analyze, and understand them or to take advantage of opportunities which may arise.

In a complex, crowded world, the activities of one group increasingly affect (often adversely) the lives and well being of others. One man's transportation is his neighbor's jet noise; one nation's nuclear tests are the contaminated milk of people half a world away. The proliferation of this kind of mutual interference highlights what are generically known as "Commons problems." A Commons problem exists whenever decisions which are rational from the viewpoint of individual actors combine to produce an outcome which maximizes neither the welfare of society as a whole nor that of the actors within it. The name derives from the village commons of medieval England, on which each man by law and tradition was permitted to graze his cattle. Because use of the commons was "free" it was in the interest of each village resident to expand his herd indefinitely, but when all did so the Commons were overgrazed and could no longer sustain anyone's herd. Pollution is a notorious example; the least expensive way for any individual to dispose of his wastes has historically been by dumping them into the nearest stream. This has few adverse effects until everyone in town does likewise, at which point the municipal water supply is destroyed.

In a free society, Commons problems are notoriously intractable. Almost by definition their resolution requires outside intervention, because individuals must be induced to ignore their perceived self-interests. Of the many techniques which may be used to regulate with Commons, some (user charges) are more consistent than others (regulation) with a free market economy, but all go against the grain.

If we are to deal with these problems in an appropriate manner, the Government must have a clear view of the future as well as the past. It is always more difficult to correct a problem after it becomes acute than before. "The practice of waiting for the storms to strike and then, hurriedly, erecting shelters," Senators Mansfield and Scott note, "is not only wasteful and inefficient of the resources of the nation but its cumulative effect may well be devastating. There is a need, it seems to us, to anticipate and, as far as possible, to act in an orderly fashion before the difficulties have descended on us." Overseeing the progress of a post-industrial society requires an accurate grasp not only of where we are but also of where we need to be and the merits of alternative ways of getting there.

Moreover, if it wishes to solve problems rather than aggravate them, the Government must take a comprehensive view of the issues facing it. The world of the modern Commons is a world of linked and multi-faceted problems, and programs which address issues in isolation often create more difficulties than they resolve. Thus, the organization of the Federal Government along narrow programmatic lines has not facilitated effective governance but impeded it. Many agencies, each serving only themselves and their constituent groups well, often add up to a totality that serves the nation inadequately. Almost thirty years ago, the Fourth Annual Report to the President by the Council of Economic Advisors addressed the problem of coherent policymaking in terms that still sound current today.

"A Cardinal task, as the Council sees it, is to achieve even more harmony and consistency among those outstanding programs of government which greatly affect the whole economy . . . The privilege of men and agencies within a free government to give differing advice should be cherished. But this does mean that the final execution of public programs touching upon the whole economy should not achieve that internal consistency and that harmonious relationship to defined common objectives which any large undertaking demands."

The Government, in sum, fails to plan in a systematic fashion. If we are to cope successfully with the complex and interrelated problems of the late 20th century, it is imperative that we both improve the capacity and capability of Government to look into the future, anticipating problems instead of merely reacting to them, and also to think comprehensively when preparing to make policy choices.

Planning does not mean simply improving economic and other models to give us a more accurate picture of events to come. Nor can it be limited to the preparation (and implementation) of long range programs without adequate consideration of *all* the effects of such programs as they unfold. The problem which we face today is not lack of data, but refusal or inability to react to the data we have in any organized fashion. For example, the U.S. birth rate rose from 18 per 1000 to 27 per 1000 after World War II and did not subside until the early 1960's. Though certain long range implications of the resulting "baby boom" could have been projected and action could have been taken to minimize undesirable impact, this was not done. Only as maturation produced crises were *ad hoc* measures hastily taken. The baby boom is now over, but those born during it are still very much with us and our society has not had an easy time thus far in its attempts to accommodate the baby-boom generation.

Failure to interpret the available vital statistics and anticipate their probable implications has caused numerous difficulties. A shortage of elementary school teachers and classrooms in the 1950's was followed by shortages of secondary school and college personnel and facilities in the 1960's. Only *after* the fact did the nation undertake intensive teacher education and facilities construction programs, and these programs predictably were not terminated when the boom ended. Today, declining school populations have produced excessive capacity, to the point where 85 percent of the 1.2 million teachers who will graduate by 1980 will not get jobs in their chosen field. Other examples of the baby boom non-policies are: we have been and are unprepared for the 35 million persons who will enter the labor force during the 1970's; though almost one-third of the increase in the crime rate during the 1960's was attributable to the new baby boom population and could have been foreseen (most crimes are consistently committed by single men aged 14 to 24), we did not react to the new crime wave until the 1970's were almost upon us and we note the same lack of attention to housing. The point is that the data on the baby boom were nearly perfect; there was virtually no controversy over what was going on and its future impact; but there were no mechanisms requiring an integrated policymaking approach.

We have not fully learned the lesson of the baby boom even today. Only because the Social Security Administration is forward looking and captures the attention of Congress and the Executive are we aware of the pressures which will be placed on our retirement system as the over-65 population doubles in the next 40 years. There is little concern at the highest levels about the crisis which faces the VA hospital system in the next 15 years, as huge numbers of World War II veterans age and their needs for medical care expand.

If having knowledge and not using it is wasteful, planning based on insufficient data or failure to consider all foreseeable effects of a proposed program is reckless and dangerous. Perhaps the most striking example of such behavior is the interstate highway system now approaching completion. When it was first proposed in the early 1950's, the system's planners envisioned a forty thousand mile network of expressways linking all major portions of the United States. Their vision has become our reality; the system today is an engineering marvel which has put post-war America on wheels and, as an aid to truck and automobile transportation, has exceeded all expectations.

The problem is that the planning which preceded construction of the highway system was narrowly focused and largely ignored anything not directly connected with technical design and construction *per se*. It was known in the early 1950's that concentrations of automobiles can cause severe pollution problems, but this was ignored. Routes were laid through central cities, ultimately requiring the eviction of thousands of people at a time when good housing was in short supply, but this too was overlooked in 1956. Obviously, the system would have (and has had) enormous and detrimental effects on non-motor vehicle modes, but these were brushed aside. By opening up the suburbs to uncontrolled growth, the system facilitated urban sprawl and accelerated the decline of central cities, but this was not taken into account either. Tens of billions of dollars were spent on a program which promised to—and has—shaped our nation in concrete. The structure of domestic commerce was violently altered without consideration of the "spillover" effects that such a system would have on important sections of the economy and the regions through which the roads were to be built.

An additional factor of single facet policymaking which contributed to our urban spread and sprawl was our nation's policy commitment to the increased productivity of agriculture through the contribution of research at land grant universities and other government supported facilities. While this has contributed to the bounty of our nation, it also facilitated one of the largest movements of people from rural to urban areas with no programs, no arrangements to cope with these population shifts.

Finally, it is useless to collect data and suggest policy alternatives from it if the statistics on which they are based are subject to debate or to political considerations rather than the other way around.

During the middle 1950's, responsible forecasts estimated that total crude oil production in the continental U.S. would ultimately amount to between 150 and 200 billion barrels. Those forecasts implied that domestic production would peak between 1966 and 1970 and decline thereafter, and as a result that petroleum imports would grow rapidly after 1970. The first reaction of the petroleum industry to the predictions of an imminent decline in U.S. oil production was one of incredulity and dismay; the second was an attempt to prove it would not be so. In the five years following 1956, public estimates of ultimate U.S. oil production were rapidly escalated until, in 1961, the U.S. Geological Survey trumped the highest estimates with a resounding 590 billion barrels. That figure would have kept the U.S. self-sufficient in oil production until about the year 2000.

The best present figures indicate ultimate production of 170 billion barrels in the "lower 48." Annual crude oil production in the continental U.S. peaked in 1970. In the winter of 1972–73 the U.S. for the first time suffered from widespread fuel-oil shortages because of the inability of domestic production to meet current demands. In the winter of 1973–74, the American economy was nearly paralysed by an Arab oil embargo. America lost its chance to plan for and achieve real energy independence in 1956.

The moral of the petroleum reserves prediction story is not that industry should be precluded from forecasting its own production, or that its forecasts should not be taken seriously. Rather, the lesson to be learned is the need for a mechanism for the collection of data of greater integrity, and for *multiple* centers of data generation and analysis. The data and information base which underlie national planning efforts should not be generated solely by those whose forecasts are likely to be colored by their devout hopes for certain future conditions. We need data that is gathered on the same basis, treated with integrity and available to all agencies of the Government and even the private sector. In that way we could at least agree on what we disagree about.

In the United States, national policy planning has too often been pictured as a closed process involving only a small group of powerful technocrats, insulated from criticism, imposing a rigid program upon an unwilling public. In fact, there is nothing in the nature of planning that requires such an undemocratic process or solution. We do not advocate a *planned* society. We urge that America become a *planning* society. In the long run, we believe that intelligent planning will actually *reduce* burdensome governmental intervention in matters affecting the private sector. Much present governmental interference in the economy consists of extreme and *ad hoc* reaction to situations which have become acute because they were ignored until that became intolerable. With the benefit of foresight, the Committee expects that such government intervention as proves necessary will be more considered, more timely, and less heavy-handed.

The Committee's preliminary recommendations suggest new institutions and procedures which we believe are necessary if government policy-making is to remedy the shortcomings—and avoid the pitfalls—discussed above. We cannot as a nation begin to adequately cope with changes, internal or external, unless and until our national leaders have improved mechanisms which will assist them in reacting to the new complications in society with more forward-looking and integrative policies.

The process that we propose will give policy-makers improved ability to plan. But we are under no illusions that the goals we seek are easily attainable. Our political system rewards "fire-fighters" and tends to dismiss efforts at foresight as the work of intellectual Cassandras. In the American version of the tale, the White Knight who slays the dragon gets the damsel and the votes. His friend in the next village may have achieved the same end with less trouble by spraying dragon repellent on the shrubbery, but for *his* productive pains he gets only the indifference of the mob and a reputation for eccentricity.

The American people and their elected representatives still have in their consciousness the memory or legend of a land of infinite size and riches where "every man could be a king"—or at least "paddle his own canoe" in a river filled with salmon. And the immigrants coming to our shores magnified the American Dream.

This dream is philosophically inconsistent with today's reality that we must conserve, husband our resources, more sharply define our objectives at home, use our strength more selectively abroad and with heightened reliance on economic solutions. That means we must plan more carefully the use of our more limited resources and more fragile environment while we improve our mechanisms to avoid trouble instead of reacting to it.

Crossing the psychological divide between the dream and the reality is our nation's most difficult hurdle. Foresight and integrated policy-making in government will emerge only if the need is understood and is demanded by an informed public. Thus, we renew the theme of public participation with which we close this introduction and which pervades the recommendations of the Committee.

SUMMARY OF THE COMMITTEE'S RECOMMENDATIONS

Our recommendations are separated, for purposes of presentation, into discrete subject areas running the gamut from collection of data and its use in the construction of economic models through formulation of policy alternatives and their consideration by the President and Congress. Despite this organization, the Committee's suggestions are intended to lay the groundwork for one continuous process, taken together, they outline a single, self-reinforcing structure. The following topics are addressed below:

A National Growth and Development Commission.

Data Collection & Statistical Analysis.

Intergovernmental and Territorial Dimensions of National Growth Policy.

Presidential Participation in National Growth Policy-Making.

The Role of Congress in National Growth Planning.

Materials and Commodity Policies.

This paper is not the final report of this Committee. That report will be delivered, prior to year end, to the National Commission of Shortages and Supplies and the public, along with a supplementary document containing individual Committee papers, contractor studies, and other related materials. The recommendations presented and summarily discussed below are those on which the Committee has reached substantial consensus to date, and matters which remain to be resolved are noted. We expect that the next two months will see refinement of the Committee's views on some of the subjects discussed herein, particularly the role of Congress. Moreover, while Committee sentiment is not completely unanimous, there has been a surprising degree of agreement on the major recommendations outlined in this interim report. In the final report, any Committee member who wishes to take issue with particular recommendations, or to offer additional substantive comments, will have the opportunity to do so.

The Committee has been operating since its formation in accordance with all provisions of the Federal Advisory Committee Act of 1972 which, *inter alia*, requires that all of our meetings be open to the public and the records and meeting minutes be made available for public inspection. Public attendance and interest in the ongoing work of the Committee has been both encouraging and helpful. We hope that it will not abate with the conclusion of our work.

We have made no effort to analyze in depth any substantive policy problem, or to recommend alternative possible solutions on such matters as energy or urban blight or nuclear proliferation, or a whole host of other present or potential difficulties. That job was not assigned us. Rather, we have addressed ourselves to the more general problem of improving the structure and processes of the Federal Government so that it may deal more capably with the whole spectrum of problems and potential problems facing our nation.

National Growth and Development Commission

The Committee recommends that a National Growth and Development Commission be created, as an independent agency in the executive branch of the Federal Government with a broad mandate to examine emerging middle to long range growth and development issues with particular attention to the integrative implications and to recommend feasible policy alternatives to the Congress, the President and the public. We recommend that the obligation to prepare the National Growth and Development Report be transferred to the Commission from the Office of the President.

However much we improve the capabilities of Congress and the Executive to govern on a cohesive and far-sighted basis, it is unrealistic to expect existing institutions preoccupied with the crises making headlines today to devote extensive resources to problems of the near and distant future. The demand for long range policy analysis already has, and in the future increasingly will, outstrip institutional capabilities. In addition, there are matters that require attention, but the raising of which carry, or appear to carry, large political liabilities, that both the Congress and the Presidency allow to linger in limbo until the repercussions have enveloped us. The Committee intends the National Growth and Development Commission to be an independent center devoted to identifying and examining policy issues before they surface as crises (an early warning system) and enter the partisan political arena, and to assessing the impact of existing policies on future needs. The Commission's output must be broad and comprehensive, addressing the future needs of regions and sectors as well as the economy as a whole. It will not make a single recommendation, but rather explore feasible policy options involving cross-cutting issues of national import. It will attach the costs, economic or social, to the alternative solutions it proposes.

The Commission, as we view it, will have no executive, legislative or judicial powers, but is to be an evaluative and advisory institution. Its task is to raise the level of national debate by clearly setting forth policy options. It will also raise the national awareness of problems not yet upon us or not being tended to. Among these will be issues raised by the ACIR of sectoral or of regional consequence, which they will have brought to the attention of the Commission and which will have been organized by the Commission seeking integrative policy alternatives.

The National Growth and Development Commission's output will take three (3) distinct forms:

First, the organization will annually prepare and submit to Congress, the President, and the nation a report setting forth its proposed research agenda, the status of ongoing work, and government responses to previous studies.

Second, the National Growth and Development Commission should periodically select major policy issues for comprehensive analysis by its staff and others working under its auspices. A typical analysis would identify and describe the problem addressed and present alternative feasible means of approaching it, including the cost of each alternative, and the sectoral and regional impacts of the options considered. There should be no substantive limitation on the scope of the National Growth and Development Commission's investigations; however the President or either house of Congress (by special resolution) might require the Commission to address any major topic it selects.

Third, the job of writing the National Growth Policy Report, now imposed on the President by Title VII of the 1970 Housing and Urban Development Act, should be transferred to the National Growth and Development Commission. At least once every four years, the Commission would be charged with preparing a broad overview of major prospects and policy issues affecting our nation's future growth and development. We believe that transferring the Growth Policy Report to the Commission will disentangle it from the constraints imposed upon elected officials in dealing with politically sensitive issues or in raising issue which at the moment appear to be beyond their capacity to solve, and thus elevate the candor and content of the National Growth Policy Report. To involve the public at large in the Commission's work, the Growth Policy Report might be preceded by hearings across the country, and presented to the nation in a televised joint session of Congress.

Commission structure and procedures

We suggest that the Commission consist of nine people of diverse interests and backgrounds appointed by the President *after* consultation with the Congressional leadership, and subject to Senate confirmation. Five of the members would be full-time and four part-time, serving staggered terms of two to five years. The President would select, from among the full-time members, a Chairman to serve in that capacity at the President's pleasure. No member would be removable during his term except for cause.

The Committee's purposes in recommending this complex structure are four:

To provide continuity in membership.

To give the Commission some degree of political autonomy.

To balance presidential and congressional influence by making the Chairman responsive to the President while requiring consultation with Congress *before* appointment of members.

To insure that high caliber individuals may serve on the Commission although not in a position to accept full-time appointments.

The Commission would appoint an executive director and deputy director to head a staff of from 35 to 50 professionals, supplemented by visiting specialists and consultants as needed. To guarantee access to necessary information, the Commission should be given authority both to contract out analytic work and to demand information from executive agencies as needed, and remain aware of useful planning efforts by governmental bodies such as OSTP. We expect it to hold hearings, receive information and seek advice from sources outside of the government.

The Committee is sensitive to the fact that much of the Commission's work may be controversial. Simply in choosing the topics to be addressed, even without regard to its findings, the Commission over time will inevitably make some enemies. While its activities should not be shielded from congressional and presidential oversight, we believe that in the interest of giving the Commission a reasonable opportunity to prove its worth its organic act should provide authorization sufficient to see it through an initial eight (8) year lifespan and, like independent regulatory agencies today, its annual budget should be submitted to Congress without OMB intervention. But the Commission's enabling legislation also might well include a "sunset" provision requiring a thorough, independent evaluation of the institution after seven years, prior to the renewal of its legislative charter.

The Committee has given some thought to the problem of focusing the attention of the President and Congress on the National Growth and Development Commission's output. In the final analysis, the Commission's work can only be guaranteed a hearing if the competence and stature of the body are established and it has public support; the ultimate success of the body will largely turn on the individuals appointed to it. We cannot emphasize too strongly, therefore, the importance of appointing an initial body of the highest caliber, whose membership is widely respected for its fairness and competence.

Beyond this, we have several suggestions. It is important that the Commission conduct its affairs openly, not only making its reports available but actively stirring public participation and interest in its work. To the extent that the public at large believes the Commission's work to be valuable, it will be helpful in promoting national consensus assisting the legislative process—particularly in complicated and controversial matters. We also believe that the Commission's enabling legislation should include a provision *requiring* the President and Congress to respond in some fashion to the Commission's output. The Economic Report of the President, about which more is said elsewhere in this report, would be an ideal vehicle for response, but the choice of mode should be left to the President. Finally, some provision must be made for regular transmission of the Commission's work to designated committees in the House and Senate, or to the leadership of Congress for assignment as it sees fit.

Not since the National Resources Planning Board under President Roosevelt has our nation had a permanent organization to identify and raise policy issues of the type recommended above at the highest levels of government, with a broad mandate and no substantive limitations. The NRPB was an enormously valuable institution, but its failure to serve Congress as well as the President led to its early demise. The Committee has tried to address the problems encountered by the NRPB in developing our recommendations. But a new institution of the kind we envision cannot survive, whatever its structure and mandate, without the active support of the American Government and people. We trust that the National Growth and Development Commission will earn such support, and we hope that it will be forthcoming.

Data collection and statistical analysis

The Committee recommends the creation of a new statistical unit in the Executive Branch to coordinate and rationalize the Federal Government's collection and processing of economic and policy planners. We should construct its own econometric model of the American economy, sophisticated enough to trace and project the effects of alternative policies and scenarios on individual regions or sectors as well as the economy as a whole.

Accurate and usable information is the foundation of all economic analysis and forecasting. These in turn are the principal tools of economic and policy planners. We should not take any action of potentially great impact on the economy without understanding its probable effects on the course of national economic growth and development.

During and after World War II, the United Statess pioneered in the development of advanced models that reduce the web of interrelationships in a modern industrial economy to manageable size. In the decades since the War, however, we have fallen behind in the use of such models to guide Federal efforts to understand the economy and achieve balanced economic growth.

The United States does not lack for economic models. Within the Federal Government the Departments of Commerce, Labor, Agriculture, and Interior, the Federal Energy Administration, and the Environmental Protection Agency each have econometric models used in forecasting the national economy or narrowly defined sectors of it. We fail, however, to coordinate the construction of models or to standardize the collection of data which drives them. As a consequence, the value which the government gets for its statistical dollar and the analysis available to the public and decisionmakers is not maximized. The closest thing at present to a statistical coordinating agency, OMB's Statistical Policy Division, has not taken a strong lead in rationalizing the construction of models or coordinating collection of data. As a consequence, some data is collected twice while other important statistics are neglected altogether, with data being inconsistent. Federal models, written in diverse computer languages, cannot "communicate" with each other. Moreover, fractionated statistical capabilities have failed to produce a model anywhere in the U.S. sufficiently large and detailed to provide an adequate overview of the sectoral and regional implications of proposed economic policies or possible future events.

To remedy these defects, the Committee recommends that a new statistical coordinating body be created within the Executive Branch, without strong ties to any existing department or agency. The new unit's task would be two-fold:

First, it would assume responsibility for coordinating the construction of Federal econometric models and overseeing collection of the data that drives them. The new unit is not to dictate the purposes or use of Federal statistical efforts, but it should be given sufficient budgetary and administrative powers to encourage agencies to build models capable of interacting with each other, to eliminate wastefully duplicative data gathering, to foster data collection in areas where it is now weak, and to guarantee the integrity of the data collected. It is to forcefully promote the notion that all Federal models, whatever their origin and purpose, should be integrated into a single statistical system permitting the user of one to draw on the resources of all.

Second, the new unit would be responsible for developing a large, sophisticated model capable of detailed analysis and simulation of the economy by sector or region, and available as a base upon which to model smaller and more specialized sections of the economy at minimal expense. We do *not* propose that the Department of Commerce's Bureau of Economic Analysis and the Department of Labor's Bureau of Labor Statistics give up their modeling capability in favor of reliance on a single central model. We do anticipate, however, that in time many consumers of econometric data will discover on their own that the well-funded and highly sophisticated model which we propose can capably supplement or replace their own more modest efforts.

The Committee does not favor placing the new statistical agency under the wing of any existing department with important econometric responsibilities. Because of the substantial staff and budget which its modeling and data coordinating responsibilities will require, placement within the Executive Office of the President would not be appropriate. At the same time we are skeptical of the value of a totally new, independent agency. In the final analysis it may be best to place the new functions in an existing office with a reputation for integrity, objectivity and technical capability; the National Bureau of Standards, the Smithsonian Institution, or the National Science Foundation are suggestive of what we have in mind.

The Committee has also not yet reached a firm position on the extent to which the new statistical entity should become involved in analysis and commentary as well as description, which we expect to do in our final report. It is clear that the proposed National Growth and Development Commission, the Congress, and the strengthened presidential policy staffs (which we advocate below) will be eager consumers of the new agency's output. Moreover, we can envision a program under which scholars or others from outside of the government gain access to the new model.

Intergovernmental and territorial dimensions

Improving the State and Regional Contribution to National Growth Policy:

The Committee recommends that the responsibilities of the Advisory Commission on Intergovernmental Relations (ACIR) for analysis of intergovernmental problems and communication of regional prospectives to the federal government be expanded. The Committee further recommends that statutorily based intergovernmental commissions, similar in organization to the ACIR, be established in each of the ten (10) existing Federal administrative regions. These should be given immediate responsibility for communicating regional problems and prospects to the Federal government and overseeing collection and dissemination of information on subjects of regional importance.

Of the three perspectives from which we should view the consequences of national policy decision—aggregate impact on the nation as a whole, sectoral impacts on specific industries, and territorial impacts on communities or areas—we are weakest by far in attending to the third. Improvements in our ability to anticipate aggregate and sectoral problems in the economy must be accompanied by parallel improvements in our ability to foresee territorial and intergovernmental difficulties arising from aggregate or sectoral problems. We lack adequate means at present to assess, *before* we move, the potential consequences of Federal action in such areas as regulation, land leases, subsidies, and tax policies on states and localities. With the exception of the ACIR, no institution monitors the sub-federal effects of Federal decisions even after they are made, and there are no regular channels through which state and local governments can routinely communicate with the Federal government in areas of shared authority.

In recent decades, the powers and responsibilities of the Federal Government have increasingly intertwined with those of state and local governments. Increasing Federal intervention in national economic affairs, including energy and transportation, affects, and is impacted by, the power of states to control land use, set up local governments, develop systems of taxation, etc. The growth of environmental concerns and the emergence of important resource imbalances across regions have heightened this interdependence. Proposals to improve intergovernmental cooperation have gone unimplemented or failed to provide the necessary degree of coordination. No institution adequately assesses the territorial and intergovernmental impact of major public and private initiatives.

The Committee's recommendations in this area reflect a desire to recommend ways of assessing the territorial implications of national policy decisions, of modeling developments in the nation's major regions, of making recommendations for adjusting national policy to avoid undesirable territorial impacts, and of providing opportunities to air concerns common to Federal and sub-Federal governments.

As currently organized, the Advisory Commission on Intergovernmental Relations (ACIR) functions primarily as a forum for the consideration of common concerns of officials at all levels of government and a source of expert studies on problems of federalism. We envision expanding the body into an intergovernmental "conscience", prodding other components of the government to give attention to the kinds of regional concerns which will form so large a portion of our national agenda in the years ahead.

To that end, we recommend that the ACIR undertake the following new responsibilities:

First, periodic reports should be made to the National Growth and Development Commission on the intergovernmental and territorial aspects of national development. These, to include documents compiled by each of the ten (10) intergovernmental commissions discussed below, would be incorporated into the Commission's National Growth and Development Report.

Second, ACIR should undertake to consult with the Commission and the policy staffs in the Executive Office of the President to insure that those groups give adequate consideration to issues of major regional significance in preparing their own reports and recommendations.

Third, the ACIR should respond, on behalf of state and local governments, to discussion of intergovernmental issues by the Commission and presidential staffs in their products. In a similar vein, the ACIR might submit "intergovernmental impact statements" to the President and Congress assessing the probable effects of proposed policy initiatives on states and localities.

The proposed regional intergovernmental commissions would perform, on a more limited basis within regions, the functions that the ACIR is to perform on behalf of subnational governments in general. Like the ACIR itself, they would be funded jointly by the states and the Federal government. For example, they might weigh the local impact of proposed tax reforms or railroad subsidies, reporting the results to the ACIR and the public. Moreover, they would continually monitor and evaluate the territorial effects of specific policies or programs, looking towards reports to the ACIR on regional growth and development for use in preparing the periodic National Growth and Development Report of the Commission. In these reports, critical regional problems would be identified and viewed in the context of national development trends, Federal policies and programs, and other factors of interest. On a day-to-day basis, the "mini-ACIR's" should function as clearinghouses for information and analysis of regional problems and prospects—sponsoring some studies and disseminating others.

It is the Committee's hope that these mechanisms will strengthen America's ability to weigh the effectiveness of policies and programs, particularly as they insert general elected officials into the intergovernmental arena on a continuing basis. Hitherto, intergovernmental working relationships have been almost exclusively between functional agencies, such as the Federal Highway Administration and state and local highway departments. This has contributed to the fragmentation of public policy and the misallocation of public resources.

The Committee has not decided yet on other uses of the regional intergovernmental commissions. Clearly, the efficacy of federal programs could be enhanced if a gradual but determined effort were made to rationalize the crazy-quilt system of Federal regional organizations, interstate economic development activities, and other councils which take in part of more than one state but less than the entire nation; the mini-ACIR's might take the lead in such an endeavor. Some on the Committee have suggested that the proposed regional intergovernmental commissions may be appropriate vehicles through which to channel Federal regional development funds. Others resist giving program responsibilities to the regional commissions, arguing that it is precisely the lack of such functions which has permitted the ACIR to avoid involvement in bitter but pointless controversy and to develop a reputation for impartial expertise. We hope to have more to say on this subject in our final report. Whether or not they are given line functions, however, the Committee strongly believes that the proposed regional commissions would make an important contribution to the national effort to develop better policy planning tools.

Presidential participation in national growth and development policy

The Advisory Committee recommends that the Economic Report of the President, broadened to include detailed analyses and a comprehensive outline of the President's economic goals and program by sector, become a principal vehicle for presidential initiative in national economic affairs. To assist in preparing the expanded Economic Report, generating policy alternatives, and providing fresh sources of substantive expertise, the President needs staff competence across the government by program and the economy by sector. We recommend three things: strengthening some staffs that already exist (e.g. OMB's capacity to do integrated policy analysis and the technical assessment capabilities of the new OSTP), reassigning or eliminating some existing staffs which have failed (e.g. the Domestic Council), and creating a new unit to fill the Executive Office's void in the area of sectoral economic analysis.

Three distinct phenomena stand in the way of the leadership which Americans expect—and increasingly fail to get—from their Presidents in proposing and implementing policies affecting national growth and development. The first is the problem of attracting presidential attention to long-range concerns in the face of the President's normal role as a "firefighter," confronting the problem of the moment without the leisure to reflect on its relationship to last week's crisis or tomorrow's agenda. The second is the difficulty of securing impartial counsel in the face of departmental and interest-group parochialism; to the extent that the President relies on these sources (each with its own mandate and constituency to service) the information he receives is likely to be limited and his options narrowed accordingly. The third is the parochialism and fragmented jurisdiction of the Federal departments, which works against coherent national policy development because almost all important problems (food and energy, for example) cut across departmental lines.

The key to solving the last problem lies in a thorough reorganization of the executive branch. We believe that such a move would be in the nation's interest, but do not have the time or resources to undertake the kind of analysis that the subject deserves. The other two problems noted are addressed in the Committee's major recommendations.

Sustained White House interest, a prerequisite to effective Presidential participation in national economic growth and development, can be secured by placing a reporting requirement on the President that impels him and his principal advisors to step back from day-to-day concerns and take a comprehensive look at the economy and what they propose to do about it. Because it is an action-forcing document with high visibility and statutory deadlines, the budget has become the principal planning tool of modern administrations. But the budget's short term focus and consideration of Federal program expenditures to the exclusion of other relevant factors makes it unsuitable for use as the major general planning document.

Rather than suggest yet another report, the Committee's contribution to curbing presidential paper proliferation is the suggestion that the Economic Report of the President be broadened in a fashion that returns it to the spirit of the Presidential message contemplated by the Senate when it passed the Employment Act of 1946, the nation's last serious attempt at national growth policy planning. The Report is visible, prestigious and ripe for expansion. Recent Reports, in fact, show some signs of evolving into the broad policy tool we envisage, a role which they have not played since the Truman Administration. And the Report's tie to Congress, formalized in annual hearings by the Joint Committee on the Economic Report, is one which we applaud and hope to see strengthened in future years.

We recommend that the present Report be expanded in two ways. As a descriptive document it should deal with such matters as investment, employment, and wages not only in aggregate terms but also with reference to major sectors of the economy and geographic regions. As a prescriptive document it ought to outline presidential policies in areas touching significantly on national growth and development. Ideally, the Economic Report can present in one place an overview of the President's entire economic program: targets at which he has taken aim, reasons for the measures he advocates, and consequences he anticipates out in the private sector as well as across the government if and when his proposals are enacted. While the President must and will retain the freedom to choose the subjects to be addressed and the attention given them, an enlarged Economic Report also strikes us as the ideal place to raise and comment on trends not yet troublesome but potentially so, such as commodities plentiful but likely to be scarce or expensive in the foreseeable future.

Simply by way of example, we note that the pages of an expanded Economic Report would be the ideal place for Presidential commentary on decisions by independent regulatory agencies like the ICC, CAB, and FCC, highlighting the impact of agency initiatives and suggesting congressional action where appropriate. And if, as recommended above, an independent National Growth and Development Commission is established, the Economic Report would be the logical place for the President's response to the work of this body. In short, an expanded Economic Report gives the President an opportunity to state, in a unified whole, his interpretation of the nation's economic problems and his proposals for dealing with them. Simply drafting the Report will force the White House to confront and reconcile conflicting departmental goals, proposals and priorities, a valuable exercise in its own right.

Improvements in Presidential policy staffing should complement and build upon the broadened Economic Report.

The case for staff improvement is a strong one. OMB, for example, lacks a real grasp of problems which straddle or fall between Departments, and has no division to monitor non-federal institutions and their interaction with national policy-making. The CEA, for its part, rarely ventures to examine production or employment in any one sector of the economy, however vital. No part of the Executive Office effectively monitors middle range concerns, up to five years in the future, though OMB does prepare five year budget forecasts.

OMB has a long history of substantive service to the President. Over the last decade it has increasingly moved from the nuts and bolts of operational oversight to broad gauge policy analysis. This movement has been limited, however, by the pre-occupation of most OMB professionals with single agencies and thus with *pieces* of programs and problems. OMB can and should help the President and his aides think through policy problems in general terms free of jurisdictional limits. We suggest that a substantial number of OMB staffers devote more time to broad and medium-range issue analysis on the President's behalf. We believe that this can be accomplished without net increases in personnel by folding what is left of the Domestic Council staff into OMB and re-orienting parts of the underused management staff to this mission.

More specialized but equally relevant capabilities can be created in the new Office of Science and Technology Policy (OSTP). The Office's enabling legislation gives it a mandate to do medium range planning on all matters touching science, technology, and engineering; these endeavors constitute a vital component of needed planning capability insofar as advancing technology is a price cause of the conditions for which we feel the need to plan.

In addition, the Executive Office needs a new sectoral (Micro-economic) economic staff of perhaps 50 to 150 professionals to follow and analyze sectors of the private economy for the President. The tasks are varied, but all involve watching what goes on "out there" for the President and then helping him to formulate his economic program in a manner sensitive to individual slices of the economy. The new office, though not equipped with its own data-collection capability, will make extensive use of input-output models of the economy by sector and region, and thus should be a natural supporter of the efforts advocated elsewhere in this report to coordinate and expand the government's statistical capabilities.

We are hopeful that many of the positions needed to staff the new office can be obtained by abolishing present vestigial Executive Office units with related missions, such as CIEP and COWPS. Such action would provide an excuse for abolishing various Cabinet Committees now frozen into being by statute but of little use to the President. Statutory Cabinet committee strike us as a mistake. Such things are better left to presidential discretion, so that they can be easily started, easily stopped, and not swollen with staff. Comparable committees established in the future should look for staff assistance to the overall resources, strengthened as we suggest, of OMB, CEA and OSTP.

Without detailed discussion, we recommend that the new unit be located either in the CEA or in the OMB. The choice between these two must be left to the President; we plan to suggest arguments for and against each agency in our final report.

In addition to their work on the Economic Report, the staffs we recommend, taken together, can do four things for the President better than these have been done before. First, they can place well-researched policy alternatives before him, drafted from his central perspective and with his needs in mind. Second, they can evaluate policy proposals put forward by others in and out of the Executive Office of the President, and, if proven competent, will almost certainly be drawn into the process of preparing the President's legislative program, researching the technical soundness of proposals and their probable effects on the private sector. Third, they can and will act as presidential eyes and ears, monitoring events across the economy, forecasting future developments, communicating problems and potential problems to the President. Materials shortages are a case in point and one in which all of the new staffs have a role to play, whether it be developing estimates of the impact of a shortage across the economy, searching for substitutes for commodities likely to be in short supply in the future, or developing contingency plans for Presidential reaction to shortages. Fourth, the new staffs can backstop the President's own personal agents—senior White House staff, Cabinet members, or combinations of the two—in grappling with sectoral, technical and/or inter-departmental problems as they occur.

Expanding the Economic Report and improving presidential staffing in key areas are not panaceas, but they do address the problem of achieving more cohesive presidential policy across the range of federal concerns. The proposals we make offer a President so inclined the chance to give future-oriented, integrated attention to those policy concerns which are critical to balanced national growth and development.

The role of Congress

To date, the Committee has not had an opportunity to finalize its views on Congress' role in national growth and development planning. The Committee, at the outset, also feels more tentative about making specific, substantive recommendations to Congress than it has felt about making such recommendations to the Executive Branch. This is because Congress is a more complex governmental department and because Congress itself has been and presently is in the midst of preparing its own suggestions for internal structural reform which we strongly applaud.

Congress functions best as a reactive body. Its two political parties, its two autonomous but interdependent Houses, and its 485 individual members (each with a different and unique constituency) make it difficult for it to take unified and cohesive initiatives. The planning process which we have outlined along with our other recommendations takes this tendency into account and works with it, not against it. The consummation of the planning process is the submission of programs to Capitol Hill and subsequent Congressional consideration of the National Growth and Development Commission's and the President's proposals.

We do have some interim and more general observations to offer concerning Congressional involvement in the planning process.

First, we think it's important for Congress to devote greater resources to involving itself in national policy formation processes and to attracting increased public attention to these processes. To permit the televising of key congressional debates, for example, might help inform the average citizen about the workings of government and lessen the sense of distance from the national government. It must be left to Congress' leadership to decide which proceedings ought to be televised, and in what manner, but surely debates on the President's newly expanded Economic Report or debates on the reports of the National Growth and Development Commission would be likely candidates for electronic dissemination to a wide audience.

Second, Congress ought to give careful consideration to the way in which it will receive the special planning submissions to be made by the President and by the National Growth and Development Commission. Congress could, for example, expand the role of the Joint Economic Committee, which already receives and conducts hearings on the Economic Report, to include reception and comment on the National Growth and Development Commission's reports as well. To facilitate serious Congressional attention to long-term policy problems, the JEC might even be given some limited authority to draft and report "sense of the Congress" resolutions in response to the National Growth and Development Commission's papers or the President's Report. These, brought to the floor at the beginning of a Congressional Session, could set the stage for a discussion that would hold the promise of being more farsighted and more insightful than most.

Alternatively, the National Growth and Development Commission might send its papers simultaneously to the Speaker of the House and the President Pro Tempore of the Senate, with a concurrent recommendation that they call in the leadership of both Houses of Congress and that the combined group determine how to pass on the Commission's report which has been laid before them. A policy paper on energy, for example, might be assigned to one or more committees in each House, or to a joint hybrid meeting of several sub-committees of different committees (e.g. Interior, Science and Technology, and Interstate Commerce). Again, hearings and a resolution expressing the sense of Congress could emerge from such a process. At this point, the Advisory Committee advocates neither of the aforementioned proposals; we simply think it incumbent upon Congress to provide some mechanism whereby the initiatives of other agencies of the Government can receive serious attention in an organized fashion on Capitol Hill—and especially how members of Congress reply to recommendations of the National Growth and Development Commission.

In Congress, even more than in the Executive, there is no effective mechanism which encourages it to approach issues in an integrated and comprehensive manner, or even to make discrete decisions in a broad and more explicit policy context. In fact, there are many severe constraints within Congress which militate against developing an improved policy-making process. Without an improved process, however, Congress is further limited in its ability to respond to broad policy issues or proposals originating elsewhere. In making this general interim finding, the Committee takes specific note of the following:

The relative political independence of individual members of Congress leaves them free to define issues and select goals as they choose, being constrained only by their perception of the constituencies.

The increasing number and complexity of issues, combined with the territorial imperatives of individual members, have led to a division of labor among the committees and subcommittees of Congress. They have become the primary decision-making site. Such fragmentation implies that contemporary policy problems are susceptible to competing definitions often resulting in different directions for future policy.

The multiplicity of subcommittees representing specialized subjects tends to be duplicated in the Executive Branch organization which further reinforces this fragmentation.

Given this fragmentation in decision-making and policy deliberation, there does not exist a central mechanism or system or process for coordinating and providing direction for more comprehensive legislative policy-making other than through the new budget process, which is a giant step forward, but which has its own limitations on long-range policy formulation. The Committee is considering the pros and cons of two- or more-year budgets.

Individual committees and subcommittees—even party leadership committees—are ill-equipped to undertake a comprehensive impact assessment of individual legislative proposals, nor are comprehensive independent assessments made outside of Congress, i.e., the Executive.

The Committee, in continuing its examination of the Congressional role in integrative policy making, does not mean to imply that Congress does not manage some complicated, cross-cutting jobs well when traditionally it has had the leadership role and accommodated itself to such performance. Among such examples is its creation of tax bills. One thing further needs saying at this time. While supportive of the new Congressional budget process, the Committee is examining the pros and cons of multi-year budget cycles.

There has been some discussion in Congress regarding the role of Regulatory Agencies. The Committee feels that Congress might wish to seek an overall review. The last 25 years has seen a huge increase in the activities of Federal regulatory agencies reflecting the growth of the nation generally, enormous technological development, and change in the value judgements of our citizens. This has brought with it a corresponding growth of legally binding administrative decisions with the force equal to a law passed by state legislatures, or the Congress, or by a judicial decree. The growth of administrative law has troubled many, both in the Government and the private sector, especially since in various cases, a particular regulatory agency can and does act in the capacity of lawmaker, prosecutor, and judge—all by the same agency.

There are pressures for and against actions taken by those regulatory agencies and these pressures do not all cut one way. While industry is generally opposed to almost all F.T.C. regulation, the airplane industry insists on the C.A.B. setting fixed rates. At the same time, many in Congress and the C.A.B. itself would prefer to let the market place take over.

There has been talk of the need for a sweeping review of our Regulatory Agencies and our Committee would favor such action. We do not refer to an "Inspector General's review" but one which, in each case, looks at the basic purposes and objectives of the Agency to determine if such objectives are still valid, if generally they are being fulfilled, and if alternative or modified objectives might be more appropriate.

Materials and commodity policy issues

The Committee recommends that future Presidents designate one Cabinet member or senior personal aide to be responsible for materials and commodity policy matters. The Committee believes that the recommendations made above for national growth and development planning processes will enormously improve the nation's approach to materials and commodity problems.

This Committee's tasks do not include a consideration of materials policy *per se.* Rather, our legislative mandate requires that we make recommendations to "integrate the study of supplies and shortages of resources and commodities into the total problem of a balanced national growth and development."

Our recommendations in this area are incomplete as the result of an early decision to defer to the Commission on Supplies and Shortages (with which we are associated) on statistical and technical matters relating to materials. The Commission has not, to date, presented its conclusions and recommendations on key commodities issues to us.

Generally, however, we are convinced that the structures recommended above can and will deal adequately with policy questions involving materials and non-agricultural commodities. Our study group on materials issues has made the following observations concerning federal efforts in the field:

First, adequate data and information are generally available to the Government, though some gaps do exist—especially timely information regarding certain imported commodities. More important than lack of information is the proliferation of statistical units and the disparate methods of making the information available to users, including policymakers and analysts in other departments. The Committee finds a definite need for and an increased emphasis on setting up normal, continuous reporting mechanisms. Materials data collection and analysis activities within the Government suffer from poor organization that fails to meet the needs of high-level decision makers. Second, our study group noted serious deficiencies in analytic and policy staffing in the materials area at the highest departmental levels and in the Executive Office of the President. As a result, available data are used inadequately, if at all, in the policy process. Finally, we note that confusion and difficulty have been caused in recent years by the absence of a clear channel through which persons concerned with materials problems, inside or outside of the Government, might obtain the attention of the Chief Executive.

The Committee believes that materials and commodity policy issues, like other major sectoral policy issues, should be addressed as an integral part of the total national policy development process. Only in this way can we insure that such issues are treated in the context of their relationship to other international and domestic factors. We believe that the recommendations of the Committee, set out above, for improved statistical coordination and a new sectoral staff in the Executive Office of the President will effectively fill the gaps observed by the subcommittee concerning the handling of materials and commodities issues in the Executive Branch. The new statistical coordinating unit would insure that government agencies collect and process data in a form usable to those who depend upon it. Moreover, searching out and planning for problems in the materials area will be an important part of the work of the sectoral staff which we propose to place either in OMB or CEA.

Of our subcommittee's major observations, only the fourth has not been addressed above in our various recommendations. Accordingly, the Committee recommends that the President designate a Cabinet or senior staff member as a contact point for those with an interest in materials and commodities questions. We emphasize that we are not proposing the creation of a Special Assistant to the President for Materials and Commodities. We are proposing that one of the President's aides whose work touches on materials questions (for example, a presidential Assistant for Economic Affairs or the Secretary of Interior) should be given a special brief to watch materials and commodities. He or she must carry the burden of bringing to the President's attention looming or distant problems in the field.

The Committee has also had occasion to address the matter of "economic stockpiling". A majority of the Committee favors economic stockpiling, but opinion as to its scope and purpose differs widely. A few advocate the use of economic stockpiles to stabilize market prices within ranges. Others favoring the stockpile see it as an opportunity to "buy time" and protect the economy from unexpected and abrupt interruptions in the supply of materials and commodities. All agree that substantial import dependency, vulnerability to cartel action, and the importance of the commodity to the U.S. economy should be the criteria used in determining which materials and commodities should be stockpiled. Finally, there is sentiment for vesting the policy management functions of an economic stockpile system (e g. what and when to acquire, when to dispose of how much) in an apolitical public organization or in a broadly based commission with government and public members. The purpose of such a group is to prevent the domination of stockpiling decisions by partisan political considerations or a particular departmental or presidential view.

The fact that there may be no shortage of almost all minerals in the earth's crust does not insure us against dislocations in certain cases where much of the commodity is imported. However, economic stockpiling as a policy instrument should be embarked upon, if at all, only carefully and gradually. It is an area of government intervention in which costly and disruptive mistakes can be made, and it is only one of several policy instruments that might be utilized to deal with materials shortages. Each material or commodity should, at the least, be examined carefully to determine the best alternative approach to its case.

Conclusion

It is often argued that there are hazards to our freedom in a planning economy. But the alternatives are not planning on the one hand and freedom on the other. The alternatives, as we see them, include the option of planning democratically, in a way that does not diminish our freedom but expands it.

The American people are subject day in and day out to a great variety of pressures—from every level of Government, from the actions of powerful special interests in the private sector, from crises, shortages, and inflation, and other circumstances that stem *not* from deliberate action on anyone's part but from inaction, confusion and cross-purposes, and from actions of other Governments. The sum total of coercion may actually be diminished as we move toward more orderly and coherent policy making.

Historically, federal intervention has been most severe in times of *unforeseen* difficulty. Then we not only get intervention, we get it hastily with little reckoning of the consequences. If we look ahead and identify problems down the road, perhaps we will be spared the need to act precipitously in ways that limit our freedom of choice.

Historically, resolute avoidance of planning has not spared us intervention in the private sector. We have had heavy doses of such intervention, but it has come in the form of multiple uncoordinated actions, not adding up to a coherent attack on our gravest problems, and frequently making solution of those problems more difficult as one such intervention modifies another.

Government programs can become gigantic smothering bureaucracies; they can distort the mechanism of the market; they can reduce our freedom; they can bring unintended consequences. If we turn our backs on all we have learned in 200 years about the domestication of power, the uses of all of our institutions, and the emergence of freedom, then planning will be very hazardous indeed. But if we proceed with care, make use of the planning of the private sector, learn as we go, and build accountability into the system, planning will be considerably less hazardous than drifting into a dangerous future.

Planning must be open and competitive to be sound. The process we envision is designed both to maximize public participation and to encourage multiple centers of data and policy analysis. Diverse centers of expertise guarantee sharp debate and vigorous advocacy. They are our insurance against the triumph of weak policy by default.

A vigorous and free press, an open planning process, a multiplicity of centers creating vigorous debate, and a healthy respect for the effectiveness of the free market can combine to permit a planning process which successfully avoids the Scylla of blindly stumbling about in a complex world on the one hand, and the Charybdis of centralized, totalitarian usurpation of our rights on the other.

LACK OF AN EMPLOYMENT POLICY ON AGING DEPRIVES OUR NATION OF A VITAL PRODUCTIVE RESOURCE

Mr. RANDOLPH. Mr. President, there has been significant discussion on President Ford's aging programs. It has necessarily focused on programs to benefit those persons aged 65 or older.

Problems among this age group are severe. However, our discussion would be incomplete if we do not stress the difficulties confronting middle-aged and older workers.

During the past 2 years all age levels have been affected in one form or another by the massive unemployment caused by the recession and its aftermath. Persons 45 and older have been especially hard hit.

Thousands have lost their pension coverage.

Many are discovering that they were the first to be fired during the recession but the last to be hired during the recovery.

Age is still a serious barrier for large numbers, despite the enactment of the Age Discrimination in Employment Act.

These problems are cause for serious concern, and I feel that the present administration has failed to help middle-aged and older workers.

RECORD UNEMPLOYMENT FOR MIDDLE-AGED AND OLDER WORKERS

Nearly 1.5 million persons aged 45 or older are now unemployed, 68 percent higher than just 2 years ago.

This figure, however, represents only the tip of the iceberg because there is a substantial amount of hidden unemployment among middle-aged and older workers.

Approximately, 3.3 million men aged 45 to 64 are not in the labor force, and almost 12.2 million women in this same age category are similarly situated.

Assuming that just 25 percent of these men and 5 percent of these women wanted and needed employment—and these would probably be conservative estimates—this would add 1.4 million persons 45 or older to the unemployment rolls. This would nearly double the "official" unemployment level of 1.5 million, raising the "real" unemployment to perhaps about 2.9 million for middle-aged and older workers. This would represent an unemployment rate exceeding 9 percent under these assumptions. Last year unemployment for persons 45 or older lingered between 1.4 million and 1.7 million. Overall, joblessness averaged almost 1.6 million—the highest level in history for middle-aged and older workers.

Once unemployed, the mature worker runs a much greater risk of being without a job for a long period of time. Typically, the person 45 or older can expect to be without a job 30 to 70 percent longer than the unemployed younger worker.

In addition, pressures for earlier and earlier retirement—some subtle and others not so subtle—have intensified in recent years. Since January 1972 nearly 500,000 persons 45 or older have left the work force, too often unwillingly. In sharp contrast, the number of jobs created for persons under 45 increased by more than 10.2 million, or nearly 19 percent.

Unemployment for older workers would probably be even higher if they were not able to take actuarially reduced social security benefits before age 65. In recent years over 50 percent of all men claiming social security benefits have become entitled before age 65.

Usually these early retirees have lower lifetime earnings or more sporadic work patterns in the years preceding their entitlement than those who retire at age 65. They are less likely to be entitled to private pensions. Often they are the ones who can least afford to retire at an earlier age.

The net impact is that our Nation may be witnessing the making of a new class of elderly poor workers—persons in their sixties who have:

Exhausted their unemployment insurance;

Accepted actuarially reduced social security benefits at age 62, 63, or 64; or

Dropped out of the labor force because they cannot locate work.

NATIONAL MANPOWER POLICY NEEDED

There are critical problems confronting middle-aged and older workers. Yet, our Government has failed to develop an effective, comprehensive, and coordinated policy to maximize job opportunities for middle-aged and older persons. This represents one of the shortcomings of the administration.

The mature worker has been underrepresented in our work and training programs. In 1975 persons 45 or older accounted for 20 percent of the total unemployment in the United States, 26 percent of all persons unemployed for 15 weeks or longer, and 31 percent of those without jobs for 27 weeks or longer. Yet, they constituted only about 5 percent of all first-time enrollees in Federal manpower programs.

What is the price our Nation pays for this neglect and indifference? It is a dangerously growing dependency ratio of nonworkers to workers.

No nation can hope to achieve its full potential if it ignores the talents of its most experienced citizens. Much more can be gained through a national policy to increase job opportunities for all age groups—the young as well as the old—under a comprehensive employment and training program.

NEED FOR NEW INITIATIVES

There is an urgent need, Mr. President, for strengthened programs to achieve this objective.

Most Members of Congress have wholeheartedly endorsed the title IX, senior community service employment program—a program that enables low-income elderly persons to work their way out of poverty by helping others in their communities. The administration, however, has never requested money for this program, even though unemployment has increased by about 51 percent during the past 2 years for persons 55 or older.

Most Americans—and our mail is an indication—would prefer the title X, emergency jobs program, instead of paying out billions and billions of dollars in unemployment benefits. This is not a "dead-end" jobs program. It has provided a new lease on life for thousands of middle-aged and older workers as well as for others.

The administration, however, may be forced to support additional measures because the unemployment rate remains at a totally unacceptable level of 7.8 percent, and about 7.5 million Americans are now unemployed.

It is my conviction that there has been a severe lack of response to the special needs of middle-aged and older workers.

SENATOR HUGH SCOTT

Mr. RANDOLPH. Mr. President, I join with my colleagues on both sides of the aisle in tribute to the distinguished minority leader, my friend and colleague, Hugh Scott of Pennsylvania.

His decision to retire from his challenging task of leading the minority Members will leave a void in our ranks. His wisdom, wit and experience have contributed greatly to the legislative advance during the past 18 years. He has served the people of his Keystone State well.

Hugh Scott is a scholarly and thoughtful man. His service as a member of the Senate Foreign Relations Committee has been enhanced by his knowledge of the Far East, and especially China.

He has, in the thick of partisan debate, conducted himself in a gracious and persuasive manner, and has cooperated with the majority when he conscientiously could. The result has been a healthy respect for his viewpoint and an earnest effort to ameliorate those problems which are philosophically divisive.

I know the esteem and affection with which each of us who has counseled and consulted with him feel for this distinguished American. We will miss him as a friend and as a colleague. My wife, Mary, and I wish to Marian and Hugh a contented and productive retirement justly earned.

ROMAN HRUSKA

Mr. RANDOLPH. Mr. President, I rise to join my colleagues in expressing tribute to the distinguished Senator from Nebraska, who will retire in January after 22 years of devoted service in this body to his State and the Nation.

Each of us who have been privileged to work with Roman Hruska have a special fondness for him. He is a person of towering principles, of tenacity and fairness. His is a fine legal mind which has contributed much to the legislative process over the past two decades. When he leaves this body, he will be remembered and respected by all its Members, regardless of party or political views. The diligence and dedication he has brought to his challenging assignments has set a standard of excellence for others to follow.

As he retires to private life, Roman can truly look back and know that during his service in this body, he has made a lasting legislative contribution to the

Nation. He will be missed for his strength and decency among us where he has been unswervingly representative of the trust of the people of Nebraska.

I congratulate Roman on the enviable record of service he has achieved, and sincerely wish him and his wife a long and happy retirement.

APPOINTMENT OF COMMITTEE TO NOTIFY THE PRESIDENT OF SINE DIE ADJOURNMENT OF CONGRESS

The PRESIDING OFFICER. Pursuant to Senate Resolution 582, the Chair appoints the acting majority leader and the minority leader as the committee on two Senators to join a similar committee of the House to notify the President, to serve as the committee on the part of the Senate, to notify the President of the sine die adjournment of Congress.

THANKS OF THE SENATE TO THE ASSISTANT MAJORITY LEADER

Mr. RANDOLPH. Mr. President, we have, by resolution, given appreciation which is merited to many officers and officials of the Senate and to Senators themselves tonight. I rise to express, I hope, the sentiments of all Senators for the work done by our colleague, Senator Robert C. Byrd, as the acting majority leader of this body.

The PRESIDING OFFICER. If the Senator will withhold momentarily, the Chair will obtain the attention that the Senator deserves for this statement.

Mr. RANDOLPH. Bob Byrd has had a very difficult assignment. There are few other Senators who could have conducted and would have conducted themselves as he has done, especially yesterday and today.

Senators have noted that he has been very earnest. He has pressed his points. He has understood all the parliamentary procedures that he could use to have the Senate move forward in its business. But I noted tonight, as my colleagues noted, that ofttimes he was smiling. He was laughing; he would go from one Member to another, even those that he had had cross words with. Bob Byrd has been under a very heavy physical strain as he has carried forward these arduous and necessary duties in the Senate.

Bob does not know that I am speaking. If he were to be told beforehand that I was expressing this tribute to him in behalf of all the Members of the Senate, he would say, "Don't do that." But I do it because he deserves the accolade which I have just stated. I hope that we will continue in the Senate to have well-reasoned leadership in the coming 95th Congress, a reflection of the leadership which Robert C. Byrd has given as the acting majority leader of the Senate.

COMMON CAUSE REPORT

Mr. STEVENS. Mr. President, before we close, I would like to call the attention of the Senate to a report issued by Common Cause concerning special interest groups' campaign contributions for the 1976 congressional races. I shall ask unanimous consent that it be printed in the Record.

During the time that the bill was passed by the Senate that dealt with our campaign financing, I raised some questions about the concentration of power in the political action committees. I think the Members of Congress and the public will find the Common Cause study very interesting. It shows, for instance, that the amount coming from these groups has doubled now to $10 million so far in this race as compared to $5 million in a similar period in 1974. I find it very interesting that of the $4.1 million that has been contributed by labor groups in this campaign, only $100,000 has gone to Republican candidates.

I also find very interesting the shift in terms of the emphasis of those who were contributing to the elections this year. It is my estimate that over 80 percent of the moneys being contributed in congressional races this year is going to incumbents.

I think it is a subject that, in fairness, everyone in the Senate should be concerned with. I believe that if it continues, it will be a fact that no one other than a millionaire will be able to run as a nonincumbent.

I ask unanimous consent that this report be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Special Interest Groups Pour Campaign Contributions Into 1976 Congressional Races, According to New Common Cause Study

Special interest groups are pouring campaign contributions into the 1976 Congressional races in record amounts, according to a new study released today by Common Cause. As of September 1. 1976, business, labor, medical, dairy and other interest groups have reported contributing more than $10 million to Congressional candidates. Less than $1 million was reported by these same groups as having gone to the 1976 Presidential candidates, according to the study. The 1976 Presidential election is being financed primarily by public funds derived from the voluntary tax-checkoff, while no such funds are available to 1976 Congressional candidates.

Among the highlights of the Common Cause study are the following:

Special interest groups have almost doubled their campaign giving in 1976 over 1974. As of September 1, 1974, registered interest groups had given only some $5.5 million to Congressional candidates, compared with $10.1 million given to 1976 Congressional candidates from January 1, 1975 to September 1, 1976. See Appendix A. (The 1974 figures do not cover contributions made for the first eight months of 1973, a period of relatively limited giving by interest groups.) The study points out that the heaviest period of interest group giving begins in September of an election year.

The dairy industry, which had a very difficult time getting Congressional candidates to accept its contributions in 1974 following Watergate, is now back in business in full force. As of September 1, 1976, dairy groups had contributed $682,184 to Congressional candidates, more than three times the amount ($224,100) that they gave during the entire 1974 Congressional elections.

Corporate and business committees have already given more to 1976 Congressional candidates—$2.8 million as of September 1, 1976—than they gave during the entire 1974 Congressional elections—$2.5 million. In a major reversal of past giving practices, business groups as of September 1, 1976, had contributed more money to Democratic Congressional candidates than to Republicans. Democrats had received $1,451,000 from business committees compared to Republicans' $1,305,000.

Labor groups had given more than $4.1 million as of September 1, 1976, to Congressional candidates compared with $2.8 million as of September 1. 1974. They eventually gave a total of $6.3 million during the 1974 Congressional elections. Of the $4.1 million in 1976 contributions, $4 million has been given to Democrats and $100,000 to Republicans.

"It now appears clear that the campaign finance activities of special interest groups will dramatically increase in the 1976 Congressional elections," according to Fred Wertheimer, Common Cause Vice President and Director of its Campaign Finance Monitoring Project. "This is in stark contrast with the 1976 Presidential election, where public financing is accomplishing its goal of drastically limiting the influence of private campaign contributions," Wertheimer said.

"By the end of 1976, the amounts given by special interest groups to 1976 Congressional candidates will far surpass the amounts given during the 1974 elections. Our bicentennial national election is going to firmly establish the basic need to enact public financing of Congressional races," Wertheimer said.

Other key findings of the Common Cause study include the following:

The political committees of the American Medical Association, the leading 1974 interest group giver, continued to top the list in 1976, with $964,000 in Congressional contributions, as of September 1. The Dairy group committees moved into second place with Congressional contributions of $682,000 as of September 1, followed by the AFL–CIO COPE committees with $631,000. Other leading interest group givers as of September 1, 1976, include: the Maritime Related Unions $385,000; the United Auto Workers $373,000; the National Education Association $317,000; the National Association of Realtors $314,000; the Machinists $269,000; Financial Institutions $249,000 and the United Steelworkers $214,000. (The Realtors' contributions of $314,000 already exceeds the total amount they gave in 1974 of $254,000.) See Appendix B.

The heavy increase in 1976 interest group giving is due in large part to the fact there are twice as many interest group committees today as, there were on January 1, 1975. Some 1,041 special interest group committees are now registered compared with 504 during the 1974 Congressional races. In the last 20 months, the number of corporation political committees has increased from 87 to 399. The number of business association committees has increased from 100 to 197. The number of labor political committees has risen from 160 to 225.

Dairy, and other agricultural groups, have given predominantly to Democratic candidates in the 1976 Congressional races, some $627,600 compared with $151,000 going to Republicans. Health groups, on the other hand, led by the American Medical Association, have given heavily to candidates from both parties with $702,000 going to Republicans and $546,000 to Democrats.

One new organization, a political committee formed by the American Trial Lawyers Association, has already made contributions of $118,000 to 1976 Congressional candidates. Over 50% of its contributions have gone to candidates for the Senate where no fault insurance has been a major issue in controversy.

"The dramatic resurgence of dairy group giving and the phenomenal growth of new growth of new corporate political committees reflect a view that the country will tolerate a return to the old system of campaign contributions being used to influence government decisions," Wertheimer said. "This represents a fundamental misreading of the American public by Congressional candidates and interest groups alike."

TOP SENATE RECIPIENTS OF INTEREST GROUP CONTRIBUTIONS

Three Senators—Vance Hartke (D-Ind.), John Tunney (D-Cal.) and Harrison Williams (D-NJ)—are among the top ten recipients of both labor and business/professional/agriculture group political contributions as of September 1, 1976, according to the Common Cause study. See Appendix C. The findings are based on the campaign finance reports filed by registered interest group committees for the period from January 1, 1975, to August 31, 1976. Hartke was second on both lists with $91,000 from labor, and $85,000 from business/professional/agriculture groups. Tunney was third in labor contributions ($90,000) and ninth in contributions from business/professional/agriculture groups ($37,000). Williams was fourth on both lists with $89,000 from labor and $58,000 from business/professional/agriculture groups. Six of the top ten recipients of labor contributions and nine of the top ten recipients of business/professional/agriculture group contributions were incumbent members of the Senate.

Senator Hubert Humphrey (D-Minn) tops the list of Senate candidates receiving contributions from labor groups with $96,000 while Lloyd Bentsen (D-Tex) heads the list of recipients from business/professional/agriculture groups with $100,000 in contributions. (The Bentsen figures include contributions received from interest groups during the period that he was seeking the Presidential nomination as well as reelection to his Senate seat.) Senator Robert Taft (R-Ohio) followed Bentsen and Hartke on the list of recipients from business/professional/agriculture groups with $74,000 in contributions.

APPENDIX A

SPECIAL INTEREST GROUP CONTRIBUTIONS TO 1976 CONGRESSIONAL CANDIDATES AS OF SEPTEMBER 1, 1976*

	1976*	1974**
Agriculture	$779,344	$129,120
Business	2,790,479	1,037,378
Health	1,259,732	963,229
Lawyers	137,200	—
Business/professional/agriculture	4,966,755	2,129,727
Labor	4,108,114	2,835,011
Miscellaneous	556,871	281,075
Ideological	501,245	276,660
Total interest committees	10,132,985	5,522,473

*This information is based on the campaign finance reports filed by registered interest groups for the 20-month period from January 1, 1975 to August 31, 1976.

**This information is based on the campaign finance reports filed by registered interest groups for the 12-month period from September 1, 1973 to August 31, 1974. While the eight-month period from January through August 1973 is not included in the 1974 figures, this constitutes a period of relatively limited giving by interest groups.

LEADING SPECIAL INTEREST GROUP CONTRIBUTORS TO 1976 CONGRESSIONAL CANDIDATES AS OF SEPTEMBER 1, 1976*

[Total contributions]

American Medical Associations	$963,725
Dairy committees	682,184
AFL-CIO COPES	630,974
Maritime related unions	384,845
United Auto Workers	373,091
National Education Associations	316,652
National Association of Realtors	314,373
Intl. Assn. of Machinists	269,125
Financial institutions	248,503
United Steelworkers of America	213,513
Coal, oil and natural gas interests	191,283
Committee for the Survival of a Free Congress	167,591
Retail clerks	146,485
Garment Workers (ILGWU)	138,526
American Dental Associations	134,004
American Trucking Associations	125,298
American Trial Lawyers Association	117,525
Teamsters	116,874
NCEC (National Committee for an Effective Congress)	112,802

*This information is based on the campaign finance reports filed by registered interest groups between January 1, 1975 and August 31, 1976.

APPENDIX C

1976 Senate candidates receiving the highest contribution from registered interest groups as of Sept. 1, 1976 [2]

Labor groups:	
Hubert Humphrey [1] (D-Minn)	$96,375
Vance Hartke [1] (D-Ind)	90,850
John Tunney [1] (D-Cal)	90,493
Harrison Williams [1] (D-NJ)	88,900
James O'Hara (D-Mich)	79,235
Paul Sarbanes (D-Md)	76,600
William Green (D-Penn)	69,275
Edward Kennedy [1] (D-Mass)	59,550
Howard Metzenbaum (D-Ohio)	56,543
Frank Moss [1] (D-Utah)	54,775
Elmo Zumwalt (D-Va)	54,230
Robert Byrd [1] (D-Va)	42,600
James Symington (D-Mo)	39,900
Joseph Montoya [1] (D-NM)	39,300
James Sasser (D-Tenn)	36,000
Business/professional/agricultural groups:	
Lloyd Bentsen [1] (D-Tx)	[3] 100,450
Vance Hartke [1] (D-Ind)	85,150
Robert Taft [1] (R-Ohio)	74,115
Harrison Williams [1] (D-NJ)	58,048
J. Glenn Beall [1] (R-Md)	54,435
Bill Brock [1] (R-Tenn)	51,070
Harry Byrd [1] (IND-Va)	47,025
James Buckley [1] (R-NY)	40,511
John Tunney [1] (D-Cal)	37,223
Richard Lugar (R-Ind)	32,868
John McCollister (R-Neb)	32,200
Hubert Humphrey [1] (D-Minn)	32,010
S. I. Hayakawa (R-Cal)	31,671
Howard Cannon [1] (D-Nev)	31,250
John Melcher (D-Mont)	24,600

[1] Indicates incumbent.

[2] This information is based on the campaign finance reports filed by registered interest groups between Jan. 1, 1975, and Aug. 31, 1976.

[3] This figure includes contributions made by registered interest groups to Bentsen during the period in which he was seeking the Presidential nomination, as well as reelection to his Senate seat.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTIFICATION TO THE PRESIDENT

Mr. ROBERT C. BYRD. Mr. President, the distinguished Republican leader and I have just notified the President of the United States that the Senate has completed its business and is awaiting on him for any further instructions, if he had any wishes.

He indicated that he had none.

He congratulated the leadership on both sides, congratulated the Senate.

I told him that the Senate had acted on more than 125 measures today.

Both the Republican leader and I thanked him for signing the public service jobs bill, and the public employment appropriations bill, and also for signing the antitrust legislation.

He had been awakened out of his slumber, but when he was told it was only 11:30 he did not feel bad at all about it. He was very congenial, and he wished everyone good health until we have a new session.

Mr. HUGH SCOTT. Mr. President, if the distinguished acting majority leader will yield, he really indicated he did not mind being awakened with the news we gave him; namely, we were going home. [Laughter.] That seemed to refresh him for the evening.

I do not know what he thought of our saying it was only 11:23. I figured he did not believe that any more than we did. But he does send his affectionate regards to all the Members of the Senate.

He did indicate, when I mentioned it, that he had sent the only pen used in signing the antitrust bill to our beloved colleague PHIL HART because he felt that above all men he deserved that signal recognition. He said that while it was not a perfect bill in his view, any more than it was in ours, he felt that under the circumstances it was proper to sign it.

So he has wished us well, and I think it is now time for all of us to go home.

I may add, I have never seen so many Members of the other body as we had today just to get one little bill of their own passed. We enjoyed their company. They must come more often, especially when we are in recess.

[Laughter.]

Mr. ROBERT C. BYRD. I agree with what the distinguished Republican leader just said. Practically every one of them came over here with the message that I, Senator BYRD, was holding up his particular bills.

Mr. HUGH SCOTT. I am sure they told you that.

EXPRESSIONS OF APPRECIATION

Mr. ROBERT C. BYRD. While we are waiting, there is one other little matter to be taken care of. I want to express appreciation to all Senators here this morning for their forebearance, their patience, and their endurance, and for their cooperation.

I would also want to wish them a very pleasant adjournment, happy Thanksgiving, a good Christmas, and I look forward to their return when the new session begins.

To those who are retiring, we will miss them.

May I say to the distinguished Republican leader that I thank him for his friendship, for the cooperation, on behalf of Mr. MANSFIELD and myself and

Mr. Moss, that it has been our pleasure to enjoy over the years we have served together.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I thank the distinguished majority leader. I do not want to make as many farewell appearances as Sarah Bernhardt. I want to say that I do appreciate all the courtesies I have received, and I want to express my thanks to all the Members of the Senate, both sides of the aisle, for many kindnesses and much thoughtfulness in my problems.

I do wish for all of you a very successful future in your various endeavors. I am sure we all understand that tonight the distinguished majority leader had to do what he had to do, and we, on this side, had to do what we had to do, the imperatives being as they are in a situation that faced us. But it was done in good spirit and a full understanding of the obligations which beset people under certain circumstances or stress.

Mr. JAVITS. Mr. President, will the Senator yield for just a word about Senator SCOTT? It should not go unnoticed that we will not see him or hear him again in this place which he occupied so gracefully. We have all paid our tributes to you. So I say to Senator SCOTT, as you leave us you carry our affections and our thanks, our best wishes and farewell, at least in his job, and we all hope to see a great deal of you as the days go on.

Mr. HUGH SCOTT. I want to thank you.

Mr. HELMS. Mr. President, would it be permissible to take up a collection and have the clocks repaired?

[Laughter.]

Mr. ROBERT C. BYRD. I do not think there is any answer to that.

Does any other Senator wish to speak? I again apologize to Senators for holding the floor, but I felt that under the circumstances in trying to adjourn that was the only way to conduct business, and I appreciate the understanding of all the Senators.

Mr. President, if there is no further business, and before I move to adjourn, I thank the members of the staff of the Policy Committee, all of the officers of the Senate, and the staffs of all the committees, the pages, the staffs of the Senators, and I wish all a happy and restful adjournment.

ADJOURNMENT SINE DIE

Mr. ROBERT C. BYRD. Mr. President, I move in accordance with the provisions of Senate Concurrent Resolution 211 and House Joint Resolution 1119 that the Senate now stand adjourned sine die until the hour of 2 p.m. on Tuesday, January 4, 1977.

Mr. HUGH SCOTT. The hour of midnight having arrived.

(Applause.)

The motion was agreed to, and at 11:37 p.m. the Senate adjourned sine die.

MESSAGES FROM THE HOUSE

Under authority of the order of October 1, 1976, the following messages from the House of Representatives were received during the adjournment of the Senate:

On October 4, 1976, a message stating that the House had agreed to the amendments of the Senate to the bill (H.R. 13160) to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes.

The message also stated that the House had agreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 21 to the bill (H.R. 13713) to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes.

The message further stated that the House had agreed to the amendments of the Senate to the bill (H.R. 13828) to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

On October 6, 1976, a message stating that the Speaker had signed the following enrolled bills and joint resolutions:

H.R. 1073. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance for an additional three years, ending September 7, 1978.

H.R. 1244. An act to establish procedures and regulations for certain protective services provided by the United States Secret Service.

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.

H.R. 2177. An act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad.

H.R. 2749. An act to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square".

H.R. 3377. An act for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski.

H.R. 3605. An act to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer).

H.R. 4206. An act to designate the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building".

H.R. 7929. An act relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation.

H.R. 8002. An act to designate certain lands in the Point Reyes National Seashore, California, as wilderness, amending the act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c-6a), and for other purposes.

H.R. 8027. An act for the relief of Commander Stanley W. Birch, Jr.

H.R. 9543. An act for the relief of Eupert Anthony Grant.

H.R. 10073. An act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes.

H.R. 10826. An act to amend the act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement.

H.R. 11337. An act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes.

H.R. 11347. An act to authorize conveyance of the interests of the United States in certain lands in Salt Lake County, Utah, to Shriners' Hospitals for Crippled Children, a Colorado corporation.

H.R. 11455. An act to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes.

H.R. 11809. An act for the relief of Ljudevit Previc.

H.R. 11891. An act to authorize the establishment of the Congaree Swamp National Monument in the State of South Carolina, and for other purposes.

H.R. 12707. An act for the relief of Barry Ray Leftwich Diblin.

H.R. 12927. An act to designate a Federal building and United States Post Office in Jasper, Georgia, as the "Phil M. Landrum Federal Building and Post Office".

H.R. 13218. An act to permit the steamship *United States* to be used as a floating hotel, and for other purposes.

H.R. 13326. An act to extend until November 1, 1983, the existing exemption of the steamship *Delta Queen* from certain vessel laws.

H.R. 13417. An act for the relief of Dae Ho Park and Maria Park.

H.R. 13585. An act to amend the Federal Boat Safety Act of 1971.

H.R. 13615. An act to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, as amended, and for other purposes.

H.R. 13964. An act for the relief of Jeanette Green, as mother of the minor child, Ricky Baker, deceased, and as widow and administratrix of the estate of Enoch Odell Baker, deceased; and for the relief of Mary Jane Baker Nolan, individually, and as widow and administratrix, of the estate of John William Baker, deceased.

H.R. 14451. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of Federal surplus personal property to the State and local organizations for public purposes, and for other purposes.

H.R. 14470. An act for the relief of Rául Eduardo Ringle.

H.R. 14503. An act to name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office."

H.R. 14773. An act to amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes.

H.R. 14886. An act to revise the appropriation authorization for the Presidential Transition Act of 1963, and for other purposes.

H.R. 14977. An act to name the Federal office building in Athens, Georgia, the "Robert G. Stephens, Jr. Federal Building".

H.R. 15059. An act to amend the Emergency Livestock Credit Act of 1974.

H.R. 15136. An act to authorize appropriations for construction of facilities on Guam, and for other purposes.

H.R. 15276. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the United States Park Police force.

H.R. 15445. An act to study and provide enhanced protection for whales, and for other purposes.

H.R. 15546. An act to designate the "Ray J. Madden Post Office Building".

H.R. 15582. An act to name the Federal office building in Bluefield, West Virginia, the "Elizabeth Kee Federal Building".

H.R. 15813. An act to amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe.

H.J. Res. 1008. Joint resolution authorizing the President to proclaim the week beginning October 3, 1976, and ending October 9, 1976, as "National Volunteer Firemen Week".

H.J. Res. 1105. Joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes.

H.J. Res. 1118. Joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

The enrolled bills and joint resolutions were signed on October 6, 1976, by the Acting President pro tempore (Mr. Metcalf).

On October 7, 1976, a message stating that the Speaker had signed the following enrolled bills and joint resolutions:

S. 22. An act for the general revision of the Copyright Law, title 17 of the United States Code, and for other purposes.

S. 64. An act to provide for the recognition of the States of Alaska and Hawaii at the Lincoln National Memorial, and for other purposes.

S. 400. An act to authorize the study of certain areas by the Secretaries of Agriculture and the Interior.

S. 726. An act to direct the Secretary of the Interior to convey for fair market value, certain lands to Valley County, Idaho.

S. 865. An act to amend the Public Buildings Act of 1959 in order to preserve buildings of historical or architectural significance through their use for Federal public building purposes, and to amend the act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped.

S. 999. An act to designate the Federal office building located in Dover, Del., as the "J. Allen Frear Building".

S. 1026. An act to designate certain lands as wilderness.

S. 1365. An act to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands.

S. 1659. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes.

S. 2081. An act to provide for furthering the conservation, protection, and enhancement of the Nation's agricultural resources for sustained use, and for other purposes.

S. 2112. An act to amend the National Trails Systems Act (82 Stat. 919), and for other purposes.

S. 2278. An act The Civil Rights Attorney's Fees Awards Act of 1976.

S. 2398. An act to authorize the establishment of the Eugene O'Neill National Historic Site, to provide for a cooperative agreement in the operation of the Cherokee Strip Living Museum and for other purposes.

S. 2798. An act to eliminate a restriction on use of certain lands conveyed to the city of Yakutat, Alaska.

S. 2923. An act to amend title 28 of the United States Code to provide that full-time United States magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates.

S. 3131. An act to amend the Rail Passenger Service Act to provide financing for the National Railroad Passenger Corporation, to amend the Regional Rail Reorganization Act of 1973 to increase the amount of loan authority under section 211(h)(1) of such Act, and for other purposes.

S. 3441. An act to authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery and to study and formulate proposals for renovation and permanent maintenance of such sections by the United States.

S. 3556. An act for the relief of Marciano Santiago and his wife Eleanor L. Santiago.

S. 3557. An act to authorize the obligation and expenditure of funds to implement for fiscal year 1977 the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976, and for other purposes.

S. 3621. An act to amend the International Claims Settlement Act of 1949 to provide for the determination of the validity and amounts of claims of nationals of the United States against the German Democratic Republic.

S. 3667. An act for the relief of Song Chan Ki.

S. 3682. An act for the relief of Doctor Oscar J. Briseno.

S. 3683. An act for the relief of Doctor Juan Bautista Lopez Ruiz.

S. 3894. An act to amend the Federal Water Pollution Control Act, as amended.

H.R. 1142. An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care funds, to modify the effective dates of certain provisions of the Tax Reform Act of 1976, and for other purposse.

H.R. 1144. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes.

H.R. 5682. An act to extend the boundary of the Tinicum National Environmental Center, and for other purposes.

H.R. 7228. An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamp on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes.

H.R. 9719. An act to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of such locality.

H.R. 10101. An act to amend the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft, and for other purposes.

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes.

H.R. 10210. An act to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes.

H.R. 11303. An act to designate the "Herman T. Schneebeli Federal Building."

H.R. 12033. An act to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products.

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments.

H.R. 12939. An act to amend certain laws affecting personnel of the Coast Guard, and for other purposes.

H.R. 12961. An act to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services.

H.R. 13160. An act to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes.

H.R. 13367. An act to extend and amend the State and Local Fiscal Assistance Act of 1972, and for other purposes.

H.R. 13955: An act to provide for amendment of the Bretton Woods Agreements Act, and for other purposes.

H.R. 14041. An act to amend the Railroad Retirement Act of 1974 with respect to the computation of annuity amounts in certain cases, and for other purposes.

H.R. 14227. An act to direct the Secretary of Agriculture to release a condition with respect to certain real property conveyed by the United States to the board of regents of the universities and State colleges of Arizona for the use of the University of Arizona.

H.R. 14535. An act to amend the Immigration and Nationality Act, and for other purposes.

H.R. 14956. An act to designate the "Joe L. Evins Post Office and Federal Building.

H.R. 15531. An act to permit the use of unsworn declaration under penalty of perjury as evidence in Federal proceedings.

H.R. 15571. An act to amend chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization with respect to its employees shall constitute (for both tax and benefit purposes) a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund or credit of such taxes, and to require the filing of such a certificate by any nonprofit organization which paid such taxes but received a refund or credit because it had not previously filed such certificate.

H.J. Res. 967. Joint Resolution authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the U.S. Capitol Historical Society, of preliminary design sketches and funds for murals, in the first floor corridors in the House wing of the Capitol, and for other purposes.

H.J. Res. 1107. Joint Resolution to provide for the printing and distribution of the Precedents of the House of Representatives compiled and prepared by Lewis Deschler.

H.J. Res. 1119. Joint Resolution to provide for the convening of the first session of the Ninety-fifth Congress.

The enrolled bill and joint resolutions were signed on October 7, 1976, by the Vice President.

On October 12, 1976, a message stating that the Speaker had signed the following enrolled bills and joint resolution:

S. 12. An act to amend section 376 of title 28, United States Code, in order to reform and update the existing program for annuities to survivors of Federal Justices and judges.

S. 507. An act to establish public land policy; to establish guidelines for its administration; to provide for the management, protection, development, and enhancement of the public lands; and for other purposes.

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes.

S. 969. An act to amend title 38, United States Code, to set a termination date for veterans' educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, for special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Educational Assistance program) for those entering military service on or after January 1, 1977; to make other improevments in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of Veterans' Employment Service; and for other purposes.

S. 1283. An act to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes.

S. 1437. An act to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

S. 2150. An act to provide technical and financial assistance for the development of management plans and facilities for the recovery of energy and other resources from discarded materials and for the safe disposal of discarded materials, and to regulate the management of hazardous waste.

S. 2533. An act to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Lake.

S. 2548. An act to revise and extend the provisions of title XII of the Public Health Services Act relating to emergency medical services systems, and for other purposes.

S. 2910. An act to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases.

S. 3063. An act designating Ozark Lock and Dam on the Arkansas River as the "Ozark-Jeta Taylor Lock and Dam."

S. 3091. An act to amend the Forest and Rangeland Renewable Resources Planning Act of 1974, and for other purposes.

S. 3521. An act to expedite a decision on the delivery of Alaska natural gas to United States markets, and for other purposes.

S. 3553. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes.

S. 3823. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

S.J. Res. 209. A joint resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week".

H.R. 71. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II.

H.R. 2735. An act to amend title 38, United States Code, to improve the quality of hospital care, medical services, and nursing home care in Veterans' Administration health care facilities; to make certain technical and conforming amendments; and for other purposes.

H.R. 9460. An act to provide for the establishment of constitutions for the Virgin Islands and Guam.

H.R. 10192. An act to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy.

H.R. 11315. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes.

H.R. 12572. An act to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes.

H.R. 13500. An act to amend the Social Security Act with respect to food stamp purchases by welfare recipients.

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes.

H.R. 13828. An act to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes.

The enrolled bills and joint resolution were signed on October 12, 1976, by the Acting President pro tempore (Mr. METCALF).

ENROLLED BILLS AND JOINT RESOLUTIONS PASSED

The Secretary of the Senate reported that he presented to the President of the United States for his approval the following enrolled bills and joint resolutions:

On October 4, 1976:

S. 2212. An act to amend title I of the Omnibus Crime Control and Safe Streets Act ot 1968, and for other purposes.

S.J. Res. 126. A joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

S.J. Res. 181. A joint resolution to authorize the erection of the American Legion's Freedom Bell on lands of the park system of the District of Columbia, and for other purposes.

On October 7, 1976:

S. 22. An act for the general revision of the Copyright Law, title 17 of the United States Code, and for other purposes.

S. 64. An act to provide for the recognition of the States of Alaska and Hawaii at the Lincoln National Memorial, and for other purposes.

S. 400. An act to authorize the study of certain areas by the Secretaries of Agriculture and the Interior.

S. 726. An act to direct the Secretary of the Interior to convey for fair market value, certain lands to Valley County, Idaho.

S. 865. An act to amend the Public Buildings Act of 1959 in order to preserve buildings of historical or architectural significance through their use for Federal public building purposes, and to amend the Act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped.

S. 999. An act to designate the Federal office building located in Dover, Delaware, as the "J. Allen Frear Building".

S. 1026. An act to designate certain lands as wilderness.

S. 1365. An act to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands.

S. 1659. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes.

S. 2081. An act to provide for furthering the conservation, protection, and enhancement of the Nation's agricultural resources for sustained use, and for other purposes.

S. 2112. An act to amend the National Trails System Act (82 Stat. 919), and for other purposes.

S. 2278. An act. The Civil Rights Attorney's Fees Awards Act of 1976.

S. 2398. An act to authorize the establishment of the Eugene O'Neill National Historic Site, to provide for a cooperative agreement in the operation of the Cherokee Strip Living Museum and for other purposes.

S. 2798. An act to eliminate a restriction on use of certain lands conveyed to the city of Yakutat, Alaska.

S. 2923. An act to amend title 28 of the United States Code to provide that full-time United States magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates.

S. 3131. An act to amend the Rail Passenger Service Act to provide financing for the National Railroad Passenger Corporation, to amend the Regional Rail Reorganization Act of 1973 to increase the amount of loan authority under section 211(h)(1) of such Act, and for other purposes.

S. 3441. An act to authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery and to study and formulate proposals for renovation and permanent maintenance of such sections by the United States.

S. 3556. An act for the relief of Marciano Santiago and his wife Eleanor L. Santiago.

S. 3557. An act to authorize the obligation and expenditure of funds to implement for fiscal year 1977 the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976, and for other purposes.

S. 3621. An act to amend the International Claims Settlement Act of 1949 to provide for the determination of the validity and amounts of claims of nationals of the United States against the German Democratic Republic.

S. 3667. An act for the relief of Song Chan Ki.

S. 3682. An act for the relief of Doctor Oscar J. Briseno.

S. 3683. An act for the relief of Doctor Juan Bautista Lopez Ruiz.

S. 3894. An act to amend the Federal Water Pollution Control Act, as amended.

On October 12, 1976:

S. 12. An act to amend section 376 of title 28, United States Code, in order to reform and update the existing program for annuities to survivors of Federal justices and judges.

S. 507. An act to establish public land policy; to establish guidelines for its administration; to provide for the management, protection, development, and enhancement of the public lands; and for other purposes.

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes.

S. 969. An act to amend title 38, United States Code, to set a termination date for veterans' educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Educational Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of Veterans' Employment Services; and for other purposes.

S. 1283. An act to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes.

S. 1437. An act to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

S. 2150. An act to provide technical and financial assistance for the development of management plans and facilities for the recovery of energy and other resources from discarded materials and for the safe disposal of discarded materials, and to regulate the management of hazardous waste.

S. 2533. An act to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Lake.

S. 2548. An act to revise and extend the provisions of title XII of the Public Health Services Act relating to emergency medical services systems, and for other purposes.

S. 2910. An act to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases.

S. 3063. An act designating Ozark Lock and Dam on the Arkansas River as the "Ozark-Jeta Taylor Lock and Dam".

S. 3091. An act to amend the Forest and Rangeland Renewable Resources Planning Act of 1974, and for other purposes.

S. 3521. An act to expedite a decision on the delivery of Alaska natural gas to United States markets, and for other purposes.

S. 3553. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes.

S. 3823. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

S.J. Res. 209. A joint resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week".

MESSAGES FROM THE PRESIDENT

On October 26, 1976, the following Messages from the President of the United States were received:

The President has pocket vetoed the following:

Effective at midnight, October 12, 1976:

S. 3790, An act for the relief of Camilla A. Hester.

Effective at midnight, October 19, 1976:

S. 2081, An act to provide for furthering the conservation, protection, and enhancement of the Nation's agricultural resources for sustained use, and for other purposes.

Effective at midnight, October 23, 1976:

S. 1437, An act to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

S. 3553, An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes.

S. 3790

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from S. 3790, a private bill which would authorize a civil service survivor annuity retroactive to September 28, 1972, to Mrs. Camilla A. Hester as the widow of the late John A. Hester.

While I am sympathetic to Mrs. Hester's circumstances, S. 3790 unfortunately contains two precedent-setting provisions which I consider very undesirable, not only for future private relief legislation, but also for ordinary claims under the Civil Service Retirement System.

The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester $5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790. I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, those bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

S. 2081

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 2081, the "Agricultural Resources Conservation Act of 1976."

S. 2081 would have required the Federal Government—the Soil Conservation Service of the Department of Agriculture—to appraise the land, water and related resources of the Nation, and to develop a plan and administer a program for the use of private and non-Federal lands.

I have several objections to S. 2081. The bill would set the stage for the creation of a large and costly bureaucracy to "cooperate" with State and local governments and private landowners in an attempt to insure land use in compliance with the master plan. Too often Federal "cooperation"—when accompanied by vast amounts of Federal dollars and a large bureaucracy—becomes Federal "direction."

I am not opposed to providing technical assistance to those who need it. The Federal Government, including the Soil Conservation Service, already does a great deal in the management and protection of our natural resources. My 1977 budget proposal called for outlays in excess of $11 billion for these programs. Included in that amount is over $400 million for the very program administered by the Soil Conservation Service to which this bill is directed.

In addition, the bill would subject the President's statement of policy—a document that would be used in framing Executive Branch budget requests for this program—to a 60-day review period during which either House of Congress may disapprove the statement of policy by simple resolution. This would be contrary to the general principle of separation of power whereby Congress enacts laws but the President and the agencies of government execute them. Furthermore, it would violate Article I, section 7 which requires that resolutions having the force of law be sent to the President for his signature or veto.

In summary, S. 2081 would violate the principles of fiscal responsibility, minimum Federal regulation, separation of powers, and constitutional government, and accordingly, I withhold my approval.

S. 1437

MEMORANDUM OF DISAPPROVAL

I am withholding my approval of S. 1437, the Federal Grant and Cooperative Agreement Act of 1976.

This legislation has a laudable goal—to clarify and rationalize the legal instruments through which the Federal Government acquires property and services and furnishes assistance to State and local governments and other recipients. The bill would establish three categories of legal instruments which Federal agencies would be required to use: procurement contracts, grant agreements, and cooperative agreements. These categories would be defined according to their different purposes.

S. 1437 would also require the Director of the Office of Management and Budget to undertake a study which would (1) "develop a better understanding of alternative means of implementing Federal assistance programs . . .", and (2) ". . . determine the feasibility of developing a comprehensive system of guidance for Federal assistance programs."

The Office of Management and Budget

completed a study, almost a year ago, of the definitions of "grant", "contract" and "cooperative agreement." That study, which has been reviewed by other Federal agencies, public interest groups, and other interested associations and groups, confirmed support for the objectives of this legislation but led to serious questions as to whether at this point legislation is necessary or desirable.

No matter how careful the drafting, a bill which requires thousands of transactions to be placed into one of three categories will probably result, in many cases, in limiting the flexibility of Federal agencies in administering their programs and creating a large number of technical difficulties for them. Federally supported basic research programs would be particularly difficult to classify in terms of the definitions in this bill.

The Office of Management and Budget is continuing to work in this area with the cooperation of other Federal agencies. It plans to issue policy guidance to Federal agencies that would more clearly distinguish between procurement and assistance transactions and to better define patterns of assistance relationships between Federal agencies and funding recipients.

In addition, OMB has been developing more comprehensive guidance for assistance programs, as indicated by the recent circulars issued by the agency establishing uniform administrative requirements for hospitals, universities, and nonprofit grantees. I am directing OMB to continue to emphasize such activities.

Subsequent modifications and refinements can be made in these directives when further operating experience and evaluation suggest they are needed. Such an evolving set of activities in the Executive branch, a step-by-step process which learns from experience, is preferable to another lengthy study as required by this bill.

In view of the extremely complex and changing nature of Federal assistance programs, I believe that Congress should not legislate categories of Federal assistance relationships, but leave the number and nature of such classifications to the Executive branch to determine and implement. If experience from the studies and evaluations now underway demonstrates that legislation is required, that experience would also provide a better foundation for formulating legislation than we have now.

Accordingly, I must withhold my approval of S. 1437.

S. 3553

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 3553, the Foreign Sovereign Immunities Act of 1976, for technical reasons.

In its haste to adjourn, the Congress passed identical Senate and House bills on this subject. At the time the Senate passed the House bill, H.R. 11315, it attempted to vacate its earlier passage of S. 3553 but was unable to do so because it had left the Senate's jurisdiction. The House, unaware that the Senate had passed the House bill, also passed the Senate bill.

In view of the Senate's action in attempting to vacate its passage of S. 3553, there is doubt that S. 3553 has been properly enrolled, and therefore I am separately approving H.R. 11315 and must withhold my approval from S. 3553.

GERALD R. FORD.

THE WHITE HOUSE.

APPOINTMENT OF MEMBERS OF THE COMMISSION ON POSTAL SERVICE

Pursuant to the provisions of section 7(a)(1)(B), Public Law 94-421, the President pro tempore appointed as members of the Commission on Postal Service Mr. James H. Rademacher and Ms. Rose Russell Blakely.

SENATE RESOLUTION 586—SUBMISSION OF A RESOLUTION REORGANIZING THE COMMITTEE SYSTEM OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Under authority of the order of the Senate of September 30, 1976, Mr. STEVENSON and Mr. BROCK (for themselves, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. GRAVEL, Mr. HANSEN, Mr. HATFIELD, Mr. HATHAWAY, Mr. METCALF, Mr. MOSS, Mr. NELSON, and Mr. PACKWOOD) submitted the following resolution on October 15, 1976:

Resolved, That this resolution may be cited as the "Committee System Reorganization Amendments of 1977".

TITLE I—STANDING COMMITTEES JURISDICTION: SIZE

SEC. 101. Rule XXV of the Standing Rules of the Senate is amended by striking out paragraphs 1, 2, and 3 and inserting in lieu thereof the following new paragraphs:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise on matters within their respective jurisdictions:

"(a)(1) Committee on Agriculture and Small Business, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

"1. Agriculture and agricultural commodities.

"2. Inspection of livestock, meat, and agricultural products.

"3. Animal industry and diseases.

"4. Pests and pesticides.

"5. Agricultural extension services and experiment stations.

"6. Forestry.

"7. Agricultural economics and research.

"8. Home economics.

"9. Plant industry, soils, and agricultural engineering.

"10. Farm credit and farm security.

"11. Rural development, rural electrification, and watersheds.

"12. Agricultural production, marketing, and stabilization of prices.

"13. Crop insurance and soil conservation.

"14. Human nutrition.

"15. School nutrition programs.

"16. Food stamp programs.

"17. Small business.

"18. Food from fresh waters and the sea.

"19. Irrigation and reclamation.

"20. Land-use planning.

"21. Regional economic development.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to food, nutrition, and hunger, both in the United States and in foreign countries, and all problems of American small business enterprises and all facts possible in relation thereto which would not only be of public interest, but which would also aid the Congress in enacting remedial legislation, and report thereon from time to time.

"(b) Committee on Appropriations, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in subparagraph (e), appropriation of the revenue for the support of the Government.

"2. Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

"3. The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

"4. New advance spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

"(c)(1) Committee on Armed Services, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. The common defense.

"2. The Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, generally.

3. Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces.

"4. Military research and development.

"5. Selective service system.

"6. Strategic and critical materials necessary for the common defense.

"7. Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

"8. Panama Canal Zone government.

"9. Foreign military sales (joint).

"10. National security aspects of atomic energy.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to the common defense policy of the United States, and report thereon from time to time.

"(d)(1) Committee on Banking, Housing, and Urban Affairs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Banks, banking, and financial institutions.

"2. International finance, including international financial and monetary organizations.

"3. Financial aid to commerce and industry.

"4. Deposit insurance.

"5. Public and private housing (including veterans' housing).

"6. Federal monetary policy, including Federal Reserve System.

"7. Money and credit, including currency and coinage.

"8. Issuance and redemption of notes.

"9. Control of prices of commodities, rents, and services.

"10. Urban development (except for urban mass transit).

"11. Economic stabilization and defense production.

"12. Export controls.

"13. Export and foreign trade promotion.

"14. Nursing home construction.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to international economic policy, defense production and national stockpiles, economic growth, urban affairs, and credit, and report thereon from time to time.

"(e)(1) Committee on the Budget, to which committee shall be referred all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to that committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.

"(2) Such committee shall have the duty—

"(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;

"(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

"(C) to request and evaluate continuing studies of tax expenditures to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

"(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.

"(3) Such committee shall also study and review, on a comprehensive basis, matters relating to economic policy, public and private pension programs, priorities and economies in Government, the annual Economic Report of the President, and the budget data submitted by the President pursuant to section 605 of the Congressional Budget Act of 1974, and report thereon from time to time.

"(f)(1) Committee on Commerce, Science and Transportation, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Interstate commerce.

"2. Transportation.

"3. Regulation of interstate common carriers, including railroads, buses, trucks, vessels, pipelines, and civil aviation.

"4. Merchant marine and navigation.

"5. Coast Guard.

"6. Inland waterways.

"7. Communications.

"8. Regulation of consumer products and services.

"9. Interoceanic canals.

"10. Standards and measurement.

"11. Construction and maintenance of highways. and highway safety.

"12. Urban mass transit.

"13. Scientific engineering and technology research and development.

"14. Nonmilitary aeronautical and space sciences.

"15. Science, engineering, and technology policy.

"16. National Science Foundation.

"(2) Such committee shall also study and review, on a comprehensive basis, all matters relating to science and technology, transportation, communications, and consumer affairs, and report thereon from time to time.

"(g)(1) Committee on Energy and Natural Resources, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Energy policy.

"2. Energy regulation and conservation.

"3. Energy research and development.

"4. Solar energy systems.

"5. Nonmilitary development of nuclear energy.

"6. Naval petroleum reserves.

"7. Oil and gas production and distribution.

"8. Extraction of minerals from outer continental shelf lands.

"9. Energy related aspects of deepwater ports.

"10. Hydroelectric power.

"11. Coal production, distribution, and utilization.

"12. Public lands and forests, including farming and grazing thereon, and mineral extraction therefrom.

"13. National parks, recreation areas, wilderness areas, historical sites, military parks and battlefields, and preservation of prehistoric ruins and objects of interest on the public domain.

"14. Mining, mineral lands, mining claims, and mineral conservation.

"15. Mining education and research.

"16. Native American land management and trust responsibilities.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to energy and resources development, and report thereon from time to time.

"(h)(1) Committee on Environment and Public Works, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Environmental policy.

"2. Environmental research and development.

"3. Oceans, weather, and atmospheric activities.

"4. Fisheries and wildlife.

"5. Coastal zone management.

"6. Outer Continental Shelf lands (except extraction of minerals therefrom).

"7. Ocean dumping.

"8. Solid waste disposal and recycling.

"9. Toxic substances.

"10. Environmental effects of pesticides.

"11. Water resources.

"12. Flood control and improvements of rivers and harbors.

"13. Public works, bridges, and dams.

"14. Water pollution.

"15. Air pollution.

"16. Noise pollution.

"17. Nonmilitary environmental regulation and control of atomic energy.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to environmental protection and resource utilization and conservation, and report thereon from time to time.

"(i)(1) Committee on Finance, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in the Congressional Budget Act of 1974, revenue measures generally.

"2. Except as provided in the Congressional Budget Act of 1974, the bonded debt of the United States.

"3. The deposit of public moneys.

"4. Customs collection districts, and ports of entry and delivery.

"5. Reciprocal trade agreements.

"6. Transportation of dutiable goods.

"7. Revenue measures relating to the insular possessions.

"8. Tariffs and import quotas, and matters related thereto.

"9. National social security.

"10. General revenue sharing.

"(2) Such committee shall also study and review on a comprehensive basis and report thereon from time to time—

"(A) the operations and effects of the internal revenue laws; and

"(B) the revenue policy of the United States.

"(j) (1) Committee on Foreign Relations, to which committee shall be referred all proposed legislation, messages petitions, memorials, and other matters relating to the following subjects:

"1. Relations of the United States with foreign nations generally.

"2. Treaties and executive agreements, except reciprocal trade agreements.

"3. Boundaries of the United States.

"4. Protection of United States citizens abroad and expatriation.

"5. Intervention abroad and declarations of war.

"6. Foreign economic, military, technical, and humanitarian assistance.

"7. United Nations and its affiliated organizations.

"8. Inetrnational conferences and congresses.

"9. Diplomatic service.

"10. Foreign military sales (joint).

"(2) Such committee shall also study and review on a comprehensive basis, matters relating to the national security policy of the United States, and report thereon from time to time.

"(k)(1) Committee on Governmental Affairs to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Except as provided in the Congressional Budget Act of 1974, budget and accounting measures, other than appropriations.

"2. Organization and reorganization of the executive branch of the Government.

"3. Intergovernmental relations.

"4. Government information, including freedom of information.

"5. Municipal affairs of the District of Columbia, except appropriations therefor.

"6. Acquisition of land and buildings for embassies and legations in foreign countries.

"7. Insular possesssions of the United States.

"8. Federal civil service.

"9. Status of officers and employees of the United States, including their classification, compensation and benefits.

"10. Postal service.

"11. Census and collection of statistics, including economic, social, and labor statistics.

"12. Archives of the United States.

"13. Public buildings and grounds.

"14. Federal buildings and parks within the District of Columbia.

"15. United States Capitol and congressional office buildings.

"16. Construction and maintenance of the Botanic Garden, the Library of Congress, and the Smithsonian Institution.

"(2) Such committee shall have the duty of—

"(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the Senate as it deems necessary or desirable in connection with the subject matter of such reports;

"(B) studying the efficiency, economy, and effectiveness of all agencies and departments of the Government;

"(C) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government;

"(D) studying the intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

"(l)(1) Committee on Human Resources, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Measures relating to education, labor, health and public welfare.

"2. Vocational education.

"3. Vocational rehabilitation.

"4. Equal employment opportunity.

"5. Occupational safety and health, including the welfare of miners.

"6. Private pension plans.

"7. Aging.

"8. Railway labor and retirement.

"9. Public health.

"10. Arts and humanities.

"11. Gallaudet College, Howard University, and Saint Elizabeth Hospital.

"12. Biomedical research and development.

"13. Student loans.

"14. Native American education, health, social services, and loan programs.

"15. Veterans' measures, except for housing.

"16. Agricultural colleges.

"17. Overseas education of civilian and military dependents.

"(2) Such committee shall also study and review, on a comprehensive basis, matters relating to health, education and training, aging and the problems of the elderly, income maintenance, and Native American affairs, and report thereon from time to time.

"(m) Committee on the Judiciary, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Judicial proceedings, civil and criminal, generally.

"2. Constitutional amendments.

"3. Federal courts and judges.

"4. Local courts in the territories and possessions.

"5. Revision and codification of the statutes of the United States.

"6. National penitentiaries.

"7. Protection of trade and commerce against unlawful restraints and monopolies.

"8. Holidays and celebrations.

"9. Bankruptcy, mutiny, espionage, and counterfeiting.

"10. State and territorial boundary lines.

"11. Meetings of Congress, attendance of Members, and their acceptance of incompatible offices.

"12. Civil liberties.

"13. Patents, copyrights, and trademarks.

"14. Patent Office.

"15. Immigration and naturalization.

"16. Apportionment of Representatives.

"17. Measures relating to claims against the United States..

"18. Interstate compacts generally.

"(n)(1) Committee on Rules, Administration, and Standards, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Matters relating to the payment of money out of the contingent fund of the Senate or creating a charge upon the same; except that any resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee.

"2. Except as provided in subparagraph (k), matters relating to the Library of Congress, the Government Printing Office, and the Senate Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"3. Except as provided in subparagraph (k), matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"4. Matters relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; Federal elections generally; Presidential succession.

"5. Matters relating to parliamentary rules; floor and gallery rules; Senate Restaurant; administration of the Senate Office Buildings and of the Senate wing of the Capitol; assignment of office space; and services to the Senate.

"6. Matters relating to printing and correction of the Congressional Record.

"(2) Such committee also have the duty of assigning office space in the Senate wing of the Capitol and in the Senate Office Buildings.

"(3) It shall be the duty of such committee to—

"(A) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, and violations of rules and regulations of the Senate, relating to the conduct individuals in the performance of their duties as Members of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

"(B) recommend to the Senate by report or resolution by a majority vote of the full committee disciplinary action to be taken with respect to such violations which the committee shall determine, after according to the individuals concerned due notice and opportunity for hearing, to have occurred;

"(C) recommend to the Senate, by report or resolution, such additional rules or regulations as the committee shall determine to be necessary or desirable to insure proper standards of conduct by Members of the Senate, and by officers or employees of the Senate, in the performance of their duties and the discharge of their responsibilities; and

"(D) report violations by a majority vote of the full committee of any law to the proper Federal and State authorities.

"(4) Such committee shall also—

"(A) make a continuing study of the organization and operation of the Congress of the United States and shall recommend improvements in such organization and operation with a view toward strengthening Congress, simplifying its operations, improving its relationships with other branches of the United States Government, and enabling it better to meet its responsibilities under the Constitution of the United States; and

"(B) identify any court proceeding or action which, in the opinion of the Committee, is of vital interest to the Congress as a constitutionally established institution of the Federal Government and call such proceeding or action to the attention of the Senate.

"2. Each standing committee may study and review tax expenditures related to subject matters within its jurisdiction, and submit reports and its recommendations with respect thereto.

"3. Except as otherwise provided by paragraph 6 of this rule, the standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

Committee	Members
Agriculture and Small Business	15
Appropriations	22
Armed Services	15
Banking, Housing and Urban Affairs	15
Budget	15
Commerce, Science, and Transportation	17
Energy and Natural Resources	17
Environment and Public Works	15
Finance	15
Foreign Relations	15
Governmental Affairs	15
Human Resources	15
Judiciary	15
Rules, Administration, and Standards	9.".

TITLE II—COMMITTEE ASSIGNMENTS: CHAIRMANSHIPS

SEC. 201. (a) Paragraph 6 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"6. (a) Except as otherwise provided by this paragraph—

"(1) each Senator shall serve on two and no more standing committees; and

"(2) each Senator may serve on only one select, special, or ad hoc committee of the Senate or joint committee of the Congress.

"(b)(1) Each Senator may serve on not more than two subcommittees of each standing committe of which he is a member.

"(2) Each Senator may serve on only one subcommittee of each select, special, or ad hoc committee of the Senate or joint committee of the Congress of which he is a member.

"(3) No standing, select, special, or ad hoc committee of the Senate may establish any sub-unit of that committee other than a subcommittee, unless the Senate by resolution has given permission therefor. For purposes of this subparagraph, any sub-unit of a joint committee shall be treated as a subcommittee.

"(c) By agreement entered into by the majority leader and the minority leader, the membership of one or more standing committees may be increased temporarily from time to time by such number or numbers as may be required to accord to the majority party a majority of the membership of all standing committees. When any such temporary increase is necessary to accord to the majority party a majority of the membership of all standing committees, members of the majority party in such number as may be required for that purpose may serve as members of three standing committees. No such temporary increase in the membership of any standing committee under this subparagraph shall be continued in effect after the need therefor has ended. No standing committe may be increased in membership under this subparagraph by more than two members in excess of the number prescribed for that committee by paragraph 3 of this rule.

"(d) Any Senator who by reason of his being chairman of a standing committee is required by law to serve on more than one joint committee of the Congress may serve on each such joint committee, but such Senator may not serve on any select, special, or ad hoc committee of this Senate.

"(e)(1) No Senator shall serve at any time as chairman of more than one standing, select, special, or ad hoc committee of the Senate or joint committee of the Congress.

"(2) No Senator shall serve at any time as chairman of more than one subcommittee of each standing, special, select, or ad hoc committee of the Senate or joint committee of the Congress of which he is a member.

"(f) Until that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed—

"(1) membership on the Committee on the Budget shall not be taken into account for purposes of subparagraph (a)(1); and

"(2) the Committee on the Budget shall be treated as a committee referred to in subparagraph (a)(2).".

(b) Rule XVI of the Standing Rules of the Senate is amended by striking out paragraph 6.

(c)(1) Section 2 of Senate Resolution 400, Ninety-fourth Congress, is amended—

(A) by striking "paragraph 6(f)" in the last sentence of subsection (c) and inserting in lieu thereof "paragraph 6(e)(1)"; and

(B) by striking out subsection (d).

(2) On that date occurring during the first session of the Ninety-sixth Congress upon which the appointment of the majority and minority members of the standing committees is initially completed, Senate Resolution 400, Ninety-fourth Congress, is repealed.

(3) Not later than July 1, 1978, the Committee on Governmental Affairs shall report to the Senate a resolution concerning the disposition of the jurisdiction and functions of the Select Committee on Intelligence.

(d)(1) Not later than July 1, 1977, the appropriate standing committees shall report legislation terminating the statutory authority of the following joint committees of the Congress and transferring their functions to the appropriate standing committees of the Senate and the House of Representatives (to the extent such functions are not then vested in such standing committees) or other appropriate bodies:

(A) Joint Committee on Atomic Energy;

(B) Joint Committee on Congressional Operations;

(C) Joint Committee on Defense Production;

(D) Joint Economic Committee;

(E) Joint Committee on the Library;

(F) Joint Committee on Printing; and

(G) Joint Committee on Internal Revenue Taxation.

No proposed legislation shall be referred in the Senate to any joint committee of the Congress and no proposed legislation reported by any such joint committee shall be received in the Senate.

(2) Not later than July 1, 1977, the appropriate standing committees shall report legislation establishing a Congressional Revenue Office, to be staffed initially by the staff of the Joint Committee on Internal Revenue Taxation and to be primarily responsible to the Committee on Ways and Means and the Committee on Finance.

(3) Until the termination of the joint committees referred to in paragraph (1), vacancies occurring in the Senate membership of any such joint committee shall be filled, consistent with the provisions of paragraph 6 of rule XXV of the Standing Rules of the Senate, by the appointment of Senators who are members of the standing committees of the Senate which have jurisdiction over the subject matters with respect to which such joint committee exercises its functions. The preceding sentence shall not apply (but paragraph 6 of rule XXV of the Standing Rules of the Senate shall apply) to any joint committee the Senate members of which are required by law to be appointed from one or more specified standing committees of the Senate.

(e) Senate Resolution 58, Eighty-first Congress, and Senate Resolution 338, Eighty-eighth Congress, are repealed.

(f) It is the sense of the Senate that in appointing Senators to the standing committees pursuant to the Standing Rules of the Senate (as amended by this resolution) and in establishing seniority of Senators on such standing committees, first and full consideration should be given to those Senators who, on October 1, 1976, were serving as chairmen and ranking minority members of standing committees whose jurisdictions are transferred to, or consolidated in, other standing committees and as chairmen and ranking minority members of select or special committees and subcommittees of standing committees whose jurisdictions and functions are so transferred or consolidated.

TITLE III—MULTIPLE REFERRAL OF PROPOSED LEGISLATION; ESTABLISHMENT OF AD HOC COMMITTEES

SEC. 301. (a) Rule XXVI of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. (a) Except as provided in this paragraph and paragraph 4, in any case in which a controversy arises as to the jurisdiction of any committee of the Senate with respect to any proposed legislation, the question of jurisdiction shall be decided by the presiding officer of the Senate, without debate, in favor of that committee which has jurisdiction over the subject matter which predominates in such proposed legislation; but such decision shall be subject to an appeal.

"(b)(1) Upon motion by the Majority Leader or his designee made for himself and the Minority Leader or his designee, proposed legislation may be referred to two or more committees jointly or sequentially. Notice of such motion and the proposed legislation to which it relates shall be printed in the Congressional Record. The motion shall be privileged, but it shall not be in order until the Congressional Record in which the notice is printed has been available to Senators for at least twenty-four hours. No amendment to any such motion shall be in order except amendments to any instructions contained therein. Debate on any such motion, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than two hours, the time to be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(2) Proposed legislation which is referred to two or more committees jointly may be reported only by such committees jointly and only one report may accompany any proposed legislation so jointly reported.

"(3) A motion to refer any proposed legislation to two or more committees sequentially shall specify the order of referral.

"(4) Any motion under this subparagraph may specify the portion or portions of proposed legislation to be considered by the committees, or any of them, to which such proposed legislation is referred, and such committees or committee shall be limited, in the consideration of such proposed legislation, to the portion or portions so specified.

"(5) Any motion under this subparagraph may contain instructions with respect to the time allowed for consideration by the committees, or any of them, to which proposed legislation is referred and the discharge of such committees, or any of them, from further consideration of such proposed legislation.".

(b) Section 137 of the Legislative Reorganization Act of 1946 is repealed.

SEC. 302. Rule XXVI of the Standing Rules of the Senate (as amended by section 301 of this resolution) is amended by adding at the end thereof the following new paragraph:

"4. (a) A resolution submitted by the Majority Leader or his designee for himself and the Minority Leader or his designee which establishes an ad hoc committee to consider proposed legislation which falls within the jurisdiction of two or more committees of the Senate and which conforms to the requirements of this paragraph shall be privileged. Any such resolution shall—

"(1) specify the subject matter or matters over which the ad hoc committee shall have jurisdiction;

"(2) specify the number of members to serve on the ad hoc committee;

"(3) provide that the members of the ad hoc committee from the majority party shall be appointed by the Majority Leader, after consultation with the chairmen of the committees whose jurisdiction is involved (which committees shall be named in the resolution);

"(4) provide that the members of the ad hoc committee from the minority party shall be appointed by the Minority Leader, after consultation with the ranking minority members of the committees whose jurisdiction is involved;

"(5) provide that the Majority Leader shall appoint the chairman of the ad hoc committee;

"(6) provide that the expenses of the ad hoc committee shall be paid out of the contingent fund of the Senate, and specify any limitation on the amount of such expenses; and

"(7) specify the period of existence of the ad hoc committee, which shall not extend beyond the end of the Congress in which it is established.

"(b)(1) A resolution described in subparagraph (a) shall not be referred to a committee but shall be placed on the calendar under the heading "General Orders", and shall be printed in the Congressional Record. It shall be in order after the third day following the introduction of any such resolution, but not before, to move to proceed to its consideration. Debate on any such motion, and all debatable motions and appeals in connection therewith, shall be limited to not more than one hour, the time to be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(2) Debate on any such resolution, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than five hours, the time to be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

"(c) Notwithstanding paragraph 1 of rule XXV and paragraph 3 of this rule, all proposed legislation relating to the subject matter or matters over which an ad hoc committee established pursuant to subparagraph (a) has jurisdiction (as specified in the resolution establishing that ad hoc committee) shall be referred to that ad hoc committee.

"(d) An ad hoc committee established pursuant to this paragraph shall have power to report proposed legislation and shall have the powers conferred upon standing committees by section 134(a) of the Legislative Reorganization Act of 1946. The provisions of section 133 of the Legislative Reorganization Act of 1946 shall apply to any such ad hoc committee. For purposes of the Standing Rules and other rules of the Senate (including provisions of the Legislative Reorganization Act of 1946 enacted as rules of the Senate), an ad hoc committee established pursuant to this paragraph shall be treated as a special committee of the Senate.

"(e) With the approval of the chairman and ranking minority member of the committee concerned, an ad hoc committee established pursuant to this paragraph may utilize the personnel, services, and facilities of any other committee of the Senate.

"(f) Beginning with the day on which a resolution described in subparagraph (a) is introduced and until such resolution is disposed of, any proposed legislation introduced which involves any of the subject matters specified in such resolution shall not be referred to a committee, but shall be printed in the Congressional Record of the day on which introduced.".

TITLE IV—SCHEDULING OF COMMITTEE MEETINGS

SEC. 401. (a) Under the supervision and direction of the Majority Leader, the Minority Leader, and the Committee on Rules, Administration, and Standards, the Secretary of the Senate shall establish and maintain a computerized schedule of all meetings of committees of the Senate and subcommittees thereof, and of all meetings of joint committees of the Congress (including committees of conference) and subcommittees thereof. Such schedule shall be maintained on-line to terminals in the offices of all Senators, committees of the Senate, and permanent joint committees of the Congress, and shall be up-dated hourly.

(b) Each committee of the Senate, and each subcommittee thereof, shall notify the Secretary of the Senate of each meeting of such committee or subcommittee, including the time period or periods (as prescribed in paragraph 9 of rule XXV of the Standing Rules of the Senate), the place, and the purpose of such meeting. The Senate members of any joint committee of the Congress or of a subcommittee thereof shall cause notice to be given to the Secretary of the Senate of each meeting of such joint committee or subcommittee, including the time, place, and purposes of such meeting. Notice under this subsection shall be given immediately upon scheduling a meeting.

(c) Each committee of the Senate, and each subcommittee thereof, shall notify the Secretary of the Senate immediately upon the cancellation of a meeting of such committee or subcommittee. The Senate members of any joint committee of the Congress or any subcommittee thereof shall cause notice to be given to the Secretary of the Senate immediately upon the cancellation of a meeting of such joint committee or subcommittee.

(d) Until appropriations are made therefor, the expenses incured in carrying out the provisions of this section shall be paid from the contingent fund of the Senate on vouchers signed by the Secretary of the Senate.

SEC. 402. (a) Subparagraph (a) of paragraph 7 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(a) No committee of the Senate or any subcommittee thereof may meet, without special leave, after the conclusion of the first two hours after a meeting of the Senate has commenced and in no case after two o'clock postmeridian unless consent therefor has been obtained from the Majority Leader and the Minority Leader (or in the event of the absence of either of such Leaders, from his designee). The prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget. The Senate members of any joint committee of the Congress (other than a committee of conference) may not, without special leave, attend any meeting of the joint committee or any subcommittee thereof after the conclusion of the first two hours after a meeting of the Senate has commenced and in no case after two o'clock postmeridian unless consent therefor has been obtained from the Majority Leader and the Minority Leader (or in the event of the absense of either of such Leaders, from his designee). The Majority Leader or his designee shall announce to the Senate whenever consent has been given under this subparagraph.".

(b) Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"9. Morning meetings of committees of the Senate and subcommittees thereof shall be scheduled for one or both of the periods prescribed in this paragraph. The first period shall end at eleven o'clock antemeridian. The second period shall begin at eleven o'clock antemeridian and end at two o'clock postmeridian.".

(c) Section 134(c) of the Legislative Reorganization Act of 1946 is repealed.

SEC. 403. (a) The Majority Leader shall, from time to time and as far in advance as is practicable, announce to the Senate those days on which he plans to have the Senate meet and the hour at which he plans to have the Senate meet on each day. In order to provide the maximum amount of time for meetings of committees, the Senate should meet only on as many days as are necessary for the proper conduct of its business and to comply with the Constitution of the United States, and should not meet on any day before the hour regularly prescribed for commencement of daily sessions unless the business of the Senate so requires.

(b) Paragraph 3 of rule VII of the Standing Rules of the Senate is amended by striking "until the hour of 1 o'clock has arrived" and inserting in lieu thereof "until the conclusion of one hour after the meeting of the Senate was commenced".

(c) Rule VIII of the Standing Rules of the Senate is amended by striking out "2 o'clock" in paragraphs 1 and 2 and inserting in lieu thereof "the conclusion of two hours after the meeting of the Senate was commenced".

(d) Rule XII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. Any roll call vote ordered during the first two hours of a daily meeting of the Senate shall not be held before two o'clock post meridiem unless ordered otherwise by the Senate, on a previous calendar day, by a majority vote or by unanimous consent.".

TITLE V—CONTINUING REVIEW OF THE COMMITTEE SYSTEM

SEC. 501. (a) The Majority Leader and the Minority Leader shall review, on a continuing basis, the committee system of the Senate and the standing rules and other rules of the Senate related thereto.

(b) During the second regular session of each Congress, the Majority Leader and the Minority Leader shall submit to the Senate a report of the results of their review under subsection (a) during that Congress. Such report shall include their recommendations (if any) for changes in the committee system of the Senate and the standing rules and other rules of the Senate related thereto. The Majority Leader and the Minority Leader may submit, from time to time, such other reports and recommendations with respect to such committee system and rules as they deem appropriate.

(c) At the request of the Majority Leader or Minority Leader, the Secretary of the Senate, the Secretary for the Majority, and the Secretary for the Minority shall provide such assistance as may be requested to assist them in carrying out their duties and responsibilities under this section.

TITLE VI—AMENDMENTS NOT WITHIN A COMMITTEE'S JURISDICTION

SEC. 601. The Standing Rules of the Senate are amended by adding at the end thereof the following new rule:

"RULE XLV—COMMITTEE AMENDMENTS NOT WITHIN ITS JURISDICTION

"1. A committee shall not report any bill or resolution with any proposed committee amendment (other than a technical, clerical, or conforming amendment) which contains any matter not within the jurisdiction of that committee. If any bill or resolution is reported to the Senate with any such proposed committee amendment, a point of order may be made against the bill or resolution and, if the point is sustained, the bill or resolution shall be recommitted to the committee which reported it.

"2. Paragraph 1 shall not apply to an appropriation bill or resolution reported by the Committee on Appropriations.".

TITLE VII—MISCELLANEOUS

SEC. 701. This resolution and the amendments to the Standing Rules of the Senate made by this resolution shall take effect on the thirtieth day after the day on which this resolution is agreed to.

SEC. 702. To the extent necessary to carry out the provisions of paragraph 1 of rule XXV of the Standing Rules of the Senate (as amended by title I of this resolution), all proposed legislation and nominations referred before the effective date of this resolution to the standing committees of the Senate shall be rereferred on such effective date to the appropriate standing committees.

SEC. 703. Any reference in any rule, resolution, or order of the Senate or in any law, regulation, or executive order to any standing committee of the Senate (as such committees were constituted before the effective date of this resolutuion) shall, after such effective date, be considered as referring to the appropriate standing committee established by paragraph 1 of rule XXV of the Standing Rules of the Senate (as amended by title I of this resolution).

APPROVAL OF BILLS AND JOINT RESOLUTIONS—MESSAGE FROM THE PRESIDENT

A message from the President of the United States received on October 26, 1976, stated that he had approved and signed the following bills and joint resolutions:

September 30, 1976:

S. 522, An Act to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes.

October 1, 1976:

S. 1404, An Act for the relief of Mrs. Kyong Chu Stout.

S. 1477, An Act for the relief of Beatrice Serrano-Toledo.

S. 1787, An Act for the relief of Maria Lisa R. Manalo, and Rogena R. Manalo.

S. 2090, An Act to make the provisions of section 1331(e) of title 10, United States Code, retroactive to November 1, 1953.

S. 2220, An Act to authorize and direct the Secretary of the Interior to reinstate oil and gas lease New Mexico 18302.

S. 2481, An Act for the relief of Oscar Rene Hernandez Rustrian.

S. 2668, An Act for the relief of Arturo Moreno Hernandez.

S. 2770, An Act for the relief of Anthony Augustus Daley and Beverly Evelyn Daley.

S. 2830, An Act for the relief of Gary A. Broyles.

S. 2956, An Act for the relief of Teresa Marie Salman.

S. 3052, An Act to authorize orientation and language training for families of certain officers and employees of the Department of Agriculture.

S. 3095, An Act to increase the protection of consumers by reducing permissible deviations in the manufacture of articles made in whole or in part of gold.

October 2, 1976:

S. 2322, An Act for the relief of Lee Mee Sun.

October 4, 1976:

S. 3651, An Act to amend the Alaska Native Claims Settlement Act to provide for the withdrawal of lands for the village of Klukwan, Alaska, and for other purposes.

October 5, 1976:

S. 866, An Act for the relief of Patrick Andre Tasselin.

S. 3734, An Act to approve the sale of certain naval vessels, and for other purposes.

October 7, 1976:

S. 3430. An Act to amend the Act approved August 18, 1970, providing for improvement in the administration of the National Park System by the Secretary of the Interior and clarifying authorities applicable to the National Park System, and for other purposes.

October 8, 1976:

S. 2981, An Act to authorize appropriations for the Indian Claims Commission for fiscal year 1977, and for other purposes.

S. 3146, An Act for the relief of Leo J. Conway.

S. 3380, An Act for the relief of Miss Mary Vance Trent.

S. 3485, An Act for the relief of Orlando Garzón.

S. 3843, An Act to name the Visitors' Center at Sleeping Bear Dunes National Lakeshore the "Philip A. Hart Visitors' Center".

October 11, 1976:

S. 14, An Act to provide cost-of-living adjustments in retirement pay of certain Federal judges.

S. 1971, An Act to designate the plaza area of the Federal Building, Portland, Oregon, the "Terry Schrunk Plaza".

S. 2618, An Act for the relief of Chea Hyo Suk.

S. 2839, An Act to supplement the authority of the President to collect regular and periodic information on international investment.

S. 2942, An Act for the relief of Kenrick Withington Brookes (also known as Kenrick Withington Clifton.)

S. 2991, An Act to amend the Hazardous Materials Tranportation Act to authorize appropriations, and for other purposes.

S. 3050, An Act to authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis.

S. 3149, An Act to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes.

S. 3757, An Act for the relief of Walter Louis Laqueur and his wife Barbara Auguste Helene Koch Laqueur.

October 12, 1976:

S.J. Res. 181, Joint Resolution to authorize the erection of the American Legion's Freedom Bell on lands of the park system of the District of Columbia, and for other purposes.

S. 1414, An Act to amend the Commercial Fisheries Research and Development Act of 1964 to change certain procedures in order to improve the operation of the programs under such Act and to make the Trust Territory of the Pacific Islands eligible to participate in such programs.

S. 1506, An Act to amend the Wild and Scenic Rivers Act, and for other purposes.

S. 2228, An Act to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a three-year period.

S. 2657, An Act to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes.

S. 3035, An Act for the relief of Alice W. Olson, Lisa Olson Hayward, Eric Olson, and Nils Olson.

October 13, 1976:

S. 3383, An Act to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes.

October 14, 1976:

S.J. Res. 126, Joint Resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

S.J. Res. 209, Joint Resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week".

S. 3441, An Act to authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery and to study and formulate proposals for renovation and permanent maintenance of such sections by the United States.

October 15, 1976:

S. 726, An Act to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho.

S. 969, An Act to amend title 38, United States Code, to set a termination date for veterans' educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Educational Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of Veterans' Employment Service; and for other purposes.

S. 999, An Act to designate the Federal office building located in Dover, Delaware, as the "J. Allen Frear Building".

S. 1365, An Act to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands.

S. 2212, An Act to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes.

S. 3556, An Act for the relief of Marciano Santiago and his wife, Eleanor L. Santiago.

S. 3682, An Act for the relief of Doctor Oscar J. Briseno.

S. 3683, An Act for the relief of Doctor Juan Bautista Lopez Ruiz.

October 17, 1976:

S. 400, An Act to authorize the study of certain areas by the Secretaries of Agriculture and the Interior.

S. 2112, An Act to amend the National Trails System Act (82 Stat. 919), and for other purposes.

S. 2798, An Act to eliminate a restriction on use of certain lands conveyed to the city of Yakutat, Alaska.

S. 2923, An Act to amend title 28 of the United States Code to provide that full-time United States magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates.

S. 3667, An Act for the relief of Song Chan Ki.

October 18, 1976:

S. 865, An Act to amend the Public Buildings Act of 1959 in order to preserve buildings of historical or architectural significance through their use for Federal public building purposes, and to amend the Act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped.

S. 1659, An Act to provide for the disposition of funds appropriated to pay a judgement in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes.

S. 2398, An Act to authorize the establishment of the Eugene O'Neill National Historic Site, to provide for a cooperative agreement in the operation of the Cherokee Strip Living Museum and for other purposes.

S. 2533, An Act to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Lake.

S. 3063, An Act designating Ozark Lock and Dam on the Arkansas River as the "Ozark-Jeta Taylor Lock and Dam".

S. 3557, An Act to authorize the obligation and expenditure of funds to implement for fiscal year 1977 the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976, and other purposes.

S. 3621, An Act to amend the International Claims Settlement Act of 1949 to provide for the determination of the validity and amounts of claims of nationals of the United States against the German Democratic Republic.

October 19, 1976:

S. 12, An Act to amend section 376 of title 28, United States Code, in order to reform and update the existing program for annuities to survivors of Federal Justices and judges.

S. 22, An Act for the general revision of the Copyright Law, title 17 of the United States Code, and for other purposes.

S. 64, An Act to provide for the recognition of the States of Alaska and Hawaii at the Lincoln National Memorial, and for other purposes.

S. 1026, An Act to designate certain lands as wilderness.

S. 2278, An Act, The Civil Rights Attorney's Fees Awards Act of 1976.

S. 2910, An Act to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases.

S. 3131, An Act to amend the Rail Passenger Service Act to provide financing for the National Railroad Passenger Corporation, to amend the Regional Rail Reorganization Act of 1973 to increase the amount of loan authority under section 211(h)(1) of such Act, and for other purposes.

S. 3894, An Act to amend the Federal Water Pollution Control Act, as amended.

October 21, 1976:

S. 507, An Act to establish public land policy; to establish guidelines for its administration; to provide for the management, protection, development, and enhancement of the public lands; and for other purposes.

S. 800, An Act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes.

S. 1283, An Act to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes.

S. 2150, An Act to provide technical and financial assistance for the development of management plans and facilities for the recovery of energy and other resources from discarded materials and for the safe disposal of discarded materials, and to regulate the management of hazardous waste.

S. 2548, An Act to revise and extend the provisions of title XII of the Public Health Services Act relating to emergency medical services systems, and for other purposes.

October 22, 1976:

S. 3091, An Act to amend the Forest Rangeland Renewable Resources Planning Act of 1974, and for other purposes.

S. 3521, An Act to expedite a decision on the delivery of Alaska natural gas to United States markets, and for other purposes.

S. 3823, An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

NOMINATIONS

Executive nominations received by the Senate, October 1, 1976:

PUBLIC HEALTH SERVICE

The following-named persons to be Members of the Board of Regents of the National Library of Medicine, Public Health Service, for the terms indicated:

For a term expiring August 3, 1978:

Julio E. Figueroa, of Louisiana, vice John Phillip McGovern, term expired; and

Francis X. Scannell, of Michigan, vice J. Stanley Marshall, term expired.

For a term expiring August 3, 1979:

Neva Martin Abelson, of the District of Columbia, vice Susan N. Crawford, term expired; and

Charles Huggins, of Illinois, vice Bernice M. Hetzner, term expired.

For a term expiring August 3, 1980:

Clara M. Ambrus, of New York, vice Ethel Weinberg, term expired; and

John A. Hill, of Connecticut, vice William N. Hubbard, Jr., term expired.

IN THE MARINE CORPS

Warrant Officer Truman W. Crawford, USMC, for appointment to the grade of

Captain (temporary) in accordance with Article II, Section 2, clause 2 of the Constitution while serving as the Director of the Marine Corps Drum and Bugle Corps.

IN THE AIR FORCE

The following persons for appointment as Reserve of the Air Force in the grade indicated, under the provisions of section 593, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Allen, Frank R., [redacted].
Ariagno, Richard P., [redacted].
Baker, Mason R., [redacted].
Davis, John B., [redacted].
Dean, Gilbert O., Jr., [redacted].
Gigliotti, Anthony C., [redacted].
Houts, Richard E., [redacted].
Kerwood, Robert I., [redacted].
Labarre, Gary C., [redacted].
Lapan, Joseph, [redacted].
Levy, Richard A., [redacted].
Limanni, Charles, [redacted].
Mamawal, Mauro B., [redacted].
Miller, James B., [redacted].
Morse, Harry R., [redacted].
Nathan, Lester A., [redacted].
Pantoja, Enrique, [redacted].
Shillinglaw, Richard G., [redacted].
Watters, John A., Jr., [redacted].
Wilkins, Frederick M., [redacted].

DENTAL CORPS

To be lieutenant colonel

Maestrelli, Raymond C., [redacted].

The following named persons for appointment in the Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593 and 8351B, Title 10, United States Code, with a view to designation as Medical Officers, under the provisions of section 8067, Title 10, United States Code:

MEDICAL CORPS

To be lieutenant colonel

Mattingly, Thomas E., Jr., [redacted].
Smith, Robert L., [redacted].

The following persons for appointment as Temporary officers in the United States Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Allen, Frank R., [redacted].
Ariagno, Richard P., [redacted].
Baker, Mason R., [redacted].
Balletti, Albert A., [redacted].
Chi, Yong-Min, [redacted].
Davis, John B., [redacted].
Dean, Nowlan K., [redacted].
Gigliotti, Anthony C., [redacted].
Houts, Richard E., [redacted].
Kerwood, Robert I., [redacted].
Lapan, Joseph, [redacted].
Levy, Richard A., [redacted].
Liest, Edward J., [redacted].
Limanni, Charles, [redacted].
Luz, Pablito S., [redacted].
Mamawal, Mauro B., [redacted].
McMullen, Douglas B., [redacted].
Merwin, Ronnie R., [redacted].
Morse, Harry R., [redacted].
Nobles, Travis, [redacted].
Pantoja, Enrique, [redacted].
Pettit, John W., [redacted].
Pinto, Benjamin F., [redacted].
Rodriguez, Aurora J., [redacted].
Shillinglaw, Richard G., [redacted].
Torner, James S., [redacted].
White, Nelson P. H., [redacted].
Wilkins, Frederick M., [redacted].

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, Title 10, United States Code:

MEDICAL CORPS

Lieutenant colonel to colonel

Odell, Stanley E., [redacted].
Resnick, Nolan, [redacted].

LINE OF THE AIR FORCE

Major to lieutenant colonel

Cinton, Richard E., [redacted].
Davidson, Vernon L., [redacted].
Katz, Norman E., [redacted].

MEDICAL CORPS

Arroyoscotoliff, Hector A., [redacted].
Bedingfield, John R., Jr., [redacted].
Beineke, Daniel D., [redacted].
David, James C., [redacted].
Garcia, Raymond L., [redacted].
Mapes, Donald L., [redacted].
Netreba, Jules L., [redacted].
Otte, Carl W., [redacted].
Reeves, Homer L., [redacted].
Shanklin, Kenneth D., [redacted].
Slaton, James K., [redacted].
Trevino, Saul G., [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate October 1, 1976:

FEDERAL ENERGY ADMINISTRATION

Michael F. Starr, of Louisiana, to be Director, Intergovernmental, Regional and Special Programs, Federal Energy Administration.

FEDERAL COUNCIL ON THE AGING

The following-named persons to be members of the Federal Council on the Aging for terms expiring June 5, 1978:

Bertha S. Adkins, of Maryland.
Mrs. John William Devereux, of Hawaii.
John B. Martin, of Maryland.
Harry Holland, of Arizona.
Nat T. Winston, Jr., of Tennessee.

Charles J. Fahey, of New York, to be a member of the Federal Council on the Aging for a term expiring June 5, 1979.

NATIONAL COUNSEL ON EDUCATIONAL RESEARCH

The following-named persons to be members of the National Council on Educational Research for terms expiring June 11, 1979:

John E. Corbally, of Illinois.
Jewel Lafontant, of Illinois.

ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the Advisory Council on Women's Educational Programs for terms expiring May 8, 1979:

Marjorie Bell Chambers, of New Mexico.
Jon W. Fuller, of Michigan.
Marguerite C. Selden, of the District of Columbia.
Agnes I. Chan, of California.
Thera C. Johnson, of Utah.
Elizabeth Z. Fryer, of Tennessee.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

David M. deWilde, of the District of Columbia, to be President, Government National Mortgage Association.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

DISTRICT OF COLUMBIA COURT OF APPEALS

Theodore R. Newman, Jr., of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years.

U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Leroy J. Manor, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE AIR FORCE, ARMY, NAVY, MARINE CORPS, AND COAST GUARD

Air Force nominations beginning Thomas J. Accamando, to be first lieutenant, and ending Michael G. Yochmowitz, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 22, 1976.

Army nominations beginning Homer J. Allbritton, to be colonel, and ending Donald E. Carr, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on September 24, 1976.

Navy nominations beginning Arboth A. Rylant, to be lieutenant, and ending Richard A. Monteith, to be a permanent lieutenant (j.g.) and temporary lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 20, 1976.

Marine Corps nominations beginning Mark W. Adams, to be captain, and ending Frances C. Wilson, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on September 29, 1976.

Coast Guard nominations beginning Michael E. McKaughan, to be lieutenant commander, and ending Gregory W. Westrup, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the Congressional Record on September 16, 1976.

HOUSE OF REPRESENTATIVES—*Friday, October 1, 1976*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord bless you and keep you.—Numbers 6: 24.

O God, who art the Creator and the Sustainer of life, we pause in Thy presence as we draw near the end of the 94th Congress to acknowledge our dependence upon Thee and to offer unto Thee the devotion of our hearts. Bless to our use the faults and the failures of the past 2 years and pardon the spirit which too often has been their cause. Bless to us the successes and the solutions which have spurred us on in our endeavors on behalf of our country, and keep us humble in our acceptance of them.

Now as we depart, some to return and some not to return, go Thou with us. In Thee may we find strength for each day, wisdom for each decision, peace in every heart, and love for every person.

We pray that the life of our Nation may be built upon the spirit of justice, truth, and good will and increasingly through the years be an honor to Thee and to all mankind.

May the Lord bless you and keep you now and forever more. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval therof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 3605. An act to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer);

H.R. 4654. An act for the relief of Day's Sportswear, Inc.;

H.R. 10073. An act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes;

H.R. 10826. An act to amend the act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement;

H.R. 11809. An act for the relief of Ljudevit Previc;

H.R. 12118. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes;

H.R. 13615. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 13964. An act for the relief of Jeanette Green, as mother of the minor child, Ricky Baker, deceased, and as widow and administratrix of the estate of Enoch Odell Baker, deceased; and for the relief of Mary Jane Baker Nolan, individually, and as widow and administratrix of the estate of John William Baker, deceased;

H.R. 14503. An act to name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office";

H.R. 14886. An act to revise the appropriation authorization for the Presidential Transition Act of 1963, and for other purposes;

H.R. 15059. An act to amend the Emergency Livestock Credit Act of 1974;

H.R. 15246. An act to amend the Service Contract Act of 1965 to provide that all employees, other than bona fide executive, administrative, or professional employees, shall be considered to be service employees for purposes of such Act, and for other purposes; and

H. Con. Res. 767. Concurrent resolution directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 5546.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2212) entitled "An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and for other purposes."

The message also announced that the Senate having proceeded to reconsider the bill (H.R. 14232) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes," returned by the President of the United States, with his objections, to the House of Representatives, in which it originated, and passed by the House of Representatives on reconsideration of the same, it was resolved, that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1026. An act to designate certain lands as wilderness;

S. 2150. An act to amend the Solid Waste Disposal Act to authorize State program and implementation grants, to provide incentives for the recovery of resources from solid wastes, to control the disposal of hazardous wastes, and for other purposes; and

S. 2923. An act to amend title 28 of the United States Code to provide that full-time U.S. magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes;

H.R. 10841. An act to amend the Intercoastal Shipping Act, 1933, and for other purposes;

H.R. 15136. An act to authorize appropriations for construction of facilities on Guam, and for other purposes; and

H.R. 15563. An act to amend the act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes.

The message also announced that the Senate had passed bills, joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 3667. An act for the relief of Song Chan Ki;

S. 3553. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

S.J. Res. 209. Joint resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week"; and

S. Con. Res. 208. Concurrent resolution authorizing the printing of additional copies of the Joint Economic Committee print entitled "Soviet Economy in a New Perspective."

CONFERENCE REPORT ON H.R. 10210, UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1976

Mr. ULLMAN submitted the following conference report and statement on the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–1745)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 3, 11, 12, 14, 17, 18, 19, 21, 29, 30, 33, 36, 37, 38, 39, 40, 41, 43, 44, 45, and 46, and agree to the same.

That the Senate recede from its amendments numbered 2, 5, 6, 7, 8, 9, 10, 13, 16, 20, 22, 26, 27, 28, 34, 35, and 52.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and on page 2 of the House bill after line 3 insert the following:

SEC. 111. COVERAGE OF CERTAIN AGRICULTURAL EMPLOYMENT.

(a) NONCASH REMUNERATION.—Section 3306 (b) of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "or" at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(11) remuneration for agricultural labor paid in any medium other than cash.".

(b) COVERAGE OF AGRICULTURAL LABOR.—Paragraph (1) of section 3306(c) of such Code (defining employment) is amended to read as follows:

"(1) agricultural labor (as defined in subsection (k)) unless—

"(A) such labor is performed for a person who—

"(i) during any calendar quarter in the calendar year or the preceding calendar year paid remuneration in cash of $20,000 or more to individuals employed in agricultural labor (not taking into account labor performed before January 1, 1980, by an alien referred to in subparagraph (B)), or

"(ii) on each of some 20 days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed in agricultural labor (not taking into account labor performed before January 1, 1980, by an alien referred to in subparagraph (B)) for some portion of the day (whether or not at the same moment of time) 10 or more individuals; and

"(B) such labor is not agricultural labor performed before January 1, 1980, by an individual who is an alien admitted to the United States to perform agricultural labor pursuant to sections 214 (c) and 101(a)(15) (H) of the Immigration and Nationality Act;".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

SEC. 112. TREATMENT OF CERTAIN FARMWORKERS.

(a) GENERAL RULE.—Section 3306 of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(o) SPECIAL RULE IN CASE OF CERTAIN AGRICULTURAL WORKERS.—

"(1) CREW LEADERS WHO ARE REGISTERED OR PROVIDE SPECIALIZED AGRICULTURAL LABOR.—For purposes of this chapter, any individual who is a member of a crew furnished by a crew leader to perform agricultural labor for any other person shall be treated as an employee of such crew leader—

"(A) if—

"(i) such crew leader holds a valid certificate of registration under the Farm Labor Contractor Registration Act of 1963; or

"(ii) substantially all the members of such crew operate or maintain tractors, mechanized harvesting or crop-dusting equipment, or any other mechanized equipment, which is provided by such crew leader; and

"(B) if such individual is not an employee of such other person within the meaning of subsection (i).

"(2) OTHER CREW LEADERS.—For purposes of this chapter, in the case of any individual who is furnished by a crew leader to perform agricultural labor for any other person and who is not treated as an employee of such crew leader under paragraph (1)—

"(A) such other person and not the crew leader shall be treated as the employer of such individual; and

"(B) such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his behalf or on behalf of such other person) for the agricultural labor performed for such other person.

"(3) CREW LEADER.—For purposes of this subsection, the term 'crew leader' means an individual who—

"(A) furnishes individuals to perform agricultural labor for any other person,

"(B) pays (either on his behalf or on behalf of such other person) the individuals so furnished by him for the agricultural labor performed by them, and

"(C) has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

SEC. 113. COVERAGE OF DOMESTIC SERVICE

(a) GENERAL RULE.—Paragraph (2) of section 3306(c) of the Internal Revenue Code of 1954 (defining employment) is amended to read as follows:

"(2) domestic service in a private home, local college club, or local chapter of a college fraternity or sorority unless performed for a person who paid cash remuneration of $1,000 or more to individuals employed in such domestic service in any calendar quarter in the calendar year or the preceding calendar year;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

SEC. 114. DEFINITION OF EMPLOYER.

(a) GENERAL RULE.—Subsection (a) of section 3306 of the Internal Revenue Code of 1954 (defining employer) is amended to read as follows:

"(a) EMPLOYER.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'employer' means, with respect to any calendar year, any person who—

"(A) during any calendar quarter in the calendar year or the preceding calendar year paid wages of $1,500 or more, or

"(B) on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least one individual in employment for some portion of the day.

For purposes of this paragraph, there shall not be taken into account any wages paid to, or employment of, an employee performing domestic services referred to in paragraph (3).

"(2) AGRICULTURAL LABOR.—In the case of agricultural labor, the term 'employer' means, with respect to any calendar year, any person who—

"(A) during any calendar quarter in the calendar year or the preceding calendar year paid wages of $20,000 or more for agricultural labor, or

"(B) on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least 10 individuals in employment in agricultural labor for some portion of the day.

"(3) DOMESTIC SERVICE.—In the case of domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, the term 'employer' means, with respect to any calendar year, any person who during any calendar quarter in the calendar year or the preceding calendar year paid wages in cash of $1,000 or more for such service.

"(4) SPECIAL RULE.—A person treated as an employer under paragraph (3) shall not be treated as an employer with respect to wages paid for any service other than domestic service referred to in paragraph (3) unless such person is treated as an employer under paragraph (1) or (2) with respect to such other service."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 6157 of such Code (relating to payment of Federal unemployment tax on quarterly or other time period basis) is amended to read as follows:

"(a) GENERAL RULE.—Every person who for the calendar year is an employer (as defined in section 3306(a)) shall—

"(1) if the person is such an employer for the preceding calendar year (determined by only taking into account wages paid and employment during such preceding calendar year), compute the tax imposed by section 3301 for each of the first 3 calendar quarters in the calendar year on wages paid for services with respect to which the person is such an employer for such preceding calendar year (as so determined), and

"(2) if the person is not such an employer for the preceding calendar year with respect to any services (as so determined), compute the tax imposed by section 3301 on wages paid for services with respect to which the person is not such an employer for the preceding calendar year (as so determined)—

"(A) for the period beginning with the first day of the calendar year and ending with the last day of the calendar quarter (excluding the last calendar quarter) in which such person becomes such an employer with respect to such services, and

"(B) for the third calendar quarter of such year, if the period specified in subparagraph (A) includes only the first two calendar quarters of the calendar year.

The tax for any calendar quarter or other period shall be computed as provided in subsection (b) and the tax as so computed shall, except as otherwise provided in subsections (c) and (d), be paid in such manner and at such time as may be provided in regulations prescribed by the Secretary or his delegate."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4 and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment, strike out line 14 on page 11 of the House bill and all that follows down through line 13 on page 12, and after line 13 on page 11 of the House bill insert the following:

(1) Subparagraph (A) of section 3304(a) (6) of such Code is amended by striking out "except that" and all that follows down through ", and" at the end thereof and inserting in lieu thereof the following: except that—

"(i) with respect to services in an instructional research, or principal administrative capacity for an educational institution to which section 3309(a)(1) applies, compensation shall not be payable based on such services for any week commencing during the period between two successive academic years (or, when an agreement provides instead for a similar period between two regular but not successive terms, during such period) to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms, and

"(ii) with respect to services in any other capacity for an educational institution (other than an institution of higher education) to which section 3309(a)(1) applies, compensation payable on the basis of such services may be denied to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, and"

And the Senate agree to the same.

Amendment numbered 15: That the House receded from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Strike the matter proposed to be stricken by the Senate amendment and insert in lieu thereof the following:

SEC. 212. DENIAL OF CERTAIN PAYMENTS UNDER THE EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM.

"(a) IN GENERAL.—Subsection (a) of section 204 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new paragraph:

"(4) The amount which, but for this paragraph, would be payable under this subsection to any State in respect of any compensation paid to an individual whose base period wages include wages for services to which section 3306(c)(7) of the Internal Revenue Code of 1954 applies shall be reduced by an amount which bears the same ratio to the amount which, but for this paragraph, would be payable under this subsection to such State in respect of such compensation as the amount of the base period wages attributable to such services bears to the total amount of the base period wages.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to compensation paid for weeks of unemployment beginning on or after January 1, 1979.

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23 and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment, strike out "were '6'" and insert in lieu thereof "were '5'".

And the Senate agree to the same.

Amendment numbered 24: That the House recedes from its disagreement to the amendment of the Senate numbered 24, and agrees to the same with an amendment as follows: Insert the matter proposed to be inserted by the Senate, and on page 35, line 21, of the House bill, strike out "amendments" and insert in lieu thereof "amendment".

And the Senate agree to the same.

Amendment numbered 25: That the House recedes from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In the matter proposed to be inserted by the Senate amendment, strike out "amendments" and insert in lieu thereof "amendment".

And the Senate agree to the same.

Senate amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31 and agree to the same with an amendment as follows: Strike out the period at the end of paragraph (14)(B) which is proposed to be inserted by the Senate amendment and insert in lieu thereof ", and" and strike out the quotation marks at the end of paragraph (14)(C) which is proposed to be inserted by the Senate amendment.

And the Senate agree to the same.

Senate amendment numbered 32: That the House recedes from its disagreement to the amendment of the Senate numbered 32 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(15) the amount of compensation payable to an individual for any week which begins after September 30, 1979, and which begins in a period with respect to which such individual is receiving a governmental or other pension, retirement or retired pay, annuity, or any other similar periodic payment which is based on the previous work of such individual shall be reduced (but not below zero) by an amount equal to the amount of such pension, retirement or retired pay, annuity, or other payment, which is reasonably attributable to such week;"

And the Senate agree to the same.

Amendment numbered 42: That the House recedes from its disagreement to the amendment of the Senate Numbered 42, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment, strike out "containing" and all that follows and insert in lieu thereof a period.

And the Senate agree to the same.

Senate amendment numbered 53: That the House recedes from its disagreement to the amendment of the Senate numbered 53 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SEC. 506. ELECTION OF LOCAL GOVERNMENTS TO USE REIMBURSEMENT METHOD.

(a) IN GENERAL.—Paragraph (2) of section 3309(a) of the Internal Revenue Code of 1954 (relating to State law requirements) is amended—

(1) by striking out "an organization" and inserting in lieu thereof "a government entity or any other organization",

(2) by striking out "paragraph (1)(A)" and inserting in lieu thereof "paragraph (1)", and

(3) by striking out "that organizations" and inserting in lieu thereof "that governmental entities or other organizations".

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 3304(a)(6) of such Code is amended by striking out "section 3309(a)(1)(A)" and inserting in lieu thereof "section 3309(a)(1)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to certifications of States for 1978 and subsequent years, but only with respect to services performed after December 31, 1977.

And the Senate agree to the same.

Amendment numbered 56: That the House recedes from its disagreement to the amendment of the Senate numbered 56 and agree to the same with amendments as follows:

(1) Strike out sections 603 and 604 which are proposed to be inserted by the Senate amendment and insert the following:

SEC. 603. DENIAL OF SPECIAL UNEMPLOYMENT ASSISTANCE TO NONPROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS DURING PERIODS BETWEEN ACADEMIC TERMS.

(a) Section 203 of the Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new subsection:

"(c) An individual who performs services for an educational institution or agency in a capacity (other than an instructional, research, or principal administrative capacity) shall not be eligible to receive a payment of assistance or a waiting period credit with respect to any week commencing during a period between two successive academic years or terms if—

"(1) such individual performed such services for any educational institution or agency in the first of such academic years or terms; and

"(2) there is a reasonable assurance that such individual will perform services for any educational institution or agency in any capacity (other than an instructional, research, or principal administrative capacity) in the second of such academic years or terms."

(b) The amendment made by subsection (a) shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(2) Redesignate section 605 which is proposed to be inserted by the Senate amendment as section 604.

And the Senate agree to the same.

That the amendments of the Senate numbered 47, 48, 49, 50, 51, 54, and 55 are reported in disagreement.

AL ULLMAN,
JAMES A. BURKE,
JAMES CORMAN,
CHARLES B. RANGEL,
WILLIAM A. STEIGER,
BILL FRENZEL,
Managers on the Part of the House.

RUSSELL B. LONG,
HERMAN TALMADGE,
GAYLORD NELSON,
WILLIAM D. HATHAWAY,
CARL T. CURTIS,
PAUL FANNIN,
CLIFFORD HANSEN,
JACOB K. JAVITS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action (other than action of a merely technical nature) agreed upon by the managers and recommended in the accompanying conference report:

SENATE AMENDMENT NUMBERED 1

Coverage of certain agricultural unemployment

House bill.—Under existing law, agricultural employment is excluded from the definition of the term "employment" and is therefore not subject to the Federal unemployment tax. The House bill amends the definition of employment so as to include agricultural labor which is performed for farm employers who, during the current or preceding calendar year, employ four or more workers in each of 20 weeks, or pay $10,000 or more in wages for agricultural labor in a calendar quarter. The House bill excludes from the new coverage agricultural labor performed by aliens admitted to the United States to perform agricultural labor under a contract to an employer and who return to their own country upon completion of the contract. This exclusion is a temporary exclusion which expires on January 1, 1980. The provisions of the House bill apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out this provision of the House bill.

Conference agreement.—The conference agreement follows the House bill except agricultural labor is covered only if performed for a farm employer who, during the current or preceding calendar year, employs 10 or more workers in each of 20 weeks, or pays $20,000 or more in wages for such labor in any calendar quarter.

Treatment of certain farm workers

House bill.—The House bill contains special rules for determining who will be treated as the employer, and, therefore, liable for the Federal unemployment tax, in the case of agricultural workers who are members of a crew furnished by a crew leader to perform agricultural labor for a farm operator. These special rules are required by reason of the extension of coverage for farm workers which is contained in the House bill. Generally, the House bill provides that the crew leader will be treated as the employer of the individuals furnished by him to perform agricultural labor for another person only if such crew leader is registered under the Farm Labor Contractor Registration Act of 1963, or if substantially all of the members of the crew furnished by such crew leader operate or maintain mechanized equipment. In other cases, the farmer is to be treated as the employer. These provisions apply with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the House bill.

Coverage of domestic service

House bill.—Under existing law, domestic services performed in a private home, local college club, or local chapter of a college fraternity, or sorority are not subject to the Federal unemployment tax. The House bill provides that such services will be subject to the Federal unemployment tax if they are performed for a person who pays cash remuneration of $600 or more to individuals employed in domestic services in any calendar quarter in the current calendar year or the preceding calendar year. This provision applies with respect to remuneration paid after December 31, 1977, for services performed after such date.

Senate amendment.—The Senate amendment strikes out the provisions of the House bill.

Conference agreement.—The conference agreement follows the House bill except that domestic services is only covered if performed for an employer who pays $1,000 or more to individuals employed in such services in any calendar year in the calendar quarter year or the preceding calendar year.

Definition of employer

House bill.—The House bill contains a technical amendment to the definition of employer for purposes of the Federal Unemployment tax to conform that definition with the new extensions of coverage which are contained in the House bill. The House bill also contains a technical amendment to the requirement that employers pay the Federal unemployment tax on a quarterly basis which is necessary to conform that provision to the extensions of coverage contained in the House bill. These provisions apply with respect to remuneration paid after December 31, 1977 for services performed after such date.

Senate amendment.—The Senate amendment strikes out the provisions of the House bill.

Conference agreement.—The conference agreement follows the House bill.

Coverage of certain service performed for nonprofit organizations and State and local governments

SENATE AMENDMENTS NUMBERED 2 AND 3

House bill.—Under existing law, States are required, as a condition for approval of their unemployment compensation laws, to provide unemployment compensation coverage to individuals performing certain services for nonprofit organizations and for State hospitals and institutions of higher education. The House bill generally requires States to provide unemployment compensation coverage to all employees of State and local governments. The exceptions in the House bill to this general coverage are services performed by employees in the exercise of their duties as: elected officials, appointed officials whose terms are specified by law or who are not required to work on a full-time basis, members of legislative bodies or of the judiciary, members of the State National Guard or Air National Guard, certain employees hired during certain emergencies, and inmates of custodial or penal institutions. These provisions apply with respect to services performed after December 31, 1977.

Senate amendment.—The Senate amendment is the same as the House bill except that it deletes the House provision which excludes from the required coverage appointed officials who serve for a specific term established by law or who are not required to perform services on a substantially full-time basis. In lieu of this exception, the Senate amendment provides an exception for individuals who perform services in a position which, under or pursuant to the State law, is designated as a major nontenured policymaking or advisory position, or as a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENTS NUMBERED 4, 5, 6, AND 7

Eligibility of school employees during certain periods

House bill.—Under existing law, teachers and other professional employees of institutions of higher education are denied unemployment compensation for weeks commencing during periods between academic years or other similar terms if such individuals have a contract to perform services in both of such academic years or terms. The House bill expands this provision of existing law to cover teachers and other professional employees of primary and secondary institutions of education. The House bill also provides new rules for the treatment of nonprofessional employees of educational institutions which are not institutions of higher education. Under such new rules, the State may deny compensation to such nonprofessional employees for any week which begins before January 1, 1980, and which begins during a period between two successive academic terms or similar periods if the employee performs services in the first of such academic terms or similar periods and there is a reasonable assurance that such employee will perform such services in the second of such academic terms or similar periods.

Senate amendment.—Under the Senate amendment, both nonprofessional and professional employees of educational institutions would not be eligible for unemployment compensation during periods between academic years or terms if the performed services for an educational institution in the first of such academic years or terms and an educational institution provides notification of reasonable assurance that they will perform services in the later of the academic years or terms. The Senate amendment also provides that if an individual is denied unemployment compensation coverage by reason of these disqualification provisions and is not in fact later offered employment by an educational institution in the later of such academic years or terms, such individual will receive a retroactive lump-sum payment of unemployment compensation for the weeks for which he was not eligible to receive compensation by reason of these disqualification provisions.

Conference Agreement.—The conference agreement provides that unemployment compensation based on services performed for an educational institution shall be denied to a teacher or other professional employee during periods between academic years or terms if there is a contract or reasonable assurance that the individual will perform such services in the forthcoming academic year or term. States are permitted to deny benefits based on services performed for educational institutions to nonprofessional school employees during periods between academic years or terms if there is reasonable assurance that the individual will be employed by the educational institution in the forthcoming academic year or term.

Under the conference agreement, when a claim is filed by an individual on the basis of prior employment in an educational institution or agency for compensation for any week of unemployment between successive academic years or terms, it is intended that the State employment security agency, shall obtain from the educational institution or agency a statement as to whether the claimant has been given notification with respect to his or her employment status. If such claimant has been notified that he or she has a contract for, or reasonable assurance of, reemployment for the ensuing academic year or term, then the claimant may not be entitled to unemployment benefits until the educational agency or institution informs the State agency that there is no such reasonable assurance or contract for reemployment or until the employee is not, in fact, offered reemployment.

At this point the State agency would have a basis for allowing a claim, assuming that the individual is otherwise eligible under the requirements of the State law.

For purposes of this provision, the term "reasonable assurance" means a written, verbal, or implied agreement that the employee will perform services in the same capacity during the ensuing academic year or term. A contract is intended to include tenure status.

SENATE AMENDMENTS NUMBERED 9, 10, 11, AND 12

Federal reimbursement for benefits paid to newly covered workers during transition period

House bill.—The House bill contains a section which provides Federal reimbursement to States out of general revenues for the costs of providing unemployment coverage to newly covered individuals during a period after December 31, 1977, to assist in the transition to the new coverage required under the House bill.

Senate amendment.—The Senate amendments make two changes to the House provisions. Senate amendments numbered 9 and 10 conform the House provisions to the coverage provisions which were deleted by the Senate. Senate amendment numbered 11 provides that where the same unemployment has been used to compute pre-1978 entitlement to such unemployment assistance and post-1977 entitlement to regular unemployment compensation benefits, Federal reimbursement for the regular benefits will be available to the extent that the special unemployment assistance benefits were not paid on the basis of the same wages. Under the House bill, any payment of such unemployment assistance benefits even for a brief period would have prevented the transitional Federal funding provisions from applying. Senate amendment numbered 12 corrects a clerical error in the House bill.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENTS NUMBERED 13 AND 14

Increase in Federal unemployment tax wage base and rate

House bill.—The House bill increases both the taxable wage base and the tax rate of the Federal unemployment tax. The taxable wage base is increased from $4,200 to $6,000. The Federal unemployment tax rate is increased from 3.2 percent of taxable wages to 3.4 percent. This tax rate increase is a temporary measure that will expire on January 1, 1983, or, if earlier, January 1 of the first calendar year after 1976 as of which there are no outstanding repayable advances to the extended unemployment compensation account in the Federal unemployment trust fund. The increase in the taxable wage base applies with respect to remuneration paid after December 31, 1977. The increase in the tax rate applies to remuneration paid after December 31, 1976.

Senate amendment.—The Senate amendments are the same as the House bill except that the Senate amendment provides that the increase in the tax rate will only expire when all of the repayable advances to the extended unemployment compensation account in the Federal unemployment trust fund are repaid.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENT NUMBERED 15

Financing coverage of State and local government employees

House bill.—Under existing law, States receive Federal grants from the Federal unemployment trust fund for the administrative costs of their unemployment compensation programs. The House bill provides that these grants will no longer be made for the administrative costs which are attributable to State and local government employees. Also, the bill provides that the Federal share of the benefits paid under the extended unemployment compensation program will no longer include the costs of extended benefits paid to State and local government employees. These provisions take effect on January 1, 1979.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the House provision with respect to administrative grants, and follows the Senate amendment with respect to extended benefits costs.

SENATE AMENDMENTS NUMBERED 16, 17, 18, AND 19

Advances to State unemployment funds

House bill.—The House bill allows States to request loans from the Federal unemployment trust fund to pay unemployment compensation benefits for a three-month period rather than a one-month period as under existing law.

Senate amendment.—The Senate amendments are the same as the House provision except that they make it clear that States may make applications for a three-month period but that payments to a State will continue to be made on a monthly basis.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENT NUMBERED 21

Federal reimbursement for unemployment benefits paid on the basis of certain public service employment

House bill.—The House bill provides for reimbursements to States from Federal general revenues for unemployment compensation paid on the basis of work in public service jobs funded under the Comprehensive Employment and Training Act of 1973.

Senate amendment.—The Senate amendment strikes out the House provisions.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENTS NUMBERED 23, 24, AND 25

Amendments to the State trigger provisions of the extended program

House bill.—Under existing law, there is a State "on" indicator for any week if the State's insured unemployment rate (not seasonally adjusted) averages at least 4 percent for a 13-week period and is 120 at least percent of the rate for the corresponding periods in the preceding two years. Under existing law, States may waive the 120 percent requirement for weeks which begin before March 31, 1977. Under the House bill, there would be a State "on" indicator for any week if the rate of insured unemployment (seasonally adjusted) under the State law for the period consisting of such week and the immediately preceding 12 weeks equaled or exceeded 4 percent. The House bill applies to weeks beginning after December 31, 1976.

Senate amendment.—The Senate amendment would retain existing law except that it would allow States to provide that there be a State "on" indicator for any week if the rate of insured unemployment in the State averages at least 6 percent for a 13-week period even though the rate is not 120 percent of the rate for the corresponding periods in the preceding two years. The Senate amendment applies with respect to weeks beginning after March 30, 1977, which is when the existing waiver of the 120 percent requirement ends.

Conference agreement.—The conference agreement follows the Senate amendment, except that the 120 percent factor may be waived by a State when there is at least a 5 percent rate of insured unemployment for the 13-week period rather than the 6 percent rate prescribed in the Senate amendment.

SENATE AMENDMENT NUMBERED 27

Repeal of Finality Provisions

House bill.—Under existing law the findings of fact by a Federal agency are final with respect to periods of Federal service, amounts of Federal wages, and reasons for termination of Federal service, for purposes of paying unemployment compensation on the basis of Federal service. The House bill makes Federal employees' claims for unemployment compensation subject to the same administrative procedures that apply to the claims of other workers.

Senate amendment.—The Senate amendment strikes out the House provision.

Conference agreement.—The conference agreement follows the House provision. The amendment repealing finality of Federal findings applies only to unemployment insurance claims and has no other application.

SENATE AMENDMENTS NUMBERED 30, 31, 32, AND 33

Denial of unemployment compensation to athletes, illegal aliens, and recipients of retirement benefits

Professional Athletes

House bill.—The House bill provides that compensation shall not be payable to any individual on the basis of services, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, to any week which commences between two successive sports seasons (or similar periods) if such individual performs such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods). The House provision is effective for certifications of States for 1978 and subsequent years.

Senate amendment.—The Senate amendment is the same as the House bill except that the provisions do not apply until 1979 in the case of States the legislatures of which do not meet in regular session which ends in 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Illegal Aliens

House bill.—The House bill provides that compensation shall not be payable on the basis of services performed by an alien who is not lawfully admitted to the United States.

Senate amendment.—Under the Senate amendment, unemployment compensation may not be paid to an alien unless such alien has been lawfully admitted to the United States for permanent residence or is otherwise permanently residing in the United States under color of law. Any data or evidence of citizenship or permanent residence would have to be uniformly required of all applicants for unemployment compensation. A determination of whether an individual is an illegal alien would be based on a preponderance of evidence. The Senate amendment has the same effective date as the House bill except that it takes effect in 1979 in the case of States the legislatures of which do not meet in regular session which ends in 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Disqualification for Receipt of Pension

House bill.—No provision.

Senate amendment.—Under the Senate amendment, States would be required to reduce the unemployment compensation of an individual by the amount of any public or private pension (including social security retirement benefits and railroad retirement annuities) based on the claimant's previous employment. The Senate amendment applies with respect to certifications of States for 1978 and subsequent years except that in the case of a State the legislature of which does not meet in a regular session which ends in 1978 the amendment takes effect in 1979.

Conference agreement.—The conference agreement follows the Senate amendment, except that the requirement would not take effect until 1979, thereby permitting the National Commission on Unemployment Compensation an opportunity for a thorough study of this issue and the Congress to act in light of its findings and recommendations.

SENATE AMENDMENT NUMBERED 34

Prompt payment of compensation when due

House bill.—No provision.

Senate amendment.—The Senate amendment requires State unemployment compensation agencies to provide hearings to individuals whose claims are not paid with reasonable promptness as defined in Labor Department regulations to be issued within sixty days after the date of the enactment of the bill.

Conference agreement.—The conference agreement omits the matter proposed to be inserted by the Senate amendment.

SENATE AMENDMENT NUMBERED 36

Composition of National Commission on Unemployment Compensation

House bill.—The House bill establishes a National Commission on Unemployment Compensation consisting of 13 members. The House bill provides that the members of the Commission are to be appointed in a manner to insure that there will be a balanced representation of interested parties on the Commission.

Senate amendment.—The Senate amendment would require that labor, industry, the Federal Government, State government, local government, and small business would each have at least one representative appointed to the Commission.

Conference agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENTS NUMBERED 37, 38, 39, AND 40

Duties of Commission

House bill.—The House bill requires the Commission to study a variety of issues relating to the unemployment compensation programs in order to assess the long-range needs of the programs, to develop alternatives, and to recommend changes in the program.

Senate amendments.—The Senate amendments add to the list of items to be studied by the Commission the study of the problems of claimants in obtaining prompt processing and payment of their claims for benefits and any appropriate measures to relieve such problems. The Senate amendments also require the Commission to examine the feasibility and advisability of developing or not developing Federal minimum benefit standards for State unemployment insurance programs.

Conference agreement.—The conference agreement follows the Senate amendment. The conferees intend that the Commission include in its studies an examination of the payment of unemployment compensation to retirees, and the denial of compensation to employees of educational institutions between terms.

SENATE AMENDMENTS NUMBERED 42, 43, 44, 45, AND 46

Report by Commission

House bill.—The House bill requires the Commission to submit a final report not later than January 1, 1979.

Senate amendment.—The Senate amendment requires the Commission to submit an interim report, not later than March 31, 1978, with respect to its findings on its examination of the feasibility and advisability of developing Federal minimum benefit standards.

Conference agreement.—The conference agreement requires the Commission to submit a general interim report not later than March 31, 1978.

SENATE AMENDMENT NUMBERED 47

Referral of blind and disabled children receiving SSI benefits for appropriate rehabilitation services

House bill.—No provision.

Senate amendment.—The Senate amendment, which is generally similar to section 4 of H.R. 8911 as passed the House, rewrites section 1615 of the Social Security Act to make various changes with respect to the referral of blind and disabled children receiving SSI benefits for appropriate rehabilitation services.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 48

Income of each member of married couple to be applied separately in determining SSI benefit payments when one of them is in an institution

House bill.—No provision.

Senate amendment.—The Senate amendment, which is the same as a portion of Section 15 of H.R. 8911 as passed the House, amends section 1611(e)(1)(B)(ii) of the Social Security Act with respect to the treatment of the income of a married couple when one of them is in an institution.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix.)

SENATE AMENDMENT NUMBERED 49

Preservation of medicaid eligibility for individuals who cease to be eligible for SSI benefits on account of cost-of-living increases in social security benefits

House bill.—No provision.

Senate amendment.—The Senate amendment contained provisions designed to prevent SSI recipients from losing Medicaid eligibility because of future cost-of-living increases in social security benefits.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 50

State supplementation of benefits under SSI program

House bill.—No provision.

Senate amendment.—The Senate amendment modifies section 401(a)(2) of the Social Security Amendments of 1972 to provide that payments made under the savings clause provision would no longer be reduced when Federal SSI benefits increase.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 51

Eligibility of individuals in certain institutions

House bill. No provision.

Senate amendment.—The Senate amendment, which is generally similar to section 17 of H.R. 8911 as passed the House, amends sections 1611, 1612, and 1616 of the Social Security Act, with respect to the eligibility of individuals in certain institutions for SSI benefits.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 52

Assistance programs in the Northern Marianas

House bill.—No provision.

Senate amendment.—The Senate amendment repeals the extension of SSI and the Prouty amendment (section 228 of the Social Security Act), as provided for in Public Law 94-241, to the Northern Marianas. It also includes funds to extend the programs of aid to the aged, blind, and disabled to the Marianas on the same basis as those programs are operated in Guam, Puerto Rico, and the Virgin Islands.

Conference agreement.—The conference agreement omits the Senate amendment.

SENATE AMENDMENT NUMBERED 53

Method of payment by State and local governments

House bill.—Under the House bill the State may elect to have governmental units finance unemployment benefits payable on the basis of service performed in their employ either on a reimbursement method or a contributary method.

Senate amendment.—The Senate amendment allows the governmental units to select the method under which unemployment compensation benefits payable on the basis of services performed in their employ will be financed.

Conference Agreement.—The conference agreement follows the Senate amendment.

SENATE AMENDMENT NUMBERED 54

AFDC benefits where unemployed father receives unemployment compensation

House bill.—No provision.

Senate amendment.—The Senate amendment, which is the same as H.R. 13272 as passed the House, amends section 407 of the Social Security Act to make certain changes in the requirements imposed under the AFDC program on a family headed by an unemployed father.

Conference agreement.—The amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 55

State employment offices to supply data in aid of administration of AFDC and child support programs

House bill.—No provision.

Senate amendment.—The Senate amendment requires State employment offices to supply certain information to the appropriate State agencies to aid in the administration of the AFDC and child support programs under title IV of the Social Security Act.

Conference agreement.—This amendment was reported in technical disagreement. (See the appendix).

SENATE AMENDMENT NUMBERED 56

Amendments to the special unemployment assistance program

Extension of Special Unemployment Assistance Program

House bill.—No provision.

Senate amendment.—The Senate amendment extends the special unemployment assistance program for an additional year. Under existing law, the special unemployment assistance program terminates on December 31, 1976, except that individuals eligible to receive assistance before December 31, 1976, may continue to receive assistance until March 31, 1977. The Senate amendment extends the termination date to December 31, 1977, and phase-out date to June 30, 1977.

Conference agreement.—The conference agreement follows the Senate amendment.

Elimination of Special Base Period for Payments of Special Unemployment Assistance

House bill.—No provision.

Senate amendment.—The Senate amendment changes the base period which is used for determining an individual's eligibility for special unemployment assistance. Under existing law, the base period is the 52-week period preceding the first week with respect to which the individual files a claim for assistance under the program. The Senate amendment changes the base period to correspond with the base period which is used under the regular State unemployment compensation program. The Senate amendment applies with respect to benefit years beginning after December 31, 1976. The Senate amendment also contains a provision to prevent the double counting of wage credits which might occur as a result of the change in the definition of base period.

Conference agreement.—The conference agreement follows the Senate amendment.

Denial of Special Unemployment Assistance to Non-Professional Employees of Educational Institutions During Periods Between Academic Terms

House bill.—No provision.

Senate amendment.—The Senate amendment provides that individuals who perform services for an educational institution or agency in a capacity (other than an instructional, research, or principal administrative capacity) will not be eligible to receive assistance under the program with respect to any week commencing during a period between two successive academic years (or for a similar period between two regular but not successive terms) if the individual performs such services in the first of such academic years or terms and there is notification of reasonable assurance that the individual will perform such services in the second of such academic years or terms. The Senate amendment applies to week of unemployment beginning after the date of the enactment of the bill.

Conference agreement.—The conference agreement follows the Senate amendment with minor changes. The provision in the Senate amendment for retroactive payment of compensation under certain conditions was not retained.

Reimbursement for Unemployment Benefits Paid to Public Employees Covered by Regular Unemployment Compensation

House bill.—No provision.

Senate amendment.—The Senate amendment provides for payments to States of an amount equal to all regular and extended compensation paid for weeks beginning on or after January 1, 1977, and before June 30, 1978, to the extent that such compensation is attributable to employment by a State or local government.

Conference agreement.—The conference agreement follows the Senate amendment.

Modification of Agreements to Special Unemployment Assistance Program

House bill.—No provision.

Senate amendment.—The Senate amendment provides that the Secretary of Labor will modify his agreement with each State under the special unemployment assistance program so that payments of assistance under such program will be made in accordance with the amendments made by the bill.

Conference agreement.—The conference agreement follows the Senate amendment.

APPENDIX ON AMENDMENTS NUMBERED 47, 48, 49, 50, 51, 54, AND 55

In the accompanying conference report, Senate amendments numbered 47, 48, 49, 50, 51, 54, and 55 are reported in technical disagreement. Each of these amendments will be offered in the House of Representatives and the Senate. A description of each amendment follows, along with the text of the amendment as agreed to by the conferees.

SENATE AMENDMENT NUMBERED 47

Referral of blind and disabled children receiving SSI benefits for appropriate rehabilitation services

House bill.—No provision.

Senate amendment.—The Senate amendment requires the Social Security Administration to refer blind and disabled children under age 16 who are receiving SSI benefits to the crippled children's or other appropriate State agency designated by the Governor. This agency would be responsible for administering a State plan which would have to include provision for counseling of disabled children and their families; the establishment of individual service plans for children under 16; monitoring to assure adherence to the plans; and provision of services to children under age 7, and to children who have never been in school and require preparation to take advantage of public educational services.

A total of $30 million would be provided for the operation of State plans for each of three fiscal years, beginning with fiscal year 1977; there would be no non-Federal matching requirements. The amount would be allocated to the States on the basis of the number of children age 6 and under in each State. Up to 10 percent of the State's funds could be used for counseling, referral and monitoring provided under the State plan for children up to age 16. The remainder of the funding would be available for services to disabled children under age 7 and those who have never been in school. Acceptance of services provided would be a condition of eligibility for SSI benefits. The amendment would require that the funds authorized under the provision could not be used to replace State and local funds now being used for these purposes. The funds could be used in the case of any program or service only to pay that portion of the cost which is related to the additional requirements of serving disabled children over and above what would be required to serve nondisabled children.

The Senate amendment requires the Secretary of HEW to publish criteria to be used in determining disability for children under age 18 within 120 days after enactment of the provision.

Conference action.—This amendment was agreed to by the conferees with minor modifications, as follows:

Sec. 501. Referral of Blind and Disabled Individuals Under Age 16, Who Are Receiving Benefits Under the Supplemental Security Income Program, for Appropriate Rehabilitation Services

(a) In General.—Section 1615 of the Social Security Act is amended to read as follows:

"REHABILITATION SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"Sec. 1615. (a) In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this title, the Secretary shall make provision for referral of such individual to the appropriate State agency administering the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act, or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases as he may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan.

"(b)(1) The Secretary shall by regulation prescribe criteria for approval of State plans for—

"(A) assuring appropriate counseling for disabled children referred pursuant to subsection (a) and their families,

"(B) establishment of individual service plans for such disabled children, and prompt referral to appropriate medical, educational, and social services,

"(C) monitoring to assure adherence to such service plans, and

"(D) provision for such disabled children who are 6 years of age and under, or who have never attended public school and require preparation to take advantage of public educational services, of medical, social, developmental, and rehabilitative services, in cases where such services reasonably promise to enhance the child's ability to benefit from subsequent education or training, or otherwise to enhance his opportunities for self-sufficiency or self-support as an adult.

"(2) Such criteria shall include—

"(A) administration—

"(i) by the agency administering the State plan for crippled children's services under title V of this Act, or

"(ii) by another agency which administers programs providing services to disabled children and which the Governor of the State concerned has determined is capable of administering the State plan described in the first sentence of this subsection in a more efficient and effective manner than the agency described in clause (i) (with the reasons for such determination being set forth in the State plan described in the first sentence of this subsection);

"(B) coordination with other agencies serving disabled children; and

"(C) establishment of an identifiable unit within such agency which shall be responsible for carrying out the plan.

"(c) Every individual age 16 or over with respect to whom the Secretary is required to make provision for referral under subsection (a) shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under the Vocational Rehabilitation Act; and no such individual shall be an eligible individual or eligible spouse for purposes of this title if he refuses without good cause to accept services for which he is referred under subsection (a).

"(d) The Secretary is authorized to pay to the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act the costs incurred under such plan in the provision of rehabilitation services to individuals referred for such services pursuant to subsection (a).

"(e)(1) The Secretary shall, subject to the limitations imposed by paragraphs (2) and (3), pay to the State agency administering a State plan of a State under subsection (b) of this section, the costs incurred each fiscal year which begins after September 30, 1976, and ends prior to October 1, 1979, in carrying out the State plan approved pursuant to such subsection (b).

"(2)(A) Of the funds paid by the Secretary with respect to costs, incurred in any State, to which paragraph (1) applies, not more than 10 per centum thereof shall be paid with respect to costs incurred with respect to activities described in subsection (b)(1)(A), (B), and (C).

"(B) Whenever there are provided pursuant to this section to any child services of a type which are appropriate for children who are not blind or disabled, there shall be disregarded, for purposes of computing any payment with respect thereto under this subsection, so much of the costs of such services as would have been incurred if the child involved had not been blind or disabled.

"(C) The total amount payable under this subsection for any fiscal year, with respect to services provided in any State, shall be reduced by the amount by which the sum of the public funds expended (as determined by the Secretary) from non-Federal sources for services of the type involved for such fiscal year is less than the sum of such funds expended from such sources for services of such type for the fiscal year ending June 30, 1976.

"(3) No payment under this subsection with respect to costs incurred in providing services in any State for any fiscal year shall exceed an amount which bears the same ratio to $30,000,000 as the under age 7 population of such State (and for purposes of this section the District of Columbia shall be regarded as a State) bears to the under age 7 population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitations applicable to each State for each fiscal year under this paragraph on the basis of the most recent satisfactory data available from the Department of Commerce not later than 90 nor earlier than 270 days before the beginning of such year."

(b) Publication of Criteria.—The Secretary shall, within 120 days after the enactment of this subsection, publish criteria to be employed to determine disability (as defined in section 1614(a)(3) of the Social Security Act) in the case of persons who have not attained the age of 18.

The amendment differs from the Senate amendment in one respect. Under the Senate amendment, children under 16 referred for services would be required to accept the services (except with good cause) or lose their eligibility for such benefits. The amendment as agreed to by the conferees does not have such an eligibility requirement for children under 16.

With respect to services for children ages 7 to 16, the conferees note that the amendment as agreed to makes no change in the present law provision of open-ended Federal funding of vocational rehabilitation services provided by the State vocational rehabilitation agency for disabled children as well as adults receiving supplemental security income benefits.

SENATE AMENDMENT NUMBERED 48

Income of each member of married couple to be applied separately in determining SSI benefit payments when one of them is in an institution.

House bill.—No provision.

Senate amendment.—Under the Senate amendment, when a spouse who is a member of an eligible SSI couple enters a medical institution or nursing home, the two are treated as individuals rather than as a couple for purposes of applying their separate incomes in computing any required reduction of the SSI benefit amount.

Conference action.—This amendment was agreed to by the Conferees without change, as follows:

Sec. 502. Income of Each Member of Married Couple To Be Applied Separately in Determining SSI Benefit Payments When One of Them Is in an Institution.

Section 1611(e)(1)(B)(ii) of the Social Security Act is amended to read as follows:

"(ii) in the case of an individual who has an eligible spouse, if only one of them is in such a hospital, home, or facility throughout such month, at a rate not in excess of the sum of—

"(I) the rate of $300 per year (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the one who is in such hospital, home, or facility), and

"(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the other); and".

SENATE AMENDMENT NUMBERED 49

Preservation of medicaid eligibility for individuals who cease to be eligible for SSI benefits on account of cost-of-living increases in social security benefits

House bill.—No provision.

Senate amendment.—Under the Senate amendment, SSI recipients would be prevented from losing Medicaid eligibility solely because of future cost-of-living increases in social security benefits.

Conference action.—This amendment was agreed to by the Conferees without change, as follows:

Sec. 503. Preservation of Medicaid Eligibility for Individuals Who Cease To Be Eligible for Supplemental Security Income Benefits on Account of Cost-of-Living Increases in Social Security Benefits

In addition to other requirements imposed by law as a condition for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any individual, for any month after June 1977 for which such individual is entitled to a monthly insurance benefit under title II of such Act but is not eligible for benefits under title XVI of such Act, in like manner and subject to the same terms and conditions as are applicable under such State plan in the case of individuals who are eligible for and receiving benefits under such title XVI for such month, if for such month such individual would be (or could become) eligible for benefits under such title XVI except for amounts of income received by such individual and his spouse (if any) which are attributable to increases in the level of monthly insurance benefits payable under title II of such Act which have occurred pursuant to section 215(i) of such Act in the case of such individual, since the last month after April 1977 for which such individual was both eligible for (and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II, and, in the case of such individual's spouse (if any), since the last such month for which such spouse was both eligible for (and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II. Solely for purposes of this section, payments of the type described in section 1616(a) of the Social Security Act or of the type described in section 212(a) of Public Law 93-66 shall be deemed to be benefits under title XVI of the Social Security Act.

SENATE AMENDMENT NUMBERED 50

State supplementation of benefits under SSI program

House bill.—No provision.

Senate amendment.—Under the Senate amendment, States receiving Federal hold-harmless funds will no longer have the amount of such funds reduced when a cost-of-living increase in SSI benefits becomes effective. Such States would thus be permitted to pass along the increase in Federal SSI benefits to the recipient without additional State costs.

Conference action.—This amendment was agreed to by the conferees with one modification, as follows:

SEC. 504. STATE SUPPLEMENTATION OF BENEFITS UNDER SUPPLEMENTAL SECURITY INCOME PROGRAM

(a) LIMITATION ON STATE COSTS.—Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977, and before July 1, 1979.".

(b) EFFECTIVE DATE.—The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

The amendment as agreed to by the conferees limits the effect of the provision to the cost-of-living increases which will occur in 1977 and 1978.

SENATE AMENDMENT NUMBERED 51

Eligibility of Individuals in Certain Institutions

House bill.—No provision.

Senate amendment.—The Senate amendment would exclude publicly operated community residences which serve no more than 16 residents from being deemed public institutions in which individuals are ineligible for SSI benefits. It would also provide that Federal SSI payments would not be reduced in the case of assistance to an individual or an institution based on need which is provided by States and localities. It would repeal section 1616(e) of the Social Security Act effective October 1, 1976 which provides that Federal SSI payments be reduced in the case of payments made by states or localities for medical or any other type of remedial care provided by an institution which could be provided under medicaid. It would add a requirement effective October 1, 1977, that each State establish or designate State or local authorities to establish, maintain and insure the enforcement of standards for categories of institutions in which a significant number of SSI recipients are residing. The standards would have to be appropriate to the needs of the recipients and the character of the facilities involved. They would govern admission policies, safety, sanitation and protection of civil rights.

The Senate amendment would also require each State to make available for public review, as a part of its social services program planning procedures under Title XX, a summary of the standards and the procedures available in the State to insure their enforcement. There would have to be made available a list of any waivers of standards which have been made and any violations of standards which have come to the attention of the enforcement authority. Federal payments would be reduced dollar for dollar by any State supplementation in the case of persons who are in group facilities which are not approved under State standards as determined by the appropriate State or local authorities.

Conference action.—This amendment was agreed to by the conferees without substantive change, as follows:

SEC. 505. ELIGIBILITY OF INDIVIDUALS IN CERTAIN INSTITUTIONS

(a) IN GENERAL.—Section 1611(c)(1) of the Social Security Act is amended by striking out "subparagraph (B)" in subparagraph (A) and inserting in lieu thereof "subparagraph (B) and (C)"; and by adding at the end thereof the following new subparagraph:

"(C) As used in subparagraph (A), the term 'public institution' does not include a publicly operated community residence which serves no more than 16 residents.".

(b) CONFORMING AMENDMENT.—Section 1612(b)(6) of such Act is amended by striking out "assistance described in section 1616 (a) which" and inserting in lieu thereof "assistance, furnished to or on behalf of such individual (and spouse), which".

(c) REPEAL OF LIMITATION ON PAYMENT.—Section 1616(e) of such Act is repealed.

(d) STATES TO ESTABLISH STANDARDS.—Effective October 1, 1977, section 1616(e) of such Act is amended by adding after subsection (d) the following new subsection:

"(e)(1) Each State shall establish or designate one or more State or local authoriities which shall establish, maintain, and insure the enforcement of standards for any category of institutions, foster homes, or group living arrangements in which (as determined by the State) a significant number of recipients of supplemental security income benefits is residing or is likely to reside. Such standards shall be appropriate to the needs of such recipients and the character of the facilities involved, and shall govern such matters as admission policies, safety, sanitation, and protection of civil rights.

"(2) Each State shall annually make available for public review, as a part of the services program planning procedures established pursuant to section 2004 of this Act, a summary of the standards established pursuant to paragraph (1), and shall make available to any interested individual a copy of such standards, along with the procedures available in the State to insure the enforcement of such standards and a list of any waivers of such standards and any violations of such standards which have come to the attention of the authority responsible for their enforcement.

"(3) Each State shall certify annually to the Secretary that it is in compliance with the requirements of this subsection.

"(4) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution of the type described in paragraph (1) to such individual as a resident or an inpatient of such institution if such institution is not approved as meeting the standards described in such paragraph by the appropriate State or local authorities.".

(e) EFFECTIVE DATE.—The amendments and repeals made by this section, unless otherwise specified therein, shall take effect on October 1, 1976.

SENATE AMENDMENT NUMBERED 54

AFDC benefits where unemployed father receives unemployment compensation

House bill.—No provision.

Senate amendment.—The Senate amendment would require unemployed fathers who apply for aid for families with dependent children-unemployed fathers (AFDC-UF) to collect any unemployment compensation (UC) to which they are entitled before they can receive any AFDC-UF benefits for which they might qualify. In those cases where an individual collecting unemployment compensation meets the State AFDC-UF eligibility requirements, the State would be required to supplement UC benefits up to AFDC-UF benefit levels. The amendment also authorizes the Secretaries of Labor and Health, Education, and Welfare, to enter into agreements with States which are able and willing to do so under which the States will obtain a single registration for work to meet the requirements of both the Work Incentive Program and the Unemployment Compensation Program.

Conference action.—This amendment was agreed to by the conferees without change, as follows:

SEC. 508. AFDC BENEFITS WHERE UNEMPLOYED FATHER RECEIVES UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Section 407(b)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (B); and

(2) by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) for the denial of aid to families with dependent children to any child or relative specified in subsection (a)—

"(i) if and for so long as such child's father, unless exempt under section 402(a)(19)(A), is not registered pursuant to such section for the work incentive program established under part C of this title, or, if he is exempt under such section by reason of clause (iii) thereof or no such program in which he can effectively participate has been established or provided under section 432(a), is not registered with the public employment offices in the State, and

"(ii) with respect to any week for which such child's father qualifies for unemployment compensation under an unemployment compensation law of a State or of the United States, but refuses to apply for or accept such unemployment compensation; and

"(D) for the reduction of the aid to families with dependent children otherwise payable to any child or relative specified in subsection (a) by the amount of any unemployment compensation that such child's father receives under an unemployment compensation law of a State or of the United States.".

(b) Conforming Provision.—Section 407 (d)(3) of such Act is amended by inserting ", for purposes of section 407(b)(1)(C)," before "be deemed".

(c) Effective Date.—The amendments made by the preceding provisions of this section shall be effective with respect to months after (and weeks beginning in months after) the date of the enactment of this Act.

(d) Simplification of Procedures.—Section 407 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"(e) The Secretary of Health, Education, and Welfare and the Secretary of Labor shall jointly enter into an agreement with each State which is able and willing to do so for the purpose of (1) simplifying the procedures to be followed by unemployed fathers and other unemployed persons in such State in registering pursuant to section 402(a)(19) for the work incentive program established by part C of this title and in registering with public employment offices (under this section and otherwise) or in connection with applications for unemployment compensation, by reducing the number of locations or agencies where such persons must go in order to register for such programs and in connection with such applications, and (2) providing where possible for a single registration satisfying this section and the requirements of both the work incentive program and the applicable unemployment compensation laws.".

SENATE AMENDMENT NUMBERED 55

State Employment Offices to Supply Data in Aid of Administration of AFDC and Child Support Programs

House bill.—No provision.

Senate amendment.—Under the Senate amendment, State employment offices would be required to furnish information in their files regarding any individual at the request of a State or local AFDC or child support agency. The information to be provided will include: (1) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation, (2) the current home address, (3) whether such individual has refused an offer of employment, and (4) such other matters as may be relevant to the discharge of the welfare or child support agency's duties insofar as such duties relate to the individual or any member of his family. The State employment offices would be reimbursed by the welfare or child support agencies for the cost of supplying this information.

Conference action.—This amendment was agreed to by the conferees with one modification, as follows:

Sec. 509. State Employment Offices To Supply Data in Aid of Administration of AFDC and Child Support Programs

(a) In General.—Section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b (a)), is amended by adding at the end thereof the following new sentence: "It shall be the further duty of the bureau to assure that such employment offices in each State, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is hereby authorized to) furnish to such agency making the request, from any data contained in the files of any such employment office, information with respect to any individual specified in the request as to (A) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (B) the current (or most recent) home address of such individual, and (C) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and terms, conditions, and rate of pay therefor.".

(b) Provision for Reimbursement of Expenses.—For purposes of section 403 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices pursuant to the third sentence of section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b (a)), by a State or local agency administering that State plan approved under part A of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan; and for purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information so requested by a State or local agency charged with the duty of carrying out a State plan for child support approved under part D of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan.

The amendment as agreed to by the conferees differs in a single respect from the Senate amendment—it omits the fourth category of information to be provided by State employment offices ("such other matters as may be relevant to the discharge of the welfare or child support agency's duties. . .").

Al Ullman,
James A. Burke,
James Corman,
Charles B. Rangel,
William A. Steiger,
Bill Frenzel,
Managers on the Part of the House.

Russell B. Long,
Herman Talmadge,
Gaylord Nelson,
W. D. Hathaway,
Carl T. Curtis,
Paul Fannin,
Clifford Hansen,
J. K. Javits,
Managers on the Part of the Senate.

GERALD FORD'S ROLE IN BLOCKING WATERGATE INVESTIGATION

(Ms. HOLTZMAN asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, 4 years ago, as part of the Watergate coverup, an investigation by the House Banking and Currency Committee into the Watergate break-in was blocked.

Former President Nixon, ordering the proposed investigation stopped, told Dean and Haldeman on September 15, 1972:

> Gerry has really got to lead on this . . . He's got to know that it comes from the top . . . He's got to get at this and screw this thing up while he can . . . no use to let Patman have a free ride here. (Transcripts of presidential conversations, House Judiciary Committee, pp. 13, 16.)

And, as we know, Gerald Ford played a key role in blocking the Patman investigation.

During his Vice Presidential confirmation hearings, Mr. Ford denied acting at the behest of the White House. Senate hearings, pages 128–35; House hearings, pages 156–158, 706–707. Initially, before the Senate, he even denied speaking about the investigation with anyone at the White House. Thus, when asked by Senator Byrd whether such discussions took place, Mr. Ford replied:

> Not to my best recollection.

He went on to say:

> Almost daily . . . I talked to Mr. Timmons (the White House lobbyist) or someone in . . . The White House, but even in this case I do not recall any conversation concerning this particular matter. (Senate hearings, pp. 129, 135.)

Two weeks later, before the House Judiciary Committee, however, Mr. Ford changed his story and admitted speaking with Timmons about the Patman investigation. He said:

> He (Timmons) may have asked me my appraisal of what the committee might do . . . Whenever we talked about that matter it was in general terms. (House hearings, p. 707.)

On the same day, paradoxically Timmons submitted an affidavit to the Judiciary Committee sticking to the first Ford story:

> I had no communications . . . with Rep. Gerald Ford in regard to . . . the Banking and Currency Committee . . . investigation.

According to last week's news reports, however, John Dean's new book recounts that Timmons told him that he had discussed the Patman Committee investigation with Gerald Ford.

The contradictions in Gerald Ford's own testimony and the contradictions between his testimony and Timmons' affidavit raise substantial questions about Mr. Ford's candor. In addition, the statements by former President Nixon and John Dean suggest that Gerald Ford was doing the bidding of the White House in blocking the Patman investigation and furthering the Watergate coverup. Even at this late date, Mr. Ford should provide answers to these questions.

COLOR TELEVISION INDUSTRY SEEKS QUOTAS ON COLOR TV IMPORTS

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, I was visited recently by a constituent, Mr. Jack Chapman, who represents the International Brotherhood of Electrical Workers at the RCA plant in Marion, Ind. Mr. Chapman alerted me to a serious problem which faces the color television industry in the United States. This industry faces the same fate as the nearly extinct American black and white television industry.

The major problem is imports, primarily from Japan. Imports of color television sets doubled from the first half of 1975 to the first half of 1976. In July 1976 alone, imports were triple the volume for July 1975.

Mr. Speaker, at least 65,000 jobs and a $2 billion industry are at stake. We are seeing a repetition of what has happened in virtually every other sector of the consumer electronics industry. Foreign companies have taken over these markets, and now they are trying to capture the largest and most attractive market of all, color television.

Fortunately, a coalition of labor unions and companies in this industry have filed an "escape clause" petition with the International Trade Commission requesting quotas on imports of color television sets. Eleven labor organizations and five corporations petitioned the ITC for relief on September 22. The ITC has 6 months from the date of filing in which to decide the case.

Mr. Speaker, I believe that this case is exactly the kind of situation Congress had in mind when it passed section 201 of the Trade Act of 1974. This industry is clearly being injured by imports. It will share the fate of other industries in the consumer electronic market unless the International Trade Commission acts affirmatively. I strongly urge the ITC to act quickly and favorably in this case and grant the relief which is desperately needed to save these thousands of jobs and this vital American industry.

FREE ENTERPRISE PROMOTED BY PRESIDENT FORD'S APPROVAL OF THE ANTITRUST IMPROVEMENT ACT OF 1976

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, President Ford's approval of the Antitrust Improvement Act of 1976 evidences this administration's strong support for vigorous enforcement of the antitrust laws—and for promotion of a competitive private enterprise system.

This antitrust package provides numerous tools for the protection of private business and for curtailing monopolies and anticompetitive practices. The comprehensive measure is particularly beneficial to American small business enterprises.

I laud President Ford, his Department of Justice, and the entire Ford administration for this clear evidence of adherence to the competitive principles inherent in our American economy. In addition, President Ford's signing of this measure belies any "big business" tag which critics have erroneously applied to the President and his administration.

Title I of the Antitrust Improvement Act was entirely the initiative of the Ford administration. This title provides for civil investigative demand in antitrust cases.

That part of the Antitrust Improvement Act about which the President expressed reservations contained two parts about which I had endeavored to correct—before final passage.

However, I am hopeful that the legislative history resulting from the debates on the floor of this House may allay fears—and avoid any misinterpretations which might result in abuses in the form of treble damages or unconscionable attorneys' fees.

As the President noted, this bill is not perfect in every respect. But it is vastly improved over those versions that were originally referred to the Judiciary Committees of both Houses. Having now signed this bill into law, in my opinion, it will be perceived as the fourth milestone in the history of antitrust, standing as tall as the Sherman Act, the Clayton Act, and the Celler-Kefauver Act.

Mr. Speaker, I take pride in my own involvement in this legislation and commend my colleagues in this Chamber who supported this measure—and particularly the members of the House Judiciary Committee who worked long and hard to bring this measure to fruition.

CHANGES IN RULEMAKING PROCEDURES

(Mr. DEL CLAWSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DEL CLAWSON. Mr. Speaker, it has been observed "if at first you succeed, it may make you overconfident." Therefore the failure of legislation, making complex changes in rulemaking procedure, to clear the House last week under suspension of the rules is worthy of note. It will not encourage overconfidence, but the size of the vote—two short of the two-thirds margin—is worthy of note.

As expected, the legislative veto is opposed by the bureaucracy. The bureaucracy gradually has taken over more and more legitimate congressional functions. Our original legislation was directed at rules and regulations which are inconsistent with congressional intent, go beyond, or are contrary to the intent of the legislation they are supposed to implement. Of the legislative veto, the distinguished attorney, Lloyd Cutler, testified during Senate hearings on regulatory reform:

> If the legislative veto isn't constitutional, it should be.

Of even more concern to many of us in the House, is the urgent need for assertion of congressional responsibility and legitimate authority, both in drafting legislation less amenable to bureaucratic misrepresentation and in responding to the outrage of the people at home. The stranglehold of agency regulation tentacles, which our constituents are often powerless, as individuals, to resist or influence, is reflected in ever-increasing consumer costs for goods and services.

Nature abhors a vacuum, and the principle also applies in the political arena. Aside from the fourth branch of Government, bureaucratic regulators, which has rushed into the legislative vacuum, another branch has established itself—a series of "advocates" of various causes and self-styled, self-appointed arbiters of "right and wrong" in legislative decisions. They have made a place for themselves in the representational process never intended by the framers of our Constitution. Some even exist in symbiotic relationship with the regulatory bureaucracy. Naturally they resist procedures which would restore the balance in favor of Congress.

It now appears that it will rest with the next Congress to take measures necessary to reestablish congressional responsibility. The groundwork was laid by those in this Congress who time and again upheld language establishing this congressional oversight with "teeth."

THE SENATE HOLDS HOSTAGE IMPORTANT BILLS

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, the Members of this august body are growing weary. During this session we have fought a valiant fight and we have almost finished our course, and we want to go home.

However, Mr. Speaker, the Members of the other body continue in their long filibusters and horrendous harangues. They hold hostage the Clean Air Act, the arthritis, diabetes, and digestive diseases, and the ban on interstate offtrack betting.

It brings to mind an incident which once occurred in eastern Kentucky.

I often went hunting with Col. Otley Gilpin of Coburg, Ky. He had a wonderful bird dog, whose name was "Old Congressman." This dog was a superb pointer and retriever.

One year, when I was invited back for another hunt with Colonel Gilpin and his famous pointer, I asked Otley about his dog. He told me he had shot him.

"Why did you shoot that wonderful dog?" I asked.

He said, "You know, some city slickers came out here and took my dog hunting. They renamed him 'Old Senator.' And after that, every time I took that dog out, all he would do was to sit on his hind end and howl. And, by gum, I shot him."

I do hope, Mr. Speaker, that our verbose and loquacious friends in the other body will put a brake on their propensity to speak and settle down to business, so that each and everyone of us may return to our homes and families.

"ZERO" RATING MAY BE REASSURING EVIDENCE OF JUDGMENT AND CLARITY OF THOUGHT

(Mr. ROBERT W. DANIEL, JR. asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, I have been informed that the Consumer Federation of America, as a result of its latest vote returns, has branded me, along with most of Virginia's other Congressmen and Senators, a "zero." I regard this as something of a tribute and honor.

I feel that a "zero" rating from this group may be regarded as reassuring evidence of judgment and clarity of thought. I am proud to be in the company of Senator HARRY F. BYRD, JR. and Congressman BILL WHITEHURST.

One example of the Federation's rating system is its views on an amendment to cut back food stamp spending by $794 million, which the group terms an anticonsumer position. I suspect most of my constituents would favor an effort to cut down food stamp waste and expenses, and would be surprised to find themselves called "anticonsumer" for attempting to do so. Consumers pay taxes, too.

THE DEATH OF THE SPORTS ANTIBLACKOUT BILL

(Mr. FREY asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, we are now in the last few minutes of the "ballgame," and the score is NFL—2, the American public—0. The two point safety was scored by the NFL after the House and Senate conferees met and signed the conference papers on S. 2554, the sports antiblackout bill. Despite our agreement on May 19, 1976 on a permanent extension of the law that expired last December 31, the signed conference report was never filed, due to the refusal of the Senate to act.

You might say that the House managers—and the American people—were caught in their own end zone by two opposing players: The Senate conferees and the NFL. Upon the request of the Senate conferees, both Houses were to wait to file the conference report until the third annual FCC study of the law had been received and scrutinized to see whether any new evidence argued against permanent legislation. That report was received on June 11, 1976, there was no such evidence, and we still have not heard from the Senate as to their reasons for inaction on the conference report.

The NFL has been very busy lobbying against this bill. They have always opposed a sports antiblackout law. At the same time, in an effort to confuse the opposing team, Mr. Rozelle said he would abide by the "spirit of the law" for two seasons.

What is the "spirit of the law?" How do we monitor the situation? The FCC no longer has the authority to file its annual reports since the law expired last December 31.

My predictions with regard to the NFL's "good intentions" have already come to pass. We have received reports of two instances where NFL teams—Dallas and New England—would not sell substantial blocks of tickets just before the 72-hour deadline, presumably so that they could black out the local telecast. In Florida, the Miami Dolphins are no longer content with blacking out Fort Myer—140 miles away. They now black out virtually the entire State.

Mr. Speaker, this situation is outrageous. The anti-blackout law did not harm any professional sport, in fact, it was beneficial to season ticket sales of NFL teams that lifted the blackout in previous seasons.

No one seems to care. The American people no doubt have no idea that there is no longer an anti-blackout law. Sports writers seem content so long as the NFL owners allows for some policy of lifting blackouts. No one, except Mr. Rozelle and and the NFL owners, will know how that policy operates.

Members of Congress will no doubt be deluged with complaints of outraged sports fans during the fall and winter. The final gun for this Congress and this "ball game" is about to be sounded, and the NFL has won; the public lost.

AN ACT TO SAVE THE GRAY AND BOWHEAD WHALES

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15445), an act to save the gray and bowhead whales, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Whale Conservation and Protection Study Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) whales are a unique resource of great aesthetic and scientific interest to mankind and are a vital part of the marine ecosystem;

(2) whales have been overexploited by man for many years, severely reducing several species and endangering others;

(3) the United States has extended its authority and responsibility to conserve and protect all marine mammals, including whales, out to a two hundred nautical mile limit by enactment of the Fishery Conservation and Management Act of 1976 (Public Law 94–265);

(4) the conservation and protection of certain species of whales, including the California gray, bowhead, sperm, and killer whale, are of particular interest to citizens of the United States;

(5) increased ocean activity of all types may threaten the whale stocks found within the two hundred-mile jurisdiction of the United States and added protection of such stocks may be necessary;

(6) there is inadequate knowledge of the ecology, habitat requirements, and population levels and dynamics of all whales found in waters subject to the jurisdiction of the United States; and

(7) further study of such matters is required in order for the United States to carry out its responsibilities for the conservation and protection of marine mammals.

STUDY BY THE SECRETARY OF COMMERCE

SEC. 3. The Secretary of Commerce, in consultation with the Marine Mammal Commission and the coastal States, shall undertake comprehensive studies of all whales found in waters subject to the jurisdiction of the United States, including the fishery conservation zone as defined in section (3)(8) of the Fishery Conservation and Management Act (16 U.S.C. 1802(8)). Such studies shall take into consideration all relevant factors regarding (1) the conservation and protection of all such whales, (2) the distribution, migration patterns, and population dynamics of these mammals, and (3) the effects on all such whales of habitat destruction, disease, pesticides and other chemicals, disruption of migration patterns, and food shortages for the purpose of developing adequate and effective measures, including appropriate laws and regulations, to conserve and protect such mammals. The Secretary of Commerce shall report on such studies, together with such remmendations as he deems appropriate, including suggested legislation, to the Congress no later than January 1, 1980.

COOPERATION OF OTHER FEDERAL AGENCIES

SEC. 4. All Federal agencies shall cooperate, to the fullest extent possible, with the Secretary of Commerce in preparing the study and recommendations required by section 3.

INTERNATIONAL NEGOTIATIONS

SEC. 5. The Secretary of Commerce, through the Secretary of State, shall immediately initiate negotiations for the purpose of developing appropriate bilateral agreements with Mexico and Canada for the protection and conservation of whales.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. For the purpose of carrying out the provisions of this Act, there is hereby authorized to be appropriated a sum not to exceed $1,000,000 for fiscal years 1978 and 1979.

Amend the title so as to read: "An Act to study and provide enhanced protection for whales, and for other purposes.".

Attest:

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman tell us what has happened to this since it left the House? Have we expanded this bill to include all whales that may go up the Sacramento River, or what?

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. LEGGETT. I thank the gentleman for yielding.

I appreciate the gentleman's concern about the Sacramento River and the San Joaquin, and the Feather, and what the whales might be doing up there. But I know the gentleman is interested in the bottom line, and I will explain the bill.

Mr. Speaker, H.R. 15445—a bill to save the gray and bowhead whales—was passed by this House a week ago, Monday, September 20, by an overwhelming margin. This bill would have required comprehensive studies of the California gray and bowhead whales to determine their habitat requirements, migration patterns, and other relevant information so as to protect these two species of great whales, which roam near our shores.

The Senate amended our bill this week by adding to the studies the consideration of—

> . . . all whales which are found in waters subject to the jurisdiction of the United States including the fishery conservation zone as defined in our Fisheries Conservation and Management Act.

Essentially, all other portions of this bill remain the same in requiring the cooperation of all Federal agencies, the immediate initiation of negotiations with Mexico and Canada to protect these whales, and of a total of $1 million authorization for the next 2 fiscal years.

Mr. Speaker, this bill remains an important commitment to protecting and conserving these great marine mammals, including the California gray whale in order to assure that our grandchildren and great grandchildren have the same opportunity as millions of Americans have today to see these magnificent whales.

Mr. Speaker, let me add that the Senate amendments to our bill appear to be germane and do not affect the authorization approved by the House for these studies. Moreover, although the Senate amendment has expanded the studies to include all whales within our 200 mile economic zone, without changing the amount authorized for such studies, the committee expects that first attention would be given to the California gray whale and the bowhead whale which are of major concern to the United States.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, why do we need to study the killer whale? I thought that had been already overstudied. The killer whale.

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield further, the Senate is more concerned with the killer whale. This is not to say they cannot take away the killer whale. The killer whale can still be taken for various display purposes and things like that. We are concerned about that and keeping a balance with respect to that mammal.

They are concerned, for example, that they not take killer whales, particularly in Puget Sound and some other places. This will allow us a wider range of study of the habitat and to come up with better and broader conclusions with respect to the management of these mammals.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, what we have now is the same million dollars, but we are going to spread it thinner over other types of whales. Has the American public really been crying for this study, of the killer whale?

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield further, there is great concern among the American public with respect to the preservation of mammals. As we know, we have problems now in southern California concerning the dolphin and the tuna industries. We have kind of ignored that problem. Now we have a major problem with tuna in southern California. Hopefully, we can solve this problem before it gets out of hand.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

EXTENDING THE BOUNDARY OF TINICUM NATIONAL ENVIRONMENTAL CENTER

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5682) to extend the boundary of the Tinicum National Environmental Center, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, strike out lines 3 and 4, and insert:
>
> (2) by amending section 7 to read as follows:
>
> "SEC. 7. (a) There are authorized to be appropriated $2,250,000 to carry out the provisions of this Act.
>
> "(b) Beginning with fiscal year 1978, there are authorized to be appropriated, in addition to the authorization appropriated under subsection (a), $3,650,000 to carry out the purposes of this Act.".

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I understand this price has been increased from $2 million something to $3 million.

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield, no, the gentleman from California, a new member of the Budget Committee, is very much concerned about that. What we have done to this bill is, in fact, to reduce the bill for fiscal year 1977. We had agreed, as the bill left the House for the Tinicum project, $5.9 million, which could be available for the fiscal year, 1977.

What we did in the Senate was limit that from $5.9 million to $2.5 million and provide that the balance would have to be suspended until fiscal year 1978.

Otherwise, the bill is exactly the same, so it does save the fiscal budget for the year we are concerned with.

Mr. ROUSSELOT Mr. Speaker, further reserving the right to object, but it increases the overall authorization.

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield further, no, it does not.

Mr. ROUSSELOT. My understanding is that it increases it for 1978?

Mr. LEGGETT. If the gentleman will yield further, no, for 1977 it is $2.5 million, reduced by $3.65 million.

Mr. ROUSSELOT. Mr. Speaker, I am constrained to object until we get better facts. Several Members have mentioned that the hearings were exceedingly short and the land to be acquired by the Federal Government is not very definite, therefore, I do object.

The SPEAKER. Objection is heard.

EXTENDING PROVISIONS OF TITLE XII OF MERCHANT MARINE ACT, 1936, RELATING TO WAR RISK INSURANCE

Mr. DOWNING of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1073) to extend the provision of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Strike out all after the enacting clause and insert:
>
> That section 1203(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1283(a)), is amended by inserting at the end thereof the following new sentences: "In determining whether to grant such insurance or reinsurance to foreign-flag vessels, the Secretary shall further consider the characteristics, the employment, and the general management of the vessel by the owner or charterer. American- and foreign-flag vessels so insured or reinsured shall be subject to such vessel location reporting requirements as the Secretary may establish by regulation.".
>
> SEC. 2. Section 1203(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1283(b)), is amended by inserting at the end thereof the following new sentence: "For the purposes of this title, the term 'cargo' shall include loaded or empty containers located aboard such vessels.".
>
> SEC. 3. Section 1203(f) of the Merchant Marine Act, 1936 (46 U.S.C. 1283(f)), is amended by striking out the word "on" between the words "Statutory" and "contractual" and inserting in lieu thereof "or".
>
> SEC. 4. Section 1209(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1289(b)), is amended by inserting at the end thereof the following new sentence: "The Secretary may charge and collect an annual fee in an amount calculated to cover the expenses of processing applications for insurance, the employment of underwriting agents, and the appointment of experts.".
>
> SEC. 5. Section 1214 of the Merchant Marine Act, 1936 (46 U.S.C. 1294), is amended by striking out "September 7, 1975" and inserting in lieu thereof "September 30, 1979.".

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

A motion to reconsider was laid on the table.

WILL M. WHITTINGTON WATERWAYS EXPERIMENT STATION

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 13948) to designate the U.S. Army Engineer Waterways Experiment Station in Vicksburg, Miss., as the "Will M. Whittington Waterways Experiment Station."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to

the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, could the gentleman tell us what the status this bill is in coming back from the other body?

Mr. ROBERTS. This is not the Senate bill. This is to change the name of the Waterways Experiment Station in Vicksburg, Miss., to "Will M. Whittington Waterways Experiment Station." He was chairman of the Public Works Committee many years ago, and they want to name a lock and dam for him.

Mr. BAUMAN. I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill as follows:

H.R. 13948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Army Engineer Waterways Experiment Station in Vicksburg, Mississippi, shall hereafter be designated as the "Will M. Whittington Waterways Experiment Station", and any law, regulation, document, or record of the United States in which such waterways experiment station is designated or referred to shall be held to refer to such waterways experiment station by the name of the "Will M. Whittington Waterways Experiment Station".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING THE LAKE FORMED BY THE JONES BLUFF LOCK AND DAM, ALABAMA, AS THE R. E. "BOB" WOODRUFF LAKE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2533) to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Alabama, shall hereafter be known as the R. E. "Bob" Woodruff Lake.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in honor of late Probate Judge R. E. "Bob" Woodruff, of Lowndes County, Alabama, and in recognition of his long and outstanding service to his county, State, and Nation, the lake formed by the Jones Bluff lock and dam on the Alabama River, Alabama, shall hereafter be known and designated as the R. E. "Bob" Woodruff Lake. Any law, regulation, map, or record of the United States in which such lake is referred to shall be held and considered to refer to such lake by the name of the R. E. "Bob" Woodruff Reservoir.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 10811) was laid on the table.

DESIGNATING OZARK LOCK AND DAM ON THE ARKANSAS RIVER AS THE "OZARK-JETA TAYLOR LOCK AND DAM"

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from the further consideration of the Senate bill (S. 3063) designating Ozark Lock and Dam on the Arkansas River as the "Ozark-Jeta Taylor Lock and Dam," and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3063

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Ozark Lock and Dam, Arkansas River, Arkansas, authorized by the Rivers and Harbors Act of 1946 approved July 24, 1946, shall hereafter be known as the Ozark-Jeta Taylor Lock and Dam, and any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held to refer to such project under and by the name of "Ozark-Jeta Taylor Lock and Dam".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the three bills just acted upon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 855]

Adams
Andrews, N.C.
Archer
Armstrong
Ashley
Baldus
Blanchard
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton, Phillip
Butler
Byron
Chappell
Chisholm
Clancy
Clay
Conlan
Conyers
Cotter
Dellums
Derwinski
Dickinson
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edwards, Calif.
Esch
Eshleman
Evans, Colo.
Fish
Flynt
Ford, Mich.
Fraser
Goodling
Green
Guyer
Hall, Tex.
Harrington
Hébert
Heckler, Mass.
Heinz
Helstoski
Hinshaw
Holland
Howe
Jacobs
Johnsoon, Colo.
Jones, Ala.
Kemp
Keys
LaFalce
Lent
Lott
McCloskey
McCollister
McEwen
Matsunaga
Melcher
Meyner
Mikva
Mink
Moffett
Moss
Nedzi
Nix
Nolan
O'Hara
Passman
Pattison, N.Y.
Pepper
Pike
Pritchard
Reuss
Riegle
Risenhoover
Rose
St Germain
Sarasin
Sarbanes
Scheuer
Schneebeli
Shuster
Sikes
Snyder
Solarz
Stark
Steelman
Steiger, Ariz.
Stephens
Stuckey
Tsongas
Udall
Ullman
Vander Jagt
Vanik
Wilson, C. H.
Wright
Wydler
Young, Alaska
Young, Ga.
Zeferetti

The SPEAKER. On this rollcall 326 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceeding under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that unanimous-consent requests from Members will be accepted but not for speeches.

ANNOUNCEMENT AS TO VOTES

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, due to illness on September 27 I missed several rollcall votes. I would therefore like the RECORD to show how I would have voted had I been present.

Rollcall No. 808: House Resolution 1548, the rule under which H.R. 14932, Rail Amendments of 1976, was considered. Passed by a vote of 297 yeas to 0 nays. I would have voted "yea."

Rollcall No. 809: H.R. 14932, Rail Amendments of 1976. Passed by a vote of 317 yeas to 49 nays. I would have voted "yea."

Rollcall No. 810: Conference report on H.R. 14260, making appropriations for foreign assistance and related programs for fiscal year 1977. Passed by a vote of 216 yeas to 155 nays. I would have voted "yea."

Rollcall No. 811: House Resolution 1533, the rule under which H.R. 14496, Resource Conservation and Recovery Act of 1976, was considered. Passed by a vote of 374 yeas to 0 nays. I would have voted "yea."

Rollcall No. 812: H.R. 14496, Resource Conservation and Recovery Act of 1976. Passed by a vote of 367 yeas to 8 nays. I would have voted "yea."

SEVENTH ANNUAL REPORT FROM COUNCIL ON ENVIRONMENTAL QUALITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries:

To the Congress of the United States:

I am pleased to transmit to the Congress the Seventh Annual Report of the Council on Environmental Quality.

Two hundred years ago, the United States of America was comprised of only 2.5 million people. Our country seemed an infinite expanse of natural resources.

Today, the United States of America encompasses over 3½ million square miles, and numbers 215 million people. Although we remain one of the most fortunate nations on earth, our natural endowment is deteriorating.

The growth of our population and the expansion of American technology demonstrates that there are limitations to our natural riches. The industrial concept of man as master of an inexhaustible world for his convenience is giving way to an ecological concept of man as caretaker of limited resources that must be protected.

Since the adoption of the National Environmental Policy Act, Americans have made measurable progress in safeguarding, nurturing, and redeeming our natural heritage. Many other countries have joined in recognizing that misuse and irresponsible exploitation of the globe threaten the well-being of humanity. Yet, progress has been neither even nor universal.

A higher consciousness—even spiritual awareness—must evolve if humanity is to live in harmony with nature. We are grateful that the process of awakening has started.

In this first year of our third century, I am optimistic that growing American recognition of the respect and reverence that we must accord to earth, water and air will light the way to a new era. We must and will pass on to future Americans the magnificant legacy of nature as well as our cherished heritage of political freedom.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

CONFERENCE REPORT ON H.R. 12572, UNITED STATES GRAIN STANDARDS ACT OF 1976

The SPEAKER. The unfinished business is the further consideration of the conference report on the bill (H.R. 12572) to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system, and for other purposes, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the order of the House on Thursday, September 30, 1976, the conference report is considered as having been read.

(For conference report and statement see proceedings of the House of September 29, 1976.)

POINT OF ORDER

Mr. MOORE. Mr. Speaker, I renew the point of order I reserved at the conclusion of business on this conference report last evening.

The SPEAKER. The gentleman will state his point of order.

Mr. MOORE. Mr. Speaker, the point of order I make is that the conference report on page 5, section 8, subsection (5) (2) violates clause 3 of rule XXVIII of the Rules of the House. Clause 3 of rule XXVIII says, and I quote:

> Whenever a disagreement to an amendment in the nature of a substitute has been committed to a conference committee it shall be in order for the Managers on the part of the House to propose a substitute which is a germane modification of the matter in disagreement, but the introduction of any language in that substitute presenting a specific additional topic, question, issue, or proposition not committed to the conference committee by either House shall not constitute a germane modification of the matter in disagreement. Moreover, their report shall not include matter not committed to the conference committee by either House, nor shall their report include a modification of any specific topic, question, issue, or proposition committed to the conference committee by either or both Houses if that modification is beyond the scope of that specific topic, question, issue, or proposition as so committed to the conference committee.

Mr. Speaker, I point out that in the House-passed bill, H.R. 12572, section 7 (e) there is the proposal that the Secretary of Agriculture can determine a State agency that is qualified to perform official inspections, and can so designate it or delegate it under this section of the House bill.

Mr. Speaker, I point out that this section, section 7(e) of the House bill says that any State agency, past, present, or one that may come into being in the future, could be designated or could be delegated the authority to do inspections and weighing by the Secretary, if found to be qualified.

Mr. Speaker, I point out that section 8 (e) of the Senate-passed amendment to H.R. 12572 simply says that the Administrator shall cause all official inspection at export elevators and major inland terminal elevators for grain required or authorized to be inspected essentially by the agency or by the Federal Government.

So what we have in the Senate bill is that no State agency or private agency is able to do any inspections. What we have under the House section is that any State agency existing now, in the past, or possibly in the future, could be delegated the authority to do inspections.

Then the conference report comes back, Mr. Speaker, and herein lies the point of order. The conference report comes back. Page 5, section 8, subsection (5) (1) amends (e) (2) of the existing act and says:

> If the Administrator determines pursuant to paragraph (3) of this subsection that a State agency which was performing official inspection at an export port location under this Act on July 1, 1976, is qualified to perform official inspection and meets the criteria in subsection . . .

And then goes on through.

The point I am trying to make, Mr. Speaker, is that under clause 3 of rule XXVIII the insertion of this date sets up a new question, a new topic, a new issue, a new proposition for determining who is going to do inspections that was not in either the Senate bill which called for all Federal, or in the House bill which called for the availability of all States being able to do it.

I would point out, Mr. Speaker, that in the committee report from the House committee on this bill there are 17 States—17 States, Mr. Speaker—which have export ports: Alabama, California, Illinois, Louisiana, Maryland, Michigan, Minnesota, Mississippi, New York, Pennsylvania, Ohio, Oregon, South Carolina, Texas, Virginia, Washington, and Wisconsin.

Under the Senate bill none of these 17 export States could have had a State grain inspection agency. Under the House bill any or all of these could be, depending upon the discretion of the qualifications by the Secretary of Agriculture.

But under the conference report, Mr. Speaker, nine States can by law, eight States cannot by law by the insertion of this new issue, this new topic of a grandfathering clause of July 1, 1976.

Mr. Speaker, we point out this is invidious discrimination. It violates clause 9, article I, of the U.S. Constitution saying the Congress of the United States shall not discriminate as to ports of one State over those of another.

This was not an issue raised in the House bill, not an issue raised in the Senate bill. It is a new issue. It is a new topic, and I urge the Speaker to sustain my point of order.

The SPEAKER. Does the gentleman from Washington desire to be heard on the point of order?

Mr. FOLEY. Yes, Mr. Speaker.

Mr. Speaker, the question has been raised on the point of order by the gentleman from Louisiana whether the provision in the conference report that authorizes the Secretary to designate certain agencies for inspection, if they were performing inspections on July 1, 1976, is beyond the scope of the conference, or not germane to the conference.

Mr. Speaker, the Senate bill, as the gentleman from Louisiana points out, requires exclusive Federal inspections at all export ports. The House bill authorized the Secretary at his discretion to delegate to State agencies that opportunity to perform inspections. The whole focus of the House debate in permitting State agencies to be delegated was to preserve the rights of those States who were carrying on inspections at the time that the particular bill was passed by the House and carried it on properly.

The discretion given to the Secretary was to determine whether they were carrying it on properly.

The conference determined that they would fix a time where States that were carrying on inspections properly would be eligible for further export inspection at the said Secretary's discretion.

The decision, I think, is germane to

both the Senate bill and the House bill, but particularly to the House bill, that had focused on the opportunity for States that were carrying on inspections to do so.

Accordingly, Mr. Speaker, I believe the point of order should be overruled.

Mr. MOORE. Mr. Speaker, may I be heard further?

The SPEAKER. The Chair recognizes the gentleman from Louisiana.

Mr. MOORE. Mr. Speaker, I would simply answer the gentleman's remarks by saying that under the Senate bill no State could inspect; under the House bill, any State could inspect. Now we have a new question, a new issue, a new topic injected by the conference committee in the conference report that existed in neither House, saying that, oh, some States can; but no, other States cannot. A new issue of a date, a new issue of a deadline, a cutoff that was not debated, not discussed, not considered by the evidence or debate in the committee or in either House or in the full House.

Mr. Speaker, this is discriminating between saying nine States in this Union can and eight States in the Union never can and that is not in either bill.

I urge the Speaker to sustain the point of order.

Mr. FOLEY. Mr. Speaker, I would only say further that the case of the State of Louisiana, which was, I would say, an eligible State under the consideration of the House bill, was that the State of Louisiana by its own action requested suspension of its export designation by the United States and the Department of Agriculture, accordingly, suspended that State.

At the time the conference agreed to implement this section, Louisiana was, by its own request, not an operating State agency.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield for debate only.

Mr. MOORE. Mr. Speaker, the gentleman is correct; but I would point out that agency, the Port Commission, intends to go back to inspection. They simply had no inspectors. They had to beg for help and the private agencies are now inspecting.

Mr. FOLEY. Why did they not have any inspectors?

Mr. MOORE. Mr. Speaker, if the gentleman will yield further, because most of them had been implicated in some way in the problems there; but I point out, that is not germane to the point of order.

Mr. FOLEY. Mr. Speaker, the reason they had insufficient inspectors was their inspectors were under indictment and investigation.

Mr. MOORE. Mr. Speaker, if the gentleman will yield further, we have other ports in Louisiana that are.

The SPEAKER. The gentleman from Louisiana is not speaking to the point of order. The gentleman is speaking to the merits and the gentlemen cannot yield to each other on the point of order, the Chair controls argument on the point of order.

The SPEAKER. The Chair is prepared to rule.

From the joint statement, the Chair finds on pages 32 and 33, a discussion of who is to perform official inspection of export locations. The House bill and the Senate amendment amend section 7 of the act and provide that all grain required or authorized to be inspected under under the act, at export port locations and export elevators in the case of the Senate amendment, and of U.S. grain in Canadian ports, be performed by authorized Federal employees.

The House bill, however, gives the Security the power to delegate his authority to a State inspection agency if he determines the State agency to be qualified, although the responsibility for such official inspection shall remain his; and he may revoke the delegation at any time without a hearing.

The Chair feels that the language clearly indicates that a broad authority to delegate to the States is given by the House to the Secretary, and that there is a limitation of that authority in the conference report. Therefore, the conference report represents a compromise between the total Federal inspection authority in the Senate amendment and the unlimited discretionary delegation of authority to the States in the House bill, which does not introduce a new topic which goes beyond the scope of the two versions.

The Chair, therefore, overrules the point of order.

The Chair recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I am pleased to bring back to the floor of the House the conference agreement on the bill, H.R. 12572, which has been the longest pending conference report in my experience as a member of the Committee on Agriculture. In essence, the conference report contains the principal provisions adopted by the House in April by a vote of 246 to 33.

The public issue that brought this legislation to the Congress was a series of indictments and convictions, largely located in the gulf ports of the United States, and involving inspectors of grain that had been acting under official inspection agency employment. As this conference report follows very closely the provisions approved earlier in this body, it is our view that it will aid immeasurably in correcting the corruption and abuses which have plagued our grain inspection system in past years.

Until now, official inspection agencies have been determined by the Department of Agriculture by means of designations, and have included private companies, boards of trade, and State inspection services.

The Senate responded to this public controversy by enacting legislation which required that all inspectors of grain at all export ports in the United States be employees of the U.S. Department of Agriculture, and, further, that inspection at the major inland points also be performed by Federal employees. The effect of the Senate bill was to require the Secretary to appoint Federal employees to inspect 87 percent of the grain inspected in the United States.

The House bill took a much different approach. While it required that all grain at export ports be inspected by Federal employees, it permitted the Secretary, in his sole discretion, to delegate his responsibility for inspecting grain at export ports to States agencies. The power given the Secretary was very broad in the House bill. It specifically and deliberately provided that the Secretary could terminate his delegation of authority to any State without a hearing and granted the States no right to adjudication with respect to his judgment.

The House took that position in response to widespread public demand that all inspections at export ports be under Federal authority. In addition to public sentiment, this position was consistent with the recommendation of the General Accounting Office after months of intense study. Moreover, the House wisely allowed the Secretary discretion to make use of those State agencies who were performing inspections appropriately. This was a very guarded authority and responsibility, one that gave a great deal of power to the Secretary to make such a determination.

As I understand it, a good number of those who voted against the House bill did not do so because they thought it was too strict, but rather because they felt that without exclusive Federal inspection it was not strict enough.

For the benefit of the Members present, I will restate in brief outline the major provisions of the bill as adopted by the House last spring.

First, it prohibited private agencies from performing grain inspection at export points and, instead, made Federal inspection mandatory. Further, it allowed qualified State agencies to remain eligible to conduct this official Federal inspection at export locations under a delegated authority with the stipulation that the Secretary was authorized to lift this delegated authority at any time if he had reason to believe that the State agency was not fulfilling its responsibilities in a manner which served the interests of the national grain inspection system.

For all interior points, the Secretary was authorized to designate those State and private agencies meeting the conflict of interest provisions and other qualifications of the bill to perform official inspection. In the event no qualified State or private agency was available for designation at a particular location, the Secretary was further authorized to conduct official inspection with Federal personnel.

Second, the House bill mandated that all grain received at or shipped from export elevators at export locations be weighed. In addition, the Secretary was required to cause supervision of all weighing at these export points by either USDA personnel or delegated State agencies. At interior points, the Secretary was authorized to conduct a study of the need for weighing and certification of weights and to report his findings to the appropriate committees of Congress together with any recommendations for legislation he determined to be necessary.

Third, the House bill required that all official inspection agencies meet new conflict-of-interest provisions which prohibited any official agency or its personnel from having any interest, directly or indirectly, in any business or entity which merchandizes, stores, handles, or transports grain. It also gave the Secretary authority to waive the conflict-of-interest requirements for grain exchanges, boards of trade, and chambers of commerce where it was determined that the inherent conflict of interest would jeopardize neither the integrity of the agency nor its effective operation.

Fourth, the House bill strengthened the penalty provisions by increasing the maximum criminal penalties for knowing violations of the act from 6 months/$3,000 to 12 months/$10,000. For second or succeeding violations, the penalties were changed from 1 year/$5,000 to 5 years/$20,000. In addition, a new section was included in the bill regarding civil penalties, which provided for a maximum of $50,000 for persons who knowingly violated the provisions of the act.

The conference substitute retains, with minor modifications, the provisions of H.R. 12572, as passed by the House while incorporating additional provisions from the Senate bill.

The Senate provision requiring the establishment of a new and separate agency within the USDA to oversee grain inspection was modified by the conference substitute to require the creation of a new Federal Grain Inspection Service—FGIS—to administer the provisions of the new act. The Administrator of the FGIS is to be appointed by the President with the advice and consent of the Senate. The duration of that appointment is not fixed.

The conferees agreed to the House language regarding authority for official inspection and weighing at export, but limited eligibility for a delegation of authority to perform these functions to those States providing those services as of July 1, 1976.

The conference accepted the House language regarding authority for official inspection and weighing at interior points but added a section requiring that the Administrator of FGIS, the Director of the Office of Investigations of USDA and the Comptroller General of the United States individually undertake an investigation and study of grain inspection and weighing at the interior of the United States. The findings of these investigations, together with the resulting recommendations for legislative change, are to be made available to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry within 2 years of the effective date of the act.

The conference report essentially adopts the language of H.R. 12572 regarding weighing requirements at export points while additionally requiring official certification of weights at these locations. Certification of weights could be performed either based on official inspection personnel performing the actual weighing themselves, or if the Administrator so elects, based on supervising the weighing performed by elevator or other personnel. For interior points, the Administrator of the Federal Grain Inspection Service is authorized to require official supervision of weighing if he deems such actions to be necessary. In cases where such a determination is made, the supervision of weighing at these locations is to be performed by the same designated State and private agencies who perform official inspection if they have the capability of providing this additional service. If this is not possible, however, the additional function may be performed by other approved State or private agencies.

The conference substitute adopts the House provision regarding conflicts of interest and adds to it a provision that if the Administrator elects to exercise the waiver privilege, he must then submit to the House and Senate Agriculture Committees within 30 days the reasons for granting such a waiver.

The conference committee adopted the House provisions increasing criminal penalties but also raised the maximum civil penalties from $50,000 to $75,000.

The House conferees agreed to another Senate provision, with modification, requiring the registration of all firms engaged in the business of buying grain for sale in foreign commerce and in the business of handling, weighing or transporting grain for export as a condition for engaging in export business. Exception was made for producers, grain feeders, and transportation firms having no financial interest in grain as well as for country elevators unless their primary function was to sell grain directly into export. The registration of any such firm dealing in the export business could be revoked by the Administrator of the FGIS for violations of the Grain Inspection Act. However, in accordance with the provisions of the Administrative Procedures Act, a hearing would be required prior to such a revocation.

Other important provisions agreed to by the conference include:

Authority for the Administrator to conduct overseas monitoring of U.S. grain exports to insure that the qualities and quantities of grain contracted for by foreign buyers are delivered.

A waiver of civil service requirements for any individual licensed to perform functions of official inspection or weighing who may wish to apply for employment with the USDA at those points where Federal inspection and weighing replace the private inspection or weighing agency.

Language stating that in addition to other start-up costs, all Washington, D.C., based administrative and supervisory personnel costs would be supported by appropriations. All other inspection and weighing service costs would be supported by user fees.

A requirement that the act become effective 30 days after signature by the President.

A requirement that there would be a phase-in period of the inspection and weighing provisions of up to 18 months at export points and 2 years at interior points.

The conference substitute incorporates into the House-passed bill the best features of the Senate bill. It is in my judgment a comprehensive measure that will assure that the fine quality of grain produced on American farms will be marketed in the best and most expeditious manner in foreign markets. This, in turn, means that the American grain producer will continue to utilize his great productive capacity.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield for debate purposes only to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. I thank the distinguished chairman for yielding.

Mr. Speaker, a number of people, including myself, voted against the bill when it passed the House, and I intend to vote against the conference report for the very simple reason that there is the presumption on the part of the Federal Government and those who support the bill that Federal employees are without sin and can be trusted, whereas State employees cannot be.

We have instance after instance in the Federal Government wherein the actions of Federal employees are subject to the same question that State employees are sometimes subjected to. Not being a lawyer, I cannot help but comment that clearly a serious constitutional question must exist and must be resolved, as pointed out by the gentleman from Louisiana (Mr. MOORE) when he made his point of order, which did not prevail, because it is beyond my imagination to believe that there is equity even in the minds of the court when the Secretary is precluded on the part of a few States from exercising the discretionary authority provided for in this conference report to grant the right to him to select some State agencies, if he deems them worthy of doing inspection, and to deny that authority in a discriminatory way against the others.

It is for this reason that some of us must vote against the conference report and I will.

Mr. FOLEY. Mr. Speaker, this, as I have said, has been a long and hard conference. The main source of difficulty arose from the fact that in the House bill the Federal Government was not permitted to conduct inspection at inland points unless the Secretary could not find a valid State or private agency to provide that service. The Senate bill, on the other hand, required Federal inspection at the major inland terminals. And each body held tenaciously to its position.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield for debate purposes on just that one point?

Mr. FOLEY. I yield to the gentleman for debate purposes only.

Mr. WAGGONNER. I thank the gentleman for yielding.

Mr. Speaker, perhaps I misunderstood the distinguished chairman a moment earlier, but it was my understanding, and I concurred in what I thought he said, in that the original House bill did not allow for inspection by private contractors.

Mr. FOLEY. The gentleman did misunderstand me. I said that the House bill did not permit private inspection at export ports. A distinction is made in both the House and Senate bills between inspection that is performed at export ports and inspection that is performed at so-called inland points.

An example, of course, of an export port is New Orleans while Manhattan, Kans., is recognized as an inland point.

At the export ports there must be, under the House bill, Federal inspection or a delegation by the Secretary to a State agency to perform that Federal inspection.

At inland points, the House bill takes another approach by saying that the Secretary must try to find private and State agencies that are qualified. Only if he is unable to do so—is he allowed to conduct direct Federal inspection.

The Senate and House bills were furthest apart on this issue, and for months after the conference convened, simply could not resolve these two approaches.

The conference report, as returned, represents overwhelmingly the House position on the bill. It is not, of course, a complete concession to the House bill, but all the main points of the House bill have been concurred in by the conferees. It is thus that we now bring this conference report back to the Members.

As we discussed during the point of order, it is true that to permit the Secretary to allow those States who were actually performing inspections at a given time to remain eligible for a delegation. That date is July 1 of this year. Technically, that does prohibit other States from starting their own systems to perform export inspections. However, all the States that have had any interest in export inspection have had many, many years in which to develop such programs; and those who have felt it was in their interest have done so.

Mr. Speaker, the conference agreement, like the House bill, provides for some other changes in the existing law which are designed to tighten up the supervision over grain inspection. The overwhelming cost of this program will be borne by those who are involved in the inspection of grain, that is, by those who are selling and dealing in grain, rather than by United States. The only appropriated funds provided for in the conference agreement will be used for administration purposes and not for the actual cost of inspections.

The report authorizes establishment of a new agency within the Department of Agriculture, bringing together these functions of the Grain Inspection Division; and it authorizes that its administrator be appointed by the President and confirmed by the Senate.

The agreement calls for the registration of those firms that are involved in the grain business. It provides for supervision of weighing, and takes a number of other important steps to insure that inspection, whether it is performed by the Federal Government, by State, or private agencies, or whether it is conducted at inland points or elsewhere, is performed with the greatest possible objectivity, integrity, and effectiveness. Only in this way can the enormous volume the United States has in grain, both internally and externally be carried on with confidence and assurance.

Overall we earn almost $22 billion in agricultural exports, the greater part of which comes from the sale of grains. Americans export more of their grain than any other country in the world. These exports have an immediate effect on the health, the well-being, and the diet of millions of people around the world; and they bring in enormous revenues, thus keeping up our balance of payments in trade. It is vital that inspections, whether they are performed on those grains being transported out of the United States or shipped within, conform to standards which buyers and sellers know to be reliable. It is this type of honest inspection that the Secretary is mandated to obtain by this act.

Mr. Speaker, we are unfortunately bringing this conference agreement to the Members in the closing days of this session. A strenuous effort has been made in recent weeks to end the deadlock between the House and the Senate so that we could bring up this conference report and finally, pass a grain inspection bill in this Congress. I am satisfied that this is a good bill. Just as it did not please every member of the conference, obviously it cannot please every Member of the House and Senate. Yet, it represents a giant step forward in strengthening a program that was first undertaken in this country over 50 years ago, a program which has certainly played a part in the vast expansion of our agricultural markets abroad and the welfare of not only the citizens of our country but of hundreds of millions of people throughout the world who have come to rely on these vital food and food products.

Mr. WAMPLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 12572, a bill to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system and for other purposes.

As you all know, the House passed H.R. 12572 in May of this year, and we went to conference promptly. However, there were substantial differences in the House bill and Senate amendment to that bill, such that after two relatively brief meetings, the conferees did not meet again for nearly 4 months.

The Senate amendment to our bill was in my opinion a "federalize everything" approach to grain inspection in this country that would have been very costly to our taxpayers and which was generally unwarranted.

There have obviously been substantial scandals involving export shipments of grain from our gulf ports. Investigations have been conducted, indictments handed down, and convictions obtained by U.S. attorneys involving inspection, weighing, and shipments from those gulf ports.

However, these scandals, indictments, and convictions at the gulf ports involved dishonest people performing criminal or fraudulent acts, which I believe in most cases could have been prevented by better supervision by the USDA Grain Division. Under Secretary John Knebel said as much in our House hearings:

> As I said last Tuesday, when this Committee began its markup session, I think we are starting out with a major premise that the Department has not done enough, or been vigilant enough in the past. That is behind us. We are going forward with what I feel is a very aggressive stance.

The Senate version of the grain standards bill appeared to me to be legislative overkill. That version would not only have set up a new separate agency for grain inspection independent of USDA and totally federalize the export port inspection and weighing systems, but it would also have largely federalized grain inspection and weighing at 25 major inland terminals. The only sector of grain inspection that escaped massive Federal meddling was the country elevators. We have ample evidence in our Federal meat inspection system—which is largely and soon to be totally federalized, I fear—that the Federal employee who is dishonest is just as susceptible to graft and corruption as our private and State employees. The indictments, convictions, and scandals which have occurred over the years and were the subject of Senate investigations earlier this year involving the Federal Meat Inspection Act prove conclusively to me that the "federalize everything" approach for grain inspection will not solve any of our problems. Some necessary additional authority for USDA and better supervision is what is needed in our grain inspection system.

I stated earlier that I thought this Senate legislative overkill was unwarranted, and it was because there was no evidence of scandals at inland points. There may have been some newspaper speculative reports based largely on rumor that certain irregularities have occurred, but I have been presented no real evidence that this is the case.

This brings me now to our conference report language. What we bring you today in our conference report is largely the House bill. It is true that it is modified in some respects from the language approved by the House, but in its important elements, the House conferees have prevailed. As Chairman Foley has explained, our House position prevailed in that—

A "Federal Grain Inspection Agency" is provided for but this Agency will be similar to the Agricultural Marketing Service in USDA, and the new Agency will still be a part of USDA.

State agencies which are inspecting and weighing grain at export ports on July 1, 1976, are "grandfathered" in and may continue to operate assuming they meet the qualifications established by the Agency and with supervision authority in the Agency over inspection and weighing.

The concept of "inland terminals" is deleted from the bill, and all inspection and weighing is to be performed at inland points as provided in the House bill. A "report" concession was made to the Senate that provides that such report will be provided to the Congress in 2 years so that it might review the reliability and effectiveness of the inspection system at inland locations.

Rather than federalizing, by contract or otherwise, inspection or weighing services at export port locations—except where no State agency existed on July 1, 1976, in emergencies or where no State agency can qualify—the conference substitute adopts the House provision with some modifications. It provides that the agency may delegate authority to inspect and weigh grain at export port locations with agency supervision. It is true that certain standards on training of personnel and facilities are laid on, but I see that as imposing better supervision and saving us from an all federal system.

The House provision on authority for emergency inspection services to be provided by the new agency at inland points until a qualified inspection and weighing agency can be found was adopted.

The House provision on fees which permits States to use balances on fees collected over and beyond those needed to fund the inspection and weighing services for agricultural purposes within the State was adopted.

The conference authorizes but does not require the agency to provide for supervision of weighing at interior locations. I consider this to be a large concession to the House bill.

Provisions for designation of inspection and weighing services at inland points follows the House bill.

Access to elevators for representatives of buyers of grain where that grain moves in foreign or interstate commerce is a good House provision retained in conference.

The House provision on renewal, suspension or revocation of licenses of those who inspect or weigh grain prevailed in conference.

The House provision giving the Agency authority to refuse inspection or weighing services to those knowingly violating the prohibited acts sections of the act or those convicted of grain related crimes was agreed to by the conferees.

The strong House provision on civil penalties for violations of the act were adopted.

The conflict of interest provisions of the House bill were included in the conference report with a compromise modification for a procedure for waivers that requires Congress to be notified of the reasons for waivers.

Provisions on improper influencing certain persons in the performance of their duties, falsifying weights, and impeding interested persons in observing inspection, loading, sampling, and weighing were retained from the House bill.

The strong House provisions increasing criminal penalties prevailed.

Finally, the House provisions giving the new Agency and USDA time to implement the amendments to the act prevailed.

In conclusion, what we have in this conference report is largely the House bill. I think it is a good bill, which I supported in the House and which I support as modified in conference. There may be some items I would have changed even more or retained from the House version, but I support this conference report, and I commend it to you for your support.

The SPEAKER. Are there further requests for time?

Mr. WAMPLER. Yes, Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Louisiana (Mr. Moore).

Mr. MOORE. Mr. Speaker and Members of the House, first let me make it very clear that those of us who oppose the conference report are not doing so except for the reason that the bill goes too far. There is no question but that all of us want to see the corruption and the problems that existed at the export ports cleaned up. The bill does that.

There are measures such as giving the USDA more supervisory power over these ports. We have done that in this bill.

We could have increased the penalties for wrongdoers and we did. We could have clarified the conflict of interest provisions to prevent inspectors from getting into a problem, and we did.

In that sense the committee and the chairman of the committee, the gentleman from Washington (Mr. Foley) are to be commended, and the ranking minority Member, the gentleman from Virginia (Mr. Wampler). This bill is good. But, then the bill went too far. You see, somewhere down the line it occurred to somebody that Federal people and maybe some State people, are more honest than everybody else and we ought to eliminate all but them. That is what we did in this conference report. That is what we did in the Senate bill, wherein it said: Eliminate everybody but Federal employees. It says it in the conference report as nine States must have good, honest people, and the other States must have all bad people, or any other State that wants to build an export port, and therefore they are prohibited from ever inspecting export grain.

Mr. Speaker, I want to point out that there are some 3,000 private grain inspectors and approximately 50 have been found guilty or have pled guilty. So we are throwing out the other 2,950 and saying, "You fellows, I am sorry, but you are all dishonest."

The peculiar thing about that is that under the conference report in section 8, the Secretary of Agriculture can turn right around and hire every single man Jack among those 2,950 private inspectors and make them Federal inspectors, give them a Federal badge and, automatically, they are honest, these same men who are now presumed to be dishonest.

I would also point out that the Secretary of Agriculture has asked many of these private inspectors in Louisiana to take over inspection duties at some of the ports that are in trouble. So the Secretary must be thinking they are honest or he certainly would not have asked them to do this.

Some seem to figure that once you put on a Federal badge, you will be honest. But then we know that is not exactly accurate. Just take the Federal meat inspectors' scandals. There have been almost as many Federal meat inspectors indicted as there have been private grain inspectors. So, does it not seem to be a little bit inconsistent that all of a sudden, by merely putting on that Federal badge that you are honest? There is no proof of that, none whatsoever, quite to the contrary, men are men no matter what badge they are wearing. Larceny is in the heart, not in the employer. It is terribly illogical to assume that merely federalizing some or all of the inspectors will make them honest.

The point we are trying to make is the bill went too far when it made the assumption that Federal badge-wearers or certain State badge-wearers are honest and everybody else is not. Therefore, I have got to oppose the bill, because we have a large number of private inspectors in Louisiana who have done nothing wrong, but this Congress is branding them incompetent to do the job they have been doing well and calling them dishonest.

Then there is a second reason for opposition in what the report does to the States. There have been no State grain inspection agency inspectors in Louisiana indicted. Those at the Port of Baton Rouge were not State grain inspection agents. They were civil service employees who worked for a State agency but not grain inspectors under the State of Louisiana Grains Inspection Division which has been inspecting grain for years at inland terminals and inland elevators with no problems whatsoever. So suddenly we tell Louisiana it does not make any difference, even though there have been no indictments and no problems with our State inspectors; they are all out the window, too.

Look at the State of Texas. It is in the same position. They have had any number of private inspection agencies and any number of State inspection agencies at inland terminals, and they are told that they are out, too. Illinois cannot do it, Maryland, Michigan, New York, Pennsylvania, Ohio, and Texas cannot do it under this bill. Yet nine States can. That is awfully interesting. Why is that? Some of these States have State inspection agencies. Some might like to have them in the future.

The point is that under this law they cannot ever have them in the future because we have decided that the most honest people in the world are those who wear the Federal badge, or those certain nine States that we have branded as being honest by passing this bill with this grandfather clause or cutoff date of July 1, 1976.

Mr. Speaker, this is invidious discrimination which, being from Louisiana, I cannot accept. I have got to oppose this bill, Mr. Speaker. I think the gentlemen from these other States ought to do so. I think the entire House ought to do so. This is a violation of clause 9 of article I of the Constitution.

The SPEAKER. The time of the gentleman has expired.

Mr. WAMPLER. Mr. Speaker, I yield 30 seconds additional to the gentleman from Louisiana.

Mr. MOORE. I conclude, Mr. Speaker, by saying that this bill is wrong because of the wrong it is doing. Many private people have done nothing wrong. It is wrong because it assumes that people, simply because for whom they work, will be honest. That is not correct.

It is also wrong saying that certain States ought to be branded and discriminated against, and others are considered good.

This is a violation of the Constitution; it is violation of conscience of the legislators; it is a violation of commonsense. This was done merely out of political expediency to get a bill, to get together with the Senate, not based on any sound evidence or logic.

Mr. Speaker, I urge that a motion to recommit which I am going to offer be approved. If that does not happen, I urge that the Members vote down this conference report.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

The gentleman said it is a violation of conscience to do that. I am perplexed. I have never voted in the House or in the committee for an exclusive Federal inspection on export. The gentleman from Louisiana voted that way in the Committee on Agriculture.

The SPEAKER. The time of the gentleman has expired.

Mr. MOORE. Mr. Speaker, I yield 2 minutes to the gentleman.

Mr. FOLEY. If the gentleman will yield further, the gentleman voted to eliminate all private and State inspections at export ports. Perhaps he would like to tell us why he has changed his mind.

Mr. MOORE. Mr. Speaker, the chairman is correct, I did vote once early in the committee's deliberation in November 1975 as he indicated which was a mistake on my part based on insufficient information. I voted before that, and many times thereafter consistently in opposition to the provisions of this bill in committee and on the floor as it pertains to this question of inspections.

The SPEAKER. The time of the gentleman has expired.

Mr. WAMPLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Nebraska (Mr. THONE).

Mr. THONE. Mr. Speaker, I will be very brief. In reply to my good friend, the distinguished gentleman from Louisiana (Mr. MOORE), I will say frankly I think this bill is the right bill for the most serious problem that has been caused in the Gulf ports, basically in Louisiana. As a matter of fact, in the Committee on Agriculture, as the gentleman from Louisiana well knows, I initially opposed any federalization of the grain inspection system. I now feel very strongly about this needed reform. I changed my mind after attending extensive hearings, reviewing the court records, after a field trip down to Louisiana, and after carefully studying the record. Several of us visited extensively in Louisiana with Mr. Gallinghouse, a distinguished district attorney, a most courageous public official, who I think has done a tremendous public service in this area. When he was interrogated at a Senate agriculture hearing by the current Republican nominee for Vice President, Mr. DOLE of Kansas, Mr. Gallinghouse said this, and this is directly in point to your argument, Mr. MOORE.

> Please understand, you suggested that I seemed to be talking about a federalized system. I want to make it clear, and I think you should know this so you could evaluate my observation, I am not one who believes that the arm of the Federal Government is long enough or strong enough to reach out into every part of the country and solve all the problems. I am not suggesting that the people in Federal Government have a monopoly on integrity. Basically, my philosophy is if we can do something through private enterprise, local or State government, we should try to do it and not extend the authority of the Federal Government.
>
> I can tell you this, speaking as a man who has some pretty conservative philosophical viewpoints; and, I have studied government carefully and thoroughly. I have been a State official. I can tell you if I have ever seen anything that requires a national strategy, a national system, a national direction, and a national responsibility, it is in this very sensitive grain-handling area.

Yes, these were the observations and conclusions of the district attorney who has been responsible for the investigation and prosecution of that sad and sorry system that we have operating in the export grain trade at the Gulf ports. A bad situation crying out for harsher law enforcement, better official supervision, and legislative reform.

I represent the midland State of Nebraska. We are a captive of the Gulf ports. In fact, 60 percent of all grain exports are handled at these Gulf ports. The record down there is replete with bribery and the whole sorry indictment story, which I shall not again recall here on this House floor. The bill does zero in on export operations and for good reason. They have shaken the confidence in the entire U.S. grain marketing system.

I cited Senator DOLE before. Senator DOLE was one of the conferees, is a great free enterpriser and fighter for agriculture, and he is in strong support of this conference report.

Also, the Department of Agriculture has had some reservations regarding this legislation.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. WAMPLER. Mr. Speaker, I yield 1 additional minute to the distinguished gentleman from Nebraska.

Mr. THONE. Mr. Speaker, the Department of Agriculture has had some reservations in this whole area of grain standards and enforcement legislation. Now, it is my understanding, the Department is supporting this conference report.

Senator DOLE, as I indicated, as one of the conferees and leaders on this bill supports this conference report.

It is also my understanding from a call I made this morning that the White House will sign this legislation when it is placed on the President's desk. It should receive overwhelming support here on the floor this morning.

Mr. WAMPLER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as the third minority Member on this conference report, I would like to say that I think it is a good conference report. I think that the House and the Senate arrived at the right type of conclusion.

Mr. Speaker I appreciate this opportunity to discuss H.R. 12572, legislation to amend the U.S. Grain Standards Act.

Let me say at the outset, I have a very strong interest in this bill in that the district I am privileged to represent grows more wheat than any other State in the Nation. Producers in my district have given top priority to legislation to end recent abuses within the grain inspection system and to restore the American farmer's rightful and legitimate image as the world's leading producer of quality grain.

We labored for months in the conference committee trying to resolve the differences in the House- and Senate-passed bills. We wanted a bill that would clean up the system without overreacting to the problem. There was considerable pressure for total federalization of the inspection system. This action would have clearly created more problems than it would have solved. I want to take this opportunity to commend my colleagues who served on the conference for their patience and vigilance in drafting a proper response to this pressing problem.

I feel that we have a good bill. I think it builds on the strengths of the present grain inspection system and corrects its glaring weaknesses.

In essence, this bill mandates Federal inspection at the export points except where State agencies meet qualifying criteria of the act. All private agency inspection at export points the source of most of the indictments is eliminated. State and private agencies performing official inspection at interior points are eligible for redesignation.

This bill further strengthens the U.S. Grain Standards Act by providing a strict conflict of interest requirement and establishes penalties to fit the crime for any future violators who are convicted of civil or criminal violations as spelled out by the act. Overseas monitoring of grain exports is authorized and a review of existing grain standards is mandated.

Mr. Speaker, I believe this to be a most reasonable approach. Let me be parochial for a moment and for the benefit of my colleagues relate this approach to the Kansas grain inspection system.

Our Kansas system has been grading and testing grain since 1897. The system employed 193 full-time and 67 seasonal employees. If any shipper or buyer is not satisfied with the results of State inspection he has the right of appeal and a Federal inspection is conducted.

I know of no serious complaint against the Kansas system. It is efficient. It is self-supporting. In fact, the system contributes to the Kansas general fund and general agricultural outlays by the State. It was the opinion of the majority of the conferees that minor problems within proven State systems could be better remedied by increased Federal oversight rather than a complete Federal takeover and abolishment of the State systems. I commend my colleagues for maintaining the merits of the Kansas system and similar State systems.

Mr. Speaker, the problem at hand has been abuse within the private inspection systems at various export points. This bill will help correct those problems without overreacting and jeopardizing that part of our grain inspection system that has been successful and cost effective.

I urge the consideration and support of my colleagues for this responsible reform measure to improve our grain inspection program, H.R. 12572.

Mr. WAMPLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, the opposition to this conference report is not premised on an approval of graft or corruption in any of the U.S. exporting ports. Nor is it a desire to approve of the export of adulterated commodities to foreign countries. I am afraid that most of the debate has been painted in those terms; but the fact of the matter is that, as the chairman of the committee readily admitted in his discussion of this conference report, specific States among the 50 States of this Union are being discriminated against by this conference report. The Port of Baltimore is one of the largest exporters on the east coast of grains and other agricultural commodities. There has been no allegation of corruption against any of our Baltimore inspectors. In fact, grain inspection in Baltimore is conducted by private inspectors under general Federal supervision. We wish to continue that system. However, the conference report is written in such a manner that even if the State of Maryland wanted to establish a State inspection system for exports, we could not do it, because we did not have such a system in place on July 1 of this year, as the bill requires. My State is completely and forevermore frozen out of State control of inspections.

Mr. Speaker, I want to present to the House a case study of what Federal inspection means. About 6 weeks ago, Federal grain inspectors were sent into Baltimore. For many years our port inspectors have been doing their job adequately. But for the first time in memory, suddenly and without warning the Federal inspectors began to enforce USDA rules to a "T", without any warning to any of the grain elevators or anyone else. The net result was that more than 1,000 carloads of grain backed up and ships were stacked up in the harbor.

There major grain exporting elevators were closed down. Farmers from all over my State and from adjoining States could not sell their corn and other grains at harvest time, and to this day they are suffering delays. We do not know when the logjam will be broken.

Why? Because the Federal agents obstinate enforcement of regulations beyond any reasonable interpretation. It is very easy for Members in the Midwest and West who have their interior export points excluded from this legislation to say to us, "We are not covered in this and we will go along." You will be covered eventually. This is just the first step. And it is a wrong step.

The gentleman from Louisiana (Mr. MOORE) has made a good case that there is no greater honesty on the Federal level than there is on the State or local level. There is far more bureaucracy and the decisions of that bureaucracy are often far removed from the local people. That is really the principle that is involved here.

I know the Members want a bill, but they should not sell out half the States involved in order to get one. I do not think this is going to solve the problem, but it will turn over to the Federal Government the power of grain export inspection in many ports of the country where it has been demonstrated that local inspectors can handle it by themselves.

This is an overkill solution for a problem that does not exist everywhere, and it is going to hurt the eastern part of the United States. Members from west of the Mississippi may be safe, but that grain backed up in Baltimore is from States from Illinois east.

I think we ought to turn this down on the valid basis that it is against the principles of a decentralized Federal system.

Mr. WAMPLER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Speaker, first of all, I would like to compliment Chairman FOLEY for being active in this reasonable and prudent approach to grain inspection. He is to be complimented for his perseverence in working toward a compromise so favorable to the House's original position.

I support this compromise because it is a reasonable compromise; because it calls for a reasonable role for the Federal Government to play. It involves the Federal Government only where there is, first of all, a legitimate constitutional role for the Federal Government to be involved—at the export points and no further, and only where there has been a demonstrated need for the Federal Government to get involved, where problems exist, and no further.

This is a reasonable approach because it involves the Federal Government in a new area in a slow way. It does what needs to be done, and it goes no further. For that reason, I support the compromise.

Mr. Speaker, at long last, we have before us a piece of legislation which will back up many hours of hard work put in by American grain producers with the assurance that they would not be shortchanged when it comes time to sell their produce. If grain is intentionally misgraded or misweighed at export points, and if foreign buyers do not have a clear idea of what they are purchasing at the time of sale, the producer loses, America's prestige suffers, and our balance-of-payments position eventually falters.

When I cosponsored legislation to clean up the Nation's grain inspection system, I felt it should be the policy of this country to make sure that when a foreign buyer received a certificate of sale, that certificate represented precisely what would be received. Clearly, this end could not be achieved if private firms continued to inspect at export points, if conflict-of-interest penalties were not toughened, and if the weighing of grain was not more closely monitored.

I am pleased to note that the conference report is quite specific on these, and other closely related points. In addition, I am pleased to note that the conference report is not, as it could have become, an overreaction to a set of circumstances which can never be 100 percent cured simply through Government regulation. Let us face it, if grain inspection is to be an honest business, it requires honest men and women to conduct it. No amount or level of government can insure such honesty. In this conference report, we recognize that States are, in most cases, very capable of handling inspection and weighing duties and that the Federal Government is not omnipotent when it comes to efficiency in the inspection process. Though a new Federal grain inspection service is established, with a fairly powerful administrator at the helm, those States which have been doing a good and honest job of inspecting grain will be allowed to continue. And the inspection of grain at major inland terminals, where major problems have yet to be demonstrated, should be able to continue operating without obstruction to the ultimate benefit of the grain producers.

At the same time, the conference report calls for far stricter penalties for violators, and much tougher conflict-of-interest rules; if honesty and fairness are the desired end, then these are the best means to insure them.

I hope everyone present today will support this legislation and thus insure that the United States maintains its lead as the world's No. 1 exporter of grains.

Mr. WAMPLER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Minnesota (Mr. HAGEDORN).

Mr. HAGEDORN. I want to thank the gentleman from Virginia for yielding.

Mr. Speaker, I want to compliment the distinguished gentleman from Washington and the entire Agriculture Committee on the good job they have done in dealing with this crisis we have had in the grain inspection community. I also want to go on record as being a strong supporter of the conference report, H.R. 12572, recognizing that while it may not be the best of all worlds to everyone, I think it is a reasonable compromise.

The gentleman from Louisiana made a good point earlier in stating that a Federal inspector is not going to be any more honest, certainly, than State and private inspectors, and we ought not to preclude that probability that they are honest. However, I think the important thing is that we have strengthened penalty provisions which have been absent, at least in strong measure, in the past. That is really going to be the cure for the problems we have had, strong penalties and see that they are enforced. With that, I am convinced we will see the elimination of the abuses that have taken place in recent years.

Mr. WAMPLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Speaker, I rise in opposition to the conference report, and I do so with some degree of reluctance because I do sincerely have great respect for the chairman of the Agriculture Committee, the ranking minority member, and all of those Members who worked on this bill. I have no doubt in my mind about the sincerity of purpose of all the Members who were involved.

I want to make it clear, like the others who have spoken in opposition, that my opposition is not to be interpreted as a defense of what has happened in my own State of Louisiana, and in my own district where a number of the elevators exist and a number of the inspection agencies exist.

Indeed, the U.S. attorney for the eastern district of Louisiana, Gerald Gallinghouse, has done an outstanding job, and he is to be commended for the work that he has done in bringing indictments and getting many convictions.

My concern is twofold. First of all, I am concerned about my own constituents in my district who are employees of private grain inspection agencies. By and large, these are innocent people who are faced with losing their employment.

But I am concerned, most of all, I am most apprehensive, about the precedent that we set here. The precedent is, it seems to me, or at least it can be argued, that if there is some wrongdoing in some private business, then that is reason for the Federal Government to move in. We have wrongdoing in many walks of life, unfortunately. We have it in the insurance business, we have it in the medical and health care delivery business. We have it in the securities business. Indeed, we have it in our labor unions, and in some countries the government runs labor unions. We even have had it with the Pallontine Fathers; at least there has been that allegation. So we do have corruption throughout our private life. It just seems to me that the better approach here would be to continue with the good law enforcement that Gerald Gallinghouse and the other U.S. attorneys have given, to increase the penalties if necessary, and to increase the Federal supervision wherever that may be required. But to move massively into an area where private interests have heretofore served, and served well except for a few instances, I think is moving in the wrong direction, and, at the same time, creating more bureaucracy.

So it is for these reasons that I will oppose the conference report.

Mr. WAMPLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope no one believes that the adoption of this conference report constitutes a general indictment of the manner in which grain inspection services have been performed by most private agencies. The record will show that many private grain inspection agencies have performed their duties in a fair, honest, and commendable manner.

When the bill was before the House earlier this year, I noted at that time, and I repeat today, that so far as I am aware, the New Orleans Board of Trade, which performs a vital grain inspection service for a number of elevators in the New Orleans area, has performed its inspection duties in a very commendable way. When we visited in New Orleans in January of this year, we met with representatives of the New Orleans Board of Trade and, among other things, they related to us that they were performing this inspection service at a rather substantial financial loss and they were doing so in order to provide what they thought was an essential service to help promote the export grain trade at the Port of New Orleans.

I wish there were some way, Mr. Speaker, that we could have preserved this function of private inspectors for our export terminals, but the gentleman from Virginia was unable to do so, and certainly it was the overwhelming sentiment of the committee and the conferees that we do not do so.

Mr. Speaker, I think on balance we have come forth with a good conference report, one that will hopefully address itself to the lack of effective enforcement that has existed prior to this time. As our distinguished chairman of the Committee on Agriculture (Mr. FOLEY) has so ably stated, the maintenance of an effective grain inspection system is vital so that we can maintain our integrity as a reliable supplier of quality agricultural commodities.

Mr. Speaker, I hope that the House will adopt the conference report.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Speaker, in all of this debate surrounding this conference report, I think one important point has been missed. Regardless of our philosophy about who ought to do the inspecting, whether or not it ought to be State inspectors or private or Federal inspectors, there is one part of this bill that I think everybody can agree upon, and it is so important that I think it commends itself, that we would have to support the bill regardless of our philosophy.

That is the increase in civil and criminal penalties that attach henceforth to those people who are found in violation of this act.

Let me bring to the attention of the Members what those provisions are. First, in the civil penalty area the conference report establishes a maximum civil penalty of $75,000, and we have never had that before. That is in addition to any other criminal penalties. The conference report also in the criminal area increases the maximum penalties for violations of the act from 6 months and $3,000 to 12 months and $10,000. It increases the maximum penalties for second or succeeding violations from 1 year and $5,000 to 5 years and $20,000. It also places violations of certain other provisions under title 18 of the United States Code, which is the penal statute of the United States.

Third, this conference report authorizes the Administrator to suspend or revoke a certificate of registration. It also provides that the Administrator may suspend a certificate of registeration temporarily without a hearing if he deems that such suspension is in accordance with the purposes of this act, with a hearing to be held within 30 days after suspension. So he can suspect summarily the inspection services throughout the 30 days.

So, Mr. Speaker, what I am saying is, regardless of what one's philosophy is, we ought to support this conference report if for no other reason than to increase the civil and criminal penalties and to give the Administrator the ability to revoke an inspection certificate immediately if he finds violations of the act.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the greater part of what the gentleman from Iowa (Mr. HARKIN) has said. He did make one technical error, however, in his remarks.

The conference committee did not adopt the original Senate language with respect to suspension of registration. The conference agreed that a registration cannot be suspended or revoked without invoking the full range of provisions of the Administrative Procedures Act.

Mr. FOLEY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. MOORE

Mr. MOORE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. MOORE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MOORE moves to recommit the conference report to accompany H.R. 12572 to the committee of conference with the following instructions to the managers on the part of the House: In section 8 which amends section 7(e)(2) of the United States Grain Standards Act, as amended, strike out the words "which was performing official inspection at an export port location under this Act on July 1, 1976," The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MOORE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 65, nays 307, answered "present" 1, not voting 57, as follows:

[Roll No. 856]

YEAS—65

Archer
Ashbrook
Ashley
Bauman
Boggs
Breaux
Brooks
Brown, Ohio
Buchanan
Burleson, Tex.
Byron
Clausen, Don H.
Clawson, Del
Collins, Tex.
Crane
Daniel, Dan
Daniel, R. W.
de la Garza
Edwards, Ala.
Flowers
Fountain
Frenzel
Frey
Goodling
Gude
Haley
Hall, Tex.
Heckler, Mass.
Holt
Jarman
Johnson, Pa.
Jordan
Kasten
Kazen
Kelly
Kindness
Krueger
Lloyd, Tenn.
Long, La.
Lott
Lujan
McDonald
Mann
Milford
Miller, Ohio
Moore
Myers, Ind.
Myers, Pa.
Paul
Poage
Robinson
Rousselot
Runnels
Sarbanes
Satterfield
Schneebeli
Shuster
Spellman
Stuckey
Treen
Waggonner
White
Wilson, Bob
Wydler
Young, Tex.

NAYS—307

Abdnor
Abzug
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Aspin
AuCoin
Badillo
Bafalis
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Butler
Carney
Carr
Carter
Cederberg
Chappell
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Corman
Cornell
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Tenn.
Forsythe
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Grassley
Guyer
Hagedorn
Hall, Ill.
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Harsha
Hawkins
Hayes, Ind.
Hechler, W. Va.
Hefner
Helstoski
Henderson
Hicks
Hightower
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kemp
Ketchum
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Long, Md.
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Mahon
Martin
Mathis
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Miller, Calif.
Mills
Mineta
Minish
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nichols
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Winn
Wirth
Wolff
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Melcher

NOT VOTING—57

Adams
Baldus
Burke, Fla.
Burton, Phillip
Chisholm
Clancy
Conyers
Cotter
Diggs
du Pont
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Flynt
Ford, Mich.
Green
Harrington
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Jacobs
Karth
Keys
McCollister
Maguire
Matsunaga
Mikva
Mink
Mitchell, Md.
Moffett
Moss
Nedzi
Nix
Passman
Pepper
Quillen
Riegle
Roberts
Sarasin
Scheuer
Sikes
Snyder
Steed
Steelman
Steiger, Ariz.
Stephens
Teague
Tsongas
Udall
Vanik
Wilson, C. H.
Wright
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Cotter against.

Mr. Passman for, with Mr. Mitchell of Maryland against.

Mr. Teague for, with Mr. Phillip Burton against.

Until further notice:

Mr. Adams with Mr. Sikes.

Mr. Ford of Michigan with Mr. Evins of Tennessee.

Mr. Harrington with Mr. Karth.

Ms. Chisholm with Mr. Green.

Mr. Matsunaga with Mr. Eshleman.

Mr. Mikva with Mr. Esch.

Mr. Roberts with Mr. du Pont.

Mr. Steed with Mr. Burke of Florida.

Mr. Tsongas with Mr. Nedzi.

Mr. Charles H. Wilson of California with Mr. McCollister.

Mrs. Mink with Mr. Nix.

Mr. Vanik with Mr. Quillen.

Mr. Diggs with Mr. Riegle.

Mr. Evans of Colorado with Mr. Clancy.

Mr. Flynt with Mr. Sarasin.

Mr. Pepper with Mr. Hillis.

Mr. Wright with Mr. Moffett.

Mr. Young of Georgia with Mr. Maguire.

Mr. Holland with Mr. Heinz.

Mr. Conyers with Mr. Howe.

Mr. Baldus with Mrs. Keys.

Mr. Moss with Mr. Jacobs.

Mr. Snyder with Mr. Scheuer.

Mr. Steelman with Mr. Udall.

Mr. Steiger of Arizona with Mr. Stephens.

Messrs. BRINKLEY, COCHRAN, and EMERY changed their vote from "yea" to "nay."

Mr. HALL of Texas changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report (H.R. 12572) just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. FRENZEL. Mr. Speaker, on rollcall No. 856, I voted "aye" by mistake. I meant to vote "nay." I support the grain inspection conference report and I did intend to vote for it, just as I voted for the House version of the bill when it was passed earlier in the year.

SENATE AMENDMENTS TO H.R. 15136, AUTHORIZING APPROPRIATIONS FOR CONSTRUCTION OF FACILITIES ON GUAM

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 15136) to authorize appropriations for construction of facilities on Guam, and for other purposes, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out "$71,400,000" and insert: "$59,950,000".

Page 2, line 2, strike out "$24,400,000" and insert: "$23,871,000".

Page 2, line 4, strike out "$95,800,000" and insert: "$83,821,000".

Page 2, strike out lines 11 to 17, inclusive and insert: "for demolition, construction, improvements, minor construction, and planning of family housing facilities on Guam an amount not to exceed $30,491,000."

Page 2, line 18, after "GENERAL" insert: "AND MISCELLANEOUS".

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. WHITEHURST. Mr. Speaker, reserving the right to object, I will not object, but I yield to the gentleman from Missouri so he may give an explanation.

Mr. ICHORD. Mr. Speaker, this bill, H.R. 15136, represents an informal compromise developed between the House and Senate Armed Services Committees before the bill was acted upon in the Senate and returned to the House. As amended on the floor of the Senate by Senator SYMINGTON, the bill authorizes amounts that are acceptable to the House Armed Services Committee and which were agreed to before Mr. SYMINGTON's amendment was offered. I would like to take a moment to summarize the House and Senate actions that have taken place on this legislation. On September 20, the House passed H.R. 15136 to authorize supplemental appropriations for military construction at military installations on Guam to repair or replace structures damaged by Typhoon Pamela last May. The authorized amount aproved by the House totaled $136,173,000 which was $8,691,000 less than requested by the Department of Defense.

When the Senate Armed Services Committee reported on the legislation, it reduced the Defense Department request to $106,424,000 which consisted of eliminating some $8.8 million in design requirements which can be met under permanent authority rather than having it reauthorized in this bill. The House Armed Services Committee has had an opportunity to review the Senate committee's recommendation and believes that the compromise figure arrived at between the two committees—which is $114,312,000—is adequate for carrying out the much needed restoration of military facilities on Guam which were damaged in the typhoon. This compromise figure also corresponds with appropriations provided for this new authority in the House and Senate conference report on House Joint Resolution 1096—the appropriations measure which accompanies this authorizing measure.

Therefore, Mr. Speaker, I ask that H.R. 15136, as amended by the Senate, be approved by the House.

Mr. Speaker, there are no nongermane amendments added by the Senate.

Mr. WHITEHURST. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

A motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF HOUSE RESOLUTION 1392

Mr. WIGGINS. Mr. Speaker, I offer a privileged resolution (H. Res. 1392) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1392

Resolved, That Andrew J. Hinshaw, Representative from California, be expelled from the House of Representatives.

MOTION TO TABLE OFFERED BY MR. BELL

Mr. BELL. Mr. Speaker, I offer a privileged motion.

The Clerk read as follows:

Mr. BELL moves to lay House Resolution 1392 on the table.

The SPEAKER. The question is on the motion to table offered by the gentleman from California (Mr. BELL).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WIGGINS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to table was agreed to.

A motion to reconsider was laid on the table.

EXPULSION RESOLUTION—HOUSE RESOLUTION 1392

Mr. WIGGINS. Mr. Speaker, I introduced House Resolution 1392, a privileged resolution, calling for the expulsion of ANDREW J. HINSHAW from the House of Representatives, to establish an important precedent.

We were faced with the fact that one of our Members had been convicted of the crime of bribery.

The question I sought to raise for decision was simply this: What are we going to do about it?

The question was answered emphatically. We are going to do nothing about it. We refused even to debate the issue.

Perhaps a precedent has been established. If so, it is a tragic one. The reputation of the House has been severely tarnished by our indifference to the criminal acts of one of our Members.

I am genuinely saddened by the action taken today. It reflects a lack of respect for this great institution.

PROVIDING THAT QUALIFIED INDIVIDUALS MAY HEAR AND DETERMINE CLAIMS UNDER TITLE IV OF THE FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

Mr. DENT. Mr. Speaker, I call up the joint resolution (H.J. Res. 1118) and ask unanimous consent that it be considered in the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ERLENBORN. Mr. Speaker, reserving the right to object, the resolution just called up by the gentleman from Pennsylvania has been jointly introduced by the gentleman and by me.

Mr. Speaker, the resolution will solve a problem with the administration of part C of the Federal Coal Mine Health and Safety Act in the administration of black lung claims within the jurisdiction of the Department of Labor.

Mr. Speaker, a similar resolution has already passed the Senate. The Senate resolution, in our opinion, went too far in that it had retroactive provisions and would have prejudiced the rights of litigants who are presently litigating the necessity of having administrative law judges, rather than hearing officers to hear these claims.

This resolution will have no retroactive effect. It is our intention not to disturb the rights of litigants nor to jeopardize the case for or against those who are presently litigating this question. It is our intention to help the Department of Labor break the log jam of claims. It will save the Department of Labor considerable time and considerable expense from the Federal Treasury and will expedite the final determination of the rights of claimants.

Mr. Speaker, I know of no objection to this procedure. It does solve a very pressing problem.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, I think it is important to tell the House that this makes no changes whatsoever in the black lung or mine safety provisions as they are now in the bills. All it does is exactly as the gentleman has said. It allows them to use qualified persons, rather than administrative law judges, because they cannot get enough administrative law judges to handle the cases. They have been using qualified personnel. What has happened is that the mine operators in some instances have taken them to court; so we are now legalizing what they have been doing to expedite the thousands of black lung cases in the black lung situation.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I want to commend my colleague for bringing this matter to the floor; but may I add: It is not only the fact that we do not have enough hearing examiners, it is the fact that the Labor Department willfully or for some other reason refused to act on black lung cases. It is not fair; it is not just. Every claimant has a right to have his case reviewed, a decision whatever that decision may be.

We passed the legislation, and I think it is time that the Congress demands that the Department does its duty.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Speaker, I want to commend these distinguished Members for bringing this matter to the floor. It is something which is long overdue and which will help facilitate these claims, many of which are many years old. I think it is the thing we should do, and I hope that the House will adopt the resolution.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I think it is an outrage that the Department of Labor has allowed the building up of such a tremendous backlog in these black lung cases. The gentleman from Colorado (Mr. WIRTH) and myself visited the Department of Labor to go through their procedure, and we feel that many steps, in addition to the ones embodied in this resolution, must be taken if the black lung applicants are to be treated fairly and expeditiously.

Mr. Speaker, I wonder if the gentleman has in mind any additional steps that could be taken to hire additional personnel, because there is not a single Member of Congress who has not been plagued with requests from constituents who have been held up by the slow processing of the Department of Labor.

Mr. ERLENBORN. I would be happy to answer the gentleman. This will help to break this log jam, and I am certain that the gentleman from Pennsylvania and I will do all that we can to see that additional funds are made available to find qualified persons to hear these cases and expedite the hearings, because that should be done.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, I want the Members to hear this because it is very important to all of us. When this bill passed originally, I promised the House that the gentleman from Illinois (Mr. ERLENBORN) and myself would try to recommend legislation to put the burden onto the industry at that point in time if it was feasible to do so. This jungle of backlog cases on the books is holding us from that purpose, and we hope that this will expedite that situation. If not, we will come in with more legislation.

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Ohio.

Mr. CARNEY. Mr. Speaker, I want to commend the gentleman from Pennsylvania (Mr. DENT) and the ranking minority member, the gentleman from Illinois (Mr. ERLENBORN), for the outstanding work they have done on this problem.

My district is on the edge of a coal mining area, where many of the retired miners moved to be with their families. Therefore, we have a lot of black lung cases and we have had a hard time adjudicating these cases, and we do have a backlog now.

We complained to the Department of Labor, and they claimed that they have not sufficient staff. So, I commend both gentlemen and hope that this will alleviate the problem. Congratulations.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I have had the same experience as has the gentleman from West Virginia. We go down to the Labor Department. We visit with them. They have cases before them that have been pending for 6 months to a year and a half. We contact them, and they pull the case out from the bottom of the pile and write a letter to our constituents and say, "We need more medical information," even though the information has been on file for a year and a half.

Mr. ERLENBORN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 1118

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That qualified individuals appointed by the Secretary of Labor may hear and determine claims for benefits under part C of title IV of the Federal Coal Mine Health and Safety Act of 1969 and under section 415 of such Act. For purposes of this Joint Resolution, the term "qualified individual" means such an individual, regardless of whether that individual is a hearing examiner appointed under section 3105 of title 5, United States Code. Nothing in this Joint Resolution shall be deemed to imply that there is or is not in effect any authority for such individuals to hear and determine such claims under any provision of law other than this Joint Resolution.

Mr. DENT. Mr. Speaker, a curious situation has developed in the administration of the black lung program.

The 1972 amendments adopted procedures of the Longshoremen and Harbor Workers' Compensation Act for processing black lung claims. Subsequently, we amended the Longshoremen's Act to require its procedures to conform to the Administrative Procedure Act.

As a result of a disagreement between two Departments of the executive branch, the Secretary of Labor has been assigning hearing officers to hear black lung cases. The Labor Department's Benefits Review Board has decided that these cases must be heard by administrative law judges, not hearing officers. The Civil Service Commission disagrees with the Benefits Review Board's interpretation, and will not provide the Labor Department with ALJ's it needs to hear these cases.

Due to this conflict, no black lung cases were heard from March 1976 through August. At that time the Department of Labor began to hear cases again even though such hearings faced potential future challenge in the courts.

The people who are being hurt while the courts decide who should be hearing these black lung cases are the coal miners and their survivors. While back benefits would be awarded to the time these people filed, so that the claimant would not lose money, that is little consolation to people who need the money immediately.

We thus offer House Joint Resolution 1118. This resolution has the similar intent as the one passed by the Senate, Senate Joint Resolution 213. The purpose is to clear up the disgraceful backlog that is impeding black lung claimants from having hearings.

This resolution will provide clear authority for hearing officers appointed by the Secretary of Labor to conduct hearings involving claims for black lung benefits filed under section 415 and part C of title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended. This resolution will allow the Department of Labor to clear up a backlog of over 900 cases—a backlog that is increasing by 150 a month, and hear any cases that may come in the future. It leaves previously heard cases unaffected.

The resolution leaves it up to the courts, the Civil Service Commission, or, if necessary and appropriate, the Congress to clear up these underlying issues at some future date. All we are doing is taking a step toward aiding those miners and widows whose claims are pending while the courts are deciding the substantive issues.

Let us approve this version so that these needy claimants, who have been halted in the adjudicative process through no fault of their own, can have their day in court. Remember we are not giving anyone benefits; all we are doing is allowing their case to be heard.

The last sentence of this resolution makes clear that the intent here is not to affect the status of hearing officers with respect to any type of case other than those under section 415 and part C of title IV of the Federal Coal Mine Health and Safety Act; but it provides clear authority for hearing officers to hear black lung claims not yet heard.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ERLENBORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 1118.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDING UNITED STATES CODE WITH RESPECT TO PROCEDURE FOR JUDICIAL REVIEW OF CERTAIN ADMINISTRATIVE AGENCY ACTION

Mr. FLOWERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 800) to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. KINDNESS. Mr. Speaker, reserving the right to object—and I will not object—but I will address to the gentleman from Alabama a question concerning the content of S. 800. Would he explain that to the House?

Mr. FLOWERS. Mr. Speaker, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Alabama.

Mr. FLOWERS. Mr. Speaker, the purpose of this bill is best summarized by stating that it would remove three technical barriers to the consideration on the merits of citizens' complaints against the Federal Government, its agencies or employees. The amendment made to section 702 of title 5 would eliminate the defense of sovereign immunity as to any action in a Federal court seeking relief other than money damages and stating a claim based on the assertion of unlawful official action by an agency or by an officer or employee of the agency.

The amendment to section 702 would not affect other limitations on judicial review—such as that plaintiff lacks standing to challenge the agency action, that the action is not ripe for review, or that the action is committed to unreviewable agency discretion. Nor would the amendment confer authority to grant relief where another statute provides a form of relief which is expressly or impliedly exclusive. Section 1 would also amend section 703 of title 5, United States Code, to permit the plaintiff in actions for nonstatutory review of administrative action to name the United States, the agency, or the appropriate officer as defendant. This is intended to eliminate technical problems arising from a plaintiff's failure to name the proper Government officer as a defendant.

Another problem which arises in some actions for judicial review is that the claimed wrongful action affects a right which cannot be valued in dollars and cents. To meet this problem, section 2 of the bill would amend section 1331(a) of title 28, the general "Federal question" provision which now requires that there be at least $10,000 in controversy by adding language which removes the requirement of fixing a sum or value as to actions brought against the United States, any agency thereof, or any officer or employee thereof in his official capacity. Finally, S. 800 would remedy certain technical problems in the law concerning the naming of the United States, its agencies, or employees as parties defendant in actions challenging Federal administrative action and in joining appropriate non-Federal defendants where such joinder would be proper under applicable venue provisions were the United States not a party.

I would also like to say to my good friend, the gentleman from Ohio, who is a member of the subcommittee and the Committee on the Judiciary which considered this, that this legislation has broad support of the Department of Justice, the Judicial Conference, bar associations across the land, and we know of no person who opposes the bill and no organized group which is opposed to it.

We hope the bill can be considered and passed.

Mr. KINDNESS. Mr. Speaker, further reserving the right to object, I point out to the gentleman from Alabama (Mr. FLOWERS) and the Members of the House that there is only one area of concern about this bill that I have heard expressed, and that is as to whether it might conceivably add to the burden of litigation in the Federal court system.

It appears from what information is available to the subcommittee that that is a very minimal factor.

Mr. FLOWERS. Mr. Speaker, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Alabama.

Mr. FLOWERS. I thank the gentleman for yielding.

Mr. Speaker, I would agree with the gentleman. I would say that if there is any enlargement whatsoever of the Federal court activities or jurisdiction by this bill, it would be at the expense of the bureaucracy. It would be to the benefit of the average citizen who is aggrieved by agency action. This does not create any new standing or anything of that nature. There has to be an aggrieved party, one who is aggrieved by official agency action. I do not think it really enlarges the Federal court.

Mr. KINDNESS. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California (Mr. ROUSSELOT.)

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, can the gentleman assure us there is no way the Senate can tack anything more onto this?

Mr. FLOWERS. Mr. Speaker, if the gentleman will yield, I can assure the gentleman absolutely.

Mr. ROUSSELOT. If the gentleman from Ohio will yield further, the gentleman from Alabama will assure us he will make sure that nothing is tacked onto this by the Senate?

Mr. FLOWERS. If the gentleman will yield, I certainly will.

Mr. KINDNESS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 702 and 703 of title 5, United States Code, are amended to read as follows:

"§ 702. Right of review

"A person suffering legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute, is entitled to judicial review thereof. An action in a court of the United States seeking relief other than money damages and stating a claim that an agency or an officer or employee thereof acted or failed to act in an official capacity or under color of legal authority shall not be dismissed nor relief therein be denied on the ground that it is against the United States or that the United States is an indispensable party. The United States may be named as a defendant in any such action, and a judgment or decree may be entered against the United States, provided, that any mandatory or injunctive decree shall specify the Federal officer or officers (by name or by title), and their successors in office, personally responsible for compliance. Nothing herein (1) affects other limitations on judicial review or the power or duty of the court to dismiss any action or deny relief on any other appropriate legal or equitable ground; or (2) confers authority to grant relief if any other statute that grants consent to suit expressly or impliedly forbids the relief which is sought.

"§ 703. Form and venue of proceeding

"The form of proceeding for judicial review is the special statutory review proceeding relevant to the subject matter in a court specified by statute or, in the absence or inadequacy thereof, any applicable form of legal action, including actions for declaratory judgments or writs of prohibitory or mandatory injunction or habeas corpus, in a court of competent jurisdiction. If no special statutory review proceeding is applicable, the action for judicial review may be brought against the United States, the agency by its official title, or the appropriate officer. Except to the extent that prior, adequate, and exclusive opportunity for judicial review is provided by law, agency action is subject to judicial review in civil or criminal proceedings for judicial enforcement.".

SEC. 2. Section 1331(a) of title 28, United States Code, is amended by striking the final period and inserting a comma and adding thereafter the following: "except that no such sum or value shall be required in any such action brought against the United States, any agency thereof, or any officer or employee thereof in his official capacity.".

SEC. 3. The first paragraph of section 1391 (e) of title 28, United States Code, is amended to read as follows:

"(e) A civil action in which a defendant is an officer or employee of the United States or any agency thereof acting in his official capacity or under color of legal authority, or an agency of the United States, or the United States, may, except as otherwise provided by law, be brought in any judicial district in which (1) a defendant in the action resides, or (2) the cause of action arose, or (3) any real property involved in the action is situated, or (4) the plaintiff resides if no real property is involved in the action. Additional persons may be joined as parties to any such action in accordance with the Federal Rules of Civil Frocedures and with such other venue requirements as would be applicable if the United States or one of its officers, employees, or agencies were not a party.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF SENATE AMENDMENTS ON H.R. 14360, AMENDING THE JOHN F. KENNEDY CENTER ACT

Mr. GINN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14360) to amend the John F. Kennedy Center Act to authorize funds for repair, reconstruction, and for other purposes, with Senate amendments thereto, agree to Senate amendment No. 1, disagree to Senate amendments Nos. 2, 3, and 4, and agree to Senate amendment No. 5 with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out all after "sentence:" down to and including "Board."." on line 8, and insert: "Trustees of the Kennedy Center and their agents shall be immune from suit to the same extent as are Federal officials for discretionary actions undertaken within the scope of their authority.".

Page 2, line 2, strike out "Board" and insert: "Secretary of the Interior, acting through the National Park Service,".

Page 2, line 2, strike out "the".

Page 2, line 4, after "Arts" insert: "necessary to correct water leaks on the roof, the terraces, and the East Plaza Drive".

Page 2, strike out all after line 4 over to and including line 4 on page 3.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. WALSH. Mr. Speaker, reserving the right to object, I do so only because I wish to ask the chairman of the subcommittee, the distinguished gentleman from Georgia (Mr. Ginn), to explain the purpose of this request. As I understand it, the gentleman's intention is merely to reinstate the position of the House with respect to this bill rather than to accept the changes that were made by the other body?

Mr. GINN. Mr. Speaker, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Georgia.

Mr. GINN. The gentleman is correct in his statement.

Mr. WALSH. I further understand that the administration is in favor of the bill, and that it has the blessing of the administration but that the Senate version does not?

Mr. GINN. The gentleman is correct.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, are there any nongermane amendments in this bill?

Mr. GINN. No. Mr. Speaker, if the gentleman will yield, I will say to the gentleman that there are not.

Mr. ROUSSELOT. And if the gentleman will yield, I will say to the gentleman that they are not.

Mr. ROUSSELOT. And the gentleman can assure us that there will not be?

Mr. GINN. The gentleman has my assurance.

Mr. ROUSSELOT. Mr. Speaker, I appreciate receiving that assurance, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, did the gentleman say this was for the Kennedy Center?

Mr. GINN. Mr. Speaker, if the gentleman will yield, that is right.

Mr. ASHBROOK. Is this not the building that was not going to ever use any taxpayer funds? I sat here on the floor and I very definitely heard that statement made a number of years ago.

Mr. GINN. Mr. Speaker, as the gentleman from Ohio (Mr. Ashbrook) knows, what we are attempting to do is to provide funding while the roof controversy is being litigated in court. We are doing that to prevent further damage to the Kennedy Center building, because of some 125 visible and serious water leaks. In the event the litigation proves successful, any funds recouped will go back to the Treasury in lieu of these funds that are used.

Mr. ASHBROOK. Mr. Speaker, further reserving the right to object, the gentleman did not answer my question. I asked, is this not for the Kennedy Center, and is this not the building on which no Federal funds were to be used?

I sat in this House and heard very explicitly the words that there would be no Federal funds used.

Time and time again we have talked about these District of Columbia projects that we pass, and after they are passed, they are like the proverbial tar baby; you get into them and you get "stucker and stucker and stucker."

I do not believe this is something on which we should use Federal funds. We told the American taxpayers there would be no Federal funds used when we authorized this project.

Mr. Speaker, is the gentleman willing to answer the question? The gentleman did say this bill was for the relief of the Kennedy Center. This is a building that was not supposed to ever need Federal funds; is that not correct?

Mr. GINN. Mr. Speaker, I was not in the Congress at the time of the funding. Some $23 million for the Kennedy Center was authorized and appropriated by this Congress. In addition, the Kennedy Center Board of Trustees raised in excess of $23 million from private and foreign sources for construction. I am unaware as to what commitments were made for future funding.

I will say again that what we are trying to do is to prevent the building from deteriorating, because of these leaks, and if these funds are recouped through litigation in the court, the money goes back into the Treasury to replace this amount.

Mr. ASHBROOK. Mr. Speaker, I understand the gentleman's problem, and I realize that he is the successor to many problems that were brought on us here by that Congress. Being one Member who was here at the time, I can point readily to the debate, to the exact words that were said.

Mr. Speaker, I am constrained to object to this request.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. WALSH. Mr. Speaker, I withdraw my reservation of objection.

Mr. ASHBROOK. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PROVIDING FOR CONSIDERATION OF S. 2278, CIVIL RIGHTS ATTORNEY'S FEES AWARDS ACT OF 1976

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1591 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1591

Resolved, That immediately upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill S. 2278, the Civil Rights Attorney's Fees Awards Act of 1976, and to consider said bill in the House.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. Anderson), pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution, as those who listened to it have heard, makes it in order to take from the Speaker's table a Senate bill, the Civil Rights Attorney's Fees Awards Act of 1976, and makes it possible to consider and pass the bill and thus send it to the President.

This is a bill that passed the Senate in great controversy. Its details will be explained by a member of the Committee on the Judiciary, who dealt with a similar bill which was on the Suspension Calendar but which was not reached. That would indicate, I believe, that the bill is not terribly controversial, and my understanding is that it will not be.

At this stage, Mr. Speaker, I will reserve the balance of my time so that the gentleman from Illinois (Mr. Anderson) may use some time and then I will yield to a member of the Committee on the Judiciary to describe the bill in some detail.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1591 would make it in order to take from the Speaker's table the bill S. 2278, the Civil Rights Attorney's Fees Awards Act of 1976, and to consider it in the House. Under this procedure the person calling the bill up from the Speaker's table will be recognized under the 1-hour rule and will control that. Following that 1 hour of debate the previous question will be moved and, if adopted, the House will vote on adopting S. 2278.

Mr. Speaker, I appreciate that some procedural objections may be raised to dealing with this bill in this manner. But I think this procedure is justified given the lateness of the session, the importance of this legislation in view of the Supreme Court's Alyeska decision, and the fact that this bill was approved by the other body on an overwhelming vote of 57 to 15, and a nearly identical bill was reported by our own Judiciary Committee by unanimous voice vote on September 9, 1976.

Mr. Speaker, before someone makes the charge that this bill is establishing some kind of precedent or opening some kind of new Pandora's Box, I think we should set the record straight at the outset. As we heard in the testimony before the Rules Committee yesterday, there are at present over 50 provisions for the awarding of attorney fees in particular cases, now contained in the U.S. Code. These break down into four categories including mandatory awards for the prevailing plaintiff, mandatory awards for the prevailing party, discretionary awards for the prevailing plaintiff and discretionary awards for the prevailing party.

Existing statutes allowing fees in certain civil rights cases fall into that latter category, that is, discretionary awards to the prevailing party. The bill before us today simply extends to other civil rights cases the discretionary award already in effect with respect to titles II and VII of the 1964 Civil Rights Act and section 402 of the 1975 Voting Rights Act Amendments.

In brief, this bill, like the other civil rights statutes I have cited, would provide that awards may be made to any "prevailing party", that the fees are to be allowed in the discretion of the court, and that the awards are to be "reasonable". I would reiterate, there is nothing different in this bill from what already exists with respect to other civil rights cases already covered by an attorneys' fees awards provision. The courts are familiar with these terms and they have reviewed, examined and intepreted them at some length.

One final word, Mr. Speaker: the bill adopted by the other body on Wednesday of this week which will be before us if this rule is adopted, contains an additional provision not in the House bill—an amendment which was offered by the gentleman from Alabama (Mr. ALLEN). That additional provision allows for the awarding of attorneys' fees in cases brought by the IRS where the existence of a tax liability on the part of the defendant is found to be without merit. That amendment was adopted in the other body by a unanimous vote of 72 yeas.

Mr. Speaker, I do not know of any serious amendments which anyone on the Judiciary Committee, or anyone else for that matter, has in mind on this legislation. Should someone have such an amendment, the person controlling the time could yield for amendment if he wished, or the previous question could be defeated thus permitting the person fighting the previous question to offer an amendment. But it would not be necessary to alter this rule in order to accomplish that objective. I therefore urge adoption of this rule so that we may proceed to the consideration of S. 2278 under the 1-hour rule. I think the need for this legislation is not only evident but imperative in view of the Alyeska decision that the courts do not have authority to award attorney's fees to a prevailing party unless an act of Congress expressly authorizes it. There is no logical reason to deny this authority to the courts and this hope to our citizens seeking the enforcement of their civil rights in some civil rights cases when that authority and hope already exists with respect to others.

I realize that some procedural objections conceivably could be raised to dealing with this bill in the manner described by the gentleman from Missouri (Mr. BOLLING), but I think the procedure is wholly justified in view of the fact that, hopefully, we are embarked now on the final day of this session of the Congress and in view of the intrinsic importance of the legislation, in view of the necessity for the legislation because of the Supreme Court decision in the so-called Alaska pipeline case, the fact that, at a filibuster, to be sure, it did have overwhelming support in the other body and that a nearly identical bill was reported by our own Committee on the Judiciary by unanimous voice vote on September 9, 1976. I note the presence at the committee table on the other side of the aisle of the distinguished gentleman from Massachusetts who was the author of a nearly identical House bill, which was reported, I think unanimously or nearly unanimously, out of the House Committee on the Judiciary, I will not, in view of his presence on the floor and intention to speak, go into the details of the legislation other than to say that it is certainly not unprecedented and that the features which it embraces are contained in more than 50 other statutory provisions now on the general statute books of the country.

Mr. Speaker, I think it is wholly desirable to implement basic, fundamental civil rights guarantees by making this provision a part of our law so that the prevailing party is entitled, at the discretion of the court, to reasonable attorney's fees.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. ROUSSELOT. Is this basically, then, a closed rule?

Mr. ANDERSON of Illinois. It could be described, I suppose, in those terms, in view of the fact that if the resolution is adopted, then, as I understand it, the person who calls up the bill from the Speaker's table controls the time; and he could refuse, I would assume, to yield for amendment. However, in view of the identicality or near identicality of the House bill and the Senate bill, and in view of the fact that there was ample testimony before the House Committee on the Judiciary and, I feel, ample testimony before the House Committee on Rules yesterday on the substantive features of the legislation, as well as the procedural aspects of this legislation, I do not think that the House is being foreclosed from exercising any rights that it ought to have.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, the gentleman realizes, of course, that this bill has never formally come before the House.

The Committee on the Judiciary had hearings, I understand; but in talking to members of the Committee on the Judiciary, I understand it was passed by voice vote. However, several of our colleagues from that committee did not realize that it was going to come up on a voice vote, and on such short notice, or they would have insisted on a more thorough review in committee.

My understanding is that the IRS has some reservations about it. I normally do not carry the mail for the IRS, but there are several very controversial aspects with respect to this bill. Therefore, I am surprised that my colleague, the gentleman from Illinois (Mr. ANDERSON), who I know favors the concept of "an open rule," would have supported a closed rule on a bill that has such potential controversy contained in its written provisions.

I realize the hour is late. However, some of our colleagues on the Committee on the Judiciary, who were not there when it was raced through and even though there were hearings on this legislation—I think these same members would have liked to have had an opportunity to offer amendments on the floor or in committee.

Does that not disturb the gentleman from Illinois?

Mr. ANDERSON of Illinois. Let me reply to the gentleman from California (Mr. ROUSSELOT) by saying I appreciate the fact that normally, as on the recent tax bill, I am fully in favor of open rules; but it seems to me that when we get into the legislative arena, we have to be practical. We have to accept a bill in the particular time frame and context in which it is being offered. We are also in the last day of this session.

Mr. Speaker, with respect to the question that the gentleman raises about the Internal Revenue Service's being disturbed, that amendment, of course, to the bill was offered in the Senate by Senator ALLEN, the junior Senator from the State of Alabama. It merely provides that in a civil action or proceeding on behalf of the United States to enforce a provision or charge a violation of a provision of the Internal Revenue Code, the court, in its discretion—and I emphasize "in its discretion"—may allow the prevailing party, other than the United States, reasonable attorney's fees.

I read the legislative history that was developed on that Senate amendment as it was debated in the other body, and it is clear that what is contemplated by that language is that in a suit where the Government has unreasonaby harassed a citizen of the United States by bringing a suit against him under the Internal Revenue Code, there should be an award of reasonable attorney's fees, in the court's discretion.

I do not know why anyone should feel any compunction about providing that there should be an award of reasonable counsel fees in a case in which a man can be harassed and made a defendant by the U.S. Government.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I cannot yield to both gentlemen simultaneously. First I will yield briefly to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague, the gentleman from Illinois (Mr. ANDERSON), yielding further. My understanding is that there are adequate attorneys' fees already provided for in present law. At the bottom of page 3 in the committee report is the following statement that I would like to quote:

> Since 1964, every major civil rights law passed by the Congress has included, or has been amended to include, one or more fee provisions.

So this legislation is in many ways duplication of other provisions already in law. My question then is: Why is it so necessary to rush this bill through with this type of a closed rule without it having been presented to the full House?

Mr. ANDERSON of Illinois. The gentleman from California has made his point in ample fashion. May I respond, and I do so in full, complete and total response to the allegation that the gentleman makes. It appears that in five of the seven provisions covered by this bill under which an award of reasonable attorneys' fees could be made, were passed prior to 1964. They actually go back to the post-civil war reconstruction period and two of the remaining three provisions that would be covered by this bill are included in bills that contain at least fee provisions in some other provision of the bill.

We are talking here about major civil rights laws. We have an obligation, it seems to me, as the representatives of the people, to make sure that those laws are enforced and we discharge that obligation when we make available a reasonable award of attorneys' fees at the discretion of the court. Those of us who are interested in making sure that those laws are enforced, and I am sure the gentleman from California wants to see them enforced just as much as I do, are simply abetting and aiding that process of law enforcement when we agree to the provisions of this bill.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I now yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I want to know exactly what is going to occur if we adopt this resolution. It is my understanding that the only thing that will be in order, if we adopt the resolution, is to consider the Senate bill S. 2278, the Civil Rights Attorneys' Fees Awards Act of 1976, as passed by the Senate, unless we would vote down the previous question.

It is my understanding that the Senate bill provides for the allowance of fees to attorneys who prevail, for the plaintiff if the plaintiff prevails in court, or for the defendant if the defendant prevails, or with respect to suits which are brought involving the Internal Revenue Code, if the defendant prevails and can show that that such action was filed in bad faith. In other words, the United States is excluded from any attorneys' fees under any thesis or under any hypothesis that we might present with regard to this legislation.

Am I correct in my understanding?

Mr. DRINAN. Will the distinguished gentleman from Illinois yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Speaker, I may say to the distinguished gentleman from Illinois that in the Allen amendment, it is only the United States that is involved. That if the United States brings actions on a citizen of this country, if they are doing it for the harassment of that defendant only, for vexatious purposes to the citizen, not to the United States, they might, under those unique and really impossible circumstances recover reasonable attorneys' fees at the discretion of the court.

Mr. McCLORY. There is a prohibition against the United States recovering attorneys' fees either in a civil rights case or in income tax matters.

Mr. DRINAN. That is pervasive in the whole United States Code. It seems to me this particular provision is a bit of an anomaly and goes only to the rare case where someone can actually assert and prove he was harassed by the IRS.

Mr. McCLORY. Is it proposed by the principal sponsor of this legislation from the House Committee on the Judiciary, that we should consider only the Senate bill and not vote down the previous question in order to amend the Senate bill?

Mr. DRINAN. Mr. Speaker, if the gentleman from Illinois would yield still further, that is precisely what is proposed here and that is, in a certain sense we are filling in the interstices of existing law. Just yesterday we adopted a proposal identical with this in the general revenue sharing bill. We have adopted this in the Civil Rights Act and in at least 52 Federal acts. Consequently, to fill in the vacancies in these very important acts, we ask that this body adopt what passed the Senate overwhelmingly the other day.

Mr. McCLORY. I thank the gentleman.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Minnesota.

Mr. QUIE. I thank the gentleman for yielding.

I would like to ask the gentleman a question. In this bill presently a taxpayer or an individual does not have standing and cannot sue under title IX. The Federal Government is the only one who can sue. Since we do provide that the Federal Government cannot have attorneys' fees paid in title IX, who, then, would receive attorneys' fees, if they prevail?

Mr. ANDERSON of Illinois. The gentleman raised that question with me on the floor earlier yesterday before the hearing was conducted on this legislation. I specifically addressed a question on that point to the distinguished gentleman from Massachusetts, the author of the House bill, Mr. DRINAN. He assured me that the concern that I believe the gentleman has that somehow it might be possible to substitute an individual party for the Federal Government under suits that are brought under title IX would not be the import of this legislation, but that in those cases where under title IX the suit can only be brought by the government, this does not change the law in that regard at all. This would not permit the substitution of an individual party plaintiff. So in further answer to the gentleman's question, there would be no award of attorneys' fees to the Government in a case brought by the Government.

PROVIDING FOR CONSIDERATION OF S. 2278, CIVIL RIGHTS ATTORNEY'S FEES AWARDS ACT OF 1976—Continued

Mr. QUIE. If the gentleman would yield further, could I ask the gentleman from Massachusetts why title IX, then, is included, the same provision as in title VI, because in the Civil Rights Act we permit an individual to sue except under title VI, and title IX was patterned after title VI of the Civil Rights Act. A recent court decision held that an individual cannot sue under title IX.

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts for a response.

Mr. DRINAN. I thank the gentleman for yielding.

The distinguished gentleman from Illinois has stated the case well, that there is no change in the substantive preexisting law in this case before this body at this time. We accept preexisting law, whatever it is, and simply state that the routine, boilerplate legal language on through the U.S. Code giving to the prevailing party at the discretion of the judge reasonable attorneys' fees shall be applied to title IX.

Mr. QUIE. I thank the gentleman.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Speaker, I do not think we are getting frank answers from our colleagues. They are not addressing themselves to the language of the bill they propose to bring up in this extraordinary fashion.

Reading the first several lines, it says:

> In any action or proceeding to enforce a provision . . .

and then it names a number of sections of title IX which are explained in appendix B of the House report. These are actions that, as I understand it, individual citizens can bring, and that means individuals can profit from such suits. It is not just the United States suing.

Mr. ANDERSON of Illinois. No. If the gentleman from Maryland misunderstood me, I apologize. I was merely trying to make the point that in those instances under that title where a suit can be brought in the name of the Government, this provision per se would not permit the substitution of an individual party plaintiff. But I am not suggesting that where the law now provides that an individual can bring a suit, he would not be eligible, as this says, for reasonable attorneys' fees at the discretion of the court.

Mr. BAUMAN. If the gentleman would yield further, it seems to me this bill proposes a lawyer's heyday. There will be people suing all over the place with the hope that the Federal Government will pay their legal fees.

Mr. ANDERSON of Illinois. Mr. Speaker, I am going to yield next to a member of the House Committee on the Judiciary, who wanted an opportunity to further explain that point. I yield to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. I thank the gentleman from Illinois for yielding.

Mr. Speaker, I would simply like to point out that, as I understand it, it is clearly not the intent of Congress to create a new remedy, but that, rather, this bill would create a remedy only in the event that the courts should in the future determine that an individual may sue under the statutes.

And the bill does not authorize or statutorily grant any private right of action which does not now exist. At least I feel certain that is our intent. I think we ought to establish that in the Record.

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. RAILSBACK. I yield to the gentleman from Massachusetts.

Mr. DRINAN. I concur completely. We do not create any new statutory right of action in the bill today.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RAILSBACK. I yield to the gentleman from Maryland.

Mr. BAUMAN. But the gentleman still is avoiding the issue. Of course the bill does not create any new right of action but it does provide for the Federal Government to pay resonable attorney's fees and that will only encourage litigation.

Mr. ANDERSON of Illinois. There are more than 50 present statutes which permit actions of that kind and it is only because of the court decision recently in the Alyeska case that it was felt now necessary to specify in statutory language those cases where that award would be made.

Mr. RAILSBACK. If the gentleman will yield further, I think it is important and vital that the House Members know that prior to the Alyeska case the courts were awarding reasonable attorneys' fees in civil rights cases in the cases where they thought it was proper. They did not do it where it was not proper, and it is not mandatory under the bill. So what we are really doing is codifying the practice that was going on prior to the Alyeska case.

Mr. ANDERSON of Illinois. That is my understanding.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I would like to point out what I think is an interesting and recurring double standard. It does not apply to my colleague, the gentleman from Illinois. My colleague, the gentleman from Illinois, pointed out the thrust of this bill was, in effect, to put individuals into a position of not being harassed by the Government, and, if they are, then at least allow them to seek redress for their grievances and be able to have their attorney's fees paid if they prevail.

Going back a few months, if I may, we had a similar situation regarding small businesses which were being harassed by the Government. We pointed out in several cases under the Consumer Product Safety Commission such cases, and I will mention specifically the Marlin Toy Co., which was put out of business by bureaucratic overkill.

The bureaucracy itself admitted later it was wrong. We brought up a bill to provide for their redress and our friends on the other side of the aisle said: "We cannot get into that." But in this case the crocodile tears are profuse. I just wanted to point that out.

Mr. ANDERSON of Illinois. Mr. Speaker, I think the gentleman is making a good point, but in fairness to somebody on the other side of the aisle, the gentleman from Wisconsin (Mr. Kastenmeier), I do want to relate to the Members in the House what he testified to before us in the Rules Committee on this bill. He said that this is a much broader subject really than what is encompassed in this relatively brief bill, and there are these problems to which the gentleman from Ohio has correctly referred where other citizens are being harassed by the Federal Government in the type of situation the gentleman outlined.

I very much hope the House Judiciary Committee will return to this subject in the next Congress and do something about making it possible for that small businessman to whom the gentleman referred to get the same kind of redress if he is in fact being harassed and persecuted by his own Government and unfairly subjected to litigation.

Mr. ASHBROOK. Mr. Speaker, if the gentleman will yield, I categorically agree with him. The only difference is this House had the opportunity, we had the facts, the Senate had the opportunity, it had the facts, and we had the amendments but my liberal friends voted them down and took them out of the bill. Now all of a sudden in lock step they march as fast as possible and they set aside the normal legislation rules. In this case they want to get this onto the statute books quickly. Not so when it comes to the harassed small businessman.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois (Mr. Hyde).

Mr. HYDE. Mr. Speaker, one of the vices involved in having compulsory arbitration is that we are delegating to nonelected officials the power arbitrarily to disburse tax funds when they reach agreement. One of the vices with this type arrangement is that we are delegating to a Federal judge, a nonelected person, the power to disburse taxpayers' funds at his discretion.

I think some system would be preferable if we could permit a private bill to come before Congress, where Congress, which has a responsibility of shepherding the tax dollars and watching the purse strings would have the power to review and assess in the discretion of Congress what a reasonable attorney's fee ought to be, if indeed one should be awarded. That is simply a comment.

Now a question.

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Speaker, that is a misconception. There is not a single dollar of Federal money in what is being proposed here. If the plaintiff prevails, then the judge will give reasonable attorney's fees to him, not from taxpayers' money but from the defendant's money.

Mr. Speaker, going back to what the gentleman from Maryland maintained, it is not true that any taxpayers' money is going to come from this bill.

Mr. HYDE. Mr. Speaker, if the gentleman will yield further, the problem is that if the suit is against the Chicago Police Department, as we recently had one, and damages are assessed, it is taxpayers' funds that are going to pay those damages, maybe out of Federal revenue sharing, maybe out of local taxpayers' funds; so I do not quite concur with that argument.

Mr. Speaker, my one question is this simply, is the discretion of a judge reviewable? If we get an activist judge who is outraged by what he has heard and he awards $100,000 attorneys fees, is that such an exercise of discretion as to be reviewable?

Mr. DRINAN. Mr. Speaker, if the gentleman will yield further, it is reviewable and it has been reviewed countless times in the courts.

Mr. BEARD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Tennessee.

Mr. BEARD of Tennessee. That is if the plaintiff prevails; what if the defendant prevails?

Mr. DRINAN. The prevailing party is the one to recover.

Mr. BEARD of Tennessee. Mr. Speaker, if the gentleman will yield further, let us say a company is being sued for violating civil rights and in the course of the trial it is found that the defendant did not violate those civil rights. The defendant has had to pay a great deal in defense fees or in legal fees, where does the money come from that reimburses him for his legal fees?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. Drinan) to reply.

Mr. DRINAN. Mr. Speaker, I am glad the gentleman brought this up, because we did not say the prevailing plaintiff. This makes it possible to reach the essence of the other party.

We brought this in, because otherwise it might chill plaintiffs and they would not come into it.

In fairness, we said it was a plaintiff or a defendant.

Mr. BEARD of Tennessee. The gentleman is not answering the question.

Mr. DRINAN. Mr. Speaker, if the gentleman will yield further, I am coming to that. Adhering to the process of litigation is the very frequent phenomenon that the defendant does not have a judgment for damages or that the plaintiff does not have the finances necessary to reimburse the defendant. In that case, the defendant can take every legal remedy available to him to reach the essence of the plaintiff, whether it is an individual or a corporation. This bill will cause plaintiffs to think long and hard before they bring suits that are frivolous or unsubstantiated.

Mr. ANDERSON of Illinois. Mr. Speaker, I am informed I have only 6 minutes. I yield to the gentleman from California (Mr. Wiggins) for a unanimous-consent request.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. Brown).

Mr. BROWN of Michigan. Mr. Speaker, one thing that bothers me about the matter before us is its timing. What is the great urgency for the passage of this legislation at this point in time, the last day of the session?

Obviously, this measure has been before the Committee on the Judiciary. It has been before the Senate some time before that. It has not such urgency to bring it up in the ordinary course of business. We are in the last day of the session. I refuse to see, and I do not think it can be established, the reason for these unusual proceedings of going to the Committee on Rules to get a rule to pass to adopt a Senate bill. It does not make sense. I am surprised that the members of the Committee on Rules, who are perfectionists with respect to the proceedings of this House, would want to, in effect, negate the rules that they so strenuously enforce.

Mr. ANDERSON of Illinois. Mr. Speaker, let me just briefly respond and then I am going to reserve the balance of my time.

Mr. Speaker, the resolution before us is not unprecedented. We have acted on similar measures in similar fashion many times in the past. In more direct response to the gentleman's question, the reason we are acting this way on this, the last day, hopefully, of the session, is that only with great difficulty was a Senate filibuster broken on this legislation. If it does not pass the House today, if the previous question is voted down, if the bill is amended, if it has to go to another conference, any reasonable person knows there is going to be another filibuster in the other body and this bill simply will not become law. I think it should.

Mr. BROWN of Michigan. If the gentleman will yield further, is not a filibuster contemplated by the rules of the other body?

Mr. ANDERSON of Illinois. Yes, and they ought to change the rules.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, in response to my good friend from Ohio (Mr. ASHBROOK), I would just like to point out a couple of items. There are already on the statute books under some of the civil rights laws provisions comparable to this, allowing the awarding of attorneys' fees. We recently passed, and the President signed yesterday, an antitrust act which contains a similar provision with respect to attorneys' fees in private antitrust cases. As a matter of fact, without such a provision, the effect of the Alyeska pipeline court decision would be to wipe out the "private attorneys general" concept in the enforcement of the antitrust laws.

Now, certainly the laws protecting people's civil and constitutional rights are at least as important as are antitrust laws. All we are trying to do in this bill is to provide for uniform treatment so that people whose rights are affected will be able, if the courts so decide in their discretion, to get compensation for their legal expenses in meritorious cases, particularly in injunction cases where there is no monetary benefit to be gained by the plaintiff.

The civil rights laws do not mean a thing unless a person has the ability to bring suit when necessary to enforce his rights. Without this bill, there will be many instances where persons whose rights have been violated will have no practical way of protecting themselves, because they have no way of paying an attorney to represent them.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I would agree basically with what the gentleman said, except that I would want to amend it—on the record of this Congress—to state that where there is a small business that has been harassed or put out of business by the bureaucratic agencies, this same concern does not seem to apply.

Mr. SEIBERLING. I would be glad to join the gentleman in that kind of legislation if we can work it out, but that should not be used as the basis for blocking this meritorious bill.

Mr. ASHBROOK. I thank the gentleman.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Speaker, I want to ask one question. As I understand it, the apparent language in this bill states that any party would receive attorneys fees at the discretion of the court. If the defendant prevails, then apparently by this language he could be awarded attorneys fees.

However, according to the House of Representatives report on the original bill out of the House, apparently there is a body of law, court decisions, that qualifies this ability to receive attorneys fees.

Does this act we are attempting to pass now supersede the court decisions? In other words, would the defendant get an equal opportunity to receive attorneys fees, or is the defendant who prevails going to be limited as to whether or not there is a suit brought maliciously or in harassment or with other qualifying features?

Mr. DRINAN. If the gentleman will yield, I will state that the U.S. Government may not have attorney fees awarded. In other cases, it belongs in the proper discretion of the judge. If the suit is of a vexatious and harassing nature, the defendant obviously should be given his reasonable attorney fees. I think it is all carefully regulated by a body of law which goes back at least 50 years, and this would not be necessary, namely, to put through a law at all had it not been for a technical decision in the U.S. Supreme Court.

Mr. WHITE. Then there is not an equal opportunity to the defendant because he must go further and show vexatious or malicious motivation before the court would award anything to the defendant.

Mr. DRINAN. If I may answer: No, I think prevailing authority is intended to be limited in a discriminatory way. Either the plaintiff or defendant, if a person prevails, then the judge may in his discretion give reasonable attorney fees.

Mr. WHITE. Regardless of previous court decision?

Mr. DRINAN. No, not regardless. We need statutory authority to do this, to be able to obtain reasonable attorney fees from the plaintiff. If one is the plaintiff, he may get these reasonable attorney fees from the defendant. The U.S. Government is not involved.

Mr. WHITE. If a company is a defendant, the company still has to go through the proof required by court decisions standing now as to the vexatious and vicious nature of the lawsuit, before attorneys fees could be awarded to a defendant?

Mr. DRINAN. If I understand the gentleman's question, the burden of proof on the defendant who prevails would be far less in this bill and by statute they would acquire rights that by statute they need, and that they would benefit from this law.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. I thank the gentleman for yielding.

Mr. Speaker, I would like to address a question, if I could, to the gentleman from Missouri (Mr. BOLLING) as to why this is considered an emergency or procedural emergency rule. I thought that the Committee on Rules had terminated its meetings and its activities, except for emergency or procedural matters. I do not see how this fits into either category, and that is the reason why I did not attend the meeting when this was reported out.

Mr. BOLLING. If the gentleman will yield, it is procedural and it is urgent, because the members of the Committee on Rules and the members of the Committee on the Judiciary felt that since this had not been reached in the normal course on suspension, this was the only way to deal with it. We were convinced by the members of the Committee on the Judiciary who appeared before us that there was an emergency in dealing with it and that to not pass the matter now would create a longer gap than necessary, since the Alyeska case changed the ground rules, and this in effect just restores them.

Mr. LOTT. Is it correct that under this resolution the bill which we are considering will not be amendable?

Mr. BOLLING. If the gentleman will yield, it would be amendable under the unlikely circumstances that the gentleman managing it yielded for amendments.

Mr. BEARD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Tennessee (Mr. BEARD).

Mr. BEARD of Tennessee. I thank the gentleman for yielding.

Is there any retroactive nature of this piece of legislation so far as cases that have been filed in the last several months?

Mr. ANDERSON of Illinois. Mr. Speaker, if the gentleman will yield, it would apply to cases now pending, for the simple reason that if that were not the case, the award of fees would depend on the date that the case is filed. I do not think that is the basis on which a determination is made. To that extent, it is retroactive. Pending cases could receive an award of reasonable fees.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 additional minute to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I do not think this is an emergency piece of legislation or one that should be here under any sort of procedural emergency. We have bills that have been put off, bills which have been pending for years, and they have not been called up. For instance, what happened to the bottlers' franchise bill? I do not think this is an emergency piece of legislation. We have a civil rights bill here that is being brought up under a gag rule. To me, that is a curious development.

Mr. BAUMAN. Mr. Speaker, will the gentleman from Missouri yield?

Mr. BOLLING. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Texas (Mr. WHITE) has raised, I think, a very important point. This bill has been presented under unusual procedural conditions and argued for on the basis that it is going to assist both defendants and plaintiffs. The gentleman from Massachusetts (Mr. DRINAN) has been less than explicit in his response to the question of the gentleman from Texas.

I direct the attention of the Members to page 7 of the report, if they are lucky enough to have a copy. It appears to me that if we read the case law governing the rights of a defendant to be awarded legal fees in cases such as this, that the defendant has to prove malice or vindictiveness on the part of the plaintiff. When we read this case law, together with civil rights statutes this bill covers, it would be virtually impossible for any defendant to ever meet this standard, because any plaintiff can say, "I honestly believed I had a civil rights action under the statute," and that would bar the defendant from getting fees.

I think this is a plaintiffs' bill, and I think the established case law, taken together with the new provisions, makes it a plaintiffs' bill.

That is all the more reason it should be put over until next January, so that we can take care of not only defendants' rights, but plaintiffs' rights and rights of all the people of the United States. This is not the way to deal with legislation such as this.

Mr. BOLLING. Mr. Speaker, I have no further request for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 262, nays 108, not voting 60, as follows:

[Roll No. 857]

YEAS—262

Abzug
Addabbo
Alexander
Allen
Anderson,
  Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Byron
Carney
Carr
Chisholm
Clausen,
  Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Corman
Cornell
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gradison
Gude
Guyer
Hall, Ill.
Hamilton
Hanley
Hannaford
Harkin
Harris
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Jarman
Jeffords
Jenrette
Jones, Okla.
Jordan
Kastenmeier
Kazen
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Lloyd, Calif.
Long, La.
Long, Md.
Lujan
Lundine
McClory
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mann
Martin
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Neill
Ottinger
Patten, N.J.
Patterson,
  Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pike
Pressler
Preyer
Price
Quie
Quillen
Railsback
Rangel
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarbanes
Schroeder
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Smith, Iowa
Solarz
Spellman
Spence
Staggers
Stanton,
  J. William
Stanton,
  James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Teague
Thompson
Thone
Thornton
Traxler
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Wampler
Waxman
Weaver
Whalen
White
Wiggins
Wilson, Tex.
Wirth
Wolff
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NAYS—108

Abdnor
Ambro
Andrews,
  N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bevill
Bowen
Breaux
Brinkley
Brown, Mich.
Burleson, Tex.
Burlison, Mo.
Butler
Carter
Cederberg
Chappell
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, R. W.
Derwinski
Devine
Dickinson
Edwards, Ala.
Erlenborn
Flowers
Fountain
Frey
Ginn
Goldwater
Goodling
Grassley
Hagedorn
Haley
Hall, Tex.
Hammerschmidt
Hansen
Harsha
Henderson
Hightower
Holt
Hyde
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kasten
Kelly
Kemp
Ketchum
Kindness
Landrum
Latta
Levitas
Lloyd, Tenn.
Lott
McDonald
McEwen
Mahon
Mathis
Michel
Milford
Mollohan
Montgomery
Moore
Moorhead,
  Calif.
Mottl
Myers, Ind.
Nichols
Paul
Poage
Pritchard
Randall
Rhodes
Roberts
Robinson
Rousselot
Ruppe
Satterfield
Schneebeli
Schulze
Sebelius
Shuster
Sikes
Slack
Smith, Nebr.
Symms
Taylor, Mo.
Taylor, N.C.
Treen
Waggonner
Walsh
Whitehurst
Whitten
Wilson, Bob
Winn
Wydler
Young, Fla.

NOT VOTING—60

Adams
Baldus
Baucus
Burke, Fla.
Burton, Phillip
Clancy
Conyers
Cotter
Coughlin
Dingell
Downing, Va.
du Pont
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fithian
Flynt
Green
Harrington
Hawkins
Hébert
Heinz
Hinshaw
Holland
Howe
Jacobs
Johnson, Calif.
Karth
Keys
McCollister
Matsunaga
Meyner
Mikva
Mills
Mink
Mitchell, Md.
Moffett
Moss
Neal
Nix
O'Hara
Passman
Pepper
Pickle
Rees
Riegle
Sarasin
Scheuer
Snyder
Steelman
Steiger, Ariz.
Stephens
Tsongas
Udall
Vigorito
Wilson, C. H.
Wright
Young, Alaska
Young, Ga.

The Clerk announced the following pairs:

Mr. Phillip Burton with Mr. Burke of Florida.

Mr. Matsunaga with Mr. Heinz.

Mr. Mikva with Mr. Downing of Virginia.

Mr. Adams with Mr. Holland.

Mr. Mitchell of Maryland with Mr. Johnson of California.

Mr. Evans of Colorado with Mrs. Meyner.

Mr. Harrington with Mr. Clancy.

Mr. Hébert with Mr. McCollister.

Mr. Hawkins with Mr. Eshleman.

Mrs. Mink with Mr. Udall.

Mr. Moss with Mr. Esch.

Mr. Neal with Mr. Mills.

Mr. Young of Georgia with Mr. Flynt.

Mr. Vigorito with Mr. Howe.

Mr. Pepper with Mr. Stephens.

Mr. Pickle with Mr. Coughlin.

Mr. Nix with Mr. Moffett.

Mr. Cotter with Mr. Riegle.

Mr. Dingell with Mr. Evins of Tennessee.

Mr. Fithian with Mr. Passman.

Mr. Tsongas with Mr. O'Hara.

Mr. Wright with Mr. Scheuer.

Mrs. Keys with Mr. du Pont.

Mr. Jacobs with Mr. Steelman.

Mr. Baucus with Mr. Sarasin.

Mr. Baldus with Mr. Karth.

Mr. Conyers with Mr. Rees.

Mr. Green with Mr. Charles H. Wilson of California.

Mr. SIKES and Mr. FOUNTAIN changed their vote from "yea" to "nay."

Mr. VANDER JAGT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MAKING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1977

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 1105) making continuing appropriations for the fiscal year 1977, and for other purposes, with Senate amendments thereto, disagree to the Senate amendment No. 1, and concur in Senate amendments numbered 2, 3, 4, and 5.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 1, after line 13, insert: "projects or activities for which appropriations, funds, or other authority would be available in the Legislative Branch Appropriations Act for fiscal year 1977;"

Page 2, after line 12, insert: "activities of the President's Commission on Olympic Sports;"

Page 4, after line 17, insert:

"SEC. 110. Provisions in Public Law 94-355 and Public Law 94-373 which make the availability of appropriations therein for the Energy Research and Development Administration dependent upon the enactment of additional authorizing legislation shall not be effective until the date set forth in section 102(c) of this joint resolution or the enactment of such authorizing legislation, whichever first occurs."

Page 4, after line 17, insert:

"SEC. 111. To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U.S.C. 1504), $30,000,000."

Page 4, after line 17, insert:

"SEC. 112. For payment of claims settled and determined by departments and agencies in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in Senate Document Numbered 94-260, Ninety-fourth Congress, $5,147,921, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That unless otherwise specifically required by law or by judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of the Act."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ANDERSON of Illinois. Reserving the right to object, Mr. Speaker, I do so to ask a question of the distinguished chairman of the Committee on Appropriations.

Mr. Speaker, as I understand it, Public Laws 94-355 and 94-373, on Public Works and Interior Appropriations for fiscal year 1977 both contain provisions making appropriations for ERDA contingent upon authority in our ERDA fiscal year 1977 authorization bill. The conference bill for the authorization for ERDA was passed by the House yesterday, should be passed by the Senate today, but conceivably will not be signed by the President until sometime next week.

Section 112 of this joint resolution would have the effect of canceling the appropriations law provisions which require the authorization until such time as the ERDA authorization becomes law.

Would the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON) agree that since both Houses will have passed the ERDA authorization as of today, hopefully, that ERDA should be guided by the provisions of the ERDA authorization conference bill during the period while the bill is pending actual Presidential signature?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I will say the gentleman is completely correct in his analysis of the situation. Both Houses have or will have approved the conference report and ERDA should be guided by those provisions even though technically it may not be required to do so for some interim period.

I should state that the gentleman from Texas (Mr. TEAGUE), the distinguished chairman of the Committee on Science and Technology, has also contacted me in regard to this matter. We are all in agreement I would say to my friend from Illinois.

Mr. ANDERSON of Illinois. If the gentleman will respond to one further question, would the gentleman from Texas further agree that ERDA, during this interim period we are talking about, should not initiate any project or program that would not be authorized by the conference bill?

Mr. MAHON. I agree with the gentleman's conclusions.

Mr. ANDERSON of Illinois. I thank the gentleman from Texas for his responses.

I withdraw my reservation of objection.

THE APPROPRIATION BUSINESS OF THE SESSION

Mr. MAHON. Mr. Speaker, it is customary at the end of a session of Congress for the chairman of the Committee on Appropriations to provide certain summary information with respect to the appropriation business conducted during the year. Overall the House has taken action on some 23 appropriation measures during the 2d session of the 94th Congress. In these actions, more than $280 billion has been appropriated.

The second concurrent resolution on the budget approved budget authority for fiscal 1977 in the amount of $451,550,000,000 and outlays of $413,100,000,000. Through September 30, the House has approved legislation which will result in $424.7 billion in budget authority and $401.9 billion in outlays. This leaves a balance of $26.9 billion in budget authority and $11.2 billion in outlays.

It is clear that the budget is subject to constant, and sometimes sharp, change even without considering action by the executive or legislative branches. For example, this is the third successive year that receipts from the sale of oil and gas leases on the Outer Continental Shelf have been significantly lower than originally estimated. In addition, the behavior of the national economy affects unemployment compensation payments, interest on the debt, and cost-of-living adjustments to various groups. Undoubtedly, other changes will occur that will cause the estimates to be adjusted.

Mr. Speaker, at this time I include a comparative table of budget authority reflecting action on the appropriation bills during the session:

ACTIONS ON REQUESTS FOR NEW BUDGET AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 94TH CONG., 2D SESS.[1] (REVISED TO OCT. 1. 1976)

[This table excludes "backdoor" spending authority in legislative bills and permanent budget authority (Federal and Trust) available without further action by Congress.]

Bill and fiscal year	House				Senate			Congress	
	Budget requests considered	Reported by committee	Approved by House	Compared with budget requests considered by House	Budget requests considered	Approved by Senate	Compared with budget requests considered by Senate	Approved by Congress	Compared with budget request
A. Bills for fiscal 1977:									
1. Agriculture and Related Agencies (P.L. 94-351)	$11,464,892,000	$11,703,438,000	$11,703,438,000	+$238,546,000	$11,464,892,000	$12,181,232,000	+$716,340,000	$11,542,998,000	+$78,106,000
2. Defense (H.R. 14262)	106,762,172,000	105,947,887,000	105,397,343,000	−1,364,829,000	107,964,472,000	104,014,226,000	−3,950,246,000	104,343,835,000	−3,620,637,000
3. District of Columbia (H.R. 15193)	396,894,000	372,707,000	372,707,000	−24,187,000	396,894,000	363,972,300	−32,921,700	363,796,400	−33,097,600
3.a. Pennsylvania Ave. Development Corp.[11] (H.R. 15193)					[11] (36,450,000)	[11] 36,450,000	+36,450,000		
4. Foreign Assistance (H.R. 14260)	5,497,220,000	4,946,198,000	4,833,498,000	−663,722,000	5,817,770,000	5,393,765,000	−424,005,000	5,133,707,000	−684,063,000
5. HUD-Independent Agencies (P.L. 94-378)	45,291,598,000	42,993,930,000	42,982,730,000	−2,308,868,000	45,306,198,000	43,336,200,000	−1,969,998,000	43,284,615,000	−2,021,583,000
6. Interior [8] (P.L. 94-373)	5,640,810,000	5,589,180,000	5,660,897,000	+20,087,000	5,748,054,000	5,797,965,057	+49,911,057	5,641,379,057	−106,674,943
7. Labor-HEW [3] (H.R. 14232)	52,537,096,000	56,104,631,000	56,205,212,000	+3,668,116,000	52,618,208,000	57,167,116,575	+4,548,908,575	56,618,207,575	+3,999,999,575
8. Legislative (H.R. 14238)	794,184,000	780,266,350	780,310,950	−13,873,050	992,290,765	971,141,285	−21,149,480	943,400,485	−48,890,280
9. Military Construction (P.L. 94-367)	3,467,000,000	3,293,118,000	3,293,118,000	−173,882,000	3,467,000,000	3,426,891,000	−40,109,000	3,338,759,000	−128,241,000

Footnotes at end of table.

ACTIONS ON REQUESTS FOR NEW BUDGET AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 94TH CONG., 2D SESS.[1] (REVISED TO OCT. 1, 1976)—Continued

[This table excludes "backdoor" spending authority in legislative bills and permanent budget authority (Federal and Trust) available without further action by Congress.]

	House				Senate			Congress	
Bill and fiscal year	Budget requests considered	Reported by committee	Approved by House	Compared with budget requests considered by House	Budget requests considered	Approved by Senate	Compared with budget requests considered by Senate	Approved by Congress	Compared with budget request
10. Public Works [9] (P.L. 94-355)	9, 220, 095, 000	9, 551, 209, 000	9, 645, 609, 000	+425, 514, 000	9, 398, 895, 000	9, 718, 885, 000	+319, 990, 000	9, 703, 713, 000	+304, 818, 000
11. Public Works Employment (H.R. 15194)		[10] 1, 138, 300, 000	[10] 1, 138, 300, 000	+1, 138, 300, 000		[10] 1, 638, 300, 000	+1, 638, 300, 000	[10] 1, 418, 300, 000	+1, 418, 300, 000
12. State-Justice-Commerce-Judiciary (P.L. 94-362)	6, 297, 119, 000	6, 382, 828, 000	6, 541, 128, 000	+244, 009, 000	6, 313, 251, 453	[7] 6, 880, 147, 453	+566, 896, 000	[7] 6, 680, 314, 453	+367, 063, 000
13. Transportation [2] (P.L. 94-387)	5, 352, 292, 357	5, 286, 077, 357	5, 296, 077, 357	−56, 215, 000	5, 268, 892, 357	5, 411, 139, 357	+142, 247, 000	5, 311, 839, 357	+42, 947, 000
14. Treasury-Postal Service-General Gov't (P.L. 94-363)	7, 983, 147, 000	8, 275, 958, 000	8, 267, 636, 000	+284, 489, 000	8, 004, 892, 000	8, 301, 470, 000	+296, 578, 000	8, 313, 119, 000	+308, 227, 000
15. Guam Typhoon Supplemental (H.J. Res. 1096) [8]					247, 951, 838	250, 051, 838	+2, 100, 000	250, 051, 838	+2, 100, 000
16. Continuing Resolution (H.J. Res. 1105)		12, 000, 000	12, 000, 000	+12, 000, 000	45, 147, 921	47, 147, 921	+2, 000, 000	47, 147, 921	+2, 000, 000
Total, bills for fiscal 1977	260, 704, 519, 357	262, 377, 727, 707	262, 130, 004, 307	+1, 425, 484, 950	263, 054, 809, 334	264, 936, 100, 786	+1, 881, 291, 452	262, 935, 183, 086	−119, 626, 248
B. Bills for fiscal 1976:									
1. District of Columbia (P.L. 94-333)	507, 841, 000	465, 688, 000	465, 688, 000	−42, 153, 000	507, 841, 000	464, 364, 700	−43, 476, 300	464, 636, 700	−43, 204, 300
2. Foreign Assistance (P.L. 94-330)	5, 764, 640, 909	4, 988, 997, 454	5, 001, 497, 454	−763, 143, 455	5, 789, 640, 909	5, 328, 640, 909	−461, 000, 000	5, 179, 890, 909	−609, 750, 000
3. Supplemental Railroad Appropriations (P.L. 94-252) [3]	404, 100, 000	404, 100, 000	464, 100, 000	+60, 000, 000	[4] 472, 800, 000	722, 532, 956	+249, 732, 956	587, 000, 000	+114, 200, 000
4. Legislative Branch Supplemental (P.L. 94-226)	33, 000, 000	33, 000, 000	33, 000, 000		33, 000, 000	33, 000, 000		33, 000, 000	
5. Further Continuing Appropriations (P.L. 94-254)	175, 000		175, 000		175, 000	175, 000		175, 000	
6. Second Supplemental, 1976 (P.L. 94-303)	[6] 8, 001, 689, 067	[6] 7, 749, 126, 167	[6] 8, 133, 161, 167	+131, 472, 100	9, 920, 681, 850	9, 716, 514, 420	−204, 167, 430	9, 393, 791, 970	−526, 889, 880
7. Emergency Health Supplemental (P.L. 94-266)	[6] 2, 275, 364, 000	[6] 1, 513, 764, 000	[6] 1, 942, 384, 000	−332, 980, 000	2, 363, 484, 000	1, 942, 384, 000	−421, 100, 000	1, 942, 384, 000	−421, 100, 000
Total, bills for fiscal 1976, 2d Session	16, 986, 809, 976	15, 154, 675, 621	16, 040, 005, 621	−946, 804, 355	19, 087, 622, 759	18, 207, 611, 985	−880, 010, 774	17, 600, 878, 579	−1, 486, 744, 180
C. Cumulative totals for the session to date:									
1. House	277, 691, 329, 333	277, 532, 403, 328	278, 170, 009, 928	+478, 680, 595					
2. Senate					282, 142, 432, 093	283, 143, 712, 771	+1, 001, 280, 678		
3. Enacted								280, 536, 061, 665	−1, 606, 370, 428

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[1] Additionally, the Congress has taken action during this period, to rescind budget authority as follows:

Bills	Proposed rescissions considered	Approved by House	Approved by Senate	Approved by Congress	Compared with proposed rescissions
Third Budget Rescission Bill (P.L. 94-249)	$646, 176, 000	$12, 431, 000	$75, 831, 000	$75, 831, 000	−$570, 345, 000

[2] Includes advance funding for fiscal year 1978.

[3] Amounts for fiscal year 1976; additionally, there were amounts in the bill for the transition quarter, fiscal years 1978 and 1979.

[4] Includes $68,700,000 in budget estimates greater than those originally considered by the House and Senate because the Administration transmitted these estimates just prior to the House-Senate Conference. The Senate had recommended appropriations for the items affected in anticipation that the estimates would be transmitted before final congressional action on the Railroad Supplemental.

[5] In addition, there are budget requests and amounts approved to be made available in the transition period. For the House, the amounts are $189,000,000 and $163,073,000, respectively; for the Senate, the amounts are $689,000,000 and $615,312,000, respectively. The conference agreement for the transition period provides $622,033,000. In all, the bill provides $872,084,838 for both the transition period and fiscal year 1977. The conference agreement is $62,767,000 under the budget estimates.

[6] Originally, the House Committee on Appropriations had considered budget requests of $10,141.989.067, for the Second Supplemental. These included budget requests for several job-related items (Public Service jobs, Comprehensive Manpower Assistance, etc.). The Committee, in reporting the Second Supplemental, recommended almost $1.4 billion for these programs. In considering the Emergency Health Supplemental (the Swine Flu vaccine bill: P.L. 94-266), the Senate added $1.8 billion for the job items The House agreed to these amendments to the Swine Flu bill, and amended the Second Supplemental as appropriate. In the above table the requests, reported, and approved amounts for the House have all been adjusted to show the practical effects of these changes, although the House actually approved only $135 million for the Swine Flu bill.

[7] These amounts include $375,000 and $340,000 for the Senate and Congress, respectively, that became available on July 1, 1976.

[8] Amounts exclude $20 million requested by the President (Sen. Doc. 92-224) and approved be the House and Senate for emergency aid to Guam, to become available upon enactment of thy Interior and related agencies appropriations bill.

[9] Amounts exclude $200 million for damages caused by the failure of the Teton River Dam, requested in a supplemental estimate for FY 1976 (H. Doc. 94-523), and approved by House and Senate to become available upon enactment of this appropriation bill.

[10] In addition, the bill contains $2,314,133,000 in new budget authority to be made available immediately upon enactment; in total, $3,452,433,000 in new budget authority is provided by the House bill; $3,952,433,000 by the Senate bill; $3,732,433,000 by the conference agreement.

[11] The $36,450,000 budget request shown in parentheses is also included in the amount considered by the Senate for the Interior appropriations bill; however, the request could not be funded in that bill. This amount was then recommended in the Senate version of Title II of the District of Columbia and other activities appropriations bill (H.R. 15193), but was not approved in the final version of the bill.

Note: The Budget for 1977, as submitted Jan. 21, 1976, tentatively estimated total new budget authority for 1977 at $433,409,000,900 net ($495,777,327,000 gross, including $62,368,318,000 in intragovernmental transactions and certain so-called proprietary receipts handled as offsets for budget purposes only). An estimated $227.4 billion does not require current action by Congress, this amount includes permanent appropriations such as interest and various trust funds already provided in basic law. Virtually all of the remaining $268.4 billion is for consideration at this Session in the appropriation bills. About $6.9 billion of the $268.4 billion was shown in the January budget as being "for later transmittal" for supplemental requirements under present law, new legislation allowances and for contingencies and civilian pay raises.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendments just agreed to and that I may insert extraneous matter with my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CIVIL RIGHTS ATTORNEY'S FEES AWARDS ACT OF 1976

Mr. DRINAN. Mr. Speaker, pursuant to the rule I call up the bill (S. 2278) The Civil Rights Attorney's Fees Awards Act of 1976, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

Mr. DRINAN. Mr. Speaker, I ask unanimous consent to consider the bill as read and printed in the RECORD.

Mr. BAUMAN. Mr. Speaker, reserving the right to object.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 1 hour.

Mr. BAUMAN. Mr. Speaker, again I reserve the right to object.

The SPEAKER pro tempore. There was no request properly pending until I made that statement.

The gentleman from Massachusetts is recognized for 1 hour.

Mr. DRINAN. Mr. Speaker, this bill is similar to the bill H.R. 15460, which was reported out of the Judiciary Committee by voice vote on September 9, 1976.

Mr. BAUMAN. Mr. Speaker, I make a point of order. Does not the Constitution of the United States require the reading of legislation before us?

The SPEAKER pro tempore. The bill is read by title.

Mr. BAUMAN. I thank the Speaker.

The SPEAKER pro tempore. The gentleman from Massachusetts has been recognized for 1 hour.

Mr. DRINAN. Mr. Speaker, this bill is identical to H.R. 15460, which was reported out of the Judiciary Committee by voice vote on September 9, 1976—27 members of the committee were present. The only difference between the two bills is the Allen amendment, adopted by the Senate unanimously—79 to 0—on Tuesday, which I will discuss later. With the approval of the minority, the House bill had been placed on the suspension calendar for consideration on Tuesday, September 21. Unfortunately the House did not reach the bill because a number of suspensions had been carried over from the previous day.

Regarding the substance of the bill, let me begin by noting that the United States Code presently contains over 50 provisions which allow the awarding of attorney fees to prevailing parties. They span a wide range of subjects: perishable agricultural commodities, securities transactions, copyright—which we approved once again yesterday—antitrust, corporate reorganizations, and many other topics. I have a list of those statutory provisions which I am inserting in the RECORD at the conclusion of these remarks.

With respect to civil rights, Congress has provided for the award of a reasonable attorney's fee in recent statutes, such as the Federal Fair Housing Act of 1968 and the Voting Rights Act Amendments of 1975. In addition this week the House approved two conference reports on bills which have attorney fee provisions in their nondiscrimination sections: the LEAA authorization bill and the measure to extend the general revenue sharing program.

The purpose of S. 2278—and its House counterpart, H.R. 15460—is to authorize the award of a reasonable attorney's fee in actions brought in State or Federal courts, under certain civil rights statutes, which are presently contained in title 42 and title 20 of the United States Code. By permitting fees to be recovered under those statutes, we seek to make uniform the rule that a prevailing party, in a civil rights case, may, in the discretion of the court, recover counsel fees.

The Civil Rights Attorney's Fees Awards Act of 1976, S. 2278 (H.R. 15460) is intended to restore to the courts the authority to award reasonable counsel fees to the prevailing party in cases initiated under certain civil rights acts. The legislation is necessitated by the decision of the Supreme Court in Alyeska Pipeline Service Corp against Wilderness Society, 421 U.S. 240 (1975). In Alyeska, the Court held that attorney fees should not ordinarily be awarded to a prevailing party unless expressly authorized by act of Congress.

Prior to the Alyeska decision, the lower Federal courts had regularly awarded counsel fees to the prevailing party in a variety of cases instituted under the sections of the United States Code covered by S. 2278. Even though no express provision of law authorized such awards, the courts reasoned that, in these civil rights cases, the private plaintiff, in effect, acted as a "private attorney general" advancing the rights of the public at large, and not merely some narrow parochial interest. The Alyeska decision ended that practice, which this bill seeks to restore.

This bill would authorize State and Federal courts to award counsel fees in actions brought under specified sections of the United States Code relating to civil and constitutional rights. As I indicated earlier, over 50 Federal statutes presently provide for the awarding of fees in a wide variety of circumstances. In the past few years, Congress has approved such allowances in the areas of antitrust, equal credit, freedom of information, voting rights, and consumer product safety.

The attorney fee provision of this bill would apply to actions instituted under sections 1981, 1982, 1983, 1985, 1986, and 2000d of title 42, sections 1681–1686 of title 20, and the Internal Revenue Code. These sections generally prohibit the denial of civil and constitutional rights in a variety of areas, including contractual relationships, property transactions, and federally assisted programs and activities. It should be emphasized that S. 2278 would not make any substantive changes in these statutory provisions. Whatever is presently allowed or forbidden under them would continue to be permitted or proscribed.

Let me describe briefly the scope of the covered statutes. Section 1981 is frequently used to challenge discrimination in employment and recreational facilities. Under that section, the Supreme Court recently held that whites as well as non-whites could bring suit alleging discriminatory employment practices. Section 1982 prohibits discrimination in property transactions, including the purchase of a home. Both these sections afford victims of housing and employment discrimination remedies supplementary to title VII—employment—of the 1964 Civil Rights Act, and title VIII—housing—of the 1968 Civil Rights Act.

Section 1983 protects civil and constitutional rights from abridgement by state and local officials. The landmark case of Brown against Board of Education was initiated under this provision. Ironically, because that section does not authorize counsel fees, the plaintiffs in Brown could not have recovered their attorney fees, despite the importance of the decision in eliminating officially imposed racial segregation. Under applicable judicial decisions, Section 1983 authorizes suits against State and local officials based upon Federal statutory as well as constitutional rights. For example, Blue against Craig, 505 F.2d 830 (4th Cir. 1974). The closely related Sections 1985 and 1986 are employed to challenge conspiracies, both public and private, to deprive individuals of the equal protection of the laws:

The bill also covers any action, including suits by individuals, instituted under title IX of the Education Amendments of 1972, and title VI of the Civil Rights Act of 1964. These titles forbid the discriminatory use of Federal funds, and requires recipients to use such moneys in a nondiscriminatory fashion. Title VI is a general prohibition which applies to all federally assisted programs or activities, but is limited to discrimination on account of race, color, or national origin. Title IX covers certain education programs and proscribes discrimination based on sex, blindness, or visual impairment.

The only difference between S. 2278 and H.R. 15460 is the result of an amendment offered by Senator ALLEN and adopted unanimously by the Senate. Because the bills are identical, with the limited exception of the Allen amendment, it is intended that the courts will interpret S. 2278 in accordance with House Report No. 94–1558, together with the Senate report and the debates in both Houses.

The Allen amendment would allow the prevailing party to recover its counsel fees in any civil action brought by the United States to enforce the Internal Revenue Code. It would not apply to actions instituted against the Government by the taxpayer. Since S. 2278 does not allow the U.S. Government to recover its fees under any circumstances, the effect of the Allen amendment is to permit prevailing defendants in such cases to recover their attorney fees if they satisfy the criteria generally applicable under the bill to prevailing defendants, which I will discuss later at greater length.

Briefly, under settled judicial standards, prevailing defendants would recover their attorney fees only if they could prove that the United States brought the action to harass them, or if the suit is frivolous and vexatious. During the hearings last fall conducted by the Kastenmeier subcommittee on various attorney fee bills, the representative of the Justice Department testified that these were the only circumstances when he believed prevailing defendants should recover their fees in Government initiated suits.

I should note that the Allen amendment might involve an expense to the United States. However since awards of counsel fees under that amendment would occur only in the special circumstances I have described, it is fair to say that the total costs to the Government for fiscal year 1977 would be negligible.

The language of S. 2278 tracks the wording of attorney fee provisions in other civil rights statutes, such as section 706(k) of title VII—employment—of the Civil Rights Act of 1964. The phraseology employed has been reviewed, examined, and interpreted by the courts, which have developed standards for its application. The language contains three key features: first that it applies to any "prevailing party," whether a plaintiff or defendant; second, that it gives the court discretion to award fees; and third, that it permits only a "reasonable" fee to be imposed.

First, I wish to discuss the scope of the phrase "prevailing party." Under S. 2278, either the plaintiff or the defendant is eligible to receive attorney fees. Congress is not always that generous. About two-thirds of the statutes which provide counsel fees allow them only to the prevailing plaintiff. This bill takes the more modest approach of other civil rights statutes, allowing fees to any prevailing party.

There is a real danger, however, that allowing fees to any prevailing party might have a "chilling effect" on civil rights plaintiffs. Victims of discrimination may be reluctant to initiate legal action to protect their rights for fear that they may be required to pay the counsel fees of the defendant. To guard against this possible deterrent, the courts have developed a dual standard for awarding fees.

On two occasions, the Supreme Court has held that, where counsel fees are authorized in civil rights cases, a prevailing plaintiff should ordinarily recover his other attorney fees unless special circumstances would render such an award unjust. The Court adopted this view based on the important public interest served by the elimination of racial discrimination and the securing of other constitutional rights, matters which Congress has determined to be of the highest importance.

Of course, in proper cases, prevailing defendants may recover their counsel fees. To avoid the "chilling effect" which such fees might have on victims bringing suit, the courts have designed a different standard for awarding fees to prevailing defendants. Under the case law, such an award may be made only if the action is vexatious and frivolous, or if the plaintiff instituted it solely to harass the defendant. In Carrion versus Yeshiva University, for example, the Second Circuit Court of Appeals awarded the defendant attorney fees because the litigation was "motivated by malice and vindictiveness."

Second, I should note that the bill commits the award of fees to the discretion of the court. Congress has passed many statutes requiring that fees be awarded. Again this bill takes a more moderate approach, leaving the award to the discretion of the court guided by the case law.

Third, the bill permits the recovery only of a "reasonable" attorney fee. Here too the courts have identified a number of factors to determine the reasonableness of awards. In Johnson versus Georgia Highway Express, for example, the court enumerated 12 factors to be considered, including the time and labor required, the novelty and difficulty of the questions, the skill needed to present the case, the customary fee for similar work, and the amount received in damages, if any. These evolving standards should provide sufficient guidance to the courts in construing this bill which uses the same term. I should add that the phrase "attorney's fee" would include the values of the legal services provided by counsel, including all incidental and necessary expenses incurred in furnishing effective and competent representation.

The question has been raised whether allowing fees against State governments in suits properly brought under the covered statutes would violate the 11th amendment. That amendment limits the power of the Federal courts to entertain actions against a State. This issue is no longer seriously in dispute after the recent Supreme Court decision in Fitzpatrick against Bitzer. Since this bill is enacted pursuant to the power of Congress under section 2 of the 13th amendment and section 5 of the 14th amendment, any question arising under the 11th amendment is resolved in favor of awarding fees against State defendants.

I should add also that, as the gentleman from Illinois (Mr. ANDERSON) observed during consideration of the resolution on S. 2278, this bill would apply to cases pending on the date of enactment. It is the settled rule that a change in statutory law is to be applied to cases in litigation. In Bradley versus Richmond School Board, the Supreme Court expressly applied that long-standing rule to an attorney fee provision, including the award of fees for services rendered prior to the effective date of the statute.

Finally it should be noted that civil rights attorneys and organizations have lost thousands of dollars in fees since the Alyeska decision. That case has greatly impaired citizen enforcement of the statutes covered by S. 2278. If Federal laws providing for the protection of civil and constitutional rights are to be fully enforced, Congress must provide effective remedies for the vindication of those guarantees. Authorizing the award of reasonable counsel fees is an important tool for effectuating that purpose.

I include the following:

APPENDIX [1]—FEDERAL STATUTES AUTHORIZING THE AWARD OF ATTORNEY FEES

1. Federal Contested Election Act, 2 U.S.C. 396.
2. Freedom of Information Act, 5 U.S.C. 552(a) (4) (E).
3. Privacy Act, 5 U.S.C. 552a(g) (3) (B).
4. Federal Employment Compensation For Work Injuries, 5 U.S.C. 8127.
5. Packers and Stockyards Act, 7 U.S.C. 210(f).
6. Perishable Agricultural Commodities Act, 7 U.S.C. 499g (b), (c).
7. Agricultural Unfair Trade Practices Act, 7 U.S.C. 2305 (a), (c).
8. Plant Variety Act, 7 U.S.C. 2565.
9. Bankruptcy Act, 11 U.S.C. 104(a) (1).
10. Railroad Reorganization Act of 1935, 11 U.S.C. 205(c) (12).
11. Corporate Reorganization Act, 11 U.S.C. 641, 642, 643, and 644.
12. Federal Credit Union Act, 12 U.S.C. 1786(O).
13. Bank Holding Company Act, 12 U.S.C. 1975.
14. Clayton Act, 15 U.S.C. 15.
15. Unfair Competition Act (FTC), 15 U.S.C. 72.
16. Securities Act of 1933, 15 U.S.C. 77k(e).
17. Trust Indenture Act, 15 U.S.C. 77www (a).
18. Securities Exchange Act of 1934, 15 U.S.C. 78i(e), 78r(a).
19. Jewelers Hall-Mark Act, 15 U.S.C. 298 (b), (c), and (d).
20. Truth-in-Lending Act (Fair Credit Billing Amendments), 15 U.S.C. 1640(a).
21. Fair Credit Reporting Act, 15 U.S.C. 1681(n).
22. Motor Vehicle Information and Cost Savings Act, 15 U.S.C. 1918(a), 1989(a) (2).
23. Consumer Product Safety Act, 15 U.S.C. 2072, 2073.
24. Federal Trade Improvements Act (Amendments), 15 U.S.C. 2310(a) (5) (d) (2).
25. Copyright Act, 17 U.S.C. 1116.
26. Organized Crime Control Act of 1970, 18 U.S.C. 1964(c).
27. Education Amendments of 1972, 20 U.S.C. 1617.
28. Mexican American Treaty Act of 1950, 22 U.S.C. 277d–21.
29. International Claim Settlement Act, 22 U.S.C. 1623(f).
30. Federal Tort Claims Act, 28 U.S.C. 2678.
31. Norris-LaGuardia Act, 29 U.S.C. 107.
32. Fair Labor Standards Act, 29 U.S.C. 216(b).
33. Employees Retirement Income Security Act, 29 U.S.C. 1132(g).
34. Labor Management Reporting and Disclosure Act, 29 U.S.C. 431(c), 501(b).
35. Longshoremen and Harbor Workers Compensation Act, 33 U.S.C. 928.
36. Water Pollution Prevention and Control Act, 33 U.S.C. 1365(d).
37. Ocean Dumping Act, 33 U.S.C. 1415 (g) (4).
38. Deepwater Ports Act of 1974, 33 U.S.C. 1515.
39. Patent Infringement Act, 35 U.S.C. 285.
40. Servicemen's Group Life Insurance Act, 38 U.S.C. 784(g).
41. Servicemen's Readjustment Act, 38 U.S.C. 1822(b).
42. Veterans Benefit Act, 38 U.S.C. 3404(c).
43. Safe Drinking Water Act, 42 U.S.C. 300j–8(d).
44. Social Security Act (Amendments of 1965), 42 U.S.C. 406(b).
45. Clean Air Act (Amendments of 1970), 42 U.S.C. 1857h-2.
46. Voting Rights Act Amendments of 1975, 42 U.S.C. 1973l(e).
47. Civil Rights Act of 1964, Title II, 42 U.S.C. 2000a-3(b).
48. Civil Rights Act of 1964, Title VII, 42 U.S.C. 2000e–5(k).
49. Legal Services Corporation Act, 42 U.S.C. 2996e(f).
50. Fair Housing Act of 1968, 42 U.S.C. 3612(c).
51. Noise Control Act of 1972, 42 U.S.C. 4911(d).
52. Railway Labor Act, 45 U.S.C. 153(p).
53. Merchant Marine Act of 1936, 46 U.S.C. 1227.
54. Communications Act of 1934, 47 U.S.C. 206.
55. Interstate Commerce Act, 49 U.S.C. 8, 16(2), 908(b), 908(e), and 1017(b) (2).

In the Alyeska decision the court held that attorneys' fees should not ordinarily be awarded to a prevailing party, unless expressly authorized by act of Congress.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Speaker, I want to clear up some colloquy made earlier during the rule debate. The gentleman from Massachusetts has made an interesting point, that previous to the Alyeska case, the courts were awarding attorneys' fees to the prevailing side, but by reason of that case the courts have said they must have statutory authority prior to awarding attorneys' fees to either prevailing party.

Mr. DRINAN. The gentleman has stated the case very precisely.

Mr. WHITE. Mr. Speaker, if the gentleman will yield further, in this case the bill suggests awarding attorneys' fees to the prevailing side, but on further examination it would appear that the courts under this bill, if it becomes law, could award attorneys' fees to a plaintiff regardless of motivation in bringing a suit; but as to the defendant, the courts would have to have proof that the action brought by the plaintiff was vexatious or malicious in nature before being able in its discretion to award attorneys' fees.

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[1] This list is compiled from information submitted to the Judiciary Subcommittee by the Council for Public Interest Law and the Attorneys' Fee Project of the Lawyers' Committee for Civil Rights Under Law.

Mr. DRINAN. Any plaintiff who brings a suit merely to harass, or a suit which is clearly vexatious or malicious, will be denied counsel fees.

This bill is not intended, nor are the other 52 similar provisions in Federal law, to encourage groundless and frivolous litigation or to allow lawyers or litigants or their clients to recover unjustly from a defendant.

In such cases, a defendant can recover when a suit brought against him is vexatious, malicious, and unsubstantiated.

Mr. WHITE. Mr. Speaker, if the gentleman will yield further, in order to balance out the opportunities to defendants to be accorded the opportunity for awarding of attorneys' fees, inasmuch as the gentleman controls the time and will control the time throughout the day and, therefore, can yield for purposes of amendment, I wonder if the gentleman would consider yielding at an appropriate time for an amendment to add at the end of the bill prior to the words, "amend the title to read," there can be an award without respect to motivation in filing the action or proceeding, so that the defendant would not have to prove the vexatious or malicious nature of the suit filed; in other words, to have an opportunity for discretionary attorneys' fees.

Mr. DRINAN. Mr. Speaker, I appreciate the situation the gentleman describes. But in this case the rules require that I yield for debate only; we have taken from the table a bill passed by the Senate, S. 2278, and we must contain debate within those contours. But let me assure the gentleman that in the subcommittee from which this bill emerged, chaired by the gentleman from Wisconsin (Mr. Kastenmeier), we have continuously had hearings on the very serious problem the gentleman raises. I hope that early in the next session we will have an omnibus bill for the situation described. That bill might provide that, when a person is sued and where the nature or justice requires, such person could get adequate counsel fees.

Mr. RAILSBACK. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Speaker, I would like to simply say to my friend from Texas that it is my understanding that when this matter came up over in the Senate, the Senator from Alabama was most concerned. In fact, I think the Senator even conducted something in the nature of a filibuster until the Senator was able to get the language that we see in the bill before us.

I would say to the gentleman that if the Senator from Alabama, who was so concerned about it, is satisfied with the language, I would hope the gentleman would also be satisfied.

Mr. WHITE. Mr. Speaker, if the gentleman will yield further, I feel hearings next year would be helpful. We know many actions today are brought in the nature of harassment or blackmail, but are difficult to be proved.

Mr. RAILSBACK. Mr. Speaker, if the gentleman will yield so I could respond, I would say to the gentleman that in the language of the bill itself nowhere is it required by that language that the prevailing defendant proves vexatious action or harassment or intimidation.

In other words, I think maybe the gentleman's concerns may be unfounded. But, as I said before, I think it is very significant that the Senator from Alabama, who is so concerned about this, agrees that this language is acceptable to him.

Mr. WHITE. I am sure we all hope to be able to discuss this further.

Mr. DRINAN. Mr. Speaker, I continue to yield to the distinguished gentleman from Illinois (Mr. Railsback) for the purpose of debate only.

Mr. RAILSBACK. Mr. Speaker, I rise in support of S. 2278 which is designed to allow the court, in its discretion, to award reasonable attorney fees to prevailing parties—other than the United States—in suits to enforce the Civil Rights Acts which Congress has enacted since 1866.

Mr. Speaker, in the United States, the prevailing party in a law suit is ordinarily not entitled to collect a reasonable attorneys' fee from the loser. This is known as the American rule. At common law, attorneys fees were not allowed. For centuries, in England, however, there has been statutory authorization to award costs and attorneys' fees.

In the United States, Congress has provided, over the years, more than 50 provisions for attorneys' fees in a wide variety of statutes. With regard to civil rights cases, the Congress has, in the more recent statutes, provided for an award of attorneys' fee and the purpose of this bill is to make an award of attorneys' fee possible in all civil rights cases.

Prior to 1975, the Federal courts, as a narrow exception to the "American rule," were allowing attorneys' fees on the theory that civil rights plaintiffs act as "private attorneys general" in eliminating discriminatory practices which affect all citizens. This vindicates a policy that Congress considered very important and of high priority. However, the Supreme Court reversed this practice in 1975, in *Alyeska Pipeline Service Corp.*, v. *Wilderness Society*, 421 U.S. 240. In that case, the Court held that Federal courts do not have the power to award attorneys fees to a prevailing party, unless an act of Congress expressly authorizes it. Although the Alyeska case involved only environmental concerns, the decision banned attorneys' fees awards in a wide range of cases, including rights. This legislation only directs itself to the civil rights cases.

Mr. Speaker, in considering S. 2278 for passage today, I have been alerted to several legal issues which were not raised at hearings held by the Senate and House committees. Not wishing to establish any legal precedents by implication, I would like to make several points explicitly clear with respect to the intent of this bill.

I have been informed by the Committee on Education and Labor as well as several education associations that under title VI of the Civil Rights Act and title IX of the Education Amendments of 1972 there exists a serious question as to whether an individual complainant or class of complainants has the right to sue as a private plaintiff. To date the Department of Health, Education, and Welfare has been the prime enforcer of these titles and in the case of Cannon against University of Chicago, the Seventh Circuit U.S. Court of Appeals stated that Congress gave the right of action to HEW and not to private individuals.

It has been brought to my attention that by granting attorneys' fees to prevailing parties other than the United States, Congress might implicitly authorize a private right of action under title VI and title IX. This is not the intent of Congress. This bill merely creates a remedy in the event the courts determine that an individual may sue under these statutes. This bill does not authorize or statutorily grant any private right of action which does not now exist.

Second, it has been brought to my attention that under title VII of the Civil Rights Act of 1964, it has been determined that prevailing parties are entitled to attorneys' fees. This title was created for the purpose of remedying illegal discrimination based on race, religion, sex, and national origin. In the past several years section 1981 of the Civil Rights Act of 1866 has been used quite extensively to obtain remedies against illegal race discrimination.

To date, however, attorneys' fees have not been allowed under section 1981. It is not the intent of Congress nor is it the intent of this statute to encourage persons to sue directly under section 1981 rather than using the services provided by the Equal Employment Opportunity Commission under title VII of the Civil Rights Act. Congress has established the EEOC to remedy individual complaints as well as patterns and practices of illegal discrimination and has authorized the Commission to sue on behalf of the plaintiffs. By the enactment of this statute Congress does not intend to create any new rights under section 1981 other than the possible remedy of attorneys' fees for the prevailing party.

Mr. DRINAN. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. Kastenmeier) for the purpose of debate only.

Mr. KASTENMEIER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding to me. I commend him for his efforts in managing the Senate bill.

This legislation, Mr. Speaker, which passed the Senate yesterday, is similar to a House bill (H.R. 15460), which was reported favorably by the Committee on the Judiciary September 15 of this year. That particular bill was cosponsored by all members of the subcommittee, including minority members, the gentleman from Illinois (Mr. RAILSBACK) and the gentleman from California (Mr. WIGGINS). That bill, H.R. 15064, was scheduled to be on the suspension calendar on September 21, but the House only reached 14 matters scheduled for that day and did not reach this bill.

The Senate bill differs from the House bill in only one respect. It allows the recovery of attorneys' fees to prevailing defendants in cases brought by the United States under the Internal Revenue Code. It allows the court in its discretion to make such awards, when the United States has acted in bad faith, for purposes of harassment, or vexatiously or frivolously. It is expected that the cost to the Federal Government will be negligible.

The original bill, S. 2278, and its companion House bill, H.R. 15460, related to civil rights laws only and were strongly supported by the Justice Department in the hearings before the subcommittee. At that time, as a matter of fact, Mr. Rex Lee, Assistant Attorney General of the Civil Division, expressed the support of the Justice Department for statutory authorization to allow provisions for prevailing plaintiffs to be awarded attorneys' fees in civil rights cases. I emphasize "prevailing plaintiffs." S. 2278 will accomplish this and will also allow the courts to award fees to prevailing defendants, as well. When defendants prevail in cases brought under the civil rights laws, the courts have interpreted that their recovery may be possible, in the discretion of the court, only in cases where the plaintiffs have acted in bad faith with frivolous, vexatious or harassing lawsuits.

It is not suggested in the text of the bill, but the House should be aware of the fact that that is the way the courts have been interpreting the standards, the guidelines for recovery when the prevailing party is the defendant. We intend that standard to continue in order to avoid a chilling effect on plaintiffs seeking to insure their civil and constitutional rights.

The Allen amendment in the Senate bill specifically allows recovery against the Federal Government in certain taxpayer's suits under the same prevailing defendant standard enunciated above.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield on that point?

Mr. DRINAN. Mr. Speaker, I will be happy to yield now for the purpose of debate only to the gentleman from Minnesota, assuming the gentleman from Wisconsin has finished.

Mr. KASTENMEIER. Mr. Speaker, I have not finished my speech.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. DRINAN. No. I have yielded to the gentleman from Wisconsin.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Without objection, a call of the House was ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 858]

Adams
Addabbo
Ambro
Andrews, N.C.
Armstrong
Ashley
Baldus
Beard, Tenn.
Blouin
Boggs
Bonker
Broomfield
Brown, Mich.
Burke, Fla.
Burton, Phillip
Byron
Carney
Cederberg
Clancy
Clausen, Don H.
Clay
Cleveland
Conyers
Cotter
Coughlin
D'Amours
Derrick
Dickinson
Diggs
Dingell
Downing, Va.
du Pont
Emery
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Flowers
Flynt
Forsythe
Frey
Goldwater
Goodling
Green
Hall, Ill.
Harrington
Harsha
Hébert
Hefner
Heinz
Hillis
Hinshaw
Holland
Horton
Howe
Ichord
Jacobs
Jarman
Johnson, Colo.
Jones, N.C.
Karth
Keys
LaFalce
Landrum
Lloyd, Calif.
McCloskey
McCollister
McDonald
Madigan
Mathis
Matsunaga
Meeds
Melcher
Meyner
Michel
Mikva
Milford
Mills
Mink
Mitchell, Md.
Moffett
Montgomery
Moorhead, Pa.
Moss
Murphy, N.Y.
Neal
Nix
O'Hara
O'Neill
Passman
Pepper
Pickle
Pike
Pressler
Randall
Rees
Rhodes
Riegle
Risenhoover
Ryan
Santini
Sarasin
Scheuer
Schneebeli
Shipley
Shuster
Snyder
Spellman
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stephens
Stuckey
Teague
Thompson
Tsongas
Udall
Vander Jagt
Vigorito
Wilson, C. H.
Wilson, Tex.
Wright
Young, Ga.

The SPEAKER. On this rollcall 303 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL RIGHTS ATTORNEYS' FEES AWARDS ACT

The SPEAKER. The gentleman from Massachusetts (Mr. DRINAN) is recognized.

Mr. DRINAN. Mr. Speaker, I am happy to yield to the gentleman from Wisconsin (Mr. KASTENMEIER) and to the gentleman from Maryland (Mr. BAUMAN) to continue their discussion.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

The gentleman from Wisconsin in his usual erudite and very adequate manner was describing the situation in which a prevailing party could recover. I believe he had just said that the case law taken together with the pending legislation as applied to a prevailing defendant would prevent defendants from recovering costs for attorneys' fees, unless the action that was brought was vexatious and frivolous or to harass or embarrass. Is that a correct estimate of the law, taken together with this pending bill?

Mr. KASTENMEIER. I will say to the gentleman that is a correct statement, but I would also say, as background to that, that this has been consistently interpreted in this fashion in recent years by the courts. We have not in this legislation, nor has the Senate, suggested any alteration of that standard. Indeed, the Department of Justice on January 23, 1976, after a December hearing responded that it would suggest as guidelines for recovery against the Federal Government by a prevailing defendant only those cases in which bad faith, harassment, or intimation by the Government was shown. So actually, in terms of a defendant's opportunity for recovery of attorney's fees, this is a more liberal interpretation than two-thirds of the Federal law authorizing the awards of attorneys' fees, which provide for the award in the case of a prevailing plaintiff only. Therefore, this is the most liberal present standard presently applied in the federal system in terms of where and when a defendant has an opportunity to recover, both in civil rights cases, and in IRS suits brought by the Federal Government.

Mr. BAUMAN. If the gentleman would yield further, I think this underscores the concern that was expressed by a number of Members during debate on the rule, that this legislation brought to us at this eleventh hour is weighted heavily in favor of the plaintiffs recovering their legal fees and against defendants who may in many instances have a right to recover fees. It is not a defendants' bill by any means, and even though defendants may win cases on the merits, they may well be denied any recovery. It seems to me that in that case it is going to encourage plaintiffs' suits, and it will be almost impossible for defendants, even if they win, to recover anything.

Mr. KASTENMEIER. After the Alyeska case, of course, the situation is that a prevailing defendant would not receive an award of attorneys' fees. At least under this particular bill, a prevailing defendant could be awarded attorney's fees in certain cases. Granted, the standard applied is different from a prevailing plaintiff, but that is and has been part of the development of Federal law, and that differentiation of standards has not been changed by us. It would require, rather, a radical change in concept of awards if we were to go in that direction, and might present a chilling effect in civil rights cases.

Why is there need for this legislation?

Prior to May 12, 1975, when the Supreme Court decided the case of Alyeska Pipeline Service against Wilderness Society, the courts in their equity powers were awarding attorney's fees to prevailing plaintiffs in civil rights cases and other public interest cases in which the parties had vindicated important rights, and had acted as "private attorneys general." This was one of the exceptions to the "American rule" that each party generally pays his or her own fees, no matter who wins the case. In the Alyeska case, the Supreme Court ruled that courts do not have the power to award attorney's fees to prevailing parties absent specific statutory authority. In fact, it noted that civil rights laws were among the areas where such awards would be appropriate, but where Congress must express its intention by authorizing those awards. S. 2278 is a direct response to the Alyeska case, and will close the gaps generated by it.

The Committee on the Judiciary, and specifically the subcommittee which I chair, has several different attorneys' fee bills before it. We held 3 days of hearings, and determined, consistent with the Justice Department suggestion, that our initial approach to the problem would be to respond with narrowly drawn legislation: such as, to authorize attorney's fees in those specific situation where private enforcement of civil and constitutional rights was anticipated and to be supported. What higher priority exists than in the civil rights area? The Supreme Court itself suggested this substantive area; the Justice Department supported attorney's fees in civil rights cases; several other witnesses, including the Civil Rights Commission, the American Bar Association Special Committee on Public Interest Law, the Council on Public Interest Law, and other citizens have urged this amendment to civil rights legislation. Presently, attorney's fees are authorized in over 50 statutes. Among them are several civil rights laws.

The Emergency School Aid Act, titles II and VII of the Civil Rights Act of 1964, the equal employment opportunity amendments, the Voting Rights Act Amendments of 1975, the Fair Housing Act, and the Age Discrimination in Employment Act of 1967. This bill will close the gap in the civil rights area and insure equal access to the courts of those persons seeking to enforce their constitutional and statutory rights.

What kinds of cases will be covered if S. 2278 is enacted?

First. The family of a veteran of the U.S. Army who could not be buried in a local cemetery because his skin was black;

Second. Black citizens who have been systematically kept off jury lists;

Third. A physician who participated in a program of medical assistance to black citizens, and was therefore denied privileges in a local hospital; and

Four. Mental patients who were forced into involuntary, unpaid labor.

There are many other noteworthy cases in which citizen access to the courts will be insured by passage of S. 2278.

I was going to conclude my remarks, Mr. Speaker, by suggesting that this bill is only a beginning of our response to the Alyeska case and the needs of citizen access to the courts. The gentleman from Illinois (Mr. Crane), the gentleman from Ohio (Mr. Seiberling), the gentleman from North Dakota (Mr. Andrews), the gentleman from New York (Mr. Koch), and other Members suggested a number of areas and approaches which I believe the next Congress will need to take up. We need help, I would say, from the administration and from the Department of Justice who could advise us with greater particularity as to the impact, cost, and effectiveness potentially of such legislation. So we should understand today that this is only a first step and a rather limited and cautious one. It does not overturn law or practice, except the Alyeska case, and it does extend in the direction of a defendant in terms of Internal Revenue cases, the one area where vexatious or harassing prosecution of suits by the Government can produce a recovery of attorneys' fees on the part of defendants. The Subcommittee on Courts, Civil Liberties and the Administration of Justice intends to continue the active study of the bills presented by these Members, and to consider drafting new legislation. An omnibus approach, though not recommended by the Justice Department, may be an appropriate vehicle for such legislation. However, the issue needs much further analysis than this session would allow. We welcome continued input in this area, and promise that passage of S. 2278 will be an important step in the direction of providing equal justice under the law.

I suggest then that this will be still an open matter as an issue for the Congress but at this late hour we do well to adopt this very, very limited step today.

Mr. DRINAN. I thank the gentleman from Wisconsin.

I am happy to yield briefly for purposes of debate only to my good friend, the gentleman from New York (Mr. Fish).

Mr. FISH. Mr. Speaker, the civil rights attorney's fees bill, S. 2278, would allow a court, at its discretion, to award attorney's fees to a prevailing party in suits brought to enforce the civil rights laws. The purpose of the bill is to allow the courts to provide the traditional remedy of counsel fee awards to private citizens who must go to court to vindicate their rights under the civil rights statutes.

The Supreme Court's recent Aleyeska decision requires specific statutory authority for attorney's fee awards. This bill restores to the courts authority which they had exercised for years under the private attorneys general concept. It fills the gap in the civil rights laws under which attorney's fees have become unavailable in the most fundamental civil rights cases.

The average citizen does not have the financial resources to bring suit to enforce his rights unless attorney's fees are awarded. This bill should be passed in order to provide more effective enforcement of the civil rights laws.

Without the provision of attorney's fees, it would be very difficult to bring cases such as the following:

First. Suits under section 1977 of the Revised Statutes—and section 1978—against real estate companies which refuse to sell lots to blacks. *Lee* v. *Southern Home Sites* (429 F. 2d 290 (5th Cir. 1970)).

Second. Suits under section 1978 of the Revised Statutes against realtors who discriminate in renting residential property. *Brown* v. *Ballas* (331 F. Supp. 1033 (N.D. Tes. 1971)).

Third. Suits under section 1979 of the Revised Statutes, by blacks denied employment by the State highway safety patrol on the basis of race, *Morrow* v. *Crisler* (F. Supp. (S.D. Miss., Sept. 29, 1971)), and against a housing authority violating the 14th amendment equal protection clause by fixing rentals for welfare recipients at a higher rate than for nonwelfare recipients who had the same income. *Hammond* v. *Housing Authority and Urban Renewal Agency of Lane County, Oreg.*, (328. F. Supp. 586 (D. Oreg. 1971)).

Fourth. Suits under section 1980 of the Revised Statutes—and sections 1977, 1979, and 1990—by inmates of a penitentiary alleging violation of the inmates' rights under the 1st, 8th, 13th, and 14th amendments. *Gates* v. *Collier* (F. Supp. N.D. Miss., Feb. 14, 1973)).

Fifth. Suits under section 1981 of the Revised Statutes, which allows action against those having knowledge of a conspiracy to deprive persons of their civil rights and ability to prevent it, yet they do not, as in the case of police officers who witnessed one officer beat the plaintiff and did nothing to prevent it. *Symkowski* v. *Miller* (294 F. Supp. 1214 (D.C. Wis., 1969)).

Mr. DRINAN. Mr. Speaker, I am happy to yield for purposes of debate only to the distinguished gentleman from Minnesota (Mr. Quie).

Mr. QUIE. I thank the gentleman for yielding.

I would like to ask the minority member, the gentleman from Illinois (Mr. Railsback), a question. I would like the gentleman from Massachusetts to listen to see if he agrees.

First I would like to ask if the U.S. Government is the plaintiff in a civil rights case against an individual or corporation, can that individual or corporation as the prevailing party be awarded attorney's fees against the U.S. Government?

Mr. RAILSBACK. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Speaker, as I read the bill before us, my answer would be yes. What we do is limit the United States from recovering but we do not limit the rights of other prevailing parties to recover in the event the United States would be the plaintiff in an action such as described in the bill.

Mr. QUIE. Mr. Speaker, if the gentleman will yield, would the gentleman from Massachusetts agree with that answer? Does the gentleman agree with that answer?

Mr. DRINAN. I am not entirely certain because the statutes covered by this bill are not ordinarily used by the United States to initiate civil rights cases.

Mr. RAILSBACK. Mr. Speaker, if the gentleman will yield, I will try to answer.

Mr. DRINAN. I yield to the gentleman from Illinois.

Mr. RAILSBACK. What my answer is, as I read the bill before us, we limit the right of the U.S. Government to recover, we do not limit in a case where the United States would be the plaintiff suing a defendant, we do not limit the defendant's right to recover. Where the judge might decide that a prevailing defendant should recover, we do not limit the defendant from recovering from the United States in civil rights cases.

Mr. DRINAN. If the gentleman will yield, that is very clearly limited. If a Federal judge came to that conclusion it would indeed be a most unusual case. This provision was inserted into the Senate bill. It did not originate with the House Judiciary Committee. It does give a remedy for the most extraordinary case where the defense could assert and prove to a Federal judge that an IRS case brought against him was so vexatious and so without merit that he should get compensation.

Mr. QUIE. Let me ask a second question. Suppose the individual while perhaps he could not prove it was harassment or vexatious in the sense they brought a case they should not have brought before them, if he did prevail and the effects of paying his own attorney's fees and defense costs were economically damaging to him, would not the court be permitted to make a judgment, as I read this bill, that would require the attorney's fees to be paid to that individual as the prevailing party?

Mr. RAILSBACK. If the gentleman will yield further, I will give the gentleman from Minnesota my view in response to his question.

As I read the bill, there is nothing that limits the right of a judge to exercise discretion in awarding reasonable attorney's fees to a prevailing litigant. Now the history has been however that judges have been reluctant to ever award reasonable attorney's fees unless there is evidence that there has been a vexatious or intimidating or harassing suit brought.

We are not, in my opinion, attempting to change that; but in more direct response to the question of the gentleman from Minnesota (Mr. QUIE) we are giving the court discretion to decide that. We are not saying in the bill that the court can only award reasonable attorneys fees in cases where the suit was vexatious. We are not setting that forth. So I recognize that traditionally a court is very reluctant to award reasonable attorneys fees to people unless there is intimidation or harassment. On the other hand, we do not limit recovery to those cases. Clearly, that is not the intent of this legislation.

Mr. QUIE. Mr. Speaker, if the gentleman will yield further, the next question I have on the IRS is if the United States is the plaintiff and loses a civil rights case against a school district or college, can that school district or college as the prevailing party be awarded attorneys fees against the U.S. Government?

Mr. RAILSBACK. Mr. Speaker, if the gentleman will yield further, again it would be in the discretion of the court and nowhere in the bill do we prevent a school district or college from recovering reasonable attorneys fees, even in a case where the United States is a party plaintiff.

Mr. QUIE. Mr. Speaker, if the gentleman will yield further, the last question, as I read the bill, the court can award reasonable attorneys fees to the prevailing party, in the bill it happens to treat even-handedly the prevailing party, whether it is the defendant or the plaintiff.

Mr. RAILSBACK. That is exactly the way I read the bill.

Mr. QUIE. Mr. Speaker, I thank the gentleman.

Mr. DRINAN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. HOLTZMAN), a member of the committee.

Ms. HOLTZMAN. Mr. Speaker, I rise in very strong support of this legislation. I want to compliment the gentleman from Massachusetts (Mr. DRINAN) and the gentleman from Wisconsin (Mr. KASTENMEIER) for their leadership in bringing this very important bill to the floor.

The Civil Rights Attorneys' Fees Award Act of 1976 (H.R. 15460) will help to assure that all Americans can have access to the courts to obtain the protections against discrimination contained in our laws and the Constitution.

I am particularly pleased that the bill includes the amendment I offered in the Judiciary Committee adding title IX of the Education Amendments of 1972—which prohibits discrimination in education on the basis of sex—to the civil rights statutes covered by this bill.

For a number of years, Federal courts awarded attorneys' fees to people who won law suits in civil rights cases reasoning that the person who brings such a case functions as a "private attorney general" and acts not only for himself but also to enforce our laws.

Last year, however, in Alyeska Pipeline Service Corporation against Wilderness Society, the Supreme Court ruled that attorneys' fees cannot be awarded unless specifically provided for by a statute. That is the purpose of this bill.

Plaintiffs who suffer discrimination and other infringements of their civil rights are usually not wealthy people. The organizations who have helped them bring their cases are frequently not well financed. The Justice Department does not have the resources to bring suit for every civil rights violation. Thus, many people, deprived of their civil rights, may not as a practical matter be able to do anything about it. It is not right to deny people who cannot afford to pay attorneys' fees the availability of justice through our courts.

I am pleased that my amendment to include title IX of the Education Amendments of 1972 in this bill was adopted by the House Judiciary Committee and added to the Senate bill on the floor of that body. Title IX is the statute which protects people from sex discrimination in education. It is vitally important for protecting women from discrimination in admission to graduate school, tracking into vocational programs which lead to dead end jobs, discrimination in faculty promotion and tenure decisions, and other forms of discrimination.

Mr. DRINAN. Mr. Speaker, I am happy to yield such time as she may consume to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Speaker, I thank the gentleman from Massachusetts for yielding to me.

I rise in support of this legislation. I wish that there were something I could say which would allay the fears expressed by the gentleman from Maryland and others that somehow the plaintiffs and the defendants are not treated with equanimity under this legislation. What we are trying to do in this bill is simply to open the judicial process to everybody who is entitled to use that process. Hopefully, they would not be discouraged because of the prospect of attorney fees deterring their enthusiasm. There is no reason why, if a person feels he has a legitimate case, that he has a meritorious suit, that he should refrain from going into court simply because he thinks the cost of the attorneys would be too much for him to bear.

Mr. Speaker, I feel that we have a responsibility to join those other 54 cases which allow for the awarding of attorneys fees and say to those potential plaintiffs and the defendants also that, "You are not to be deterred simply because you have to hire a lawyer."

This is not a bill that we could term a food-stamp bill for lawyers. It is not going to work that way.

I know many are concerned about the language which talks about vexatious, embarrassment and harassment, but these words have a diminution effect on those plaintiffs who may bring actions which are not of any merit and should not be brought in any court of law. If the plaintiff knows that that plaintiff may be saddled with attorneys fees if he brings a suit which is vexatious or for purposes of harassment or intended to embarrass the defendant, the language of this bill would deter that plaintiff from bringing such a suit.

So just do not look at it as some additional burden on the part of defendants under this suit. Look at it as a deterrent on the part of the plaintiff from bringing those actions which have no business whatsoever in a court of law.

If we could view that kind of a balance, it may be that we could go along with this language, which is only an attempt to carry out what all of us want, and that is to open the doors of access to the system of justice to everyone who comes to the door if he does, in fact, have a meritorious claim.

I hope that the Members will support this measure. I support it without reservation. I know the Members feel that the hour is late and that there is not time for a fair consideration of it, but if they were to look at it, it is just a right piece of legislation which ought to be adopted by this body.

Mr. BAUMAN. Mr. Speaker, will the gentlewoman yield?

Miss JORDAN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, the distinguished gentlewoman from Texas has given a brilliant exposition of her case as always, and I certainly can understand her point. I am not so much concerned about dampening enthusiasm for law suits. I agree that people ought to have their legal rights vindicated, but could we not imagine a situation in which a so-called public interest lawyer, who may be financed independently, would be inclined to file a suit not only to test a legal point but also in the hope that the court would grant his client plaintffs' legal fees, and therefore his expenses?

It might well be in the nature of a harassing suit, and there are many of these filed across the country. It seems to me that this legislation and the hope of reimbursement it creates is going to encourage suits. It is most difficult to prove harassment or malicious intent on the part of a plaintiff and so defendants would be at a disadvantage.

Miss **JORDAN**. I can only say in response to the gentleman from Maryland, have faith in your judges. It is their discretion which will determine whether this party is entitled to attorneys' fees, and I know the gentleman has an abiding faith in the American judiciary.

Mr. **SEIBERLING**. Mr. Speaker, as the original congressional sponsor of legislation to authorize the awarding of attorneys' fees in civil rights cases, I rise in strong support of S. 2278.

Although the bill is entitled the Civil Rights Attorney's Fee Awards Act, it is not a lawyers' bill. Instead, it is legislation which is clearly needed—because of the Supreme Court's ruling last year in *Alyeska Pipeline Service Co.* v. *Wilderness Society*—if our civil rights laws are to be effective.

In the Alyeska case, the Supreme Court held that, with a few very narrow exceptions, the Federal courts have no inherent power to award attorneys' fees unless a statute expressly authorizes such awards.

The effect of that ruling on the civil rights laws is going to be devastating unless we enact this bill. In fact, a failure to authorize the awarding of attorneys' fees in civil rights cases will, as a practical matter, repeal the civil rights laws for most Americans.

Most Americans, Mr. Speaker, cannot afford to hire a lawyer if their constitutional rights are violated or if they are the victims of illegal discrimination. Most Americans simply cannot obtain free legal services, no matter how meritorious their case may be.

Right now, if someone violates your civil rights, you have the legal right to go to court and sue that person to make him stop violating your rights and also to make him pay you for any injury you have suffered. But—and this is important but—you have to pay the entire expense of hiring your lawyer, even if you win the case. So, what do you do if you cannot afford a lawyer and cannot get free legal services? The answer is that there is nothing you can do, because you will have become the victim of a legal system which is not very responsive to the majority of Americans who cannot find effective legal assistance and representation.

Unless you can get adequate legal representation, the civil rights laws are just a lot of words. But if you can obtain a lawyer's services, those civil rights laws are the vehicle for you to fight illegal and unconstitutional discrimination. If you have a meaningful opportunity to use the civil rights laws to protect yourself, then they are among the most important laws in the entire United States Code.

If the law does not authorize the awarding of attorneys' fees in meritorious civil rights cases, many potential plaintiffs will be deterred from bringing deserving cases to remedy violations of the Constitution, especially those cases in which the appropriate relief is primarily equitable or injunctive rather than monetary.

Mr. Speaker, neither the Constitution nor the civil rights laws are self-executing. Instead, they rely both on public or governmental and on private enforcement. The Government obviously does not have the resources to investigate and prosecute all possible violations of the Constitution, so a great burden falls directly on the victims to enforce their own rights. Our laws should facilitate that private enforcement, and should—within reasonable limits—encourage potential civil rights plaintiffs to bring meritorious cases.

Two weeks ago, Mr. Speaker, Congress completed action on a very important antitrust bill, the Hart-Scott-Rodino Antitrust Improvements Act. Yesterday the President signed it into law. That act contains a provision for attorneys' fees in purely private injunction cases under the antitrust laws. What we said in the Judiciary Committee report on that bill is worth repeating here:

> The antitrust laws clearly reflect the national policy of encouraging private parties . . . to help enforce the antitrust laws . . . Litigation by "private attorneys general" for monetary relief and for injunctive relief has frequently proved to be an effective enforcement tool. . . . Alyeska creates a significant deterrent to potential plaintiffs bringing and maintaining lawsuits to enjoin antitrust violations. Without the opportunity to recover attorneys' fees in the event of winning their cases, many persons and corporations would be unable to afford or unwilling to bring antitrust injunction cases.
>
> Indeed, the need for awarding of attorneys' fees in § 16 injunction cases is greater than the need in § 4 treble damage cases. In damage cases, a prevailing plaintiff recovers compensation, at least. In injunction cases, however, without the shifting of attorneys' fees, a plaintiff with a deserving case would personally have to pay the very high price of obtaining judicial enforcement of the law and of the important national policies the antitrust laws reflect. A prevailing plaintiff should not have to bear such an expense.

The meaning is very simple: when the cost of private enforcement actions becomes too great, there will be no private enforcement.

The civil rights laws are no less important than the antitrust laws, so we should give civil rights victims the same protections we give antitrust victims.

Of course, Congress has recognized that some civil rights laws are deserving of attorneys' fees awards. In reviewing one such law, the Supreme Court said the following:

> When the Civil Rights Act of 1964 was passed it was evident that enforcement would prove difficult and that the Nation would have to rely in part upon private litigation as a means of securing broad compliance with the law. A Title II [of the 1964 Civil Rights Act, 42 U.S.C. § 2000a, *et seq.*] suit is thus private in form only. When a plaintiff brings an action under the Title, he cannot recover damages. If he obtains an injunction, he does so not for himself alone but also as a "private attorney general," vindicating a policy that Congress considered of the highest priority. If successful plaintiffs were routinely forced to bear their own attorneys' fees, few aggrieved parties would be in a position to advance the public interest by invoking the injunctive powers of the federal courts. Congress therefore enacted the provision for counsel fees—not simply to penalize litigants who deliberately advance arguments they know to be untenable but, more broadly, to encourage individuals injured by racial discrimination to seek judicial relief under Title II.
>
> "It follows that one who succeeds in obtaining an injunction under that Title should ordinarily recover an attorney's fee unless special circumstances would render such an award unjust . . . *Newman* v. *Piggie Park Enterprises, Inc.*, 390 U.S. 400, 401–02 (1968) (footnotes omitted).

One of the expert witnesses in the Judiciary Committee hearings, Armand Derfner of the Lawyers' Committee for Civil Rights Under Law, explained the anomoly created by Alyeska in the following manner:

> The *Alyeska* decision created an unexpected and anomalous gap in laws. For instance, fees are now authorized in an employment discrimination suit under Title VII of the 1964 Civil Rights Act, but not in the same case brought under 42 U.S.C. § 1981, which protects similar rights, but involves fewer technical prerequisites to the filing of an action. Fees are allowed in a suit under Title II of the 1964 Act challenging discrimination in a private restaurant, but not in suits under 42 U.S.C. § 1983 redressing violations of the Federal Constitution or laws by officials who are sworn to uphold the laws.

Mr. Speaker, the civil rights attorneys' fee legislation which I introduced—H.R. 8220, with 16 cosponsors—called for the mandatory award of attorneys' fees to prevailing plaintiffs, because I felt that the awards should be automatic except in the most extraordinary circumstances. I understand that S. 2278 will codify that view as to prevailing plaintiffs, following the Piggie Park guidelines.

I also felt that prevailing defendants should receive attorneys' fees only in the most extraordinary circumstances. Alyeska makes it very clear that the Federal courts have the inherent authority to award attorneys' fees to defendants if the plaintiffs has acted in bad faith, vexatiously, wantonly, or for oppressive reasons. And that is the standard which should be applied under S. 2278. It would be wholly inappropriate for the courts to regularly award attorneys' fees to defendants who prevail in these civil rights cases.

It is important that we understand that, while the bill authorizes awards to "any party" who substantially prevails, in the exercise of discretion under this bill, the courts are expected to apply the appropriate, and differing, standards applicable to plaintiffs and to defendants. Mary Frances Derfner of the Lawyers Committee for Civil Rights Under Law explained the reason for the difference in the following way:

The reasons for the different standards are obvious. Congress, having provided for attorneys' fees as a means of enabling aggrieved parties to bring enforcement suits, does not intend to deter those aggrieved parties by making them face the prospect of paying their opponents' fees if the suit, though brought in good faith, is unsuccessful. Congress does, however, intend to deter frivolous and harassing litigation, and the availability of fees to prevailing defendants would definitely deter those plaintiffs who seek, for their own ends, to take advantage of citizen suit provisions. This theme has been repeatedly expressed in cases and legislative history.

Mr. Speaker, the House Judiciary Committee reported out a counterpart, H.R. 15460, to the bill before us, S. 2278. The Senate bill, however, contains an additional provision allowing the award of attorneys' fees to prevailing defendants in cases brought by the Government against persons alleged to have violated the Internal Revenue Code. In view of the possibility—and, unfortunately, the occasional actuality—of abuse by the Internal Revenue Service of the Government's powers to enforce the tax laws by bringing civil actions without foundation, in bad faith or for the purpose of harassing individual taxpayers, the Senate addition is a good one, which I strongly support.

Mr. Speaker, this bill deserves our overwhelming support. A vote for the bill is a vote for effective civil rights laws.

Mr. DRINAN. Mr. Speaker, I move the previous question on the Senate bill.

The previous question was ordered.

The Senate bill was ordered to be read a third time and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I certainly am, Mr. Speaker.

The SPEAKER. The gentelman qualifies.

The Clerk read as follows:

Mr. ASHRBOOK moves to recommit the bill, S. 2278 to the Committee on the Judiciary with instructions that the bill be reported back forthwith with the following amendment;

"SEC. 3. The provisions of this act shall take effect upon enactment and shall be applicable to cases filed only after the effective date of this act."

Mr. ASHBROOK. Mr. Speaker, I merely take this time—and I will not take more than a minute—but I think I can point out to the House, or at least to those who are here, the legislative travesty we find ourselves in. The gentleman from Massachusetts would not recognize anyone for an amendment. I think there are very important amendments to be offered.

Whatever problems we have with this bill, whatever fears we have, we will at least allay some of those fears if we exempt from the coverage of this act all of those hundreds of cases which are pending right now. That is one small step we can take to make this a more responsible piece of legislation.

Mr. Speaker, I certainly would urge adoption of this motion to recommit.

The SPEAKER. Without objection, the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 104, nays 268, not voting 58, as follows:

[Roll No. 859]

YEAS—104

Abdnor
Ambro
Anderson, Calif.
Archer
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bevill
Bowen
Breaux
Brinkley
Brooks
Brown, Mich.
Brown, Ohio
Broyhill
Burleson, Tex.
Burlison, Mo.
Butler
Cederberg
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Devine
Dickinson
Downing, Va.
Edwards, Ala.
English
Erlenborn
Forsythe
Fountain
Frey
Ginn
Goldwater
Goodling
Grassley
Guyer
Haley
Hammerschmidt
Hansen
Harsha
Hefner
Henderson
Hightower
Holt
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Kindness
Landrum
Latta
Levitas
Lloyd, Tenn.
Lott
Lujan
McDonald
Martin
Mathis
Michel
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Motti
Myers, Ind.
Nichols
Paul
Poage
Rhodes
Roberts
Robinson
Rousselot
Runnels
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Spence
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Vander Jagt
Waggonner
Wampler
Whitehurst
Whitten
Winn
Wirth
Young, Alaska
Young, Fla.

NAYS—268

Abzug
Addabbo
Alexander
Allen
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Broomfield
Brown, Calif.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Byron
Carney
Carr
Carter
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Corman
Cornell
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gradison
Gude
Hagedorn
Hall, Tex.
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Lloyd, Calif.
Long, La.
Long, Md.
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Maguire
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller, Calif.
Mills
Mineta
Minish
Mitchell, Md.
Moakley
Mollohan
Moore
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
St Germain
Santini
Sarbanes
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Walsh
Waxman
Weaver
Whalen
White
Wiggins
Wilson, Bob
Wilson, Tex.
Wolff
Wydler
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—58

Adams
Armstrong
Baldus
Burke, Fla.
Burton, Phillip
Clancy
Conyers
Cotter
Dingell
du Pont
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Flynt
Green
Hall, Ill.
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Ichord
Jacobs
Johnson, Colo.
Keys
McCollister
Madigan
Mahon
Mann
Matsunaga
Meyner
Mikva
Milford
Mink
Moffett
Moss
Nix
O'Hara
Passman
Pepper
Quillen
Riegle
Ryan
Sarasin
Scheuer
Snyder
Spellman
Steelman
Steiger, Ariz.
Stephens
Thompson
Udall
Vigorito
Wilson, C. H.
Wright
Young, Ga.

The Clerk announced the following pairs:

Mrs. Meyner with Mr. Evins of Tennessee.
Mr. Pepper with Mr. Armstrong.
Mr. Thompson with Mr. Mahon.
Mr. Phillip Burton with Mr. Esch.
Mr. Cotter with Mr. Holland.
Mr Hébert with Mr. Hall of Illinois.
Mr. Matsunaga with Mr. Madigan.
Mr. Moss with Mr. du Pont.
Mr. Nix with Mr. Passman.
Mr. Mikva with Mr. Burke of Florida.
Mr. Ichord with Mr. Milford.
Mr. Conyers with Mr. Eshleman.
Mr. Adams with Mr. Moffett.
Mr. Green with Mr. Sarasin.
Mrs. Keys with Mr. Clancy.
Mr. Jacobs with Mr. Quillen.
Mr. Riegle with Mr. Howe.
Mrs. Spellman with Mr. McCollister.
Mr. Vigorito with Mr. Flynt.

Mr. Charles H. Wilson of California with Mr. Scheuer.
Mr. Young of Georgia with Mr. Steiger of Arizona.
Mr. Wright with Mr. Heinz.
Mr. Mann with Mr. Johnson of Colorado.
Mr. Evans of Colorado with Mr. Stephens.
Mr. Dingell with Mr. Hillis.
Mr. Baldus with Mr. O'Hara.
Mrs. Mink with Mr. Udall.
Mr. Ryan with Mr. Steelman.

Messrs. TALCOTT, QUIE, and HAGEDORN changed their vote from "'yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BOLLING). The question is on the passage of the bill.

The question was taken.

RECORDED VOTE

Mr. BUTLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 306, noes 68, not voting 56, as follow:

[Roll No. 860]

AYES—306

Abzug
Addabbo
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
AuCoin
Badillo
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Corman
Cornell
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jordan
Kasten
Kastenmeier
Kazen
Kemp
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Lehman
Lent
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
Lujan
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mann
Martin
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller, Calif.
Mills
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moore
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarbanes
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wolff
Wydler
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NOES—68

Abdnor
Ambro
Archer
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bevill
Bowen
Breaux
Brinkley
Burleson, Tex.
Burlison, Mo.
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Devine
Dickinson
Frey
Haley
Hall, Tex.
Hammerschmidt
Hansen
Henderson
Hightower
Holt
Jarman
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kelly
Ketchum
Kindness
Landrum
Lloyd, Tenn.
Lott
McDonald
Mahon
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moorhead, Calif.
Mottl
Myers, Ind.
Nichols
Paul
Poage
Rhodes
Roberts
Robinson
Rousselot
Satterfield
Schneebeli
Shuster
Sikes
Spence
Symms
Taylor, Mo.
Taylor, N.C.
Waggonner
Whitten
Young, Alaska
Young, Fla.

NOT VOTING—56

Adams
Baldus
Burke, Fla.
Burton, Phillip
Clancy
Conyers
Cotter
Dingell
du Pont
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Flynt
Green
Hall, Ill.
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Ichord
Jacobs
Jeffords
Johnson, Colo.
Karth
Keys
Leggett
McCollister
Matsunaga
Meyner
Mikva
Mink
Moffett
Moss
Nix
Passman
Pepper
Quillen
Riegle
Ryan
Sarasin
Scheuer
Snyder
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Stephens
Udall
Vigorito
Wilson, C. H.
Wirth
Wright
Young, Ga.

The Clerk announced the following pairs:

Mr. Wirth with Mr. Dingell.
Mrs. Meyner with Mr. Evins of Tennessee.
Mr. Pepper with Mr. Esch.
Mr. Cotter with Mr. Holland.
Mr. Phillip Burton with Mr. Hall of Illinois.
Mr. Matsunaga with Mr. du Pont.
Mr. Moss with Mr. Passman.
Mr. Nix with Mr. Burke of Florida.
Mr. Mikva with Mr. Eshleman.
Mr. Conyers with Mr. Heinz.
Mr. Adams with Mr. Sarasin.
Mr. Green with Mr. Clancy.
Mrs. Keys with Mr. Howe.
Mr. Jacobs with Mr. McCollister.
Mr. Riegle with Mr. Flynt.
Mr. Moffett with Mr. Scheuer.
Mr. Vigorito with Mr. Steiger of Arizona.
Mr. Charles H. Wilson of California with Mr. Stephens.
Mr. Young of Georgia with Mr. Hillis.
Mr. Wright with Mr. Steelman.
Mr. Evans of Colorado with Mr. Karth.
Mr. Baldus with Mr. Leggett.
Mrs. Mink with Mr. Ryan.
Mr. Hébert with Mr. Udall.
Mr. Steed with Mr. James V. Stanton.
Mr. Ichord with Mr. Jeffords.
Mr. Quillen with Mr. Johnson of Colorado.

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DRINAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill, S. 2278, just passed.

The SPEAKER pro tempore (Mr. BOLLING). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

PERMISSION TO INCLUDE REPORT ON H.R. 15390 IN PERMANENT RECORD

Mr. FOUNTAIN. Mr. Speaker, H.R. 15390, a bill to establish an HEW Office of Inspector General which I sponsored, and which was cosponsored by other Members, was approved by the House on September 29 as an amendment to H.R. 11347. In order that an explanation of this legislation and its background may appear in the RECORD. I ask unanimous consent that House Report No. 94–1573, the report on H.R. 15390, be included in the permanent record following my remarks on H.R. 11347.

The SPEAKER pro tempore (Mr. BOLLING). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROVIDING FOR CONVENING OF 1ST SESSIONS OF 95TH CONGRESS

Mr. O'NEILL. Mr. Speaker, I offer a privileged joint resolution (H.J. Res. 1119) to provide for the convening of the first session of the 95th Congress, and ask for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 1119

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first regular session of the 95th Congress shall begin at 2 o'clock post meridian on Tuesday, January 4, 1977.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I wonder if the gentleman could explain the reason behind the 2 p.m. beginning time for the first session of the 95th Congress. Is not the constitutional hour of meeting noon?

Mr. O'NEILL. The constitutional time would have been 12 o'clock on January 3, but by mutual agreement with the leadership, we decided on the hour of 2 p.m., on January 4.

There will not be too much business anticipated on that particular day, so that we set it from Monday to Tuesday in order to give the Members, and particularly the new Members, an opportunity for their families to come into Washington and to have a day to look around the city. There had been some discussion about setting the date later, but as the gentleman knows, the Electoral College will meet on Thursday, January 6.

Mr. BAUMAN. I thank the gentleman for his explanation. I look forward to seeing him and serving with him in whatever capacity he may occupy in the next Congress.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 10210, UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1976

Mr. ULLMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, and ask unanimous consent that the statement of the Managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Wednesday, September 29, 1976.)

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may require to make an overall statement, and then I shall yield to the chairman of the Subcommittee on Unemployment Compensation and the acting chairman of the Subcommittee on Public Assistance, the gentleman from California (Mr. CORMAN) who will give the Members of the House a more detailed analysis of the conference report.

Mr. Speaker, the conference report on H.R. 10210 that is before the House represents the culmination of almost 2 years of work by the Committee on Ways and Means and its unemployment compensation and public assistance subcommittees. The report contains badly needed changes in the coverage and financing provisions of the permanent Federal/State unemployment compensation program.

Under the provisions of the legislation agreed to by the House and Senate conferees, unemployment compensation protection is extended to State and local government employees, farmworkers employed by large farm operations, and certain domestic workers. The increases in the employer-paid unemployment compensation taxes will begin the process of restoring solvency to the unemployment compensation system at the Federal and State levels.

These changes in coverage and financing must be made in order to improve and preserve the present Federal/State unemployment compensation program. Mr. CORMAN, chairman of the Subcommittee on Unemployment, will explain in more detail the unemployment compensation provisions of the conference report.

The bill also makes important improvements in the supplemental security income program. The conference report provides $30 million of needed services for disabled children under the SSI program. It also makes modifications as to the eligibility of individuals in community residences for SSI recipients; to encourage the development of community group homes for the mentally retarded, compared to care in nursing homes.

The SSI amendments also protects SSI recipients from loss of medicaid due to social security cost-of-living increases. These and other provisions related to SSI were very similar to provisions in comprehensive SSI bill, H.R. 8911, which the House passed in late August. While I wish that more of the provisions contained in the SSI bill could have been enacted, the improvements that are contained in this conference report on the unemployment compensation bill are very significant and the result of very significant initiatives from the House. Mr. CORMAN, the acting chairman of the Subcommittee on Public Assistance will also explain the SSI provision in greater detail.

Mr. Speaker, I want to commend the chairman of the subcommittee, the gentleman from California (Mr. CORMAN) who is also the acting chairman of the Subcommittee on Public Assistance, for the extensive work that he has done, along with the minority members, the gentleman from Wisconsin (Mr. STEIGER) in particular. Also, Mr. Chairman, many Members contributed to the development of this legislation. Among these was our colleague from Illinois, (Mr. MIKVA). The thrust of a provision included in the conference report which provides services for disabled children was originally introduced as a separate bill in the spring of 1975 by Mr. MIKVA. While there have been disagreements as to the exact nature of legislation to provide these services, the leadership which has been displayed in this area by Mr. MIKVA is to be highly commended.

Mr. Speaker, I now yield 10 minutes to the gentleman from California (Mr. CORMAN) the chairman of the subcommittee.

Mr. CORMAN. Mr. Speaker, the conference report that is before us today contains extremely important changes in the unemployment compensation and supplementary security income programs. The Unemployment Compensation and Public Assistance Subcommittees began work on the changes contained in this legislation almost 2 years ago. The changes that have been approved by the House and Senate conferees will make needed improvements in both programs.

Before explaining the unemployment compensation provisions in the conference report I want to personally thank the members of the Unemployment Compensation Subcommittee and the Committee on Ways and Means that have worked so hard on this legislation during the past 2 years. I particularly want to recognize the major contribution and crucial role of the ranking minority member of the subcommittee, BILL STEIGER, in the development and progress of this legislation. It is largely a result of his understanding and strong interest in improving the program that we are today at the point of approving this conference agreement containing needed changes in the unemployment compensation program.

As approved by the conferees the bill makes the following major changes:

It extends coverage under the permanent Federal-State unemployment compensation law to State and local government employees and certain domestic and farm workers, thereby providing more equal treatment of the Nation's workers;

It increases the employer paid unemployment compensation taxes in order to begin restoring solvency in the unemployment compensation program at the State and Federal levels, with the objective of preserving the present Federal/State insurance structure of the system.

It modifies the "trigger mechanism" in the extended benefits program.

It extends for 1 year the special unemployment assistance program; and

It establishes a National Study Commission that will undertake a thorough and comprehensive examination of the present unemployment compensation program and make recommendations for further improvements.

COVERAGE PROVISIONS

In order to provide more equal treatment of the Nation's wage and salary workers under the permanent law, the conference report makes the following changes in coverage:

Coverage is extended to agricultural workers of employers with 10 or more workers in 20 weeks or who paid $20,000 in quarterly wages for agricultural services. This covers approximately 2 percent of farmowners and 40 percent of farmworkers.

Coverage is extended to domestic workers of employers who paid $1,000 or more in any calendar quarter for domestic services.

Coverage is extended to State and local government employees with the following exceptions: elected officials; members of a legislative body or the judiciary; members of the State National Guard or Air National Guard; inmates of custodial or penal institutions; and individuals in major nontenured or advisory positions or in policymaking or advisory positions the performance of the duties of which does not require more than 8 hours per week. Also excluded are emergency employees hired in case of disaster. A similarly worded exclusion is also contained in the Social Security Act and in the unemployment compensation program for Federal employees. This exclusion has the purpose of excluding only those individuals hired or impressed into service to deal directly with an emergency or urgent distress associated with an emergency. It is not, on the one hand, limited to individuals hired for the duration of the emergency, or on the other hand, applicable to individuals hired as regular employees even though hired as temporaries for a limited time for the duration of the emergency.

These coverage provisions will extend permanent unemployment compensation protection to about 8.6 million of the 10 million jobs not presently covered: 7.7 million local government jobs, 0.6 million State government jobs, 0.2 million farm jobs, and 0.1 million domestic jobs. This covers all State and local government employees, about 40 percent of the Nation's farmworkers and 15 percent of the domestic employees in the country.

These coverage provisions fall somewhat short of the coverage of agricultural and domestic workers provided under the House version of H.R. 10210. Under the House bill, farmworkers of employers with four or more workers in 20 weeks or who paid $10,000 in quarterly wages would have been covered. This would have extended unemployment compensation protection to about 6 percent of the Nation's farm operators and 59 percent of the farmworkers. The House bill extended unemployment compensation protection to domestic workers of employers who pay $600 in quarterly wages for domestic services, which would have covered 18 percent of the Nation's domestic employers and about 22 percent of the domestic workers.

I would have preferred a conference agreement on these provisions somewhat closer to the House's position. However, under the conference bill we have at least taken the first step toward providing the same protection under the unemployment compensation program for farm and domestic workers that we provide other wage and salary earners. I hope we can expand this coverage within the near future.

The bill prohibits payment of unemployment compensation benefits during the summer, and other vacation periods, to permanently employed teachers and other professional school employees. It allows States to deny benefits during vacation periods to employed nonprofessional schoolworkers.

Under the conference report, State and local governments are provided the reimbursement financing option. This means that State agencies and local government jurisdictions have the option of financing unemployment compensation benefits either by paying the State unemployment compensation tax, the same as private employers, or by reimbursing the State fund—on a retroactive basis—for benefits paid to their employees.

FINANCING PROVISIONS

In order to begin restoring fiscal solvency at the State and Federal levels the conference report on H.R. 10210 makes the following changes in the existing law:

The taxable wage base is increased from $4,200 to $6,000 for both Federal and State employer-paid unemployment compensation taxes.

The net Federal unemployment compensation tax rate is increased from 0.5 to 0.7 percent. It is reduced to 0.5 percent the year after all advances to the Federal extended unemployment compensation account have been repaid.

The Department of Labor estimates that the increased tax base and net Federal tax rate will raise an additional $400 million in Federal unemployment compensation revenues in fiscal 1977, $1.1 billion in State and Federal unemployment compensation revenues in fiscal year 1978, and $2.9 billion in State and Federal unemployment compensation revenues in fiscal year 1979.

H.R. 10210 as agreed to by the conferees, eliminates private employer financing of extended benefit costs attributable to State and local government employees. Federal administrative grants to States and the Federal share of extended benefits are financed out of revenues raised by the Federal unemployment compensation payroll tax imposed on all private employers. State and local governments—including those that currently pay unemployment compensation benefits to their employees—do not pay this Federal tax, and will not be required to do so under this bill. Under current law, private employers pay the tax that finances administration costs and extended benefit expenditures for their employees and public sector employees. Provisions in the conference bill make State and local governments liable for all extended benefit costs attributable to their employees. Unemployment compensation administrative costs attributable to State and local government employees will continue to be financed out of the Federal UI trust fund.

BENEFIT PROVISIONS

There are several important provisions in the conference bill pertaining to the payment of unemployment compensation benefits. The House-passed bill eliminated the 120-percent factor in the State trigger in the permanent extended benefits program which provides benefit weeks 27 to 39 during periods of abnormally high unemployment. Under the compromise worked out in the conference, extended benefits will be payable in a State when one of the three conditions is met: First, there is a seasonally adjusted national insured unemployment rate of 4.5 percent based on the most recent 13-week period; second, the unadjusted State-insured unemployment rate has averaged 4 percent for 13 consecutive weeks, and the rate is 20 percent higher than the State's average insured unemployment rate for the corresponding 13-week period in the 2 preceding years; or third, the State's unadjusted insured unemployment rate is 5 percent or higher. In other words, a State may waive the 120-percent factor when its insured unemployment rate reaches 5 percent.

A provision of the House bill accepted by the Senate prohibits disqualification for UC benefits solely on the basis of pregnancy. Other provisions in the conference report prohibit payment of UC benefits to professional athletes during off-season periods if there is reasonable assurance of employment and to illegal aliens. A provision added by the Senate and accepted by the House requires States to reduce unemployment compensation by the amount of any pension or retirement benefit received by a claimant. This provision does not take effect until October 1, 1979, allowing the National Study Commission established by the bill time to study the matter before it is implemented.

The conference report also extends for 1 year the special unemployment assistance program. The purpose of this extension is to continue for 1 additional year temporary unemployment compensation protection under a modified special unemployment assistance—SUA—program for those groups of workers who will be brought into the permanent Federal/State program under the provisions of H.R. 10210. The extension of SUA will maintain unemployment compensation protection for agricultural workers, domestic workers, and State and local government employees between December 31, 1976, when SUA expires under existing law, and January 1, 1978, the effective date for coverage of these groups of workers under the permanent Federal/State UC program proposed in H.R. 10210.

The extension of SUA requires that the State base period be used in determining eligibility for SUA. This change will restrict the payment of SUA benefits to eligible unemployed individuals working in employment not covered under permanent Federal or State UC law—agricultural, domestic, and State and local government employment.

The conference bill also prohibits payment of SUA benefits during recess periods to nonprofessional school employees with reasonable assurance of returning to their previous jobs at the end of the recess period. A similar provision pertaining to professional school employees—teachers, researchers, and administrators—is contained in present law.

The Congressional Budget Office—CBO—estimates that the extension of SUA contained in the bill will cost $193 million in fiscal year 1977.

NATIONAL STUDY COMMISSION

H.R. 10210 does not address all the problems or issues that have been raised with respect to unemployment compensation. The conference report establishes a National Study Commission for the purpose of examining the UC program and its relationship to other income programs. The Commission will review the changes contained in this bill and evaluate other changes that have been proposed.

The unemployment compensation provisions in H.R. 10210 are the product of almost 2 years' work. They reflect a cooperative effort to develop sound, fair, and feasible changes that address critical problems requiring immediate attention.

The unemployment insurance system is important to the American worker and the national economy. It was very fortunate that we had such a program in place when high unemployment hit in late 1974 and early 1975. Now we must take the steps that will not only preserve, but strengthen, the unemployment insurance system. For these purposes I urge you to support this conference report.

Let me turn now to the supplementary security income—SSI—amendments that were added to H.R. 10210 in the Senate and accepted by the House and Senate conferees. In the first SSI amendment the conferees accepted the Senate amendment concerned with the referral of blind and disabled children receiving SSI benefits for services but with one modification. While this provision is similar to section 4 of H.R. 8911 as it passed the House, it is considerably improved from the House version. First of all, it provides for $30 million for services compared to the estimated $18 million a year for services that would have been provided under the House version of this amendment.

In other words, it recoups $12 of the $37 million of the funds for services to disabled children that was removed by the Mikva amendment to H.R. 8911. The conference committee would make a significant improvement in the Senate amendment by striking that provision which would require children under 16 referred for services to accept the services—except with good cause—or lose their eligibility for such benefits. The National Association of Retarded Citizens strongly objected to this provision that was in the Senate bill and was contained in H.R. 8911 and has made the following statement:

> This stipulation is apparently modeled on the current statutory requirement that adults offered vocational rehabilitation services must accept such services or lose their eligibility. However, extension of this principle to children raises very serious issues of parental responsibility and informed consent. It is generally accepted that parents have the right and, indeed, the responsibility to refuse proffered services which, in their judgment, are not appropriate, of inferior quality, are delivered in a setting which is unacceptable, and so forth. We therefore strongly recommend that the mandatory services requirement be deleted in the case of children.

The National Association for Retarded Citizens also recommended that 100-percent Federal funding be extended for services for all children under the age of 16. While major emphasis is on services to children under the age of 7, the Senate amendment as adopted in conference plus a statement in the conference report does provide the opportunity for services to be provided to those between the ages of 7 and 16. For example, the conference report would provide that up to 10 percent of the funds may be used for counseling, development of service plans, and referral in the case of all children under 16. Also the statement of the floor managers states as follows:

> With respect to services for children ages 7 to 16, the conferees note that the amendment as agreed to makes no change in the present law provision of open-ended Federal funding of vocational rehabilitation services provided by the State vocational rehabilitation agency for disabled children as well as adults receiving supplemental security income benefits.

Also children 7 to 16 years of age who have never attended public school and need services to prepare them for public education would be eligible for services within the $30 million ceiling.

A second Senate amendment is designed to protect the income of each member of a married couple when one of them is in an institution. Under existing law, they are considered to be married up to 6 months after a separation takes place. This has led to extreme hardship for the spouse left at home in some instances. Mr. PICKLE introduced an amendment to H.R. 8911 designed to mitigate this problem. Although slightly different in its effects, the Senate amendment essentially follows what the House approved on the subject; that is, to determine income and benefit amount individually as soon as the individual in a medical institution has his benefits reduced. This amendment, while in technical disagreement, was agreed to by the managers on the part of the House.

A third amendment deals with the preservation of medicaid eligibility for individuals who cease to be eligible for SSI benefits on account of cost-of-living increases in social security benefits. This amendment has the same major objectives as an amendment introduced by Mr. PICKLE and passed by the House in H.R. 8911. Whereas the House amendment would have protected all benefits, the Senate version, with a considerably smaller cost, would in effect grandfather in recipients of medicaid who lost their eligibility solely because of an increase in social security benefits. The amendment is also reported in technical disagreement, but was agreed to by the House conferees.

A fourth amendment contained in the Senate bill includes a portion of the Fraser-O'Neill amendment to H.R. 8911. This amendment is concerned with the hold-harmless States and the protection of the hold-harmless payments from future increases in SSI benefits on the basis of cost-of-living. The conferees limited the amendment to the increases occurring during the next 2 years; that is, increases after June 30, 1977, and before July 1, 1979. The amendment is in technical disagreement.

A fifth amendment incorporates the entire language of the Keys amendment dealing with the eligibility and benefit amounts for persons in nonmedical institutions and providing for States to set standards for such institutions. The Senate amendment added a provision that SSI recipients in institutions not meeting the State standards would not be eligible for full SSI payment. The conferees accepted this Senate amendment, which is reported in technical disagreement.

A sixth Senate amendment deals with assuring that unemployed fathers claim and receive any unemployment compensation to which they are entitled, which may then be supplemented with an assistance payment up to the State's needs standards. This amendment contains the full text of H.R. 13272 without change. It was agreed to by the conferees but is reported in technical disagreement.

A final amendment in the Senate bill deals with the responsibility of State employment offices to supply data to aid in the administration of AFDC and child support programs. This amendment would require employment and unemployment compensation offices to supply specific information as to whether an individual is receiving, has received, or has made application for unemployment compensation, the amount of any such compensation being received, the current—or most recent—home address of the individual, and whether the individual has refused an offer of employment, if so, a description of the employment so offered and the terms, conditions, and rate of pay therefor. The amendment was modified by the conferees to eliminate a more general requirement contained in the Senate amendment. Obviously, unemployment offices will not always have such data in their files and if they do not have it, would have no responsibility for trying to obtain it. The amendment is reported in technical disagreement.

The SPEAKER. The gentleman from Wisconsin (Mr. STEIGER) is recognized for 30 minutes.

Mr. STEIGER of Wisconsin. Thank you, Mr. Speaker. I do not intend to use 30 minutes. I yield myself 5 minutes.

Mr. Speaker, first of all, may I pay my compliments to the distinguished and exceedingly able and effective chairman of the subcommittee, the gentleman from California (Mr. CORMAN), not only for his most thoughtful comments but also for the opportunities he has given the members of the subcommittee and the full committee, as well as the conference committee, to do their work.

I extend my thanks as well to the distinguished chairman of the full committee for the excellent manner in which he has handled this legislation and for his patience with the members of the Ways and Means Committee and the conference committee. I extend my appreciation also to the members of the subcommittee on both sides of the aisle, and especially to the ranking minority member of the Public Assistance Subcommittee on our side, the gentleman from Michigan (Mr. VANDER JAGT), all of whom have worked very long and very hard to bring this conference report to a culmination.

Mr. Speaker, H.R. 10210 is a good bill. It should be adopted. The gentleman from Minnesota and I both signed the conference report, and we urge its acceptance this afternoon.

Let me list the major provisions of the conference report and then describe each of them briefly. The conferees agreed to:

Extend the coverage of the permanent Federal-State unemployment compensation system;

Alter the present trigger provisions in the extended benefits program;

Increase the unemployment compensation taxable wage base and the tax rate;

Create a National Study Commission;

Permit the Virgin Islands to become a part of the Federal-State UC system;

Prohibit disqualification from UC benefits solely on the basis of pregnancy;

Extends the special unemployment assistance program for 1 year, until December 31, 1977; and

The conference report also makes several significant amendments to the supplemental security income program comparable to those adopted by the House in separate legislation.

By expanding coverage of the permanent Federal-State unemployment compensation system we would protect 8.6 million workers not now covered under any permanent program. Specifically the conference report would extend coverage to:

Agricultural workers of employers with 10 or more workers in 20 weeks or who paid $20,000 in quarterly wages;

Domestic workers of employers who pay $1,000 or more in any calendar quarter for domestic service; and

Employees of State and local government.

These are important features of the conference report. Presently these workers are covered under the special unemployment assistance program, scheduled to expire December 31, 1976. The conference report would extend the special unemployment compensation program to December 31, 1977, with a phaseout through June 30, 1978, and then provide permanent coverage for the majority of uncovered workers under the permanent program effective with SUA's expiration.

The conference report makes the expanded coverage provisions effective January 1, 1978. To provide a smooth transition, the conferees agreed to provide Federal reimbursement for the costs of unemployment compensation benefits paid to newly covered workers for a 6-month period. States would also be reimbursed after the 6-month period in cases where they paid benefits based on newly covered wages earned prior to the effective date of the new coverage provisions.

Absent these transition provisions, newly covered workers would not be eligible for SUA benefits at the expiration of that program; and, they would not be eligible for benefits under the permanent program until after they had accumulated sufficient wage credits in covered employment. These transition provisions eliminate what would otherwise be a 9- or 10-month gap in protection for newly covered workers.

While extending coverage to employees of State and local government, the conference report deletes provisions in the House-passed bill that would have reduced Federal payments to the States for the administrative expenses associated with the coverage of those State and local government employees. However, the conference report retains the related provisions of the House-passed bill that would revise the definition of "sharable benefits" under the Federal-State extended benefits program to eliminate any sharing of payments by the Federal Government based upon services performed by workers in State and local governments. Thus, the conferees agreed to continue the present practice of reimbursement for these administrative costs but disallows reimbursement for relevant extended benefit costs.

Under present law the extended benefits program pays benefits when the national insured unemployment rate reaches 4.5 percent seasonally adjusted. The conferees would not change the national trigger rate. However, the trigger would be based on the most recent 13-week period rather than the present requirement of each of 3 consecutive months.

The State trigger, which applies in a given State without regard to the national indicator, would be the same as present law, with one exception. Present law provides that extended benefits are payable when the unadjusted State insured unemployment rate has averaged 4 percent for 13 consecutive weeks, and the rate is 120 percent of the State's average insured unemployment rate for the corresponding 13-week period in the two preceding years. The 120-percent factor may be waived by a State until March 31, 1977. Under the conference report the 120-percent factor may be waived if the State's unadjusted insured unemployment rate is 5 percent or higher.

The conference report would increase the unemployment compensation taxable wage base and tax rate. Under present law employers are taxed on the basis of their payrolls at a rate of 3.2 percent of the first $4,200 in wages. Employers receive a credit of 2.7 percent against their Federal tax for participating in approved State UC programs. Thus each employer pays a 0.5 percent net Federal tax. Each employer's State tax rate depending on his or her unemployment experience rating.

At the present time 21 jurisdictions have depleted their unemployment compensation trust funds and reliable estimates indicate that unless additional revenues are produced, another 3 or 4 jurisdictions will have insolvent unemployment trust funds by the end of next year. Over $3 billion of Federal funds have already been advanced to the States to allow them to meet their obligations.

In order to bring the program back to a sound fiscal basis, the conference report would increase the taxable wage base from $4,200 to $6,000 effective January 1, 1978, and would also increase the net Federal tax rate from 0.5 percent to 0.7 percent effective January 1, 1977; the rate would remain at that level until all advances to the Federal extended unemployment compensation account have been repaid. The rate would then be lowered back to 0.5 percent. This provision differs slightly from the House-passed provision which would have reduced the tax rate back to 0.5 percent in 1983 or upon repayment of the Federal advances, whichever occurred earlier. Projections based on the increased taxes which the conferees agreed to indicate that the Federal-State UC system will be solvent in 1985.

The conference report would establish a National Study Commission on Unemployment Compensation, to be composed of 13 members, 3 appointed by the President pro tempore of the Senate, 3 by the Speaker of the House, and 7 by the President. The Commission would be directed to study and evaluate the present unemployment compensation programs in order to assess long-range needs, to develop alternatives, and to recommend changes, and be required to report back to the Congress on January 1, 1979. An interim report would be required by March 31, 1978.

The conference report requires that labor, industry, the Federal Government, State government, local government, and small business each have at least one representative appointed to the National Study Commission.

The conference report would also allow the Virgin Islands to become part of the permanent Federal-State UC program. The Virgin Islands already has an unemployment compensation system in place and has asked to be allowed to join the present Federal-State system.

The conferees agreed to the provision of the House bill repealing a provision in the program which provides UC protection for Federal employees. Presently, former Federal employees seeking UC benefits are precluded from appealing the determination of the employing agency on the issue of their discharge or separation. The conference report would provide Federal employees with the same rights available to other workers.

The conference report also contains a provision which would require unemployed fathers to collect any unemployment compensation benefits to which they are entitled, and requires States to supplement such benefits where AFDC-UF benefits are greater and the unemployed father meets the tests of AFDC-UF eligibility. This provision resolves problems in the 28 States having AFDC-UF programs which have arisen in the wake of the 1975 Supreme Court decision in Philbrook against Glodgett. The Secretary of Health, Education, and Welfare and the Secretary of Labor are directed to enter jointly into agreements with States, where the States are willing to do so, for the purpose of simplifying registration requirements for work and manpower services. These provisions are identical to those of H.R. 13272 as passed previously by the House.

Owing to a lack of Ways and Means Committee jurisdiction, the conferees are reporting in technical disagreement on a provision requiring State employment offices to furnish certain information to State or local AFDC or child support agencies. Through the greater cooperation which it would establish, the provision seeks to eliminate waste and fraud in these programs.

The conference report also addresses the issue of whether school employees are entitled to unemployment compensation during the summer months. It would deny compensation to an instructional research, or principal administrative employee of an educational institution during periods between academic years if the individual performed such services in the first of such academic years and if he or she has a contract or reasonable assurance that he or she will perform services in any such capacity for an educational institution in the second of such academic years or terms.

Similarly, individuals performing services in any nonprofessional capacity for an educational institution may be denied compensation for any week which commences during a period between 2 successive academic years or terms if the individual has performed such services in the first academic year and there is reasonable assurance that he or she will perform such services in the second of such academic years or terms.

This is a reasonable compromise intended to solve a difficult problem.

H.R. 10210 as approved by the Conferees also contains important amendments to the supplemental security income program. These provisions are derived from H.R. 8911, which was passed by the House but not acted upon by the Senate Finance Committee.

The conference report provides for the referral of all disabled persons under age 16 to the State maternal and child health and crippled children services agency or other agency designated by the Governor. Within its share of a $30 million entitlement ceiling established by this legislation for fiscal 1977, 1978 and 1979, a State may claim 100 percent Federal reimbursement for services for disabled children who are 6 years of age and under, or who have never attended publice school and who require preparation to take advantage of public education services or other services of specified types which seek to enhance self-sufficiency. Each State will share in the total entitlement based upon a ratio of the number of children under age 7 in its population compared to those under age 7 for the entire country. HEW is required to publish criteria on the definition of disability as it pertains to children within 120 days after enactment.

The conference report also addresses the serious financial problems which may arise when one member of a couple receiving SSI is institutionalized. The measure provides that they shall be treated as individuals in the determination of benefits for any month during all of which the spouse is institutionalized.

Under the conference agreement no recipient of Federal SSI benefits would lose eligibility for medicaid as a result of a cost-of-living increase in social security. The cost of this provision is considerably less than that of the approach taken by the House in H.R. 8911, under which the SSI $20 unearned income disregard would have been increased by the percentage of the increase in social security benefits.

The conferees agreed that payments for 2 years under the SSI savings clause to those States which remain under its effect, Wisconsin, Massachusetts and Hawaii, will not be reduced when there is a cost-of-living increase in Federal SSI benefits. Under the terms of the agreement the Federal Government is obligated to continue to fund increases granted in fiscal year 1977 and fiscal year 1978 in subsequent years.

The conference report is comparable to H.R. 8911 with respect to provisions relating to SSI payments to persons in institutions. State assistance to an individual or on his behalf to a private nonmedical group home will not be counted as unearned income in determining SSI benefits after October 1, 1976. After the same date the prohibition on SSI assistance in individuals residing in public institutions is removed with respect to facilities serving 16 or fewer residents. The current provision of section 1616(e) of the Social Security Act is repealed as of October 1, 1976.

In its place, States are required to have their own standards for nonmedical facilities in which SSI recipients reside. These standards must be publicized as a part of States' plans under title XX of the Social Security Act, along with any violations or waivers of the standards. The conferees accepted the Senate provision which was not included in H.R. 8911 under which Federal SSI payments would be reduced if SSI recipients are found to be living in facilities not meeting State standards.

Under the conference agreement the Senate receded from its provision repealing the extension of SSI and special social security coverage to the residents of the Commonwealth of the Northern Marianas. The action enables the relevant portions of Public Law 94–241 to remain in effect.

Mr. Speaker, I urge the adoption of the conference report on H.R. 10210, the Unemployment Compensation Amendments of 1976.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker and Members of the House, I rise in opposition to the conference report; and I do not believe that that comes as a surprise to anyone.

The conference report, on the unemployment compensation portion of the bill, still contains the feature that we attempted to amend out, and one that I am sure many Members have heard about from their cities and counties, and that is the mandatory coverage of municipal and county employees.

With regard to the SUA provision, I feel that there is no point in going into that since we discussed it at some length on the floor the other day. I can only say that this bill does mandate that all of those uncovered individuals that are presently covered under SUA will be covered by this bill and subsequently will be covered at the expense of employers who have never, ever indicated they wanted coverage on a State level.

Mr. Speaker, as far as the SSI portion of the bill or of the conference report is concerned, I would have to concur.

However, I would like to ask a question of the acting chairman of the subcommittee, the gentleman from California (Mr. CORMAN).

That question is this: H.R. 8911, which was the bill passed out of our House, included some provisions, particularly that one provision relating to SSI. Can the gentleman tell me whether that is included in this conference report?

Mr. CORMAN. Mr. Speaker, if the gentleman will yield, no, that is not included. We had a very difficult parliamentary situation in the respect that only H.R. 10210 was in conference. Therefore, we were limited in what we could do with respect to the part of H.R. 8911 which the Senate had added to H.R. 10210.

I regret that they did not do that and we are therefore unable to consider it in the conference report.

Mr. KETCHUM. The provisions on SSI do however include most of the provisions of H.R. 8911 as they passed out of the House?

Mr. CORMAN. All of them that are included were in H.R. 8911. There were some significant parts of H.R. 8911 that were not included by the Senate but everything that was included by the Senate was out of H.R. 8911 with some very minor changes.

Mr. KETCHUM. I thank the gentleman from California for his information. I would say to the gentleman that I deeply regret that SSI has been attached to H.R. 10210 knowing full well that the SSI's were worked on long and hard by the committee. I commend the gentleman from California (Mr. CORMAN) for attempting to the best of his ability to get those important changes made. As far as that portion of the conference committee report is concerned I would certainly have to concur. I am only sorry that it is attached to this bill which I will have to vote against.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield the gentleman from California 2 additional minutes.

Mr. KETCHUM. I thank the gentleman for yielding me the additional time and I repeat, Mr. Speaker, it is a conference report which I will have to vote against because of my very deep reservations about some of the provisions in H.R. 10210 as it applies to municipal and county employees and SUA.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, could the gentleman from California add one other class of employees, that of teachers? Could the gentleman tell me how the bill applies to teachers?

Mr. KETCHUM. I would have to yield to those individuals who were on the conference committee since I was not permitted to be present with them.

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield, the provisions that were adopted say that in the case of professional employees, as well as nonprofessional employees—those two categories of public school employees—that if there is a contract or reasonable assurances of reemployment in the fall then they are not eligible for unemployment compensation during the summer recess period.

Mr. ASHBROOK. Mr. Speaker, could the gentleman further expand on the situation in most States where the teacher has tenure. I assume that if the school board or the appropriate school officials have served notice on them of termination of their employment in September they would be covered. But in a situation where a teacher has tenure and assumes he is coming back in September, the gentleman is saying that they will not get unemployment benefits unless a contract has either been terminated by the board of education or the teacher herself or himself.

Mr. STEIGER of Wisconsin. That is correct, yes.

Mr. ASHBROOK. Mr. Speaker, I think that is a very reasonable handling of that situation.

Mr. KETCHUM. Mr. Speaker, I wish to say that I again thank the gentleman from Wisconsin for yielding me the additional time. Again I say that I think the committee has done a good job on this very important and complex bill, but I can only tell the Members that they are going to hear from their counties and from their cities when they have to either raise taxes or lay off individuals as a result of this bill.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 1 additional minute to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Again I thank the gentleman.

Mr. CORMAN. Mr. Speaker, if the gentleman will yield, my only comment at the moment is that as far as the subcommittee is concerned that no one has made a greater contribution than the gentleman from California on SSI because he has a great interest and knowledge of that complex subject regarding the State and Federal programs. Whatever happens next year I believe we will take a closer look at that and I hope that the gentleman will be here to help us.

Mr. KETCHUM. Mr. Speaker, I deeply appreciate the gentleman's comments.

Mr. ULLMAN. Mr. Speaker, since this is a missing component on the budget process this year, and in order to further clarify the position of the Budget Committee on this, I am pleased to yield 1 minute to the gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Speaker, on behalf of the chairman of the Committee on the Budget, I wish to advise the House that this conference agreement would primarily increase revenues paid into the unemployment trust fund. These revenues, which would amount to about $400 million, are essential to meeting the revenue floor in the second budget resolution.

H.R. 10210 would also extend coverage of unemployment compensation to most workers not currently covered. This provision is effective January 1978. During the interim period of 1 year, the conference agreement would extend special unemployment assistance benefits to State and local employees, to domestics, and agricultural workers. This extension will cost $193 million in fiscal year 1977, an amount which is assumed to be within the budget resolution.

Finally, the second budget resolution assumed $77 million in budget authority and outlays for SSI benefit liberalizations. This is the cost of the House-passed SSI amendments, H.R. 8911.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ULLMAN. I yield 1 additional minute to the gentleman from South Carolina.

Mr. DERRICK. The conference agreement includes $47 million in budget authority and outlays for SSI liberalization. This is well below the allocation for SSI.

Mr. Speaker, the chairman urges adoption of the conference report.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL), a valuable member of the subcommittee.

Mr. FRENZEL. Mr. Speaker, based on what has happened on the floor in the several bills which have been included in the conference report, this is a remarkably good conference report, and I endorse it and hope that it is promptly passed.

Basically, there are three major elements. The first is an extension of the supplemental unemployment assistance, with a phasein for its termination by December 31 of next year.

The second important feature is the restructuring of the financing basis, the raising of the tax base to $6,000 and the tax rate to 3.4 percent, to try to restore some financial soundness to the system.

The third is the creation of the Study Commission to study some particular problems of unemployment compensation. There are other features of the bill as well. They are important, and worthy, but I think they are less important than the three major elements.

In the first instance, that of the SUA extension, when that bill, H.R. 14970, was before us this week I moved against it. Standing alone, it was simply another extension of a temporary emergency program which seemed to me to have been extended too many times already. One more year's extension would not help.

However, when the extension is integrated with H.R. 10210, it becomes a real phaseout procedure. So we have some assurances that it will, indeed, eventually terminate. In my judgment, this is the important thing.

The basis of that phaseout is that we have picked up in regular State coverage about 95 percent of the potential claimants covered by the SUA program we are phasing out. These will number a little short of 9 million working people. The vast majority are State and local government employees. Some are farm and domestic employees.

The financing section is, in my judgment, by far the most important part of the bill, however. We had to lay a very grievous burden on the employing units of the United States, our farms, our businesses, and our local governments, to carry the costs of this program. The problem was that the benefits have already been paid. The costs have been incurred. The money has been borrowed. The deficits have been incurred in State and Federal trust funds, and we had no choice but to raise the taxes in order to pay those benefits.

I am sorry to relate to this House that the situation for the future is depressing. I am not at all convinced that we will be able to bring these trust funds into balance until well into the 1980's, if then, and that will take a pretty good economy.

I think the real problem is that our State programs have become flabby. We have allowed qualification systems to allow benefits to persons with a very short work experience. This qualifies more people than the average American believes should be covered by unemployment compensation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. STEIGER of Wisconsin. Mr. Speaker, I will be delighted to yield 2 additional minutes to the gentleman from Minnesota.

Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

Mr. Speaker, I think all of us would want us simply to tell the gentleman from Minnesota how deeply grateful we are—I think I speak for all of us on the subcommittee and the full committee—for the kind of leadership and initiative that the gentleman has taken in helping us get to where we are.

Mr. FRENZEL. I thank the gentleman for his generous comments. It only proves that whenever I do what the gentleman from Wisconsin says, I am to be paid a compliment.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I was listening to the gentleman and I would say there is only one thing that strikes me as strange about the argument. My friend has said we spent the money, we borrowed it, and now we have to go out and do something about repaying it. But is not part of the cure about this problem that we have to cut down on the amounts spent?

Mr. FRENZEL. I have already mentioned that and I was going to say there will have to be a revision of the time required in order to qualify for these payments and there will have to be a limit to the duration of the benefits. In some States it is necessary only to work for a couple of weeks in order to claim bonuses for 65 weeks.

We have allowed our disqualification standards to become flabby as well. People on strike, and people who have quit their jobs voluntarily, and people who have left their employment because they have been discharged for good cause, are able to qualify for benefits after a few weeks of disqualification.

I think most Americans do not believe this is the way we should run those programs. I would like to give a warning to the States that unless they begin to tighten up those programs we are going to look forward to on-going deficits, continued high tax rates, a high tax base, and very modest increases in benefit levels. I believe that benefit levels are not overly generous now, and I hate to think that worthy claimants might get no benefit increases because we have given too much "Santa Claus" money to less worthy claimants.

I think this is awfully important to us. What we have here is a golden goose which has reached almost the ultimate of its ability to lay eggs. If we want those eggs to go to the most deserving claimants, then we must stop distributing to the less worthy. If the States do not make some improvements in these programs, some benefit levels will be held down by sheer financial pressures.

As far as the Study Commission goes, we have already had our bellies full of study commissions. This is of course a very complex area and it has to be analyzed very carefully. So far the only studies have been conducted by the technocrats of the Labor Department, the large unions, and business associations. The television show "60 Minutes" showed us that it is time for the harsh glare of public scrutiny to fall on this field. It is invaluable for the public to know and understand this difficult program.

I compliment the members of the committee. I think it is a very worthwhile bill and I hope it gets a strong vote of approval by the House.

Mr. ULLMAN. Mr. Speaker, one of the most diligent Members of our side in developing the original legislation is the gentleman from Virginia (Mr. FISHER). I yield 2 minutes to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Speaker, I thank the chairman.

Mr. Speaker, I rise in strong support of this measure. It has been a marvelous experience to work with the chairman, the gentleman from California (Mr. CORMAN), and the leading Member from the minority side, the gentleman from Wisconsin (Mr. STEIGER), on this.

This has been a good piece of work, and we have a good outcome. I think every new Member deserves one or two experiences of this kind in his first term.

I have personally crossed paths with this program several times over a period of nearly 40 years and have been in on the extension of it to new persons on several occasions—first as a youngster in the Executive Office of President Roosevelt when I was assigned to work on the unemployment insurance program, and years later as a senior economist with the Council of Economic Advisers. Members can imagine the pleasure I have in being a Member of Congress and a member of this committee at a time when the provisions of unemployment insurance are extended to 8 or 9 million more people.

The unemployment compensation program has been, and now more than ever is, the main bulwark against economic depression and unemployment for millions of people. Its significance cannot be overstated. Of course problems will remain of defining eligibility, weeding out the free-loaders, and maintaining a sound financial basis. But I think the evolution of the program over some 40 years indicates that we can move ahead and improve it in the future as we have in the past.

I am pleased that the SUA program is to be phased out, as it should be, so that the UC program can return to a proper financial basis, supported by the industries which employ the workers covered by the program.

The SPEAKER pro tempore. The time of the gentleman from Virginia (Mr. FISHER) has expired.

Mr. ULLMAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Virginia.

Mr. FISHER. I am pleased also that we will be on our way to restoring soundness to the Federal trust fund with this measure, principally by raising the wage base.

Finally, I do think it is in order to have a study commission to review once again the objectives of this program, its shortcomings, and to come back to the House with further recommendations for improving the program.

So, Mr. Speaker, with the personal background I have had in connection with this program, I take pride in supporting it here on the floor of the House today.

Mr. STEIGER of Wisconsin. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I take this time to express my deep disappointment, and I am sure the disappointment of many Americans, that while the Democratic majority of the Committee on Ways and Means saw fit to take this bill to conference, they did not see fit to take to conference H.R. 1386, the Smith College bill, which contained in it a tax credit for those who are undertaking the often stunning expense of financing higher education.

I know that the Republican minority of the members of the Committee on Ways and Means labored diligently to see that this matter was brought to the floor; but here we are ending another session and the matter has not come to the floor.

Mr. Speaker, the Democratic leadership has denied a vote which would have given the millions of Americans who are struggling to obtain higher education even that very minimum kind of tax break, that $100 tax credit. That may not seem like much, but it can be a great deal to those who are hard pressed to obtain higher education. Every dodge was taken, every maneuver was made, to avoid bringing this measure to the floor of the House so that Members might vote on it, so that this body might work its will, so that it might agree to the Senate amendment and permit that kind of assistance to the American people.

Mr. Speaker, the Democratic leadership must accept responsibility for denying even this small break in the struggle to finance a college education.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman for making this statement. It is something that the American people should know.

I would add one additional piece of information to correct something which is not correct. Yesterday I gave the Committee on Ways and Means an opportunity to meet. I was not sure they were going to meet. I did that by objecting when this bill was brought up. It was my understanding when the committee met, the leadership on that committee absolutely refused to even consider this measure; therefore, once more showing millions of parents throughout the country that they do not care about the particular predicament in which American parents find themselves.

Mr. COUGHLIN. Mr. Speaker, the gentleman has certainly performed yeoman service in trying to bring this to the floor for a vote. If it had been brought here, I am sure it would have passed and our people would have had this much-needed relief.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I am happy to yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I ask through the chairman to the chairman of the subcommittee, the gentleman from California (Mr. CORMAN), one question that I neglected to ask earlier and I apologize for that.

Many of us are concerned about the Northern Marianas. There was a provision in there for the Northern Marianas' individuals. Did we retain the House position?

Mr. CORMAN. Mr. Speaker, if the gentleman will yield, there was no House provision. We rejected the Senate provision, so the Marianas are covered in current law.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further, this would have amounted to this body and the other body having broken their word as having accepted the concord and bringing the United States into it.

Mr. ULLMAN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Speaker, I just wanted to make note of the section in this bill that deals with group homes for the retired and handicapped and congratulate the fine work the committee did in this area, particularly the gentlemen from California (Messrs. CORMAN and KETCHUM).

I think it should be recognized at this point that this particularly far-reaching amendment was introduced and pushed through by the gentlewoman from Kansas (Ms. KEYS).

Mr. MICHEL. Mr. Speaker, I was extremely disappointed that the conferees dropped language added by the Senate which would prohibit unemployment compensation from being paid to retirees who are receiving pensions whenever the combined incomes would exceed the normal unemployment benefit level.

This is one of the abuses in the unemployment compensation system which I pointed out on the House floor a year ago. Nearly half of the States permit people to retire, receive their full pension, and then apply for and receive unemployment benefits, regardless of the total income involved. This loophole is wrong, and is costing hundreds of millions of dollars a year.

The Senate action would have corrected this abuse, and I would have thought the House conferees would have been anxious to go along. Instead, we end up referring another problem to a study commission. There is simply no excuse for this abdication of responsibility, and I intend to register my strong opposition to this failure to act by voting against the conference report.

Mr. PICKLE. Mr. Speaker, although I do rise in opposition to the conference report on H.R. 10210, the Unemployment Compensation Act amendments, I do want to pay tribute to the ranking members on our subcommittee, JIM CORMAN and BILL STEIGER. We have been working very closely together on this legislation for more than a year now and though we may have had some minor and some technical differences I think that we all want to preserve the integrity of the system.

There are two major objections which I have to the final version of this bill. The first is the mandatory coverage of all public employees. Surely, we all are aware of the financial difficulties facing many government entities across this country and the broadening of coverage may only add to their woes.

Second, it is my belief that the "trigger" level for payment of extended benefits is unrealistically low. This bill will allow the 120-percent factor to be waived by States when their insured unemployment rate—IUR—reaches 5 percent. The Senate version would have retained the 120-percent factor with a 6-percent IUR for triggering in, which is much better. I am afraid that we will continue to have those 15 to 20 States with low unemployment rates paying for some States which are constantly "triggered" in.

On the whole, however, this is a reasonable bill and should not come as any surprise to the employers of this Nation. It is imperative that we replenish the funds which have been depleted during the recession of the last 2 years. It is my belief that we have done this by raising the base from $4,200 to $6,000, the biggest increase in the 41-year history of the unemployment compensation system, and by upping the effective Federal tax rate from its current 0.5 to 0.7 percent.

While I do not endorse expansion of the coverage, because of the deficits in the current system, I do not feel that the terms for covering farmworkers and domestics are unreasonable.

This bill does not establish a Federal standard for weekly benefit amounts. This is a blessing. In sum, I think that we do need this legislation to shore up the deficits in both the Federal trust fund accounts and those of more than 20 States. Many of the objections which I had to the original bill have been resolved but I am opposing the conference report, because of the objections I mentioned previously.

However, Mr. Speaker, I rise in support of the conference substitute provisions affecting social security. As you know, the provision affecting the protection of income of members of a couple, one of whom enters a nursing home are identical to that contained in my amendment to H.R. 8911 the supplemental security income bill when it passed the House. This will help with the problems that some of our citizens face who are on a limited income, and already have the burden of one spouse needing to enter an institution. The problem arises because under current law, if both the husband and the wife are eligible for SSI, they will have their benefits calculated on the basis of an eligible couple. Where one has to enter an institution, although they are separated, under current law they would still retain the status of a couple for the purpose of calculation of SSI benefits for up to 6 months after separation. In some situations the couple has had to obtain a divorce so that each would get benefits individually and the person at home would not have his or her income attributed to the cost of care for the institutionalized spouse. Now such a couple will be deemed individuals for purposes of determning the SSI benefit amounts from the time that one of them is institutionalized.

Another provision, the preservation of medicaid eligibility in certain cases where social security benefits are increased by cost-of-living adjustments, was modified in the Senate, and that version is in the conference report. I was somewhat disappointed, because the version in the conference report does not cover those persons who lost their medicaid eligibility because of this year's 6.4-percent cost-of-living increase in social security. A 79-year-old Austin, Tex., widow, for example, who was written up in the Austin American Statesman by Mr. Dave Mayes, that first called my attention to this problem, will not be covered. However, I am proud that Senator BENTSEN was able to get this much of the amendment included.

It will not be until 1977 that future cost of living increases in social security, will not sometimes also cut off recipients from medicaid. While I am happy that in the future this inequity will not occur, still, it does not seem right to me that for this year it will. It seems to me sad that on one hand Congress offers a cost-of-living increase for those on social security, and on the other hand makes them ineligible for medicaid benefits that are much more valuable. It is extremely important that Congress carefully consider the full impact of any changes made in our social security and supplemental security laws. We should fully correct the inequities next year.

However, I am supporting all the social security provisions in this bill, because I think that overall they offer improvement in the administration of these laws.

Mr. ULLMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 97, not voting 61, as follows:

[Roll No. 861]

YEAS—272

Abzug
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Carney
Carr
Carter
Cederberg
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Corman
Cornell
Coughlin
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derwinski
Diggs
Dingell
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Goodling
Gradison
Gude
Guyer
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Hicks
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hyde
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Koch
Krebs
LaFalce
Lehman
Lent
Lloyd, Calif.
Long, La.
Long, Md.
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.

Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Quie
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Walsh
Wampler
Waxman
Weaver
Whalen
Whitehurst
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Tex.
Zablocki
Zeferetti

NAYS—97

Abdnor
Andrews, N. Dak.
Archer
Ashbrook
Bafalis
Bauman
Bell
Bowen
Breaux
Brinkley
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Chappell
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Daniel, Dan
Daniel, R. W.
Derrick
Devine
Dickinson
Downing, Va.
Emery
English
Evans, Ind.
Fountain
Ginn
Goldwater
Grassley
Hagedorn
Haley
Hall, Tex.
Hammerschmidt
Hansen
Henderson
Hightower
Holt
Hutchinson
Jarman
Jones, N.C.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Levitas
Lloyd, Tenn.
Lott
Lujan
McDonald
McKay
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Nichols
Paul
Pettis
Pickle
Poage
Roberts
Robinson
Rousselot
Runnels
Santini
Satterfield
Sebelius
Shuster
Sikes
Smith, Nebr.
Spence
Symms
Talcott
Taylor, Mo.
Thone
Treen
Waggonner
White
Whitten
Young, Fla.

NOT VOTING—61

Adams
AuCoin
Baldus
Broomfield
Burke, Fla.
Burton, Phillip
Chisholm
Clancy
Clay
Conyers
Cotter
Crane
D'Amours
Dodd
du Pont
Esch
Eshleman
Evans, Colo.
Fish
Flynt
Green
Hall, Ill.
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Ichord
Jacobs
Johnson, Colo.
Keys
Leggett
McCollister
Matsunaga
Meyner
Mikva
Mills
Mink
Moffett
Moss
Nix
Passman
Pepper
Quillen
Railsback
Riegle
Ruppe
Ryan
Scheuer
Snyder
Spellman
Steelman
Steiger, Ariz.
Stephens
Sullivan
Udall
Vigorito
Wilson, C. H.
Wright
Young, Ga.

The Clerk announced the following pairs:

Mr. AuCoin with Mr. Matsunaga.
Mrs. Spellman with Mr. Baldus.
Mr. Cotter with Mr. Hébert.
Mr. Charles H. Wilson of California with Mr. Heinz.
Mr. Mikva with Mr. du Pont.
Mrs. Meyner with Mr. Esch.
Mr. Moss with Mr. Eschleman.
Mr. Nix with Mr. Flynt.
Mr. Pepper with Mr. Crane.
Mr. Ryan with Mr. Fish.
Mr. Vigorito with Mr. Broomfield.
Mr. Young of Georgia with Mr. Howe.
Mr. Wright with Mr. Hillis.
Mr. Phillip Burton with Mrs. Mink.
Mr. Adams with Mr. Jacobs.
Mrs. Chisholm with Mr. Leggett.
Mr. Clay with Mr. Mills.
Mr. Dodd with Mr. Burke of Florida.
Mr. D'Amours with Mr. McCollister.
Mr. Evans of Colorado with Mr. Clancy.
Mr. Conyers with Mr. Green.
Mr. Hall of Illinois with Mr. Quillen.
Mr. Holland with Mr. Railsback.
Mr. Ichord with Mr. Ruppe.
Mrs. Keys with Mr. Scheuer.
Mr. Snyder with Mr. Moffett.
Mrs. Sullivan with Mr. Riegle.
Mr. Udall with Mr. Steelman.
Mr. Stephens with Mr. Steiger of Arizona.

Mr. STUCKEY changed his vote from "nay" to "yea."

Messrs. McKAY, YOUNG of Florida, BELL, and BURGENER changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 47: On Page 44, insert:

SEC. 510. REFERRAL OF BLIND AND DISABLED INDIVIDUALS UNDER AGE 16, WHO ARE RECEIVING BENEFITS UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, FOR APPROPRIATE REHABILITATIVE SERVICES.

(a) IN GENERAL.—Section 1615 of the Social Security Act is amended to read as follows:

"REHABILITATION SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"SEC. 1615. (a) In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this title,

the Secretary shall make provision for referral of such individual to the appropriate State agency administering the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act, or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases as he may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan.

"(b)(1) The Secretary shall by regulation prescribe criteria for approval of State plans for—

"(A) assuring appropriate counseling for disabled children referred pursuant to subsection (a) and their families.

"(B) establishment of individual service plans for such disabled children, and prompt referral to appropriate medical, educational, and social services,

"(C) monitoring to assure adherence to such service plans, and

"(D) provision for such disabled children who are 6 years of age and under, or who have never attended public school and require preparation to take advantage of public school and require preparation to take advantage of public educational services, or medical, social, developmental, and rehabilitative services, in cases where such services reasonably promise to enhance the child's ability to benefit from subsequent education or training, or otherwise to enhance his opportunities for self-sufficiency or self-support as an adult.

"(2) Such criteria shall include—

"(A) administration—

"(i) by the agency administering the State plan for crippled children's services under title V of this Act, or

"(ii) by another agency which administers programs providing services to disabled children and which the Governor of the State concerned has determined is capable of administering the State plan described in the first sentence of this subsection in a more efficient and effective manner than the agency described in clause (i) (with the reasons for such determination being set forth in the State plan described in the first sentence of this subsection);

"(B) coordination with other agencies serving disabled children; and

"(C) establishment of an identifiable unit within such agency which shall be responsible for carrying out the plan.

"(c) Every individual with respect to whom the Secretary is required to make provision for referral under subsection (a) shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under the Vocational Rehabilitation Act or under subsection (b) of this section; and no such individual shall be an eligible individual or eligible spouse for purposes of this title if he refuses without good cause to accept services for which he is referred under subsection (a).

"(d) The Secretary is authorized to pay to the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act the costs incurred under such plan in the provision of rehabilitation services to individuals referred for such services pursuant to subsection (a).

"(e)(1) The Secretary shall, subject to the limitations imposed by paragraphs (2) and (3), pay to the State agency administering a State plan of a State under subsection (b) of this section, the costs incurred each fiscal year which begins after September 30, 1976, and ends prior to October 1, 1979, in carrying out the State plan approved pursuant to such subsection (b).

"(2)(A) Of the funds paid by the Secretary with respect to costs, incurred in any State, to which paragraph (1) applies, not more than 10 per centum thereof shall be paid with respect to costs incurred with respect to activities described in subsection (b)(1)(A), (B), and (C).

"(B) Whenever there are provided pursuant to this section to any child services of a type which is appropriate for children who are not blind or disabled, there shall be disregarded, for purposes of computing any payment with respect thereto under this subsection, so much of the costs of such services as would have been incurred if the child involved had not been blind or disabled.

"(C) The total amount payable under this subsection for any fiscal year, with respect to services provided in any State, shall be reduced by the amount by which the sum of the public funds expended (as determined by the Secretary) from non-Federal sources for services of such type for such fiscal year is less than the sum of such funds expended from such sources for services of such type for the fiscal year ending June 30, 1976.

"(3) No payment under this subsection with respect to costs incurred in providing services in any State for any fiscal year shall exceed an amount which bears the same ratio to $30,000,000 as the under age 7 population of such State (and for purposes of this section the District of Columbia shall be regarded as a State) bears to the under age 7 population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph on the basis of the most recent satisfactory data available from the Department of Commerce not later than 90 nor earlier than 270 days before the beginning of such year."

(b) Publication of Criteria.—The Secretary shall, within 120 days after the enactment of this subsection, publish criteria to be employed to determine disability (as defined in section 1614(a)(3) of the Social Security Act) in the case of persons who have not attained the age of 18.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows: Mr. Ullman moves to recede and concur in the Senate amendment, with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

Sec. 501. Referral of Blind and Disabled Individuals Under Age 16, Who Are Receiving Benefits Under the Supplemental Security Income Program, for Appropriate Rehabilitation Services.

(a) In General.—Section 1615 of the Social Security Act is amended to read as follows:

"REHABILITATION SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"Sec. 1615. (a) In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this title, the Secretary shall make provision for referral of such individual to the appropriate State agency administering the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act, or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases as he may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan.

"(b)(1) The Secretary shall by regulation prescribe criteria for approval of State plans for—

"(A) assuring appropriate counseling for disabled children referred pursuant to subsection (a) and their families,

"(B) establishment of individual service plans for such disabled children, and prompt referral to appropriate medical, educational, and social services,

"(C) monitoring to assure adherence to such service plans, and

"(D) provision for such disabled children who are 6 years of age and under, or who have never attended public school and require preparation to take advantage of public educational services, of medical, social, developmental, and rehabilitative services, in cases where such services reasonably promise to enhance the child's ability to benefit from subsequent education or training, or otherwise to enhance his opportunities for self-sufficiency or self-support as an adult.

"(2) Such criteria shall include—

"(A) administration—

"(i) by the agency administering the State plan for crippled children's services under title V of this Act, or

"(ii) by another agency which administers programs providing services to disabled children and which the Governor of the State concerned has determined is capable of administering the State plan described in the first sentence of this subsection in a more efficient and effective manner than the agency described in clause (i) (with the reasons for such determination being set forth in the State plan described in the first sentence of this subsection);

"(B) coordination with other agencies serving disabled children; and

"(C) establishment of an identifiable unit within such agency which shall be responsible for carrying out the plan.

"(c) Every individual age 16 or over with respect to whom the Secretary is required to make provision for referral under subsection (a) shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under the Vocational Rehabilitation Act; and no such individual shall be an eligible individual or eligible spouse for purposes of this title if he refuses without good cause to accept services for which he is referred under subsection (a).

"(d) The Secretary is authorized to pay to the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act the costs incurred under such plan in the provision of rehabilitation services to individuals referred for such services pursuant to subsection (a).

"(c)(1) The Secretary shall, subject to the limitations imposed by paragraphs (2) and (3), pay to the State agency administering a State plan of a State under subsection (b) of this section, the costs incurred each fiscal year which begins after September 30, 1976, and ends prior to October 1, 1979, in carrying out the State plan approved pursuant to such subsection (b).

"(2)(A) Of the funds paid by the Secretary with respect to costs, incurred in any State, to which paragraph (1) applies, not more than 10 per centum thereof shall be paid with respect to costs incurred with respect to activities described in subsection (b)(1) (A), (B), and (C).

"(B) Whenever there are provided pursuant to this section to any child services of a type which is appropriate for children who are not blind or disabled, there shall be disregarded, for purposes of computing any payment with respect thereto under this subsection, so much of the costs of such services as would have been incurred if the child involved had not been blind or disabled.

"(C) The total amount payable under this subsection for any fiscal year, with respect to services provided in any State, shall be reduced by the amount by which the sum of the public funds expended (as determined by the Secretary) from non-Federal sources for services of the type involved for such fiscal year is less than the sum of such funds expended from such sources for services of such type for the fiscal year ending June 30, 1976.

"(3) No payment under this subsection with respect to costs incurred in providing services in any State for any fiscal year shall exceed an amount which bears the same ratio to $30,000,000 as the under age 7 population of such State (and for purposes of this section the District of Columbia shall be regarded as a State) bears to the under age 7 population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph on the basis of the most recent satisfactory data available from the Department of Commerce not later than 90 nor earlier than 270 days before the beginning of such year."

(b) Publication of Criteria.—The Secretary shall, within 120 days after the enactment of this subsection, publish criteria to be employed to determine disability (as defined in section 1614(a)(3) of the Social Security Act) in the case of persons who have not attained the age of 18.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, let me inform the Members that these amendments brought back in disagreement encompass primarily the SSI bill that was passed very recently by a large majority here in the House, and, as I say, they are brought back in disagreement because of their germaneness to the unemployment compensation rule.

The first amendment has to do with referral of disabled children in SSI.

I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: On page 44, insert:

Sec. 502. Income of Each Member of Married Couple to be Applied Separately in Determining SSI Benefit Payments When One of Them Is In An Institution.

Section 1611(e)(1)(B)(ii) of the Social Security Act is amended to read as follows:

"(ii) in the case of an individual who has an eligible spouse, if only one of them is in such a hospital, home, or facility throughout such month, at a rate not in excess of the sum of—

"(I) the rate of $300 per year (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the one who is in such hospital, home, or facility), and

"(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the other); and".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows.

Mr. Ullman moves to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The clerk will report the next amendment in disagreement.

The clerk read as follows:

Senate Amendment No. 49: On page 44, insert:

Sec. 503. Preservation of Medicaid Eligibility for Individuals Who Cease to be Eligible for Supplemental Security Income Benefits on Account of Cost-of-Living Increases in Social Security Benefits.

In addition to other requirements imposed by law as a condition for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any—individual, for any month after June 1977 for which such individual is entitled to a monthly insurance benefit under title II of such Act but is not eligible for benefits under title XVI of such Act, in like manner and subject to the same terms and conditions as are applicable under such State plan in the case of individuals who are eligible for and receiving benefits under such title XVI for such month, if for such individual would be (or could become) eligible for benefits under such title XVI except for amounts of income received by such individual and his spouse (if any) which are attributable to increases in the level of monthly insurance benefits payable under title II of such Act which have occurred pursuant to section 215(i) of such Act, in the case of such individual, since the last month after April 1977—for which such individual was both eligible for (and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II, and, in the case of such individual's spouse (if any), since the last such month for which such spouse was both eligible for and received) benefits under such title XVI and was entitled to a monthly insurance benefit under such title II. Solely for purposes of this section, payments of the type described in section 1616(a) of the Social Security Act or of the type described in section 212(a) of Public Law 93-66 shall be deemed to be benefits under title XVI of the Social Security Act.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. Ullman moves to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50. On page 44, insert:

SEC. 504. STATE SUPPLEMENTATION OF BENEFITS UNDER SUPPLEMENTAL SECURITY INCOME PROGRAM.

(a) Limitation on State Costs.—Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1917 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977.".

(b) Effective Date.—The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Ullman moves to recede and concur in the Senate amendment, with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

Sec. 504. State Supplementation of Benefits Under Supplemental Security Income Program.

(a) Limitation on State Costs.—Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977, and before July 1, 1979.".

(b) Effective Date.—The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, would the gentleman yield?

Mr. ULLMAN. Mr. Speaker, I yield to my friend the gentleman from Wisconsin (Mr. Steiger).

Mr. STEIGER of Wisconsin. Mr. Speaker, I take this time, and I shall not take very long, as I am sure the Members of the House will remember, when we debated the issue of the passage of the SSI legislation, that as a result of the adoption of the Fraser-O'Neill amendment, we mandated a pass-through for SSI in a number of States where that now is not mandated, and in the case of Wisconsin, Massachusetts, and Hawaii, it gave what I thought then and still do think is an undue advantage to those three States. The Fraser-O'Neill amendment was not adopted by the other body. What was adopted could be referred to as the O'Neill amendment.

The O'Neill amendment, as modified by the conference, says that insofar as Massachusetts, Hawaii, and Wisconsin are concerned, those three States will now have an SSI cost-of-living increase pass-through to the recipients in those States, which will be financed by the Federal Government for 2 years. In the third year the Federal Government cannot then withdraw, as this amendment is drawn below where it ends up at the end of the 2-year period. I think the House should know that there is a difference between this amendment and what the House voted on. The amendment is one that deals only with the three States and not with the other States. I suspect that at some point early next year we will be back dealing with the issue again.

Mr. ULLMAN. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 44, insert:

Sec. 505. Eligibility of Individuals in Certain Institutions.

(a) In General.—Section 1611(e)(1) of the Social Security Act is amended by striking out "subparagraph (B)" in subparagraph (A) and inserting in lieu thereof "subparagraph (B) and (C)"; and by adding at the end thereof the following new subparagraph:

"(C) As used in subparagraph (A), the term 'public institution' does not include a publicly operated community residence which serves no more than 16 residents.".

(b) Conforming Amendment.—Section 1612(b)(6) of such Act is amended by striking out "assistance described in section 1616(a) which" and inserting in lieu thereof "assistance, furnished to or on behalf of such individual (and spouse), which".

(c) Repeal of Limitation on Payment.—Section 1616(e) of such Act is repealed.

(d) States To Establish Standards.—Effective October 1, 1977, section 1616(e) of such Act is amended to read as follows:

"(e)(1) Each State shall establish or designate one or more State or local authorities which shall establish, maintain, and insure the enforcement of standards for any category of institutions, foster homes, or group living arrangements in which (as determined by the State) a significant number of recipients of supplemental security income benefits is residing or is likely to reside. Such standards shall be appropriate to the needs of such recipients and the character of the facilities involved, and shall govern such matters as admission policies, safety, sanitation, and protection of civil rights.

"(2) Each State shall annually make available for public review, as a part of the services program planning procedures established pursuant to section 2004 of this Act, a summary of the standards established pursuant to paragraph (1), and shall make available to any interested individual a copy of such standards, along with the procedures available in the State to insure the enforcement of such standards and a list of any waivers of such standards and any violations of such standards which have come to the attention of the authority responsible for their enforcement.

"(3) Each State shall certify annually to the Secretary that it is in compliance with the requirements of this subsection.

"(4) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution of the type described in paragraph (1) to such individual as a resident or an inpatient of such institution if such institution is not approved as meeting the standards described in such paragraph by the appropriate State or local authorities.".

(e) EFFECTIVE DATE.—The amendments and repeals made by this section, unless otherwise specified therein, shall take effect on October 1, 1976.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ULLMAN moves to recede and concur in the Senate amendment.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

My understanding now is that any cost-of-living increases that we mandated be passed through in the House bill to SSI recipients will not be passed through under the provisions of the conference report.

Mr. ULLMAN. Mr. Speaker, I yield to the chairman of the subcommittee, the gentleman from California (Mr. CORMAN) for a response.

Mr. CORMAN. That is correct. The House passed such a bill. It was not in conference because it was not adopted by the Senate and added to H.R. 10210.

I would prompt the gentleman: There are two sets of problems. One is, what does it cost the State to passthrough the money; and, second, are they mandated to do it? Under what we bring the Members, no one is mandated to passthrough cost-of-living increases but all States may passthrough without adding additional funds to what they are already paying, and that includes the whole group of States.

Mr. KAZEN. If the gentleman would yield further, but that would be their money and not Federal money? Would it not be passed through?

Mr. CORMAN. If the gentleman would yield further, it is Federal money. The point is where does the Federal money go? If we give a $10 cost-of-living increase to a little old lady, the State can say, "We will give it to her, or we will keep it and reduce by $10 the State contribution." That part of the law has not been changed.

I agree with the gentleman from Wisconsin. We will be back on that matter again some day soon.

Mr. KAZEN. I thank the gentleman.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: Page 44, insert:

SEC. 508. AFDC BENEFITS WHERE UNEMPLOYED FATHER RECEIVES UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Section 407(b)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (B); and

(2) by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) for the denial of aid to families with dependent children to any child or relative specified in subsection (a)—

"(i) if and for so long as such child's father, unless exempt under section 402(a)(19)(A), is not registered pursuant to such section for the work incentive program established under part C of this title, or, if he is exempt under such section by reason of clause (iii) thereof or no such program in which he can effectively participate has been established or provided under section 432(a), is not registered with the public employment offices in the State, and

"(ii) with respect to any week for which such child's father qualifies for unemployment compensation under an unemployment compensation law of a State or of the United States, but refuses to apply for or accept such unemployment compensation; and

"(D) for the reduction of the aid to families with dependent children otherwise payable to any child or relative specified in subsection (a) by the amount of any unemployment compensation that such child's father receives under an unemployment compensation law of a State or of the United States.".

(b) CONFORMING PROVISION.—Section 407(d)(3) of such Act is amended by inserting ", for purposes of section 407(b)(1)(C)," before "be deemed".

(c) EFFECTIVE DATE.—The amendments made by the preceding provisions of this section shall be effective with respect to months after (and weeks beginning in months after) the date of the enactment of this Act.

(d) SIMPLIFICATION OF PROCEDURES.—Section 407 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"(e) The Secretary of Health, Education, and Welfare and the Secretary of Labor shall jointly enter into an agreement with each State which is able and willing to do so for the purpose of (1) simplifying the procedures to be followed by unemployed fathers and other unemployed persons in such State in registering pursuant to section 402(a)(19) for the work incentive program established by part C of this title and in registering with public employment offices (under this section and otherwise) or in connection with applications for unemployment compensation, by reducing the number of locations or agencies where such persons must go in order to register for such programs and in connection with such applications, and (2) providing where possible for a single registration satisfying this section and the requirements of both the work incentive program and the applicable unemployment compensation laws.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ULLMAN moves to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the final amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 55: Page 44, insert:

SEC. 509. STATE EMPLOYMENT OFFICES TO SUPPLY DATA IN AID OF ADMINISTRATION OF AFDC AND CHILD SUPPORT PROGRAMS

(a) IN GENERAL.—Section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b(a)), is amended by adding at the end thereof the following new sentence: "It shall be the further duty of the bureau to assure that such employment offices in each State, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is hereby authorized to) furnish to such agency making the request, from any data contained in the files of any such employment office, information with respect to any individual specified in the request as to: (A) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (B) the current (or most recent) home address of such individual, (C) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and terms, conditions, and rate of pay therefor, and (D) such other matters as may be relevant to the discharge of such agency's duties insofar as such duties relate to such individual or any member of his family

(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 403 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices pursuant to the third sentence of section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b(a)) by a State or local agency administering the State plan approved under part A of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan; and for purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information so requested by a State or local agency charged with the duty of carrying out a State plan for child support approved under part D of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan.

Mr ULLMAN (during the reading). Mr Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr ULLMAN moves to recede and concur in the Senate amendment, with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SEC 509 STATE EMPLOYMENT OFFICES TO SUPPLY DATA IN AID OF ADMINISTRATION OF AFDC AND CHILD SUPPORT PROGRAMS.

(a) IN GENERAL.—Section 3(a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (29 U.S.C. 49b (a)), is amended by adding at the end thereof the following new sentence: "It shall be the further duty of the bureau to assure that such employment offices in each State, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is hereby authorized to) furnish to such agency making the request, from any data contained in the files of any such employment office, information with respect to any individual specified in the request as to (A) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (B) the current (or most recent) home address of such individual, and (C) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and terms, conditions, and rate of pay therefor.".

(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 403 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices pursuant to the third sentence of section 3 (a) of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other puropses", approved June 6, 1933 (29 U.S.C. 49b(a)), by a State or local agency administering a State plan approved under part A of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan; and for purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information so requested by a State or local agency charged with the duty of carrying out a State plan for child support approved under part D of title IV of the Social Security Act shall be considered to constitute expenses incurred in the administration of such State plan.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the conference and the amendments in disagreement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on September 30, 1976, the President approved and signed bills of the House of the following titles:

H.R. 8532. An act to improve and facilitate the expeditious and effective enforcement of the antitrust laws, and for other purposes;

H.R. 14846. An act to authorize certain construction at military installations, and for other purposes;

H.R. 14298. An act to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes; and

H.R. 14299. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes.

DISPOSITION OF FUNDS TO PAY JUDGMENT IN FAVOR OF GRAND RIVER BAND OF OTTAWA INDIANS

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to discharge the Committee on Interior and Insular Affairs from further consideration of the Senate bill (S. 1659) to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes, and ask for its immediate consideration in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Washington could let us know if the minority have been consulted and have any problems on that request?

Mr. MEEDS. If the gentleman will yield, the minority has been contacted. They are all in favor of the bill.

Mr. Speaker, if the gentleman will permit me this bill provides for the disposition of $1.4 million which was actually appropriated in 1968, to the Grand River Band of Ottawa Indians in Michigan State.

It was sponsored by the people on the minority side. It was also sponsored in the Senate, and it has been passed by the Senate. We have had hearings in the House but we were unable to get the bill to the floor.

I know of no objection to the bill. The BIA has been consulted and they have no objection.

Mr. BAUMAN. There are no nongermane amendments?

Mr. MEEDS. No.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the funds appropriated by the Act of October 21, 1968 (82 Stat. 1190, 1198), to pay a judgment to the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, together with any interest thereon, after payment of attorney fees and litigation expenses and such expenses as may be necessary in effecting the provisions of this Act, shall be distributed as provided herein.

SEC. 2. The Secretary of the Interior shall prepare a roll of all persons of Grand River Band of Ottawa Indian blood who meet the following requirements for eligibility: (a) they were born on or prior to and were living on the date of this Act; and (b) their name or the name of a lineal ancestor from whom they claim eligibility appears as a Grand River Ottawa on the Ottawa and Chippewa Tribe of Michigan, Durant Roll of 1908, approved by the Secretary of the Interior, February 18, 1910, or on any available census rolls or other records acceptable to the Secretary of the Interior; (c) who possess Grand River Ottawa Indian blood of the degree of one-fourth or more; and (d) are citizens of the United States.

SEC. 3. Applications for enrollment must be filed with the Great Lakes Agency of the Bureau of Indian Affairs at Ashland, Wisconsin, in the manner and within the time limits prescribed for that purpose. The determination of the Secretary of the Interior regarding the eligibility of an applicant shall be final.

SEC. 4. The judgment funds shall be distributed per capita to the persons whose names appear on the roll prepared in accordance with section 2 of this Act.

SEC. 5. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than eighteen years of age or who are under legal disability shall be paid in accordance with such procedures, including the establishment of trustees, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 6. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, nor shall such funds or their availability be considered as income or other resources or otherwise utilized as the basis for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled to under the Social Security Act or any other Federal or federally assisted program.

Sec. 7. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill (S. 1659) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SENATE AMENDMENTS TO H.R. 12961, AMENDING SOCIAL SECURITY ACT TO REMOVE PROVISION GIVING CONSENT OF STATE TO CERTAIN SUITS

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12961) to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services; with Senate amendments thereto, and disagree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

Section 1. (a) Subsection (g) of section 1902 of the Social Security Act and subsection (l) of section 1903 of such Act are repealed.

(b) The amendments made by the subsection (a) of this section shall take effect as of January 1, 1976.

TITLE II—MEDICARE-MEDICAID ANTI-FRAUD MEASURES

TABLE OF CONTENTS

Sec. 2. Short title.
Sec. 3. Office of Central Fraud and Abuse Control.
Sec. 2. Short title.
Sec. 4. Prohibition against assignment by physicians and others of claims for services.
Sec. 5. Disclosure of ownership and financial information.
Sec. 6. Penalty for defrauding medicare and medicaid programs.
Sec. 7. Amendments related to professional standards review organizations.

SHORT TITLE

Sec. 2. This title may be cited as the "Medicare-Medicaid Anti-Fraud Amendments of 1976"

OFFICE OF CENTRAL FRAUD AND ABUSE CONTROL

Sec. 3. (a) Section 702 of the Social Security Act is amended—

(1) by inserting "(a)" immediately after "Sec. 702", and

(2) by adding at the end thereof the following new subsection:

"(b) There shall be established, within the Department of Health, Education, and Welfare, an Office of Central Fraud and Abuse Control. Such Office shall have the overall responsibility for (i) directing, coordinating, monitoring, and establishing policies with respect to the undertaking of activities which are designed to deal with fraud and abuse, at all Federal organizational levels of the various programs, established by or pursuant to titles V, XVIII, and XIX, and the renal disease program established by section 226, (ii) initiating and conducting investigations with respect to alleged, actual, or potential fraud or abuse in any such programs, and (iii) assisting State agencies, at their request, in the establishment and operation of State antifraud and abuse activities. Such Office shall also provide all appropriate investigative support and assistance (including temporary delegation and assignment of personnel) to United States attorneys and State law enforcement authorities, upon their request, in the development of fraud cases arising out of any of such programs.".

PROHIBITION AGAINST ASSIGNMENT BY PHYSICIANS AND OTHERS OF CLAIMS FOR SERVICES

Sec 4 (a) Section 1842(b)(5) of the Social Security Act is amended by adding at the end thereof the following new sentence: "Any payment for a service, which under the provisions of the preceding sentence may be made directly to the physician or other person furnishing such service, may not be made to a person claiming such payment under an assignment, including a power of attorney (other than an assignment to a governmental entity or establishment, or an assignment established by or pursuant to the order of a court of competent jurisdiction from such physician or other person furnishing such service); but nothing in this paragraph shall be construed to preclude an agent, of the physician or other person furnishing the service, from receiving any such payment, if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of any such payment is unrelated (directly or indirectly) to the amount of the billings or payments (or the aggregate of similar billings or payments), and is not dependent upon the actual collection of any such payment (or the aggregate of such payments).".

(b) Section 1815 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Any payment for a service, which under the provisions of this title, may be made directly to a provider of services furnishing such service, may not be made to a person claiming such payment under an assignment, including a power of attorney (other than an assignment to a governmental entity or establishment, or an assignment established by or pursuant to the order of a court of competent jurisdiction from the provider of services furnishing such service); but nothing in this subsection shall be construed to preclude any agent, of the provider of services furnishing such service, from receiving any such payment, if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of any such payment is unrelated (directly or indirectly) to the amount of the billing or payment (or the aggregate of similar billings or payments), and is not dependent upon the actual collection of any such payment (or the aggregate of such payments).".

(c) Section 1902(a)(32) of such Act is amended—

(1) by inserting "(A)" immediately after "provide that",

(2) by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively, and

(3) by adding immediately before the semicolon at the end thereof the following: ", and (B) any payment for a service, which may be made directly to the physician or other person furnishing such service, may not be made to a person claiming such payment under an assignment, including a power of attorney (other than an assignment to a governmental entity or establishment, or an assignment established by or pursuant to the order of a court of competent jurisdiction from such physician or other person furnishing such service); but nothing in this paragraph shall be construed to preclude any agent, of the physician or other person furnishing the service, from receiving any such payment, if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of any such payment is unrelated (directly or indirectly) to the amount of the payment (or the aggregate of similar billings or payments) and is not dependent upon the actual collection of any such payment (or the aggregate of such payments).".

(d) The amendments made by subsections (a) and (b) of this section shall take effect on the first day of the first calendar month which begins not less than sixty days after the date of enactment of this Act, and the amendments made by subsection (c) of this section shall take effect on July 1, 1977.

DISCLOSURE OF OWNERSHIP AND FINANCIAL INFORMATION

Sec. 5. (a) Part A of title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"DISCLOSURE OF OWNERSHIP AND FINANCIAL INFORMATION

"Sec. 1132. (a)(1) The Secretary shall by regulations (or by contract provision) provide that any entity (other than a public agency) which is—

"(A) a provider or supplier of items or services (including any 'shared health facility' as defined in section 1133, or any practitioner or supplier affiliated with such a facility), which furnishes, or which arranges for the furnishing of, items or services with respect to which payment is claimed under title XVIII, under any program established pursuant to title V, or under a State plan approved under title XIX; or,

"(B)(i) a party to an agreement with the Secretary entered into pursuant to section 1816 or 1842 (a), or (ii) a party to an agreement, with a State agency administering or supervising the administration of a state plan approved under title XIX, under which such party serves as a fiscal agent for the State in the operation of such plan;

shall promptly comply with any request, made by the Secretary or the Comptroller General of the United States, for any or all of the following:

"(C) full and complete information as to the identity (i) of persons having (directly or indirectly) 5 per centum or more ownership interests, or lease or rental interests in such entity and the nature and extent thereof or (except in the case of a supplier, not affiliated through direct or indirect common ownership or control in whole or part, with a provider of services) who is the owner (in whole or in part) of an interest of 5 per centum or more of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by such entity or any of the property or assets thereof, (ii) in case such entity is organized as a corporation, of each officer and director of the corporation, and (iii) in case such entity is organized as a partnership, of each partner;

"(D) full and complete information (except in the case of a supplier, not affiliated through direct or indirect common ownership or control in whole or part with a provider of services) as to any business dealings between such entity (and in the case of a shared health facility, between any practitioner or supplier affiliated therewith) and persons referred to in clause (C), and

"(E) except in the case of a supplier or a shared health facility, not affiliated through direct or indirect common ownership or control, in whole or part, with a provider of services a consolidated certified costs report with respect to its costs and charges, including costs and charges of related organizations (as that term in employed for purposes of title XVIII),

except that, in the administration of this paragraph, no such request shall be made of an entity described in paragraph (A) if such entity does not furnish a significant volume (as defined by regulations of the Secretary) of the items or services referred to in such paragraph.

"(2) (A) If at the close of the sixty day period which begins on the date a request (as described in paragraph (1)) is made of an entity described in paragraph (1) (A), or (B), such request has not been fully complied with, then—

"(i) in case such entity is an entity described in paragraph (1)(A), the Secretary may notify such entity that no payment will be made to such entity under title XVIII, and no Federal funds shall be available with respect to any expenditures made under or pursuant to title V or XIX (or a program or plan approved thereunder), for or on account of any services furnished by such entity on or after the first calendar month which begins not less than thirty days after the date such notice is sent.

"(ii) in case such entity is an entity described in paragraph (1)(B)(ii), the Secretary may notify the State having an agreement between such entity and the Secretary entered into pursuant to section 1816 or section 1842 is terminated effective on the first day of the first calendar month which begins not less than thirty days after the date such notice is sent, and

"(iii) in case such entity is an entity described in paragraph (1)(B)(ii), the Secretary may notify the State having an agreement with such entity that no Federal funds shall be available with respect to any expenses incurred to compensate such entity for or on account of services performed by it pursuant to such agreement (or any similar agreement) on or after the first calendar month which begins not less than thirty days after the date such notice is sent.

In case the Comptroller General of the United States makes a request (as described in paragraph (1)) which is not fully complied with prior to the sixty-day period described in the preceding sentence, then he shall, at the earliest practicable date after the close of such period, advise the Secretary of the fact that such request was made by him and was not complied with within such period, so that the Secretary may notify the entity involved as provided in clause (i), (ii), or (iii)

"(B) Notwithstanding any other provision of law

"(i) payments otherwise authorized to be made under title XVIII, and Federal funds otherwise available with respect to expenditures under or pursuant to title V or XIX (or a program or plan approved thereunder) shall be subject to the limitations referred to in a notice sent by the Secretary pursuant to subparagraph (A)(i)

(ii) agreements referred to in subparagraph (A)(ii) shall be terminated as indicated by the Secretary in a notice sent by him pursuant to subparagraph (A) (ii), and

"(iii) Federal funds otherwise available with respect to expenditures under a State plan approved under title XIX shall be subject to the limitations referred to in a notice sent by the Secretary pursuant to subparagraph (A)(iii)

except that the Secretary, for good cause shown, may terminate the application of such limitation.

"(b) Notwithstanding any other provision of law—

"(1) no payment shall be made on the basis of an assignment of benefits under title XVIII, and

"(2) no Federal funds shall be available under title V or XIX with respect to expenditures made under a State program or plan approved thereunder,

for goods and services furnished, on or after the first day of the first calendar month which begins not less than ninety days after the date of enactment of this subsection, to a patient (directly or indirectly) by any entity which is an independent pharmacy, independent laboratory, or an independent supplier of durable medical equipment unless such entity agrees to give the Secretary or in the case of title XIX the State agency under which such entity agrees to provide to the Secretary (or any authorized officer or employee of the Department of Health, Education, and Welfare) and to the Comptroller General reasonable access (including the right to duplicate) to the books and records thereof which pertain to the provision of billing and payment for goods and services supplied or rendered by such entity in relation to programs established under title V, XVIII, or XIX.".

(b) Part A of title XI of such Act is amended by adding after section 1132 thereof (as added by subsection (a) of this section) the following new section:

"SHARED HEALTH FACILITY

"SEC. 1133. For purposes of this Act, the term 'shared health facility' means any arrangement whereby two or more health care practitioners, one or more of whom receives payment on a fee for service basis under titles V, XVIII, and XIX of this Act which are substantial in amount (as determined in accordance with regulations of the Secretary)—

"(a)(1) practice their professions at a common physical location; or where a substantial number of the patients of one or more practitioners are referred to such practitioner(s) by other practitioners or persons at a common physical location;

"(2) share (i) common waiting areas, examining rooms, treatment rooms or other space, (ii) the services of supporting staff, or (iii) equipment, and

"(3) a person other than all of such practitioners is in charge of, controls, manages, or supervises, substantial aspects of the arrangement or operation for the delivery of health or medical services at such common physical location, other than the direct furnishing of professional health care services by such practitioners to their patients, or a person makes available to such practitioners the services of supporting staff who are not employees of such practitioners;

except that such term does not include a provider of services (as defined in section 1861(u)) or a health maintenance organization (as defined in section 1876), or an arrangement under which two or more health care practitioners practice their profession as a partnership, professional service corporation, or other legal entity, if members of the supporting staff are employees of such legal entity and in case there is an office manager or person with similar title, he is an employee of the legal entity whose compensation is customary and not excessive for such services and there is no person described in clause (3), or,

"(b) where a person referred to in subsection (a)(3) or any other person is compensated, in whole or part, for use of such physical location or services pertaining thereto, on a basis related to amounts charged or collected for the services rendered or ordered at such location "

PENALTY FOR DEFRAUDING MEDICARE AND MEDICAID PROGRAMS

SEC. 6. (a) Section 1877 of the Social Security Act is amended—

(1) in subsection (a) thereof—

(A) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(B) by striking out "$10,000" and inserting in lieu thereof "$25,000", and

(C) by striking out "one year" and inserting in lieu thereof "five years", and

(2) in subsection (b) thereof—

(A) by inserting "or arranges for the furnishing of" immediately after "Whoever furnishes",

(B) by inserting "(in cash or in kind)" immediately after "kickback or bribe",

(C) by inserting "or arrangement for the furnishing" immediately after "in connection with the furnishing",

(D) by striking out "rebate of any fee or charge" and inserting in lieu thereof "rebate of any fee, charge, or portion of any payment, in cash or in kind,",

(E) by inserting "or arrangement for the furnishing" immediately after "another person for the furnishing",

(F) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(G) by striking out "$10,000" and inserting in lieu thereof "$25,000", and

(H) by striking out "one year" and inserting in lieu thereof "five years", and

(3) in subsection (c) thereof—

(A) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(B) by striking out "$2,000" and inserting in lieu thereof "$25,000", and

(C) by striking out "6 months" and inserting in lieu thereof "five years".

(b) Section 1909 of such Act is amended—

(1) in subsection (a) thereof—

(A) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(B) by striking out "$10,000" and inserting in lieu thereof "$25,000", and

(C) by striking out "one year" and inserting in lieu thereof "five years", and

(2) in subsection (b) thereof—

(A) by inserting "or arranges for the furnishing of" immediately after "Whoever furnishes",

(B) by inserting "in cash or in kind" immediately after "kickback or bribe",

(C) by inserting "or arrangement for the furnishing" immediately after "in connection with the furnishing",

(D) by striking out "rebate of any fee or charge" and inserting in lieu thereof "rebate of any fee, charge, or portion of any payment, in cash or in kind,",

(E) by inserting "or arrangement for the furnishing" immediately after "another person for the furnishing",

(F) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(G) by striking out "$10,000" and inserting in lieu thereof "$25,000", and

(H) by striking out "one year" and inserting in lieu thereof "five years", and

(3) in subsection (c) thereof—

(A) by striking out "misdemeanor" and inserting in lieu thereof "felony",

(B) by striking out "$2,000" and inserting in lieu thereof "$25,000", and

(C) by striking out "6 months" and inserting in lieu thereof "five years".

AMENDMENTS RELATED TO PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

SEC. 7. (a) Section 1155(g) of the Social Security Act is amended by adding at the end thereof the following new sentence: "The Secretary where a Professional Standards Review Organization (whether conditionally designated or qualified) requests review responsibility with respect to services furnished in shared health facilities (as such facilities are determined by the Secretary in accordance with this Act) shall give priority to such request, with the highest priority being assigned to areas with substantial numbers of shared health facilities.".

(b) Section 1861(w)(2) of such Act is amended by inserting "under part B of this title or under" immediately after "entitled to have payment made for such services under".

(c) Section 1158 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Where a Professional Standards Review Organization (whether conditionally designated or qualified) is found competent by the Secretary to assume review responsibility with respect to specified types of health care services or specified providers or practitioners of such services and is performing such reviews, determinations made pursuant to paragraphs (1) and (2) of section 1155(a) in connection with such reviews shall constitute the conclusive determination on those issues for purposes of payment under this Act, and no reviews with respect to such services, providers, or practitioners shall be conducted with respect to those issues relating to specific patients for purposes of payment by agencies and organizations which are parties to agreements entered into by the Secretary pursuant to section 1816, carriers which are parties to contracts entered into by the Secretary pursuant to section 1842, or State agencies administering or supervising the administration of State plans approved under title XIX.".

(d) Section 1152(e) of such Act is amended—

(1) by inserting "(1)" immediately after "(6)", and

(2) by adding at the following new paragraph:

"(2) Such a waiver shall not be required where the Secretary finds a Professional Standards Review Organization (whether condtionally designated or qualified) to be competent on the basis of performance to assume review responsibilities with respect to specified providers of health care services. Upon such an assumption of review responsibilities by a Professional Standards Review Organization (whether conditionally designated or qualified) the following provisions of this Act (but only to the extent they involve duplicative review and certification activities) shall not be applicable (except to the extent otherwise specified by the Secretary):

"(A) the provisions with respect to physician certifications required under section 1814(a)(2) through (7), (h), and (i), and section 1835(a)(2),

"(B) the provisions with respect to utilization review plans required under section 1861 (e)(6) and (j)(8),

"(C) the provisions with respect to medical evaluation and audit procedures required under section 1861(j)(12), and

"(D) the provisions of section 1902(a) (26), (30), (31), and (33), and section 1903 (g) and (i)(4).".

(e) Section 1166 of such Act is amended by redesignating subsection (b) thereof as subsection (c), and by inserting immediately after subsection (a) the following new subsection (b):

"(b) A Professional Standards Review Organization (whether conditionally designated or qualified) shall provide data and information (unless such data or information are confidential and not to be disclosed pursuant to section 1166) to the responsible State and Federal agencies at any such agency's request to assist such agencies in identifying or investigating suspected cases or patterns of fraud or abuse.".

(f) Section 1155(b)(3) of such Act is amended by inserting "or abstract" after "examine".

(g) Section 1160(b)(1) is amended by striking out "practitioner or provider" wherever it appears and inserting in lieu thereof "health care practitioners or any hospital, or other health care facility, agency, or organization".

(h) Section 1168 of such Act is amended by inserting, immediately after the first sentence thereof, the following: "Nothing herein shall be construed to authorize or require any contribution by a State (or any political subdivision thereof) toward, or as a condition of the availability for purposes of the administration of this part, any of the funds described in clause (c) of the preceding sentence.".

(i) Section 1167 of such act is amended by adding the following new subsection at the end thereof:

"(d) The Secretary shall make payment to a Professional Standards Review Organization, whether conditionally designated or qualified, or to any member or employee thereof, or to any person who furnishes professional counsel or services to such organization, equal to the reasonable amount of the expenses incurred, as determined by the Secretary, in connection with the defense of any suit, action, or proceeding brought against such organization, member, or employee related to the performance of any duty or function of such organization, member, or employee (as described in section 1155).".

Amend the title so as to read: "An Act to amend the Social Security Act to strengthen the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs and to repeal the requirement that a State's plan for medical assistance under title XIX include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services.".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the reading of the Senate amendments be dispensed with and that they be printed in the RECORD at this point and that I be allowed to explain the matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I see the gentleman from Kentucky is here and I yield to him for whatever comment he may wish to make.

Mr. CARTER. Mr. Speaker, I thank the distinguished gentleman for yielding.

Mr. Speaker, is this with respect to rejecting the Senate amendments and returning H.R. 12961, as the House originally passed it? Is that correct?

Mr. ROGERS. If the gentleman will yield, that is correct.

Mr. CARTER. The bill we are considering today would correct the action of December 19, 1975, which was signed into law on December 31, 1975, and would require every State in the Union to consent to be sued with respect to payment of in-patient hospital services. Is that correct?

Mr. ROGERS. Yes, it is.

Mr. CARTER. And as a result thereof, in that legislation which we passed in the waning hours of the session, it would have penalized the States approximately 10 percent of the medicaid funds furnished by the Federal Government. That is the provision which the bill before us will repeal. Is that correct?

Mr. ROGERS. The gentleman is entirely correct. If the gentleman will continue to yield and permit me, this repeal is the repeal bill we have already passed. It did go to the Senate and the Senate amended it. We are now asking simply to take the bill as amended by the Senate and disagree to the Senate amendment and send back to the Senate the provision the House has already passed.

Members will recall that this original bill, H.R. 12961, repealed a requirement of medicaid law that States must provide in their medicaid State plan that certain health care providers have the right to sue them. All of the Governors of our States were in agreement that repeal of this provision was imperative. The House acted to repeal it by unanimous consent in May.

In the closing days of the session, the Senate has returned this bill to us with an extensive series of amendments related to antifraud and antiabuse in the medicaid and medicare programs. I am sure that all of the Members are aware of the problems of fraud and abuse in these programs—problems that have most recently been brought to the public's attention by the profoundly disturbing report of the Subcommittee on Long-Term Care of the Senate Special Committee on the Aging, chaired by Senator Moss.

When Senator TALMADGE introduced his antifraud and antiabuse proposals in the Senate, and indicated his intention to ask the Senate Finance Committee to add these amendments to the House-passed bill, H.R. 12961, then pending before the committee, I joined with Congressman ROSTENKOWSKI, chairman of the Health Subcommittee of the Ways and Means Committee, to introduce similar legislation in the House, so that Members would have an opportunity to study it, and the public would have an opportunity to comment.

The Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee held public hearings on the proposals on Wednesday, September 22. Among the witnesses appearing were representatives of HEW, the AMA, hospital associations, State medicaid directors, and associations of professional standards review organizations. I believe it is fair to say that the witnesses supported the intent of the amendments. However, testimony was heard indicating that many of the provisions in the bill were either too sweeping in scope, too unspecific as to the powers granted to the Secretary, or insufficient to achieve their purposes.

On the whole, I remain convinced that the provisions, with a number of technical changes, are good ones. However, I believe many of the members of my subcommittee—and I believe Congressman ROSTENKOWSKI would indicate to you that there is a similar feeling among his members—feel that they would not be properly meeting their obligation to the House if they did not give more careful consideration to these measures before passage can be recommended. We are all too aware of the tremendous time pressure all Members of the House are working under in these final days of the session. To ask the Members to approve those provisions about which a number of questions have been raised would be an exercise in futility.

There were two areas addressed by the amendments, however, on which there were no dissenting voices on the appropriateness of action—either among the witnesses to appear before us, or the members of the two subcommittees who considered the measure.

The first area related to establishing a more effective administrative structure in HEW to deal with fraud and abuse. The House accomplished this yesterday when it enacted the Inspector General provision as part of H.R. 11347.

The second area related to increasing the penalties on health care providers who defraud our public financing programs. Similar provisions are in the clinical laboratory bill, H.R. 14319, applying to all suppliers and providers of health care services in medicaid and medicare, and this additional Senate amendment is not necessary.

I would take this opportunity to make an additional point. The Senate amendments to H.R. 12961 contained a provision which bans the use of factors under medicare and medicaid. Physicians and other practitioners are not allowed to assign their bills for payment to another, under power of attorney or otherwise, if the financial arrangement between the parties relates to a percent of the amount of the bills or to their actual collection from the program. HEW has already issued a regulation, effective November 26, 1976, which clarifies the existing ban on these factoring arrangements to include situations where this is done through power of attorney. It is clear to the committee that HEW is fully within their authority in banning factoring using power of attorney under sections 1842(b)(5) and 1902(a)(32) of the Social Security Act, and that no further legislation is needed to support their action. It is for this reason that we do not believe this provision is needed.

Let me assure the Members that the Interstate and Foreign Commerce Committee will give prompt consideration to the proposals contained in the Senate amendments which we are not adopting today, as well as to other measures to combat fraud and abuse and improve the effectiveness of the medicaid program, early next year.

Mr. CARTER. Mr. Speaker, will the gentleman yield further?

Mr. BAUMAN. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I certainly do agree. I remember that night when we passed the original bill which caused this problem quite well. I reserved the right to object and the handsome gentleman from the State of California came over and assured me that this legislation was just fine and good.

Then, lo and behold, if we let that legislation stand, it would have cost this country of ours $176 million.

Not only that, but also on that "Christmas tree" which was passed in the waning hours of the session, there was an appropriation of $1.6 million for an HMO in Sacramento, Calif.

This money was appropriated, was given an HMO, and it went broke that week. It took the bankruptcy law. We can very well see what can happen at the end of a session.

Mr. Speaker, I certainly agree with the gentleman's legislation. I trust we take it off and we will not agree with the amendment of the Senate. It is very necessary to save this country $176 million.

Mr. Speaker, I would like to insert the text of my full explanation here in the Record, at this time.

Mr. Speaker, I strongly support the amendment in the form of a substitute, proposed by the distinguished chairman of the Subcommittee on Health and Environment, Mr. Rogers.

However, I regret that this action is even necessary.

The provision of which I am speaking is one which corrects a serious problem created by legislation which passed this body in great haste on December 19 at the end of the first session.

Included in that quickly considered legislation, which is now Public Law 94-182, was a provision which required States to amend their medicaid plans to consent to suit in Federal courts.

That provision was added on the House floor in the last hours of the session before the Christmas recess.

That "consent to suit" provision was added without committee consideration in either the House or Senate.

In addition, there was another "sleeper" included in that bill which provided authority for the payment of retroactive costs for a particular HMO in Sacramento, Calif.

Mr. Speaker, as you may remember, I expressed concern at that time about such "Christmas tree" legislation, and I reserved the right to object. Later, however, I withdrew my objection.

However, we learned all too soon of the harmful effect of that amendment. States which did not comply with the consent provision stood to lose 10 percent of their share of Federal medicaid funds.

In Kentucky, for example, the amount of the penalty could have been about $10 million. As of May 11, 1976, 13 States were affected by the penalty provision. They stood to lose, over the course of a year, about $175 million in Federal medicaid funds. Several other States have already entered into lawsuits to challenge the constitutionality of this consent to suit provision.

Fortunately, however, a temporary restraining order was issued on March 31, thus preventing HEW from levying the noncompliance penalty until the end of the year instead of on a quarterly basis. Then, on May 12, this body passed H.R. 12961 which repealed the consent to suit provision. We sent that measure to the Senate for their approval—but instead they have returned the bill with additional amendments. I share the chairman's concern about legislating yet another bill in haste, and therefore I feel it is wise not to accept the additional Senate amendments at this time.

Nevertheless, I share the Senate's and the chairman's concern about the problem of fraud and abuse in medicaid and medicare. Our subcommittee heard estimates of the cost of wasted program funds, which ranged from $1 to $4 billion. This is indeed a serious problem which deserves increased attention and action. I am pleased with the initiatives of the Department of HEW in this area, and I would expect them to continue to focus available resources on this problem.

For the record, I would like to include a summary of the Department's action thus far in dealing with fraud and abuse in medicare and medicaid.

At the present time, however, I believe it is wisest to send back to the Senate for their approval simply the repeal of the consent to suit provision. And, I trust that this experience of the results of legislating in haste will remind of all of the dangers of this approach, whether at the end of a session or at any other time. I support this legislation, as amended by the chairman, Mr. Rogers, and I urge its favorable consideration.

The material referred to follows:

DEPARTMENT OF H.E.W.'S INITIATIVES

(Excerpt From Testimony of William A. Morrill, Assistant Sec. for Planning and Evaluation 9/22/76)

Elimination of criminal activity which may occur as HEW programs are carried out in communities across the country is a continuing and critical management responsibility of high priority. Last December Secretary Mathews issued a reorganization order establishing an independent Office of Investigations, reporting directly to the Under Secretary. He then delegated to the Director of that office authority to conduct investigations of alleged causes of malfeasance, fraud and misuse of funds without prior approval of higher authority. To support this initiative more adequately, in January of 1976, with the authorization of the Congress, the new office was granted additional positions, some of which were dedicated to the support of Medicaid fraud and abuse control. At the same time the Medical Services Administration received authorization for additional staff to strengthen its oversight capability.

In March of this year a major Federal-State campaign was launched to reduce fraud and abuse and improve the management of the Medicaid program. Teams of Federal Medicaid examiners in concert with State Medicaid program staff will conduct reviews in at least ten States the first year. At the invitation of the governors of Massachusetts and Ohio, the examiners have started working in those two States. In addition to identifying the kinds and causes of fraud and abuse, these examiners will refer specific violations to the State for further criminal investigation.

In the Medicaid program there have been over 7,000 investigations begun in the first nine months of FY 1976. Of these cases, 261 have been referred to law enforcement officials. In addition, there have been 47 convictions and approximately $1.4 million recovered in the first nine months of FY 1976. Finally, 400 providers have been terminated or suspended during this period.

Another step we have begun in order to deal more effectively with potential violations is to work more closely with law enforcement authorities. Specifically, in this regard the Department through the use of SRS staff and the Office of Investigations recently provided 20 staff years of support to the U.S. Attorneys in their investigation of Medicaid fraud and abuse in New York.

We recognize that a substantial contribution to the control of fraud and abuse can be made by effective management throughout program operations. The primary responsibility for management of the Medicaid program is a State task. To assist the States we have developed and made available a Medicaid management information system Ten

States now use the system and 20 more have it under development. Additionally, we are working with a coalition of State and local government organizations to improve management of the Medicaid program generally.

The basic Medicare administrative system includes quality control and verification procedures that result in disallowance of many millions of dollars in claims against the program each year.

Situations involving an apparent attempt to defraud or abuse the program are referred to special program integrity staffs. Each of the 10 Bureau of Health Insurance (BHI) regional offices has such a staff in place. These regional staffs are responsible for the development and presentation to U.S. Attorneys of cases of fraud and the correction of cases of abuse.

To date, BHI regional office staffs have investigated approximately 23,000 incidents or situations for the possibility of fraud and approximately 21,000 instances of possible abuse. In most cases, preliminary investigation of a suspect incident reveals a processing error by the contractor or a misunderstanding on the part of the beneficiary rather than an erroneous action by the physician or supplier. As of June 30, 1976, these investigations have led to 578 cases being referred to the Department of Justice with a recommendation for prosecution. To date, there have been 186 convictions and 181 cases are awaiting trial or action by the United States Attorney.

As part of his continuing program to strengthen Department-wide fraud and abuse activities, Secretary Mathews, on September 13, directed that an Office of Audits and Investigations be established, combining the functions being carried out by the Office of Investigations and the HEW Audit Agency. The Director of this new office will report directly to the Secretary, and will operate under a broad mandate with the authority to conduct and supervise audits and investigations relating to the programs of HEW. In addition, it will have a major role in activities designed to promote economy and efficiency in the administration of these programs. This change will provide a single-management focus for day-to-day oversight and coordination of audit and investigative functions in all program areas. Additionally, to deal with the peculiar facets of health financing, we intend to develop some specialized capabilities to support the specific efforts to prevent, detect and investigate fraud and abuse in Medicare and Medicaid.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I appreciate the gentleman's explanation.

I might take the time to ask the gentleman from Florida (Mr. ROGERS) whether or not there is any truth to the rumor that the gentleman is trying to bring the Clean Air Act back to the House any time soon? The gentleman from Maryland has heard that repeatedly in the last hour.

Mr. ROGERS. Mr. Speaker, if the gentleman from Maryland will yield, I hope that is possible. I do not know, because the Senate is considering it and there seems to be a filibuster there, so we do not know until the Senate makes some judgment.

Mr. BAUMAN. Mr. Speaker, the gentleman from Maryland does not appreciate dilatory tactics, and I am sure the gentleman from Florida does not, either.

Mr. Speaker, I withdraw my reservation of objection.

Mr. CARTER. Mr. Speaker, I reserve the right to object.

Mr. Speaker, I say that sometimes I agree that the last week of every session should be aborted. The only trouble with that is that there would not be a first week.

Mr. Speaker, I withdraw my reservation of objection.

Mr. ROSTENKOWSKI. Mr. Speaker, further reserving the right to object, I join my colleague from Florida, the distinguished chairman of the Subcommittee on Health and the Environment, in making a commitment to address the issues of fraud and abuse in the parallel programs of medicare and medicaid. During recent weeks, both Mr. Rogers' subcommittee and mine have worked quite closely in reviewing the language relating to fraud and abuse added by the Senate amendment. We both share the Senate's concern about these problems but feel they are of such magnitude that the full House must be given the proper opportunity to evaluate the remedies contained in the Senate amendment. Clearly, such an opportunity does not exist during this most hectic final week of the current session.

Like my colleague from Florida, I am committed in the 95th Congress to beginning the work of the Subcommittee on Health by focusing on the subject of fraud and abuse in medicare. This afternoon, we have jointly introduced a revised version of the Senate fraud and abuse amendments so that all affected individuals and organizations can review them in the months between now and the beginning of the 95th Congress.

I would also like to make clear that the bill we have introduced today relating to these Senate amendments is not the solution by itself; but from it, we will begin to address in a comprehensive manner the types of fraud and abuse that have become altogether too prevalent in our Federal health insurance programs.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered, H.R. 12961.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

AGRICULTURAL RESOURCES CONSERVATION ACT OF 1976

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2081) to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Texas could answer a few questions about this bill?

Mr. DE LA GARZA. Mr. Speaker, I would be very happy to.

Mr. MADIGAN. Mr. Speaker, first of all I wonder if the gentleman intends, following my question, to give the House a brief explanation of the bill?

Mr. DE LA GARZA. Mr. Speaker, I would be very happy to.

Mr. MADIGAN. Mr. Speaker, may I ask the gentleman from Texas if this Senate bill, as amended in the House, if it is the gentleman's understanding that the bill as amended in the House has the support of the Department of Agriculture; is that a correct understanding?

Mr. DE LA GARZA. Mr. Speaker, if the gentleman will yield, the gentleman from Texas does not have specific knowledge as to the exact support of the Department of Agriculture. I have had no communication whatsoever as to the amended bill, whether the Department supports it or not.

Mr. MADIGAN. Mr. Speaker, let me enlighten the gentleman. The gentleman's bill is supported by the Department of Agriculture.

Mr. Speaker, my next question is, does the gentleman recall if my recollection is correct that the bill was passed unanimously by the House Committee on Agriculture?

Mr. DE LA GARZA. Mr. Speaker, if the gentleman will yield further, yes, it was passed without objection.

I might inform the gentleman, it passed the Senate without objection, but now we have a House version which we think is a better version.

Mr. MADIGAN. Mr. Speaker, can the gentleman from Texas assure me that the only action contemplated by the Senate on this bill would be to agree with the amendments that were adopted in the House committee?

Mr. DE LA GARZA. Mr. Speaker, as far as this gentleman is concerned, that is the intention.

Mr. MADIGAN. There will be no nongermane amendments?

Mr. DE LA GARZA. Mr. Speaker, if the gentleman will yield further, I would hope not. It would be a situation, unfortunately, of take it or leave it as it leaves the House.

Mr. MADIGAN. Mr. Speaker, I rise in support of S. 2081 as amended by the House Committee on Agriculture. This bill provides, I believe, a rational, sound approach to inventoring of our natural resources. The plan which this legislation calls for will give this country the opportunity to bring all disjointed information on land conservation under one umbrella and, therefore, aid us as Members of this body in a better understanding of how we should allocate our governmental efforts to conserve our land, water and related resources.

The Agricultural Resource and Conservation Act of 1976 gives the Soil Conservation Service the ability to utilize the broad resource assessments of other agencies and its own information system in conducting the plans called for by this bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2081

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Land and Water Resource Conservation Act of 1976".

FINDINGS

SEC. 2. The Congress finds that

(1) There is a growing demand on the land, water, and related resources of the Nation to meet present and future needs for food and fiber, rural and urban development, agricultural, industrial, and community water supply, fish and wildlife habitat, recreational facilities, and other needs of the people.

(2) These resources are essential to the Nation's economic and social well being, and they must be conserved, protected, and enhanced to promote their wise use and to avoid their loss, misuse, and damage.

(3) It has been the continuing policy of Congress to maintain and improve the resource base of the United States while using the resources to meet the needs of the Nation.

(4) The Congress, in its concern for sustained use of the resource base, created the Soil Conservation Service of the United States Department of Agriculture which possesses information, technical expertise, and a delivery system for providing assistance to land users with respect to conservation and use of soils; plants; woodlands; watershed protection and flood prevention; the conservation, development, utilization, and disposal of water; animal husbandry; fish and wildlife management; recreation; community development; and related resource uses.

(5) Resource appraisal is basic to wise land and water conservation. Since individual and governmental decisions concerning land and water resources often transcend administrative boundaries and effect other programs and decisions, a coordinated appraisal and program framework are essential.

DECLARATIONS OF POLICY AND PURPOSE; PROMOTION THEREOF

SEC. 3. (a) In order to further the conservation of land, water, and related resources, which for the purpose of this Act shall include those resources coming within the scope of the programs administered and participated in by the Secretary of Agriculture through the Soil Conservation Service, it is declared to be the policy of the United States and purpose of this Act to achieve and maintain—

(1) quality, quantity, and productivity of the natural resource base for sustained multiple uses;

(2) quality in the environment to provide attractive, convenient, and satisfying places to live, work, and play; and

(3) quality in the standard of living based on community improvement and adequate income.

(b) Recognizing that the arrangements under which the Federal Government cooperates with State soil and water conservation agencies and other appropriate State natural resource agencies such as those concerned with forestry and fish and wildlife and, through conservation districts, with other local units of government and land users, have effectively aided in the protection and improvement of the Nation's basic resources, including the restoration and maintenance of resources damaged by improper use, it is declared to be the policy of the United States that these arrangements and similar cooperative arrangements should be utilized to the fullest extent practicable to achieve the purpose of this Act.

(c) The varying demands on the Nation's land and water resources often present conflicts between competing interests and, as a consequence, planning for the conservation and use of such resources should reflect an understanding of, and a concern for, the respective interests involved.

(d) The Secretary shall promote the attainment of the policies and purposes expressed in this Act by—

(1) appraising on a continuing basis the land, water, and related resources of the Nation;

(2) developing and updating periodically a program for furthering the conservation, protection, and enhancement of the land, water, and related resources of the Nation; and

(3) providing to Congress and the public, through reports, the information developed pursuant to paragraphs (1) and (2) of this subsection, and by providing Congress with an annual evaluation report as provided in section 6.

APPRAISAL

SEC. 4. (a) In recognition of the importance of and need for obtaining and maintaining information on the current status of land, water, and related resources, the Secretary is authorized and directed to carry out, through the Soil Conservation Service, a continuing appraisal of the land, water, and related resources of the Nation. The appraisal shall include, but not be limited to:

(1) data on the quality and quantity of land, water, and related resources;

(2) an analysis of the potential of those resources for various uses;

(3) a determination of the changes in the status and condition of those resources resulting from various uses; and

(4) a discussion of current laws, policies, programs, rights, regulations, ownerships, and other considerations associated with the land.

(b) The appraisal shall utilize data collected under this Act and pertinent data and current information collected by the Department of Agriculture and other Federal, State, and local agencies and organizations. The Secretary shall establish an integrated system capable of using combinations of resource data to determine the quality and potential for alternative uses of the resource base and to identify areas of local, State, and national concerns pertaining to land conservation, resource use and development, and environmental improvement.

(c) The appraisal shall be made in cooperation with conservation districts and with State soil and water conservation agencies and other appropriate State agencies under such procedures as the Secretary may prescribe to insure public participation.

(d) A report of the appraisal shall be completed by December 31, 1977, by December 31, 1979, and at each five-year interval thereafter.

LAND AND WATER CONSERVATION PROGRAM

SEC. 5. (a) In order to establish a framework for achieving the national land and water policy and purpose of this Act, the Secretary is hereby authorized and directed to develop, through the Soil Conservation Service, a National Land and Water Conservation Program (hereinafter called the "program") for furthering land and water conservation on the private and non-Federal lands of the Nation. The program shall set forth the direction for future soil and water conservation efforts based on the current land, water, and related resource appraisal developed in accordance with section 4 of this Act, taking into consideration both the long- and short-term needs of the Nation. The program shall also include, but not be limited to:

(1) analysis of the Nation's land, water, and related resource problems:

(2) analysis of existing authorities and adjustments needed;

(3) an evaluation, based on a system to determine the effectiveness of the soil and water conservation on going programs and the progress being achieved in meeting the soil and water conservation objectives of this Act;

(4) identification and evaluation of alternative methods for the conservation, protection, environmental improvement, and enhancement of land and water resources, in the context of specific time frames, and a recommendation of the preferred alternative; and

(5) analysis of the Federal and non-Federal inputs required to implement the program.

(b) The Secretary, in the development of the program shall provide for participation by the public through conservation districts, State and national organizations and agencies, and other appropriate means.

(c) The program plan shall be completed not later than December 31, 1977, be updated by December 31, 1979, and at each five-year interval thereafter.

REPORT TO CONGRESS

SEC. 6. (a) On the first day Congress convenes in 1978, in 1980, and at each five-year interval thereafter, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate, the appraisal report and the program as required by sections 4 and 5 of this Act, together with a detailed statement of policy intended to be used in framing budget requests of the Administration for Soil Conservation Service activities. Following the transmission of such appraisal report, program, and statement of policy, the President shall, subject to other actions of the Congress, carry out programs already established by law in accordance with such statement of policy or any subsequent amendment or modification thereof approved by the Congress, unless, before the end of the first period of sixty calendar days of continuous session of Congress after the date on which the President of the Senate and the Speaker of the House are recipients of the transmission of such appraisal report, program, and statement of policy, either House adopts a resolution reported by the appropriate committee of jurisdiction disapproving the statement of policy. For the purpose of this subsection, the continuity of a session shall be deemed to be broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period. Notwithstanding any other provision of this Act, Congress may revise or modify the statement of policy transmitted by the President, and the revised or modified statement of policy shall be used in framing budget requests.

(b) Commencing with the fiscal budget for the year ending Septemebr 30, 1979, requests presented by the President to the Congress governing Soil Conservation Service activities shall express in qualitative and quantitative terms the extent to which the programs and policies projected under the budget meet the policies approved by the Congress in accordance with subsection (a) of this section. In any case in which such budget so represented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for requesting the Congress to approve the lesser program or policies presented. Amounts appropriated to carry out the policies approved in accordance with subsection (a) of this section shall be expended in accordance with the Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344.

(c) The Secretary, during budget preparation for fiscal year 1979, and annually thereafter, shall prepare a report which evaluates the program's effectiveness in attaining the purposes of this Act. The report, prepared in concise summary form with appropirate detailed appendices, shall contain pertinent data from the current resource appraisal required to be prepared by section 4 of this Act, shall set forth the progress in implementing the program required to be developed by section 5 of this Act, and shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality factors. The report shall also indicate plans for implementing action and recommendations for new legislation where warranted.

DEFINITIONS

SEC. 7. As used in this Act—

(1) The term "Secretary" means the Secretary of Agriculture.

(2) The term "land, water, and related resources" means those resources which come within the scope of the programs administered and participated in by the Secretary of Agriculture through the Soil Conservation Service.

(3) The term "land and water conservation program" means a framework for attaining the purposes of this Act.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect on October 1, 1976.

With the following Committee amendments:

Page 1, line 3, strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Agricultural Resources Conservation Act of 1976".

FINDINGS

SEC. 2. The Congress finds that—

(1) There is a growing demand on the land, water, and related resources of the Nation to meet present and future needs.

(2) The Congress, in its concern for sustained use of the resource base, created the Soil Conservation Service of the United States Department of Agriculture which possesses information, technical expertise, and a delivery system for providing assistance to land users with respect to conservation and use of soils; plants; woodlands; watershed protection and flood prevention; the conservation, development, utilization, and disposal of water; animal husbandry; fish and wildlife management; recreation; community development; and related resource uses.

(3) Resource appraisal is basic to wise land and water conservation. Since individual and governmental decisions concerning land and water resources often transcend administrative boundaries and effect other programs and decisions, a coordinated appraisal and program framework are essential.

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(3) The term "land and water conservation program" means a framework for attaining the purposes of this Act.

DECLARATIONS OF POLICY AND PURPOSE; PROMOTION THEREOF

SEC. 4. (a) In order to further the conservation of land, water, and related resources, it is declared to be the policy of the United States and purpose of this Act that the conduct of programs administered by the Secretary of Agriculture for the conservation of such resources shall be responsive to the long-term needs of the Nation, as determined under the provisions of this Act.

(b) Recognizing that the arrangements under which the Federal Government cooperates with State soil and water conservation agencies and other appropriate State natural resource agencies such as those concerned with forestry and fish and wildlife and, through conservation districts, with other local units of government and land users, have effectively aided in the protection and improvement of the Nation's basic resources, including the restoration and maintenance of resources damaged by improper use, it is declared to be the policy ments and similar cooperative arrangements of the United States that these arrangeshould be utilized to the fullest extent practicable to achieve the purpose of this Act.

(c) The Secretary shall promote the attainment of the policies and purposes expressed in this Act by—

(1) appraising on a continuing basis the land, water, and related resources of the Nation;

(2) developing and updating periodically a program for furthering the conservation, protection, and enhancement of the land, water, and related resources of the Nation; and

(3) providing to Congress and the public, through reports, the information developed pursuant to paragraphs (1) and (2) of this subsection, and by providing Congress with an annual evaluation report as provided in section 6.

APPRAISAL

SEC. 5. (a) In recognition of the importance of and need for obtaining and maintaining information on the current status of land, water, and related resources, the Secretary is authorized and directed to carry out, through the Soil Conservation Service, a continuing appraisal of the land, water, and related resources of the Nation. The appraisal shall include, but not be limited to—

(1) data on the quality and quantity of land, water, and related resources;

(2) an analysis of the potential of those resources;

(3) a determination of the changes in the status and condition of those resources resulting from various uses; and

(4) a discussion of curent laws, policies, programs, rights, regulations, ownerships, and other considerations associated with the land.

(b) The appraisal shall utilize data collected under this Act and pertinent data and current information collected by the Department of Agriculture and other Federal, State, and local agencies and organizations. The Secretary shall establish an integrated system capable of using combinations of resource data to determine the quality and potential for alternative uses of the resource base and to identify areas of local, State, and national concerns pertaining to land conservation, resource use and development, and environmental improvement.

(c) The appraisal shall be made in cooperation with conservation districts and with State soil and water conservation agencies and other appropriate State agencies under such procedures as the Secretary may prescribe to insure public participation.

(d) A report of the appraisal shall be completed by December 31, 1978, by December 31, 1980.

LAND AND WATER CONSERVATION PROGRAM

SEC. 6. (a) In order to establish a framework for achieving the national land and water policy and purpose of this Act, the Secretary is hereby authorized and directed to develop, through the Soil Conservation Service, in cooperation with and participation by the public through conservation districts, State and national organizations and agencies, and other appropriate means, a national land and water conservation program (hereinafter called the "program") to assist land owners and land users, at their request, in furthering land and water conservation on the private and non-Federal lands of the Nation. The program shall set forth the direction for future soil and water conservation efforts based on the current land, water, and related resource appraisal developed in accordance with section 5 of this Act, taking into consideration both the long- and short-term needs of the Nation, the land owners, and the land users. The program shall also include, but not be limited to—

(1) analysis of the Nation's land, water, and related resource problems;

(2) analysis of existing authorities and adjustments needed;

(3) an evaluation, based on a system to determine the effectiveness of the soil and water conservation on-going programs and the progress being achieved in meeting the soil and water conservation objectives of this Act;

(4) identification and evaluation of alternative methods for the conservation, protection, environmental improvement, and enchancement of land and water resources, in the context of specific time frames, and a recommendation of the preferred alternative;

(5) analysis of the practicability, desirability, and feasibility of collecting organic waste materials, including manure, crop and food wastes, industrial organic waste, municipal sewage sludge, logging and wood-manufacturing residues, and any other organic refuse, composting or similarly treating such materials, transporting such materials to farms and rural areas, and placing such materials into the soil to improve soil fertility. The analysis shall include the projected cost of such collection, transportation, and placement until the year 2000; and

(6) analysis of the Federal and non-Federal inputs required to implement the program.

(b) The program plan shall be completed not later than December 31, 1978; and be updated by December 31, 1980

REPORT TO CONGRESS

SEC. 7. (a) On the first day Congress convenes in 1979 and in 1981, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate, the appraisal report and the program as required by sections 4 and 5 of this Act, together with a detailed statement of policy intended to be used in framing budget requests of the Administration for Soil Conservation Service activities. Following the transmission of such appraisal report, program, and statement of policy, the President shall, subject to other actions of the Congress, carry out programs already established by law in accordance with such statement of policy or any subsequent amendment or modification thereof approved by the Congress, unless, before the end of the first period of sixty calendar days of continuous session of Congress after the date on which the President of the Senate and the Speaker of the House are recipients of the transmission of such appraisal report, program, and statement of policy, either House adopts a resolution reported by the appropriate committee of jurisdiction disapproving the statement of policy. For the purpose of this subsection, the continuity of a session shall be deemed to be broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period. Notwithstanding any other provision of this Act, Congress may revise or modify the statement of policy transmitted by the President, and the revised or modified statement of policy shall be used in framing budget requests.

(b) Commencing with the fiscal budget for the year ending September 30, 1979, requests presented by the President to the Congress governing Soil Conservation Service activities shall express in qualitative and quantitative terms the extent to which the programs and policies projected under the budget meet the policies approved by the Congress in accordance with subsection (a) of this section. In any case in which such budget so represented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for requesting the Congress to approve the lesser program or policies presented. Amounts appropriated to carry out the policies approved in accordance with subsection (a) of this section shall be expended in accordance with the Congressional Budget and Impoundment Control Act of 1974, Public Law 93–344.

(c) The Secretary, during budget preparation for fiscal year 1979, and annually thereafter, shall prepare a report which evaluates the program's effectiveness in attaining the purposes of this Act. The report, prepared in concise summary form with appropriate detailed appendices, shall contain pertinent data from the current resource appraisal required to be prepared by section 4 of this Act, shall set forth the progress in implementing the program required to be developed by section 5 of this Act, and shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality factors. The report shall also indicate plans for implementing action and recommendations for new legislation where warranted.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect on October 1, 1977, and shall terminate on December 31, 1981.

Mr. DE LA GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Speaker, I rise in support of the bill, S. 2081, the Agricultural Resources Conservation Act of 1976.

This legislation, which was offered as a companion and complement to the Forest and Rangeland Renewable Resources Planning Act of 1974, would make it possible to develop and implement national resource policy in a systematic and rational fashion, thereby permitting us to meet our natural resource needs in a wise and efficient manner. It provides a mechanism for making long-range decisions for the conservation and enhancement of our country's land, water, and related resources.

The principal elements of this structured, comprehensive approach include a continuing assessment of the condition and quality of these vital resources, determination of a cohesive national policy and set of priorities based on the information gained from the inventory, development of a program tailored to meet these needs, and a continuing evaluation of what is or should be accomplished.

In view of the indispensibility of this natural resource base to the economic and social well-being of the Nation and to future generations, we cannot afford to ignore our responsibility to preserve it from loss, misuse, and irreparable damage and, to the extent possible, to enhance this natural bounty.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, the Agricultural Resources Conservation Act of 1976 would fulfill a need this country has taken years too long to recognize. Despite earlier demographic predictions that the population of the United States would climb to 150 million people after the year 1950 and then stabilize at or near that level, our population has now risen to over 200 million individuals with at least another 50 million expected by the turn of the century. Moreover, this growth is greatly magnified elsewhere. The global population has reached 4 billion with the greatest increases occurring in the so-called third world, where hunger and malnutrition are commonplace at best and epidemic at worst. Larger increases in population in these areas are also anticipated.

Among the ever-increasing pressures caused by population growth are greater demands on land, water, and related resources in order to meet both present and future requirements for food and fiber; for rural and urban development, for agricultural, industrial, and community water supplies; for fish and wildlife habitats; and for an untold variety of other needs and uses. These same pressures of rapid growth, competition for land and food, the need to husband our resources in order to maximize what we have and to expand supplies where possible are bound to have an extensive impact on all lands, both public and private; the amount of remaining farmland, how it will be used; and, ultimately, its quality.

Furthermore, in recognition of the importance of not only conserving but improving our land, water, and related resources, the Federal Government each year makes a considerable investment in conservation programs and practices on privately held land. More than $500 million is expended annually by the Department of Agriculture alone for soil and water conservation programs. Yet, with respect to the Federal moneys presently expended for these conservation programs, questions have begun to arise as to what the Government is purchasing with the money, whether these expenditures have been consistent with needed conservation efforts and the condition of the land; and whether the expenditures take into account the changing uses of the land. If the Federal Government is expected to continue to make sizable investments in soil and water conservation, it is imperative that the basis for such investments and the benefits derived be clearly understood. Further, it is becoming increasingly necessary to have sound assurances that Federal conservation efforts do not conflict with practices which are environmentally sound or locally desired. Enactment of S. 2081 would provide those answers.

Resource appraisal and thorough planning are essential to wise land and water conservation. Since individual and governmental decisions with respect to these resources most often transcend administrative boundaries and impinge on other programs and decisions, a coordinated appraisal and program framework are essential. Informed decisions and coordinated programs, in order to work, require the most accurate, most current, and most comprehensive data obtainable.

In spite of the dedicated efforts of people involved in conservation over the past 40 years, this needed data base is far from complete in many areas and in desperate need of updating in others. The task of filling in those gaps and anachronisms in our knowledge is enormous.

Until recently, farm policy in this country has dealt basically with attempting to curtail production in an effort to provide some degree of financial stability. This policy was compatible with participation in conservation programs. Now, however, times have changed, and the emphasis is on full production using every available acre of cropland. Because it must be assumed that this all-out drive for production will involve greater exposure to soil erosion and a variety of other hazards, we must be prepared to deal with these problems immediately.

Through the collection and interpretation of data concerning land and water resources, a national policy and program responsive to the information gained from this effort, and a continuing evaluation process, S. 2081 would permit the Federal Government, in conjunction with State soil and water conservation agencies, local land users, local units of government, and other concerned agencies to participate in a comprehensive national conservation effort aimed at eliminating overlapping programs, providing new approaches where necessary, and updating conservation efforts and practices.

Finally, S. 2081 would promote the wise expenditure of funding availabe for conservation programs and provide for greater accountability thus maximizing the benefits to all.

This legislation does not provide new program authorities for the Soil Conservation Service but, rather, provides for program planning and execution that will result in more efficient and effective utilization of those programs and funds now authorized.

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To provide for furthering the conservation, protection, and enhancement of the Nation's agricultural resources for sustained use, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill, S. 2081, previously passed by the House.

The SPEAKER pro tempore (Mr. BOLLING). Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SECRETARY OF AGRICULTURE TO CONVEY CERTAIN LANDS IN THE SIERRA NATIONAL FOREST, CALIF., TO THE MADERA CEMETERY DISTRICT

Mr. MELCHER. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 2743) to authorize the Secretary of Agriculture to convey certain lands in the Sierra National Forest, Calif., to the Madera Cemetery District.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. SEBELIUS. Mr. Speaker, reserving the right to object, will the gentleman tell us about this bill and explain it?

Mr. MELCHER. Will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Speaker, this bill, offered by the gentleman from California (Mr. SISK), simply authorizes the Secretary of Agriculture to convey 20 acres of land to the Madera Cemetery District for use as a cemetery.

Mr. SEBELIUS. Mr. Speaker, I withdraw my reservation of objection.

Mr. SISK. Mr. Speaker, H.R. 2743, as amended, would authorize and direct the Secretary of Agriculture to convey a 20-acre tract of National Forest land within the Sierra National Forest to the Madera Cemetery District, Madera, Calif. The conveyance would be made with some minor monetary consideration. The Secretary would be required to reserve easements for existing facilities such as roads and utility lines, and would be authorized to reserve additional road easements to assure access to lands of the United States or to meet public needs.

The 20-acre tract which the bill directs the Secretary to convey is located close to the western boundary of the Sierra National Forest and to the community of North Fork. The tract is isolated from other national forest lands. A portion of it has been used for burial purposes since the area was homesteaded—circa 1890. At the present time the Madera Cemetery District is authorized under a special use permit issued by the Forest Service to use 17.5 acres of the tract as a cemetery. Gravesites occupy about 10 acres of the cemetery.

The established and projected use of this tract of national forest land for cemetery purposes affords very limited opportunity for utilizing any part of it in the furtherance of national forest purposes. As the landowner, the United States must continue to bear certain costs including the cost of administering the special use permit.

In view of the special circumstances involved, a conveyance as provided by H.R. 2473 to the Madera Cemetery District would be in keeping with both national and local public interest and I urge my colleagues to vote in favor of this worthwhile legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the bill as follows:

H.R. 2743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to section 2 of this Act, the Secretary of Agriculture is authorized and directed to convey, without consideration, to the Madera Cemetery District, Madera, California, all right, title, and interest of the United States in and to a tract of land comprising approximately twenty acres in the Sierra National Forest, Madera County, California, more particularly described as the south one-half of the northeast quarter of the northwest quarter of section 19, township 8 south range 23 east, Mount Diablo meridian.

SEC. 2. (a) The conveyance authorized by this Act shall reserve easements for existing facilities such as roads, telephone lines, pipelines, electric power transmission lines; and shall reserve such easements for roads as the Secretary of Agriculture finds necessary to assure access to lands of the United States or to meet public needs.

With the following committee amendments:

Page 1, lines 4 and 5, strike the words "convey, without consideration," and insert in lieu thereof "convey".

Page 2, line 3, after "Sec. 2." insert "(a)".

Page 2, following line 8, insert a new subsection (b) as follows:

"(b) The conveyance authorized by section 1 shall only be made if, within one year after the date of this Act, the Madera Cemetery District makes payment for the tract at a price to be fixed by the Secretary through appraisal or otherwise, after he takes into consideration the purpose for which the lands are to be used."

Mr. MELCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendments be considered en bloc, that further reading of the committee amendments be dispensed with and that they be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR THE PRESERVATION AND ENHANCEMENT OF CRITICAL HABITAT FOR MIGRATORY WATERFOWL AND OTHER WETLANDS-DEPENDENT MIGRATORY BIRDS OF THE PACIFIC FLYWAY IN THE GRASSLANDS AREA OF THE SAN JOAQUIN VALLEY, CALIF.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 15007) to provide for the preservation and enhancement of critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the Grasslands area of the San Joaquin Valley, Calif.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LUJAN. Mr. Speaker, reserving the right to object, I do so only to ask the gentleman from California to give us a brief explanation of the legislation.

Mr. JOHNSON of California. Will the gentleman yield?

Mr. LUJAN. I yield.

Mr. JOHNSON of California. Mr. Speaker, I am pleased to offer the following brief description of H.R. 15007 which would, under normal circumstances, have come to the House on the Consent Calendar.

This bill, which is strongly supported by its author, Mr. SISK, is quite noncontroversial. It simply authorizes the Secretary of the Interior to make water available from the Central Valley project in California to certain privately owned lands to facilitate wildlife management thereon.

The legislation contemplates that this water shall be delivered at no cost to the landowners in exchange for the landowners' agreement to distribute the water appropriately and to subordinate the use of their lands to wildlife purposes through restrictive covenants.

The bill authorizes no outlays, actually involves no administrative costs but would result in nominal decreases in future project revenues, about $5,000 per year. This is a small price to pay for the preservation of some of the finest migratory waterfowl habitat in the entire Pacific flyway.

Mr. LUJAN. Mr. Speaker, I withdraw my reservation of objection.

Mr. SISK. Mr. Speaker, H.R. 15007 provides for the preservation and enhancement of a critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the grasslands area of the San Joaquin Valley of California.

The Central Valley of California, including the grasslands area of the San Joaquin Valley, is the most important wintering area for waterfowl in the Pacific flyway. The Central Valley supports an average 65 percent of the total number of waterfowl wintering in the flyway. In view of its great importance to a major segment of the North American waterfowl population, preservation of Central Valley wetlands wintering habitat is one of the highest priorities of the Fish and Wildlife Service's national waterfowl habitat preservation program and is the highest priority area in the Pacific flyway. Loss of this habitat would inevitably result in significant declines in waterfowl numbers in the flyway.

The Central Valley was once nearly covered by large, natural marshes. Today, as a result of continuous drainage and encroachment of high intensity land uses, the natural marsh area of the valley has been reduced to only 10 percent of its former size. Intensive management of habitat by States and Federal wildlife agencies and private hunting clubs is currently the most important factor sustaining wintering waterfowl in the Pacific flyway.

Over half of the intensively managed habitat is controlled by private landowners such as members of the Grassland Water District. The grassland district landowners-operators currently manage their lands both for livestock production and wintering waterfowl.

Unfortunately, higher land taxes and operating costs are forcing some operators to convert their land to row crop types of agriculture because grazing is too marginal and insufficient economic return is realized. This trend toward more intensive land use in the San Joaquin Valley will inevitably result in the elimination of this vital waterfowl wintering area unless suitable incentives are provided to the private sector to maintain their habitat. Such an incentive can be offered through insuring a continued water supply to the grassland district water users at no cost to them.

H.R. 15007 guarantees the current delivery of 3,500 acre-feet of water each fall and 4,000 acre-feet of water each summer, when available, as well as the use of the present water delivery system to accomplish this to the Federal waterfowl refuges in the valley. This water is currently delivered to Kesterson Refuge. Under the bill, the Grasslands water district would be required to modify the existing water delivery system to supply San Luis Refuge instead of Kesterson.

Current water supplies at San Luis are diminishing and are expected to become unavailable within 10 to 20 years. The restructured delivery system would assure a water supply for San Luis during the fall when it is needed most for migrating and wintering waterfowl and during the summer, if it is available, to enhance waterfowl production.

Should the Grasslands water district cease to exist or otherwise default on its responsibilities, the bill allows the Secretary of the Interior use of 50,000 acre-feet of water now used by the district as well as the necessary water conveyance facilities and rights-of-way to continue maintenance of Grasslands habitat, thereby retaining its capability to support waterfowl.

Mr. Speaker, this bill is estimated to cost $5,000. Obviously providing an incentive such as nonreimbursable water to private landowners to maintain critical waterfowl habitat is a much more desirable and cost-effective method of preserving sufficient habitat than the alternative of Federal acquisition which will certainly be required should economic pressures continue to force private landowners to convert their land to uses not compatible with waterfowl.

Mr. Speaker, I urge my colleagues to support this worthy legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 15007

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of August 27, 1954 (68 Stat. 879), is amended by deleting the last sentence of section 6 and inserting in lieu thereof the following: "If and when available, such water shall be delivered from the Central Valley project to the contracting entity, and the cost of furnishing the water shall not be reimbursable or returnable under the Federal reclamation laws: *Provided,* That, in order for the delivery of such water to continue on a nonreimbursable or nonreturnable basis:

"(a) The public organizations or agencies contracting with Secretary of the Interior shall deliver annually to the United States Fish and Wildlife Service (hereinafter referred to as the 'Service,' at no cost to the United States, not less than three thousand five hundred acre-feet of water during the period October 1 through November 30, inclusive, and not less than four thousand acre-feet of water during the period May 1 through September 30, inclusive, if available: *Provided,* That such amounts of water and times of delivery may be changed upon approval of the Secretary of the Interior; and

"(b) The public organization or agencies, shall construct, operate, and maintain any water conveyance facilities necessary to deliver the water referred to in section 6(a) of this Act to a point or points within the boundaries of such public organization or agencies as designated by the Service, or to such points as may be mutually agreed upon by the public organization or agency and the Service. The Service shall be responsible for delivering the water from such point or points to appropriate locations within lands under its jurisdiction; and

"(c) Any contract entered into by the Secretary of the Interior and any public organization or agency pursuant to this Act shall provide that in the event the public organization or agency for any reason fails to carry out the obligations imposed upon it by said contract or by this Act, the rights of use of any facilities referred to in subsection (b), and the rights to all water contracted for by the organization or agency pursuant to this Act shall revert to the Secretary of the Interior for migratory waterfowl purposes in accordance with the laws of the State of California; and

"(d) The use of lands in accordance with existing or future contracts located within the boundaries of the public organizations or agencies be restricted by covenants requiring that such lands be used only for the purpose of waterfowl and wildlife habitat conservation or other uses as may be mutually agreed upon by the public organizations or agencies and the Service.".

SEC. 2. The Act of August 27, 1954 (68 Stat. 879), is further amended by adding a new section 8 as follows:

"SEC. 8. The Secretary is hereby authorized to negotiate amendments to existing contracts to conform said contracts to the provisions of this Act."

With the following committee amendments:

Page 2, line 4, after the word "with" insert "the".

Page 2, line 4, strike "Interior" and insert in lieu thereof "Interior, excluding the State of California,".

Page 2, line 15, strike "agencies" and insert in lieu thereof "agencies, excluding the State of California,".

Page 3, strike out all of lines 12 through 18 and insert in lieu thereof the following:

"(d) In accordance with existing or future contracts the use of lands located within the boundaries of the public organizations or agencies shall be restricted by covenants requiring that such lands be used only for the purpose of waterfowl and wildlife habitat conservation or other uses as may be mutually agreed upon by the public organizations or agencies and the Service."

Page 3, following line 18, insert a new Section 2 as follows:

SEC. 2. The Act of August 27, 1954 (68 Stat. 879), is further amended by adding a new section 8 as follows:

"SEC. 8. The Secretary is hereby authorized to negotiate amendments to existing contracts to conform said contracts to the provisions of this Act."

Mr. JOHNSON of California (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the committee amendments be dispensed with, and that they be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE JOHN F. KENNEDY CENTER ACT

Mr. GINN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 14360) to amend the John F. Kennedy Center Act to authorize funds for repair, reconstruction, and for other purposes, with the Senate amendments thereto, agree to Senate amendment No. 1, disagree to Senate amendments Nos. 2, 3, and 4, and agree to Senate amendment No. 5 with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out all after "sentence:" down to and including "Board" " on line 8, and insert: "Trustees of the Kennedy Center and their agents shall be immune from suit to the same extent as are Federal officials for discretionary actions undertaken within the scope of their authority."

Page 2, line 2, strike out "Board" and insert: "Secretary of the Interior, acting through the National Park Service.".

Page 2, line 2, strike out "the".

Page 2, line 4, after "Arts" insert: "necessary to correct water leaks on the roof, the terraces, and the East Plaza Drive"

Page 2, strike out all after line 4 over to and including line 4 on page 3.

The SPEAKER pro tempore. The Clerk will report the House amendment to Senate amendment No. 5.

The Clerk read the House amendment to Senate amendment No. 5, as follows:

In lieu of the matter proposed to be inserted by Senate amendment No. 5, insert the following:

(c) Section 5 of the John F. Kennedy Center Act is amended by adding at the end thereof the following new subsection:

"(d) The Board shall appoint a comptroller as disbursing officer for all funds appropriated pursuant to subsection (c) of section 8. The comptroller shall serve for a term of three years, or until all appropriated funds are utilized, whichever shall first occur, and may be reappointed for succeeding terms. The comptroller may not be removed except for incompetence, malfeasance in office or upon conviction of any felony or of conduct involving moral turpitude, and for no other cause. Notwithstanding any other provision of this Act, all claims and demands whatsoever by the Board or against it and all accounts whatever in which the Board is concerned either as a debtor or a creditor and which relate to such appropriated funds, shall be settled and adjusted by the comptroller. The comptroller shall audit from time to time, but at least once each year and after all such appropriated funds shall have been utilized, the books, documents, papers, and records of the Board as they pertain to such appropriated funds and shall report to Congress and the Board the results of such audit. The comptroller shall prescribe such regulations as may be necessary to carry out his functions under this subsection. The Board may prescribe such other functions as it may deem appropriate for the comptroller.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, this is the bill I objected to earlier, but I admit that after listening to the persuasive arguments of my good friend, the gentleman from California, and the fact that he will be back here next year to protect us, I am agreeing to withdraw my objection.

Mr. Speaker, I withdraw my reservation of objection.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would appreciate it if my colleague from New York would explain to us his feeling and his strong commitment that he is going to do everything possible to make sure that we are not going to be confronted with paying expenses on this building every year. We were originally told, when we were asked for authorization on this bill, that all of the funds would be handled by private funding, that there were going to be all kinds of private funds that would take care of all of this. We never thought we would be asked to provide money for a leaky roof.

Can the gentleman guarantee that he will do everything possible in the committee next year to make sure that we do not have any more of these authorizations?

Mr. WALSH. Mr. Speaker, if the gentleman will yield, I would like to assure the gentleman from California that I am not happy to be before this body asking for money for the Kennedy Center. But having been in the construction business, I know that when we have a leaky roof there is only one thing to do about it, and that is to repair it.

I did check with the Kennedy Center today, and it is pretty damp down there, after the rains we have had. If we do not do something now, we will be in a lot more trouble later on.

So far as future money is concerned, I do not know if I will be on the committee next year or not, but if I am, I would like to assure the gentleman from California that we will do everything we can to have the Kennedy Center come up with all of the funds possible. I was not here when the Kennedy Center was built. But it is a national monument, something we can be very proud of, and we have to take care of it. Not to take care of it would be very shortsighted, in my judgment.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I would like to inquire if the gentleman from Georgia (Mr. GINN) can give us his guarantee.

Mr. GINN. Mr. Speaker, if the gentleman will yield, will the gentleman state what it is he wishes me to guarantee?

Mr. ROUSSELOT. I thought the gentleman heard the colloquy we just had.

We were told when this building was constructed that basically it was going to be supported by private funds. Almost every year we have to have some kind of a bill to authorize additional funds to do something. This year it is to save the leaky roof, and other such things. I just wonder if the gentleman from Georgia can tell us if under his continual leadership he will try to make sure that the funding comes out of the proceeds from all of the events that occur at the Center and we will not have to ask the taxpayers to be picking up the tab for this thing all the time, on the basis of the promises made when it was originally constructed.

Mr. GINN. Mr. Speaker, if the gentleman will yield, I understand the gentleman's concern. As the gentleman knows, in addition to this being a theater, it is a living memorial to the late President John F. Kennedy. As the gentleman may know, for fiscal year 1972 and thereafter, the Congress has authorized and appropriated funds to the National Park Service for the purpose of carrying out nonperforming arts functions in the Kennedy Center building. These functions include providing services to the millions of tourists who visit the Kennedy Center as a memorial to the late President. Further, each year, the Kennedy Center reimburses the Park Service for its pro rata share of joint operation and maintenance expenses incurred by the National Park Service in carrying out its functions. Notwithstanding these authorizations and appropriations, no funds to date have been provided for repairs and reconstruction of the building since it was substantially completed in late 1971. I cannot make the assurance that we will not some day come back requesting additional funds for repair and reconstruction of the building, but I can assure the gentleman that we will do so only as seldom as possible and only when absolutely necessary and when he will have the opportunity to object.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, the problem is that it is not "seldom." It is every year almost. I think somebody some place ought to go on record as saying that we will not be asked for further funds. We were originally told this was not going to cost us a dime. We were told it was going to be taken care of by private funds and private foundations. Now we have to cough up more dough, when the facility which was supposedly going to support itself, as we were told, the revenue was going to take care of everything. I would like some kind of a statement from the gentleman that he will fight and make sure we are not going to ask the American taxpayers to cough up for this thing on a continuing basis.

Mr. GINN. Mr. Speaker, if the gentleman will yield, I can assure the gentleman that we do appreciate the gentleman's concern.

Yes, I will assure the gentleman that we will do everything possible so that we will not have to ask for other funds. I cannot guarantee it, but we will work toward that end.

Mr. Speaker, the House is disagreeing with Senate amendments 2, 3, and 4, and accepting amendment No. 5 with an amendment in order to reestablish the original position of the House which has the backing of the administration, specifically the Office of Management and Budget. The Senate amendments authorize to be appropriated $3.3 million directly to the National Park Service and strikes out all language dealing with a comptroller. The House disagrees with that position because the Board of Trustees has responsibility for the center and by striking out language providing for a comptroller the bill would not provide for the necessary oversight for the expenditure of these funds which our committee feels is necessary.

The Senate language on trustee liability is simply explanatory language in the bill. This language, as well as the original House language, will assure that the trustees status with regard to liability is the same as that which protects Federal officials from personal liability for discretionary acts within their duties.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's comment.

Mr. Speaker, unless my colleague, the gentleman from New York (Mr. WALSH), has some additional comment, I withdraw my reservation of objection.

Mr. WALSH. Mr. Speaker, I have no reservations about this bill, and I heartily urge my colleagues to support the bill.

The SPEAKER pro tempore (Mr. BOLLING). Is there objection to the request of the gentleman from Georgia?

There was no objection.

A motion to reconsider was laid on the table.

ELIZABETH KEE FEDERAL BUILDING

Mr. GINN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 15582) to name the Federal office building in Bluefield, W. Va., the "Elizabeth Kee Federal Building."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. WALSH. Mr. Speaker, reserving the right to object—and I will not object—will the chairman of the subcommittee advise me as to whether the person for whom this building is being named meets all the criteria established by the committee?

Mr. GINN. Yes, I will, Mr. Speaker, if the gentleman will yield.

Mr. WALSH. I yield to the gentleman from Georgia.

Mr. GINN. Mr. Speaker, Elizabeth Kee was a former distinguished Member of this body.

Congresswoman Kee was elected to the 82d Congress on July 17, 1951, to fill the vacancy caused by the death of her husband. She was re-elected to the 83d Congress and to the five succeeding Congresses until her retirement on January 3, 1965. She served in the House for a total of 14 years so she does meet the House criteria.

Mr. WALSH. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

H.R. 15582

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building located at 601 Federal Street, Bluefield, West Virginia, is hereby designated as the "Elizabeth Kee Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "Elizabeth Kee Federal Building".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. ALLEN FREAR BUILDING

Mr. GINN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4847) to designate the Federal office building located in Dover, Del., as the "J. Allen Frear Building".

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. WALSH. Mr. Speaker, reserving the right to object, I will not object, but I would like to ask the distinguished chairman of the subcommittee if the gentleman for whom this building is being named does meet the criteria established by the committee.

Mr. GINN. I will, Mr. Speaker, yes, if the gentleman will yield.

Mr. WALSH. I yield to the gentleman from Georgia.

Mr. GINN. Mr. Speaker, J. Allen Frear is a distinguished former Member of the Senate.

Allen Frear was elected to the U.S. Senate in 1948 and was re-elected in 1954. Senator Frear, after his service in the Senate, was appointed to the Securities and Exchange Commission in 1961, from which he resigned in 1963.

Mr. WALSH. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

H.R. 4847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building located in Dover, Delaware, is designated as the "J. Allen Frear Building", in honor of Senator J. Allen Frear.

SEC. 2. Any reference to such building in any law, rule, document, map, or other record of the United States is deemed to be a reference to such building by the name designated for such building by the first section of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. GINN. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from the further consideration of the Senate bill (S. 999) to designate the Federal office building located in Dover, Del., as the "J. Allen Frear Building," a similar bill to H.R. 4847, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the Senate bill as follows

S. 999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building located in Dover, Delaware, is designated as the "J. Allen Frear Building", in honor of Senator J Allen Frear.

SEC. 2. Any reference to such building in any law, rule, document, map, or other record of the United States is deemed to be a reference to such building by the name designated for such building by the first section of this Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4847) was laid on the table.

JAMES J. ROWLEY SECRET SERVICE TRAINING CENTER

Mr. GINN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 15686) to designate the "James J. Rowley Secret Service Training Center."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

H.R. 15686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secret Service Training Center at Beltsville, Maryland, shall hereafter be known and designated as the "James Rowley Secret Service Training Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the James J. Rowley Secret Service Training Center.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING NEW FEDERAL BUILDING IN ALBUQUERQUE, N. MEX., AS "SENATOR DENNIS CHAVEZ FEDERAL BUILDING"

Mr. GINN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4206) to designate the new Federal building in Albuquerque, N. Mex., as the "Senator Dennis Chavez Federal Building."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the new Federal building at the corner of Fifth Street and Gold Avenue Southwest, Albuquerque, New Mexico, shall hereafter be known as the Senator Dennis Chavez Federal Building. Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "Senator Dennis Chavez Federal Building".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 3131, RAIL TRANSPORTATION IMPROVEMENT ACT

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the Senate bill (S. 3131) to amend the Rail Passsenger Service Act to provide financing for the National Railroad Passenger Corporation, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. ASHBROOK. Reserving the right to object, Mr. Speaker, could my good friend, the gentleman from West Virginia (Mr. STAGGERS), assure us that the conference report is coming back in a form that is favorable to the House and that there has been nothing added that would be nongermane to our bill?

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, nothing has been added that would be nongermane.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman from West Virginia, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 30, 1976.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The gentleman from West Virginia (Mr. STAGGERS) is recognized for 30 minutes.

Mr. STAGGERS. Mr. Speaker, this bill was considered in the House very carefully and passed on September 27 of this week. It passed the House by a vote of 317 to 49.

We had a conference with the Senate, and we think that we came out of the conference as closely as we could to the House bill, as passed by the House. There were some changes, as there always are in these conferences.

Mr. Speaker, the Senate took this conference report up yesterday and passed it by a voice vote. The only thing left for the House is the question whether we will pass the conference report.

Mr. Speaker, I would urge that we pass or agree to this conference report. It is quite necessary because it takes into consideration the Amtrak authorization for the years of 1977 and 1978, which were added by the Senate.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I rise in support of the report of the conference committee on S. 3131. As you know, this bill represents a combination of our bill providing Amtrak authorizations and our bill making certain changes in the Railroad Reorganization Act of 1973, and the 4-R Act which was enacted on February 5, 1976. Included in this bill is a provision which would permit the advance of money by the United States to Amtrak in those situations where Amtrak has been left without a rail passenger station because one of the bankrupt railroads had violated their contract with Amtrak to provide rail passenger station facilities for 25 years. I am particularly pleased that both bodies of Congress accepted this provision because the people of Columbus, Ohio, had become victims of a situation whereby Penn Central sold its existing station prior to the ConRail takeover without consulting or making arrangements for Amtrak trains. Once Amtrak has established a valid claim against the trustees of the bankrupt Penn Central, USRA will be permitted to loan to Amtrak the money necessary for the construction of a temporary rail passenger station in Columbus. The United States will eventually be reimbursed for that money in full when the bankrupt Penn Central estate is finally settled.

I share the sentiments of my colleague, Mr. SKUBITZ, who serves as ranking minority member of the Transportation and Commerce Subcommittee when he states that this legislation is not vital to Amtrak or ConRail However, I believe that it does correct a number of technical difficulties and adjusts many small inequities such as the one I have mentioned involving the rail passenger stations. I am confident that the work we have done in conference will enable the President to sign this piece of legislation.

Mr. Speaker, the conference-reported bill also contains a matter of extreme pettiness and if it were not so trivial would cause me some concern. As you know, the USRA Board is made up of the directors of USRA which includes the Secretary of the Treasury. Several months ago, the Secretary of the Treasury designated an individual to attend USRA Board meetings. That individual apparently raised questions about the fact that USRA was using some of the appropriated funds for entertainment and other expenses. Publicity followed this meeting and the other body appears to have chosen to deal with the situation by restricting the individuals who can attend board meetings to the Secretaries personally or the Deputy Secretaries. This kind of legislation, at best, represents a peculiar way to deal with the real problem and at worst represents vindictiveness by staff members of the other body. I am sorry this provision has found its way into this particular bill.

Mr. Speaker, let me assure my colleagues I intend to investigate this matter when the new Congress begins, and I am sure that other members of the subcommittee will also examine this proposition. As you know, the House bill contained no provision with respect to the Board of Directors of USRA. We were faced with the conference with the other body in which they felt strongly this provision should be included in the conference-reported bill. Several of the House conferees did not share their belief and argued against it, but did not prevail. I would urge my colleagues not to hold up this bill, because of this particular provision because it can be corrected by the next Congress. The only thing really involved in this case is personal animosity by some individuals. In my judgment, such animosity is shortsighted and the provision with respect to the USRA Board of Directors should be changed at our earliest possible opportunity.

I urge adoption of this conference report.

The SPEAKER pro tempore. The gentleman from Kansas (Mr. SKUBITZ) is recognized for 30 minutes.

Mr. SKUBITZ. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Speaker, I rise in opposition to the conference report. I feel that the conferees have given in to a Senate amendment which is going to prove to be an embarrassment and a mistake. An amendment was added by the other body which would delete the Treasury and Department of Transportation representatives from this Board. According to articles that I have read in the press recently, this is directed at individuals who have had the courage to stand up and to show some of the excesses that have been committed by the USRA Board

For example, an audit by Treasury auditing teams have exposed the fact that $5,000 initiation fees have been paid to country clubs, that fat expense accounts for entertainment expenses have been expended for the last several months.

Mr. Speaker, it seems to me we should be supporting Government officials who will be looking for excesses like these and not adopting amendments which will in effect delete certain individuals from the Board so that they will not be able in the future to review the actions of this agency, and to insure that the moneys of the taxpayers are being spent wisely.

However, Mr. Speaker, the conferees have adopted an amendment which will, in effect, delete the Under Secretary of the Treasury and the representative of the Department of Transportation, the Under Secretary, from the Board, so that they will no longer be able to have this oversight responsibility or ability to review what this Agency is doing.

For this reason, Mr. Speaker, I would urge that the Members vote no on this conference report so that the present law would continue to be in effect, that these administrative officials would continue to serve on the Board to assure that the taxpayers' moneys are spent wisely. I include an article from yesterday's Washington Star that describes these events in greater detail.

RAIL OFFICIAL WHOSE AUDIT STIRRED ANGER IS BILL TARGET

(By Stephen M Aug)

A director of the U.S Railway Association who exposed questionable financial arrangements involving top USRA officers is about to be forced off the USRA board as the result of a little-noticed piece of legislation

The legislation, in the form of an amendment to a railroad financial aid bill, was introduced by Sen Vance Hartke, D-Ind

Hartke, chairman of the Senate Commerce surface transportation subcommittee, which has jurisdiction over the railway association, also was a principal author of a letter to the General Accounting Office complaining about the director's audit of USRA that exposed the questionable practices.

Hartke also sought unsuccessfully last winter to raise the salary (from $60,000 to $85,000 a year) of the chairman of the board of directors of USRA, who was one of those criticized by the audit. Ironically, the increase was proposed at about the time USRA had substantially completed its work and was phasing down its activities.

The Director who soon may be forced off the board is Jerry Thomas, a Treasury undersecretary who has represented Treasury Secretary William E Simon on the USRA board since April. Thomas had a Treasury auditing team examine some of USRA's financial records shortly after he joined the board

The audit showed that the association—a federally financed corporation formed to restructure and help rehabilitate the bankrupt Northeastern railroads—had used taxpayer funds to finance memberships for its top executives at luncheon and country clubs (including a $5,000 initiation fee for USRA Chairman Arthur D Lewis at Burning Tree Country Club)

The audit also disclosed that the association had given lucrative consulting contracts to USRA officers as they left the company had paid commuting expenses for some top officials who didn't want to move to Washington, and had kept sloppy records that didn't show on whom about $35,000 in entertainment expenses was spent during the first nine months of this year

Immediately after the audit was presented to the USRA board at its July 29 meeting, the directors voted to censure Thomas because he had the audit conducted. At the same meeting, according to minutes made available to The Star, the directors refuseed to adopt a proposal by Thomas that would have required internal association records to include documentation on the names of individuals, other than association employees, on whom entertainment funds had been expended.

At the same meeting, the minutes show, substantially all of the reform measures Thomas proposed died for the lack of a second. Substitute proposals, essentially weaker versions of Thomas' recommendations, were adopted largely by 7–2 votes. The only two dissenting votes were cast by Thomas and the other Ford administration representative on the board, representing the Transportation Department.

In May, Thomas persuaded the directors to stop paying club dues for USRA officers. But at the July meeting, when Thomas sought to have the association seek a return of fees paid in advance for dues beyond May, and to recoup the $5,000 Burning Tree initiation fee for Lewis, the directors voted it down.

In an interview last night, Thomas said that at the meeting he requested that the minutes reflect the names of the individuals casting votes on his proposals. "The reason for my insistence on the votes is I may seek judicial remedy," Thomas said, explaining that if a GAO audit of USRA does not back his position on returning more than $6,000 in club fees and dues, he will hire a lawyer at his own expense and file suit to have the money returned to the association.

Although the meeting was held at the end of July, nearly two months passed before Thomas received a draft set of minutes. The draft confirmed his recollection of the 7–2 votes.

Thomas recalled that Lewis, in answer to questions by a House Government Operations subcommittee this month, denied having voted on any of the resolutions resulting from the Treasury audit report.

The draft minutes showed only 7–2 votes, with no indication as to the names of those who voted. Thomas complained, and a final set of minutes showed Lewis abstaining in several instances in which a 7–2 vote was recorded.

Between the July and September meetings, Hartke introduced legislation that would limit the ability of the Treasury secretary to delegate his representative on the USRA board. The secretary would be limited only to delegating this responsibility to his second in command, the deputy secretary. This would exclude Thomas, who is one of two undersecretaries.

The measure was introduced as one short paragraph in a lengthy bill that includes substantial funding for Amtrak, as well as $350 million in loans for creditors of certain bankrupt Northeastern railroads.

No similar provision was included in a House bill on Amtrak funding.

House and Senate conferees yesterday adopted the overall bill, including Hartke's amendment, which by this time had been broadened to include similar limitations on the Transportation secretary's power to name his own representative on the USRA board.

Lewis was out of town and could not be reached for comment on the matter, and a USRA spokesman said, "I'd take Mr. Thomas' claims with a grain of salt. The legislation was something put together in the Congress."

Mr. **SKUBITZ**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill represents a combination of two bills considered by our committee—the Amtrak Authorization Act of 1976 and the so-called "Son of ConRail." With respect to both bills, I have consistently informed my colleagues at committee and on the floor that neither measure was essential for the welfare of either Amtrak or ConRail. During the consideration of the Amtrak proposal in committee, I had a number of amendments adopted which removed the most objectionable parts of the Amtrak bill.

In conference, the Senate receded on those provisions which had given me the most difficulty in our committee deliberations. The provision which would have permitted Amtrak to enter into leverage leasing arrangements for the purchase of their equipment had been defeated on the floor of the House, and was contained in the Senate bill. The conferees did not accept the Senate provision so Amtrak is not given the right to enter into leverage lease agreements.

In the statement of managers from the conference committee, reference is made to leverage leasing. In no way does that statement permit leverage leasing by Amtrak. It simply requires the Secretary of Transportation to examine the proposition in light of the pros and cons involving the matter of leverage leasing by Amtrak.

Another Amtrak provision which was a subject of controversy in conference pertained to a Senate provision which would have eliminated the requirement for Amtrak to submit "spending plans." The Senate receded in this matter, thereby preserving the present law enacted by Congress in 1975. The purpose of the spending plans was to give both the Congress and the Department of Transportation a greater amount of meaningful data so as to improve Amtrak operations. All of us who are strong supporters of Amtrak realize that the day will soon come when we must begin to sharply reduce Amtrak deficits. Spending plans will enable both the Congress and the Department of Transportation to better evaluate the best ways and means for shaping Amtrak's future.

One of the provisions in the Senate bill related to the use of capital improvement grants for the temporary reduction of Amtrak's long term loans. The House receded on this issue with the understanding that the Senate provision in no way affects the normal method by which Amtrak receives its capital grant money. Under existing law, Amtrak has advanced its capital improvement money every 90 days. That practice would continue and in no way would Amtrak be given all of the appropriated money to invest in these short term ventures designed to save Amtrak interest cost, often at a greater expense to the Federal Government itself.

When the Amtrak bill was considered on the House floor, the authorization for operating expenses was limited to 1 year as the result of an amendment by me in committee. My purpose in that had been to make certain that Amtrak came back to Congress for a full congressional review prior to the authorization of additional operating money. The Senate had a 2-year authorization and the House conferees agreed with the 2-year authorization. The authorization level was held at $430 million for the first year, and I understood our agreement to that it would stay at that level for the second year. However, in the rush to adjourn and the general confusion at the end of the conference, staff interpreted their instructions to mean that the second year authorization was to be $470 million. I would hope that the Appropriations Committee would follow the intent and spirit of conferees in keeping appropriations in line with a $430 authorization for both years. At this figure Amtrak will be required to carefully watch its budget and develop improved economies

The amount of money authorized for capital expenditures is set at $130 million for each 2 years. This represents a splitting of the difference between the House figure of $140 million and the Senate figure of $120 million per year.

Mr. Speaker, those represent the major provisions agreed upon with respect to Amtrak. The greater part of the bill, however, made changes in the Railroad Revitalization and Regulatory Reform Act which was enacted last February. Those changes for the most part affected ConRail, its predecessors' creditors, and the other railroads in the Nation.

One provision had been in the House bill which would have in effect been a private employment bill for a gentleman who wants to be the Rail Public Counsel. The Senate objected to having a relatively low level Government agency name an interim public counsel. A number of the conferees indicated their willingness to support such a provision if the Commission itself were to make the appointment. The distinction was made on the basis that the Commission is made up of 11 men and women appointed by the President of the United States and consented to by the Senate of the United States. This body of men and women would have provided the assurance that an interim Rail Public Counsel would have the necessary independence to begin the process of getting the office organized. Unfortunately, the sponsor of the amendment to have RSPO make the appointment was unwilling to accept this modification. Consequently, the conferees were forced to strike the entire provision from the bill.

Mr. Speaker, perhaps the most controversial part of this rail legislation concerned the amount of money which should be made available under section 211(h) of the 1973 Rail Reorganization Act. As you will recall, section 211(h) is a loan mechanism whereby money is loaned to ConRail in order for ConRail to pay off certain creditors of the bankrupt railroads which had been taken over by ConRail. These loans eventually will be repaid out of the estates of the bankrupt railroads. The need for prompt payment of these claims became apparent during the last few months that the bankrupts were in operation. During that period of time, which was roughly from November 1 to April 1, 1976, many of the creditors dealing with the Penn Central stated that they had continued doing business with the Penn Central for as long as they could and would stop giving the Penn Central supplies, and in some cases, interline shipments. The Government at that time made representations to these creditors that their claims would be taken care of in a prompt and orderly fashion. That was the reason behind the inclusion of 211(h) in the 4-R Act last February.

The amount of money originally provided was $230 million in loan authority. Once ConRail began operations and assessed the claims, it became clear that $230 million was not enough even when it was added to the $466 million in assets of the bankrupts available for paying 211(h) claims.

The House bill had contained an amount of $300 million for 211(h) loans. That was a $70 million increase over the existing authority of $230 million. The Senate had a provision which increased the loan authority to $450 million, nearly doubling the existing loan authority. In conference, it was agreed to accept a figure of $350 million. That amount is in a revolving fund so that as new money comes in, additional claims may be paid to those individuals who qualify for claims under 221(h) I found it necessary to go from $300 million to $350 million in reaching an agreement with the Senate to eliminate the leverage leasing provision for Amtrak.

At present, there are some moneys of the Penn Central which had been placed in escrow accounts for future employee benefits. The lower court has held that those escrow funds are justified and should not be comingled with the 211(h) funds. Both ConRail and USRA are contesting the findings by the lower court. This bill provides that should the higher court determine that such funds are improperly being held in escrow accounts those funds should be made available for 211(h) claims. The only exception to this requirement is if the special court determines that a reorganization plan of the Penn Central depends upon the use of such funds for its ultimate success.

Those who are eligible for claims under 211(h) continue to be the same classes and groups of individuals originally provided for under the 4-R Act. In addition, however, certain other categories have been added. One new category is third party injury claims arising out of personal injury actions against the bankrupt railroads. I, for one, believe that those claims should not have been included since the actions of the Government with respect to the bankrupts has in no way made the position of those claimants any worse off than they would have been had the Government done nothing to help the Northeast railroads. Nevertheless, those benfits can be paid out of 211(h) claims.

Accrued vacation pay, pension, and life insurance benefits of pre-conveyance retirees and employees are also included under 211(h). The conference report makes clear that if the court finds that the cost of these programs represents valid preconveyance obligations of a state, ConRail may seek a section 211 (h) loan to meet the expenses. This is particularly important in relation to the pension and life insurance programs which are being terminated by ConRail and may be ended by the estates as well. These provisions demonstrate a human concern for individuals who, through no fault of their own, may be adversely affected by the continuing process of reorganization. We do wish to make it clear, however, that we do not intend to interfere with the ordinary bankruptcy principles established within the framework of Federal law.

We, on the Interstate and Foreign Commerce Committee, are keenly aware that the House and Senate Judiciary Committees are currently undertaking a thorough review of Federal bankruptcy law. Major reform legislation is expected in the next Congress. I am hopeful that considerable redrafting of section 77 of the Bankruptcy Act would take place, but what we are doing in this instance in no way is intended to rewrite bankruptcy laws.

What we are trying to do to the extent possible is to see that individuals involved will get what they are rightfully due in such areas as back vacation pay, pensions, and life insurance benefits. We are leaving to the reorganization courts the decision on contract and bankruptcy law issues raised by these questions of protection. Again, I should state to this that it is my understanding of 211(h) that eventually this money will be repaid once the bankrupt estates are liquidated and any litigation involving the validity of the reorganization process is resolved.

That litigation, Mr. Speaker, tends to raise issues in a number of areas affecting ConRail, the bankrupts, and adequate transportation for the Northeast. One of the programs contained in the 4-R Act was a program which permitted States or localities to subsidize local branchline service. In order to have such service, it was necessary for those localities to lease abandoned railroad lines owned by the bankrupt railroads. The bankrupts had been reluctant to enter into such agreements because the original law stated that the lease payment should be based on the value of the line. This bill contains a provision which would make such a contract on the basis of the value of the use. This, in and of itself, is an important distinction, but the bill goes further and states that any agreed-upon amounts cannot be used in subsequent litigation to determine the value of the estate. This measure should permit States to enter into agreements where heretofore they have found that the trustees of the bankrupts were either unwilling to negotiate at any price or placed a ridiculously high price on such property. Naturally, those States that have been negotiating for such land to have public use under subsection (b) of section 304 of the Regional Rail Reorganization Act would enjoy the same benefits as those States negotiating for such lines for the purpose of instituting rail passenger service. There continue to be abandoned railroad lines which will be useful for recreational programs conducted by the States involved.

Mr. Speaker, when one considers the size and complexity of the railroad reorganization in the Northeast, it is easy to understand how many unexpected hardships occur. For example, our committee discovered that there were communities without an Amtrak station simply because the Penn Central or some other bankrupt railroad has literally sold the station out from under Amtrak prior to the conveyance of the rail properties to ConRail. The most clear-cut instance of this type of action occurred in Columbus, Ohio. There, the city of Columbus purchased the existing railroad station from Penn Central pursuant to condemnation. Amtrak was not made a party to those negotiations, and while there will be a place for a rail passenger station in the new Ohio center to be constructed at that site, rail passengers have nowhere to go during the interim. Without a doubt, Amtrak will pursue its claim against the Penn Central for money damages resulting from the breach of the contract Penn Central entered into with Amtrak when it gave up its rail passenger service. In the meantime, 211(h) funds can be used to provide a temporary station so that the residents of Columbus may have adequate rail passenger service until such time as the old station has been converted into a modern, new trade center.

The conferees were unable to accept a Senate provision which amounted to a grant for the renovation of an old railroad station in Cleveland, Ohio. The reason that the conferees were unable to do so was that there was no contractual violation between the railroad in reorganization and Amtrak involved in that case. Moreover, it should be pointed out that there is a new Amtrak railroad station serving Cleveland.

Mr. Speaker, the 4-R Act of last February contained a number of provisions for regulatory reform. One of those provisions removed the jurisdiction of the Interstate Commerce Commission for commuter service or intrastate service by any mode. The Conferees accepted the House provision which would reintroduce the ICC into these areas. While I personally supported the chairman of the subcommittee in believing that commuter service need not fall within ICC regulations, I was pleased to see that other intrastate service requires ICC approval. Inadvertently, the 4-R Act had removed motorbus operators operating solely within one State from Interstate Commerce jurisdiction.

This oversight would have permitted most anyone to buy several buses and enter the charter business. At this time such deregulation is unwise. Therefore, this measure makes certain that ICC approval be obtained for such cases.

You may recall that when the 4-R Act provided for the implementation of the final system plan for railroad reorganization in the Northeast, it contemplated that two private railroads would take over significant portions of the bankrupt railroads. Specifically, the Chessie System was to take over much of the Erie Lackawanna and certain parts of the Penn Central; the Southern was to take over parts of the Penn Central on the Delmarva Peninsula. Both of those projections fell through because certain labor unions were unwilling to do their part in assuring competition in the Northeast.

There has been continuing interest in providing rail service in Delmarva. This was the service to be taken over by the Southern Railroad and where failure has been assigned to the unwillingness of the Clerk's Union to accept anything less than job protection forever for 55 jobs in that area. Both Congressman **Bauman** and Senator **Beall** fought vigorously for a measure that would either provide compulsory arbitration or freeze into place labor understanding. Their efforts in this regard were vigorously opposed by certain special interests and the House finally agreed to a proposal to have the ICC provide a detailed, 6-month study as to what went wrong in Delmarva and provide recommendations for ways to provide better rail service for that area. I am hopeful that the ICC will provide a full and candid report that clearly states who was responsible for the failure of what would have been a good transaction. It is important that all of the facts come out because the Southern purchase contemplated by the final system plan demonstrates whether or not labor is willing to permit the use of supplementary transactions in order to improve our rail system. If labor does not have any desire to strengthen the rail system through the use of the supplementary transaction device, then I am afraid we have wasted our money in trying to save the railroads in the Northeast.

It is not labor alone which often gets sidetracked into parochial interests when strengthening our Nation's railroads becomes a goal. Rail management often spends more time tinkering with minor pieces of existing Federal law than it does in developing foresight and programs for a truly strong national railroad system. In the 4–R Act, the Senate had a provision which lacked simplicity and had been rejected by the House for providing money to the railroads which could be considered equity money rather than debt money. I understand that even today there is a split within the industry as to the basic soundness of the redeemable preference share approach in the 4–R Act. The issue before our committee and before the Senate revolved around imaginary horribles that the industry saw in proposed regulations issued by the Department of Transportation relating to the interest rate which would have to be paid for redeemable preference shares. The essence of the argument was that the Secretary of Transportation wanted a flexibility to permit him to charge the minimum interest rate of 2.03 percent up to the interest rate which the Government would have to pay to borrow the money. Some railroads apparently wanted the Secretary to only provide redeemable preference shares at the minimum interest rate of 2.03 percent to 3.24 percent. These railroads attempted to have us legislate the low interest rate by taking away all flexibility afforded the Secretary. I had had a provision to this effect struck from the House bill while in committee. The Senate had such a provision adopted on the Senate floor

The conferees agreed to limit the lack of flexibility to redeemable preference shares for the purpose of rehabilitation. Then a measure of flexibility was added by having the base from 2.03 percent to 3.24 percent, but the ceiling set at the net rate of return for the particular railroad.

Since the net rate of return for the industry as a whole is around 2.4 percent in most cases, the use of the redeemable preference share device will result in very low interest—I should say dividends—because one of the complexities of the redeemable preference share scheme is that the railroad pays dividends rather than interest. Dividends I might add are not tax deductible where interest would be. I am hopeful that in the next Congress we can reevaluate the validity of the redeemable preference share method for financing our Nation's railroads.

Finally, Mr. Speaker, the conference-reported bill contains a matter of extreme pettiness and if it were not so trivial would cause me great concern. As you know, the USRA Board is made up of the directors of USRA which includes the Secretary of the Treasury. Several months ago, the Secretary of the Treasury designated an individual to attend USRA Board meetings. That individual apparently raised questions about the fact that USRA was using some of the appropriated funds for entertainment and other expenses. Newspaper publicity followed this meeting and the Senate appears to have chosen to deal with the situation by restricting the individuals who can attend board meetings to the Secretaries themselves or the Deputy Secretaries. This kind of legislation, at best, represents a peculiar way to deal with the real problem and at worst represents vindictiveness by the staff members of the other body. I am sorry that this provision has found its way into this particular bill.

As I have said before, this bill has no particular greatness attached to it. On the other hand, it has now been amended to a sufficient degree so that it is not bad legislation. I am confident that the President will sign this legislation and it will become law.

Mr. CARTER. Mr. Speaker, will the distinguished gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Kentucky.

Mr. CARTER. I thank the gentleman for yielding.

I find it, in passing, strange that the man who blew the whistle on USRA which expended $5,000 for a Burning Tree golf membership, and $35,000 in unaccounted for funds for entertainment will lose his job.

I think that is quite distasteful, and I feel that we should have some way to check up on these people.

If the gentleman from Kansas will assure me that such hanky-panky will not go on further, then I am ready to support the bill.

Mr. SKUBITZ. Let me say to my colleague that I objected to the Senate proposal before the newspaper article appeared. I strenuously oppose staff members drafting legislation in a manner that satisfies their vindictive nature

I want to assure my colleagues that insofar as this Congressman is concerned, I am going to try to correct this matter next year.

Mr. CARTER. I thank the distinguished gentleman.

Mr. MAGUIRE. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the conference report on S. 3131, the Rail Transportation Improvement Act. I would like to take this opportunity to discuss one particular section, "Basis of Compensation," for the purpose of making legislative history with the ranking minority member of the subcommittee, Mr. SKUBITZ. This section provides that price determinations in sales or lease agreements for rights-of-way still owned by the bankrupt railroads pursuant to section 304 of the Regional Rail Reorganization Act of 1973 are not to be used as evidence in any valuation proceeding.

To resolve any possible uncertainty, I want to make it clear that this provision of S. 3131 applies, as it states in paragraph (A), to acquisitions of railroad rights-of-way abandoned pursuant to section 304 in its entirety, and therefore includes subsection (b), as well as subsection (d). Subsection (b) relates to conversion for public uses, subsection (d) for rail freight or commuter rail purposes.

The reason for uncertainty over applicability of subsection (b) of section 304 arises because the Committee on Interstate and Foreign Commerce, on which I am privileged to serve, had before it evidence of problems associated only with subsection (d) matters. I raised the issue of subsection (b) in the full committee markup. The distinguished ranking minority member of the subcommittee, Mr. SKUBITZ, requested additional showings of the problems under subsection (b). Since then, I have received a letter from the commissioner of the New Jersey Department of Community Affairs, Patricia Sheehan. She writes, in part:

> The Division of State and Regional Planning of the New Jersey Department of Community Affairs has undertaken the task of coordinating the conversion of abandoned rail rights of way to other public uses and the use of the 240-day rights of first refusal to acquire such rights of way accorded to governmental entities pursuant to Section 304(b)(2) of the Regional Rail Reorganization Act of 1973 . . .
>
> In connection with this acquisition program, one of the major problems we have encountered to date is the massive disparity in value placed upon these abandoned rail rights of way by the potential purchasers and the trustees of bankrupt lines. In some cases the trustee's value exceeds the net liquidation by as much as 10 to 20 times. A case in point is the High Bridge branch in Morris and Hunterdon Counties owned by the trustee of The Central Railroad of New Jersey. The Trustee's abandonment notice, dated June 30, 1976, states that a deposit of $1 million is required by any prospective purchaser for conversion to public use in order to preserve that purchaser's right of first refusal. To illustrate the unreasonableness of this posture, the United States Railway Association has established the net liquidation value of the same property at approximately $166,000.
>
> We have been led to believe, however, that this trustee's position is motivated in part by his desire to assure that the sale of these abandoned rail rights of way in no way jeopardizes his estate's overall strategy for the valuation case before the Special Court being conducted pursuant to Section 303 of the Act. Any statutes which break the connection between the sale of abandoned rail rights of way and the valuation case may

well cause this trustee to moderate his position.

I also have received a letter from the New Jersey Conservation Foundation. That letter, after also describing the reluctance of the trustees of the bankrupt railroads to sell their rights of way for public purposes without assurances of an evidentiary bar, states—

> However, if the determination of value arising from transactions relevant to converting abandoned rights of way to alternative uses was barred from use in the Act's valuation proceedings then the trustees might very well alter their position and acquisition of abandoned lines for alternative uses might proceed on a more reasonable basis.

This is a reasonable interpretation of the clear text of this provision, and entirely consistent with, and with furtherance of the policy and purposes of this bill and the legislation it amends.

I wanted to ask the distinguished gentleman whether it is his interpretation, as it is mine, of the legislative history of this bill that subsection (b) as well as subsection (d) are intended to be covered by the provision.

Mr. SKUBITZ, if the gentleman will yield, I thank the gentleman from New Jersey for bringing to our attention a potential problem which was never intended. His interpretation of the "basis of compensation" provision is absolutely correct, in that the conversion of an abandoned right of way for a public use under subsection (b) of section 304 of the regional rail reorganization could not be admitted as evidence in the main valuation proceeding under section 303 of the RRRA, just as a transaction for rail freight or commuter rail purposes under subsection (d) could not be used for evidence.

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. ROONEY) such time as he may consume.

Mr. ROONEY. Mr. Speaker, this conference report represents a very good bill. It is the result of long negotiations and thoughtful compromise which should assure better rail transportation in this country for both passenger and freight service.

The Rail Transportation Improvement Act is a combination of the Amtrak Improvement Act of 1976, and the Rail Amendments of 1976. This conference substitute contains most of the provisions contained in the House bills.

With regard to Amtrak, the conference substitute contains authorizations for operating grants in the amount of $430 million for fiscal year 1977 and $470 million for fiscal year 1978. The amount for fiscal year 1977 is the same as contained in the House bill. The House bill, however, did not contain any operating funds for fiscal year 1978. The House conferees receded to the Senate on this matter based on recommendations from the administration and the Budget Committee. The amount of $470 million is the same as originally included in the House bill and was removed in committee only because it wanted to assure hearings on the matter next year.

The authorization for capital acquisitions or improvements amount to $130 million for both fiscal year 1977 and 1978. The House bill contained $140 million for each of these years. The amount in the conference substitute is therefore less than that in the House bill but more than the $120 million in the Senate bill.

With regard to the rail amendments of 1976 the conference substitute increases USRA's loan authority from $230 million to $350 million to pay claims for operating expenses of the railroads in reorganization incurred immediately prior to conveyance to ConRail and other acquiring railroads. The House bill included $300 million for this purpose whereas the Senate bill included $450 million. The amount of $350 million was agreed upon based upon the assurance that this was the minimum amount necessary, when combined with cash and other current assets amounting to $466 million currently available from the estates, to immediately pay all of the employee-related claims, all claims amounting to $20,000 or less, and a substantial partial payment—or in some instances full payment—of all remaining claims.

It is essential that these claimants receive timely payment in order to fulfill a Government commitment. Goods and services were provided by these claimants in order to preclude a disruption to rail service and prevent disruptions in ordinary business relationships. In exchange for this smooth conveyance, the Government, in the Regional Railroad Reorganization Act of 1973, promised that timely payment would be made for the goods and services. It is, therefore, essential that adequate loan authority be given at this time to make these payments. In this regard I would also like to remind my colleagues that these loans are not at any cost to the Government. The loans are being made at an interest rate slightly higher than the interest rate paid by the Government to borrow the funds. The loans are to be repaid by the estates of the bankrupt railroads and the committee was informed that after the estates are settled there will be sufficient funds in the estates to repay the loans.

The House bill contained a provision whereby the Rail Services Planning Office Director could appoint an interim Director of the Office of Rail Public Counsel. This was considered necessary because the President has failed to nominate a candidate for this office as required by the Rail Act of 1976. The Senate conferees believed that in the interim the ICC should make the appointment. It was therefore agreed that this provision should be stricken.

I am very pleased that the conference substitute contains most of the other important provisions in the House bill. For example, it contains the House provision adjusting the computation for displacement allowances so that it includes a 10-percent nationwide wage increase as originally intended. It contains the House provision enabling a number of States and others to reach an agreement with the trustees of the bankrupt railroads for service on rail branch lines not included in the reorganization. It contains the House provision rectifying an unintended inequity between contract and noncontract employees deprived of employment with regard to fringe benefits.

Finally, I would like to emphasize that the conference substitute contains the House provision to fully protect pension and life insurance benefits of preconveyance retirees and makes funds available for back vacation pay. Under this legislation, if the court finds that the cost of these programs represent valid preconveyance obligations of the estates, then they may be funded through 211(h) loans.

I offered the amendment to include this provision when I was informed that the pensions for about 1,600 retirees were to cease because ConRail was not required to continue payment. I believe this would be a considerable injustice that none of us would tolerate. These programs, which were previously funded entirely by the bankrupt railroads, are being terminated by ConRail, and may well be ended by the estates. I feel that this legislation protects these individuals as fully as possible under generally applicable principles of contract and bankruptcy law. We drafted these provisions carefully. In this act we do not intend to interfere with ordinary Federal bankruptcy principles. We simply wish, to the extent possible, to see that the individuals involved get what they are rightfully due in such areas as back vacation pay, pension and life insurance benefits. Once these are determined to be valid claims we do not want these people to have their claims jeopardized because of a lack of available cash in the estates. We are leaving to the reorganization courts the decisions on contract and bankruptcy law issues raised by these questions of protection.

In order to protect the individuals as fully as possible, I would hope that the U.S. Railway Association, under this statute, would make 211(h) loans to ConRail for these purposes at the earliest possible time. Should the court subsequently determine that any of these items are not valid preconveyance claims of administration, then the USRA could simply forgive the loan which has been taken out by ConRail on behalf of the estates. In this event, the pension and life insurance costs would become social costs of the reorganization. This exact principle has already been established in title V of the Regional Rail Reorganization Act of 1973. There is no reason why it should not be extended to cover human costs under section 211(h), which inadvertently have not been covered in rail reorganization law but are also not claims of administration against the estates. This would seem to me to be a fair solution which meets the constitutional tests with humanity.

As I said, the conference substitute contains almost all of the House provisions and I elicit your support for this very important and very good bill.

As a conferee on this bill, I supported the adoption of the amendment to the Regional Rail Reorganization Act of 1973 to limit the delegation of representation on the USRA Board by the three Government members to deputy secretaries. I believe this is a good amendment.

In order that we can understand the merits of this amendment, let me recite the membership of the Board as set forth in the act. The Board consists of 10 members. First, there is a chairman appointed by the President with the advice and consent of the Senate. At the moment this office is held by Arthur D. Lewis, former president, Eastern Airlines—a man highly qualified for the office and most respected by Government officials and industry leaders. Second, there are three Government members—the Secretary of the Department of Transportation, the Chairman of the Interstate Commerce Commission, and the Secretary of the Treasury—or "their duly authorized representatives," which is the point of contention in the subject amendment. Third, there are seven nongovernment members who are also appointed by the President with the advice and consent of the Senate. These seven are recognized leaders in their professions or industry. They include Gale B. Aydelott, chairman, Denver and Rio Railroad, selected from a list of qualified individuals recommended by the Association of American Railroads; James B. Burke, vice president, United Transportation Union, selected from a list of qualified individuals recommended by the American Federation of Labor and Congress of Industrial Organizations; Richard B. Ogilvie, former Governor of Illinois, selected from a list of qualified individuals recommended by the National Governors Conference—this position was previously held by William Scranton, former Governor of Pennsylvania; Frank H. Beaty, Jr., former mayor of Plainfield, N.J., selected from a list of qualified individuals recommended by the National League of Cities and Conference of Mayors; Charles B. Shuman, former president, American Farm Bureau, and William K. Smith, vice president, General Mills, selected from lists of qualified individuals recommended by shippers and organizations representative of significant shipping interests including small shippers; and Samuel B. Payne, retired president, Morgan Stanley and Co., selected from lists of qualified individuals recommended by financial institutions, the financial community, and recognized financial leaders.

As can be seen, this is a very prestigious Board. It was designed as such by Congress in recognition of the importance of its function. The USRA was established by Congress at a time when a number of railroads in the Midwest and Northeast region of the country were bankrupt and needed to be reorganized, but were unable to formulate acceptable plans of reorganization. The reorganization of these railroads was a tremendous undertaking that had to be accomplished in a very short time. As you know, this Congress has provided substantial funds for this purpose. This investment must be protected by the USRA. Moreover, if the function of USRA is not performed properly, there is a risk that many times this amount of the Government investment will have to be provided. Obviously, therefore, USRA's Board of Directors must consist of highly qualified individuals in order that its function be performed in the best manner possible.

In addition to the Board of Directors, Congress established a Finance Committee within USRA. This committee consists of the Chairman of the USRA Board, the Secretary of the Department of Transportation, and the Secretary of the Treasury—and again—"or their respective duly authorized representatives." This committee is critical to USRA's function. It makes multibillion dollar decisions that are extremely complicated and technical. In essence this committee has life or death control over the existence and continuation of ConRail. For example, if it determines ConRail is not operating in accordance with established financial projections it can withhold all or part of the Government's $2.1 billion investment. Obviously these decisions must be made by the best talent available. It should be remembered that during the deliberations on the Rail Act of 1976, the administration was insistent that this finance committee be limited to three members and emphasized the importance of the committee and the fact it must have two high Government officials to assure that the Government's interest was protected.

The subject amendment is a furtherance of the original congressional intent to have a board made up of highly qualified individuals. However, it has been found that the three Government representatives, in exercising their responsibilities, in many instances have been delegating their representation to under secretaries or general counsels. The under secretaries and general counsels are undoubtedly qualified for their positions, but I do not believe they have qualifications comparable to the other Board members nor are their qualifications of the caliber anticipated by Congress for USRA Board membership. I believe the Government representatives should be the best persons available especially since they were placed on the Board to represent and protect the large Government interest and investment.

Congress originally permitted the Government representatives to delegate their responsibility because it recognized there would be times when they personally could not be present at board meetings and it was essential that they be represented at these meetings. The Congress, however, did not anticipate that the Government representatives would seldom, if ever, be present at the board meetings or that the delegation of representation would go to the level of Under Secretary or General Counsel. It should be noted that permission to delegate representation was not given to any of the other board members. They too are extremely busy persons yet their attendance at the board meetings has been outstanding. I might also make the analogy that we, as Members of Congress, are busy men and women and for the most part have very good attendance records, but I doubt if any of us would consider for a moment a proposal that we delegate our responsibility. In addition, we were reminded during the conference that in establishing the Appalachian Regional Commission, Congress required that Governors attend the meetings and not delegated representatives.

The amendment we are discussing does not unduly restrict the Government representatives. It still permits delegation of representation to the Deputy Secretary. In this way, representation should still be assured and moreover, the Government will be represented by individuals with the requisite qualifications expected by Congress.

It is for the aforesaid reasons that the conferees adopted the subject amendment and not, as is being contended by some Members, that we were piqued at certain individuals. I for one know only one of the Under Secretaries involved and respect him very much. I seriously doubt if most of the other conferees know any of the Under Secretaries and if they do, I am sure that they also respect them. This amendment was most certainly adopted as a matter of principle and not as a degredation of any of the individuals involved.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation represents a compromise agreed upon between the House and Senate for the funding of all Amtrak operations for fiscal years 1977 and 1978. This legislation also is designed to clarify some of the provisions contained in the landmark legislation enacted by this Congress last February—the Railroad Revitalization and Regulatory Reform Act of 1976. It will make it easier for all parties concerned to carry out the original intent of Congress embodied in that legislation.

Title I of this legislation contains amendments pertaining to the funding of Amtrack operations.

The total amount of funding for Amtrack is broken down as follows:

[In millions]

Purpose:	1977	1978
Operating grants	$430	$470
Capital grants	130	130
Northeast corridor operating grants	68	75
	none	25
Totals	628	700

The House amendments had provided $140 million in capital grants for both 1977 and 1978. The conference agreement provides for $130 million for capital grants for each such year.

The House amendment had not included any operating grant money for fiscal year 1978. The Senate bill had provided $470 million for operating grants for 1978. The conference agreement includes the $470 million operating grants for 1978.

The other major differences between the House provisions relating to Amtrak and the conference agreement are as follows:

The conference agreement includes provisions contained in the Senate bill designed to implement the agreement entered into between the Department of Transportation and Amtrak relating to the Northeast Corridor. These provisions will permit the Secretary of Transportation to make guaranteed loans to Amtrak and give the United States a lien on the property until the guaranteed loans are repaid.

At the insistence of the Senate, the provisions of the House amendment relating to regulations regarding entertainment and promotional expenses of Amtrak were omitted from the conference agreement.

Also omitted from the conference agreement at the insistence of the Senate, was a House provision prohibiting certain incentive contracts between Amtrak and operating railroads. The conferees were informed that the problems with existing incentive payment contracts have been resolved by the negotiation of new agreements.

We accepted a Senate provision designed to lower the costs to the States for rail passenger services provided by Amtrak beyond the basic system. This was accomplished by changing the formula under which the States are required to pay 50 percent of "incremental costs" to the language of the formula contained in the original Amtrak legislation which required the States to pay 50 percent of "solely related and associated capital costs."

We also accepted a Senate provision requiring the Interstate Commerce Commission to conduct a study of joint rates and through routes for railroads and busses.

Title II of this legislation contains amendments relating to ConRail operations.

The most significant provision of this title deals with loans made by the U.S. Railway Association to ConRail to pay existing obligations of the bankrupt railroads in order to avoid disruption in ordinary business relationships.

The House version, and the conference agreement, expanded the employees claims to include funding for payment of medical and life insurance benefits and benefits under voluntary relief plans in the event of sickness, accident, disability, or death, whether or not the employees were governed by a collective bargaining agreement.

The House version had provided a maximum of $300 million in loan authority to meet these expanded claims. The Senate version had provided $450 million. The conference substitute provides $350 million.

The conference agreement omits a provision contained in the House version providing that the Rail Services Planning Office should appoint a rail public counsel until such time as the President carries out the mandate contained in Public Law 94–210, enacted February 5, 1976, to appoint a rail public counsel. There was disagreement among the conferees as to whether this temporary interim appointment should be made by the Interstate Commerce Commission or by the Rail Services Planning Office and the provision is omitted from the conference agreement.

The House version provided for the payment of third party injury claims from grant funds available under section 213 of existing law. The compromise agreed upon in conference provides for payment of those claims from loan funds obtained under section 211(h) of existing law.

The conference agreement also includes a Senate provision providing for the payment of accrued vacation pay to the extent that claims for such vacation pay are determined to be obligations of the bankrupt estates.

The conference agreement also contains a modification of a Senate provision relating to the interest rates applicable to redeemable preference share trust funds loaned to railroads for the purposes of railroad rehabilitation. The original Senate provision would have fixed this interest rate at a flat 2 percent. The Department of Transportation objected to the lack of flexibility in this provision. The conference agreement provides flexibility by providing for a minimum interest rate of 2 percent and sets a ceiling at the net rate of return for the particular railroad receiving the loan funds.

The conference agreement also contains a Senate provision limiting membership on the board of directors of the U.S. Railway Association to the Secretary or Deputy Secretary of each of the Departments of Transportation and Treasury. Existing law permitted each Secretary to be represented by any designated representative. Because there is presently no limit to how far down each Secretary could go in his organizational ladder to designate someone to represent him in his responsibility for managing $2.1 billion in Government funds plus the other responsibilities of USRA—such as the forgiveness of indebtedness or to cut off the investment of public funds in ConRail—the conferees agreed to limit the power of delegation to assure that individuals making these kinds of decisions will be high enough in their respective departments to effectively represent the Government interest.

Mr. Speaker, I urge the adoption of the conference report.

Mr. DERRICK. Mr. Speaker, I rise in support of the conference report on S. 3131, the Rail Amendments of 1976. This is an important measure which will further assure the success of the Northeast rail reorganization and of the new program of national railroad assistance by clarifying various features of that complex legislation. The bill also provides for the regular authorizations for the Amtrak system, and I am pleased that the conferees agreed to extent the authorization period through fiscal year 1978. Advance authorization of this nature will relieve the pressure in the early months of the next session and will contribute to an orderly process of budgeting and appropriations.

I am particularly pleased that the conferees agreed to delete the Senate provision directing administration approval of the use of so-called leveraged leases to acquire equipment for Amtrak, and instead agreed to a study of the concept. I am a strong supporter of rail passenger service as a very necessary factor in our national transportation system. But I think it is important that we identify, in explicit terms, what this service costs us. The leveraged lease, in which tax benefits of no value to Amtrak are passed through to private investors in return for a lower interest rate, is not a valid instrument for this purpose. While leasing, and even leveraged leasing, may have their place in normal economic circumstances, there are not appropriate for a totally subsidized operation. Amtrak's interest savings, in this case, only reduce the corporation's draw on the Treasury for operating assistance. But, according to estimates by the Congressional Budget Office, every dollar the Treasury saves in this way is offset by $2.40 in taxes foregone to lessor. This entire operation is made possible through loan guarantees and the existence of the Federal Financing Bank—another example of why this type of financing must be carefully scrutinized in the next Congress. Amtrak is now authorized to receive direct capital grants, and the conference report also provides authorization for appropriations to begin retiring outstanding guaranteed debt. This more direct means of financing necessary capital projects and equipment purchases should be maintained in the future.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. MAGUIRE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 299, nays 44, not voting 87, as follows:

[Roll No. 862]

YEAS—299

Abzug
Alexander
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Mass.
Burlison, Mo.
Burton, John
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clausen, Don H.
Cleveland
Cochran
Collins, Ill.
Conte
Corman
Cornell
Coughlin
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Frey
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Gude
Guyer
Hagedorn
Hall, Tex.
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hightower
Holt
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Hyde
Jarman
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Koch
Krebs
Krueger
LaFalce
Lehman
Lloyd, Calif.
Long, La.
Long, Md.
Lott
Lundine
McClory
McCloskey
McCormack
McDade

McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Mathis
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Santini
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Schulze
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wylie
Yatron
Young, Alaska
Young, Tex.
Zablocki

NAYS—44

Abdnor
Allen
Anderson, Calif.
Archer
Bafalis
Bennett
Bevill
Broyhill
Burgener
Burleson, Tex.
Clawson, Del
Collins, Tex.
de la Garza
Duncan, Tenn.
Fountain
Goldwater
Gradison
Grassley
Hammerschmidt
Hansen
Hefner
Hutchinson
Kasten
Kelly
Kindness
Lagomarsino
Landrum
Latta
Levitas
Lloyd, Tenn.
Lujan
McDonald
Martin
Miller, Ohio
Montgomery
Nichols
Paul
Poage
Rousselot
Runnels
Sebelius
Symms
Taylor, Mo.
Young, Fla

NOT VOTING—87

Adams
Addabbo
Armstrong
AuCoin
Baldus
Broomfield
Burke, Calif.
Burke, Fla.
Burton, Phillip
Chisholm
Clancy
Clay
Cohen
Conable
Conlan
Conyers
Cotter
Crane
D'Amours
Dodd
Downing, Va.
du Pont
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fish
Flynt
Forsythe
Fuqua
Goodling
Green
Haley
Hall, Ill.
Hawkins
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Ichord
Jacobs
Jeffords
Johnson, Colo.
Jones, Ala.
Keys
Leggett
Lent
McCollister
Matsunaga
Meeds
Meyner
Mikva
Mills
Mink
Moffett
Moss
Mottl
Neal
Nix
Pepper
Quillen
Rees
Riegle
Rodino
Ryan
St Germain
Scheuer
Seiberling
Snyder
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stephens
Talcott
Teague
Udall
Vigorito
Wiggins
Wilson, C. H.
Wright
Wydler
Yates
Young, Ga.
Zeferetti

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Hébert
Mr Cotter with Mr Heinz
Mrs. Meyner with Mr. du Pont
Mr. Matsunaga with Mr. Esch
Mr. Nix with Mr. Eshleman
Mr. Moss with Mr. Flynt.
Mr. Pepper with Mr. Howe.
Mr. Vigorito with Mr. Burke of Florida
Mr. Young of Georgia with Mr. Green.
Mr. Phillip Burton with Mr. Clancy
Mr. Clay with Mr. Quillen.
Mr. Evans of Colorado with Mr. James V Stanton.
Mr. Conyers with Mr. Riegle.
Mrs. Keys with Mr. Steelman.
Mr. Jacobs with Mr. Steiger of Arizona.
Mr. Udall with Mr. Snyder.
Mr. Moffett with Mr. McCollister
Mrs. Mink with Mr. Scheuer.
Mr. Leggett with Mr. Hillis.
Mr. Holland with Mr. Downing of Virginia.
Mr. Adams with Mr. Haley.
Mr. Charles H. Wilson of California with Mr. Jones of Alabama.
Mr. Hawkins with Mr. Armstrong.
Mr. AuCoin with Mr. Mills.
Mr. D'Amours with Mr. Evins of Tennessee.
Mr. Fuqua with Mr. Ryan.
Mr. Hall of Illinois with Mr. Stark.
Mr Ichord with Mr. Rees.
Mr. Baldus with Mr Wright.
Mr. Dodd with Mr. Seiberling.
Mr. Meeds with Mr. Stephens.
Mrs. Burke of California with Mr St Germain.
Mr. Mikva with Mr Yates.
Mr. Mottl with Mr. Broomfield
Mr. Neal with Mrs. Chisholm.
Mr. Rodino with Mr. Cohen
Mr. Teague with Mr. Talcott.
Mr. Zeferetti with Mr. Wydler
Mr. Conable with Mr. Lent.
Mr. Conlan with Mr. Crane.
Mr. Fish with Mr. Forsythe.
Mr. Jeffords with Mr. Johnson of Colorado.

Mr. HALL of Texas changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on my special order on the Honorable RAY J. MADDEN on September 30.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RURAL ELECTRIFICATION ADMINISTRATION TECHNICAL AMENDMENTS ACT OF 1976

Mr. BERGLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12207) to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill

The Clerk read the Senate amendment as follows:

Page 3, after line 14, insert

SEC. 4. This Act shall take effect upon enactment, except that insured loans made pursuant to applications for such loans which would otherwise lose eligibility for special rate financing upon such enactment, received by the Rural Electrification Administration and still pending on the date of enactment of this Act, shall bear interest as determined under section 305(b) of the Rural Electrification Act of 1936 before its amendment by this Act

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Minnesota (Mr BERGLAND) would answer a question for me?

Mr. BERGLAND. I will, Mr. Speaker, if the gentleman will yield.

Mr. MADIGAN. Mr. Speaker, I understand the bill that we are considering, except for the Senate amendment, passed both the Committee on Agriculture and the full House by unanimous votes. I wonder if the gentleman from Minnesota will explain as briefly as possible the Senate amendment.

Mr. BERGLAND. Mr. Speaker, if the gentleman will yield, the bill which we passed unanimously some time ago and the Senate amendment now under consideration are supported by the administration. The other body added an amendment which simply grandfathers in those borrowers who have applications on file at the time this bill becomes law, and those will be considered under the old loan criteria. Those applications which are received after this bill becomes law will be considered under the new criteria.

The criteria in question is the matter of determining eligibility as to how they qualify for 2-percent special funding.

As the gentleman from Illinois will recall, the House-passed bill established new criteria which generally restricts the number of borrowers eligible for funding at a lower rate of interest.

Mr. MADIGAN Mr Speaker, it is my understanding that the bill as it left the House would have saved the Government $505 million, and that the change made by the Senate alters that savings

Would the gentleman tell me if there would still be a net saving to the Government and, if so, what that would be?

Mr. BERGLAND. Mr. Speaker, if the gentleman will yield, there would be a substantial net savings. I am not familiar with the precise amount, but it would be approximately the same as the savings estimated under the original House-passed bill

Mr MADIGAN. Mr Speaker I withdraw my reservation of objection

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING CERTAIN LAWS AFFECTING PERSONNEL OF THE COAST GUARD

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12939) to amend certain laws affecting personnel of the Coast Guard, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

> Page 8, line 15, strike out "word 'Title'" and insert: "words 'chapter 5 of Title 47'".
>
> Page 8, line 16, strike out "word 'title'." and insert: "words 'section 305 of the Communications Act of 1934 (47 U.S.C. 305)'"

Mr. BIAGGI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York for the consideration of the bill with Senate amendments?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, can the gentleman from New York (Mr. BIAGGI) assure us that none of the amendments are nongermane to the bill?

Mr. BIAGGI. Mr. Speaker, if the gentleman will yield, they are germane.

Mr. BIAGGI. Yes. They are purely technical in nature making minor structural changes.

Mr. Speaker, H.R. 12939, as it passed the House, contained, inter alia, an amendment to section 829 of title 14, United States Code, correcting a typographical error in that section. The Senate amendments would change the proposed amendment to the section in question by correcting an improper citation in the basic section.

The Senate amendments are technical in nature, germane, and do not involve any additional costs. They should be accepted by the House.

Title 14, United States Code, section 829, presently reads as follows:

> § 829. Radio Station Deemed Government Station
>
> Any radio station, while assigned to authorized Coast Guard duty shall be deemed to be a radio station of the Coast Guard and a "government station" within the meaning of chapter 5 of Title 47.

H.R. 12939, an administration proposal, contains 38 amendments to title 14. The 38th amendment reads as follows:

> (38) In section 829 by striking the word "Title" and inserting in lieu thereof the word "title."

The Senate amendment would change amendment 38 to read as follows:

> (38) In section 829 by striking the words "chapter 5 of Title 47" and inserting in lieu thereof the words "section 305 of the Communications Act of 1934 (47 U.S.C. 305)."

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from New York, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING THE FEDERAL BOAT SAFETY ACT OF 1971

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13585) to amend the Federal Boat Safety Act of 1971, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> Page 4, strike out lines 10 and 18, inclusive.
>
> Page 4, line 19, strike out "(12)" and insert: "(11)".
>
> Page 5, line 1, strike out "(13)" and insert: "(12)".

Mr. BIAGGI (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the Senate amendments and ask that they be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, again I inquire about the germaneness of these amendments.

Mr. BIAGGI. If the gentleman will yield, these amendments are germane to the section that was deleted from the bill. The Senate amendments also removed from the bill the provision for the 1 percent, which is equivalent to $70,000, to be given to the association which deals with the Boat Safety Act with relation to the States. The House had included the 1 percent or $70,000, and the Senate version deletes it. We concur with the Senate in that respect.

Mr. Speaker, the bill, H.R. 13585, as passed by the House on September 20, 1976, contains 13 amendments to the Federal Boat Safety Act, generally routine in nature, designed to correct deficiencies in the act and to enable its better implementation.

In its action on the bill, the Senate agreed with 12 of the proposed amendments and deleted one. The amendment deleted by the Senate would have authorized the Secretary to allocate a percentage of certain Federal funds for the assistance of State programs directly to a national association of State boating law administrators, a liaison group established to coordinate State activities under the act. The Senate deleted that section presumably because it felt that the funding of such State officers should not come directly from the Federal Government.

If there were more time available, it might be desirable to seek a conference on the differing versions to resolve this issue. Under the circumstances of time, however, I believe that the House should accept the Senate amendments so that the other provisions of the bill can go into effect. The issue in disagreement is not critical from a time viewpoint and can be taken up again in the next Congress.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from New York, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT TO PROCLAIM OCTOBER 10 TO 16, 1976, AS "NATIVE AMERICAN AWARENESS WEEK"

Mr. RISENHOOVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 209) authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman explain what this is all about?

Mr. RISENHOOVER. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Oklahoma.

Mr. RISENHOOVER. Mr. Speaker, this joint resolution is identical to House Joint Resolution 958 which I sponsored at the Speaker's request along with our distinguished minority leader, Mr. RHODES, and subsequently cosponsored with a total of 62 of our colleagues.

It is a simple gesture during this Bicentennial Year to take a week to salute those who were on this continent when the first Europeans arrived under rather lax immigration laws. We have taken a good deal of Indian land and many Indian traditions and customs have faded since the first wave of immigration.

This resolution reminds us of their contributions, culture, and heritage. I urge my colleagues to read the text of the resolution and for all citizens across the land to appropriately observe this week.

Three States—Oklahoma, South Dakota, and California—and four cities—San Francisco, Los Angeles, Montevello, and Oklahoma City—have passed their own resolutions and the Senate passed Senate Joint Resolution 209 unanimously.

Mr. ROUSSELOT. Mr Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 209

Whereas native American people, both on and off the reservations, are receiving too little recognition for their contributions to society;

Whereas to the extent there has been oppression of all Indian tribes and people, many non-Indians have lost or have never fully understood the true image of the native American;

Whereas there is a strong and renewed interest in the self-preservation of all aspects of Indian culture and heritage;

Whereas there is urgency to promote a unified effort of all for the common good, and to bring about a more wholesome relationship among native Americans;

Whereas the native American population is working for a better future, for a revival of participation in the tribal affairs, and for a revival of moral support for the tribal councils;

Whereas the opportunity exists for an improved understanding regarding how the peoples' needs and desires are reflected in the programs and policies of the tribal governments and Federal agencies;

Whereas the native American communities are voicing greater self-expression and exposure of their values to surrounding communities, and are taking a more active role in the use and development of their skills and resources;

Whereas the native American people made significant historical contributions to the welfare and survival of early pioneers and explorers who ultimately founded the Republic of the United States of America: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, That the President of the United States is hereby authorized and directed to issue a proclamation designating the week of October 10 through 16, 1976, as "Native American Awareness Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE INTERCOASTAL SHIPPING ACT, 1933

Mrs. **SULLIVAN.** Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10841) to amend the Intercoastal Shipping Act, 1933, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Shipping Regulatory Reform Act of 1976".

Sec. 2 The first section of the Intercoastal Shipping Act, 1933 (46 U.S.C. 843) is amended to read as follows:

"Section 1. (a) This Act may be cited as the 'Domestic Offshore Shipping Act'

"(b) As used in this Act—

"(1) The term 'Commission' means the Federal Maritime Commission.

"(2) The term 'common carrier by water in domestic offshore commerce' means any common carrier engaged in the transportation by water of passengers or property on the high seas or the Great Lakes on regular routes from port to port in noncontiguous trade. As used in this paragraph, the term 'noncontiguous trade' means any trade, traffic, transportation, or commerce—

"(A) between (i) a place in any of the contiguous 48 States of the United States and (ii) Alaska, Hawaii, or any Commonwealth, territory, or possession of the United States; or

"(B) between (i) a place in Alaska, Hawaii, or any Commonwealth, territory, or possession of the United States and (ii) any other place in Alaska, Hawaii, or any Commonwealth, territory, or possession of the United States other than a place in the same State.

"(3) The term 'general increase or decrease in rates' means any tariff change that involves increases or decreases, as the case may be, in not less than 50 percent of the rates, fares, or charges in the tariffs per trade of any common carrier by water in domestic offshore commerce if, as a direct result of such increases or decreases, the gross revenues of such carrier will increase or decrease by an amount equal to not less than 3 percent of the gross revenues of such carrier".

Sec. 3. Section 2 of such Act (46 U.S.C. 844) is amended by—

(1) inserting "(a)", "(b)", "(c)", "(d)", and "(f)" immediately before the first, second, third, fourth, and fifth paragraphs thereof;

(2) striking out "Federal Maritime Board" and "board" at each place where such terms appear and inserting in lieu thereof at each such place "Commission";

(3) striking out in the first sentence of subsection (a) (as so designated by paragraph (1)) "That every common carrier by water in intercoastal commerce" and inserting in lieu thereof "Every common carrier by water in domestic offshore commerce";

(4) striking out in subsection (b) (as so designated by paragraph (1)) "No change shall be made" and inserting in lieu thereof the following: "Except as otherwise provided in this subsection, no change shall be made";

(5) striking out in subsection (b) (as so designated by paragraph (1)) ": *Provided*," and all that follows through the end of such subsection and inserting in lieu thereof a period and the following new sentences: "No general increase or decrease in rates shall take effect before the close of the 60th day after the date on which such general increase or decrease is posted and filed with the Commission. The Commission may, in its discretion and for good cause, allow any such change to become effective and any such general increase or decrease to take effect prior to the expiration of the applicable time period specified in this subsection. Any schedule or change which provides for the extension of actual service to any additional port, at the rates of the carrier involved for similar service already in effect at the nearest port of call to such additional port, shall take effect immediately upon the submission of notice thereof to the Commission."; and

(6) inserting immediately after subsection (d) (as so designated by paragraph (1)) the following new subsection:

"(e) The Commission shall, by regulation, require each common carrier by water in domestic offshore commerce to maintain such records and to submit to the Commission such reports, as the Commission may reasonably require, including annual reports which give an account of the affairs of such carrier in such form and detail as the Commission prescribes The statistics, tables, and figures contained in any such reports shall be preserved as public records in the custody of the Secretary of the Commission and shall be received as prima facie evidence of what they purport to be.".

Sec. 4. Section 3 of such Act (46 U.S.C. 845) is amended by—

(1) striking out "board" at each place where such term appears and inserting in lieu thereof at each such place "Commission";

(2) inserting "(a)" immediately before "Whenever" at the beginning of the first paragraph thereof;

(3) amending subsection (a) (as so designated by paragraph (1)) by—

(A) striking out "complaint" each place it appears therein and inserting in lieu thereof "protest";

(B) striking out the colon after "practice" and inserting in lieu thereof a period; and

(C) striking out "*Provided, however,*" and all that follows through the end of such subsection and inserting in lieu thereof the following new sentences: "The Commission shall not order a hearing pursuant to this subsection—

"(1) upon its own initiative unless the Commission publishes in the Federal Register the reasons, in detail, why it considers such a hearing to be necessary; or

"(2) upon protest unless the Commission finds, on the basis of the facts set forth in the verified protest, that the protestant has established that—

"(A) the proposed rate, fare, charge, regulation, or practice (or part thereof) may cause substantial injury to the protestant, and

"(B) it will likely prevail on the merits.

For purposes of facilitating the administration of this Act, the Commission shall, within 540 days after the date of enactment of the Shipping Regulatory Reform Act of 1976, by regulation, prescribe guidelines for the determination of what constitutes a just and reasonable rate of return or profit for a common carrier or common carriers by water in domestic offshore commerce. The Commission shall, thereafter, periodically review such guidelines and prescribe such amendments thereto as may be appropriate.";

(4) by striking out the second paragraph thereof, and inserting in lieu thereof the following two new subsections:

"(b) Pending a hearing and decision under subsection (a), the Commission may, except as otherwise provided in this subsection, suspend, in whole or in part to the extent that a protestant has made a showing, pursuant to under subsection (a) (27), the operation of the schedule involved and defer, in whole or in part, the use of any new rate, fare, charge, classification, regulation, or practice. Any such suspension shall not be for a longer period than 180 days beyond the time when such change would otherwise have gone into effect. The Commission may not, at any time, suspend—

"(1) any tariff schedule or change which provides for the extension of actual service to any additional port, at the rates of the carrier involved for similar service already in effect at the nearest port of call to such additional port; and or

"(2) the operation of that portion of any changed rate, fare, or charge representing an increase or decrease of 6 percent or less and filed as part of a general increase or decrease in rates

except that the aggregate of such changes exempt from suspension shall not exceed 5 percent during each period of 12 consecutive months following the date of the enactment of the Shipping Regulatory Reform Act of 1976.

Nothing in this subparagraph shall be construed as establishing a presumption that any increase or decrease in excess of 5 percent is not just and reasonable, or that any increase or decrease of less than 5 percent is just and reasonable.

"(c)(1) At any hearing under this section, the burden of proving that a rate, fare, charge, classification, regulation, or practice is just and reasonable shall be upon the carrier involved. The Commission shall give such hearing and decision preference over all other matters pending before the Commission and shall make its decision at the earliest practicable time. The Commissioner shall complete any hearing under this section within 60 days; the initial decision resulting therefrom, if any, shall be submitted in writing to the Commission within 120 days; and the Commission shall issue a final decision thereon within 180 days. The 60-day, 120-day, and 180-day periods referred to in the preceding sentence shall each begin on the day on which such rate, fare, charge, classification, regulation, or practice first takes effect or, in the case of suspended matter, on the day on which such matter would otherwise have gone into effect. The Commission may, in its discretion and for good cause, extend any such time period or suspension period for a period of not more than 60 days, if three or more Commissioners agree to such an extension. If any such extension is granted, the Commission shall report thereon in writing to the Congress within 10 days after the granting of such extension. Each such report shall include—

"(A) a full explanation of the reasons for such extension,

"(B) a statement of the issues involved in the matter before the Commission,

"(C) the names of the personnel of the Commission working on such matter, and

"(D) a record of how each Commissioner voted with respect to such extension.

If a final decision is not issued by the Commission within the 180-day period, or by the end of any extension period, such rate, fare, charge, classification, regulation, or practice shall, for purposes of this section, thereafter be deemed to be just and reasonable; except that, (i) if the Commission finds that it is unable to issue a final decision within such period or within such extension, due to delays which are directly attributable to the proponent of such rate, charge, classification, regulation, or practice, the Commission may disapprove such rate, fare, charge, classification, regulation, or practice, upon the expiration of such period of extension, and (ii) this provision shall not preclude any remedies available pursuant to section 22 of the Shipping Act, 1916 (46 U.S.C. 801 et seq.). Notwithstanding any other provision of law, in providing a hearing for the purposes of this section, it shall be adequate to provide an opportunity for the submission of all evidence in written form, followed by an opportunity for briefs, written statements, or conferences of the parties. Any such conference may be chaired by an individual Commissioner, an administrative law judge, or any designated employee of the Commission.

"(2) If the Commission finds, as a result of any proceeding under this section, that any unsuspended portion of any increase in the operating revenues of a carrier resulting from a new rate, fare, charge, classification, regulation, or practice is not just and reasonable, the Commission shall order such carrier to refund to any person, who was charged on the basis of such increase before the date of the decision by the Commission thereon, an amount equal to that portion thereof found to be not just and reasonable plus interest on such amount computed on the basis of the average yield, in effect on the date such general increase was filed, of marketable securities of the United States having a duration of 90 days.".

SEC. 5. Section 5 of such Act (46 U.S.C. (b)) is amended by striking out "are extended" and all that follows through "Shipping Act, 1916, and"

SEC. 6. Section 7 of such Act (46 U.S.C. 847) is redesignated as section 6 thereof.

SEC. 7. Section 8 of such Act (46 U.S.C. 848) is repealed.

SEC. 8. (a) Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended by adding at the end of part I thereof the following new section:

"SEC. 106. Congressional Access to Information.—(a) Whenever the Commission submits any written budget estimate, budget request, or related information to the President or the Office of Management and Budget, it shall concurrently transmit a copy of such budget estimate, request, or information to the Congress.

"(b) Whenever the Commission submits any legislative recommendations, testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"(c) Whenever the Committee on Merchant Marine and Fisheries of the House of Representatives or the Committee on Commerce of the Senate makes a written request for documents in the possession or subject to the control of the Commission, the Commission shall, within 10 days after the date of receipt of such request, submit such documents (or copies thereof) to such committee. If the Commission does not have any such documents in its possession, it shall so notify such committee within such 10-day period. Any such notice shall state the anticipated date by which such documents will be obtained and submitted to such committee. Whenever the Commission transfers any document in its possession or subject to its control to any person or any other governmental entity, it shall condition such transfer on the guaranteed return by the transferee of such document to the Commission so that the Commission can comply with the requirement of this paragraph. This paragraph shall not be deemed to restrict any other authority of either House of Congress, or any committee or subcommittee thereof, to obtain documents. For purposes of this paragraph, the term 'documents' means any book, paper, correspondence, memorandum, or other record, or any copy thereof.".

(b)(1) The Federal Maritime Commission (hereafter in this subsection referred to as the "Commission") shall, in cooperation with the Secretary of Commerce, the Secretary of the department in which the Coast Guard is operating, and any other interested department, agency, or instrumentality of the Federal Government—

(A) make a full and complete review and study of the law of the United States relating to the Commission for the purpose of formulating and recommending to the Congress legislation that would better achieve the purposes for which the Commission was established by reorganization plan; and

(B) review, study, and make recommendations for revision and codification of the statutes, and other lawful authorities administered by or applicable to the Commission or otherwise set forth in title 46 of the United States Code, including the review of any existing proposal relating to the codification of such title 46; the repeal, transfer, consolidation, and modification of any particular provisions and portions thereof; any changes and modifications in the organization and structure of such title 46 and in the technical presentation of matters included therein; and such changes in the authorities delegated, the functions prescribed, and the structure and procedures mandated or authorized as the Commission believes may coordinate, make more understandable, and modernize the laws of the United States relating to shipping in order to facilitate effective and fair administration thereof and to enhance commerce and protect consumers.

(2) The Chairman of the Commission, if three or more Commissioners agree, may appoint and compensate a qualified individual to serve as the director of the Commission's law revision activity under this subsection. Such person shall be appointed without regard to the provision of title 5, United States Code, governing appointments in the competitive service, but at a rate not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title. The director shall serve as the Commission's reporter and shall, subject to the direction of the Commission, supervise the preparation of reports and the activities of applicable personnel. Individuals may be employed by the Commission on a full- or part-time basis for purposes of assisting in, or contributing to, law revision activity provided for under this subsection, without regard to the civil service laws. Any department, agency, or other instrumentality of the Federal Government shall, to the extent of available resources and upon a written request from the Chairman of the Commission, make available to the Commission such qualified personnel (with their consent and without prejudice to their position and rating), services, facilities, and information as may be necessary or appropriate to assist in achieving the purposes of this subsection.

(3) The Commission shall establish an Advisory Committee on Law Revision to advise and consult with the Chairman and other Commissioners and with its law revision staff. Except as otherwise provided in this paragraph, the members of such Advisory Committee shall be appointed by the Chairman of the Commission and shall be individuals who are especially qualified, by reason of knowledge, experience, or training, to assist in law revision activity under this subsection. The Chairman of the Commission, the Secretary of Commerce, and the Secretary of the department in which the Coast Guard is operating (or their duly designated representatives) shall be members of such Advisory Committee ex officio.

(4) The Commission shall invite, and afford interested persons and other governmental entities an opportunity to submit, comments and recommendations with respect to some or all of the law revision activity described in subparagraphs (A) and (B) of paragraph (1). The Commission shall evaluate and consider all responses and submissions received by it with respect to such law revision activity. The Commission shall coordinate its law revision activity under this subsection with any such activity conducted by the Office of the Law Revision Counsel of the House of Representatives or the Congressional Research Service of the Library of Congress. Each department, agency, and independent instrumentality of the Federal Government shall cooperate with, assist, and make appropriate presentations to, and reviews for, the Commission.

(5) The Chairman of the Commission shall submit to the Congress and the President—

(A) a preliminary report with respect to law revision activity under the subsection, including a statement indicating what, if any, additional legislative or other action is necessary to implement this subsection, not later than 6 months after the date of the enactment of this Act; and

(B) a final report with respect to law revision activity under this subsection, not later than 2 years after the date of the enactment of this Act. The final report shall include the text of the proposed revision and codification; an explanation of each significant provision proposed for inclusion therein; an analysis of the economic and other consequences of such revision and codification; a discussion of significant alternatives considered but not recommended; and such other information as may be useful to the Congress. If any member of the Advisory Committee established under paragraph (3) disagrees with any matter included in the final report, such member may submit a statement setting forth the reasons for such disagreement, which the Chairman of the Commission shall include in an appendix to such report. The final report shall be designed to facilitate congressional consideration of matters relating to regulatory reform and shall be consistent with the purpose of the Congress in this subsection to clarify, simplify, and improve (both substantively and technically) the laws of the United States relating to shipping.

The Clerk read the amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment to the bill, insert the following:

That the first section of the Intercoastal Shipping Act, 1933 (46 U.S.C. 843), is amended by inserting "(1)" immediately before "The term"; and by adding at the end thereof the following—

"(2) The term 'general increase in rates' means any change in rates, fares, or charges which will (A) result in an increase in not less than 50 per centum of rate, fare, or charge items in the tariffs per trade of any common carrier by water in intercoastal commerce; and (B) directly result in an increase in gross revenues of such carrier of not less than 3 per centum.

"(3) The term 'general decrease in rates' means any change in rates, fares, or charges which will (A) result in a decrease in not less than 50 per centum of the rate, fare, or charge items in the tariffs per trade of any common carrier by water in intercoastal commerce; and (B) directly result in a decrease in gross revenues of such carrier of not less than 3 per centum.".

SEC. 2. The second paragraph of section 2 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 844), is amended—

(1) by striking out *"Provided,"* and inserting in lieu thereof the following: *"Provided*, That no general increase in rates or general decrease in rates shall take effect before the close of the sixtieth day after the day on which such general increase in rates or general decrease in rates is posted and filed with the Commission: *Provided further,";* and

(2) by inserting "or sixty days" immediately after "thirty days" in the second proviso thereto.

SEC. 3. Section 3 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 845), is amended—

(1) by inserting "(a)" immediately before "Whenever" at the beginning of the first paragraph thereof;

(2) by amending subsection (a) (as so designated by paragraph (1)) by—

(A) striking out "complaint" each place it appears therein and inserting in lieu thereof "protest";

(B) striking out the colon after "practice" and inserting in lieu thereof a period; and

(C) striking out the proviso and inserting in lieu thereof the following:

"The Commission shall not order a hearing pursuant to this subsection—

"(1) upon its own initiative unless the Commission publishes in the Federal Register the reasons, in detail, why it considers such a hearing to be necessary; or

"(2) upon protest unless the Commission finds, on the basis of the facts set forth in the verified protest, that the protestant has established that—

"(A) the proposed rate, fare, charge, regulation, or practice may cause substantial injury to the protestant, and

"(B) it will likely prevail on the merits.

For purposes of facilitating the administration of this Act, the Commission shall, within one year after the effective date of this sentence, by regulation prescribe guidelines for the determination of what constitutes a just and reasonable rate of return or profit for common carriers by water in intercoastal commerce. After the regulations referred to in the preceding sentence are initially prescribed, the Commission shall from time to time thereafter review such regulations and make such amendments thereto as may be appropriate.";

(3) by inserting "(b)" immediately before "Pending" at the beginning of the second paragraph thereof;

(4) by amending subsection (b) (as so designated by paragraph (3)) by—

(A) inserting ", except as provided in subsection (c)," immediately before "from time to time" in the first sentence thereof;

(B) striking out "four months" and inserting "one hundred and eighty days" in lieu thereof in the first sentence thereof;

(C) striking out "and decide the same as speedily as possible" at the end of the last sentence thereof; and

(D) inserting at the end thereof the following new sentences:

"Notwithstanding any other provision of law, the Commission shall complete such hearing under this section within sixty days; the initial decision resulting therefrom, if any, shall be submitted in writing to the Commission within one hundred and twenty days; and the Commission shall issue a final decision thereon within one hundred and eighty days. The sixty-day, one hundred and twenty-day, and one hundred and eighty-day periods referred to in the preceding sentence shall each begin on the day on which such rate, fare, charge, classification, regulation, or practice first takes effect or, in the case of suspended matter, shall begin on the day on which such matter would have otherwise gone into effect. However, the Commission may, in its descretion and for good cause, extend the time period or suspension period for a period of not more than sixty days, if three or more Commissioners agree to such an extension. If such extension is granted, the Commission shall report in writing to Congress within ten days from the granting of such extension together with—

"(A) a full explanation of the reasons for the extension,

"(B) the issues involved in the matter before the Commission,

"(C) the names of the personnel of the Commission working on such matter, and

"(D) a record of how each Commissioner voted on the extension.

If a final decision is not issued by the Commission within the one hundred and eighty-day period, or by the end of any extension period, such rate, fare, charge, classification, regulation, or practice shall, for purposes of this section, thereafter be deemed to be just and reasonable. However, if the Commission finds that it is unable to issue a final decision within such period or within such extension due to delays which are directly attributable to the proponent of such rate, charge, classification, regulation, or practice, the Commission may disapprove such rate, fare, charge, classification, regulation, or practice, upon the expiration of such period or extension. This provision shall not preclude any remedies available pursuant to section 22 of the Shipping Act, 1916. Notwithstanding any other provision of law, in providing a hearing for the purposes of this Act, it shall be adequate to provide an opportunity for the submission of all evidence in written form, followed by an opportunity for briefs, written statements, or conferences of the parties. Any such conference may be chaired by an individual Commissioner, an Administrative Law Judge, or any designated employee of the Commission.".

(5) by adding at the end thereof the following new subsection:

"(c)(1) Notwithstanding any other provision of this section, the Commission may not suspend—

"(A) any tariff schedule or service which extends to any additional port, actual service at the rates of the carrier involved for similar service already in effect at the nearest port of call to such additional port; or

"(B) the operation of that portion of any changed rate, fare, or charge representing an increase or decrease of 7 per centum or less and filed as part of a general increase in rates or a general decrease in rates, except that the aggregate of such changes exempt from suspension shall not exceed 7 per centum during each period of twelve consecutive months following the date of the enactment of this subsection; nothing in this subparagraph shall be construed as establishing a presumption that any increase or decrease in excess of 7 per centum is not just and reasonable, or that any increase or decrease less than 7 per centum is just and reasonable.

"(2) If the Commission finds, as a result of any proceeding under this section with respect to a general increase in rates, that any unsuspended portion of the increase in the carrier's operating revenues resulting therefrom is not just and reasonable, the Commission shall order the carrier involved to refund to any person who was charged on the basis of such general increase before the date of the decision by the Commission thereon an amount equal to that portion thereof found to be not just and reasonable plus interest on such amount computed on the basis of the average yield, in effect on the date such general increase was filed, of marketable securities of the United States having a duration of ninety days."

SEC. 4. The Intercoastal Shipping Act, 1933, is further amended by inserting immediately after section 5 thereof the following new section:

"SEC. 6. The Commission shall, by regulation, require each common carrier by water in domestic offshore commerce to maintain such records and to submit to the Commission such reports, as the Commission may reasonably require, including annual reports which give an account of the affairs the Commission prescribes. The statistics, of such carrier in such form and detail as tables, and figures contained in any such report shall be preserved as public records in the custody of the Secretary of the Commission and shall be received as prima facie evidence of what they purport to be.".

SEC. 5. Section 8 of the Intercoastal Shipping Act, 1933 (46 U.S.C. 847) is amended by striking out the words "Intercoastal Shipping Act, 1933" and inserting in lieu thereof "Domestic Offshore Shipping Act".

SEC. 6. Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended by adding at the end of part I thereof the following new section:

"SEC 106. (a) Whenever the Committee on Merchant Marine and Fisheries of the House of Representatives or the Committee on Commerce of the Senate makes a written request for documents in the possession or subject to the control of the Commission, the Commission shall, within 10 days after the date of receipt of such request, submit such documents (or copies thereof) to such committee. If the Commission does not have any such documents in its possession, it shall so notify such committee within such 10-day period. Any such notice shall state the anticipated date by which such documents will be obtained and submitted to such committee. Whenever the Commission transfers any document in its possession or subject to its control to any person or any other governmental entity, it shall condition such transfer on the guaranteed return by the transferee of such document to the Commission so that the Commission can comply with the requirement of this paragraph. This paragraph shall not be deemed to restrict any other authority of either House of Congress, or any committee or subcommittee thereof, to obtain documents. For purposes of this paragraph, the term 'document' means any book, paper, correspondence, memorandum, or other record, or any copy thereof.

"(b) The Commission shall, in cooperation with the Secretary of Commerce, the Secretary of the department in which the Coast Guard is operating, and any other interested department, agency, or instrumentality of the Federal Government make a full and complete review and study of the law of the United States relating to the Commission for the purpose of formulating and recommending to the Congress legislation which would better achieve the purposes for which the Commission was established by reorganization plan; and

"(c) The Commission shall establish an Advisory Committee on Law Revision to advise and consult with the Chairman and other Commissioners and with its law revision staff. Except as otherwise provided in this paragraph, the members of such Advisory Committee shall be appointed by the Chairman of the Commission, upon the approval of three or more commissioners, and shall be individuals who are especially qualified, by reason of knowledge, experience, or training, to assist in such law revision activity.

"(d) The Commission is authorized and encouraged to request the submission to it of information and recommendations with respect to its responsibilities under this section. Each department, agency, and independent instrumentality of the Federal Government shall cooperate with, assist, and make appropriate presentations to and reviews for, the Commission.

"(e) The Chairman of the Commission shall submit to the Congress and the President a report on law revision, not later than 12 months after the effective date of this section. Such report shall include the text of the proposed revision and codification; an explanation of each significant provision proposed for inclusion therein; an analysis of the economic and other consequences of such revision and codification; a discussion of significant alternatives considered but not recommended; and such other information as may be useful to the Congress. If any member of the Advisory Committee established under subsection (c) disagrees with any matter which is included in any such report, such member may submit a statement setting forth the reasons for such disagreement, which the Chairman of the Commission shall include in an appendix to such report. Such report shall be designed to facilitate congressional consideration of matters relating to regulatory reform and shall be consistent with the purpose of the Congress in this subsection to clarify, simplify, and improve (both substantively and technically) the laws of the United States relating to shipping."

Sec. 7. This Act shall take effect six months after enactment.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

A motion to reconsider was laid on the table.

TO AMEND THE ACT OF JULY 9, 1965 (79 STAT. 213; 16 U.S.C. 4601–17(c))

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 15563, to amend the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes, with the Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That section 6(d) of the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)) is amended by inserting after "Authority,": "but the Authority is authorized to recognize and provide for recreational and other public uses at any dams and reservoirs heretofore or hereafter constructed in a manner consistent with the promotion of navigation, flood control, and the generation of electrical energy, as otherwise required by law,".

Sec. 2. The canal and towpath of the Chesapeake and Ohio Canal National Historical Park are hereby dedicated to Justice William O. Douglas in honor of the role Justice Douglas played in preventing such Canal from being made into a highway and in grateful recognition of his long and outstanding service as a preeminent American conservationist. In order to properly carry out the provisions of this section the Secretary of the Interior shall (1) have the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas" prominently displayed on all existing and future signs bearing the name "Chesapeake and Ohio Canal National Historical Park" or any abbreviation thereof, (2) incorporate into the interpretive programs of the Canal Park Justice Douglas' role in preserving the Canal, (3) provide that all maps of such Canal, and other such appropriate materials relating to such Canal and Park, which are prepared after the date of enactment of this section bear the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas"; and (4) install signs bearing the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas" at appropriate points in the Canal Park to call to the attention of the public that the towpath has been so dedicated.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with that it be printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Is there objection to the consideration of the Senate amendment?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

TO DIRECT SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS TO VALLEY COUNTY, IDAHO

Mr. MELCHER. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate bill, S. 726, to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. SKUBITZ. Mr. Speaker, reserving the right to object, will the gentleman from Montana explain what this bill is all about?

Mr. MELCHER. Mr. Speaker, if the gentleman will yield, I would be happy to explain.

Mr. SKUBITZ. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Speaker, this is a bill to authorize the exchange of 40 acres of land to be used for sanitary landfill purposes, which are passed by the committee at the request of the gentleman from Idaho (Mr. Symms).

Mr. SKUBITZ. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. Brademas). Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey to Valley County, Idaho, subject to the provisions of section 2 of this Act, all right, title, and interest of the United States, in and to the following described lands:

The northwest quarter of the southwest quarter of section 3, township 15 north, range 4 east, Boise meridian, Valley County, Idaho.

Sec. 2. The conveyance authorized by the first section of this Act shall be made upon payment by Valley County, Idaho, to the Secretary of the Interior of an amount equal to the fair market value of such land, as determined by the Secretary after appraisal.

The Senate bill was ordered to be read a third time, and was read the third time and passed, and a motion to reconsider was laid on the table.

ELIMINATING RESTRICTION ON USE OF CERTAIN LANDS CONVEYED TO THE CITY OF YAKUTAT, ALASKA

Mr. MELCHER. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate bill (S. 2798) to eliminate a restriction on use of certain lands conveyed to the city of Yakutat, Alaska.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I would be pleased to yield to the gentleman from Montana if he would explain briefly what this is all about.

Mr. MELCHER. Mr. Speaker, I will be glad to do so if the gentleman will yield.

Mr. ROUSSELOT. I am pleased to yield to the gentleman from Montana.

Mr. MELCHER. Mr. Speaker, the act of August 23, 1950 (64 Stat. 470) directs the Secretary to convey to local officials all right, title, and interests of the United

States to any parcels and improvements thereon for school or other public purposes, whenever he determines that the lands or improvements thereon are no longer required by the Alaska Native Service—now the Bureau of Indian Affairs—for school purposes. The act required that all such conveyances must reserve minerals to the United States, together with the rights to prospect for and remove such minerals under regulations by the Secretary. In addition, it required that the United States retain a reversionary interest insuring that the lands and improvements on such conveyances will be used for school and public purposes only, and that the school facilities will be available to all Native children.

A patent for the approximately 1 acre described in S. 2798, was issued on April 20, 1954, to the city of Yakutat. The patent contained a revisionary clause providing that the land could be used only for school or other public purpose, and reserved to the United States not only the mineral rights, but various rights-of-way including those for canals and ditches. The city no longer needs the property for schools nor does it envision the need for more municipal land. Therefore, the city would like to remove the reversionary clause so that this land can be sold and revenues used for public purposes.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, further reserving the right to object, I would yield to my good friend, the gentleman from Alaska (Mr. YOUNG) who, as I understand, has a similar bill introduced in the House.

Mr. YOUNG of Alaska. Mr. Speaker this bill is supported by the Alaska delegation, the Governor of the State of Alaska, and the city of Yakutat. It is a situation where the Department of the Interior agrees that the small amount of land that is available should be at this time released back to the city for public use, and not just school use, so that the city will have the use of that land for the benefit of the people of the city of Yakutat.

Mr. ROUSSELOT. I appreciate the gentleman's explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. BRADEMAS). Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill as follows:

S 2798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of the Act of August 23, 1950 (64 Stat 470) requiring that lands patented thereunder be used only for school or other public purposes, the Secretary of the Interior (hereinafter the "Secretary") is hereby authorized and directed to issue a new patent to the city of Yakutat, Alaska, for the following described lands without such a use restriction, but containing all other reservations to the United States required by that Act upon relinquishment of the existing patent provided that the requirements of sections 2 and 3 of this Act have been met:

Beginning at corner numbered 4 of school reserve, identical with meander corner numbered 4, tract A, of United States Survey numbered 1897, from which United States location monument numbered 179 bears south 54 degrees 6 minutes east, 37.04 chains distant; thence south 52 degrees 54 minutes east, 243.17 feet to meander corner numbered 1 of school reserve; thence north 33 degrees 41 minutes east, 177 feet to corner numbered 2 of school reserve; thence north 43 degrees 15 minutes west 184.65 feet to corner numbered 3 of school reserve; thence south 50 degrees 47 minutes west 213.75 feet to corner numbered 4, the place of beginning, containing 41,169 square feet, according to the official plat of the survey of the said land, approved March 1, 1937, on file in the Bureau of Land Management.

SEC. 2. No conveyance may be made under this Act and no new patent issued unless the city of Yakutat has shown to the satisfaction of the Secretary that—

(1) the lands described in section 1 will be sold at not less than fair market value;

(2) other lands of at least comparable value to the lands described in section 1 and more appropriate for school or other purposes than the described lands will be acquired and used for school or other public purposes in perpetuity; and

(3) that any amount by which proceeds of any sale of the described lands exceed the fair market value of the property acquired under clause (2) of this section shall be paid to the United States.

SEC. 3. If the requirements of section 2 are satisfied, the Secretary is authorized and directed to enter an agreement or agreements with the city of Yakutat, Alaska, whereby in consideration of issuance of a new patent pursuant to section 1, the city of Yakutat agrees that—

(1) title to any property acquired pursuant to section 2(2) will vest in the United States if such property ever ceases to be used for school or other public purposes; and

(2) that the city of Yakutat will execute, within ninety days after acquiring such property pursuant to section 2(2), a deed to this effect and deliver said deed to the Secretary

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO CONVEY TO THE CITY OF HAINES, ALASKA, INTERESTS OF THE UNITED STATES IN CERTAIN LANDS

Mr. MELCHER. Mr Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate bill (S 1365) to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr ROUSSELOT Mr Speaker, reserving the right to object, I yield to the gentleman from Montana for an explanation of the bill.

Mr. MELCHER. I thank the gentleman for yielding

Mr. Speaker, the act of August 23, 1950, directs the Secretary of the Interior to convey to local officials all right, title, and interest of the United States to any parcels and improvements thereon for school or other public purposes, whenever he determines that the lands or improvements are no longer required by the Alaska Native Service for school purposes. All such conveyances are required to reserve minerals to the United States, together with the right to prospect for and remove them under the Secretary's regulations. In addition, it is required that the United States retain a reversionary interest insuring that the lands and improvements can be used for school and public purposes only, and that the school facilities must be available to all Native children.

A deed for the lands described in S. 1365 was issued to the city of Haines on March 19, 1953. It quitclaimed the land to the city subject to all "terms, conditions, and limitations and reservations" in the 1950 Act. The building on this site was used for a school for a period of time after which the city converted it into a health center. After the health center became obsolete, the facility was used as a "teen center." Subsequently, the building was condemned by the fire department. The city has indicated that this land is in a residential area, and is no longer accessible or adequate for public use. The city would like to sell the land and facility and use the receipts to construct a building or purchase land to be used for public purposes in perpetuity. The land in question, approximately 30,746 square feet, consists of several tracts, all conveyed to the city of Haines pursuant to the Act of August 23, 1950.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I appreciate my colleague's explanation.

I now yield to my distinguished colleague, the gentleman from Alaska (Mr. YOUNG) who, I understand, is also very much interested in this legislation.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in strong support of this small piece of legislation. It consists of some 30,000 square feet. The land will be conveyed to the city, and also the structure on it, and with the revenue generated from the sale of this property, they will be able to invest in a public facility for use in the city of Haines.

Mr Speaker. I strongly support the legislation.

Mr ROUSSELOT Mr. Speaker, I withdraw my reservation of objection

The SPEAKER pro tempore Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of the Act of August 23, 1950 (64 Stat. 470), requiring that lands patented thereunder be used only for school or other public purposes, the Secretary of the Interior (hereinafter the "Secretary") is hereby authorized and directed to issue a new patent or deed to the city of Haines, Alaska, for the following described lands, without such a use restriction, but containing all other reservations to the United States required by that Act, upon relinquishment of the existing deed, provided that the requirements of sections 2 and 3 of this Act have been met.

Beginning at the northwest corner of lot 17 in block 13, which is the same as corner 1 of the Native School Reserve; thence north 76 degrees 23½ minutes west 58.11 feet to corner numbered 2; thence south 17 degrees 58 minutes west 165.26 feet to corner numbered 3; thence south 76 degrees 45 minutes east 82.08 feet to corner numbered 4; thence north 9 degrees 38 minutes east 164.65 feet to corner numbered 1, the place of beginning, containing 17,531 square feet.

Lots 8 and 9 of block 13 in the townsite of Haines, Alaska, containing a total of 7,330 square feet.

Lot 17 of block 13 in the townsite of Haines, Alaska, containing a total of 5,885 square feet.

Sec. 2 No conveyance may be made under this Act unless the city of Haines has shown to the satisfaction of the Secretary that—

(1) the city of Haines will sell such land and improvements identified in section 1 at not less than fair market value;

(2) the proceeds from the sale thereof will be used to acquire property to be used for school or other public purposes; and

(3) any amounts by which the proceeds from the sale of such lands and improvements identified in section 1 exceed the fair market value of the property acquired under clause (2) of this section shall be paid to the United States.

Sec. 3. If the requirements of section 2 are satisfied, the Secretary is authorized and directed to enter into an agreement or agreements with the city of Haines, Alaska, whereby in consideration of issuance of a new patent pursuant to section 1, the city of Haines—

(1) agrees that title to property acquired pursuant to section 2(2) will vest in the United States if such property ever ceases to be used for school or other public purpose; and

(2) agrees to execute, within ninety days after acquiring such property pursuant to section 2(2), a deed to this effect and deliver said deed to the Secretary.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PRINTING OF "SOVIET ECONOMY IN A NEW PERSPECTIVE"

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate Concurrent Resolution (S. Con. Res. 208) authorizing the printing of additional copies of the Joint Economic Committee print entitled "Soviet Economy in a New Perspective."

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 208

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee five thousand additional copies of its joint committee print of the Ninety-fourth Congress, second session, entitled "Soviet Economy in a New Perspective".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman tell us the cost of this?

Mr. BOLLING. If the gentleman will yield, the cost of printing the extra copies will be $12,397.45, but will be at a saving by printing it now of $6,265.51, because it will be printed at the same time as the normal allotment of the Joint Economic Committee would be printed.

The reason for the request is that we know from the past we will get an enormous demand for any Joint Economic Committee paper on the Soviet economy. This request was made on behalf of the committee, of which I am vice chairman, by the chairman Senator Hubert Humphrey and by the ranking Republican member, the gentleman from Ohio (Mr. Brown).

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's explanation.

I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

UPGRADING AND INCREASING COMPENSATION OF CERTAIN OFFICIALS OF DEPARTMENT OF AGRICULTURE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10133) to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out all after line 22 over to and including line 6 on page 3, and insert:

Sec. 3. (a) Section 5315 of title 5 of the United States Code is amended by striking out "(4)" at the end of paragraph (11) and by inserting in lieu thereof "(5)".

(b) Section 5316 of title 5 of the United States Code is amended—

(1) by striking out paragraph (55); and

(2) by adding at the end thereof a new paragraph (137) as follows:

"(137) Administrator, Animal and Plant Health Inspection Service, Department of Agriculture.".

Page 3, after line 18, insert

Sec. 6. Section 3(b) of the Farm Labor Contractor Registration Act of 1963, as amended (78 Stat. 920, as amended; 7 U.S.C. 2042), is amended—

(a) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and the word "or"; and

(b) by adding at the end thereof a new paragraph (9) as follows:

"(9) any custom poultry harvesting, breeding, debeaking, sexing, or health service operation, provided the employees of the operation are not regularly required to be away from their domicile other than during their normal working hours."

The SPEAKER pro tempore (Mr. Bolling). Is there objection to the request of the gentleman from Washington?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, as I understand it, this is the same bill we sent over to the Senate but with the addition of one amendment. I wonder if the gentleman from Washington could explain the one amendment the Senate has placed on the bill.

Mr. FOLEY. Mr. Speaker, if the gentleman will yield, the Senate has placed on the bill a provision relating to the Farm Labor Contractor Registration Act. The amendment would amend subsection 3(b) of the Farm Labor Contractor Registration Act of 1963, as amended, to exempt from the provisions of that act "any custom poultry harvesting, breeding, debeaking, sexing, or health service operation, provided the employees of the operation are not regularly required to be away from their domicile other than during their normal working hours."

Mr. MADIGAN. Mr. Speaker, I thank the gentleman from Washington for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

Mr. WAMPLER. Mr. Speaker, I rise in support of this bill together with the Senate amendment. The bill returns from the Senate exactly as it passed the House except for the amendment to the Farm Labor Contractor Registration Act.

In brief, this bill would:

First, upgrade the position of Under Secretary to Deputy Secretary of Agriculture;

Second, establish a new position of Assistant Secretary of Agriculture at Executive Level IV;

Third, remove from Executive Level V the position of Director of Agricultural Economics—whose duties will be assumed by the new Assistant Secretary;

Fourth, change the position of the Administrator, Animal and Plant Health Inspection Service, from GS–18 to Executive Level V;

Fifth, increase the membership of the Board of Directors of the Commodity Credit Corporation from six to seven; and

Sixth, exempt custom poultry harvesting, breeding, debeaking, sexing, and health service operations from the provisions of the Farm Labor Contractor Registration Act of 1963 where the employees are not migrant workers.

This bill does not contain the provision changing the status of the Administrator of FNS from a GS–18 to a Level V.

This bill, together with the Senate amendment, should strengthen the leadership of the Department and at the same time provide reasonable relief to small poultry firms struggling with Government forms and restrictions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

A motion to reconsider was laid on the table.

CONFERENCE REPORT H.R. 11337, MID-DECADE CENSUS

Mr. HENDERSON. Mr. Speaker, I call up the conference report on the bill (H.R. 11337) to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentleman assure us that this side of the aisle will have a half hour to discuss this bill?

Mr. HENDERSON. I understand that is automatic, but if it is not and it requires any action on the part of the gentleman from North Carolina, I will assure the gentleman.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr HENDERSON (during the reading) Mr Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 30 minutes.

Mr. HENDERSON. Mr. Speaker, the conference substitute which we have presented for approved by the House is not significantly different from the bill approved by the House by a voice vote last April.

One of the major differences revolves around the House amendment related to the penalties for the refusal to answer questions required to a census questionnaire or for the giving of false information on a census questionnaire.

The conference substitute eliminates the criminal penalties in this regard but retains in law the existing penalties which are not criminal.

Mr Speaker, I want to pay tribute to Mrs. SCHROEDER, chairwoman of the Subcommittee on Census and Population, and all the members of her subcommittee who were instrumental in our being able to bring a conference report on the mid-decade census here today for our consideration. We have been attempting to obtain this point in legislation since the 89th Congress. They were instrumental in working out a compromise that is now supported by the administration. We have every assurance that the proposal we have here today is satisfactory to the administration and, I am convinced, will be approved by the President.

Mr. HENDERSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Colorado (Mrs. SCHROEDER), the chairwoman of the subcommittee, for a more detailed explanation of the conference report.

Mrs. SCHROEDER. Mr. Speaker, I want to commend the chairman of the full committee. This is his last appearance in the House and I think it is very symbolic that he used to be the chairman of the subcommittee. He comes in on the census and goes out on the census. The gentleman has worked long and hard in this area.

Mr. Speaker, the primary purpose of this legislation is to provide for a mid-decade census of population in 1985 and every 10 years thereafter. However the bill also strengthens current confidentiality provisions pertaining to census records; directs the Secretary of Commerce to use sampling methods rather than 100 percent questionnaires whenever feasible; repeals penal sanctions for failing to respond to questionnaires; and provides for congressional review and involvement in the preparation and selection of questions for the decennial census.

Support for this bill has come from virtually every sector of American society.

Census data is the primary source of basic information concerning our Nation and its people and it is widely used and relied upon by both the public and private sectors. However, in a nation as mobile and as changing as the United States, census information starts to lose its relevance and desirability soon after it is gathered. By the second half of the decade, our society is forced to make decisions on the basis of totally inadequate information. This bill is designed to remedy this situation.

Moreover, as Federal formula grant programs have increased during the past 15 years, an inequitable situation has developed wherein some allocation formulas are forced to use population statistics which are up to 11 years old. H.R. 11337 greatly improves this situation. Some in Congress have suggested that this problem would be solved if we simply pass legislation to mandate the use of updated population estimates in allocation formulas. Such legislation has passed the Senate, but our committee believes that this approach would compound certain inequities in other areas.

This is because estimates do not update certain "target population" factors such as the persons living below certain income levels, the aged, the disadvantaged, and the ill-housed. While some of our cities, for example, may in fact be losing total population, their "target populations" for certain programs may, in fact, be increasing. Therefore, to update only pure population statistics without reference to its characteristics, would unduly adversely affect certain areas of the country. A mid-decade census would update these "target populations" and therefore would maximize equality in distribution of Federal formulas. As a result of the evenhandedness of this approach, this bill has the support of not only fast growth States and localities, like Florida, Colorado, and Texas, but also areas like New York State, New Jersey, and the New England States, as well as cities such as New York, Denver, Chicago, Los Angeles and Detroit. It also has the endorsement of the administration.

Additionally, it is estimated that there will be little, if any, net cost from a mid-decade census because numerous intercensus surveys which are now conducted to update statistics would become unnecessary.

Finally, I want to clarify one further point over which there has been a considerable amount of confusion and misinformation.

Earlier this year both the House and Senate passed mid-decade census bills by voice vote. The one major difference between the two bills was that the House version deleted both penal and civil penalties for refusal to respond to a census questionnaire, while the Senate-passed bill did not delete any penalties. In conference, it was agreed to delete penal provisions, but to retain civil penalties.

The impression is being circulated in the House that this legislation would impose civil fines for refusal to answer census questions. This is absolutely false. Indeed, a vote for H.R. 11337 is a vote in favor of removing penal provisions, while a vote against H.R. 11337 will be a vote to retain all present penal and civil sanctions.

In short, it is a bill which undoubtedly deserves our support. Earlier today the Senate passed the conference report by unanimous consent. I hope the House will now follow that lead.

Mr ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the comments that my colleague, the gentlewoman from Colorado (Ms. SCHROEDER) has made about our distinguished chairman of the committee, the gentleman from North Carolina (Mr. HENDERSON). Mr HENDERSON has been a good public servant. I, too, would like to add my appreciation for the fairness with which the gentleman from North Carolina has always chaired this committee. Mr. HENDERSON has always shown a willingness to make sure that those of us in the minority are not only heard, but that we have had an opportunity to participate in the development of the legislation of the Committee on Post Office and Civil Service.

Mr. Speaker, I am also disappointed that the gentleman has decided to return to private life in North Carolina. I can assure the gentleman that he will be missed by those of us that have had the opportunity to work with him through the years.

Mr Speaker, I must reluctantly rise in opposition to this conference report

(H.R. 11337) as it has been returned to the House. I favor the mid-decade census. I favored H.R. 11337 as it left the House. I sponsored similar legislation 2 years ago with my colleague, the gentleman from California (Mr. WILSON). I have been supportive of my colleague, the gentlewoman from Colorado (Ms. SCHROEDER) in her efforts to move the mid-decade census legislation (H.R. 11337) through the subcommittee, full committee, and House. I was totally supportive of that legislative effort in the House.

Mr. Speaker, I think the major problem, as has already been stated by my chairman, the gentleman from North Carolina (Mr. HENDERSON) is that, unfortunately, the other body demanded an unnecessary modification of the Ashbrook amendment, which was overwhelmingly passed by this House 248 to 140. I think it is an unfortunate turn of events that the majority Members of the House conferees refused to insist on the Ashbrook amendment, which was an important part of the legislative effort in the House Chamber.

House conferees by a recorded vote of 6 to 3 refused to represent the desires of 248—248 to 140—Members of Congress, that is that civil penalties be removed for those individuals who refuse to answer census questionnaires. Not only was the Ashbrook amendment ignored but also House conferees insisted that civil penalties for businesses not be reduced from $10,000 to $1,000 as had been recommended in the House committee report. I quote now from page 4 of that report,

> The committee recommends, therefore, that the jail and prison penalties be repealed, and that the maximum fine be reduced from $10,000 to $1,000.

Now, let me explain to my colleagues the consequences supporting this conference. There are alternatives so that we can have a mid-decade census in this Congress if the conference report is rejected. We do not have to automatically roll over and accept the misjudgment of the Senate conferees. It is hard for me to believe that out Constitution would wants us to waive our right to mandate the lessening, civil penalties as it relates to individuals, small business, and farmers. Let me explain what I mean.

Under the Ashbrook amendment, in the portion that did not survive the conference we moved the civil penalty for an organization, primarily small businesses, down from $10,000 to $1,000. Why? Many Members, I am sure, have seen the kind of detailed data that is requested by the Bureau of Census from small businesses and farmers in their districts. It is extremely voluminous. I have here in my hand an agricultural census questionnaire which is 37 pages in length. It is a very burdensome request for information. Unless we follow the dictates of this House in moving that penalty from $10,000 down to $1,000, we place a tremendous burden on the average, primarily small businessman, small farmer, or small college administrator who is already overwhelmed with a volume of paper and unreasonable requests for information from Federal agencies.

We continue to impose, if we accept this conference and reject the Ashbrook amendment, a potential fine of up to $10,000 for all businesses, farms, and so forth. I think that is unfair and wrong. I do not think it is necessary. The Census Bureau admits that they do not need that kind of overbearing penalty in order to encourage cooperation. In the majority of occasions, the individual organizations cooperate with the Census Bureau requests for information. They fill out the forms that are sent to them.

But I say to the House, to every Member who has small businesses, colleges, and farms in their districts, I think it is wrong to continue to impose a $10,000 fine for these oganizations. I just do not think that is worthwhile, and I think we should back up the position of the House in the Ashbrook amendment to move that down to $1,000.

Additionally, the Ashbrook amendment removed the $100 civil penalty for an individual. Now, why did Mr. ASHBROOK do that? Because, as we heard in our committee hearings, there is no necessity for a $100 fine against our individual constitutents. Ninety-nine percent of the American people comply with the requests of the Census Bureau. The Census Bureau has told us over and over again that they hardly ever impose the $100 fine. In fact it has only been used once.

I say we ought to stick with the House position. I think we were right when we voted overwhelmingly, 248 to 140 to reduce those penalties, and I am terribly disappointed that the other body insisted on keeping these penalties so high. I know that my colleague from Ohio, when he takes the floor to discuss this in greater detail, will say, "Do not be beguiled by the statement that we have to pass this conference or there will be nothing." I am for a mid-decade census. We can pass mid-decade census in this Congress if the Members reject the conference reports, and pass a concurrent resolution containing the Ashbrook amendment. We do not need to vote for this conference with those excessive penalties. A concurrent resolution could be adopted containing the Ashbrook amendment and then sent to the other body for an immediate resolution to the problem of passing a mid-decade census in this Congress.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am delighted to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I would like to make several comments. First of all, this mid-decade census was first introduced for the Centennial in 1876, so while there may not be any dire emergency, there have been a lot of reasons for not passing it.

Mr. ROUSSELOT. Let me interject at that point. I know that this bill has been a long time in coming. The gentlewoman knows I favor it. I have fought for it. I helped to fight for it in committee. I think it is unfortunate that we allowed ourselves to be pushed around by the other body on these penalties. We do not need to review the long history of the bill, because all who favor its passage—including myself—are aware that it has had a long torturous legislative path to arrive at this point.

Mrs. SCHROEDER. If the gentleman will yield further, I will tell the gentleman what some of the problems are. If we vote against this bill, we will be voting for the law as it is now.

Mr. ROUSSELOT. Mr. Speaker, I disagree with the gentlewoman. As I indicated a concurrent resolution passed by both Houses would remove civil penalties.

Mrs. SCHROEDER. An individual could be sent to jail.

Mr. ROUSSELOT. I disagree with the gentlewoman that we would be keeping the current law if we defeated the conference report and replaced it with a concurrent resolution. Further the gentlewoman knows full well that no one has ever gone to jail under the current law. So why it?

Mrs. SCHROEDER. And we are not changing the law as it is now.

Mr. ROUSSELOT. If we vote against the conference, in my judgment, we will be voting for the House position that was overwhelmingly passed 248 to 140. We have already said that we do not want these high penalties for individuals, small businesses, and farms. We ought to fight against those penalties and send it back to the other body. They do this type thing to us all the time.

Mrs. SCHROEDER. If the gentleman will yield, the gentleman knows full well if we turn this down the penalty of being imprisoned will still be in the law.

Mr. ROUSSELOT. Not if the Senate accepts our concurrent resolution with the Ashbrook amendment. The mid-decade census will then become law. I am assured the President will sign it. We will have it. And the gentlewoman knows we will be able to proceed with the mid-decade census.

By the way, the gentleman from Ohio (Mr. ASHBROOK) feels as I do, that there should be a mid-decade census. We know that it is needed. We both support it.

Mrs. SCHROEDER. If the gentleman will yield further, we still would not have answered the real problem of the gentleman's anger, and that is that the Constitution mandates that there will be a census taken.

Mr. ROUSSELOT. I disagree with the view that there can be no census without civil penalties.

Mrs. SCHROEDER. Not only the Senate, but the administration and the Census Bureau said they would have to disagree with this bill if we cut out the civil penalties.

Mr. ROUSSELOT. I disagree with my charming colleague, the gentlewoman from Colorado. We will be able to push this mid-decade census through as a concurrent resolution which would amend the decisions made in conference.

Mr. Speaker, I now yield 5 minutes to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I am extremely disappointed with the action taken on the conference report to the mid-decade census bill. The report omits the successful amendment I offered which would remove all penalties—monetary as well as prison penalties—for refusing to answer a census question.

My amendment passed the House by an overwhelming margin on April 7 of this year. The vote was 248 yea to 140 nay. Despite the strong show of support, a majority of the conferees have decided to ignore the wishes of this body.

We hear a lot of talk on the House floor about the need to protect individual privacy. We hear a lot of talk about the value of personal freedom. We hear a lot of talk about the need to reduce governmental bureaucracy and paperwork. Here is an opportunity to deal in some small way with these issues. We should not let the chance slip by.

The Federal Government has increasingly used the various censuses as a means of prying into the lives of Americans. The agricultural census, for example, which began as a limited undertaking, has rapidly grown in size and complexity. What should be a simple questionnaire has turned into a bureaucratic monstrosity.

I remain committed to the view that the Federal Government should not be able to force individuals to answer census questions under penalty of law. This should be a matter of individual choice.

Mr. Speaker, I find the arguments of our colleague from Colorado Mrs. Schroeder most interesting. In a month we will have an election. The Constitution mandates that we have an election. I do not see anybody going to jail for not voting in the November 2 election.

I would say to my colleague, the gentlewoman from Colorado, that an election is far more significant, a far more important constitutional process than is a census, even though a census is helpful, it is necessary, and it is constitutionally mandated.

The gentleman from California (Mr. Rousselot), has ably stated much of what I was going to say.

I would like the Record to show that it is my understanding that in the conference, just to have the record clear, the majority Members voted to recede from the House position, the 248 to 140 vote they took to conference and the minority Members voted to hold to the House position. Is that correct?

Mr. ROUSSELOT. If the gentleman will yield, the vote by the House Members of the conference was 6 to 3. The three minority Members believed we should stick with the House position because it was an overwhelming vote. The answer to the gentleman's question is yes, we were sorry that the other body pushed so hard to try to eliminate the gentleman's amendment. They eliminated the criminal penalties, but they insisted on those civil penalties of $10,000 for small, medium, and large organizations and $100 for individuals.

Mr. ASHBROOK. Is it not rather strange that every time we are confronted with these great civil libertarians on the other side, they seem to come down on the side of forcing the individual, forcing the farmer, forcing the small businessman to do what they say?

Maybe we should provide conferees with square heels after this. It seems to me they do roll over fairly easily on something as basic as this.

Mr. ROUSSELOT. If the gentleman will yield, I will say this: The chairman of our committee was very sympathetic to the Ashbrook amendment and I will let him speak for himself. Mr. Henderson felt he had to secure some kind of a bill, because he viewed the bill, as I do, in a highly favorable manner. I think it is just unfortunate that the House conferees gave up so easily.

By the way, I stated in our conference that I would have been willing to yield on another portion of the bill relating to an amendment that I had added in committee because it is covered by other law.

But unfortunately we did roll over in the conference on the important issue of unreasonable civil penalties, and I think it is too bad that happened.

Mr. ASHBROOK. Mr. Speaker, again I think this reiterates the point that the majority finds itself in when they are acting from compulsion. Time and time again the minority strives for individual freedoms, and the majority acts out of compulsion.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from North Carolina.

Mr. HENDERSON. Mr. Speaker, I find myself in a very difficult position, because during my attention to the matter before us I have found that the gentleman from Ohio (Mr. Ashbrook) performs a very valuable service to the Congress and improves legislation immeasurably. However, it seems that the debate at the moment tends to confuse this clear contribution that the gentleman has made to this legislation. I think the gentleman has established a precedent that can be very valuable for the census and that this will pass in the future.

However, we must not leave the record confused as to what the law is today. The law today, under section 224, says, "for failure to answer questions regarding companies, businesses," et cetera, that the fine shall be $500 for failure or refusal to answer the questions.

It goes on to say that they are subject to imprisonment of not more than 60 days, or both, and that if he willfully gives a false answer to any question, he shall be fined not more than $10,000 or imprisoned not more than 1 year.

The SPEAKER pro tempore. The time of the gentleman from Ohio (Mr. Ashbrook) has expired.

Mr. HENDERSON. Mr. Speaker, I yield 3 additional minutes to the gentleman from Ohio (Mr. Ashbrook).

Mr. Speaker, will the gentleman yield further?

Mr. ASHBROOK. I will be pleased to yield to my friend, the gentleman from North Carolina.

Mr. HENDERSON. Mr. Speaker, to continue, the effect of the action that has been taken by the gentleman from Ohio (Mr. Ashbrook) in offering his amendment and the action of the conferees is that the imprisonment provisions of the present law are completely removed. The gentleman is to be commended for accomplishing that.

Clearly, the civil penalties that remain in the law, if this conference report is adopted, are no worse than they have been during all these years, and they are absolutely necessary. Whether we agree with the amounts or not, civil penalties are absolutely necessary in order to get a census that can be relied upon. Every Member in this body, I know, understands that the census is constantly used by Government at every level for distribution of grants in aid and for other purposes.

So I commend the gentleman for offering his amendment. The conferees supported him to the extent that we could do so by removing imprisonment or fines beyond all reason, but we did feel that civil fines are absolutely necessary in order to obtain a good census.

Mr. ASHBROOK. Mr. Speaker, I thank my friend, the chairman of the committee, for his statement. I certainly find my own disappointment somewhat assuaged by what he said because of the high respect I have for him.

I would, however, correct one point. The gentleman indicated that this House knows that we have to have some form of compulsion so we can have a census. It is very clear by the 248 to 140 vote we had that this House did not think we had to have some form of compulsion in order to have a census. I would say that reasonable minds could disagree on that and I do not want to be critical of my good friend, the chairman. I know he did the best he could.

Mr. Speaker, I do appreciate the fact that the conference committee went as far as it did, but this is a fight that we are going to continue. We will not give up on this, and we will continue our efforts in the next session in this regard.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, the Census Bureau has said over and over that they do not need this kind of compulsion, and they say they have very seldom used it.

I know what the gentlewoman from Colorado (Mrs. Schroeder) is going to say, and that is that the previous Director has said that he prefers to keep it. But he has never used the $100 fine, and I will repeat to my colleagues that the Census Bureau has very seldom used it.

I think that $10,000 is too high a penalty for small businesses and small farms. I think $100 is unnecessary for individuals. The House evidently felt that way when we voted on the amendment, and I hope the Members will support my colleague, the gentleman from Ohio (Mr Ashbrook) in this. When he offered that amendment, we all supported him.

Mr. HENDERSON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado (Mrs. Schroeder).

Mrs. SCHROEDER. Mr Speaker, I will not take 2 minutes.

I just want to say that the Census Bureau told us they would recommend a veto if we did not have some way of carrying out the mandate that we would provide for the census in such a way that the people would comply with it. They have only used the $100 fine once in the whole history of its enactment.

The fine is only given for wilfully giving the wrong answer, and that is versus noncompliance. They are entirely different things.

Mr. Speaker, I am willing to have hearings on the whole scope of this matter at the next session, if the gentleman wants to. It is a very complex subject. In the meanwhile, I think we should proceed to get rid of the prison penalty.

Mr. HENDERSON. Mr. Speaker, I yield myself 1 minute in order to reiterate what the gentlewoman from Colorado (Mrs. SCHROEDER) just said.

The Director of the Census informed me at the moment the conferees were conferring that without civil penalties in the legislation, it would be an impossible task and it would be a waste of money. The census would be no good, and he said that he would recommend a veto on the legislation in that event.

In spite of that, Mr. Speaker, we insisted that it was not necessary to keep the criminal provisions in, and we were very pleased that we were able to keep that very vital contribution of the gentleman from Ohio in the legislation.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, I thank the gentleman for yielding.

I have great respect for my very good friend, the distinguished gentleman from California (Mr. ROUSSELOT). He is able and articulate. He is conscientious and concerned. He is clearly one of the most dedicated members of our committee, but I must say that I think he is so used to losing that he does not know when he has won.

Of course, it may be that after a sustained diet of parliamentary defeats, it is difficult to recognize the taste of a legislative victory.

However, the gentleman supported an amendment calling for the elimination of both the civil and criminal penalties, which could be levied against those who did not respond to the census. That amendment passed the House. It went to conference. The conferees agreed to come back with a bill that provided for the elimination of the criminal penalties, but which kept the civil penalties.

Mr. Speaker, I simply want to say that if the gentleman from California did not get everything he wanted, he got half of what he wanted; and after 2 years of what I am sure must have been incredible frustration for the gentleman from California (Mr ROUSSELOT), given the programs and proposals which he supports and opposes, I would have thought that in the waning moments of the sessions, he would have pounced on this conference report as a way of claiming that he had gone home with at least one legislative victory

Mr. Speaker, the rest of the battle can be won when we all come back next year.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, let me repeat language from the report of the committee on the mid-decade census which incidentally the gentleman signed.

It says on page 4, and this is what the gentleman together with other committee members signed, the following:

> The committee recommends, therefore, that the jail and prison penalties be repealed and that the maximum fine be reduced from $10,000 to $1,000.

Therefore, Mr. Speaker, I know that the gentleman wants to stand on that statement he signed.

The SPEAKER pro tempore. The time of the gentleman from New York (Mr. SOLARZ) has expired.

Mr. ROUSSELOT. Mr. Speaker, I yield myself 1 additional minute.

The SPEAKER pro tempore. The gentleman from California is recognized for 1 additional minute.

Mr. ROUSSELOT. To continue, Mr. Speaker, I know that my colleague, the gentleman from New York (Mr. SOLARZ), wants to stand on the statement that he signed.

The committee was unanimous in signing that statement. I think we should have obtained that concession from the other body. I still believe we can get it through a concurrent resolution and I think we ought to stick to the position that we had taken originally in the House.

Mr. SOLARZ. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Speaker, if there was an opportunity to send this back to conference and work it out in such a way that the gentleman from California (Mr. ROUSSELOT) could be completely satisfied, I would say, "Fine. Let us do it." However, the realities are that the session is going to expire momentarily, and if this conference report is defeated we are going to end up with legislation that provides for both criminal and civil penalties, because that is the law now.

On the other hand, Mr. Speaker, if the conference report is adopted, the criminal penalties will have been eliminated, and the gentleman from California (Mr. ROUSSELOT) will be able to point to at least one legislative triumph during the course of the last 2 years, which I would like him to have.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his compliment.

Mr. SOLARZ. The gentleman is welcome.

Mr. ROUSSELOT. Mr. Speaker, I merely say to the gentleman that if we send it back in the form of a concurrent resolution saying that we wish to stand with the substantial vote and position of the House, I am sure, since the Senate is just as anxious to see this mid-decade census become law—the Senators said so in the conference—I am sure that a majority of those Senators will realize the importance of a reduction in these penalties as the House is, and so recommended in the committee report.

Now, Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I would like to explain the situation as I see it. I have asked the Bureau of the Census if they could take this bill with the Ashbrook amendment, or if they would, under the circumstances, not prefer any legislation.

Their basic answer was that they would rather not have any legislation than have the Ashbrook amendment.

I suggested to them that they had this choice.

It is obvious that these penalties are not going to be applied at this time because the next major census will be in 1980 and the middecade census will be in 1985. So there really is not any emergency here.

My view was that notwithstanding the fact the vote on the Ashbrook amendment was clear, I thought the best way to handle it was either have the Bureau of the Census live with the Ashbrook amendment, or if they did not, then they could begin again with a bill in January.

That is the way I analyze the legislative situation that we face.

Mr. FREY. Mr. Speaker, hearings have been held on a middecade census in every Congress since 1962. We now have a chance at this and I want to express my full support and urge my colleagues to accept the conference report on H.R. 11337.

We are a highly mobile Nation, growing in population and needs to a point where the decennial census no longer can properly reflect a State's needs. After a census is taken, census data is used for 11 years. Therefore, we often have important decisions made on outdated information. Especially for allocating funds, it is important that the population census data is accurate. While this bill would be a tremendous help to my home State Florida, and other quick-growing States, in a few years, it could also be highly beneficial to those States that are now just verging on spurts of growth.

Certainly, we can all agree that 11 years is just too long a time to base the decisions we need to make in determining eligibility and amounts of benefits a State should be awarded. A 5-year census is a good compromise, it is fair and will aid those States whose growth pictures have changed dramatically in the last few years.

Mr. HENDERSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken and the Speaker announced that the ayes appear to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 237, nays 94, not voting 99, as follows

[Roll No. 863]

YEAS—237

Abzug
Alexander
Allen
Ambro
Anderson, Ill.
Andrews, N.C.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clausen, Don H.
Cleveland
Cochran
Collins, Ill.
Conte
Corman
Cornell
Daniels, N.J
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Dickinson
Diggs
Dingell
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Ind.
Evins, Tenn
Fary
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Fraser
Frey
Gaydos
Gibbons
Gilman
Ginn
Gonzalez
Gude
Hagedorn
Hamilton
Hanley
Hannaford
Harkin
Harris
Hayes, Ind.
Hechler, W Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Holtzman
Horton
Howard
Hubbard
Hughes
Jarman
Jeffords
Johnson, Calif.
Jones, N.C.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Koch
Krebs
Krueger
Landrum
Leggett
Lehman
Levitas
Lloyd, Calif
Long, La.
Long, Md.
Lundine
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Madden
Maguire
Mann
Mathis
Mazzoli
Melcher
Metcalfe
Mezvinsky
Milford
Miller, Calif
Mineta
Minish
Mitchell, N Y
Moakley
Mollohan
Morgan
Mosher
Murphy, Ill
Murphy, N.Y
Murtha
Myers, Pa
Natcher
Neal
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patten, N.J
Patterson, Calif
Pattison, N.Y
Perkins
Peyser
Pickle
Preyer
Price
Railsback
Rangel
Rees
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Runnels
Santini
Sarasin
Sarbanes
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Steed
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor N C
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Walsh
Wampler
Waxman
Weaver
Whalen
White
Wilson, Bob
Wilson, Tex
Winn
Wirth
Wolff
Wylie
Yatron
Young, Fla
Young, Tex
Zablocki

NAYS—94

Anderson, Calif.
Archer
Ashbrook
Bauman
Bell
Bowen
Brown, Mich.
Brown, Ohio
Broyhill
Butler
Clawson, Del
Collins, Tex.
Conlan
Coughlin
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
Fenwick
Findley
Foley
Fountain
Frenzel
Goldwater
Gradison
Grassley
Guyer
Hall, Tex.
Hammerschmidt
Hansen
Harsha
Hightower
Holt
Hungate
Hutchinson
Hyde
Jenrette
Johnson, Pa.
Kemp
Ketchum
Kindness
LaFalce
Lagomarsino
Latta
Lloyd, Tenn.
Lott
Lujan
McClory
McDonald
McEwen
Mahon
Martin
Michel
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Myers, Ind
Nedzi
Nolan
Obey
O'Brien
Paul
Pettis
Poage
Pritchard
Quie
Randall
Regula
Roberts
Robinson
Roush
Rousselot
Ruppe
Satterfield
Schneebeli
Shuster
Sikes
Smith, Nebr
Spence
Steiger, Wis
Symms
Taylor, Mo.
Thone
Treen
Vander Jagt
Waggonner
Whitten
Wiggins
Young, Alaska

NOT VOTING—99

Abdnor
Adams
Addabbo
Andrews, N. Dak
AuCoin
Baldus
Beard, Tenn
Bonker
Brinkley
Broomfield
Burke, Calif.
Burke, Fla.
Burton, Phillip
Chisholm
Clancy
Clay
Cohen
Conable
Conyers
Cotter
Crane
D'Amours
Dodd
Downey, N.Y
du Pont
Early
Esch
Eshleman
Evans, Colo.
Fish
Flynt
Forsythe
Fuqua
Giaimo
Goodling
Green
Haley
Hall, Ill
Harrington
Hawkins
Hébert
Heinz
Hillis
Hinshaw
Holland
Howe
Ichord
Jacobs
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Karth
Keys
Lent
McCollister
Madigan
Matsunaga
Meeds
Meyner
Mikva
Mills
Mink
Mitchell, Md.
Moffett
Moorhead, Pa.
Moss
Mottl
Nichols
Nix
Passman
Pepper
Pike
Pressler
Quillen
Riegle
Rodino
Russo
Ryan
St Germain
Scheuer
Slack
Snyder
Stanton, James V.
Stark
Steelman
Steiger, Ariz.
Stephens
Talcott
Teague
Traxler
Udall
Vigorito
Whitehurst
Wilson, C. H
Wright
Wydler
Yates
Young, Ga.
Zeferetti

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Moffett.
Mr. Cotter with Mr. Hébert.
Mrs. Meyner with Mr. Heinz.
Mr. Matsunaga with Mr du Pont
Mr. Nix with Mr. Esch.
Mr. Moss with Mr. Flynt
Mr Pepper with Mr Howe
Mr Vigorito with Mr. Eshleman.
Mr. Young of Georgia with Mr. Burke of Florida.
Mr. Phillip Burton with Mr Green
Mr Clay with Mr Clancy
Mr Evans of Colorado with Mr Quillen
Mr Conyers with Mr James V Stanton
Mrs. Keys with Mr Riegle.
Mr Jacobs with Mr Steelman
Mr. Udall with Mr Steiger of Arizona
Mrs Mink with Mr Snyder.
Mr Holland with Mr. McCollister
Mr Adams with Mr Scheuer
Mr. Charles H Wilson of California with Mr Hillis.
Mr Hawkins with Mr Downey of New York.
Mr AuCoin with Mr Haley
Mr D'Amours with Mr Jones of Alabama
Mr Zeferetti with Mr. Wydler
Mr. Fuqua with Mr. Mills.
Mr. Hall of Illinois with Mr. Ryan
Mr Ichord with Mr. Stark.
Mr. Baldus with Mr. Whitehurst.
Mr. Dodd with Mr Wright.
Mr Meeds with Mr. Stephens.
Mrs. Burke of California with Mr St Germain.
Mr Mikva with Mr. Yates.
Mr. Nichols with Ms. Chisholm
Mr Mottl with Mr Cohen.
Mr. Rodino with Mr. Karth
Mr. Russo with Mr. Lent.
Mr Bonker with Mr Abdnor
Mr. Early with Mr. Broomfield
Mr. Giaimo with Mr. Crane.
Mr. Harrington with Mr. Fish.
Mr. Jones of Oklahoma with Mr Andrews of North Dakota.
Mr. Brinkley with Mr Goodling.
Mr. Mitchell of Maryland with Mr Forsythe.
Mr. Passman with Mr Johnson of Colorado
Mr. Slack with Mr Conable.
Mr. Moorhead of Pennsylvania with Mr Pressler.
Mr. Pike with Mr. Beard of Tennessee
Mr. Teague with Mr. Madigan.
Mr. Traxler with Mr. Talcott.

Messrs. EDWARDS of Alabama, NOLAN, BELL, LATTA, KETCHUM, HUTCHINSON, DUNCAN of Tennessee FRENZEL, KINDNESS, FOUNTAIN, and Mrs. FENWICK, changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill H.R. 11337.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDING RULE XXXII OF THE RULES OF THE HOUSE OF REPRESENTATIVES TO SPECIFY CONDITIONS FOR THE ADMISSION OF EX-MEMBERS AND CERTAIN OTHER PERSONS TO THE HALL OF THE HOUSE AND ROOMS LEADING THERETO

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1435 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1435

Resolved, That rule XXXII of the Rules of the House of Representatives is amended in the following way:

Rule XXXII, clause 1, is amended by striking the word "ex-Members" as it first appears, through the word "consideration", and substituting in lieu thereof the following "the Parliamentarian, elected officers, and elected minority employees of the House (other than Members), clerks of committees when business from their committee is under consideration; and ex-Members of the House of Representatives, former Parliamentarians of the House, and former elected minority employees of the House, subject to the provisions of clause 3 of this rule"

Rule XXXII is further amended by adding the following new clause:

"3. Ex-Members of the House of Representatives, former Parliamentarians of the House, and former elected officers and former elected minority employees of the House, shall be entitled to the privilege of admission to the Hall of the House and rooms leading thereto on making declaration, on honor, in a register to be kept for that purpose, that they do not have any direct personal or pecuniary interest in any legislative measure coming up for consideration in the House, or that they are not in the employ of, or do not represent, any party or organization for the purpose of influencing, directly or indirectly, the passage, defeat or amendment of any legislative measure before the House or any of its committees. The Doorkeeper shall be held responsible to the House for the execution of this rule.".

With the following committee amendment:

Strike all after the "Resolved" clause, and insert in lieu thereof the following:

That Rule XXXII of the Rules of the House of Representatives is amended in the following way:

Rule XXXII, clause 1, is amended by striking the word "ex-Members" as it first appears, through the word "consideration", and substituting in lieu thereof the following: "the Parliamentarian, elected officers and elected minority employees of the House (other than Members), clerks of committees when business from their committee is under consideration; and ex-Members of the House of Representatives, former Parliamentarians of the House, and former elected officers and former elected minority employees of the House, subject to the provisions of clause 3 of this rule".

Rule XXXII is further amended by adding the following new clause:

"3. Ex-Members of the House of Representatives, former Parliamentarians of the House, and former elected officers and former elected minority employees of the House, shall be entitled to the privilege of admission to the Hall of the House and rooms leading thereto only if they do not have any direct personal or pecuniary interest in any legislative measure pending before the House or reported by any committee of the House and only if they are not in the employ of, or do not represent, any party or organization for the purpose of influencing, directly or indirectly, the passage, defeat or amendment of any legislative measure pending before the House, reported by any committee of the House or under consideration in any of its committees or subcommittees. The Speaker shall promulgate such regulations as may be necessary to implement the provisions of this rule and to ensure its enforcement."

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, I am going to take very little time on this. I moved the amendment and the resolution, House Resolution 1435, and strongly support it. I think it is a useful tightening of the rules, as rule XXXII affects former Members and others who are listed.

I see no point in my talking, because the gentleman who is handling the rule on the other side, the gentleman from Illinois (Mr. ANDERSON) is, with the gentleman from California (Mr. JOHN L. BURTON), the chief author of the bill. I will leave the discussion mostly to them.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I have no desire to take a great deal of time on this matter, but a number of Members have expressed some concern about what it is that we are doing in this change in rule XXXII.

Mr. Speaker, I want to pay tribute at this time to my very active coauthor and cosponsor, the gentleman from California (Mr. BURTON) of the very famous Burton brothers (Mr. JOHN L. BURTON), who has assisted me. We have recruited to date I believe about 106 cosponsors on both sides of the aisle, and I think the exact number reflects pretty much the voting strength of the majority and the minority parties in this House.

What the change in the rule would do is simply this: It would tighten and clarify the present rule as it is now interpreted and enforced with regard to persons who have either a personal or a professional interest in legislation pending before the House or its committees.

At the present time, as many of the Members know, former Members and officers of the House are entitled to the privileges of the Hall of the House and the adjoining rooms, unless there is legislation actually under consideration in the House in which they have a personal or professional interest.

The amendment to the rule would bar such persons from the floor once a bill in which they have a personal or pecuniary interest has been reported from a committee or is pending in the House.

Those who are engaged professionally, that is, the lobbyists, those who are engaged professionally for the purpose of influencing legislation either directly or indirectly would be barred from the floor from the point that any bill in which they have any professional interest comes under active consideration at either the committee or the subcommittee level.

This matter was, of course, introduced, as I have stated, with 106 cosponsors to date. When the hearing was denied before the Committee on Rules, I called up in the House on September 9, 1976, a privileged resolution involving a press allegation that rule XXXII had been violated, and pursuant to that resolution which was then adopted, the Committee on Rules did meet on September 22, 1976.

The committee heard testimony from the gentleman from California (Mr. JOHN L. BURTON), and from myself and then voted to report the resolution with an amendment which was offered by the gentleman from Missouri (Mr. BOLLING).

Mr. Speaker, I should take time to pay tribute to the gentleman from Missouri (Mr. BOLLING) as well, because I think he offered a reasonable compromise that should make it possible for every Member today to support this resolution. The amendment differs from the original resolution in two ways, and I say this particularly for the benefit of those Members who were cosponsors of the original resolution. It drops the requirement that former Members and officers register for floor access, and provides that they make a declaration of honor that they are not personally or professionally interested in legislation before the House or its committees.

Second—and this is perhaps an even more important distinction to note—the substitute makes the threshold for denial of floor access to those having a professional interest, that is, the lobbyists, from the point at which a bill is actually under consideration in any committee or subcommittee of the House. The original resolution which I offered with the gentleman from California (Mr. JOHN L. BURTON) and others would in effect have barred such former Members and officers from the time any bill in which they were interested had been introduced and referred to a committee.

I repeat that I believe the suggestion of the gentleman from Missouri (Mr. BOLLING) represents an acceptable compromise. It now gives the Speaker, instead of the registration requirement I had provided for, the power to promulgate the rules and regulations for the implementation and the enforcement of the rule. It also provides that there has to be active consideration in a committee or subcommittee before the professional lobbyist is barred.

I think that is reasonable because so many bills are introduced in each Congress that never see the light of day, even in subcommittee, that perhaps it would be unfair to bar former Members having some professional interest in legislation from the House on a bill that was not going anyplace. We even had the suggestion made, when we conducted the hearing in the Committee on Rules, that some Member could even introduce a resolution for the express purpose of keeping a former Member off the floor even though that resolution or bill was never going to receive active consideration.

So we eliminated that possibility by the amendment that was accepted in the committee.

Let me, before concluding, point out for the benefit of those Members who are traditionalists and who may be afraid that we are doing some damage somehow to the august rules of this body that actually what we do in effecting this change is simply to codify a ruling that was made by a former distinguished Speaker of this body, Sam Rayburn, 30 years ago, back in 1945. Let me quote very briefly a sentence or two from the ruling that he made at that time.

> The Chair thinks that not even an ex-Member of Congress who has a bill or has a personal interest in legislation or any other ex-Member of the House who is in the employ of an organization that has legislation before the Congress should be allowed the privilege of the House or the rooms that the Chair has just said constitute a part of the House of Representatives.

So, Mr. Speaker, what we are doing in essence is codifying that ruling of former Speaker Rayburn.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Speaker, I asked the gentleman to yield to me on a point of clarification as to the intent of the language on page 3, lines 13, 14, and so forth, in the resolution, which refers to former Members having any direct personal interest.

My question relates to the situation where a former Member may come to Washington and onto the floor of the House and wish to come to the floor of the House to discuss with other Members legislative matters which are of interest to his former constituents. I would ask the gentleman from Illinois whether that would be prohibited under the language here.

Mr. ANDERSON of Illinois. I think not.

Mr. MARTIN. I am assuming that the former Member has no business relationship and no other personal interest.

Mr. ANDERSON of Illinois. I think that would not constitute a violation of this rule as we would propose to amend it

Let me further respond to the gentleman from North Carolina by saying that this term, "personal or pecuniary interest," is the same term that now appears in House rule VIII regarding voting by Members when Members should bar themselves from voting on matters in which they have a direct personal or pecuniary interest.

There are ample precedents, I am sure, for what is meant by that term; but essentially it should be noted that a ruling by a former Speaker is to the effect that that rule I just referred to, rule VIII, is essentially a self-enforcing rule. Each Member would have to decide for himself whether he has a direct personal or pecuniary interest in the question being decided, which would keep him from voting on the proposition.

I think, by the same token, that former Members would likely be self-enforcers of this part of the proposed rule and would absent themselves from the floor and adjoining rooms whenever a bill would somehow personally interest them.

Again I quote the language, "A direct personal or pecuniary interest."

In essence, it is a self-enforcing mechanism in the rule we are proposing.

Mr MARTIN Mr Speaker, I thank the gentleman for the clarification.

Mr MICHEL. Mr Speaker, will the gentleman yield?

Mr ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr MICHEL. Mr. Speaker, I would like to pose a hypothetical question of the man who fits that mold and has some interest in a piece of legislation that might have been recently reported or might be on the Speaker's desk. Then in a situation where a joint session of the Congress were being held or some exceptional ceremonial occasion, when former Members have made a special effort to come and participate, would such a situation under the conditions cited bar him from participation in a special ceremony of that kind?

Mr. ANDERSON of Illinois. I can assure the gentleman that it would not. That is not the purpose or intent, nor, indeed, do I think that anyone could construe the language of the proposed change as keeping former Members from attending any of the types of activities that we have here.

Mr. MICHEL. If the gentleman will yield further, I was thinking primarily of a joint session of Congress when the President is here or a foreign dignity is here or something similar to that.

Mr. ANDERSON of Illinois. We have no desire to bar a former Member in such a situation, and it is not the effect of the rule.

Mr SISK. Mr. Speaker, will the gentleman yield for a question?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. SISK. Mr. Speaker, with respect to the personal or pecuniary interest, for the legislative record, I would like to have it spelled out a little more carefully.

Let me also ask the gentleman from Illinois a hypothetical question. Let us assume that a former Member of Congress who is a member of the chamber of commerce of "X" city where a flood control project is needed has come to Washington and supports that project, the authorization of any project which is pending before the Committee on Public Works and Transportation, let us say, and that ex-Member is an active member of the chamber of commerce. Whether he came or did not come would not make much difference, I do not think; but is that going to bar him from the floor of the House?

Mr. ANDERSON of Illinois. No, mere membership in a chamber of commerce would not, under the language of the proposed change, constitute, I think, the kind of professional employment that is designed to bar a lobbyist, as such, from being on the floor with respect to a matter in which he has an interest and which has been activated by being heard in a committee or a subcommittee.

Mr. SISK. If the gentleman will yield for one further inquiry, then, in other words, what I understand the gentleman from Illinois is saying—and I basically would support his resolution if this is really what we are doing—is that the only individuals that might fall within this classification would have to be employed or be receiving some kind of compensation, money or otherwise, as a lobbyist for that particular purpose; is that correct?

Mr. ANDERSON of Illinois. That is precisely correct.

Mr. SISK. Apart from just his normal civic interests.

Mr. ANDERSON of Illinois. Exactly.

Mr. SISK. With that understanding I appreciate the gentleman having the colloquy so that we can make that abundantly clear.

Mr. ANDERSON of Illinois. I thank my colleague for his comments.

I now yield to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Speaker, I rise in strong support of this resolution. I feel that having people on the floor lobbying for legislation demeans the legislative process. I believe that it is also unfair to those who are advocates who are not privileged to serve as Members of this House.

I feel this rule is a fair and equitable one. It will not cause any hardship as far as any ceremonial meetings, or joint sessions. It will not cause problems for former Members of the Congress who come down here and who are personally interested in a piece of legislation that affects their former constituency.

We are talking basically between legislative advocates, or if a former Member of Congress had a claims bill before the floor of the House that was directed for his benefit, that Member would not be able to be on the floor lobbying.

I commend the gentleman from Illinois for taking the lead in this measure. I am pleased that the Committee on Rules saw fit to act upon it. I would hope the resolution would have unanimous adoption.

Mr. ANDERSON of Illinois. Mr. Speaker, I appreciate the remarks of the gentleman from California (Mr. JOHN L. BURTON). As I said earlier, he has contributed very generously and extensively of his time and energy to this effort. I appreciate his help.

I now yield to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Speaker, in response to the question posed by the gentleman from California (Mr. SISK) you do not have to be in the employ of an organization or association. That is one condition. The other is if you have a personal interest, as described by the other gentleman from California (Mr. BURTON).

Mr. ANDERSON of Illinois. That is correct.

Mr. DEL CLAWSON. Those are two separate instances where one would qualify or be eligible for this kind of prohibition.

Mr. ANDERSON of Illinois. That is correct.

Mr. DEL CLAWSON. The other question I would like to pose is with reference to a legislative matter pending before the House. Let me give the Members this hypothetical question. Say a bill is introduced next January. After this the subcommittee and the full committee may hold hearings on it one morning and then suspend hearings. That may go on for that entire Congress, without consideration of that matter again. Would that Member then be prohibited or forbidden the privileges of the floor?

Mr. ANDERSON of Illinois. I think it is important to make some legislative history on the point that the gentleman from California has just raised in his hypothetical question.

I believe that it should be said that the floor privileges would be denied on the ground that the bill has been activated and until the bill is considered or the Congress has run its course, regardless of how long it has been under active consideration in either the subcommittee or at the full committee. To render any other interpretation, it seems to me, would defeat the whole purpose of this rule. Because, if the former Member could simply then reclaim his privilege, and it is only a privilege and not a right, if he could simply reclaim the floor privileges because there had been a lull in the activity either before the full committee or in the subcommittee, then the whole purpose of the rule would be defeated since the former Member could use his floor privileges presumably to lobby Members to reactivate consideration of the bill.

I do not think we should disassemble on that point, once the active consideration has begun in the Congress we cannot just turn it on or off, it is too hard to do.

I would appreciate some confirmation if I could have it, from the majority side of the aisle.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, I agree entirely with the interpretation of the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman.

Mr. DEL CLAWSON. Then, Mr. Speaker, if I may refer back to my hypothetical question, if come January a bill is introduced and a former Member has an interest in that bill, or that measure, and it is then submitted to a subcommittee of a committee, and the committee holds a hearing for an hour and then suspends any further hearings, that former Member would be denied the floor privileges?

Mr. ANDERSON of Illinois. Yes.

Mr. DEL CLAWSON. Until such time as it was disposed of?

Mr. ANDERSON of Illinois. Yes.

Mr. DEL CLAWSON. Even though it might be until the end of that Congress?

Mr. ANDERSON of Illinois. That is right.

Mr. DEL CLAWSON. So for 2 years he could be denied the privilege of the floor.

Mr. ANDERSON of Illinois. That is correct. If it does not mean that, then it does not mean anything at all.

Mr. J. WILLIAM STANTON. Mr. Speaker, would the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I appreciate the gentleman from Illinois yielding to me.

Just once again for clarification, and for a little legislative intent because, No. 1, last week, just by coincidence on the House floor I happened to see the Secretary of Defense and our American Ambassador to the American States, both former Members.

For example, in the case of the Secretary of Defense, if the Committee on Armed Services should take up consideration of anything whatsoever, would he be barred from the rest of the session?

Mr. ANDERSON of Illinois. No, no.

Mr. J. WILLIAM STANTON. If the gentleman would yield further, Question No. 2: If we get into a situation where the Civil Service Committee should take up the case of pension increases or changes for retired Federal employees—which include former Members of the House—and the subcommittee should start on that legislation, it would not be the gentleman's intention to bar former Members from the floor?

Mr. ANDERSON of Illinois. No. I think in response, I would go back to what I said in response to someone who raised a point earlier here on the floor, that in interpreting what Rule VIII means—which uses the same language: "a direct personal pecuniary interest"—there are ample questions, and I do not believe that the precedents have gone that far that they would bar the Member under the circumstances that the gentleman has just outlined.

Mr. MILLER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding

I know that the intent is to bar the ex-Members from the floor once a bill in which they have a personal or pecuniary interest has been reported from a committee or is pending in the House, but by the same token, to bring up another situation, we have in January the President of the United States giving the State of the Union message. The President of the United States now is an ex-Member. We have Senators who come from the other side who were Members of the House. They come over to discuss some of the problems.

Would the gentleman clarify what the bill would do under those conditions?

Mr. ANDERSON of Illinois. I can assure the gentleman that in each and every one of the instances that he has enumerated, this rule would not bar them from the privileges they now have of attending sessions of this House.

Mr. MILLER of Ohio. I thank the gentleman.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I thank the gentleman for yielding.

Mr. Speaker, I think this legislation, this resolution is long overdue. I trust that the Speaker when promulgating the regulations will be strict rather than lenient in interpreting the main sense of this resolution as the sense of the Congress and the intent of the Congress as indicated.

I do not personally intend to be an ex-Member of Congress very soon, but I do appreciate the fact that the gentleman and his colleagues have brought forth this important resolution.

Mr. ANDERSON of Illinois. I thank the gentleman.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New York.

Mr. PEYSER. I thank the gentleman for yielding.

I think that it is worth saying to those assembled here that for those of us who will be former Members of this body, as an active Member still today on the last day, I think this is an excellent piece of legislation. I think it defines very clearly the rights and the privileges that former Members should receive.

Mr. Speaker, I urge all of my colleagues in here who may be departing this wonderful body today to join in voting for this—and those Members who are actively remaining, to support it as well. I thank the gentleman for yielding.

Mr. DEL CLAWSON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. DEL CLAWSON. I thank the gentleman for yielding.

In response to the gentleman from Ohio (Mr. J. William Stanton) if the Secretary of Defense were here—and he certainly would be interested, having a personal interest, it seems to me, in legislation that has to do with his Department—would the gentleman reply that he would not be barred even though he had that personal interest?

Mr. ANDERSON of Illinois. That is my interpretation of the language. I do not regard him as a person who is engaged professionally purely for the purpose of influencing the outcome of legislation. I think that may be incidental, of course. It may be that we do not know, of course, because he appears, as we all know, for posture statements and testimony before various committees on various matters. But I cannot believe that any construction of this rule would bar the Secretary of Defense, or any other Cabinet officer, from attending sessions in the Chamber.

Mr. DEL CLAWSON. So it would not stretch that far. For purposes of legislative history, the rules would be promulgated by the Speaker?

Mr. ANDERSON of Illinois. No, no. That is not quite correct.

The rule, as we have attempted to draft it, is in very careful and thoughtful language, drawn up with the help of the gentleman from Missouri. What the Speaker has the responsibilty of doing, if my understanding is correct, is to promulgate regulations for the implementing and enforcing of the rule. But the rule itself, the definition of the rule, the scope of the rule is pretty well, I think, set forth in the language of the resolution which I hope we will shortly adopt.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

I would like to ask a question, through the gentleman in the well, of the gentleman from California (Mr. John L. Burton), if I may, if the gentleman from Illinois will yield for that purpose.

I ask the gentleman from California: How does this rule differ from the rules under which the California Legislature operates?

Mr. ANDERSON of Illinois. I yield to the gentleman from California (Mr. John L. Burton) for a reply.

Mr. JOHN L. BURTON. Mr. Speaker, the rule in the Legislature of California, as the gentleman knows from his service there, is that ex-Members have the right and privilege of the floor, but those who are lobbyists are totally prohibited from entering the floor or chamber of the assembly or the senate.

Mr. KETCHUM. And this is similar to that?

Mr. JOHN L. BURTON. Yes.

Mr. MYERS of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Pennsylvania.

Mr. MYERS of Pennsylvania. Mr. Speaker, I would like to ask two questions. First of all, as far as the regulations the Speaker would promulgate, is it the suggestion of the gentleman that the House will approve those in some manner?

Mr. ANDERSON of Illinois. No, I think the rule contemplates the Speaker would have the authority—and that is the authority that goes with his office—to promulgate regulations that are reasonably designed to implement and carry out the rule.

Mr. MYERS of Pennsylvania. If the gentleman will yield further, does that mean the Speaker would be assigned the responsibility of setting any sanctions, if there are any sanctions? For instance would he provide for the future barring if a Member is found to have violated this rule?

Mr. ANDERSON of Illinois. I think, yes, conceivably the Speaker would have that authority.

Mr. MYERS of Pennsylvania. Has there been any colloquy to establish what the intent of the House is as far as a sanction if a Member is found to have violated this rule?

Mr. ANDERSON of Illinois. Let me say to the gentleman in general response this is not designed to be a punitive resolution of any kind. We are not interested in punishing or embarrassing anyone. I have been distressed that some of my former colleagues now engaged in the honorable profession of lobbying feel I have been somehow making them second-class citizens. That is not so at all.

As far as I am concerned, the only punishment that would be carried out under this rule would be that the person would be asked to leave the floor if he were not in compliance with the rule.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I would like to pursue this question of the Secretary of Defense a little longer because I seem to recall a former Member of this body who was some time ago Secretary of Defense and who was sitting on this floor at a time when the Defense authorization bill was under consideration. If that is not being in the employ of an organization and representing that organization for the purpose of influencing the defeat or the passage of a legislative measure, I do not know what is. Frankly I resented it at that time.

I think we ought to make a clear distinction. Of course if the Secretary of Defense or any other former Member is called before a committee of the House to testify or to give testimony, that is one thing. But I take it that this rule applies only to this Chamber and the anteroom.

If that is the case, the mere fact he is a former Member should not entitle him to come on this floor and attempt to lobby or influence votes.

Mr. ANDERSON of Illinois. Well, Mr. Speaker, I cannot say that is a highly unusual situation any more, because I do now recall that we have had two Secretaries of Defense, both of whom have been former Members of this body; so maybe it is not that unusual, but it is true that a literal reading of this resolution of the proposed revision of rule 32 refers to former Members. It does not screen out former Members who have been elevated to Cabinet rank. So I guess I would have to say to the gentleman that if the Speaker desires to utilize this rule in the instance the gentleman has propounded, it could be considered that he was lobbying in violation of this rule.

Mr. SEIBERLING. Mr. Speaker, if the gentleman will yield further, just to clarify this a little more, I take it if it were not a former Member, but a Member of the President's Cabinet, that that fact alone would not entitle him to come on the floor of this House and lobby for legislation. As a matter of fact, it would probably violate the rules of the House.

Mr. ANDERSON of Illinois. I would hope that the Members of the Cabinet, regardless of what administration they belong to, would show discretion in that regard.

Mr. SEIBERLING. Mr. Speaker, if the gentleman will yield further, the House of Commons, which is the parent in a sense of this organization was extremely jealous against permitting representatives of the Crown to enter the House unless they were given the privilege especially by the House. I would hope that we would be similarly jealous of our prerogatives versus the Executive.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, two quick points. I recall a former Member of this body who was a floor manager in this Congress during the poverty bill debate. I did not find it offensive, but the question I really want to raise is whether or not my colleague, the able gentleman from Illinois, could tell this Member whether or not this resolution is good only for 1 day? It is my understanding it is only good for this Congress; is that correct?

Mr. ANDERSON of Illinois. Mr. Speaker, I think it will have to be readopted, even as we readopt the rules of the House at the beginning of a new Congress; but we would hope we would establish some precedent here this afternoon that would carry over to January 1977.

Mr. ASHBROOK. Mr. Speaker, if the gentleman will yield further, my mind goes back to many things that did not get adopted the next January. Remember the two-thirds staff that was kicked out a year ago January. They kicked out the Un-American Activities Committee. I guess we would have to hope this would be in the package of the leadership in the next session.

Mr. BOLLING. Mr. Speaker, I promised to yield to the gentleman from Idaho (Mr. SYMMS), because it was clear that the time of the gentleman from Illinois was going to be used up.

Mr. Speaker, I yield 5 minutes to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Speaker, now, I do not pretend to know a whole lot about the subject of "lobbying" or of "lobbyists". I suppose it is reasonable to assume that a would-be lobbyist would be more apt to seek out the more important, the more powerful Members of Congress or at least, those Members whom he figured might be more vulnerable to his persuasions.

And I hardly know whether I ought to feel insulted that they apparently do not think I am important enough to bother with or proud that they recognize me as one whose convictions are not to be trifled with. But you know, I simply have not been bothered by these evil lobbyists who are supposed to be invading our sanctuary.

And I am made to wonder if this is a real problem—that some of you have been improperly approached—or is this just a seasonal overreaction to some columnist's evil assumptions?

May I put the question to you? Has any one of you felt you have been the victim of a violation of the rather explicit rules of the House with respect to lobbying on the floor?

Was that during this session of Congress?

What did you do about it? Did you seek any remedy under the present rules?

Please understand, I do not mean to sound like I am presuming to lecture anyone who has been offended, if there are those, but I have always assumed we here in the House live by some Honor Code. We take a solemn oath to uphold the laws of the land and the rules of this House. We expect our military cadets to live up to their honor code, to neither perpetrate nor tolerate wrong, and if they do, we demand that they be expelled.

Is it too much to expect that we, the Members who appoint those cadets, should neither perpetrate nor tolerate wrongdoing? And is there anyone who does not agree the present rules are completely adequate if the Members will simply have the fortitude to do what they ought to do in any instance of transgression?

If it "takes two to tango," it surely takes no less than two to "lobby," and one cannot remain silent and remain innocent if he feels a wrong is being done.

Well, if it is no more of a problem than that, it hardly seems like a plague upon our House that is apt to do us in during the few remaining hours of this session of Congress.

It certainly does not qualify as "emergency" legislation to which we are supposed to be devoting our precious legislative time at this date.

No one, least of all I, suggests that any violation of rule 32 should be tolerated. It would be abhorrent to each and all of us, to find that a former colleague did not have better judgement than to misuse the privilege of visiting this Hall, by attempting to influence legislation here.

It is hard to imagine anyone that foolish. He certainly would not be worth his salt as a lobbyist. And yet, there may be such a person.

My point is that we already have ample provisions to deal with any such problem, if we but have the will to do it, and this new proposal is little more than a "copout" and—whether you realize it or not—a subterfuge to make it appear we are taking bold, new measures, when all we need to do is add a little of that boldness to the good-old measures we already have.

And what are those measures? This is what the late, great Speaker Sam Rayburn ruled on October 2, 1945, and it stands today as a valid precedent:

> Former Members of the House do not have the privilege of the Hall of the House nor rooms leading thereto when they are personally interested in legislation being considered or who are in the employ of an organization that is interested in legislation before the Congress.

If our real purpose is to prevent improper lobbying—and not just to ostracize and embarrass our congressional alumni—it seems to me Mr. Rayburn's ruling is altogether adequate.

The proposal before us is, at best, legislative overkill, and ambiguous overkill, at that. Annoyed by a flea, you would call in monstrous countermeasures.

We might damn it with faint praise by saying that it is not quite as bad as the original Anderson-Burton resolution. The Anderson-Burton proposal would have called for each former Member to sign a register and take an oath before the Doorkeeper of the House could let him enter his "alma mater." I suppose we ought to be glad that whoever conceived that idea did not think of requiring a polygraph test, while he was at it.

I cannot help but be curious who in the world was the legislative counsel behind this incredible concoction.

Yet it attracted scores of cosponsors. Some of whom now plead that they did it on faith. Something tells me they may hereafter mix their faith with a little larger portion of scrutiny.

It is an unworthy means, to an unhappy end.

In their eagerness to respond to the allegations by a newspaper muckraker that some impropriety may have taken place, they would impugn the judgment and/or the integrity of all former Members of Congress as a group.

Let me show you how ridiculous this is: If these provisions were to be enforced and if Dan Flood was to quit Congress and become president of the American Red Cross, he would no longer be welcome back on this floor.

If Sil Conte were chosen American baseball commissioner, he would be off-base in this Chamber.

If Jack Brinkley were to be elected the head of the Southern Baptist Conference he would thereafter be trespassing in this House.

There is hardly a time we do not have social security legislation pending, which would bar any former Member who had come of that age.

With over 25,000 measures before the committees of this Congress it is difficult to imagine a living soul who did not have an interest in many of them—certainly so, if he still had to work for a living.

As a matter of fact, would it not be a clear violation of such a rule for former Congressman Jerry Ford to slip into the cloakroom, if only to have one of Helen's hot dogs?

Now you say: "don't be funny, that would never be enforced against good old Jerry." And you are right. And that is one of the most objectionable things about it. This is not intended to be enforced evenhandedly, objectively. This is a subjective measure that castigates former Members as a class for the supposed sins of some.

What a parting legacy to leave the new 95th Congress. What a shoddy shot to take at the four-score of our colleagues who have already chosen to soon become "former Members"—as will we all someday.

And if we insist on punishing ourselves with this unbecoming legislative self-flagellation—we are apt to find ourselves among the "disreputable" former Members a lot sooner than we suppose.

Let us show a little respect for those who have gone before us. Let us show a little self-respect.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, as my dear friend. the gentleman from Idaho knows, the gentleman and I share our voting records.

I would say to the gentleman that if it is all right for a former Member who is a lobbyist to appear on this floor, let us open the doors and let them all in. All we are talking about is lobbyists.

Mr. SYMMS. I thank the gentleman very much for his point, but the point is that we are criticizing former Members' honor and integrity, senior Members of the body. We appoint people to go to West Point, and we expect them to live under an honor code. All I am saying is that there are some 10,000 Members of this House, and some 80 more are going to become former Members next January 3. So, we are going to keep them out, and we disrespect their ability and honor to stand up and abide by rule 32 of the House, which has already been ruled upon.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I merely point out that there are about 7,000 of those 10,000 Members who are deceased.

Mr. SYMMS. I thank the gentleman for making that point. There are only 3,000 living.

Mr. JOHN L. BURTON. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from California.

Mr JOHN L. BURTON. Mr. Speaker, I resent, as a Member of Congress, having to run up and tattle to the Speaker when somebody is lobbying ·

Mr. SYMMS. The gentleman knows that all he has to do is say, "My dear friend, why don't you just vacate yourself from the premises?"

Mr. JOHN L. BURTON. But this rule would stop them from being embarrassed, because they would know their responsibilities.

Mr. SYMMS. We are going to humiliate everybody because perhaps some muckraker wrote about a Member who was improperly on the floor. I do not see why we have to pass a rule to humiliate all of our former Members and have this self-flagellation.

Mr. Speaker, let us have a little respect for ourselves, for this institution and for the fine traditions it has had in the past, and vote no on this resolution.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. Anderson).

Mr. ANDERSON of Illinois. Mr. Speaker, I take the minute only to correct a misimpression that I think I caused inadvertently in the colloquy which I had with the gentleman from Ohio (Mr. Seiberling) on the question of cabinet officers who might be here on the floor.

When we read rule XXXII, it deals with persons and officials admitted to the floor during sessions of the House. It refers specifically to heads of departments, who would be cabinet officers. However this rule is written, it deals with floor privileges, of course, not with heads of departments, but with former Members, former employees and so on.

So even though a former Member might lose his privileges under the rule as written, he would still have an independent right under rule XXXII as the head of a department to be on the floor during a session of Congress.

I think it is important to point that out.

Mr. BOLLING. Mr. Speaker, I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENDING THE BOUNDARY OF TINICUM NATIONAL ENVIRONMENTAL CENTER

Mr. STUDDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5682) to extend the boundary of the Tinicum National Environmental Center, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, strike out lines 3 and 4, and insert:
>
> (2) by amending section 7 read as follows:
>
> "Sec. 7. (a) There are authorized to be appropriated $2,250,000 to carry out the provisions of this Act.
>
> "(b) Beginning with fiscal year 1978, there are authorized to be appropriated, in addition to the authorization appropriated under subsection (a), $3,650,000 to carry out the purposes of this Act."

The SPEAKER. The Clerk will report the House amendment to the Senate amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

In lieu of the figure "$3,650,000" contained in the Senate amendment insert "$1,600,000".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, the ranking Republican member of the subcommittee was not able to be here at this particular moment. Mr. FORSYTHE asked that I defer items of discussion to my colleague, the gentleman from Alaska (Mr. YOUNG) who is also a member of the subcommittee. Mr. YOUNG will explain the rationale of the compromise which has been worked out on this bill.

Mr. Speaker, I yield to the gentleman from Alaska (Mr. YOUNG) for that purpose.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Mr. Speaker, regarding the compromise that has been worked out with the parties involved, I believe I can say as a member of the committee from which this bill comes that the amendment that has been adopted, although it will not accomplish all that the original bill set out to do, it will require further hearings next year on the further acquisition of these lands for the preservation and for the benefit of wildlife, and especially the ducks in this area.

Mr. Speaker, I want to compliment the gentleman for dealing with this type of an amendment. I am sure the gentleman from Pennsylvania (Mr. EDGAR) understands that as a member of that committee the gentleman from Massachusetts and I will urge that the further hearings be held in the 95th Congress. At that time I hope the compromise can be dealt with.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, it is my understanding—and I will yield to either one of the two gentlemen on the opposite side of the aisle—that the dollar amount of $1,600,000 in this committee amended bill will basically cover the intention of the subcommittee to allow negotiations to proceed for the purchase of a portion of the land (now actually a dump) which has been designated to be part of this wildlife refuge Is that correct?

Mr EDGAR. If the gentleman will yield, that is absolutely correct. The amount of money that we are compromising in the bill will provide for the beginning acquisition of the Folcroft Landfill, which is a thumblike protrusion into an environmental center that was created in 1972 It is now spewing pollution into the environmental center. Through the hearings we had before the committee it was determined by testimony from the administration and from the people in the local area who are interested in it that if we include the Folcroft Landfill it will round out the boundaries of this environmental center and give us access to providing an open classroom for many of the young people who live in the urban area. The Tinicum National Environmental Center is on the Atlantic flyway for many of the species of wildlife which fly from Alaska down to Florida and back again. It is also an open wildlife preserve for many of the residents of the Philadelphia and suburban area.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A motion to reconsider was laid on the table.

DEFINING JURISDICTION OF U.S. MAGISTRATES

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1283) to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, I make this reservation merely for the purpose of yielding to my colleague, the gentleman from California (Mr. DANIELSON), so he may speak on this bill.

Mr. DANIELSON. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from California.

Mr. DANIELSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, S. 1283 was ordered reported favorably and with amendments from the Committee on the Judiciary on September 15, 1976. Hearings on the issue have been held in this body on June 20, and July 18, 1975 (H.R. 6150) and in the other body on July 16, 1975. The bill has the support of the Administrative Office of the U.S. Courts, the Judicial Conference, the Justice Department, and several judges who have personally written to Congress commending this legislation.

This legislation would clarify and expand the duties of the U.S. magistrate so that he or she may better assist the Federal judges. During the past year, the total civil and criminal case filings rose by 12 percent. In addition, the Speedy Trial Act was implemented on July 1, 1976. These pressures on the judges would be relieved by S. 1283.

It will involve no extra cost to the Government.

The additional duties which can be assigned to a magistrate are classified into three categories set forth in subparagraphs (A) and (B) of subsection 636(b)(1) and in subsection 636(b)(2). These categories and the scope of the magistrate's authority are as follows:

First. Pretrial matters Under subparagraph (A) a judge, in his discretion, may assign any pretrial matter to be heard and determined by a magistrate. In scope, this includes a great variety of preliminary motions and matters which can arise in the preliminary processing of either a criminal or a civil case. Many of the magistrates are already hearing these pretrial matters under the authority contained in subsection 636(b)(2) of the present law.

Subject to the exception of the dispositive motions expressly named in subparagraph (A), the magistrate shall have the authority to not only hear the pretrial matter but also to enter an order determining the issue raised by the motion or proceedings. The magistrate's determination is intended to be "final" unless a judge of the court exercises his ultimate authority to reconsider the magistrate's determination.

The last sentence of subparagraph (A) makes it clear that a judge of the court has the ultimate judicial prerogative to review and reconsider a motion or matter "where it has been shown that the magistrate's order is clearly erroneous or contrary to law". The standard of "clearly erroneous or contrary to law" is consistent with the accepted and existing practice followed in most district courts when reviewing a pretrial matter assigned to a magistrate under existing law.

Second. Dispositive motions, habeas corpus, and prisoner petitions: Certain motions which are dispositive of the litigation are specifically excepted from the magistrate's power under subparagraph (A) "to hear and determine". These excepted motions are:

A motion for injunctive relief;

A motion for judgment on the pleadings;

A motion for summary judgment;

A motion to dismiss or quash an indictment made by the defendant;

A motion to suppress evidence in a criminal case;

A motion to dismiss or permit maintenance of a class action;

A motion to dismiss for failure to state a claim upon which relief can be granted; and

A motion to involuntarily dismiss an action.

It is not intended that a magistrate shall have the power under subparagraph (A) "to hear and determine" such dispositive motions. However, it is intended that under subparagraph (B) a judge of the court, in his discretion, may assign such dispositive motions to a magistrate for hearing and submission of proposed findings and recommendation to a judge of the court for ultimate disposition.

Not only may these dispositive motions be assigned to the magistrate under subparagraph (B) but also there may be assigned application for posttrial relief made by individuals convicted of criminal offenses and petitions under section 1983 of title 42 United States Code brought by prisoners' challenging the conditions of their confinement. Passage of S. 1283, as amended, will supply the congressional intent found wanting by the Supreme Court in *Wingo* v. *Wedding*, 418 U.S. 461, (1974) wherein the Supreme Court of the United States interpreted section 636(b) of title 28 of the United States Code, as authorizing the magistrate to make merely a "preliminary review" of a prisoner petition and expressly held that the statutory language did not evidence any intent by Congress that the magistrate be authorized to hold an evidentiary hearing in a habeas corpus proceeding.

Under subparagraph (B) the magistrate is required to submit proposed findings and his recommendation to the judge for disposition of the various proceedings included in subparagraph (B).

Subparagraph (C) provides that a copy of the proposed findings and recommendations must be mailed to all parties. Written objections must be filed within ten days. This is substantially the procedure and the time limit specified in rule 53.

Subparagraph (C) also provides for review by the district judge of the magistrate's findings and recommendations concerning dispositive motions and applications for posttrial relief. These are recommendations not orders and a party taking exception to such can have it reviewed by the district judge. The standard for review here is different from that in subparagraph (A) concerning pretrial motions which require a showing that the magistrate ruling was "clearly erroneous."

Third. Special master and trial by consent: The third category of magistrates' additional duties is set forth in the proposed subsection 636(b)(2). The subsection expressly authorizes the magistrate to be appointed as a special master under rule 53 of the Federal rules of civil procedure. This carries forward the same provision in section 636(b)(1) of the existing law.

The second sentence of this subsection provides that a judge may designate a magistrate to serve as a special master in any civil case, upon consent of the parties. This reflects current practice. I am not aware of any opposition to this subparagraph. At the same time, rule 53 contains many important rules governing the powers of masters, the conduct of proceedings before them, and the submission of reports. Thus, subsection 636(b)(2) retains these provisions in any case in which a magistrate is appointed as a special master.

S. 1283, as it has been reported by the Committee on the Judiciary, is essentially the same bill as passed the Senate on February 5 of this year. However, the committee has amended the bill in three ways:

First. The first amendment would insure that all dispositive motions, and those so enumerated, will be ultimately determined by the judge, although the magistrate may preliminarily hear them and make recommendations. Those motions are:

Motion for injunctive relief;

Motion for judgment on the pleadings;

Motion for summary judgment;

Motion to dismiss or quash an indictment or information which is made by the defendant;

Motion to suppress evidence in a criminal case;

Motion to dismiss or to permit maintenance of a class action;

Motion to dismiss for failure to state a claim upon which relief can be granted; and

Any motion to involuntarily dismiss an action.

Second. The second amendment emphasizes and clarifies when a de novo determination must be made by the judge. It states expressly that the judge shall make a de novo determination of those portions of the report or specified proposed findings or recommendations to which objection is made. He may then accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate.

Third. The third amendment makes changes in the habeas corpus rules of procedure. These rules were originally promulgated by the Supreme Court on April 26, 1976. The House recently approved legislation (H.R. 15319) making some changes in them and providing that they shall take effect on February 1, 1977. Rule 8(b), tracking the present Magistrates Act and case law, sets forth the authority of magistrates with respect to evidentiary hearings in postconviction cases and proceedings. Rule 8(b), as it presently will take effect, authorizes a district court, by local rule, to approve a magistrate to recommend whether or not an evidentiary hearing is necessary in order to dispose of a petition under 28 U.S.C. 2254 or 2255. Since S. 1283 expands the authority of magistrates beyond that set forth in rule 8(b) of the habeas corpus rules of procedure, it is necessary to change rule 8(b) to make it consistent with the provisions of this legislation. Section 2 of S. 1283, which is a committee amendment, will bring the rule 8(b) in conformity with this legislation. I urge your support for the bill, S. 1283, as amended. It will offer needed assistance to the busy Federal courts.

In fiscal year 1976 magistrates handled a volume of matters as shown in the following table:

Criminal cases:	
Minor offenses	11, 692
Petty offenses	78, 474
Arrest warrants	22, 531
Search warrants	6,068
Bail hearings	48, 616
Preliminary examinations	7, 142
Removal hearings	1, 727
Subtotal	176, 250
Post indictment arraignments	18,694
Pretrial conferences	5, 397
Pretrial motions	7, 861
Probation revocation	726
Other criminal matters	2, 918
Subtotal	35, 596
Total criminal matters	211, 846
Civil cases:	
Prisoner petitions	8, 231
Pretrial conferences	17, 559
Motions	9, 583
Special master reports	684
Social security cases	1, 480
Other civil matters	2, 761
Total civil cases	40, 298

Mr. ASHBROOK. Mr Speaker, I thank the gentleman from California (Mr. DANIELSON). I understand this was accepted in the Committee on the Judiciary, and that there was no objection.

Mr. RAILSBACK. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Speaker, I thank my friend, the gentleman from Ohio, for yielding, and I thank him for all his constructive contributions.

Mr Speaker, I rise in support of S. 1283, an act to slightly expand and clarify the jurisdiction and duties of U.S. magistrates. This measure passed the other body on February 5, 1976, without opposition. A similar bill was contained in my Omnibus Court Improvement bill, H.R. 6150. S. 1283 was drafted by the Judicial Conference and has the support of the Department of Justice.

These additional duties generally relate to the hearing of motions in both criminal and civil cases, including both preliminary procedural motions and certain dispositive motions. S. 1283 provides for different procedures depending upon whether the proceeding involves a matter preliminary to trial or a motion which is dispositive of the case. In either case, the order or the recommendation of the magistrate is subject to final review by a district judge of the court.

The committee believed that the other body's bill was not clear with regard to the type of review afforded a party who takes exceptions to a magistrate's findings and recommendations in dispositive and posttrial matters. I offered an amendment which was adopted by the subcommittee which added the following language:

> A judge of the court shall make a *de novo* determination of those portions of the report or specific proposed findings or recommendations to which objection is made.

The amendment to subparagraph (b)(1)(C) is intended to clarify what is the Congress' intent with regard to the district judge's review of the magistrate's recommendations. It does not affect the substance of the bill. The amendment states expressly what the language of the Senate only implied; that is, that the district judge, in making the ultimate determination of the matter, would have to give fresh consideration to those issues to which specific written objection has been made by a party.

The use of the words "de novo determination" is not intended to require the judge to actually conduct a new hearing on contested issues. Normally, the judge, on application, will consider the record which has been developed before the magistrate and make his own determination on the basis of that record, without being bound to adopt the findings and conclusions of the magistrate. In some specific instances, however, it may be necessary for the judge to modify or reject the findings of the magistrate, to take additional evidence, recall witnesses, or recommit the matter to the magistrate for further proceedings.

The approach of the committee, as well as that of the other body, is adopted from the decision of the U.S. Court of Appeals for the Ninth Circuit in *Campbell* v. *United States District Court for the Northern District of California*, 501 F.2d 196 (9th Cir.), certiorari denied, 419 U.S. 879 (1974). The clarifying amendment merely draws upon the language of the Campbell decision to a greater extent:

> In carrying out its duties the district court will conform to the following procedure:
>
> If neither party contests the magistrate's proposed findings of fact, the court may assume their correctness and decide the motion on the applicable law.
>
> The district court, on application, shall listen to the tape recording of the evidence and proceedings before the magistrate and consider the magistrate's proposed findings of fact and conclusions of law. The court shall make a *de novo* determination of the facts and the legal conclusions to be drawn therefrom.
>
> The court may call for and receive additional evidence. If it finds there is a problem as to the credibility of a witness or witnesses or for other good reasons, it may, in the exercise of its discretion, call and hear any witness and not required to hold a *de novo* hearing of the case.
>
> Finally, the court may accept, reject, or modify, the proposed findings or may enter new findings. It shall make the final determination of the facts and the final adjudication. . . . (501 F.2d at 206).

Mr. Speaker, I understand that the other body is agreeable to our committee's amendment and I urge our Members to support the enactment of this legislation.

Mr. ASHBROOK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 636(b) of section 28, United States Code, is amended to read as follows:

"(b) (1) Notwithstanding any provision of law to the contrary—

"(A) a judge may designate a magistrate to hear and determine any pretrial matter pending before the court, except a motion for injunctive relief, for judgment on the pleadings, for summary judgment, to dismiss or quash an indictment or information made by the defendant, to suppress evidence in a criminal case, to dismiss or to permit maintenance of a class action, to dismiss for failure to state a claim upon which relief can be granted, and to involuntarily dismiss an action for failure to comply with an order of the court. A judge of the court may reconsider any pretrial matter under this subparagraph (A) where it has been shown that the magistrate's order is clearly erroneous or contrary to law.

"(B) a judge may also designate a magistrate to conduct hearings, including evidentiary hearings, and to submit to a judge of the court proposed findings of fact and recommendations for the disposition, by a judge of the court, of any motion excepted in subparagraph (A), of applications for posttrial relief made by individuals convicted of criminal offenses and of prisoner petitions challenging conditions of confinement.

"(C) the magistrate shall file his proposed findings and recommendations under subparagraph (B) with the court and a copy shall forthwith be mailed to all parties.

Within ten days after being served with a copy, any party may serve and file written objections to such proposed findings and recommendations as provided by rules of court. A judge of the court shall accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate The judge may also receive further evidence or recommit the matter to the magistrate with instructions.

"(2) A judge may designate a magistrate to serve as a special master pursuant to the applicable provisions of this title and the Federal Rules of Civil Procedure for the United States district courts. A judge may designate a magistrate to serve as a special master in any civil case, upon consent of the parties, without regard to the provisions of rule 53(b) of the Federal Rules of Civil Procedure for the United States district courts.

"(3) A magistrate may be assigned such additional duties as are not inconsistent with the Constitution and laws of the United States.

"(4) Each district court shall establish rules pursuant to which the magistrates shall discharge their duties.".

COMMITTEE AMENDMENTS

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: (1) Page 2, line 5, strike out for failure to comply with an order of the court

(2) Page 2, line 23, strike out all after "court." over to and including line 1 on page 3, and insert: "A judge of the court shall make a de novo determination of those portions of the report or specified proposed findings or recommendations to which objection is made. A judge of the court may accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate."

(3) Page 3, after line 16, insert:

SEC. 2. (a) (1) Rule 8(b) of the Rules Governing Section 2254 Cases in the United States District Courts is amended to read as follows:

"(b) FUNCTION OF THE MAGISTRATE.—

"(1) When designated to do so in accordance with 28 U.S.C. § 636(b), a magistrate may conduct hearings, including evidentiary hearings, on the petition, and submit to a judge of the court proposed findings of fact and recommendations for disposition.

"(2) The magistrate shall file proposed findings and recommendations with the court and a copy shall forthwith be mailed to all parties.

"(3) Within ten days after being served with a copy, any party may serve and file written objections to such proposed findings and recommendations as provided by rules of court.

"(4) A judge of the court shall make a de novo determination of those portions of the report or specified proposed findings or recommendations to which objection is made. A judge of the court may accept, reject, or modify in whole or in part any findings or recommendations made by the magistrate.".

(2) Rule 8(b) of the Rules Governing Section 2255 Proceedings for the United States District Courts is amended to read as follows:

"(b) FUNCTION OF THE MAGISTRATE.—

"(1) When designated to do so in accordance with 28 U.S.C. § 636(b), a magistrate may conduct hearings, including evidentiary hearings, on the motion, and submit to a judge of the court proposed findings and recommendations for disposition.

"(2) The magistrate shall file proposed findings and recommendations with the court and a copy shall forthwith be mailed to all parties.

"(3) Within ten days after being served with a copy, any party may serve and file written objections to such proposed findings and recommendations as provided by rules of court.

"(4) A judge of the court shall make a de novo determination of those portions of the report or specified proposed findings or recommendations to which objection is made. A judge of the court may accept, reject, or modify in whole or in part any findings or recommendations made by the magistrate.".

(b) (1) Rule 8(c) of such Rules Governing Section 2254 Cases is amended by striking out "and shall conduct the hearing" and inserting in lieu thereof the following: "and the hearing shall be conducted".

(2) Rule 8(c) of such Rules Governing Section 2255 Proceedings is amended by striking out "and shall conduct the hearing" and inserting in lieu thereof the following: "and the hearing shall be conducted"

(c) The amendments made by this section shall take effect with respect to petitions under section 2254 and motions under section 2255 of title 28 of the United States Code filed on or after February 1, 1977.

Mr. DANIELSON (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The committee amendments were agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARCIANO SANTIAGO AND HIS WIFE, ELEANOR L. SANTIAGO

Ms. HOLTZMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3556) for the relief of Marciano Santiago and his wife, Eleanor L. Santiago.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

Mr. BAUMAN. Mr. Speaker, reserving the right to object—and I shall not object—it is my understanding that the four bills that will be called up, including this bill, all deal with immigration matters, and that these bills have been discussed with the minority objectors. There seem to be no real problems, and the bills do have some merit.

However, I also understand it is somewhat difficult in the last days of the Congress, in a situation like this, to be able to consider such bills when the time for calendar calls has long since passed.

I want to say also that I understand the difficulties the Committee on the Judiciary has had with the other body in these matters and with other legislation. We have no objection to any of the four bills.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Marciano Santiago and Eleanor L. Santiago shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the required numbers, during the current fiscal year or the fiscal year next following, the total number of immigrant visas in conditional entries which are made available to the natives of the country of the aliens' birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment:

1. Beginning on line 3, strike the language:

That not withstanding the provisions of paragraph (14) of section 212(a) of the Immigration and Nationality Act, for the purposes of the administration of such Act,

and insert in lieu thereof the following:

That, for the purposes of the Immigration and Nationality Act,

2. On line 4, page 2, strike the word "alien's" and insert in lieu thereof the word "aliens' ".

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. OSCAR J. BRISENO

Ms. HOLTZMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3682) for the relief of Dr. Oscar J. Briseno.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act and section 21(e) of the Act of October 3, 1965, Doctor Oscar J. Briseno shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to special immigrants as defined in section 101(a) (27)(A) of the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. JUAN BAUTISTA LOPEZ RUIZ

Ms. HOLTZMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3683) for the relief of Dr. Juan Bautista Lopez Ruiz.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act and section 21(e) of the Act of October 3, 1965, Doctor Juan Bautista Lopez Ruiz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to special immigrants as defined in section 101(a)(27)(A) of the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SONG CHAN KI

Ms. HOLTZMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3667) for the relief of Song Chan Ki.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Song Chan Ki may be classified as a child within the meaning of section 101 (b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. George J. Cook, citizens of the United States, pursuant to section 204 of the Act: *Provieded,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ACT OF JULY 9, 1965

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15563) to amend the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes, with a Senate amendment thereto and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That section 6(d) of the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 460 L–17(c)) is amended by inserting after "Authority,": "but the Authority is authorized to recognize and provide for recreational and other public uses at any dams and reservoirs heretofore or hereafter constructed in a manner consistent with the promotion of navigation, flood control, and the generation of electrical energy, as otherwise required by law,".

SEC. 2. The canal and towpath of the Chesapeake and Ohio Canal National Historical Park are hereby dedicated to Justice William O. Douglas in honor of the role Justice Douglas played in preventing such Canal from being made into a highway and in grateful recognition of his long and outstanding service as a preeminent American conservationist. In order to properly carry out the provisions of this section the Secretary of the Interior shall (1) have the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas" prominently displayed on all existing and future signs bearing the name "Chesapeake and Ohio Canal National Historical Park" or any abbreviation thereof (2) incorporate into the interpretive programs of the Canal Park Justice Douglas' role in preserving the Canal, (3) provide that all maps of such Canal, and other such appropriate materials relating to such Canal and Park, which are prepared after the date of enactment of this section bear the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas", and (4) install signs bearing the words "C. & O. Canal and Towpath dedicated to Justice William O. Douglas" at appropriate points in the Canal Park to call to the attention of the public that the towpath has been so dedicated.

Mr. TAYLOR of North Carolina (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MOTION OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TAYLOR moves that the House concur in the Senate amendment with an amendment as follows: Strike out all of section 2 of the Senate amendment.

The motion was agreed to.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

EIGHTH ANNUAL REPORT OF THE NATIONAL SCIENCE BOARD—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–653)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers and illustrations, referred to the Committee on Science and Technology and ordered to be printed.

To the Congress of the United States:

I am pleased to submit to the Congress the eighth annual report of the National Science Board, *Science at the Bicentennial—A Report From the Research Community.*

This report reviews the history of research in the United States and summarizes the results of a survey conducted by the Board in 1975 which sought the opinions of research managers on the problems facing basic research in universities, industry, Federal laboratories and nonprofit institutes.

The report reflects the pride of the research community in the tremendous accomplishments resulting from the scientific research effort in the United States, particularly since World War II. The report shows concern about a number of problems facing research institutions in 1975. It also shows the expectations for many more contributions in the future from science—contributions which will be important to the strength and well-being of our Nation.

The thoughtful statements expressed in this report will receive the attention of my new Office of Science and Technology Policy and the new President's Committee on Science and Technology, which will soon begin its 2-year examination of the overall context of the Federal science, engineering and technology effort.

The strength and prosperity of the United States which is so respected throughout the world is due in large measure to the contributions of scientific research. I believe this force must be maintained and I have sought significant increases in Federal funding for basic research in my 1977 Budget, in fact, an increase of 11 percent over 1976 estimates. This increased funding would reverse the decline in the levels of Federal support for basic research that began in 1967.

The views set forth in this report will enhance our ability to make informed decisions about the Nation's support of science. I commend it to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

VACATION OF PROCEEDINGS ON AND REPASSAGE OF S. 3556

The SPEAKER. Without objection, the proceedings under which the Senate bill (S. 3556) was amended and passed are vacated, and without objection, the Senate bill is read a third time and passed and a motion to reconsider is laid on the table.

There was no objection.

RECESS

The SPEAKER. The House will now stand in recess until 7:30 p.m.

Accordingly (at 7:09 p.m.), the House stood in recess until 7 o'clock and 30 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 7 o'clock and 30 minutes p.m.

CALL OF THE HOUSE

Mr. BAUMAN Mr. Speaker, this is the last time I will make this request before this Congress: I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 864]

Abdnor
Abzug
Adams
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Armstrong
AuCoin
Baldus
Beard, R.I.
Beard, Tenn.
Bingham
Boland
Brademas
Brinkley
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Burke, Calif.
Burke, Fla.
Burton, Phillip
Byron
Carney
Cederberg
Chappell
Chisholm
Clancy
Clay
Cohen
Conable
Conyers
Cotter
Crane
D'Amours
Daniel, R. W.
Delaney
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
du Pont
Early
Eckhardt
Emery
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fish
Fisher
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Frey
Fuqua
Gaydos
Giaimo
Goodling
Gradison
Green
Haley
Hall, Ill.
Hamilton
Harrington
Harsha
Hawkins
Hébert
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holland
Horton
Howe
Hubbard
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Karth
Kemp
Ketchum
Keys
Koch
LaFalce
Landrum
Lehman
Lent
Long, Md.
Lujan
Lundine
McCloskey
McCollister
McDade
McDonald
McKinney
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Mills
Mink
Mitchell, Md.
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Nedzi
Nichols
Nix
Nowak
O'Hara
O'Neill
Passman
Patterson, Calif.
Pattison, N.Y.
Pepper
Pettis
Peyser
Pike
Pressler
Quie
Quillen
Railsback
Rangel
Reuss
Richmond
Riegle
Risenhoover
Rodino
Rosenthal
Rostenkowski
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarbanes
Satterfield
Scheuer
Schneebeli
Sikes
Slack
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stephens
Stokes
Stuckey
Sullivan
Talcott
Teague
Traxler
Udall
Vigorito
Walsh
Waxman
Weaver
Whitehurst
Wilson, Bob
Wilson, C. H.
Winn
Wolff
Wright
Wydler
Yates
Young, Alaska
Young, Ga.
Zeferetti

The SPEAKER. On this rollcall 237 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that there will be coming from the Senate, as there has now, a few more matters which will take place after the traditional ceremonies of the House have been completed.

The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I ask that the Speaker call to the rostrum the gentleman from Arizona (Mr. RHODES).

The SPEAKER. Will the gentleman from Arizona (Mr. RHODES) come to the rostrum.

The gentleman from Arizona (Mr. RHODES) assumed the chair.

The SPEAKER pro tempore. (Mr. RHODES). The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

EXPRESSING THE THANKS OF THE HOUSE TO THE HONORABLE CARL ALBERT

Mr. MICHEL. Mr. Speaker, I offer a resolution (H. Res. 1592) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1592

Resolved, That the thanks of the House are presented to the Honorable Carl Albert, Speaker of the House of Representatives, for the able, impartial, and dignified manner in which he has presided over its deliberations and performed the arduous duties of the Chair during the present term of Congress; and be it further

Resolved, That the House of Representatives hereby extends to its beloved Speaker, the Honorable Carl Albert, sincere wishes for a long, pleasant, and well-earned retirement.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, as Members of this House are quite well aware, since the Republican National Convention there has been a rather concerted campaign with pins, bumper stickers, and the like, to name one JOHN J. RHODES of Arizona Speaker of the House of Representatives. I must confess that I am floored that the movement was so successful that we have by October 1 catapulted the gentleman from Arizona (Mr. RHODES) to the Speaker's rostrum. And I must confess that from this vantage point, the gentleman from Arizona fills the Chair very well.

Secondly, Mr. Speaker, with respect to the official Speaker of this House, I simply want to say that as a member of the minority, for the 20 years in which I have served in this body, I can speak for a good many Members on this side when I say the Speaker, when he served, first, as Democratic whip and then Democratic majority leader, he followed the mold of his distinguished predecessor Speaker MCCORMACK as a scrappy, articulate, partisan spokesman for the Democratic Party. But when he assumed that Chair, he like his predecessors I have known became a very fair Speaker.

Those of us who serve on the minority side, being only one-third at the present time, appreciate the fairness with which the Speaker has always treated us.

And for that, our distinguished Speaker (Mr ALBERT), I thank you on behalf of all the Members on this side of the aisle, for the kindly and gentlemanly fashion in which you have treated us and, as the resolution says, we wish you the best of everything in the future.

[Applause, the Members rising.]

Mr BENNETT. Mr. Speaker, we have all listened with close attention to your remarks in this last session under your speakership. You have spoken with fitting eloquence, and you have touched our hearts by what you have said. Certainly you know that all of us here in the House not only revere you but love you as a brother. The strains of your office have been almost unbearable; and yet you have borne them and borne them well. Not only we in the House, but all Americans everywhere, owe you their gratitude for the excellence of your public service and your dedication to their welfare and to the welfare of our country in all its needs. We wish you and your family every happiness in your coming retirement. You have well earned it.

Mr. OTTINGER. Mr. Speaker, I am delighted to join so many of my colleagues in paying tribute to our Speaker, CARL ALBERT, and wishing him and his family well upon their retirement.

CARL ALBERT presided over the most important reforms of this body in recent history, an effort in which I was proud to participate as the first chairman of the new Democratic Members in this Congress. The abuses of the seniority system were broken, with chairmen made subject to election by the caucus. The Steering and Policy Committee was made responsible for committee assignments of Members, thus removing from the Ways and Means Committee the excessive power they used to exercise over the membership. Virtually all committee meetings were required to be and have been held in open session. The majority on committees was given control over conduct of committee business and the organization of the committees and subcommittees, with subcommittee chairmen being subjected to committee caucus approval. Many other significant reforms were passed as well. None of this could have happened without the cooperation and help of Speaker CARL ALBERT.

Speaker ALBERT has always been accessible to the Members and willing to consider our reasonable and unreasonabe requests. He is renowned for his affability, considerateness, honesty and kindness. He is a friend to virtually every Member on both sides of the aisle, whether or not we agreed with him on particular issues.

CARL ALBERT presided with dignity and respect during the most troubled times this Nation has seen, particularly the traumas of Vietnam and Watergate. He was one of the key figures helping to preserve our democratic institutions during these upheavals. The Nation owes him a large debt of gratitude.

I join my colleagues in saluting CARL ALBERT and wishing him the very best in the days of retirement to come.

Mr. JARMAN. Mr. Speaker, it is with a feeling of close personal friendship that I address my colleagues in testimony of the outstanding service and leadership that CARL ALBERT has given our State of Oklahoma and Nation. The path he has traveled has not been easy and it has been with real pride in watching his leadership role with good judgment, dedication, and genuine humility.

The true spirit of freedom and achievement of this great Nation is truly exemplified by his example of a young man from humble beginnings advancing to the office of the Speaker of the House of Representatives. He is the holder of the third highest political office in our land—recent events in our national history have made him the highest elected political leader in our Nation.

When the curtain is drawn on this 94th Congress, it will also fall on the distinguished career of a good friend and fellow Oklahoman. In his departure, CARL will leave a host of countless accomplishments and an abundance of good fellowship. I sincerely hope that he harvests all the rewards to which his very fine service as Member of Oklahoma's Third Congressional District, and Speaker of the House of Representatives, has entitled him.

Mr. BRADEMAS. Mr. Speaker, I want to add my own to the many tributes that are being paid to you on the occasion of your retirement from Congress.

You have had an extraordinary career of 30 years in the House of Representatives, culminating in your outstanding service as Speaker.

Beyond the great and justifiable pride you can take in your record of achievements as both a legislative and national leader, you have won as well the respect and affection of the many friends you have made during your service in Congress.

I want to express my own personal gratitude for the friendship and confidence you have shown me.

It has in particular been an honor to have served with you as part of the leadership of the House of Representatives.

May I hope for you and Mrs. Albert and your family many years of happiness, for they are richly deserved.

The SPEAKER pro tempore (Mr. RHODES). The Chair now recognizes the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Speaker, I agree with the minority whip that you look very nice up there in the Speaker's chair, but I must say that I have to be honest about it: I am glad it is only temporary.

Mr. Speaker, all of us join in offering our sincerest commendations to you on this your last legislative day in your 30 years of service to the House of Representatives. You have served as whip, majority leader, and Speaker for over 20 years. In these last 6 years when you have been Speaker we have experienced some of the most tumultuous and finest years in the history of our country: tumultuous because of the events that have never happened before, in the impeachment proceedings which you handled with great care, and all of the legislation that has passed under your management of this House of Representatives where we on the Democratic side of the aisle feel we have met the test of what a legislative body does in reacting to the greatest recession we have had since 1932.

Yours is a tremendous legislative record, Mr. Speaker. I say that the proof of the pudding is in the eating. You have done a job, because the record of this House shows what that job is. You have been fair. You are a wonderful person. You get along with our wonderful friends on the other side of the aisle. Even though we may disagree with them as to what may be the policy of this country, we love them dearly, and that is shown in the way you handled the relations in this House with the minority and with all of us.

We wish you Godspeed. We know that you will continue in life service, because that is CARL ALBERT. We want you to know that we love you and want you to be happy the rest of your days.

[Applause, the Members rising.]

The SPEAKER pro tempore (Mr. RHODES). Mr. Speaker, the retirement of a Speaker of the House is always a very solemn occasion. I remember of course the transition from Joe Martin to Sam Rayburn. I remember the passing of Sam Rayburn and the transition to John McCormack. I remember then the transition from John McCormack to our own beloved CARL ALBERT.

CARL ALBERT will always hold a very special spot in my memory, not only because of the fact that I have had the privilege and pleasure of serving with him in this House, and not only as a Member but also as minority leader to his speakership, but also because he has been and is a warm personal friend. Our Speaker has a capacity for a friendship that few people have ever had.

Ever since I have known him, he has exhibited nothing but the utmost in kindness and understanding and these qualities have not changed as our relationship changed, he becoming the Speaker and I becoming the minority leader.

An incident in the lives of both of us, that is not too well known is the fact that the two of us were reserve officers together and went on active duty together, in the early 1960's for 2 weeks at Fort Leavenworth, Kans. We were working for a certificate of completion of the associate course at the Command General Staff School, neither of us having been privileged to attend that school during our careers in the active military service. During that time his room was across the hall from mine. We were together almost every waking hour of the day. We did many things, including playing bridge one night. That is one of the occasions that I will long remember, because the Speaker is a great bridge player, and I am afraid I am not. Nevertheless, I cite this instance to prove the fact that he is a very understanding man, because he never told me I was not, though I knew I was not.

Since that time we have had occasion to do various things together, such as the trip that we took at the initiation of the Government of the People's Republic of China to the mainland of China last year, a trip which was, I think, important to the future of this country and to the future of the world. We did some things and talked to some people, which I think in retrospect were very important.

The Speaker, in my opinion, proved himself to be one of the five statesmen of our country, because of the manner in which he conducted the various meetings we had with the officials of the People's Republic. His performance was not only commendable, but brilliant, and only enhanced my great respect for him.

As he leaves these hallowed Halls of the Congress of the United States, I certainly wish him the best of everything. His wife, Mary, is one of the finest ladies that has ever walked the face of this earth. She and CARL, whatever they do, will do it well and they will do it with grace, and kindness to their fellow men. They go with the fond remembrance of the years they have been here in the House as a Member and his wife, and later as the Speaker and his lady.

So, Mr. Speaker, I have nothing more I can say, except that my heart is very full as I say these things. I thank the Speaker for all he has done and all he has been, not only as a Member of this House, but as an individual.

The SPEAKER pro tempore (Mr. RHODES). Before the Speaker begins to say whatever he would like to say, may I put the question on the resolution offered by the gentleman from Illinois (Mr. MICHEL).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it unanimously.

So the resolution was agreed to unanimously.

Mr. ALBERT. Thank you, Mr. Speaker. Thank you, my colleagues, for that vote. I waited for the second part of it with some fear and trembling, but thank you for your unanimous vote of confidence. And thank you, Mr. Speaker, for the kind words you had to say about me. I can reciprocate in every degree, and I can say, Mr. Speaker, that you are from now on a marked man. I once heard John Garner say when he was running for Vice President, "Once a Speaker, always a Speaker." You have attained that eminence in this House, and will always desire that for which you came here, Mr. Speaker, beyond words.

I wish to thank my good friend JOHN RHODES. He has been an honorable, a worthy opponent, but he has also been a good friend. I, too, recall with pleasure the times we shared at the Army Command College and the years we have served together in the House. From the clash of contending viewpoints, I believe, a better legislative product emerges. And that kind of compromise is the essence of the legislative process.

Mr. Speaker, I need not tell you that I do appreciate you, the leadership on both sides of the aisle, for the demonstration tonight and for your kindness and affection. I have been a Member of this great institution, as has already been said, for 30 years. During more than two-thirds of that time, I have been in the leadership of the House, and have had to deal with—more than the average Member—all of the Members of the House. I go away with an impression that is stamped with experience that covers 20 years, that there is no body of men and women anywhere in this world where there is such unanimity of character, strength, intelligence and dedication as the men and women who consititute the House of Representatives of the Congress of the United States.

I, of course, thank the acting minority leader. BOB MICHEL and I have legislated together and a little over a year ago we went to the Soviet Union together He was a great asset in the substantive talks.

I am glad that he has had the practice he had tonight. He has learned how to offer an official resolution. Thay may be necessary sometime. I doubt that I will live to see a Republican majority leader, but because I believe in the two party system, I do think perhaps somewhere down the line, we somewhere, sometime, in the future of this country, we will have majority leadership from the other side of the aisle.

I cannot say goodby to TIP O'NEILL without telling you that he has been my strong right arm ever since the death of our late beloved majority leader Hale Boggs. TIP is a born leader. He has served by my side every moment of my speakership. He is prepared to take over every responsibility of the principle office of this House. One of the main reasons why I leave this House with no fear or regret is that TIP O'NEILL will be here to lead the colleagues that I have had to lead during the past 6 years. He has been a great Member of the House of Representatives. He has made a great majority leader. He will make a great Speaker. He has been my friend and companion. I love him dearly and am confident that he will have one of the great speakerships of modern times.

I also want to thank that hard-working, dedicated Democrat, JOHN MCFALL, the majority whip. He has been ready to serve the leadership at every moment. He has served it well. No one has ever made a better whip than JOHN MCFALL. He is one of the great Members of this House.

I also must express my appreciation to all of the deputy whips, all of whom have been indispensable to the operations of the Democratic leadership. Every one of them is capable of performing the most important offices of this House in the most positive and productive fashion.

Finally, it would be impossible to begin to thank all of those congressional staff members who have served their membership so long and so well. I would especially like to thank my personal staff, both those who work in the U.S. Capitol and those who assist my constituents in the Rayburn Building office.

I would like to thank Bill Brown, our Parliamentarian, and others of the supporting staff of the House.

And now, if you will indulge me, I would like to say just a few words about the nature of the Office of the Speaker as I have viewed it these past 6 years:

When I first took the Speaker's oath of office in January 1971, I promised that I would spare "neither energy, time nor effort to perform the responsibilities * * * that you gave me in the traditions of those who had gone before."

I assured you that I would "protect and defend the powers, the prerogatives and privileges of the House of Representatives at all times and in all places."

Finally, as your incoming Speaker I promised to work, with your help "to give this House of Representatives its rightful place as best I could, a permanent place among the branches of the National Government." In the long run, of course, it is the historians, the analysts of the handiwork of public men and women, who tell us whether or not we have succeeded. But, speaking from the shorter perspective of today, in the light of my personal appraisal, I feel deep in my own heart that we have discharged our duties and responsibilities as Members, and hopefully I have discharged my duties of the speakership with honor, openness and dispatch. I hope that you all feel similarly. Of course, the office of the Speaker is a House office, not the party office alone.

It is one of only four offices explicitly set forth in the Constitution of the United States of America, along with the President, the Vice President, and the Chief Justice of the Supreme Court of the United States. As Speaker of the Whole House, I have tried to preside fairly, courteously, always concerned, to the best of my ability, for the interests of all of the Members. I can say candidly, without fear of contradiction, that even though many times I have been unable to satisfy the desires of Members, I love every Member that I have ever served with in the House of Representatives. I do not believe I have the capacity for affection that a more famous Oklahoman once held, but I do believe I have enough to say that I have never seen a Congressman that I did not like.

I have endeavored faithfully to discharge the duties of my office. However, under the American two-party system, the Speaker is not just an impartial Presiding Officer. He is also the legislative leader of his party. As Presiding Officer, he sheds the cloak of partisanship; but as the leader of his party, he owes his seat to his colleagues who belong to the same party as he does.

I hope my Republican friends will forgive me if I say to my colleagues on my side of the center aisle—and the center aisle divides us only politically, not as friends—that for the past 14 years, first as majority leader, and later as Speaker, I have urged the support of our party's programs, I have tried to push for the passage of responsible Democratic legislation, but, with one of my Democratic predecessors, Champ Clark of Missouri, I can fully agree, "He serves his party best who serves his country best."

To that end I have always sought as Speaker to encourage and support constructive changes in response to the needs of the times, changes intended to open this House to fuller participation by all its Members and to expedite the legislative process.

And, finally, a couple of personal remarks: Although I have served 30 years in the House of Representatives, I can still vividly remember when my desire for service in Congress was born. It was January 1914. I was 6 years old when Representative Charles D. Carter, my own Congressman, came to visit our two-room school in Bug Tussle, Okla., and I had a talk with him. And I made up my mind what my career was going to be. I do not believe many people for 52 years have known exactly where they wanted to go and what they wanted to be. I have. Later, when I first saw a picture of Champ Clark, who was then Speaker, I hoped that perhaps I could attain that position. I was sure I could attain the other. Thanks to my friends on my right, thanks to your patience, your help, your kindness, you have enabled this Member to fulfill every ambition, every political ambition, every personal ambition, that he has ever had in his lifetime.

I have served with nearly 1,500 Members since my first term in Congress. This is almost one-sixth of all the Members who have served in the House of Representatives since the First Congress.

In bringing my political career to a close, I want also—and this I must do—to thank the wonderful people of the Third District of Oklahoma for the kindnesses they have shown me. They have been helpful to me in almost every hour of need and encouraging every step of the way. I thank my constituents for electing me to the House of Representatives, the highest legislative office in the land, the one that is most important of the three coequal branches of Government, and the one that more nearly than either of the others, stamps this Government as a representative government of, by, and for the people—a democracy, if you please.

"Here," as Alexander Hamilton said, "the people rule."

We are the one and only branch in this Government of millions of people that can attain our positions only by election by the people of the United States. This is true of no one in any department or any bureau of either of the other two coequal branches or even of those on the other side of the Capitol.

I leave this Nation's Capital with confidence in the future of America, in its representative form of government, and in its two-party system. Our Congress is regaining its strength, although there is much still left undone.

I leave with boundless faith in America's future. I leave with confidence in the greatness and stability of my country. I leave knowing that in this House in days gone by and today every generation of Congressmen has served its day and its generation. I know as I leave that I leave it in good hands.

Succeeding generations will pick up the gavel. They will do the work required by their country to keep it the first, the strongest, the richest, and the freest in the world, the brightest jewel in the treasure house of human history.

God bless America. God bless you all.

[Applause, the Members rising.]

The SPEAKER. Thank you, thank you very much. I know you love me and I love you.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this very special occasion on behalf of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SURVIVOR-BENEFITS FOR RETIRED MILITARY PERSONNEL

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14773) to amend title 10, United States Code, to make certain changes in the retired serviceman's family protection plan and the survivor benefit plan as authorized by chapter 73 of that title, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That chapter 73 of title 10, United States Code, is amended as follows:

(1) Clauses (3)(A) and (4)(A) of section 1447 are each amended by striking out "two years" and inserting in place thereof "one year".

(2) The second sentence of section 1448(a) is amended by inserting "or elects to provide an annuity for a dependent child but not for his spouse" after "maximum level,".

(3) Section 1450(a) is amended by striking out "or" at the end of clause (2), renumbering clause (3) as clause (4), and inserting after clause (2) a new clause (3) as follows:

"(3) the dependent children in equal shares if the person to whom 1448 of this title applies elected to provide an annuity for dependent children but not for the spouse; or".

(4) Sections 1450(f), 1451(b), 1452(a), and 1452(c) are each amended by striking out "(a)(3)" and inserting in place thereof "(a)(4)".

(5) Section 1452 of title 10, United States Code, is amended by—

(A) further amending subsection (a) by—

(i) striking out the first word and inserting the following in place thereof: "Except as provided in subsection (b), the"; and

(ii) adding the following new sentence at the end thereof: "The reduction in retired or retainer pay prescribed by the first sentence of this subsection shall not be applicable during any month in which there is no eligible spouse beneficiary";

(B) amending subsection (b) by inserting "or who has a spouse but has elected to provide an annuity for dependent children only," after "spouse,"; and

(C) further amending subsection (c) by adding the following sentence at the end thereof: "The reduction in retired or retainer pay prescribed by this subsection shall continue during the lifetime of the person designated under section 1450(a)(4) of this title or until the person receiving retired or retainer pay changes his election under section 1450(f).".

SEC. 2. Section 4 of Public Law 92-425, September 21, 1972 (86 Stat. 712), is amended as follows:

(1) Subsection (a)(3) is amended by striking "$1,400" and inserting "$2,100" in place thereof.

(2) The first sentence of subsection (b) is amended by striking "$1,400" and inserting "$2,100" in place thereof.

(3) Add at the end thereof a new subsection (c) as follows:

"(c) Subsection 1450(i) and section 1453 as added to title 10, United States Code, by clause 3 of the first section of this Act, are applicable to persons covered by this section.".

SEC. 3. This Act shall be effective as of September 21, 1972. No pay shall accrue to any person by virtue of the enactment of this Act for any period prior to October 1, 1976.

Amend the title so as to read: "An Act to amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes.".

Mr STRATTON (during the reading). Mr Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I understand that the minority has concurred in this legislation. Are there any nongermane amendments that the Senate has adopted?

Mr. STRATTON. Mr. Speaker, if the gentleman will yield, I will say to the gentleman that the minority has concurred. The gentleman from Illinois (Mr. O'BRIEN), and the gentleman from California (Mr. BOB WILSON), the ranking minority members of the committee, have concurred in this. There are no nongermane amendments.

Mr. Speaker, H.R. 14773 makes needed changes in the Survivor Benefit Plan—SBP—for retired members of the Armed Forces. The bill passed the House September 20. At the time the bill passed the House we amended it to eliminate a new open season for participation in line with the recommendations of the Appropriations Committee.

The bill makes conforming changes in the military-retiree survivor benefit plan to make it consistent with changes made earlier in the civil service survivorship program on which the plan was originally modeled. Specifically, these changes call for the elimination of the retired-pay deduction when there is no longer an eligible beneficiary and reducing from 2 years to 1 year the duration-of-marriage requirement for coverage of a new spouse. Additionally, the bill contained clarifying language to carry out the original intent of the law that a retiree would have the option to leave an annuity for "children only" even though there is a surviving spouse. Another provision of the bill provided for increasing the payment from the Department of Defense to widows under the minimum-income formula of the survivor benefit plan. This provides benefits for widows of retired military personnel who are eligible for death-pension benefits from the Veterans' Administration. H.R. 14773 increased from $1,400 to $2,100 the payment to such widows from the Defense Department—which will, in turn, assure them of a minimum income of approximately $2,700 a year.

H.R. 14773, as approved by the Senate, contains all of the above provisions.

The bill as passed by the House had also provided for a cost-of-living increase for widows under the retired serviceman's family protection plan—RSFPP—for a reduction of the social security offset under the SBP from 100 percent to 50 percent; and for elimination of the social security offset entirely in certain circumstances. These circumstances would be when there is a dependent child, or when the surviving spouse is not receiving benefits based on the deceased retiree's military service, or when the only military service involved periods of active duty of less than 30 days, such as is the case for Reserve retirees.

The Senate eliminated these latter provisions.

I deeply regret that the Senate was not able to take the entire bill as passed by the House. It was a good bill which made significant improvements in the survivor benefit plan for families of career military personnel and would have eliminated certain inequitable situations which now occur under the program.

I understand that the action in the Senate was taken without prejudice to these provisions and was based solely on the view that the Senate Armed Services Committee did not have time to study the matter in detail and to receive the fiscal data that it believed it needed. The cost-of-living increase for RSFPP widows was supported by the Department of Defense and would have provided needed protection to widows who have seen their income seriously eroded by the inflation of recent years. The changes in the social security offset, while not supported by the Defense Department, recognized changes in the social security program and would have provided a significant improvement in benefits to military widows.

In moving, at the direction of the chairman of our committee, Mr. PRICE, to accept the Senate amendments, I do so because the lateness of the session prevents a conference on the bill.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

FOREIGN SOVEREIGN IMMUNITIES ACT OF 1976

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3553) to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, I only make this reservation for the purpose of allowing the gentleman from California (Mr. DANIELSON) to explain the extraordinary parliamentary situation in which we find ourselves on this particular piece of legislation.

Mr. DANIELSON. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from California.

Mr. DANIELSON. Mr. Speaker and Members of the House, the bill S. 3553 which is now before us is identical in all respects to H.R. 11315, which this House passed without dissenting vote on the day before yesterday. The bill has been forwarded to the Senate, but somehow or other it seems to have been lost in the process.

Mr. Speaker, in order to assure that this very beneficial act can become a public law and part of the law of our land, I am taking up the Senate bill, which has in the meanwhile been passed by the Senate and has arrived at our desk.

Mr. Speaker, this bill will cost the American people nothing.

But it does give the American people the right to sue foreign nations in the United States District Courts in certain types of commercial and tortious activities.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Sovereign Immunities Act of 1976".

SEC. 2. (a) That chapter 85 of title 28, United States Code, is amended by inserting immediately before section 1331 the following new section:

"§ 1330. Actions against foreign states

"(a) The district courts shall have original jurisdiction without regard to amount in controversy of any nonjury civil action against a foreign state as defined in section 1603(a) of this title as to any claim for relief in personam with respect to which the foreign state is not entitled to immunity either under sections 1605–1607 of this title or under any applicable international agreement.

"(b) Personal jurisdiction over a foreign state shall exist as to every claim for relief over which the district courts have jurisdiction under subsection (a) where service has been made under section 1608 of this title.

"(c) For purposes of subsection (b), an appearance by a foreign state does not confer personal jurisdiction with respect to any claim for relief not arising out of any transaction or occurrence enumerated in sections 1605–1607 of this title."

(b) By inserting in the chapter analysis of that chapter before—

"1331. Federal question; amount in controversy; costs."

the following new item

"1330. Actions against foreign states.".

SEC. 3. That section 1332 of title 28, United States Code, is amended by striking subsections (a) (2) and (3) and substituting in their place the following:

"(2) citizens of a State and citizens or subjects of a foreign state;

"(3) citizens of different States and in which citizens or subjects of a foreign state are additional parties; and

"(4) a foreign state, defined in section 1603(a) of this title, as plaintiff and citizens of a State or of different States.".

SEC. 4. (a) That title 28, United States Code, is amended by inserting after chapter 95 the following new chapter:

"Chapter 97.—JURISDICTIONAL IMMUNITIES OF FOREIGN STATES

"Sec.
"1602. Findings and declaration of purpose.
"1603. Definitions.
"1604. Immunity of a foreign state from jurisdiction.
"1605. General exceptions to the jurisdictional immunity of a foreign state.
"1606. Extent of liability.
"1607. Counterclaims.
"1608. Service; time to answer; default.
"1609. Immunity from attachment and execution of property of a foreign state.
"1610. Exceptions to the immunity from attachment or execution.
"1611. Certain types of property immune from execution.

"§ 1602. Findings and declaration of purpose

"The Congress finds that the determination by United States courts of the claims of foreign states to immunity from the jurisdiction of such courts would serve the interests of justice and would protect the rights of both foreign states and litigants in United States courts. Under international law, states are not immune from the jurisdiction of foreign courts insofar as their commercial activities are concerned, and their commercial property may be levied upon for the satisfaction of judgments rendered against them in connection with their commercial activities. Claims of foreign states to immunity should henceforth be decided by courts of the United States and of the States in conformity with the principles set forth in this chapter.

"§ 1603. Definitions

"For purposes of this chapter—

"(a) A 'foreign state', except as used in section 1068 of this title, includes a political subdivision of a foreign state or an agency or instrumentality of a foreign state as defined in subsection (b).

"(b) An 'agency or instrumentality of a foreign state' means any entity—

"(1) which is a separate legal person, corporate or otherwise, and

"(2) which is an organ of a foreign state or political subdivision thereof, or a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof, and

"(3) which is neither a citizen of a State of the United States as defined in sections 1332 (c) and (d) of this title, nor created under the laws of any third country.

"(c) The 'United States' includes all territory and waters, continental or insular, subject to the jurisdiction of the United States.

"(d) A 'commercial activity' means either a regular course of commercial conduct or a particular commercial transaction or act. The commercial character of an activity shall be determined by reference to the nature of the course of conduct or particular transaction or act, rather than by reference to its purpose.

"(e) A 'commercial activity carried on in the United States by a foreign state' means commercial activity carried on by such state and having substantial contact with the United States.

"§ 1604. Immunity of a foreign state from jurisdiction

"Subject to existing international agreements to which the United States is a party at the time of enactment of this Act a foreign state shall be immune from the jurisdiction of the courts of the United States and of the States except as provided in sections 1605–1607 of this chapter.

"§ 1605. General exceptions to the jurisdictional immunity of a foreign state

"(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

"(1) in which the foreign state has waived its immunity either explicitly or by implication, notwithstanding any withdrawal of the waiver which the foreign state may purport to effect except in accordance with the terms of the waiver;

"(2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;

"(3) in which rights in property taken in violation of international law are in issue and that property or any property exchanged for such property is present in the United States in connection with a commercial activity carried on in the United States by the foreign state; or that property or any property exchanged for such property is owned or operated by an agency or instrumentality of the foreign state and that agency or instrumentality is engaged in a commercial activity in the United States;

"(4) in which rights in property in the United States acquired by succession or gift of rights in immovable property situated in the United States are in issue; or

"(5) not otherwise encompassed in paragraph (2) above, in which money damages are sought against a foreign state for personal injury or death, or damage to or loss of property, occurring in the United States and caused by the tortious act or omission of that foreign state or of any official or employee of that foreign state while acting within the scope of his office or employment; except this paragraph shall not apply to—

"(A) any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function regardless of whether the discretion be abused, or

"(B) any claim arising out of malicious prosecution, abuse of process, libel, slander misrepresentation, deceit, or interference with contract rights.

"(b) A foreign state shall not be immune from the jurisdiction of the courts of the United States in any case in which a suit in admiralty is brought to enforce a maritime lien against a vessel or cargo of the foreign state, which maritime lien is based upon a commercial activity of the foreign state, provided that—

"(1) notice of the suit is given by delivery of a copy of the summons and of the complaint to the person, or his agent, having possession of the vessel or cargo against which the maritime lien is asserted; but such notice shall not be deemed to have been delivered, nor may it thereafter be delivered, if the vessel or cargo is arrested pursuant to process obtained on behalf of the party bringing the suit—unless the party was unaware that the vessel or cargo of a foreign state was involved, in which event the service of process of arrest shall be deemed to constitute valid delivery of such notice; and

"(2) notice to the foreign state of the commencement of suit as provided in section 1608 of this title is initiated within ten days either of the delivery of notice as provided in subsection (b)(1) of this section or in the case of a party who was unaware that the vessel or cargo of a foreign state was involved, of the date such party determined the existence of the foreign state's interest.

Whenever notice is delivered under subsection (b)(1) of this section, the maritime lien shall thereafter be deemed to be an in personam claim against the foreign state which at that time owns the vessel or cargo involved: *Provided*, That a court may not award judgment against the foreign state in an amount greater than the value of the vessel or cargo upon which the maritime lien arose, such value to be determined as of the time notice is served under subsection (b)(1) of this section.

"§ 1606. Extent of liability

As to any claim for relief with respect to which a foreign state is not entitled to immunity under section 1605 or 1607 of this chapter, the foreign state shall be liable in the same manner and to the same extent as a private individual under like circumstances; but a foreign state except for agency or instrumentality thereof shall not be liable or for punitive damages;

"If, however, in any cases wherein death was caused, the law of the place where the action or omission occurred provides, or has been construed to provide, for damages only punitive in nature, the foreign state shall be liable for actual or compensatory damages measured by the pecuniary injuries resulting from such death which were incurred by the persons for whose benefit the action was brought.

"§ 1607. Counterclaims

"In any action brought by a foreign state, or in which a foreign state intervenes, in a court of the United States or of a State, the foreign state shall not be accorded immunity with respect to any counterclaim—

"(a) for which a foreign state would not be entitled to immunity under section 1605 of this chapter had such claim been brought in a separate action against the foreign state; or

"(b) arising out of the transaction or occurrence that is the subject matter of the claim of the foreign state; or

"(c) to the extent that the counterclaim does not seek relief exceeding in amount or differing in kind from that sought by the foreign state.

"§ 1608. Service, time to answer; default

"(a) Service in the courts of the United States and of the States shall be made upon a foreign state or political subdivision of a foreign state

"(1) by delivery of a copy of the summons and complaint in accordance with any special arrangement for service between the plaintiff and the foreign state or political subdivisions; or

"(2) if no special arrangement exists, by delivery of a copy of the summons and complaint in accordance with an applicable international convention on service of judicial documents; or

"(3) if service cannot be made under paragraphs (1) or (2), by sending a copy of the summons and complaint and a notice of suit, together with a translation of each into the official language of the foreign state, by any form of mail requiring a signed receipt, to be addressed and dispatched by the clerk of the court to the head of the ministry of foreign affairs of the foreign state concerned, or

"(4) if service cannot be made within 30 days under paragraph (3), by sending two copies of the summons and complaint and a notice of suit, together with a translation of each into the official language of the foreign state, by any form of mail requiring a signed receipt, to be addressed and dispatched by the clerk of the court to the Secretary of State in Washington, District of Columbia, to the attention of the Director of Special Consular Services—and the Secretary shall transmit one copy of the papers through diplomatic channels to the foreign state and shall send to the clerk of the court a certified copy of the diplomatic note indicating when the papers were transmitted.

As used in this subsection, a 'notice of suit' shall mean a notice addressed to a foreign state and in a form prescribed by the Secretary of State by regulation.

"(b) Service in the courts of the United States and of the States shall be made upon an agency or instrumentality of a foreign state:

"(1) by delivery of a copy of the summons and complaint in accordance with any special arrangement for service between the plaintiff and the agency or instrumentality; or

"(2) if no special arrangement exists, by delivery of a copy of the summons and complaint either to an officer, a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process in the United States; or in accordance with an applicable international convention on service of judicial documents; or

"(3) if service cannot be made under paragraphs (1) or (2), and if reasonably calculated to give actual notice, by delivery of a copy of the summons and complaint, together with a translation of each into the official language of the foreign state—

"(A) as directed by an authority of the foreign state or political subdivision in response to a letter rogatory or request or

"(B) by any form of mail requiring a signed receipt, to be addressed and dispatched by the clerk of the court to the agency or instrumentality to be served, or

"(C) as directed by order of the court consistent with the law of the place where service is to be made.

"(c) Service shall be deemed to have been made—

"(1) in the case of service under subsection (a)(4), as of the date of transmittal indicated in the certified copy of the diplomatic note; and

"(2) in any other case under this section, as of the date of receipt indicated in the certification, signed and returned postal receipt, or other proof of service applicable to the method of service employed.

"(d) In any action brought in a court of the United States or of a State, a foreign state, a political subdivision thereof, or an agency or instrumentality of a foreign state shall serve an answer or other responsive pleading to the complaint within sixty days after service has been made under this section.

"(e) No judgment by default shall be entered by a court of the United States or of a State against a foreign state, a political subdivision thereof or an agency or instrumentality of a foreign state, unless the claimant establishes his claim or right to relief by evidence satisfactory to the court. A copy of any such default judgment shall be sent to the foreign state or political subdivision in the manner prescribed for service in this section.

"§ 1609 Immunity from attachment and execution of property of a foreign state

"Subject to existing international agreements to which the United States is a party at the time of enactment of his Act, the property in the United States of a foreign state shall be immune from attachment arrest and execution except as provided in sections 1610 and 1611 of this chapter.

"§ 1610. Exceptions to the immunity from attachment of execution

"(a) The property in the United States of a foreign state, as defined in section 1603(a) of this chapter, used for a commercial activity in the United States, shall not be immune from attachment in aid of execution, or from execution, upon a judgment entered by a court of the United States or of a State after the effective date of this Act, if—

"(1) the foreign state has waived its immunity from attachment in aid of execution or from execution either explicitly or by implication, notwithstanding any withdrawal of the waiver the foreign state may purport to effect except in accordance with the terms of the waiver, or

"(2) the property is or was used for the commercial activity upon which the claim is based, or

"(3) the execution relates to a judgment establishing rights in property which has been taken in violation of international law or which has been exchanged for property taken in violation of international law, or

"(4) the execution relates to a judgment establishing rights in property—

"(A) which is required by succession or gift, or

"(B) which is immovable and situated in the United States: *Provided*, That such property is not used for purposes of maintaining a diplomatic or consular mission or the residence of the Chief of such mission, or

"(5) the property consists of any contractual obligation to indemnify or hold harmless the foreign state or its employees under a policy of automobile or other liability or casualty insurance covering the claim which merged into the judgment.

"(b) In addition to subsection (a), any property in the United States of an agency or instrumentality of a foreign state engaged in commercial activity in the United States shall not be immune from the attainment in aid of execution, or from execution, upon a judgment entered by a court of the United States or of a State after the effective date of this Act, if—

"(1) the agency or instrumentality has waived its immunity from attachment in aid of execution or from execution either explicitly or implicitly, notwithstanding any withdrawal of the waiver the agency or instrumentality may purport to effect except in accordance with the terms of the waiver, or

"(2) the judgment relates to a claim for which the agency or instrumentality is not immune by virtue of sections 1605(a) (2), (3) or (5), or 1605(b) of this chapter regardless of whether the property is or was used for the activity upon which the claim is based.

"(c) No attachment or execution referred to in subsections (a) and (b) of this section shall be permitted until the court has ordered such attachment and execution after having determined that a reasonable period of time has elapsed following the entry of judgment and the giving of any notice required under section 1608(e) of this chapter

"(d) The property of a foreign state, as defined in section 1603(a) of this chapter, used for a commercial activity in the United States, shall not be immune from attachment prior to the entry of judgment in any action brought in a court of the United States or of a State, or prior to the elapse of the period of time provided in subsection (c) of this section, if—

"(1) the foreign state has explicitly waived its immunity from attachment prior to judgment, notwithstanding any withdrawal of the waiver the foreign state may purport to effect except in accordance with the terms of the waiver, and

"(2) the purpose of the attachment is to secure satisfaction of a judgment that has been or may ultimately be entered against the foreign state, and not to obtain jurisdiction.

"§ 1611. Certain types of property immune from execution

"(a) Notwithstanding the provisions of section 1610 of this chapter, the property of those organizations designated by the President as being entitled to enjoy the privileges, exemptions, and immunities provided by the International Organizations Immunities Act shall not be subject to attachment or any other judicial process impeding the disbursement of funds to, or on the order of, a foreign state as the result of an action brought in the courts of the United States or of the States.

"(b) Notwithstanding the provisions of section 1610 of this chapter, the property of a foreign state shall be immune from attachment and from execution, if—

"(1) the property is that of a foreign central bank or monetary authority held for its own account, unless such bank or authority, or its parent foreign government, has explicitly waived its immunity from attachment in aid of execution, or from execution, notwithstanding any withdrawal of the waiver which the bank, authority or government may purport to effect except in accordance with the terms of the waiver; or

"(2) the property is, or is intended to be, used in connection with a military activity and

"(A) is of a military character, or

"(B) is under the control of a military authority or defense agency.".

(b) That the analysis of "Part IV.—Jurisdiction and Venue" of title 28, United States Code, is amended by inserting after—

"95. Customs Court.",

the following new item:

"97. Jurisdictional Immunities of Foreign States.".

Sec. 5. That section 1391 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) A civil action against a foreign state as defined in section 1603(a) of this title may be brought—

"(1) in any judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated;

"(2) in any judicial district in which the vessel or cargo of a foreign state is situated, if the claim is asserted under section 1605(b) of this title;

"(3) in any judicial district in which the agency or instrumentality is licensed to do business or is doing business, if the action is brought against an agency or instrumentality of a foreign state as defined in section 1603(b) of this title; or

"(4) in the United States District Court for the District of Columbia if the action is brought against a foreign state or political subdivision thereof.".

Sec. 6. That section 1441 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Any civil action brought in a State court against a foreign state as defined in section 1603(a) of this title may be removed by the foreign state to the district court of the United States for the district and division embracing the place where such action is pending. Upon removal the action shall be tried by the court without jury. Where removal is based upon this subsection, the time limitations of section 1446(b) of this chapter may be enlarged at any time for cause shown.".

Sec. 7. If any provision of this Act or the application thereof to any foreign state is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Sec. 8. This Act shall take effect ninety days after the date of its enactment.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NONDISCRIMINATORY APPOINTMENT OF CADETS TO U.S. COAST GUARD ACADEMY

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 10192, to amend title 14, United States Code, to provide for the non-discriminatory appointment of cadets to the United States Coast Guard Academy, with the Senate amendment thereto and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, after line 7, insert:

Sec. 2. Notwithstanding the provisions of section 4123 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), or the provisions of section 27 of the Merchant Marine Act of 1920 (46 U.S.C. 883), the Secretary of the department under which the United States Coast Guard is operating, shall cause the vessels, Bruja Mar (vessel number 546133), presently owned by Greenwood Marine, Incorporated; Barbara Ann (vessel number 529835), presently owned by Keith Malcolm of Marine City, Michigan; and Mary M (vessel number 230483), presently owned by Charles Hammond, Junior, of Glen Burnie, Maryland, to be documented as vessels of the United States with the privileges of engaging in coastwise trade or in the American fisheries, upon compliance with the usual requirements, so long as the vessels are owned by a citizen of the United States.

The Clerk read the House amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Sec. 2. (a) Notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), or any other provision of law, the Secretary of the Department in which the Coast Guard is operating (1) shall cause the vessels, BARBARA ANN (Vessel Number 529835), presently jointly owned, with right of survivorship, by Keith E. and Barbara Malcolm of Marine City, Michigan, and BRUJA MAR (Vessel Number 546133), presently owned by Greenwood Marine, Incorporated, a Louisiana corporation, to be documented as vessels of the United States with the privilege of engaging in the coastwise trade, and (2) shall cause the vessel, MARY M. (Vessel Number 230483), presently owned by Charles Hammond, Junior, of Glen Burnie, Maryland, to be documented as a vessel of the United States with the privileges of engaging in the American fisheries, such documentation to be conditional upon compliance with all the requirements for such documentation other than the requirement that the vessel be built in the United States.

"(b) The provisions of this section shall remain in effect for the Barbara Ann so long as the vessel continues in its present joint ownership, or in the ownership of the survivor thereof, and for the Bruja Mar so long as the vessel continues in its present ownership."

Mr. BIAGGI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment and the House amendment to the Senate amendment be considered as read and printed in the Record.

The SPEAKER. Is there objection to

the request of the gentleman from New York?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, am I correct that this is the legislation dealing with the Coast Guard Academy which adds certain exemptions under the Jones Act on vessels?

Mr. BIAGGI. Mr. Speaker, if the gentleman will yield, yes, there are three exemptions that are contained in the amendment which the Senate added to the bill. We negotiated with the Senate over a 2-week period and, with relation to the exemptions, two will continue only as long as the ships are maintained by the present owners, and the third one will continue thereafter.

They are isolated instances and do not have any great impact on the Jones Act.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield further?

Mr. BAUMAN. I yield further to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, H.R. 10192, as passed by the House, on May 18, 1976, would add new language to 14 U.S.C. 182, to require that all appointments to cadetships at the Coast Guard Academy be made without regard to sex, race, color, or religious beliefs of an applicant, and that appointed individuals be treated at the Academy on a nondiscriminatory basis.

The Senate amendment would add a new section to the bill which would authorize the documentation as vessels of the United States of three vessels presently ineligible for such documentation because they were not built in the United States. Such documentation would confer upon the vessels the privileges of engaging in coastwise trade or in the American fisheries, upon compliance with the "usual requirements," for as long as the vessels are owned by citizens of the United States. The first vessel involved is the Barbara Ann. built in the Canal Zone. used as a tugboat by the Panama Canal Company. and later sold to citizens of Marine City, Mich., who desire to use the vessel as a tugboat on the Great Lakes. The second vessel is the *Bruja Mar*, a sports fishing boat, built in Norway, with American-made engines and other equipment, purchased by a U.S. citizen for use as a pleasure boat, subsequently sold to a corporation in Louisiana, which desires to use the vessel for charter fishing. The third vessel is the *Mary M*. built in Germany in 1930, purchased for use in the United States as a private yacht in 1931, subsequently sunk in Maryland waters, later raised, restored, and significantly rebuilt by a citizen of Maryland, who desires to use the vessel for commercial fishing.

In each case, the vessel cannot be utilized in the manner desired because it was "foreign built." The Senate amendment is designed to remove that bar to documentation. While present provisions of law were enacted to protect the shipbuilding industry of the United States, there have been other exceptions granted where the individual cases involved hardship and where the purposes of the basic prohibition would not be substantially denigrated. In addition to individual bills, there was a general relief provision contained in the Merchant Marine Act of 1920, which authorized foreign built vessels, owned on February 1, 1920, by citizens of the United States, to engage in the coastwise trade so long as they continued to be owned by citizens of the United States.

A basic objection to enactment of private bills of the type involved here is that they breach the protections of the Jones Act, which has protected domestic trade for U.S. vessels since the beginning of our Nation. The entire maritime community, as well as our committee, have always opposed instrusions into the Jones Act, except in very rare instances.

Another objection to the enactment of private bills of this type has been based upon the fact that making such vessels eligible for documentation amounts to a windfall by increasing the value, and therefore, the potential selling price of the vessel. In order to insure that no such windfall is involved, and, at the same time, to provide for relief of the present owners who have expended substantial sums to put the vessels in shape for the desired utilization, the substitute language proposed for the Senate amendment would limit the eligibility for documentation for the vessel, the *Bruja Mar* to the period during which the vessel involved continues in its present ownership. As to the vessel, *Barbara Ann*, the situation is somewhat different. That vessel was built in the canal zone for the use of the Panama Canal Company, and was constructed by U.S. personnel using U.S. materials. It is, therefore, a unique situation, resulting from the fact that an administrative determination was previously made that vessels built in the canal zone are not vessels built in the United States. Based upon that unpublished administrative decision, the *Barbara Ann* is technically ineligible for documentation. This amendment would correct that situation, and would enable the *Barbara Ann* to be documented as a vessel of the United States so long as it continues in the present joint ownership, or in the ownership of the survivor.

The language of the substitute amendment would permit the *Mary M* to be documented under the laws of the United States to engage in the American fisheries.

With those changes in language, the Senate action can be concurred in.

NOTE.—S. 1187 (*Bruja Mar*) passed the Senate December 18, (Legislative Day, December 15) 1975.

S. 180 (*Mary M*) passed the Senate December 19, (Legislative Day, December 15) 1975.

S. 2951 (*Barbara Ann*) passed the Senate August 10, 1976.

Hearings on S. 1187 and its companion bill, H.R. 7114, and on S. 180 and its companion bill, H.R. 5155, were held by the Subcommittee on Merchant Marine on June 9, 1976. No hearings were held in S. 2951. No Committee action was taken on any of the three bills.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR BALANCE OF EVENING

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I have taken this time for the purpose of inquiring as to the plans for the rest of the evening. It is my understanding that the rivers and harbors bill is still in conference. The question would be whether the Chair proposes to await the results of that conference before adjourning the House.

The SPEAKER. The Chair will state that the Chair plans to wait until we get a firm reading on what is going to happen on that bill.

Mr. RHODES. I thank the gentleman.

ANNOUNCEMENT BY THE CHAIR

The SPEAKER pro tempore. The Chair would like to announce that it is about to call special orders, but there is expected momentarily a message from the Senate which will allow the House to continue on certain other matters, and the Chair will be in a position to interrupt special orders at the appropriate time.

PERSONAL EXPLANATION

(Mr. LEVITAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LEVITAS. Mr. Speaker, on Tuesday evening, September 28, I was necessarily absent from the House prior to the final consideration of the lobbying bill, H R. 15, because of a long-standing commitment to meet my opponent in debate in my home district. I was not accorded the opportunity to debate the incumbent Congressman when I ran for Congress and I felt it was very important that my current opponent have the opportunity to debate me as the present incumbent. The arrangements for this debate had been made many weeks ago and could not be changed. I therefore departed Washington late in the day on Tuesday in order to be in Atlanta in time for the debate. Prior to my departure I had participated in the deliberations and I arranged for voting pairs on the bill and certain amendments of which I had prior notice. The record reflects those pairs.

Lobbying reform has been a priority item ever since I have been in public office. Had I been present, I would have voted for H.R. 15 and against the motion to recommit the bill. Below is the list of the recorded votes taken on H.R. 15 with an indication of how I would have voted and also indicated when that vote was substantiated by a prearranged pair:

On rollcall 823, an amendment that sought to strike the language including preparing or drafting of communications as lobbying activities, I was paired against and would have voted "nay."

On rollcall 825, an amendment that sought to add language that would include as a minimum threshold the making of 12 oral lobby communications with a Federal officer or employee, I would have voted "nay."

On rollcall 826, an amendment that sought to include certain employees of State and local governments within the definition of lobbying organizations, I would have voted "yea."

On rollcall 827, an amendment that sought to require lobbyists to wear identification nametags if their lobbying activities are within 50 feet of any entrance to either Chamber of the Congress while such body is in session, I would have voted "yea."

On rollcall 828, an amendment that sought to exempt the influencing of the award of a Government contract as an activity which constitutes lobbying under the bill, I would have voted "nay."

On rollcall 829, an amendment that requires the Comptroller General to refer the giving of gifts that exceed $100 in value to the Committee on Standards of Official Conduct to determine if acceptance is in violation of the rules of the House, I would have voted "yea."

On rollcall 830, an amendment that sought to include within the registration requirements the identifying of anyone who has contributed or expects to contribute $2,500 to an organization and who spends or will spend 20 percent more of its time in any filing quarter engaged in activities for the organization, I would have voted "yea."

On rollcall 831, an amendment that sought to strike the reporting of any and all individual lobbying within 50 feet of either Chamber of Congress including their hours and purpose of their activity, I would have voted "nay."

On rollcall 832, an amendment in the nature of a substitute to the committee amendment that sought to use the number of contacts within a reporting period, rather than a percentage of time, as a threshold for defining a lobbyist organization, I was paired against and would have voted "nay."

On rollcall 833, an amendment that sought to include in the definition of a lobbying organization a State or local government's Washington representative who maintains a business address in the District of Columbia metropolitan area, I would have voted "yea."

On rollcall 834, an amendment that sought to include in the definition of a lobbying organization all officers, directors, or employees rather than those who are specifically paid officers, directors, or employees, I was paired against and would have voted "nay."

On rollcall 836, an amendment requiring that all contributions to registered lobbying organizations in excess of $2,500 be reported, I would have voted "yea."

PERSONAL EXPLANATION

Mr. GOLDWATER. Mr. Speaker, on September 22 the House voted on the legislation to revise the copyright law, and I am pleased to note the bill passed. I had intended to vote "yea," on the measure, and indeed, was under the impression I had. When I saw my vote recorded "no" in the RECORD the following day, however, I was greatly dismayed, and thus the reason for my remarks today. I have historically been a strong supporter of the copyright legislation that passed this body, and I have taken this opportunity to set the record straight.

CONGRESSMAN JOHN BRADEMAS RECEIVES THE 1976 PRESIDENT'S AWARD OF THE NATIONAL REHABILITATION ASSOCIATION

(Mr. PERKINS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I know that my colleagues in the House of Representatives will join me in congratulating our distinguished colleague, the gentleman from Indiana (Mr. BRADEMAS) on his having just received "The President's Award" of the National Rehabilitation Association at the annual meeting of that organization in Hollywood, Fla.

Mr. Speaker, The President's Award is presented annually by the National Rehabilitation Association to "an organization or an individual who has demonstrated outstanding achievement on behalf of handicapped people."

The recipient of the award "must have been involved in activity over the preceding years which has resulted in major and significant contributions to the rehabilitation of handicapped persons on a nationwide basis."

Mr. Speaker, the language of the citation accompanying the award to Congressman BRADEMAS eloquently summarizes the outstanding contributions he has made to legislation on behalf of handicapped persons in the United States, and I insert the text of the citation at this point in the RECORD:

THE PRESIDENT'S AWARD, NATIONAL REHABILITATION ASSOCIATION

Hon. JOHN BRADEMAS, *U.S. House of Representatives*

John Brademas, United States Congressman from Indiana, has been, and continues to be, the chief architect and prime mover in the Congress, of legislation which benefits handicapped persons throughout this country. As Chairman of the House Subcommittee on Select Education, he has shepherded through the Congress such monumental pieces of legislation as the Rehabilitation Act of 1973 and the Education for All Handicapped Children Act of 1975.

Other major legislative achievements to his credit include amendments and extensions to the Rehabilitation Act, the National Center for Education Media and Materials for the Handicapped Act of 1969, and other laws concerned with the rehabilitation of special disability populations, such as drug and alcohol abusers.

The epitome of this man's dedication to the rehabilitation concept and his concern for handicapped people was his role in chairing the critical and historical oversight hearings into the operation of the State-Federal Vocational Rehabilitation Program during 1973, at a time when the program faced dismantlement.

John Brademas' relentless conviction has been a major factor in the rehabilitation success story.

PRICE CONTROLS MUST NOT NEGATE PURPOSE IN OPENING ELK HILLS

(Mr. KETCHUM asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. KETCHUM. Mr. Speaker, on March 31, 1976, the House voted on final passage for H.R. 49, authorizing production from the Naval Petroleum Reserve at Elk Hills, Calif. As I have said many times, this was the only concrete step Congress has taken to increase the domestic supply of petroleum. Unhappily, this excellent legislation is being undermined due to the byzantine price control regulations of the FEA. Instead of causing a gain in overall domestic drilling, Elk Hills production may drive many small independent producers in California out of business—causing a net drop in oil brought to the surface.

Congress did not place Elk Hills oil under FEA's controls. Refiners, therefore, prefer to purchase Elk Hills oil to minimize the effects of the ruinous entitlements program. Small producers of California heavy crude thus find themselves being shut out of the market. FEA suggests that the Department of the Navy deal with the petroleum—or that the small producers attempt to lower prices to remain competitive—both unrealistic assumptions, slowing FEA's incredible insensitivity to the California oil industry.

Once again, we are made aware of the faults of price controls. If FEA's insistence on the entitlements program drives independents out of business, domestic production will drop. This is precisely what FEA is supposed to prevent. I hope my colleagues who voted for the opening of Elk Hills will join me in working to insure that the purpose of that legislation is not negated by the FEA.

The article follows:

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., September 27, 1976.

Hon. WILLIAM M. KETCHUM,
House of Representatives,
Washington, D.C.

DEAR MR. KETCHUM: Mr. Zarb has asked this office to respond to your letter of September 1, 1976, regarding the surplus supply of heavy, high-sulphur crude oil in California.

Apparently the purchasers of California heavy crude oil failed to adequately consider the implications of Section 201 of the Naval Petroleum Reserves Production Act of 1976 (NPRPA), which became law on April 5, 1976 (Public Law 94–258). This Act directs the Secretary of the Navy to sell U.S.-owned petroleum produced from the reserves to the highest qualified bidder without regard to restrictions imposed by Federal, State, or local price or allocation controls.

As stated in the Federal Energy Administration's (FEA) Ruling 1976-3 (Interpretation of Naval Petroleum Reserves Production Act of 1976), Section 201 of the Act amends various provisions of Chapter 641—"Naval Petroleum Reserves" of Title 10 of the U.S. Code (10 U.S.C. 7420-7428). As amended, 10 U.S.C. 7430(b) reads:

"Notwithstanding any other provisions of the law, each sale of the United States share of petroleum shall be made by the Secretary (of the Navy) at public sale to the highest qualified bidder, for periods of not more than 1 year, at such time, in such amounts, and after such advertising as the Secretary considers proper and without regard to Federal, State, or local regulations controlling sales or allocation of petroleum products."

The intent of Congress in amending the provisions was explained in part as follows: ". . . it is intended that the sales of petroleum from the reserves will continue to be at the highest bid price regardless of the current or previous distinction between "old" and "new" oil and would not be subject to Federal laws establishing ceiling or composite prices for first sales of domestic crude oil. (Conference Report 94-942, p. 27)"

With regard to entitlement benefits, the FEA's Ruling 1976-3 stated, "Crude oil produced from the affected naval petroleum reserves will be eligible for inclusion in the volume of a refiner's crude oil runs to stills for the purposes of the domestic crude oil allocation program set forth in 10 CFR 211.67. In addition, since this crude oil may be sold by the Secretary of the Navy at market level prices, no entitlement obligations under Section 211.67 will be in effect with respect to the inclusion of this crude oil in the refiners' crude oil receipts. Thus, for purposes of the entitlements program, it will be treated as imported crude oil."

Despite the language of the Act, it is apparent that the prospective purchasers of Elk Hills Reserve crude oil thought that it would be treated for entitlement purposes as upper tier oil, rather than as uncontrolled oil. Therefore, the prices bid for the Elk Hills crude oil were in the upper tier price range, rather than in the greater price range attained by imported oil of like quality. Hence, refiners currently have an economic incentive to maximize their purchases of Elk Hills oil, to the deteriment of other oil not carrying such favorable entitlement benefits.

As refiners purchase crude oil with a view towards minimizing their acquisitions costs which includes both their direct costs plus the costs of the entitlements, there are two ways by which producers of heavy California crude oil can meet the competition of Elk Hills Reserve oil in order to regain their competitive parity.

1. The Department of the Navy has the option of reopening the bidding for Elk Hills Reserve crude oil. New bidding will almost certainly result in increased prices being bid for Elk Hills Reserve Oil, which will restore California heavy crude oil to its former price parity and should result in much greater refiner interest in privately produced, heavy California crude oil.

2. Producers of heavy California crude oil, absent any action by the Secretary of the Navy, can lower their prices by approximately the difference in price between Elk Hills Reserve crude oil and the price of imported crude oil of the same quality, which should restore the competitiveness of the heavy California crude oil. This is possible because FEA upper and lower tier prices are ceiling, rather than mandated prices. Therefore, nothing prevents California heavy crude oil producers from selling their production at lower prices than the ceiling prices provided under FEA regulations.

Given the mandates of the Emergency Petroleum Allocation Act of 1973 and the Energy Policy and Conservation Act of 1975 that the President maximize domestic crude oil production, the FEA prefers the first alternative above as a means of alleviating the problems engendered as a result of the lack of comprehension of the provisions of the NPRPA. However, the implementation of such a solution is clearly in the purview of the Secretary of the Navy, rather than of the FEA.

We suggest, therefore, that this situation be discussed with the Secretary of the Navy to see if any actions are planned that may remove these difficulties.

If we can be of further assistance, please let us know.

Sincerely,

GORMAN C. SMITH,
Assistant Administrator, Regulatory Programs.

FALL OF THE POUND SIGNALS HARD TIMES AHEAD FOR ENGLAND

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, yesterday, in a profoundly somber event, the Government of Great Britain announced that it would ask for all the credit it can muster at the International Monetary Fund. The amount available is $3.87 billion, and it represents the last real hope that Great Britain can escape economic disaster.

Earlier this year, Italy found itself driven to the wall, and almost exactly 1 month ago, Mexico was forced to seek every ounce of credit available at the International Monetary Fund. The value of the pound sterling has been slipping steadily for years, but this year the Government of Great Britain has engaged in a long, hard, often desperate fight to keep the value of their currency up. But in the last few weeks the pound virtually collapsed. This happened despite the fact that Britain's trading partners made available $5.3 billion in credits last June—of which the United States put up $2 billion—and used up $1.03 billion of that by the end of July. The collapse of the pound comes in the face of real progress in the British economy—a much reduced rate of inflation, a decline in the balance of payments deficit, and unusually good industrial relations.

For a country like Great Britain, a monetary collapse is a disaster. An island economy must import, and must trade or starve. Every slip in the value of the pound means higher costs of goods imported, which translates into renewed inflationary pressures, and results in wage demands that can lead to still more inflationary pressures. The standard of living has already declined substantially in Great Britain, and the latest events portend even further declines.

In order to get the latest international credit, Great Britain has had to undertake a drastic policy of austerity. Immense reductions in public spending are in order. Unemployment is bound to increase. There may be a need to impose import curbs. Wage controls will probably have to be continued, even though some Britons have seen their purchasing power fall off by as much as 25 percent during the past 2 years.

At the very least, Great Britain is headed for very hard times. The impoverishment of that great nation will echo elsewhere; what one country cannot buy, another cannot sell.

The Government of Great Britain has tried hard to adopt realistic economic policies. There has been a reasonable amount of support for these policies. But monetary policy has perhaps been too loose for the taste of monetarists, or progress too slow to satisfy the impatient foreign investors, like newly rich Middle Eastern interests, who have been selling off their pound investments. As with the case of Mexico, each such flight from the pound, like water dripping against the foundation of a building, undermined every effort the Government made to set things right.

Now, with the pound having plunged at a breathtaking rate, all that is left is for Great Britain to go to the economic wall, and call on the very last resources it can to stabilize the currency, and end what could be a fatal economic plunge. Even if the Government now succeeds in solving its problems, the country will be severely damaged. The question seems to be whether Great Britain will be able to fight this illness off and convalesce for 2 or 3 years, or whether she will fall into a long, dark, and desperate trial—a trial that might inflict grave damage on all of the West's industrial economies.

HUMAN RIGHTS AND EMIGRATION POLICY IN THE REPUBLIC OF ROMANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 60 minutes.

Mr. KOCH. Mr. Speaker, I am pleased to begin this special order concerning the status of emigration and human rights in the Socialistic Republic of Romania by announcing that 35 of my colleagues have agreed to cosponsor House Resolution 1556, which was introduced last week by Congressmen ROBERT F. DRINAN, CHRISTOPHER J. DODD, and me.

The following additional 35 Members of Congress have agreed to cosponsor this resolution:

Ms. ABZUG, Mr. AMBRO, Mr. BADILLO, Mr. BELL, Mr. BONKER, Mr. CONTE, Mr. DOWNEY, Mr. EILBERG, Mr. FRASER, Mr. GOLDWATER, Mr. GRASSLEY, Mr. GUDE, Mr. HARKIN, Mr. HARRINGTON, Mr. LEHMAN, Mr. CLARENCE D. LONG, Mr. MCKINNEY, Mr. METCALFE, Mr. MOTTL, Mr. NIX, Mr. PEPPER, Mr. SOLARZ, Mr. UDALL, Mr. VAN DEERLIN, Mr. WOLFF, Mr. HEINZ, Mr. ROSENTHAL, Mr. ROE, Mr. KEMP, Mr. LENT, Mr. STANTON, Mr. PREYER, Mr. WAXMAN, Mr. PATTISON, and Mr. GILMAN.

House Resolution 1556, expresses the sense of the House of Representatives that the Socialist Republic of Romania must cease its arbitrary restrictions on the rights of its citizens to emigrate and the cultural, religious, and linguistic rights of its minorities, or risk the termination of the most-favored-nation trade status granted by the United States in 1975.

Romania is the first and, thus far, only Communist country to receive most-favored-nation treatment and other trade privileges under the terms of section 402 of the Trade Act of 1974, the Jackson-Vanik amendment. That amendment prohibits MFN treatment for any "nonmarket" country which denies its citizens the right to emigrate. Section 402 authorizes the President annually to recommend the waiver of the free emigration requirements, if the President determines that continuing the waiver will "substantially promote the objectives" of section 402. The President has recently recommended extending for another year the existing waiver for Romania, but prior to October 15 either House of Congress may disapprove this extension and terminate Romania's most-favored-nation status.

Our resolution does not call for immediate termination of Romania's trade privileges, but expresses disappointment with Romania's record on emigration and the treatment of ethnic minorities and declares that this record must improve for Romania to continue to receive MFN status. House Resolution 1556 also:

Requests the President to report to the Commission on Security and Cooperation in Europe—the Helsinki monitoring commission—on the status of emigration and minority rights in Romania;

Requests the President to report on minority rights each time he makes an application for the waiver of section 402;

Requests a report on Romania from the Helsinki Commission; and

Makes available $50,000 additional funds for the expenses of monitoring compliance with section 402 of the Trade Subcommittee of the Ways and Means Committee.

In our opinion, Romania's policies do not meet the goals of section 402 of the Trade Act or the human rights provisions of the Helsinki Final Act, which Romania signed. While Romanian emigration to the United States has increased somewhat, since the signing of the United States-Romanian Trade Agreement in 1975, the number of Romanian Jews permitted to emigrate to Israel has declined sharply. In 1973 and 1974, over 3,700 Jews were permitted to leave for Israel each year; in 1975, the figure dropped to slightly over 2,000 and current available figures indicate that only about 2,000 will be permitted to leave this year. Those who have applied for exit visas, regardless of destination, commonly report long delays, unexplained refusals, and government harassment.

Many Members of Congress have inquired of Romanian authorities about the status of hundreds of individual Romanians who have applied for permission to emigrate. Although the Romanian government has replied as to some cases, in many cases the Romanian government has not provided an adequate explanation or any explanation at all for its refusal to issue exit papers.

We are also concerned about the religious and cultural freedoms of minorities in Romania, notably the Hungarian language minority. According to the reports we have received, the Hungarian community has been denied the use of their language in the schools, been unwillingly assimilated into Romanian communities, had their archives confiscated by the government, and been frustrated in other ways. Our resolution calls for a review of the status of these minority communities, whenever the trade status of Romania is considered.

I am encouraged that so many of our colleagues have agreed to cosponsor this resolution and to participate in this special order on the status of emigration and human rights in Romania. I am also encouraged that the Government of Romania appears to be making some efforts to allow a freer emigration policy and, most specifically, has agreed to expedite the reunification of families. I commend the Government of Romania for approving the exit visa requests for a number of people in whose cases I have brought to their attention. I am delighted to report that I recently received a favorable answer from the Romanians who have approved the following five requests:

First. Lucretia Schiau of Ploiesti, Romania, who applied to visit her son, John Schiau in the United States;

Second. Dumitru Caranfil, who wants to come to the United States for medical treatment of leukemia;

Third. Mioara Naum to join her husband and son in the United States;

Fourth. Vladimir Fridman to join his wife in New York; and

Fifth. Basarab Alexandrescu to visit his daughter in the United States.

The Romanian Government has also approved a number of other cases in which I have brought to its attention, and I commend the Romanian Government for acting positively. I am still waiting a report on the status of other emigration cases, and I expect the Romanians to respond soon, notwithstanding the fact that Romania's most-favored-nation status will not be seriously questioned again in all likelihood, until another year has passed.

I would like also to be able to report that the Romanians have taken steps to ameliorate the situation of its ethnic minorities like the Hungarian- and German-speaking populations, but I have had no such report from the Romanian Government. I hope in my next statement on this subject I will be able to report not only further progress in emigration but also as to minorities. Until then, I hope the Government of Romania remains impressed with the sincere and widespread interest in the Congress in these subjects.

I expect to reintroduce our resolution, when the next Congress convenes and I hope that others will then indicate publicly their support by agreeing to cosponsor.

I append a copy of the resolution:

H.R. 1556

Whereas section 402 of the Trade Act of 1974 establishes the dedication of the United States to the protection of fundamental human rights and cultural freedom, especially the right to emigrate:

Whereas such dedication has been reconfirmed by the signing by the United States of the Helsinki Agreement (the Final Act of the Conference on Cooperation and Security in Europe) which agreement was also signed by Canada and thirty-three European nations, including the Socialist Republic of Romania;

Whereas the Socialist Republic of Romania has restricted the freedom of its citizens in the exercise of their fundamental human rights and cultural freedom, including the exercise of such rights and freedom with respect to education, religion, emigration, and language; and

Whereas such restriction by the Socialist Republic of Romania is inconsistent with the goals of the Trade Act of 1974 and the Helsinki Agreement: Now, therefore, be it

Resolved, That the President is requested to transmit to each House of Congress and to the Commission on Security and Cooperation in Europe a report with respect to the freedom of the citizens of the Socialist Republic of Romania to exercise their fundamental human rights and cultural freedom, especially the right to emigrate;

Resolved, That the President is requested to transmit to the Congress a report with respect to the freedom of the citizens of the Socialist Republic of Romania to exercise their fundamental human rights and cultural freedom, especially the right to emigrate, each time the President makes a request for authority to waive the application of section 402 (a) and (b) of the Trade Act of 1974 or for authority to extend the United States-Romanian trade agreement itself;

Resolved, That the Commission on Security and Cooperation in Europe is requested to transmit to each House of Congress a report with respect to the freedom of the citizens of the Socialist Republic of Romania to emigrate; and the status of minorities in the Socialist Republic of Romania;

Resolved, That it is the sense of the House of Representatives that if the Socialist Republic of Romania continues to restrict the freedom of its citizens in the exercise of their fundamental human rights and cultural freedom, especially the right to emigrate, then the 1975 United States-Romanian Trade Agreement and the most-favored nation treatment of the Socialist Republic of Romania by the United States should be terminated; and be it further

Resolved, That there shall be made available from the contingent fund of the House, $50,000 for the Trade Subcommittee of the Committee on Ways and Means of the House of Representatives for the expenses of acquiring additional staff to assist such subcommittee in carrying out its duties under the Trade Act of 1974. Payment of such amount shall be made upon vouchers signed by the chairman of such subcommittee.

Mr. ADDABBO. Mr. Speaker, for many years my distinguished colleagues and I have called the attention of the House and the administration to the constant and increasing curtailment of human rights in the Socialist Republic of Romania, with particular emphasis upon the Hungarian and German (Saxon) minorities of the province of Transylvania.

Since 1965 to this day I have described many times the main complaints: the steady decrease of the Hungarian language sections in Romanian schools, particularly on the vocational and secondary level. This spring, the Romanian Government caused one of its institutes to publish "The Hungarian Nationality in Transylvania" in order to refute some of our accusations. Yet, even this publication, if read carefully confirms that only one out of three Hungarian nationality student attends Hungarian sections in regular high schools, and only one out of nine Hungarian sections in vocational schools and that this ratio has drastically deteriorated since 1955. There is no Hungarian university, only about 10 percent of the courses and about 20 percent of the student body is Hungarian in the merged Romanian-Hungarian University of Babes-Bolyai in Cluj-Napoca (Kolozsvár).

Those who graduate receive their first job assignments in purely Romanian areas and have difficulty in returning later. In the meantime, Romanian skilled workers and professionals are migrating into the purely Hungarian counties of Covasna and Hargita under the guise of accelerated industrialization while Hungarian physicians are told to make up 50 percent of all doctors in Romanian Moldavia.

While in certain professions Hungarians are welcome—doctors, engineers, and teachers—in civil service, managerial positions and finance administrative positions, not to talk about the police and the army, there is considerable bias practiced against them in admission and promotion.

The Hungarian and German churches feel the heavy hand of the State even more than the Romanian Orthodox Church which is also made an oppressed handmaiden of the State. There are many Catholic parishes and Protestant congregations without priests and ministers, and freedom is limited to divine services but not even to the receiving of foreign charitable aid by the churches. Persistent reports tell us about the confiscation of church archives at least in some of the Hungarian Protestant congregations of the bishoprics of Oroadea (Nagyvárad). The list could be continued for pages.

While we have no opportunity to vote on the Presidential recommendation to extend the MFN status of Romania for another year under the waiver provisions of the Trade Reform Act of 1974, we would like to raise our warning voices that unless some improvement occurs in the human rights situation of Romanian citizens, particularly those of the national minorities. such extension may not be granted next year.

Mr. DODD. Mr. Speaker, I would like to join my colleagues this afternoon in protesting the assaults on human freedom that are presently being perpetrated by the Romanian Government against its ethnic minorities.

These assaults are brutal and systematic. and their ultimate end is the virtual elimination of these minority nationalities, with a particular emphasis on the Hungarians who number several millions.

The Committee for Human Rights in Romania, a dedicated group which seeks to focus the public's attention on these ugly conditions, has identified and documented seven major elements in the Government's campaign against human rights, let me tell you briefly what these are.

First of all, the Romanian Government deliberately understates the significance of the Hungarian minority, which quite obviously constitutes a sizable portion of the entire population. To facilitate this process, the government has engaged in a consistent effort to break up the homogeneous ethnic communities located in Transylvania. The government, which exercizes total control over the Romanian labor market, takes every available opportunity to relocate Hungarians by assigning them jobs in purely Romanian areas. In this way, the government has succeeded in abolishing a great number of primary, secondary and university level Hungarian institutions, which have gradually been phased out under the pretext that there is little demand for them.

In addition, Hungarian archives have been confiscated, and the history of Hungarian religious and cultural traditions eradicated. This, of course, is a practice tantamount to cultural genocide which is totally contrary to all principles that this Nation holds dear. The history of a country is the property of its people, and not for a government to alter or control.

And in fact, the Romanian Government has gone beyond these affronts at the preservation of the cultural integrity of its Hungarian citizens. It has boldly subjected these innocent people to severe religious persecution as well as obstructed their right to emigrate. Those who have applied for exist visas have commonly faced long delays, unexplained refusals, and general harassment.

All in all, this is a very unfortunate situation, and one that we, as a free people, should not tolerate—particularly since it is one that we can have some influence on.

Romania is the only Communist country to receive most-favored-nation treatment from the U.S. Government, and the trade agreement which binds our two nations is now up for renewal.

In the light of the difficulties faced by the minorities in Romania, my colleagues, Mr. Koch and Mr. Drinan—and myself—introduced a resolution (H. Res. 1536) which expresses our desire to see some evidence of positive change before the trade privilege is extended for another year.

Thus, I take this opportunity to again encourage all of you who care deeply about the issue of human rights to cosponsor this resolution. Only with the help of many of our colleagues will we be able to get our point across to the Romanian Government which has so far turned a deaf ear to all protests.

Mr. METCALFE. Mr. Speaker, I join in this special order with my colleagues today because I am concerned about activities within the Socialist Republic of Romania.

I am inserting in the Record "A Statement of Concern by American Scientists on Behalf of Their Romanian Colleagues."

The statement was made before the Trade Subcommittee of the Ways and Means Committee.

I think that this statement graphically describes the conditions that are a cause of concern.

The statement follows:

A Statement of Concern by American Scientists on Behalf of Their Rumanian Colleagues

We wish to bring to the attention of the Committee the fact that the Rumanian government has not respected the fundamental human rights of the members of its scientific community (see attached documentation). In particular, we deplore the current situation where:

1. Scientists are severely restricted by the Rumanian government in their opportunities for foreign travel.

2. Scientists are not allowed to emigrate to another country if they so desire.

3. Interminable delay—often complete inaction—occurs in the processing of applications to travel abroad or to emigrate. In particular, applications by persons desiring unification with family members abroad are usually ignored.

4. Official pressure is exerted on colleagues to dissociate themselves from those who have expressed a desire to leave, or alternatively, to act as informants to officials of the state security police.

5. Harassment of the scientists and their families occurs once an application to emigrate has been made.

The free exchange of ideas and of persons is critical both to the development of science and to peaceful understanding between nations. As scientists, we consider it our responsibility to bring this distressing situation to the attention of our colleagues and our elected representatives.

We respectfully ask this Committee to take whatever steps it deems appropriate to guarantee compliance by the Rumanian Government with the assurances given to the President under Title IV of the Trade Reform Act, Subsection 402c.

Hans A. Bethe, Professor of Physics Emeritus, Cornell University, Nobel Laureate.

James W. Cronin, Professor of Physics, University of Chicago, Chicago, Illinois 60637.

Herman Feshbach, Professor of Physics and Department Chairman, Massachusetts Institute of Technology, Cambridge, Massachusetts 02139.

Kurt Gottfried, Professor of Physics, Cornell University, Ithaca, New York 14853.

Robert Hofstadter, Professor of Physics, Nobel Laureate, Stanford University, Stanford, California 94305.

Edwin M. McMillan, Professor of Physics Emeritus, Nobel Laureate, University of California, Berkeley, California 94720

Henry Primakoff, Professor of Physics, University of Pennsylvania, Philadelphia, Pennsylvania 19174.

Malvin A. Ruderman, Professor of Physics, Columbia University, New York, N.Y. 10027

Edwin E. Salpeter, Professor of Physics and Astronomy, Cornell University, Ithaca, New York 14853.

(Affiliations are only for the purposes of identification.)

Facts Concerning the Policy of the Government of the Socialist Republic of Romania Regarding International Contacts, and Emigration by Romanian Scientists

1. *Scientific Contacts:* Scientists are not allowed to contact any foreign embassy or members of its personnel except via the Ministry for External Affairs. They must report in writing the contents of even the briefest conversation with any foreign citizen. Failure to report has as the first (and mildest) consequence complete suspension of the right to travel abroad. This has led a number of scientists to deliberately avoid foreign contacts in order to remain free of trouble and suspicion.

All correspondence must be checked by at least one member of the directorate of the scientist's institution. Telex or telephone links must be approved at an even higher (sometimes ministerial) level. The international exchange of ideas, so crucial to the practice of science, is thus severely repressed.

2. *Travel:* Many scientists (especially if they are of Jewish or, to a lesser extent, of Hungarian) descent are *never* allowed to travel abroad, be it for scientific or personal reasons. No authority is accountable to anyone for such a denial; no reason is ever given to the applicant. In official (though confidential) meetings such persons are referred to as "unexportable". Many of those who have been allowed to travel are faced with long, equally unexplained, periods of interdiction to travel.

No scientist is allowed to keep his passport, which must be returned immediately upon re-entering Rumania. Exit visas are required for every trip. They are limited in both the time allotted and the places to be visited. This means they are valid for either a given country or a very restricted group of countries (this in spite of the fact that the passport bears the statement "Valid for all countries").

In most cases unmarried persons are termed "unexportable". Quite often a wife and child remaining at home are required as additional security. In every case the scientist's immediate supervisor is required to sign a written statement by which he assumes responsibility should the applicant fail to return. This is termed a "statement of moral and political guarantees". It is not unusual that the person asked to assume this responsibility refuses to sign fearing reprisals in case the applicant defects. This has proven to be one of the most effective techniques in preventing travel, while formally avoiding an official denial. Indeed, the applicant is never allowed to submit his application directly to the appropriate authority. Instead it is forwarded by the applicant's institution, which does so only if it is accompanied by the above-mentioned statement of "moral and political guarantees". When and if the application if finally approved, the applicant is handed his passport only after surrending most of his personal documents, especially his academic records. This diminishes the possibility of employment outside Rumania, and hence acts as another barrier against defection.

3. *Emigration:* A variety of official government actions is used to obstruct the process of emigration. Many cases are known where an application for an emigration visa by a scientist has led to the applicant's dismissal, and to being branded a traitor or a renegade in a public meeting At such meeting friends and colleagues are forced to read prepared speeches denouncing the world-be emigré, while the general membership is warned to avoid any contact with these "traitors of the state". The application is often not acted upon by the responsible authorities for many years, during which time the applicant is either jobless (in a country where the government is the sole employer) or assigned to a job designed to prevent his professional development.

In general every effort is made to isolate the applicants and their families from the rest of society—to turn these people into outcasts. Usually the entire family is then dependent on their friends' charity in order to survive. (In Rumania unemployment insurance does not exist.) Many cases of physical and/or mental breakdown are known to have occurred to persons in such a situation. Suicides resulting from such pressures are not uncommon. After an emigration visa is finally granted (a rare occurrence in scientific circles), relatives of the emigrated person are sometimes subjected to more-or-less harsh versions of the above-mentioned treatment in order to deter further attempts to emigrate.

4. *General harassment:* Regulations recently introduced require any Ph.D. thesis to be approved by the town's Communist Party Committee even before submission to the scientific referees. Typical reasons (when given!) for rejecting a thesis are:

(a) the candidate has relatives in Israel;

(b) a brother of the candidate has defected;

(c) many years ago the applicant's father had unsuccessfully applied for an emigration visa.

High ranking scientists (for instance members of the Academy of Sciences) have an officer of the state security police personally attached to them, ostensibly posing as a protocol official "for briefing and debriefing". Intimate details of their personal and professional lives, gathered by a network of spies (often colleagues) and constant wiretapping, are revealed in these briefing sessions. The intention is to convince the subject that he is under permanent surveillance, and hence to discourage any attempts to emigrate or defect. In the same briefing sessions oppressive attempts are often made to gather personal and professional information on other Rumanian scientists.

5. *Abuse of foreign contracts:* Against this background of restrictions and harassment the Rumanian government makes desperate efforts to create the opposite public image in order to achieve international recognition, and to gain advantages in the fields of science, economics, and politics. Thus great care is taken to assure Rumania's representation at all international scientific meetings, but without regard to the scientific qualifications of its delegates. Frequently, a well-known specialist is personally invited by the organizers of a conference, and is indeed indispensable, as in the case of international collaboration between laboratories. Yet if this specialist is permanently or temporarily "unexportable" substitutes are routinely sent whose foremost and often only qualification is their political reliability. In numerous cases Rumanian diplomats abroad, i.e. scientifically untrained persons or, alternatively, scientists working in a completely different field, were ordered to register as participants at specialized scientific conferences. The purpose of this policy is to conceal the fact that the government has prevented participation by the qualified Rumanians.

Scientists traveling abroad, or meeting foreign colleagues in Rumania, are instructed in elaborate briefing sessions by the secret police to convey to their foreign contacts the image of "total freedom of travel and immigration granted by the republic". Often these carefully chosen contacts are offered as so-called proof of the freedom of movement practiced by Rumania. Cases are known in which scientists who have themselves repeatedly been denied these very freedoms were instructed to convince foreign contacts (preferably on fact-finding missions) that Rumania fully complies with the freedom of emigration requirements of most-favored-nation status. In these instances, the briefing officer emphasized that the purpose of these contacts was to facilitate Rumania's acquisition of most-favored-nation status.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I am joining my colleagues today in discussing the issue of extending under the waiver provisions of the Trade Act of 1974 for 1 more year the MFN status of Romania as the President has recommended on June 4, 1976. Apparently it was decided not to have a vote on this issue but let the extension occur as a result of congressional inaction rather than congressional approval. I believe that the procedure selected is already a reflection of the unease and concern felt even by those of us favoring the extension because of the internal policies of the Romanian Government, particularly in the field of emigration and minority rights.

For it has been documented over and over again that the Romanian Government during the last 14 months since the granting of the MFN status failed to live up to the spirit or the letter of the law.

Statistics provided by the State Department during the September 14, 1976, hearing before the Trade Subcommittee of the House Ways and Means Committee failed to prove any meaningful improvement in the number of immigration visas issued or families reunited. We know of cases where close relatives of U.S. citizens are held back in Romania for 5 to 8 years despite diligent efforts on the part of the U.S. citizens to obtain exit visas for their close relatives—parents, children, brothers, or sisters.

In addition, I have in the past supported several times the complaints of the 2.5 million Hungarian and about 500,000 German minorities in Transylvania. Not only are they subject to the general restrictions on human rights applying to all Romanian citizens, they are also victims of Romanian chauvinist tendencies not checked by the present Government despite their own constitutional provisions and numerous international covenants (Human Rights Covenants, Helsinki Declaration) ratified by the Government.

The main complaints are located in the areas of Hungarian-language instruction in the schools, guaranteed by article 22 of the Romanian Constitution. Only one out of three Hungarian students attends Hungarian sections in the high schools, and one out of nine attends Hungarian-language vocational schools, and the ratio of Hungarian origin university students at the universities is 50 percent lower than the Hungarian share in the overall population. Finally those who still succeed in graduating from Romanian universities are usually assigned to the Romanian provinces and counties rather than to the Hungarian cities and counties in Transylvania.

Another complaint concerns the prevalence of discrimination in certain occupational fields both in job promotion and admission. These include the fields of law, managerial positions in the economy, civil service, and the police and armed forces.

Finally, the guarantee of the Romanian Constitution regarding the free use of the mother tongue is not kept. In the mixed cities Hungarian is not spoken in public stores and restaurants, although many of the employees are Hungarian. In Cluj-Napoca (Kolozsvar) reliable informants report that Hungarian officials talked Romanian to one another all of the times. Bilingual signs, although 2.5 million of the Transylvanian population is Hungarian, are completely absent except for two small counties of the province and even there they are seen only sporadically.

Religious freedom is also severely restricted both for Romanians and Hungarians and Germans in Romania. However, the minority churches—Protestant and Catholic—are targets of more widely enforced restrictions. Half of the Catholic bishoprics are unfilled; there are over 50 congregations of the Hungarian and German Protestant churches and about the same amount of parishes of the Hungarian and German language Catholic Church without pastors; there is no Catholic theological journal. Some Protestant congregations in the diocese of Oradea had their baptismal records and archival records confiscated in 1975 under centralizing archival policies.

Under these circumstances, I am joining with my colleagues today in stating that our inaction this year, which is permitting the administration to extend the MFN status to Romania, will probably not be repeated next July. We would like to have meaningful and concrete steps taken by the Romanian Government to ameliorate the conditions of emigration, particularly in the cases of family reunification, and the state of the human and cultural rights of the national minorities consisting mostly of the 2.5 million Hungarians and 500,000 Germans of Transylvania.

Mr. GOLDWATER. Several times in the past I supported in speeches and letters to the President the cause of human rights in Romania, both for the Romanians, and the 2.5 million Hungarians and 500,000 Germans of that country.

Today I am joining with my distinguished colleagues, ably led by the gentleman from New York (Mr. KOCH), in warning the administration and the Romanian Government that the absence of a formal vote on the Presidential recommendation does not mean full approval of the malicious policies of the Romanian Government in its internal affairs.

The Romanian Government failed to comply either with the letter or the spirit of the Trade Reform Act of 1976, sections 402–09 better known as the Jackson-Vanik amendments. Administration witnesses before the Ways and Means Committee reported several hundred family reunification cases still unsolved; some of these back as far as 5 to 8 years. Even the number of visas for Jews to emigrate to Israel remain stagnant at a level lower than in 1974.

The spirit of the Trade Act is certainly violated by the restrictions placed on the exercise of the human and civil rights of the individual citizens. Even more onerous is the additional curtailment of the rights of the national minorities which many of my colleagues today elaborated upon in detail.

Here I only want to mention the main areas in which the rights of the national minorities are blatantly disregarded.

First. Hungarian language instruction and German language instructions in the schools, particularly on the secondary and higher education levels;

Second. Use of the mother tongue, especially in cities with mixed Hungarian and Romanian population;

Third. Absence of bilingual signs even in Hungarian majority cities or even towns and rural areas outside of the two purely Hungarian counties, Covasna and Hargita;

Third. Dispersal of the Hungarian university graduates into purely Romanian provinces at least for their first job assignment;

Fourth. Discrimination against Hungarians and Germans in certain fields, like managers, civil servants, accountants, and in the ranks of the militia—police—and the army; and

Fifth. Severe restrictions on the minority churches including unfilled bishoprics, parishes, and congregations, no theological journal for the Catholic Church, in practice, a ban on charitative gifts from abroad.

We trust that the Romanian Government be advised that unless improvement will have been made by next summer in these field, I, and also many of my colleagues will request a vote and will vote against the continued MFN status of Romania.

Mr. DELANEY. Mr. Speaker, you will recall that during the period from 1965 to 1968 many of us strongly protested discrimination against, and persecution of, citizens of Hungarian ethnic background in Romania. Some 49 Members of Congress urged then-Secretary of State Rusk to make use of every diplomatic channel open to him to end this violation of the basic rights of Europe's largest national minority.

Then, we waited, and as a sign of our goodwill, Romania was granted special MFN trade status. But, Mr. Speaker, 1977 is now almost upon us and the treatment of these minorities has still not substantially improved. The humanitarian concern expressed by Congress in title IV of the Trade Act of 1974 is being openly flouted by the Communist regime in Bucharest. Emigration remains problematic. According to reports, there is no substantive Hungarian-language instruction in the schools—even at the merged Romanian-Hungarian University of Cluj-Napoca. Hungarians have been forcibly assimilated into Romanian communities, their archives have been confiscated, and religious persecution continues unabated.

On June 11, I introduced House Resolution 1294 to bring this matter to the urgent attention of my colleagues. Once again, I call upon the President and the Congress to condemn this continuing oppression and take this violation into consideration before further action on most-favored-nation trade status for Romania.

Mr. ARCHER. Mr. Speaker, our world has seen far too much suffering, too much sorrow, too much inhumanity for any one of us to ever ignore what should be one of our most fundamental concerns. And that is that all peoples of this planet should live together peaceably, in dignity, and with respect for each other.

America's past is deeply imbued with the philosophy of fairness and equity, a philosophy that speaks loudly and clearly of human rights, a philosophy based upon the premise that all men are created equal. It is a philosophy that has served as a brilliant guiding light for 200 years. It is a good philosophy—one that will last the ages because it is right.

While our country cannot and should not presume to force our values upon others, it is our duty and obligation to reiterate for all who will hear that the United States of American will be firm in its resolve not to allow itself to be used to infringe upon the rights of any human beings anywhere on this planet. Basic human rights have no geographical boundaries.

For the past year, I have carefully monitored the behavior of the Government of the Socialist Republic of Romania in regard to emigation and human rights. As a result of what I have learned, I have sponsored with 47 other Members of the House of Representatives a resolution providing for an annual reporting on actions taken in the area of human rights by the Romanian Government, with special emphasis on the rights of the national minorities—the 2.5 million Hungarians and 500,000 Germans (Saxons) in Transylvania. It also calls for ameliorative measures on the part of the Romanian Government in this regard if the extension of most-favored-nation status be approved.

I speak out today for those people in Romania and for all peoples of this world who suffer at the hands of their governments. America will not abandon these people. The Congress of the United States will never forget its commitment to them, nor to the noble goals of freedom and humanity for which they strive.

Mr. McDONALD. Mr. Speaker, I am pleased to join my colleagues today in discussing the merits of the MFN status of Romania relative to the waiver provisions of the Trade Reform Act of 1974. As you may be aware I have submitted a resolution of disapproval which cannot, however, be called up for vote before October 5, when it is believed that the Congress will no longer be in session.

In addition, I am also a cosponsor of House Resolution 1476 which would require the administration to report on the human rights situation in Romania, especially also those of the 2.5 million Hungarians and about 500,000 Germans in that country. Again, unfortunately, that resolution also cosponsored by 49 Members of the House, has not been reported out by either the Ways and Means or the International Relations Committees.

Thus, we are left with the rather unsatisfactory device of a thorough discussion of the issues without any resolution to vote on.

May I add that by inaction of Congress, MFN status will still be extended to Romania under the Trade Act of 1974's waiver provision until July 1977, and inaction on the part of the Romanian Government relative to human rights will result in a real and concerted move by me and many of my colleagues for a resolution of disapproval next summer.

In my view, Romania is not and has not proved to be worthy of MFN status. She has not significantly increased the number of emigrants allowed out of Romania. She has not relaxed her internal policies of repression that has made her reputation the worst of the East European Communist bloc. And, lastly, she has abused her MFN status by dumping cheap goods on U.S. markets, and indirectly depriving Americans of jobs, as the AFL–CIO statement made before the House Ways and Means Committee so vividly outlined. Therefore, I will continue work to strip Romania of this status, unless there is immediate and drastic improvement in the aforementioned situations.

Mr. DRINAN. Mr. Speaker, today Congressmen KOCH, DODD, and I reintroduce House Resolution 1556 on behalf of 34 of our colleagues. The resolution, which we originally introduced on September 20, formally notifies the Government of the Socialist Republic of Romania that it must ease its restrictions on the emigration of its citizens and on the human rights and cultural freedom of its national minorities, particularly its Hungarian, Jewish, and German communiites, or risk the loss of its most-favored-nation trade status. The resolution would also establish an effective mechanism by which to monitor the progress toward freedom of emigration, as required by the Trade Act of 1974.

Sections 402 (a) and (b) of the Trade Act of 1974 prohibit the granting of most-favored-nation treatment or the extension of Government credits to any nonmarket economy country which denies its citizens the right or opportunity to emigrate. The Socialist Republic of Romania became the first nation to receive most-favored-nation status under the terms of the Trade Act on July 28, 1975, when Congress approved the President's exercise of his authority under section 402(c)(1) of the act to waive the freedom of emigration requirements, based upon his determination that emigration practices would improve and lead substantially to the goal of freedom of emigration. Assuming that neither House of Congress votes to terminate the extension of the waiver by October 15, 1976, Romania will retain its most-favored-nation status, subject to annual waiver by the President and approval by the Congress.

The available figures on emigration from Romania since it received most-favored-nation status do not indicate progress toward freedom of emigration. While the number of individuals permitted to emigrate to the United States has increased from 357 in 1973 and 528 in 1974 to 849 in 1975 and 672 for the first 7 months of 1976, the number of Jews permitted to emigrate to Israel has declined sharply.

In 1973 and 1974, over 3,700 Jews were permitted to leave for Israel annually. In 1975, the figure dropped to slightly over 2,000, and available figures for 1976 suggest that a similar number will be permitted to leave in 1976. This decline is entirely inexcusable. Assertions that the emigration rate has declined because of a corresponding decline in the number of individuals who seek to emigrate are contradicted by the facts.

From various sources, I have been informed of over 500 individuals who have applied for and have not received permission to emigrate from Romania; some of these individuals have been waiting over a year. I have also been informed of 22 cases of alleged harassment endured by individuals as a result of their applications for exit visas and passports. It is abundantly clear that many Romanians are being denied the fundamental right to emigrate freely, a right embodied not only in the Trade Act of 1974, but also in the Helsinki Final Act, to which Romania is a signatory.

Along with several other Members of Congress I have in recent months expressed my deep concern over this matter to the representatives of the Romanian Government. On September 1, I met with His Excellency Nicolae M. Nicolae, Ambassador of the Socialist Republic of Romania to the United States. On that occasion, I transmitted to the Ambassador the list of over 500 names, together with an expression of concern with the disappointing emigration record on behalf of 35 Members of Congress. I received from the Ambassador positive assurances that he would investigate each case and expedite the emigration process whenever possible.

Since September 1, I have received from the Ambassador a list of 75 individuals whose names have appeared on various lists of would-be emigrants which the Ambassador received from me and several of my colleagues in recent months. These people have received permission to emigrate from Romania since June of this year. These 75 names represent no more than a small fraction of those desiring to emigrate from Romania The actions of the Romanian Government simply do not match its stated policies or its legal and moral obligations.

This week I received from Ambassador Nicolae a list of some 32 individuals who have, according to the Ambassador, received permission to leave Romania this month. I have not been able to verify the actual status of these individuals' requests to emigrate. Granting permission to emigrate to 32 people whose names appeared on the lists which I transmitted to the Ambassador is an encouraging sign, as is the continuation of a dialog with the Ambassador and, through him, the Romanian Government. These 32 individuals, however, represent only a small fraction of the many hundreds who have applied for and not received permission to emigrate. These hundreds, in turn, represent only a small fraction of the many thousands who desire to emigrate but who have not applied for permission to do so, either out of fear of official reprisals, pessimism, or both. We in the Congress must bring home to the Romanian Government the fact that a continuing, small trickle of individuals who receive permission to emigrate is unsatisfactory; nothing less than freedom of emigration for all who desire to leave is acceptable.

There is absolutely no excuse for the denial of the fundamental right to emigrate freely. The provision for annual congressional review of Romania's compliance with the freedom of emigration requirements of the Trade Act provides us with a ready instrument through which to emphasize that Romania's record during the first year of its status as a most-favored nation is inadequate. It is essential that we in the Congress bring emphasis to the Romanian authorities in the strongest terms the necessity for immediate and continuing action toward the achievement of freedom of emigration. Declining emigration figures, unexplained denials of hundreds of applications to emigrate, and extremely disturbing reports of government harassment are totally unacceptable and clearly violative of the act by which Romania derives substantial economic benefits.

Assurances by the Romanian Ambassador and other officials of prompt and positive action must be matched by concrete acts. We in the Congress must monitor carefully the Romanian Government's progress toward the required goal of free emigration. Romania is the first nation to receive most-favored-nation status and Government credits under the terms of the Trade Act of 1974. If we in the Congress do not insist on genuine compliance with section 402 of that act, then other nations desiring similar trade benefits will be on notice that rhetoric alone will be sufficient to fulfill the act's freedom of emigration requirements.

On June 3, 1977, the President will be required to request and the Congress will be authorized either to approve or to disapprove another waiver of section 402 (a) and (b). Between now and that date, Romania must demonstrate genuine compliance with section 402(c)'s requirement of substantial progress toward the achievement of freedom of emigration. Continuation of present emigration practices will not suffice. The extension of this initial waiver must not be interpreted by the Romanian Government as approval of the past year's record on emigration. On the contrary, we must utilize this opportunity to communicate to the Romanian Government the deep concern of the Congress over its failure to achieve true freedom of emigration and of the need for substantial improvement in order to insure retention of most-favored-nation status.

In addition to the central question of freedom of emigration, the religious and cultural rights of Romania's ethnic minorities certainly fall within the spirit of the Trade Act's human rights provisions. Recent reports of the denial of these rights raise issues of grave concern to all those who feel strongly about fundamental human rights. There is evidence that minority language educational institutions and language classes are being systematically curtailed; that the opportunity to preserve cultural identity through publications has become increasingly limited; and that the law nationalizing all documents has been used as a pretext to eliminate the historical tradition of many minority churches.

The resolution which we have introduced would express the Congress deep concern with the issue of minority rights and would provide for the investigation of the highly disturbing reports of denials of these rights.

The resolution requests the President to submit to the Congress and to the newly created Commission on Security and Cooperation in Europe a detailed report on the Romanian Government's record in providing its citizens with their fundamental rights: the right to emigrate and the right to exercise religious and cultural freedom. The resolution requests the submission of such a report upon each request by the Romanian Government for an extension of its status as a most-favored nation. In order to more effectively monitor the record of the Romanian Government in these urgent humanitarian matters, the resolution asks the Commission on Security and Cooperation in Europe to investigate and report to the Congress on freedom of emigration and the rights of national and religious minorities, and it provides an additional appropriation of $50,000 to the Trade Subcommittee of the House Ways and Means Committee for a continuing investigation of the performance of all nonmarket nations in emigration and other matters related to the Trade Act of 1974.

The resolution expresses firmly the intent of Congress to terminate Romania's most-favored-nation status if the reports established by this measure do not reveal significant progress toward freedom of emigration and other fundamental human rights. Nothing less than the future viability of the Jackson-Vanik amendment to the Trade Act and the seriousness of the Congress commitment to basic human rights is at stake in this matter. Romania represents a test case: either we in the Congress will serve notice on the rest of the world that we insist on genuine compliance with the freedom of emigration requirement of the Trade Act, or we will serve notice that unfulfilled promises of progress and rhetoric unmatched by action will suffice.

House Resolution 1556 would clearly express the intent of Congress and would provide the tools for thorough, ongoing oversight of Romania's compliance with section 402 of the Trade Act. As such, its adoption would represent a significant positive step toward the establishment of a firm American policy on the fundamental issue of human rights.

In the coming months, Congressman Koch and I will continue our direct contacts with the Romanian authorities, attempting to bring home to them the very deep concern of the Congress regarding human rights in Romania. When the next Congress convenes, we shall report on progress—or the lack of it—toward the goals of free emigration and full cultural and religious freedom for Romanian minority groups. We shall also resume our efforts to establish an effective mechanism by which we can monitor the progress toward free emigration required by the Trade Act.

Mr. KEMP. Mr. Speaker, several times in the past I have joined my distinguished colleagues in protesting the actions of the Government of the Socialist Republic of Romania with regard to human rights of its citizens, particularly those of Hungarian and German heritage.

The generally repressive policies of the government against its citizens has even increased in the case of the national minorities in order to retain some sympathy among the oppressed citizens of Romanian nationality. Repression is especially strong against the 2.5 million Hungarians and the about 500,000 Germans of the historical province of Transylvania which was transferred to Romania in 1920. It involves their schools, cultural institutions, university graduates who are assigned to purely Romanian areas while Romanian nationality graduates are sent to their Hungarian towns and villages, the absence of bilingualism even in mixed Hungarian-Romanian urban areas and villages.

There is also a built-in bias against the employment and promotion of Hungarians in managerial, police and skilled workers positions and there exists no major Hungarian association on the national level to protect the interests of the minority except for the National Council of the Hungarian Working People which is by law defined as a propaganda arm of the Romanian Communist Party.

The record of the Romanian Government on emigration is also dismal. Even family reunification becomes a Herculean task. Cases where people are trying for 5 to 8 years to rejoin their families in the West are numerous and whoever applies, loses his job and when he finally leaves, has to donate all his real and immovable personal property to the state.

Often it is said even by my congressional friends that we should not concern ourselves with the human rights policies of a government as long as we hope to achieve some benefit by our cooperation with them. Others say that only emigration should be considered as the Jackson-Vanik amendment was devised for this purpose only.

However, reading section 402 of the Trade Reform Act of 1975 one could easily make the legal claim that fundamental human rights mentioned in the first sentence is really the aim and free emigration only the means to achieve the main aim of this legislation.

Therefore, I strongly recommend that this subcommittee publish together with the record of these hearings a short statement expressing concern with Romanian policies both on emigration and human rights with particular reference to the national minorities.

Finally, let me express my feeling that unless we remain a strong defender of human rights and freedom in the world, we will have lost the respect and devotion of the hundreds of millions of people who live deprived of their most sacred right: Self-determination and the freedom to decide their fate individually and as a community.

Mr. BELL. Mr. Speaker, for many years I have spoken out for the oppressed over the world, particularly behind the Iron Curtain. Détente policies which I agreed with make no sense if we are to abandon our quest to improve the human rights situation of the millions under Communist rule.

The Romanian Government, while seeking more independence in the fields of foreign and economic trade policies, has not acted until now in a manner suitable for its avowed purposes of national independence in its internal policies.

Two practices remain particularly disgusting by our standards in the West First, there are the difficulties placed in the path of anyone in the West who wants to bring out his spouse or immediate relatives. Administration witnesses at the September 14, 1976, hearing before the Ways and Means Committee—Trade Subcommittee—reported still several hundreds of family reunification cases unresolved, and we know that some of them date back 5 to 8 years Second, the Romanian Government, while curtailing the human rights of all of its citizens, adds additional oppressive features in its treatment of the national minorities, although some of these practices are expressly forbidden in the Romanian Constitution itself.

In the past I have made statements and signed letters to the President on this issue exposing the grievances of the national minorities, the 2.5 million Hungarians and 500,000 Germans. Unfortunately, the success of our efforts until now is rather minimal.

Under these circumstances, we must again appeal to the Romanian Government to change some of its policies toward emigration and the national minorities in the letter and the spirit of the Trade Act of 1974.

Ms. ABZUG. Mr. Speaker, I join my distinguished colleagues in a most emphatic condemnation of the reprehensible practices of the Government of Romania in the field of human rights.

The condition of human rights should be one of the prime considerations in our international relations. Too often in our dealings with other nations, we are asked to ignore the rights of individuals because of other, more immediate circumstances. This has become the situation in our relations with Romania.

Section 402 of the Trade Act of 1974 clearly describes that most-favored-nation status shall not be granted to "nonmarket" nations which deny their citizens the right to emigrate. Section 402 (c)(1) further authorizes the President annually to recommend waiver of that provision, if he determines that the waiver will "substantially promote the objectives" of section 402. This is a clear declaration of the desire of the Congress to protect human rights in our trade relations.

Romania not living up to the policies of section 402. Although the number of emigrants to the United States has nearly tripled, from 357 in 1973 to 672 for the first 7 months in 1976, the number of Jews permitted to emigrate to Israel has been significantly reduced. In 1973 and 1974 approximately 3,700 were allowed to emigrate each year, while in 1975, only about 2,000 were permitted to leave. The estimates for 1976 again are close to 2,000.

The argument has been made that this decline merely reflects the fact that there are a smaller number of persons applying for emigration. But reports from a variety of sources do not confirm that premise and suggest instead that applications to leave are being denied.

While we should support the efforts of our Government to encourage open emigration policies, it does not appear that the waiver of section 402 (a) and (b) has accomplished that aim yet.

Of further concern are the reports from Romania of the infringement on the rights of other religious and cultural minorities. Fortunately, the elimination of a national minority through the physical extermination of its members seldom occurs today, due to the alertness of the part of the public opinion and the worldwide revulsion to genocide.

Nevertheless, there exists a more refined and less conspicuous manner of eliminating a minority group. It involves the destruction of its language, culture and traditions. The Romanian Government seems to be conducting exactly this type of campaign against its own minorities, especially its 2.5 million Hungarian and 400,000 German inhabitants.

During this 200th year of our Nation's existence, the cultural heritage which diverse ethnic groups brought to our shores has been displayed and celebrated on numerous occasions. But I wish to emphasize that it is not enough to rejoice in our cultural richness and diversity. We also owe a debt for the gifts which we have received. Hungarian culture has given our Nation scores of exemplary figures, from nuclear physicists to movie actors, mathematicians to some of our best conductors. The richness of its contributions is nothing short of astonishing, considering the relative size of that nation. My proposition is that we utilize at least the means readily available to us: the humanitarian provisions of the Trade Act of 1974, to provide this great culture with some measure of protection.

Harsh steps against minority cultures, including the gradual elimination of one of Europe's oldest universities, the Hungarian Bolyai University in the city of Cluj, are good indicators of the nature of the Romanian regime's commitment to human rights. The result is that a national minority of 2.5 million members, the largest in Europe, is not permitted to maintain a single university of its own.

Another means to eradicate the Hungarian culture which has come to my attention is the wholesale nationalization of historic church archives, with no assurance that they will be preserved intact. These archives have been invaluable repositories, storing the history of the 1,000-year-old presence of Hungarians in the part of Romania called Transylvania. This area was given to Romania only in the 20th century as a result of the rearrangement of Europe's borders after World War I.

According to any enlightened standards, and by the rules of existing international law, a country which acquires such a sizable minority population is obligated to insure that those people can preserve, enjoy and develop their own indigenous culture.

Romania has clearly broken this trust and if we are to take our commitments to fundamental human rights seriously, we should not be assisting Romania until this situation is rectified.

H. Res. 1556 is an expression of the concern of the House over this situation. It calls for a review of the condition of human rights in Romania, including emigration policies, before future waivers are granted. This resolution expresses our disappointment with the Romanian Government and its policies on emigration and ethnic and religious minority rights. It also requests the President to report to the Commission on Security and Cooperation in Europe and to both Houses of Congress on the status of emigration and minority rights. It asks the Commission for a similar report to both Houses, each time an application for waiver is made. This will provide Congress with some of the information needed to adequately judge the condition of human rights in Romania.

I am pleased to be a cosponsor of House Resolution 1556.

There are many questions regarding the denial of exit visas, the harassment of individuals applying for those visas and the denial of minority rights, which must be answered before Congress can agree that repeated waivers will serve the aims of Sec. 402. The bill also makes available $50,000 in additional funds for the Trade Subcommittee of the Ways and Means Committee for expenses which arise from reviewing the cases brought before them regarding the denial of human rights in Romania.

If the Romanian Government and President Ford cannot supply adequate proof that the discriminatory situation in Romania either does not exist, or is in the process of being eliminated, then we have no choice but to reject any further recommendations by the President for waiver of the provisions of section 402 of the Trade Act of 1974.

Next year, Congress must spend more time and more care in reviewing Romania's most-favored-nation status. The acceptance of House Resolution 1556, which I am cosponsoring, would be an important first step in this direction.

Mr. RANGEL. Mr. Speaker, last June many Members of Congress expressed shock and disgust over attempts by the South African Government to force black schoolchildren to study in a language alien to them, the official Afrikaan language of that country. The publication of regulations to this effect by the racist white regime was followed by bloody riots and the world has witnessed the continuing upheaval ever since.

Some of the most vocal condemnations of the racial oppression in South Africa came from the Communist countries. If we examine their practices, however, it will become obvious that they are very far from practicing what they preach. One especially striking example is the behavior of the Romanian regime. The United States has been generous to that country during the past 2 years and has granted it a variety of trade benefits. What we have overlooked is that the Romanian Government is guilty of blatant discrimination against its national minorities, including the largest among them: the 2.5 million Hungarians.

What are the elements of this discrimination? Let me describe only one of them—one which I find particularly offensive. On May 11, 1973, Decree-Law 278 entered into force. From that day forward, it became necessary for not 16, but 25, minority pupils on the elementary school level and 36 of the high school level to start a class in a minority language. With respect to those schools where it might be possible to achieve such quotas, the law was still more specific: Romanian-language classes must be instituted "regardless of the number" of Romanian students.

The result is that increasingly greater numbers of minority students have been forced to study in an alien language, instead of their native tongue. The parallel with the South African situation is clear and, as I mentioned, this is but one aspect of the wide-scale oppression of Romania's minorities.

Mr. Speaker, I believe we must condemn oppression and discrimination wherever they occur. But they are especially reprehensible when they are directed against small schoolchildren whose parents are trying desperately to have them educated in their own language, traditions, and culture. When I voted for the incorporation of humanitarian provisions into the Trade Act of 1974, I fully expected this House to see to it that those provisions are adhered to not only with respect to the right of free emigration, but also as they relate to the fundamental human rights specified in section 402 of this act. When I voted for granting trade benefits to Romania, I did not do so under the assumption that Romania would be exempted from the requirements in those provisions. Instead, I have been informed that the recent review of Romania's performance has been rather perfunctory and that Romania's most favored nation status and other benefits will automatically continue with no action on the part of Congress, in spite of well-documented allegations that Romania has come nowhere near to satisfying the requirements of the Trade Act. If we in Congress are to take our humanitarian commitment seriously, we must not allow this situation to present itself again next year.

For these reasons, I fully support the Koch-Drinan-Dodd resolution (H. Res. 1556) and urge its acceptance, if not by this session of Congress, then shortly after the next one convenes. This resolution would reinforce our dedication to the provisions of section 402 of the Trade Act, making them more specific and less prone to circumvention. Although they were ignored this year, it is our duty to revive them and enforce their applicability in the future.

Mr. BADILLO. Mr. Speaker, the United States has in the past, attempted to constructively deal with our foreign trade and assistance policies which concern countries that prohibit free emigration and violate the human rights of their citizens. The United States has, in the past, reminded Romania, the only Communist country to ever receive privileged trade status, of the link between trade advantages and her free emigration policy. Not enough emphasis, however, has been placed on the tie between our trade benefits and Romania's observance and protection of the human rights of her citizens.

Romania has quietly observed the very minimum of our requirement regarding emigration, and then, only when the question of continuing trade benefits was immediately before the Congress. It is time that we reevaluate our position on allowing Romania to continue to enjoy the most-favored-nation status regarding trade with the United States. The oppression of Romanian minorities—the Hungarian, Jewish, and German people—by that government continues, and the living conditions of these people deteriorate daily. They have been suppressed, discriminated against, families have been kept apart, and most importantly, they have been deprived of the most vital of human rights.

The dictatorial nature of President Nicolae Ceaucescu's regime is far more restrictive in terms of personal freedom than we had originally anticipated or perceived. The Hungarian people, along with the other minorities, have been subjected to the imposition of rigid restrictions on their civil liberties such as travel, freedom of assembly, freedom of speech, and of religious practice. We are especially sensitive to these restrictions as they negate the very principles of freedom on which this country was founded, and with which we have progressed to our present state of economic strength, and social and political stability.

We must speak out in support of these fundamental freedoms, and insist that Romania, if she intends to continue to enjoy advantageous trade relations with the United States, observe these rights and allow her citizens these most basic of human rights. I am cosponsoring House Resolution 1556, introduced by my colleagues, Congressmen Koch, Drinan and Dodd, which expresses the sense of the Congress that Romania must cease the arbitrary restrictions placed on her citizens to emigrate, and on the rights of her minorities to cultural, religious, and linguistic freedom, or she must relinquish her most-favored-nation status granted to her by the United States in 1975. It is important to relay this sentiment to Romania, since her performance in this regard is the determining factor in the continuation of her present status; and it is important that we do continue, if our standards are met, these trade benefits for Romania.

I hope to introduce legislation in the next session of Congress which would go one step further. Last year Congress passed an amendment to the Foreign Assistance Act which prohibited the continuation of assistance to any country which engaged in a consistent pattern of gross violations of internationally recognized rights. It is equally important in my estimation, that similar provisions be incorporated in the Trade Act, so that this set of standards can be applied on a more meaningful basis than mere lipservice. I hope that we will be able to take this step toward assuring all people, regardless of nationality or beliefs, an opportunity to enjoy those civil and human liberties to which every human being is entitled.

TRIBUTE TO THE HONORABLE DOMINICK DANIELS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 60 minutes.

Mr. RODINO. Mr. Speaker, in the 18 years Dominick Daniels has been a Member of the House of Representatives, he has truly served the best interests of the people of New Jersey and the Nation.

In his quiet and competent way, he has worked to improve the lives of the men and women who build our bridges and houses, who assemble our automobiles, dig our coal, and man our seaports.

Because of his efforts, the safety and health of these millions of other American workers have been improved.

And while he has devoted himself to helping those who have jobs, Dominick Daniels has never forgotten those who do not. His concern and his commitment have resulted in programs to extend the opportunity of a decent job to many who otherwise might never have shared in the promise of America.

Mr. Speaker, these accomplishments show the compassion, the understanding, that Dominick Daniels has for people. He has sought always to serve the public interest because he understands so well that it is indeed the national interest. And he has served with integrity and honesty.

These are qualities that we value in any person, but we should be especially grateful that they are possessed by this man at this time. For Dominick Daniels has shown that Government does work, that it can solve problems, that it can help do for people what they cannot do for themselves.

I believe that the distinguished public career of Dominick Daniels deserves close attention, for it is an example of the kind of leadership this Nation must have as it faces the difficult days and decisions that lie ahead.

It is a career that has been dedicated to the premise that here in America the people rule, and that they can rule well only when their representatives are good and wise men and women of character.

Mr. Speaker, Dominick Daniels and I are proud of our Italian heritage. But I would like to sum up his career by paraphrasing a Greek philosopher. Aristotle wrote that politics is the noblest calling for it is through politics that mankind truly is served best.

Surely this typifies Dominick Daniels, and we in this House, where he has served with love and affection for 18 years, pay him a fond and affectionate farewell.

Mr. MINISH. Mr. Speaker, I join my colleagues today in paying tribute to my close personal friend, Dominick V. Daniels. It is with mixed emotions that I acknowledge his retirement from the House of Representatives for, although I am pleased that he will now be able to spend more time with his wife and family, I am also aware that his expertise will be sorely missed by the Congress.

My many years of friendship with Dominick Daniels have shaped my high regard for his professional and personal qualifications. His dedication and devotion have been reflected in a consistently outstanding performance of his duties in the Congress and have served as a shining example to all those committed to the public good. Dominick Daniels has written a truly monumental legislative record in the fields of education, manpower, occupational safety, postal issues, and civil service legislation. He has been a recognized leader in assuring the safety of America's working men and women, in protecting the rights and benefits of Federal workers, and in promoting job training programs to help deal with our pressing unemployment problems.

Dominick Daniels has served the people of New Jersey and the country with exemplary distinction. I hope that his future years will be as meaningful and productive as have been his years in public life.

Mr. DENT. Mr. Speaker, of my many friends and colleagues retiring from this House, I am most saddened by the departure of my good and trusted friend—the gentleman from New Jersey—Dominick V. Daniels.

Dom and I came to the House at about the same time; we served together on the Education and Labor Committee; we held hearings together; drafted and managed legislation; and together negotiated with the Senate.

I will miss Dom Daniels in this House more than simple words can express. But more importantly, the American people, particularly those who toil for a living, will miss his compassion, his legislative skill, and his devotion to a better life for all.

More than any other single Member of either House, Dominick Daniels is responsible for the manpower legislation and the safety and health laws that are currently on the books. There are some 55 million American workers, working in some 4 million workplaces who owe Dominick Daniels a debt of gratitude for the Occupational Safety and Health Act of 1970. There are tens of thousands of coal and "hard rock" miners in this country who owe Dominick Daniels a debt of gratitude for the House passed Mine Safety and Health Act of 1976. There are literally millions of Americans who would not be working today had it not been for Dominick Daniels' manpower training and employment legislation.

Dominick Daniels of New Jersey, for 18 years, has served the American people and his constituents with honor and distinction. The legislation which he wrote and managed into law will stand as a monument to his dedication and compassion. His devotion to the honor and integrity of this House has been unmatched, and his leadership will be long remembered.

With his retirement the American worker is losing a trusted and compassionate friend; this House is losing an able and gifted legislator; the people of New Jersey are losing a devoted public servant; and I am losing the day-to-day association of a dear friend.

Dominick Daniels, I salute you for your many accomplishments. As you leave this House you loved so well, take with you the memories of 18 years, the good wishes of your colleagues, the gratitude of the American people, and the quiet satisfactions of a job well done. Knowing you as I do, I am sure that your future will be as bright and rewarding as your past has been significant and honorable.

Mr. HUGHES. Mr. Speaker, I rise to honor a distinguished fellow colleague from New Jersey, Congressman Dominick V. Daniels, who is retiring from this body. He has served the people of New Jersey and this Nation well during his 18 years in Congress.

Dom Daniels served on both the Post Office and Civil Service Committee, and the Education and Labor Committee, where he held the post of chairman of the Subcommittee on Manpower, Compensation, and Health and Safety. He has long been a champion of increased safety in the American workplace, as well as providing public employment for those workers who would otherwise be in the unemployment line.

The workers of this Nation are losing an eloquent spokesman and defender of their cause. He will be missed not only by his colleagues in the House, but even more by the people of the 14th District in New Jersey. He is truly a great American—an outstanding public servant.

Mr. WAGGONNER. Mr. Speaker, I am happy to join our colleagues in paying tribute to that able Congressman from New Jersey, Dominick V. Daniels.

He served his district, his State and his country with honor for 18 years, and during that time I am proud to have been able to work closely with him on many occasions. I have always found him to be a man of integrity and honor, whose word is his bond.

He has always been available when I have called on him for assistance, giving unselfishly of his time and talents to help his colleagues.

I will be sorry to see our good and trusted friend, Dom Daniels, retire from Congress. We have not always seen eye-to-eye on issues over the years, but we have always been able to look each other in the eye, knowing that we have voted our convictions and our districts' wishes.

Dom, I am sure that I join with your other friends in wishing you the best that life has to offer in the future.

Mr. ZEFERETTI. Mr. Speaker, it is with regret that I join with many of our colleagues in the House in paying tribute to our friend and associate, Dominick Daniels, who will be retiring at the end of the 94th Congress. It is with regret only because we shall miss his presence here.

Whether on the House floor, in the Education and Labor Committee or the Committee on Post Office and Civil Service, Dom will be remembered for his effectiveness and fairness. Most importantly, however, he shall be remembered for legislation which bears his name, such as the Comprehensive Employment and Training Act, and his striving to put the people of our country back to work.

It has been an honor to serve with Dom throughout my 2 years in Congress and I know that I join with my colleagues in wishing him only the very best in the years ahead. In paying tribute to Dominick Daniels, I want him to know that he will be missed not only as a colleague but as a friend, one who has aided me immeasurably in these past 2 years.

Mr. ADDABBO. Mr. Speaker, I take this opportunity to join with my fellow colleagues in honoring Congressman Dominick V. Daniels on his retirement from Congress at the end of this Congress, the 94th.

Dom has been a Member of this Body since the 86th Congress and has served his constituency notably and been a most active Member of the House.

As a member of the Education and Labor, and the Post Office and Civil Service Committees, he has served most admirably and honorably and attained the chairmanship of most important subcommittees in the aid and assistance to the working men, women, and public servants. He will be missed as their expert and diligent advocate.

I have worked closely with him in my congressional duties and shall miss his presence. I sincerely wish good health and long life to him, his wife, and family during his retirement.

Mr. MORGAN. Mr. Speaker, as Dominick V. Daniels prepares to end his congressional career, it is appropriate to express our appreciation for his distinguished service and many jobs well done.

Judge Daniels will be particularly well remembered in the legislative field for his authorship of measures benefiting the workingman. As a senior member of the Education and Labor Committee and also of the Post Office and Civil Service Committee, and as chairman of subcommittees, he was instrumental in enactment of labor, civil service, and industrial health and safety measures. Provisions for vocational rehabilitation, manpower development and training, occupational safety and health, and the black lung provision of the Coal Mine Health and Safety Act are among his many contributions to present law.

His interest in labor problems, manpower training, and job safety extended into the international field. He served in 1973 and 1974 as a congressional adviser to the International Labor Organization and last year as a congressional adviser to the ILO world conference on employment.

As his constituents who continuously returned him to office well knew, Judge Daniels was a devoted, hard working, and intelligent servant of the people. He will be missed among us.

Mr. QUIE. Mr. Speaker, perhaps more than any other single individual in Congress, New Jersey's 14th District Congressman, Dominick V. Daniels, has shaped, molded, and guided far-reaching legislation affecting the safety of the working person.

It has been a personal pleasure to work with Dominick Daniels and it is with special regret that I note his retirement at the close of the 94th Congress.

His retirement after 18 years in the House of Representatives is a great loss not only to the Education and Labor Committee and the House, but also to his constituents in the 14th district and especially for the working people of the Nation, whose work environment he sought to make safe.

Congressman Daniels has been a chief architect of key labor legislation such as the Comprehensive Employment Training Act—CETA—and the Occupational Safety and Health Act—OSHA. In addition he has been instrumental in improving the Longshoremen and Harbor Worker's Compensation Act and liberalizing the Federal Employees Compensation Act. Lifting workers' benefits and strengthening safety laws through the Construction Safety Act are just a few of the accomplishments for which Dominick V. Daniels can take credit. His strength of character, knowledge, and expertise as chairman of the Manpower Compensation and Safety and Health Subcommittee won him a great deal of respect on both sides of the aisle.

Dominick V. Daniels has always sought to investigate how earlier laws were working. He placed emphasis on follow-up. Laws were never allowed to slip through the cracks and be forgotten. As chairman of the Manpower Subcommittee, he has probably held more legislative and oversight hearings than any other congressional subcommittee chairman.

But there is more to this man than his work record. Though I often had disagreements with him, I have always had the greatest respect for his ultimate fairness, honesty, integrity, and friendliness.

Congressman Esch recently pointed out that:

> Most significantly, there is a question of credibility in people's minds concerning Congress, but there has never been a question of credibility in the minds of your colleagues when you gave your indication of your intent to do something or uphold a particular view.

I join Congressman Esch in those sentiments. Dominick V. Daniels has always kept his word; he has kept stability in the committee and he has been magnanimous when he won—which was often—as well as when he lost—which was seldom.

We in the House, and especially those of us on the Education and Labor Committee, have been fortunate in having a man of his caliber serving so capably. I regret the loss to Congress of so valuable a Member.

Mrs. MEYNER. Mr. Speaker, I take great pleasure in joining with my colleagues in honoring Dom Daniels on the occasion of his retirement from Congress.

I have only had the pleasure of serving with Dom for 1 term in Congress. But I have been deeply impressed by the dedication and record of accomplishments of this public servant.

If any Member of this body deserves to be called a friend of the working people of this country, it is Dom Daniels. The list of laws and bills bearing his imprint seems endless—worker safety, the rights of public and governmental employees, youth camp safety, jobs. I could go on and on. It is a record of which Dom has every reason to be proud. It is a record of a lifetime of service.

As a member of the New Jersey delegation, I know that all of New Jersey will miss his presence in this body. But DOM deserves a rest. I wish him a long and pleasurable retirement. I only hope that he does not mind if we bother him for a little advice from time to time.

Mr. BROOKS. Mr. Speaker, the Honorable DOMINICK V. DANIELS first came to Congress in 1958 and it has been my privilege to serve with him in this body for 18 years.

I am honored to join in the tribute to one of our most distinguished Members. He is a great American and I am proud that he is my friend, for I greatly value his friendship and his wise counsel.

The people of the 14th Congressional District of New Jersey can be proud of his many accomplishments and I am sure that his presence in Congress will be a great loss to them. As chairman of the Subcommittee on Manpower, Compensation, and Health and Safety, he has demonstrated great leadership.

A tireless leader, he will be missed by all of us here for I know that I am sorry to see him leave; however, I wish him a well-deserved and happy retirement.

Mr. McFALL. Mr. Speaker, the House will lose the able services of a dedicated friend of the working people of this country with the retirement of Congressman DOMINICK V. DANIELS.

As majority whip, I have worked side by side with the gentleman from New Jersey in many a legislative battle. He has been a key member of the whip team, serving as zone whip for New Jersey and Maryland and handling the job with skill and tact and a determination to do the right thing for the country.

The House this year has broken a record that had stood for 109 years for overriding Presidential vetoes. In 1967, the House overrode seven vetoes. As of September 30, the House had overriden 9 in 10 attempts this year. And part of the reason is the hard work done by the whip system and Congressman DANIELS.

This year and ever since he came to the House after his election in 1959, DOMINICK DANIELS has been out front, fighting the people's fight.

The legislation he is identified with reads like a bill of rights for the working men and women of the Nation: The Emergency Employment Act of 1971, the Manpower Development and Training Act Amendments, the Occupational Safety and Health Act of 1970, the Construction Safety Act, the Youth Conservation Corps, the Comprehensive Employment and Training Act—CETA—and many more.

This great Congressman can leave the House knowing that he has contributed to the dignity, the economic well-being and the health and safety of millions of Americans.

Congressman DANIELS worked hard in this session for passage of such legislation as the Full Employment and Balanced Growth Act and the Young Adult Conservation Corps. I will not soon forget our Thursday whip meetings at which he made the case for these bills cogently and persuasively.

The House passed the conservation corps bill, but the Senate has not acted, and neither House has considered the full employment measure. But it is reasonable to predict that both will eventually become laws. It has been said that it took 20 years from the time medicare was first proposed until it was finally enacted.

And if this legislation succeeds in the 95th Congress, it will add further to the luster of DOM DANIELS' record. For he has helped lay the groundwork and pave the way.

I will miss the gentleman from New Jersey as a colleague, as a good friend, and as an important part of the whip organization.

I know my colleagues join me in saying, well done, and wishing him the blessings of a happy retirement.

Mr. EVINS of Tennessee. Mr. Speaker, I wish to join with my colleagues in paying tribute to my good friend, the Honorable DOMINICK V. DANIELS of New Jersey, on the occasion of his retirement from the Congress.

I recall some years ago, I introduced a friend to DOMINICK, and later the friend commented, "That gentleman looks like a congressman."

Indeed, DOMINICK DANIELS has filled the role of Congressman in every respect. He is an able, skilled legislator who has helped write some of the most important laws of the land in the past 18 years of his service in the Congress.

As a member of the Committee on Education and Labor, our friend, DOMINICK, helped break the roadblock against improvements in our Nation's educational systems.

As a member of the Committee on Post Office and Civil Service, he helped Government workers improve their pay and working conditions.

In both committees, he helped reform committee rules opening up the Congress and giving Members a greater voice in the conduct of committee business.

A lawyer and former municipal court magistrate, Congressman DANIELS brought learning and experience with him when he came to Washington. He will return to New Jersey with a record of which he can be justly proud.

I am proud to have known and worked with DOMINICK DANIELS. He is a gentleman and a credit to the State of New Jersey, the Congress, and the Nation.

He will be missed. I wish for my colleague and friend, DOMINICK DANIELS, good health, much happiness, and success in his future endeavors.

Mr. LEHMAN. Mr. Speaker, I would like to take this opportunity to join with my colleagues in paying tribute to our good friend, Congressman DOMINICK DANIELS, who will be retiring from Congress at the end of this session.

Since coming to Congress in January 1959, DOM has been a leader in the field of education. DOM has served with distinction as chairman of the Subcommittee on Manpower, Compensation, and Health and Safety and as chairman of the Select Subcommittee on Education. DOM is also the former chairman and continues to be the first ranked member of the Subcommittee on Retirement and Employee Benefits.

In addition to serving as chairman of several subcommittees, DOM has played an important role in the development of many of the bills that have done so much to assist the people of this Nation. This legislation includes the Vocational Rehabilitation Act of 1967 and 1968, the Emergency Employment Act of 1971, the Occupational Safety and Health Act of 1970, the Construction Safety Act, the Youth Conservation Corps, the Comprehensive Employment and Training Act, the Black Lung Provision of Coal Mine Health and Safety Act, the Youth Camp Safety Act, the Mine Safety and Health Act, the Emergency Jobs and Unemployment Assistance Act of 1974, and the Longshoremen's and Harbor Workers' Compensation Act. These bills are but a few of the many that DOM DANIELS has sponsored or cosponsored in his 18 years in Congress.

Today, as DOM DANIELS prepares to retire from the House of Representatives he can do so with the knowledge that he has served the people of his district, his State, and the Nation with the highest sense of devotion to duty and with much accomplishment. This is a record that can be envied by all of us.

I wish DOM and his family all of the best of health, happiness, and success in the years to come.

Mr. GAYDOS. Mr. Speaker, it is indeed both an honor and a pleasure to participate with the other Members of this body in paying tribute to our retiring colleague, the Honorable DOMINICK V. DANIELS of New Jersey.

Ever since my election to Congress I have served with DOM on the Committee on Education and Labor and on the Subcommittee on Manpower, Compensation and Health and Safety, of which he is chairman. As such, I am intimately aware of his dedication to the welfare and protection of the American worker.

Thanks to DOM's distinguished leadership, the Occupational Safety and Health Act of 1970 and the Comprehensive Employment and Training Act of 1973 were enacted into law. While these are only two of DOM's many significant contributions to the future well being of the American worker, they are two major legislative landmarks that I had the honor to participate in as a member of DOM's subcommittee. During the long and agonizing process of pursuing these measures through the legislative process, DOM never faltered in his dedication to see these bills become the law of the land.

Throughout his 18-year legislative career as a Member of this House, DOM has always exhibited the virtues of dignity, integrity and compassion. I think this quotation from Plutarch best describes DOM:

> No man ever asked a favor with less offense, or conferred one with better grace. When he gave, it was without assumption; when he received, it was with dignity and honor.

Despite the fact that DOM announced his decision not to seek reelection early this year, he continued without interruption the hectic pace he has so long pursued as chairman of the Subcommittee on Manpower, Compensation and Health and Safety. This year, under his chairmanship, the subcommittee conducted hearings on the following matters:

First. The kepone tragedy at Hopewell, Va.;

Second. OSHA oversight;

Third. Lead poisoning;

Fourth. CETA extension;

Fifth. National Workman's Compensation Standards; and

Sixth. MESA.

Unfortunately, despite DOM'S valiant efforts in effectuating the passage of MESA in this body, it does not appear at this time that it will be enacted into law this year. If such be the case, he leaves to the new Congress masterfully drafted legislation for its early consideration and approval.

The most recent project DOM has undertaken is legislation providing national workman's compensation standards. His subcommittee held many hearings on this matter which culminated in the subcommittee reporting out a bill only this past Tuesday. This is another legacy DOM leaves to the 95th Congress to assist in its enactment into law.

But perhaps the most convincing proof of DOM'S dedication to his legislative responsibilities involves the oversight hearings on CETA that will be held after this Congress adjourns. Here is a Member of this body who, after today, could easily make the decision to "pack it in." He will have cast the last vote of his legislative career. He has no need to impress his constituents with his dedication to his legislative duties.

Yet he knows that CETA authorization expires next May, so he has scheduled 8 days of hearings at Boston, Mass.; Chicago, Ill.; Minneapolis, Minn.; Portland, Oreg.; Denver, Colo.; and Phoenix, Ariz., for his subcommittee to hear the testimony of many and diverse witnesses as to the effectiveness of CETA. The testimony of the witnesses at these hearings will make a significant contribution to and aid the next Congress in reaffirming and strengthening the Federal commitment and contribution to the national manpower and training program.

DOM, all of us have been touched by your grace and dignity as we have worked with you these many years. We regret your decision to retire but we know you will always be with us as we move forward and add to the many legislative landmarks that became law only because of your inspiring and dedicated leadership.

May you and your family enjoy the many years of retirement you so richly deserve.

Mrs. SULLIVAN. Mr. Speaker, I am delighted to join the gentleman from New Jersey (Mr. RODINO) and all of the many friends of DOMINICK V. DANIELS in the House of Representatives, in expressing appreciation for Congressman DANIELS' work in this body during the past 18 years as a leader on labor and education measures and also on those affecting Federal employees.

Mr. DANIELS and his wife, Camille, are such outgoing and friendly people that it has always been a pleasure to be with them, and I have enjoyed their company on numerous occasions.

I am particularly grateful to Congressman DANIELS for the interest he has demonstrated in the welfare and employment standards of the employees of the Panama Canal Company and of the Canal Zone Government. As a member of the House Committee on Post Office and Civil Service he joined me and a delegation from the Committee on Merchant Marine and Fisheries in an investigation into conditions in the Canal Zone which was highly productive. These trips are frequently referred to as "junkets" but I can attest to the fact that Mr. DANIELS was a hard-working, conscientious, dedicated searcher after facts needed by Congress in carrying out our responsibilities. I know he learned a great deal which I wish all Members of the House would take the pains to ascertain about our role in the Canal Zone and our responsibilities in the operation of the Panama Canal.

He is a good friend and I shall miss my daily associations with him when we both leave Congress at the end of this term.

Mr. FLORIO. Mr. Speaker, I would like to take this opportunity to pay tribute to the retiring Representative from New Jersey's 14th Congressional District, the Honorable DOMINICK DANIELS.

The close of today's legislative business will probably mark the last time that this body will gain from Congressman DANIELS' experience and leadership that he has shared with the House since first assuming office in 1959.

This leadership is probably best reflected by Congressman DANIELS' position on the House Education and Labor Committee and his chairmanship of that committee's Subcommittee on Manpower, Compensation, and Health and Safety. The House, and this Nation, will be forever grateful to the expertise demonstrated by Congressman DANIELS in this position; lending substantial assistance toward fulfilling employment opportunities to many millions of needy and deserving Americans.

I would like to request my colleagues to join with me in paying tribute to this man who has given so much to the Congress, to his constituency, and to our Nation.

Mr. UDALL. Mr. Speaker, DOMINICK DANIELS was serving in the House when I arrived in 1961 and he was one of those Members a newcomer looked to for advice and guidance. We served together for 16 years on the House Post Office and Civil Service Committee and he was an acknowledged leader in our committee. As an 18-year veteran of the House, DOM will be long remembered as the author of most major legislation affecting the employee benefit and retirement programs for our Federal annuitants—no one man did more in this area for millions of people than DOMINICK DANIELS.

I am sure that DOMINICK was such a good legislator because of his first career as a judge in his home town of Jersey City. His temperament and judicious understanding of a problem were his hallmarks. You always knew that DOM would study a problem fairly and his legislation was characterized by its equity and fairness.

And this is how I will always remember DOM DANIELS—for his leadership and ability to legislate in the best interests of all Americans. He will be sorely missed and I join with all our colleagues in wishing him the best in his retirement. He has served the country well.

Mr. REUSS. Mr. Speaker, we pay tribute today to a colleague who has served his district and this Nation with great distinction.

DOMINICK DANIELS has established an impressive legislative track record since he journeyed to Washington 18 years ago As chairman of the Subcommittee on Manpower, Compensation, and Health and Safety, he has made the workplace safer for our people. When America's unemployment soared, he initiated legislation to provide jobs and financial assistance for the jobless.

When young people were caught in the crunch of an expanding labor market and a shrinking economy, DOMINICK DANIELS worked for a Youth Conservation Corps. He helped the unskilled through manpower programs and brought retraining to those that technology had passed by.

We bid our fellow Member and friend a safe return to New Jersey and send with him our sincere gratitude.

Mr. CEDERBERG. Mr. Speaker, our good friend and colleague, DOMINICK DANIELS is retiring at the end of this Congress after 18 illustrious years in the House and we will be poorer for his departure. A unique individual, he has earned the respect of all. Tirelessly working on the behalf of his constituency, his shoes will be hard to fill.

Perhaps his greatest contribution has been to the people who make up the backbone of America, those individuals who keep our industry and business operating. As chairman of the Subcommittee on Manpower, Compensation, and Health and Safety, he has been an avid supporter of legislation which greatly benefited the workingman. Quick to their defense, DOM led the way for innovative legislation that created a securer life and future for them.

He has also supported the implementation of additional retirement benefits for those who have labored their entire lives and have now earned a time of rest. These persons had an effective spokesman in DOM. He never let them down and they never forgot it.

I wish him the best of luck in the future. I know the years ahead will be as satisfying as the past has been fulfilling. If he returns to visit us, which I hope he does often, he will always find a welcome smile and handshake. Good luck, DOM, and thanks for a job well done.

Mr. MURTHA. Mr. Speaker, there is no one who deserves a tribute more than DOM DANIELS.

His enthusiasm, his dedication, and his graciousness are a credit to the people who elected him.

He has consistently set the highest standards of excellence in all respects. His expertise and dedication will be missed in the years to come.

It is men like Dom Daniels that have made this country great.

Mr. O'NEILL. Mr. Speaker, I am pleased to take this opportunity to honor a distinguished Member of the House and a close personal friend, Dom Daniels.

In Dominick Daniels' retirement the House is losing the service of a respected and dedicated colleague, and one who has served not only the 14th District of New Jersey, but also the Nation at large with honor and dedication.

Dom Daniels has been a man whose working professional life was devoted to public interest. He has been an outstanding example of what a fine public servant can really do.

We are all aware of his important legislative accomplishments. Dom Daniels is responsible for steering and directing the CETA and manpower programs that so directly affect the little people of this country. He has been a good and longstanding friend of labor, the workingman, not only in the employment training programs but also in sponsorship and direction of the occupational safety and health legislation. He is one of the key authors of the youth conservation program, black lung, coal mine health and safety, and fiscal reform of the Federal retirement program to make it self-sufficient.

Dom Daniels is not a headline seeker. As chairman of the manpower subcommittee, he has been a careful, diligent, and fair leader. Quiet and reserved, hard working, Dom Daniels is reliable and competent. He is an important part of the Democratic leadership, and we are proud to have him on the team. For, as a member of the whip organization and as head of the Manpower Legislating Committee, Dom has always been equal to the legislative task required of him.

I am pleased to call Dom Daniels my friend. I will miss his counsel and advice in the 95th Congress.

I salute Dom Daniels, wish him well in his decision to spend more time with his family and want him to know the door is always open.

Mr. ANNUNZIO. Mr. Speaker, I rise in tribute to Hon. Dominick V. Daniels, who is retiring at the end of the 94th Congress after almost two decades of devoted service to his constituents in the 14th District of New Jersey, and to the people of this Nation in his capacity as the chairman of the Subcommittee on Manpower, Compensation, and Health and Safety of the House Education and Labor Committee.

Dom Daniels' outstanding record of public service to his country is inspiring to all Americans as an example of a responsible, honorable man in Government who maintains the highest standards of duty, honesty, and dedication. Having served in the House of Representatives for 12 years with Dom, I can say that his friendship and his ability to lead will be greatly missed.

Dominick Daniels has given his talents to the reform of those aspects of American life which deny to individuals the opportunity to improve the quality of their lives and thereby, he has worked for the betterment of all Americans. Few men have given more of themselves to good government, or have a more compassionate understanding of human problems than he has.

I extend to Dom my very best wishes for good health and happiness in the years to come.

Mr. DUNCAN of Oregon. Mr. Speaker, I want to add my comments to those of my colleagues who are honoring Dominick Daniels on this the last day of the 94th Congress.

Coming from opposite sides of the continent, both representing maritime States, Dom and I became acquainted through a mutual interest in maritime problems during my absence from the Congress, and while I was engaged in the private practice of law. His courtesy to one not his constituent, his recollection of me as a former colleague, his knowledge of the subject, and his bulldogged determination to solve the problem were impressive. He diligently pressed for a hearing on his bill, and I recall well that it was one of the last two passed in the 92d Congress.

I will remember Dom as a colorful man who brought a colorful style to the Congress. I will remember him sitting up in the corner of the Chamber with his friends from New Jersey and Pennsylvania—Doc Morgan, Dan Flood, Bob Nix, Bill Green, Sr., Pete Rodino, and others, all of whom I affectionately refer to as the Damon Runyon bunch. I will remember him as a good Congressman, a good chairman, a good Democrat and, finally, as a good friend.

Mr. DERWINSKI. Mr. Speaker, I join, with my colleague in paying special tribute to a great statesman, Dominick Daniels. Dom and I were first elected to the 86th Congress, and I have highly valued his friendship over these past 18 years.

We are losing the services of a respected and dedicated colleague and one who ably served the needs of our Nation, and of his district.

Since I serve with Dom Daniels on the Post Office and Civil Service Committee, I know him to be a sincere, hardworking Member who has made great contributions in the fields of civil service and employee health and retirement benefits.

As a member of the House Education and Labor Committee, Dom has been responsible for legislation involving vocational rehabilitation, manpower training, jobs for youth, workmen compensation, and job safety.

As an indication of his high regard in the labor field, he was appointed by the Speaker to represent the Congress at the International Labor Organization's World Conference on Employment at Geneva, Switzerland.

Dom is a man whose strong sense of dedication to his country was demonstrated by his hard work in the Congress. I will miss his friendship, but take this opportunity to wish Dom and his wife, Camille, all the best in the future.

Mr. CLAY. Mr. Speaker, I am pleased to have this opportunity to pay tribute to my colleague and fellow committeeman, the Honorable Dominick V. Daniels.

Retirement is a time to which we all look forward—at one time or another. After a life of public service of the caliber Mr. Daniels has given he certainly deserves to have the time to pursue other interests.

I join my colleagues in wishing Mr. Daniels a long and vigorous life ahead.

Mr. HELSTOSKI. Mr. Speaker, I am honored to have this opportunity to express my utmost respect to a dear friend and colleague, Dominick V. Daniels. I regret to see the retirement of this fine legislator and humanitarian, but his retirement is indeed well deserved.

Dominick Daniels first came to Washington as a freshman Representative of New Jersey's 14th District in 1958. He immediately began to play an active role in the enactment of legislation that affects the entire country in the areas of health, civil service, labor, and social services. As a member of the House Committee on Education and Labor, he has received credit for the Vocational Rehabilitation Acts of 1967 and 1968, the Manpower Development and Training Act Amendments, the Emergency Employment Act of 1971, the Occupational Safety and Health Act of 1970, the Comprehensive Employment and Training Act—CETA, the Black Lung Provision of Coal Mine Health and Safety, and the Longshoremen's and Harbor Workers' Compensation Act. His accomplishments are far too many to enumerate. His impeccable record shows the countless hours spent on correcting the inequities within our laws to provide assistance to our citizens in various areas.

Congressman Daniels has served as the chairman of the House Education and Labor Subcommittee on Manpower, Compensation, and Health and Safety. He has been regarded as the driving force behind the enactment of the Occupational Health and Safety Act of 1970 since his untiring efforts pushed this landmark legislation through the proper channels. He has repeatedly spoken out on the need to adopt effective toxic substances control legislation as the necessary complement to the Occupational Safety and Health Act. The premarket testing provisions of the bill would help to insure that American working men and women are not unwittingly exposed to carcinogenic, mutagenic, or tetarogenic agents in their working place. His extensive efforts on behalf of labor issues led him to be appointed as a congressional adviser to the International Labor Organization by the Speaker of the House in 1973 and 1974. The Speaker also appointed him as a congressional adviser to the U.S. delegation at the ILO World Conference on Employment at Geneva, Switzerland, in 1976.

Mr. Speaker, with the retirement of Congressman Daniels, the Congress will be losing a noble and dedicated legislator. I have been honored to serve in the House of Representatives with him and to share his dreams and hopes for the future of our country. I would like to join his constituents and the citizens of New Jersey in thanking him for a job well done and I wish him and his family the best of luck in their future endeavors.

Mr. ULLMAN. Mr. Speaker, I join my colleagues in paying tribute to the distinguished gentleman from New Jersey, Dominick Daniels, upon his retirement

Dom's long career shows a solid record of support and accomplishment for the workingman and woman. Coming from a melting pot district just west of the Hudson, he brought to the Congress a special understanding of the problems of blue collar, ethnic groups, and as chairman of the Subcommittee on Manpower, Compensation and Health and Safety, he has put his mark on legislation improving the conditions of the workplace and the quality of life for millions of Americans.

I am sure that whatever his future endeavors are, they can only lead to successes.

Mr. HOWARD. Mr. Speaker, it is with much regret that we in the New Jersey delegation witness Dom Daniels' last day in the House of Representatives. He is someone we have all worked with very closely on issues which directly affect New Jersey. We have followed his lead in approving legislation of national impact, particularly legislation for the unemployed and those so-called "unemployables."

It is unnecessary to dwell on Dom's legislative accomplishments about which we are all familiar. The leadership he displayed in the passage of such landmark bills as the Occupational Safety and Health Act of 1970 and the Comprehensive Employment and Training Act of 1970 will be well documented in the history books. His extreme interest and concern for young people will also be recorded in such legislative accomplishments as the summer jobs program in CETA, the Youth Conservation Corps, the Young Adult Conservation Corps, and the Youth Camp Safety Act.

The latter bill, which in spite of its great need and value was not passed by the Senate, is significant in that it is evidence of two of Dom's most outstanding traits: Compassion and sensitivity. In 1967, Dom was approached by a man still mourning the death of his son in a camp canoeing accident. The boy had been taken with other young campers in a canoe trip on a river that even loggers and lumbermen refused to travel. In his great sorrow, the father began a campaign to improve safety conditions at children and youth camps and he enlisted the help of Dom Daniels. Every year since then, Dom pushed for comprehensive camp safety legislation. In April of 1975, the House approved the Youth Camp Safety Act, a tribute to Dom's leadership and deep concern for young people.

We in the New Jersey delegation expect to continue our contact and friendship with Dom Daniels. I am at a particular advantage, because Dom's two daughters, Mrs. Victor Maragni, of Colts Neck, and Mrs. Gerard X. Coleman, of Avon, are highly respected constituents of mine. I look forward to seeing the Daniels family at the Jersey Shore all enjoying Dom's retirement.

Mr. RINALDO. Mr. Speaker, with the retirement this year of our esteemed colleague, Dominick V. Daniels, the House and the Nation will lose the active service of an outstanding legislator.

It will be a particular loss to me, for he has been a constantly helpful, effective, and dedicated member of the New Jersey delegation.

Congressman Daniels, a Democrat, was born and educated in Jersey City, N.J., where he attended Jersey City public schools. He attended Fordham University and graduated in 1929 from Rutgers University Law School. He was admitted to the New Jersey bar in 1930 and engaged in the general practice of law in Jersey City. He is admitted to practice before the Supreme Court of the United States—a distinguished honor that he well deserves.

Congressman Daniels was appointed magistrate of the Jersey City Municipal Court in 1952 and 1955, and served as presiding magistrate.

He was elected to the U.S. Congress in 1958 and has served continuously for 18 years in the 86th through the 94th Congresses. He is the fourth ranking member of the House Education and Labor Committee and is chairman of the Subcommittee on Manpower, Compensation, and Health and Safety. He also served as chairman of the Select Subcommittee on Education.

Additionally, he is the third ranking member of the House Post Office and Civil Service Committee and ranking member of the Subcommittee on Retirement and Employee Benefits.

To his credit, Congressman Daniels is responsible for numerous pieces of legislation that have affected the well-being of millions of Americans. During his term such important bills as the Occupational Safety and Health Act, the Vocational Rehabilitation Act, Comprehensive Employment and Training, and the Youth Conservation Corps have been enacted into law. Most recently, the Congress has approved H.R. 12987, which extends through fiscal 1977 titles II and VI of CETA; this legislation alone will save over 300,000 jobs nationwide.

Moreover, Dominick has never relied on political partisanship to garner support for his proposals. Ever since I have known him, he has been a fair-minded, honest, and open legislator. He is a credit to the residents of the 14th District, whom he represents, and the reputation he has established in the Congress is admired by every Member of Congress, on both sides of the aisle.

In short, Mr. Speaker, the record is one of abiding concern for the needs of the American people. The people of the 14th District, and the House of Representatives, will miss him as a capable legislator, and I will miss him as a colleague and friend.

Mr. DRINAN. Mr. Speaker, I am honored to join the many friends and colleagues of Congressman Dominick Daniels in paying tribute to him on the occasion of his retirement from the House of Representatives.

Congressman Daniels leaves behind him a distinguished 18-year career in the House of Representatives. During these years he has served on the Education and Labor Committee and on the Post Office and Civil Service Committee. Congressman Daniels has demonstrated bold leadership and true concern for the people of this country as chairman of the Subcommittee on Manpower, Compensation, and Health and Safety.

The Manpower Development and Training Act Amendments, the Occupational Safety and Health Act of 1970, the Youth Conservation Corps, the Comprehensive Employment and Training Act—CETA, and the Emergency Jobs Programs Extension Act of 1976 are but a few examples of the crucial legislation which may be attributed to Congressman Daniels. His role in the development and enactment of these programs demonstrates the true commitment which Congressman Daniels has for mending the ills of this country.

During his nine terms in the House, Congressman Daniels has demonstrated integrity, dedication, compassion, and a genuine commitment to the people of this country. He will certainly be missed by his friends and colleagues in the Congress.

Mr. STOKES. Mr. Speaker, first, let me commend my distinguished colleague from the Garden State, Mr. Rodino, for taking out this special order in honor of our retiring colleague, Dominick V. Daniels of New Jersey.

As a freshman Congressman in 1968, Mr. Speaker, I had the distinct honor of sitting on the Education and Labor Committee with my senior colleague, Mr. Daniels. His wise counsel and thoughtful legislative capabilities instilled in me a great respect for the gentleman from New Jersey. I remember that we had a mutual interest in legislation concerning occupational and health safety. His tenure on the Post Office and Civil Service Committee was equally distinguished.

Mr. Speaker, our two districts which encompass the cities of Cleveland, Ohio, and Jersey City, N.J., have much in common. Both are industrial areas of wide ethnic diversity. For this reason, Mr. Dominick and I developed a strong concern for progressive social and economic legislation.

Mr. Speaker, it is with a sense of loss that we must bid farewell to the Honorable Dominick V. Daniels. He was a legislator of integrity and style. Let us join in bidding him Godspeed and best wishes in his future endeavors.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am pleased to join the many friends of Dominick Daniels today in honoring him as he leaves the Congress.

Dominick Daniels and I entered the House of Representatives at the same time in 1959 and in the ensuing 18 years he has established an outstanding record of accomplishments for his constituency and for the Nation. With his assignments to the Committee on Post Office and Civil Service and the Committee on Education and Labor he has worked diligently for the Federal employee, for labor, and for educational programs beneficial to all of us. We will miss him but wish him well in his new endeavors.

Mr. BURLESON of Texas. Mr. Speaker, I take this opportunity to extend my congratulations and warm good wishes to the Honorable DOMINICK V. DANIELS as he completes 18 years as a Member of Congress and prepares to retire at the end of this term.

Those of us who have served with DOMINICK over the years will miss him a great deal. Over the years, we have all observed his quiet and effective leadership and I am sure that I can be counted among many other Members of Congress who have valued his friendship. He will be remembered with fondness by those of us who have served with him here in the Congress and his contributions to our Nation and the people he represents have been many.

I wish DOMINICK the very best as he returns to New Jersey and I look forward to our continued association and friendship.

Mr. DE LA GARZA. Mr. Speaker, I take pleasure in joining my colleagues in paying tribute to DOMINICK DANIELS, but I take no pleasure whatever in contemplating his retirement from the House after 18 years of outstanding service.

DOM DANIELS has worked here not alone for the good of his constituents but for the betterment of all Americans as well. As a member of the Education and Labor Committee and the Post Office and Civil Service Committee, he has been in a position to pass on legislation directly affecting the daily existence of millions of Americans. His record on such legislation is a long and honorable one.

In particular, I wish to say that the gentleman from New Jersey has been helpful to other Members. I feel a keen sense of appreciation for his consistent cooperation with me.

DOM DANIELS will take with him into retirement the strong good wishes of his colleagues. We will miss him here.

Mr. SARASIN. Mr. Speaker, the Congress has been a living force in the American system of government for nearly 200 years, a dynamic embodiment of our 220 million citizens. The will of our people emerges through the agreements and disagreements that develop as each of us as Congressmen attempt to reflect the views and desires of our own constituencies.

Yet, some Members go beyond the mere confines of their own districts, representing and striving to achieve the goals of a far broader constituency—a majority of the body politic. And when such Members of Congress retire, not only we, their colleagues, or their individual constituents feel the loss, but the whole system suffers.

As the 94th Congress winds to a close, we are beginning to realize our true losses as our colleagues and friends retire. DOMINICK V. DANIELS, chairman of the Subcommittee on Manpower, Compensation, Health and Safety of the House Education and Labor Committee is a member we all will miss.

I have had the great privilege of working with Mr. DANIELS on this subcommittee for the past 2 years. His wisdom, his dedication, his fairness, and his compassion for American working men and women have served as examples for all of us—regardless of party affiliation.

As a result of his deep feeling of conviction, Chairman DANIELS has developed, during his past 18 years of service in the House of Representatives, an outstanding record of accomplishment. No problem has been too great for him to tackle, and as a result, he has to his direct credit such legislative landmarks as the Occupational Safety and Health Act; the Comprehensive Manpower Act; the Construction Safety Act; the Coal Mine Health and Safety Act; Fiscal Reform and Improvement of Federal Civil Service Retirement Financing; and the Comprehensive Employment and Training Act.

Congressman DANIELS' concern for the well-being of our Nation's people transcends the parameters of his committee assignments. He has been active in promoting better standards of our environment, for education, housing and urban development, and transportation. He has been a moving force in the improvement of our law enforcement capabilities and to stem the flow of narcotics in this country.

In his some State of New Jersey, Mr. DANIELS has been equally active, as a past president of the Dante Alighieri Society, as chairman of the Po Valley Relief Committee, vice chairman of the Jersey City Civil Rights Commission, and as an active member of the New Jersey State and Hudson County Bar Associations, the Benevolent Protective Order of Elks, and the Knights of Columbus.

His deep commitment to the conditions of working men and women, however, traverses the globe. In recognition of his outstanding devotion to improving standards for all, he has been appointed as a congressional delegate to the International Labor Organization and as a congressional adviser to the U.S. delegation at the ILO World Employment Conference at Geneva, Switzerland.

Perhaps the greatest loss that we, his colleagues who have worked closely with him during the past years, will feel is his vigor. During this Congress alone, he has successfully guided legislation to help our Nation's youth, through both the Youth Camp Safety Act and the Young Adult Conservation Corps. He has worked to aid our Nation's miners through landmark improvements and the overwhelming enactment of the Mine Safety and Health Act. Employment has also been a primary concern of the chairman, and he was instrumental in the passage of the Emergency Employment Project Amendments of 1976 and the Emergency Stop-Gap Extension of CETA. Ever vigilant of the laws he has developed, Chairman DANIELS has devoted literally months in oversight activity on the Occupational Safety and Health Act, particularly with respect to the kepone and lead tragedies which our Nation has so recently witnessed; to the Comprehensive Employment and Training Act as he has traveled the country to learn of the experiences of those who deal directly with the program; and on improving our workers' compensation programs that affect the lives of so many.

The retirement of Chairman DANIELS is certainly a loss to all of us, but while we will miss him most sincerely, I am certain that all my colleagues join me in wishing him well for his much-deserved retirement.

Mr. ERLENBORN. Mr. Speaker, I rise today to pay tribute to my colleague, DOMINICK DANIELS of New Jersey. Mr. DANIELS is retiring this year after serving nine successive terms in the House of Representatives.

I have had the pleasure of working closely with him on the Education and Labor Committee for six of those terms. During our association, I found Mr. DANIELS to be an able legislator, always willing to reason with other Members, no matter on which side of the aisle they sit.

However, more importantly, DOMINICK DANIELS has always been a gentleman. The people of the 14th Congressional District in New Jersey can be proud to have been represented these past 18 years by a man of such outstanding character.

Mr. Speaker, I rise today to say, simply, that I will miss DOMINICK DANIELS. I wish him well in this new phase of his life and hope his retirement will be full of rich and rewarding years.

Mr. BRADEMAS. Mr. Speaker, I have had the pleasure of serving with our retiring colleague, the gentleman from New Jersey, the Honorable DOMINICK V. DANIELS, for 18 years now.

We came to Congress together and for nine terms we have sat on the Committee on Education and Labor together.

DOMINICK has been a tireless worker, conscientious, diligent, and what I should like particularly to note is that he has always been fair in considering the points of view of his colleagues on both sides of the aisle.

He can take particular pride in his many contributions to the shaping of manpower training policy for the United States.

Mr. Speaker, I want to wish DOM every good thing as he retires from the House of Representatives.

Mr. KARTH. Mr. Speaker, the ranks of the celebrated "class of '58," those of us who were first elected to Congress in 1958, are beginning to thin.

It was a notable class, according to historians, because it was a class of "fresh blood," youth, vigor, and new perspectives. I think that the historians will also agree that to a quite large extent our "class of '58" fulfilled much of its promises. No class, of course, ever fulfills all of its promise but this one did extremely well in providing new leadership and revitalizing democratic goals.

Among the most gifted of our "class of '58," Mr. Speaker, is our colleague, DOMINICK V. DANIELS, who is also joining our "retirement class of '76."

During these past 9 terms and 18 years DOM's contributions to the work of Congress and to the welfare of his district and its people have been outstanding achievements. Especially in the important House Education and Labor Committee and the Post Office and Civil Service Committee have his legislative skills and his broad public service experience been greatly valued.

The legislation that Congressman DANIELS has authored or guided through these nine Congresses have benefited the Nation as well as his district and will stand, I am sure, as a monument to his abilities and his abiding concern for all the American people and especially its working men and women.

All of us in Congress and especially those of us in the "class of '58" wish DOM a most happy and fruitful retirement.

Mr. FORSYTHE. Mr. Speaker, for 18 years DOMINICK DANIELS has graced these Halls of Congress. His accomplishments are many, he has made his mark on history and will long be remembered by those who follow him here. I will remember him for his fairness, helpfulness, and friendliness.

DOMINICK DANIELS ignored party labels when it came to working on legislation. He would work with everyone, he would help everyone, he would criticize everyone, it did not matter, the measure in question was his main concern. His legislation was always good legislation.

His loss to this Congress will be felt by the people of the 14th District in New Jersey, by the entire State of New Jersey and by the Nation. The greatest loss, however, will be here.

DOMINICK DANIELS has worked extremely well with the New Jersey delegation and with the leadership of the House. He is a man you can trust. It is that trust and spirit of cooperation that has endeared him to all of us, old-timer and newcomer as well. DOMINICK DANIELS will never be replaced.

Mr. MONTGOMERY. Mr. Speaker, the wing of the third floor of the Rayburn Building where my office is located will be lonesome next year with the retirement of DOMINICK DANIELS. The last 2 years it has been my pleasure to have DOMINICK located directly across the hall which has given me an opportunity to know him.

If someone ever asked me to name the most thoughtful and considerate Member of the House, I would not hesitate in immediately saying it would have to be DOMINICK DANIELS. His concern and interest in other Members and their views have always been sincerely expressed and warmly given. He is the type of caring person which makes it a pleasure to serve in the House with because you know he is here to do his very best on behalf of the people of New Jersey and America.

Another trait of DOMINICK's which I greatly admire is his reasonableness. He always tries to work with other Members who might not totally agree with him in order to work out a compromise that will be acceptable to all. In the drafting of legislation he is willing to listen to both sides of an argument. To me this is the hallmark of an effective lawmaker.

Mr. Speaker, the working people of this Nation, which includes the vast majority of our fellow Americans, owe a great debt of gratitude to DOMINICK DANIELS for the leading role he has played in drafting needed manpower legislation. He has gone to bat for them on numerous occasions over the past 18 years and helped to improve their quality of life.

Eighteen years seems like such a brief time of service for a man of DOMINICK DANIELS' capabilities that I regret very much his decision to retire at the end of the 94th Congress. I feel that he has so much more to contribute that it is a shame to lose his dedicated public service. However, I also realize that the decision to retire is a very personal one for each of us and we must respect DOMINICK's decision in this case.

The highest tribute I know to pay DOMINICK is to say he is truly a Congressman's Congressman—a man whom we all greatly admire and respect and a man whose leadership and wise counsel will be missed by the Congress and the Nation.

Mr. FUQUA. Mr. Speaker, when the 94th Congress adjourns today, it will mark the end of the outstanding congressional career of our friend and colleague, DOMINICK V. DANIELS.

DOM's 18 years in Congress has not only been dedicated to the people of his 14th District of New Jersey, but indeed his valuable legislative ability has benefited all Americans.

He is a valued member of the important Education and Labor Committee and the Post Office and Civil Service Committee. His guidance and expertise in this area will be greatly missed.

He has served with distinction and we will lose an esteemed friend and inspirational Member, but our loss is New Jersey's gain. I join with those who wish DOM years of continued success, good health and happiness.

Mr. BENNETT. Mr. Speaker, we will all greatly miss Congressman DOMINICK DANIELS as he is retiring at the end of this Congress; and we wish him every happiness in his retirement.

Here in Congress he has been an able member of his Committees of Education and Labor and Post Office and Civil Service and has taken an active part in the debates and leadership for the causes that he ably espoused in this Chamber.

He has always been completely fair and forthright and his ability has shown through in everything that he has done. We will certainly miss him and hope that he returns often to this Chamber as a visitor among his many friends in this House.

TRIBUTE TO HON. HERMAN SCHNEEBELI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 30 minutes.

[Mr. MCDADE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. MILLS. Mr. Speaker, at the close of the 94th Congress, my good friend and valued colleague HERMAN SCHNEEBELI will retire from public service. The Congress will lose an able and dedicated Member and the Committee on Ways and Means will lose a skilled and knowledgeable leader.

HERMAN came to the Congress from Pennsylvania in 1960, and while serving on the Committee on Ways and Means rose to become the ranking minority member in 1973 on the retirement of our friend and colleague John Byrnes. As chairman of the Committee on Ways and Means, I have had the distinct pleasure of working with HERMAN on significant legislation dealing with such complex and divisive issues as tax reform, trade, and social welfare legislation. And though we have sat on different sides of the aisle during the past 16 years, I have found his counsel, advice, and willingness to undertake reasonable compromise both a source of enlightenment and productive legislation.

The Committee on Ways and Means has always been a model of cooperative accomplishment between the two parties, perhaps because of the complexity of the issues, and even more, because of the caliber of leadership on the minority side. Though I feel confident that this spirit will continue, HERMAN SCHNEEBELI's contribution to it and his knowledge on the complex issues of our time will be sorely missed on both sides of the aisle.

Mr. WHALEN. Mr. Speaker, with the adjournment of the 94th Congress, the House of Representatives will lose one of its most distinguished Members, HERMAN T. SCHNEEBELI, who is retiring after having served in this body for 15 years.

During his congressional career HERMAN SCHNEEBELI has made a concerted effort to control spiraling Government spending. As ranking Republican member of the House Ways and Means Committee, he actively participated in the writing of at least three major tax reform bills. In addition, he cosponsored the legislation which established the Budget Committee, on which he also serves. Creation of this committee represented the first attempt in 110 years to set spending ceilings before the budget was written. Mr. Schneebeli's voting record also reflects his concern for maintaining economy in Government. His contributions and diligence as a member of the House Ways and Means Committee will be greatly missed.

In recognition of his great service to his country and his district, the House just last month passed a measure designating the new Federal facility in Williamsport, Pa., the Herman T. Schneebeli Federal Building. This tribute on the part of the Members of Congress reflects the respect and appreciation we have for this distinguished legislator.

I join with his many friends and colleagues in wishing HERMAN T. SCHNEEBELI much happiness and continued success upon his retirement.

Mr. EVINS of Tennessee. Mr. Speaker, I wish to join with my colleagues in honoring my good friend, the Honorable HERMAN T. SCHNEEBELI of Pennsylvania, who will be retiring from the Congress at the conclusion of this session.

HERMAN is an example of a colleague on the other side of the aisle who has been cooperative and helpful through the years and with whom I have established a close friendship. This is something that outsiders never understand, but it happens frequently, and it is part of what makes the Congress such a vibrant and viable institution.

First elected in a special election in 1960, HERMAN SCHNEEBELI has served on two of the most important committees of the Congress—Ways and Means and the new Budget Committee. He is now the ranking minority member of Ways and Means, a position of great importance in the shaping of Federal tax policy for the Nation.

As a member of the Budget Committee, he has helped to give stability and reality to a long-discussed goal of bringing the entire Federal budget under congressional control.

I am pleased to have been associated with HERMAN SCHNEEBELI. He has had a distinguished career in the House of Representatives and will be missed.

I join in wishing HERMAN good health, much happiness and success in his future endeavors.

Mr. ADDABBO. Mr. Speaker, I take this opportunity to join my colleagues and the Pennsylvania delegation in honoring Congressman HERMAN T. SCHNEEBELI on his retirement at the close of the 94th Congress.

Mr. SCHNEEBELI became a Member of our body in the 86th Congress and has served continuously with distinction.

He has served on numerous committees with honor and particularly as ranking minority member of the Ways and Means Committee.

His service to the Nation and his constituency will be missed. He has been an outstanding bulwark in our midst. His experience and knowledge will be a great loss to our Congress.

I extend to him my personal wishes for long life and a happy retirement for him, his wife, and family.

His wise counsel and advice on the most important legislation will be missed.

Good luck and best wishes.

Mr. COUGHLIN. Mr. Speaker, the House of Representatives, and particularly the Pennsylvania congressional delegation, will sorely miss the presence of one of its ablest Members—the Honorable HERMAN T. SCHNEEBELI—as he retires at the close of the 94th Congress.

Through 16 years of unparalleled service to his constituents, HERM's devotion to the interests of the people he served is exemplified by his endeavors to improve the health, education, and general welfare of the citizens of the 17th Congressional District.

Not only has his constituency benefited from his total dedication, but the entire Commonwealth of Pennsylvania also has benefited from his untiring energy and expert leadership. As a member of the Congressional State Steering Committee, he has worked at the Washington level to improve the developing interests of his State. As dean of the Pennsylvania Republican congressional delegation, his guidance and assistance will set a demanding example for his successors.

Combining sound judgment, superb legislative ability, and an expertise in tax law, HERM SCHNEEBELI has been a distinguished member of the House Ways and Means Committee since 1961.

He was appointed to the committee after having served only 10 months in Congress, showing the respect and admiration with which he has always been regarded by his colleageus, and making him one of the youngest Members in congressional service ever appointed to this influential committee. He has served continuously on Ways and Means, and is the ranking member.

HERM SCHNEEBELI'S commitment to furthering the Nation's best interests abroad is best illustrated by his appointment as one of two congressional advisers to the General Agreement on Tariffs and Trade Conference in 1961. Since then, his influence has been exerted at the German-American conferences in Germany, as a congressional representative to the Ditchley Conference on Anglo-American Relations at Ditchley Park, England in 1967, and in a series of conferences with the Japanese Diet in Tokyo in 1968, 1971, and 1973. His experience and activities in these important assignments have been reflected in Ways and Means Committee considerations on the subjects of tariffs and trade.

On the personal side, HERM has been a wise counselor, a devoted leader and a warm friend.

I am honored to have been able to serve with him, and extend to him and his family my sincere gratitude and warmest wishes for the future.

Mr. ULLMAN. Mr. Speaker, it is a pleasure and an honor to join my colleagues on both sides of the aisle in paying tribute upon his retirement to an especially able and dedicated Member of the House—HERMAN T. SCHNEEBELI.

HERM came to the Ways and Means Committee in 1961 only a few months after I did, and although we often saw different solutions to the complex economic problems before us, I have been continually impressed during our long association by the diligence and hard work that he brought to committee business, and by his unfailing courtesy and spirit of cooperation.

HERM's keen mathematical mind—his quick grasp of costs and statistics—have been invaluable in the committee's work on tax legislation. He became the ranking minority member when John Byrnes left, and both as acting chairman and as chairman, I have appreciated and relied upon HERM's personal participation in the committee's work, and his ability to help forge a consensus among all the members at times when agreement seemed completely out of reach.

HERM made major contributions to the Trade Act of 1974, the pension bill, and the tax reform bill which recently came out of a long and difficult conference.

With his retirement, the House is losing a dedicated legislator and a great gentleman. No one is more deserving of many years of rest and happiness, and my wife Audrey and I extend warm wishes to HERM and Mary Louise for all the best in the future.

Mr. HELSTOSKI. Mr. Speaker, I am pleased to participate in today's special order for the Honorable HERMAN T. SCHNEEBELI. The distinguished ranking minority member of the House Committee on Ways and Means will retire from the House of Representatives when the 94th Congress adjourns.

HERMAN SCHNEEBELI became a Member of the 86th Congress as the result of a special election on April 26, 1960. Since that time he has served eight consecutive terms as the Representative of Pennsylvania's 17th District and has provided outstanding service to his constituents and the citizens of our country. His diligence and contributions to the Ways and Means Committee are certainly worthy of a great deal of merit and I was pleased to have had the honor to serve on that committee with him. I would like to extend my gratitude to him for providing the committee with invigorating ideas and stimulating our discussions. His presence will surely be missed as will his wisdom and integrity.

Mr. SHUSTER. Mr. Speaker, today we are taking a moment from the final day of this 94th Congress to honor a man whose career has been marked by a high degree of responsibility and an immaculate reputation for integrity, my distinguished colleague, HERM SCHNEEBELI.

Those of us in central Pennsylvania who live in the counties adjoining HERM's 17th District have long been aware of the feeling his people have for him. They have returned him to Washington as their representative in every election since his first contest in April 1960, and it is obvious that his retirement is of his own choosing.

I say that he has possessed great "responsibility" because, in his two vastly important committee assignments, he has always been a voice of reason and good sense. On the Ways and Means Committee, he has been mindful of the needs of the average American, and has tried to bring about a fair and even-handed tax system. His diligence in that assignment won for him the title of "ranking minority member" of that important committee, a title well-deserved and well-borne.

In one other area sensitive to the economic and financial well-being of the Nation, HERM has served well—the Committee on the Budget. His has often been the voice of a reasonable but outnumbered minority, and we will miss the skill with which he has argued for commonsense in fiscal matters.

As he concludes his work in the House of Representatives, I join his many other friends in this body in wishing him "farewell."

Mr. MORGAN. Mr. Speaker, it is my great honor to join the Members of the House in honoring our good friend and distinguished colleague, HERM SCHNEEBELI.

As chairman of the Pennsylvania Congressional Delegation Steering Committee, I had the opportunity to work with HERM regularly. He approached problems on a nonpartisan basis, and all of us in Pennsylvania benefited from his wise counsel. Our delegation has consistently worked to represent the interests of the Commonwealth and the Nation, and HERMAN SCHNEEBELI's even-handed always objective analysis of problems made solutions that much easier to attain.

Mrs. Morgan and I extend our best wishes to HERM and his lovely wife Mary Lou. May his retirement be as productive and enjoyable as were his years in the House of Representatives.

Mr. BENNETT. Mr. Speaker, we will all greatly miss in the next Congress our beloved colleague HERMAN SCHNEEBELI, who is retiring from Congress. His life is one of excellence: A graduate of Dartmouth, former president of the United Fund in his hometown, active in many civic responsibilities and a thoughtful, able and deliberate legislator here in Congress. He gives and receives friendship warmly and with us all. A man such as he is not easy to find. All of us wish for him every happiness in his retirement.

Mr. FREY. Mr. Speaker, I did like to join with my colleagues in the Congress in bidding a fond farewell to the gentleman from the 17th Congressional District of Pennsylvania, the Honorable Herm Schneebeli. Herm has been the dean of Pennsylvania's Republican congressional delegation. He has also been the ranking member on the Ways and Means Committee. His leadership in the Congress has been based on commonsense, intelligence, and hard work. When a problem comes about in which he is involved, you always know that he has looked at both sides of it, that he has spent a great deal of time with it, and that he has come up with a reasonable solution. People like Herm are hard to replace. We know that the people of his district and his colleagues know the sacrifices that he has made to provide the dedicated service to this country. We wish him and his lovely wife, Mary Louise, years of happiness. As Herm said in his speech at his retirement party, he had much left to do and a lot of public service left. We know that he will continue working for the good of this country in the years ahead. Good luck and Godspeed.

Mr. BURLESON of Texas. Mr. Speaker, I rise to join my colleagues in honoring our friend, the Honorable Herman T. Schneebeli, of Pennsylvania, who will be retiring after many years of distinguished service.

I have had the added pleasure of serving with Herman, both on the Ways and Means Committee and the Budget Committee. In this association, I have had opportunity to observe his able leadership and effective manner in resolving many differences. While we are of different political parties in the House of Representatives, I feel our mutual goals and concerns have often been the same.

I wish Herman the very best as he returns to his home State but I know he will continue his contributions to this Nation in many other ways.

Mr. FUQUA. Mr. Speaker, our distinguished colleague from Pennsylvania, the Honorable Herman T. Schneebeli, is among those that will take leave of this House when Congress adjourns today.

Herm was one of the first people I met when I came to Congress 14 years ago. I shall miss having a very warm personal friend in our midst. We have shared many eventful moments and his service to Congress will not only be missed by the people of Pennsylvania's 17th District, but indeed the entire Nation is losing a valued statesman.

His diligence and contributions as ranking minority member of the important and prestigious Ways and Means Committee has earned him admiration and great respect from his colleagues on both sides of the aisle.

His expertise in this area is unequaled and his wisdom and guidance through the years have made their mark on our Nation's fiscal policy and tax laws. During this time he has built a solid reputation as an energetic, intensely serious guardian of the interests of American taxpayers.

Indeed, Herm will be missed and he will miss the House he has so faithfully served. But he can leave with the deep satisfaction for 18 well-served end eventful years in Congress.

I join with many other friends in wishing this esteemed gentleman and close friend many years of continued success, good health and happiness.

Mr. MONTGOMERY. Mr. Speaker, as ranking minority members of the Committee on Ways and Means, Herman Schneebeli has shown himself to be a man of great capabilities and insight into our Nation's tax laws. He has consistently and consciously worked for an equitable tax policy that will provide our Nation with needed revenues without being an undue burden on the American taxpayers. For this, I am thankful and for this I regret he will not be continuing his dedicated leadership in the 95th Congress.

I consider Herman a close friend, as well as a colleague, because of his willingness to always help other Members on legislative matters and his willingness to fully explain the complicated tax matters which come before the House.

Mr. Speaker, Herm has my very best wishes for a relaxing and fruitful retirement. His 18 years of dedicated service has rightfully won the respect and commendation of all his colleagues. We will all miss Herman and his charming wife Mary Lou. I might also mention that Mrs. Schneebeli has been active in Hill affairs and she is always available to help others.

Mr. SKUBITZ. Mr. Speaker, it is with a great deal of pleasure that I join the many friends of Herman Schneebeli in paying tribute to his many years of outstanding service to the people of the 17th District of Pennsylvania and the people of the Nation. The lasting accomplishments and contributions Herm is leaving to the people of this country as a tribute to his dedication and high caliber of effective service. Although Herm's performance in the 220 high hurdles at the Olympic games years ago was a distinct disappointment to me, his legislative accomplishments speak highly of his long and distinguished congressional career.

The high esteem in which Herman Schneebeli is held by his colleagues is evident in his selection to serve as the ranking minority member of the prestigious House Ways and Means Committee. In that capacity, Herm has put his distinctive touch on a number of significant tax reform measures. Congressman Schneebeli has displayed extraordinary diligence in his effective and highly skilled handling of the legislation reported from the Ways and Means Committee to the floor of the House.

In a time when many segments of society are pressing for major revisions in the tax codes of this country, Congressman Schneebeli served us all well by providing the guidance and knowledge necessary to effectively deliberate and correctly legislate true reforms. His assistance helped insure that the interests of many diverse segments of American society were fairly represented.

Our good fortune in being able to count Herman Schneebeli as a colleague has been a pleasure indeed. He has provided effective leadership and sound judgment guided by high personal integrity. The wisdom of his years of experience will be sorely missed.

It is my sincerest wish that Herm will find much happiness in retirement.

Mr. GREEN. Mr. Speaker, I would like to take this opportunity to pay tribute to my colleague in the House and on the Ways and Means Committee, Herman T. Schneebeli, as he leaves the House of Representatives after 16 years of outstanding service both to his constituents and to the U.S. Congress.

Since 1960 when he was elected in a special election, Herm has continued to represent the 17th Congressional District of Pennsylvania with enthusiasm. As dean of the Pennsylvania Republican House delegation, Herm demonstrated dynamic leadership.

He was named to the House Ways and Means Committee in 1961, a great honor for a freshman Congressman and currently is the ranking Republican on the committee. He has been a strong force in writing at least three major tax reform bills as well as other legislation which came out of the Ways and Means Committee. His diligence and meaningful contributions as ranking minority member of the committee will be sorely missed.

I wish Herm all the best for future success as he returns to his home in Lycoming County, Pa.

Mr. ERLENBORN. Mr. Speaker, I would like to pay tribute to our distinguished colleague, Herman T. Schneebeli.

Mr. Schneebeli is retiring this year after representing the people of the 17th District of Pennsylvania for 16 years in the House. Those of us who have seen Herman Schneebeli work know that he has served the people extremely well.

As you know, Mr. Speaker, Mr. Schneebeli is the ranking minority member of the Ways and Means Committee. He deserves plenty of credit for doing such a good job in that capacity in light of the dramatic changes that have taken place within the committee during recent years.

His strong personality and encyclopedic knowledge of tax laws helped create an atmosphere that allowed these changes to take place rather smoothly.

Mr. Schneebeli's contribution has been significant. I thank him for that and wish him a happy and fulfilling retirement.

Mr. DON H. CLAUSEN. Mr. Speaker, very shortly the gavel will come down marking the adjournment of the 94th Congress and the end of long and outstanding careers in public service for three of our good friends and colleagues in the Pennsylvania delegation.

Herm Schneebeli, Ed Eshleman, and

PETE BIESTER have long been exceptional legislators and exceptional friends. The decade of the 1960's was a good decade for the House, for we gained all three of these judicious men and it is truly a great loss not to have them back next year.

In each of their roles as leaders in the Republican Party, representatives of diverse populations, and legislators of landmark laws they have displayed the rare ability to analyze problems, organize the facts, and meet the national and regional needs.

HERM has certainly left his mark in history as a champion of a balanced budget. Over the past 16 years, since HERM came to the House, we have seen great fluctuations in our economy and this has demanded flexibility and far-sighted approach to dealing with our tax structure. Through inflations and deflations he has served us well, always fighting for economic policies which would strengthen and improve our country's standard of living.

ED ESHLEMAN can best be remembered by his leadership in the field of education and more specifically, in furthering the efforts to ensure civil rights are protected in our educational system and in getting the Federal Government out of the business of dictating to schools how to run their operations. These are important contributions during a time when people are tired of the Federal Government in their lives and in their schools.

Finally, PETE BIESTER has provided us with an outstanding record of diligence and wisdom in his dealings with our foreign affairs.

I join with my colleagues in wishing our good friends the best of health, fortune, peace and contentment in their retirement.

TRIBUTE TO HON. EDWARD G. BIESTER, JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania, Mr. COUGHLIN is recognized for 30 minutes.

Mr. COUGHLIN. Mr. Speaker, the retirement of the Honorable EDWARD G. (PETE) BIESTER, JR., will be a loss we will all share with the constituents of this distinguished Congressman.

In particular, I will miss the warm company, quick wit, and superb intellect of my neighbor from Bucks County.

When I first came to Congress, I served with PETE on the House Judiciary Committee.

During his tenure on the House Judiciary Committee, PETE BIESTER's deep understanding of constitutional law and civil rights attracted enormous bipartisan respect from his colleagues in both the House and Senate. Motivated by a wholehearted interest in penal reform, he spearheaded legislation to revamp the Federal parole system and improve Federal programs dealing with juvenile delinquency.

Subsequently, as a member of the House International Relations Committee, his intuitive recogntion of the urgent need for a coherent U.S. foreign policy in Africa led to his participation in a series of unprecedented meetings and debates with African heads of state.

While in his position as ranking Republican member of the Trade and Commerce Subcommittee and member of the Economic Policy Subcommittee, he also advanced his clear, analytical thinking on economic issues to effectively confront the complexities of international trade, particularly between the United States and countries of the European Communist bloc. Further, his ongoing concern with the relationship of congressional authority and the commitment of U.S. military forces abroad highlighted his leadership role in the enactment of the War Powers Act of 1973, strengthening Congress right to intervene in decisions involving military obligations.

Electoral and Government reform, revenue sharing, and governmental reorganization have been but several of his lasting contributions to the Nation.

In my judgment, PETE BIESTER is unsurpassed in the Congress for his grasp of constitutional law, his understanding of America, and his exemplary intellect.

Although his ability and insight will be sorely missed in the Congress, I know that he will continue to serve the public in the finest tradition.

For PETE BIESTER is truly a remarkable man.

Mr. McCLORY. Mr. Speaker, voluntary retirement is claiming a number of our most esteemed colleagues, including some well below retirement age. Congressman EDWARD BIESTER, though only 45, has already compiled a distinguished record in the House of Representatives, and has chosen to pursue a private career.

A talented lawyer and a dedicated Republican, Congressman BIESTER has served with distinction on the District of Columbia and International Relations Committees, and previously served as my colleague on the House Judiciary Committee. As my Republican colleagues know, serving in the minority can often be taxing and fruitless work. PETE BIESTER has shouldered that burden, and worked effectively to make legislation more workable. In dealing with the complex issues we face almost daily, small but effective modifications often constitute significant public service. This is a function that PETE BIESTER has habitually performed in his decade in the House, and both his constituents and the Nation are grateful.

The Members of this body know that the abilities PETE BIESTER has demonstrated here will stand him in good stead in private life. I take this opportunity to extend him every good wish for the future.

Mr. MONTGOMERY. Mr. Speaker, in the years ahead when I reflect upon the distinguished career of PETE BIESTER, I shall remember him most for his successful legislative fight to win congressional approval of the War Powers Act. I think this is one of the most significant pieces of legislation passed by the Congress in many a year and I am thankful to PETE for his outstanding work for this bill.

As a fellow freshman Member of the 90th Congress, I recognized then that PETE BIESTER would be a colleague of determination and great dedication. He has rightfully won the respect of his fellow colleagues on both sides of the aisle.

Since I know there are others who wish to pay tribute to PETE and the hour is late, I will simply say to PETE, thank you for a job well done. It has been a privilege to have served with you as a colleague in the Congress.

Mr. WHALEN. Mr. Speaker, in these last legislative hours of the 94th Congress, it is fitting that we pause to bid farewell to our good friend and respected colleague, Congressman EDWARD BIESTER.

I am particularly compelled to take this moment. PETE BIESTER and I first met when we both had more hair and less experience as freshmen Members of the 90th Congress. In the succeeding years, I have had the privilege of working closely with PETE on both the International Relations Committee and the Committee on the District of Columbia. I have served with him on the African Subcommittee and the Subcommittees on International Economic Policy and International Trade and Commerce. I was happy to be with him when he headed the American delegation to the Conference of African and American Representatives in Kinshasa, Zaire. Throughout this time, I have only known him to approach the problems at hand in a thoughtful and courageous manner.

PETE BIESTER has been an advocate of government reform in every level. His efforts in this regard include public financing of all Federal elections, limits on campaign spending, full financial disclosures by Members of Congress, Republican Convention reforms, and changes in the House rules. In addition he has promoted the direct election of the President, the 18-year-old vote, revenue sharing and Government reorganization.

Primary among his reform efforts was his strong role in the enactment of the war powers bill. This legislation was carefully designed to reaffirm and to clarify the constitutional duties of the Congress in decisions involving commitments of American troops abroad. It is an outstanding example of the legislative goals set by PETE, that is, the smooth functioning of the Government, for the sake of the American people. While this law corrected the muddied division of jurisdictions between the legislative and executive branches, its spirit stems from the need of the public to have a greater voice in the fate of the Nation.

I will miss working with PETE. But my colleagues and I can all be thankful for the time and effort that PETE has given to the United States. He retires with a record that stands as a directive for the 95th Congress. In this sense, he still will be with us.

Mr. FREY. Mr. Speaker, it was with a great deal of personal regret that we join with our colleagues in saying goodbye to an outstanding Congressman, PETE BIESTER. PETE was elected to the 90th Congress from the Eighth District of Pennsylvania. In 1968 when I was elected, one of the first projects that I worked on was a tour of the college campuses around the Nation and a report which came to be known as the Brock report. One of the six leaders of this was the gentleman from Pennsylvania (PETE BIESTER). During that period of time we worked very closely together and spent long hours arguing over policy and conclusions. At that time I became aware of his incisive mind, his intelligence, his wit and his decency as an individual. He would sit and listen to us argue for a period of time and then come up with just the right solution to the problem. His ability has earned him wide respect on the floor of Congress. He served on the Judiciary Committee and later as a member of the International Relations Committee. His integrity is beyond question. In my question, we cannot afford to lose people like PETE BIESTER in the Congress. He represents what is right with the Congress and what is right with the country. Although we regret his decision to leave, we wish him well and hope to keep our friendship in the years ahead. We know that the people of his district, his colleagues in the Congress, and the people across the country are appreciative of what he has done. Good luck and Godspeed.

Mr. GREEN. Mr. Speaker, I would like to take this opportunity to highlight the congressional career of Congressman EDWARD G. (PETE) BIESTER as he concludes his service in the House of Representatives.

PETE has been representing the Eighth District of Pennsylvania since 1966. He was appointed to the Judiciary Committee where he served on a subcommittee dealing with antitrust matters, civil rights and constitutional amendments. As a member of the Judiciary Committee, PETE worked for criminal justice reform. He cosponsored legislation revamping the Federal parole system and establishing a coordinating center for information and the training of personnel in the field of juvenile delinquency prevention.

In the 93d Congress, Congressman BIESTER left the Judiciary Committee to serve on the International Relations Committee where he initiated efforts to formulate war powers legislation whereby Congress role in decisions involving the commitment of U.S. military forces abroad was strengthened.

Congressman BIESTER should be recognized for his tremendous efforts in working for the 18-year-old vote, revenue sharing, governmental reorganization, Republican convention reform and changes in the House rules and procedures.

As Congressman, PETE pressed for a strengthening of communications between older citizens and their government. He initiated a senior intern program where older constituents were able to witness and participate in their government in action. Young and old will miss PETE as he has done so much to help improve conditions in prisons, enlighten senior citizens and increase the voice of young people.

Thank you PETE for your continued efforts and the best of luck for success in the future.

Mr. BINGHAM. Mr. Speaker, many fine Members of the House are retiring this year. Outstanding on this list is the gentleman from Pennsylvania (Mr. BIESTER).

PETE BIESTER and I have worked together on many legislative matters, as well as making a fact-finding trip to Africa together in 1973.

It has always been a pleasure to work with him. He has brought to the solution of problems an incisive mind, great compassion and a practicality which is not often found among idealists such as he is. On occasion, he has also brightened our long working days with wit.

When he joined the Foreign Affairs Committee, he went on the Subcommittee on African Affairs and set about becoming a real expert in the complex and tangled problems of that huge continent. When the United States found itself in an impossible situation in Angola last year, he was one of the few who felt, as I did, that we should make a last effort to permit the problem to be solved by the Organization of African Unity.

The kind of course which Secretary Kissinger is now following with respect to Southern Africa is along lines that Mr. BIESTER has been advocating for years.

During this 94th Congress, PETE has been the ranking minority member on the Subcommittee on International Trade and Commerce which I have the honor to chair. In that capacity he has been most conscientious and cooperative, helping with probing questions to carry out the various inquiries we have been engaged in.

PETE BIESTER is a perfect illustration of the fact that, at least so far as foreign policy is concerned, the interests of our country can be pursued without regard to partisanship.

It is truly a shame that as able and dedicated a member as PETE BIESTER should feel compelled to retire from the House at the age of 45. While he has not said so to me or even hinted as much, my guess is that this unhappy event might not have taken place if Members of Congress were adequately paid.

I will miss PETE very much as a colleague, and my wife and I will miss both PETE and his wife, Liz, as friends and neighbors. We wish for both of them all the best in whatever activities they undertake.

Mr. ERLENBORN. Mr. Speaker, as this session of Congress draws to a close, I wish to pay tribute to a most respected colleague who will not be returning to Washington next January. I am talking of EDWARD G. (PETE) BIESTER, Jr., who, during his five terms in the House, has become known as a man of high principles.

Not only has he lived up to his own exemplary standards, but he has worked most industriously to make Congress and the Federal Government live up to such standards, also.

PETE BIESTER'S example has been good for all of us. I know I am speaking for everyone when I say he will be missed.

Mr. SHUSTER. Mr. Speaker, it is always a troublesome experience to bid farewell to colleagues who have chosen to leave the House. But in the case of PETE BIESTER, it is doubly so.

For, there is no awesome challenger forcing him out, and no question of his having reached the age of retirement. It is his decision that he will return to private life—and we cannot dispute that—but it should give us a moment's reflection on the system under which we operate. PETE is a young man, a skilled legislator, and a friend to many Members of this body—and I find it unfortunate that this congressional system cannot keep him longer.

Often, in the past few years, I have said that if I had cast but one vote—my vote to override the veto of the War Powers Act—I could meet my Maker in the confidence that I had done my duty. For spearheading the passage of that act, and for working so hard to win its final approval after the veto, I will always be grateful to PETE BIESTER. That one example of his courage shows what a valuable Member he has been, and yet we know of many more examples.

In his committee assignments—on the Judiciary and International Relations Committees—PETE BIESTER has been an example of dedicated work and exceptional ability.

The House will be diminished by his departure, and I wish him great success in his new field of endeavor.

Mr. SHRIVER. Mr. Speaker, I am proud to have served in the House of Representatives with my distinguished colleague from Pennsylvania (HERMAN T. SCHNEEBELI). He and I were elected to Congress in the same year, 1960, and we have fought much the same battles during the past 16 years.

HERMAN SCHNEEBELI was appointed to the Ways and Means Committee after serving only 10 months in the Congress. This was quite an honor since until then all members of the committee had served an average of 14 years in Congress before being appointed to that committee. And HERM has lived up to that honor. He has achieved the position of ranking minority member of the Ways and Means Committee, he has established a reputation for being tightfisted with taxpayers' dollars, he was given the "Watchdog of the Treasury" award, and he cosponsored the legislation which created the House Budget Committee, of which he is a member. The entire Nation has fared better because of HERM SCHNEEBELI'S accomplishments.

HERMAN SCHNEEBELI considered his service in Congress a privilege and a responsibility of citizenship. He served both his district and his Nation with distinction. He leaves us at a time when we need him more than ever, when the Federal budget still grows by leaps and bounds. It will be much harder to control that budget without HERM.

I give you my best wishes, HERM, for a retirement that is productive and satisfying.

Mr. OTTINGER. Mr. Speaker, I am pleased to have this opportunity to join my colleagues in paying tribute to my friend and colleague, PETE BIESTER.

During his 10 years in the House, PETE has served on the Judiciary, District of Columbia, and International Relations Committees. He has worked to improve the Nation's penal system, as well as our juvenile delinquency prevention programs.

As a leader on the International Relations Committee, PETE BIESTER played an important role in formulating the 1973 War Powers Act. He has also been involved in upgrading American-African relations, and headed the American delegation to the Conference of African and American Representatives in Zaire, in 1973.

PETE BIESTER has participated in informal discussions on international trade matters with leaders of the U.S.S.R., Czechoslovakia, and Romania. He was vice chairman of the Republican task force on International Economic Policy in 1974, and presently serves as chairman of the Task Force on Economic Reform.

In addition to his committee work, PETE BIESTER has been an important force behind government, party, and campaign reform, senior citizen legislation, and environmental causes.

I admire PETE BIESTER for his enlightened, thoughtful, and independent approach to solving the problems of his district and the Nation. We have fought many a good fight together, and I will miss his delightful presence on the other side of the aisle.

Mr. MORGAN. Mr. Speaker, over the past two Congresses, I have particularly welcomed the presence of the House International Relations Committee of my fellow Pennsylvanian, the Honorable EDWARD G. BIESTER, Jr.

PETE BIESTER already had compiled a distinguished record in the House at the time he chose to join our committee in 1973. We have been fortunate to have had his services since then, and we regret his decision not to seek reelection.

PETE has been a dedicated and talented member of our committee team, cooperative and knowledgable over a wide range of the foreign affairs matters that have come before us, and balanced in his judgment on controversial issues.

He had a particular expertise in African affairs and understanding of the importance of forward-looking relationships with the developing countries of the Third World. We benefited too, from his wisdom and guidance in international economic matters as a member of the Subcommittees on International Economic Policy and on International Trade and Commerce.

We will miss our colleague from Pennsylvania, and wish him and his family a happy and successful future.

Mr. SCHNEEBELI. Mr. Speaker, although PETE BIESTER and I are not always compatible in our political philosophies and thus in our voting records, nevertheless I have the greatest admiration for his integrity and intellectual quality. He combines these characteristics with remarkable wit and good humor as he presents the rationale behind his views.

PETE always has been interested in improving our foreign policy posture, and his colleagues on the International Relations Committee highly respect his opinion and his thoughtful initiatives.

We have enjoyed knowing and working with PETE, and know that the future contributions to society which he will make in a different manner will be as effective and as appreciated as his activities here in Congress. He and Liz have our best wishes.

TRIBUTE TO HON. EDWIN ESHLEMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SCHULZE) is recognized for 30 minutes.

Mr. SCHULZE. Mr. Speaker, we take this time to honor one of our colleagues who is retiring from the U.S. House of Representatives at the conclusion of this Congress—the Honorable EDWIN ESHLEMAN.

Mr. Speaker, Thomas Jefferson's words concerning the importance of teachers in our society ring especially clear today as we honor our colleague, our friend, ED ESHLEMAN.

Jefferson said:

> Respect and gratitude are due to those who devote their time and efforts to render the youth of every successive generation fit governors for the next.

ED is no stranger to the teaching profession—his father, the late Reeder L. Eshleman, was a county superintendent of schools. ED himself was a teacher—with time out to attend to serving his country in World War II wherein he distinguished himself during 18 months of overseas service including action under fire at Salerno, Anzio, and Normandy.

Returning to teaching in Pennsylvania, ED took to heart the maxim that while it is fine to teach, it is even better to "do" for he soon entered into a stint in the Commonwealth government as director of the bureau of county audits and later as executive assistant in the State treasury department.

Now my colleagues can appreciate ED's going over the education and labor programs' budgets with a fine tooth comb.

In 1954, ED was elected to the Commonwealth of Pennsylvania's House of Representatives, and in 1966 to the U.S. House of Representatives. As a former teacher, ED's movement forward put into practice the advice of John Cotton Dana—who dares to teach must never cease to learn.

ED has continued to be both student and teacher, and in that dual role he authored the historical book "Congress, the Pennsylvania Dutch Representatives." That book will be of considerable value to scholars who recognize that our American people and most particularly this House symbolize one of the significant reasons for the success of our Republic. Some people may call America "a melting pot." But I prefer to think that we are more like "an American stew"—with each of the ingredients lending its unique flavoring which complements and supplements the other flavors. None should be so preeminent as to overwhelm the others, and without all of the flavors the end result would not be as nourishing.

ED's book clearly defines the contribution that our Pennsylavnia Dutch have given to this "American stew."

ED, I have the idea that your own Pennsylvania Dutch heritage prepared you well for these rather hectic and long closing days of the 94th Congress. I am thinking of that Pennsylvania Dutch stoical acceptance of hard work—the harder I work, the behinder I get.

I know that ED's book will be of historical interest for many years to those who seek to know the cultural underpinnings of this American republic.

In the time I have had to serve with ED here in this House, I have known him to be a kindly, gentle man, and a friend. But that American stew and his own Pennsylvania Dutch heritage have come together in his scholar's mind to produce a man who is also forthright and determined in the service of his ideals. I know him to be a dedicated Congressman—both inside this Chamber and back home in Pennsylvania—who has well represented his constituency.

I believe I have learned from ED—I hope I have.

ED's steady, sure attention to the responsibilities and duties of his stewardship as a Member of this House will alone stand as a monument to his own integrity and dedication to the people of Pennsylvania—and it is to the credit of those Pennsylvanians who returned him again and again to these halls where they were confident that he would, and he did, serve them faithfully.

Teddy Roosevelt said it best:

> The credit goes to those who actually strive to do the deeds, who know the great enthusiasms, the great devotions; who spends himself in a worthy cause and knows in the end the triumph of high achievement and who knows at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat . . .

ED ESHLEMAN: Teacher, soldier, legislator, and friend.

Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order today.

Mr. COUGHLIN. Mr. Speaker, the House of Representatives and the Commonwealth of Pennsylvania will be losing one of its most conscientious legislators with the retirement of my old friend EDWIN D. ESHLEMAN, whose long public career will come to a close with the 94th Congress.

ED ESHLEMAN's 22 years of service to the residents of Pennsylvania's 16th Congressional District have won the confidence and respect of all who have worked with him. He has represented his constituents with diligence, dedication and distinction. His 10 years of service in the U.S. House of Representatives have been marked by a rare display of courage, determination and good humor which we all admire.

As ranking minority member of the Education and Labor Subcommittee on Postsecondary Education, ED has combined the skills of an educator with long experience as both a Federal and State lawmaker to strive vigorously for improvements in the Nation's education system. His efforts for education and his grasp of the legislative process have won him bipartisan support.

In serving with Ed both in the U.S. Congress and the Pennsylvania House of Representatives, I have found him personally to exercise an uncommon depth of conviction and grasp of the issues facing the Nation and Pennsylvania.

His dedication, experience and wisdom will be missed by all, especially by those of us in the Pennsylvania congressional delegation. His contribution to this Nation has been long and unstinting, and I extend to him my sincere gratitude and warmest wishes for the future.

Mr. MONTGOMERY. Mr. Speaker, Ed Eshleman and I both entered Congress in 1967. Since that time I have come to know and respect him as a colleague dedicated to the people who elected him and dedicated to a sound fiscal policy on the part of our Federal Government.

Ed has often taken the lead in the House for beneficial educational programs for our fellow Americans, but also educational programs which were within the financial capabilities of our Nation. As a fiscal conservative myself, I appreciate the fact that Ed has long recognized that we do have fiscal constraints on our various domestic programs and cannot always be as generous with our limited Federal funds as we might like.

Mr. Speaker, on a more personal note, I shall also miss Ed Eshleman's good humor and quick wit. He is a rare person of intelligence and commonsense tempered with wit whom we shall all miss.

Mr. MORGAN. Mr. Speaker, my good friend Ed Eshleman's retirement from Congress is a great loss to the people in his congressional district, to all of us in Pennsylvania, and to the entire House of Representatives.

The Subcommittee on Postsecondary Education has developed some of the most significant legislation produced by the Congress in recent years. Ed's conscientious attention to these complicated issues made passage on the floor much easier than it otherwise would have been. A brief word from Ed on the merits of a piece of legislation was sufficient testimony that the bill was sensitive to the needs of the people, yet fiscally responsible.

As chairman of the House International Relations Committee, I managed dozens of controversial bills. Although he was not on the committee, he was consistently supportive of the responsible foreign policy which we attempted to develop.

I will miss Ed Eshleman. People of his integrity and competence epitomize the very best in public servants.

Mr. SHUSTER. Mr. Speaker, it has been a privilege to serve in the House and in the Pennsylvania delegation with my colleague and friend, Ed Eshleman, and I join with my colleagues in bidding him farewell today.

Ed has built a solid career in the House, and his work has been marked by both good sense and good humor—two attributes that are in short supply these days.

In his assignment on the House Education and Labor Committee, he and has brought great credit on himself, and there is today a good amount of education-related legislation that bears his imprint.

In particular, Ed Eshleman has served with great distinction as the ranking minority member of the Subcommittee on Post-secondary Education, and if we think in terms of numbers, his work in that connection has influenced hundreds of thousands in their collegiate and graduate education.

I think the House will miss Ed Eshleman, and yet I am sure that he is too generous to deprive the Nation of his services.

I join his many friends in wishing him well.

Mr. SCHNEEBELI. Mr. Speaker, Ed Eshleman is a fine and typical example of the extraordinary capacity for commonsense and good judgment which characterizes the Pennsylvania Dutch, many of whom are located in Ed's district in Lancaster and Lebanon counties, Pennsylvania.

Despite the several difficulties experienced in physical problems of an extreme nature, Ed not only has persevered but has remained in good disposition, never discussing his problems in public. Among his difficultes have been a heart attack and open heart surgery; to the delight of his many friends, he has made a strong and successful comeback.

Ed has an excellent background for his work on the education subcommittee here in Congress, since he was a teacher before he was elected to the State legislature in Harrisburg. Every report I have seen of Ed's committee activities extolls his fine contribution due to his personal experience and commonsense. Those qualities certainly will be missed in future congressional sessions.

Ed will continue his public service by becoming a visiting professor in political science at some of his neighborhood colleges in central Pennsylvania. We know this will be a rewarding experience for his pupils.

The Pennsylvania delegation certainly respects Ed for his eminent public service record and his personal courage. He has our best wishes for his future good health and happiness.

Mr. ERLENBORN. Mr. Speaker, I rise to salute my good friend and colleague Edwin D. Eshelman of Lancaster, Pa.

For the past 10 years, Mr. Eshleman and I have served together on the Education and Labor Committee. During that time I have come to know him as an individualist—a man who seldom, if ever, follows the crowd.

I am sad to say that Ed Eshleman has decided to retire from Congress this year. I will truly miss the man, because it has been such a pleasure to work with him and to have his friendship.

I wish him well, and hope that whatever the future may hold that he continue to be of such positive service to people.

Mr. WHALEN. Mr. Speaker, it is with great pleasure that I rise to pay tribute to Ed Eshleman on his retirement from Congress.

Ed is a good legislator, and the House of Representatives certainly will miss his presence next year. I particularly will miss him since we came to Congress together as a part of the large class of freshmen Congressmen elected in 1966. We learned the legislative operations of Congress together, and have shared many common experiences during the past 10 years.

While in Congress, Ed has become known for his work in the field of education. He has done an excellent job as a member of the Education and Labor Committee, and during the 94th Congress has served as the ranking minority member of the Subcommittee on Post-secondary Education. The extensive experience which he has brought to this task from his years as a teacher and as an expert on educational matters in the Pennsylvania State Legislature has shown in his work on the education legislation which we have considered in this body.

Certainly, the many colleges and other institutions of higher learning which have benefited from the wisdom of Ed's recommendations also are sorry to see him leave. His efforts on behalf of measures such as the Education Amendments of 1976, where a number of his proposals have been adopted, will have a lasting positive effect on these schools. All those involved in education are losing a good friend in Congress with Ed Eshleman's departure.

I wish Ed and his wife and family a happy future, and every opportunity to enjoy the pleasures which he has sacrificed during his work in public life.

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to join in these tributes to my friend and colleague from Pennsylvania, Ed Eshleman, who will be retiring from the House at the end of this Congress. Ed's five terms in the House have culminated a lifelong career in public service and his background and experience have been reflected in his valuable contributions as a Member. Prior to coming to this House, Ed served with distinction in the Pennsylvania legislature as chairman of the Education Committee and as majority and minority whip. As vice chairman of the Pennsylvania Higher Education Assistance Agency from 1964–67, Ed continued to demonstrate his dedication to improving the quality of education for the young people of his State. This background enabled Ed to move to the forefront of the education work of this House with ease and skill as a member of our Education and Labor Committee. As the ranking Republican member of the Subcommittee on Postsecondary Education Ed has made a most valuable contribution to the legislative process as it relates to higher education programs, and his expertise and views have been looked to by all Members, regardless of party. All Members have come to respect Ed for the courage and consistency of his convictions. We will all greatly miss him in the next Congress and we wish him all the best in the years to come.

HON. THOMAS N. DOWNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. Satterfield) is recognized for 60 minutes.

Mr. SATTERFIELD. Mr. Speaker, it is with a deep feeling of regret that I recognize the retirement from Congress of a close friend and an outstanding legislator, the distinguished dean of the Virginia delegation, Thomas N. Downing. Tom, who came to the House in 1959, has served with distinction not only the people of the First Congressional District of Virginia but all the people of our great country.

A native of the tidewater area of Virginia, he is acutely aware of the significance of the oceans of the world and eminently qualified for his outstanding service on the Committee on Merchant Marine and Fisheries. In his position of eminence on that committee he has worked diligently in perfecting significant legislation and has been a strong advocate of building an improved U.S. Merchant Marine Service. In the process he has emerged a world leader in maritime affairs.

Tom has been a leading force in Congress in seeking the preservation of natural areas of our Nation so that future generations might enjoy them in their natural state. In this regard his achievements with regard to the preservation of Assateague Island and the creation of the Assateague National Seashore and in the creation of the Great Dismal Swamp National Wildlife Refuge have earned for him a cherished place in the hearts and minds of future generations.

Seldom has any congressional district received more dedicated service than that rendered by Tom Downing. He has maintained close contact with his constituents by maintaining an "open door" policy to discuss a constituent's problem whenever possible. Although his district is relatively near our Nation's Capital, the full measure of his availability is reflected in the fact he has traveled each year between it and Washington, a distance equivalent to circling the globe.

Tom Downing's value to his constituents and to the House of Representatives has been enhanced by his openness, his dedication to principle, his commitment to purpose and above all, his humanity. No problem has been too small and no objective too large to receive his untiring and dedicated attention.

We are saddened by his decision to leave the House for a new career. He will be missed by his constituents and he will be missed by his colleagues. His memory as a Representative will endure, however, as an inspiration for those of us who remain in the House of Representatives, to serve people of this Nation to the fullest extent of our capability.

I am sure all of my colleagues join me in saluting Tom Downing and, in the words of the mariner, to wish him fair winds and following seas in the years ahead.

Mr. WAMPLER. Mr. Speaker, one of the finest Members of Congress to ever represent the Commonwealth of Virginia is retiring from the Congress this year with a distinguished record of service.

The Honorable Thomas N. Downing, from the First Congressional District of Virginia, has dedicated his time, beginning with the 86th Congress, to serving his constituents, his State and his Nation in the best possible manner. A true "Virginia gentleman," Tom has been a most effective representative for the people, and well deserves the respect his colleagues have for him.

It has been a great pleasure for me to know Tom and serve with him in the Congress. As he retires, the Virginia delegation and the Congress as a whole will greatly miss his diplomatic and effective leadership. I join my colleagues in the Virginia delegation in wishing Tom the very best of health and happiness in the coming years.

Mr. DAN DANIEL. Mr. Speaker, at the close of this session, we will be losing, by retirement, a number of valuable Members of this body.

Those of us who have served with Tom Downing look upon his leaving with mixed emotions. We realize that in leaving, Tom will not retire from life but only from the Congress. His energies and abilities will be directed to other worthwhile pursuits. We join in wishing him well in whatever he undertakes.

On the other hand, his departure from this body will leave a void for many of us who have known and worked with him for so long. Tom has contributed immeasurably to important legislation before the Congress in the 18 years he has served. His contributions on the Merchant Marine and Fisheries Committee have been considerable as has his important service on the House Science and Technology Committee.

The country would be well served if there were more legislators of Tom's ability and sensitivity. He is at one and the same time conscious of the needs of the Nation and its people and of the limitations on our ability to do everything for everybody. His sense of priorities are sound and his dedication to his task will be memorable to all those who come after him.

Tom has served the people of the First Congressional District with distinction and honor. He is a valued personal friend. I shall greatly miss his wise advice and counsel.

Mr. ROBINSON. Mr. Speaker, I rise to add my few words of respect and affection for the distinguished dean of our Virginia delegation, Mr. Downing, and of regret at the knowledge that, by his own decision, he will not be among those of us who may be privileged to serve Virginia in the 95th Congress, subject to the will of its people on November 2.

Tom Downing is a member of a family in which public service is a well-established tradition, and he has honored that tradition nobly through nine terms in this House. As a senior member of the Committees on Merchant Marine and Fisheries and on Science and Technology, his service has been conscientious, his judgment highly valued and his legislative accomplishments many and substantial.

The Virginia delegation has a history of cooperative effort in which party lines often are forgotten, and I recognized this quickly on entering the House as a freshman member in the 92d Congress. Tom Downing proffered his friendship, counsel and assistance promptly, and this continues to be a grateful memory for me.

In the departure of our colleague for what I am certain will be a very active retirement from elective office, this House will lose a premier expert on the problems of the Nation's maritime commerce and its commercial fisheries industry. He leaves at a time when we can ill-afford to lose, as well, his contributions to the further legislative decisions which must be made in regard to the evaluation, development, and proper management of the resources of our Continental Shelf.

Tom Downing has served diligently the people of the First Congressional District of Virginia, and his service has redounded to the benefit of the entire Commonwealth, and of the Nation.

I do not enjoy this realization that our colleague has opted for the "former member" designation, but I understand and respect the deep consideration which he gave to his decision. My wish is that he may enjoy new interests, and that good health and contentment may attend him and his lovely wife, Virginia.

Mr. WHITEHURST. Mr. Speaker, permit me to take this opportunity to join my Virginia colleagues in saying farewell to the worthy Representative of the First District, Tom Downing. In my 8 years in the House, I have had the good fortune to have Tom as my neighbor. Although we are in different parties, never once has there been any partisan manifestation on his part in our relationship. We share the great harbor of Hampton Roads, and I know of no one with whom I could have worked more harmoniously in our common interests.

As a member of the Armed Services Committee, I know of Tom's devotion to our Navy. The great Newport News Shipbuilding & Drydock Co., which has sent so many splendid vessels to sea, including all of our nuclear carriers, is in Tom's district. His activity in promoting the defense of our Nation marks him as an exemplary patriot.

Tom's labors on behalf of his people are underscored by the near-token opposition he characteristally got at election time, and the huge margins when the ballots weer counted, and yet he never took his district for granted. I have been with him on public occasions, and he always took the time to listen to a constituent's plea for help. His has been a matchless record of stewardship. In the uncertain world of politics, the surety of his presence in the House of Representatives was comforting, and his leaving fills us with mixed feelings. The First District of Virginia and the Nation will be the poorer, but his long and dedicated service has earned him a time of reflection and peace.

My wife joins me in extending to him and Virginia the very best wishes for a long, healthy, happy, and productive retirement.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, as most Members who have served in this Congress for more than two or three terms will realize, the Virginia delegation has, for the most part, been a very close-knit one. It is a source of sadness to us when one who has served so long and so faithfully decides that it is time for him to quit. Tom Downing, my friend, whose district is separated from mine by the James River, has served his country well since his election to office almost twenty years ago.

He has been a faithful servant to the people of his district and they will miss his willingness to serve them, a willingness which made him available to them and on call just about 24 hours a day.

We will remember him for his service and for his stewardship to the business of the House. I shall never forget his helpfulness to me when I first joined this body. We will all remember him for his personality and his friendliness.

I join my colleagues in expressing my appreciation for his friendship and extending our very best wishes for some much needed rest and continued success in his future endeavors.

Mr. BUTLER. Mr. Speaker, I am pleased to join my colleagues today in paying tribute to my friend and respected colleague, Thomas Downing. He has served his district, his State, and his Nation with great ability and integrity during the past 18 years, and I was extremely sorry to hear of his decision to retire from this House.

Tom Downing's accomplishments in this body are too numerous to begin to list here, and I will content myself with mentioning his interest and contributions in preserving a strong American Merchant Marine fleet and his active involvement in the space program. In addition, as dean of the Virginia congressional delegation, he has consistently sought and achieved joint action by Members of the delegation to deal with problems affecting the entire State.

The esteem in which Tom Downing is held by this body is best illustrated by the decision of the Speaker to name him chairman of the new Select Committee on Assassinations, despite his upcoming retirement. The action of this House reopening the investigations into the assassinations of President Kennedy and Dr. King was prompted in large part, I believe, by the knowledge that a person of Tom Downing's ability and integrity would be presiding over the initial phase of the investigation. At the same time, his decision to accept the chairmanship, at a time when most retiring Members would be looking forward to some well-deserved relaxation, speaks more of his dedication to the national interest than any words we may utter here today.

Tom was extremely active in civic affairs prior to his election to the Congress, and I am sure the loss his retirement brings to this House will be compensated for by the renewed efforts he will make to serve his community at the local level. This is not to say that he has earned total retirement, but somehow I cannot conceive of Tom Downing not being involved in some effort to serve his friends and improve his community.

I join my colleagues in wishing him a happy retirement.

Mr. FISHER. Mr. Speaker, I am honored and altogether pleased to give tribute to our esteemed colleague, Congressman Thomas N. Downing, the dean of our Virginia delegation, who will be retiring from Congress soon. Tom is what they call around here, a classy guy. I take it this means essentially an honest, effective, cooperative colleague, full of wisdom, good humor and commonsense.

Certainly Tom has been most generous to me as a new Virginia Congressman whenever I have gone to him for reactions or advice. We shall all miss him very much. I do want to wish Tom Downing the vest best in whatever he undertakes in the future.

Mr. FINDLEY. Mr. Speaker, the retirement of my friend and colleague, Tom Downing of Virginia, will leave a big gap in the House of Representatives. Although I have known Tom ever since I came to Congress 16 years ago, in the past few years we have literally been quite close. Not only have I considered Tom a good friend, but I have been fortunate in having my office located just across the hall from his. His calm Southern manner and quiet demeanor have lent an air of thoughtfulness and judiciousness to the Congress. His wisdom and perseverance have been a constant source of inspiration to me. I will miss Tom Downing, and I know all of his friends will too.

Mr. DELANEY. Mr. Speaker, when a Member takes the oath of office, he solemnly swears to "support and defend the Constitution" and to "well and faithfully discharge" the duties of his office. No one has fulfilled these duties with greater devotion, with a greater sense of commitment, than my friend and colleague dean Thomas N. Downing of the Virginia delegation. It has been both an honor and a pleasure serving with him over the past 18 years.

With his extremely influential chairmanship of the Merchant Marine Subcommittee and in his position on the Oceanography and Panama Canal Subcommittees, Congressman Downing has played a vital role in shaping our legislation. His service on the Subcommittees on Energy Research and on Space Science has done much to safeguard the interests of our Nation.

Representative Downing is also a member of the Board of Visitors of the Merchant Marine Academy in our own State of New York and has demonstrated his public spirit in numerous civic, social, and military organizations.

Slainte, Tom! You will be missed—May the roads rise to meet you and the wind be at your back.

Mr. KARTH. Mr. Speaker, I have observed today that the well-known congressional "class of 1958" appears to be graduating more and more of its members into alumni status.

They will be missed because the "class of 1958" was generally acknowledged to be one of the most talented and promising groups to come to Congress in the postwar years. As a member of that "class" I take pride in its idealism, its dedication and its accomplishments. Much of what is often called progressive and far-sighted legislation which we have placed on the books during the past 18 years have been enacted either as the result of authorship or shepherding by members of the "class of 1958."

Our highly esteemed colleague, Tom Downing, has been one of the most effective members of that "class" who, with others including me, will join the ranks of the alumni at the conclusion of the 94th Congress.

Along with other members of the House Committee on Science and Astronautics I came to know Tom Downing well, to admire his wide knowledge and versatility, and to value greatly his unique problem-solving capabilities. Equally important, Mr. Speaker, we came to develop close friendships with Tom Downing and to value him as an associate and social companion. Tom has always been a Virginia gentleman and statesman in the traditional meaning of those terms.

Tom, during his nine terms in Congress, has served the people of his district, his State and the Nation with dedicated labor and intellectual distinction. The legislative benefits of his work and leadership will endure and give strength to our country.

All Members of this 94th Congress, and especially all members of the "class of 1958," extend to Tom Downing their thanks, affection and hopes that as an alumnus he will enjoy an active, successful and happy life.

Mr. ROGERS. Mr. Speaker, I am most pleased to join my colleagues in honoring the gentleman from Virginia (Tom Downing) who has announced his departure from this body.

Virginia will lose a great legislator, and we will all lose a good friend.

I have served many years with Tom, and our paths have crossed most frequently in the House Merchant Marine and Fisheries Committee, where Tom chairs the Subcommittee on Merchant Marine. In his work as chairman, Tom has consistently demonstrated his commitment to rebuilding a strong merchant marine for this country's national security. In his presence on the full committee, I as well as the other members of the committee have benefited from Tom's sound advice and quiet humor.

I wish Tom a most enjoyable, and certainly well-earned retirement, and success in all his future endeavors. He will be sorely missed here, by all of us on both sides of the aisle.

Mr. HEBERT. Mr. Speaker, I want to bid farewell to a good friend and a great Congressman, Thomas N. Downing.

His record of accomplishments in the House is a long one, and he will be sorely missed. Men of his ability and foresight are a rare commodity today, and his experience is something this country needs right now.

But the end must come for all of us, and Tom has certainly earned a rest. I feel privileged to have served with him and I am proud to call him my friend.

I wish him all the best in his retirement.

Mrs. SULLIVAN. Mr. Speaker, during the many years Tom Downing and I have served together on the House Committee on Merchant Marine and Fisheries, and particularly during the 4 years I have served as chairman and he has served as chairman of the Subcommittee on the Merchant Marine, I have found him to be one of the most conscientious and effective members of the committee in working for the advancement of American flag shipping.

In expending prodigious efforts on this

issue, he has been working not only for the benefit of the people of the First Congressional District of Virginia but for the entire country and for our overall economic development.

We have always been able to count on Tom Downing to participate in the unglamorous but highly important day-to-day work of the committee and, believe me, that is a burden because all of us on Merchant Marine also serve on at least one other committee of the House and the demands upon our time are extremely heavy.

An able lawyer who can understand the complexities of legislation and provide valuable guidance to those of us who are not lawyers, Tom Downing leaves the House with the respect of everyone with whom he has served during any part of the past 18 years in which he has represented his constituents with fidelity and integrity. I have been privileged to form many lasting friendships during my 24 years in the House, and I regard Tom as one of the friends I value most. A visit to his district has always been an unusual treat for he has gone out of his way to be hospitable and helpful. I hope there will be many occasions in the future when I shall have the opportunity to talk to Tom and share our many mutual interests.

He has been a real credit to the Congress of the United States.

Mr. JONES of Alabama. Mr. Speaker, along with all Members of the House, I am certainly going to miss my friend, Tom Downing. I have had the pleasure of being closely associated with him on the Merchant Marine and Fisheries Committee and certainly want to commend him on the contribution he made to that committee.

We had much in common, inasmuch as his district in Virginia adjoins my district in North Carolina which gave us many mutual problems to share. I have always found him to be pleasant and agreeable and a joy to be in his presence.

I wish for him and his family many years of happiness and health, and may I close by saying, Tom, you will be missed.

Mr. MURPHY of New York. Mr. Speaker, far too many good men have decided to bring their congressional careers to an end this year. Among those who will be sorely missed is Tom Downing of Virginia. He is a remarkable man, with a considerable piece of American history under his belt. He is a Virginia gentleman who served with General Patton's Third U.S. Army in Europe, where Tom commanded the first troops in the 3rd Army to invade Germany.

Apart from being a military man, he is a lawyer. But more than that, he is a legislator. Not "just a Congressman," but a man who understands the legislative process, and has made more significant contributions to the betterment of this Nation through that process than most of us can hope to match in a similar term of service. Seventeen years in the House of Representatives is a long time, and few in the history of this body have served it so well.

His chairmanship of the Merchant Marine Subcommittee, on which I have been pleased to served with him, has fought a continuing battle to better the lot of the American Merchant Marine. He has made impressive inroads into every fiield of legislation he has ventured, including chairmanships of Oceanography Subcommittee, Panama Canal Subcommittee, and energy and fuel subcommittees of the Science and Technology Committee.

Few Members of Congress have such a record of quiet, but strong, leadership. Yet another irreplaceable colleague leaves these halls, one who will be most difficult to replace.

Mr. HENDERSON. Mr. Speaker, during my entire career in the Congress, I have had the privilege of knowing Tom Downing both as a colleague and friend. Having worked with Tom many times over the last 16 years, I have always felt that it is the caliber of service rendered by men and women like Tom Downing that marks the highest and best in the traditions of public service. His contributions in each of his nine terms in the House of Representatives have been of great significance, not only to his native Virginia, but to our Nation as well.

Many years ago, I had the opportunity of visiting in the home of Tom and Virginia Downing, who are such warm and wonderful people, that surely more charming and gracious hosts are not to be found.

As we reach the end of our time together in the House, I wish only to extend to both Tom and Virginia my most sincere wishes for the best that life has to offer.

Mr. LENT. Mr. Speaker, we in the House of Representatives have had the honor to know and serve with a man of keen mind, able leadership, and tireless devotion to duty, our friend and colleague, Thomas Downing.

Tom Downing's efforts in behalf of the U.S. fisherman, and space technology; his work on and effective chairmanship of many committees; and his influence toward the passage of much significant legislation, will insure his place in history as a man who was an effective legislator, of high integrity, and a man who served his people and his country with unfailing dedication.

We are saying goodbye to a man with whom it has been a privilege to serve, and whose leadership will be sorely missed.

Mr. BEVILL. Mr. Speaker, I wish to pay tribute today to the dean of the Virginia delegation, Hon. Thomas N. Downing, who will be retiring from Congress at the end of this session.

Tom was elected to the 86th Congress on November 4, 1958; and reelected to each succeeding Congress thereafter, as a true representative of the people of the First District of Virginia.

As chairman of the Merchant Marine Subcommittee and as member of the Oceanography and Panama Canal Subcommittee of the Merchant Marine and Fisheries Committee, Tom has worked diligently in this field of endeavor.

The distinguished gentleman from Virginia also served on the Science and Technology Committee in the capacity of member on the Subcommittees on Energy Research, Development, and Demonstration; Space Science and Applications.

I want to wish my fine colleague the best of luck in all his future endeavors, and know that his hard work and knowledge shall be missed by the Congress.

Mr. ST GERMAIN. Mr. Speaker, to say that Tom Downing will be missed in the Congress is to vastly understate the case.

Others will praise his leadership, his legislative skills, which are considerable; his distinguished service to the First district of Virginia and his unending concern for all the citizens of our country, but I wish to mention a more personal aspect of Tom Downing's character.

In 1971, at the beginning of the 92d Congress, I moved my office from the Longworth House Office Building to my present quarters in the Rayburn Building. The complexities and chaos of such a move are overwhelming at best, and normally sunny dispositions wilt like a flower were it not for the help extended by our next door neighbor in Washington. Flagging spirits were lifted immeasurably by the gracious welcome extended by our next-door neighbor in Rayburn's marble halls, Tom Downing.

He has proven to be a good neighbor, indeed, and has no peer in that department. Time after time my staff and I have been the recipients of Tom's genial hospitality. As the man at the top sets the tone for each office, the pretty ladies and stalwart gentlemen of Tom's staff have ever reflected his affability, helpfulness, and good humor.

To me, and to my staff, who have come to know him so well , Tom Downing personifies all the fine, noble qualities that the catch-phrase "Southern Gentleman" implies. His charm is one of unfailing courtesy, with never a touch of condescension; and a warm, genuine interest in everyone he meets.

Beneath his elegant, fashionable exterior beats the heart of a fighter, a knight of high principle. We, his colleagues, who have witnessed his long battle to reopen the Kennedy assassination inquiry can bear witness to his tenacity in the quest for justice.

We will all miss Tom Downing in the Congress, but I will particularly miss him as my good neighbor. Hopefully, we will have the opportunity to see him in Washington in the future, as his home is not so very far from the District of Columbia. With Tom, as he leaves his career in the Congress, go my heartfelt good wishes for future happiness, and the genuine hope that our friendship may continue to flourish.

Mr. EVINS of Tennessee. Mr. Speaker, I am pleased to join with my colleagues in paying a brief but sincere tribute to my esteemed friend, Thomas N. Downing of Virginia, as he prepares to take leave of absence after 18 years of service in the Congress.

Tom Downing is a true Southern gentleman whose presence in these halls surely will be missed.

Tom has served with distinction on the Merchant Marine and Fisheries Committee, where he has made a valuable contribution in shaping policies to strengthen American shipping in world commerce and to protect our coastal environment. He has worked diligently and served well his people and the Nation as a statesman. He is both a great and good man—a man of honor, dignity, and integrity.

I know that Tom Downing's retirement will be a loss to his district, the State of Virginia, the Congress, and the Nation. I wish Tom good health, happiness, and success in his future endeavors.

Mr. BURLESON of Texas. Mr. Speaker, I take this opportunity to extend my congratulations and warm good wishes to the Honorable Thomas N. Downing as he prepares to leave Congress after having faithfully served his district and his Nation.

It has been a real pleasure to know Tom over the years he has been in Congress and my good wishes go with him in retirement. He will have other pursuits, of course, and I wish him every continued success in whatever effort he may become involved. He has served the Nation and the First District of Virginia well during these years in Congress and he can be proud of his many accomplishments.

Mr. SLACK. Mr. Speaker, one of the good memories of House of Representatives membership is the recollection of serving in Congress with those who not only have outstanding ability, but also develop into warm personal friends.

Such will be my memory of Tom Downing of Virginia, who is retiring at the end of this session. Tom Downing entered Congress by first taking the oath of office on the same day I did in January 1959. He made friends from his very first day, combining that typical Virginia courtesy with a shrewd ability to analyze problems of the day and arrive at an accurate appraisal of just where the public interest might lie.

He has served his constituency and his country with the highest dedication and distinction. Through military service in World War II and a public service career at home and in Washington, he has earned the confidence and trust of those who measure quality by integrity.

His retirement is well earned, but I mark his departure with some sadness, because he has been one of those pillars of strength around whom the forces of moderation could rally in times of heated controversy. We shall miss his presence but not forget him, and I wish him every prospect for happiness and good health in the coming years.

Mr. SNYDER. Mr. Speaker, I would like to add my voice to those who today are paying tribute to our distinguished colleague, the Honorable Thomas N. Downing of Virginia.

I have had the honor of working closely with Mr. Downing in the Merchant Marine and Fisheries Committee and I have benefited greatly from his experience and counsel many times. What is more, I can truly say that I have thoroughly enjoyed my acquaintance with Mr. Downing and have developed a great deal of respect for this Virginia gentleman.

I am sorry that he has decided to step down—we will miss his presence sorely—but I do hope that he will remember these as happy days; days well spent in the service of his constituents and his country.

Many aspire to greatness, but few achieve it and fewer yet wear it so well as has Tom Downing. His contribution of 18 years of devoted leadership and faithful representation for his constituents should serve as an example we would do well to emulate.

My best wishes, high regards, and friendship go with Mr. Downing.

Mr. PREYER. Mr. Speaker, a fine southern novelist, Walker Percy has titled one of his novels, "The Last Gentleman." The title comes to mind when we think of Tom Downing's retirement from Congress.

Tom is not the last gentleman in Congress, but there are not many of his kind of gentleman left, in or out of Congress. He belongs to the Robert E. Lee school of sociology, not the counterculture. We are realizing, more and more, what a solid school it is. Tom has its strong sense of "noblesse oblige," the idea that it is his duty to serve, his obligation as a citizen to do his part. He has its courtesy and civility, which does not have anything snobbish about it but which means you treat all people, high and low, the same way—with respect.

He has its sense of honor. Tom's word has always been his bond. He has never done anything in the least tricky or taken parliamentary advantage of one of his colleagues. In all his years in Congress his integrity has never been questioned, he has never been touched by any breath of scandal.

The House is losing some special qualities when it loses Tom Downing.

We shall miss this honorable man.

Mr. PERKINS. Mr. Speaker, Tom Downing's decision to retire after 18 years of able and distinguished service in the House is regretted by the host of friends he has made here.

We can all understand his wanting to spend more time in that beautiful Tidewater Virginia area from which he came, and which he has represented so creditably here in the House.

But the departure of so amiable and companionable a friend is not among the things to be looked forward to.

In my own role as chairman of the Committee on Education and Labor, I have known Tom Downing to be a good friend to education, and to the men and women of this country who work for a living.

In many instances, I have relied upon his advice and counsel, and indeed his help in getting legislation passed on this floor. He has always been a shrewd judge of the temper and sentiment of the House, and the knowledge which he shared with me has been invariably helpful.

I wish him well as he ends a distinguished congressional career, and congratulate his neighbors of Newport News upon his decision to rejoin them on a full-time basis.

Mr. FUQUA. Mr. Speaker, when the 94th Congress adjourns, the distinguished congressional career of a dear and personal friend and valued colleague, Thomas N. Downing, will draw to a close.

Tom's retirement is especially significant to me for I will greatly miss his exceptional ability and expertise as a fellow member of the Science and Technology Committee.

Tom has earned the respect of the Members of this House from both sides of the aisle for his fairness. He has served the people of Virginia's First District with continued vigor and distinction.

An unswerving dedication to the responsibilities of his office has marked Tom's 18 eventful years in the House. As chairman of the important Merchant Marine Subcommittee, he has earned a solid reputation as an articulate spokesman for our Nation's maritime operations.

The void left by such a devoted and dedicated public servant will not be easy to fill.

As dean of the Virginia delegation, Tom has used his position not only for the betterment of his own State but indeed the constituents of every Member have benefited from Tom's outstanding leadership and service to the Nation.

The Congress and the Nation are losing a strong and effective legislator. His friends in the House are losing the companionship of a fine gentleman. We will miss him.

Mr. WHITTEN. Mr. Speaker, it has been a distinct privilege to serve with my friend, Tom Downing of Virginia, all of the years he has been here, and I know of no finer Member to serve from the Commonwealth of Virginia which has sent many excellently qualified and dedicated Members to this body.

Tom's legislative contributions are too numerous to list, and they go beyond what he has done for his district and State, for many affect our national and international interests. For example, none of us here in the House will ever think of such legislation as the 200-mile limit bill, the deep-sea-bed mining bill, the implementation of the Ocean-Dumping Convention, and the Deep Water Port Act without associating such with Tom's superb efforts. His thoroughness in promoting these measures among his colleagues included his patient explaining of how they protect our oceans and their resources for the generations to come, as well as provide us in some instances with vital mineral resources, such as manganese modules which previously were being imported from other countries. Virginia's tidewater area has lost a valuable friend, but so has the seafood industry everywhere; in fact, everyone who enjoys shellfish should be made aware that Tom Downing has made such delicacies safer and more plentiful for all of us.

Though I do not serve on the same committees with Tom, we have shared many of the same views on issues through the years, and I have profited from his counsel continuously. It is with sincere regret that we come to his retirement from Congress. Like all those who retire, they seem to be the ones we can least afford to lose. Certainly, this is true in the case of Thomas N. Downing.

I truly hate to see you go, Tom; our relationship has been so close through the years, but I wish you and yours many, many happy and leisurely enjoyable years; you have earned this freedom, but your friends here indeed hope you will be back among us very frequently.

Mr. EILBERG. Mr. Speaker, Tom Downing is retiring from the House after 16 years of distinguished service to his constituents and the Nation.

His interests in scientific research made him a national leader of the space effort and the rapidly growing field of oceanography and development of the resources on the ocean floor.

Additionally, his concern for the preservation of the Nation's wildlife areas led to the establishment of the Assateague Island National Seashore and the Dismal Swamp National Wildlife Refuge.

Finally, Tom Downing is a man who once he begins a project always sees it through to the end. He had his doubts about the findings of the Warren Commission on the assassination of President Kennedy. For this reason he continued his own investigation into this matter and worked with others who also found unanswered questions. Now, as his last official act as a Congressman he will head up the congressional investigation of the assassination.

Tom Downing's record is one he can be proud of, and I feel privileged to have been able to serve with him in the House of Representatives.

Mr. de la GARZA. Mr. Speaker, with the retirement of the Honorable Thomas Downing of Virginia, another outstanding and diligent Member is lost to the House. For 18 years he has given dedicated service here to his own constituents and to Americans generally. It is a sorrow to see him go from among us.

I have had the opportunity of seeing Tom Downing at work from a closeup point of view. It is my privilege to serve with him on the House Committee on Merchant Marine and Fisheries, where he has been a tower of strength with respect to measures that often affected my own part of the country. He has also served with distinction on the important Committee on Science and Technology.

Tom Downing is a Virginian through and through, upholding every day the Old Dominion traditions of honor and integrity and courtesy. The House will be diminished by his going. I personally feel a keen sense of loss and with my colleagues I wish the best of everything for him in his retirement.

Mr. GOLDWATER. Mr. Speaker, it has been my great pleasure to serve with the distinguished gentleman from Virginia, Tom Downing, on the Science and Technology Committee. He is the epitome of a southern gentleman—courteous, understanding, and above all, fair, in his dealings with fellow colleagues.

He has ably represented a congressional district rich in history and culture. The Tidewater Area of Virginia is synonymous with the early growth and development of America, and I know of no man who has a greater appreciation and understanding of our democracy and democratic institutions than Tom Downing.

He served this Nation with great valor in World War II, a characteristic of Virginians, who have produced some of this Nation's greatest military leaders. He has enjoyed a distinguished career as attorney, judge, and Member of Congress.

His retirement is well deserved, but if I know Tom Downing, he will be more active now than ever in helping his community, State, and Nation. We will miss Tom Downing. We will miss his counsel, wisdom, patience, and good humor. But above all, we will miss his fellowship. Good luck and many years of continued success to Tom Downing.

Mr. O'NEILL. Mr. Speaker, I welcome the opportunity to join my colleagues in paying tribute to Congressman Tom Downing of Virginia on the occasion of his retirement.

Tom Downing came to the House of Representatives in 1958, and for nearly the last two decades has served his constituents with distinction and great devotion to duty. He is one of the most decent and honorable public servants I have ever known. Tom Downing is a real southern gentleman in the finest way.

A compassionate and warm person who always had a good word to say about everyone is how Tom will be remembered by his colleagues and friends who have had the pleasure of working with him over the last 18 years. His work as a ranking member of the Merchant Marine and Fisheries Committee and chairmanship of its important Subcommittee on the Merchant Marine, as well as his important contribution to the Science and Technology Committee, serve as a testament to his notable legislative achievements.

Tom Downing's dedication, friendly manner, willingness to help out another Member, and conscientious service to the needs and interests of his constituents made him one of the truly outstanding Members of the House.

I wish Tom Downing the best of health and happiness in the years ahead.

Mr. ROYBAL. Mr. Speaker, as the 94th Congress draws to a close, I would like to join my colleagues in paying a well-deserved tribute to Thomas N. Downing, who will be leaving the House of Representatives after 18 years of exemplary service. The people of Virginia's First Congressional District have shown their appreciation for Tom's fine work by repeatedly returning him to the House by overwhelming margins of victory.

As chairman of the Merchant Marine Subcommittee, Tom has ably represented the needs of his Atlantic seaboard district—headquarters of the Atlantic Fleet. Also located in Virginia's First District is NASA's Langley Research Center whose interests were heard during Tom's years as chairman of the NASA Oversight Subcommittee. He has served with dedication and distinction over the years and will be remembered for his outstanding work on both the Merchant Marine and Fisheries, and the Science and Technology Committees.

It is a pleasure to add my words of praise for this distinguished Member of Congress who has so faithfully served his constituency and the Nation. And I want to take this opportunity to extend my best wishes to Tom for a long and enjoyable retirement—filled with good health and happiness.

Mr. CEDERBERG. Mr. Speaker, a southern gentleman in every sense of the word, Tom Downing, when he retires at the end of this Congress, will be leaving a great many friends behind. Widely respected, he went out of his way to help everyone.

His 18 years in the House are filled with accomplishment and success. These achivements were no surprise. Tom constantly demonstrated a unique flexibility and determination that fostered these results. He had an unlimited capacity for work and never allowed his own personal needs to interfere with the requirements of his constituents or his job.

As dean of the Virginia delegation, his special leadership talents were evident, as they were in his capacity as chairman of the Merchant Marine Subcommittee. Never to flinch from an undertaking, he led the way in many legislative and political initiatives. His contributions were many and his advice was valued. Tom's shoes will indeed be hard to fill.

I wish Tom the best of luck in the future. May he visit us frequently and honor us with his presence. He can always count a welcome handshake and smile. For Tom was one of those unique Congressmen who went beyond the call of duty and indeed deserves our unanimous thanks for a job well done.

Mr. TREEN. Mr. Speaker, I want to join my colleagues today in wishing Thomas N. Downing of Virginia a long and well deserved retirement.

I have served with Tom Downing for the past 4 years on the Merchant Marine and Fisheries Committee and I had the opportunity to observe on a close, first-hand basis the dedication and determination that he brought to his congressional duties.

As chairman of the Merchant Marine Subcommittee, Tom Downing sought to build and strengthen this Nation's merchant marine fleet. To a large extent, Tom Downing's work has prevented a further slippage in the number of our flag carriers.

Tom Downing is an independent man who, as the representative of Virginia's Tidewater area, spoke and voted according to his conscience, not according to the dictates of any President or party. This independence must have been appreciated by his constituents because they have sent him back here for a total of 18 years.

Others in this body are far better qualified than I to speak eloquently of Tom Downing's accomplishments in office. Suffice it to say that I consider him to be a good, sincere, dedicated, and hard-working American, and an excellent Congressman.

I enjoyed working with him and I am sorry to see him leave.

Mr. BROYHILL. Mr. Speaker, during the 14 years I have been a Member of the House of Representatives, I have had the privilege of serving with Tom Downing and I can attest to his personal dedication to duties in the Congress. He has always felt a keen responsibility to serve the best interests of the people who elected him and he has done this most effectively.

I will miss Tom and I am sorry to see him retire. However, my best wishes are with him for a well-earned vacation and days filled with happiness.

Mr. ADDABBO. Mr. Speaker, I take this opportunity to join my colleagues in honoring Congressman Thomas N. Downing on his retirement at the close of this Congress—the 94th.

Congressman Downing joined our midst in the 86th Congress and served with honor and distinction for each and every succeeding session. He has had a dedicated and noteworthy service.

His experience, know-how, and knowledge proved to be an extreme asset to our Nation and this body.

His counsel and expertise was an aid to me and other Members in their congressional duties.

I wish him, his wife, and family long life and a successful and well earned retirement.

Mr. FORSYTHE. Mr. Speaker, once more we are engaged in the rather sorrowful process of paying tribute to another productive Member of the House who is not going to return to these Halls during the next Congress. Tom Downing has played an important role in Congress since the beginning of the 86th Congress in 1959, his freshman year in this body. We will miss him.

As a fellow member of the Merchant Marine and Fisheries Committee and as chairman of the Merchant Marine Subcommittee, I have always found Tom to be courteous, helpful, and willing to listen, regardless of the problem or request. During his tenure as chairman of the subcommittee, he has taken an active role in shaping the country's maritime policy and has tried to be responsive to the needs of all elements of the maritime community. As a representative of an area with a long and continuing maritime tradition, he has been peculiarly fitted for that role.

Tom Downing is a gentleman and that quality has been evident in his conduct here in the House. At a time when it seems increasingly difficult to get a consensus on any major issue, when individuals often seem intent on pushing their own position at the expense of any position, the House will miss Tom Downing. His ability to work constructively with a wide range of people and yet be fair to all, his ability to accommodate yet provide strong, leadership, above all, his ability to totally dedicate himself to furthering maritime interests of the United States, these are qualities that will be missed.

Mr. Speaker, Tom Downing has served for many years the people of his congressional district, and of his State, of the Nation. It is with deep sadness and appreciation that I join my colleagues in bidding him farewell.

Mr. BIAGGI. Mr. Speaker, it gives me great pleasure to join with my colleagues here today in paying tribute to a man who is not just a Congressman, not just a representative of his district, but a true statesman having dedicated his life to the national interest—that man is my good friend and colleague, the gentleman from Virginia (Mr. Downing).

Tom Downing grew up by the sea in his hometown of Newport News. He knew the importance of a strong Navy and a modern merchant marine fleet. He lived with those ships and trading vessels every day of his life. When he came to Congress in 1958, he naturally joined the Committee on Merchant Marine and Fisheries to not only serve his constituents but to help build the best Merchant Marine fleet for this Nation.

In great part, through his efforts, the Merchant Marine Act of 1970 was passed holding at long last the promise of a new modern merchant fleet—a promise that is taking shape daily.

As chairman of the Merchant Marine Subcommittee in this Congress, he has led a constant battle to preserve and protect this Congress commitment to a vital, active merchant marine. I am sure some of the battles reminded him of the days he spent at the head of a mechanized cavalry unit in World War II following the dust trails left by Gen. George Patton's 3d U.S. Army of which Tom was a most decorated member. He was in the vanguard of the invasion of Germany fighting the tough battles then as he has done throughout his life.

Tom Downing was also a skillful legislator. I can remember many times in committee when I thought all hope for a compromise was lost, Tom Downing would pull something out of his magical bag of tricks that would solve the problem and move the legislation forward.

Mr. Speaker, I join with my colleagues here today and salute our fine friend from Newport News. I know we will continue to have his advice and counsel when needed, albeit at long distance. He has served his country well. He has served his district well. He is a man who can retire from this august body and say quite confidently:

> The Master has blessed me with many talents and I have used them well in accordance with his expectations.

May the Lord bring many future blessings, good health and happiness to this dedicated public servant.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I wish to join my colleagues in paying tribute today to Thomas Downing as he retires from the House of Representatives.

Tom Downing and I entered the Congress together at the beginning of the 86th Congress in 1959. Since that time he has established a record of leadership and dedication which will be missed. His assignments to the Committee on Science and Technology and the Committee on Merchant Marine and Fisheries have been important in the maintenance of our merchant marine and during these years of our exploration in space.

We wish him continued good health and success.

Mr. DERWINSKI. Mr. Speaker, it is a special pleasure for me to join in commending Thomas N. Downing for his leadership in the House over the past 18 years.

Tom and I began our service in the Congress in 1958, and have been good friends for the past 18 years. I respect him as a man of the highest integrity, deeply patriotic and always aware of the principles of fairness and objectivity in his work.

Tom Downing is a capable man, a good legislator, and one who truly serves his constituents in the very best sense of representation.

Representating Newport News, Va., one of the world's leading shipbuilding communities, he has become a leading spokesman for the shipbuilding industry and for the American fisherman. He has also worked to restore the U.S. Merchant Marine to its rightful place on the trade routes. He was instrumental in extending the rights of U.S. fishermen to a 12-mile limit from the previous boundary of 3 miles off the coast.

Tom Downing has also served diligently on the Commitee on Science and Technology, especially in the area of congressional control over Federal space exploration activities. In connection with his chairmanship of the Subcommittee on Oceanography in 1973, he worked on developing the resources on the ocean floor as energy resources.

It is noteworthy that Tom is going out like a lion rather than a lamb in accepting the chairmanship of the House Select Committee on Assassination.

The people of Virginia will certainly miss the outstanding effective representation that Tom Downing has provided during his career in the Congress. We will all miss his wise counsel and his expertise in the fields of space, oceanography, maritime affairs, and fishery.

To Tom and his wife, Virginia, Pat and I extend our very best wishes for a happy and healthy retirement.

Mrs. BURKE of California. Mr. Speaker, on September 21 the House agreed to establish the Select Committee on Assassinations, thereby taking an important step toward resolving the serious questions being raised about the findings regarding the assassinations of President John F. Kennedy and Martin Luther King, Jr. Today I would like to pay tribute to a man who has fought for years to achieve this end—our colleague, Tom Downing.

Throughout his 16 years in the House, Tom has distinguished himself on both the Science and Technology and Merchant Marine Committees, particularly in the development of our last great frontiers, outer space and the oceans. Yet he is a man whose interests range beyond these challenges.

He has felt so strongly the need to serve the ends of justice that, as chairman of the Select Committee, he will spend the remaining months of this year overseeing its work. Tom is to be commended for his willingness to take on such a difficult job at this time. He has already earned his impending retirement through his many legislative contributions over the years. The House will indeed be indebted to Tom Downing for this last vital contribution to its work.

Mr. BRADEMAS. Mr. Speaker, I am particularly pleased to join in the tributes that are today being paid to our distinguished colleague and friend and the dean of the Virginia delegation in Congress, the Honorable Thomas N. Downing.

Tom Downing and I have had adjoining offices in the Rayburn House Office Building for many years now and I have valued—as have members of my staff—the friendly relations between Tom and me and the members of our staffs.

Tom Downing is one of the most conscientious and hard working Members of Congress with whom I have served during my time here and one of the most personable as well.

I regret very much his decision to retire this year from the House of Representatives, but I know that he will take with him warm memories of his own constructive contributions to major legislation and of the friendship of all those who have come to know him.

Mr. DELANEY. Mr. Speaker, when a Member takes the oath of office, he solemnly swears to "support and defend the Constitution" and to "well and faithfully discharge" the duties of his office. No one has fulfilled these duties with greater devotion, with a greater sense of commitment, than my friend and colleague dean, Thomas N. Downing, of the Virginia delegation. It has been both an honor and a pleasure serving with him over the past 18 years.

With his extremely influential chairmanship of the Merchant Marine Subcommittee and in his position on the Oceanography and Panama Canal Subcommittees, Congressman Downing has played a vital role in shaping our legislation. His service on the Subcommittees on Energy Research and on Space Science has done much to safeguard the interests of our Nation.

Representative Downing is also a member of the Board of Visitors of the Merchant Marine Academy in our own State of New York and has demonstrated his public spirit in numerous civic, social, and military organizations.

Slainte, Tom. You will be missed. May the roads rise to meet you and the wind be at your back.

Mr. BENNETT. Mr. Speaker, all of us will greatly miss from the House of Representatives next year, Thomas N. Downing, the able Congressman from Newport News, Va.

He came to Congress by election November 4, 1958, and has served here ever since, bringing with him an outstanding background of many years of the practice of law, in which he served as the president of his Bar Association, and an outstanding military career in which he received the Silver Star for gallantry in action in World War II in France. His qualities of legal expertise and courage have been characteristic of his service here in Congress. He is a man of great native ability and outstanding character. He is the sort of Congressman that people confer with in arriving at their own judgments.

All of us wish him every happiness in his retirement and hope that we will often see him on the floor as a visitor, because his fine personal qualities of friendship will not cease with his retirement from Congress, and we will always welcome him.

Mr. FREY. Mr. Speaker, it is with great sadness that as the 94th Congress comes to a close we are going to lose one of the most valuable Members, Tom Downing, from the First District of Virginia. Tom was elected to the 87th Congress and each succeeding Congress. He has served on the Merchant Marine and Fisheries Committee and on the Science and Technology Committee where I have had the privilege of serving with him since 1968. His energy, his intelligence, his dedication have been an inspiration to all of us. He is a gentleman at all times, not afraid to fight for what he believes in but always willing to listen to another viewpoint.

Tom has served his Nation not just in the Congress, but served with honor in World War II as a combat troop commander with Patton's Third Army and received a Silver Star for gallantry in action in France. He has also been active in the formation of the recent committee to investigate the assassinations of President Kennedy and Martin Luther King. In my opinion, legislation establishing that committee would not have passed the House except for the great respect and admiration that Members on both sides of the aisle hold for Tom Downing. They believe in him and they know that he would never engage in any activity unless he believed strongly in it. We are going to miss him and we want to thank him for the fine service he has performed, not only for the people of his district but for the country. We wish him health and happiness in the years ahead. Good luck and Godspeed.

Mr. FOUNTAIN. Mr. Speaker, the retirement of Tom Downing at the end of this Congress will mean that this House will have lost one of its most valued and respected Members. It has been my pleasure to have known and worked with Tom for the past 18 years.

Tom Downing has long been a dedicated servant of his country. His heroism in the European theater during World War II earned him a Silver Star. More recently, his service in the Congress on the Merchant Marine and Fisheries, and Science and Technology Committees has made him a leader within the House of Representatives.

Tom's presence will be sorely missed next year. And, I will miss a close friend and colleague whose counsel and wisdom I have cherished for many years.

Tom, Christine and I wish all the best to you and Virginia in the many years which lie ahead of you. May you truly be successful in all your future endeavors.

Mr. WHALEN. Mr. Speaker, the closing of the 94th Congress will mark the retirement of the Honorable Thomas N. Downing of Virginia.

Mr. Downing has been a Member of Congress since 1959. During his distinguished career as a U.S. Representative, Congressman Downing has been a member of the Merchant Marine and Fisheries Committee of which he has been chairman of the Merchant Marine Subcommittee. In addition, he has been active on the Science and Technology Committee.

Many of Mr. Downing's contributions have been in the field of conservation. He has been very active in the Assateague Island National Seashore and the Great Dismal Swamp National Wildlife Refuge.

Other areas that he is involved with include the advancement of the American-flag shipping. Congressman Downing is also in charge of the special commission to investigate the assassination of President John F. Kennedy.

After many years of service and various contributions, it is with regret that we bid Thomas Downing farewell. He will be missed by his colleagues in the 95th Congress.

Mr. MONTGOMERY. Mr. Speaker, I am pleased to be able to rise in tribute to the dean of the Virginia delegation, my good friend, Tom Downing, who will be retiring at the end of the 94th Congress. For 18 fruitful and dedicated years, Tom has served his constituents, his State, and his Nation well.

Tom is one of the more conscientious Members of the House who has always taken his duties and responsibilities seriously. He has always done an outstanding job of staying on top of legislation in order to give effective representation to the people of Virginia.

It is always a sad occasion to learn that one of the dedicated Members of the House has decided to retire. This is especially true for me in the case of Tom Downing, because not only is he a respected colleague, but he is also a close, personal friend whose advice I have often sought.

Mr. Speaker, I commend Tom for his distinguished career in the Congress and wish him the very best in the years ahead.

Mr. ROSTENKOWSKI. Mr. Speaker, as the 94th Congress draws to a close, I am proud to say that I have served with a man as capable as Tom Downing. Tom has effectively chaired the Merchant Marine Subcommittee of the House Committee on Merchant Marine and Fisheries. He has served with distinction during a period when the volume of legislation and the responsibilities of his subcommittee have largely expanded. Tom has also been the driving force behind the creation of the Select Committee on Assassinations. In his 18 years on the Hill, Tom has been an active Congressman.

I know he will be sorely missed on the Hill. The people of the First District of Virginia and the entire State will long remember Tom Downing. To Tom and his wife, Virginia, I extend my heartiest wishes for many years of enjoyable retirement.

Mr. WAGGONNER. Mr. Speaker, if there is anyone who is truly the Virginia gentleman, it is the honored and respected dean of the Virginia delegation, Thomas N. Downing. He represents to me all the qualities that are associated with that distinction.

I am proud to add my words of fond farewell to those of Tom's many other friends and colleagues. It is distressing to realize that the next Congress will not have Tom Downing as a Member. His wise and thoughtful counsel will be missed.

The cause of constitutional government and the free enterprise system will lose a strong supporter in this House when we lose Tom. He has also been a staunch defender of the military against budget-cutting assaults and other attempts to weaken our strong national defense. As chairman of the Merchant Marine Subcommittee, Tom has been a driving force in trying to restore U.S. shipping to the position it rightfully commands in the world market.

Several years ago I was fortunate enough to have been invited to speak in Tom's district in the Tidewater country of Virginia. The reception and treatment I was given by those grand people was something that I will long remember. The hospitality and courteousness of these wonderful people are matched only by those qualities in their distinguished Representative. It is an experience worth noting in this day and age to find a through-and-through gentleman who is also a man of great personal integrity and courage. Without question Tom Downing is such a man.

Tom has his own personal reasons for leaving Congress. I wish that he could be persuaded to stay, because we need him and the country needs him. He brings to Congress the qualities of leadership that are in short supply today. He is respected, admired, and listened to.

I will personally cherish and long remember the warm friendship and close association we have had over the years. At the close of a brilliant and illustrious career, Tom, I want you to know that my heartfelt best wishes and personal regards go out to you.

Mr. STOKES. Mr. Speaker, the Congress is losing one of its most effective leaders, in the retirement of Thomas N. Downing.

It has been my pleasure to serve with him over the past several years, and to observe his admirable qualities both as a wise and able legislator and as a man of character. I have been even more pleased to serve with him on the Select Committee on Assassinations, a committee which he heads with distinction.

Tom Downing's leadership and many contributions will be sorely missed by his colleagues as we struggle in the next Congress to meet the weighty challenges of our great Nation.

Mr. DON H. CLAUSEN. Mr. Speaker, we all very much regretted learning of the decision of our friend and colleague, Tom Downing, to retire from Congress. He has had a long and distinguished career and we shall all miss his warm smile and sound advice.

While our districts are separated by more than 3,000 miles we have shared many interests and goals. Our districts both border on the ocean and many of our constituents depend heavily on the fishing industry for a livelihood. Tom's district surrounds the lower Chesapeake Bay and includes the city of Newport News.

Tom has always had the interests of our fishermen at heart. Having grown up on the banks of the James River and only a few blocks from the largest private shipbuilding company in the world, the Newport News Shipbuilding & Drydock Co.; the sea is in his blood.

In 1966, he was a leader in our efforts to push the then 3-mile limit to 12 miles and later played a key role in passage of legislation to establish the 200-mile fishing limit.

Tom will also be remembered for his intense interest in historical preservation. His district is fortunate to have in it historical Williamsburg, Jamestown, and Yorktown.

Tom has spearheaded the drive for further investigation of the assassinations of President John F. Kennedy and Martin Luther King. It is fitting that he has been chosen to serve as the first chairman of the newly established Select Committee on Assassinations and while the rest of us will be leaving Washington shortly to return to our districts, Tom plans to remain here in Washington to devote the remaining months of his term to these investigations.

Our best wishes to you, Tom, for many healthy, active, and enjoyable retirement years.

Mr. REUSS. Mr. Speaker, today we honor a friend whose interests extend from the great expanse of space to the floor beneath the oceans. Tom Downing of Virginia has been a leader in the exploration of these two last frontiers.

A native of the world's leading shipbuilding community of Newport News, Tom has fought for a strong merchant marine to carry American products along the trade routes of the world and for the extension of U.S. fishing rights to the 200-mile limit.

His interest in the maritime affairs of this country precedes his 16-year career in this body. Few remember that Tom applied for a staff position on the Merchant Marine and Fisheries Committee soon after he won election, just to "learn his way around the Hill" before he took office. Tom Downing found his way—to the chairmanship of both the Merchant Marine Subcommittee and the Subcommittee on Oceanography.

As our sites have focused on our national heritage during this Bicentennial celebration, we see the departure of a true Virginian; a man who has reminded us of the dignity and leadership of our forefathers. Tom, when you return to the Chesapeake Bay, its pleasant summers, hearty people, and fine seafood, think back to your days in this House and know that you are missed.

Mr. BROOKS. Mr. Speaker, for the last 18 years the citizens of the First Congressional District of Virginia have been served by a most distinguished and hardworking colleague, Thomas N. Downing.

His dedication to his constituents and the Nation is unsurpassable as shown in his devoting his time and talents toward the betterment of a greater America. It has been my pleasure and privilege to serve in this body with him.

As a member of the Science and Technology Committee and chairman of the Merchant Marine Subcommittee, he has earned the respect and admiration of all of us here in Congress.

I am honored to join my colleagues in paying tribute to Thomas Downing. While I wish him a much deserved rest, I hope he will continue to dedicate himself to making this Nation an even better one.

THE AFRICAN-AMERICAN MANIFESTO ON SOUTHERN AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Diggs) is recognized for 60 minutes.

Mr. DIGGS. Mr. Speaker, the situation in southern Africa is one with the most grave consequences for the United States. Developments during the past months have brought into focus, for many who were previously unaware, the great liberation struggles now being waged in Zimbabwe, Namibia, and South Africa.

Last weekend, the black leadership in America met here in Washington to consider the situation in southern Africa, and to evaluate present and future U.S. policy initiatives to assist the liberation struggles in southern Africa. That Black Leadership Conference on Southern Africa, which included representatives from civil rights organizations, churches, labor and business, government and other groups, and informed individuals, drafted and unanimously accepted the "African-American Manifesto on Southern Africa," a document of historic and timeless significance for all those interested in the long-range implications of U.S. policy toward the nations of Africa.

Participants in this conference, in addition to Congressional Black Caucus Members, included the National Association for the Advancement of Colored People, NAACP; People United To Save Humanity, PUSH; Opportunities Industrialization Centers, OIC; the Southern Christian Leadership Conference, SCLC; the National Council of Negro Women, the AME Church, the Caucus of Black Democrats, black mayors, former top State Department officials and ambassadors, black labor and businessmen, and academicians.

In addition to adopting the manifesto on southern Africa, the Black Leadership Conference on Southern Africa also made a firm commitment to establish an ongoing mechanism to disseminate information and influence U.S. policymaking decisions on Africa.

Mr. Speaker, I would like to include the text of this manifesto in the Record at this point, for the benefit of my colleagues:

The African-American Manifesto on Southern Africa

There comes a moment in the affairs of humankind when honor requires an unequivocal affirmation of a people's right to freedom with dignity and peace with justice.

This is such a moment. The intransigence of white settlers in Zimbabwe and Namibia and the bloody repression of Blacks in South Africa have created explosive environments which threaten world peace and raise the spectre of an internationalized anti-colonial war which could have an ominous impact on race relations in America and abroad.

Inaction in face of such a threat is betrayal of our future—betrayal of humanity, betrayal of the long line of black men and women who have given their lives in the struggle for freedom.

Conscious of our duty to speak, and recognizing our responsibilities to humanity and to the revolutionary ideals of our forebears, we, the descendants of Africa, meeting in Washington, D.C., on this 200th anniversary of the first modern war for independence, proclaim our unswerving commitment to immediate self-determination and majority rule in Southern Africa.

We do this because we are African-Americans, and because we know that the destiny of Blacks in America and Blacks in Africa is inextricably intertwined, since racism and other forms of oppression respect no territories or boundaries.

We do this because we are African-Americans and because we have a mandate from our revolutionary predecessors: from Crispus Attucks to W. E. B. Du Bois, from Dinizulu to Amilcar Cabral, from Martin Luther King to Malcolm X, from Nkrumah to Lumumba, from Nat Turner to Whitney Young, from Sojourner Truth to Mary McLeod Bethune, to proclaim the truth of the Revolution of 1776, which is also the truth of the Revolution of 1976 in Southern Africa.

In this spirit and with this understanding, we contend that it is mandatory for all Americans, and especially Americans of African descent, to understand the root causes of strife in Zimbabwe, Namibia and South Africa.

The first root causes are despotism and racism that serve to polarize the white government and the African majority.

Nevertheless, African leaders clearly stated in the Lusaka Manifesto of 1969:

"We are not hostile to the administrations of these minority ruled states because they are manned and controlled by white people. We are hostile to them because they are systems of minority control which exist as a result of, and in pursuance of, doctrines of human inequality."

Europeans, who are interlopers on the African continent, can no longer, as a minority group in Southern Africa, arrogate to themselves with impunity the right to:

Deny universal franchise and African majority rule.

Decide who shall control the nations' arable land and productive resources.

Deprive Africans of fundamental civil rights and civil liberties, such as: freedom of assembly, freedom of political and family association, freedom of speech, freedom of press, freedom of education, freedom to petition the government for redress of grievances, freedom against unreasonable searches and seizures, and the right to bear arms.

Arbitrarily kill and imprison Africans and their allies who peacefully protect the condition of oppression.

The second root cause is the continuing violence by the Europeans to sustain institutions of racism and exploitation.

The people of Zimbabwe, Namibia, and South Africa, and the independent African states acting in their behalf, have tried for more than half a century through petitions, representations, negotiations, peaceful demonstrations, appearances before the United Nations and through appeals to international tribunals to achieve self-determination through majority rule. The 1969 Lusaka Manifesto spelled out the preference for peaceful change in unambiguous terms.

"We have always preferred, and we still prefer, to achieve it [liberation] without physical violence. We would prefer to negotiate rather than destroy, to talk rather than kill. We do not advocate violence. We advocate an end to the violence against human dignity which is now being perpetrated by the oppressors of Africa. . . . But while peaceful progress is blocked by actions of those at present in power in the states of Southern Africa, we have no choice but to give the peoples of those territories all the support of which we are capable in their struggle against their oppressors."

It is with a sense of historical justice that Americans should recall their own revolution against tyranny and the passage of the Declaration of Independence which states:

"But when a long train of abuses and usurpations pursuing invariably the same object evinces a design to reduce them [the governed] under absolute despotism, it is their right, it is their duty to throw off such government and to provide new guards for their future security."

It is a matter of fact and history that these peaceful efforts have never received the full support of western powers. Multinational corporations and industrialized nations, headed by the United States and including Great Britain, France, Germany, Israel and Japan, which collectively account for over 60% of all trade with South Africa, reinforced the white minority ruled regimes through expanded investments, violation of economic sanctions and arms embargoes, and by sales of military related equipment and nuclear technology to South Africa. It was only after the failure of these peaceful initiatives and the breakdown of the Ian Smith-Joshua Nkomo negotiations in Zimbabwe last March, that African leaders decided they had no other recourse but to escalate the armed struggle.

In return for their forbearance, Africans have been forcibly removed from their land, subjected to constant harassment and arbitrary arrest through the system of pass laws prohibiting free movement within their own country, cut down in "hot pursuit" raids launched from South Africa and Rhodesia, tortured and murdered by a brutal white police and security establishment and forced to endure a slow death through deprivation.

We express solidarity with Africans protesting racism and oppression in the streets of Soweto, Port Elizabeth, Capetown, Johannesburg and elsewhere. Our experience in the United States has indicated that progress is possible only when whites begin to share the suffering. We are proud that we have exported black consciousness and revolutionary ideals, for we know that Blacks in America cannot overcome until all African peoples are free in Soweto and in Sydney, in Salisbury and in Sao Paulo, in Windhoek as in Paris, Ottawa and Nottingham are free.

The third root cause is economic exploitation. White racist minorities in Zimbabwe, Namibia and South Africa have expropriated the best land, control all productive resources and access to employment, pay less to Africans who work more, and enjoy one of the world's highest standards of living because of their exploitation of African labor. South Africa, like the south in America, has been built through the sweat and blood of Blacks.

The African continent's vast mineral wealth includes all of the 53 critical raw materials required for industrial expansion in the West, such as copper, manganese, uranium, vanadinite, bauxite, and iron ore. Nigeria is a principal supplier of oil to the United States, and United States trade with Africa is increasing faster than it is with other parts of the world. In addition, African nations are rapidly becoming important areas of American private investment.

However, African and other peoples and nations of color will no longer tolerate the seizure and control of their wealth and labor by Europeans. They have demanded permanent sovereignty over their natural resources, promulgated a Charter on the Economic Rights and Duties of States, and called for a just New International Economic Order.

For these principal reasons, we reaffirm our commitment to the twin goals of the Pan African movement since its creation in 1900 by Africans from the Continent and the New World: self-determination and freedom for all African peoples.

Nationalism, not communism, is the African response to these three root causes. A people's quest for freedom is a driving, unyielding force. Freedom and self-determination are objectives that have always been obtained by whatever means necessary. To suggest that nationalists are motivated by communism, or that those who achieve independence through the assistance of socialist countries will perforce become communist satellite states, is to ignore African political history. African nationalists have not and will not give up colonial domination for communist domination. The issue is not the choice between democracy and communism, but rather the authority and the power to decide for oneself a preferred system of government.

We recognize from our own civil rights experience in this country that western societies often find it expedient to blame protest against failures in their political systems on communist infiltration. But to do so in the Southern African context is to confuse the issue and to align the United States once again with the racist forces of reaction and totalitarianism against the advocates of self-determination and progressive change.

Tyranny, whether of the left, or of the right, is anti-democratic and must be opposed. Apartheid and racism are the most pernicious forms of totalitarianism because they are selective in their repressive impact on the citizens of a state for no reason other than the color of one's skin.

It is false to portray the incumbent South African and Rhodesian governments as bulwarks against communism, for it is their very existence that forces Africans to struggle to end their oppression, and in face of racist intransigence, to seek allies from responsive governments without regard to ideological persuasion.

The escalating conflict in Southern Africa, and the real possibility that this situation could lead to a wider war if appropriate action is not taken, makes a Black American consensus on U.S. policy toward Africa all the more urgent.

The history of our common struggle and recognition that our cause is just have brought us this day to proclaim that:

(1) We believe South Africa is the main barrier against majority rule in Southern Africa because of its continued illegal occupation of Namibia, its refusal to implement economic sanctions against Rhodesia and its unwillingness to share political and economic power with Blacks within its own borders. Specifically, if present negotiations fail or are unacceptable to African liberation leaders and the African people of Zimbabwe, Namibia and South Africa, the President of the United States should:

Support a finding in the Security Council that South Africa's continued illegal occupation of Namibia is an act of aggression and a threat to the peace, calling for action under Chapter 7 of the United Nations Charter.

Provide assistance, both humanitarian and military, to the liberation movements through the Organization of African Unity.

Impose a mandatory arms embargo against South Africa and a stoppage of shipments of equipment to be used by the military, including all technology and nuclear material.

(2) We totally support the liberation of Southern Africa from white minority rule by means of armed struggle, where necessary, and affirm the right of the African liberation movements to seek necessary assistance from whatever sources available to achieve self-determination and majority rule. We firmly reject the notion that such assistance implies external domination within a Cold War context. However, we

are unalterably opposed to external intervention from whatever quarter designed to thwart the inevitable extension of African freedom to the southern tip of Africa.

(3) Negotiations can achieve a genuine peace only when they occur between the contending forces. High level diplomatic involvement by the U.S. and other powerful, concerned states can be of positive assistance but they can be considered "successful" only when they achieve the full liberation of the suppressed people. In light of this principle we look to the representatives of the Front Line States and the organized fighting forces of the suppressed populations for the standard by which to judge the success of good will negotiations involving third parties. Transitional arrangements to majority rule must include an opportunity for the organized fighting forces to participate in the drafting of constitutional arrangements and the free public discussion and voting which is required for their ratification. Therefore, we support the Five Front Line Presidents in their call on the United States to support the Freedom Fighters if Prime Minister Vorster and Mr. Smith obfuscate the fundamental changes which the struggle in Zimbabwe is on the verge of accomplishing.

Similarly, we oppose United States support for any settlement in Zimbabwe and Namibia that compromises the freedom of Blacks in South Africa.

And in this connection, we urge the Administration to call upon South Africa to release its political prisoners and to begin negotiating with them and other black leaders toward the establishment of a real democracy which guarantees majority rule and human rights for all.

(4) We strongly condemn the Pretoria Government for crimes against humanity through its wanton killing of hundreds of African youthful demonstrators and its wholesale detention without legal redress of Africans and their allies. We urge that the U.S. provide special political refugee status similar to that accorded to the Cubans to Africans forced to emigrate from Zimbabwe, Namibia and South Africa because of political repression.

(5) We, in support of the Organization of African Unity, oppose any U.S. Government recognition of the Transkei and United States corporate investment in that "Bantustan" whose independence will deny Africans their birthright to full economic and political participation in the entire Republic of South Africa.

(6) We reject any U.S. policy that stresses "Minority Rights" rather than "Human Rights" in Southern Africa, since minority rights in that context implies the preservation of European privilege. Therefore, we question any large-scale financial subsidy of "Minority Rights" for Rhodesian Whites, which would serve to reward the villains at the expense of the victims. Moreover, we denounce those pronouncements by Administration officials that repeatedly speak of the need for "moderate leadership" or "responsible government" and any policy which interferes with the right of the people to decide for themselves their system of government. Neither the United States nor any other power has the right to impose any government on the people of Namibia, Zimbabwe or South Africa. Self-government is the most unalienable of all rights.

(7) We believe that independence in Namibia—including Walvis Bay, the principal port presently considered part of South Africa—must be achieved according to the guidelines set forth in Security Council Resolution 385 of January 30, 1976, which demands that South Africa withdraw and end its illegal administration of Namibia, and transfer power to the people of Namibia with the assistance of the United Nations, that it release all political prisoners, hold free elections under United Nations supervision and control and "abolish all racially discriminatory and politically repressive laws and practices, particularly bantustans and homelands".

SWAPO must have a principal role in any negotiations. The Turnhalle Conference should have no standing whatsoever since it excluded SWAPO participation and is the creation of South Africa.

(8) We urge proper recognition of the expanded potential of the United Nations as a fully representative body. The people and government of the United States must accept the changing perspective of U.S. interests among the family of nations, and work within the United Nations and its affiliated institutions to deal with the emerging North-South issues which are the principal sources of tension and potential conflict in global affairs. Majority ruled African nations now constitute nearly one-third of United Nations membership, and consequently, are a pivotal group in that body.

We urge the U.S. to join the Council on Namibia, contribute to the U.N. Trust Fund, and we condemn the use of the veto by our government in the Security Council to protect South Africa.

(9) We urge our government to recognize the People's Republic of Angola and support its admission to the United Nations. The PRA has joined the other Front Line States in efforts to obtain an appropriate settlement in Southern Africa. U.S. alignment on the same losing side with South Africa during the Angolan conflict demonstrated the bankruptcy of the government's Africa policy. This error should not be perpetuated. A normalization of relations with the Angolan Government will facilitate any U.S. involvement in bringing about a just peace in the region.

(10) We condemn the role played by United States and other foreign corporations and banks, which by their presence and activities collectively have participated in the oppression of Blacks and have undergirded the repressive white minority governments of Southern Africa. No longer must Mr. Vorster be able to exact U.S. political support as ransom for America's hostage private corporations. Multinational corporations must recognize that the South African economy is not sound, and that the investment climate there is no longer favorable. The government should institute a program of tax disincentives to U.S. corporations operating in South Africa, Zimbabwe and Namibia. And should those corporations remain unprepared to use their leverage to bring about concrete steps towards economic and political justice in South Africa, and to operate there, in Namibia and in Zimbabwe on the basis of fair and non-discriminatory employment practices, humane working conditions and just compensation for the exploitation of African resources, they should withdraw.

(11) We challenge the Judeo-Christian community, the labor movement, the media and the political, business, and civic leadership in this country to see that our government upholds its values and its historical commitment to self-determination, freedom and justice, and to understand that the appeasement of South Africa can only invite an escalated war that will exacerbate racial tensions in the United States.

Finally, in turn, we commit ourselves to mobilizing Black Americans and others of good will to formulate and support a progressive U.S. policy toward Africa. And we state our opposition to those Blacks who will work directly or indirectly to support white minority regimes in Southern Africa.

The policies we have recommended are not only morally just, they are in America's best interests. Africa's economic and strategic importance to the United States in an increasingly interdependent world must be fully recognized.

Mr. Speaker, there is little I can add to this document to enhance its importance. While we, as black Americans, welcome Dr. Kissinger's interest and initiatives on behalf of a solution in southern Africa, the reality of the situation and the previous lack of recognition by the United States of the strategic importance of majority-ruled African nations make even short-range peace settlements precarious. The reactions of the frontline Presidents in Africa to the "settlement" has made clear the intensity of feeling on the part of black Africans—a feeling shared by black Americans—that peace bought at the cost of continued slavery and injustice is no peace at all, that even 2 years more of the status quo in southern Africa is a travesty of justice, and is unacceptable.

Mr. Speaker, the U.S. Government was founded on principles of freedom and justice. Two hundred years later, we are again asked to support those principles. I hope that this Government will support the aspirations of the men and women of southern Africa who yearn for final freedom from oppression and the recognition of their inalienable rights to life, liberty, and the pursuit of happiness.

Mr. Speaker, recognizing that many of my colleagues have significant reflections on the question of southern Africa, I include their statements under this special order, and that Members may have 5 legislative days in which to revise and extend their remarks therein.

Mr. DELLUMS. Mr. Speaker, before we deal specifically with U.S. policies in southern Africa, I would like to make this sidenote. American foreign policy adventurism over the past two decades has succeeded in alienating this country from most of the world's lesser developed nations—and all Africa has probably suffered least in this regard simply because U.S. policymakers perceived little value of Africa to the United States.

Now we reach the point in U.S. relationships with Africa where our decisions may result in yet another alienation—or, in the alternative, the breach between America and the third world might slowly begin narrowing.

But I am not hopeful that breach will ever be closed if we are to rely upon the type of diplomatic moves undertaken by the Ford-Kissinger team. And I ask, "Whose interests are foremost for this administration?" For me, the answer seems to be that the property values of illegal and oppressive regimes are given higher priority than those of millions of African citizens who have been excluded for decades from any meaningful direction over their own lives.

The Smith and Vorster governments are renegades and do not deserve the protection of the United States under any conditions. And while it is obvious that violence and war are the worst outcomes of all that could happen in southern Africa, this Nation is not engaging in diplomatic strategies which will prevent violence; instead, the Ford-Kissinger line allows the minority regimes in Rhodesia and South Africa to retain leverage.

That is the wrong policy. No matter what our Government tries to do, there will be majority rule in southern Africa, and that majority rule is going to come sooner than many people want it. But, it will still come.

Our country can be a positive force in that development if we follow these type policies:

First. Total support of majority rule in southern Africa.

Second. Opposition to settlements in Namibia and Rhodesia which trade off the rights of the majority.

Third. Support freedom movements as long as the Pretoria and Salisbury regimes resist internal reforms.

Fourth. Condemnation of the recent murders and jailings in South Africa.

Fifth. Support of OAU policies for southern Africa.

Sixth. Rejection of policies stressing "minority rights" instead of human rights, since white minority rights is better translated as preservation of European privilege.

Seventh. Denouncing of steps to impose so-called moderate leadership, or any leadership which is not chosen by the full participation of all citizens.

Eighth. Adherence to U.N. guidelines for Namibia.

Ninth. Recognition of the Peoples Republic of Angola.

Tenth. Condemnation of the role played by U.S. industrial interests which are among the strongest props of the minority governments.

Such policies are not only morally just, they are in America's best interests. And the choice we face is clear: We can be closer to the third world or we can widen the gap between this Nation and most of the world.

Mr. MITCHELL of Maryland. Mr. Speaker, during the past 11 weeks, the free world has witnessed daily "blood baths" in the streets of Capetown, Johannesburg, and Soweto as well as in other urban areas of South Africa. Over 300 schoolchildren are known to have been murdered by the racist Vorster regime. Thousands have been wounded; some of whom have since died from lack of adequate medical care. Other black men, women, and children have been herded into jails and detention camps. All these black men, women and children in South Africa have been killed, wounded, or arrested for the simple reason that they dared raise their voices in protest against a minority racist society that refuses to recognize a black man or woman as an equal human being or accord him or her the rights and dignities enjoyed by other human beings outside southern Africa.

In Mozambique, Angola, and Zambia bombs and other forms of military aggression by the white regime in Rhodesia and South Africa have killed thousands of innocent villagers and farmers for the purported "crime" that they dare give shelter and refuge to their fellow Africans running away from the atrocities placed upon them by the oppressive regimes in Rhodesia, South Africa, and Namibia. Only recently, the racist Ian Smith regime perpetrated one of the worst massacres in history—equaled perhaps only in its repugnance by the Mylai massacres. On August 8, 1976, the Smith regime slaughtered over 1,000 refugees and Mozambicans at Nyazonia at a refugee camp 26 miles inside Mozambique.

Despite these horrifyiing incidents, there has not been a public outcry in America. Why is there no public expression of outrage in the United States? And yet, when the Hungarians and the Czechs revolted and Moscow bloodily repressed both these revolts, the American and European world viewed Moscow's repression as a crime against humanity. Are crimes against humanity only those crimes committed against white people?

The answers to these questions are: First, the United States gives priority consideration to its economic interests in its dealings with African nations; second, the United States is more interested in preventing Communist influence in Africa than in supporting self-determination; third, we as a Nation do not have a moral, ethical commitment to the liberation of Africans in southern Africa as exemplified by Secretary of State Kissinger's famous "National Security Studies Memorandum No. 39 of 1970." And finally, for reasons of ethnic considerations, America finds it necessary to safeguard the interests of a white minority in southern Africa.

After Europe lost political control of most of Africa in the early 1960's, Africa emerged as the major world group of nations with immense national resources and raw materials necessary for the development of western economies. These include the gold and diamonds of South Africa, the chrome, manganese, and bauxite of Zimbabwe, the copper of Zambia, the vast oil resources of Angola, Nigeria, and North Africa, iron in Liberia, coffee and cocoa in tropical Africa and numerous other raw materials.

Since the sixties, the United States and the Soviet Union have been locked in an ideological conflict over who shall control or influence the developing nations.

Consequently, American policy toward Africa is shaped by these major considerations. What is the U.S. policy toward Africa?

In a statement to the House International Relations Committee on June 17, 1976, Secretary Kissinger stated:

> Our aims (in Africa) are:
>
> To avoid a race war which would have inevitably tragic consequences for all concerned;
>
> To do all we can to prevent foreign intervention in what must remain an African problem;
>
> To promote peaceful cooperation among the communities in southern Africa;
>
> To prevent the radicalization of Africa;
>
> To provide moderate African leaders with an enlightened alternative to the grim prospects so rapidly taking shape before them—prospects which threaten African unity and independence, indicated growing violence, and widening economic distress;
>
> To work for a solution that would permit all the communities in Africa, black or white, to co-exist on the basis of justice and dignity;
>
> To give friendly and moderate African governments the perception that their aspirations could be achieved without resort to massive violence or bloodshed; and that their hopes for prosperity and opportunity can best be realized through association with the West; and
>
> To promote solutions based on majority rule and minority rights which would enable diverse communities to live side by side."

Secretary of State Kissinger in addressing the National Urban League on August 2, 1976, outlined and emphasized the U.S. strategic and economic interests:

> The moral imperative behind our African policy is reinforced by practical considerations. With the sweep of political independence and economic interdependence, Africa, in less than a decade, has assumed great importance in world affairs. It is a continent of immense size, strategically located, with nearly 50 Nations of increasing weight in the world scene. Its vast natural resources are essential elements of the global economy. In the last 20 years direct American investment in Black Africa has tripled. Trade has grown at an even faster rate. Africa's importance to us as a producer of energy and commodities and as a market for our own products is substantial and bound to grow in the future. It is also important for the other industrialized democracies; Western Europe's and Japan's combined trade with Africa now exceeds $30 billion a year.

Thus, from the stated objectives of the United States toward Africa, and in particular toward Southern Africa, it is apparent that the American African policy priorities are not to support a genuine majority rule and independence for Zimbabwe, Namibia, and South Africa. Rather, it is the neurotic fear of communism in southern Africa and an incessant desire to safeguard American corporate interests in southern Africa, that have generated suspicion of the Kissinger-Smith-Vorster agreement for false majority rule in Zimbabwe. The Tanzania Daily News on September 15, 1976, reported that President Nyerere said Africans view the commonality of American-white southern Africans interests in the following terms:

> The U.S.A. is ideologically anti-communist, and is also locked into a world power struggle against the alliance of Communist states led by U.S.S.R. and against China.
>
> Dr. Kissinger has linked America's political support for majority rule in Southern Africa with the fight against communism. He has explained the need for America's interests in terms of preventing "the men with the guns" from taking over.
>
> But the South Africans and the Rhodesian whites claim to be fighting communism, internally and externally. They define anyone fighting against racialism and white minority rule as a communist. By the South African legal definition a communist is anyone who pursues any of the aims of communism.
>
> The nationalist movements of Rhodesia and Namibia get support from Communist countries, as well as from independent Africa. The Liberation Armies get their arms, and some of their training, from countries in the communist bloc. Free Africa does not manufacture weapons and no one else will make them available. The South Africans and the Rhodesians therefore argue that ultimately their effective enemies—the Freedom Fighters, or the threat of violent resistance—will be identified by the Americans as communists, which means enemies of America. The U.S.A. and South Africa, in sharing an enemy will then become in effect allies. In practice, the South Africans expect continued American verbal criticism of apartheid, but increasing practical support, to follow upon such a conclusion about the nature of their opponents. Consequently, it is in their fundamental interests—the maintenance of their minority rule is jeopardized.

It is precisely this Western attitude toward the cause of Africans in southern Africa and Western support of the white regimes in South Africa and Rhodesia that necessitates the resort to armed struggle in southern Africa. And it is the success of this armed struggle that has heightened American fears. The United States fears the emergence of an independence of Zimbabwe or Namibia under a radical movement, because true independence means loss of military bases in or around Africa, loss of control over Africa's vast natural resources which would inevitably be nationalized if a socialist government were to take over, and tremendous losses by such corporate interests as American Motors Corp., Black & Decker Manufacturing Co., Chase Manhattan Bank, Chrysler Corp., Coca-Cola Export Corp., Eastman Kodak Co., Firestone Tire & Rubber Co., Ford Motor Co., IBM World Trade Corp., International Telephone & Telegraph Corp., Kaiser Industries, Texaco, Inc., Procter & Gamble Co., United States Steel Corp., Xerox Corp. and many others.

Additionally, the United States fears what George Bush, Director of the CIA, refers to as a "blood bath" in southern Africa should independence be attained through armed struggle as opposed to negotiations. For it is the white settlers and the Western corporations interest backing them and they fear "the men with the guns."

A true African nation wants to achieve and sustain economic power. International trade relations will be based upon that consideration. Therefore, it is not logical to assume a Soviet monopoly on trade with Africa. One caveat is that, having achieved independence, it would not be logical or human if the African nations failed to remember those nations that really stood with them in their struggle as well as those who gave only lip service and, therefore, act accordingly in international trade and international relations.

The recent World Conference of Communist Nations made it clear that socialist/Communist nations no longer conceive of themselves as bound to nor controlled by a monolithic structure run out of Moscow. Inevitably, given the traditional heritage of Africa, many of the African nations would most likely adopt a socialist form of government. As Kwane Nkrumah said:

> Our national wealth must be built up and used in such a way that economic power shall not be allowed to exploit the worker in town or village, but be used for the supreme welfare and happiness of our people. The people, through the State, should have an effective share in the economy of the country and an effective control over it. The African Nations, having learned their lessons from the past, are no longer prepared to be pawns to foreign nations and to allow their independence and freedom to be sold on the altar of international politics.

I am pleased to inform you that on Saturday, September 25, 1976, I joined with Congressman Diggs as cochairman of a Black Leadership Conference on Southern Africa. During that conference the African-American Manifesto on Southern Africa was adopted.

The American press has failed to give this historical moment the full coverage that it deserves for it was indeed a great moment. Black leaders from all over the country met in Washington, D.C., and worked all night Friday evening into the early morning hours of Saturday to hammer out an African American Manifesto on Southern Africa. On Saturday morning at 10 a.m. the same black leadership, along with at least 25 representatives from the African nations and members of the Congressional Black Caucus met to ratify this historic document.

I say to you that the document is of historic significance because it accomplishes two major things. First, at long last, the issues of liberation in Namibia, Zimbabwe, and South Africa have been raised from the self-serving levels of ideological conflict, economic considerations and the prevention of war to the levels where they should be; namely, the moral and ethical imperatives of a civilized world. In our manifesto, the issue is not the protection of multinationals, rather it is protection of the human spirit, the inherent rights and privileges for our black brothers in Africa. In our manifesto, the issue is not the prevention of violence, rather it is the prevention of oppression, repression, and exploitation of our black sisters and brothers in Africa. In our manifesto, the issue is not economic concern for neocolonialist interests, rather it is the concern for the heart and mind, the body and soul, the strength and the spirit of strong and beautiful black men and women of Africa.

Second, deriving from this manifesto, a national network of black expertise in housing, education, law and manpower, and many other areas will meet regularly with members of the Congressional Black Caucus to bring to bear the full weight of their abilities and talent, expertise and knowledge, commitment and dedication on behalf of all of the free liberated nations of Africa.

And so now, my brothers and sisters, the bond of kinship and love have been forged. Black Americans reach out their hands across mountains and woods and oceans to hold, with fierce loving, the hands of black Africans. And so now, my friends, black Africans transmit across thousands of miles the spiritual essence of cultures which is gratefully and lovingly received by black Americans. And so now, a primeval, cosmic force has brought black Africans and black Americans together again in unity. A unity so strong that we can say in common voice, we are one blood, we are one people, we are one soul, we share one destiny.

Ms. HOLTZMAN. Mr. Speaker, the possible consequences of Secretary Kissinger's recent journey to Southern Africa raise grave questions about whether this administration is genuinely committed to ending minority rule in that troubled region.

I would be glad if Mr. Kissinger's journey were to help bring about genuine majority rule in Rhodesia. But I wonder if the achievement of majority rule is the basic motive underlying the administration's sudden discovery of Africa. One must ask why, after years of neglect, we are belatedly turning our attention to Southern Africa.

Are the motives behind the Kissinger missions chiefly to avoid bloodshed and to secure genuine majority rule in Rhodesia, or are they to shore up the South African regime, the keystone of wealth and power in the entire region?

We must ask whether the purpose of the Rhodesian agreement is merely to buy time for South Africa. Is the gradual transition proposed for Rhodesia by our Secretary of State intended to avoid carnage; or is it intended, rather, to produce a leadership more favorable toward South Africa than one which might come to power after a guerrilla-won victory?

Historically, the United States has often acted in an indirect fashion to insure its interests in many regions. We have protected our interests in minerals and other resources in colonial areas through what one Africanist calls "interposed others"—the French in Indochina, the Belgians in the Congo, the Portuguese in Angola. In pursuing narrow economic interests, we have too often lost sight of the larger issues involved, and we have sacrificed the country's long-term foreign policy interests. At other times, we have failed entirely to identify what interests are at stake in a given country. Thus, we have supported dictatorial regimes for the sake of an ephemeral "stability" in Portugal and Chile and elsewhere.

This type of policy—unreflective and blind to our genuine long-term interest—plunged us into the morass of Vietnam. Are we moving in the same direction in Southern Africa today? Do we know where our long-term interests lie there? Are we again to take the side of dictatorial regimes that are deeply repugnant to the majority of the people they govern, that rule by terror and naked force? Will we fail to support—or even to talk in depth with—all the legitimate nationalist leaders of Southern African movements?

Whatever the outcome of Kissinger's efforts, it appears that Rhodesia's future per se is not the central issue. The future of Rhodesia, long a buffer zone, is inextricably tied to that of South Africa. There can be no genuine peace in Southern Africa—in Namibia, Rhodesia (Zimbabwe) or elsewhere—without a movement toward majority rule in South Africa itself. The central question for Americans is whether we shall continue to support the insupportable system of apartheid.

Prime Minister Vorster has repeatedly stated his government's adamant commitment to apartheid—under whatever mask it is presented to the world. "Separate development" and "separate freedoms" for ethnic enclaves within South Africa, separate higher education for every racial subgroup, "independence" for the Transkei, are recent variations on the old theme. And that old policy continues to rest on brutal repression—detention for indeterminate periods, long jail terms for dissenters, indeed the killing of many South Africans in the past 4 months.

We must ask what concessions the Government of South Africa has extracted from this administration in return for exerting pressure on Rhodesia to agree in principle to majority rule. Too often in the recent past we have found that descriptions of foreign policy achievements by previous administrations have not disclosed all the elements of a bargain. Recognizing the fears of South Africa regarding its long borders to the north, has this Administration made secret agreements which may involve an arms pact or a commitment to guarantee South African borders during the transition to Namibian independence?

With respect to Rhodesia itself, should we not be concerned about Secretary Kissinger's proposal for a fund of about $2 billion to buy off white Rhodesians who might wish to leave that country? Should our Government do this, without at least at the same time giving clear guarantees of development funds for a majority-ruled Rhodesia?

Finally, in considering the right course for U.S. policy in Southern Africa, I must ask if we have lost our sense of outrage. The world was stunned by the massacre of Africans by the South African police at Sharpeville in 1960—yet hundreds more people have been killed by the South African regime since June than were slaughtered at Sharpeville. Have we been so numbed by atrocity, torture, and large-scale destruction that we now tolerate these assaults against human life? Have we become so indifferent that we will remain silent while our Government again embarks on a course which seems likely to thwart the legitimate aspirations of a people?

Let us not rush backward into history by pursuing an African policy that merely buys time for a system whose time has passed.

SUMMARY OF LEGISLATIVE ACTION IN THE 94TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 30 minutes.

Mr. SMITH of Iowa. Mr. Speaker, at the end of each Congress, I summarize the activities of the Congress, reprint it from the CONGRESSIONAL RECORD and distribute it to many of my constituents so that they may have a summary of the year's activities. Although it is impossible to list every bill and describe every time-consuming and important action taken during a Congress, I will list the items which are most likely to be of interest to constituents in the Fourth Congressional District of Iowa.

That summary is as follows:

SUMMARY OF LEGISLATIVE ACTION IN THE 94TH CONGRESS

AGRICULTURE

Public Law 94–25 continues the emergency loan program for livestock producers operated by the Farmers Home Administration.

Public Law 94–68 makes improvements to the emergency loan program operated by the Farmers Home Administration to assist farmers who have been hit by a natural disaster.

Public Law 94–140 extends until April 1977, the authority to the Environmental Protection Agency to regulate the use of pesticides. The law includes provisions designed to assure that EPA be made aware of the impact of any proposed regulation on agriculture.

Public Law 94–184 amends the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers and enlarges the access of production credit associations to Federal district courts.

Public Law 94–214, the Rice Production Act, makes loans and purchase agreements on the 1976 and 1977 rice crops available to producers and authorizes rice research programs.

Public Law 94–229 directs the Secretary of Commerce to take a census of Agriculture in 1979, 1983, and in every fifth year beginning after 1983.

Public Law 94–231 authorizes the Secretary of Agriculture to carry out operations or measures to detect, eradicate or control the spread of pests and plant diseases.

Public Law 94–259 extends through fiscal year 1979 the authorization of appropriations for carrying out Title V of the Rural Development Act of 1972.

Public Law 94–294 provides for a checkoff program to promote beef.

Public Law 94–410, the Packers and Stockyards Amendments, requires certain beef packers to be bonded as protection against bankruptcy and provides for other protections for beef producers.

Public Law 94–312 authorizes the Secretary of Agriculture to amend regulations pertaining to the computation of price support payments under the National Wood Act.

Public Law 94–319 provides protection against the spread of diseases and parasites harmful to honeybees.

Public Law 94–366 amends the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture.

Public Law 94–148 authorizes construction and operation of cooperative pollution abatement equipment and facilities and participation in manpower and job training and development programs.

Public Law 94–   provides for Federal Grain Inspection and weighing at export points which formerly had only inspectors from private companies. It also makes several amendments to existing laws to discourage and help detect abuses by any inspector. All Gulf of Mexico export ports will now have federal inspection and weighing.

HEALTH, EDUCATION, WELFARE, AND SOCIAL SECURITY

Public Law 94–135, provides grants for State and community programs on aging and is extended through fiscal year 1978. The program is modified to assure that States will commit at least 50 percent of any additional moneys from their fiscal year 1976 allotment to provide the following four categories of services; transportation, home care, legal services and residential renovation and repair.

The older Americans community services employment program is extended through fiscal year 1978. A more equitable State allocation formula which takes into account the relative capacities of States and local communities to support employment programs for the elderly is authorized. Continued funding of employment programs for older Americans such as "green thumb" is assured.

The law providing support for nutrition programs for the elderly is extended beyond its existing expiration date of June 30, 1977, through fiscal year 1978.

The law as amended requires an additional donation of high protein foods and authorizes such sums as are necessary for this purpose. In addition, the existing requirement that the Secretary of Agriculture donate commodities at a level of 10 cents per meal is increased to 15 cents per meal through the period ending September 30, 1976, and 25 cents per meal in fiscal year 1977.

The retired senior volunteer program is extended for 2 additional years through fiscal year 1978. The foster grandparents program is extended for 2 additional years through fiscal year 1978. The senior companions program is extended for 2 additional years through fiscal year 1978.

Public Law 94–182 amends the Social Security Act, granting temporary waivers of nursing staff requirements in hospitals located in areas where nurses are in short supply and other hospitals are not readily accessible. It requires that the prevailing fees recognized under Medicare provisions of the Social Security Act for fiscal year 1976 are not less than those for fiscal year 1975.

Public Law 94–202 permits the Social Security Administration to use existing Supplemental Security Income hearing examiners to hear Social Security and Medicare cases as well and allow 60 days for an individual to request review of a decision regarding his Social Security or Medicare eligibility.

Public Law 94–278 authorizes research and training in the use of blood products and the control of blood diseases.

Public Law 94–309 assists in the construction of noncommercial educational television or radio broadcasting facilities through matching grants.

Public Law 94–317 amends the Public Health Service Act to provide additional authority for health information programs, including venereal disease and lead-based paint poisoning.

Public Law 94–365 includes a provision extending for one year the eligibility of those receiving Supplemental Security Income payments to obtain food stamps.

Public Law 94–339 amends the Food Stamp Act to correct abuses discovered among some vendors.

Public Law 94-371 amends the law dealing with alcoholism and alcohol abuse, providing continued funding for local programs and expanded research by the Federal government into the causes, treatment, and problems caused by alcohol abuse.

Public Law 94–   continues the student loan program through fiscal year 1980 and makes adjustments in the program to reduce losses to the Federal Government because of defaults.

Public Law 94–380 provides the Federal government with authority to implement a swine flu vaccine program.

Public Law 94–401 amends the Social Security Act to permit States more latitude in establishing criteria on eligibility for social services, encourages State implementation of child day care services and promotes employment of welfare recipients in day care service. It enable all elderly persons, regardless of income, to receive services provided at Federal senior citizen centers.

Public Law 94–405 makes grants to States for the public education of Indochina Refugee children.

Public Law 94–230 extends authorizations for appropriations under the Rehabilitation Act for vocational rehabilitation, research and training, rehabilitation facilities and other services.

Public Law 94–192 establishes a fund for Public Broadcasting.

Public Law 94–237 establishes an Office of Drug Abuse Policy within the Executive Office of the President.

Public Law 94–194 permits the U.S. Office of Education to continue to fund activities under the National Reading Improvement Program.

Public Law 94–224 extends the time during which the President is authorized to call a White House Conference on Handicapped Individuals.

Public Law 94–277 removes the numerical limitation on Allen Ellender Fellowships to disadvantaged secondary school students.

Public Law 94–288 designates a Center for the deaf-blind in Sands Point, N.Y., as the Helen Keller National Center for Deaf-Blind Youths and Adults.

Public Law 94–328 extends guaranteed student loan program.

Public Law 94–368 makes certain administrative improvements in the Medicare program.

TRANSPORTATION

Public Law 94–5 increases from $85 million to $282 million the authorization of the Secretary of Transportation to provide emergency grants aid for operating expenses to the Penn Central and other Northeast railroads in reorganizations and increases from $150 million to $300 million the Secretary's authority to guarantee loans to those railroads for capital improvement, and modifies rules to governing development of the plan for the railroads reorganization by the U.S. Railway Association established under the act of 1973.

Public Law 94–25 amends the Rail Passenger Service Act of 1970 to provide that the Board of Directors of Amtrak rather than the Secretary of Transportation shall designate experimental routes to serve States that have no large population centers, to direct the directors of the Corporation to develop an initial proposal setting forth criteria and procedures under which the Corporation would be authorized to add or discontinue routes and services; and authorizes $1,118,000,000 to the Corporation through October 1, 1977.

Public Law 94–30 authorized advancements from the Federal-aid highway trust fund to States so they could let contracts sooner and thus help increase employment. Iowa received about $60 million.

Public Law 94–210 provides subsidies and financial aid to railroads.

Public Law 94–252 appropriates funds providing $2.1 billion for the U.S. Railway Association to purchase ConRail stock over a four year period, $50 million for improvement of the Northeast Corridor, and $3.6 million for Amtrak grants.

Public Law 94–280 authorizes funds during fiscal years 1977 and 1978 for construction of the Interstate Highway System and other rural and urban highway systems.

Public Law 94–253 provides that the transfer to ConRail of certain railroad properties in the Midwest and Northeast as part of the "final system plan" shall not result in the recognition of gain or loss to transferor companies or the shareholders or security holders of such companies.

Public Law 94–147 provides that the right-of-way granted by the Canadian Government for the reconstruction of the Alaska Highway shall forever be for public use.

Public Law 94–280 authorizes funds during fiscal years 1977 and 1978 for construction of the Federal-Aid Highway System.

Public Law 94–306 establishes and maintains a regular police force to provide protection for patrons of the Washington D.C. Metropolitan Transit Authority.

Public Law 94–353 amends the Airport and Airway Development Act.

Public Law 94–346 authorizes appropriations for the National Traffic and Motor Vehicle Safety Act.

Public Law 94–340 extends and improves the Federal Boat Safety Act.

Public Law 94–348 makes improvements to the Federal Railroad Safety Act.

Public Law 94–372 amends a provision of the Merchant Marine Act relating to ship construction.

SMALL BUSINESS

Public Law 94–190, the Small Business Emergency Relief Act, provides relief to small businesses which have entered into fixed-price contracts with government agencies when the small business can be expected to suffer serious financial loss due to significant unanticipated cost increases directly affecting the cost of contract compliance.

Public Law 94–305 clarifies the eligibility of agricultural enterprises for assistance under some 19 programs operated by SBA, establishes a new program of financing for small businesses to meet pollution standards by authorizing the Small Business Administration to guarantee a lease of pollution control equipment between a small business and a State agency, increases the maximum amount of assistance under certain SBA administered loan programs, and establishes in SBA a Chief Counsel for Advocacy, appointed by the President and confirmed by the Senate, who would continually represent and advocate small business interests and do a 1-year study on small business needs.

EMPLOYMENT AND PENSIONS

Public Law 94–45, Emergency Compensation and Special Unemployment Assistance Extension Act of 1975 extended the Federal emergency unemployment compensation program through March 31, 1977 and also extended unemployment benefits programs through March 31, 1977.

Public Law 94–82, makes clear the responsibility of the U.S. Postal Service to comply with the provisions of the Occupational Safety and Health Act of 1970.

Public Law 94–92 amends the Railroad Unemployment Insurance Act to increase the maximum daily entitlements for unemployment and sickness; to reduce the waiting period before an individual is eligible for sick benefits; to provide extended unemployment benefits to employees with less than 10 years of service in the railroad industry, but only during periods of high unemployment; to establish a sliding scale schedule for employer payments into the unemployment account, depending upon the amount of money in the account at the time of payment.

The act also provides that an individual who was awarded an annuity under the Railroad Retirement Act of 1937 will not be entitled to receive an annuity under the 1974 act.

Public Law 94–36 appropriates $473,350,000 in urgently needed supplemental funds for summer youth employment and recreation programs during the remainder of fiscal year 1975. These funds were allocated in this way,: $456,350,000 for disadvantaged youths; $15,300,000 for youth recreation programs and $1,700,000 for youth transportation programs.

Public Law 94–267 provides that a distribution of benefits to an employee from a pension plan or annuity plan that has been terminated shall not be taxable at the time of such distribution if the benefits distributed are recommitted to a tax-qualified retirement account, annuity, or bond.

Public Law 94–266 provides supplemental funds for public service jobs for youths and older persons employment.

Public Law 94–369, Public Works Employment Act of 1976, provides for a public works employment act to put persons to work by providing financial aid to state and local governments for construction, repair or improvement of such public works projects as schools, police stations and health centers. It authorizes $2 billion for this program for fiscal year 1977.

Public Law 94–166 permits an individual entitled to a civil service annuity to make such allotments or assginments of amounts from his annuity for such purposes as the Civil Service Commission considered appropriate.

Public Law 94–342 restores health benefit coverage to certain retired Federal employees.

Public Law 94–358 relates to withholding of taxes from Federal employees by certain nonincorporated local governments.

Public Law 94–397 clarifies U.S. Code on civil service annuities and pay upon reemployment.

Public Law 94–310 authorizes leave for Federal employees called as court witnesses.

ENVIRONMENT AND PUBLIC WORKS

Public Law 94–83 amends the National Environmental Policy Act of 1969, to permit a State agency or official to prepare environmental impact statements. The law was passed in response to the decisions in *Conservation Society of Southern Vermont* v. *Secretary of Transportation*, 508 F. 2d 927 (2d Cir., 1974), and *Swain* v. *Brinegar*, 517 F. 2d 766 (7th Cir., 1975).

Public Law 94–102 amends the Rehabilitation and Betterment Act of 1949, to enable projects constructed under the Small Reclamation Projects Act of 1956, to apply for rehabilitation and betterment loans.

Public Law 94–238 provides assistance for construction of municipal waste treatment facilities and clarifies the Army Corps of Engineers authority to issue permits for dredge and fill operations.

Public Law 94–265 establishes a 200 mile U.S. fishery conservation zone effective March 1, 1977.

Public Law 94–347 authorizes additional appropriations for flood control, navigation and other purpcses in certain river basins.

Public Law 94–407 designates a segment of New River, North Carolina as a part of the Wild and Scenic Rivers System.

Public Law 94–301 authorizes funds through the close of fiscal year 1977 to carry out the provisions of the Noise Control Act.

Public Law 94–422 increases annual authcrizations for the Land and Water Conservation fund and establishes a National Historic Preservation Fund.

Public Law 94–326 extends for two years the Marine Protection Research and Sanctuaries Act, regulating ocean dumping and funding studies of the environmental impact of such dumping.

Public Law 94–156 investigates specified potential water resource developments.

projects and contains my provision which includes the authority to operate the Saylorville reservoir in accordance with a new plan which will prevent flood land at Ledges Park from being flooded much longer than usual; authorizes appropriating $8 million for modifications and a green belt and parks improvements along the Des Moines River; authorizes appropriating funds for various improvements at the Saylorville and Red Rock projects; and will permit adjustments in real estate and public facilities as is necessary to operate the projects. This is a milestone for these projects and has required studies, planning and promotion for over three years.

ENERGY

Public Law 94–18 authorizes $50,200,000 for Nuclear Regulatory Commission during the remainder of fiscal year 1975.

Public Law 94–79 authorizes $222,935,000 during fiscal year 1976 and $52,750,000 during the budgetary transition period between the close of fiscal year 1976 and the beginning of fiscal year 1977 to carry out the purposes of the Nuclear Regulatory Commission and amends the Energy Reorganization Act of 1974, to clarify the responsibilities of the Commission.

Public Law 94–133 extends the Emergency Petroleum Allocation Act to December 15, 1975.

Public Law 94–163, the Energy Policy and Conservation Act, prohibits the burning of natural gas or petroleum products in any powerplant or major fuel burning installation that has the capability of burning coal. It imposes mandatory automobile fuel efficiency standards energy efficiency standards for appliances, establishes a national petroleum reserve and provides the President with standby gas rationing authority.

Public Law 94–197 extends for 10 years the provisions of the Atomic Energy Act of 1954, providing absolute liability up to a limit of $560,000,000 in the event of a nuclear incident.

Public Law 94–258 transfers jurisdiction and administration of Naval Petroleum Reserve No. 4 to the Secretary of Interior.

Public Law 94–385 provides for an 18-month continuation of the Federal Energy Administration and contains a broad range of measures to establish a national energy conservation program.

Public Law 94–413 provides a demonstration program for electric and hybrid vehicles and encourages research and development in this area.

Public Law 94–269 increases funds for

weapons testing and for monitoring Soviet peaceful uses programs, providing such funds to the Energy Research and Development Administration.

Public Law 94–316 authorizes funds for the saline water conversion program.

HOUSING AND COMMUNITY DEVELOPMENT

Public Law 94–13 continues the national insurance development program, extending the duration of Federal riot insurance and crime reinsurance programs.

Public Law 94–50 authorizes temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions.

Public Law 94–12 contained several tax credit and other provisions to provide economic incentives to purchasers and builders of homes.

Public Law 94–173 increases ceilings for mobile home loans.

Public Law 94–375, provides for a two-year Federal housing program. Act provides $850 million in contract authority for public housing programs, increases mortgage limits for homeownership programs and borrowing authority for housing loans for the elderly and the handicapped.

Public Law 94–188 prvides for public participation in the development and revision of all plans and programs under the Appalachian Regional Development Act of 1975.

Public Law 94–200 provides that depository institutions release information regarding the amount of mortgage loans originating or purchased by the institution.

Public Law 94– authorizes funds to assist low-income persons in installing home insulation, encourages state and local governments to adopt energy conservation standards for new buildings, and directs the Department of Housing and Urban Development to develop energy conservation and performance standards.

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JUSTICE

Public Law 94–64 amends to the Federal Rules of Criminal Procedure.

Public Law 94–113 amends to the Federal Rules of Evidence.

Public Law 94–149 makes technical amendments to the Federal Rules of Evidence and Federal Rules of Criminal Procedure.

Public Law 94–233 establishes a nine member U.S. Parole Commission as an independent agency in the Department of Justice and establishes guidelines for procedural rules for parole determinations, including eligibility determinations, violations and revocations of parole.

Public Law 94–381 modifies the requirement for a three-judge court to hear certain cases.

Public Law 94–402 extends the period during which the D.C. Council is prohibited from revising the D.C. Criminal Code.

Public Law 94–193 directs the Chief Judge of D.C. Court of Appeals to summon annually for a conference the active associate justices of the court and the judges of the Superior Court, for advice on the improvement of the administration of justice in D.C.

Public Law 94– strengthens state and federal enforcement of antitrust laws and gives the Justice Department more power to obtain information for civil investigations.

Public Law 94– provides for a general revision of the U.S. Copyright Law which had not been revised since 1909.

FOREIGN AFFAIRS

Public Law 94–37 authorizes U.S. financial assistance for the United Nations peace-keeping forces in the Middle East.

Public Law 94–110 authorizes the use of U.S. Civilian Technicians to man the Sinai early-warning system, a key part of the Suez pullback agreement between Egypt and Israel.

Public Law 94–104 provides for a partial suspension of the U.S. arms embargo on Turkey.

House Resolution 591 and Senate Resolution 21 establish select committees in the House and Senate, respectively, to investigate the CIA and other U.S. intelligence-gathering agencies.

Public Law 94–161 authorizes assistance for relief and rehabilitation of people and countries affected by natural and manmade disasters.

Public Law 94–302 authorizes funds for the U.S. share of a replenishment of the funds of the InterAmerican Development Bank.

Public Law 94–304 establishes a Commission on Security and Cooperation in Europe to monitor the actions which comply with or violate the Helsinki Accord.

Public Law 94–313 provides for assistance to refugees from Laos on the same basis as provided for those from South Vietnam and Cambodia.

Public Law 94–329 extends authorization for military aid through fiscal year 1977 and includes procedures to cut off aid to nations violating human rights.

Public Law 94–276 authorizes funds for fiscal year 1976 for the relief and rehabilitation of the people victimized by the recent Guatemala earthquakes.

Public Law 94–155 grants an alien child adopted by a single U.S. citizen, over 25, the same immediate relative status for immigration purposes as a child adopted by a U.S. citizen and spouse jointly.

Public Law 94–383 provides increased benefits for U.S. civilians interned in Vietnam after the fall of Saigon.

Public Law 94–390 provides for settlement, under international agreements of certain claims incident to the noncombat activities of the armed forces.

MONEY, BANKING, AND FINANCE

Public Law 94–145 repeals the permission for States to have "fair trade" laws. Agreements for minimum prices on appliances and so forth, will now be illegal.

Public Law 94–60 clarifies the authority of Federal savings and loan associations to act as custodians of individual retirement accounts.

Public Law 94–29 gives the Securities and Exchange Commission the authority to regulate the clearing agencies and transfer agents, to strengthen their oversight of the securities market's self-regulation, and to regulate the municipal bond industry. The Commission can require financial institutions to report their securities holdings and transactions under the measure.

Public Law 94–143 authorizes short-term loans to New York to prevent default. This is the bill recommended to Congress by President Ford.

Public Law 94–143 makes loans to the City of New York upon such terms and conditions as the Secretary of the Treasury may deem appropriate to insure repayment. It limits outstanding loans and prohibits extension of further loans unless the city is in compliance with terms of past loans.

Public Law 94–260 amends the Bankruptcy Act, permitting a State political subdivision, public agency, or instrumentality that is unsolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts.

Public Law 94–396 amends the Internal Revenue Code provisions on tax treatment of the gain on the lapse of options to buy or sell securities.

Public Law 94–414 amends the Internal Revenue Code with respect to the tax treatment of affiliated banks for purposes of the common trust fund provisions of the Code.

CONSUMER PROTECTION

Public Law 94–240, the Consumer Leasing Act, requires that the lessor of an automobile or other product for consumer use to enumerate certain information regarding that lease.

Public Law 94–295 provides for the classification of all medical devices intended for human use into one of three regulatory categories, testing standards of safety, effectiveness, performance, and adulteration.

Public Law 94–364 contains provisions designed to assure consumers of receiving accurate information on automobiles.

Public Law 94–284 authorizes funds through the close of fical year 1978 to carry out the purposes of the Consumer Product Safety Act.

Public Law 94–205 amends the Real Estate Settlement Procedures Act requiring the settlement agent, at the request of the buyer, to make the uniform settlement statement available one day prior to settlement.

TAXATION

Public Law 94–164 modifies the Tax Reduction Act of 1975, increasing the low-income allowance, the standard deduction, the personal exemption tax credit, the corporate surtax exemption and extends the withholding tax rates.

Public Law 94– is a very extensive "tax reform" bill extending tax cuts for individuals and investment tax credits, increases the minimum tax for high income individuals with a large amount of tax exempt income or large deductions and modifies the Estate and Gift Tax law to partially recognize the increase in valuations caused by inflation.

CIVIL RIGHTS

Public Law 94–73 prohibits States and political subdivisions from reinstituting voting eligibility tests for an additional 7 years. It makes prohibition and enforcement procedures of the law applicable to area which have a voting age population of at least 5 percent single language minority; bilingual ballots and voting information are required.

Public Law 94–203 guarantees the right of a U.S. citizen residing outside the United States to vote in a Federal election in the State of his residence by absentee ballot.

Public Law 94–239 bans discrimination in any credit transaction based upon race, color, religion, national origin, marital status, age, sex, or the receipt of public assistance benefits and provides that a creditor who denies credit must supply that applicant with a written statement of the reason for denial.

VETERANS AFFAIRS AND NATIONAL DEFENSE

Public Law 94–107 authorizes appropriations for acquisition and construction of military installations and for construction and improvement of public works. This includes construction, purchase, and/or improvement of military family housing, authorization of public works and additional facilities for Guard and Reserve Forces.

S. 1537 extends the operation of the Defense Production Act until June 30, 1977.

Public Law 94–71 provides increased compensation for veterans receiving disability compensation for service-connected injuries effective August 1975. Those with a disability rating between 10 and 50 percent received a 10-percent increase. Those with a 60 percent or more rating received a 12-percent increase.

Public Law 94–97 redesignates November 11 as Veterans' Day effective in 1978.

Public Law 94–169 increases pension rates by 8% and increases the maximum annual income limitation for veterans and their survivors.

Public Law 94–417 increases Veterans Administration funding to States for the care and treatment of veterans in State homes.

Public Law 94–324 increases the maximum direct federal housing loan and federal share of mobile home guarantees for veterans.

Public Law 94–296 increases from $25 to $35 the maximum per diem travel allowance for uniformed services personnel.

Public Law 94–321 clarifies circumstances under which names and addresses of former Armed Forces members may be released.

Public Law 94–356 provides incentives for officers qualified to operate nuclear-powered submarines to continue their careers.

Public Law 94–374 amends the Federal Aviation Act with respect to war risk insurance.

Public Law 94–406 authorizes funds for Coast Guard procurement of vessels and aircraft and construction of shore and offshore establishments.

Public Law 94–220 amends the Defense Production Act Amendments of 1975.

GOVERNMENT

Public Law 94–409 requires that meetings of almost all congressional committees and executive branch meetings of two or more members be open to the public.

Public Law 94–421 amends the laws with respect to organizational and financial matters of the U.S. Postal Service and the Postal Rate Commission.

Public Law 94–412 terminates within two years of enactment, the powers authorized to the President under any existing national emergency and establishes new procedures for the declaration and termination of such emergencies.

Public Law 94–283 provides that 6 members of the Federal Election Commission shall be appointed by the President and confirmed by the Senate and prohibits such members from engaging in any outside activities.

Public Law 94–408 provides for the protection of the spouses of major Presidential and Vice Presidential nominees.

Public Law 94–176 extends the life of the National Commission for Review of Federal and State Law Relating to Wiretapping Electronic Surveillance for 3 months.

Public Law 94—— extends the revenue sharing program and makes revisions in its antidiscrimination provisions.

U.S.. TERRITORIES, POSSESSIONS

Public Law 94–34 provides an authorization for an ex gratis payment to the people of Bikini Atoll, in the Marshall Islands of the trust territory of the Pacific Islands.

Public Law 94–241 gives Congressional approval to an agreement between the U.S. Government and the Mariana's Political Status Commission to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the U.S.

Public Law 94–255 authorizes funds to continue civil government in the Trust Territory of the Pacific Islands.

Public Law 94–354 extends and increases the authorization for the Virgin Islands unemployment fund.

Public Law 94–392 authorizes the government of the Virgin Islands to issue bonds in anticipation of revenue receipts, guarantees such bonds by the U.S.

Public Law 94–395 provides assistance to the Government of Guam, guarantees certain obligations of the Guam Power Authority.

Public Law 94–343 extends through fiscal year 1979 the appropriation authorization for the South Pacific Fisheries Development Act.

ARTS AND SCIENCE

Public Law 94–39 authorizes appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management.

Public Law 94–86 authorizes appropriations to the National Science Foundation for fiscal year 1976.

Public Law 94–119 authorizes appropriations for services necessary to nonperformance arts functions of the John F. Kennedy Center.

Public Law 94–98 authorizes the Smithsonian Institution to plan museum support facilities.

Public Law 94–49 authorizes a program to carry out the Standard Data Reference Act.

Public Law 94–158 authorizes the Federal Council on Arts and Humanities to enter into agreements with nonprofit agencies, institutions and governments and indemnifies them against loss or damage to art works and artifacts brought into this country.

Public Law 94–168 establishes as a matter of national policy that the United States convert to the metric system of weights and measures on a voluntary basis.

Public Law 94–201 establishes a 19 member American Folklife Center in the Library of Congress.

Public Law 94–282 establishes a national policy for science and technology.

Public Law 94–336 provides authorization for additional appropriations for the National Museum at the Smithsonian Institution.

MISCELLANEOUS

Public Law 94–167 directs the National Commission on the Observance of International Women's Year to organize and convene a National Women's Conference.

Public Law 94–399 provides an independent audit of the D.C. government's financial condition.

Public Law 94–404 authorizes appropriations for Maritime training, research, and development.

Public Law 94–411 authorizes appropriations for Federal Fire Prevention and Control Act of 1974.

VETOED BILLS

More than 50 bills were vetoed, some of which were not overriden, including the following measures:

H.R. 4296 would have adjusted target prices and loan and purchase levels on the 1975 crops of cotton, corn, wheat and soybeans. A loan of $1.87 per bushel would have been available on 1975 corn and $3.94 on soybeans.

H.R. 25 would have required strip miners to level stripped areas and place nonacid soil on top.

H.R. 4485 would have authorized reduced interest rates on home mortgages for middle-income families.

H.R. 5900 would have permitted unions to picket at common construction sites under certain conditions and provided restrictions on actions of local unions when those actions have not been approved by a national board.

H.R. 8617 would liberalized restrictions on Federal, civilian, and postal employee participation in political activities.

H.R. 9803 would have set standards for and expanded Federal day care services under the Social Security Act.

S.J. Res. would have established procedures for future adjustments in the support price level for milk.

H.R. 5559 would have extended 1975 tax cuts through June 30, 1976, at a level to insure that tax withholding rates did not rise January 1, 1976, and would have increased the low-income allowance, percentage standard deduction, and tax credit for dependents.

H.R. 5247 would have authorized $5 billion in federal grants-in-aid to states and local governments for the construction, repair, renovation, and improvement of local public facilities.

EIGHTEEN YEARS IN THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 30 minutes.

Mr. RANDALL. Mr. Speaker, I take this time to say goodbye to my colleagues in the House and to review some of the events and happenings of my 18 years as a Member of this body.

As I look back over the years I am convinced that the duties of a Member of Congress and the demands upon the time of a Congressman have increased substantially since I came here in 1959, succeeding a dear gentleman named George Christopher, who died 1 week after he was sworn into office. Today we Congressmen represent more people; we perform more services for our constituencies as intermediaries in their problems with a growing Federal bureaucracy; we cast more and more votes on more and more complicated issues—and it all takes time to explain these issues and our votes to our constituents. Our sessions grow increasingly longer and there is always someone to ask us when we are in our districts, why we are not back in Washington passing a law, and when we are in Washington there is someone wanting to know why we are not back home talking with our constituents. Someone has suggested that we should have two Congressmen for each district, so there would always be one of them in Washington and one of them in the district. And somehow the notion has grown that a Congressman should always be running for office from one election day to the next one, defending his votes and explaining his position on current issues. Certainly in most districts there is always someone campaigning against the incumbent from one election day to the next.

Having said all of the foregoing I quickly add that the increasing burden of work was not the reason why I decided to retire rather than seek reelection this year. Nor did I make the decision in the face of a strong campaign against my reelection. My friends in both parties have assured me that I could have expected to be returned to this office—had I run—without serious difficulty.

I am retiring from the House, because I decided I want to leave in good health with a record of what I hope has been recorded as effective service to my district, State, and country. I have no desire to continue to cling to office, as a few have done, past the years of ability to give full service to those who elected me. I want to leave while I am enjoying my work. I have served 18 years in the Congress, 12 years as a judge of the county court in Jackson County, Mo., and 6 years as an elected official of the city of Independence as city attorney and municipal judge. I have tried to do my best in those jobs. It has been a long period of hard work under close public scrutiny. I am proud of that record. I have nothing to be ashamed of. But I want to do other things while I am young and healthy enough to enjoy them. I want to spend more time with my family. Someone has said that too many Congressmen stay on the job until they are thrown out—or carried out. I have chosen not to wait for either of these events to occur.

When this session recesses I will go back to western Missouri and travel around our district. While I will not be campaigning, my duty to make myself available to my constituents does not end until my term of office is over. Our district is a pleasant place in October. The leaves in the woods are bright with color, the days are warm and the nights are crisp; the farmers are tidying up the dormant fields; the children are back in school; in the neat, clean towns merchants are already planning for the Christmas buying season. It is a good time to be in my district and I will enjoy being back there the more for knowing that in the years ahead I will be able to spend as much time there as I want.

Our district has changed, as the country has changed, during my years in the Congress, but it has also enjoyed a stability and continuity that some others have lacked. My constituents are attached to the land—to their farms or their homes in the towns. There may be a generation gap in tastes in clothes or music, but the generations in our district share many things—patriotism, a belief in hard work and thrift, an interest in the welfare of their neighbors, a belief in God, and an attachment to their communities. We know who and what we are and who and what our neighbors are. We enjoy the values and life style of mid-America and we intend to keep them.

During my years in the Congress we have had Presidents of differing philosophies—Eisenhower, Kennedy, Johnson, Nixon, Ford. All different from one another, and all different from that great President from our own district who served before I came to the Congress, Harry S. Truman. None of them were elected by all Americans. Some of them have been elected by mere pluralities, some by narrow majorities, two by substantial majorities. The same statement can be made about the Members of the House.

The Members of the House are elected every 2 years and tend to reflect pretty accurately the views of their districts at any given time. And because the House is truly the representative body—remember that is the official name—House of Representatives—indicates, I would suggest, that during my years in the House, that body has provided a continuity of purpose under Presidents of both parties, Presidents pledged to far different programs. It has also served, not always as well as it might have, as a balance wheel and a brake, keeping the country from tilting too far in one direction or from precipitous action to meet a passing mood of the country. I am proud of my service in the House. I think I have made some friends in both parties. There have been times in these 18 years when I have not agreed with the majority. Yet, I am sure every one of my colleagues has worked equally hard and ever so sincerely for the welfare of the country.

It is fashionable to criticize the Congress. A former Member—who should know better—seems to be running for the Presidency on the argument that this Congress is to blame for everything from fire ants in Mississippi to airplane hijackings in the Middle East. However this may help or harm his own political fortunes, I doubt that it will have any great effect upon the incumbent Members of Congress who are running for reelection. I am aware that opinion pollsters report that the Congress is held in this same low regard in their districts. I do not find this an anomaly. We are a large and diverse country. The local interests and needs of western Missouri are not the same as the local interests of those who live in congressional districts in California or New York City or Alaska. I would suggest that the Congress may sometimes be unpopular because it has to reconcile the special interests of vastly different districts to the national interest. BELLA ABZUG's district may have a low opinion of the Congress, because it does not pass every bill that district desires. BILL RANDALL's district may have a low opinion of the Congress, because it does not always pass every bill his district supports. The Congress cannot be all things to all people, particularly in a nation that has more people in different backgrounds in different geographical environments than any free nation in the world today. So individual Members attempt to serve the entire Nation. And while the body as a whole may not be respected for this effort, most Members are respected by their constituents for their sincere efforts to balance these two responsibilities.

In these last weeks I have looked back at my record during the 18 years I have been in the Congress. By arbitrary yardsticks used by special interests and by the handy labels used by some journalists, it might be perceived as a move from left to center or from liberal to conservative. It has always seemed to me that left, and middle of the road, and far right are not the most useful ways to describe legislators. When I came to the Congress there were a good many national problems that had been neglected and which seemed to call for national action by the Federal Government. During the Kennedy and Johnson administrations I voted for a good many such programs. But then later there were those who thought that more and more programs were needed and that more and more Federal dollars were required for old and new programs. I perceived a need to make existing programs work better and to do away with some of the experiments that had been enacted with good intentions but that were not accomplishing the desired results. For such reasons I voted against several new programs and against appropriations I thought were excessive. The Congressional Quarterly described our voting record as a change from ultra liberalism to conservatism. As I look back I have no objection to this description. I am proud of the awards I have received from business organizations for voting against waste and excessive spending. But I would suggest that the change was not so much in BILL RANDALL as it was in the circumstances and the need of the country.

I came to Congress on March 3, 1959, and my first vote after being sworn in as a Member of the 86th Congress was for an open rule to consider legislation to make Hawaii the 50th State. It happened that I favored admission of Hawaii to statehood. But that vote had a further significance. I favor open rules for the consideration of all legislation and have voted for open rules even when I opposed the legislation they covered. On the other hand, I have voted in opposition to closed rules on legislation that I favored. It is a firmly held principle of mine that no representative of the people should ever be barred by "gag rules" from full participation in the legislative process. It has been encouraging during the present Congress that there has been at least a step away from the practice of "gag rule" legislating. A major tax bill went through the House in the 94th Congress under a modified open rule and, in my opinion, the democratic process profited thereby.

Almost immediately after arriving in Washington I found myself in the midst of one of the most intensively lobbied bills ever to come before the Congress. It was the so-called Landrum-Griffin bill concerning labor union reporting and other organizational activities. Activists on both sides of the question energetically and aggressively pursued their interests: There were reports that political reprisals were threatened against Members of Congress by both labor and management. The matter was finally resolved by what still stands as the largest vote ever cast in the House of Representatives, 229 to 201, or 430 Members of the House participating, to substitute the more restrictive Landrum-Griffin proposal for a less demanding labor reform bill.

Other events, both inside and outside the Congress, cast long shadows onto important future concerns of the Nation. As the congressional delegation from farm areas continued to dwindle, it became apparent that reasonable farm legislation would become increasingly difficult to pass. By a wide margin, in 1959, Congress passed a bill to transfer to the Administrator of REA final authority over rural electrification loans. President Eisenhower vetoed the measure and the veto was sustained.

There were other occurrences in 1959 that caused little concern at the time but which were of enormous significance in terms of subsequent events: Laos scrapped her peace treaty with Vietnam; Fidel Castro became premier of Cuba; President Eisenhower ordered mandatory curbs on U.S. petroleum imports.

By comparison with the years to follow, 1960 and 1961 were relatively routine in the Congress. But in these years, both in and out of Government circles, events were transpiring which in later years assumed enormous proportions. On several occasions the U.S. Department of State took official note of racial unrest in parts of Africa. The Kennedy-Johnson slate was elected in the closest Presidential race since 1884. Diplomatic and consular relations with Cuba were severed. The CIA came under fire for alleged mishandling of its role in Cuba and the hijacking of planes to Cuba began. Gen. Maxwell Taylor, at the end of a special mission, assured the President and the country that South Vietnam had the necessary resources to resist Communist aggression without outside help.

A highlight of the 1962 congressional session, especially in light of my growing concerns in these areas, was passage of a massive bill for construction of senior citizen housing in rural areas, including authority for funds to be used on behalf of the rural elderly and $700 million in farm housing loans. During all of my years here I have worked diligently to see that efforts to improve urban living are not made at the expense of neglecting rural and small-town America. Many times during debate I made the plea that if rural revitalization was not accomplished, further migration to the big cities would make them unmanageable.

On June 25, 1962, the Supreme Court handed down its first decision banning prayers in schools. The opposition to prayer in the schools came at the same time that civil disobedience and crime became more prevalent. My feeling is that this attitude toward prayer was a symptom of a decline in personal standards of conduct and public morality. "Permissiveness" was becoming the "in" thing.

On January 3, 1963, five U.S. helicopters were shot down and three U.S. military advisers were slain by the Vietcong. Later in the year Cambodia severed all military and economic ties with the United States. Racial problems flared up and proliferated throughout the country during the year and "freedom riders" toured the country. Russia's wheat crop failed, leading to a controversial 4 million ton purchase from the United States. President Kennedy was assassinated and was succeeded in office by Lyndon Johnson.

Congress passed a bill requiring equal pay for equal work performed by women. Soon after, we appropriated one and three-quarter billion dollars to begin cleaning America's waterways. On the eve of Christmas in 1963 the House passed a bill to permit Export-Import Bank guarantees of credits to foreign countries for the purchase of U.S. farm commodities in recognition of continuing crop failures behind the Iron Curtain.

Year 1964 brought serious escalation in Vietnam military activity. Following sneak attacks on U.S. naval vessels deployed in Asian waters the so-called Tonkin Gulf resolution approving emergency actions taken by President Johnson was passed by a 416 to 0 vote in the House and with only two dissenting votes in the Senate. The First Economic Opportunities Act, or "antipoverty bill" was passed, authorizing nearly $1 billion for programs to wipe out poverty. I voted for the authorizing legislation but, until corrective action was taken in 1972 to extend the poverty program more equitably and more fully to rural areas, I voted against all the appropriations. I was proud to have had a part in amending this program to extend its benefits to the poor and aging of America's rural areas.

That year the U.S. Embassy in Cyprus was bombed, pointing up still another world trouble spot. The 24th amendment was added to the Constitution, banning the poll tax and the Supreme Court ordered congressional districts of equal population by enunciating the "one-man one-vote" rule.

In 1965 North Vietnam and the Vietcong turned deaf ears to peace overtures made by the United States and the 27 nonalined nations. President Johnson expressed U.S. willingness for diplomatic discussions to end the war without any prior conditions. The Congress was heavily occupied with matters pertaining to financing and prosecuting the Vietnam war, but much time and consideration were also given to domestic affairs. The House approved legislation to repeal the right-to-work provisions of the Taft-Hartley Act but the Senate failed to act. New programs were enacted to develop new water supplies and clean up the environment. The Older Americans Act was passed, creating an administration on aging and authorizing $17.5 million to be spent to develop programs to benefit the elderly. On July 30, in ceremonies which I was privileged to observe at the Truman Library in my home city of Independence, Mo., President Johnson signed into law the legislation that made medicare and medicaid realities. On November 9, a massive warning was issued to Americans concerning future energy problems in this Nation when a power failure blacked out all of New York City, parts of eight Northeastern States and two Canadian provinces. Notwithstanding the huge national defense budget, it was possible to provide nearly $5 billion in tax relief through the repeal of many excise taxes.

Year 1966, however, saw a reversal of this action when the Congress voted to suspend these tax repeals. I was one of 146 House Members who voted against this legislative turnaround. In a rare pro-farm action, Congress agreed to extend the food for freedom program and to change its emphasis from methods to dispose of surplus farm products to planned production for export. At the executive level, there were two increases in allowable wheat acreage, the first such increases in 6 years. College sit-ins increased in number, as did civil disturbances in protest of the continuing war in Southeast Asia.

The first session of the 90th Congress, which opened in January 1967, was a legislative mixture of war-related enactments, congressional reaction to the rapidly mounting rate of crime and growing concern about the Nation's financial situation. In the case of the latter, the so-called Whitten resolution first emerged, which when offered as an amendment to various appropriations bills directed a 19-percent reduction of all items therein. Sometimes the amendment carried, sometimes it failed but I always voted for its acceptance. In another budget-cutting effort Congress ordered the President to reduce all nonmilitary spending by $5 to $7 billion. The economies for which I voted during 1967, had they all been effected, would have been near $15 billion. For this record I became one of the recipients of Watchdog of the Treasury Awards from National Association of Businessmen.

On January 10, 1967, President Johnson asked Congress to enact a 6-percent surtax on personal and corporate incomes, a request which was later to be increased to 10 percent. During that year the 25th amendment became a part of the Constitution, bringing order into the matter of Presidential succession. Three U.S. astronauts were killed in a flash fire in their spacecraft while preparing for the Apollo program's first launching. A military junta took over the Government of Greece and on April 4 the 500th American plane was shot down in the Vietnam conflict.

Further civil violence erupted in 1968, highlighted by the assassination of Martin Luther King, Jr. on April 5, followed by the murder of Robert F. Kennedy on June 5. The King slaying set off racial riots in 29 States and 125 cities. The response of Congress was to pass, under the most unusual of parliamentary conditions, an open housing bill. After the Kennedy death a measure was passed to prohibit the interstate shipment of rifles, shotguns, and handgun ammunition. These bills seemed to me then to be useless gestures. My present view remains the same. I have never understood how an open housing law could have prevented the tragedy of King's death. Moreover, there is no way the long gun control bill could have saved the lives of either King or Kennedy. I voted against both of these bills. I voted for a measure which passed and prohibited Federal loans and other assistance to students participating in college campus riots and for the prohibition of Federal funds to be used to force school integration or for the busing of students to achieve integration, which failed of passage.

Early in 1968 the U.S. intelligence ship *Pueblo* and its 83-man crew were seized in the Sea of Japan by North Korea patrol boats; poor people marched on Washington, camped out in its parklands, created general unrest throughout the area, and brought tourist traffic to a standstill. Gold-buying fever broke out all over Europe, foreshadowing the end of U.S. support of gold at $35 an ounce.

Of special interest to me in 1968 was a survey by the Congressional Quarterly which, on 22 test rollcall votes, compared the records of various Members of Congress with the policy positions of the liberal ADA—Americans for Democratic Action, COPE—Labor's Committee on Political Action, ACA—Americans for Constitutional Action, and an organization named National Association of Businessmen. With respect to COPE, Mr. Ford was in agreement 50 percent of the time while the record shows I was in agreement on only 25 percent of the issues. We both rated 100 percent with the National Association of Businessmen. But ACA—the Americans for Constitutional Action—rated Mr. Ford with a 74-percent score while Bill Randall was accorded 77 percent for his adherence to conservative views similar to theirs. In other words, Mr. Ford cast more liberal votes than Randall did and Randall cast more conservative votes than President Ford in 1968. The same survey revealed Mr. Ford to be in favor of a larger Federal role in private affairs on 13 of 22 issues, compared to my record of 12 of the same 22 issues. In light of the foregoing, it is ironic that Mr. Ford in recent times has blamed some of us in the Congress for the growth of the Federal Government.

In the 1st session of the 91st Congress in 1969, five major education bills passed the House. I voted for the creation of a Select Committee on Crime and for a $29 million program to combat drug use. It became increasingly difficult to pass legislation to enable necessary U.S. participation in the Southeast Asia conflict. This difficulty spilled over into other matters of U.S. defense, with debate raging in both Houses of Congress over antiballistic missile development. Three significant bills were passed in recognition of America's debts to her veterans of the uniformed services and nearly $370 million for a 3-year program of hospital construction and modernization was passed, vetoed by the President and enacted over his veto. This year saw the demise of the Saturday Evening Post after 148 years as a weekly publication and the beginning of the end of the U.S. Post Office Department when President Nixon asked that it be replaced by a public postal corporation, which was given the name U.S. Postal Service (?). The question mark in parentheses is not a typographical error, because I always write it that way in wonderment of whether it serves well.

I mention the foregoing happenings, because they created more than minor changes in our society. The Saturday Evening Post was something that Americans in cities and towns all over the country shared as a common experience. No other publication reached such a cross-section of our citizens in every part of the Nation and none does now. Some say that the TV networks perform the job of providing us all with something in common in the area of information and entertainment that the Saturday Evening Post once did. This may or may not be true, but the fare that we get from the networks seems to be much more occupied with violence and prurience and far less supportive of traditional American values. If this makes me an old fogey in the eyes of some, so be it.

The matter of the change in the postal system concerns a difference I have with the notion that all Government should be operated as a business. Some should; some should not. The idea of the Founding Fathers was that the Postal Service should provide for a reasonably fast, reliable means of the exchange of information, binding the country together. The idea was not to make money. A special rate was set for publications to encourage a proliferation of local newspapers as well as the national magazines. We lost something when the Saturday Evening Post ceased publication and we lose something whenever a weekly in a small county ceases publication, in part because we must have a "business-like" Postal Service. We got better service doing what the Founding Fathers intended when the Post Office was under the direct supervision of Congress, and we had postmasters who knew their customers and cared about them personally.

Human resource legislation continued to dominate the congressional scene in 1970, with passage of additional veterans legislation, increased social security benefits, huge spending authority for solid waste disposal and clean air activities. Crime continued to be a subject of congressional deliberation; $3.15 billion was authorized for the Law Enforcement Assistance Administration. Twenty months after it passed the Senate, during which time it languished in the House Judiciary Committee, the Organized Crime Act of 1970 was passed. I was credited by the press with a major role in this enactment. As the congressional session neared its end and it became less and less likely that the Judiciary Committee would act on this measure before adjournment I filed a discharge petition to bring it to the floor for a vote. Sufficient interest and demand for passage of this bill was generated to result in a committee report and a 341-to-26 House vote for its enactment.

On May 4, 1970, the Arab-Israel conflict flared up dangerously and on the same day four students died in a campus riot at Kent State University. Budget cuts forced the closing or operational cutbacks at 371 military bases across the country.

It took a major effort in the House in 1971 to pass a bill to establish a rural telephone bank and provide financial assistance to such a bank. A Select Committee to Investigate U.S. Energy Resources was proposed in the House but the proposal was defeated 128 to 218, a decision that must have been the subject of regret just 2 years later. The House also failed to muster the required two-thirds vote for approving a constitutional amendment to permit voluntary prayers in schools. Congress continued to give the President authority to freeze prices, wages, and interest rates but he continued to refuse to exercise that authority sufficiently to control runaway inflation. In 1971, I was honored to become chairman of the Special Studies Subcommittee of the Committee on Government Operations to which the House leadership assigned responsibilities for studying and making recommendations for meeting the problems of the Nation's rapidly growing elderly population.

During 1971 the first step was taken toward achieving an all-volunteer Army; a Commission recommended admission of Red China to the United Nations; the dollar was devaluated by 8.57 percent. On January 12, OPEC—Organization of Petroleum Exporting Countries—met in Teheran, Iran, to map plans for vastly increased prices on their exports. On April 27, Japan announced plans to double her defense spending by 1977.

Presidential vetoes of congressionally approved bills continued to be exercised in 1972. A 3-year extension of the Vocational Rehabilitation Act was pocket-vetoed after Congress adjourned, as was a bill to establish a National Cemetery Department in the Veterans' Administration. The pocket veto was also exercised in the case of a bill to create a National Institute of Aging within the National Institutes of Health. However, both Houses overrode the veto of a bill to increase railroad retirement pensions. By a vote of 122 to 234 the House failed to pass a bill to create a program of research, education, and promotion to maintain and expand markets for wheat and wheat products. Both Houses passed the revenue-sharing bill which distributed $30 billion in Federal funds to States over a 5-year period. Outside the Congress the big stories were the Watergate break-in on June 17; Hurricane Agnes devastated the eastern seaboard on June 19—with an estimated rainfall of 28.1 trillion gallons—and Arab terrorists killed two members of the Israeli Olympic team at Munich. Former President Harry S. Truman died on December 26 and Life magazine ceased publication on December 29.

In four out of five cases rural America fared better in the Congress during 1973 than had been the case in recent years. A bill was passed to prevent impoundment of and to require $225 million to be spent for rural water and sewer districts. Congress also enacted legislation to improve the operations of the emergency farm loan program, establish a revolving fund for assistance to the Rural Electrification Administration and its telephone system and a 4-year extension of the program of modified price supports for wheat, feed grains, and cotton. In the fifth case Congress did its job, but the President vetoed a bill to prevent impoundment of funds appropriated by Congress for water and sewage grants to rural communities. The Older Americans Act was extended for 3 years, construction of the Alaskan pipeline was authorized, the President was required to establish mandatory programs for allocation of petroleum and petroleum products. Gerald R. Ford was confirmed as Vice President of the United States following the resignation of Spiro Agnew. An additional $90 million was authorized to combat illegal drug use. Sports fans were pleased by the bill to ban television blackouts of athletic events in professional sports.

In one of its worst days in recent years the Supreme Court ruled that abortions are legal. On February 12 there was a further 10-percent devaluation of the dollar and billions of U.S. dollars were unloaded in money markets around the world. During the spring and summer the Nixon government became increasingly chaotic with many resignations from top positions and indictments against its members. In the fall, lines began to form in gasoline stations and the energy pinch hit hard.

On February 6, 1974, the House authorized its Judiciary Committee to begin an inquiry as to whether President Nixon should be impeached. In March a stern measure was enacted for dealing with air service hijacking. The House defeated a proposal that plans be made for converting to the metric system of measurement in the United States. By the narrow margin of six votes the House passed a bill providing for emergency livestock loans to producers damaged by floods and other weather conditions. Gerald R. Ford became the first President to ascend to the Presidency under the terms of the 25th amendment following Nixon's resignation. Mr. Ford was to subsequently veto 24 congressionally approved bills in only 4 months. He was to also pardon President Nixon on September 8 and 1 week later authorize an amnesty program for Vietnam draft evaders and deserters. The second session of the 93d Congress was unusually long. It enacted 402 public laws on which 737 recorded votes were taken. I voted eight times against the use of Federal funds for busing schoolchildren for integration purposes, nine times for improved veterans benefits, including one vote to override the veto of a supplemental appropriations bill that provided funds to meet Vietnam veterans entitlement to educational and housing loans. I was the principal House sponsor of a bill to create a $30 million scholarship program as a living memorial to the late President Truman.

Year 1975 saw unemployment reach the 8.7-percent level, the highest rate in more than 13 years. It also saw the largest peacetime deficit in history, $51.9 billion. Congress passed a bill granting emergency mortgage assistance to unemployed persons facing the loss of their homes. Emergency assistance was also extended to small businesses with inflationary cost increases in cases of fixed price Government contracts. As a perennial sponsor I was gratified to see House passage of legislation to restore November 11 as the date for observing Armistice Day. Also passed was a bill to extend through 1977 a $25 million program of rural development which I enthusiastically supported. I voted against the bill to authorize more than $2 billion in emergency loans as a bailout for New York City to prevent the city's total bankruptcy. During 1975 I maintained my career-long record of responding to my name on more than 90 percent of the House's recorded votes. Over nearly 18 years of service in the House I am proud of an overall attendance record of 93 percent. Several years the record was as high as 97 percent or 98 percent.

The Select Committee on Aging was created by House Resolution No. 988 in October of 1974. On February 6, 1975, I was named chairman of that committee by Speaker CARL B. ALBERT. This has been a demanding but rewarding assignment and I am proud that the work of the committee and its recommendations have led to needed improvements in the Nation's attitudes toward and program for our senior citizens.

In May 1975, Congress voted a half billion dollars for the relief of Vietnam refugees in the United States. In September there were two unsuccessful attempts to assassinate President Ford, 17 days apart, in Sacramento and San Francisco, Calif.

So far in 1976 I have voted to outlaw credit discrimination on the basis of sex and age; $1.2 billion increase in budget authority for cost-of-living increases in veterans benefits; extension of the revenue sharing program; and to prohibit the use of appropriations to the Department of Health, Education, and Welfare to pay for abortions. I was the principal sponsor of an amendment, agreed to by the House, to add $100 million to the Labor-HEW appropriation to fund multipurpose senior citizens centers.

The foregoing is but a brief digest of a complete review of my congressional career which I am sending to the good people of Missouri's Fourth Congressional District. In our final newsletter I will include details of my record on nearly 7,000 votes recorded in the House. I have been present and voting on more than 6,500 rollcalls. This should identify my attendance record as being among the best in the House during my years as a Member.

Of the 434 Members in the House when I was sworn in, only 65 will return to the 95th Congress. Were I to return I would be No. 75 in seniority. Of the 66 first term Members of Congress when I was sworn in on March 3, 1959, nearly all of whom were sworn in 2 months earlier than I, only 16 will be back next year.

Since coming to Congress I have been especially interested in legislation affecting the farms and rural communities of my district and all over America. The dwindling number of farm-oriented Members of Congress has made it increasingly difficult in recent years to provide all the legislation needed by the agricultural community, thereby requiring additional measures of effort on the parts of us who represent this important segment of America. In these efforts we have sometimes won, too often we have lost but always we have given our very best efforts.

I have also been especially sensitive to the needs of veterans of our several wars. I have without exception supported legislative proposals to satisfy those needs and express the gratitude of a grateful America for what they have done to preserve our national freedom.

Educational matters have occupied much of my time and interest. Since 1959 I have voted for $166 billion for various educational purposes, extending educational opportunities to those who would not otherwise have them and improving the overall quality of education. These Federal expenses have been necessary, because the States and local communities have reached their capacities to make the necessary outlays to stamp out illiteracy and make higher education opportunities available to a greater number of Americans. I have said many times that money spent on education is not really money spent but money well invested.

I have also been concerned with improving the health of America's citizens. To this end I have voted for more than $35 billion for medical education, construction, enlargement of and modernizing health care facilities and hospitals. These expenses have been necessary because the private sector has been unable or unwilling to finance such vast undertakings. But these votes for such large sums were not for "reckless spending." The contrary is true. Over the years I have consistently voted against spending money for nonessential purposes and for programs that are not warranted in terms of benefits returned or affordability. It is difficult to arrive at a specific figure to illustrate my economy votes but I believe a conservative average of such votes will be close to $20 billion for each year I have served in the Congress.

In my first 2 years in Congress I cautiously voted for our foreign aid outlays. Thereafter, I became convinced that many of our aid programs were unjustified, that they brought contempt for the United States more often than gratitude and that too much inefficiency attended upon this effort. I began to ask myself "What does foreign aid money buy?" For the past 16 years I have voted against every foreign aid authority and every appropriation.

One of my early committee assignments was to the Space Committee in 1961 at the beginning of our golden age in space. Our committee passed on plans proposed to give the United States superiority in space. We quickly achieved such superiority. However, in light of our constantly worsening fiscal condition, I have found it necessary in recent years to advocate standing on what has already been done by us in space and to vote against further expenditures for space purposes because of our mounting deficits.

In these two areas of congressional concerns, foreign aid and space exploration, I have voted against expenditures equal to almost half of what I have advocated to be spent on health and education, both of which are vastly more important to the taxpayers who must pay the bill.

It has been of great concern to me that almost every year since coming to Congress we have been asked to approve further increases in the national debt limit. Not once has a proposal been brought to a vote for reducing that debt and only a very few have been brought forward asking for greater economy and efficiency in our Government. On the contrary, too much of our time has been occupied with considering additional programs calling for additional spending.

In the private sector economic security is most certain to be achieved only when families or individuals save before spending. I see no reason why our Government should follow an opposing course by first determining how much more debt we are going to assume before appropriating the money or even collecting the revenues to be appropriated. How wonderful it would be for the people and for the country if we at least tried 1 year to set as our national goal the retirement of at least some of our debt and keeping our expenditures within the limits of our income.

In my first year in Congress the Federal budget was $77 billion and the national debt was $285 billion. As I leave the budget exceeds $300 billion and the debt is nearly $500 billion. Of course some of these increases are attributable to a brutal and costly war that raged in Southeast Asia during several years of my congressional tenure. Runaway inflation has developed due to lack of economic restraints. Much of our deficit and national debt is due to over-willingness by our Government to become involved in too many new programs at home and at the same time pass out money to countries all over the world.

I doubt if any one ever leaves these halls fully satisfied with what has been accomplished while they were here. But most—and I am certainly no exception—leave with the inner satisfaction that they have obeyed the dictates of their consciences and done their very best. And, I am sure, all leave with a great sense of pride that, out of many hunbeen many hundreds of millions of citizens who have lived in this country since 1789, only about 40,000 of them have served in the U.S. Congress. I am proud and grateful to have been one of that number.

Of course, I am somewhat saddened by the realization that I will not be a part of the 95th Congress. There is no way to deny that I will miss the daily association next year and the years ahead, of the colleagues whom I have learned to know and respect.

I love the House of Representatives. Many years ago I had a good opportunity to go to the other body of Congress but I decided I genuinely preferred membership in the House. I have cherished my membership in the most unique body of public service in these United States. That is true, because one can become a Governor by appointment, one can become a U.S. Senator by appointment, one can even become a President by appointment, but no one ever enters these halls, no one ever enters the Chamber of the House of Representatives to raise his hand to be sworn in until he has been elected by the people of his district.

I am going to miss the pleasant associations and the good fellowship built and cemented over all of these years. But while I am somewhat saddened, and with a heavy heart on the one hand by the thought of leaving, I am heartened on the other hand by the fact that I have enjoyed a rare and rich experience to serve as a Member for so many years, one that not very many people have the opportunity to enjoy for so many years.

I leave with the firm belief that the Congress will regain in the very near future the prestige that it lost because of Vietnam and Watergate. I leave with the hope and prayer that there will be a turnaround from the lessened confidence in Government by the public to a new respect for all of our institutions, including Congress, to be justified and deserved by the exemplary conduct of all the members of the legislative branch.

I leave with confidence and with optimism that our great country will grow and prosper in the years ahead. And I predicate my optimism upon all the evidence of our history, that there has never been a time of challenge and there has never been an array of problems that have been insoluble or insurmountable for long, when faced by the strong will and determination of the American people.

As I go, it is not goodby, because I plan to come back to visit the place which I have loved so much for so long.

It is time to say "au revoir"—"hasta luego"—"auf wiedersehen."

I say to my beloved colleagues in the House, it is not farewell, but Godspeed. May God bless our beloved America. May God shed His blessings on each of you.

TRIBUTE TO HON. EDWARD HUTCHINSON AND MARVIN L. ESCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Cederberg) is recognized for 60 minutes.

Mr. CEDERBERG. Mr. Speaker, voices of commonsense and economic rationality are rare in this Congress. Our colleague and my good friend, Ed Hutchinson, who is retiring at the end of the session is one of them. Therefore, I note his leaving with certainly mixed emotions.

I am happy that he will finally be relieved of the heavy burdens of public service and allowed to enjoy the pleasures of retirement. However, our loss in the House of his practical wisdom and sagacious influence will be an unfortunate consequence. Ed, who never wasted any words, constantly cut through the sugary coating on proposed legislation to get to the economic meat of a bill.

His prime concern was the taxpayer. Extravagance was forbidden in his vocabulary. It was a luxury that Government could not afford, and should not allow. Never one to compromise his principles, he would oppose any legislation that violated this maxim.

In his 16 years in the House, his contributions have been numerous and in the end the taxpayer has benefited. You could always count on Ed riding shotgun on any spending proposal that did not provide a favorable return for the tax dollars invested. His stick of fiscal responsibility was a big one. And he was never one to speak softly about it either.

As minority member on the House Judiciary Committee, he served with dignity and integrity. An irreplaceable asset, Ed will leave his mark on the committee. Demonstrating an unusual aptitude for the subject matter, his contributions have been invaluable.

Peg and myself wish Ed and his wonderful wife Janice the best of everything in the future. I hope that the years ahead will be as fulfilling and satisfying as past. Ed can always count on a friendly welcome any time he returns. I hope he does often. He represents the epitome of a Congressman; dedication, duty, concern for constituents, and love of country. He is all of these and more. I know I am joined by many of his colleagues in saying, Thanks Ed for a job well done.

Mr. ESCH. Mr. Speaker, it gives me a great deal of pleasure to pay tribute today to my good friend and valued colleague, Edward Hutchinson. As a member of the Michigan delegation, it has been my good fortune to work closely with him for the last 10 years on matters of concern to our State. He is an outstanding, conscientious and thoughtful man who has represented the views of the people of Michigan well during his years in the Congress.

The people of the entire Nation owe a debt of gratitude to Ed for the judicious and careful leadership which he provided to the minority during the impeachment hearings. During this most difficult of national crises, Ed Hutchinson gave leadership to those who were determined that all sides of the issue must be discussed fully and openly.

Ed Hutchinson is a hard working Member of the Congress. The people who have returned him to Washington for the last 14 years have been well-served by his devotion to duty and his determination to represent their views here in the House of Representatives. While we have not always agreed in our votes, I know that Ed has conscientiously represented the views of the people of the Fourth District and I have a great deal of respect for his viewpoint.

Ed and his wife Janice have been good friends to Olga and me. Knowing them has enriched our lives. I know we are joined by many others here in the House in wishing them the best during their retirement.

Mr. BROOMFIELD. Mr. Speaker, though we have worked long and hard, I will be sorry to see the close of the 94th Congress. I will regret it because at its close, this distinguished body will lose the expertise and the stateman's skills of my fellow Congressman from Michigan, Edward Hutchinson.

In the House of Representatives, Congressman Hutchinson has distinguished himself in the area of constitutional law. He has served this body well by applying his skills and his expertise in the work of the Committee on the Judiciary where he served as the ranking minority member.

But long before we saw this constitutional expert in action, he had already established a solid reputation in this field in Michigan. Much of the credit for the present Michigan Constitution belongs to him because of his active and tireless role during the 1961–62 Michigan Constitutional Convention.

My close and friendly association with Congressman Hutchinson goes far beyond the 14 years of his service to this body and into the Michigan Legislature. Through these many years, I have admired and respected his excellence of mind and his dedication to the public good.

When this Congress closes, we will be poorer for his absence. He takes with him a distinguished record of public service. He goes with the admiration and respect of the many friends he has made here. And he leaves with the gratitude and best wishes of this body and the Nation which he has so nobly served.

Mr. BROWN of Michigan. Mr. Speaker, as this 94th Congress comes to an end, the House of Representatives, as well as the State of Michigan, will lose a great statesman. His name is Ed Hutchinson. His legislative record is one of integrity, honesty, and purpose.

I can remember my first days of service in the House of Representatives and how helpful and comforting it was to me to be able to seek the advice and counsel of Ed Hutchinson, especially with respect to legislative measures emanating from the Judiciary Committee. Ed and I have many times disagreed philosophically and have voted differently on many occasions, but the one thing I have always been able to rely upon is the fact that Ed

Hutchinson "told it like it is" and gave me a fair and objective analysis of the evidence presented to the committee and the pros and cons of the legislative measure. This was always done without suggesting the "coloring" which his personal views might have dictated.

Mr. Speaker, to be able to have such a reliable source of information is of inestimable value and its loss through Ed's retirement will be sorely felt by this Member as well as numerous others, I am sure.

Congressman Hutchinson has made his mark on the Congresses in which he has served and his contributions to this Nation's welfare as a sincere, dedicated legislator put us all in his debt.

All of us who may continue to serve will miss Ed Hutchinson in these Chambers, but none of us will miss him as much as the citizens he represented in Michigan's Fourth District.

I join my colleagues in congratulating and thanking Ed for a job well done and extend to him my warm personal best wishes.

Mr. RUPPE. Mr. Speaker, since 1963, Michigan's Fourth Congressional District has been most ably represented by my esteemed colleague, Ed Hutchinson. Earlier this year, when Ed announced his decision to retire after seven terms of hard-working service, I realized that I would be losing a good friend, and Michigan an extremely effective representative. Ed has distinguished himself through his service on the House Judiciary Committee, especially as ranking minority member. I shall always be grateful to Ed, for in 1967 when I and several other freshman Representatives from Michigan arrived on Capitol Hill, he was always willing to do his utmost to help acquaint us with the legislative process.

I deeply regret that Ed has decided to retire from the House. He will surely be missed, and I wish him a productive and enjoyable retirement.

Mr. McCLORY. Mr. Speaker, one of our most valued Members and one with whom I have had the closest personal and official relations is Congressman Edward Hutchinson of the Fourth District of Michigan.

In his decision to retire at the end of this Congress, the Congress and particularly the House Judiciary Committee are experiencing a loss which will be difficult, if not impossible, to replace.

Fourteen years in the minority provided a genuine test of Congressman Hutchinson's talents and patience. But that does not mean that Ed Hutchinson's views were suppressed by the majority. And while his positions were not often adopted—it should be emphasized that they were always respected.

Serving as minority leader of our party on this committee during the most historic and dramatic period in our Nation's 200-year history—he helped the committee and the country to stay together.

On many occasions his positions did prevail—and let me say as another Member of the minority—when you are outnumbered 2 to 1, you have got to have a generous supply of logic and reason—and the support of a few Supreme Court decisions in order to convince that stubborn group on the Democratic side.

And, risking the adverse views of many of my colleagues in this House, and on the Judiciary Committee, I would like to express the personal view that Ed Hutchinson is a constitutional authority without peer.

Mr. Speaker, Congressman Ed Hutchinson's additional service on the House Select Committee on Standards of Official Conduct has placed a man of the highest personal integrity in a role where he was able to contribute the maximum to the high standards of official conduct which his own life and service have exemplified.

Mr. Speaker, Congressman Ed Hutchinson's wife, Janice, has provided steadfast and loyal support during Ed Hutchinson's public service both in Washington and during his earlier service in the Michigan State Senate.

My wife, Doris, and I have enjoyed a cordial personal relationship with Congressman and Mrs. Ed Hutchinson and we join in extending to them our good wishes for rewarding service and good health and happiness in the years ahead.

Mr. CEDERBERG. Mr. Speaker, the departure of Marv Esch from the House of Representatives fills me with mixed emotions. The loss of this good friend and colleague from Michigan will be a personal one for me. The departure from the House of this able legislator signals the end of one era of accomplishment and the beginning of another.

During his five terms in the House of Representatives, Marv Esch has achieved a record of accomplishments matched by few Members on either side of the aisle. He has made significant and positive contributions in the area of labor, to increase employment in the United States and Michigan. He is dedicated to progress in education. Marv Esch has made every human effort to relieve the tensions created by the busing of our schoolchildren.

As much as I am saddened by his leaving the House, I am heartened by the thought of the fine addition Marv will be to the other body. If Marv Esch can claim the success and accomplishments in the Senate that he has enjoyed in the House, and I am sure that he will, it can only be a benefit for the good people of Michigan. The House's loss will be the Senate's gain.

Peg and I want to wish Marv and Olga our sincere best wishes and continued success. I look forward to greeting Marv next January as Senator Esch.

Mr. VANDER JAGT. Mr. Speaker, I join with my colleagues from Michigan in this very special tribute to Congressman Marvin L. Esch and Edward Hutchinson. Both have had great influence on my congressional career and activities and I, along with all others in this great body, shall miss them very much.

Ed Hutchinson was on the scene when I first came to Congress in 1966. As the Congressman from Michigan's Fourth District, I sought his counsel and help since our districts adjoined one another. Following congressional redistricting in 1972, Ed's home county of Allegan was included in our Ninth District. I can tell you that his has been a "tough act to follow." Ed is a living legend in Allegan County. First as a community leader and lawyer; a leading member of our State's constitutional convention back in the early 1960's; then as a State senator; and as Congressman since 1962.

While I beat Marv Esch to Congress by a few months as a result of a special election, we have literally been classmates together for the past 10 years. What great contributions he has made, as we all recognize, in the field of education, as well as labor and jobs. The Comprehensive Employment Training Act features his great legislative work.

Ed Hutchinson, a sterling member of our House Committee on the Judiciary, certainly ranks as one of this body's great constitutional authorities. Ed, of course, announced his retirement earlier this year, while Marv is engaged in a spirited and great campaign to move on to the body at the other end of the Capitol.

I wish them both great happiness, good health, and success in the years ahead. Both Marv and Ed made the U.S. House of Representatives more knowledgeable, more sensible, and more responsive in their legislative endeavors. We in the House have been a better body because of their presence and their participation. We shall miss their involvement and their contributions very much.

Carol joins me in extending our warmest best wishes to Olga and Marv and Jan and Ed. We shall miss them, but look forward to continued close friendships in the years ahead.

Mr. BROOMFIELD. Mr. Speaker, with the close of this Congress, the House of Representatives will lose the services and skills of a distinguished and dedicated colleague, Marvin L. Esch, of Michigan.

During the 10 years of service in the House, Congressman Esch has been leader in many areas of our work but he has especially distinguished himself in the area of manpower training legislation. As the ranking Republican on the Manpower Subcommittee, his dedicated work and stateman's skills have provided the Nation with improved retraining programs and placement procedures at the local level.

My association and friendship with Congressman Esch has been especially strong because we are from the same State and the same party. Over these years, I have come to know and admire this man for the dedicated public servant that he is.

Mr. Speaker, I know that I speak for all of us as I wish our distinguished colleague the best in the future and express the gratitude of this body and the Nation for his outstanding service.

Mr. HUTCHINSON. Mr. Speaker, I join several of our colleagues on this occasion in observing the capabilities and fine qualities of character of Marvin L. Esch. The gentleman from Michigan and I have represented adjoining districts in Michigan since he came to Congress 10 years ago. We were personal friends even before then. Until 4 years ago one of the counties I now have the privilege to represent had been for a long time in his district and I know of the reputation for excellence which Mr Esch enjoys in that county as well as in all Michigan.

He now leaves us seeking to represent the people of Michigan in the other body.

He will be a great U.S. Senator. I extend to him my warmest personal best wishes for success.

Mr. RUPPE. Mr. Speaker, it is with very real emotion that I rise to pay tribute to my esteemed colleague and good friend, MARV ESCH. MARV and I entered the Congress together with the freshman class of 1967, and for my wife and I, it has marked both the start of a warm friendship. It has also been a period of excellence in the quality of representation of Michigan's Second District. MARV has provided outstanding leadership in the field of education, and has been a tireless worker on the House Education and Labor Committee. He has provided enlightened, thoughtful representation, and is unquestionably one of the most talented and accomplished Members of the entire Michigan delegation.

MARV has embarked on a race for the Senate seat in Michigan, and I wish him well in this contest. I will miss having him in the House of Representatives. He has been a wonderful friend, and a hard-working advocate for the people of his district, and of the entire State of Michigan. I extend my thanks for the great job that MARV has done, and hope he will continue to exercise his ability on behalf of the people of Michigan.

IN MEMORY OF WALTER DOLFINI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 15 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, Walter Dolfini, one of Northern California's most distinguished citizens passed away recently in Eureka, Calif.

I counted Walter Dolfini as one of my closest personal friends—a man gifted with that rare combination of talent, dedication, vision, good sense, and integrity.

His loss has been mourned throughout the Redwood Empire both by those who knew him and those who benefited personally from the many legacies he is leaving in medicine, in education and in community improvement.

He was wholeheartedly responsive to the needs and goals of his community. He had the unique talent of being able to put his finger on the core of a problem and marshaling the forces essential to getting the job done when the going was tough.

His eulogy was written by Jack Daly of Eureka who summed up his accomplishments briefly but eloquently. I will read it into the RECORD.

In addition, I shall include the Rotary Club newsletter containing a moving remembrance written by Jim Turk.

The former president of the College of the Redwoods in Humboldt County, Dr. Eugene Portugal, has submitted a summary of Walter Dolfini's contributions to that institution. I shall include the material in the RECORD.

My colleagues in the Congress will agree with everyone associated with Dr. Dolfini, that he was a man of high ideals and with the character to seek their achievement.

The material follows:

The North Coast mourns the loss of Walter W. Dolfini, M.D. When he passed away on April 23, the area lost a leader in the medical field and a tireless dedicated worked for education.

Walter Dolfini was born in Eureka, graduated from the local school, attended Humboldt State, graduated from Stanford and received his M.D. at McGill. He started his practice in his home town forty years ago.

At the time of his death, he headed the Eureka Rotary, was Chairman of the Humboldt State Advisory Board and President of the Eureka Heritage Commission. He was past President of the Humboldt County Medical Society, Ingomar Club and Eureka Chamber of Commerce. Governor Reagan appointed him to the California State Welfare Commission. He twice chaired the College of the Redwoods Board of Trustees.

In reviewing his countless activities, along with this back-breaking practice, we see him as . . .

One of the real leaders in the building of St. Joseph Hospital;

Helped in starting the Humboldt Arts Council and the Eureka Heritage Commission;

Founder and one of the original promoters of the College of the Redwoods; and

He always found time for fly fishing on the Klamath, duck hunting, golf and travel.

The area has lost a selfless dedicated doctor who is irreplacable. We were privileged to have known him and will remember him with pride and gratitude.

Norm Unis, Managing Editor of the Times-Standard wrote: "Dr. Walter Dolfini died Friday. No one person gave more to Eureka."

JACK F. DALY, Jr.

MAY 8, 1976.

[From the Burl, Weekly Bulletin of the Rotary Club of Eureka, Calif., Apr. 26, 1976]

WALTER DOLFINI, 1908–76

Our president died last Friday, April 23. His death closed a career to which many aspire but few achieve. No other one person has done so much for this community and his accomplishments testify to this. Consider: a native Eurekan, Walt graduated from local schools, attended Humboldt State University, Stanford, and graduated with a degree in medicine from McGill University. He practiced medicine here for 40 years and is remembered as a superb physician. A member of the staff of General Hospital for 37 years, Walt served many years as chief. Walt led the drive that resulted in the establishment of St. Joseph Hospital; he was a member of the Eureka Chamber of Commerce and served as President. He was a charter member of the Ingomar Club and was President one year. Walt was Chairman of the Eureka Heritage Commission, Chairman of the Humboldt Arts Council, President of the Humboldt Medical Society and Chairman of the Humboldt State Advisory Board. During his term, Governor Reagan appointed Walt to the California State Welfare Commission. He was active in the Redwood Region Conservation Council and served and supported dozens of other community organizations. Walt is most famous for his foresight and enthusiasm in establishing a community college here and is noted as the "founder" of College of the Redwoods which he served two terms as Chairman, College of the Redwoods Board of Trustees. He has been a Rotarian since 1941. Married to Barbara Griffith in 1936, Walt and his Rotaryann had four children.

Walt was an enthusiastic sportsman, golfer, barbershop singer, fisherman, amateur chef, photographer, sailor and traveler. Not only a brilliant physician, a loving husband and father, he was a concerned citizen of his community who vigorously participated in its progressive activities. Walt loved this country and he loved its people—this fact shines through all his accomplishments. Truly, no one man is indispensable to his community, but Walt Dolfini has come the closest.

—ED.

Probably no one single individual has had more to do with the establishment of the College of the Redwoods, than did Dr. Walter W. Dolfini, M.D. In the late 1950's he became aware of the fact that Humboldt County was spending over one hundred thousand dollars per year in "out of district" tuition for Humboldt County students to attend junior colleges in Sonoma, Shata, Marin and other counties. In addition, vocational-technical training, pre-professional and upgrading programs usually offered by junior colleges (now known as community colleges) were not available to those who could not afford to leave the area for transitional or advanced schooling.

As head of the Education Committee of the Eureka Chamber of Commerce, he enlisted the advice of Dr. Homer Balabanis and Dr. Neal Seimens of Humboldt State College (now University). They advised him to visit some existing junior colleges in California. Accompanied by Mr. Newton Stewart of Station KIEM, they visited eleven colleges so that they could come back with some ideas regarding building and operating costs and the problems involved in establishing a new college.

Then with the help of Dr. Glen Paul, the Humboldt County Supt. of Schools and Dr. Wallace Hall of the State Dept. of Education, he began to summarize, organize, and condense the intricacies of starting a new community college district.

Dr. Dolfini then mobilized the entire Eureka Chamber of Commerce and also the Chambers of Commerce of all the other cities in Humboldt County to get behind the formation of the new college. In response to his efforts, all these agencies began working on the problem.

He also persuaded Assemblyman Frank Belotti to introduce a special bill in the State Legislature that would permit the vote on the formation of the district and the vote on the necessary bond issue to appear on the same ballot. Under Dr. Dolfini's leadership, in January 1964 the bond issue and the district formation both passed easily.

When Dr. Bolfini ran for election to the first Board of Trustees, he won an overwhelming vote. He twice served as chairman of the Board and was chairman at one time or another of each of the Board committees.

He supported Dr. Portugal (the first president of CIR) when radical building designs were proposed. Without his help, the college today would look like a large high school, instead of the outstanding campus admired by everyone. He served with distinction until 1975 when he resigned from the Board to devote more time to his medical practice.

He is recognized by all knowledgeable people as the true Father of the now illustrious "College of the Redwoods".

NATIONAL COMMISSION ON OBSERVANCE OF INTERNATIONAL WOMEN'S YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 10 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, as the 94th Congress draws to a close and the Members of the House of Representatives prepare to leave Washington to return to their home States, I feel it is important to update and clarify recent happenings at the National Commission on the Observance of International Women's Year.

As my colleagues are well aware, the National Commission on the Observance of International Women's Year was established by the President in April 1975. The Commission is composed of 35 public members appointed by the President, and two Members of the Congress designated by the President of the Senate and the Speaker of the House. I was personally honored by Speaker Albert to represent the House of Representatives on this distinguished Commission. The Commission membership represents both parties, including distinguished Democrats as well as Republicans; it includes the young, the mature, various religions, homemakers and professional women, management and union.

Carrying out its mandate from the President to take as its action agenda the promotion of equality between men and women, the Commission set up 12 committees to study various topics and adopted over 100 recommendations. After nearly a year of deliberation, the Commission, on July 1, 1976, presented its recommendations to the President in the form of a report titled: "To Form a More Perfect Union."

Recognizing the importance of the Commission's work, the Congress, in December 1975, passed Public Law 94-167 which extended the life of the Commission in order to hold a National Women's Conference and preparatory State meetings. In an attempt to defeat the enactment of this law, ERA opponents sought to cripple the legislation by adding a provision which would have kept the women's conferences from adopting recommendations relating to legislation, including constitutional amendments. They failed in this when the bill emerged with only a rider prohibiting the use of funds for "lobbying activities," rather than the more restrictive language.

Questions were also raised about the propriety of the Commission's activities to educate the public about the ERA. As cochair of the Commission's ERA Subcommittee, I sought to clarify the issue by requesting an opinion from the Comptroller General of the United States. His response, which is printed in its entirety at the end of these remarks, indicated that the Commission was acting completely within the scope of the Executive order.

Despite the Congress refusal to lend credence to the opponent's ERA stance, and the Comptroller General's opinion, the opponents have persisted. On August 9, 1976, District Court Judge Robert Morgan of Peoria, Ill., issued an immediately effective oral injunction prohibiting the Commission from publicly supporting the ERA. The complaint on which Judge Morgan based his injunction was initiated by ERA opponents.

Judge Morgan followed up the oral injunction with a written order on August 16 which would have prevented the Commission from carrying out the purposes of Public Law 94-167, by prohibiting the use of funds appropriated to the Commission to be used for women's meetings that would promote the passage, ratification or defeat of any legislation or constitutional amendments.

After the injunction was issued, the Commission, on advice of legal counsel, ceased providing the public with copies of its report "To Form a More Perfect Union," and stopped publication of a pamphlet on the "Legal Status of the Homemaker in Louisiana," the first in a series of publications on the legal status of homemakers in the various States. In accordance with custom, single copies of the Commission report and its other publications were being provided free until the injunction was issued.

Responding to the injunction, the Department of Justice, acting on behalf of the Commission, appeared before Judge Morgan to request a stay of the injunction pending the resolution of an appeal to the Seventh Circuit Court of Appeals. Judge Morgan denied the request, but on September 8 the appellate court granted a stay of the injunction and a request for an expedited appeal.

With the injunction temporarily lifted pending further court action this fall, the Commission has resumed distribution of its publications. The Commission's report should be required reading for all those concerned about the impact of the equal rights amendment as it offers a report on the experiences of the States that have adopted their own equal rights amendments. The records of these States show that thus far the greatest protection offered by the State ERA has been to homemakers. It is ironic that the "Stop the ERA" movement has been sponsored on behalf of the homemaker when, in fact, the States which have passed the ERA have found them to be the main beneficiaries.

Mr. Speaker, I urge my colleagues to read the Commission's report, and to continue their support of this Commission and its activities.

Washington, *July 31, 1975.*

Hon. Margaret M. Heckler,
House of Representatives.

Dear Mrs. Heckler: This is in reply to your correspondence dated June 20, 1975, requesting our opinion on the question of whether the planned activities of the Equal Rights Amendment (ERA) Subcommittee of the National Commission on the Observance of International Women's Year 1975 (Commission), are within the scope of the Executive Order establishing the Commission. We believe that they are.

We note initially that 1975 was designated International Women's Year by United Nation's General Assembly Resolution 3010 on December 18, 1972. Presidential Proclamation 4262, January 30, 1974, stated that—

"* * * This [United Nations] resolution offers an exceptional opportunity to intensify the national effort already underway in the United States to further advance the status of women."

and designated 1975 as International Women's Year in the United States. The Commission was established by Exec. Order No. 11832, January 9, 1975, to "promote the national observance in the United States of International Women's Year."

Both the Proclamation and the Executive Order contemplate that those who observe International Women's Year do so by taking practical and constructive, rather than merely ceremonial, measures. To this end the President directed the Commission "to encourage appropriate and relevant cooperative activity in the field of women's rights and responsibilities" by:

(1) promoting the equality between men and women;

(2) ensuring the full integration of women in the total development effort, especially by emphasizing women's responsibility and important role in economic, social and cultural development at the national, regional, and international levels;

(3) recognizing the importance of women's increasing contribution in developing friendly relations and cooperation among States and strengthening world peace;

(4) informing itself of activities undertaken or planned by various organizations and groups observing the year in the United States and consulting with such groups including the United States Center for International Women's Year;

(5) encouraging the public and private sectors to set forth objectives to be achieved as part of the program observing International Women's Year, as provided in Presidential Proclamation No. 4262;

(6) informing itself of the activities of appropriate government agencies and their public advisory committees and informing the public of all major programs and special efforts during International Women's Year supported by those agencies;

(7) holding meetings and assembling and disseminating information, issuing reports and other publications and conducting such other activities it may deem appropriate to provide for effective participation of the United States in the domestic observance of International Women's Year;

(8) establishing such subcommittees or working groups as may be necessary for fulfilling its tasks, which members may include persons not members of the Commission.

Regarding the planned activities of the Commission's ERA Subcommittee, your letter states as follows:

"The Commission's ERA Subcommittee and its staff plan on taking an active role in fostering a healthy climate of discussion in which the ERA can be considered on its merits. This will be an educational process aimed at informing those interested in the issue of the potential the amendment provides for the equality so long sought by many, yet still not a reality. Working with and receiving input from the various organizations active in the area of women's rights and responsibilities will be a key function of the Subcommittee's work. Studying the ERA's application to different aspects of U.S. society including the economic, social and cultural development will also be a duty of the Subcommittee. Media consultants may advise the Subcommittee on the best means to communicate the facts about the ERA which will provide true equality under the law."

The Executive Order confers wide discretion upon the Commission as to how it should, *inter alia*, actively "promote equality between men and women." The Commission in the exercise of that discretion has resolved to favor ratification of the ERA. To effectuate the Commission's resolution, the ERA Subcommittee intends to educate interested parties as to the impact of the amendment on sexual inequality in the United States and consult with experts on how to best communicate the facts about the ERA. In our view, the Subcommittee's planned activities are within the scope of the Executive Order, both in letter and spirit.

This Office has received a number of similar inquiries both from Congressmen and members of the public. In some of these inquiries, an additional question has been raised concerning the source and availability of appropriated funds to pay for the Commission's activities, not limited, of course, to its ERA activities. Section 9 of the Act of March 4, 1909, 35 Stat. 1027, 31 U.S.C. § 673 (1970), prohibits the use of public funds to pay the compensation or expenses of any commission, council board, or other similar body, or any members thereof, or for expenses in connection with any work or the results of any work or any action of such groups "unless the creation of the same shall be or shall have been authorized by law * * *." That provision does not necessarily require that commissions, councils, boards, and other such bodies be initially established by statute if the agency providing support for the activities of such commissions, boards, etc., has express or implied authority to expend its appropriations for such purpose. 16 Comp. Dec. 278 (1909); *id.* 422, 424 (1910); 27 Op. Att'y Gen. 432 (1909); 40 Comp. Gen. 478 (1961). Section 3(b) of the Executive Order authorizes executive branch agencies to provide the Commission with administrative services, information, facilities, and funds necessary for its activities, "* * * to the extent permitted by law * * *." We have learned informally that the Commission's activities to date have been funded by the Departments of State, Health, Education, and Welfare, Transportation, Interior, Justice, Defense, Labor, and Housing and Urban Development, as well as the United States Information Agency. We are presently requesting from each of these departments and agencies a statement as to their authority, other than that granted by the Executive Order, to provide funds for the Commission's activities. A definitive opinion concerning the use of a particular agency's appropriations to fund the ERA Subcommittee's planned activities cannot be rendered until these reports are received.

We are aware that the House Report No. 94-318, p. 7 (1975), accompanying H.R. 8121, 94th Congress (which passed the House on June 26, 1975), specifies that the Department of State's salaries and expenses appropriation for the administration of foreign affairs includes an amount of $450,000 justified for International Women's Year activities during fiscal year 1976. However, legislative action on this bill is not complete. We are not aware of any other legislative action taken to date to authorize expenditures for the Commission's activities for the balance of this fiscal year.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

CUT THE TAX RATES: A SPECIFIC PROGRAM FOR THE REVITALIZATION OF NEW YORK STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 20 minutes.

Mr. KEMP. Mr. Speaker, few objectives could be of greater importance to the people of New York and the Northeast than the revitalization of their local and regional economics. When I say Northeast, I am referring to the States of the New England, Middle Atlantic, and Great Lakes regions—14 States in all.

This is not a parochial, narrow concern. Nor are proposals being offered intended to pit one area against another. This problem is of major importance to the Nation as a whole. Nearly half of its people and industry—thus its economic activity—are in these States.

It is for these reasons that I took the occasion of the 62d annual meeting of the Associated Industries of New York last weekend to set forth some specific proposals for remedying the situation.

I intend to detail those proposals and the factors involved in reaching them in just a moment, but let me first briefly summarize the actions I have suggested.

A PROGRAM FOR ECONOMIC RECOVERY AND GROWTH

I called upon the Governor of New York to convene an emergency meeting in Albany to hammer out a Federal-State strategy of tax rate reductions to help revitalize the State economy. That meeting should consist of the State's congressional delegation, leaders of the State legislature, and elected heads of local government. The key element of that strategy should be a special session of the State legislature.

Why is this special session of the legislature now required?

Dun & Bradstreet has released a report showing New York ranks dead last among prospective business firms as a good place to do business. New York was 48 out of all 48 States surveyed. The State received an 87-percent unfavorable rating as a place to do business. Most of this arises from the fact that the State has the highest State and local per capita taxes in the Nation.

What have been the effects of these taxes?

The uneasy balance of the pro's and con's of business locating in or out of the State has been destabilized in favor of heavy odds for the Sunbelt because New York's per capita State and local taxes are 50-percent above the national average. It follows that the most important solution to the economic afflictions of the State and its cities, therefore, is to cut the tax rates on both personal and business incomes. Reduction of tax rates will increase the State's tax revenue, because it will generate real, economic growth.

No one can mistake the fact that New York State's confiscatory tax rates are continuing to weaken both the buying power of its people and the competitive position of our business climate. No matter how hard we work nor how successful New York State's congressional delegation is in securing a better return of Federal tax dollars to the State, we cannot restore durable health and growth to the State economy until we relieve the strangling tax burden on New York's individuals and businesses.

It is time we realize that to attract, we must first be attractive.

It is time we revise the old practice of Albany officials going to Washington and telling the administration and the Congress what needs to be done for New York State. Now is the time for New York State, itself, to reduce the tax barriers to both employment and investment. Across-the-board tax cuts—enacted at both the State and Federal levels—actually would increase State and Federal revenues because of increased economic activity, consumer purchasing power, an upturn in investments in plants and tools, and additional jobs. Federal tax rate reductions under President Kennedy generated so much additional economic activity that tax revenues actually increased by $60 billion in just 5 years. We should use this approach again at both the Federal and State levels. It is certainly the only means of revitalizing the State without having to severely curtail public services.

I am fully aware that the tax cuts and revitalization efforts on the State level cannot be undertaken solely by the Governor's administration and the State legislature. We need to generate Federal, as well as State, support for efforts to reduce spending and taxes and to create job-creating incentives. But while Federal action is required, we cannot escape the obvious realization that New York's problems basically stem from too high taxes at the local, State, and Federal levels. This problem can never be solved by simply spending more Federal money. It must be solved, instead, by generating a greater amount of economic activity by reducing taxes on employment and investments and making our State more competitive.

An immediate step which should also be taken at the Federal level is a thorough analysis of the bias in all Federal programs. This analysis would show how various types of programs create advantages or disadvantages for different reasons. I have urged President Ford and Speaker ALBERT to appoint jointly a bipartisan commission to make this analysis and to report its findings to us no later than June 30.

I think it would benefit all of us to have a clearly established framework within which to make our decisions.

ESTABLISHING A FRAMEWORK FOR DECISION-MAKING

We need to get a firm grasp on the nature of this problem. To the extent it has been characterized as the Northeast versus the rest of the country, both the problems and solutions to them have been obscured.

We need more precise thinking about the problem. To lump the States of the Northeast together in every instance may work a disservice to those States. The problems of Maine, for example, are seldom the problems of New York.

The argument that the Northeast is losing to the rest of the country has to be examined in greater depth too.

What are the standards for making these judgments? There are a number.

If you look at the outmigration of population, seven of the Northeast States are losing population, six are stable, and one is gaining. New York will be the biggest loser between 1970 and 1980, with a net population decline of about 1.9 million.

If you look at whether these States are paying more in Federal taxes than they are receiving in returned Federal spending, six are heavy losers, five are moderate losers, one is breaking even, and two are moderate gainers. New York is classified as a moderate loser. New Jersey, Ohio, Indiana, Illinois, Michigan, and Wisconsin are doing worse; they are heavy losers. But, the heavy gainers are not all Southern, Sunbelt States either.

If you look at a recent, major national survey of the attitudes of the business community, nine of the Northeast States rank among the 15 in the entire country seen as least favorable to keeping or attracting business. Only 1 Northeast State ranks among the 15 most favorable to keeping or attracting businesses. New York is ranked among those least favorable.

This survey dramatically underscores the economic problems of the State. Prepared by the Fantus Co., an international plant location consulting firm, the survey explored 13 areas. New York was last among all the States in five area. It has the highest welfare costs, the highest per capita personal income taxes, the highest State and local government payrolls per capita, and the highest local debt per capita. The State ranked 10th and 15th highest in unemployment insurance and workmen's compensation costs respectively. It ranked ninth in the growth of per capita income between 1963 and 1973, but more up-to-date figures show our growth in personal income per capita in recent years is lower than that of any other State with the exceptions of Hawaii and Rhode Island. Is there any wonder that from 1959 through 1975, the State lost 437,000 manufacturing jobs, and during the past 2 years that we have lost more private sector jobs than the rest of the country combined.

If you look at the gains and losses in manufacturing jobs from 1962 through 1975, you have a variation in the Northeast as wide as New York losing 380,000 jobs and Indiana gaining 55,000. By comparison to that 380,000 jobs loss in New York, the second highest loss in the Northeast was New Jersey, where that State lost 83,000 jobs, less than one-fourth the New York State loss. Not a single State outside the Northeast had a decline in manufacturing jobs during this period, with North Carolina picking up 204,000 jobs and California picked up 203,000 jobs.

If you look at the changes in unemployment since 1970, you see significant variations too. Wisconsin's rate went up from 3.9 to 7 percent, at the same time Rhode Island's rate was going from 5.2 to 14.6 percent. Every State in the region had experienced some increase in unemployment, both as a percentage and in terms of numbers. I hasten to add, however, that this picture was true throughout the country, including the Sunbelt. For example, unemployment through almost all of the Deep South doubled, as it did also in the Western States. This was due to the recession that was brought on by double-digit inflation.

If you look at the average per hour wages paid to blue collar workers in the major metropolitan area of the Northeast today, you see significant differences. In Scranton that average is $5.53 per hour, and in New York City it is $6.75 per hour. By contrast, the average varied greatly outside the Northeast too, running about $4.30 per hour in Charlotte, N.C., to $6.11 in Minneapolis-St. Paul.

If you look at the per capita State income tax burden in the Northeast, it ranges from $4.39 in Connecticut—which has only a partial income tax, one on dividends—to $198.15 in New York. In further contrast, New Jersey has only taxed commuters—yielding $6.28 per person, Pennsylvania collects $84.11 per person—much less than half of New York's level, and Ohio collects $44.81—one fourth of our's.

All of this is convincing evidence that no matter what characteristics underlie the economic conditions in the Northeast States, any single-answer, Federal revenue solution will probably miss the mark, including the proposal that we equalize the taxes-into-Washington, spending-out-of-Washington factor among the regions. The closest thing to a single answer is a cut in tax rates.

There is one last thing about these differences among the Northeast States. Much of what the economy of New York State has lost in recent years has been to other States in the Northeast, not just to States in other sections of the country. The Northeast is experiencing its own intraregional economic shift, and that shift too has been at the expense of New York State.

Let us get to the basic questions of fact.

THE IMPACT OF HIGH STATE AND LOCAL TAXES

We should look first at the single most important factor in these economic shifts. I refer to the substantial difference in State and local income tax burdens between the Northeast and most all of the rest of the country.

Income taxes are, as a general rule, lower to much lower outside the Northeast. They are even nonexistent in some Sunbelt States. Others do not have State property taxes.

The level of State taxes in this country reaches its peak in New York State. New Yorkers find their per person State and local taxes 50-percent above the national average.

The point I raised earlier—about how New York State is even losing in the intraregional contest—is underscored by comparing New York taxes with those of other States in the Northeast. Our per capita State and local taxes are 24 percent higher than in Massachusetts, 38 percent higher than in Connecticut, 39 percent higher than in New Jersey, 54 percent higher than in Pennsylvania, and 76 percent higher than in Ohio.

One cannot overestimate the impact of these tax burdens. And one certainly cannot overestimate their impact in pushing businesses and people out of the State. Businesses suffer under these tax burdens because those taxes mean less with which to expand plant and equipment, distribute as dividends to shareholders, or distribute as wages and benefits to workers. Business executives suffer under these burdens because of the tax rates they have to pay. Thus, as decision-makers within businesses, when the question comes up, should the business remain in or leave New York State, they are pushed in the direction of moving elsewhere. The work force suffers under these burdens because of the tax rates they have to pay, tax rates which leave them with less take-home pay than they would be getting in other areas of the country.

What emerges from this is the necessity of reducing tax rate levels on Federal and State levels. This is the route we should be following. It is straightforward. It will have the greatest positive, job-creating impact on the economy. And it does not smack of the tax loopoles. If a legislature is unwilling to face up to the necessity for across-the-board tax rate reductions, other types of tax incentives may be needed—credits, accelerated depreciations, forgivenesses, et cetera. But those incentives should be last resort measures. Such incentives are giving back with one hand what the same governments took with the other, making it look like those governments are doing a big favor for the taxpayers when they really are not. In reality, those governments are trying to give some degree of relief for tax burdens already so high they know the necessity of such relief. Using special incentives also has the unfortunate potential of shifting the percentages of total tax burdens borne from one type of taxpayer to another. Thus, the suggestions offered through the Beckman report and the DeWind task force in New York ought only to be fall-back positions, with first priority being given to across-the-board tax rate cuts.

Lastly, tax rate reductions produce tax revenue increases, enabling us to both cut taxes and maintain services at the same time. That is in the interest of the taxpayers, Government, and business.

THE IMPACT OF THE NORTHEAST POPULATION SHIFT

Another important effect on the Northeast is the population shift. It is important to understand from the outset, however, that the population drain is more the effect of other problems—especially the high tax burden—than the cause of those problems.

What are the statistics on the outmigration of population? Since 1970, population in the South and Southwest has grown six times faster than the Great Lakes region. Eighty-five percent of the total U.S. population growth between 1970 and 1975 occurred in the Sunbelt. New York State was expected in 1973 to gain more than a million people by 1980. The fact is that it will lose about 1.9 million between 1970 and 1980. Buffalo alone lost over 70,000 between 1960 and 1970.

"So what," someone might say. "The viability of an economy does not necessarily depend on a population within it." That's wrong. This population drain has caused numerous problems.

The population drain from the Northeast has resulted in a reduction in the tax base, in some areas severely. That, in turn, has reduced the tax revenues taken in by the States and communities. As the Northeast tax base went down, the Southern tax base went up. With the growth in revenue derived from that growth in tax base in the Southern States, those States have been able to increase business-attracting programs, cut the rates of taxes, or a combination thereof. That, in turn, has made these areas even more attractive to those who find their State governments increasing taxes.

This outmigration hits the business sector with often nearly crippling effects. A reason for a business to exist is to provide the public with a good or a service and to make a profit thereon. When people leave an area, the quantity of these goods and services in demand is reduced, reducing profits and forcing marginal businesses out of the market, further reducing the tax base. Compounding this, unemployment rises as businesses close, especially when unemployment benefits are attractive, and when unemployment rises, even fewer goods and services are demanded, which further increases the outmigration of businesses. The burden of contributions to unemployment compensation programs borne by the business becomes an additional factor in a business deciding whether to remain in or leave the area. Add to this the facts that business will go where the people are and workers will go where the jobs are, and the cyclical effect of a population drain can mean the end of a once powerful area.

There is another point with respect to this population shift too, and while I do not think too many have analyzed it yet it's obvious when you think about it. To the extent the population of the country shifts out of the Northeast, we will find Presidential candidates paying less attention to our regional needs and more attention to those to where the population has shifted. Winning Presidential elections is a result of winning majority of votes in the electoral college, with the winner of a State taking all of its electoral college votes, not a percentage of them, and the number of electoral college votes possessed by each State is a direct product of population based on the last decennial census.

I think we can all see the immediate and long-range importance of getting population back into the Northeast and New York State, and the best way to do that is to reduce the tax burdens.

ADDITIONAL REASONS WHY THE SNOWBELT HAS LOST TO THE SUNBELT

Another reason the sunbelt has grown at the expense of the snowbelt is evident from the use of the prefixes of these words—Sun and snow—the climate.

Until the invention of air-conditioning, the South was not more attractive than the North in terms of climate. The winters were cold in the North, but the summers were hot in the South. You could heat a factory in the North in the winter, but you could not cool one in the South in the summer. The invention of air-conditioning erased that distinction and demographers regard it as important in this population shift.

A fourth reason is the lower cost of living. The sunbelt cost of living is lower, often much lower than the highly urbanized Northeast. The Department of Labor has provided us with examples. With average urban living costs across the counrty pegged at 100—to give us a standard for comparison purposes—the total consumption costs for a New York City middle-income family of four is 112. It is 115 in Boston. It is 105 in Buffalo. By contrast, Atlanta is 94, 11 cents on the real dollar less expensive than Buffalo. Dallas is 94 too, and Orlando is only 92.

A fifth factor is the availability of cheap raw materials and energy in the South. Most of the Nation's oil and natural gas now being recovered is located in the sunbelt. The Nation's coal fields start in the Northeast, but they run down through the southern Appalachians—from West Virginia into Alabama. The Tennessee Valley Authority, the Nation's largest Government corporation sponsored electrical power project, provides cheap electrical power throughout vast regions of the South, a project which I rush to add was built at the direction of a President who had been a former Governor of New York, Franklin Roosevelt.

Whether one is prounion, antiunion, or more open-minded, one cannot ignore the sixth factor—the impact on businesses making relocation decisions of the difference between patterns of unionization in the Northeast and in the sunbelt. New York ranks first in the Nation in total union and association membership as a percent of total employees. Michigan is second, Wisconsin third, and Pennsylvania fourth—all Northeast States. By contrast, the lower union and association memberships are found in the sunbelt: Florida 46th, Texas 47th, Mississippi 48th, South Carolina 49th, and North Carolina 50th.

The seventh factor is the attraction of business to the sunbelt because of the large labor pools which exist now and continue to expand.

An eighth factor is the lower workmen's compensation rates paid by employers in the sunbelt. This has become another motive for businesses to move into that region, especially when the recent recession sent employers' profits down and former employees' unemployment compensation claims up. According to the figures compiled by the National Commission on State Workmen's Compensation Laws, employers in New York are paying about twice what employers in Alabama are paying, as a percentage of payroll devoted to workmen's compensation premiums paid by the employers. This is true even though the per capita benefits received by the employee in New York are less than those received by the Alabama employee. Thus, one gets a double-edge situation here: the employer has to pay more and the employee gets less, a disincentive to both.

A ninth factor is the worker-output ratio. The worker-output ratio hasn't slipped very badly in the Northeast, but the rest of the country has caught up with us at a staggering rate. A higher worker-output ratio means better profits, and that can become another incentive to move into the sunbelt. At a minimum, it fails to be a reason for staying in the snowbelt.

A tenth factor is transportation. The sunbelt maintains good transportation systems and facilities, especially modern and conveniently located ports and thoroughly maintained interstate highways. Of the Nation's 10 largest ocean ports—size being measured in terms of annual tonnage—only two are located in the Northeast—New York and Philadelphia. One is borderline—Baltimore. But the other seven are clearly Sunbelt—New Orleans, Houston, Baton Rouge, Norfolk, Tampa, Beaumont, and Mobile. Weather also takes less of a toll on transportation arteries in the South—highways and railways—and that milder climate also causes fewer delays in shipping during the winter months.

THE IMPACT OF DEFENSE-RELATED SPENDING

The 11th and a major reason for the sunbelt's new power has been the result of a significant shift since World War II in defense spending.

Let us look at that defense spending, for its shift into the sunbelt has been for a variety of reasons, including at least one which shows it to be the result of the snowbelt's actions not the cause of that snowbelt's problems.

A recent study has shown that defense-related industry is the largest employer in Georgia, Louisiana, Mississippi, Tennessee, and New Mexico. Why?

First, defense business is no different from any other business. They prefer warmer climates, cheaper energy, larger labor pools and lower wage rates, better transportation systems, et cetera, just like all other businesses. They also—and this is of major importance—prefer the lower rates of taxation on employees—blue collar and management—and on the businesses themselves. They prefer lower property taxes.

What this factor adds up to is an ability on the part of defense industries in the sunbelt to underbid those defense product companies in the snowbelt in the competitive bid process.

Second, I have a gut feeling that one of the reasons the Northeast is not favored with defense contracts is because the votes against defense authorizations and against defense appropriations come most often from the Northeast. I suspect there is a decisionmaking process, probably not even conscious, in which the point is raised: why award defense contracts to businesses in States where their Senators and Congressmen vote against authority and money for defense programs? I cannot prove that such a correlation exists in the minds of the decisionmakers, but I do know one thing: the Northeast's representatives in Congress usually vote against defense spending, particularly on new programs, and the Northeast is now getting very little of the Nation's defense dollar.

SOME IMPORTANT REALITIES

I said at the beginning of these remarks that in some instances we would be dealing with "what people believe has happened" instead of "what has indeed happened," for there are some instances in which impressions do not mesh with the facts.

A few points.

New York State does have a system of incentives to help existing plants expand their operations and to bring in new ones. We have a corporate franchise tax credit, a property tax exemption, and an investment credit. We have a double weighting of sales in allocation formula, deductions for pollution control and research and development equipment, industrial development agency property tax exemptions, and a sale tax exemption for production and research and development equipment. We also have 97 industrial development agencies in the State authorized to issue up to $5 million each in tax-exempt revenue bonds for a single project, including countywide IDA's in 47 of the 57 counties outside New York City. From 1970 through 1975, a total of $269.8 million in bonds was issued by New York IDA's. We must continue to expand our set of incentives, until it reaches that point where we are again truly competitive with other States, but do not let it be said that we do not have a set of incentives already on the statute books.

The inadequate expansion room for existing plants have too often moved across the line into Connecticut or across the river into New Jersey. But outside the New York City area, there is plenty of expansion room into the suburbs. That is certainly true in the Buffalo area.

We do have a diversified industrial base in the Erie and Niagara Counties area, and virtually every major category in the Standard & Poor listing of industrial types is represented in our area.

We may have a high number of unskilled or semiskilled laborers in our State, but we also have a high number of skilled laborers who are seeking employment too. And our rate of unskilled and semiskilled is certainly not higher than it is in most of the Sunbelt.

Yes, we are becoming less of a headquarters State and a headquarters community.

The establishment of foreign trade zones, such as the new one in Buffalo, is important to large-scale manufacturing operation aimed at foreign markets, so we are taking care of that problem too.

There is another thing I want to say in this regard. It has to do with attitude. I have heard it said time and time again that we do not have the right attitude, that we are defeatist. I could not disagree more. Back in October of 1974, I proposed in an address before the Greater Buffalo Advertising Club that representatives of business, labor, consumers, the professions, educators, government leaders, civic associations, finance and the media come together in a job and industry conference to address ourselves foursquarely to economic problems in western New York. I said then that it was time to stop talking and studying this issue and move instead to dealing susbtantively with the problems effecting the economy of our area. All those community interests did come together. We held two jobs and industry conferences over the next 2 months. Out of these conferences grew a complete reorganization of local governments' economic development programs and agencies, establishment of a labor-management committee to try to head off problems on a low-key basis before they begin, a major effort behind the foreign trade zone application—which has been subsequently granted, and much more. We had the spirit, and it worked.

Against all of this background, what ought to be done now?

Let me address that on two levels: the Federal Government and the New York State government—and by implication those of other States in the Northeast.

The most important thing to keep in mind here is that the Northeast's problem is not the recession which hit the rest of the country too. That recession simply exacerbated the regional situation. The biggest problem in the Northeast is its States' high rate of taxes, and there is nothing the Federal Government can or will do about that problem.

What can it do?

TAX REFORMS WHICH REMOVE THE BURDENS ON WORK AND INVESTMENT

The single most important thing the Federal Government can do to help the Northeast—and the rest of the country, as well—is to institute major, substantive tax reform, and I mean real tax reform. We considered a tax reform bill in the House this month. It was nearly 1,500 pages long. Some might say that is a lot of reform. It was not. Revision does not mean reform. Things can be changed without being reformed. And that is what the Congress did this year.

What we need is tax reform which really removes the burden taxes put on a person, their income, their freedom of choice, and their ability to provide for a better tomorrow.

There is something else about Federal tax cuts too. They would benefit New York more than any other State because tax reductions would raise the value of financial assets and New York is the financial capital of this country.

It is time to cut taxes on personal income and businesses—in the name of equity, in the name of full employment, and in the name of economic freedom and production. There is nothing more unsound than to tax work heavily, to tax employment, to tax creative energy, to tax risk taking. The most obvious propositions of economic science are that a tax will reduce the amount of whatever is taxed and a subsidy will increase the amount of whatever is subsidized. It is no wonder that the United States has fallen so short of its employment and output potentials and has so many inefficiencies and so much unemployment when it continues to heavily tax work and subsidize nonwork.

Taxing investment has the same effect as taxing work. It reduces the number of jobs. Neither people nor nations can get ahead on welfare. The American people are energetic people. They do not want welfare; they want work. They want to get ahead. The Congress must, therefore, remove the tax bias against employment and let the people advance themselves according to their own priorities, not those of Washington.

Unlike spending deficits, most tax cuts take care of the deficits which they momentarily create, because when taxes are cut, investment and employment increase, the tax base expands, and revenue to the Government increases. Lower taxes on a bigger tax base will produce more Government revenues than higher taxes on a smaller tax base. This is true on the Federal and State levels.

Too many politicians mistakenly think tax rate reductions mean tax revenue reductions. Politicians think this at the Federal, State, and local levels. In reality, the opposite is true. Tax rate reductions mean tax revenue increases because of stimuli to the tax base arising therefrom.

This is what the Jobs Creation Act which I have spearheaded is all about, and it is the reason why it has over 130 cosponsors. We would do this country, our State, our area the greatest service imaginable, if we made this legislation the basis for the tax reform we should be enacting.

A COMMISSION TO ANALYZE BIASES AGAINST REGIONS FOUND IN OUR LAWS

There is more the Federal Government ought to be doing, much of it relating to the problems affecting the Northeast.

I have called upon the President and the Speaker to appoint a bipartisan commission now—not later—to ascertain all the biases in all Federal grant-in-aid, revenue sharing, and other formulae, whether those biases benefit the Snowbelt or the Sunbelt, and to tell us how the various types of Federal programs—defense, social services, differing transportation systems, and so forth—create advantages for one region over others.

That commission must consist of professionals—lawyers, accountants, statisticians—who will give us thoroughly accurate information.

And I do not intend for this commission to report back to the President and Congress at some point way down the road. It ought to give us its final report no later than June 30, 1977, 9 months from now.

This will give us specific knowledge as to what biases there really are and what effects they are having.

REFORM OF OUR WELFARE PROGRAMS

We need a total reform of our Nation's welfare laws at all levels of government.

While the Federal Government has a strong role to play in those reforms, the farther the welfare program is separated from the local level—in terms of funding and administration—the worse the abuses and the higher the costs to everyone. The program is strangled today in complicated changes, management errors, and fraud.

All of my experience convinces me that the situation described in some of the Nation's leading newspapers is real and will continue, unless there is prompt remedial action. Federal reform is the answer, not federalization. Legislation which I have cosponsored to reform welfare at the Federal level has languished in Congress for over the past 2 years. Reform mechanisms, therefore, do exist, but the leadership in Congress has been insufficiently motivated to act.

I am deeply troubled by the growing possibility of New York State and certain other States within the Northeast becoming welfare States instead of producing States. I see in our State today, for example, a growing disaffection with the financial commitments required to support the high levels of welfare benefits. Benefits do vary from State to State.

This has, however, been a deliberate Federal policy designed to allow the States to choose what level of benefits they deem appropriate. One cannot have it both ways. If New York State wants high benefit levels, New York State must come to terms with the means to support those benefits. The alternative to allowing the individual States to set their own welfare levels is to set a uniform national payment. And if a uniform national payment is established, it will be necessary for this payment to be set at the highest common denominator, creating massive Federal costs which could, at the onset alone, run to an estimated $24 billion. These costs would have to be borne by the taxpayers and would greatly exacerbate the fiscal problems of our State and Nation today.

Let me pause for a moment to talk for a brief moment about what has been the prevailing attitude among public officials toward welfare in New York. It is always coming up that New York has such a great social conscience that it pays "livable"—which translates as "high"—welfare benefits and thus has assumed a national welfare burden because the poor move into New York from elsewhere. Thus, the elsewhere places owe more in Federal money to pay their fair share of the national burden borne by New York. The answer to this is that New York pays a high price for "misery." Therefore, people supply New York with a lot of misery. That is, it pays a high price for welfare, so it attracts a lot of welfare people. It pays a low price—"low" defined as after-tax income—for work, so it attracts less working people. It is that simple. New York must quit importing "misery" by paying such a high price for it, and exporting work by paying such a low price for it.

The current high rate of taxation of both individuals and business in New York deny us the investment capital needed to sustain and create private enterprise jobs and higher, real living standards. The cost of Government now consumes up to 45 percent of our total national income each year nationally. This is why I am strongly supporting tax cuts for both individuals and businesses on the Federal, State, and local levels. Such cuts would expand economic opportunity and get people out of the welfare cycle through the creation of new jobs.

I have called previously upon the New York Legislature to hold a special session to deal with this issue of real concern to the people of New York.

I am also continuing my work on the Federal level to gain action on the welfare reform bill.

WHAT OUGHT TO BE DONE AT THE STATE LEVEL

What ought to be done at the State level?

Only when we make New York State more competitive with not only the Sunbelt but also the other States within the Northeast to which our industries and people are moving will we fully restore our economy. We have got to make New York State a better place to work and live, a place where you can keep more of the money you earn, a State that is as attractive to business as, for example, Ohio, the Carolinas, and Texas.

WE NEED A SPECIAL SESSION OF THE NEW YORK LEGISLATURE TO CUT TAXES NOW

I called last weekend for the Governor to convene an emergency meeting in Albany to hammer out a Federal-State strategy of tax reductions to revitalize the State economy. As I said at the outset of these remarks, I believe that meeting must consist of the State's congressional delegation for the 95th Congress, leaders of the State legislature, and elected heads of local government. The key element of that strategy must be a special session of the State legislature at the earliest possible date.

There are two ways we can approach tax cuts. One is by reducing personal and business tax rates. That is the approach I prefer. The other way is by enacting a variety of special tax incentives. Only if the legislature fails to enact across-the-board tax rate reductions should we then move to consider these special incentives.

If we reduce tax rates on personal incomes—white collar management and blue collar labor—and business—large and small, we will do more to keep businesses in New York here in the future and to encourage them to expand, and more to attract those who are now in other States into our State than any other thing we could possibly do.

Across-the-board reductions in tax rates are the most equitable and fair way in which to provide relief from taxes. No one is asked to pay higher taxes because others are given tax breaks. That is the principal policy problem with special tax incentives as an answer to New York's problems. These tax incentives erode the tax base, because they remove certain properties from the tax rolls. They ask persons—white collar and blue collar—to pay higher taxes in order to cover the reduced tax base and revenue from those benefiting from tax breaks.

Would these across-the-board tax rate reductions cause losses in State revenue which would compel us to cut State services? No. Clearly not. Across-the-board tax cuts would actually increase State revenue because of increased economic activity, consumer purchasing power, an upturn in investments in plants and tools, and additional jobs. It is the only means of revitalizing the State without having to severely curtail public services. That revitalization would be inevitable when you look at the panorama of what would be brought about—lower taxes and sustained services, all without deficit financing.

I have no intention of dismissing outright the proposals which have been offered for various special tax incentives. The Beckman report helped New York State focus, as it had never focused before, on the nature of our economic problems, and it offered to the legislature a set of specific incentives patterned after those of our competitor States. We are all indebted to that report.

In June of this year, the Governor's task force on taxation, chaired by Adrian W. DeWind, president of the Association of the Bar of the city of New York, made a number of important recommendations, building further upon the Beckman report. That task force report recommended eliminating the temporary 2½-percent surcharge on the State income tax; reducing the highest tax bracket on earned taxable income of $25,000 a year or more from 15 to 10 percent in five annual steps; relieving manufacturers of New York City's commercial occupancy tax and the 4 percent sales tax on machinery and equipment; lowering the State and city taxes on the income of small businesses; and giving tax relief from the stock transfer tax for those who trade in securities for their own accounts. We are indebted for this report too.

The kind of tax reform we should prefer, however, is across-the-board reductions in the rate of taxes. As I said just a moment ago, tax rate reductions mean tax revenue increases because of the stimuluses to the tax base arising from them. Tax rate reductions do not mean tax revenue reductions, for lower taxes on a bigger tax base will produce more government revenues than higher taxes on a smaller base. The most important thing the State could do, therefore, is to reduce the percentage rates of taxation on both individuals and corporations, large and small. That would be the most effective incentive we could possibly provide to keep industry and people here and to attract others. It is straightforward.

Tax break grab bags are not the ideal way to go. Things such as exemptions from 50 and even 90 percent of assessed valuation on improvements of commercial or industrial properties, for renovated plants, amount to giving one kind of tax rate reduction to try and compensate for the overall high general rate of taxation. It is the type of thing which erodes aspects of the overall tax base, in this case the property tax, thus shifting the property tax burden from firms to its managers and employees as homeowners. Such tax breaks ought to be enacted only if across-the-board rate reductions are not enacted and only if the incentives those breaks would create are sufficient to attract or keep enough additional business and people to overcome such a shift in burden.

You do not need to give firms tax breaks for training labor. One ought instead to simply reduce the tax wedge on employment generally. Again, it is the notion of trying to compensate for or offset the negative effects of high tax rates by giving specific tax breaks in areas where the negative effects are most clearly visible to the public eye.

All of this dichotomy between whether one should proceed with across-the-board tax rate reductions or offer various types of incentives is analogous to the merchandising idea of "come pay our higher prices and we will give you a valuable coupon or a free gift." The firms would simply rather pay lower taxes and do with interest free loans, and so forth. Again, I point all this out as to what we ought to do in an ideal world.

For years and years, legislators and officials from Albany have come to Washington, asking or telling the Federal Government to do this, that, or the other. It is time to reverse that. I think the New York congressional delegation ought to go to Albany at the beginning of this special legislative session, and tell the legislators and officials there what we think must be done to put New York State back on its feet again. Congress will not be in session, so we would have the time, and we certainly have the interest.

OUR EFFORTS MUST BE RENEWED AND MUST BEGIN NOW

I said at the outset of my remarks today that no one single thing would solve our problems, that the actions of all levels of government would be required, that the solutions will not come overnight, nor will the results those solutions are intended to induce. But we must renew our efforts. And there is no reason we cannot be successful.

Our State and our Nation need more than borrowed money and borrowed ideas. We need the vision and judgment of those who were the architects of this magnificent experiment in human freedom and dignity. I offer these ideas as a contribution to the debate going on today as to how we can preserve and promote freedom and prosperity for this and future generations.

TRIBUTE TO HON. PHIL M. LANDRUM AND HON. HERMAN T. SCHNEEBELI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, two men with whom I have been closely associated for 10 years are retiring today, and I want to salute them with affection and respect. Both are valued Members of this body, and, more particularly, of the Ways and Means Committee.

The first is HERMAN SCHNEEBELI of Pennsylvania. The leader of my party in the committee, HERMAN took the burden from John Byrnes when he retired and carried it with grace and responsibility. Cheerful in the face of legislative adversity and the overwhelming margin which the majority had in our and other committees, he avoided partisanship and discouragement, maximized the opportunities for our Republican corporal's guard and gained the respect of all committee Members on both sides of the aisle. He will be missed, but the spirit and wisdom of his leadership example will continue to inspire us. I owe him much gratitude, as do others.

As for PHIL LANDRUM, there is no better loved Member of the Congress. The gentleman from Georgia, a raconteur of the highest order, is also a fine responsible legislator of understanding, compassion, and of perceptive conservatism. His service here has been long and effective.

Mr. Speaker, these fine Congressmen have left their marks on some of the most important legislation to pass this House during the past 15 years and more. If we had a congressional Hall of Fame, they would both qualify. I am proud to have been associated with them.

INTRODUCING JOB CREATION AND ECONOMIC GROWTH ACT

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 10 minutes.

Mr. SARASIN. Mr. Speaker, today Congressmen KEMP, ESCH, and myself have introduced the Job Creation and Economic Growth Act, legislation which we feel would address the issues of unemployment and a staggering economy.

The measure, initially drafted in response to the Humphrey-Hawkins full employment bill, is being introduced at this time to insure our colleagues and their staffs adequate time for review prior to the opening of the 95th Congress, at which time we will have to devote the energies and resources of the new Congress to solving our chronic problems.

Our bill is a complete program to expand the economy and provide jobs without the inflationary impact and Government intervention in the private sector which were a major difficulty with other legislation which has sought to achieve these same goals. It is responsive both to the needs of our private sector and to the citizens we wish to employ.

The Job Creation and Economic Growth Act is divided into three sections. The first provides for sweeping Government reforms, particularly within the existing manpower and related programs such as the Comprehensive Employment and Training Act, unemployment insurance, welfare programs, workers' compensation, and public works jobs programs. The specific goal of this aspect is the elimination of waste and duplication, assuring continued review of all Government spending programs and cost analyses of all programs.

Beyond this, however, our measure requires better coordination between the executive and legislative branch in the review of all existing programs, fiscal estimates on any new proposals, and review of all authorizations on a 4-year basis.

The second section of the legislation specifically addresses the problems facing our business sector—problems of securing the necessary amounts of capital to maintain or expand their businesses, to rehire or hire more of our unemployed Americans. While it deals with all businesses and their problems, special attention is given to our Nation's small businesses, those who now command only 17 percent of the country's marketplace and who are competing for only 17 percent of already scarce capital. Beyond the tax relief directly provided to small businesses all Small Business Administration assistance programs are expanded in their capacity. If we do not stimulate this sector of our economy, the base of the free enterprise could be placed in a position from which it will never recover, competition will decline, and the number of jobs available to our citizens will decrease.

The third section of the measure is of direct and immediate relevance to all of us who come from areas with high unemployment rates, and most important, it meets the specific needs of those who suffer from chronic unemployment—our Nation's youth and the long-term unemployed.

Several specific programs are to be made available to youth under this proposal, the purpose of which is to make financial assistance available for the purpose of providing part-time employment opportunities, on-the-job training and work experience for disadvantaged youth between the ages of 14 and 22 during the school year to permit such youth to resume or maintain attendance in a course of instruction; and full-time employment opportunities or part-time employment combined with a course of instruction for the economically disadvantaged youth between the ages of 14 and 22 during summer months.

Recent studies released on this subject have indicated that unemployment among our Nation's youth can have far more serious ramifications than we had earlier anticipated. Not only is there a temporary inability to secure employment, but the discouragement and resentment that often ensues can mar our young men and women into their adult life. Obviously, this endemic problem cannot continue to be ignored.

Nor can the problems of the long-term unemployed adults continue to go unattended. Family savings are lost; homes, personal effects, and children's educations are jeopardized. To meet this need, our measure assures that assistance to State and local governments for institutional and on-the-job training, work experience, vocational education, job placement services and transitional public service employment is provided for the economically disadvantaged unemployed and underemployed persons.

Specifically, this provision gives priority to individuals who have been unemployed over 15 weeks, who have exhausted unemployment compensation, or whose families are receiving aid to families with dependent children.

Beyond revising existing manpower programs administered by the Department of Labor to insure that those most in need are given assistance in securing either jobs or appropriate training, our legislation also directs the Secretary of Commerce to insure that programs are coordinated and directed toward expanding job opportunities in areas suffering substantial and persistent unemployment and underemployment.

All appropriate Secretaries shall provide for experimental, developmental, demonstration, and pilot projects in relocation assistance for persons unemployed and underemployed; to disseminate information on projected labor market demand and job opportunities for new entrants into the labor market and those persons retraining for alternative employment opportunities.

Finally, the measure provides for a job creation tax credit to encourage and assist individual businesses in expanding their labor forces. This provision is in recognition of the general consensus that all efforts should be made to aid the private sector in furthering its very special abilities to resolve the economic and underemployment problems facing us.

The underlying themes of the Job Creation and Economic Growth Act are quite basic. First, the private sector can best resolve the difficulties of the economy and lower the high rate of unemployment with a far less inflationary impact than can the Federal Government. Second, special attention must be focused upon youth, women, minorities, and the long-term unemployed if we are to address the root of the issue before us. Third, Government inefficiency, duplication and or mismanagement severely impedes us from delivering services to our people that are needed, and that are economical. The resulting inflation further hampers business and the private sector in general in recovering from recent setbacks. Finally, areas of highest unemployment—our cities, our larger metropolitan areas, must be given priority attention, both in the manner in which tax reform is applied and in the focus of our national programs.

I sincerely hope that my colleagues and their staffs will take the time to carefully review the proposals as set forth in the Job Creation and Economic Growth Act to insure expeditious action on this measure when the Congress reconvenes in January.

ROMANIA'S MOST-FAVORED-NATION STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. HEINZ) is recognized for 5 minutes.

Mr. HEINZ. Mr. Speaker, with the passage of the Trade Act of 1974, the Congress clearly stated its belief that the granting of trade benefits must rest upon a nation's respect for the civil and human rights of its citizens. Commitment toward this principle has been reaffirmed in the United Nations' charter and in a series of international covenants on the promotion of fundamental rights.

However, while section 402 of the Trade Act specifies that the signing of bilateral trade agreements will depend on the human rights issue, this provision, as in the case of Romania's most-favored-nation—MFN—status, is often waived or ignored.

For this reason, I am a cosponsor of a resolution introduced by my colleague from New Jersey (Mr. PATTEN) with respect to the denial of human and civil rights of Hungarian and German minorities in Romania. This legislation requests the President to submit a study to Congress detailing Romania's progress in treatment of minorities since the granting of its MFN status in 1975.

In addition, I have submitted testimony to the Ways and Means Trade Subcommittee studying the Romanian MFN extension request which expresses my concern that section 402 has been ignored. Furthermore, I contend that there are indications that despite MFN status, Romanian nationals and especially the Hungarian and German minorities, are still denied fundamental civil and human liberties.

For my colleagues information, I have included the text of my testimony on this subject:

STATEMENT OF CONGRESSMAN H. JOHN HEINZ III BEFORE THE TRADE SUBCOMMITTEE OF THE HOUSE WAYS AND MEANS COMMITTEE ON SEPTEMBER 14, 1976

Mr. Chairman, I want to thank the Subcommittee for giving me this opportunity to express my views on Romania's most-favored-nation status (MFN).

At this time, I would like to express my support for H. Res. 1476, 1477 and 1522, identical resolutions which I cosponsored, and which were introduced by my colleague from New Jersey, Mr. Patten. As I am sure you are aware, these resolutions express the sense of the Congress with respect to minority groups within Romania.

Because the end of the session is almost upon us, I believe that no decisive action will be taken on these resolutions by the House and that Romania will probably be granted an extension of its MFN status.

However, for the sake of the record, it must be pointed out that onerous policies of the Romanian government towards its citizens still exist and mar the relationship between our two countries.

The Romanian government continues to severely restrict the basic human and civil rights of its citizens. They must, for example, report the content, time and place of any conversation with a foreigner to the militia, or fear criminal prosecution. Artistic freedom is absent as is religious freedom.

The Jackson-Vanik amendment to the Trade Act of 1974 addressed the question of free emigration as a major requirement for MFN status. However, while certain statistics might try to show an enlightened emigration policy, there is evidence that the Romanian government's adherence to this policy is ephemeral, relaxing only when it is time for the Congress to re-examine Romania's trade status.

Another vital, but often neglected part needed to be examined in the granting of most-favored-nation status, is consideration of the treatment of national minorities. In Romania there are 2.5 million Hungarians and about 500,000 Germans who reside in the historical province of Transylvania (which was transferred to Romania in 1920). While Romanian citizens experience a grave curtailment of their civil rights, the Hungarian and German minority nationality citizens have even greater difficulty in exercising their rights under the state constitution.

Assimilation of minority groups at the expense of their cultural and nationalistic heritage is a long term goal of the Romanian government. In order to accomplish this, it is reported that the government utilizes various subtle discriminatory tactics.

Let me cite some examples. Minority intellectual and professional leaders are assigned to jobs outside of Transylvania, thereby eliminating the most effective and qualified leadership from the community. In addition, while the ratio of Hungarians in the population is one out of ten, only one out of twenty Hungarians are allowed to attend state run universities.

Bilingualism, one of the promises made in the Romanian Constitution to its national minorities, is observed more in breach than in practice. Signs written only in Hungarian exist in the two almost purely Hungarian counties of Hargita and Covasna. Minority national citizens are harassed in the streets when they use their mother tongue. And, where Hungarian cultural institutions are allowed to exist, they are often used as conveyer belts for the dissemination of Romanian culture and propaganda.

Churches also bear a heavy burden. Since 1948, the Greek Catholic (Uniate) Church has been banned, and its bishops and priests forced to accept the Orthodox religion or be imprisoned. Two of the Catholic bishoprics remain unfilled and the Catholics cannot even publish their own theological journal.

One could cite other examples of the Romanian government's policy of denying basic human and civil rights to its citizens.

Under these circumstances I am concerned that the automatic extension of MFN status on a waiver basis by the President in the absence of congressional action would be construed by the Romanian government as tacit approval of its policies on emigration and civil and human rights. Therefore, may I suggest that the Subcommittee, at the very least, make a statement which reflects the concern felt by the Members of the House of Representatives regarding these policies, including the Romanian government's denial of civil and cultural rights of its Hungarian and German minority.

RURAL HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Nebraska (Mrs. SMITH) is recognized for 5 minutes.

Mrs. SMITH of Nebraska. Mr. Speaker,, of all the examples of Federal overregulation that have been cited in this Chamber since I have been elected to service Nebraska's Third District, one of the most counterproductive is the medicare/medicaid regulations which apply to rural hospitals.

Improvements in health care delivery in rural America in general, and in western Nebraska in particular, are extremely difficult to achieve at best. We have a relatively small population spread out over a great many square miles.

This has resulted in difficulties in attracting an adequate number of doctors on the one hand, and in the necessary placement of health care facilities great distances from one on the other. Over the past few years, however, we have successfully experimented with consolidating different types of health care into one facility. This enables us to keep overhead expenses under control and space the combined facilities more closely than would be possible with many more specialized centers.

As we make progress in these efforts, however, it is becoming increasingly evident that the medicare/medicaid regulations which govern Federal reimbursement for certain health services are designed to meet the needs of only the large urban hospitals with hundreds of beds and an abundance of trained personnel, to say nothing of a more secure financial footing.

For example, separate staffing requirements exist for extended care units and inpatient units. In Nebraska, by combining such units we are able to improve the quality of our care. Federal regulations ignore this and require staff levels which are unnecessarily high and soak up the savings in overhead we were trying to accomplish.

The regulations also prescribe certain safety standards for any building used to treat those reimbursed under Medicare or Medicaid. These are designed for large facilities several stories high, but they are unrealistic for small one story facilities. Even though these structures meet Nebraska fire and safety codes, many are being denied Medicare/Medicaid reimbursement.

In an effort to correct this situation, I have introduced legislation which would require the Secretary of Health, Education, and Welfare to promulgate separate regulations for rural hospitals of 75 beds or less. The legislation would also require the Secretary to take into consideration shortages of trained health care personnel in rural areas, and would allow long-term-care-patients to be mixed with short-term patients as long as separate accounting can be maintained. It would also allow health care facilities to conform to the appropriate State health, safety and fire regulations in lieu of Federal standards.

Mr. Speaker, it is long past time when this Congress must realize differing conditions exist in various parts of our country when enacting legislation binding on all. It is not merely a question of minority rights; it is a question of effective legislation designed to meet the needs of the greatest number of our citizens. To continue to ignore the many differences that exist in rural areas—as in the case of health care delivery—is counterproductive at best and irresponsible at worst.

I respectfully urge my urban colleagues—in particular the members of the Ways and Means Committee—to bear this in mind when medicare/medicaid legislation is considered in the next Congress.

CHICAGO'S 1976 COLUMBUS DAY PARADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on Monday, October 11, Chicagoans will celebrate the discovery of America 484 years ago by Christopher Columbus with a gigantic parade on our great street—State Street, and Presidential nominee Jimmy Carter will be the guest of honor. It is anticipated that some 1 million persons will line State Street to help celebrate this national holiday, and as many as 3 million are expected to watch this grand event on television, which will be televised by WGN-TV.

The voyage of Christopher Columbus marked one of history's most challenging and rewarding explorations, and the theme for this year's parade, "From Columbus to the Moon," is a tribute to the courageous settlers who came after him and honors the Nation, as well as the Italian contribution to the Nation, which carries forth Columbus' spirit of exploration as part of its national heritage.

Mr. Speaker, the mayor of Chicago, Honorable Richard J. Daley, and the Governor of Illinois, Honorable Dan Walker, have issued proclamations in celebration of Columbus Day 1976, and those proclamations follow:

PROCLAMATION

WHEREAS, the Joint Civic Committee of Italian Americans will again this year sponsor our city's Columbus Day celebration and parade; and

WHEREAS, Columbus Day is observed by resolution of the Congress of the United States in tribute to Christopher Columbus, Genoa-born navigator and explorer, who in the year 1492 forever broadened mankind's hopes and horizons; and

WHEREAS, in the current time of space exploration, the exploits and intrepidity of Christopher Columbus can be even more appreciated in view of his primitive sailing vessels and the limited knowledge of navigators; and

WHEREAS, the courage and humanity of Christopher Columbus exemplified the great spirit of the Italian people—the same spirit which permeates the Italian Americans of Chicago who contribute so much to the vitality, culture and betterment of our city:

NOW, THEREFORE, I, Richard J. Daley, Mayor of the City of Chicago, do hereby proclaim Monday, October 11, 1976 to be COLUMBUS DAY IN CHICAGO and urge all citizens, organizations, churches and schools to participate in celebration, and by proper display of the flag of the United States, in fitting tribute and appreciation to the place held in our history by Christopher Columbus.

Dated this 8th day of September, 1976.

RICHARD J. DALEY,
Mayor.

PROCLAMATION

Our nation and our state are great because of the men and women who build and maintain our communities, who daily strive to be good citizens and help their fellowmen.

We honor great men and women not only for their individual achievements but also because they personify the people of their race or time or creed and because a study of their lives may be an inspiration to those who come after them.

We in Illinois have long observed Columbus Day in memory of Christopher Columbus and those who followed him to our unknown shores. In the intervening years Italians have contributed much to the development of our nation, founding families and industries and business enterprises.

They have distinguished themselves in the arts and sciences, in philosophy and religion, in government and education, and are widely recognized for their understanding hearts and generosity.

There will be many celebrations of this day throughout the state.

Therefore I, Dan Walker, Governor of the State of Illinois, proclaim October 11, 1976, Columbus Day throughout Illinois and hope that every community will have a joyous celebration.

DAN WALKER,
Governor.

Mr. Speaker, the all-day Columbus Day celebration will begin with a Concelebrated Mass at Our Lady of Pompeii Church at 9 a.m. The principal celebrant will be His Excellency, The Most Reverend Nevin W. Hayes, O. Carm., D.D., and the concelebrants include Rev. Leonard Mattei, pastor of St. Peter Caniuss Church; Msgr. Edward Pellicore, pastor, St. Angela's Church; Rev. John DiVito, C.S., rector, Sacred Heart Seminary; Rev. Gino Dal Piaz, C.S., spiritual director, Sacred Heart Seminary; Rev. Angelo Calandra, C.S., pastor, Our Lady of Pompeii Church; Rev. August Feccia, C.S., director, Italian Cultural Center; and the homily will be given by Rev. Peter Corbellini.

Special wreath-laying ceremonies will take place at 11 a.m. at the Columbus statue in Arrigo Park, and at 3 p.m., following the parade, the Order of Sons of Italy in America will lay a wreath at the Columbus statue in Grant Park.

The main event of our celebration, Chicago's great Columbus Day parade, will begin at 1 p.m. on State Street and 75 beautifully decorated floats depicting the theme of the parade along with some 70 marching units will participate. Authentic native costumes of Italy will be worn by women and children, and hundreds of young people in school bands, corps of marchers, and drum and bugle corps will also participate. Dr. Mary Ellen Batinich and Mrs. Theresa Petrone are the chairmen of the committees which are contributing to the success of the parade by preparing authentic Italian folk costumes and American Bicentennial-era costumes. Christopher Columbus, the father of all immigrants, will be portrayed this year by Joe Rio, 1301 South Cuyler Street, Berwyn, Ill.

Gov. Jimmy Carter, as the guest of honor, along with Mayor Richard J. Daley of Chicago; Gov. Dan Walker of Illinois; Secretary of State Michael Howlett; Lt. Gov. Neil Hartigan; Attorney General William Scott; State's Attorney Bernard Carey; Congressman PETER W. RODINO, JR., Chairman of the Judiciary Committee of the House of Representatives; Congressman MARTIN RUSSO; Republican candidate for Gov. Jim Thompson; Jeno Paulucci, Duluth industrialist; Joseph Lizzardro, Jr., parade grand marshal; Tony Judge, the parade's 1976 general chairman; James E. Coli, president of the Joint Civic Committee of Italian Americans; and many other political dignitaries, civic leaders, members of the judiciary, businessmen from the community, and labor leaders will kick off the parade.

Each year the Joint Civic Committee of Italian Americans, comprised of more than 40 Italo-American civic organizations in the Chicagoland area, sponsors the Coluumbus Day parade and other related activities. Many local groups cooperate with the Joint Civic Committee in this communitywide tribute to Columbus, and Anthony Sorrentino, consultant, has helped to coordinate the various activities for many years.

One of the highlights of Chicago's Columbus Day celebration is the selection of the queen of the parade. This year, Judy Valli, 718 Castlewood Lane, Deerfield, Ill., was chosen to reign as queen of the Columbus Day parade.

Judged on her beauty, poise, and personality, Judy Valli, as winner of the Columbus Day Queen Contest, won $500 from the Joint Civic Committee of Italian Americans, $100 from Mr. Tony Judge, chairman of the 1976 parade; dinner for two at Geno's East compliments of Mr. Fred Bartoli; a Columbus Day Bicentennial Medallion necklace, and a crown and trophy. She will also make TV appearance on the Ray Rayner Show, the Louis Farina Show, and also the Benny Zucchini Show, and will meet with Mayor Daley and make appearances at the Order Sons of Italy Banquet, a dinner meeting at the Como Inn sponsored by the Columbian Club of Chicago, and at the Holiday Folk Fair Queen contest.

The members of the Queen's Court are Peggy Francione, 5238 West Belle Plaine Avenue, Chicago; Sally Greenan, 5214 Howard Street, Western Springs, Ill.; Doreen Guerrti, 874 Timothy Dane, Des Plaines, Ill.; and Susan Angeline Spallino, 851 West 187th Street, Homewood, Ill. The pianist for the Queen Contest was Patricia Quintiliani, 5521 West Addison Street, in Chicago.

Judges for the final Columbus Day Contest were Bob Del Giorno, a disc jockey; Don Case, a public relations and advertising executive; Honorable Philip

Romiti, judge of Cook County Circuit Court; Robert S. Clementi, attorney and National Commander of the Italian American War Veterans of the United States; Franz Benteler, a violinist; Joseph Caliendo, a fur designer; and John DoCurro, a consultant for union fringe benefits and former member of the Continentals, which is a singing group.

It is estimated, in addition to those who watch the parade personally, that between 1 and 3 million persons will view the telecast of the parade, which will be sponsored by Anthony Paterno of Paterno Imports; Dominick Di Matteo, of Dominick's Finer Foods; Frank Armanetti, of Armanetti Liquor Stores, and the Banco di Roma. The telecast of the parade will be narrated by Domenick Di Frisco and Vince Lloyd, and the reviewing stand commentators will include James L. Coli, Louis Farina, and Charles Porcelli.

Our grand Columbus Day celebration will close with a reception at the Chateau Royale, 5743 West Chicago Avenue, in Chicago, in honor of our guests, all the officers, subcommittee chairmen, and members who are participating in making the 1976 Columbus Day parade a resounding success. Leaders of the Italo-American organizations from Illinois will also be present as well as officials from our State and city governments.

I am honored to participate as honorary parade chairman in this year's Columbus Day parade. The members of the Joint Civic Committee of Italian Americans are to be commended for their continuing and dedicated hard work and the imaginative creativity that goes into the planning of a grand event such as the Chicago Columbus Day parade. Our community and our city are proud of these citizens and of the work they are so successfully completing.

Mr. Speaker, the officers and members of the 1976 Chicago Columbus Day Parade Committee are as follows:

OFFICERS AND MEMBERS OF THE 1976 CHICAGO COLUMBUS DAY PARADE COMMITTEE

Tony Judge, General Chairman 1976.
Congressman Frank Annunzio, Honorary Parade Chairman.
Joseph Lizzadro, Jr., Grand Marshal.
JCCIA Officers:
James E. Coli, President.
Dr. James F. Greco, 1st Vice President.
John C. Porcelli, 2nd Vice President.
Joseph Tolitano, 3rd Vice Chairman.
Jerome Zurla, 4th Vice President.
Rudy L. Leone, 5th Vice President.
Anthony Morizzo, Treasurer.
Charles Carosella, Secretary.
President Emeritus: Anthony Paterno.
Honorary Chairmen:
Honorable Richard J. Daley.
Honorable Dan Walker.
Past Presidents:
Joseph Barbera*.
Peter R. Scalise.
Dr. Mario O. Rubinelli.
Vincent E. Ferrara*.
Victor J. Failla.
Anthony Bottalla.
Charles C. Porcelli.
Anthony J. Fornelli.
Consultant: Anthony Sorrentino.
Past Parade Chairmen:
Martin Buccieri.
Dr. Mario O. Rubinelli.
Anthony Paterno.
Honorable Frank Annunzio.
Victor J. Failla.
Nello Ferrara.
Frank Armanetti.
Fred Bartoli.
Arthur Pullano*.
Anthony Bottalla.
Dominick DiMatteo.
James E. Coli.
Anthony Terlato.
Honorable Frank Annunzio.
John C. Porcelli.
Rudolph Leone.
Pasquale M. De Marco.
Joseph Lizzadro, Jr.

SUBCOMMITTEES

Chaplain: Reverend Armando Pierini, C.S.
Television Sponsors:
Anthony Paterno, Chairman.
Frank Armanetti.
Alfonso DiBenedetto.
Dominick DiMatteo.
Religious Program & Organizations:
Rev. August Feccia, C.S. and Joseph Pope, Chairmen.
Louis Moretti, Co-Chairman.
Rev. Armando Pierini, C.S., Advisor.
Chief Anthony Pilas.
John Spatuzza.
Bicentennial Celebration:
Mrs. Theresa Petrone, Chairman.
Mrs. Tena Amico.
Dr. Mary Ellen Batinich.
Mrs. Norma Battisti.
Mrs. Josephine Bianco.
Nick Bianco.
Jo Ann Coconato.
Anthony Marizzo.
Josephine Ortale.
Mrs. Marie Palello.
Mrs. Elivra Panarese.
Hugo Panarese.
Charles J. Porcelli.
Mrs. Phyllis Schoene.
Mrs. Aurelia Tornabene.
Mrs. Ann Sorrentino.
Lawrence Spallitta.
Mrs. Mary Spallitta.
Nick Tamburrino.
Authentic Italian Costume:
Dr. Mary Ellen (Mancina) Batinich, Chairman.
Mrs. Angeline Tufano, Co-Chairman.
Mrs. Millie De Serto, Co-Chairman.
Mrs. Tena Amico.
Mrs. Norma Battisti.
Mrs. Stella Boschelli,
Mrs. Gene Bruno.
Mrs. Maryann Cervi.
Mrs. Adda D'Amico.
Mrs. Elena Frigoletti.
Mrs. Judy Guzaldo.
Miss Marlene Leonardi.
Mrs. Mary Mento.
Mrs. Ann Parisi.
Mrs. Marie Pedi.
Mrs. Annette Salvatore.
Mrs. Mary Spallitta.
Mrs. Phyllis Schoene.
Mrs. Aurelia Tornabene.
Mrs. Ann Yelmini.
Finance and Souvenir Book:
Rudy Leone and John C. Porcelli, Chairmen.
Frank N. Catrambone, Sr., Co-Chairman.
Sam Cerniglia, Co-Chairman.
Mathew J. Alagna.
Anthony Apa.
Charles Carosella.
Joseph Fusco.
Peter Lavorata.
Marino Mazzei.
Salvatore Palandri.
Laura Raymond.
Michael R. Rosinia.
George Salerno.
Joseph Schilabra.
Ann Sorrentino.
Virginia Page.
Business and Professional:
Carl De Moon, Chairman.
Jack Cerone, Co-Chairman.
Vincent Lucania, Co-Chairman.
Anthony Terlato, Co-Chairman.
Achille Chiappetta.
James L. Coli.
John Curielli.
Dominick P. Dolci.
Michael Galgano.
Peter Ingraffia.
Albert Litterio.
Paul Paterno.
Lawrence X. Pusateri.
Dr. Mario O. Rubinelli.
Louis Ranieri.
Dr. Joseph J. Sirchio.
Amedeo Yelmini.
Jerome N. Zurla.
Labor Committee:
James L. Coli, Chairman.
James Caporale.
James Chairo.
Edward Coco.
Angelo Fosco.
John Parise.
John Serpico.
Thomas Siracusa.
Joseph Spingola.
Bands, Marches & Transportation:
Louis H. Rago, Chairman.
Dr. James F. Greco.
Jordan Canzone.
Program & Arrangement:
Domenick DiFrisco, Chairman.
Theresa Petrone, Co-Chairman.
Louis Farina.
Dr. Joseph H. DiLeonarde.
Anthony Sulla.
Jerome Zurla.
Queen Contest:
Fred Mazzei, Chairman.
Mrs. Josephine Bianco, Co-chairman.
Ms. Anita Louise Bianco, Special Assistant.
Norma Battisti.
Sam Bruno.
Joseph Caliendo.
Jo Ann Coconato.
Steve Fiorentino.
Anthony Morizzo.
Mrs. Marie Palello.
Floats:
Tom Ardino, Chairman.
Sam J. Coco.
Carlo D'Amico.
Pat Fatigato.
Frank Vechiola.
Joe Rio.
Float Personnel:
Lawrence Spallitta, Chairman.
Nick Bianco.
Mike Carbonaro.
Leo Leonardi.
Joe Livingston.
Mike Palello.
Joseph Pantaleo.
Mrs. Mary Spallitta.
Parade Marshals:
Marco De Stefano, Chairman.
Alex Batinich.
Ray Colagrossi.
Ettore DiVito.
Neil Francis.
Mario Lombardi.
Sam Messina.
Michael Palese.
Chief Anthony Pilas.
Ronald Marra.
Reception Committee:
Mrs. Norma Battisti, Chairman.
Mrs. Gene Bruno, Co-Chairman.
Mrs. Aurelia Tornabene, Co-Chairman.
Miss Marlene Abruzzini.
Mrs. Louise De Bartolo.
Mrs. Elena Frigoletti.
Mrs. Marian Fritscher.
Mrs. Lillian Mastro.
Miss Angeline Passarella.
Mrs. Charles C. Porcelli.
Mrs. Ann Sorrentino.
Miss Diane Torti.
Mrs. Ann Yelmini.
Cuisine and Culture: Mrs. Ann Sorrentino, Chairman.
Public Officials:

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*Deceased.

Congressman Frank Annunzio.
Congressman Martin Russo.
Senator John D'Arco, Jr.
Hon. Alexander Adduci.
Hon. John F. Aiello.
Hon. Frank Belmonte.
Hon. Ralph C. Capparelli.
Hon. Elmer Conti.
Hon. John D'Arco, Sr.
Hon. Carl De Franco.
Hon. Lawrence DiPrima.
Hon. Louis P. Garippo.
Hon. Frank Giglio.
Hon. Anthony Laurino.
Hon. William Laurino.
Hon. John A. Maloni.
Hon. Vito Marzullo.
Hon. John Merlo.
Hon. Michael Nardulli.
Hon. Lawrence Petta.
Hon. Sal Pullia.
Hon. Paul Ross.
Hon. Fred Roti.
Hon. Ronald Stearney.

Women's Division: Mrs. Norma Battisti, President.

West Suburban Chapter, Women's Division: Mrs. Aurelia Tornabene, President.

Young Adult Division: Jo Ann Coconato, President.

CONGRESSMAN HARRIS' VOTE ON THE CONFERENCE REPORT ON LEGISLATIVE APPROPRIATIONS, FISCAL YEAR 1976

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, the RECORD of September 22, 1976, indicates that I did not vote on rollcall 793, approving the conference report on H.R. 14238, making appropriations for the legislative branch for the fiscal year ending September 30, 1977.

Apparently, there was a mechanical disfunction. I was on the floor at the time, inserted my card and voted "aye" on this measure.

Mr. Speaker, I ask that this statement appear in the permanent RECORD.

PRODUCT LIABILITY INSURANCE: AN INCREASING PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 10 minutes.

Mr. LAFALCE. Mr. Speaker, small business is the backbone of this country. The small independently owned enterprise throughout our history has made our present prosperity possible. It embraces nearly 10 million businesses throughout the country which employ over 55 percent of the private labor force and produces almost 50 percent of our gross national product. Yet in terms of economic well-being small businesses are occupying less and less of a position of dominance in our economy. According to figures from the National Federation of Independent Business, if the small business share of total manufacturing assets continues to decline at the same rate as it has for the last 11 years, by 1985 the percentage of gross national product attributable to small business will decline to nearly 33 percent.

The small business community has a set of problems and challenges altogether different from the challenges facing larger corporate America. As a member of the House Small Business Committee, I have tried to stay closely attuned to the problems of small enterprises. In my district in western New York, I have tried to make the Small Business Administration and local banks together provide small businesses with the capital the firms need to weather the recessionary economic climate there as well as to expand their operations. I have also assembled two seminars for small businessmen in my district to provide them with information about how to obtain small business loans, how to pursue Federal Government procurement contracts, who to seek for small business counseling, and other questions of concern to area businessmen.

In Congress, I have repeatedly supported measures designed to bring some relief to problems besetting small businesses, and I would like to discuss some of my latest efforts at this time. One of the most pressing concerns at this time is the dilemma of products liability insurance. This problem is faced directly by all small manufacturers and many small retail outlets.

Historically, courts in the 1960's began to hold manufacturers strictly liable for product-related injuries whether or not the manufacturer was negligent in manufacturing his products. Soon courts began to award huge damages in product liability cases, with claims rising from 50,000 in 1965 to an estimated 1 million in 1975. As a result, major insurance companies have discontinued product liability insurance or are charging exorbitant premiums to continue carrying policies for small companies.

Cleveland's Council of Smaller Enterprises has reported that preliminary data from a survey of its members shows that product liability insurance premiums now average 24 percent of net profit and have increased by an average of 106 percent per year. Clearly, this problem is going to afflict small business for some time to come unless some positive action is taken at the national level.

One of the root causes of the soaring product liability insurance rates is State laws governing workers' compensation. Most States mandate that once an injured employee has received workman's compensation benefits for his injury, the recipient is prohibited from seeking further damages from his employer. Since workman's compensation benefits do not always keep pace with increases in medical bills, there is strong incentive for an employee to sue the manufacturer of the equipment the employee was using at his place of employment. I certainly do not dispute the right of an individual to pursue action against a third party—the manufacturer—whose act of omission or commission may have caused his injury. On the other hand, it is a fact that many of the accidents for which the manufacturer must pay are not as a result of faulty equipment but because of the failure of the employer to maintain a safe workplace. Legislation that I have cosponsored would enable injured workers to go to the negligent source of their injury; if the employer was at fault, then he and not the manufacturer should be responsible for the damages awarded the employee; if, on the other hand, the manufacturer was responsible for the malfunction of the equipment that caused the injury, the employee will still be able to sue the manufacturer. The goal of this legislation is to give the manufacturer equitable treatment and to prevent unwarranted lawsuits.

But the problem of customers suing retail outlets for defective products remains a significant one for many small businesses. As an attorney before entering public service, I remember a case in which I defended a store owner who was being sued because he allegedly sold a defective nail. In this case, the defect in the nail was clearly the fault of the manufacturer, and yet the retail store owner was being sued for the injury. This type of scenario is going on with increasing frequency as the size of liability awards increase and more must be done to protect the innocent retailer. At the very least, his insurance rates should be kept at a reasonable level.

Because of the critical nature of this problem, I have asked Congressman TOM STEED, chairman of the House Small Business Committee to establish an ad hoc subcommittee of the House Small Business Committee to deal specifically with the issue of product liability insurance. I have also asked Chairman STEED, in light of his past experience and interest in this field to chair the subcommittee. I would like to undertake a thorough review of the entire product liability insurance area and develop effective solutions to the problem so that we can be assured that the sources of this form of insurance will not dry up.

In terms of possible solutions to the problem of shrinking liability insurance, a number of worthwhile suggestions have been put forward that warrant further investigation and possible implementation. For example, to address the immediate problem of shrinking product liability insurance availability, it might be possible to have the Federal Insurance Administration establish some cooperative arrangement between public and private sources to pool their funds. There are also steps that need to be taken with the Internal Revenue Code to enable companies that are forced to be self-insurers to be able to set aside some of their retained earnings for this purpose. One other alternative would be to have the Small Business Administration reinsure product liability insurance for qualifying small businesses in much the same way as surety bonds are guaranteed by the agency.

Whatever the course we take, it is clear by the cost of product liability insurance premiums today that we need to make a complete investigation of the problem in the immediate future. I believe the House Small Business Committee would be an appropriate forum for hearings on this critical problem, and unless some form of action is taken in the near future, an increasing number of small companies are going to be forced out of business.

MONROE DOCTRINE: "HANDS OFF THE PANAMA CANAL"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, one of the historic foreign policies of the United States is the regional understanding known as the Monroe Doctrine. The integrity of this policy was breached in 1959 by the Soviet takeover of Cuba and a major blow against it is now in the making at the Panama Canal in the form of the projected surrender of U.S. sovereign control over its indispensable protective frame of the Canal Zone.

The anatomy of the current Soviet threat in the Caribbean-Gulf of Mexico region and its violation of the Monroe Doctrine in the light of the Moscow-Havana axis aggression in Angola was recently published in a book by Isaac Don Levine, distinguished authority on the U.S.S.R., under the title of "Hands Off the Panama Canal."

The able Washington author and correspondent, Allan C. Brownfeld, in a perceptive recent review of the Levine book, emphasizes some of the highlights of the Monroe Doctrine and urges a return to it as the only means for averting a catastrophe.

Mr. Speaker, as the indicated review should be of special interest to the Congress, responsible officials in the Department of State, and members of the Joint Chiefs of Staff, I quote major excerpts from it and a resolution of the 1976 National Convention of the American Legion on Soviet influence in Panama Canal questions as parts of my remarks:

A PANAMA GIVE-AWAY WOULD MARK THE DEATH OF THE MONROE DOCTRINE!

(By Allan C. Brownfeld)

Ever since 1823, the Monroe Doctrine has been a basic element in American foreign policy. That Doctrine states clearly and precisely that the United States will not tolerate the interference of any European power in the Western Hemisphere.

Few remember that the Doctrine owes its birth to Russia's imperialist thrust from Alaska south. In 1819, the St. Louis Enquirer spelled it out in these terms: "Americans have failed to notice the advantage of the Russians on the Pacific Coast until they have succeeded in pushing their settlements as far south as Bodega. Their policy is merely the extension of the policy of Peter the Great and Catherine. Alexander is occupied with a scheme worthy of his vast ambitions . . . the acquisition of the gulf and peninsula of California and the Spanish claim to North America."

The matter finally came to a head on July 17, 1823, when Secretary of State John Quincy Adams conveyed his views to the Russian Minister in Washington. "I told him specifically," Adams recorded in his diary, "that we should contest the right to any territorial establishment on this continent, and that we should assume distinctly the principle that the American continents are no longer subject to any new European colonial establishments." In this message, Adams laid the keystone to the forthcoming Monroe Doctrine. "It is indeed the most important principle connected with the Monroe Doctrine," according to Dexter Perkins. The declaration of the Monroe Doctrine was a daring thing for a new nation of ten million to embark upon. President Monroe, however, managed to prevail.

Today, however, very little is heard about the Monroe Doctrine. The Soviet Union *does* have a colony in the Western Hemisphere—Cuba. The effort by the Cuban-supported radical government of Panama to remove the U.S. from the Panama Canal Zone and take over that U.S. territory is part of a larger effort of the Soviet Union to expand its own power and authority in the Western Hemisphere—something we have been pledged to oppose ever since 1823.

In an important new study, *Hands Off The Panama Canal* (published by the American Council for World Freedom, 1735 De Sales Street, N.W., Washington, D.C. 20036), the distinguished journalist and author Isaac Don Levine has placed the Panama Canal dispute in its proper historical perspective.

"What is at stake in the controversy over the Panama Canal," Mr. Levine writes, "is the existing Soviet armed footing in Cuba—a springboard for a leap to the Canal—and not the question of replacing the . . . 1903 treaty with a new pact. . . . The real challenge in the combustible issue is to the vital national interests of the U.S. in a critical strategic area—the Caribbean."

The fact is that Fidel Castro has continued to defy the basic safeguards of the Monroe Doctrine and its Inter-American extensions. These safeguards are embodied in a series of accords supplementing the Good Neighbor Policy, the crowning point of which is the declaration adopted in Caracas in March, 1954 by the Tenth Inter-American Conference. There all of the Republics in this Hemisphere bound themselves to act collectively against "the domination or control of the political institutions of any American state by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, which would constitute a threat to the sovereignty and political independence of the American states."

Isaac Don Levine has been a careful observer of the Soviet Union ever since he covered the Russian Revolution as a reporter and was stationed in the U.S.S.R. as a correspondent for the *Chicago Daily News.* He was the first biographer of both Lenin and Stalin and it was he who first persuaded Whittaker Chambers to speak publicly. He has done all Americans an important service by turning his attention to the question of the Panama Canal—and our much forgotten Monroe Doctrine.

Concerning the notion that the Panama Canal is somehow not sovereign U.S. territory, Mr. Levine declares that, ". . . nowhere in all the 26 Articles of the Convention . . . is there any clause reserving sovereignty or affirming it for the Republic of Panama over the areas granted by it to the U.S. On the contrary, the stipulations of the Convention on the point are crystal clear."

The Monroe Doctrine, Mr. Levine points out, "was fashioned by leaders who were convinced that appeasement invites aggression, that a bully cannot be stopped with diplomatic syrup. . . . The Soviet leap to Angola with the aid of a Caribbean expeditionary force marks a new departure in the strategy of the Kremlin. It sets a precedent of aggression by proxy which cannot be allowed to stand. It must be reversed, and it can be done without firing a shot. Unless that is achieved, the Soviet-Cuban dagger threatening the Panama Canal portends the coming of a catastrophe. . . . The real choice before the U.S. in Panama is between unimpaired American control of the Canal and a threatening takeover by the Soviet imperialists. . . ."

It is high time that the U.S. rediscovered the Monroe Doctrine. The Soviet takeover of Cuba is a violation of that doctrine which we have somehow permitted. If the Panama Canal follows, the doctrine will be truly dead. A reaffirmation of the Doctrine, Mr. Levine states, "would proclaim to the world the time-honored right of this nation, in the interest of its security, to demand that Castro sever his military ties with the Soviet Union. These ties are in violation of the Monroe Doctrine. . . ."

RESOLUTION NO. 470

THE PANAMA CANAL QUESTIONS ON COMMUNIST INFLUENCE

Whereas, as a result of recent hearings by the House of Representatives Merchant Marine and Fisheries Committee questions were raised concerning Communist influence in U.S.-Panamanian negotiations relative to the U.S. Canal Zone and the Canal; and

Whereas, Chairman Leonor K. Sullivan posed Seven Questions of the Committee to the President of the United States concerning the possibility of Communist influence in the Panama negotiations as follows:

1. Does there exist information or reports to indicate that Cuban or other foreign personnel are now in the Republic of Panama teaching military or non-military students guerrilla warfare and terrorist tactics? In the presentation of such tactics, if they are being taught, is reference made directly or indirectly to the Panama Canal and Canal Zone? If personnel foreign to Panama are not teaching such tactics, are there Panamanian officials teaching these tactics with the advice of foreign nationals?

2. Does there exist information or reports to indicate that General Torrijos or members of the cabinet of the Panamanian Government have been saying in formal or informal circumstances that nationalization of the Panama Canal is the ultimate objective of the Panamanian Government after a new treaty is signed?

3. Does there exist information or reports that the Partido del Pueblo, which apparently operates openly in the Republic of Panama, is essentially a communist organization, controlled and directed by communist leaders? Does there exist information or reports that General Torrijos and/or members or former members of the Panamanian cabinet have made contributions to the Partido del Pueblo?

4. Does there exist information or reports to indicate that Colonel Noriega, the G-2 in Panama, has traveled to Cuba secretively in order to meet with various Cuban officials? If such trips have taken place, is it known who Colonel Noriega has met with while in Cuba?

5. Does there exist information or reports to indicate that U.S. citizens have been imprisoned on the island of Coiba by the Government of Panama? Is there information to indicate that U.S. citizens have been killed attempting to escape from that island prison?

6. Does there exist information or reports that indicate planning contingencies within the Government of Panama for seizure, violent or non-violent, of all or any parts of the Canal Zone or facilities within the Canal Zone? More specifically, is there any evidence at all to substantiate the rumor recently promulgated to the effect that some attempt at confrontation will be attempted by the Government of Panama in late 1976 in order to bring the Canal issue to the attention of the United Nations?

7. Does there exist information or report to indicate that Cuban military troops have recently come into the Republic of Panama? If such an entry has occurred, what is the purpose of their entry into Panama? Does there exist information or reports to indicate that Angolan troops have recently come into the Republic of Panama?

Whereas, each of the "Seven Questions" deserves a complete and forthright answer by this Administration which prides itself in candor and openness on such matters of vital security interest; now, therefore be it

Resolved, by the American Legion in National Convention assembled in Seattle, Washington, on August 24, 25, 26, 1976, that unless the Seven Questions are immediately answered, before any further treaty or executive agreement negotiations are conducted

between the United States and Panama, that the U.S. Congress undertake an investigation of alleged communist influence to force the United States to relinquish its sovereignty and control of the U.S. Canal Zone and Canal which are freely granted in the Treaty of 1903 and subsequently reaffirmed by the Treaties of 1936 and 1955.

THE FIGHT MUST CONTINUE AGAINST SOVIET HUMAN RIGHTS ABUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 10 minutes.

Mr. DODD. Mr. Speaker, the Soviet Union is making a mockery of the Helsinki Accords to guarantee freedom of thought, religion and emigration among the citizens of most of the world's great nations.

I must take to the House floor today to raise my voice in strong protest against the continuing abuses of human rights by the U.S.S.R.

I urge all my colleagues in the House of Representatives to hold steadfast in their determination to speak out for the principles of religious freedom and free emigration whenever they are able.

I further urge them to cast a cold, skeptical eye toward any legislation seeking to favor any country which oppresses its own citizens and denies them the basic human liberties which we in this country take for granted and hold dear.

The Soviet Union is just such a country, Mr. Speaker—remarkable in its consistency to violate human rights, despite pious statements to the contrary issued by its ambassadors, government leaders and official press organizations.

Only just this week another violation of the Helsinki Accords took place in the U.S.S.R.—another addition to an unhappy list.

Jews in Kiev and surrounding communities were warned by Soviet authorities that they would face arrest and prosecution if they tried to take part in memorial services commemorating the 35th anniversary of the Nazi massacre of thousands of Jews and Russians at Babi Yar on September 29–30, 1941.

Mr. Speaker, this is nothing short of an outrage. As a member of the House Judiciary Immigration Subcommittee, I visited the site of that massacre during an official trip to the U.S.S.R. last year. The enormity of that crime in World War II is overwhelming.

People of all religions and of all nationalities should remember Babi Yar, so that it might never happen again. People of all faiths and citizenships should honor the dead who fell during that massacre, for they were the courageous people who bore the full brunt of Nazi brutality and yet still kept their faith in God.

For the Soviet Government to prevent Soviet Jews to memorialize their dead of Babi Yar is a disheartening commentary on the inhumanity continuing among us today.

The five Members of Congress who, last year, visited the U.S.S.R., and the site at Babi Yar all have signed a letter of protest to the Soviets for their intimidation of Jews seeking to mark this mournful occasion. Our distinguished colleague from Pennsylvania (Mr. EILBERG) deserves great credit for drafting this letter.

We urge all our colleagues to send similar letters, for it is only through continuing public and official outcry such as ours, and that of peoples throughout the world, that the Soviets ever will change their antihuman rights policies.

Mr. Speaker, let me cite but a few more examples of abuses of freedom in the U.S.S.R., and all possible doubt will be removed as to whether the Soviet Union is "as good as its word" in abiding by the Helsinki Accords.

There is the case of Hillel Butman, a Jewish prisoner of conscience who was unjustly accused of taking part in an air hijacking plot in 1971 to commandeer a plane to Israel. Since his "kangaroo" trial, Hillel has been in prison, where his health is failing and where he has been denied even the normal visiting rights given other Soviet prisoners.

Such a terrible situation violates the common principles of human decency agreed upon in the United Nations Declaration of Human Rights and reiterated in the Helsinki Accords.

Hillel Butman should be freed and allowed to rejoin his family and to emigrate to Israel. Many of our colleagues have sent letters to Soviet officials urging that this be granted. I and my colleague from Iowa (Mr. MEZVINSKY) dispatched another plea only Wednesday. The entire House must continue this fight.

There is the case of Pastor Georgi Vins, who has been imprisoned and persecuted by the Soviets simply because he desires to worship according to the dictates of his conscience and his Christian faith.

Pastor Vins has been twice arrested and imprisoned by the Soviets. His health is fragile and it is unlikely he will survive his present incarceration. His family has suffered greatly at the hands of authorities in the U.S.S.R.

This Congress already has declared its belief that Pastor Vins should be freed, Mr. Speaker, and I was proud to vote for the resolution we passed in his support.

This resolution states it to be the sense of Congress that Pastor Vins be released from imprisonment and that the Soviet Government should allow him and all other Christians and other religious believers to worship God freely according to their own consciences.

I take pride in noting that this resolution was passed overwhelmingly by the House, underscoring the commitment of this Congress to the cause of human rights.

There is the case of the Reverend Hugo Maksimilians Grivans, a Latvian and a Lutheran minister who has been denied permission to emigrate from the U.S.S.R. to join his family in Sweden. In failing health, Reverend Grivans has spent 16 years and 5 months of his life in Soviet prisons.

The Soviets apparently are persecuting him because he wrote an essay about the persecution of Christians by ancient Rome. He has committed no crime, and he should be allowed to leave the U.S.S.R. to live out his few remaining years in a free country.

There is the case of Vladimir Bukovsky, a well-known Soviet dissenter now serving 12 years in prison for his persistent struggle for human rights in the U.S.S.R. It is believed he is in dangerous health and in urgent need of medical care.

This man is suffering greatly because he spoke out for the basic human liberties of freedom of thought and expression. Those of us in Congress should make it clear to the U.S.S.R. that we believe Bukovsky should be freed and provided medical care, and that we shall hold the Soviet Government accountable if anything more happens to him. Our State Department also should take an active interest in this case.

There are the cases of Dr. Alexander Lerner and Dr. Mikhail Shtern, both eminent scientists and Jews. Dr. Lerner has been refused permission to emigrate for more than 4½ years. Dr. Shtern languishes in a Soviet prison on false charges. Both deserve the support of Congress in their quests for freedom.

There is the case of Valentyn Moroz, a Ukrainian historian, Mr. Speaker. He is a brave man who has been imprisoned because he has fought for the cultural independence of the Ukraine. He is in a labor camp, having already served many years in a Soviet prison.

Valentyn Moroz recently renounced his Soviet citizenship for the injustices that government has perpetrated on his people. To show Congress support for him and his efforts for human liberties, I and my distinguished colleagues from New York (Mr. KOCH) and New Jersey (Mrs. FENWICK) have introduced a resolution granting him honorary U.S. citizenship.

It is my fervent hope that the new Congress will make such a resolution among its first items of business in January. By extending this symbolic citizenship to Valentyn Moroz, the 95th Congress will show the Soviets that it intends to continue what the present Congerss has done to foster human rights for all peoples.

Mr. Speaker, the record is clear, and the case is proved. The Soviet Union is guilty of gross abuses of human rights—of flagrant violations of the Helsinki Accords. The Congress of the United States must do all that it can to see that these abuses are ended, and that justice is done.

CONGRESSMAN AuCOIN DISCUSSES INDIAN TREATY RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCOIN) is recognized for 5 minutes.

Mr. AuCOIN. Mr. Speaker, recently the Washington Post carried an article by Mr. Neal R. Peirce dealing with a subject of great importance to those of us who represent Western States. The article dealt with Indian treaty rights and the tangent issues associated with those rights. In my State of Oregon, and in neighboring Washington State, this subject has become of increasing concern as Indian hunting and fishing rights, as interpreted by Federal courts, come into conflict with the rights of non-Indians.

Congress must shoulder the responsibility for resolving these conflicts in a way which is fair to all our citizens. The congressionally establshed American Indian Policy Review Commission is due to report to Congress in 1977 and make recommendations on a whole range of issues involving the Federal/Indian relationship.

Few actions of the 95th Congress will be followed as closely by the people of Oregon, and I would hope that my colleagues who are not already familiar with the issues involved here would begin to study them so they will be prepared when the Commission reports to Congress next year.

Mr. Speaker, I would like to ask that Mr. Peirce's article appear in the Record:

Indian-White Conflict: Civil Rights, Treaty Rights, Water Rights

(By Neal R. Peirce)

Helena, Mont.—Across the "Indian country" of Western America, and in scattered Eastern states as well, an era of intense conflict is developing between Indians and their white neighbors.

The issues range from rights to water from the Mississippi, the Columbia and Colorado Rivers, to fishing for salmon in Washington State, from local property taxes on Indian lands in Montana to fire service for the Oneida Nation in New York. Controversy centers around law enforcement jurisdiction on Indian reservations from Minnesota and Wisconsin to the Pacific coastal states.

The chief battlegrounds are the reservations, originally guaranteed to the Indians "forever" but later opened in part to white settlers. Today the ownership pattern of these areas resembles a checkerboard, a piece of Indian-owned land here, white-owned land there.

Since the rise of the "red power" movement in the 1960s, Indians have striven to reassert jurisdiction over their reservations' original boundaries. The federal government's policy switch from assimilation to "self-determination" has aided this effort, and Indians have prevailed in many court tests of treaty rights. Over $3 billion a year flows from Washington into various Indian-related services and economic developments.

But whites living on or near reservations say the federal government has shown scant regard for local residents and local governments. The Indian "problem," they say, was created nationally, restitution programs were devised nationally, and all should be paid for nationally.

Threats to the whites' livelihood and lifestyle have led to the formation of predominantly white "civil rights" groups in 14 states and creation of a national protest group, the Interstate Congress for Equal Rights and Responsibilities. The Interstate Congress says whites are not being treated equally in Indian communities. "Will we have to yield to tribal law, yet pay taxes to state government, which won't serve us?" asks Jack Freeman, the South Dakota rancher who heads the Interstate Congress.

Lake County, Montana, a community of 15,000 (85 per cent white, mostly small farmers) provides a test tube case of the conflicts. There have been court battles over shoreline rights to Flathead Lake and disputes over tax-free sale of cigarettes on the reservation and the removal of Indian-owned land from the tax rolls.

Lake County's whites are particularly irked by the shrinking number of taxable acres while inflation wreaks havoc with local government finances. Indian landowners can avoid property taxes by placing land under tribal trust status and giving up their right to sell it. Stories circulate about neighbors who are 1/16th and 1/32nd Indian avoiding taxes this way.

What's more, whites say, the Indians can vote in local elections and approve taxes they'll never have to pay themselves. They also are eligible for social services paid for in part through local property taxes.

The Flatheads reply that the number of conversions of Indian land to avoid taxes is exaggerated, and that their real reason is to consolidate tribal lands. Lost property taxes, they say, are more than compensated for by federal support of local schools and economic activity generated by the reservation.

There's been no violence between Lake Countians and their Flathead neighbors, but whites reportedly fear that the tribes will try to gain civil and criminal court authority over both Indians and non-Indians in all the territory that once belonged to the reservation. They foresee an unfair and inadequate judicial system run by a political system in which they have no voice.

Little of this conflict was apparent 20 or 30 years ago. Then, "assimilation" was official federal policy and the Bureau of Indian Affairs could note in 1957 that the Flatheads were "advanced in the stage of integration with the dominant culture." In those days, intermarriage between Flatheads and local whites was quite common.

But then came the 1960s, with a new federal policy of self-determination and the emergence of younger, more educated, aggressive tribal leaders. Today, on the Flathead reservations and others across the nation, young and professionally qualified Indian men and women—some with legal backgrounds—can return to their birthplaces and find employment in federally subsidized health, welfare resource programs.

The younger leaders are speaking out and challenging states and counties that try to assert jurisdiction over Indian country. Their role is more important than the highly publicized American Indian Movement (AIM)—although AIM has helped create a psychological climate for greater Indian independence, just as radical black power groups helped make the demands of moderate black civil rights organizations seem more credible in the 1960's.

All the wisdom of Solomon—and then some—would be required to determine the real "justice" in most conflicts between Indians and their white neighbors, between tribal "sovereign" rights and legitimate rights of local governments and their taxpayers. Strong national guilt concerning past injustices to Indians makes objective treatment difficult. Whites living on or near reservations say they have as much difficulty getting understanding from other residents of their states as from the power circles in the nation's capital.

Indians on the other hand complain that anti-Indian prejudice often appears in local communities, and the national reparations for past wrongdoings are still inadequate.

Local governments' loss of property taxes because of the special status of Indian tribal lands held in trust should be the easiest problem to resolve—possibly through direct federal subsidy to the localities involved. But sponsors of pending federal legislation to give localities annual payments in compensation for federally controlled lands within their borders have shown no interest in including Indian reservations.

No one doubts that imposition of local taxes on Indian reservations, even if such taxes didn't violate treaty rights, would be a crippling blow to local Indian economies. When Wisconsin's Menomonie Indians were out of reservation status for a period of years, they found themselves hit with a quarter million dollars in annual property taxes—enough to drive them from a position of self-sufficiency to poverty. The state of Wisconsin stepped in to pay them an identical amount for an annual scenic easement to the banks of the Wolf River and continued the arrangement until reservation status was restored.

Water rights and law enforcement problems are particularly difficult to resolve by legislation—partly because each situation is too unique for blanket laws to work. When whites affected by such issues have appealed to their state and federal officials for help, they have encountered some sympathy, some standoffishness—but rarely any help.

Gradually, court decisions in the Indians' favor are reducing the rights and impairing the income of reservation-area whites. Those whites, faced by vague and unresolved laws, indifferent state and federal government and fears for their own future, sadly end up bearing an inordinate burden for the cruelty and rapaciousness of the entire nation in its early dealings with its native peoples.

PREVENTING A FEDERAL GIVEAWAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 30 minutes.

Ms. HOLTZMAN. Mr. Speaker, I supported the Bingham amendment striking the Federal giveaway provisions in the Nuclear Fuel Assurance Act (H.R. 8401). The provisions would provide up to $8 billion in subsidies to corporations for developing uranium enrichment facilities.

The Nuclear Fuel Assurance Act is an appalling piece of legislation. Uranium enrichment facilities are currently Government owned. This bill empowers the Energy Research and Development Administration to turn over Government-developed technologies to private industry, provide such companies with all sorts of additional technical assistance—then lease private companies with the profits and the Government with the risks. There are virtually no standards for ERDA to follow in negotiating such contracts and ERDA may obligate the Government for up to $8 billion in financial guarantees.

Richard Nixon wanted to "sell" Government enrichment facilities to private industry. The Congress rejected that plan, but President Ford has resurrected it in a new form in the Nuclear Fuel Assurance Act. It appears that the Nuclear Fuel Assurance Act is essentially a private bill to benefit the Bechtel Corp., a huge multinational corporation, at the expense of the American people. In May 1975, Uranium Enrichment Associates—UEA—a consortium including Bechtel, submitted a proposal to ERDA for construction of an enrichment facility. This proposal included requests for extensive Government assuranecs and guarantees. On June 26, 1975, President Ford sent the Nuclear Fuel Assistance Act to Congress with provisions remarkably similar to the UEA proposal.

Bechtel has had a history of close association with the Federal Government. Former governmental officials who have been hired to represent Bechtel's interests include Caspar Weinberger, former Chairman of the FTC, and Secretary of HEW, George Shultz, former Secretary of the Treasury, and two top officials in the Atomic Energy Commission. Bechtel has had, moreover, a less than spotless record in its association with governmental agencies. Early this year the Justice Department filed suit against Bechtel for alleged violation of the antitrust laws in Bechtel's alleged cooperation in the Arab boycott. Bechtel's other legal problems include: a suit by the Consumer Power Co. of Michigan for allegedly supplying and constructing the Palisades Nuclear Reactor with defective equipment; a suit by the State of Alaska, against Bechtel, the construction manager of the Alaska pipeline, for damages arising from the oil spill at an Alaskan pipeline construction camp; recent accusations that Bechtel allegedly falsified inspections records in connection with the construction of the Alaskan pipeline.

In addition, it appears that this Federal giveaway may be perpetuating an expensive and outmoded technology for production of nuclear fuel. An alternative technology which uses only one-tenth the electricity and a smaller physical plant is being developed, but the plant proposed by UEA would use the more expensive gaseous diffusion method.

It is also estimated that transferring the manufacturing of fuel for nuclear power plants to private industry could cause a $700 million increase in the cost of nuclear fuel that would be passed on to consumers of electric power.

I strongly support the Bingham amendment and hope that this dreadful piece of legislation will be stripped of the bulk of its provisions.

CLARIFYING HOSPITAL HOUSEHOLD STAFF UNDER NATIONAL LABOR RELATIONS BOARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Thompson) is recognized for 5 minutes.

Mr. THOMPSON. Mr. Speaker, on March 19, 1976 the National Labor Relations Board rendered a decision declaring that interns, residents, and clinical fellows are "students" and are not "employees" within the meaning of the National Labor Relations Act (29 U.S.C. 151 et. seq.). I think this decision is wrong and am in agreement with the dissenting opinion filed by Board member Fanning, who said in his opinion that—

> This decision is not grounded in the statute, the law, or reason.

The categories of persons held not to be covered by the act are the interns, residents, and clinical fellows, commonly known as "housestaff," who are the backbone of the medical staff in our Nation's hospitals.

All housestaff officers are M.D.'s. They are licensed physicians in every State of the Union. They work round the clock every day of the year, sometimes over 100 hours a week in shifts that often exceed 50 consecutive hours. Approximately 80 percent of a housestaff officer's time is spent in direct patient care. Simply because they are learning while performing patient service cannot possibly mark them as primarily students and not employees.

The 1974 health care amendments to the NLRA (P.L. 93-360) provide ample legislative history to support the contention that Congress had intended housestaff to be covered. The reports and debates on the 1974 amendments in both Houses makes no mention of the "student" status of housestaff personnel. Senator Cranston accurately characterized the purpose of the bill when he indicated that one of the conditions the bill was designed to redress was the—

> Notoriously underpaid . . . average annual salary for all hospital employees—including doctors . . . According to the president of the Physicians National Housestaff Association, the average housestaff officer—intern, resident, or fellow—works 70 to 100 hours per week and earns $10,000 per year.

Board Member Fanning pointed out in his dissent that housestaff officers singly staff emergency rooms and perform services ranging from literally holding the lives of patients in their hands to delivering babies. He went on to say that patients could hardly take comfort in the notion that when performing these services the housestaff officer "is not primarily interested in performing that service for the hospital and patient but, rather, is primarily a student of the matter."

The language of section 2(12) of the National Labor Relations Act and the act's legislative history make it absolutely clear that "housestaff" were expressly contemplated as being within the coverage of the act.

Such a misapplication of fact and law as represented in the Cedars-Sinai Medical Center case increases the likelihood of recognition strikes and picketing.

Today as we face the specter of a strike of housestaff personnel in New York we can take little comfort in the fact that neither the employers nor the employees will be able to avail themselves of the protections of the act.

For these reasons I am introducing today a bill to make clear that such housestaff personnel are "employee" and not "students."

H.R. 15810: THE MEDICARE-MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Rostenkowski) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, last night, on the eve of the adjournment of the 94th Congress, I was pleased to join with my colleague from Florida, the chairman of the Subcommittee on Health and Environment of the Committee on Interstate and Foreign Commerce, in introducing a revised version of a bill, H.R. 15536, that we first introduced on September 13, 1976.

The bill that we introduced yesterday, H.R. 15810, contains, in our opinion, several technical improvements over the earlier version of this legislation. This bill was introduced as part of our commitment to the Congress to make indepth consideration of antifraud legislation a top priority of our respective subcommittees.

I would hope my colleagues and all interested groups in the health community would review this legislation both with an eye toward pointing out technical imperfections and suggesting new or modified provisions that would help to more effectively combat abuse in medicare and medicaid.

Several committees of the Congress have through hearings and investigations called attention to the serious problems of fraud and abuse in these programs. Senate amendments, sponsored by Senator Herman Talmadge, along with numerous other Senators, have come to us for our consideration in the last few days. I regret that we have not been able, in the rush of legislative business at adjournment time, to give them the thorough consideration they deserve. However, both the House and the Senate have now adopted legislation that will establish within the Department of HEW an Office of Inspector General as a focal point for the effort to uncover and eliminate these problems in medicare and medicaid as well as in other departmental programs. I am sorry that we could not accomplish more during this Congress to drive fraud and abuse from the medicaid and medicare programs. I am pleased to join with my colleague from Florida in introducing H.R. 15810 in order to facilitate prompt action when the Congress reconvenes next year. A section-by-section summary of this bill follows my colleague's, Mr. Rogers, remarks.

CONGRESSMAN MINISH SUBMITS TAX INFORMATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Minish) is recognized for 5 minutes.

Mr. MINISH. Mr. Speaker, today I am placing in the Record pertinent information pertaining to my Federal and other taxes for taxable year 1975.

Pursuant to the House rules, I have filed with the Committee on Standards of Official Conduct my financial disclosure statement. This statement, of course, is available to the committee under the stipulated conditions.

My total income for 1975 was $46,781 of which $42,850 represents my congressional salary; $3,681.01 represents income from dividends and interest and $250 for an honorarium.

My adjusted gross income was $43,135. My taxable income was $36,276. I paid Federal income taxes of $10,374 and real estate taxes of $2,028 to the town of West Orange, N.J.

A TRIBUTE TO HON. JOHN JARMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. Steed) is recognized for 5 minutes.

Mr. STEED. Mr. Speaker, when Congressman John Jarman leaves the House at the end of this Congress he will complete a legislative career here of 26 years, third longest in the House of Representatives of any Oklahoman.

Having served with him during this entire period I know how capably and skillfully he has represented the views of his constituents. In recent years I have shared representation with him of Oklahoma County, and many of the problems of our respective constituents have kept us in close contact.

During his entire career here JOHN JARMAN has had only one race in which he drew strong opposition from either party. Few can match that kind of record with its proof of approval by their home district of its representation.

He served on the Foreign Affairs Committee, later the Committee on Interstate and Foreign Commerce where he became subcommittee chairman, and recently the Committee on Science and Technology.

In our legislative work I especially remember his assistance as chairman of the Health Subcommittee, which made possible enactment of the bill of which I was chief sponsor, providing for veterinary medicine education facilities.

I will miss him as a fellow member of our Oklahoma delegation and a close neighbor in our offices. I wish every future happiness and success to him, to Mrs. Jarman and their family.

BANKS, WITH FED SUPPORT, KEEP INTEREST RATES ON LOANS TO BUSINESS UNNECESSARILY HIGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 15 minutes.

Mr. REUSS. Mr. Speaker, the Nation's major banks, encouraged by the Federal Reserve, today are charging unnecessarily high rates of interest on short-term loans to business.

These high rates are particularly unfortunate at a time when stimulus from business investments is badly needed to keep the economic recovery going.

The economy's continuing sluggishness is imposing huge economic and social costs. Unemployment is still 7.9 percent and running over 40 percent among black teenagers. Small businesses are stymied by the prohibitive cost of credit. The cities suffer from underemployed people and underutilized business capacity.

The unnecessarily high interest rates particularly hurt small businesses. Big business can issue commercial paper to tap the money market at a rate of only around 5 percent compared to a much higher bank lending rate. But small businesses are unable to issue commercial paper and thus are forced to pay the higher bank rate or forego their loan altogether.

The spread banks maintain between the rates they charge on short-term loans, and the rates on short-term prime commercial paper—one measure of the cost of funds to banks—is high today by historical standards. According to the Federal Reserve Bank of New York, the spread between these rates is higher than during the same stage of most other postwar recoveries. For example, the average spread from the second quarter of 1975 to the first quarter of 1976 was 1.33 percentage points, compared to a spread of only 0.65 percentage points in the early stages of the recovery from the 1970 recession.

Even with the latest drop by some banks in the prime rate to 6¾ percent, the spread remains large at 1.625 percentage points, in a comparison of average lending rates at large New York banks with the rates for 90- to 179-day prime commercial paper.

These high interest rates which discourage borrowing by business do not come from any lack of money to lend out. As the Federal Reserve Board Chairman Arthur Burns said in a U.S. News & World Report interview last May 17, "the country is awash with liquidity."

Dr. Burns defends these unnecessarily high interest rates by asserting that banks need them to "improve their liquidity and to strengthen their financial condition." These high spreads, he says, have "contributed to the strength of our financial system." This week's Newsweek magazine notes that because of their spreads, banks "have priced themselves out of the market," and quotes another Federal Reserve Governor, Philip Coldwell, as saying:

> If the banks wanted more business, they could drop their rates. But then they would erode their profit margins.

Thus the Federal Reserve, instead of promoting "maximum production, maximum employment, maximum purchasing power" as directed by the Employment Act of 1946 is winking at an interest rate policy that ignores these goals in favor of "maximum bank profit," a goal understandably absent from the statute.

Evidence abounds that the banks are following the Fed's admonition to improve their liquidity.

Holdings of U.S. Treasury securities by the large commercial banks increased $7.3 billion, or 17 percent, over a year ago. The banks are able to refrain from interest rate competition, and thus make the profits to accumulate Treasury securities, in large part because they know their competitors will also follow the Federal Reserve's guidance.

Furthermore, while large commercial banks now shun domestic borrowers, they are actively cultivating shaky borrowers overseas, such as the loans to Chile, Peru, and Argentina. Like the REIT loans of the early 1970's big syndicated credits to foreign governmental borrowers allow the banks to make immediate profits through front-end management fees. To illustrate, there were two huge loans of $1 billion each to Governments of Spain and Venezuela in August and September made by a syndicate led by major U.S. banks including Morgan, Citicorp, Chemical, Continental Illinois, and Chase Manhattan. It is commonly believed that the Fed will bail out commercial banks if their loans to foreign governments go bad in order to avoid political repercussions, whereas banks have no such assurance regarding domestic loans. Consequently, large banks are allocating loans in a pattern that bears little relationship to the creditworthiness of borrowers, competitive market forces, or the real needs of the U.S. economy.

Good banking means promoting a healthy economic environment in which business has ready access to commercial bank credit. I urge the Fed and the banks to reconsider their restrictive lending practices and help promote economic recovery.

HOW TO KILL AN OCEAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, I would like to share with my colleagues excerpts from an article entitled "How To Kill an Ocean" by noted voyager Thor Heyerdahl which appeared in the November 25, 1975, edition of Saturday Review. Heyerdahl asks the question "Can humans survive on a planet with a dead ocean?" I commend this fascinating article to my colleagues:

HOW TO KILL AN OCEAN

(By Thor Heyerdahl) *

Since the ancient Greeks maintained that the earth was round and great navigators like Columbus and Magellan demonstrated that this assertion was true, no geographical discovery has been more important than what we all are beginning to understand today: that our planet has exceedingly restricted dimensions. There is a limit to all resources. Even the height of the atmosphere and the depth of soil and water represent layers so thin that they would disappear entirely if reduced to scale on the surface of a common-sized globe.

The correct concept of our very remarkable planet, rotating as a small and fertile oasis, two-thirds covered by life-giving water; and teeming with life in a solar system otherwise unfit for man, becomes clearer for us with the progress of moon travel and modern astronomy. Our concern about the limits to human expansion increases as science produces ever more exact data on the measurable resources that mankind has in stock for all the years to come.

Because of the population explosion, land of any nature has long been in such demand that nations have intruded upon each other's territory with armed forces in order to conquer more space for overcrowded communities. During the last few years, the United Nations has convened special meetings in Stockholm, Caracas, and Geneva in a dramatic attempt to create a "Law of the Sea" designed to divide vast sections of the global ocean space into national waters. That fact that no agreement has been reached illustrates that in our ever-shriveling world there is not even ocean space enough to satisfy everybody. And only one generation ago, the ocean was considered so vast that no one nation would bother to lay claim to more of it than the three-mile limit which represented the length of a gun shot from the shore.

It will probably take still another generation before mankind as a whole begins to realize fully that the ocean is but another big lake, landlocked on all sides. Indeed, it is essential to understand this concept for the survival of coming generations. For we of the 20th century still treat the ocean as the endless, bottomless pit it was considered

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*Norwegian archeologist Thor Heyerdahl has led numerous ocean expeditions in his studies of the migrations of cultures. He is the author of Kon-Tiki, Aku-Aku, and The Ra Expeditions. His latest book, Fatu-Hiva, was published by Doubleday.

to be in medieval times. Expressions like "the bottomless sea" and "the boundless ocean" are still in common use, and although we all know better, they reflect the mental image we still have of this, the largest body of water on earth. Perhaps one of the reasons why we subconsciously consider the ocean a sort of bottomless abyss is the fact that all the rain and all the rivers of the world keep pouring constantly into it and yet its water level always remains unchanged. Nothing affects the ocean, not even the Amazon, the Nile, or the Ganges. We know, of course, that this imperviousness is no indicator of size, because the sum total of all the rivers is nothing but the return to its own source of the water evaporated from the sea and carried ashore by drifting clouds.

Only when we fully perceive that there is no fundamental difference between the various bodies of water on our planet, beyond the fact that the ocean is the largest of all lakes, can we begin to realize that the ocean has something else in common with all other bodies of water: it is vulnerable. In the long run the ocean can be affected by the continued discharge of all modern man's toxic waste. One generation ago no one would have thought that the giant lakes of America could be polluted. Today they are, like the largest lakes of Europe. A few years ago the public was amazed to learn that industrial and urban refuse had killed the fish in Lake Erie. The enormous lake was dead. It was polluted from shore to shore in spite of the fact that it has a constant outlet through Niagara Falls, which carries pollutants away into the ocean in a never-ending flow. The ocean receiving all this pollution has no outlet but represents a dead end, because only pure water evaporates to return into the clouds. The ocean is big; yet if 10 Lake Eries were taken and placed end to end, they would span the entire Atlantic from Africa to South America. And the St. Lawrence River is by no means the only conveyor of pollutants into the ocean. Today hardly a creek or a river in the world reaches the ocean without carrying a constant flow of non-degradable chemicals from industrial, urban, or agricultural areas. Directly by sewers or indirectly by way of streams and other waterways, almost every big city in the world, whether coastal or inland, makes use of the ocean as mankind's common sink. We treat the ocean as if we believed that it is not part of our own planet—as if the blue waters curved into space somewhere beyond the horizon where our pollutants would fall off the edge, as ships were believed to do before the days of Christopher Columbus. We build sewers so far into the sea that we pipe the harmful refuse away from public beaches. Beyond that is no man's concern. What we consider too dangerous to be stored under technical control ashore we dump forever out of sight at sea, whether toxic chemicals or nuclear waste. Our only excuse is the still-surviving image of the ocean as a bottomless pit.

It is time to ask: is the ocean vulnerable? And if so, can man survive on a planet with a dead ocean? Both questions can be answered, and they are worthy of our attention.

First, the degree of vulnerability of any body of water would of course depend on two factors: the volume of the water and the nature of the pollutants. We know the volume of the ocean, its surface measure, and its average depth. We know that it covers 71 percent of the surface of our planet, and we are impressed, with good reason, when all these measurements are given in almost astronomical figures. If we resort to a more visual image, however, the dimensions lose their magic. The average depth of all oceans is only 1,700 meters. The Empire State Building is 448 meters high. If stretched out horizontally instead of vertically, the average ocean depth would only slightly exceed the 1,500 meters that an Olympic runner can cover by foot in 3 minutes and 35 seconds. The average depth of North Sea, however, is not 1,700 meters, but only 80 meters, and many of the buildings in downtown New York would emerge high above water level if they were built on the bottom of this sea.

The ocean is in fact remarkably shallow for its size. Russia's Lake Baikal, for instance, less than 31 kilometers wide, is 1,500 meters deep, which compares well with the average depth of all oceans. It is the vast extent of ocean surface that has made man of all generations imagine a correspondenly unfathomable depth.

After we abandon the outworn image of infinite space in the ocean, we are still left with many wrong or useless notions about biological life and vulnerability. Marine life is concentrated in about 4 percent of the ocean's total body of water, whereas roughly 96 percent is just about as poor in life as is a desert ashore. We all know, and should bear in mind, that sunlight is needed to permit photosynthesis for the marine plankton on which all fishes and whales directly or indirectly base their subsistence. In the sunny tropics the upper layer of light used in photosynthesis extends down to a maximum depth of 80 to 100 meters. In the northern latitudes, even on a bright summer's day, this zone reaches no more than 15 to 20 meters below the surface. Because much of the most toxic pollutants are buoyant and stay on the surface (notably all the pesticides and other poisons based on chlorinated hydrocarbons), this concentration of both life and venom in the same restricted body of water is most unfortunate.

What is worse is the fact that life is not evenly distributed throughout this thin surface layer. Ninety percent of all marine species are concentrated above the continental shelves next to land. The water above these littoral shelves represents an area of only 8 percent of the total ocean surface, which itself represents only 4 percent of the total body of water, and means that much less than half a percent of the ocean space represents the home of 90 percent of all marine life. This concentration of marine life in shallow waters next to the coasts happens to coincide with the area of concentrated dumping and the outlet of all sewers and polluted river mouths, not to mention silt from chemically treated farmland. The bulk of some 20,000 known species of fish, some 30,000 species of mollusks, and nearly all the main crustaceans lives in the most exposed waters around the littoral areas. As we know, the reason is that this is the most fertile breeding ground for marine plankton. The marine plant life, the phytoplankton, find here their mineral nutriments, which are brought down by rivers and silt and up from the ocean bottom through coastal upwellings that bring back to the surface the remains of decomposed organisms which have sunk to the bottom through the ages.

No breathing species could live on this planet until the surface layer of the ocean was filled with phytoplankton, as our planet in the beginning was only surrounded by sterile gases. These minute plant species manufactured so much oxygen that it rose above the surface to help form the atmosphere we have today. All life on earth depended upon this marine plankton for its evolution and continued subsistence. Today, more than ever before, mankind depends on the welfare of this marine plankton for his future survival as a species. With the population explosion we need to harvest even more protein from the sea. Without plankton there will be no fish. With our rapid expansion of urban and industrial areas and the continuous disappearance of jungle and forest, we shall be ever more dependent on the plankton for the very air we breathe. Neither man nor any other terrestrial beast could have bred had plankton not preceded them. Take away this indispensable life in the shallow surface areas of the sea, and life ashore will be unfit for coming generations. A dead ocean means a dead planet.

TRIBUTE TO HON. PETER PEYSER

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York (Mr. OTTINGER) is recognized for 30 minutes.

Mr. OTTINGER. Mr. Speaker, I am pleased to take this time to pay tribute to my friend and colleague from Westchester, PETER PEYSER, on this last day of his service in this body.

PETER has served Westchester, N.Y., and the Nation with great distinction. I have had the pleasure of collaborating with him on many matters, both local issues involving Westchester County and broader issues as well.

PETER and I traveled throughout the country together earlier this year in the successful quest to obtain support for essential financing to save New York from a disastrous bankruptcy.

PETER and I also share the experience of running for a seat in the other body against Senator JAMES BUCKLEY. In so doing, as well as in his service in the House, PETER has demonstrated a dedication to enlightened, progressive, humane policies, and a willingness to stand up for what he thought was right in spite of party pressures.

PETER and I were opponents challenging for the seat he now holds in 1972, differing sharply on the issues. Since that time, however, we have increasingly become close both on national issues and personally, as friends.

PETER chose service on the House Agriculture Committee, which many people thought strange for a Congressman from a suburban district. He showed the wisdom of that choice, however, by fighting ably on the committee for the interests of the consumer. He discovered the significance of the peanut long before Jimmy Carter came on the national scene.

I consider it unfortunate, indeed, for me, for the House and for the country, that PETER must give up his seat because of his Senate race. As I returned to this body after my defeat for the Senate, I hope we will see PETER back here again one day as a Member of this body, or if he does not choose that path, at least as a frequent visitor.

I join my colleagues in wishing PETER and his lovely family great happiness and great success in life and many happy times in the future.

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is a privilege to have this opportunity to commend the outstanding congressional career of my colleague and dear friend, PETE PEYSER. Throughout his years of service, PETE has consistently provided the most hard-driving and effective leadership to New York's 23rd District, and his total dedication to the public interest is a matter of record in these Chambers. An outstanding communicator and distinguished gentleman, PETE has a guarantee of success in all his endeavors. It has been a distinct pleasure to serve with him in the House and on the Agriculture Committee. His departure is a great loss to the Congress, but I know that a brilliant future awaits him.

Mr. STRATTON. Mr. Speaker, I rise to join in expressing my sadness at the fact that our colleague from Westchester County in New York State, PETER PEYSER, will be leaving this House at the conclusion of the present term. Mr. PEYSER has been one of the most active and effective Members of this House. He has interested himself in questions of all kinds, and has exhibited a breadth of vision and imagination that has been truly remarkable. He took the lead several years ago in staving off devastating cuts in our forces stationed in NATO. He has been a tireless defender of the consumer. He has exhibited a rare brand of political courage in seeking to win his party's nomination for the U.S. Senate even though he knew from the start that the odds against him were very high indeed. Yet he persisted in his campaign across the length and breadth of New York State because he believed deeply in what he was doing. And as a result he won the admiration and stimulated the interest of people of both major political parties in New York State by virtue of his enthusiasm and his grasp of the issues.

We are going to miss PETER PEYSER here in this House. But I feel sure that anyone with his energy, enthusiasm, and vision will not long remain out of public life. I am sure that PETER will soon be serving the people of his county and of the State in some other but equally challenging capacity. You just cannot keep a good man down. And so to PETER I join in saying, "Well done, good luck, and we'll see you soon."

Mr. GILMAN. I thank the gentleman for yielding and I rise to speak on behalf of my esteemed colleague and friend, Congressman PETER A. PEYSER, of the 23d Congressional District of New York State. After 6 years of distinguished service in the U.S. Congress, PETER PEYSER is retiring from his seat in the House of Representatives. His absence in the 95th Congress will be a loss not only to the State of New York, but to the entire Nation.

As a fellow member of the Hudson Valley congressional delegation, I have had frequent opportunities to work together with Congressman PEYSER on many occasions on matters of mutual interest. He took time from his own busy schedule to visit the farm regions in my own congressional district which were devastated by hurricanes and floods.

Congressman PEYSER's contributions to his district are many and significant. His first political venture was as mayor of Irvington, N.Y., in 1963, where he became the second Republican in 32 years to win that office, which he held for four terms. Following his election to the House in 1970, Congressman PEYSER was appointed to the House Education and Labor Committee and to the Agriculture Committee where he has been a leading consumer advocate as well as the ranking minority member on that committee's Family Farms and Rural Development Subcommittee. He served as the ranking Republican member from the State of New York on the House Education and Labor Committee and sat on both the Manpower, Compensation, and Health and Safety Subcommittee as well as the Select Education Subcommittee.

Congressman PEYSER helped author several major bills adopted by Congress, including the Child Abuse Prevention and Treatment Act, the Older Americans Act, the Vocational Rehabilitation Act, the Drug Abuse Education Act, the Environmental Education Act, and the Arts and Humanities Act. Recently, he played a key role in enacting the Elementary and Secondary Education Act of 1974 and the Pension Reform Act.

I know the House will long remember the distinguished career of this dedicated public servant, given the far-reaching impact of his legislation, the dedication with which he strove to serve his constituents and his fellow Americans, and the outstanding example which he set for us all as a Member of the House of Representatives.

It is hoped that PETER PEYSER's talents and dedication to public service will be utilized soon again in the not too distant future.

Mr. FISH. Mr. Speaker, I would like to join my colleagues who are paying tribute today to Congressman PETER A. PEYSER who will be retiring from Congress at the close of this session.

He has served the 23d District of New York with distinction since his election to the House of Representatives in 1970. But his public service began prior to his election to Congress. From 1963 to 1970 he served ably as the mayor of Irvington, N.Y.

In the House, as a member of the Agriculture Committee as well as the Committee on Education and Labor, PETER worked diligently to shape legislation developed by these committees. All of us who have had the benefit of his expertise in areas of vital importance to every Member of Congress will keenly feel his absence.

On a personal level, as a Representative of a district adjacent to PETER's I have had the pleasure of working closely with him on many legislative matters and issues of particular concern to the residents of Westchester County in New York, which we both represent.

I know that I speak for not only the members of the New York delegation but for all of the House in wishing PETER and his wife Marguerite much success and happiness.

Mr. BIAGGI. Mr. Speaker, I wish to pay tribute to my fellow New York colleague, PETER PEYSER who will not be returning to Congress in January.

My association with PETE has been a warm and rewarding one. Coming from nearby congressional districts in New York, PETE and I shared many common problems. We consulted with each other often and worked toward the achievement of common goals for the people we represented.

While in Congress, PETE and I served on the House Education and Labor Committee. PETE was one of the more articulate and knowledgeable members of the committee and he was especially helpful in working to guarantee that the city of New York received its fair share of funds under major education programs.

PETE gained national attention through his work on the House Agriculture Committee. He gained a reputation as an ardent foe of waste within the Department of Agriculture budget and was a particularly outspoken and effective foe of certain subsidy programs which benefit farmers.

PETER PEYSER's career in Congress while relatively short, was productive. The people of the 23d Congressional District are losing a real friend and dedicated public servant in PETER PEYSER. We in the New York City congressional delegation are losing a valued colleague. I extend to PETER, his wife, and his children, my best wishes for many productive and enjoyable years ahead.

SLUDGE MANAGEMENT: AN UNRESOLVED ENVIRONMENTAL PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, I would like to take this opportunity to direct the attention of my colleagues to the Sludge Management Act of 1976, H.R. 14972, which I originally introduced in June. More than 30 Members of Congress have now cosponsored this legislation in the few weeks since it was introduced, and thus have joined me in emphasizing the pressing need for action to resolve the current sludge management crisis in the United States. The following is a list of cosponsors of H.R. 14972, by State:

California: Glenn M. Anderson, Don Edwards, Edward R. Roybal, Leo J. Ryan, Fortney H. Stark.

Connecticut: Stewart B. McKinney.

Illinois: Paul Simon.

Iowa: Berkley Bedell.

Maryland: Clarence D. Long, Paul S. Sarbanes, Gladys Noon Spellman.

Massachusetts: Joe Moakley, Gerry E. Studds.

New Jersey: Dominick V. Daniels, James H. Howard, William J. Hughes, Matthew J. Rinaldo, Peter W. Rodino, Jr., Robert A. Roe.

New York: Bella S. Abzug, Herman Badillo, Thomas J. Downey, Benjamin A. Gilman, Elizabeth Holtzman, Edward I. Koch, John M. Murphy, Richard L. Ottinger, Otis G. Pike, Benjamin S. Rosenthal, James H. Scheuer, Lester L. Wolff.

Virginia: Herbert E. Harris.

Quite simply, Mr. Speaker, sludge is gray to dark brown in color, slimy in nature, and foul smelling in odor. It is the congealed mass that remains when wastewater—from any source—is cleaned by a sewage treatment or other pollution control facility. Annual sludge production has skyrocketed to 140 million wet tons, and by 1985 it is estimated that we will be producing 260 million wet tons per year—an increase of 86 percent over the current rate. With every American man, woman, and child producing more than a pound each week, and a projected 52-percent increase in sludge production due to improved sewage and pollution control capability, the seriousness of our sludge disposal problem is readily apparent.

The massive sewage wash-ups which closed 60 miles of Long Island beaches last June serve as an indication of the dangerous threat which sludge poses to the quality of our land, water, and air. Considering that 30 to 50 percent of sewage treatment costs currently go toward processing sludge—for a total of $1.7 to $2.8 billion each year—we are clearly not getting very good results from our investment.

Surprisingly, to those who have viewed sludge as only a disposal problem, sludge may actually be a great potential resource. In addition to the creation of considerable amounts of energy through advanced processing, technologies could be used to convert sludge into fertilizer for crops or soil conditioner.

MAJOR PROBLEMS AND UNANSWERED QUESTIONS

Mr. Speaker, sludge management presents dangerous and widespread problems which demand the immediate and concerted attention of Congress. It is an unfortunate fact of life that virtually all of the hazardous and toxic substances which are introduced into wastewater are concentrated in sludge—the byproduct of most water pollution control processes. For a discussion of the enormous concentration of heavy metals in sewage sludge, I refer my colleagues to an address which I made before the House on July 1, 1976—pages 21871 to 21876.

In addition to the existence of toxic metals which may pose a serious threat to human and marine health, wastes of infected humans and animals assure the prevalence of a great many dangerous viruses and bacteria in most sewage sludge. Traces of diseases such as polio and infectious hepatitis may typically exist in such wastes, and these represent only two of more than a dozen potentially hazardous pathogenic strains which may be present in large concentrations. Current sewage treatment processes, while reducing the total number of pathogenic or disease-causing organisms, actually tend to increase their density per unit of volume. Since a great many sewage treatment plants do no more than remove sludge and filter wastewater, the dangers inherent in concentrating disease-causing organisms have become readily apparent.

In many locations, it has been considered more expedient to simply dump sludge into bodies of water rather than carefully assess the possible dangers to the environment and human health. At two major dumping sites in the Atlantic Ocean, levels of biological contamination far exceed established limits for public safety. At the so-called New York Bight, nearby shellfish contain coliform bacteria—which commonly affects intestinal tracts—in levels which exceed Department of Agriculture standards by 50 to 80 times. In addition, my colleague from New York (Mr. WOLFF) has been drawing attention to the existence of plasmids in sludge dumped in the Bight—gene mutations which render life-threatening bacteria immune to conventional treatment by antibiotics.

A great many manmade chemicals such as dyes, inks, oils, pesticides, herbicides, detergents, and solvents are commonly present in sludge, and may be readily assimilated into the human food chain as a result of sludge fertilizations. Even those chemicals that may not be lethal to individuals at the levels at which they are found, may be lethal to entire animal populations due to the influence they exert on hormones and the nervous system.

Certainly, Mr. Speaker, the mere presence of these hazardous substances in sewage sludge merits a closer, more extensive look at the problems of sludge, and possible solutions to these problems.

The problems of sludge reach far beyond those I have mentioned here. Public health, environmental quality, and the business and commercial sectors are all affected by the problems of sludge, Economic reverberations of sludge hazards can be devastating to fishing and shell-fishing industries, industries linked to oceanside recreation, agricultural industries, and taxpayers nationwide. Mr. Speaker, I would like to offer several examples of the very negative ramifications of the sludge problem.

The fisheries along the Atlantic coast were valued at $12 million in landed catch last year. The clam harvesting and processing industry in that same area employs an estimated 3,000 workers. Last July, a massive "fishkill" took place off the New Jersey coast. According to a Department of Environmental Protection official, sludge was the cause of this most devastating occurrence. Clam mortalities as high as 34 percent were reported in certain spots. Harvesters were forced to abandon once-prolific clambeds for less abundant ones. As a result of the decrease in supply, prices for the consumer rose. Harvested clams may contain hazardous or toxic substances. Even if no threat to public health exists in harvested clams, seafood industries are hurt by the fears induced by incidents like the New Jersey fishkill and the Long Island sewage spills.

The Long Island sludge and sewage spills have also meant significant losses in beach-related revenues. Most of the $260 million that summer tourists spend on Long Island every year is for beach-related products and activities. When Long Island beaches were closed for several days this summer, the number of beachgoers declined 40 to 50 percent in subsequent days, and beach-related products and activities suffered considerable losses.

I should point out in no uncertain terms, Mr. Speaker, that landfilling rather than ocean dumping sludge is by no means a panacea for our problems. Research in this area has shown that dangerous pathogenic organisms may survive for as long as several months in sewage sludge, and could pose serious health threats to workers applying sludge as a fertilizer. One estimate projected that an individual standing 5 feet downwind from an aeration tank—a vital component of sewage treatment—would inhale a living, potentially disease-causing organism in one out of every two breaths.

There are more problems inherent in agricultural uses of sewage sludge, as evidenced by the experience of a California community where pathogens actually worked their way into a municipal water supply through a gopher hole, and caused a serious outbreak of disease. Furthermore, it has been estimated that land spreading of more than 2 or 3 inches of sludge each year will significantly contribute to the concentration of nitrogen in groundwater. When this groundwater flows out to streams and rivers, the nitrogen promotes the growth of algae and microorganisms, which tend to suffocate bottom-feeding fish, as well as shellfish.

Finally, Mr. Speaker, I would like to point out that taxpayers throughout our country are constantly paying for programs relating to sludge. Government funding of the upgrading of inadequate sludge treatment facilities, reclamation operations necessitated from errors in sludge management, and non-cost-effective treatment plants.

Congressional action to develop a viable, environmentally sound treatment and disposal program will save the American taxpayer money in the long run, as well as restoring a more healthy environment for all living organisms.

THE NASHUA RIVER—A CASE STUDY IN SLUDGE

Mr. Speaker, I direct your attention to the problems of sludge as they have manifested themselves in the Nashua River Basin in my own State of Massachusetts.

Ten years ago, the Nashua River was the most polluted river in New England. Milky brown and odorous, the river was unable to support any fish or plant life. Small birds could actually walk on the surface of the water in some areas. Fortunately, after new wastewater treatment plants were established in the basin, a large portion of the river presently meets all Environmental Protection Agency requirements.

Although improvements have been made, many parts of the Nashua River are still contaminated with sewage sludge. Adding to the voluminous amount of sludge in the river is the pumping of septic tank sludge into the treatment plants by private truck operators. The sludge from these septic tanks is often produced in households outside of the municipality which financed the treatment plant, thus placing an additional financial burden on the local government.

The basin was also plagued by paper fiber which had been dumped into the river by the area's numerous paper mills before restrictions were placed on such activities. Paper fiber sludge takes an unusually long time to decompose and be washed away. This type of sludge tends to gather at dams along the river and present real safety hazards. For this reason, 11 of the 19 dams on the river have been recommended for removal. This action would have to be preceded by dredging of the sludge and would result in an improved ecology for the river.

The new waste water treatment plants which I mentioned have produced commendable results, two of these plants at east and west Fitchburg being advanced treatment facilities. The operation of these plants, however, is quite costly. The east plant, processing municipal sewage, produces nearly 10 million wet tons of sludge per year, which is then incinerated at a considerable cost. Landfilling, the process utilized by the west plant, is also costly.

Further developments in the sludge management area have been made in the Nashua River vicinity. The Nashua River Watershed Association, which has made many valuable contributions to the improvement of the river and its tributaries, is currently sponsoring a proposal by Dr. Sam Fogel for the city of Fitchburg to compost its sludges. By composting the sludge from the east and west treatment facilities, a fertilizer soil conditioner substance would be produced. However, very little money is available from the Environmental Protection Agency for such programs, in spite of the fact that Dr. Fogel's proposal should clearly qualify for funding because of its unique approach to sludge management.

Mr. Speaker, I am hopeful that projects such as this one, sponsored by the Nashua River Watershed Association will set a new precedent for future programs. Yet barely a beginning has been made for cities and towns all across the country in this area. Much has to be done if the Federal Government is ever genuinely to help local groups such as the Nashua River Watershed Association in attempting to deal with all of the problems of water pollution. If progress can be made here, I am sure that the valuable work which the Nashua River Watershed Association has done will be demonstrated throughout the country by many other similar organizations.

THE RESOURCE VALUE OF SLUDGE

I believe that the key to sound sludge management in the future involves viewing sludge as a resource. Just as this country is beginning to realize the great value inherent in solid waste, so can we similarly take advantage of the resource value in sludge. By recovering its often valuable contents, we would not only conserve the environment, but produce valuable materials as well.

Mr. Speaker, there are various methods of utilizing sludge as a resource. Producing either energy or fertilizers from sludge are the most frequently utilized resource recovery techniques, but other methods may be used with a great deal of success in extracting other valuable components. Even with the better known technologies involved in energy and fertilizer production, however, I regret to say that we are a long way from the final solutions. Progress is being made, but much work needs to be done before we will have arrived at the optimum techniques.

Energy can be generated from sludge through two techniques, pyrolysis and anaerobic digestion. Of these two, pyrolysis is the most common.

The pyrolysis technique consists of subjecting sludge to a high-heat low-oxygen environment. Sludge is injected into a kiln where the heat and oxygen-deficient atmosphere works to produce methane, a fuel which can be used as a substitute for natural gas. Pyrolysis has been successfully used in generating energy from solid waste, but it has not been used to any appreciable extent in the sludge area up until now.

The city of Baltimore, in conjunction with a demonstration grant from the Environmental Protection Agency, is operating a pyrolysis plant in Baltimore, Md. The plant is being solely operated with solid waste, but it is hoped that sludge can be used as a supplement to the municipal trash in amounts up to 10 and 15 percent of the overall volume introduced into the pyrolysis kilns. Due to the fact that the pyrolysis technique has not been fully proven yet, even for solid waste, it will probably take some time before sludge pyrolysis becomes common.

Anaerobic digestion is the second method which has been mentioned to convert sludge into energy. Anaerobic digestion involves the biological decomposition of sludge in the absence of oxygen. The final chemical change which occurs produces methane once again.

In utilizing the anaerobic digestion technology, large vats are used to expose sludge to biological organisms which break down the contents of the sludge into methane and carbon dioxide, leaving an undigested residue. While the method seems to be highly promising, there have been no large demonstrations of the technique to show its applicability for widespread use. Obviously, this technology should be focused upon if we are to adequately accelerate sludge energy recovery.

The second major use of sludge can be found in the area of fertilizer. Milwaukee, for example, has been drying and packaging its sludge and selling it as Milorganite, "the natural organic fertilizer" for over 40 years. Both the Agriculture Department and the EPA have directed their attention to this area, but the presence of toxic substances in sludge considerably complicates the situation. In Chicago, corn is being grown on soil enriched by Cook County sludge, and similar techniques are being used by other cities that want to capitalize on the valuable fertilizer properties of sludge. Yet, unless these programs are carefully monitored, we could actually be creating a more severe problem than we are solving.

There are three principal problems in utilizing sludge as a fertilizer. There can be nitrate pollution of the ground water caused by sludge leeching. There can be heavy metal contamination of crops grown on sludge fertilized fields. And soil and ground water may be infected by viruses, bacteria, and other living organisms which are found in the human waste that constitutes most municipal sludge deposits. Clearly, we must be very careful in pursuing this method of utilization.

Mr. Speaker, the resource recovery of sludge will be no easy task. Many problems must be overcome if we are to move forward here. But lest we become discouraged, it must be remembered that the presence of sludge is already creating huge costs and environmental harm for our municipalities and people. To fail to develop these recovery techniques would amount to a tragic mistake in view of the great threat which sludge presently poses to this country.

H.R. 14972: TURNING THE SLUDGE PROBLEM AROUND

Mr. Speaker, the Sludge Management Act, H.R. 14972, provides for an accelerated program in the research and development of sludge management disposal. In recognizing the need for a fuller understanding of the hazards posed by sludge, the act also brings about the regulation of hazardous sludge. Additional sections target special technical and financial assistance to communities beset with sludge or solid waste spills in their waterways or along their coastlines. And finally, demonstration projects can be implemented for innovative ways to remove existing deposits of sludge from local waterways.

The Environmental Protection Agency, EPA, is given full authority for managing all aspects of this legislation. The EPA is authorized to conduct research into the environmental, health, and economic effects of current and proposed sludge disposal methods. The EPA also has responsibility for the development and application of new sludge management procedures, with emphasis on utilizing the resource potential of sludge. Results of the Agency's studies will be applied to the establishment and publication of guidelines for the safe and nonpolluting disposal of sludge. In addition, the EPA is responsible for conducting and encouraging research and demonstration projects relating to water polluted by sludge.

In conclusion, Mr. Speaker, the sludge management crisis is a problem that is already of considerable proportion, Hazardous and toxic substances found in the sludge we are producing exert profound effects on the health, environment, and economy of the American people. Current methods of sludge treatment are incapable of ensuring that these substances will be neutralized.

Only by developing effective treatment processes and by recycling sludge as a natural environmental resource will we alleviate the threats now posed by municipal and industrial sludges. I urge my colleagues to seriously consider the Sludge Management Act early in the next Congress, and to strongly articulate a genuine commitment to developing a sound policy of sludge management.

EVINS FAREWELL AND GOODBYE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. EVINS) is recognized for 30 minutes.

Mr. **EVINS** of Tennessee. Mr. Speaker, in the last few months and especially in recent weeks, I have been reflecting on my 30 years of service in the Congress. I have reviewed the many events of these years—the struggles and the achievements.

As I prepare to leave the House of Representatives, I want to say that my years of service here have been most exciting and a most rewarding experience. A person could not ask for a more satisfying career.

As the Congress approaches adjournment, these are my last remarks in the House. To me and the many other Members who are retiring, this last day is a very special day indeed.

It is rather like leaving a home you love and to which you have become attached.

In recent days, Mr. Speaker, many of my colleagues have taken time to pay some very kind tributes to me, and I have read them in the pages of the Record with great appreciation. I must say that for a time I was not sure whether they were talking about me or someone else with far more impressive achievements. I hardly recognized myself in all those flattering words. But I appreciate them nonetheless.

One reason I appreciate having these tributes in the Record is that they are likely to give my grandchildren the impression, however inaccurate, that their grandfather was a great man.

Mr. Speaker, as I prepare to take my leave from this great body, I find I am asked frequently how I feel about this institution.

One questioner asked if I was frustrated with the Congress. "No," I replied, "I am not frustrated; I am exhilarated."

I have had the pleasure of serving with six Presidents and four Speakers during these years.

Harry S. Truman was completing the 4th term of Franklin D. Roosevelt when I came here in 1947 as a freshman in the 80th Congress. Later I served with Presidents Eisenhower, Kennedy, Johnson, Nixon, and Ford.

Speaker Joe Martin of Massachusetts was the first Speaker under and with whom I served. He was followed by Speaker Sam Rayburn of Texas, Speaker John W. McCormack of Massachusetts, and our present Speaker and my classmate, Carl Albert of Oklahoma.

These 15 terms have been 30 wonderful years for me. I feel a sense of satisfaction in my service here and in my achievements and accomplishments for my district, State, and the Nation.

And I am grateful to my colleagues for their support on many occasions when great projects and great national programs were at stake.

I have always been, and I remain today, impressed by the work of the Congress. Critics point to the shortcomings of Congress, but they seldom notice or acclaim its positive accomplishments.

During these three decades, the Congress has had to take on enormous legislative burdens associated with America's role as a world leader. It has had to oversee an ever-increasing Federal budget and a growing Federal bureaucracy, made necessary in part by that leadership role.

As a member of the Committee on Appropriations and as chairman of the Subcommittee on Public Works Appropriations, I have had a part in building and supporting great public works programs. We have built great dams, navigation and irrigation projects, flood control projects, hydroelectric power projects, highways, hospitals, airports, libraries and other public facilities of lasting and enduring value to the American people.

We have helped build America and strengthen America.

Someone has asked "What has been your greatest personal achievement?"

Being elected to Congress 15 terms is a high honor.

But for working to enhance the quality of life for our people and the building of a strong national defense for this Nation, the major projects for my own district have been some of my greatest personal achievements.

These include the building of the Cordell Hull Dam and Reservoir and the Percy Priest Dam by the Corps of Engineers; the building of the Tims Ford Dam, the Normandy Dam and the Columbia Dam by the Tennessee Valley Authority; the building of the first and only Liquid Metal Fast Breeder Reactor in the Nation near Oak Ridge, Tenn.; the building and expansion of the aeropropulsion wind tunnel at the aeropropulsion test facility in Tullahoma, Tenn.; and the building and advancing of the great Tennessee-Tombigbee Waterway in the South.

Through tax cuts, accelerated depreciation schedules and other means, we have stimulated the Nation's economy, when necessary, and brought about economic growth. After taking inflation into account, the Nation's economy has grown enormously—exceeding 150 percent growth since I came to Congress.

And, in spite of Federal, State, and local taxes, and after accounting for inflation, we find that the income Americans have to spend after taxes is 70 percent greater per capita today than it was in 1946—from $2,351 in 1946 to $4,012 today.

This is growth—this is progress.

These have also been years when Congress has had to resolve great national issues and set a new course for the country.

The civil rights for all Americans have been extended.

Medicare and medicaid is now provided for the aged, infirmed and needy.

The smallest and poorest school systems in the Nation have had some help they did not have 30 years ago—and education has been advanced.

In scientific achievement, this Nation has put men on the Moon and safely returned them to Earth—making America the leader in technology.

Enormous strides have been made in science and medicine, ending the scourge of polio and moving ever closer to cures for cancer and other dread diseases.

The often much-maligned Congress has been a partner in all these enterprises for growth and progress.

The Congress is not a legislative factory; one should not measure its worth by just the number of bills it has passed. It is not the quantity but the quality of the legislation the Congress passes that should be judged.

The Congress is a policymaking body which debates and resolves issues affecting the future course of this Nation—what is best for the people and the country.

Sometimes there may appear to be a stalemate on action, but usually this is only a reflection of the public will. When the public wants action, the Congress acts and responds.

Also, I have been impressed by the degree of cooperation and compromise that occurs across the aisle and among varying regional and economic groups that exist in this great body.

In this regard, I might say that it has always been my policy to avoid extremes and to seek just and fair compromises that most Members and most factions can live with. I have respected friends who are classified as liberals and I have other respected friends who are called conservatives.

My goal through these years has been to work for compromise and against extremism.

In our system, the Congress must continue to be strong if the Nation is to survive.

Woodrow Wilson said that—

> Congress assembled is Congress on display—Congress in committee is Congress at work.

This 94th Congress has been a working and productive Congress. There have been many achievements.

In this Congress, we made our new congressional budget control process work, providing an overview for the first time of all the income and expenditures of the Federal Government and setting a budgetary ceiling.

Congress rejected President Ford's request for a tax increase and voted the biggest tax cut in history, thereby pulling this Nation out of a near-disastrous economic recession.

Over the President's veto, we enacted a local public works and jobs program that will do something right now for the serious unemployment we have in this country.

We have passed legislation to expand unemployment compensation and finance additional benefits to unemployed workers.

We have passed legislation to require that Government activities be conducted out in the open, subject to searching examination.

Over the President's veto we voted into law a program of research into the feasibility of a future electrically-propelled automobile, adding impetus to legislation passed earlier to stimulate energy research and development.

We have renewed the Federal revenue-sharing program.

We have made improvements in the Internal Revenue Code, eliminating loopholes and continuing the tax cuts voted in the first session.

Congress addressed the grain inspection scandals of last year by drafting the Grain Standards Act of 1976.

We passed a Water Resources Development Act.

We updated the Small Business Act and the Small Business Investment Act, and made important changes in a long list of Federal programs.

Much productive and constructive legislation has been passed by Congress in the public interest.

The trend of recent years toward an ever more powerful executive, with its grandiose claims of "executive privilege," gives a clear indication of what the future would hold if the Congress were to relinquish any significant portion of its power to the executive.

It is often said that the Congress cannot be expected to act responsibly because it is such a noisy and raucous cross-section of humanity.

The story is told that a foreign visitor and dignitary, escorted to the House Gallery by Thomas Jefferson and seeing the assembled Congress, asked, "What is going on down there?" Jefferson replied: "Here, sir, the people govern."

The House may be noisy at times, but we all know that a noisy child often has a potential for greatness that a meek one may lack. The House of Representatives is not meek. It acts. In spite of criticisms the Congress remains the world's greatest deliberative body.

I love this House and shall always cherish many memories of service here.

Mr. Speaker, the Library of Congress tells me there have been 10,650 Members who have served in this body since adoption of the Constitution. Of this number only 300 have been fortunate enough to have served 30 years or more. I am pleased to be included in this select group.

Personally, I have survived three congressional reapportionments—in 1950, 1960, and 1970—with accompanying changes in congressional district boundaries. Altogether, I have represented 31 different counties in my State with a population in excess of 668,000—approximately one-third of the counties of the State of Tennessee.

During my 30 years here, the House has averaged perhaps 1,000 votes a year cast on the House floor. That is a total of 30,000 for my career.

Out of all those votes, of course, there are a few I would cast differently today. The Gulf of Tonkin resolution is one. The Congress should not have given any President a blank check with power to start a major war without congressional approval.

Another vote I would change was the vote I cast on the constitutional amendment to limit a President to two terms. At the time, the Republicans were in control of the Congress, and they wanted to make sure there would never be another Franklin D. Roosevelt. I voted against the constitutional amendment because I thought the people ought to be able to decide themselves how long they wanted a President to remain in office. But I see the matter differently now.

I now agree with those who are fearful of too much power in the hands of the Executive. Even with the two-term limitation, we have witnessed in recent years and months some dangerous misuses of Executive power.

The people were right in their decision to restrict Presidential terms.

Yet another vote I would change was the one I cast to establish the U.S. Postal Service as a Government corporation; it has not worked out as we expected it to, and I am sorry I voted for it.

But as I leave the House, I go with great respect for this institution. It has changed in many ways in the past three decades, yet it is still much the same as I remember it when I arrived as a freshman in the 80th Congress in 1947.

There have been some changes and improvements.

For example, Congress has opened up its proceedings and committee meetings, established budget controls and established higher standards of accountability.

One feature which has remained essentially unchanged, though modified in recent years, is the seniority system. While not perfect, it has been a force for continuity and for a kind of professionalism in the workings of the Congress. The people decide every 2 years who shall be their elected representatives, and with reelection and resulting seniority comes knowledge and experience. The seniority system has guaranteed that only Members with substantial experience would chair our committees.

Most of the time the choices thus made have been the best choices that could be made. While not perfect and with some imperfections, the seniority system, in my opinion, is the best system yet devised—and far preferable to the log-rolling, politicking and jockeying for position that would prevail if it were totally abandoned.

Currently, chairmen of committees in the Congress are elected by their colleagues by secret ballot. I have had the unique and distinct honor to be the only Member of the House elected by secret ballot to two chairmanships during this Congress—chairman of the new and enlarged Committee on Small Business and chairman of the Subcommittee on Public Works Administrations.

Personally, I have served as chairman of four committees—chairman of the Speaker's Committee on Personnel for 4 years, chairman of the House Small Business Committee for 14 years, chairman of the Subcommittee on Appropriations for Housing and Independent Agencies for 6 years, and chairman of the Subcommittee on Public Works Appropriations for 6 years—the last has been most rewarding—as I have had a sense of contributing to the building of America.

Mr. Speaker, may I make a few observations based on my years of service in the Congress.

First, we should maintain and preserve and perpetuate the Congress—not destroy it.

Second, I believe the Congress should exercise a strong oversight over the vast and powerful and growing bureaucracy of the Federal Government. What we have learned about the FBI and CIA ought to be enough to convince anyone that the Congress needs to keep better informed about the activities of all agencies of the Government—those created by the Congress and those established by the executive branch.

I think even the TVA, which is so close to the hearts of the people of my region, could benefit from continued and additional oversight.

In fact, there is no corner of the Federal bureaucracy that should be safe from inquiry or from the hot breath of congressional committee hearings and investigations.

Without such surveillance there is no end to the over-regulation that might be imposed on our lives.

Programs enacted by Congress can be made to wither and die for inattention.

Others can become Frankenstein monsters.

It is up to the Congress to be the eyes and ears of the people. It is not only the right of Congress to oversee Federal programs; it is the duty of the Congress to do so.

Mr. Speaker, I shall shortly return to my home in Smithville, Tenn., a small community of some 3,000 citizens with a devotion to this country second to none. It is a beautiful place, and I am looking forward to getting reacquainted with its many fine virtues. Nevertheless, I shall continue my interest in good government, and I shall be counting on my many former colleagues, as well as the new Members honored with membership in this body, to keep up the good fight against inefficiency, indifference, illegality, waste, corruption, and mismanagement of all kinds in government—and positively to promote, preserve and perpetuate our freedom, liberty and cherished American way of life.

And now, at last, my thoughts turn to the future.

I love very much Alfred Tennyson's poem, "Ulysses." In it there is a passage that springs to mind:

> . . . Come, my friends,
> 'Tis not too late to seek a newer world.
> Push off, and sitting well in order smite
> The sounding furrows; for my purpose holds
> To sail beyond the sunset and the baths
> Of all the western stars, until I die.
> It may be that the gulfs will wash us down;
> It may be that we shall touch the Happy Isles,
> And see the great Achilles, whom we knew.
> Though much is taken, much abides; and though
> We are not now that strength which in old days
> Moved earth and heaven, that which are, we are:
> One equal temper of heroic hearts,
> Made weak by time and fate, but strong in will
> To strive, to seek, to find, and not to yield.

Thank you, Mr. Speaker. Thank you, my colleagues. Goodbye, good luck, and farewell.

SOME ADDITIONAL THOUGHTS ON H.R. 15377

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

Mr. NEAL. Mr. Speaker, following is a copy of a telegram which was sent to all Members of Congress on September 17, 1976, by J. B. Sunderland, president of American Independent Oil Co., which is a subsidiary of R. J. Reynolds Industries, located in my district in North Carolina. Even though the Senate has blocked further consideration of the bill referred to in this telegram, Reynolds Industries wanted the message that follows to be a part of the RECORD for the benefit of those who will be considering similar legislation in the future. The telegram follows:

AMERICAN INDEPENDENT OIL CO.,
New York, N.Y.

The House of Representatives is scheduled to vote on H.R. 15377 the Bingham amendment to the Export Administration Act. The Committee report does not reflect the damage this amendment will do to the economy of the United States.

Passage of H.R. 15377 would make it virtually impossible for United States companies to do business with or in the Arab countries, and could cause an economic confrontation between the United States and the Arab world. The United States and the American people have a vital stake in defeating H.R. 15377 for the following reasons:

1. American workers could lose a substantial number of jobs because the export goods and services to Arab countries will be greatly reduced. Exports to these countries in 1976 are expected to be valued at more than five billion dollars.

The Department of Commerce has estimated that every billion dollars in export of goods and services equals up to 70,000 jobs in America. In addition to the loss of jobs within the United States, many more Americans employed in the Arab world by operating and service companies could lose their jobs thereby further increasing unemployment in the United States.

2. American businesses will suffer substantial losses in the export of goods and services which will adversely affect tax revenues as well as the United States balance of payments.

3. The United States may lose a primary source of oil for the future. In the year 1976, better than one quarter of the total oil imports into the United States will be from Arab countries. Moreover, the Arab nations through their control of the price of oil could as a retaliatory measure charge greater prices for their oil.

We urge you to oppose the Bingham amendment. Instead, a constructive approach to underscoring our country's opposition to any discrimination based upon race, religion, sex or national origin is preferable.

Respectfully,
J. B. SUNDERLAND,
President.

STOKES' YOUTH OPPORTUNITIES INDUSTRIALIZATION JOB CREATION AND TRAINING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 5 minutes.

Mr. STOKES. Mr. Speaker, I feel that it is very important that we recognize the critical unfinished business of our efforts during the 94th Congress to adequately legislate plans and funds to tell the unemployed Americans that full employment is not an impossible dream and that the unskilled unemployed can look forward to securing the skills training that they need to get a job and maintain their own families.

The signing of two jobs bills is indeed a small and significant step in the right direction, yet we know, as we adjourn, of the bills we had hoped to pass that must now await the action of the 95th Congress. We know of the millions of unemployed that this bill will not cover.

Among those bills I wish to remind my colleagues of the "Youth OIC—Opportunities Industrialization Centers—and national community based organizations bill of 1976," introduced to assure the inclusion of community-based organizations in the national job creation and training system and produce over 4 years 1 million jobs and training opportunities.

Many of my colleagues had introduced such bills prior to the Green bill, but the exclusivity with regard to OIC, made it necessary to revise and amend those with the advice and consultation of the leaders of the OIC, the Urban League and the NAACP. The Stokes bill with its focus on youth is also being amended to be "inclusive" of the Urban League and all CBO's.

Following testimony before the Subcommittee on Manpower by a representative of Mr. Vernon Jordan of the Urban League, by Clarence Mitchell of NAACP, and by Dr. Leon Sullivan of OIC, we had hoped that there might have been time to bring this bill through committee to the floor. Since this has not been possible, I am hoping that our records will remind us that this unfinished business should be on our minds and hearts when the 95th Congress begins the 1977 legislative year.

In past years these organizations have demonstrated their effectiveness to the satisfaction of the Department of Labor and the prime sponsors under CETA—the Comprehensive Employment and Training Act. The Federal Government has invested hundreds of millions of dollars in the development of facilities, trained personnel, equipment that could be utilized quite quickly to expand to meet the new needs created by rising unemployment, especially the 40-percent minority youth level which is so frightening.

It is my hope that these resources can be continued and expanded in conjunction with and supplementary to our total vocational training and job creation effort as a national policy with appropriate legislation in 1977.

MARCONA—PERU: A JUST SOLUTION TO A COMPLEX PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. REES) is recognized.

Mr. REES. Mr. Speaker, just over 1 year ago, on July 24, 1975, the Peruvian Government expropriated the iron ore mining facilities of the Marcona Mining Co. On August 1 1975, I brought this expropriation to the attention of the House. At that time I said that—

> The Government of Peru has an obligation to enter into negotiations to make prompt, adequate, and effective compensation as soon as possible. I hope that this will be done.

It has been recently reported that negotiations, undertaken by the U.S. Government on behalf of the Marcona Mining Co., have reached a successful conclusion. The agreement provides for $61,440,000 of total compensation. This amount is composed of a payment of $37 million to be made as soon as balance-of-payments financing now under discussion with U.S. banks becomes available. Another major portion of the compensation is derived from an ore sales contract. This contract is valued by the Peruvian Government at $22,440,000 although it may in fact result in more or less, depending on market conditions for the sale of the ore. Finally, there is now in effect a shipping contract between Marcona and Peru which should result in compensation of an additional $2 million.

I believe this is a good solution to an extremely difficult problem. I want to congratulate the Peruvian Government for its realistic and constructive approach to a sensitive problem. I would also like to congratulate the negotiators in the State Department and the Treasury Department who contributed their creative efforts to making this agreement possible.

We are all aware of the great sensitivity in the Third World to extractive enterprises operated by foreign companies within their territories. The conflicts, real and imagined, between the foreign operating companies and sensitive local governments have regrettably been a source of problems and confrontations for many years. The problem exists in many places but has been particularly acute in Peru. The expropriation of the International Petroleum Co. in 1968 led to a period of strained relations between Peru and the United States and to the expropriation of numerous other U.S. companies. We had hoped that the settlement of all the impending disputes reached in February 1974 by James R. Greene, the President's special representative for this matter, had put an end to the problems between our two countries and would lead to a period of constructive economic relationships.

The expropriation of the Marcona Mining Co. was a surprise, all the more so because the Peruvian Government at first indicated that no compensation would be paid. Again, an uncompensated expropriation of property owned by Americans overseas cast a shadow over intergovernmental relations.

This time the Peruvian Government took the initiative to request direct United States Government-Peruvian Government negotiations to find a solution. With Marcona's full support, the U.S. Government accepted the Peruvian invitation and a difficult series of negotiations and discussions were launched. The initial negotiations under Deputy Assistant Secretary of State Albert Fishlow succeeded in putting the problem in perspective and in establishing a framework for an eventual settlement. An interim agreement was reached which put Marcona and Peru back on speaking terms through a shipping arrangement that provided for a down payment on compensation. This interim settlement recorded an agreement in principle to reach a final compensation agreement which was supposed to be concluded within 3 months. In this period, which was subsequently extended, Peru went through serious economic and political strains which both delayed the settlement but also at the same time allowed time for clear thinking and recognition of enlightened self-interest to prevail.

These perceptions are often subtle and complex. High praise must be given both to the Peruvian negotiators and particularly to Carlyle E. Maw, the Under Secretary of State for Security Assistance, whose creativity, and sensitivity to Peruvian needs and requirements were such important factors in bringing about the successful settlement that was announced last week. No compensation can ever make up for the loss suffered by the Marcona Mining Co., but the compensation offered by the Government of Peru goes far toward meeting international standards of responsible behavior. The willingness of the Government of Peru to make this responsible settlement indicates very strongly to me that men of sound judgment and practical experience have assumed the helm in Peru. It is my hope that this settlement will result in an economic climate in which Peru will establish the worldwide and internal confidence on which economic development and social equity can be maintained and expanded.

I would like to close by commenting on the various U.S. laws that affect expropriation disputes and U.S. aid to expropriating countries. I have had my doubts about these laws in the past, but I believe in the final analysis that they have a salutary effect. It is ironic that they are most effective when they are not used. When they are used, they inevitably result in confrontation. But they exist to express the serious concern of our Congress and our people for fair treatment of our citizens overseas and to the extent that they assure this fair treatment and nothing more and nothing less, they provide a valuable framework in which constructive resolutions of serious and sensitive issues can take place.

GENERAL LEAVE

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. Bolling). Is there objection to the request of the gentleman from New York?

There was no objection.

BICENTENNIAL SEED BILL

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I take this opportunity to report to the Members of the House who have been consulting with me all day about the whereabouts of the so-called Bicentennial seed bill. I have been looking for the chairman of the Committee on Agriculture, the gentleman from Washington (Mr. Foley), but I understand the gentleman is on the other side of the Capitol.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I think the whole House has been waiting with bated breath in anticipation of the gentleman's announcement for this; so why does not the gentleman tell us?

Mr. BURKE of Massachusetts. Mr. Speaker, it seems that the hour is so late that the bill will not be reported out this year; but I want to promise everybody here that I will refile the bill next year and the gentleman from California (Mr. Brown) and the gentleman from Ohio (Mr. Carney) have assured me they will associate themselves with me when we make our presentation to the Committee on Agriculture to inform them of the world food shortage.

Mr. Speaker, there is much hunger in the world today. The average housewife going into the big supermarkets today is confronted with high vegetable prices. They are getting higher, as the gentleman from Ohio (Mr. Vanik) has said. Nobody knows more about those prices than the gentleman from Ohio (Mr. Vanik). The gentleman from Ohio (Mr. Vanik) incidentally, is chairman of the Oversight Committee on the House Committee on Ways and Means. I am going to try to see to it that the powers of the gentleman from Ohio (Mr. Vanik) will be extended to look into this food situation, because we need a watchdog in this area. We need a man like Mr. Vanik, who will go out there and address the problem and conduct a fight that has to take place in order to bring prices down.

Mr. Speaker, I want to assure all my colleagues here that next year I will be back with the gentleman from Ohio (Mr. Carney) and the gentleman from California (Mr. Brown), that happy trio, and we will be fighting again for that legislation that is so greatly needed.

Mr. Speaker, I also want to commend the great tribune of the people from Pennsylvania (Mr. Vigorito) for his outstanding work in this area of food production.

IMPOUNDMENT CONTROL ACT OF 1974, DEFERRALS OF FUNDS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-650)

The SPEAKER pro tempore (Mr. Bolling) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 33 deferrals of funds totalling $761.7 million. The deferrals are primarily routine in nature and do not, for the most part, affect program levels. The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

REPORT ON COMPARABILITY ADJUSTMENT FOR FEDERAL STATUTORY PAY SYSTEMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-651)

The SPEAKER pro tempore (Mr. Bolling) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service and ordered printed:

To the Congress of the United States:

In accordance with the provisions of Section 5305 of Title 5 of the United States Code, I hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1976.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have proposed a 4.83 percent average increase in pay rates for the Federal statutory pay systems. The Advisory Committee on Federal Pay and the Federal Employees Pay Council have proposed adjustments of 5.82 percent and 8.2 percent respectively.

I have decided that I should choose the 4.83 percent increase. My selection of this proposal will implement immediately several reforms which are clearly necessary for the continued integrity of the pay adjustment process.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive order I have promulgated to put this pay adjustment into effect.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976.*

THE HONORABLE JAMES V. STANTON

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. VANIK. Mr. Speaker, I want to take this opportunity to pay tribute to the work and the achievements in this Congress of our distinguished colleague, James V. Stanton of Ohio.

"Jim" Stanton came to the 92d Congress in 1970, 6 years ago to represent the 20th District of Ohio—consisting of Cleveland's West Side and suburban communities south of Cleveland.

He came to the Congress with an excellent preparation as a former city councilman since 1959 and as president of the Cleveland City Council from 1964 until his election to Congress in 1970.

In this body, Jim has accomplished in 6 years what others achieve in 16. He is a thorough, aggressive, hard-hitting legislator who is known and respected for "laying it on the line."

On the Public Works Committee he spearheaded the effort to get moving on urban transportation and urban development. He enjoyed making legislation move. He was involved in every step of the legislative process. On the Government Operations Committee and on the Subcommittee on Intelligence—he was a hard worker, a skilled legislator involved in getting the job done.

Jim Stanton could have retained his seat in the House of Representatives for the rest of his life. He was devoted to his constituency and he was rewarded with overwhelming support at every election. This year, Jim decided to make a try for the other body and lost out in an extremely close decision. It was his first statewide race, but he handled his campaign with candor and honor.

I hope that Jim will keep in touch with the House of Representatives and objectively advise and suggest how we can better do the business before us. I know that he has a choice of many fruitful and rewarding careers. However, I sincerely hope he will return to activity in the Government service. There is always a place for Jim Stanton. He has a special place in our esteem. He has done his work well. We have measured his integrity, his high purpose, his skill, and his devotion to the Nation. We are proud that he served with us. It is to the great credit of the Congress and the country.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to my colleague from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I appreciate my colleague and neighbor from northeastern Ohio yielding to me.

Mr. Speaker, I wish to join the distinguished gentleman from Ohio now in the well and associate myself with his remarks concerning the voluntary retirement from this House of Jimmy Stanton.

Mr. Speaker, I happen to be on the other side of the political aisle, but for many years, long before he distinguished himself in this House of Representatives, Jimmy Stanton in the Greater Cleveland area made a great name for himself when it came to honesty and integrity in the handling of city affairs in the city of Cleveland. Since that time, he had a great desire to come to the House of Representatives for many years. Once he did arrive here, for the 6 years he has served, all of us who have had the pleasure of serving with him recognize in this gentleman a man of integrity, a man who always has worked hard. It is regrettable, as we carry on the tradition of representing our constituents to the best of our ability, that we will no longer have a man of the caliber of Jimmy Stanton among us.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Ohio (Mr. Ashbrook).

Mr. ASHBROOK. I thank the gentleman for yielding.

Mr. Speaker, I would say to my colleague, the gentleman from Ohio (Mr. Vanik), and my fellow colleague, the gentleman from Ohio (Mr. J. William Stanton) that I would agree 100 percent with everything that has been said. I think every Member of the Ohio delegation feels exactly as my colleagues do. We could fill the Congressional Record with superlatives, but I would add only one other quality, and that is that Jim Stanton is a downright plain, fine gentleman. I think it is well to remind people once in awhile that somebody can be all this and be a gentleman at the same time, and I think all of us who know Jim know him as a person who can be tough and can smile, and a person who in every way is a gentleman. I think that is how we all feel about Jim Stanton, and like both of my colleagues, I am sure we will hear from Jim Stanton in the future. I know this is not the end of his political career.

GENERAL LEAVE

Mr. VANIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the public service and accomplishments of our colleague, the gentleman from Ohio (Mr. James V. Stanton).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10210) entitled "An act to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, and agrees to the House amendments to the Senate amendments Nos. 47, 50, and 55.

The message also announced that the Senate agrees to the amendments of the House with amendments to a bill of the Senate of the following titles:

S. 400. An act to direct the Secretary of the Interior to conduct a 1-year feasibility/suitability study of the Frederick Law Olmsted Home and Office as a national historic site.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14773. An act to amend title 10, United States Code, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73 of that title, and for other purposes.

AMENDING THE FEDERAL WATER POLLUTION CONTROL ACT

Mr. NOWAK. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate bill (S. 3894) to amend the Federal Water Pollution Control Act, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I believe that this is the bill that the gentleman from California (Mr. Clausen) and the gentleman from Ohio (Mr. Harsha) spoke to me earlier tonight about, and it has the agreement of the minority members on the Subcommittee on Public Works. It deals with a financing problem in Buffalo.

Mr. NOWAK. If the gentleman will yield, the gentleman is correct. It was introduced in the Senate by Senator Baker on behalf of Senator Buckley from New York.

Mr. BAUMAN. I appreciate the gentleman's information.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. I thank the gentleman for yielding.

Mr. Speaker, this has nothing to do with this bill, but I would like to ask the gentleman if he knows if there is anything happening in the Public Works conference with the Senate right now with regard to the Public Works Bill that passed here. There were a lot of rumblings on the floor that lock 26 is being put back in that bill. Can the gentleman enlighten us on that?

Mr. NOWAK. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from New York (Mr. Nowak).

Mr. NOWAK. I thank the gentleman for yielding.

Mr. Speaker, I cannot really enlighten the gentleman on that conference. However, I understand that they are still meeting at this moment, and I have no further word on the developments of that particular problem.

Mr. CONTE. I thank the gentleman.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill as follows:

S. 3894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Federal Water Pollution Control Act, as amended, is amended by adding the following new section:

"LOAN GUARANTEES FOR CONSTRUCTION OF TREATMENT WORKS

"Sec. 213. (a) Subject to the conditions of this section and to such terms and conditions as the Administrator determines to be necessary to carry out the purposes of this title, the Administrator is authorized to guarantee, and to make commitments to guarantee, the principal and interest (including interest accruing between the date of default and the date of the payment in full of the guarantee) of any loan, obligation, or participation therein of any State, municipality, or intermunicipal or interstate agency issued directly and exclusively to the Federal Financing Bank to finance that part of the cost of any grant-eligible project for the construction of publicly owned treatment works not paid for with Federal financial assistance under this title (other than this section), which project the Administrator has determined to be eligible for such financial assistance under this title, including, but not limited to, projects eligible for reimbursement under section 206 of this title.

"(b) No guarantee, or commitment to make a guarantee, may be made pursuant to this section—

"(1) unless the Administrator certifies that the issuing body is unable to obtain on reasonable terms sufficient credit to finance its actual needs without such guarantee; and

"(2) unless the Administrator determines that there is a reasonable assurance of repayment of the loan, obligation, or participation therein.

A determination of whether financing is available at reasonable rates shall be made by the Secretary of the Treasury with relationship to the current average yield on outstanding marketable obligations of municipalities of comparable maturity.

"(c) The Administrator is authorized to charge reasonable fees for the investigation of an application for a guarantee and for the issuance of a commitment to make a guarantee.

"(d) The Administrator, in determining whether there is a reasonable assurance of repayment, may require a commitment which would apply to such repayment. Such commitment may include, but not be limited to, (1) all or any portion of the funds retained by such grantee under section 204(b)(3) of this Act, and (2) any funds received by such grantee from the amounts appropriated under section 206 of this Act.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THIRTIETH ANNUAL REPORT ON U.S. PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-652)

The SPEAKER pro tempore (Mr. BOLLING laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I am pleased to send to the Congress the 30th annual report on United States participation in the United Nations and its many subsidiary bodies.

This report shows how the United States worked to advance its interests through the main activities of the United Nations system during Calendar Year 1975. It describes the outcome of important meetings such as the seventh special session of the General Assembly on world economic cooperation and the landmark International Women's Year conference; it covers the work of the Security Council in the Middle East and other areas; and it reports on such contentious political issues as the resolution of the 30th General Assembly equating Zionism with Racism with which we vigorously disagreed. These events, and many other U.N. activities, reflect an active year for the United States in the United Nations during which we persisted in our long-term effort to promote peace, economic progress and social justice within a worldwide framework.

In the area of security and crisis management, the United Nations was effective in carrying out its primary purpose: contributing to the maintenance of international peace. United Nations peacekeeping forces in both the Sinai and the Golan Heights areas of the Middle East continued to separate previous combatants while the search for a more durable peace continued. Similarly, in Cyprus, United Nations peacekeeping forces helped to patrol the lines where confrontation existed and contributed to humanitarian needs. The Security Council, in addition to making the arrangements for the continuation of the mandates for these forces, also helped reduce tensions over the Western Sahara and East Timor.

A major area of activity of direct importance for American interests was the seventh special session of the General Assembly on development and international economic cooperation. Convened September 1 just prior to the 30th regular session, this meeting established a new agenda for international cooperation on the planning of our emerging global economic system. Prior to this meeting there had been division, confrontation and acrimony within the United Nations and elsewhere, over how to improve the world economic system and how to accelerate the process of development. Determined to make the most of this opportunity and to search for common ground, the United States outlined a broad program of practical initiatives which would be of benefit to both developing and developed countries. The participants in this historic meeting responded positively to the U.S. approach, adopting a consensus resolution which embraced most of our proposals. This session demonstrated that the UN can help to advance America's fundamental interests when we exercise leadership in the organization.

An international conference of great importance to the United States was the World Conference of the International Women's Year in Mexico City. This meeting, which grew out of a 1974 U.S. initiative, marked the first time that the problems of women had been the subject of such a major international conference. With some exceptions the conference recorded a number of major achievements. The United States made significant contributions to the World Plan of Action which was adopted at the conference, thus setting in motion a program that will gradually help the world to realize the full rights and potential of half of its people.

At my direction in November 1975, Secretary of State Kissinger sent a letter to the Director General of the International Labor Organization announcing our intention to withdraw from that organization in 1977 unless reforms are made before then. We cited four special areas of concern: erosion of tripartite representation; selective concern for human rights; disregard of due process; and increasing politicization of a technical agency. We took this step only after the most careful deliberation and, as we have stated, we will make every effort to promote conditions that could permit us to continue to participate in the organization.

The 30th session of the General Assembly was marked both by cooperation and contention. Many economic and social issues were debated, resulting in resolutions adopted by consensus. But political differences arose among the members over such issues as Korea, the Middle East, human rights and decolonization. Among other actions, a resolution equating Zionism with Racism was adopted over strong United States opposition. We view this resolution as a fundamental distortion of the truth and, as a result of its adoption, announced that we would not participate in the activities of the Decade for Action to Combat Racism and Racial Discrimination.

These are but a few of the important events in the United Nations during the past year. Much of the work of the United Nations is unknown because it is not regularly reported through the news media. The economic, social and technical coordination work of the United Nations, which account for more than 90 percent of its total resources, include such important activities as:

—Maintaining international aviation safety standards;

—Helping to prevent the spread of nuclear weapons;

—Working to combat illicit drug production and trafficking;

—Improving health conditions and standards worldwide and combating disease and plague;

—Setting improved international standards for the environment;

—Improving international food standards and preventing plant and animal disease from crossing borders;

—Providing economic development and technical assistance to the poorer nations of the world; and

—Providing food assistance and disaster relief.

As the world's strongest economic power with the greatest global reach, the United States derives many tangible benefits from these United Nations activities, many of which resulted from American initiative and leadership.

Despite difficulties inherent in working within an organization of so many sovereign states having differing interests and backgrounds, I believe that we are making progress in achieving our purposes in the United Nations. The United States is working actively to defend its interests, to oppose irresponsible actions and to promote cooperation among UN members in fulfillment of the great purposes of the Charter which we helped to frame.

As the world grows increasingly complex and interdependent, I conclude that United States leadership and participation in the United Nations serves our interests and hopes for realizing mankind's aspirations for a world of peace, economic progress and social justice.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1976*.

A RECORD-SETTING CONGRESS

(Mr. McFALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, this has been a hard-hitting, hard-working, record-setting Congress.

Since we convened in January of last year, the House has held more than 300 sessions, taken more than 1,200 rollcall votes, passed nearly 3,000 bills and enacted more than 400 of them into law.

We have spent more hours in session and taken more recorded votes than any Congress in history. This week the House broke a record that had stood for 109 years by overriding an eighth and then a ninth Presidential veto in a single year.

That is part of the quantitative side of the 94th Congress. But even more impressive is the quality of the legislation we passed.

This Congress enacted more basic legislation to help the economy than any Congress since the New Deal. We triggered a rebound from the recession by passing a $22.8 billion tax cut. And we have made sure that the lower tax rates will remain in effect through next year to help the economy and the taxpayer. We provided jobs in both the private and public sector. We helped stabilize prices and cut the inflation rate in half.

We passed a major tax reform bill that closes $1.6 billion in loopholes. We rejected the administration's policy of high consumer fuel prices and enacted legislation creating a comprehensive national energy policy, which will increase supplies, encourage conservation, finance research on new energy sources, and keep consumer prices from going through the roof.

We passed important environmental legislation to fight water and air pollution, extended the multibillion-dollar revenue-sharing program to help State and local governments and keep local taxes down. We strengthened the Federal election laws, acted to revitalize our rail systems and improve highways and airports, stepped up medical research into the causes of cancer and other killer diseases, and much more.

We promised action for the people, and that is exactly what Congress delivered.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 2398. An act to authorize the establishment of the Eugene O'Neill National Historic Site, and for other purposes.

The message also announced that the Senate passed bills of the House of the following titles in which concurrence of the House is requested.

S. 969. An act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Readjustment Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes;

S. 1870. An act for the relief of Lieutenant Frederick R. Marlin, Jr., U.S. Navy;

S. 3520. An act to extend the rural community fire protection program, and for other purposes; and

S. 3894. An act to amend the Federal Water Pollution Control Act, as amended.

EXTENDING BASIC EDUCATIONAL ASSISTANCE ELIGIBILITY FOR VETERANS AND CERTAIN DEPENDENTS

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 969) "To amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (post-Vietnam era veterans' readjustment assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. Bolling). Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may we have some explanation prior to the gentleman's offering his amendment.

Mr. EDWARDS of California. Mr. Speaker, if the gentleman will yield, I will say a few words about this veterans' education bill.

The House passed H.R. 9576 on October 6, 1975.

Tonight, at this late hour, we have had the other body send us a bill with several provisions, many of which have far-reaching implications. A number of the provisions of the Senate bill are desirable such as the provision to increase education and training allowances for veterans and their dependents by approximately 8 percent, while others reflect the concern and desire of our committee to curb veterans' education overpayments and provide the Veterans' Administration with a stronger hand in enforcing veterans' education programs and to prevent known abuses in the education program.

Mr. Speaker, the budget ceiling adopted by the Congress includes funds for this cost of living.

This legislation discontinues eligibility for current GI bill benefits after December 31, 1976. The Senate has created a new program which requires the veteran himself or herself to contribute $1 and the Federal Government $2 to create for the serious man a fund, on discharge, for his education.

Mr. Speaker, the proposed amendment would provide the establishment of the program on a limited test basis. If the President and Congress decide to keep the program after the test period, its expense will be borne by the Defense Department.

Mr. Speaker, the proposed amendment is within our budget allocation, and I hope that the amendment will be adopted.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I yield to the gentlewoman from Massachusetts (Mrs. Heckler).

Mrs. HECKLER of Massachusetts. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as ranking minority member of the Subcommittee on Education and Training, Committee on Veterans' Affairs, I support the gentleman's motion to amend S. 969.

This measure includes provisions which are vital to the veterans' educational program. Comprehensive in its coverage and far-reaching in its effect, it deserves passage before this Congress adjourns.

Mr. Speaker, the bill before us provides an 8 percent increase in rates paid to eligible veterans in vocational rehabilitation, education, and training, and special programs. Since nearly 2 years have passed since rate increases have been granted, participants in such programs need this 8-percent increase to meet the rising costs of education.

This measure also extends 9 additional months of eligibility to veterans and certain dependents who are presently limited to 36 months of benefits. Among other advantages, this provision would allow veterans who desire to pursue, or are pursing, graduate study to use the additional months of entitlement for graduate work. Presently, they are denied such entitlement, because the period is limited to undergraduate work.

Moreover, Mr. Speaker, this measure improves and expands the veterans' educational loan program, by increasing the maximum amount for an educational loan from $600 to $1,500.

The measure also contains a provision to end the current GI bill at the end of this calendar year. Such a provision is in line with the President's proclamation of May 7, 1975, closing the Vietnam era. The proclamation ended eligibility for wartime benefits for persons who entered the service after that date. In view of the original purposes of the GI bill and in view of the nature of the present all-volunteer services, continuation of the existing GI bill is inappropriate.

However, this measure includes a new program to meet the educational needs of veterans: The post-Vietnam era educational assistance program. This program, effective January 1, 1977, is a participatory plan, whereby the Veterans' Administration matches—by 2 to 1—funds contributed by inservice personnel, to create an educational fund for use after the person leaves the service or completes 6 years of active duty. It has the aim of enhancing recruitment and retention in the Armed Forces.

Moreover, this measure creates a Deputy Assistant Secretary of Labor in the Department of Labor, to give greater emphasis to veterans' employment services—a needed improvement in focus on veterans' problems.

Finally, Mr. Speaker, this measure improves the veterans' education program by tightening the administration of the program, in order to help remedy the educational overpayments problem which confronts the Veterans' Administration.

As a Member who has advocated equitable and realistic educational benefits for veterans and their dependents, I support the motion of the gentleman and urge my colleagues to join me in this support.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I support the gentleman's motion to amend S. 969. The major provisions of the measure before us are to increase vocational rehabilitation subsistence, education and training, and special allowances paid to eligible veterans; to extend assistance eligibility for veterans from 36 to 45 months; to set a termination date of December 31, 1976, for the current GI bill; to create a new educational assistance program for persons entering the Armed Forces on or after January 1, 1977; and to clarify and strengthen the administration of veterans' educational benefits.

If the gentleman's request is approved, and S. 969 as amended, is passed, the veterans' educational program will undergo significant and comprehensive changes. These changes are the result of a great deal of toil by the Committee on Veterans' Affairs, in assessing and refining the many provisions which comprise the amended bill.

The provisions to increase by 8 percent the rates of educational allowances—in the vocational rehabilitation, education and training, and special programs—are sorely needed. The last increase was granted on December 3, 1974. Since then, nearly 2 years have passed, years in which the educational costs which veterans must pay have risen markedly.

The provision to increase eligibility from 36 to 45 months for veterans and certain dependents is both equitable and prudent. The enactment of this provision will permit students engaged in graduate study to receive an additional 9 months for such work. Heretofore, use of this additional period has been limited to undergraduate study—a restriction which hampers veterans' pursuit of their educational goals. As the sponsor of one of the first bills to grant this added 9 months of entitlement, I can assure you that this provision is strongly advocated by veterans and fully supported by various veterans' organizations.

The provision to terminate the present GI bill, after December 31, 1976, through a redefinition of "eligible veteran," has received extensive debate by this body. It has been under consideration since President Ford, on May 7, 1975, issued a proclamation ending the so-called Vietnam era, thereby ending eligibility for war-time benefits for persons entering military service after that date.

The GI bill was designed to provide vocational readjustment and restore lost educational opportunities to servicemen and women whose careers were interrupted or impeded by active duty in the armed services. Now that military service is entirely voluntary, now that military benefits make service and civilian careers comparable, it is altogether appropriate that the present GI bill should be terminated.

Nonetheless, the educational program may serve as a recruitment-retention device for the military, for which reason a new program, the post-Vietnam era educational assistance program, is being established.

The provision to create the post-Vietnam era educational assistance program is designed to enhance all-volunteer military service. Applicable to those who enter the service on or after January 1, 1977, it authorizes the payment of $2 for each $1 contributed by the participant, according to certain specifications.

Various provisions to improve and prevent abuses of the educational program are the result of oversight by the committee, particularly regarding educational overpayments. These provisions, in part due to hearings held this past spring by a special subcommittee, should result in a more effective and more efficient veterans' education program.

Mr. Speaker, I urge that S. 969 as amended be adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Mr. EDWARDS moves to strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Veterans' Education and Employment Assistance Act of 1976".

TITLE I—CHAPTER 31 DISABLED VETERANS' VOCATIONAL REHABILITATON RATE AND PROGRAM ADJUSTMENTS

SEC. 101. The table contained in section 1504(b) of title 38, United States Code, is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$226	$280	$329	$24
Three-quarter-time	170	210	247	18
Half-time	113	140	165	12
Farm cooperative, apprentice, or other on-job training:				
Full-time	197	238	275	18".

SEC. 102. Section 1503(c) of title 38, United States Code, is amended by striking out ", but not beyond ten years after such termination date, or June 30, 1975, whichever date is the later," and inserting in lieu thereof "when such action is determined by the Administrator to be necessary for such veteran based upon such veteran's disability and need for vocational rehabilitation,".

SEC. 103. Section 1511 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, the facilities of any agency of the United States, as designated in clause (3) of this section, may be used to provide unpaid training or work experience as part or all of a veteran's program of vocational rehabilitation when the Administrator determines such training or work experience to be necessary to accomplish vocational rehabilitation. While pursuing such training or work experience, an uncompensated veteran shall be deemed an employee of the United States for the purposes of the benefits of chapter 81 of title 5 but not for the purposes of laws administered by the Civil Service Commission.".

SEC. 104. Chapter 31 of title 38, United States Code, is amended—

(1) by striking out in the second sentence of section 1502(b) "him" and inserting in lieu thereof "the veteran";

(2) by striking out in subsections (a) and (b) of section 1503 "his", "he", and "him" each time they appear and inserting in lieu thereof "the veteran's", "the veteran", and "the veteran", respectively;

(3) by striking out in section 1503(c) "him" and "he" each time they appear and inserting in lieu thereof "the veteran" and by striking out "his" the first and second time it appears and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(4) by striking out in subsections (a) and (c) of section 1504 "his" and "him" and inserting in lieu thereof "the veteran's" and "the employer", respectively;

(5) by striking out in section 1505 "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(6) by striking out in section 1507 "him" and inserting in lieu thereof "the Administrator";

(7) by striking out in section 1508 "he"

and inserting in lieu thereof "the Administrator";

(8) by striking out in section 1509(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the veteran", "the veteran's", and "the veteran", respectively;

(9) by striking out in section 1509(b) "he" and inserting in lieu thereof "the Administrator";

(10) by striking out in section 1510 "he" each time it appears and inserting in lieu thereof "such person"; and

(11) by striking out in section 1511 "he" and inserting in lieu thereof "the Administrator".

TITLE II—VETERANS' EDUCATION RATE AND PROGRAM ADJUSTMENTS

SEC. 201. Chapter 34 of title 38, United States Code, is amended—

(1) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependent
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$292	$347	$396	$24
Three-quarter-time	219	260	297	18
Half-time	146	174	198	12
Cooperative	235	276	313	18";

(2) by striking out in section 1682(b) "$270" and inserting in lieu thereof "$292";

(3) by amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$235	$276	$313	$18
Three-quarter-time	176	207	235	14
Half-time	118	138	157	9";

and

(4) by striking out in section 1696(b) "$270" and inserting in lieu thereof "$292".

SEC. 202. Section 1652 of title 38, United States Code, is amended by adding at the end thereof the following new subsections:

"(f) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree.

"(g) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (1) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (2) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (3) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

SEC. 203. Section 1661 of title 38, United States Code, is amended—

(1) by striking out in the second sentence of subsection (a) all after "period of" the second time it appears and inserting in lieu thereof "45 months (or the equivalent thereof in part-time educational assistance)."; and

(2) by amending subsection (c) to read as follows:

"(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of 45 months.".

SEC. 204. (a) The Administrator shall carry out a study of the vocational objective programs approved for the enrollment of veterans and other eligible persons under chapters 31, 34, 35, and 36 of title 38, United States Code. The study shall include the extent to which such programs are in compliance with the applicable provisions of such chapters particularly the requirements of section 1673(a)(2) of that title.

(b) The findings and report of such study with respect to the provisions of section 1673 (a)(2) of such title shall include, but shall not be limited to—

(1) the number of veterans and institutions submitting justification asserting compliance with the requirements of such section and the extent to which any courses were challenged or disqualified by a State approving agency or by the Veterans' Administration;

(2) the number of institutions and courses for which justification showing compliance with the requirements of such section was not submitted;

(3) the number of courses for which justification showing compliance with the requirements of this section was submitted and actively reviewed by either the appropriate State approving agency or by the Veterans' Administration;

(4) the extent to which courses subject to the requirements of such section have not been identified or surveyed;

(5) the extent to which vocational objective programs have been converted to degree programs following enactment of Public Law 93–508;

(6) information as to completion rates of those courses submitting placement reports pursuant to such section;

(7) the extent to which justification submitted pursuant to such section disclosed invalid survey population;

(8) the extent to which justification submitted pursuant to such section disclosed improper exclusion of students who completed the course but did not take or pass a licensing examination given by the State;

(9) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons employed in other fields;

(10) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons as being in closely related occupations, when in fact they were not;

(11) the extent to which justification submitted pursuant to such section disclosed improper exclusion of some persons as not being available for employment;

(12) the extent to which there are deficiencies in basic procedures, instructions, and forms issued pursuant to such section; and

(13) the extent to which vocational objective programs are being pursued for avocational or recreational purposes.

(c) The Administrator shall report the results of the study carried out under this section to the Congress and the President not later than 180 days after the date of enactment of this Act and shall include in such report any recommendations for legislative or administrative action the Administrator deems appropriate.

SEC. 205. Section 1673 of title 38, United States Code, is amended—

(1) by striking out at the end of subsection (a)(2) "or";

(2) by striking out the period at the end of subsection (a)(3) and inserting in lieu thereof "; or";

(3) by adding at the end of subsection (a) a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree."; and

(4) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V, any farm cooperative training course, or any course described in section 1789(6) of this title) for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution, by the Veterans' Administration under this title and/or by grants from any Federal agency. The Administrator may waive the requirements of this subsection, in whole or in part, if the Administrator determines it to be in the interest of the eligible veteran and the Federal Government.".

SEC. 206. Section 1674 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Unless the Administrator finds there are mitigating circumstances, progress will be considered unsatisfactory at any time the eligible veteran is not progressing at a rate that will permit such veteran to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration.".

SEC. 207. Section 1682 of title 38, United States Code, is amended by adding a new subsection (e) at the end thereof as follows:

"(e) The educational assistance allowance of an eligible veteran pursuing an independent study program which leads to a standard college degree shall be computed at the rate provided in subsection (b)(2) of this section. In those cases where independent study is combined with resident training and the resident training constitutes the major portion of such training, the maximum allowance may not exceed the full-time institutional allowance provided under subsection (a)(1) of this section.".

SEC. 208. Section 1685(b) of title 38, United States Code, is amended by adding at the end thereof the following: "In the event the veteran ceases to be a full-time student before completing such agreement, the veteran may, with the approval of the Administrator, be permitted to complete such agreement.".

SEC. 209. Section 1692 of title 38, United States Code, is amended by striking out in subsection (b) "$60" and "$720" and inserting in lieu thereof "$65" and "$780", respectively.

Sec. 210. Chapter 34 of title 38, United States Code, is amended—

(1) by striking out in section 1652(e) "United States Code,";

(2) by striking out in subsections (a) and (b) of section 1681 "section 1780" and inserting in lieu thereof "chapter 36";

(3) by redesignating section 1697A as section 1698;

(4) by striking out in the table of sections at the beginning of such chapter "1697A" and inserting in lieu thereof "1698"; and

(5) by amending section 1696 by inserting at the end thereof the following new subsection:

"(d) After October 31, 1976, no person other than a member of the Armed Forces described in section 1631(b) of this title shall be permitted to enroll, or reenroll, in any course provided under the authority of this subchapter.".

Sec. 211. Chapter 34 of title 38, United States Code, is amended—

(1) by striking out in subsection (a) and (d) of section 1652 "he" and "wife" and inserting in lieu thereof "such individual" and "spouse", respectively;

(2) by striking out in section 1661(a) "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(3) by striking out in subsections (a), (b), and (d) of section 1662 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(4) by striking out in section 1663 "he" each time it appears and inserting in lieu thereof "the Administrator";

(5) by striking out in section 1670 "him" each time it appears and inserting in lieu thereof "the veteran";

(6) by striking out in section 1671 "he" the first time it appears and inserting in lieu thereof "the Administrator", by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person", and by striking out "his" each time it appears and inserting in lieu thereof "the veteran's or person's";

(7) by striking out in section 1673(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(8) by striking out in section 1674 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the Administrator", respectively;

(9) by striking out in section 1676 "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(10) by striking out in section 1681(a) "his" and inserting in lieu thereof "the veteran's";

(11) by striking out in section 1685(c) "he" and "his" each time they appear and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

(12) by striking out in section 1691(a) "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

(13) by striking out in section 1696(a) "he" and inserting in lieu thereof "the Administrator"; and

(14) by striking out in subsections (a) and (b) of section 1698 (as redesignated by section 211(3) of this Act) "he" and "his" and inserting in lieu thereof "the Administrator" and "such person's", respectively.

TITLE III—CHAPTER 35 SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE RATE AND PROGRAM ADJUSTMENTS

Sec. 301. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1732(b) "5217" and inserting in lieu thereof "$235"; and

(2) by amending subsection (a) of section 1742 to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of $292 per month. If the charges for tuition and fees applicable to any such course are more than $92 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $92 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $9.76 that the special training allowance paid exceeds the basic monthly allowance.".

Sec. 302. Section 1701(a) of title 38, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(10) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree.

"(11) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (A) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (B) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (C) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

Sec. 303. Section 1711 of title 38, United States Code, is amended—

(1) by striking out in subsection (a) "thirty-six" and inserting in lieu thereof "45"; and

(2) by striking out in subsection (b) "nine" and inserting in lieu thereof "12".

Sec. 304. Section 1712 of title 38, United States Code, is amended—

(1) by striking out in clauses (3) and (4) of subsection (a) "five" each time it appears and inserting in lieu thereof "8";

(2) by amending clause (5) of subsection (a) to read as follows:

"(5)(A) if such person is enrolled in an educational institution regularly operated on the quarter or semester system and such period ends during a quarter or semester, such period shall be extended to the end of the quarter or semester; or

"(B) if such person is enrolled in an educational institution operated on other than a quarter or semester system and such period ends after a major portion of the course is completed, such period shall be extended to the end of the course, or until 12 weeks have expired, whichever first occurs."; and

(3) by repealing subsection (d) and redesignating subsections (e), (f), and (g), as subsections (d), (e), and (f), respectively.

Sec. 305. Section 1713 of title 38, United States Code, is amended to read as follows:

"The parent or guardian of a person (or the eligible person if such person has attained legal majority) for whom educational assistance is sought under this chapter shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is an eligible person, the Administrator shall approve the application provisionally. The Administrator shall notify the parent or guardian or eligible person (if the person has attained legal majority) of the provisional approval or of the disapproval of the application.".

Sec. 306. Section 1723(a) of title 38, United States Code, as amended—

(1) by striking out at the end of clause (2) "or";

(2) by striking out at the end of clause (3) the period and inserting in lieu thereof "; or "; and

(3) by adding at the end thereof a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree.".

Sec. 307. Section 1724 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Unless the Administrator finds there are mitigating circumstances, progress will be considered unsatisfactory at any time an eligible person is not progressing at a rate that will permit such person to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration.".

Sec. 308. Section 1732(c) of title 38, United States Code, is amended by adding a new paragraph (3) at the end thereof as follows:

"(3) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing an independent study program which leads to a standard college degree shall be computed at the rate prescribed in section 1682(e) of this title.".

Sec. 309. (a) The title of chapter 35 of title 38, United States Code, is amended by striking out

"CHAPTER 35—WAR ORPHANS AND WIDOWS EDUCATIONAL ASSISTANCE

and inserting in lieu thereof

"CHAPTER 35—SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE"

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by striking out

"35. War Orphans' and Widows' Educational Assistance .... 1700"

and inserting in lieu thereof

"35. Survivors' and Dependents' Educational Assistance .... 1700".

(c) Section 1731(a) is amended by striking out "section 1780" and inserting in lieu thereof "chapter 36".

Sec. 310. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1700 "widows", "wives", and "his" each time they appear and inserting in lieu thereof "surviving spouses", "spouses", and "the veteran's", respectively;

(2) by striking out in section 1701(a) "widow" and "wife" each time they appear and inserting in lieu thereof "surviving spouse" and "spouse", respectively;

(3) by striking out in section 1701(b) "his" and inserting in lieu thereof "the person's" and by striking out "himself";

(4) by striking out in section 1701(c) "his" each time it appears and inserting in lieu thereof "such person's" and by striking out "himself";

(5) by striking out in section 1701(d)

"he" each time it appears and inserting in lieu thereof "such person";

(6) by striking out in section 1711(b) "she" the first time it appears and inserting in lieu theerof "the spouse", by striking out "her" each time it appears and inserting in lieu thereof "such person's", and by striking out "he or she" each time it appears and inserting in lieu thereof "such person";

(7) by striking out in section 1712(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the person", "the person's", and "the person", respectively;

(8) by striking out in section 1712(c) "him", "he", "his" each time they appear and inserting in lieu thereof "such person", "such person", and "such person's", respectively;

(9) by striking out in subsection (e) and (f) of section 1712 (as redesignated by section 304(3) of this Act) "her" and "he" and inserting in lieu thereof "the" and "such person", respectively;

(10) by striking out in section 1720(a) "his" each time it appears and inserting in lieu thereof "such person's";

(11) by striking out in section 1721 "he" and inserting in lieu thereof "the Administrator";

(12) by striking out in section 1723(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the person's", respectively;

(13) by striking out in section 1723(c) "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(14) by striking out in section 1723(d) "his" each time it appears and inserting in lieu thereof "such person's";

(15) by striking out in section 1724 "he" the first time it appears and inserting in lieu thereof "such person", by striking out "his" each time it appears and inserting in lieu thereof "the person's", and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

(16) by striking out in section 1731(b) "his" and "he" and inserting in lieu thereof "the person's" and "the person", respectively;

(17) by striking out in section 1733(a) "wife or widow" and "she" and inserting in lieu thereof "spouse or surviving spouse" and "such spouse", respectively;

(18) by striking out in section 1733(b) "he" and inserting in lieu thereof "such" person";

(19) by striking out in section 1734(b) "wife or widow" and inserting in lieu thereof "spouse or surviving spouse";

(20) by striking out in section 1736 "he" and inserting in lieu thereof "the Administrator";

(21) by striking out in section 1741(b) "he" and inserting in lieu thereof "the Administrator";

(22) by striking out in subsections (a) and (b) of section 1743 "his" and "he" each time they appear and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(23) by striking out in section 1761(a) "he" and inserting in lieu thereof "the Administrator"; and

(24) by striking out in section 1763 "his" and inserting in lieu thereof "such person's".

TITLE IV—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE ACT

SEC. 401. This title may be cited as the "Post-Vietnam Era Veterans' Educational Assistance Act of 1977".

SEC. 402. Section 1652 of title 38, United States Code, is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(1) The term 'eligible veteran' means any veteran who—

"(A) served on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and before January 1, 1977, and was discharged or released therefrom under conditions other than dishonorable; or

"(B) contracted with the Armed Forces and was enlisted in or assigned to a reserve component prior to January 1, 1977, and as a result of such enlistment or assignment served on active duty for a period of more than 180 days, any part of which commenced within 12 months after January 1, 1977, and was discharged or released from such active duty under conditions other than dishonorable; or

"(C) was discharged or released from active duty, any part of which was performed after January 31, 1955, and before January 1, 1977, or following entrance into active service from an enlistment provided for under clause (B) of this paragraph, because of a service-connected disability."; and

(2) by inserting in subsection (a)(2) "or (B)" after "paragraph (1)(A)".

SEC. 403. (a) Section 1661(a) of title 38, United States Code, is amended by adding at the end thereof a new sentence as follows: "In the case of any person serving on active duty on December 31, 1976, or a person whose eligibility is based on section 1652(a)(1)(B) of this chapter, the ending date for computing such person's entitlement shall be the date of such person's first discharge or release from active duty after December 31, 1976.".

(b) Section 1662 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(e) No educational assistance shall be afforded any eligible veteran under this chapter or chapter 36 of this title after December 31, 1989.".

SEC. 404. Part III of title 38, United States Code, is amended by inserting immediately after chapter 31 of such title a new chapter as follows:

"CHAPTER 32—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE

"SUBCHAPTER I—PURPOSE; DEFINITIONS

"Sec.
"1601. Purpose.
"1602. Definitions.

"SUBCHAPTER II—ELIGIBILITY; CONTRIBUTIONS; AND MATCHING FUND

"1621. Eligibility.
"1622. Contributions; matching fund.
"1623. Refunds of contributions upon disenrollment.
"1624. Death of participant.
"1625. Discharge or release under conditions which would bar use of benefits.

"SUBCHAPTER III—ENTITLEMENT; DURATION

"1631. Entitlement; loan eligibility.
"1632. Duration; limitations.

"SUBCHAPTER IV—ADMINISTRATION

"1641. Requirements.
"1642. Reporting requirements.
"1643. Deposits; reports.

"Subchapter I—Purpose; Definitions

"§ 1601. Purpose

"It is the purpose of this chapter (1) to provide educational assistance to those men and women who enter the Armed Forces after December 31, 1976, (2) to assist young men and women in obtaining an education they might not otherwise be able to afford, and (3) to promote and assist the all volunteer military program of the United States by attracting qualified men and women to serve in the Armed Forces.

"§ 1602. Definitions

"For the purposes of this chapter—

"(1)(A) The term 'eligible veteran' means any veteran who (i) initially entered military service on or after January 1, 1977, served on active duty for a period of more than 180 days commencing on or after such date, and was discharged or released therefrom under conditions other than dishonorable, or (ii) initially entered military service on or after January 1, 1977, and was discharged or released from active duty after such date for a service-connected disability.

"(B) The requirement of discharge or release, prescribed in subparagraph (A), shall be waived in the case of any participant who has completed his or her first obligated period of active duty (which began after December 31, 1976) or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(C) For the purposes of subparagraphs (A) and (B), the term 'active duty' does not include any period during which an individual (i) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (ii) served as a cadet or midshipman at one of the service academies or (iii) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

"(2) The terms 'program of education' and 'educational institution' shall have the same meaning ascribed to them in sections 1652(b) and 1652(c), respectively, of this title.

"(3) The term 'participant' is a person who is participating in the educational benefits program established under this chapter.

"Subchapter II—Eligibility; Contributions; and Matching Fund

"§ 1621. Eligibility

"(a) Each person entering military service on or after January 1, 1977, shall have the right to enroll in the educational benefits program provided by this chapter (hereinafter in this chapter referred to as the 'programs' except where the text indicates otherwise) at any time during such person's service on active duty. When a person elects to enroll in the program, such person must participate for at least 12 consecutive months before disenrolling or suspending participation.

"(b) The requirement for 12 consecutive months of participation required by subsection (a) of this section shall not apply when (1) the participant suspends participation or disenrolls from the program because of personal hardship as defined in regulations issued jointly by the Administrator and the Secretary of Defense (hereinafter in this chapter referred to as the 'Secretary'), or (2) the participant is discharged or released from active duty.

"(c) A participant shall be permitted to suspend participation or disenroll from the program at the end of any 12-consecutive-month period of participation. If participation is suspended, the participant shall be eligible to make additional contributions to the program under such terms and conditions as shall be prescribed by regulations issued jointly by the Administrator and the Secretary.

"(d) If a participant disenrolls from the program, such participant forfeits any entitlement to benefits under the program except as provided in subsection (e) of this section. A participant who disenrolls from the program is eligible a refund of such participant's contributions as provided in section 1623 of this title.

"(e) A participant who has disenrolled may be permitted to reenroll in the program under such conditions as shall be prescribed jointly by the Administrator and the Secretary.

"§ 1622. Contributions; matching fund

"(a) Each person electing to participate in the program shall agree to have a monthly deduction made from such person's military pay. Such monthly deduction shall be in any amount not less than $50 nor more than $75 except that the amount must be divisible by 5. Any such amount contributed by the participant or contributed by the Secretary pursuant to subsection (c) of this section shall be deposited in a deposit fund account entitled the 'Post-Vietnam Era Veterans Education Account' (hereinafter in this chapter referred to as the 'fund') to be established in the Treasury of the United States. Contributions made by the participant shall be limited to a maximum of $2,700.

"(b) Except as otherwise provided in this chapter, each monthly contribution made by a participant under subsection (a) shall entitle the participant to matching funds from the Veterans' Administration at the rate of $2 for each $1 contributed by the participant.

"(c) The Secretary is authorized to contribute to the fund of any participant such contributions as the Secretary deems necessary or appropriate to encourage persons to enter or remain in the Armed Forces. The Secretary is authorized to issue such rules and regulations as the Secretary deems necessary or appropriate to implement the provisions of this subsection.

"§ 1623. Refunds of contributions upon disenrollment

"(a) Contributions made to the program by a participant may be refunded only after the participant has disenrolled from the program or as provided in section 1624.

"(b) If a participant disenrolls from the program prior to discharge or release from active duty, such participant's contributions will be refunded on the date of the participant's discharge or release from active duty or within 60 days of receipt of notice by the Administrator of the participant's discharge or disenrollment, except that refunds may be made earlier in instances of hardship or other good reason as prescribed in regulations issued jointly by the Administrator and the Secretary.

"(c) If a participant disenrolls from the program after discharge or release from active duty, the participant's contributions shall be refunded within 60 days of receipt of an application for a refund from the participant.

"(d) In the event the participant(1) dies while on active duty, (2) dies after discharge or release from active duty, or (3) disenrolls or is disenrolled from the program without having utilized any entitlement, the participant may have accrued under the program, or, in the event the participant utilizes part of such participant's entitlement and disenrolls or is disenrolled from the program, the amount contributed by the Secretary under the authority of section 1622(c) remaining in the fund shall be refunded to the Secretary.

"§ 1624. Death of participant

"(a) If a participant dies, the amount of such participant's unused contributions to the fund shall be paid (1) to the beneficiary or beneficiaries designated by such participant under such participant's Servicemen's Group Iife Insurance policy, or (2) to the participant's estate if no beneficiary has been designated under such policy or if the participant is not insured under the Servicemen's Group Life Insurance program.

"(b) If a participant dies after having been discharged or released from active duty and before using any or all of the contributions which the participant made to the fund, such unused contributions shall be paid as prescribed in subsection (a) of this section.

"§ 1625. Discharge or release under conditions which would bar the use of benefits

"If a participant in the program is discharged or released from active duty under dishonorable conditions, such participant is automatically disenrolled and any contributions made by such participant shall be refunded to such participant on the date of such participant's discharge or release from active duty or within 60 days from receipt of notice by the Administrator of such discharge or release, whichever is later.

"Subchapter III—Entitlement; Duration

"§ 1631. Entitlement; loan eligibility

"(a) (1) A participant shall be entitled to a maximum of 36 monthly benefit payments (or their equivalent in the event of part-time benefit payments).

"(2) The amount of the monthly payment to which any eligible veteran is entitled shall be ascertained by (A) adding all contributions made to the fund by the eligible veteran, (B) multiplying the sum by 3, (C) adding all contributions made to the fund for such veteran by the Secretary, and (D) dividing the sum by the lesser of 36 or the number of months in which contributions were made by such veteran.

"(3) Payment of benefits under this chapter may be made only for periods of time during which an eligible veteran is actually enrolled in and pursuing an approved program of education and, except as provided in paragraph (4), only after an eligible veteran has been discharged or released from active duty.

"(4) Payment of benefits under this chapter may be made after a participant has completed his or her first obligated period of active duty (which began after December 31, 1976) or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(b) Any enlisted member of the Armed Forces participating in the program shall be eligible to participate in the Predischarge Education Program (PREP), authorized by subchapter VI of chapter 34 of this title, during the last 6 months of such member's first enlistment.

"(c) When an eligible veteran is pursuing either a program of education under this chapter by correspondence or a program of flight training, such eligible veteran's entitlement shall be charged at the rate of 1 month's entitlement for each month of benefits paid to the eligible veteran (computed on the basis of the formula provided in subsection (a)(2) of this section).

"(d) Eligible veterans participating in the program shall be eligible for education loans authorized by subchapter III of chapter 36 of this title in such amounts and on the same terms and conditions as provided in such subchapter, except that the term 'eligible veteran' as used in such subchapter shall be deemed to include 'eligible veteran' as defined in this chapter.

"§ 1632. Duration; limitations

"No educational assistance benefits shall be afforded an eligible veteran under this chapter beyond the date of 10 years after such veteran's last discharge or release from active duty. In the event an eligible veteran has not utilized any or all of such veteran's entitlement by the end of the 10-year period, such eligible veteran is automatically disenrolled and any contributions made by such veteran remaining in the fund shall be refunded to the veteran following notice to the veteran and an application by the veteran for such refund. If no application is received within 1 year from date of notice, it will be presumed for the purposes of subsection (a) of section 725s of title 31, that the individual's whereabouts is unknown and the funds shall be transferred as directed in the last proviso of that subsection.

"Subchapter IV—Administration

"§ 1641. Requirements

"The provisions of sections 1670, 1671, 1673, 1674, 1676, 1677, 1681(c), 1683, 1696, and 1698 of this title and the provisions of chapter 36 of this title, with the exception of sections 1777, 1780(c), and 1787, shall be applicable to the program.

"§ 1642. Reporting requirements

"The Administrator and the Secretary shall, within 90 days after the date of enactment of this chapter, submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a joint report containing their respective plans for implementation of the program provided for in this chapter. The Administrator and the Secretary shall submit to such committees a report each year detailing the operations of the program during the preceding year. The first such annual report shall be submitted 15 months after the date of enactment of this section.

"§ 1643. Deposits; reports

"Deductions made by the Department of Defense from the military pay of any participant shall be promptly transferred to the Administrator for deposit in the fund. The Secretary shall also submit to the Administrator a report each month showing the name, service number, and the amount of the deduction made from the military pay of each initial enrollee, any contribution made by the Secretary pursuant to section 1622(c), as well as any changes in each participant's enrollment and/or contribution. The report shall also include any additional information the Administrator and the Secretary deem necessary to administer this program. The Administrator shall maintain accounts showing contributions made to the fund by individual participants and by the Secretary as well as disbursements made from the fund in the form of benefits.".

SEC. 405. The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by inserting immediately below

"31. Vocational Rehabilitation........ 1501"

the following:

"32. Post-Vietnam Era Veterans' Educational Assistance........................ 1601".

SEC. 406. The provisions of this title shall become effective on January 1, 1977.

SEC. 407. Section 725s(b) of title 31, United States Code, is amended by adding at the end thereof the following:

"(84) Post-Vietnam Era Veterans Education Account, Veterans' Administration."

SEC. 408. (a)(1) No individual on active duty in the Armed Forces may initially enroll in the educational assistance program provided for in chapter 32 of title 38, United States Code (as added by section 404 of this Act) after December 31, 1981, unless—

(A) before June 1, 1981, the President submits to both Houses of Congress a written recommendation that such program continue to be open for new enrollments; and

(B) before the close of the 60-day period after the day on which the President submits to Congress the recommendation described in subparagraph (A), neither the House of Representatives nor the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution which in substance disapproves such recommendation.

(2) For purposes of computing the 60-day period referred to in paragraph (1)(B), there shall be excluded—

(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(B) any Saturday and Sunday, not excluded under the preceding subparagraph, when either House is not in session.

The recommendation referred to in paragraph (1)(A) shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(b) If new enrollments after December 31, 1981, in the educational assistance program provided for in such chapter 32 are authorized after the application of the provisions of subsection (a), then effective January 1, 1982, section 1622(b) of title 38, United States Code, is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Defense".

TITLE V—CHAPTER 36 EDUCATION LOAN AND PROGRAM ADMINISTRATION AMENDMENTS

SEC. 501. Chapter 36 of title 38, United States Code, is amended—

(1) by striking out in section 1786(a)(2) "$270" and inserting in lieu thereof "$292"; and

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$212	$238	$260	$11
Second 6 months	159	185	207	11
Third 6 months	106	132	154	11
Fourth and any succeeding 6-month periods	53	79	101	11".

SEC. 502. (a) Section 1798 of title 38, United States Code, is amended—

(1) by striking out in subsection (b)(3) "$270" and "$600" and inserting in lieu thereof "$292" and "$1,500", respectively; and

(2) by amending clause (3) of subsection (d) to read as follows:

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, at the time the loan is contracted for which rate shall be comparable to the rate of interest charged students at such time on loans insured by the Commissioner of Education, Department of Health, Education, and Welfare, under part B of title IV of the Higher Education Act of 1965, but in no event shall the rate so prescribed by the Administrator exceed the rate charged students on such insured loans, and shall provide that no interest shall accrue prior to the beginning date of repayment; and".

(b) The amendments made by subsection (a) shall be effective with respect to loans made under section 1798 of title 38, United States Code, on and after October 1, 1976.

SEC. 503. Section 1774 of title 38, United States Code, is amended—

(1) by adding at the end of subsection (a) thereof the following new sentence: "The Administrator may also reimburse such agencies for work performed by their subcontractors where such work has a direct relationship to the requirements of chapter 32, 34, 35, or 36 of this title, and has had the prior approval of the Administrator."; and

(2) by amending subsection (b) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursable under this section	Allowable for administrative expense.
$5,000 or less	$600.
Over $5,000 but not exceeding $10,000	$1,080.
Over $10,000 but not exceeding $35,000	$1,080 for the first $10,000 plus $1,000 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$6,535.
Over $40,000 but not exceeding $75,000	$6,535 for the first $40,000 plus $865 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$12,960.
Over $80,000	$12,960 for the first $80,000 plus $755 for each additional $5,000 or fraction thereof.".

SEC. 504. Section 1775 of title 38, United States Code, is amended—

(1) by striking out the period at the end of subsection (a) and inserting in lieu thereof "which must be certified as true and correct in content and policy by an authorized representative of the school. The catalog or bulletin must specifically state its progress requirements for graduation and must include as a minimum the information required by section 1776(b) (6) and (7) of this title."; and

(2) by inserting before the period in the first sentence of subsection (b) the following: "and must include as a minimum (except for attendance) the requirements set forth in section 1776(c) (7) of this title".

SEC. 505. Section 1780(a) of title 38, United States Code, is amended—

(1) by striking out at the end of clause (1) "or";

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) by inserting immediately after clause (2) the following new clauses:

"(3) to any eligible veteran or person for auditing a course;

"(4) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless the Administrator finds there are mitigating circumstances; or

"(5) to any eligible veteran or person for pursuit of a program of education exclusively by correspondence as authorized under section 1786 of this title or for the pursuit of a correspondence portion of a combination correspondence-residence course leading to a vocational objective where the normal period of time required to complete such correspondence course or portion is less than 6 months. A certification as to the normal period of time required to complete the course must be made to the Administrator by the educational institution.".

SEC. 506. The last sentence of section 1780 (a) of title 38, United States Code, is amended to read as follows: "Notwithstanding the foregoing, the Administrator may, subject to such regulations as the Administrator shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection—

"(A) during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absence for the purposes of clause (2);

"(B) during periods between consecutive school terms where such veterans or persons transfer from one approved educational institution to another approved educational institution for the purpose of enrolling in and pursuing a similar course at the second institution if the period between such consecutive terms does not exceed 30 days, but such periods shall be counted as absences for the purposes of clause (2); or

"(C) during periods between a semester, term, or quarter where the educational institution certifies the enrollment of the eligible veteran or eligible person on an individual semester, term, or quarter basis if the interval between such periods does not exceed 1 full calendar month, but such periods shall be counted as absences for the purposes of clause (2).".

SEC. 507. Section 1784(a) of title 38, United States Code, is amended by adding at the end thereof the following: "The date of interruption or termination will be the last date of pursuit or, in the case of correspondence training, the last date a lesson was serviced by the school.".

SEC. 508. Section 1784(b) of title 38, United States Code, is amended by striking out "$3" and "$4" and inserting in lieu thereof "$5" and "$6", respectively.

SEC. 509. (a) Section 1788(a) of title 38, United States Code, is amended—

(1) by striking out the semicolon at the end of clause 1 and inserting in lieu thereof a comma and the following: "but if such course is approved pursuant to section 1775 of this title, then 27 hours per week of attendance, with no more than 2½ hours of rest period per week allowed and excluding supervised study, shall be considered full time;"; and

(2) by striking out the semicolon at the end of clause 2 and inserting in lieu thereof a comma and the following: "but if such course is approved pursuant to section 1775 of this title, then 22 hours per week net of instruction (excluding supervised study), which may include customary intervals not to exceed ten minutes between hours of instruction, shall be considered full time;"

(b) Section 1789 of title 38, United States Code, is amended—

(1) by striking out "or" at the end of clause (4) in subsection (b);

(2) by striking out the period at the end of clause (5) in subsection (b) and inserting in lieu thereof "; or";

(3) by adding at the end of subsection (b) a new clause (6) to read as follows:

"(6) any course offered by an educational institution under a contract with the Department of Defense that (A) is given on, or immediately adjacent to, a military base; (B) is available only to active duty military personnel and/or their dependents and (C) has been approved by the State approving agency of the State in which the base is located"; and

(4) by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding the provisions of subsection (b) (1), (2), (3), or (4) of this section, the provisions of subsection (a) shall apply to any course offered by a branch or extension of—

"(1) a public or other tax-supported institution where the branch or extension is located outside of the area of the taxing jurisdiction providing support to such institution; or

"(2) a proprietary profit or proprietary nonprofit educational institution where the branch or extension is located beyond the normal commuting distance of such institution.".

SEC. 510. Section 1790(c) of title 38, United States Code, is amended to read as follows:

"(c) Notwithstanding any other provision of law, the records and accounts of educational institutions pertaining to eligible veterans or eligible persons who received educational assistance under this chapter or chapter 31, 32, 34, or 35 of this title, as well as the records of other students which the Administrator determines necessary to ascertain institutional compliance with the requirements of such chapters, shall be available for examination by duly authorized representatives of the Government.".

Sec. 511. Subchapter II of chapter 36, United States Code, is amended—

(1) by striking out section 1793 and inserting in lieu thereof the following:

"§ 1793. Compliance surveys

"The Administrator shall conduct an annual compliance survey of each institution offering one or more courses approved for the enrollment of eligible veterans or persons where at least 300 veterans or persons are enrolled under provisions of this title or where the course does not lead to a standard college degree. Such compliance survey shall assure that the institution and approved courses are in compliance with all applicable provisions of chapters 31, 34, 35, and 36 of this title. The Administrator shall assign at least one education compliance specialist to work on compliance surveys in any year for each 40 compliance surveys required to be made under this section."; and

(2) by striking out in the table of sections at the beginning of chapter 36 of such title

"1793. Institutions listed by Attorney General."

and inserting in lieu thereof

"1793. Compliance surveys.".

Sec. 512. Section 1796 of title 38, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as (c) and (d), respectively; and

(2) by inserting after subsection (a) a new subsection (b) as follows:

"(b) To ensure compliance with this section, any institution offering courses approved for the enrollment of eligible persons or veterans shall maintain a complete record of all advertising, sales, or enrollment materials (and copies thereof) utilized by or on behalf of the institution during the preceding 12-month period. Such record shall be available for inspection by the State approving agency or the Administrator. Such materials shall include but are not limited to any direct mail pieces, brochures, printed literature used by sales persons, films, video tapes, and audio tapes disseminated through broadcast media, material disseminated through print media, tear sheets, leaflets, handbills, fliers, and any sales or recruitment manuals used to instruct sales personnel, agents, or representatives of such institution.".

Sec. 513. (a) Chapter 36 of title 38, United States Code, is amended—

(1) by striking out in section 1771(a) "his" and inserting in lieu thereof "such";

(2) by striking out in section 1775(a) "he" and inserting in lieu thereof "the Commissioner";

(3) by striking out in subsections (b) and (c) of section 1777 "he", "him", "his" each time they appear and inserting in lieu thereof "the veteran or person", "the veteran or person", and "such veteran's or person's", respectively;

(4) by striking out in section 1779(b) "his" and inserting in lieu thereof "the Administrator's";

(5) by striking out in subsections (a) and (b) of section 1780 "his", "wife or widow", and "wife's or widow's" each time they appear and inserting in lieu thereof "such veteran's or person's", "spouse or surviving spouse", and "spouse's or surviving spouse's", respectively;

(6) by striking out in subsections (c) and (d) of section 1780 "his" and "he" each time they appear and inserting in lieu thereof "such veteran's or person's" and "the veteran or person", respectively;

(7) by inserting "may" immediately before "need" in section 1780(d)(1);

(8) by inserting immediately after the fourth sentence in section 1780(d)(2) the following new sentence: "An advance payment may not be made under this subsection to any veteran or person unless the veteran or person requests such payment and the Administrator finds that the educational institution at which such veteran or person is accepted or enrolled has agreed to, and can satisfactorily, carry out the provisions of paragraphs 5 (B) and (C) and (6) of this subsection."

(9) by striking out section 1780(e) and the heading thereto;

(10) by redesignating subsections (f), (g), and (h) of section 1780 as subsections (e), (f), and (g), respectively, and by adding at the end of such subsection (g), (as so redesignated) the following: "Subject to such reports and proof as the Administrator may require to show an eligible veteran's or eligible person's enrollment in and satisfactory pursuit of such person's program, the Administrator is authorized to withhold the final payment of benefits to such person until the required proof is received and the amount of the final payment is appropriately adjusted.";

(11) by striking out in section 1780(f) "him" and inserting in lieu thereof "such veteran or person";

(12) by striking out in section 1780(h) "he" the first time it appears and inserting in lieu thereof "the Administrator" and by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person";

(13) by striking out in section 1781 "him" and inserting in lieu thereof "such person";

(14) by striking out in section 1783(a) "his" and inserting in lieu thereof "such officer's or employee's";

(15) by striking out in section 1783(b) "he" the first time it appears and inserting in lieu thereof "such person" and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

(16) by striking out in section 1783(d) "he" and inserting in lieu thereof "the Administrator";

(17) by striking out in subsections (a) and (b) of section 1784 "him" and inserting in lieu thereof "the Administrator";

(18) by striking out in subsections (a), (b), and (c) of section 1786 "wife and widow" and "his" each time they appear and inserting in lieu thereof "spouse or surviving spouse" and "such veteran's or spouse's", respectively;

(19) by striking out in subsections (a), (b), and (d) of section 1790 "he" each time it appears and inserting in lieu thereof "the Administrator";

(20) by striking out in subsections (a) (b), and (c) of section 1791 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's or person's" and "the Administrator", respectively;

(21) by striking out in section 1794 "his" and inserting in lieu thereof "the Administrator's";

(22) by striking out in section 1796(c) (as redesignated by section 513(1) of this Act) "his" and inserting in lieu thereof "the Administrator's";

(23) by striking out in section 1798(b)(1) "he" and inserting in lieu thereof "the veteran or person" and by striking out in section 1798(e)(1) "he" and inserting in lieu thereof "the Administrator"; and

(24) by striking out in section 1799(d) "his" and inserting in lieu thereof "the Administrator's".

(b) The amendments made by paragraphs (7), (8), (9), and (10) of subsection (a) shall take effect June 1, 1977, and shall apply with respect to educational assistance allowances and subsistence allowances paid under title 38, United States Code, for months after May 1977.

TITLE VI—VETERANS' EMPLOYMENT ASSISTANCE PROVISIONS

Sec. 601. (a) Section 2002 of title 38, United States Code, is amended by inserting "by a Deputy Assistant Secretary of Labor for Veterans' Employment, established by section 2002A of this title," after "promulgated and administered".

(b) Chapter 41 of title 38, United States Code, is amended by—

(1) adding after section 2002 a new section as follows:

"§ 2002A. DEPUTY ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT

"There is established within the Department of Labor a Deputy Assistant Secretary of Labor for Veterans' Employment, appointed by the President by and with the advice and consent of the Senate, who shall be the pirncipal adviser to the Secretary of Labor with respect to the formulation and implementation of all departmental policies and procedures to carry out (1) the purposes of this chapter, chapter 42, and chapter 43 of this title, and (2) all other Department of Labor employment, unemployment, and training programs to the extent they affect veterans."; and

(2) amending the table of sections at the beginning of chapter 41 of such title by inserting

"2002A. DEPUTY ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT."

after

"2002. PURPOSES.".

(c) Section 104(a) of the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93–567) is repealed .

Sec. 602. Section 2003 of title 38, United States Code, is amended—

(1) by inserting in the fourth sentence "or by prime sponsors under the Comprehensive Employment and Training Act" after "programs administered by the Secretary";

(2) by striking out "and" at the end of clause (5); and

(3) by redesignating clause (6) as clause (7) and inserting new clause (6) as follows:

"(6) promote the participation of veterans in Comprehensive Employment and Training Act programs and monitor the implementation and operation of Comprehensive Employment and Training Act programs to assure that eligible veterans receive special consideration when required; and".

Sec. 603. Section 2006(a) of title 38, United States Code, is amended by inserting in the last sentence "each" after "shall".

Sec. 604. Section 2007 of title 38, United States Code, is amended—

(1) by striking out in subsection (a)(1) "his" and inserting in lieu thereof "such veteran's and eligible person's";

(2) by inserting in the second sentence of subsection (c) "and public service employment" after "occupational training"; and

(3) by striking out in the last sentence of subsection (c) "or 2006" and inserting in lieu thereof ", 2006, or 2007(a)".

Sec. 605. Section 2012 of title 38, United States Code, is amended by adding at the end thereof a new subsection (c) as follows:

"(c) The Secretary shall include as part of the annual report required by section 2007 (c) of this title the number of complaints filed pursuant to subsection (b) of this section, the actions taken thereon and the resolutions thereof. Such report shall also include the number of contractors listing suitable employment openings, the nature, types, and number of positions listed and the number of veterans receiving priority pursuant to subsection (a)(2) of this section.".

SEC. 606. Chapter 41 of title 38, United States Code, is amended—

(1) by striking out in section 2003 "he" and "his" and inserting in lieu thereof "the Secretary" and "such representative's", respectively;

(2) by striking out in section 2004 "his" and inserting in lieu thereof "such representative's" and by inserting "or eligible persons" after "eligible veterans";

(3) by striking out in section 2005 "he" and inserting in lieu thereof "the Secretary"; and

(4) by striking out in section 2008 "his" and "him" and inserting in lieu thereof "the Secretary's" and "the Administrator", respectively.

SEC. 607. Chapter 42 of title 38, United States Code, is amended—

(1) by striking out in section 2011(2) "his" and inserting in lieu thereof "the person's"; and

(2) by striking out in the first sentence of section 2012(b) "his" and inserting in lieu thereof "the contractor's".

SEC. 608. Chapter 43 of title 38, United States Code, is amended—

(1) by striking out in section 2021(a)(2)(B) "his" each time it appears and inserting in lieu thereof "the employer's";

(2) by striking out in section 2021(b)(2) "his" and "he" and inserting in lieu thereof "the person" and "the person's", respectively; and

(3) by striking out in the sixth sentence of section 2024(d) "his" each time it appears and inserting in lieu thereof "such employer's".

TITLE VII—MISCELLANEOUS AND EFFECTIVE DATE

SEC. 701. Section 3101(a) of title 38, United States Code, is amended by adding at the end thereof the following: "For the purposes of this subsection, in any case where a payee of an educational assistance allowance has designated the address of an attorney-in-fact as the payee's address for the purpose of receiving his or her benefit check and has also executed a power of attorney giving the attorney-in-fact authority to negotiate such benefit check, such action shall be deemed to be an assignment and is prohibited.".

SEC. 702. Section 2108(1)(B) of title 5, United States Code, is amended by striking out "after January 31, 1955," and inserting in lieu thereof "any part of which occurred after January 31, 1955, and before the date of the enactment of the Veterans' Education and Employment Assistance Act of 1976,".

SEC. 703. (a) Sections 101, 201, 203, 207, 209, 301, 303, 304, 308, 501, 502, 503, and 508 of this Act shall become effective on October 1, 1976.

(b) Sections 102, 104, 202, 204, 205(1), 205(2), 205(3), 208, 210, 211, 302, 305, 306, 309, 310, 506, 510, 511, and 513 (other than paragraphs (7), (8), (9), and (10) of subsection (a)) of this Act shall become effective on the date of the enactment of this Act.

(c) Sections 103, 205(4), 206, 307, 504, 505, 507, 509, 512, and 701 and title VI of this Act shall become effective on December 1, 1976.

Mr. EDWARDS of California (during the reading). Mr. Speaker, due to the fact that I have already explained this amendment, I would ask unanimous consent that the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The amendment was agreed to.

Mr. TEAGUE. Mr. Speaker, I rise now in support of the gentleman's unanimous-consent request, but first I want to express my sincere appreciation to our distinguished chairman for his yielding to me and for having provided for us during this session of the Congress the leadership and the complete cooperation which has permitted us to arrive at this point. During this session of the Congress comprehensive hearings were conducted in special investigative hearings of the Subcommittee on Education and Training chaired by our able colleague, Mr. MOTTL of Ohio. In these hearings we looked into the serious problem of overpayments and of laxities in enforcement of standards of progress in the veterans' education programs. As amended, this bill would go further than the version that was originally passed by the House October 6, 1975. The bill now incorporates not only a needed cost-of-living rate increase in the area of 8 percent but it provides for substantive program changes which are dictated by the fact that the Vietnam era conflict has ended, that we are now dealing with an all-volunteer Army, and that the needs of the individuals currently entering active duty are far different from those for whom the post-Korean educational assistance program was designed.

The bill as amended continues the provision terminating the accrual of entitlement under the post-Korean educational assistance program and it provides for a new program with participation of the individual. While the bill now discontinues accumulation of eligibility for GI bill benefits after December 31, 1976, and sets up as a test a new program under which the veteran would contribute $1 and the Federal Government would contribute $2 to create an educational assistance fund available to the veteran for education and training purposes on his discharge. Should this test warrant continuation by the Congress and the President at the end of 5 years, then it is contemplated that the program would be continued and the expense of the program would then be assumed by the Defense Department. We have concurred in these Senate amendments. We have not concurred in a Senate provision which would have automatically triggered resumption of the GI bill in event of a resumption of the draft. This should not be interpreted as any departure from previously well established policy. The principle of education and readjustment assistance for individuals who enter the Armed Forces on an involuntary basis during a time of emergency has been well established by the actions of the Congress in the past. We would contemplate that should it again become necessary to reinstitute a draft that the Congress would respond immediately to extend education and readjustment benefits to such drafted individuals and to design the program in the light of the needs then apparent.

I believe you should understand that our attempts to address ourselves to the problems which we found during the special hearings into educational abuses and about which you cannot but be aware because of a continuing publicity accorded these matters represent a melding of suggestions we have received from the administration, attempts at correction incorporated in the Senate version of the bill and our efforts. I can only hope that with these amendments and the steps already taken by the Veterans' Administration those who are enrolling in educational programs supported with your tax-provided dollars will be exposed to some educational experience rather than as so often today is the case permitted to enroll, draw their benefits and never go close to a classroom. The amendments added by the Senate are consistent with our objective to minimize abuses in administration of the program and to strengthen the hand of the administrator to the extent possible in order that he can assure that individuals participating in the program will acquire the added education and training needed to take their rightful place in our economy.

Provisions of the bill as originally passed by the House and as still contained would extend the maximum educational benefits to 45 months for all eligible veterans and would provide as well for the same number of months of entitlement for those survivors and dependents of veterans who are permanently and totally disabled or who died of service-connected disabilities.

The predischarge education program which was established by Public Law 91-219 back in 1970 was originally designed to provide assistance to servicemen and women which would permit them on discharge to pursue education and training or some vocation. The assistance intended by that provision was to make available a limited program of education or training prior to discharge from active duty which would provide an entry level of competency for the intended additional education or vocational pursuit. We were at that time engaged in hostilities. Individuals were being drafted. There were those going into service who needed high school completion work or a course or two to make it possible for them to immediately and adequately utilize the educational assistance provided by the Veterans' Administration programs upon their release. It just now appears that there is no continued need for the prep program as it is now being presently utilized, which is at the beginning of an individual's enlistment rather than just immediately before his separation. We have terminated the prep program for new enrollments for all those whose entitlement exists under current programs but have made available during the last 6 months of an enlistment the same type of entry level training for those servicemen and women who participate in the new cooperative program. I urge you to support this bill.

Mr. ROBERTS. Mr. Speaker, on October 6, 1975, the House by a vote of 298 to 106 with one voting present passed and sent to the Senate H.R. 9576, the Veterans' Readjustment Assistance Amendments of 1975. This bill was developed after hearings and consideration of a number of important factors affecting the veterans' readjustment assistance allowance program. It recognized substantially changed circumstances that had come into being subsequent to the time that this program was developed and put on the statute books. Among other things, it provided for a termination date of December 31, 1975, in establishing eligibility for education and training benefits under chapters 34 and 36 of title 38. These are the so-called post-Korean Vietnam era educational benefit provisions. You will recall that on May 7, 1975, the President issued a proclamation which terminated the Vietnam era war and at that time transmitted to the Congress a proposed bill to set a termination date for veterans' educational benefits under these chapters. There was for consideration also the cessation of hostilities, and the fact of an all-volunteer Armed Forces. Those who have accumulated and would acquire eligibility for education and training benefits through December 31, 1975, would be preserved in their entitlement to utilize these benefits through December 31, 1987, under the same rules which have, heretofore, governed such benefits. The bill as passed by the House also would have extended the maximum educational benefits available to eligible veterans to 45 months. This made the additional 9 months of entitlement available to all veterans on the same basis that the extended entitlement was provided for those seeking an undergraduate college degree. The bill provided for a repeal of the predischarge educational program which has been known as "PREP," with a savings provision for those currently enrolled. The bill also provided for payment of educational assistance allowances in certain cases where a veteran or a dependent transferred from one approved educational institution to another educational institution without a true break in pursuit of educational objectives. The bill provided for the termination of eligibility for preference in Federal employment in the case of individuals entering the military service after May 7, 1975, the ending date of the Vietnam era. There were also two provisions of the entitlement to VA home loan benefits which have subsequently been enacted into law.

The Senate, earlier tonight, considered and passed S. 969 with numerous provisions not yet considered by the Committee on Veterans' Affairs.

The bill is not totally inconsistent with the provisions passed by the House, but goes much further. There has been a lapse of a year since the passage of the original bill. During that time, this committee has held through its Subcommittee on Education and Training extensive hearings oriented toward overpayments and enforcement of standards in the veterans' education program. Congressman MOTTL of Ohio, and his select subcommittee, conducted extensive investigations and came up with a series of recommendations for improvement. Most of Congressman MOTTL's recommendations are included in this bill. I commend him and other members of the subcommittee for a fine job.

The proposed House amendment will keep intact the original provisions included in the bill we have already passed in the House, and would make other improvements in the education programs. I will summarize for you these provisions: The bill will now provide for an approximate 8-percent increase in educational allowance payments for all three of the programs administered by the Veterans' Administration. This includes the vocational rehabilitation program for those veterans with service-connected disabilities receiving training to overcome their handicaps. It would provide the increases for the post-Korean and Vietnam veterans pursuing educational benefits under chapters 34 and 36 of title 38, United States Code, and it would provide the increases in education allowances for the spouse and children of veterans, who are permanently and totally disabled from service-connected causes, or veterans who have died from such causes. In this area the provisions of the amendments are identical with those of the Senate-passed version of the bill. The provisions would make certain changes in the vocational rehabilitation program for service-connected veterans. It would restore entitlement to training for seriously disabled veterans, or blinded veterans beyond the usual termination date for assistance. These entitlements ended May 31, 1975. Our amendments would restore to the Administrator the authority to give rehabilitation training to the seriously disabled where it is shown the disability has increased and it is shown that the disabilities are severe, and that vocational rehabilitation would lead to some useful pursuit. It was with some reluctance that we agreed to the restoration of this entitlement passed 1975 for veterans who served in World War II, and it is with the strict understanding that the Administrator will take steps to assure that the abuses known to have existed under the prior provisions of law do not again occur, that there will not be again instances in which individuals who have completed a normal career and retired or at an advanced stage be given extensive training which could not possibly lead to a vocational pursuit. The definition of serious disability is also for strict interpretation. Also incorporated is the provision that permits U.S. governmental agencies to offer unpaid work experience as a part of a vocational rehabilitation program.

The amendments affecting the veterans' assistance program extend increases in benefit allowances to all programs except the flight training program. A number of administrative refinements are contained in the bill which generally seek to insure the integrity of the program to correct abuses associated with lax administration or regulations bearing on satisfactory pursuit of programs, and upon the overpayments problem.

Eligibility for participation in the PREP program will be limited with reasonable safeguards for those already enrolled at time of enactment if these provisions become law. When the predischarge education program was established by Public Law 91–219, in 1970, it was designed to assist servicemen and women to prepare for their future education training or vocation by providing them opportunity to enroll and pursue a program of education training prior to their discharge from active duty in the Armed Forces. The PREP program was specifically designed to help the civilian soldier in his return to civilian life following the period of necessary service during a time of national emergency. With an all-volunteer Army, such a program is not considered necessary, and it is particularly not appropriate as it is currently utilized, that is, at the beginning of a period of enlistment.

The educational assistance program for spouses and children of the service-connected would benefit from the same type of administrative improvements provided for chapter 34 veterans. It would extend the same rate increases and for the first time the individual now entitled to 36 months training would be entitled to 45 months of training on the same basis that this was extended to veterans. The Senate amendments which are included in my amendment would increase the maximum amount of the educational loan now available from $600 to $1,500 and would vary the formula for computing these loans to recognize the increased monthly assistance levels. The Veterans' Administration has historically contracted State approving agencies to provide the service of approving courses when they are of such merit as to warrant enrollment of those assisted by Veterans' Administration administered programs. This bill would recognize increased costs and would adjust the amounts available for payment to State approving agencies as reimbursement for their service.

I am particularly pleased with the amendments which would tighten the administration of these education programs, and would seek to assure that those who are receiving benefits are actually exposed to an educational process. Our amendments include those developed by the subcommittee findings together with proposals contained in the Senate version for obtaining similar ends, and to the extent possible in view of the importance of this effort we have concurred in the proposals for improving administration sent over to us by the Senate. One of the things that seems clear to all of us is that a major part of the blame for massive overpayments is related to the ill-conceived provisions which provide for unlimited advance payments and for prepayment of monthly benefit amounts. You will recall that the Appropriations Act for the Veterans' Administration contains a limitation which would have precluded the use of funds for prepayments and limit advance payments after June 1, 1977. We believe this problem is one that requires a direct approach by the Congress and we have included provisions which after June 1, 1977, will permit advance payment on enrollment only on application by the veteran when he is enrolling in an institution which is willing to accept the responsibilities for seeing that the veteran does enroll and that the Veterans' Administration is notified should he fail to enroll and pursue his program. Another provision provides that prepayment of educational assistance will be made at the end or after the end of each month in which entitlement is earned.

The proposed amendment is identical with a provision of the Senate bill relating to the nonassignability and exempt status of VA educational benefits as follows: When a payee of an educational check has designated the address of an attorney-in-fact as the address for check receipt purposes, and has also executed a power of attorney giving such attorney-in-fact the authority to negotiate the benefit check, such agreement will be held to be an assignment of the benefit, and as such prohibited. The provisions of law prohibiting assignment of veterans benefits go back to 1883 and have their basis in the desire to prevent the administering governmental agency from being placed in the position of a collection agency, and what is more important, to prevent the deprivation and depletion of the means of subsistence of veterans and their dependents who rely upon veterans' benefits as a substantial source of their income. It was not until 1972 that an interpretation of the general counsel of the Veterans' Administration rendered an opinion which required the Veterans' Administration to cooperate in check delivery arrangements which resulted in an effective assignment of benefits and contravention of the clear congressional intent. Experience under this opinion has been so poor that in commenting on this proposal, the Veterans' Administration said:

> We believe that to continue to permit such situations to occur would be to encourage more fraud and open the door to even more potential abuses of the programs. We, therefore, fully support this provision of the substitute proposal.

Other amendments would terminate the accumulation of educational entitlement after December 31, 1976, but with a Senate added exception which would take care of those individuals who have enlisted under contracts which permit the deferral of their entry into service not more than 12 months or before December 31, 1977. Persons in the military service on December 31, 1976, or entering service under the exception during 1977, could utilize their educational benefits through December 31, 1989, at which time the program will be finally ended.

While we have removed the section which would have automatically triggered resumption of the GI bill in the event of reinstitution of the draft, it should be clearly understood that this does not represent a departure from previously established policy. Through a series of actions by the Congress, the principle of education and readjustment assistance for the individual who enters the Armed Forces on an involuntary basis has been clearly established. In the event it becomes necessary to reinstate the draft, we would expect the Congress to take immediate action to extend education and readjustment benefits to servicemen being drafted or entering the Armed Forces on an involuntary basis. At that time, however, Congress would find it necessary to survey the situation, particularly as it relates to educational needs, economic levels, and so forth, to establish a program specifically designed to meet the situation as it might exist at that time.

As previously indicated, the Senate has created a new veterans' education assistance program beginning January 1, 1977. It will be a contributory program with the veteran contributing $1, and the Federal Government $2 up to a maximum of $8,100 for those who are discharged or complete a term of active duty service to provide a fund for his education. We have agreed to this amendment on the basis that it is a pilot program which will help the Armed Forces in its recruitment of members for our volunteer forces. The cost for the first few years will be minimal. If after a period of 5 years the President recommends and the Congress agrees to keep the program, then the expense will be borne by the Defense Department.

The maximum cost of the House amendments in fiscal year 1977 would be approximately $495.4 million. Although the amount exceeds the allocation of the Subcommittee on Education and Training by approximately $40 million, the cost of the bill does not exceed the allocation of the full committee established in the second concurrent resolution wherein our new entitlement authority was set at $1.397 billion.

Mr. MOTTL. Mr. Speaker, I rise in support of the proposed House amendment.

It has been my privilege to serve on the House Committee on Veterans' Affairs during this 94th Congress. In addition, I was honored by being appointed chairman of a special Subcommittee to Investigate Educational Overpayments and the Enforcement of Standards of Education as administered by the Veterans' Administration. The principal cause of the need for a special subcommittee was the shockingly high number of educational overpayments which have occurred during recent years. At the time of our hearings which were held during the months of April, May, and June of this year, the overpayments were in excess of $1 billion. In the interim, the total now approaches $1.8 billion. Unless the Congress acts, the educational overpayment problem will not only continue but will increase.

Another aspect of the educational overpayment problem is the number of abuses or "rip-offs" of the GI bill program. The great majority of veterans are using the GI bill as intended by Congress; namely, for a quick, successful readjustment to civilian life following their period of service in the Armed Forces.

Unfortunately there is a small percentage of unscrupulous veterans who, together with sharp operators, have bilked the Federal Government out of millions of dollars. A major contributing factor has been the difficulty experienced by the VA in carrying out more strict enforcement of the laws enacted by Congress.

Following our hearings, I introduced a bill cosponsored by a number of members of our special subcommittee including the distinguished chairman of the Subcommittee on Education and Training, Mr. TEAGUE, and the chairman of our full committee, Mr. ROBERTS. This subcommittee-developed bill (H.R. 15070) contains a number of provisions which reflect the concern and desire of the subcommittee regarding both the overpayments and elimination of known and identifiable abuses of the veterans' education program.

In addition our subcommittee was told that a major cause of the overpayments is found in the congressional approval of both the prepayment and advance payment provision whereby a veteran can obtain a check for up to 3 months of his entitlement before he is actually enrolled for educational training. Lastly, the subcommittee-developed bill includes an 8-percent increase in the education rates and contains other provisions which will be extremely helpful to the seriously service-connected disabled veterans in their efforts to overcome their employment handicaps.

Mr. Speaker, the amendment now before the House, H.R. 9576, contains most of the provisions which were incorporated in the bill I introduced following our oversight hearings on educational overpayments. I am pleased that these provisions aimed at tightening the Veterans' Administration regulations and making it much more difficult to abuse the program, both by veterans and by educational institutions are contained in the proposed House amendment. By eliminating the prepayment altogether by June 1, 1977, and making the advance payment available only upon request of the veteran, I feel a significant portion of the overpayments will be eliminated in the future, resulting in cost savings to the taxpayers of our country and a much better program.

I urge my colleagues to adopt the proposed House amendment.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to amend title 38, United States Code, to set a termination date for veterans educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Educational Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service; and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed, S. 969.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TO CONDUCT STUDY OF FREDERICK LAW OLMSTED HOME AND OFFICE AS NATIONAL HISTORIC SITE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 400) an act to direct the Secretary of the Interior to conduct a 1-year feasibility/suitability study of the Frederick Law Olmsted Home and Office as a national historic site, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments, as follows:

Page 2, of the House engrossed amendments, strike out lines 1 to 4, inclusive.

Page 2, of the House engrossed amendments, strike out lines 16 to 19, inclusive.

Page 3, of the House engrossed amendments, strike out lines 7 to 10, inclusive.

Page 8, of the House engrossed amendments, strike out lines 16 to 19, inclusive.

Page 9, of the House engrossed amendments, strike out lines 20 to 23, inclusive.

Page 10, of the House engrossed amendments, strike out lines 12 to 15, inclusive.

Page 11, of the House engrossed amendments, strike out lines 7 to 10, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks announced that the Senate receded from its amendment numbered 1 to a joint resolution of the House entitled:

H.J. Res. 1105. Joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes.

ADMINISTRATION BLOCKS NONPROLIFERATION AND ARAB BOYCOTT LEGISLATION

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BINGHAM. Mr. Speaker, the failure of legislation extending and amending the Export Administration Act to clear the Senate after passage by both Houses of Congress and compromise by House and Senate Members who were to be conferees not only threatens to disrupt the operation of our export control programs, but deprives the public of badly needed legislation provisions dealing with problems of nuclear proliferation and discriminatory foreign boycotts.

The Export Administration Act Amendments of 1976, as tentatively approved by House and Senate conferees, contained provisions to improve the administration of the controls we impose on exports in the interests of national security, foreign policy, and short supply. The administration will be able to continue to exercise such controls under authority it claims under another act—the Trading With the Enemy Act of 1917. But needed improvements in the manner in which those controls are carried out will have to wait.

Serious as such delays may be for the export control program, they are even more serious with respect to nuclear proliferation and compliance with foreign boycotts. Despite promises for more than 10 years from the State Department that "quiet diplomacy" would bring an end to the imposition of foreign boycott demands on Americans and American business, those demands have actually increased as the economic power of the Arab nations, particularly, has increased. As for nuclear proliferation, the threat that dozens more nations will possess nuclear weaponry has increased manyfold in the past 2 years while the Ford administration has diddled around with in-house studies and agency reports on the problem.

Mr. Speaker, I should just like to set the record straight on the proliferation matter. Who is it who has been pushing relentlessly to get some responsible, comprehensive anti-proliferation legislation through this Congress? Men like CLEM ZABLOCKI, ABE RIBICOFF, and JOHN GLENN, the House International Relations Committee and the Senate Government Operations Committee. They have come forward with one strong bill, the original Export Reorganization Act, and one solid anti-proliferation amendment to the Export Administration Act, popularly called the Zablocki-Findley amendment, which have received firm support in both Houses of Congress.

And who has been opposing this strong anti-proliferation legislation? In both cases the administration of Gerald Ford, working through its allies on the Senate floor and in the joint Committee on Atomic Energy, working in concert with the nuclear industry lobby, has moved to thwart the Congress will and block passage of meaningful nonproliferation legislation.

I wish to make note of the fact that it is highly probable that somewhere down the campaign road, perhaps as early as next week's scheduled nationally televised debate on foreign policy, Gerald Ford will attempt to claim that he offered Congress sound nonproliferation legislation, but we failed to act. He may even try to seize the proliferation issue, upon which his Democratic challenger is so much better versed and progressive minded, away from Governor Carter. The facts will simply not bear the President out. For it is Gerald Ford who must accept the responsibility for preventing this Congress from putting the fruits of 2 years' labor into the statute books in the form of strong, comprehensive nonproliferation legislation.

Let there be no doubt either, Mr. Speaker, as to who is responsible for the fact that there will be no legislation from this Congress protecting Americans and American business from the pressures of foreign boycotts. The administration, working through various Members of the Senate, has blocked the Export Administration amendments which contain an anti-foreign-boycott provision that is both tough and reasonable. That provision would prohibit U.S. persons from complying with boycott demands by foreign governments directed at countries friendly to the United States. It would effectively protect American business from the pressures of foreign boycotts without in any way interfering with the rights and ability of foreign nations to implement boycotts directly against their adversaries in international politics. The bill would permit compliance with foreign import and export requirements linked to the direct, primary boycott by Arab countries of Israel and never would permit U.S. trade with the Middle East to continue.

Mr. Speaker, the fact that strong antiboycott measures passed the Senate unanimously and the House by votes of 27 to 1 in the House International Relations Committee and 91 to 287 on the House floor, and the fact that House and Senate Members who would have been conferees were able to hammer out a strong compromise in informal meetings suggests that the defeat of this kind of legislation is only temporary. I intend to reintroduce it at the beginning of the 95th Congress, and the strong support for it in this Congress makes me confident that it will be approved. It will have the support of a new Democratic administration in the White House as indicated by the statement made yesterday by Jimmy Carter, the Democratic candidate for President. If President Ford should remain in the White House, we will surely have the votes and the resolve to overcome his deplorable opposition to this measure.

Mr. Speaker, a summary of the compromise foreign boycott provision hammered out in informal meetings of House and Senate Members, and the actual language of that compromise follow:

SUMMARY OF HOUSE-SENATE CONFERENCE ANTI-BOYCOTT PROVISION

A. PROHIBITIONS

Subject to rules and regulations issued by the Secretary of Commerce, it would be a violation of the Export Administration Act to do any of the following with intent to comply with, further, or support a foreign boycott or restrictive trade practice against a country which is friendly to the United States and is not the object of any U.S. embargo:

1. Refrain from doing business with any U.S. person or person doing business in the United States. (Senate and House)

2. Refrain from employing or otherwise discriminating against persons of a particular race, religion, nationality or national origin. (Senate and House by implication)

3. Furnish information regarding a person's race, religion, nationality or national origin. (Senate and House)

4. Refrain from doing business with any person other than the boycotted country or its nationals. (Modified House; not in Senate)

5. Refrain from doing business with the boycotted country or its nationals pursuant to an agreement with, requirement of, or a request from, or on behalf of any boycotting

country. The mere absence of a business relationship with or in the boycotted country or with its nationals would not constitute a violation of the above. (Modified House; not in Senate)

6. Furnish information about whether any person does, has done, or proposes to do business with the boycotted country or its nationals or with any person known or believed to be boycotted. (Modified House; not in Senate)

B. EXCEPTIONS TO PROHIBITIONS

(No specific exceptions in House or in Senate.)

The above general prohibitions would not apply to:

1. Compliance with import rules of boycotting country prohibiting import of goods from boycotted country or its nationals or shipment of such goods on carrier of boycotted country or via a route described by boycotting country.

2. Compliance with import and shipping document requirements of boycotting country with respect to country of origin of the goods and name and route of carrier and name of supplier.

3. Compliance with export requirements of boycotting country with respect to transshipment of goods to boycotted country.

4. Compliance by individuals with immigration requirements of boycotting country.

5. Refusing to honor letters of credit where beneficiary fails to comply with requirements thereof, except where such compliance would be a violation of the law.

C. SCOPE OF COVERAGE

Above prohibitions and reporting requirements would apply to (1) U.S. persons (defined as individuals plus corporations organized under U.S. law); (2) U.S. controlled subsidiaries and affiliates; and (3) persons doing business in the United States with respect to their business in the United States. (Modified Senate and House)

The test of control would be control in fact: Does the parent in the ordinary course of business control the activities or determine the policies of the subsidiary?

D. ENFORCEMENT

Enforcement would be by Commerce Department administrative process in accordance with APA. Rules and regulations to be effective within three months of enactment. Actions pursuant to existing agreements must be brought into compliance three months after effective date of regulations. (Modified Senate and House)

E. DISCLOSURE

Exempted from public disclosure would be information regarding the quantity, description and value of any goods to which the boycott report relates if the Secretary of Commerce determines that disclosure thereof would place the person reporting at a competitive disadvantage. (Senate)

Charging letters or other documents initiating enforcement proceedings would be made public. (Senate)

TITLE II—FOREIGN BOYCOTTS

PROHIBITION ON COMPLIANCE WITH FOREIGN BOYCOTTS

SEC. 201. (a) The Export Administration Act of 1969 is amended by redesignating section 4A as section 4B and by inserting after section 4 the following new section:

"FOREIGN BOYCOTTS

"SEC. 4A. (a) (1) For the purpose of implementing the policies set forth in section 3 (5) (A) and (B), the President shall issue rules and regulations prohibiting any United States person from taking any of the following actions with intent to comply with, further, or support any boycott fostered or imposed by a foreign country against a country which is friendly to the United States and which is not itself the object of any form of embargo by the United States:

"(A) Refraining from doing business with or in the boycotted country, with any business concern organized under the laws of the boycotted country, or with any national or resident of the boycotted country, pursuant to an agreement with, a requirement of, or a request from or on behalf of the boycotting country. The mere absence of a business relationship with or in the boycotted country, with any business concern organized under the laws of the boycotted country, or with any national or resident of the boycotted country, does not indicate the existence of the intent required to establish a violation of rules and regulations issued to carry out this subparagraph.

"(B) Refraining from doing business with any person (other than the boycotted country, any business concern organized under the laws of the boycotted country, or any national or resident of the boycotted country). The mere absence of a business relationship with a person does not indicate the presence of the intent required to establish a violation of rules and regulations issued to carry out this subparagraph.

"(C) Refraining from employing or otherwise discriminating against any United States person on the basis of race, religion, nationality, or national origin.

"(D) Furnishing information with respect to the race, religion, nationality, or national origin of any United States person.

"(E) Furnishing information about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person which is known or believed to be restricted from having any business relationship with or in the boycotting country.

"(2) Rules and regulations issued pursuant to paragraph (1) shall provide exceptions for—

"(A) compliance with requirements (i) prohibiting the import of goods from the boycotted country or of goods produced by any business concern organized under the laws of the boycotted country or by nationals or residents of the boycotted country, or (ii) prohibiting the shipment of goods to the boycotting country on a carrier of the boycotted country or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

"(B) compliance with import and shipping document requirements with respect to country of origin, the name of the carrier and route of shipment, and the name of the supplier of the shipment;

"(C) compliance with export requirements of the boycotting country relating to transshipments of exported goods to the boycotted country, to any business concern organized under the laws of the boycotted country, or to any national or resident of the boycotted country;

"(D) compliance by an individual with the immigration or passport requirements of the boycotting country; or

"(E) the refusal of a United States person to pay, honor, advise, confirm, process, or otherwise implement a letter of credit in the event of the failure of the beneficiary of the letter to comply with the conditions or requirements of the letter, other than conditions or requirements compliance with which is prohibited by rules and regulations issued pursuant to paragraph (1) which conditions or requirements shall be null and void.

"(3) Nothing in this subsection may be construed to supersede or limit the operation of the antitrust laws of the United States.

"(4) Rules and regulations pursuant to this subsection and section 11(2) shall be issued and become effective not later than 90 days after the date of enactment of this section, except that rules and regulations issued pursuant to this subsection shall apply to actions taken pursuant to contracts or other agreements in effect on such date of enactment only after the expiration of 90 days following the date such rules and regulations become effective.

"(b) (1) In addition to the rules and regulations issued pursuant to subsection (a) of this section, rules and regulations issued under section 4(b) of this Act shall implement the policies set forth in section 3(5).

"(2) Such rules and regulations shall require that any United States person receiving a request for the furnishing of information, the entering into or implementing of agreements, or the taking of any other action referred to in section 3(5) shall report that fact to the Secretary of Commerce, together with such other information concerning such request as the Secretary may require for such action as he may deem appropriate for carrying out the policies of that section. Such person shall also report to the Secretary of Commerce whether he intends to comply and whether he has complied with such request. Any report filed pursuant to this paragraph after the date of enactment of this section shall be made available promptly for public inspection and copying, except that information regarding the quantity, description, and value of any articles, materials, and supplies, including technical data and other information, to which such report relates may be kept confidential if the Secretary determines that disclosure thereof would place the United States person involved at a competitive disadvantage. The Secretary of Commerce shall periodically transmit summaries of the information contained in such reports to the Secretary of State for such action as the Secretary of State, in consultation with the Secretary of Commerce, may deem appropriate for carrying out the policies set forth in section 3(5) of this Act.".

(b) Section 4(b)(1) of such Act is amended by striking out the next to the last sentence.

(c) Section 7(c) of such Act is amended by striking out "No" and inserting in lieu thereof "Except as otherwise provided by the third sentence of section 4A(b)(2) and by section 6(c)(2)(C) of this Act, no".

STATEMENT OF POLICY

SEC. 202. (a) Section 3(5)(A) of the Export Administration Act of 1969 is amended by inserting immediately after "United States" the following: "or against any United States person".

(b) Section 3(5)(B) of such Act is amended to read as follows: "(B) to encourage and, in specified cases, to require United States persons engaged in the export of articles, materials, supplies, or information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person,".

ENFORCEMENT

SEC. 203. (a) Section 6(c) of the Export Administration Act of 1969 is amended—

(A) by redesignating such section as section 6(c)(1); and

(B) by adding at the end thereof the following new paragraph:

"(2)(A) The authority of this Act to suspend or revoke the authority of any United States person to export articles, materials, supplies, or technical data or other information, from the United States, its territories or possessions, may be used with respect to any violation of the rules and regulations issued pursuant to section 4A(a) of this Act.

"(B) Any sanction (including any civil penalty or any suspension or revocation of authority to export) imposed under this Act for a violation of the rules and regulations issued pursuant to section 4A(a) of this Act may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code.

"(C) Any charging letter or other document initiating proceedings for the imposition of sanctions for violations of the rules and regulations issued pursuant to section 4A(a) of this Act shall be made available for public inspection and copying."

(b) Section 8 of such Act is amended by striking out "The" and inserting in lieu thereof "Except as provided in section 6(c)(2), the".

DEFINITIONS

SEC. 204. Section 11 of the Export Administration Act of 1969 is amended to read as follows:

"DEFINITIONS

"SEC. 11. As used in this Act—

"(1) the term 'person' includes the singular and the plural and any individual, partnership, corporation, or other form of association, including any government or agency thereof; and

"(2) the term 'United States person' includes any United States resident or national, any domestic concern (including any subsidiary or affiliate of any foreign concern with respect to their activities in the United States), and any foreign subsidiary or affiliate of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President."

[From the New York Times, Oct. 1, 1976]

Carter Scores Ford on Missile Sale to Saudi Arabia

(By Charles Mohr)

BOSTON.—Jimmy Carter denounced the Ford Administration today, saying that it had quelled Congressional opposition and had gone ahead with the sale of air-to-ground missiles to Saudi Arabia. He accused the Administration of "moral bankruptcy" and of "bowing down to foreign blackmail."

The Democratic Presidential candidate also said that compliance by American business concerns with the Arab boycott against those who sell to Israel was a "disgrace" and added, "We cannot afford to yield any longer to that kind of embargo and blackmail."

Mr. Carter flew from Georgia early this morning to Buffalo, where he drew only sparse crowds, then made three appearances in Boston before ending his campaign day in Portland, Me.

In Boston, Mr. Carter and Senator Edward M. Kennedy, displaying a pair of famous political smiles, campaigned together in a safe Democratic stronghold. The effort may not have been neecssary in Boston or Massachusetts, but it permitted cameras and microphones to record for New England and the nation an apparent reconciliation between the Kennedy dynasty and the new party leader. There had been little warmth or closeness between them in the past.

KISSINGER EFFORT NOTED

In a statement issued here, and in a short speech to Jewish leaders, Mr. Carter took note of the successful effort this week by Secretary of State Henry A. Kissinger to persuade a Congressional committee not to cancel a planned sale of 650 Maverick aircraft missiles to Saudi Arabia in response to a news article by an Arab news agency that the oil-rich kingdom was contemplating a new oil embargo against the United States.

Mr. Kissinger told the Senate Foreign Relations Committee that the embargo report was erroneous and that a ban on the missile sale would damage American interests and relations with a friendly Arab state.

Mr. Carter said that the missiles were offensive, not defensive, in character and would not improve the prospects for peace, adding, "No Administration which was sensitive to the climate in the Middle East would let the sale go forward."

Mr. Carter asserted that the Secretary of State had "pressured," Congress with the argument that Saudi Arabia might retaliate by using its influence among oil-exporting nations or in other ways.

RISK TO PEACE IS SEEN

"We should not simply sell weapons to get oil—and risk peace—by vague threats, which the Administration itself is perpetuating," Mr Carter said in his statement.

The Democratic candidate also accused President Ford of failing to enforce existing legislation vigorously to prevent compliance by United States concerns with the Arab trade boycott and of trying to block stronger new legislation.

He said that when a government "behaves in a craven fashion it demeans our country in the world," and added, "When it wantonly adds arms to Arab countries without limit on quantity or quality, it undermines our commitment to Israel."

Legislation that would impose penalties on American companies that comply with the Arab boycott is contained in an amendment to a bill extending the provisions of the Export administration Act. Both the House and Senate versions of the bill contain an amendment, and the House version is much more stringent.

The legislation has been blocked, however, by the refusal of Senator John G. Tower, Republican of Texas, acting in behalf of the Ford Administration, to consent to the appointment of Senate and House conferees to resolve the differences in the bill.

Senator Tower contends that the amendment is too far-reaching to be considered hastily in the closing days of a Congressional session. The Administration, while opposed to the amendment, has not spoken out openly on the subject, apparently conscious of its political ramifications.

With Congress hoping to adjourn tomorrow, prospects that the bill will be adopted are considered remote.

Mr. Carter spoke to the enthusiastic audiences at a fund-raising event and at the campus of Boston College, where the basketball auditorium was filled with thousands of students and a large overflow crowd waited outside. Senator Kennedy introduced the Georgian in flattering terms as a strong leader and a man who spoke "in human terms" of suffering caused by unemployment and economic recession."

Following a pattern that he began Monday, Mr. Carter said in Buffalo to a small crowd waiting at the airport that Mr. Ford was a worse President than Richard M. Nixon.

Mr. Carter said that the public had been "fooled" by what he called the tendency of Republicans just before election time to say they favor proposals they have previously opposed and that efforts to "sell our people a President" every four years had been successful for the Republicans in most recent elections.

TWO FOR PRICE OF ONE

In 1972, Mr Carter said, "we got two [presidents] for the price of one," an allusion to Mr. Nixon's resignation and Mr. Ford's assumption of office in 1974. "I'm afraid," Mr. Carter said, "the second one, as far as people's lives are concerned, is even worse than the first one."

Mr. Carter also spoke at a rally in the parking lot of a Western Electric plant in Buffalo that has laid off most of its 2,800 workers in preparation for a closing of the plant.

He denounced Republican economics policies as a cause of unemployment. Only about 150 to 200 people attended the rally, however, although it has been previously publicized.

COMMITTEE MEMBERS HELP TO EXPEDITE

(Mr. FOLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FOLEY. Mr. Speaker, I rise to express my deep appreciation to the members of the Committee on Agriculture for their splendid cooperation and assistance during this my first term as chairman.

I should like to pay public tribute to my predecessor, the present vice chairman of the committee, the Honorable BOB POAGE, of Texas, for his consistent encouragement and support. He has generously shared with me his wisdom and experience, and has been an invaluable source of advice and inspiration.

I salute also our distinguished ranking minority member, the Honorable BILL WAMPLER, of Virginia, for his dedication to the advancement of American agriculture. His hard work and unfailing judgment and good humor have helped the committee over many a potential rough spot during consideration of sensitive issues. No committee could have a finer ranking minority member.

Finally, and perhaps most importantly, I want to thank our dedicated staff, without whom the committee could not have successfully considered the numerous, complex pieces of legislation which came before it in this Congress, and particularly in this session. I know I speak for the entire Committee on Agriculture in stating that we are deeply in their debt. And, while we cannot adequately recompense their loyalty and support, we wish in these closing hours of the 94th Congress to acknowledge their splended service to the Congress and to the American people.

CONSERVATION OF OUR ENERGY RESOURCES

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to share with my colleagues the following letter which I have received from Paul Howells of Morrisville, N.Y.

Paul is a research engineer, and former director of the special projects laboratory of the Syracuse University Research Corp. For the past several years he has been deeply involved in the conservation of our energy resources through application. The ideas he has developed are both simplified and relatively inexpensive:

DEAR CONGRESSMAN HANLEY: The imminence of resource depletion, the catastrophe such depletion will shortly bring upon the industrial world, and the need for drastic measures to avert the crisis, are upon us right now. As engineers, we feel competently equipped to demonstrate how wasteful are our current habits. Therefore, we have chosen two major areas of consumption: housing and mobility. While we are familiar with high technology, we decided to use neither: it was either unsuitable or too costly. Instead we took the commonsense and radical approach of designing systems to serve rational need in the most elegant and economical fashion. The results are amazing:

Our *snug house* is conventional in appearance, costs less than the normal house its size and uses *one-tenth* the energy for heating and cooling. Other than good insulation and natural solar heating through the windows, the main feautre is its coupling to the 50° earth underneath for cooling and overnight heating. Unheated, the house remains at a pleasant 50° when it is thirty below outside. Uncooled it hangs at 72° when temperatures are in the 90's. We have lived comfortably for two years in frigid, sultry upstate New York for an annual fuel bill of about $60. Annual return on investment in insulation: about 80%. Much existing housing could be converted toward this standard for a lower, but still attractive return.

Our *Crusway* transit system copies and reforms the auto-street system of urban transit. We kept the private vehicle, privately owned and driven, but we shrank it to a size commensurate with its normal urban use. We compensated by improving the road, providing a network of covered elevated ways that supply both power and propulsion to vehicles ranging from battery-powered electric minicars to pedicars and bikes for school children.

The Crusway driver leaves his home in his vehicle and reaches the way entrance after a block or so on the street under his onboard power. Entering the protected way, he is then propelled in a simple fashion that leaves him free to change lanes, pass and select his own route while moving across town at a steady 20 mph that handily beats the auto's trip speed and far exceeds the 5 to 10 mph trip speeds typical of the bus or subway.

Each of the ways, narrower than a single auto lane, can carry traffic that would choke *twelve* auto lanes. Crusway could handle all traffic in areas as dense as Chicago's Loop.

Cost of the way is largely that of the elevated structure: about a half-million per mile compared to an optimistic ten million per mile for the computerized "PRT" toys with which UMTA amuses itself. Crusway is economically viable in the far suburbs from which most travel issues. No other transit scheme we know can make that statement.

At typical loading, Crusway economy is about 300 miles per gallon of fuel burned at the power station. Providing the same level of service, Crusway costs one-third, uses one-tenth the space, and consumes one-thirtieth as much fuel as the urban auto. Pollution, at the power station, is even less.

It has boggled many minds that the simple technology of Crusway and the snug house could so outperform our high-technology systems. The mystery is not that simplicity can be so good, but that our usual way of doing things is so bad. Is there something in the industrial system that *seeks* waste as well as growth? Indeed there is. The cause is simple and so is the cure.

In a large nutshell, the story is this:

(1) Industrial technology brought something new to economics. Consider the steam engine: forged of iron, fueled by coal, it was immediately put to work in the mines to increase production of iron and coal. With a fraction of that increase diverted to make and fuel more engines, the steam engine became like a productive animal giving milk and meat while siring a growing herd of productive descendants. But while growth of the animal herd is soon limited by available pasturage, the capital herd fed on mineral fodder that (until recently) seemed unlimited.

(2) Like a breeder, the investor expected a share of the income not just from the "sire" he provided but from its "get" as well. He insisted on profiting from the exponential capability of the capital equipment he provided. The large investor or manager expected and got a ten to twenty percent annual return, doubling his money every four to seven years. Smaller investors settled for lesser returns on their savings accounts and pension plans. Total return on investment typically forced a 4% annual growth in the money supply, justified by the 4% growth in real production and consumption contributed by the productivity of the growth capital herd.

(3) Why 4% growth and a twenty year doubling? Because that seems to be the maximum rate at which we can expand *consumption*, despite heroic efforts in Keynesian economics, advertising and easy credit. As growing productivity eliminated jobs in basic industry and agriculture, the desire for full employment and need for an expanding market forced government to encourage and the investor to establish new enterprises creating more jobs and a proliferation of new consumer goods. Productivity increases in the new enterprise eliminated more jobs there and forced creation of yet new enterprises. As the rising tide of goods and services glutted the market, it came to require prodigious effort to sell them. Industry collaborated by making its products ever more powerful, exciting and status-giving. Thus the auto replaced the street car; the muscle-car the Model T, and the imposing glass house the snug bungalow. Lighting levels doubled every decade or so. We found new toys like lawn tractors, trial bikes, ski boats and snowmobiles. Per-capita consumption ballooned, doubled every thirty years, while total consumption doubled every twenty.

(4) All this is possible only because we treat the resourcefodder as free. We lease the oil field to the producer for a fraction of a cent per gallon, and he markets the refined product for little more than his cost production and distribution. His margin on sales is usually modest. His real reward is the doubling return on investment that comes from increasing his volume, in which mass production and mass marketing are peculiarly effective. And he offers us an outlandish bargain. A gallon of gasoline can do work equivalent to two man-months of heavy labor; wet got it for about six minutes of our own. A kilowatt-hour is equivalent to a week of hard work; we pay with about 20 seconds of effort. But what we get so cheaply we value little. In our shoddily-insulated homes and the mechanized toys provided by industry we waste those blessings at at least ten times the rates we reasonably should, while the producer profits from the waste.

(5) The problem with industry, then, is not its margin on sales, not that it profits exorbitantly on a gallon of anything, but that it doubles its return on investment by steadily doubling the flow, selling us our finite and precious resources at far less than their true worth and creating many wasteful ways of using them for trivial purposes. Under our rules, the road to wealth is to pioneer new and titillating forms of waste. Rockefeller's Standard Oil brings us a flood of cheap oil; Ford's autos and all their motorized descendants provide a fun way of blowing it. We acquiesce in the taking (on our behalf) of treasure that by rights belong to all, particularly the future. We let our jobs become dependent on that game. We buy the wasteful products and use them to deplete the earth, in a few decades, of riches that should have lasted for centuries, half-poisoning our world in the process. It was not the rich who blew six billion barrels of oil last year: *WE*, the average consumer, did!

Our market, husbanding capital and labor but profligate with resources, burns 90,000 BTU of energy, intrinsically worth $1000, to create each dollar of GNP. That is insane.

(6) Curing that central insanity should work wonders. Rather than assuming control of all aspects of our economic lives, government should concentrate on making resources *valued*. The mechanism would be a resource tax imposed at the source and distributed to the consumer through normal pricing policy. Since resources are intrinsically worth thousands of times what we now pay and since we waste them at ten times the rate we need, that tax can with justice be set to exert considerable leverage. It will be a major tax; at a level of 45c per gallon equivalent on all energy it could, at current levels of consumption, replace all other taxes, federal, state and local.

(7) The resource tax must be coupled with an aggressive program for providing acceptable alternatives to our current wasteful practices. Without them the tax will be burdensome and resented, but ineffective. The stick alone to punish waste will fail; Israel failed to *tax* the cars off her streets with a purchase tax nearly equal to the price of the car, and the recent near-doubling of U.S. energy prices has had little effect on consumption. As to carrots alone, Rome failed to *give* bus service away. Both measures failed because bus service simply is not an acceptable alternative to the auto.

But, as Crusway and the snug house illustrate, rationally acceptable alternatives are not hard to find. All that remains is to melt the consumer's emotional resistance to the necessary change in style, from affluence to elegance. Commerce and industry cannot be expected to help in this. Their game runs the other way: they spend fortunes to condition us toward affluence and waste, and their current talk of conservation is half-hearted lip service. Detroit will continue to build dreamboats as long as we'll buy them. Changing consumer attitude is a job for our political leaders, both by their own words and example and through their direction of agencies like ERDA, which currently spends 95% of its budget on getting new energy, 5% on conventional conservation and none on the dramatic savings that could be had with a change in style.

(8) With resources valued and consumers rational we would at last have a sane free market. Adam Smith revered the market and so do we, providing it is sane. In such a market it should be unnecessary to pile regulation on regulation in a futile attempt to contain the profitable drive toward waste and pollution: the sane market would naturally seek the least wasteful and polluting way of doing things. It should be unnecessary to outlaw the exponential return on investment that has forced cancerous growth and profligate waste. The investor seeks waste because free resources are an irresistible temptation; the only unguarded sector of his enterprise. Once they are defended, his game will be to provide the best possible service for the least in capital, labor, resources (and therefore pollution), and he will take what return he can get. Ultimately investment will become more local and personal, like the home owner investing in insulation or solar heat to reduce his fuel bill, or the labor union investing in capital equipment, not to escalate production but to make work more pleasant.

It should be unnecessary, too, to break up the multinationals, those great concentrations of economic power that arose because of their ability to grab resources and develop the mass market to consume them. Their size is far beyond that needed for efficient production; they should naturally give way to modestly-sized local enterprise.

(9) Defenders of the status quo will object to such reform on the grounds that it

will disrupt the economy. If one wants to call a turn from waste to elegance "disruption," it probably will. But it will be a *managed* disruption of the kind we had during the second World War, when in a short time industry, jobs and resources were marshalled to produce huge numbers of ships, tanks and planes. We have a nation of leaky houses to insulate, of exploitative, mining-type agriculture to reform, of efficient convenient transit to build, of wasteful and polluting sewage systems to clean up. There is work enough for everybody. The investment required is small compared to that needed for the frantic program to develop new energy sources, and the payoff is far more lasting. In a decade or so we could halve and quarter our consumption, comfortably stretch our fossil and uranium reserves and make feasible our ultimate transition to a closed-cycle solar world.

Consider the disruption we face if we avoid action. The least would be a world depression, worse than 1929, triggered when the system that must grow or die encounters scarcity of the resources on which it feeds. The worst would be a world war over resources. While the Communist world is comfortably self-sufficient, we now depend on OPEC for half our oil; our allies in Europe and Japan for more than 90%. Another boycott would shut our economies down. Considering that possibility, a number of our scholars have written knowledgeably of the best way to take Arab oil by military force, and our leaders have refused to renounce such an action.

The scholars fail to understand the military realities of the area. That is Russia's backyard and we are hopelessly outgunned there, on land, at sea, and in the air. Till now Russia has been cautious in confrontations with us for fear of our strategic nuclear force, but now that hers is growing larger than ours, she will be far freer to take action with conventional weapons. Any such Mideast adventure of ours would almost certainly be met by a Russian counterattack. And considering that who controls that oil controls the industrial world, it should be no surprise if Russia herself were to attempt a takeover, using a new Mideast flareup as the pretext. She has made similar moves in the past. Never have we been so vulnerable, so far from home.

(10) Many liberals, also, will object to a resource tax as regressive, weighing most heavily on the poor consumer. One reply is that the resource tax is essentially a Henry George single-tax, and Henry George, a champion of the small farmer and working man, argued powerfully that such a tax would ultimately be to their benefit.

The argument that in the rich US, whose per-capita consumption is five to eight times that of the rest of the world, the middle class must consume yet more to create menial jobs for the poor and to let wealth (in the form of substandard housing and ten-mile-per-gallon junkets) trickle down to them, is ridiculous. We should consider *all* kinds of poor: those in the US, those in the underdeveloped world, and the *universal poor of the future*, whose patrimony we are wasting. The only way to do justice to them all is for us all to adopt elegant ways of living that the earth can afford indefinitely.

The resource tax is an essential spur to such reform, and while it must be paid by the consumer, it need not cause undue hardship. It should be introduced only as reforms can be physically accomplished and in a gradual fashion that will both spur and help fund them. One of the earliest reforms that can be accomplished is reinsulation of our leaky houses. Take as an example the typical small tract house of which we have so many, "insulated" only with sheathing board. In the northern US such a house typically consumes some 1200 gallons of forty cent heating oil (or equivalent), at an annual cost of about $500. We estimate that some $1500 spent in filling its walls with foam, covering its ceilings with fiberglass batt, providing storm sash for its windows and doors, sealing its cracks and treating its basement walls, would reduce its heat loss to less than 40%. The American Institute of Architects has recently published similar estimates. Say that with government backing the $1500 investment could be amortized over ten years at an interest rate of 8% or less: an annual cost of about $200. And say, that to spur such reform, Congress passes a 50% tax on heating fuel in 1977, escalating to 150% in 1987. The effect on the homeowner who cooperates and the one who does not, would be as follows:

	Now	1977-87	1987 on
Insulation:			
Annual fuel cost	$500	$200	$200
Payment on investment	0	200	0
Fuel tax	0	[1] 100	[2] 300
Total	500	500	500
No insulation:			
Annual fuel cost	500	500	500
Fuel tax	0	250	750
Total	500	750	1,250

[1] 50 percent.
[2] 150 percent.

Even with this conventional approach to conservation, the savings are sufficient to permit amortization of the loan and payment of a tax that would heavily penalize the failure to conserve. If the program were undertaken with the sense of national urgency it deserves, less conventional measures, like using foam board to frame picture windows down to a reasonable winter size, could save considerably more.

In the transitional period the saver's total cost should remain about the same; otherwise some investor will think up some new and as yet unchecked form of waste for him to indulge in with his spare cash. The income from the resource tax could be used in part to subsidize the reform; to reduce the interest on the home improvement loan or to directly aid those least able to afford it, and in part to develop and deploy new systems of conservation in other areas of consumption. Thus, in a self-funding way, the program could progress from housing to transit, recycling of critical materials, recovery and agricultural use of sewage and so on.

The subsidy would be necessary only for the transition. Elegant systems will be economically viable in any market and the external costs of congestion, pollution and depletion will be largely eliminated. As the tax succeeds in eliminating waste, it can be raised as necessary to maintain revenue and encourage further conservation. But government expenses, now largely dedicated to cleaning up the mess created by our throw-away culture; to trying to regulate its octopus drive to waste by fighting the tentacles rather than the head, and to rescuing those deprived of meaningful work by what we call productivity, should decline rapidly. In the end the tax should be used to eliminate the most regressive of our current taxes, beginning with state lotteries.

The principal of the resource tax is to work with the market to reform it. The stick of the tax to punish waste helps generate the carrot of elegant systems that can provide the same or better rational level of service at lower cost and for far lower pressure on resources. Even the transitional reform of existing systems should be self-subsidizing from the large savings that can be achieved there. As consumers and investors adapt to the rules of the same market, new systems should offer greater savings at lower cost. And the market will require far less regulation and cleaning-up-after than our current crazy one, with a considerable saving in cost of government.

The benefit to the poor is primarily that we all adopt economic ways of living that the earth can afford them as well as the more fortunate. No longer need they make do with wasteful hand-me-downs from the more affluent. The necessary regressiveness of the resource tax is more than countered by its ability to provide them with truly efficient housing and transit that greatly reduce their need, by using it to supplant other regressive taxes, and by coupling it with the progressive income tax. Finally the elimination of the current game of enriching oneself by encouraging waste should end in a more egalitarian society.

Both parties talk of getting this country back on the track. We hope they don't mean the old track.

Sincerely,

Kate and Paul Howells.

Morrisville, N.Y.

HON. CARL ALBERT

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, how poignant that salutation sounds when one considers that it will refer to the distinguished Speaker from Oklahoma but for only a few hours more. How reflective we can all become as the legislative machinery takes pause in deferential tribute to Carl Albert as he concludes a career in this House which has been marked with both disputation and glory. How this great Chamber will miss the force of his leadership and the glee of his humor as he bids farewell and adieu.

I am pleased that our Speaker takes with him from his labors here in Congress, an abundance of good health and the cheer of fond remembrance as he casts off the yoke of congressional labor. I have a strong feeling, and an expectant one, for that matter, that he will not be long away from us when there is need for his advice and counsel.

If it can be said of any man of recent times that he represented his constituents and took on the added responsibility of making the whole Nation his enlarged constituency, it must be said of Carl Albert.

Those who have worked with him know his shrewdness and his fairness, his gumption and his guile, and we know that without his directness and sense of purpose this House would be the prey of disarray and confusion.

What the world at large and we, too, sometimes forget is that for all the pomp, all the prestige, all the public attention which comes the way of those who attain positions of power and leadership there is the bedrock fundamental to our Republic—that as representatives of the people we have no personal sovereignty, no innate power which does not derive from their sufferance. What powers of command and authority do devolve to us from preceding generations are those which are meant for the service of the people, those who consent to be governed, those who entrust to us their freedom and well-being.

It is not my mission here today to instruct nor exhort this body about the origins of our constitutional democracy, especially when we are reminded of them daily during the Bicentennial. But I offer that observation by way of illustrating what I believe is the kernel of our success in achieving the longest-lasting free government on earth.

This sense of tradition and order amid the tensions and turmoil which marked the expansion of growth of our Nation also serves us well today. It gives us the reliance that continuity and regularity will attend the transfer of leadership's mantle from our Speaker to his successor. It gives us protection against the fate of transiency and chaos that often attend banana republic revolutions. It is part of the assurance that the legacy of freedom which we enjoy in peaceful tranquillity will serve us in distress as well.

The Speaker will be missed. He will be cherished in memory. But I am sure that he would be the first to lead a welcome hail to his successor, as the keeper of tradition and the inspiration of action for this august body, when it convenes next January.

I cannot close without a word of salutation to the gentlelady who has shared so much of this Speaker's life and career, Mary Albert. The sacrifices of loved ones are as great as those on the principal himself for they are so often asked to postpone and set aside personal needs for public demands. The tug on conscience and on heartstrings which such conflicts cause are occasions for numerous apologies and regrets at lost moments of private happiness. Such circumstances are particularly hard on spouse and family who do not have the balm of public adulation to compensate for personal responses denied.

Good health and much happiness for the Speaker, and his family. Come back and see us soon and often.

AMERICAN VETERANS COMMITTEE

(Mr. BOLLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BOLLING. Mr. Speaker, Members of Congress are familiar with the distinguished record of the American Veterans Committee. In fact, many Members presently serve on the committee's national advisory council. Presidents Eisenhower and Truman as well as Mrs. Franklin D. Roosevelt were honorary chairmen of this group which was formed after World War II.

I am pleased as a member of the national advisory council to share with our colleagues the International Platform of the AVC which follows:

INTERNATIONAL AFFAIRS

We the members of the American Veterans Committee, believe that in international affairs the objective of the United States is the maintenance of peace. All else aside, the world must avoid the holocaust of nuclear war. Within that framework our foreign policy, like our domestic policy, must be oriented to enhance the welfare of the individual, be he black, white, brown, or yellow, so that he may eat and sleep in safety, live his life under government of his choice and realize to the fullest extent possible the measure of his aspirations.

I. THE UNITED NATIONS AND WORLD GOVERNMENT

The United Nations continues to be man's best hope for peace. American support to the United Nations must be an essential part of our foreign policy. The authority of the United Nations must be progressively strengthened in a process which sees the selective yielding of the prerogatives of national sovereignty in a manner that will enhance the fundamental freedoms and the well-being of all the peoples of the world.

Recognition of the rule of law principle in international relations is an essential of action in reinforcing the United Nations role in the maintenance of peace and security. Appropriate means must be found to widen the area of internationally accepted standards and American compliance therewith. Prompt repeal of the Connally reservation by the United States Senate would be a step in this direction.

We believe that there must be an acceleration of progress in the ratification of existing international human rights conventions by the United States. Where necessary, enabling national legislation should be enacted to bring our laws into conformity with these conventions. United States action in this respect has been grossly inadequate and has hindered a greater assertion of American leadership which is required.

We regard the integrity and independence of the Secretary General's office as expressed in the Charter crucial to the existence and growth of the United Nations. We shall oppose any attempt which seeks to weaken the powers of this office.

We favor encouragement and aid to the formation of supranational authorities of a regional nature consistent with the U.N. Charter and of treaty arrangements which limit the sovereignty of the participating nations in order to secure mutual advantages, such as the European Common Market, Euratom and others. The United States should further encourage and support European initiatives through the European Economic Community Euratom, the Council of Europe, or otherwise to create, consolidate and strengthen institutions which may lead to a politically stable and prosperous European entity.

We fully support the enlargement of the peace-keeping function of the United Nations. The use of peace-keeping forces by the United Nations should be supported financially on an obligatory basis by all members of the United Nations. The allocation of military forces on a standby basis should be encouraged and established systematically through the creation of a permanent planning mechanism in the United States.

We favor the ultimate establishment of democratic world government.

II. WORLD VETERANS FEDERATION

We point with pride, and pledge our continued support to the World Veterans Federation, a world-wide organization of former servicemen and servicewomen whose activities are a remarkable example of the kind of private international co-operation on which lasting world peace and justice can be built.

III. NUCLEAR TESTING AND DISARMAMENT

Complete elimination of nuclear weapons testing and establishment of international controls on this most dangerous weapons technology should be the goal of American foreign policy. Our world finds itself in the unique and unenviable position where one generation can make life on earth unlivable for another generation.

The principal responsibility for halting the spread of and control of these weapons of destruction falls in the first instance on the five nuclear powers—France, Great Britain, Peoples Republic of China, Soviet Union and the United States. It is through their positive actions that the nuclear powers can induce other states to forego development in this most dangerous area, lower international tension, and to avoid the allocation of needed resources to essentially destructive and wasteful ends.

Complete and total disarmament is the ultimate summum bonum, but this is an objective remote in time and immediate achievement is not feasible. Efforts toward that goal nonetheless should be made by the United States and should be encouraged in other nations. Mankind can never reach its true destiny if it must continue to allocate so high a percentage of its resources to forge the weapons of war.

IV. THE UNITED STATES AND EUROPE

The most striking feature of current world affairs is the shift that has taken place from bi-polarity to multi-polarity. Instead of the confrontation era (Cold War) the world has moved into the fluid area of detente that has seen a loosening of the ties that bind the "Western bloc" and a corresponding transformation of the relations within the Communist bloc.

In Europe a dual process of reevaluation of their roles is going on among the NATO nations as well as the Communist Warsaw Pact states. In particular, the beginning process of normalization of relations between the two German states opens up the prospect for a withdrawal of American forces from a United Europe capable of defending itself as well as the withdrawal of Soviet troops from the Eastern European Communist countries. The United States for its domestic as well as its international concerns, should seek to speed up the process of detente that would contribute so much to lessening the staggering economic burden of armaments and would afford a greater measure of self determination to all the European states.

V. THE UNITED STATES AND LATIN AMERICA

We must bend every effort to erase the image of the United States as a prosperous, patronizing, and paternalistic benefactor to the other nations of Central and South America. It should be the objective of the United States foreign policy to create instead an image of a United States that wants to be a good partner, as well as a good neighbor, in helping the peoples of Latin America work out their own destinies.

The United States should, at every turn, encourage the United Nations or the Organization of American States to be the forum in which to resolve differences and disagreements among or with our Latin American neighbors. We must show by word and deed that we have no desire to impose our own form of government or way of life upon any country of Latin America. At the same time we must make it clear that we will honor a call for help by any Latin American country whose existence and destiny is being threatened by external foreign directed activity.

VI. THE UNITED STATES AND THE DEVELOPING NATIONS

The twentieth century is the era of the developing nations of Latin America, Africa, and of Asia. The United States must stand ready to help these nations and peoples, if they seek our help, to establish their way of life and direct their own destinies.

The forum of the United Nations must be held open to them in their efforts to develop responsible independence, and the services of the specialized agencies should be placed at their behest.

Our era is characterized by an everwidening gap between the social and economic bases of the developed countries and those of the developing countries. This decline in the relative position of the developing countries, accompanied as it is by a population explosion, can lead to dangerous world peace because of increased violence and disorder. New means must be found to close this gap through mobilization of efforts on a worldwide basis, including increased economic assistance from developed countries and greater self-help from developing countries must be prepared to make greater contributions to the United Nations' efforts in this field, through other multilateral arrangements, and through bilateral aid. The goal of alloting 1% of the gross national product to this end as set by the United Nations is not unreasonable and well within the means of the United States.

United States foreign aid to developing countries should be utilized at points of greatest potential. In providing bilateral aid the United States should give priority to those countries which can make the most rational and productive use of such aid. In measuring the efficacy of United States aid, due weight should be given not only to economic considerations but also to the nation-building process including the strengthening of democratic institutions and the consolidation of efforts on a regional basis. The United States should use its financial and economic resources to help the people of weak and developing nations achieve self-government, and should, if requested, provided economic help to prevent them from engulfment or encroachment by foreign powers seeking to impose their own ideologies, disciplines or governments.

Only when asked and only when it is clear that armed force is necessary to thwart a takeover by powers inimical to the welfare of a weak and developing nation should the United States furnish military assistance. In these circumstances the United States should stand ready to give military aid to such a country to oppose imposition of an external power, and should make it clear that its military effort is directed toward that objective alone.

VII. SOVIET UNION AND CHINESE PEOPLES REPUBLIC

AVC welcomes the new initiatives taken to improve relations between the United States and the Chinese Peoples Republic and the United States and the Union of Soviet Socialist Republics.

The years have shown that coexistence with the Union of Soviet Socialist Republics and the Chinese Peoples Republic is not only possible, but is also a necessity if the world is to remain at peace. This should be our modus vivendi for the foreseeable future. Every step should be taken to enhance, improve and expand the spheres of coexistence, whether by more frequent cultural exchanges, increased reciprocal tourist travel, extended trade, etc. If we follow this policy and practice we may find the areas of agreement becoming wider and the differences narrower. The desired result, where people meet people, is that the governments of the USSR and the CPR may no longer be able to insulate their peoples from the ways of the free world and disregard the yearnings of their citizens—which we believe to be the same as ours—for a world at peace and for good will to other peoples of the earth.

VIII. WORLD TRADE

United States trade policies no longer reflect the fundamental transformations that have occurred in the world economy since the end of World War II. Then, U.S. economic policies were designed to restore the shattered economies of war-damaged nations and ultimately provide trading partners and customers for our goods. These policies included: export of U.S. capital and know-how, opening U.S. doors to imports, and the passage of tax laws to encourage American corporations to open shop in other lands. The United States used its military power in both Europe and Asia to act as a shield for demilitarized Germany and Japan—thereby allowing these great industrial states to devote themselves to unburdened growth of their economies.

Although these policies were satisfactory in fulfilling our humanitarian objectives of restoring the war-damaged economies and the political objectives of strengthening these countries against the virus of communism, contrary to our expectations, the revived nations of the world have not been using their expanded buying power to purchase American goods. They have, instead, erected tariff and non-tariff barriers to restrict or bar U.S. made products. Simultaneously, they have subsidized producers in their lands to dump products in the American market. They have used both these devices—barriers and subsidies—to attract, almost compel multi-national corporations of the U.S. to put capital and technology in overseas investments.

As a result, the United States trade balance has been tilting against the U.S. showing a deficit of more than a billion dollars in 1971 and more than 6 billion in 1972. Simultaneously, the multinational practice of closing plants in the U.S. to transfer production to overseas plants has added to the jobless rolls in the U.S.—most disastrously to the "minority" elements who are heavily concentrated in labor intensive trades. Thus, the U.S. finds itself as the great open market in a world of closed markets, with profit-hungry multinational corporations using the productive and selling advantages of these closed markets to dump their wares on the American consumer.

Under these new circumstances the United States must have trade policies that deal with a new situation.

1. We must continue to work for enlarged and expanded world trade and to do so by insisting upon a *multilateral* effort with give and take in the setting of tariffs and quotas. Countries must export as well as import and stabilizing adjustments will have to be made. Where hardships are visited upon domestic industries, effective forms of temporary relief should be provided by appropriate new legislation.

2. This multinational solution must be accompanied by domestic tax policies and regulatory control over the export of American capital and technology so that foreign nations will not be rewarded for their protectionism by the flow of American investments and American know-how into low wage, low tax protected markets overseas.

3. In our help to underdeveloped nations we should seek to raise their standards of living so that they do not remain permanently depressed pools of cheap labor to undermine the working and living conditions of workers in more advanced industrial societies.

Resolution on ILO

The American Veterans Committee commends United States actions at the recent International Labor Organization meetings in Geneva protesting the granting of observer status to representatives of the Palestine Liberation Organization. We support the refusal by the United States Congress to authorize payment of dues to the I.L.O. and favor action by the U.S. State Department to disaffiliate as long as the I.L.O. persists in violating its fundamental role as a specialized agency with membership restricted to bona-fide labor organizations.

Resolution on International Women's Year

AVC takes the occasion of International Women's Year to reiterate its support of the international efforts to establish legally the rights of women everywhere in the political, economic and social spheres of life. Toward that end, we support wholeheartedly the projected United Nations Draft Convention to Eliminate Discrimination against Women. Its adoption by the nations of the world is a necessary first step in the creation of a just and humane world order that will help remedy age-old patterns of sexual discrimination.

Resolution on plight of the Cambodian people

AVC calls upon the United Nations to deal on an emergency basis with one of the most profound impending tragedies in modern times—the consequences attendant upon the expulsion of more than three million Cambodian city dwellers into the countryside where inadequate supplies of food, shelters and medicines threaten their survival.

The United Nations High Commissioner for Refugees and the International Red Cross must immediately appeal to the Cambodian government to permit them to investigate the situation so that the United Nations can, through its appropriate bodies, extend assistance to the unfortunate people whose very existence is at stake. Whatever the political considerations that dictated their course of action, the Cambodian government authorities must be asked on humanitarian grounds to allow the world community to help avoid what can be tragic consequences for a substantial portion of the Cambodian population.

Resolution on the Arab-Israel conflict

AVC reaffirms its long-held view that every effort must be exerted to rid the world of the fear of a breakdown of the uneasy truce that prevails in the Middle East and of new hostilities. We have long recognized that the tensions in the Middle East are the product of both great power conflict and the unresolved issues between the Arab States and Israel. We reiterate our view that the necessary minimum ingredients of a peaceful solution that will be stable and lasting must consist of the following steps:

1) It is primary responsibility of the United States and the Soviet Union to give meaning to détente by jointly deescalating the military situation in the Middle East.

2) Efforts to mediate by other states or the United Nations can only be useful to the extent that they operate on the basis that the principal belligerents formally recognize each other's existence, and agree to deal with each other. Direct negotiations between the Arab States and Israel must take place.

3) The right of self-determination of the Palestine Arab in lands of their own is a key element in reaching a peaceful solution.

AVC has long welcomed and recognized that the United States has an indispensable role to play as a mediator, as well as a guarantor of Israel's right to exist. However, we can only view with alarm and condemn a "reassessment," resulted in what appears to be a not too subtle attempt to apply pressure on Israel to make unacceptable concessions to the Arab States in the absence of the steps outlined above.

AVC favors continuation of U.S. policies that recognize that the State of Israel must be supported in its constant battle to exist as a sovereign nation. It is in the highest interest of our country as a champion of human rights and democracy, to guarantee the survival of the only democracy in the Middle East; our strategic interest demands this; our moral commitment leaves us no alternative.

If "reappraisal" of U.S. policy is deemed necessary in the Middle East, AVC firmly wishes to advise the President, Secretary of State and the Congress that until genuine negotiations are underway, past experience dictates that any "reassessment of U.S. policy must result in greater aid to Israel: more defense equipment to balance the unlimited arms being supplied to the Arabs by the Soviet Union; more economic cooperation to enable Israel to overcome the effect of Arab boycott and the strains of its humanitarian efforts to absorb refugees from the Soviet Union."

*Resolution on Spain and Portugal**

AVC welcomes the indication that Spain is steadily moving toward the legalization of political parties, free trade unions, and a more democratic life thus marking the end of the repressive era of General Francisco Franco. Together with the hopeful events in Portugal that represent a consistent trend toward the stabilization of a new democratic order following the holding of free elections, the way has been opened for these countries to join the ranks of the democratic European states.

AVC calls upon the United States to take appropriate steps to facilitate these new directions by blending its diplomatic, political, and economic efforts to help the peoples of the Iberian Peninsula to shape a democratic future.

*Resolution on South Africa and Rhodesia**

The repressive political practices of white minority regimes in the Union of South Africa and Rhodesia promote racial conflict in Africa and contribute to unwanted world tensions that endanger peaceful relations between states in Africa and elsewhere.

AVC urges the American government to act in concert with the United Nations to ease the transition toward the creation of democratic governments in these troubled African areas that will safeguard the human rights of all peoples without regard to their color, creed, and sex.

*Resolution on democracy in Asia**

The political events of the past year in India, the Philippines, and South Korea mark the continuing growth of repressive and authoritarian government in these areas. The denial of political freedoms of press and political organization subverting democratic government and the arrest and detention of opposition leaders without trial cancelling their democratic rights bear eloquent testimony to the further decline of political democracy in Asia.

AVC calls upon the United States government to express American disapproval of the practices of the current Indian, Philippine, and South Korean leaderships and in supporting the safeguarding of Opposition rights. Great care must be shown in the conduct of foreign relations of the United States with India, the Philippines, and South Korea to in no way indicate American support for the repressive measures that have been undertaken and thereby alienate those who are fighting for their democratic rights and freedoms.

*Resolution on refugees from the Indochinese area**

AVC notes with sorrow that despite the presumed cessation of hostilities in Cambodia, Laos, and Viet Nam, the policies of the newly established Communist regimes are such that a continuing stream of refugees from these areas is being generated.

AVC calls upon the United States government to help ameliorate the unhappy plight of these people who flee from tyranny but in so doing create many difficulties for the neighboring states who must provide for them in their need. A joint program through the auspices of the United Nations High Commission for Refugees and the International Red Cross must be established to meet the human needs of these people seeking freedom and make appropriate arrangements for them to settle elsewhere.

*Resolution on Vietnam war veterans**

News reports indicate that many former soldiers and officers of the South Vietnamese Army are still being held in special camps by the Communist government. AVC as a veterans' organization continues to be especially concerned with the needs of these men.

AVC calls for the application of all international standards and rules looking to their welfare and reintegration without victimization into the new Vietnamese society. We call upon the United States Council of the World Veterans Federation to see to it that the parent WVF body, through its contacts to seek appropriate action by the relevant international agencies and other governments to persuade the Vietnamese Communist authorities to act in a way commensurate with existing international conventions in regard to the treatment of war veterans.

*Resolution on relations with Viet Nam**

AVC has previously taken note of the statements made by the Communist rulers of Viet Nam that they wish to establish normal relations with other states including the United States. AVC agrees that the normalization process conducted in the spirit of establishing international amity is in the interest of all concerned to help remedy the ruinous results of the too long drawn out recent conflict in Viet Nam.

However, it is now clear that the current unification drive in Viet Nam will result in the establishment of a typcial Communist, authoritarian state. There is a consequent denial of democratic rights and liberties to the Vietnamese people that were promised and agreed to during eight years of negotiations between the parties involved in the conflict. Statements by Communist leaders and official pronouncements of the Communist government underscore their views that there is no room for free political competition in the newly unified Viet Nam and the election of their new national assembly was so conducted.

These events do not contribute to or facilitate the establishment of normal relations particularly when there still remains the unsettled resolution of the thorny issue of Americans missing-in-action in Viet Nam to exacerbate American opinion.

Nonetheless, AVC feels that there is merit in persistent efforts by the U.S. State Department to keep open channels of communication in an effort to resolve disputed issues. There is no need to repeat the nonrecognition experience of over twenty years duration in regard to the Peoples Republic of China with the Democratic Republic of Viet Nam. Establishing new regional arrangements for peace in Southeast Asia is in the interest of both Communist Viet Nam and the United States.

(NOTE.—Resolutions that have an asterisk* are new, passed at the 1976 Convention.)

WAYNE L. HAYS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, as this Congress draws to a close, I want to say a few words of appreciation for our former colleague, Wayne Hays of Ohio.

I am not going to comment on Congressman Hays' alleged misdoings. More than enough has been said on that subject by the media, and Congressman Hays has resigned from the House under fire. His sudden fall from a position of extraordinary influence in the House to the status of a former Member is one of those extraordinary turns of the wheel of fate that occur in politics; certainly these events have caused Mr. Hays intense suffering, and he has accordingly been punished for whatever wrongdoing he committed.

But there is another side to Wayne Hays' record in the Congress, and it deserves some mention.

Wayne Hays was, first of all, a formidable debater. There was no one who could be more pungent and forceful on the floor of the House. While he was sometimes in opposition to the Democratic leadership, most of the time his considerable talents were used on behalf of progressive legislation in the mainstream of the Democratic Party's philosophy. When he was against you, look out! But when he was with you, he was a great ally. There were many examples of this, but I particularly recall Hays' leadership in the fight to preserve the American countryside against the depredations of the strip miners.

I served two years on the House Administration Committee under Hays' chairmanship. He was—somewhat to my surprise, I have to admit—a very fair, as well as an effective, chairman. During that Congress the first fair election practices bill was enacted into law, and Wayne Hays played a major role in that achievement. The bill that he first introduced, I recall, was based on the Ohio statute and was a very tough bill indeed. He opposed some provisions that I believed in, but on the whole his role was a constructive one. Without his support, no bill could have been passed.

One of the tough assignments Wayne Hays took on in his years in the House was the chairmanship of the select committee to investigate the charges of wrongdoing made against the late Adam Clayton Powell. The consensus was that he carried through this assignment in a fair and able manner.

Wayne Hays also served for years as chairman of the subcommittee overseeing the operations of the State Department. While I was not a member of the subcommittee, I am informed that he was a fair chairman there also, and that he took a great interest in the workings of the Department. Among other things he is credited with having been responsible for saving the U.S. taxpayers millions of dollars in terms of astute handling of U.S. landholdings and buildings in foreign capitals.

When in 1972 I proposed legislation to authorize $85 million to assist Israel with the gigantic task of absorbing and resettling tens of thousands of immigrants from the Soviet Union, my bill was referred to the Hays subcommittee. He was entirely sympathetic to my proposal and included the necessary authorization in the legislation which he reported to the full committee. When the item was questioned there, he effectively defended it. Each year since then, he included at my request in the State Department authorization bill an amount for the same purpose, although the administration consistently refused to include any such item in its budget proposals. The State of Israel and many thousands of refugees from the Soviet Union have reason to be grateful to Wayne Hays for this consistent support of this program.

Another matter within my personal knowledge is that, in his capacity as chairman of the International Operations Subcommittee, Wayne Hays showed himself to be sympathetic to the problems of our foreign service wives.

In the field of foreign policy, I often differed profoundly with Wayne Hays, but there were also times when we were on the same side. For example, he was one of the first to announce vigorous opposition to the junta regime in Greece, and it was his amendment that cut off aid to that nefarious group.

I could go on at length, but I think I have made my point. In many ways, in addition to being a colorful personality, Wayne Hays was a useful Member of the House of Representatives. His achievements, as well as his mistakes, should be remembered.

A U.S. DILEMMA

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I would like to bring to the attention of Congress an FAA program that is of increasing concern to all of us associated with aviation. This is the $70 million program to establish a replacement for the current instrument landing system, or ILS. The new system, called the "microwave landing system" or MLS, is currently the subject of international negotiations. There are indications that the negotiations will stalemate.

This is extremely unfortunate in that we have a crying need in this country for this new system. Many small American community airports need an instrumented landing system. The old ILS is not feasible, because of certain limitations on its capabilities. MLS provides the much needed alternative.

At our larger airports, the saturation of ILS frequencies has created a need for additional frequency availabilities such as those contained in the MLS spectrum. Also, the problem of jet noise around airports has caused airport operators to look hopefully to MLS. With MLS, aircraft could safely make curved approaches into airports, avoiding some towns now being overflown and affording relief to many of our citizens.

Probably the greatest need for a new microwave landing system is that of our own military. The Army has been gearing their latest helicopter development program to the implementation of MLS. Several years ago, the Army discarded its own proposed landing system on the assurance that MLS would be available for their new helicopters by the time production began. The Army, believing that standardization and interoperability of their system with that of the other services and NATO would be more cost-effective and more rational, proceeded on this assurance.

Because of difficulties in international negotiations, the MLS is now lagging behind the Army helicopter schedule. And, from all indications, the Army program will continue on schedule and the international situation on MLS will continue in deadlock. Because of this situation, the Army feels that the United States may be forced into making a decision independent of the international decision.

I am basically opposed to such an independent decision. I believe that we should firmly support international agreement on a standardized, worldwide aircraft landing system. However, if no such agreement is in the offing, if we are facing several years of stalemate in the international arena, then I see no alternative but for the United States to satisfy its very pressing requirements and to move ahead with an urgently needed microwave landing system.

I cannot overemphasize that I would much rather have an international decision rather than an independent decision on this issue. But as of now, there seems to be little hope of this.

Briefly, the international situation is this. The International Civil Aviation Organization—ICAO—is waiting for a technical panel to submit a recommendation on which microwave landing system will be selected to replace the present ILS. This working panel, known as the All-Weather Operations Panel—AWOP—has basically narrowed down the competition to two systems. They are the British "doppler" MLS and the U.S. "scanning beam" MLS.

I will not go into technical comparisons of the two systems. Let me just say that recent hearings before my subcommittee have revealed that the two systems are essentially equal in cost and performance. The British system, however, is faced with a technical problem that is being worked on. If this problem is resolved in the very near future, as the British confidently project, it appears that either the United States or British system would satisfy all requirements for an ILS replacement.

Here is the root of the difficulty, since a clear technical consensus has not been achieved, politics have begun to seep into the working panel's deliberations. The lack of a technical consensus has enabled parochial interests on the part of the 10 members of the panel to emerge.

The United States and British are solidly entrenched behind their own particular systems. The other members are lining up on either side depending on their own national interests. Some of these members are even predicating their votes on a desire to stalemate the proceedings. Such a stalemate can be achieved rather easily in that ICAO requires a near-unanimous decision from the panel before implementing a worldwide ILS replacement. With the current situation in the panel, a near-unanimous decision appears virtually impossible.

Thus, in spite of the fact that MLS is technically ready for implementation, and the fact that there is a crying need for such implementation, we are faced with a long, indefinite and intolerable delay in ICAO.

What can be done to salvage this situation?

First, I am urging the FAA to work closely with the British within ICAO to resolve their differences expeditiously. One possible method may be to permit testing of the doppler system at mutually agreeable sites. Second, I am appealing to ICAO, through the FAA and State Department, to modify its requirement for a near-unanimous decision from the panel. For example, in the face of a stalemate, perhaps a resort to majority vote would be an acceptable solution.

These two steps, if undertaken successfully would serve to break the deadlock in ICAO, would allow our Army program to proceed on schedule, and would assure a timely and orderly transition to the much needed microwave landing system.

I sincerely hope that the plan I have outlined here is given thoughtful consideration, as well as any other plan that might break the ICAO deadlock and give us a timely international agreement. For international agreement on such a matter is of paramount importance. We do not want to move unilaterally on this issue unless absolutely necessary. Unfortunately, this absolute necessity is fast approaching.

DANGEROUS AIRCRAFT

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I have today introduced H.R. 15854, a bill to prevent the use of surplus military aircraft in air commerce. I realize that we can take no action on this measure during the 94th Congress. Today's introduction will serve notice of intention to pursue this matter in the 95th Congress.

The U.S. Armed Forces have been and are continuing to release obsolete, worn out or damaged aircraft. These are the so-called "war surplus airplanes." The surplus airplanes are sold to the highest bidder among the general public.

Normally the surplus airplanes are sold to salvage dealers who recycle the metal parts. A few go to museums and small utility aircraft are sometimes used by State agencies.

As a general rule, surplus military aircraft are not safe for civilian flight use. This is particularly true in the case of large helicopters and air transport aircraft. Even the smaller aircraft are safe for civil use only after extensive overhaul, records inspections, and modifications.

One might logically pose the question: "If the airplane was flying in the military service, why can it not be flown in the civil realm?"

The answer is a bit complicated, but very important. In the military services, aircraft are constantly maintained by trained mechanics. It is inspected daily under a very disciplined maintenance system. Since the airplanes are regularly maintained, the military has a different parts life tolerance. For example, the tail rotor on civilian helicopters must be changed at a certain life span. The military will change the tail rotor only when it reaches certain wear tolerances. This practice is safe for the military because they have the tools, measurement equipment, and trained mechanics to immediately detect the wear tolerance. Civilian operators of this type of equipment do not have either the daily maintenance attention nor the tools and equipment to make the critical measurements. If civilian operators utilized the same manpower, tools, and equipment to maintain military maintenance standards, the aircraft would not be economically feasible.

In civilian flying, FAA manufacturing standards are much higher than the military but operating maintenance standards are lower. In other words, the public is protected by requiring manufacturers to build a better airplane originally. Further public protection is provided by FAA requirements of periodic overhauls and parts life restrictions. For example, certain parts such as helicopter rotors, transmissions, and engines can be used only for a limited number of hours. After that time, they must be either replaced or overhauled.

Mr. Speaker, the bill that I have introduced today would prohibit the Secretary of Transportation from issuing a civil certificate for aircraft that had been declared surplus by an Armed Force of the United States, if the surplus aircraft is to be used for transporting persons or property for compensation or hire.

Our citizens are entitled to the same degree of protection when riding in a war surplus airplane as that provided by usage of normal commercial airplanes. Passage of this act will insure that protection.

NEW DIRECTIONS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, Dr. Russell Peterson is leaving his post as Chairman of the President's Council on Environmental Quality, after distinguished service in that post, to become president of New Directions, a new citizen's lobby for environmental and political efforts on a global level.

This departure was well noted at the Symposium on Wildlife and America at the Mayflower Hotel this week, in an address by Environmental Protection Agency Administrator Russell E. Train.

His remarks on Dr. Peterson, plus a press release-summary of the balance of his speech are included here for my colleagues' review:

REMARKS BY THE HONORABLE RUSSELL E. TRAIN

I would, under any circumstances, have regarded it as a very personal pleasure and privilege to be able to take part in this landmark symposium on "Wildlife and America." But what sets this occasion apart as something very special—not only to me but to everyone in this room and to all people everywhere who are involved in the environmental effort—is the fact that it marks a happy and fitting conclusion to the career as Chairman of the President's Council on Environmental Quality of one of the world's most distinguished and dedicated environmentalists, Dr. Russell Peterson.

As you well know, the past few years have not always been easy ones for environmentalists in Washington, and the fact that the environment has fared as well as it has is, in no small part, a result of Russ Peterson's courageous and cogent efforts on behalf of environmental concerns. I know that he will be a most eloquent and effective leader of the new citizen's lobby for global environmental progress. I might add that I would not be surprised if one of his first major efforts was to lobby for the ratification of the endangered species convention by the several major countries who have yet to endorse it. May I express, on behalf of all of us, our thanks for all he has done and our best wishes—and, above all, our support—in his important new effort.

INTERESTS GOVERNING WILDLIFE TOO NARROW, TRAIN SAYS

The Nation's guardianship of its wildlife resources has been too often governed by narrow interests and near-term concerns, Environmental Protection Agency Administrator Russell E. Train asserted today.

All too often, he told the Symposium on Wildlife and America meeting in Washington, the Nation's wildlife have been treated "as an income-producing and interest-serving property in the most myopic sense, rather than a rich, and irreplaceable reservoir of natural capital that we should seek to conserve."

In his address, entitled "Who Owns American Wildlife?", the EPA Administrator said that the wildlife legacy, in which the Nation's public lands play a major role, is a responsibility of all Americans.

"Wildlife on the Nation's public lands—indeed on all our lands," he said, "belongs to all of the people. Our Government, and we as citizens, hold this heritage in trust for future generations. Our great grandchildren have not only an interest, but a right to a diverse and abundant wildlife, and we have an obligation to insure it for them."

He asserted, however, that "ownership by the people does not mean ownership by the few private interest groups that may actually and immediately use a given wildlife resource, whether for hunting or fishing or for birdwatching and photography."

Train declared that "the non-consumptive use of wildlife, such as photography and viewing, is the largest and fastest-growing use of the resource.

"But despite broader interest in and uses of wildlife," he said, "the Council on Environmental Quality estimates that $97 out of every $100 spent by the Federal Government on wildlife management goes to less than three percent of the species, the ones used for hunting, trapping or fishing."

There is, Train continued, "increasing recognition that the distribution of funds for State and Federal activities concerning wildlife, as well as the aim and shape of those activities themselves, have been governed by a definition of wildlife that is far too restrictive.

"State and Federal officials can no longer be content with only satisfying the traditional constituency of hunters and other sportsmen."

Emphasizing the Nation's failure to uphold its responsibility for wildlife protection, Train described a typical piece of public land, on which, he said, "the diversity and abundance of wildlife, and the health and stability of the vegetable cover have deteriorated to the point where it is doubtful whether they could return to a healthy, natural state without a healthy dose of wise, human help.

"Thus, throughout much of our public lands have we failed to fulfill the two major premises of the public trust concept—that the national system should not be altered beyond its ability to maintain itself, and that its wildlife resources should not be wasted."

Train said that "wildlife activities at State and Federal levels should be redirected and redesigned to reflect a definition of wildlife that embraces all living animal life, both vertebrate and invertebrate, from butterfly to moose—a definition that implies that while some species may be more important than others at different times, at different places and for different reasons, each is an integral part of the wildlife resources we are responsible for maintaining."

"We have begun to understand," Train also said, "that the connection between our health and well-being and that of the natural world may be far closer than we thought. We are, for better or worse, a part of the natural world and the natural world is a part of us."

HUGE SAVINGS FROM THE NEW RECORDS MANAGEMENT BILL

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, I rise to support H.R. 13828 with the Senate-passed amendment. As Chairman of the Government Activities and Transportation Subcommittee of the Government Operations Committee, I was proud to handle this bill, the Federal Records Act Amendments of 1976. When, last August 24, it was agreed to by the House, it passed on a record vote of 394 to 0.

Twenty-six years ago, the Federal Records Act of 1950 assigned to GSA the job of taking the lead in Federal records management, part of that job was to help other Federal agencies. The 1950 law has been changed very little until now. But the annual volume of new records we create today is more than twice that of 20 years ago. The annual cost has ballooned from $5 billion to nearly $18 billion.

The 1950 law lacks the clear structure needed for today's conditions. While not changing the basic mission of GSA, the new bill does these main things: first it improves definitions of several key terms, such as "records management" and "records"; second, it sets forth clear records-management objectives; and third, it enumerates GSA's responsibilities, which include setting standards, making studies and inspections, and reporting fully to Congress each year.

The Senate has added one amendment, which assures that in carrying out records inspections for records management purposes, GSA personnel will be subject to the legal restrictions and sanctions of Federal laws relating to protection of individual privacy and of other applicable laws.

The bill, with the Senate amendment, is expected to result in substantial savings. Even a 1-percent improvement in records management practices could yield as much as $180 million yearly in Federal savings. House concurrence in the Senate amendment will be a big step up the hill to economy and efficiency in Government operations.

ON PROVIDING ASYLUM TO REFUGEES ENDANGERED IN ARGENTINA

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, hearings held this week before the Subcommittee on International Organizations of the House International Relations Committee confirmed what many of us concerned about Latin America have suspected: systematic violations of human rights are occurring in Argentina. The witnesses were unanimous in their denunciations of the present military junta ruling Argentina. Father James Weeks, an American Roman Catholic priest who was detained for 10 days on charges of "subversion," testified that he was virtually kidnaped by Argentine police who broke into his house and terrorized him and five seminarians living with him. He also recounted a gruesome story of a husband and wife who were imprisoned and tortured for no apparent reason. The repression, as in so many cases, has become nearly indiscriminate.

Burton Levinson of the Antidefamation League testified about the resurgence of anti-Semitism in Argentina. The anti-Semitism has gone beyond simple propaganda: several Jewish synagogues and shops have been bombed. The Argentine Government has moved much too slowly against this problem. While some of the anti-Semitic, neo-Nazi literature has recently been banned, other anti-Semitic tracts are flourishing, and not one right-wing terrorist has been arrested. In fact there is some evidence that suggests that the Argentine Government tacitly approves of the terrorism of the right wing.

Rev. J. Bryan Hehir of the U.S. Catholic Conference testified that the attacks on Catholic priests in Argentina—arrests, kidnapings, and murder—have reached such an intolerable level that Pope Paul VI has intervened personally. On September 27 Pope Paul VI, in receiving the credentials of the Argentine Ambassador to the Holy See, departed from formalities and spoke of "the anguish of those who have been dismayed by the recent events that have cost precious human lives, including those of several churchmen, under circumstances that have still not been adequately explained." While the language is one of diplomatic understatement, it is clear that the Holy See views the Argentine situation with concern and alarm.

Two Argentine exiles also testified about the repression in Argentina and the plight of the South American refugees now being persecuted in that country. Both of these exiles deflated the image of President Videla as a "moderate." They charged that decisions are made collectively by the junta, and the actions of the government have Videla's approval. Perhaps most frightening is that military governors of each province have virtually complete power. For example, in Cordoba, General Menendez is known to be especially cruel. When the exiles were asked during the hearings if Videla could dispose of Menendez, their reply was that the opposite was true: Menendez could probably replace Videla.

There seems to be little disagreement that the Argentine situation is extremely serious. What then should be the response of the United States? I believe that if the repression does not end, we should cut off all military assistance to Argentina and withdraw our military mission. Certainly the time from now until January will serve as an adequate period to monitor the situation and evaluate the junta's attempts to curtail the terrorism of the right-wing and end its own mass jailing of political prisoners.

But there is something that the United States can do right now which will help save lives and relieve the repression. There is a community of 20,000 political exiles in Argentina who fled repression in their homelands of Chile, Uruguay, and Bolivia and who are now the target of persecution by right-wing groups cooperating with the police of Chile, Uruguay, and Bolivia. The U.N. High Commissioner of Refugees has asked member countries to accept 1,000 refugees from Argentina. The State Department, recognizing the gravity of situation, has responded, and the Justice Department has asked the Congress for consultation before establishing the parole visa program for these refugees. In order to demonstrate congressional support for this program, Senator Kennedy, Congressman Fraser, and I introduced House Concurrent Resolution 656, calling upon the Attorney General to parole into the United States a number of South American refugees now in Argentina. I am encouraged by the amount of support the resolution has received. There are at present 61 cosponsors in the House, and I understand that the Senate has shown a great amount of support for the program.

Mr. Speaker, our country has a proud tradition of accepting refugees fleeing persecution. We have rightly taken in refugees from Hungary, Cuba, and Vietnam. We should do no less for those fleeing right-wing repression in Chile, Argentina, and Uruguay.

The list of cosponsors follows:

Abzug, Badillo, Baucus, Bedell, Boland, Brown (Calif.), Burke (Calif.), John Burton, Phillip Burton, Chisholm, Collins (Ill.), Conte, Dellums, Downey, Drinan, Edwards, Fenwick, Flood, Fraser, Gilman, Gude, Harkin, Harrington, Heinz, Holtzman, Koch, Krebs, Lehman, McHugh, Metcalfe, Meyner, Mezvinsky, Mikva, Mitchell (Md.), Moorhead (Penna.), Moffett, Mosher, Moss, Nix, Ottinger, Pattison, Peyser, Rangel, Rees, Richmond, Riegle, Rosenthal, Sarbanes, Scheuer, Seiberling, Simon, Solarz, Stark, Thompson, Tsongas, Udall, Waxman, Weaver, Wilson (Texas), Wirth, and Wolff.

AMERICAN FIRMS THAT PLACE PROFITS ABOVE CONSCIENCE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, at this moment the Senate is still frustrated as a result of a filibuster entered into by Senator John Tower at the behest of the administration, seeking to prevent the House-Senate antiboycott provisions from being brought back to both Chambers for a final vote. His efforts appear to be assisted by the Ford administration which has fought any antiboycott legislation from the beginning. The administration has sought to placate those of us, who believe that American citizens should not be required by a foreign power to discriminate against other American citizens, with grossly inadequate administration requirements which in fact protect the boycotters and do not prohibit the boycotts.

The administration's position is supported by major business companies more interested in profits than morality. I would like to identify those businesses whose officers have written to me in support of the administration's position and in opposition to antiboycott legislation. The names follow as does my response to each of those sending letters to me on the subject:

J. C. Blauvelt, Senior Vice President—American Cyanamid Co.

Howard W. Blauvelt, Chairman—Continental Oil Co.

C. F. Seibert, President—Pall Trinity Micro Corp.

H. C. Kauffmann, President—Exxon Corp.

Ruddick C. Lawrence, President—U.S. Arab Chamber of Commerce Inc.

J. B. Sunderland, President—American Independent Oil Co.

Lee L. Morgan, President—Caterpillar Tractor Co.

WASHINGTON, D.C.,
September 30, 1976.

DEAR SIR: I have your letter concerning the extension of the Export Administration Act, and your opposition to the anti-boycott provisions which have been included in both the House and Senate versions of the Act. I am surprised that you take that position. Assume for a moment that South Africa decided that it would not accept merchandise from the United States unless there was a certification that no Blacks had worked on the project, that no Black-owned subsidiary had provided any of the parts, or that the companies involved had done business with Black ruled nations of Africa. Would you take the position that the sovereign United States government should permit such dictation and allow American companies to so certify?

In any event, my position is that Americans should not permit themselves to be divided and required by a foreign government to engage in boycotting one another. My conscience, and I hope yours, will not permit that.

All the best.
Sincerely,
EDWARD I. KOCH.

HOW LONG MUST THE HANDICAPPED WAIT FOR ACCESS TO THE CAPITOL?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in the summer of 1975 I exchanged several letters with Mr. George M. White, Architect of the Capitol, concerning the Capitol and Hill office buildings' accessibility to handicapped individuals confined to wheelchairs. I was particularly disturbed that there were no ramps to the House office buildings on Independence Avenue and C Street, making it virtually impossible for any person in a wheelchair to enter and leave these buildings without assistance. I was pleased at that time to learn that $2,700,000 had been appropriated for 1976 to remove barriers to the handicapped throughout the Capitol buildings and grounds.

It is now more than a year later and as I look about the Capitol I regret to say that little more than a minimal effort has been made to increase the Capitol's accessibility to the handicapped. This year, Mr. White has told me that alterations planned for in the 1976 appropriations bill will "be completed no earlier than 1978 due to the complexity and unforeseen conditions discovered in alterations to existing buildings."

Mr. Speaker, I think that this delay is outrageous. How difficult and how expensive would it be to place temporary ramps on the Independence Avenue and C Street entrances to the House office buildings? And is it really too much to expect that curb cuts for wheelchairs be provided on all corners and on both sides of the street instead of on just one side? Ridiculous as it may seem, for example, at the intersection of First Street and Independence Avenue SE., there is a curb cut on the Madison Library side of First Street, but not on the Cannon Office Building side. It takes no more than commonsense to realize how dangerous it is for a wheelchair to be able to get onto the street from one curb, but to be unable to get over the curb on the other side.

This is an intolerable situation. The handicapped members of our society face enough barriers in their day-to-day lives. How long must they now wait for equal access to our Nation's Capitol?

My recent correspondence with Mr. White is appended:

WASHINGTON, D.C.,
September 27, 1976.

Mr. GEORGE M. WHITE,
Architect of the Capitol,
Washington, D.C.

DEAR MR. WHITE: I should like to refer to the correspondence that you and I had in the summer of 1975 concerning problems encountered by handicapped visitors to the Capitol as they try to enter and leave Capitol buildings in wheelchairs. I would appreciate knowing what physical barriers you have removed in the intervening time, which exceeds a year. As I look about, I see that the entrance to the House office buildings on Independence Avenue and C Street still have no ramps and that several intersections are still missing curb cuts on one or both sides of the street. Indeed, there is the bizarre situation where there is a curb cut on one side of the street but none on the other, such as at the intersection of 1st Street and Independence Avenue, S.E.

The Congress adjourns this Friday. It is my intention to make a statement on this subject on Thursday before we adjourn, bringing the Congress up to date on what your office has done within the past year to make our Capitol more accessible to the nation's handicapped.

I would appreciate your providing me with a detailed letter setting forth your accomplishments. It would be most helpful if you would expedite this matter and provide me with the material by Wednesday noon, so that I could include your letter in the statement I place in the Congressional Record.

All the best.

Sincerely,

EDWARD I. KOCH.

WASHINGTON, D.C.,
September 29, 1976.

Hon. EDWARD I. KOCH,
Member of Congress,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Your letter of September 27, 1976 to the Superintendent of the House Office Buildings, requesting a progress report on removal of barriers to the handicapped, as been referred to me for reply.

As you may be aware, the Legislative Branch Appropriation Act, 1976 (89 Stat. 290) authorized the Architect of the Capitol to expend up to $2,700,000 "for alterations and improvements to provide facilities for the physically handicapped in the Capitol, Senate and House Office Buildings, Capitol Grounds, Library of Congress Buildings and the Botanic Garden . . .". On January 19, 1976 a contract for architectural and engineering services was awarded to Edward H. Noakes, Architect, of Washington, D.C. My office and Mr. Noakes are presently engaged in the preparation of schematic, design development and final working drawings and specifications for the project, following which public competitive bids will be sought for execution of the work. I estimate that the project will be completed no earlier than 1978 due to the complexity and unforeseen conditions discovered in alterations to existing buildings. A preliminary list of the projected alterations is enclosed. In the meantime, as you may know, interim installations have been completed in each building to afford access for the handicapped to at least one, and usually several barrier free toilet rooms per sex, and one barrier free telephone, building entrance, and drinking fountain.

I appreciate your interest in this important project and would, of course, be pleased to provide any other information you may deem desirable.

Cordially,

GEORGE M. WHITE, FAIA,
Architect of the Capitol.

Facilities for the physically handicapped—Breakdown of estimate of cost

1. Toilet rooms, 100 at $5,000	$500,000
2. Elevators, 12 at $10,000	120,000
3. Vestibules in lieu of revolving doors, 7 at $40,000	280,000
4. Power-activated doors, 15 at $4,000	60,000
5. Ramps, 30 at various costs	450,000
6. Drinking fountains, 75 at $1,600	120,000
7. Telephone booths, 50 at $1,200	60,000
8. Mail slots, 14 at $500	7,000
9. Galleries, 2 at $25,000	50,000
10. Counters lowered, 8 at $1,000	8,000
11. Subway platforms, 12 at $1,000	12,000
12. Tunnel handrail	3,000
13. Curb cuts, 200 at $500	100,000
14. Signage	100,000
15. Miscellaneous	130,000
Subtotal	2,000,000
Contingency at 15 percent	300,000
Administrative costs and architects' fees at 20 percent	400,000
Total	$2,700,000

MAINTAINING BALANCE BETWEEN THE ENVIRONMENT AND USE OF NATURAL RESOURCES

(Mr. SKUBITZ asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, as ranking minority member of the House Interior Committee, I have worked diligently to maintain a balance between environmental concerns and the effective utilization of our natural resources, especially those resources on public lands. Permit me to say, I believe this House during the 94th Congress has performed reasonably well in sustaining such a balanced approach to resource utilization.

I wish I could say as much for the executive agencies, especially some of the agencies in the Department of the Interior.

I could recite many examples of the mistakes the Department has made, but today I want to place in the RECORD, not my views, but the views of the Governor of my State of Kansas. The Governor addresses only the issue of endangered species, but unfortunately it reflects some of the prejudice that seems to reappear in too many unnoticed administrative decisions that flow from the Department—that is, unnoticed until after the fact.

Not only does this letter point out some of the ridiculous decisions made by our executive departments, but more importantly, it points out the need for Congress to examine the process by which the decisions are made:

JULY 22, 1976.

Mr. LYNN A. GREENWALT,
Director, Fish and Wildlife Service, U.S. Department of the Interior, Washington, D.C.

DEAR MR. GREENWALT: This indeed has been my red letter day for I received not one, but two letters from your service about the very important federal program to protect endangered and threatened wildlife and plants. Referring first to your letter of June 25th relating to wildlife, I was elated to know of your continued analysis of the data you have received on the Mexican Beaver and the Southern Sea Otter. I am sure that your efforts will bear great fruit and furnish additional grist for the federal government mill. At the same time, the thought that the Peregrine Falcon, the Himalayan Monal, the Tibetan Snowcock, the Bengal Florican, the New Zealand Parakeet and the Principe Parrot may neither be considered threatened nor endangered is a matter of considerable moment and concern. I will wait with breathless anticipation for your next communication on this subject.

Even more distressing, however, was the news that some of my fellow governors did not receive notice of your potential declaration on two of the pearly mussels and on the Marianas Mallard. I am glad you corrected those oversights which must have been matters of high governmental priority in each of their jurisdictions.

I have reviewed your listing and have no objection to your proceeding to protect these two pearly mussels and the Marianas Mallard in the State of Kansas. I assure you that if we come upon any of the three they will be accorded every courtesy appropriate to the circumstance.

As I indicated, I was blessed with two of your letters with enclosures. The second related to the designation of endangered and threatened plants, likewise an obvious matter of compelling government concern. As near as I can tell, after reading some 82 pages of your work effort the only plant listed for Kansas is Mead's Milkweed. In Kansas, we'll do the best we possibly can to discourage the commercial collection and interstate sale of this "taxa." This may come as a substantial blow to the economic growth of our state but a blow which we'll make every effort to survive.

In this regard, we have received distressing news that the sovereign state of Iowa has declared the Sunflower to be a noxious weed. With this declaration, the Sunflower which is the study emblem of our state, is obviously both threatened and endangered in the State of Iowa. As you consider protection for the Bitter Weed in Texas, Barbara's Buttons in Alabama and Georgia, and the Goldenrod in Kentucky, Georgia and North Carolina, it might not be inappropriate for you to give consideration to the unfortunate and now dangerous plight of the Sunflower in Iowa. I make this suggestion, not as a matter of false pride but out of fear that these ambassadors of Kansas goodwill that now bloom brightly in our sister state may be driven to extinction, ultimately leaving Kansas as their only habitat of happiness. It seems obvious to me that Iowa should be declared a "critical habitat" for the Sunflower. A fearless flexing of the federal muscle in this regard would clearly rival if not completely surpass your eternal concern for Mead's Milkweed, the Mindoro Zone-Tailed Pigeon, the Orange-footed Templeback and the Fat Pocketbook Pearly Mussel, a challenge worthy of any enterprising federal bureaucrat.

You have asked that I furnish you with the name and address of the person, office or agency within my state currently responsible for endangered plant matters and with whom you should correspond. In Kansas, historically and traditionally the protection of plant life has appropriately been vested in the Kansas farmer, who but for federal intervention and control has done a pretty good job of protecting and preserving the environment, but with your federal rules and regulaitons he too is becoming endangered and threatened and may find his name on your list in the years to come.

Under the circumstances, if you must correspond on matters of such moment, please feel free to continue to correspond with this office.

Very sincerely,
ROBERT F. BENNETT,
Governor of Kansas.

P.S. Since you apparently are committed to the dispensation of valuable information to the general public, perhaps you would be kind enough to share with me the total federal cost for this program, both direct and indirect.

INTRODUCTION OF AUTOMOBILE REDUCTION BILL

(Mr. JONES of Alabama asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. JONES of Alabama. Mr. Speaker, on Tuesday of this week I introduced H.R. 15731, the Federal-Aid Highway Act Amendments of 1976, which provides for a $2 billion annual increase in authorizations for the Federal-aid primary highway system.

My purpose in introducing that legislation was to emphasize the need for improving the primary highways of this country. It is my view that we can no longer continue to pour more automobiles on these highways unless we retain and increase the efficiency of our existing system.

I am further of the view that if we do not make a concerted effort to increase the efficiency of our highway system then we should make a concerted effort to reduce the burden on that system.

I, therefore, am introducing today a bill which will limit the sale and importation of automobiles in calendar year 1977 and subsequent calendar years to 90 percent of that which took place in 1976.

Although this may appear to some to be a drastic step, I believe that it is time for decisive action. The alternatives before us are simple: Build the capacity or remove the problem.

This bill is actually only a modest approach toward reducing the number of automobiles on the highway. Obviously a level of 90 percent of 1976 sales will continue to add to the highway burden. It will, however, establish a limit. Closer examination of the problem in the future may produce an even greater reduction.

The issue must be faced soon, however, Mr. Speaker, or our excellent transportation system is in peril.

I urge the 95th Congress to consider this a top priority item next year and to approach it with all of the diligence and tenacity of which this body is capable.

FIFTH ANNUAL CORPORATE TAX STUDY

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, I present to the Congress today the results of my fifth annual corporate tax study. The figures contained in this study are the product of several months of very hard work by congressional accountants, both on House committee staffs and audit agencies of the Congress. The study continues in the format of my previous tax studies. The work was done by extremely capable and competent professionals.

The companies included in my first—1971—corporate tax study were taken from Fortune Magazine's "Top 100" along with some additional nonindustrials to give an idea of how other major corporate areas were being affected by taxes. Since then, companies have entered the "top" lists, and they have been incorporated into the study. No attempt was made to include particular companies or particular areas of the domestic economy. All in all, the companies included in this study are a representative cross section of America's largest corporations and conglomerates.

The study obtained tax year 1975 data for 148 companies. Sixteen companies had losses or did not report their finances in a manner that allowed the accountants to compute effective tax rates.

As I have each year I have done the tax study, I want to stress that the figures are approximations. Source figures are obtained from the only public reporting required of regulation S–X, rule 3–16(o), income tax expense. While the SEC figures are very helpful in computing effective rates, they obviously are not as precise as actual IRS returns which are not available for this purpose.

The figures may, as in previous years, reflect the tendencies of companies to understate some figures while overstating others. For this reason, and because the accountants have taken every precaution to be conservative, I state again that if anything, the computed effective tax rates are extremely generous to the companies. If there are discrepancies with actual returns, it is most likely that corporations are paying even less in effective Federal income taxes than indicated by this study.

As in years past, Mr. Speaker, the study shows that some of these large companies pay absolutely no Federal income taxes at all. In 1975 a total of 11 companies escaped Federal income taxes completely. In comparison, tax year 1974 saw only eight companies going tax free. The 11 companies listed in table I paid no current Federal income taxes despite an approximate adjusted net income of more than $1.1 billion.

While tax year 1974 saw 18 companies paying between zero and 10 percent, this 1975 study shows 26 companies have been able to fit themselves in this particular low tax bracket. Table II lists these companies.

Mr. Speaker, readers should remember that the corporate tax rate, unlike the progressively scaled individual tax rates, is a statutory 48 percent. It is an exception, as this study shows, if a giant company pays even 40 percent in effective Federal income taxes, let alone the 48-percent corporate rate.

But I must stress that these companies are apparently able to reduce their U.S. income taxes through entirely legal means. The companies have made the utmost advantage out of every one of the Tax Code's "stimulants" that seek to promote one beneficial end or another; they have used every tax "incentive" or deferral permitted under law.

While the Tax Code has unfortunately developed into a tax lawyer's paradise of exemptions, exceptions, special provisions, and benefits, these features mostly apply to corporate taxpayers. While individual taxpayers and small businesses also have special tax measures that reduce their tax rates, the amount is practically insignificant compared to corporate business sector tax benefits.

Overall, the 148 companies whose data allowed tax rate computation paid an effective Federal income tax of 21.2 percent, down more than a full percentage point from tax year 1974's 22.6-percent average. These figures are not even half of the 48-percent statutory corporate tax rate.

In addition, the study shows that while the 148 companies paid almost $20 billion in taxes to foreign governments, they paid only half that figure in Federal income taxes to the U.S. Government.

Companies will be quick to assure the public that they pay and have paid much more in "taxes" to the Government than indicated by this study. Readers should be aware that this study refers only to Federal income taxes. It does not include the myriad of nonincome-related taxes that can include sales taxes, excise taxes, State, city, or local taxes, franchise taxes, taxes to foreign governments, et cetera. All of us must pay these additional taxes, Mr. Speaker, but as a Member of the U.S. Congress and particularly the House Ways and Means Committee, I am specifically concerned about Federal income taxes.

SIGNIFICANCE OF FINDINGS

Mr. Speaker, the results of this fifth corporate tax study reinforce what previous studies have indicated:

Corporate America's contributions to the Federal Treasury in Federal income taxes has continued to decline. While the percentage of Federal receipts from corporate income taxes has been as high as 22.7 percent in 1967, table III shows that corporation income tax payments amounted to only 14.4 percent of total Federal tax receipts in 1975. The figure was 14.6 percent in 1974. If large corporate contributions to the tax structure continue to decrease, individuals' and small businesses', plus miscellaneous personal taxes, will have to be raised to make up the difference.

Corporate America is paying a smaller share of the cost of running the country. They derive the same public services, Government protection, and U.S. citizenship that individuals do; they must pay their fair share of the costs of running the United States.

The involvement of American companies abroad is continuing to increase. While the 1974 study showed what then appeared to be a large amount—over $13 billion—paid in foreign taxes, this study shows 1975 taxes paid to foreign governments approximately $20 billion compared to $10 billion in payments to the Treasury.

Mr. Speaker, it is preposterous that American-protected corporations are currently paying more than twice as much to foreign governments in taxes as they pay to our own Government in Federal income tax.

As I recommended last year, the studies show that while large corporate business has managed to reduce its tax load, small business employs millions of Americans and cannot be shortchanged in their tax treatment. Small business critically needs tax relief to develop growth capital and to compete. Small business has not been able to participate in tax relief which has become the province of big business.

Utility companies, all of whom have complained mightily of the need for "capital formation" tax breaks, currently have, as a group, the lowest average tax burden of any economic sector. Providing additional tax breaks, such as increased investment tax credits, are useless if a company already pays little or no Federal income taxes. There is no real Federal taxation of utilities today. No American should be deceived into believing that utilities are burdened by Federal taxes.

The commercial airline industry is practically a complete freeloader in the American tax system. None of the airlines companies in this study appear to have paid current Federal income taxes. They are heavily subsidized by taxpayer-constructed terminals and taxpayer-supported traffic control.

Oil remains largely untaxed. Five multinational oil companies paid $107 million in corporate income taxes to the Federal Government on pretax profits of more than $2.2 billion for an effective average tax rate of 4.8 percent.

The Nation's major banks are earning hundreds of millions in profits but, as an industry, have one of the lowest rates of tax. Two of the Nation's nine largest banks paid absolutely no Federal corporate income tax on a quarter of a billion dollars in profit. Three others paid only $37 million in Federal corporate taxes on $624 million in pretax profits. This was an effective average tax rate of 5.9 percent. By continually reducing their taxes and increasing their cash flow, the Nation's largest banks are able to increase their control over other sectors of the economy; this is a trend which must be reversed.

Accounting techniques and corporate financial disclosures are areas that the Congress must look into thoroughly, particularly given the huge disparity in treatment of taxes for "tax purposes" as opposed to "accounting purposes."

Any proposals to relieve corporate financial pressures must be thoroughly scrutinized. The tax code has become a jumble of special interest provisions that defy reason. Perhaps tax provisions should only be enacted with definite cutoff dates; open-ended tax laws often end up with benevolent intentions obsolete—and with staggering losses to the Public Treasury without any gain for the public good.

Mr. Speaker, although I am making public today the statistics contained in this fifth corporate tax study, I intend to more carefully analyze each of the business sectors represented. My colleagues may be interested, for example, in knowing how utilities were able to reduce their Federal income taxes to about a third of what an ordinary individual taxpayer pays.

With these introductory remarks, Mr. Speaker, I hereby include data on corporate tax payments for tax year 1975:

TABLE I.—CORPORATIONS PAYING NO FEDERAL INCOME TAXES, 1975

Company	Approximate adjusted net income before Federal income tax (thousands)	Approximate 1975 Federal income tax (thousands)[1]	Approximate 1975 effective tax rate (percent)
Ford Motor Co	148, 100	(132, 300)	0
Western Electric Cc., Inc	185, 610	(4, 291)	0
Bethlehem Steel Corp	255, 000	(32, 000)	0
Lockheed Aircraft Corp	84, 100	0	0
National Steel Corp	43, 443	(23, 250)	0
Delta Air Lines, Inc	73, 679	(13, 300)	0
Northwest Airlines, Inc	45, 309	(6, 178)	0
Manufacturer's Hanover Corp	166, 085	(8, 426)	0
Chemical New York Corp	90, 480	(2, 893)	0
Phelps-Dodge	44, 623	(18, 600)	0
Freeport Minerals	35, 218	(739)	0
Total	1, 171, 647		

[1] Figures in parentheses equal some form of credits, carry forwards, carrybacks.

TABLE II.—CORPORATIONS PAYING 10 PERCENT OR LESS IN EFFECTIVE FEDERAL INCOME TAXES, 1975

Company	Approximate adjusted net income before Federal income tax (thousands)	Approximate 1975 Federal income tax (thousands)	Approximate 1975 effective tax rate (percent)
American Electric Power Co	254, 546	195	(1)
Texas Gulf (Texas Gulf Sulfur)	121, 524	150	(1)
Aluminum Co. of America	24, 700	100	(1)
Allied Chemical Corp	165, 540	1, 555	(1)
Consolidated Edison of New York, Inc	308, 294	3, 050	1.0
Reynolds Metal	55, 032	995	1.8
Mobil Oil Corp	711, 977	12, 800	1.8
Standard Oil Co. of Ohio	154, 339	6, 539	2.2
American Telephone and Telegraph Co	5, 291, 529	129, 102	2.4
Pacific Gas & Electric Co	241, 777	7, 108	2.9
United Brands Co	11, 914	386	3.3
The Chase Manhattan Corp	15 , 636	5, 253	3.4
Occidental Petroleum Corp	189, 584	7, 000	3.7
Republic Steel Corp	81, 219	3, 604	4.4
Armco Steel Corp	125, 675	6, 234	5.0
Weyerhauser Co	293, 076	14, 550	5.0
Uniroyal	17, 055	947	5.6
Gulf Oil Co	820, 000	49, 000	6.0
Western Bank Corp	86, 905	5, 858	6.7
First National City Corp. (Citicorp.)	384, 769	25, 884	6.7
National Cash Register	79, 167	5, 524	7
Georgia Pacific	221, 560	17, 720	8.0
Burlington Northern Inc	64, 520	5, 392	8.4
Xerox Corp	344, 909	30, 063	8.7
Texaco, Inc	346, 291	32, 000	9.2
Chessie System, Inc. (C. & O. Railway Co.)	101, 730	9, 619	9.5
Colgate-Palmolive Co	134, 370	13, 086	9.7

[1] Paid less than 1 percent.

TABLE III.—FEDERAL BUDGET RECEIPTS BY MAJOR SOURCE

[Burden of supporting the Federal Government has increasingly shifted to the individual taxpayer—individuals frequently pay a higher rate of tax than the profitable corporations for whom they work; in percent distribution]

Major source	Fiscal year— 1967	1968	1969	1970	1971	1972	1973	1974	1975	1976 estimate
Total receipts, by source	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Individual income taxes	41.1	44.7	46.5	46.7	45.8	45.4	44.4	44.9	43.6	43.8
Corporation income taxes	22.7	18.7	19.5	16.9	14.2	15.4	15.7	14.6	14.4	13.8
Social insurance taxes and contributions	22.3	22.5	21.3	23.4	25.8	25.8	30.5	31.67	30.7	30.9
Excise taxes	9.2	9.2	8.1	8.1	8.8	7.4	4.2	3.7	5.9	5.6
Customs, estate, and gift taxes	3.3	3.3	3.1	3.1	3.4	4.2	3.5	3.2	2.95	3.1
Miscellaneous receipts	1.4	1.6	1.5	1.8	2.0	1.7	1.7	2.0	2.4	2.7

TABLE IV.—COMPARISON BY CATEGORY OF EFFECTIVE TAX STATISTICS

Category	Adjusted net income before Federal income tax (thousands) 1973	1974	1975	Approximate current Federal income tax (thousands) 1973	1974	1975	Approximate Federal income tax (percent) 1973	1974	1975
Industrials and mining	34, 997, 898	34, 431, 484	35, 691, 101	8, 095, 788	8, 525, 797	8, 724, 728	24.8	24.8	24.4
Transportation	1, 382, 982	1, 842, 776	513, 577	209, 002	300, 098	114, 891	15.1	16.3	22.4
Utilities	6, 418, 247	6, 842, 122	7, 395, 738	1, 158, 325	966, 133	358, 610	18.0	14.1	4.8
Retailing	1, 668, 715	1, 229, 683	1, 671, 865	559, 197	405, 365	630, 127	33.5	33.0	37.7
Commercial banks	1, 124, 190	1, 489, 490	1, 714, 351	108, 214	174, 279	192, 248	9.6	11.7	11.2
Grain companies	73, 789			24, 646			33.4		
Total	45, 665, 821	45, 835, 555		10, 755, 172	10, 371, 672		23.6	22.6	

APPROXIMATE EFFECTIVE TAX RATES PAID BY SELECTED LARGE CORPORATIONS—1975

Corporation	Approximate adjusted net income defore Federal and foreign income tax[1] (thousands)	Approximate current Federal and foreign income tax (thousands)	Approximate effective worldwide tax rate (percent)	Approximate adjusted net income before Federal income tax[2] (thousands)	Approximate current Federal income tax (thousands)	Approximate U.S. effective tax date on worldwide income (percent)[3]
INDUSTRIAL CORPORATION LIST						
General Motors Corp	2,112,053	1,000,598	47.4	1,932,815	856,986	44.3
Exxon Corp	9,891,125	7,179,000	[4]72.6	3,512,125	800,000	22.7
Ford Motor Co	412,700	86,300	20.9	148,100	(132,300)	
General Electric Co	867,300	345,700	39.9	781,000	230,500	29.5
International Business Machines Corp	3,720,877	1,781,565	47.9	2,758,177	766,300	27.8
Mobil Oil Corp	3,034,528	2,300,294	[4]75.8	711,977	12,800	1.8
Chrysler Corp			(5)			(5)
International Telephone & Telegraph Corp	632,337	275,924	43.6	353,690	50,697	14.3
Texaco, Inc	1,223,599	852,100	[4]69.6	346,291	32,000	9.2
Western Electric Co., Inc	[6]185,610	(4,291)		[6]185,610	(4,291)	
Standard Oil Co. of California	782,465	620,604	[4]79.3	247,055	70,200	28.4
The LTV Corp			(5)			(5)
Standard Oil Co. of Indiana	1,940,738	1,086,500	[4]60.0	1,178,438	351.900	29.8
The Boeing Co	112,747	31,100	27.6	112,747	31,100	27.6
E. I. du Pont de Nemours & Co	438,900	140,200	31.9	437,300	132,300	30.3
Shell Oil Co	867,729	313,335	36.1	866,475	312,081	36.0
General Telephone & Electronics Corp	797,303	118,048	14.8	740,322	97,921	13.2
RCA Corp	176,300	58,700	33.3	162,000	44,400	27.4
Goodyear Tire & Rubber	304,408	132,201	43.4	242,893	70,835	29.2
Esmark, Inc. (Swift & Co.)	65,711	24,700	37.6	60,611	20,800	34.3
Union Carbide Corp	730,600	248,400	34.0	558,400	115,000	20.6
Proctor & Gamble Co	621,630	242,655	39.0	561,127	197,914	35.3
Bethlehem Steel Corp	267,000	(20,000)		255,000	(32,000)	
Eastman Kodak Co	1,051,044	413,750	39.4	919,894	280,850	30.5
Kraftco Corp	257,505	112,236	43.6	232,951	87,682	37.6
Greyhound Corp	104,819	33,383	31.8	104,819	33,383	31.8
Atlantic Richfield Co	828,622	381,993	**46.1	498,598	70,100	14.0
Continental Oil Co	985,070	605,469	**61.5	467,162	87,561	18.7
International Harvester Co	129,707	66,735	51.5	61,224	14,901	24.3
Lockheed Aircraft Corp	90,200	6,100	6.8	84,100		
Tenneco, Inc	579,401	158,159	27.3	514,344	92,969	18.1
Rockwell International Corp. (North American Rockwell)	169,400	65,600	38.7	147,300	45,100	30.6
Litton Industries, Inc	65,223	20,049	[7]30.7	53,750	8,576	[7]16.0
United Aircraft Corp	219,008	101,313	46.3	205,483	87,788	42.7
Firestone Tire & Rubber Co	227,287	92,573	40.7	186,754	39,284	21.0
Phillips Petroleum Co	711,012	346,289	[4]48.7	442,618	110,527	25.0
Occidental Petroleum Corp	602,763	415,955	[4]69.0	189,584	7,000	3.7
General Dynamics Corp	145,862	47,171	32.3	140,532	45,782	32.6
Caterpillar Tractor Co	617,100	239,700	38.8	574,300	196,100	34.1
The Singer Co			(5)			(5)
McDonnell Douglas Corp	111,535	19,851	17.8	110,393	19,851	18.0
General Foods	300,838	125,675	41.8	276,053	100,890	36.5
Continental Can Co., Inc	168,600	28,600	17.0	142,500	17,300	12.1
Monsanto Co	523,300	149,300	28.5	502,300	147,100	29.3
Sun Oil Co	604,536	306,450	[4]50.1	349,256	60,527	17.3
Honeywell	109,880	37,893	34.5	91,049	17,323	19.0
W. R. Grace & Co	297,504	98,306	33.0	243,934	51,722	21.2
Dow Chemical Co	1,009,127	371,900	36.9	888,327	262,200	29.5
International Paper Co	359,100	98,500	27.4	312,600	57,500	18.4
American Can Co	131,328	43,770	[7]33.3	113,190	25,632	[7]22.6
Borden, Inc	156,680	64,800	41.3	145,480	54,300	37.3
Rapid American Corp			(5)			(5)
Burlington Industries Inc	70,201	15,533	22.1	66,591	12,077	18.1
Union Oil Co. of California	441,332	203,400	[4]46.1	309,532	70,200	22.7
R. J. Reynolds Industries, Inc	789,307	394,884	50.0	600,974	203,298	33.8
Sperry Rand Corp	226,821	89,550	39.5	164,223	43,544	26.5
Xerox Corp	531,981	243,786	45.8	344,909	30,063	8.7
Boise Cascade Corp	91,775	28,048	30.6	81,454	21,396	26.2
Cities Service Co	229,999	63,633	27.7	220,153	53,787	24.4
Minnesota Mining & Manufacturing Co	440,823	156,000	35.4	366,823	89,300	24.3
Consolidated Foods Corp	95,501	41,047	[8]43.0	85,098	32,103	[8]37.7
Gulf Western Industries, Inc	186,865	97,400	52.1	102,265	12,800	12.5
Textron, Inc	161,035	57,030	35.4	153,472	51,817	33.8
American Standard, Inc	90,230	46,226	51.2	67,844	21,549	31.8
Signal Companies, Inc	65,531	21,916	[7]33.4	55,371	11,756	[7]21.2
Ashland Oil, Inc	219,893	80,870	[4]36.8	175,288	41,224	23.5
Owens-Illinois, Inc	127,633	33,925	[7]26.6	110,570	16,862	[7]15.3
United Brands Co	27,321	10,509	38.5	11,914	386	3.3
CPC International, Inc	209,000	96,900	46.4	160,600	54,500	34.0
Standard Oil Co. of Ohio	178,868	31,068	[4,7]17.4	154,339	6,539	[7]4.2
Republic Steel Corp	81,680	4,065	[7]5.0	81,219	3,604	[7]4.4
Champion International Corp	84,686	16,241	19.2	75,327	8,429	11.2
FNC Corp	138,997	24,313	17.5	128,404	13,720	10.7
American Home Products Corp	496,526	214,186	[7]43.1	437,300	154,960	[7]35.4
The Coca Cola Co	442,926	201,566	45.5	318,566	80,364	25.2
TRW, Inc	182,944	64,389	35.2	147,017	34,302	23.3
Armco Steel Corp	160,436	40,995	[7]25.6	125,675	6,234	[7]5.0
Beatrice Foods Co	285,612	124,961	[7]43.8	261,129	101,187	[7]38.7
Ralston Purina Co	178,100	72,000	[7]40.4	166,600	60,500	[7]36.3
Uniroyal, Inc	38,173	16,696	[9]43.7	17,055	947	[9]5.6
Aluminum Co. of America	48,000	23,700	49.4	24,700	100	(10)
American Brands, Inc	296,790	128,278	43.2	252,368	95,896	38.0
The Bendix Corp	131,400	55,700	42.4	108,800	35,500	32.6
National Cash Register Co	130,539	66,218	50.7	79,167	5,524	7.0
Raytheon Manufacturing Co	121,906	18,233	[7]15.0	116,136	12,463	[7]10.7
Warner-Lambert Co	279,033	110,249	[7]39.5	215,500	46,716	[7]21.7
Genesco, Inc			(5)			(5)
Allied Chemical Co	178,699	16,117	9.0	165,540	1,555	(10)
National Steel Corp	43,443	(23,250)		43,443	(23,250)	
Weyerhaeuser Co	300,086	18,200	[9]6.1	293,076	14,550	[9]5.0
U.S. Industries, Inc	18,570	8,348	45.0	13,070	2,848	21.8
Getty Oil Co	717,677	391,947	[4]54.6	477,158	151,438	31.7
Teledyne, Inc	158,519	67,303	[7]42.5	153,819	62,603	[7]40.7
Colgate-Palmolive Co	223,935	102,651	[7]45.8	134,370	13,086	[7]9.7
B. F. Goodrich Co	33,843	11,830	35.0	26,882	6,523	24.3
Georgia Pacific	221,560	17,720	8.0	221,560	17,720	8.0
Whirlpool Corp	100,241	44,024	43.9	100,241	44,024	43.9
Gulf Oil Corp	2,712,000	1,903,000	[4]70.2	820,000	49,000	6.0
United States Steel Corp	823,600	168,900	20.5	799,000	153,900	19.3
Westinghouse Electric Corp.	249,865	73,170	29.3	212,383	35,918	16.9
Amerada Hess	324,476	190,273	[4,7]58.6	161,001	29,864	[7]18.6
Marathon Oil	457,327	323,541	[4]70.7	207,786	74,000	35.6
Phillip Morris Co	320,012	118,372	37.0	302,984	100,889	33.3
John Deere & Co	252,853	62,500	24.7	227,653	32,200	14.1
Inland Steel	122,057	29,086	23.8	117,897	25,291	21.5
Pepsico, Inc. (Pepsi Cola Co.).	184,460	62,012	[7]33.6	164,584	42,136	[7]25.6
American Motors Corp			(5)			(5)
General Mills	138,727	61,799	[7]44.5	129,630	52,702	[7]40.7
Reynolds Metals	66,659	12,113	18.2	55,032	995	1.8
Johnson & Johnson	310,145	119,006	38.4	241,150	54,760	22.7
TRANSPORTATION CORPORATION LIST						
Airline corporations:						
UAL, Inc			(5)			(5)
Trans World Airlines, Inc			(5)			(5)
American Airlines, Inc			(5)			(5)
Pan Am World Airways, Inc			(5)			(5)
Eastern Air Lines, Inc			(5)			(5)
Delta Air Lines, Inc	73,679	(13,300)		73,679	(13,300)	
Northwest Airlines, Inc	45,677	(5,810)		45,309	(6,178)	
Railroads:						
Penn Central Co			(11)			(11)
Southern Pacific Co	105,618	11,984	11.3	105,618	11,984	11.3
Norfolk & Western Railway Co	122,212	12,484	10.2	122,212	12,484	10.2
Burlington Northern, Inc	64,520	5,392	8.4	64,520	5,392	8.4
Chessie System, Inc. (C. & O. Railway Co.)	102,228	10,117	[7]9.9	101,730	9,619	[7]9.5
Union Pacific Corp. (Union Pacific Railroad Co.)	187,577	33,979	18.1	187,577	33,979	18.1
Santa Fe Industries, Inc	150,094	22,500	15.0	150,094	22,500	15.0
Southern Railway Co	119,634	18,267	15.3	119,634	18,267	15.3
Missouri Pacific Railroad Co	69,162	14,340	20.7	69,162	14,340	20.7
Trucking companies:						
Consolidated Freightways, Inc	31,942	10,874	34.0	29,432	9,213	31.3
Leaseway Transportation Corp	36,552	[7]11,554	31.6	36,552	[7]11,554	31.6
Roadway Express, Inc	63,630	24,402	38.3	63,630	24,402	38.3
Yellow Freight System, Inc	45,073	14,615	32.4	45,073	14,615	32.4
UTILITY CORPORATION LIST						
American Telephone & Telegraph Co	5,291,529	[12]129,102	2.4	5,291,529	[12]129,102	2.4
Consolidated Edison Co. of New York, Inc	308,294	3,050	1.0	308,294	3,050	1.0
Pacific Gas & Electric Co	241,777	7,108	2.9	241,777	7,108	2.9
Commonwealth Edison Co	338,998	34,386	10.1	338,998	34,386	10.1
American Electric Power Co.	254,546	195	(10)	254,546	195	(10)
Southern California Edison Co.	231,514	38,518	16.6	231,514	38,518	16.6
Columbia Gas System, Inc	210,265	27,159	12.9	210,265	27,159	12.9

Footnotes at end of table.

APPROXIMATE EFFECTIVE TAX RATES PAID BY SELECTED LARGE CORPORATIONS—1975—Continued

Corporation	Approximate adjusted net income before Federal and foreign income tax[1] (thousands)	Approximate current Federal and foreign income tax (thousands)	Approximate effective worldwide tax rate (percent)	Approximate adjusted net income before Federal income tax[2] (thousands)	Approximate current Federal income tax (thousands)	Approximate U.S. effective tax date on worldwide income (percent)[3]
UTILITY CORPORATION LIST—Continued						
El Paso Natural Gas Co	148, 751	45, 615	30. 1	148, 751	45, 615	30. 1
Texas Eastern Transmission	187, 524	37, 781	20. 1	183, 771	37, 775	20. 6
Pennzoil Co	186, 293	35, 702	19. 2	186, 293	35, 702	19. 2
RETAILING CORPORATION LIST						
Sears, Roebuck & Co	751, 659	309, 000	41. 1	751, 659	309, 000	41. 1
Allstate Insurance Co., Consolidated & Subsidiary			(5)			(5)
Great Atlantic & Pacific Tea Company, Inc			(5)			(5)
Safeway Stores, Inc	280, 554	107, 736	38. 4	249, 883	81, 247	32. 5
J. C. Penney Co., Inc	331, 200	[9] 113, 600	34. 3	331, 200	[9] 113, 600	34. 3
The Kroger Co	52, 014	12, 265	23. 6	52, 014	12, 265	23. 6
Federated Department Stores, Inc	287, 109	[9] 114, 015	39. 7	287, 109	[9] 114, 015	39. 7
COMMERCIAL BANKING LIST						
Bank America Corp	468, 800	160, 000	34. 1	359, 800	51, 000	14. 2
First National City Corp. (Citicorp)	574, 769	215, 884	37. 6	384, 769	25, 884	6. 7
The Chase Manhattan Corp	231, 095	83, 929	36. 3	152, 636	5, 253	3. 4
Manufacturers Hanover Corp	203, 145	27, 056	13. 3	166, 085	(8, 426)	
J. P. Morgan & Co., Inc	289, 061	98, 686	34. 1	219, 450	31, 060	14. 2
Western Bank Corp	91, 105	10, 058	11. 0	86, 905	5, 858	6. 7
Chemical New York Corp	107, 673	11, 190	10. 4	90, 480	(2, 893)	
Bankers Trust New York Corp	80, 393	25, 172	31. 3	65, 172	9, 519	14. 6
Continental-Illinois Corp	210, 435	[7] 83, 550	39. 7	189, 054	[7] 63, 674	33. 7
MINING CORPORATION LIST						
Anaconda Co			(5)			(5)
Kennecott Copper Corp			(5)			(5)
American Metal Climax, Inc. (American Climax)	149, 250	38, 560	25. 8	130, 600	16, 000	12. 2
International Minerals & Chemicals	268, 400	93, 700	35. 0	232, 300	59, 800	25. 7
Phelps-Dodge	46, 423	(16, 800)		44, 623	(18, 600)	
St. Joseph Minerals, Inc	127, 595	38, 913	30. 5	121, 096	33, 447	27. 6
Freeport Minerals Co	35, 218	(739)		35, 218	(739)	
Texasgulf, Inc. (Texas Gulf Sulfur)	171, 474	15, 850	9. 2	121, 524	150	(10)

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[1] The adjusted net income before Federal and foreign income tax reported to shareholders is comprised of net income or loss from financial statements with appropriate adjustments made for Federal and foreign income tax expense or refund, income or loss attributable to minority interests, and income or loss from investments in affiliated companies whenever the equity method of accounting was used. In certain cases, the minority interest and/or the income or loss reported under the equity method was not separately disclosed. In these cases, no adjustment for the minority interest and/or the equity income or loss was made.

[2] The adjusted net income before Federal income tax reported to shareholders is comprised of net income or loss from financial statements with appropriate adjustments made for Federal income tax expense or refund, income or loss attributable to minority interests, and income or loss from investments in affiliated companies whenever the equity method of accounting was used. In certain cases, the minority interest and/or the income or loss reported under the equity method was not separately disclosed. In these cases, no adjustment for the minority interest and/or the equity income or loss was made.

[3] This does not include foreign taxes on this income. Therefore, this is not the total income tax burden on this income. U.S. tax as a percentage of U.S. income is not available from public information sources.

[4] This includes payments to foreign governments more properly classified as royalty payments and thus overstates tax burden.

[5] Due to losses, the data for this company has been omitted.

[6] The income of Western Electric Co., Inc., is included in the consolidated tax return of American Telephone & Telegraph Co. However, this is essentially the same approximate tax which would have been reflected had a separate return been filed.

[7] The provision for income taxes may contain State and/or local and/or foreign in addition to Federal income taxes.

[8] No adjustments were made for anticipated losses on operations to be discontinued.

[9] Pretax equity in earnings was included in the income statement, and taxes on those earnings were included in the tax provision.

[10] Less than 1 percent approximate effective tax rate.

[11] Data for this company was not available.

[12] Because the wholly owned subsidiary Western Electric Co., Inc., is accounted for under the equity method, the income and current Federal income tax for Western Electric Co., Inc., is not included here even though a consolidated tax return is filed.

Note: This study is based entirely on information from public sources including form 10-K reports, registration statements and prospectuses filed with the Securities and Exchange Commission as well as annual reports to shareholders.

APPENDIX—PROBLEMS IN SECURING APPROXIMATE EFFECTIVE TAX RATES FROM PUBLIC INFORMATION SOURCES

CONSOLIDATIONS: FINANCIAL STATEMENTS AND TAXES

For financial statement reporting purposes, companies frequently consolidate foreign subsidiaries and subsidiaries which are more than 50-percent owned. For Federal income tax purposes, generally, they must be domestic subsidiaries and 80-percent or more owned before they can be included in a consolidated income tax return.

In financial reports to shareholders, the total Federal income tax expense (as well as all other revenue and expense accounts after elimination of intercompany transactions) of all consolidated subsidiaries (even the 50-percent owned companies) is reported as though it were an income tax or refund entirely attributable to the majority interest of the consolidated group. The minority interest in a particular subsidiary's net income or loss (perhaps as much as 49 percent) however, is removed at the bottom of the income statement. Thus, the consolidated financial reports often show the total tax expense of even 51-percent owned subsidiaries while eliminating the income attributable to the minority interest.

To compensate for this, the net income per financial statement was adjusted by the income or loss attributable to the minority interest.

METHOD OF ACCOUNTING FOR AN INVESTMENT IN A SUBSIDIARY OR AFFILIATE

If the equity method is used for financial statement reporting purposes to account for an investment in a subsidiary or affiliate which is not included in a consolidated tax return, the provision for income tax expenses may exceed or be less than that which is reported on the consolidated financial statements. The equity method, which is sometimes called a one line consolidation, produces the same net income to shareholders as does consolidation. Under the equity method, the parent corporation's proportionate part of the "after tax" earnings of the subsidiary or affiliate are shown on one line in the income statement; in a consolidation, all income and expense accounts of the subsidiary are combined with those of the parent and other consolidated subsidiaries and the net after tax earnings or loss of a subsidiary attributable to a minority interest are later deducted. Thus, consolidation for financial statement reporting purposes shows all Federal income tax expense recorded by all the consolidated subsidiaries while the equity method does not reflect any of the Federal income tax or refund attributable to subsidiaries or affiliates which are accounted for under the equity method.

Because the Federal income tax or refund attributable to the equity method net income or loss was not disclosed, the equity method income or loss was used as an adjustment to the net income per financial statement.

"OVERSTATING" THE PROVISIONS FOR FEDERAL INCOME TAXES

Corporations may "overstate" the accrued Federal income tax liability and thus, overstate the provision to provide for anticipated taxes due because of an Internal Revenue Service audit of tax returns for open years. Corporations "book" this "overstatement" because of the tendency to resolve doubtful items in the corporate favor while realizing that many of these items might result in tax deficiencies by the Internal Revenue Service. Because the amount of this "overstatement" of the provision for Federal income taxes cannot be determined from public information sources, no attempt was made in this study to adjust for this amount in arriving at the estimated current Federal income tax liability.

INTERPERIOD TAX ALLOCATION

Another major problem in estimating a Federal income tax liability involves the use of the accounting technique referred to as "comprehensive tax allocation." The Accounting Principles Board of the American Institute of Certified Public Accountants in Opinion No. 11, stated that "the tax effect of a timing difference should be measured by the differential between income taxes computed with and without inclusion of the transaction creating the difference between taxable income and pretax accounting income. The resulting income tax expense for the period includes the tax effects of transactions entering into the determination of results of operations for the period. The resulting deferred tax amounts reflect the tax effects which will reverse in future periods. The measurement of income tax expense becomes thereby a consistent and integral part of the process of matching revenues and expenses in the determination of results of operations." Generally, this results in a provision for income tax expense being larger than the current tax liability which will result in a "deferred Federal income tax liability" being recorded on the financial statements. Comprehensive tax allocation and amortization of the investment tax credit over the lives of the assets (rather than flowing-through the investment tax credit) results in the provision for Federal income tax expenses for financial statement reporting purposes being larger (and in some cases smaller) than the actual current tax liability.

Comprehensive tax allocation accounting can result in a net current asset (prepaid taxes in excess of current deferred tax liabilities) or a net current deferred tax liability, or in a net fixed asset for "prepaid" taxes or a net long-term deferred tax liability (for amounts not expected to reverse in one year).

Wherever possible, these deferrals of Federal income taxes were taken into consideration in estimating the approximate current portion of Federal income tax expense.

Permanent differences (items which do not reverse, e.g., the 85-percent dividends received deduction) are treated in the same manner for financial statement reporting purposes as they are for tax purposes. Thus, these items do not result in any differences nor do they affect the provision for Federal income tax expense or the corresponding liability.

INTERPERIOD TAX ALLOCATION

This accounting technique results in showing the effect of taxes on the various sections of the income statement. Thus, extraordinary gains and/or losses are reduced when reported to shareholders by the tax or tax savings attributable to them. Accordingly, in estimating current Federal income tax, wherever possible, an effort was made to reflect the tax effects of extraordinary items where appropriate. For example, where the income statement showed separately a Federal income tax expense or tax savings attributable to a nonoperating extraordinary gain or loss, these items were netted against each other for purposes of this study.

This problem is further complicated when the extraordinary gain or loss is recognized for financial statement reporting purposes in years different than for tax purposes, thus, making comprehensive interperiod tax allocation a significant factor in estimating the current Federal income tax.

REGULATION S-X, RULE 3-16(O), INCOME TAX EXPENSES

The Securities and Exchange Commission in Accounting Series Release No. 149, issued November 28, 1973, amended Rule 3-16(o) and was applicable to financial statements for periods ending on or after December 28, 1973. The amended rule, which deals with the disclosure of the components of income tax expense, is as follows:

"(1) Disclosure shall be made, in the income statement or a note thereto, of the components of income tax expense, including: (i) taxes currently payable; (ii) the net tax effects, as applicable, or (a) timing differences (Indicate separately the amount of the estimated tax effect of each of the various types of timing differences, such as depreciation, research, and development expense, warranty costs, etc. Types of timing differences that are individually less than 15 percent of the deferred tax amount in the income statement may be combined. If no individual type of difference is more than five percent of the amount computed by multiplying the income before tax by the applicable statutory Federal income tax rate and the aggregate amount of timing differences is less than five percent of such computed amount, disclosure of each of the separate types of timing differences may be omitted) and (b) operating losses; and (iii) the net deferred investment tax credits. Amounts applicable to United States Federal income taxes, to foreign income taxes and to other income taxes shall be stated separately for each major component, unless the amounts applicable to foreign and other income taxes do not exceed five percent of the total for the component.

"(2) If it is expected that the cash outlay for income taxes with respect to any of the succeeding three years will substantially exceed income tax expense for such year, that fact should be disclosed together with the approximate amount of the excess, the year (or years) of occurrence and the reasons therefor.

"(3) Provide a reconciliation between the amount of reported total income tax expense and the amount computed by multiplying the income before tax by the applicable statutory Federal income tax rate, showing the estimated dollar amount of each of the underlying causes for the difference. If no individual reconciling item amounts to more than five percent of the amount computed by multiplying the income before tax by the applicable statutory Federal income tax rate, and the total difference to be reconciled is less than five percent of such computed amount, no reconciliation need be provided unless it would be significant in appraising the trend of earnings. Reconciling items that are individually less than five percent of the computed amount may be aggregated in the reconciliation. The reconciliation may be presented in percentages rather than in dollar amounts. Where the reporting person is a foreign entity, the income tax rate in that person's country of domicile should normally be used in making the above computation, but different rates should not be used for subsidiaries or other segments of a reporting entity. If the rate used by a reporting person is other than the United States Federal corporate income tax rate, the rate used and the basis for using such rate shall be disclosed."

INVESTIGATION OF THE SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD, and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, for more than 2 months I have conducted an intensive investigation of the summer food service program for children, a $175 million program intended to provide meals for needy children when school is not in session. Although my investigation has concentrated on the way in which the program has operated in New York City, it has nationwide implications. I would, therefore, like to report to my colleagues on the status of this investigation and some of the extremely disturbing conditions I have found.

The summer food service program for children is entirely federally funded, but administered by the States—usually through a State's education department. Nonprofit organizations receive approval as program "sponsors" by the State and are responsible for locating and operating sites at which children are fed. Sponsors contract with food suppliers—vendors—supposedly through competitive bidding, to provide meals at the feeding sites.

The goal of this program is to make one or more free, nutritious meals available daily to children in poor neighborhoods. I regret to advise my colleagues that, in New York at least, the worthy end of this program seems to have been lost through waste, bad food, thievery, and mismanagement.

My investigation disclosed the following serious problem areas:

First. Waste, fraud, and poor supervision at feeding sites.

After receiving complaints from constituents, I personally inspected several program sites within my district. These visits, and hundreds of complaints which my office received from around the city, disclosed a wide range of violations of program regulations: Shopping bags full of food were being carried away—although meals are supposed to be eaten onsite; adults received food intended for children; garbage was thrown in the streets; boxes of food were discarded and wasted.

These abuses were largely attributable to the failure—in direct violation of regulations—of sponsors to train site personnel and to insist on proper recordkeeping. Because sponsors did not keep records of the number of children fed, there was massive waste of food. Thus, many sites received several hundred extra meals each day, with the food being thrown away and the taxpayer paying the bill. Because the persons in charge of sites were not trained, extra food was not saved, food orders were not reduced when necessary, children did not eat their meals at the site, and no one knew what to do about rotten or inedible food.

I also found several instances in which sponsors apparently fraudulently misrepresented the nature and capacity of many locations, claiming for example that one site was a school at which 500 children could eat, when it was actually an apartment house lobby with room for no more than 20.

Second. Apparent collusion between sponsors and vendors, leading to increased costs.

In order to keep prices down and assure high quality meals, contracts between sponsors and food suppliers are supposed to be awarded through competitive bidding. I uncovered, however, apparent bidding violations in more than half the contracts in New York, and traced patterns of possible collusion between sponsors and suppliers throughout the Nation. In one such case, I found a closely related group of sponsors contracting with a small group of vendors in four States, in addition to New York. In each contract, the maximum per meal price was extracted from the taxpayer. In most instances there was only one bidder for each contract. In most of the contracts the vendor was required to give an interest-free loan, with no date of repayment, to the sponsor. This series of curious coincidences would seem to indicate that the bidding for these vendor contracts was anything but open and competitive.

Collusion between program sponsors and vendors would, of course, explain why the taxpayer winds up paying unnecessarily high prices for food, and why sponsors fail to control the amount or quality of food delivered.

Third. Unsanitary, spoiled and inedible food.

The failure of sponsors to assure that children receive decent food was aggravated by official neglect. The New York City health department, for example, was responsible for inspecting vendors in New York but the State education department delayed until mid-August, when the program was nearly over, before giving it a complete list of food suppliers. With one exception, no health inspections were conducted until the program was almost 4 weeks old. In addition, approximately one-third of the food suppliers in New York were repeatedly cited for serious health code violations such as rodent, roach, and fly infestation, as often as 15 times in the 10 week program, but they were allowed to still continue to deliver meals and receive payments.

Fourth. Bureaucratic mismanagement and indifference.

From the foregoing, it is clear that the agencies charged with administering the program, assuring compliance with regulations, and correcting abuses failed dismally.

In New York, the State education department got started too late and kept obvious incompetents in high positions. The State also failed to take advantage of all available Federal funds to hire administrators and monitors.

Thus, for example, in July, the State had only 175 monitors to inspect 5,000 sites serving more than 1 million meals daily. After my revelations, it doubled this force, but still could not monitor its sites properly—despite the fact that there was an additional $500,000 still available for administration. Finally, the State hired a number of inspectors who were recommended by, or related to, sponsors, and thus could not be relied upon to monitor these sponsors' operations strictly.

The U.S. Department of Agriculture is responsible for assuring that States do a satisfactory job administering the summer food program. Yet, all too often, USDA seemed more interested in demonstrating that the program could not work, rather than in making it function properly. Indeed, the Department's attitude is expressed perhaps most clearly in a letter I received recently from Secretary Butz. Mr. Butz was replying—1 week after the program ended—to an urgent request I had made 6 weeks earlier for a special USDA task force to reduce waste and correct abuses. His reply consisted of an attack on Congress for enacting the program and a statement of his own inability to improve things. Fortunately, the Secretary's subordinates, after strong pressure from me, some of my colleagues from New York, and Chairman PERKINS of the Education and Labor Committee, made a belated but substantial effort to improve New York's performance. But the Secretary's laxity, ignorance, and indifference, make it easy to see why the program was allowed to go wrong in the first place.

Fifth. Shortcomings in legislation and regulations.

The legislation establishing the summer food program for children (Public Law 94–105) creates an unfortunate incentive to waste. It is in no one's interest to run the program efficiently and economically. Vendors get paid whether meals are eaten or not—indeed whether they are edible or not. The more meals vendors deliver, the more money they make. Sponsors make a fixed sum per meal. They do not have to care whether the meals are eaten by hungry children. The State gets 2 percent of what the program costs. Thus, the more money and food that the vendors and sponsors waste, the more money the State gets. This system is an open invitation to throw away food and waste taxpayers' money.

In addition, neither the legislation nor the regulations provide a procedure for screening out incompetent or plainly dishonest sponsors. Thus, sponsors who had trouble with last year's program were allowed to participate this year—often on a much larger scale and with vastly more serious and costly problems.

I would note that as a result of the intense public and congressional interest created by disclosures about the summer food program, a number of positive steps were taken in New York. Joint Federal-State teams undertook a review of all sponsor records prior to the issuance of advance payments for August. This produced a savings of $8.5 million in August advances alone. As a result of my request, more than a thousand unsatisfactory feeding sites were located and either closed or made to take corrective action. In addition, the U.S. attorneys for the eastern and southern districts of New York promised to step up their investigations into criminal violations in this year's and last year's programs. Finally, in response to a request from Representatives CHISHOLM, BADILLO, and myself, the Department of Agriculture has prohibited the State education department from making any further payments on final claims until each claim is individually reviewed by Federal officials.

Clearly, more needs to be done to end the waste and abuse in the summer food program. We in the Congress have a responsibility to prevent worthy Government programs from being undermined by incompetent bureaucrats and turned into bonanzas for an unscrupulous few. Feeding hungry children efficiently and without waste is a simple and humane goal for this country. One of the first priorities of the next Congress should be to see that the summer food service program for children achieves this end.

CONSTRUCTING NEW OFFICE SPACE IN CANNON AND LONGWORTH INTERIOR COURTYARDS

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, Members of Congress suffer from severe overcrowding in their office spaces. These cramped conditions seriously hamper Members' ability to serve their constituents and to perform their legislative duties as well and efficiently as possible.

The Task Force on Facilities and Space Utilization of the House Commission on Information and Facilities, which I chair, held hearings on April 13, 1976, to consider the concept of building additional office space in the empty interior courtyards of the Cannon and Longworth House Office Buildings.

According to the distinguished professionals in architecture and construction management who testified, the concept's advantages include:

Doubling existing office space by providing an additional 400,000 square feet of additional usable office space near the floor, Members' offices, and committees;

Lower cost and a shorter construction schedule than seeking an entirely new building—approximately 3 years as compared to 10—thus offering the quickest, least expensive remedy for severe overcrowding of House Members and the problems this creates in serving their constituents.

Providing a simultaneous opportunity to create more usable space in Longworth and Cannon and to bring these office buildings within the health and safety codes that are now standard throughout the country.

Mr. Kevin Roche, the world-famous architect who designed the Ford Foundation Building in New York City and participated in designing Dulles International Airport, called the proposal for building in the interior courtyards "brilliant" and an "excellent answer to all of the problems." He also noted:

> One additional word on this proposal . . is that in a time when the country is finally coming to realize the worth and value of its existing historical structures, it would place the House in the forefront of those institutions which are expanding not by tearing down the existing fabric of our cities, but by working within it and restoring and enriching what we already have.

The Washington Post strongly endorsed the courtyard proposal, calling it a brilliant idea and commenting:

> The idea is to enclose the courts with glass roofs and build free-standing, lithe and open office structures under them. In the hands of a capable architect, these insertions, adorned with plants and flooded with daylight, might well become efficient and cheerful working environments. The new space would . . . in no way alter the traditional facades of the old buildings. . . We hope the task force and its parent organization, the

House Commission on Information and Facilities, will promptly endorse the proposal and that the House will soon vote the funds to study it in detail.

On September 30, 1976, the full House Commission on Information and Facilities recommended that a detailed feasibility study of the courtyard concept be undertaken by the House Office Building Commission.

I would hope that the House Office Building Commission can act soon in ordering the recommended study so that, if the proposal proves feasible, Members can benefit from it as quickly as possible.

GEORGE F. KENNAN: A THOUGHT-PROVOKING INTERVIEW

(Mr. HARRINGTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HARRINGTON. Mr. Speaker, I have just read a most intriguing and thought-provoking interview that I would like to share with my colleagues. In a far ranging conversation—touching upon the quality of American leadership, this country's role as a super-power, and some dramatic moments in our recent past in foreign relations—former Ambassador George F. Kennan has given the world a wealth of instructive thought. As the interview, published in a recent edition of the British magazine Encounter, might not be readily available in this country, I thought it well worthwhile to have it published in full in the Record.

I commend my colleagues' attention to the transcript of this illuminating interview, the text of which follows.

From Containment to Self-Containment: A Conversation With George F. Kennan

(By George Urban)

1. IS AMERICA A SUCCESS?

George Urban: *I am struck by a cluster of broadly synonymous words which occur in your* Memoirs *with remarkable frequency. They all have to do with your personal anguish at seeing the world, and especially the contemporary world, governed by myopia, ignorance, and folly; and they express your loneliness and helplessness in the face of so much, as you see it, avoidable evil. You are "totally caught . . . totally helpless . . . in black despair . . . horrified . . . lonely . . . extremely lonely . . . afflicted by loneliless . . . profoundly depressed . . . vulnerable." You have a "foreknowledge of disaster"; you raise "anguished objections"; you feel "tossed" into some "impossible position between two worlds"; and you are overcome by a sense "of the enormity of responsibility and of your inadequacy to it."*

Do these expressions denote an historian's pessimism distilled from the study of human affairs? Or do they perhaps represent the personal dilemma of an historian/diplomat whose scholarship has given him broad guidance as to what ought to be done in specific situations, but who is stultified and prevented from putting his judgment into action by the sheer inadequacy of the human condition—memories that are either too short or too long for the rational resolution of critical problems; analogies that are useful in one situation but misleading in another; perspectives that are relevant to some internal problem of the US but dangerously inadequate when applied to the Soviet Union or Japan; bureaucracies that are too sluggish and ill-instructed to know what is going on, and politicians sunk in a low but cocky provincialism?

Kennan: "Loneliness" in my *Memoirs* is used mostly in connection with my early work in the foreign service. It refers only to the loneliness I felt in a governmental environment—the fact that my views and ideas were not extensively shared in the State Department, or if they were, they were shared by people who did not like to admit it. I have never suffered much from personal loneliness—I have a warm family, children, grandchildren and friends, and I do not regard myself as a lonely person in that respect. I do, however, regard myself in this way intellectually because I have gone my own way and attracted no great body of followers. Some of my friends would dispute this and say: "You have had enormous success as a lecturer and writer. Hundreds of thousands of young people in the United States have read your books and respect you. You have profoundly influenced them."

There may be an iota of truth in this, yet I cannot see the effect of what I have written or said on anybody in the American press or the younger generation; certainly not on our government, much less on other governments. I have always been regarded by the United States establishment as an odd-ball, and I *am* a strange mixture of a reactionary and a liberal. In this philosophical sense, I do consider myself a lonely person. It is perfectly true that in my attitude to what is going on in the United States and Western civilisation, of which I am a part, I am worried and profoundly pessimistic.

Now that is a possible philosophical attitude; it is not a way of life with me. In my day-to-day activities I do things that I think are useful, and I get a good deal of satisfaction out of them; yet I cannot see the end of it all. I do whatever I do more out of faith than any calculation that it may serve a larger purpose.

The main source of your pessimism would appear to me to be the disintegration of our traditional order, going back, I suppose, to the 18th century. This would include industrialisation; the urbanisation of agrarian societies; the despoliation of nature; the degradation of taste; and the shallowness, and ultimately the disappearance, of religion as a public experience. In a revealing comment you speak of the "discomfort I experience in my status as a contemporary of the 20th" century. You also tell us that "For years, Gibbon's dictum 'Under a democratic government the citizens exercise the powers of sovereignty; and those powers will be first abused, and afterwards lost, if they are committed to an unwieldy multitude' has lain at the heart of my political philosophy. . . ."

Kennan. I am an American and, like all of us, and especially all of us who were born at the time I was born and brought up—before World War I—I grew up with a certain faith in American civilisation and a certain belief that the American experiment was a positive development in the history of mankind, that it was a good thing that the United States had come into being and developed as it had developed. I now see all these assumptions crashing to pieces around us. I do not think that the United States civilisation of these last 40–50 years is a successful civilisation; I do not think that our political system is adequate to the needs of the age into which we are now moving; I think this country is destined to succumb to failures which cannot be other than tragic and enormous in their scope. All this, of course, is not an easy thing to live with.

Isn't it especially difficult for one brought up in the traditions of a foreign service officer who must surely feel it incumbent upon hm to represent, not only the interests, but also the character of his country?

Kennan. I have never shared a sense of shame about my country *vis-à-vis* other countries, which you see reflected in the American press and in the sentiments of a large part of liberal and radical youth, because I don't think we are that much worse than anyone else. I am in despair about this country, not so much from the standpoint of what it is doing to other people, which has not been that horrible, as from the standpoint of what it is doing to itself. This is what gives *me* a great sense of sadness.

But I don't see any wide appreciation of the self-destruction of the United States in the country at large—I don't see it in the press, not in the political leadership, not even in academic life. A few people—yes—and many who have misgivings of one sort or another, but there are very few people in this country who have taken the measure of the inadequacy, not just of our traditional institutions, but also of our habits of thought and assumptions.

Let me jump to a major conclusion: the older I get, and the more I occupy myself with the history of the past century in Europe and the United States, the more I am persuaded that the Industrial Revolution itself was the source of most of the bewilderments and failures of the modern age. This does not, of course, mean to say that there should have been no technological improvements in the early 19th century; but it does mean that the revolution in technology should never have been allowed to go uncontrolled as it did, that one should have examined each improvement in technology very carefully with a view to its total impact on society. I do not mean to reproach our forefathers; they were part of their time, they shared its scientific optimism, and they could not foresee the consequences of what they were doing. I am merely saying that I can't see the answer to the problems of modern civilisation in the framework of our highly urbanised industrial society. This society bears the seeds of its own horrors—unbreathable air, undrinkable water, starvation—and until people realise that we have to get back to a much simpler form of life, a much smaller population, a society in which the agrarian component is far greater again in relation to the urban component—until these appreciations bcome widespread and effective—I can see no answer to the troubles of our time.

In this sense I am, I suppose, an 18th century person, and I'm persuaded that those of our forefathers who had their roots really back in the 18th century had more convincing values and better tastes than those whose roots were in the society that issued from the Industrial Revolution. Statesmanship, even in the United States, up to the end of the 18th century was largely rurally based—it came from people with estates in the country who moved to the cities to do specific things for a limited duration. George Washington himself was a case in point.

One of the dominant elements in your intellectual temper seems to me to be aesthetic. You are deeply revolted by every form of ugliness, bad taste, and (my linkage is deliberate) disrespect of tradition. Again and again you plead in your books for the "recognition that if great masses of people are to be elevated out of degradation or vulgarity it is important that some people should set an example of graciousness and good taste. . . ." I am also struck by the preponderance of pastoral values in your personal aesthetics, and your portrayal of the good life in what one might call verbal tableaux of an idyllic, pre-industrial nature.

And am I wrong to suspect that the tenderness with which you describe and eulogise the unsophisticated ways of the Russian people tells us something about the roots of your claim that you "had Russia in your blood", that there was "some mysterious affinity which I could not explain even to myself"? Was this affinity, I wonder, not really anchored in your yearning for the 18th century, which could be satisfied in the Soviet Union in the 1950s by simply observing and identifying with the life of the ordinary Russian?

Here, if I may quote from your Memoirs, *is George Kennan, United States Ambassador to the Soviet Union, describing, right at the end of Stalin's rule (July 1952), Russian life on the private garden plots on the edge of the city of Moscow:*

"Everything takes places in a genial intimacy and informality: hammers ring; roosters crow, goats tug at their tethers, barefoot women hoe vigorously at the potato patches, small boys play excitedly in the little streams and ponds, family parties sit at crude wooden tables in the gardens under the young fruit trees. The great good earth of Mother Russia, long ignored in favour of childish industrial fetishes of the earlier Communist period, seems once more to exude her benevolent and maternal warmth over man and beast and growing things together; and only, perhaps, an American ambassador ... is effectively isolated, as though by an invisible barrier, from participation in the general beneficence of nature and human sociability."

Kennan. I don't trust human beings to live successfully too far away from nature. We are all animals in part, and it does us good to be reminded of our affinity with growing things and the animal kingdom. I feel sorry for children who are brought up without any sense of intimacy with dogs and horses and pigs, because living near animals teaches us something about ourselves. A reasonably close contact with nature seems to me one of the great sources of psychic health. Some people would deny that and say: "The country people are just as crazy as anyone. Their vices may be different but that makes them no less reprehensible." There is something to that, too.

But speaking for myself, I cannot help but long for that kind of life. I am not an urban person, and I don't trust the great urban environment, especially of the contemporary sort. It is a fearfully polluting environment; the mere sewage that flows from our great cities is becoming a world problem. I don't think men were meant to live in such monstrous accumulations. The railway-based metropolis of the 19th century—the old London, or Berlin, or Edinburgh, or Chicago—was a marvellous city, and I have a certain nostalgia for that. But I have no such feeling for the fragmented and dispersed urban sprawls of the United States of the 1970s. The railway by its very nature tended to exercise a discipline on human habitation. It united people around the railheads, causing these astonishingly creative concentrations—the 19th-century city—to emerge where everything from commercial to cultural life gathered in the vicinity of one or two natural points of arrival and departure. The motor vehicle carries exactly the opposite discipline: it tends to explode and fragment things—to reduce wholes into small pieces and to disperse these in every direction. You have only to look at New York which was a great and most enjoyable city sixty years ago; today it is unfit for civilised living.

There is in America hardly any countryside left in the social sense. The great cities impress their characteristics through television and the motor car. They spill out like some great, slow-moving flow of molasses all over the countryside and change its nature. This has been a deplorable development, and I hate to see other people, whether under the Communist slogan of abolishing the differences between the city and the countryside, or under the universal slogan of modernisation, especially in the Third World, going the same way. It is an appalling regression.

The situation in Britain is only marginally different from that in the United States. Unlike most European countries, Britain has no peasantry, and the life-style of the British farmer is governed by the same values as that of the urban Briton. But where the British situation is, to my mind, unique is that British society has, despite the Industrial Revolution, never fully embraced the ethos of industrial culture the way in which Germany and the United States have. The values of British education, of literature, of the stage, and screen are all loaded against industrial culture. Britain's poor industrial record since 1945 is probably one of the ways in which British resistance to the discipline of mass-production and uniformity expresses itself. If, as you say, the psychology of industrialisation is a bad thing, isn't the inability to earn one's living because the ethos of industrialisation has been insufficiently asssimilated no less an evil?

Kennan. I don't want to idealise the village or the countryside. In England, as in America, the village has always been the seat of great pettiness and nastiness. But I am convinced that a society which is predominantly agrarian is, with all its faults, a sturdier and healthier society in the long run than one which is predominantly urban. Certainly emotional freshness gets lost in an urban environment. Some of the best modern literature has been produced by people who came from the provinces, bringing with them the psychic wealth that lay with their upbringing, and had this freshness exposed to the great city. In this relationship one may concede the necessity of the large city as the opposite pole, or, if you like, the indispensable irritant. Of course, I don't for a moment imagine that the large city can be abolished. I would like to see it smaller, more concentrated, with a much higher percentage of people living outside it.

The European image of the United States is almost entirely one of urban concentration—New York and Los Angeles are thought of, in their different ways, as the quintessential America. Yet the sort of sentiment you have just expressed about urbanisation is typically and traditionally American. "I view great cities as pestilential to the morals, the health and the liberties of man", Thomas Jefferson wrote in 1784. From Jefferson to Frank Lloyd Wright, most of America's intellectual and literary leaders have spoken out against the evils of the big American city: Emerson, Thoreau, Poe, Henry Adams (to name no others). Isn't the interesting thing really that the anti-urban tradition does not hail solely, or even mainly, from Georgia or the Rocky Mountains, but comes every bit as much from the city intellectuals?

Kennan. This is true. One of our difficulties is that this country staggers along on the relics of an agrarian philosophy and tries to apply it to what is really a thoroughly urbanised country.

In American popular culture small-town and agrarian ideals have continued to predominate. If you look at the old *Saturday Evening Post* (which went out of existence, not because it was losing popular appeal, but because it was losing advertising revenue) you will find that 90% of its famous covers showed small-town scenes. America still idealises its small town as it undermines and destroys it.

The tragedy is that neither our political institutions nor our inherited values have been adequate to the demands of the great city. Our most shocking national failure is the utter demoralisation and deterioration of these urban areas. And I can see no signs that it is being stopped. True, the medium-sized cities throughout the country are making strenuous and almost pathetic efforts to halt the process of urban decay—to try to restore community and cultural life to the centres of the cities; and I understand there have been limited successes in the Pacific North West and in the South, which is today perhaps the most interesting part of the United States. But I can see nothing that could halt the deterioration of New York and Chicago except the exhaustion of the supplies of motor fuel and the subsequent curtailment of the use of the motor car.

Isn't your critique of the big city really a critique of the degeneration, as you see it, of American society and culture? In Democracy and the Student Left *(1968) you clearly connect one with the other:*

"I have the impression that the students who write these protesting letters are almost exclusively people of urban background, that student radicalism, in fact, is . . . an urban phenomenon. . . . There is [in American culture] no strong and coherent religious faith, no firm foundation of instruction in the nature of individual man, no appreciation of the element of tragedy that unavoidably constitutes a central component of man's predicament, and no understanding of the resulting limitations on the possibilities of social and political achievement . . . [the student's] estrangement from nature, his intimacy with the machine, his familiarity with the world of gadgetry, and his total lack of understanding for the slow powerful processes of organic growth, all these imbue him with an impatience and an expectation of an immediate connection between stimulus and effect. . . ."

I noted a moment ago that your strictures of the big city were in line with the thinking of traditional American anti-urbanism. But I would now add that your emphasis, throughout your writings, on the inherently tragic element in human life, its finiteness and unpredictability, strike me as being "un-American", if you will; for it runs counter to the optimistic, problem-solving, this-worldly credo of American culture. I am not so much interested whether this is a genuinely untypical American attitude, as in the more personal question: Why should a distinguished American put so much stress on a clearly unanswerable aspect of the human condition? Or am I misguided in linking your attitude to the American background, and should I simply ask: why do you hold this particular view?

Kennan. This is a deeply personal matter and almost one of religious conviction. The greatest deficiency of Marxist thought, which, after all, has penetrated the consciousness of a great many people in Western society who are not aware of being Marxists at all, lies in the assumption that the ills of society can be cured by tinkering with social relationships. This error, in turn, flows from the fact that Marxists attach no importance, and indeed give no recognition, to the element of tragedy that is built into the individual human experience itself. When I say that, I am thinking of certain well-known facts: that there are such things in life as accidents and tragic illness; that the people we love don't die at the same time as we do and vice versa; that there is bereavement; that people get old, that their power fails, that they have not accomplished what they would, and so on. No human life is without these tragic elements, and anyone who promises to create paradise on earth is perpetrating an inexcusable deceit. The Christian religion, whether one believes in it or not, had an answer to these problems of human exhaustion and failure; but the Marxist outlook does not, and this is its great weakness. It simply does not recognise the main problem in the lives of ordinary people.

The fashionable thing among "progressive" intellectuals is to postulate the death of religion, especially Christianity, and to hope that a substitute ethic will somehow emerge from scientific humanism, ecology, emancipation, revolution or some combination of these (a somewhat déjà vu *idea at least since the French Revolution). But I understand from those who have tried to live by such a new ethic in the communal colonies of California that, when put to the test, the substitute ethic shows itself powerless to influence the minds of people, and the cry soon goes up for some genuinely spiritual concept, or else the ethic degenerates into a quasi-religious worship of human idols.*

KENNAN. As Dostoevsky and many others have pointed out, one has to be extremely wary of a secular idealism that does not plunge to the depth of this tragic element in human nature. After all, every totalitarian movement and every despotism in history professed to be serving the good of the people, while also saying that cruelty and beastliness were the means whereby the public good was to be achieved. I distrust people of good intention who claim to be acting, not out of personal conviction, but on the imperatives of a superior order, for while they profess to love humanity, they are usually very uncharitable to those closest to them.

In practical life we must, on the strength of an entirely personal ethic, hold on to such elementary qualities as charity, decency, love and a willingness to put ourselves in the position of the man in distress. All this may strike you as trite and unctuous, but I deeply believe that kindliness and generosity in our personal behaviour, and a refusal to be beastly to others even by way of reaction, are both moral and pragmatic qualities of the highest order.

One can envisage a move away from a shallow, secularist conception of life under the impact of some cataclysmic event such as nuclear war. But can you see any such thing happening under less calamitous conditions?

KENNAN. In the middle of World War II I thought suffering would make people more thoughtful—that they would come to grips in a more enduring way with the ultimate problems of human life. And they did, for a time. I can recall that in Germany in 1941 the churches, especially the Catholic churches, were full; people wanted solace, and the Christian faith offered them a way of living with the horrible realities of the War. But after the War western societies everywhere—in England as much as in Germany—again yielded to the most appalling materialism.

Part of the answer may well be a greater moral understanding and authority among those who have the educational responsibility. In the 18th and 19th centuries in England, for example, a great deal of the educational burden was borne by the pastors. There are all kinds of things we can deplore or laugh at in their behavior, but it is undeniably true that these men had a serious purpose and did address themselves to the spiritual dimension of life. Nobody does that today—least of all, goodness knows, our teachers!

Organised religion—whatever we may think of the weaknesses and hypocrisies of the clergy—has surely served us well, at least in the sense that it has been a constant reminder that the spiritual condition of man is, or ought to be, a central concern of our culture and society. I am reminded that in Dante's Commedia *the Vestibule of Hell is occupied by the Indifferent, those "Who against God rebelled not, nor to Him/Were faithful, but to self alone were true/ . . . deep Hell rejects so base a herd. . . ."*

KENNAN. In Western culture the churches have kept their eyes on the moral responsibility of the individual in the face of his own conscience. This is not to be taken for granted. It is absent from the Chinese-Confucian concept of religiosity where there is no sin, only indiscretion or impracticability. But in the West, both in the traditions of Christianity and Judaism, we have been brought up to feel individual responsibility.

There is, in the United States, no one to hold people to that today—the churches have lost the power to do so, the state cannot attempt to do so, and our two political parties would not know how to begin to do so. They cater to what is basest in the American electorate.

You expected the War to induce people to take a more thoughtful view of the human condition. Do you feel, then, that suffering, or felix culpa, *is the precondition of both receptivity in the public domain, and of creative individual enterprise, whether in the arts, literature or philosophy?*

KENNAN. I used to think that, but I am no longer sure that suffering makes people better. People endure suffering; but, as soon as they can, they go back to what they were before. One has to distinguish between individual dispositions. There is always a small minority—perhaps 10 or 15%—who have values, insights, sensitivity far greater than the mass of their fellow beings, and it is very important how this pattern-setting minority behave. Beyond that, you have the mass of the people, perhaps 70%, who are the common run of humanity with their normal strengths and weaknesses. These people react to things rather than initiate them. At the far end of the spectrum you find a minority of villains and felons with whom society has to deal as best it can.

I believe education should take account of these differences. Those with outstanding abilities should be taught to be aware of their moral responsibility and to conduct themselves accordingly—which they are not always doing today. I am, in this sense, an inveterate élitist.

But to come back to the effect of suffering: when I said a minute ago that I was in despair about my country, I did specify that my despair is limited to our ability to solve America's problems with the approaches and assumptions with which we are trying to tackle them today. But that does not mean that the individual in the United States has been rendered intellectually sterile, that he has nothing to cling to. Since the First World War, American civilisation has produced, and I am sure it will continue to produce, a remarkable minority of artists, thinkers and writers. I see in this intellectual fertility, rising as it has done against a background of social failure, a parallel development with Russia. The Russians, too, have, both in the 19th and 20th centuries, been eminently unsuccessful in solving their problems as a civic society, and yet they have produced, over the course of 150 years, a remarkable literary, musical and philosophical culture. Very often the creators of this culture were extremely unhappy in their country. They were displaced, they were not appreciated, they were rebellious—but, of course, they spoke from, and against, a Russian environment and contributed a great deal to the world. (I am, naturally, thinking principally of Russia's great novelists and poets from Pushkin and Dostoevsky to Pasternak and Solzhenitsyn.) In other words, a society which is palpably unsuccessful in virtually everything it has set out to achieve can, nevertheless, bring forth from its midst a highly impressive and culturally seminal minority. Here, as I say, the American and Russian experiences run parallel.

May I probe into this Russian-American nexus a little further? We have already referred to your personal affinity with a great many things Russian. Are you now saying there is a certain cultural convergence between Russia and the United States?

KENNAN. The temper of American intellectual life will, of course, always be different from the Russian. On the other hand there is a curious kinship between the American and Russian intellectual personality. It is much easier for some Americans to understand the Soviet Union than it is for most qualified Continental Europeans and Englishmen. There is a certain community in the collective experiences of the two countries which makes itself felt in the contacts between the two peoples. This is truly remarkable.

Isn't there a certain ambivalence in your attitude to Russia? You love the Russian people, their language, their literature, their sensitivity, and their capacity for a sublime sort of suffering; but at the same time, you are very conscious that the Russian tradition of conducting public affairs and pursuing foreign policy objectives is entirely different from, and indeed irreconcilable with, the American tradition.

Your personal affinity with Russia needs no further illustration—"Russia had been in my blood." So let me rather quote your views of Russians as diplomats and neighbours as they appeared to you in Moscow in 1946. I have taken these sentences from a famous despatch you filed with the State Department in the Winter of 1946. It has, by the standards of 1976, a hawkish air about it, and is, I suppose, the precursor of your Mr X article in Foreign Affairs and of the American policy of "containment", the rationale of which was spelled out by you in that article. (I might add that American "revisionist" historians of the Cold War have found equally cogent evidence in your writings, notably in your 1952 despatch "The Soviet Union and the Atlantic Pact", to show that you are also the father of the "revisionist" history of the Cold War.) You wrote in 1946:

"Historically, the foreign affairs of Russia have developed along lines entirely different from those of the United States. Our most important foreign relations . . . have been along the lines of peaceable overseas trade. These have set the pattern of our thinking on foreign affairs. . . . Their [the Russians'] history had known many armistices between hostile forces; but it has never known an example of the permanent peaceful coexistence of two neighbouring states. . . . The Russians therefore have no conception of permanent friendly relations between states. For them, all foreigners are potential enemies. In examining a position taken by a foreign state, the Russians make no effort to look at it from the standpoint of the foreign state in question or from any fancy community of aims on the part of themselves and the state involved. They assume it is dictated by purposes which are not theirs, and they examine it only from the standpoint of its effect on them. If the effect is favourable, they accept it without gratitude; if it is unfavourable, they reject it without resentment. We could make it much easier for ourselves if we would face these facts."

You then offer your famous rules of conduct: "Don't act chummy with them. . . . Don't assume a community of aims with them which does not really exist. . . . Don't make fatuous gestures of good will. . . . Do not be afraid to use heavy weapons for what seem to us to be minor matters. . . . Do not be afraid of unpleasantness and public airing of differences", and so forth.

KENNAN. I recognise the contradiction that is apparent here. Indeed (as I have often pointed out) all Russian reality is contradictory, and so perhaps are some of my attitudes to Russia. What I had in mind when I wrote the lines you have quoted was that the average person who is thrown into a position of political responsibility in Washington by our system is not the sort of person who would find it easy to understand Russian values. I was warning against trying to perceive Russia through untrained American eyes.

When I speak of the affinity between the two peoples I do not conceive of affinity as intellectual understanding—it goes deeper than that. It is a matter of manners, gestures, and approaches to problems; also there is something else which I cannot readily define—a kinship that comes from being a citizen of a large continental country. There is a community of experience, especially between the Siberians and ourselves (and the Siberians and Canadians), which may be due to the fact that Siberian society, too, was a society influenced by the expansion of frontiers over the whole of the 19th century.

Once, sitting on the banks of the river Ob in Siberia, and watching small boys play with a raft they were making on the shores of the river, I suddenly realized how similar this was to Mark Twain's Mississippi: these little boys, too, had the sense of enormous space—that this river was flowing off into endless reaches. Neither their civilization nor the American represented a confined world.

The Western Europeans, who live within much more closely defined conditions both geographically and culturally, have had to shape their behavior within narrower confines. They are, all of them, a more disciplined society than either the Russian or the American. I am not talking about political discipline but individual behavior at grassroot level. Here there is a spontaneous meeting of minds and temperaments between ourselves and the Russians that makes it easy for us to get along with each other.

There are, of course, so many levels at which it is possible to speak of "affinities" between Russia and the West, and the United States in particular, that I should really like to know what particular elements in the spectrum of affinities you would elect to stress as providing the key to the others. Clearly you are not referring to the kind of mid-19th-century revolutionary scientific optimism which runs through Chernyshevsky's novel What is to be done? (a title Lenin plagiarised for his pamphlet), nor, I take it, to the supposed similarity in the destines of Russia and America which Tocqueville pointed out. But, on the other hand, you may not be far from sharing Pitirim Sorokin's view, put forward just after World War II, in a very different political climate, that there is a historical convergence between Russia and the United States in matters of "society culture and personality." But if one believes with Herder (as I do) that each nation's culture is specific and incommensurable with any other culture, then isn't the whole idea of affinity very much open to question?

KENNAN. If I were to point to a single factor at the expense of others, I would say there is a tangible link between the naive earnestness and fundamental sincerity of America, especially as one finds them at their most significant in the Midwest (it is much diluted on both the East and West Coasts), and the immense moral seriousness which characterizes the novels of men like Tolstoy and Dostoevsky. The affinity is unmistakable. It is very important to remember that, despite America's many calamities in recent years, there is still less cynicism among most Americans than there is in Western Europe. Of course the big-city intelligentsia is closer to the mentality of Western Europe; but the heart of America is singularly attuned to the self-searching, fundamentalist message of the 19th-century Russian novel and indeed to its current variants.

Would you say that in both cases the search for truth is a national preoccupation because, in one way or another, both countries have lived with the lie?

KENNAN. I would—with strong qualifications. In the case of Russia the lie has been obvious—both under the Czars and under Communism. In America we cannot talk of "the" lie in the same sense at all. Nevertheless I attribute a great deal of the decadence and demoralisation of American civilisation to the domination of the whole process of communication by the advertising industry. This is a great and fundamental evil, for it pollutes the entire content of information that flows back and forth in the country. It debauches and misuses the intelligence of the listener and viewer; it de-trains people for any sustained attention to the truth. It is pernicious in every way. Even our sporting events are being operated for financial profit and tend to look more and more like the gladiatorial contests towards the end of the Roman Empire.

My own impression of American sporting events is rather different. American football, for example, with its massed bands, split-second gymnastics, and anthem-singing supporters reminds me of nothing so much as Prussian military drill in Wilhelmian Germany. Two hours I spent watching Indiana University play Utah were enough to make me question my own doom-laden judgment that American society was decadent—for wasn't this disciplined display of the American people an assertion of its national strength and identity? Could one withhold admiration from the sheer, overpowering presence of the American people in all its vulgar majesty? If, I reflected, week after week tens of thousands of young Americans are happy to submit to the elaborate, carefully rehearsed, uniformed drill which these parade-ground occasions require, there can't be all that much wrong with the basic morale of the United States. And couldn't it be that this celebration of American football served as a popular outlet for the same naive earnestness which you have just mentioned as explaining the affinity which you feel exists between Russians and Americans? Am I drawing unjustified conclusions?

KENNAN. I think you are. American football is a pageant—it is theatre—and if you consider the terrible forms which the aggressiveness of human beings can assume, the American football game seems to me a harmless way of getting aggression out of one's system. People have to have displays; they are lightning-conductors. I was myself at military school when I was a boy, and I much enjoyed close-order drill. We were very proud of ourselves.

Now you may be right in thinking that American football behaviour is a paradigm of how Americans as a nation might behave *in certain circumstances*. I am sure one could unite the American people and that they would be capable of tremendous efforts; but, unfortunately, I can't see them uniting except on a primitive level of slogans and jingoistic ideological inspiration. I am not sure that people ever unite to perform significant deeds except in response to simplistic appeals in questions of national defence. I dislike this intensely—it is a form of "hurrah patriotism" which expresses itself in our country today in the programmes of people like Admiral Zumwalt: mischievous ideas which would, if they were permitted to be put into action, lead to apocalyptic nuclear confrontation.

2. CAN AMERICA CONTINUE AS A WORLD SUPERPOWER?

No one is more aware *than you that the internal American political process is diffuse, impenetrable and chaotic; and that it is, from such a base, extremely difficult to pursue a consistent and effective foreign policy, especially* vis-a-vis *a power that has a long-term strategy. We have, of course, been aware at least since Tocqueville, that the political perspectives of democracy are always short-range and therefore debilitating. But this awareness has not helped us very much—rather has it added to our problems.*

Since World War II, an unfamiliar responsibility—world leadership—has devolved on American shoulders, but it would seem that neither the American people nor the United States government is willing, or indeed able, to do justice to it in terms of adjusting the American system to its requirements. Can the system be reformed with this end in mind? Is it, on current showing, likely to be so reformed?

KENNAN. I can see no way in which the system can be reformed. I am afraid there is long going to be a tendency for individual legislators and politicians in this country to try to exploit the foreign policy process for their own domestic political ends. As long as they do this, they inflict a sense of incoherence on American foreign policy, because we are pushed into taking actions in the foreign field, not for their effectiveness in the matters with which they purport to deal, but for their ulterior function here at home. It is a self-defeating attitude which reminds me of the tennis player who takes his eyes off the ball because he is too conscious of the problem "How-am-I going-to-look-hitting-the-ball?", instead of concentrating on what he is doing.

I don't take this to be a great black mark against America, or a sign of the inferiority of American society. If you are going to govern, from a single capital, an area as large and variegated as that which constitutes the United States—everything from Florida to Alaska, and from Northern Maine to Southern California—the only way you can govern without coercion is by a never-ending, elaborate series of compromises between political groups and lobbies; and this method of governing the United States is quite possibly better than the alternatives would be.

But if that is the only way the country can govern itself, then it ought to recognise that this places certain limitations on what it can hope to do in the field of foreign affairs, and that its policy should be a very restrained one.

I do not like the word "isolationism" because it has connotations that are too extreme; but I would say that such a country ought to follow a policy of minding its own business to the extent that it can. When I say I am an "isolationist"—which in a sense I am—I do not advocate that we should suddenly rat on NATO and abandon our West European allies. I don't even mean that we should do anything abruptly to curtail our commitments anywhere. To do so would be a new offence in its own right. But I do feel that we should not accept new commitments, that we should gradually reduce our existing commitments to a minimum, even in the Middle East, and get back to a policy of leaving other people alone and expect to be largely left alone by them. We greatly exaggerate the hazards of doing so. Even when people talk, as they now do, about the consequences of Soviet interference in Angola, the dangers of what is really involved in Angola for the United States are egregiously exaggerated. It may be there are dangers for the *Angolans*; but for us the dangers are not significant.

Don't you think this kind of attitude would leave the world wide open to Soviet territorial and political expansionism? Wouldn't it, above all, deliver Western Europe to the Soviet Union?

KENNAN. We should not cut our commitments to Western Europe abruptly. But Western Europe has, since the War, leaned on us more heavily than is good for Western Europe itself. We have been a form of escape for our European allies. They have seen us as saving them the necessity of having a policy either towards Eastern Europe or Germany, which is, of course, very agreeable to them; but it must now end. A gradual American withdrawal, and a gradual assumption of much greater responsibilities by the West Europeans for what is, after all, principally their own defence and political future would be all to the good.

You don't think a "Finlandisation" of

Western Europe would eventually result from granting the Soviet Union what it would probably interpret as an unlimited right to prospect the world for influence?

KENNAN. The comparison that has been drawn between Finland's position *vis-a-vis* the Soviet Union and that of Western Europe is neither fair to the Finns—whose position is not all that weak or humiliating (they have materially *increased* their freedom of action in the last 25 years)—nor is it fair to Western Europe, because the latter's relationship to Moscow rests on wholly different geopolitical, demographic and economic realities than that of Finland. There is, for example, no reason that I can see why Western Europe should not put up a respectable conventional force of its own. In terms of population and industrial potential, Western Europe is at least fully equal to the Soviets. That it hasn't the military muscle which it ought to have is entirely due to a lack of political will. Western Europe is far too addicted to its material comforts, and values prosperity far too highly, to make the necessary sacrifices. But if that is so, "Findlandisation", if it ever comes, will be a self-inflicted wound.

You talk about the defence of Western Europe—I am wondering whether "defence" is the right word, and whether the greatest danger to Western Europe is not within itself, for the general decadence of Western European society is one of the most tangible realities that hits even a fleeting visitor. I won't go into details, but let me just mention a random sample of ominous developments such as the inability of Britain to improve its industrial productivity which is, incredibly, less than half of that of Germany, and to put the British trade union system on a modern footing. I am equally amazed by the inability of Denmark and Holland to put an end to the pornographic invasion that has overcome them. This betrays a terrible lack of self-confidence and a total confusion of values. The same thing is true of the German student disorders which still remain a serious matter in a number of universities. And what is one to think of the failure of the Berlin Senate to prevent the destruction of the Free University? The challenges are brutal and ubiquitous—the responses pitifully feeble or non-existent. Western Europe has lost a sense of the fitness of things, and that *is* the meaning of decadence.

I some times wonder what use there is in trying to protect the Western world against fancied external threats when the signs of distintegration within are so striking. Wouldn't we be better advised if we put our main effort into making ourselves worth protecting?

A couple of years ago, in the course of our usual summer cruise in the Baltic, my family and I put in at a small Danish port which was having a youth festival. The place was swarming with hippies—motorbikes, girlfriends, drugs, pornography, drunkenness, noise—it was all there. I looked at this mob and thought how one company of robust Russian infantry would drive it out of town.

Now many of these fellows would change their spots and prove very valiant people indeed if you appealed to them and presented to them a cause they thought was worth defending. But many of them would not be able to—many of them are too run-down by drugs and the other effects of a permissive physical life.

Calls for social and, really, spiritual regeneration are never absent from your writings; and, personally, I find them difficult not to go along with. But such calls, while fully justified, tend to divert our attention from what we have to do right now in an unregenerate and ugly world, but the only world we have. Will Soviet power wait for our moral renewal?

KENNAN. The Russians are not in a good position to take advantage of our great weaknesses today. They have troubles of their own, enough to keep their attention riveted on other things (I need not rehearse what they are). So I don't think they will capitalise in the near future on the disturbing state of Western Europe. But let me remind you that Western Europe's troubles are not only of a moral and cultural character. One has also to take into account the state of Italy which is almost incapable of governing itself; the disarray and uncertainty all over the Iberian Peninsula; the conflict between Greeks and Turks; and the approaching crisis in Yugoslavia with Tito's death. In the face of all these predicaments affecting the non-Soviet part of Europe, I wonder whether there isn't a certain misplacement of emphasis on the external dangers which are said to be threatening Western Europe.

The net effect of what you are saying is: the Uinted States is congentially incapable of performing a consistently sustained world role; Western Europe, which is decadent and sunk in self-seeking materialism, is hardly worth defending. In any case, the external dangers are (you argue) probably imaginary, whereas the internal ones are real.

But let me assume two things. First, that the Soviet leaders mean what they say when they tell us that they have every intention to exploit the crises of Western society and to support, wherever they can, wars of "national liberation." Secondly, that Western society will, in the short run, not change significantly enough to introduce a fundamentally new element into the East-West relationship. If all this is true, doesn't your attitude amount to a kind of political quietism which would, in effect, mean handing a world hunting-licence to the Soviet Union?

KENNAN. I don't believe it does. The ideological approach of the Soviet Union is at least 70–80 years out of date and has very small appeal anywhere. Portugal has furnished an important lesson: it has shown that we have come a long way since 1917—we are not going to have a repetition of the October Revolution, we are not going to have a Bolshevik seizure of power in any of the West European countries. The extraordinary resistance put up by the Portuguese Socialists shows that even in a country as poor as Portugal and as lacking in democratic tradition, a totalitarian takeover can be, and was, effectively resisted.

It seems to me that the future of Western Europe lies along moderate socialism, and this socialisation of Western Europe harbours dangers for the Soviet Union: the example of the West European nations opting for a generally socialist line of development and detaching themselves from the United States will put great strain on the Soviet hold over Eastern Europe. The East European governments, particularly those straining for greater freedom from Soviet control, are going to say: "Why must *we* submit to this? Europe is no longer in a state of militant confrontation. Most of Western Europe is socialist. The United States is no longer there as a great imperialistic power. There is no more justification for the Soviet control of half of Europe. . . ." The disarry in Western Europe is bound to unleash disarray in Eastern Europe; it cuts both ways.

It may or it may not. American power, or NATO power, has not been able to stop the rot in Western Europe, whereas Soviet power has, brutally and repeatedly, stopped the disintegration of Eastern Europe and is, under the banner of proletarian internationalism, or some other slogan, certain to do so again, no matter how "socialist" Western Europe may become. In any case a significant loosening-up of Moscow's control of Eastern Europe does not at all appear to be an American priority.

But to come back to your point: what you are implying is that the age of faith has come to an end both in the East and the West—on our side, a profound scepticism has destroyed our adherence to formal religions and undermined our trust in the values, tastes and sensibilities of what has traditionally been regarded as European culture. In the East, the appeal of Communism as an ideology is utterly exhausted. We are, then, talking of the clash of two secularisms, each groping for a new guiding principle.

KENNAN. We are talking about the disintegration of both militant faiths and strong ideological beliefs; but we are also talking about the disintegration of the old forms of great-power imperialism. I don't believe in the ability of the Russians to control Western Europe. They just would not know how. They are too crude and clumsy for any such exploits. Such indeed is their lack of sophistication that they have great difficulty in controlling even those parts of Europe which are under their hegemony.

By the same token, I don't believe in the ability of the United States to control any great part of the world. When people speak today of the Russians "getting" Angola, I don't know what they mean, any more than what they meant when they talked of our "losing" China. Nobody but the Angolans will make anything out of Angola—least of all the Russians with their multiple handicaps, especially in an African setting. No one can seriously believe that Angola will be turned into a Soviet republic on the Uzbekistan model. With the exception of Eritrea, the Russians have had nothing but serious reversals in their African policies. So it is up to us to grasp the nettle and tell the world that we are willing to leave such territories alone. We should come out firmly and frankly in the United Nations and say: "We are prepared to have nothing to do with this area. There will not be one penny of American money, not a single American rifle sent to Africa. The CIA will leave it totally alone on the assumption that the Soviet Union will do likewise. . . ." I think we could, with such a policy, put great pressure, through African opinion, on the Soviet leaders.

I find your trust in the power of examples most appealing, for it assumes the basic goodness and rationality of man; but I wonder whether there is room for this kind of sentiment in the hard world of international competition. Can you see professional revolutionaries of the stamp of Stalin, or Lenin, or even of the present conservative but expansionist hierarchy, being swayed by this kind of consideration? Their reaction would not be that the Americans have shown a noble example which they (the Russians) must follow, but rather that American capitalism has become so weak-kneed that they may safely push ahead wherever opportunity beckons.

I do, of course, realize that the idea of setting the world an example by our Western works rather than power, and the related notion of passive resistance, are basic to your approach to international affairs. They were there in your 1957 BBC Reith Lectures, where you said that in the event of a Soviet-American disengagement, European defense should be based on paramilitary forces on the Swiss territorial model:

"The training of such forces ought to be such as to prepare them not only to offer whatever overt resistance might be possible to a foreign invader but also to consttiute the core of a civil resistance movement on any territory . . . overrun by the enemy. . . ."

And on nuclear competition you said:

"Let us divest ourselves of this weapon altogether; let us stake our safety on God's grace and our own good consciences and on that measure of common sense and humanity which even our adversaries possess; but let us at least walk like men, with our heads up, so long as we are permitted to walk at all."

Am I right in detecting a puritanical sense of guilt in all this—a feeling that America *is too rich, too powerful, too vulgar, too brash, and* eo ipso: *guilty? Guilty, above all, because it has not suffered where others have suffered, and has yet to be brought low before it can join the rest of mankind?*

KENNAN. Possibly, possibly. My main reason for advocating a gradual and qualified withdrawal from far-flung foreign involvements is that we have nothing to teach the world. We have to confess that we have not got the answers to the problems of human society in the modern age. Moreover, every society has specific qualities of its own that we in America do not understand very well; therefore I don't want to see us put in a position of taking responsibility for the affairs of people we do not comprehend. I would like to see us influence the world, if we can, by the power of our example to the extent that other people wish to follow it and find it applicable to themselves. But I have, as you know, always very emphatically rejected the concept of the universality of the American experience. Our national experience was never shared by any country and will never be shared by any country in the future. Never again will it be given to a national society to develop a vast, unpopulated area in the northern, temperate zone of the world. Think of the potential wealth of this continent, and the way in which people harnessed it to their needs, and also devastated, by their greed, its lakes and forests and seaboards. All this wealth and space presented possibilities in America which have made the American outlook unique, and therefore inapplicable to any other society.

It has fallen to the United States to lead the world, but the United States can offer no leadership. Isn't this, too, an almost unique fact in history?

KENNAN. Leadership cannot be given for the two reasons we have already mentioned: (*1*) because the United States has nothing much to say to the outside world, and (*2*) because the kind of government we have does not permit, even if we *had* a valid message to impart, the shaping of that message into a consistently pursued foreign policy.

I had the experience some years ago of making a call on one of the African leaders who shall be nameless. The meeting was arranged by some of my friends—I wasn't myself very anxious that it should take place.

"I appreciate your receiving me", I said to this African leader, "but I am embarrassed; my friends asked me to call on you, yet I have nothing to say to you and I don't think my country should either."

"What do you mean by that?" he asked.

"I hesitate to say anything, partly because I feel anything said would be misinterpreted—that is the atmosphere growing up around us." However, he pressed me to say something. "What do you think the United States ought to do with regard to us?", I was asked.

"Leave you absolutely and strictly alone", I said. "If I had anything to do with it, you would have no cause to complain that the United States took any interest in you except at your own insistent request. Other than that we would leave you absolutely in peace."

He threw back his head and laughed: "You can't do that—you are caught here—you can't opt out."

But I don't think we are necessarily caught in Africa, or anywhere else for that matter. We should, for a start, proceed roughly like this: if people from the developing world came to us with requests saying "We want this or that from you by way of help or advice", I would first ask them: "Why do you think we ought to give these things?" And if we did give them, I would say: "We want it to be firmly documented that these things were given at your request, your initiative, not ours." This would prevent a great many misunderstandings about American neo-colonialism, imperialism, etc. Incidentally, this is the way we ought to have behaved to De Gaulle in the years of his power.

I am not sure that your African leader's cry, "You are caught", is all that far-fetched. Raymond Aron remarks in his recent book on the American reluctance to bear the burdens of hegemony: "One cannot help wondering at times whether the American republic will ever attain maturity and whether it will at length realise that power implies rights and duties—limited rights and permanent duties."

In a sense I am more worried about your insistence that the United States has nothing to say to the world than by the nature of the American system which, as you say, inhibits the United States from putting across whatever it may have to say to the world. After all, the latter may be open to reform, whereas the evaporation of American self-confidence is probably beyond repair in the foreseeable future.

What I have more particularly in mind is something you have, I know, always roundly condemned: the idealistic, moralising streak in the American self-image and American foreign policy. While, in 1976, this may strike one as arrogant or insophisticated, it has, in the past 150 years, certainly been one of the great assets of American foreign policy. The examples one could cite to support this assertion are so numerous, especially from Czarist Russia and Eastern and Southern Europe, where the promise of America was most widely appreciated, that I shall simply state the fact, wondering whether, if your policy of what one might call American self-containment" were here to stay, the United States would not be depriving itself of its entire historic magnetism.

KENNAN. If the idealistic component in American policy *has* ever been a force in its own right, it has been confused and really nullified by the crimes and mistakes of recent years: by Viet Nam, by the stupidities of the CIA, by the violation of the democratic process as witnessed by Watergate, and so forth. It would take a long period of withdrawal, a quiet time of minding our own business and rethinking our national purpose, to persuade the world that we had, *if* we had, anything worth while to say to it.

3. A NEW POLITICAL ELITE?

Can we talk about the type of government that would, in your opinion, do more justice to the requirements of the United States as a world power bearing world responsibilities than the present system? You have said that for a country as large and diverse as the United States, the chaotic processes of democratic compromise may well be the only way in which it can govern itself from a single capital. Nevertheless, it is clear from your writings that you have a preference (for philosophical as well as foreign-policy reasons) for a very different type of government—indeed for a different socio-political dispensation. A revealing clue to what you have in mind is, I think, to be found in Democracy and the Student Left:

"Humanity divides . . . between those who, in their political philosophy, place the emphasis on order and those who place it on justice. I belong in the first of those categories. Human justice is always imperfect. The laws on which it bases itself are always to some extent unjust. These laws have therefore only a relative value; and it is only relative benefits that can be expected from the effort to improve them. But the good order of society is something tangible and solid. There is little that can be done about men's motives; but if men can be restrained in their behaviour, something is accomplished. To keep them from destroying each other physically on the streets; to commit them to the observance of a minimum of the amenities; to oblige them to observe greater outward decency than is really present in the primitive chaos of their souls—this is in itself an achievement. The benefit of the doubt should lie, therefore, with the forces of order, not with the world-improvers."

What we have here is a prescription for a hierarchical society—a benevolent aristocracy, no doubt of the spirit and intellectual attainment rather than of birth, or wealth, or political ambition. Is this the kind of road you would, in fact, like to see the United States follow?

KENNAN. Indeed, it is. I can see no reason why a popular control of government should be inconsistent with forceful and purposeful government if the institutions of government are properly designed. Many years ago I fell to thinking about the election of our Senators, and I recalled that initially they were meant to be appointed by the State governors, and I was thinking that would still be the best way to have them selected. I thought then, and I still think today, that we ought to create a panel, or pool of outstanding people that would comprise perhaps 500–1000 souls. Appointment to it would be by some detached and austere authority such as the Supreme Court, and membership in it would represent recognition of distinction in our national life achieved by a man's own efforts outside the field of political competition. One could then say to the electorate: "You can nominate people for election to the Senate—but only from among this body."

The greatest evil of the American democratic system lies, not in the process of election, but in that of nomination. I have nothing against people making their own decisions, but I do strongly object to the fact that our political parties confront the electorate time after time after time with a choice of deplorable mediocrities. We must find some way to restore what I am sure was the intention of the founding fathers, that is to say, make certain institutional arrangements whereby the people for high public office are selected from among the better men in our country, and not from among the vulgar, dull, sluggish and untutored. I am, of course (as you have yourself said), not talking here about an inherited aristocracy. I am talking of a "meritocracy" which we do have plentifully in this country, but are failing to use properly. I profoundly believe in the Burkeian view that only those are fit to exercise high office who hate it, and can only be persuaded to do it out of a sense of public duty. Such men, you might say, are not conspicuous by their large numbers in the United States today.

Are they ever? Burke also said of his own time that the hour was great but the honourable gentlemen were small.

KENNAN. The only big man of the self-effacing sort I have known in our country was General George Marshall. He did not enjoy high office, he was a reluctant servant of the people, but he did serve with an iron sense of duty and integrity. George Washington was of the same disposition. We have come very far from the selfless dedication of the people who shaped the early history of the United States.

Would I be wrong in suspecting that your ideal modern society might under certain conditions assume features less attractive than those of an intellectual aristocracy? You have yourself almost answered this question by posing it in the following way:

"Did it [the decline of liberal-democratic American institutions] mean that they . . . [the Communist leaders] were right and we—wrong? That modern man in the mass had to be thought of as a lost and blinded child who could be led out of his dangers and bewilderments only by bold, ruthless, self-confident minorities, armed with insights higher than any of which the masses were to be presumed capable?"

KENNAN. This is of course the "Grand Inquisitor" chapter of Dostoevsky.

Isn't this part of your search for the mid-

dle ground between the chaotic processes of American democracy, which you half-resent and half-admire, and the modern authoritarian state which you greatly resent but in some ways also admire? I am struck, for example, by your assessment of the domestic changes which were forced upon Czechoslovakia in the wake of Munich and the resignation of the Benes government in 1938:

"Few will wish the return of the many squabbling political parties, the petty bourgeois timidity, and the shallow materialism which seem to have characterised at least the lower organs of public administration under the former [Benes] regime. Czech nationalism will flourish indeed, but with it there will be a demand for greater personal responsibility and greater spiritual authority. . . ."

When I look at your use of words such as "squabbling political parties . . . shallow materialism . . . bourgeois timidity . . . spiritual authority", I would say that there is, over a period of almost forty years, a remarkable consistency in your political philosophy.

Kennan. If I *had* to give an answer to your question about the middle ground—and this is, I must admit, the hardest question I can think of in the whole spectrum of problems facing us—I would say that democracy is a distinctly preferable form of government in a small political community, or one which has a widely shared cultural heritage. I envy the Norwegian government the fact that Norway's population is a mere four million, that most of the country's political life takes place in the same capital, and one might almost say in or around the same boulevard which connects the Norwegian Parliament building with the Royal Palace.

I remember a very hasty lunch recently with a Norwegian member of parliament. He apologised that he had to rush back to the House because the King was off skiing at 4.00 p.m., and members had promised to let him have some bill or other by 3:00 p.m. for the royal assent.

Kennan. Yes—even in England you have a feel of cohesion and homogeneity. In London, influential people in different walks of life have always had a certain intimacy which assured communication even if it didn't assure anything else.

The point seems worth making that the capability for effective self-government seems to me to be pretty well restricted to countries that satisfy one of two requirements; small size and cultural cohesion, and particularly, for some reason, to those that border on the English Channel and the North Sea or have taken their origins from these coastal states. I do not claim this to be a form of superiority; you may say that these Northern nations have been more fortunate in some ways than their Southern neighbours. Whatever the reason, it is a fact that democracy is not widespread or successful beyond this northern tier of Europe. I can see people in Scotland, Hamburg, or Scandinavia enjoying good self-government; I can see a small New England community doing equally well. But I can't see the same thing happening in the Soviet Union, in Latin Europe or in any of the African countries. The taste (what the French call *gout*) for democracy is geographically and historically limited. I don't want to be misunderstood here. I don't reject democracy, for it is the most civilised form of government if the conditions are right; but I question its successful application to countries of the size of the United States, for heterogeneity military against democracy being fully effective on a national level.

Democracy on the American scale can, as I have already said, only work through an endless chain of compromises; and I doubt whether these compromises, and the chain of lowest common denominators which they entail, can do justice to the needs of this country. Also, we shall have to come to grips with the ecological cluster of problems. These contain no popular materials for electioneering purposes. In fact, any political party that did, out of a sense of public duty, pin them to its banner would be courting certain disaster, for it would have to ask for a high sense of self-discipline and self-sacrifice to avert certain catastrophies which are not visible to the naked eye. I can see no political party mustering sufficient integrity to do this. For example, it may well be that we shall have to throttle our agriculture back to a point where we don't use great amounts of chemical fertilisers. Well, it would take bayonets to force the farmers to accept this. But in many other areas, too, there will be an incontrovertible needs to impose an absolutely merciless discipline; and I can't see that being happily enforced through democratic means in a country as large and as polycentric as the United States.

So your self-confident minorities, armed with insights higher than those of which the masses are capable, should be on their way back?

Kennan. This may well be necessary—at the very least we have to work for a minority which has enough confidence in itself to act boldly and lead, rather than follow, public opinion. God knows, I don't want to see any dictatorship set up in this country, and I would not want to be part of one if it were. What I would like to see in the United States is a third party, a minority party, which would, if necessary, remain a minority party for a long time to come—an ideological party which would conduct itself by a high sense of discipline and take immense pains to elaborate an intellectually rigorous programme for the long-term future of the United States. Neither of our two political parties is going to do this; and I don't think any party which puts top priority on getting itself into office by the electoral process rather than on its functions as an educational force in our society is going to do it. The moment you say that the most important thing is to win the next election, and if this means talking a lot of nonsense, indulging in a lot of hypocrisy and over-simplification, and taking enormous liberties with the truth, so be it—the moment you say that, you have ruled yourself out as a force to which the solution of our real problems could be safely entrusted.

Let me repeat that the first requirement is a system of selection of an elite which is not based on false values, which really does recognise merit both of the intellect and of character and responsibility. The people who have these qualities have to be encouraged and brought to a point where they can be seen and recognised, and then given responsibility. I don't think they should be given it indefinitely—one must have an occasional appeal to the public for a vote of confidence.

Moreover, we could do much better than we are doing in the United States if we allowed a lot of our political life to devolve to the regional centres instead of trying to run it all from here in Washington. Look at these monstrosities of buildings that are being constructed in Washington for an ever-spawning bureaucracy! This is a ghost city after 6 p.m. It is not safe to take a walk at night half-a-mile from the White House. An incredible situation! I can't understand the indifference of anyone in high positions in our government. Does the President not mind? It is right on his doorstep.

Isn't your plea for the acceptance of an intellectual aristocracy a very difficult one in a basically egalitarian society? It was Michael Young who pointed out that, whereas in a traditional social millieu a man's misfortunes can always be attributed to social injustice ("I am as good a man as he is, but rich/privileged" etc.), in a Meritocracy, where social status and money rewards are directly related to attainment, the consolation that you are where you are because fate put you there falls away; you are forced to face up to the fact that you are in an inferior position because you are inferior. This means that Meritocracy increases, rather than decreases, the sense of injustice from which all who do not belong to the Meritocracy are bound to suffer. And that, after all, is the vast majority.

Kennan. Surely, one should be content with a modest station in life if one has modest capabilities.

But is anyone so in the United States in the 1970s?

Kennan. Some people are, and I don't think it is asking for too much. Remember the remarkable results which have been achieved over the centuries by organisations which apply these principles within themselves, as for example the Jesuit order. The same is true in a somewhat different sense of certain military bodies such as the Marine Corps. Both have produced remarkable qualities of leadership.

I would rather occupy a modest place in a good hierarchy than be a member of a grey, monotonous mass of mediocrity. There is a place for hierarchy and ceremony in life. Shakespeare was profoundly right when he said "All the world's a stage"—we all need theatre, and hierarchy *is* theatre in the sense that the people on the stage are in most cases not worthy of the places they occupy but have to pretend that they are. This is true of every college procession: there is not really all that much ascendancy among dons, and all that much lack of virtue among the rest, but people need and enjoy the spectacle.

A great impression was made on me many years ago by an illustration in Lewis Mumford's fine book, *The Culture of Cities*. He reproduced a picture of a holy procession in medieval Florence, and he pointed out that there were no spectators in the streets—everybody in town was in the procession, everybody fitted in somewhere. This is my thought of how life should be, and let us not take it too seriously that some senile old boy is at the head of the procession; that is part of life, too.

4. A DIPLOMATIC LIFE

How it is that your sense of "hierarchy" seldom prevented you from offering lively opposition to the official wisdoms of the State Department and their agencies of the American government? In fact one of my readings of the psychology of your record as a foreign service officer may be summed up as: profound scepticism—not with regard to policy A or policy B, but to the policies of authority as such. But, of course, I may be entirely wrong; it may well be that you were simply reluctant to go along with the policies of Washington because you felt that these were the work of lesser men, judging profound issues on frivolous, self-serving, or irrevevant grounds, and speaking almost always from inadequate knowledge. In any case, your opposition is almost always there.

For example, just after the end of the War, when official American policy was still one of cautious trust, and unofficial American opinion one of friendship, towards the Soviet Union, yours was the first important voice to dispel American illusions and warn against "acting chummy" with the Russians (and I have already quoted the details of your warning from your Winter 1946 despatch).

Then, at the height of the Cold War, you challenged the orthodoxy of Washington from the opposite angle, telling it, with many qualifications and great subtlety, why Stalin had ample reason to feel threatened by NATO, *the Marshall Plan, the remilitarisation of Western Germany, American action in Korea, and the failure of the United States to leave Japan unoccupied and demilitarised. You wrote in 1952:*

"Both the imposition of the Berlin blockade and the Soviet crackdown in Czechoslovakia were reactions to these reverses for Moscow in the Cold War."

KENNAN. Let me, for the moment, take this question on a different ground. You must bear in mind that I voiced the sentiments you have mentioned, not to the governments to which I was accredited, but in communication with my own government. I fully subordinated myself to the policies of my government because I always believed that a diplomatic representative's duty is precisely to try, as best he can, to speak for his government. The way in which his own personality can be inserted in this act of representation is the manner in which he speaks, but he must not change the message. On the other hand, I also believe very firmly that it is essential for the diplomatic representative to be able to tell his government if he feels that some aspect of his government's policy in respect of the country in which he is stationed is wrong, to give his government guidance, and to help it to adopt a policy that would be more effective. The great difficulty is that often a piece of policy that commends itself as being likely to be effective in relation to a foreign government is in conflict with the domestic realities at home, and only the Secretary of State or indeed the President can resolve the dilemma.

As a rule of thumb, I would say the diplomatic representative should put up with a great deal of disagreement between himself and his government, and go on loyally to state his government's views to the foreign government, because that is, after all, the only thing that is useful to the foreign government. A foreign government is not much aided by knowing what you think personally; it wants to know what your government thinks and what it is prepared to do—and that you have to tell it. And even if you are, as a diplomatic representative, in very great disagreement with your government's policy, you ought not to leave your post in too great a hurry, for you are thereby forfeiting all the good that you could do by remaining with the problem, and the post which you occupy, for a further period. I have learnt this from my own experience. I was too quick to leave government service. I was too impulsive. I did not have sufficient patience; I should have had more. Some of my colleagues—very good men—rode out successfully a number of storms with our government, worse storms than the ones I had to face. I am thinking, for example, of my late colleague Tommy Thompson [US Ambassador Llewellyn Thompson] who was serving in Moscow at the time of the U-2 episode. It must have filled him (I know it did fill him) with sense of utter despair to have American-Soviet relations so badly damaged by a perfectly silly and unnecessary operation of this kind. Every diplomat has his conflicts with authority. Most of them are, at one time or another, wringing their hands about the instructions they receive from home.

But you have done a remarkable thing by subtly trying to educate the State Department and the President. Your despatches are surely the most instructive, and the best written, diplomatic literature of modern times, and their prescience is in most cases truly astonishing. I would have thought this was not exactly the kind of article which the run-of-the-mill American foreign service officer was expected, or able, to supply. Were you breaking fresh ground?

KENNAN. I think I was. I always liked writing. One of my great disappointments while I was in the foreign service—at a time, therefore, when the government were my only readers—was that my audience never noticed that some of these despatches were fair bits of prose.

But here, generally speaking, you are in good company. Dylan Thomas, I remember, was refused a BBC job because the broadcasting bureaucracy opined that he did not write good enough English.

KENNAN. That, of course, is comforting! I wrote a great many diplomatic reports, long and short, under my own name as well as those of my superiors before I was appointed ambassador; and I always took a lot of trouble over them. Yet I did not have a single comment from anyone in government. That tells you something. My State Department readers seemed incapable of distinguishing one kind of prose from another. This was, I must say, a source of intense frustration for me because I did feel that, even if one could not expect style to merit praise in a bureaucratic environment, some of these missives of mine were at least valuable as documents and ought to have elicited some response.

Fortunately, the record has, in the meantime, been set straight by history. For example, your despatches from Czechoslovakia at the time of, and after, Munich, have now been published as a book which has won wide acclaim.

KENNAN. Well, I did what I could to educate the Washington establishment, but I don't think I was at all successful except where the seeds happened to fall on ripe soil as in the case of [former Under-Secretary of Defense] James Forrestal. When I said things he wanted to hear, he was pleased. Otherwise I don't think my despatches affected anybody. Dean Acheson was amused and horrified by some of the things I wrote. My views on Russia were fairly widely circulated inside the government, but others got no internal publicity at all. After one of my visits to Latin America I wrote a despatch (it is mentioned in the first volume of my *Memoirs*) which so shocked the Secretary of State that he had all copies locked up, and the thing was never distributed.

What was it that so shocked the mandarins?

KENNAN. I have never been told. But looking back on my report I suppose my whole analysis of the condition of man and civilisation in Latin America was too paradoxical, too philosophical and perhaps too academic for those vast, slumbering archives in the State Department. Here is the kind of thing I was saying:

". . . to plunge deeply into it [Latin America] . . . is to lose oneself in a sort of Alice's Wonderland, where normal relations between cause and effect have lost their validity, where nothing may be judged on its actual merits, where no idea has more than a relative integrity, where real things receive recognition only by their relation to the diseased and swollen human ego, where nothing is ever wholly finished because things are never more than symbols and there is no end to those things which are the objects of symbols.

Here, for the sensitive foreigner, there are only three forms of escape: cynicism, participation, or acute unhappiness. Most foreign representatives find refuge in a combination of all three. . . ."

This was the kind of stuff that must have rendered my report intolerable to the embrace of the files in Washington.

But, then, I can quite see that in a political culture in which one recent President earned the reputation of "never reading anything he could possibly avoid reading", your sketch of the human condition south of the United States border must have caused some bewilderment. Regular guys surely don't write that kind of stuff. Alternatively, I would say, if I were to be cynical, that some of your superiors in the State Department might have felt that your description of conditions in Latin America ("where no idea has more than a relative integrity" etc.) sounded a little too much like a description of things in the State Department, and that your report was put on ice for that reason. I suppose we shall never know.

Your outspokenness reminds me, by way of contrast, of your own observation that one of the reasons for the warped judgments of the Kremlin, under Stalin, in matters of foreign policy was the fear of Soviet ambassadors to report things as they saw them. They filed instead what Stalin and others wanted to hear. If your own example is anything to go by, any warped judgments from which the United States government might have suffered in the recent past could certainly not be excused by any lack of frank and perceptive reporting by American diplomatic representatives.

KENNAN. Ah, but my case is not typical. There is, on our side too, a form of diplomatic reporting which simply says "How true, Sir!" to the President or Prime Minister. This is an ever-present danger in every government—and it doesn't matter whether the government is a democratic one or not. There is a very real difficulty in going to a head of a state or government—a man of great power—and trying to tell things to him which he does not want to hear. The extreme example of this was, of course, Hitler; and one of the remarkable things about Hitler, which has not been given sufficient attention in Western opinion about this man, is that there is to my knowledge no example of anyone ever succeeding in going to Hitler to tell him the truth about where he was leading Germany. Many men went to see him with this in mind, saying: "I'm going to tell him—somebody has to put it to him what he is doing to this country and the world. . . ." But not one of them could bring it over his lips when he was in the presence of Hitler. And any of us who ever had to deal with world leaders realises how difficult this is. It wasn't easy to get through to Churchill or to Roosevelt. Both men charmed you out of the room before you could say anything to them; they were more interested in speaking than they were in listening.

Was this your experience of John F. Kennedy too?

KENNAN. No, Kennedy was unusual in that he was an excellent listener. With foreign statesmen, too, he would sit in his armchair and put his visitor in a chair right next to him and ask very relevant questions and listen with great respect and patience. He had a captivating boyish gallantry towards older men like myself, which I found very agreeable.

You wrote Kennedy a very strong letter of support, one month before the President's assassination, "full of admiration, both as a historian and as a person with diplomatic experience, for the manner in which you have addressed yourself to the problems of foreign policy with which I am familiar." And Kennedy's handwritten reply was equally warm. The admiration was mutual and, I think, on Kennedy's part too, entirely genuine.

KENNAN. Probably so, but when the chips were down, this did not prevent him from serving me up on a platter to Wilbur Mills over cancelling the extension of most-favoured-nation treatment of Yugoslavia, to which I was then serving as Ambassador. But, looking back on the incident, which led to my resignation, I cannot blame him for this. Kennedy operated within the constraints of a tight political atmosphere, and I am sure he had very little choice. In a second term of office he might have acted differently.

What about Harry Truman?

KENNAN. I had to go and see him on a number of occasions, and I found him a most congenial man—a man obviously capable of strong friendships. I was glad that I did not know him better than I did because I had a feeling he was the sort of man who, if you were his friend, would expect you to be the friend of all his friends and the enemy of all his enemies; and I didn't want to be either. Truman was a healthy spirit; he was not as forbidding as some of these other great political leaders, not as difficult to get through to. You could not help liking him—here was an absolutely sane, normal person who was himself most of the time. He did not put on airs—he was like Ernie Bevin: an excellent man of the people.

Hence his current great popularity in the wake of Viet Nam and Watergate—a "straight guy" after the card-sharpers and the intellectuals.

KENNAN. Yes, but his apotheosis is not complete. The revisionist historians have to condemn him because, after all, the Potsdam Conference took place under Truman's presidency and so did the development of nuclear weapons. Therefore, in the eyes of these historians, and a lot of the student youth, Truman remains a villain.

Nevertheless, the new Truman cult is shared by most Americans I have met.

KENNAN. It is. We are, you know, so terribly happy in this country when we get one good man of the people! Lincoln was that, and Truman is in a way in the Lincolnesque tradition. He embodied all the virtues of the Midwest. Even his violent reaction to the criticism of his daughter Margaret was well taken. Everybody understood this. People said: "Well, he is a father, and he must be loyal to his daughter. . . ."

Truman was a man of intense loyalties to a lot of very shabby friends. This was something with which the average man in the United States could identify, because the average chap would think: "Most of my friends are shabby people too, but I am loyal to them, and I admire Harry for being the same. . . ."

But coming back to the phenomenon of inability to get through to a person in high office—this was also true of Stalin. We know from Khrushchev and many other sources that people were too terrified when they spoke to him to say anything he did not want to know. But he was a great dissembler, and therefore a patient listener, when he wanted for any reason to create the impression that he was listening.

Why did you never go to see him? You say in your Memoirs *that you hesitated for a time, that you pondered the matter over long walks in Moscow, but finally decided that you had nothing to say to the man. I am a little puzzled. I would have thought that even to hear Stalin's lies and evasions would have seeded in your mind impressions of some importance which, in turn, would undoubtedly have added to the knowledge of your government. I remember Arnold Toynbee telling me how his visit to Hitler in 1936 left him with the indelible impression that Hitler was already preparing for a showdown with Russia.*[1]

KENNAN. I had nothing to say to Stalin on behalf of the United States government. Nor did I have (and this again reflects on our system) instructions which would have given me any idea what to say to him. I felt that my own views were such that it would have taken me a very long time to get them across, and clearly an audience with Stalin was not going to be the right occasion. In addition to that, I knew that my British colleague, [Sir Alvery] Gascoigne, had been kept waiting for an appointment, unsuccessfully, for seven or eight months; and I did not want to subject myself, and the United States government, to this humiliation. In retrospect, I may have made a mistake, although I had no instructions to see Stalin. But certainly there must have been raised eyebrows in Washington: "Why in the world did you not seek an interview? What did you expect to achieve by not seeing Stalin?"

Stalin may, of course, very well have treated you the way he treated Gascoigne, for he had, as you later discovered, a profound grudge against you which he took care not to forget. I have in mind the incident of your short speech in Moscow on "Victory in Europe Day" in 1945.

KENNAN. Stalin wasn't accustomed to anyone else in the Soviet Union, Russian or foreign, being the subject of an approving demonstration by a Soviet crowd; and I am sure this had a lot to do with my expulsion, seven years later, as United States Ambassador. I am saying this because the *Pravda* editorial commenting on my expulsion—and this was a first-page article written with the highest authority—brought up a distorted version of what had occurred on "VE-Day" in 1945. Clearly, I had offended Stalin.

But the ostensible reason for your expulsion was a statement you had made at the Templehoff airport in West Berlin telling the assembled journalists how foreign diplomats lived in Moscow:

"I was interned here in Germany for several months during the last war. The treatment we receive in Moscow is just about like the treatment we internees received then, except that in Moscow we are at liberty to go out and walk the streets under guard."

KENNAN. Yes, these remarks of mine were given by the Soviet government as their reason for considering me *persona non grata;* but I know it for a fact that the real reason was the earlier episode which had stuck in Stalin's gullet. The decision to expel me was Stalin's—the Soviet Foreign Ministry was not even consulted and knew nothing about it until they heard that the decision had been taken.

What did you say on "VE-Day" that so upset Stalin?

KENNAN. Oh, nothing you might consider remotely objectionable. On the morning of "VE-Day" a large crowd of enthusiastic Russians gathered, I think entirely spontaneously, in front of our Embassy to celebrate the end of the War and Allied cooperation. I got up on a column in front of the Embassy building and said, in Russian: "Congratulations on the day of common victory. All success to our Soviet allies"—something of this sort. But these remarks were developed by Moscow's ugly propaganda machine into a wholly distorted story based on what Ralph Parker, a former Prague correspondent for both the *New York Times* and the London *Times,* said about the incident in a book published four years later: *The Conspiracy against Peace.* Parker (who was a man far to the Left) and his Russian-born wife had phoned that day and asked whether they could come up to our flat and watch the "VE-Day" celebrations from our balcony. I said: "By all means, if you can get through the crowds into the building, why, come on up." (We happened to have an apartment on the fifth floor, the floor with the balconies, so one could have a very good view of this great scene from there.) Well, Parker and his wife came up—Mrs. Kennan and I had soon to leave because Mrs. Churchill was in town and we were going to a reception to honour her. "Make yourselves at home", I said to the Parkers, "and go out and look to your heart's content." Well, Parker went out on the balcony for a couple of minutes and came back into the room. My recollection is that we were just putting on our coats and hats when Parker said: "Isn't this a marvelous occasion?!"

"Yes", I replied, "but it also makes me a little sad."

"Why does it make you sad?" he asked.

"Because there is something pathetic in the hopes that these people attach to the end of the War. There are going to be many problems after the War. These people have been through so much suffering that they think victory is going to remove all their troubles. Russia is facing major problems of reconstruction; it will be a long period before material conditions can get better. . . ."

As I say, four years later Ralph Parker published a propaganda book in which he recounted a version of this episode. By then Parker had become an obvious tool of Stalinist propaganda and had burned his bridges to the West. What Parker now said was, very briefly, that he had come up to my apartment to watch the passers-by (he did not say it was a big demonstration), that he had gone out to the balcony, then come back into the room to find me cowering out of sight of the crowd and gnashing my teeth, saying: "Ha!—they triumph, but little do they know that the real war is about to begin!"

Parker was, by that time, under Soviet control. His book was a vile and mendacious attack on the United States government and especially on its Embassy in Moscow. It was entirely built around this episode.

5. TOWARDS A MORE RIGOROUS DISCIPLINE

Having already touched on the uneasy coexistence in your career of the historian and the man of action, may I broaden the questioning a little to see how the consciousness of history (or, as the case may be, its absence) affects American national behavior? It has been said that the greatness of America is due to the fact that it has been able "to shed the heritage of European history"; or, conversely, that America's recent disasters in Indochina and elsewhere have been due to her "neglect of the lessons of history."

There is certainly a lot to be said for the first proposition, for the raison d'être *of the United States was escape from the iniquities and poverty of Europe. America exists as a protest against the burdens of the past. Hence the neglect of history in American education, the emphasis on "political science" as surrogate history, and hence also the historical amnesia of the American people which may or may not be a good thing for the future of Western civilisation.*

KENNAN. You are right about the dangers of historical amnesia. Yet the evidence is contradictory. Look at the cult of books about the Civil War, look at the present bicentenary—there is a great interest in American history and an absolute plethora of less obscure personalities in American history. This would show that there is a historical consciousness of a kind in the United States.

But isn't this a mere search for roots and identity—a form of history, but perhaps a rather low form?

KENNAN. I suppose it is a form of genealogy. History in relation to the rest of the world has fallen on evil days in so far as American popular culture is concerned.

A great deal of good academic history is being written, and in Russian studies the American effort is outstanding. Some of the younger scholars at American universities are writing the best books that are being produced anywhere in the world on Soviet history—objective, informed, and excellent in all respects. It is unjust to cite names because there are so many good people active in the field; but let me just mention Stephen Cohen's study of Bukharin[2] as one example of superlative scholarship. So academic history of a specialised kind is by no means neglected. On the contrary, recent history and diplomatic history are more intensively cultivated here than on the Continent and, I would say, on a par with Britain which has its own distinguished tradition in recent and diplomatic historiography.

The American contribution to academic historiography is well recognized, but isn't it rather something like the American contribution to astrophysics or biochemistry, with

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[1] The visit is reported in Arnold Toynbee, *Acquaintances,* 1967.

[2] See, in ENCOUNTER, Sidney Hook's long review-article, "The Case of Comrade Bukharin" (December 1974).

no escalator between the man in the street and the ivory tower? Can we expect the study of history—conceived as the study of human affairs par excellence—*to penetrate the consciousness of a country that consists (the current bicentenary notwithstanding) overwhelmingly of "neophiliacs"?*

KEENAN. There is no adequate communication between the history that is being written at the universities and American popular culture, and particularly the culture that finds its way into the press, radio, and television. Every day I am struck and horrified by the absence of almost any historical memory in the writings and personal attitudes of American editors and journalists. This morning, for example, there are great headlines in the papers about something Dr. Kissinger said or did in the matter of Angola, as though this were the first time that a problem of this nature had ever come up. Where have these people been for the last thirty years? There have been scores of similar instances since 1945.

There are two kinds of historical memory. There is what one might call the emotional-political memory that you will find, for example, among the Irish, the Southerners in the United States, and in Yugoslavia where the ancient sufferings of the Serbs and Montengrins, the battles they fought with the Turks, and so on, are firmly engraved in the popular mind. This kind of history sustains a spirit of self-adulation, intolerance, and chauvinism.

But history proper (I will not call it objective history, for we don't quite know what that is) [3] is a different thing; and you are quite right in saying that what is missing in the United States is any sense of the lessons and wisdom of history, especially what history has to reveal about human beings themselves in the political, cultural, economic context; how individuals and governments act and react; and how the judgments of both must be set against relative standards. For example, there is, in our historical consciousness, no comprehension of the fact that every democracy bears in it certain elements of conspiracy, and every totalitarian regime carries a certain sense of responsibility to the people. These distinctions are relative; but reading the things that are being written in our country you would never realise that they are.

I happened to glance through, the other day, the minutes of a Pacem in Terris *conference (held in 1965), on coexistence and the problem of how far Communist parties ought to be recognized as ordinary parliamentary forces in Western society. You were yourself one of the participants; Arnold Toynbee was also there, and he made an interesting point by taking an analogy from 16th-century Japan. "Look what happened to the Spanish Jesuit missionaries," he said (and I am summarizing Toynbee) . . . they arrived in Japan in the second half of the 16th century and were rapidly making converts to Christianity. But the Japanese wouldn't have that. They took some pretty drastic action: they made it illegal, under pain of death, to be a Christian; every Japanese family had to register with a Buddhist monastery to prove it was Buddhist and not Christian, and the Japanese forbade foreigners to come to Japan under pain of death. But none of this was done solely because the Jesuits were propagating an alien faith; it was done, rather, because they were suspected of being fifth-column agents of a large, proselytising political power—Spain. However, the Japanese did allow in the Dutch Protestant missionaries who were treated very differently. For one thing the Japanese did not take these missionaries' work too seriously because they thought Protestants were, after all, not really Christian! For another, and more important, they did not feel that these Dutch pastors were agents of a militant ideological power. So the Dutch were sent off to a small island where they were allowed to work, but once a year they were summoned to Kyoto and made to trample on the cross to confirm their heterodoxy in the presence of a jeering Japanese audience. . . ." And Toynbee seemed to conclude from all this that in our society, too, the "protestant" type of communism, if there was no militant secular power behind it, ought to be tolerated because missionary work is one of the natural human rights. But in retrospect, he said, the Japanese had some justification for their action because Japan was not conquered by any Western power, whereas the Philippines, next door, were conquered.*

What an impressive historical panorama, I thought to myself as I read Toynbee's remarks, and how very remote from American thinking! Would a connection of this sort, between the legitimacy and eligibility of the West European Communist parties in the 1960s, and the fortunes of Spanish Jesuit missionaries back in 16th-century Japan, make sense to an American audience? Yet is this not precisely the kind of perspective which the study of history ought to encourage?

KENNAN. It ought, and this is where the teaching of history in American education is gravely at fault. The deficiency applies, of course, as much to the study of Greek and Latin as it does to history; for all these disciplines provide a mirror in which we can, through a variety of civilisations and linguistic cultures, look at ourselves. Truth in human affairs reveals itself only very rarely by some linear process. It cannot be stated in pure form—it is brought out dialectically, that is to say, by comparison, and if you haven't the historical depth, you can't make the comparison.

We are, needless to say, much better off than the Russians, because in this country history can at least be freely studied and written; but there is a great failure to communicate it—a failure which reflects on the whole American educational system, and it is one of the reasons for my great pessimism about the United States at the present time. I have, in my own lifetime, witnessed a steep decline in educational standards. It is deplorable that so much of primary education has been taken over by professional educators who have been trained to believe that teaching is a technique unrelated to the subject, rather than the manifestation of enthusiasm for a subject. We have also made cardinal mistakes under the heading of the "democratisation of education." The equalisers and popular educationalists are profoundly in error. A nation must not sacrifice the advance of its talented élite, and I'm afraid we are in danger of doing that.

I am, for the same reasons, against "open admission" to university. Something may possibly be said for open admission to the big State universities which are, by and large, social rather than educational institutions. At a time of unemployment, they are an especially convenient way of keeping millions of young men and women out of the labor market.

But most of these universites should not be regarded too seriously from the standpoint of higher education. Those students at the State universities who are susceptible of being led on to the higher reaches of the work of the mind should be taken away from these institutions and put in others, where sterner demands and sterner intellectual discipline would be placed upon them. This was the old, monastic concept of the European university, and I should like to see it revived in America.

You quote (in Democracy and the Student Left) *Woodrow Wilsons' evocation of the university as the kind of institution America has rejected but you would like to see established. It is a revealing passage:*

". . . a free place . . . where no man could be and not know with how great a destiny knowledge had come into the world—itself a little world; but not perplexed, living with a singleness of aim not known without; the home of sagacious men, hardheaded and with a will to know, debaters of the world's questions every day and used to the rough ways of democracy; and yet a place removed—calm Science seated there, recluse, ascetic, like a nun; not knowing that the world passes, not caring, if the truth but come in answer to her prayer. . . . A place where to hear the truth about the past and hold debate about the affairs of the present, with knowledge and without passion; like the world in having all men's life at heart, a place for men and all that concerns them; but unlike the world in its self-possession, its thorough way of talk, its care to know more than the moment brings to light; slow to take excitement, its air pure and wholesome with a breath of faith; every eye within it bright in the clear day and quick to look toward heaven for the confirmation of its hope. . . ."

You then point to the "dreadful incongruity between this vision and the state of mind—and behavior—of the radical left on the American campus."

The United States is no longer troubled by student disorders, yet Woodrow Wilson's vision of the university as a seat of high culture and seclusion seems to me as remote from America in the late 1970s as it was a decade ago. I don't suppose you would agree with that?

KENNAN. No, I wouldn't. At the height of the student disorders I often asked my friends at Princeton and Harvard: Why can't you take a part of this university, say, the old Graduate College at Princeton, and say that this is going to be a special institution for those who are seriously interested in the humanities and can prove a serious competence in their field. No one has to come here who doesn't want to; but those who do elect to come must bear in mind that different rules prevail here. This is going to be an austere place of serious study. We will have no prearranged sporting activities. You can go out and take a walk or play tennis, but no football, no baseball, no mass-audiences. This is going to be a place of contemplation. Our terms will be short, as in England, but while you are here, no one, either faculty or students, will leave this place for weekends. You are going to remain here, and we will not have music played all over the campus, nor are you going to have high-fidelity equipment installed in your rooms. We will exclude television and all the other trivia of communication.

I would not insisit that this be an all-male institution, but I would have the sexes segregated. There would be no sleeping together in term time. All that would have to wait for the vacations. I would tell them: you are going to have two months' vacation; we don't care what you do then as long as you return in full possession of your faculties, as long as you have not undermined your intellectual make-up by drugs or alcohol. But while you are here, you are going to concentrate on what you are doing. You are going to live with these books. . . .

You may be right in saying that the general cultural trend in the United States is not towards this conception of the university; so be it. But there are enough good people in this country to make such a clearly élite institution a success. The intellectual endowment of the students at our leading universities is excellent—better than it was in my generation. What needs to be done is to create a cultural milieu of the kind Woodrow Wilson had in mind, so that the cutting edge of the intellect is given a spiritual dimension. The medieval, monastic idea of the university is not nonsensical. It recognises that the process of learning must, if it is to be fruitful, be associated with a certain remoteness from the contemporary scene, a certain renunciation of participation in the interests of the achievement of a better perspective later in life. It is, as I said in my book on the student rebellion, an ideal that does not predicate total conflict between thought and action, but recognises that there is a time for each.

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[3] See: George F. Kennan, "History as Literature", Encounter (April 1959).

One other thing: We must, at the university, too, get away from the so-called professional approach to higher education. I would only admit students to my élite university on condition that they had no such "professionalism" in mind. I would select people who wanted to be well-read in the round, with a refined and disinterested curiosity about life—and let the rest come later. It is a great pity that the idea of a liberal education is dying out and that the students are so professionally dedicated. They don't seem to have that pristine wonderment about life that befits their age and is the secret of any worthwhile achievement. It makes it very, very dull to deal with them.

6. COLD WARRIOR OR REVISIONIST HISTORIAN?

You have not quite satisfied my curiosity whether the symbiosis in your writings of the "Cold Warrior" and the "Revisionist" historian (and I am using both labels, faute de mieux, *with great reluctanec) is sufficiently explained by a kind of sublimated gut-reaction on your part to the conventional wisdom of authority. I have mentioned, by way of an example, the incongruity which exists between your "long telegram" in the winter of 1946, and your 1952 despatch "The Soviet Union and the Atlantic Pact." Clearly, you did not suffer fools gladly, especially those set above you in the hierarchy; and I think it is fair to say that you were, by temperament, a "resigner." Do these factors tell us the whole story?*

KENNAN. No they don't, I would not want you to think that the incongruity which you notice stems from some perverse obstructionism, or oneupmanship, on my part. Let me explain what the incongruity was about, and why each of the two, seemingly irreconcilable, strands of my argument was entirely justified in the context in which it was put forward.

Under the Roosevelt administration, both before the War and during the War, there was a wide measure—and for many of us who were serving in Moscow, a disturbing measure—of naïvety and shallowness in the judgments of our governmental leaders with regard to the Soviet Union. This, we felt, was a danger of great seriousness which we had to combat. Soviet-American relations could not be dealt with by those easy and really childish methods which commended themselves to FDR; that is to say, by one-sided American gestures which were expected to appeal to the Soviet leaders, and especially Stalin, personally. (I was shocked to discover that Roosevelt had at one point invited Stalin to involve himself in American domestic politics by sending Stalin a private request to dissuade the United States Communist Party from supporting him at the presidential election lest this support should prove embarrassing to him.)

In the immediate post-War period, when I wrote my "long telegram", I was especially concerned to bring our people in Washington to understand that, before they could effectively deal with the Soviet leadership about the future of Europe or anything else, they would have to prove to it that we would not allow Moscow to win by methods of infiltration and concealed aggression—that the West had sufficient virility, sufficient firmness, and sufficient self-confidence to prevent itself being undone by those means. In the latter part of the War we had led Stalin to believe that Western Europe was being reduced to so pathetic a state in terms of military and economic power and self-confidence, and that the United States was motivated by such a sweeping naïvety with regard to Soviet power, that without any further military action at all, the Soviet Union could soon eliminate the United States from the whole Eurasian landmass and pretty much have it its own way throughout the world. It was clear to me that, so long as the Russians entertained such ideas, we had no hope of dealing with them effectively. Therefore, in 1945 and 1946, I urged Washington to stiffen up and disabuse Moscow of these illusions because I was convinced (and I said so in my dispatches) that only when we had proven to the Russians that they could not get what they wanted without dealing with us, would they consent to deal with us.

The effort to enlighten the United States was almost more successful than I had supposed. (I do not, of course, credit myself personally with that success because American opinion was in the process of undergoing a profound change which had deeper reasons.) By the winter of 1947–48 the success of the exercise was amply demonstrated, and the psychological triumph of the Marshall Plan clinched that demonstration. It was my expectation—and I believe I can speak here for my late colleague, Chip Bohlen [4]—that once we arrived at that point, we would sit down with the Soviet leaders and talk to them about the future of Europe in order to see whether we couldn't get some agreement on a general withdrawal of their power and our power, but on terms which would make it possible for the rest of Europe to live.

At that point I found that I had, so to speak, oversold my bill of goods, that our people had become so persuaded of the hostility of the Soviet leaders that they would now wholly dismiss the idea of ever dealing with them about anything. We had many people here, of whom John Foster Dulles was one, who felt that the only way in which we could ever make headway against Moscow was to develop enormous military strength and get the Soviets to do what we wanted them to do by putting them under threats and pressure. And I am fairly sure that the nuclear weapon, the possibilities and impossibilities of which everyone misunderstood except Stalin, encouraged this line of thinking. Washington was obsessed by the idea that the Cold War had to be thought of in exclusively military terms.

I was appalled by all this. I saw no hope in it, and I did not believe that we should take part in any effort to overthrow the Soviet régime. First, I did not think such an attempt would be successful; and, second, even if it were successful, I did not think we had an alternative to offer. In case of a full-scale war, complete victory was all but impossible, whether nuclear weapons did or did not exist. I was shocked by the simplicity of thought which was overtaking people in this country: they were putting Stalin into the image of Hitler, thinking that the Soviet threat was the same kind of thing the Nazi threat had been. Of course, it wasn't at all, and I don't think I need go into arguing why.

We were in the middle of the Cold War. My whole thought (to repeat a point I want to stress) in pleading initially for a firm Western stance was to enable us eventually to talk to the Russians so effectively that we could get them to withdraw from the centre of Europe, for the Soviet presence there seemed to me catastrophic for the present and future of the entire continent. Well, I discovered to my horror (and I had the same experience with my Reith Lectures in 1957) that very few people in the Western world wanted to have the division of Europe removed. Most Western Europeans were still more afraid of Germany than they were of Russia, so that the division of Germany, with the United States holding the fort with its troops in Germany, suited them rather well.

This again was something I had to oppose—I never believed that the present division of Europe could be a lasting arrangement, and I stated my reasons for saying why it could not in my Reith Lectures; and even today, I can find very little to fault in them. One reason was the impossible situation of Berlin. But there was also a deeper reason, which few have consented to recognise down to this day: even if we do accept the division of Europe (as apparently we do) with very little concern, we cannot be sure that it will be at all times acceptable to the people of Eastern Europe. We have already had two extremely serious warnings, in the Hungarian revolution and the 1968 Czechoslovak events, to mention only two of the major upheavals—and, you know, one isn't often given more than two warnings in life. What are we going to do the next time there is trouble? What is our policy going to be if one of the East European countries does manage to free itself from Soviet tutelage? As things are, we won't have any policy for it—we won't have any place for it. To take it into NATO would be to make a military demonstration against Moscow, which Moscow can't accept.

After your Reith Lectures, Raymond Aron said in a famous symposium [5] *that Europe could put up with an absurd or even with an unjust situation, but it could not put up with an ambiguous situation. As (Aron said) the division of Europe was absolutely clear-cut and the absurdities were well respected, the division was acceptable. This is a stance which ignores the restiveness of the East European nations tacitly assumes that if restiveness were to lead to renewed trouble, the Soviet divisions would act as they always have done, and the West would remain as inactive as it always has been.*

I notice that Dr. Kissinger, speaking with the voice of Helmut Sonnenfeldt, appears to have more complex thoughts about the division of Europe. He does recognise that the strained relationship between the peoples of Eastern Europe and Moscow is a great source of instability in Europe, and a greater danger to world peace than the conflict between East and West. He notes that the Kremlin has not been able to acquire any "organic" sense of loyalty in Eastern Europe, and that it relies, therefore, on the presence of sheer military power. He cautions against any excessive zeal on the part of the United States to jeopardise the chances of a more organic relationship between the East European nations and Russia; and he expresses the hope that East European aspirations for greater autonomy, which he supports, will be contained within the Soviet geopolitical context.

You have just asked: how would the West react if some of the East European countries tried to liberate themselves from Russian hegemony? What is the political context in which you would visualise such a liberation?

KENNAN. Look at what has already happened in Eastern Europe. The Yugoslavs have liberated themselves. The Finns, to whose plight the West Europeans love to compare themselves when they talk of "Finlandisation", have, if anything, moved from a restricted sense of sovereignty to a much fuller sense of sovereignty, rather than the other way round. At one time the Minister of the Interior was a Communist, and the police were also under Communist control; but that is no longer so. Today the Finns enjoy complete freedom in their internal affairs. Look at what the Rumanians' have accomplished. They follow in many ways, though not in all ways, a highly independent line. Or take Hungary, where the 1956 revolution, although ostensibly a failure, actually changed the internal situation materially for the better, so much so that in a curious way Hungary is leading a substantially independent existence under the Communist dispensation.

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[4] Former U.S. Ambassador Charles E. Bohlen (Ambassador to the U.S.S.R. from 1953–57, to the Philippines from 1957–59, and to France 1962–67), who was from 1960–63 Deputy Under-Secretary of State in the Kennedy administration.

[5] *The West, the Atom, and Russia:* a Round-Table Discussion of the views of George F. Kennan (with Denis Healey, Richard Lowenthal, Joseph Alsop, Raymond Aron *et al.*), *edited by Melvin J. Lasky* (1958).

All these features are producing a state of affairs in Eastern Europe which is very different from what we saw there in the late 1940s and 1950a. Not only that, but we don't know what the future may bring. We don't know what sort of an impact the forthcoming change in the Soviet leadership is going to have on the sensitive texture of East European politics. Of course, nothing at all may happen. The party may hold together, younger men may be brought in without friction or upheavals, and so on. But, on the other hand, the dénouement may be quite different. Things may occur which will suddenly confront Western Europe and the United States with the need to have something it has never had since before World War I, that is, a policy towards Eastern Europe, and a viable policy at that.

But these are not my only reasons for opposing the division of Europe. It is to me a tragedy that half of Europe is now constrained to live under a different intellectual and cultural discipline than the other half.

So long as the system is not frontally provoked, Moscow's tactical permissiveness in Eastern Europe can go quite far. But as soon as it is thought that the system itself is challenged, Moscow clamps down with great severity. We saw this in 1956 and 1968. Today, the Rumanians have a certain licence because their dissent is limited to foreign policy. Internally they do not challenge the legitimacy of the Soviet model of society; in fact, they are taking trouble to endorse it. Hungary seems to be a borderline case. There, under protestations of external and internal orthodoxy, a good deal of economic and cultural liberalism is tolerated. But one would probably do well to think of it as no more than a court-jester's licence which stands to be revoked the moment it ceases to be a convenient way of relieving tension and begins to impinge on the system. (Whether, of course, the license could *be revoked is another matter.)*

KENNAN. One thing that has been widely missed by people in judging events in Eastern Europe is the Russians' willingness to put up with a great deal in terms of internal change in these countries, even in a direction they might not approve of, provided it is done with a hammer from the top and without any suspicion of spontaneity from below. What they cannot tolerate, and I suppose this was one of the key elements in the Czechoslovak situation in 1968, is any form of spontaneous reform. They will, for example, permit the East Germans to put into effect economic reforms much more far-reaching than those which were envisaged by Dubcek, as long as it is done dictatorially—as long as the Party is seen to be fully in control.

There is also the reluctance to see the client states acquire certain liberties and living standards which the Russians themselves cannot afford to have. If so, isn't Eastern Europe up against an immovable object? Won't East Germans, Poles, Czechs, and Hungarians, by virtue of their cultural seniority, always demand certain things which the Russians will not demand, much less achieve?

KENNAN. The whole concept of Soviet hegemony over Eastern Europe is unsound even from the Russian point of view. Moreover, the prospects of a continuing Soviet hegemony there are undermined by the gradual loss of Soviet leadership of the world communist movement: as the large West European Communist parties become independent from Moscow, the East European parties will have alternative poles of orientation. This could be very important.

For example, I am persuaded that the Yugoslav defection had a great deal to do with the fact that the Rumanians broke ranks on certain important aspects of Soviet foreign policy. Now if—and it appears not impossible—the Italian Communists came into a position of power, this would affect the parties in Eastern Europe even more forcefully. Given an ideological alternative, the East European Communists could claim a degree of freedom from Moscow without suggesting that they were "going over to the capitalists." They could argue: "We find this or that commendable in Chinese, or Italian, or French Communist ideas which we think we ought to be able to adopt. We are not departing from Marxism, and we are not joining the enemy. . . ."

Let me say a word at this juncture about the intellectual background of the growing respectability of West European Communism. Take the French Communist Party. For a number of years it has been a party of protest, and it has occupied that part of the spectrum in French politics which is normally occupied by a strong movement of protest. But if you look at French politics as a whole, I am struck there too (as I am when I look at other parts of Europe) by the sweeping power of Marxist ideas among the student youth and intellectuals. Even a newspaper like *Le Monde*—one of the world's best papers—is now profoundly socialistic in spirit, and not just moderately socialistic, because whenever there is an issue between Peking or Moscow and the West, it instinctively supports the Communist side. I find this quite appalling.

Doesn't this show that intellectuals are no better, even if they are perhaps no worse, than other mortals? That they are desperately in need of a small number of simple certainties. . . .

KENNAN. . . . And they reach for the false ones if they cannot find genuine certainties.

Marxism may be old-fashioned and irrelevant, but it has the soothing aura of faith, and that is what most intellectuals, and indeed most people, are really after. I suppose we are at heart all children grasping for father-images, and the worse the chaos around us, the simpler the images that attract us. That the decadence of our civilisation should coincide with the infantilism of our political culture—doesn't this have an awesome appropriateness about it?

KENNAN. I *can* explain the phenomenon, and yet I cannot really understand it. The naïvety of Marxism-Leninism, and its irrelevance to contemporary conditions, have been so *amply* demonstrated at every turn! And yet, here you have a great section of German, and French, and Italian student youth violently exercised in its favour. Of course, there may be reasons for desiring a greater measure of *dirigisme* in public affairs in the Western countries; I want it myself for ecological reasons rather than social ones—so that may have something to do with it. But I am still amazed at the shallowness of understanding that animates even people in *Le Monde*, and the double standards they so liberally apply. Any régime that chooses to call itself Marxist can be sure that its brutalities and oppression will be forgiven, whereas any régime that does not is stamped as being of the Right, in which case the slightest invasion of the rights or liberties of the individual on *its* territory at once becomes the object of intense indignation.

It is a minor blessing that, after Hungary and Czechoslovakia, Moscow has never recovered its prestige in the eyes of the West European Communists and thus ceased to be the automatic beneficiary of the radicalism of the West European student youth. In fact, there has been a tendency for latter-day Western Communists to associate themselves much more with anti-Western, nationalist, left-wing movements of the Third World than with Moscow. Apparently the criterion of their affections is the degree of hatred of a given external movement for the West, and especially for their own societies. I asked a Norwegian student recently what it was that the radical students at the University of Oslo most admired—what did they look up to as an example of a hopeful civilisation? After considerable brooding and thought-taking, he said it was . . . Albania!

Can one think of anything more miserable than the régime in Albania? Obviously there is not one shred of reality in this view—no interest at all in the objective truth about Albania. Albania is picked up simply because it seems to be a club with a particularly sharp nail at the end of it with which to beat one's own society, one's own traditions, one's own parents. This is a rebellion against Western Europe—it is not one in favour of anything much else.

7. THE TWO DISASTERS

To come back to the division of Europe: you were saying that the Finns have come to enjoy complete domestic independence. My recent visit to Finland leaves me wondering whether this is really so. The Finns have imposed on themselves, either under thinly-veiled pressure or the threat of pressure, certain self-denying ordinances of which self-censorship of the press is one—and perhaps the most harmful as well as the most spectacular.

KENNAN. The Finns have put certain restraints on themselves in matters which they felt would give serious offence on the other side of the border. But Finland is a small country of 4 million people which has a long and extremely exposed border with the Soviet Union and lies very close to Russia's second city. I cannot see how that can be compared to the position of Western Europe. I have said earlier, but let me repeat it, that Western Europe has a larger and infinitely more sophisticated as well as industrially more advanced population than the Soviet Union. Its industrial potential is much greater than that of the Soviet Union, and it is separated from the Soviet Union by a band of buffer states. Clearly, the analogy with Finland is totally inapplicable.

Now this brings me back to a point where my own thinking parts company with that of the whole of the West European community, namely the question of nuclear blackmail and political/military pressure.

Stalin said: the nuclear weapon is something with which you frighten people with weak nerves. He could not have been more right. No one in his right senses would yield to any such thing as nuclear blackmail. In the first place, it would be most unlikely (as is the case with most forms of blackmail) that the threat would be made good if one defied it. Secondly, there would be no point in yielding to it. Any regime that has not taken leave of its senses would reject the nuclear threat. "Why in the world should we give in to this?" it would argue. "If we do what you want us to do today in the name of this threat, what are you going to ask us to do tomorrow? There is no end to this process. If what you want us to do is to part with our independence—you will have to find others to do your work for you, and that means that you will have to take ultimate responsibility for running this country. We are not going to be the people to turn this government into an instrument of your power. . . ."

We had experience of this kind of situation during the War with the question of the

Azores. I was myself deeply involved in it, and it was quite clear that if we came along and threatened (as we almost did) Salazar and said: "You give us these bases or else we will take them", he would have picked up his hat and said: "If I have brought my country to a pass where I have to deal under this type of pressure, I am obviously not a fit ruler of this country. You will have to find somone else for it."

No one would give in to this kind of pressure; nor does anybody use this kind of blackmail. Great governments do not behave that way. Of course, Hitler did with Hacha, in the case of Czechoslovakia; but Hitler was an exception, and I am not sure that Hacha and the Czechs were wise to yield to this anyway.

Nevertheless, the United States government got the Azores bases, and Salazar did not resign. The American threat was sugared by Roosevelt's letter of guarantee that after the War the bases would be returned; and this was, as we know, the result of your personal intervention with the President and Harry Hopkins. But I would find it difficult to accept that Salazar was not acting in the knowledge of American power, or that any Portuguese government could have ultimately resisted that power.

KENNAN. Roosevelt's guarantee entirely changed the nature of the American approach. Far from acting under a threat, the Portuguese permitted (in addition to the military facilities we requested) Pan American to construct a second airport on the Azores—on behalf of the Portuguese government. This then, was a transaction between independent governments.

But to resume my argument: when we come to the question of conflict between the Great Powers, there is no nuclear war that could be other than catastrophic for all countries indulging in it; and I think the Russians are well aware of this. The last thing in the world they are going to do is to threaten other governments by saying: "You do what we want you to do or else we'll drop nuclear bombs on you." This is childish; no great government behaves in that way, and the Russians are not going to.

It is of the most profound importance that the proliferation of nuclear weapons be halted. These weapons, which are much too terrible to be in human hands—ours or anybody else's—must be eliminated from the spectrum of possible military instruments. I am deeply distressed that the United States government takes no helpful action along these lines. We could be much bolder, not so much in the negotiations, as in our unilateral policies. The nuclear weapon is simply not a rational means of political pressure or action. It is top-heavy and cannot be used for gaining political advantage except against people who, as Stalin said, have weak nerves.

Are you advocating unilateral nuclear disarmament?

KENNAN. Not all at once, or not without reciprocation, but if no one takes the lead in imposing self-restraint in the development of these weapons, we are never going to get any reduction of them by negotiation.

You are a man of great goodwill and, at heart, an optimist, though a pessimistic optimist. You first talk of "great governments" which will not commit certain crimes because of some unspoken noblesse oblige principle which is implied in your use of the word "great." Now you are assuming that the Russians would respond to our moral lead because they share with the rest of us some manifest desire to do the right thing by humanity. I can see no reason for thinking that the Soviet government, or any militant government with enormous power in its hands, has ever acted or would ever act like that.

KENNAN. We have to lead step by step, and unless there is response, there can be no more concessions for the moment from our side. But you must realise that at the back of this whole great question of military competition, there is an even greater question which people very seldom ask themselves.

We are faced with two conceivable versions of catastrophe. One is a possible, but by no means certain, catastrophe in case we should militarily clash with the Russians. The other is an absolutely certain ecological and demographic disaster which is going to overtake this planet within the next, I would say, 60–70 years, but the effects of which will probably make themselves very painfully felt before the end of this century. The second of these two, if allowed to develop, may be final—there can be no real recovery from it. It is possible that some parts of humanity may survive it; but this would, at best, mean the beginning of a new Dark Age—all we have achieved in Western civilisation over the last 2,000 years would be lost.

In the face of this crisis, which is predictable and now almost inevitable, how can we be so absorbed with the one that is not inevitable—that is to say, the nuclear conflict with Russia—that we concentrate all our energies on the latter? Compared to the dangers which confront us on the ecological and demographic front, the possibility of Soviet control of Western Europe, even if one thought that this was a likely thing to happen (which I don't) would strike me as a minor catastrophe. After all, people *do live* in the Soviet Union. For the mass of people there, life is not intolerable. The same is true in East Germany; the same is true in Hungary. It is not what these people would like; but, still, it is a way of living, and it does not mean the end of the experiment of human civilisation; it leaves the way open for further developments. But from the ecological catastrophe that looms in front of us there is no recovery.

We have been putting the emphasis in the wrong places. We talk of saving Western civilisation when we talk of a military confrontation with Russia—but, saving it for what? In order that 20 or 30 years hence we may run out of oil, and minerals, and food, and invite upon humanity a devastating conflict between the over-populated and undernourished two-thirds of the world and ourselves?

You have now put forward two powerful reasons for thinking that our concern to save Western civilisation from any real or imaginary Soviet threat is misplaced and indeed erroneous. One is the decadence of the West: the disintegration of the moral fibre of society in Western Europe, and the inability of the United States to offer anything worth learning to the rest of the world. Your second reasoning claims that our entire preoccupation with the danger of Soviet expansionism rests on a false conception of priorities: the ecological disaster will be a certain disaster whereas the Soviet threat is contingent—it will probably never materialise, and if it does, we can survive it.

It does seem to me that the West cannot win in terms of either of your scenarios. Moreover, I would infer from the moral thrust of your reasoning that your tacit message is not only that the West cannot win, but that it doesn't deserve to win.

You have come a long way from advocating, as you did in American Diplomacy (1951), "a policy of firm containment, designed to confront the Russians with unalterable counterforce at every point where they show signs of encroaching upon the interest of a peaceful and stable world."

Are you now really saying that the amount of freedom that exists, for example, in Hungary or Poland is enough to put these basically totalitarian states on a par with Holland or Britain, so much so that the whole concept of the defence of Western civilisation is rendered hollow and (in the face of the possibility of an ecological catastrophe) essentially meaningless?

KENNAN. Of course not. The differences exist and they are important. The decline of the West is not a fully accomplished fact, nor is our stumbling into this great physical catastrophe final. If we in the West could get over this fixation we have with the idea that the Russians are dying to drop bombs on us, and think, instead, of what is happening to our planet, and address ourselves, resolutely and rapidly, to preventing the catastrophe that looms before us, we would be doing a great deal better. You must remember that as far as the pollution of the earth is concerned, this is largely the work of the great industrial nations which are spread out around the fertile zones of the northern hemisphere. If they could be induced to behave differently, we would have a breathing space. Otherwise we are going to face irrevocable disaster. Aren't we, then (to repeat something that can never be repeated often enough) being unrealistic in the amount of attention we devote to protecting ourselves from the Russians who, God knows, are not ten feet tall, who have all sorts of troubles of their own, who can't run an agricultural system that really works, who can't adequately house their population, who are rapidly losing their prestige and leadership in the World Communist movement, and have to reckon with China on their long frontier in the East? Isn't it grotesque to spend so much of our energy on opposing such a Russia in order to save a West which is honeycombed with bewilderment and a profound sense of internal decay?

Show me first an America which has successfully coped with the problems of crime, drugs, deteriorating educational standards, urban decay, pornography, and decadence of one sort or another—show me an America that has pulled itself together and is what it ought to be, then I will tell you how we are going to defend ourselves from the Russians. But as things are, I can see very little merit in organising ourselves to defend from the Russians the porno-shops in central Washington. In fact, the Russians are much better in holding pornography at bay than we are.

Please understand that, for purposes of argument, I am given to overstating a case; and that is one of the reasons why you accuse me of contradiction. If one wants to see both sides of a coin, one has, momentarily at least, to bring out each side in exaggerated relief.

This is also one of the useful hazards of the dialogue, and I am, as you may have noticed to your dismay, myself far from unwilling to overstate a case in order to press home a point.

Your attitude to the defense of the West seems to have undergone a profound change in the last quarter of a century, and possibly even in the last six or seven years, because the passages I am about to cite, although dating back to 1949, were quoted by you with, I must assume, approval in 1968, in the first volume of your Memoirs.

Here then we have a very different estimate of the worth of Western civilisation, and a very different guidance as to how we ought to go about defending ourselves against dictatorships.

The year is 1949; you are revisiting the war-ravaged city of Hamburg which you had known and admired before the war, and this is what you say:

". . . it suddenly appeared to me that in these ruins there was an unanswerable symbolism which we in the West could not afford to ignore. If the Western world was really going to make valid the pretence of a higher moral departure point". . . then it had to learn to fight its wars morally as well as militarily, or not fight them at all; for moral principles were part of its strength. Shorn of this strength, it was no longer itself; its victories were no real victories; and the best it would accomplish in the long run would be to pull down the temple over its own head. The military would stamp this as naivete; they would say that war is war, that when you're in it you fight with every means you have, or go down in defeat. But if that is the case, then there rests upon Western civilisation, bitter as this may be, the obligation to be militarily stronger than its adversaries by a margin sufficient to enable it to dispense with those means which can stave off defeat only at the cost of undermining victory."

This is an impressive passage, and it does seem to suggest that the Western democracies, precisely because they are essentially defensive policies, must be militarily superior to a potential aggressor (1) to deter him, and (2) if the deterrent does not work, to defeat him quickly and decisively.

KENNAN. There may be a certain inconsistency here. But don't forget that the words you cited were written 27 years ago, and even then they were predicated on: "*If* the Western world was really going to make valid the pretence of a higher moral departure point. . . ." Now everything I have said in this conversation goes towards showing that we have not at all been able to make that pretence valid.

My second point is that I have never been averse to the maintenance of strong conventional forces—what I am averse to are the weapons of mass destruction. Now this may strike you as a feeble explanation, and I can see ways in which it could be attacked. But, human nature being what it is, it would be idle to demand that wars of every sort should henceforth be outlawed. One has to keep a sense of relativity about wars and be content to ask that no one should be allowed to engage in wars of mass destruction.

You know how the Chinese used to fight their battles. They would march up with great screaming and blowing of bugles, and beating of drums, and flying of flags; and when they had figured out which side had the stronger forces, victory would be conceded to that side without shooting, which saved the face of the defeated party—and then both sides would march back to where they had started.

18th-century Europe saw a number of limited wars which were not much more destructive. I'm reminded of Defoe's famous observation: "Now it is frequent to have armies of fifty thousand men of a side at bay within view of another, and spend a whole campaign in dodging, or, as it is genteely called, observing one another, and then march off into winter quarters." And the Earl of Chesterfield, writing in 1757: ". . . even war is pusillanimously carried on in this degenerate age; quarter is given; towns are taken, and the people spared; even in a storm, a woman can hardly hope for the benefit of a rape."

KENNAN. The 18th century was highly civilised. Today, the intricacies of nuclear strategy and the abstruse theology about "MIRVing" and "throw-weights" would be much better understood if they were seen for what, in fact, they are: symbolic, or, if you like, prophylactic enactments of battles which will never be fought. And the reason they cannot be so regarded at the present time—and I'm coming back to a point I have already made—is that Western Europe has, wrongly and unfortunately, chosen to be dependent on the American nuclear arsenal and is thus unwilling to put up conventional forces of sufficient strength to defend itself. Nor do I just mean that Western Europe ought to provide itself with more tanks, and rockets, and fighter planes. There was something in my Reith Lectures for which I was more ridiculed, and for which I found less understanding, than anything I ever said in my life. This related to the concept of national defence through passive resistance—the concept of making it impossible for a foreign occupier to run a conquered country. Everyone laughed at me. There was a debate in the German *Bundestag*. Willy Brandt was there—"Well", he said, "you must allow every man some foolish ideas. . . ."

I did not, of course, mean that one could erode the power of an occupier in Western Europe by relying exclusively on civil disobedience. But I did think that if a reasonable degree of conventional armaments could be supported by a trained and disciplined civilian population, one need never resort to the use of nuclear weapons.

What you are advocating is guerrilla warfare.

KENNAN. Yes, if you will, but guerrilla war for defence.

A Chinese-Vietnamese type of resistance.

KENNAN. Yes, and this kind of thing was done in World War II. But whereas the wartime European underground was improvised very late in the game and with great unnecessary losses, the underground I have in mind would be well prepared and probably more effective. I can see no objection to this at all. I have been closely associated with a village where I live near Harrisburg [Pennsylvania]; if we had a foreign occupier and the people of the village said: "Let's make up a band, and try to defend ourselves"—I would go with them. This would not be doing anything terrible to anybody—this would be merely trying to protect the fabric of one's life.

Your own little war of national liberation, in fact.

KENNAN. Yes, if you will; but look at the alternatives. Let us suppose there were to be a nuclear attack of some sort on this country and millions of people were killed and injured. Let us further suppose that we had the ability to retaliate against the urban centres of the country that had attacked us. Would you want to do that? I wouldn't. Granted we had suffered this catastrophe, it would give me no pleasure to know that we followed it up by burning up two or three million civilians in some other great city in the world.

You are a great gentleman—but the world is not cast in your image. My suspicion is that the plain people in Columbus, Ohio, might take intense pleasure if a Soviet city were incinerated in retaliation for an American; indeed, they might very well demand it. Wasn't the British night-bombing of German cities during the last War very largely a similar exercise, openly undertaken on the strength of the argument that the bombing would maintain British and depress German civilian morale—for the damage it was doing to the German war machine was rather minimal?

KENNAN. I have no high opinion of human beings: they are always going to fight and do nasty things to each other. They are always going to be part animal, governed by their emotions and subconscious drives rather than by reason. They will always, as Freud remarked, feel a grave *Unbehagen*, a discomfort, at having to live in a civilised framework, and kick against it. But if that is so, the only thing you can do with them is to see that the weapons they have are not too terrible. You must prevent them from playing with the worst kind of toys. This is why I feel that the great weapons of mass-destruction—and nuclear arms are not the only conceivable ones—should never be in human hands, that it would be much better to go back, symbolically speaking, to bows and arrows which at least do not destroy nature. I have no sympathy with the man who demands an eye for an eye in a nuclear conflict.

I would be much happier for my children (and this is, again, one of those overstatements which I must ask you not to take too literally for I could argue against it) if we had no nuclear weapons at all—if we were in the position of Norway which has no nuclear arms, or in the position of Mexico. The Norwegians and Mexicans have a chance. Bear in mind that if there is an incentive for the Soviet Government, or any other nuclear power, to use these weapons against us, it must be sought in the fact that we are ourselves developing them—only fear could lead anybody to do anything so monstrous.

But is it fear alone? Might it not be the lure of quick victory, or the megalomania of a dictator with his eye on the main chance?

KENNAN. A nuclear strike would not be a rational action for any government.

Are governments always rational? If the actions of ordinary human beings are, as you say, suffused with subconscious drives and other forms of the irrational, I cannot see how one could convincingly argue that the actions of governments, which are made up of the same human material, are subject to different rules. For example, Khrushchev's Cuban venture, to stay within our recent experience, was close to being an irrational act of policy.

KENNAN. We had put weapons into Turkey and many other places close to the Soviet borders, and Khrushchev thought he could, by stationing his missiles in Cuba, develop bargaining power to induce us to withdraw our staff from Turkey. And although his action did, as it turned out, take us pretty close to a conflict, he did more or less achieve what he had set out to.

You see, I don't view the Soviet leaders as monsters who want to commit great acts of destruction purely for the sake of destruction. They are Marxists whose political purpose undoubtedly requires the spread of their ideology and the expansion of Soviet power; they feel they are on a course of intellectual and political ascendancy—but I don't think the wanton destruction of large numbers of people fits in with their purpose. This is not the Marxist line at all. If they use the Bomb on us, they destroy workers together with the bourgeoisie. What sense would that make?

8. TOWARD A EURO-COMMUNIST EUROPE?

Suppose nuclear parity between the United States and the Soviet Union is an accomplished fact, and the balance of terror is therefore fully effective. That would leave us with a policy of détente as the only rational option open to us. Is there, in that case, any reason why we should not relinquish the somewhat naive American interpretation of détente, endorse the Soviet definition of "peaceful coexistence", and say to the Russians that we are fully prepared to accept their invitation to political, economic, ideological, and cultural competition as part of the process of détente?

KENNAN. None at all; I think we should. We may not find it easy, though, because détente has been oversold in America so that the US public does not understand how the Russians interpret the concept and how we should react to that interpretation. We should have recognised from the very start that there is only a narrow area in which profitable collaboration is possible between ourselves and the Soviet Government. There is a large area in which it is not possible.

Nevertheless, I would not be trying to set up an Institute for Advanced Russian

Studies [at the Smithsonian Institution] if I thought that there weren't areas for productive exchange with the Soviet Union. When I look back over the years—and my memories go back further than almost anybody's who speaks on this subject—I see a certain improvement in the sense that the area of collaboration is broader today than it was in the Stalin period. It is a slow improvement, but it is not insignificant; and I see no reason for throwing the baby out with the bath water and returning to the Cold War policy of name-calling, hurling threats at each other, and hounding our own people because they are suspected of having had some sympathy with the Soviet Union many years ago.

I don't want to go back to all that, and I cannot for the life of me understand what it is that our hard-liners in this country really want. They want more armaments, of course, nothing like this pittance of a hundred billion dollars for defence. The defence budget, they demand, should be much larger than that and, with it, the national budgetary deficit and our inflation. But suppose they get a much larger defence budget; suppose we arm to the teeth; suppose that instead of having 15–20,000 nuclear weapons, we make ourselves happy by having 35,000. The fact of the matter is that 200 would make life impossible anywhere we wanted to.

But suppose we found some comfort in these vast figures, suppose we achieved a much stronger stance, and then sat back and hurled imprecations at the Soviet leaders and their system—where would we go from there? I don't see much future in this; I can't see how anyone would benefit. I suppose some naïve people would then want us to say: "Now we are very strong—we have 35,000 of these weapons, you have only 28,000; we will put our terms to you, and you do what we want you to do, or else." I don't think this would work—blackmail can act both ways.

I notice there has been some talk of demanding political concessions from the Russians as a *quid pro quo for* United States wheat. This, too, would be a very unwise course to enter upon.

You feel the Soviet mismanagement of agriculture and the resulting shortages should not be exploited by the United States.

Kennan. We should not withhold wheat for political purposes. If we find it desirable to sell wheat on certain terms and the Russians want to buy it, fine. I would not recommend using the results of a bad Soviet harvest as a means of putting pressure on the Soviet Government.

Do you think there is something in the argument that the grain deal is wrong, not because it means leaving the American "bread weapon" unexploited, but because it contributes to the world (and especially the poor world's) food shortage by failing to discourage the Soviet Union from maintaining a highly inefficient agricultural system? The argument is, on ecological grounds, unassailable. Can we afford the mismanagement of so much of the world's arable land?

Kennan. The problem with withholding wheat is the same as the problem arising from our support of Soviet dissidents. In both cases we would, rightly or wrongly, be seen by the Soviet leaders as putting pressure on them to induce them to depart from their present policies in the direction of liberalisation, and that, in turn, would be interpreted by them as the beginning of the overthrow of their rule. And I'm not sure that it would not be. In other words, this may well be a path which they cannot enter upon except to their own ultimate undoing.

I have, of course, no sympathy with the principles of Soviet government. I don't want to see Soviet rule preserved because I think it is admirable; but I have (and we spoke of this a little earlier) the greatest misgivings about any of us, Americans or West Europeans, taking upon ourselves the responsibility for trying to overthrow this, or any other, government in Russia, because we have in our pockets no alternatives.

Never forget that some years before the Russian Revolution, in 1911 to be precise, we were faced with almost exactly the same problem—the persecution of Russian Jews—and we abrogated (under President Taft) a trade agreement with Russia in protest against the treatment of Russian Jews. And my namesake, George Kennan the elder, was busy for many years trying to whip up sympathy for the Russian revolutionaries, admittedly not the Bolsheviks but their moderate predecessors, the Populists. The assumption behind all this was that if one could only overthrow the old Czarist autocracy, something much better would follow. Have we learned anything from this lesson?

Using the food weapon may, of course, be an unsavoury way of making a political point, but if we rule out the use of those weapons we have—food because it is immoral, nuclear weapons because they are too destructive, economic pressure because the devil we know strikes us as being more manageable than the one we don't—aren't we, in fact, exercising a form of pre-emptive capitulation?

Kennan. We would be keeping one weapon, *the* most essential, which you have neglected to mention: our internal strength—the vigour of our society—if, that is, we succeed in reviving that strength and restoring that vigour.

But you are correct in saying that I can see no use for the weapons you have listed. I do exempt, as I said before, the conventional forces. We should have stronger and better equipped forces in Western Europe (although before I would go in for great quantitative increases I should like to see us improve the human quality of our troops, get rid of drug abuse, poor discipline, PX corruption and so on); so I am not against all forms of strength. But I don't want to see our economic muscle applied in order to bring about the destruction of Soviet power. I don't want to have any responsibility at all for what happens in Russian affairs for, as I have just said, I am not at all sure that what would come after it would be any better than what we have today. I can see no evidence in Russia of any understanding of the principles of democracy, except on the part of Sakharov and a very small number of dissidents.

As a matter of fact, Russia was much more fit for democratic development in 1914 than she is today. Mind you, she was not very fit *then*, but she was better equipped than she is in 1976 because, in the meantime, some 50 million people have died unnatural deaths in the Soviet Union, among them a very high percentage of the more thoughtful, cultured and sensitive people who alone would have been able to guide Russian political life in a more liberal direction. Today you will find that many of the people who, for one reason or another, run away from Russia in opposition to the Soviet government and end up on our shores aren't at all looking for a liberal-democratic alternative—that while they may be anti-Soviet, their ideals of how Russia ought to be governed are heavily affected by their experiences of living in a totalitarian society. The Soviet régime has rubbed off on them.

I am very skeptical about the limits of their tolerance. These people are very Russian, and the idea of compromise especially in the ideological field, is alien to them. And it is as well to remember that this has always been the way with the Russians. If you follow the development of Russian political life between 1906 and 1914, the striking thing is the gross intolerance that existed, not just on the side of the government, but in the whole of Russian society. Indeed it is true to say that, from the Decembrists to the Bolshevik Revolution, the intolerance, the unwillingness to compromise, to permit gradual improvement, was greater within the revolutionary movement than it was on the part of the autocracy.

If this is so, Western Europe's hope of having a less menacing and domestically less detestable power for a neighbour—whether through détente, Cold War, or balance-of-power politics—is bound to be disappointed for (as you say) the Russians will remain Russians no matter whether they operate under the sign of autocracy, communism, or the Russian nation-state.

Now assuming, as I would, that the weaknesses of the West and the ascendancy of the Soviet Union make the Soviet domination of Western Europe at least a possibility, then one is faced with the unpleasant prospect that Russian power, any Russian power, would spell a Czechoslovak type of experience for the whole of Western Europe. The familiar 19th-century notion of Russia as "the gendarme of Europe" would then acquire a fresh relevance.

May I say that I am not wholly convinced that your judgment of the unalterability of the Russian character is correct? You seem to assume a little too readily that the man on the opposite side of the fence from us is much more unbending than we are, and much less capable of meeting us halfway than we ought to be willing to meet him. In 1943 you said "nationalist Germany is *Germany." Of Yugoslavia you assumed in 1963 that it would remain a Marxist-Leninist state for the foreseeable future. And two years before the death of Stalin you said you expected no basic change in the Soviet Union. It would, of course, be possible to argue that Germany still* is *a nationalist state, that Yugoslavia has* not *departed from the Marxist-Leninist line, and that the changes in Russia since 1953 have not been* basic. *But I would submit that the burden of evidence lies the other way.*

Kennan: Russian influence would be an undemocratic influence in Europe if you can conceive of such a thing as a complete Russian domination of Western Europe. I can't quite conceive of it myself; I don't think the Russians are that great—I don't think they could do it technically. To dominate large areas with massive populations, in the first place military occupation would be necessary. I don't think they would relish the prospect. They would, for one thing, have a grave problem with their own troops: their exposure to the influence of a much more advanced and wealthier civilisation would be certain to have a devastating effect on them. We saw this happen even during World War II when Western Europe, in the shape of Germany, offered a much less damaging standard for comparison than Western Europe would offer today.

I am a little wary of the argument that the Soviet Union would wisely abstain from taking this or that country lest it might not be able to digest it. Certainly in the past, the fear of over-extension seldom inhibited powers on the march. I am reminded of one curious fear which surfaced among the Western Allies towards the end of the War: the fear that the Soviet Union would, out of economic prudence, not agree to occupy any part of Germany but leave the whole burden of the final defeat of Hitler to the West. You mention this incident in your Memoirs, *and your comment is:*

"Little did these people understand Soviet political ambitions."

May I, at this point, quote that sentence against you?

Kennan: I still don't think the Russians could have coped with the whole of Germany; East Germany was just about all they could manage.

But wouldn't today an expansion of Soviet power to Western Europe be prepared by and supported by various Western Communist *parties and their fellow-travellers, even though some of them have (it remains to be seen how lastingly) fallen out of grace with Moscow? Wouldn't, for example, the French communists simply eat their recent words repudiating "the dictatorship of the proletariats", once the Soviet troops had crossed the Rhine or threatened to do so?*

KENNAN: Well, the Soviet leaders always have had to recognise that a Communist party which comes to power in a given country and then disposes over the resources of that country is in a far more independent position *vis-a-vis* Moscow than a struggling, revolutionary party which is dependent on Soviet support. Stalin, for example, was well aware that a Communist revolution in Germany could not be controlled from Moscow, because the question would immediately arise: "Where is the home of Communism?" So I am not at all sure that, even if (and I would again stress the hypothetical nature of this question) Soviet domination were to be extended to Western Europe, Moscow would want to build its West European hegemony on the Communist parties there.

Of course, we wouldn't want to see whether it would or wouldn't?

KENNAN: Certainly not—I always felt that Russian hegemony over Western Europe would be the greatest catastrophe.

But I don't attribute to the Russians the political and ideological capability of controlling hundreds of millions of West Europeans. They would find West Europeans, by virtue of their numbers, background and sophistication, much harder to regiment and control than they did the people of Eastern Europe. They have much more to put up in opposition to Soviet power. Moreover, there are limits to every form of imperialism; even the power of a militant régime on-the-make is not unlimited. You have said that "over-extension" has seldom acted as a deterrent. But I would remind you that there is such a thing as spreading oneself too thin: Napoleon showed this, and Hitler showed it too. I was stationed, as a diplomat, in Germany during part of the War, and I visited almost every Nazi-occupied country. I came away with the impression that even if Hitler had won the War, he would not have been able to maintain the empire he was trying to establish.

The ideological appeal of Nazism outside Germany was, naturally, very limited and the Nazi type of parties Hitler could rely on were small (though, considering their size, very effective). Yet a Belgian Nazi like Degrelles was just not in the same league as a man like Marchais or Mitterand who took 49% of the vote in the last French presidential elections. If the Quislings of the Second World War were aptly called a "fifth column", would it be inappropriate to coin a much stronger phrase today for the subversive potential of the large Communist parties in Western Europe?

KENNAN. It is true enough that the indigenous elements on which the Nazis would have been able to base their rule over Europe were far weaker than those on which the Soviets would be able to base theirs. I once pointed this out in a report I wrote during the War: an ideology of the glorification of the German race was singularly unsuited to appeal to young Frenchmen!

On the other hand, the Germans themselves had much more effective people, more capable administrators, and greater self-confidence than the Russians had ever had. When they overran a country, they had the men who spoke the language, could take charge of the railways and the telephone system, and were not only competent to perform a great many other tasks, but were also endowed with enough self-confidence to win, to some extent, the respect of the local people. The Russians would not be able to do any of these things.

But they would, I still think, more than make up for this deficiency by being able to call upon the services of local Communists and trade-union people—and of these there will always be enough to keep the wheels turning.

KENNAN. Do you think sophisticated Western Marxists would really accept Russian tutelage? Look at Moscow—it is ideologically the most bankrupt capital in the world. Its entire message is absurdly out-of-date—which is also the main reason for the growing restlessness of the Russian intelligentsia.

The Russians know that. But young Arthur Scargill (the Communist leader of the Yorkshire miners) doesn't. And even if he did, he would probably decide that, "on balance", there was less to be feared from the "excesses" of socialism than from the "bankruptcy of capitalism."

KENNAN. But for God's sake, the Soviet version of socialism is so absolutely stultified—it hasn't changed since 1910—that it makes no sense at all in relation to our present problems. There may be Arthur Scargill, but you are not going to fool many West European socialists.

You needn't fool too many. A highly disciplined minority—even a few thousand men in key industrial positions—might decide the issue. The British example is a good warning.

KENNAN: Of course, you *can* get a hammer-lock on society through a determined minority. But, all in all, I attribute much more importance to national differences than you do. The East European example is somewhat deceiving. It is true that the first generation of East European leaders was selected by Moscow; but as a new generation comes along, the differences, and the spirit of independence, tend to assert themselves. I would remind you that all through Eastern Europe the intellectual acceptance of Russia is virtually nil. The East Europeans regard the Russians, at best, as insufferable bores. They mock their dogmatism and the sterility of their thinking. They are certainly not under Russian cultural influence. I can see all this encapsulated in East European attitudes to my own field, Russian studies, which are incomparably stronger in the United States than they are anywhere in Eastern Europe where even the teaching of the Russian language is resisted. What I'm trying to say is that even under full Soviet hegemony the national peculiarities of individual countries would have a way of coming out on top.

I am not suggesting (in the hypothetical eventuality we are discussing) that Western Europe would, overnight, come under the direct rule of Moscow. Much more probably, we would have Marxist or partly Marxist régimes in national colours; and I concede that these régimes might not always agree either with the interests or the orthodoxy of Moscow.

Yet, the net effect of all this would be an enormous step forward for the Soviet Union both as keeper of the faith and as a world power, and a very great, and perhaps irreversible, backwards for the West as a free society. Or should one go along with the cynical view that the "building of socialism in the Soviet Union is so dependent on Western credits and economic cooperation that the Soviet Union simply cannot afford to have the Western economies ruined by Communist rule?

KENNAN. I wonder. I would have thought—and we have already touched on this—that the danger of a Marxist control of West European society would be coming not so much from the threat of Soviet domination as from within the West European countries themselves. What I mentioned earlier about the ideological predilections of university youth in Norway is also pertinent to the point in hand. Quite briefly: the passionate belief among young Europeans that the Third World is composed of unsung heroes, and that a wicked United States is trying to do horrible things to Africans and Asians, is not taken to the point where the Soviet system would automatically benefit. And in so far as the Russians are behind some of the student radicalism, I must say they have been far more successful in peddling distrust of the United States than in peddling trust of the Soviet Union. In the former, they have been successful beyond their fondest dreams. But in their attempt to combine their image of the United States as a monster, with a matchingly angelic picture of the Soviet Union being, as it is, fraternally helpful to the Third World—in this they have dismally failed.

In my more whimsical moments I sometimes feel that the Marxism of radical youth in the West is part of the "chic Nostalgia" of the 1970s—a modish reversion to 19-century beards, bombs, and conspiracies. (One of *the popular pubs in the town of Brighton where I live rejoices in the name* Papa Jenkins Bar "Revolution".) *There is a sense in which the popular scientism of Marx's theory fits in charmingly with the aspidistras and antimacassars of his time.*

KENNAN. There is a lot in that; if you want to see 19th-century Europe in action you must go to Russia or some parts of Eastern Europe where you can study it first hand. But that would also confirm my opinion that, despite all the current radical chic, Western Europe, and especially West European socialism, is most unlikely to take lessons from the ossified doctrines of Soviet ideology.

9. HELSINKI AND OTHER DELUSIONS

We have now ruled out both nuclear pressure and economic strength as bargaining counters against the Soviet Union. What are our chances of enforcing the freedoms we have written into "Basket Three" of the Helsinki document?

KENNAN. Helsinki was a sterile two-year exercise in semantics which was bound to lead to very little. I have always said that I did not believe in trying to reach agreements with the Russians on general principles. The first advice given by the first representative in Russia of the London Muscovy Company under Queen Elizabeth I was: "When you deal with these people, make your bargains plain and put them in writing." This still holds true today. I believe in dealing with the Soviet government on specifics. I would not sign any agreement with them which went beyond stating: "This is what *you* undertake to do, and this is what *we* undertake to do." The idea of saying that we are both going to behave like good democrats, that we are both going to recognise human rights and so forth, is a mistake from the beginning.

Why, then, did we do it?

KENNAN. I don't know—I never understood the origins of this policy. Our people in Washington say it was the West Europeans who got us into Helsinki. It was unfortunate all the way through, what with this silly assembly of heads of states in Helsinki, as though they had nothing better to do than sign fatuous declarations! It was all wasted motion.

But it wasn't from the Soviet point of view. Didn't Helsinki confer a sense of legitmacy on the Soviet hegemony over Eastern Europe, which was one of the things the Russians were eager to have?

KENNAN. Yes, and I don't quite understand why they did want it so badly. No one with authority or prestige in Western Europe has, since the 1940s, desired to see the division of the Continent eliminated. In fact, as we have just seen, they are terrified of the very idea; therefore, to say that we have no intention of eliminating the division of Europe by force was a very mild statement indeed.

And not only do we have no intention to achieve it by force—we have no intention to achieve it in any other way. Nothing could embarrass the NATO ministers more than the detachment of one of these East European countries from the Soviet Union, and its sudden presentation on their doorstep. We saw this happen in the case of Czechoslovakia in 1968, and the fear is again implied in Sonnenfeldt's remarks to which you referred

I cannot tell you how amazed I am at the power of "little Europeanism" in Western Europe. People in Europe are *attached* to the idea that Europe ends at the Elbe! They love it! I think it was Freud who said about the Germans that those living East of the Elbe ware baptised late and very badly. I always felt that Dr. Adenauer was firmly of this view, and did not want to have anything to do with the East. That is all right as far as it goes—but one day, you know, one may again have to have something to do with these people.

Now you have already quoted Raymond Aron against me to the effect that the division of Europe, though absurd, is more palatable to Europeans than a fluid situation would be. Well, this makes sense for a Western Europe which has no confidence in its past, or its present, or its future—which has parted with any sense, not only of its world mission, but of its European mission as well. I suppose this is the terrible, delayed punishment of the madness of two World Wars. The damages they did have shown themselves to be much more insidious than we were, for many years, inclined to recognise, particularly the devastation of 1914–1918.

World War II was fought on a very clear issue, for Hitler had put the challenge in such a way that there wasn't very much you could do except fight him. But World War I was an unnecessary war, and it was carried far beyond the point where it could have done any conceivable good. It could have stopped to far better effect in 1916 than 1918. It was the self-destruction of Europe, a slaughter of the flower of European youth, and the death of European self-confidence. Of course, the roots of the demise of Europe go much further back—I see the disintegration of Europe beginning already in the 1880s—and I am, in my new book, in the process of taking the story back to the Franco-Russian Alliance in 1894.

But how, you might ask, is the Franco-Russian story relevant to the problems of our age? One of the things I find myself developing in the course of this study is the realisation that it should not have taken the nuclear weapon to persuade us that war between great peoples in the modern age—total war—is a madness from which nobody can benefit. This was already on the cards in the 1880s; we should have read and digested the lessons of the Franco-Prussian War, the Russo-Turkish War and, above all, of course, the Russo-Japanese War. We should have realised that modern war was becoming suicidally destructive, and done something about it. But we didn't; and so we staggered into World War I. In studying the circumstances surrounding the Franco-Russian Alliance one can test and illustrate, in simpler form, some of the complex realities of our own world. And this is, in one important sense, what history is about.

You said at the beginning of this conversation that you saw the roots of the ills of our civilisation further back still: in industrialisation itself, and you have stated why. I am therefore struck by the small amount of space and thought you devote to Marxism in your Memoirs. *In Volume II there is not a single mention of Marx or Marxism, and in the first volume the references are very sparse—most of them quotations from your diplomatic dispatches. Given the ideological temper of much of your own thinking, this would, on the face of it, call for some explanation.*

KENNAN. I was brought up in a family of Puritan culture. My ancestors never owned capital. They worked with their hands, long and hard. They were neither self-conscious about their poverty, nor bitter about the fact that it existed. Not one of them was to any important degree an employer; not one of them sold his labour. Thus, the classic social predicament, which provides the kernel of Marxist theory, was outside our experience. The image of the blood-sucking Capitalist wielding power over the downtrodden but pure Worker was alien to us.

I was always inclined to view the horrible experience of the industrial worker in the early phases of industrialisation as a great misunderstanding rather than an act of moral iniquity or the result of some inexorable law of history. Anton Chekhov has a wonderful story about the doctor who is called out to see the neurotic daughter of a factory-owner. In those days, you must remember, the factory-owners had their mansions right in the middle of the compounds of their factories. Well, the doctor had to stay overnight and he got to reflecting on the absurdity of the whole situation. The owners's daughter was neurotic and the rest of the family was extremely unhappy; the two thousand men in the factory slaved through the week in a dream and woke up only on Saturday nights, in the pub. For whom was all this being done? The only person who drew any satisfaction out of it was the factory-owner's tyrannical German governess. Obviously, the doctor observed, we are in the presence here of some vast misunderstanding.

Well, I always thought this was a much more charitable and profound analysis than the alleged laws of history on which Marxism bases its charismatic claim.

This is a good Marxist explanation of your rejection of Marxism. But there are, I think, also more endogenous reasons for your rejection of it, and I infer their existence from the fact that you never enjoyed studying philosophy, that you started but never finished reading Das Kapital, *that you regard the whole idea of the class struggle as a form of racial discrimination, and its militant Soviet-Russian variant as a mere fig-leaf of respectability for traditional Russian nationalism.*

KENNAN. I suppose I belong to that, for Marxists, most objectionable class of people who are neither Marxists nor anti-Marxists but live outside the entire conceptual frameworks of both. I have seen too much beastliness committed in the name of messianic ideas to believe that a Marxist type of fanaticism is more likely to achieve a just and humane order than a measure of common civility and affection in the conduct of one's own life. And behind this modesty of ambition there is the recognition of a vital truth to which I have already drawn attention in this discussion—the recognition that the decisive source of evil is not in social and political institutions, and, in most cases, not even in the will of politicians, soldiers, and bureaucrats, but simply in the weaknesses and weariness of the human soul itself. And these are not cured by social engineering.

MEDICARE-MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

(Mr. ROGERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROGERS. Mr. Speaker, my colleague, Mr. ROSTENKOWSKI, and I are introducing today a bill which contains a series of proposals designed to deal with problems of fraud and abuse in the medicare and medicaid programs. Members of the House will recognize the similarity of this bill to one that we jointly introduced earlier, H.R. 15536. That bill was designed to put before the House a series of proposals developed by Senator TALMADGE of the Senate Finance Committee to deal with fraud and abuse, which he eventually added to H.R. 12961. Unfortunately they arrived in the House at such a late date that the necessary review was not possible.

I am sure that all of the Members are aware of the very serious problems of fraud and abuse in the medicaid and medicare programs. They are problems that it is imperative that we solve. But designing appropriate, effective solutions is a difficult job. And one that requires careful consideration.

I think the difficulties we encountered during the review of the Senate amendments that were added to H.R. 12961 are instructive. The Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee held public hearings on the proposals on Wednesday, September 22. Among the witnesses appearing were representatives of HEW, the AMA, hospital associations, State medicaid directors, and associations of professional standards review organizations. The witnesses supported the general intent of the amendments. However, many also testified that the provisions in the bill were inadequately drafted, too sweeping in scope, too unspecific as to the powers granted to the Secretary, or insufficient to achieve their purposes. So many concerns were raised, in fact, that many members of the subcommittee felt they could not recommend approval of the proposals without further study.

It is to give the public and the members an opportunity for that further study that we are introducing this bill today.

I believe this proposal represents a significant improvement over the language of the original proposal. We have tried to clarify the scope of the provisions while retaining the original intent, and to respond to many of the concerns that were expressed to us. This bill can provide a workable starting document for prompt action next year to curb fraud and abuse in medicare and medicaid. Early review by both subcommittees is anticipated.

A section-by-section summary of the bill follows:

SECTION-BY-SECTION ANALYSIS

Section 1. Cites short title of the bill—"Medicare-Medicaid Anti-Fraud and Abuse Amendments".

Section 2(a). Amends Section 1842(b)(5) of the Social Security Act (dealing with prohibition of reassignment of claims to benefits under Medicare) Part B by adding a new sentence. The additional language prohibits payments which may be made directly to a physician or other person providing a service on an assignment basis from being made to anyone else under a reassignment or power of attorney arrangement. This prohibition does not apply: 1) if the physician or other person was required as a condition of his employment to turn his fees over to his employer; 2) if the physician or other person had an arrangement with a facility in which the services were provided and the facility billed for such services; or 3) where the payment is made to a governmental entity or establishment. Provides that nothing in this subsection shall be construed: 1) to prevent the making of payments in accordance with an assignment from the individual to whom the service was provided or a reassignment from the physician or other person, providing the assignment or reassignment is established by or pursuant to the order of a court of competent jurisdiction, or 2) to preclude an agent of the physician or other person providing the service from receiving any such payment if (but only if) such agent does so pursuant to an agency agreement under which the compensation is to be paid to the agent for his services for or in connection with the billing or collection of payments due is unrelated (directly or indirectly) to the amount of such payments or the billings therefor, and is not dependent upon the actual collection of any such payment.

Section 2(b). Amends Section 1815 of the Social Security Act (dealing with payments to providers of service under Part A) to provide that no payment which may be made to a provider of services under Medicare for services furnished to an individual shall be made to any other person under an assignment or power of attorney (except to a governmental agency or establishment). Provides that nothing in this subsection shall be construed to: (1) prevent the making of such payment in accordance with an assignment from the provider if such assignment is established by or pursuant to the order of a court of competent jurisdiction; or (2) preclude an agent of the provider from receiving any such payment if (but only if) such agent does so pursuant to any agency agreement under which the compensation to be paid to the agent for his services for or in connection with billings or collection of payments due under Medicare is unrelated (directly or indirectly) to the amount of such payments or billings, and is not dependent upon the actual collection of any such payment.

Section 2(c). Section 1902(a)(32) of the Social Security Act (dealing with the prohibition or reassignment of claims to benefits under Medicaid) is amended by adding a new paragraph (B). This paragraph provides that no payment which may be made under the State program directly to a physician, dentist, other practitioner, or to any other provider of care or services under Medicaid (including a hospital or other provider paid on the basis of reasonable cost) for any care or service furnished to an individual, shall be made to anyone else under an assignment or power of attorney. This prohibition does not apply: (1) if the physician or other person was required as a condition of his employment to turn his fees over to his employer; (2) if the physician or other person had an arrangement with a facility in which the services were provided and the facility billed for such services; or (3) where the payment is made to a governmental entity or establishment. Nothing in this paragraph shall be construed: (1) to prevent the making of such payment in accordance with an assignment from such practitioner if such assignment is established by or pursuant to the order of a court of competent jurisdiction, or (2) to preclude an agent of the practitioner from receiving any such payment if (but only if) such agent does so pursuant to an agency agreement under which compensation is to be paid to the agent for his services for or in connection with the billing or collection of payments due the practitioner under Medicaid is unrelated (directly or indirectly) to the amount of such payment or billings, and is not dependent upon the actual collection of any such payment.

Section 2(d). Specifies that the effective date for subsections (a) (b) and (c) shall be the date of enactment.

In 1972, the Congress noted that some physicians and other persons providing services under Medicare and Medicaid reassigned their rights to other organizations or groups under conditions whereby such organizations or groups submitted claims and received payments in their own name. Such reassignments became a significant source of incorrect and inflated claims by services paid for by Medicare and Medicaid. In addition, cases of fraudulent billings by collection agencies and substantial overpayments to these so-called "factoring" agencies were found.

The Congress felt that such arrangements were not in the best interest of the government or the beneficiaries served by the Medicare and Medicaid programs. The Social Security Amendments of 1972, P.L. 92-603, therefore, included the expressed prohibition against the reassignment of claims to benefits to anyone other than the patient, his physician, or other person who provided the service, unless the physician, or other person was required as a condition of his employment to turn his fees over to his employer, or unless the physician or other person had an arrangement with a facility in which the services were provided and the facility billed for such services.

Despite these efforts to stop factoring of Medicare and Medicaid bills, some practitioners and other persons have circumvented the intent of law by use of the device of power of attorney. The Comptroller General of the United States has reported that such use of power of attorney in these instances negates the purpose of the statutory prohibition against reassignment of Medicare and Medicaid claims and continues to result in the program abuses which factoring activities have been shown to produce in the past. There is also increased emphasis on overcoming the conditions which have fostered factoring practices—e.g., delays in payments—which will help to solve the significant cash flow problems.

The amendment changes existing law to preclude reassignments of benefits under Medicare and Medicaid by use of the device of power of attorney (other than an assignment to a governmental entity or establishment, or an assignment established by or pursuant to the order of a court of comparable jurisdiction from a physician or other person furnishing services). The bill also provides for similar prohibitions with respect to billings for care provided by institutions under Medicare and Medicaid. However, the bill would not preclude the agent of a physician or other person furnishing services from receiving any payment, if (but only if) such agent does so pursuant to an agreement under which the compensation paid the agent for his services or for the billings or collections of payments is unrelated (directly or indirectly) to the amount of the billings or payments, and is not dependent upon the actual collection of any such payments. Thus, the use of efficient billing agents by doctors and others, when paid on a basis related to the cost of doing business and not amounts billed or collected would not be impaired.

This provision is viewed as a clarification and strengthening of current law. It should be reaffirmed that the Department has the authority under existing provisions to prohibit factoring for all practitioners, physicians and suppliers of services including power of attorney arrangements. The Department issued regulations to this effect for Medicaid on August 27, 1976. These regulations have an effective date of November 26, 1976.

DISCLOSURE OF OWNERSHIP AND FINANCIAL INFORMATION

Section 3(a). Amends Part A of Title XI of the Social Security Act by adding at the end a new Section 1124 "Disclosure of Ownership and Financial Information".

New Section 1124(a)(1). Requires the Secretary by regulation (or where appropriate, by contract provision) to require specified entities (other than public agencies) to promptly comply with any specific request to an individual entity by the Secretary of HEW or the Comptroller General for specified ownership and financial information. Specified entities include providers and suppliers (as these are defined in subsection (c)), and subcontractors linked by ownership or control which furnish or arrange for the furnishing of items or services for which payment is claimed under Medicare, Medicaid, or Title V. Individual practitioners are exempted from the definition of a supplier of services. Specified entities also include Medicare Part A intermediaries, Medicare Part B carriers, and Medicaid fiscal agents. These entities must promptly comply with any specific request for:

(1) full and complete information as to the identity: (a) of every person who has a direct or indirect ownership interest or lease or rental interest of five percent or more in such entity and the nature and extent of such interests, or of every person who is the owner in whole or in part of an interest of five percent or more in any mortgage, deed of trust, note, or other obligation secured (in whole or part) by such entity or any of the property or assets thereof, (b) in case the entity is organized as a corporation, of each officer and director of the corporation, and (c) in case the entity is organized as a partnership, of each partner;

(2) full and complete information as to any significant business transactions within the last three years between such entity and any persons specified in the preceding paragraph. In the case of shared health facilities (defined under new section 1125) the information also includes business transactions between suppliers affiliated with such facilities and any persons specified in the preceding paragraph. Supplers not affiliated through direct or indirect common ownership or control, in whole or in part, with a provider are not included under this paragraph.

(3) a report containing such information with respect to the entity's costs and charges as the Secretary may specify involving: (a) items or services with respect to which payment is claimed under Medicare, Medicaid, or Title V, or

(b) its functions as an intermediary, carrier, or fiscal agent. Information includes costs and charges of related organizations as that term is employed for purposes of Medicare. Suppliers not affiliated through direct or indirect common ownership or control, in whole or in part, with a provider are not included under this paragraph.

(4) reasonable access to the books and records which pertain to the provision of billing and payment for goods and services supplied or rendered by such entity in connection with these programs of any entity which is an independent pharmacy, independent laboratory, independent supplier of durable medical equipment, or kidney disease treatment center.

New Section 1124(a)(2). Specifies that no request (as provided for under subsection (a)(1)) shall be made of any entity otherwise included under this provision if such entity does not furnish a substantial volume of items and services under Medicare, Medicaid, and Title V. The Secretary shall by regulation define the term substantial volume.

The bill contains specific financial and ownership disclosure requirements designed to facilitate, where necessary; the detection and investigation of the kinds of overcharging, kickbacks, rebates, and related practices that have been revealed by recent Congressional hearings and investigations. (The intent, of course, is that such disclosure requests would be made only where the Secretary has good reason to believe that the information requested is relevant to a program purpose). The provisions apply to nongovernmental providers or suppliers of health services (including shared health facilities as defined in the bill) which furnish or arrange for the furnishing of a substantial volume of services for which Medicare or Medicaid reimbursement is claimed. They also apply to Medicare intermediaries and carriers and Medicaid fiscal agents.

The measure includes access on request to the books and records of pharmacies, laboratories, suppliers of durable medical equipment, and kidney disease treatment centers, which pertain to the entity's provision of billing and payment related to Medicare and Medicaid. Recent Congressional investigations have documented substantial instances of fraud and abuse among some of these entities. The Committee intends that the new provision will serve to curtail such practices.

New Section 1124(b) (1) Specifies penalties for entities which fail to comply with a request made under subsection (a) (1) within sixty days of such request.

Paragraph A provides that in the case of a provider or supplier the Secretary may notify the entity that no payment will be made under Medicare and no Federal funds will be available under Medicaid or Title V for any services furnished by such entity on or after the first day of the first calendar month which begins at least thirty days after the notice is sent.

Paragraph B provides that in the case of a Medicare intermediary or carrier the Secretary may notify such entity that the agreement with such entity is terminated effective on the first day of the first calendar month which begins at least thirty days after such notice is sent.

Paragraph C provides that in the case of a Medicaid fiscal agent, the Secretary may notify the State having an agreement with such entity that no Federal funds will be available with respect to any expenses incurred to compensate such entity for or on account of services performed by it under such agreement or similar agreement on or after the first day of the first calendar month which begins not less than thirty days after the notice is sent.

The subsection provides that in cases where the Comptroller General makes a request which is not complied with within the required sixty day period, he shall at the earliest practical date after the close of such period advise the Secretary of such fact so that the Secretary may notify the entity involved pursuant to subparagraph (A), (B), or (C) of subsection (a).

New Section 1124(b) (2). Provides that notwithstanding any other provision of law:

(A) Payments otherwise authorized to be made under Medicare and Federal funds otherwise available with respect to expenditures under Medicaid or Title V are subject to limitations according to the terms specified in notices sent by the Secretary; the entities involved shall not be qualified (on or after the effective date of the limitations) as providers or suppliers under the programs;

(B) Agreements with Medicare carriers and intermediaries shall be terminated as indicated in notices sent by the Secretary to such entities.

(C) Federal funds otherwise available with respect to expenditures made under Medicaid shall be subject to the limitations referred to in notices sent by the Secretary.

Subsection (a) (2) further provides that the Secretary for good cause may terminate the application of any such limitation.

New Section 1124(b) (3) Provides that determinations and notifications by the Secretary under subsection (b) shall be made subject to the requirements for hearings and judicial review which are generally applicable for purposes of the provisions or programs involved. In no case may payments be made or Federal funds continue to be available to providers or suppliers who have received a notification from the Secretary, pending any such hearing or review, for a period longer than 90 days after the date on which the notice was sent.

New Section 1124(c) (1) Defines provider as this term is defined under Medicare (that is, as a hospital, skilled nursing facility, or home health agency). Such term does not include an individual physician.

New Section 1124(c) (2) Defines "supplier" as an individual, organization or other entity (except a provider or an individual practitioner) engaged in furnishing (or arranging for the furnishing of) any kind of items or services with respect to which payment may be made under Medicare, Medicaid or Title V. This term includes a shared health facility as defined under the new section 1125, any other supplier affiliated with such a facility, and a health maintenance organization as defined under Section 1301 of the Public Health Service Act.

The bill contains specific penalty provisions for failure to comply with the specified disclosure and agreement requirements in order to insure prompt and consistent compliance with those requirements. After appropriate notice, Federal funds would be withheld from entities which do not comply. Similarly, Medicare agreements with any of its fiscal agents that fail to comply would be terminated. Appropriate provision is made for any supplier or provider which wishes to appeal a decision by the Secretary.

The provision setting a maximum time period during which payments may continue to be made during a hearings and appeals process is intended to forestall cases where providers hold up the application of a termination of payment determination through prolonged court proceedings. The ninety day period specified in this subsection is a maximum; it does not indicate entitlement to funds for the full 90 day period. The Department will be expected to develop procedures for retroactive payment or recovery of funds relating to claims made during the period of the hearing and appeal. In the case of denial of Federal funds to entitles providing services under Medicaid or Title V or to Medicaid fiscal agents, it is not expected that States will assume the costs but rather that such entities or agents will not longer be recognized to furnish program related services.

New Section 1125. Defines "shared health facility" for purposes of the Social Security Act as any arrangement whereby:

"(1) two or more health care practitioners (one or more of whom receives payment on a fee for service basis under Medicare, Medicaid or Title V) practice their professions at a common physical location;

"(2) such practitioners share (A) common waiting areas, examining rooms, treatment rooms, or other space, (B) the services of supporting staff, or (C) equipment, and

"(3) (A) such practitioners have a person who is in charge of, controls, manages, or supervises substantial aspects of the arrangement or operation for the delivery of health or medical services at such common physical location, other than the direct furnishing of professional health care services by the practitioners to their patients, or a person who makes available to such practitioners the services of supporting staff who are not employees of such practitioners, and either such person is compensated in whole or in part, for the use of such physical location or support services pertaining thereto, on a basis related to amounts charged or collected for the services rendered or ordered at such location, or

"(B) at least one of such practitioners received payment on a fee-for-service basis under Medicare, Medicaid, or Title V of this Act in excess of $5,000 for any one month during the preceding 12 months, or in an aggregate amount exceeding $40,000 during the preceding 12 months;"

The term shared health facility does not include a provider of services as defined under Medicare (that is, a hospital, skilled nursing facility, or home health agency), a health maintenance organization, or a hospital cooperative shared services organization meeting the requirements of section 501(e) of the Internal Revenue Code of 1954, or any public entity.

The Committee intends that the term shared health facility shall be used to designate those providers who obtain substantial program payments, particularly from Medicaid, and who serve mostly patients whose care is financed through public programs. These facilities are specifically subject to the requests of the Secretary for financial and ownership disclosure requirements contained in the bill. It is further intended that the application of these requirements including the penalties for noncompliance will serve to curtail the instances of fraud and abuse which have been shown to occur in some of these facilities. The term is not intended to include hospital cooperative shared services organizations which group together to provide common support services such as laundry.

Designation of an entity as a shared health facility does not convey a judgment of wrongdoing. It is designed to identify kinds of entities where, either because a manager or supervisor or like kind of person is paid on a percentage or similar arrangement relating to the bills to the public programs, or because a practitioner or practitioners in the entity receive very substantial amounts of payments from the public health care financing programs, the Secretary, or reviewing agencies like PSRO's could reasonably be expected to devote extra attention to that entity, and perhaps examine its operation more thoroughly. It is understood that some persons and facilities which may fall into this category are effectively providing needed health care services in a legitimate and fully acceptable manner.

PENALTIES FOR DEFRAUDING MEDICARE AND MEDICAID

Section 4(a). Amends Section 1877 dealing with penalties for fraudulent acts under Medicare to change the classification for such crimes from misdemeanors to felonies, to increase the terms of imprisonment from one to five years and to increase maximum fines to $25,000. The section further includes those who arrange for kickbacks, bribes, or rebates as well as those who actually furnish such items as subject to the penalty provisions. Kickbacks or bribes subject to the penalty may be either in cash or in kind. Rebates are further defined to include percentage arrangements in cash or kind for the referral of patients.

Section 4(b). Amends Section 1909 dealing with penalties for fraudulent acts under Medicaid to make the same changes.

Existing law provides specific penalties under the Medicare and Medicaid programs for certain practices that have long been regarded by professional organizations as unethical, as well as unlawful in some jurisdictions, and which contribute significantly to the cost of the programs. Such practices as the soliciting, offering, or acceptance of kickbacks or bribes, including rebates or a portion of fees or charges for patient referrals, are currently misdemeanors under present law. Also defined as misdemeanors are such crimes as submission of false claims or the making of false statements concerning material facts with respect to the condition or operation of a health care facility. Recent hearings, however, have indicated that such penalties have not proved to be adequate deterrents against illegal practices by some individuals who provide services under Medicare and Medicaid.

The bill, therefore, would increase current penalties. Defrauding of the Government in Medicare and Medicaid is not dissimilar to similar practices involving fraud under the income tax laws, and should be dealt with just as severely. Increasing the criminal penalties for illegal acts under Medicare and Medicaid should encourage more aggressive prosecution of such illegal practices by U.S. attorneys and other State and local law enforcement agencies.

AMENDMENTS RELATED TO PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

Section 5(a'. Amends Section 1155(g) of the Social Security Act by adding a new sentence which specifies that where a PSRO requests review responsibility with respect to services furnished in shared health facilities, the Secretary must give priority to such request. The highest priority shall be given to areas with substantial numbers of shared health facilities.

Under present law, a PSRO is required to review only care provided by or in institutions. It may request review of other kinds of health services, and the Secretary may approve the request at his option. To date, little emphasis has been given to the assumption of responsibility by PSRO's of other kinds of health services. The bill provides that the Secretary must give priority to requests made by conditionally designated or fully qualified PSRO's to review services furnished in shared health facilities, with the highest priority to be given to requests from PSRO's in areas that have a substantial number of such facilities. The bill intends to facilitate prompt assumpttion by PSRO's of review responsibilities in shared health facilities in those cases where a PSRO has requested to undertake such review. The bill recognizes that the PSRO is not primarily a fraud detection organization, and the PSRO will not be expected to operate in that fashion. A PSRO can bring the expertise of the medical profession directly bear on these responsibilties which have already been given to it under present law. It can make those decisions about the medical necessity and quality of care furnished through a PSRO, can provide.

Section 5(b). Amends Section 1861(w)(2) dealing with reimbursement for PSRO direct review activities to include hospital outpatient services.

Under present law, PSRO's may discharge their review responsibilities with respect to hospital care in one of two ways—they can delegate the review responsibility to a hospital where they find that hospital capable of carrying out the review, or they can perform the review directly. Review activities delegated to the hospitals are reimbursed by the Medicare trust fund to the hospital as a part of such a hospital's Medicare costs. Prior to the enactment earlier this year P.L. 94–182, directs review activities carried out by the PSRO were not reimbursed as part of hospital costs, with the result that the PSRO was required to fund such direct review activities from its own administrative budget. This resulted, in some cases in a dis-incentive for the PSRO's to perform direct review and inappropriate delegation of the review process.

P.L. 94–182 permitted PSRO's to be reimbursed by the hospitals for costs which the PSRO's incur in performing direct review with respect to hospital inpatients. Payments are made by the hospital to the PSRO with the hospital in turn, receiving reimbursement in full for these payments from Medicare. The Committee would utilize this payment method for PSRO review activities involving hospital outpatients.

Section 5(c). Adds a new provision to Section 1158 of the Social Security Act to clarify those cases where PSRO determinations shall constitute the conclusive determination. Where a PSRO has been found competent by the Secretary to assume review responsibility with respect to specified types of health care services or specified providers or practitioners of such services and is performing such reviews, determinations made with respect to the medical necessity and quality of such services shall constitute the conclusive determination on those issues for purposes of payments under Medicare and Medicaid. Such determinations are subject to the hearings and appeals provisions specified under Section 1159. It is understood that Medicare intermediaries and carriers, and State Medicaid agencies, would continue to be responsible for other types of reviews and determinations relating to eligibility for benefits and coverage of services.

Under present law, Medicare payments and the Federal share of Medicaid payments may not generally be made for health care services which a PSRO has, in the proper exercise of its duties, disapproved. To clarify the PSRO's authority in this area and to avoid unnecessary and disruptive duplicative reviews by Medicare agents and Medicaid agencies, the bill provides that where a conditionally designated or a qualified PSRO has been found competent by the Secretary to assume review responsibility with respect to specific types of health care services or specified providers or practitioners and is performing such reviews, determinations as to qualify or necessity made in connection with such review will constitute the conclusive determination on those issues for purposes of payment.

Section 5(d). Rewrites Section 1152(e) of the Social Security Act to provide that where the Secretary finds a PSRO to be competent to perform review responsibilities, the review, certification and similar activities otherwise required under the Act (except for those required under the PSRO provision) shall not be applicable with respect to those providers, suppliers, and practitioners being reviewed by such PSRO, except to the extent determined by the Secretary. This section of the bill further provides that the provisions which contain statutory requirements relating to conditions for eligibility for benefits or coverage of services (rather than requirements relating to reviews or certifications of medical necessity) will continue to be applicable.

Under present law, the Secretary is authorized to waive any or all of the review, certification or similar activities otherwise required under the law where he finds, on the basis of substantial evidence of the effective performance of review and control activities by PSRO's that the activity or activities are no longer nedeed for the provision of adequate review and control. This provision was intended to avoid duplication of functions and unnecessary review and control activities. The bill is intended to clarify and facilitate application of this authority. It provides that where the Secretary finds that a given PSRO is competent to assume review responsibilities with respect to specified providers, suppliers, and practitioners being reviewed, other review and certification requirements to the extent they duplicate those which the PSRO is to perform, would no longer be applicable. For example, with respect to some or all of the facilities in a PSRO's service area, the requirement that physicians certify that their SNF patients need skilled nursing or skilled rehabilitation services on a daily basis would not be applicable if the Secretary finds that the PSRO can competently review the needs of Medicare SNF patients and services they receive and will properly apply the program's level of care requirements that might not be applicable include Medicare and Medicaid requirements for institutional utilization review procedures: Medicare physician certification requirements related to other types of covered institutional care, home health services, and certain outpatient services; the Medicare requirement that psychiatric and tuberculosis hospital records establish that a covered level of care has been provided; the Medicare provisions relating to the existence or activities of utilization review committees; the Medicare requirement that participating skilled nursing facilities cooperate in programs of medical evaluation and audit; the Medicaid requirement that State plans provide for a program for the medical review of each skilled nursing facility and mental hospital patient's needs; the Medicaid requirement that State plans provide for methods and procedures related to the utilization of, and payment for, covered services; the Medicaid requirement that State plans provide for independent professional review of care in intermediate care facilities; the Medicaid requirement that State plans provide for the State health agency to establish a plan for the review of covered services; and the Medicaid provisions for reducing or denying Federal matching in certain cases where the State does not effectively control utilization.

Section 5(e). Amends Section 1166 of the Social Security Act dealing with the prohibition against disclosure of information to release the PSRO from the application of the penalty provided therein under specified conditions specified in a new subsection (b). (The penalty provision is relettered subsection (c)). The new subsection (b) requires PSRO's, in accordance with procedures established by the Secretary, to provide data and information to assist Federal and State agencies recognized by the Secretary as having responsibility for identifying and investigating cases or patterns of fraud or abuse. The data and information shall be provided by the PSRO to such agencies at their request or, at the discretion of the PSRO, on the basis of its findings with respect to suspected cases or patterns of fraud or abuse.

The new subsection (b) also requires the PSRO to provide, in accordance with procedures specified by the Secretary, data and information to assist the Secretary, health systems agencies, and other such agencies recognized by the Secretary as having health planning or related responsibilities under Federal or State law to assist them in carrying out their functions. This includes health systems agencies and State health planning and development agencies. The data and information is to be provided in such format and manner as may be prescribed by the Secretary or agreed upon by the responsible Federal and State agencies and the PSRO. The data and information shall include aggregate statistical data (without identifying any individual) on a geographic, institutional, or other basis which reflects the volume and frequency of services furnished as well as the demographic characteristics of the population subject to review by the PSRO.

The language further specifies that the penalty shall not apply to the disclosure of any information received by a person or entity from the PSRO pursuant to the new subsection (b)(2), but that the penalty shall apply to the disclosure of any data or information received under (b)(1) by Federal or State agencies responsible for fraud and abuse detection unless such disclosure is made in a judicial, administrative, or other formal legal proceeding resulting from an investigation conducted by the agency receiving the information.

Under present law, any data or information acquired by a PSRO in the exercise of its duties must be held in confidence and may not be disclosed to any person except (1) to the extent that may be necessary to carry out the purposes of the PSRO provisions, or (2) in such cases and under such circumstances as the Secretary shall by regulations provide to assure adequate protection of the rights and interests of patients, health care practitioners, or providers of health care. Delays within the Department in issuing regulations relating to the disclosure of appropriate information have forestalled the release of a considerable body of information, especially related to planning activities, that could be most helpful to planning agencies. The bill expands and clarifies those circumstances under which the provision of data or information would not violate the confidentiality provisions to include: (1) provision of information to Federal or State agencies responsible for identification or detection of fraud and abuse activities at their request or at the discretion of the PSRO; and (2) provision of aggregate statistical data to health planning and related agencies. The data provided must allow identification of institutions in order to be useful to the planning agencies, and it is expected such identification would be made. However, the data would not identify any individual. These provisions were included to facilitate fraud and abuse detection activities and to encourage the exchange of relevant information between PSRO's and health planning agencies. It should be emphasized, however, that the principle of confidentiality on data pertaining to an individual is to be maintained and that, except where a disclosure is made by a responsible agency in the course of a legal or judicial proceeding, disclosure of data and information made available to such agencies is prohibited. Violation of this prohibition would result in application of the penalty.

Section 5(f). Amends Section 1155(b)(3) of the Social Security Act to permit PSRO's to abstract from pertinent provider or practitioner records that the PSRO has under review.

Under present law, a PSRO is authorized to examine pertinent records of any practitioner or provider of health care that is subject to PSRO review; the bill would also permit the PSRO to abstract from such records to facilitate review of the premises of the party that furnished the care. This authority may be especially important in the review of shared health facilities.

Section 5(g). Amends Section 1160(b)(1) of the Social Security Act by striking out "practitioner or provided" each time it appears and inserting in lieu thereof "health care practitioners or any hospital, or other health care facility, agency, or organization".

The bill makes clarifying changes in the provisions of law under which the Secretary may, at the recommendation of a PSRO, withdraw a medical care provider's eligibility to participate in Social Security Act medical care programs where it is determined that they are not willing, or cannot, carry out their obligations to order and provide only necessary care of acceptable quality. The bill would make it clear that the provisions in question apply to any health care practitioner, or any hospital or other health care facility, agency or organization which is subject to PSRO review.

Section 5(h). Amends Section 1168 of the Social Security Act by providing that the Secretary shall make direct payments to PSRO's funds appropriated under the titles of the Social Security Act (as provided by law) for expenses incurred in the performance of its duties without any requirement for the contribution to such expenses of any funds by any State or political subdivision.

Under present law, expenses incurred by PSRO's are made payable from Medicare trust funds and from funds appropriated to carry out the other health care provision of the Social Security Act. The bill would make it clear that it is not intended that States or local governmental entities contribute toward these expenses, as they normally must do to receive Federal matching funds under title 19.

Section 5(i). Amends Section 1167 of the Social Security Act to add Federal payment for legal expenses incurred by a PSRO in defense of any civil suit brought against it related to the performance of functions under the Act.

Under present law, insurance premiums paid for legal liability insurance (including attorneys' fees) are reimbursable as proper administrative expenses of PSRO's. The provision would reimburse the legal fees directly if for any reason individual PSRO's were unable in the future to acquire such liability insurance.

COMMENTS AND ANALYSIS OF COMPLIANCE OF 15TH ACDA ANNUAL REPORT

(Mr. ZABLOCKI asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ZABLOCKI. Mr. Speaker, Public Law 94–141 established new legislative requirements for the annual report submitted to Congress by the Arms Control and Disarmament Agency. Briefly stated, the intent was to have the report provide a more "complete and analytical statement of arms control and disarmament goals, negotiations, and activities." Further, the report was also to present "an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect."

In fulfillment of its oversight responsibility the House International Relations Subcommittee on International Security and Scientific Affairs, which it is my privilege to chair, requested the Congressional Research Service of the Library of Congress to evaluate ACDA's 15th annual report in terms of its compliance with the new requirements. The evaluation was prepared by Mr. Charles Gellner.

On balance, Mr. Gellner suggests that ACDA gets mixed marks for its most recent effort. The new report, he says, departs from earlier molds and presents a more penetrating and analytical discussion of the issues. Also on the plus side, the new report introduces a new style, scope, and depth—all of which gives it increased value as a working document for Congress. On the other hand, Mr. Gellner notes an unevenness in the method of dealing with each issue. He also observes a periodic lack of comprehensive explanation and that a number of sensitive problems have been glossed over or ignored. Finally, it should be noted that the report was submitted 6 months late.

I believe Mr. Gellner's more detailed comments and observations will be of interest to all Members of Congress and the public at large and therefore request that his evaluation be printed in the Record. To ACDA Director Dr. Fred Ikle and his able and dedicated staff must go compliments and congratulations. At the same time, I trust that the constructive criticisms contained in Mr. Gellner's evaluation will be received by ACDA in the positive spirit in which they are offered.

The evaluation follows:

Comments on Compliance of 15th Annual Report With New Legislative Requirements (P.L. 94–141)

THE LEGISLATIVE REQUIREMENT

The original Arms Control and Disarmament Act of 1961 (P.L. 87–297) required that the President transmit a report to Congress on the activities of the U.S. Arms Control and Disarmament Agency, not later than January 31 of each year. Little guidance regarding content for the report is contained in the legislative history of that act. The 1975 act authorizing appropriations for the agency, P.L. 94–141, added the following to the earlier requirement:

> Such report shall include a complete and analytical statement of arms control and disarmament goals, negotiations, and activities and appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.[1]

The House report on the 1975 legislation elaborates on congressional intent regarding the report. The committee states that the provision is aimed at an "expanded" version of the report to the Congress, which will serve as a "complement" to the arms control impact statements [2] and will be "analogous" to the annual posture statement of the Secretary of Defense. It explains further: "The intent is to . . . provide Congress with more comprehensive and updated information on which it can more effectively and intelligently carry out its role of advising and consenting in the formulation of foreign policy".[3]

GENERAL COMMENTS

An examination of these requirements reveals that the kind of information required is that which will enable Congress to carry out "more effectively and intelligently" its role in formulating foreign policy. This implies the kind of information which Congress normally does not obtain through routine channels, i.e., information which not only describes but also analyzes official arms control policy. Other types of required information could include the course and rationale of negotiations and the policies, attitudes and capabilities of other countries.

The need for "updated" information suggests that Congress needs information about events that have recently transpired in such areas as negotiations, defense policy and weapons developments which have a bearing on arms control, and U.S. foreign policy that could affect arms control. Faithful observance of the January 31 due date prescribed in the basic legislation would meet this congressional need.

The manner of applying the Committee's analogy of the Secretary of Defense's posture statement could have some flexibility. Since the posture statement is part of the Secretary's budget justification, the parallel with the annual report of ACDA is not total. But the posture statement's development of a logical framework for defense policy could be a sort of paradigm for the annual report's development of arms control policy. An illustrative approach might be as follows. First, the report could appraise the general international situation and describe the character of the military "threat" facing the United States. Second, it might review the goals of U.S. foreign policy and explain how the goals of arms control policy relate to and support them.

Third, it might discuss some of the alter-

Footnotes at end of article.

native courses that could be taken in arms control policy and explain why certain courses are being followed in the present and what could be the choices in the future. Fourth, it could make a tentative projection of international and arms control developments for a five to ten year period or lay out alternative itineraries for a projected period. The question of how the achievement of certain arms control objectives might have an impact on defense budget preparations could also be weighed.

Within this framework, individual arms control policies, initiatives and comprehensive negotiations could be discussed. The discussion could have several parts: (1) a description of the problem, the threatening condition, or the undesirable situation which the United States is seeking to remove or correct; (2) a survey of alternative courses and of the rationale for the one chosen to deal with the problem; (3) a narrative and analytical explanation of proposals made, steps taken, negotiations conducted to pursue the chosen course of action, and the reactions of others thereto; (4) appraisals of the results thus far and of the future prospects.

Another category of information which might be required is that relating to arms control agreements, or defacto arrangements that are already in effect. This might include points such as the following: (1) an appraisal of how well or poorly an agreement has been observed, including an analysis of the problems faced in implementing it; (2) an evaluation of the agreement at the present time; (3) a discussion of various courses of action to improve it, supplement it or perhaps to terminate it; (4) a statement of the policy now being pursued in regard to the agreement or a recommendation for a course of action.

Two other categories of needed information are: (1) that relating to problems or situations which could or should become objects of attention by arms control policymakers but which have attracted little or no effort up to the present; (2) subject areas which are outside the realm of arms control proper, but in which developments could seriously affect arms control policy and activities. Examples of the former might be the limitation of naval armaments and the regulation of civil defense.[4] Examples of the latter might be commercial nuclear and high technology export policies, and economic conditions in the United States and other countries.

The parallel between the annual report and the posture statement is sharpened by the Committee's concept that the annual report and the arms control impact statements are "complementary" to each other. The posture statement furnishes a policy rationale for defense budget requests. In the future these budget requests—or at least the significant ones—will be accompanied by arms control impact statements that Congress will weigh in reaching its decisions on appropriating funds for defense programs. ACDA's annual report is expected to provide a comprehensive arms control policy rationale within the contours of which the individual arms control impact statements can be assessed by Congress.

COMPARISON WITH EARLIER ANNUAL REPORTS

Measured against the fourteen previous annual reports the fifteenth report introduces a totally new style, scope, and depth, and a new degree of usefulness. Since the intent of the original legislation was relatively undefined, earlier ACDA reports were limited in scope and content.

Basically, they provided a yearly update of ACDA's activities and developments in arms control. Although there was some change in the reports' format over the years, the nature of the substance remained fairly consistent. The first six annual reports were organized according to ACDA's activities while later reports were divided according to important arms control issues. Nevertheless, the main focus throughout was on ACDA's activities with a brief update on the significant developments in the arms control field.[5]

The earlier annual reports of ACDA were included in its publications program and as such constituted a staple of the Agency's public affairs program. Within the context of this program they conveyed information to the public, along with other publications in that relatively low-key program. Beyond that, however, the annual reports provided little assistance to Congress in the exercise of its appropriation and oversight functions. The new legislative requirements of 1975 were intended to transform the annual report into more than a glossy public affairs print and to make it a genuine aid to Congressional policymaking and oversight. It was also one component of a package of amendments designed to enhance the status and influence of ACDA in the Executive branch.

THE FIFTEENTH ANNUAL REPORT

The fifteenth annual report departs from the earlier mold. Its more penetrating, analytic discussions of a number of arms control issues give it increased value as a working document for Congress in fulfilling its constitutional responsibilities. In examining arms control issues the report in varying degrees explains salient problems and hoped-for objectives and in some cases adds historical background. However, the manner of dealing with each issue is not uniform, an unevenness born presumably from the different authorship of the various chapters of the report.

How well does this transformed report meet the 1975 legislative requirements? Each chapter individually addresses a different arms control issue, and handles it in a way which in greater or less degree meets or falls short of Congressional intent.

Opening the report is an instructive essay on "Perspectives" in arms control and disarmament. It reviews certain major objectives of arms control (for instance, to avert war) and techniques (e.g. reduce vulnerability, prevent accidents and miscalculations, control technological change). The discussion then turns to an appraisal of "unilateral initiatives." Favor is expressed for maintaining arms programs to impress bargaining opponents but a less favorable stance is taken on arms control by example and by "informal arrangement." Yet, one should note that the "bargaining chip" argument is by no means universally supported, even by government officials. In support of his skepticism of "informal" arrangements, the author gives an individually interpreted account of the complex maneuvering involved in the test ban marathon of the early 1960's. He also cites by way of example a comparison of U.S. and Soviet defense spending.[6]

Next the report gives a quick rundown on treaties and agreements already in effect or signed and awaiting ratification. This chapter provides brief reference data on these treaties but probes sparingly into serious issues associated with them. Issues relating to some, however—the NPT and the SALT agreements—are more extensively explored elsewhere in the report. But some are not subjected to a penetrating examination, and these include the important test ban treaties. Lack of adequate verification capabilities is cited as the barrier to conclusion of a comprehensive test ban. But other formidable obstacles, such as military factors and the problem of accommodating peaceful nuclear explosives, are not mentioned.

NUCLEAR PROLIFERATION

The chapter on nuclear proliferation is the most informative in the report and the quality of its analysis is exemplary It describes the danger to the world of spreading nuclear weapons capabilities inherent in the growth of nuclear power facilities in foreign countries. Besides the idea of reducing incentives for non-weapon states to acquire a military nuclear capability (through security alliances, etc.) the report stresses two kinds of barriers to the multiplication of nuclear armed countries. One is to place restrictions on non-weapon countries to prevent diversion of materials from the civil nuclear fuel cycle to weapons purposes. A major set of such restrictions is the system of safeguards administered by the International Atomic Energy Agency. The report discusses the efficacy and weaknesses in international safeguards yet does not deal clearly with the acute problem created by the fact that such safeguards do not offer a barrier to the export of enrichment and processing plants to non-weapon states nor prevent plutonium from being accumulated in such states. The chapter describes how the Non-Proliferation Treaty commits nations to remain in a non-weapon status under IAEA safeguards. It describes how nuclear suppliers are applying measures to safeguard against diversion of their nuclear exports to military purposes by recipient countries. The chapter states that the United States is applying more restraints in regard to sensitive exports like enrichment and reprocessing facilities but it does not explain nor discuss the implications of the significant fact that other suppliers, allies of the U.S. such as France and Western Germany, have not adopted such restraints.

The report examines the critical question of lead-time between the discovery of a diversion of fissionable materials and the actual manufacture of a nuclear explosive. It explains the dangers of weapon proliferation in plutonium recycle, in the development of breeder reactors, and in the application of peaceful nuclear explosives. It emphasizes the need for a strong response by nations to illegal diversions but it does not get into the prickly problems of who should make the response, or how and what it should be. One alternative—multinational nuclear centers—for blocking individual nations from diverting materials by keeping the facilities and the materials out of their hands, is discussed, but not others that could be applied by suppliers, such as buy-back of spent fuel.

The chapter poses a crucial problem. The world is at a turning point in regard to proliferation of nuclear weapons as shown by India's nuclear explosion. International safeguards can be expected to improve but, besides having gaps, they can only warn of violations. They cannot prevent them. The chapter speaks of the possibility of sanctions for violations But it does not spell out clearly alternatives of policy for the United States in regard to dealing with violations nor how to prevent nations from having the physical capability of capitalizing on violations. A net impression left by this valuable analysis is that the United States perceives the current problem in its stark reality but there is little evidence that it has firm ideas how to cope with it.

The discussion on strategic arms control dwells mostly on the evolution of the strategy of deterrence in the postwar period and on certain principles which animate U.S. policy on deterrence today, such as flexibility and survivability. The aims of strategic arms control are described in general terms as maintaining stability and equivalence within this context.

Three issues are identified as objectives of strategic arms control in recent years—limitation of strategic defenses, strategic targeting, and levels of forces. Noteworthy is the fact that the second issue is included even though it is a unilateral U.S. defense matter and has not figured in arms control ne-

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gotiations. It deals with the strategic doctrinal principle that the U.S. should have the weapons capability (including accuracy) of destroying enemy military forces as distinct from hostile populations. One purpose would be to make deterrence more credible and thus help avert nuclear war. The inclusion of unilateral defense doctrines and programs as subjects of arms control raises a significant question that will be taken up later in these comments.

SALT

The SALT negotiations are covered only by an elementary sketch, stating certain general purposes and outlining ACDA's participation in the negotiation organizations. A glaring omission is the failure to analyze the issues that have arisen in the SALT negotiations. Nor is there any discussion of the manner in which the SALT agreements have been carried out. Specifically a full examination of the vital question of alleged violations of SALT—a question which could seriously affect continued support for SALT in Congress and among the electorate—is avoided.

The failures are presumably an outgrowth of the secrecy which has marked official policy in regard to SALT diplomacy. Certain congressional committees are reported to be given secret briefings on SALT but most of Congress and the public, whose fate is at stake, know nothing about the content of these. Except for a few official communiques and some information given in high level press conferences, the public has been provided only with piecemeal and unreliable information about ongoing developments in SALT. But official secrecy has not prevented the Executive branch from leaking extensive information on SALT matters.

The public has been the recipient of piecemeal, distorted, often contradictory information about SALT, emanating from variously motivated anonymous officials in one or another government department. Certain correspondents, professional or commercial media, and defense-industrial publications are obviously favored channels, by presumably unapproved releases to the media. Factions within the government, despite an official policy of confidentiality, are waging a public battle either to defend or discredit SALT. Under these conditions one cannot but wonder whether a straightforward policy of regular government disclosure of events in SALT might not be more beneficial to national arms control policy and more in harmony with democratic responsibility.

ACDA's annual report could be one suitable vehicle for considering this information. But as it stands this chapter falls substantially short of the 1975 legislative requirements. While this chapter stresses the importance of equivalence as an abstract principle to govern the force posture of the U.S., it does not describe fully how the actual forces on both sides measure up to the principle. Another omission concerns details which might show whether agreements emanating from SALT can be expected to apply the principle in practice.

ARMS CONTROL IN EUROPE

Unlike the chapter on strategic arms control, the description of the arms control situation in Europe gives fairly detailed numerical rundowns on both sides with an analysis of the effect of opposing force structures on continental stability. It spells out the role of tactical and strategic nuclear delivery systems in Europe and points out the interrelationships between them and conventional forces. The fact that NATO relies on a spectrum of nuclear and non-nuclear forces for defense is stressed with the specific recognition that the use of tactical nuclear weapons could pose difficult problems. It stresses that there exists a preponderance of conventional forces favoring the East and that this is a source of instability in Europe.

The discussion turns to two kinds of initiatives to improve stability in Europe and thereby contribute to arms control objectives—unilateral , such as measures to strengthen NATO, and negotiated measures. The most significant of the latter are the negotiations between NATO and the Warsaw Pact known as Mutual and Balanced Force Reductions (MBFR). Highlights of negotiations during the past year are described, and leading issues in these negotiations are analyzed.

The discussion covers many of the elements required by the 1975 legislation but is lacking in some areas. For example, proposals for unilateral reduction or modification of the U.S. military posture in Europe, ideas which have been put forward by responsible sources, are ignored. There is no consideration of the effects of a defensive stance by NATO upon its force requirements as compared to the strength of the Warsaw Pact, and finally there is the introduction again of unilateral "arms control" measures, i.e., steps for strengthening NATO forces under the rubric of enhancing international stability.

ARMS TRANSFERS

The chapter on arms transfers summarizes major aspects of the world and U.S. trade in armaments. Overall dollar figures on transfers for the world, 1965 to 1974, and more detailed figures for 1974, which had already appeared in an earlier ACDA publication, are presented.

Looking at the attitudes of suppliers and recipients, the report adjudges the prospects for control of the arms trade to be unencouraging. As far as the U.S. is specifically concerned, the report notes a couple of international initiatives taken in 1975 that were unfruitful. It describes the increased organizational activities of ACDA in working in an interagency setting on arms supply policy and specific arms transfer issues.

The main shortcoming with this presentation is its lack of specificity. Arms transfers programs and policies of the United States affect individual countries and regions of the world, but discussion of specific U.S. relations with individual countries and regions is absent from this report.

Control of arms transfers at this stage of dealing with the problem is still very much at a national export (or import)/policy stage—in the United States and elsewhere. As such, although arms transfers are a very important issue in U.S. foreign policy, policy regarding them is not solely a responsibility of ACDA. A responsibility of the latter is to conceive and promote initiatives on the international level to deal with the problem. In the meantime, it adds a positive note for ACDA to be in an effective position within the government to assure full consideration of arms control factors in transfer decisions. But little illumination of ACDA's real influence in this procedure can be obtained from this report.

MILITARY EXPENDITURES

The problem of controlling military expenditures—a subject not given much attention in arms control literature—is assigned a chapter in this report. It is not clear why extensive coverage of this subject should be given precedence over similar treatment of other subjects such as control of chemical weapons.

The chapter consists of two parts. The first is a summary of trends in military expenditures around the world. The report voices caution on drawing conclusions from dollar estimates of defense expenditures in the Soviet Union (and China). But charts are published giving dollar amounts for the Warsaw Pact and the Soviet Union in comparison with dollar amounts for the U.S. and NATO, and the report speculates on the possibility of increasing spending on U.S. forces to maintain a regional balance. The second part is a summary of procedural steps taken in recent years in the United Nations to study the problems associated with controlling military expenditures under international agreement, especially the problems of definition and verification.The chapter does not discuss in detail the substance of the problems of this type of arms control nor does it hypothesize on the kinds of situations in which it might be used. One net impression left by this chapter is that for a second time in this annual report the military budget expenditures of the Soviet Union have been emphasized, yet paradoxically the report insists "that the paucity and unreliability of information on Soviet military expenditures remain the greatest obstacles to progress toward an agreed limitation on military expenditures."

It is valuable to know that ACDA is pressing studies to obtain a reliable understanding of the problems involved in controlling militarty expenditures by international agreement. In view of the controversial character of the intelligence community's reconstruction of the Soviet Union's defense budget, it could be beneficial for ACDA to produce an alternative for comparing United States defense expenditures with those of other countries.

OTHER MEASURES

The chapter on verification gives a general treatment of purposes and criteria for verification and of difficulties in determining violations. Again, it lacks in key specifics. For example, there has been over the past year considerable concern and controversy over the adequacy of IAEA safeguards and over the Soviet record of compliance with SALT. It would be helpful for Congressional policymakers to have candid analyses by ACDA of these two vertification arrangements.

Another chapter briefly catalogues major arm control developments in the Conference of the Committee on Disarmament and in the UN General Assembly. These are guidebook type sketches which describe procedural steps but do not deal with the substance of policies or issues. Some of the latter are discussed in greater detail elsewhere in the report but certain important questions are not. These include controlling environmental warfare, regulating and prohibiting chemical warfare, and the crucial matter of evaluating the arms control implications of peaceful nuclear explosives particularly as they refer to agreements limiting or prohibiting nuclear weapons test explosions.

The chapter on ACDA's relations with Congress describes the new legislation enacted in 1975 that is designed to enhance the status and effectiveness of ACDA. From the otherwise accurate description of the legislation, one significant provision is omitted, that stipulating new requirements for the annual report to which this fifteenth annual report is intended to be a response. In fact, there is no mention anywhere in the fifteenth report of the 1975 legislation prescribing the contents of the annual report.

The chapter on research conducted by ACDA could benefit from additional inforation. Research is a principal function of the Agency and deserves more than the cursory description in this report. Contractors amounts, purposes and results of individual projects, and explanations of applications to policy, negotiations, or new concepts could help Congress appraise the program and improve exchanges of ideas with the arms control community.

Some ACDA research projects are referred to in brief terms in other parts of the report but there are no specific citations to research studies by title and author.

FINAL OBSERVATIONS

In summary, the fifteenth annual report inaugurates a new dimension in ACDA's response to the requirements in its basic legislation. It transmits more information than before and moves in the direction of supplying to Congress the kind of assistance it can use in its deliberations on arms control policy. But several observations can be made.

The pattern of treatment of subject matter in the report this year consists mainly of comprehensive textbook-like essays on fundamentals, principles and history, plus some recent developments, and some exposition of U.S. policy and of courses of action that might be desirable in arms control.

The issues are not treated uniformly, and the variations have left shortcomings in the information that might be expected as a result of the legislative requirements enacted in 1975. Although comprehensiveness of analysis of an issue is a feature of this report, this has not consistently been accompanied by comprehensive explanation of U.S. arms control policy on that issue nor of the alternatives that could constitute that policy. A number of sensitive problems have been glossed over or ignored. Policies in regard to countries and regions have in significant instances been omitted. In a few cases important arms control issues have not been touched.

One would expect that in future reports, it would not serve a useful purpose to repeat the comprehensive background format used in the 1976 report. Succeeding reports will necessarily have to grapple more concretely with on-going developments, current problems, policy alternatives, and explanations of policy decisions. This type of information would be necessary to meet the stipulation of the 1975 amendments, namely, to be of substantial assistance to Congress in policymaking, to serve as a "posture statement" on arms control, and to function as a complement to the arms control impact statements. A central issue in this regard is that the quality and character of the information to be supplied are more vital than the quantity. Reportedly some officials in the Executive Branch were surprised that certain disclosures were made in the fifteenth report. Yet that is precisely the kind of information Concongress needs—on a regular and dependable basis.

A noteworthy aspect of arms control policy as conceived in this report, which presumably reflects the concepts of officials who direct ACDA, is reflected in a definition given near the beginning: "Arms control includes all those actions, unilateral as well as multilateral, by which we regulate the levels and kinds of armaments in order to reduce the likelihood of armed conflicts, their severity and violence should they occur, and the economic burden of military programs." A signficant point in this definition is that it applies to all unilateral actions for certain purposes. Citations of unilateral actions are interspersed through the report, including unilateral measures to strengthen and improve armed forces to maintain international stability. For instance, while discoursing on arms control in Europe the report mentions that "unilateral measures could improve the stability of NATO's deterrent and thereby contribute to arms control objectives," and it gives several examples. With this definition of arms control the borderline between the missions of ACDA and of DOD could become blurred.

In the Arms Control and Disarmament Act, which is the charter of ACDA, it is stated: "As used in this Act . . . the terms 'arms control' and 'disarmament' mean the identification, verification, inspection, limitation, control, reduction, or elimination, of armed forces and armaments of all kinds under international agreement . . ." There are two points to note in this legal definition: (1) it specifies "under international agreement," not unilateral action, and (2) the emphasis is on limiting, reducing, and eliminating, not on strengthening and increasing armaments.

Congress, when it passed the Arms Control and Disarmament Act in 1961, was anxious that ACDA not become an instrument of unilateral disarmament and therefore restricted its jurisdiction to "international agreement."

The Congress reinforced this restriction by providing in the same act: "That no action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty-making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States." (Sec. 33)

Thus in 1961 Congress laid down a roadblock against reducing armaments either unilaterally or by international commitment without its permission. Now fifteen years later ACDA, legally estopped from unilateral disarmament, is talking about possibilities of unilateral rearmament to achieve certain arms control objectives. It would seem ironic for ACDA to be authorized to promote unilateral strengthening of armaments for arms control but not unilateral reduction of armaments for arms control. Should Congress therefore now erect a legal barrier to ACDA's authority to advocate unilateral increases in the armaments of the United States? International stability, indeed international security, is a coin with two sides. There must be close coordination between defense and arms control policy, but there is a distinction between them. ACDA should be conscious of and concerned about defense measures to sustain international stability, but its aims and role fall into a different sphere, one that is international rather than national.

There is a dilemma here. National security is a coin with two sides. Limitation of armaments and arms control are closely related to national defense. Arms control policy must be meshed with defense policy and also foreign policy. To attain successful coordination between arms control policy and defense policy there must be mutual exchange of information and mutual knowledge. But spheres of knowledge and spheres of responsibility or action are not necessarily congruous. ACDA must be conscious of defense measures to maintain international stability, but its own mission and methods to preserve an international balance can scarcely be the same as those of the Department of Defense.

This annual report says little about the interplay among ACDA, DOD, and the State Department within the National Security Council System to establish and carry out arms control policy. It mentions that the 1975 legislation included provisions to clarify and enhance the role of the Director of ACDA within the NSC System. As a complement to these 1975 provisions it might now be appropriate to reconsider the jurisdictional responsibility of ACDA (as well as other Executive agencies) in the light of the original legislation of 1961, of the amendments of 1975 and of the experience with management of arms control policy and negotiations during the past decade and a half.

The fifteenth annual report was submitted very late. According to the law it is required by the end of January. It came at the end of July, six months late. By mandating that the annual report be submitted by the end of January is was evidently the intent of the Arms Control and Disarmament Act that it be available to Congress at the beginning of its session so that it could be of assistance during the consideration of ACDA's budget and of other matters during the session relating to arms control, for example, a treaty or agreement.

As a complement to the arms control impact statements, which are now legislatively mandated to be submitted with requests for defense authorizations and appropriations, it has become imperative that ACDA's annual report in the future be available early in the session when the impact statements are due. Congress should have both the report and the impact statements together when it has defense authorizations and appropriations under active review.

FOOTNOTES

[1] Sec. 149, P.L. 94–141, 89 Stat. 765, November 29, 1975.

[2] Sec. 146, *ibid.*

[3] U.S. Congress. House. Committee on International Relations. Arms Control and Disarmament Act Amendments of 1975. June 11, 1975. 94th Congress, 1st session. Report No. 94–281. Washington, U.S. Govt. Print. Off., 1975. p. 7.

[4] "Civil" defense is really a form of military defense. It might affect a strategic or military balance between countries.

[5] For a study of the annual reports of the ACDA through 1973 see Leneice N. Wu, "The Annual Reports of the U.S. Arms Control and Disarmament Agency: A Survey," August 13, 1974. (U.S. Library of Congress, Congressional Research Service).

[6] The recent staff study for the Senate Budget Committee entitled, "U.S. and U.S.S.R. Military Spending" spells out many of the problems associated with dollar and ruble costing of Soviet defense spending. It concludes, ". . . there are practical reasons for thinking that there is considerable uncertainty in the CIA aggregated dollar cost and ruble cost estimates." *Budget Issues, Staff Studies for Fiscal 1977,* June 28, 1976, p. 146.

H.R. 14496—RESOURCE CONSERVATION AND RECOVERY ACT

(Mr. SKUBITZ asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, I am pleased to note that the Senate has agreed in our amendment to S. 2150 and yesterday passed the Resource Conservation and Recovery Act of 1976. It now appears that this piece of legislation will truly be the most important piece of environmental legislation enacted during this Congress.

Not only does the bill give the Environmental Protection Agency regulatory authority over solid waste and the disposal of hazardous materials, but it also puts in place a number of positive programs for long-range conservation. For the most part nearly all of the House bill was incorporated into the amendment, and a number of strong provisions contained in the Senate bill were also incorporated into the amendment.

There was one provision contained in the House bill which provided that the Department of Commerce should encourage those engaged in resource recovery to meet in order to work out technical and systematic problems on a joint basis. In the bill reported from the Commerce Committee of the House there was included an exemption from the antitrust laws. During the negotiations with the Senate on the amendment designed to avoid the necessity of a conference, this provision was dropped because, in the shortness of time available for consideration of the bill, it was felt that some Members in the other body would have difficulty accepting a clear-cut antitrust exemption.

I shared the judgment of those working out the substitute amendment, but I want to make it clear that the deletion of this provision from the House bill in no way suggests that the Department of Commerce should not use its existing authority to bring businesses together in order to resolve the technological and systematic problems associated with resource recovery.

The legislation which has now passed both bodies will undoubtedly be signed into law by the President. It represents sensible regulation, and holds out the promise for both resource recovery and an awareness of the need to consider resource conservation. All of us who worked on the substitute amendment believe that all government agencies can help bring the resources of the private sector together in order to bring about a dramatic increase in resource recovery. The Department of Commerce in using its mechanism of advisory committees should take the lead in getting businesses together to resolve whatever problems now exist. The deletion of the antitrust provision means nothing more than the desire on the part of the House to avoid an extraneous issue with the Senate. It in no way affects the existing ability of the Federal Government to provide an environment whereby business can attack a common problem without fear of violating the antitrust laws.

LEON KEYSERLING TALKS ECONOMIC SENSE

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, I wish to call the Members' attention to a letter to the editor of the New York Times of October 1, 1976, by Leon Keyserling, a distinguished economist and former Chairman of the Council of Economic Advisers. Dr. Keyserling takes those economists to task who view full employment and low inflation as alternatives, rather than complimentary goals. He makes a case for the view that both full employment and low inflation rates can be achieved simultaneously with proper economic policies. This is the key element of the newly revised Hawkins-Humphrey Full Employment and Balanced Growth Act of 1976, H.R. 50. See the CONGRESSIONAL RECORD of September 17, 1976, page 31021 for the text and the RECORD of September 21, 1976, page 31702 for the explanation of the revisions. The letter follows:

ECONOMY: THE AVOIDABLE DILEMMA

> *To the Editor:*
>
> Leonard Silk's Sept. 8 economic analysis correctly stated that most economists favor rapid reduction of unemployment or of inflation but do not believe we can achieve both, while the general public believes we can and must. The public is right.
>
> Inflation hurts some and helps others, yet it need not hurt any if accompanied by compensating adjustments which some countries, including Sweden, use successfully. However, the current rate of unemployment directly hits about sixty million people in the course of one year, taking account of full-time and part-time unemployment, "dropouts," rotation among different victims and family dependents.
>
> Moreover, massive unemployment hurts almost everybody The 64 million man- and woman-years of excessive unemployment (above the level compatible with full employment) since 1953, due to five economic stagnations and recessions, has meant a 3.5 trillion fiscal 1977 dollar forfeiture of total national production, staggering public deficits and loss of public revenues, starved public services, increased poverty, less real income progress for all, social aberrations and civil discontent. Thus, if a choice were necessary, reducing unemployment deserves top priority.
>
> But no such choice should be considered. A choice between more superficial gadgets and improved health services might become desirable, but not a choice between adequate nutrition and health care for all American families. Similarly, attaining full employment and production and stable prices within four years is both essential and practicable. Earlier national policies have demonstrated this.
>
> Indeed, long empirical evidence has indicated conclusively that price increases have been very much less when we were moving toward or enjoying close to full resource use than during stagnation or recession. From 1947 to 1953, when I served on President Truman's Council of Economic Advisers, unemployment declined from 3.9 percent to 2.9 percent, and the inflation rate fell from 7.8 percent to 0.8 percent (annual average 3.0 percent). From 1969 to 1975, the respective trends were 3.5 percent to 8.5 percent, and 6.6 percent to 9.1 percent (annual average 6.6 percent), including the highest unemployment since the Great Depression and the higest inflation since the Civil War. The years 1953 to 1969, and 1976 thus far, generally yield the same lesson.
>
> Viewing the current economic slowdown high and rising inflation, forecasts of another recession by 1978 and intolerably high unemployment through 1980, fiscal and monetary policies should now become much more stimulative. The Humphrey-Hawkins Bill would promote this. This would also help the Federal budget; there has been throughout a striking correlation between deficiencies in employment and production and deficits in public budgets.
>
> LEON H. KEYSERLING.
>
> WASHINGTON, *September 26, 1976.*

TASK FORCE TO RECOMMEND FISHING REFORMS

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, on Wednesday, September 29, 1976, the Seattle Post-Intelligencer published a story indicating the Navy and the Coast Guard might be used to enforce the Boldt Indian fishing rights decision of 1974.

To other House Members and to the rest of the Nation, this may come as a surprise.

To us in the Washington State delegation it is further proof that the Boldt controversy has increased in intensity.

Now, we read that even the Navy and the Coast Guard could get involved.

Mr. Speaker, this is a mistake. It is divisive; it is counterproductive; it is absolutely unnecessary. Even the suggestions, apparently issued from the U.S. attorney's office, further inflames an already complex and emotional issue.

Given the proper tools, the State of Washington can solve its own problems. We do not need the Navy or the Coast Guard.

As I have mentioned, the real problem shown by this article, and shown repeatedly since 1974, is that there is absolutely no unification of management and enforcement of our fishery in the entire Pacific Northwest.

And this, Mr. Speaker, is exactly one of the major points to which legislation I authored and introduced, with the cosponsorship of the rest of the Washington State House delegation, addresses itself.

As the bill points out, the day-to-day management by the court, is "difficult for the court and inimical to the best interests of the fishery * * *."

The very fact that more than 30 entities in Washington and Oregon prospectively have the authority to manage, regulate, and enforce fisheries, creates—in the words of my legislation:

> A situation which is completely unworkable and injurious to the entire fishery resource . . .

You cannot run a ship with 30 captains.

WORKING TOGETHER FOR CHANGE

The legislation I introduced would set up a blue-ribbon panel, composed largely of local people and representing all the elements of the controversy, to recommend, among other things, how unification of management and enforcement can best be achieved. The commisson would conduct a thorough examination of the effects and the impact of the entire Boldt ruling.

To provide unity of management, the commission would examine the possibility of creating a special commission to manage and enforce the entire fishery. It would study the possibility of State control, the possibility of Federal control, by the Pacific Regional Fishery Management Council which has authority under the 200-mile limit law. Also, the commission would look at the feasibility of delegating all or part of the Federal Government jurisdiction to the States involved.

DECOMMERCIALIZATION OF STEELHEAD

Very importantly, Mr. Speaker, the commission would also probe the feasibility of decommercialization of steelhead through "substitution, buyout, or tradeoff of the court-decreed right and interest of the Indians in the steelhead fishery for equivalent rights or values * * *."

Right now, in Washington State, our steelhead runs are rapidly dwindling.

As an avid steelhead fisherman, I share the deep concern of my fellow steelheaders in Washington State who do not want to see this resource disappear.

Prior to the Boldt ruling, steelhead could only be caught in the conventional "hook-and-line" manner. The steelhead has been a game fish in our State for decades. Commercial harvesting in any way, including netting, was strictly prohibited.

The court ruling in 1974 changed this. The court has permitted Indian commercial net fishing of steelhead. If we are to preserve the steelhead runs, this cannot continue.

SOUGHT IMPROVEMENTS SINCE 1974

Mr. Speaker, as you and my many colleagues know, we have attempted to apprise the Congress of this problem, and have worked for solution since 1974.

Just last June, I along with the other members of the Washington State House delegation and some from Oregon, stood before this body in support of additional funds for Washington State to help deal with fisheries problems.

We outlined the problem. We discussed its impact. We pointed out the unfairness of making Northwest residents, and commercial and sports fishermen in particular, shoulder the impact of this ruling. Despite these efforts, we barely passed increased funding amendments.

At times, we have felt that our pleas have fallen on deaf ears. Some of my colleagues look on this as a local problem—something with which Washingtonians and Oregonians have to wrestle.

But let me once again warn against this attitude. This issue is too heated, too complex, and too potentially disastrous to ignore, and in all probability, it is just the tip of the iceberg.

Legislating on this matter prior to its full review by the Supreme Court would have been difficult and potentially misguided. In spite of this, I had long hoped for and supported efforts to get the various elements to set up a framework to examine the problems and make recommendations of management, regulation, and enhancement. This has not happened. Consequently, I feel legislation is now necessary.

Of course, I am a realist. I know that it is unrealistic to expect a bill of this import, significance, and controversy to slide through the congressional process in a short time. But, this is a "talking paper," a place to begin. It is a chance to perfect some of the concepts that I and others have discussed and which I hope could be further explored during the coming months.

TOWARD A THRIVING FISHERY

With a full list of suggestions and ideas I think we can be ready to move with this bill as soon as the new Congress begins in January of 1977. As a ranking member of the Interior Committee, I can play a major role. By that time, I am hopeful that the various elements of this controversy will realize the necessity for charting a common course toward achievable goals. In short, this is a first step in many which must be taken to see our Northwest fishery once again become a thriving and productive resource, to provide jobs and recreation for Northwest residents for generations to come.

I insert the text of the bill at this point in the RECORD:

H.J. RES. 1111

Joint resolution to provide for the establishment of a Commission to examine the effect of Northwest Indian Off-Reservation Treaty Fishing Rights, and for other purposes

Whereas on February 12, 1974, in the case entitled United States v. Washington (384 F. Supp. 312; aff'd 520 F. 2d 676; cert. denied, 44 U.S.L.W. 3428), the court held that certain Indian tribes were entitled to the opportunity to take one-half of the harvestable anadromous fish caught in the treaty areas, and

Whereas on May 8, 1974, in the case of United States v. Oregon, the court held that certain Indian tribes in the State of Oregon were entitled to similar fishing rights in the treaty areas of Oregon, and

Whereas such holdings have adversely and seriously affected the commercial and sport fishing industries in the States of Washington and Oregon, causing economic hardship for commercial fishermen and causing the loss of jobs and profits in the entire industry and in related fields, and

Whereas the commercial and sports fishermen of both States have been required to bear the entire burden of the recent interpretations of the treaties which were signed for the benefit of all United States citizens, not just those of Washington or Oregon, and

Whereas this has bred adverse relationships between the Indians and non-Indians, which has resulted in fear, hostility, resentment, and outrage, and which, in turn, has also caused widespread violations of the law between and among Indians and non-Indians, and

Whereas the decisions have left the courts in the position of managing and enforcing regulations for all anadromous fisheries in the decision areas on a day-to-day basis—a situation which is difficult for the court and inimical to the best interests of the fishery, and

Whereas under the courts' holdings more than thirty entities in Washington and Oregon prospectively have the authority to manage, regulate, and enforce fisheries in the decision areas, thereby creating a situation which is completely unworkable and injurious to the entire fishery resource, and

Whereas certain international salmon fishery treaties which are beneficial to United States fishermen are being jeopardized by the uncertainty and division now existing, and

Whereas the Federal Government has a special responsibility to the Indians and a special responsibility to those citizens whose livelihoods are being jeopardized by the interpretations of such treaties. Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to carry out the purposes of this resolution, there is hereby established a Commission to examine the effect of Northwest Indian Off-Reservation Treaty Fishing Rights, hereinafter referred to as the "Commission".

SEC. 2. (a) The Commission shall be composed of eleven members and shall be appointed from the public and private sector, as follows:

(1) Five from the public sector, as follows:

(A) Two from the Department of the Interior to be appointed by the Secretary of the Interior upon the recommendations of the Commissioner of Indian Affairs and the Director of the United States Fish and Wildlife Service, respectively;

(B) One from the Department of Commerce to be appointed by the Secretary of Commerce upon the recommendation of the Administrator of the National Oceanic and Atmospheric Administration

(C) One from the State of Washington, to be appointed by the Governor thereof; and

(D) One from the State of Oregon, to be appointed by the Governor thereof.

(2) Six from the private sector, to be selected and appointed, jointly, by the Secretary of Commerce and the Secretary of the Interior, as follows:

(A) One to represent the commercial salmon fishing industry of the area;

(B) One to represent the steelhead trout sports fishing interests of the area;

(C) One to represent the salmon sports fishing interests of the area;

(D) Two to represent the affected Indian tribes of the area; and

(E) One other member who is knowledgeable or experienced with regard to the management, conservation, or recreational or commercial harvest, of anadromous fishery resources of the area and who is independent of and not directly affiliated with the agencies or interests represented by the other members.

(b) In selecting and appointing the members provided for in subsection (a)(2) (A) through (D) of this section, the Secretary of Commerce and the Secretary of the Interior shall solicit and accept recommendations of established groups, organizations, or entities representing such interests and shall make their appointments from such recommendations.

(c) Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission and shall be filled in the same manner as in the case of the original appointment. The Commission shall elect, from among its members, a Chairman.

SEC. 3. (a) The Commission, in carrying out its functions under this resolution, may meet at such times and places as it considers necessary. A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a smaller number, as determined by the Commission, may conduct hearings.

(b) The Commission shall make such rules with respect to its organization and procedures as it considers necessary, except that no action shall be taken by the Commission unless a majority of the Commission assents.

(c) The Commission shall keep a complete record of all its actions, including a record of the votes of any question on which a record vote is demanded. All records, data, and files of the Commission shall be the property of the Commission and shall be kept in the offices of the Commission or such other place as the Commission directs. Upon the filing of the report as provided in section 7 of this resolution and the termination of the Commission, all records, data, and files of the Commision shall thereupon be delivered to the Administrator of the General Services Administration for deposit in the Archives of the United States.

SEC. 4. (a) Federal and State employees who are members of the Commission shall serve without any compensation other than that received for their services as such employees, but they may be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) The private sector members of the Commission shall receive compensation for each day such members are engaged in the actual performance of duties vested in the Commission at a daily rate not to exceed the daily equivalent for a GS-18 of the General Schedule (5 U.S.C. 5332). Each such member may be reimbursed for travel expenses, including per diem in lieu of subsistence.

(c) The Commission shall appoint and provide compensation of such staff as may be necessary to carry out the functions of the Commission.

(d) In carrying out its functions under this resolution, the Commission is authorized to utilize the services, information, facilities, and personnel of the executive departments and agencies of the Government, and to procure the temporary or intermittent services of experts or consultants or organizations thereof by contract at rates of compensation not in excess of the daily equivalent of a GS-18 of the General Schedule (5 U.S.C. 5332).

SEC. 5. (a) It shall be the duty and responsibility of the Commission to make a comprehensive study of the impact of the decision of the United States District Court in *United States* v. *Washington*, supra, (commonly known as the "Boldt Decision"), and other related and similar Federal Court decisions, upon the commercial, sports, and recreational fishing industry of the Pacific Northwest.

(b) The Commission shall examine and

propose recommendations to the Congress on the following:

(1) The phasing in of the effect of the Boldt decision so as to allow season-setting based upon the increasing ability of the Indians to take the court-decreed ratio including potential compensation for any delayed implementation of the court's ruling;

(2) The substitution, buy-out, or trade-off of the court-decreed right and interest of the Indians in the steelhead fishery for equivalent rights or values;

(3) Unification of management and/or enforcement of the anadromous fishing resources in the decision area, including, but not limited to, the following:

(A) Creation of a special Commission in the decision areas to manage and enforce regulations in the entire anadromous fishery;

(B) Assumption of complete jurisdiction over management and enforcement of the anadromous fishery in the decision areas by the States of Washington and Oregon;

(C) Assumption of complete jurisdiction over management and enforcement of the anadromous fishery in the decision areas by the Federal Government;

(D) Delegation of all or part of the jurisdiction of the Federal Government over the anadromous fishery and Indian tribes rights therein in the decision areas to the State or States therein or other governmental entities; and

(E) Delegation of all or part of such jurisdiction by the entities having such jurisdiction to the Pacific Regional Fishery Management Council established pursuant to section 302(a)(6) of the Fishery Conservation and Management Act of 1976 (Public Law 94-265).

(4) The feasibility and cost of enhancement programs calculated to make available to all citizens more anadromous fish in the decision areas; and

(5) Such other factors and recommendations as the Commission shall deem advisable.

SEC. 7. The Commission shall submit its final report, with findings and recommendations, including any recommendation for legislation, to the Congress one year from the date of enactment of this resolution. The Commission shall cease to exist ninety days after submission of such final report.

SEC. 8. There are hereby authorized to be appropriated to carry out the purposes of this resolution such sums as may be necessary. For the purposes of appropriations, budget, and expenses, the Commission shall be deemed an agency of the Department of the Interior and the Secretary of the Interior shall cause the expenses of the Commission to be paid upon the voucher of the Commission.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FASCELL. Mr. Speaker, for the benefit of Members interested in the monitoring work of the Commission on Security and Cooperation in Europe, which I have the honor to chair, I would like to advise that the Commission has opened its offices in room 3257 of House Annex No. 2 at 2d and D Streets SW. The Commission telephone number is 225-1901 and the mailing address is: Commission on Security and Cooperation in Europe, U.S. House of Representatives, Washington, D.C. 20515.

INTRODUCTION OF BILL TO AMEND COLORADO RIVER BASIN PROJECT ACT

(Mr. DUNCAN of Oregon asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DUNCAN of Oregon. Mr. Speaker, I am filing today, together with all of my colleagues from Idaho, Washington, and Oregon who are not retiring, a bill to amend the Colorado River Basin Project Act (43 U.S.C. 1511), by striking the words "ten years" and inserting therein the words "twenty years." This would extend the existing moratorium on any study of transferring waters of the Columbia River to other localities from 1978 to 1988.

From time to time and from the standpoint of the Northwest, with almost monotonous regularity, our friends to the south have cast covetous glances at the Columbia River system in total disregard of the Ten Commandments, apparently relying on the assurance of Presidential candidates that God will forgive them. God may, but those of us who live in the Pacific Northwest and to whom the Columbia River is literally our life's blood, cannot.

The river is a lifegiver. Its waters nurture our forest and our recreational areas and make our land fruitful and productive, furnishing food for the world and with a still latent capacity to produce even more—needing only the pumps and pipes to apply it to the fertile land which lies fallow in its absence.

It is an artery of commerce, its navigable reaches stretching from the ocean clear into Idaho. It is a producer of energy—clean, renewable, inexhaustible, with still some potential for expansion. It supplies water for numberless municipalities and industries, furnishing homes and jobs for one of the most rapidly expanding populations in the country. Its value to Indian and white, sports and commercial fishermen, as the home of the Columbia River salmon and other species of aquatic life, is so obvious as to make it unnecessary to mention.

In short, the river is one of our great natural resources—doubtless the most important—on which the Pacific Northwest depends for its survival, its growth, and its ability to compete with other sections of the country, each of which enjoys a peculiar, if not unique, advantage of its own.

While this may seem to be a parochial piece of legislation to those who wish to carry off the river to other lands, in fact, the Pacific Northwest either is or soon will be, utilizing the Columbia River system to its maximum capacity. We ought not to suffer for the overutilization and sometimes profligate use to which other areas have put their sparse water resources. A recent Corps of Engineers and a previous Bureau of Reclamation study both conclude that the Columbia River system is now being used to its maximum. Even if that is not now a fact, it certainly soon will be.

This is an extremely important piece of legislation for the Pacific Northwest. It is for that reason that every Member of Congress from Idaho, Washington, and Oregon who is not retiring, joins with me in its introduction. We do so on this last day of the session so that the attention of our colleagues may be directed toward this problem. The bill will be reintroduced immediately upon the convening of the 95th Congress and we hope for and urge prompt action thereon.

HOUSE ARMED SERVICES COMMITTEE HEARINGS INTO THE PENTAGON'S HANDLING OF THE ARMY'S NEW XM-1 MAIN BATTLE TANK: IS THIS RUMSFELD'S TFX?

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I rise on this occasion to bring to the attention of all of the Members of the House the detailed findings of a panel of which I had the honor of being chairman that was recently authorized and directed to inquire in detail into a disturbing and unexpected delay in the Army's program to develop the new XM-1 tank. Because there has been so much misinformation issued by the Department of Defense on this subject, I believe it is in the national interest that Members of Congress and the public at large have access to the full record on this matter, which could have a very serious bearing on the defense posture of the United States and the free world in relation to the military threat we continue to face in central Europe.

Mr. Speaker, Congress has long been concerned about failure of the Army to develop a new follow-on main battle tank. The MBT-70 was canceled in 1969 after 6 years of development, and the XM-803 was killed by Congress in 1971. In both cases unexpected cost increases and technical complexities contributed to the failure of the program. Subsequently, in providing the seed money for a new XM-1 tank program, Congress let it be known very clearly that it wanted a program emphasizing low technical risk and reasonable cost limitations, as well as one that would be on schedule.

In April of this year that XM-1 tank development program completed a successful 34-month validation phase, and moved into the competitive evaluation of prototypes developed by the two contractors, General Motors and Chrysler. The program schedule called for a winning contractor to be named in late July and the program to proceed at that point into full-scale engineering development, the last remaining step before full production. The program was on schedule and within the cost parameters laid down 3½ years ago, something that has not often been the case with Pentagon programs in recent years. In fact, Congress had been informed in earlier testimony this year that the XM-1 was one of the best-managed programs in the entire history of the Army.

On July 22, however, the Secretary of the Army made the startling and altogether unexpected announcement of a 4-month delay in awarding the XM-1 contract to enable him, he said, to receive new proposals from both contractors which would, among other things, incorporate in the XM-1 tank "standardized" items which had been agreed to in an earlier memorandum of understanding with the Germans on tank development signed by Defense officials on the instruction of Secretary Rumsfeld. That addendum had been negotiated in June in Brussels, but had not been publicized. Prior to the public announcement of July 22, in fact, the Congress had not been consulted on the possible delay in the XM-1 program, nor was Congress ever consulted on the addendum to the memorandum of understanding.

The drastic July 22 change in a successful and on-going program appeared to our committee to be a significant departure from the XM-1 program as it had been justified to Congress and as Congress had previously authorized and appropriated for that program—a judgment the Appropriations Committee had also concurred in in the statement of managers on the fiscal year 1977 Defense Appropriations bill. Therefore, at my urging, the House Armed Services Committee held an intial hearing on the entire subject on August 10. Because that initial hearing raised more questions than it answered, Chairman Price appointed an XM-1 tank panel, consisting of the gentleman from Indiana (Mr. Hillis) and myself, to conduct more detailed, in-depth hearings into what had suddenly happened to the successful XM-1 program. The hearings were full committee hearings, with all members free to participate, and many did. The report of the XM-1 tank panel is a result of information gained from sworn witnesses during those hearings.

Under leave to extend my remarks, I include, first the full report of the XM-1 tank panel, second, a summary of our findings and recommendations, followed, finally, by a resolution proposed by the chairman of the panel as the logical outcome of the rather startling and disturbing information which our panel's hearings had developed under detailed and persistent questioning and cross-examination.

The material referred to follows:

REPORT OF THE XM-1 TANK PANEL HOUSE ARMED SERVICES COMMITTEE

Purpose of the panel

On July 22, 1976, the Secretary of the Army announced a delay in the XM-1 tank development program.

The full Committee on Armed Services held an initial hearing on this matter on August 10, 1976. Defense Secretary Donald Rumsfeld, invited to appear, designated Deputy Secretary William P. Clements, Jr., and Army Secretary Martin R. Hoffman to appear for the Department. Chairman Price concluded a further, in-depth study was required and on August 31 appointed the XM-1 Tank Panel, consisting of Mr. Stratton, of New York, and Mr. Hillis, of Indiana, to take testimony and make findings of fact in regard to the decision to delay the tank.

In an attempt to elicit these facts, the panel received testimony from a wide variety of expert witnesses, including representatives from the Defense Intelligence Agency; Maj. Gen. Robert J. Baer, the XM-1 project manager; Maj. Gen. Chester McKeen, chairman of the Source Selection Advisory Council; Mr. Edward Miller, Assistant Secretary of the Army for Research and Development; Gen. William E. DePuy, commander of the Training and Doctrine Command; Under Secretary of the Army Norman R. Augustine; Principal Deputy Director of Defense Research and Engineering Robert N. Parker; Gen. Walter T. Kerwin, the Vice Chief of Staff of the Army; and Lt. Gen. James Hollingsworth, retired, one of the most experienced tank commanders of the U.S. Army.

In a letter to Chairman Price dated August 6, Defense Secretary Rumsfeld stated that "any additional program costs will be related to enhanced capability." Similarly, at the August 10 hearing Mr. Clements and Mr. Hoffmann portrayed improved combat capability as a goal sought at the time of the decision to delay and as of equal or greater weight in the decision than standardization with the Federal Republic of Germany (FRG).

The panel attempted to determine if these statements were borne out by the facts.

They were not.

Background of congressional concern

The XM-1 comes after two unsuccessful attempts (the MBT-70 and XM-803) to develop a follow-on to the M-60, the U.S. Army main battle tank since 1960.

After the second failure in 1971, the Army structured the XM-1 program to emphasize design-to-cost goals, low technical risk, and responsiveness to congressional intent and the user elements of the Army—areas where shortcomings had led to failure in earlier efforts.

The program through June 1976

The XM-1 program was approved for development in January 1973 and entered a 34-month validation phase in June 1973, with competitive contracts awarded to General Motors and Chrysler Corporation. Following competitive evaluation of prototypes in May 1976, the program was scheduled to go into Full-Scale Engineering Development in July, with a single winning contractor.

During the validation phase, in an effort to promote tank standardization or harmonization, the Defense Department made two significant efforts. In December 1974 the United States agreed to test a modified German Leopard II against the same standards applied to the U.S. contracts, and Army Secretary Hoffmann publicly announced that the United States would buy the Leopard if it won the competition. (The FRG has consistently declined to make a similar commitment to standardization.) Between 1973 and August 1975 the Army participated in a trilateral evaluation of tank main gun armaments with the United Kingdom and the FRG, seeking (1) to achieve trilateral standardization on the best gun or (2) failing that, to identify the best gun for the initial production of the XM-1 while developing a trilateral plan for agreement on the main gun of the future. As a result of that study the 105mm was unanimously recommended for the initial production of the XM-1. It was further agreed that a 120mm gun *might* be needed to counter the threat at some future date and that this matter should be studied further.

In 1975 an amendment was included in the military procurement authorization bill in the Senate to delay engineering development until the German tank was ready for the competitive test since the Leopard II could not meet the U.S. deadline. This was rejected by the House-Senate conference after the Department of Defense strenuously opposed a delay; and the program, at congressional direction, continued on schedule.

In March 1976 Army Under Secretary Augustine proposed, in a memorandum to be Deputy Defense Secretary, a change in procedure for handling the source-selection findings to avoid leaks. The revised procedure obviated the normal review process.

In March 1976 the Director of Defense Research and Engineering (DDR&E), Dr. Malcolm Currie, replying to a GAO study, called the 105mm gun "the only logical choice for the XM-1."

Events from June 3, 1976, to July 22, 1976

On June 3 the Office of the Assistant Secretary of Defense for International Security Affairs circulated a memorandum attempting to get tank commonality on the agenda for a meeting of Defense Secretary Rumsfeld and FRG Defense Minister Leber. The Army, with the support of the Director of Defense Research and Engineering, opposed such efforts.

Secretary Rumsfeld met with Minister Leber in Europe on June 12, after which he ordered Defense Department officials to proceed to Europe to negotiate an addendum to the Memorandum of Understanding (MOU) on tank harmonization. He specifically directed, as a minimum, devising a plan for a common engine and a common main gun. Under Secretary of the Army Augustine and Principal Deputy DDR&E Parker negotiated for the United States; a proposed draft was completed on June 24.

Beginning on July 15, the results of the source-selection evaluation were presented to Army and Defense officials by General McKeen, the head of the Source Selection Advisory Council. On July 19 a series of meetings began to work out details of the source-selection announcement scheduled for the 20th. Various witnesses testified that the source-selection results showed a clear winner; and the Secretary of the Army, as source-selection authority, chose a winner and sought approval of that decision by the Secretary of Defense. The meeting apparently surfaced legal concerns related to the transfusion of components that would be required by the addendum to the MOU. Sealed envelopes containing winner announcement were delivered to Capitol Hill on the 20th, but late in the day it was made known that the announcement would be delayed 24 hours.

Army leaders, civilian and military, met through the night of the 20th, attempting to devise a strategy to stave off delay of their program. An alternative, essentially the Army's fallback position, was delivered to Defense Secretary Rumsfeld on the morning of July 21. Late that day the decision was directed by Secretary Rumsfeld to delay the program for four months to seek alternative proposals from the contractors embodying the components planned for standardization.

The addendum to the MOU

The MOU addendum provided that the United States agrees to install on all models of the XM-1 a hybrid turret; that is, one capable of mounting the 105mm or 120mm gun, and further agrees to deploy the 120mm gun when available for domestic production.

The FRG agrees to install the turbine engine after it has been adopted and produced by the Americans for their own use and meets FRG operational requirements.

The agreement also calls for commonality in tracks, night sight, gunner's telescope, critical fasteners, hull and turret metal parts, fire-control systems and fuel.

FINDINGS OF FACT

With this brief background, the panel now presents its findings.

Is there a critical need for a new tank? Yes.

Open and secret testimony by the Defense Intelligence Agency and Office of Technical Assessment in the Joint Chiefs of Staff established that the Soviets have a numerical advantage of 5 to 1 worldwide and about 3 to 1 in NATO's central region, have introduced two new tanks since the M-60 was introduced, and have tank-producition capability four times greater than the United States.

All witnesses agreed the need for a new tank is critical. In addition, the U.S. Army, Europe, commander told committee staff members that the XM-1 is the No. 1 priority for U.S. European forces.

The present Soviet advantage is such that the United States requires both more tanks in quantity and substantial improvements in quality. The XM-1 will be superior to the Soviet T-72, but the T-72 is deployed; the XM-1, even if the program had not been delayed, would only begin coming off the production line in late 1979.

Nor can we simply rely on superior anti-tank weapons to maintain the balance. As General Baer observed, "The tank is an offensive weapon. And even in a defensive posture you must eventually go on the offensive if you are going to be successful. Every war that we fought, to include the Yom Kippur War, certainly bears that out."

Did the XM-1 prototypes satisfy the Army's requirements?

Testimony in Congress *before* the program change and *in* the panel's hearings uniformly maintained that both U.S. competitors' tanks met all specifications and performed exceptionally in the tests. The program was on schedule, within the cost parameters laid down over three years ago, and involved low technical risk. The program has been described as the best-managed program the Army has had in many years. The panel heard testimony indicating that either XM-1 candidate tank, if produced in present form, might well qualify as the best tank in the world.

Delay, added cost and technical risk

As a result of the decision to change the program, there will be delay, added cost and increased technical risk in getting a new tank.

The questions of delay, added cost and increased technical risk are interrelated. To the degree that changes in components are more rapidly instituted, greater technical risk and, correspondingly, greater likelihood of delay, is involved. Conversely, delay could be reduced somewhat by added effort which would require accepting additional increase in costs.

Delay in operational availability

The program has already been delayed four months, assuming that a contract award will be made on November 17, 1976. Based upon testimony, it is apparent that the total delay under certain circumstances could be as much as two years. Some witnesses maintained that the delay after November 17 could be as little as zero to four or six months. The project manager, the most authoritative witness on this subject, could not give a definitive estimate of the additional delay but indicated that six months was optimistic.

Technical risk

The major causes of delay are the technical risks associated with development of a hybrid turret and problems associated with domestic development and production of the 120mm gun and ammunition. Essentially the program has gone from low technical risk to unknown technical risk.

The project manager, in a memorandum to the Chief of Staff of the Army in June of 1976, when first informed of the draft MOU addendum, stated that some of the components were still conceptual in nature. Under questioning before the panel he conceded that was still true and that he could not state with certainty the technical risk involved. In an effort to present the change in the program in the most favorable light, the project manager initially referred to his estimate of increased cost as a "worst-case" estimate. However, under questioning, he conceded that the technical risk involved in the change in the program was unknown to the point that at this stage he could not say what the worst case would be.

The head of the Training and Doctrine Command of the Army, General DePuy, stated that he could not estimate the risk involved in the new components because he had never seen them and, in some cases, nobody else had ever seen them. They were at best just drawings. He also stated that he had never seen the drawings.

Even if the program worked in optimum fashion there would be some delay and a significant cost increase, *coupled with* a degradation in combat capability.

Increased cost

In his appearance before the committee the Secretary of the Army indicated a possible increase in cost in the program under what must be presumed to be optimum conditions of approximately $600 million.

The project manager and his staff did a cost study in the spring of this year which estimated the increase at $800 million.

In July, as the source-selection decision date approached and the Army fought desperately within the Department of Defense to avoid delay in its program, the project manager submitted cost estimates of the change in the program of $943 million. At the time, the Secretary of Defense, according to documents and testimony available to the panel, rejected the cost estimates as overstated.

Late in August, following the change in the program and the issuance of a request for new proposals to the contractors, the project manager's staff again made an estimate of the increased cost to be expected. The estimate was again approximately $900 million.

On three occasions, therefore—before, at the time of, and well after the decision to change the program—the estimate by the people most knowledgeable concluded that the increased cost as a result of this decision approaches a billion dollars.

The Assistant Secretary of the Army for Research and Development stated to the panel that he had no basis for questioning the estimates of the project manager. The Under Secretary of the Army, the Secretary of Defense's hand-picked agent in negotiating the MOU addendum, stated that he had no basis for questioning the project manager's decisions.

The estimates of the most knowledgeable people on tank procurement and of virtually all the experts who were questioned on that subject conflict sharply with the written statement of the Secretary of Defense that the only added cost involved is related to increase in combat capability. Disagreement with the project manager's cost estimates was voiced by the principal Deputy DDR&E, one of the Secretary of Defense's agents in negotiating the addendum. Mr. Parker stated the estimates should be restudied. However, he acknowledged that he had not done any independent analysis of his own and that he did not have any data other than the data of the project manager. He gave no basis for disagreeing with the project manager's projections other than to state that they should be looked at further. Mr. Parker, who has no experience in building tanks, is the only person with a technical background who questioned the estimates of delay, additional costs and additional technical risk or loss in combat capability made by other witnesses.

The turbine engine

Although the two engines have been subjected to roughly equivalent testing during the XM-1 validation phase, the diesel is generally considered to be the more mature engine owing to earlier testing in the MBT-70/X-803 program. However, testimony indicates both engines met or exceeded program requirements during the validation phase.

The element of technical risk is regarded as less with the diesel since similar, though less sophisticated, engines have historical tank application.

The turbine engine was the only logical candidate for engine standardization since both the United States and the FRG had satisfactory diesels. Thus, it was chosen for standardization by a process of elimination rather than on the basis of demonstrated superiority of performance. According to Army Under Secretary Augustine's testimony, the FRG was totally committed to the 120mm gun; therefore, the only possible quid pro quo was to standardize on the turbine engine.

Both the testimony and documentary evidence agree that the turbine has significantly greater growth potential than the diesel but it also has a significantly higher acquisition cost and a higher fuel-consumption rate.

The decision confronting the Army is the choice between the greater growth potential of the turbine and greater current maturity and lower initial cost of the diesel. Statistical data to make a definitive choice are still subject to refinement.

The uncertainties of the 120mm gun

The agreement to accept the 120mm gun requires at the outset that the American tank have a hybrid turret, which will initially result in a decrease in combat capability.

Equally curious is the fact that the 120mm gun was considered and rejected at several points in this very well managed program.

The tripartite study concluded in 1975 considered the 105mm, the 120mm smoothbore and the 110mm rifled bore.

The study concluded that the 105mm gun was the desirable gun for the XM-1 for the near to midterm (mid-1980's). The working group on the study, including the German members, stated that the 120mm gun may be an alternative in the future and should continue to be studied. At higher levels the FRG refused to accept the results of the study working group as stated and delayed release of the report to other NATO countries until the words were changed to more positively imply that the 120mm gun would be required in the future.

There continue to be uncertainties about the 120mm gun, and particularly about the German version thereof. While some optimistically call the turbine engine the wave of the future, no witnesses stated with certainty that the 120mm gun was the wave of the future. It is clear, however, that the Germans are committed to a 120mm smoothbore gun, are incorporating it into their Leopard II, and have no intentions of changing that decision.

Going to the 120mm gun will not increase standardization within NATO. For many years to come the 105mm will remain the principal main tank gun in NATO. The panel was informed that if the U.S., FRG and U.K. agreed on the 105mm gun there would be 97 percent standardization in NATO through 1995. Additionally, use of the 120mm gun does not increase standardization. It was stated to the panel that the French, the Germans and the British all have a 120mm gun in varying stages of development. This is true. However, the Germans have a smoothbore gun and the British and French have a rifled bore and the ammunition for the three is not interchangeable.

The smoothbore is generally associated with a higher muzzle velocity and is emphasized by the Germans as necessary to provide greater penetration of possibly improved Soviet armor; the 120mm rifled bore is generally associated with greater accuracy. The panel knows of evidence seen in the Middle East in 1973 that the 105mm gun can penetrate the armor of the T-62 Soviet tank, and testimony indicates it is sufficient to defeat the T-72 Soviet tank, as presently known.

No witness volunteered the new technical data to dispute previous findings of the project manager that the 105mm gun is adequate.

In addition to the tripartite study of 1975, the project manager, early in 1976, issued contracts to both contractors for a study of the 120mm gun for the XM–1. After these studies, which cost $400,000, the project manager concluded that the XM–1 should retain the 105mm gun.

The initial draft of the addendum to the MOU negotiated by Mr. Augustine and Mr. Parker in June of 1976 called for a decision on the 120mm gun by March of 1977. The final addendum signed on July 28 moved up the date of the decision to January 15, 1977. While Mr. Parker claimed that the date was flexible enough to have a later consideration of the British entry in the competition, most of the witnesses questioned conceded that moving up the decision date had the effect of cutting out the British contender; that is, the rifled bore 120mm gun. This action was taken despite the fact that on July 14 of this year the United States signed a Letter of Understanding with the British agreeing to test and provide a full evaluation of the British 120mm rifled bore gun.

The record overwhelmingly indicates that there is no support within the Army for the FRG smoothbore gun.

While the U.S. Army is not experienced with the 120mm gun, there is particular concern for the smoothbore gun which uses a different type of ammunition and has problems similar to those encountered in the past with combustible case ammunition in the Sheridan tank. Briefly, these technical problems are susceptibility of the propellant charges to fracture due to rough handling, swelling and degradation due to absorption of moisture, and increased hazards due to incomplete burning in the gun which can result in increased pressures in the gun when the next round is fired.

A further strange result of the program change agreed to by the Department of Defense is that the United States will be committed to a turret capable of carrying a 120mm gun although research could even lead to a smaller-calibre rather than a larger-calibre gun. (For example, the Army has been conducting research for some time on an improved 75mm gun.)

Finally, there is the consideration that going to the 120mm gun limits the mission capability of the tank, as discussed below under "Degradation of combat capability."

The question of the effectiveness of the 105mm itself has to be considered in light of the ammunition which has been developed for the gun. Presently under development is a depleted uranium rod penetrator. This ammunition, XM–774, has achieved significant armor penetration at all practical ranges. Data has neither been presented nor has it been suggested that the data exists which clearly establish that a 120mm gun exists which can significantly surpass the experimental results achieved with this new 105mm ammunition.

Degradation in combat capability: The hybrid turret, the mission limitation

According to expert testimony, the hybrid turret would lead to a degradation in the combat capability of the XM–1. Despite the statements by various Defense leaders that it is part of an effort to get the best tank we can get, the conclusion is inescapable that in the interest of standardization we are likely to get something less than the best tank we can get.

The project manager stated simply to the panel that the XM–1, when required to take the hybrid turret with the 105mm gun, will suffer a degradation of combat capability of approximately 5 to 8 percent and possibly as much as 10 percent. It appears inevitable that the initial version of the XM–1 tank will be so configured. (If the tank were ready to go immediately to the 120mm gun, since the United States is committed to it if proven, there would be no need for the hybrid turret.) The only way the tank could have a domestically-manufactured 120mm gun in the first production run would be to accept a delay in fielding the tank variously estimated at as much as two years. Because of the additional weight, the larger silhouette and apertures, the XM–1 with the hybrid turret with the 105mm gun suffers a loss in combat capability. Neither General McKeen nor Under Secretary of the Army Augustine disputed the project manager's analysis that such degradation would take place.

There is also a decrease in combat capability which will occur when the 120mm gun is installed on the hybrid turret because of a restriction on the mission capability. Specifically, the 105mm gun fires five different types of rounds of ammunition (the 120mm fires two). For example, the 120mm presently has no antipersonnel round available as does the 105mm. As witnesses testified and the panel had been previously informed, the October War of 1973 in the Middle East demonstrated the importance of this antipersonnel capability. For a tank which is facing troops armed with RPG–7 or similar antitank weapons, it is necessary for the tank to have a capability to attack such personnel.

The panel recognizes that standardization or interoperability of frequently used components and ammunition would be an advantage on a NATO battlefield, particularly as regards logistics considerations. But this standardization, which would take many, many years to achieve under optimum conditions, does not justify, in the panel's view, a limitation of the combat capability of the tank in its initial deployment.

These restrictions on capability are independent of such maintenance or reliability problems which might arise as a result of the added requirements of the dual turret or the new 120mm gun.

The price for standardization

The panel wishes to make it very clear that it does not oppose standardization and it does not know anybody who does. The panel believes there are many smaller items of equipment where the NATO forces could standardize and achieve cost savings and increased cost-effectiveness. The question is whether standardization should be accepted when it results in delay, increased cost, increased technical risk and loss of combat capability.

In the panel's opinion, the answer is no. This is the answer even if a greater degree of standardization were assured immediately; such, however, will not be the case.

Standardization by change order

The conversion to a 120mm gun, while it could eventually lead to increased standardization in Central Europe, will result for some time in decreased standardization in the U.S. Army as a whole and initially will decrease standardization in NATO.

Tank inventories change slowly. Even if the U.S. and German armies agree to commence production of the new tanks with 120mm guns, it would be many years before the 120mm gun became the predominant gun in the tank forces. And going initially to the 120mm smoothbore gun, with all of the attendant problems and technical risk of components still partly in the conceptual stage, would inevitably result in an unacceptable delay in fielding a new U.S. tank—possibly on the order of two years or longer. The technical risks are unknown to the point where the delay cannot now be determined.

Some Defense witnesses, notably Mr. Parker, attempted to insist that the XM–1 could go forward with the addendum in force with only a minimum delay beyond the four months' delay in contract award. It is clear from extensive testimony that the only way this could be achieved is by initially fielding the XM–1 with the 105mm gun and possibly other components which could be changed in follow-on versions. This could involve piecemeal changes which would mean a greater proliferation of tank variations in the U.S. inventory.

While standardization on a later generation of the XM–1 may be the only feasible means of achieving commonality without unacceptable delay or increased costs, the panel questions the standardization by change order that the present Defense Department approach threatens to achieve.

Standardization and doctrine

General Hollingsworth brought to the attention of the panel the importance of tactical doctrine in decisions on standardization. Doctrine bears directly on the relative importance placed on subsystems. In this regard the following colloquy between General Baer, Army Assistant Secretary Miller, and Senator Culver, of Iowa, during a Senate Armed Services Committee hearing this spring is significant:

General BAER. I think you have touched on a very basic issue here, that we have not, with any degree of success, dealt with for the last 20 years in the NATO discussions. There are still very significant differences in the way in which we see a tank. This is very evident in the tank that we are looking at right now. The U.S. doctrine calls for the tank the way each country sees the requirement. For example, the main gun to be basically an offensive weapon. We believe that the tank has a role in the ground forces that no other vehicle can fulfill.

I think the Europeans, looking at their environment, and what they assess as the unique requirements of the European theater, look at the tank as a defensive weapon. For this reason, there is a much greater concern with long-range firepower. We believe that you can supplement the tank, and its firepower in the long-range role much more effectively with missiles, and air-delivered weapons. If you optimize for the long-range defensive, you compromise the tank's basic capabilities in the offensive role, which we think is predominant.

Senator CULVER. If standardization is going to have any real meaning, the essential prerequisite is to have a greater degree of commonality and tactical doctrine.

General BAER. Sir, I agree with you completely.

Senator CULVER. It seems to me that if we go through these exercises on weapons systems, in the absence of that it does become a political crap shoot.

General BAER. Very much so.

Mr. MILLER. This is the same problem that we had in establishing the source selection criteria and weighing factors. I think I can say that among those who did this, there was not all this unanimous accord on what the rate of speed, for instance, should be, as versus another capability of the tank.

We have arrived at a set of values as a part of the source selection process, which have been adopted. Obviously we cannot disclose what they are while the competition is going on.

Senator CULVER. But not with the Germans?

Mr. MILLER. The Germans did not participate in the formulation of source selection criteria.

General BAER. The Germans have been provided a prioritized listing of characteristics. It has been discussed. I think, Senator Culver, this was one of the basic reasons why the MBT–70 program was not a success. There was never the ability to arrive at agreements on what should be the priorities of certain of the characteristics.

The panel believes that these comments are particularly significant in considering the relative merits of the 120mm gun. Such improved firepower as is claimed for the gun relates in part to improved penetration at longer ranges. The number of firings at such ranges is limited in any case; General Hollingsworth stated that tank battles in the

NATO environment will be fought at 1,000 to 1,500 meters. In terms of the tactical doctrine of the U.S. Army, the supposed advantages of the bigger gun may be even more questionable.

Aborting normal weapons-decision safeguards

The revised decision-making procedure for the XM-1 devised in March 1976 by the Under Secretary of the Army was, according to his testimony, for the purpose of avoiding leaks from the source-selection process. The panel accepts his explanation. However, the revised procedures had the effect of cutting off normal safeguards of the Army's and Defense Department's weapons-decision process.

Army and Defense Department regulations provide for an Army Systems Acquisition Review Council (ASARC) and a Defense Systems Acquisition Review Council (DSARC) at the end of the validation phase. The ASARC and DSARC processes, which are designed to run independently of the source-selection process, are structured to provide adequate consideration of all factors. Specifically, the regulation provides that the ASARC and DSARC are to consider program alternatives. As a result of the changes in procedure recommended by Mr. Augustine, the ASARC and DSARC were never held on the XM-1 tank program and those program alternatives contained in the addendum to the MOU were never adequately considered.

Uniformed leadership cut off from the decision process

The ASARC normally consists of nine general officers who represent the various user elements and other interested commands of the Army. Aborting the ASARC cut off these uniformed leaders from the decision to change the program, and no effort was made to gain their input.

General DePuy, the head of the Training and Doctrine Command, testified that his office is the command through which the opinions of the user elements of the Army would normally funnel to the project manager and to higher Army leadership. General DePuy testified that he was not consulted on the change in the program either before or after the decision.

The Vice Chief of Staff, General Kerwin, concurred that the Army leadership was cut out of the process by the elimination of the ASARC. When asked if he knew of any uniformed officers that concurred in the decision to change the program, General Kerwin answered "No."

Army leadership uniformly opposed to program changes

The panel is at a loss to understand the attempts of the Department of Defense to display the decision to delay the XM-1 as an Army decision or to pretend that all of the top leaders supported the decision.

The panel could find no representative of the Army, civilian or military, who supported the decision to delay the program prior to July 21. Assistant Secretary Miller, Under Secretary Augustine and those Army uniformed witnesses who had an opportunity to express an opinion testified that all of them, and Secretary Hoffmann, opposed the delay. The fateful, all-night Army meeting of July 20–21 was essentially an attempt to devise a strategy to avoid delay.

The panel believes that the following excerpt from General Kerwin's testimony is significant:

Mr. Ford. There are nine general officers who are normally on the ASARC representing various user elements of the Army, or elements of commands which would have an input normally into new weapons systems. As a result of not having an ASARC, they did not have the opportunity to make an input or to consider the program alternatives to the XM-1, isn't that basically correct?

General Kerwin. That is correct.

Mr. Ford. So the alternatives; namely, the 120mm gun or the turbine engine, or the other component changes that were to be made, were not considered at all by the ASARC, one of the principal functions of which is to consider program alternatives. Is that correct?

General Kerwin. That is correct.

* * * * *

Mr. Ford. In other words, therefore, it is correct to say that the users of the tank did not have any input into this change in the tank with which they will eventually have to fight, if they have to fight?

General Kerwin. You are correct.

The decision to delay was the decision of the Secretary of Defense

The abundance of testimony by all of those who attended the meetings in late July made two things indisputably clear:

(1) The decision to delay the program was made exclusively by the Secretary of Defense.

(2) The decision resulted from the Secretary of Defense's insistence on standardization.

Witnesses who were in the meetings at which the final decision to delay was considered, all understood that the decision was made by the Secretary of Defense. The testimony of the leaders of the Army makes clear that they understood from the outset that the driving force behind the decision to delay was the requirement to standardize with the FRG.

The only witness who maintained that the delay was independent of the standardization was Deputy DDR&E Parker; the panel does not believe Mr. Parker's evasive testimony is credible on this question.

Irregularities in the decision-making process

Not only did the ASARC and DSARC fail to meet on the XM-1 program, but the Secretary of Defense never approved an established DSARC position on the program as required by Defense Department regulations. Thus the highest leadership of the Department of Defense was ignoring its own regulations.

The degree of confusion in the decision-making process is indicated by conflict in testimony.

Mr. Parker attempted to maintain that a meeting with the Deputy Secretary of Defense on July 20 was, in fact, a DSARC meeting since most of the DSARC principals were present. Other witnesses testified that no DSARC was ever held and that the Army witnesses who attended the July 20 meeting were not informed that they were attending a meeting of the DSARC.

Mr. Parker's testimony also puts his boss, Dr. Currie, in the curious situation of taking a formal position for and against a specific decision on the same day. A draft DCP supporting the go-ahead with the XM-1 program as scheduled was forwarded to the Secretary of Defense on July 20, 1976, and was signed by the DSARC principals, of which Dr. Currie would normally be the chairman. It was not signed as a result of a formal meeting of the DSARC but was circulated among the principals. According to Mr. Parker's testimony, Dr. Currie supported the decision to delay the XM-1 program at the meeting on July 20. If, as Mr. Parker maintained, the July 20 meeting was a DSARC, then Dr. Currie is in the position of both supporting and opposing DSARC approval of a program.

Combat capability not discussed

There is simply no evidence that prior to July 22 enhanced combat capability was put forth as a reason to delay the program. In the voluminous documentary evidence there is no record of anybody proposing a change in the program for the purpose of improved combat capability. On the contrary, most of the documentatation is an expression of concern that changes might result in delay and decreased effectiveness. As already indicated, the known results of the change are some degradation in combat capability or limitation on mission capability.

Witnesses questioned stated that they did not recall anybody putting forward increased combat capability as a rationale for delaying the tank prior to July 22. The following colloquy occurred with General Kerwin:

Mr. Ford. You say the rationale is the decision to change to standardization. In other words, the move to standardize with the Germans was the only rationale provided?

General Kerwin. That is the only rationale presented that I understood, sir.

State Department Involvement

The subject of standardization cannot be raised without concurrently addressing the effects on relations with other nations. The reversal of this relationship has been a question which the panel questioned Defense witnesses about. Were there issues of an international character that might have influenced Defense management to reconsider standardization of the tank force at this time which were not solely the result of armored vehicle assessments? The answer to that question was yes.

Vice Chief of Staff of the Army, General Walter Kerwin, testified that even though he was not aware of communications from the State Department to the Department of Defense until after the panel's hearings had commenced there was a letter which had been sent from the State Department to Assistant Secretary of Defense McAuliffe on June 7, 1976. The letter from the State Department warned of potential problems in sales of the Airborne Warning and Control System (AWACS), an Air Force system, if further progress in tank standardization with the Federal Republic of Germany were not made. Even though General Kerwin had prime military responsibility for the XM-1 tank in the Army he testified that at no time was the issue of the relationship of tank standardization and the impact of that on the sale of AWACS to Germany discussed with him nor to his knowledge was it discussed with the Joint Chiefs of Staff.

Congressional direction ignored

No effort was made at any time prior to July 22 to consult with the Congress over possible change in the program. Although the project manager expressed concern about loss of credibility with Congress, there is no evidence that such a concern had any impact on the Secretary of Defense.

In July 1975 after disagreement between the House and the Senate over the possibility of a delay in the XM-1 program for the benefit of the German contender, Congress clearly provided in the conference report on the fiscal year 1976 Defense authorization bill direction that the XM-1 program was to go forward on schedule and was to enter full-scale engineering development in July 1976. The Congress had not changed that direction in considering the fiscal year 1977 Defense funding. In changing the program, the Defense Department violated the terms of Congressional approval and in the opinion of the panel, the action it took to solicit is improper without Congressional authorization of reprogramming of funds.

The program as changed by the Secretary of Defense calls for a weapon system which, whether better or worse, is clearly different from that justified to the Congress at the time the authorization and appropriation was approved and would involve a cost clearly different from that known by the Congress when the weapon system was voted on.

Summary of Findings and Recommendations of the XM-1 Tank Panel House Armed Services Committee

FINDINGS

(1) There as a critical need for a new Army tank. Open and secret testimony confirmed that the present Soviet advantage is such that the United States requires both more tanks in quantity and improvements in

quality. All witnesses agreed to this critically. The leadership of the Army concurred that a year's delay in obtaining a new tank would be unacceptable.

(2) The X-1 prototype developed by the two U.S. contractors met or exceeded all of the Army's stated requirements. The program was on schedule, within the cost limits laid down 3½ years ago and involved low technical risk. The panel heard testimony that either U.S.X-1 candidate might qualify as the best tank in the world.

(3) The decision to delay the XM-1 program to allow standardization with the Federal Republic of Germany (FRG) will result in a delay in the program which could be as much as two years. The project manager, the most authoritative witness on the subject, indicated that in addition to the already announced delay of four months, an additional six months was an optimistic estimate.

(4) The change in the program moves the XM-1 from a program of low technical risk to one of unknown technical risk. The project manager stated that some of the components designated for standardization in the addendum to the Memorandum of Understanding (MOU) with the FRG were still conceptual in nature. The delay in the program could not be determined because the degree of technical risk could not be stated with certainty.

(5) On three occasions—before, at the time of, and well after, the decision to change the program—the project manager's staff estimated that the increased costs that will result from the delay in the program would be between $800 million and $943 million. No acceptable challenge to those cost estimates was received.

(6) The change in the program will result in degradation in combat capability due to the MOU requirement for the United States to immediately install a hybrid turret and to the limitations on mission capability of the 120mm gun. The project manager stated that the hybrid turret with the 105 mm gun will result in a degradation of combat capability of about 5 to 8 percent and possibly as much as 10 percent (going immediately to the 120mm gun would mean accepting a delay estimated at as much as two years). The 105mm gun fires five different types of ammunition; the 120mm gun fires two and cannot perform important missions performed by the 105mm gun.

(7) The Secretary of Defense wrote to the committee that "any additional program cost would be related to enhanced capability." The Deputy Secretary of Defense and the Secretary of the Army, in testimony on August 10, portrayed improved combat capability as a goal sought at the time of the decision to delay the program. These statements are not borne out by the facts.

(8) The requirement of the MOU for a turbine engine appears to have been largely dictated as the only possible quid pro quo for the United States on standardization since the FRG was totally committed to the 120mm gun.

(9) The MOU addendum requires standardization on the 120mm gun, and the agreement is written in such a way as to exclude the British rifled-bore 120mm and make the German smoothbore the only choice. A tripartite study (United States, United Kingdom, Federal Republic of Germany), concluded in 1975, found the 105mm gun was the desirable gun for the XM-1 through the mid-1980's; and a further study by both competitors in early 1976, at a cost of $400,000, supported the installation of the 105mm gun. The Director of Defense Research and Engineering, in March 1976, called the 105mm gun "the only logical choice for the XM-1."

The record indicates that there is no support for the smoothbore 120mm gun in the uniformed leadership of the U.S. Army. The FRG smoothbore gun has problems similar to those encountered in the Sheridan tank in the past with combustible-case ammunition. Conversely, ammunition under development for the 105mm gun has achieved significant armor penetration at practical ranges and no data is available which clearly establishes a 120mm gun can significantly surpass the potential results of the 105mm ammunition. Additionally, the panel learned that the 120mm guns of the British, French and German armies do not use interchangeable ammunition.

Some witnesses insisted that the XM-1 could go forward with the addendum in force with a minimum delay beyond the four months' delay in contract award. It is clear from extensive testimony that the only way this could be achieved is by initially fielding the XM-1 with the 105mm gun and possibly other components which could be changed in follow-on versions. This could involve piecemeal changes which would mean a greater proliferation of tank variations in the U.S. inventory.

(10) The decision to delay the XM-1 was made exclusively by the Secretary of Defense. The decision was unanimously opposed by the civilian and military leadership of the Army.

(11) The decision to delay the program resulted from the Secretary of Defense's insistence on standardization with the FRG. The panel found no documentary evidence and heard no oral claims from sworn witnesses that enhanced capability for the tank was put forward as a reason for change of the program prior to the day of the decision in late July.

(12) The decision-making process in the case of the XM-1 involved a revision of required procedures, a revision designed to avoid leaks of the source-selection information, which aborted the normal safeguards of the weapons-procurement process. These revised procedures prevented the review by an Army Systems Acquisition Review Council (ASARC) and a Defense Systems Acquisition Review Council (DSARC). This prohibited the careful consideration of program alternatives with which the ASARC and DSARC are charged by regulations. The revision as implemented resulted in the uniformed leadership of the Army being cut off from the decision-making process and the users of tanks did not have any input into the changes prescribed in the tank with which they may eventually have to fight.

(13) The Secretary of Defense never approved an established DSARC position on the XM-1 program as required by Defense Department regulations. The Director of Defense Research and Engineering, if the testimony of his principal deputy is to be believed, took formal positions both for and against the XM-1 delay on the same day.

(14) No effort was made prior to July 22 to consult with the Congress on the change in the XM-1 program. The project manager's expressed concern about loss of credibility with Congress was ignored at the Defense Department level. The change in the XM-1 program by the Department of Defense violates the terms of congressional approval and in the opinion of the panel is improper without congressional authorization of reprogramming of funds. The program as changed by the Secretary of Defense calls for a weapon system clearly different from that justified to Congress and involves a cost substantially greater than that known by the Congress at the time the authorization and appropriation for the weapon system was approved. In the opinion of the panel, the actions of the Department of Defense in handling changes in the XM-1 program represent a very grave disregarding of the role of Congress in establishing Defense policy.

RECOMMENDATIONS

The panel believes the action of the Secretary of Defense in delaying and changing the direction of the XM-1 program was improper and beyond the scope of the use of funds authorized and appropriated by the Congress. The panel believes the action of the Secretary of Defense will inevitably result in delay and increased cost which would make it almost impossible to get the improved tank as early as required and threatens to result in an inferior tank. The panel believes the decision resulted solely from international political considerations without adequate regard for military realities or adequate input by military professionals.

The panel recommends, therefore, that the committee inform the Secretary of Defense by resolution that it does not support the proposed revision of the XM-1 and that it is the intention of the committee that the program should proceed to Full-Scale Engineering Development on the basis on which the program was approved by Congress as quickly as possible.

The panel recommends further that the committee inform the Secretary of Defense by resolution that it is the position of the committee that any change in the major components of the XM-1, including the turret, to achieve standardization should be considered only for later generations of the tank after components have been fully evaluated according to normal validation procedures and only in such a way as to avoid frequent piecemeal changes; and that it is further the position of the committee that any expenditure of funds toward development of such standardized components should commence only after congressional approval of a reprograming action from sources other than the XM-1 program, or through the normal authorization and appropriation process.

Mr. Stratton Moves the Following Resolution Be Adopted by the Committee

Resolved that:

On the basis of the findings and recommendations of the House Armed Services Committee panel on the XM-1 the committee hereby resolves as follows:

(A) The committee inform the Secretary of Defense:

(1) It does not support his proposed revision of the XM-1;

(2) It is the intention of the committee that the program should proceed to Full-Scale Engineering Development on the basis on which the program was approved by Congress, as quickly as possible; and,

(3) It is the position of the committee that any change in the major components of the XM-1, including the turret, to achieve standardization should be considered only for later generations of the tank after components have been fully evaluated according to normal validation procedures and only in such a way as to avoid frequent piecemeal changes; and that it is further the position of the committee that any expenditure of funds towards development of such standardized components should commence only after congressional approval of a reprograming action from sources other than the XM-1 program, or through the normal authorizing and appropriation process.

(B) That copies of this resolution be forwarded herewith to the House Committee on Appropriations, the Senate Committee on Armed Services, and the Senate Committee on Appropriations, together with copies of the full report of the XM-1 Panel.

THE XM-1 PANEL REPORT AND THE CUTTING-OFF OF THE ASARC/DSARC PROCESS

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, as I have previously informed the House, the report of the XM-1 Tank Panel is based on sworn testimony before the Armed Services Committee. By contrast, the various attempts to refute the report were turned out by a group of Defense ghost writers. I understand these ghost writers spent one weekend on the project—a kind of Pentagon version of "Saturday Night Live."

Nowhere is this attempt more amusing than in their efforts to defend the decision-making process as following normal procedures.

Our report points out that a change in the normal procedures for the Systems Acquisition Review Councils was established to avoid leaks from the source-selection process. The panel accepted this explanation of the purpose of the changed procedures. The change, however, had the effect of preventing the normal functions of certain safeguards of the system.

In one of its so-called responses to the report, the Pentagon claimed that the panel "failed to differentiate between the Defense Systems Acquisition Review Committee—DSARC—process and the source-selection process." Anybody who reads the report and reads the hearings knows full well that the panel clearly understood the differentiation between these two processes and understood that the source-selection process and the Army's Systems Acquisition Review Committee—ASARC—together with the DSARC process are designed to run on parallel channels. One of the principal purposes of the ASARC/DSARC system is to examine program alternatives, particularly program alternatives which were not considered by the source-selection process.

The panel's report makes a simple point which is irrefutable—that the changes in the XM-1, to make it eligible for standardization; namely, the dual capable turret and the 120-millimeter gun, were not in either of the initial candidate tanks and were not considered in the source-selection process. They are the kind of program alternatives that should be considered by the ASARC/DSARC process to assure that there is a proper input from all concerned elements. The Army regulations—AR15-14, AR1000-1—state specifically that:

> The purpose of the ASARC is to decide the Army position as to the future of specific major materiel systems.

The regulations provide further that:

> The ASARC agenda will focus on major issues and program alternatives.

The regulations call for top managers of the Army to participate personally in "making face-to-face decisions on major acquisition programs" and identify the ASARC as "the forum for such decisions." The regulations further provide that the chairman of the ASARC can convene an ASARC "red team" to anticipate the specific criticisms from sources outside the Army and to insure that the ASARC is objectively informed on all matters.

The so-called rebuttals by the Defense Department go to great effort to maintain that the DSARC process was adhered to in the case because most of the DSARC principals were in the final meeting at which the Secretary of Defense decided not to go ahead with the XM-1 program; and these DSARC principals, we are told, concurred with his decision. Mr. Parker, the Deputy Director of Defense Research and Engineering and one of the most flexible witnesses I have ever seen before a congressional committee, attempted to maintain before the committee that the meeting on July 20, at which the decision came up to delay the program, was, in fact, a DSARC meeting.

One of the refutation papers passed around Capitol Hill claimed that the DSARC principals did hold a scheduled meeting and included the sentence, "Supporting documentation has been provided to the committee." This is apparently a reference to what Mr. Parker supplied to the committee, when asked to provide for the record information to support his claim that a DSARC was held. However, the paper supplied was, in fact, a schedule for DSARC meetings that had been issued in May. It may be that Mr. Parker was confused because he had been issued the schedule in May and nobody had bothered to tell him that the DSARC meetings were not being held. However, other witnesses questioned on the point conceded that the ASARC and DSARC meetings were not held; and the Vice Chief of Staff of the Army stated that he was not informed that the meeting on the 20th of July, at which he was present, was a DSARC meeting.

The various Pentagon statements generally refer to "the members of the DSARC" or to "the DSARC principals." This is apparently a way of getting around admitting that a formal DSARC meeting was not held. The Pentagon's statements state that the members of the DSARC concurred with the decision of the Secretary of Defense. What they are careful not to point out is that in a document dated that same day—July 20—all but one of the members of the DSARC signed a DCP—decision coordinating paper—recommending that the program not be delayed. The panel was presented with no documentation that the members of the DSARC ever approved a DCP or submitted a decisions memorandum on the basis of concurrence with the later decision to delay the program. That concurrence was given orally.

Mr. Speaker, at this point I include as part of my remarks finding No. 12 of the XM-1 Panel, and then, following it, some of the statements made in the documents passed out by the Department of Defense written by those unknown ghost writers of the Pentagon who stayed up all night; and then finally some excerpts from the sworn testimony of witnesses before the panel. I believe when Members read these materials, they will have no trouble determining which statements are credible on this issue.

Finding No. 12 of the XM-1 Panel, Armed Services Committee

(12) The decision-making process in the case of the XM-1 involved a revision of required procedures, a revision designed to avoid leaks of the source-selection information, which aborted the normal safeguards of the weapons-procurement process. These revised procedures prevented the review by an Army Systems Acquisition Review Council (ASARC) and a Defense Systems Acquisition Review Council (DSARC). This prohibited the careful consideration of program alternatives with which the ASARC and DSARC are charged by regulations. The revision as implemented resulted in the uniformed leadership of the Army being cut off from the decision-making process and the users of tanks did not have any input into the changes prescribed in the tank with which they may eventually have to fight.

Excerpt From the Pentagon Press Release of September 27, 1976

With respect to questions on the decision-making process, the treatment of the XM-1 program has been consistent with the Defense Systems Acquisition Review Council (DSARC) process which gives orders to major systems development in the Department of Defense.

On 20 July 1976, Secretary Hoffman presented to Deputy Secretary Clements and the members of the DSARC, the Army's recommendation that a contractor be selected and then, as desired, requested to bid quotations—on a sole-source, non-competitive basis—for various possible configurations of the tank.

In contrast, the recommendation made by Deputy Secretary Clements—with the concurrence of all the members of the DSARC (Dr. Currie, Mr. Shrontz, Mr. Aldridge, Mr. McClary), and the General Counsel—was to have the Army continue both contractors for a short period of time to solicit quotations in a competitive environment for the configuration alternatives of interest—quotations Mr. Clements had anticipated would have been available on July 20, 1976.

In considering the differing views, the decision was to concur with the unanimous recommendation of Deputy Secretary Clements and the members of the DSARC.

Excerpt From a Documentary Entitled "Response to the Report of the XM-1 Tank Panel of the House Armed Services Committee"

It is difficult to understand the Two-Member's Panel's preoccupation with procedural matters, but having emphasized procedure it is surprising that it failed to learn what the process is. For example, the Panel failed to differentiate between the Defense Systems Acquisition Review Committee (DSARC) process and the source selection process.

The decision to delay resulted from the source selection process, which process necessarily reflects the sensitivity of proprietary data. On 20 July 1976, the recommendation of Secretary Hoffmann and the Army Staff, as presented first to Deputy Secretary Clements and the DSARC principals (Dr. Currie, Mr. Shrontz, Mr. Aldridge, Mr. McClary) and the General Counsel, was to select a contractor and then to request quotations from that contractor—on a sole-source, noncompetitive basis—for possible changes to the tank. Secretary Clements and the DSARC principals unanimous rejected that approach on the grounds that it would be poor business management.

Excerpt From a Paper Headed "DOD Position on Findings and Recommendations of the XM-1 Tank Panel of the HASC"

(12) Finding (12) is erroneous. The decision-making process on the XM-1 involved a fully authorized variation of the Defense Systems Acquisition Review Council (DSARC) process designed to avoid leaks of source-selection information. The process had been thoroughly documented throughout and involved DSARC principals and advisers, including Deputy Secretary Clements. Undisputed cost analyses, and test and evaluation reports were submitted and considered;

and the participants included service representatives from the uniformed as well as civilian leadership of the Army. There has thus been no short-circuiting of the essential safeguards of the Department's acquisition process—merely a tightening of them to prevent the unauthorized disclosure of sensitive source selection information.

Excerpts From the Sworn Testimony of General Kerwin, Vice Chief of Staff of the Army, Before the XM-1 Panel on September 20

Mr. Stratton. Now, on the 20th of July we have a number of different meetings, and sometimes it has been a little bit hard to keep them all straight. They seem to come with a great deal of frequency.

At that time did you meet with Secretary Clements in a kind of a preliminary meeting, I believe, to the meeting between Secretary Hoffman and Secretary Rumsfeld? Did you meet with Secretary Clements on this matter?

General Kerwin. Yes, sir, I did.

Mr. Stratton. You did?

General Kerwin. I did.

Mr. Stratton. And the members of the DSARC were there at that time, were they not?

General Kerwin. I am not sure all of them were there, but the majority were, Mr. Chairman.

Mr. Stratton. Well, Mr. Parker tried to tell us that that was actually an official meeting of the DSARC although we are somewhat skeptical about that. But many of them were there?

General Kerwin. Yes, sir, the preponderance were there. If I had the list, I could check them off as to whether they were all there.

Mr. Stratton. How were you notified about that meeting, incidentally? Did Mr. Clements' office call up, or what?

General Kerwin. That morning we were due to go up and tell the Secretary of Defense what the recommendation was going to be on the selection of the XM-1 contractor. I don't know how Mr. Clements and Mr. Hoffman arranged it or what the arrangement was for us to be there at that particular moment.

Mr. Stratton. Were you told this was also going to be a meeting of the DSARC?

General Kerwin. No, sir, I was not.

Mr. Stratton. Are you aware of the fact that on the morning of the 20th, some time apparently prior to this meeting, that Dr. Currie and the members of the DSARC had signed a statement recommending that the XM-1 Program proceed without interruption and without delay?

General Kerwin. Yes, sir, I was.

Mr. Stratton. You were aware of that?

General Kerwin. I was.

Mr. Ford. There are nine general officers who are normally on the ASARC representing various user elements of the Army, or elements of commands which would have an input normally into new weapons systems. As a result of not having an ASARC, they did not have the opportunity to make an input or to consider the program alternatives to the XM-1; isn't that basically correct?

General Kerwin. That is correct.

Mr. Ford. So the alternatives; namely, the 120mm gun or the turbine engine, or the other component changes that were to be made, were not considered at all by the ASARC, one of the principal functions of which is to consider program alternatives.

General Kerwin. That is correct.

Mr. Ford. And therefore, the normal opinions of the uniformed experts on this thing were not received?

General Kerwin. Well, in some cases I think they were not received. On the other hand, as pointed out by the Chairman, either all or the majority of the people in the DSARC were present during the discussions.

Mr. Ford. I am not talking about the DSARC now, I am talking about the ASARC. I am talking about the uniformed experts of the U. S. Army.

General Kerwin. That is correct.

Mr. Ford. Okay.

When General DePuy, who is head of the Training and Doctrine Command, testified, he said the user elements of the Army normally funneled their input, their suggestions, and their reservations about a weapons system through his office and from his office to the project manager and to the top leadership of the Army. And then, General DePuy testified he was never consulted on the change in the program and has not been consulted since the program was changed.

In other words, therefore, it is correct to say that the users of the tank did not have any input into this change in the tank with which they will eventually have to fight, if they have to fight?

General Kerwin. You are correct.

Excerpt From the Testimony of General DePuy, Commander of the Training and Doctrine Command

Mr. Stratton. My question to you, General, is: Were you ever consulted by anybody in the Pentagon as to the improved value of a turbine engine, a 120-millimeter gun, a dual capable turret, as to what those changes which are alleged to improve this vehicle would do to its combat effectiveness?

General DePuy. I was not.

TRIBUTE TO THE HONORABLE DOMINICK V. DANIELS

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record.)

Mr. PERKINS. Mr. Speaker, one of the most painful things about the end of a Congress is that it becomes a time to say goodbye to a number of old friends who are retiring.

The retirement of my good friend and colleague Dominick V. Daniels is especially painful to me, because we have served together on the Committee on Education and Labor for 18 years.

An able legislator, a wise and patient counsel, and a generous friend, Dom Daniels is one of the most universally beloved members of the committee, as of the House itself.

I do not believe in my own time here that I have ever known a more thorough, painstaking, and conscientious legislator.

The people of Hudson County can be proud of their representation in this House, for Dom Daniels has reflected great credit upon them. He has an especially keen interest in the welfare of his people as it is affected by the legislation considered by the Congress, and that interest has always been wisely and effectively expressed.

Dom Daniels has been one of the hardest working members of the Committee on Education and Labor, and his chairmanship of the Subcommittee on Manpower, Compensation, and Health and Safety has been an unusually productive one.

A great portion of the legislation his subcommittee has produced has had solid, bipartisan backing—a situation that reflects the chairman's ability to reconcile all points of view and accommodate virtually all factions.

At the same time he has been so active on the Committee on Education and Labor, he has also been busy with the affairs of the Committee on Post Office and Civil Service on which he is presently third ranking majority member.

We shall certainly miss Dominick Daniels in this House. I hope he returns to see us often, and that he will be available for the advice and counsel on which we have come to depend.

TRIBUTE TO THE HONORABLE ALPHONZO BELL

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record.)

Mr. PERKINS. Mr. Speaker, at the close of this 94th Congress, I would like to take a moment to commend my esteemed colleague, Al Bell, who has served the Committee on Education and Labor both diligently and effectively during his 16-year tenure in the House of Representatives.

Representing first the 16th, then the 28th District of California, Congressman Bell played a major role in some of the milestone education legislation passed by the committee during the last decade and a half. As ranking minority member on the Subcommittee on Select Education and a member of the Subcommittee on Elementary, Secondary, and Vocational Education, Al was a prime sponsor of the Emergency School Aid Act and Arts, Humanities, and Cultural Affairs legislation, and worked hard for the creation of the National Institute of Education. Most recently, he left his imprint on the Education Amendments of 1974, particularly in the title IV consolidation, and on the Indochina Refugee Children's Assistance Act.

In all of his committee work, Al not only demonstrated an admirable concern for the problems of the people of California but also showed a great deal of zest in his pursuit of quality education for the Nation as a whole.

As chairman of the Committee on Education and Labor, I want to express all of my member's appreciation for Congressman Bell's efforts and our wishes for success in his future endeavors.

TRIBUTE TO THE HONORABLE CARL ALBERT

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record).

Mr. PERKINS. Mr. Speaker, during a 6-month period in the latter part of 1907 and the early part of 1908, two events took place in the territory north of the Red River that were to have vast significance for the life of the republic.

The first of these events transpired on November 7, 1907, when the region that Bird McGuire had so ably represented in Congress as the delegate from the Oklahoma territory became, in fact, a State of the Union.

Six months later, almost to the day, the quiet of the little town of McAlester, Pittsburg County, Okla., was disturbed by a small, polite, but insistent voice demanding attention.

This was the maiden speech of Carl Albert. It is not recorded whether the newcomer was accompanied by gavel, but there was little doubt in the household of Ernest and Leona Ann Albert that a personage of importance had arrived.

It was not to be the last time CARL ALBERT called for order, either in Oklahoma, or in the Nation.

For the moment, let me leap over the span from that day in the springtime of 1908 to the present, when Members of the House of Representatives are soon to witness another landmark in a magnificent American life. In a few hours, we are to hear the voice of CARL ALBERT calling this Chamber to order for the last time.

The space bracketed by the events I have just described comprise more than a third of the life of the republic. And it covers some of the most momentous events, not only in our history, but in the history of the world. And the voice of CARL ALBERT of McAlester, Okla., was a voice that was heard in these critical times.

Americans who are young, who have been privileged to grow up in an age of endless horizons and who took as a matter of course man's landing on the moon, cannot begin to realize the accomplishments of CARL ALBERT's life.

It is hard to comprehend the propulsion required to take a child from the very edge of the frontier, thousands of miles from the centers of American culture in Boston and New York and Philadelphia, and propel him to Oxford University as a Rhodes scholar. And then on to the highest councils of American Government as Speaker of the House of Representatives.

It is a long way from Flowery Mound Rural School to the Speaker's dais in this Chamber—but CARL ALBERT made it. And the fact that he did proves once again the glory and the opportunity of the American way.

It has been my good fortune to have CARL ALBERT as a friend since the first weeks of my own service in the Congress. I have taken pride in his accomplishments as a leader over these years, and the contributions he has made to the country and the Congress.

Now, he has decided it is time to go and to relinquish the helm of leadership to other hands. Those of us who have been with him through the voyage salute him, and bid him a sincere farewell.

FEDERAL-AID TO RIDESHARING ACT OF 1976

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, I intended to introduce this week a revision of H.R. 14570, the Federal-Aid to Ridesharing Act. To save the expense of printing this bill, I have decided to insert the language of it into the RECORD so that its provisions can be shared with my colleagues:

H.R. —

A bill to authorize appropriations for ridesharing programs, to consolidate existing Federal ridesharing programs, to foster ridesharing programs in States and localities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, FINDINGS, PURPOSE, POLICY, GOALS, AND DEFINITIONS

SHORT TITLE

SEC. 101. This Act may be cited as the "Federal-Aid to Ridesharing Act of 1976".

FINDINGS AND PURPOSE

SEC. 102. (a) The Congress finds and declares that—

(1) the national security and economic prosperity of the United States is threatened by a heavy dependence upon energy imports;

(2) the Congress has the responsibility and duty to devise policies and strategies to lessen such imports by—

(A) minimizing wasteful energy utilization; and

(B) increasing energy efficiency;

(3) 40 per centum of this Nation's oil supplies are utilized in providing fuel for motor vehicles;

(4) the transportation sector, particularly with respect to the use of private automobiles, is significantly energy-inefficient;

(5) nonessential and inefficient utilization of our Nation's private automobiles has resulted in—

(A) wastage of precious fuel resources by moving travelers at common times to common destinations, particularly workers from their residences to their places of employment, inefficiently;

(B) addition to a severe risk to public health by increasing the magnitude of motor vehicle emissions; and

(C) an increase in traffic congestion which wastes gasoline by lowering the average speed of vehicles;

(6) ridesharing, in its forms of carpooling, vanpooling, and buspooling, has been demonstrated to be responsive to saving energy in significant quantities without a proportionate decrease in the quality of personal lifestyles;

(7) an increase in the average occupancy per motor vehicle from 1.4 to 2.0 could save this Nation the equivalent of five hundred thousand barrels of oil each day;

(8) existing Federal programs to foster ridesharing are administered by different Federal departments and agencies without adequate coordination or communication;

(9) there is no comprehensive national ridesharing policy;

(10) present ridesharing programs have not tapped their full potential for environmental, economic, and energy conservation benefits due to indequate funding, promotion, and incentives to commuters, business and industrial concerns.

(11) the Congress, since 1956, has approved over $75,000,000,000 in expenditures for highway and highway-related programs, but only $10,000,000 of such funds have been utilized to finance ridesharing programs;

(12) Federal assistance for ridesharing programs other than that financed from funds out of the Highway Trust Fund has been negligible; and

(13) the Highway Trust Fund is the most appropriate vehicle for financing ridesharing programs.

(b) The Congress further finds and declares that—

(1) elderly and handicapped persons have special needs in transportation which are presently inadequate; and

(2) ridesharing programs can be utilized to increase transportation opportunities to elderly and handicapped persons.

(c) The purpose of this Act is to reduce our foreign energy requirements by conserving energy, to decrease pollution and traffic congestion, to divert parking areas for more productive uses, and to expand transportation opportunities for elderly and handicapped persons by implementing a comprehensive ridesharing program.

POLICY

SEC. 103. It is hereby declared to be the national policy that—

(1) present and future Federal ridesharing programs should be consolidated and coordinated to avoid duplication and minimize bureaucracy;

(2) programs under this Act should be designed to provide flexibility to be sensitive to local ridesharing needs;

(3) tax policies should encourage ridesharing;

(4) Federal policies on ridesharing should maximize a reliance upon voluntary private sector participation in offering ridersharing opportunities;

(5) regulations promulgated under this Act should be designed to minimize red tape and paperwork;

(6) Federal ridesharing programs should be responsive to the special transportation needs of senior citizens and handicapped persons;

(7) ridesharing by individuals, promoted or financed, in whole or in part, by funds authorized under this Act, shall be voluntary;

(8) existing State, county, and local ridesharing agencies should be utilized to the maximum extent possible in achieving the goals and purposes of this Act; and

(9) all programs authorized by this Act should be periodically evaluated to assess their effectiveness in meeting the goals and purposes of the Act.

GOALS

SEC. 104. It is hereby declared to be the goals of this Act to—

(1) significantly increase the average occupancy of motor vehicles on our Nation's roads and highways, particularly during peak commuter travel periods;

(2) reduce the number of vehicles traveling on this Nation's roads and highways;

(3) reduce the number of vehicles traveling during peak commuter travel periods and thereby reduce air pollution;

(4) reduce the demand for land required for the purpose of parking motor vehicles, so that it may be used for more productive purposes;

(5) lower this Nation's demand for gasoline;

(6) increase transportation opportunities to senior citizens and handicapped persons; and

(7) provide adequate financial and technical assistance to States and units of local government to accomplish the goals of this Act.

DEFINITIONS

SEC. 105. (a) For purposes of this Act—

(1) the term "States" means the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

(2) the term "designed recipient" includes municipalities and other political subdivisions of the States, public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "handicapped person" means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, is unable without special facilities or special planning or design to utilize mass transportation facilities and services as effectively as persons who are not so affected;

(4) the term "vanpooling" means an arrangement for the transportation of persons on a nonprofit basis utilizing a motor vehicle manufactured primarily for use in transporting not less than eight individuals and not more than fifteen individuals, in which the operating costs, and a reasonable vehicle depreciation cost for such vehicle, are paid principally by the individuals utilizing such arrangement;

(5) the term "carpooling" means an arrangement for the transportation of persons on a nonprofit basis utilizing a motor vehicle manufactured primarily for use in transporting less than eight individuals, in which the operating costs for such vehicle are paid principally by the individuals utilizing such arrangement;

(6) the term "buspooling" means an arrangement for the transportation of persons on a nonprofit basis utilizing a motor vehicle manufactured primarily for use in transporting more than fifteen individuals, in which

(A) the operating costs; or

(B) reasonable depreciation costs; or

(C) both (A) and (B)

for such vehicle, are paid principally by the individuals utilizing such arrangement;

(7) the term "Secretary" means the Secretary of Transportation or the Secretary of Transportation's designee;

(8) the term "elderly" means any individual who is sixty-five years of age or older;

(9) the term "Office" means the National Office of Ridesharing established by section 201 of this Act;

(10) the term "ridesharing" means carpooling, vanpooling, or buspooling, or any combination of carpooling, vanpooling, and buspooling;

(11) the term "abort agreement" means an agreement between a unit of local government, or a State, or a designated recipient, or the Secretary, and a business or industrial concern, that financial losses resulting directly from an unsuccessful ride-sharing program of such business or industrial concern shall be refunded, in whole or in part, by the State, unit of local government, designated recipient, or the Secretary.

TITLE II—CONSOLIDATION OF FEDERAL RIDESHARING ACTIVITIES

NATIONAL OFFICE OF RIDESHARING

SEC. 201. There is hereby established within the Department of Transportation a National Office of Ridesharing. The primary duties of the Office shall be, but are not limited to—

(1) coordinating Federal ridesharing programs enumerated in title III and title IV of this Act;

(2) setting national goals with respect to

(A) reduction of pollution and traffic load; and

(B) gasoline conservation,

resulting from ridesharing activities;

(3) compiling statistics related to ridesharing;

(4) performing economic analyses with respect to ridesharing;

(5) promoting ridesharing on State, local, and national levels;

(6) providing technical assistance to designated recipients to facilitate ridesharing activities;

(7) responding to inquiries from the public related to ridesharing;

(8) reporting to Congress concerning developments in ridesharing, activities of the Office, and national ridesharing trends; and

(9) recommending legislation to Congress to achieve the goals, and purposes of this Act.

TRANSFER OF PROGRAMS

SEC. 202. (a) Except to the extent prohibited by law, the Director of the Office of Management and Budget is authorized and directed to transfer to the Office such programs, operations, and activities of each Federal agency and department as—

(1) are duplicative of, or can be performed more appropriately by the Secretary under the authority contained in this Act, and

(2) may be transferred without the need for congressional action.

(b) Programs, operations, and activities transferred under section 202(a) shall include, but not be limited to, those programs, operations, and activities described in section 202(a) which are, on the date of enactment of the Act, performed by—

(1) the Department of Health, Education, and Welfare;

(2) the Department of Commerce;

(3) the Department of Labor;

(4) the Federal Energy Administration;

(5) the Energy Research and Development Administration;

(6) the Environmental Protection Agency; and

(7) the Federal Highway Administration.

(c) The Director of the Office of Management and Budget shall, within one hundred eighty days after the date of enactment of this Act, identify and report to the committees on Appropriations and Government Operations of the House of Representatives and the Senate the transfers of programs, operations, and activities made pursuant to subsection (a) of this section; and such report shall include—

(1) the actual costs during fiscal years 1975 and 1976 of each program, operation, and activity transferred; and

(2) the Director's recommendations for such additional transfers as may be necessary to avoid duplication with programs, operations and activities of the Office, but which require congressional action.

(d) The Secretary, pursuant to section 201 of this Act, shall be responsible for incorporating such programs, operations and activities as are transferred pursuant to subsection (202) (a) of this section in such manner and to the extent the Secretary deems consistent with the Office's responsibilities under section 201 of this Act, and issuing such organizational directives as the Secretary deems appropriate to carry out the purposes of this section.

REPEAL OF EXISTING LAW

SEC. 203. (a) Section 120 of the Federal-Aid Highway Amendments of 1974 (Public Law 93-643) is repealed.

(b) Section 381(b)(1)(B) of the Energy Policy and Conservation Act (Public Law 94-163) is repealed.

TERMINATION

SEC. 204. (a) This Act shall terminate on September 30, 1983, and the Office shall be abolished as of such date.

(b) The President shall—

(1) commencing two years prior to the date of termination specified in subsection (a), conduct an investigation of the overall performance including, but not limited to, the effectiveness of the Office's programs, operations, and activities in accomplishing the Office's general goals and purposes, promoting the general welfare, and reducing the Nation's gasoline consumption;

(2) not later than twelve months prior to the termination date specified in subsection (a), make public and submit to the Congress a report on the findings of the investigation conducted pursuant to paragraph (1) of this section, which shall include a recommendation that the authority of this Act be extended, that the Office be recognized, or that the authority of this Act be allowed to lapse.

(c) The committees of the House and of the Senate having primary oversight responsibility with respect to the Office shall, not later than six months prior to the termination date specified in subsection (a), conduct an inquiry into the performance and effectiveness of the Office and make public a report of their findings, conclusions, and recommendations, including proposed legislation for the extension or reorganization of the Office as they deem appropriate.

TITLE III—PLANNING, TECHNICAL STUDIES, RESEARCH AND DEMONSTRATION

FINDINGS AND PURPOSE

SEC. 301. (a) The Congress finds and declares that—

(1) the development and implementation by States of laws, policies, programs, and procedures to foster ridesharing will have an immediate and substantial effect in reducing the rate of growth of energy demand and in minimizing the adverse social, economic, political and environmental impacts of increased energy consumption which result from low average motor vehicle occupancy;

(2) the development and implementation of ridesharing programs by States will most efficiently and effectively minimize any adverse economic impacts of changing patterns of energy use in the transportation sector, and meet economic, geographic, and other unique conditions and requirements of each State; and

(3) the Federal Government has the responsibility and duty to promote comprehensive ridesharing programs and practices by establishring guidelines for such programs and providing overall coordination, technical assistance, and financial support for specific State initiatives in providing ridesharing opportunities.

(b) It is the purpose of this title to promote ridesharing by authorizing the Secretary to establish procedures and guidelines for the development and implementation of specific State ridesharing plans and to provide financial and technical assistance to States to develop such plans.

STATE RIDESHARING REPORTS AND PLANS

SEC. 302. (a) The Secretary shall, by rule, within thirty days after the date of enactment of this Act, prescribe and publish guidelines for the preparation of a State ridesharing feasibility report. The Secretary shall invite the Governor of each State to submit, within three months after the publication of such guidelines, such a report. Such report shall include, but not be limited to—

(1) establishing a feasible State ridesharing goal, which shall at a minimum consist of a 15 per centum increase in the present average ocupancy per motor vehicle of such State, by the year 1980; and

(2) a proposal by such State for the development of a State ridesharing plan to achieve such goal.

(b) The Secretary shall, by rule, within three months after the date of enactment of this Act, prescribe and publish guidelines with respect to measures required to be included in, and guidelines for the development, modification, and funding of, State ridesharing plans. The Secretary shall invite the Governor of each State to submit, for the approval of the Secretary within six months of the publication of such guidelines, a plan, adopted by such State after public hearings held in such State, on such plan. Such plan shall include—

(1) proposed programs to promote the availability and use of carpools, vanpools, and buspools by establishing programs such as, but not limited to—

(A) locating potential ridesharing participants, and informing them of convenient ridesharing opportunities;

(B) designating existing highway lanes as preferential ridesharing lanes or preferential bus and ridesharing lanes;

(C) providing related traffic control devices and signs;

(D) designating existing publicly owned facilities for use as preferential parking for ridesharing vehicles;

(E) providing marketing information to potential ridesharing participants;

(F) financing loans for the purchase or lease of ridesharing vehicles by individuals, businesses, and industrial concerns;

(G) financing an abort agreement;

(H) providing tax credits to individuals, businesses, and industrial concerns which participate in, or initiate ridesharing programs;

(I) providing ridesharing opportunities for elderly and handicapped persons; and

(J) providing promotion assistance to designated recipients.

FEDERAL ASSISTANCE FOR REPORTS AND PLANS

Sec. 303. (a) Upon the request of the Governor of any State, the Secretary shall provide, subject to the availability of personnel and funds, information and technical assistance, including model State laws and proposed regulations relating to ridesharing and other assistance relating to—

(1) the preparation of reports described in section 302; and

(2) the development, implementation, or modification of a ridesharing plan of such State submitted under section 302.

(b)(1) The Secretary may grant Federal financial assistance pursuant to this section for the purpose of assisting such State in the development of such State's ridesharing plan or in the implementation or modification of such plan, or any part thereof, which has been submitted to and approved by the Secretary pursuant to Section 302.

(2) In determining whether to approve a State ridesharing plan, submitted in accordance with section 302, the Secretary shall take into account the impact of local economic and other unique conditions, and requirements of such State on the opportunity to conserve gasoline, decrease the emission of pollutants, and lower traffic congestion by implementing its ridesharing plan.

(3) The Secretary is authorized to extend the period of time during which a State ridesharing feasibility report or State ridesharing plan may be submitted if the Secretary determines that participation by the State submitting such report or plan is likely to result in significant progress toward achieving the goals and purpose of the Act.

(4) In determining the amount of Federal financial assistance to be provided to any State under this subsection, the Secretary, based upon the State ridesharing feasibility report, shall consider—

(A) the contribution to energy conservation, pollution abatement, and decrease in traffic congestion which can reasonably be expected;

(B) the number of people which would be affected by such a plan; and

(C) such other factors as the Secretary deems appropriate.

ENERGY CONSERVATION GOALS

Sec. 304. Upon the basis of the reports and plans submitted pursuant to section 302, and such other information as is available, the Secretary shall at the earliest practical date set a goal for each State for increasing average motor vehicle occupancy by 1980, and set national ridesharing goals for 1980 and 1985.

GRANTS FOR TECHNICAL STUDIES

Sec. 305. The Secretary is authorized to contract for and make grants to States and designated recipients for planning, designing, promotion, engineering, and evaluation of ridesharing projects, and for other technical studies, to be included, or proposed to be included, in a program (completed or under active preparation) for a unified, coordinated ridresharing program. Activities assisted under this section may include, but need not be limited to—

(1) studies related to management, operations, financing, and economic feasibility of ridesharing programs;

(2) evaluation of previously funded projects; and

(3) identification of local, State, and Federal laws as possible disincentives for the expansion of ridesharing programs and opportunities.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

Sec. 306. The Secretary is authorized to undertake research, development, and demonstration projects in all phases of ridesharing (including the development, testing, and demonstration of new techniques, equipment, and methods) which the Secretary determines will assist in achieving the purposes and goals of this Act. He may undertake such projects independently or by grant, or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Secretary is authorized to request and receive such information and data as he deems appropriate from public or private sources.

TITLE IV—RIDESHARING PROGRAMS, GRANTS, LOANS

GRANTS

Sec. 401. (a) The Secretary is authorized, in accordance with the provisions of this Act, and on such terms and conditions as the Secretary may prescribe, to make grants to assist States and designated recipients in financing a program of projects, such as, but not limited to—

(1) the use, purchase, or lease of automatic data processing equipment for the purpose of identifying and matching commuters and other potential ridesharers who have similar transportation needs;

(2) the acquisition of appropriate ridesharing vehicles;

(3) the initiation of abort agreements;

(4) the establishment of State and designated recipient ridesharing agencies;

(5) the financing of studies to assess the need for ridesharing programs and the impact of existing ridesharing programs;

(6) the promotion and marking of ridesharing on the State and designated recipient level; and

(7) for any of the purposes designated in section 302(b) of this Act.

(b) Notwithstanding section 401(a), or section 402, no grant or loan may be approved by the Secretary unless each State, or the State(s) having jurisdiction over the designated recipient, requesting such grant or loan has had a State ridesharing plan approved by the Secretary.

(c) Notwithstanding any other provision of this title, no grant or loan authorized by this Act may be approved by the Secretary unless the Secretary determines that the applicant has or will have—

(1) the legal, financial, and technical capacity to carry out the proposed project; and

(2) satisfactory continuing control, through operation, lease, or otherwise, over the use of facilities and equipment financed by such grant.

(d) Grants and loans approved by the Secretary pursuant to section 401 and section 402 shall be in an amount no greater than 90 per centum of the total cost of such projects approved by the Secretary.

(e) No grant or loan authorized by this Title may be approved by the Secretary unless a program of projects has been submitted to, and approved, in whole or in part, by the Secretary. No program, or part of any program, may be eligible for loans or grants authorized by this Title unless the program, or part of the program to be funded, has been approved by the Secretary. The submission of such program of projects shall be in such form, and submitted in such manner, as the Secretary by regulation shall prescribe.

(f) No grant or loan under this title may be approved by the Secretary if the program or project for which assistance is sought will substantially affect a community, a region's transportation system, or the economic health of individuals, businesses or industrial concerns including, but not limited to common carriers, unless the applicant certifies in a manner satisfactory to the Secretary that the applicant—

(1) has afforded an adequate opportunity for public hearings pursuant to adequate prior notice, and has held such hearings unless no one with a significant economic, social, or environmental interest requests a hearing;

(2) has considered the economic and social effects of the project and its impact on the environment; and

(3) has found that the program or project is consistent with the State ridesharing plan approved by the Secretary pursuant to section 302.

Notice of any hearings under this subsection shall include a concise statement of the proposed program or project, and shall be published in a newspaper of general circulation in the geographic area to be served. If hearings have been held, a copy of the transcript of the hearings shall be submitted with the application, or in such manner as the Secretary may prescribe.

LOANS

Sec. 402. The Secretary is authorized to make loans to States and designated recipients for financing projects including, but not limited to, those listed in subsection 401(a). Such loans shall constitute a revolving fund. On September 30, 1983, all funds in such revolving fund shall be deposited in the General Treasury, and all future receipts of such revolving fund shall be immediately deposited in the General Treasury; unless Congress makes findings to continue the fund pursuant to the procedure authorized by section 203.

TITLE V—GENERAL PROVISIONS

Sec. 501. (a) The Secretary may prescribe such rules as may be necessary or appropriate to carry out his authority under this Act.

(b) In carrying out the provisions of this Act, the Secretary shall consult with appropriate departments and Federal agencies.

(c) The Secretary shall report annually to the President and the Congress, and shall furnish copies of such report to the Governor of each State and to each designated recipient awarded a grant or loan under title IV of this Act, and to other persons which the Secretary deems appropriate, on the operation of the programs under this Act. Such report shall include an estimate of the gasoline saved and pollutants not emitted as a result of the programs carried out under this Act, the degree of State participation and achievement, a description of innovative ridesharing programs undertaken by individual States and designated recipients, and the recommendations of the Secretary, if any, for additional legislation.

(d) Each recipient of Federal financial assistance under this Act shall be required to keep such records as the Secretary shall require, including records which fully disclose the amount and disposition by each recipient of the proceeds of such assistance, the total cost of the project or program for which assistance was given or used, the source and amount of funds for such projects or programs not supplied by the Secretary, and such other records as the Secretary determines necessary to facilitate an effective audit and performance evaluation. The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any pertinent books, documents, papers, and records of any recipient of Federal assistance under this Act.

APPROVAL OF SURVEYS, PLANS, SPECIFICATIONS, AND ESTIMATES

Sec. 502. (a) The State or designated recipient applying for, or receiving Federal financial assistance under this Act, shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project or program as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and estimates, and his entering into a grant, loan, or contract agreement with respect to any such project shall be a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

(b) In approving any program or project under this Act, the Secretary shall assure that possible adverse economic, social and environmental effects relating to the proposed project have been fully considered in developing the project or program, and that the final decisions on such project or program are made in the best overall public interest.

(c) As soon as practicable after the plans, specifications, and estimates for a specific project under this Act have been approved, the Secretary shall enter into a formal project or formal program agreement with the Governor of the State, or his designee, or the designated recipient. Such project or program agreement shall make provision for non-Federal funds required for the State's or designated recipient's pro rata share of the cost of the project or program.

(d) The Secretary may rely upon representations made by the applicant with respect to the arrangements or agreements made by the Governor or the designated recipient where a part of the project or program involved is to be performed at the expense of, or in cooperation with, local subdivisions of the State.

(e) The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, to make advance or progress payments on account of any grant, loan, or contract made pursuant to this Act, on such terms and conditions as the Secretary may prescribe.

(f) The Secretary shall not approve any project under this Act unless he finds that such project is consistent with the goals and purposes of this Act.

(g) Except for state-wide programs, a project under this Act may not be undertaken unless the responsible public officials of the area in which the program or project is located have been consulted and their views considered with respect to the location and design of the project. In cases of state-wide projects, reasonable opportunity must be made for public comment.

(h) All grants, loans, or contracts under this Act shall be made in accordance with criteria established by the Secretary. In the case of a grant, loan, or contract to a designated recipient under sections 305, 306, 401, or 402, no such grant, loan, or contract shall be approved by the Secretary unless States with jurisdiction over the designated recipient have afforded a reasonable amount of time, as determined by the Secretary, not to exceed thirty days, to comment on such application. Comments on the application of a designated recipient by a State may include an assessment whether or not the project of the designated recipient is consistent with the goals and objectives of the State plan or report.

AUTHORIZATIONS

SEC. 503. (a) There are hereby authorized to be appropriated, out of the highway trust fund—

(1) for carrying out the provisions of section 303, $20,000,000 for fiscal year 1978, and $10,000,000 for fiscal year 1979;

(2) for carrying out the provisions of section 305, $10,000,000 for fiscal year 1978, and $12,000,000 for fiscal year 1979;

(3) for carrying out the provisions of section 306, $12,000,000 for fiscal year 1978, and $15,000,000 for fiscal year 1979;

(4) for carrying out the provisions of section 401, $50,000,000 for fiscal year 1978, and $60,000,000 for fiscal year 1979;

(5) for carrying out the provisions of section 402, $100,000,000.

(b) The Secretary may deduct up to 2 per centum from the sums authorized to be appropriated pursuant to subsection 503(a), for each fiscal year, as the Secretary may deem necessary for administering the provisions of this Act.

CAPTIVE NATIONS DAY

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, this summer we observed the 18th commemoration of Captive Nations' Week. Although I have participated in every observance of this occasion, this year's was one of special significance. Our Nation has been celebrating its 200th anniversary, the 200th year of freedom for Americans of all backgrounds and nationalities. The inhabitants of the captive nations of the world can only imagine the benefits of the political, social, and spiritual freedom which we enjoy in this country because such freedom has been denied them ever since the specter of Communist suppression swallowed up the first of the free nations of Eastern Europe in 1920.

The present month of October marks the 20th anniversary of the ill-fated Hungarian Revolution of 1956. That revolution bore many similarities to the one which took place in the country 200 years ago. The Hungarians declared their independence from the shackles of Russian communism and attempted to revert to the politics of the years before the Russian takeover in 1947. Under the leadership of former Hungarian Communist Premier Imre Nagy, the people revolted against the suppression of the Soviets. Nagy formed a coalition cabinet on October 30, 1956 and announced the abolition of the one-party system, promised free elections, and began negotiations for the withdrawal of Russian troops. For a short time the revolution appeared to be a success. Suddenly, though, Russian divisions moved in on Budapest and surrounded the capital. Powerless to resist in any meaningful way, Nagy's revolutionary government called on western nations to lend support. When no friendly nations intervened, the Hungarians were forced to fend for themselves. On November 4, the Soviet troops invaded Budapest and attempted to quash the revolt. The street fighting continued for many days, but finally Russian military superiority won out and the Hungarians once again felt the iron fist of Soviet domination. Tens of thousands of Hungarians left the country during those violent days in 1956, many of them to seek asylum in this country. These brave people knew the meaning of liberty as the American colonists of 1776 knew it. Liberty was a struggle, a constant battle to preserve a way of life that could end overnight.

There is a lesson in this that we cannot afford to overlook, especially in this nuclear age. It is that our livelihood and that of our allies can only be preserved with a total commitment to watchfulness and unity. We cannot afford to let our freedom-loving neighbors down, because such a slip-up could spell disaster for democracy in the world today.

It would be easy for us to overlook the fate of the captive nations in the jubilation over our Bicentennial, but we have not done so. This year's observance, coming as it did on the heels of the 4th of July weekend, provided food for thought for the free people of the world. It reminded us all of the necessity of constant vigilance. Liberty is not cheap and we must always guard against the temptation to take it easy for a while.

The roll of the captive nations grows longer almost every year. This summer South Vietnam disappeared under the final union with the Communist north. The Communist expansion must be checked if democracy is to survive. In 200 years we have become the mightiest nation in the world. In the words of Franklin Delano Roosevelt we are still "the arsenal of democracy." Let us not forget this. Let us always remember the struggle for freedom by the peoples of the captive nations. May the day soon come when that freedom will again be a reality.

THIRTY-FIFTH ANNIVERSARY OF THE DEPORTATION OF BALTIC PEOPLES TO SIBERIA

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, June 14–15 this year marked the 35th anniversary of the mass deportation of Lithuanians, Latvians, and Estonians to Siberia by the Soviet Government during June 14–15, 1941. More than 1 million Americans of Baltic descent paused last June to remember the subjugation and illegal occupation of the Baltic States and the arrest and deportation of more than 100,000 persons condemned to forced labor in Asian Siberia.

These tragic days will not be forgotten. I am proud to be a sponsor of House Concurrent Resolution 492, expressing the sense of Congress that the signing by the United States of the final act of the Helsinki Conference on Security and Cooperation in Europe did not in any way change the status of Lithuania or any other captive nation of the Baltic. And I am proud too, to have voted for House Resolution 864 which overwhelmingly passed the House last December and put the House of Representatives on record in support of the policy of nonrecognition of the annexation of the Baltic States by the Soviet Union. I am also pleased that the House has officially recognized the continued Soviet violations of the Helsinki agreement, and has voted to establish a Federal Commission on Security and Cooperation in Europe to monitor compliance with and violations of this Agreement.

I include herewith as a part of my remarks the following statement from the Joint Baltic American Committee.

35TH ANNIVERSARY OF THE DEPORTATION OF BALTIC PEOPLES TO SIBERIA

This year, about one million Americans of Baltic descent are commemorating the 35th anniversary of the mass deportations of Lithuanians, Latvians, and Estonians to Siberia which took place on June 14–15, 1941. During these first arrests, 100,000 persons were deported to various places in Asian Siberia. This was done to subdue the Baltic States, which had been illegally occupied by the Soviet Union against the will of the people.

The Soviet government began planning for mass extermination of the Baltic people soon after the conclusion of the Hitler-Stalin pact of 1939. The clear evidence of this is found in N.K.V.D. Order number 001223 regarding the "deportation of anti-Soviet elements from Lithuania, Latvia, and Estonia." According to data collected by the Lithuanian Red Cross, 34,260 persons were deported from Lithuania, 25,102 from Latvia, and 33,500 from Estonia.

Statistics on age groups and professions have also been provided from a list of 20,974 persons. There were 1,626 infants; 2,165 children from the ages of 4 to 10; 2,587 persons from the ages of 10 to 18; 3,986 from the ages of 18 to 30 years; 7,778 persons from the ages of 30 to 50; 1,681 from 50 to 70 years; 427 over 70 years of age; and the remainder of undetermined age.

The largest groups were elementary and secondary school students: 6,378. There were 3,389 farmers, 1,865 housewives, 1,591 government employees, 1,098 teachers, 879 workers, 622 servicemen, and 416 university students.

All of these people were loaded into freight cars with fifty to sixty persons in each car. The windows of the cars were boarded over, husbands separated from wives, and children separated from parents. They all were locked in the cars lacking air, food, and water.

The long journey from the Baltic states to Siberia killed many weak and sick. Some dead children were thrown out of the cars by guards and left by the railroad, disregarding the enormous grief of their mothers.

In the following years, many other deportations took place. Baltic deportees were transported to northern Russia, western and eastern Siberia, and Kazakhstan. They were used for slave labor and many of them perished in the mines and forests, or they were annihilated by the cold, the starvation, and diseases because they lacked proper clothing, food, and medical attention.

Some managed to survive. A few even reached the United States, and readily testified to the inhuman conditions of life and to the cruelty of their imprisonment. Even Alexandr Solzhenitsyn in his book "Gulag Archipelago" witnessed how Baltic deportees were tortured and forced to live under inhuman conditions.

Four young Lithuanian girls, who were deported to Siberia, have secretly written a prayerbook, which through underground channels, has been smuggled to the western world. It was published in English, and titled: "Mary Save Us."

These young girls wrote: "The day has closed its eyes. Fatigue closes my eyes. My feelings have dried up, my strength has left me . . . with icy lips, with tear-filled eyes, tormented by despair, we fly to your straw-covered crib, o Holy Babe . . . We are drained of strength, our feelings have faded away, our hearts are benumbed thoughts we cannot control . . . Jesus help those who die in foreign lands without consolation of the Church or their dear ones, without the comfort and aid of their friends."

The Soviet Union also deported people from the Baltic States in following years. A Lithuanian woman, Barbara Armonas, was deported in May of 1948, but after many years of slavery, she managed to emigrate to the USA. She describes her deportation from Lithuania in her book: "Leave your tears in Moscow".

"About four o'clock in the morning of May 22nd (1948), I heard a knock on my door . . . I opened the door and froze with fear . . . There was a whole detachment of soldiers, about thirty altogether, all with heavy weapons. In the yard, a machine gun had been set up. The officer pushed me aside, went into the house, and demanded my passport . . . He took a letter from his pocket and read in a monotonous voice that the state had decided to deport me from Lithuania to other Soviet states . . . I had only a half hour to prepare myself for the deportation journey. Awakened by the noise, my son started to cry . . . I was told that I could take no suitcases, but must pack everything into a potato sack . . .

"When the half hour was up, my son, myself, and our belongings were put into a buggy and escorted under heavy guard to the neighboring village . . . Some twenty-five families had been collected . . . Each family sat on their sacks in a group. No one talked.

"Some two hundred families had been collected and put into trucks, each guarded by four Rusisan soldiers with guns. These trucks were nearly all American Lend-Lease equipment . . . At first, I thought all Lithuanians were being deported . . . The village of Aukstuoliai was left completely empty . . .

"At the railroad station, we were put into cattle cars, about forty to sixty people to a car. The train stood in the station at Panevezys for two full days. We were given no food . . . Our transport consisted of sixty cars, so it can be estimated that it contained about 2,400 persons . . . The feelings of human beings herded into cattle cars are impossible to describe. No one knew where we were going or what could be expected . . . In one car, a woman with two small children whose husband was in prison, went mad, jumped from the moving train, and was killed . . . The biggest problem in our car was an 83 year-old paralyzed lady . . .

"After about fifteen days, we stopped in a station about 160 miles from Irkutsk, the largest city in Siberia . . . We were ordered to get out . . . We stood there for about four hours in a cold rain mixed with snow. The children cried all the time . . ."

The deportees were placed in barracks with broken doors and windows in company with many thieves, and Mrs. Armonas writes: "It was clear to every one that we had been sent here to die."

On starvation rations, they were forced to cut trees in the forests five miles away from the barracks. The work norms were very high, and they had only primitive tools. The regime for prisoners was severe. Mrs. Armonas writes: "I was always hungry. We were not allowed to wear shoes in our rooms. We could not sit on the beds."

Fortunately for Mrs. Armonas, Kruschev's amnesty released her from the slave labor camps, but there are still tens of thousands of Baltic deportees in Siberia, and tens of thousands buried there in unmarked graves.

The Communists murdered or deported about 350,000 people from Lithuania, the total exceeding ten percent of the population, and these figures are also the same for Latvia and Estonia.

A SOVIET DAY OF SHAME

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, last August 21, marked the end of the seventh full year of the Soviet occupation of Czechoslovakia, and the beginning of another year of political and military oppression that is not forgotten by Americans, especially those of Czech and Slovak descent. Time has not altered the character of the externally imposed forceful bondage of the Czechoslovakian people, and time will only tell whether the invasion of this small but proud nation will backfire in the face of the Kremlin policymakers.

Across the globe nations and free peoples everywhere are beginning to see through the thin veil masking Soviet imperialism and neocolonialism. It is only in Eastern Europe where the new Russian czars can station arms and troops, that freedom-loving peoples have been unable to throw off the yoke of Russian expansionism.

It is precisely for this reason that we must never forget the tragic circumstances of August 21, 1968, the Soviet Day of Shame. We must continue to put pressure on the Kremlin and constantly remind the Russian powerbrokers that this outrage perpetrated upon the free people of Czechoslovakia will not be forgotten and the issue will not fade away. The people of Czechoslovakia must be allowed to choose their own destiny. Détente otherwise is a sham.

Mr. Speaker, at this point I commend to our colleagues attention a statement of the Czechoslovak National Council of America detailing the Soviet Union's transgression of international law following its invasion of Czechoslovakia. The statement follows:

FREEDOM IS INDIVISIBLE

On this sad occasion of the eighth anniversary of the brutal Soviet-led invasion and occupation of peaceful and freedom-loving Czechoslovakia, we American citizens of Czech, Slovak and Subcarpatho-Ruthenian descent, again remind the entire world of this Soviet violation of key principles of international law incorporated into the Charter of the United Nations:

The brutal Soviet aggression and occupation:

(1) violated the sovoreignty of a member state of the United Nations (Article 2, Section 1);

(2) was carried out in violation of Article 2, Section 4, which prohibits the use of military force in the relations between individual members of the United Nations;

(3) violated the principle of self-determination of peoples (Article 1, Section 2);

(4) was in conflict with Article 2, Section 7, which prohibits outside intervention in matters essentially within the domestic jurisdiction of any state;

(5) was in conflict with a number of resolutions of the General Assembly of the United Nations, particularly with Resolution 2131 (XXI) adopted at the meeting of December 21, 1965, upon the Soviet Union's own motion, prohibiting any intervention in the domestic affairs of any state and guaranteeing its independence and sovereignty.

The continued Soviet occupation of Czechoslovakia is another crime against the right of a small country to determine its own destiny and aspirations. The invasion was an intervention by the forces of reactionary communism to prevent the Czechs and Slovaks from establishing their own social order that did not endanger anyone and sought to contribute to the building of bridges across the discords of a divided world and to lend aid to a better understanding and cooperation among all nations on the basis of true progress and humanity.

The people of Czechoslovakia have not resigned themselves to these aggressive plans of Moscow. The day of August 21, is being commemorated in Czechoslovakia as a Day of Soviet Shame in a mighty and disciplined resistance against Soviet pressure. We are joining our friends in Czechoslovakia in asking the entire civilized world to support the people of Czechoslovakia in their effort to achieve "The Withdrawal of Soviet Troops from Czechoslovakia."

Czechoslovak National Council
of America,
Chicago, Ill.

TRIBUTE TO TED COLEMAN—A FINE MAN

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, it is with enthusiasm and warmth that I praise the accomplishments of a leading citizen in South Pasadena, a city in the 26th Congressional District of California, which I represent. Ted Coleman retired this month as city manager in South Pasadena. This event does not seem particularly noteworthy unless taken in context with Ted's other attainments. At the age of 72, this was his second retirement; his first was in 1971 when he stepped down as president of the board of Coleman Systems. Following his successful career in the private sector, Ted Coleman took on the challenge to manage the city of South Pasadena just 4½ years ago. In summing up a tribute to the many contributions that Ted Coleman has made to his hometown, the members of the South Pasadena City Council stated:

> Whereas the most important legacy that a Manager leaves a city is the example that he sets—in summing up, we find in Ted Coleman an example of that best of all God's creations: a fine man.

Indeed, a fine man and an inspiring man. Just at a time in life when many of us begin to slacken our efforts, Ted Coleman spurs on with greater zeal. Following the presentation, he quipped:

> I've got two wonderful retirement parties, I can't wait to see what my third retirement party will be like.

Mr. Speaker, Ted Coleman's manifestation of the fullness of life and his commitment to his community sets a model for us all. His vigorous and persevering nature is characteristic of the kind of pluck and tenacity that built this great Nation and typifies the very spirit that we are commemorating in this year of America's Bicentennial celebration.

GOLD—ECONOMIC AND POLITICAL ASPECTS—1976

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, as this is written, there is considerable doubt whether the 94th Congress will have a chance to act on H.R. 13955, the Bretton Woods Agreement Act amendments, before it adjourns.

One of the principal issues involved in this legislation is the ratification of amendments to the Articles of Agreement of the International Monetary Fund. These amendments set forth a mechanism by which the fund is already proceeding to phase out the role of gold in the international monetary system. Pursuant to what the IMF considers to be its inherent authority to dispose of gold which member nations had previously contributed, the IMF has been gradually selling off one-sixth of its gold hold and has established a special trust fund to receive the proceeds of the gold sale and to use them to provide balance-of-payments assistance to lesser developed countries.

If Congress should adjourn without acting on this legislation, these issues will surely be considered again by the next Congress. It is in this connection that I wish to call to the attention of my colleagues a portion of a presentation by Mr. Frank P. Adams, a San Francisco attorney and officer of Mother Lode Gold Mines Consolidated.

Mr. Adams expressed his views in a talk which he gave before the Securities Regulation Round Table in San Francisco on June 14, 1976. The material which follows is inserted at the specific request of Mr. Adams:

* * * * *

CURRENT MONETARY EVENTS

There's an article that appeared in the financial page of the San Francisco Chronicle on June 7th, 1976. It's about how the U.S. creates more money and I suggest that you get it, read it and keep it. It is very revealing. We've heard recent talk about the IMF gold sales. Once again the anti-gold group is finding ways to try to drive the price down. In this morning's mail I read an issue of the Holt Executive Advisory commenting on the IMF gold sale and speculating on who bought the gold. It says, "Many hard-money oriented Central Banks have decided to increase their gold holding. So, the Bank of International Settlements and other private bidders bought some of the gold auctioned by the IMF early this month. Significantly among the successful bidders in the June 2d auction was an institution run by the Russian Government. According to the conventional wisdom, Russia is a large and persistent gold seller. This latest purchase has put this situation in an entirely new light. Moscow had not expected the IMF to leak out its identity."

Now, please recall that the International Monetary Fund (IMF) is an offspring organization of the Bretton Woods Agreement which established the dollar as the equivalent of gold. That fiction, of course, faded, when gold and the dollar ceased to be the same thing. The Bretton Woods Agreement and the International Monetary Fund are either actually, or shortly will be, merely historical organizations and events. What the successor will be is the Bank of International Settlements of Switzerland (the BIS), which Russia belongs to through a Swiss bank it controls.

THE CHANGE IN RUSSIAN GOLD PRODUCTION

Something has happened in the last couple of years involving gold and Russia. When I addressed you here at our Round Table two years ago I commented on the gold production of different nations. South Africa was at about 900 tons; Russia at about 200; Canada 50; and the United States 40. I have some current studies here from James Capel & Company, a London securities firm that does research on gold and gold mines. They estimate South African production as down to 700 tons in 1976 and Russia up to 300. I've read comment that others are now estimating Russian gold production at 400 tons a year. That's a doubling in Russia and about a 30% fall-off in South African production. It makes the U.S. money managers look foolish.

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There is a recent study by Consolidated Goldfields Limited showing data about the equipment in use by Soviet gold mines. The study gives 1970 figures and reflects 2,925 bulldozers and 149 gold dredges being used in gold mining. That's six years ago. When the gold dredging industry in the Western United States, mostly in California, was at its peak after the price went to $35 we had about 30 bucket-line gold dredges. There's an excellent article on California's gold dredges by the California Bureau of Mines in their bulletin for August, 1970. Some of those California dredges were big. They had 18-cubic foot buckets that ran at 22 buckets a minute. Work that out arithmetically and you can visualize a lot of ground being mined. They went as deep as 124 feet below the pond which was the deepest digging in the world at that time. Russia had a dredge several years ago capable of digging 162 feet. Russia has very extensive placer gold gravel deposits. The technique of mining it and the design of the machinery has come from the California dredging industry. Assuming that Russian gold mining technology, learned from us, is as good as the new Kama River truck factory, the largest in the world, you can expect large gold production in Russia. That it might surpass South Africa is quite thinkable. If the "insiders" in our government helped Russia finance a truck factory, isn't it thinkable they would help Russia with gold mining?

The Russian gold mining industry bought 18 large Holland made Cleaveland jigs last year, each of which will recover the gold from 300 cubic yards of placer ground per hour. That is enough gold recovery equipment to handle the production of 8 or 9 large California-type gold dredges. I doubt if they bought those large expensive pieces of equipment to put in a museum. Whatever we know about recent past gold production, we can assume there is an increased amount of it to come in the future.

THE EFFECT OF PRICE ON GOLD PRODUCTION

Some exploration geologists think that as the price of gold is raised, the quantity of available ore or placer deposits that might be mined goes up on a logarithmic scale. In other words, if the price of gold increases by a factor of 10, the available ore increases by a factor of 100, not 10. It's not surprising. Look at what oil we have in the world today. The quantity is a function of price. Britain will probably be an oil exporting nation in about two years. With the oil finds off the coast and in the North Sea, Denmark and Norway are oil exporters. What could we do at Prudhoe Bay with oil at a dollar a barrel? It would just stay there. So gold is like oil, gold is like coal, in that how much of it you can extract is a function of the price.

To have gold-backed currencies in the world, a gold-backed ruble, or a gold-backed pound, or a gold-backed dollar, as an international currency, you have to have the gold and you have to have to have the price up. When that happens, we will repeat the previous times in history when gold rescues nations from paper currency periods. It has always occurred with a higher price for gold. It never has occurred at the same price. Also a country always goes back to gold as a solution to money mismanagement by government.

RUSSIAN GOLD DOMINANCE AS A DEVICE FOR CONQUEST

"The Money Manager" published in New York in the issue of June 7, 1976, comments on Russia's current moves. Russia seems to be the dominant factor in the world in a military sense. Russia also wants to be the dominant factor in an industrial and economic sense. It would appear that the primary goal of Soviet policy in the current phase of history appears to be to subject the rest of the world to their way of thinking and their form of government. They look with some envy at the British century which was 1815 to 1914. Then the U.S. had its period of monetary dominance from the end of World War II to the recent oil crisis in 1973.

What this article in "The Money Manager" predicts is that Russia wants to be the next in line to have a dominant currency, a dominant economy and a dominant military position in the world. This is demonstrated by the buildup of their Navy to such an amazing extent. The Soviet tactic involving monetary gold in the Soviet grand strategy may be sort of a British type gold standard administered from Moscow, serving the economic and political goals of the Russians. Once that is accomplished the transformation of the economies of various other nations to the Soviet model will be expected to follow almost automatically.

Given the present strategic and political situation in the non-Soviet world, a sudden armed attack on Russia is a near zero possibility. The Soviet effort does not stop with grain deals. The Soviet economic planning is around gold, of which the Soviets are potentially the largest producers in the world and of which they still have an undisclosed but probably very large reserve. The Soviet plan is to corner the world market in gold and then raise the price to a multiple of what it is now. Say $500 an ounce, maybe even more. Then have the Russian Gossbank own the overwhelming percentage of it, like the Bank of England did in its dominant time, and the Federal Reserve System and the U.S. Treasury did in the dominant time of our country. The Soviets then would make the ruble convertible for external purposes and try to induce all countries to keep their reserves in Moscow and use their Gossbank to clear international business expressed in convertible rubles. This would make the ruble the dominant currency and the terms of trade would favor the dominant currency. This was certainly what happened when the pound was the dominant currency and during the period when the dollar was the dominant currency. The latter was demonstrated by Bretton Woods.

A COURSE OF ACTION FOR THE UNITED STATES

Having observed what is a probable plan of conquest by the Russians, the question comes to mind, "What can we do about it for the United States?"

There is an answer.

What Russia wants either through force and coercion, or by agreement in a cartel, is that they get South Africa's gold production into their economic camp. It doesn't have to be a military alliance. What Russia has to do at least is to make a cartel which puts the price of gold at a substantially high price, like $500 an ounce, and get South Africa to agree to not sell for less than that. Then the orientation will be towards gold-backed currencies the world over. It's trending that way now.

However, that's a game that the U.S. can play too. If we in the United States drop our factually unfounded and emotional negative attitudes towards South Africa and take a good look at the geo-politics of it, and the economics of it, we find that South Africa should be, and could readily become, a very good friend. We have common language bonds, there are a lot of cultural similarities; they have to make some adaptations to meet the interests of some people in this country, but still it's not impossible. South Africa needs arms to defend themselves and we need their gold. We help Iran in exchange for high priced oil, and we help Israel in exchange for a buffer to Russia. Why not an alliance with South Africa for which we have to make no gifts? We sell arms to South Africa for high priced gold, just as we sell arms to Iran for high priced oil. Both are worth it for multiple reasons.

The attacks we read of against South Africa, both verbal and economic, may well be the result of a thinly disguised propaganda effort by Russia in much the same way that the Russians fought the recent war in Southeast Asia by propaganda fed to the American people to weaken them. Let's be suspicious for a change. Bear in mind that there are 66 ships per day passing the tip of South Africa. This is commerce that is absolutely vital to Western Europe, Japan and the United States.

While Russia has a huge potential in certain types of gold mines, according to existing information, there is still a great potential for gold mining in the United States. It awaits only the arrival of the higher gold price to justify re-opening of many mines in this country.

So the path is clear. We must make an economic, military and political alliance with South Africa before Russia does. We must return soon (as we inevitably will) to a gold-backed money system at a higher gold price before Russia achieves world economic dominance with a gold-backed ruble.

We have achieved the economic adjustment of the price of oil going from $1 a barrel to $11 a barrel which helps Iran and the OPEC countries. With less difficulty we could adjust the price of gold from $35 to $350 per ounce. If this helps South Africa, let it be so. We need its friendship much as we need the friendship of Iran. If it helps Russian, we can put Russia on a cash basis (as we do now with Iran and South Africa). We would be getting paid for what we give Russia rather than just making gifts of wheat, truck plants, etc., or financing their acquisitions with such long-term credit at such low rates that it amounts to a gift. Of course, this would require a change in the policies of the U.S. Treasury and the U.S. State Department. That's good. Let's make those changes. A cash-on-the-barrelhead way of dealing with all Communist countries as we now deal with our natural allies Germany, Japan, Iran and South Africa, seems logical.

Where will it end up? It will end up, as it always has in other countries that use money that is no more than a politician's promise. It will end up with the re-affirmation of the Monetary Gold Rule—"He who has the gold makes the rules."

WHERE QUIET DESPERATION REIGNS

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, the adjournment of the 94th Congress will have the unfortunate side effect of preventing Congress from acting to disapprove the granting of most-favored-nation treatment to the Communist government of Rumania under the provisions of the Trade Reform Act of 1974.

This development should be of great concern to all Members who have worked hard to insure that MFN treatment would not be extended to any nonmarket economy country which denies its citizens the right to emigrate. Our efforts have been made on behalf of persons of all nationalities and religious beliefs who continue to live under oppressive Communist regimes which deny them even the most basic civil liberties.

Despite all of the hopeful rhetoric which has been associated with the subject of "détente," or "relaxation of tensions" most of the available evidence on actual living conditions in Communist countries indicates that they have deteriorated significantly since the advent of "détente" and the signing of the Helsinki accords.

Eloquent testimony of the lack of progress toward the expansion of human rights in Rumania was provided by Mrs. Juliana G. Pilon, who recently visited her native Romania and reported on her experiences in an article which appeared in the February 20, 1976, edition of National Review.

The text of the article follows:

WHERE QUIET DESPERATION REIGNS

(By Juliana G. Pilon)

The impressions most Americans have of Rumania (apart from Dracula, Frankenstein, and assorted vampires) come from the media, which have lately been reporting that the little Latin oasis in the Balkans is taking an "independent" stand from the Soviet Union on such issues as participation in Comecon (the East European EEC), the Soviet invasion of Czechoslovakia, and the correct posture toward Israel. This has led many to believe that Rumania is becoming "freer," and that the Communist monolith is indeed a myth of the cold war. And who can fault the average American, in this era of an extraterrestrial handshake, for failing to scrutinize this image? Detente in space must surely mean detente on earth.

I had not returned to Rumania since the day in 1961 when I left with my parents (who had been trying to emigrate for 17 years). I was anxious to revisit the land of my childhood, to compare impressions of my adolescent years with present reality. Talking to other Rumanian expatriates over the intervening decade had hardly led me to fantasize: I knew that Rumania had not become a land of milk and honey; not even of bread and margarine. But what I found was disquieting beyond expectation. Rumania is providing us, to use a phrase of Solzhenitsyn's, with "lessons from the future."

A preliminary note: every Rumanian who comes into contact with any Westerner must report not only that he has met and conversed with a foreigner but what they discussed as well. The secret police are everywhere; many such discussions have been taped. Given that Rumanian authorities have a record of everyone who talked to me at any length during my stay in the country, I must be discreet. And so I will relate here what I saw myself rather than what I was told.

I was struck by the poor condition of many of the quaint French-style buildings which had once earned Bucharest the title "the Paris of the Balkans." But the new buildings—almost exclusively high-rises—were even shabbier, certainly more cheaply constructed. A government tourist brochure or an American TV camera might, from a distance, convey the impression of "progress," missing the reality altogether. Flowers along some main roads helped the general appearance, but this was veneer; the parks beyond the tourist centers were overgrown with weeds. Dirt, neglect, decay—Bucharest has aged badly under Communism.

I tasted its warm soft drinks, rode its steaming buses (instead of Pepsi-Cola, we should have exported Right Guard), lost money in its few but invariably inoperative public telephones, was followed by it ubiquitous special agents. I brought home to America memories of the inconveniences, the plain irrationality of Communist life.

In the West we take it for granted that shopkeepers are in business to do business, that they are anxious—sometimes excessively anxious—to do so. Not in Rumania. A foreigner may not be unceremoniously invited to leave a store, but it happens frequently to native Rumanians. On several occasions the salesman (shopkeepers are rare) flatly refused to serve me on the ground that the merchandise I was asking for was unavailable; he would be outraged when I pointed to the item in question. At other times he would let me wait for another salesman who, for reasons unknown, would never appear. The frustration surrounding the simple act of trying to buy something brought home how Westernized my expectations had become. But without the incentive to work—the pay is the same whether a sale is made or not made—why should the salesman be anxious to satisfy the customer? His employer—the government—will not go out of business. Next time you might go to another store and leave him alone.

FOR SALE

Or better, you might offer him a bribe. With many items—notably clothing—it is hard to find what you want without bribes. Even for such services as medical care bribes help; they will often persuade the doctor to examine you a bit more carefully before writing your prescription. Which should hardly be wondered at: doctors earn about $8 a day—an average salary—while rent is about $30 to $50 a month and a pound of boneless beef costs about $3. (So much for free medical care.) Almost anything is for sale, in one way or another: entrance to a university or vocational school, a better job, a reservation at some Black Sea hotel. (In this classless society such hotels are segregated into four classes: for Rumanian not belonging to the Party, Rumanian Party members, tourists from other Communist countries, and Westerners.)

BRIBES AND BOOTLEGGERS

So a familiar (but too little heeded) first lesson from the future: eliminate incentive, eliminate the market, and a black market will return—through the back door. The economy is not thereby revitalized: central planning has already done more harm than could ever be corrected by these feeble (and illegal) attempts to reintroduce incentive. Controls create shortages—there are lines for everything from oranges to fabrics. But bribes do not stimulate production, as higher prices do in a genuine market, so shortages persist.

Shortages persist for most Rumanians, that is, but not for the aristocracy, the dictators of the proletariat, with their special privileges: special hospitals, special cars, special status in society.

When you impose egalitarianism, inequality re-enters by way of special treatment. Not for the best and the brightest, necessarily, but for the "ins" at the expense of the "outs." Most people in Rumania live in very crowded conditions (the average living space of one hundred square yards per household has resulted in the unsightly partitioning of old homes and apartments, in bloody quarrels among strangers sharing kitchens, and in married thirty-year-olds living with parents), but the new aristocracy lives in sumptuous old mansions. The elimination of differences in wealth as resulted in a polarity of opportunity: the "cans" versus the "cannots."

These day-in and day-out realities are, in the ultimate reckoning, relatively unimportant. The truly haunting image from Rumania is of the mind and soul. It is a picture of quiet desperation. Harassment, fatigue, fear, hunger, and boredom are gradually taking their toll. Even the children are tired. And little wonder, when their summers—there being no child labor laws—are spent doing "voluntary work" on such hard labor as construction. There are 16-year-olds engaged "voluntarily" in building those shabby new dwellings.

The sense that hope is fading is inescapable—certainly there is little hope for salvation from America. Rumanians have come to accept the reality of détente, which they see to be increasingly working to the advantage of their oppressor, Russia. Not that they do not continue to love America. They love it in spite of (often because of) the official propaganda against it: while envying us our wealth and despising us for our naïveté, while realizing that we are, indeed, becoming weaker, Rumanians continue to love America.

NOW, NO HOPE

This belief, then, that no help is in sight constitutes the most striking change over what I remembered from 14 years ago. It is due in part to the unquestionably greater availability of foreign news and, therefore, more realistic appraisal of the world situation. Rumanians are not forbidden to read publications such as *Le Monde* and *Paris Match;* they listen to Radio Free Europe religiously, though information obtained from such capitalist sources cannot be openly discussed or commented upon. Even Solzhenitsyn is widely read, mostly in French editions. (All of which raises a little-noted point: the "free exchange of ideas" is useful only to those who have at least a chance of seeing these ideas applied. Otherwise, it results in further frustration.) And they understand. They understand that the West isn't learning anything from the East, indeed is increasingly unwilling to learn. With great personal sadness, then, I had to conclude that Solzhenitsyn was right about the Third World War: South Vietnam is one victim, Rumania another.

Coming back to the States it seemed as if I had awakened from a bad dream. After beholding the land of shadows, like Plato's philosopher, one must begin to get used to the light. Yet amidst the health and joy of people here going about their business, there are echoes of another world. Obsession with "extensive" CIA buggings, consumer protection agencies, controls on oil, wheat deals . . . The dream refuses to go away. The Helsinki Conference—travesty, insult. The Hollow Men are whining, whimpering.

HOUSING COSTS—AND WHAT IS PUSHING THEM UP

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, when the new Congress convenes next January, it is my hope that the Housing Subcommittee, on which I serve, will take a close look at the forces and factors which have made it increasingly difficult for a family of average means to afford to buy an average-priced house.

I would like to bring to the attention of my colleagues an article by Larry Maatz which appeared in the April 18, 1976, edition of the San Francisco Examiner. The article cited statistics which showed that between 1965 and 1975, the cost of construction for an average bay area home increased from $15,405 to $34,954, and the cost of land increased from $4,600 to $12,000. The overall cost of an average middle-class home more than doubled, from $21,000 to $50,000.

The article follows:

HOUSING COSTS—AND WHAT IS PUSHING THEM UP

(By Larry Maatz)

A dollar isn't a dollar anymore—at least not when it's paying for a house.

As a matter of fact, based on 1965 prices, it's worth about 42 cents.

But, then, you probably know that—if you've been looking for a new home lately. What you may not know is why.

Inflation, that grand hobgoblin of the American economy, is in large part responsible, as are environmental pressures.

So, also, are you, but that's a story in itself.

Let's start with inflation—the effect of rapidly increasing labor and material costs on plain, raw, construction cost.

Here we're on pretty firm ground, thanks to the Bank of America's appraisal department. Some time ago, they developed a set of specifications for what they term a "medium quality dwelling," and have, at regular intervals over the years, put those specifications out to bid with local contractors and suppliers.

The specifications they use as a benchmark—the "medium quality dwelling"—calls for a three-bedroom, single family detached house with attached double garage and 1,395 square feet of living area. The house contains a living room, family room, kitchen and nook; exterior finish is stucco with minor wood ornamentation and cedar shake roofing, floors are oak in living room, bedrooms and halls, linoleum in family room, kitchen and bathrooms; heating is forced air, built-ins include a garage disposal, bathrooms include one tub with shower above and one stall shower.

All in all, a rather typical, middle-class, Bay Area dwelling. But look at the increase in cost over the years.

As the graph (not printed) shows, raw construction costs have more than doubled in the past ten years—that middle-class house that cost $15,405 to build in 1965, moved up to $21,569 by 1970, and to $34,954 by 1975, an increase of some 227 per cent.

Why? Who got the increase?

Everybody got it, or a piece of it, anyway.

Labor costs, which represent about 25 percent of the raw construction costs have been rising at about nine to ten per cent a year for the past ten years.

The cost of lumber, both rough and finished, has about doubled in just the last five years—the lumber that represented $2,000 of the cost of our sample benchmark home in 1970 costed out at nearly $4,000 in 1975.

Everything else has moved up apace. Even the mundane parts of the package like patios, driveways and walks have taken a healthy hike—they cost 70 cents a square foot to lay just five years ago, now they cost $1.10 a square foot.

And we haven't even begun to consider land. A quick look at the graph shows that the cost of a finished lot has almost tripled in the past ten years.

Here's where we're paying the piper for our concern for the environment. Regardless of what side of that issue you're on, there's no denying that our concern is costing us—plenty.

Land costs, according to Bill Leonard, executive director of the Associated Building Industry of the Greater Eastbay, are split into three parts: the cost to the developer of the raw, unimproved acreage, the cost of his off-site improvements (streets, storm sewers, sanitary hookups, street lights, fire hydrants, etc.), and municipal hook-up fees.

In 1965, those costs would have broken down this way, according to Leonard raw land would have cost the developer in the neighborhood of $8,000 per acre, and zoning in most communities at that time would have allowed approximately five lots per acre. Off-site improvements at 1965 prices would have averaged out to about $50 per lot-frontage foot, with the five-lot-per-acre distribution allowing about 50 frontage feet. Municipal hook-ups—the so-called "bedroom" fees now often used to discourage development—at that time would have averaged about $500 per lot. Total lot cost: $4,600.

By 1970, zoning restrictions—reflecting the desire of many communities to reduce population density—had reduced the number of lots per acre to 4.5 per acre, and the cost of raw land had jumped to $10,000 per acre. Off-site improvements had increased to $60 per frontage foot with the decreased density increasing the lot frontage to an average of 60 feet. Municipal hook-up fees were now costing about $1,000 per lot. Total lot cost: $7,100.

By last year, additional zoning restrictions had again reduced the density, now to four lots per acre, while raw land costs had taken a massive jump to $16,000 per acre. Off-site improvement costs were now up to $70 per foot, with the larger lots increasing the frontage to about 70 feet. Municipal hook-up fees are now up to an average of $3,000 according to Leonard. (The latter is an average only, Leonard says, with fees running as high as $5,400 in Livermore, near $4,000 in San Jose and as low as $2,100 in Oakland). Total lot cost now: $12,000.

Tack the land cost on to the construction cost, add an average of six per cent for sales costs, and you see what the last ten years have done to that typical middle-class home.

In 1965, you would have paid a little over $21,000 for the package. By the end of last year, that same package would have come in at just a hair under $50,000. That "middle class" home has been quite upwardly mobile.

The builders don't seem to be getting any richer, but the buyer—you—most certainly seems to be feeling poorer. And, curiously, enough, you're one of the problems. Because, on top of all the rest of it, what you're demanding as a suitable "middle-class"—dwelling has changed in the last ten years—pushing the cost even higher.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

The bells will be rung 15 minutes prior to the reconvening of the House.

Accordingly (at 9 o'clock and 15 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 30 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 1119. Joint resolution to provide for the convening of the first session of the 95th Congress.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 2548. An act to revise and extend the authorizations of appropriations in provisions of title XII of the Public Health Service Act relating to emergency medical services systems, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 2742. An act to dedicate the Chesapeake & Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States.

The message also anounced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1142. An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund trusts;

H.R. 1144. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations; and

H.R. 13500. An act to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities.

The message also announced that the Senate has passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2910. An act to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases; and

S. Con. Res. 211. Concurrent resolution providing for adjournment of the Congress.

LEGISLATIVE PROGRAM FOR BALANCE OF THE EVENING

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished acting majority leader, the gentleman from California (Mr. McFall) as to the program for the rest of the session of the 94th Congress.

Mr. McFALL. If the gentleman will yield, I will be glad to provide that information.

Mr. RHODES. I am happy to yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, in reply to the inquiry of the gentleman from Arizona, let me say that we will first take up the adjournment resolution which is at the desk and then the routine resolutions associated with adjournment, some 10 of them.

Then we will take up the following matters:

S. 2742, William O. Douglas Park, to concur in Senate amendments.

Then there are three small tax bills:

H.R. 1144, tax on social clubs, concur in Senate amendment.

H.R. 1142, cemetery trust funds, concur in Senate amendment.

And H.R. 13500, public charities, concur in Senate amendments.

The gentleman from Oregon, Mr. Ullman, is here and is ready to handle them.

We will then follow that with two bills on public health that the gentleman from Florida (Mr. Rogers) is here and ready to handle, which are S. 2910 on arthritis and diabetes and S. 2548, emergency medical services, concur in Senate amendment to House amendments.

We are also waiting for the rivers and harbors conference report. They reached an agreeemnt at 9 o'clock and their staff said it would take perhaps a little more than 2 hours to get the papers together. It must go first to the Senate and be acted on in the Senate, and then it will be here.

That is the program for the balance of the session.

Mr. RHODES. Does the gentleman have any prognosis as to the probable fate of that conference report in the Senate? Will there be protracted debate, or will it be handled expeditiously, or does the gentleman know?

Mr. McFALL. We do not know. We will be contacting the acting majority leader of the Senate, Mr. Byrd, in the next few minutes to get his prognosis on what may happen over there.

Mr. RHODES. I thank the gentleman.

PROVISION FOR SINE DIE ADJOURNMENT

The SPEAKER laid before the House the Senate concurrent resolution (S. Con. Res. 211), providing for a sine die adjournment of the Congress on Friday, October 1, 1976.

The Clerk read the title of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 211

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Friday, October 1, 1976, and that when they adjourn on said day, they stand adjourned sine die.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT OF COMPLETION OF BUSINESS

Mr. McFALL. Mr. Speaker, I offer the following privileged resolution (H. Res. 1598) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1598

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United

States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to notify the President the gentleman from California, Mr. McFALL, and the gentleman from Arizona, Mr. RHODES.

REVISED EDITION OF RULES AND MANUAL OF THE HOUSE OF REPRESENTATIVES, 95TH CONGRESS

Mr. McFALL. Mr. Speaker, I send to the desk (H. Res. 1599) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution as follows:

H. RES. 1599

Resolved, That a revised edition of the Rules and Manual of the House of Representatives for the Ninety-fifth Congress be printed as a House document, and that 2,000 additional copies shall be printed and bound for the use of the House of Representatives, of which 700 copies shall be bound in leather with thumb index and delivered as may be directed by the Parliamentarian of the House for distribution to officers and Members of Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF REPORTS OF COMPTROLLER GENERAL OF THE UNITED STATES AS HOUSE DOCUMENTS OF 94TH CONGRESS

Mr. McFALL. Mr. Speaker, I send to the desk (H. Res. 1600) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution as follows:

H. RES. 1600

Resolved, That, notwithstanding the sine die adjournment of the House, reports of the Comptroller General of the United States made to the Congress pursuant to the Government Corporation Control Act (31 U.S.C. 841 et seq.) shall be printed during such adjournment as House documents of the second session of the Ninety-fourth Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE, AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the House the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the 94th Congress, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING PRINTING OF REPORTS OF COMMITTEES AUTHORIZED TO CONDUCT INVESTIGATIONS OR DIRECTED BY LAW OR RESOLUTION TO REPORT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations, or by committees directed to report by law or by resolution, may be printed by the Clerk as reports of the 94th Congress.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE TO EXTEND TO THE SPEAKER, THE MAJORITY LEADER AND THE MINORITY LEADER OF THE HOUSE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Speaker of the House, the majority leader, and the minority leader, be authorized to revise and extend their remarks in the RECORD on the accomplishments of the 94th Congress.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE FOR EXTENSION OF REMARKS UNTIL PUBLICATION OF LAST EDITION OF CONGRESSIONAL RECORD

Mr. McFALL. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR CHAIRMEN AND RANKING MINORITY MEMBERS OF STANDING COMMITTEES AND SUBCOMMITTEES TO EXTEND REMARKS AND INCLUDE SUMMARIES OF WORK OF COMMITTEES UNTIL PUBLICATION OF LAST RECORD

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the chairman and ranking minority member of each standing committee and each subcommittee thereof be permitted to extend their remarks in the RECORD, up to and including the last publication thereof, and to include therewith a summary of the work of that committee or subcommittee.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REVISING AND EXTENDING AUTHORIZATIONS OF APPROPRIATIONS OF PUBLIC HEALTH SERVICE ACT

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2548) to revise and extend the authorizations of appropriations in provisions of title XII of the Public Health Service Act relating to emergency medical services systems, and for other purposes, with the Senate amendment to the House amendment, and concur in the Senate amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text of the bill, insert:

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Emergency Medical Services Amendments of 1976".

(b) Except as otherwise specifically provided in this Act, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

DEFINITIONS

SEC. 2. Paragraphs (4) and (5) of section 1201 are amended to read as follows:

"(4) The term 'section 1521 State health planning and development agency' means the agency of a State designated under section 1521(b)(3).

"(5) The term 'section 1515 health systems agency' means a health systems agency designated under section 1515, and the term 'health systems plan' means a health systems plan referred to in section 1513(b)(2).".

STUDY AND PLANNING GRANTS

SEC. 3. (a) Section 1202 is amended—

(1) by inserting "(1)" in subsection (a) after "(a)";

(2) by striking out "projects" in subsection (a) and all that follows through "such a system" and inserting in lieu thereof "projects which include both studying the feasibility of and planning (A) the establishment and operation of an emergency medical services system, (B) the expansion and improvement of such a system, of (C) both";

(3) by redesignating subsection (b) as paragraph (2) of subsection (a);

(4) by striking out "this section" each place it appears in paragraph (2) (as so redesignated) of subsection (a) and inserting in lieu thereof "paragraph (1)"; and

(5) by inserting after subsection (a) the following new subsection:

"(b) (1) The Secretary may make a grant to or enter into a contract with an eligible entity (as defined in section 1206(a)) with respect to an emergency medical services system for the purpose of enabling the entity—

"(A) to study the feasibility of, or plan for, the expansion and improvement of such system to provide for the use in such system of advanced life-support techniques, or

"(B) if such system is the system of a State for which system a study and planning grant or contract has been made or entered into under subsection (a) and if the entity is that State, to update the plan of such system to improve the delivery of emergency medical services in rural areas and to medically underserved populations of the State.

"(2) If the Secretary makes a grant or enters into a contract under paragraph (1) respecting an emergency medical services system for a particular geographical area, the Secretary may not make any other grant or enter into any other contract under paragraph (1) respecting such system, or respecting any other such system for the same area or for an area which includes (in whole or substantial part) such area."

(b) Section 1202 is amended—

(1) by amending subsection (c) to read as follows:

"(c) An eligible entity which has received a grant from or entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of such grant or contract not later than one year after the date the grant was made or the contract was entered into, as the case may be.";

(2) by amending paragraph (1) of subsection (d) to read as follows:

"(1) demonstrate to the satisfaction of the Secretary the need of the area for the emergency medical services system for which the application is made;";

(3) by amending clause (A) of subsection (d) (3) to read as follows: "(A) with each section 1515 health systems agency whose health systems plan covers or will cover (in whole or in part) such area, and"; and

(4) by adding at the end thereof the following new subsection:

"(f) The Secretary may not obligate or expend in any fiscal year for grants and contracts made or enter into under subsection (b) (1) an amount greater than 50 per centum of the sums appropriated in such year for grants and contracts made or entered into under this section.".

INITIAL OPERATION AND ESTABLISHMENT GRANTS

SEC. 4. Section 1203 is amended—

(1) by inserting "at least" in subsection (c) (2) before "nine months' ", and by striking out "his" in such subsection and inserting in lieu thereof "its";

(2) by striking out "June 30, 1976" in subsection (c) (3) and inserting in lieu thereof "September 30, 1979"; and

(3) by adding at the end thereof the following new subsections:

"(d) A grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless the entity submits with its application for such grant or contract assurances of the participation in and support of the system by the public, private, and volunteer organizations and entities which are associated with and involved in activities essential to the effective provision of emergency medical services in the system's service area.

"(e) (1) A first grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless the entity submits with its application for such grant or contract assurances, from the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial portion of the population residing in such area, of each such bodies, support of and cooperation with the system.

"(2) A second grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the Secretary has made the required determination under subsection (c) (2);

"(B) the application for such grant or contract includes specific plans for the step-by-step achievement of compliance with each of the requirements of section 1206(b) (4) (C) within the period specified in section 1206(b) (4) (B) (i); and

"(C) the application for such grant or contract includes assurances, evidenced by copies of formal resolutions, proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, of such bodies'—

"(i) continued support and cooperation with the system, and

"(ii) financial support of the system, in the year after the conclusion of the period of support under the grant or contract, sufficient to maintain the system at the level at which such system is to be maintained during the period of the grant or contract.

"(f) An eligible entity which has received a grant from or has entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of grants made to or contracts entered into with the entity under this section not later than one year after the completion of the second such grant or contract under this section.".

EXPANSION AND IMPROVEMENT GRANTS

SEC. 5. Section 1204 is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) (1) Each grant or contract for a project under this section shall be made for the project's costs of expansion and improvement in the year for which the grant or contract is made or entered into. If a grant or contract is made or entered into under this section for a system, the Secretary may make one additional grant or contract for that system if he determines, after a review of at least the first nine months' activities of the applicant carried out under the first grant or contract, that the applicant is satisfactorily progressing in the expansion and improvement of the system in accordance with the plan contained in its application (pursuant to section 1206(b) (4)) for the first grant or contract.

"(d) (1) A grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the application for such grant or contract includes specific plans for the step-by-step achievement or compliance with each of the requirements of section 1206(b) (4) (C) within the period specified in section 1206(b) (4) (B) (i); and

"(B) the application for such grant or contract includes assurances, evidenced by copies of formal resolutions, proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, of such bodies'—

"(i) support and cooperation with the system, and

"(ii) endorsement and support of a specific financial plan which provides for the maintenance of the financial support of the system, after the conclusion of the period of the grant or contract, at the level required to maintain the level of expanded or improved activity to be achieved during the period of the grant or contract.

"(2) a second grant or contract may not be made to or entered into with an entity under this section with respect to an emergency medical services system unless—

"(A) the Secretary has made the required determination under subsection (b) (1), and

"(B) the application for such grant or contract includes assurances, of the executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population residing in such area, that substantial progress is being made towards achieving the financial support to implement the plan described in paragraph (1) (B) (ii).

"(e) An eligible entity which has received a grant from or has entered into a contract with the Secretary under this section shall submit to the Secretary and the Interagency Committee on Emergency Medical Services (established under section 1209) a report on the results of such grant or contract at such intervals as the Secretary may prescribe, and shall submit to the Secretary and such Committee a final report on the results of grants made to or contracts entered into the entity under this section not later than one year afer the completion of the second such grant or contract under this section.".

RESEARCH GRANTS

SEC. 6. Section 1205 is amended—

(1) by inserting "and enter into contracts with"' in subsection (a) before "public";

(2) by inserting "and especially research which emphasizes the identification and utilization of techniques and methods to apply the results of such research to improve the delivery of emergency medical services in such areas" in subsection (a) after "in rural areas";

(3) by inserting at the end of subsection (c) the following new sentence: "Such reports shall contain recommendations and a plan of action for applying the results of the research assisted by such grant or contract to improve the delivery of emergency medical services."; and

(4) by adding at the end thereof the following new subsection:

"(d) (1) Before any grant or contract may be made or entered into by the Secretary under this section the Secretary shall consult, concerning such grant or contract, with the identifiable administrative unit described in section 1208.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. (a) Subsection (a) of section 1207 is amended—

(1) by striking out "and" after "1974," and inserting after "1975" the following: ", $35,000,000 for the fiscal year ending June 30, 1976, $5,083,000 for the period beginning July 1, 1976, and ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $55,000,000 for the fiscal year ending September 30, 1978";

(2) by striking out "for the fiscal year ending June 30, 1976, there are authorized to be appropriated $70,000,000" and inserting in lieu thereof", there are authorized to be appropriated $70,000,000 for the fiscal year ending September 30, 1979"; and

(3) by adding at the end thereof the following new paragraph:

"(2) No regulation, guideline, funding priority, or application form shall be established under this section without the full participation in the development of such regulation, guideline, priority, or form, by the identifiable administrative unit described in section 1208."

GENERAL PROVISIONS

SEC. 7 Sction 1206 is amended—

(1) by inserting "(A)" in subsection (b) (1) before "No grant";

(2) by inserting after subsection (b)(1) the following new subparagraph:

"(B) No applicant may receive more than a total of five years of grant or contract assistance under this part, except that, in determining the number of years of grant or contract assistance which an applicant received under this part, the Secretary shall not include any period during which the applicant received grant or contract assistance under section 1202(b)(1) or section 1205";

(3) by amending clauses (i) and (ii) of subsection (b)(3)(D) to read as follows:

"(i) section 1521 State health planning and development agency of each State in which the service area of the emergency medical services system for which the application is submitted will be located, and

"(ii) section 1515 health systems agency whose health systems plan covers or will cover (in whole or in part) the service area of such system,";

(4) by striking out "An" in subsection (b)(4)(A) and inserting in lieu thereof "No", and by striking out "not" after "section 1203 or 1204 may" in such subsection;

(5) by inserting "the respective section and of" in subsection (b)(4)(A)(i) after "requirements of";

(6) by striking out "(A)" in subsection (b)(4)(B)(i) and inserting in lieu thereof "(C)";

(7) by striking out "the period of the grant or contract for which application is made" in subsection (b)(4)(B)(i) and inserting in lieu thereof "the total period of eligibility for assistance under the section for which the application for assistance is made";

(8) by striking out "and" before "(III)" in clause (iii) of subsection (b)(4)(C), and by inserting before the semicolon at the end of such clause the following: ", (IV) will have the capability to communicate with individuals having auditory handicaps and to communicate in the language of the predominant population groups with limited English-speaking ability in the system's service area, and (V) makes maximum use of communications equipment and systems acquired under any highway safety program approved under chapter 4 of title 23, United States Code, and of such equipment and system acquired under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701 et seq.)";

(9) by inserting "(making maximum use of vehicles acquired under any highway safety program approved under chapter 4 of title 23, United States Code)" in subsection (b)(4)(C)(iv) after "include";

(10) by striking out "standardized" in subsection (b)(4)(C)(xi) and inserting in lieu thereof "coordinated";

(11) by amending clause (xiii) of subsection (b)(4)(C) to read as follows:

"(xiii) provide the Secretary with such information as he may require to conduct periodic, comprehensive, and independent reviews and evaluations of the extent and quality of the emergency health care services provided in the system's service area, and submit to the Secretary the results of any review or evaluation which may be conducted by such system of the extent and quality of the emergency health care services provided in the systems' service area;";

(12) by striking out "section 1207 or title VII" in subsection (e) and inserting in lieu thereof "section 301, title IV, title VII, section 1207, or section 1221";

(13) by striking out "1207" in clause (1) of subsection (e) and inserting in lieu thereof "1207(a)";

(14) by inserting "(other than basic training of emergency medical technicians, training of paramedics, and short-term specialized training or retraining of physicians, nurses, and other health care professionals)" in subsection (f)(2) after "training program";

(15) by inserting "(A) has" in subsection (f)(2) after "unless the applicant"; and

(16) by inserting before the period at the end of paragraph (2) of subsection (f) the following: ", or (B) has demonstrated to the satisfaction of the Secretary that the filing of such an application would be futile or unreasonably burdensome".

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. (a) Subsection (a) of section 1207 is amended—

(1) by striking out "and" after "1974," and inserting after "1975" the following: ", $35,000,000 for the fiscal year ending June 30, 1976, $5,083,000 for the period beginning July 1, 1976, and ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $55,000,000 for the fiscal year ending September 30, 1978";

(2) by striking out "for the fiscal year ending June 30, 1976, there are authorized to be appropriated $70,000,000" and inserting in lieu thereof ", there are authorized to be appropriated $70,000,000 for the fiscal year ending September 30, 1979"; and

(3) by adding at the end thereof the following new paragraph:

"(5)(A) Of the sums appropriated under paragraph (1) for the fiscal year ending September 30, 1977, and for the succeeding fiscal year, at least 2½ per centum but not more than 5 per centum of such sums for each such fiscal year shall be used for grades and contracts under section 1202.

"(B) Of the sums appropriated under paragraph (1) for the fiscal year ending September 30, 1977, and for each of the two succeeding fiscal years, (i) not less than 20 per centum of such sums for each such fiscal year shall be used for grants and contracts under section 1203, and (ii) not less than 20 per centum of such sums for each such fiscal year shall be used for grants and contracts under section 1204.".

(b) Section 1207(b) is amended by striking out "two" and inserting in lieu thereof "five".

ADMINISTRATION

SEC. 9. Section 1208 is amended to read as follows:

"SEC. 1208. (a) The Secretary shall administer the program of grants and contracts (except for grants and contracts under section 1205) authorized by this part through an identifiable administrative unit specializing in emergency medical services within the Department of Health, Education, and Welfare.

"(b) Such administrative unit shall—

"(1) be responsible for collecting, analyzing, cataloging, and disseminating all data useful in the development and operation of emergency medical services systems, including data derived from reviews and evaluations of emergency medical services systems assisted under sections 1202, 1203, and 1204;

"(2) publish suggested criteria for collecting necessary information for the evaluation of projects and programs funded under this title;

"(3) participate fully in the development of regulations, guidelines, funding priorities, and application forms relating to activities carried out under sections 776, 1205, and 1221;

"(4) be consulted in advance of the awarding of grants and contracts under sections 776, 1205, and 1221;

"(5) be consulted in advance of the issuance of regulations, guidelines, and funding priorities relating to research or training in the area of emergency medical services carried out under any other authority of this Act;

"(6) provide technical assistance (with special consideration for applicants in rural areas) and monitoring with respect to grant and contract activities under sections 1202, 1203, 1204, and 1221; and

"(7) provide for periodic, independent evaluations of the effectiveness of, and coordination between, the programs carried out under this part and the programs carried out under sections 776 and 1221.

"(c) In addition, such administrative unit shall, through the Interagency Committee on Emergency Medical Services (established under section 1209)—

"(1) study on a continuing basis (including evaluating the adequacy, technical soundness, and redundancy of) the roles, resources, and responsibilities of all Federal programs and activities relating to emergency medical services;

"(2) annually update (A) the Federal emergency medical services funding and resource-sharing plan, (B) the description of sources of Federal support, and (C) the recommended uniform standards with respect to emergency medical services equipment and training, all initially developed and published by the Committee under section 1209(b);

"(3) make recommendations to the Secretary respecting steps he might take, using the authorities available to him, to encourage States to implement the recommended uniform standards described in paragraph (2)(C); and

"(4) make recommendations to the Secretary respecting the administration of, and regulations under, the programs of grants and contracts under this title.

Such unit shall report to the Congress the results of studies made under paragraph (1). The first such report shall be made not later than June 15, 1977, the second such report shall be made not later than February 1, 1978, and subsequent reports shall be made not later than February 1 of each year after 1978.".

INTERAGENCY COMMITTEE

SEC. 10. (a) The second sentence of subsection (a) of section 1209 is amended to read as follows: "The Committee shall coordinate and provide for the communication and exchange of information among all Federal programs and activities relating to emergency medical services, and shall carry out its responsibilities under section 1208(c).".

(b) Section 1209(b) is amended by striking out "the National Academy of Sciences," and inserting "and from the National Academy of Sciences" after "Education, and Welfare".

(c) Section 1209(e) is amended by striking out "1203" and inserting in lieu thereof "1202, 1203,".

(d) Section 1209 is amended by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The Committee shall, not later than July 1, 1977, develop and publish:

"(1) A coordinated, comprehensive Federal emergency medical services funding and resource-sharing plan, designed to promote the coordination between, and enhance the effectiveness of, Federal, State, and local funding and operation of programs and agencies relating to emergency medical services and related activities (including communication and transportation systems of public safety agencies).

"(2) A description of sources of Federal support for the purchase of vehicles and communications equipment and for training activities related to emergency medical services.

"(3) Recommended uniform standards of quality, health, and safety with respect to all equipment (including communications and transportation equipment) and training related to emergency medical services.

The plan described in paragraph (1) shall include a report containing recommendations for any legislation which would enhance the capability of Federal, State, and local governments to provide an integrated response in medical emergencies. The description described in paragraph (2) shall be disseminated to the regional offices of Federal agencies which provide financial support in the purchase of vehicles and equipment or in training activities related to emergency medical services for distribution to appropriate entities and the public.".

ANNUAL REPORTS

SEC. 11. Section 1210 is amended by inserting at the end thereof the following: "The report under this section covering the fiscal year ending June 30, 1976, shall also cover the period beginning July 1, 1976, and ending September 30, 1976, and shall be submitted to Congress not later than February 1, 1977. The report under this section covering the fiscal year ending September 30, 1977, and each report covering each subsequent fiscal year, shall be submitted to Congress not later than February 1 in the fiscal year following each such fiscal year.".

TRAINING GRANTS

SEC. 12. (a) Section 776(a) is amended—

(1) by inserting "(1)" after "(a)";

(2) by inserting "hospitals having training programs which meet requirements established by the Secretary," before "schools of medicine";

(3) by striking out "and" before "other appropriate";

(4) by inserting ", and other appropriate public entities (as defined in paragraph (2))" after "educational entities";

(5) by inserting "and to assist in meeting the cost of training, and establishment of programs for the training, of physicians in emergency medicine" after "ambulance service"; and

(6) by adding at the end thereof the following new paragraph:

"(2) For the purposes of paragraph (1), the term 'other appropriate public entity' means a State, unit of general local government, or any other public entity which—

"(A) has established an emergency medical services system (as defined in section 1201(1)), and

"(B) except with respect to the basic training of emergency medical technicians, has entered into an agreement with an appropriate educational entity for a training program under this section.".

(b) Section 776 is amended—

(1) by redesignating subsection (e) as subsection (g) and amending such subsection (as so redesignated)—

(A) by inserting "(1)" after "(g)";

(B) by inserting ", and each of the next five fiscal years" after "1974"; and

(C) by inserting at the end thereof the following new paragraph:

"(2) Not less than 30 percent of the funds appropriated under paragraph (1) for any fiscal year shall be used in that fiscal year to assist in meeting the cost of training, and of establishment of programs for the training, of physicians in emergency medicine."; and

(2) by inserting after subsection (d) the following new subsections:

"(e) No regulation, guideline, funding priority, or application form shall be established with respect to this section without the full participation in the development of such regulation, guideline, priority, or form, by the administrative unit described in section 1208.

"(f) To the maximum extent practicable, the Secretary shall establish a uniform funding cycle so as to coordinate the submission and review of applications for grants and contracts under title XII and under this section and to coordinate funding policies among programs carried out under such authorities.".

EXPENSES OF ADMINISTRATION

SEC. 13. Not later than 60 days after the date of enactment of the annual appropriations Act making appropriations for the programs under title XII of the Public Health Service Act for each fiscal year ending after September 30, 1976, the Secretary of Health, Education, and Welfare shall allocate an amount of expenditures and a number of personnel positions sufficient for the identifiable administrative unit (described in section 1208 of such Act) to—

(1) provide support (including salaries of unit personnel and costs of administration, data gathering and dissemination, technical assistance, monitoring, and independent evaluation) for it to carry out its functions under title XII of such Act for such fiscal year; and

(2) provide support for the Interagency Committee on Emergency Medical Services established under section 1209 of such Act for such fiscal year,

and shall immediately report to the appropriate Committees of Congress a statement of the amount of expenditures and the number of personnel positions so allocated for such fiscal year.

BURN INJURY PROGRAM AND CONFORMING AMENDMENTS

SEC. 14. Title XII is amended—

(1) by inserting "Part A—Assistance for Emergency Medical Services Systems" after the heading for the title;

(2) by striking out "this title" each place it appears in section 1201 and in subsections (b) and (e) of section 1206 and inserting in lieu thereof "this part"; and

(3) by inserting after section 1210 the following new part:

"PART B—BURN INJURIES

"PROGRAMS RELATING TO BURN INJURIES

"SEC. 1221. (a)(1) The Secretary may make grants to, and enter into contracts with, public or private nonprofit entities for the support of, and may conduct, programs for the establishment, operation, and improvement of activities to (A) demonstrate the effectiveness of different methods for the treatment and rehabilitation of individuals injured by burns, (B) conduct research in the treatment and rehabilitation of such individuals, and (C) provide training in such treatment and rehabilitation and in such research.

"(2) The Secretary may enter into contracts with entities and individuals for the support of research in the treatment and rehabilitation of individuals injured by burns.

"(b) No grant or contract may be made or entered into under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be submitted in such form and manner and contain such information as the Secretary may require. In considering applications under this section, the Secretary shall give priority to applications for programs which (1) will provide services within a geographical area in which services are not currently being adequately provided, and (2) are in or accessible to the service area of an emergency medical services system (as defined in section 1201(1)).

"(c) For purposes of carrying out subsection (a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1977, $7,500,000 for the fiscal year ending September 30, 1978, and $10,000,000 for the fiscal year ending September 30, 1979.".

TRANSFER OF EQUIPMENT

SEC. 15. Notwithstanding any other provision of law, the Secretary of Health, Education, and Welfare may vest title to equipment purchased—

(1) with funds under the seven contracts for emergency medical services demonstration projects entered into in 1972 and 1973 under section 304 of the Public Health Service Act (as in effect at the time the contracts were entered into), and

(2) by contractors with the United States under such contracts or subcontractors under such contracts,

in such contractors or subcontractors without further obligation to the Government or on such terms as the Secretary considers appropriate.

UNIFORM PATIENT REPORTING SYSTEM

SEC. 16. The Secretary of Health, Education, and Welfare shall conduct studies to identify the categories of patients which should be included in a uniform reporting system to be used to evaluate the effectiveness of emergency medical services systems and burn injury programs supported under title XII of the Public Health Service Act in reducing death and disability. Not later than 18 months after the date of enactment of this Act, the Secretary shall report to the Congress the results of such studies. Such report shall include such recommendations for legislation relating to such a uniform reporting system as the Secretary determines are appropriate.

EXTENSION OF ARTHRITIS COMMISSION

SEC. 17. Section 3(j)(2) of the National Arthritis Act of 1974 (Public Law 93-640) is amended to read as follows:

"(2) The Commission shall cease to exist on December 31, 1976.".

EXTENSION OF THE COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS

SEC. 18. (a) Section 204(d) of the National Research Act (Public Law 93-348) is amended by striking out "24-month period" each place it appears and inserting in lieu thereof "36-month period".

(b) Section 211(b) of such Act is amended by striking out "January 1, 1977" and inserting in lieu thereof "January 1, 1978".

REVIEW OF ALCOHOLISM GRANTS

SEC. 19. (a) Section 311(c)(2) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4577) is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last two sentences thereof; and

(3) by inserting at the end thereof the following new subparagraph:

"(B)(i) Except as provided in clause (ii), each application for a grant under this section shall be submitted by the Secretary to the National Advisory Council on Alcohol Abuse and Alcoholism for his review. The Secretary may approve an application for a grant under this section only if it is recommended for approval by such Council.

"(ii) Clause (i) shall not apply to an application for a grant under this section for a project or program for any period of 12 consecutive months for which period payments under such grant will be less than $250,000, if an application for a grant under this section for such project or program and for a period of time which includes such 12-month period has been submitted to, and approved by, the Secretary.".

(b) The amendment made by subsection (a) shall apply with respect to applications for grants under section 311 of such Act after June 30, 1976.

EFFECTIVE DATE

SEC. 20. Amendments and repeals made to the Public Health Service Act by this Act shall not apply with respect to grants made or contracts entered into before the date of enactment of this Act, except that the amendments made by sections 4(3) and 5 of this Act with respect to adding a new subsection (f) to section 1203 and a new subsection (e) to section 1204, respectively, of the Public Health Service Act shall apply to grants made and contracts entered into after June 1, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, could the gentleman explain to us what changes the Senate made and whether they are basically in compliance with the House position?

Mr. ROGERS. If the gentleman will yield, the House passed H.R. 12664, legislation comparable to the Senate amendment, under suspensions of the rules by voice vote. The Senate amendment embodies a mutual compromise between the House-passed bill H.R. 12664 and the Senate-passed bill S. 2548, which was agreed upon by the members of the Senate's Health Subcommittee and the members of the Subcommittee on Health and the Environment of the House Interstate and Foreign Commerce Committee. In general, it would revise and extend for 3 years: First, the Emergency Medical Services Act of 1973, second, the existing authority for the training of health personnel in emergency medical services under title VII of the Public Health Service Act, and third, the Federal program relating to burn injuries.

It contains total authorizations of appropriations of $242.583 million for fiscal years 1977, 1978, and 1979 for all of these programs. Its authorization level can be compared to a total level of $230.083 million in the House-passed versions of the EMS bill (H.R. 12664) and section 776 of the health manpower bill (H.R. 5546) and to a total level of $269.083 million in the Senate-passed EMS bill (S. 2548). Its total authorization level is $26.5 million less than in the Senate provisions and only $12.5 million more than in the House provisions.

The authorizations for these programs totaled $45 million in fiscal year 1974, $70 million in fiscal year 1975 and $83 million in fiscal year 1976. The comparable total authorization in the Senate amendment is $65 million for fiscal year 1977, $72.5 million for fiscal year 1978, and $90 million for fiscal year 1979.

Since the passage of the 1973 legislation, the EMS program has assisted in the training of over 36,000 emergency health personnel and has provided grants to 235 regional EMS systems. Despite the current successes of the EMS program, more needs to be done. It is estimated that nearly 15 to 20 percent of the deaths that occur due to traumatic injury and heart attack could still be averted by improved EMS systems. This would result in an estimated annual savings of approximately 60,000 lives and billion of dollars in economic costs.

Mr. Speaker, I urge all members to join me in support of the Senate amendment and ask unanimous consent to revise and extend my remarks.

ALCOHOL

This provision is one requested by the Department of Health, Education, and Welfare. It amends existing provisions of the alcohol legislation which require advisory council review of grant applications to exempt from such requirements noncompeting grants of less than $250,000 which have budget periods no later than October 1, 1976.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, could the gentleman tell us whether there are any other provisions that the Senate attempted to add but which the Senate finally agreed not to include? Could the gentleman tell us about that?

Mr. ROGERS. If the gentleman will permit me, I will yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Speaker, in response to the question, in fact there were three provisions the Senate attempted to insert and which were deleted as a result of the agreement. The most significant and the one the gentleman perhaps is most concerned about is that the Senate attempted to impose a 7-percent administrative allocation for fees. It was not acceptable. The Senate attempted to insert provisions mandating a 7-percent rate be allocated for costs and fees. The House did not agree and the administration did not agree and the Senate gave up their position and took the House version.

Mr. ROUSSELOT. So both gentlemen can assure us that the basic House position stood and the Senate was not successful in adding those three provisions referred to?

Mr. ROGERS. That is correct.

The Biomedical Research Commission is extended for 1 year without the funding extension.

Mr. ROUSSELOT. I appreciate the gentleman's explanation.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Kentucky.

Mr. CARTER. I thank the gentleman for yielding.

Mr. Speaker, I support the Senate amendment to the House amendment for the Emergency Medical Services Amendments of 1976.

This legislation builds upon the original EMS Act—Public Law 93-154—and provides an extension of existing programs of assistance relating to Emergency Medical Service systems.

It also extends and revises the Federal program of assistance for the establishment, operation, and improvement of programs relating to burn injuries.

This legislation is needed to continue the development of comprehensive EMS systems throughout the Nation—and I urge its favorable consideration.

Mr. Speaker, I would like to point out that the proposal which we have before us today, represents the best features of both the House-passed and Senate-passed versions of the bill.

The subcommittee members have reviewed this proposal carefully and I believe it is acceptable to all.

For that reason, and because of the short time remaining this session, we have not seen the need to convene a conference.

A summary of the major issues in this legislation, and their resolution, will be included in the record, for all to examine.

Therefore, I recommend that the House concur in the Senate amendment.

Mr. Speaker, although the EMS program has been in actual operation for only 2 years, it has already had a substantial beneficial impact throughout the Nation.

Each of the 50 States has now designated a responsible agency for coordinating EMS within the State.

Throughout the Nation, 300 EMS regions have been defined, and more than 200 planning and implementation grants have been made over this period.

In my own State of Kentucky, nine EMS regions have been designated and are under development.

We are also fortunate in Kentucky to have several areas which are served by military assistance and safety traffic networks, which provide emergency helicopter rescue services.

These services are indeed invaluable, and can often make the difference between life and death.

Moreover, use of helicopter rescue helps the Army improve its image.

Nevertheless, although much progress has been made in some areas, the work is by no means completed. Over 60 EMS regions have not entered into the planning stages.

Only with a fully implemented and coordinated network of emergency medical service systems can we have a truly effective EMS program.

It has been estimated that such a fully operating comprehensive system could result in saving approximately 60,000 lives each year and billions of dollars in economic costs.

I would urge that this legislation be approved so that the ultimate goal of an effective EMS network can be achieved.

This legislation also addresses the very real problem of burn injury in this Nation.

Testimony was presented during our hearings which indicated that approximately 2 million people are injured by burns annually.

Of that 2 million, about 70,000 require hospitalization.

Unfortunately, at the present time, there are very few burn centers in the Nation and there are less than 100 hospitals which are capable of providing specialized burn care.

There is a clear need to improve the delivery of burn care on a national scale—and to improve the training and use of appropriate health personnel to provide necessary treatment and rehabilitation.

To that end, the legislation authorizes the Secretary of HEW to initiate a demonstration effort in burn injury care through grants and contracts of treatment and rehabilitation of individuals injured by burns.

The Secretary may also support research efforts and training programs in this important area.

This bill authorizes a total of $242.5 million for 3 years.

Of that amount, $175 million is authorized for the EMS program and $22½ million for the burn injury program.

In trying to reach an agreement with the Senate on these authorization figures we have been successful in keeping closer to the House figures which were lower.

Mr. Speaker, the goal of the EMS program is to develop systems which will provide early and effective intervention in and treatment of critical medical conditions to reduce disability and save human lives.

Similarly, the burn injuries demonstration program authorized by this legislation is intended to develop methods of improving treatment and rehabilitation of burn victims.

Mr. Speaker, I support this legislation and urge its favorable consideration. Thank you.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

Mr. ROGERS. Mr. Speaker, I am pleased to present to this body the mutally acceptable compromise agreement reached by the House and the Senate committee members with respect to the Emergency Medical Services Amendments of 1976.

The Senate amendment to the House amendment to S. 2548, like the bill H.R. 12664, which was unanimously approved by the House on August 24, 1976, would revise and extend the programs for planning initial operation, and improvement of emergency medical systems, and the programs for research and training in emergency medical techniques and services.

It would also revise and extend the authority, under section 776 of title VII of the Public Health Service Act for the training of health personnel in emergency medical services. This provision was originally contained in H.R. 5546, the House version of the Health Manpower Act which passed the House last year and for which the conference report was recently approved by this body.

In view of the fact that the Senate EMS bill contained such provision, the conferees on the Health Manpower Act agreed that the extension of this authority would best be considered in conjunction with the pending emergency medical services legislation.

In addition, the Senate amendment would extend the Federal authority, currently provided by section 19 of the Federal Fire Prevention and Control Act of 1974 for the establishment, operation, and improvement of burn injury treatment, rehabilitation, research and training programs.

The compromise Senate amendment also contains provisions which extend for 1 year, until December 31, 1977, the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research and which permit the Secretary to review and approve noncompeting grants made by the National Institute of Alcohol Abuse and Alcoholism in amounts lower than $250,000.

Mr. Speaker, I want particularly to thank and commend the activity of the gentleman from New Jersey (Mr. FLORIO) who has been a prime sponsor and a leading advocate of EMS legislation; the gentleman from Kentucky (Dr. CARTER), the ranking minority member on the subcommittee, and his staff, whose interest in EMS, arthritis, diabetes, and digestive diseases has been demonstrated over the years, who has been a prime sponsor and leading advocate of the diabetes provisions in the Senate amendment, and who has again done his usual outstanding job in supporting and bringing to the floor this legislation.

In addition, I want to thank the gentleman from West Virginia (Mr. STAGGERS) for his leadership on this legislation as chairman of the full committee and the other gentleman from West Virginia (Mr. MOLLOHAN) and his staff, for their assistance and leadership in developing and supporting this legislation at many critical stages of its progression through the Congress. I give my special thanks to the gentleman from New York (Mr. OTTINGER) for his leadership and support of the burn injury provisions of this legislation and to the other members on the Subcommittee on Health and Environment and on the full Committee on Interstate and Foreign Commerce.

Finally, I would like to express my most sincere thanks to the Senators, on the Senate Committee on Labor and Public Welfare, and their staffs, who have worked so hard to achieve a mutually acceptable House-Senate compromise on this legislation. In particular, I wish to commend Senator CRANSTON, Senator KENNEDY, Senator SCHWEIKER, Senator WILLIAMS, Senator JAVITS, and Senator EAGLETON, and their staffs, for their efforts and input into the creation of this legislation.

The compromise agreement reflects the carefully thought out positions of both the House and Senate committee members. I believe that it embodies the best features of the House and Senate EMS bills while eliminating the features of the Senate bill which were troublesome to many of our committee members and which were objectionable to the administration.

Many of the House committee members were concerned that the Senate-passed bill's provision which permitted a second EMS planning grant under section 1202 and a third EMS expansion and improvement grant under section 1204, would dilute the funds available for EMS systems which have not received their first section 1202 planning grant and for those systems which have not received first or second grants for establishment and initial operation under section 1203 or for expansion and improvement under section 1204.

Of the 300 projected EMS systems needed to establish a national, contiguous network of comprehensive emergency medical services, 65 systems have not received any financial assistance under the 1973 EMS act. An additional 125 planned systems have not received assistance for establishment and initial operation and only eight systems have received their second year of assistance for expansion and improvement.

The annual progression of EMS systems through the stages of EMS development has been severely disrupted by lack of adequate Federal funds and consequently EMS system grant applicants have not been funded annually toward completion of the 5-year support cycle necessary for the development of comprehensive and effective systems. The compromise agreement includes limitations on the second section 1202 EMS planning grant provisions which were in the Senate-passed bill and would eliminate the third-year section 1204 grants provisions proposed in the Senate-passed bill.

A second planning grant or contract would be authorized to be made to assist an entity in updating its plan so as to enable it to study the feasibility of, or to plan for the expansion and improvement of such system to provide for the use of advanced life-support techniques, or to assist a State in updating its plan in order to improve the plan's effectiveness regarding services in its rural and medically underserved population areas. The House committee members recognize that there may be a need for second planning grants under these circumstances. To assure that sufficient funds are available for initial section 1202 planning grants the Senate amendment provides that no more than 50 percent of the amount made available annually for section 1202 planning grants can be used for second planning grants.

Many of the House committee members were also concerned that the cash-match requirements in the Senate-passed bill would place too great a financial burden on some EMS system service areas, particularly in rural and other underserved areas, which have limited financial resources. Governmental entities and voluntary groups in these system areas have, however, provided EMS services, equipment, and facilities which should be counted toward their contribution of the non-Federal share of an EMS grant.

Furthermore, other EMS system areas, which have previously contributed large amounts of cash for developing and improving their systems, may be discriminated against if these cash-match requirements were implemented. Consequently, the compromise agreement does not contain the cash-match requirement proposed in the Senate-passed bill. The matching provision of existing law and the provisions of the compromise agreement with respect to assurances of support and cooperation of the EMS system entities were determined to provide a sufficient commitment of their participation in the development and expansion of emergency medical services in their service areas, and to maintain their systems at the levels they will reach at the conclusion of the period during which Federal support may be provided.

Many of the House committee members had further concerns with respect to the administrative provisions of the Senate-passed bill and I believe that these concerns were eliminated in the compromise agreement. The provisions of the Senate-passed bill, which relate to the earmarking by percentages of the sums used for grants and contracts under sections 1202, 1203, and 1204 of the act, were substantially modified to permit greater administrative flexibility in awarding grants and contracts to EMS systems and to assure the continued progression of EMS systems through the various stages of planning, establishment and operation, and expansion and improvement.

The provisions in the Senate-passed bill, which would require the concurrence of the EMS administrative unit before certain other program offices within HEW issue regulations, guidelines, funding priorities, and application forms and award grants or contracts respecting EMS-related activities, were also eliminated in the compromise agreement. In lieu of this "concurrence" requirement, the compromise agreement provides for requirements respecting prior consultation on grants and contracts and full participation in the development of regulations, guidelines, funding priorities, and application forms by the EMS administrative unit before these other HEW program offices, which support EMS-related activities, take these specified actions.

The provisions in the Senate-passed bill, which mandated a minimum 7 percent set-aside with a maximum of $3 million of EMS funds appropriated under section 1207 for administration and other activities of the EMS administrative unit and the Interagency Committee, were not included in the compromise agreement. Many of the House committee members believed that the minimum and maximum "set-asides" of the Senate bill were unduly restrictive. In lieu of this provision the compromise agreement provides language requiring the Secretary of HEW to allocate an amount of expenditures and number of personnel positions sufficient for the EMS administrative unit, and to report to the appropriate committees of Congress a statement of the amount of expenditures and the number of personnel positions so allocated.

Let me for a moment indicate that it should not be implied, that the provisions in the compromise agreement with respect to administrative set-asides, are an indication of the lack of need for increased support of the EMS administrative unit. I personally believe that the EMS administrative unit needs increased financial support and personnel positions and that it has done an outstanding job under the leadership and work of Dr. Boyd, John Reardon, Don Lederman, and others, considering their program's limited resources.

Finally, both House and Senate committee members were concerned about the difficulties encountered by EMS entities being required under existing law to file separate Federal training grant or contract applications with two different program offices within the Department of HEW and to have their applications either disapproved or approved but not funded before they could use any of their section 1203 or 1204 EMS system's grants for training health personnel in emergency medical services.

The compromise agreement would eliminate this burdensome requirement with respect to basic emergency medical technician training, paramedic training, and short-term specialized training and continuing education programs for health personnel. With respect to other types of training, the agreement incorporated the provisions of the Senate-passed bill which would permit this requirement to be waived if the Secretary determined that the filing of two applications by the entity would be futile or unreasonably burdensome.

My discussion of the concerns of House committee members with some of the provisions of the Senate-passed bill is not intended to minimize the many contributions to and improvements in the compromise agreement which were directly attributable to the Senate bill as developed by Senator CRANSTON and his staff and several other Senators and staff members on the Labor and Public Welfare Committee. These people have done an outstanding job.

Mr. Speaker, concurrence in the Senate amendment now before the House is essential for the successful continuation and expansion of the existing EMS program, initiated under the Emergency Medical Services Systems Act of 1973. When H.R. 12664 came before the House on August 24, 1976, the need for this measure was eloquently testified to by many Members who are well aware of the savings in lives and health care costs which this legislation has already brought to their own communities. Since this program has been in operation it has resulted in the training of approximately 30,350 EMS professionals and 6,000 emergency medical technicians. For the information of the Members and others interested in the need for the emergency medical services program and the successes of the current program I would like to make reference to the remarks, made on August 24, 1976 on the House floor, by many Members, including myself. These appear in the CONGRESSIONAL RECORD of that date on pages 27473 through 27481.

Mr. Speaker, I would like to restate a most important point which I made on the House floor when the House bill, H.R. 12664, was passed.

It is estimated that nearly 15 to 20 percent of the deaths that still occur due to traumatic injury and heart attack could be averted by further improvements in EMS systems. Without the legislation before the House today it is difficult to see how the ultimate goal of 300 contiguous, financially self-sufficient regional EMS systems can be met. The goal of reducing deaths by an additional 15 to 20 percent per year could then not be met—and this would mean that 60,000 additional lives which could be saved every year, and billions of dollars in economic costs, which could be saved, will not be saved.

I urge every Member to support and vote for this measure which represents one of the best bargains in health care today.

Mr. SYMINGTON. Mr. Speaker, the bill would amend the Public Health Service Act to revise and extend the programs of grants and contracts under the Department of Health, Education, and Welfare for emergency medical services systems. The House bill H.R. 12664, was reported by unanimous voice vote from our Committee and passed the House under suspensions of the rules without a recorded vote. The Senate amendment embodies a compromise between the House and Senate-passed bills. This compromise is most favorable to the House. For example, the total authorization level of the Senate amendment is $26.5 million less than in the Senate provisions and only $12.5 more than in the House provisions.

The Senate amendment would extend, for fiscal years 1977, 1978, and 1979, the authority of HEW to support planning, establishment, and improvement of regional systems which provide emergency medical services and to support EMS research and training. Since the enactment of the Emergency Medical Service Systems Act of 1973, the EMS program has been successful in providing assistance for the establishment of many effective, coordinated, and self-sufficient emergency medical service systems across our country. Over half of the program grants have been made to rural areas where these services have been nonexistant or minimal. The EMS program has assisted in the training of approximately 30,350 medical technicians. The rural EMS program in Charlottesville, Va., estimated that the actual death risk from acute heart attacks has decreased some 26 percent for all persons under the age of 70 since the development of their program.

Although these numbers and percentages indicate that the EMS program has been successful, it is clear that more needs to be done. It is estimated that over 15 percent of the deaths that occur due to traumatic injury and heart attack could still be averted by improved EMS systems. This would result in the savings of approximately 60,000 lives and billions of economic costs a year. In addition, a network of improved EMS systems might be able to save many of the approximately 5,000 persons who die annually from poisonings, drownings, and drug overdoses. Since its initial existence, the EMS program made grants to 125 systems for feasibility studies and planning, 83 systems for establishment and initial operation, and 27 systems for expansion and improvement.

Despite the successes of the program, 65 systems have not received any grants and only 8 systems have completed all stages of their EMS systems development under the program. It is, therefore, necessary to extend the EMS program if we intend to reach the goal of 300 contiguous, financially self-sufficient regional EMS systems by 1985.

The Senate amendment is intended to continue us down the road toward meeting this goal. The extension of the EMS program is vital to the continuing of development of effective EMS systems which can save the lives and reduce the pain and disability of thousands of people in our country. In addition, it has been demonstrated that effective, coordinated EMS systems can save billions of dollars in economic costs and greatly reduce work-days lost to families whose members undergo traumatic injuries.

Mr. Speaker, I strongly urge you to support this legislation for the continuation of this important program.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

A motion to reconsider was laid on the table.

JOINT HOUSE/SENATE COMMITTEE EXPLANATORY STATEMENT ON COMPROMISE AGREEMENT (SENATE AMENDMENT TO HOUSE AMENDMENT) ON S. 2548 (H.R. 12664)

Mr. ROGERS. Mr. Speaker, under the permission granted I include the following statement in the Record:

Explanatory Statement

1. PLANNING GRANTS FOR EMERGENCY MEDICAL SERVICES (EMS) SYSTEMS

Existing Laws: Authorizes one EMS planning grant under section 1202.

Senate Bill: The Senate bill authorizes a second EMS planning grant for the specific purposes of (1) planning for a first year EMS 1204 expansion and improvement grant, (2) assisting a State to update its statewide plan, or (3) before October 1, 1976, assisting an entity in planning to meet the new requirements added to sections 1203 and 1204.

House Bill: Has no comparable provision.

Compromise: Authorizes a second planning grant, or contract, to be made (1) to assist an entity in updating its plan so as to enable it to study the feasibility of, or to plan for the expansion and improvement of such system to provide for the use of advanced life-support techniques, or (2) to assist a State in updating its plan in order to improve the plan's effectiveness regarding services in rural and medically underserved population areas in such State; but no more than 50 percent of the amount made available annually for section 1202 planning grants can be used for second planning grants.

The Senate recedes with respect to a second planning grant to assist an entity in planning to meet the new requirements of sections 1203 and 1204 added by the bill.

The Committees agree that existing grantees should be given ample notice of the new requirements that would apply to future grant applications and urge that the Secretary make such information available to them no later than January 1, 1977.

2. ASSURANCES OF CONTINUED SUPPORT TO EMS SYSTEMS

Existing Law: Does not address this issue.

Senate Bill: Requires that no grant or contract may be made for a second year of section 1203 support (establishment and initial operation) or a first or second year of section 1204 support (expansion and improvement) unless the entity submits with the application: (1) copies of formal resolutions or proclamations of the executive or legislative governing bodies in the local jurisdictions included in the system's service area pledging each such jurisdiction's support and cooperation with the regional or statewide EMS system and providing assurances of financial support in the year subsequent to that for which financial assistance is sought which in the aggregate will maintain the system at a level equal to that sought in the application; and assurances, accompanied by specific plans indicating step-by-step achievement (including assurances from private and volunteer organizations, associated with and involved in the operation and delivery of emergency medical services, of continued participation in and support of the system), of compliance with each of the EMS component requirements of section 1206(b)(4)(C) by the conclusion of the maximum period of support for an emergency medical services system.

House Bill: Has no comparable provision.

Compromise: House recedes with amendments, making it clear that as long as an entity's application includes assurances, evidenced by copies of formal resolutions proclamations, or other acts of the executive or legislative governmental bodies of political subdivisions located in its service area which govern a substantial proportion of the population residing in its area, of their support and cooperation, it would satisfy the assurance requirements.

The Committees generally intend that the phrase "executive or legislative governmental bodies of political subdivisions located in the system's service area which govern a substantial proportion of the population in such area" would be for the Secretary to interpret through regulations. The Committees intend that, as a general rule, this phrase should be interpreted to mean that number of political subdivisions which collectively govern a majority of the population within the EMS area. The Committees recognize, however, that there are certain circumstances under which this interpretation would be inappropriate.

3. MATCHING REQUIREMENTS

Existing Law: Requires a local match of 50% in the first year of a section 1203 grant and 75% in the second year, except in the case of financial need where the local match is 25% the first year and 50% the second. In the case of grants awarded under section 1204, the local match is 50%, and in cases of financial need 25%.

Senate Bill: Requires that 25% of the non-Federal share in the first year and 50% of the non-Federal share in the second year shall be in cash, and shall be made available to the regional entity responsible for administering the operation of the system for use in defraying operating costs or otherwise to carry out the administration of the system in the case of section 1203 grants and in the case of section 1204 grants to be used for carrying out the expansion and improvement of the system.

House Bill: Has no comparable provisions.

Compromise: Senate recedes. The Committees believe the amendments made with respect to the assurances of providers and governmental units which must be included with applications for section 1203 and 1204 grants should provide a sufficient commitment on the part of those community entities to maintain an emergency medical services system at the level it will reach at the conclusion of the period during which Federal support may be provided. The Committees believe that local jurisdictions should provide the EMS entity with adequate funds to carry out its functions, including participation in resources allocation decisions.

4. REPORTING REQUIREMENTS

Existing Law: Requires grantees to make reports to the Secretary and the Interagency Committee on Emergency Medical Services on results of section 1202 planning projects at intervals the Secretary prescribes, with a final report submitted no later than one year from the date the grant was awarded. A comparable reporting requirement is not applicable to grants awarded under section 1203 or section 1204.

Senate Bill: Adds this requirement with respect to both section 1203 and section 1204 grantees.

House Bill: Adds this requirement with respect to both section 1203 and section 1204 grantees, but in the case of reports made with respect to section 1203 grantees makes the requirement applicable only to those grants awarded after September 30, 1976.

Compromise: Senate recedes with an amendment designating June 1, 1976 as the effective date of these reporting requirements for both sections so that they apply with respect to the latest grant cycle.

5. THIRD-YEAR SECTION 1204 GRANT

Existing Law: Does not specify the number of grants or contracts which may be made under section 1204. In practice, two grants or contracts under section 1204 have been made to EMS entities.

Senate Bill: Clarifies that two grants or contracts may be made under section 1204 and permits a third grant or contract to be made under section 1204 prior to October 1, 1976.

House Bill: Clarifies that two grants or contracts may be made under section 1204, but does not include provisions for a third grant or contract under such section.

Compromise: Senate recedes.

6. SECTION 1205 RESEARCH GRANTS AND CONTRACTS: APPLICATION TO EMS SYSTEM

Existing Law: Has no comparable provisions.

Senate Bill: Provides that in awarding grants for research relating to the delivery of emergency medical services in rural areas, emphasis shall be placed on techniques and methods to apply the results of such research to improving the delivery of emergency medical services in rural areas. The Senate bill also requires that the reports required by current law shall contain recommendations and a plan of action for applying the results of research to improving the delivery of emergency medical services.

In addition, the Senate bill prohibits regulations, guidelines, funding priorities, application forms, grants, or contracts to be established or made under section 1205, without the concurrence of the EMS administrative unit.

House bill: Has no comparable provisions.

Compromise: House recedes with amendments, to the effect that in awarding research grants or contracts there will be special consideration given to emergency medical services research in rural areas which research emphasizes the identification and utilization of techniques and methods to apply the results of such research to improve the delivery of emergency medical services in such areas. The role of the EMS administration unit regarding research is conformed to the agreement described under item 12.

7. GENERAL PROVISIONS RESPECTING GRANTS AND CONTRACTS

A. Number of grants which may be awarded a single entity

Existing Law: Does not specify the number of grants or contracts made to an entity.

Senate Bill: Limits grant or contract support to five years, excluding a second planning grant under section 1202.

House Bill: Has no comparable provision.

Compromise: House recedes.

B. Time by which grantee must meet requirements of section 1206(b)(4)(A)

Existing Law: Provides that the period within which an applicant for a grant or contract, under section 1203 or, section 1204, must meet each of these requirements is the period of the grant or contract for which application is made, unless waived by the Secretary for an additional period of time.

Senate Bill: Provides that this period of time for meeting these requirements, absent a waiver, is the total period of eligibility for assistance under section 1203 or section 1204, whichever is applicable.

House Bill: Has no comparable provision.

Compromise: House recedes with minor revisions.

C. Waiver of cash match

Existing Law: Has no comparable provision.

Senate Bill: Permits a waiver of the cash match requirement in the Senate bill where an applicant demonstrates to the satisfaction of the Secretary its inability due to extreme financial distress, or to the dependence of the system on voluntary services, to meet in whole, or in part, the requirement and provides that the cash match requirement shall not apply to the extent of such demonstrated ability.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

8. THE FIFTEEN REQUIREMENTS OF AN EMS SYSTEM

A. Multilingual capability of communications systems

Existing Law: Has no such requirement.

Senate and House Bills: Both amend the requirement regarding a communications system to require the capability of an EMS system to communicate in the language of the predominant population groups with limited English-speaking ability in the system's service area.

Compromise: Incorporates and makes minor revisions in the language of the House and Senate provision.

B. Universal emergency telephone number 911

Existing Law: Requires an EMS system to utilize, within a period prescribed by the Secretary, the universal emergency 911 telephone number.

Senate Bill: Authorizes an EMS system to utilize an appropriate alternative, coordinated emergency telephone procedure.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

C. Communications systems' capability with respect to persons with auditory handicaps

Existing Law: Has no such requirement.

Senate bill: Requires emergency medical services system to have the capability to communicate with individuals having auditory and other sensory handicaps.

House Bill: Has no comparable provisions.

Compromise: House recedes with respect to auditory handicaps with an amendment deleting "other sensory handicaps".

D. Coordination with other Federal grant programs

Existing Law: Has no specific comparable provisions.

Senate Bill: Requires an EMS system to make maximum use of communications equipment and systems made available under the Highway Safety Act, and L.E.A.A., and has the same requirement with regard to vehicles made available under the Highway Safety Act.

House Bill: Has no comparable provision.

Compromise: House recedes.

E. Transfer of patients for follow-up care and rehabilitation

Existing Law: Requires the EMS system to provide for transfer of patients to facilities and programs offering such follow-up care and rehabilitation as is necessary to effect the maximum recovery of the patient.

Senate Bill: Modifies this requirement to require all "feasible" transfer of patients for such purpose.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

The Committees recognize that such transfer agreements may be difficult to execute in the case of indigent patients for whom specialized medical care would effect *maximum* recovery, such as long-term rehabilitation, where the EMS system entity is unable to negotiate the necessary financial arrangements for the transfer for such care. The Committees believe, nevertheless, that maximum efforts should be required to effect such transfers for long-term care and to develop payment mechanisms for such care. In contrast, arrangements to provide for transfer to critical care facilities essential to basic recovering are absolutely essential to an EMS system.

F. Patient record-keeping system

Existing Law: Requires an EMS system to provide for a standardized patient record-keeping system meeting standards established by the Secretary.

Senate Bill: Clarifies that the patient record-keeping system may be "coordinated", rather than "standardized".

House Bill: Has no comparable provision.

Compromise: House recedes.

Although the requirement that an EMS system shall provide for a "standardized" patient record-keeping system has been eliminated, the Committees believe that an EMS system should, to the maximum extent practicable, incorporate a uniform record-keeping system within its service area and adhere to a standardized record-keeping system which may be recommended for nationwide use by the section 1209 Interagency Committee on Emergency Medical Services, or by another appropriate agency.

G. EMS systems responsibility with regard to evaluation of its system

Existing Law: Requires an EMS system to provide for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided in the system's service area and requires the submission to the Secretary of the reports of each such review and evaluation.

Senate Bill: Modifies this requirement to require the EMS system to have the capacity for periodic and objective review and evaluation of the extent and quality of the emergency health care services provided in the system's service area (including consideration of management performance, process measures, and patient outcomes), and requires submission to the Secretary of the reports of any such review and evaluation and the data collected to carry out this requirement.

House Bill: Has no comparable provision.

Compromise: House recedes, with amendment requiring EMS grantees to provide the Secretary with such information as he may require to conduct such periodic, comprehensive, and independent reviews and evaluations and to submit to the Secretary the results of any such review or evaluation which it conducts.

H. Technical assistance provided by HEW

Existing Law: Requires the Secretary to provide technical assistance, as appropriate, to eligible entities for the purpose of their preparing applications or otherwise qualifying for or carrying out grants or contracts under sections 1202, 1203, or 1204 with special consideration for applications in rural areas.

Senate Bill: Transfers this responsibility to provide technical assistance, to the administrative unit described in section 1208.

House Bill: Makes no change in existing law.

Compromise: House recedes with amendment retaining the emphasis on technical assistance to applicants in rural areas.

9. REPUBLICATION OF GRANT PROGRAMS

Existing Law: Prohibits funds appropriated under the Public Health Service Act, except for those appropriated under section 1207 (EMS) or title VII (Health Professionals and Allied Health Professional Training) to be used for support of programs authorized by title XII unless all funds authorized by title XII have been appropriated and made available for obligation.

Senate Bill: Corrects the inadvertent inclusion of emergency medical services' research among those purposes for which grant awards are prohibited.

House Bill: Makes no change in existing law.

Compromise: House recedes with amendment also excepting the use of funds appropriated under the new section 1221 burn injury program.

10. COORDINATION OF EMS TRAINING GRANT AUTHORITIES

Existing Law: Requires an applicant for an EMS training grant under title XII, to apply for a grant or contract under all other grant or contract programs and fail to be approved, or be approved but be awarded a grant or contract because insufficient funds are available, before the applicant is permitted to use its title XII grant award for training purposes.

Senate Bill: Authorizes this requirement to be waived if the applicant has demonstrated to the satisfaction of the Secretary that the filing of the applications would be futile or unreasonably burdensome.

House Bill: Deletes this requirement.

Compromise: Senate recedes, with respect to the elimination of the prior application requirement for use of title XII funds for training for basic EMT training, paramedic training, and short-term specialized training and continuing education programs for health care personnel. House recedes with respect to other types of health professional training.

The Committees believe that problems which have existed in the past in the implementation of this provision will be further alleviated by other provisions of the compromise agreement, which provide for greater coordination between training programs and which provide the administrative unit described in section 1208 with a specific responsibility to participate fully in the development of policies established for section 776 training programs in emergency medical services.

11. EARMARKS OF APPROPRIATIONS

Existing Law: Earmarks in fiscal year 1974 and 1975 15% of the funds appropriated for section 1202 planning grants and contracts; 60% for section 1203 establishment and initial operation grants and contracts; and 25% for section 1204 expansion and improvement grants and contracts. Earmarks in fiscal year 1976, 75% of funds appropriated for section 1203 grants and contracts, and 25% for section 1204 grants and contracts.

Senate Bill: Changes the earmark for fiscal year 1976 by earmarking up to 10% for section 1202 planning grants and contracts, no more than 75% for section 1203 grants and contracts, and no more than 25% for 1204 grants and contracts. For fiscal years 1977 and 1978, the Senate bill earmarks at least 5% but not more than 10% for section 1202 planning grants and contracts, for fiscal years 1977, 1978, and 1979, limits expenditures to not more than 70% for section 1203 grants and contracts, and not more than 45% for section 1204 grants and contracts.

House Bill: Has no earmarking provisions.

Compromise: In fiscal years 1977 and 1978, there are earmarked for section 1202 planning grants and contracts a 2.5 per cent minimum and 5 per cent maximum, with no more than 50 per cent of the funds appropriated for section 1202 to be expended for second planning grants and contracts; and in fiscal years 1977 through 1979, a minimum of 20 per cent of such funds must be expended for section 1203 grants and contracts and a minimum of 20 per cent of such funds must be expended for section 1204 grants and contracts.

12. RESPONSIBILITIES OF IDENTIFIABLE ADMINISTRATIVE UNIT

Existing Law: Requires the Secretary to administer title XII programs through an identifiable administrative unit in HEW and provides that the unit shall also be responsible for collecting, analyzing, cataloguing and disseminating all data useful in the development and operation of emergency medical services systems, including data derived from reviews and evaluations of systems assisted under title XII.

Senate Bill: Clarifies that the administrative unit shall not administer the program of grants and contractors for research under section 1205 and adds new administrative responsibilities to the unit in addition to those in current law, such as concurrence in activities supported under section 1205 (research in HRA) and section 776 (training in HRA), and in addition gives the unit consulting responsibility with regard to any training or research program related to EMS carried out under the Public Health Service Act. The unit is given the responsibility of providing technical assistance to and monitoring of grantees; and providing for periodic independent evaluation of the effectiveness and coordination of programs carried out under Part A (as designated by the legislation) of title XII. The Senate bill, in addition, provides that not less than 7% but not more than $3 million of the funds appropriated under section 1207(a)(1) shall be set aside for administration (including salaries of all unit personnel), data gathering and dissemination, technical assistance monitoring, and independent evaluation, and to provide support for the Interagency Committee on Emergency Medical Services.

House Bill: Makes no changes in existing law.

Compromise: House recedes to Senate provisions with the following amendments:

(1) Instead of concurrence in section 1205 (research) and section 776 (training) activities, provides the EMS unit with the responsibility to participate fully in the development of the regulations, guidelines, funding priorities, and application forms, and to be consulted in advance of grant awards and contracts with respect to the research program under section 1205, the training program under section 776, and the burn injury program under new section 1221;

The Committees believe that the process of full participation in the development and promulgation of the regulations should include full involvement of the EMS Division staff in developing the regulations and the submission of the proposed interim and final regulations to the EMS Division Director in such a way as to give the Director adequate time to submit prepublication comments to the Secretary.

(2) Regarding technical assistance, special consideration will be given (as under current section 1206(b)(5)) for applicants in rural areas; and

(3) The administrative expenses (plus salary) funding set aside requirement is deleted and in lieu thereof, a provision is inserted in the bill, not the Public Health Service Act, which requires the Secretary to allocate an amount of expenditures and a number of personnel positions sufficient for the administrative unit described in section 1208, and to report to the appropriate Committees of Congress a statement of the amount of expenditures and the number of personnel positions so allocated.

13. INTERAGENCY COMMITTEE ON EMERGENCY MEDICAL SERVICES

Existing Law: Establishes an Interagency Committee on Emergency Medical Services and provides that it shall evaluate all Federal programs and activities which relate to emergency medical services and provide for effective coordination of such programs.

Senate Bill: Requires the Interagency Committee to publish and disseminate information on Federal programs related to emergency medical services funding, to develop and publish recommended uniform standards of quality and health and safety related to emergency medical services; and, with the Secretary, to take steps to encourage the States to reinforce those standards. The Senate bill requires that reports by section 1202 grantees be made available to the Committee.

House Bill: Makes the administrative unit described in section 1208 the lead entity, requires the unit, through the Committee, to evaluate Federal programs, study roles, resources, responsibilities, of Federal agencies involved in emergency medical services grants and contracts, and to make recommendations to the Secretary respecting administration of the title XII Part A EMS program. The House bill requires the administrative unit to report to Congress the results of the study of Federal programs and requires that the first such report be made not later than nine months after the date of enactment of the legislation, and subsequent reports be made on an annual basis thereafter. The House bill removes the National Academy of Sciences as a member of the Interagency Committee.

Compromise: Incorporates the House and Senate provisions; includes the continuing reporting requirements of the House bill; and lists the National Academy of Sciences at the appropriate place in the law so it is not referred to as a Federal agency.

14. GRANTS AND CONTRACTS FOR TRAINING IN EMS

Existing Law: Authorizes training grants and contracts for schools of medicine, dentistry, osteopathy, and nursing, and training centers for allied health professions, and other appropriate educational entities, and authorizes the appropriation of $10 million for fiscal year 1974 for such purposes.

Senate Bill: Adds, as eligible applicants, hospitals and entities which meet the requirements of section 1206(b)(4) and (except with respect to training of basic EMT's) which have entered into a contract with an appropriate educational entity for the training program. The Senate bill specifies that awards may be made for program development and training of physicians in emergency medicine. In addition, the Senate bill requires the concurrence of the administrative unit described in section 1208 in regulations, guidelines, funding priorities, application forms, or training grants or contracts established or made under section 776. The Secretary is required to establish a uniform funding cycle for grants and contracts under section 776 and under title XII to facilitate coordination between the programs. The Senate bill authorizes $10 million for each fiscal year through fiscal year 1979 and earmarks $1,250,000 or 20% of the amount appropriated, whichever is lesser, if less than $6,600,000 is appropriated, and if more than that is appropriated, earmarks $1,250,000 plus 50% of the sums appropriated above $6,600,000 to assist in program development and training of physicians in emergency medicine.

House Bill: Has no comparable provision. However, H.R. 5546, the Health Manpower legislation, as passed by the House, included a provision which specifies that funds may be made available for program development and training of physicians in emergency medicine, and provides that hospitals would be eligible for training grants and contracts. H.R. 5546 earmarked not less than one-third of the funds appropriated for section 776 grants for program development and training in emergency medicine.

Compromise: House recedes with an amendment as follows: (1) Requires hospital training programs, to be eligible for such grants or contracts, to meet requirements established by the Secretary. (2) Requires a minimum of 30 percent of the amounts appropriated for training grants to be used for training, and establishment of programs for training, of physicians in emergency medicine. (3) Modifies the provisions relating to coordination of training programs under section 776 with title XII programs to conform to comparable provisions included in section 1208 (item 12).

In earmarking 30 percent of the funds appropriated under section 776 for training and the establishment of programs for the training of physicians in emergency medicine, the Committees do not intend to lessen the emphasis which should be placed on the training of emergency medical technicians, paramedics, nurses, and other health personnel having responsibilities related to the provision of emergency medical services. The Committee intends that in computing the 30 percent earmark, all those portions of training programs supported under section 776 which provides for physician training should be included. For example, where a training program is an interdisciplinary program, the costs of that portion of the program which can be attributed to the training of physicians would be counted towards the 30 percent earmark.

The Committees believe that any emergency physician residency programs supported under the authorities of section 776 must be of high quality and should be carried out only in hospitals which have the capability to provide quality training programs, and it is therefore intended that until accreditation standards are developed by the Liaison Committee on Graduate Medical Education, the Secretary, after consultation with appropriate professional organizations, will develop minimum requirements for all residency programs seeking support under section 776. The Committees do not contemplate that such requirements should include a requirement that these programs be affiliated with a medical school.

15. BURN INJURY PROGRAM

Existing Law: Has no provision for burn injury program.

Senate and House Bill: Similar except for Senate provisions which provide for priority consideration to applicants for a grant or contract if they are in or accessible to the service areas of an emergency medical services system meeting the requirements of section 1206(b)(4)(C) of title XII and except for the levels of authorizations of appropriations.

Compromise: Incorporates both the House and Senate provisions with an amendment to the Senate provision, giving priority to applicants in or accessible to an EMS service area, by requiring that the EMS system meet the definition in section 1201(1) rather than the requirements of section 1206(b)(4)(C).

The Committees believe that the nature of the demonstration programs authorized by the new section 1221 make them most appropriately administered by the identifiable EMS administrative unit described in section 1208. The Committees therefore believe that that unit should generally be given the lead responsibility for carrying out the program. Although the new burn program authority is devoted mainly to the development of demonstration programs for providing burn treatment in the most effective and efficient manner, basic biomedical research on the pathophysiology of burn injuries can provide a complementary benefit to burn injury programs. The Committees recognize that the National Institute of General Medical Sciences and other NIH Institutes involved in related research are the appropriate agencies for carrying out burn-related research and research training programs and that teatment activity supported by the NIH should be limited to that which is necessary to carry out research.

The Committees also recognize that other entities within the Department of HEW are appropriate agencies for carrying out important programs related to burn injuries. For example, programs supported by the Health Resources Administration can contribute substantially to the comprehensiveness and effectiveness of the burn injury demonstration programs. Also, programs of research in rehabilitation medicine and psychosocial rehabilitation, supported by the Rehabilitation Services Administration as well as by the National Institute of Mental Health, can also contribute to the development of comprehensive burn injury programs, as can the programs of the National Center for Health Statistics and the National Center for Health Services Research and Development.

The EMS administrative unit, as the lead agency for administering the section 1221 burn programs, should coordinate its efforts and activities closely with those of other entities within HEW so that the full range of expertise within the Department can be focused on the development of information necessary to determine the scope and feasibility of future Federal efforts in this field.

16. TRANSFER OF TITLE OF EQUIPMENT

Existing Law: Has no provision for transfer of title of equipment.

Senate Bill: Has provision authorizing the Secretary to transfer the title of certain property to seven EMS demonstration project entities which received this property under contract prior to the enactment of the 1973 EMS Act.

Compromise: House recedes with minor revisions.

17. STUDIES AND REPORTS

Senate and House Bills: Have similar provisions except as follows:

(1) The Senate bill provides that burn injury programs supported under title XII must be studied and included in the report, and requires the submission of the report 18 months after enactment, rather than the 12 months required by the House bill.

(2) The House bill directs the Secretary, through the Interagency Committee, to study the effectiveness of Federal programs of assistance for communication systems and determine the feasibility of encouraging joint Federal funding of communications systems to insure integrated response capabilities to medical emergencies, and to report to Congress, 12 months after enactment, the results of the study and recommendations for such legislation as may be necessary to insure integrated response capabilities.

(3) The Senate bill provides for a study, similar to that in the House bill, to be conducted by the Interagency Committee on Emergency Medical Services and requires such study to be submitted by July 1, 1977. The Senate bill includes vehicles as well as communications in this study.

Compromise: Incorporates the House and Senate provisions with respect to studies and reports.

18. EXTENSION OF ARTHRITIS COMMISSION

Senate Bill: Extends the expiration date of the National Commission on Arthritis and Musculoskeletal Diseases to December 31, 1976.

House Bill: Has no comparable provision.

Compromise: House recedes.

19. TRANSPORT OF DECEASED PUBLIC HEALTH SERVICE PERSONNEL

Senate Bill: Includes an amendment to section 208 of the Public Health Service Act which would authorize the Secretary to pay for the costs of—

(1) transporting the remains of personnel of the Public Health Service and their families;

(2) medical treatment incurred by personnel of the Service or their dependents abroad in excess of $35 per day and travel expenses of personnel of the Service or their dependents required to transport them to a locality where suitable medical care can be obtained.

House Bill: Has no comparable provision.

Compromise: Senate recedes.

20. EXTENSION OF COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

The Compromise agreement also amends the National Research Act to extend for one year, until December 31, 1977, the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research. The Senate previously passed S. 2515 which included a comparable provision.

21. NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The compromise agreement adds an amendment to the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to permit the Secretary to review and approve noncompeting NIAAA grants in amounts lower than $250,000. This clarifies an amendment made in the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1976 (P.L. 94–371).

NEW AUTHORIZATIONS OF APPROPRIATIONS EMERGENCY MEDICAL SERVICES

[In millions]

	Senate bill S. 2548	House bill H.R. 12664	Proposed compromise
EMS systems development:			
Transition quarter	$5.083	$5.083	$5.083
Fiscal year 1977	50	40	45
Fiscal year 1978	70	50	55
Fiscal year 1979	75	60	70
Subtotal	200.083	155.083	175.083
EMS research:			
Fiscal year 1977	5	5	5
Fiscal year 1978	5	5	5
Fiscal year 1979	5	5	5
Subtotal	15	15	15
EMS training (in health manpower bill) H.R. 5546:			
Fiscal year 1976	10	10	----------
Fiscal year 1977	10	10	10
Fiscal year 1978	10	10	10
Fiscal year 1970	10	----------	10
Subtotal	40	30	30
Burn injuries:			
Fiscal year 1977	3	5	5
Fiscal year 1978	5	10	7.5
Fiscal year 1979	6	15	10
Subtotal	14	30	22.5
Grand total	269.083	230.083	242.583

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have until the end of the printing of the RECORD to revise and extend their remarks on S. 2548.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

S. 2910, ARTHRITIS, DIABETES, AND DIGESTIVE DISEASES

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2910, a bill to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases, as passed in the Senate, and ask for its immediate consideration in the House.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, are there any nongermane amendments attached to this at all?

Mr. ROGERS. If the gentleman will yield, there are no nongermane amendments.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

Mr. SYMINGTON. Mr. Speaker, I rise in support of S. 2910 the Arthritis, Diabetes, and Digestive Disease Amendments of 1976, which is almost identical to H.R. 15641, the House bill I cosponsored in the Subcommittee on Health and the Environment.

This bill would revise and extend the authorizations for research and training programs in arthritis and diabetes for 3 fiscal years through 1980. It would also establish a National Commission on Digestive Diseases.

The arthritis program was first authorized by the Arthritis Act which, after being reported by this committee, was enacted in the 93d Congress. The diabetes program was first authorized by the National Diabetes Research Act which was also reported by this committee and enacted during that Congress.

Arthritis, diabetes, and digestive diseases pose a serious threat to the health of the Nation. Approximately 22 million Americans are afflicted with arthritis; an estimated 10 million Americans suffer with one or more of the digestive diseases. I believe we should continue our support of research, training, public education, and rehabilitation in these areas.

I urge the House to join me in support of this legislation which is so vital to those afflicted with arthritis, diabetes, and digestive diseases.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill S. 2910.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill, as follows:

S. 2910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Arthritis, Diabetes, and Digestive Disease Amendments of 1976".

TITLE I—ARTHRITIS AND RELATED MUSCULOSKELETAL DISEASES

ARTHRITIS DEMONSTRATION PROJECTS AND DATA SYSTEM

SEC. 101. (a) Section 438(a) is amended—

(1) by striking out "prevention,"; and

(2) by striking out "data bank" and inserting in lieu thereof "data system".

(b) Section 438(b) is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (4) the following new paragraph:

"(5) emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—

"(A) on the importance of early detection of arthritis, of seeking prompt treatment, and of following an appropriate regimen; and

"(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods for arthritis and unapproved and ineffective drugs and devices for arthritis.".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

(c) Section 438(c)(1) is amended—

(1) by striking out "Screening and Detection Data Bank" and inserting in lieu thereof "Data System"; and

(2) by striking out "useful in screening, prevention, and early detection involving" and inserting in lieu thereof "derived from".

(d) Section 438(d) is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by inserting at the end thereof the following new paragraphs:

"(2) There are authorized to be appropriated to carry out subsections (a) and (b) $3,000,000 for the fiscal year ending September 30, 1978, $4,000,000 for the fiscal year ending September 30, 1979, and $5,000,000 for the fiscal year ending September 30, 1980.

"(3) There are authorized to be appropriated to carry out subsection (c) $1,000,000 for the fiscal year ending September 30, 1978, $1,250,000 for the fiscal year ending September 30, 1979, and $1,500,000 for the fiscal year ending September 30, 1980.".

(e) The heading to section 438 is amended to read as follows: "Arthritis Demonstration Projects and Data System".

MULTIPURPOSE ARTHRITIS CENTERS

SEC. 102. Section 439 is amended—

(1) by inserting ", and in research in arthritis" in subsection (b)(2)(B) before the semicolon at the end thereof;

(2) by amending subsection (f) to read as follows:

"(f) Support of a center under this section may be for a period of not to exceed three years and may be extended by the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases for additional periods of not more than three years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases.";

(3) by inserting "the" before "fiscal year" each place it appears in subsection (g);

(4) by striking out "and" in subsection (g) before "$20,000,000";

(5) by inserting "$18,700,000 for the fiscal year ending September 30, 1978, $19,000,000 for the fiscal year ending September 30, 1979, and $20,000,000 for the fiscal year ending September 30, 1980" before the period at the end of the first sentence of subsection (g); and

(6) by amending the heading to read as follows:

"MULTIPURPOSE ARTHRITIS CENTERS".

NATIONAL ARTHRITIS ADVISORY BOARD

SEC. 103. (a) Part D of title IV is amended by inserting after section 439 the following new section:

"NATIONAL ARTHRITIS ADVISORY BOARD

"SEC. 440. (a) The Secretary shall establish a National Arthritis Advisory Board (hereinafter in this section referred to as the 'Board') to be composed of twenty-four members as follows:

"(1) Eight members shall be appointed by the Secretary from individuals who are scientists, physicians, or other health professionals, who are not employed by the Federal Government, and who represent the various specialties and disciplines involved in arthritis. Of the members appointed pursuant to this paragraph, three shall be clinical rheumatologists, two shall be orthopedic surgeons, two shall be rheumatology investigators, and one shall be an allied health professional.

"(2) Six members shall be appointed by the Secretary from individuals, who are not employed by the Federal Government, with an interest in arthritis and who as a group have knowledge and experience in the fields of medical education, nursing, community program development, health education, data systems, and public information.

"(3) One member shall be appointed by the Secretary from individuals who are members of the National Arthritis, Metabolism, and Digestive Diseases Advisory Council and who are expert in the field of arthritis.

"(4) Four members shall be appointed by the Secretary from the general public. At least two of such members shall be persons who have arthritis and one shall be the parent of a child who has arthritis.

"(5) The Assistant Secretary of Health or his designee, the Director of the National Institutes of Health or his designee, the Associate Director for Arthritis of the National Institute of Arthritis, Metabolism, and Digestive Diseases or his designee, the Chief Medical Director of the Veterans' Administration or his designee, and the Secretary of Defense or his designee shall each be ex officio members.

"(b) The members of the Board shall select a Chairperson from among the appointed members.

"(c) The Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Board to carry out its functions.

"(d) Members of the Board who are officers or employees of the Federal Government shall serve as members of the Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"(e) The appointed members of the Board shall be appointed to serve until the expiration of the Board (as provided in subsection (l)).

"(f) The Board shall—

"(1) review and evaluate the implementation of the Arthritis Plan (formulated under section 3(g) of the National Arthritis Act of 1974); and

"(2) for the purpose of assuring the most effective utilization and organization of arthritis resources, advise, and made recommendations to Congress, the Secretary, and the heads of other appropriate Federal agencies with respect to the Arthritis Plan and with respect to the guidelines, policies and procedures of Federal programs relating to arthritis.

"(g) The Board may collect such data as it deems advisable and necessary to enable it to perform the functions required by subsection (f).

"(h) The Board may, from time to time, establish Subcommittees. Such Subcommittees may be composed of Board members and nonmember consultants with expertise in the particular area addressed by such Subcommittees.

"(i) The full Board shall hold regular quarterly meetings. In addition, the full Board or any of its Subcommittees may hold such additional meetings as are necessary in order to enable the Board to carry out its activities.

"(j) One year after the date of its establishment and each year thereafter the Board shall submit to the Secretary and to the Congress a report—

"(1) which describes the Board's activities during the year for which the report is made;

"(2) which describes and evaluates the progress made in such year in arthritis research, treatment, education, and training;

"(3) which summarizes and analyzes expenditures made by the Federal Government for arthritis-related activities during the year for which the report is made; and

"(4) which contains the Board's recommendations (if any) for changes in the Arthritis Plan.

The annual arthritis report shall be made available to the public at the same time it is transmitted to Congress and the Secretary.

"(k) There are authorized to be appropriated to carry out the purposes of this section $300,000 for the fiscal year ending September 30, 1978, $300,000 for the fiscal year ending September 30, 1979, and $300,000 for the fiscal year ending September 30, 1980.

"(l) The Board shall expire on September 30, 1980.".

(b) The Secretary of Health, Education, and Welfare shall establish the National Arthritis Advisory Board (established by the amendment made by subsection (a)) not later than ninety days after the date of enactment of this section.

TITLE II—DIABETES

NATIONAL DIABETES ADVISORY BOARD

SEC. 201. (a) Part D of title IV is amended by inserting after section 436 the following new section:

"NATIONAL DIABETES ADVISORY BOARD

"SEC. 436A. (a) The Secretary shall establish a National Diabetes Advisory Board (hereinafter in this section referred to as the 'Board') to be composed of twenty-three members as follows:

"(1) The following ex officio members: The Assistant Secretary for Health or his designee, the Director of the National Institutes of Health or his designee, the Director of the National Institute of Arthritis, Metabolism and Digestive Disease or his designee, the Director of the National Heart, Lung, and Blood Institute or his designee, the Director of the National Eye Institute or his designee, the Director of the Center for Disease Control or his designee, the Administrator of the Health Services Administration or his designee, the Administrator of the Health Resources Administration or his designee, the Associate Director for Diabetes of the National Institute of Arthritis, Metabolism, and Digestive Diseases or his designee, the Chief Medical Director of the Veterans' Administration or his designee, and the Secretary of Defense or his designee.

"(2) Seven members shall be appointed by the Secretary from individuals who are not in the employ of the Federal Government and who are health and allied health professionals or scientists representing the various specialties and disciplines involved with diabetes mellitus and related endocrine and metabolic diseases.

"(3) Five members shall be appointed by the Secretary from the general public, including at least one person with diabetes and two persons each of whom is a parent of a diabetic child.

"(b) The members of the Board shall select a Chairperson from among the appointed members.

"(c) The Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Board to carry out its functions.

"(d) Members of the Board who are officers or employees of the Federal Government shall serve as members of the Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of ttile 5 of the United States Code.

"(e) The appointed members of the Board shall be appointed to serve until the expiration of the Board (as provided in subsection (l)).

"(f) The Board shall—

"(1) review and evaluate the implementation of the long range plan to combat diabetes mellitus (hereinafter in this section referred to as the "Diabetes Plan") formulated by the National Commission on Diabetes under section 3(e) of the National Diabetes Mellitus Research and Education Act, and

"(2) for the purpose of assuring the most effective utilization and organization of diabetes resources, advise and made recommendations to Congress, the Secretary, and the heads of other appropriate Federal agencies with respect to the Diabetes Plan and with respect to the guidelines, policies and procedures of Federal programs relating to diabetes.

"(g) The Board may collect such data as it deems advisable and necessary to enable it to perform the functions required by subsection (f)

"(h) The Board may, from time to time, establish Subcommittees. Such Subcommittees may be composed of Board members and nonmember consultants with expertise in the particular area addressed by such Subcommittees.

"(i) The full Board shall hold regular quarterly meetings. In addition, the full Board or any of its Subcommittees may hold such additional meetings as are necessary in order to enable the Board to carry out its activities.

"(j) One year after the date of its establishment and each year thereafter the Board shall submit to the Secretary and to the Congress a report—

"(1) which describes the Board's activities during the year for which the report is made;

"(2) which describes and evaluates the progress made in such year in diabetes research, treatment, education, and training;

"(3) which summarizes and analyzes expenditures made by the Federal Government for diabetes-related activities during the year for which the report is made; and

"(4) which contains the Board's recommendations (if any) for changes in the Diabetes Plan.

The annual diabetes report shall be made available to the public at the same time it is transmitted to Congress and the Secretary.

"(k) There are authorized to be appropriated to carry out the purposes of this section $300,000 for the fiscal year ending September 30, 1978, $300,000 for the fiscal year ending September 30, 1979, and $300,000 for the fiscal year ending September 30, 1980.

"(l) The Board shall expire on September 30, 1980.".

(b) The Secretary of Health, Education, and Welfare shall establish the National Diabetes Advisory Board (established by the amendment made by subsection (a)) not later than ninety days after the date of enactment of this section.

DIABETES RESEARCH AND TRAINING CENTERS

SEC. 202. Section 435(c) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period at the end thereof ", $12,000,000 for the fiscal year ending September 30, 1978, $20,000,000 for the fiscal year ending September 30, 1979, and $20,000,000 for the fiscal year ending September 30, 1980.".

TITLE III—DIGESTIVE DISEASES

NATIONAL COMMISSION ON DIGESTIVE DISEASES

SEC. 301. (a) The Secretary of Health, Education, and Welfare (hereafter in this section referred to as the "Secretary") after consulting with the Director of the National Institutes of Health, shall, within sixty days of the date of enactment of this section, establish a National Commission on Digestive Diseases (hereafter in this section referred to as the "Commission").

(b) The Commission shall be composed of twenty-six members as follows:

(1) Ten members, appointed by the Secretary from scientists, physicians, and other health professionals, not in the employment of the Federal Government, as follows: Two shall be practicing clinical gastroenterologists, two shall be gastroenterologists involved primarily in research on disgestive diseases, one shall be a surgeon, one shall be an expert in liver disease, one shall be an epidemiologist, one shall be an allied health professional, and two shall be basic biomedical scientists (such as biochemists, physiologists, microbiologists, nutritionists, pharmacologists, or immunologists).

(2) Six members appointed by the Secretary from the general public, of whom at least three shall have personal or close family experience with digestive diseases.

(3) One member appointed by the Secretary from the members of the National Arthritis, Metabolism, and Digestive Diseases Advisory Council whose primary interest is in the field of digestive diseases.

(4) The Director of the National Institutes of Health or his designee; the Director of the National Institute of Arthritis, Metabolism, and Digetive Diseases or his designee; the Directors, or their designees, of the National Institute of Allergy and Infectious Diseases, the National Cancer Institute, the National Institute of General Medical Sciences; the Associate Director for Digestive Diseases and Nutrition of the National Institute of Arthritis, Metabolism, and Digestive Diseases; the Director of the Center for Disease Control or his designee; the Chief Medical Director of the Veterans' Administration or his designee; and the Secretary of Defense or his designee shall each be ex officio members of the Commission.

(c) The members of the Commission shall select a Chairperson from among the appointed members of the Commission.

(d) The Commission shall first meet as directed by the Secretary, not later than sixty days after the Commission is established, and thereafter shall meet at the call of the Chairperson of the Commission, but not less often than three times during the life of the Commission. The Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission deems advisable.

(e) (1) The Commission may appoint and fix the pay of an executive secretary to effectively carry out its functions. The executive secretary shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) The Secretary shall provide the Commission with such additional professional and clerical staff, such information, and the services of such consultants as the Secretary determines to be necessary for the Commission to carry out effectively its functions.

(f) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall receive compensation at a rate not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members, while serving away from their homes or regular places of business in the performance of services for the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(g) (1) The Commission shall—

(A) conduct a comprehensive study of the present state of knowledge of the incidence, duration, and morbidity of, and mortality rates resulting from, digestive diseases and of the social and economic impact of such diseases;

(B) evaluate the public and private facilities and resources (including trained personnel and research activities) for the diagnosis, prevention, and treatment of, and research in, such diseases; and

(C) identify programs (including biological, behavioral, nutritional, environmental, and social programs) in which, and the means by which, improvement in the management of digestive diseases can be accomplished.

Each Federal entity administering health programs and activities related to digestive diseases shall, upon request, assist the Commission in carrying out its duties under this paragraph.

(2) Based on the study, evaluation, and identification made pursuant to paragraph (1), the Commission shall develop and recommend a longe-range plan for the use and organization of national resources to effectively deal with digestive diseases. The plan shall provide for—

(A) research studies into the basic biological processes and mechanisms related to digestive diseases;

(B) investigations into the epidemiology, etiology, diagnosis, treatment, prevention, and control of digestive diseases;

(C) development of preventive measures (including education programs, programs for the elimination of environmental hazards related to digestive diseases, and clinical programs) to be taken against digestive diseases;

(D) detection of digestive diseases in the presymptomatic stages and development and evaluation of new and improved methods of screening for digestive diseases;

(E) development of criteria for the diagnosis and the clinical management and control of digestive diseases;

(F) development of coordinated health care systems for dealing with digestive diseases;

(G) education and training (including continuing education programs) of scientists, clinicians, educators, and allied health professionals in the fields and specialties requisite to the conduct of programs related to digestive diseases with special emphasis on training for careers in research, teaching, and all aspects of patient care;

(H) the conduct and direction of field studies and clinical trials for testing, evaluating, and demonstrating preventive, diagnostic, therapeutic, rehabilitative, and control measures in digestive diseases;

(I) establishment of a standardized nomenclature of all digestive diseases for use in basic and clinical research and to facilitate collaborative studies; and

(J) establishment of a system of periodic surveillance of the research potential and research needs in digestive diseases corresponding with the recently completed survey organized by the National Institute of Arthritis, Metabolism, and Digestive Diseases. The long-range plan formulated under this paragraph shall also include within its scope related nutritional disorders and basic biological processes and mechanisms in nutrition which are related to digestive diseases.

(h) The Commission shall recommend for each of the Institutes of the National Institutes of Health whose activities are to be affected by the long-range plan estimates of the expenditures needed to carry out each Institute's part of the overall program. Such estimates shall be prepared for the fiscal year beginning immediately after completion of the Commission's plan and for each of the next two fiscal years.

(i) (1) Within eighteen months following its initial meeting (as prescribed by subsection (d)), the Commission shall publish and transmit directly to the Congress a final report respecting its activities under this section. The report shall contain (A) the long-range plan required by subsection (g), (B) the expenditure estimates required by subsection (h), and (C) any recommendations of the Commission for legislation.

(2) The Commission shall cease to exist on the thirtieth day following the date of submission of the final report to Congress.

(j) There are authorized to be appropriated without fiscal year limitation $1,500,000 to carry out the purposes of this section.

COORDINATING COMMITTEE FOR DIGESTIVE DISEASES

SEC. 302. Part D of title IV is amended by adding after section 440 (as added by section 103 of this Act) the following new section:

COORDINATING COMMITTEE FOR DIGESTIVE DISEASES

"SEC. 440A. (a) The Secretary shall establish a Coordinating Committee for Digestive Diseases (hereafter in this section referred to as the 'Committee') to be composed of the Directors (or their designated representatives) of each of the Institutes of the National Institutes of Health involved in digestive disease research; and the head (or his designated representative) of the Alcohol, Drug Abuse and Mental Health Administration, the National Institute of Occupational Safety and Health, the Food and Drug Administration, the Department of Medicine and Surgery of the Veterans' Administration, the Center for Disease Control, the Department of Defense, the Department of Agriculture, the Health Services Administration, the Health Resources Administration, the Social Security Administration, and the Institute of Medicine of the National Academy of Sciences. The Committee shall be chaired by the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases and the Associate Director for Digestive Diseases and Nutrition of that Institute shall serve as vice chairman. The Committee shall meet at the call of the Chairman, but not less often than three times a year.

"(b) The Committee shall be responsible for the coordination of the activities of the entities represented on the Committee respecting digestive diseases. The Committee shall submit to the Secretary an annual report detailing the manner in which the Committee has coordinated such activities."

Mr. ROGERS. Mr. Speaker, I urge the Members to support S. 2910, the Arthritis, Diabetes, and Digestive Disease Amendments of 1976. It is almost identical to the bill reported by the Subcommittee on Health and the Environment by unanimous voice vote and has the support of Members on both sides of the aisle. It would amend title IV of the Public Health Service Act to revise and extend, for 3 years through fiscal 1980, the specific authorities respecting the arthritis, diabetes, and digestive disease programs supported by the National Institutes of Health within the Department of Health, Education, and Welfare.

Specifically, title I of the bill provides for a 3-year extension of the authorizations for programs of assistance for arthritis demonstration projects, arthritis centers, and the arthritis data system. It also provides for the establishment of a National Arthritis Advisory Board.

Title II of the bill provides for a 3-year extension of the authorizations for programs of assistance for diabetes research and training centers. It also provides for the establishment of a National Diabetes Advisory Board, which was first proposed in legislation introduced by my distinguished colleague on the subcommittee, Dr. Carter, and sponsored by many of the members of the full committee.

Title III of the bill provides for the establishment of a National Commission on Digestive Diseases to develop a long-range plan to combat these diseases and give advice and make recommendations to HEW and the Congress on the most effective utilization of national resources with respect to these diseases. It would also establish an Interagency Coordinating Committee on Digestive Diseases to coordinate and eliminate duplication between the various Federal entities supporting digestive diseases activities.

The total authorization level in the bill for all three of these programs for 3 fiscal years is $128.75 million. This amount is broken down into authorization levels of $36.8 million for fiscal 1978, $44.85 million for fiscal 1979, and $47.1 million for fiscal 1980. These annual authorization levels are comparable to the authorization level of $44 million under existing law for fiscal 1977. The bill's lower authorization levels more appropriately reflect what the subcommittee believes is a realistic level for these programs.

At the 2 days of hearings on this legislation, many expert witnesses and organizations testified in support of this legislation and many of their suggestions were incorporated into this bill. The Senate bill is almost identical to the bill reported by unanimous voice vote by the subcommittee and which is cosponsored by 12 of the 13 members of the subcommittee. The total authorization levels are also identical. This bill has the support of many important professional and public interest organizations, including the Arthritis Foundation, the American Diabetes Association, the Juvenile Diabetes Foundation, the American Gastroenterological Association, the American Association for Retired Persons, and many others too numerous to mention.

I would again urge all House Members to join me in support of this important legislation.

TABLE I.—NEW OBLIGATIONAL AUTHORITY FOR FISCAL YEARS 1978–80 UNDER H.R. 15641

[In millions of dollars]

	Fiscal year—			
	1978	1979	1980	Total
Arthritis and related musculoskeletal diseases:				
Demonstration projects, sec. 438(a) and (d)(1)	3.0	4.0	5.0	12.0
Data system, sec. 438(c) and (d)(1)	1.0	1.25	1.5	3.75
Multipurpose arthritis centers, sec. 439	18.7	19.0	20.0	57.7
National Arthritis Advisory Board, sec. 440	.3	.3	.3	.9

TABLE I.—NEW OBLIGATIONAL AUTHORITY FOR FISCAL YEARS 1978-80 UNDER H.R. 15641—Continued

[In millions of dollars]

	Fiscal year—			
	1978	1979	1980	Total
Diabetes and related endocrine and metabolic diseases:				
Research and training centers, sec. 435	12.0	20.0	20.0	52.0
National Diabetes Advisory Board, sec. 436(b)	.3	.3	.3	.9
Digestive diseases: National Commission on Digestive Diseases	1.5			[1]1.5
Total	36.8	44.85	47.1	128.75

[1] The authorizations of appropriations are made available for the life of the Commission without fiscal gear limitation.

TABLE II.—AUTHORIZATIONS OF APPROPRIATIONS UNDER EXISTING LAW FOR FISCAL YEARS 1975-77

[In millions of dollars]

	Fiscal year—			
	1975	1976	1977	Total
Arthritis and related musculoskeletal diseases:				
Demonstration projects, sec. 438 (a) and (d) and the data system, sec. 438 (c) and (d)	2	3	4	9
Multipurpose arthritis centers, sec. 439	11	8	20	39
National Arthritis Advisory Board, sec. 440	0	0	0	0
Diabetes and related endocrine and metabolic diseases:				
Research and training centers, sec. 435	8	12	20	40
National Diabetes Advisory Board, sec. 436(b)	0	0	0	0
Digestive diseases: National Commission on Digestive Diseases	0	0	0	0
Total	21	23	44	88

Mr. CARTER. Mr. Speaker, I strongly support this legislation which concerns arthritis, diabetes, and digestive diseases.

This bill would establish a National Diabetes Advisory Board to insure implementation of the long-range plan developed by the National Diabetes Commission.

Similarly—this bill would establish a National Arthritis Advisory Board for the purpose of assuring the most effective utilization and organization of arthritis resources—and to advise and make recommendations to the Congress.

Third, this legislation provides for the establishment of a National Commission on Digestive Diseases.

It will be the role of this Commission to conduct a comprehensive study of the present state of knowledge concerning digestive diseases—their social and economic impact—their mortality and morbidity—and their duration.

From that study—the Commission will develop a long-range plan for the use and organization of national resources to deal effectively with digestive diseases.

The total cost of this legislation is $128,700,000.

I strongly urge the Congress to support this measure.

These diseases impact severely—and far too often—fatally—on many millions of Americans.

For example—more than 10 million Americans are affected by diabetes—5 percent of the population.

Recently we have seen what advances in research in diabetes can do for human suffering. I am referring to the favorable results of the nationwide study on the treatment of diabetic retinopathy—undertaken by the National Eye Institute.

In the area of arthritis—we know that more than 20 million Americans are afflicted.

And—digestive diseases impact in many ways on our citizens—in their daily lives—causing suffering and discomfort.

Mr. Speaker, I have sponsored legislation for each of these diseases in order to focus Federal resources on attacking these conditions.

I strongly urge favorable consideration of this legislation.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have until the end of the printed RECORD to revise and extend their remarks on the Senate bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

AUTHORIZING ESTABLISHMENT OF EUGENE O'NEILL HISTORIC SITE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2398) to authorize the establishment of the Eugene O'Neill National Historic Site, and for other purposes, with a Senate amendment to the House amendments, and consider the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text, insert:

That the Secretary of the Interior is hereby authorized to accept the donation of, or purchase with funds donated for the acquisition of, all or any part of the property (comprising approximately fourteen acres) and improvements thereon at Danville, California, formerly owned by Eugene O'Neill. Such property is hereby designated as the Eugene O'Neill National Historic Site in commemoration of the contribution of Eugene O'Neill to American literature and drama.

SEC. 2. The national historic site established pursuant to this Act if acquired by the Secretary of the Interior shall be administered by him in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended, as a memorial to Eugene O'Neill and a park for the performing arts and related educational programs. Whether acquired or not, the Secretary of the Interior is authorized directly or by means of cooperative agreements with the Eugene O'Neill Foundation, Tao House, to preserve, interpret, restore, program, adapt for public use and/or provide technical assistance for the Eugene O'Neill National Historic Site in accordance with the provisions of this Act: Provided, That prior to entering into any cooperative agreement the Secretary shall transmit a copy of the proposed agreement together with a report explaining the reasons for the agreement to the Committees on Interior and Insular Affairs of the Senate and House of Representatives.

TITLE II

SEC. 201. The Secretary of the Interior is authorized to accept, subject to the consummation of the cooperative agreement referred to in Section 202, the donation of the Cherokee Strip Living Museum in Arkansas City, Kansas, and may administer such museum in accordance with such authorities as are available to him.

SEC. 202. The Secretary may enter into a cooperative agreement with any responsible and competent organization satisfactory to him for the management and operation of the museum, and is authorized to render such technical advice and operating assistance as he may deem appropriate, the conditions of which are to be provided for in the cooperative agreement.

TITLE III

SEC. 301. Notwithstanding any other provision of law, any designation of the lands in the Shoshone National Forest, Wyoming, known as the Whiskey Mountain Area, comprising approximately six thousand four hundred and ninety-seven acres and depicted as the "Whiskey Mountain Area—Glacier Primitive Area" on a map entitled "Proposed Glacier Wilderness and Glacier Primitive Area," dated September 23, 1976, on file in the Office of the Chief, Forest Service, Department of Agriculture, shall be classified as a primitive area until the Secretary of Agriculture or his designee determines otherwise pursuant to classification procedures for national forest primitive areas. Provisions of any other Act designating the Fitspatrick Wilderness in said Forest shall continue to be effective only for the approximately one hundred and ninety-one thousand one hnudred and three acres depicted as the Proposed Glacier Wilderness" on said map.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RONCALIO. Mr. Speaker, reserving the right to object, may I address some questions to the gentleman from North Carolina (Mr. TAYLOR)?

Mr. Speaker, is it the intention of the chairman that an amendment will be offered to the Senate amendment?

Mr. TAYLOR of North Carolina. Mr. Speaker, if the gentleman will yield, it is my intention to submit the amendment just stated, which will delete title III in the Senate amendment.

Mr. RONCALIO. Mr. Speaker, is the gentleman in favor of that amendment and will the gentleman offer it?

Mr. TAYLOR of North Carolina. Mr. Speaker, if the gentleman will yield further, the Senate added title III, which dealt with the wilderness area in Wyoming in the gentleman's district, which the gentleman is opposed to, and the amendment deletes this title of the bill.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, by striking that amendment, what we are sending back to the Senate is the bill that has already passed the House of Representatives?

Mr. TAYLOR of North Carolina. The gentleman is correct.

Mr. RONCALIO. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDMENT OFFERED BY MR. TAYLOR OF NORTH CAROLINA TO THE SENATE AMENDMENT TO THE HOUSE AMENDMENT

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer an amendment to the Senate amendment to the House amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of North Carolina to the Senate amendment to the House amendment: Strike out all of title III in the Senate amendment.

The amendment to the Senate amendment to the House amendment was agreed to.

A motion to reconsider was laid on the table.

DEDICATING CHESAPEAKE & OHIO CANAL NATIONAL HISTORICAL PARK TO JUSTICE WILLIAM O. DOUGLAS

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2742) to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States, with a Senate amendment to the House amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text, insert:

That the towpath of the Chesapeake and Ohio Canal is hereby dedicated to Justice William O. Douglas in grateful recognition of his role as one of America's great conservationists.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ASHBROOK. Mr. Speaker, I object.

Mr. SKUBITZ. Mr. Speaker, will the gentleman from Ohio withhold his objection?

Mr. ASHBROOK. Mr. Speaker, I reserve the right to object.

Mr. SKUBITZ. Mr. Speaker, if the gentleman from Ohio will yield, will the gentleman from North Carolina please explain the amendment?

Mr. TAYLOR of North Carolina. Mr. Speaker, if the gentleman will yield, this deals with the dedication of a section of the C. and O. Canal to Justice William O. Douglas.

We passed a House bill naming a designated section of the canal to Justice Douglas. The Senate attached an amendment to the bill, to which the gentleman from Maryland (Mr. BAUMAN) objected a few minutes ago, which name the entire canal and the towpath to be dedicated to Justice Douglas. Now, that was taken off the bill, and this amendment before us now would dedicate only the towpath. It does not require any changes in the signs. I would think as the years go round and as new signs have to be purchased, that the signs along the trail would say, "Dedicated to Justice Douglas," but it does not authorize any immediate spending.

Mr. SKUBITZ. Mr. Speaker, if the gentleman will yield further, I have no objection. I hope the gentleman from Ohio (Mr. ASHBROOK) will withdraw his objection.

Mr. ASHBROOK. There have already been changes made. I think it can wait until next session, and I think it should.

Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AMENDING INTERNAL REVENUE CODE TO PROVIDE FOR DISTRIBUTION DEDUCTION FOR CERTAIN CEMETERY PERPETUAL CARE TRUST FUNDS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1142) to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care trusts, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 16, after "(a)" insert: shall take effect on October 1, 1977, and

Page 2, after line 17, insert:

SEC. 2. (a) Subsection (d) of section 1204 of the Tax Reform Act of 1976 (relating to jeopardy and termination assessments) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(b) Subsection (c) of section 1205 of the Tax Reform Act of 1976 (relating to administrative summons) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(c) Subsection (e) of section 1209 of the Tax Reform Act of 1976 (relating to minimum exemption from levy for wages, salary, and other income) is amended by striking out "December 31, 1976" and inserting in lieu thereof "February 28, 1977".

(d) Subsection (c) of section 7809 of the Internal Revenue Code of 1954 (relating to deposit of collections) is amended—

(1) by striking out "and" at the end of paragraph (2) thereof;

(2) by striking out the comma at the end of paragraph (3) thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end of paragraph (3) thereof the following new paragraph:

"(4) work or services performed (including materials supplied) pursuant to section 6110 (relating to public inspection of written determinations),".

(e) The amendments made by this section shall take effect on the date of the enactment of the Tax Reform Act of 1976.

Amend the title so as to read: "An Act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund, to modify the effective dates of certain provision of the Tax Reform Act of 1976, and for other purposes.".

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I will yield to the distinguished chairman of the Ways and Means Committee to explain the Senate amendments.

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, H.R. 1142 was passed under suspension in late August by an overwhelming vote, with very little opposition. The Senate sent it back with two amendments.

The first amendment has to do with the effective date in order to make it comply with the budget, so that what they have done in that first amendment is to make the effective date October 1, 1977, although still applying to amounts distributed during the taxable years ending after December 31, 1963. That is the only change in the basic bill.

The second amendment that the Senate added has to do with certain administrative provisions in the Tax Reform Act of 1976 that was passed recently by the Congress. The Internal Revenue Service has asked the Congress to move certain of those effective dates forward on three administrative provisions of the bill; that is jeopardy and termination assessments, administrative summons and the minimum exemption. The dates are moved forward from December 31, 1976, to February 28, 1977, at the request of IRS.

Mr. FRENZEL. Mr. Speaker, I thank the chairman for his explanation. I urge passage of the bill, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING INTERNAL REVENUE CODE WITH RESPECT TO TAX TREATMENT OF SOCIAL CLUBS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1144) to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 21, and insert: (h) as subsection (i) and by inserting after subsection (g)

Page 3, after line 9, insert:

SEC. 3. (a) Paragraph (2) of section 301 (g) of the Tax Reform Act of 1976 (relating to effective date for minimum tax provisions) is amended to read as follows:

"(2) TAX CARRYOVER.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the amount of any tax carryover under section 56(c) of the Internal Revenue Code of 1954 from a taxable year beginning before January 1, 1976, shall not be allowed as a tax carryover for any taxable year beginning after December 31, 1975.

"(B) Except as provided by paragraph (4) and in section 56(e) of the Internal Revenue Code of 1954, in the case of a corporation which is not an electing small business corporation (as defined in section 1371(b) of such Code) or a personal holding company (as defined in section 524 of such Code), the amount of any tax carryover under section 56(c) of such Code from a taxable year beginning before July 1, 1976, shall not be allowed as a tax carryover for any taxable year beginning after June 30, 1976.".

(b) The amendments made by subsection (a) shall take effect on the date of the enactment of the Tax Reform Act of 1976.

SEC. 4. (a) The Secretary of the Treasury, in cooperation with the Administrator of the Environmental Protection Agency, shall make a thorough and complete study and investigation of all provisions of the Internal Revenue Code of 1954 which currently impede or discourage the recycling of solid waste materials, and shall determine what actions Congress may take under the internal revenue laws to increase and encourage the recycling of solid waste materials.

(b) The Secretary of the Treasury shall report his findings, together with specific legislative proposals and detailed revenue cost estimates, to the President and to the Congress at the earliet practicable date, but not later than six months after the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon for the immediate consideration of the Senate amendments?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished chairman of the Ways and Means Committee for an explanation of the Senate amendments.

Mr. ULLMAN. Mr. Speaker, if the gentleman would yield, the basic bill, H.R. 1144, was passed by an overwhelming majority in the House and sent to the Senate. The Senate sent it back with two amendments.

The basic bill was not changed in any way. They added two amendments, the first of which corrects a technical drafting defect in the corporate minimum tax provision of the Tax Reform Act of 1976.

Under this amendment, any carryover of tax paid from fiscal years beginning before July 1, 1976, is disallowed as a deduction in the case of the minimum tax on corporations for taxable years beginning after June 30, 1976.

This was an error in drafting, a correction of an error.

The second Senate amendment deals with the treatment of recycling solid waste material, and all it does is direct the Secretary of the Treasury and the Administrator of the Environmental Protection Agency to conduct this study and investigation of all matters relating to the proper role of the Federal Government in encouraging recycling solid waste material, and report back to the President and the Congress within 6 months.

The Committee on Ways and Means would agree to both of those, and we would hope that they can be adopted.

Mr. FRENZEL. Mr. Speaker, I thank the chairman for his explanation, and I urge the passage of the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING THE INTERNAL REVENUE CODE OF 1954

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13500) to amend the Internal Revenue Code of 1954 with respect to influencing legislation by public charities, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

FOOD STAMP DISTRIBUTION TO AFDC FAMILIES

That (a) Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"FOOD STAMP DISTRIBUTION

"SEC. 410. (a) Any State plan for aid and services to needy families with children may (but is not required under this title or any other provision of Federal law to) provide for the institution of procedures, in any or all areas of the State, by the State agency administering or supervising the administration of such plan under which any household participating in the food stamp program established by the Food Stamp Act of 1964, as amended, will be entitled, if it so elects, to have the charges, if any, for its coupon allotment under such program deducted from any aid, in the form of money payments, which is (or, except for the deduction of such charge, would be) payable to or with respect to such household (or any member or members thereof) under such plan and have its coupon allotment distributed to it with such aid.

"(b) Any deduction made pursuant to an option provided in accordance with subsection (a) shall not be considered to be a payment described in section 406(b)(2).

"(c) Notwithstanding any other provision of law, no agency which is designated as a State agency for any State under or pursuant to the Food Stamp Act of 1964, as amended, shall be regarded as having failed to comply with any requirement imposed by or pursuant to such Act solely because of the failure, of the State agency administering or supervising the administration of the State plan (approved under this part) of such State, to institute or carry out a procedure, described in subsection (a).".

(b) Administrative costs incurred by a State plan for aid and services to needy families with children, approved under Part A of title IV of the Social Security Act, in conducting procedures (described in section 410 of such Act, as added by subsection (a) of this section) in connection with the food stamp program shall be paid from funds appropriated to carry out the Food Stamp Act of 1964, as amended.

SEC.   . (a) Title XVI of the Social Security Act is amended by adding immediately after section 1617 the following new section:

"OPERATION OF STATE SUPPLEMENTATION PROGRAMS

"SEC. 1618. (a) In order for any State which makes supplementary payments of the type described in section 1616(a) (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66), on or after June 30, 1977, to be eligible for payments pursuant to title XXI with respect to expenditures for any calendar quarter which begins—

"(1) after June 30, 1977, or, if later,

"(2) after the calendar quarter in which it first makes such supplementary payments, such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to make such supplementary payments, and

"(4) maintain such supplementary payments of levels which are not lower than the levels of such payments in effect in December 1976, or, if no such payments were made in that month, the levels for the first subsequent month in which such payments were made.

"(b) The Secretary shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for a particular month or months if the State's expenditures for such payments in the twelve-month period (within which such month or months fall) beginning on the effective date of any increase in the level of supplemental security income benefits pursuant to section 1617 are not less than its expenditures for such payments in the preceding twelve-month period.".

(b) Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred in such section) becoming effective after June 30, 1977."

(b) Administrative costs incurred by a State plan for aid and services to needy families with children, approved under Part A of title IV of the Social Security Act, in conducting procedures (described in section 410 of such Act, as added by subsection (a) of this section) in connection with the food stamp program shall be paid from funds appropriated to carry out the Food Stamp Act of 1964, as amended.

Amend the title so as to read: A bill to amend the Social Security Act with respect to food stamp purchases by welfare recipients.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. STEIGER of Wisconsin. Reserving the right to object, Mr. Speaker, I do so in order to give the distinguished chairman of the Committee on Ways and

Means the opportunity to explain the other body's amendments.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. I thank the gentleman for yielding.

Mr. Speaker, in this instance the Senate struck out all after the enacting clause in this bill and replaced totally new matter, and I would ask the gentleman to yield to the gentleman from California (Mr. CORMAN) to explain it.

Mr. STEIGER of Wisconsin. Mr. Speaker, I will yield to the gentleman from California (Mr. CORMAN) for that purpose.

Mr. CORMAN. I thank the gentleman for yielding.

Mr. Speaker, first of all, we have a food stamp problem, in that the law required counties to mail food stamps with checks in certain cases, and because of the threat of theft, that program has not been implemented. We have from time to time extended the period for its implementation, and in this act we permanently removed the obligation on the part of counties to mail food stamps through the mail if they make that decision.

The other half of this bill is the passthrough of the cost-of-living increases which was passed in H.R. 8911, and which includes both the passthrough and the hold-harmless payments of the provisions that were passed by this House in H.R. 8911.

Under a provision of Public Law 93-86, State welfare agencies were mandated to withhold, at the option of the recipient, the amount of the AFDC grant needed to purchase the recipient's food stamp allotment and to distribute the food stamp coupon allotment along with the reduced cash grant usually by mail.

Because of difficulties many States have had in implementing this provision, the Congress last December enacted legislation making public assistance withholding optional with the States until October 1, 1976.

The Senate amendment makes the optional withholding a permanent feature of the law.

The other Senate amendment mandates that cost-of-living increases in SSI be passed through to recipients.

This amendment would insure that individuals would receive Federal cost-of-living increases in SSI benefits. This would be accomplished by: First, requiring the States to spend as much on the supplemental payments as they spent in the prior year; and second, by continuing hold-harmless payments for those States that are still eligible for them by disregarding cost-of-living increases subsequent to June 1977 in computing the amount of the hold-harmless payments.

Mr. STEIGER of Wisconsin. Mr. Speaker, further reserving the right to object, I will simply comment that I was a little wrong in my estimate as to when we would get to the Fraser amendment. This is a part of what is involved in this issue. I do not object. I hope the bill can be passed, as amended.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER. The House will stand in recess for 15 minutes.

Accordingly (at 11 o'clock p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11 o'clock and 15 minutes p.m.

RECESS

The SPEAKER. We still do not have the business we are waiting for. The House will stand in recess until 11:40 p.m.

Accordingly (at 11 o'clock and 23 minutes p.m.), the House stood in recess until 11 o'clock and 40 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11 o'clock and 50 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 5523. An act to improve the administration of fish and wildlife programs, and for other purposes;

H.R. 7228. An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment;

H.R. 13160. An act to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes; and

H.R. 13828. An act to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes.

The message also announced that the Senate agreed to the House amendment to the Senate amendments 9 and 11 and that the Senate agreed to the House amendment to the Senate amendment 21 with an amendment to a bill of the House of the following title:

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes.

INCREASES IN APPROPRIATION CEILINGS AND BOUNDARY CHANGES IN CERTAIN UNITS OF NATIONAL PARK SYSTEM

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 13713, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to Senate amendment numbered 21, insert:

SEC. 318. The boundary of Zion National Park is hereby revised to include the area as generally depicted on the map entitled "Land Ownership Types, Zion National Park, Utah", numbered 116-80,003, which map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary of the Interior may acquire the property included by this section by donation only.

SEC. 319. The Act of June 21, 1934 (48 Stat. 1198; 16 U.S.C. 430j) is amended as follows:

(1) In section 1:

(a) change "national military park" to "national battlefield" and

(b) change "Monocacy National Military Park," to "Monocacy National Battlefield" (hereinafter referred to as "the battlefield"). The battlefield shall comprise the area generally depicted on the drawing entitled "Boundary, Monocacy National Battlefield", numbered 894-40,000 and dated May 1976.", and delete the remainder of the sentence.

(2) In section 2, change "Monocacy National Military Park" to "battlefield" wherever it occurs.

(3) In section 3, delete "enter into leases with the owners of such of the lands, works, defenses, and buildings thereon within the Monocacy National Military Park, as in his discretion it is unnecessary to forthwith acquire title to, and such leases shall be on such terms and conditions as the Secretary of the Interior may prescribe, and may contain options to purchase, subject to later acceptance, if, in the judgment of the Secretary of the Interior, it is as economical to purchase as condemn title to property: *Provided*, That the Secretary of the Interior may enter into agreements upon such nominal terms as he may prescribe, permitting the present owners or their tenants to occupy or cultivate their present holdings, upon condition", and insert in lieu thereof, "lease to the immediately preceding owner or owners any lands acquired pursuant to an agreement that such lessee or lessees will occupy such lands in a manner consistent with the purposes of this Act and".

(4) Change section 4 to read:

SEC. 4. The administration, development, preservation, and maintenance of the battlefield shall be exercised by the Secretary of the Interior in accordance with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666)."

(5) Repeal all of section 5.

(6) In section 6:

(a) delete "said Office of National Parks, Buildings, and Reservations, acting through the", and

(b) change "Monocacy National Military Park:" to "battlefield", delete the remainder of the sentence and insert in lieu thereof "for carrying out the provisions of this Act.".

(7) In section 7:

(a) change 'Monocacy National Military Park" to 'battlefield", and

(b) delete the comma and "which approval shall be based on formal written reports made to him in each case by the Office of National Parks, Buildings, and Reservations; *Provided*," and insert in lieu thereof "*Provided further*,".

(8) In section 8, change the comma to a period and delete "of not less than $5 nor more than $500.".

(9) Change section 10 to read:

"SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary, but not more than $3,525,000 for the acquisition of lands and interests in lands, and not to exceed $500,000 for the development of essential public facilities. Within three years from the date of the enactment of this section, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the full development of the battlefield consistent with the preservation objectives of this Act, indicating:

"(1) the facilities needed to accommodate the health, safety, and interpretive needs of the visiting public;

"(2) the location and estimated cost of all facilities; and

"(3) the projected need for any additional facilities within the battlefield.

No funds authorized to be appropriated pursuant to this section shall be available prior to October 1, 1977."

SEC. 320. (a) The boundaries of Olympic National Park as established by the Act of June 29, 1938 (52 Stat. 1241), and as revised by proclamation pursuant to that Act and by or pursuant to the Act of December 22, 1942 (56 Stat. 1070), and the Act of June 11, 1958 (72 Stat. 185), are hereby revised to include the lands, privately owned aquatic lands, and interests therein within the boundaries depicted on the map entitled "Boundary Map, Olympic National Park, Washington," numbered 149–80–001–B, and dated January 1976, which shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

(b) The Secretary of the Interior (hereinafter referred to as the "Secretary") shall, beginning within thirty days after the date of enactment of this Act, consult with the Governor of the State of Washington, the Board of Commissioners of Clallam County, and the affected landowners, and shall locate a boundary encompassing all of the shoreline of Lake Ozette, including privately owned aquatic lands not within the boundary of the park on the date of enactment of this Act: *Provided*, That such boundary shall be located not less than two hundred feet set back from the ordinary high-water mark of Lake Ozette: *Provided further*, That the privately owned lands encompassed within the park by such boundary shall not exceed one thousand five hundred acres. The Secretary shall, within one hundred and eighty days after the date of enactment of this Act, and following reasonable notice in writing to the Committees on Interior and Insular Affairs of the Senate and House of Representatives of his intention to do so, publish in the Federal Register a detailed description of the boundary located pursuant to this subsection. Upon such publication the Secretary is authorized to revise the map on file pursuant to subsection (a) of this section accordingly, and such revised map shall have the same force and effect as if included in this Act.

(c) Section 5 of the said Act of June 29, 1938, is amended by deleting the second sentence, and inserting in lieu thereof: "The boundaries of Olympic National Park may be revised only by Act of Congress.".

(d) Notwithstanding any other provision of law, within the boundaries of the park as revised by and pursuant to this Act, the Secretary is authorized to acquire lands, privately owned aquatic lands, and interests therein by donation, purchase with donated or appropriated funds, exchange, or transfer from any Federal agency. Property so acquired shall become part of Olympic National Park and shall be administered by the Secretary subject to the laws and regulations applicable to such park. The Secretary is authorized and directed to exclude from the boundaries of the park such private lands and publicly owned and maintained roads within Grays Harbor County which are near and adjacent to Lake Quinault, and which do not exceed two thousand, one hundred and sixty-eight acres in total. Prior to excluding such lands from the park, the Secretary shall study, and investigate current and prospective uses of the private lands, as well as the implications of their exclusion both for the lands involved and for Olympic National Park. The results of such study shall be transmitted to the President and to the Congress within two years of the enactment of this Act, and shall take effect unless disapproved by simple majority vote of the House of Representatives or the Senate of the United States of America within ninety legislative days of their submission to the Congress. Property excluded from the boundaries of the park by this Act may be exchanged for non-Federal property within the boundaries; or it may be transferred to the jurisdiction of any Federal agency or to the State of Washington or a political subdivision thereof, without monetary consideration, as the Secretary may deem appropriate. Any such Federal property transferred to the jurisdiction of the Secretary of Agriculture for national forest purposes shall upon such transfer become part of the national forest and subject to the laws and regulations pertaining thereto. Any property excluded from the park by this Act which is within the boundaries of an Indian reservation may be transferred in trust to such Indian tribe, subject, however, to the express condition that any concessioner providing public services shall be permitted to continue to provide such services in such manner and for such period as set forth in his concession contract, that the Secretary of the Interior is authorized to pay all franchise fees collected from the concessioner under the contract to said Indian tribe, and that in the event his contract is terminated, the Unied States shall purchase his possessory interest in accordance with the Act of October 9, 1965 (79 Stat. 969). The acquisition of lands by the United States in trust for an Indian tribe pursuant to this title shall not confer any hunting or fishing rights upon such tribe which were not vested in such tribe prior to the acquisition of such lands.

(e)(1) Any owner or owners of improved property within the boundaries of the park, as revised by and pursuant to this Act may, on the date of its acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the property for such noncommercial residential purposes as existed on or before January 1, 1976, for twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or his spouse, whichever is later. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of the right retained by the owner.

(2) As used in this title, the term "improved property" shall mean any single-family dwelling on which construction was begun before January 1, 1976, together with so much of the land on which the dwelling is situated (such land being in the same ownership as the dwelling) as shall be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, as the Secretary shall designate. The amount of the land so designated shall in every case be not more than three acres in area: *Provided*, That the Secretary may exclude from the land so designated any beach or water, together with so much of the land adjoining any such beach or water, as he may deem necessary for public access thereto.

(f) The Secretary is directed to acquire in fee all other privately owned lands added to the park by and pursuant to this Act, and to acquire within three years of adoption of this Act so much of such lands as can be acquired by donation, exchange, or purchase, to the extent of available funds, and to report to Congress on the third anniversary of adoption of this Act the estimated amount of appropriations which would be necessary to acquire the remainder, if any, of such lands by condemnation. The compensation for such lands shall be their fair market value on the date of their acquisition, taking into account applicable land use regulations in effect on January 1, 1976.

(g) Notwithstanding the provisions of the preceding subsection, any noncorporate owner or owners, as of January 1, 1976, of property adjacent to Lake Ozette may retain title to such property: *Provided*, That such owner or owners consent to acquisition by the Secretary of scenic easements or other interests that allow only those improvements that the Secretary finds to be reasonably necessary for continued use and occupancy. Any such owner or owners who elects to improve his property or a portion thereof shall submit to the Secretary a plan which shall set forth the manner in which the property is to be improved and the use to which it is proposed to be put. If, upon review of such plan, the Secretary determines that it is compatible with the limitations of this subsection, he in his discretion may issue a permit to such owner and a certificate to that effect. Upon issuance of any such certificate and so long as such property is maintained and used in conformity therewith, the authority of the Secretary to acquire such property or interest therein without the consent of the owner shall be suspended.

(h) In order to minimize economic dislocation in acquiring property within the park, the Secretary may acquire with the consent of the owner, lands and interests in lands outside the boundaries of the park, but within the State of Washington, and with the concurrence of the Secretary of Agriculture, he may utilize lands and interests therein within a national forest in the State of Washington hereby authorized to be transferred to the Secretary, for the purpose of exchanging lands and interests so acquired or transferred for property within the park.

(i) Effective upon acceptance thereof by the State of Washington (1) the jurisdiction which the United States acquired over those lands excluded from the boundaries of Olympic National Park by subsection 1(a) of this Act is hereby retroceded to the State: *Provided*, That the lands restored to the Quileute Indian Reservation shall be subject to the same State and Tribal jurisdiction as all other trust lands within said Reservation; and (2) there is hereby retroceded to such State concurrent legislative jurisdiction, as the Governor of the State of Washington and the Secretary shall determine, over and within all territory within the boundaries of the park as revised by this Act.

(j) There is hereby authorized to be appropriated not to exceed $13,000,000 for the acquisition of lands, privately owned aquatic lands, or interests therein in accordance with the provisions of this title. No funds authorized to be appropriated pursuant to this title shall be available prior to October 1, 1977.

SEC. 321. Section 403 of the Act of October 26, 1974 (88 Stat. 1447), is amended by adding the following new subsection (c):

"(c) To carry out the priority repairs as determined by the study performed in accordance with subsection (a) of this section, and to complete additional detailed studies to accomplish the work so identified, there are authorized to be appropriated such sums as may be necessary, but not more than $2,733,000. No funds authorized to be appropriated pursuant to this subsection shall be available prior to October 1, 1977."

SEC. 322. Section 3(b) of the Act of October 11, 1974 (88 Stat. 1254; 16 U.S.C. 698(b)), is amended by deleting "detached, one-family dwelling," and inserting in lieu thereof "detached year-round one-family dwelling which serves as the owner's permanent place of abode at the time of acquisition, and".

Sec. 323. The Act of December 27, 1974 (88 Stat. 1784) entitled "An Act to provide for the establishment of the Cuyahoga Valley National Recreation Area" is amended as follows:

(a) In subsection 2(a) strike out "Boundary Map, Cuyahoga Valley National Recreation Area, Ohio, numbered NRA—CUYA-20,000-A, and dated December 1974," and insert in lieu thereof "Boundary Map, Cuyahoga Valley National Recreation Area, Ohio, numbered 90,000-A, and dated September 1976,".

(b) In subsection 6(a) strike out "$34,500,000" and insert in lieu thereof "$41,100,000".

(c) No funds authorized by this section in excess of those sums previously authorized by the Act of December 27, 1974, shall be available for expenditure before October 1, 1977.

Mr. TAYLOR of North Carolina (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendments be dispensed with and that they be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. SEBELIUS. Mr. Speaker, reserving the right to object, I do so in order to have the gentleman from North Carolina explain the effect of the Senate amendments.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Speaker, the Senate amendments delete the provisions of this bill which would enlarge the boundaries of the Manassas National Battlefield Park and the George Washington Birthplace National Monument, both located in Virginia.

At the time the House acted on this measure, there was no objection to these two areas. However, some difficulty has now arisen in the Senate. Rather than jeopardize all the many other areas contained in this bill, I believe we should concur in the Senate amendments.

I want to express my personal hope that these two areas can be given early attention next Congress. Congressman Herb Harris has worked diligently to achieve an adjustment at Manassas, and his efforts should not go unnoticed. While I will not be returning to the Congress next year, I would encourage my colleagues on the Committee on Interior and Insular Affairs to give these two projects their early attention.

Mr. HARRIS. Mr. Speaker, will the gentleman yield.

Mr. TAYLOR of North Carolina. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I thank my colleague, the gentleman from North Carolina for yielding to me.

I would like to ask the gentleman if he sees any hope of persuading the Senate yet tonight to restore these areas in the bill? It seems really tragic, Mr. Speaker, that these areas be pulled out of the legislation if there is any chance at all to get the Senate to restore them to the bill.

Mr. TAYLOR of North Carolina. Mr. Speaker, I would like to say that the gentleman from Virginia, Congressman Tom Downing, has made a strong case for the enlargement of the George Washington Birthplace National Monument, which would justify early action. The gentleman does represent that area.

Mr. SEBELIUS. I appreciate the gentleman's statement.

Mr. HARRIS. If the gentleman will yield further, may I inquire of the chairman if he thinks there is any chance of getting the Senate to restore these areas to the bill yet tonight? Does the gentleman feel that the Senate is dead set against putting these two areas in?

Mr. TAYLOR of North Carolina. We have discussed it at length with a representative of the Senate, and they state there is no chance of getting these two areas approved.

Mr. HARRIS. If the gentleman will yield further, I certainly would not want to jeopardize the very important parts in this bill. I appreciate the chairman's feeling and the other Members' feeling and their attempts at putting these two areas in, because they are extremely important, not just to my district but to the Nation.

Mr. TAYLOR of North Carolina. I would state to the gentleman that the gentleman has left no stones unturned in his effort to get favorable action on this bill. I am personally sorry that I have to stand up here and recommend its passage without these two areas in here.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

In the event I should be so fortunate as to be returned to this body, and be a member of the National Parks Subcommittee in the next Congress, I personally will do everything I can to see that these two areas are given very early attention in the hope that we can get them included.

Mr. SEBELIUS. Mr. Speaker, I will likewise.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING THE INTERNAL REVENUE CODE OF 1954 TO PERMIT AUTHORIZATION OF MEANS OTHER THAN STAMPS ON CONTAINERS OF DISTILLED SPIRITS AS EVIDENCE OF TAX PAYMENT

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7228) to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment, with Senate amendment, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 5 and 6, strike out "or his delegate)".

Page 2, after line 6, insert:

Sec. 3. (a) Surviving Spouse.—Section 2 (a)(3)(B) of the Internal Revenue Code of 1954 (relating to the special rule where a deceased spouse was in a missing status) is amended to read as follows:

"(B) the date which is—

"(i) January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(ii) 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in clause (i)".

(b) Certain Pay of Members of the Armed Forces Hospitalized as a Result of the Vietnam Conflict.—The last sentence of section 112(a) of such Code (relating to certain combat pay of enlisted members of the Armed Forces) and the last sentence of section 112(b) of such Code (relating to certain combat pay of commissioned officers of the armed forces) are each amended by striking out "beginning more than 2 years after the date of the enactment of this sentence" and inserting in lieu thereof "after January 1978".

(c) Income Taxes of Members of Armed Forces on Death in Missing Status.—The second sentence of section 692(b) of such Code (relating to income taxes of members of the armed forces on death in a missing status) is amended to read as follows: "The preceding sentence shall not cause subsection (a)(1) to apply for any taxable year beginning—

"(1) after January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(2) more than 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).".

(d) Joint Return Where Individual Is in Missing Status as a Result of Vietnam Conflict.—The last sentence of section 6013 (f)(1) of such Code (relating to joint returns where individual is in missing status as a result of the Vietnam conflict) is amended by striking out "more than 2 years after the date of the enactment of this sentence" and inserting in lieu thereof "after January 2, 1978".

(e) Time for Performing Certain Acts Postponed by Reason of Vietnam Conflict.—The second sentence of section 7508 (b) of such Code (relating to the application to a spouse of provision relating to the time for performing certain acts postponed by reason of war) is amended to read as follows: "The preceding sentence shall not cause this section to apply to any spouse for any taxable year beginning—

(1) after January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

"(2) more than 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).".

Page 2, after line 6, insert:

Sec. 4. Authorization of Initial Payments to Presumptively Blind Individuals

(a) In General.—Section 1631 (a)(4)(B) of the Social Security Act is amended—

(1) by inserting "or blindness" immediately after "disability" each time it appears; and

(2) by inserting "or blind" immediately after "disabled" each time it appears.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to months after the month following the month in which this Act is enacted.

Page 2, after line 6, insert:

SEC. 5. Section 1613(a)(1) of the Social Security Act is amended by inserting "(after taking into account the values of other homes in the region and area in which such home is located)" after "determines".

Amend the title so as to read: "An Act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain all these changes to us?

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

This is a bill, of course, that we passed in the House on distilled spirits, which was returned to us in identical form. It is a bill that allows modern technology to be used in the application of the evidence of payment of tax on disstilled spirits containers. It had the unanimous concurrence of the Committee on Ways and Means and, I think, of the House. Three amendments were added. The first amendment added to the bill by the Senate relates to MIA's and their tax treatment, and extends such treatment for 1 year. Present law allows a joint return to be filed by the spouse of a MIA, and the Senate amendment extends such treatment for 1 more year. The Senate amendment is patterned after H.R. 15557, which has been favorably reported by the Committee on Ways and Means.

During our consideration of H.R. 15557, we gave notice we would limit it to a 1-year extension. One more year should be enough.

On the other two amendments, I will ask the gentleman to yield to the subcommittee chairman, the gentleman from California (Mr. CORMAN), because it deals with SSI matters.

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I will yield to my distinguished colleague, the gentleman from California later, but can the gentleman assure us there are no nongermane amendments tacked on or anything which the House has not considered?

Mr. ULLMAN. Mr. Speaker, no, they are not germane, as in the case of many of these amendments that have been sent over here, but in our unanimous-consent treatments of this kind, germaneness is not really an issue, as the gentleman knows, but I think the amendments are justified and I think we can make a very good argument for them.

I hope the gentleman will yield to the gentleman from California (Mr. CORMAN).

Mr. ROUSSELOT. I will be glad to yield to my colleague, the gentleman from California (Mr. CORMAN), but let me say to my distinguished chairman that I think there is an issue as to whether there is germaneness. I wonder if the gentleman can tell us whether these bills the Senate has tacked on have been passed by the House. That sometimes is understandable.

I yield to my distinguished colleague, the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, there are two amendments to this bill which were part of H.R. 8911 which we have had here before. The first deals with presumptive blindness. The second deals with disregard of the value of a home. It will be the purpose of the Chair, as I understand it, to strike the language of that amendment in the Senate provision and restore the Ketchum amendment which was passed by this House and then we will return the bill in that form to the Senate. In that form both of these amendments will be word for word what the House has passed in H.R. 8911.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, so the gentleman is telling us the two provisions of which he is speaking and which he will move to have conform to the House position, have been in fact passed by the House.

Mr. CORMAN. They have been passed by the House. They are exactly the same as we passed in H.R. 8911.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman.

I yield to my colleague, the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I thank the chairman of our subcommittee for his explanation of what we are receding from.

If I may ask the gentleman from California, what we are intending to do is to reject the Senate amendment and accept the so-called Ketchum amendment on the housing disregard and ask the Senate to recede from their position and accept ours.

Mr. CORMAN. That is exactly correct.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further, earlier this evening I had a call from the other body regarding the amendment that is attached to this bill at present. In my opinion—and I cannot base this on dollar amounts because I have not had the time but in my opinion—we would be far better leaving the situation the way that it is in the event the other body does not act, which would cost about a million and a half, and my amendment would save about a million and a half, rather than accept the Senate amendment which in my opinion would cost us as much as $2 million to $2.5 million.

I appreciate the gentleman yielding.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I yield to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, I concur in everything the gentleman from California (Mr. KETCHUM) has stated and I feel reasonably certain the Senate will accept this amendment when it gets back to them in a few minutes, if this House will permit it to go back.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. The Clerk will read the amendment to the Senate amendment.

The Clerk read the amendment to the Senate amendment as follows:

Amendment to Senate amendment No. 4: in lieu of the matter to be inserted by the Senate in section 5, insert:

"Section 1613(a)(1) of the Social Security Act is amended by striking out ', to the extent that its value does not exceed such amount as the Secretary determines to be reasonable.' "

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

AMENDING TITLE 44, RECORDS MANAGEMENT BY FEDERAL AGENCIES

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13828) to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 8, strike out all after line 17, over to and including line 3 on page 9, and insert:

"§ 2906. Inspection of agency records

"(a)(1) In carrying out his duties and responsibilities under this chapter, the Administrator of General Services or his designee may inspect the records or the records management practices and programs of any Federal agency solely for the purpose of rendering recommendations for the improvement of records management practices and programs. Officers and employees of such agencies shall cooperate fully in such inspections, subject to the provisions of paragraphs (2) and (3) of this subsection.

"(2) Records, the use of which is restricted by law or for reasons of national security or the public interest, shall be inspected, in accordance with regulations promulgated by the Administrator, subject to the approval of the head of the agency concerned or of the President.

"(3) If the Administrator or his designee inspects a record, as provided in this subsection, which is contained in a system of records which is subject to section 552a of title 5, such record shall be—

"(A) maintained by the Administrator or his designee as a record contained in a system of records; or

"(B) deemed to be a record contained in a system of records for purposes of subsections (b), (c), and (i) of section 552a of title 5.

"(b) In conducting the inspection of agency records provided for in subsection (a) of this section, the Administrator or his designee shall, in addition to complying with the provisions of law cited in subsection (a)(3), comply with all other Federal laws and be subject to the sanctions provided therein."

(2) Page 9, after line 3, insert:

"(b) If the Administrator of General Services or his designee knowingly and willfully publishes, communicates or uses any information coming into the possession of such Administrator or designee by reason of any inspection or use conducted as provided in subsection (a)—

"(1) in such a manner as to disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy; or

"(2) for any purpose other than for the inspection of records management practices or programs, he shall be guilty of a misdemeanor and fined not more than $5,000.

Mr. BROOKS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ERLENBORN. Mr. Speaker, reserving the right to object, under the reservation, may I yield to my colleague to explain the bill before us and the action that we are about to take?

Mr. BROOKS. Mr. Speaker, if the gentleman will yield, I would be pleased to do that and say this bill is designed to improve the techniques in the procedures for managing and disposing of Federal Government records. It is estimated to save about $150 million a year in the process. It passed this House by a vote of 394 to 0 last August 24. It is now back from the Senate with a minor, completely germane amendment relating to privacy of information.

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman for that explanation.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, this bill is directed to a reduction in the volume of paperwork downtown. When we stack them all together, it would be a stack as high as the Washington Monument.

Mr. Speaker, I want to take a moment to thank the ranking minority Member, the gentleman from Nebraska (Mr. THONE), who has worked diligently on this bill.

Mr. ERLENBORN. Mr. Speaker, I thank both gentlemen.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING RELIEF OF CERTAIN POSTMASTERS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6512) for the relief of certain postmasters charged with postal deficiencies, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 3, after line 3, insert:

SEC. 3. (a) Section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) An individual who is entitled to an annuity upon separation from service as a congressional employee may be allowed credit for service as an employee of the Democratic Senatorial Campaign Committee, the Republican Senatorial Campaign Committee, the Democratic National Congressional Committee, or the Republican National Congressional Committee if such employee makes the deposit provided for in section 8334(c) of this title with respect to congressional employees for such service. The period of service which may be credited under this subsection by any individual shall not exceed 10 years.".

(b) The amendment made by this section shall take effect on October 1, 1976, and shall apply to individuals who are entitled to annuities upon separation from service as congressional employees on or after October 1, 1976.

Amend the title so as to read: "An Act for the relief of certain postmasters charged with postal deficiencies, and to amend title 5 of the United States Code to allow congressional employees to credit certain service for purposes of the civil service retirement system.".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I do so to ask the gentleman from Texas if this is the bill which permits former employees of Democratic senatorial or congressional committees and Republican senatorial and congressional committees to use their period of service on those political committees as part of their Government pension qualifying period if they have subsequently gone on the Government payroll?

Mr. BROOKS. Mr. Speaker, if the gentleman will yield, that is correct. This is an amendment that the Senate put on which allows them credit for up to 10 years of service. This would be of help to probably some 12 Democrats on the House side and 8 Republicans on the committees, and just estimating, I do not know how many in the Senate. It would enable them if they paid into the fund as they would were they House or Senate employees for a period not in excess of 10 years, those funds required to make them eligible and then they would get those years to count on their retirement. That is exactly what it would do and that is what it is designed to do, to give them that opportunity.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. WYLIE. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DEDICATING CHESAPEAKE & OHIO CANAL NATIONAL HISTORICAL PARK TO JUSTICE WILLIAM O. DOUGLAS

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 2742) to dedicate the Chesapeake & Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States, with a Senate amendment to the House amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment to the text, insert:

"That the towpath of the Chesapeake and Ohio Canal is hereby dedicated to Justice William O. Douglas in grateful recognition of his role as one of America's great conservationists."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

RECESS

The SPEAKER. Pursuant to a previous order of the House, the Chair declares a recess subject to the call of the Chair.

Bells will be rung at 15 minutes before the House reconvenes.

Accordingly, the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2181. An act to amend the Tariff Schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement for an aircraft engine being overhauled within the United States if duty was paid on such replacement engine during a previous importation;

H.R. 9401. An act to continue to suspend for a temporary period the import duty on certain horses; and

H.R. 14971. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

H.R. 8228. An act to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes.

CONFERENCE REPORT ON S. 3823, WATER RESOURCES DEVELOPMENT ACT OF 1976

Mr. JONES of Alabama submitted the following conference report and statement on the Senate bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Conference Report (H. Rept. No. 94–1755)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

Section 101. (a) The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to undertake the phase I design memorandum stage of advanced engineering and design of the following water resources development projects, substantially in accordance with, and subject to the conditions recommended by the Chief of Engineers in, the reports hereinafter designated.

Middle Atlantic Coastal Region

The project for beach erosion control, navigation, and storm protection from Hereford Inlet to the Delaware Bay entrance to the Cape May Canal, New Jersey: Report of the Chief of Engineers dated September 30, 1975, at an estimated cost of $2,062,000.

The project for beach erosion control, navigation, and storm protection from Barnegat Inlet to Longport, New Jersey: Report of the Chief of Engineers dated October 24, 1975, at an estimated cost of $2,396,000.

Wallkill River Basin

The project for flood control of the Black Dirt Area, Wallkill River, New York and New Jersey: House Document Numbered 94–499, at an estimated cost of $330,000.

Passaic River Basin

The project for flood control in the Passaic River Basin, New Jersey and New York: Report of the Chief of Engineers dated February 18, 1976, at an estimated cost of $12,000,000.

Susquehanna River Basin

The project for flood control at Lock Haven, Pennsylvania: House Document Numbered 94–577, at an estimated cost of $430,000.

The project for flood control at Wyoming Valley, Susquehanna River, Luzerne County, Pennsylvania: House Document Numbered 94–482, at an estimated cost of $450,000.

James River Basin

The project for flood control at Richmond, Virginia: Report of the Chief of Engineers dated January 7, 1976, at an estimated cost of $800,000.

South Atlantic Coastal Region

The project for navigation at Brunswick Harbor, Georgia: Report of the Chief of Engineers dated August 18, 1976, at an estimated cost of $300,000, except that the Secretary of the Army, acting through the Chief of Engineers, shall include as part of the phase I study consideration of dredging a navigation channel to Colonel's Island.

Cooper River Basin

The project for navigation improvements at Charleston Harbor, South Carolina: House Document Numbered 94–436, at an estimated cost of $500,000.

Commonwealth of Puerto Rico

The project for navigation improvements at San Juan Harbor, Puerto Rico: House Document Numbered 94–574, at an estimated cost of $300,000.

Upper Mississippi River Basin

The project for local flood protection and other purposes at La Crosse, Wisconsin, on the Mississippi River: House Document Numbered 94–598, at an estimated cost of $400,000.

Great Lakes Basin

The project for beach erosion control for Presque Isle Peninsula at Erie, Pennsylvania: Report of the Chief of Engineers dated April 8, 1976, at an estimated cost of $700,000. At the expiration of the authorization provided in section 57 of the Water Resources Development Act of 1974, the Secretary of the Army, acting through the Chief of Engineers, may provide periodic beach nourishment in accordance with the cost sharing provisions of section 103(a)(2) of the Act of October 23, 1962 (76 Stat. 1178).

The project for flood control and other purposes on Little Calumet River in Indiana: Report of the Chief of Engineers dated July 19, 1976, at an estimated cost of $1,400,000.

Siuslaw River

The project for navigation improvements on the Siuslaw River and Bar at Siuslaw, Oregon: In accordance with the final report of the Chief of Engineers, at an estimated cost of $50,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

Papillon Creek Basin

The project for local flood protection on Papillon Creek at Omaha, Nebraska: In accordance with the final report of the Chief of Engineers, at an estimated cost of $75,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

Ohio River Basin

The project for abatement of acid mine drainage in the Clarion River Basin, Pennsylvania: Report of the Secretary of the Army dated April 1971, entitled "Development of Water Resources in Appalachia", at an estimated cost of $600,000.

Lower Mississippi River Basin

The project for flood protection for St. Johns Bayou and New Madrid Floodway, Missouri: Report of the Chief of Engineers dated September 26, 1975, at an estimated cost of $300,000.

The project for flood protection for Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated June 23, 1976, and as an independent part of this project, improvements for flood control and allied purposes on Horn Lake Creek and tributaries, including Cowpen Creek, Tennessee and Mississippi, at an estimated cost of $400,000.

Texas Gulf Coast Region

The project for natural salt pollution control in the Brazos River: Report of the Chief of Engineers dated June 1, 1976, at an estimated cost of $650,000.

Rio Grande Basin

The project for flood control and other purposes, on the Rio Grande and Rio Salado (Rio Puerco), New Mexico: Report of the Chief of Engineers dated September 27, 1976, at an estimated cost of $1,500,000.

Missouri River Basin

The project for flood protection for Jefferson City on Wears Creek, Missouri: Report of the Chief of Engineers dated October 21, 1975, at an estimated cost of $50,000.

Columbia River Basin

The project for construction and installation of a second powerhouse at McNary Lock and Dam, Columbia River, Oregon and Washington: Report of the Chief of Engineers dated June 29, 1976, at an estimated cost of $1,800,000.

Pembina River Basin

The project for flood control on the Pembina River at Walhalla, North Dakota: Report of the Division Engineer dated May 24, 1976, at an estimated cost of $930,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

Calleguas Creek Basin

The project for flood control and other purposes on Calleguas Creek, Simi Valley to Moorpark, Ventura County, California: Report of the Chief of Engineers dated June 21, 1976, at an estimated cost of $1,060,000.

Sacramento-San Joaquin Basin

The project for flood control and other purposes on Morrison Creek Stream Group, California: Report of the Chief of Engineers dated March 2, 1976, at an estimated cost of $750,000.

North-Eastern Atlantic Coastal Region

The project for navigation improvements in New London Harbor and Thames River at New London, Connecticut: Report of the Chief of Engineers dated February 20, 1975, at an estimated cost of $8,022,000.

Red River of the North Basin

The project for local flood protection at Grafton, North Dakota, on the Park River: Report of the Chief of Engineers dated June 11, 1976, at an estimated cost of $10,973,000.

(b) The Secretary of the Army is authorized to undertake advanced engineering and design for the projects in subsection (a) of this section after completion of the phase I design memorandum stage of such projects. Such advanced engineering and design may be undertaken only upon a finding by the Chief of Engineers, transmitted to the Committees on Public Works of the Senate and Public Works and Transportation of the House of Representatives, that the project is without substantial controversy, that it is substantially in accordance with and subject to the conditions recommended for such project in this section, and that the advanced engineering and design will be compatible with any project modifications which may be under consideration. There is authorized to carry out this subsection not to exceed $5,000,000. No funds appropriated under this subsection may be used for land acquisition or commencement of construction.

(c) Whenever the Chief of Engineers transmits his recommendations for a water resources development project to the Secretary of the Army for transmittal to the Congress, as authorized in the first section of the Act of December 22, 1944, the Chief of Engineers is authorized to undertake the phase I design memorandum stage of advanced engineering and design of such project if the Chief of Engineers finds and transmits to the Committees on Public Works and Transportation of the House of Representatives and Public Works of the Senate, that the project is without substantial controversy and justifies further engineering, economic, and environmental investigations. Authorization for such phase I work for a project shall terminate on the date of enactment of the first Water Resources Development Act enacted after the date such work is first authorized. There is authorized to carry out this subsection not to exceed $4,000,000 per fiscal year for each of the fiscal years 1978 and 1979.

Sec. 102. Sections 201 and 202 and the last three sentences in section 203 of the Flood Control Act of 1968 shall apply to all projects authorized in this section. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted by the Secretary of the Army, acting through the Chief of Engineers, substantially in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated.

Upper Mississippi River Basin

The project for local flood protection and other purposes at Chaska, Minnesota, on the Minnesota River: Report of the Chief of Engineers dated May 12, 1976, at an estimated cost of $10,498,000.

James River Basin

The project for flood control at the Richmond, Virginia, filtration plant: House Document Numbered 94–543, at an estimated cost of $4,617,000.

Lower Mississippi River Basin

The project for flood control for Harris Fork Creek, Tennessee and Kentucky: House Document Numbered 94–221, except that highway bridge relocations and alterations required for the project shall be at Federal expense, at an estimated cost of $5,000,000.

Neches Basin

The project for salt water control on the Neches River and Tributaries, Salt Water Barrier at Beaumont, Texas: Report of the Chief of Engineers dated April 12, 1976, at an estimated cost of $14,300,000, except that the non-Federal share for such project shall not exceed $2,100,000.

Western Coastal Region

The project for navigation in Los Angeles-Long Beach Harbors, California: House Document Numbered 94–594, at an estimated cost of $16,850,000.

Columbia River Basin

Fish and Wildlife Compensation Plan for the Lower Snake River, Washington and Idaho, substantially in accordance with a report on file with the Chief of Engineers, at an estimated cost of $58,400,000.

SEC. 103. The flood control project for San Antonio Channel improvement, Texas, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1260) as a part of the comprehensive plan for flood protection on the Guadalupe and San Antonio Rivers, Texas, is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to construct such additional flood control measures as are needed to preserve and protect the Espada Acequia Aqueduct, located in the vicinity of Six Mile Creek, at an estimated Federal cost of $2,050,000. Construction of such flood control measures shall be subject to the same conditions of local cooperation as required for the existing flood control project.

SEC. 104. The project for flood protection on the Minnesota River at Mankato and North Mankato, Minnesota, authorized by section 203 of the Flood Control Act of 1958, as modified, is hereby further modified to provide that changes to the highway bridges in Mankato-North Mankato at United States Highway 169 over the Blue Earth River and at Main Street over the Minnesota River, including rights-of-way, changes to approaches and relocations, made necessary by the project and its present plan of protection shall be accomplished at complete Federal expense, at an estimated cost of $8,175,000.

SEC. 105. The general comprehensive plan for flood control and other purposes for the White River Basin approved by the Flood Control Act of June 28, 1938, as amended, is hereby modified to provide that an amount not to exceed $6,000,000 may be used for the construction at Beaver Dam, Carroll County, Arkansas, of trout production measures (including a fish hatchery) in compensation for the reduced number of fresh water fish in the White River and other streams in Arkansas which has resulted from the construction of the Beaver Dam and other dams in the State of Arkansas, and for the acquisition of necessary real estate construction of access roads and utilities, and performance of services related thereto, as deemed appropriate by the Secretary of the Army, acting through the Chief of Engineers.

SEC. 106. (a) The project for hurricane-flood control protection at New London, Connecticut, authorized by the Flood Control Act of 1962 (76 Stat. 1180) is hereby modified to delete the Powder Island-Bentleys Creek hurricane protection barrier; and to authorize construction of the Shaw Cove hurricane protection barrier, pressure conduit, and pumping station works substantially in accordance with the revised plan "New London Hurricane Protection", dated June 1976, on file in the Office of the Chief of Engineers and estimated to cost $7,745,000; with such modifications as the Chief of Engineers may deem advisable.

(b) Prior to initiation of construction of the project, appropriate non-Federal interests shall agree—

(1) to provide without cost to the United States all lands, easements, and rights-of-way necessary for construction and operation of the project;

(2) to hold and save the United States free from damage due to construction, operation, and maintenance of the project not including damages due to the fault or negligence of the United States or its contractors;

(3) to accomplish without cost to the United States all modifications or relocations of existing sewerage and drainage facilities, buildings, utilities, and highways made necessary by construction of the project not to include sewerage and drainage facilities at the line of protection;

(4) to maintain and operate all features of the project after completion in accordance with regulations prescribed by the Secretary of the Army; and

(5) to bear 30 per centum of the total first cost.

(c) Notwithstanding subsection (b) of this section, or any other provision of law, non-Federal interests shall bear no part of the cost of any design for this project rejected or otherwise not accepted by such interests prior to the date of enactment of this section.

SEC. 107. Section 107(b) of the River and Harbor Act of 1970 (84 Stat. 1818, 1820), as amended, is further amended by striking out "December 31, 1976" and inserting in lieu thereof "September 30, 1979" and striking out "$9,500,000" and inserting in lieu thereof "$15,968,000". Such section 107(b) is further amended in the second sentence thereof by striking out "environmental and ecological investigation;" and inserting in lieu thereof "environmental and ecological investigations, including an investigation of measures necessary to ameliorate any adverse impacts upon local communities;".

SEC. 108. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of the Chicagoland underflow plan project for flood control and other purposes in acccordance with the report of the Board of Engineers for Rivers and Harbors dated July 27, 1976, at an estimated cost of $12,000,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

SEC. 109. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of the project for flood control and other purposes on the Santa Ana River, California, in accordance with the recommendations of the division engineer dated February 27, 1976 at an estimated cost of $700,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

SEC. 110. The project for navigation for the Atlantic Intracoastal Waterway Bridges, Virginia and North Carolina, authorized by section 101 of the Rivers and Harbors Act of 1970 (84 Stat. 1818) is hereby modified in accordance with the recommendations of the Chief of Engineers in House Document Numbered 94–597 with respect to Wilkerson Creek Bridge, North Carolina, and Coinjock Bridge, North Carolina, at an estimated cost of $2,875,000.

SEC. 111. The project for the Saylorville Reservoir on the Des Moines River, Iowa, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 310) is hereby modified in accordance with the recommendations of the Chief of Engineers in House Document Numbered 94–487 at an estimated cost of $7,374,000. The Secretary of the Army, acting through the Chief of Engineers, may carry out each segment of such recommendations independently if he deems appropriate. The Secretary of the Army, acting through the Chief of Engineers is further authorized to (1) undertake such measures, including renegotiating existing easements and the acquisition of additional interests in land, as are appropriate to operate Saylorville Lake and Lake Red Rock projects, singly or as a system, to obtain the maximum benefits therefrom in the public interest and to properly indemnify owners of such easements or interests in land; and (2) provide for the full development of campground and other recreation sites and access thereto for the Lake Red Rock and Saylorville Lake projects at Federal cost, including the improvement of existing county or State roads outside the project limits to provide better access into recreation areas.

SEC. 112. The project for navigation improvements on Mobile Harbor, Theodore Ship Channel, Alabama, approved by resolutions of the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives dated December 15, 1970, is hereby modified in accordance with the report of the Board of Engineers for Rivers and Harbors dated May 28, 1976, at an estimated cost of $42,800,000.

SEC. 113. The flood control project for Del Valle Reservoir, Alameda Creek, California, authorized by section 203 of the Flood Control Act of 1962 is hereby modified in accordance with the report of the Chief of Engineers dated July 27, 1976, to increase the contribution made by the United States to the State of California toward the cost of construction, maintenance, and operation from $4,080,000 to $4,650,000.

SEC. 114. The project for the replacement of Vermilion Lock, Louisiana, on the Gulf Intracoastal Waterway is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in the report dated August 3, 1976, at an estimated cost of $20,683,000.

SEC. 115. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase 1 design memorandum stage of advanced engineering and design of modification of the Gallipolis Locks and Dam project, Ohio River, limited to a single 1,200 foot replacement lock, in accordance with the recommendations of the Chief of Engineers dated July 14, 1975, at an estimated cost of $2,800,000.

SEC. 116. The last sentence of section 91 of the Water Resources Development Act of 1974 (88 Stat. 39) is amended to read as follows: "There are authorized to be appropriated not to exceed $28,725,000 to carry out such project.".

SEC. 117. The Secretary of the Army, acting through the Chief of Engineers, is authorized to investigate and study, in cooperation with interested States and Federal agencies, through the Upper Mississippi River

Basin Commission the development of a river system management plan in the format of the "Great River Study" for the Mississippi River from the mouth of the Ohio River to the head of navigation at Minneapolis, incorporating total river resource requirements including, but not limited to, navigation, the effects of increased barge traffic, fish and wildlife, recreation, watershed management, and water quality at an estimated cost of $9,100,000.

SEC. 118. (a) Whenever the Secretary of the Army finds that—

(1) the Intracoastal Waterway is no longer routed along a part of the segment of the Louisiana-Texas Intracoastal Waterway right-of-way described in subsection (b) of this section;

(2) maintenance of such part of the right-of-way has been abandoned by the Corps of Engineers; and

(3) such part of the right-of-way is no longer navigable by watercraft;

he shall convey, without monetary consideration, any easements or other rights or interests in real property which the United States acquired for the construction, operation, or maintenance of such part of the right-of-way to each owner of record of the real property which is subject to such easements, rights, or interests of the United States.

(b) The segment of the Louisiana-Texas Intracoastal Waterway right-of-way referred to in subsection (a) of this section is that segment of the right-of-way for the Louisiana-Texas Intracoastal Waterway, Calcasieu-Sabine section, which (1) is within the portion of the right-of-way for the old Intracoastal Waterway channel (known locally as the "East-West Canal") extending from the east bank of the Calcasieu River at a point approximately twenty miles south of Lake Charles, Louisiana, to the Choupique Cutoff in the Intracoastal Waterway, and (2) is located on the southeast quarter of the southeast quarter of section 25, township 11 south, range 10 west, and in the west half of the southwest quarter of section 30, township 11 south, range 9 west, Calcasieu Parish, Louisiana.

SEC. 119. Section 4 of the Act of June 21, 1940, as amended (54 Stat. 498; 33 U.S.C. 514), is amended in the first sentence by striking out "It shall be the duty of the bridge owner to prepare and submit to the Secretary, within ninety days after service of his order" and inserting in lieu thereof "After the service of an order under this Act, it shall be the duty of the bridge owner to prepare and submit to the Secretary of Transportation, within a reasonable time as prescribed by the Secretary".

SEC. 120. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to contract with States and their political subdivisions for the purpose of obtaining increased law enforcement services at water resources development projects under the jurisdiction of the Secretary of the Army to meet needs during peak visitation periods.

(b) There is authorized to be appropriated $6,000,000 per fiscal year for the fiscal years ending September 30, 1978, and September 30, 1979, to carry out this section.

SEC. 121. (a) The project for flood protection on the North Branch of the Susquehanna River, New York and Pennsylvania, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 306) is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, in connection with the conservation of the Cowanesque Dam to relocate the town of Nelson, Pennsylvania, to a new townsite.

(b) As part of such relocation, the Secretary of the Army, acting through the Chief of Engineers, shall (1) cooperate in the planning of a new town with other Federal agencies and appropriate non-Federal interests, including Nelson, (2) acquire lands necessary for the new town and to convey title to said lands to individuals, business or other entities, and to the town as appropriate, and (3) construct necessary municipal facilities.

(c) The compensation paid to any individual or entity for the taking of property under this section shall be the amount due such individual or entity under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 less the fair market value of the real property conveyed to such individual or entity in the new town. Municipal facilities provided under the authority of this section shall be substitute facilities which serve reasonably as well as those in the existing town of Nelson; except that such facilities shall be constructed to such higher standards as may be necessary to comply with applicable Federal and State laws. Additional facilities may be constructed, only at the expense of appropriate non-Federal interests.

(d) Before the Secretary of the Army acquires any real property for the new townsite appropriate non-Federal interests shall furnish binding contractual commitments that all lots in the new townsite will be either occupied when available, will be replacements for open space and vacant lots in the existing town, or will be purchased by non-Federal interests at the fair market value.

SEC. 122. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to review the requirement of local cooperation with respect to providing a spoil disposal area for the project at Deep Creek, Warwick County (now within the city of Newport News), Virginia, authorized by the Act of August 26, 1937 (commonly referred to as the River and Harbor Act of 1937, 50 Stat. 846), to determine if (1) such requirement should be eliminated, and (2) Craney Island disposal area should be used as the spoil disposal area for dredged material from such project. Such review shall be completed and submitted in a report to Congress within two years after the date of enactment of this section.

(b) Beginning on the date of enactment of this section, (1) the requirement of local cooperation described in subsection (a) shall be suspended, and (2) Craney Island disposal area shall be used as the spoil disposal area for dredged material from such project, until Congress, by a statute enacted after the date on which the report required by subsection (a) is submitted, removes such suspension.

SEC. 123. The Secretary of the Army, acting through the Chief of Engineers, is authorized to operate and maintain the Los Angeles-Long Beach harbor model in Vicksburg, Mississippi, for the purpose of testing proposals for the improvement of navigation in, and the environmental quality of, the harbor waters of the ports of Los Angeles and Long Beach to determine optimum plans for future expansion of both ports. Such testing shall include, but not be limited to, investigation of oscillations, tidal flushing characteristics, water quality, improvements for navigation, dredging, harbor fills, and physical structures.

SEC. 124. (a) The Corpus Christi ship canal project for navigation in Corpus Christi Bay, Texas, authorized by the Rivers and Harbors Act of 1968 (P.L. 90–483) is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads, and embankments therefor. Credit shall be allowed in connection with the above project in an amount equal to the reasonable expenditures made by non-Federal interests in the acquisition of spoil areas and construction of necessary retaining dikes, bulkheads, and embankments prior to the effective date of the Water Resources Development Act of 1976.

(b) The requirements for appropriate non-Federal interests to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary of the Army upon a finding by the Administrator of the Environmental Protection Agency that for the area to which such construction applies, the State of Texas, interstate agency, municipality, and other appropriate political subdivisions of the State and industrial concerns are participating in and in compliance with an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities and the Administrator has found that applicable water quality standards are not being violated.

SEC. 125. For purposes of section 9 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 401), the consent of Congress is hereby given to the State of Louisiana to construct such structures across any navigable water of the United States as may be necessary for the construction of the following highways:

(1) Ivanhoe-Jeanerette, State project numbered 431–01–01 and 431–01–02 in Iberia and Saint Mary Parishes, Louisiana.

(2) Larose-Lafitte Highway, State Route La 3134 in Jefferson and Lafourche Parishes, Louisiana, starting at Estelle in Jefferson Parish and proceeding southwesterly to Larose in Lafourche Parish; and

(3) United States 90 Relocated (La 3052), in Saint Mary, Assumption, Terrebonne, and Lafourche Parishes, Louisiana, starting at United States 90 west of Raceland and proceeding westerly to a connection with United States 90 at or near Morgan City, Louisiana.

SEC. 126. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of a project for flood prevention and development of incidental recreation, preservation of the natural floodways, and protection of the watershed's soil resources, at an estimated cost of $370,000, substantially in accordance with the Floodwater Management Plan, North Branch of the Chicago River Watershed, Cook and Lake Counties, Illinois, dated October 1974, and also substantially in accordance with the watershed implementation program dated February 1974.

SEC. 127. The project for Wister Lake, Arkansas River Basin, Oklahoma, authorized by section 4 of the Act of June 28, 1938, entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes" (52 Stat. 1218) is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to recover and preserve important data from significant archeological sites located on project lands which will be adversely affected as a result of a change in seasonal pool operations. The costs of such work shall not exceed $250,000.

SEC. 128. (a) The Secretary of the Army is authorized and directed to convey by quitclaim deed to C. B. Porter Scott and Dorothy Boren Scott of the county of Randall, State of Texas, all rights, title, and interest of the United States in and to the following described tract of land acquired as part of the project for Belton Lake, Texas, authorized by the Flood Control Act of 1946:

A tract of land situated in the county of Bell, State of Texas, being part of the Stephen P. Terry Survey (A–812), and being part of a 271-acre tract of land acquired by the United States of America from Frank Morgan, and others, by Declaration of Taking filed September 11, 1952, in Condemnation Proceedings (civil numbered 1311) in the District Court of the United States for the Western District of Texas, Waco Division, and being designated as "Tract Numbered F-505 for Belton Lake", and being more particularly described as follows, all bearings being referred to the Texas Plane Coordinate System, Central Zone:

Beginning at Government marker numbered F-503-2, situated in a northeasterly boundary line for said tract numbered F-505 for the point of beginning, said point of beginning being the southeast corner for a 0.25 acre tract of land acquired by the United States of America from Edward Cameron, et ux, by deed dated January 13, 1953, and recorded in volume 679 at page 456 and by correction deed dated May 25, 1955, and recorded in volume 722 at page 550 of the deed records of Bell County, Texas, and being designated as "Tract Numbered F-503 for Belton Lake", said point of beginning also being located south 74 degrees 21 minutes east, 38.3 feet from a point on top of the bluff for a re-entrant corner for said tract numbered F-505;

thence along the boundary line for said tract numbered F-505 as follows: south 74 degrees and 21 minutes east, 271.70 feet to a point;

thence south 45 degrees 14 minutes west, 154.5 feet to a point;

thence south 28 degrees 09 minutes east, 185 feet to a point;

thence north 73 degrees 45 minutes west, 324.23 feet to Government marker numbered A-65-9 for a northeast corner for a 79.70-acre tract of land acquired by the United States of America from Eleanor M. Paulk, and others, by deed dated July 28, 1952, and recorded in volume 672 at page 233 of the deed records of Bell County, Texas, and being designated as "Tract Numbered A-65 for Belton Lake";

thence departing from the boundary line for said tract numbered F-505, north 27 degrees 53 minutes west, 169.85 feet to a point;

thence north 55 degrees 26 minutes east, 184 feet more or less, to the point of beginning, containing 1.87 acres, more or less.

(b) The grantees shall, as a condition to the conveyance authorized by subsection (a), pay to the United States an amount equal to the sum originally paid by the United States for the tract of land described in subsection (a) of this section.

Sec. 129. (a) The project for Blue Marsh Lake, Berks County, Pennsylvania, a part of the plan for the comprehensive development of the Delaware River Basin, as authorized by section 201 of the Flood Control Act of 1962 (76 Stat. 1183), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to relocate and restore intact the historic structure and associated improvements known as the Gruber Wagon Works located on certain Federal lands to be inundated upon completion of the project, at an estimated cost of $922,000.

(b) Upon completion of the relocation and restoration of the Gruber Wagon Works at a site mutually agreeable to the Secretary of the Army and the County of Berks, title to the structure and associated improvements and equipment shall be transferred to the County of Berks upon condition that such county agree to maintain such historic property in perpetuity as a public museum at no cost to the Federal Government.

Sec. 130. The authorized McClellan-Kerr Arkansas River navigation system is hereby modified to provide a nine-foot deep navigation channel, one hundred feet in width, extending approximately ten miles from the McClellan-Kerr navigation sailing line upstream on the Big Sallisaw Creek and Little Sallisaw Creek to and including a turning basin, near United States Highway 59, in a location generally conforming to Site I, as described in the Tulsa District Engineer's Project Formulation Memorandum entitled "Big and Little Sallisaw Creeks, Oklahoma, Section 107 Navigation Project" dated August 1973, at an estimated cost of $1,200,000.

Sec. 131. (a) The first sentence of section 201(a) of the Flood Control Act of 1965 (Public Law 89-298) is amended by striking out "$10,000,000." and inserting in lieu thereof "$15,000,000.".

(b) Section 201(b) of such Act is amended by striking out "$10,000,000" and inserting in lieu thereof "$15,000,000".

Sec. 132. The project for flood protection on the Souris River at Minot, North Dakota, approved by resolutions of the Committee on Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives under authority of section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962-5), and modified by section 105 of the Water Resources Development Act of 1974 (88 Stat. 42), is hereby further modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to reimburse the designated non-Federal interest for the estimated additional expense (exceeding that set forth in such section 105) incurred by such non-Federal interest in undertaking its required cooperation for the proposed channel realinement in the downstream area of the project near Logan, North Dakota, except that such reimbursement shall not exceed $250,000.

Sec. 133. (a) Subsection (b) of section 107 of the River and Harbor Act of 1960 (74 Stat. 480) is further amended by striking out "$1,000,000" and inserting in lieu thereof "$2,000,000".

(b) Section 61 of the Water Resources Development Act of 1974 (88 Stat. 12) is amended as follows:

(1) By striking out "$1,000,000" and inserting in lieu thereof "$2,000,000".

(2) By striking out "$2,000,000" and inserting in lieu thereof "$3,000,000".

(c) The amendments made by this section shall not apply to any project under contract for construction on the date of enactment of the Water Resources Development Act of 1976.

Sec. 134. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed within ninety days after enactment of this Act to institute a procedure enabling the engineer officer in charge of each district under the direction of the Chief of Engineers to certify, at the request of local interests, that particular local improvements for flood control can reasonably be expected to be compatible with a specific, potential project then under study or other form of consideration. Such certification shall be interpreted to assure local interests that they may go forward to construct such compatible improvements at local expense with the understanding that such improvements can be reasonably expected to be included within the scope of the Federal project, if later authorized, both for the purposes of analyzing the costs and benefits of the project and assessing the local participation in the costs of such project. This subsection shall cease to be in effect after December 31, 1977.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to include in the survey report on flood protection on Mingo Creek and its tributaries, Oklahoma, authorized by section 208 of the Flood Control Act of 1965, the costs and benefits of local improvements initiated by the city of Tulsa for such flood protection subsequent to January 1, 1975, which the Chief of Engineers determines are compatible with and constitute an integral part of his recommended plan. In determining the appropriate non-Federal share for such project, the Chief of Engineers shall give recognition to costs incurred by non-Federal interest in carrying out such local improvements.

Sec. 135. The project for Port San Luis, San Luis Obispo Harbor, California, authorized by section 301 of the River and Harbor Act of 1965, is hereby modified substantially in accordance with the plan described in the Los Angeles District Engineers report on "Port San Luis, California" dated April 1976, and the conditions of local cooperation specified in subparagraphs 1.a. through 1.o. of appendix 7 thereof, at an estimated cost of $6,040,000.

Sec. 136. (a) The project for flood control on the Napa River, Napa County, California, authorized by section 204 of the Flood Control Act of 1965, is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to acquire approximately 577 acres of land for the purpose of mitigating adverse impacts on fish and wildlife occasioned by the project. The non-Federal share of the cost of such lands shall be the percentage as that required for the overall project.

(b) Such project is further modified to include construction by the Secretary of the Army acting through the Chief of Engineers, of the Napa Creek watershed project of the Soil Conservation Service approved June 25, 1962.

(c) No part of the cost of the modified project authorized by this section shall include the cost of the Secretary of the Army, acting through the Chief of Engineers, performing maintenance dredging for the navigation project for the Napa River.

Sec. 137. The project for flood control in East St. Louis and vicinity, Illinois, authorized by section 204 of the Flood Control Act approved October 27, 1965, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the Blue Waters Ditch segment of the overall project independently of the other project segments. Prior to initiation of construction of the Blue Waters Ditch segment, appropriate non-Federal interests shall agree, in accordance with the provisions of section 221 of the Flood Control Act of 1970, to furnish non-Federal cooperation for such segment.

Sec. 138. The Secretary of the Army, acting through the Chief of Engineers, shall continue studies and construction of bank protection works pursuant to the project for the Sacramento River, Chico Landing to Red Bluff, California, authorized by the Flood Control Act of 1958, notwithstanding the completion of the remaining ten sites proposed for construction at the time of enactment of this Act.

Sec. 139. The project for Waurika Dam and Reservoir on Beaver Creek, Oklahoma, authorized by the Act of December 30, 1963 (P.L. 88-253), is hereby modified to provide that the interest rate applicable to the repayment by non-Federal interests of the cost of the water conveyance facilities shall be the same as the interest rate established for repayment of the cost of municipal and industrial water supply storage in the reservoir.

Sec. 140. In the case of any authorized navigation project which has been partially constructed, or is to be constructed, which is located in one or more States, and which serves regional needs, the Secretary of the Army, acting through the Chief of Engineers, may include in any economic analysis which is under preparation at the time of enactment of this Act such regional economic development benefits as he determines to be appropriate for purposes of computing the economic justification of the project.

Sec. 141. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to make a study and report which shall include his conclusions and recommendations to the Congress on the advisability and feasibility of providing flood protection by dredging the Susquehanna River in the Wyoming Valley, Pennsylvania, and the surrounding region.

Sec. 142. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to investigate the flood and related problems to those lands lying below the plane of mean higher high water along the San Francisco Bay shoreline of San Mateo, Santa Clara, Alameda, Napa, Sonoma and Solano Counties to the confluence of the Sacramento and San Joaquin Rivers with a view toward determining the feasibility of and the Federal interest in providing protection against tidal and fluvial flooding. The investigation shall evaluate the effects of any proposed improvements on wildlife preservation, agriculture, municipal and urban interests in coordination with Federal, State, regional, and local agencies with particular reference to preservation of existing marshland in the San Francisco Bay region.

Sec. 143. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to make a study in cooperation with the government of the Territory of American Samoa with particular reference to providing a plan for the development, utilization and conservation of water and related land resources. Such study shall include appropriate consideration of the needs for flood protection, wise use of flood plain lands, navigation facilities, hydroelectric power generation, regional water supply and waste water management facilities systems, general recreation facilities, enhancement and conservation of fish and wildlife, and other measures for environmental enhancement, economic and human resources development, and shall be compatible with comprehensive development plans formulated by local planning agencies and other interested Federal agencies.

Sec. 144. The Secretary of the Army, acting through the Chief of Engineers, in cooperation with the State of Hawaii and appropriate units of local government, shall make a study of methods to develop, utilize, and conserve water and land resources in the Hilo Bay Area, Hawaii, and Kailua-Kona, Hawaii. Such study shall include, but not be limited to, consideration of the need for flood protection, appropriate use of flood plain lands, navigation facilities, hydroelectric power generation, regional water supply and waste water management facilities systems, recreation facilities, enhancement and conservation of water quality, enhance and conservation of fish and wildlife, other measures for environmental enhancement, and economic and human resources development. Based upon the findings of such study, the Secretary of the Army, acting through the Chief of Engineers, shall prepare a plan for the implementation of such findings which shall be compatible with other comprehensive development plans prepared by local planning agencies and other interested Federal agencies.

Sec. 145. The Secretary of the Army, acting through the Chief of Engineers, is authorized upon request of the State, to place on the beaches of such State beach-quality sand which has been dredged in constructing and maintaining navigation inlets and channels adjacent to such beaches, if the Secretary deems such action to be in the public interest and upon payment of the increased cost thereof above the cost required for alternative methods of disposing of such sand.

Sec. 146. The project for harbor improvement at Noyo, Mendocino County, California, authorized by the River and Harbor Act of 1962 (76 Stat. 1173), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct such breakwaters as may be needed to provide necessary protection, but not more than two, and to construct such additional channel improvements, including, but not limited to, deepening, widening, and extensions, as he deems necessary to meet applicable economic and environmental criteria.

Sec. 147. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to conduct hydrographic surveys of the Columbia River from Richland, Washington, to Grand Coulee Dam for the purpose of identifying navigational hazards and preparing maps of the river channel at an estimated cost of $500,000, and providing information necessary for establishment of aids to navigation.

Sec. 148. The Secretary of the Army, acting through the Chief of Engineers, shall utilize and encourage the utilization of such management practices as he determines appropriate to extend the capacity and useful life of dredged material disposal areas such that the need for new dredged material disposal areas is kept to a minimum. Management practices authorized by this section shall include, but not be limited to, the construction of dikes, consolidation and dewatering of dredged material, and construction of drainage and outflow facilities.

Sec. 149. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to remove Shooters' Island located north of Staten Island, New York, at the mouth of Arthur Kill and to utilize such removed material for fill and widening of Arthur Kill.

Sec. 150. The Secretary of the Army, acting through the Chief of Engineers, is authorized to plan and establish wetland areas as part of an authorized water resources development project under his jurisdiction. Establishment of any wetland area in connection with the dredging required for such a water resources development project may be undertaken in any case where the Chief of Engineers in his judgment finds that—

(1) environmental, economic, and social benefits of the wetland area justifies the increased cost thereof above the cost required for alternative methods of disposing of dredged material for such project; and

(2) the increased cost of such wetland area will not exceed $400,000; and

(3) there is reasonable evidence that the wetland area to be established will not be substantially altered or destroyed by natural or man-made causes.

(b) Whenever the Secretary of the Army, acting through the Chief of Engineers, submits to Congress a report on a water resources development project after the date of enactment of this section, such report shall include, where appropriate, consideration of the establishment of wetland areas.

(c) In the computation of benefits and costs of any water resources development project the benefits of establishing of any wetland area shall be deemed to be at least equal to the cost of establishing such area. All costs of establishing a wetland area shall be borne by the United States.

Sec. 151. The project for the Chief Joseph Dam authorized by the Act of July 2, 1946 (Public Law 525, 79th Congress) is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide such temporary temporary school facilities as he may deem necessary for the education of dependents of persons engaged in the construction of additional hydroelectric power facilities at Chief Joseph Dam and Reservoir, Washington. When he determines it to be in the public interest, the Secretary, acting through the Chief of Engineers, may enter into cooperative arrangements with local and Federal agencies for the operation of such Government facilities, for the expansion of local facilities at Federal expense, and for contributions by the Federal Government to cover the increased cost to local agencies of providing the educational services required by the Government.

Sec. 152. The Secretary of the Army, acting through the Chief of Engineers, is authorized to participate in the construction of a levee and protective seawall at Liberty Park, New Jersey, at an estimated cost of $12,600,000. Appropriate non-Federal interests shall furnish all necessary lands, easements and rights-of-way necessary for such project and shall contribute 30 per centum of the total cost exclusive of land costs.

Sec. 153. The last sentence under the center heading "ARKANSAS-RED RIVER BASIN" in section 201 of the Flood Control Act of 1970 (84 Stat. 1825) is amended to read as follows: "Construction shall not be initiated on any element of such project until such element has been approved by the Secretary of the Army.".

Sec. 154. The prohibitions and provisions for review and approval concerning wharves and piers in waters of the United States as set forth in section 10 of the Act of March 3, 1899 (30 Stat. 1151) and the first section of the Act of June 13, 1902 (32 Stat. 371) shall not apply to any body of water located entirely within one State which is, or could be, considered to be a navigable body of water of the United States solely on the basis of historical use in interstate commerce.

Sec. 155. (a) Subsection (c) of section 32 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and by adding at the end thereof the following:

"(5) the delta of the Eel River, California.

"(6) the lower Yellowstone River from Intake Montana, to the mouth of such river.".

(b) Subsection (e) of such section 32 is amended to read as follows:

"(e) There is authorized to be appropriated not to exceed $50,000,000 to carry out this section.".

Sec. 156. The Secretary of the Army, acting through the Chief of Engineers, is authorized to provide periodic beach nournishment in the case of each water resources development project where such nourishment has been authorized for a limited period for such additional period as he determines necessary but in no event shall such additional period extend beyond the fifteenth year which begins after the date of initiation of construction of such project.

Sec. 157. (a) Section 12(b) of the Water Resources Development Act of 1974 (88 Stat. 17) is amended by striking out "one hundred and eighty" each time it appears and inserting in lieu thereof "ninety".

(b) The amendment made by subsection (a) of this section shall take effect on January 1, 1977.

Sec. 158. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a comprehensive study and report on the system of waterway improvements under his jurisdiction. The study shall include a review of the existing system and its capability for meeting the national needs including emergency and defense requirements and an appraisal of additional improvements necessary to optimize the system and its intermodal characteristics. The Secretary of the Army, acting through the Chief of Engineers, shall submit a report to Congress on this study, within three years after funds are first appropriated and made available for the study, together with his recommendations. The Secretary of the Army, acting through the Chief of Engineers, shall, upon request, from time to time make available to the National Transportation Policy Study Commission established by section 154 of Public Law 94-280, th information and other data developed as a result of the study.

Sec. 159. The Marysville Lake project, California, authorized by the Flood Control Act of 1966 (80 Stat. 1405), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake the phase I design memorandum stage of advanced engineering and design for a multiple-purpose project located at the Parks Bar site, including power development with pumped storage, at an estimated cost of $150,000.

Sec. 160. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of the project for hydroelectric power on the Susitna River, Alaska, in accordance with the recommendations of the Board of Engineers for Rivers and Harbors in its report dated June 24, 1976, at an estimated cost of $25,000,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

Sec. 161. Section 32 of the Water Resources Development Act of 1974 (88 Stat. 12) is amended as follows:

(1) In subsection (c)(3) strike "; and" and add ", including areas on the right bank at river miles 1345; 1310; 1311; 1316.5; 1334.5; 1341; 1343.5; 1379.5; 1385; and on the left bank at river miles 1316.5; 1320.5; 1323; 1326.5; 1335.7; 1338.5; 1345.2; 1357.5; 1360; 1366.5; 1368; and 1374;";

(2) A new subsection (f) is added as follows:

"(f) The Secretary of the Army shall make an interim report to Congress on work undertaken pursuant to this section by September 30, 1978, and shall make a final report to the Congress no later than December 31, 1981.".

Sec. 162. For the purposes of section 10 of the Act of March 3, 1899 (30 Stat. 1151) (33 U.S.C. 401) the following bodies of water are declared nonnavigable: Lake Oswego, Oregon; Lake Coeur d'Alene, Idaho; and Lake George, New York.

Sec. 163. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study water and surface transportation needs resulting from the expansion and further development of the San Pedro Bay ports. Such study shall include, but not be limited to, the feasibility and advisability of enlarging the Dominguez Channel for flood control purposes.

Sec. 164. The project for the Snake River, Oregon, Washington, and Idaho, authorized in section 2 of the River and Harbor Act of 1945 (59 Stat. 21) is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to construct at full Federal expense a four-lane, high-level highway bridge and approaches thereto connecting the cities of Lewiston, Idaho, and Clarkston, Washington, at or near river mile 141.3 of the Snake River, approximately two miles upstream of the present United States Highway 12 bridge. Before construction may be initiated the non-Federal interests shall agree pursuant to section 221 of the Flood Control Act of 1970 (P.L. 91–611) to (1) hold and save the United States free from damages resulting from construction of the bridge and its approaches, (2) provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the bridge and its approaches, and (3) own, maintain, and operate the bridge and its approaches after construction is completed, free to the public. There is authorized to carry out this section not to exceed $21,000,000.

Sec. 165. That portion of the first section of the Act of September 1, 1916 (39 Stat. 693) entitled "Washington Aqueduct" is hereby repealed.

Sec. 166. (a) In order to alleviate water damage on the shoreline of Lake Michigan and others of the Great Lakes during periods of abnormally high water levels in the Great Lakes, and to improve the water quality of the Illinois Waterway, the Secretary of the Army, acting through the Chief of Engineers, is authorized to carry out a five-year demonstration program to temporarily increase the diversion of water from Lake Michigan at Chicago, Illinois, for the purpose of testing the practicability of increasing the average annual diversion from the present limit of three thousand two hundred cubic feet per second to ten thousand cubic feet per second. The demonstration program will increase the controllable diversion by various amounts calculated to raise the average annual diversion above three thousand two hundred cubic feet per second up to ten thousand cubic feet per second. The increase in diversion rate will be accomplished incrementally and will take into consideration the effects of such increase on the Illinois Waterway. The program will be developed by the Chief of Engineers in cooperation with the State of Illinois and the Metropolitan Sanitary District of Greater Chicago. The program will be implemented by the State of Illinois and the Metropolitan Sanitary District of Greater Chicago under the supervision of the Chief of Engineers.

(b) During the demonstration program a controllable diversion rate will be established for each month calculated to establish an annual average diversion from three thousand two hundred cubic feet per second to not more than ten thousand cubic feet per second. When the level of Lake Michigan is below its average level, the total diversion for the succeeding accounting year shall not exceed three thousand two hundred cubic feet per second on an annual basis. The average level of Lake Michigan will be based upon the average monthly level for the period from 1900 to 1975.

(c) When river stages approach or are predicted to approach bankfull conditions at the established flood warning stations on the Illinois Waterway or the Mississippi River, or when further increased diversion of water from Lake Michigan would adversely affect water levels necessary for navigational requirements of the Saint Lawrence Seaway in its entirety throughout the Saint Lawrence River and Great Lakes-Saint Lawrence Seaway, water shall not be diverted directly from Lake Michigan at the Wilmette, O'Brien, or Chicago River control structures other than as necessary for navigational requirements.

(d) The Chief of Engineers shall conduct a study and a demonstration program to determine the effects of the increased diversion on the levels of the Great Lakes, on the water quality of the Illinois Waterway, and on the susceptibility of the Illinois Waterway to additional flooding. The study and demonstration program will also investigate any adverse or beneficial impacts which result from this section. The Chief of Engineers, at the end of five years after the enactment of this section, will submit to the Congress the results of this study and demonstration program including recommendations whether to continue this authority or to change the criteria stated in subsection (b) of this section.

(e) For purposes of this section, controllable diversion is defined as that diversion at Wilmette, O'Brien, and Chicago River control structures which is not attributable to leakage or which is not necessary for navigational requirements.

Sec. 167. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to conduct a study of the most efficient methods of utilizing the hydroelectric power resources at water resource development projects under the jurisdiction of the Secretary of the Army and to prepare a plan based upon the findings of such study. Such study shall include, but not be limited to, an analysis of—

(1) the physical potential for hydroelectric development, giving consideration to the economic, social, environmental and institutional factors which will affect the realization of physical potential;

(2) the magnitude and regional distribution of needs for hydroelectric power;

(3) the integration of hydroelectric power generation with generation from other types of generating facilities;

(4) measures necessary to assure that generation from hydroelectric projects will efficiently contribute to meeting the national electric energy demands;

(5) the timing of hydroelectric development to properly coincide with changes in the demand for electric energy;

(6) conventional hyroelectric potential, both high head and low head projects utilizing run-of-rivers and possible advances in mechanical technology, and pumped storage hydroelectric potential at sites which evidence such potential;

(7) the feasibility of adding or reallocating storage and modifying operation rules to increase power production at corps projects with existing hydroelectric installations;

(8) measures deemed necessary or desirable to insure that the potential contribution of hydroelectric resources to the overall electric energy supply are realized to the maximum extent possible; and

(9) any other pertinent factors necessary to evaluate the development and operation of hydroelectric projects of the Corps of Engineers.

(b) Within three years after the date of the first appropriation of funds for the purpose of carrying out this section, the Secretary of the Army, acting through the Chief of Engineers, shall transmit the plan prepared pursuant to subsection (a) with supporting studies and documentation, together with the recommendations of the Secretary and the Chief of Engineers on such plan, to the Committee on Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(c) There is authorized to be appropriated to carry out subsections (a) and (b) of this section not to exceed $7,000,000.

(d) The Secretary of the Army, acting through the Chief of Engineers, is authorized with respect to previously authorized projects to undertake feasibility studies of specific hydroelectric power installations that are identified in the course of the study authorized by this section, as having high potential for contribution toward meeting regional power needs. There is authorized to be appropriated to carry out this subsection not to exceed $5,000,000 per fiscal year for each of the fiscal years 1978 and 1979.

Sec. 168. Subsection 22(b) of the Water Resources Development Act of 1974 (Public Law 93–251) is amended by striking out "$2,000,000" and inserting in lieu thereof "$4,000,000".

Sec. 169. Notwithstanding any other provision of law, the project for Pine Mountain Lake on Lee Creek, Arkansas and Oklahoma, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1073), shall be constructed, operated, and maintained in accordance with the Federal Water Project Recreation Act (Public Law 89–72).

Sec. 170. The Little Dell Project, Salt Lake City Streams, Utah, authorized in section 203 of the Flood Control Act of 1968 (P.L. 90–483; 82 Stat. 744) is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to decrease the amount of storage capacity so as to more adequately reflect existing needs.

Sec. 171. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to undertake the phase I design memorandum stage of advanced engineering and design of the project element involving the lowermost 10.1 mile-long segment of channel modification of Sowashee Creek at Meridian, Mississippi, substantially in accordance with the plan of development approved by the Administrator, Soil Conservation Service, United States Department of Agriculture, on October 15, 1974, at an estimated cost of $450,000.

SEC. 172. The project for assumption of maintenance of the Mermentau River and the Gulf of Mexico Navigation Channel, Louisiana, is hereby adopted and authorized to be prosecuted by the Secretary of the Army, acting through the Chief of Engineers, substantially in accordance with the plans and subject to the conditions contained in the report of the Board of Engineers for Rivers and Harbors dated January 16, 1976, at an estimated annual cost of $155,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

SEC. 173. The project for flood protection in the Bassett Creek Watershed, Minnesota, is hereby adopted and authorized to be prosecuted by the Secretary of the Army, acting through the Chief of Engineers, substantially in accordance with the plans and subject to the conditions contained in the report of the Board of Engineers for Rivers and Harbors dated July 26, 1976, at an estimated cost of $7,593,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

SEC. 174. The project for Caddo Dam and Reservoir, Louisiana, authorized by the Flood Control Act of 1965 (79 Stat. 1077, P.L. 89–298) is hereby modified to provide that the operation and maintenance of the project shall be the responsibility of the Secretary of the Army, acting through the Chief of Engineers.

SEC. 175. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of the project for harbor modification at Cleveland Harbor, Ohio, in accordance with the report of the District Engineer, dated June 1976, at an estimated cost of $500,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

SEC. 176. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized and directed to cause a survey to be made at the Navajo Indian Reservation, Arizona, New Mexico, and Utah for flood control and allied purposes, and subject to all applicable provisions of section 217 of the Flood Control Act of 1970 (Public Law 91–611), at an estimated cost of $2,000,000; and to submit reports thereon to the Congress with the recommendations.

SEC. 177. The authorization of the Gaysville Dam and Lake project, Stockbridge, Chittenden, and Rochester, Vermont, provided by section 5 of the Flood Control Act of 1936, as modified by the Acts of Congress approved May 25, 1937, June 28, 1938, and August 18, 1941, is terminated upon the enactment of this Act.

SEC. 178. (a) If the Secretary of the Army, acting through the Chief of Engineers, finds that the proposed project to be erected at the location to be declared nonnavigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of any bulkheading and filling and permanent pile-supported structure, in order to preserve and maintain the remaining navigable waterway and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then that portion of the Hudson River in Hudson County, State of New Jersey, bounded and described as follows is hereby declared to be nonnavigable water of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given to the filling in of all or any part thereof and the erection of permanent pile-supported structures thereon:

Such portion is in the township of North Bergen in the county of Hudson and State of New Jersey, and is more particularly described as follows: At a point in the easterly right-of-way of New Jersey Shore Line Railroad (formerly New Jersey Junction Railroad) said point being located northerly, measured along said easterly right-of-way, 81.93 feet from Station 54+42.4 as shown on construction drawing dated May 23, 1931, of River Road, filed in the Office of the Hudson County Engineer, Jersey City, New Jersey:

thence (1) northerly and along said easterly right-of-way on a bearing of north 12 degrees 11 minutes 14 seconds east, a distance of 280 feet to a point;

thence (2) south 75 degrees 28 minutes 24 seconds east, a distance of 310 feet to a point;

thence (3) south 17 degrees 15 minutes 41 seconds east, a distance of 101.70 feet to a point;

thence (4) south 62 degrees 18 minutes 12 seconds east a distance of 355.64 feet to a point in the exterior solid fill line of April 7, 1903, and the bulkhead line of April 28, 1904, on the Hudson River;

thence (5) along said exterior solid fill and bulkhead lines south 28 degrees 55 minutes 51 seconds west, a distance of 523 feet to a point in the northerly line of lands now or formerly of New York State Realty and Terminal Company;

thence (6) north 61 degrees 34 minutes 29 seconds west, and along said northerly line of the New York State Realty and Terminal Company, a distance of 590.08 feet to a point in the aforementioned easterly right-of-way of the New Jersey Shore Line Railroad;

thence (7) northerly and along said easterly right-of-way of the New Jersey Shore Line Railroad on a curve to the left a radius of 995.09 feet, an arc length of 170.96 feet to a point therein;

thence (8) northerly, still along the same, on a bearing of north 12 degrees 11 minutes 14 seconds east, a distance of 81.93 feet to the point and place of beginning.

Said parcel containing 8 acres being the same more or less.

(b) The declaration in subsection (a) of this section shall apply only to portions of the above-described area which are either bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

SEC. 179. (a) If the Secretary of the Army, acting through the Chief of Engineers finds that the proposed project to be erected at the location to be declared nonnavigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of any bulkheading and filling and permanent pile-supported structure, in order to preserve and maintain the remaining navigable waterway, and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then those portions of the Hackensack River in Hudson County, State of New Jersey, bounded and described as follows are hereby declared to be nonnavigable waters of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given to the filling in of all or any part thereof and the erection of permanent pile-supported structures thereon:

Beginning at a point where the southeasterly shoreline (mean high water line) of the Hackensack River intersects the easterly line of the Erie Railroad said point property being 2,015.38 feet northerly along said railroad property from where it intersects the northerly line of the Meadowlands Parkway (100 feet wide) and running from:

thence north 19 degrees 20 minutes 54 seconds west 50.00 feet;

thence north 37 degrees 30 minutes 08 seconds east 615.38 feet;

thence north 03 degrees 02 minutes 56 seconds east, 2,087 feet;

thence north 31 degrees 11 minutes 06 seconds east 577 feet;

thence north 74 degrees 29 minutes 18 seconds east 541.25 feet;

thence south 62 degrees 01 minute 31 seconds east 400 feet;

thence south 55 degrees 46 minutes 27 seconds east 612.52 feet;

thence south 34 degrees 13 minutes 33 seconds west 517.79 feet;

thence south 55 degrees 46 minutes 27 seconds east 158.81 feet;

thence south 34 degrees 13 minutes 33 seconds west 310 feet;

thence north 55 degrees 26 minutes 27 seconds north 15 feet;

thence south 34 degrees 13 minutes 33 seconds west 592 feet;

thence running in a southwesterly direction along the shoreline (mean high water line) of the Hackensack River, a distance of 2,360 feet being the same more or less to the easterly property line of the Erie Railroad and the point or place of beginning.

Said parcel containing 67.6 acres being the same more or less.

(b) The declaration in subsection (a) of this section shall apply only to portions of the described area which are either bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

SEC. 180. (a) The Secretary of the Army, acting through the Chief of Engineers, is directed to develop a plan for shoreline protection and beach erosion control along Lake Ontario, and report on such plan to the Congress as soon as practicable. Such report shall include recommendations on measures of protection and proposals for equitable cost sharing, together with recommendations for regulating the level of Lake Ontario to assure maximum protection of the natural environment and to hold shoreline damage to a minimum.

(b) Until the Congress receives and acts upon the report required under subsection (a) of this section, all Federal agencies having responsibilities affecting the level of Lake Ontario shall, consistent with existing authority, make every effort to discharge such responsibilities in a manner so as to minimize damage and erosion to the shoreline of Lake Ontario.

(c) There is authorized to be appropriated to carry out this section $2,000,000.

(d) This section may be cited as the "Lake Ontario Protection Act of 1976".

SEC. 181. (a)(1) Subject to paragraph (2) of this subsection, the consent of Congress is granted under section 9 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 401), to the Washington Suburban Sanitary Commission to construct a water diversion structure, with an elevation not to exceed one hundred and fifty-nine feet above sea level, from the north shore of the Potomac River at the Washington Suburban Sanitary Commission water filtration plant to the north shore of Watkins Island.

(2) The structure authorized by paragraph (1) of this subsection, may not be constructed (A) until the Secretary of the Army, acting through the Chief of Engineers, and the State of Maryland, the Commonwealth of Virginia, the Washington Suburban Sanitary Commission, and such other governmental authorities as the Secretary of the Army, the State of Maryland, and the Commonwealth of Virginia deem desirable signatories enter into a written agreement providing an enforceable schedule for allocation among the parties to such agreement for the withdrawal of the waters of that portion of the Potomac River located between Little Falls Dam and the farthest upstream limit of the pool of water behind the Chesapeake and Ohio Canal Company rubble dam at Seneca, Maryland, during periods of low flow of such portion of such river, and (B) unless such construction is not in conflict with the report of the Secretary of the Army, acting through the Chief of Engineers, submitted pursuant to section 85 of the Water Resources Development Act of 1974.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized to enter into the agreement referred to in subsection (a)(2) of this section and any amendment to or revision of such agreement.

(c) Except as may be provided in the agreement referred to in subsection (a)(2) of this section, nothing in this section shall alter any riparian rights or other authority of the State of Maryland, or any political subdivision thereof, the Commonwealth of Virginia, or any political subdivision thereof, or the District of Columbia, or authority of the Corps of Engineers existing on the date of enactment of this section relative to the appropriation of water from, or the use of, the Potomac River.

Sec. 182. (a) The authorization for the Richard B. Russell Dam and Lake (formerly Trotters Shoals Reservoir), contained in section 203 of the Flood Control Act of 1966 (80 Stat. 1405) is hereby amended by deleting the following: "Nothing in this Act shall be construed to authorize inclusion of pumped storage power in this project.".

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized to install a fifth hydropower unit at the Hartwell Reservoir on the Savannah River, South Carolina and Georgia, approved in the Flood Control Acts of December 22, 1944, and May 17, 1950, at an estimated increased cost of $15,700,000.

Sec. 183. The West Tennessee tributaries feature Mississippi River and tributaries project (Obion and Forked Deer Rivers), Tennessee, authorized by the Flood Control Acts approved June 30, 1948, and November 7, 1966, as amended and modified, is hereby further amended to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to construct, to main-stem levee standards, a levee with appurtenant works for flood protection immediately east of the authorized diversion channel of the Obion River, authorized by the Flood Control Act of June 22, 1936, as amended by the Flood Control Act of July 24, 1946, and further amended by section 7 of the River Basin Monetary Authorization Act of 1971, from near the mouth of the diversion channel to the vicinity of Highway 88 and thence to high ground in the vicinity of Porter Gap, at an estimated cost of $1,000,000.

Sec. 184. Section 108 of Public Law 93–251 is amended as follows:

(a) At the end of subsection (a) add the following: "The Secretary may acquire sites at locations outside such boundaries, as he determines necessary, for administrative and visitor orientation facilities. The Secretary may also acquire a site outside such boundaries at or near the location of the historic Tabard Inn in Ruby, Tennessee, including such lands as he deems necessary, for the establishment of a lodge with recreational facilities as provided in subsection (e)(3).";

(b) In subsection (b), after the "(b)" insert "(1)" and at the end of such subsection insert the following:

"(2) The Secretary may by agreement with the Secretary of the Interior provide for interim management by the Department of the Interior, in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535) (16 U.S.C. 1, 2–4) as amended and supplemented, of any portion or portions of the project which constitute a logically and efficiently administrable area. The Secretary is authorized to transfer funds to the Department of the Interior for the costs of such interim management out of funds appropriated for the project.";

(c) In subsection (c)(1), after the phrase "States of Kentucky and Tennessee or any political subdivisions thereof" insert the following: "which were in public ownership at the time of enactment of this section.";

(d) At the end of subsection (e)(2)(A), strike the period and insert the following: "and except that motorboat access into the gorge area shall be permitted up to a point one-tenth of a mile downstream from Devil's Jumps; and except for the continued operation and maintenance of the rail line currently operated and known as the K & T Railroad. The Secretary shall acquire such interest in the K & T Railroad right-of-way by easement as he deems necessary to protect the scenic, esthetic, and recreational values of the gorge area and the adjacent areas.";

(e) In subsection (e)(2)(C), strike the period at the end and insert the following: ", the road entering the gorge across from the mouth of Station Camp Creek."; and

(f) In subsection (e)(2)(K), strike "$32,850,000" and insert in lieu thereof "$103,522,000".

Sec. 185. The Secretary of the Army, acting through the Chief of Engineers, is directed to make a maximum effort to assure the full participation of members of minority groups, living in the States participating in the Tennessee-Tombigbee Waterway Development Authority, in the construction of the Tennessee-Tombigbee Waterway project, including actions to encourage the use, wherever possible, of minority owned firms. The Chief of Engineers is directed to report on July 1 of each year to the Congress on the implementation of this section, together with recommendation for any legislation that may be needed to assure the fuller and more equitable participation of members of minority groups in this project or others under the direction of the Secretary.

Sec. 186. The Act entitled "An Act to authorize construction of the Mississippi River-Gulf outlet", approved March 29, 1956 (70 Stat. 65), is amended by inserting before the period at the end thereof a colon and the following: "*And provided further*, That such conditions of local cooperation shall not apply to the construction of bridges (at a cost not to exceed $71,500,000) required as a result of the construction of the Mississippi River-Gulf outlet channel if the Secretary of the Army, after consultation with the Secretary of Transportation, determines prior to the construction of such bridges that the Federal Government will not assume the costs of such work in accordance with section 132(a) of the Federal-Aid Highway Act of 1976 (Public Law 94–280); and before construction of the bridges may be initiated the non-Federal public bodies involved shall agree pursuant to section 221 of the Flood Control Act of 1970 (Public Law 91–611) to (a) hold and save the United States free from damages resulting from construction of the bridges and their approaches, (b) provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the bridges and their approaches, and (c) maintain and operate the bridges and their approaches after construction is completed".

Sec. 187. The project for navigation and bank stabilization in the Red River Waterway, Louisiana, Texas, Arkansas, and Oklahoma, authorized by the Rivers and Harbors Act of 1968 (82 Stat. 731) is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the construction costs of retaining dikes, bulkheads, and embankments required for initial and subsequent disposal of dredged material, and the Federal cost shall be 75 per centum (currently estimated at $3,700,000). The requirements for appropriate non-Federal interests to furnish an agreement to contribute 25 per centum of the construction cost set forth above shall be waived by the Secretary of the Army upon a finding by the Administrator of the Environmental Protection Agency that for the area to which such construction applies, the State or States involved, interstate agency, municipality, other appropriate political subdivisions of the State, and industrial concerns are participating in and in compliance with an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities and the Administrator has found that applicable water quality standards are not being violated.

Sec. 188. Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, at the request of the city of Williston, North Dakota, is authorized and directed to take such action as may be necessary to relocate certain water intakes, located on a pier of the Lewis and Clark Bridge on the Missouri River, threatened by siltation. There is authorized to be appropriated not to exceed $1,000,000 to carry out the provisions of this section.

Sec. 189. (a) The project for Tuttle Creek Lake, Big Blue Lake, Kansas, authorized as a unit of the comprehensive plan for flood control and other purposes, Missouri River Basin, by the Flood Control Act approved June 28, 1938, as modified, is hereby further modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to (1) provide a residential access road near Waterville, Kansas, from a point of intersection with FAS Route 431, located approximately 0.2 miles south of the northeast corner of section 16, township 4 south, range 6 east, and extending in an east southeasterly direction to a point of intersection with the existing township road located near the center of section 14, township 4 south, range 6 east, and (2) to replace the existing Whiteside Bridge, located one mile northwest of Blue Rapids, Kansas, so as to obtain an elevation of 1128.0 mean sea level.

(b) There is authorized to be appropriated not to exceed $630,000 to carry out the purposes of this section.

Sec. 190. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design on the Days Creek unit of the project for flood control and other purposes on the Red River below Denison Dam, Texas, Arkansas, and Louisiana, substantially in accordance with the report of the Board of Engineers for Rivers and Harbors at an estimated cost of $300,000. This shall take effect upon submittal to the Secretary of the Army by the Chief of Engineers and notification to Congress of the approval of the Chief of Engineers.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized to construct the project for flood control and other purposes on the Red River below

Denison Dam, Texas, Arkansas and Louisiana, in accordance with the report of the Chief of Engineers dated August 3, 1976, at an estimated cost of $4,131,000.

Sec. 191. The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the nonstructural flood protection project on Galveston Bay at Baytown, Texas, in accordance with the final report of the Chief of Engineers, at an estimated Federal cost of $15,680,000; and provided that non-Federal interests shall be required to pay 20 per centum of the project costs.

Sec. 192. The project for flood protection and other purposes on the Deep Fork River in the vicinity of Arcadia, Oklahoma, authorized in section 201 of Public Law 91–611, is amended and reauthorized so as to delete the benefits for water quality and to include benefits for water supply.

Sec. 193. In order to assure an adequate supply of food to the Nation and to promote the economic vitality of the High Plains Region, the Secretary of Commerce (hereinafter referred to in this section as the "Secretary"), acting through the Economic Development Administration, in cooperation with the Secretary of the Army, acting through the Chief of Engineers, and appropriate Federal, State, and local agencies, and the private sector, is authorized and directed to study the depletion of the natural resources of those regions of the States of Colorado, Kansas, New Mexico, Oklahoma, Texas, and Nebraska presently utilizing the declining water resources of the Ogallala aquifer, and to develop plans to increase water supplies in the area and report thereon to Congress, together with any recommendations for further congressional action. In formulating these plans, the Secretary is directed to consider all past and ongoing studies, plans, and work on depleted water resources in the region, and to examine the feasibility of various alternatives to provide adequate water supplies in the area including, but not limited to, the transfer of water from adjacent areas, such portion to be conducted by the Chief of Engineers to assure the continued economic growth and vitality of the region. The Secretary shall report on the costs of reasonably available options, the benefits of various options, and the costs of inaction. If water transfer is found to be a part of a reasonable solution, the Secretary, as part of his study, shall include a recommended plan for allocating and distributing water in an equitable fashion, taking into account existing water rights and the needs for future growth of all affected areas. An interim report, with recommendations, shall be transmitted to the Congress no later than October 1, 1978, and a final report, with recommendations, shall be transmitted to Congress not later than July 1, 1980. A sum of $6,000,000 is authorized to be appropriated for the purposes of carrying out this section.

Sec. 194. The project for the Cochiti Reservoir in New Mexico as part of the project for the improvement of the Rio Grande Basin, authorized in the Flood Control Act of 1960 (74 Stat. 488), is modified in order to direct the Secretary of the Army, acting through the Chief of Engineers, to construct, for public recreation purposes, an access road from United States highway numbered 85 to such reservoir. There is authorized to be appropriated not to exceed $1,500,000 to carry out the purposes of this section.

Sec. 195. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to construct a project for local flood protection on the Santa Fe River and Arroyo Mascaras at and in the vicinity of Santa Fe, New Mexico, pursuant to the report of the Chief of Engineers dated June 29, 1976, for flood control and allied purposes, at an estimated cost of $8,200,000: *Provided*, That the project shall not include construction of any impoundments east of the existing Nichols Dam: *And provided further*, That in any earth-moving operations in connection with the construction of such project, the sources of material, and the routes for transporting such materials to the construction sites shall be selected in a way that minimizes any adverse effect on normal transportation movements within the city of Santa Fe, New Mexico.

(b) Notwithstanding any other provision of law, the project for Pine Mountain Lake on Lee Creek, Arkansas and Oklahoma, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1073), shall be constructed, operated, and maintained in accordance with the Federal Water Project Recreation Act, Public Law 89–72, as amended.

Sec. 196. The project for Lucky Peak Lake, Idaho, authorized by the Flood Control Act of 1946, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to modify the outlet works in the Lucky Peak Dam at a Federal cost not to exceed $4,100,000, to assure maintenance of adequate flows along the Boise River: *Provided*, That provisions of section 102(b) of the Federal Water Pollution Control Amendments of 1972 (86 Stat. 816), shall apply to this modification.

Sec. 197. Section 50 of the Water Resources Development Act of 1974 (88 Stat. 12), is amended by striking out "$350,000" and inserting in lieu thereof "$380,000".

Sec. 198. The sum of $250,000 is hereby authorized to complete the phase I design memorandum stage of advanced engineering and design of the Days Creek Dam, South Umpqua River, Oregon, authorized by section 1(a) of the Water Resources Development Act of 1974 (88 Stat. 12).

Sec. 199. The project for navigation improvements, Cook Inlet, Alaska (Anchorage Harbor, Alaska), authorized by the Rivers and Harbors Act of 1958, approved July 3, 1958, is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to maintain a harbor bottom depth of —35.0 feet MLLW, for a length of 3,000 feet at the existing Port of Anchorage Marine Facility, at an estimated annual cost of $150,000.

Sec. 200. Section 35 of the Water Resources Development Act of 1974 (Public Law 93–251) is amended as follows:

(a) Inserting "(a)" after "Sec. 35";

(b) Inserting new subsection "(b)", as follows:

"(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a detailed study of such plans as he may deem feasible and appropriate for the removal and disposal of debris and obsolete buildings remaining as a result of military construction during World War II, and subsequently, in the vicinity of Metlakatla and Annette Island in southeastern Alaska, at an estimated cost of $100,000. Such study shall include an analysis of appropriate measures to restore the area to its natural condition.".

Sec. 201. (a) Section 204(b) of the Act of October 23, 1962 (76 Stat. 1173, 1174), is amended by striking the period at the end of the second sentence and insert the following: ": *Provided*, That the Secretary of the Interior, in determining reimbursable costs, shall not include the costs of replacing and relocating the original Salisbury Ridge section of the 138-kilovolt transmission line: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall relocate such transmission lines, at an estimated cost of $5,641,000.".

(b) The Crater-Long Lakes division of the Snettisham project near Juneau, Alaska, as authorized by section 204 of the Flood Control Act of 1962, is modified with respect to the reimbursement payments to the United States on such project in order to provide (1) that the repayment period shall be sixty years, (2) that the first annual payment shall be 0.1 per centum of the total principal amount to be repaid, (3) thereafter annual payments shall be increased by 0.1 per centum of such total each year until the tenth year at which time the payment shall be 1 per centum of such total, and (4) subsequent annual payments for the remaining fifty years of the sixty-year repayment period shall be one-fiftieth of the balance remaining after the tenth annual payment (including interest over such sixty-year period).

Sec. 202. (a) The Congress finds that drift and debris on or in publicly maintained commercial boat harbors and the land and water areas immediately adjacent thereto threaten navigational safety, public health, recreation, and the harborfront environment.

(b)(1) The Secretary of the Army, acting through the Chief of Engineers, shall be responsible for developing projects for the collection and removal of drift and debris from publicly maintained commercial boat harbors and from land and water areas immediately adjacent thereto.

(2) The Secretary of Army, acting through the Chief of Engineers, is authorized to undertake projects developed under paragraph (1) of this subsection without specific congressional approval when the total Federal cost for the project is less than $400,000.

(c) The Federal share of the cost of any project developed pursuant to subsection (b) of this section shall be two-thirds of the cost of the project. The remainder of such costs shall be paid by the State, municipality, or other political subdivision in which the project is to be located, except that any costs associated with the collections and removal of drift and debris from federally owned lands shall be borne by the Federal Government. Non-Federal interests in future project development under subsection (b) of this section shall be required to recover the full cost of drift or debris removal from any identified owner of piers or other potential sources of drift or debris, or to repair such sources so that they no longer create a potential source of drift or debris.

(d) Any State, municipality, or other political subdivision where any project developed pursuant to subsection (b) of this section is located shall provide all lands, easements, and right-of-way necessary for the project, including suitable access and disposal areas, and shall agree to maintain such projects and hold and save the United States free from any damages which may result from the non-Federal sponsor's performance of, or failure to perform, any of its required responsibilities of cooperation for the project. Non-Federal interest shall agree to regulate any project area following project completion so that such area will not become a future source of drift and debris. The Chief of Engineers shall provide technical advice to non-Federal interests on the implementation of this subsection.

(e) For the purposes of this section—

(1) the term "drift" includes any buoyant material that, when floating in the navigable waters of the United States, may cause damage to a commercial or recreational vessel; and

(2) the term "debris" includes any abandoned or dilapidated structure or any sunken vessel or other object that can reasonably be expected to collapse or otherwise enter the navigable waters of the United States as drift within a reasonable period.

(f) There is authorized to be appropriated to carry out this section not to exceed $4,000,000 per fiscal year for fiscal years 1978 and 1979.

Sec. 203. (a)(1) The Congress finds that the expeditious development of hydroelectric power generating facilities in Alaska that are environmentally sound to assist the Nation in meeting existing and future energy demands is in the national interest.

(2) The Congress therefore declares that the expertise of the Chief of Engineers can and should be utilized for the benefit of local public bodies in the development of projects which yield 90 per centum or more of the benefits of the project attributable to hydroelectric power generation when the project is fully operational.

(b) To meet the goals of this section, there is hereby established in the Treasury of the United States an Alaska Hydroelectric Power Development Fund (hereafter referred to as the "fund") to be and remain available for use by the Secretary of the Army (hereinafter referred to as the "Secretary") to make expenditures authorized by this section. The fund shall consist of (1) all receipts and collections by the Secretary of repayments in accordance with subsection (e) of this section and payments by non-Federal public authorities to the Secretary to finance the cost of construction of projects in accordance with subsection (f) of this section, and which the Secretary is hereby directed to deposit in the fund as they are received, and (2) any appropriations made by the Congress to the fund.

(c) There is authorized to be appropriated to the Secretary for deposit in the fund established by subsection (b) of this section the sum of $25,000,000.

(d)(1) If the Secretary determines that moneys in the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States.

(2) With the approval of the Secretary of the Treasury, the Secretary may deposit moneys of the fund in any Federal Reserve bank or other depository for funds of the United States, or in such other banks and financial institutions and under such terms and conditions as the Secretary and the Secretary of the Treasury may mutually agree.

(e) The Secretary is authorized to make expenditures from the fund for the phase I design memorandum stage of advanced engineering and design for any project in Alaska that meets the requirements of subsection (a)(2) of this section, if appropriate non-Federal public authorities, approved by the Secretary, agree with the Secretary, in writing, to repay the Secretary for all the separable and joint costs of preparing such design memorandum, if such report is favorable. Following the completion of the phase I design memorandum stage of advanced engineering and design under this subsection, the Secretary shall not transmit any favorable report to Congress prior to being repaid in full by the appropriate non-Federal public authorities for the costs incurred during such phase I. The Secretary is also authorized to make expenditures from non-Federal funds deposited in the fund as an advance against construction costs.

(f) In connection with water resources development projects which meet the criteria established by subsection (a)(2) of this section and which are to be constructed by the Secretary, acting through the Chief of Engineers, in accordance with an authorization by Congress and a contract between the non-Federal public authorities and the Secretary, pursuant to subsection (g)(1) of this section occurring on or subsequent to the date of enactment of this Act, the Secretary, acting through the Chief of Engineers, is authorized to construct such projects including activities for engineering and design, land acquisition, site development, and offsite improvements necessary for the authorized construction by making expenditures from (1) the Fund established in subsection (b) of this section of funds deposited by non-Federal public authorities as payments for construction and (2) payments of non-Federal public authorities held by the Secretary as payment of construction costs for a project authorized by this section.

(g)(1) Prior to initiating any construction work under the authorities of this section, the Secretary and the appropriate non-Federal public authorities shall agree in writing, and submit such agreement to the Committees on Public Works and Appropriations of the Senate and House of Representatives for review and reporting to the Congress for its consideration and approval that the appropriate non-Federal public authorities will pay the full anticipated costs of constructing the project at the time such costs are incurred, together with normal contingencies and related administrative expenses of the Secretary, and such payments shall be deposited in the fund or held by the Secretary for payment of obligations incurred by the Secretary on an authorized project under this section. The agreement shall provide for an initial determination of feasibility and compliance by the project with law. The total non-Federal obligation shall be paid on or prior to the date the Chief of Engineers has estimated by agreement, that the project concerned will be available for actual generation of all or a substantial portion of the authorized hydroelectric power of the project.

(2) In consideration of the obligations to be assumed by non-Federal public authorities under the provisions of this section and in recognition of the substantial investments which will be made by these authorities in reliance on the program established by this section, the United States shall assume the responsibility for paying for all costs over those fixed in the agreement with the non-Federal public authorities, if such costs are occasioned by acts of God, failure on the part of the Secretary, acting through the Chief of Engineers, to adhere to the agreed schedule of work or a failure of design: *Provided*, That payments by the Secretary of such costs shall be subject to appropriations acts.

(h) The Secretary is authorized and directed, pursuant to the agreement, to convey all title, rights, and interests of the United States to any project, its lands and water areas, and appurtenant facilities to the non-Federal public authorities which have agreed to assume ownership of the project and responsibility for its performance, operation, and maintenance, as well as necessary replacements in accordance with this section upon full payment by such non-Federal public authorities as required under subsection (g)(1) of this section. Such conveyance shall, pursuant to the agreement required by subsection (g) of this section, to the maximum extent possible, occur immediately upon the project's availability for generation of all or a substantial portion of the authorized hydroelectric power of the project, and shall include such Federal requirements, reservations, and provisions for access rights to the project and its records as the Secretary finds advisable to complete any portion of project construction remaining at the time of conveyance and to assure that the project will be operated and maintained in a responsible and safe manner to accomplish, as nearly as may be possible, all of the authorized purposes of the project including, but not restricted to, hydroelectric power generation.

(i) This section shall be cited as the "Alaska Hydroelectric Power Development Act".

Sec. 204. No funds specifically authorized for any project in this Act will be available for expenditure prior to fiscal year 1978.

Sec. 205. This act may be cited as the "Water Resources Development Act of 1976".

And the House agree to the same.

Robert E. Jones,
Ray Roberts,
Harold T. Johnson,
Robert A. Roe,
Jim Oberstar,
W. H. Harsha,
Don H. Clausen,
Gene Snyder,
Managers on the Part of the House.

Mike Gravel,
Jennings Randolph,
Quentin N. Burdick,
John Culver,
James A. McClure,
Howard H. Baker, Jr.,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment.

The Senate bill is the biannual authorization of the rivers and harbors works of the Corps of Engineers for flood control, navigation, and other purposes. The total cost of the bill, as reported, is approximately $1.1 billion for projects recommended by the Corps and other provision affecting the operation of the water resources program generally.

All projects of improvement authorized in this bill are to be carried out in accordance with existing law and stipulations contained in the appropriate project documents as modified by the Committee on Public Works in the development of this legislation. The new authorizations provided in the bill are for fiscal year 1978 and succeeding fiscal years.

The House amendment is a water resources development project authorization and basin monetary authorization bill. Title I of the bill includes water resources development project authorizations and provisions modifying previously authorized projects and relating generally to the water resources development program. A total of 44 projects are contained in Title I. The projects cover all types of works under the jurisdiction of the Committee on Public Works and Transportation and within the province of the Corps of Engineers. The total estimated cost of Title I is $403,777,880. Since enactment of the last monetary authorization bill, there are twelve basins which need additional authorization in order that appropriations can be requested to continue work in the basins. Title II authorizes an increase in the amount of $590,000,000 in the monetary authorizations for the twelve comprehensive river basin plans previously approved by Congress. The authorization for the appropriation of these additional amounts commences with fiscal year 1978.

The conference substitute is the same as the Senate bill and the House amendment except for major substantive changes noted below and clerical corrections and conforming changes made necessary by agreements reached by the conferees.

All projects which can be authorized by committee resolution were eliminated from the Senate bill as well as projects relating to watersheds. The sum of $50,000 was added to the project for Nonconnah Creek, Tennessee, for the Horn Lake Creek provisions included from the House amendment.

The sections relating to dredging and title II the river basin authorizations in the House amendment were eliminated.

Robert E. Jones,
Ray Roberts,
Harold T. Johnson,
Robert A. Roe,
Jim Oberstar,
W. H. Harsha,
Don H. Clausen,
Gene Snyder,
Members on the Part of the House.
Mike Gravel,
Jennings Randolph,
Quentin N. Burdick,
John Culver,
James A. McClure,
Howard H. Baker, Jr.,
Managers on the Part of the Senate.

Mr. JONES of Alabama. Mr. Speaker, I call up the conference report on the Senate bill (S. 3823) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, and ask unanimous consent for its immediate consideration and that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk proceeded to read the statement.

Mr. JONES of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if I could ask just one question of the gentleman before we dispense with the reading.

Did the conference committee in any way include nongermane matters not dealing with rivers and harbors in this conference report?

Mr. JONES of Alabama. Mr. Speaker, if the gentleman will yield, none that I know of.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his assurance.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The Chairman recognizes the gentleman from Alabama (Mr. Jones) for 30 minutes.

Mr. JONES of Alabama. Mr. Speaker, after long and very hard meetings with the Senate we have returned to this body with a bill, a bill which continues the long tradition of providing for badly needed water resource development throughout this country. I must admit that there were some disappointments as far as I was personally concerned. The Senate rejected, despite our very strong requests, the inclusion of the project for locks and dam 26 at Alton, Ill., on the Mississippi River. In the great tradition of this country I am a strong and earnest believer in the need for waterway development all over the country. In supporting this position I do not derogate the need for other modes of transportation. I only know that in addition to whatever we have in this country we need effective and open waterways.

Mr. Speaker, I would take this moment to express my very sincere thanks and appreciation to the Members of this body who participated in this conference. My most sincere appreciation to the gentleman from Texas (Mr. Roberts) who chaired the Subcommittee on Water Resources which initiated and developed this bill. I also wish to express my deep appreciation to all the other members including the ranking minority member from Ohio, Mr. Harsha. Other members of the conference who deserve great praise include the gentleman from Texas (Mr. Wright); the gentleman from California (Mr. Johnson); the gentleman from New Jersey (Mr. Howard); The gentleman from New Jersey (Mr. Roe); the gentleman from Minnesota (Mr. Oberstar); the gentleman from California (Mr. Don H. Clausen); and the gentleman from Kentucky (Mr. Snyder).

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. Yes; I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, I thank the chairman of the committee for yielding.

Mr. Speaker, I wish to congratulate the House conferees on the work that they did on this conference report. However, I would like to state that I believe that at the end of this session we are at a tremendous disadvantage in dealing with the other body, as we very often are. I think that quite often we are put in a position where one Member of the other body can threaten a filibuster or some delaying tactic, and then he can thwart the will of 534 other Members of Congress. I hope we can find some way that we can put ourselves in a better position.

However, Mr. Speaker, I would rather close on a better note than that. I think the most important aspect of this entire conference report is that it is the final legislative action, and it caps the legislative career of one of the finest Members ever to serve in this body.

All of us are very proud to be working toward the culmination of this Congress with our great leader, the chairman of this committee, the Committee on Public Works and Transportation, the gentleman from Alabama, the Hon. Robert E. Jones, who is retiring at the end of this session.

Mr. HARSHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I too, wish to join with the distinguished gentleman from New Jersey (Mr. Howard) in telling our colleagues of the leadership of the distinguished gentleman from Alabama (Mr. Jones) in the conference, and I want the Members to know that because of his determination, his dedication, and his leadership, we protected the projects of every Member of this House in this bill.

Mr. Speaker, when we went to the other body with a House bill, our bill contained approximately $1 billion. We bring back to the House a bill somewhere in the neighborhood of $600 million, but in that bill at the same time we have preserved every Member's interest in this legislation.

In addition to that, of course, we had to accept some projects from the other side; but by and large, we have a measure that we think deserves the support of the Members without qualification by those who may be worried about the initial House bill.

Mr. Speaker, I would recommend it to the Members. I want them to know that it was because of the determined, dedicated leadership of the gentleman from Alabama (Mr. Jones), after many hours today, that we were able to resolve this issue and present it to the Members of the House this evening.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of the Water Resources Development Act of 1976. I would like to praise our distinguished chairman, Robert E. Jones, and our subcommittee chairman, Ray Roberts of Texas, and ranking minority member, for bringing this legislation to the floor. Their leadership in the area of water resources is well known and is well deserved.

The legislation we bring before you today would authorize projects for flood control, navigation, water supply, hydropower, erosion control, and recreation.

The conferees labored under a very strenuous deadline in order that we might have a bill. In the spirit of compromise, we were able to achieve that goal.

Mr. Speaker, I believe that the provision authorizing $250,000 for the phase I design memorandum stage for the Deep Creek Dam, South Umpqua River, Oregon, is duplicative and goes beyond the intent of Congress for the implementation of the phase I authority. When we authorize a project at an estimated cost it is just that, an estimated cost. The intent of Congress is that the corps be allowed to continue these studies and we fully well recognize that there may be cost increases associated in the implementation of these studies but this fact alone should not delay the study. Therefore, Mr. Speaker, I believe that this is a quite unnecessary provision, but the House conferees recognize the spirit of compromise and thus we did not insist on its exclusion. However, it is in no way intended that the corps must return to

Congress for an authorization to carry out studies which exceed the Federal estimated cost. I think this point should be made very clear, Mr. Speaker.

Also, Mr. Speaker, the Lake Michigan diversion demonstration program is intended to recognize that the downstream interests are not to be adversely impacted by this program. This was an item of great discussion on the floor of this body when the bill was considered. The conferees also focused attention on just this subject. The corps should recognize in the implementation of the program this concern of Congress.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

If this bill is accepted by this House, as I believe it will be, and it goes back to the other body, can the gentleman assure me that there will be no amendments in the other body?

Mr. HARSHA. All I can assure the gentleman is that the conference report, in going back to the other body, has nothing in it that was not contained in either the House bill or the Senate bill.

As to whether or not they put anything on it after that, I will say to the gentleman that I cannot speak for them. All I can tell the gentleman is that as it proceeds from this House, it contains nothing but what was in each of the two bills.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further, if this bill goes back to the other body, as I believe that it will, can the gentleman assure me that nothing can be added in the other body without its coming back to this body for concurrence?

Mr. HARSHA. Absolutely. I think I can assure the gentleman that if the other body adds something that is over and beyond this conference report, then it would have to be referred back to the House or the conference would have to be dissolved, and we would have to start all over again.

Mr. KETCHUM. Can the gentleman assure me that nothing like a judgeship or anything like that is in there?

Mr. HARSHA. At this stage of the game, there is absolutely nothing like that in there.

Mr. EDWARDS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Speaker, I would like to commend the gentleman from Alabama (Mr. JONES).

This bill is another monument to be added to the many monuments created by the gentleman from Alabama (Mr. JONES) in building America. It is a good bill, and I commend him because I know he has had his heart set on certain parts that are not in this bill, and he has shown thorough statesmanship in bringing this bill before us tonight.

Mr. Speaker, I personally want to commend him for what he has done, for the bill that he has put together, and for his determination to see this bill through tonight.

Mr. Speaker, I think all of us owe a great debt of gratitude to the gentleman from Alabama (BOB JONES), not only for this bill, but for what he has done in this House and for this country during the last 30 years.

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, along with the distinguished chairman of our committee, I am pleased to bring to the floor the conference report on S. 3823, The Water Resources Development Act of 1976, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control and for other purposes, as amended.

As most of the Members of this body know, I bring this conference report to the floor of the House after 2 days of considerable deliberation with the other body.

The Committee on Public Works and Transportation was led in these deliberations by its distinguished chairman and my friend and colleague, BOB JONES of Alabama. As usual, our chairman proved the most knowledgeable and dominant personality in the conference, and I want to reiterate for this body that the retirement of BOB JONES will mean not only the loss of a friend to so many Members in this body, but the loss of a great legislator and a consistent protector of the interest and well-being of our whole Nation.

Mr. Speaker, S. 3823, as agreed to by the conferees, contains several meritorious provisions and I might add, that each and every Corps of Engineers project contained in the original House bill remains intact in the conference report. Briefly, Mr. Speaker, I would like to mention three items in the bill which are of particular importance.

First, of course, are the various Corps of Engineers studies, projects, and project modifications throughout this country which are so vital to the development of our water resources and for the protection of our people.

Secondly, Mr. Speaker, is the authorization of the great river study for the Mississippi River from the mouth of the Ohio River to head of navigation at Minneapolis. This study will incorporate total river resources requirements including navigation, fish and wildlife, recreation, and water quality. It is the hope of this committee that this study will provide a comprehensive analysis of the effects of man's activities on the Mississippi and the steps which can be taken to minimize them.

Another unique and highly beneficial provision authorizes the Secretary of the Army, acting through the Chief of Engineers, to plan and establish wetland areas in connection with the construction or maintenance of water resources projects. This section also directs that consideration be given to the establishment of wetland areas in the study of any water resources development projects. Vast amounts of our wetland areas, so important to the food chain and to flood control and water quality, have been lost over the years because of man's activities. Much has been done to prevent further loss. The Committee on Public Works and Transportation hopes this section will provide a means of establishing new wetlands to restore and replace past losses.

Mr. Speaker, S. 3823 contains numerous provisions which are equal in value to those that I have just mentioned. However, in the interest of time, I would once again like to commend the distinguished gentleman from Alabama, the chairman of the Public Works and Transportation Committee, BOB JONES, for his foresight and leadership in the Water Resources Development Act of 1976. I would also like to commend the gentleman from California, DON CLAUSEN, the ranking minority member of the Subcommittee on Water Resources, and the gentleman from Ohio, BILL HARSHA, the ranking minority members of the full committee, for their tireless and diligent efforts on this important bill. I would also like to commend each and every member of the Committee on Public Works and Transportation, and more especially the House conferees for their perseverance to see that this bill is passed in this Congress.

Accordingly, Mr. Speaker, I urge my colleagues to support the Water Resources Development Act of 1976.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I would ask the gentleman from Texas if there are any authorizations of funds in this bill for planning, design or construction of lock 26?

Mr. ROBERTS. There are none.

Mr. RAILSBACK. Mr. Speaker, we have before us the conference report on a massive public works bill, the Water Resources Development Act of 1976. Authorized in this bill are projects which will benefit a large number of congressional districts from one end of the country to the other. Therefore, I can appreciate that the majority of my colleagues find this an extremely attractive and most worthwhile proposal.

However, I am distressed because of one section of the bill, that instead of providing a real benefit to the people of the 19th district, this bill has the potential of causing increased problems. I am referring to the section of the bill which authorized increased diversion of water from Lake Michigan into the Illinois Waterway.

In effect, while the effort here is to divert water from Lake Michigan, at the other end it will increase the level of water in the Illinois Waterway. Does draining off just a few inches from the water level in Lake Michigan justify the possible flooding with accompanying property loss to the towns along the Illinois Waterway? I do not think so.

What will happen is a substantial increase in the level of water in the Illinois Waterway. It is true that this year the waterway is unusually low and could take additional water, but this is not a normal situation. The residents of my district are no strangers to the problems of contending with high water levels and flooding. Year after year the section of the 19th district which lies along the Illinois River has been ravaged by floods time and again as the result of excessive rainfall and the resulting flood stage of the Illinois River and its tributaries. I am especially concerned about the village of Liverpool in Fulton County. Liverpool is continually ravaged by flooding. I am continuing in efforts to assist the people of the village with new strides to help solve the problem created by extreme high water, flooding, and damage. Liverpool was very hard hit in 1974 when floods ravaged the county. It was declared a Federal disaster area.

Can there be any safeguards or assurances, as promised by this legislation, that diversion will be decreased if the Illinois River approaches flood stage? Who can predict an unusually warm spell to thaw winter snows, or a sudden torrential rain—or even days of torrential rain? If this occurs and the banks are already approaching the flood stage, what happens to the excess water then? How long will it take the "diverted water" to pass by our area and make room for the increased runoff?

What about the quality of the water shipped downstream from the lake past Fulton County? Will the water when it reaches those communities along the Illinois River be of the same quality as that which is diverted from the lake at the control structures? Will it be polluted or will it cleanse itself? I do not think we in central Illinois want or will accept either polluted water or an increase in water levels.

It certainly appears to me that we have thought only of correcting the problems of Lake Michigan and not those we may be creating for the communities downstream. Or what about our Canadian neighbors to the North? How do they feel? They yet must concur with similar legislative action before implementation can commence.

This proposal which the House must vote on today has a long way to go before it becomes a reality. I would hope that rational thoughts will prevail.

Mr. JOHNSON of California. Mr. Speaker, I rise in strong support of the Water Resources Development Act of 1976. This conference report provides needed funds for the construction, repair, and preservation of certain public works and for flood control and navigation improvements. This legislation will also improve the economic vitality of a number of areas of the country. One of the important things of the Water Resources Development Act is that it affects every part of the United States. The Public Works Committees of the House and Senate have agreed on legislation that will improve the lives of citizens from coast to coast.

I would like to highlight three sections of the bill that have impact on the State of California. This legislation authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake the phase I design memorandum stage on the Santa Ana River Project in California. The project lies in San Bernardino, Riverside, and Orange Counties. Mr. Speaker, this project will provide needed flood control for a large segment of the population of Southern California. The existing structure is 70 years old, and an average flood would affect one million people downstream and cause $3 billion damage. Because of environmental impact a number of alternatives of the project were carefully evaluated. I am pleased to say that a complex project was recommended that will protect these people for years to come.

The Water Resources Development Act of 1976 also authorizes the continuation of studies and construction of bank protection works along the Sacramento River from Chico Landing to Red Bluff, Calif. This is a needed project that must be continued. The purpose of this section is to insure that the implementation of the authorized project on the Sacramento River does not stop.

A final section concerns the Marysville Lake project. It authorizes the Secretary of the Army, acting through the Chief of Engineers, to begin the phase I design memorandum stage of advanced engineering and design for a project at the Parks Bar site, including power development with pump storage. The project was originally authorized in the second session of the 89th Congress. This section is only to clarify the authority of the Chief of Engineers to evaluate the alternative Parks Bar site during his post authorization studies of the Marysville project and to accomplish the phase I planning on Parks Bar if it proves to be the more desirable location for the project. Since this is only a project modification the Chief of Engineers will be proceeding under the original authorization stipulations, including the interest rate.

In closing Mr. Speaker, I would like to congratulate all the conferees for this legislation. It took many hours under strained conditions to reach accommodation with the Senate. I would be remiss if I did not single out the chairman of the full committee, Mr. Robert E. Jones, for his role. As you know, this is the last piece of legislation that the Public Works Committee will bring to the floor under Bob Jones' leadership. It is a fitting tribute to the man that this last piece of legislation will do so much to improve the lives of so many people. My only regret in seeing Mr. Jones leave the Congress is the loss of his leadership and counsel in the future years. His expertise on water resources will never be replaced.

Mr. Speaker, I move for the adoption of the conference report.

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

AMENDING THE DISTRICT OF COLUMBIA SELF-GOVERNMENT AND GOVERNMENTAL REORGANIZATION ACT WITH RESPECT TO BORROWING AUTHORITY

Mr. MANN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14971) to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, after line 4, insert:

Sec. 4. Section 490 of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, sec. 47-268) is amended by adding the following:

"(f) Payments authorized or required to be made by or pursuant to any Act authorizing the issuance of revenue bonds, notes, or other obligations for college and university facilities under this section shall be made without further authorization or approval.".

Sec. 5. (a) That "An Act to incorporate the Columbia College in the District of Columbia", approved February 9, 1821 (6 Stat. 255), as amended and supplemented, is amended to read as follows:

"ESTABLISHMENT

"Section 1. There is established in the District of Columbia The George Washington University (hereafter in this Act referred to as the 'university') as a university and a body corporate which shall have perpetual succession.

"PURPOSES

"Sec. 2. The purposes of the university are—

"(1) to educate individuals in liberal arts, languages, sciences, learned professions, and other courses and subjects of study,

"(2) to conduct scholarly research and publish the findings of such research,

"(3) to operate hospital and medical facilities, and

"(4) to engage in any activity incidental to the foregoing purposes.

Such purposes shall be accomplished without regard to the race, color, creed, sex, or national origin of any individual.

"POWERS

"Sec. 3. In order to carry out the purposes of the university, the university may—

"(1) grant or confer academic and honorary degrees, diplomas, and certificates under the seal of the university,

"(2) establish any school, division, or department of learning to become a part of the university,

"(3) receive, invest, and administer any gift or endowment of money or real or personal property,

"(4) borrow money, with or without any security for repayment, at rates of interest determined by the board of trustees of the university without regard to the restrictions of any usury law, but may not plead any usury law as a defense in any action.

"(5) enter into any agreement with any institution of learning for the purpose of providing to students registered at such institution the educational facilities of the unversity and the facilities of any agency of the United States available to the university.

"(6) exercise all powers described in section 5 of the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29-1005) on the date of the enactment of this Act and not inconsistent with the purposes of the university, and

"(7) exercise all powers necessary, incidental, or convenient to the conduct of the purposes, business, and affairs of the university.

"BOARD OF TRUSTEES

"SEC. 4. (a) The management, direction, and government of the university shall be vested in a board of trustees (hereafter in this Act referred to as the 'board'). The bylaws of the university shall provide for the election, number, term of office, residency requirements, qualifications, manner of election, filling of vacancies, and removal of members of the board. The bylaws may provide that members of the board be elected to terms of office commencing on different dates. The bylaws shall provide for appointment of an executive committee and other committees composed of members of the board with any power and authority, including any power and authority of the board, provided for in the bylaws of the university.

"(b) Each individual who is a member of the board on the date of the enactment of this Act shall continue to serve as a member until the membership termination date applicable to such individual.

"(c) No bylaw of the university which establishes qualifications for membership on the board may permit any individual (except the president of the university) to serve as a member of the board during the period in which the individual is serving as an officer, professor, lecturer, teacher, tutor, or employee of the university.

"AUTHORITY OF THE BOARD OF TRUSTEES

"SEC. 5. (a) The board shall be responsible for the exercise of all powers and the discharge of all duties of the university in a manner consistent with this Act, shall have full authority over all personnel and activities of the university, and may appoint or elect any person to serve as an officer, professor, lecturer, teacher, tutor, agent, or employee of the university. Any person so appointed or elected may be removed by the board.

"(b) The board may, by a vote of two-thirds of the individuals then serving as members of the board, adopt, amend, or repeal any bylaw of the university for—

"(1) the conduct of the purposes, business, and affairs of the university, or

"(2) the regulation of the internal government of the university.

"(c) The board may, by a vote of two-thirds of the individuals then serving as members of the board, vote to merge with any other nonprofit organization.".

(b) The amendments made by subsection (a) of this section constitute a complete restatement of the charter of the university and supersede all prior charter provisions contained in the Act of February 9, 1821 (6 Stat. 255) and all amendments and supplements thereto, without disturbing the present and continuing corporate status of the university.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

REPORT OF THE COMMITTEE TO NOTIFY THE PRESIDENT

The SPEAKER. The Chair will receive a report.

Mr. O'NEILL. Mr. Speaker, the majority leader and minority leader having been assigned by the Speaker to inform the President that we have accomplished and completed our duties, we report that we have so notified the President. The President appreciates the Speaker's cooperation and the cooperation of the Members of the House.

Mr. Speaker, particularly to you does the President extend wishes for happiness and success, good luck and Godspeed.

Mr. Speaker, the President and Betty send their love and blessings to you and to your loved ones.

DESIGNATING CERTAIN LANDS WITHIN UNITS OF NATIONAL PARK SYSTEM AS WILDERNESS

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 13160) to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes, with the Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Senate amendment: Page 3, line 6, strike out October, 1975, and insert July, 1972.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I would ask the gentleman to explain the purposes of the bill and the Senate amendment.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. I thank the gentleman for yielding.

This is an omnibus bill which deals with several wilderness areas and national parks.

The Senate made several technical and correcting changes in the bill, and the following substantial changes:

First. The Point Reyes Wilderness designation is added to the bill. This is identical to the text already passed by the House.

Second. A provision for wilderness designation in Shenandoah National Park is added. We held hearings on this area in the 93d Congress. While the area to be designated by the Senate-passed bill is less than that which we originally considered, it still represents a reasonable wilderness designation, and it is acceptable to Representative KENNETH ROBINSON, in whose district the area is located.

Third. The specific management language in this House bill has been deleted. However, the legislative history has been made here to point out that necessary management activities could still occur in these areas.

Fourth. The Badlands National Monument Wilderness has been added. Although we have not considered this designation before, the Senate Committee has held full public hearings on the measure prior to its passage.

Fifth. A provision is added which continues the classification of some 6,400 acres of lands in the Shoshone National Forest in Wyoming in primitive area status. This adjustment in the wilderness boundaries of the adjacent national forest wilderness is not intended to degrade the protection of these lands. Furthermore, it is our intention that this entire Whiskey Mountain area continue to be maintained as a primitive area.

Mr. BAUMAN. I thank the gentleman for his explanation.

I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

Mr. Speaker, the Death Valley bill put 976 people out of work at that point and 107 people are out of work at this point. Could the gentleman tell me, will this bill put any more people out of work?

Mr. TAYLOR of North Carolina. This bill will not put any people out of work. This bill creates a wilderness area in a national park area. The national park is given a high degree of protection with that designation. The only thing creating a wilderness area in a national park does is that it means one cannot build roads without getting further approval from Congress. In the national parks we do not cut timber, we do not do mining ordinarily, we do not allow grazing, and we do not allow commercial fishing. So there is no economic loss, as I see it.

Mr. KETCHUM. If the gentleman will yield further, I totally understand what a wilderness area is, I say to the gentleman from North Carolina, for whom I have the greatest respect, but do any of these wilderness areas we are now proposing have any concessions at all within their boundaries at the present time? Because, if the area becomes a wilderness area, those people then will be put out of work. I ask the gentleman: Will anybody be put out of work, as they were put out of work in Death Valley?

Mr. RONCALIO. Not in Wyoming.

Mr. TAYLOR of North Carolina. No people are living in any of these wilderness areas.

Mr. KETCHUM. I thank the gentleman. I am delighted that no one else will be put out of work as a result of the work of this committee.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RONCALIO. Mr. Speaker, reserving the right to object, the reservation to object will be withdrawn and no objection will be made if the Senate will pass the bill S. 2398, which will give the gentleman from Kansas (Mr. SKUBITZ) and the gentleman from California (Mr. MILLER) those pieces of legislation that were before this body several hours ago, and in which the Senate material was added respecting the Whiskey Mountain area that has now been added to H.R. 13160.

The insistence on objecting will not be maintained if it is understood clearly the legislative intent of this bill is that the Whiskey Mountain area will be continued to be managed as a primitive area, since it is the home of one of the world's largest big horn sheep herds, the wild mountain sheep, in the world. The only way it can be protected and enhanced is for it to be kept in a primitive designation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

(Mr. TAYLOR of North Carolina asked and was given permission to proceed out of order for 1 minute.)

Mr. TAYLOR of North Carolina. Mr. Speaker, I have before me a whip notice dated September 30, 1975, called the "House Work Schedule."

As I look down here, it says, "Adjourn Saturday, October 2."

Mr. Speaker, I have been in this body for 16 years. I was 8 years in the State legislature. This is the first time I have even seen any legislative body hit a target date on adjournment.

AMENDING TARIFF SCHEDULES TO PROVIDE DUTY-FREE TREATMENT OF CERTAIN AIRCRAFT ENGINES

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2181) to amend the tariff schedules of the United States to provide duty-free treatment of any aircraft engine used as a temporary replacement or an aircraft engine being overhauled in the United States if duty was paid on, with Senate amendments thereto, agree to Senate amendments Nos. 1, 2, 3, 4, and 5, and concur in Senate amendment No. 6 with an amendment and disagree to the Senate amendment No. 7.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments to H.R. 2181.

Page 1, line 3, after "That" insert: "(a)".

Page 2, line 3, strike out "SEC. 2." and insert: "(b)(1)".

Page 2, lines 3 and 4, strike out the first section of this Act and insert: "(a)".

Page 2, lines 5 and 6, strike out (after the date of the enactment of this Act) and insert: "September 30, 1976".

Page 2, after line 6, insert:

"(2) The rate of duty prescribed in rate column numbered one of the Tariff Schedules of the United States, as amended by this section, shall be considered to have been proclaimed by the President as necessary or appropriate to trade agreements to which the United States is a party, not as a statutory provision enacted by the Congress."

Page 2, after line 6, insert:

SEC. 2. (a) Section 2 of the Act of August 22, 1964 (Public Law 88–482; 19 U.S.C. 1202 note), is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of law, if—

"(1) articles described in subsection (a) would be subject to quantitative import limitations provided by law, or established pursuant to an international agreement, when entered for consumption directly into the customs territory of the United States, and

"(2) such articles are used in the production or manufacture of new articles in a Foreign Trade Zone established under the Act of June 18, 1934 (48 Stat. 998), or in a possession of the United States or in the United States Trust Territory of the Pacific,

then such new articles may not be entered into the customs territory of the United States unless the quantity of the articles described in subsection (a) from which such new articles are produced or manufactured is included within limitations established pursuant to international agreements or by proclamation issued under this section or is deducted from the quantity of meat which may be entered into the United States under the quantitative import limitations otherwise provided by law.".

(b) The amendment made by this section does not apply to articles described in section 2(a) of such Act which were entered into a foreign trade zone or a possession of the United States or the Trust Territories of the Pacific before the date of enactment of this Act.

Page 2, after line 6, insert:

SEC. 3. (a) Headnote 1(b) of the headnotes to schedule 1, part 15, subpart C of the Tariff Schedules of the United States is amended to read as follows:

"(b) The terms 'mixed feed' and 'mixed-feed ingredients' in item 184.70 embrace products which are admixtures of grains (or products, including byproducts, obtained in milling grains) or of soybeans (or products, including byproducts, obtained in processing soybeans) with molasses, oil cake, oilcake meal, or other feed-stuffs (other than any product which contains milk products or products containing milk or milk derivatives) and which consist of not less than 6 percent by weight of such grains or grain products or of such soybeans or soybean products.".

(b) The amendment made by the subsection (a) applies to articles entered, or withdrawn from the warehouse, for consumption after the date of enactment of this Act.

Amend the title so as to read: "An Act to amend the Tariff Schedules of the United States with respect to the treatment of certain temporary replacement aircraft engines, certain meat, and certain mixed feed.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BADILLO. Mr. Speaker, reserving the right to object, this bill as it went to the Senate was amended by the so-called Curtis-Dole amendment, which would have the effect of shutting down certain meat processing plants. I am advised by the Governor of Puerto Rico this would result in the loss of 1,000 jobs.

We recognize the problems of the beef industry.

We have been discussing an amendment that will be made by the chairman if an objection is not made to the unanimous-consent request and the effect of the amendment would be that the Curtis-Dole amendment would be postponed until February 1, 1977, in order to enable the chairman and the Secretary of Agriculture and the Governor of Puerto Rico to try to come up with a proposal which will ameliorate the effect of this amendment upon the two processing plants.

Mr. Speaker, is it the intention of the chairman to seek to get that amendment approved at this time?

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, the gentleman from New York is absolutely correct and that is what the amendment that we have proposed here to the Senate amendment will do. It will over this 13-month period from January 1, 1976 to February 1, 1977, allow a total of 100 million pounds for the foreign trade zones and the insular possession. However, that will be terminated as of February 1.

The Curtis-Dole amendment will be fully enforced as of February 1, next year. I commend the gentleman for his statesmanship in trying to work out a compromise that will give the Governor of Puerto Rico and the Department of Agriculture and the cattlemen and the Congress a chance to work out an equitable long-range solution. As I told the gentleman, the Committee on Ways and Means will take this up as early as possible in the forthcoming Congress in order to come up with a workable solution to the problem.

Mr. BADILLO. Mr. Speaker, I yield to the gentleman from Missouri (Mr. TAYLOR).

Mr. TAYLOR of Missouri. Mr. Speaker, there has been considerable informal contacts on this bill since it came over from the other body and the area of concern is the massive impact that beef imports are having coming through the free zone of Puerto Rico upon the distressed cattle industry in this Nation.

In deference to the concern of the gentleman from New York for the meat processing plants in Puerto Rico and in deference to the original bill, which is a meritorious bill, which would be destroyed if this amendment were not agreed to, we have agreed to the amendment that came over from the other body extending the provisions of the Curtis amendment until February 1, at which time we will have time to pledge our cooperation to the distinguished chairman of the Committee on Ways and Means and to hold hearings to deal with this problem and try to work out a solution that will not harm the people of Puerto Rico and at the same time give some relief to the domestic cattle producers of this country.

So I am happy to support the amendment as it is given.

Mr. BADILLO. Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I would like to address a very brief question to the chairman of the Committee on Ways and Means. As the gentleman knows, there is concern by many people around the country about the unique situation in the foreign free trade zones.

Does the chairman view the Curtis-Dole amendment as arising from a unique situation created by meat processing facilities in the free trade zone of Puerto Rico, or does the chairman feel that this poses some kind of threat to the general thrust of the free trade zones?

Mr. ULLMAN. It does in no way attack the basic concept of foreign trade zones. What we are concerned with is a quota system that was put into effect in 1964, whereby if a certain number of pounds of beef were shipped in it was a quota system. All we are talking about is whether the beef that comes into the foreign trade zones is included in the poundage subject to limitation in determining the triggering of the quota.

The fact of the matter is that the quota system is absolutely meaningless if we allow certain areas of total inflow, and we are inviting capital to get the windfall by giving them automatic business that bypasses the legitimate purpose of the Meat Import Act.

Mr. STUDDS. So this is the unique situation?

Mr. ULLMAN. It is unique and the amendment in no way attacks the basic principle of foreign trade zones.

Mr. BADILLO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the amendment to the Senate amendment No. 6 as follows:

Mr. ULLMAN moves to amend Senate amendment numbered 6, by striking paragraph (b) and inserting in lieu thereof:

"Paragraph (1) shall not apply during the period January 1, 1976 to February 1, 1977 to any article specified in item 107.20 (relating to sausages of beef in airtight containers), 107.25 (relating to other sausages (but only if of beef)), or 107.45 (relating to cured or pickled beef or veal valued over 30c per pound), or in any of items 107.48 through 107.60, inclusive (relating to beef in airtight containers) of the Tariff Schedules of the United States—

"(A) if such article was produced or manufactured from imported fresh, chilled, or frozen cattle meat provided for under item 106.10 of such Schedules by any processor in (i) facilities in any foreign trade zone or insular possession of the United States which were in operation before the effective date of this subsection, or (ii) facilities in any foreign trade zone for which an application by such processor was on file with the Foreign Trade Zones Board on such effective date; and

"(B) before the aggregate weight of all articles specified in such items 107.20, 107.25, 107.45, and 107.48 through 107.60 which are imported into the custom territory of the United States from foreign trade zones and insular possessions of the United States during the period January 1, 1976 to February 1, 1977 equal 100 million pounds."

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment to the Senate amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

SUSPENSION OF DUTY ON CERTAIN HORSES

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9401) relating to suspension of duty on certain horses, with the Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment, as follows:

Page 1, after line 10, insert:

"SEC. 2. Effective October 1, 1977, section 1056 of the Internal Revenue Code of 1954 (relating to basis limitation for player contracts transferred in connection with the sale of a franchise) shall not apply to property acquired by the transferee before January 1, 1977, in a taxable merger in respect of which a proposed proxy statement has been submitted to the Securities and Exchange Commission before September 21, 1976. If the transferee corporation has held any player contract continuously from the time of its transfer to October 1, 1977, and if the adjusted basis of such contract in the hands of the transferee corporation immediately after the transfer (determined as if the preceding sentence applied at such time) would have exceeded the adjusted basis of such contract at such time (determined without regard to the preceding sentence), then, as of October 1, 1977—

(1) the adjusted basis of such contract shall be increased by the amount of such excess,

(2) the adjusted basis of property (other than player contracts) which would have been lower if the preceding sentence had applied at the time of the transfer shall be properly reduced, and

(3) the adjusted basis of property (other than player contracts) held by the transferee corporation on October 1, 1977, shall be reduced in the order provided by section 1082 (a)(2) of the Internal Revenue Code of 1954, to the extent that the reduction under paragraph (2) is less than the increase under paragraph (1).

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. FRENZEL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

SUSPENSION OF DUTY ON CERTAIN HORSES

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9401) relating to suspension of duty on certain horses, and disagree to the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the chairman to explain what is left of the bill.

Mr. ULLMAN. If the gentleman will yield, this is the bill that passed the House, and it comes back in identical form. That was with suspension of duty on certain horses. It is a needed bill, one that the committee adopted unanimously, and it was unanimously approved by the House.

Mr. FRENZEL. Can the chairman tell me if this is the bill originally introduced by the gentleman from New York (Mr. KEMP)?

Mr. ULLMAN. The gentleman is correct.

Mr. FRENZEL. The so-called Brooke amendment that was added in the Senate has now been deleted?

Mr. ULLMAN. That is right. We are disagreeing with the Senate amendment and coming back to the House bill.

Mr. FRENZEL. I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BURKE of Massachusetts. Mr. Speaker, reserving the right to object, I did not object to this unanimous-consent request because I am not petty, I am not small, and I do not believe in being that way. The amendment that was on the Kemp bill was fully justified. It was an amendment that had to be brought about as a result of the effective dates that affected the franchises of the professional football teams in this country.

There is only one professional football team in America that is being discriminated against as a result of the tax reform bill. That is the Patriots football team up in New England. Unfortunately, while this tax reform bill was in conference, the effective date was not in conference because both the House and Senate had agreed on a date of January 1, 1976.

So our friends on the other side of the aisle, the Republican party, have taken it upon themselves to place in jeopardy professional football in New England. We have over 62,000 people——

Mr. ASHBROOK. Mr. Speaker, I demand regular order right now.

Mr. BURKE of Massachusetts. Mr. Speaker, I still reserve the right to object.

The SPEAKER. Is there objection?

Mr. BURKE of Massachusetts. Mr. Speaker, let me state the reason why I did not object.

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

THE CONTEMPORARY HOUSE: REFORMS AND THEIR CONSEQUENCES

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker—

> A political country—

Wrote Walter Bagehot, profound scholar of political man—

> is like an American forest; you have only to cut down the old trees, and immediately new trees come up to replace them; the seeds were waiting in the ground, and they began to grow as soon as the withdrawal of the old ones brought in light and air.

I am mindful of these words at this time as my career in public service draws to its close. I feel a responsibility on leaving this House, which I have loved and served so long, to share with you some of my deep and abiding concerns—to review the record of achievement, of institutional reform, to discern the directions we are taking, and to identify the cumulative effects of recent change on this body and its Members and upon Congress as a whole. It is my privilege, based on experience of many years, to offer my views as to the kind of change which is needed in days to come if this House is to become an ever more effective instrument of the people's will, at once responsive and innovative.

The Founding Fathers of the Republic established a system of shared powers, of checks and balances, based upon realistic understanding of human nature and ideal aspiration for human progress. The gathering crises of this 20th century—marked by depression, war, and social unrest; the enactment of comprehensive social legislation; the rise of America to the status of world power, with all that this entails; all these have led to an imbalance in our government system and the steady emergence of what has been called the Imperial Presidency. The consequences of this imbalance are familiar to all.

It has been these very consequences—dramatically evident in the Watergate syndrome—which have compelled Congress to take corrective measures, to restore the proper constitutional relationship between the legislative and executive branches, to bring fresh energy to the exercise of its rightful authority. Let me quickly review some of the measures, associated with my term of office as Speaker of this House.

By the War Powers Act the House addressed itself to the problems of prolonged and undeclared conflict, of undeclared war and its dangerous results. In the Budget Control Act, Congress moved to remedy a situation which had steadily developed since the 1920's; the fact that it had not been able to engage in the kind of comprehensive scrutiny of the President's budget which was intended by the Constitution. By establishing its own position on revenues and expenditures, Congress—and particularly this House—has reasserted its rightful prerogative. Confronting the increasing use of impoundment by the President, Congress has made very clear that its will may not be thus circumvented.

Developments wholly unforeseen provided Congress with an unprecedented opportunity to implement the 25th amendment. By not only ratifying the nominations of the executive branch but by insisting on the most vigorous scrutiny of the Vice Presidential nominees, the Congress established its role in the whole process and defined a significant precedent for the future.

Similarly, during the impeachment investigation—surely among the gravest crises of our history—Congress showed itself willing to utilize the most drastic Constitutional measure, as proved to be necessary. The whole process of impeachment proceedings gave new authority and respect to this House in the eyes of the Nation and of the world community. By so doing, the American system showed itself capable of functioning effectively and well in the face of serious division between the executive and legislative branches.

Further, Congress has increasingly reserved to itself by statute the power to review, defer, approve, or disapprove proposed executive actions. This development is evidence of a greater congressional determination to assert authority over the implementation of public policy by Federal agencies.

In the same manner, Congress has effected internal legislative reforms modifying the committee system and the seniority tradition. Decentralization of authority has accompanied expansion of subcommittees and reform of the Rules Committee. Political reforms enacted during this same period have transformed the role of the party caucus, an institution which came into its own—"King Caucus"—in the aftermath of the rules revolution over half a century ago in 1910, ending the concentration of all powers in the Speaker. Today we have moved to a mixed system of power in which the Speaker and the caucus are interconnected. The authority of the Speaker—and of the Steering and Policy Committee—has been greatly augmented in contrast with the era of a virtually independent Rules Committee. These changes are illustrative of that pattern of action and reaction which history constantly manifests.

In all these reform measures we have sought to open the proceedings of the House to the people so as to increase public understanding, to help the House manage its work more efficiently and improve its operations, and to encourage accountability by making Members' votes a matter of public record. These are all worthy ends, and I have supported them. They look to the emergence of a stronger and more representative body.

We have not hesitated to adopt for our use the new technology developed in this century: new methods of organizing and transmitting information which expedite the flow of that information in a comprehensible form so that it can play a part in the decisionmaking process. We have expanded the support-services of such existing agencies as the Congressional Research Service and the Government Accounting Office, while creating new agencies such as the OTA and CBO. In this age of media, we have made effective use of radio and television to maintain the flow of information from this House to more of our people than ever before in our history.

Having said all this, I ask you to pause and reflect on the enormous implications and consequences which are inevitably associated with the changes and reforms I have cited, consequences with which this House will have to be concerned in the years ahead.

> Every reform—

Wrote Coleridge—

> however necessary, will . . . be carried to an excess which will itself need reforming.

I suggest to you that something like that condition confronts this body as a result of reform. Emerson once observed that "reform has no gratitude, no prudence, no husbandry." For us in this House the imprudence of which he speaks expresses itself chiefly in time—or rather the lack of it.

Time has become one of our greatest problems. If—as Scripture tells us—there is a time to every purpose under heaven, many here will question whether the Sacred Author ever served on a committee or subcommittee in this House. There are occasions in which we are perilously close to a kind of legislative paralysis—partly from the dispersal of power and leadership, partly—and perhaps mainly—from the lack of time.

The task before you is to correct those institutional features which reduce our efficiency so that the flow of legislation, already a complex process, is not further impeded by those very ideals of reform and openness which we have championed. Congress has been subject to considerable criticism by the executive branch and by others, some of it justified, for this very problem—the difficulty of responding to critical and urgent matters with timely action. "The law's delay," against which Hamlet cried out is all too evident here, and it has brought the Congress into disrepute.

Clogged calendars; staff proliferation, with its inevitable tendency to foster an adversary stance; the expansion of subcommittees and legisltaive oversight; the pressures upon the Speaker to satisfy the personal expectations and desires of every Member in scheduling meetings and allocating time; the tendency of Members to abdicate decisions they should be making to staff persons; the time-consuming increase in recorded votes—all these are symptoms of our basic difficulty: time and space. An overload of work, together with overcrowded facilities, translates into a slowing down and impeding of the legislative process. Parenthetically, let me note that the biggest single task for any Speaker will be that of finding adequate space for Members and committees.

Members need time not only for their deliberations, for legislative preparation, and committee work but—and this is more important today than ever—for their constituents. We need to make it possible for Members to get home more often and for longer periods of time, to restore direct contact with the people they serve, and, above all, to listen, to feel the heart beat of the Nation in school and home and church and factory, wherever men and women live their lives in local communities across the land.

We have begun to confront these problems: the adoption of early organization and scheduling reforms is representative of the kind of change needed in order to restore movement to the legislative process. As I have testified elsewhere:

> We can never forget that excellence is more important than speed, nor can we forget that the country cannot wait indefinitely for the Congress to act.

The meeting of party caucuses during the transitional period between an election and the convening of Congress is an important step toward solving the time-crisis. But we need to think further regarding these matters.

Concurrent jurisdictions of committees can also be identified as a major source of delay in getting legislation out. It ties in with the present mixed system of power, the dispersal of authority and leadership which has accompanied the innovative reforms of the last 6 years. There may need to be a greater flexibility in the 3-day layover rule as this rule can tie our hands when confronted with the need to act quickly. The amount of time for Members to participate in rollcalls may require adjustment in order to expedite our proceedings. Each hour the

House is conducting legislative business should be productive—not wasted time.

We have the means to deal with these problems; we have systems and methods of evaluation; we have a computer system. Without further attention to detailed proposals, let me reiterate that what is called systemic overload must be among your foremost concerns.

To this end, what I am suggesting is the need for some standards, some set of criteria, by which we can measure the effects of reforms and their impact upon our time—the "ripple effect" of change in all its manifold ramifications, often unforeseen. Also, the House must promote integrated leadership so that the centers of power—the Speaker, the Caucus, the Steering and Policy Committee, the Rules Committee—can work together in recommending and assigning committee membership, apportioning time so as to serve the Member's constituents, and providing information rapidly and in a usable form together with adequate support that will be truly supportive rather than directive.

In the final analysis, each Member stands alone with his conscience and his best judgment. Your concern should be to see to it that his or her judgment is informed, that no opportunity is missed to bring to that judgment every possible resource, and to assure that the judgment so formed is rendered with all deliberate speed. That much we owe to the people and to the great tradition of this House, for two centuries the symbol of ordered liberties and popular sovereignty.

In these remarks I have addressed myself to the legacy of my 6 years as Speaker. It is a legacy in which I take some pride.

I have also spoken of new problems, of unfinished tasks which lie before you. I myself will no longer be involved in deliberations over these matters. However, I hope no one will consider it improper for me to have shared my concerns and to stimulate your thinking on them.

It is fashionable in some circles these days to strike a condescending air toward the founders of this Nation and the system of shared powers which they have bequeathed to us. Yet I am reminded that it was one of the greatest statesmen of the last century—perhaps the greatest political leader in his own land in that age—who, in celebration of the centennial anniversary of our American Constitution, wrote these words—with which I wholly concur:

> I have always regarded that Constitution as the most remarkable work known to me in modern times to have been produced by the human intellect, at a single stroke (so to speak), in its application to political affairs.

Our recent history has sustained the judgment of Gladstone as it has vindicated our own deep-rooted faith in the spiritual strength of America, its God-given powers of renewal and its promise of freedom in a world too often dominated by tyranny and oppression.

While a certain sadness always attaches itself to any farewell, I feel today a sense of fulfillment and satisfaction as I contemplate the past and look expectantly to the future. I have faith in this House, faith in America, faith in the Architect of our destiny.

The sense of duty faithfully discharged brings with it its own reward—the confidence of a good conscience. Let me close with words spoken by one * who himself served the bright cause of human liberty in a time of travail:

> History with its flickering lamp stumbles along the trail of the past; trying to reconstruct its scenes, to revive its echoes, and kindle with pale gleams the passion of former days. What is the worth of all this? The only guide to a man is his conscience; the only shield to his memory is the rectitude and sincerity of his actions. It is very imprudent to walk through life without this shield, because we are so often mocked by the failure of our hopes and the upsetting of our calculations; but with this shield, however the fates may play, we march always in the ranks of honor.

GENERAL LEAVE

Mr. MARTIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous material, on the subjects of the special orders today by the gentlemen from Pennsylvania, Messrs. McDade, Coughlin, and Schulze.

The SPEAKER pro tempore (Mr. Bolling). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL LEAVE

Mr. DAN DANIEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the subjects of the special orders today by the gentleman from Virginia, Mr. Satterfield, the gentleman from New Jersey, Mr. Rodino, the gentleman from Michigan, Mr. Diggs, and the gentleman from New York, Mr. Ottinger.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Randall, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Martin), to revise and extend their remarks, and to include extraneous matter:)

Mr. Cederberg, for 60 minutes, today.

Mr. Don H. Clausen, for 15 minutes, today.

Mrs. Heckler of Massachusetts, for 10 minutes, today.

Mr. Railsback, for 5 minutes, today.

Mr. Kemp, for 20 minutes, today.

Mr. Miller of Ohio, for 10 minutes, today.

Mr. Buchanan, for 5 minutes, today.

Mr. Conable, for 5 minutes, today.

Mr. Sarasin, for 10 minutes, today.

Mr. Heinz, for 5 minutes, today.

Mrs. Smith of Nebraska, for 5 minutes, today.

(The following Members (at the request of Mr. Dan Daniel) and to revise and extend their remarks and include extraneous matter:)

Mr. Annunzio, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Fisher, for 5 minutes, today.

Mr. Harris, for 5 minutes, today.

Mr. Delaney, for 5 minutes, today.

Mr. LaFalce, for 10 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Dodd, for 10 minutes, today.

Mr. AuCoin, for 5 minutes, today.

Ms. Holtzman, for 30 minutes, today.

Mrs. Meyner, for 5 minutes, today.

Mr. Thompson, for 5 minutes, today.

Mr. Vanik, for 30 minutes, today.

Mr. Rostenkowski, for 10 minutes, today.

Mr. Minish, for 5 minutes, today.

Mr. Steed, for 5 minutes, today.

Mr. Reuss, for 15 minutes, today.

Mr. Alexander, for 30 minutes, today.

Mr. Ottinger, for 30 minutes, today.

Mr. Foley, for 5 minutes, today.

Mr. Drinan, for 15 minutes, today.

Mr. Evins of Tennessee, for 30 minutes, today.

Mr. Neal, for 5 minutes, today.

Mr. Stokes, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bolling to revise and extend his remarks notwithstanding the fact it exceeds two pages of the Record and is estimated to cost $643.50.

Mr. Zablocki and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,716.

Mr. Harrington and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $4,576.

Mr. Vanik to revise and extend his remarks and include extraneous material notwithstanding the fact that it exceeds two pages of the Record at an estimated cost of $1,430.

Mr. Rogers and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,144.

Mr. Stratton, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,502.

Mr. Edgar, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,001.

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* Winston Churchill in the House of Commons (1940).

Mr. RANDALL, in seven instances.

Mr. WIGGINS to revise and extend his remarks immediately following the vote on the motion to table House Resolution 1392.

Mr. FRENZEL to extend remarks in RECORD immediately following rollcall No. 856.

Mr. SISK, prior to the passage of H.R. 2743 and H.R. 15007 in the House today.

Mr. ROGERS to revise and extend his remarks and include a joint House/Senate committee statement on S. 2548.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1870. An act for the relief of Lieutenant Frederick R. Martin, Jr., U.S. Navy; to the Committee on the Judiciary.

S. 3520. An act to extend the rural community fire protection program, and for other purposes; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4654. An act for the relief of Day's Sportswear, Inc.;

H.R. 5546. An act to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes;

H.R. 7108. An act to authorize appropriations for environmental research, development, and demonstration;

H.R. 12118. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes; and

H.R. 15246. An act to amend the Service Contract Act of 1965 to provide that all employees, other than bona fide executive, administrative, or professional employees, shall be considered to be service employees for purposes of such Act, and for other purposes.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 14. An act to provide cost-of-living adjustments in retirement pay of certain Federal judges;

S. 1414. An act to amend the Commercial Fisheries Research and Development Act of 1964 to change certain procedures in order to improve the operation of the programs under such Act and to make the Trust Territory of the Pacific Islands eligible to participate in such programs;

S. 1506. An Act to amend the Wild and Scenic Rivers Act, and for other purposes;

S. 1971. An act to designate the plaza area of the Federal Building, Portland, Oreg., the "Terry Schrunk Plaza";

S. 2212. An act to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes;

S. 2657. An act to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes;

S. 2839. An act to supplement the authority of the President to collect regular and periodic information on international investment.

S. 2991. An act to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes;

S. 3035. An act for the relief of Alice W. Olson, Lisa Olson Hayward, Eric Olson, and Nils Olson;

S. 3050. An act to authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multiyear basis;

S. 3383. An act to authorize and direct the Secretary of Commerce to develop a national policy on weather modification, and for other purposes;

S.J. Res. 126. A joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas; and

S.J. Res. 181. A joint resolution to authorize the erection of the American Legion's Freedom Bell on lands of the park system of the District of Columbia, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 3954. An act to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of medical personnel of the Armed Forces, the Defense Department, the Central Intelligence Agency, and the National Aeronautics and Space Administration, and for other purposes;

H.R. 11199. An act for the relief of Hollis Anthony Millet;

H.R. 12168. An act to amend the Natural Gas Pipeline Safety Act of 1968 to authorize additional appropriations, and for other purposes;

H.R. 12566. An act authorizing appropriations to the National Science Foundation for fiscal year 1977;

H.R. 14260. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1977, and for other purposes;

H.J. Res. 519. A joint resolution to provide for the appointment of George Washington to the grade of General of the Armies of the United States; and

H.J. Res. 1096. A joint resolution making supplemental appropriations for the Department of Defense for the repair and replacement of facilities on Guam damaged or destroyed by Typhoon Pamela, and for other purposes.

ADJOURNMENT SINE DIE

Mr. O'NEILL. Mr. Speaker, I move that the House do now adjourn sine die.

The motion was agreed to.

Accordingly, at 1 o'clock and 37 minutes a.m., calendar day of October 2, 1976 (legislative day of October 1, 1976 at 11:55 p.m.) pursuant to Senate Concurent Resolution 211, the Chair declares the second session of the 94th Congress adjourned sine die.

(Accordingly (at 1 o'clock and 37 minutes a.m.) (legislative day October 1, 1976 at 11:55 p.m.) (Saturday, calendar day October 2, 1976), the House adjourned sine die.)

MESSAGES FROM THE SENATE

Pursuant to permission granted, the Clerk on the following dates received the following messages from the Secretary of the Senate:

On October 4, 1976:

The Senate passed the following bills without amendment: H.R. 1607, H.R. 2177, H.R. 2749, H.R. 3377, H.R. 4206, H.R. 7929, H.R. 8002, H.R. 8027, H.R. 9543, H.R. 9719, H.R. 10101, H.R. 11303, H.R. 11315, H.R. 12707, H.R. 12927, H.R. 13218, H.R. 13326, H.R. 13417, H.R. 13955, H.R. 14041, H.R. 14227, H.R. 14470, H.R. 14535, H.R. 14956, H.R. 14977, H.R. 15276, H.R. 15531, H.R. 15546, H.R. 15571, H.R. 15582, H.R. 15813.

That the Senate passed the following House Joint Resolutions without amendment: H.J. Res. 967, H.J. Res. 1008, H.J. Res. 1107, and H.J. Res. 1118;

That the Senate passed the following House Concurrent Resolutions without amendment: H. Con. Res. 664, H. Con. Res. 698, H. Con. Res. 726, H. Con. Res. 761, and H. Con. Res. 772;

That the Senate receded from its amendment to the bill H.R. 71;

That the Senate receded from its amendment to the bill H.R. 12033;

That the Senate receded from its amendments to the bill H.R. 12961;

That the Senate agreed to the amendment of the House of Representatives to the bill H.R. 5682;

That the Senate agreed to the amendments of the House of Representatives to the amendment of the Senate to the bill H.R. 9460;

That the Senate agreed to the amendment of the House of Representatives to the amendment of the Senate to the bill H.R. 10192;

That the Senate agreed to the amendment of the House of Representatives to the amendment of the Senate to the bill H.R. 15563;

That the Senate concurred in amendment Numbered 4 of the House of Representatives in the bill H.R. 7228;

That the Senate agreed to the amendments of the House of Representatives to the amendments of the Senate to the bill H.R. 2725;

That the Senate agreed to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 12572.

On October 6, 1976:

The Senate agreed to the amendments of the House of Representatives to the bill S. 64;

That the Senate agreed to the amendment of the House of Representatives to the bill S. 1026;

That the Senate agreed to the amendments of the House of Representatives to the bill S. 2112;

That the Senate agreed to the House amendment to the Senate amendment to House amendments to the bill S. 2398;

That the Senate agreed to the amendment of the House of Representatives to the bill S. 2923;

That the Senate agreed to the amendments of the House of Representatives to the bill S. 3441;

That the Senate agreed to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill S. 3557; and

That the Senate agreed to the amendment of the House of Representatives to the concurrent resolution S. Con. Res. 114.

On October 7, 1976:

The Senate agreed to the amendments of the House of Representatives to the bill S. 12;

That the Senate agreed to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill S. 507;

That the Senate agreed to the House amendments to the bill S. 865;

That the Senate agreed to the amendments of the House of Representatives to the bill S. 969;

That the Senate agreed to the amendments of the House of Representatives to the bill S. 1283;

That the Senate agreed to the amendment of the House of Representatives to the bill S. 1437;

That the Senate agreed to the amendments of the House of Representatives to the bill S 2081;

That the Senate agreed to the amendments of the House of Representatives to the bill S. 2150;

That the Senate agreed to the amendment of the House of Representatives to the bill S. 3521;

That the Senate agreed to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill S. 3823;

That the Senate passed the following bills: S. 2144 and S. 3501;

That the Senate passed with amendments the following bills: H.R. 7017, H.R. 8948, H.R. 10902, H.R. 12254, and H.R. 15007;

That the Senate passed with amendments House Concurrent Resolution 96;

That the Senate insisted on its amendments numbered 2, 3, and 4, and disagreed to the House amendment to the Senate amendment numbered 5 to the bill H.R. 14360;

That the Vice President, pursuant to Public Law 84-689, appointed Mr. Sparkman (chairman), Mr. Kennedy, Mr. Harry F. Byrd, Mr. Tunney, Mr. Morgan, Mr. Hruska, Mr. Javits, and Mr. Stevens to attend, on the part of the Senate, the North Atlantic Assembly, to be held in Williamsburg, Virginia, November 14 to 19, 1976; and

That the President pro tempore, pursuant to Public Law 94-421, appointed James H. Rademacher and Rose Russell Blakely, from private life, to be members of the Commission on Postal Service.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

The SPEAKER on the following dates announced his signature to enrolled bills and a joint resolution of the Senate of the following title:

On October 6, 1976:

S. 64. An act to provide for the recognition of the States of Alaska and Hawaii at the Lincoln National Memorial, and for other purposes;

S. 726. An act to direct the Secretary of the Interior to convey for fair market value, certain lands to Valley County, Idaho;

S. 999. An act to designate the Federal office building located in Dover, Del., as the "J Allen Frear Building";

S. 1026. An act to designate certain lands as wilderness;

S. 1659. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40-K, and for other purposes;

S. 2112. An act to amend the National Trails System Act (82 Stat. 919), and for other purposes;

S. 2278. An act, The Civil Rights Attorney's Fees Awards Act of 1976;

S. 2398. An act to authorize the establishment of the Eugene O'Neill National Historic Site, to provide for a cooperative agreement in the operation of the Cherokee Strip Living Museum and for other purposes;

S. 2798. An act to eliminate a restriction on use of certain lands conveyed to the city of Yakutat, Alaska;

S. 2923. An act to amend title 28 of the United States Code to provide that full-time United States magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates;

S. 3131. An act to amend the Rail Passenger Service Act to provide financing for the National Railroad Passenger Corporation, to amend the Regional Rail Reorganization Act of 1973 to increase the amount of loan authority under section 211(h)(1) of such act, and for other purposes;

S. 3441. An act to authorize the Architect of the Capitol to perform certain work on and maintain the historical sections of the Congressional Cemetery and to study and formulate proposals for renovation and permanent maintenance of such sections by the United States;

S. 3556. An act for the relief of Marciano Santiago and his wife Eleanor L. Santiago;

S. 3557. An act to authorize the obligation and expenditure of funds to implement for fiscal year 1977 the provisions of the Treaty of Friendship and Cooperation between the United States and Spain, signed at Madrid on January 24, 1976, and for other purposes;

S. 3682. An act for the relief of Dr. Oscar J. Briseno; and

S. 3894. An act to amend the Federal Water Pollution Control Act, as amended.

On October 7, 1976:

S. 22. An act for the general revision of the copyright law, title 17 of the United States Code, and for other purposes;

S. 400. An act to authorize the study of certain areas by the Secretaries of Agriculture and the Interior;

S. 865. An act to amend the Public Buildings Act of 1959 in order to preserve buildings of historical or architectural significance through their use for Federal public building purposes, and to amend the act of August 12, 1968, relating to the accessibility of certain buildings to the physically handicapped;

S. 1365. An act to authorize the Secretary of the Interior to convey to the city of Haines, Alaska, interests of the United States in certain lands;

S. 1437. An act to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes;

S. 2081. An act to provide for furthering the conservation, protection, and enhancement of the Nation's agricultural resources for sustained use, and for other purposes;

S. 3621. An act to amend the International Claims Settlement Act of 1949 to provide for the determination of the validity and amounts of claims of nationals of the United States;

S. 3667. An act for the relief of Song Chan Ki; and

S. 3683. An act for the relief of Dr. Juan Bautista Lopez Ruiz.

On October 8, 1976:

S. 12. An act to amend section 376 of title 28, United States Code, in order to reform and update the existing program for annuities to survivors of Federal Justices and judges;

S. 507. An act to establish public land policy; to establish guidelines for its administration; to provide for the management, protection, development, and enhancement of the public lands; and for other purposes;

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes.

S. 969. An act to amend title 38, United States Code, to set a termination date for veterans' educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from 36 to 45 months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (post-Vietnam era veterans' educational assistance program) for those entering military service on or after Jan. 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of Veterans' Employment Service; and for other purposes;

S. 1283. An act to improve judicial machinery by further defining the jurisdiction of U.S. magistrates, and for other purposes.

S. 2150. An act to provide technical and financial assistance for the development of management plans and facilities for the recovery of energy and other resources from discarded materials and for the safe disposal of discarded materials, and to regulate the management of hazardous waste;

S. 2533. An act to provide that the lake formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Ala., shall hereafter be known as the R. E. "Bob" Woodruff Lake;

S. 2548. An act to revise and extend the provisions of title XII of the Public Health Services Act relating to emergency medical services systems, and for other purposes;

S. 2910. An act to amend the Public Health Service Act to revise and extend provisions respecting arthritis, diabetes, and digestive diseases;

S. 3063. An act designating Ozark lock and dam on the Arkansas River as the "Ozark-Jeta Taylor lock and dam";

S. 3091. An act to amend the Forest and Rangeland Renewable Resources Planning Act of 1974, and for other purposes;

S. 3521. An act to expedite a decision on the delivery of Alaska natural gas to United States markets, and for other purposes;

S. 3553. An act to define the jurisdiction of U.S. courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

S. 3823. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; and

S.J. Res. 209. A joint resolution authorizing the President to proclaim the week of October 10 through 16, 1976, as "Native American Awareness Week".

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED AFTER SINE DIE ADJOURNMENT

Mr. THOMPSON, from the Committee on House Administration, reported that

that committee on the following dates had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

On October 5, 1976:

H.R. 1073. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978;

H.R. 1244. An act to establish procedures and regulations for certain protective services provided by the United States Secret Service;

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television;

H.R. 2177. An act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad;

H.R. 2749. An act to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square";

H.R. 3377. An act for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski;

H.R. 3605. An act to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer).

H.R. 4206. An act to designate the new Federal building in Albuquerque, N. Mex., as the "Senator Dennis Chavez Federal Building";

H.R. 7929. An act relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation;

H.R. 8002. An act to designate certain lands in the Point Reyes National Seashore, California, as wilderness, amending the act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c–6a), and for other purposes;

H.R. 8027. An act for the relief of Comdr. Stanley W. Birch, Jr.;

H.R. 9543. An act for the relief of Eupert Anthony Grant;

H.R. 10073. An act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes;

H.R. 10826. An act to amend the act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement;

H.R. 11337. An act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes;

H.R. 11347. An act to authorize conveyance of the interest of the United States in certain lands in Salt Lake County, Utah, to Shriners' Hospitals for Crippled Children, a Colorado corporation;

H.R. 11455. An act to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes;

H.R. 11809. An act for the relief of Ljudevit Previc;

H.R. 11891. An act to authorize the establishment of the Congaree Swamp National Monument in the State of South Carolina, and for other purposes;

H.R. 12707. An act for the relief of Barry Ray Leftwich Diblin;

H.R. 12927. An act to designate a Federal building and U.S. post office in Jasper, Ga., as the "Phil M. Landrum Federal Building and Post Office";

H.R. 13218. An act to permit the steamship *United States* to be used as a floating hotel, and for other purposes;

H.R. 13326. An act to extend until November 1, 1983, the existing exemption of the steamship *Delta Queen* from certain vessel laws;

H.R. 13417. An act for the relief of Dae Ho Park and Maria Park;

H.R. 13585. An act to amend the Federal Boat Safety Act of 1971;

H.R. 13615. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 13964. An act for the relief of Jeanette Green, as mother of the minor child, Ricky Baker, deceased, and as widow and administratrix of the estate of Enoch Odell Baker, deceased; and for the relief of Mary Jane Baker Nolan, individually, and as widow and administratrix, of the estate of John William Baker, deceased;

H.R. 14451. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of Federal surplus personal property to the States and local organizations for public purposes, and for other purposes;

H.R. 14470. An act for the relief of Rául Eduardo Ringle;

H.R. 14503. An act to name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office";

H.R. 14773. An act to amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes;

H.R. 14886. An act to revise the appropriation authorization for the Presidential Transition Act of 1963, and for other purposes;

H.R. 14977. An act to name the Federal office building in Athens, Georgia, the "Robert G. Stephens, Jr. Federal Building";

H.R. 15059. An act to amend the Emergency Livestock Credit Act of 1974;

H.R. 15136. An act to authorize appropriations for construction of facilities on Guam, and for other purposes;

H.R. 15276. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Park police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the United States Park Police force;

H.R. 15445. An act to study and provide enhanced protection for whales, and for other purposes;

H.R. 15546. An act to designate the "Ray J. Madden Post Office Building";

H.R. 15582. An act to name the Federal office building in Bluefield, W. Va., the "Elizabeth Kee Federal Building";

H.R. 15813. An act to amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe;

H.J. Res. 1008. Joint resolution authorizing the President to proclaim the week beginning October 3, 1976, and ending October 9, 1976, as "National Volunteer Firemen Week";

H.J. Res. 1105. Joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes; and

H.J. Res. 1118. Joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

On October 6, 1976:

H.R. 1142. An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care funds, to modify the effective dates of certain provision of the Tax Reform Act of 1976, and for other purposes;

H.R. 1144. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes;

H.R. 9719. An act to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of such locality;

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes;

H.R. 11303. An act to designate the "Herman T. Schneebeli Federal Building";

H.R. 12033. An act to continue until the close of June 30 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products;

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments;

H.R. 12939. An act to amend certain laws affecting personnel of the Coast Guard, and for other purposes;

H.R. 12961. An act to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services;

H.R. 13955. An act to provide for amendment of the Bretton Woods Agreements Act, and for other purposes;

H.R. 14041. An act to amend the Railroad Retirement Act of 1974 with respect to the computation of annuity amounts in certain cases, and for other purposes;

H.R. 14227. An act to direct the Secretary of Agriculture to release a condition with respect to certain real property conveyed by the United States to the board of regents of the universities and State colleges of Arizona for the use of the University of Arizona;

H.R. 14956. An act to designate the "Joe L. Evins Post Office and Federal Building;

H.R. 15531. An act to permit the use of unsworn declaration under penalty of perjury as evidence in Federal proceedings;

H.J. Res. 967. Joint resolution authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the United States Capitol Historical Society, of preliminary design sketches and funds for murals, in the first floor corridors in the House wing of the Capitol, and for other purposes;

H.J. Res. 1107. Joint resolution to provide for the printing and distribution of the Precedents of the House of Representatives compiled and prepared by Lewis Deschler; and

H.J. Res. 1119. Joint resolution to provide for the convening of the first session of the 95th Congress.

On October 7, 1976:

H.R. 5682. An act to extend the boundary of the Tinicum National Environmental Center, and for other purposes;

H.R. 7228. An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamp on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes;

H.R. 10101. An act to amend the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft, and for other purposes;

H.R. 10210. An act to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes;

H.R. 13160. An act to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes;

H.R. 13367. An act to extend and amend the State and Local Fiscal Assistance Act of 1972, and for other purposes;

H.R. 14535. An act to amend the Immigration and Nationality Act, and for other purposes; and

H.R. 15571. An Act to amend chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization with respect to its employees shall constitute (for both tax and benefit purposes) a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund or credit of such taxes, and to require the filing of such a certificate by any nonprofit organization which paid such taxes but received a refund or credit because it had not previously filed such certificate.

On October 8, 1976:

H.R. 71. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II;

H.R. 2735. An act to amend title 38, United States Code, to improve the quality of hospital care, medical services, and nursing home care in Veterans' Administration health care facilities; to make certain technical and conforming amendments; and for other purposes;

H.R. 9460. An act to provide for the establishment of constitutions for the Virgin Islands and Guam;

H.R. 10192. An act to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy;

H.R. 11315. An act to define the jurisdiction of U.S. courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

H.R. 12572. An act to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system, and for other purposes;

H.R. 13500. An act to amend the Social Security Act with respect to food stamp purchases by welfare recipients.

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes;

H.R. 13828. An act to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; and

H.R. 15563. An act to amend the Act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17(c)), and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On October 1976:

H.R. 7108. An act to authorize appropriations for environmental research, development, and demonstration;

H.R. 5546. An act to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes;

H.R. 4654. An act for the relief of Day's Sportswear, Inc.;

H.R. 12118. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes; and

H.R. 15246. An act to amend the Service Contract Act of 1965 to provide that all employees, other than bona fide executive, administrative, or professional employees, shall be considered to be service employees for purposes of such Act, and for other purposes.

On October 6, 1976:

H.R. 1073. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978;

H.R. 1244. An act to establish procedures and regulations for certain protective services provided by the U.S. Secret Service;

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television;

H.R. 2177. An act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad.

H.R. 2749. An act to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square";

H.R. 3377. An act for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski;

H.R. 3605. An act to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer);

H.R. 4206. An act to designate the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building";

H.R. 7929. An act relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation;

H.R. 8002. An act to designate certain lands in the Point Reyes National Seashore, California, as wilderness, amending the Act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c–6a), and for other purposes;

H.R. 8027. An act for the relief of Commander Stanley W. Birch, Jr.;

H.R. 9543. An act for the relief of Eupert Anthony Grant;

H.R. 10073. An act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes;

H.R. 10826. An act to amend the Act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle obtained under a written rental or other agreement;

H.R. 11337. An act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes;

H.R. 11347. An act to authorize conveyance of the interests of the United States in certain lands in Salt Lake County, Utah, to Shriners' Hospitals for Crippled Children, a Colorado corporation;

H.R. 11455. An act to amend the Act establishing the Indian Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes;

H.R. 11809. An act for the relief of Ljudevit Previc;

H.R. 11891. An act to authorize the establishment of the Congaree Swamp National Monument in the State of South Carolina, and for other purposes;

H.R. 12707. An act for the relief of Barry Ray Leftwich Dibling;

H.R. 12927. An act to designate a Federal building and U.S. Post Office in Jasper, Ga., as the "Phil M. Landrum Federal Building and Post Office";

H.R. 13218. An act to permit the steamship *United States* to be used as a floating hotel, and for other purposes;

H.R. 13326. An act to extend until November 1, 1983, the existing exemption of the steamboat *Delta Queen* from certain vessel laws;

H.R. 13417. An act for the relief of Dae Ho Park and Maria Park;

H.R. 13585. An act to amend the Federal Boat Safety Act of 1971;

H.R. 13615. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 13964. An act for the relief of Jeanette Green, as mother of the minor child, Ricky Baker, deceased, and as widow and administratrix of the estate of Enoch Odell Baker, deceased; and for the relief of Mary Jane Baker Nolan, individually, and as widow and administratrix, of the estate of John William Baker, deceased;

H.R. 14451. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of Federal surplus personal property to the States and local organizations for public purposes, and for other purposes;

H.R. 14470. An act for the relief of Raul Eduardo Ringle;

H.R. 14503. An act to name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office";

H.R. 14773. An act to amend title 10, United States Code, to make certain changes in the survivor benefit plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes;

H.R. 14886. An act to revise the appropriations authorization for the Presidential Transition Act of 1963, and for other purposes;

H.R. 14977. An act to name the Federal office building in Athens, Ga., the "Robert G. Stephens, Jr. Federal Building";

H.R. 15059. An act to amend the Emergency Livestock Credit Act of 1974;

H.R. 15136. An act to authorize appropriations for construction of facilities on Guam, and for other purposes;

H.R. 15276. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the U.S. Park Police force;

H.R. 15445. An act to study and provide enhanced protection for whales, and for other purposes;

H.R. 15546. An act to designate the "Ray J. Madden Post Office Building";

H.R. 15582. An act to name the Federal office building in Bluefield, W. Va., the Elizabeth Kee Federal Building";

H.R. 15813. An act to amend the act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe;

H.J. Res. 1008. A joint resolution authorizing the President to proclaim the week beginning October 3, 1976, and ending October 9, 1976, as "National Volunteer Firemen Week".

H.J. Res. 1105. A joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes; and

H.J. Res. 1118. A joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

On October 7, 1976:

H.R. 13367. An act to extend and amend the State and Local Fiscal Assistance Act of 1972, and for other purposes.

On October 8, 1976:

H.R. 1142. An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund, to modify the effective dates of certain provision of the Tax Reform Act of 1976, and for other purposes;

H.R. 1144. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes;

H.R. 5682. An act to extend the boundary of the Tinicum National Environmental Center, and for other purposes;

H.R. 7228. An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamp on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes;

H.R. 9719. An act to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of such locality;

H.R. 10101. An act to amend the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft, and for other purposes;

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes;

H.R. 10210. An act to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes;

H.R. 11303. An act to designate the "Herman T. Schneebeli Federal Building;

H.R. 12033. An act to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products;

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments;

H.R. 12939. An act to amend certain laws affecting personnel of the Coast Guard, and for other purposes;

H.R. 12961. An act to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services;

H.R. 13160. An act to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes;

H.R. 13955. An act to provide for amendment of the Bretton Woods Agreements Act, and for other purposes;

H.R. 14041. An act to amend the Railroad Retirement Act of 1974 with respect to the computation of annuity amounts in certain cases, and for other purposes;

H.R. 14227. An act to direct the Secretary of Agriculture to release a condition with respect to certain real property conveyed by the United States to the board of regents of the universities and State colleges of Arizona for the use of the University of Arizona;

H.R. 14535. An act to amend the Immigration and Nationality Act, and for other purposes;

H.R. 14956. An act to designate the "Joe L. Evins Post Office and Federal Building";

H.R. 15531. An act to permit the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings;

H.R. 15571. An act to amend chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization with respect to its employees shall constitute (for both tax and benefit purposes) a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund or credit of such taxes, and to require the filing of such a certificate by any nonprofit organization which paid such taxes but received a refund or credit because it had not previously filed such certificate.

H.J. Res. 967. A joint resolution authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the United States Capitol Historical Society, of preliminary design sketches and funds for murals, in the first floor corridors in the House wing of the Capitol, and for other purposes;

H.J. Res. 1107. A joint resolution to provide for the printing and distribution of the Precedents of the House of Representatives compiled and prepared by Lewis Deschler; and

H.J. Res. 1119. A joint resolution to provide for the convening of the first session of the 95th Congress.

On October 12, 1976:

H.R. 71. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II;

H.R. 2735. An act to amend title 38, United States Code, to improve the quality of hospital care, medical services, and nursing home care in Veterans' Administration health care facilities; to make certain technical and conforming amendments; and for other purposes;

H.R. 10192. An act to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the U.S. Coast Guard Academy;

H.R. 11315. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

H.R. 12572. An act to amend the U.S. Grain Standards Act to improve the grain inspection and weighing system, and for other purposes;

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes;

H.R. 13828. An act to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; and

H.R. 15563. An act to amend the act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17 (c)), and for other purposes.

On October 13, 1976:

H.R. 13500. An act to amend the Social Security Act with respect to food stamp purchases by welfare recipients; and

H.R. 9460. An act to provide for the establishment of constitutions for the Virgin Islands and Guam.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On September 30, 1976:

H.R. 13325. An act to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association, and for other purposes; and

H.J. Res. 1096. Joint resolution making supplemental appropriations for the Department of Defense for the repair and replacement of facilities on Guam damaged or destroyed by Typhoon Pamela, and for other purposes.

On October 1, 1976:

H.R. 589. An act to authorize the Secretary of the Interior to provide relief to the Santa Ynez Water Conservation District due to delivery of water to the Santa Ynez Indian Reservation lands;

H.R. 11149. An act to amend section 2 of the Act entitled "An Act to incorporate the National Society of the Daughters of the American Revolution";

H.R. 12987. An act to authorize appropriations for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and for other purposes;

H.R. 14238. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1977, and for other purposes;

H.R. 14260. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1977, and for other purposes;

H.R. 15068. An act to provide for emergency allotment lease and transfer of tobacco allotments or quotas for 1976 in certain disaster areas in South Carolina and Georgia;

H.R. 15193. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1977, and for other purposes; and

H.R. 15194. An act making appropriations for public works employment for the period ending September 30, 1977, and for other purposes.

On October 2, 1976:

H.R. 11321. An act to suspend until July 1, 1978, the duty on certain elbow prostheses if imported for charitable therapeutic use, or for free distribution, by certain public or private nonprofit institutions;

H.R. 11722. An act to amend title 18 of the United States Code to prohibit deprivation of employment or other benefit for political contribution, and for other purposes;

H.R. 11997. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of certain divestitures of assets by bank holding companies; and

H.R. 13549. An act to provide for additional income for the United States Solders' and Airmen's Home by requiring the Board of Commissioners of such home to collect a fee from members of such home and by increasing deductions for the support of such home from the pay of enlisted men and warrant officers, and for other purposes.

On October 4, 1976:

H.R. 7832. An act for the relief of Mrs. Janette Flores Byrne;

H.R. 10434. An act for the relief of Doctor Carlos Montenegro-Gorbitz, his wife, Maria Elena Olguin de Gorbitz, and their son, Carlos Gorbitz-Olguin; and

H.R. 10612. An act to reform the tax laws of the United States.

On October 5, 1976:

H.R. 4583. An act for the relief of Rosina C. Beltran;

H.R. 5503. An act for the relief of Divina Mamuad; and

H.R. 7624. An act for the relief of Jacinto Vazquez Camacho.

On October 8, 1976:

H.R. 3954. An act to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of medical personnel of the Armed Forces, the Defense Department, the Central Intelligence Agency, and the National Aeronautics and Space Administration, and for other purposes;

H.R. 9019. An act to amend title XIII of the Public Health Service Act to revise and extend the program for the establishment and expansion of health maintenance organizations;

H.R. 10339. An act to encourage the direct marketing of agricultural commodities from farmers to consumers;

H.R. 10793. An act for the relief of Afaf Yassine and her children Najla Yassine, Walid Yassine, Mona Yassine, and Maher Yassine;

H.R. 11890. An act for the relief of Bernard Juliam Phillips;

H.R. 12831. An act for the relief of Mo Chong Pu;

H.R. 12838. An act to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, to establish a challenge grant program, and for other purposes;

H.R. 13035. An act to improve the national sea grant program and for other purposes.

H.R. 13374. An act to provide for a national wildlife refuge in the Minnesota River Valley, and for other purposes; and

H.R. 15552. An act to amend title 18, United States Code, to implement the "Convention To Prevent and Punish the Acts of Terrorism Taking the Form of Crimes Against Persons and Related Extortion That Are of International Significance" and the "Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons, Including Diplomatic Agents", and for other purposes.

On October 11, 1976:

H.J. Res. 519. Joint resolution to provide for the appointment of George Washington to the grade of General of the Armies of the United States;

H.J. Res. 1008. Joint resolution authorizing the President to proclaim the week beginning October 3, 1976, and ending October 9, 1976, as "National Volunteer Firemen Week";

H.J. Res. 1105. Joint resolution making continuing appropriations for the fiscal year 1977, and for other purposes;

H.R. 7108. An act to authorize appropriations for environmental research, development, and demonstration;

H.R. 8119. An act for the relief of Fernando Alves Macos;

H.R. 11199. An act for the relief of Hollis Anthony Millet;

H.R. 11407. An act to amend title 14, United States Code, to authorize the admission of additional foreign nationals to the Coast Guard Academy;

H.R. 12118. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes;

H.R. 12168. An act to amend the Natural Gas Pipeline Safety Act of 1968 to authorize additional appropriations, and for other purposes; and

H.R. 12566. An act authorizing appropriations to the National Science Foundation for fiscal year 1977.

On October 12, 1976:

H.R. 5546. An act to amend the Public Health Service Act to revise and extend the programs assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes.

On October 13, 1976:

H.R. 13367. An act to extend and amend the State and Local Fiscal Assistance Act of 1972, and for other purposes; and

H.R. 15246. An act to amend the Service Contract Act of 1965 to provide that all employees, other than bona fide executive, administrative, or professional employees, shall be considered to be service employees for purposes of such Act, and for other purposes.

On October 14, 1976:

H.J. Res. 967. Joint resolution authorizing the acceptance of the Joint Committee on the Library on behalf of the Congress, from the United States Capitol Historical Society, of preliminary design sketches and funds for murals, in the first floor corridors in the House wing of the Capitol, and for other purposes;

H.J. Res. 1119. Joint resolution to provide for the convening of the first session of the 95th Congress;

H.R. 71. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II.

H.R. 8027. An act for the relief of Commander Stanley W. Birch, Jr.;

H.R. 9543. An act for the relief of Eupert Anthony Grant;

H.R. 11809. An act for the relief of Ljudevit Previc;

H.R. 12707. An act for the relief of Barry Ray Leftwich Dibling;

H.R. 12927. An act to designate a Federal building and United States Post Office in Jasper, Ga., as the "Phil M. Landrum Federal Building and Post Office";

H.R. 14503. An act to name the new post office in Youngstown, Ohio, the "Michael J. Kirwan Post Office";

H.R. 14773. An act to amend title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under subchapter II of chapter 73 of title 10, United States Code, and for other purposes;

H.R. 14886. An act to revise the appropriation authorization for the Presidential Transition Act of 1963, and for other purposes; and

H.R. 15546. An act to designate the "Ray J. Madden Post Office Building".

On October 15, 1976:

H.J. Res. 1118. Joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination.

H.R. 2177. An act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad.

H.R. 2749. An act to name a portion of the site of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio, the "George Washington Square";

H.R. 4206. An act to designate the new Federal building in Albuquerque, New Mexico, as the "Senator Dennis Chavez Federal Building";

H.R. 7929. An act relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation;

H.R. 11303. An act to designate the "Herman T. Schneebeli Federal Building";

H.R. 11347. An act to authorize conveyance of the interest of the United States in certain lands in Salt Lake County, Utah, to Shriners' Hospitals for Crippled Children, a Colorado corporation;

H.R. 13417. An act for the relief of Dae Ho Park and Maria Park;

H.R. 14470. An act for the relief of Rául Eduardo Ringle;

H.R. 14956. An act to designate the "Joe L. Evins Post Office and Federal Building";

H.R. 14977. An act to name the Federal office building in Athens, Georgia, the "Robert G. Stephens, Jr. Federal Building";

H.R. 15059. An act to amend the Emergency Livestock Credit Act of 1974;

H.R. 15136. An act to authorize appropriations for construction of facilities on Guam, and for other purposes; and

H.R. 15582. An act to name the Federal office building in Bluefield, West Virginia, the "Elizabeth Kee Federal Building."

On October 17, 1976:

H.R. 1073. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional three years, ending September 7, 1978;

H.R. 1142. An act to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund, to modify the effective dates of certain provision of the Tax Reform Act of 1976, and for other purposes;

H.R. 1244. An act to establish procedures and regulations for certain protective services provided by the U.S. Secret Service;

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television;

H.R. 3377. An act for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski.

H.R. 3605. An act to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer).

H.R. 10101. An act to amend the Internal Revenue Code of 1954 to exempt certain aircraft museums from Federal fuel taxes and the Federal tax on the use of civil aircraft, and for other purposes;

H.R. 10826. An act to amend the Act establishing a code of law for the District of Columbia to prohibit the unauthorized use of a motor vehicle under a written rental or other agreement;

H.R. 11337. An act to amend title 13, United States Code, to provide for a mid-decade census of population, and for other purposes;

H.R. 13218. An act to permit the steamship *United States* to be used as a floating hotel, and for other purposes;

H.R. 13326. An act to extend until November 1, 1983, the existing exemption of the steamship *Delta Queen* from certain vessel laws;

H.R. 13585. An act to amend the Federal Boat Safety Act of 1971;

H.R. 13615. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 13964. An act for the relief of Jeanette Green, as mother of the minor child, Ricky Baker, deceased, and as widow and administratrix of the estate of Enoch Odell Baker, deceased; and for the relief of Mary Jane Baker Nolan, individually, and as widow and administratrix, of the estate of John William Baker, deceased;

H.R. 14227. An act to direct the Secretary of Agriculture to release a condition with respect to certain real property conveyed by the United States to the board of regents of the universities and State colleges of Arizona for the use of the University of Arizona;

H.R. 14451. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of Federal surplus personal property to the States and local organizations for public purposes, and for other purposes;

H.R. 15276. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the U.S. Park Police force as are given to Federal employees under the General Schedule and to require submittal of a report on the feasibility and desirability of codifying the laws relating to the U.S. Park Police force:

H.R. 15445. An act to study and provide enhanced protection for whales, and for other purposes; and

H.R. 15813. An act to amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe.

On October 18, 1976:

H.J. Res. 1107. Joint resolution to provide for the printing and distribution of the Precedents of the House of Representatives compiled and prepared by Lewis Deschler.

H.R. 5682. An act to extend the boundary of the Tinicum National Environmental Center, and for other purposes;

H.R. 8002. An act to designate certain lands in the Point Reyes National Seashore, Calif., as wilderness, amending the Act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459c–6a), and for other purposes.

H.R. 11455. An act to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes;

H.R. 11891. An act to authorize the establishment of the Congaree Swamp National Monument in the State of South Carolina, and for other purposes;

H.R. 12939. An act to amend certain laws affecting personnel of the Coast Guard, and for other purposes;

H.R. 12961. An act to amend the Social Security Act to repeal the requirement that a State's plan for medical assistance under title XIX of such act include a provision giving consent of the State to certain suits brought with respect to payment for inpatient hospital services;

H.R. 14041. An act to amend the Railroad Retirement Act of 1974 with respect to the computation of annuity amounts in certain cases, and for other purposes; and

H.R. 15531. An act to permit the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings.

On October 19, 1976:

H.R. 10133. An act to upgrade the position of Under Secretary of Agriculture to Deputy Secretary of Agriculture; to provide for an additional Assistant Secretary of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes;

H.R. 12033. An act to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products;

H.R. 13955. An act to provide for amendment of the Bretton Woods Agreements Act, and for other purposes; and

H.R. 15571. An act to amend chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization with respect to its employees shall constitute (for both tax and benefit purposes) a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund or credit of such taxes, and to require the filing of such a certificate by any nonprofit organization which paid such taxes but received a refund or credit because it had not previously filed such certificate.

On October 20, 1976:

H.R. 1144. An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of social clubs and certain other membership organizations, to provide for a study of tax incentives for recycling, and for other purposes;

H.R. 7228. An act to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamp on containers of distilled spirits as evidence of tax payment, to provide an extension of certain provisions relating to members of the Armed Forces missing in action, and for other purposes;

H.R. 9719. An act to provide for certain payments to be made to local governments by the Secretary of the Interior based upon the amount of certain public lands within the boundaries of such locality;

H.R. 10210. An act to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes;

H.R. 12207. An act to amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments;

H.R. 13160. An act to designate certain lands within units of the National Park System as wilderness; to revise the boundaries of certain of those units; and for other purposes; and

H.R. 14535. An act to amend the Immigration and Nationality Act, and for other purposes.

On October 21, 1976:

H.R. 2735. An act to amend title 38, United States Code, to improve the quality of hospital care, medical services, and nursing home care in Veterans' Administration health care facilities; to make certain technical and conforming amendments; and for other purposes;

H.R. 9460. An act to provide for the establishment of constitutions for the Virgin Islands and Guam;

H.R. 10192. An act to amend title 14, United States Code, to provide for the nondiscriminatory appointment of cadets to the United States Coast Guard Academy;

H.R. 11315. An act to define the jurisdiction of United States courts in suits against foreign states, the circumstances in which foreign states are immune from suit and in which execution may not be levied on their property, and for other purposes;

H.R. 12572. An act to amend the United States Grain Standards Act to improve the grain inspection and weighing system, and for other purposes;

H.R. 13500. An act to amend the Social Security Act with respect to food stamp purchases by welfare recipients;

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes;

H.R. 13828. An act to amend title 44, United States Code, to strenghten the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; and

H.R 15563. An act to amend the act of July 9, 1965 (79 Stat. 213; 16 U.S.C. 4601–17 (c)), and for other purposes.

BILLS DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President announced his disapproval of the following bills with memorandums of disapproval as follows:

H.R. 4654

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 4654, a bill "For the relief of Day's Sportswear, Incorporated."

H.R. 4654 appears to relate to the same claim as presented in *B. A. McKenzie and Co., Inc.* v. *United States*, United States Customs Court #74–6–01520. Another known similar claim on behalf of another importer is pending in the case of *George S. Bush and Co., Inc.* v. *United States*, United States Customs Court #73–9–02693.

The United States Government is presently defending these two cases and the United States Customs Court is expected to rule. Briefly, the litigation involves the applicability of certain customs duties.

I believe that the courts should be permitted to rule in these cases in due course. I am also concerned that my approval of H.R. 4654 could inappropriately predispose the court's ruling. Further, H.R. 4654 would constitute preferred treatment of one importer against others having similar claims against the Government.

Finally, I believe that private relief legislation is appropriate only after all other avenues of available administrative and legal recourse have been pursued.

For these reasons, I have withheld my approval from H.R. 4654.

H.R. 5446

MEMORANDUM OF DISAPPROVAL

I am today withholding my signature from H.R. 5446, a bill to implement the United States obligations under the Convention on the International Regulations for Preventing Collisions at Sea, 1972.

The bill includes a provision which I believe to be unconstitutional. It would empower either the House of Representatives or the Senate to block amendments to the Convention's regulations merely by passing a resolution of disapproval.

This provision is incompatible with the express provision in the Constitution that a resoluion having the force and effect of law must be presented to the President and, if disapproved, repassed by a two-thirds majority in the Senate and the House of Representatives. It extends to the Congress the power to prohibit specific transactions authorized by law without changing the law—and without following the constitutional process such a change would require. Moreover, it would involve the Congress directly in the performance of Executive functions in disregard of the fundamental principle of separation of powers.

I believe that this procedure is contrary to the Constitution, and that my approval of it would threaten an erosion of the constitutional powers and responsibilities of the President. I have already directed the Attorney General to become a party plaintiff in a lawsuit challenging the constitutionality of a similar provision in the Federal Election Campaign Act.

In addition, this provision would allow the House of Representatives to block adoption of what is essentially an amendment to a treaty, a responsibility which is reserved by the Constitution to the Senate.

This legislation would forge impermissible shackles on the President's ability to carry out the laws and conduct the foreign relations of the United States. The President cannot function effectively in domestic matters, and speak for the Nation authoritatively in foreign affairs, if his decisions under authority previously conferred can be reversed by a bare majority of one House of the Congress.

The Convention—which has already been approved by the Senate—makes important changes in the international rules for safe navigation. It will enter into force in July 1977. The United States should become a party to it. If the United States does not implement the Convention before it enters into force, there will be major differences between the navigational rules followed by U.S. ships and by the ships of many other countries. These differences will increase the danger of collisions at sea and create hazards to life and property at sea.

I strongly urge the 95th Congress to pass legislation early next year that will be consistent with our Constitution, so that the United States can implement the Convention before it enters into force.

H.R. 10073

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 10073, "An Act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes."

This bill would make applicable to domesticated rabbits, with minor exceptions, the provisions of the Poultry Products Inspection Act. It would require the Secretary of Agriculture to implement a mandatory inspection program for all domesticated rabbit meat sold in commerce, with certain exemptions related to type and volume of operations.

It should be noted that the Food and Drug Administration now inspects rabbit meat to ensure that it complies with Federal pure food laws. Thus, there is no health protection reason for requiring mandatory Agriculture Department inspection of rabbit meat.

The effect of this act would be to substitute a mandatory taxpayer-financed Agriculture Department inspection program for a voluntary one that is now provided under another law and paid for by the processors and consumers of rabbit meat. Since the voluntary program already provides a means for certifying wholesomeness to those consumers who demand such protection for this specialty food and are willing to pay for the protection, I do not believe that a mandatory program is wise public policy.

In addition, it is estimated that the cost to the taxpayer of government inspection provided by this Act could be more than ten cents per pound.

The limited benefit to be derived by a relative few consumers of rabbit meat cannot be justified in terms of the cost to the taxpayer. I am therefore not approving H.R. 10073.

GERALD R. FORD

THE WHITE HOUSE.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4112. A letter from the General Counsel, U.S. General Accounting Office, transmitting a report on the release of budget authority required to be made available for obligation pursuant to section 1013(b) of the Impoundment Control Act of 1974; to the Committee on Appropriations.

4113. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' and Airmen's Home for fiscal year 1975, and the report of the annual general inspection of the home for 1976 by the Inspector General, pursuant to the act of March 3, 1883, as amended [24 U.S.C. 59, 60]; to the Committee on Armed Services.

4114. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on actions taken on recommendations contained in the annual report for fiscal year 1975 of the President's Council on Physical Fitness and Sports, dated July 25, 1975, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

4115. A letter from the Deputy Secretary of Defense, transmitting the annual report and audit of the American National Red Cross for the year ended June 30, 1975, pursuant to section 6 of the act of January 5, 1905, as amended; to the Committee on International Relations.

4116. A letter from the General Counsel, U.S. Arms Control and Disarmament Agency, transmitting an interim report on progress in the study of the impact on military expenditures of arms control measures mutually agreed to by the United States and the Soviet Union, pursuant to section 142 of Public Law 94–141; to the Committee on International Relations.

4117. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112 (b) of Public Law 92–403; to the Committee on International Relations.

4118. A letter from the Chairman, U.S. Consumer Safety Commission, transmitting the fourth annual report of the Commission, covering fiscal year 1976, pursuant to section 27(j) of the Consumer Product Safety Act; to the Committee on Interstate and Foreign Commerce.

4119. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares of retail gasoline marketers during May and June 1976, pursuant to section 4(c) (2) (A) of the Emergency Petroleum Allocation Act of 1970; to the Committee on Interstate and Foreign Commerce.

4120. A letter from the Director, Administrative Office of the U.S. Courts, transmitting his initial report on the operation of the speedy trial plans adopted by the U.S. district courts under title I of the Speedy Trial Act, and the operation of pretrial services agencies established in 10 district courts on a demonstration basis under title II of the act, pursuant to 18 U.S.C. 3155 and 3167; to the Committee on the Judiciary.

4121. A letter from the Vice Chairman, Father Marquette Tercentenary Commission, transmitting the final report of the Commission, pursuant to section 2 of Public Law 89–187; to the Committee on Post Office and Civil Service.

4122. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a supplement to the first annual report recommending deauthorization of certain projects, pursuant to section 12 of Public Law 93–251; (H.Doc. No. 94–654) to the Committee on Public Works and Transportation and ordered to be printed.

4123. A letter from the district engineer, Tulsa District, Corps of Engineers, Department of the Army, transmitting a draft plan of study of the water and related land resources of the Canadian River basin downstream of the Texas-New Mexico State line; to the Committee on Public Works and Transportation.

4124. A letter from the Chairman, Joint Committee on Congressional Operations, transmitting a draft of a proposed resolution to amend the House rules for the purpose of assisting in the reduction of the number of committees meeting on certain days of each month, pursuant to section 206 of the Committee Reform Amendments of 1974 (H. Res. 988); to the Committee on Rules.

4125. A letter from the Vice Chairman, U.S. International Trade Commission, transmitting the seventh quarterly report on trade between the United States and nonmarket economy countries, pursuant to section 410 of the Trade Act of 1974; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

4126. A letter from the Comptroller General of the United States, transmitting a report on "buy-national" practices of the United States and some of its major trading partners; to the Committee on Government Operations.

4127. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of the Army's direct supply support system; jointly, to the Committees on Government Operations, and Armed Services.

4128. A letter from the Comptroller General of the United States, transmitting a report evaluating actions taken by the Energy Research and Development Administration in publishing and distributing copies of a pamphlet entitled "Shedding Light on Facts About Nuclear Energy" before the referendum on nuclear energy in California; jointly, to the Committee on Government Operations, and the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee of conference. Conference report on H.R. 10210 (Rept. No. 94–1745). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. Administration of Public Law 89–306, procurement of ADP resources by the Federal Government (Rept. No. 94–1746). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H. Res. 1399. Resolution expressing the sense of the House relative to foreign palm oil development loans (Rept. No. 94–1747, pt. I) Ordered to be printed.

Mr. FOLEY: Committee on Agriculture. H. Res. 1400. Resolution expressing the sense of the House relative to a study by the Secretary of Agriculture on palm oil imports (Rept. No. 94–1748, pt. I). Ordered to be printed.

Mr. STEED: Committee on Small Business. Report on the role of small business in the military and civilian agencies (Rept. No. 94–1749). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. Report on the role of small business in the air transportation industry; the Federal Aviation Administration (Rept. No. 94–1750). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on House Administration. Report of the Committee on House Administration pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 94–1751). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. Report on suballocation of spending authority from the second concurrent resolution for fiscal year 1977 in accordance with section 302(b)(2) of the Congressional Budget Act of 1974 (Rept. No. 94–1752). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on International Relations. Report on allocation of budget totals for fiscal year 1977 (Rept. No. 94–1753). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLYNT: Committee on Standards of Official Conduct. Report on investigation Pursuant to House Resolution 1042 concerning unauthorized publication of the report of the Select Committee on Intelligence (Rept. No. 94–1754). Referred to the House Calendar.

Mr. JONES of Alabama: Committee of Conference. Conference report on S. 3823 (Rept. No. 94—1755). Ordered to be printed.

[Submitted October 4, 1976]

Mr. STEED: Committee on Small Business. Report on allocation of budget totals to subcommittees for fiscal year 1977. (Rept No. 94–1756). Referred to the Committee of the Whole House on the State of the Union.

[Submitted October 6, 1976]

Mr. BROOKS: Committee on Government Operations. Report on the Administration of the Federal Employees' Compensation Act (Rept. No. 94–1757). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 1, 1976, the following report was filed on October 8, 1976]

Mr. HENDERSON: Post Office and Civil Service. Report on allocation of budget authority and outlays (Rept. No. 94–1758). Referred to the Committee of the Whole House on the State of the Union.

[Submitted October 12, 1976]

Mr. TEAGUE: Committee on Science and Technology. A report on allocation of budget totals for fiscal year 1977 (Rept. No. 94–1759). Referred to the Committee of the Whole House on the State of the Union.

[Submitted October 19, 1976]

Mr. REUSS: Committee on Banking, Currency and Housing. A report on allocation of budget authority and outlay for fiscal year 1977 (Rept. No. 94–1760). Referred to the Committee of the Whole House on the State of the Union.

[Submitted October 20, 1976]

Mr. STEED: Committee on Small Business. Report on Federal Commission's proposed Federal industry trade regulation rule: It's effect on small business (Rept. No. 94–1761). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. Problems of small retail petroleum marketers (Rept. No. 94–1762). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Nov. 3, 1976]

Mr. PRICE: Joint Committee on Atomic Energy. A report of the Joint Committee on Atomic Energy pursuant to section 302(b) of the Congressional Budget Act of 1974. (Rept. No. 94–1763). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 13, 1976]

Mr. MONTGOMERY: Select Committee on Missing Persons in Southeast Asia. Americans Missing in Southeast Asia (Rept. No. 94–1764). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Currency and Housing. Summary of Activities (Rept. No. 94–1765). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 17, 1976]

Mr. HENDERSON: Committee on Post Office and Civil Service. Report on Summary of activities during 94th Congress (Rept. No. 94–1766). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. Legislative History, Ninety-Fourth Congress (Rept. No. 94–1767). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 20, 1976]

Mr. DIGGS: Committee on the District of Columbia. Activities and Summary Report of the Committee on the District of Columbia for the 94th Congress (Rept. No. 94–1768). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 28, 1976]

Mr. TEAGUE: Committee on Science and Technology. Summary of activities of the Committee on Science and Technology for the Ninety-Fourth Congress (Rept. No. 94–1769). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. Allocation of Budget Totals to Subcommittees (Rept. No. 94–1770). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 29, 1976]

Mr. MAHON: Committee on Appropriations. Report on Committee Activities 94th Congress (Rept. No. 94–1771). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. Legislative Review Activity During the 94th Congress of the Committee on Ways and Means (Rept. No. 94–1772). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 30, 1976]

Mr. FOLEY: Committee on Agriculture. Report of the Committee on Agriculture on Activities During the 94th Congress (Rept. No. 94–1773). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on International Relations. Legislative Review Activities of the Committee on International Relations (Rept. No. 94–1774). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. Nationwide Shortage of Home Canning Equipment (Rept. No 94–1775). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. Conflict of Interest Problems Within the Presidential Executive Interchange Program (Rept. No. 94–1776). Referred to the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. Report on The Role of Small Business in the Air Transportation Industry: The Civil Aeronautics Board (Rept. No. 94–1777). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Activities of the House Committee on Government Operations 94th Congress First and Second Sessions (Rept. No. 94–1778). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. Report on Legislative and Review Activities of the Committee on Interior and Insular Affairs during the Ninety-Fourth Congress (Rept. No. 94–1779). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans Affairs. Report on Activities of the Committee on Veterans' Affairs 94th Congress (Rept. No. 94–1780). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Dec. 31, 1976]

Mr. DOWNING: Select Committee on Assassinations. Report on Results and Recommendations of the Select Committee on Assassinations (Rept. No. 94–1781). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Jan. 3, 1977]

Mr. MADDEN: Committee on Rules. Report on Survey of Activities of the House Committee on Rules, 94th Congress (Rept. No. 94–1782). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Ad Hoc Select Committee on the Outer Continental Shelf. Report on the Activities of the Ad Hoc Select Committee on the Outer Continental Shelf during the 94th Congress (Rept. No. 94–1783). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. Report on the Activities of the Merchant Marine and Fisheries Committee 94th Congress (Rept. 94–1784). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. Activity Report of the Committee on Education and Labor 94th Congress (Rept. No. 94–1785). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISH: Select Committee on Professional Sports. Report on Inquiring Into Professional Sports (Rept. No. 94–1786). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Committee on Armed Services. Report of the Activities of the Committee on Armed Services 94th Congress (Rept. No. 94–1787). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. A report on the activity of the Committee on Interstate and Foreign Commerce during the 94th Congress (Rept. No. 94–1788). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. A report on the activities of the Committee on the Judiciary during the 94th Congress (Rept. No. 94–1789). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on House Administration. A report on activities of the Committee on House Administration during the 94th Congress (Rept. No. 94–1790). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee on Small Business. A report on activities of the Committee on Small Business during the 94th Congress (Rept. No. 94–1791). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLYNT: Committee on Standards of Official Conduct. A report on the activities of the Committee on Standards of Official Conduct during the 94th Congress (Rept. No. 94–1792). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Submitted January 3, 1977*]

Mr. ADAMS: Committee on the Budget. Activities and summary report of the Committee on the Budget (Rept. No. 94–1793). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS (for himself and Mr. Dingell):

H.R. 15822. A bill to amend the Small Business Act, as amended, and the Concessions Policy Act of 1965, and for other purposes; jointly to the Committees on Interior and Insular Affairs and Small Business.

By Mr. CEDERBERG (for himself and Mr. Vander Jagt):

H.R. 15823. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize the Secretary of Health, Education, and Welfare to conduct research to resolve conflicting data on the safety of food additives and color additives; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. Danielson, Mr. Lagomarsino, Mr. Lloyd of California, and Mr. Moorhead of California):

H.R. 15824. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

By Mr. DUNCAN of Oregon (for himself, Mr. Adams, Mr. AuCoin, Mr. Bonker, Mr. Foley, Mr. Hansen, Mr. McCormack, Mr. Meeds, Mr. Pritchard, Mr. Symms, Mr. Ullman, and Mr. Weaver):

H.R. 15825. A bill to amend the Colorado River Basin Project Act to extend the period during which the Secretary of the Interior shall not undertake reconnaissance studies of any plan for the importation of water into the Colorado River Basin; to the Committee on Interior and Insular Affairs.

By Mr. FORSYTHE:

H.R. 15826. A bill to direct the Secretary of the Interior to acquire a portion of the New Jersey Pinelands if the State of New Jersey acquires other portions of such Pinelands and to reimburse certain New Jersey municipalities for a portion of the property taxes lost as a result of Federal ownership of such land; to the Committee on Interior and Insular Affairs.

By Mr. HARRINGTON:

H.R. 15827. A bill to reorganize the intelligence community of the executive branch of the Government to improve management and control of the national intelligence agencies, to promote the overall economy and efficiency of Government intelligence operations and activities, to prevent future abuses of power by the Central Intelligence Agency, and for other purposes; jointly to the Committees on Armed Services, International Relations, and the Judiciary.

By Mr. HARRINGTON (for himself, Mr. Hawkins, Mr. Helstoski, and Mr. Dellums):

H.R. 15828. A bill to reorganize the intelligence community of the executive branch of the Government to improve management and control of the national intelligence agencies, to promote the overall economy and efficiency of Government intelligence operations and activities, to prevent future abuses of power by the Central Intelligence Agency, and for other purposes; jointly to the Committees on Armed Services, International Relations, and the Judiciary.

By Mr. JONES of Alabama:

H.R. 15829. A bill to amend the Federal-aid Highway Act of 1976 to insure safety on the Nation's highways; to the Committee on Public Works and Transportation.

By Mr. KEMP (for himself, Mrs. Lloyd of Tennessee, Mr. McClory, and Mrs. Pettis):

H.R. 15830. A bill to accelerate the formation and accumulation of the investment capital required to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. KEMP (for himself, Mr. Esch, Mr. Sarasin, and Mr. Quie):

H.R. 15831. A bill to provide for economic growth and job creation through a reordering of Government priorities and reorganization of Government programs; tax reform for individuals, small businesses, and corporations; and amendment of existing employment and training programs; and for other purposes; jointly to the Committees on Rules, Government Operations, Ways and Means, and Education and Labor.

By Mr. KETCHUM (for himself and Mr. McCloskey):

H.R. 15832. A bill to amend the Voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 15833. A bill to establish a Charles S. Peirce National Historic Site in the Delaware Water Gap National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. MOORE (for himself, Mr. Lehman, Mr. Broyhill, Mr. Whitehurst, Mr. Duncan of Tennessee, Mr. Leggett, Mr. Lott, Mr. Mikva, Mr. Long of Maryland, Mr. Roe, and Mr. Fithian):

H.R. 15834. A bill to amend section 2 of the Clayton Act to prevent discriminatory pricing practices by suppliers of competing marketers; to the Committee on the Judiciary.

By Mr. NOLAN:

H.R. 15835. A bill to amend the direct loan provisions of the Higher Education Act of 1965, and of the Education Amendments of 1972, to provide for pro rata cancellation of loans for service performed on a part-time basis or for less than a full year; to the Committee on Education and Labor.

H.R. 15836. A bill to provide grants to renovate existing structures for use as youth hostels in order to further the development of a national Youth hostel system and increase the opportunity for outdoor recreation and educational travel; to the Committee on Interior and Insular Affairs.

Mr. NOLAN (for himself, Mr. Quie, and Mr. Fraser):

H.R. 15837. A bill to provide that certain land of the United States shall be held by the United States in trust for certain communities of the Mdewakanton Sioux in Minnesota; to the Committee on Interior and Insular Affairs.

By Mr. RICHMOND (for himself, Mr. Delaney, Ms. Abzug, Mr. Badillo, Mr. Bingham, Mr. Gude, Ms. Holtzman, Mr. Lehman, Mr. Murphy of New York, Mr. Rangel, Mr. Rodino, Mr. Solarz, Mr. Stark, Mr. Walsh, Mr. Wolff, and Mr. Zeferetti):

H.R. 15838. A bill to authorize the Secretary of Agriculture to make grants to States for urban forestry, and for other purposes; to the Committee on Agriculture.

By Mr. ROSTENKOWSKI:

H.R. 15839. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of expenses in attending foreign conventions; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 15840. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. SOLARZ:

H.R. 15841. A bill to provide civil service retirement benefits to surviving spouses of civil service annuitants who died before January 8, 1971, and who married such spouses after retiring; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON (for himself, Mr. Bingham, Mr. Biaggi, and Mr. Badillo):

H.R. 15842. A bill to amend the National Labor Relations Act to clarify the scope of its coverage; to the Committee on Education and Labor.

By Mr. BAUCUS:

H.R. 15843. A bill to enact the National School-Age Mother and Child Health Act of 1976; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI (for himself, Mr. John L. Burton, Mr. Van Deerlin, Mr. Florio, Mr. Phillip Burton, Mr. Waxman, Mr. Mosher, Mr. Gilman, Mrs. Spellman, Mr. Patterson of California, and Mr. O'Hara):

H.R. 15844. A bill to promote services and programs designed to assure the opportunity for adoption for all eligible children; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. CARR:

H.R. 15845. A bill to require Federal agencies to report to Congress certain expenditures made for or on behalf of Members of Congress or employees of Congress and to provide for the reimbursement of such expenditures; to the Committee on House Administration.

By Mr. CONTE:

H.R. 15846. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Saint John River in Maine as a potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

H.R. 15847. A bill to amend title 5, United States Code, to make Presidential Election Day a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON:

H.R. 15848. A bill to provide meaningful and productive work for the Nation's youths by establishing a youth community service program; to provide comprehensive job counseling and placement services for youths by establishing a youth counseling and employment service, and for other purposes; to the Committee on Education and Labor.

By Mr. HECHLER of West Virginia:

H.R. 15849. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mr. KOCH (for himself, Mr. Goldwater, Mr. Kemp, Mr. Traxler, Mr. Young of Florida, and Mr. Coughlin):

H.R. 15850. A bill to establish restrictions on the disclosure of certain financial, toll, and credit records, and for other purposes; jointly, to the Committees on Banking, Currency and Housing, and the Judiciary.

By Mr. KRUEGER:

H.R. 15851. A bill for the relief of the City of San Antonio, Tex.; to the Committee on the Judiciary.

By Mr. LEGGETT (for himself and Mr. Moffett):

H.R. 15852. A bill to amend the Arms Export Control Act to provide for analyses by the General Accounting Office of governmental and commercial sales of defense articles and services to foreign countries; to the Committee on International Relations.

By Mr. MEZVINSKY:

H.R. 15853. A bill to amend the Federal Water Pollution Control Act to authorize grants to pay a portion of the costs of operation and maintenance of treatment works; to the Committee on Public Works and Transportation.

By. Mr. MILFORD:

H.R. 15854. A bill to amend the Federal Aviation Act of 1958 relating to airworthiness certificates; to the Committee on Public Works and Transportation.

By Mr. PAUL:

H.R. 15855. A bill to provide that a prevailing defendant or respondent in a judicial or administrative proceeding initiated by the United States shall be awarded reasonable attorneys' fees and other reasonable costs and that the United States shall be entitled to recover 50 percent of such fees and costs from the Federal officers and employees involved in such proceeding; to the Committee on the Judiciary.

By Mrs. SCHROEDER:

H.R. 15856. A bill to amend title 5, United States Code, to increase the uniform allowances available to Federal employees; to the Committee on Post Office and Civil Service.

By Mr. WIRTH (for himself, Ms. Abzug, Mr. Bedell, Ms. Burke of California, Mr. Downey of New York, Mr. Harkin, Mr. Harrington, Mr. Koch, Mr. Long of Maryland, Mr. Long of Louisiana, Mr. Moffett, Mr. Patterson of California, Mr. Pattison of New York, Mrs. Schroeder, Mr. Treen, Mr Van Deerlin, and Mr. Weaver):

H.R. 15857. A bill to prohibit the use of Federal funds for certain activities designed to support or defeat any legislation pending before the Congress or any State legislature or any legislation or legislative issue on the ballot in any State; jointly, to the Committees on Standards of Official Conduct and the Judiciary.

By Mr. DENT (for himself, Mr. Perkins, and Mr. Erlenborn):

H.J. Res. 1118. Joint resolution to provide that qualified individuals may hear and determine claims for benefits under title IV of the Federal Coal Mine Health and Safety Act of 1969, and to provide for appeal to superior agency authority from any such determination; considered and passed.

By Mr. BELL (for himself and Mr. Rousselot):

H. Con. Res. 780. A resolution expressing the sense of Congress with respect to the Baltic States; to the Committee on International Relations.

By Mr. BROWN of Michigan:

H. Con. Res. 781. A resolution relative to the release of Gunars Rode from imprisonment in the Soviet Union; to the Committee on International Relations.

By Mr. COHEN (for himself, and Mr. Emery):

H. Con. Res. 782. A resolution to express the sense of the Congress that the Joint Tribal Council of the Passamaquoddy Tribe and the Penobscot Tribe and their representatives shall have a cause of action for monetary damages only for alleged violation of the 1790 Indian Non-Intercourse Act and that no cause of action for the return of aboriginal lands in the State of Maine shall lie; to the Committee on Interior and Insular Affairs.

By Mr. KEMP (for himself and Mr. Railsback):

H. Con. Res. 783. A resolution expressing the sense of the Congress that the President should direct the U.S. representatives to certain international financial institutions to vote against any loans or other funds to Vietnam until Vietnam fulfills its obligations with respect to American servicemen listed as missing in action or prisoners of war; to the Committee on Banking, Currency and Housing.

By Mr. KEMP (for himself, Mr. Koch, Mr. Leggett, and Mr. Maguire):

H. Con. Res. 784. A resolution expressing commendation to the Government of Israel for its Entebbe Airport rescue mission, disapproval of efforts to condemn or censure Israel for the action, approval of the position taken by the Government of the United States and of the United States-United Kingdom resolution, and requesting the President to initiate and engage in negotiations leading to an international agreement to curb terrorist acts; to the Committee on International Relations.

By Mr. KOCH (for himself, Mr. Fraser, Mr. Bedell, Mr. Boland, Mr. John L. Burton, Mr. Flood, Mr. Gilman, Mr. Heinz, Ms. Holtzman, Mr. Krebs, Mr. Lehman, Mr. Metcalfe, Mr. Mezvinsky, Mrs. Meyner, Mr. Moorhead of Pennsylvania, Mr. Nix, Mr. Peyser, Mr. Riegle, Mr. Sarbanes, Mr. Seiberling, Mr. Stark, Mr. Thompson, Mr. Tsongas, Mr. Udall, Mr. Wolff and Mrs. Fenwick):

H. Con. Res. 785. A resolution expressing the sense of the Congress that the Attorney General, in accordance with existing law and U.S. humanitarian tradition, parole into the United States those South American aliens having fled to Argentina and those Uruguayans within Uruguay who are in danger of losing their lives; to the Committee on the Judiciary.

By Mr. WYDLER (for himself, Mr. LaFalce, Mr. Lagomarsino, Mrs. Lloyd of Tennessee, Mr. McKinney, Mr. Mitchell of New York, Mr. Mottl, Mr. Patterson of California, Mr. Regula, Mr. Rinaldo, Mr. Russo, Mr. J. William Stanton, Mr. Thone, Mr. Whitehurst, Mr. Robinson, and Mr. Lundine):

H. Con. Res. 786. A resolution calling upon the President to establish a strike force for medicare and medicaid review to investigate and audit the operations of the medicare and medicaid programs, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. WYDLER (for himself, Mr. Bedell, Mr. Breckinridge, Mr. Brown of Ohio, Mrs. Chisholm, Mr. Cleveland, Mr. Derwinski, Mr. Emery, Mr. Evins of Tennessee, Mr. Frenzel, Mr. Gilman, Mr. Hannaford, Mr. Howe, Mr. Hyde, Mr. Jenrette, Mr. Kemp, and Mr. Kindness):

H. Con. Res. 787. A resolution calling upon the President to establish a strike force for medicare and medicaid review to investigate and audit the operations of the medicare and medicaid programs, and for other purposes; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FRASER (for himself, Ms. Abzug, Mr. Badillo, Mr. Bedell, Mr. Bingham, Mr. Boland, Ms. Chisholm, Mr. Clay, Ms. Collins of Illinois, Mr. Conyers, Mr. Dellums, Mr. Diggs, Mr. Drinan, Mr. Edwards of California, Mr. Fascell, Mr. Fauntroy, Ms. Fenwick, Mr. Gude, Mr. Harrington, Mr. Hawkins, Mr. Koch, Mr. Metcalfe, and Ms. Meyner):

H. Con. Res. 788. A resolution expressing the sense of the Congress with respect to U.S. policy toward Namibia; to the Committee on International Relations.

By Mr. FRASER (for himself, Mr. Mineta, Mr. Mitchell of Maryland, Mr. Nix, Mr. Oberstar, Mr. Ottinger, Mr. Rangel, Mr. Riegle, Mr. Rosenthal, Ms. Schroeder, Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Udall, Mr. Van Deerlin, and Mr. Young of Georgia):

H. Con. Res. 789. A resolution expressing the sense of the Congress with respect to U.S. policy toward Namibia; to the Committee on International Relations.

By Mr. CARR (for himself, Mr. Lujan, Mr. Wirth, Ms. Abzug, Mr. Heinz, Mr. Patterson of California, Mr. McCloskey, Mr. Mottl, Mr. Reuss, Mr. Kindness, Mr. Duncan of Tennessee, Mr. Grassley, Mr. Ketchum, Mr. Ottinger, Mr. Walsh, Mr. Maguire, and Mr. Evans of Indiana):

H. Res. 1593. A resolution to amend the Rules of the House of Representatives to require committee approval of certain travel proposals, and for other purposes; to the Committee on Rules.

By Mr. MOTTL (for himself, Mr. Bedell, Mr. Breckinridge, Mr. Hyde, Mr. Kindness, Mr. LaFalce, Mrs. Lloyd of Tennessee, Mr. Milford, Mr. Neal, Mr. Patterson of California, and Mr. Seiberling):

H. Res. 1594. A resolution creating a select committee to conduct a study of the circumstances surrounding both product liability and professional liability insurance rate increases, and of any other product and professional liability insurance coverage issues the committee shall determine; to the Committee on Rules.

By Mr. CONTE (for himself, Mr. Moakley, and Mr. Drinan)·

H. Res. 1595. A resolution directing the Committee on International Relations to conduct hearings to determine the nature and extent of any U.S. involvement in the hostilities in Northern Ireland; to the Committee on Rules.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Ambro, Mr. Badillo, Mr. Bell, Mr. Bonker, Mr. Conte, Mr. Downey of New York, Mr. Eilberg, Mr. Fraser, Mr. Goldwater, Mr. Grassley, Mr. Gude, Mr. Harkin, Mr. Harrington, Mr. Lehman, Mr. Long of Maryland, Mr. McKinney, Mr. Metcalfe, Mr. Mottl, Mr. Nix, Mr. Pepper, Mr. Solarz, Mr. Udall, and Mr. Van Deerlin):

H. Res. 1596. A resolution relative to the freedom of the citizens of Romania, and for other purposes; jointly to the Committees on International Relations, Ways and Means, and House Administration.

By Mr. KOCH (for himself, Mr. Wolff, Mr. Heinz, Mr. Rosenthal, Mr. Roe, Mr. Kemp, Mr. Lent, Mr. James V. Stanton, Mr. Preyer, Mr. Waxman, Mr. Pattison of New York, and Mr. Gilman):

H. Res. 1597. A resolution relative to the freedom of the citizens of Romania, and for other purposes; jointly, to the Committees on International Relations, Ways and Means, and House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 15858. A bill for the relief of Dr.

Salome Benedict; to the Committee on the Judiciary.

By Ms. KEYS:

H.R. 15859. A bill for the relief of Romeio A. Provencal; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 15860. A bill for the relief of Son-ya Seong; to the Committee on the Judiciary.

By Mr. REES:

H.R. 15861. A bill for the relief of Dr. Wen Pin Chang; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.R. 15862. A bill for the relief of Mahjubah al-Kutub and her two children, Huriyah al-Azhari and Hisham al-Zuhri; to the Committee on the Judiciary.

By Mr. WYDLER:

H.R. 15863. A bill for the relief of the survivors of Brian Murray; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

589. By the SPEAKER: Petition of the National Association of Postal Supervisors, Washington, D.C., relative to the Private Express Statutes; to the Committee on Post Office and Civil Service.

590. By the SPEAKER: Petition of the Board of Supervisors, Los Angeles County, Calif., relative to Federal administration of public welfare programs; to the Committee on Ways and Means.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of September 30, 1976, page 34324:

H.J. Res. 1096. September 15, 1976. Appropriations. Makes supplemental appropriations to the Department of Defense for the repair, replacement, and restoration of military supplies, equipment, and facilities on Guam.

H.J. Res. 1097. September 15, 1976. International Relations. Directs the Agency for International Development to devise and carry out in partnership with developing nations a multifaceted strategy designed to promote breast feeding within the context of integrated programs of nutrition and health improvement for mothers and children.

H.J. Res. 1098. September 15, 1976. Interior and Insular Affairs. Establishes the Hawaiian Native Claims Settlement Study Commission. Describes the Commission's organizational structure, states the membership qualifications, and specifies the powers granted to its Chairman. Outlines the remedial goals of the Commission with respect to Hawaiian Natives.

H.J. Res. 1099. September 16, 1976. Post Office and Civil Service. Designates the week of October 10 through 16, 1976, as "Native American Awareness Week."

H.J. Res. 1100. September 17, 1976. Judiciary. Proposes an amendment to the Constitution of the United States providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 1101. September 17, 1976. Appropriations. Makes an appropriation to the District of Columbia for use by its fire department to keep all of the fire department facilities open on a full-time basis during fiscal year 1977.

H.J. Res. 1102. September 16, 1976. Post Office and Civil Service. Designates the week of October 10 through 16, 1976, as "Native American Awareness Week."

H.J. Res. 1103. September 17, 1976. Post Office and Civil Service. Designates the week of October 10 through 16, 1976, as "Native American Awareness Week."

H.J. Res. 1104. September 21, 1976. Post Office and Civil Service. Designates the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week."

H. Con. Res. 741. September 8, 1976. Budget. Sets forth the congressional budget for the United States Government for the fiscal year 1977. Specifies the appropriate level of new budget authority and the estimated outlays for each major functional category.

H. Con. Res. 742. September 9, 1976. International Relations. Urges the President of the United States to continue to negotiate with other nuclear exporting countries for the purpose of reaching an international treaty or agreement regulating the transfer to nonnuclear weapon countries of (1) any component or facility for enriching, or reprocessing of any source of, special nuclear material; and (2) any nuclear technology or other information which would be supportive of the enrichment of, or the reprocessing of any source for, special nuclear material.

H. Con. Res. 743. September 9, 1976. Interstate and Foreign Commerce. Expresses the sense of Congress that the Attorney General of the United States should promptly establish production quotas for codeine and other narcotic drugs produced from Papaver bracteatum L. under the Controlled Substances Act, and impose such regulatory measures as are deemed necessary to prevent diversion of such production to illicit traffic.

H. Con. Res. 744. September 9, 1976. Government Operations. Requests the Administrator of General Services of the United States to conduct a study of the impact that the presence of any real property owned by the Federal Government has on units of general local government within whose jurisdiction such real property is situated. Exempts certain types of public lands from the study.

H. Con. Res. 745. September 10, 1976. Directs the clerk of the Senate to make corrections in the enrollment of S. 327.

H. Con. Res. 746. September 10, 1976. Ways and Means. Disapproves of the waiver by the Secretary of the Treasury of the imposition of countervailing duties on imports of leather handbags from Brazil under the Tariff Act of 1930.

H. Con. Res. 747. September 10, 1976. International Relations. Expresses the objection of Congress to the proposed sales to Iran of defense articles and services which are described in the certification submitted by the President of the United States pursuant to the Arms Export Control Act on September 1, 1976, and covering certain transmittals.

H. Res. 1526. September 9, 1976. Instructs the House Committee on Rules to inquire into the facts and report as to the truth or falsity of public press reports that House Rule XXXII relating to floor privileges is being violated. Empowers the Committee to fashion a remedy if necessary to secure the strict enforcement of Rule XXXII.

H. Res. 1527. September 9, 1976. Rules. Amends the Rules of the House of Representatives to provide that the pledge of allegiance to the United States shall be rendered at the beginning of each legislative day in the House.

H. Res. 1528. September 9, 1976. International Relations. Expresses the sense of the House of Representatives that the United States support the admission of Vietnam to the United Nations in keeping with United States interest in receiving an accounting of American prisoners of war and missing in action in Southeast Asia.

H. Res. 1529. September 10, 1976. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 1530. September 10, 1976. Ways and Means. Expresses the sense of the House of Representatives that the President of the United States should use all means at his disposal to obtain removal of trade barriers imposed on imports of American dried prunes by European Economic Community countries, and that the member countries be placed on notice that corresponding retaliatory measures will be taken if similar restrictions are placed on imports of American walnuts.

H. Res. 1531. September 10, 1976. Rules. Sets forth the rule for the consideration of H.R. 12802.

H. Res. 1532. September 10, 1976. Rules. Sets forth the rule for the consideration of H.R. 14319.

H. Res. 1533. September 10, 1976. Rules. Sets forth the rule for the consideration of H.R. 14496.

H. Res. 1534. September, 10, 1976. Rules. Sets forth the rule for the consideration of H.R. 15069.

H. Res. 1535. September 10, 1976. Rules. Sets forth the rule for the consideration of H.R. 15319.

H. Res. 1536. September 13, 1976. House Administration. Authorizes the Clerk of the House of Representatives to withhold charitable contributions from the pay of House employees for transmittal to the Combined Federal Campaign, if the employee requests the Clerk to do so.

H. Res. 1537. September 13, 1976. Education and Labor. Empowers the House Committee on Education and Labor to conduct an investigation to evaluate: (1) the relationship between the Federal minimum wage rate and chronic unemployment; and (2) the incentives provided by the Federal Government to encourage worker movement from unemployment support systems to private sector gainful employment.

H. Res. 1538. September 13, 1976. Rules. Amends Rule X of the Rules of the House of Representatives to establish a House Committee on Intelligence.

H. Res. 1539. September 13, 1976. Referred to more than one committee. Calls for restraints upon the growth of palm oil imports into the United States. Calls for an analysis of the impact of support of production in developing countries of specified agricultural commodities for export in other nations.

H. Res. 1540. September 14, 1976. Rules. Establishes a House select committee to investigate and to study the circumstances surrounding the deaths of John F. Kennedy and Martin Luther King, Junior.

H. Res. 1541. September 15, 1976. Elects Edward W. Pattison, Representative from New York, as a member of the Committee on House Administration.

H. Res. 1542. September 15, 1976. Rules. Expresses the sense of the House of Representatives that the resignation of a person under investigation by the House Committee on Standards of Official Conduct, including former Representative Wayne L. Hays, has no effect upon the Committee's duty to continue its investigation and report back its findings and recommendations to the House.

H. Res. 1543. September 15, 1976. House Administration. Permits the acceptance by the House of Representatives of a gift of a portrait of Leslie C. Arends of the State of Illinois.

H. Res. 1544. September 15, 1976. House Administration. Permits the acceptance by the House of Representatives of a gift of a portrait of Leslie C. Arends of the State of Illinois.

H. Res. 1545. September 15, 1976. Sets forth the Rule for the consideration of H.R. 12112.

HOUSE BILLS

H.R. 15431. September 2, 1976. Public Works Transportation. Modifies the project for the Houston Ship Channel in Texas to direct the Secretary of the Army, acting through the Chief of Engineers, to perform dredging operations to increase the depth of the channel.

H.R. 15432. September 2, 1976. Ways and Means. Amends the program of Supplemental Security Income for the Aged, Blind, and Disabled of the Social Security Act to increase the amount of income which an aged, blind, or disabled individual may receive and remain eligible for benefits under such program, and to increase the amount of benefits payable to such individuals under such program.

H.R. 15433. September 2, 1976. Public Works and Transportation. Amends the Airport and Airway Development Act of 1970 to make privately owned airports which are, or will be, used for public purposes eligible to receive Federal assistance under such Act for airport development projects.

H.R. 15434. September 2, 1976. District of Columbia; Public Works and Transportation. Directs the Mayor of the District of Columbia to enter into an agreement with appropriate Federal officials setting the rates to be paid by the District of Columbia Government and other units of government for the delivery of water from the Potomac River through the Washington Aqueduct.

H.R. 15435. September 2, 1976. Public Works and Transportation. Authorizes the States to administer permit programs to regulate obstructions of intrastate navigable waters under the Act of 1899, relating to Federal regulations of rivers and harbors. Requires that such State programs meet minimum Federal standards.

H.R. 15436. September 2, 1976. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such program merits continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

Requires review of all tax deductions, credits, deferrals or other preferential tax provisions to determine the merits of such provisions.

H.R. 15437. September 2, 1976. Ways and Means. Provides that in any legal action initiated by the Government, or in any action instituted by a taxpayer contesting the accuracy of a deficiency or claiming a refund of taxes paid where the taxpayer prevails or substantially prevails, the Government shall be liable for the reimbursement in full of all reasonable litigation expenses incurred by the taxpayer as a consequence of legal defense, under the Internal Revenue Code.

H.R. 15438. September 2, 1976. Public Works and Transportation. Amends the Interstate Commerce Act to allow Class III motor carriers (certain passenger and freight motor carriers) to enter into unification, merger or acquisition of control transactions without the approval of the Interstate Commerce Commission.

H.R. 15439. September 2, 1976. Public Works and Transportation. Amends the Interstate Commerce Act to authorize the Interstate Commerce Commission to prescribe regulations with respect to the use by motor carriers of motor vehicles not owned by them to insure that the party responsible for the purchase of fuel is adequately compensated by the terms of the lease or contract for fuel costs in the event a transportation emergency either exists or is anticipated.

H.R. 15440. September 2, 1976. Public Works and Transportation; Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize freight forwarders, for a two-year period, to enter into, or operate under, contracts for the utilization by such freight forwarders of the services and instrumentalities of common carriers by railroad. Requires the Commission to report to the Congress the effect of such authorization on the consumer, shipper, freight forwarder, and other segments of the surface transportation industry.

H.R. 15441. September 2, 1976. Public Works and Transportation; Interstate and Foreign Commerce; Merchant Marine and Fisheries. Amends the Interstate Commerce Act to authorize the Interstate Commerce Commission, after a full hearing, to establish through routes, joint classifications, and joint rates, fares or charges applicable to the transportation of property by common carriers by motor vehicle and other such carriers or common carriers by rail, express, or water.

H.R. 15442. September 2, 1976. Public Works and Transportation; Interstate and Foreign Commerce. Amends the Interstate Commerce Act to revise procedures for the handling of any matter regarding surface transportation common carriers which is referred or assigned to the Interstate Commerce Commission for disposition.

H.R. 15443. September 2, 1976. Public Works and Transportation; Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize persons who are not common carriers to acquire control of class I railroad or motor carriers, class A water carriers, or freight forwarders with the approval of the Interstate Commerce Commission.

Sets forth regulations relating to such persons regarding the issuance of securities, assumption of liabilities, financial transactions with other carriers, and disclosure of interests in such carrier.

H.R. 15444. September 2, 1976. Public Works and Transportation; Interstate and Foreign Commerce. Amends the Interstate Commerce Act to authorize the Interstate Commerce Commission to approve pooling or division of traffic, service, or earnings agreements between common carriers other than railroads without a hearing and within a 30 day time period if the Commission determines that such agreement is not of major transportation importance and there is not a substantial likelihood that such agreement will unduly restrain competition.

H.R. 15445. September 2, 1976. Merchant Marine and Fisheries. Directs the Secretary of Commerce to study the California gray whale and to make recommendations to the President for the preservation of such mammal. Directs all Federal agencies to protect the gray whale until such recommendations are implemented.

Declares a moratorium on the killing or capturing of such mammal within the 200 mile limit of the United States.

Directs the Secretary of Commerce, with the Secretary of State, to initiate negotiations with Mexico and Canada for such preservation.

H.R. 15446. September 2, 1976. Interior and Insular Affairs. Designates lands within specified components of the National Wildlife Refuge System and the National Forest System as wilderness.

Directs the Secretary of Agriculture to review the suitability of, and the President to submit recommendations relative to, preserving lands within other specified national forests as wilderness.

H.R. 15447. September 2, 1976. Interior and Insular Affairs. Designates lands within specified components of the National Wildlife Refuge System and the National Forest System as wilderness.

Directs the Secretary of Agriculture to review the suitability of, and the President to submit recommendations relative to, preserving lands within other specified national forests as wilderness.

H.R. 15448. September 2, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods to consist of Members of Congress and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 15449. September 2, 1976. Interstate and Foreign Commerce. Amends the Medicaid program of the Social Security Act to require State Medicaid plans to cover the medical care expenses of an individual only when there is no other entity (other than the individual's family) liable for payment, and to limit the cases in which medical care expenses may be recovered from a recipient's estate to times after the death of such recipient.

H.R. 15450. September 2, 1976. Banking, Currency and Housing. Prescribes standards and procedures for disclosure of financial records of any customer by a financial institution to Federal agencies. Provides criminal and civil penalties for violations of this Act.

H.R. 15451. September 2, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct a replacement lock and dam on the Mississippi River. Withdraws all authority with respect to channel construction and modification on the Upper Mississippi River.

Directs the Upper Mississippi River Basin Commission to prepare a master plan for the Management of the Upper Mississippi River.

H.R. 15452. September 2, 1976. Banking, Currency and Housing. Requires any person who makes a federally-related mortgage loan to maintain facilities, to insure availability of information concerning such mortgage, and to provide adequate notification of foreclosure proceedings. Sets forth procedures which must be followed before the institution of foreclosure proceedings.

H.R. 15453. September 2, 1976. Banking, Currency and Housing. Requires any person who makes a federally-related mortgage loan to maintain facilities, to insure availability of information concerning such mortgage, and to provide adequate notification of foreclosure proceedings. Sets forth procedures which must be followed before the institution of foreclosure proceedings.

H.R. 15454. September 8, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods to consist of Members of Congress and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 15455. September 8, 1976. Judiciary. Amends the Clayton Act to prohibit persons with nonfarming business assets in excess of $3,000,000 from engaging in the production of agricultural products. Directs the Secretary of Agriculture to acquire, under certain circumstances, any property or interest of which a person must divest himself by virtue of this prohibition.

H.R. 15456. September 8, 1976. Judiciary; Education and Labor. Establishes standards and procedures which courts are to follow in school desegregation suits. Requires the review of court-imposed orders requiring the transportation of students three years after the date of entry of such order. Establishes a National Community and Education Committee to assist communities in the desegregation of their schools, including grants to community organizations for such purpose. Establishes a Federal Community Assistance Coordinating Council to consult with community representatives seeking Federal aid for programs to facilitate desegregation.

H.R. 15457. September 8, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods consisting of members of Congress and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 15458. September 8, 1976. Interstate and Foreign Commerce. Establishes a National Commission on Regulatory Reform to study and make recommendations on the activities and effects on the economy of certain Federal Regulatory agencies.

H.R. 15459. September 8, 1976. Ways and Means. Amends the Tariff Schedules of the United States to limit the importation of mushrooms.

H.R. 15460. September 8, 1976. Judiciary. Extends the Civil Rights Attorneys' Fees Awards Act of 1976 to permit a court to award to the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs in any action or proceeding to enforce equal rights under law, property rights of citizens, liability for deprevation of rights under color of law, liability for conspiracy to interfere with civil rights, liability for neglect with civil rights, prohibitions against education discrimination based on sex or blindness, and prohibitions against discrimination in federally assisted programs.

H.R. 15461. September 8, 1976. Interior and Insular Affairs. Authorizes acquisition of additional land at the Stones River National Battlefield, Tennessee.

H.R. 15462. September 8, 1976. Interstate and Foreign Commerce; International Relations. Amends the Horse Protection Act to prohibit the exportation from the United States of horses intended for slaughter, as determined by regulations promulgated by the Secretary of Commerce after consultation with the Secretary of Agriculture.

H.R. 15463. September 8, 1976. Interstate and Foreign Commerce; Judiciary. Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970 to impose minimum penalities for specified opiate-related offenses. Amends the Federal Rules of Criminal Procedure to require a hearing to determine whether a term of imprisonment and parole eligibility is mandatory for an opiate-related offense.

Establishes considerations for judicial officers setting conditions for release of any person charged with an opiate-related offense. Makes proceeds of such offenses subject to forfeiture to the United States.

H.R. 15464. September 8, 1976. Small Business. Amends the Small Business Act to authorize the Small Business Administration to make loans with respect to disasters resulting from any sewage or sludge deposit on any beach which renders such beach unfit for recreation, any fish kill, or any oil spill.

H.R. 15465. September 8, 1976. Public Works and Transportation; Interior and Insular Affairs. Terminates the authorization for the Tocks Island Reservoir project in New Jersey, New York, and Pennsylvania. Requires that property acquired by the Secretary of the Army pursuant to such authorization be transferred to the Secretary of the Interior for management by the National Park Service.

Requires relocation of a national highway to minimize adverse environmental impact on the area.

H.R. 15466. September 8, 1976. Post Office and Civil Service. Redefines air traffic controller for civil service retirement purposes to include persons actively engaged in providing preflight, inflight, or airport advisory services to aircraft operators.

H.R. 15467. September 8, 1976. Judiciary. Authorizes individuals to whom the proceeds of a child support order are payable to register such order in any court in any State in which the individual responsible for making such payments resides.

Allows courts in which such an order is registered to entertain contempt proceedings against an individual who fails to comply with the support order in the same manner as if such court originally issued the order.

H.R. 15468. September 8, 1976. Banking, Currency and Housing. Amends the Home Owners' Loan Act to permit federally chartered savings and loan associations located in New York to offer checking accounts to the extent that similar State-chartered institutions in New York are permitted to do so.

H.R. 15469. September 8, 1976. Merchant Marine and Fisheries. Establishes the Bicentennial Land Heritage Program for the acquisition, improvement, rehabilitation, and maintenance of units of the National Wildlife Refuge System, and for the improvement of recreation facilities within such system.

H.R. 15470. September 8, 1976. Interstate and Foreign Commerce. Amends the Solid Waste Disposal Act to prohibit the issuance of solid waste management regulations with respect to the sale or distribution of beverage containers at Federal facilities.

H.R. 15471. September 8, 1976. Education and Labor. Amends the Older Americans Act of 1965 to direct the Commissioner on Aging to establish a program to make supplemental food available to older persons determined to be nutritional risks because of inadequate nutrition and inadequate income. Directs the Commissioner to establish a program to make medical services and medical supplies available to older persons determined to be in special need of such services and supplies because of their medical condition and inadequate income.

H.R. 15472. September 8, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to establish the National Commission on the Implications of Biomedical Research and Medical Technology which shall undertake continuing and periodic studies to analyze and evaluate the implications of advances in biomedical research and medical technology.

H.R. 15473. September 8, 1976. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such program merits continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

Establishes the Citizens' Bicentennial Commission on the Organization and Operation of Government to study Federal agencies and to recommend measures to increase their efficiency.

Requires review of all preferential tax provisions to determine the merits of such provisions.

H.R. 15474. September 8, 1976. Ways and Means. Provides that in any legal action initiated by the Government, or in any action instituted by a taxpayer contesting the accuracy of a deficiency or claiming a refund of taxes paid where the taxpayer prevails or substantially prevails, the Government shall be liable for the reimbursement in full of all reasonable litigation expenses incurred by the taxpayer as a consequence of legal defense, under the Internal Revenue Code.

H.R. 15475. September 8, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to public and nonprofit private entities which are engaged in the development of new schools of veterinary medicine to assist in such development.

H.R. 15476. September 8, 1976. Judiciary. Grants a Federal charter to the United States Athletic Hall of Fame, Incorporated.

H.R. 15477. September 8, 1976. Public Works and Transportation. Restricts Federal regulation of wharves, piers, and other structures to specified coastal and inland waters of the United States.

H.R. 15478. September 8, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to require that if, upon completion of the construction of waste treatment works progress payments made pursuant to the Act exceed the Federal share of the project, the amount of such excess payments shall be deducted from revenue sharing funds due to the recipient of such overpayment.

H.R. 15479. September 8, 1976. Education and Labor. Amends the Education Amendments of 1972 to exempt from the sex discrimination prohibition provision of such Act, musical or social programs or activities.

H.R. 15480. September 8, 1976. Rules; Judiciary. Amends the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare a regional economic impact assessment of each public bill or resolution reported by a congressional committee analyzing the differential economic impact of such bill on various regions of the United States. Requires that a similar notice be prepared and made public for each Federal agency rule proposed.

H.R. 15481. September 8, 1976. Interstate and Foreign Commerce. Amends the Securities Exchange Act to require specified issuers of securities to make and keep books, records, and accounts, and to devise and maintain an adequate system of internal accounting controls. Makes it unlawful to directly or indirectly falsify any book, record, or document of an issuer.

Prohibits bribery of a foreign official by any domestic concern and establishes penalties for the commission of such offense.

H.R. 15482. September 8, 1976. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income of 25 percent of the rent paid by the taxpayer for his principal residence or for a site for a mobile home used as his principal residence.

H.R. 15483. September 8, 1976. Interior and Insular Affairs. Establishes the George W. Norris Home National Historic Site, Nebraska.

H.R. 15484. September 8, 1976. Judiciary. Declares a certain individual a widow for purposes of civil service retirement benefits.

H.R. 15485. September 9, 1976. Agriculture; Ways and Means. Establishes a base domestic price for sugar and an adjustment formula for such price.

Amends the Tariff Schedules of the United States to establish variable customs duties on the importation of sugar. Exempts such imports from the general preference system. Repeals the special rates for sugar imported from Cuba. Prohibits the exportation or importation of sugar, except under certain determinations by the Secretary of Agriculture regarding domestic supply.

Imposes civil penalties for violation of this Act.

Requires the President to find that modification of such duties would not interfere with purposes of this Act, prior to making any such modification.

H.R. 15486. September 9, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15487. September 9, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to offer a special pay incentive to prevent the turnover of nursing assistants.

H.R. 15488. September 9, 1976. Interstate and Foreign Commerce. Amends the Controlled Substances Act to impose special penalties for illegal distribution of controlled substances in or adjacent to elementary and secondary schools.

H.R. 15489. September 9, 1976. Judiciary. Requires, when a defendant is convicted of an offense punishable by death, that a sentencing hearing be held in accordance with the provisions of this Act.

Imposes the death penalty on persons

guilty of rape, murder, any offense for which the death penalty is available because death resulted, and gathering or delivering defense information to aid a foreign government, provided that none of certain mitigating factors are present and that a jury makes certain findings by special verdict.

Requires review by the appropriate court of appeals of any case in which the death sentence is imposed.

H.R. 15490. September 9, 1976. Ways and Means. Amends the program of Old-Age, Survivors, and Disability Insurance of the Social Security Act to reduce the waiting period for disability insurance benefits. Eliminates the provisions presently requiring a qualifying period for such program and for medicare benefits.

H.R. 15491. September 9, 1976. Veterans' Affairs. Provides for annual adjustments in the rates of veterans' benefits based upon fluctuations in the Consumer Price Index.

H.R. 15492. September 9, 1976. Ways and Means. Amends the Internal Revenue Code of 1954 and the program of Old-Age, Survivors, and Disability Insurance of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization on behalf of its employees shall constitute a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund of such taxes. Provides that such taxes may be paid in installments, with the filing a valid waiver certificate.

H.R. 15493. September 9, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15494. September 9, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 15495. September 9, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to plan and establish wetlands areas in connection with dredging activities required for water resources development projects.

H.R. 15496. September 9, 1976. Public Works and Transportation. Authorizes the Administrator of the Environmental Protection Agency to make grants and provide technical assistance to eligible States, municipalities, or municipal or interstate agencies for the construction or acquisition of facilities for the use or land disposal of sewage sludge.

H.R. 15497. September 9, 1976. Ways and Means. Permits federally funded State unemployment insurance programs to compensate employers hiring individuals who would otherwise be unemployed with the funds which would otherwise go to such individuals.

H.R. 15498. September 9, 1976. Interior and Insular Affairs. Designates lands with specified components of the National Wildlife Refuge System and the National Forest System as wilderness.

Directs the Secretary of Agriculture to review the suitability of, and the President to submit recommendations relative to preserving lands within other specified national forests as wilderness.

H.R. 15499. September 9, 1976. Government Operations. Specifies instances when Federal agencies must use procurement, grant, or cooperative agreement contracts for the purposes of distinguishing Federal procurement and assistance relationships.

Authorizes agencies to permit specified recipients of government funds to retain title to tangible property purchased with such funds.

Directs the Director of the Office of Management and Budget to undertake a study to develop a better understanding of alternative means of implementing Federal assistance programs.

H.R. 15500. September 9, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Diabetes Advisory Board to insure the implementation of a long range plan to combat diabetes. Authorizes the Secretary to make grants to scientists who have shown productivity in diabetes research for the purpose of continuing such research. Authorizes, under the Public Health Service Act, the appropriation of specified sums for the purposes of making grants to centers for research and training in diabetic related disorders.

H.R. 15501. September 9, 1976. District of Columbia. Restates the charter of the George Washington University, Washington, D.C.

H.R. 15502. September 9, 1976. Judiciary. Eliminates the jurisdiction of the Supreme Court and Federal district courts to review any case relating to voluntary prayers in public schools and public buildings.

H.R. 15503. September 9, 1976. Merchant Marine and Fisheries. Authorizes the Secretary of the department in which the Coast Guard is operating to provide transportation by motor vehicle or water carrier for persons attached to, or employed in, such department to and from their places of employment.

H.R. 15504. September 9, 1976. Interstate and Foreign Commerce. Repeals the National Health Planning and Resources Development Act of 1974.

H.R. 15505. September 9, 1976. Post Office and Civil Service. Specifies civil penalties for persons who continue to engage in conduct which the Postal Service determines to constitute either (1) a scheme or device for obtaining money or property through the mail by means of false pretenses or (2) a lottery, gift enterprise, or similar scheme for the distribution of money or property, and for persons who fail to comply with orders issued by the Postal Service as a result of such a determination.

H.R. 15506. September 9, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15507. September 9, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15508. September 9, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15509. September 9, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15510. September 9, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 15511. September 9, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15512. September 10, 1976. Agriculture. Amends the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to make and insure loans under such Act for the solar heating or cooling of residential structures on family farms.

H.R. 15513. September 10, 1976. Banking, Currency and Housing. Increases the amount of loans which may be made, insured, or purchased by specified housing programs if such loan concerns a dwelling unit which is heated or cooled by solar energy. Amends the National Housing Act to provide for the increase in amount of home improvement loans which may be insured if the loan is used to acquire a solar energy system.

Amends the Housing and Community Development Act to authorize the use of community development activities related to the use of solar energy in residential housing.

H.R. 15514. September 10, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make loans and loan guarantees to veterans for the purchase of solar heating and cooling systems to be used in any dwelling or farm residence to be owned and occupied by the veteran as his home.

H.R. 15515. September 10, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods consisting of members of Congress and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 15516. September 10, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to convey to the government of Guam, the government of the Virgin Islands, and the government of American Samoa, all right, title, and interest of the United States in deposits of oil, gas, and other minerals in the submerged lands conveyed to the governments of such territories not later than 60 days after the enactment of this Act.

H.R. 15517. September 10, 1976. Ways and Means. Extends until January 2, 1979, special tax provisions for individuals wounded in Vietnam and spouses of persons missing in Vietnam.

H.R. 15518. September 10, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15519. September 10, 1976. Veterans' Affairs. Provides that recipients of veterans' pensions and dependency and indemnity compensation shall not have the amount of such pension or compensation reduced because of cost-of-living and general benefit increases in monthly social security benefits.

Increases the allowable amount of unearned income for spouses of veterans receiving non-service connected disability pensions.

H.R. 15520. September 10, 1976. Ways and Means. Directs the Secretary of Health, Education, and Welfare to develop and implement a system for the issuance of social security benefit checks on a staggered or cyclical basis.

H.R. 15521. September 10, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to include within the coverage of such program the cost of drugs requiring a doctor's prescription.

H.R. 15522. September 10, 1976. Ways and Means. Amends the Social Security Act by reducing from 72 to 70 the age beyond which deductions on account of an individual's outside earnings will no longer be made from such individual's benefits under the Old-Age, Survivors, and Disability Insurance program.

H.R. 15523. September 10, 1976. Interstate and Foreign Commerce, Post Office and Civil Service. Amends the Public Health Service Act to entitle physicians employed by the Federal Government to a professional allowance in addition to basic pay.

Authorizes Federal agencies to enter into service agreements with prospective government physicians whereby the physician is paid a bonus in return for agreeing to work a specified number of years in such agency.

H.R. 15524. September 10, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the Professional Standard Review Program of the Social Security Act to assure the participation of registered professional nurses in the peer review and related activities authorized under such program.

H.R. 15525. September 10, 1976. Government Operations. Establishes within the Department of the Interior an Office of Assistant Secretary for Outer Continental Shelf Matters to carry out specified functions of the Secretary delegated to him by the Outer Continental Shelf Lands Act and other specified functions of other Federal agencies pertaining to the outer continental shelf.

Permits specified Federal agencies to make recommendations with respect to outer continental shelf matters, to be reviewed by a Council established by this Act which includes the governor of the State most affected by such recommendation and the head of the agency making such recommendation.

H.R. 15526. September 10, 1976. Judiciary. Declares a certain individual exempt from the English language requirements for naturalization, under the Immigration and Nationality Act.

H.R. 15527. September 10, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15528. September 10, 1976. Judiciary. Directs the Secretary of the Treasury to adjudicate the claims of a certain individual for replacement of Treasury checks not received by such individual.

H.R. 15529. September 13, 1976. Government Operations. Requires the Office of Management and Budget to study the efficiency and effectiveness of all Federal agencies every ten years.

Terminates such agency ten years after the submission of such report to the President and Congress unless Congress acts to continue such agency.

H.R. 15530. September 13, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the programs of Medicare, Medicaid, and Grants to States for Social Services of the Social Security Act to establish a Special Commission on Quality Assurance and Utilization Control in Home Health Care.

States that the Commission is to conduct a review of the provision of home health care and services in the United States, and to develop a plan for quality assurance and utilization control in such care.

H.R. 15531. September 13, 1976. Judiciary. Permits the use of unsworn declarations under penalty of perjury as evidence in Federal proceedings wherever, under any law of the United States or any requirement pursuant to law, any matter is required or permitted to be supported by a sworn declaration.

H.R. 15532. September 13, 1976. International Relations. Grants Congressional consent to retired members of the uniformed services, members of Reserve components of the Armed Services, and members of the Public Health Service Reserve Corps to accept employment with foreign governments if approved by the Secretary of State and the Secretary concerned (as defined by this Act).

H.R. 15533. September 13, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct the Little Cypress Lake and Reservoir in Texas.

H.R. 15534. September 13, 1976. Interior and Insular Affairs. Designates as wilderness lands within specified components of the National Wildlife Refuge System and the National Forest System. Directs the Secretary of Agriculture to review for suitability for, and the President to submit recommendations relative to, preserving as wilderness lands within other specified national forests.

H.R. 15535. September 13, 1976. Agriculture; Ways and Means. Establishes a base domestic price for sugar and an adjustment formula for such price. Amends the Tariff Schedules of the United States to establish variable customs duties on the importation of sugar. Exempts such imports from the general preference system. Repeals the special rates for sugar imported from Cuba. Prohibits the exportation or importation of sugar, except under certain determinations by the Secretary of Agriculture regarding domestic supply. Imposes civil penalties for violation of this Act. Requires the President to find that modification of such duties would not interfere with purposes of this Act, prior to making any such modification.

H.R. 15536. September 13, 1976. Ways and Means; Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, an Office of Central Fraud and Abuse Control which shall have responsibility for establishing policies designed to deal with fraud and abuse of the specified programs established pursuant to the Social Security Act. Increases the penalties imposed upon persons defrauding such programs.

H.R. 15537. September 13, 1976. Education and Labor; Ways and Means. Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers, Incorporated, and with any other non-profit community based organization for the provision of specified employment and training services for unemployed persons, especially unemployed youths. Directs that priority be given to such organizations to provide similar services under enumerated public works and revenue sharing programs.

Amends the Comprehensive Employment and Training Act to authorize the Secretary of Labor to provide financial assistance for year-round jobs for economically disadvantaged youths.

Amends the Internal Revenue Code to qualify wages paid to specified previously unemployed persons for the work incentive program expenses credit.

H.R. 15538. September 13, 1976. Standards of Official Conduct. Provides for the administration of title III of the Legislative Reorganization Act of 1946 (known as the Federal Regulation of Lobbying Act) by the Comptroller General of the United States.

Amends the Federal Regulation of Lobbying Act to make the Comptroller General responsible for collecting and compiling the accounting and registration reports lobbyists are required to file pursuant to such Act.

H.R. 15539. September 13, 1976. Armed Services; Merchant Marine and Fisheries; Ways and Means. Includes the Commissioned Corps of the National Oceanic and Atmospheric Administration within provisions authorizing the President to transfer any commissioned officer from such individual's armed forces to another armed force.

Deems the Commissioned Corps of the National Oceanic and Atmospheric Administration an armed force for the purpose of provisions entitling a member of an armed force to up to three months' pay in advance upon a change of permanent station.

Includes former Members of the Commissioned Corps of the National Oceanic and Atmospheric Administration within the classification "ex-servicemen" for purposes of Federal employee unemployment compensation.

H.R. 15540. September 13, 1976. Interior and Insular Affairs. Establishes the Santa Monica Urban Park in California. Directs the Secretary of the Interior to establish the Urban Park Planning Commission to develop the park plan.

H.R. 15541. September 13, 1976. Agriculture. Amends the Federal Meat Inspection Act to require that all meat products containing mechanically deboned meat to carry a label indicating that such product contains mechanically deboned meat and the amounts of fat, protein, and calcium contained in such meat food product.

H.R. 15542. September 13, 1976. Armed Services; Judiciary. Establishes the National Security Agency as an independent Executive agency to carry out the same functions it carries out as an agency in the Department of Defense.

Sets forth the duties of the Director of Central Intelligence which include coordination of foreign intelligence activities and informing Congress of covert activities involving significant risk.

Abolishes the Defense Intelligence Agency and transfers its functions to the Department of Defense and Central Intelligence Agency.

H.R. 15543. September 13, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act by establishing the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Programs. Provides that the Commission may undertake studies on the protection of human subjects of biomedical and behavioral programs and on research activities.

H.R. 15544. September 13, 1976. Interstate and Foreign Commerce. Establishes special interim procedures for preliminary approval of proposed rate schedules by the Federal Power Commission. Prohibits the use of rate schedules which shall become effective prior to approval by the Commission.

Details procedures for reporting and alleviating anticipated shortages of electric energy.

H.R. 15545. September 13, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15546. September 14, 1976. Public Works and Transportaton. Designates a specified building in Gary, Indiana, as the Ray J. Madden Post Office Building.

H.R. 15547. September 14, 1976. Education and Labor. Provides, under the National Labor Relations Act, that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees.

H.R. 15548. September 14, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce.

Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 15549. September 14, 1976. Education and Labor. Amends the Older Americans Act of 1965 to allow States to distribute Federal funds for the establishment of projects to provide home-delivered meals to qualified homebound elderly persons.

Directs the Commissioner of the Administration on Aging to conduct a demonstration project involving at least three states to determine the feasibility of using the meals system designed by the National Aeronautics and Space Administration for the elderly as a component of, or substitute for, regular nutrition projects assisted under such Act.

H.R. 15550. September 14, 1976. Judiciary. Amends the Clayton Act to prohibit discriminatory pricing between a manufacturing or wholesaling branch of a company and an affiliated marketing or retailing branch.

H.R. 15551. September 14, 1976. Agriculture; Ways and Means. Establishes a base domestic price for sugar and an adjustment formula for such price.

Amends the Tariff Schedules of the United States to establish variable customs duties on the importation of sugar. Exempts such imports from the general preference system. Repeals the special rates for sugar imported from Cuba. Prohibits the exportation or importation of sugar, except under certain determinations by the Secretary of Agriculture regarding domestic supply.

Imposes civil penalties for violation of this Act.

Requires the President to find that modification of such duties would not interfere with purposes of this Act, prior to making any such modification.

H.R. 15552. September 14, 1976. Judiciary. Establishes penalties for killing, attempting to kill, kidnapping, assaulting, or threatening a foreign officer, official guest, or internationally protected person. Establishes penalties for willfully interfering with a foreign official in the performance of official duties.

H.R. 15553. September 14, 1976. Judiciary. Grants a Federal charter to the American GI Forum of the United States.

H.R. 15554. September 14, 1976. Ways and Means. Imposes upon any article produced in a "foreign-trade zone" from foreign meat the import restrictions which would be applicable to the meat had it entered the United States from its country or origin.

H.R. 15555. September 14, 1976. Banking, Currency and Housing. Requires any person who makes a federally related mortgage loan to maintain facilities to insure availability of information concerning such mortgage, and to provide adequate notification of foreclosure proceedings.

H.R. 15556. September 14, 1976. Ways and Means. Amends the Internal Revenue Code to establish graduated corporate income tax rates. Increases the estate tax exemption and establishes a new rate schedule for the estate tax. Increases the gift tax exclusion and exemption and establishes a new gift tax rate. Provides special treatment for the sale of stock in a closely held corporation when sold to pay estate taxes. Redefines a subchapter S corporation. Allows tax credits for the hiring of new employees. Redefines section 1244 stock (small business stock, losses on which are treated as ordinary losses).

H.R. 15557. September 14, 1976. Ways and Means. Amends the Internal Revenue Code to extend special tax provisions for individuals wounded in Vietnam and spouses of persons missing in Vietnam.

H.R. 15558. September 14, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to study the feasibility of designating the following as units of the National Park System: (1) Frederick Law Olmsted Home and Office, Brookline, Massachusetts; (2) Saint Paul's Church, Eastchester, New York; and (3) all or part of Kalawao County, Molokai Island, Hawaii.

Directs the Secretary of the Interior to study the feasibility of establishing a National Museum of Afro-American History and Culture in the vicinity of Wilberforce, Ohio.

Directs the Secretary of Agriculture to designate all or part of the Shawnee Hills in specified counties in Illinois as a national recreation area.

H.R. 15559. September 14, 1976. Public Works and Transportation; Ways and Means. Authorizes the Secretary of Transportation to approve Federal participation in a State project to repair or replace unsafe bridges. Extends the Highway Trust Fund and the Land and Water Conservation Fund through fiscal year 1990. Postpones specified excise tax reductions under the Internal Revenue Code.

H.R. 15560. September 14, 1976. Ways and Means. Amends the Internal Revenue Code to redefine the rate of interest on money due to or from the Government in the case of a corporate taxpayer to be 125 percent of the adjusted rate established by the Secretary of the Treasury. Requires the Secretary to adjust the interest rate to the predominant rate quoted by banks to large business.

H.R. 15561. September 14, 1976. Ways and Means. Amends the Internal Revenue Code to authorize the Secretary of the Treasury to prescribe regulations to require disclosure with individual income tax returns, of all information concerning foreign financial accounts and banking interests which he determines is necessary to fulfill the purposes of the recordkeeping provisions of the Currency and Foreign Transactions Reporting Act.

H.R. 15562. September 14, 1976. Ways and Means; Veterans' Affairs; Judiciary. Congressional Action Line Act—Requires the Social Security Administration, the Veteran's Administration, and the Immigration and Naturalization Service to issue to any person requesting assistance from such agency a call card soliciting such person's opinion concerning the promptness, courtesy, and fairness with which his or her request was handled. Provides that the call card be preaddressed with the name and address of the United States Representative serving the district in which such person resides.

H.R. 15563. September 14, 1976. Interior and Insular Affairs. Stipulates that projects constructed under the Tennessee Valley Authority, the Small Reclamation Projects Act, and the Watershed and Flood Prevention Act, are authorized to recognize and provide for recreational and other public uses at dams and reservoirs constructed under such authority.

H.R. 15564. September 14, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15565. September 14, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain corporation in full setlement of such corporation's claims against the United States for interest on account of late payment of the final installment by the United States on a contract with such corporation.

H.R. 15566. September 15, 1976. Agriculture. Amends the Soil Conservation and Domestic Allotment Act to revise the methods of selecting and electing the county and local committees utilized by the Secretary in carrying out soil conservation programs under such Act.

H.R. 15567. September 15, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods to consist of Members of Congress and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 15568. September 15, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct a replacement lock and dam on the Mississippi River near Alton, Illinois. Withdraws all authority with respect to channel construction and modification on the Upper Mississippi River.

H.R. 15569. September 15, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior, upon determining that appropriate State and local officials have taken adequate protective measures, to designate a specified segment of the New River Gorge, West Virginia, as a component of the National Wild and Scenic Rivers System.

Prohibits the Federal Power Commission from licensing the construction of any project works under the Federal Power Act, and any other agency of the United States from assisting the construction of any water resources project, which would adversely effect the desirability of so designating such segment.

H.R. 15570. September 15, 1976. Interstate and Foreign Commerce; Public Works and Transportation. Amends the Hazardous Materials Transportation Act to require shippers of hazardous materials (presently extremely hazardous) to file registration statements with the Secretary of Transportation.

Authorizes appropriations for fiscal years 1977 and 1978 to carry out the provisions of such Act.

H.R. 15571. September 15, 1976. Ways and Means. Amends the Internal Revenue Code of 1954 and the program of Old-Age, Survivors, and Disability Insurance of the Social Security Act to provide that the payment of social security taxes by a nonprofit organization on behalf of its employees shall constitute a constructive filing by such organization of the certificate otherwise required to provide social security coverage for such employees if it has not received a refund of such taxes. Provides that such taxes may be paid in installments, with the filing a valid waiver certificate.

H.R. 15572. September 15, 1976. Judiciary. Entitles any person to receive reasonable legal fees associated with such person's participation in a proceeding before a Federal agency or before a court while challenging any action of such agency if such participation could not be undertaken without such reimbursement, is helpful, and is not entered into for the purpose of promoting unreasonable gain to such person.

H.R. 15573. September 15, 1976. Interior and Insular Affairs. Requires the Secretary of the Interior to undertake a study of the site of the 1964–1965 World's Fair in New York to determine the suitability of such area for inclusion in the Gateway National Recreation Area.

H.R. 15574. September 15, 1976. Ways and Means. Amends the Tariff Schedules of the United States to declare it the policy of Congress that the importation of prepared or preserved beef or veal (other than cured or pickled beef and veal and beef in airtight containers) be limited after 1976.

Sets forth procedures whereby the Secretary of Agriculture shall implement such limitations.

H.R. 15575. September 15, 1976. Ways and Means. Amends the Internal Revenue Code to establish graduated corporate income tax rates. Increases the estate tax exemption and establishes a new rate schedule for the estate tax. Increases the gift tax exclusion and exemption and establishes a new gift tax rate. Provides special treatment for the sale of stock in a closely held corporation when sold to pay estate taxes. Redefines a subcharter S corporation. Allows tax credits for the hiring of new employees. Redefines section 1244 stock (small business stock, losses on which are treated as ordinary losses).

H.R. 15576. September 15, 1976. Ways and Means; Interstate and Foreign Commerce; Veterans' Affairs. Amends Titles XVIII (Medicare) and (Medicaid) of the Social Security Act to require automatic sprinkler systems in all skilled nursing facilities and intermediate care facilities certified for participation in the Medicare or Medicaid programs. Requires sprinkler systems for such facilities in any program under the jurisdiction of the Veterans' Administration. Authorizes the Secretary to make loans to such facilities to assist them in financing part or all of the cost of purchasing and installing automatic sprinkler systems.

H.R. 15577. September 15, 1976. Interstate and Foreign Commerce. Establishes a program of financial and technical assistance for the development of resource recovery systems in the Environmental Protection Agency. Directs the Administrator of the Environmental Protection Agency to regulate wastes which are hazardous to health.

Establishes criteria for approval and implementation of State and regional discarded nationals plans. Creates a nonprofit corporation to assist in stimulating the market for resource recovery facilities.

H.R. 15578. September 15, 1976. Interior and Insular Affairs. Directs the Secretary of Agriculture to review the suitability of designating specified lands in Kisatchie National Forest, Louisiana, as wilderness.

H.R. 15579. September 15. 1976. International Relations. Amends the Foreign Assistance Act of 1961 to permit the chief executive of any State to use available space on military aircraft departing from such State to transport equipment and supplies to foreign countries affected by natural disasters.

H.R. 15580. September 15, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15581. September 15, 1976. International Relations. Amends the Foreign Assistance Act of 1961 to authorize additional appropriations for the relief of earthquake victims in Italy.

H.R. 15582. September 15, 1976. Public Works and Transportation. Names a Federal office building located in Bluefield, West Virginia, the "Elizabeth Kee Federal Building."

H.R. 15583. September 15, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for reimbursement for temporary living expenses incurred as a result of a transfer as an employee of the Bureau of Indian Affairs.

H.R. 15584. September 15, 1976. Judiciary. Declares a certain retired naval officer to be held and considered to have been promoted to a certain rank and to have been retired at that grade.

H.R. 15585. September 16, 1976. Armed Services. Authorizes the person to whom the Secretary of War granted permission to construct and operate a hotel on the Fort Monroe Military Reservation in Virginia to adapt the hotel for other uses as such person deems appropriate.

H.R. 15586. September 16, 1976. Post Office and Civil Service. Directs the President to increase with respect to pay periods commencing after October 1, 1976, the rates of pay under each Federal statutory pay system by 6½ percent in lieu of the percentage of increase determined under pay comparability provisions.

Excepts Members of Congress from such pay increase.

H.R. 15587. September 16, 1976. Agriculture. Amends the Forest and Rangeland Renewable Resources Planning Act to direct the Secretary of Agriculture to take certain actions directed at reducing the backlog of National Forest System lands needing reforestation.

Specifies guidelines and standards relating to the development and revision of land and resource management plans.

Revises provisions pertaining to sales of forest products found within national forests.

Prohibits the return of national forest lands to the public domain except by Act of Congress.

Abolishes the National Forest Reservation Commission.

H.R. 15588. September 16, 1976. Ways and Means.

Amends the Social Security Act to increase to $4,800 the amount of outside earnings which is permitted each year without any deductions from Old-Age, Survivors, and Disability Insurance Benefits. Revises the method for determining the monthly earnings limitation.

H.R. 15589. September 16, 1976. Armed Services. Directs the Secretary of Defense to provide tuition-free schooling at Department of Defense schools for dependents of present or former employees of the Department under specified conditions.

H.R. 15590. September 16, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to authorize payment under such program for services furnished to eligible individuals in State and local institutions provided such institutions are owned or operated by a State of subdivision thereof, and furnish services which constitute inpatient hospital services.

H.R. 15591. September 16, 1976. Education and Labor; Agriculture. Requires the Secretary of Agriculture to pay to any State or local agency administering a supplemental feeding program under the Agriculture and Consumer Protection Act of 1973, the administrative costs of such program in an amount not to exceed 20 percent of the total amount made available for such program in any fiscal year. Provides that the Secretary shall pay all administrative costs until such program has reached its projected caseload level or during the first 90 days after enactment of this Act, whichever is greater.

H.R. 15592. September 16, 1976. Armed Services. Authorizes commissioned officers of the Navy, Air Force, and Marine Corps to command companies of the Corps of Cadets at the United States Military Academy.

H.R. 15593. September 16, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to authorize the President to enter agreements establishing reciprocal arrangements between such program and the program of any foreign country under which health services are provided.

H.R. 15594. September 16, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to provide coverage for rural health clinic services including physician extended services.

H.R. 15595. September 16, 1976. Interstate and Foreign Commerce. Repeals the National Health Planning and Resources Development Act of 1974.

H.R. 15596. September 16, 1976. Post Office and Civil Service. Entitles physicians employed by the Federal Government to a professional allowance in addition to basic pay.

Authorizes Federal agencies to enter into service agreements with prospective government physicians whereby the physician is paid a bonus in return for agreeing to work a specified number of years in such agency.

H.R. 15597. September 16, 1976. Armed Services. Prohibits the Secretary of Defense from assigning, consolidating, or abolishing any function, power, or duty vested in the Department of Defense except where such an action would improve the administration or operation of the Department or with regard to the development and operational use of new weapons or weapons systems.

H.R. 15598. September 16, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to acquire specified lands for the establishment of Legionville National Historic Site, Pennsylvania.

H.R. 15599. September 16, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize and direct the Secretary of Health, Education, and Welfare to make grants to designated State agencies to meet part of the cost involved in planning, establishing, maintaining, coordinating, and evaluating programs for comprehensive services for school-age girls, their infants and children.

Specifies the requirements for State plans to qualify for Federal aid under this Act.

H.R. 15600. September 16, 1976. Interior and Insular Affairs. Directs the Secretary of the Treasury to pay a specified sum to certain Indian tribes in full settlement of such tribes' claims against the United States arising from the taking of lands compensable under the Indian Claims Commission Act.

H.R. 15601. September 16, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of such individuals' claims against the United States for proceeds of an insurance policy to which such individuals are beneficiaries.

H.R. 15602. September 16, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15603. September 16, 1976. Judiciary. Declares a certain individual to have satisfied the residence and physical presence in the United States requirements for naturalization under the Immigration and Nationality Act.

H.R. 15604. September 17, 1976. Judiciary. Grants a Federal charter to the National Humanities Center.

H.R. 15605. September 17, 1976. Interior and Insular Affairs. Revises the boundaries of Gateway National Recreation Area, New York and New Jersey, to include specified sections of the Flushing Meadows-Corona Park.

Permits the Secretary of the Interior to acquire lands owned by the State of New York within the revised boundaries by purchase or exchange as well as by donation.

Directs the Secretary of Commerce to transfer the United States pavilion of the 1964 World's Fair to the administrative jurisdiction of the Secretary of the Interior for administration as part of the recreation area.

H.R. 15606. September 17, 1976. Judiciary. Terminates all agency rules and regulations on specified dates. Requires the agency promulgating such rule to recommend to Congress before the expiration date of such rule whether it should be continued, allowed to expire, or replaced by an alternative rule. Makes such recommendation effective upon the expiration of such rule unless disapproved by either House of Congress.

H.R. 15607. September 17, 1976. Education and Labor. Amends the National Labor Relations Act to prohibit employers from making an agreement with a labor organization which shall require membership therein as a condition of employment.

H.R. 15608. September 17, 1976. Education and Labor. Amends the National Labor Relations Act to exempt full-time secondary and college students from compulsory union membership.

H.R. 15609. September 17, 1976. Education and Labor. Requires employers to provide workmen's compensation benefits in accordance with the minimum standards set forth in this Act.

Permits compensation claims to be brought in Federal court where both State law and the decision of the appropriate State agency fail to meet such minimum standards. Requires employers in States whose laws are not certified by the Secretary of Labor as complying with such standards to maintain evidence of financial ability to pay benefits in compliance with this Act.

Authorizes grants to States for improving workmen's compensation programs.

Establishes the National Worker's Compensation Advisory Commission.

H.R. 15610. September 17, 1976. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to authorize the Federal Communications Commission to regulate the use of protective components in audio and visual electronic equipment which are capable of reducing interference from radio frequency energy.

H.R. 15611. September 17, 1976. Judiciary. Makes the killing, assaulting, or intimidating of any officer or employee of the Federal Communications Commission performing investigative, inspection, or law enforcement functions a Federal criminal offense.

H.R. 15612. September 17, 1976. Ways and Means. Stipulates that, notwithstanding any provision of the Internal Revenue Code, the income tax liability of persons with adjusted gross incomes of $30,000 or less shall be no more than 10 percent of such income.

H.R. 15613. September 17, 1976. Ways and Means. Amends the Internal Revenue Code to provide a special excise tax on all fuels used in commercial transportation upon inland waterways.

H.R. 15614. September 17, 1976. Ways and Means. Amends the Tariff Schedules of the United States to declare it the policy of Congress that the importation of prepared or preserved beef or veal (other than cured or pickled beef and veal and beef in airtight containers) be limited after 1976.

Sets forth procedures whereby the Secretary of Agriculture shall implement such limitation.

H.R. 15615. September 17, 1976. Ways and Means. Amends the Tariff Schedules of the United States to declare it the policy of Congress that the importation of prepared or preserved beef or veal (other than cured or pickled beef and veal and beef in airtight containers) be limited after 1976.

Sets forth procedures whereby the Secretary of Agriculture shall implement such limitations.

H.R. 15616. September 17, 1976. Agriculture. Amends the Agricultural Act of 1970 to authorize the Secretary of Agriculture to purchase hay through the Commodity Credit Corporation for the purpose of establishing a reserve to be used to alleviate distress caused by a natural disaster.

H.R. 15617. September 17, 1976. Banking, Currency and Housing. Amends the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968 to revise the prerequisites for national flood insurance coverage and to eliminate flood insurance coverage as a condition for Federal approval of financial assistance for acquisition or construction of, or for lending institution loans secured by, any building, mobile home, or personal property located or to be located in an area having special flood hazards.

Directs the Secretary of Housing and Urban Development to make payments to owners of property whose value has decreased as a result of being in an area identified as flood-prone.

H.R. 15618. September 17, 1976. Banking, Currency and Housing. Repeals the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973.

H.R. 15619. September 17, 1976. Ways and Means. Repeals the estate tax.

H.R. 15620. September 17, 1976. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the Commissioner of Education to make grants to, and enter into contracts with, schools of medicine, dentistry, and osteopathy for the purpose of offering regional three-year demonstration programs introducing secondary students from disadvantaged backgrounds to the health professions.

H.R. 15621. September 17, 1976. Education and Labor. Amends the Higher Education Act of 1965 to direct the Commissioner of Education to make annual grants to schools of medicine, dentistry, and osteopathy for the purpose of offering regional medical academic summer enrichment programs for undergraduate students from deprived educational or economic backgrounds.

H.R. 15622. September 17, 1976. Education and Labor. Directs the Secretary of Health, Education, and Welfare to make annual grants to schools of medicine, osteopathy, and dentistry for the support of education programs of such schools relating to the special needs of students from disadvantaged backgrounds enrolled in such schools.

H.R. 15623. September 17, 1976. Ways and Means. Authorizes any taxpayer to elect to have any portion of any overpayment of tax or any contribution in money which the taxpayer forwards with the return for such taxable year, under the Internal Revenue Code, be available, as the taxpayer may designate on such return, for the National Endowment for the Arts or the National Endowment for the Humanities.

H.R. 15624. September 17, 1976. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to study the feasibility of extending shallow draft navigation on the Sabine River Channel project in Texas.

H.R. 15625. September 17, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to implement a five year demonstration program to increase the average annual diversion of water from Lake Michigan.

H.R. 15626. September 17, 1976. Interstate and Foreign Commerce. Establishes special interim procedures for preliminary approval of proposed rate schedules by the Federal Power Commission. Prohibits the use of rate schedules which shall become effective prior to approval by the Commission. Details procedures for reporting and alleviating anticipated shortages of electric energy.

H.R. 15627. September 17, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to make grants to health agencies of States or their political subdivisions, or to any qualified nonprofit agency for programs of prenatal health care for adolescents, health care for infants of adolescent mothers, family planning services, social services and purchase adoption services for adolescent mothers.

H.R. 15628. September 17, 1976. Public Works and Transportation. Authorizes and directs the Secretary of Transportation to make grants to the Bi-State Development Agency of Illinois and Missouri for the planning, purchase and restoration of bridges which cross the Mississippi River and are located within the St. Louis, Missouri, metropolitan area.

H.R. 15629. September 17, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15630. September 20, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to provide separate and increased financing for the disability insurance program. Amends the Internal Revenue Code of 1954 to establish a Disability Insurance tax on self-employment income, employees' wages, and wages paid by employers. Revises the provisions granting State agencies the authority to make determinations of eligibility for disability insurance payments. Eliminates the requirement that months in the Medicare waiting period be consecutive.

H.R. 15631. September 20, 1976. Education and Labor. Authorizes the creation of a special Opportunities Industrialization Centers skill training and National Community Based Organizations job creation and employment program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations of sums necessary to fund program.

H.R. 15632. September 20, 1976. Interstate and Foreign Commerce. Requires the Federal Communications Commission to increase the channels available for use in the citizens radio service to 46 channels, and to designate one of the channels for the exclusive use of elderly persons or persons whose mobility is restricted.

Prohibits the Commission from prohibiting the modification of citizens band equipment to accommodate the increased channels provided for by this Act if such equipment meets reasonable standards promulgated by the Commission.

H.R. 15633. September 20, 1976. Judiciary. Makes funds available to any State which has submitted an approved plan to provide benefits to the spouse or dependents of any eligible rescue squad worker who has died as the direct and proximate result of an injury sustained in the performance of duties.

H.R. 15634. September 20, 1976. Judiciary. Establishes a procedure for appointment of a special prosecutor to investigate and prosecute Federal crimes involving abuse of Federal office, the financing or conduct of electives and election campaigns, or the obstruction of justice, perjury, or conspiracy.

H.R. 15635. September 20, 1976. Ways and Means. Amends the Internal Revenue Code to allow as a credit against tax a limited amount of specified higher education expenses, including tuition, fees, books, and supplies, incurred by the taxpayer for himself and any dependents.

H.R. 15636. September 20, 1976. Public Works and Transportation. Authorizes the initiation of advanced engineering and design for 24 water resources development projects. Authorizes the prosecution of seven additional projects under the Flood Control Act of 1968.

Authorizes appropriations for fiscal year 1978 for comprehensive river basin development programs.

H.R. 15637. September 20, 1976. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice for an employer to request that an employee or applicant for employment provide military discharge papers or other service-connected records, except with respect to inquiries regarding education, training, work experience, or convictions by a court-martial when such request is reasonably related to the position.

H.R. 15638. September 20, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the Medicare and Medicaid programs of the Social Security Act to require automatic sprinkler systems in all skilled nursing facilities and intermediate care facilities certified for participation in such programs unless a waiver of such requirement is granted in accordance with conditions set forth in this Act.

Establishes a program of low-interest Federal loans to assist such facilities in constructing or purchasing and installing automatic sprinkler systems.

H.R. 15639. September 20, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the Medicare and Medicaid programs of the Social Security Act to require automatic sprinkler systems in all skilled nursing facilities and intermediate care facilities certified for participation in such programs unless a waiver of such requirement is granted in accordance with conditions set forth in this Act.

Establishes a program of low-interest Federal loans to assist such facilities in constructing or purchasing and installing automatic sprinkler systems.

H.R. 15640. September 20, 1976. Judiciary. Grants original jurisdiction to United States district courts of civil actions against the United States arising out of loans guaranteed by the Secretary of Agriculture under the Emergency Livestock Credit Act of 1974.

H.R. 15641. September 20, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to establish a National Arthritis Advisory Board to assure the most effective utilization and organization of arthritis resources.

Directs the Secretary to establish a National Diabetes Advisory Board to insure the implementation of a long range plan to combat diabetes.

Directs the Secretary of Health, Education, and Welfare to establish a National Commission on Digestive Diseases. Requires the Commission to develop a long range plan for the use of national resources to deal with digestive diseases.

H.R. 15642. September 20, 1976. Ways and Means. Makes a clarifying amendment to the Tax Reform Act relating to the retention of a six month holding period for capital gains on agricultural commodities.

H.R. 15643. September 20, 1976. Public Works and Transportation. Amends the Interstate Commerce Act to allow a successful plaintiff in a suit against a carrier for damages sustained in the transportation of property to collect reasonable attorney's fees.

H.R. 15644. September 20, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15645. September 20, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15646. September 20, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum of a certain corporation in full settlement of such corporation's claims against the United States for amounts withheld from payments of certain drawback claims.

H.R. 15647. September 21, 1976. Public Works and Transportation. Amends the Water Resources Development Act of 1974 to authorize the appropriation of such sums as may be necessary for collection and removal of drift in New York harbor.

H.R. 15648. September 21, 1976. Education and Labor. Amends the Juvenile Justice and Delinquency Prevention Act of 1974 to eliminate the requirement that State juvenile justice system plans submitted thereunder provide that juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult not be placed in juvenile detention or correctional facilities.

H.R. 15649. September 21, 1976. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation education, and the rate of interest payable on certain obligations of the United States.

H.R. 15650. September 21, 1976. Government Operations. Establishes the Government Executive Analysis and Reform (GEAR) Commission and a Task Force on American Federalism.

Directs the Commission to study the structure of Federal agencies and programs and to recommend methods to improve the efficiency of the Federal Government.

Directs the Task Force to study the appropriate levels of responsibility shared among Federal, State and local governments and to recommend constitutional, legislative, and administrative changes necessary to achieve a proper balance and division of Federal, State and local roles.

H.R. 15651. September 21, 1976. Judiciary. Amends the Voting Rights Act of 1965 to repeal the prohibitions against voting qualifications, prerequisites, tests, or devices which abridge the right of a citizen to vote who is a member of a language minority.

Repeals the requirement that States and other political subdivisions make available registration and voting materials, and voting assistance in languages other than English.

H.R. 15652. September 21, 1976. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings into community centers, senior citizen centers, and specified educational, medical or social service centers.

Directs the Secretary to serve as a national clearinghouse to local agencies by providing information on possible alternative uses for closed school buildings.

H.R. 15653. September 21, 1976. Ways and Means. Entitles taxpayers, under the Internal Revenue Code, to elect to take a deduction with respect to the amortization of any qualified school or hospital property, which was purchased from a tax-exempt organization, based on a period of 180 months.

H.R. 15654. September 21, 1976. Banking, Currency and Housing. Exempts depository institutions situated in New York and New Jersey from the prohibition against offering interest or dividend-paying accounts, from which the owner may make withdrawals be negotiable or transferable instruments for the purpose of making transfers to third parties.

H.R. 15655. September 21, 1976. Post Office and Civil Service. Entitles the former spouse of a Federal employee or Member of Congress to a portion of that employee's or Member's annuity, and to a portion of the annuity of any surviving spouse of such employee or Member.

H.R. 15656. September 21, 1976. Ways and Means; Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, an Office of Central Fraud and Abuse Control which shall have responsibility for establishing policies designed to deal with fraud and abuse in the specified programs established pursuant to the Social Security Act. Increases the penalties imposed for such fraud.

H.R. 15657. September 21, 1976. Banking, Currency and Housing; Judiciary. Prescribes standards and procedures for disclosure of financial records of any customer by a financial institutions to any State or any political subdivision of any State. Sets conditions under which the interception of oral or wire communications in the course of doing business is lawful. Establishes criminal and civil penalties for violations of this Act.

H.R. 15658. September 21, 1976. Education and Labor. Directs the President, through the Secretary of Labor, to carry out a program of demonstration projects designed to increase economic productivity and expand employment opportunities. Establishes an Advisory Committee on Human Resources and Employment Opportunities to furnish advice and assistance in the administration of the demonstration projects program.

H.R. 15659. September 21, 1976. Veterans' Affairs. Authorizes and directs the Secretary of Defense to bring back the remains of an unidentified American who lost his life during the Vietnam conflict and to provide for the burial of such person in the Memorial Amphitheater of the National Cemetery at Arlington, Virginia.

H.R. 15660. September 21, 1976. Agriculture. Authorizes the Secretary of Agriculture to make grants on a matching basis to the States, Puerto Rico, the Virgin Islands, and Guam to provide financial assistance to urban areas for the planting, maintenance and protection of trees and shrubs.

H.R. 15661. September 21, 1976. Judiciary. Declares a certain retired military officer to have been entitled to retired pay for nonregular service on his date of death and specifies such date for purposes of the eligibility of his wife for Armed Forces survivor benefits.

H.R. 15662. September 22, 1976. Interior and Insular Affairs. Authorizes a study of the feasibility and desirability of establishing the Santa Margarita National Recreation Area, in the area which is now Camp Pendleton, Calif.

H.R. 15663. September 22, 1976. Education and Labor. Amends the Occupational Safety and Health Act of 1970, to stipulate that whenever an employer's failure to comply with any provision of that act or any State requirements relating to industrial safety causes or contributes to an accident resulting in bodily injury, no provision of any workers' compensation law or similar statute shall be construed to bar an action at law for contribution, indemnification, or other relief against the employer by a person alleged liable for such injury.

H.R. 15664. September 22, 1976. Judiciary. Amends the Bankruptcy Act to include among debts which have priority, specified debts to consumers of deposits of money made in connection with the purchase of goods or services for personal or household use not delivered on the date of bankruptcy.

H.R. 15665. September 22, 1976. Judiciary. Amends the Immigration and Nationality Act to repeal the limit on the number of petitions for preference status which may be granted to a petitioner on behalf of an alien orphan immigrating to the United States for adoption.

H.R. 15666. September 22, 1976. Interstate and Foreign Commerce. Directs the Federal Communications Commission to amend its rules and regulations with respect to the Fire Radio Service to permit the transmission of communications of a nonemergency nature relating to official fire department business over frequencies available to the Fire Radio Service.

H.R. 15667. September 22, 1976. Post Office and Civil Service; House Administration. Expands the prohibition of the employment by any public official of any relative of such public official in an agency in which such official serves or over which such official exercises jurisdiction or control to cover the legislative branch.

H.R. 15668. September 22, 1976. Rules; Judiciary. Amends the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare a regional economic impact assessment of each public bill or resolution reported by a congressional committee analyzing the differential economic impact of such bill on various regions of the United States. Requires that a similar such notice be prepared and made public for each Federal agency rule proposed.

H.R. 15669. September 22, 1976. Ways and Means. Amends the Medicare and Medicaid programs of the Social Security Act to include the services of licensed practical nurses under the coverage provided pursuant to such programs.

H.R. 15670. September 22, 1976. Ways and Means. Imposes upon any article produced in a "foreign-trade zone" in a possession or territory of the United States from foreign meat the import restrictions which would be applicable to the meat had it entered the United States from its country of origin.

H.R. 15671. September 22, 1976. Veterans' Affairs. Names the Edith Nourse Rogers Memorial Veterans Hospital in Bedford, Massachusetts.

H.R. 15672. September 22, 1976. Ways and Means; Rules; Banking, Currency and Housing; Education and Labor. Amends the Internal Revenue Code to provide an exclusion for interest income from savings deposits, a cost-of-living adjustment for property depreciation and the general surtax exemption, and a deduction for all dividends paid by domestic corporations.

Directs the Federal Reserve Board to keep monetary releases commensurate with long term predictions for growth in production and to make quantity reports to Congress concerning its long and short term policies. Amends the Congressional Budget and Impoundment Control Act to limit annual growth on total budget outlays by Congress to the growth not anticipated for the GNP. Amends the Fair Labor Standards Act to lower minimum wages for certain youth.

H.R. 15673. September 22, 1976. Atomic Energy. Amends the Energy Reorganization Act of 1974 to require that the Energy Research and Development Administration notify appropriate State legislatures of plans for radioactive waste storage facilities. Stipulates that such facilities shall not be constructed in States where the legislature by concurrent resolution states that the proposed site shall not be used for such purpose.

H.R. 15674. September 22, 1976. Interstate and Foreign Commerce; Interior and Insular Affairs. Establishes procedures for administrative review and Presidential decision-making concerning the selection of a natural gas transportation system to deliver Alaska natural gas to other states. Details procedures for Congressional review of such Presidential decision.

Suspends various procedural requirements imposed by the Mineral Leasing Act of 1920 and the National Environmental Policy Act of 1969. Imposes limitations on judicial review of administrative actions taken pursuant to this Act.

H.R. 15675. September 22, 1976. Public Works and Transportation. Amends the Interstate Commerce Act to increase the amount of capital stock or principal value of other securities which may be issued by a motor carrier without the authorization of the Interstate Commerce Commission.

H.R. 15676. September 22, 1976. Banking, Currency and Housing. Directs the Secretary of the Treasury to strike and deliver to the Friends of Valley Forge, Pennsylvania, medals to commemorate the two hundredth anniversary of the encampment of the American Army at Valley Forge.

H.R. 15677. September 23, 1976. Veterans' Affairs. Removes the military service time requirements for qualification as a veteran of the Indian Wars, Mexican Border period, World Wars I and II, the Korean conflict or the Vietnam era.

H.R. 15678. September 23, 1976. Interstate and Foreign Commerce; Judiciary; Ways and Means. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce.

Reaffirms the authority of the States to regulate terminal and station equipment used for telephone service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

Prohibits interceptions of specified communications by communications common carriers. Makes telephone company advertising expenses non-tax deductible.

H.R. 15679. September 23, 1976. Judiciary. Amends the Immigration and Nationality Act to repeal the limit on the number of petitions for preference status which may be granted to a petitioner on behalf of an alien orphan immigrating to the United States for adoption.

H.R. 15680. September 23, 1976. Veterans' Affairs. Provides a pension for all veterans of World War I, or their widows.

H.R. 15681. September 23, 1976. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction in an amount not to exceed $1,000 for amounts paid by the taxpayer to an eligible educational institution for tuition for the attendance of the taxpayer or any eligible dependent.

H.R. 15682. September 23, 1976. Judiciary. Places within the competitive civil service all positions in the Federal Bureau of Investigation.

H.R. 15683. September 23, 1976. International Relations. Authorizes the President to regulate the privileges and immunities of foreign diplomatic missions and their personnel, in a manner consistent with international agreements.

Requires the President to periodically publish a list of permanent foreign diplomatic missions and the personnel thereof.

Declares void any judicial writ or process against a person or the property of any person entitled to immunity from suit or process under the Vienna Convention on Diplomatic Relations.

H.R. 15684. September 23, 1976. International Relations. Authorizes the President to regulate the privileges and immunities of foreign diplomatic missions and their personnel, in a manner consistent with international agreements.

Requires the President to periodically publish a list of permanent foreign diplomatic missions and the personnel thereof.

Declares void any judicial writ or process against a person or the property of any person entitled to immunity from suit or process under the Vienna Convention on Diplomatic Relations.

H.R. 15685. September 23, 1976. Armed Services; Merchant Marine and Fisheries. Establishes a Commission to Study the Quality of Instruction at the Service Academies to: (1) study the quality of instruction and training at the service academies; (2) study the feasibility of including more civilian professors and instructors; and (3) study the rules of the academies concerning the conduct of cadets.

H.R. 15686. September 23, 1976. Public Works and Transportation. Designates the Secret Service Training Center at Beltsville, Maryland, as the "James Rowley Secret Service Training Center."

H.R. 15687. September 23, 1976. Post Office and Civil Service. Subjects all activities of the United States Postal Service which involve the management and for disposal of surplus and excess Government property, held by the Postal Service at the time of its establishment to the appropriate provisions of the Federal Property and Administrative Service Act of 1949.

H.R. 15688. September 23, 1976. Ways and Means. Amends the Internal Revenue Code to allow as a credit against the personal income tax an amount equal to a specified percentage of the rental payments made by a taxpayer for his principal residence.

H.R. 15689. September 23 1976. Post Office and Civil Service; Rules. Reduces the rates of postage for all first-class mail. Requires that notice of any Postal Rate Commission decision to increase first-class rates be transmitted to Congress. Stipulates that no increase may take effect if Congress adopts a resolution disapproving the increase.

H.R. 15690. September 23, 1976. Banking, Currency and Housing. Provides statutory authority for Federal banking agencies relating to financial institutions, competition among such institutions, the flow of funds for mortgage credit.

Amends the Federal Credit Union Act to establish the National Credit Union Administration and the National Credit Union Administration Discount Fund.

Establishes the Deposit Interest Rate Control Committee.

Amends the Home Owners' Loan Act to direct the Home Loan Bank Board to cause Federal Savings and Loan Associations to become primarily long-term residential mortgage lenders.

H.R. 15691. September 23, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce.

Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 15692. September 23, 1976. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to require that comprehensive State plans submitted thereunder include provisions for the prevention of arson.

H.R. 15693. September 23, 1976. Ways and Means. Amends the Tariff Schedules of the United States to declare it the policy of Congress that the importation of prepared or preserved beef or veal (other than cured or pickled beef and veal and beef in airtight containers) be limited after 1976.

Sets forth procedures whereby the Secretary of Agriculture shall implement such limitations.

H.R. 15694. September 23, 1976. Ways and Means; Government Operations. Establishes a Task Force on the Taxation of Real Property by State and Local Governments to study and evaluate the effects of such taxation on middle income and fixed income taxpayers, and the feasibility of designing Federal policies to reduce the dependency of State and local governments on such taxation.

H.R. 15695. September 23, 1976. International Relations. Amends the Arms Export Control Act to require the General Accounting Office, upon request of the Senate Committee on Foreign Relations or the House of Representatives Committee on International Relations, to submit an analysis of a proposed sale or a proposed licensing for export of defense articles or services.

H.R. 15696. September 23, 1976. Agriculture; International Relations. Authorizes the Secretary of Agriculture to make shipping subsidy payments to persons selling surplus agricultural commodities for export under specified conditions.

H.R. 15697. September 23, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to eliminate age limitation with respect to the requirement that all personnel actions affecting employees or applicants for employment in Federal agencies, the United States Postal Service, or the District of Columbia government be taken without regard to such employees' or applicants' age.

H.R. 15698. September 23, 1976. Government Operations. Declares it the policy of the Federal Government, in cooperation with State and local governments, to use all practical means to provide sufficient incentives to assure maximum investment in private enterprise.

Requires the President to focus on such policy in an Investment Policy Report to be included in the annual Economic Report to Congress. Calls for the cooperation and coordination of Federal agencies in carrying out such policy.

H.R. 15699. September 23, 1976. Judiciary Declares a certain individual to have satisfied the residence and physical presence in the United States requirements for naturalization under the Immigration and Nationality Act.

H.R. 15700. September 23, 1976. Judiciary. Permits passenger transport on a specified vessel between ports or places adjacent to the Great Lakes.

H.R. 15701. September 27, 1976. Judiciary. Grants the consent of Congress to the agreement between the States of North Dakota and Minnesota with respect to the boundary between such States.

H.R. 15702. September 27, 1976. Agriculture. Amends the Agricultural Act of 1949 to provide increased disaster relief benefits to farmers who plant wheat, feed grains, cotton or rice in excess of their allotments with respect to the 1976 and 1977 crops of such commodities.

H.R. 15703. September 27, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the programs of medicare, medicaid, and grants to States for social services of the Social Security Act to establish a Special Commission on Quality Assurance and Utilization Control in Home Health care.

Requires the Commission to conduct a review of the provision of home health care and services in the United States, and to develop a plan for quality assurance and utilization control in such care.

HR. 15704. September 27, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15705. September 27, 1976. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to establish a National Commission on Digestive Diseases. Requires the Commission to develop a long-range plan for the use of national resources to deal with digestive diseases.

Directs the Secretary to establish a Coordinating Committee for Digestive Diseases to improve coordination among Federal agencies in the research, training, control, and treatment of digestive diseases.

H.R. 15706. September 27, 1976. Judiciary. Authorizes individuals to whom the proceeds of a child support order are payable to register such order in any court in any State in which the individual responsible for making such payments resides.

Allows courts in which such an order is registered to entertain contempt proceedings against an individual who fails to comply with the support order in the same manner as if such court originally issued the order.

H.R. 15707. September 27, 1976. Banking, Currency and Housing. Amends the Housing and Community Development Act of 1974 to eliminate as a condition for the approval of a community development grant by the Secretary of Housing and Urban Development that a local government has provided additional housing for low- or moderate-income persons when such community has a significant number of residents who receive governmental assistance.

H.R. 15708. September 27, 1976. Interior and Insular Affairs. Designates the Indiana Dunes National Lakeshore as the "Paul H. Douglas National Lakeshore."

H.R. 15709. September 27, 1976. Ways and Means; Interstate and Foreign Commerce. Establishes, within the Department of Health, Education, and Welfare, an Office of Central Fraud and Abuse Control which shall have responsibility for establishing policies designed to deal with fraud and abuse of the specified programs established pursuant to the Social Security Act. Increases the penalties imposed upon persons defrauding such programs.

H.R. 15710. September 27, 1976. Ways and Means. Amends the old-age, survivors, and disability insurance program of the Social Security Act: (1) to permit married couples filing joint tax returns to share their income for OASDI purposes as well; (2) to allow certain recipients of spouses' or survivors' benefits to include such benefits as income in determining their average monthly wage; (3) to lower the age of eligibility for such benefits to 50; (4) to eliminate the special dependency requirements for husband's and widower's benefits; and (5) to authorize children entitled to more than one child's insurance benefit to receive the total amount available.

H.R. 15711. September 27, 1976. Rules. Requires the President to attend quarterly joint sessions of Congress for the purpose of answering questions of Members relating to the duties of the President. Requires the Speaker of the House of Representatives to preside over such joint sessions, and to provide equal opportunity for Members of each political party to be recognized for the purpose of putting questions to the President.

H.R. 15712. September 27, 1976. Ways and Means. Imposes upon any article produced in a "foreign-trade zone" from foreign meat the import restrictions which would be applicable to the meat had it entered the United States from its country of origin.

H.R. 15713. September 27, 1976. Agriculture. Amends the Watershed Protection and Flood Protection Act to require expedited procedures in consideration of proposed projects by the Secretary of Agriculture. Exempts certain projects from provisions of the National Environmental Policy Act of 1969 with respect to the filing of environmental impact statements.

H.R. 15714. September 27, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States arising from contributions to the Social Security Trust Fund.

H.R. 15715. September 27, 1976. International Relations. Grants the consent of Congress to a certain retired military officer to accept employment with a foreign government.

H.R. 15716. September 28, 1976. Education and Labor. Amends the Occupational Safety and Health Act of 1970 to provide that any employer who successfully contests a citation or penalty under such Act shall be awarded a reasonable attorney's fee and other reasonable litigation costs.

H.R. 15717. September 28, 1976. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish a national cemetery to be known as the Fort Mitchell Regional Veterans' Cemetery in Russell County, Alabama if the Russell County Commission donates property in the Fort Mitchell area of the county which the Administrator and Commission mutually agree to appropriate for such use.

H.R. 15718. September 28, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to plan and establish wetlands areas in connection with dredging activities required for water resources development projects.

H.R. 15719. September 28, 1976. Education and Labor. Directs the Secretary of Labor to establish a program to provide financial assistance to State and local governments and private organizations for programs of training and employment for individuals between the ages of 16 and 24 inclusive.

Establishes in the Department of Labor a National Youth Full Employment Board and a Youth Job Guarantee Office.

H.R. 15720. September 28, 1976. Ways and Means. Amends the Internal Revenue Code to provide that where any death taxes are to be paid out of otherwise deductible bequests, devices or transfers for public, charitable or religious uses, the allowable deduction from the Federal estate tax for such transfers shall be an amount equal to the difference between the transfers and the tax which would have been applied against the rest of the estate.

H.R. 15721. September 28, 1976. Appropriations. Makes supplemental appropriations for fiscal year 1977 to the Animal and Plant Health Inspection Service of the Department of Agriculture to conduct pest control programs with respect to the Mediterranean fruit fly and the citrus black fly. Makes appropriations to the Agricultural Research Service within the Department for fiscal year 1977 to conduct research with respect to the control of the citrus black fly.

H.R. 15722. September 28, 1976. Ways and Means. Imposes upon any article produced in a "foreign-trade zone" from foreign meat the import restrictions which would be applicable to the meat had it entered the United States from its country of origin.

H.R. 15723. September 28, 1976. Post Office and Civil Service. Requires each agency administering a Government retirement system to establish procedures whereby the public can inspect and copy information regarding retirement benefits due to any present or former Federal officer or employee.

H.R. 15724. September 28, 1976. Interior and Insular Affairs. Establishes the George W. Norris Home National Historic Site, Nebraska.

H.R. 15725. September 28, 1976. Agriculture. Directs the Secretary of Agriculture to make payments to farmers and ranchers who operate a beef or dairy production business in an area designated as an emergency area or major disaster area and who are forced to sell their livestock foundation herd in order to avoid excessive financial losses.

H.R. 15726. September 28, 1976. Ways and Means. Amends the program of Old Age, Survivors, and Disability Insurance of the Social Security Act to provide that the marriage of a child qualified for child's insurance benefits under such act shall not terminate his or her eligibility for such benefits.

H.R. 15727. September 28, 1976. Ways and Means. Amends the Tariff Schedules of the United States to declare it the policy of Congress that the importation of fresh, chilled, or frozen cattle meat, fresh, chilled, or frozen meat of goats and sheep, and prepared or preserved beef or veal (other than cured or pickled beef and veal and beef in airtight containers) be limited after 1976.

Sets forth procedures whereby the Secretary of Agriculture shall implement such limitations.

H.R. 15728. September 28, 1976. Education and Labor. Affords States, upon compliance with the provisions of this act, the option of consolidating and reorganizing specified Federal programs of assistance to State and local educational agencies for elementary, secondary, vocational, and adult education into three broad categories for aid, and administrative purposes: (1) special educational needs programs, (2) vocational education programs, and (3) special emphasis projects.

H.R. 15729. September 28, 1976. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 15730. September 28, 1976. Merchant Marine and Fisheries. Authorizes the Secretary of the Department in which the Coast Guard is operating to promulgate regulations specifying the duties and qualifications of the operators and crews of specified types of vessels.

H.R. 15731. September 28, 1976. Public Works and Transportation. Amends the Federal-Aid Highway Act of 1976 to increase and extend the appropriations authorized under such Act for the Federal-aid primary system. Increases the Federal share of the cost for construction projects financed with primary funds on the Federal-aid primary system.

H.R. 15732. September 28, 1976. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction in an amount not to exceed $1,000 for amounts paid by the taxpayer to an eligible educational institution for tuition for the attendance of the taxpayer or any eligible dependent.

H.R. 15733. September 28, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants, contracts, and loan guarantees for the planning, initial development, and initial operation costs for comprehensive medical practices.

Directs that studies be made of health care delivery systems. Authorizes the Secretary to fund training and research projects related to support services, management, and education for comprehensive medical services.

H.R. 15734. September 28, 1976. Government Operations; Rules. Requires the President to report to the Congress yearly on suggestions for the reform of independent regulatory bodies in order to decrease their inflationary effects and to increase competition.

H.R. 15735. September 28, 1976. Rules; Government Operations. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such program merits continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

Establishes the Citizens' Bicentennial Commission on the Organization and Operation of Government to study Federal agencies and to recommend measures to increase their efficiency.

Requires review of all preferential tax provisions to determine the merits of such provisions.

H.R. 15736. September 28, 1976. Science and Technology. Establishes an Earth Resources Information System to utilize earth satellites and other observation sources to aid in the management and utilization of the Earth's resources.

H.R. 15737. September 28, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to establish the National Commission on the Implications of Biomedical Research and Medical Technology which shall undertake continuing and periodic studies to analyze and evaluate the implications of advances in biomedical research and medical technology.

H.R. 15738. September 28, 1976. Standards of Official Conduct; Judiciary. Prohibits the use of Federal funds by any corporation wholly owned by the Federal Government for the purpose of influencing any legislative issue before Congress, any State legislature, or on the ballot of any State.

H.R. 15739. September 28, 1976. Judiciary. Amends the Federal Rules of Evidence to prohibit, in cases of alleged rape or assault with intent to commit rape, the introduction of evidence of the victim's prior sexual behavior. Makes such prohibition inapplicable: (1) to evidence of the victim's prior sexual conduct with alleged assailant; and (2) to evidence of the victim's sexual behavior with others if it is offered by the accused on the issue of whether the accused was the source of the victim's pregnancy, disease, semen, or injury.

Makes inadmissible reputation or opinion evidence with respect to the victims' past sexual behavior.

H.R. 15740. September 28, 1976. Judiciary. Amends the Federal Rules of Evidence to prohibit, in cases of alleged rape or assault with intent to commit rape, the introduction of evidence of the victim's prior sexual behavior. Makes such prohibition inapplicable: (1) to evidence of the victim's prior sexual conduct with alleged assailant; and (2) to evidence of the victim's sexual behavior with others if it is offered by the accused on the issue of whether the accused was the source of the victim's pregnancy, disease, semen, or injury.

Makes inadmissible reputation or opinion evidence with respect to the victims' past sexual behavior.

H.R. 15741. September 28, 1976. Ways and Means. Amends the Medicare program of the Social Security Act to authorize payment under the supplementary medical insurance program for specified diagnostic tests and physical examinations given for the detection of breast cancer.

H.R. 15742. September 29, 1976. Judiciary. Prohibits the Department of Justice and the Federal Bureau of Investigation from compensating any person for furnishing information unless such compensation is expressly authorized by law.

H.R. 15743. September 29, 1976. Merchant Marine and Fisheries. Requires the Secretary of the Interior to convey the lands comprising the Harris Neck National Wildlife Refuge, Georgia, to the persons or heirs of the persons who owned such lands prior to their condemnation in 1943.

H.R. 15744. September 29, 1976. Ways and Means; Judiciary. Amends the Internal Revenue Code to provide reimbursement of all litigation expenses, including attorney's fees, incurred by a taxpayer who has substantially prevailed in any civil proceeding relating to a tax payment.

Requires the return of all subpenaed records obtained in an investigation of possible underpayments or tax law violations within 15 days after any administrative decision to close the investigation, or any final judicial decision in which the taxpayer has substantially prevailed, or after the expiration of the Statute of Limitations, whichever is the earliest.

H.R. 15745. September 29, 1976. Agriculture. Amends the Agricultural Act of 1970 to authorize the Secretary of Agriculture under certain conditions to purchase additional wheat, feed grains, and soybeans for the reserve inventories created under such Act used for alleviating distress caused by a natural disaster.

H.R. 15746. September 29, 1976. Interior and Insular Affairs. Prohibits mining or related operations from discharging amphibole asbestos fibers except on land and in accordance with regulations promulgated by the Secretary of the Interior.

H.R. 15747. September 29, 1976. Interior and Insular Affairs. Stipulates that mining companies or related operations which have discharged amphibole asbestos fibers into Lake Superior shall be required to pay for the cost of removing such fibers from water used for human consumption, under regulations promulgated by the Secretary of the Interior.

H.R. 15748. September 29, 1976. Education and Labor. Provides, under the Occupational Safety and Health Act of 1970 that whenever an employer's failure to comply with any provision of that Act or any State requirement relating to industrial safety causes or contributes to an accident resulting in bodily injury, no provision of any workers' compensation law or similar statute shall be construed to bar an action at law for contribution, indemnification, or other relief against the employer by a person alleged liable for such injury.

H.R. 15749. September 29, 1976. Banking, Currency and Housing. Requires any person who makes a federally-related mortgage loan to maintain facilities to insure availability of information concerning such mortgages, and to provide adequate notification of foreclosure proceedings.

H.R. 15750. September 29, 1976. Education and Labor; Ways and Means. Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers, Incorporated, and with any other nonprofit community based organization for the provision of specified employment and training services for unemployed persons, especially unemployed youth. Directs that priority be given to such organizations to provide similar services under enumerated public works and revenue sharing programs.

Amends the Comprehensive Employment and Training Act to authorize the Secretary of Labor to provide financial assistance for year-round jobs for economically disadvantaged youths.

Amends the Internal Revenue Code to qualify wages paid to specified previously unemployed persons for the work incentive program expenses credit.

H.R. 15751. September 29, 1976. Education and Labor; Ways and Means. Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers, Incorporated, and with any other nonprofit community based organization for the provision of specified employment and training services for unemployed persons, especially unemployed youth. Directs that priority be given to such organizations to provide similar services under enumerated public works and revenue sharing programs.

Amends the Comprehensive Employment and Training Act to authorize the Secretary of Labor to provide financial assistance for year-round jobs for economically disadvantaged youths.

Amends the Internal Revenue Code to qualify wages paid to specified previously unemployed persons for the work incentive program expenses credit.

H.R. 15752. September 27, 1976. Judiciary; Education and Labor. Establishes standards and procedures which courts are to follow in school desegregation suits. Requires the review of court-imposed orders requiring the transportation of students three years after the date of entry of such order. Establishes a National Community and Education Committee to assist communities in the desegregation of their schools, including grants to community organizations for such purpose. Establishes a Federal Community Assistance Coordinating Council to consult with community representatives seeking Federal aid for programs to facilitate desegregation.

H.R. 15753. September 29, 1976. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit for a portion of the expenses incurred by the taxpayer for the higher education of himself and his dependents in full-time programs leading to a bachelor's, or higher degree, or providing credit for such a degree.

H.R. 15754. September 29, 1976. International Relations. Repeals the power of the President under the Trading with the Enemy Act of 1917, to investigate, regulate or prohibit, during war or a national emergency: (1) any transaction in the foreign exchange of gold, silver, currency, or securities, and (2) any property transaction in which any foreign country or national has an interest.

Repeals the criminal penalties for violation of regulations issued pursuant to such power.

H.R. 15755. September 29, 1976. Interstate and Foreign Commerce; Judiciary; Ways and Means. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce.

Reaffirms the authority of the States to regulate terminal and station equipment used for telephone service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

Prohibits interceptions of specified communications by communications common carriers. Makes telephone company advertising expenses non-tax deductible.

H.R. 15756. September 29, 1976. Judiciary. Amends the Federal charter of AMVETS (American Veterans of World War II) to change the corporate name of such organization to AMVETS (American Veterans of World War II, Korea, and Vietnam).

H.R. 15757. September 29, 1976. Ways and Means. Excludes all compensation received for property damaged as a result of the Teton Dam failure in Idaho from gross income. Prohibits any recapture of investment credits on property whose accelerated disposition or retirement was caused by such failure.

Provides for nonrecognition of gain or certain property damaged as a result of such failure.

H.R. 15758. September 29, 1976. Banking, Currency and Housing. Requires the Emergency Loan Guarantee Board to terminate any loan guarantee made to any enterprise under the Emergency Loan Guarantee Act within 90 days of the enactment of this act.

H.R. 15759. September 29, 1976. Interstate and Foreign Commerce. Amends the Federal Hazardous Substance Act to ban as hazardous substances all aerosol containers containing fluorocarbons.

H.R. 15760. September 29, 1976. Public Works and Transportation. Amends the Federal-Aid Highway Act of 1976 to increase and extend the appropriations authorized under such act for the Federal-aid primary system. Increases the Federal share of the cost for construction projects financed with primary funds on the Federal-aid primary system.

H.R. 15761. September 29, 1976. Ways and

Means; Interstate and Foreign Commere. Directs the Secretary of Health, Education, and Welfare to develop and carry out demonstration and evaluation projects to determine whether the use of computer-based medical information patient care systems by hospitals and skilled nursing facilities would enable such providers to manage their facilities and personnel more efficiently.

H.R. 15762. September 29, 1976. Education and Labor. Amends the Service Contract Act of 1965 to extend its coverage to professional employees who are paid at a rate not exceeding the rate received by Federal Government employees in grade 15 of the General Schedule.

Requires that the minimum fringe benefits and salaries paid to such employees conform to the most recent National Survey of Professional, Administrative, Technical, and Clerical Pay issued by the Department of Labor.

H.R. 15763. September 29, 1976. Education and Labor. Amends the Service Contract Act of 1965 to extend its coverage to professional employees who are paid at a rate not exceeding the rate received by Federal Government employees in grade 15 of the General Schedule.

Requires that the minimum fringe benefits and salaries paid to such employees conform to the most recent National Survey of Professional, Administrative, Technical, and Clerical Pay issued by the Department of Labor.

H.R. 15764. September 29, 1976. Ways and Means. Authorizes the Secretary of Health, Education, and Welfare to formulate and administer a clothing stamp program for eligible households to obtain an adequate supply of clothing through the issuance to such households of a coupon allotment.

H.R. 15765. September 29, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15766. September 29, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for overtime as an employee of the National Security Agency.

H.R. 15767. September 29, 1976. Judiciary. Relieves a certain individual of liability to the United States for a specified sum representing overpayments of housing and cost-of-living allowances for a certain period.

H.R. 15768. September 29, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15769. September 30, 1976. Judiciary. Grants a Federal charter to the National Humanities Center.

H.R. 15770. September 30, 1976. Armed Services. Abolishes the personal money allowances presently payable to specified officers of the Armed Forces.

H.R. 15771. September 30, 1976. Armed Services. Requires individuals who are eligible for retirement pay for the Armed Forces to make an irrevocable election to apply any years of creditable civilian service such individuals may have to either: (1) the computation of such retirement pay; or (2) to the computation of any other annuity, pension, or old-age benefit to which such individuals may be entitled under any other law (presently such civilian service may be used in computing both).

H.R. 15772. September 30, 1976. Armed Services. Revises the pay system for members of the uniformed services. Directs the Secretary concerned to deduct from such compensation housing charges, medical charges, and food charges.

H.R. 15773. September 30, 1976. Education and Labor. Directs the Secretary of Labor to conduct a survey comparing the wage levels for occupations and skills in the non-Federal sector with the pay received by members of the armed forces engaged in similar occupations and skills and to submit to Congress a report on the survey results together with recommendations relative to the establishment of a permanent system for comparing non-Federal sector and military occupations and skills for purposes of pay comparability.

H.R. 15774. September 30, 1976. Government Operations. Prohibits funds appropriated under any provision of law from being used for any nonappropriated morale, welfare, or recreation activity of the armed forces operated within the United States.

H.R. 15775. September 30, 1976. Armed Services; Merchant Marine and Fisheries; Interstate and Foreign Commerce. Grants retirement credit to all members of the uniformed services who have at least five years of active service. Bases military retired pay on the average of the retiree's three highest years of regular compensation. Bases any increases in retired or retainer pay for members of the Armed Forces or Central Intelligence Agency upon increases in specified benefits payable under the Social Security Act rather than increases in the Consumer Price Index.

H.R. 15776. September 30, 1976. Interstate and Foreign Commerce; Ways and Means; Rules. Requires that any Federal officer or agency proposing any health care regulation submit such regulation to each House of Congress together with a report containing a full explanation thereof. Allows either House of Congress to keep the proposed regulation from becoming effective by adopting a resolution disapproving the regulation on specified grounds.

Guarantees the confidentiality of medical records of any patient whose medical or dental care is not paid by the Federal Government, under a Federal program, or by any program receiving Federal financial assistance, unless such patient has authorized such disclosure.

H.R. 15777. September 30, 1976. Government Operations; Rules. Prohibits the expenditures of Federal moneys, not otherwise provided for by law, which are made pursuant to procedures providing for a voucher describing the payee and items or service for which payment is being made. Requires all appropriations, not made a law which provides otherwise, to provide for voucher requirements for expending such moneys appropriated.

Requires the Comptroller General to audit all programs subjects to this Act.

H.R. 15778. September 30, 1976. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice for an employer to request that an employee or applicant for employment provide military discharge papers or other service-connected records, except with respect to inquiries regarding education, training, work experience, convictions by a court-martial when such request is reasonably related to the position.

H.R. 15779. September 30, 1976. Education and Labor. Authorizes the creation of a special Opportunities Industrialization Centers skill training and National Community Based Organizations job creation and employment program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations of sums necesssary to fund the program.

H.R. 15780. September 30, 1976. Interstate and Foreign Commerce. Requires the Federal Communications Commission to increase the channels available for use in the citizens radio service to 46 channels, and to designate one of the channels for the exclusive use of elderly persons or persons whose mobility is restricted.

Prohibits the Commission from prohibiting the modification of citizens band equipment to accommodate the increased channels provided for by this Act if such equipment meets reasonable standards promulgated by the Commission.

H.R. 15781. September 30, 1976. Judiciary. Makes funds available to any State which has submitted an approved plan to provide benefits to the spouse or dependents of any eligible rescue squad worker who has died as the direct and proximate result of an injury sustained in the performance of duties.

H.R. 15782. September 30, 1976. Public Works and Transportation. Directs the Administrator of the Environmental Protection Agency to establish research and demonstration programs for the control of sludge. Authorizes financial assistance for sludge removal programs. Establishes a permit program to control hazardous sludge.

H.R. 15783. September 30, 1976. Interstate and Foreign Commerce; Science and Technology. Amends the Solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plant and demonstration programs. Includes provisions for grants and assistance to State, local, and interstate solid waste management and resource recovery programs.

H.R. 15784. September 30, 1976. International Relations. Authorizes the President to regulate the privileges and immunities of foreign diplomatic missions and their personnel, in a manner consistent with international agreements. Requires the President to periodically publish a list of permanent foreign diplomatic missions and the personnel thereof. Declares void any judicial writ or process against a person or the property of any person entitled to immunity from suit or process under the Vienna Convention on Diplomatic Relations.

H.R. 15785. September 30, 1976. Atomic Energy. Directs the Nuclear Regulatory Commission to reimburse electric utility rate payers on a pro-rata basis for costs associated with design changes and downtime with respect to nuclear powerplants, as determined by a General Accounting Office report. Requires the General Accounting Office to report to Congress and the Commission with respect to such costs.

H.R. 15786. September 30, 1976. International Relations. Amends the Arms Export Control Act to require the General Accounting Office, upon the request of the Senate Committee on Foreign Relations or the House of Representatives Committee on International Relations, to submit an analysis on a proposed sale or a proposed licensing for export of defense articles or services.

H.R. 15787. September 30, 1976. Ways and Means. Amends the Medicare and Medicaid programs of the Social Security Act to include rural health facilities of 75 beds or less within the definition of the term "hospital".

H.R. 15788. September 30, 1976. Atomic Energy. Amends the Atomic Energy Act of 1954 to stipulate that licenses for construction or modification of production or utilization facilities must be approved by affected States prior to application for Federal Power Commission approval.

Authorizes States to adopt safety standards which are more stringent then Federal requirements.

H.R. 15789. September 30, 1976. Atomic Energy. Amends the Atomic Energy Act of 1954 to stipulate that licenses for construction or modification of nuclear materials production or utilization facilities shall be subject to State disapproval for a 90-day period following notification of the affected States.

H.R. 15790. September 30, 1976. Atomic Energy. Amends the Atomic Energy Act of 1954 to stipulate that licenses for construction or modification of nuclear materials production or utilization facilities shall be subject to State disapproval for a 90-day period following notification of the affected States.

H.R. 15791. September 30, 1976. Atomic Energy. Amends the Atomic Energy Act of 1954 to stipulate that licenses for construction or notification of production or utilization facilities must be approved by affected States prior to application for Federal Power Commission approval.

Authorizes States to adopt safety standards which are more stringent than Federal requirements.

H.R. 15792. September 30, 1976. Agriculture. Amends the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to make and insure loans under such Act for the solar heating or cooling of residential structures on family farms.

H.R. 15793. September 30, 1976. Banking, Currency and Housing. Authorizes the administrators of certain Federal housing programs to increase the amount of loans made on single- or multi-family dwelling units by up to 20 percent where such increase reflects the cost of solar energy equipment.

Amends the National Housing Act to authorize home improvement loans for the cost of acquisition and installation of solar energy systems.

Amends the Housing and Community Development Act to authorize the use of community development block grants for payments to assist in the acquisition and installation of solar energy equipment.

H.R. 15794. September 30, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make loans and loan guarantees to veterans for the purchase of solar heating and cooling systems to be used in any dwelling or farm residence to be owned and occupied by the veteran as his home.

H.R. 15795. September 30, 1976. Public Works and Transportation; Ways and Means. Authorizes the Secretary of Transportation to approve Federal participation in a State project to repair or replace unsafe bridges. Extends the Highway Trust Fund and the Land and Water Conservation Fund through fiscal year 1990. Postpones specified excise tax reductions under the Internal Revenue Code.

H.R. 15796. September 30, 1976. Education and Labor. Amends the Older Americans Act of 1945 to direct area and State agencies which administer or supervise State and community programs on aging pursuant to such Act to employ personnel adequately trained in the field of aging to deliver specified services to the aged. Authorizes grants to institutions of higher education to assist such institutions in planning, developing, and carrying out programs designed to apply the resources of higher education to the problems of the elderly.

H.R. 15797. September 30, 1976. Post Office and Civil Service. Requires agency heads to notify each employee of any administrative procedure through which adverse agency action, taken or proposed, may be challenged.

H.R. 15798. September 30, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropractors, including X-rays, and physical examination, and related routine laboratory tests.

H.R. 15799. September 30, 1976. Ways and Means. Amends the medicare program of the Social Security Act to authorize payment for the services of clinical psychologists under the supplementary medical insurance benefits program of the medicare program.

H.R. 15800. September 30, 1976. Ways and Means. Amends the Tax Reform Act of 1976 to provide an exclusion for disability pension payments received by certain persons.

H.R. 15801. September 30, 1976. Education and Labor. Amends the General Education Provisions Act to permit an educational agency or institution to receive Federal funds even though the parents of children who are or have been in attendance at a school of such agency or at such institution are prevented from inspecting and reviewing certain law enforcement unit records of their children, so long as such records are routinely made available to persons not officers or employees of the law enforcement unit only in accordance with generally accepted police practices.

H.R. 15802. September 30, 1976. Education and Labor. Authorizes the creation of a special Opportunities Industrialization Centers skill training and National Community Based Organizations job creation and employment program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations of sums necessary to fund the program.

H.R. 15803. September 30, 1976. Government Operations. Establishes the Government Executive Analysis and Reform (GEAR) Commission and a Task Force on American Federalism.

Directs the Commission to study the structure of Federal agencies and programs and to recommend methods to improve the efficiency of the Federal Government.

Directs the Task Force to study the appropriate levels of responsibility shared among Federal, State and local governments and to recommend constitutional, legislative, and administrative changes necessary to achieve a proper balance and division of Federal, State and local roles.

H.R. 15804. September 30, 1976. Public Works and Transportation; Ways and Means. Authorizes the Secretary of Transportation to approve Federal participation in a State project to repair or replace unsafe bridges. Extends the Highway Trust Fund and the Land and Water Conservation Fund through fiscal year 1990. Postpones specified excise tax reductions under the Internal Revenue Code.

H.R. 15805. September 30, 1976. Atomic Energy; Rules. Directs the Nuclear Regulatory Commission to suspend the licensing of nuclear powerplant construction pending the outcome of a special study and review by a National Nuclear Review Commission and a Special Selection and Review Committee of the Congress.

H.R. 15806. September 30, 1976. Ways and Means. Amends the Tariff Schedules of the United States to suspend for two years the customs duty on the importation of color couplers and coupler intermediates for the manufacture of photographic sensitized material.

H.R. 15807. September 30, 1976. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction for certain property improvements designed to prevent or reduce shoreline erosion caused by high water levels in the Great Lakes, and which are of a type approved by the Chief of Engineers of the Army.

H.R. 15808. September 30, 1976. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice for an employer to request that an employee or applicant for employment provide military discharge papers or other service-connected records, except with respect to inquiries regarding education, training, work experience, or convictions by a court-martial when such request is reasonably related to the position.

H.R. 15809. September 30, 1976. Ways and Means. Amends the program of Supplemental Security Income for the Aged, Blind, and Disabled of the Social Security Act to exclude from income, for purposes of determining eligibility and amount of benefits under such program, a specified amount of income earned for employment in a sheltered work setting.

H.R. 15810. September 30, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the Medicare program of the Social Security Act to authorize payment of Medicare funds in accordance with an assignment from the person or institution providing the care or service involved if such assignment is made to a governmental agency or entity or is established by the order of a court. Increases the penalty for defrauding the Medicare and Medicaid programs.

Requires Professional Standards Review Organizations to provide data and information to assist Federal and State agencies in identifying and investigating cases or patterns of fraud or abuse.

H.R. 15811. September 30, 1976. Ways and Means. Amends the Internal Revenue Code to allow taxpayers who have attained the age of 65 to exclude the total gain realized from the sales or exchange of a qualified residence, without regard to its adjusted sales price, where it is converted involuntarily as the result of an actual or proposed requisition or condemnation.

H.R. 15812. September 30, 1976. Public Works and Transportation. Authorizes the Administrator of the Environmental Protection Agency to make grants and provide technical assistance to eligible States, municipalities, or municipal or interstate agencies for the construction or acquisition of facilities for the use of land disposal of sewage sludge.

H.R. 15813. September 30, 1976. Establishes the Commission on Security and Cooperation in Europe as a standing committee of the Congress.

H.R. 15814. September 30, 1976. Judiciary. Directs the Office of the Watergate Special Prosecution Force to submit to Congress a report detailing its investigation of Richard M. Nixon, and the Special Prosecutor to publish as an appendix to such report, transcripts of all of specified tape recordings which were introduced into evidence at any criminal trial and of statements made by Richard M. Nixon before a specified grand jury.

H.R. 15815. September 30, 1976. Education and Labor; Ways and Means. Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers, Incorporated, and with any other nonprofit community based organization for the provision of specified employment and training services for unemployed persons, especially unemployed youth. Directs that priority be given to such organizations to provide similar services under enumerated public works and revenue sharing programs.

Amends the Comprehensive Employment and Training Act to authorize the Secretary of Labor to provide financial assistance for year-round jobs for economically disadvantaged youths.

Amends the Internal Revenue Code to qualify wages paid to specified previously unemployed persons for the work incentive program expenses credit.

H.R. 15816. September 30, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15817. September 30, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual as a reimbursement for certain surgery. Relieves such individual of liability to the United States for overpayment by the civilian health and medical program of the uniformed services for such surgery.

H.R. 15818. September 30, 1976. Judiciary. Exempts a certain individual from the age qualifications applicable to the United States Army Reserve.

H.R. 15819. September 30, 1976. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 15820. September 30, 1976. Judiciary. Requires the Secretary of Transportation to advance a certain retired Coast Guard officer to a specified rank on the permanent disability list.

Directs the Secretary of the Treasury to pay to such individual a sum equal to the difference of retirement pay received and the pay to which he would have been entitled had he retired at the above rank.

H.R. 15821. September 30, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15822. October 1, 1976. Interior and Insular Affairs; Small Business. Amends the Small Business Act to encourage the Small Business Administration to make loans to enable small business concerns to obtain contracts and permits to operate concessions within any area of the National Park System. Establishes the National Park Service Concession Fund in the Treasury of the United States.

Amends the Concessions Policy Act to direct the Secretary of the Interior to insure full and open competition in entering into contracts and permits with concessioners of facilities for visitors to the National Park System.

H.R. 15823. October 1, 1976. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to authorize the Secretary of Health, Education, and Welfare to conduct research to resolve conflicting data on the safety of food additives and color additives.

H.R. 15824. October 1, 1976. Ways and Means. Amends the Social Security Act by including the services of optometrists under the Medicare supplementary medical insurance program.

H.R. 15825. October 1, 1976. Interior and Insular Affairs. Amends the Colorado River Basin Project Act to extend for an additional ten years the period during which the Secretary of the Interior shall not undertake studies of water importation plans for the basin.

H.R. 15826. October 1, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to acquire specified pinelands in New Jersey for public use and enjoyment.

H.R. 15827. October 1, 1976. Armed Services; International Relations; Judiciary. Establishes with the Executive Office of the President the Office of National Intelligence Management, the National Intelligence Board, and the Inspector General of the Intelligence Community to manage and investigate intelligence activities.

Establishes an Operations Advisory Group, and Counterintelligence Committee, and a Committee on Foreign Intelligence within the National Security Council to carry out specified functions and the Office of General Counsel within the Central Intelligence Agency to ascertain whether Agency activities are conducted lawfully.

Prohibits the willful killing of any person while engaged in intelligence activities.

Prohibits specified Federal employees from administering drugs for experimental purposes without prior consent.

H.R. 15828. October 1, 1976. Armed Services; International Relations; Judiciary. Establishes with the Executive Office of the President the Office of National Intelligence Management, the National Intelligence Board, and the Inspector General of the Intelligence Community to manage and investigate intelligence activities.

Establishes an Operations Advisory Group, and Counterintelligence Committee, and a Committee on Foreign Intelligence within the National Security Council to carry out specified functions; and the Office of General Counsel within the Central Intelligence Agency to ascertain whether Agency activities are conducted lawfully.

Prohibits the willful killing of any person while engaged in intelligence activities.

Prohibits specified Federal employees from administering drugs for experimental purposes without prior consent.

H.R. 15829. October 1, 1976. Public Works and Transportation. Amends the Federal-Aid Highway Act of 1976 to direct the President to take such actions as necessary for fiscal year 1977 and subsequent years to prohibit the manufacture for sale in the United States of more than 90 percent of the passenger automobiles manufactured in the United States during 1976 and to prohibit the importation of more than 90 percent of the passenger automobiles imported during 1976.

H.R. 15830. October 1, 1976. Ways and Means. Amends the Internal Revenue Code to: (1) allow a limited tax credit for qualified savings deposits and investments; (2) increase the maximum tax deduction for retirement savings; (3) exclude from gross income dividends received from domestic corporations; (4) allow a limited tax exclusion for capital gains income; (5) provide for nonrecognition of gain on the sale or exchange of qualified small business property; (6) increase the number of installments in which the estate tax may be paid in the case of an interest in a closely held business; and (7) reduce the corporate normal tax rate, the surtax rate, and the surtax exemption.

H.R. 15831. October 1, 1976. Rules; Government Operations; Ways and Means; Education and Labor. Provides for the periodic expiration of budget authority for all Government programs and activities. Amends the Rules of the Senate and House of Representatives to provide periodic reviews of all Government programs' efficiency and accomplishments.

Requires each bill and concurrent resolution to include an estimate of the proposal's cost.

Amends the Internal Revenue Code to reduce personal income and estate taxes, and to increase specified exemptions and deductions for individuals and corporations.

Amends the Small Business Act to increase the financial assistance available to small businesses. Amends the Comprehensive Employment and Training Act to provide additional incentives for the employment of youths and the chronically unemployed.

H.R. 15832. October 1, 1976. Judiciary. Amends the Voting Rights Act of 1965 to repeal the prohibitions against voting qualifications, prerequisites, tests, or devices which abridge the right to vote of a citizen who is a member of a language minority.

Repeals the requirement that States and other political subdivisions make available registration and voting materials, and voting assistance in languages other than English.

H.R. 15833. October 1, 1976. Interior and Insular Affairs. Requires the Secretary of the Interior to: (1) designate the home of Charles S. Pierce known as Arisbe House in the Delaware Water Gap National Recreation Area, Pennsylvania, a National Historic Site; (2) establish and maintain a museum in such house; and (3) construct a building near such house to be used as a center for the study of philosophy.

H.R. 15834. October 1, 1976. Judiciary. Amends the Clayton Act to prohibit discriminatory pricing between a manufacturing or wholesaling branch of a company and an affiliated marketing or retailing branch.

H.R. 15835. October 1, 1976. Education and Labor. Permit loans made to students under the direct loan provisions of the Higher Education Act of 1965 or under provisions of the National Defense Education Act of 1958 to be cancelled according to specified schedules on the basis of certain teaching services performed on a part-time basis or for less than one year.

H.R. 15836. October 1, 1976. Interior and Insular Affairs. Authorizes the Secretary of the Interior, through the Director of the Bureau of Outdoor Recreation, to make grants to States, local governments, and private nonprofit institutions to defray 75 percent of the cost of renovating structures for use as youth hostels.

Requires that a public hearing be held with respect to each application for a renovation grant under this Act.

H.R. 15837. October 1, 1976. Interior and Insular Affairs. Provides that specified lands of the United States shall be held in trust for specified communities of the Mdewakanton Sioux of Minnesota and shall be included in, and considered a part of, the reservation lands of such communities.

H.R. 15838. October 1, 1976. Agriculture. Authorizes the Secretary of Agriculture to make grants on a matching basis to the States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam in order to provide financial assistance to urban areas for the planting, maintenance, and protection of trees and shrubs.

H.R. 15839. October 1, 1976. Ways and Means. Amends the Internal Revenue Code, as amended by the Tax Reform Act of 1976, to disallow any personal deduction for expenses allocable to attendance at conventions, seminars, or other meetings held outside of the North American area unless the taxpayer establishes that it was more reasonable for the meeting to be held outside of the area than inside it.

Disallows any deduction for expenses allocable to conventions held upon water vessels sailing within or without the territorial waters of the United States.

H.R. 15840. October 1, 1976. Veterans' Affairs. Provides a pension for all veterans of World War I, or their widows.

H.R. 15841. October 1, 1976. Post Office and Civil Service. Authorizes the payment of civil service retirement benefits to surviving spouses of annuitants who died before January 8, 1971, and who married such spouses after retiring.

H.R. 15842. October 1, 1976. Education and Labor. Redefines "professional employee" for purposes of the National Labor Relations Act.

H.R. 15843. October 1, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize and direct the Secretary of Health, Education, and Welfare to make grants to designated State agencies to meet part of the costs involved in planning, establishing, maintaining, coordinating, and evaluating programs for comprehensive services for school-age girls, their infants and children.

Specifies the requirements for State plans to qualify for Federal aid under this Act.

H.R. 15844. October 1, 1976. Education and Labor; Ways and Means. Establishes a national program of child adoption and care services. Directs the Secretary of Health, Education, and Welfare (1) to establish a National Registry of Adoptable Children; and (2) to establish a National Data Bank of Adoption Information and Resources for the purpose of disseminating information on sources of funding for prospective adoptive parents and on adoption agencies.

Sets forth requirements for all State child welfare organizations which receive Federal assistance.

H.R. 15845. October 1, 1976. House Administration. Requires Federal agencies incurring travel expenses on behalf of a Member of Congress, an employee of a Member of Congress or an employee of a Congressional committee to report such expenditure to the Requires such committee to reimburse such committee of Congress approving such travel. agency for such expenditure.

H.R. 15846. October 1, 1976. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to designate a certain portion of the Saint John River in Maine as a potential addition to the National Wild and Scenic Rivers System..

H.R. 15847. October 1, 1976. Post Office and Civil Service. Makes Presidential Election Day, the first Tuesday after the first Monday in November in 1976, and in every fourth year thereafter, a legal public holiday.

H.R. 15848. October 1, 1976. Education and Labor. Establishes a youth community service program as part of the Comprehensive Employment and Training Act of 1973 whereby each prime sponsor under such Act is to make grants to eligible applicants to provide community service employment for youths in jobs on eligible community service projects.

Establishes a Youth Counseling and Employment Service in the United States Employment Service of the Department of Labor.

Directs the Secretary of Labor, through the Youth Counseling and Employment Service, to make specified grants and to conduct specified programs to develop and improve job counseling, job information, and job placement programs for youths.

H.R. 15849. October 1, 1976. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such program merits continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

Establishes the Citizens' Bicentennial Commission on the Organization and Operation of Government to study Federal agencies and to recommend measures to increase their efficiency.

Requires review of all preferential tax provisions to determine the merits of such provisions.

H.R. 15850. October 1, 1976. Banking, Currency and Housing; Judiciary. Prescribes standards and procedures for disclosure of financial records of any customer by a financial institution to any State or any political subdivision of any State. Sets conditions under which the interception of oral or wire communications in the course of doing business is unlawful. Provides criminal and civil penalties for violations of this Act.

H.R. 15851. October 1, 1976. Judiciary. Exempts specified proposed annexation parcels made to San Antonio, Texas, from requirements regarding voting qualifications and procedures under the Voting Rights Act of 1965.

H.R. 15852. October 1, 1976. International Relations. Amends the Arms Export Control Act to require the General Accounting Office, upon the request of the Senate Committee on Foreign Relations or the House of Representatives Committee on International Relations, to submit an analysis on a proposed sale or a proposed licensing for export of defense articles or services.

H.R. 15853. October 1, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to make grants to States and localities to assist in meeting the costs of operation and maintenance of publicly owned treatment works.

H.R. 15854. October 1, 1976. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to prohibit the Secretary of Transportation from issuing an airworthiness certificate for any aircraft which has been declared to be surplus by an armed force and which engages in the transportation of persons or property for compensation or hire unless such aircraft strictly conforms in every respect to a previously type certified civil aircraft.

H.R. 15855. October 1, 1976. Judiciary. Directs the United States to pay the costs incurred by a defendant or a respondent in certain judicial or administrative proceedings initiated by the United States if such party ultimately prevails.

Requires, with respect to instances in which the United States pay the costs and attorney's fees of a prevailing party under this or any other Act, the withholding of 25 percent of each responsible officer's or employee's pay each pay period until the total amount withheld equals 50 percent of the reimbursement payments made by the United States.

H.R. 15856. October 1, 1976. Post Office and Civil Service. Increases the allowances available to Federal employees for uniforms required by their positions.

H.R. 15857. October 1, 1976. Standards of Official Conduct; Judiciary. Prohibits the use of Federal funds by any corporation wholly owned by the Federal Government for the purpose of influencing any legislative issue before Congress, any State legislature, or on the ballot of any State.

H.R. 15858. October 1, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual as a gratuity for such individual's sacrifices as a result of her 13 year imprisonment by the Government of Romania for assisting the American military mission in World War II.

H.R. 15859. October 1, 1976. Judiciary. Declares a certain individual to have retired on a specified date with 20 years of service for purposes of entitlement to armed forces retirement pay.

H.R. 15860. October 1, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 15861. October 1, 1976. Judiciary. Declares a certain individually lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15862. October 1, 1976. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 15863. October 1, 1976. Judiciary. Declares a certain individual to have died from injuries sustained after the enactment of the Public Safety Officers' Benefits Act of 1976 for purposes of death benefits under such act.

H.J. Res. 1105. September 22, 1976. Appropriations. Makes continuing appropriations for the departments, agencies, and other organizational units of the U.S. Government for fiscal year 1977 for specified programs and activities.

H.J. Res. 1106. September 22, 1976. Post Office and Civil Service. Authorizes and requests the President of the United States to issue a proclamation designating the fourth Sunday in September each year as "National Good Neighbor Day."

H.J. Res. 1107. September 23, 1976. House Administration. Authorizes the printing of Precedents of the House of Representatives by Lewis Deschler as a public document and specifies how many copies and in what manner the bound sets of this work shall be distributed.

H.J. Res. 1108. September 23, 1976. Post Office and Civil Service. Authorizes and requests the President of the United States to issue a proclamation designating the fourth Sunday in September each year as "National Good Neighbor Day."

H.J. Res. 1109. September 23, 1976. Interior and Insular Affairs; Merchant Marine and Fisheries. Establishes a Commission to examine the effect of Northwest Indian Off-Reservation Treaty Fishing Rights. Designates its structure, membership prerequisites, procedures, and powers.

H.J. Res. 1110. September 27, 1976. Post Office and Civil Service. Designates the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week."

H.J. Res. 1111. September 27, 1976. Interior and Insular Affiairs; Merchant Marine and Fisheries. Establishes a Commission to examine the effect of Northwest Indian Off-Reservation Treaty Fishing Rights. Designates its structure, membership prerequisites, procedures, and powers.

H.J. Res. 1112. September 28, 1976. Appropriations. Makes an appropriation to the District of Columbia for use by its fire department to keep all of the fire department facilities open on a full-time basis during fiscal year 1977.

H.J. Res. 1113. September 29, 1976. Post Office and Civil Service. Requests the President of the United States to issue a proclamation designating October 13, 1976, as "Molly Pitcher Day."

H.J. Res. 1114. September 29, 1976. Post Office and Civil Service. Designates the second Sunday in August of each year as "My Brothers and Sisters Special Day."

H.J. Res. 1115. September 29, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Day."

H.J. Res. 1116. September 30, 1976. Interior and Insular Affairs. Provides that States may enact and enforce laws of a purely regulatory nature which bear upon Indian off-reservation hunting and fishing rights. Declares that State legislation which deals with time and manner of hunting or fishing activities are in furtherance of and not in derogation of treaties between the U.S. Government and the various Indian tribes.

H.J. Res. 1117. September 30, 1976. Post Office and Civil Service. Designates the third week of June of each year as "National Veterans' Hospital Week."

H.J. Res. 1118. October 1, 1976. Authorizes hearing officers appointed by the Secretary of Labor to conduct hearings involving claims for black lung benefits filed under specified provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969.

H.J. Res. 1119. October 1, 1976. Authorizes the first regular session of the Ninety-fifth Congress to begin at 2 o'clock p.m. on Tuesday, January 4, 1977.

H. Con. Res. 748. September 14, 1976. Post Office and Civil Service. Commemorates the 35th anniversary of the founding of the Military Intelligence Service Language School and commends Justice John Fujio. Also for his contributions towards the School.

H. Con. Res. 749. September 15, 1976. Post Office and Civil Service. Expresses the sense of the Congress that the Director of the Office of Management and Budget should defer implementation of regulations regarding the provision of services to the Federal Government by private contractors.

H. Con. Res. 750. September 15, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittals numbered 7T–15 and 7T–21).

H. Con. Res. 751. September 16, 1976. Directs the Clerk of the House of Representatives to make various technical and conforming corrections in the enrollment of H.R. 10612 (the Tax Reform Act).

H. Con. Res. 752. September 16, 1976. International Relations; Public Works and Transportation. Expresses the sense of Congress that the President should take specified action against countries which aid terrorists. Calls for a renewal of efforts to establish an international convention providing aviation sanctions against countries refusing to punish or extradite terrorists.

H. Con. Res. 753. September 16, 1976. Armed Services. Expresses the sense of Congress that the Secretary of Defense should take immediate action to substantially increase the training of Hispanic-American officers in military staff schools and to review qualified Hispanic-American officers for promotion to general or flag officer.

H. Con. Res. 754. September 17, 1976. International Relations. Expresses the sense of Congress that the President of the United States should urge the Government of the Union of Soviet Socialist Republics to allow Doctor Sergei Kovalev to accept the invitation of Cornell University to be a visiting scholar at that institution.

H. Con. Res. 755. September 17, 1976. International Relations. Expresses the objections of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–15).

H. Con. Res. 756. September 17, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–21).

H. Con. Res. 757. September 17, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–39).

H. Con. Res. 758. September 20, 1976. International Relations. Expresses the sense of Congress that the Secretary of State should direct his diplomatic efforts in southern Africa toward a rapid settlement of the Namibian issue, and that any discussion of independence for Namibia must include representatives of the South West African People's Organization.

H. Con. Res. 759. September 20, 1976. International Relations. Calls upon the President to furnish assistance to the People's Republic of China for relief of the damage and injuries suffered in that country as a result of the earthquakes occurring on July 27 and 28, 1976.

H. Con. Res. 760. September 20, 1976. International Relations. Expresses the objection of Congress to the proposed sales to Iran of defense articles and services which are described in the certifications submitted by the President of the United States pursuant to the Arms Export Control Act on September 1, 1976, and covering certain transmittals.

H. Con. Res. 761. September 20, 1976. House Administration. Directs the printing as a House document of the transcript of proceedings of the Committee on Interior and Insular Affairs of July 27, 1976, incident to the presentation of a portrait of the Honorable James A. Haley.

H. Con. Res. 762. September 20, 1976. Ways and Means; Interstate and Foreign Commerce. Requests the President of the United States to establish by Executive order a strike force for medicare and medicaid review which utilizes the resources of executive branch agencies. Requests the strike force to monitor and investigate fraud, abuse, and mismanagement in the medicare and medicaid programs, and report its findings and recommendations to each House of Congress and the President.

H. Con. Res. 763. September 21, 1976. District of Columbia. Expresses the disapproval of the Congress of the Firearms Control Regulations Act of 1975 passed by the Council of the District of Columbia and transmitted to Congress on July 26, 1976.

H. Con. Res. 764. September 23, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–15).

H. Con Res. 765. September 23, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–21).

H. Con. Res. 766. September 23, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–39).

H. Con. Res. 767. September 27, 1976. Directs the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 5546.

H. Con. Res. 768. September 27, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–15).

H. Con. Res. 769. September 27, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–21).

H. Con. Res. 770. September 27, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–39).

H. Con. Res. 771. September 27, 1976. Interstate and Foreign Commerce. Calls upon the Consumer Product Safety Commission to undertake a study of the sealing capabilities of container lids used in the canning of food in homes.

H. Con. Res. 772. September 27, 1976. House Administration. Authorizes the printing of materials relating to the televised Presidential debates between President Gerald R. Ford and Presidential candidate James E. Carter.

H. Con. Res. 773. September 27, 1976. International Relations. Disapproves the proposed sales of aircraft (7T–44) and howitzers (7T–53) to the Philippines, transmitted in certifications by the President on September 1, 1976.

H. Con. Res. 774. September 28, 1976. International Relations. Expresses the objection of Congress to the proposed sales to Iran of defense articles and services which are described in the certifications submitted by the President of the United States pursuant to the Arms Export Control Act on September 1, 1976, and covering certain transmittals.

H. Con. Res. 775. September 28, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–15).

H. Con. Res. 776. September 28, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–21).

H. Con. Res. 777. September 28, 1976. International Relations. Expresses the objection of Congress to the sale to Saudi Arabia of defense articles and services as described in the statement submitted by the President on September 1, 1976 (transmittal numbered 7T–39).

H. Con. Res. 778. September 29, 1976. Armed Services. Approves the Department of Defense's July 20, 1976, decision to defer selecting a contract for the production of the XM–1 tank until competitive bids are received for the standardization of the tank's components with the ordinance held by North Atlantic Treaty Organization allies.

H. Con. Res. 779. September 29, 1976. Ways and Means. Approves, pursuant to the Trade Act of 1974, the United States International Trade Commission's June 29, 1976, action providing import relief to producers of honey.

H. Con. Res. 780. October 1, 1976. International Relations. Expresses the sense of the Congress that the peoples of Lithuania, Latvia, and Estonia should be given the right of self-determination. Calls for free elections in the Baltic States, under auspices of the United Nations.

H. Con. Res. 781. October 1, 1976. International Relations. Expresses the sense of Congress that Gunars Rode, a Latvian political prisoner, should be released from imprisonment and that the Government of the Soviet Union should allow him and other political prisoners within its borders to be released due to provisions of the United Nations Covenant on Civil and Political Rights.

H. Con. Res. 782. October 1, 1976. Interior and Insular Affairs. Expresses the sense of Congress that no action by or on behalf of the Joint Tribal Council for the Passamaquoddy or the Penobscot Tribe of the State of Maine shall lie for return of aboriginal lands, based on alleged violations of the 1790 Indian Non-Intercourse Act, and no defect in land title in the State of Maine based upon such claims shall be recognized in any court of law.

H. Con. Res. 783. October 1, 1976. Banking, Currency and Housing. Expresses the sense of Congress that United States executive directors in certain international financial organizations should vote against any loan or funding by such organizations to Vietnam, until Vietnam honors agreements made relating to persons missing in action or prisoners of war.

H. Con. Res. 784. October 1, 1976. International Relations. Expresses approval of the Israel rescue mission at Entebbe Airport. Condemns efforts being undertaken by certain nations to condemn Israel for the mission.

H. Con. Res. 785. October 1, 1976. Judiciary. Expresses the sense of Congress that the Attorney General parole into the United States those South American aliens having fled to Argentina and those Uruguayans within Uruguay who are in danger of losing lives because of their political beliefs.

H. Con. Res. 786. October 1, 1976. Ways and Means; Interstate and Foreign Commerce. Requests the President of the United States to establish by Executive order a Strike Force for Medicare and Medicaid Review which utilizes the resources of executive branch agencies. Requests the Strike Force to monitor and investigate fraud, abuse, and mismanagement in the medicare and medicaid programs, and reports its findings and recommendations to each House of Congress and the President.

H. Con. Res. 787. October 1, 1976. Ways and Means; Interstate and Foreign Commerce. Requests the President of the United States to establish by Executive order a Strike Force for Medicare and Medicaid Review which utilizes the resources and executive branch agencies. Requests the Strike Force to monitor and investigate fraud, abuse, and mismanagement in the medicare and medicaid programs, and report its findings and recommendations to each House of Congress and the President.

H. Con. Res. 788. October 1, 1976. International Relations. Requests a United States Government policy toward Namibia and transfer of power to Namibians. Requests United States adherence to policies which uphold additional obligations toward Namibia set forth in International Court of Justice decisions.

H. Con. Res. 789. October 1, 1976. International Relations. Requests a United States Government policy toward Namibia and transfer of power to Namibians. Requests United States adherence to policies which uphold additional obligations toward Namibia set forth in International Court of Justice decisions.

HOUSE RESOLUTIONS

H. Res. 1546. September 15, 1976. Rules. Directs the House Committee on International Relations to conduct hearings to determine if the U.S. Government is involved in the hostilities in Northern Ireland.

H. Res. 1547. September 15, 1976. Ways and Means. Disapproves the extension of the President's authority, under the Trade Act of 1974, to waive the freedom of emigration requirements for the granting of most favored nation status to Romania.

H. Res. 1548. September 15, 1976. Sets forth the rule of consideration of H.R. 14932.

H. Res. 1549. September 15, 1976. Sets forth the rule of consideration of H.R. 15377.

H. Res. 1550. September 15, 1976. Sets forth the rule for the consideration of the bill S. 22.

H. Res. 1551. September 16, 1976. Sets forth the rule for the consideration of H.R. 15.

H. Res. 1552. September 16, 1976. Sets forth the rule for the consideration of H.R. 14970.

H. Res. 1553. September 16, 1976. Provides for agreeing to the Senate amendment to H.R. 13350 with an amendment.

H. Res. 1554. September 20, 1976. Ways and Means. Disapproves of the waiver by the Secretary of the Treasury of the imposition of countervailing duties on imports of leather handbags from Brazil under the Tariff Act of 1930, transmitted to the Congress on July 20, 1976.

H. Res. 1555. September 20, 1976. Judiciary. Expresses the disapproval of the House of Representatives to the granting of permanent residence status to certain aliens.

H. Res. 1556. September 20, 1976. International Relations; Ways and Means; House Administration. Expresses the sense of the House of Representatives that Romania be denied most-favored nation status and the United States-Romanian Trade Agreement of 1975 be ended unless Romanian citizens are allowed to fully exercise their human rights and cultural freedoms, especially their right to emigrate. Requests the filing of reports relating to the status of civil rights in Romania by the President of the United States each time he requests authority to waive the freedom of emigration provisions of the Trade Act of 1974 relating to Romania.

Authorizes additional funds of the contingent fund of the House to permit acquisition of additional staff for the Trade Subcommittee of the House Committee on Ways and Means.

H. Res. 1557. September 21, 1976. House Administration. Authorizes expenditures by the House Select Committee on Assassinations for personnel and other expenses incurred in its investigations.

H. Res. 1558. September 21, 1976. Judiciary. Expresses the disapproval of the House of Representatives to the granting of permanent residence status to certain aliens.

H. Res. 1559. September 21, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt. Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1560. September 21, 1976. District of Columbia. Disapproves the Firearms Control Regulations Act of 1975 passed by the Council of the District of Columbia and transmitted to Congress on July 26, 1976.

H. Res. 1561. September 21, 1976. House Administration. Directs the printing as a House document of the transcript of proceedings of the Committee on Public Works and Transportation held September 21, 1976, incident to the presentation of a portrait of the Honorable Robert E. Jones.

H. Res. 1562. September 22, 1976. Elects John H. Rousselot of California to the House Committee on the Budget.

H. Res. 1563. September 22, 1976. House Administration. Authorizes the Committee on House Administration to incur certain further expenses to provide upkeep and improvement of ongoing computer services for the House Committee on Appropriations and the House Committee on the Budget.

H. Res. 1564. September 22, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt.

Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1565. September 22, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt.

Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1566. September 22, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt.

Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1567. September 22, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt.

Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1568. September 22, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt.

Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1569. September 22, 1976. Rules. Creates a House Select Committee to investigate and study product and professional liability insurance rate increases, and any other product and professional liability insurance coverage issues at its discretion.

H. Res. 1570. September 22, 1976. Sets forth the rule for the consideration of H.R. 9067.

H. Res. 1571. September 23, 1976. House Administration. Directs the printing as a House document of the transcript of proceedings of the Committee on Interstate and Foreign Commerce held April 6, 1976, incident to the presentation of a portrait of the Honorable Harley O. Staggers.

H. Res. 1572. September 23, 1976. House Administration. Creates the John W. McCormack Senior Intern Program in the House of Representatives. Authorizes each Member, Delegate, or Commissioner of the House to hire two additional employees under such program and specifies membership qualifications and remuneration for such interns.

H. Res. 1573. September 23, 1976. International Relations. Expresses the sense of the House of Representatives that the United States support the admission of Vietnam to the United Nations in keeping with United States interest in receiving an accounting of American prisoners of war and missing in action in Southeast Asia.

H. Res. 1574. September 27, 1976. Rules. Amends Rule XI of the House of Representatives to stipulate which committees and subcommittees may not meet on the second Tuesday or fourth Thursday of the month, and which committees and subcommittees may not meet on the second Thursday or fourth Tuesday of each month.

H. Res. 1575. September 27, 1976. Interstate and Foreign Commerce. Expresses the sense of the House of Representatives that there exists a sufficient indication of a relationship between the level of violence depicted on television and a distorted view of social reality held by heavy viewers of television to warrant consideration of such relationship by those persons responsible for television programing and broadcasting.

Urges further investigation of the correlation between the level of violence depicted on television and aggressive, including violent, behavior in children and adults.

H. Res. 1576. September 28, 1976. Rules Administration. Authorizes appointment of an additional secretary to aid former Speakers of the House of Representatives.

H. Res. 1577. September 28, 1976. Rules. Directs the House Committee on International Relations to conduct hearings to determine if any officials, agencies, or instrumentalities of the Federal Government are involved in the hostilities in Northern Ireland.

H. Res. 1578. September 28, 1976. Armed Services. Expresses the sense of the House that funds should be appropriated to activate and operate the U.S.S. Sanctuary as a permanent active duty hospital ship, and to provide immediate assistance to the wounded in Lebanon.

H. Res. 1579. September 28, 1976. Judiciary. Condemns the murders of Orlando Letelier and Ronni Karpen Moffitt and the serious injury of Michael Moffitt. Urges a complete and thorough investigation by Federal authorities of the circumstances surrounding the bombing.

H. Res. 1580. September 28, 1976. Sets forth the rule for the consideration of H.R. 15636.

H. Res. 1581. September 28, 1976. Suspends for the remainder of the Second Session, 94th Congress, the requirement of clause 4 (b) of Rule XI of the House of Representatives which provides that certain reports from the House Committee on Rules be considered after meeting the two-thirds approval vote requirement.

H. Res. 1582. September 28, 1976. Suspends clause 2, of rule XXVIII of the Rules of the House for the remainder of the second session of the 94th Congress, in order to allow consideration of conference reports and amendments reported from conference in disagreement on the same day reported or any other day thereafter.

H. Res. 1583. September 28, 1976. Authorizes the Speaker of the House to declare recesses during the remainder of the second session of the 94th Congress subject to the call of the Chair.

H. Res. 1584. September 28, 1976. Sets forth the rule for the consideration of S. 3521.

H. Res. 1585. September 29, 1976. Rules. Authorizes the Speaker of the House to appoint a special delegation of members of the House to travel to foreign countries in the Middle East and Europe in order to conduct a study of security and foreign policy interests of the United States in such areas, with particular attention to the problem presented by the international nuclear marketplace and the potential for the proliferation of nuclear explosive capability.

H. Res. 1586. September 29, 1976. Interstate and Foreign Commerce. Expresses the sense of the House of Representatives that there exists a sufficient indication of a relationship between the level of violence depicted on television and a distorted view of social reality held by heavy viewers of television to warrant consideration of such relationship by those persons responsible for television programing and broadcasting.

Urges further investigation of the correlation between the level of violence depicted on television and aggressive, including violent, behavior in children and adults.

H. Res. 1587. September 29, 1976. Education and Labor. Disapproves, pursuant to the authority of the Higher Education Act of 1965, the proposed amendments to the family contribution schedule and regulations submitted to the House by the Commissioner of Education.

H. Res. 1588. September 30, 1976. Rules. Amends Rule X of the Rules of the House of Representatives to replace the Committee on the District of Columbia with the Committee on Urban and District of Columbia Affairs. Provides that the Committee's responsibilities shall include a study of problems confronting urban areas.

H. Res. 1589. September 30, 1976. Rules. Creates a Select Committee on Mexico-United States Relations. Authorizes and directs the Committee to investigate and study specified topics of concern relating to U.S. relations with Mexico.

H. Res. 1590. September 30, 1976. International Relations; Ways and Means; House Administration. Expresses the sense of the House of Representatives that Romania be denied most-favored status and the United States-Romanian Trade Agreement of 1975 be ended unless Romanian citizens are allowed to fully exercise their human rights and cultural freedoms, especially their right to emigrate. Requests the filing of reports relating to the status of civil rights in Romania by the President of the United States each time the President requests authority to waive the freedom of emigration provisions of the Trade Act of 1974 relating to Romania.

Authorizes additional funds of the contingent fund of the House to permit acquisition of additional staff for the Trade Subcommittee of the House Committee on Ways and Means.

H. Res. 1591. September 30, 1976. Sets forth the rule for the consideration of S. 2278.

H. Res. 1592. October 1, 1976. Expresses the appreciation of the House to Carl Albert for the manner in which he presided over the House during the 94th Congress.

Extends to him sincere wishes for a pleasant retirement.

H. Res. 1593. October 1, 1976. Rules. Amends Rule XI of the Rules of the House of Representatives to provide that committee funds shall not be used for travel unless its official nature is established by resolution approved by majority vote of the committee involved.

H. Res. 1594. October 1, 1976. Rules. Creates a House Select Committee to investigate and study product and professional liability insurance rate increases, and any other product and professional liability insurance issues at its discretion.

H. Res. 1595. October 1, 1976. Rules. Directs the House Committee on International Relations to conduct hearings to determine if any officials, agencies, or instrumentalities of the Federal Government are involved in the hostilities in Northern Ireland.

H. Res. 1596. October 1, 1976. International Relations; Ways and Means; House Administration.

Expresses the sense of the House of Representatives that Romania be denied most-favored status and the United States-Romanian Trade Agreement of 1975 be ended unless Romanian citizens are allowed to fully exercise their human rights and cultural freedoms, especially their right to emigrate. Requests the filing of reports relating to the status of civil rights in Romania by the President of the United States each time the President requests authority to waive the freedom of emigration provisions of the Trade Act of 1974 relating to Romania.

Authorizes additional funds of the contingent fund of the House to permit acquisition of additional staff for the Trade Subcommittee of the House Committee on Ways and Means.

H. Res. 1597. October 1, 1976. International Relations; Ways and Means; House Administration. Expresses the sense of the House of Representatives that Romania be denied most-favored status and the United States-Romanian Trade Agreement of 1975 be ended unless Romanian citizens are allowed to fully exercise their human rights and cultural freedoms, especially their right to emigrate. Requests the filing of reports relating to the status of civil rights in Romania by the President of the United States each time the President requests authority to waive the freedom of emigration provisions of the Trade Act of 1974 relating to Romania.

Authorizes additional funds of the contingent fund of the House to permit acquisition of additional staff for the Trade Subcommittee of the House Committee on Ways and Means.

H. Res. 1598. October 1, 1976. Appoints a Committee of the House of Representatives consisting of two Members to join a similar committee appointed by the Senate to inform the President of the United States that the two Houses of Congress have completed their business and are ready to adjourn.

H. Res. 1599. October 1, 1976. Authorizes the printing of a revised edition of the Rules and Manual of the House of Representatives for the 95th Congress as a House Document.

H. Res. 1600. October 1, 1976. Directs that, notwithstanding the sine die adjournment of the House of Representatives, the reports of the Comptroller General of the United States made to the Congress pursuant to the Government Corporation Control Act shall be printed as House Documents of the 94th Congress, second session.

EXTENSIONS OF REMARKS

DECLINE IN "LEADING ECONOMIC INDICATORS" SHOWS THAT THE CAPITAL INVESTMENT SHORTAGE IS STILL WITH US

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. KEMP. Mr. Speaker, when the 94th Congress convened the country faced a serious short-fall of investment capital. At the end of the 94th Congress this serious shortfall still exists, and its negative effects on employment and economic growth continue to mount as today's Commerce Department report of "leading economic indicators" reflects.

If the Congress does not promptly take action to expand our stock of capital—our stock of plant and equipment—more rapidly, the United States will face chronic high unemployment and less growth in the real incomes of our people than they have experienced in the past.

When the needed new plants, which ought to be offering additional job opportunities to provide employment for a growing labor force and a rising rate of labor force participation, are not built, some job seekers will be left stranded without jobs as they enter the labor force.

When new facilities per worker and advanced technology are not put in place in the form of new plant and equipment, the rate of productivity increase drops. No economy—no matter how much Government spending or public employment—can deliver gains in real incomes that exceed gains in productivity.

The fact that the rate of increase in the stock of plant and equipment per worker in the 1970's has been at only two-thirds of our historical rate means that the capacity of our economy to deliver improvements in the living standard of our people and enough new jobs to provide full employment is slipping dangerously.

In the 1970's our rate of capital formation has been only 1.6 percent per year, compared with 2.4 percent during the 1960's and 2.9 percent during the 1950's. As a consequence, output per worker—productivity—has only increased at a rate of 1 percent per year in the 1970's, as compared to the 2.7 percent yearly rise in the two decades from 1950 to 1970.

Dr. Paul McCracken, former chairman of the Council of Economic Advisers, addresses himself to this dangerous investment gap in the September 17 issue of the Wall Street Journal. Not only is our future in jeopardy, but also the present economic recovery. Dr. McCracken states that—

> If investment activity does not start to show a strong revival and return to a normal pace, the current expansion will stall.

Mr. Speaker, the mismatch between the rate of growth in the labor force and the rate of growth in capital investment must be a priority matter of business for the 95th Congress. The Nation cannot afford for the next Congress to pass the buck as the 94th Congress did.

Dr. McCracken's important article follows:

A DANGEROUS INVESTMENT GAP

(By Paul W. McCracken)

Does anything need to be done about investment in the U.S. economy? Whatever their instinctive ideological orientations, the winners of our quadrennial frenzy two months hence must face this question. They must face it promptly, and they should be prepared to face the issue head-on even though instincts in the political arena often seem to avoid a straight-forward solution if an oblique or roundabout approach can be found.

That the amount of new machinery and equipment and new facilities put in place has for years been subnormal in the American economy is clear from the facts at hand. Thus far in the 1970s the average gross amount of business investment in 1972 prices (technically, nonresidential fixed investment) has averaged about $60,000 per person added to the civilian labor force, compared with $73,000 for the 1960s and $84,000 for the 1950s. In its report last month on "Sustaining A Balanced Expansion" the Congressional Budget Office put the same problem the other way when it pointed out that from 1970 to 1975 our stock of capital per worker increased at the rate of only 1.6% per year, compared with 2.4% during the 1960s and 2.9% in the 1950s.

If investment activity does not start to show a strong revival and a pace of more historical proportions, what are apt to be the consequences? In the short run there is danger that the current expansion will start to stall because of its unbalanced reliance on strength in consumer spending.

Indeed, some evidence of this has already emerged. In the second quarter of this year consumers were increasing the amount of stuff (in real terms) that they were buying at the rate of just over 4% per year, down sharply from the 9% pace of the first quarter. Since the proportion of their incomes that they are spending is now back in the normal zone, consumers are not apt to provide much further independent thrust to the expansion.

If the problem were simply concern about economic prospects for the next few quarters, the conventional short-term economic outlook, a counsel of patience and wait-and-see would be in order. The 1974–75 recession was sharp and deep, and a somewhat longer lag in the recovery of capital goods was to be expected. Indeed, the strong expansion in new orders for capital goods now evident is a promising augury for this industry in the year ahead.

A PROFOUND IMPLICATION

The fact is, however, that this short-fall of investment is of long duration, and it carries with it a profound implication for the U.S. economy. If we do not set in motion forces that will expand our stock of capital more rapidly, we face chronically some combination of reduced gains in real incomes and high unemployment. For the fact is that no economy can deliver gains in real incomes that exceed gains in productivity. And though the forces giving us gains in productivity are complex, more capital backing up the labors of each worker is a major factor, both directly and through the more advanced technology that new equipment puts in place. And the fact that the rate of rise in the stock of equipment and new facilities per worker in the 1970s has been at about two-thirds of the historical rates means that the capacity of the U.S. economy to deliver improvements in real incomes has been weakening.

In the two decades from 1950 to 1970, output per worker rose at the rate of 2.7% per year, far above the 1% per year pace of the 1970s. While some of this shortfall may reflect the temporary effect of the recession, we cannot rule out the possibility that these more fundamental forces are beginning to show their visible effects.

The short-fall of investment can also produce chronic unemployment. The most obvious way is that if the additional plants which ought to be offering the needed new job opportunities do not get built, some job seekers will be left stranded as the expansion proceeds. There was, in fact, some evidence that precisely this did show up in the high-pressure year of 1973. There is here, however, more than some sort of mismatch between the total labor force and aggregate physical capacity. After all, there are poor countries which have what might be called full employment even though they have far less capital per worker than prevails here. Even with limited amounts of capital it may be economic to employ large amounts of labor if wage rates are sufficiently low and static. With high and rising wage rates, however, only those facilities that can validate such rates will be used, and this may mean that unemployed people and idle (but obsolete) capacity exist side by side.

What could be done to assure a stronger investment performance for the American economy during the remainder of the 1970s?

The first requirement is that the current expansion continue at a pace that is moderate enough to be enduring. Heating up the pace of the expansion may produce sales statistics that are comforting in the short run, but this would also increase the probability of another top-side collision and recession later. Indeed, it is not unusual for businesses in their capital budgets now to be building an assumed 1978 recession into their sales projections. If a short but explosive run-up followed by another business reversal is the prospect, the emphasis must be on inventory building, arrangements to go on overtime rather than adding to the work force, and other short-term steps to ride over the hump.

It is confidence in a continued and sustained expansion, which requires a strong but not ebullient economy, that gives businesses the basis for such longer-run commitments as more rapid increases in their work forces and enlarged capital budgets to increase basic capacity.

Second, the declining trend in federal budget deficits must be continued, and this will require major discipline in the control of expenditures. The flow of funds through pension funds, thrift institutions, and other channels is the dollars available to finance those who want to finance borrowing, including the U.S. Treasury. It is a simple and obvious fact, something to which economists have given awesome inattention, that the larger the Treasury's financing requirements the harder going other borrowers will have in these credit markets. The amount of these funds flowing through credit markets is usually about 13% to 14% of GNP (13.5% in 1975), and budgetary deficits even in the $50 billion zone projected for the next fiscal year do not really leave room for the volume of business investment and housing that ought to be financed.

In the mechanical sense these constraints could be relieved by "easy money" by more rapid Federal Reserve creation of new money at a more rapid rate. While M1 and M2 and all the little Ms should rise more rapidly in the year ahead than would be appropriate for the longer run, interest rate levels are more than a matter of Federal Reserve policy. Indeed, if the Federal Reserve were to embark on an aggressively easy money policy, we would certainly see higher interest rates because fears of accelerating inflation would be reactivated.

AN URGENT NEED

The most urgent requirement for getting the American economy equipped with more and better production facilities is for profits to be measured and taxed correctly. The profits figures at a first glance do not seem to suggest any serious problem. Corporate profits before taxes in 1976 will be at least 8.5% of GNP, and that is slightly above the 8.2% in 1966. The problem is, of course, that because of archaic accounting procedures true economic profits are overstated if the price level rises during the period.

While there is now general recognition of this problem, the magnitude of its effect on profits after taxes is still not appreciated. In the first quarter of this year profits before taxes, as conventionally measured, were estimated to have been running at the annual rate of $141 billion per year. This was 8.6% of GNP. After the Commerce Department's adjustment for fictitious profits from inventory valuation and to charge as current costs the current value of capital expiring, the figure became $115 billion, or 7% of GNP compared with 8.4% in 1966 (on the same basis). After taxes true economic profits in the first quarter of 1976 were 3.3% of GNP, compared with 5% for 1966. And true retained earnings in this year's first quarter were 1.3% of GNP, less than half of the 3% for 1966.

In fact, retained earnings, as thus more properly measured, were running at a $20.6 billion annual rate in the first quarter, substantially below the $29.4 billion pace in 1966, or a decline in real purchasing power of over 60%. These are the funds which heavily influence businesses in their capital budget decisions.

The problem here is that the overstatement of profits produced by accounting procedures during inflation produces a bill for taxes. In fact, corporate profits taxes in the first quarter of 1976 were equal to 53% of profits compared with 41% in 1966.

Whether we get investment activity more solidly based in the American economy probably will not make a great deal of difference in the way residents of the carriage districts or occupants of mahogany row offices live. It will make a great deal of difference to those behind the store counters or out in the factories who aspire to the doubling of material levels of living each generation which the American economy has historically delivered.

RETIREMENT OF F. EDWARD HÉBERT

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BOB WILSON. Mr. Speaker, when I first was elected to Congress in 1952, our colleague, F. EDWARD HÉBERT, whom we honor today on his retirement from Congress, was already forging a reputation as a pugnacious legislator against waste and inefficiency in the Defense Department. It was natural for a freshman Member to marvel over this man's ability. Well, EDDIE HÉBERT and I have since served 24 years together on the House Armed Services Committee, and I continue to marvel over his endless abilities as a masterful legislator.

I have watched him chair numerous meetings of our committee and its Investigative Subcommittee. Most will agree he was not an orthodox or predictable chairman. He always cut the fat away from shrouding the facts. Getting to the point of the issue served as his creed not only as a committee chairman but as a House Member during floor debate. He sometimes achieved this with his ever ready humor, or it was sometimes with the toughness he could apply when the situation required it.

Perhaps no other member of our committee in recent memory has so strenuously advocated a strong defense for our country as this fine American. His record speaks for itself. He also served his constituency of Louisiana with such unswerving dedication that he was overwhelmingly reelected to each succeeding Congress since his first election in 1940. Indeed, he has served longer in the House than any other Representative ever elected to this body from Louisiana in that State's history.

There are many fine things I remember about EDDIE HÉBERT whom I consider a close friend. One is that he was always willing to share of himself. Many times through the years, it was necessary for him to go to other districts, like my own in San Diego, on military matters. As a result, his opinions on our national defense, particularly the importance of the U.S. Navy, become well known to the Navy and civilian populace of San Diego. They liked what they heard from EDDIE HÉBERT and I know they, too, will miss his presence in the Congress, as we all will. I am pleased to join in this tribute to EDDIE HÉBERT and wish his beautiful wife Gladys and him every happiness during his years of retirement.

TROTSKYISM AND TERRORISM: PART XIII—SOCIALIST WORKERS PARTY FRONTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. McDONALD. I am continuing today with my reports on Socialist Workers Party fronts groups.

FAIR PLAY FOR CUBA COMMITTEE

The Socialist Workers Party supported the Castro regime in Cuba from its inception, not in spite of, but because of Cuba's relation to the Soviet-controlled world Communist movement. A December 23, 1960, "Draft Thesis on the Cuban Revolution," later adopted by the SWP read in part:

> Despite the colossal power of American imperialism and its counter-revolutionary ruthlessness, plus the grave dangers and sacrifices these signify for the Cuban people, the perspectives for the defense of the revolution are most promising. It occurs in the general context of colonial uprisings beyond the capacity of the imperialist powers to contain and it derives strength from this vast upheaval. The Cuban revolution occurs, in addition, in the context of the rising world power of the Soviet countries, whose interests coincide with the defense of Cuba. Finally, the workers and peasants of the small island appear as the vanguard of the Latin American revolution and therefore enjoy mass support on a continental scale.
>
> Born under the influence of these forces, the Cuban revolution quickly established connections with them. It began influencing them in turn. A highly dynamic revolution, it can, by following the natural lines of its defense through revolutionary policies on the international scene, add qualitatively new force to the colonial revolution, to the defense of the Soviet countries against imperialist attack, and to the struggle for world-wide socialism.[1]

In 1963, when the Fourth International was reunified, the FI characterized the Cuban regime as "unconscious Trotskyists"[2] although at that very time the Cuban Communist regime was persecuting domestic Cuban Trotskyites.[3] While American SWP members were honored guests in Cuba, the Castro regime jailed Cuban Trotskyites and prevented the printing of Trotsky's writings by smashing the press. Since 1962, Argentinian Trotskyists had been sent to Cuba for guerrilla training.

Despite the persecution of Cuban Trotskyites, the Socialist Workers Party actively participated in the Fair Play for Cuba Committee in developing support in the United States for Castro's regime which was now clearly Communist.

The Fair Play for Cuba Committee was established in 1960. The FPCC's first public act was to place an advertisement in the New York Times, April 6, 1960. Dr. Charles Santos-Buch, one of the original organizers of the FPCC, testified before the Senate Subcommittee on Internal Security that the money for the advertisement had been given to him and Robert Taber by Raul Roa, Jr., of the Cuban Mission to the United Nations in New York.[4]

Members of the Socialist Workers Party played an important role in the FPCC. Berta Green, now known as Berta Langston, served as the secretary of the New York FPCC chapter. She was then and is still an active member of the Socialist Workers Party.[5] Berta Green Langston was a member of the Internationalist Tendency of the SWP which supported the "terrorism now" line of the international leadership of the Fourth International, She and her husband, Robert, resigned from the IT in 1974 rather than be expelled from the SWP;[6] however the Langstons continue to support the positions taken by the FI international leadership.[7]

Edward Shaw, member of the SWP Political and National Committees, organized the Michigan FPCC branch.[8]

Some members of the Socialist Workers Party are not as enamored with Castro as is their leadership. While they must, of course, take an active part in supporting all SWP activities, they have criticized Castroism in the party's internal publications. David Keil, in 1975 wrote:

> Now the time has come to draw the balance sheet on the Cuban Revolution and be more precise about the nature of this workers state. It is today utterly impossible to seriously defend the idea that Cuba is a healthy workers state, with or without democratc forms. It would be hard to conceive any mass struggle against the Stalinists in Cuba that would not involve a violent confrontation between the repressive state apparatus and the working class. Nor is it possible to conceive of reforming this state apparatus—it must be entirely reorganized in all essential features, i.e., subjected to the process of political revolution.[9]

The Fair Play for Cuba Committee vanished in November 1963. The FPCC had become a major embarrassment to the Left because of its involvement with Lee Harvey Oswald, the assassin of President John Kennedy. Oswald was a member of the FPCC and had a lengthy correspondence with the committee's national office in New York. At the same time, Oswald was carrying on a correspondence with the Socialist Workers Party and had inquired into membership. In a letter to Oswald dated November 5, 1962, SWP national secretary, Farrell Dobbs, explained that the party had no branch in Dallas and that the SWP did not take in individual members in cities without a branch, and suggested Oswald sell SWP literature in the "hope it will be possible before too long to welcome a Dallas, Texas branch into the party."[10]

Shorty after the death of President Kennedy, Fidel Castro falsely denied that Oswald was connected with the Fair Play for Cuba Committee, but inadvertently admitted that the Cubans maintained the FPCC's file system. In a speech reprinted in the Communist Party, U.S.A. newspaper, The Worker (December 1, 1963, pp. 6 and 8), Castro said:

> We have searched through all our files and this man is not listed as president of any committee. Nowhere is there any mention of any Fair Play for Cuba Committee in Dallas or New Orleans.

U.S. COMMITTEE FOR JUSTICE TO LATIN AMERICAN POLITICAL PRISONERS

The U.S. Committee for Justice to Latin American Political Prisoners (USLA) was organized in 1966. Richard "Catarino" Garza, a member of the SWP National Committee and then the SWP candidate for governor of New York, was USLA's assistant executive secretary and its administrator. Migual Fuente, a leader of Grupo Trotskista Venezolano (Venezuelan Trotskyist Group), the sympathizing organization of the Fourth International in Venezuela, described the support given by the Socialist Workers Party to the Trotskyite terrorist ERP of Argentina. Fuente wrote:

> "We should above all include in the record that it has been the SWP comrades, as well as the Argentine comrades of the Partido Socialists de los Trabajadores (PST) who have done exceptional revolutionary work in solidarity with the PRT-ERP comrades in the face of the heavy repression of which they have been the victims."[11]
>
> Fuente continued:
>
> "The SWP comrades have organized and promoted the effective work of the United States Committee for Justice to Latin American Political Prisoners (USLA), whose periodical, the *USLA Reporter*, has carried many reports on the repression in Argentina. The USLA has organized tours throughout the USA for Argentine activists to give talks denouncing Lanusse's dictatorial regime and the crimes he has committed, such as the Trelew massacre. The Canadian comrades have not lagged behind in this campaign of solidarity."[12]

USLA's founding Statement of Aims again points to the close cooperation between the Trotskyites and the Cuban Communists. The document said that "with the triumph of the Cuban Revolution in the closing days of 1958, it seemed reasonable to hope that a new era * * * was opening." According to USLA, the chief block to revolutionary progress was, and is, the United States; therefore one of the organization's purposes was to generate public pressure "for a basic change of policy toward Latin America." USLA was to "cooperate with organizations in Latin America and other countries which have similar purposes."[13]

The Young Socialist Alliance made an "international defense campaign" for "revolutionaries in many Latin American countries" who "have been imprisoned, tortured, and murdered for their opposition to repressive national regimes subservient to the interests of U.S. imperialism" a major project.[14] The defense campaign was principally in support of the Argentinian ERP, the largest Trotskyite terrorist movement, as well as in support of movements in Bolivia and Brazil.

Shortly afterward, Lynn Silver and Sue Adley, members of the lower Manhattan branch of the YSA, wrote in a YSA internal publication that "USLA work is not only important international defense work, but it is also important in building the YSA."[15]

USLA publishes a monthly newsletter, the USLA Reporter. The first editor of the USLA Reporter was Hedda Garza, then the wife of USLA director and SWP national committee member Richard

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Footnotes at end of article.

Garza. Hedda Garza was a member of the pro-terrorism-now Proletarian Orientation Tendency and joined its successor, the Internationalist Tendency, which also supports the "terrorism now" tactic of the Fourth International majority. Hedda Garza of the lower Manhattan SWP branch was expelled from the SWP in 1974 with other IT members who violated SWP procedural rules.[16]

Judith White, long an alternate member of the SWP national committee—her husband, Gus Horowitz, is a regular member of the SWP national committee and until his recent reassignment as SWP representative in Paris was also on the SWP political committee—replaced Hedda Garza as editor of the USLA Reporter.[17] White and Frank Grinnon, an SWP and YSA member on USLA's staff,[18] led the "tasks panel" on "Latin American Political Prisoners" at the 1973 SWP national convention.[19]

Other YSA or SWP members who have been prominent on USLA's staff include Selva Nebbia,[20] Walter Brod,[21] and Lew Pepper.[22] Mirta Vidal, an SWP member formerly assigned to recruitment work among Mexican Americans,[23] and SWP member Jim Little now head USLA nationally. At the 1975 national convention Vidal and Little led the workshop on the projected tour by Peruvian Trotskyite terrorist Hugo Blanco.[24]

As listed in the November–December, 1975, issue of the USLA Reporter, USLA officers and staff include:

> Officers: Co-Chairpersons: Dave Dellinger, Dore Ashton; Vice-Chairpersons: Judith Malina, Julian Beck; Acting Executive Secretary: Richard Garza; Executive Board: Robert Collier, Bert Corona, Warren Dean, Ralph Della Cava, Richard Fagen, Richard Falk, Rev. David Garcia, Timothy Harding, George Preston, Annette T. Rubenstein, Muriel Rukeyser, Dr. Benjamin Spock, Stanley Stein, Robert Van Lierop.
>
> National Staff: Mirta Vidal, Jim Little; Reporter Design: Will Reissner.

USLA has been active in organizing U.S. tours of foreign Trotskyite Communists and other revolutionary supporters of "armed struggle" and terrorism. In 1973, USLA sponsored tours by the Argentinian Daniel Zadunaisky and by Mary Elizabeth Harding, a former Maryknoll nun who was expelled from Bolivia, were especial successes. Harding, a U.S. citizen, admitted in a Washington Post interview on May 6, 1973, that she had been a member of and recruiter for the ELN (National Liberation Army), a terrorist guerrilla organization containing both Trotskyite and Castroite Communist elements.

With the fall of the Marxist regime of Salvador Allende in Chile, USLA moved into organizing protests and demonstrations against the coup. Among those featured at USLA rallies in the fall of 1973 were Edward Boorstein, a former assistant to Allende's economic adviser;[25] Mark Cooper, Allende's personal translator;[26] Heather Dashiell, also an Allende translator;[27] and Joe Collins of the Institute for Policy Studies (IPS). The SWP's newspaper reported a speech by Collins at a New York rally on November 4, 1973, on his return from an "investigative tour" of Chile he had made as a congressional aid, as pointing out the "urgency of on-going visible protests" against the anti-Marxist Chilean Government.[28]

A revealing analysis of local USLA work was provided by SWP members Gary Prevost and Marvin Johnson, of the Twin Cities SWP branch, which is attached as an appendix.

In his May 2, 1975, report to the SWP National Committee, SWP Organization Secretary Barry Sheppard said:

> Another important area of work is our efforts to help USLA to defend Latin American political prisoners. The USLA tour of Juan Carlos Coral was quite successful. Especially in reaching out to Chicanos and Puerto Ricans and other people of Latin American descent. USLA hopes it can follow the Coral tour up and take advantage of some of these gains with a tour next fall by Hugo Blanco.[29]

Juan Carlos Coral is a leader of the Argentinian section of the Fourth International, the Partido Socialista de los Trabajadores (PST). Hugo Blanco, an admitted and convicted terrorist, is a member of the Fourth International's International Executive Committee (IEC). The denial of an entry visa to Blanco has been the subject of considerable congressional commentary.

On September 22, 1975, USLA wrote to Representative Edward I. Koch of New York, asking his aid in getting a visa for Hugo Blanco. On September 24, 1975, the Congressman wrote to Secretary of State Kissinger asking for information on the Blanco matter. Dr. Benjamin Spock wrote to the Congressman on September 30, 1975, also asking him to intervene in aiding Blanco. An exchange of letters followed between the Congressman and Robert J. McCloskey, Assistant Secretary for Congressional Relations, Department of State. McCloskey at first refused to provide any details concerning Blanco's terrorist acts and advocacy stating the information was classified. Finally, after much prodding by Congressman Koch, McCloskey referred him to this Congressman's report in the Congressional Record of December 19, 1975, which contained information on Blanco including, "his affiliation with the Fourth International and other groups, as well as quotations from his writings in which he has advocated the use of violence."

McCloskey further stated that Blanco's public record included, "his declaration that he took full and sole responsibility for the murders of three policemen which occurred during a raid he and his followers made on a police station in Peru during 1962."

Congressman Koch wrote to Dr. Spock indicating his agreement with the State Department's decision to bar Blanco on the grounds of his "admitted responsibility for the murder of three policemen" and his advocacy of "the use of violence."

Dr. Spock responded on February 18, 1976:

> I have no idea where the truth lies. The plea for his entry came from a responsible organization.[30]

On May 27, 1976, Congressman Koch spoke again on the question of Hugo Blanco. He said:

> But those who must make decisions on the admission to this country of persons who have engaged in violent acts, particularly ones which result in death, must exercise that judgment carefully even if it results in erring on the side of excessive caution—so long as the decision is not arbitrary or capricious. In this case, I do not believe the State Department was either arbitrary or capricious.

Congressman Koch included in the Record a rambling, self-contradictory statement by USLA attacking Congressmen Koch and McDonald and Columnist William F. Buckley for supporting the State Department decision to bar Blanco. Also included was a May 24, 1976, letter from the State Department providing quotations from Blanco in support of violence that had appeared in this Congressman's statement in the Record of December 19, 1975. The State Department had also supplied Congressman Koch with a copy of the Senate Subcommittee on Internal Security hearing, "Trotskyite Terrorist International," as well as copies of the confidential Fourth International publication, International Internal Discussion Bulletin, which documented Blanco's activities.[31]

FOOTNOTES

[1] "The Nature of the Cuban Revolution," *Education for Socialists Bulletin*, April, 1968, SWP National Education Department.

[2] *International Internal Discussion Bulletin*, Vol. XII, #5, October 1975, p. 27.

[3] *Spartacist*, January-February, 1965, and November-December, 1965.

[4] "Fair Play for Cuba Committee," Hearings, Senate Internal Security Subcommittee, Part I, January 10, 1961, pp. 79–80.

[5] *New York Times*, November 20, 1960; and "Fair Play for Cuba Committee," Hearings, Senate Internal Security Subcommittee, Part II, Testimony of Richard Gibson, May 16, 1961, p. 180.

[6] *Internal Information Bulletin*, #6 in 1974, July 1974, p. 22.

[7] *International Internal Discussion Bulletin*, Vol. XII, #5, October 1975, p. 19 ff.

[8] "Fair Play for Cuba Committee," Hearings, Senate Internal Security Subcommittee, Part III, June 15, 1961, p. 250 ff.

[9] *International Internal Discussion Bulletin*, Vol. XII, #5, October 1975, p. 32.

[10] Letter from Farrell Dobbs to Lee H. Oswald, Dobbs Exhibit No. 11, Warren Commission Exhibits, Vol. XIX, p. 578.

[11] *Internal Information Bulletin*, #10 in 1973, December 1973, p. 29.

[12] *Idem.*

[13] Statement of Aims, published in *From Radical Left to Extreme Right*, Vol. I, Campus Publishers, Ann Arbor, MI, 1970, pp. 201–202.

[14] *Militant*, January 14, 1972, p. 12.

[15] *Young Socialist Organizer*, March 13, 1972, p. 6.

[16] *Internal Information Bulletin*, #6 in 1974, July 1974, p. 19; *International Internal Discussion Bulletin*, Vol. XII, No. 2, January 1975, p. 272; *Internal Information Bulletin*, #7 in 1974, August 1974, p. 13: *SWP Discussion Bulletin*, Vol. 32, No. 2, December 1973, p. 21; *SWP Discussion Bulletin*, Vol. 31, No. 14, June 1973, p. 8.

[17] *Newsday*, September 17, 1966; *Militant*, June 16, 1972, p. 9; *Internal Information Bulletin*, #2 in 1975, October 1975, pp. 10–11; *SWP Discussion Bulletin*, Vol. 33, No. 4, June 1975, p. 51; *SWP Discussion Bulletin*, Vol. 31, No. 4, May 1973, p. 5.

[18] *Militant*, March 23, 1973, p. 3; *Militant*, July 25, 1969, p. 2.

[19] *Internal Information Bulletin*, No. 7 in 1973, December 1973, p. 4.

[20] *Militant*, April 5, 1974, p. 22; *Militant*, March 23, 1973, p. 3.

[21] *Militant*, October 26, 1973, p. 15; *Militant*, March 14, 1969, p. 2.

[22] *Militant*, September 28, 1973, p. 3; *Militant*, May 9, 1969, p. 6.

[23] *Internal Information Bulletin*, No. 7 in 1973, December 1973, p. 4.

[24] *Internal Information Bulletin*, No. 2 in 1975, October 1975, p. 4.

[25] *Militant*, October 5, 1973, p. 5.

[26] *Militant*, October 5, 1973, p. 5.

[27] *Militant*, November 9, 1973, p. 19.

[28] *Militant*, November 16, 1973, p. 14.

[29] *SWP Discussion Bulletin*, Vol. 33, No. 4, June 1975, p. 22.

[30] CONGRESSIONAL RECORD, March 1, 1976, pp. 4811–4815.

[31] CONGRESSIONAL RECORD, May 27, 1976, pp. 15783–15785.

APPENDIX

[Party Builder, SWP Organizational Discussion Bulletin, August 1974]

CHAPTER BUILDING PERSPECTIVE FOR USLA WORK

(By Gary Prevost and Marvin Johnson, Twin Cities Branch)

The following report will attempt to show how an ongoing chapter of USLA was organized in Minneapolis during the past year in the context of the openings which have occurred in the wake of the September 11, 1973 coup in Chile. It should be noted from the very beginning that while the authors are writing almost exclusively from experience in the Twin Cities we do not think the Minneapolis experience should be unique, and a major purpose of the report is to stimulate the forming of USLA chapters in cities where they do not now exist.

In October 1973, USLA work in the Twin Cities was reevaluated and three basic goals were established. They were: (1) to establish the authority of USLA in a broad constituency, to include church leaders, union officials, community leaders, and politicians; (2) to organize visible, periodic, public events which serve to keep the issue of Chile alive in the Twin Cities; (3) to develop a chapter of USLA with regular meetings, sound finances, ongoing activities, and most importantly, a core of activists.

Today, more than nine months since the goals were set the following results have been achieved. The Minnesota USLA chapters have a core of 10–15 independent activists. The chapter meets bi-weekly, even now during the summer months, and sustains itself financially through contributions and special fundraising projects.

The chapter is in the process of formalizing a local sponsors list, which will reflect the breadth of authority USLA has achieved. The list includes Rev. John Sinclair, President church executive; Joe Bash, Director of Student Affairs, American Lutheran Church; Rev. Vince Hawkinson, Grace University Lutheran Church; Fran Moscello, Spanish Department, Hamline University; Mulford Sibley, Political Science Department, University of Minnesota; Alfredo Gonzalez, Chicano Studies, University of Minnesota; Larry Grimes, Spanish Department, University of Minnesota; Minnesota Democratic-Farmer Labor Party. Others are considering becoming sponsors, including the president of ADA and a member of the Minnesota Civil Liberties Board. Rep. Donald Fraser, U.S. Congress, has worked closely with us, although he has not yet agreed to be a sponsor. USLA's authority locally is also shown by people who are interested in doing political work on Latin America naturally bringing their concerns to USLA.

The list of ongoing activities sustained by the chapter is impressive, including: a) a locally initiated political prisoner case; b) consistent interventions at Latin American and other political events. Interventions have involved the sale of approximately 50 *USLA Reporters* per month, and a total of over 2,000 signatures on various petitions for Chilean political prisoners. During the year USLA used three different petitions. USLA felt it was important that individuals coming to programs have a personal thing to do. Initially USLA used a list of 34 political prisoners, followed in January with the Chile 7, and, around May 11, used the list put together for that action. c) an investigation of complicity between the University of Minnesota and the junta controlled University of Chile; d) outreach to meetings of trade unions, church groups, and political and community groups; e) publication of a regular newsletter, which has produced a consistent flow of contributions; f) a telegram campaign in defense of the PST in Argentina and political prisoners in the Dominican Republic.

EVOLUTION OF THE CHAPTER

Having outlined our original goals and what has been now achieved we would like to describe in some detail the evolution of USLA work in the Twin Cities.

During the 1972–1973 school year the work of USLA was centered on two national speaking tours, Daniel Zadunaisky of Argentina and Mary Elizabeth Harding, a former Maryknoll nun who was a political prisoner in Bolivia. The two tours were successfully conducted in the Twin Cities and began to show the potential for ongoing work. Daniel gave a well-attended talk at the University of Minnesota and the USLA was used publicly for the first time in Minnesota.

The Mary Elizabeth Harding tour of May 1973 was highlighted by a meeting of over 100 at the University of Minnesota Newman Center, which was attended largely by the adult Catholic community. The meeting was co-sponsored by the Sister Council and Priest's Senate of the St. Paul Archdiocese. The Harding meeting began a good relationship with the Newman Center, which remains in effect today. Though a collection was taken and 35 names were collected for ongoing work, no follow-up was attempted until after the Chile coup.

An emergency picket line was called following the coup on last September 11; about 40 persons marched on the picket. Outside of USLA, the party and the YSA, the most significant involvement was that of the Communist Party.

Unfortunately, there was no consistent USLA work done following the initial demonstration largely because there was no major assignment made to the USLA chapter. The shortcoming was not remedied until mid-October, but not before considerable damage had been done and USLA had been put in a difficult position vis-a-vis our opponents, including the Chile Solidarity Committee (CSC).

The Chile Solidarity Committee, headed by the CP, organized a Chile eyewitness speaking tour in early November and due to USLA's weak position, completely excluded us to the point of our not being allowed a literature table at the major events. USLA did organize a successful intervention into several of the meetings, with sales of the Reporter and a petition on political prisoners. The CSC organized successful meetings financially but did not bother to get a mailing list.

The first public activity of the Twin Cities USLA was the national Linda Wine tour. Coming directly on the heels of the CSC tour, it was not terribly successful but was a beginning.

In the absence of any nationally planned action USLA decided to initiate a film tour on Minnesota campuses to raise money and establish its authority over the CSC. USLA worked to organize the film tour and a symposium at the University of Minnesota for about two months, beginning in early December. During that time CSC committed suicide when the Communist Party pulled out of it, and the remaining independents lacked the organizational skill or desire to maintain the group. Ever since CSC's demise USLA has remained the only Chile group in the Twin Cities. CSC's most active independent now works with USLA.

The film tour, using When the People Awake and Campamento, was the first major step forward for USLA. The films were shown ten times on eight campuses to over 900 people. A profit was realized, which put local USLA on sound financial footing and permitted a contribution to the USLA national office. The tour allowed USLA to greatly expand its mailing list and provided contacts throughout the state of Minnesota. A chapter of USLA was formed at Mankato State College as a result of the tour.

In connection with the film tour, a symposium was organized at the University of Minnesota, the largest campus in the region. The major purpose of the symposium was to involve Latin American Studies faculty and students, who we found are more receptive than the average faculty and students to the USLA campaigns. The symposium firmly established USLA as a campus organization and significantly raised its prestige among the Latin American Studies faculty, which has been very important in many current campaigns.

Unfortunately, the tour did not solidify any new activists for USLA in the Twin Cities, but the core of the chapter began immediately to make plans for another film tour in the spring.

At the same time, the national tour of former Swedish ambassador to Chile, Harald Edelstam, was announced by the national USLA. The significance of the Edelstam tour for Minneapolis USLA was the realization of broader trade union, church, and political support which had been projected earlier but not achieved. A broadly endorsed city wide rally featuring Edelstam drew about 250 people and helped to raise over $1,000 for the national Chile Appeal fund.

The second film tour, which featured *Chile: With Poems and Guns*, was conducted in late April. As with the earlier tour the film was accompanied by an USLA speaker who discussed the current Chilean events and USLA projects. The tour was less successful in some ways than the earlier tour as it drew but 350 in ten showings and raised a modest profit for the chapter. However, the most important result of the tour was the solidification of six to eight activists who attended the showings and indicated their desire to do ongoing work with USLA. Almost all of them are now active in the chapter.

The May 11 national action provided an opportunity for outreach similar to the Edelstam tour but wih a new element, the existence of a working coalition which included such groups as New American Movement (NAM) and Fellowship of reconcilliation.

The May 11 action in the Twin Cities was successful with 175 people turning out as compared to the demonstration of 40 immediately following the coup. One drawback of the May 11 action was that because the action was organized through a May 11th action committee, which held open planning meetings, the ultraleft sects were given too much power in the coalition. In retrospect, we feel that the action could have been just as broad if organized under the auspices of USLA.

CURRENT ONGOING WORK

Since the May 11 action the work of the USLA chapter has actually increased rather than dropping off as might be expected following an action. However, USLA had the perspective of maintaining ongoing activities, and with a good number of activists willing to do work, it has organized several important activities.

Since May 11 USLA has done its first consistent labor union outreach. USLA has made presentations and had resolutions on Chile passed by the Minneapolis Federation of Teachers Local 59, Robbinsdale Federation of Teachers, University of Minnesota Federation of Teachers, Local 2408, and the Minnesota Federation of Teachers State Executive Council. The Minneapolis and Robbinsdale Federations are the first and third largest locals in Minnesota. We are presently making plans to present resolutions to several other union locals in Minnesota.

A special campaign for a Chilean political prisoner with Minnesota connections has underlined the authority of the local chapter. The prisoner, Galo Gomez, received a masters' degree from the University of Minnesota in 1969 and was known to many people here. He was vice-president of the University of Concepcion at the time of his arrest. After getting many letters on behalf of Gomez through literature tables for a month, the chapter decided to step up the campaign. Within ten days emergency telegrams were obtained from many prominent professors at the University of Minnesota, and also from Senators Kennedy and Humphrey and Congressman Donald Fraser. The campaign included a telephone call to the prison camp in Chile where Gomez is being held. The call was made by a faculty member in the Spanish department.

University of Minnesota activists working with USLA are investigating an agreement between the University of Minnesota and the University of Chile which may involve the medical school, the agricultural school, and the Mayo clinic. It appears that the agreement went unimplemented during Allende's rule but was recently renewed following the secret visit of junta representatives to the Twin Cities. The chapter feels that the agreement may provide an excellent basis for an anti-complicity campaign at the University of Minnesota next fall.

Another area of work which has expanded since May 11 has been church outreach. Since an excellent reception at the University of Minnesota Newman Center in January, the chapter has been aware that outreach work toward the churches could be very productive. USLA found it necessary to take its program to the individual churches that are sympathetic, so it requires considerable persistence to arrange the engagements. The program consists of the Chile film *Campamento* and speaker from USLA. Several church presentations have been made since May 11 with the most sympathetic being at Lutheran and Catholic churches. Church social action committees and sympathetic pastors have been the best contacts for USLA. The church visits can be productive in obtaining numerous signatures on petitions and letters, in addition to financial support. USLA may use a slide show prepared by NICH (Non-Intervention in Chile) in future programs.

Work with church officials can also be important for giving breadth and authority to the USLA committee. Recently, USLA has had conversations with officials of both the Presbyterian and Lutheran churches about their role on behalf of victims of repression in Latin America, particularly Chile. They are proposing that an ad hoc committee on Chile be formed in their churches.

USLA has long recognized that support from the Chicano community can be an important boost to our work. Though the Twin Cities Chicano community is relatively small, USLA has actively attempted to involve Chicano community groups. USLA is now achieving some success, through its presence at a community fair. USLA has arranged meetings with two significant groups, the Spanish Speaking Cultural Club and the Brown Berets.

RECRUITMENT

It should be noted that only through continuous activity will USLA result in recruitment to the party and the YSA. Some success has already been achieved in Minneapolis. One has joined the YSA, while a couple of others are interested in attending our activities. The presence of an USLA chapter also can provide new YSAers with an important assignment with which to integrate themselves into the work of the YSA.

IN SUMMARY

In summary, we feel that the most important lesson for USLA work stemming from the Twin Cities work is the importance of the chapter-building perspective. The chapter-building perspective is a long-range one which requires considerable patience and hard work on the part of the initial core of activists. As the report noted, the Minneapolis chapter did not actually obtain a number of independent activists until six months after the chapter had been initiated and several successful events had been organized.

The key factor in projecting a chapter is the formation of ongoing projects. Demonstrations and national speaking tours are simply not enough to sustain an ongoing chapter. Such events will be better organized if a chapter exists but they will not produce a successful chapter by themselves. Therefore, the chapters must initiate local activities. The report has described in some detail such activities in the Twin Cities—film tours, local political prisoner case, complicity case, interventions in Latin American events. Projects may vary from area to area, but the openings exist wherever there are branches.

Finally, the potential for ongoing Chile work clearly exists nine months after the coup, as shown by both activists willing to work for USLA and the prominent individuals willing to support Chile projects. Some may say that the Minneapolis USLA experience is unique, but such is not the case. Actually, Minneapolis has many objective limitations, the most important of which is the lack of any substantial Latin community to support the work. The objective conditions are ripe for the formation of USLA chapters in many more cities. All that is needed is a clear conception and commitment to doing ongoing work rather than just organizing a demonstration on May 11 or September 11.

SHORTAGE OF FEED GRAINS AFTER DECEMBER 31, 1976

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. PRESSLER. Mr. Speaker, I am today introducing legislation which would authorize the Secretary of Agriculture to acquire commodities to be placed in the disaster reserve. The current drought is rapidly exhausting the 7 to 8 million bushel supply of CCC oats and I am advised that there will be no oats available after December 31, 1976. This bill would simply give authority to the Secretary to go into the open market to obtain commodities, particularly feed grains, to replenish the reserve. The emergency feed grain program has been of tremendous assistance to farmers and ranchers who live in the drought areas. While there is some complaint about the legal restrictions for eligibility, I believe that the program has worked quite well and ought to continue. It would be a tragedy if it were to be closed off due to the lack of feed grain in the disaster reserve. Our farmers and ranchers need this program as a basis of rebuilding our livestock industry which has been decimated by the drought.

YOUNG CLEVELANDER MASTERS TECHNIQUE OF ANCIENT MARTIAL ART

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STOKES. Mr. Speaker, in my district in Cleveland, Ohio, I have become well acquainted with a youngster who has mastered the ancient art of Karate and astonished judges and audiences alike with his style and expertise in this most difficult discipline. Mr. Speaker, 8-year-old Danny Wagner is reported to be the youngest Black Belt in Karate in the United States and is the recipient of over 126 trophies and awards for his skillful competitions.

So that my colleagues in the U.S. House of Representatives can familiarize themselves with the unusual talents of Danny Wagner, I commend to you two articles which recently appeared in popular national magazines.

Mr. Speaker, I would like to ask my distinguished colleagues to join with me at this time in recognition and praise of young Danny Wagner. Let us also commend his father, Mr. Danny Wagner, for inspiring his son and encouraging him to excel in this difficult and challenging sport.

MARTIAL ARTS MIGHTY MITE—BIG THINGS DO COME IN SMALL PACKAGES

(By Sergio Ortiz)

In the west side of Cleveland, an area not known for its peacefulness or ritzy atmosphere, walks a small child unperturbed in streets where men fear to tread.

He's frail and his handsome ebony face is topped with an awesome afro. He's quiet—almost inarticulate—for a child of six, smiles easily and could easily pass for a Rodney Allen Rippy look-alike. But this facade of innocent glee hides an awesome talent for the martial arts that's netted him, Danny Wagner, over 90 trophies in knuckle-cracking karate competitions. "Those trophies," explains his instructor Raymond Zuch, "do not include the Olympic-type medals and awards of that kind. He took the AAU championship medal in the peewee division."

The peewees include children up to 11 years of age and Danny has competed in kata competitions with junior division opponents up to 15 years old.

His father Dan Wagner works for the United States Steel Corporation in Cleveland and, being an avid martial arts movie buff, sparked his son's interest in the Oriental arts after taking him to many movies and demonstrations after work.

Before long, the senior Wagner decided to enroll the child in Zuch's Cleveland Academy of the Martial Arts, where Danny excelled in all facets of the art after a mere three-month period.

According to Zuch, who trains over two

dozen boys in the storefront dojo, Danny's training may be rougher than an adult's. "Danny goes through more difficult discipline and procedures in a class than most adults," he comments. "When I started training him, his whole routine consisted of two-hour sessions. three times a week.

"The whole problem of teaching a six-year-old child is that they have the physical ability, they have the desire to learn but they lack maybe the coordination and the balance of an adult. Add to that the fact that you have to constantly ride them and tell them all the time that *anything* can be done, and you begin to understand the problem.

"The hardest thing with a youngster," he continues, "is that they understand the idea of a fight: bow in, beat the other kid, bow out and win a trophy. But they don't necessarily understand the fact that if you're gonna' fight, you must fight with control and try not to hurt. For a five or six-year-old kid, that's contradiction in the highest sense. They believe that in order to have a real fight, it must hurt."

At times, some karate authorities criticize the teaching of martial arts to children, but both Zuch and Danny's father point to the historical fact that karate's discipline, instilled at an early age, can be a great asset in the molding of a youth.

Both father and instructor are very proud of the child's feats, and his house is literally a Danny Wagner shrine. His trophies take up almost an entire room and framed photographs of both Danny and his heroes hang from the wall. The child has an uncanny admiration for Muhammad Ali and Everett Eddy and lately he's become a quasi-neighborhood hero since Ali promised him an exhibition bout, with proceeds to go to a Cleveland Boy's Club.

Little Danny's career started at the Cleveland State Championships after he had studied karate for only three months. "It was a Korean tournament and one of the head officials had an eleven-year-old nephew who had just arrived in this country," Zuch recalls.

"Danny had just turned six and after he had placed first and second in the eliminations, he had to bow against this Korean kid. The kid had five years training, a black belt first degree, that sort of thing. We kinda' knew the outcome and just told him, 'do your best' and walked away from the ring. But Danny won it, two-to-nothing, within a matter of forty-five seconds.

"Danny told us later that he watched the boy fight in the eliminations and the boy did turning kicks—typical Korean—and Danny waited for the first turning kick and cut him short halfway in it and then rushed him with a punch right to his chest. The Korean boy tried to tip the outcome back at him with a punch and Danny laid back and threw a front snap kick right into the other kid's stomach. At first we thought that it was a fluke, but tournament after tournament he's won. I can't recall the last tournament where he didn't place for a trophy."

One of the highlights of young Wagner's meteoric career in karate came when he won the J. T. Will's Ohio Championships twice in a row. He competed with boys up to 11 years old in that tournament and was the youngest athlete to win it. A certificate from Ohio's governor hangs on the wall.

Zuch's dojo is geared to teach youngsters from six to 13 and he buses his students through the Midwest, sometimes competing in up to three tournaments a week. "Sometimes we split our kids and send some to one tournament and the others to a competition," Zuch says. "I teach strictly competition and sport karate. Let's put it this way—last year we won close to 2,000 trophies for the school. We've also won some seven or eight Outstanding School Awards in regional competitions and even some national tournaments like Elgin's Tournaments, Pennsylvania State, Ohio State and J. T. Will's."

To Danny Wagner, who's the brightest student in the school, competition is a matter of life. It has brought him fame at a relatively early age and he's rubbed elbows with such luminaries as Ali (they were featured in the same issue of *Ebony* together), governors (he is invited to luncheons and dinners at the State Capitol) and karate experts (he and Everett Eddy like to exchange techniques and the boy prides himself in a photo of Eddy receiving a beer from him).

Despite all the fame and much ado about him, little Danny is the typical six-year-old child. His vocabulary consists mostly of mono-syllables.

"Do you like karate, Danny?"

"Hard to say about that," he answers.

"Why?"

"Dunno."

"Who do you like in karate?"

"Friends—like Everett Eddy, who visits me sometimes."

"Why do you like Eddy?"

" 'Cause he fights good."

"Who else do you like? Bruce Lee?"

"Oh, yeah. But I don't see him in any more karate pictures."

"He's dead."

"No. You can't mean that." Danny Wagner then runs out of the house to play stick ball with some neighborhood pals.

Mighty Mite

(By Flo Jenkins)

With the influx of martial arts films, came a massive interest among movie-goers in the arts. Young people, especially, found kung fu, judo, and karate exciting to watch and to learn.

Young Danny Wagner was interested, too, and now he has the art of karate in the palms of his hands! And after only two short years as a karate student, this tiny tiger has won 126 trophies for his talents!

And just in case you're wondering if he's a midget . . . not he's not! . . . He's just an eight year old fella whose hard work and talent have brought him success at something he loves!

A Gemini, Danny lives in Cleveland, Ohio, where he's a third-grader at Harvey Rice Elementary School. And though his teacher says he's not the very *best* student in her class, he is probably the quietest one!

126 TROPHIES IN TWO YEARS

After racking up 126 trophies in just two years, you'd think 75 lb. Danny would have much to boast about. He's a champ, he knows it, but he's very quiet and modest about his achievements.

According to Danny's father, Danny would never tell you first that he's the youngest Black Belt in the country. And he might even shy away from the answer if you asked him!

A tiny 4 feet 6 inches tall, Danny Wagner loves karate as well as other sports. And among his favorite people are great athletes like Muhammed Ali, O. J. Simpson, and James Cook. He also digs actor and former football star, Jim Brown. And naturally, karate champ-actor, Jim Kelly holds a special place in Danny's heart. Says Danny, "When I get older, I'd like to enter the Olympics, and star in movies, like Jim Kelly." (By the way, Danny was considered for two movie parts.)

A diligent karate student, Danny practices with his instructor, Ray Szuch, of the Cleveland Academy, two to three hours a day, six days a week. His instructor admits that Danny is one of his best pupils.

Though Danny is constantly keeping his karate together, he does have time to listen to music and watch television, in between his school studies, of course. His favorite musicians include The Jackson Five, Rufus, Billy Preston, and The Osmond Brothers. His favorite television shows are Six Million Dollar Man, Good Times, Sanford & Son, The Jeffersons, and The Grady Show.

NO GIRLFRIENDS RIGHT NOW

Danny says that he doesn't have a girlfriend right now, however, the girls are waiting in line, hoping he'll soon make a decision about one of them! Although he doesn't have a girlfriend, he still likes them. And some of those 'older' ladies he digs include Tamara Dobson, Pam Grier, Teresa Graves, and Lola Falana, That's pretty good taste in ladies from an eight year old!

When it comes to riding his minibike and running track, Danny Wagner is probably on an even keel with most youngsters his age. But when it comes to his specialty . . . karate . . . he's way out front! When he's such a celebrated champ at just eight years old . . . wonder what he will have conquered by the time he reaches the 'old' age of 14!!

SENATOR DOLE: "CHARACTER AND COURAGE"

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WINN. Mr. Speaker, I would like to call to the attention of my colleagues this article concerning the Republican Vice Presidential candidate, my colleague from the State of Kansas, Senator BOB DOLE.

[From the New York Times, Sept. 22, 1976]

SENATOR DOLES "CHARACTER AND COURAGE"

(By George L. Hinman)

To the Editor: In January of 1971, the Republican National Committee elected Bob Dole as its chairman. I was a member of the committee at that time, and I well recall my lack of enthusiasm for the choice. Dole had been Nixon's principal apologist in the Senate, and Nixon had dictated his selection as chairman of the committee. Thus, I expected Dole to be totally responsive to the White House.

As it turned out, he was not. As he came to perceive the character of the men around the President in the White House and in CREEP, the Nixon campaign organization, Bob Dole was increasingly alienated by them. He increasingly withheld his cooperation. He refused to become involved in their ploys. He refused to give the speeches they sent over to him. He finally came to the point where he was publicly expressing his low regard for them in biting ridicule.

This all happened early on, before the extent of White House wrongdoing had been exposed or others had spoken out against it. Watergate occurred in June 1972. Dole went through the 1972 campaign, after which he paid the price for his independence and was unceremoniously eased out of the chairmanship.

It was from this first-hand observation of the perception, the character and the courage of Bob Dole that those of us who served under him on the Republican National Committee came to hold him in abiding admiration and affection.

It is not too much to say that in his own person he insulated the Republican National Committee and thus saved the Republican Party from all the President's men.

Where so many others had gone along, and so many were to continue to go along, he stood up. He brings to the Republican national ticket the high qualities of independence, forthrightness, candor and courage that are so greatly needed in our public life, especially in a campaign where equivocation and double-talk are coming to be the central issue.

HON. WILBUR D. MILLS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BIAGGI. Mr. Speaker, it is my pleasure to join with my colleagues in this special order to honor a most outstanding Member of this body, WILBUR D. MILLS.

WILBUR MILLS began his career in the House as a Member of the 76th Congress. He was assigned to the House Ways and Means Committee on October 15, 1942. It was as a member of this committee that he made a great name for himself. In 1958, WILBUR MILLS was selected to be chairman of the committee, the youngest in its history. He served as chairman until 1974, marking the longest tenure of any chairman in the history of the committee.

It would be an oversimplification to say that as chairman, WILBUR MILLS was a legislative giant. He is perhaps directly responsible for more landmark legislation than any other Member currently serving in the House. The Ways and Means Committee, by its very nature, is responsible for enacting legislation to improve the quality of life for almost all segments of the American population.

Let me briefly review some of the major legislative highlights of WILBUR MILLS' career. He was responsible for the legislation which established the medicare program. He was instrumental in gaining numerous social security increases for elderly Americans, helping them keep pace with the ever rising costs of living. He was responsible for the establishment of the supplemental security income program to provide needed assistance for elderly, blind and disabled persons. He was responsible for major new foreign trade legislation which has been invaluable to restoring a favorable balance of trade for this Nation. He was a key factor in the enactment of the landmark Revenue Sharing Act of 1972 which provided billions of dollars in new aid to States and localities. He has been a leader in the battle for tax reform and was responsible for the Tax Reform Act of 1969 which included an increase in the personal exemption for individuals from $600 to $750.

WILBUR MILLS, while chairman of the Ways and Means Committee, influenced many other major pieces of legislation including the Pension Reform Act of 1974. As a member of the House Labor Standards Subcommittee, I helped develop this legislation and Chairman MILLS provided the necessary leadership to insure its overwhelming enactment by the full House in 1974.

It should be noted that even after resigning his chairmanship of the committee, WILBUR MILLS, as the ranking Democratic member, provided the committee with his expertise and the recently passed Tax Reform Act clearly has the imprint of WILBUR MILLS on it.

There is no question that WILBUR MILLS was one of the most powerful and effective chairmen ever to serve in the House of Representatives. He was generally recognized to be an expert, not in the tax and welfare laws of this Nation, but also in the procedures of the House itself. Many of us, when we first came to the House marveled at the ease with which Chairman MILLS would steer key bills through the House. Members knew that bills which emerged from his committee had been thoroughly debated and considered, and were almost always sure to gain swift approval.

The people of this Nation benefited greatly from the work of WILBUR MILLS. Elderly Americans saw their social security benefits increase annually to keep pace with inflation. Thanks to Chairman MILLS, elderly men were able to receive social security benefits at age 62. The blind and disabled elderly saw a new assistance program specifically created to meet their income needs. The unemployed of this Nation whose numbers swelled as a result of the recession, found their Government ready with special unemployment insurance to help them while they sought new employment. State and local governments saw an important new assistance program established to help them meet their most pressing needs. During his 16 years as chairman of the House Ways and Means Committee, the individual taxes of Americans were reduced by some $40 billion. WILBUR MILLS' legislative genius reached almost every American in one form or another. Despite his many duties and the national prominence he gained, Congressman MILLS never neglected the needs of the people from the Second Congressional District in Arkansas. He lent his support for many important local projects and was always accessible to his constituents.

I say without any hesitation that I benefited from my friendship with the distinguished gentleman from Arkansas. I found him to be a warm and compassionate friend, always willing and able to provide advice and assistance. His suggestions were sound, his knowledge of his work, indisputable. He has been and still is a good friend, one whom I will surely miss in the House.

WILBUR MILLS leaves the House knowing that his record of achievement is among the most outstanding of any Member in the history of Congress. He combined a legislative genius with a genuine compassion for improving the lives of Americans and the results are an important part of our legislative history. I extend to WILBUR my personal best wishes for a happy and fulfilling retirement. Thirty-eight years, in this gruelling business, is a long time and only the strong survive. This Congress as well as the American people are losing a good friend in WILBUR MILLS. We wish he and his lovely wife, Polly, many happy years together.

THE TIGER'S PRIDE

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. McHUGH. Mr. Speaker, I would like to take this opportunity to salute the Union-Endicott High School Showband from Endicott, N.Y. The showband has become known as one of the finest high school marching bands in the Nation, winning numerous national and State awards both on the concert stage and on the marching field.

In recognition of its excellence, the showband has been invited to perform throughout the country. The band has performed at Buffalo Bills NFL games for the past 6 consecutive years. During the spring of 1973, the band represented the State of New York in the Mexican International Band Festival in Mexico City. On New Year's Eve, 1974, the band appeared in the King Orange Jamboree Parade in Miami, Fla. In 1975, the showband was named grand champion at the University of Maryland Band Day and performed for the halftime of the Maryland-Syracuse football game. The showband has been selected to represent the State of New York in the prestigious Tournament of Roses Parade in Pasadena, Calif., on January 1, 1977, and plans are now being made for that appearance.

Accompanied by the Tigerette Corps, a unique dance-drill unit which is unquestionably the finest high school chorus line in the Nation, the showband has distinguished itself repeatedly. I am proud to have such an outstanding group in our district and hope that those of my colleagues here who have not already had the pleasure of seeing one of its performances will soon have the opportunity.

The Union-Endicott High School Showband has brought honor and recognition to our Broome County communities and to the entire State of New York, and I am happy to salute the band and its fine director, Mr. Joseph R. Scagnoli.

TRIBUTE TO HONORABLE F. EDWARD HÉBERT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. JOHNSON of California. Mr. Speaker, for 36 years the House of Representatives has been blessed with the services of one of the finest Americans I have ever known. F. EDWARD HÉBERT is leaving these Halls for the last time in a few days. It will not seem the same without him.

EDDIE HÉBERT first came to Congress in 1941 and served here continuously ever since. These, of course, have been tumultuous years during which we have been faced with military challenges including one world war. Throughout this period it was essential that we maintain a strong posture of military preparedness. No one has contributed more to maintaining this goal than EDDIE HÉBERT.

Preparedness has been the hallmark of his service to the Congress and the country, including the years that he distinguished himself as chairman of the Committee on Armed Services.

I will miss EDDIE even more, for I looked to him as a fine and warm friend.

One who I have turned to on several occasions for advice and assistance, and one who never let me down.

He has been fair and objective, and I think these traits are well recognized and admired by all of us.

The freedom of the people of California, and the Nation as a whole, has been protected well by EDDIE HÉBERT's service in the Congress.

I, as one individual speaking for many in my Golden State, say to you, EDDIE, "Thanks for everything. We wish you well and good health and happiness in the years ahead."

NEW YORK CITY'S SURVIVAL

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Ms. HOLTZMAN. Mr. Speaker, after receiving short-term loans at interest rates up to 6.9 percent from the Federal Government, New York City has made major strides in the direction of fiscal reform—at a substantial cost in loss of services and increase in taxes. However, the continuing stagnation of the national economy and spiraling inflation will make it impossible for the city to balance its books without further drastic service cutbacks which will cause widespread flight from the city and erode its tax base—perhaps irrevocably.

Felix Rohatyn, chairman of the Municipal Assistance Corporation, has suggested that the form of Federal aid be changed from a loan to a loan guarantee. This would help to assure New York City's survival and encourage its move toward fiscal reform. I commend to my colleagues a New York Times editorial approving this plan. The text of the article follows:

MR. ROHATYN TRIES AGAIN

New Yorkers must beware of placing too much hope in Felix Rohatyn's attractive new plan to reduce the city's crushing debt burden by substituting federally guaranteed long-term Municipal Assistance Corporation bonds for more than $10 billion in relatively short-term M.A.C. and city obligations.

A similar proposal for helping New York surmount its fiscal crisis was rejected in Washington last year. Members of both parties in Congress joined in supporting the more limited aid program of direct Federal loans that was finally advanced by the Ford Administration. Even if the November elections produce a new Administration next year, there is no assurance that Mr. Rohatyn's loan guarantee proposal would receive a warmer reception in the White House, or in the Congress.

Developments of the past traumatic year offer powerful arguments, however, for fresh Federal action along the lines of the Rohatyn Plan. Despite heroic efforts at reform, including stringent curbs on municipal wages, a 20 percent reduction in the municipal work force and $500 million in added taxes, the city faces drastic new economies and taxes that could cripple vital services and undermine its economy. As Mr. Rohatyn put it: "Whether the budget of the city can be balanced in fiscal '78 [as mandated under state and Federal legislation] . . . without at the same time tearing the city apart, is open to question."

The M.A.C. chairman is not proposing, as some have suggested, that the city extend beyond the end of the next fiscal year its present plan for balancing the budget by then. To do so would only add to the debt burden. Rather, he is asking for Federal assistance to restructure the city's debt under a guarantee arrangement which, he says, would actually increase Federal revenues since the new M.A.C. bonds would be taxable. The resulting reduction in debt service, a major budget item, would help the city eliminate the deficit on target next year without resorting to crippling new cuts and without another punitive increase in realty taxes.

Nothing in Mr. Rohatyn's proposals eliminates the need for New York to persist in an all-out effort to cut costs and improve management. Indeed, if any plea for additional Federal assistance is to have a chance—regardless of the outcome of the Presidential election—it is essential that continuing evidence of waste and mismanagement throughout the municipal bureaucracy be vigorously attacked.

Nevertheless, New York's achievements to date, and the real danger that the stringencies of the current Federal assistance program could destroy the city it was supposed to help, amply justify favorable action in Washington on Mr. Rohatyn's latest plan.

IN TRIBUTE TO "THE CHAIRMAN" HONORABLE OTTO E. PASSMAN ON HIS RETIREMENT

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, it has been my great good fortune to enjoy a very close personal and professional association with Representative OTTO E. PASSMAN over the past several years. Despite the familiarity of our social and working relationships, I found only one appropriate term of reference for this distinguished gentleman. Because of my deep love, admiration, and respect for this great American, I always addressed him as "Mr. Chairman"—no matter where, no matter what, no matter when. To say the very least, I find the prospect of our esteemed OTTO E. PASSMAN's retirement at the end of this session most disheartening.

Serving under his chairmanship as a member of the House Appropriations Subcommittee on Foreign Operations is a uniquely demanding and rewarding experience. As the leaders of the world have come to appreciate, "The Chairman's" knowledge of our foreign assistance programs is encyclopedic—his conceptual grasp of each program's historical derivation, legendary. His boundless energy, his ceaseless dedication and his single-minded zeal in reducing U.S. participation in foreign aid when not in our national interest—represent a measure of leadership that will be sorely missed.

As an individual, I shall surely miss his warm, good humor as my trusted friend. However, I am equally sure that those of us on the Foreign Operations Subcommittee who have been privileged to serve under his mentorship will continue to draw guidance from his wise and thoughtful counsel.

Mr. Speaker, I join my colleagues in wishing OTTO PASSMAN many years of happy and active retirement.

REPRESENTATIVE ABZUG URGES SOVIET GOVERNMENT ALLOW JEWISH MEMORIAL AT BABI YAR

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Ms. ABZUG. Mr. Speaker, today, September 29, marks the 35th anniversary of the mass murder of 100,000 Jews at Babi Yar, by a German SS extermination squad.

People all over the world recognize—as did the Soviet Union's most distinguished writers—that the organized extinction of 100,000 defenseless Jews at Babi Yar was a crime against all humanity.

Yevgeny Yevtushenko, the Soviet poet, articulated that international identity with the Jews of Babi Yar—saying:

> And I myself am one massive, soundless scream above the thousand thousand buried here. I am each old man here shot dead. I am every child here shot dead. Nothing in me shall ever forget.

We take this opportunity to commemorate those untimely deaths at Babi Yar—not only to recall the lives that were snuffed out there, but also to consider the conditions of those Jews who remain citizens of the Soviet Union. The memorial on the site fails to mention these victims as Jews and to this day there is no memorial which commemorates their death.

Earlier this week the contemporary Jews of Kiev who had planned a memorial march to the monument were warned that their participation in commemorative activities would be punished by jail sentences.

The Soviet Government has denied Jews the right to study or practice their religion. It has denied them the right to define their own culture. It has blocked their emigration to Israel and now the Soviet Government is trying to prevent them from honoring their own ancestors.

Surely the tragedy of Babi Yar is compounded until these violations of basic civil liberties are corrected.

I know that my colleagues here will join in renewed efforts to alter the policies of the Soviet Government toward its Jewish minority. As Jews all over the world commemorate a new year—it is particularly appropriate that we call upon the leaders of the Soviet Union to stop the harassment of the Soviet Jews and allow them full civil rights to which they are entitled.

I am today wiring the leaders of the Soviet Union and the Soviet Ambassador in the United States urging that the Jewish community of Kiev be allowed to go forward with its plans for a commemorative march at the Babi Yar monument to commemorate this tragedy. I urge my colleagues to do likewise.

THE FEDERAL RESERVE SYSTEM

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PAUL. Mr. Speaker, central banks have played an important role in the history of the United States. I am sure that at one time or another, everyone has heard something about the first and second banks of the United States. The controversies which surrounded these banks must seem very remote to people today, but they really are not. The issue is and was: What is the role of monetary policy in the economy and who will control the money supply? Today such questions revolve around the Federal Reserve System, America's Central Bank.

One of the most succinct statements I have ever seen regarding the functions of the Federal Reserve System is contained in the following article by Prof. Hans Sennholz of Grove City College from the April 1972 issue of The Freeman:

THE FEDERAL RESERVE SYSTEM

(By Hans Sennholz)

(NOTE.—Dr. Sennholz heads the Department of Economics at Grove City College and is a noted writer and lecturer on monetary and economic principles and practices.)

After full use of the presidential influence to get the legislation adopted, President Woodrow Wilson signed the act establishing the Federal Reserve System, on December 23, 1913. The Reserve Banks opened their doors for business on November 16, 1914.

Why? What was the origin of this new System? How does it work? What are its good points, if any, and what are its dangers?

Trade cycles had been an unhappy experience in the United States as well as in Western Europe. The panic of 1907 and the subsequent lethargy of business and finance had increased the widespread clamor for banking and currency reform. "We need a more flexible currency," the advocates of a reorganization of the American banking system asserted; "a currency that can be made to expand or contract in accordance with the needs of business." This flexibility was to eliminate the recurring periods of financial stress and disorder.

The "reformers" pointed approvingly at the currency systems in Western Europe. There was, for example, the Bank of England. It enjoyed a partial monopoly of note issue, and served the government as banker and as agent. All other banks kept accounts with the Bank of England because its currency notes commanded the greatest confidence and widest circulation. At the end of each clearing period, the claims of all other banks were settled through transfers among their respective deposits with the Bank of England. It was the "lender of last resort." In times of financial crisis it was expected to stay liquid, and to grant accommodation to the most essential credit needs. It had done so during the crises of 1873 and of 1890. And in 1907 it had allayed alarm in England by merely increasing its discount rate.

There also was the Reichsbank of Germany. It, too, conducted a discount policy for the protection of general banking liquidity. But the Reischsbank differed from the Bank of England in one important respect, which had great appeal for the planners in the United States. This was the "elasticity" in its note circulation. So our central banking institution was fashioned, in general, after the Reichsbank.

While the Bank of England always held a full gold reserve for its notes issued, the Federal Reserve System was required to maintain a gold reserve of only forty per cent against its issue notes; sixty per cent could be held in trade and agricultural paper discounted by member banks. And the Reserve Banks had to keep on hand, in "lawful money," only thirty-five per cent of all their deposits. In an emergency the full reserve requirements could be suspended for thirty days, with renewals of suspension for further periods of fifteen days each—but at a penalty of a graduated tax on the deficiency in reserves. All these features were to give the new bank flexibility and elasticity.

Economic control over the new System was given to seven governors who are appointed by the President and approved by the U.S. Senate. Of course, ultimate control lies in the hands of the President who makes the appointments. In all important policy matters pertaining to American money and credit, his decision prevails.

In this age of radical interventionism and socialism, a sharp distinction must always be made between economic control that is decisive, and legal ownership that is empty and meaningless. The 1913 Congress that created the Federal Reserve System gave control to the President acting through his seven governors, but rested the legal ownership with the commercial banks that were to join the System. The member banks thus could be made to finance the System through the forced sale to them of "stock" that lacked any right of control. After all, the new System was to afford support and stability to commercial banks. Why shouldn't they be made to finance such benefits? At least, this was the rationale of government in 1913.

If the legal ownership of the System should ever be placed with the Federal government—which the U.S. Congress, the creator of the System, may legislate at will—the meaning and substance of the System will remain unaltered.

The Federal Reserve was to accommodate its member banks with emergency reserves and credits. After 50 years of rapid growth of government it now holds complete powers over our money and banking. It works with three important instruments to suit whatever its purposes may be at any given time. In the beginning it had—or at least used—only one. This was the rediscount instrument.

REDISCOUNT RATE

Promissory notes, drafts, and bills of exchange, growing out of actual commercial transactions and with a maturity not to exceed ninety days, accepted by the commercial banks and then rediscounted with the Federal Reserve—this constituted, by law, the base and the boundary for the money the Federal Reserve could create. Thus a direct causal connection was to be established between the money supply and the demand for money. Since the total of commodity bills rediscounted was supposed to be determined by the intensity of economic life, basing the money supply on that total was supposed to bring about a perfect adjustment of this supply to the fluctuating "needs of business." This arrangement was to make money "neutral," smoothly rendering the vital service of a medium of exchange without itself affecting prices.

Of course, it did no such thing. The volume of "paper" thus offered the Federal Reserve for rediscount—and hence the amount of currency and credit it could feed into the economy—was determined primarily by the rediscount rate which the Federal Reserve itself established and could change at will. As so often happens, the planners had put the cart before the horse.

Also, by 1935, the boundaries in this channel of operations had been materially widened. The paper presented to the Federal Reserve for advances to its member banks no longer had to arise out of commercial transactions. It could even be government securities. If the notes, drafts, or bills of exchange had been drawn "for agricultural purposes," they could now have a maturity of nine months instead of three. Not only banks, but individuals, partnerships, and corporations also had been given access to the discounting facilities of the System. Finally, in 1942, the Federal government was authorized to borrow up to five billion dollars directly from the Federal Reserve. And every loan the Federal Reserve System made to any borrower, for any purpose, under these relaxed conditions, allowed it to issue that much more currency, or credit in the form of a bookkeeping entry subject to the check of the borrower.

OPEN-MARKET OPERATIONS

The second tool of the Federal Reserve System is its authorization to buy or sell certain securities in the open market. The original Act granted it this power to buy and sell obligations of the United States, and of any state, county, district, political subdivision, or municipality in the United States.

By the 1920's it was recognized that these open-market transactions by the Reserve Banks offered an important method of central credit control. So a concentration of this power into the hands of one regulatory body was advocated. Legislation enacted in 1933 decreed that no Federal Reserve Bank should engage in open-market operations except in accordance with regulations adopted by the Federal Reserve Board. To improve and formalize this centralization, the Open Market Committee was organized. And in 1935 an amendment to the 1933 Act finally provided that "no Federal Reserve Bank shall engage or decline to engage in open-market operations . . . except in accordance with the direction of, and regulations adopted by, the Committee."

With this tool in familiar use, the Federal Reserve System no longer had to wait for member banks to ask for discounts and advances, at whatever rate it might have set, in order to affect the money supply. It could do so directly, on its own initiative, by buying or selling securities to make the money and capital markets more liquid or more tight, as it might wish. In payment for securities the Federal Reserve merely draws, on itself, a check which constitutes newly created money. Then, as this check is deposited by the recipient in his bank, and redeposited by that bank, it winds up as an addition to the reserve account of some bank with the Federal Reserve.

Open-market operations of the Federal Reserve may deal in long-term securities. Thus they may affect, directly and immediately, long-term interest rates and yields. They are, therefore, a quite comprehensive instrumentality of control. For this reason such operations have high prestige and preference in the plans of the money managers.

RESERVE REQUIREMENTS

The third and perhaps most powerful instrument of credit control in the hands of the Federal Reserve System is its authority to *change the reserve requirements* of its member banks. Both the rediscount process and the open market transactions either increase or decrease member bank reserves, and hence the amount of credit which these banks can make available. But changing the percentage of its deposits which a bank must keep as reserve is an even more drastic form of influence over the money and credit supply.

Suppose a bank has one million dollars of demand deposits. If the reserve requirement is ten per cent, it must keep one hundred thousand dollars in its Reserve Bank. It may loan out or invest the rest. But if the reserve requirement should now be lowered, let us say, to five per cent, our bank would need only fifty thousand dollars as a reserve against its demand deposits. It can now lend or invest the remaining $50,000.

If this were the only effect, only $50,000 of additional money would enter the economy. In reality, however, this is merely the beginning of a chain of money creation. Let's assume that our bank decides to hold the reserves thus set free as "excess reserves." It may then extend more credit to its customers. Of course, it would have to proceed very slowly lest it lose its reserves to other banks or customers demanding cash. It cannot proceed any faster than other banks that also are expanding their credits on the basis of their newly won excess reserves.

This is an oversimplification, of course. But the impact on the capital and money markets of changes in reserve requirements is extremely potent. It is estimated that at present a fluctuation of only one per cent tends to increase or decrease the total volume of bank credit by more than six billion dollars. This authority to vary reserve requirements was given to the Federal Reserve System in 1933, *as a special emergency power*. Since 1935 it has been a permanent instrument of credit control.

A MOST IMPORTANT TOOL IN THE ARMORY OF INTERVENTION

An appraisal of the good points and bad points of the Federal Reserve System depends on the political and economic philosophy of the appraiser. If he favors government control over our economy he will regard the Federal Reserve most favorably, for it holds absolute power over the people's money and credit.

If one is convinced of the beneficial nature of an enterprise economy, he will unconditionally reject the Federal Reserve System. He will condemn it as the controlling body of an important industry. He will blame it for having shattered the American dollar; for having caused booms, busts, recessions, and depressions; and for having made the fifty-six years of its existence a period of unprecedented economic instability.

In the opinion of this writer, this instability has fostered the growth of ideologies that are hostile to individual liberty. The Federal Reserve, through its policies of "boom and bust," helped to usher in the New Deal. And it now acts as midwife to ever more extensive government controls.

Since it began operating in 1914, the Federal Reserve System has put some $55 billion in circulation, has extended some $65 billion in credit, and thereby has depreciated the dollar by almost three-fourths. And it continues to inflate the money supply at an accelerating rate.

First, the economic planners in Washington clamor for an expansion of the volume of money and credit, in order to bring about—or sustain—a boom, prosperity, and full employment. They rejoice over wage boosts, but dislike the parallel price rises and the hardships wrought upon those with fixed incomes. They approve of additional housing construction, but disapprove of higher prices for houses. They like one set of inflationary effects, but decry the inevitable twin set. And the economic planners are always most anxious indeed to do something about these undesired effects. In order to "fight" inflation, they want to curb economic actions with credit controls, price controls, wage controls, and all kinds of other government controls over our economic lives. They want socialism. In my opinion, an acceleration of the present long-range credit expansion will lead us rapidly into the controlled economy they desire.

Under these conditions, the Federal Reserve System is the most important tool in the armory of economic interventionism. In the Governors' own words, it is the system's objective "to help counteract inflationary and deflationary movements, and to share in creating conditions favorable to sustain high employment, stable values, growth of the country, and a rising level of consumption." This is plain interventionism, with all of the planner's usual assumption of benevolent omniscience. An institution which was established as a cooperative undertaking by the banks of the country to pool their resources has developed into the right hand of the government in promoting its "New Deal" and "Fair Deal" objectives. The beautiful fallacies of socialist "central planning" are being substituted for the hard, but lasting and productive, truths of a free market. And the Federal Reserve System supplies the magician's cloth under which the substitution is made.

Its part in the colossal metamorphosis of our country is not limited to the maintenance of cheap money, in order to prolong or create a boom. It also provides the government itself with the money the planners think they should have, beyond the amount they dare take directly in taxes.

The Federal Reserve System facilitates the government's own inflationary financing "in periods of emergency." It makes easy the inflationary financing of budget deficits and the inflationary refunding of government loans. It stabilizes the government bond market through inflationary methods and manipulates this market to the advantage of the government. It does all of this by wrecking the purchasing power of the dollar; by subtly stealing from the people of this country what it thus provides for the government, through a process similar to the coin-clipping of ancient kings—but much more diabolical because so much less visible.

EMERGENCY BANKING LAWS

No matter how grave our indictment for past and present evils, we must anticipate an even more ominous role of the System in the future. For periods of national emergency, all administrations since that of Eisenhower have issued emergency banking regulations that grant extraordinary powers to the Federal Reserve System. Although these may differ in detail, in substance they are much alike.

For instance, let us look at Emergency Banking Regulation No. 1, issued on January 10, 1961. It is probably the most radical order that ever emanated from an American government. Yet, few voices of protest are heard, for few would dare oppose government preparations for a national emergency.

Emergency Banking Regulation No. 1 is just one of a number of emergency measures that would impose government control over rentals, prices, salaries and wages, and introduce rationing. The Regulation orders the instant seizure of most bank deposits "in the event of an attack on the United States." The Regulation is based on The Trading with the Enemy Act of October 6, 1917, and covers all banking institutions, including every commercial bank, trust company, private bank, savings bank, mutual savings bank, savings and loan association, building and loan association, cooperative bank, homestead association, credit union, and United States postal savings office.

Section 2 of Chapter V is most shocking in its wanton denial of individual freedom and private property. Lest we be suspected of misinterpretation, we quote:

"(a) No depositor or share or savings account owner may transfer in any manner or by any device whatsoever any balance to his credit on the date on which this Regulation becomes effective, except for the payment of (i) expenses or reconstruction costs vital to the war effort, (ii) essential living costs, (iii) taxes, (iv) payrolls, or (v) obligations incurred before the date on which this Regulation becomes effective, to the end that the best interest of the war effort and the public will be served.

(b) Banking institutions shall prohibit the transfer of credit in any case where there is reason to believe that such transfer is sought for any unauthorized purpose.

(c) After this Regulation becomes effective, banking institutions shall retain until released by Federal authority the original or a photographic copy (face and reverse sides) of each check and other evidence of transfer of credit in the amount of $1,000 or more."

In short, your money in the bank is blocked unless you propose to spend it toward the war effort, i.e., buy U.S. Treasury obligations or finance expenditures deemed "vital" by the government. You may withdraw your money for living expenses, but only sums deemed "essential." You may pay taxes and wages, and discharge old obligations. But any other use of your money is prohibited. Let us assume that you were saving for another car, new furniture, or a house, or for your children's college education. As such objectives can hardly be called "essential," neither for the war effort nor individual living, your money could be blocked.

The Emergency Regulation would permit business to pay taxes and wages, but deny all other expenses of doing business. After all, manufacturers need materials, tools, and equipment in order to produce goods and services. Merchants need ever new supplies of merchandise in order to stay in business. Even professional people, such as doctors and dentists, have expenses other than taxes and wages. This is why the Regulation would halt all economic activity but that of government. In fact, no enemy attack no matter how devastating to human life and property could conceivably have a more disruptive effect than the Emergency Banking Regulation.

Chapter VI, Section 1, of the Regulation would radically change the very nature of banking.

"No banking institution may make any loan, extend any credit, or discount or purchase any obligation or evidence of debt, unless it is established and certified in writing by the borrower and a banking institution that the purpose is to pay (i) expenses or reconstruction costs vital to the war effort, (ii) essential living costs, (iii) taxes, or (iv) payrolls, to the end that the best interests of the war effort and the public will be served."

It is ironic that the stated purpose of the Regulation is "continuance of operations and functions" of all banking institutions. Indeed, banks would be required to "remain open and continue their operations and functions." (Chapter IV, Section 1). In reality, the stated purpose should read "cessation of all banking operations and assumption of the exclusive function of government finance." After all, what is banking? It is negotiating credit between lenders and borrowers, and maintaining cash balances for the convenience of depositors. It is obvious that banking ceases to exist if credit can no longer be negotiated and cash no longer be paid upon demand by the depositors. The Emergency Regulation would make all financial institutions agencies of the U.S. Treasury, with the Federal Reserve System as a subtreasury that polices the banking system.

OTTO E. PASSMAN

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. POAGE. Mr. Speaker, certainly I would not want to let the opportunity pass to publicly express my appreciation for having been privileged to be Otto Passman's next-door office neighbor for a number of years. I think that I have come to know him a little better than many of our Members, who have not had the occasion to associate with him so frequently. I know what a prodigious worker Otto is. He seeks out the facts and tries to deal with them for the good of our country. He is an outstanding patriot. He believes in the United States, and he works for his country.

Otto's energy and determination have ofttimes caused him to be misunderstood; but as one who has known him for many years, I think I can say that Otto Passman never shirked an obligation and he does not believe his colleagues should shirk their obligations.

We need more Members with Otto's ability and willingness to work and with his determination to serve and defend America.

WYOMING'S GREAT FITZPATRICK WILDERNESS DIFFERENCES RESOLVED

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. RONCALIO. Mr. Speaker, the House of Representatives yesterday approved S. 1026, formerly known as H.R. 15446, the omnibus legislation designating certain lands as wilderness. I strongly support this bill. And I especially want to call to the attention of my colleagues section 2(a) of the bill which creates the Fitzpatrick Wilderness in the Shoshone National Forest in the western part of my State of Wyoming.

The Fitzpatrick Wilderness, presently the Glacier Primitive Area, is to be named after Tom Fitzpatrick, one of Wyoming's foremost early mountainmen and a contemporary of Jim Bridger after whom the Bridger Wilderness, adjacent to the Glacier Primitive Area, was named.

The Fitzpatrick Wilderness is among the most beautiful natural scenic creations in America. Its 196,000 acres include high jagged peaks, deep precipitous canyons, and large Alpine plateaus with rock-strewn meadows. Gannett Peak, the highest mountain in Wyoming, rising to 13,804 feet in elevation, lies within the wilderness along with seven other peaks exceeding 13,000 feet. The area includes 44 glaciers, ranging in size from as little as 20 acres to more than 1,000 acres. There are hundreds of natural lakes, and the headwaters of a number of creeks. This piece of Wyoming, Mr. Speaker, is truly "God's Country."

The Fitzpatrick also contains one of the Nation's largest herds of bighorn sheep which ranges, in the summer months, throughout the Whiskey Mountain area. Mr. Speaker, the Forest Service has proposed to declassify the Whiskey Mountain portion of the Glacier Primitive Area and omit it from wilderness designation so that a cooperative bighorn trapping program, now conducted on several sites outside the area, could be expanded if ever necessary. This is simply not sound management. The welfare of this magnificent herd is certainly the principal concern within this area.

Yet, the natural pristine nature of the habitat in these areas is the singular factor required by bighorn sheep for survival. The principal factor in continued herd growth and viability is the preservation of a natural condition which the wilderness designation insures. To propose declassification of the area to manage the herd is simply throwing out the baby with the bath water.

Yet, in the event that the trapping program proposed by the Forest Service for the area should ever become necessary, the committee at my request, placed in the report to accompany this bill management language which will in no way interfere with or hamper a future sheep management program.

The Wilderness Act clearly provides ample flexibility for the Forest Service, in cooperation with the Wyoming Game and Fish Department, to carry out such a program—including the use of motor vehicles temporarily if found to be the "minimum necessary" to accomplish that purpose. Section 4(c) of the Wilderness Act reads there shall be no use of motor vehicles, and now I quote from the law, "except as necessary to meet the minimum requirements for the administration of the area for the purposes of this Act."

Mr. Speaker, the intent of the committee is clear in this regard—to preserve the natural condition which wilderness designation insures, in order to sustain the growth of these magnificent animals. In addition, if ever necessary, the Forest Service is provided the means to manage that herd to meet the minimum requirements for the administration of the area.

I am highly pleased that the House has passed this legislation. I hope that final action can be completed in this Congress.

CONGRESSMAN DRINAN INTRODUCES LEGISLATION TO PROHIBIT USE OF PAID INFORMERS BY THE FBI

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DRINAN. Mr. Speaker, I am introducing a bill today which would forbid the Department of Justice and the Federal Bureau of Investigation from using paid informers unless expressly authorized by Congress. During the past year, the Judiciary Subcommittee on Civil and Constitutional Rights, chaired by Congressman Edwards of California and on which I serve, has examined the practices of the FBI with respect to its standards for initiating, continuing, and terminating so-called "national security" investigations. Our examination, conducted with the assistance of the General Accounting Office, has disclosed that in the past the Bureau has undertaken such inquiries in disregard of the rights of citizens to belong to organizations, exercise free speech, and participate in other lawful activities.

One of the FBI's investigative techniques which has particularly disturbed me is the use of informers, especially paid informers. Students of the FBI, such as Sanford Ungar, have raised serious questions concerning the manner in which informers are recruited and utilized. In the first instance, we can never be sure that a "confidential informant," to use the Bureau phrase, is in fact a person. It is reported that FBI agents sometimes use the expression "as a cover for some extra legal or illegal method of obtaining information," as Ungar observes in his book "FBI." That confidential informant may in fact be an unauthorized tap or bug. Or the information may have been obtained through an illegal break-in of a private residence or place of business.

Moreover, the use of informers, paid or not, may itself lead to or instigate the illegal conduct sought to be prevented. In the trial of the Camden 28, the defense successfully contended that the FBI informer acted as an agent provocateur, providing the means and motivation to engage in illegal conduct. The defendants contended that the informer furnished the plans, the dynamite, and other equipment to carry out the aborted bombing. Ungar reports a similar episode in the attempted bombing of the home of a businessman in Meridian, Miss., in the early 1960's. In that case, the FBI paid two Ku Klux Klan informers $38,500 for information on the planned bombing. Los Angeles Times reporter Jack Nelson, according to Ungar, wrote that his sources claimed the paid informers actually provoked the crime.

A third difficulty is that the informers themselves may be deeply involved in criminal activity of their own which the FBI conveniently overlooks in exchange for information on others. In such instances the informer uses the FBI to protect his own position, the FBI, in effect, operating as a cover for the informer's unlawful conduct. Furthermore, because the FBI knows of such illegalities, the informer may tell the agents what they want to hear for fear that the FBI may turn over the evidence of the informer's violations to the prosecutor.

In short the practice of using informers, especially paid ones, encourages snooping, deception, exaggeration, lying, and other unsavory, if not illegal, conduct. In my judgment, citizens have the responsibility to report evidence of crime to the proper authorities. The Government should not have to pay people to obtain such information.

When the Justice Department appropriations bill came to the House floor last June, I offered an amendment which would have prohibited the FBI from paying informers except where expressly authorized by statute. The amendment did not pass. Because I believe Congress, not the Justice Department nor the Bureau, should regulate the use of paid informers, I am introducing this bill to forbid such practices except where Congress explicitly authorizes it.

The text of the bill follows:

H.R. —

A bill to amend title 28 of the United States Code to regulate the use of informers by the Justice Department and the Federal Bureau of Investigation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 28 of the United States Code is amended—

(1) in section 524(1), by striking out "and informants";

(2) by striking out section 537 and inserting in lieu thereof the following:

"§ 537. Prohibition on use of paid informants except as expressly authorized by Congress

"Notwithstanding any other provision of law neither the Department of Justice nor the Federal Bureau of Investigation shall pay any reward, fee, or other compensation to any person for furnishing information to such Department or such Bureau (or any officer or employee thereof) except if such reward, fee, or compensation is expressly authorized by law."; and

(3) in the table of sections for chapter 33, by striking out the item relating to section 537 and inserting in lieu thereof the following:

"537. Prohibition on use of paid informants except as expressly authorized by Congress.".

BREAST DISEASES ASSOCIATION OF AMERICA

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FLORIO. Mr. Speaker, I would like to call to the attention of my colleagues, the newly organized "Breast Diseases Association of America," created this year to further educational and research initiatives in the prevention and cure of breast cancer and other related diseases.

The noted Dr. Sarah Splaver, counseling psychologist and author of many works in the fields of psychology, guidance, and education is presently serving as the association's president; with Dr. Philip Strax, breast disease diagnostician and medical director of the Guttman Breast Diagnostic Institute in New York City as medical director of the new organization.

Efforts directed toward the reversal of our Nation's rapid increase of breast cancer and related disease will constitute the focus of the association. Special emphasis will be placed on assisting research efforts and public educational programs on breast cancer treatments other than mastectomies.

Mr. Speaker, at this time I include the minutes of the August 20 meeting of the board of directors of the Breast Diseases Association of America in the RECORD, and commend it to the attention of my colleagues:

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS, BREAST DISEASES ASSOCIATION OF AMERICA

The first meeting of the Board of Directors of the Breast Diseases Association of America (BDAA) was held on Friday, August 20, 1976, at the offices of Philip Strax, M.D., 1056 Fifth Avenue, New York, N.Y. 10028.

The organizational structure of the Breast Diseases Association of America consists of the following:

Medical Director, Philip Strax, M.D., Breast Disease Diagnostician and Medical Director of the Guttman Breast Diagnostic Institute, New York City.

President, Sarah Splaver, Ph. D., Counseling Psychologist and author of books and other materials in the fields of psychology, guidance, and education.

Vice President, Eve W. Chaiken, B.A., Health Education Specialist, Medical Writer, formerly with U.S. Public Health Service, Department of Health, Education, and Welfare.

Secretary-Treasurer, Sarah Bennett, R.N., Teacher of Nursing and Health Counseling, New York City Public School System.

The Board of Directors consists of the following:

Dr. Sarah Splaver, Chairperson.

Dr. Amelia Ashe—New York City Board of Education.

Mrs. Sarah Bennett.

Mrs. Eve W. Chaiken.

Mrs. Miriam Grayzel—Teacher, Learning Disabilities.

Dr. Alice Gustav—Professor Emeritus, Department of Psychology, Monmouth College, N.J.

Dr. Reva F. Holtzman—Professor of Sociology, Hunter College, City of New York.

Dr. Essie E. Lee—Associate Professor, Community Health Education, School of Health Sciences, Hunter College, City of New York.

Mrs. Marjorie Rennert—Teacher, New York City.

Mr. Morton Robins—Biometrician, formerly with U.S. Veterans Administration, U.S. Public Health Service, Department of Health, Education and Welfare.

Dr. Milton Schwebel, Professor of Education, Dean of the Graduate School of Education, Rutgers University, N.J.

Dr. Philip Strax is in the process of forming a Medical Board for the Breast Diseases Association of America. At present, the Medical Board consists of the following: Philip Strax, M.D., Chairperson; Joseph Bohoroquez, M.D., Director of Radiation Therapy, Downstate Medical Center, Brooklyn, N.Y.; Bernard Gardner, M.D., Director of Surgical Oncology, Downstate Medical Center, Brooklyn, N.Y.

Mr. Morton Kimmelman, lawyer for the Guttman Breast Diagnostic Institute, will serve as lawyer for the Breast Diseases Association of America.

The following persons were present at today's meeting (August 20, 1976): Dr. Amelia Ashe, Mrs. Sarah Bennett, Mrs. Eve W. Chaiken, Mrs. Miriam Grayzel, Mrs. Reva F. Holtzman, Mrs. Marjorie Rennert, Dr. Sarah Splaver, Dr. Philip Strax.

The aims and purposes of the Breast Diseases Association of America were reviewed and discussed and the following was unanimously approved:

The Aims and Purposes of the Breast Diseases Association of America are:

AIMS

The aims of the Breast Diseases Association of America are Education and Research.

PURPOSES

The purposes of the Breast Diseases Association of America are:

I. Education:

1. To collect, compile, and collate statistics pertaining to the symptoms, diagnosis, treatment and prevention of breast diseases, benign as well as malignant.

2. To disseminate information on breast diseases, benign as well as malignant, to the public and the medical profession, via:

(a) Pamphlets, flyers, lectures, films and other health educational methods and materials to the lay public.

(b) Newsletters and other health educational methods and materials to the medical profession.

3. To provide individual informational services.

II. Research:

1. To foster and sponsor research to determine the causes of breast diseases, with special emphasis on breast cancer.

2. To enocurage studies exploring various modes of treatment of breast diseases, with special emphasis on breast cancer.

3. To sponsor social science research (i.e. questionnaire surveys) on the subject of breast diseases.

4. To aid the operation of cancer detection clinics and any and all facilities dealing with the detection and prevention of breast cancer and the treatment thereof.

III. Fund-raising: To support the aims, purposes, objectives and operation of the Association.

NEPA ABROAD

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DINGELL. Mr. Speaker, I wish to call to the attention of my colleagues an important memorandum recently issued by Dr. Russell W. Peterson, Chairman of the Council on Environmental Quality. In this memorandum CEQ recommends that all Federal agencies prepare and consider environmental impact statements for their actions which might have significant environmental impacts outside the United States.

The significance and long-range character of some Federal programs requires a thorough and careful analysis of their environmental impacts both in the United States and abroad. AID, for example, has exported substantial amounts of DDT to developing countries. Similarly, the Export-Import Bank has consistently refused to consider the environmental effects of its foreign lending programs.

The environmental impacts of these kinds of programs upon global resources such as the oceans and atmosphere and foreign countries should be fully assessed and considered under the National Environmental Policy Act. The refusal of agencies to properly consider these impacts is contrary to both the letter and spirit of the act.

Chairman Peterson's memorandum, which I fully support, recommends that NEPA should be fully implemented with respect to our foreign activities. I insert the following in the RECORD:

MEMORANDUM TO HEADS OF AGENCIES ON APPLYING THE EIS REQUIREMENT TO ENVIRONMENTAL IMPACTS ABROAD

In recent months the Council has been involved in discussions with several agencies concerning the application of the EIS requirement in NEPA to U.S. actions with significant environmental impacts abroad (the high seas, the atmosphere, and other areas outside the jurisdiction of any nation; and other countries). We have noted different interpretations and practices among several agencies on this issue, and consequently have seen impact statements filed which reflect varying degrees of consideration of the impacts abroad of U.S. actions (whether the actions are taken or the decisions made in the United States or abroad).

In order to encourage a consistent application of NEPA to all major federal actions, the Council is issuing the attached Memorandum on the Application of the EIS Requirement to Environmental Impacts Abroad. In it, we advise that NEPA requires analysis and disclosure in environmental statements of significant impacts of federal actions on the human environment—in the United States, in other countries, and in areas outside the jurisdiction of any country.

We believe that by taking account of likely impacts abroad before deciding on a proposal for action, federal agencies can obtain the same benefits of NEPA review that accompany the development of projects or actions with domestic impacts. Moreover, we believe such analyses can be accomplished without imposing U.S. environmental standards on other countries, and without interfering with the execution of foreign policy. To the contrary, such analysis and disclosure can provide useful information to cooperating governments. Finally, if agencies undertake these analyses in cooperation with involved foreign governments, U.S. agencies can promote international approaches to environmental protection as recommended in the Stockholm Declaration and elsewhere.

We recommend that agencies which take atcions abroad and/or which take actions in the United States with potential significant environmental impacts abroad consult as necessary with the Council or the Council's staff concerning specific procedures, proposals or programs which may be affected.

RUSSELL W. PETERSON,
Chairman.

SEPTEMBER 24, 1976.

MEMORANDUM ON THE APPLICATION OF THE EIS REQUIREMENT TO ENVIRONMENTAL IMPACTS ABROAD OF MAJOR FEDERAL ACTIONS

NEPA requires analysis of significant environmental impacts of proposed major Federal actions on the quality of the human environment. The "human environment" is not limited to the United States, but includes other countries and areas outside the jurisdiction of any country (e.g., the high seas, the atmosphere). The Act contains no express or implied geographic limitation of environmental impacts to the United States or to any other area. Indeed, such a limitation would be inconsistent with the plain language of NEPA, its legislative purpose, the Council's Guidelines, and judicial precedents.

In a statute which in other sections refer specifically to the national environments,[1] use of the term human environment in § 102 (2) (C) reflects an intent to cover environmental impacts beyond U.S. borders. This interpretation is consistent with NEPA's stated purpose, declared in the preamble to the Act, to "encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man." It is also consistent with Congress' recognition in Section 101 of "the profound impact of man's activity on the interrelations of all components of the natural environment . . . and . . . the critical importance of restoring and maintaining environmental quality to the overall welfare and development of man." Applying the EIS requirement to impacts abroad also implements the mandate in Section 102 to all agencies to "recognize the worldwide and long range character of environmental problems." In sum, the broad language of Section 102(2)(C) as well as the explicit congressional determination that our national environmental policy must have a global perspective gives Section 102(2)(C) a wide scope.

The legislative history of NEPA supports the inclusion of impacts globally and in other countries within the scope of the EIS requirement. A 1968 "Congressional White Paper on a National Policy for the Environment", summarizing the joint House-Senate colloquium on national environmental policy that led to NEPA's introduction, and inserted into the record by Senator Jackson during debate, stated, "[a]lthough the influence of the U.S. policy will be limited outside its own borders, the global character of ecological relationships must be the guide for domestic activities."[2] Both the House and the Senate reports on NEPA, reflecting the testimony of numerous witnesses at the hearings, recognized the statute's global perspective.[3] Statements to the same effect were made during the floor debates, including an explanation by Senator Jackson of NEPA's statement of environmental policy:

"What is involved [in NEPA] is a congressional declaration that we do not intend, as a government or as a people, to initiate actions which endanger the continued existence or the health of mankind: That we will not intentionally initiate action which will do irreparable damage to the air, land and water which support life on earth."[4]

The House Merchant Marine and Fisheries Committee during oversight hearings specifically rejected the argument that NEPA should not be applied to actions occurring within the jurisdiction of another nation:

"Stated most charitably, the committee disagrees with this interpretation of NEPA. The history of the act makes it quite clear that the global effects of environmental decisions are inevitably a part of the decision-making process and must be considered in that context."[5]

The Council has consistently applied NEPA to U.S. international activities and has urged federal agencies to recognize the Act's global perspective. In its first Annual Report, for example, the Council pointed out that NEPA "directed all agencies of the Federal Government to recognize the worldwide and long-range character of environmental problems."[6] In 1971 the Council's Legal Advisory Committee specifically urged federal agencies to apply NEPA to their actions in foreign countries.[7] The Council's 1973 Guidelines require the assessment of "both the national and international environment."[8] The Fifth Annual Report reviewed agencies' experience in applying the EIS process to U.S. actions abroad.[9] In 1976 the Council reported on one of the benefits of this experience—the growth of environmental impact assessment procedures in other countries.[10]

Accordingly, some federal agencies have provided in their NEPA procedures for the preparation of environmental statements when agency actions cause significant environmental impacts beyond U.S. borders,[11] and impact statements have been prepared on U.S. actions in foreign countries.[12] Moreover, the courts [13] and virtually every legal commentary addressing the subject [14] have supported the Council's belief that an environmental statement is required whenever U.S. actions would have significant environmental impacts on the U.S., on global resources, or on foreign countries.

The policies underlying NEPA reinforce the interpretation suggested by its language and legislative history, judicial precedents and administrative practice. Analysis and disclosure in an EIS of significant environmental effects provide U.S. decisionmakers a fuller picture of the foreseeable environmental consequences of their decisions. Impact statements do not dictate actions on foreign soil or impose U.S. requirements on foreign countries; instead, they guide U.S. decisionmakers in determining U.S. policies and actions.

In addition, EISs provide information to cooperating governments which they then could use in making decisions about projects within, or which may affect, their countries. Far from being an imposition, this information can enhance the value of U.S. assistance or participation. This full disclosure by the United States contributes to the integrity of cooperating governments' policy making, and thus lends support to international environmental cooperation as directed in § 102(2)(F),[15] the Stockholm Declaration, and other international agreements.[16]

To the extent national security or essential foreign policy considerations make controlled circulation of environmental statements necessary, NEPA provides sufficient procedural flexibility to accomplish this. Section 102(2)(C) provides exceptions to public circulation of documents by incorporating the Freedom of Information Act and its exemptions by reference Environmental statements or portions of them have been classified, for example, when necessary to protect national security.[17] Presumably, if public examination of a proposed U.S. action in another country would jeopardize U.S. foreign policy in a given instance, circulation of the environmental statement could be restricted in accordance with these statutory procedures.[18] In general, however, Congress has mandated that environmental statements are public documents.

In summary, the Council believes that the impact statement requirement in § 102(2) (C) of NEPA applies to all significant effects of proposed federal actions on the quality of the human environment—in the United States, in other countries, and in areas outside the jurisdiction of any country. According, agency officials responsible for analyzing the potential environmental effects of proposed actions should fully assess the potential impacts outside the United States, as well as those within it; if any of these potential impacts are likely to be significant, an impact statement should be prepared.

FOOTNOTES

[1] See, e.g., Sections 101(b), (2), 101(b)(4), 201.

[2] 115 Cong. Rec. 29082 (Oct. 8, 1969).

[3] See, e.g., Sen. Rep. No. 91–296, 91st Cong., 1st. Sess., at 17, 43–45 (1969); H.R. Rep. No. 91–378, 91st Cong., 1st Sess., at 5, 7 (1969).

[4] 115 Cong. Rec. 19009 (July 10, 1969); see also 115 Cong. Rec. 14347 (May 29, 1969); 115 Cong. Rec. 26575–16476 (Sept. 23, 1969); 115 Cong. Rec. 29056 (Oct. 8, 1969).

[5] H.R. Rep. 92–316, 92nd Cong., Ist Sess., at 32–33 (1971).

[6] CEQ, Environmental Quality—1970, at 200 (1970).

[7] Legal Advisory Committee Report to the President's Council on Environmental Quality, at 13–17 (December 1971).

[8] 40 C.F.R. Section 1500, 8(a)(3)(i) (1975).

[9] CEQ, Environmental Quality—1974, at 399–400 (1974).

[10] CEQ, Environmental Quality—1975, at 653–54 (1976).

[11] See, e.g., 38 Fed. Reg. 34135–46 (1973) (Coast Guard); 37 Fed. Reg. 19167–68 (1972) (Dept. of State); 41 Fed. Reg. 26913–2619 (1976) (Agency for International Development).

[12] See, e.g., Dept. of Transportation, Draft EIS, Darien Gap Highway (March 1976); Dept. of the Interior, Final EIS, Alaska Natural Gas Transportation System (March 1975).

[13] In Wilderness Society v. Morton, 463 G. 2d 1261 (D.C. Cir. 1972), the court granted standing to Canadian intervenors concerned with the trans-Alaska Pipeline, holding that the intervenors' interest in the significant impacts of the pipeline in Canada were within the zone protected by Section 102(2) (c). In Sierra Club v. Coleman, 405 F. Supp. 53 (D.D.C. 1975), the court held, inter alia, that DOT's impact assessment on portions of the Pan-American Highway was deficient because it failed to address the environmental impacts of alternative highway corridors through Panama and Colombia. Since the significant impacts of corridor alternatives lay exclusively in Panama and Colombia, the case necessarily holds that impacts in foreign national territory are within the scope of Section 102(2)(C)..

Of course, significant indirect as well as direct impacts must be considered. 40 C.F.R. Section 1500.8(a)(3)(ii) (1975); City of Davis v. Coleman, 521 F.2d 661, (9th Cir., 1975); see CEQ, Environmental Quality—1974, at 410–11 (1974).

[14] See, e.g., Committee on Environmental

Law of the Section on International and Comparative Law of the American Bar Association, Opinion on the International Scope of NEPA (July 1971); Strausberg, the National Environmental Policy Act and the Agency for International Development, 7 Int'l. Law. 46 (1972); Robinson, Extraterritorial Environmental Protection Obligations of Foreign Affairs Agencies: The Unfulfilled Mandate of NEPA, 7 Int'l. Law, Pol. 257 (1974) Note, the Extraterritorial Scope of NEPA's Environmental Impact Statement Requirement, 74 Mich. L. Rev. 349 (1975); Appelbaum, Controlling the Hazards of International Development, 5 Ecol. L. Q. 321 (1976).

[15] See H.R. Rep. 92-316, 92nd Cong., 1st Sess., at 33 (1971).

[16] See, e.g., Convention Concerning the Protection of the World Cultural and Natural Heritage, November 23, 1972; Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, October 12, 1940.

[17] See, e.g., U.S. Navy, Final EIS, Transit Satellite (June 1972).

[18] Thus, NEPA incorporates a procedure for ensuring that the execution of U.S. foreign policy and U.S. environmental policy are consistent. Of course, no agency has the authority otherwiwse to deviate from NEPA's requirements, on foreign policy or other grounds. Calvert Cliffs' Coordinating Comm. v. AEC, 449 F. 2d 1109 (D.C. Cir. 1971).

SENATOR PAUL H. DOUGLAS

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. O'HARA. Mr. Speaker, with the passing last week of former Senator Paul H. Douglas of Illinois we have lost one of the truly outstanding Americans who served in the other body during this century.

Senator Douglas was a dedicated public servant who made lasting contributions to the life of all Americans. He was a tireless fighter for the cause of civil rights when it sometimes seemed hopelessly mired in filibuster rules. He was an articulate advocate of reform of Senate rule XXII, which finally came just recently after his departure from the Senate.

Paul Douglas was also in the forefront of efforts in behalf of working people, consumers, farmers, and fought to close special interest tax loopholes. He also worked for the enactment of decent housing measures. truth in lending, medicare, stronger antitrust laws, Federal aid to education, broader coverage under the Social Security Act, and improved minimum wage and unemployment compensation laws. He was a relentless foe of Government waste and corruption and a positive force for high ethical standards for Government officials.

Senator Douglas served three full terms in the Senate—from 1949 to 1967—and left a lasting mark on congressional actions during this entire 18-year period. I recall working closely with him in the early 1960's when a major attack was made to reverse the Supreme Court's decision in Baker against Carr which had assured "one-man, one-vote" principles in the apportionment of State legislatures. Efforts were made in the other body by opponents of the "one-man, one-vote" decision to attach legislation overruling the decision to a minor resolution commemorating American Legion baseball. Douglas called the rider the "foul ball" amendment and led the fight in the Senate. Here in the House I helped to block a similar measure and "one-man, one-vote" principles were preserved.

Educated at Bowdoin, Harvard, and Columbia Universities, Paul Douglas held a Ph. D. in economics. He taught at the University of Illinois, Reed College, and the University of Washington prior to his appointment as full professor at the University of Chicago in 1920. He became a recognized expert on economic and labor problems and in 1925 authored a classic study of family allowance payments that has current reference value more than 50 years later.

At age 50, Paul Douglas enlisted in the U.S. Marine Corps after being granted a special waiver because of his years. Persistent nagging of the Navy Department won him an overseas assignment with the First Marine Division in the Pacific. He fought in the Peleliu and Okinawa campaign where he was severely wounded and decorated for bravery in combat.

Our Nation has lost a distinguished citizen who will long be remembered and revered. To his widow, Emily Taft Douglas, we extend our heartfelt condolences.

CONGRESSMAN WYDLER PARTICIPATES IN ENSHRINEMENT OF FAR ROCKAWAY-FIVE TOWNS TIME CAPSULE

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WYDLER. Mr Speaker, recently the Far Rockaway-Five Towns Rotary Club enshrined a time capsule to be opened at the Tricentennial of our Nation. This ceremony took place on Sunday, September 12, 1976 at the Rock Hall Museum in Lawrence, N.Y.

Placed in the time capsule were many pieces of memorabilia, including magazines and newspapers published on July 4, 1976, a Bible, and letters from many religious leaders and public officials from the Long Island area.

I was honored to be chosen as one of those whose message was enclosed in the time capsule, and excited that our President, Gerald R. Ford, was kind enough to send a message. With your permission, I would like to share with you President Ford's words, followed by my own.

MESSAGE FROM PRESIDENT FORD

We now mark the beginning of our Third Century as an Independent Nation as well as the 200th Anniversary of the American Revolution. For two centuries our Nation has grown, changed and flourished. A diverse people, drawn from all corners of the earth, have joined together to fulfill the promise of democracy.

America's Bicentennial is rich in history and in the promise and potential of the years that lie ahead. It is about the events of our past, our achievements, our traditions, our diversity, our freedoms, our form of government and our continuing commitment to a better life for all Americans. The Bicentennial offers each of us the opportunity to join with our fellow citizens in honoring the past and preparing for the future in communities across the Nation. Thus, in joining together as races, nationalities, and individuals, we also retain and strengthen our traditions, background and personal freedom.

As we lay the cornerstone of America's Third Century, I commend the officers and members of the Far Rockaway-Five Towns Rotary Club on their Bicentennial activities. Efforts such as this are helping to make our great national celebration a memorable and meaningful one for all.

MESSAGE FROM CONGRESSMAN WYDLER

To those who open this time capsule in the Tricentennial year of our nation:

I have been pleased to obtain a statement by the President of the United States, Gerald R. Ford, to be placed in this time capsule and to be read by you.

As a Member of the Congress, I served with the President when he, too, was a member of the House and the Minority Leader. We do not know the circumstances under which you will be living when this message is read but we know that our own nation has celebrated its 200th birthday on a note of optimism for the future. Our democracy and freedom are the envy of the world and our material position is preeminent.

We hope to leave these precious assets to you as an inheritance in better shape than we have received them from our predecessors. We hope God will bless you and our nation in the years ahead.

CITIZEN'S REGARD FOR REPRESENTATIVE F. EDWARD HÉBERT

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mrs. BOGGS. Mr. Speaker, as I am sure you and my colleagues in this House will agree, EDDIE HÉBERT is a fine man who served his Nation with distinction and courage during his outstanding career in the Congress. In recent months the newspapers in the New Orleans area particularly have been publishing comments expressed by EDDIE's own constituents.

I wish to share with you this article which appeared in the St. Bernard Guide, published in Chalmette, La., the heart of EDDIE HÉBERT's First Congressional District:

READER PRAISES F. EDWARD HÉBERT

(By John Edward Fazzio)

I know that your great Assembly will appropriately honor Congressman F. Edward Hébert on the occasion of his retirement. His long list of records and accomplishments for his country must certainly be acknowledged, not only by his fellow Congressmen, but by every civic and God-loving person on this earth.

I am not a financial contributor, nor a "potent" political worker of Congressman Hébert—only an interested constituent of his, and would like to offer my personal thoughts, which I am sure are shared by the great majority of ordinary citizens who know, have heard of, or have come into contact with Mr. Hébert and his dedicated staff.

Perhaps if I believed everything I hear or read, I couldn't speak out, but I firmly support the words of Charles Simmons, an American clergyman, who said in the early 1800's, "Newspapers should be news carriers—not news makers. There is truth and entertainment enough to print without fiction or individual opinion, and to publish the latter is to betray the former."

So, let us not be misled and label Mr. Hébert as a Southerner, an unbending democrat, a conservative, a hawk, etc. I, as a member of the minority Italian-American community, join with black Americans and millions of open-minded citizens and stand firmly united in labeling him as one of America's great statesmen.

I do not believe that the greatest threat to our country is lack of money, racial strife, nuclear attacks, or such. I don't believe our country will die that way. I think it will die when we no longer care . . . when the spiritual forces that make us wish to be right and noble, die in the hearts of our people. History has pointed out that 19 of the 21 notable civilizations died from within and not from outside sources. There were no bands playing and no flags waving when these civilizations decayed. It happened slowly, in the quiet and dark when no one was aware, when no one cared. As it is written in the

PROVERBS—"Where there is no vision, the people perish." So, if our country is to grow and prosper, we must stop long enough to not only care, but to rediscover and reassert our faith in true leadership such as Congressman Hébert has tried to offer throughout his political and personal life.

His many accomplishments and his rise (on his own merits) to governmental greatness should be a constant goal to new and old government representatives.

Lastly, an Englishman, Mr. William Wordsworth, said these immortal words in the late 1700's, and I say them now, referring to Congressman E. Edward Hébert: "The best part of a good man's life is his little, nameless, unremembered acts of kindness and love."

Let the records show that this great statesman will always be remembered by all of us.

May God bless and guide you.

TRIBUTE TO CARL ALBERT

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ENGLISH. Mr. Speaker, for 6 years, the Honorable CARL ALBERT has served America as Speaker of U.S. House of Representatives, leading the Congress through troubled times with vision, fairness, and courage. And for 10 years before he assumed the Speaker's chair, the little giant from little Dixie ably represented the Democratic Members of this great body as House majority leader.

CARL ALBERT has proven himself to be a strong, fair-minded leader in one of the most demanding jobs in the Nation, and with his skill, wit, and compassion he has left the mark of his greatness upon the House he has served so well.

As a new Member of the House, I was proud to see significant procedural reforms enacted this year to make the people's House even more open and responsive. I was especially proud because I knew how long my Oklahoma colleague had worked to make those changes possible, and how his years of patient work had guaranteed that the reforms would strengthen, not divide the Congress.

And I have had the chance to see Speaker ALBERT step into the leadership void created by the failure of a shaken executive branch, helping guide and reunite a fractured America.

But as a native Oklahoman, Mr. Speaker, I have also seen another side of the man known to most of my colleagues only through his strong leadership of Congress.

There are many measures of greatness for Members of the Congress. Clearly, CARL ALBERT has won the respect and acclaim of his congressional peers on both sides of the aisle. But another significant test of a Member's effectiveness is how well he serves the people he has been elected to represent.

In the 30 years he has worked for the people of Oklahoma, Speaker ALBERT has earned the affection and respect of Oklahomans of every political persuasion. Although often sorely pressed by national crisis and the responsibilities of his office, CARL ALBERT has kept in close touch with the needs of the citizens of our great State. He has always given freely of his time to help those who needed his advice and guidance, and he has never lost his love of his Oklahoma home.

In the 30 years CARL ALBERT has been in Congress, he has helped make Oklahoma one of the most vital areas in the Nation. Those of us who grew up in those 30 years will always remember the mark which this remarkable man has made on our way of life.

Mr. Speaker, we who serve in the House of Representatives will be truly sorry to lose the unique qualities which have made CARL ALBERT a great Speaker. But although Oklahoma will miss his presence in our Nation's Capital, we know that he has earned many times over the right to pass on the responsibilities he has carried out with such distinction.

I can only add mv personal gratitude to my Oklahoma colleague for his three decades of generous service to our State, our Congress, and our Nation.

TRIBUTE TO HON. JOE L. EVINS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BIAGGI. Mr. Speaker, I am pleased to pay tribute to the retiring dean of the Tennessee congressional delegation, Hon. JOE L. EVINS, who leaves after an outstanding 30-year career.

JOE in his years in the House amassed an exemplary record of legislative achievement primarily due to his key committee chairmanships.

JOE served as chairman of the Public Works Subcommittee of the House Appropriations Committee. In this capacity he had control over the billions of dollars we spend each year of public works programs across the Nation. These funds have allowed for major improvements in our highway and transportation systems—and the recently passed Public Works Employment Act of 1976 will also aid in the battle against unemployment for it is expected to generate more than 500,000 new jobs.

The thousands of small businessmen in this Nation had a friend in JOE EVINS who served as chairman of the Committee on Small Business. Many important bills have emerged from this committee designed to aid small businesses through easier access to loans, as well as special programs to aid them in the event of disasters.

JOE's extensive knowledge of the complicated working of Congress led him to write a book in 1962 entitled "Understanding Congress" which received rave reviews from authorities.

JOE EVINS despite his many time consuming committee duties, still provided his constituents with the highest level of services. He remains very active in numerous local civic and veterans organizations including the Masons, several famous fraternities, and the VFW and American Legion.

The House of Representatives benefits from having Members of the caliber of JOE EVINS. His legislative efforts in Congress have benefited millions of Americans. The people of the Fourth District in Tennessee are losing a dedicated and tireless public servant. We, his friends and colleagues, in the House will miss JOE EVINS and extend to him our warmest best wishes for a long and peaceful retirement.

HON. JIM HALEY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. JOHNSON of California. Mr. Speaker, it is my honor and privilege to join today with other colleagues in paying respect to the career of JIM HALEY on the eve of his departure from the House where he has served the people of his district so diligently and consistently for 24 years. For the last 18 of those years, it has been my fortune to serve with him on the Committee on Interior and Insular Affairs where we have shared many subcommittee assignments. For the last 4 of these years he has been, of course, the chairman of the full committee and this has brought us into closer contact than before. It is from this relationship that I have come to understand and appreciate the qualities of this most distinguished man.

Mr. Speaker, most people consider themselves fortunate to have concluded a single career within their productive lifespan. JIM HALEY has not only completed one career, he has completed two careers either of which most people would be proud to have accomplished. After an outstanding record in one of the most demanding of private enterprises, this rare and unusual man entered public life in middle age and proceeded to excel in that endeavor also. Many Members of this body enter it for the first time during their middle years but rarely does one of these rise to leadership in two separate and unrelated legislative fields. It is a measure of the dedication and willingness to work, the hallmark of JIM HALEY, that enabled him to achieve eminence in the field of veterans' affairs and preeminence in the field of Indian affairs. No man in the modern era has done more to secure the rights and position of the American Indian than this tireless and dedicated man in his service as chairman of the Subcommittee on Indian Affairs which he held until called to lead the full committee.

Mr. Speaker, I would like to say that sitting alongside of JIM HALEY for these many years has enriched my legislative career. Most of the time we supported and voted for the same things. Sometimes our perceptions of the public interest caused us to go our different ways but these departures on principle have never affected my feeling of respect for the steadfastness and dedication demonstrated throughout his career.

JIM HALEY has been my friend for many years; he remains my friend today. He takes leave from the House with my sincerest wishes for good health, long life, and a rewarding retirement in the sunshine of his beloved State of Florida.

TRIBUTE TO THE HONORABLE WILBUR D. MILLS

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DOWNING of Virginia. Mr. Speaker, bidding farewell to an old friend is one of the most difficult things a person is called upon to do. As the 94th Congress draws to a close, many of our distinguished colleagues will be closing their public careers; opting for the promise of peace and quiet as someone else's constituent, for a change.

Preeminent among those who have chosen not to seek reelection to this body is my good friend, the gentleman from Arkansas, the Honorable WILBUR D. MILLS. After 38 years, almost half of which time I have been privileged to call him friend and colleague, WILBUR has decided to close out his enviable record of public service. It is a record of which he can be justly proud and one for which the American people can be thankful. I know how hard it was for WILBUR to come to his decision not to run again. I made the same decision myself in January.

Although my personal association with the gentleman from Arkansas goes back a scant 18 years, I was very much aware of the awe and respect in which he was held when I arrived at this House as a freshman in 1959. It took me almost no time at all to learn why he was held in such high regard by his colleagues. His tireless efforts in shaping legislation on taxation, foreign trade, health, and social security had earned him that respect and the chairmanship of the Committee on Ways and Means.

His reputation extended far beyond the walls of this Chamber as an expert on tax reform, curbs on foreign imports, and matters relating to wage and price controls. It was, and still is, a reputation richly deserved.

But more than a national figure, more than a leader, WILBUR has been a friend to his colleague. This, perhaps, is more a true measure of the man than all of his political and legislative accomplishments.

The gentleman from Arkansas will indeed be sorely missed when the 95th Congress convenes, but he has earned the right to take it a bit easier in the coming years.

Mr. Speaker, I ask my colleagues to join with me in wishing WILBUR Godspeed and good luck for many more happy, productive years.

ARGENTINE TERRORISTS PERPETRATE FRAUD

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. McDONALD. Mr. Speaker, as I reported on August 3, 1976, an international support apparatus for Marxist-Leninist Argentine terrorists had moved into action alleging that the Argentine military authorities had arrested and imprisoned one Mario Munoz-Salas, a leader of a labor front of the Chilean terrorist MIR—Movimiento de Izquierda Revolucionaria. For several weeks, revolutionary activists bombarded Congress with letters demanding U.S. intervention to find and free Mario Munoz, who, the letter writers alleged, was surely being tortured to death by "fascist militarists."

Argentinian officials denied any knowledge of Munoz' location, and it was not too surprising that the "missing" Munoz turned up unharmed in Vienna, Austria, on August 4. Munoz had suspected that the authorities were on his trail and had gone underground. While an international propaganda campaign demanded his release from nonconfinement, he was safe among his revolutionary terrorist comrades.

A parallel campaign is being conducted for Raymundo Gleyzer, 34, a Castroite filmmaker characterized by the U.S. Marxist-Leninist newspaper, the Guardian, as "a well-known progressive." Gleyzer is best known in the United States for the film, "Mexico: the Frozen Revolution," distributed in the United States by the Tricontinental Film Center, distributors of a number of Cuban propaganda films. At the time of his "disappearance," Gleyzer was reportedly the director of a TV program for the Argentinian affiliate of the U.S. taxpayer-supported Public Broadcasting Corporation.

The Emergency Committee to Defend Latin American Filmmakers—ECDLAF, operating from the "movement" office building at 339 Lafayette Street, New York, N.Y. 10012 (212/260-6720), has been organizing a U.S. pressure campaign for Gleyzer.

ECDLAF lists its officers as William Susman, president; Gary Crowdus, secretary; Rodolfo Broullon, treasurer; and Lawrence Storch, counsel. Sponsors are listed as Candice Bergen, Peter Bogdanovich, Thomas Brandon, Francis Ford Coppola, Judith Crist, Peter Davis, Emile DeAntonio, Gary Essert, Jane Fonda, Mel Howard, Elia Kazan, Michael J. Kutza, Mary Lampson, Saul Landau, Terry Malick, Jim McBride, Arthur Mayer, Albert Maysies, David Maysies, Jack Nicholson, Arthur Penn, Rex Reed, Richard Roud, Bert Schneider, John Simon, Gene Stavis, Daniel Talbot, Piri Thomas, Rip Torn, Amos Vogel, Jon Voight, Hannah Weinstein, Haskell Wexler, Paul Williams, Robert Wise.

The support committee sent National Lawyers Guild attorney Sanford "Sandy" Katz, defense lawyer for the Black Panther 21 and more recent Black Liberation Army members, to Buenos Aires in June on the Gleyzer affair. Katz gave an account of his Argentine trip to Workers Vanguard, the official publication of the Spartacist League, a militant Trotskyist communist splinter group (7/2/76) in which he made the usual left claims that Argentina is run by an extremist right-wing gang called the Argentine Anti-Communist Alliance—AAA. Katz histrionically claimed:

> The official position is that the AAA are a bunch of gangsters that they have no control over. * * * Its bull. Officially the line is they have no control and they're trying to exterminate the terrorists of both left and right. There's a bloodbath going on. I mean there's shootouts every day. The five or six days I was down there, it was reported there were at least some 25-odd murders, including the chief of police and retaliation—11 people killed the next day.

Katz was referring to the murder of the chief of police and his wife by a woman terrorist of the ERP—People's Revolutionary Army. The terrorist was a friend of the police official's daughter and used her friendship to gain entry to their house and plant a powerful bomb in the bedroom of her friend's parents.

Katz said that congressional pressure had been brought to bear on the U.S. Embassy in Buenos Aires to intervene in the Gleyzer case, although Gleyzer is not a U.S. citizen.

Congress is being pressured to admit Latin American "refugees". Many of these people had been members of outlawed Communist groups and terrorist movements. Several thousand members of terrorist movements from such countries as Brazil, Bolivia, and Uruguay had been given refuge in Chile under Salvador Allende's government. After his overthrow, a large number of those same revolutionaries and terrorists were made welcome in Argentina by Peron. They then turned on the Argentinian government who had granted them asylum and joined with the Argentinian terrorist groups to attack both the government of Juan and Isabel Peron and the present military government. Now those same people want to come here.

Even the major liberal press has had to report the progress made by the Argentinian authorities against the leftist terrorists of the Montoneros and ERP, as well as against the gangs of thugs of the Argentine Anticommunist Alliance—AAA.

However, U.S. supporters of the leftist guerrilla organizations have organized a media campaign in which they claim the Argentinian police are "slaughtering" suspected guerrillas. The fact is that the Argentinian police have fought heavily armed guerrillas and have killed large numbers of them during these battles. Those casualties are quite a different matter from terrorism.

One of the groups active in distributing anti-Argentine propaganda is the Olga Talamante Defense Committee with branches in Oakland and Laguna Beach, Calif. Miss Talamante was arrested with a group of alleged members of the Montoneros terrorist movement in Azul, Argentina, in November 1974—Peron government. She was detained for 16 months and expelled several months ago.

Olga Talamante is urging an international pressure campaign to gain release of her guerrilla comrades. She has recently written:

> We must apply direct pressure for their parole and assure their protection through general international attention. * * * The thousands of letters sent to protest my imprisonment aided my release because the Argentine government was concerned about its public image. The new military junta is even more sensitive. * * * The Junta's sensitivity and the prisoner's parole eligibility put victory within our grasp. Not only can we protect and free these prisoners, but we can expose the Junta * * * smashing its image * * *. We cannot stress too strongly the impact of individual letters in the cases of political prisoners.

Another group, the Solidarity Committee with the Argentine People—SCAP, of Post Office Box 4388, Berkeley, Calif. 94704, denounces the Argentine authorities as Nazi fascists and attacks the AAA gangs, but makes no mention of the years of revolutionary terror inflicted on the people of Argentina by the Trotskyite—now Castroite—ERP, the Montoneros who now are working closely with the remnants of the decimated ERP, and other smaller left terrorist groups.

As my distinguished colleague, the Honorable Edward Koch, of New York, has said in an analogous situation,

> Those who must make decisions on the admission to this country of persons who have engaged in violent acts, particularly ones which result in death, must exercise that judgment carefully even if it results in erring on the side of caution—so long as the decision is not arbitrary or capricious.

Those who must make those decisions should bar any individual involved in terrorist activity or in the support apparatus for a terrorist movement.

UPON THE RETIREMENT OF THE HONORABLE JOE L. EVINS

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ROBERTS. Mr. Speaker, I would like to take this opportunity in honoring my good friend and distinguished colleague, the Honorable Joe L. Evins of the Fourth District of Tennessee.

During my tenure in Congress, it has been my privilege to serve with him on the Public Works and Transportation Committee. As chairman of the Appropriations Subcommittee of the Public Works and Transportation Committee, he deserves a lion's share of the credit for the funding of vital public works projects benefiting and improving the quality of life for millions of Americans across the Nation. When this Congress adjourns and Joe Evins retires from public life, his colleagues in the House, as well as the men and women of the Fourth District of Tennessee, will greatly miss his wisdom, judgment, and diligent service.

HON. DAVID HENDERSON AND HON. ROY TAYLOR

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PEYSER. Mr. Speaker, Congressmen are accustomed to talking, and talking on almost any subject. Yet when it comes time to say farewell to our retiring colleagues, we do not express ourselves adequately at all. It is hard to express friendship, respect, appreciation; it is much easier to talk about issues—than about the qualities of human beings.

I wish I could do justice to our two fine North Carolina Congressmen who will be retiring this year—Roy Taylor and David Henderson.

We all know that they are able and conscientious legislators. The record speaks for itself. Dave has served with distinction as chairman of the Post Office and Civil Service Committee—and the fact that he managed to get elected repeatedly while serving on such a controversial war department committee is a great tribute to him in itself. It has been one of those absolutely essential jobs in Congress but sometimes a thankless one. He has performed it with skill and monumental patience and fairness. Roy has done a wonderful job on the Interior Committee, especially for our national parks system. His crowning achievement was his handling of the New River bill, for which North Carolinians will be forever grateful to him.

It is easy to describe their records as legislators but much harder to express their qualities as human beings. Roy reflects the best of the mountains of western North Carolina, Dave the qualities of our eastern plains. These qualities, these roots, this character is in their bones. Not a breath of scandal has ever touched either of these men. Their integrity has never been questioned. Not a man has ever questioned their word.

This is saying a lot about any man after many years in politics and in Washington. They leave here as clean as the day they first got here—and even more respected.

They did not have the careers entirely on their own.

Behind every successful man there stands a woman—telling him he is wrong. Evelyn Taylor and Mary Henderson have filled the role of congressional wife in a remarkable way. They have done their duty at innumerable receptions; most of the receptions were fun, but they were there even when they were not. They have been unswerving on the campaign trail—which is fun but also very hard work. They have been equal partners with their husbands in dealing with the daily problems from their districts.

There is another North Carolina wife leaving Washington after many years and who is also retiring to North Carolina—Myrtle Alexander. Her husband, Hugh Alexander, was a distinguished Congressman from North Carolina for a number of years and has since then served ably on the staff of the Senate Rules Committee.

There are no three more wonderful ladies, who worked harder at their duties as congressional wives in their districts and in Washington, none more faithful or who have made more of a contribution to the Congressional Wives Club.

We will miss Roy, Dave, Hugh and Evelyn, Mary and Myrtle. We say to them,

> Well done. We love you, and as we say in North Carolina we hope in the future you will "keep on keepin' " on.

TRIBUTE OF CONGRESSMAN JOE EVINS

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. CEDERBERG. Mr. Speaker, saying goodby to Joe Evins, when he retires at the end of this Congress, will be difficult. Joe is not only a colleague, he is a good friend. Having served with him on the Appropriations Committee for many years, I have come to appreciate his ability and devotion to public service.

Thirty years of public service is a record to be proud of. In Joe's case, it is more than that. As chairman of the Appropriations Subcommittee on Public Works, he has been intimately involved with the building of America. The legislation which he has guided through his committee has been responsible, more than any other, for imparting a tremendous facelift to our country in the recent past.

A champion of government for the people, Joe has constantly strived for greater attention to the ways in which Government can be of service to Americans. To that end, he has been acutely aware of the role that public works has played. Moreover, he has utilized his position to earnestly support and advocate the stronger America that his committee has been instrumental in achieving.

Additionally, with the same intensity and purpose, Joe, as chairman of the Committee on Small Business, has avidedly supported and guarded the interests of the small businessman. As a spokesman for their interests, he has not been afraid to confront those special interests which would reduce the importance, or infringe the operational capacity, of small business. The Nation should be thankful for his contributions in this area. Joe, for his efforts, has been responsible for a stronger America.

I wish him the best of luck in the future. There will always be a welcome smile for him when he comes back to visit. I hope that the years ahead will provide him ample opportunity to fully enjoy the benefits of retirement. As his years in the House were rewarding, I am sure that the years of retirement will be fulfilling.

ROY A. TAYLOR

HON. JAMES A. HALEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. HALEY. Mr. Speaker I take this opportunity to briefly salute our colleague from North Carolina, Roy Taylor.

It has been my pleasure to serve on the Committee on Interior and Insular Affairs with Roy Taylor since he first came to the House. He has been a member of the Subcommittee on Indian Affairs which I chaired for many years and has been an outstanding member and chairman of the Subcommittee on National Parks and Recreation.

Mr. Speaker, I do not intend to describe all of the accomplishments of this outstanding legislator, but I would be remiss if I failed to congratulate him on his outstanding record as a spokesman for our national park and outdoor recreation program. We all know that he has played a key role in the preservation of our Nation's natural, historical, and cultural heritage.

From the Everglades and Big Cypress in Florida to the Redwoods in California and from the Voyageurs National Park in Minnesota to Padre Island National Seashore in Texas, Roy Taylor has been a leader seeking to preserve and protect areas all over the Nation for the American people for all time. Since he came to Congress, more than a hundred outdoor and historic areas—and double the acreage—in the national park system—have been preserved.

In addition to his efforts on behalf of many of the Nation's outstanding natural areas, Roy Taylor has been instrumental in preserving some of our most revered historic areas. Places like the Boston and C. & O. Canal National Historical Parks; Lincoln Home, John Kennedy Birthplace and the Lyndon B. Johnson and Dwight D. Eisenhower National Historic Sites came into the park system while he was chairman of the Subcommittee on National Parks and Recreation.

In addition to giving these areas individual and careful consideration, Roy Taylor has been an important spokesman for the expansion of the land and water conservation fund, for the creation of the historic preservation fund, and for the establishment of the National Wild and Scenic Rivers System and the National Trails System.

Mr. Speaker, Roy Taylor has had an opportunity which few men or women in America will ever have during their lifetime. He has through diligence, hard work, and effective leadership converted that opportunity into an outstanding record of accomplishments. All Americans have benefited and will continue to benefit from his efforts.

Before I conclude my remarks, I want to also pay tribute to his wife, Evelyn. They say that behind every good man is a wonderful wife. Certainly, Evelyn has helped Roy throughout the years. It takes a great deal of patience, understanding, and sacrifice to withstand the many demands of congressional life, but Evelyn has met those tests and made a real and positive contribution of her own to those in the Capitol Hill community and for the people of North Carolina.

Mr. Speaker, as we approach the final days of the 94th Congress, Roy and I look back with a feeling of pride and satisfaction with our small role in the great American system, but we will also look back with a feeling of sadness. I know that, like myself, Roy has enjoyed his years in Congress and has appreciated the many friends he has made from all parts of the country.

The Congress, Mr. Speaker, will miss Roy Taylor, but it is a better place for his having served here. We can all be proud to have him as our friend.

HON. JIM HALEY

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STEED. Mr. Speaker, it is with great pleasure that I join with my colleagues in paying a well deserved tribute to our colleague from Florida, Hon. Jim Haley. In addition to the normal reasons for appreciating a fine American lawmaker, there are special reasons why my having been given the privilege of serving with Mr. Haley has been of importance to me.

Among other things, I represent several tribes of American Indians and I come from a State where the Indian tribes and population is the largest in the Nation. Legislative matters of importance to these tribes seldom take the form of commanding the attention of the average Congressman.

For the sake of these original Americans, our most honored and our first minority group, I am glad that Jim Haley of Florida came this way. No finer friend of the American Indian has ever served in Congress. As chairman of the Committee on Interior and Insular Affairs he gave high priority and personal attention to legislation affecting these Americans.

I have encountered Mr. Haley during his field visits, which he took to inform himself firsthand of the needs and problems of our Indians. I am sure this personal knowledge played a very important part in the ongoing support he gave to programs designed to improve the health and well-being of Indians.

Jim Haley has a long and enviable record to commend him for his service here, but I believe his contribution to the well-being and betterment of the American Indian will always rate among his highest achievements. All of us have lost a true friend as he departs from this work, but none so much as our Indian citizens.

WILDLIFE RESTORATION AND HUNTER EDUCATION PROGRAMS: THE FACTS ON H.R. 9067

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. OBERSTAR. Mr. Speaker, the House will be voting tomorrow on H.R. 9067, a bill to provide State wildlife agencies additional funding for wildlife restoration and hunter education programs.

Money for wildlife and related programs is always difficult to obtain because there always seem to be other important things to do with Federal and State funds. Some Americans, interested in wildlife, responded to that problem years ago by requesting Congress to levy special taxes on them to pay for these programs. Congress did that and the Federal aid in wildlife restoration program has grown to be the single most important act for wildlife anywhere. It is recognized worldwide for its uniqueness and its accomplishments.

These citizens have come to Congress again for help. And, like before, they are willing to furnish the money, all of the money. Yet, today's Washington Post is critical of this program. The Post editorial is so riddled with inaccurate and misleading statements about H.R. 9067 that the record must be corrected.

Briefly, the bill would establish an 11 percent excise tax on component parts of hand-loaded ammunition. The receipts would be added to those from similar taxes on handguns and archery equipment and distributed to the States. Fifty percent of the funds would be used for wildlife restoration and the remaining 50 percent for hunter education programs. H.R. 9067 would in no way affect the major portion of Federal aid funds which come from an 11 percent tax on shotguns, rifles and factory-made ammunition. That money, which amounts to more than $50 million annually, must be used solely for wildlife restoration purposes. Only half of those funds from handguns, archery, and component parts could be used for education programs and supporting shooting ranges.

The Post editorial alleges that H.R. 9067 would establish federally supported "subsidies" for firearms sports, and that it requires the taxpayers to support shooting sports.

The fact is that the Federal aid in wildlife restoration program is not a Federal subsidy. It is a program paid for only by those who purchase sporting firearms and ammunition. The general taxpayers contribute nothing even though they do benefit greatly from wildlife restoration efforts. It is quite evident, therefore, that taxpayers would not be required to support shooting sports. Only those who participate would pay the tax. In this respect it is like a user tax.

The Post editorial states that those interested in this bill will have to explain "why there is no Federal interest in better bowlers, better tennis players, better golf players, and on and on."

Clearly the Post's editorial writer is not familiar with the land and water conservation fund enacted years ago which provides money to the States for recreational purposes. Thousands of tennis courts, golf courses, swimming pools, basketball courts, et cetera have been built with this money. And, Congress recently increased that fund from $300 million annually to nearly $1 billion annually. The writer surely must not know that Congress recently authorized more than $40 million out of general tax revenues to subsidize the winter Olympic games scheduled for Lake Placid, N.Y., in 1980. There are many more examples, but these are sufficient to discredit the charge.

The Post editorial said the bill would rob the country's wildlife effort of money.

That is completely false. H.R. 9067, as testified to by the State wildlife agencies, would increase funding for wildlife programs as well as hunter education programs. The record is very clear on that point. These agencies certainly would not support something that would cause them to lose money for wildlife purposes. Furthermore, this Congress has passed legislation which I authored, now law, to extend and provide additional funds for the wetlands acquisition program.

Mr. Speaker, 47 of the 50 State wildlife agencies have written in support of this bill. It has the strong endorsement of respected conservation organizations such as the Wildlife Management Institute and the National Wildlife Federation. It has the backing of the component parts manufacturers. Sportsmen, who will be paying the tax, have particularly given their strong support.

This bill has been pending in Congress for 5 years, delayed by other more pressing measures. But need and urgency have caught up with hunter education programs, too, and now is the time to act favorably on this legislation. I urge my colleagues to enact H.R. 9067 into law.

[From the Washington Post, Sept. 29, 1976]

THE GUN LOBBY'S YEAR

From all appearances, this is the year Congress can't seem to do enough to appease the gun lobbyists. First, the House Judiciary Committee reported out a bill it called gun control legislation that was hardly worthy of the name gun control and maybe didn't even deserve to be called legislation. Now, just as this Congress is crowding toward the exits, there is the prospect that it will depart having left the country with a law requiring that the states supply gun enthusiasts with target ranges paid out of federal taxes. Should its bold ploy succeed, this truly can go down as the year the gun lobby rode triumphantly through Congress.

The bill the House takes up this week concerns the disposition of funds accrued from the excise tax on rifles, shotguns, ammunition and hunting bows and arrows. Until now, those funds have been used by the states for the preservation of their wildlife and the care of forests. In 1970, the gun lobbyists won the right to have the states spend half of their allotment from these funds on hunter education and on target ranges. But that was an optional expenditure on the states' part. Now, the House is to consider the next step in this gun lobby muscle operation, mandating that the states *must* spend half of the funds that were for wildlife on hunter education and target shooting. The rationale is that the country needs citizens who are better trained in how to use weapons.

Rep. Abner Mikva (D-Ill.) is one of those members of Congress who does not believe we need better trained hunters and shooters—or in any event that the taxpayers should be picking up the tab for the expense of building target ranges for hunters and gun enthusiasts. This is not a philosophical argument about firearms. We are of the opinion that all firearms pose a certain risk, but that in the case of handguns that risk in modern urban society is intolerable. It is in that sense that we view the evisceration of the Judiciary Committee's fine efforts at handgun control as a disaster for the nation. But that has nothing to do with the right of people to hunt as a sport. That's a right no serious advocate of gun control wants to take away. Nor do we think people who want to take up the sport of target shooting should be prevented from doing so. But those are not the issues raised in this rifle range legislation.

The issue Congress must decide with respect to this bill is whether it wants to establish federally supported subsidies for firearms sports. That is what this legislation does. It requires the taxpayers, through the states, to supply those who wish to take up the art of shooting with federally supported ranges on which to do it. Those who argue that there is some public interest in having more skillful shooters in our society will have to be prepared to explain why there is no federal interest in better bowlers, better tennis players, better golf players and on and on. Why just subsidize shooters?

More than that, the bill would rob the country's wildlife preservation effort of hard-pressed dollars to do the very important work of keeping the wildlife stock of the nation healthy. It is not in all that great shape as it is; it can ill afford the losses this bizarre proposal would impose. Many groups and agencies, among them the Department of Interior and the Wilderness Society, have expressed their opposition to this legislation. Congress should reject it because it represents such a poor use of federal funds and poor judgment as well. The gun lobby already has received more than its share from this Congress.

PERSONAL EXPLANATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mrs. KEYS. Mr. Speaker, on Monday, September 27, 1976, I was unavoidably absent for rollcall No. 813, on agreeing to recede and concur with amendment to the Senate amendment on H.R. 12168, Natural Gas Pipeline Safety Act Amendments of 1976. Had I been present, I would have voted "yea."

"MONSTER" PUTS MILPITAS ON MAP

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. EDWARDS of California. Mr. Speaker, I would like to share with my colleagues the noteworthy accomplishment of the students of Samuel Ayer High School and adult education program in Milpitas, Calif.

Under the able guidance of instructor Robert Burrill, the students created and produced a full length color film entitled "The Milpitas Monster." In the course of their 2-year effort, they mustered the support of the entire community of over 30,000 residents.

"The Milpitas Monster" depicts a 50-foot beast spawned by pollution, who thrives on garbage cans and who, before being driven from the city by the police and fire departments and "courageous high school students," destroys a Milpitas restaurant, tears down a television tower, and generally terrorizes the town. The students utilized the conventions and cliches of such classic horror films as "King Kong" and "Godzilla" in creating a truly original work.

The project began some 2 years ago when students in Mr. Burrill's commercial art class at the high school conceived the idea of producing a 10-minute black and white film as a special class project. The premise of the film quickly captured the fancy of the community and local merchants, who donated to the project with the promise that their names would be included in the film's credits.

When Mr. Burrill realized the community's willingness to support the project, he and his students expanded their original concept. Mr. Burrill enlisted the aid of students from his adult photography class; a booster's club was formed to promote the picture and solicit further contributions; local news media provided publicity on the unique project and the business community responded with further contributions.

The talents of various members of the community were called upon to assist the students in developing a script, designing costumes and sets, and filming horror film. Filming was done completely in and around Milpitas with area residents playing roles in the production, including various city officials, former Mayor Joe House and his daughter who is carried off by the Monster a la Faye Wray.

The film premiered May 21 at the Serra theater in Milpitas with a Hollywood style opening replete with searchlights, limousines, red carpets, and extensive media coverage. The films' creators now plan annual showings of the film for Halloween and are looking for a distributor interested in releasing the film on a wider scale.

"The Milpitas Monster" is a tribute to a community which, in the words of Robert Burrill, "can take a joke, laugh at itself and exhibit to other cities our cherished capability to know each other by name, share common responsibilities, and cooperate to such a degree as to make this film possible."

Watch for "The Milpitas Monster" in your local theater.

HOW TO LEGISLATE A DISASTER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. MICHEL. Mr. Speaker, the current issue of Forbes contains an excellent article by Mr. James Cook outlining the harmful effects of legislation approved by the Congress in a well-meaning but misguided effort to help Israel.

I am referring of course to the so-called Ribicoff amendment to the tax reform bill and the Rosenthal amendment to the Export Administration Act, legislation which is intended to blunt the Arab boycott but which may end up hurting the United States, and Israel as well.

I ask that the text of the article be placed in the RECORD at this point:

HOW TO LEGISLATE A DISASTER

(By James Cook)

In seeking to pass legislation to blunt the Arab boycott of Israel, the U.S. Congress may end up hurting the U.S.—and Israel as well.

"Here we've been working to bring about some cooling of the Israeli-Arab situation," says one Federal Energy Administration official, "and this could stir up all those emotions again. It sets up a full confrontation—the kind we carefully avoided even during the embargo."

The official is talking about two pieces of legislation that Congress was determined to pass before it adjourned this month for the Presidential election. Both bills contained amendments dealing with the Arab boycott of Israel. While the motives behind the amendments may be lofty ones, it is questionable whether the congressmen who voted for them really thought through either the logic or the economic and political consequences of their position.

The Arab boycott of trade with Israel has been an Arab weapon since the late Forties. One amendment imposes tax penalties for complying with the boycott. The other—which had not reached its final form as Forbes went to press—threatens to make it illegal for corporations to comply with the Arab boycott and imposes severe penalties upon them if they do.

In seeking to blunt this Arab weapon, Congress runs strong risks. The Arabs already supply us with nearly 15% of all our oil and afford the only available source of expanded future supply. Without Arab oil, the U.S. economy would be severely damaged. Is it worth the risk? Politicians like John Moss of California may proclaim, "Our principles as a people are not for sale." Yet the U.S. maintains boycotts against Cuba and Rhodesia.

Administered by the Arab League, the boycott is directed primarily against companies that do business with Israel and secondarily against companies that do business with companies that do business with Israel. The policy is embedded in the laws of most of the Arab League countries. Companies refusing to comply with these laws are excluded from doing business in these countries, and that includes those companies that refuse to provide information on whether they comply with the boycott or not. "The boycott is not based on racism or religion," insists Mohammed Mahgoub, head of the boycott office in Damascus. "We only boycott whoever supports Israel militarily or economically, regardless of religion or nationality."

Like many other things in the Middle East, the boycott has been neither consistent nor airtight. If there is some product or service the Arabs need or want, they have generally been inclined to ignore their own regulations. Ford, Xerox, Coca-Cola and Elizabeth Taylor are said to be on the Arab League blacklist, but the League itself has never published any official list, so it remains free to maneuver. As a result, companies like IBM, Hilton International and General Electric have been able to deal with impunity with both the Arabs and Israel. Moreover, under pressure from the U.S. Government, the Arabs have been increasingly willing to give to bend the boycott in order to avoid problems with the U.S. "There are many cases," says Julius Katz, Assistant Secretary of State for Economic and Business Affairs, "where we've told them going after this firm is not very helpful and have secured relief. But they're going to have their backs up now."

The new bills tackle the boycott head on—by legislative attack rather than diplomatic persuasion. Treasury Secretary William Simon bitterly opposes the bills: "We believe the effect of such pressure would harden Arab attitudes and potentially destroy the progress we have already made."

In the tax bill, the so-called Ribicoff amendment specifies that any U.S. corporation which has complied with any boycott not sanctioned by the U.S. could lose its foreign tax credits, its foreign tax deferrals and its export subsidies.

Such tax credits, according to one estimate, run around $1 billion a year, mainly to the oil companies. The loss of these credits would not only halve the profitability of the companies' Arab oil operations—mostly concentrated in Aramco—it would put them at a considerable disadvantage in competing with oil companies from other countries.

Under the Ribicoff amendment, a company could at least comply with the boycott and pay the tax penalty; Aramco, whose assets are now 60% owned by the Saudi government, would certainly be forced to do so.

The proposed antiboycott amendment to the Export Administration Act is far rougher, particularly the House version. It would outlaw compliance with the boycott altogether and impose considerably harsher penalties. It prohibits any U.S. corporation from cooperating with the boycott, including supplying information. The Act itself would impose fines or imprisonment for each violation and provide for the suspension of export licenses. The Act would also permit lawsuits for triple damages.

The Ribicoff amendment would come down hardest on the oil companies—especially on the Aramco partners, Mobil, Texaco, SoCal and Exxon. The Export Administration amendment would hit everybody. U.S. exports to the Arab world are currently running around $7 billion annually and otherwise would probably reach $10 billion next year, so a huge amount of foreign trade is in jeopardy.

Both amendments were opposed by the Administration—State, Treasury and Commerce departments—but Congress turned a deaf ear to their objections. The public was largely indifferent until the very end. Then the *New York Times* opposed the Ribicoff amendment on the grounds that it was a dangerous precedent to use the tax laws for punitive purposes. In the final days big oil companies like Mobil, Texaco and Exxon began to sound the alarm against the Export Administration Act amendment. In the most outspoken of its series of advertisements on public issues, Mobile contended (and Exxon later agreed) that if the Export Administration legislation was passed, it could become illegal for any American company to import Arab oil, to sell goods to an Arab country or even finance trade with the Arabs.

What worried Mobil was the destination clauses in its Aramco lifting agreements. In taking oil from Aramco, the oil companies have to agree not to deliver any of the oil to Israel, and to comply with that clause would be to comply with the boycott. Thus, the 1.5 million barrels a day of Saudi oil that come into the U.S. would seem to be in jeopardy. Then too, any manufacturer who exports to Saudi Arabia or most other Arab countries has to certify that the goods do not have any components of Israeli manufacture. The proposed legislation, however, prohibits such certification.

Benjamin Rosenthal, the New York Democrat who cosponsored the Export Administration Act amendment in the House, brushes aside these problems. "Let them refuse to participate in the secondary boycott," he says. "I'm sure the Arabs would be loath to lose one of their best customers. It's just that the oil companies have never seen fit to exert their influence or raise their voices in opposition."

The Saudis, however, have been talking about cutting production for some time now, the Kuwaitis have already done so, so it is by no means certain how loath the Arabs would be to turn the screws.

Rosenthal's staff saw even further ramifications to the legislation. It would force the Army Corps of Engineers, which submits lists of contractors to the Saudi government for approval, to withdraw from the multibillion-dollar military construction program it is overseeing for the Saudis. Especially vulnerable here are the U.S.' big engineering and construction companies—firms like Bechtel, Fluor, Ralph M. Parsons—that have undertaken to manage massive development projects in Saudi Arabia. "The whole thing is designed to discourage a business relation between the U.S. and the Arabs," says Ralph M. Parsons' boss William E. Leonhard. "The effect could be disastrous for us and for the entire economy."

"The Saudis have a proclivity to do business with the U.S.," says Bruce Miller, a vice president of International Systems & Controls' Sanderson & Porter affiliate, which has $3 billion worth of power and desalination projects in Saudi Arabia, "but they also have strong feelings about the boycott. They're not going to be pressured into changing their views because someone in our legislature says that's the best course for the U.S. They'll say, 'So long, it's been good to know you,' and do business elsewhere."

Says Lee Loevinger, former head of the Justice Department's antitrust division and now a member of a prestigious Washington law firm: "If some of these laws pass that say, 'Buster, we don't care what your goddam laws say, you want to do business with America, goddam it, you can't have your boycott,' their answer is going to be very simple: 'So long.' "

"Other countries," as Treasury Secretary Simon has pointed out, "already supply a full 80% of the goods and services imported by the Arab world. There is no evidence that these nations are prepared to lose that $50-billion-a-year market."

If the House amendment is enacted into law, the consequences could be more serious than simply a foreclosure of the Arab market to the U.S. manufacturer. It's not inconceivable, one FEA official speculates, that when OPEC meets aagin this winter, they will be fired up by the challenge of the U.S.' antiboycott legislation. They might decide to increase their prices punitively—as they did during the embargo—adding 10%, say, to whatever price rise they would otherwise adopt to reflect inflation. Amin Hilmy II, ambassador to the United Nations from the Arab League, puts the situation on the line: "We've spent billions of dollars in the U.S., and we're not going on our knees to beg anybody to accept it. We'll give the money somewhere else. Remember the High Dam. An Arab country—Egypt—came here and wanted you to help, and you refused for political reasons. We went somewhere else and we got it."

In posing such legislation, Congress presents President Ford with a dilemma. In vetoing either bill over the boycott issue, he has to throw out the baby with the bathwater—the tax reform legislation which he wanted and the export regulation which the U.S. needs. If he should veto, he exposes himself not only to the risk of a congressional override but to the risk of having the Arab boycott used as a campaign issue against him. This, of course, is probably not very far from what the Democrats wanted in proposing the amendments anyway.

Yet, even if the President should veto the two pieces of antiboycott legislation headed for his desk, the problem would not necessarily be more than temporarily resolved. Commercial boycotts are illegal under the U.S. antitrust laws, and last January the Justice Department launched an antitrust suit against Bechtel affirming it was maintaining such a boycott. The Department charged that, in handling its billions of dollars worth of contracts in the Arab world, Bechtel has been complying with the boycott; Bechtel responds that it has merely been complying with Arab law.

If the Government wins its case, Bechtel itself could become liable for triple damages, and a wide range of other companies could become targets for similar suits. And so the antiboycott issue would return to haunt U.S. business in a somewhat different form.

Wrecking U.S. trade wtih the Arabs and diminishing U.S. credibility among the moderate Arabs would seem a strange way to help Israel.

SPEAKER ALBERT

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WOLFF. Mr. Speaker, throughout the 12 years I have been in Congress I have had the great privilege to serve under Carl Albert's leadership and guidance. A few words cannot possibly convey the deep sense of loss which I, and my Democratic colleagues, feel at the retirement of a man whose contributions to the integrity and strength of this body are both significant and enduring.

Carl Albert has been the quintessential Representative, admirably succeeding in promoting the views, wants, and needs of his constitutents in a just, enlightened, and concerned manner.

As majority whip, majority leader, and ultimately as Speaker of the House, Carl Albert has consistently, unselfishly, and unswervingly given of himself, providing counsel and friendship to all his colleagues.

And through all this, he has managed to infuse and project his own vision of what this body can be, and what it should accomplish.

Carl Albert's presence here will be sorely missed, yet each of his colleagues carries with him or her a little bit of this vision and sense of purpose. I am delighted to take this opportunity to salute him and his accomplishments.

LOCK AND DAM 26

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. RAILSBACK. Mr. Speaker, I would like to add my support to H.R. 15636, the Water Resources Development Act of 1976. I feel that the committee has done a good job in reporting this legislation, and I would hope that we would pass it without delay. However, there is one provision missing from this bill which I believe should have been included. That provision would authorize the construction of lock and dam 26 at Alton, Ill.

As many of you may know, the Mississippi River on which lock and dam 26 are located is very important to my district and all of the Midwest, because it is used to transport so much of its goods. Just as the farmers of New Jersey depend on the New Jersey Turnpike or the Garden State Parkway to transport their farm products to the great Northeast, the farmers of the Midwest depend on the Mississippi.

As the Midwest has stretched to realize its full economic potential, traffic at lock and dam 26 has increased significantly. More than 55 million tons of cargo—10 percent of the total moved on all of the country's 25,543 miles of commercially navigable inland waterways—were squeezed through the Alton locks last year.

The figure could continue to grow by 2 or 3 million tons a year, with 73 million tons expected by 1981. Towboat captains pushing barges north and south through those locks disperse the Midwest's agricultural plenty which this Nation has learned to depend upon to such a great extent. The river not only is used to send agricultural products all over the world, but products needed by farmers to grow such superior crops are shipped up river—fertilizers, chemicals, and fuels so critical to the food-growing process. As far as the 19th district is concerned agriculture products make up the obvious. However, energy-related products, coal, other fuels, not to mention steel and a host of raw materials and finished products move upon the river daily.

Because of its position on the Mississippi, lock and dam 26 is just south of the place where the Mississippi and Illinois Rivers converge bringing goods to and from busy Chicago and Lake Michigan. The northwest fork flows from the Twin Cities of Minneapolis and St. Paul. Lock 25, a 600-foot lock handles approximately 25 million tons of goods. As I have pointed out, the next lock south, lock 26 handles more than twice as much—55 million tons, because of its location below the water fork. Just south of this point on the rivers is lock and dam 27 which is in good condition. It is a 1,200-foot lock, and it can handle the considerable waterborne commerce of the waterway. Beyond lock and dam 27 the Mississippi runs free to the great port cities of the Gulf of Mexico. I cite this to you only because the Mississippi is truly a road in the same sense as any busy road here in the Northeast.

According to farmers in the 19th district it is far more economical for them to move their goods on the river. They will tell you how important the river is to their livelihood. In considering all sides of this issue it is my opinion that new construction alone would mean faster and more economical movement of our commodities to market, resulting in more income for our farmers, better prices for the consumer—a big boost for the Nation's economy.

The facility at lock and dam 26 is 38 years old and deteriorating badly. The complex is too small to handle waterborne traffic at that strategic location. Unfortunately, because of its deteriorating state lock and dam 26 has become a bottleneck. Last April one of two locks at the dam had to be closed for emergency repair resulting in more than 900 barges being tied up above and below the facility. And April is not harvest-time.

One school of thought says that locks and dam 26 should be repaired. However, repairs would cost $250 million; take 8 to 10 years, and necessitate total shutdown of the river for 1 to 3 years unless another temporary lock were built first, resulting in a cost of $364 million. Not very good economics.

Further, even if rehabilitation were to be completed, the facility still would be incapable of handling the present traffic load because by completion time the needs would have increased tremendously.

Earlier this year I joined Congressman Paul Findley in sponsoring legislation which would authorize the construction of a new lock and dam project at Alton—which is in his district and adjacent to mine. The legislation calls for a new 110-foot by 1,200-foot main lock at a location approximately 2 miles downstream from the existing dam.

President Ford through the Secretary of the Army recommends enactment of authorizing legislation to provide for the construction of a new dam and lock, 2 miles downstream from the existing structure. There will also be a comprehensive study by the Army of the bulk-commodities that pass through, and of what the impact would mean to wildlife. They would also be required to evaluate all problems caused by the proposed construction.

The proposed replacement would:

First. Cost $391 million;

Second. Take 8 to 10 years to complete;

Third. Increase by 13 million tons the annual capacity which is currently 55 million tons;

Fourth. Not result in any interference in barge traffic; and

Fifth. Additional expansion only upon

a subsequent Congressional investigation.

Gentlemen, this facility is badly needed by not only the farmers of the Midwest, but it is needed by most of the varied industries from Minneapolis and St. Paul to Chicago and on to New Orleans.

Let us get behind this worthwhile project so that by 1986 the new lock and dam will be in good working order.

JEWISH VOCATIONAL SERVICES—II

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. LEHMAN. Mr. Speaker, I wish to present the conclusion of the testimony by representatives of the National Association of Jewish Vocational Services—NAJVS—before the Manpower Subcommittee on September 21:

Conclusion of Testimony by Representatives of the National Association of Jewish Vocational Services

We would also like to comment on our increasing service responsibility toward a new immigrant group which has been arriving in our country in significant numbers. We are referring here to Soviet Jewish immigrants. Although the Jewish Vocational Services have a long history of service to immigrant groups, the accelerated arrival rate of immigrants of this refugee population is beginning to tax the resources of the Jewish Vocational Services and other Jewish agencies. As limited-English speaking individuals, these immigrants are targeted for manpower aid explicitly under CETA Title III, and implicitly under Title I. Thus, the mechanics already exist, but the accessibility to CETA personnel responsible for national manpower planning programs is remote.

Fundamentally, there are two major problems in the vocational realm for which new Russian immigrants require considerable assistance. First, is the need to provide skills through bilingual vocational training which will enable individuals to enter the labor market in areas of demand so that they have the opportunity for sustained employment and, where possible, upward mobility. Second, and equal in importance, is the need to introduce the immigrants to, and help them to resolve, the many difficulties they face in making the "cultural" adjustment to employment and the system of work in this country. For example, the language barrier, the economic situation, high unemployment and differences in job categories mitigate against them. Further, their background presents difficulties in understanding the American system of free enterprise in initiative and job mobility.

Jewish Vocational Services, since their founding, have worked with many immigrant groups and are aware of the importance of guiding these individuals into the mainstream of the American labor force. Most Russian immigrants, in particular, come to the U.S. with important skills which must be redefined to mesh with existing employment opportunities. Jewish Vocational Services are aware of these problems facing Russian immigrants and, through the development of new programmatic approaches and the most modern job development, job promotion, and job placement departments to be found anywhere, have the resources to deal with this unique group of immigrants. Jewish Vocational Services have, within their existing staff (or can easily obtain the services of) multi-lingual professionals who can communicate with the new immigrants. They have available to them networks of human service agencies which are known as the Jewish Federations throughout the country, and are therefore in a position to utilize, at minimum cost, the Federations' supportive services in conjunction with the Jewish Vocational Services manpower training services.

The United States government has a long history of giving aid to refugee groups, including Cubans, Hungarians, Chinese, Vietnamese, and Cambodians. But diplomatic considerations have led the State Department to request no special block grants for the Soviet imigrant group, and categorical funding is therefore the only means of assimilating this new population into our country. We will be happy to work with the subcommittee staff in detailing the problems in this area and in suggesting workable solutions.

In summary of our testimony today, we are recommending the following:

1. That Congress strengthen the guidelines, procedures, evaluation standards, and monitoring systems for federally funded CETA programs.
2. That criteria for consideration of refunding existing programs be based on merit and pre-determined standards of what constitutes a successful program.
3. That prime sponsors examine the extent and quality of existing manpower-related services in their target areas prior to the funding of totally new organizations which may duplicate existing service capabilities.
4. That consideration be given to the establishment of off-hours programming for upgrading as well as for initial training services in order to maximize the utilization of facilities and equipment that might otherwise be idle during those hours.
5. That all target populations eligible for CETA services be given equal opportunity for funding.

Let us make it clear that in our opinion the dollars currently available for CETA-funded programs should and must be increased, but we also feel the obligation of those of us receiving funds to increase our efficiency, productivity, and quality of the programs we offer.

What we are looking for, along with our colleagues is established manpower agencies, is a CETA decision-making system based on merit, where grants are awarded on the basis of performance, not promises, of accountability, not excuses, and of the ability to provide not only skills training, but also the job counseling, supportive services, and job placement services necessary to fulfill the intent of the Comprehensive Employment Training Act.

F. EDWARD HÉBERT

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. POAGE. Mr. Speaker, today we note the retirement of one of the most distinguished Members of our body, the Honorable F. Edward Hébert, long a member and at one time chairman of the Committee on Armed Services. Eddie has rendered his country a great service in his determined work on behalf of military preparedness. He believes and has always believed the United States should be prepared to defend ourselves wherever we might be challenged. He has always been fair and honorable in his dealings.

His decision to leave this body was his own. I regret that he made such a decision, but I join in wishing him well.

ILLINOIS' GREAT CHAMPION OF SOCIAL AND ECONOMIC JUSTICE

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FARY. Mr. Speaker, those of us from Illinois feel a special sadness at the death of Senator Paul Douglas at the age of 84. It is trite to say, "We shall not see his like again," but it would be true.

In many ways, Paul Douglas was a larger-than-life figure. He was a man of intense convictions, of striking contrasts, and contradictions. He was a sophisticated intellectual who grew up in a log cabin in the Maine woods. He was a Phi Beta Kappa Ph. D. who had no formal education until high school. He was a gentle man who was a 6-foot-2½-inch 220-pound college football and boxing star. He was a pacifist who nevertheless volunteered for Army service in 1918, only to be rejected because of defective eyesight. In 1942 he enlisted in the Marines at the age of 50, and was wounded twice in combat in the Pacific. The second time was at the bloody battle on Okinawa, where his left arm was nearly severed; he never fully regained the use of it.

Paul Douglas' first career was as professor of economics—first at the University of Illinois, then at Reed College in Oregon, and finally at the University of Chicago. In 1929 he got his first taste of political controversy. The Cook County Real Estate Board called on his economic expertise to attack Samuel Insull. operator of a midwestern power and transit empire. Senator Douglas was given the job of opposing an Insull bond issue before a State regulatory agency. Insull won the case, but 3 days later he fled to Paris, his paper empire in collapse.

The Insull case opened the way for Senator Douglas to become more involved in public affairs. His books and outside activities attracted attention. He did studies of unemployment in Pennsylvania and New York for then Gov. Franklin D. Roosevelt.

In 1939 Senator Douglas ran for the Chicago City Council. He won, and from the very beginning he was noted for his independence, his commitment to the cause of economic and social justice, and his absolute integrity. These were the qualities he would bring to the Congress during his 18 years as Senator from Illinois.

Paul Douglas was elected to the Senate in 1948. There he became a champion of many of the great liberal caucuses, long before they were politically popular. He worked tirelessly for civil rights legislation, for public housing, truth-in-lending, the concept of one man, one-vote, the vote for 18-year-olds, a higher minimum wage, medicare, Federal aid to elimentary and higher education, and improved immigration laws. Long before military waste and excessive spending became public issues, Senator Douglas was exposing overcharges for equipment and disclosing that hundreds of retired high-ranking military officers had moved to jobs with big defense industries.

His strict convictions on official ethics led Senator Douglas to publish each year a detailed statement of all the money he received from all sources and everything he spent, down to subscriptions to back home weekly newspapers. In addition, he refused to accept any gift worth more than $2.50.

Paul Douglas was a man of extraordinary courage, integrity, and vision. Almost all of the concepts and programs that he fought for so ably have been enacted into law. I am sure it meant a great deal to him in the years since he left the Senate to see many of his ideas brought to fruition. His was a long life and a good life, filled with the satisfactions and achievements of outstanding public service. The citizens of Illinois and the people of the United States whom he served so well will never forget him.

TRIBUTE TO ROY A. TAYLOR

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ULLMAN. Mr. Speaker, I am honored to have the privilege to pay tribute to my colleague and good friend, ROY A. TAYLOR.

I had the distinct pleasure and honor to serve on the Interior Committee when ROY was elected to Congress some 16 years ago. Since that time, I have worked with ROY on numerous legislative proposals, always enjoying the benefit of his wisdom and skill.

Few men have made such lasting contributions to posterity in recent times as ROY. He has fought to add over 1.5 million acres to our Nation's parks—long before it became politically popular to do so. Conservation has once again come under attack in these economically troubled times, but this has only stiffened ROY's resolve to insure the wise use of our natural resources. We will miss his dedicated efforts on behalf of the preservation of our natural heritage, but posterity will be the beneficiary of his tireless efforts.

I will always be indebted to ROY for his untiring assistance in the struggle to preserve the middle Snake River in its wild, free-flowing state and create the Hells Canyon National Recreation Area. But there would be no finer tribute to his long, distinguished career than the successful conclusion of another long battle. This, of course, is the addition of another beautiful river to the Wild and Scenic Rivers System—the New River.

It is very difficult to bid farewell to such a good friend and able legislator as ROY TAYLOR, but I offer my very best wishes for the future. After all, ROY, there is a lot of good fishing in those streams you have been protecting.

NOVEMBER ELECTION

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DOWNING of Virginia. Mr. Speaker, as the November elections approach, each of us must take time to reflect upon what it means to have the freedom to make monumental decisions affecting the course of our Nation. Everyone who has the right to vote has a voice and a stake in this country's future.

Hopefully, each voting citizen will use his or her best judgment and conscience at the polling place in selecting the best men and women to lead the Nation. In some instances, a small prayer for guidance might be in order.

In that regard, Mr. Speaker, I would like to take this opportunity to share with my colleagues the thoughts of my friend, Mrs. Preston T. Hayes of Hampton, Va., who believes that prayer may help enlighten us as we prepare to exercise our franchise.

I feel certain my colleagues will find Mrs. Hayes' thoughts as inspiring as I have:

A PLEA FOR CONCERTED PRAYER FOR A SUCCESSFUL ELECTION IN NOVEMBER

(By Mrs. Preston T. Hayes)

The approaching election of leaders for the top offices in this great nation (November 1976), this year in which we so proudly celebrate our 200th birthday, may very well be the most critical one in the history of this modern world.

The signing of that great historical document, the Declaration of Independence, on July 4, 1776, became the very foundation upon which this nation has grown, prospered, and extended its influence to all the nations of the world. Today, when this and all other world powers are being torn apart by religious strife; political unrest and upheaval; many scientific theories; theological approaches; and general world dilemma, stress and frustration; we must seek answers and divine guidance as we strive to become effective instruments in restoring some order to the growing problems of the world.

The Declaration of Independence not only made us a free and independent nation, but it placed a great emphasis upon the worth and dignity of all men. It has become the foundation upon which this nation has built and extended its influence to all the corners of the world. According to the terms of that great declaration, "All men are created equal and endowed by their Creator with certain inalienable rights, among these, life, liberty and the pursuit of happiness."

This nation has become the "land of opportunity" for men of every nation, race, creed and religion. It has become this because we dared to believe and pursue those dreams which we had. Many have found the end of the rainbow and that elusive "pot of gold."

Today, we must again become dreamers. We must dream of a free, democratic, concerned government that believes in the worth of all men and one that has its feet planted firmly on a solid foundation of ethics, obedience to the will of God, and an overwhelming desire to see peace, decency, justice and honesty in government; thereby, extending the same influence into every phase of government. Only we, the people of these United States, can put ideal leaders into positions of trust. It has been our failure or victory when we have become blind and dazzled by glib and smooth politicians who know all of the techniques of winning a victory which is based upon only promises and words. We are only weak and frail human beings who are searching for that "eternal fountain of youth." How easily we can be deceived. The times are the same today as they have always been, therefore, we must utilize every God-given ability to help us meet the challenge of a world which is filled with temptations, which are deliberately dangled before our eyes. Our only hope is to think prayerfully about everything we hear and see.

If we are going to become victorious in this election and in our personal lives, we are goiing to have to reflect back to the life of that lowly Galilean who walked this earth as God's only Son, humbly teaching men how to live with one another in peace and harmony, a young man who had riches untold but chose nothing more for Himself than the opportunity to bring hope and eternal life to mankind. His final victory was a cruel death on the cross, but by giving His life He gave all of us redemption from our sins. What greater gift could any man give for others. Because of His death and resurrection, we realize that we must turn to Him for this and all other critical decisions in our lives. We must look to our Savior Jesus Christ for help in these situations which we are simply not wise enough to understand.

My husband, Dr. Preston T. Hayes, Pastor of the Second Baptist Church, E. E. Newport News, joins me in making this request for concerted prayer for divine help in electing leaders who are capable of leading us victoriously these next four years.

We sincerely believe that if we establish a special period of time when most of us can pause and bow our heads in concerted prayers faithfully until election time, God will surely direct us in the election of the man who is capable of leading this influential nation.

We have considered several day and night hours and most of them have held some reason why another time might be more acceptable to the majority of people. Therefore, we believe that ten o'clock each night to be a wonderful time for many of us to stop whatever we are doing, wherever we are, and pray sincerely and faithfully for God's guidance and wisdom in helping us to elect the man to lead our country. We must also pray for our country and each candidate, as well as for deliverance from the many seen and unseen dangers which are ever present.

Somehow, I feel confident that with this kind of dedication and prayer reaching heaven at the same time by many, many concerned believers, God will grant us another opportunity to return to the democratic society which has been the hope and inspiration of nations and peoples all over the world. I also believe that if there is a threat from other sources these too may be dissolved.

Please join us at ten o'clock eaching evening for a few moments of prayer for our country and its future, and for wisdom in our selection of the officers of the highest position in our nation.

CONGRESSIONAL CEMETERY

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mrs. BOGGS. Mr. Speaker, I submit for the RECORD a tribute to this 94th and Bicentennial Congress. As a result of the sensitive and responsible leadership of our colleague, Congressman ROY TAYLOR of North Carolina, the House has approved H.R. 13789 providing for the maintenance of historic Congressional Cemetery. This bill closes the episode of neglect experienced by our first national cemetery. The Congress has accepted its responsibility, and we may now look forward to the complete restoration and continued preservation of this historic landmark.

EULOGY FOR ALFONSO SEBASTIAN FORBES

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DE LUGO. Mr. Speaker, it is my honor to share with my colleagues in the House of Representatives some brief remarks about Alfonso Sebastian Forbes of St. Croix, U.S. Virgin Islands, who died recently.

During his 81 years, Alfonso Forbes demonstrated a lifestyle that was totally in keeping with his concern for others, his fundamental honesty, his sound advice and judgment and his unselfish willingness to share with others the many talents with which he had been endowed.

Alfonso Sebastian Forbes loved life with an indomitable will to live it fully and productively. Up to the very end he was still lucid, still showing his concern for his dear wife and family. He lived the life of an optimist and left behind a vision for the future and a legacy of past contributions. Those of us who know and loved him will sorely miss him; but we are all the better for having had him in our midst.

With your kind permission, I insert in the RECORD the eulogy delivered at his funeral.

EULOGY FOR ALFONSO SEBASTIAN FORBES

Alfonso Sebastian Forbes—Born Dec. 24, 1895—Died August 21, 1976.

Those are a few simple words written on a tombstone, but a period of time which tells a story of a human being who emphasized three famous words of the great Roman General, Julius Caesar, "Veni-Vidi-Vici—I came, I saw, I conquered."

Alfonso Sebastian Forbes could also have said like St. Paul, "I have fought a good fight, I have finished my course, I have kept the faith: Henceforth there is laid up for me a crown of righteousness, which the Lord, the righteous judge, shall give me at that day: and not to me only, but unto all them also that love his appearing." He could also have added, "I've lived for over 80 years, but I didn't just occupy a space in a niche, but I lived a life of mobility and action."

Alfonso Sebastian Forbes was a modest man. Even though his life was one of activity, and not one of passivity, he did not boast with egotism about his accomplishments. These were clearly explicit to all in his lifestyle.

Alfonso Sebastian Forbes started earning a living as a simple shoemaker. Today our value system could use a good shoemaker. He moved on and on along life's road with *ambition* and *drive*, two words which were the twin beacons that shone with brilliance to light his future journey. Many individuals in this modern world would prefer to use two other words as their beacons, dishonesty and subversion in order to obtain their goals.

The basic chronological order of his life is somewhat difficult to list because his great quality was to draw on the past to create the present. Basically he was a musician of the highest order. He considered knowledge of the material, excellence of execution and perfectionism as the criteria for satisfying and entertaining an audience.

Versatility is a characteristic which very few individuals possess. Today the emphasis is on specialization but Alfonso always believed, even though historians would possibly disagree, that a knowledge of many fields makes a well rounded individual. It would take volumes to describe in detail the many activities which he engaged in and performed well.

But besides his personal attributes, no human being is a complete individual except he is prepared to pass on to future generations his knowledge and contribute to the social structure to improve and benefit mankind. Forbes was always willing to do this. He taught many, both children and adults, his knowledge of music. He also helped to remake and remold the lives of those whose ill fortune it was to commit crimes against society. Today many of these individuals are model citizens.

He was able to give sound advice and the wisdom of age and experience even to unbelievers, but time usually proved Forbes right. Time was always on his side. An amazing facet of his life was his extraordinary memory for detail and his precision in analyzing problems.

Forbes moved from job to pob-profession to profession-business to business, but in each case learning something new to improve his knowledge and performance but finally 80+ years began to take its toll. The curtain was beginning to close and the famous saying came into focus, "What begins must come to an end".

Forbes possibly realized this, we were not really sure. There was always that indomitable will to survive. Up to his last seconds of life on this earth he was still lucid, still giving orders, still running things, still letting his dear wife realize how concerned he was about her and her activities. He never once really said with any sense of finality, "This is the end."

Alfonso Sebastian Forbes lived the life of a true optimist. He died an optimist. Pessimism to him was defeatism.

His family and friends will mourn his passing, but their lives will be better for it. The undeniable fact is that he used his talents well. He has left his fellowmen with a vision for the future and a legacy of service to his community. May he rest in peace.

GOOD MUSIC STATION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. LAGOMARSINO. Mr. Speaker, December 26, 1976, will mark the 50th anniversary for KDB AM/FM, this is an appropriate time to salute a very special radio station in the Santa Barbara area. "The Good Music Station" is the first and only 24 hour AM radio station in Santa Barbara, not only offering its audience continuous entertainment, but also conscientiously reporting the news of our most pressing current issues. It is reassuring to know that we can look forward to the next 50 years of service from the "Voice of Santa Barbara."

THE FAMILY HOUR AND TELEVISED VIOLENCE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAXMAN. Mr. Speaker, the National Association for Better Broadcasting is perhaps the strongest group in the country fighting for consumer interests in television. They have consistently urged that each station be made more accountable to the public by having their broadcast licenses reviewed under the strictest standards of performance and responsiveness to the communities they serve. Concerned about excessive levels of violence on television, the NABB has proposed that measurements of the amount of violent programing on television be made a part of the license renewal process. This is a suggestion which I believe should be explored further with the FCC and the networks as part of the House Communications Subcommittee's review of license renewal next year.

The subcommittee received testimony from Mr. Frank Orme, executive vice president of the NABB, during its recent hearings in Los Angeles on the family viewing hour. I am pleased to attach Mr. Orme's opening statement to our panel:

PRESENTATION BY MR. FRANK ORME, EXECUTIVE VICE PRESIDENT, NATIONAL ASSOCIATION FOR BETTER BROADCASTING

Mr. ORME. Do you know what is happening while we are sitting here? We are missing the St. Valentines Day Massacre on Channel 7, ABC. Yesterday, they ran "Dillinger."

Congressman VAN DEERLIN. Oh. I thought you were referring to the program from Kansas City.

Mr. ORME. That is just a coincidence.

We thank you very much, Mr. Waxman and Mr. Van Deerlin, for the opportunity of testifying.

My testimony is condensed, so if you will please allow for the fact that we do have explanations and supporting materials for some of the things that I will say in this shortened version.

In the first point, we would emphasize that Congress need not concern itself with the question of whether or not television's obsession with violence is harmful to society. The great majority of the public believes that TV violence is inflicting damage on children and youth, and the higher you go into the fields requiring professional training and experience, the greater the revulsion you find against brutality and sadism.

And now, as you know, just this past month, the American Medical Association has undertaken a campaign of vigorous opposition to violence in televised entertainment. They have branded violence as, "An environmental hazard that threatens the mental and physical welfare of children."

NABB believes that, as Congressmen, you should respond to the overwhelming professional consensus opposed to television violence.

To our mind, one of the first necessities is that you do something to halt the Federal Communication Commission's systematic efforts to eliminate Congress and the public from the processes of broadcast regulation.

On February 24 in Washington, FCC

Chairman Richard Wiley told a gathering of national religious leaders that the government can do no more in reducing violence on television. He said that the problem must be solved by the educators, the moral and religious leaders and the everyday citizens of our society.

He said: "If you are concerned about television violence and its corrosive effects on your young people, say so. Say so in your own communities, say so to your congregations, say so to your fellow broadcasters, say so to the advertisers, say so to the program producers, and say so to your elected officials."

He added his own view that it was time for significant reform in this area.

Why did Mr. Wiley, in his succession of say-so exhortations, as though he were leading an anti-violence parade, include a say-so to our elected officials? He had just said that the government can do no more. He had just washed the collective hands of the seven Commissioners of any further responsibility related to television violence, and the water from this washing was passed along to each member of the House and Senate, and all of their agencies, and by implication to the Executive Branch.

The Chairman of the FCC has the right to be wrong, but he does not have the right to pose as the spokesman of the entire United States Government.

As a spokesman, Mr. Wiley is consistently much closer to the special vested interests of commercial broadcasters than he is to broad, general needs of the public. He is the prophet for the false assumption that the First Amendment precludes any governmental action that would protect children from excessively violent entertainment.

But it is simply not true that the Government of the United States can do no more than it has done about what may be the most urgent social problem of our time.

Among us all, we have to decide whether we must accept ourselves as a desensitized and partially brutalized society in which violence and sadism are socially tolerable, or whether we must strive to build a world in which compassion, understanding, good will and constituted authority are dominant factors of daily living.

These are the stakes at issue, and NABB totally rejects Chairman Wiley's thesis of governmental irresponsibility.

NABB urges you to approach the forthcoming hearings on license renewal with wisdom, courage and caution.

We also urge you to use the means and power of Congress to induce the Commission to adopt policies which will give full and proper weight to the matter of program content in all new and renewal license procedures.

To this date, the Commission has steadfastly ignored the admonishments of Federal Courts to classify the performance of incumbent licensees, according to the true value of the programming services they provide in their communities. Thus, we have in Los Angeles, a station such as KCOP-TV, which is one of the most horror and violence ridden stations we have ever monitored, but which has a performance rating with the FCC equal to that of the finest Westinghouse, *Post*, *Newsweek* or network stations in the Nation.

The Commission has systematically slipped into policies that countermand the fundamental concept of the Communications Act; that the public owns the airwaves.

The FCC has abandoned the law. Rather than reverse its inadequacy, it would now alter the law to fit the FCC operating policies and practices. As long as this condition continues, there is little possibility of major reforms in the crime and violence situation.

Obviously, the incumbent broadcasters who have created and perpetuated the present condition are not about to make changes, as long as they proceed almost totally without regulation. While these broadcasters have a champion in the person of an FCC Chairman who proclaims that, and I quote this: "Congress should abolish the process by which a station's license may be taken away and given to somebody else," then no reform is likely.

You should be aware that the current production of network cops and robbers programming is not the center of the television violence issue. The eye of the hurricane is located in the huge backlog of terror, murder and sadism available to fill the afternoon, early evening and week-end hours when the Nation's 30 million children are a prime object of broadcaster and advertiser attention. The supply is inexhaustible, even if additional violent programs were never made.

If excessively violent programs were H-bombs, we would have an over-kill capacity to put distrust and fear of living into every youngster born from now until well into the 21st century.

In a preliminary survey we made just last week, we discovered that the volume of violent programs broadcast by the seven VHF Los Angeles stations is 10 percent higher than it was when we made a complete survey in the summer of 1968. The seven stations here are airing more than 200 hours of violent programs between 7:00 a.m. and midnight each week.

The most significant aspect of the current trend is the overwhelming dependence on violence and brutality demonstrated by three of the four independent stations in the Los Angeles market.

The ratio of violence for the independents, particularly Channels 5, 9 and 13, is about four to one over the three network-owned and operated stations. These three independent stations aired a total of 25 hours of violence during the family hour period, between 7:00 and 9:00.

Three-fourths of the violence problem is centered in the unguarded daytime and early evening hours, when such shows as "The Saint," "Wild, Wild West" and the "FBI" are stripped in five times per week. Seldom during these hours are parents there to watch, or even know what their children are watching. This parental absence doubles the impact of the violent action.

In closing, I would like to reaffirm that NABB does not hold a position of blanket opposition to violence in television programming. There are violent programs that are first-rate, creative entertainment, and we would welcome some of these, even during the early evening family viewing time periods.

Our objections are centered in the violence-for-kicks shows that are produced to thrill or frighten viewers with graphic crime, brutality and horror. We would not, under any circumstance, seek or recommend governmental pre-censorship of programming.

The key to the television violence problem is in the door used by broadcasters to gain access to the channels they use to transmit their programs. The Communications Act makes it clear that the incumbent broadcaster must not use this door as a barrier to exclude the public from the ultimate control of its own property.

We urge you to recognize the matter of television violence as a major menace to our society and to approach it as you would any other social disease.

HON. PAUL DOUGLAS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CRANE. Mr. Speaker, it is with a heavy heart that I rise to join my distinguished colleagues in honoring the memory of Senator Paul Douglas who passed away this past weekend. Senator Douglas was a personal friend of my father and while we disagreed on many issues I always admired and respected him for his complete integrity, his candor, and his dedication to this country. He was a devoted patriot as his record shows, both before he came to the Senate and every day of the 18 years he served there.

Illinoisans, in particular, remember fondly that Paul Douglas not only taught for many years at the University of Chicago before coming to the Senate but served as a member of the Illinois Housing Commission for 2 years and as an alderman for the city of Chicago for 3 years. At the end of that 3-year stint, in 1942, he enlisted in the Marine Corps as a private and, in the next 3 years, worked his way up through the ranks to lieutenant colonel, being wounded twice and decorated once—with the Bronze Star—in the process. Such a record would speak well of any man but, in Paul Douglas' case, it speaks eloquently; he was 50 years old at the time he enlisted.

However, to know Paul Douglas, as I had the good fortune of doing, was to know a man who did not leave it to others to do a job he felt needed doing. He was committed to his beliefs and he worked hard for them. Sometimes, one might not agree with what he had in mind but he never left you in doubt as to where he stood. For him, there was no deviating from the highest standards of personal integrity, standards which would serve well as models for us all.

Without a doubt, Senator Paul Douglas will be missed. But he will not be forgotten.

TRIBUTE TO ROY TAYLOR

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ANDREWS of North Carolina. Mr. Speaker, I had not had the privilege of knowing Roy Taylor very well before I came to Congress in early 1973, but it did not take me very long to know that I had a real friend in him.

His assistance to me as a freshman Congressman far exceeded the bounds of courtesy or my expectations. He has always been there when I needed him—giving me the guidance to perform my job more effectively. I have learned a great deal from Roy Taylor that I intend to remember.

Roy is a quiet man of great strength. A man with the courage of his convictions. I am honored to have had the opportunity to work side-by-side with him as a Member of the North Carolina delegation in Congress.

My regard and respect for Roy Taylor rose to new heights when I watched him work tirelessly, relentlessly and successfully to protect that portion of the New River which flows through North Carolina.

It is always that way when he tackles a problem, especially if it affects his district or our State.

A former aide to Roy Taylor—who has known him long and well—has said:

> Those of us who have been privileged to serve him know Roy Taylor as a man of patience and compassion; as a man able to determine an objective and move toward it with quiet, determined resolve. His record of accomplishment speaks eloquently for itself.
>
> Roy Taylor, an unassuming man, rose to heights as a legislator reminiscent of the mountains from whence he came. Now he, and his lovely wife, Evelyn, equally beloved by the people and the staff, will be going home to those embracing hills, knowing they stand in a better country because of their years of absence from them.
>
> One of the Congressman's favorite quotations is Thomas Wolfe's ". . . the years flow by like water, and that one day men come home again."

We will miss Roy a great deal—and we wish him all the best life has to offer. He deserves it.

SPEAKER ALBERT

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. JONES of Oklahoma. Mr. Speaker, the retirement from this body of Oklahoma's great Congressman, Speaker Carl Albert, is both a sad yet happy occasion for your colleagues who have had the honor to serve with you here in the House.

Sad, because we realize your wisdom, counsel, and legislative expertise will no longer be available to those of us who have relied upon you for so long as our leader, as our Speaker. Happy we are for the happiness the future holds for you, your lovely wife Mary, your family, and countless friends. The rigors of your speakership and the dedicated service in the House that brought you to that position have earned you a well-deserved retirement among the people of Oklahoma: The people who love and respect you so very much.

As one among many who has so often been guided by your advice and counsel, I can only say that your presence in the House will be deeply missed. At a time when public confidence in the institutions of our Federal Government was questioned, Carl Albert was one who brought great credit and unquestionable integrity upon our institution. We are indebted to Speaker Albert for the leadership he has provided.

Mr. Speaker, you are leaving a legacy for the House. A legacy of dedicated service, integrity and principle. One that should be emulated by all of those who follow in your footsteps of representatives of the American people.

Thank you, Mr. Speaker, for all that you have done, and for all that you have made possible for the American people. Carl Albert can take pride in being remembered as one of the finest public servants our Nation has seen in this century.

ROY A. TAYLOR

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SIKES. Mr. Speaker, I wish to join in paying special tribute to our distinguished friend and colleague, the Honorable Roy A. Taylor of North Carolina, who is retiring from the Congress with the adjournment of this session. I regret his decision to leave the House and I am confident this feeling is shared throughout this body. Certainly he is one of the most highly regarded Members in Congress and the respect which he enjoys comes from both sides of the aisle. He has been my very good friend for many years and it has been a privilege, an honor, and a pleasure for me to work with him in the House of Representatives.

For 16 years, Roy Taylor has very ably represented the 11th District of North Carolina in the Congress. Here he has provided outstanding leadership. His sound counsel and constructive efforts have been proven highly beneficial in the enactment of meritorious legislation for the progress of America.

He is chairman of the Subcommittee on National Parks and Recreation of the House Interior Committee and, during his tenure of service on this committee, the national park areas in America have practically doubled. He has won the acclaim of conservationists throughout the Nation for his dedicated service. I have personal knowledge of this, for with his assistance, legislation which I sponsored several years ago, to establish the Gulf Islands National Seashore located in Florida and Mississippi was enacted into law. The purpose of this legislation is to preserve the matchless beaches and woodlands of this beautiful area in their natural state, and to insure the preservation of important historic forts, some of which date back to Spanish colonial days.

Had this not been accomplished, the time would come when much of the beauty of the gulf coast would be lost through commercial developments and its native natural characteristics lost forever.

Other similar proposals of major importance guided through the Congress by Congressman Taylor are the Cape Cod Seashore Area in Massachusetts, the Fire Island and Gateway Recreation Areas in New York, Assateague in Maryland, Cape Lookout on the North Carolina coast, Cumberland Island off the coast of Georgia, Cape Canaveral National Recreation Area and Biscayne Bay Seashore Area and Big Cypress Preserve in Florida, Gulf Island Seashore Area off the coast of Florida and Mississippi, Padre Island and the Big Thicket Preserve in Texas, Golden Gate, Redwoods National Park, and Point Reyes Seashore Area in California, Oregon Dunes in Oregon, North Cascade National Park in Washington, Voyageurs Nationau Park in Minnesota, Apostle Islands in Wisconsin, and many more.

Representative Taylor is also responsible for the reauthorization of the Historic Preservation Act of 1966. There were over 100 cosponsors in the House and Senator Jackson was the main sponsor in the Senate. Initially, this act was concerned primarily with saving the great historic landmarks of the Nation; however, it has now evolved into a national awareness program to preserve as much as is possible of the Nation's historical, archeological, and architectural environment. The future of historic preservation is highly challenging and has become very popular among the American people. Since February 1975 Representative Taylor has led a movement in Congress to authorize the creation of a 13-year historic preservation fund, extending from October 1, 1976, to September 30, 1989. Under his bill, the historic preservation fund is to increase from $24.4 million in fiscal year 1977 to $100 million in 1980 and each year thereafter. Without his leadership and his effective guidance of the legislative process, the Federal historic preservation program authorized under the Historic Preservation Act would have been threatened with discontinuation at a time when historic preservation is becoming one of the economic, cultural, and social cornerstones of American society.

In addition to the heavy load Roy Taylor carries because of his chairmanship of the Interior Subcommittee, he also serves on the House Foreign Affairs Committee. He has made significant contributions to this committee also.

Representative Taylor's splendid work during the years he has been in Congress has gained for him national recognition and has provided significant benefits to his district, the State of North Carolina, and the Nation. He is indeed an able legislator, a great American, and I am very sorry to see him leave us. My best wishes go with him and his family in all that they undertake in the years ahead.

HON. ROBERT E. JONES

HON. JOE D. WAGGONNER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAGGONNER. Mr. Speaker, the people of northern Alabama showed much wisdom when they sent Robert E. Jones to Washington in 1947. They could not have picked a better, more conscientious Congressman than Bob Jones. It is apparent that they think so too—they have sent him back to represent them for 30 years, longer than any Alabamian has served in the House.

Bob's tenure as chairman of the Public Works and Transportation Committee has not been long, but his many years of service on this important committee have certainly left their mark on the map of the entire United States. Dams, roads, public buildings, and other Federal projects were built as a direct result of Bob's hard work on the committee. It was a well deserved recognition for a job well done when Bob was selected as chairman. Millions of Americans who have never had the opportunity to know and respect him as we have will benefit from the public works projects he worked so hard to see come into being.

Many times I have called on Bob to express the needs of my people in Louisiana. He always listened with understanding and fairness. His judgments were always tempered with personal intelligence, commonsense and the experience that years of devotion to public service bring.

Bob's leadership will be missed in this House, and I shall miss him personally. His beloved people of Alabama will be regaining their distinguished favorite son they lent to the Nation 30 years ago.

IN TRIBUTE TO THE HONORABLE JAMES A. HALEY

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ROGERS. Mr. Speaker, it is with great pleasure that I rise to honor my distinguished colleague from Florida, Jim Haley. I have served with Jim in the House for over two decades, and he served with my father before me. During this time I have come to know and respect his integrity and his long record of public service.

Jim, and his late wife Aubrey, have been very close friends of my family. We have served together in this House for many years, seeking out each other's advice and building the close ties that will last even after his departure from this body.

The record Jim leaves behind will attest to his concern for the public. He has always been in the forefront in protecting this Nation's resources. His support of the Surface Mining Control and Reclamation Act exemplifies this concern and this willingness to take a stand to save the resources of this Nation for use by future generations.

As chairman of the House Committee on the Interior, Chairman Haley has proved himself time and time again to be the protector of the environment. Passage of the Land and Water Conservation Act Amendments during his tenure will continue to provide and expand outdoor recreation sites and facilities to be used by the growing number of Americans who are taking to the back woods on weekends and vacations. The acreage of our national parks has increased by over one-half million acres since January 1973 when Jim became chairman of the House Interior Committee.

He has never forgotten the interests of his constituents and his outstanding accomplishments include the creation of the Big Cypress Watershed. Indeed, Jim Haley could certainly be hailed as the "Father of the Big Cypress." This national preserve will insure the protection of the valuable resources within the Everglades National Park which is dependent on the Big Cypress area for its water supply. This was no easy task.

Additionally, in the face of large opposition from developers, as well as farming interests, Jim Haley left his mark in legislation which provided for the purchase of all remaining land within the original boundaries of the Everglades National Park, and stood his ground when this congressional mandate was challenged.

But Jim will not only be remembered for his efforts in the environmental sphere. Veterans around the country will no doubt remember his efforts on their behalf, by his leadership within the Veterans' Affairs Committee.

A World War I veteran, Congressman Haley has served on this committee for 18 years and maintained the chairmanship of the House Subcommittee on Hospitals for 8 years. His contact with veterans throughout Florida and around this Nation are warm and friendly, partly because Jim is able to communicate and sympathize with fellow veterans and partly because he has shown the capacity for leadership which this segment of our society needs and deserves.

Mr. Speaker, I could go on and on in speaking of this great gentleman, on his wise counsel, and of his concern for this Nation's people and her resources. I trust he will have many more years ahead in retirement, which he so richly deserves. I am sure that he will be contented in the knowledge that his leadership will not go unremembered and that the things which he sought to accomplish will be enjoyed not only by this generation of Americans, but by their children and those that follow.

LEADERSHIP—THE REAL ISSUE IN THE PRESIDENTIAL ELECTION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Ms. ABZUG. Mr. Speaker, I wish to share with my colleagues an excellent column written by William V. Shannon which appeared in the New York Times on September 26, 1976, entitled "In Search of Leadership." In my view this column presents the central issue of this election—not trivia dealing with casual comments made by the candidates, but the fundamental issue of which man can lead the country in a period of uncertainty and challenge. The press has recently focused on a few interviews believed to be indicative of character or judgment, but they have neglected the records of the candidates which truly reflect how each of them views the world and its people.

President Ford's record in the House and as President is quite clear. He has been and is, in the tradition of Calvin Coolidge, Warren Harding, Herbert Hoover, and Richard Nixon, uncaring and unfeeling about the poor and dispossessed of this world. He is narrow and parochial in his outlook. Governor Carter, on the other hand, and as William Shannon points out, "offers the Nation an opportunity for leadership." His character, his experience, and his record demonstrate that he is a person who can lead this country. He has a vision of the future rooted in the basic and fundamental ideals upon which this Nation was built.

I urge that my fellow Members of Congress keep the issue of leadership before the people and emphasize these important considerations. They should not be forced into the defensive posture of explaining and rationalizing every word the candidate utters.

The column by William V. Shannon follows:

IN SEARCH OF LEADERSHIP

(By William V. Shannon)

WASHINGTON.—The basic choice confronting voters in this election is whether they want a pleasing personality or a leader in the White House.

If the people are content with a pleasing personality, Gerald Ford will do very well. He is financially honest, about as candid as most political men, and is a likable person. But he is not a leader. He lacks the intellectual gifts, the imagination, and the inner force, that leaders have.

Mr. Ford rocks no boats, offers no challenges to the conventional wisdom, and has no deeply held convicticns that he is not prepared to temper—or drop altogether—if political necessity requires. He is a good listener.

He does not always understand what he is being told but he tries. When he is through listening he figuratively looks around to see if there is somebody who will do something about the problem or at least move it off his desk.

He does not care very much. He does not care, for example, about the many forms of misery that create social problems in America and in the world. He has normal compassion for family and friends. But for those outside the range of his vision, he lacks the imagination to visualize their misery or to hold their problems for very long in the forefront of his mind.

Mr. Ford does not even care all that much whether he is re-elected. His vanity is engaged at the moment and he hates to lose. But if he does lose, he will be delighted with his big pension and will play golf and ski and enjoy himself traveling. If he is re-elected, he will be out at Burning Tree with his lobbyist friends playing golf every weekend and one or two afternoons during the week as well. He will ski at Vail, take lots of trips, and make forgettable speeches. Either way, it wil be a pleasant, sun-filled four years for him.

Mr. Ford is no worrier. Under a show of earnestness, he is as lighthearted as Mr. Micawber and as sure that something will turn up. After all, it always has. By being a regular fellow and thinking regular thoughts and being on the job, he has already gone a lot further than those who know his limited capacity would ever have predicted. World hunger and nuclear terror and surging inflation and financially trapped cities might worry some people, but Mr. Ford is sure he can bumble on for another four years as he has the last two.

Jimmy Carter, by contrast, offers the nation an opportunity for leadership: He is an unknown quantity as a President. Any man is until he serves in the office. But Mr. Carter's seriousness, quickness of mind, and executive energies are apparent to everyone who has talked with him or studies his public record.

In baseball terminology, Jimmy Carter is a "take-charge guy." He relishes responsibility, sets high goals for himself, and knows how to organize himself and his team to reach those goals.

If Mr. Carter becomes President, he is sure to defend aggressively the interests of consumers and of the environment. There is a reasonable chance that he may reorganize the welter of Federal-state programs and make the ponderous bureaucracies more responsive. He will lead the fight for a genuine tax reform and may succeed. There is a good chance that he will work out a national health care plan and achieve a major reform of welfare.

None of these aspirations is sure to be realized in a Carter Administration, but there is ground for hope on each of them. On the record of the last two years, there is no hope of realizing any of them in another Ford Administration.

Mr. Carter's empathy for the outcast and the defeated is genuine. He is a leader reaching for greatness. Although his reach is sure to exceed his grasp—as is true of every leader—he might make America once again a tribune of justice in the world community.

By contrast, no one who knows Mr. Ford's long, dreary record in the House, 25 years of plodding through hackdom, would ever accuse him of being a leader. One can paraphrase Winston Churchill's description of Neville Chamberlain—"He would make a good mayor of Grand Rapids—in a quiet year."

As against the reasonable prospect of high achievement in a Carter Administration, Mr. Ford offers four more years of drift, bluff, and fumble. Historically, it is the choice between the possibility of another Roosevelt and the certainty of another Coolidge. Americans as people sometimes like to be on the move and sometimes like to rest easy. The Carter-Ford election offers that kind of choice.

ONCE AND FOR ALL, FORGET THE CANAL

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. YOUNG of Florida. Mr. Speaker, recently, efforts were initiated to raise interest in the defunct Cross-Florida Barge Canal. Far too much of the taxpayer's money has already been spent on a project which would accomplish nothing for the people and would destroy forest land, create flooding of nonforest land and further endanger classified endangered species.

My longstanding opposition to the continuation of further construction of the Cross-Florida Barge Canal is shared by many of Florida's elected officials. I draw my colleagues' attention to the following editorial which appeared in today's edition of the Tampa Tribune which fully supports my contention that the Cross-Florida Barge Canal should be finally laid to rest:

[From the Tampa Tribune, Sept. 29, 1976]

ONCE AND FOR ALL, FORGET THE CANAL

The time has come for the U.S. Army Corps of Engineers, Florida Cabinet, Congress, to decide if we taxpayers really need to spend $325 million to complete the Cross-Florida Barge Canal.

We say a loud no. Drive a stake through the heart of this reappearing ghost and put Florida's biggest boondoggle to rest despite the special interests which support it, even in the face of unacceptable environmental and fiscal costs.

The last of seven statewide hearings conducted by the Corps to explain the ecological and financial studies (compiled in 42 volumes, 8,000 pages at a cost of $2.4 million) ended in Orlando yesterday. The evidence was solidly against Congressional appropriation or Florida Cabinet support for the 110-mile ditch across the North Florida landscape from Inglis on the Gulf of Mexico to Palatka on the St. John's River.

Governor Reubin Askew is "inclined" to oppose it. The Florida Department of Environmental Regulation is opposed. Congressman C. W. "Bill" Young of St. Petersburg has asked Commerce Secretary Elliot Richardson to reconsider his ill-informed endorsement. The Corps itself says the waterway is probably too expensive to be worth while. State Senator Henry Sayler of St. Petersburg says he will file a bill to kill the project and disband the canal authority.

Who's for it? Former Governor Farris Bryant, the Canal Authority, North Florida Congressman and financier Ed Ball, who wrote Jimmy Carter, "Apparently you are not aware that I support . . ."

This monument to pork barrel politics began in 1821 when Secretary of War John C. Calhoun directed the Army Engineers to see if it could be done. Work commenced 114 years later on a ship canal on orders of President Franklin Roosevelt, but ended a year later when geological surveys indicated damage to the Floridan Aquifer. Congress approved the less deep barge canal in 1962 at a $158-million cost and President Lyndon Johnson ignited the groundbreaking charge in 1964 near Palatka. After suits, President Nixon halted the canal in 1971 one-third completed and $74 million invested. In 1974, a Federal judge overruled Nixon and ordered the studies which were presented during the past ... wide scar will destroy 31,000 acres of forest and 4,000 acres of non-forest land by flooding. Fifteen of the 17 endangered or threatened species which live in the area would lose living space. One of the world's most scenic and wild rivers will be lost when the Oklawaha River system is destroyed. Aquatic weeds will choke parts of the canal and its reservoirs. Spills from passing barges will pollute the water.

That is the preservationist argument. What follows is a series of admissions by the Corps based on the two years of study.

The costs and benefits of all alternate routes are economically less attractive than the authorized plan.

The Oklawaha River system "would be lost as an entity."

$380,000 must be spent annually to keep the main channel of the canal clear of weeds. $15 million will be set aside to pay for plugging with plugs of concrete the holes into the water table opened by the canal.

During dry years, navigation depths in the upper canal must be maintained by drastically reducing the flow water downstream into the Oklawaha and Withlacoochee Rivers.

Accidental chemical and petroleum spills cannot be prevented.

As much as $1.24 in benefits (transportation savings to shippers, recreation and some flood control) for every Federal dollar spent. But such a ratio is possible only if the already-spent $74 million is ignored. Including that cost reduces the ratio to $1.02 for every $1.

The cost-benefit ratio is based on an interest rate of 2⅞ per cent. At today's realistic rates of 8⅛ per cent, the canal would cost more than it would yield—66 cents for every $1.

Using the advocates' own arguments, this ditch is a bust. Forget the whole question of tearing a hole in the underground water supply; forget that the Corps has stamped "confidential" on economic data used to generate navigation benefits; forget dredging destruction for related facilities; forget inflated and inaccurate recreational pluses.

Forget the barge canal. Put a stake through its spendthrift heart.

CHAOS ON ARMS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ROSENTHAL. Mr. Speaker, the on-again, off-again oil blackmail threats from Saudi Arabia and the administration clearly demonstrate the inherent danger in the Nixon-Ford arms sales policy in the Persian Gulf.

This policy is threatening to disrupt the delicate balance of power in the Middle East and ignite another Arab-Israeli war.

Saudi Arabia, which was the primary force behind the 1973 oil embargo and subsequent astronomical increase in petroleum prices, has been using its newly enhanced wealth to finance a massive arms-buying spree for itself as well as for Egypt, Jordan, Syria, and other Arab States.

The purchases have been so immense—over $7.5 billion in planned orders this year from the United States alone plus hundreds of millions more from Western Europe—that ships have to wait weeks and even months to unload at Saudi ports. In fact, the U.S. Army Corps of Engineers is overseeing construction of major port facilities on both Saudi coasts to handle the load. Meanwhile, the Saudis are unable to absorb and use everything they are buying and crates of sophisticated armaments and other equipment lie unopened on docks and in warehouses.

As the New York Times today points out:

> The spongelike American policy on arms exports effectively takes decision-making out of Washington's hands and delivers it to foreign governments in coalition with their own and American special-interest lobbies.

Congressional efforts to temper the administration's chaotic arms sales policy, says the Times editorial, is "an attempt to apply some needed controls to the increasing dangerous proliferation of American weapons in the Middle East."

The editorial follows:

[From the New York Times, Sept. 29, 1976]

CHAOS ON ARMS

The controversy over the sale to Saudi Arabia of 650 air-to-ground Maverick missiles illustrates the grave risks that flow from this country's reckless arms trade with the rest of the (non-Communist) world. In the absence of a carefully designed policy of restraint governing the export of sophisticated weapons, the United States is following the chaotic course that was set when President Nixon on an overnight stopover in Teheran in 1972 told Iran in a spur-of-the-moment gesture that it could buy virtually anything it wanted.

That impetuous Presidential commitment unleashed what can only be called the inundation with American arms of an unstable and inflammatory region. The latest order from Saudi Arabia, which has already bought $6 billion worth of American arms and recently has outstripped the dangerously excessive Iranian purchases, is only the latest wave in a continuing tide. The Congressional effort to block this particular missiles order could hardly be described as a move to strip a relatively friendly Middle-Eastern nation of its capacity to defend itself against outside attack: it would be more accurate to say that this was an attempt to apply some needed controls to the increasingly dangerous proliferation of American weapons in the Middle East.

Reports of behind-the-scenes threats prove, despite denials from official Saudi Arabian and American sources, that uncontrolled American arms sales have exposed the United States needlessly to international blackmail. In its frantic attempts to head off the Congressional move to block the Mavericks' delivery, the Ford Administration has leaked dark hints that Saudi Arabia's displeasure (already incurred by a toughening Congressional stand against the Arabs' effort to impose an illegal secondary boycott in the United States) may trigger another oil embargo.

The spongelike American policy on arms exports effectively takes decision-making out of Washington's hands and delivers it to foreign governments in coalition with their own and American special-interest lobbies. Under such circumstances, Congressional action is a natural response to abdication by the White House of its funds . . .

SPEAKER ALBERT

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. VAN DEERLIN. Mr. Speaker, I share the sense of loss over the impending departure from these halls of our Speaker, Mr. Carl Albert.

Carl Albert presided over the House during times of great stress and change in our country's history. The war in Vietnam was winding down. And at home expectations were rising. Within the House, younger and newer Members got an unprecedented "piece of the action," thanks to a series of reforms aimed primarily at the established ways of doing things.

Through all this, Mr. Albert not only endured; he also helped facilitate the changes by working with rather than against the reform elements. At all times, he displayed a remarkable degree of empathy with forces in and outside Congress that were urging change. His accommodations helped assure that the process of change was both orderly and thoughtful.

Mr. Albert was always solicitous of the needs of others. I think this was one of his great strengths. As a freshman Member in 1964, I was honored when Mr. Albert consented to address my fund-raising dinner in San Diego. He did not have to take that long journey, but it was typical of the concern he always showed for others. Needless to add, his presence that night insured that the dinner was a rousing success—at a time I sorely needed all the political clout I could muster.

I know I shall miss him and his devoted service to Congress and our country.

THE UNITED STATES SHOULD PROTECT AMERICAN INTERESTS IN HAITI

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PICKLE. Mr. Speaker, for over a year now several other Members of Congress and I have tried to get the U.S. State Department to assist American citizens with interests in Haiti.

So far, our case has fallen on stony ears.

The simple matter is that Haiti has taken American property owned by the Translinear Corp. of Texas. This matter, which includes allegations of extortion against Americans by Haitian officials, was highlighted this spring during Senate hearings.

In fact, Mr. Speaker, I was successful in having an amendment to the foreign aid bill attached to put an end to extortion in the future. Of course, my amendment is a good step in the right direction, but it did not resolve the Haiti-Translinear impasse. This issue has not been resolved. The unfairness of the transaction is still apparent and should be embarrassing to our Government.

Recently Senator Lloyd Bentsen wrote to President Ford about this situation. The Texas Senator asked the President to invoke against Haiti the Hickenlooper amendment of the Foreign Assistance Act of 1962, as amended, the Gonzalez amendment to the Sugar Act of 1968, and the provisions of the 1974 Trade Act denying the benefits of the generalized system of preferences to countries which expropriate without compensation.

Mr. Speaker, I want everyone to read Senator Bentsen's fine letter, and I would ask that it be placed in the Record herewith.

Foreign Affairs—Latin America,
September 22, 1976.

Hon. Gerald Ford,
President of the United States, The White House, Washington, D.C.

Dear Mr. President: I am writing to bring to your attention a serious matter involving a Texas company and its lengthy efforts to obtain compensation for expropriated property from the Government of Haiti.

In 1970 the Republic of Haiti and an American firm signed a contract providing for a 99-year lease, development of a major tourist resort, and freeport status for the Haitian island of Tortuga. Translinear, Inc. of Dallas, Texas subsequently became interested in the potential of this island development and, after extensive discussions with the Government of Haiti, began to invest heavily in the project. The island was surveyed, mapped from the air, the first topographical map created, roads built, wells drilled on the heretofore waterless island, and jobs created for the ten thousand people living in extremely poor conditions. The Haitian Government was kept informed at all times of the progress on the project and approved fully of the plans.

In 1972, the Haitian Government began having difficulties with the other American company involved although Translinear was assured frequently by Haitian officials that Translinear's rights would be fully protected regardless of what happened between the Government and the other party. In 1973, the Haitian Government brought charges against the third party and Haitian courts, in effect, cancelled the Government's contract with that party.

During this time all activity on Tortuga Island was at a standstill although Translinear was assured it would be able to continue work after the court proceedings were terminated. The Haitian Government expressed interest in entering into a new contract with Translinear for continuing the development of Tortuga Island. Eighteen months of negotiating ensued with constant delays and redtape. In 1974 the firm was informed that it could no longer fly to Tortuga Island and the company's officers would be "shot out of the water" if they tried. Subsequently, Cabinet ministers declared that Translinear had no rights on the island, merely the hope of rights to be obtained in a new contract. In 1975 an extortion attempt was made against Translinear. Unless the demands, including the payment of $500,000 plus one-half of Translinear's stock to unnamed Haitian parties, were met, administrative delays would ensue until Translinear felt compelled to give up and leave the island. Translinear rejected this bribery attempt as well as a subsequent one.

Translinear has committed four years and several million dollars to the development of Tortuga Island. It has been refused leasehold title to the land, access to the equipment left there, and existing construction is in a critical state of disrepair. Translinear as well as my office have been in frequent contact with the Department of State on this matter. However, there is no evidence to indicate that the State Department has had any success in raising this issue with the Government of Haiti.

Mr. President, this is clearly a case of expropriation without compensation. The Government of Haiti has failed to discharge its obligations under international law and is thereby subject to the sanctions imposed by domestic U.S. law. I strongly urge you to invoke against the Haitian Government the Hickenlooper Amendment of the Foreign Assistance Act of 1962 as amended, the Gonzalez Amendment to the Sugar Act of 1968, and the provisions of the 1974 Trade Act denying the benefits of the Generalized System of Preferences to countries which expropriate without compensation. By failing to stand firm before those who willingly flout their obligations under international law, the U.S. allows the setting of a precedent dangerous for the security of U.S. interests abroad.

Sincerely,

Lloyd Bentsen.

TRIBUTE TO SENATOR PAUL H. DOUGLAS

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BOLLING. Mr. Speaker, Paul Douglas was one of the greatest of all the people's representatives. Over the years he was a guiding influence for many; to me he was a personal inspiration. His integrity and his courage in behalf of people's causes have influenced—and will continue to influence—generations.

THE FAMILY HOUR AND TELEVISED VIOLENCE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, the Annenberg School of Communications is one of the most prestigious institutions of its kind in the world. The House Subcommittee on Communications was eager to receive testimony from the Annenberg School on its research into the family viewing hour and its effect on viewing patterns. The Annenberg researchers concluded that the family hour did not significantly change a household's television watching. Children continue to watch television at the same times they did before family viewing.

However, adults, and especially parents, who knew that family viewing existed had fewer complaints about the level of violence on television. Adults without children, or who were unaware that the family hour existed tended to complain more about violent and/or mediocre programing on television. In short, if one knew about family viewing, one was more likely to think that "something had been done" about violence on television—regardless of whether overall programing is more violent than ever or not. The existence of family viewing has therefore apparently had a soothing effect on many parents.

I was very pleased the subcommittee could receive the testimony of Dr. Frederick Williams and Dr. Gerhard Hanneman of the Annenberg School at the University of Southern California, and commend to my colleagues the results of their research:

PRESENTATION BY: DR. FREDERICK WILLIAMS, DEAN OF THE ANNENBERG SCHOOL OF COMMUNICATIONS WEST, UNIVERSITY OF SOUTHERN CALIFORNIA

Dr. WILLIAMS. My name is Frederick Williams. I am Dean of the Annenberg School of Communications at the University of Southern California.

I should say, at the outset, that the school at the University of Southern California is somewhat separate an operation from the Annenberg School of Communications at Pennsylvania, where a great amount of the violence research has been done, including George Gerbner's Index of Violence.

We are a new school at USC. We have been in operation three years.

We have had considerable interest in television violence, and considerable interest in the family hour.

A year ago in May, we sponsored a symposium in Los Angeles on the Surgeon General's Report Revisited. This was at the time of the publication of Doug Cater(?) and Steve Strickland's book on the Surgeon General's report. The results of that conference are a matter of record and can be given to you, if you want them.

This Fall, we sponsored, on our own funds, a study in greater Los Angeles of the family viewing period, and Dr. Hanneman, who is Director of our Center for Communications Policy Research, was the director of that study and the principal designer of that study.

We are prepared to discuss with you, today work that we have done in the school, in the area of television sex and violence, and research that we have done on the family hour.

I think it would probably be most efficient if we proceeded on a question and answer basis, after Professor Hanneman has made a brief introductory statement about our specific research into the family viewing period.

Congressman VAN DEERLIN. Fine. Dr. Hanneman?

PRESENTATION BY: DR. GERHARD J. HANNEMAN, DIRECTOR, CENTER FOR COMMUNICATIONS POLICY RESEARCH, THE ANNENBERG SCHOOL OF COMMUNICATIONS, UNIVERSITY OF SOUTHERN CALIFORNIA

Dr. HANNEMAN. I am Jerry Hanneman and I am from the Center for Communications Policy Research at the Annenberg School of Communications here at USC.

I would like to talk to you about the research which we conducted last Fall, and part of which we replicated again this Spring. I will read to you the preamble, just to qualify it for everyone here.

The data that I would like to present to you represent the summary of the significant statistical findings. Okay? These have scientific validity, and some predictive validity, in that case. They represent opinions gathered from 324 randomly-selected LA area residents, before and after the inception of the family hour.

The first question we asked ourselves is: Does the family hour work? Of course, that, immediately, raises a flag because the question becomes: How do you measure? Does it work? Is it effective? And so on.

Well, we looked at a number of areas, and I would like to report these to you.

First of all, since the institution of the family hour, there has been an increase in the proportion of the television audience that believes programming between 7:00 and 9:00 is suitable for children. Okay? People are much more pleased with programming between 7:00 and 9:00. That is one way to define, does it work.

Second of all, families without children, we found, were considerably less satisfied with the Fall season television programs than families with children, as might be expected.

Further, if there is time, later we might go into how substantially these people do, indeed, feel they were disenfranchised by the family hour.

Third, despite some perceived changes in the amount of violence shown between 7:00 and 9:00, as measured by various indices, our audience was still sharply divided—In fact, 50–50 divided—as to whether television programming, overall, was too violent; although, I should specify that there was a marked decrease in the number of people who said television was violent, particularly between 7:00 and 9:00, but there was no marked increase in people who thought television after 9:00 was too violent.

Second of all, when do children watch television? What seems to me as an underlying effect and assumption in family hour regulations, so to speak.

With or without the family hour, we found, the general family shows attract youths age 2 to 11, and, to some degree, youths aged to 17. Children are not most attracted to violent programs, either in LA, or in our own national comparisons of Nielsen data.

We found that the family hour had little effect on top-rated programs which children watch. They will watch it regardless of the time period in which it is placed, which has some implications further down on the degree and the extent to which parents regulate their children. They don't regulate their children, in general.

Congressman VAN DEERLIN. Give me that again, will you?

Dr. HANNEMAN. Yes, sir.

The finding is, essentially, that children will watch their own top-rated programs, and parents allow them to watch their favorite programs, regardless of whether or not it falls in the family hour period. What that relates to is the degree to which parents regulate their children.

I have a few comments I can make about that in a second, or we could go into that.

Congressman VAN DEERLIN. Or the degree to which children regulate their parents.

Dr. HANNEMAN. Well, you know, there is some evidence that that happens to a considerable degree. Okay.

In our national comparisons across time zones, particularly comparing Eastern and Pacific against Mountain Standard and Central Standard time zones, we found few differences among children's TV behavior, except that, in the Central Standard and Mountain Standard time zones, where the family hour ends at 8 o'clock, millions of children are still watching beyond 8 o'clock, in comparison to EST and the PST time zones.

Finally, let us look at parental control of children's viewing. We found the family hour did not limit children's television viewing to 7:00 and 9:00 p.m. It just provided them with different content. We found most parents still had no formal rules about regulating their children's behavior, nor did the family hour, comparing before and after the family hour, affect the type of rules that the parents told their kids, in terms of television behavior.

Now, whether or not the family hour affected viewing patterns, we found the majority of adults said that the family hour did not affect their viewing behavior at all, and, in fact, 91 percent of the parents claimed that their children's viewing patterns had not changed whatsoever.

Yet, compared with last year, that is, prior to the family hour, more families with children, we found, significantly more, in fact, were watching television as a unit, as a family unit.

We also looked at: Was the public aware of the family hour? Unfortunately, or fortunately, I guess, depending upon your persuasion, they are not. Over 50 percent of the LA audience was still unaware of the family hour, and by April, '76, 38 percent were still unaware, and these statistics reflect, pretty closely, the national TV Guide data.

We find many more families with young children, as may be expected, were aware of the family hour than adults without children.

Finally, the major complaints about television: 51 percent of the LA people had no complaints. Okay. The major complaints centered on the lack of program diversity, the high frequency of commercials and the great amount of violence.

Now, I should point out that sexual explicitness and permissiveness were not considered to be significant problems in the LA audience. This is either comparing families with children against those without children, or going across different educational or age strata.

Finally, the major complainants about television, we found, came from individuals who were not parents. They came from individuals who were not aware of the family hour, and they came from individuals who view less than the average number of television hours per day on a national basis.

Congressman WAXMAN. Could you repeat that?

Dr. HANNEMAN. Yes. We found that the major complainants about television—This is on Page 2, Item 6—The major complainants about television are those individuals who were not parents, and they complained, primarily, about being disenfranchised and the lack of programming in the early evening for them, I should point out.

Secondly, the major complainants were those who were unaware of the family hour.

Thirdly, the major complainants were

those who view a lot less television than the national average, as might be expected.

Incidentally, the least amount of criticism comes from people who are aware of the family hour, particularly criticism about violence and sexuality. It is almost as if the family hour creates a kind of a smoothing effect of critics.

That is my brief summary of the data. I guess I would like to open this up, now, to questions about these data, or some other issues that are related to the data that I could go into.

IMPROVING THE QUALITY OF PRESIDENTIAL REGULATORY APPOINTMENTS

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MAGUIRE. Mr. Speaker, I should like to commend to the attention of my colleagues the remarks of Commissioner R. David Pittle entitled "Improving the Quality of Presidential Regulatory Appointments."

Dr. Pittle, a member of the Consumer Product Safety Commission for nearly 3 years, delivered these remarks to a Common Cause panel on September 8, 1976, urging the opening up of the Presidential selection process for Federal regulators and calling on Common Cause to distribute nationwide a list of all major Federal regulators whose terms or appointments expire within the next 6 months, including information on actual performances of these regulators in office.

I believe this would be a useful step to improve the quality of Federal regulators and to insure that we look for new regulators from the many reservoirs of talent throughout the United States and not just from those groups close to regulated industry or to the Washington D.C. political establishment.

The full text of Commissioner Pittle's remarks follows:

IMPROVING THE QUALITY OF PRESIDENTIAL REGULATORY APPOINTMENTS

I want to thank Common Cause for the chance to review the interesting discussion paper "Presidential Appointments" prepared by the Center for Governmental Responsibility and the opportunity to express my comments and recommendations on the issues raised in that paper.

As a former consumer organizer and university teacher, and now a serving regulator, I have a unique set of experiences to draw upon in giving you my suggestions on the Presidential Selection Process for regulators. The proposals I shall put before you identify what I consider to be very real problems; the solutions I suggest may well be only starting points for a discussion of better ways of coping with these problems.

The overriding theme of my proposals is four words—open up the process. Open it to public view and participation. Open it to groups rarely, if ever, represented among regulatory agency heads and commissioners, including not only women, blacks and Spanish surname citizens, but also blue collar and poor America. And most of all, open it up to genuine competence.

First, the White House, after consultation with the Congress, should publish certain minimum qualifications for all prospective Federal regulators including some criteria to measure a demonstrated consumer commitment. This document should also prescribe criteria for full financial disclosure to the public and for the disposition of assets and holdings that might result in conflicts of interest.

Second, regulatory vacancies should be announced at least ninety days before the expiration of a regulator's term, in the Federal Register as a matter of record, and through less formal but broader mechanisms ranging from a White House press announcement to circularizing citizen groups throughout the U.S. such as universities, labor unions, consumer groups, cooperatives, and state public service commissions.

Third, a White House Regulatory Office (WHRO) should be charged with insuring that these regulatory vacancies are widely announced and that all reasonable sources of candidates have been canvassed. Equally important, this office should maintain a talent bank of persons whose qualifications should be heavily based on community or innovative public service and consumer leadership.

I should point out here that my goal of opening up the Presidential Selection Process for Federal regulators departs from the usual "talent searches" that ignore millions of thoughtful, experienced Americans. It is my hope that

1. Every effort would be made to get competent candidates who are known to community and consumer groups and have State and local experience, from all sections of the United States;

2. Every effort would be made to get competent candidates from a wide variety of economic backgrounds ranging from metropolitan lawyer to union official; and

3. Every effort would be made to get competent candidates from a wide variety of skills so that the junior college dean or the State college law professor would be equally considered with the network executive or the Washington, D.C., lobbyist or political staffer.

Regional Senate confirmation hearings on a selective basis could afford many citizen and consumer groups the opportunity to participate in the process and to bring crucial area-wide issues to the attention of prospective regulators and Senators themselves.

One of the recommendations of the draft paper that the salary federal executives should be made more competitive with those of private industry exemplifies in one sense one of the problems my proposals are designed to combat: the notion that success in the corporate world whether as a manager, investor, or legal representative extrapolates as a fair measure of competence in government, or that competence is more easily found in certain genteel occupations or economic backgrounds.

Finally, a complete discussion in improving regulation via selecting better regulators requires that we consider how to improve career regulatory professional staff. Anyone who has worked in or around a regulatory agency knows what a vital role the professional staff play in framing the terms of policy and in executing decisions.

Let me suggest one possibility for helping improve the quality of federal regulatory staff: the establishment of a Regulatory Service of the United States. This corps of professionals would be established to attract and retain regulatory staff from whose numbers at least some future commissioners and agency heads might be appointed. The Regulatory Service would have a well-designed career placement pattern, for example, rotating regulatory professionals from Federal commission to Federal agency to State commission or agency. The Service would also provide for schooling and research at the professional level.

This approach could do much to support reform in two critical areas: (1) the independence of health and safety professionals to speak their minds and submit reports contrary to the "approved position" of the agency or commission (This independence must be scrupulously protected) and (2) the freedom to select all senior civil servants for the regulatory agencies without White House interference. They are spokespersons and formulators of regulatory policy and should serve solely at the pleasure of the commissioners or the agency head. Finally, a well-designed Regulatory Service with Presidential backing would command substantial U.S. talent and thus offset many of the existing advantages enjoyed by regulated industries.

In closing, may I remind you that for the present neither the White House nor the Senate receive any kind of broad-based list of talented and committed persons who could become Federal regulators. It would be helpful and refreshing for Common Cause to take the lead by distributing nationwide a list of the backgrounds and performances of all major Federal regulators whose term or appointment expires within the next six months, and include with that list the names and addresses of the pertinent Senate confirmation committees.

In this way, consumer groups, cooperatives, unions, and public-interest advocates throughout the country could encourage either the replacement (from a variety of qualified Americans) or the renomination of the incumbent. There is, in my judgment, a vast reservoir of highly competent and dedicated Americans who never will be considered for these posts unless such a broad-based recruiting effort is begun today. This—together with the increasing participation of consumer groups through national and hopefully regional confirmation hearings—may well produce the "new breed" of regulators we need.

Recently a Harvard Business Review survey of its readers indicated that within the next decade a new ethos would prevail in America, one in which the needs of the Common good will command greater importance in setting national policy. I am suggesting here that those who regulate our industries to protect consumers from the failures and the deficiencies of the marketplace should indeed reflect, in a compassionate and non-elitist way, this emerging sensitivity to the needs of all Americans. Thank you.

CONGRESSMAN BOB JONES

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. O'HARA. Mr. Speaker, our admiration and high respect for the gentleman from Alabama (Mr. JONES) knows no geographic no ideological boundaries. As a dear friend and colleague, as chairman of the Committee on Public Works, as a Member who has been so effective in representing his constituency, BOB JONES has a very special place in our hearts. His long and distinguished service in this House during the past 30 years has been marked by effective leadership and countless legislative accomplishments of great benefit to the Nation as a whole.

In addition to his outstanding legislative skills which BOB JONES has so consistently demonstrated over the years, he possesses a quality of down-to-earth, direct manner of dealing with and communicating with his colleagues—often spiced with a finely honed sense of humor or an amusing anecdote to make his point. Above all, BOB JONES is a warm, compassionate, courageous, decent human being who has always gone out of his way to extend the hand of friendship and assistance to his colleagues. I admire him greatly as an effective legislator of the highest traditions of this body. I also admire him as a man and will treasure his friendship all my life.

As BOB returns to his beloved north Alabama home, we all salute him and wish him happiness, contentment, health, and longevity in the good life that he so greatly deserves. His presence here will be greatly missed but all of us are better for his significant contributions to the quality of our national life, for his important role in the operation of the House, and for his friendship.

HARD DRUGS—HARD CHOICES

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SYMINGTON. Mr. Speaker, the headline in today's Chicago Tribune reads, "Smash School Heroin Ring Here; Indict 22." The story details the "bust" by plainclothesmen posing as students who purchased some $4,000 worth of "Mexican Brown" heroin from student pushers including "apprentice junkies" like one seventh grader who had developed a $60-a-day habit. The story also referred to reports of "heavy heroin traffic in the schools," which this "bust," of course, reduced only marginally. It reminds me of the words of St. Louis Police Chief Eugene Camp to me last summer concerning the hard drug problem. "We make some busts," he said, "but we are barely scratching the surface." What is under the surface should be of intense interest to this Congress. It certainly worries the people.

Undoubtedly the most stringent law enforcement procedures should prevail wherever and whenever they are relevant to a true reduction of the problem. For example, in the same September 30 issue of the Chicago Tribune that records the high school drug bust, there is a report of two Mexican heroin dealers who were arrested for selling 15½ pounds of heroin worth $5 to $7 million on the street. Their sentence: 7 years and deportation. Sufficient? Who would say this puny punishment fits the crime of infecting our populace with something as deadly dangerous as the bubonic plague? These men should be put away for good. The larger point is, however, that these halfway law measures do not remove the proven scum from world society. Nor can the heaviest hand of the law deal effectively with a seventh grade addict. We need to be tougher on the one hand, and more clinically oriented on the other.

Let us look calmly at the facts.

Clearly, Mr. Speaker, nowhere in the world today is the drug problem more acute than in the United States. It is a deadly serious problem, and getting worse every day. Drug hunger victimizes first the addict, and then the society around him. Police blotters from one end of the country to the other record the alarming incidents of drug-related crime. According to conservative figures, it costs each of the Nation's some 650,000 hard drug addicts about $65 a day to secure freedom from the pain of withdrawal. That adds up to about $15.4 billion a year.

The addict who lacks personal resources to support the average $65 a day habit must secure from four to five times that sum in stolen goods to fence at that marked down price. Simple multiplication suggests that traffic in drugs is costing the country many billions of dollars in crime each year. In fact, the most conservative estimates hold that 30 percent to 40 percent of all property crimes are drug related. The figure may be a good deal higher.

The cost in dollars is staggering; but what about the cost in lives? The average addict is not a born criminal, but becomes one, first, when he traffics in drugs and second, when he robs, steals, and kills in order to afford them. Mute witnesses are the drugstores, grocery stores, liquor shops, filling stations, and thousands of private homes across this land. Every single American is a potential victim of the insatiable hunger for drugs.

Can opium-based drugs be stopped at our borders? Our borders with the Atlantic and Pacific Oceans, as well as with Canada and Mexico? Our borders with the sky? If a tiny substance of insignificant value in a Turkish field or a hillside in Asia or Mexico will fetch $100 on the streets of Chicago, in my judgment it is headed for Chicago just as today's Chicago Tribune records. It will arrive there in the shoe, coatlining, book or armpit of some person who cannot say "no" to a profit margin of that dimension. Nor is it conceivable that organized crime could remain either indifferent to opportunities of this scope or incapable of arranging their logistics.

It is painfully obvious that neither the occasional "drug busts" at home, nor our border screens and diplomatic initiatives abroad deprive our addict population of its daily fix. Faced with these cold and dangerous facts we should, in Lincoln's words, "disenthrall ourselves" from the "dogmas of the quiet past." Following World War I and their experience with morphine-addicted soldiers of previously impeccable character, the British realized the need to treat the addict medically and the traffic criminally. As early as 1926, the British regarded heroin dependency as a medical problem and treated it as such by a physician's prescription of medication. In 1967, due to unprofessional conduct by some physicians and some unlawful dispensing of drugs, that procedure was amended, and distribution of opiates was restricted to the jurisdiction of a limited number of clinics staffed by specially licensed physicians. This system of treating addicts with individualized attention and rehabilitation counseling is still in effect today.

Those who blindly defend the losing course we are on point to what they call the "failure" of the British system. It has assuredly not eliminated drug dependency. But if a system which results in an addict population of 3,000 in a nation of 50 million is to be characterized as a "failure", what descriptive word should attach to a system which has produced 650,000 addicts in a nation of 215 million—success? A western nation whose per capita addict population is one-fiftieth of ours should not be looked upon as hopelessly inferior in this respect.

I suggest we look very closely at the British approach and learn from it. It may point a new way to enhance our ability to attract, identify, and treat our addicts, while at the same time getting them off the streets and out of other people's lives. No one could rightly argue the wholesale implementation of the British method here in America. And no one does. However, a willingness to test the British approach has been endorsed by many responsible sources in the United States. We should not forget that methadone, the drug "approved" for Federal dispensing, is highly addictive. It is a hard drug. The justification for its use is not its safety or harmlessness, but its presumed control by Federal authority, in addition to the manner and frequency of its application. Heroin, on the other hand, is not under such control. Far from it. Could it ever be?

The Vera Institute of Justice in New York proposed an experimental treatment program in May 1972—proposal for the use of diacetyl morphine in the treatment of heroin dependent individuals—for the addict who had previously failed in a methadone maintenance program. It was the very purpose of the Vera plan to provide comprehensive medical treatment for the addict as well as on-the-job counseling, low-stress jobs, and training. In a statement prepared by Herbert Sturz, director of the institute, "this program would not attempt to duplicate the British clinic system. Rather, it would develop an approach appropriate to a particular group of American addicts and would be grounded in the American experience with narcotics." Publication of the report was made by the institute "in order to stimulate discussion by all sectors of public and professional opinion." As expected, unfavorable political opinion has prevented the institute from obtaining the necessary approvals for its proposed experiment from Federal and State regulatory agencies.

In 1969, the Government of Canada commissioned an inquiry into the nonmedical use of drugs. In its final report published December 1973, the Commission, chaired by Gerald Le Dain, recommended that:

> For the present, our recommendation is not that heroin maintenance be made as generally available as methodone maintenance, but that it be something which approved treatment units should be able to resort to as a transitional measure to attract from the illicit market opiate dependents who will not respond to methadone.

According to a March 1976 Drug Abuse Council report—heroin supply and urban crime—centered in Detroit, law enforcement tactics currently used to combat drug traffic do not slow heroin addiction and actually lead to higher heroin prices. And higher heroin prices result in an increase in "revenue-raising" crime, such as robbery, burglary, and theft. The report closes with the observation that:

> . . . if eliminating, or virtually eliminating, heroin-related crime is a primary goal of public policy, then policy makers might want to consider establishing a program that made available, in a controlled setting and at low cost, the substance some heroin users commit crimes to obtain.

In its position paper on a heroin maintenance program, the Massachusetts Council of Churches in July 1976 wrote that "the idea of a heroin maintenance system warrants extensive analysis and planning." The paper continued, "We do not pretend to speak as experts, but only as concerned and reasonably informed citizens—and citizens ultimately will decide the wisdom of such a system." The council further urged "the public to examine the issues in heroin maintenance with reason and compassion" and finally stated the hope that "critics of such an approach will not only show its flaws, but will propose better alternatives for confronting the crises of drug addiction and its attendant crime."

A proposal to set up the country's first tightly controlled experiment in supplying legalized heroin to hard-core addicts, was recently recommended in a special report of the San Diego County grand jury. The report, which is under study of San Diego County officials, no doubt, comes in the wake of findings that there has been a 300-percent increase in San Diego drug deaths over the past 2 years. There are thought to be some 3,000 addicts in San Diego. That is as many as there are in all of Britain. The cost of feeding their habits in crime alone is estimated at $500,000 a week. The initial report issued by the grand jury has been directed to the county Department of Substance Abuse which, in conjunction with other appropriate State agencies, will undertake a more in-depth examination of the issue and prepare a detailed response.

A similar suggestion was proposed earlier this year by California Health Department Director Dr. Jerome Lackner. In remarks before a State legislative subcommittee hearing, Dr. Lackner said he favors the decriminalization of heroin on a national basis, and added, "The only way to solve the heroin problem is to take the profit out of it." The political repercussions of this suggestion included Governor Brown's immediate disavowal and rebuff. "I think," he said, "the criminal sanction should be maintained against the use or possession of heroin." Such must always be the verdict on illegal use, possession, and distribution of any drug. The question remains, what factors should determine legality of use? The question has to be asked to be answered. It was asked of methadone and answered, albeit not so satisfactorily. Yet what responsible authority has called for the termination of all methadone programs? With regard to the opium-based drugs the question has not been asked anew for 50 years. And the old answer, total prohibition, prevails, an edict which governs public authorities, but, sadly, not the private traffickers. It is as effective a decree as King Canute's command to the sea to recede. Yet with rare exceptions the only persons who dare speak of change, are those closest to the agony of actually dealing on the ground with the problem. I have had letters to this effect from police officers, prison chaplains, the families of addicts, and concerned private citizens in every walk of life.

Mr. Speaker, these remarks barely touch on the need for new approaches. It must be hoped that within the next decade the ultimate "drug antagonist" will be developed, a substance which, while nonaddicting itself, can suppress the hunger for addicting drugs. We look for new breakthroughs in drug-free therapy, and in stepping-down from opium-based dependencies to a drug-free environment. But all these must somehow reach the addict population. In the meantime those who piously shrink from hypothetical drug problems, problems which might arise under carefully tested new procedures, should honestly confront and fearlessly attack the very real drug problem that bestrides society in full command of nearly 700,000 desperate citizens. But they do not. They find safety behind barricades of ignorance they themselves build and maintain with bricks of jaded rhetoric.

A nation, like a person, cannot learn what it already knows.

TRIBUTE TO THE HONORABLE THOMAS M. REES

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. HANNAFORD. Mr. Speaker, this week marks the end of the legislative career of one of the most creative minds ever to serve in this House. Tom Rees began his legislative career at a young age and served for a decade with distinction in the California State Legislature. When he left that body, he was the sole representative of Los Angeles County in the California State Senate and represented nearly 40 percent of the people in the entire State. He won the respect of his colleagues in both houses of that great legislature.

Since coming to Congress in 1966, Tom Rees has distinguished himself by his keen perception and independent judgment and has become an irreplaceable resource to the Banking, Currency and Housing Committee and to the Congress in the fields of international trade and finance. I have had the pleasure of serving on the Banking Committee with Mr. Rees and have on many occasions seen his work as a problem solver under pressure, always trying to reach a solution that did justice to the cause for which he was working but also that would attain the bipartisan support necessary to accomplish the purpose. His quick wit, his creativity, his persuasive ability, and his broad knowledge of the subject matter of the Subcommittee on International Trade, Investment and Monetary Policy, which he chaired, and of the full Committee on Banking, Currency and Housing; all of these will be sorely missed. I much regret that he has decided to leave a career for which he is uniquely suited at such a young age. I am sure we all wish him well in his new pursuits.

SUBCOMMITTEE RECORD ON HUMAN RIGHTS—94TH CONGRESS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FRASER. Mr. Speaker, as the 94th Congress draws to a close, I thought perhaps our colleagues might be interested in a brief report on the activities of my subcommittee during this Congress concerning human rights in U.S. foreign policy.

Since the fall of 1973, the Subcommittee on International Organizations of the Committee on International Relations has devoted major attention to the subject of international protection of human rights, with two principal interrelated objectives: to improve the capacity of international organizations to effectively protect internationally recognized standards of human rights; and to raise the priority of the human rights factor in U.S. foreign policy. In pursuit of those objectives, we have made numerous recommendations to the executive branch and held 76 subcommittee hearings.

Our concern emanates from the conviction that the way a government treats its own people is a legitimate concern of the international community. That concern is justified, from a legal standpoint, by the existence and ostensible acceptance of international standards of human rights, such as the Universal Declaration of Human Rights of the United Nations. From a practical standpoint, when these standards are violated systematically by governments, the victims may have no hope of redress other than from outside their own countries. The moral justification for American concern is inherent in the democratic tradition of our people and continues to be reiterated by our leaders. Indeed, our country can make no greater contribution to the world than to present an example of workable democracy which guarantees fundamental individual freedom.

From extreme left to extreme right, nations from one end of the political spectrum to the other are guilty of flagrant violations of internationally recognized human rights. The Subcommittee on International Organizations has taken the position that such violations should be an important factor in determining U.S. relations with other governments. Whether a government is an ally or adversary, Communist or anti-Communist, rich or poor, its human rights record should be an active concern clearly demonstrated in the foreign policy of the United States.

Accordingly, the activities of the subcommittee have responded to reliable reports of human rights violations regardless of the political ideology of nations on their attitudes toward the United States. In doing so, we also realize that U.S. policy may have greater potential for limiting or contributing to repression in countries toward whom we have a supportive relationship than in other countries.

During the 94th Congress, the Subcommittee on International Organizations conducted a total of 40 hearings relating to human rights problems in 18 different countries. Among the governments considered in the hearings:

Three are Communist—the Soviet Union, Cuba, and North Korea;

Two are neutral—India and Indonesia;

Two are controlled by white minority governments—South Africa and Rhodesia;

Eleven are members of some form of alliance with the United States—Chile, the Philippines, South Korea, Argentina, Uruguay, Paraguay, El Salvador, Guatemala, Nicaragua, Haiti, and Iran;

Eleven were recipients of U.S. military assistance or sales at some time during the 94th Congress—Argentina, Iran, the Philippines, South Korea, Uruguay, Paraguay, El Salvador, Guatemala, Nicaragua, Haiti, and Chile;

Thirteen were recipients of U.S. bilateral economic assistance at some time during the 94th Congress—Argentina, the Philippines, Indonesia, India, Uruguay, Paraguay, Chile, South Korea, El Salvador, Guatemala, Nicaragua, Iran, and Haiti.

The number of hearings on each country during the 94th Congress is as follows:

Philippines, 7; India, 5; South Korea, 5; Soviet Union, 4; Uruguay, 3; Chile, 2; South Africa (Namibia), 2; Rhodesia, 2; Argentina, 2; Paraguay, 2; Indonesia, 2; Iran, 2; El Salvador, 2; Nicaragua, 2; Guatemala, 2; Cuba, 1; Haiti, 1; North Korea, 1.

The repressive measures reliably reported to have been taken by these governments cover the full range of violations of international standards:

Torture: Soviet Union—psychiatric abuse—Iran, Chile, South Korea, Philippines, Uruguay, Argentina, Paraguay, El Salvador, Nicaragua, Guatemala, Indonesia, India, Haiti, South Africa, and Rhodesia.

Arbitrary arrest and detention—political prisoners: All.

Racial or ethnic discrimination: South Africa, Rhodesia, Soviet Union, Argentina, and Paraguay.

Religious persecution: Soviet Union, Cuba, North Korea, and Argentina.

Denial of right to emigrate: In particular the Soviet Union and North Korea, and in varying degrees in many of the others, particularly South Africa.

Denial of representative government: Parliamentary authority suspended in Chile, the Philippines, India, Uruguay and otherwise undermined in most of the others. The Soviet Union, Cuba, and North Korea are special cases of denial. For different reasons, South Africa and Rhodesia are also special cases.

Denial of press freedom: In varying degrees in all; total government control apparent in South Korea, the Philippines, North Korea, Soviet Union, Iran, Cuba, and India.

Witnesses at the hearings have included officials of the executive branch, Members of Congress, citizens and former citizens of the countries, representatives of international human rights organizations, and scholars. Their testimony has been both critical and supportive of U.S. policy and of the foreign governments.

Subcommittee hearings do not, in and of themselves, change U.S. foreign policy or improve the observance of human rights in the world. But they can draw attention to neglected problems. It is my intention that in the 95th Congress the Subcommittee on International Organizations will continue to draw attention to the problems of human rights in the hope that we may make a contribution toward constructive changes.

BOYCOTTS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FORD of Tennessee. Mr. Speaker, 200 years ago, our forefathers founded this Nation on the principles of liberty and equality. In doing so, it was their intention to establish a country which would promote the general welfare of its citizens and at the same time make the world safe for democracy. I do not have to remind the Members of this body that the American people have gone to war on several occasions in defense of these principles.

In keeping with these tenets, last week the House passed legislation designed to end American complicity in a boycott by a foreign nation against another nation which is an ally of the United States and against which the United States itself does not impose any kind of boycott. At the same time, this measure would restore and preserve the freedom of Americans to do business abroad without foreign pressures.

The people of our country enthusiastically support this legislation. Over the past weeks, I have received numerous letters regarding my vote on this issue, and I am taking this moment today to insert the thoughts of two of my constituents on this subject for the benefit of my colleagues.

Hon. Harold Ford,
1609 Longworth House Office Building,
Washington, D.C.

Dear Congressman Ford: In regard to the recent legislation proposed in the House to prevent discrimination in American businesses involved in trade with foreign countries, we wish to commend you for your vote in behalf of this bill to prevent discrimination. As you know, the legislation in effect states that it will be the policy of the United States to prohibit participation by American businesses or citizens in boycotts of countries friendly to the United States. In addition, it does not allow discriminatory practices against American citizens that may be requested by foreign countries. We wholeheartedly support this effort to protect the rights of the American people. Any boycott against American citizens would have violated the very principles of equality and justice for which our country stands, and would certainly have had a deleterious effect on efforts to develop peaceful solutions in the Middle East.

Your record of support for equal rights for all people, regardless of religion or race, stands as an example to our community.

We also appreciate your support for a strong defense posture for the United States, as well as compassionate support for its allies. Your vote for the United States' share of the peace-keeping forces in the Middle East has seen results which can make us hopeful for advancing the cause of peace in this tension-filled area.

We thank you for your sincere concern for these important issues of the national interest, equal rights and peace.

Sincerely,

Jeanne Dreifus.
Josephine W. Burson.

Mr. Speaker, it is my hope that every Member of this body will do his or her utmost to secure final consideration of this measure before adjournment. Without it, we can expect continued American participation in such deplorable boycotts and prolonged harassment of this Nation's businessmen and women.

TRIBUTE TO DAVID HENDERSON

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ANDREWS of North Carolina. Mr. Speaker, I have known David Henderson for many years, and as each of those years piled one upon another, my esteem and admiration for him have grown stronger.

His contributions to his country, society, and his fellow man have been too numerous to detail here, but many of you who have been privileged to work with David Henderson here in the Congress have reaped personal and professional rewards from his counsel, his wisdom, his work, and his goodness.

He has worked hard for North Carolina and the Nation. He has attained great heights of which our fellow Tar Heels can be proud.

But even when he became chairman of the powerful House Committee on Post Office and Civil Service, David kept his head. Though others in similar situations have done so, David never lost his perspective or his humility.

Because of my great respect for this man, I have called upon him many times since I came to Congress in early 1973. I have never seen him when he did not have the time—or make the time—to listen to my questions and give me his thoughtful, careful advice.

I can say sincerely that my own life and work have been better and more effective for having known David Henderson—and I am grateful that I was given that opportunity.

He will be sorely missed in Congress. But I, for one, will remember and continue to profit from his shining example for many years to come.

DR. HOWARD HANSON HONORED

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HORTON. Mr. Speaker, on September 21, 1976, the Distinguished Nebraskan Award was presented to Dr. Howard Hanson, the composer, educator, and conductor who has contributed greatly to American music. Dr. Hanson, who served as the director of the Eastman School of Music for 40 years, from 1924 to 1964, is responsible for making the Eastman School a center for the performance of contemporary music. He is now the director of the Institute of American Music, which is currently preparing a major archive of first performances of works by American composers recorded during the Festivals of American Music conducted by Dr. Hanson.

Mr. Speaker, I have known Howard Hanson personally for many years, and I count myself among his greatest admirers. Not only are his contributions to music known throughout the world, but he also has the high regard and affection of my constituents who recognize all that he has done for our community. It has been a privilege for me to have known and worked with him.

As Dr. Hanson approaches his 80th birthday, I want to take this opportunity to commend him for the contributions he has made to American music. While Dr. Hanson is a native son of Nebraska, I, along with the citizens of the Rochester area, are deeply pleased that we have had this renowned composer and conductor in our midst for so many years. The following reprint from the Nebraska Society dinner honoring Dr. Hanson describes his active and prolific career:

DR. HOWARD HANSON

"Looking back over my long and varied career, I fought a lot of battles and had a wonderful time doing it. And I intend to keep on as long as there is any breath left in me. I still think that the creative powers of any nation or any people are its most important products, and that those products are as important as science. Artists are searching for beauty, which is as important as truth. If we don't realize that, we will become a completely materialistic nation. A successful rocket to the moon is so much more to talk about than a symphony or a poem. So we must preach the gospel of the arts furiously. Otherwise we are going to be snowed under by the sciences."—DR. HOWARD HANSON—1964.

Dr. Howard Hanson was born in Wahoo, Nebraska, October 28, 1896, of Scandinavian parentage. He was married to Margaret Elizabeth Nelson July 24, 1946.

Dr. Hanson received his early musical training from his mother, and went on to attend the Luther Junior College in Wahoo, the Institute of Musical Arts (later to become the Juilliard), the University of Nebraska School of Music, and Northwestern University. He holds numerous honorary degrees. He taught at the College of the Pacific in San Jose, California, for several years before winning the Prix de Rome in 1921. In 1924 he was appointed director of the Eastman School of Music in Rochester, New York, a post he held until his retirement in 1964. Two generations of American composers were influenced by his teaching. He organized festivals of American music that were given annually at the Eastman School through which he contributed greatly to the cause of American musical education, as well as to that of American music. He conducted American works in Europe and in 1961–1962 traveled with the Eastman School orchestra in 17 countries, including Russia, under the auspices of the U.S. Department of State.

Many honors and awards have been bestowed upon Dr. Hanson, among them the Pulitzer Prize for his Fourth Symphony (1944), the Ditson Award (1945), George Foster Peabody Award (1946), National Federation of Music Clubs Citation for distinguished contribution to American music (1957), and Laurel Leaf awarded by American Composers Alliance for distinguished service to contemporary music (1957).

Although the majority of his works are for symphony, or for works with symphonic accompaniment, numerous works for piano, string quartets and songs, in addition to choral works and chamber music, testify to his interest in other fields as well. "Merry Mount," an opera in three acts, was commissioned in 1933 by the Metropolitan Opera and produced there in 1934. "The Song of Democracy," one of his most popular works, was written for solos, chorus and orchestra and was premiered at a Music Educators National Conference in Philadelphia in 1957. While Dr. Hanson's music is permeated with outspoken Romanticism, he has a skillful, modern technique that permits him to write in any idiom he wishes. He does not employ extreme effects of musical modernism. His profound kinship for Scandinavia is expressed in many of his works.

America's Bicentennial Year seems a particularly appropriate time to present Dr. Hanson with the Nebraska Society's Distinguished Nebraskan Award. Musical emphasis in concert halls throughout the country is being placed on the works of American composers and foremost among these is Nebraska's Dr. Howard Hanson.

Dr. Hanson is the only living composer to be honored in this Bicentennial Year by the National Music Council with a plaque in recognition of his achievements, to be placed in his restored birthplace in Wahoo, which also contains the piano on which he first played.

TRIBUTE TO CARL ALBERT

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. COUGHLIN. Mr. Speaker, it is hard for me to imagine the U.S. House of Representatives without the distinguished gentleman from Oklahoma (Mr. ALBERT) who is retiring at the end of this session. He has served the House in leadership roles as majority leader and Speaker ever since I first set foot in this Chamber nearly 8 years ago.

The House has risen to the challenge of difficult times in our Nation's history during CARL ALBERT's tenure as Speaker. In his 30 years in this body, CARL ALBERT has been an example of service to his constituents, dedication to the duties of his office, and devotion to the House itself.

His presence will be missed as well as his conscientious efforts to be always fair and his willingness to listen to the concerns of junior and minority Members. I wish him well in his retirement.

THE GHOST OF FREEDOMS PAST

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YOUNG of Florida. Mr. Speaker, this very thought provoking message came to me today from Mr. J. H. Lipsy of my district. As this Congress adjourns to return to our homes for election 1976, I hope Mr. Lipsy's message will inspire a better voter participation in America than ever before:

THE GHOST OF FREEDOMS PAST

As a first-class citizen, I'd rate
I've paid my taxes, pulled my weight
Kept my conscience free from sin
Gone to church—'least now and then.
With little leagues, I've learned to play
I've suffered hours of PTA.
Paid all my bills, observed the laws
Always given to the deserving cause
But politics was not my dish
I'd rather golf, or hunt, or fish!
When I was asked by Mr. Pate
Would I support his candidate?
I said I'd sent a prior check
'Twas all a lie—but what the heck.
When called to work for Senator White
I said my schedule was too tight
When precinct meetings rolled around
I said that I'd be out of town.
When Party help was needed now,
I said. "They're all crooks anyhow"
On Election Day, the time to vote
I spent the day out on my boat!
And life rolled on, day in, day out
About My future, I'd no doubt . . .
Then one night while dreaming fast,
I met the Ghost of Freedoms Past!
He led me from my snug, warm bed . . .
To show me things that lay ahead.
He showed me faces, thin and bleak
On folk who toiled through endless weeks . . .
Meeting quotas, reaching goals
Living under strict controls.
He showed me children, reared by a State
Whose aim was to indoctrinate!
Empty churches stood forlorn . . .
Worship outlawed, buildings torn.
The Halls of Congress collecting dust
Voting Machines sealed by rust.
He showed our lives, where fear was norm
And all were clad in uniform.
He said when scientific tests were made
My kids had been assigned a trade
Their lives a drudge to menial chores
They could aspire to nothing more.
I'd been assigned, he then decreed
To clinics where there was a need.
I'd have a bed and board and clothes
With coupons to exchange for those.
For such I'd file a six-part claim
But sign my number, not my name!
All serve each day without complaint
The State had now become our Saint.
I pleaded then . . . "It can't be true . . .
There must be something I can do?"
He sadly paused, and then he said,
"My friend, Democracy is dead.
There's just no way for legal fights
The Courts are gone, you have no rights.
You had a chance in seventy-six . . .
Democracy's shortcoming could be fixed.
You simply said, "The job's not mine"
Now this is nineteen-eighty-nine.
For all the world, you didn't care
But there were others waiting there
To call your life style to a halt.
You lost your Freedoms by default!
You gave them up . . . just inch by inch
Those activists, They had a cinch.
So here it is . . . no hope, no joy
Don't cry on me . . . You blew it boy!"
'Twas then that I awoke in sweat

But I recall that nightmare yet.
Of life, with which I could not cope
Devoid of Dreams, Devoid of Hope
Excluding warmth, and without Love
Deprived of Guidance from above.
I saw the error of my ways
And I will spend my remaining days
Preserving all that we can be
A Nation proud and strong and free
And like my forebears in the strife
I'll pledge my honor, fortune, life.
My right to vote, I'll hold most dear
And with it, keep our future clear
I'll work and give . . . support . . . oppose
This land won't fall to some of those
Who want the things I saw that night.
Who feel that Socialism's right.
This was my lesson . . . It will last . . .
Learned from the Ghost of Freedoms Past

FAREWELL TO SUZY LYSEN

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. RUSSO. Mr. Speaker, if Emerson was right when he said that the world belongs to the energetic, then Suzy Lysen has a hefty chunk of real estate here. This remarkable young woman has worked for the Chicago Park District for 7 years and has spent the last 5 of those years at West Lawn Park. Now that she is leaving, the All West Lawn Community Committee is sponsoring on October 8 the "West Lawn Community Tribute and Farewell to Suzy Lysen," to honor her for her dedicated service.

In her years at West Lawn Park, she has conducted the girls' and women's gym activities, preschool tumbling, day camp, play camp, and the Chicago park district's first organized girls' gymnastics team. This team participated not only in park district meets, but also in the regional and State meets. Two of Sue's girls, Linda, and Sue Moran, placed second and third respectively in the national gymnastics meet, which involved entrants from throughout the United States. Sue was also instrumental in producing and directing the annual gym show involving 500 children and adults in tumbling, dance, ballet, apparatus, and skits.

She is a talented athlete, with a gift for teaching. The children love her, and what greater tribute could one ask than to be admired and loved by those we seek to inspire? Children, under committed and loving guidance, can gain the confidence needed to develop their athletic skills fully, and Suzy provides such guidance for them. This is not to overlook the gratitude and affection of the adults who have shaped themselves up under her watchful eye.

As one of the community members put it—

> Sue touched many people in the West Lawn community during her years here and each and every one of them have fond memories, and a degree of skills that were nonexistent before they attended one of Sue's classes.

I know my colleagues join with me in congratulating Suzy on the occasion of this tribute from her community, and in wishing her continued success.

ANTI-DEFAMATION LEAGUE HONORS JANET GRAY HAYES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. EDWARDS of California. Mr. Speaker, this year's Community Service Award given by the San Jose Area Council Antidefamation League of the B'nai B'rith will be presented to our distinguished mayor, Janet Gray Hayes. I would like to take this opportunity to share with my colleagues her tremendous background in community service, as well as the history of the Antidefamation League.

Almost 20 years ago Janet Gray Hayes, housewife, fought an unsuccessful civic battle to have a school crossing guard assigned to a corner near her home. Today Janet Gray Hayes, politician, is the first woman mayor of San Jose and the first woman ever elected chief executive of an American city of more than 500,000 population. Mayor Hayes, who holds a master's degree from the University of Chicago, was the first woman appointed to San Jose's Redevelopment Agency. In addition she was a city councilwoman.

Yet even with her accomplishments, she believes that being a woman mayor has thrust subtle impediments in her way:

> Some in government here resent a woman in a position of political leadership. It's never openly spoken, and I've learned to live with it. I feel it's more their problem than mine, because I'm concerned with issues. But they're not used to women in positions of political power and decision-making. I have to prove to them I can think like a man, act like a man and get things done.

Any person who has been as effective a member of committees and organizations as she has been, has proven her or his ability convincingly. Mrs. Hayes is presently a member of the Bicentennial Commission, president of the Inner-City Council, chairperson of the City Council Legislative Committee and the San Jose Redevelopment Agency, State board director of the League of California Cities. In addition she is a committee member of the U.S. Conference of Mayors, chairperson of the Urban Development Advisory Committee, and a member of the Joint Commission on Fair Judicial Practices. She has previously been a member of the National League of Cities Environmental Quality Policy Committee, the Mayor's Housing Advisory Committee, chairperson of the San Jose Goals Committee—the list seems endless.

The Antidefamation League is no less deserving of praise than the recipient of their Community Service Award. For over six decades ADL has been a leader in the struggle against prejudice, bigotry, and discrimination, against the threat of undemocratic and extremist forces. In persistently striving to secure justice and fair treatment of all citizens and to end unjust discrimination against any sect or body of citizens, the ADL's role in building bridges of genuine understanding among people has assumed proportions little dreamed of in 1913.

The league's earliest efforts were concerned mainly with the image of Jews in the minds of other Americans. ADL's efforts were devoted to lifting the "twilight status of Jews and other minorities in American communities. During Hitler's era the league utilized the media to pound home one significant theme—that the Nazi attack against Jews was only a means to an end, that end being the destruction of democracy itself.

As World War II came to an end, the ADL concluded that anti-Semitism was a part of the whole problem of prejudice and discrimination which affects not only Jews but all Americans. Thus, elimination of anti-Semitism was linked to the broader problem of insuring the civil rights of every American.

As ADL became more involved in the broad spectrum of civil rights problems, it began to focus attention on the role of education in ending prejudice and discrimination. For years ADL has provided basic and authoritative material on human rights and human relations and recommended improvements in school curricula to encourage understanding and appreciation of the ethnic and religious differences among Americans in an atmosphere of tolerance necessary for a truly democratic society.

Currently ADL's concerns have focused on anti-Israel attitudes of Arab countries and the attempts of these countries to pressure other world powers and individual businesses into adopting anti-Israel postures and discriminatory policies. The most recent result of ADL's efforts has been the passage of a California State law prohibiting business transactions which comply with the Arab League commercial boycott. It is my hope that California's action will be followed very soon by congressional approval of similar provisions to the Export Control Act now in conference.

TRIBUTE TO SPEAKER CARL ALBERT

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BOLLING. Mr. Speaker, the House of Representatives, the Congress and the country will miss your great abilities to protect and advance the public welfare when you retire in January.

Your contributions to the House are so numerous that I will mention only a few.

Without your understanding and guidance the House could not have begun the process of modernizing and improving its organization and its methods of work.

Without your wisdom and courage the House would not have dealt carefully, fairly, and wisely with the unique constitutional crises which ended in the resignations of a Vice President and a President.

Without your determination the Congress would not have enacted the Budget Act nor would it have succeeded in implementing that critically important act.

These accomplishments alone put you in the first rank of Speakers.

My best wishes for happiness and health. Of course, we will often deeply regret your absence from this place in the years ahead.

BUDGET CUTTERS INCREASE POVERTY

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HAWKINS. Mr. Speaker, a recent revelation of an increased number of Americans in poverty highlights the fallacy of budget "balancing" by ignoring the human needs.

The article in the September issue of the Washington Post reports the addition of 2.5 million Americans to the poverty class in just 1 year—1975.

According to the Census Bureau, the article reported that in 42 percent of the family cases, failure to find work or being unemployed for 15 weeks or longer was the reason for family slippage below the poverty line.

This increase in the poverty population is directly attributed to the President's policies of neglecting and postponing consideration of the urgent needs in such areas as health, education, housing, and employment.

President Ford blames Congress for what he calls reckless spending. At the same time he defends his policy of using unemployment in order to fight inflation.

However, unemployment has caused an increase in spending on poverty programs, unemployment compensation, welfare, and other recession-related programs.

Yet, congressional expenditures to support these programs are cited by the President as the kind of spending which his vetoes must control.

It follows than that he should assume responsibility for creating 2.5 million more Americans in poverty last year and the horrendous evils that have resulted.

In opposing full employment to put Americans to work as costing too much, the President and other critics overlook how much we are foolishly spending on forcing the unemployed into welfare, poverty, and crime.

On the issue of excessive overall spending the President was guilty of gross misrepresentation in the recent debate with Governor Carter. As the Joint Economic Committee in its last report stated wih respect to Federal spending:

> The federal budget has changed little: from 19.8 percent of gross national product in 1953 . . . to an estimated 21.5 percent in 1976.

Even this latter percentage is somewhat higher, because production in the economy under Ford is far below normal performance.

What spending, then, is the President talking about?

The answer is simple: Since he supports more spending for the military, defense, and special tax exemptions—the only spending he opposes is that which is caused by his own misguided economic policies and mismanagement.

The article from the Washington Post follows:

2.5 MILLION MORE AMERICANS IN POVERTY—NATION'S POOR NOW NUMBER 25.88 MILLION, CENSUS BUREAU SAYS

(By Peter Milius)

The number of people living in what the government officially defines as poverty increased by 2.5 million, or 10.7 per cent, in 1975, the Census Bureau reported yesterday.

The yearly increase was the second in a row.

The total below the poverty line rose to 25.88 million persons, roughly one American in eight.

Among blacks, the poverty figure was 29.3 per cent; among black children, 38.9 per cent. It was 12.5 per cent for white children, 9.7 per cent for all whites, and 15.3 per cent for persons of all races 65 years old and older.

The poverty standard, which is adjusted each year for inflation, was $5,500 last year for a non-farm family of four. It was more for larger families, less for smaller ones and single individuals, and less for those living on farms ($4,695 for a farm family of four, for example).

The poverty figures are contained in the annual Census Bureau report on incomes in America.

The bureau attributed the increase in the poverty population chiefly to the recession from which the economy today has still not fully recovered—"the high unemployment rate that prevailed throughout 1975 and the fact that many more persons exhausted their unemployment benefits in 1975 than in previous years."

In 42 per cent of the cases where a family slipped below the poverty line, the bureau said, the reason was that the head of household had been either "unable to find work during the entire year" or "unemployed 15 weeks or more."

The census agency said that median family income rose to $13,719 last year, up $817, or 6.3 per cent, from the median in 1974, which has been recalculated as $12,902.

The median is the point at which half is higher and half lower.

For the second time in the last three years and fourth time in the last seven, the income median failed to keep pace with inflation. This, too, the bureau attributed mainly to loss of income because of the recession. A family at the income median last year had less purchasing power than a family did at the median in 1969.

The median and other income figures have entered recently into the presidential election campaign, as benchmarks in the debate over tax reform. Democratic presidential nominee Jimmy Carter has said he will propose reforms to reduce taxes in the lower- and middle-income brackets while raising them at the upper levels. He has not defined what he means by upper.

The census report traditionally divides the population into fifths—the poorest 20 per cent of all families, the next poorest 20 per cent and so on to the richest.

The richest 20 per cent were those with incomes starting at $22,037 last year. They had 41.1 per cent of all income. The richest 5 per cent started at $34,144 and had 15.5 per cent of all income.

The poorest fifth were those below $6,914. They had 5.4 per cent of the income pie.

(Critics have complained, however, that these distributional figures are distorted because the Census Bureau does not count some kinds of income, including so-called in-kind income from such things as food stamps and Medicaid, which are important at the lower end of the scale, and capital gains income, which is important at the upper levels.)

Median family income was $14,268 among whites, $8,779 among blacks and $17,163 among families in which the head of household was a year-round, full-time worker.

Family income also varies with age, tending to peak when the head of household is 45 to 54 years old. The median in that age group last year was $17,569.

In addition to family income, the bureau provides statistics on what essentially are individual earnings. Among males working full-time year-round, the median was $13,144 last year. For whites it was $13,459; for blacks, $9,848. It was $18,450 for males with four years or more of college, $14,924 among white-collar workers and $11,686 among blue-collar workers.

For females working full-time year-round, the median was $7,719; for females with four years or more of college, $11,359.

The Census Bureau first published poverty population figures for 1959. In that year the poor numbered 39.5 million and made up 22.4 per cent of the population. That percentage has declined in every subsequent year but three—1970, and now 1974 and 1975.

About a third of all persons below the poverty line are members of families headed by females. A little over half of the blacks in the poverty population are members of such female-headed families.

HON. CARL ALBERT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STOKES. Mr. Speaker, few men in this or any other century have gained the mantle of distinction enjoyed by CARL ALBERT. Speaker ALBERT, affectionately called the "LITTLE GIANT," has earned the respect and admiration of U.S. Presidents, his colleagues, and a grateful Nation. He has earned it through years of dedicated congressional service, marked by a gentle toughness of both intellect and management ability. Those rare qualities of leadership will be sorely missed by those of us left with the difficult task of guiding our weakened Nation back to greatness. It took men like CARL ALBERT to lead our Nation to greatness, through periods more difficult than the present, and it will take men like him to lead us back to that plateau.

It was no accident of history that Speaker ALBERT presided over the adoption and successful implementation of the new congressional budget process, the most significant step toward effective congressional reform in many years. Instead, it was characteristic of the forward-looking stewardship that he has provided as Speaker of the House, earlier as majority leader, and still earlier as majority whip.

It may truly be said of CARL ALBERT that in shaping and molding the U.S. Congress into an institution of greatness, he has shaped and molded his own greatness. We are eternally grateful to him for his contributions, wise counsel, and stellar leadership.

WHAT IS OUR BIGGEST ECONOMIC PROBLEM—THE VIEWS OF THE "WORLD'S BANKERS"

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LEGGETT. Mr. Speaker, we frequently hear the question posed, what is the Nation's foremost economic problem? The way we usually hear the question phrased, the alternatives are twofold. It is either inflation or unemployment. And the alternatives actually represent a choice. Because to most economists there is a real tradeoff between policies oriented toward combatting unemployment and those designed to control inflation.

With economic issues high on our agenda, I was interested to learn what the answer of the International Monetary Fund is to this oft-asked question. In its annual report for 1975, which is the prelude to the IMF-World Bank annual meeting coming up shortly, the IMF clearly opts for inflation as the primary problem, and its control as the appropriate policy emphasis. As reported by Hobart Rowen of the Washington Post, the IMF views the current economic situation with "deep concern about the risk of renewed inflation as the upswing gathers momentum." Its solution is to practice restraint over both aggregate demand and the growth of the public sector, in order to reduce both inflationary expectations and the prospects for a big upsurge in the inflation rate. The IMF's conclusion is that the current situation in the world economy calls for effective restraint over aggregate demand, which, given all the uncertainties and the risk of generating further unemployment, should be gradual but firm. This approach would entail a substantively different evaluation of the risks involved in setting policies from the one typically made in the later 1960's or early 1970's, when the industrial countries tended to shade policy risks on the side of growth and employment.

In today's very different environment, demand management policies over the medium term ought to be based on an expansion in nominal gross national product encompassing, along with the assumption of a declining rate of inflation, a rate of economic growth only marginally above the assumed rate of growth in economic capacity; otherwise, the hoped-for reduction in the rate of inflation probably will not materialize.

It appears to me our friends at the IMF are telling us, in a nutshell, that we ought to accept something like current levels of unemployment in order to minimize the risk of stoking the inflationary fires. I can understand how the directors of the IMF, who are after all the world's bankers, as it were, would be primarily concerned about maintaining the value of the many currencies under their purview. That, of course, seems to be the tendency of most bankers everywhere. Furthermore, I wish to make it very clear that the last thing I want to do at this juncture is underestimate either the risk and costs of inflation, or the need to devise remedies for it that will be effective in the context of a full recovery from the recession.

As I have said on many other occasions, rather, I would emphasize that my approach to dealing with the inflation-unemployment dilemma, which most of us agree exists, would be quite different. For my view is that in an economy characterized by structural rigidities and concentrations of economic power, such as ours, a fiscal policy sufficiently deflationary to hold inflation to modest levels is ultimately self-defeating. The reason, purely and simply, is that the resulting unemployment is very costly in budgetary as well as human terms. Our current estimate is that each 1 percent of unemployment costs the taxpayer, in the form of unemployment insurance, food stamps, lost revenue and other costs, over $16 billion. Thus the irony is that the more we try to deflate and balance the Federal budget to control inflation, the more we will add to the deficit through the costs of the resulting higher unemployment.

My view is that the only way we can ultimately avoid the horns of these two related dilemmas is to combine an expansionary, jobs-oriented policy with an effective system of wage-price restraint. We in the Congress have tried hard to put in practice the first of those two policies. Despite the vetoes and obstruction of the Ford administration, we have gone a long way toward adopting the type of policy that is needed in the budget resolution and jobs programs enacted in the 94th Congress.

The second of these policies, of course remains to be dealt with, but there appears to me to be more support for such an approach now than there was a year ago. I am hopeful that under a Carter administration and a new Democratic Congress, we can move ahead with effective implementation of both these approaches to policy in the year 1977.

HON. DAVE HENDERSON

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. TAYLOR of North Carolina. Mr. Speaker, I join my colleagues today in honoring an outstanding legislator and a close personal friend, DAVE HENDERSON. We honor a hard-working, intelligent and thorough individual who has dedicated himself to serving the American people and the people of North Carolina, particularly.

While Congress and the American people have tried to find the right answers, DAVE has been a strong steadying force. From a freshman Member of Congress in 1961, he has risen to a position of leadership and prominence in national affairs by serving as chairman of the House Post Office and Civil Service Committee.

DAVE is one of the most knowledgeable Members of the U.S. House of Representatives who also possesses good judgment and commonsense. We came to Congress about the same time, and it has been a pleasure to serve with DAVE and have the benefit of his experience, his good judgment, his wise counsel and his friendship.

Evelyn and I extend our best wishes to Mary and DAVE and our appreciation for their love and interest in our State and in our Nation.

SALUTE TO GLEN COVE BOYS' CLUB AT LINCOLN HOUSE

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. AMBRO. Mr. Speaker, on Saturday, October 2, 1976, the citizens of Glen Cove, N.Y., the Queens City of Long Island's north shore, will dedicate the new Glen Cove Boys' Club at Lincoln House, a building whose concept and design is attributed to the concern, ingenuity, and dedication of all who have been involved with this project.

Some 58 years ago a group of prominent citizens of Glen Cove and the surrounding area, concerned about the welfare of those who at that time were the caretakers and laborers on the great estates that covered the "Gold Coast" of Long Island, joined together to form Glen Cove Lincoln Settlement, Inc., a corporation dedicated to improving the lot of the working people in the area.

From its humble beginnings in rented space in a neighborhood hardware store, the Glen Cove Boys' Club at Lincoln House began its mission to the community, offering leisure activities and educational opportunities to both young and old.

In 1923, having received a bequest of $15,000 from the estate of Helen Sherman Pratt, the directors bought a farm homestead which, with the addition of a gymnasium, housed the boys' club for over 50 years.

Times change, however, and as Glen Cove grew, new needs developed, and in 1971 after joining with the Boys' Clubs of America, plans were made for a new building. Since then, much time has been spent and $1.4 million have been obtained from both private and governmental sources by the people of Glen Cove, and these funds have made possible the construction of a new building eminently suited not only to the needs of a boys' club but also to the other needs of this community. The new building besides containing a boys' club which is open to the entire community, also contains facilities such as a modern day care center and adequate space for the Nassau County Department of Social Services.

Mr. Speaker, while no building is an end in itself, the dedication and the long hours of work on the part of the officials of the city of Glen Cove, State and other officials and the Federal Government as well as the wonderful citizens of Glen

Cove bespeaks a marvelous future for this entire endeavor.

It is my distinct pleasure and privilege to partake in the dedication ceremony for this building and I commend to this body all those who have been involved in its planning and completion. Truly, the cooperation that has gone in to make this project a success should be an example to the other communities throughout our great Nation.

THE CLOSE OF THE FIFTH SESSION OF THE UNITED NATIONS CONFERENCE ON THE LAW OF THE SEA

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Ms. ABZUG. Mr. Speaker, I rise today to note that the 7-week-long session of the United Nations Law of the Sea Conference adjourned in New York on Friday, September 17, 1976. It is scheduled to reconvene in New York next May. I would like to point out that this conference is one of the most important international lawmaking processes in the history of the world. Never before have over 150 nations come together to negotiate an international convention designed to regulate the more than 70 percent of the Earth's surface which is covered by the oceans.

Mr. Speaker, the law of the sea, in its political, legal, and economic complexities, is a micro-cosmic representation of world affairs. It embodies North-South relations. It embodies the "new international economic order." It embodies a novel restructuring of international legal tenets. But most importantly, it is a test of things to come. It can be taken as a prelude of the international scenario for the next few decades. Will the world learn to live together with some degree of cooperation, or will we be plunged into resource-motivated conflict, with increasingly grave consequences?

I believe, Mr. Speaker, that it is possible and realistic to think in terms of international cooperation in the construction of a new treaty to govern the oceans. As a result of the last session, we see that much of the basic negotiation has been completed. The vital issues of general sea law concepts—Committee 2—are generally acceptable to the international community. More work needs to be done, but there has been progress on scientific research and pollution questions—Committee 3. A system for the settlement of disputes arising on the high seas and beneath the water column is on its way to consensus—part 4. The main sticking point seems to be the complex matter of deepsea mining and the setting up of an international seabed authority—Committee 1.

During the last session of the Conference, Secretary of State Henry Kissinger made various proposals regarding seabed matters which were intended to show the U.S. good will to negotiate. The concern on the part of many foreign delegates that they could obtain more from a new American administration seemed to slow the pace of the sea-law talks.

Mr. Speaker, there are promising aspects of the law-of-the sea situation despite the lack of conclusive progress during the August-September session. A substantial portion of the next session—3 weeks—will be devoted exclusively to seabed problems. Some developing state "moderates" at the conference voiced hopes of pragmatic negotiation during the next session. There is a possibility that interim "intersessional" consultations will be beneficial in steering the world toward compromise.

I do not yet believe that the law of the sea is a dead issue. Instead it is an opportunity for the world to chart the course of cooperation and conciliation. It is an excellent chance to avoid future conflict. We have waited a long time for progress at the Law of the Sea Conference. Surely we have the capacity to wait a few more months so that we may allow the international community one final chance to get onto the road to cooperation and equity instead of falling into the treacherous seas of conflict and despair.

CHINA HAILS MAN WHO SAVED BOSS, LET CHILDREN DIE

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. RYAN. Mr. Speaker, the following news story from a recent issue of the Washington Post illustrates the fundamental difference which exists between the basic concept of our free society and the basic concept of the totalitarian state: In China, as in most Communist countries, the individual exists only to serve the state. Here in the United States, at least in theory, a state exists only to serve the individual. Perhaps this story will help us to remember that that fundamental generality is applied to such specific human tragedies as this.

The article follows:

[From the Washington Post, Aug. 26, 1976]

CHINA HAILS MAN WHO SAVED BOSS, LET CHILDREN DIE

The following is a direct translation from the Aug. 25 People's Daily of an account of an incident in Tangshan July 28:

PEKING.—Right after the strong earthquake, Che Chen-ming, member of the Standing Committee of the Municipal Committee and vice director of the Production Headquarters, had just escaped from his collapsed house and got out of danger when he heard his son, 16, and his daughter, 13, calling from under the debris. "Father, come quickly, save me."

As he was about to rush to the aid of his children, Che Chen-ming suddenly heard a shout for help from Chiu Kuang-yu, party secretary of Lupei District, and his family, who were on the other side of a wall. The earth was still shaking. Time meant life. At this most critical moment what should a Communist do? Che Chen-ming determinedly said to his wife: "First I'm going to save Chiu."

After Chiu Kuang-yu and his family escaped from danger, he immediately asked: "How about your children?" Che Chen-ming replied, "Don't worry about them. you are the district secretary. Hurry up and organize the whole district to carry out rescue work."

When Che Chen-ming returned to his home his two children were dead. He had no regrets, nor did he grieve or lose heart. For the people of the entire district and for the interests of the majority, he did not balk at sacrificing his own children.

This was the noble ideological world of Che Chen-ming, a Communist Party member who was promoted to a leading post during the Cultural Revolution.

INCOME AND NET WORTH STATEMENT OF THE HONORABLE MICHAEL J. HARRINGTON

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HARRINGTON. Mr. Speaker, I wish to insert in the RECORD an account of my sources of income and financial holdings. I realize that disclosure of this information is not required by law, but I submit it in order to provide a complete picture of my financial situation. The data is for the calendar year 1975.

My gross salary as a Congressman was $42,850. In addition, I received $278.77 in income from stock dividends—specific stocks are listed below; $866.28 in interest payments; $3,044.39 in other income, primarily capital gains; and $29,801.52 in income from my law practice.

My deductions and exemption included the standard personal exemption for myself, my wife, and my five children—$750 each for a total of $5,250. In addition, my itemized deductions totaled $23,953.44. Also, my gross income was reduced by $2,800.20 due to congressional expenses I met through out-of-pocket expenditures.

I would like to point out, with regard to this last figure, that I received the ordinary congressional allowances for stationery, travel to and from the district, district office costs, and telephone expenses. However, these allowances fell short of providing reimbursement for the actual congressional expenses I incurred during the past year.

I paid $15,327.56 in Federal taxes, $3,751.55 in State taxes, and $3,662.63 in local property taxes.

With regard to my net worth, it consists, first, of my home in Beverly, Mass., which I purchased in December 1968, for $70,000. I financed the acquisition by means of a $50,000 mortgage. At the present time, my home is valued at approximately $130,000 and my mortgage indebtedness has increased to $86,384.78.

In addition, I have a one-third interest, amounting to about $23,000 in the building at 59 Federal Street in Salem, Mass. The worth of this holding is offset by a mortgage totaling $8,520.57. I own no other real estate.

I have $26,271.16 in my checking and savings account, the market value of the common stock I own is $58,325, the cash value of my life insurance is $1,600, and the cash value of my congressional retirement fund is $23,626.35.

In addition to these tangible assets, my law practice represents a potential asset, though it is difficult to value, since I have never solicited or received offers to purchase my share in the firm.

As far as major liabilities are concerned, they are represented by mortgages I mentioned above.

At this point, Mr. Speaker, I would like to insert in the RECORD a summary of my net worth and stock holdings.

Assets and liabilities

ASSETS

Home—estimated fair market value	$130, 000. 00
59 Federal St., building, estimated fair market value	23, 000. 00
Cash	26, 271. 16
Stock	58, 325. 00
Life Insurance, cash value	1, 600. 00
Congressional retirement fund, cash value	23, 626. 35
Total assets	262, 822. 51

LIABILITIES

Mortages	94, 905. 35
Assets minus liabilities	167, 917. 16

Stock holdings—Value as of market quotations, September 1, 1976

Stock; number of shares; market value:
Kellogg, 75, $1,903.
Gloucester Engineering, 100, $1,200.
Worthington Bio-Chemical, 100, $1,925.
Pennzoil United, 200, $6,175.
Leggett & Platt, 300, $3,411.
Bristol Myers, 100, $7,712.
Statham Instrument, 200, $5,100.
ECRM, Inc., 1,000, $3,000.
Mountain Fuel Supply Co., 100, $8,250.
Keane Associates, 200, $1,524.
Kemper Corp., 100, $2,875.
Santa Fe International Corp., 100, $3,512.
Louisiana Land, 100, $2,688.
Honeywell, 200, $9,050.
Total, market value, $58,325.

NOTE.—I do not make the investment decisions regarding these holdings. They are controlled in a discretionary account and are managed by White, Weld & Co.

TRIBUTE TO ROBERT E. JONES

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FUQUA. Mr. Speaker, the long and outstanding career of the dean of the Alabama congressional delegation, ROBERT E. JONES, will come to a close with the adjournment of the 94th Congress.

BOB, who came to Washington in 1947, has faithfully served the people of North Alabama's old Eighth District and the realined Fifth District for 15 consecutive terms, longer than any other person ever to serve in this House from Alabama.

Not only will the State of Alabama be losing a valued legislator of exceptional ability but, indeed, the retirement of BOB JONES will be the loss of the entire Nation.

His voice will be sorely missed as chairman of the House Public Works and Transportation Committee and his expertise in this vital field will be difficult to replace. His leadership and fairness has also been invaluable to me as a member of the House Government Operations Committee.

I join with all those who wish him continued success, years of good health and happiness, and many well-deserved hours of relaxation.

CAN THE UNITED STATES BLOCK THE SOVIET BID FOR NUCLEAR SUPREMACY?

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. KEMP. Mr. Speaker, U.S. News & World Report published an important article in their September 6 issue about the Soviet bid for nuclear supremacy. The article contrasts the Kremlin's aim to get into a position to fight and win a nuclear war, with the U.S. position that nuclear war is unthinkable. The article points out that neither détente nor arms agreements are blunting Russia's drive to shift the strategic balance against America and quotes these words from the former British Minister of State for Disarmament:

> I am deeply sorry if I tread on anyone's dreams, but I feel bound to draw attention to the fact that the nuclear balance, always a fragile and uncertain edifice, is being demolished before our very eyes.

The United States must not bury its head in the sand of wishful thinking and rely on Soviet good will for our national defense. I recommend the attention of all Members of Congress to the facts set forth in the article, which I am inserting in the RECORD at this time:

CAN UNITED STATES BLOCK SOVIET BID FOR NUCLEAR SUPREMACY?

Neither détente nor arms agreements are blunting Russia's drive to shift the strategic balance against America. Needed, according to the experts: awareness—and a switch in policy to meet Moscow's threat.

Few issues in the presidential campaign will have a more profound aftereffect than the debate over the shifting Soviet-American nuclear balance.

It now is clear that the next Administration, whether headed by Gerald Ford or Jimmy Carter, will be forced into a reassessment of Russia's unparalleled strategic build-up, and the threat that it poses to American security.

Significant changes in U.S. defense planning and foreign policy are foreseen by high-ranking Government experts.

Mounting pressure for a reassessment of the Soviet threat is being generated, not by election rhetoric, but by a series of authoritative studies that have surfaced in the course of the campaign.

The studies point up these conclusions:

The Soviet Union, contrary to past assumptions of key U.S. policy makers, is driving hard for decisive strategic superiority over the U.S. rather than strategic stability between the superpowers. Neither détente nor the Strategic Arms Limitation Talks have slowed that drive.

An unprecedented Soviet deployment of powerful new missiles, now in full swing, is torpedoing Washington's basic objectives in the SALT negotiations. The Russian build-up soon will confront America's Minuteman-missile force with a knockout threat, the very danger that the U.S. has sought to avoid through arms negotiations.

Surviving a nuclear war:

In last decade—Russia spent $10 billion on civil defense. U.S. spent $804 million on civil defense.

This year—Russia is spending well over $1 billion to build bomb shelters and upgrade other civil-defense programs. U.S. plans to spend $71 million on civil defense.

Ahead—Kremlin's aim is to get into a position to fight a nuclear war and win, if war starts. U.S. operates on theory that nuclear war is unthinkable.

Civil defense, written off in the U.S. in the early '60s as ineffective, is being expanded in the Soviet Union at a cost of more than a billion dollars annually. This program is designed to implement a Russian strategy aimed at fighting, and winning, a nuclear war—not simply deterring it.

The over-all picture that emerges from these studies is deeply troubling to U.S. defense planners. They fear that the strategic balance is shifting in a way that will tend to neutralize American nuclear might and encourage Russia to pursue higher-risk policies in future crises.

BEING DEMOLISHED

The more pessimistic analysts maintain that the Soviet Union already has or soon will achieve strategic nuclear superiority over the United States. Lord Chalfont, a prominent British defense expert and former Minister of State for Disarmament, puts the argument in these words:

"I am deeply sorry if I tread on anyone's dreams, but I feel bound to draw attention to the fact that the nuclear balance, always a fragile and uncertain edifice, is being demolished before our very eyes."

Lord Chalfont explains: "The nuclear balance ceases to exist at the moment when one side believes that it has acquired the capacity to deliver an effective nuclear attack upon the other and survive the ensuing retaliation. My proposition is that the Soviet Union is resolved to acquire that capacity in the very near future."

Why the sudden concern about the effectiveness of America's policy of nuclear deterrence?

A major factor is a new assessment of Russia's civil-defense program and its impact on the strategic nuclear balance. The Central Intelligence Agency has just completed a study which, according to responsible officials, produced these findings: The Soviets have upgraded the importance of their program since the first Strategic Arms Limitation Agreement was signed in 1972. They recently have shifted the emphasis from mass evacuation of cities to the construction of shelters in urban areas to protect key Government and industrial personnel in a nuclear attack. And they are devoting increasing resources to this effort.

Further details are brought to light in a study of what is described as the "Soviet war-survival program" by Leon Gouré a civil-defense expert at the University of Miami's Center for Advanced International Studies. His conclusions:

The Soviets are spending about 1 billion dollars a year on civil defense and even more on schemes to disperse their industries. Russian strategists calculate that, if their program is effective, casualties in the Soviet Union could be limited to between 7 and 12 million in a nuclear exchange with the U.S. That is far below what American defense planners define as "unacceptable" damage—the level of "assured destruction" that is considered necessary to deter the Soviets from contemplating nuclear war.

Top officials at the Pentagon say that what is really important about the vast and growing civil-defense program is what it reveals about official Soviet thinking concerning nuclear war. In the words of one high-level Defense Department authority:

"We in America believe that nuclear war is unthinkable, that it will mark the end of history. Not so with the Soviet leaders. They certainly want to avoid nuclear war. But if it comes, they think in terms of fighting and winning it."

Until quite recently, U.S. defense planners discounted the strategic importance of Russia's civil-defense program. They were confident that America's retaliatory force, in any conceivable circumstances, could inflict "unacceptable" damage on the Soviet Union—estimated by former Defense Secretary Robert McNamara as the killing of 20 to 25 per cent of the urban population and destruction of at least half of the country's industrial capacity. As long as Kremlin leaders faced that level of devastation, it was assumed that they could not possibly contemplate nuclear war.

But the picture has changed dramatically over the past year or so, and in a way that has shattered illusions of many top Washington officials about the results of the Strategic Arms Limitation Talks and about Russia's real objectives.

What has happened is that the Soviet Union has embarked on a massive build-up of powerful new weapons that threatens the survivability of America's retaliatory force.

QUADRUPLED POWER

The magnitude and implications of this build-up are spelled out in a study recently issued by the Congressional Budget Office.

The Russians, according to this study, are deploying four new missiles that are as much as four times more powerful than the launchers that they are replacing and are more accurate. Also, these missiles are armed with MIRV's, multiple independently targeted warheads.

This development, the congressional report indicates, defeats the two primary American objectives in the SALT negotiations. One is to stabilize the superpower strategic-arms competition and curb spending. The other is to prevent the Russians from acquiring the capability to cripple U.S. land-based missiles in a pre-emptive attack.

The congressional study characterizes as "unprecedented" in scope the Soviet build-up since the signing of the SALT I Agreement in May, 1972. And it reveals that the Russians in 1975 spent 100 per cent more than the U.S. for its intercontinental-attack forces.

As for the vulnerability of America's 1,000 Minuteman missiles, the Congressional Budget Office analysis came to this conclusion: "By the end of the 1970s, by pessimistic estimates, and by the early to mid-1980s, by more optimistic estimates, the Soviet are expected to be able to destroy a high percentage of the Minuteman force."

A second strategic-arms-limitation accord, on any terms that now seem feasible, would in no way diminish the "first strike" threat to these land-based missiles.

It is the combined effect of this threat plus the Soviet civil-defense program that is causing acute concern among Pentagon planners. The danger, as they see it, is not so much that Russia's leaders will rush into a nuclear war against the U.S. in the belief that they can come through with substantially less devastation than America. Rather, it is the likelihood that Kremlin decision makers will pursue higher-risk policies on the assumption that the U.S. will be the first to blink in any future eyeball-to-eyeball confrontation.

A top-level Pentagon specialist sums up the danger in these terms:

"What may be the most important but least discussed consequence of these developments is the impact on leaders, Russian and American. The Russians, with nuclear superiority, could be expected to be bolder, to take somewhat higher risks in a crisis even though basically they have a mentality that is defensive and cautious. At the same time, American leaders might be more timid, shakier, less convincing."

Some officials believe that such a psychological shift already is apparent. As evidence, they cite Soviet intervention in the Angolan civil war last year and signs that the Kremlin was ready to send airborne troops into the Mideast in the 1973 war.

The Kremlin's strategy, in the view of American analysts, is to utilize its local military superiority in a future crisis while U.S. strategic nuclear power is paralyzed.

What does all this mean for the winner of the November presidential election? The consensus among experts in the Pentagon, State Department and CIA:

A significant shift is imperative in the policy that the U.S. has pursued toward the Soviet Union over the past five years. Détente of a sort will continue, but no longer as the centerpiece of American foreign policy. A new approach toward SALT negotiations will be required, but with no illusions about Russia's determination to achieve strategic superiority rather than stability.

Strategic experts say that the next Administration will have to consider at least four other major policy moves to counter the Soviet bid for superiority over the U.S.:

1. Minuteman vulnerability. Either some means will have to be developed to protect the present land-based missile force against the threat of a Soviet first strike, or a new, less-vulnerable system will have to be built. One possibility: a force of semimobile missiles that would cost an estimated 30 billion dollars. Another possibility: a switch of more missiles from land to invulnerable submarines at sea.

2. Counterforce threat. A greatly expanded research-and-development program is advocated by some experts to improve the accuracy and explosive power of U.S. missiles. This would include the design of a new weapon known as MaRV, a maneuverable warhead that can be guided directly to its target. The aim: Confront Russians with a threat to their land-based missiles comparable to the threat that they pose to America's ICBM force. Also: More-accurate missiles would be designed to knock out hardened bomb shelters and thus counter the Soviet civil-defense program.

3. Cruise missiles. Defense experts stress the importance of exploiting this revolutionary new weapon, a superably accurate pilotless aircraft that can be launched from a bomber, surface ship or submarine. The Russians, in the SALT II negotiations, are attempting to frustrate further development of the cruise missile, which some authorities believe would insure future U.S. strategic superiority and might even help offset Soviet conventional military superiority in Europe.

4. China as a "semi-ally." A move toward closer collaboration with Russia's chief enemy, Communist China—even in the military field—is regarded by ranking analysts as another option that the next Administration must weigh. They maintain that a policy aimed at cultivating Peking as a semi-ally would complicate Soviet defense planning and help deter Moscow from risky military adventures.

Whatever course the next Administration adopts to counter Russia's bid for strategic superiority, this is evident to top U.S. military planners: The President—Ford or Carter—can no longer count on SALT negotiations or a policy of detente to prevent the Russians from shifting the nuclear balance in a way that would endanger the security of the U.S.

ATOMIC WAR—THE VIEW FROM THE KREMLIN

Moscow.—For the men who rule Russia, nuclear war is not completely unthinkable, just publicly undiscussible.

But Western specialists in Moscow say that this is what the Kremlin is trying to do about the "unthinkable":

Achieve clear nuclear superiority over the U.S. in strategic weapons, and over NATO in tactical nuclear arms in Central Europe.

Maintain a civil-defense system sufficient to survive a sizable U.S. retaliatory strike or the most damaging attack China might be able to launch.

Foster throughout the West an attitude that nuclear war is indeed unthinkable and unacceptable by avidly promoting everything from political détente to "peace" petitions with millions of signatures demanding disarmament.

Few, if any, Soviet military objectives have had higher priority over the past half decade than building up nuclear forces. Even the tightly controlled press has revealed the development of new, more accurate missiles to upgrade a force already more powerful than America's.

Furthermore, civil defense has been given major new emphasis since shortly after the first SALT Treaty was sigined in mid-1972. Moscow observers say that simple physical evidence indicates spending is rising significantly. Higher-level officials, with bigger staffs, are involved. Films, posters, booklets and instruction materials are far more common than a few years ago.

Western analysts have pinpointed stockpiles of food, medicine and other supplies under complete control of civil-defense officials.

Lectures on what to do in the event of a nuclear attack are held regularly in schools, factories and clubs. Freshly printed evacuation-procedures notices have been spotted in Soviet factories.

There reportedly are standby plans for evacuating entire cities, but there is no indication this ever has been rehearsed. More likely, say Western observers, key officials and workers in cities such as Moscow would take refuge in deep subway tunnels.

In general, civil defense is considered potentially more effective in Russia than in the U.S. One reason is that the cruder, less complex Soviet economy would be harder to disrupt. Also, the better-disciplined, psychologically passive population, already accustomed to a high degree of collective control, would be easier to evacuate or disperse.

Despite all this, Moscow analysts agree that the present Soviet leaders have absolutely no intention of starting an atomic war, even if they achieve the nuclear superiority they expect and are sacrificing other things for. Though this might tempt them to take some bigger risks in crisis confrontations, their overwhelming first aim is to remove any doubt about their ability to deter the U.S. in any situation.

But if nuclear war comes anyway, they intend to survive and—in their terms—"win" it.

BOB JONES

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BENNETT. Mr. Speaker, we will, all of us here in Congress, greatly miss Alabama's dean of delegation, Congressman Bob Jones. After 30 years of excellent service here, he has richly earned the retirement he seeks. As chairman of the House Committee on Public Works and Transportation he leaves behind as a monument many excellent laws which he has authored and nurtured to enactment. In addition to his outstanding achievements we in Congress will chiefly remember him as a kind, considerate colleague with a firm sense of humor—the sort of fellow you would like to go fishing with if there were only the time to do it. May you, Bob Jones, now have the time to do things restful to body and soul.

FAILURE OF PROMISE—RECORD OF THE 94TH CONGRESS

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CONABLE. Mr. Speaker, the Republican Policy Committee of the House of Representatives looked back over the record of the 94th Congress during the past 2 years. We concluded that the Democratic Congress was a failure. So that this record can be made public, I am placing our Policy Committee statement in the Record:

Failure of Promise: The 94th Congress—October 1, 1976

The record of the 94th Congress has been one of failure—failure to deliver on its promises, failure to address major national problems, failure to exercise its power constructively.

In November, 1974, seventy-five "freshmen" Democrats were elected to the 94th Congress, creating a two-to-one Democratic edge over Republicans. Armed with this solid majority—

They promised a "veto-proof" regime as a leadership alternative to the Presidency. What they delivered was a directionless participatory democracy with competing priorities, interests and outlooks, incapable of overriding most of President Ford's vetoes of their faulty legislation.

They promised a new energetic leadership to harness themselves into an enlightened forceful power in national politics. What they delivered was a House "leadership" which subjected itself to the whim of committee chairmen and which sought harmony and compromise rather than the stern discipline needed to forge coherent legislative policies.

They promised bold, creative solutions to pressing national issues. What they delivered was sporadic intrusion into Executive Branch decisions unmatched by major legislative initiatives of their own.

They promised to overthrow the old, discredited order and to bring the "sunshine" of reform into the halls of Congress. What they delivered was one of the most scandalous two years in recent Congressional history.

Instead of boasting of their record as elections draw near, Democratic Majority in Congress is now trying to disassociate itself from its handiwork. Their bright promises have faded into tarnished, forgotten pledges.

REPUBLICAN AGENDA

Disappointed by the failures of the Democratic Majority and its leaders, House Republicans under the leadership of Minority Leader Rhodes took the unprecedented step of issuing a *Legislative Agenda*. Republicans have not flip-flopped on the objectives targeted in this document; they can be found a year later in the 1976 Republican Platform. Included in the *Agenda* are a balanced federal budget within three years; reform of regulatory and other government agencies; a comprehensive energy program with incentives for development of untapped and new resources, energy conservation and a windfall profits tax; a strong anti-crime program insurance against "catastrophic" illness; revision of the runaway food stamp program; and a commitment to defense preparedness. These items cannot be found in either enacted legislation or the Democratic Platform.

VETOES

Confrontation with the Republican Executive Branch, instead of cooperation, has been the style of the muscle-bound Congressional Democratic Majority. Disdaining invitations to work within a positive coalition, the Majority repeatedly locked itself unproductively into a clash with the White House that resulted in enactment of neither party's programs. To date (9/30/76), there have been 32 vetoes of excessively costly, ill-advised, poorly conceived legislation of the 94th Congress. Often the Democrats seemed to be counting on a veto to extricate them from tactical deadends or to focus political issues—only eight of the vetoed bills (25 percent) were subsequently passed by the necessary two-thirds margin. Twelve of the vetoed measures were never even subjected to a second vote, while the remaining twelve were sustained by the House or Senate.

Since Ford became President, over $9 billion has been saved in sustained vetoes. Another $20 billion was at stake in vetoes which were negated by congressional overrides. In light of the roughly $120 billion of government revenues that come from personal income taxes, veto savings are equivalent to significant potential tax cuts.

Substantively, these vetoes have prevented enactment of many dubious and even dangerous proposals—politicizing the civil service, permitting common situs picketing in the construction industry, limitation of arms sales to our allies and friends, return to outdated farm programs, housing and school lunch programs that purportedly helped the poor but in reality did not. Through these vetoes, President Ford has provided more leadership for the Democratic 94th than it has been able to muster itself.

The "reverse-veto" has been an increasingly frequent phenomenon in the 94th Congress. The Legislative Branch, through action or inaction, has negated, intervened in, or rejected a number of Executive Branch proposals.

While the Democrats have been criticizing President Ford for vetoing 32 of their measures, they have been voting down many of his proposals. For example:

Food stamp regulations were approved by President Ford in January, 1975 in an effort to reform the overgrown program. But Congress negated the President's proposed regulations. Their argument? That they had a better reform in mind. To date, food stamp reform has not been enacted.

An arms embargo against Turkey was imposed and continued, despite White House pleas to the contrary. The result has been to warp our foreign policy, close down 26 sensitive and strategic bases in Turkey, endanger the balance of power in the Mediterranean, and increase the possible threat to Israel.

Decontrol of oil prices, prerequisite to President Ford's overall energy program, would stimulate development of oil resources and encourage conservation. The Democratic Congress vetoed proposed decontrol measures while failing to come up with a program of their own to stimulate oil production.

Synthetic fuel development, strongly supported by the Administration as a long-term means of lessening our energy dependence on oil, was barred from House action on a one vote margin after an earlier bill had been rejected.

Dozens of nominations to fill executive Branch vacancies have not been confirmed. This unprecedented number includes Joseph Coors (Corp. for Public Broadcasting), Ronald Berman (National Endowment for the Humanities), two nominees for a TVA board vacancy, two FCC nominees.

The Democratic 94th Congress has, in effect, vetoed many of President Ford's proposals through inaction as well. Items in the "dead bill drawer" include catastrophic health care protection, crime control, regulatory reform, limitation of forced school busing, child nutrition reform, deregulation of new natural gas and expediting Alaskan natural gas pipeline construction. Thus, the 94th Congress has to bear not only the burden of its own failure to generate solutions to important national issues, but it must also take the blame for blocking President Ford's constructive proposals.

A third element of the Congressional veto strategy is to incorporate in various bills Congressional power to check, hamper and restrict the Executive Branch in making and implementing decisions. Examples include:

Congressional veto on U.S. arms sales contained in the International Security Assistance and Arms Export Control Act (S. 2662).

Limitation on the President's ability to order military base closings or reductions in military base personnel, contained in Military Construction Act (H.R. 12384).

Requiring prior Congressional approval before the Energy Research and Development Administration could contract with private firms for nuclear fuel enrichment plants, in H.R. 8401.

Congressional veto over President's plans for energy emergencies, decontrol or deallocation of refined petroleum products, P.L. 94–163, Energy Policy and Conservation Act.

Although the Congressional veto is not new, its growing use and routine incorporation in legislation during the 94th Congress is cause for concern.

The 1973–74 Arab oil cutoff dramatized the seriousness of our energy situation. In his 1975 State of the Union Message, President Ford presented a comprehensive energy program for the Nation. This program, consisting of 22 separate measures, was designed to lessen U.S. dependence on foreign oil. The 94th Congress enacted only seven of these proposals: development of Naval Petroleum Reserves, establishment of strategic reserve oil storage, permission to convert oil and gas fired utility and industrial boilers to coal, appliance and auto energy efficiency labeling, emergency standby authority, building thermal standards and weatherization assistance for the low-income and elderly.

The 94th Congress has rejected the other major elements of the President's energy program and has often moved in the opposite direction:

Efforts to control oil prices have crippled domestic production.

Efforts to deregulate natural gas prices have yielded only impasse.

Efforts to encourage the use of coal have stimulated attempts at strip mining restrictions and unrealistic regulation of coal burning.

Efforts to encourage more investment in nuclear power have brought about requirements that would slow down progress toward this form of generation and make it more expensive.

Efforts to launch a crash program to develop synthetic fuels have been blocked.

Efforts to achieve stringent conservation of oil and gas have brought only increased reliance on these fuels.

The net result of the inaction and obstruction of the 94th Congress has been to increase U.S. dependence on foreign oil significantly over pre-embargo levels. At the same time, Congressional policies have failed to encourage domestic oil and gas development. Accompanying these worrisome trends is a general forgetfulness of the seriousness of our energy dependent condition.

CONGRESSIONAL REFORM

Elected in the wake of Watergate, the 94th Congress stood for the ushering in of an era of reform, openness, accountability and integrity. The record, after two years, has been a sad one of cynically enacting only the amount of reform absolutely necessitated by events or political survival.

If the Wayne Hays arrangements had not been exposed, the Democratic Majority would have willingly let him continue dispensing Congressional and campaign largesse. As it turned out, the "reforms" triggered by the Hays scandal were more cosmetic than substantive:

Members office accounts were consolidated into no-strings-attached "slushfunds" amounting to $55,000 to $87,000 more than before.

Instead of totally eliminating House Administration Committee authority singlehandedly to hike Members' allowances, Congress let the Committee retain authority to increase allowances automatically without a Floor vote when costs of materials, services or salaries increased.

By a one-vote margin the House in July, 1975, voted to raise Congressmen's pay automatically every time inflation triggers civil service pay raises. Republicans argued unsuccessfully that Members should have to vote on their own pay raises. Rep. Grassley (R-Ia.) led a successful challenge to stop an automatic increase in the Fall of 1976, but there is every indication that this decision will be promptly overturned in the 95th Congress.

The Democrats, while proclaiming equal rights for women, have created and perpetuated a climate on Capitol Hill in which competent women find their professional qualifications and personal integrity impugned solely because they are women.

While publicly favoring the fullest degrees of accountability and openness in Congress, the Democratic Caucus has privately favored closed Caucuses, proxy voting, increased opportunities to enact legislation under suspension of the House Rules and reduced numbers required for committee meeting quorums.

Many reforms long advocated by Republicans still await action at the end of the 94th Congress:

More accuracy in the *Congressional Record*;

Televising Floor proceedings;

Curbing lobbying on the Floor by former Members of Congress;

Replacing the present capricious scheduling of legislation with a predictable, timely arrangement that permits sufficient time for studying measures prior to debate;

Eliminating proxy voting;

Eliminating automatic inflation-triggered Members' payraises;

Prohibiting staffers from being on Members' and Committees' payrolls at the same time;

Total openness, public scrutiny and audit of Members' staff and expense arrangements and records.

The Democratic Caucus—two-thirds of the entire House of Representatives—has repeatedly mocked Congressional reform by conducting legislative business behind closed doors and instructing committee Members on how they must handle legislative matters. Not only does this closed caucus rob Minority Members of their rightful participation in shaping the decisions that will affect their constituents and the nation, but it demonstrates the frailty of the bloated two-to-one majority whose size belies its power.

ECONOMY

Inflation and jobs are viewed by most Americans as the major worries in our economy. The improvement in both areas since 1974 has occurred largely in spite of, not because of, actions of Congress.

While Republicans sought to stimulate economic recovery in the private sector through elimination of government deficits, tax cuts, stimulation of capital formation, regulatory reform and a sound monetary policy, the Democratic Congress clung to its discredited fix-all of bigger and bigger government.

Republicans favored extending unemployment benefits to assist the unemployed until they obtained real jobs generated by economic recovery. The Democrats in Congress attempted to use tax dollars to mandate artificial jobs into being, many of which would be filled by transferring workers already on other payrolls.

Republicans worked for a steady pattern of solid economic recovery while the Democratic Congress preferred to "hype" the economy with injections of so-called "emergency" measures. Notable among these were expensive public works projects of low priority that would create few jobs relative to their cost and would only materialize long after the unemployment crisis had eased.

Republicans hoped to use the new Congressional Budget procedures to work toward balancing the fiscal books. The Democratic Majority instead used the reformed Budget process to "discipline" themselves to a mere $50 billion deficit in Fiscal 1977 and a $74 billion deficit in Fiscal 1976.

Republicans believed that monetary policy was best kept shielded from the political tinkering and headline-hunting that plagues fiscal policy. The Democratic Majority consistently aimed at making the Federal Reserve accountable to Congress and did not rest until this dubious goal had been partially achieved.

Republicans called for extensive, sweeping reform of the many regulatory agencies that for decades have sapped the vitality from many sectors of our economy. The Democratic Majority ignored this regulatory reform agenda, including bills to reform the airline and trucking industry, to enable small savers to earn higher interest rates on savings accounts, and to undertake a comprehensive four-year review and reform of our government regulatory activities.

Standing as the most positive contribution made by the 94th Congress to economic recovery is the list of ill-conceived Democratic "must" legislation that did not become law: the Humphrey-Hawkins public jobs bill, an "emergency" housing measure that would have neither stimulated housing construction nor benefitted those priced out of the housing market, an expensive system of financial bail-outs for New York and other major cities hit by the impact of years of fiscal mismanagement, a vast national economic planning and control measure, expansion of federal subsidies to cities and counties to hire people for public service jobs over and above the 260,000 such jobs already subsidized, and funding of a massive scheme of low priority, slow start-up public works projects.

FOREIGN POLICY

The 94th Congress' handling of foreign policy has been characterized by gusts of passion and temporary prejudices, often more reflective of hyphenated origins than of the need to develop a consistent, long-term foreign policy. Congressional Democrats in the day-to-day conduct of foreign policy have undermined the credibility of our government leaders. Irresponsible Congressional adventurism in foreign policymaking has given the world the impression that the U.S. lacks the will to back up its commitments, and has left us in several instances no option but to retreat rather than pursue our long-term interests.

Of the many distressing Congressional forays into foreign policy, a few will serve as examples:

Cutoff of arms shipments to Turkey alienated our former ally and threatened the military situation in the Mediterranean.

Anti-boycott legislation threatened to rush the Arabs into even stronger boycott enforcement in much the same way Jackson/Vanik provisions of the 1974 trade bill backfired with regard to Jewish emigration from the USSR.

Attempts to block arms sales to Saudi Arabia despite the importance of this Middle East country to the U.S. as the supplier of 17 percent of our oil imports.

Efforts to limit severely U.S. assistance to South Korea, thereby threatening the security of our ally and exacerbating rather than remedying the civil liberties problems of that country.

Well-deserved investigations of ongoing U.S. intelligence practices that turned into publicity-laden sideshows that served neither the interests of the American people nor the legitimate needs of the intelligence community.

LOOKING AHEAD

Looking ahead to the 95th Congress, the Republican Policy Committee foresees a number of unfinished items which even the two-to-one Democratic 94th Congress could not enact. Unfortunately we must anticipate resurrection of many of these sorry schemes in the next Congress, including legislation pertaining to:

strip mining
Hatch Act amendments
Humphrey-Hawkins public jobs bill
national economic planning measures
gun control
common situs picketing
minimum wage increase
national health insurance
child development programs
land use planning
no fault insurance
public employees strikes
consumer protection agency
mail voter registration
oil company divestiture
black lung
credit allocation

The House Republicans will continue to work for enactment of many items ignored in the 94th Congress:

a balanced budget to curb inflation and government growth
significant tax cuts accompanied by government spending cuts
food stamp, welfare and health care system reform
catastrophic illness health insurance
a program of energy independence
congressional reforms
curbing of school busing to achieve racial balance
a strong anti-crime program
regulatory reform
restoring integrity to the social security system
increasing local and state control through block grants
reform of the social security program to reflect changing needs of women and the elderly
a realistic and principled foreign policy
college tuition tax credits

We urge voters to remember that their votes for Congressional candidates this fall will determine which of these lists will have top priority in the 95th Congress.

AN "IT CAN'T BE DONE" SUCCESS STORY

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MITCHELL of New York. Mr. Speaker, earlier this week, on national television, a dramatic story was told about a determined and successful effort on the part of a people and an area to help themselves.

The gist of the story involves saving an industry and approximately 260 jobs in the Mohawk Valley community of Herkimer, N.Y.

Because the Economic Development Administration played such a prominent role in this exciting drama, and because what took place provides concrete evidence of the good than can be accomplished when there is a true, working partnership between the Government and the people, I would like to share some of the highlights of the Library Bureau success story with my colleagues.

Before doing so, I want to take this opportunity to publicly commend Assistant Secretary of Commerce John W. Eden and his staff at the Economic Development Administration for the responsive and responsible manner in which they participated in this venture.

Stories of bureaucratic delays and unresponsiveness, coupled with tales of woe about all the Federal "redtape" that ties projects and people in knots, are legion here in Washington and throughout the country. We hear about them everyday.

As we all know from personal experience, so often when things go wrong the chorus of protestors and people with complaints is loud and clear. But when what is right prevails, we seldom have the same intensity of expression. For my part, I can not say enough good things about the very positive approach taken by everyone with whom we were in contact at EDA from the very first day we outlined the specifics of our campaign to save an industry and its jobs for the Herkimer area. We received sound counsel, continuing cooperation and prompt responses. At all times, whether we were dealing with EDA's capable representative in Albany, Michael Daley, or Ed Morris and the thoroughly professional regional staff in Philadelphia, under the direction of John Corrigan, or with Secretary Eden and his highly competent business development specialists like Glenn Waldron, here in Washington, the attitude evident was one of "it is a worthy cause and we can do it."

The culmination of this cooperative effort occurred Tuesday when Mr. Daley turned over to officials of a newly formed Mohawk Valley Community Corp. checks totaling $2 million. This business development loan from EDA, along with another $2 million in loans from commercial lending sources and more than $1,500,000 raised in a public stock offering, made possible the purchase and continued operation of a plant that 6 months ago was destined to have its doors close and its workers idled.

Media representatives, who followed this success story with avid interest, have been anxious to get as much information as possible about events and personalities associated with it. To help fill that need, I provided a capsule account of the highlights which I am pleased to include in the RECORD:

THE LIBRARY BUREAU—AN "IT CAN'T BE DONE" SUCCESS STORY

(By Representative DONALD J. MITCHELL)

Six months ago it would have been nearly impossible to find anyone outside our small group of believers who thought we could accomplish our objective with the save the Library Bureau campaign. That's why I call it our "It Can't Be Done" success story.

While others were citing their reasons why our grand plan wouldn't make it, we were refining our blueprint for action. Right from the beginning, we had a positive approach. The word "no" just wasn't part of our vocabulary.

To be sure, we candidly admitted it was a long shot, but as we were quick to add, long shots pay the biggest returns.

For quite awhile prior to last March 29, when Sperry Univac's fateful decision to phase out its Library Bureau Division was revealed, rumor had it the company was considering divesting itself of interest in the Herkimer-based operation.

The previous fall, I met in my Washington office with business executive Richard P. Rifenburgh and John Ladd of the Mohawk Valley Economic Development District to explore possible sources of federal aid for a local group, headed by Rifenburgh, to purchase the Library Bureau. We pledged our full cooperation.

At the time, the group was in the midst of talks with Sperry Univac officials with the hope of arriving at a mutually-acceptable purchase plan. When this didn't occur, negotiations were suspended.

In the meantime, Library Bureau operations continued. Quality products were still being manufactured for a profit and the previous "hot" rumors about Sperry Univac's intentions subsided. Then came the March 29th announcement.

Two immediate actions were taken. First I contacted Univac officials to plead for a decision change. Then I contacted Mr. Rifenburgh who in the interim had been named Co-chairman of an emergency Business Assistance Committee I commissioned earlier in the year to assist with our local industrial development efforts. BAC's prime mission is to help promote greater industrial stability in the Oneida-Herkimer County area by working cooperatively with existing employers to keep them going and growing in Central New York and thus provide an expanding source of job opportunities for our people.

Mr. Rifenburgh's previous knowledge of Library Bureau operations and his rich experience in corporate management made him the ideal candidate to lead our save the Library Bureau fight.

Immediately negotiations were reopened with Sperry Univac. John Ladd and the MVEDD staff were already on board to help in any way possible. Library Bureau employees were briefed on the situation and enlisted in the cause. Pledges of strong support came from Herkimer Mayor Harry Enea and the Herkimer County Legislature under Chairman Victor Norman. The partnership of the Herkimer County Area Development Corp. was assured. It was an all-out, cooperative effort.

But developing an action plan is one thing. Implementing it quite another.

Sperry Univac was commencing it's phase out with the dismantling of its marketing team. Senators Buckley and Javits joined in my appeal to keep the marketing operation going while negotiations were in progress. Sperry Univac agreed.

In the meantime, a consortium of local banks were contacted in an effort to obtain loans so vital to the overall success of the plan. Plans for a public stock offering were initiated. Preliminary meetings with Economic Development Administration officials were held.

There were up days and down days. At one point, because of a communications breakdown, it looked like all was lost. It seemed to appear to Sperry Univac officials that it couldn't be done because they had pledges with nothing more than good faith to back them up. Nothing tangible. The dismantling of the marketing force was to begin. Negotiations were just about terminated.

But patience and persistence and that essential ingredient—cooperation—paid off. I contacted Paul Lyet, Chairman of the Board for Sperry Rand Corp., to review all that had been accomplished, to re-emphasize my conviction that the people supporting this gallant effort should be given a chance to succeed and to urge resumption of negotiations. He said yes. Complete cooperation followed:

The rest is history. LB employees gave it their all, coming up with a nearly $200,000 non-refundable deposit as tangible evidence strong words were being backed with solid deeds. More than $1.5 million was raised in a public stock offering, the majority of which came from LB employees and their neighbors throughout the Central New York region. The banks came through with $2 million in loans and EDA approved a $2 million business development loan.

It was an absolutely amazing employee-community response to a crisis. As each day passed, fewer people were saying "It can't be done." Momentum, something we hear so much about, was very much in evidence. Somewhere along the way it stopped being "their" fight (meaning LB employees and those of us working to make the action plan work) and became "our" fight (meaning anyone and everyone).

Tuesday, September 28, 1976, will go down in history as our day—the day we (all of us) succeeded with the "It Can't Be Done" story. I'm proud to be identified with this magnificent effort.

The foregoing capsule account gives but the highlights of a dramatic story involving literally thousands of people who worked tirelessly and gave so much of themselves over a six month period of sustained effort to prove the "It Can't Be Done" crowd wrong.

With any story there are heroes. Dick Rifenburgh has to be number one. He's the person who coordinated the entire effort, making sure all the pieces to the puzzle were put together. John Ladd and his staff provided invaluable counsel and follow through. Victor Norman and the Herkimer County Legislature were sources of continuing support as were Mayor Harry Enea and the other local government officials.

Paul Lyet of Sperry Rand demonstrated that one of the world's leading corporations and its top executive were willing to take the time necessary to help a community and its people help themselves.

Our local media also deserves high marks. Their cooperation with local officials was magnificent. No request was too difficult. Whether it was minutes of time on television or radio or inches of space in the newspapers, they were there when we needed them. The story was told to many thousands of people throughout Central New York at minimal cost in a brief period. Our local media also deserves high marks.

For my part, I shall never forget the genuine warm feeling and sense of accomplishment that was so apparent in the closing hours of August 16th when we knew the public stock offering—the vital link in the chain of events—was a success. I thank all for giving me the opportunity to play a small part in this success story.

A final observation. So often a depressed economy leads to a depression of the spirit, a feeling on the part of the people that things are bad and will likely get worse.

Our economy is depressed, or at the least distressed. But our spirits are high. We have the will to succeed. We're confident the cooperation and determination so evident in this Library Bureau endeavor will continue and lead us on to other success stories.

CRIME VICTIM COMPENSATION

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HUNGATE. Mr. Speaker, President Ford is reported in news accounts from Miami to have been shocked by Congress failure to enact his crime victim proposal. His comments interject a rather jarring note of partisanship that can only work to the ultimate detriment of crime victims.

Congressional enactment of Federal crime victim compensation legislation should be a bipartisan matter. Without support and encouragement from the White House, the chances are slim that any Federal crime victim compensation legislation will be enacted. It is for this reason that I was particularly disheartened by Mr. Ford's recent remarks.

The criminal justice system is finally starting to come to grips with the plight of the innocent victim of crime. Several States have set up programs to provide a measure of financial help by reimbursing the innocent victim for expenses for lost wages and expenses of doctor and hospital bills, paraplegic therapy, and vocational retraining when needed. These State efforts have been bipartisan. The first State program was established under a Democratic Governor, and the second under a Republican Governor, who, incidentally, now happens to be Vice President. Since then, State crime victim compensation programs have continued to receive bipartisan support.

Mr. Ford's own proposal, which is contained in his criminal law reform bill (S. 1), received careful study. It was not adopted for a very simple and pragmatic reason—it would help so few people—less than 100 in the entire Nation—and the program would cost the Federal Government more to administer—$210,000—than it would provide to compensate victims—$154,000. A Congressional Budget Office study of Mr. Ford's proposal substantiates this.

This is a political year and it might seem expedient to some to blame the Congress for not enacting Federal crime victim legislation. Unfortunately, the administration's record on this does not warrant it blaming Congress. The Nixon administration opposed Federal crime victim compensation legislation in the 92d Congress. The Nixon-Ford administration took a do-nothing attitude and neither endorsed nor opposed Federal legislation on the subject in the 93d Congress. Only in the 94th Congress did they come out in support of even a very limited proposal.

It was with a spirit of bipartisanship that the Subcommittee on Criminal Justice began a study of various Federal legislative proposals concerning crime victim compensation. Extensive hearings were held in Chicago, Los Angeles, Newark, N.J., and Washington, D.C., and 35 witnesses were heard, including a spokesman for the Justice Department, Assistant Attorney General Richard L. Thornburgh. The hearing record is 1,285 pages long. Thus, it was only after a careful consideration of all the legislative proposals that the Criminal Justice Subcommittee and the full Committee on the Judiciary recommended passage of a bill, H.R. 13157, calling for Federal financial assistance to States that operate crime victim compensation programs.

The enactment of Federal crime victim compensation legislation should be of high priority. Enactment of such legislation can, and should be, accomplished in a spirit of nonpartisanship. I hope that Mr. Ford, instead of criticizing Congress, will assert leadership so that Federal legislation will be enacted before the end of the 94th Congress.

It would be some help if our distinguished former colleague would stop cursing the darkness, and join the Congress in at least lighting a candle.

FINANCIAL DISCLOSURE STATEMENT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. STARK. Mr. Speaker, I am inserting in the RECORD today a complete financial disclosure statement.

I have long believed that persons in public service, including both Members of Congress and members of the executive branch, should be fully accountable to the people, and should be as open and responsive as possible.

Unfortunately, there is at present no law which requires full public disclosure by public servants or by candidates for public office. I have sponsored disclosure legislation and hope Congress will act on it early in the next session.

The people, in my view, have a right to know not only their Representatives' views on the issues, but also the nature and extent of their financial interests.

There are a multitude of forms which this disclosure statement could take. I have chosen to use the form suggested by Common Cause, the citizens' lobby which has been in the forefront of the fight for open, responsive government, and specifically for full financial disclosure. To my knowledge, this is the most complete form which has been proposed.

Also inserted are the Common Cause guidelines, so that the statement will be fully understood.

The guidelines and statement follow:

PERSONAL FINANCIAL DISCLOSURE STATEMENT FOR CANDIDATES

(Submitted by Common Cause)

The Common Cause Campaign Standards for Congressional Candidates suggests that the candidate make public a statement of personal financial holdings, covering candidate, spouse and dependent children, disclosing assets, debts and other financial transactions over $1000 and sources of income, honoraria, and gifts over $100.

The accompanying Candidate Disclosure Financial Statement is offered as a guideline for meeting the spirit of the financial disclosure item on the checklist.

This statement should include information for the preceding calendar year with respect to the candidate, his or her spouse and dependent children, disclosing assets, debts and other financial transactions over $1000 and sources of income, honoraria and gifts over $100.

In reporting in sections III, IV, V below, the following letter categories may be used:

A. $1,001, $10,000.
B. $10,001, $25,000.
C. $25,001, $50,000.
D. $50,001, $100,000.
E. over $100,000.

The following is an outline of financial disclosure information included in the form:

I. Sources of Income:

A. Salary, wages, and fees of over $100.

B. Dividends, interest, rent and other of over $100.

II. Gifts or aggregate of gifts and honoraria over $100.

III. Assets of over $1,000 (except household furnishings or goods, jewelry, clothing, or any vehicle owned solely for personal use).

IV. Liabilities of over $1,000.

V. Transactions of over $1,000.

A. Purchase and Sale of Securities and Commodities.

B. Purchase or Sale of Real Property.

CANDIDATE FINANCIAL DISCLOSURE STATEMENT

Name: Fortney H. (Pete) Stark, Jr.

Phone: 635–1092 (Area Code 415).

Period covered by report: From January 1, 1975 To January 1, 1976.

Spouse: n/a.

Dependent Children: Four.

I. SOURCES OF INCOME

A. Salary, wages and fees of over $100:

Name and Address: U.S. House of Representatives; nature of services rendered, Congressman; $42,850.

Creekside Shopping Center, Citrus Heights, California; Retail Shopping Center; nature of services rendered: Real Estate Management; $1,281.

B. Dividends, interest, rent and other of over $100:

DESCRIPTION

Dividend Income, Schedule 1 attached.
Interest Income, Schedule 2 attached.
Rental Income, Schedule 3 attached.
Other Income, Schedule 4 attached.

FORTNEY H. (PETE) STARK, JR.—FINANCIAL DISCLOSURE

Schedule 1.—Dividend Income:

Fuji Photo Film, $2.75.
Matsushita Electric, $73.26.
Shiseido Company, $20.80.
IBM, $182.00.
Cypress Abbey, $68.00.

Schedule 2: Interest Income:

Security National Bank, Walnut Creek, California, $15.39.

Bank of Contra Costa, Walnut Creek, California, $319.75.

United California Bank, Walnut Creek, California, $521.25.

Chaste, Reagor and T. Stark, Walnut Creek, $1,125.47.

Commercial Paper, $874.49.

United States Treasury, $957.43.

James M. Copeland, Springfield, Virginia, $154.00.

Triad American Management, Los Gatos, California, $6,541.15.

F. Greg Kent, Alama (discounted notes pay-off), $14,912.43.

Willim Dick, Sacramento, $3,171.84.

John Lucas, Sacramento, $1,585.88.

Stephen Sturch, Sacramento, $792.94.

Howard Dick, Sacramento, $792.94.

United States Treasury Bills, $2,739.19.

75M Contra Costa Co. 12/15/02 7.5%, $5,265.00.

Federal Employees Credit Union, $8.11.

Chyna Associates, Palo Alto, California, $3,222.70.

Schedule 3—Rental Income:

Delta Volkswagen, Antioch, California, $1,112.43.

Tenants, Capwell Drive Office Bldg., Oakland, Calif., $3,663.73.

Tenants, Leet Pendleton Office Comp., Oakland, Calif., $13,282.04.

Tenants, Livermore Valley Square, Livermore, Calif., $31,807.24.

National Cash Register, Reno, Nevada, $1,140.32.

Tenants, Apartment, Birmingham, Washington, $1,569.50.

Security National Bank, Webster Street, Oakland, $916.92.

Creekside Shopping Center Tenants, Citrus Heights, Ca., $1,157.00.

Schedule 4.—Other Income:

Vineyard Windsor, California ($72,476.00).

Partnership Interests:

Walnut Creek, Ltd. (oil and gas), Amarillo, Texas, $3,910.50.

Kelley Hot Springs (geothermal exploration) San Francisco, California, ($2,505.72).

Lafayette Investment Research, Lafayette California, $19,611.00.

Smoot-Stark Merced Property, Merced, California ($8,654.09).

Mileage allowance from House of Representatives, $1,239.40.

II. Gifts and Honoraria (Report each gift or aggregate of gifts and honoraria from one source exceeding $100):

NAME AND ADDRESS OF GIVER, DESCRIPTION OF GIFT, AMOUNT OR VALUE

Associate Students, Berkeley; Honorarium; $500.00.

Mortgage Bankers Assn, Chicago; Honorarium; $1,000.00.

Blue Shield, Los Angeles; Honorarium; $250.00.

Carter H. Golemb Foundation, Washington, D.C.; Honorarium; $300.00.

Foundation for Student Com.; Honorarium; $500.00.

III. Assets of over $1,000 (as of December 31, 1975):

Real Estate Holdings, Schedule 5 attached.

Securities, Schedule 6 attached.

Notes Receivable, Schedule 7 attached.

Other Assets, Schedule 8 attached.

IV. Liabilities of over $1,000 (as of December 31, 1975):

Real Estate Loans, Schedule 9 attached.

Other Liabilities, Schedule 10 attached.

Schedule 5.—*Real Estate Holdings,* (FMV):

Livermore Valley Square Shopping Center, Livermore, California (one-half interest), E.

Leet Pendleton Office Building Complex, Leet Drive and Pendleton Way, Oakland (one-half interest), E.

Office Building Capwell Drive, Oakland (value of one-half interest), E.

Delta Properties, Delta Fair Boulevard, Antioch (one-half interest), E.

Land, Webster Street, Oakland (one-half interest), E.

Warehouse, Reno, Nevada (one-quarter interest), E.

Land—30 acres, Merced, California (one-quarter interest), E.

Vineyard, Windsor, California (one-half interest, E.

Residence 137 C Street, S.E., Washington, D.C., E.

Condominium, 63 Sereno Circle, Oakland, D.

Duplex, La Jolla, California, E.

303 C Street, S. E., Washington, D.C., D.

Creekside Shopping Center, Citrus Heights, California (2% interest), B.

Schedule 6.—Securities:

$75 million Contra Costa Bonds 12/15/02 7.5%, D.

12,500 shares Geothermal Power Corporation, B.

213 shares Cypress Abbey, Under $1,000.

28 shares IBM, A.

100 shares Matsushita, A.

50 shares Shiseido, A.

10 shares Fuji Photo, Under $1,000.

1,500 shares Copico, A.

1,150 shares North Production Credit Association Class B, A.

Schedule 7.—Notes Receivable:

Triad American Capital Management, Inc., Los Gatos, California, C.

James M. Copeland, Springfield, Virginia, A.

Joe B. Smoot, Walnut Creek, California, B.

Reagor, Chase, and T. Stark, Walnut Creek, California, B.

Chyna Associates, Palo Alto, California, D.

Daniel and Virginia Moody, Danville, California, C.

Kinder Properties, Carmichael, California, B.

Schedule 8.—Other Assets:

Keogh Plan Contribution, A.

Contributions to Congressional Retirement Plan, B.

Walnut Creek, Ltd. (oil and gas), Amarillo, Texas, D.

Kelley Hot Springs (geothermal exploration), San Francisco, California, D.

Schedule 9.—Real Estate Loans:

Lender: Livermore Sentry, L.T.D., 1880 Century Park East, Los Angeles, California, outstanding, dE.; original dE., repayment terms, monthly amortization. Collateral: All inclusive deed of trust on Livermore Valley Square Shopping Center.

Lender: Peter B. Bedford, 985 Moraga Road, Lafayette, California, outstanding dE.; original dE., repayment terms, monthly amortization; Collateral: All inclusive deed of trust on Leet Pendleton Office Building Complex.

Lender: C. P. Bedford & Sons, 985 Moraga Road, Lafayette, California, outstanding, D; original, D; repayment terms, monthly amortization. Collateral: All inclusive deed of trust on Capwell Drive Office Building.

Lender: United California Bank, Main Street, Walnut Creek, California, outstanding, dE.; original dE.; repayment terms, monthly amortization. Collateral: First deed of trust, Delta Properties, Antioch.

Lender, United California Bank, Main Street, Walnut Creek, California, outstanding D; original dE.; repayment terms, monthly amortization. Collateral: First deed of trust or land, Webster Street, Oakland, California.

Lender, Regents, Univ. of California, Berkeley, California, outstanding, D; original D; repayment terms, monthly amortization. Collateral: First deed of trust, warehouse, Reno Nevada.

Lender, United California Mortgage, 1 Embarcadero Center, San Francisco, California, outstanding, C; original C; repayment terms, interest only, all due 12/31/76. Collateral: First deed of trust, land, Merced, California.

Lender, Vineyard Consulting Corp., P.O. Box 1011, St. Helena, California, outstanding, dE.; original, dE.; repayment terms, interest only until 1/78; then $17,500 year plus interest. Collateral: First deed of trust on vineyard.

Lender, North Bay Production Credit, 4825 Old Redwood Highway, Santa Rosa, California, outstanding, E; original, E; repayment terms, Interest only. All due 10/10/76. Collateral: Subordinated trust deed on vineyard.

Lender, H. G. Soderling, 10555 Pelham Drive, Windsor, California, outstanding C; original, C; repayment terms, twice yearly payments on principal plus interest. Collateral: Subordinated trust deed on vineyard.

Lender, National Permanent Federal, Savings and Loan Association, Washington, D.C., outstanding, D; original, D; repayment terms, monthly amortization. Collateral: Deed of trust, 137 C Street, S.E., Washington.

Lender, Wells Fargo Bank, 415—20th Street, Oakland, California, outstanding, C; original, C; repayment terms, monthly amortization. Collateral: Deed of Trust, 63 Sereno Circle, Oakland.

Lender, James W. McWain, c/o Eastern Federal S. & L., Washington, D.C., outstanding, C; original, C; repayment terms, monthly amortization. Collateral: Deed of trust, 303 C Street, S.E., Washington,

Lender, Coldwall Banker Mortgage, 555 South Flower Street, Los Angeles, California, outstanding, C; original, C; repayment terms. monthly amortization. Collateral: Deed of Trust, Creekside Shopping Center.

Schedule 10.—Other Loans Payable:

Lender, Fortney H. and Dorothy Stark, La Jolla, California, outstanding, B; original, C repayment terms, monthly amortization.

Lender, Elinor B. Stark, Berkeley, California, oustanding, D; original, E; repayment terms, annual payments.

V. TRANSACTIONS OF OVER $1,000

A. PURCHASE AND SALE OF SECURITIES AND COMMODITIES

Name of security or commodity	Purchase price	Date	Selling price	Date
7,500 shares Domich Grain	A	Dec. 1, 1975	NA	NA.
100 Shiseido rights	Under $1,000,000.	Aug. 1, 1971	Under $1,000,000.	Dec. 8, 1975.
Installment Sale, 1975 recognition of grain: 141,736 shares, Security Capital Corp.	A	1963–67	D	Aug. 29, 1973

B. PURCHASE OR SALE OF REAL PROPERTY

Legal description of property	Purchase price	Date	Selling price	Date
Condemnation Livermore Valley Square, Livermore.	NA		B	September 1975.
Installment sale, 1975 recognition of gain: 8 duplexes, Carmichale, Calif.	Under $1,000,000.	April 1968	Under $1,000,000.	May 15, 1974.
Sale of partnership interest, 1975 recognition of gain: Chase, Reagor, & T. Stark.	A	1968	A	July 1, 1974.

GEOFFREY COWAN ASKS FCC TO SET ASIDE SOME PRIME TIME FOR CHILDERN'S PROGRAMING

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, the heart of the family viewing controversy is whether that policy constitutes Government-sanctioned censorship of programing material. Even though both the FCC and the networks have claimed in court that they acted properly at all times in formulating and implementing family viewing—a contention I have seriously questioned—the experience has been such that many have concluded that there is no legitimate or constructive role the Government can play in limiting the amount of violence on television.

Mr. Geoffrey Cowan, a communications lawyer and scholar, has suggested that this is not necessarily so. In testimony before the House Communications Subcommittee, he proposed that the FCC could, by rule, insure that there be a greater amount of children's programing in prime time. He also suggested, in order to help parents exercise greater responsibility over their children's viewing habits, that television sets come equipped with a lock so that children could not turn it on to watch "objectionable" programs.

Mr. Cowan's testimony was both imaginative and compelling. He presented many alternatives to the issues of violence on television which I hope will be pursued by both the Subcommittee and the FCC. I am pleased to attach his opening statement at our hearings:

PRESENTATION BY: MR. GEOFFREY COWAN, ATTORNEY

Mr. COWAN. Thank you, Mr. Chairman. I thank you and the members of the Subcommittee on Communications for inviting me to testify on the subject of violence and sex on television.

Although I am a legal advisor to the Writers Guild and their challenge to the family viewing hour, I am not today speaking for the Writers Guild or for the other lawyers in that lawsuit. I will not discuss the family hour case at all in my remarks this afternoon. That subject will doubtless be covered, and has to some extent been covered, by other witnesses.

Rather, my remarks are addressed to a question which lingers in the air whenever one criticizes the family hour. Put simply, question is this: Assuming that the family hour violates the First Amendment and the Administrative Procedure Act, is there anything which the government properly can do to reduce the level of violence on television? That of course, is a question which this Committee has addressed to several of the witnesses this afternoon.

Interestingly, those who created the family hour generally contend that the answer to that question is no. FCC Chairman Richard Wiley, and representatives of the networks, have taken the position that there is probably nothing legitimate which the government can do directly to deal with violence on television.

I disagree. In my opinion, there are several kinds of rules which the FCC or Congress could adopt, which would have the effect of reducing violence on television and of increasing the ability of parents to restrict the amount of violent programing to which their children are exposed.

Since my prepared testimony is lengthy, I am going to try to highlight and summarize my main points in this oral presentation.

In essence, I will describe two forms of government action which are Constitutionally acceptable, in my opinion, and which I think could help viewers to make and enforce meaningful choices.

First, the government could adopt rules designed to assure that at least one program designed for children is available to viewers on one of the networks at all times during the hours between 7:00 and 9:00 p.m.

Second, the government could assure the availability of slightly redesigned television sets which would make it easier for parents to control the viewing choices of their young children.

One way to reduce the amount of violence and sex on television, in my opinion, and I agree with the distinctions that have been drawn between violence and sex. If I couple them together, it is only because it is the Committee's own coupling, not my own choice. One way to reduce the level of violence would be to require broadcasters to provide a greatly increased amount of prime time programming designed primarily for children.

While there is no guarantee that such programming would be free from violence, it is axiomatic that such shows will contain less realistic sex and violence than programs aimed at the 18- to 49-year-old age group.

The networks' occasional prime time children's specials, for example, have tended to be pro-social and nonviolent, but children's programs are not likely to appear regularly on prime time television without the government's intervention.

One of the most distressing facts about prime time television, at present, is that there are virtually no such shows.

A glance at "*TV Guide*" will illustrate that, "The Wonderful World of Disney" is the only regularly scheduled exception to this rule.

As the FCC concluded in its *"Children's Television Report,"* there is a tendency on the part of many stations to confine most, or all, of their children's programming to Saturday and Sunday mornings.

The absence of children's programming is a result of the realities of commercial television.

As the Chairman pointed out earlier this afternoon, programming on commercial television is designed to be sold to advertisers, and advertisers are primarily interested in reaching the 18 to 49, or even 18 to 35-year old audience.

The needs and tastes of people younger than 18 are largely and generally ignored. The family viewing rule has done nothing to put children-oriented programs on the air. The broadcasters continue to design shows for the 18 to 49-year-old audience, even in the 7:00 to 9:00 p.m. time period, but on the assumption that children may be watching with their parents, the networks now exclude material which may be offensive, embarrassing or, in somebody's opinion, inappropriate.

The family hour has not produced a single program designed for young children. In fact, if anything, the number of shows designed for children has decreased since the rule was adopted.

As this Committee is well aware, the FCC and the networks claim that the family hour was created and implemented through the efforts of CBS President Arthur Taylor during the months between November, 1974, and February, 1975. Less well known is what happened to CBS's own schedule during that four-month period.

In the fall of 1974, CBS had three prime time shows largely aimed at children: "Apples Way," "Planet of the Apes," and "The Waltons." All three of these shows were generally non-violent and featured pro-social messages. Indeed, in April, 1974, CBS Broadcast Group President John Schneider, testifying before Senator Pastore's Committee, cited "Apples Way's" pro-social themes as an antidote to television violence. All three of these shows, incidentally, were extremely popular with young audiences.

Yet in February, 1975, during the week after CBS persuaded the NAB Television Code Review Board to adopt the family viewing hour rule, CBS pulled both "Apples Way" and "Planet of the Apes" off the air. And what programs do you suppose CBS chose to take their place? For "Planet of the Apes," which had been broadcast Friday evenings at 8:00 p.m., CBS substituted "Khan!," a CBS-produced detective series, and at 9:00 p.m. on Sunday nights, the time slot occupied by the pro-social "Apples Way," CBS substituted "Cher."

I do not mean to suggest that either "Khan!" or "Cher" doesn't belong on television, but I do think that the CBS programming changes in February, 1975, illustrate an unfortunate truth about commercial television: It is the 18- to 49-year-old audience which counts. Even when CBS was most publicly concerned about what children were seeing during the 8:00 to 9:00 time period, the network felt compelled to replace child-oriented shows with programs filled with violence and burlesque.

Children, in short, are currently being short-changed by prime time television, and even the family hour has done nothing to provide children's programs on their behalf.

Under the circumstances, in my opinion, it would be both appropriate and Constitutional for the government to effect the kind of programming diversity which would otherwise be absent from commercial television.

For while it is un-Constitutional for the government to adopt rules which abridge speech, it is now well established that the government can adopt laws or rules which enhance speech. This apparently paradoxical principle, formulated by the courts and the FCC in a series of decisions, and I have highlighted several of those decisions in my prepared statement, which I won't quote from at length on this subject, but it is available for the Committee to study; but this principle was perhaps best summarized by Professor Thomas Emerson in his classic study of the First Amendment, which I quote at length on page 9 of my statement.

And the leading Supreme Court decision on the FCC's power to enhance speech, of course, is the *Red Line Broadcasting* case which affirmed the Constitutionality of the FCC's Fairness Doctrine.

It would be presumptious for me to try to formulate the exact text of a law or rule which could be adopted, but I do think that the government could require each broadcaster to air a minimum number of hours of prime time programming, specifically designed for younger audiences. The rule could be written in such a way that there would be at least one network children's show available each night between the hours of 7:00 and 9:00 p.m.

A useful point of departure might be the exception for children's programming currently contained in the prime time access rules, which defines a children's program as a program primarily designed for children ages two through 12.

I am sure that the Committee would wonder, as I do, what kind of programming would be produced by a rule requiring prime time shows designed for children. Obviously, one can't know for certain, but shortly after the prime time access rule children's exception was adopted, CBS announced a children's programming concept which gives one reason to hope that the programs would be educational, exciting, pro-social and generally non-violent.

In his testimony to Senator Pastore's Committee in April of '74, John Schneider described CBS's plans for prime time children's programs the following fall. He stated, and I quote from his testimony:

"Our present plans call for children's specials on seven out of every eight Saturday nights, from 7:30 to 8:00 p.m., starting on September 14th." Incidentally, that would be the half hour preceding "All in the Family."

"Designed primarily for young viewers, these programs will include the animated genius of Dr. Seuss, holiday specials, such as "The Night Before Christmas" and "Thanksgiving Treasure," a number of classics and fairy tales, such as 'Aesop's Fables" and "The Selfish Giant," as well as several CBS News presentations."

Unfortunately, CBS never implemented this plan. In June of 1974, a Federal Appeals Court ordered a one-year delay in the starting date for the prime time access rule, which was from September of '74, to September of '75, and as a result, CBS abandoned the plan and has not revived it.

But CBS's original proposal illustrate that there are means by which government could assure the availability of generally non-violent programing which is not only suitable, but is actually designed for younger audiences.

Now, I want to turn to the second kind of action which I think the government could engage in which would be Constitutional, by suggesting a few relatively simple, technological requirements, which could enable parents to exert greater control over what their children watch on television.

The miraculous technology of broadcasting has, of course, contributed an enormous amount to American life, but there is also something pernicious about the technology of television. Particularly among young children, it has an impact and a pervasiveness far greater than other media. Moreover, a child of two or three has full mastery of this extraordinary device. The youngest child can turn the switch on, tune to the channel of choice and watch and hear a program designed for people at least 10 times its age.

In this sense, television can become an uninvited guest in the some, telling the child stories that the child's parents would never want it to hear, or showing it tricks that the parents would never want it to see.

The ideal solution, of course, is parental guidance. But realistically, parental supervision, in most homes, is virtually impossible. Parents, busy in another room making dinner, reading the paper, visiting with friends, or just seeing each other for the first time in the day, use the television as a child's companion or babysitter.

The family hour was itself largely designed to help parents concerned about this problem of supervision; to assure them that there would be a two-hour time period during which they need not worry about what children might see or hear on the air, but in my opinion, there are other and better ways in which the government can aid concerned parents in providing protection for their children.

What I would like to propose are a few simple technological requirements, or safety devices, not unlike the safety caps now provided on aspirin bottles or the safety locks on automobiles. For if television represents a dangerous, as well as a wonderful technology, then we should seek to find technological ways to harness it, as well.

Since I am not an engineer or a scientist, the proposals I am about to advance are fairly rudimentary, and I have no doubt that they can be improved on. However, to check the viability of these proposals, I last week took the liberty of consulting with Dr. Peter Goldmark, the inventor of the long-playing record, and one of America's leading scientists. Dr. Goldmark is the former President of CBS Laboratories and is currently President of the Goldmark Communications Company.

He has given me permission to give you his reaction to my proposals, but I do so with the obvious caveat that his comments were based on a relatively brief telephone conversation, and not on a careful examination of these proposals.

Now, in my prepared testimony, I described four different technological devices, but since my time is running short, I will only summarize the first two.

First, I suggest a lock on the "On-Off" switch. As mentioned earlier, a child of two can turn a television set on without difficulty by turning a switch or pressing a button. This, of course, enables unsupervised children to watch television whenever they like.

The easiest way to put control back in the hands of parents would be to put some kind of lock on the set. According to Dr. Goldmark, this would be relatively easy and inexpensive to accomplish. Such a device on a new generation of television sets, he estimates, would, at most, add $4.00 to the retail cost of the set.

The second proposal which I would like to make would be a lock on specified channels. At any given hour, a parent may well approve of a child watching some channels, but not others. In our household, for example, our two and a-half year old son, Gabriel, is generally only allowed to watch public television. For the most part, this presents no problem, since so few shows on the other stations appeal to him, but on Saturday morning, there is the risk that he would want to watch the rather violent children's shows on the commercial networks. A station lock would allow Gabriel to turn the set on or off, but restrict him to a station or stations of which my wife and I approve.

Obviously, the station lock is more technologically complex than the "On-Off" lock. Dr. Goldmark believes that it could be designed into new sets with relative ease, and estimates that the "On-Off" lock, plus the station lock would, together, add about $20.00 to $25.00 to the retail cost of a new television set.

In conclusion, I would like to emphasize that the proposals I am making today are designed to increase diversity and to increase the ability of parents to supervise their children's viewing.

It is my firm belief that if we can make television a free and diverse marketplace where individual families are able to make meaningful choices, we will have satisfied those legitimate citizen complaints which led to the creation of the family viewing hour and which are the proper concern of this Committee's hearings.

TRIBUTE TO CONGRESSMAN HALEY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WOLFF. Mr. Speaker, after 24 years of faithful, dedicated service to the people of Florida and to the Nation, Jim Haley is taking his leave of Congress, and in so doing leaves behind a host of friends, admirers, coworkers, and well-wishers.

I have had the privilege of working closely with Jim as a fellow member of the Veterans' Affairs Committee and have witnessed firsthand his conscientious efforts on behalf of our Nation's veterans.

Although the loss to Congress will be a significant one, Jim may depart gratified by the knowledge that his dedication has earned him the respect of his colleagues in Congress, as well as the appreciation of his constituents back home whom he has served so long and so well.

GELBART AND RINTELS HOLD NETWORKS RESPONSIBLE FOR VIOLENCE ON TELEVISION

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, without exception, everyone from the Hollywood production community who testified before the House Communications Subcommittee on the family viewing policy deplored the level of violence on television. The writers told us that the overwhelming majority of programs on television are below the standards of what Hollywood is capable of producing, and what the American people deserve. And yet, why are we faced with mediocre programing and the continuing problem of excessive violence on television?

In the opinion of Larry Gelbart and David Rintels, it is because of the networks themselves that we are faced with the present dilemma. Gelbart testified:

> They decide what programs shall be on the air at what times and with what formats.

He said:

> The networks tell us, rigidly and explicitly, what we can and cannot write, what they will buy and schedule and show, and what they will not.

Rintels told us:

> There is so much violence on television because the networks want it. They want it because they can attract viewers by it. They attract sponsors, and affiliate stations welcome it.

David Rintels is president of the Writers Guild of America West. Larry Gelbart was producer of M-A-S-H—one of the most provocative and intelligent shows on television. Rintels and Gelbart claim that they are not given a free choice by the networks to write and produce the shows they want—and that the American people are, therefore, denied the opportunity to see the best entertainment on television. They told us that because of their obsession with violent programing—and the profits they bring—the networks have driven out any space for more creative and sensitive programing.

I am pleased to attach their joint statement before the subcommittee:

Presentation By Mr. David Rintels, President, Writers Guild of America, and Mr. Larry Gelbart, Former Coproducer of "M-A-S-H"

Mr. Gelbart. Because this Committee's field of inquiry is large, covering important questions in communications, law and public policy, and because you have asked us to be brief in our opening remarks, Mr. Rintels and I thought we should limit ourselves to talking about how television programs come into being, what their purpose is, who makes the decisions, and on what criteria.

Then we will be specific about two aspects of programming: Sex and violence, and they are two very different aspects. And finally, we will attempt to answer any questions you may wish to ask us on these or any other matters.

We are speaking with the unanimous endorsement of the Writers Guild of America, West's, Board of Directors.

We want to begin by telling you we are no less concerned than you are about television, and for this reason, we appreciate your coming here to solicit our views on television programming.

Our concerns begin with this: We think the vast majority of programs on television are below the standards both of those who write them and those who watch them. We think the range of what is offered is too narrow. We know that, as writers, we can do better. We know you want to see better.

What, then, is the problem?

The problem, we feel, lies principally with the networks, which control every aspect of programming, and whose concerns are different from yours and ours.

By every aspect, we mean the networks do the following:

They decide what programs shall be on the air at all, at what times and with what formats. They have approval of every creative person on the staff of every one of those shows. No writer, producer, director or story editor is hired without their consent or stays without their approval. They see and comment on, and are free to censor or reject, every story premise, every script, every finished program. Each of them have two well-staffed departments, Programming and Broadcast Standards, involved in this work. They each have another department, Sales, which is greatly affected by the decisions of the other two.

It is important to realize this, because we believe many people operate under a misconception. Many people, especially those who believe there is too much sex or too much violence on television, think that the creative community is responsible.

It is true only that the pencil is in our hands. The networks tell us, rigidly and explicitly, what we can and cannot write, what they will buy and schedule and show, and what they will not.

In other words, if television has too much sex or too much violence, the reason that is so is that the networks want it so. Writers and others are excluded totally from participation in the decision-making process, exactly as we were excluded in the creation of the family viewing hour, which was presented to us full-blown, already beyond discussion or questioning, as yet another limiting factor on our right to write and your right to see.

Their control means that for good or for ill, the networks are responsible for whatever is on the air. Some of their programming is truly excellent. Some is truly not. All we mean to say is that the choice of what goes on resides with the networks.

In this regard, let us talk about sex and violence.

It is very important, at the outset, to separate one from the other. There is explicit violence on TV. There is not explicit sex. We are all at least somewhat clear about what we mean by violence. But by sex on TV, we mean so much, and the least of it seems to be the sex act itself. Sex on television means, to a large extent, talk. Talk about homosexuality, talk about abortion, talk about birth control and prostitution and premarital or postmarital relationships. It means jokes and discussions. It means essentially a whole vast area of important human concern.

Some people don't like to hear or talk about any of those subjects. They are made uncomfortable by them. As a writer, I would say to those people, I think you should be willing to listen and talk about all human concerns, but if you are not willing, turn the set off.

You also don't have to let your children watch. I think people make a mistake when they do that, because I don't think there is anything at all on TV which cannot now be watched without embarrassment, even by children. Indeed, I think the opposite is much truer; that TV is not nearly honest enough, or frank enough, about sex; that we should be able to delve far more deeply into the serious social and moral questions which sex raises, and that we could all become richer for that .

We want the right, not just in our own interest, but in the country's, to be able to discuss mature themes on television, to illuminate our concerns and yours. We think more freedom, freedom with responsibility, is the answer, instead of more censorship.

Just to give you one specific example of the type of concerns we have in this area, let us add to Mr. Burns' earlier comments about how the series, "Phyllis" was treated in the family viewing hour this past season.

The writers and producers wanted to do a show concerning the communications gap between mother and daughter. The premise of the show was that Phyllis' teenage daughter was away on an overnight trip, skiing, I believe, and had spent the night in the same room with a young man.

Phyllis was deeply concerned. Had there been sexual relations between them and, far more important for the purposes of the show, how to talk to her daughter about it, and most especially, how to talk about it truthfully. Some people might think there is no more important subject in the country today than parent-child communication.

Here is what CBS did. Initially, they refused to do the show at all. The producers threatened to resign. Finally, CBS offered to compromise on some points, but not the key one, which came at the very end.

The last two lines of the program were supposed to have been Phyllis, having had a heart-to-heart talk with her daughter, clicking her heels as she jumps in the air and saying, in obvious relief, "She didn't do it," and then doing a terrific double-take of realization and saying: "Unless she lied."

CBS made them cut that last line: "Unless she lied." And in the process, they reduced a play about communications to a middle-class morality sermon, which ends on the upbeat note that nice girls still don't do it.

So, it seems to us, the networks are not wholly comfortable with sex or social change.

Mr. RINTELS. But violence is, in this and other respects, a different matter altogether. Mr. Gelbart and I are not here to defend violence on television. We deplore it. There is far too much of it, it is frequently gratuitous, and most people of good will can easily agree that, even in the face of incomplete evidence, it is harmful, especially to children.

But let us tell you why there is so much of it, and then we can talk about what to do about it.

There is so much violence on television because the networks want it. They want it because they think they can attract viewers by it. They attract sponsors, and affiliate stations welcome it.

There is, additionally, hard evidence that the networks not only approve violence on television, they have been known to request it and inspire it. In this connection, we refer you to the testimony of Liam O'Brien concerning the show, "Hawaii 5-0" before the Senate Subcommittee on Constitutional Rights on February 8th, 1972, and also to the 1972 report of the Surgeon General of the United States on violence, which states in the technical report, quote: "To remain in production, a producer must be able to conform to the changing directives of the network. Those producers who are committed to particular artistic and ethical values have trouble remaining in the commercial field."

Writers, on the other hand, as distinguished from networks, generally, though certainly not universally, despise gratuitous violence. They see it used in television as a cheap and easy substitute for other, more meaningful, forms of confrontation.

Violence and cop shows work as a Gresham's Law, driving out quieter and more human drama, not to mention art, politics, science, humanities, history; the whole vast catalogue of human experience which TV now denies us.

Given free choice, we would, virtually all of us, rather write about the human and intellectual and moral concerns we have, rather than solve problems with guns and punches and kicks We are not given that free choice. We are given, in abundance, cop shows to write for.

All that we believe to be true, do we then believe that violence should be banned totally from television? Absolutely not. We believe that it can be shown, in proportion and where justified by the proper demands of a story. We believe that violence is a part of life, and that television must tell the truth about that.

Alan Alda has given serious thought to questions of violence on television, and we are appending to our statement his thoughts, to which we subscribe totally.

But we reiterate, the main concern we have is that violence must not any longer be allowed to drive out all other programming. It is not a proper substitute for other, better drama. We believe that if the networks replaced most of their violent shows with non-violent shows, they would be performing a wonderful service in everyone's interest, and something totally consonant with their claim in the family viewing hour case, that they want to make television less violent. We writers certainly won't stand in their way. We have all had too many experiences like this one not to want a change.

Last year, I proposed to a network an episode based on the shooting of Fred Hampton, the Black Panther killed in his bed in Chicago. The network agreed, on the two explicit conditions that the Hampton character not be black in my story, and that politics not in any way be involved. It was all right for a policeman to shoot a young man to death in his bed, if the policeman thought that man had been fooling around with his daughter.

Leave the violence in. Simply rob it of any meaning and importance.

The stakes are high in all of this. Television has enormous audiences and tremendous influence, and therefore it must be responsible. The problems of too much violence, not enough humanity and reality, a refusal to allow the creators to deal seriously and freely with social, economic, racial, political, religious, artistic and other themes in entertainment programming, demand a full hearing.

Lawyers know far better than we the Constitutional problems in this area, but there are certain beliefs which the Board of Directors of the Writers Guild holds which we believe should be the basis for some discussion.

First, we believe unqualifiedly in the First Amendment to the Constitution. Congress may make no law abridging freedom of speech. That was a central cause of action in our family viewing hour lawsuit.

Second, we believe that Congress does have the right to encourage, or even demand, diversity in programming. Because television is a limited access medium, unlike the print media, with control vested in the very few, we believe that it is proper to inquire whether the airwaves are being used in the country's best interest. That interest, to us, means diversity, freedom and access of all people to all kinds of programming. In this regard, we subscribe to Mr. Justice White's opinion for the Supreme Court in the *Red Lion* case.

Third, we think there is a Constitutional difference between the government involving itself in programming, which is properly totally forbidden under the Constitution, and the government telling its licensees that they must, by law, serve the public interest. We have no objection to a high standard of performance in the public interest being required of everyone who has a license to broadcast.

Fourth, we are all deeply concerned about the appearance of government pressure. That, too, is reflected in our lawsuit against the family viewing hour, which we felt was legislation by intimidation.

We feel it is proper to insist that all future discussions involving the public's airwaves be done in public view, with their participation and with our participation. Had we and the public been privy to the closed-door discussions of family viewing hour, we could have discussed our mutual concerns in a positive and healthy manner, instead of being confronted with a solution which, to writers, directors, actors, and viewers everywhere, was seriously flawed.

We want television to be better, which means, to us, that it has be be freer. Twenty years ago, Edward R. Murrow said, "This instrument of television can teach, it can illuminate; yes, and it can even inspire. But it can do so only to the extent that humans are determined to use it to those ends. Otherwise, it is merely wires and lights in a box. There is a great and decisive battle to be fought against ignorance, intolerance and indifference. This weapon of television could be useful."

HON. CARL ALBERT

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FUQUA. Mr. Speaker, as I am sure you are aware, when the 94th Congress adjourns, the distinguished career of one of this Nation's most outstanding leaders, Speaker CARL ALBERT, will come to a close.

From a humble beginning in Bugtussle, Okla., CARL ALBERT rose through the ranks of leadership for 30 years to his selection 6 years ago as Speaker of the House of Representatives.

He has served on the Agriculture Committee and as majority leader and majority whip, and at one point during his distinguished career was literally a heartbeat away from the Presidency of the United States.

He has earned the respect of this House by his fairness and objectivity, coupled with unswerving dedication to the responsibilities of his office.

While watching the national interests of our country, Speaker ALBERT never neglected the particular needs and problems of his Oklahoma district, the mark of a truly devoted and sensitive public servant.

His career and leadership of this House during some trying and difficult days in the history of our Republic will soon be a part of history, but we here will remember him not only with respect, but compassion as a friend and leader.

TROTSKYISM AND TERRORISM: PART XIV—SOCIALIST WORKERS PARTY FRONTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. McDONALD. Mr. Speaker, continuing with reports on SWP front organizations:

THE SWP IN THE WOMEN'S LIBERATION MOVEMENT AND RELATED ISSUES

By early 1969, the Socialist Workers Party had determined that the "women's liberation movement" which had surfaced among "radicalized" women in the New Left, particularly on the college campuses, had a revolutionary potential to be exploited. However, while the women's liberation movement has focused to a large extent on psychological pressures and on the desire for careers by middle class women, the SWP saw the movement as a method of cutting women off from family ties so as to make them another component in the proletarian labor force. As the SWP phrased it in 1969, the women's liberation movement might release "the full creative energies of half the potential revolutionary forces available.[1]

From 1969 through 1971, SWP and YSA women involved themselves in the proabortion movement as the "broadest" issue for organizing campus and young white collar women. The SWP's Women's Liberation report to the March 1970 National Committee stated:

> The abortion question is made to order as the initial issue on which the women's liberation movement can cut its teeth. It involves the most fundamental rights of women—to control their own bodies, to remove from the state the prerogative to decide who will bear a child and when. * * * the abortion issue has emerged as the key demand with potential for involving masses of women in action.

In June 1971 the SWP set up a special front, the Women's National Abortion Action Coalition—WONAAC—whose principal figure was Carol Lipman, a member of the SWP National Committee. WONAAC dissolved after the Supreme Court decisions in favor of abortion.[2]

The Socialist Workers Party is continuing to organize on women's liberation movement issues. The August 1975 SWP National Convention featured three women's liberation workshops: "Coalition of Labor Union Women" led by Linda Jenness; "Women's liberation work," also led by Linda Jenness; and "ERA (Equal Rights Amendment) work" led by Nancy Brown.[3]

In his report to the SWP National Committee in May 1975, Barry Sheppard said:

> We should see helping to build CLUW from this vantage point. Several months ago Linda Jenness sent out a letter describing the character of CLUW in different cities. She broke it down into three categories, depending on what kind of problems CLUW had with the ultralefts or the bureaucrats. That evaluation of the general problems remains accurate. However, CLUW has continued to develop. It hasn't disappeared, and in fact in some cities it has made some leaps forward. It retains its importance, given everything we talked about in our political resolution, as a Coalition of Labor Union Women. It has big potential as a part of the developing radicalization. And we want to see it grow.[3]

In the 1975 women's liberation workshop, Linda Jenness said:

> I also want to emphasize that whereas we separated CLUW out for a special workshop, as we did last year, we don't want to think of it as totally divorced from our women's liberation work; it isn't. It's part of our women's liberation work and we want to try to think of ways that CLUW can relate to other feminist issues and general women's liberation activities in any given city.[4]

Jenness also described the Socialist Workers Party effort in support of the so-called Equal Rights Amendment:

> Before going to reports about what we're doing in several cities I'd like to note that we've separated out two areas of our women's liberation work for special workshops. One was the Coalition of Labor Union Women workshop which we had this afternoon and the other is the ERA workshop. We separated these two areas out because we are involved in national campaigns, and in the case of the ERA we are planning on stepping up our national campaign. One thing we've noted is that, while the main fight around the ERA for the past couple of years was in those states which haven't yet passed it and the fight is to get it ratified in those states, it's become clearer that the ERA fight is nationally much broader than just getting it passed in those states. There are basically three fights.
>
> One is to get it passed in states that haven't passed it, like Illinois, Florida, Georgia, Indiana, Utah, and several others. Then there's the fight to defend the ERA in places which have passed it but where the right wing is mobilizing to try to reverse it. As you know, two states have rescinded the ERA. It's not known yet whether this is constitutional, but the anti-ERA forces are trying to do it. We've seen in Colorado a big attack on the ERA by right-wing groups trying to get it reversed, and a coalition is forming to defend the state's ratification.
>
> The third area is the phenomenon of states trying to adopt a state ERA that they can begin to work on and implement regardless of what happens to the national one. For instance, New York and New Jersey are states where state ERAs will be on the ballot in a referendum in the fall elections. So of course coalitions have been formed to make sure people vote yes on this referendum.[5]

The workshop documents go on to describe in detail SWP work with the National Organization for Women—NOW—in the Boston Coalition to Defend Abortion Rights, with the Georgia Committee to Defend Abortion Rights and other groups. Eva Chertov, who had previously participated in the SWP's gay (homosexual) liberation "probe,"[6] reported on a July 26, 1975, fund raising party in Atlanta paid for by one of the private abortion mills held by the Georgia Committee to Defend Abortion Rights:

> On July 26 we held a wine and cheese party to announce the Committee's plans at the Kennedy Center, a kind of political center in the middle of the Black community. The wine and cheese party was paid for by a private clinic, and the rent was paid for by a city councilman. More Black women were present at this event than at any previous woman's activity, including ERA activities, that we've organized. These women were

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Footnotes at end of article.

> mainly workers in abortion clinics. It also involved prominent Black doctors who are influential in family planning networks which are statewide.[7]

SWP IN THE HOMOSEXUAL MOVEMENT

In his "Report on Membership Policy Given to the Political Committee of the SWP" by Jack Barnes on November 13, 1970, the SWP official stated:

> Since the early 1960s the party and YSA have been moving toward a policy which proscribes homosexuals from membership. This was mentioned in the organizational report to the February 1970 SWP plenum. The evolution of this policy was summarized as part of the organizational report which was adopted by the August 1970 YSA plenum. This report was printed in the September 2, 1970, *Young Socialist Organizer*.
>
> The main purpose of this policy was the protection of the party now and in the future from the effects of legal or extralegal victimization and blackmail of homosexual members.
>
> The Administrative Committee believes that this policy is wrong. It doesn't accomplish its purpose and it breeds problems and misinterpretations both internally and publicly. In so doing it shifts attention from the central question in all membership policies and decisions—the security of the party, its growth by recruitment from the mass movement, its capacity for disciplined activity in all periods, and its political homogeneity.[8]

Kipp Dawson, a leader of the SWP "Gay Liberation Probe panel," noted in her report at the 1971 SWP Convention the problems she and Eva Chertov experienced in attempting to work with the Daughters of Bilitis—DOB—and the Christopher Street Liberation Day Committee—CSLDC—in New York as well as in WONAAC in support of abortion on demand:

> As I mentioned, at the June 13 CSLDC meeting about eight women from the DOB loft, none of who had been active in CSLDC, led by Martha Shelley, walked in to demand that Eva and I be excluded from participating in SCLDC meetings on the basis of our participation in the June 12 abortion conference planning meeting. They interrupted the meeting to read a statement which basically (1) claimed that at the abortion meeting Eva and I, as lesbians, had led a fight against the recognition of lesbian demands; (2) therefore they doubted whether we were really lesbians (the statement described us as "heterosexual imposters") (3) therefore we were the "oppressors" of lesbians; (4) therefore "the lesbians" couldn't work on the same committe as Eva and me; (5) therefore they demanded that we be kicked out. During a highly emotional five-hour debate and discussion, most of the members of the committee expressed hostility at what they thought we did at the abortion meeting, but defended non-exclusion in the CSLDC, in spite of their strong desire to involve these women in the committee.[9]

Hedda Garza, since expelled from the SWP on other grounds, commented in a discussion article, "For a Better Relationship Between Word and Deed:"

> Comrades have publicly stated that homosexuality is "transitional." Transitional to what? Why, to abolition of the family, of course! There's only one problem. If Gay people are better people and it is more revolutionary to be Gay, then not only the nuclear family is threatened but indeed the existence of all of humanity—in which case, why bother about making a socialist revolution!
>
> Woman comrades attending all-woman parties are sharply chastized if they don't care to dance with other women, and are definitely made to feel that they are backward if they, too, as so many others have done, don't declare themselves man-haters and lesbians. Confessions of newly acquired homosexuality have become a regular event, as though it were a fine model, a badge of honor, and worse yet, as though comrades who would rather "fight than switch" are somehow not true-blue Bolsheviks. All of this hasn't the faintest resemblance to a "probe" into Gay Liberation.
>
> On April 24th, the Gay Contingent, or at least a large section of it, went up on a hill facing the crowd, over to one side of the speakers' platform, about a city block away. They proceeded to put on what can only be described as a sex circus for the benefit of the masses of people facing the speakers' microphones. They cavorted and carried on, making sexual gestures and freely fondling each other in a most intimate style. I will not go into a graphic description of the proceedings, but suffice it to say that if two hundred or so heterosexual comrades lined up facing the public and carried on in that fashion, they would be expelled from the party.[10]

COMMITTEE TO DEFEND ARTISTIC AND INTELLECTUAL FREEDOM IN IRAN

The Committee for Artistic and Intellectual Freedom in Iran—CAIFI—is a minor SWP front headquartered at 853 Broadway, room 414, New York, N.Y. 10003. This is a room which is part of the office suite of the SWP/YSA New York City headquarters—room 412 is the main door.

The Committee for Artistic and Intellectual Freedom in Iran—CAIFI—developed from a Socialist Workers Party 1972–73 effort to prevent deportation of one of its non-U.S. members, Babak Zahraie. Zahraie was a member of both the Young Socialist Alliance and the SWP, and led a small Trotskyist faction in the Iranian Students Association, U.S.A., the U.S. branch of an internationally active revolutionary student organization. Zahraie was not deported because while a student at the University of Washington in Seattle he married a U.S. citizen, Kathy Camile Sledge, who like Zahraie was also a dual SWP and YSA member.[11]

According to his defense committee, Zahraie entered the United States in 1967; and after attending high school in Turlock, Calif., and Stanislaus State College transferred to the University of Washington, Seattle, in 1969 where he became head of the Iranian Student Association chapter. The militant ISA, expelled its Trotskyist members 3 years ago. The ISA's Maoists have disrupted CAIFI meetings from time to time.

Zahraie, now a national field secretary of CAIFI,[12] had violated Immigration laws by traveling to Canada as a resident alien and member of a subversion organization, the SWP. Kathy Sledge Zahraie, now Kathy Sledge-Lovgren (Fred Lovgren was an SWP Congressional candidate in 1974 in Washington) [13] has claimed she was "harassed" by an FBI investigation of her SWP membership when she applied for a Federal job.[14]

During 1973 CAIFI led a campaign for the release of an Iranian militant, Reza Baraheni, who was jailed by Iranian authorities for 3 months in the fall of 1973. Baraheni is now a U.S. resident and a CAIFI "chairperson." Baraheni is one of CAIFI's most active public speakers against the government of Iran. He testified before the House Subcommittee on International Organizations on September 8, 1976.

Carline Lund led the workshop on CAIFI work, "Defense of Iranian political prisoners," at the 1975 SWP National Convention.[15] Two Iranians who are members of the SWP-led LTF minority serve on the Fourth International's Intertional Executive Committee using the names "Ahmed" and "Cyrus." [16]

According to the CAIFI newsletter for March 1976, CAIFI officers include:

> Chairpersons: Dr. Reza Raraheni, Kay Boyle; Vice Chairpersons: Ervand Abrahamian, Mahmoud Sayrafiezadeh, Allan Silver; National Secretary: Mohammad B. Falsafi; Field Secretaries: Bahram Atai, Fairborz Khasha, Babak Zahraie.

The same publication lists the following signers of a statement in support of CAIFI and Baraheni:

Dore Ashton, chair of bd., USLA Justice Comm.
Nan Bailey, nat'l chair, YSA.
Eric Bentley, author.
Kay Boyle, author.
Richard Butler, National Council of Churches.
Chuck Cairns, prof. Queens College.
Helen Cairns, prof. Queens College.
Peter Camejo, Pres. Candidate SWP.
Noam Chomsky, prof. MIT.
Jack Clark, Democratic Socialist Organizing Comm.
Rep. John Conyers, Mich.
Douglas Dowd, prof. San Jose State.
Tom Foley, Daily World.
Rep. Donald Fraser, Minn.
Irene Gendzier, prof. Boston U.
Ann Gregory, TAPOL.
Rep. Michael J. Harrington, Mass.
Michael Harrington, Democratic Socialist Organizing Comm.
Nat Hentoff, Writer.
Iranian Students Association (Democratic), Austin.
Iranian Students Association (Democratic), Houston.
Iranian Students Society, Philadelphia.
Denise Levertov, poet.
Don Luce, Dir., Clergy and Laity Concerned.
Jeffery Mackler, Exec. Dir. AFT 1423.
Sam Manuel, Student Coalition Against Racism.
Paul Martin, Dir. of Earl Hall, Columbia U.
Ivan Morris, chair of bd., Amnesty International USA.
National Alliance Against Racist and Political Repression.
Willie Mae Reid, V. Pres. Candidate, SWP.
Muriel Rukeyser, Pres. American PEN.
Liz Schenklyn, The Matriarchy.
Syd Stapleton, Nat'l. Secty. Political Rights Defense Fund.
Rep. Pete Stark, Calif.
I. F. Stone, author.
Tom Tobin, Pres. Student Senate, Teachers College, Columbia U.
George Wald, Prof. Harvard U.
Ruth Wald.
Howard Zinn, Prof. Boston U.

SWP ROLE IN THE "PEACE" MOVEMENT

Trotskyites are not pacifists. During the Vietnam war the Socialist Workers Party played a major role in the "antiwar" movement. The SWP was not for "peace," they were for an American defeat. This position was consistent with the traditional Trotskyite role of supporting Communist aggression against the free world.

Footnotes at end of article.

Pierre Frank, member of the International Executive Committee of the Fourth International, wrote a letter to the 1971 SWP National Convention praising the SWP for its role in the anti-Vietnam movement. On behalf of the United Secretariat of the Fourth International Frank wrote:

> First of all I express to you the attention and the passion with which the international Trotskyist movement in its entirety follows the action against the Vietnam war waged in the U.S.A. and in which you, the S.W.P., play such an important role. It is this mass mobilisation increasingly large and increasingly firm to "Bring the GIs home now" which, after the heroic resistance of the Vietnamese people, contributed decisively to sap at the determination of American imperialism and to paralyse its forces This anti-war activity must not stop for one minute, even if the victory of the Vietnamese revolution seems imminent. It must continue in the U.S.A. as in the whole world to prevent American imperialism from making an orderly retreat, to insure that its defeat henceforth inevitable should be the worst possible.[17]

A letter from the SWP-controlled National Peace Action Coalition (NPAC) addressed to its large mailing list and dated April 29, 1971, said ,"We believe that April 24 will prove to be a turning point in the fight to end the Indochina war." [18] Note that at no time did they advise the supporters of the organization that their real desire was an American defeat and a North Vietnamese Communist victory.

The bank records of NPAC which were subpenaed by the House Committee on Internal Security showed that those authorized to sign checks for the organization were all SWP members.[19] As of February 1, 1971, Cathy Perkuns, and Syd Stapleton were listed as president and secretary-treasurer, respectively. As of May 10, 1971, the bank records showed Sydney Stapleton, president, and Patricia Grogan, secretary-treasurer.[20]

Through a series of factional maneuvers, the SWP/YSA grouping was able to take control of the Student Mobilization Committee—SMC. An interesting insight into how a minority can be organized to take control of a group was provided in a letter to members of the YSA dated January 21, 1970, and marked "Confidential: Not to leave your possession." The letter was signed by SWP Political and National Committee member Gus Horowitz and SWP member Susan LaMont.[21]

> P.O. Box 471, Cooper Station,
> *New York, N.Y., January 21, 1970.*
>
> Confidential: Not to Leave Your Possession
>
> Dear Larry: Because of the importance of the Cleveland antiwar conference, the east coast and midwest locals should mobilize for it. The west coast and southern locals should send at least the leading comrades active in antiwar work. Please send the N.O. a list of those who will be attending from your local. More information on our intervention will be forthcoming.
>
> Comrades should plan on full fraction meetings on Saturday and Sunday mornings in Cleveland. In addition, each local should elect one representative to be on the steering committee for our national fraction. The steering committee will meet frequently during the conference. The comrade on it from a given local will be responsible for keeping in touch with the other comrades from that local.
>
> It is likely that the SMC will hold a national steering committee meeting on Friday evening. Everyone who is a representative to that body from a local SMC chapter should plan to arrive in Cleveland on Friday. More information on this meeting will be sent out later.
>
> The antiwar conference will most likely be the largest in the history of the SMC, and will include numerous opponent tendencies in attendance. It is important that all comrades have a clear understanding of our functioning in this type of situation, which will be in a strictly centralist manner. Much of the YSA membership has joined since the time of the last conference, so the local leadership should take on the responsibility of explaining in more detail: (1) our political goals, and (2) the nature of our intervention in the conference. This will also be explained at the fraction meetings, which all should attend.
>
> Comradely,
>
> Gus Horowitz,
> *National Antiwar Steering Committee.*
> Susan LaMont,
> *National Secretary.*

The Socialist Workers Party subordinates everything to building mass respectable support for its activities. To do this it needs respectable names as sponsors of its fronts. In 1970–71, the SWP needed the support of United Auto Workers official Paul Schrade for NPAC. At that time an SWP member, Tom Cagle was leading a wildcat strike against the orders of Schrade. He was ordered by the SWP leadership to cease his strike activity. As Cagle described his problem with the SWP leadership:

> My work at Fremont during the strike conflicted with and embarrassed their efforts to "win over" the UAW western regional director, Paul Schrade into their anti-war coalition (which subsequently has been accomplished with much gleeful handicapping by the right wing revisionist forces in our party's leadership clustered around Jack Barnes). This same "liberal anti-war" Paul Schrade went on after that first stormy night of our strike to establish a virtual dictatorship over our local by abolishing all meetings inventing a phony "red bomb plot" in order to justify a large goon squad armed with baseball bats to guard the union hall and prevent contact with outside supporters of our strike. Forming a liaison committee to co-ordinate between management and the Fremont police department on all phases of "riot control." When the United Action Caucus, minus SWP support, attempted to counteract these dictatorial methods of outright intimidation by calling for a massive strike support rally to be held on the union's parking lot, this same liberal, anti-war Paul Schrade armed 70 goons with baseball bats, called out the Fremont police force and 200 Bay Area Mobile Tact squad in full riot gear in the ultimate intimidation forcing the UAC to call off its scheduled rally to avoid bloodshed. [23]

Cagle noted plaintively:

> It would have been interesting to observe comrade Barnes and his followers reaction to this piece of treachery. While the party attempted to blind, gag, and tie my hands so I could not give a *lead* in this strike I still managed to get the floor at the contract ratification meeting and speak out against treacherous sellout and betrayal by our union leadership using the one at a time strike strategy and sharply call Schrade to task for his dictatorial methods and called for a massive no vote on the contract.

The Socialist Workers Party leadership sent a top SWP official, Tom Kerry, to Cagle's branch—the Berkeley, Calif., branch—to convince him to stop his strike activity. Kerry threatened him by saying:

> You'd better think very seriously, Tom C., about what you're saying, whether you really believe what you're saying. If you really believe what you're saying, then this is not the party for you. I'm sorry.[25]

A short time later Cagle was out of the SWP and had joined a rival Trotskyite group, the Workers League.[26]

FOOTNOTES

[1] *Militant*, March 21, 1969, p.—.

[2] *Internal Information Bulletin*, #4 in 1975, December 1975, p. 15.

[3] *Internal Information Bulletin*, #2 in 1975, October 1975, p. 4.

[4] *Internal Information Bulletin*, #4 in 1975, December 1975, p. 14.

[5] *Idem.*

[6] *Internal Information Bulletin*, #3 in 1971, October 1971, pp. 7–8.

[7] *Internal Information Bulletin*, #4 in 1975, December 1975, pp. 24–25.

[8] *Internal Information Bulletin*, #3 in 1971, October 1971, p. 3.

[9] *Ibid.*, p. 6.

[11] FBI Memorandum dated November 28, 1975, "U.S. Intelligence Agencies and Activities: Domestic Intelligence Programs," Part 3, Hearings, House Select Committee on Intelligence (Pike Committee), p. 1145.

[12] *CAIFI Newsletter*, Vol. II, No. 1, March 1976, p. 22.

[13] *Militant*, September 20, 1974, p. 22.

[14] "U.S. Intelligence Agencies and Activities: Domestic Intelligence Programs," Part 3, Hearings, House Select Committee on Intelligence (Pike Committee), pp. 1058–1059.

[15] *Internal Information Bulletin*, #2 in 1975, October 1975, p. 4.

[16] *SWP Discussion Bulletin*, Vol. 33, No. 4, June 1975, p. 43.

[17] *Internal Information Bulletin*, #6 in 1971, November 1971, p. 13.

[18] "National Peace Action Coalition (NPAC) and Peoples Coalition for Peace and Justice (PCPJ)", Part 1, Hearings, House Committee on Internal Security, p. 1739.

[19] "National Peace Action Coalition (NPAC) and Peoples Coalition for Peace and Justice (PCPJ)", Part 4, Hearings, House Committee on Internal Security, p. 3999.

[20] *International Internal Discussion Bulletin*, Vol. XII, No. 2, January 1975, p. 58.

[21] *Internal Information Bulletin*, #7 in 1973, December 1973, pp. 143, 146.

[22] "National Peace Action Coalition (NPAC) and Peoples Coalition for Peace and Justice (PCPJ)", Part 2, p. 2293.

[23] *SWP Discussion Bulletin*, Vol. 29, No. 8, June 1971, pp. 12–13.

[24] *Ibid.*, p. 13.

[25] *Ibid.*, pp. 39–40.

[26] *Internal Discussion Bulletin of the December 10th Faction of the Workers League*, December 10, 1974.

TRIBUTE TO REPRESENTATIVE JONES

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. VAN DEERLIN. Mr. Speaker, it is never pleasant or easy to say farewell to an old friend like Bob Jones, my next door neighbor in the Rayburn Building.

Bob first came to Congress in 1947, following stints as a county judge and as a Navy gunnery officer, and has been here ever since.

As chairman of the Committee on Public Works and Transportation, Bob has been sympathetic to the special problems of the district which I represent. During my own 14 years in this body, projects and bills advanced by Mr. Jones and his committee have created employment for thousands of my contituents, and provided needed facilities for the community. And I know my experience is only typical of the fair and decent treatment which Bob has extended to us all.

We all shall miss Bob, one of the most fair-minded and sagacious of our committee chairmen.

U.S. ARMS POLICY IN THE MIDEAST AND PERSIAN GULF

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROSENTHAL. Mr. Speaker. I am deeply disturbed by administration efforts to justify, as in the interest of peace, its massive arms sale program to all sides in the Middle East and the Persian Gulf and its contention that Israel is the premier recipient of U.S. military sales.

That simply is not the case, and I feel it is incumbent on me as a senior member of the House International Relations Committee to set the record straight.

The administration has indeed been busy selling arms, as it claims, but apparently it has not been paying very much attention to the identity of its customers. Israel is not number one—Saudi Arabia has that distinction. And Israel is not number two—Iran gets that honor. Israel ranks a very poor third, and I mean that in every sense of the word.

In fact, very recently, on September 1 to be exact, the administration sent to Congress a notification of intention to sell Iran more than four times as much military equipment as it has requested for Israel for all of fiscal 1977, $4 billion in all. Some of this equipment is so advanced it is not yet off our drawing boards.

The Ford administration wants to limit military assistance to Israel for fiscal 1977 to $1 billion.

The President also said he wants to sell Saudi Arabia another $701 million worth of military equipment and services.

For Israel, which already is outnumbered and outarmed by its Arab neighbors at least three to one, the President said he is willing to sell $241 million worth of supplies.

We are not interested in Israel being No. 1 in arms. And neither is Israel. She is seeking to provide only for her legitimate defense needs, not simply stockpile sophisticated weapons systems she is unable to operate. Saudi Arabia has more than enough to meet its own defense needs and, through its massive arms acquisition program, is rapidly becoming the arsenal of the Arab world.

Israel, which lacks the oil wealth of Saudi Arabia, can turn to only one source for its major defense needs: The United States; and then it must depend largely on military credits and grant assistance. Saudi Arabia, on the other hand, has no shortage of money or arms suppliers. And in addition to undertaking a massive arms acquisitions program of its own, it is also spending billions to buy arms for Egypt, Jordan, and Syria.

During fiscal 1976, the administration formally notified Congress of plans to sell Saudi Arabia $6.1 billion worth of weapons and services including construction of military bases and training of all Saudi Armed Forces. That includes last week's $701 million. These are government-to-government sales. On top of this is probably another $2 billion in commercial sales, including $1.4 billion last June for the most advanced air defense system in the world, the improved Hawk missile.

While the Saudis started buying upwards of $8 billion worth of American military equipment and services, Israel was having trouble getting delivery on the arms already purchased and there was a long embargo on any new sales.

A look at the past is equally distressing. On October 1, 1974, the Foreign Assistance Act was stalled in the Senate and Senator Mondale introduced an amendment to another bill, the continuing resolution, to immediately provide $550 million in needed military and economic assistance to Israel.

President Ford personally telephoned Senate and House leaders urging them to block the Mondale amendment, which he said would embarrass Secretary of State Kissinger, who was scheduled to visit several Arab countries the following week. Nevertheless, the Senate overwhelmingly approved the Mondale amendment; but presidential pressure got it killed in the Senate-House conference committee.

When negotiations for a second phase of the Sinai Accord stalled a few months later in March 1975, the administration launched its notorious "reassessment" of aid to Israel. Translated into real terms, it meant a virtual embargo of critical military equipment for Israel plus a concerted public and private campaign branding Israel as being shortsighted and needlessly intransigent. During this period the administration delayed submission to Congress of its foreign aid program, including badly needed assistance for Israel.

To counter the reassessment, 76 U.S. Senators sent their now-famous letter to President Ford stating that the policy of "withholding military equipment from Israel would be dangerous, discouraging accommodation by Israel's neighbors and encouraging a resort to force."

Incidentally, during the arms embargo on Israel, the administration sought to provide Jordan with a highly advanced air defense system built around the Hawk missile.

In March of this year, the administration attempted to begin a U.S. military supply relationship with Egypt, only to be warned by the Congress that beyond the sale of a few aircraft it would not permit this to happen. I introduced legislation to block the aircraft sale, and although the aircraft were eventually sold, the administration backed down from its plans to sell more weapons and was forced to publicly disavow intentions to establish an arms supply relationship.

Because of a change in the dates of the U.S. fiscal year—it now starts October 1 instead of July 1—fiscal 1976 has five quarters. To continue assistance for Israel during the fifth—transition—quarter, the Congress authorized a proportional amount of funding to cover that period. Secretary of State Kissinger assured the Israel Government and Members of Congress that the administration would not oppose these funds.

President Ford, in an apparent "flip-flop" sent Congress a message on April 6, 1976, threatening to veto the foreign assistance appropriations bill if it contained additional funds for Israel. He declared:

> If I am presented with a final appropriations bill that includes additional funds for the transitional quarter I will be forced to exercise my veto.

On May 7, Mr. Ford vetoed the International Security Assistance and Arms Export Control Act of 1976 which included more than $2.2 billion in economic and military aid for Israel. He said he specifically opposed provisions in the bill which would have fought discrimination against American Jews by Saudi Arabia, calling these provisions "well intended but misguided."

Most recently, the administration has vigorously opposed all efforts to deal legislatively with the nefarious Arab boycott against Israel. Its lobbyists fought to delete the Ribicoff amendment of the tax reform bill to deny tax benefits to those who comply with the boycott and to kill my amendment to the Export Administration Act outlawing all U.S. participation and complicity in the Arab boycott.

PAUL H. DOUGLAS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FRASER. Mr. Speaker, the death of Paul Douglas means that a giant of American liberalism is no longer with us.

The Washington Post editorial marking his death noted:

> He had passed from power—in 1966 when he lost a re-election race—but he refused to pass from participation.

This statement accurately reflects my recollections of Senator Douglas. He was a man devoted to issues, a college professor who left the academy to participate directly in the hurly-burly of politics.

I consider myself an heir to the legacy left to liberals by Senator Douglas. It is a valuable gift.

NORMAN LEAR URGES END TO FAMILY HOUR CENSORSHIP

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAXMAN. Mr. Speaker, on August 17 and 18, 1976, the House Commerce Committee Subcommittee on Communications held 2 days of hearings in Los Angeles on the family viewing hour and televised violence. For the first time, testimony on these issues was received from the Hollywood production community.

I believe it important that our subcommittee continue the dialogue begun in California with the creative community, and that the Congress and the American people understand the concerns they want to share about televised violence and the ways it should be addressed.

I am therefore inserting in the RECORD, beginning today, a series of statements the subcommittee received in Los Angeles. It is fitting, I believe, to begin this series with the testimony of Norman Lear, perhaps the most famous television producer in America today. His programs—"All in the Family," "The Jeffersons," "Maude," "Mary Hartman, Mary Hartman"—represent a distinct break with traditional programing. They embody the very issues—the question of censorship, the question of where responsibility lies for controlling televised violence—raised by his forceful challenge to family viewing policy. Mr. Lear also questions the role television plays in our society.

Following is his testimony:

PRESENTATION BY: MR. NORMAN LEAR, PRESIDENT, TANDEM PRODUCTIONS

Mr. LEAR. I am happy, I should say, to appear before this Committee, and in my opinion, the biggest current problem with television in our country is that the average viewer is watching six hours of it per day.

The reason for this has nothing directly to do with television itself, so what I am about to say may appear to be of less than primary concern to this Committee.

However, I find it impossible to accept your invitation to address members of the Congress without drawing the following matter to your attention.

Americans are watching an average of six hours of television per day because they have turned inward. They have turned inward because their leadership has not seen the need to inspire them to turn outward. Americans have lost touch with one another. Often, they live in fear of their neighbors. They have lost the sense that they matter as individuals. I think that they no longer believe that their voices will be heard, or that their votes will count.

When Americans began to lose their individual sense of meaning in the world at large, they started to turn inward, and there, in the security and isolation of their homes, sat the television set. Here, they could observe the passing images of life, because they no longer believed in their ability to participate meaningfully in the reality of life.

It is my fervent hope that the next four or eight years of leadership in this country, from the Oval Office to the Congress, will serve to inspire Americans to an understanding that they do matter, and that life for them as individuals does have meaning.

I believe that without ever talking about television itself, people can be influenced away from six hours of TV viewing per day, they can be inspired to reach out to their neighbors, to reach out to their community, to participate in life, instead of watching it dance by on a 21-inch tube.

I would make the need to inspire people to become involved in their lives, or reinvolved in their lives, a top priority of this Nation's business.

Now, as to the content of television, I think, gentlemen, you will find very few members of the creative community, few actors, writers, directors or producers, who will not agree that gratuitous sex and violence is to be condemned at any hour. There are very few writers, for example, who would not rather write an interesting scene between a father and a son, or a husband and wife, two brothers, two sisters; interactions between people, as opposed to car chases, shootouts, and the like.

No doubt, writers in our community have written those car chases and shootouts, but the question we must ask ourselves is, why?

The answer to me is simple. Car chases, and shoot-outs are nothing more than product. Product in the marketplace moves according to the law of supply and demand. What writers have supplied, they have supplied to fulfill the demand. Where did the demand come from? Well, in the land of television, there have never been more than three major markets. And it has always been those markets that have articulated the demand to the creative community.

The networks and the NAB can say what they will. They can try to draw the pious, insincere smokescreen called family hour across the vision of this Committee, and the American viewer, but the simple fact is that if networks had not wished gratuitous violence on the airwaves they control, it would not have been there.

We read today of the giant advertising agencies who now condemn TV violence. They are the same agencies which paid millions and millions of dollars for years and years of television violence before it became popular to condemn it.

My companies did not produce any of the shows which in former years contained the violence that is no longer welcome in the so-called family hour. But I know that the men and women who made those shows, who wrote them and then spent years as producers or story editors, to ensure their dramatic unity, performed their services as suppliers, only.

As for my companies' productions, I have been described as holding the view that sex and violence are okay on TV, as long as they are funny. That is not my position.

At Tandem and T.A.T., we are deeply concerned that our television shows reflect a high standard of originality, of taste and of social awareness.

We are not unique in that attitude. Many other producers in the Hollywood community are as involved as we are in the struggle to produce quality television. Why, then, are the great majority of television's creators lined up against a family hour, which purports to seek higher quality in television by the reduction of gratuitous sex and violence?

Well, first of all, as I indicated, family hour is nothing more than a smokescreen and a public relations ploy. If the networks and the National Association of Broadcasters had been sincere about their desire to clean up the airwaves, why didn't they call a meeting with the creative community to discuss the problem? Network executives fly to Puerto Rico, the Bahamas, Hawaii, Las Vegas, to conduct their program schedule meetings, and other company business. Why, through all the years, as public protest began to build regarding TV violence, did not one network executive ask for a meeting in Los Angeles to talk the matter over with the writers, directors and producers in our community?

The reason they never did so is really quite simple. Each network has two departments which deal with the creative community. The Programming Department is responsible for ratings, and ratings are responsible for network income; dollars.

The Program Practices Department is responsible for the content of television on the network. Because violent shows paid off in previous years, the Programming Department coaxed more action, a euphemism for violence, out of the producers, while the Program Practices Department told the producers to hold the violence down.

It is because of this schizophrenia at each of the networks, the opposing signals from the two departments, which result in a subtle and unacknowledged conflict, that the subject of gratuitous sex and/or violence on television could never be discussed in an open meeting in an honest and sincere manner.

And so, to throw a bone to a concerned public, and the Congress, the networks acceded to the intrusive suggestions of the FCC, in defiance of the First Amendment, as claimed by the creative television community in its pending lawsuit against the networks, the FCC and the NAB, and created what has come to be known as family hour.

Has family hour resulted in additional censorship? Yes, it has. Just this week on "The Jeffersons," a black family show, we are having a little rondelet with the Program Practices Department over the fact that George Jefferson asks a man to leave his home by saying: "Get out of here, sucker."

The word "sucker" is current black idiomatic street talk. P. T. Barnum told us in another generation that a sucker was born every minute.

A dictionary of American slang tells us that the word derives from a fish which takes the bait and gets hooked. And that is exactly what it means in contemporary black street talk, too.

Yet a young CBS executive in the Program Practices Department tells us that we cannot use the word, because he fears that too many viewers may take the word to mean something that is not intended.

Does this young man really believe that a large segment of the audience would mistake the meaning of the word? Privately, he tells us "no." Personally, he tells us he has no real problem with the word, but he says he is concerned about people out there. I don't think it is the people out there that he is really concerned about. He is standing in a rehearsal hall, four miles removed from his immediate superior, and he is trying to guess what that superior will think. When that superior is aware of the problem, he is in an interesting predicament, too. He must wonder what his immediate superior would think of the word "sucker," and that man is sitting in a tall, black monolith, 3,000 miles and 36 stories removed from the situation.

What we have, gentlemen, is a long line of people, each trying to guess the other person's reaction, and because so many minds and sensitivities are involved, because well-paid jobs are involved, there is a tremendous pressure at the end of that line where the low-ranking member of the Program Practices Department is interfacing with the individual producer. Both are in terrible pain.

This is censorship. I have illustrated it with a story about one word. It is occurring every day with ideas, too. Story lines and themes are sometimes as taboo as the single word. Censorship is enervating, counter-productive to the creative process and a deceit in terms of what it purports to accomplish for the American viewer, when it is called the family hour.

"*TV Guide*" conducted a survey about family hour recently. While the resulting article did not feature the following statistics, it was, to me, the most stunning statistic to turn up in all of their research. 78 percent of the viewers polled said that they didn't want to be told what they and their families could see on television. They wished to determine that for themselves and would exercise their own, free will at the channel selector.

To this citizen, that is the American way, or one American way. Another would be for all interested parties, networks, the NAB, the public, the creative community, to search for solutions in an open forum.

One of the least American solutions is family hour, born behind closed doors, pretending to be something it isn't, leaving confusion, obfuscation and cnsorship in its wake.

Thank you.

PERSONAL FINANCIAL STATEMENT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SCHULZE. Mr. Speaker, in keeping with my belief in openness in Government, I am, as I have done in the past, making public my personal financial statement:

BIRCHARD & CO.,
ACCOUNTANTS AND AUDITORS,
West Chester, Pa., September 21, 1976.

Hon. RICHARD T. SCHULZE,
Malvern, Pa.

DEAR DICK: Pursuant to your request, I am happy to furnish below a statement of your current net worth.

Assets owned:	
Cash Accounts	$7,431.00
Business Equity	13,540.00
Life Insurance—CSV	6,400.00
Personal Residence [1]	55,000.00
Investment Property [2]	74,250.00
Furnishings, Etc	6,500.00
Automobiles & Other	4,850.00
Total	167,971.00
Liabilities owned:	
Accrued Taxes (est'd)	1,000.00
Accrued Expenses	1,530.00
Loans On Ins. Policies	3,040.00
Mortgage—Residence	26,900.00
Mortgage—Inv. Prop	51,400.00
Total	83,870.00
Net worth	84,101.00

[1] Market Value—$100,000.00.

[2] Market Value—$70,000.00.

The figures have not been audited by me but, based on my long association with you as your personal and business accountant, and having prepared your personal and business income tax returns for many years, I see no reason to believe that they are other than as stated.

Sincerely;

HARRY BIRCHARD,
C.P.A.

Honoraria received:	
1975:	
Insurance Information Institute	1,000.00
Boeing Management Association	1,000.00
Philadelphia Medical Pharmaceutical Sciences	500.00
Budd Co	500.00
1976 (to date): Dana Corp	500.00

ARMS SALES TO SAUDI ARABIA AND IRAN

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LONG of Maryland. Mr. Speaker, the package of arms sales to Saudi Arabia, Iran, and others, transmitted by President Ford to Congress at the beginning of this month, demonstrates the magnitude of the problem the Congress must now confront—the rapid growth of arms sales without a coherent and sensible policy. The total package is equivalent to 13.7 percent of all arms sales made by this country in the past 25 years. The United States continues to lead the world as the largest salesman of slaughter. In 1976 alone, U.S. arms sales abroad will exceed $10 billion. Further, the increase in American sales has been alarmingly rapid. In 1970, we sold about $1 billion worth of arms abroad. By 1973, the amount had tripled to $3.8 billion. By 1974, it had tripled again to $10 billion. The increases continue.

The Nixon-Ford administration has shown little or no interest in either slowing the pace of U.S. sales or in carefully considering policy alternatives. Congress has claimed a role for itself in reviewing large arms sales to foreign governments, the proposed arms deals now before us are a test of both congressional commitment to formulation of a rational policy and of the administration's willingness to cooperate with Congress. There is clearly a need for our arms sales policy to be shaped in a cooperative spirit by both branches of government. But the Nixon-Ford administration's actions in this instance appear contrary to that goal. Their clear intent was to thwart congressional participation in making decisions of vital importance to U.S. foreign policy.

I am particularly concerned with the sale of American weapons to the countries of the Middle East and Persian Gulf regions. Eighty percent of all U.S. arms sales today go to that part of the world. If we are serious about controlling arms sales, we cannot ignore that fact. I must question whether the vast infusion of highly sophisticated weaponry into that area is consistent and compatible with the declared U.S. role as peacemaker in the Middle East.

For these reasons, I have introduced a series of resolutions objecting to the Ford administration's proposed sale of sophisticated missiles to Saudi Arabia, and I have joined in sponsoring a similar resolution objecting to extensive new sales to Iran.

I am deeply disturbed by the failure of the Congress to act on similar resolutions introduced by several of my colleagues. Heavy lobbying by the Ford administration has prevented the issue of arms sales to Iran and Saudi Arabia from reaching the House floor, where it would have been debated freely and openly before the American people.

The United States is now fueling a regional arms race in the Persian Gulf. We are arming the area's two prime contenders for regional hegemony—Iran and Saudi Arabia. A latent conflict exists between the two nations, as well as our own policy. Indeed, our arming of both sides proves the irrationality of our present policy.

We must recognize the real possibility of radical change in the internal political situations of both countries. Political instability there may well result in changes in the present regimes—changes which may not necessarily reflect our long-term policy interests in the Persian Gulf.

The sale of advanced weaponry to these countries aggravates tensions in the volatile Middle East. The sale of sophisticated Maverick and Sidewinder missiles to Saudi Arabia is especially dangerous, for several reasons. There is the question, still unanswered, of the end-use of these weapons, and of the possibility of unauthorized transfers from Saudi Arabia to "front-line" countries like Egypt and Jordan.

Do we know how many American-supplied weapons were transferred from Saudi Arabia to other Arab states during the 1973 Yom Kippur war? Do we have any solid assurances from the Saudis that such transfers would not occur in the event of another Middle East war? The Congress and the American people deserve answers to these questions.

We must also ask why the Saudis need these new weapons. Whom would they use them against? Is there really a legitimate claim of self-defense need here? Earlier this year, the Saudis bought 1,000 Maverick air-to-surface TV-guided missiles. Now we are asked to approve an additional 650 Mavericks, down from the original request of 1,500. These are very sophisticated weapons, with a primarily offensive mission. They have generated the most concern in the Congress. If we now go ahead and approve this sale, will that really be the end? Or will the Saudis come back later with yet another Maverick request? We must make it very clear to the administration that any intention to follow up the present Maverick sale at a later date with the balance of the original request would be regarded as a serious breach of faith and an affront to the Congress.

I have said before that arms sales to the Persian Gulf countries are really "invisible foreign military aid." These countries pay for their arms out of the cash they get from the sale of oil to the United States at inflated prices. Furthermore, arms sales may actually contribute to higher prices in the future.

Saudi Arabia and Iran are both putting heavy emphasis on their military development and on rapid industrialization of their still largely backward societies. These priorities put the squeeze on attempts to meet the social and economic demands of their people. In order to meet those demands, without sacrificing military development and new arms purchases from the United States and other countries, Iran and Saudi Arabia will be under great pressure to raise oil prices, and hence their revenues. Iran is already committed to that course of action, yet we continue to acquiesce in the Shah's demands for more and more arms.

Saudi Arabia has up to now been a force for moderation among the OPEC countries. The Ford administration and Secretary Kissinger have pointed to that as a reason why Congress should not act to block the proposed missile sales to the Saudis. But this view is short-sighted. By rewarding the Saudis for their past moderation in this fashion, we will only be contributing to the pressures on the Saudi Government to abandon that moderate posture.

In the past few days we have read reports of Saudi irritation over congressional actions affecting Saudi Arabia—including the reported threat of a new oil embargo against the United States. I think this clearly demonstrates that arms sales do not necessarily win us friends abroad, nor do they give us control over the buyers. Rather, such sales, continued in a pattern over the years, only make us vulnerable to tactics which are essentially extortionist.

THE PITFALLS OF TRANSPORTATION DEREGULATION

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BAUCUS. Mr. Speaker, during this session of Congress, many bills have been introduced to deregulate the transportation industry. These bills focus primarily on truck and air transportation. They may sound appealing to some people in an election year because a regulated transportation industry can stifle competition, increase costs to some travelers and make the industry less efficient.

However, as we look at these various proposals to deregulate the transportation industry, we must also consider the wide variety of services that regulated transportation provides for our country. Personally, I fear that deregulation would deprive rural communities of vitally needed truck and airline service. Small town freight and airline service, now regulated by the Interstate Commerce Commission—ICC—and the Civil Aeronautics Board—CAB—would be dropped as unprofitable and marginal if that service is no longer mandated.

With regulation, we have relatively stable prices, known levels of customer service and guaranteed service to most of our communities. Deregulation would probably cause price wars followed by the bankruptcy of smaller companies and then decreased service and skyrocketing prices in many areas. We need regulatory reform in the transportation industry but not deregulation.

TRUCKING

As part of its present licensing procedure, the ICC requires that trucks ship to smaller communities. More than half of the Nation's freight now moves by truck. They are the only commercial link many communities have with the rest of the country. In Montana, over a third of our communities are without rail service. Truck service to these areas is indispensable.

A recent survey indicates that these same small communities would be the first to lose their trucking industry with deregulation. Although more than a third of the country lives in towns of 5,000 people or less, more than 80 percent of the truckers interviewed in the survey said that it was "very likely" that deregulation would cause a decrease in transportation services to these small communities. In addition, well over half of the truckers surveyed said that they would completely suspend service to one or more points if they were not required to maintain their routes. One trucking company executive said:

> Our concern is about deliveries to rural gas stations, crossroad grocery stores and isolated farmhouses. It is not unusual for us to travel 20 miles to make a minimum delivery. We can assure you that we will quickly eliminate all such movements in the event that we are not required by regulation to offer such service.

AIRLINES

The situtaion is similar with scheduled airline services. If the industry is deregulated, it is possible that hundreds of rural communities throughout the United States will lose airline service. Montana, for example, has only two cities with populations over 50,000, neither of which are in my district. It is possible, then, that no community in my district—which is approximately 350 miles wide by 200 miles long—would have scheduled air service if the industry is deregulated. At present, once an airline has established a CAB-approved route, it must continue this service until it receives permission to discontinue the route. The Aviation Act Amendments, the major reform proposal in this area, would allow far easier service discontinuations. Under this bill, if the only airline that serves a town wants to discontinue service, it need only show that it has operated at less than a "reasonable" profit for a period of 1 year. In a case such as this, CAB could only require that service be continued for 1 more year. Then the town could be abandoned.

I am also concerned about the effects that the absence of route security would have on community airports and their employees. If airlines can easily move into and pull out of towns with minimal regulation, the security of financial commitments by the airports will be threatened. For example, the key point in marketing local airport bonds is long-term assurance of a certain level of scheduled airline service. An unstable market will prevent the improvement of airports and might cause the closing of airport facilities. Either of these problems would increase the high rate of unemployment which many of Montana's towns must now deal with. In addition, this would cut off many towns from an invaluable form of modern transportation.

CONCLUSION

In our attempts to better the transportation industry, we must keep in mind the needs of rural America. I am not opposed to investigating areas in which transportation deregulation can serve the public well. I recognize the need for reform in this area. It is my hope that the information I have presented will help my colleagues in this Congress visualize the adverse effects which could result from deregulation. I also hope that those who introduce legislation in the next session of Congress will be aware of some of these problems.

CONGRESSMAN MURPHY ADDRESSES ASTA WORLD TRAVEL CONGRESS

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ROONEY. Mr. Speaker, recently our distinguished colleague from New York, Congressman JOHN M. MURPHY, chairman of the Subcommittee on Consumer Protection and Finance of Committee on Interstate and Foreign Commerce, delivered an important address before the 46th World Travel Congress of the American Society of Travel Agents in New Orleans, La.

Mr. MURPHY's address focused upon the importance of fostering a sound industry-Government partnership in which Government recognizes the tremendous role which tourism plays in the American lifestyle as well as our national economy and in which the travel-tourism industry recognizes its responsibility to serve the traveling public with integrity.

As chairman of the Subcommittee on Transportation and Commerce with legislative jurisdiction for tourism, I found Mr. Murphy's address to contain a significant message for the Congress and for the administration, when legislation or policy decisions are likely to impact upon this huge industry.

I invite the attention of my colleagues to his remarks:

REMARKS OF THE HONORABLE JOHN M. MURPHY

President Bob McMullen, President elect Jim Miller, General Congress Chairperson Nancy Stewart and the delegates to the 46th World Travel Congress of ASTA—It is a great pleasure for me to be with you this morning here in New Orleans on this—the final day of your highly successful 46th ASTA World Travel Congress.

When I was invited by your President, Bob McMullen, to participate in this program, I responded enthusiastically. I realized that this provides an opportunity to give you some insight as to how I, as a Member of the United States Congress, representing the 17th Congressional District in New York, view ASTA's role in our American society today and in the travel/tourism industry worldwide.

As Chairman of the Consumer Protection and Finance Subcommittee, I am in the forefront of the legislative drive to protect people from adverse changes in the American lifestyle. As Chairman, I actively promote those proposals which will bring equity and fairness to the American marketplace as well as protect the consumer from circumstances which could deteriorate the quality of life in this country.

In short, the majority of the legislation which is reported from my Subcommittee is designed to improve and enhance our quality of life—and it is my belief that your industry plays a vital role in this concept.

There is currently a proposal pending in the Congress to study what role leisure time—tourism and travel—plays in the American life style and to determine if tourism and travel, like education and health care, should be promoted as a means of improving life in America. This indepth investigation is, in my opinion, long overdue.

It is recognized that tourism and travel are major factors in the country's economic and social structure. On an economic level, tourism and travel is a multi-billion dollar industry. The United States received more foreign visitors in 1975 than any other nation in the world and earned 5.6 billion dollars through tourism in that same year. The National Tourism Resources Review Commission projects annual tourism spending to continue to rise to expenditures of 127 billion dollars annually by 1980. Socially, we have seen this industry survive the recessionary trauma of the early 1970's. The American people have made clear the importance they attribute to their leisure time by not abandoning it under financial stress. While it is true that economic hardships brought changes to the tourism industry—by no means did they destroy it.

In view of these facts, I find it difficult to accept the fact that the United States is the only major Western Nation without a coordinated tourism policy with some degree of centralized authority. The wide-range of the interstate and international scope of the travel industry, the significance of the industry to the economy of the United States, and the increasing dependence of the traveling public on travel agents, makes this lack of coordination and centralization all the more inexcusable.

But what role should the federal government play in the promotion and development of tourism and travel—in the coordination and centralization of efforts? I submit that it should be an active role with you, the members of ASTA, playing a vital part in its growth.

The current Administration does not believe it is appropriate for the Federal Government to promote the travel trade. I disagree. The current Administration does not believe the Federal Government should aid in efforts toward coordination and centralization of tourism policy. I disagree. The current Administration does not believe that Federal funds should be authorized for a domestic tourism program or for international and domestic programs of the United States Travel Service. Again, I disagree and the Congress disagrees. We were strong and visible in our belief on this issue in 1975, when we forced the President to withdraw his veto of legislation for this purpose under the guise of accepting a compromise, but virtually identical, bill.

I can assure you that the Congress of the United States is quickly becoming aware of the importance of the travel and tourism industry in this country. There are Members of both Chambers who continue to play an active role in the promotion of your industry. I might mention at this time my Senate colleagues, Messrs. Inouye and Pastore, who have done an admirable job to ensure the continuation of federal funds for the promotion of both domestic and international travel in the face of adverse Administrations.

But what does this increasing federal recognition of the importance of the travel and tourism industry actually mean to you—the members of ASTA? As a trade association with a strong nationwide membership of more than 7,500 independent travel agents and an overall membership world-wide of 11,000 members, ASTA must now make an increased effort to involve its members in the day-to-day operations of the Congress, as well as state and local governments, insofar as government affects your business and the well-being of the American traveling public.

Recent actions taken by ASTA's membership indicate your willingness to make this effort. The decision to establish a Washington office is a wise one, as was the decision to retain your national headquarters in New York City. Effective use of a Washington office of ASTA could do much to complement the existing activities carried on by ASTA through your general counsel and increase your visibility in the Executive and legislative branches of government.

Your contribution to the defeat of the proposed travel tax in 1968, your work in fighting discriminatory proposals by the Ford Administration to deal with the energy crisis and your recent effort to ensure the adoption of a less restrictive provision on U.S. citizens attending out-of-country conventions and meetings, show you have the determination and ability to make your voice heard, and listened to.

There is no issue affecting the air transport industry either of a legislative or regulatory nature which is not of direct interest or impact on you and the traveling public.

This is why your interaction with the CAB is particularly important. Your success in getting a CAB investigation of International Air Transport Association commission-rate setting practices, your obtaining Board authorization for a pilot project on automation, Board encouragement of air carrier commitment for the Economic Value Study, and your success in getting an Air Traffic Conference Commissioner appointment, are evidence of your effectiveness with this agency.

The recent CAB regulations concerning Advanced Booking Charters is another case in point. Show that you are aware and informed of the impact new regulations will have not only on your industry but also on the welfare of the traveling public. Citizen response to the regulatory shifts in Washington is one of the most valuable checks on the federal bureaucracy which must be closely scrutinized to be controlled. The CAB is an arm of the Congress and although intended to be an independent agency, it is expected to be responsive to the policies laid down by the Congress. Your Washington government exists for one purpose: to serve you and the public interest—through active involvement you can play a key role in maintaining this standard.

You should continue to examine carefully and respond to issues of importance wherever they arise: whether it be at the CAB, the Departments of Transportation and Commerce, or in the Congress.

In conclusion let me state that as the Federal Government pledges a more active role in the workings of your industry, so too must you pledge a more active role in the workings of government. As the Federal Government accepts the responsibility to promote the services of your industry, so too must your industry deliver those services with integrity. And as the Federal Government increases its recognition of the professional nature of your industry, so too must your industry relay that professionalism to the traveling public. For I say to you, the last four decades have shown, without exception, that a breakdown in professionalism is an invitation to federal regulation.

I shall continue to work in the Congress to promote the travel and tourism trade and to ensure it receives its just recognition as a major national industry.

I predict that tourism and travel will continue to flourish in the years to come and I firmly believe that ASTA will ensure that this growth be characterized by competence, integrity and professionalism. As we move ahead to forge an effective partnership between the federal government and your industry, we must work within our own capacities to correct the inequities and promote the benefits of travel and tourism so that in the near future this country will universally view holidays not as luxuries—but as necessities.

My congratulations to the City of New Orleans for being a marvelous host to a successful Congress and I hope that ASTA will give my home city of New York an opportunity to host one of your future Congresses.

TRIBUTE TO DR. VIVIAN W. HENDERSON

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YOUNG of Georgia. Mr. Speaker, there have been many heroes in the national black community who have received laurels of recognition from their peers and the broad public alike. However, there are other black men and women who have made outstanding contributions to the betterment of American lives that have not gained widespread acknowledgment. The late Vivian W. Henderson, President of Clark College in Atlanta, Ga., was such a person. Philanthropist, educator, and labor economist, Vivian Henderson was a committed realist, a believer in the efficacy of higher education as a means of assisting black people, particularly in the South, to advance their position in society.

As a member of the Ford Foundation board of trustees, he was instrumental in giving away millions of dollars in order to strengthen our Nation's colleges and universities. His untimely death this year cut short his efforts to bring understanding and coherence to the issue of unemployment and Government's role in helping to solve this overriding problem. Vivian Henderson's contribution should not be forgotten, although he was not a man to seek public applause. I share this tribute written by his colleague from Morehouse, James Hefner, with my colleagues of the Congress because it demonstrates what a life of sustained commitment and creative purpose can achieve.

The article follows:

A TRIBUTE TO DR. VIVIAN W. HENDERSON: ECONOMIST AND EDUCATOR

(By James A. Hefner*)

I have been asked on this occasion to speak in behalf of the late Dr. Vivian Wilson Henderson. On the one hand, I am delighted to share with you my memories of a friend, an employer, and colleague. On the other hand, I am saddened by this occasion, because Vivian Henderson was a model to me; an achiever; a light of knowledge; a dreamer; a social reformer; a skilled educator; an adept economist. Call it whatever you may—sentimentality, emotionalism, spiritualism, irrelevancy, but I am unabashedly proud to have known Dr. Henderson, to have been touched by his philosophy of higher possibilities.

Henderson's philosophy of higher possibilities was evident in his writings in both economics and education. He had a deep and abiding concern for blacks in general, but southern blacks in particular. One finds in his writings that economics was important to him only as long as it related to furthering an understanding of the conditions under which his people were forced to live. He was no lover of abstract theory or its development. He was an institutionalist; a social reformer who believed that in economics it was important to establish that part of the "Negro problem" that could be explained by the field, and then to draw economic policy recommendations which could be used to change things for the better. But in addition to trying to change Government policies Henderson also thought that private higher education could be a major force for economic change. For Henderson a college was not only a place to raise the consciousness of the individual, it was not only a place to nurture and maintain the wisdom of a living culture, important as those things are, it was also one platform from which the economic life of an entire people could be transformed.

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* Charles E. Merrill Professor of Economics and Chairman, Department of Economics and Business Administration, Morehouse College, Atlanta, Georgia.

Very early he recognized that the United States was making important changes over time. The economy was shifting from goods-producing industries to service-oriented industries. This he believed had far-reaching ramifications which affected the condition of blacks, since they were concentrated in the goods-producing area. He knew that as the economy made this shift, more and more blacks would be removed from a position of competing in the labor market. He felt that blacks must make extensive use of manpower development programs and that younger blacks should receive training in service-oriented fields (insurance, finance, management, etc.), in order to be included in the national shift. He also saw the importance of whites opening up the expanding fields to blacks, a goal which would require a significant reduction in racial discrimination.

Henderson saw his own South moving from a basically agricultural economy to one more comparable with the remainder of the U.S., characterized by a mix of heavy industry and capital-intensive firms. This was important not only because of its effect on black migration from the South, but because the South had mistakenly left blacks out when the benefits of this change were distributed in a way of increased incomes. It is important to note that in Henderson's mind there was an inherent connection between the condition of blacks and that of the South. So that not only did the South have an interest and obligation in the economic welfare of blacks, but that blacks had an equally important interest and obligation in the economy of the South. To forget this relationship is not only dangerous but nearsighted.

When Henderson looked at the migration out of the South of the early 1960's he viewed it as both good and bad. Both blacks and whites were able to find new job opportunities, and the influx of new industries, especially those of a capital-intensive nature, was making available more and more white collar positions. Advancing technology was eliminating the need for low-skilled persons to do jobs of a labor-intensive nature, while opening up the job market for persons with high levels of specialized skills. The migration relieved the South of a sizeable portion of its population which depended on low-income agriculture for its livelihood. Henderson argued that this factor contributed directly to the rise in per capita income for the South as a whole. Unfortunately, in the black migration from the South there was an alarming amount of trained and skilled talent. These were blacks who had received the benefits from the investment in human capital. Thus, the South was educating young men and women who could find jobs only by leaving the region. Consequently, this represented both an economic and human loss to blacks and the South.

Henderson was keenly aware that the South was rapidly industrializing; that black gains had been made, but that the real issue was not whether blacks were making gains, but whether their progress was rapid enough to enable them to adjust to an economy where rate of change is cumulative and intense. The issue, in fact, was whether the momentum of the progress was great enough and deep enough to generate an economic base among blacks which would guarantee their continued movement up the economic ladder.

Henderson offered a set of indicators which would help place in perspective some of the "significant sources of change" in the Nation's economic environment, and pinpointed some of the implications that change would appear to have for the Nation's human resources. He was particularly concerned with the importance this condition also had on the problems of the disadvantaged. In demonstrating the structural transition in the economy, Henderson saw three sources of change, two of which he continued to note in all of his writings: (1) The economy was shifting from an orientation of goods-producing industries toward service-producing industries; (2) employment in the Nation's industrial sector was shifting from production and plant functions to non-plant and non-production operations; and (3) the employment shift was accompanied by a shift in occupational emphasis from blue collar to white collar workers, or plant to office.

Henderson viewed technological change as having a substantial effect on the curtailment of employment of industrial operatives, laborers and other manual workers, mostly black, while producing a sharp demand for technicians, scientists, engineers, office workers, sales persons and administrators, traditionally white. Technology, in the long run, could be an important force in industrial expansion, and the labor force would undoubtedly adjust to the change. But adjustment proves to be difficult without expansionary public policy to accelerate employment, accompanied by big improvements in manpower development programs, especially among the disadvantaged.

Two points emerge from Henderson's analysis of the disadvantage in the American economy. First, the declining areas of employment were the basic sources of jobs upon which marginal workers and the disadvantaged depended. This was particularly true for blacks. Significantly, the improvements in the status of blacks had come in periods of rapidly expanding employment in which they were able to climb up the occupational ladder. Second, the disadvantaged had limited success in penetrating some of the expanding sectors of employment.

Henderson saw that a chief impediment to black penetration in expanding employment areas was education. And the problem was not only the absence of educational opportunity, but also the kind of education available. Even with better education, there was no easy solution. Income accruing to blacks from higher educational attainment was much less than that accruing to whites. Male black college graduates were found to have incomes less than whites with only a high school diploma, and differences in earnings of blacks and whites tended to increase as education increased. Henderson found that black males tended to reach their maximum income at an earlier age than white males, if they were highly educated. Also, their peak median income was only slightly higher than that of whites with high school diplomas. Despite the fact that blacks did not receive the same rates of return on being educated as whites, Henderson was very much aware of the real increase of opportunities for educated blacks in the public and private sectors of the economy. He devoted his life and training to broadening the options for his students at Clark College.

As an educator, Henderson's article in "Daedalus, American Teachers Association Bulletin and Journal of Negro Education" had profound effect on black education in general, and black presidents in particular. Henderson argued that the ability of black colleges to survive depended upon their administrative capability, their innovative curricula, and their source of funding. On their administrative capability, he reasoned that resources, organization, control and leadership would be the primary stumbling blocks for the successful adaptation of black colleges for the future. Although these problems are not limited to black colleges, Henderson felt that they had to be resolved for black colleges to become more self-reliant. He also felt, too, that there were two major developments which affected the ability of black colleges to secure financial resources. The first was ending of the monopolistic nature that black colleges had on certain funds. The second was an increase in Federal funds for higher education. Henderson noted that the increase in Federal funds meant increased dependency of black colleges on the discretionary policy of the Federal Government. He cautioned that with this growing dependency, there would be external pressures that would lead to complex and often disorderly relationships within black colleges, and between black colleges and not-for-profit institutions. He wrote often that in the long run the survival of black colleges could only be insured through the unified support of the black community.

As an administrator, Vivian Henderson pushed programs designed for the purpose of linking black colleges more closely with the black community. He viewed these programs as important for the politicalization of the black masses against political and economic constraints. Also, he welcomed the advent of the black identity crisis, and responded calmly to black radicalism on American campuses by placing students on Clark College's board of trustees and on policymaking committees when trustees at black and white schools were being locked up and administrators barricaded from leaving their offices.

As a person, Vivian Henderson was warm, convivial, loquacious, a family man, a good man, a black man, an advocate of the philosophy of higher possibilities.

TRIBUTE TO DAVE HENDERSON

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FUQUA. Mr. Speaker, the distinguished congressional career of our dear friend and colleague, DAVE HENDERSON, will end this week with the adjournment of the 94th Congress.

DAVE, who represents North Carolina's Third District, is a very valuable and effective Member of the House who will be deeply missed.

His wisdom and counsel have been highly valued by so many of us down through the years and the void left by DAVE'S retirement will not be easy to fill. His expertise as chairman of the House Post Office and Civil Service Committee has earned him respect and admiration. His fairness and objectivity in this capacity is a tribute to his inspirational career.

To each of his assignments he has brought a perceptive and probing insight.

I join with those in wishing Dave well and hope he enjoys many healthy years in retirement.

GREAT TEARS FOR MAO

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROUSSELOT. Mr. Speaker, the liberal commentator, Prof. John P. Roche, recently wrote a most interesting column. Entitled "Great Tears for Mao," the piece appeared in the Washington Star-News on September 16, 1976. I am sure that many Members of this body share the sentiments of Mr. Roche, which reflect sincere compassion for the victims of Communist oppression and profound shock that the career of a despot who ranks with Hitler, Stalin, and Genghis Khan as one of the most destructive in the history of mankind, should be so glorified by "world leaders."

The full text of the column follows:

GREAT TEARS FOR MAO

(By John P. Roche)

From reading the eulogies you get the distinct impression that Chairman Mao has been called to fill a vacancy in the Trinity. First prize to the rhetorical competition must be awarded to Japanese Prime Minister Takeo Miki who announced he was "shocked and grief-stricken" and presumably took to his bed. The silver medal goes to Sweden's Prime Minister Olof Palme who proclaimed mankind had lost "one of the greatest leaders ever known."

No serious analyst can deny the extent of Mao's influence, but in cold-blooded terms what did he do? He converted an inefficient, corrupt, authoritarian "state" (to use the term loosely) into certainly the largest and probably the most efficient concentration camp in history.

His opponent, the late Chiang Kai-shek, was widely accused of running a brutal police-state. I suspect he would have done so if he had the power, but the problem with the Nationalist regime on the mainland was it couldn't run anything. Certainly today the Republic of China on Taiwan—while no Switzerland—is a libertarian paradise compared with Mao's creation.

It was no accident, comrades, that Mao attacked Moscow for repudiating Stalin (who remains a Hero of Socialism in Peking). In many ways there were resemblances between their careers. Neither was a theoretician: Stalin's lucubrations on linguistics were almost as hilarious to a serious Marxist as the "Thoughts of Chairman Mao." True, there are some illiterates who think Mao made a fundamental contribution to Marxism by emphasizing the role of the revolutionary peasantry. They have simply not read Marx and Engels on Ireland, or the Resolutions (drafted by Lenin) passed by the 1920 Baku Congress of the Toilers of the East.

No, Professor Marx would have flunked both Mao and Stalin for their lack of analytical rigor, but then they would probably have shot him first as a British agent, a petit bourgeois pedant, or both. Mao and Stalin were in fact dedicated Leninists who believed that if Marxist theory interfered with some useful enterprise (like pulling off a proletarian revolution without a proletariat), so much the worse for the theory.

"Power emerges from the barrel of a gun"—the thought was Mao's, but surely both Lenin and Stalin would have admired his precision. In short, with apologies to the Italian-American Anti-Defamation League, the only way one can accurately perceive the politics of Lenin, Stalin and Mao was the "capo di tutti capi"—the late Chou En-lai was the "consigliere": a shrewd cosmopolitan who realized early that the savagely anti-intellectual Mao could "waste" him in 10 seconds, and voluntarily abandoned his superior party position to be Mao's lifelong adjutant.

A brilliant, ruthless, cunning organizer (again like Lenin), Mao was proudly opportunistic. If after World War II the childish Americans wanted the Communists and the Nationalists to form a coalition, go along with the charade. Chiang, who knew a salami slicer when he saw one (he had an inscribed photo of Stalin in his collection), would naturally object and the Nationalists would appear in the American press as stubborn intransigents.

If the Americans liked "agrarian reform," give them "agrarian reform" and pass out land—there would be time enough later to collectivize and in the process kill perhaps 25 million "kulaks," that is, peasants who liked to own their land.

Background music for the ascension of Mao has been provided by diplomats condoling the Chinese people on their dreadful loss. This is reminiscent of an old Yiddish story about the rabbi in Russian Poland who always prayed for the life of the Czar. Asked why he included the despot in his devotions, he replied, "Six hundred years of history has proved that, for the Jews, the next Czar is always worse."

Profound Chinese mourning may well have the same pessimistic foundation.

TRIBUTE TO JAMES A. HALEY

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ULLMAN. Mr. Speaker, I am grateful to have this opportunity to pay tribute to the distinguished chairman of the Interior and Insular Affairs Committee, the Honorable James A. Haley.

I have sincerely enjoyed my fine working relationship with Jim, but even more importantly, I have had the benefit of his friendship and guidance. Upon my arrival in Congress and selection to the Interior Committee, I quickly found an able colleague and counselor in Jim Haley. Since that time, I have had the distinct pleasure of working with Jim on a number of important pieces of legislation.

The citizens of my district are eternally grateful for the leadership he has provided in the many areas which touch Westerners so very closely. We will always be indebted to Jim for his efforts in behalf of the American Indians. Time and time again, Jim has worked out solutions to old, difficult problems seeing that the inequities were corrected and the traditional rights preserved insuring a brighter future. We will sorely miss Jim's talents and sensitivity to the special problems and needs of the Indians.

It is difficult to bid farewell to a friend as valuable as you, Jim, but I wish you the best in the years ahead.

CARTER MIGHT CUT OWNER TAX BENEFITS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MICHEL. Mr. Speaker, during the first debate of the Presidential campaign, the Democratic candidate, Mr. Carter, made the flat statement that he "would never raise the taxes of the workingman." However, in response to an inquiry by the National Association of Realtors as to his views with respect to the current deductions permitted taxpayers for real estate taxes and mortgage interest, a spokesman for Mr. Carter said:

> To the extent that these deductions are shown to be tax breaks for a priviliged economic group, then the deductions should be revised to accomplish the goal of a fairer, more equitable tax system.

It seems to me that the great mass of Americans who are struggling to pay for their homes can hardly be classified as a "privileged economic group" and this attitude on the part of Mr. Carter is completely out of step with his oft-expressed desire to help the working people of this country.

An article by the respected real estate editor of the Washington Star, Mr. Lew Sichelman, appeared in the September 24 edition discussing the Carter proposal and I ask that the article be placed in the Record at this point.

CARTER MIGHT CUT OWNER TAX BENEFITS

(By Lew Sichelman)

As part of his assault on the tax system, Jimmy Carter might revise the current real estate and mortgage interest deductions for homeowners, even though he calls the deductions "the average American's only major tax break."

In response to an inquiry by the National Association of Realtors on his position with regard to eliminating the deductions, a Carter spokesman said, "To the extent that these deductions are shown to be tax breaks for a privileged economic group, then the deductions should be revised to accomplish the goal of a fairer, more equitable tax system."

Any change in these deductions presumably could affect every homeowner in the country. All homeowners, no matter what income tax bracket they fall into, are entitled to deduct in full, on their federal returns, real estate taxes and interest paid on home loans.

The Democratic candidate wants to restructure the entire tax system to make it more equitable, more progressive. But his handling of the issue has been described as clumsy, perhaps even a political blunder.

In an interview with the Associated Press a week ago, he said he wanted to see people with incomes above the "mean or median level" pay more taxes and those below that level pay less.

When the AP reported noted that median income—that below and above which there are an equal number of households—is "somewhere around" $12,000, Carter replied he could not now specify at exactly what income level he would favor raising taxes. He also said during the interview that he could not say at this time precisely how the tax system would operate once he reformed it.

Shortly after the interview, the candidate and others in his campaign said he was talking about "closing the loopholes" that permit taxpayers earning $50,000 a year to benefit from the present tax system.

During last night's debate, he said he was misquoted and reiterated his desire to shut off loopholes. He said that he "would never raise the taxes of the working man."

Nevertheless, his statement left him open to Republican charges that he would raise the taxes of everyone earning more than $14,600, the mean (average) income for the year 1974.

The Carter camp's answer to the NAR query, dated Sept. 8, several days before the AP interview, fails to define at what income bracket a homeowner would become a member of the "privileged economic group."

The Star's efforts to obtain a definition of the phrase resulted in highly tentative answers from several Carter aides. One said those with taxable income of $28,000–$30,000; another said persons earning "hundreds of thousands of dollars."

But the question still remains—what does the candidate mean, those who earn more than the median income, those who make $100,000 or those who make something in between?

If he does, indeed, want to curtail the tax break at the median point, or even at a point somewhat above that figure, he's looking for trouble.

A large proportion of America's homeowners; most of those would-be home buyers who have been priced out of ownership, and probably all the builders and brokers who benefit by using the tax advantages of home ownership as a selling tool, won't go along.

According to the Department of Housing and Urban Development, 65 percent of all American families are homeowners, and 18.3 million familiies who own homes have incomes above $18,000.

In his letter to both candidates, Philip C. Smaby, president of the 50,000-member Realtor organization, said his group "is committed to the support of those provisions of the tax laws which provide an incentive for people to acquire their own homes.

"Perhaps the most important of these tax incentives is the right to deduct real estate taxes and mortgage interest. We strongly support the continuation of these deductions for federal tax purposes."

The Ford camp's reply to the same NAR letter proposed neither eliminating nor curtailing these deductions.

"While others have discussed the possibility of eliminating tax deductions for real estate taxes and home mortgages," the reply for the President said, "President Ford has stated: 'I think in each case every one of those provisions in the (tax) law were put in there for a good purpose'

"We did that for people buying a home because we wanted to stimulate the home building industry . . I think . . that (the) more people who own homes, the better America will be."

The Carter letter, too, noted that the deductions produce "some of the benefits for which they were intended." They reduce the taxes of the homeowning middle class, it said. They strengthen the neighborhoods and cities by fostering stability and supporting economic growth. And they contribute to the strength of the national economy by increasing the demand for housing.

But "to the extent" that they are tax breaks for "a privileged economic group," the response added, they should be revised.

TRIBUTE TO ROY TAYLOR

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FUQUA. Mr. Speaker, many States are losing some effective and able legislative representation in Congress. The people of North Carolina will lose a valuable Member at the end of this Congress when an exceptionally qualified Member of that State's delegation retires.

Roy Taylor of North Carolina's 11th Congressional District, a very dedicated and devoted Member of this House, has decided not to seek reelection.

Roy has been an extremely valuable member in his service as the distinguished chairman of the Interior Committee's Subcommittee on National Parks and Recreation.

During his chairmanship, more than 4½ million acres of land have been added to the national park system, an accomplishment which will be enjoyed by many generations to come.

Roy will not only be missed by the people of North Carolina, but our entire Nation is indebted to him for his valuable leadership and distinguished career.

1976 RESOLUTIONS OF THE NATIONAL ASSOCIATIONS OF PRO AMERICA

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROUSSELOT. Mr. Speaker, today I would like to bring to the attention of my colleagues the third and final installment of the 1976 resolutions of the National Association of Pro America. The first eight resolutions appeared in the Congressional Record on the 27th of September and the second group, which included resolutions 9 through 16, were placed in the Record the following day. The final seven resolutions of the Pro American Association address such important topics as the much-feared unionization of the Armed Forces, and the need to strengthen our U.S. security agencies. They deserve the consideration of all of the Members of this body and follow here:

Expose Regionalism as Usurpation of State Sovereignty—No. XVII

Whereas continued membership by the fifty sovereign States in Regional Government (New Federalism) under whatever name, is a real and present danger to the freedom of person and property guaranteed by the United States Constitution; and

Whereas responsible authorities on Constitutional Law declare that the Federal Regional concept is a direct violation of Article IV, Sections 3 and 4, and of the Tenth Amendment, United States Constitution; and

Whereas the result of regionalization of local, state and federal governments under Federal Regionalism (in apparent compliance with Articles 55 and 56 of the United Nations Charter) is centralization of power and authority (which constitutionally belongs to the several State governments), transference of custody of the public purse to appointed (not elected) officials, and the usurpation of the rights and freedoms of the citizens; and

Whereas the federal government could not have usurped these powers if the State governments, and the people of the State, beginning at the local level, had not allowed it to happen; and

Whereas State Legislators and other state officials have taken oath to uphold the United States Constitution, their State Constitution, and to defend and protect the lives and property of the citizens of the State; be it

Resolved That the National Association of Pro America urge public hearings in every State on the constitutionality of this usurpation of State sovereignty; and be it further

Resolved That the National Association of Pro America reaffirm Resolutions No. 45 (1943), No. 217 (1961) and No. XV (1970), exposing and opposing regionalism.

Support Rhodesia—No. XVIII

Whereas under the present Rhodesian government there has been significant improvement of the overall condition of the residents of that country—both black and white; and

Whereas in the ten years since 1965 fifteen hundred new industrial projects have been approved; and

Whereas the total value of the industrial output increased from 135 million Rhodesian dollars to 292 million Rhodesian dollars in seven years despite United Nations sanctions against the country; and

Whereas prior to 1948 only 8% of the tribesmen agreed to engage in any effective agricultural methods or animal husbandry; and

Whereas in 1975 on Tribal lands there were three million head of cattle owned by black Africans and valued at 300 million Rhodesian dollars, and black African-owned lands produced one third of the total Rhodesian agricultural output; and

Whereas the total estimated income for black African employees in 1973 was 318 million Rhodesian dollars, an increase of 32.3 million from 1972 despite the negative effects of the United Nations sanctions on wages; and

Whereas local authorities throughout Rhodesia spent 11 million Rhodesian dollars for black African housing in 1974 and 15 million in 1975; and

Whereas in two years alone at least 27,000 new homes for black Africans were constructed; and

Whereas since 1965 the number of black students in secondary schools has more than tripled, with the 800,000 total school population increasing more than 25,000 per year; and

Whereas over 50% of the Rhodesian police are black Africans (including a number of officers) and local militia in black villages have been armed and trained for security, military or police functions (which would not have been done without trust in the loyalty of the blacks); and

Whereas the Anti Terrorist Movement of Rhodesia, an all black organization, has protested to the United Nations the sanctions unjustly imposed against their country by the United Nations in defiance of the United Nations' own charter, and the terrorism instigated and financed by communist powers, notably Red Russia and Red China, both members of the United Nations and presumably subject to its charter; and

Whereas Mr. Ian Smith, Premier of Rhodesia, which in 1975 celebrated the 10th anniversary of Rhodesia's Unilateral Declaration of Independence, has pointed out that surrendering the government of Rhodesia to the blacks would simply put both the black and the white citizens of Rhodesia at the mercy of the two warring factions the Zimbabwe African Peoples Union (ZAPU) and the Zimbabwe African Nationalist Union (ZANU), supported by Red China and Red Russia, respectively; and

Whereas the United States Secretary of State, Henry Kissinger, has been in Africa, encouraging the efforts of the black terrorists, calling for black majority rule in Rhodesia, promising 12½ million dollars of United States taxpayers' money to help Mozambique (which is suffering economically because of having closed its borders with Rhodesia) and otherwise interfering in the domestic affairs of another country; and

Whereas the year of the United States celebration of the Bicentennial of its Declaration of Independence seems an unusually inappropriate time to try to help destroy the efforts of others to attain that same goal; therefore, be it

Resolved That the National Association of Pro America demand that the present United States policy be reversed and that this country support the Rhodesian government in its efforts to establish a free, independent and humane government for its own people.

Restore and Strengthen Security Agencies—No. XIX

Whereas just five years ago this country's security was being protected by half a dozen federal and congressional agencies, and vigorous local law enforcement; and

Whereas now the Subversive Activities Control Board has been terminated, the Internal Security Division of the Justice Department dissolved and the Attorney General's list of Subversive Organizations (which had been allowed to become seriously out of date) has been discarded; and

Whereas in January, 1975, Congress quietly abolished the House Committee on Internal Security, and has now crippled the Senate Internal Security Subcommittee by appropriations cuts which have left it with only a quarter of its budget of two years ago; and

Whereas with the elimination of these investigative bodies, the media and the public will have no access to reliable and vital information concerning activities of urban guerrilla terrorists; and

Whereas the United States government will likewise no longer have a source of valid information necessary to protect the people of this country from terrorists, or from traitors in the service of foreign powers working through subversive organizations, which pose a clear and present danger to the security and independence of this nation; and

Whereas "Evidence shows that an estimated 95 percent of the Federal civilian work force has not been checked for loyalty, are not reviewed, and can roam freely through much of the nation's critically classified material" and remembering the admonition of a former Supreme Court judge that "The nation has the right and duty to protect itself from acts of espionage and sabotage, and attempts to overthrow the government by force," now therefore be it

Resolved That the National Association of Pro America urge that adequate funds be appropriated for the Senate Internal Security Subcommittee; and be it further

Resolved That the National Association of Pro America reaffirm its Resolution No. XVI (1975) in which the members of this organization recommended that all investigative committees or agencies which have been abolished be restored, and that those vitally important security and intelligence services be maintained in their mission to protect national security and to preserve public order and safety.

Urge Investigation of the Status of Women Commissions—No. XX

Whereas Status of Women Commissions (SOW), a forum, created with public funds, from which the members promote the Equal Rights Amendment and other partisan programs—programs with which opponents must compensate at private expense and without government prestige; and

Whereas SOW Commissions across the nation have become extremely controversial, highly divisive and legally questionable; and

Whereas well-organized pressure groups, using identical strategy and tactics, have been and are agitating city and county elected officials to adopt SOW Commissions throughout the country; and

Whereas initially, these commissions professed to serve as advisory and informational bodies regarding women's problems, time has proven that they have become official yet highly partisan action groups promoting many unpopular feminist (women's lib) programs such as legalizing abortion, prostitution and homosexually, removing veterans exemptions and privileges, working to remove traditional sex roles from textbooks and in the media, advocating health care and child care centers, and making the ratification of the Equal Rights Amendment their top priority; and

Whereas these commissions spend public monies for private political purposes and violate constitutional principles of equal protection and freedom of speech; therefore, be it

Resolved That the National Association of Pro America request a legislative investigation into the improper and unconstitutional activities of the Status of Women Commissions.

Expose UNICEF—No. XXI

Whereas the first chairman of the United Nations International Children's Emergency Fund (U.N.I.C.E.F.), Ludwig Rajchmann, was a Polish communist and the organization has been largely in communist hands ever since; and

Whereas communist artists such as Marc Chagall, Hans Erni and others, have designed UNICEF cards without spiritual significance or symbols, which are usually used in connection with a Christian holy day; and

Whereas the funds raised in America by sale of these cards and donated to communist countries only serve to strengthen those communist governments and further enslave the people; be it

Resolved That the National Association of Pro America reaffirm Resolution No. XVIII of 1970; and be it further

Resolved That the members of the National Association of Pro America refuse to purchase any greeting cards or other items sold by UNICEF, or to participate, or allow their children to participate in UNICEF's Hallowe'en Trick-or-Treat fund-raising, and agree to make every effort to educate the American public about UNICEF.

Against Unionization of the Armed Forces—No. XXII

Whereas the Armed Forces of the United States are essential to the security and defense of this nation; and

Whereas any interference, implied or actual, in the performance of their duties constitutes a national hazard that would jeopardize the protection and safety of the United States; and

Whereas the elimination of the draft and the creation of the volunteer military structure have led to the enlistment of many persons who consider military service as just an 8 to 5 job rather than a patriotic duty; and

Whereas in this concept the unionization of the civilian employees of the Armed Forces has logically led to the possibility of the unionization of the fighting forces; and

Whereas the 300,000 member American Federation of Government Employees (A.F.G.E.), a very militant union, is quietly planning to organize the Army, the Navy, the Air Force and the Marine Corps; and

Whereas unionization of the Armed Forces would absolutely destroy the concept of command and the effectiveness of the United States military establishment; and

Whereas the essentials of command require absolute control from one source; and

Whereas once the Armed Forces were unionized the union leaders, rather than the trained, qualified and authorized military officers, would be in a position to exercise authority over the defense and security of the United States; therefore, be it

Resolved That the National Association of Pro America oppose any attempts whatsoever to unionize the Armed Forces of the United States of America.

Change United Nations Day to United States Day—No. XXIII

Whereas under the unique United States Constitution all real authority and power of government, be it local, state or national, is derived from the consent of the governed; and

Whereas local representative government, being closest to its citizens, bears the most immediate responsibility for jealously guarding the decentralized, local control that best protects the liberty of the sovereign individual in this nation; and

Whereas this Constitutional Republic guarantees the inalienable right of each individual to own property, to be secure in his own home against unreasonable searches and seizures, to keep and bear arms; and

Whereas the Bicentennial celebration of this Republic's Declaration of Independence in 1976 gives impetus to the wider observance of United States Day instead of United Nations day; therefore, be it

Resolved That the National Association of Pro America work for the change from United Nations Day to United States Day, and urge all elected and appointed public officials, as well as all educational, civic and religious organizations to strengthen their commitment to an independent United States of American by appropriate observances.

HON. JOE L. EVINS

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. EDWARDS of Alabama. Mr. Speaker, I appreciate this opportunity to pay tribute to my good friend and colleague, Joe Evins.

Representing the Fourth Congressional District of Tennessee, Joe has had a distinguished 30-year career in the House of Representatives.

I have known Joe since I came to Washington in 1964 and I have served with him on the House Apropriations Committee for the past 7 years. He has been the chairman of the Public Works Appropriations Subcommittee for the past 6 years.

I have worked closely with him as chairman of this important subcommittee and through his capacity as chairman, he has made significant contributions that have benefited my district and the Nation. I have testified before his subcommittee for as long as he has been chairman in support of legislation to fund waterway projects in southwest Alabama. These projects such as the Tennessee-Tombigbee waterway, the Theodore Ship Channel, and others will play a tremendous role in the industrial expansion and waterway transportation of my State and I appreciate very much his cooperation and his efforts in this area.

When the gavel sounds to end this session of Congress, Joe Evins will end a great career in this Chamber and we will all miss him very much. I join my colleagues in wishing Joe and his family the very best as they return to Tennessee.

TREES GROW IN BROOKYLN, TOO

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BADILLO. Mr. Speaker, there are 435 Members of Congress from all over the country working here in Washington, and I feel it is most exceptional and especially noteworthy when a local paper singles out one of us to applaud and commend. The Washington Star recently saluted my colleague from New York, Congressman FRED RICHMOND, whose outstanding work, leadership, and tenacity have resulted in his selection to chair the Forests Subcommittee as a freshman Member of Congress. From my own personal experience in working with Mr. RICHMOND, I know that every word of this article is true. Indeed, he has surpassed the normal expectations of a freshman Congressperson, and his commitment, interest and active role in the House Agriculture Committee have made this a wise and welcome decision by members of that Committee. I know you will join me in congratulating Mr. RICHMOND in this great honor, and hope that you will enjoy reading the following article as much as I did.

I am inserting, for my colleagues, this article in its entirety, as it appeared in the Washington Star on September 28, 1976:

TREES GROW IN BROOKLYN, TOO

It's unusual for a freshman congressman to head a subcommitttee but what's even more unusual in the case of Rep. Fred Richmond is that a city boy has been put in charge of U.S. forest oversight.

Mr. Richmond, who hails from Brooklyn, is from all accounts one of the hardest working members of the House Agriculture Committee, of which the Forests Subcommittee is a part. In looking through our files we came upon an editorial written last year in which we gave Mr. Richmond high marks for beefing about a proposal to create a beef research and marketing board. We and Representative Richmond didn't think it necessary for the federal government to get into the business of promoting beef eating, considering how much cholesterol most overfed and overweight Americans already are packing around; but Congress went ahead and passed the legislation anyway.

At any rate, Mr. Richmond's colleagues on the Agriculture Committee must have thought he was doing something right. They selected him the other day to chair the Forests Subcommittee which has jurisdiction over legislation affecting 155 national forests encompassing 187 million acres, and the Forest Service which has 20,000 employees and an annual budget of $1.2 billion. He takes over the post made vacant by the death of Rep. Jerry Litton of Missouri, who had an impressive background in agriculture.

Mr. Richmond is going to have his hands full. Preservation of national forests has become an emotional issue at a time when high demand for lumber is depleting privately-owned stands of timber. Industry and ecologists are locked in a raging battle over when and how timber should be cut from the national forests.

Mr. Richmond said he hopes "to bring a fresh, unbiased outlook to the complex issues of balancing supply and demand for our nation's timber with ecological concerns."

While he's providing congressional oversight of the vast hinterland forests Mr. Richmond apparently isn't going to forget where he comes from. He said a priority item will be the Urban Forestry Act, which he has sponsored along with two New York Republicans, Sen. Jacob Javits and Rep. Hamilton Fish Jr., to provide greenery and some shady spots for the city folks.

The Urban Forest Act would authorize federal dollar-for-dollar matching funds for private contributions for tree planting and maintenance in urban areas and 50 cents on the dollar for contributions from municipalities. That's no small thing; the city fathers of Dayton, Ohio found, for example, that it cost $33,600 to plant 47 medium-sized trees around the city's new Courthouse Square—more than $700 a tree.

We see no reason why Mr. Richmond shouldn't do well in his new assignment. After all, farm and forest legislation affects consumers as much as it does farmers and foresters.

Besides, trees grow in Brooklyn, don't they?

FEDERAL AGENCY INTERFERENCE IN STATE ELECTIONS

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HANNAFORD. Mr. Speaker, the General Accounting Office has substantiated reports that the Energy Research and Development Administration distributed certain documents immediately before the June California referendum in order to defeat a proposition limiting the expansion of nuclear powerplants in the State. Even though the GAO report concludes that these documents were propaganda and indicates that their distribution was far wider than could reasonably have been proper, no law was broken.

This reprehensible intervention by a Federal agency in a State election is an obvious misappropriation of public funds. Even though Federal agencies have been prohibited from lobbying Congress, no similar prohibition exists on their lobbying State legislatures or State voters considering State referendums. Thus there is no guarantee that such activities will not continue, or that Federal agencies will not become more blantant and aggressive in their intrusion into local election processes.

Mr. WIRTH of Colorado, Mr. UDALL of Arizona, and I will push during the next Congress for legislation to close this loophole. However, among the legislative issues on State ballots this fall are nuclear initiatives, similar to the California proposition, in seven States—Arizona, Colorado, Missouri, Montana, Ohio, Oregon, and Washington. While we do not necessarily support these initiatives, we believe that the voters should be able to make their decisions free from unwarranted interference by ERDA or other agencies. Consequently, we introduced H.R. 15738 on Tuesday to expand the existing lobbying law so as to prohibit Federal agency intervention in State lawmaking processes and to demonstrate to Federal agencies the strong congressional antipathy to such behavior.

We will reintroduce our bill with additional cosponsors on Friday and hope that you will join us. Members who wish to cosponsor this bill, or who have any questions, should call Stephen Saunders at X52161.

MEDICAL CARE—DOUBLE DIGIT INFLATION STILL EXISTS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LEGGETT. Mr. Speaker, much of our discussion of economic issues continues to center on the perils of inflation. What are the prospects for another inflationary upsurge as the recovery progresses? What are the steps we should be taking now to prepare for such an eventuality? Can we safely pursue the kind of stimulative, jobs oriented policy that I and many of my colleagues feel is essential without some form of effective wage-price restraint?

The current administration clearly looks on high employment as an acceptable price to pay for cutting the inflation rate. They regarded the drop from 1974's double digit rate of inflation as one of the major accomplishments of the Ford administration. And if you look just at the overall price level, which shows the annual rate of increase in the consumer price index falling from over 12 percent in 1974 to 7 percent in 1975 and less than 5 percent in the first 7 months of 1976, it is clear that the inflation rate has abated considerably at least so far.

All of the laudatory talk should not, however, lull us into believing that double digit inflation is entirely a thing of the past. If we look at medical care, we see that in this key area prices have failed for the most part to follow the moderating trend that is evident for the economy as a whole. In the 11 months ending in March 1976, the most recent period for which data is available, medical care prices as a whole rose at an annualized rate of just less than 10 percent, 70 percent faster than the economy as a whole, and more than double the inflation rate for medical care during the economic stabilization program.

Indeed, as we examine the medical care industry, it is hard to see any confirmation of the dire prophecies of those such as George Schultze, who were warning of the terrible effects which the price control program would have on our economy. It was Mr. Schultze, you will recall, who was the leading light in the decision of the Nixon administration to move from the reasonably effective phase II of ESP to the ill-fated phase III.

It is interesting to note that medical care is one of the few sectors which fared quite well price-wise during phase III, with the inflation rate going up only to an annualized rate of 3.8 percent, as compared with phase II's 3.4 percent rate. The reason for this notable departure from overall form—the CPI less medical care went from 3.6 percent in phase II to 9.5 percent in phase III—of course, is that the mandatory phase I rules promulgated for the health care industry were continued when phase II, the so-called voluntary controls, were put into effect in January 1973.

Perhaps this exception reflected an awareness of the fact that this economic sector is not exactly one where the rhetoric of the free enterpriser about the salutary effects of competition has any special relevance. Indeed, the drug, and hospital industries may be among the very few in the Nation where the dearth of price competition exceeds that to be found among the medical practitioners.

It was only with the advent of phase IV in June 1973, when the phase III force was also applied to medical care, that the postcontrol pattern began to assert itself in this area. Between that time and April 1974, when they finally threw in the towel completely on price controls, medical care prices rose at an annualized rate of 7.6 percent, exactly twice the phase III rate. And in the 12 months after phase IV, between April 1974 and April 1975, medical care prices rose at the whopping rate of almost 14 percent. It is only against inflation of that magnitude that the almost 10 percent rate of the following 11 months, between April 1975 and March 1976, can be described as representing a "moderating" trend.

Mr. Speaker, I cannot help wondering where we would be in medical care if the controls which worked so well in phases II and III, cutting the pre-ESP inflation essentially in half, had remained in effect over the last 3 years. Perhaps all that pent-up inflationary pressure would have exploded in any event, particularly if the rest of the economy had been uncontrolled. But we will never know, just as we cannot know where the price level as a whole would be if we had continued effective controls at the beginning of 1973.

My conclusion, however, is that we must expect the experience of the medical care industry to be typical of many other sectors of the American economy which are inflation prone because, dominated by big, oligopolistic corporations and powerful labor unions, they are largely immune pricewise to reductions in aggregate demand. It is in good part the structural rigidities of the American economy, limiting the efficacy of completion, which lead me to believe that we will not be able to bring about a truly effective recovery, bringing unemployment down to tolerable levels, without either a new program of effective wage-price restraint or, failing that, another upsurge of inflation.

IN TRIBUTE TO BOB JONES

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. NEDZI. Mr. Speaker, I am pleased to have the opportunity to join in the tribute to ROBERT E. JONES, the retiring dean of the Alabama congressional delegation.

BOB JONES is one of the best liked men in the House and he is one of the people who makes serving in this oft-contentious body worthwhile. Obviously, his constituents like him too, as is emphasized by his election to 15 consecutive terms.

I have always enjoyed my association with BOB JONES and admired particularly his ease of manner as well as his sense of humor and unfailing courtesy.

He has made his mark in legislation and in his friendships with his colleagues. Any man who can do that can retire with a great sense of satisfaction that his presence here did make a difference.

I wish him well in the years ahead.

LET'S NOT TREAT THE IMMIGRATION SYSTEM LIGHTLY

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LEGGETT. Mr. Speaker, I have grave reservations about consideration of H.R. 14535, the bill to amend the immigration and naturalization laws, under suspension of the rules. We must decide rapidly, with little discussion and without the possibility of amendment, on a subject that is as controversial as it is important. I fully comprehend the pressures which the impending end of the 94th Congress places upon us; however, I am unconvinced that quick passage under suspension is preferable to having no bill for now.

The purposes of this bill—to eliminate inequities in existing law and establish an orderly system for the admission of immigrants from the Western Hemisphere—are objectives which I support. And it may well be that application of the seven category preference system and the 20,000 annual limit per country to the Western Hemisphere, which the bill would do, would help to fulfill those purposes.

The dilemma, however, is that certain of these changes in law could well create problems as serious as those it solves. I understand, for example, that one of the principal effects of the bill would be to require a reduction on the order of 50 percent in immigration from Mexico into the United States. Such an outcome is likely to stimulate additional illegal immigration from that country, as well as damage U.S. relations with our neighbor to the south. I doubt that either of these effects represents an objective which many of us would support.

Our committee also reaches the conclusion that these two issues, the preference system and the country limits, are more deserving of attention than the overall quota of 120,000 on immigration in the Western Hemisphere. The existence of this quota, however, and the disparity between it and the 170,000 quota on Eastern Hemisphere immigration, have been controversial since they were first enacted into law in 1965. The fact that we accepted those provisions at that time as the price for eliminating the discriminatory, old national origins quota system is no argument for their retention now. I believe, as I suspect do many of my colleagues, that if we are going to change the immigration laws, we should at least address this issue in some form.

To reiterate, the objectives of this bill are laudable. And most of us will probably support a change in law such as the establishment of the preference system in the Western Hemisphere.

But immigration law is too important a subject to be rushed through the House without debate or amendment. Before we amend these laws, let us air the issues fully, and allow the House to work its will on the precise nature of the changes to be enacted.

It is for this purpose that I urge my colleagues to oppose the motion to suspend the rules and passs H.R. 14535.

TRIBUTE TO CONGRESSMAN SCHNEEBELI

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. McCLORY. Mr. Speaker, in the retirement from the House of Representatives of our colleague Congressman HERM SCHNEEBELI of the 17th District of Pennsylvania, we are bidding farewell to the ranking Republican member of the House Ways and Means Committee as well as a prominent member of the recently established House Budget Committee.

In addition to these positions of influence and distinction in the U.S. House of Representatives, Congressman SCHNEEBELI is a long-time friend and a fellow alumnus and classmate from Dartmouth College. Accordingly, I have close personal ties to Congressman SCHNEEBELI which date back to 1926 when we both enrolled as freshmen at Dartmouth College.

Having had an outstanding career as a student and extracurricular leader on the Dartmouth College campus—followed by a successful business career—it is not surprising that HERM SCHNEEBELI was elected to the Congress from the 17th District of Pennsylvania more 16 years ago.

Congressman SCHNEEBELI's service to his constituents and to the Nation has been characterized by thorough and careful research, by the application of sound judgment, and by political courage which is a vital element in the performance of constructive legislative service.

Without delineating Congressman SCHNEEBELI's accomplishments in the House of Representatives, let me add finally that he has performed capable and honorable service, tending to enhance the reputation and prestige of this body at a time when many others have contributed to a critical appraisal of this institution.

Congressman SCHNEEBELI and his good wife, Mary Lou, are close personal friends of my wife, Doris, and me. We understand that the Schneebeli's will be returning to their home in Williamsport, Pa., following his retirement at the end of this Congress. We hope, however, that we will see them frequently in the Nation's Capital, where they have both contributed substantially to the official and social life here.

We wish Herm and Mary Lou many rewarding and healthy years together.

TAX RELIEF BILL FOR TETON DAM VICTIMS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HANSEN. Mr. Speaker, the purpose of the Teton Dam claims program is to reimburse the victims of the disaster for their losses to a point that as nearly as possible returns them to the status they enjoyed prior to the failure of the Bureau of Reclamation project. To help achieve, this, I have introduced additional legislation. H.R. 15757, designed to bring relief to those individuals who might otherwise be required to pay capital gains taxes under unfair and unfortunate circumstances which were not of their own making.

Current tax laws contains several provisions which allow owners to spread income from a sale or reimbursement over several years or wait to sell in a year when other losses might offset the sale gain. However, the reimbursement and sales resulting from the flood damage preclude such a decision of convenience.

Some claimants will be reinvesting their funds in like property and will not be required to pay a capital gains tax under present law. However, for people, who cannot or do not desire to return to the same occupation or restore the same property they had prior to the flood, it does not seem fair to require them to pay such a tax either. This situation is no way normal nor does it compare to condemnation conditions. And to have the Government reclaim money paid for claims would not be to restore the people to preflood circumstances.

H.R. 15757 would waive the capital gains provision for reimbursed individuals who do not choose to reinvest in like property and in cases of proceeds received for the resultant sale of property that is 50 percent damaged or more. Another provision of this bill would for similar reasons waive the "recapture clause" on business investment credits that had already been allowed on property damaged in the flood.

I sincerely hope my colleagues will join in supporting this private relief measure which is designed only to treat the disaster victims as fairly as possible and not allow them to be shortchanged by tax laws designed for more normal situations.

COMMENTS ON F. EDWARD HÉBERT

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. TREEN. Mr. Speaker, the close of the 94th Congress has a touch of personal sadness for me because it will mark the retirement of F. Edward Hébert, one of the truly historic figures of the U.S. Congress and a close personal friend.

Eddie Hébert has served in Congress longer than any other Louisianian, 36 years. Yet his drive, his determination to do what is best for his country, and his fierce independence have not diminished one iota during his long tenure here.

Eddie Hébert received his training for Congress as a hard-fighting, investigative newspaper reporter and editor in New Orleans during some of Louisiana's worst political scandals. He played a pivotal role in exposing high level corruption in Louisiana. Because he helped straighten out what was going on in Louisiana, the people of New Orleans sent him to Washington to see what he could do here. After 18 terms, they have not been disappointed.

He brought to Congress the same independence he exhibited as a newspaper editor, never compromising his principles and refusing ever to accede to unjustified demands of his party or any of the seven Presidents under whom he served. This fierce independence delayed his becoming chairman of the House Armed Service Committee because he was effectively stripped of his seniority on the committee after he refused to support his party's Presidential nominee in 1948. Because he put the needs of his country above the dictates of his party, 2 years ago he was stripped of his chairmanship.

Eddie Hébert's training as an investigative journalist served his country well. He served with distinction on the House Un-American Activities Committee, for 11 years as chairman of the Subcommittee on Investigations of the Armed Services Committee, and on the Committee on Standards of Official Conduct. Perhaps his most important and difficult accomplishment was his 1970 investigation into the My Lai incident.

As chairman of the Armed Services Committee, Eddie Hébert exhibited a fairness that was not fully appreciated by those who did not serve with him on the committee. Even those who disagree with his philosophy admit that he always insured that every viewpoint had an adequate airing in his committee.

Although I do not want to dwell on the circumstances surrounding his removal as chairman of the Armed Services Committee, I do want to make one point. I consider his removal to be the greatest mistake committed by a Congress guilty of many mistakes. Although I am convinced that Eddie Hébert had and still has the support of a majority in Congress, he was removed from his chairmanship by a simple majority of the Democrats in Congress. This majority included a large number of the freshman Members who had been misguided by a liberal, antidefense lobby parading as a "good government lobby." Suffice it to say that Eddie Hébert refused to fight the Democrat caucus only because he feared that the retribution of the caucus would be brought on his longtime friends and associates. He also knew that the chairmanship would pass into the able hands of Melvin Price of Illinois.

When Eddie Hébert took office in 1941, this country had not yet entered World War II. He never forgot the experience of seeing this Nation go to war unprepared and have to fight for time to build up our forces. He never forgot the lessons of World War II and dedicated himself to insuring that his country would never let its defenses slip again. He is one of those Americans who remembers that our freedom was not an automatic, God-given right, but was achieved and protected by a hard fight and must be preserved by the strength to fight again if necessary.

Eddie Hébert is retiring, but his work is not complete. In his farewell speech to this House, he referred to the World War II experience when he said:

> Then and there I formed a determination that I would dedicate myself to insuring that America never again found itself in that position. To some extent I think I have been successful, that I have contributed to a strong military force capable of defending this country.

He continued with a warning:

> But it is my very real fear that there is now a tendency to take our national security for granted, to look upon our military forces as something automatically created, that will always be there to fight for our freedom. Yes, I believe that we are taking very much too much for granted.

And so it is with personal sadness that I say goodbye to my friend and colleague. I would like to close with his own remarks on what it is like to now leave Congress after 36 years:

> To leave with joy would be a denial of all that this House has meant to me. To leave with regret would mean that my backward look over all those years would present a picture of something other than the deep sense of fulfillment that I feel for this, the greatest experience that can be given an American.

I can only respond by saying:

> Mr. Chairman, the privilege of being able to serve with you has made for us, your colleagues, a great experience even greater.

CHESTER DELPHEY

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BYRON. Mr. Speaker, with the recent passing of Chester Delphey, Washington County, Md., lost one of its most distinguished and best known citizens. Chester Delphey will long be remembered as a man dedicated to the betterment of his community and a friend to many thousands throughout western Maryland.

Chester Delphey was born in Union Bridge in Carroll County. He moved to Frederick and established a successful motorcycle business, and during World War I he became a motorcycle messenger for the 33d Heavy Field Artillery. In 1925 he won the Mid-Atlantic Gentlemen's driving championship and the 10-mile open.

Mr. Delphey moved to Hagerstown in 1925 continuing in the motorcycle business. He continued in this and other businesses until his retirement in 1964.

A lifelong Democrat, Chester served as a Washington County Commissioner for two terms and was elected chairman of the commissioners in 1956. In 1962, he was elected chairman of the Washington County Democratic Central Committee.

Chester Delphey spent his lifetime in the service of his fellow citizens. All who came in contact with him will miss his warm and dynamic presence. I have lost a personal friend—a man who helped guide my early political career. Chester Delphey will always occupy a special place in the hearts and minds of many of the people in western Maryland.

TRIBUTE TO NATHAN HALE VFW POST NUMBER 1469 OF THE VETERANS OF FOREIGN WARS ON THE OCCASION OF THEIR 50TH ANNIVERSARY

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. AMBRO. Mr. Speaker, on Saturday, October 16, 1976, the Nathan Hale Post, No. 1469 of the Veterans of Foreign Wars—VFW—will celebrate its 50th anniversary. I have been honored with an invitation and look forward to celebrating this golden year commemoration with some of this countries true patriots who reside in my district.

Membership in the unique national veterans' organization is open only to those who have served honorably in a foreign war, insurrection or expedition, which has been duly recognized by a campaign medal awarded by the particular military or naval service. The distinguishing characteristic of the VFW is that members of this organization have bravely fought in active battle to protect the values that Americans shall always cherish. These men, who I am proud to call my brothers, carried America's values and ideals on their shoulders so ably on the front lines. Every American who lives free today owes them a debt of gratitude.

The commemoration of Nathan Hale Post No. 1469 marks more than the anniversary of an institution. The members epitomize a laudable meshing of valor, as displayed on the battlefield, and compassion that is the very backbone of this country. Dating back to its earliest roots the organization strove to speed the rehabilitation of the Nation's disabled and needy veterans and assist the widows and orphans of veterans, and the dependents of disabled and needy veterans. Now that they are no longer defending Americanism on some foreign battlefield, they promote it through education in the patriotism and constructive service to their communities.

Mr. Speaker, in closing I would like to single out Edward H. Johnson, the Charter Post Commander, for special recognition. I wish he and my other VFW comrades continued success in all post and personal endeavors for at least another 50 years. I leave you, as always, yours in comradeship.

LEGISLATION BENEFITING LIBRARIES IN THE 94TH CONGRESS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FORD of Michigan. Mr. Speaker, as the second session of the 94th Congress comes to a close, I would like to summarize briefly for my colleagues some of the significant legislation benefiting libraries enacted during this session.

First, the Postal Reorganization Act Amendments of 1976 (Public Law 94-421). As a member of the Post Office and Civil Service Committee, I take particular pride in the fact that the postal amendments include several library-related provisions. For example, the Postal Rate Commission will now be required to consider as a new criterion in setting postal rates the educational, cultural, scientific, and informational value of matter being sent through the mails. This provision was made necessary by the rapidly spiraling costs of mailing books, magazines, and newspapers. The Postal Rate Commission never got around to deciding that a book has more intrinsic value to the public than a brick. A package of bricks may have the same shape, size, and weight as a package of books, but they are not the "same," and the law now requires the Postal Rate Commission to make a proper distinction in setting postal rates.

The postal amendments also include a provision making clear that college catalogs and looseleaf reporting service publications are entitled to second-class postal rates, as has been the practice for many years. This provision was made necessary when the U.S. Postal Service recently began to revoke the second-class permits of such publications. This completely unwarranted administrative action by the Postal Service threatened the very existence of certain second-class publications, and Congress was forced to restate the law on eligibility of college catalogs and looseleaf reports for second-class mail rates.

The postal amendments also include a provision allowing publishers and distributors to mail books and other educational materials to libraries at the fourth-class library rate rather than the higher fourth-class book rate. Libraries will be the beneficiaries of this provision, because publishers and distributors pass on to their customers the cost of postage.

Second, the Education Amendments of 1976 (S. 2657). As a member of the Education and Labor Committee, I am pleased with the library-related provisions of the new education amendments. We have enacted, for example, a new title II, part C of the Higher Education Act, a program of assistance to major research libraries. The purpose of this program is to assist research libraries in developing their collections not only to serve their immediate users, but also to make their holdings available to the users of smaller libraries. It is a foregone conclusion that every library cannot acquire every book or magazine a user might need, and for this reason well stocked research libraries are needed throughout the country to backstop the collections of the less comprehensive libraries. A user of any library will thus have access to the materials of the great research libraries, as libraries borrow materials from each other to satisfy the needs of their users.

The Education Amendments of 1976 also extend for 3 additional years the present college library resources programs authorized by title II, part A of the Higher Education Act, and the training, research, and demonstration programs authorized by part B of title II.

Third, the Library Services and Construction Act amendments. This is an area of disappointment, because although the House last February passed a 5-year extension of LSCA, the Senate did not act on the House bill during the session. As a result, action must be taken early next year in both House and Senate to extend LSCA, which expired at the end of fiscal year 1976, and is now under the 1-year extension authority of the General Education Provisions Act. As a member of the Education and Labor Committee, it is my intention to see that we in the House pass the LSCA extension bill early in the 95th Congress, so that funds for LSCA can be included in the regular Labor-HEW appropriations bill that will be developed by the Appropriations Committee in the spring.

Finally, I would like to briefly mention the White House Conference on Library and Information Services authorized by Public Law 93-568 to occur not later than 1978. As a member of the White House Conference Advisory Committee, appointed to that position by the Speaker of the House, I have been very disappointed by the failure of President Ford to move the White House Conference process forward. He has used delaying tactics continuously since the law was first enacted in 1974. In the closing days of this session, he finally submitted his budget request to Congress requesting appropriation of $3.5 million for the White House Conference and the preceding State conferences on library and information services. But this was an empty gesture designed solely to curry votes in November. By the time the budget request was submitted it was far too late in the session for Congress to appropriate the funds. The President should have submitted his White House Conference budget early in 1975. Failing to do so in 1975, he should have submitted the budget early in 1976, at the time he submitted his other budget proposals. President Ford made sure that no funds would be appropriated for the White House Conference by waiting until he was sure it was too late for any appropriations action when he requested the funds.

With a new Democratic administration in 1976, we will no longer be forced to wait forever for Presidential action. New and decisive leadership in the White House is essential. It is my hope that with new leadership next year, the law calling for the White House Conference on Library and Information Services will be promptly implemented.

MOUNT CARMEL MERCY HOSPITAL AND MEDICAL CENTER

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ESCH. Mr. Speaker, the Mount Carmel Mercy Hospital and Medical Center is an outstanding facility in the State of Michigan. We in Michigan are proud of the work they have done, and I insert a summary of their accomplishments be printed at this point in the Record:

SUMMARY OF MOUNT CARMEL'S $31 MILLION INVESTMENT IN THE NORTHWEST DETROIT AREA

Mt. Carmel Mercy Hospital and Medical Center, located in Northwest Detroit, is a 557-bed, non-profit, voluntary, acute care hospital owned and operated by the Sisters of Mercy Health Corporation.

Mt. Carmel began operations in 1939 with a bed complement of 325, and over the years eventually grew to 557 inpatient beds with extensive and sophisticated ancillary departments and services. In 1971, after extensive research and evaluation, the Province and administration of Mt. Carmel committed the hospital to a long-range building and renovation program designed to better serve the expanding needs of its service area. In 1973, Phase I of this long-range plan was completed with the opening of the new $9 million north bed tower which provided 202 replacement beds in private and semi-private suites with baths, and a 14-room surgery complex, complete with pre- and post-operative holding areas and family waiting lounge. An important feature of this new surgery unit is the area specifically designed to accommodate the growing trend to "same day" service for minor surgical procedures. A $1 million expansion of the Emergency Department has been completed. Extensive renovation has included a completely remodeled pharmacy and expanded laboratory facilities.

In 1976 this $31 million investment in Mt. Carmel's Northwest Detroit community will proceed with start of construction of another new bed tower, remodeling of the hospital's East Wing, and enlargement of the ancillary service areas. New construction will provide a 320-bed replacement facility of approximately 190,000 square feet. Remodeling will upgrade and expand existing radiology, hemodialysis, respiratory care, renal transplant, and anesthesiology areas. In addition, the hospital will relocate and expand materials handling facilities and personnel and administrative offices. Currently vacant space will be renovated for a 20-bed inpatient pediatric psychiatric unit which will be the only facility of its kind in the Detroit area. It is planned that if appropriate funding is found this unit could be expanded to 40 inpatient beds.

The new bed facility will have seven stories above ground, each housing a 41-bed acute medical/surgical care unit. The ground floor will contain 33 beds for intensive care, coronary care, and progressive care.

The construction and renovation included in the projects are designed to correct all existing code violations cited by the State of Michigan Department of Public Health and the Fire Marshal Division of the Michigan State Police, and are designed to conform to federal regulations pertaining to hospital facilities.

The new bed tower is expected to be completed and operational by May 1, 1979. The various renovation projects will be completed at irregular intervals, with final completion by June 1, 1980. All construction, including remodeling, is to be performed so that no interruption in care or reduction in level of service will occur.

When the projects are completed, the total bed complement will be 577 beds, representing an increase of 20 beds from the current capacity. In addition, the Corporation has acquired the professional office building located adjacent to the Hospital at a cost of $2 million. The building was built by a private developer and contains offices leased to doctors, dentists, and other health care related tenants. No change in use of the facility is planned. Final closing for the acquisition was July 12, 1976.

HON. JOE L. EVINS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mrs. SULLIVAN. Mr. Speaker, Congressman Joe Evins of Tennessee has been one of the vital cogs of the House of Representatives for many years, and in his fine work as a Member of the Committee on Appropriations has been instrumental in making possible many programs or projects for which the rest of us often take credit.

It has always been a pleasure for me to appear before subcommittees he has chaired, whether it was the Subcommittee on Independent Offices and Housing and Urban Development Appropriations, or the Subcommittee on Public Works Appropriations, because he listened to our testimony, he was interested in our problems, and he always gave us what help he thought was right and proper.

As chairman of the Committee on Small Business, succeeding the late Wright Patman of Texas, he has carried on effectively and with deep conviction the crusade for fair treatment for competitive small enterprises in an economy in which bigness carries always the threat of monopoly and unfair competition.

I shall always regard Joe Evins as a treasured friend.

GENE RODDENBERRY: THE PURPOSE OF TELEVISION IS TO SELL PRODUCTS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, in its hearings on the family viewing hour, the House Communications Subcommittee's attention was repeatedly directed to the networks and their policies as the major reason why there was so much violence on television. The subcommittee was told by the people who write and produce television's most successful programs, first, that if the networks did not want violent shows, there would be fewer of them, but that second, they very much want "action" shows because they sell. The basic criteria by which each program is evaluated appears to be whether or not it will sell. All else seems to follow once a program's commercial success is established.

Gene Roddenberry, the executive producer of "Star Trek," spoke in some detail of this phenomenon in his appearance before our subcommittee. He discussed the inevitable tension between television as an educational or entertainment medium for the public, and television as a source of financial reward for the networks and three of America's largest corporations.

"The primary purpose of American television as it exists today," Roddenberry testified, "is to sell products—and these commercial messages demand mass audiences." He concluded that the creative community, in order to survive, is forced to write for the lowest common denominator of entertainment.

Mr. Roddenberry's testimony was both sensitive and provocative. I attach it for the benefit of my colleagues:

PRESENTATION BY: MR. GENE RODDENBERRY, EXECUTIVE PRODUCER

Mr. RODDENBERRY. In order to suggest to the Committee some areas of inquiry which my particular background and experience might prove helpful.

I would like to briefly illustrate my perspective on the television family hour with an incident which occurred near the end of the late-lamented Vietnamese War. "Newsweek" magazine came out with rather a shocking color photo, a front-page photo of a Vietnamese mother, her face contorted in agonized grief, carrying in her arm the bomb-torn body of her infant child.

When it appeared on the newsstands in Dallas, the city fathers there rose up in righteous indignation and required news vendors to paste a strip of paper across the magazine cover, so that the baby's genitals will not be seen and offend anyone.

In my opinion, the family hour is just such a strip of camouflage across the face of television. It pretends that a few selected areas of physical violence and sex are the real problem, while completely ignoring the vastly larger picture.

I suggest to this Committee that sex and violence of television are merely items exposed by much graver and critical issues.

You have had at least one witness here, and you have probably had more during your investigation, who have stated that studies prove that violence seen on television by young people can cause juvenile delinquency, and I must say in all respect for those researchers, that they have hardly come up with any remarkable or original discovery. Literate humans have known for dozens of centuries that people's opinions and values are affected by what they see, and that dramatic portrayals of life are often much stronger than the reality around people.

And indeed, this is the earliest statement in any sophomore course on literature. Indeed, this is what literature is all about, whether it is carried in the printed word or on stage or in a comic book or on an electronic tube. Drama, and particularly fictional drama, has always had enormous effects on the audience; much more than fact or news usually does, because the very essence of drama is to take the audience and force them to become a part of the story, to identify with the participants, and to feel as they feel, and often think as they think.

So there is no question about what people see on television affects them, but this very fact opens up a whole spectrum of subjects that are usually ignored in these investigations, though I am sure not by yours.

For example, did the juvenile commit violence because he saw a similar violence portrayed on the screen, or was it because his attitudes and values had already been twisted and eroded by all of the television that he had been watching for years?

This is where the very simplistic cause and effect arguments break down. How could you blame a robbery dramatization on one show, and then ignore the damage caused by years of anesthetizing the juvenile's brain with inane kiddy shows, the vulgar materialism of game shows, where he is seeing adults prostituting themselves into jack-asses to win a new car, and the snake oil commercials, where even a child can see the transparent deceit in them?

We, who are in television and take our responsibilities seriously, often do not know whether to laugh or cry when family hour-type censorship comes up, because it is censorship, gentlemen, that created this unwanted violence that everyone is talking about.

We, in the industry, are not that barren of ideas, and as Norman Lear and others have proven, we are capable of fashioning an exciting drama out of the thousands of real issues of life and the rights and the wrongs and the conflicts which exist in everything, sex, religion, politics, corporate life, militarism, and everything else.

The structure of television, however, the way it is structured, does not allow our people often to write on these things, and when you take almost all the meaningful subjects away from a writer, All you have left is sex and violence with which to provide the conflict that is necessary to draw the mass audience.

This is not because television networks are evil, or that their executives are thoughtless men. Like us, they work in a medium whose primary corporate purpose is really not to entertain and not to inform, and this is something that is very seldom brought up when these subjects come up. Our basic problem is, this is not the primary purpose of television. The primary purpose of American television, as it exists today, is to sell products. It is structured that way not by any diabolical plan, but this is because the way it happened to grow up.

And these commercial messages demand mass audiences, and often, this means that the lower and lower middle bulk audience, whose opinions are sufficiently malleable to be charged by commercial messages. I think even more unfortunately, it is these same malleable minds which are most likely to be convinced that the meaning of life, the alpha and omega of existence, is in that breathtaking vista somewhere between "The Beverly Hillbillies" and "Let's Make a Deal."

I won't go on about sex and violence, because I am sure you will have specific questions on that, but I will say, and Norman was trying to say it, too, that our problem is less violence than it is unmotivated violence and dishonest violence and unmotivated sex and dishonest sex.

Let me just say that I am certain of only two things: one, that the answer to television's problem is not more censorship on top of the existing, crippling, commercial censorship that has plagued this medium really from its very beginning. And two, I think we had better find some answers and find some answers very quickly.

We are no longer dealing with that pleasant, little idiot-box gadget which we can watch occasionally for entertainment and some shopping information. We are dealing in television, gentlemen, with a sound and image device of incredible potency which is now being used in this country at the astonishing rate of something like billions of people hours each week. It begins to appear that our school children are watching television for two hours for every one hour now actually spent studying and reading books, and the adults probably come off with much less. Well, the average adult is probably watching something upwards of 10 hours of television for every hour actually spent reading newspapers or books.

Congressman VAN DEERLIN. Now, your statistics on the chidren are a quantum leap forward from the ones we received yesterday.

Mr. RODDENBERRY. Yes, sir.

Congressman VAN DEERLIN. Which was 15,000 hours, against 11,000 by the time they have finished high school.

Mr. RODDENBERRY. And to make this whole picture worse, our most respected engineers and scientists in this field tell us that the telecommunication explosion and revolution is really just beginning.

What we are probably dealing with, gentlemen, is nothing less than a wholly new form of human communications, and it is something that may be significant in its own way. What we are seeing may be something as significant in its own way, if you can believe this, as the invention of the Gutenberg Press, but we have no guarantee that the results of this are going to be anywhere nearly as happy.

IN TRIBUTE OF SPEAKER CARL ALBERT

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. NEDZI. Mr. Speaker, surely one of the most difficult jobs in American political life is serving as Speaker of the U.S. House of Representatives.

The Speaker is the target of competing claims for his attention and favor from the bewildering variety, geographically and ideologicaly, which makes up the Democratic majority. Speaker CARL ALBERT has not been overwhelmed by his heavy duties nor has he been homogenized trying to reflect the variety of Democratic attitudes. He has maintained his own distinctive personality.

During my 15 years in the House, I have seen CARL ALBERT take on a succession of tougher and tougher jobs. Through it all, he has been a man of great patience and courtesy who has tried to give all Members, whether senior or junior in rank, a fair inning.

I wish him a full and active retirement.

THE BALANCE(S) OF POWER: IV (xiv)—STRATEGIC DEFENSIVE BALANCE

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRECKINRIDGE. Mr. Speaker, as a part of my summary of the strategic offensive and defensive balances in my series on the "Balance(s) of Power," I inserted a study in the September 29, 1976, issue of the CONGRESSIONAL RECORD by John M. Collins who, to assist Congress in assessing changing U.S. civil defense requirements, examined both United States and Soviet civil defense in practice and the practical implications of civil defense.

Today I wish to insert the conclusions of Mr. Collins, a specialist in the field of national defense, regarding the range of possible U.S. civil defense options, as expressed in a Library of Congress issue brief, "U.S. and Soviet Civil Defense."

The study follows at this point:

CIVIL DEFENSE AT THE CROSSROADS

Some remain convinced that Assured Destruction concepts will satisfy U.S. deterrent demands indefinitely. If necessary, increases in U.S. retaliatory areas could counter Soviet defenses. Those who doubt that thesis may find food for thought in the following exposition.

SAMPLE U.S. OPTIONS

Six programs, with an estimated annual cost spread from $10 million to $5.5 billion, illustrate the range of CD options. Choices can be considered in isolation or as interrelated steps:

Option	Program emphasis	Millions of survivors—		Estimated annual costs (millions)
		Sheltered in place	Cities evacuated	
No CD	None	83	[1] 83	None
A	Planning	102	[1] 120	$10
B	Status quo	116	[1] 116	110
C	Prototype balanced program.	129	176	175
D	Exploit existing resources.	135	182	200
E	Dual-use shelter development.	142	185	850
F	Blast protection, key cities.	179	189	5, 500

[1] No evacuation.

OPTION A: PRIMARILY PLANNING

Option A, with the lowest cost and lowest credibility, is confined to the current warning system, plus crisis-activated education. Support for shelter surveys would cease. Matching Federal funds for emergency operations centers and other dual-use equipment/facilities would fall far short of minimum needs at State and local levels.

Emphasis is on planning, rather than implementation. Expectations on the order of those enumerated for Option B could be achieved only by crash endeavors extending for many months.

OPTION B: STATUS QUO

Option B, a fiscally-constrained program comparable to the one now in progress, would include limited shelter surveys and procedures to support the sheltered populace. Training efforts would increase. State and local efforts would be embellished, but performance would still be keyed more closely to natural disasters than to city defense.

Intense exertions extending six months to a year would be essential to attain abilities equal to those of Option C.

OPTION C: PROTOTYPE BALANCED PROGRAM

Option C contains full coverage of program elements slighted in Options A and B. Inplace shelters would approximate U.S. posture in the 1960s. Crisis relocation planning would be completed within five years. Consequent capabilities, combined with an augmented alert apparatus, would greatly enhance life-saving potential, provided strategic warning was ample to permit emptying U.S. cities.

This option ensures abilities in being. States of readiness would much reduce requirements for last-minute preparations in emergency.

OPTION D: EXPLOIT ALL EXISTING RESOURCES

Option D promotes survival prospects by adding 30 million below-ground shelter spaces in existing structures. Residential basements, equipped with ventilation devices, would reduce radiation dose rates by 96% and cut fatalities from 40 million to less than one-third that amount, according to one scenario that concerns a full-scale attack against U.S. ICBMs.

Low-level blast shelters (15 pounds per square inch) for selected high-risk areas near SAC border bases and ICBM fields would provide additional protection for 670,000 people most exposed to Soviet counterforce first strikes.

OPTION E: DUAL-USE SHELTER DEVELOPMENT

The Gaither Report proposed *single-purpose* fallout and blast shelter programs that ranged in price from $25 to $100 billion in 1957 dollars. The former were for all Americans, the latter for those in cities. Those standards, however, have since proved too high. Lifesaving effects would level off long before funds were exhausted. Beyond that point, outlays would be largely waste.

Option E, which capitalizes on *dual-purpose* construction, proffers competitive performance at far less than Gaither Plan costs, even counting inflation. Efforts would emphasize shelters in public structures, such as schools and churches, in modest-sized towns as well as large cities. Special designs for basements in new buildings could double future fallout protection and reduce overpressure dangers. Shelter shortages in small towns could be corrected in five years, although most of the urban populace would still be exposed to blast.

OPTION F: FULL PROTECTION FOR KEY U.S. CITIES

Option F. adds single-purpose blast shelters for all major metropolitan areas in the United States. Costs include in-place protection for the full populace. Outlays would be proportionately less if the intent were simply to shield stay-behinds after most of the people departed, but the price tag would still be prodigious.

CAVEATS CONCERNING U.S. CRISIS RELOCATION

Option F provides optimum in-place protection, but Options C and D could save almost as many lives at one-thirtieth the cost if U.S. cities could be emptied on warning. Several connected caveats thus seem to be worth considering before decision-makers draw conclusions.

To begin with, U.S. and Soviet strategic situations are dissimilar. Since we proclaim second-strike concepts, our opponents presumably own the initiative. City defense could be the opening Soviet move in a nuclear crisis. For us, it would likely be a reaction. Geographic and bureaucratic differences between the two countries create different constraints. Consequently, U.S. capabilities would be quite different than those of the Soviet Union if our city evacuation programs were identical.

Satellite photography could confirm that Soviet cities were being emptied, but could not confirm intent. It would be difficult to determine whether the action were real or a rehearsal. After decisions were made to vacate U.S. cities and orders were issued, it would take substantial time to set wheels in motion at Federal, State, and local levels across the country. Full implementation of U.S. plans thus might lag for several days. If so, Soviet vulnerabilities would be less than ours for an important period of unpredictable length.

The Kremlin conceivably could employ evacuations that ended as false alarms, but an irate U.S. populace, faced with repetitious cries of "wolf," might be impossible to displace in a real emergency. Analysts at Oak Ridge National Laboratory propose "a one-time-only U.S. evacuation, followed immediately by a permanent shelter construction program" and industrial dispersal. Such a policy, however, would be inherently less flexible than that of our rival.

City evacuation as a useful U.S. option thus seems to require further discussion before decisions are made to accept or reject.

PROTECTION FOR PRODUCTION BASE

It would be difficult to improve on comments in the U.S. Strategic Bombing Survey of 1946, which stressed protection for the U.S. production base. "If we are realistic," that study stated, "we will prepare to minimize the destructiveness of (nuclear) attacks, and so organize the economic and administrative life of the Nation that no single or small group of successful attacks (could) paralyze" the country.

Urban cores might be devastated, as the survey described, but decentralized industries still could survive. The "peril of American cities and the extent to which wise zoning has diminished it differs from city to city. Though a reshaping and partial dispersal of the national centers . . . are drastic and difficult measures, they represent a social and military ideal toward which very practical steps can be taken once the policy has been laid down." In particular, "key producing areas must not be served by a single source of power (as is the case in New York City) or channel of transportation. . . Production of essential manufactured goods—civilian and military—must not be confined to a few or to geographically centralized plants." Ballistic missiles have since modified the situation, but such advice is still valid.

The Kremlin took such suggestions to heart. U.S. leaders did not. Civil defense in the Soviet Union stresses urban planning and protection for industrial plants, as already noted. Such subjects receive no notice in the United States. Peacetime savings are substantial, but long-term consequences could be severe if war occurred. People, however well shielded, cannot survive without continuing sustenance and medical support.

CONCLUDING COMMENT

Perfect defenses would not be needed. The mission would merely be to shore up deterrence by restoring a better balance between U.S. and Soviet vulnerabilities, which are no longer mutual, and to cope with "nuisance" attacks.

Even so, switching strategies would not be simple. Any decision to strengthen U.S. civil defenses would depend on motivating the American public to support expensive programs that compete with domestic priorities. Efforts thus would surely fail if arguments in favor were even slightly flawed.

NICHOLAS DALLAS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ANDERSON of California. Mr. Speaker, in 1936 young Nicholas Dallas. a student at Long Beach Polytechnic High School, began work as a lifeguard for the city of Long Beach. On November 1, 1976—over 40 years later—Nicholas Dallas will retire from city service as manager of Long Beach Airport, a position he has held since June 1962.

Nick Dallas will be a hard man to replace. He learned to fly in 1938, and is still an active aviator, holding license certification for single and multiengine land and seaplanes. A former Navy pilot, his long experience in the aviation industry, his intelligence, and his energetic approach to work, have helped make Long Beach Airport the fourth busiest in the Nation—and in the world.

A native Californian, Nick Dallas was born on February 1, 1917, in Santa Rosa, Calif. Following his graduation from Polytechnic High, he attended the University of Oregon, returning to his duties as a city lifeguard during summer months.

For 20 years, Dallas was an aviator for the U.S. Navy—10 of them on active duty. During World War II, Nick piloted seaplane patrol craft and land planes for naval air transport in the Atlantic, Caribbean, and South America. Recalled to active duty during the Korean conflict, he piloted the Navy version of the Douglas DC–6 to Alaska and Southeast Asia from U.S. bases.

Nick returned to public service with the city of Long Beach in 1952. He held various executive positions in the Long Beach health and gas departments for the next 10 years until taking over as city director of aeronautics in 1962.

Under Nick Dallas' direction, Long Beach Airport has experienced a steady increase in revenues and traffic. Prior to his appointment as manager, the facility ranked as the ninth busiest in the Nation, with 277,545 aircraft takeoffs and landings recorded in 1961. By 1963—his first full year at the helm—traffic had increased to 329,286 and revenue stood at $314,456.

Last year, air operations numbered 539,963, with $1,034,858 generated in revenues. Income increases have outstripped air traffic largely because of development of airport real estate, and rentals and leases to various services that have been attracted to the Long Beach Airport during Nick's tenure as manager.

Besides his duties as director of aeronautics, Nick has been active on other fronts as well. He is an accredited executive of the American Association of Airport Executives; a member of the California Association of Airport Executives; and belongs to the League of California Cities Transportation Committee. In addition, he is chairman of the Long Beach Board of Education's Aviation Committee, and serves as an aeronautics and aviation advisor to the boards of Long Beach City College and Cyprus College.

Nicholas Dallas plans to have an active retirement. His activities as an advisor will not stop when he steps down on November 1, and in addition he plans to keep flying for commercial and photographic purposes.

Under the guidance of Nicholas Dallas, Long Beach Airport has remained primarily a general aviation center, although commercial traffic is significant, too. But his primary concern has always been safety, and that concern has been reflected in the airport's outstanding record. In 1974, he was named Airport Manager of the Year by the California Association of Airport Executives, reflecting the professional respect he has earned through the years.

My wife, Lee, joins me in congratulating Nicholas Dallas on his outstanding career as manager of Long Beach Airport, and we wish him the best of fortune in the years to come. I am sure that his lovely wife, Marjorie, and their son, Scott, must be justly proud of Nick's many accomplishments.

CITIZENS SPEAK UP ABOUT THE FUTURE

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROSE. Mr. Speaker, in these final days of the 94th Congress and in the final months of our Nation's Bicentennial, I believe that it is appropriate to share with my colleagues here in the House some hopes and dreams of American citizens for our third century.

On June 26, the Committee for the Future, Inc., here in Washington originated Horizon's Way and invited citizens all over the country to hold futures assemblies in their communities. Forty-three groups held such meetings and discussed what actions America can take in its third century. These groups, representing 41 cities and 20 States, then called in their results to the first International Syncon in Washington, D.C., where 172 participants were focusing on "New Horizons for Humanity."

Mr. Speaker, many of the proposals received during the Horizon's Day program overlapped and intertwined. Following are several of the points stressed most often:

An Information System: A two-way system which contains all known information; allows input and output from all people in every country; disseminates data in either a common language or is immediately translated; and utilizes communication satellites and phone-in radio and television.

Office of Initiatives: A government office which would incorporate citizen participation and long-range planning into legislative recommendations.

Community People Corps: A cross-cultural cadre of volunteer professionals and paraprofessionals providing various human services, such as preventive health care, educational and apprenticeship programs, and birth control counselling.

Ombudsman for the Future: An independent agency who assesses the impact of pending legislation, proposes new legislation, and has the right to sue on behalf of future generations.

Open Door Policies: Management and board members should execute such policies to enable workers to become more involved with their job and the decision-making process.

Centers for Integrative Studies: Educational and cultural centers, which involve both the governmental and private sectors, and provide a creative, integrative, wholistic, and humanistic education.

Action items included:

Develop solar energy, while de-emphasizing nuclear energy.

Institute education as a life-long process.

Provide meaningful employment with options for sabbaticals in all fields.

Provide more funding for basic research.

Develop a permanent manned orbital station by 1983–1984 as a necessary stepping stone for any significant space industrialization program.

Initiate a major nation-wide reexamination of personal and social values.

SPEAKER CARL ALBERT RETIRES

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ULLMAN. Mr. Speaker, it is always a sad occasion when a distinguished Member of the House retires, but never more so than today when the gentleman from Oklahoma, our Speaker, takes up his gavel for the last time. For me and for the great majority of my colleagues here, his name has been synonymous with congressional leadership for as long as we have served in this body, and his retirement means the closing of a very meaningful and cherished chapter in our lives.

His tenure as Speaker came during one of the most difficult periods of transition this country has ever known, beginning amid the ordeal of the Vietnam war and continuing down the rocky road to Watergate and the deep partisan split between the executive and legislative arms of the Ford years. Most would have considered the job an unenviable one. But he brought to the highest office in the House a sense of fairness and decency, a consideration for the diversity of congressional opinion, and above all an unfailing humor and calm that have made it possible for all Members to maintain their dignity and respect for the long tradition of this institution.

He will be sorely missed here. But at the same time, his friends and colleagues wish the Speaker and his family the health, peace and happiness that are the just reward of so many conscientious years of service.

THE CAUCUS SPEAKS OUT AGAINST FAMILY VIEWING

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAXMAN. Mr. Speaker, over the past few years, a new organization, the Caucus, has emerged in Hollywood. Composed of more than 100 of the community's leading producers, writers, and directors, the Caucus is a group which has worked with the networks and others who use their material to, in their words, "elevate program standards, and protect our own rights and integrity as creators." Vociferous defenders of their first amendment freedoms, the Caucus has been actively involved in the family viewing controversy.

The House Subcommittee on Communications received extensive testimony from the Caucus during its field hearings in Los Angeles on family viewing. One of the most difficult problems we reviewed was the conflict between the desire to reduce the level of violence on television, and the clear constitutional prohibition against Government intrusion into programing content.

The existence of a group like the Caucus presents the possibility that these concerns can be discussed and perhaps mediated among all the parties involved. I believe this is an idea which deserves further exploration.

Representing the Caucus at the subcommittee's hearings were Leonard Stern, Alan Courtney, Norman Felton, and David Levy. An edited version of their opening remarks is attached:

Congressman VAN DEERLIN: Fine.

PRESENTATION BY: THE CAUCUS, CONSISTING OF MR. LEONARD STERN, ALAN COURTNEY, NORMAN FELTON AND DAVID LEVY

Mr. STERN. I think it might help to just determine for your benefit what The Caucus is, and perhaps remind ourselves, and we do in our aims and objectives say that we are a group of concerned producers, writers and directors representing a broad spectrum of the creative community which creates and produces network television programs and motion pictures.

The Caucus was created for the purpose of assuming a more direct responsibility to the American viewing public in network programming, to protect our standards and our integrity as creative artists.

In reference to this specific matter, The Caucus stands for the same freedoms of expression for television programming granted to other mass communication media. The Caucus, therefore, is opposed to any unreasonable, unwarranted intrusion into any area of television programming, be it governmental or groups which lobby and influence such legislation. That is, I think, representative of our feelings.

Sam, you don't mind if I impose a new condition. I think there is a certain give and take freedom. I feel suddenly inhibited by order. We have never had any in the business. I couldn't start it now. So if anyone feels they want to speak, if it is all right with the Chairman, you know.

Congressman VAN DEERLIN. Absolutely.

Mr. STERN. Thank you.

That is the categorical statement, and does anybody wish to speak? Norman.

Mr. FELTON. Well, I would like to thank you for coming and holding this session and giving your time to come across the country here, because I believe it is about the first time that a group has come to the creators of about 80 percent of the television programming, and that comes from the West Coast.

There have been discussions by governmental commissions, and other groups, with networks and advertisers, but we can't remember when those who build the shows were invited to answer questions, try to supply answers, and we do hope that—we don't know what your plans are or what you intend to do following these hearings, and we would like to know it. We would like to know what you plan to do, and we would like to help with whatever you plan to do, and we hope that this is a door that will open for the creative community, and I say that on behalf of The Caucus.

And I would like to say one other thing before one of the other talks, and that is, now this is a personal thing with me. I believe we need scrutiny. I believe we need to have as many hearings a year as we can get within the framework of being able to get our various jobs done, because I do not believe in censorship by any one group. I do not believe that the creative community should be put in a position to have their work dictated to them by networks or advertisers or the government or any other body.

But I don't believe the public has been heard enough, and to my mind, the television programming is really for them, and they should have a sounding board, which they have not had, and the only way that I know of, outside of having a Commission made up of public figures, which I have always felt might be a way to think about in the future, composed of people who have, in their own lives, exhibited a public responsibility and a decency and who come from the arts, from government, from advertising agencies perhaps and from networks, or any other walk of life; certainly from education, who can be a bridge for the public to what we do.

And if the public feels that what they are getting in television should be improved, then here is a body that can be a receptacle of that, and because that exists, I think networks and advertisers might very well respond by the very existence of such a distinguished group of people.

True, we have had groups such as the FCC, but it is more of a licensing body with a channel to the networks, more than anything else it seems to us.

In lieu of that, then we creators have to have some kind of a feeling from the public, and we are getting it, and we are getting it through you and other groups, and there must be more, who challenge us, but we do jealousy hold dear to us the rights to reflect what the public may want in our own way and not have it sifted through network executives, for instance, or advertisers.

Thank you.

Mr. COURTNEY. My personal attitude, and we agreed that once The Caucus position was established, that the only honest thing we could do would be to establish our own personal attitudes, and my background has been extensive in that work. I was with NBC for 13 years and with CBS for a considerably shorter period of time in the Program Department.

And the thing that I have always struggled with is my realization that television, with integrity, attempts to be responsive to the audience. It attempts to be responsive. It attempts to read trends. It attempts to find the appetite of the public, and then perhaps overfeeds it.

It is logical that if you find out that the audience is receptive to police shows, that everybody will start making police shows, and I think that the thing that we have to be aware of is that drama, the arts, theatre, really has never motivated or instigated or been responsible for the quality of life. It has reflected it.

Television does not initiate. Television portrays, to the extent that it is done well, reality. Now, perhaps not realistically, but we are living in a period where, over the period of years that have resulted in the development of television, in my opinion, and that of many others, the quality of life has deteriorated rapidly and seriously, and the amount of time that is spent portraying violence on television doesn't offend me nearly as much as the reality of the amount of violence there is in life, as we live it today.

If there was less violence and less crime, there would be less portrayal of it on television.

I have gone, at various times, through the Surgeon General's report, and after a tremendous amount of time was invested by, I assume, well qualified and sincere people, my interpretation of their findings were that in one paragraph, they say that violence on television very well may be responsible for aggressive behavior on the part of the audience, but on the other hand, on total evaluation, they find that it may not. We have that quote here.

I think that that has been the condition that has prevailed following almost every look at television. Sometimes sincere people, and frequently not so sincere people, have been involved in investigating television and its impact, what it should and should not be doing, and I think very little has come from it.

One of the things that we would like to establish is a separation between the concern that is registered under the title of sex and violence constantly, as though the two are combined or are one. There may be individual preferences that combine the two, but I don't think the problem is a dual problem.

I think there is a question about the portrayal of sex on television, and there is a question about the portrayal of violence, but I think less informed people get the impression that sex and violence are a dual problem in television and must be addressed. Then, of course, you get into the interpretations.

I think that if we can accomplish anything, I hope that the portrayal of violence on television will result in the audience eventually, and the audience is the American people, asking for committees that will deal with the question of legislation that will be aimed at improving the quality of life and aimed at coming up with the type of laws and legislation that will result in a diminution of the amount of violence and crime that we have in our society.

One of the things that I think violence on television, and particularly since those are the shows that deliver it at the present time, the police shows offers the audiences—the violence on television in the police shows is less abhorrent than the reality of violence today. The I feel overkill attitude on the part of being concerned with the criminal and the environment that spawned him and the rehabilitation of the criminal at the expense of very little consideration for the victim, is one of the problems that we face today, and I think that the television show obviates some of that concern, because to the degree that we accept fantasy, the audience has a tendency to believe, watching the television shows, that if somebody attempts to perpetrate a crime, there will be a "Starsky and Hutch" and a "Barnaby Jones" and a "McMillan," or any of the other; "Cannon;" detectives out there to represent the victim.

The truth of the matter is that I don't believe there are many counterparts to those actors in law enforcement or in detective agencies.

I think that all in The Caucus represent an attitude that is anti the degree and amount of violence that is portrayed on television because we would like, as creative people, to do other things.

In my opinion, if an evaluation is made, that it would be that there should be a greater diversity in programming. I think that at the present time, people have a choice; not whether they will or will not watch television. That choice has been established. They will watch it. And I am not sure whether they elect to watch the program that is least objectionable, or the one that is most attractive. But when you find on three major networks for a period of 9:00 to 11:00 a choice only between police shows and violence shows, that that is unfortunate. It shows that we are a little bit derelict in taking advantage of the creative community, because there is no better choice available than that.

There are nights of the week when comedy and musical variety shows are available, but generally speaking, I believe that there is too much lack of diversity for too much of the prime time schedule.

I think that the answer to some of the problems is the opportunity for the creative community to function without as much control as is exerted by the networks at the present time. We do not usually propose to the networks what the program will be and then produce it for them. Generally, the network dictates to the creative community what its needs are, and the creative community responds to the marketplace.

I think that because of the popularity of police shows and the manner in which they portray the type of action that the audience apparently prefers, the networks say to the creative community, we are looking for a good police show. We are looking for a good action show. We are looking for something that will present a detective story with perhaps a different point of view, and that is what we would like you to respond to.

Whereas if the creative individual goes in and says, I have a marvelous show that I think will give you an opportunity to do another side of "The Waltons" or another side of "The Little House on the Prairie," the network has a tendency to say, well, we have enough of that. That type of programming is only appealing in very limited quantities. What we really want is more action shows.

HON. DAVID N. HENDERSON

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. LOTT. Mr. Speaker, I am pleased to have the privilege of making a few comments concerning the career of my friend and colleague, Hon. DAVID N. HENDERSON. It has been my pleasure during the past 2 years to serve with Mr. HENDERSON on the Post Office and Civil Service Committee, of which he has been a most outstanding chairman. In my opinion, Mr. HENDERSON has been particularly sensitive to both aspects of this committee, including the problems of achieving and maintaining high standards in the Postal Service and the needs of civil service employees and retirees.

Mr. HENDERSON was graduated from Davidson College and the University of North Carolina Law School and began his military service as a second lieutenant in the U.S. Air Corps. He spent considerable time overseas and was discharged as a major in the U.S. Air Force in 1946. In 1951, Mr. HENDERSON became assistant general counsel to the Committee on Education and Labor and in 1960 was elected to the 87th Congress for the Third District of North Carolina. He has dutifully served each Congress since that year and has attained much prestige as a member of the Public Works and Transportation Committee, chairman of the Subcommittee on Manpower and Civil Service and, of course, chairman of the Post Office and Civil Service Committee. It has been an honor to work with this fair and reasonable man, and his strong leadership will be missed in the days ahead.

BYELORUSSIAN DEMOCRATIC REPUBLIC

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HELSTOSKI. Mr. Speaker, March 25, 1976 marked the 58th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. Since this year commemorates the Bicentennial of the United States, I feel it is necessary to make known the dedication and continuous efforts of these people to achieve national liberty and human freedom.

On this date in 1918, the Council of Byelorussian Democratic Republic proclaimed national independence for its country. It was a long and hard struggle for the government and military force to win its battle over Soviet aggression. But their victory and resulting strength could not withstand the Soviet forces and in 1921, the Byelorussian Democratic Republic was conquered and destroyed.

Whenever possible, the Byelorussians fought back against national oppression and terriorism. Their determination to conquer the forces which controlled their existence was steadfast and durable. The Second All-Byelorussian Congress proclaimed their independence, once again, in 1944. But the Soviet Union would soon relinquish all hope of liberty and freedom.

The American Bicentennial is an historical milestone. It is more than just a national celebration for it marks the achievement of national independence, individual liberty, recognition of human rights, and respect for human dignity. These achievements are incentives to other countries who are subject to communist domination and oppression.

The United States must pursue all methods of relaxing international tensions. The creation of a new and positive policy between the United States and the Soviet Union will be to the advantage of those now living in Eastern Europe.

Mr. Speaker, it is important to note this day to commemorate the culture and heritage of these people and express my support for their continuous efforts to achieve liberation from Soviet oppression.

ENERGY STAMPS—A PILOT PROGRAM FLOURISHES IN LORAIN, OHIO

HON. CHARLES A. MOSHER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MOSHER. Mr. Speaker, I would like to bring to our colleagues' attention an interesting and innovative income-extension program that is being demonstrated in my district.

The local Community Action Agency in Lorain County, Ohio, has for the past 2 months been sponsoring an experimental "energy stamp" program, to assist low-income persons in meeting their home heating bills.

This energy stamp project is the first of its kind in Ohio and is one of only two such experiments in the country. The agency's directors were prompted to experiment with this prototype subsidy program by the large number of very urgent requests for financial aid they have received these past two winters, particularly because of increased home heating costs.

The pilot project in Lorain County is now funded by the Federal Community Services Administration through its emergency energy conservation program. CSA's authority for such a program is not widely known, but it does provide for innovative transfer payment programs of this type.

Obviously, the important purpose of the Lorain County experiment is to minimize the hardships needy families encounter in trying to pay home heating bills during our cold winter season. The energy stamps, which resemble and are used like travelers checks, are purchased on a 3-to-1 ratio so that an eligible participant can purchase $75 worth of energy stamps for $25 cash.

Applicants must prove their eligibility on two specific counts—their very low income, plus high natural gas heating bills. Specifically, they must demonstrate that their income does not exceed the limits set by CSA—$5,500 annual income for a family of four. The applicant is also required to provide documentation relating to their own difficulties in paying their utility bill. In this instance, the agency will accept a shutoff notice or an extraordinarily late bill indicating that a shutoff notice is imminent.

Although the program, which is intended only to be a pilot project, can only accommodate 100 participants, at least 175 persons have already applied. About 20 families have been approved to date.

As should be expected, the majority of the applicants are elderly citizens who must live on small, fixed incomes. In fact, studies show that senior citizens in many of our Northern States are compelled to allocate as much as one-third of their monthly social security payments to the cost of home heating in the winter.

Of course, the basic concept, even the title of an energy stamp program, may lead to questions about the proper place of such a program within the Federal Government framework. This experiment in Lorain County, Ohio, should provide us with a lot of practical information that will be useful in evaluating the concept.

I commend the project's directors—Charles Hopkins and Jean Howard—for their initiative and industry in setting up this special program.

If any Members are interested in obtaining more information about Lorain's energy stamp program, I encourage you to query me or my staff.

HEINZ SUPPORTS CLEAN AIR ACT AMENDMENTS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HEINZ. Mr. Speaker, I would like to urge my colleagues to support one of the most important pieces of legislation that this Congress will deal with—the Clean Air Act Amendments of 1976.

This legislation has undergone a remarkably thorough legislative study and analysis since the House began work on it in March of 1975. On the House side alone, for example, it underwent 63 markup sessions.

The end result—reached late Wednesday by the Senate-House conferees—deserves support on both sides of the aisle.

I honestly cannot say that I am totally happy with each and every provision in the bill. The section on auto emissions, for example, is more strenuous than I would have wished. If, however, it turns out that we have placed an intolerable burden on the auto industry, I will be among the first to demand that Congress rethink its position.

My reservations on automobile emissions, however, are balanced by the effect that the rest of the bill will have on both our economy and our environment.

The Clean Air Act preserves pristine land for our sons and daughters at the same time that it preserves our economic vitality. And it does it in such a way that actually takes power away from the Federal Government and gives it back to the States.

The conferees have retained the important Class III nondegradation designation—which I am proud to have had a role in developing—that allows for economic development. It also furthers carefully controlled growth in those areas that exceed the national ambient air quality standards.

What the House and Senate conferees have done, I believe, is to make the environment and the economy compatible with each other, rather than play them off against one another.

The effort means much more to our future, and I would urge my colleagues to support it.

SONTAG BICENTENNIAL STUDY

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BOB WILSON. Mr. Speaker, Bicentennial projects on the State and local levels are among the more interesting parts of this year's celebration. Frederick H. Sontag, whose constructive proposals in the public affairs field I have observed for over 20 years, was featured recently by the Worrall newspaper chain.

Mr. Sontag has served on the Hill and in the executive branch as well as in the private sector through his dedicated efforts in the field of congressional reform and modernization, his courage in public broadcasting, and his scholarship and hard work in international and domestic trade.

Because frankness, genuine candor and hope for the future are so much needed for the 1980's, I am pleased to share with the careful readers of the CONGRESSIONAL RECORD excerpts of Frederick Sontag's remarks as published in the Maplewood-South Orange, N.J., News-Record, and other publications.

I can associate myself with the comments of Robert Barr of U.S. News & World Report, who wrote recently:

> Frederick Sontag is one of the nicest guys I have ever met, and one of the most competent, too—a hard combination to beat.

The article follows:

RENEWAL AND REFORM FOR NEW JERSEY—THERE IS HOPE

(By Frederick H. Sontag)

The future for New Jersey men and women can really be bright. What we really can do is to adopt a series of programs to better our lives. I am optimistic that it is possible.

Here's some of the Sontag Plan for a Better Future N.J.

1. A task force for the future of New Jersey, blunt, candid, gutsy, and powerful can be created with some members from the establishment but others totally new from the outside for a precedent-setting, fast-moving study and action group. The state of Maine's Commission on the Future of the State is just a small part of what I think the larger, richer, more varied New Jersey can do. The rebuilding of distant cities and the strengthening of suburban life in other parts of America show it is possible. Look at Houston, Dallas, Pittsburgh, and a number of other places. These people would set the tone and spell out some of the specifics for the next years. This list now will start the discussion.

2. Let's stop griping about the media's lack of coverage of New Jersey. Part of the solution is the availability of permanent broadcast space for television and radio and some personnel to handle phones and make arrangements in Newark and Trenton, right in the state office buildings. It is the creation of facilities rather than slow law suits or press releases which will probably finally produce adequate and improved New Jersey coverage. The NJ press centers can be set up this year.

3. Public radio stations, and a state radio network are needed promptly, such as those existing in other states. Radio is so much less expensive than television. Rather than having out-of-staters come into New Jersey, as was reportedly unfortunately done with public television, let accessible radio be heard in local cars and places that do not require television. Public radio needs to be organized and operated separately and apart from the N.J. Public Broadcasting Authority, which some regard as too dominated by a few in government.

4. Nearly every individual citizen in this state is affected by public utilities. New Jersey could be the first in the nation to set up a "real service network."

Public telephones shockingly provide no covers against rain or snow or dust, not even a place to sit down, or place reference books or a shopping bag. The calls operators do not want to handle get cut off without notice and there is yet no way to catch the operator who pulled the plug, as few can record her. Eleven months out of the 12, telephone bills have been found to have someone else's charges on them. Some people may pay them, as it is cheaper than to correct the errors, but think of the double billing. Each under Public Utility Commission control should have printed on it the address and free phone where complaints, suggestions, corrections, and praise can be registered, questions independently answered, and outside records kept.

New Jersey and Essex should be the first in the U.S. to require every governmental unit to own some shares in the public utilities that operate in their area, and people have to use. Also it should see the newest and toughest campaign ever to enlist citizen participation through stock ownership in the public utilities they absolutely need. That could change annual meetings, and regular company and worker actions and reactions. Working inside the system still pays off more than being on the outside.

5. The "Sontag Government Service System" would be tried out. Now one cannot do a thing about civil servants who just do not perform. They can't be fired, disciplined, or even really rewarded and promoted for exceptional service. One can figure out how much an error by a civil servant cost the taxpayers. A substantial part of this would be subtracted from his or her pay. If he or she did something really outstanding, the rewards would run into four figures. Recently, the Secretary of Defense fined a key assistant several thousand dollars for a serious error. One may be reasonably sure that same error will be avoided by others for a while at least. If government workers knew they would be charged like any other citizen for neglect, then New Jersey services might improve dramatically.

6. A series of monthly recognition ceremonies for excellence in 12 specific fields surely can be handled in 12 months each year. To overcome the crime and corruption impression most people get of New Jersey, a creative program to emphasize active, positive activities could be set up.

7. The concerns of New Jersey need to be publicly spelled out and exposed, just as the US Attorney has been doing in the crime and corruption field. Think if this same amount of time and talent would be devoted to seeing that New Jersey got more (to catch up for years of past neglect) from the NY-NJ Port Authority, which has shortchanged NJ for years, from Newark Airport to having headquarters in NY City. Just think if a New Jersey Governor just declined for months to approve the PA 'minutes' and by a power play forced equal and fair treatment. No one shot affair, but a dedicated effort. Some who use Newark Airport weekly are probably far more competent to develop a 'Newark airport full use plan' than those who occasionally visit there. I suggest regular users in addition to government officials share in rebuilding Newark airport.

8. Lawyers and judges seem specifically out of date and out of touch in this state. Non-lawyers might get the NJ Bar Association and others to 'shape up.' No more tax free junkets abroad but close to home matters on how to bring justice at lower costs to New Jersey citizens. Watching the high-priced lawyers with their fee clocks running each hour reminds one that the NJ Bar Assoc. gave the Senate some 'order' about Senatorial courtesy but carefully omitted making the State Investigations Commission more effective, or even trying to save it, or prevent conflict of interest appointments. Law schools are at last beginning to teach ethics, and even price lists of legal fees may be available in advance for ordinary citizens.

9. Rebuilding Newark to many is a dream long past. It may be shot and gone. Some years ago it was reported that Prudential was going to move most of their employees out of the town, which was denied. Most major firms are gone now to the suburbs. The suburbs for the years ahead will have the people, votes, leaders, and opportunities for great experiments. As long as the trend is toward bigger and stronger suburbs, let the Freeholders of Essex meet in suburban centers over 50 percent of the time and in each town at least a couple of times a year. At present, one or two show up at the short, formal Freeholder meetings, but the really important working committee meetings are left uncovered by any citizen watchpersons, especially the non-voting ones.

10. Dreaming means planning ahead. It requires savings, which was the case in 1776, something the big spenders of 1976 have not found in their non-reading of history books. It requires saving rather than wasting money so that all the useful things we want to do can be done from existing means. Just as a child grows up, or a family changes, so there is no need for government always to have the same bureaus and agencies. Some can come and others can go. The current excitement is to start "sunset laws," which would require that every five years, each agency and government function, would have to be totally replaced and rejustified, otherwise it would disappear and a new set-up would be created. Every day companies, unions, various organizations and even some governments drop some projects so that others can start. Even neswpaper editors and broadcasters change articles, writers, and features regularly. The whole 'sunset' idea is one that is years overdue, and New Jersey could be the first state in the union, and in view of the high taxes, Essex County could be the first county in the USA to start this better use of taxpayers dollars.

11. Making money and creating services still motivate a lot of people. There really needs to be big cash awards for efficiency, and cutting out of waste, maybe even giving some contracts so they can't be removed after having revealed a wasteful situation. A lot of the 1776 type of experimentation is possible in 1976. There is also a way to get more participation by those who think it is none of their business. That attitude would have killed our country in 1776. So just as the lottery lets everyone participate, so it is valid to ask this . . . who is really working for a better New Jersey for the 1980's. One of the specific ways, you the reader, can do it, is to speak up, write, work, and ask lots of questions. Do not look backwards. Regretfully too much of the whole effort regarding the 1776 events has consisted looking back. The future is what is really important.

PERSONAL EXPLANATION

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BYRON. Mr. Speaker, I was unavoidably absent on the morning of September 29 when final passage of H.R. 15, the lobbying reform bill, was taken up on the House floor. I wanted to indicate my support of this legislation. Had I been present, I would have voted for final passage of this important bill.

LEXINGTON JAYCEE CHAPTER WINS NATIONAL AWARD

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRECKINRIDGE. Mr. Speaker, I wish to acknowledge in the RECORD a highly successful ongoing community project developed by the United States Jaycee Foundation and its Lexington, Ky., chapter, in conjunction with the Federal Community Services Administration.

For its efforts in an outstanding energy conservation program, the Lexington Jaycees of the Commonwealth of Kentucky have received the National Jaycee Award for first place in innovative energy programs, for cities of comparable size, as well as both the State Jaycees Sweepstakes Award, and the State Management Evaluation Award.

TWO-PRONGED ENERGY APPROACH

The Lexington Jaycees developed an energy conservation program in two ways—through educational seminars and a community-help effort.

ENERGYWISE AND CONSERVATION CONSCIOUS CLINIC

In its educational effort, the Jaycees sponsored an Energy Institute and Clinic in the early fall of 1975. Through the institute they endeavored to educate the general public on the various facets of energy conservation.

In planning the clinic, the Jaycees mobilized community agencies, civic organizations and businesses in their efforts to increase awareness and availability of local energy conservation measures. The institute was held in the Lexington-Fayette Mall with the Mall Merchants Association donating the floor space for exhibits and the theater for an all-day seminar. The Ashland, Ky., Chamber of Commerce supplied a small model house to demonstrate the proper winterization process for a home. The local utility companies provided free literature on energy conservation, and the newspapers, radio stations, and three television stations gave extensive coverage of the event. In addition, WKYT-TV, channel 27, in conjunction with this continuing project, plans this fall to film a documentary of the efforts. The local banks and many industries sent letters to their customers encouraging attendance at the clinic.

It is estimated that over $1,000 was donated by the business community in the preparation and execution of the clinic, including such items as display materials and the use of trucks for transportation. In addition, an estimated $1,500 was provided gratis in advertising and public service announcements by the television and radio stations and the newspapers.

Speakers at the institute included the State administrator of Federal energy, Thomas E. Noel; myself, as Congressman from the Sixth District of Kentucky; the Commissioner of the Kentucky Department of Energy, Damon Harrison; the regional adviser to the Federal Energy Administration, Virginia Garrett; and the gas utilization manger of the Columbia Gas Co. of Kentucky, Donald MacClellan.

PROJECT MAINSTREAM

The second part of the energy program conducted by the Jaycees was a community-help effort. Under the banner of "Spirit of '76—Brotherhood," the Jaycees launched "Project Mainstream" as part of a larger national project designed to combine resources of the local Jaycee organization and the area Federal agency of the Community Services Administration—in this instance the Housing Aid Corp. of Lexington.

Since Project Mainstream inception in 1972, the United States Jaycees and their human improvement consultants, Together, Inc., have helped motivate local Jaycee chapters and area Federal agencies to combine efforts in America's fight against poverty at the grassroots level.

The national Jaycees Project Mainstream developer, Bern Gentry, had this to say:

> Once we understood some of the problems of the disadvantaged in America, we rolled up our shirt sleeves and turned $425,000 in seed money from the Community Services Administration into over 250,650 voluntary manhours of work and over $4 million in donated materials from local resources. We accomplished this by initiating local partnerships between Jaycee chapters, Federal agencies, private sector businesses and volunteer social organizations. This is an example of civic organizations and governmental agencies working together to alleviate common problems in the community. In other words, through Project Mainstream, we developed a program to involve local people in the solution of local problems—so essential to the effective delvery of needed human services.

Basically the program is a cooperative effort between the local Jaycees who provide resources from the private sector, including their time and labor, and the Community Action Agency of the Community Services Administration—or some other governmental agency—which provides entré into the needy and disadvantaged community, helping to establish communication between the two groups—one of the most important steps in trying to deliver resources to impoverished people, as well as other resources.

Project Mainstream in this way helps develop a strong relationship between the volunteer sector of American society, to the business community, and a Federal agency to solve the needs of the disadvantaged and elderly.

In addition to mobilizing manpower and resources of 325,000 Jaycees in 7,200 communities, Project Mainstream contributes to a better understanding of the needs of the disadvantaged by the more affluent members of society. The focus on Mainstream efforts has been placed on the development of self-help education in the areas of development, housing, elderly assistance, aid to disadvantaged youths, housing winterization, economic development, resource mobilization, public awareness, and community interaction, as well as the nationwide programs of energy conservation, weatherproofing, housing winterization, and the physical rehabilitation of the homes of the needy, as undertaken by the Lexington group.

COMMUNITY HELP

In winning the national first place award for its energy conservation program, the Lexington Jaycees have been recognized as the Nation's foremost chapter in this program among cities of comparable population. In order to carry out the program, the Jaycees and the Housing Aid Corporation, an agency of the Community Services Administration, received a $2,500 subgrant from the U.S. Jaycee Foundation to conduct the clinic and winterize homes for the poor, the elderly, the underprivileged, and the handicapped who were unable to help themselves either economically, physically, or both. The Jaycees provided the manpower, supplies, and materials and the Housing Aid Corporation also contributed supplemental manpower and materials as well as targeting the area of need.

Due to a delay in receiving funding last fall, the Jaycees on their own initiative planned and implemented the program from their own resources. However, they have received the funding for fall 1976.

In the winterization project, the Jaycees provided materials and labor to homeowners over 65 whose incomes did not exceed $220 a month to handicapped individuals. These included the elderly who owned their homes but who were either physically or economically unable to install energy savings materials such as storm doors or to weatherstrip windows and cover them with plastic. If an individual could supply either the materials or the manpower, the Jaycees would add the missing element—either labor or supplies. In the case of a needy individual who rented, if the landlord provided the materials, the Jaycees would winterize the house, provided the landlord agreed not to raise the rent.

An estimated 3,600 man-hours will have been contributed to the projects by the Lexington Jaycee Chapter by the conclusion of the program in March 1977, with a total of 150 homes winterized, and educational seminars conducted, not only at the original clinic, but also before parent-teacher groups, the Lions Club, seminars for the disadvantaged, and other organizations. An estimated $18,900 will have been provided by the Paycees, with the Housing Aid Corporation giving an additional 1,300 man-hours and $6,750 in funding. It is estimated that about $27,000 will have been contributed in money, supplies, and man-hours.

Jaycee Chapter President Butch Hatcher; project coordinator David Hosmer; director of public relations Harold McCracken; and director of the local Housing Aid Corporation, H. L. Parks, were leaders in the projects.

McCracken, in pointing out that the over-all intent of the program was educational said:

We want the people to understand that in reality the energy crisis is still not over. Not only are we endeavoring to help the elderly and underprivileged, but we are trying to help all socio-economic levels understand the extent of our energy crisis through our educational seminars.

LINDA BARTLETT CITES NOTABLE MARYLAND WOMEN

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. HOLT. Mr. Speaker, recently I had the pleasure of reading a paper prepared by Miss Linda L. Bartlett, the daughter of the minority clerk of the House of Representatives. This interesting and well-researched presentation is entitled "Women and American Business: 200 Years of Females and Free Enterprise."

Miss Bartlett points out that, although it is only in recent years that women have won prominence and recognition in the corporate realm, "America's success in science and industry, manufacturing and technology, owes a great deal to the dedication and innovation of females throughout these 200 years."

I am pleased and proud that among the numerous examples Miss Bartlett cites in this essay, there are two who belong to Maryland's history, Mary Katherine Goddard and Anne Katherine Green.

I should like to enter into the RECORD the passages from Miss Bartlett's paper which treat on these two enterprising Maryland women:

> There was also Sarah Updike Goddard who served as publisher of the Providence Gazette. She in turn, taught the tools of the trade to her daughter Mary Katherine, and so it was, that a woman became responsible for the first printing of the Declaration of Independence with the names of all the Signers, for it appeared in the Maryland Journal, and the editor, printer, and publisher was none other than Mary Katherine Goddard. In addition to publishing the Journal, she managed Baltimore's largest printing company, owned a bookstore, and served as the city's Postmaster in 1775.
>
> The very first newspaper to be printed in the colony of Maryland was also published by a woman. She was Anne Katherine Green, and when her husband Jonas died, in 1767, Mrs. Green took over as the official printer for the colony of Maryland.

Linda Bartlett herself is a young lady of promising accomplishment. She has served two summers as a White House intern, and two summers as an intern in the office of Republican National Chairman Anne Armstrong. She was graduated "with distinction" by the University of Virginia, with a degree in American history, and went on to earn her graduate degree in speech communication. She recently terminated her employment with the American Revolution Bicentennial Administration to get ready for a December wedding to her college sweetheart, James L. Hobgood.

I certainly wish this talented bride-elect every happiness and success.

THE PHYSICIAN SHORTAGE—IS IT OVER?

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LEGGETT. Mr. Speaker, we in the Congress have devoted a lot of attention in recent years to health care issues in general, and the adequacy of health manpower levels throughout the country in particular. And rightly so because most of these questions, especially the availability of skilled health professionals, are central to the lives of all of us.

One of our major concerns for some time has been to expand medical training facilities to eliminate a shortage of physicians that as recently as 1970 was estimated at over 50,000. Now the question is, how far along are we in dealing with the physician availability problem?

In 1974 Mr. Nixon informed us, to the surprise of both ourselves and a good many of our less fortunate constitutents, that the physician shortage was about to end, and an oversupply could actually become a problem. I was interested to note in a recent Wall Street Journal article that the Carnegie Council on Policy Studies for Higher Education is saying much the same thing after a 1-year study of the issue. The Carnegie study says, in fact, that with the shortage a thing of the past, only one of 13 planned new medical schools is really needed.

A look at the facts will show that our efforts to expand the number of physicians being produced by the Nation's medical schools have had considerable success. Since the Health Professions Educational Assistance Act was first enacted in 1963, first-year medical enrollments have gone up over 50 percent to almost 14,000. And they are expected to go up to 15,500 by the 1977–78 academic year. Moreover, medical school graduations have grown by comparable proportions.

The question we are left with is this: does the end of the numerical shortage really solve the physician availability problems? I am a lot less confident of our answer to that question than either the current administration or the authors of the Carnegie study.

The basic dilemma here is that physician availability cannot be dealt with solely in terms of aggregate supply. If we define the issue in terms of the availability and accessibility of health care to various segments of the American populace, there are still three issues.

One is the familiar problem of geographic maldistribution. While the Nation as a whole has 1 physician for about every 770 persons, there are large variations in this ratio, with the Northeast and West favored at the expense of the South and North Central. For example, while in South Dakota each physicians serves over 1,400 people, there is one for every 500 persons in New York, and 1 per 595 people in California. Moreover, the pattern reflects the continued movement of physicians to large urban areas, where the most sophisticated and specialized facilities are available. We can see the result from the latest data, which show that almost 55 percent of physicians are located in heavily populated metropolitan areas, serving 41 percent of the population, while only 7 percent of our doctors are located in nonmetropolitan areas which have 17 percent of the people.

A related problem is maldistribution by specialty. Physicians in medical and surgical specialties, most of whom practice in urban areas, increased from 28 percent in 1949 to over 51 percent in 1970. At the same time the number of physicians in general practice was declining from 50 percent to less than 22 percent. Both urban and rural areas suffer from the shortage of general practitioners, but it is only the rural areas which experience a shortage of specialists, for well over 80 percent of them are located in the Nation's most highly populated areas.

A third problem which has aggravated both of the other two is our increasing reliance on the graduates of foreign medical schools. Whereas in 1959, less than 6 percent of our physicians were FMG's, today the figure is 20 percent, and HEW estimates that by 1990 the proportion of FMG's may reach as high as 30 percent. We can see the trend from the fact that in 1973 a third of all interns, residents or other trainees in U.S. hospitals were foreign graduates, while almost half of all newly licensed physicians were in that category. Moreover, FMG's not only are likely to locate in urban areas, they are also disproportionately involved in specialties, with only 10 percent going into general practice. This factor thus serves to reinforce the other two forms of maldistribution.

What does it all add up to? As I read the data, the conclusion that the physician availability problem has been solved certainly seems premature. The Carnegie Council study does, in fact, concede that completion of planned new medical schools would help to provide a more adequate geographical distribution of these facilities, which hopefully will at some point lead to a better geographical distribution of physicians themselves.

The council also makes two interesting recommendations concerning FMG's. One is to discontinue their preferential immigration status, and the other is to require them to meet the same standards as U.S. graduates must before they can obtain further training. With foreign graduates contributing little to the alleviation of either of our two types of maldistribution, which have become the primary problems in this context, perhaps these proposals warrant consideration.

Let me conclude by saying, if the problem is still real, we should not be deterred from continuing programs which have helped ameliorate it in the past, and can solve it in the future. I will continue to support legislation to provide grants for medical school construction as well as loans and capitation grants for students. I hope my colleagues will do likewise.

At this point I would like to include in the RECORD the Wall Street Journal article I referred to earlier, so my colleagues can review the Carnegie Council's recommendations for themselves:

New Medical Schools, Foreign Graduates May Cause U.S. Doctor Excess, Panel Says

New York.—Graduates of medical schools under development in the U.S. combined with the number of foreign medical-school graduates could lead to an overpopulation of physicians in the U.S., claims the Carnegie Council on Policy Studies for Higher Education.

The council published its recommendations after a year-long study of medical and dental education in the U.S. The council is the permanent research arm of the Carnegie Foundation of the Advancement of Teaching, which was formed in the early 1900s. The council's reports generally are considered to be authoritative works and are taken into consideration by private and public policy makers alike.

In its report, the council says that a shortage of 55,000 physicians reported in 1970 has been eliminated and that there are about 378,000 practitioners nationwide. As a result, the council says, only one of 13 planned medical schools is necessary.

"On the whole," says the council, "the chief reason for new medical schools now is to achieve more adequate geographical distribution of schools." The council recommends development of a new school in Wilmington, Del., for that reason.

The council report states that the U.S. is too dependent on foreign medical-school graduates to meet physician-supply needs. It estimates that in the early 1970s about one-fifth of all practicing physicians and nearly one-third of interns and residents were foreign graduates.

The council claims, however, that even if there isn't any further inflow of foreign graduates, its projection of medical-school graduates in the country suggests there may be 477,000 practicing physicians by 1985, compared with about 350,000 in 1973. As a result, the council favors discontinuing preferential immigration status for foreign medical-school graduates and requiring them to meet the same standards as U.S. graduates before they obtain further training.

Dr. C. H. William Ruhe of the American Medical Association, in commenting on the Carnegie Council report, said: "We (the AMA) have never taken a position that there are too many medical schools, and we disagree with their proposal to determine exact numbers and locations of schools. They go in for a planned society approach to medical schools, which we wouldn't."

Dr. Ruhe said the AMA operates the accrediting system for medical schools and already has given preliminary assurance of accreditation to a few schools under development.

"We don't see any evidence of an excess of physicians," he added. "Although we acknowledge a differential rate of growth, we aren't ready to sound the alarm. If a comprehensive national health insurance program is enacted. It could likely call for more physician services than the council report projects for the future."

The council says there is little evidence of a shortage of dentists and it doesn't expect an influx of foreign-trained dentists. It says that as the demand for dental care has risen with increased insurance coverage, the supply of U.S. dental graduates also has risen.

The existing 59 dental schools, says the council, can meet increased student needs by expanding existing facilities. The report recommends construction of a dental school in Arizona, which has none, and an additional school in Florida, which has only one.

In 1970, the Carnegie Commission on Higher Education issued a report called "Higher Education in the Nation's Health" that influenced legislation expanding federal support for medical education. The commission was succeeded in 1973 by the Carnegie Council on Policy Studies for Higher Education, which is based in Berkeley, Calif.

DAVID GERBER EXPLORES FRUSTRATIONS OF HOLLYWOOD PRODUCTION COMMUNITY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, David Gerber, the executive producer of several police and medical series—"Police Story," "Medical Center," Joe Forrester," "Police Woman"—testified before the House Communications Subcommittee hearings in Los Angeles on family viewing and televised violence last August. His opening statement, which was delivered spontaneously, evoked many of the frustrations the Hollywood production community has confronted regarding televised violence. He spoke not only about how the family viewing policy is implemented, but to the deeper questions of: What is violence? What is the relationship between violence on television and violence in society? Who should exercise ultimate responsibility over these things?

His is a moving and forceful statement which I trust will receive the careful consideration of my colleagues:

Presentation by Mr. David Gerber

Mr. Gerber. Good morning.

I have no statement to make. I was told to submit a written statement, but I am here to answer any questions that you gentlemen wish to extend toward me on any subject you wish.

Congressman Van Deerlin. Well, you don't wish to give us any general opinion the subjects that we are addressing?

Mr. Gerber. Frankly, as a general opinion, the subject itself has so many broad areas, from various aspects of our industry, the writers, the directors, producers and the networks, it is a very broad area. Frankly, I wasn't sure I would be here, or wanted to come, because it seems that we have been having these meetings over and over and over again, and I wasn't quite sure whether a message was getting through, but I felt I couldn't afford to be somebody who was a critic, sitting in the bleachers and not come out to the bullpark one time, as a citizen who should do something they believe in, so I am down here.

I am not quite sure where I stand in the situation in terms of formalized grievances against the family hour, but there is something that is on my mind, it goes beyond the family hour, and that is the whole area of violence and what is violence and who decrees what violence is, the interpretation of violence, and the people here are saying that we all know and take for granted that there is violence on television, when I think most of us see very little of television. I don't know how many segments people see of weekly episodes, for instance, but we do read the papers and we do read these clipboard surveys and we do read the studies of well-meaning people, and we get very excited about what violence is.

I am concerned that in the use of the word "violence", that we are encroaching upon certain creative integrities and liberties. I am concerned that we don't have the trust and confidence in the American people who, throughout the years, in the history of our country, and it goes above and beyond just broadcasting now, has avoided all extremism in the 200 years of the type of government and atmosphere we have enjoyed and we have been subject to many invasions of both extremes and recently have gone through a very big self-reflection period.

I think we are really not entrusting the public for their own viewpoints, and I don't know what violence is here. I am here to find out what it means. Obviously, we don't like the violence. The family hour, I don't mind one bit. Anybody that objects to the family hour, I don't know; I love the comedies of Norman Lear, the MTM comedies, they are all good comedies; "The House on the Prairie," "The Waltons;" who is going to object to that kind of thing, and I wish to God I had a bionic woman or a bionic man in my bag of tricks. They are good enough on both shows, but that is not the point. The point was, was this put upon us without proper discussion? I say yes. Was this put upon us without contacting the top major studio executives and top independent executives? Was this discussed thoroughly, completely? Were our attitudes and input asked for? I say no.

Were there other approaches, where there is a six-month, eight-month break-in, where the stagger system goes in. Should we not have joined in with education to the public of what we are attempting to do, rather than condemning an industry and saying you are being spanked with the family hour? We are treated like children. From a business viewpoint, I don't think any of the industry has been treated so cavalier, in terms of just turning around and saying this is the family hour, when you had developments and moneys and time and expenditures and sweat and blood and eight months of prepping. They did that to us in a prime access ruling that came out of the blue in the middle of the season.

I have never seen a group of respected citizens, taxpayers, being treated so badly on both of these occasions, so I am here because I object to the way the family hour came into being. I do not object to the concept of the family hour.

I don't think that many people in our business do, but I go beyond that. I listen to violence and the pretty words. Now, nobody wants gratuitous violence. I think that is almost becoming cliches at these meetings. There is no mutilation on television, there is no plunging of a weapon, there is no twisting, there is no sadism, there is no masochism, and what is violence? Is violence 100 Indians coming over the hill and fighting cavalry, or is violence a great scene from "Virginia Woolfe" or "Sticks" or something else that can depress you or bring you up or plunge you into depths and make you seek inside yourself and see what you are about? Where is violence? What is the explanation of violence?

We are throwing it around too easily, and through violence and through these fears, are we encouraging people to come in and encroach upon our liberties and encroach upon our integrity and encroach upon our drama and liberty and license to do what we feel is good, and this is my concern, and this is my worry, and that is why I decided, and I am not a man who has done a lot of research on this, and figures and whatever; I like to think myself an open-minded man, an emotional man, but I like to tell it as it is, and so I decided to come down here, and with you, find out for myself where have we gone wrong, or I have gone wrong, as part of this community who has been beset with violence and listening to this twiddly-dee and twiddly-dum team of Carpenter and Johnson Condemn "Sarah" for a violent show, and then I said by myself, my God, somebody has to, at least I have to come down here and find out what it is all about for myself, and see if I can't help and see if

I can't express my fears, that utilizing sex and violence in a situation in television is not the beginning or harbinger of something we avoided for 200 years, and that is my biggest worry, and they have started on smaller things like that in other countries.

I have respect for the people. I think, in many ways, the people on a Saturday night turn their backs on a militant cop show called, "S.W.A.T." I mention that because I mentioned my own show. They didn't follow it into Saturday night. On Monday night, my show, "Joe Forrester" was another cop show, but they didn't follow it. They watched the "Winter Olympics" like I did. They watched the Norman Lear Comedies. They didn't follow it.

It is the people themselves that followed the "Winter Olympics," the "Summer Olympics," "Rich Man, Poor Man." It is the people themselves that found the "60 Minutes" news on a prime time spot, the first time, on Sunday night, or the "Incredible Machine," which was a documenutary show, or even more renewed interest in documentaries.

I think the pepole will reject certain shows and will find others that they want, and one of the reasons for their interest is that the networks are now trying to reach out for broader and deeper programming in terms of world premieres, movies of the week, mini-series, best sellers. We see some changes happening because of the people's apathy to weekly series, weekly series which I make my living on, and a turning to newer things they demand, newer and fresher approaches to drama.

Now, these are the same people we have no faith in, in terms of telling you what is violent and non-violent, and these are the same people who were told by clergy and by prominent columnists not to turn into "Helter-Skelter," so to speak, because they were afraid of the subject matter, and it became one of the greatest viewing audiences in television history, and done very well, if I may add, by the Lorimar Productions.

We did the same thing, if I may say so, with the Lindberg murder case. We certainly didn't exploit it, but more or less took a very intelligent, intellectual approach to it. It paid off in terms of critics, and in terms of numbers.

We are a dedicated group. Sometimes our own enthusiasm and our own emotions, our own volatility takes us too far, and we are slapped on the wrists by various agencies, by our own people, by the networks, by columnists, and we respond, and so I am sorry to get off; you probably should never have given me an opening like that, but I am really concerned about the interpretation and definition of violence, and I object to your statement, sir. Let me go back on that again.

I never saw such cruelty and barbarity in Bangladesh, Lebanon, Ireland, the Middle East, and there is no television there really worth anything, and back in Chicago, in the 1920's, there were 300-and-some odd bodies found in the streets when there was just the radio. There was no television then.

We have a bigger, bigger worry, than just blaming it on television, as a scapegoat of violence. There is a violent nature here, and we are not appealing to the disenfranchised or disenchanted at all, and I think we have to look higher than television to realize why we are a prone society to violence and why we are an unsteady society at the moment. Rather than just talk about violence, there are bigger issues involved for this world, for this country, for our Congress, rather than using the media of TV, and I feel that perhaps this may be a good possible headline-getter. Again, I don't want to cite clichés, condemning people who actually go out and seek the questions in these kind of committee meetings, but I think the idea of violence for television, upsetting a society today, is really ludicrous, in terms of total blame, or even a major share of what is going on in this world, in our society, in our country, today.

U.S. CANAL ZONE AND PANAMA CANAL: GENERAL FEDERATION OF WOMEN'S CLUBS OPPOSE SURRENDER OF U.S. SOVEREIGNTY

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MURPHY of New York. Mr. Speaker, among the most gratifying consequences of the current national debate on the interoceanic canal problem are the resolutions that have been adopted by our patriotic, civic, fraternal, and women's organizations in opposition to any dilution of U.S. sovereign control over the Canal Zone and Panama Canal.

The latest was a resolution adopted on August 27, 1976, by the General Federation of Women's Clubs of Washington, D.C. This organization includes 13,000 clubs with 600,000 members.

To give this resolution wider circulation in connection with present canal discussions, which are nonpartisan in character, I quote it as part of my remarks:

RESOLUTION ADOPTED IN 1976

PANAMA CANAL ZONE

Whereas, Title to and ownership of the Panama Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties; and

Whereas, The United States since 1904, at a cost to the taxpayers of the United States of more than $6,880,370,000 and sacrifice of many thousands of United States citizens, has continuously occupied and exercised sovereign control over the Zone, constructed the Canal, and, since 1914 has operated the Canal in a highly efficient manner without interruption, under the terms of the treaties thereby honoring their obligations, at reasonable toll rates to the ships of all nations without discrimination; and

Whereas, The Canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama; and

Whereas, United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto Revolutionary Government of Panama, under the declared purpose to surrender to Panama, now or on some future date, United States sovereign rights and treaty obligations to maintain, operate, protect, and otherwise govern the United States-owned canal and its protective frame of the Canal Zone; therefore

Resolved, That the General Federation of Women's Clubs firmly believes that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over the Canal and Zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere.

MR. HEINZ SPEAKS IN FAVOR OF H.R. 14319, "THE CLINICAL LABORATORY IMPROVEMENTS ACT OF 1976"

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HEINZ. Mr. Speaker, unfortunately, Congress has not adequately protected the public from laboratory practices which are substandard, uncontrolled, and fraudulent.

On Monday, September 27, H.R. 14319, the Clinical Laboratory Improvements Act of 1976 was brought up on the House floor under suspension on the rules, but it failed to gain the votes necessary to pass. The reason it was defeated, I believe, was the understandable desire of some Members of Congress to get the bill before Congress under the regular procedures of the House, so they could learn more about it. As a member of the Health Subcommittee of the Interstate and Foreign Commerce Committee and as ranking minority member of the Health Subcommittee of the House Select Committee on Aging, I am committed to the passage of this legislation.

The need for expanded clinical laboratory improvement legislation has been thoroughly documented by the Committee on Interstate and Foreign Commerce report. Current Federal controls are weak and ineffective, not uniformly applied, and not based on meaningful standards of proficiency. State controls and self-policing have not led to realistic controls or acceptable quality standards. As evidence gathered by the committee clearly shows, without realistic diagnostic procedures such as clinical laboratory results, the treatment process itself can become as dangerous as the disease. In addition, a report by the Subcommittee on Health and Long-Term Care of the Select Committee on Aging made a conservative estimate that while the full extent of medicare and medicaid fraud is unknown, at least $250 million in payments—1 out of 5 dollars spent on laboratory tests—under these programs is suspect.

Passage of H.R. 14319 will materially improve the disgraceful situation. It contains provisions which will promote effective and more adequate laboratory testing procedures. It will provide new ways to monitor the performance of lab personnel and insure quality control. It brings the presently fragmented and sometimes conflicting approaches to clinical laboratory standards and enforcement into a more uniform approach administered by one agency. And it increases the penalties on those unscrupulous operators of clinical laboratoaries who engage in false, fictitious, or fraudulent billing practices, or kickbacks, bribery, and other illegal arrangements that rob individual patients, the Government, and indeed the taxpayers.

The bill has been wholeheartedly endorsed by the two groups who are most affected—medical technologists and older Americans.

Concerns about the adequacy of medical care have been forcefully brought to the attention of the Congress by many distressed citizens. Now we must respond within the legislative process.

HEALTH MANPOWER STATEMENT

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PREYER. Mr. Speaker, there is no question that there are basic problems in our health care delivery system regarding geographic and specialty distribution of health professionals. The Health Subcommittee held extensive hearings pursuant to this issue in conjunction with H.R. 5546, the Health Manpower Act. Some of the statistics are appalling, and they range from accessibility in rural areas to that in the inner city, from an excess in certain subspecialties to a real need in general medicine. The bill even attempted to confront the problems of animal health care through better distribution of veterinarians.

The members who worked closely on this legislation were told on the one hand that we were trying to do too much, and that the medical schools were in the process of self-correction. In short, the problems of geographic and specialty distribution could be handled by the voluntary efforts of the medical schools.

On the other hand, we were told of the need for Government involvement in the process, because the schools would not be able to objectively analyze and assess their own progress and that the laissez faire approach had been tried in the past with little success.

The final product is an intelligent, reasoned combination of the best aspects of both philosophies. The committee stood firmly behind the need to monitor the progress of medical schools as they strive independently to improve accessibility to all aspects of health care. By massive funding of the National Health Service Corps scholarship program, and by mandating a national average for residencies in primary care, the committee has painstakenly avoided falling into the trap of telling health professionals how to run their business, and has encouraged imaginative approaches from the schools themselves as they attempt to resolve these distribution problems.

There is no doctor draft in this bill, and this bill does not intervene in the curriculae of the medical schools, preserving the academic freedom that institutions rightfully cherish. Happily, the Health Manpower Act does a great deal for health care delivery without unwarranted Government intrusion, and its effects should reach millions of homes in the years to come.

I am proud to be a sponsor of this legislation. In my State, we have three outstanding medical centers at the University of North Carolina, Duke University, and Wake Forest University. I am extremely pleased that the deans of these three institutions, and those from the other 111 medical schools across the country joined with legislators to come up with a bill that is so thoroughly beneficial to the American people.

METAPSYCHIATRY: THE INTERFACE BETWEEN PSYCHIATRY AND MYSTICISM

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PEPPER. Mr. Speaker, on September 25, 1973, I inserted in the Congressional Record an article by an old friend of mine, Dr. Stanley R. Dean, clinical professor of psychiatry at the University of Miami and the University of Florida Medical Schools. The title of the article was "Metapsychiatry," and it elicited widespread interest among our readers.

Since that time, Dr. Dean has presented four historic panel-symposia on the subject at annual meetings of the American Psychiatric Association, and has edited a far-reaching book, "Psychiatry and Mysticism," Nelson-Hall, Chicago, that has been highly acclaimed by professional circles and the general public in this country and abroad.

Dr. Dean has for many years devoted his attention to bridging the gap between medical science and psychic research. The term, metapsychiatry, is now included in the official Psychiatric Glossary of the American Psychiatric Association, and in the International Encyclopedia of Neurology, Psychiatry, Psychoanalysis and Psychology. Dr. Dean has also been invited to speak on metapsychiatry as part of the Distinguished Visiting Lectureship Series of the Department of Psychiatry at Northwestern University Medical School—a historic event in the annals of psychiatry. His book, "Psychiatry and Mysticism," contains chapters by some of the foremost psychiatrists and parapsychologists of our time:

Paul L. Adams, M.D., James B. Beal, Herbert Benson, M.D., Malcolm B. Bowers, Jr., M.D., Francis J. Braceland, M.D., Stanley R. Dean, M.D., Jan Ehrenwald, M.D., Jule Eisenbud, M.D., J. Norman Emerson, Ph. D., Daniel X. Freedman, M.D., Arthur E. Gladman, M.D., Stanislav Grof, M.D., Elmer E. Green, Ph. D.,

Shafica Karagulla, M.D., Lawrence L. LeShan, Ph. D., Jules H. Masserman, M.D., Edgar D. Mitchell, Sc. D., Thelma Moss, Ph. D., John C. Pierrakos, M.D., J. B. Rhine, Ph. D., William G. Roll, Julian Silverman, Ph. D., Gary E. Schwartz, Ph. D., Berthold E. Schwartz, M.D., Carl Simonton, M.D., E. Fuller Torrey, M.D.

This is an area that is of great interest to many people throughout the country, and I believe that many readers of this Record will be interested in what Dr. Dean and his colleagues have to say in Psychiatry and Mysticism. I would therefore like to quote some selections from worldwide reviews and comments that have come to my attention:

U.S.A.

This timely collection of essays—Phychiatry and Mysticism—can provide an exhilarating distraction and surcease from the workaday world of the practicing physician. As the editor states—it is for the general reader as well as the professional. Certainly the physician in any specialty could grow from the demands the book makes on the intellect and the imagination.

We are indebted to the 33 contributors who review the current status and satellite issues of extrasensory or psi phenomena, encompassing telepathy, psychokinesis, and precognition.

Commenting as a psychiatrist, I find the timeliness of the volume uncanny. Several of the authors, Francis J. Braceland, Daniel X. Freedman, and Jules Masserman serve to reaffirm the basic verities of the art—of psychiatry. Braceland says: "The knowledge of man provided by dynamic psychiatry has made it clearer than ever that it is the inner life of the individual which is of paramount importance." . . . I personally found these essays heady; this review was delayed because I refused to deny myself the luxury of pausing to savor and reflect.

It is gratifying to take time to revisit the world of epistemology and ontology provided by this collection; it was fun to walk the fence between science and the humanities.—the Pharos of Alpha Omega Alpha, Honor Medical Society.

Psychiatry and Mysticism is a compilation of papers presented at three symposia on metapsychiatry organized by Dr. Dean for APA plus a few invited papers. Metaphychiatry is defined as "the base of a pyramid whose other sides are psychiatry, parapsychology, philosophy and mysticism." Obviously, this covers a lot of territory, a fact reflected by the book's contents—26 papers on a great variety of topics.

. . . Despite the growing body of evidence for the existence of transpersonal experiences, much of which is as rigorous as that for any phenomena accepted as valid, these experiences continue to be rejected by the majority of scientists. This attitude rests in part on the justifiable fear that to accept them would open the floodgates to superstition and error . . . The vehemence of the reaction of many scientists, however, is uncomfortably similar to that of true believers in any cosmology towards a rival world view.

Most of the contributors to this volume (Psychiatry and Mysticism) are well-known authorities; the chapters are clearly written and free of exhortation. Scholarly needs are met by adequate bibliographies and an index. Psychiatrists who are curious and brave enough to want to venture in the still largely uncharted seas of metapsychiatry will find this book to be a good guide.—The American Journal of Psychiatry.

Dr. Stanley R. Dean, an eminent psychiatrist, has brought together twenty-six articles by thirty-three authors in psychiatry and mysticism . . . Happily, none of the absurdities that often find their way into a discussion of this field ("psychic healing") is present here. Every one of the papers in this section is well worth the reading for those having an interest in unorthodox forms of healing . . . The fact is that the volume, as a whole, is impressive in the erudition displayed throughout its four hundred and some pages . . .

This volume can be highly recommended for reading by psychiatrists, transpersonal psychologists, parapsychologists, and for the hardy general reader who would like to know something about the areas of psychiatry in relation to ESP, energy fields that may have a bearing on psi, meditation, biofeedback, psychic healing and transcendental experiences.—Parapsychology Review.

If research into psychic phenomena has any direct bearing on our day-to-day living, it will probably affect that phase of living we call mental health. The human potentials movement, the search for a spiritual essence in man, the use of psychic experiences for personal growth—parapsychological research contributes to all of these quests . . .

Stanley Dean's name has become synonymous with the new discipline he has termed "metapsychiatry"—the merging of psychiatry and the para-sciences . . . Dr. Dean's anthology is predominantly composed of papers presented at various metapsychiatry symposiums . . . It offers papers on a wide scale of fascinating subjects from parapsychology, to meditation, to bio-energetics, to autogenic training, and LSD research . . .

The most valuable papers in the volume are those devoted to the more traditionally transpersonal areas of psychology. Several are devoted to such topics as Quaker meditation, positive and negative aspects of meditation, biofeedback, the relationship of psychic healing to psychotherapy, and religious experiences during psychosis. These are all very lucid, perceptive, informative and fully professional contributions, and will give the general public and the psychiatric community a good idea of the types of research being done on human potentials and where this research is heading. . . .

In short, Psychiatry and Mysticism offers some exceptionally fine presentations. Hopefully, this book will awaken mental health workers to the new fields within metapsychiatry.—Psychic magazine.

The credentials of Stanley Dean make for considerable leverage. A fellow of both the APA and the American College of Psychiatrists, he is a clinical professor of psychiatry at the University of Miami and Florida, and author of 65 reports and two books.

His latest book, Psychiatry and Mysticism, features chapters by some of the leading U.S. investigators of psychic phenomena and several top psychiatrists.

One of his articles, reprinted in the Congressional Record, cited reports of Soviet research into such possibilities as telepathic communication, psychic brainwashing, even possible telepathic influence on human behavior. He has urged U.S. backing of similar studies.—Charles Whited, the Miami Herald.

It isn't very often that a new book comes along that's as exciting and unusual as Psychiatry and Mysticism. Because of its unique character and importance, the Board of Directors voted not only to present this brief review, but also to make the book available to its membership.

Metapsychiatry is a developing branch of psychiatry that concerns itself with psychic phenomena based on the important but heretofore unclassified relationship between psychiatry and mysticism. . . . Dr. Dean and the other thirty-two contributors to Psychiatry and Mysticism have achieved a breakthrough in bridging the gap and establishing a dialogue between medical science and psychic research. The book also represents a first step in repudiating the strangeness, sensationalism, and fraud that have relegated psychic research to an unwarranted second-class status as a field for serious empirical study.—Inner Forum Bulletin, Idaho.

Edited books are not very popular with publishers these days, so those that make it into print must be exceptional, and this one is. Psychiatry and mysticism deals with the new branch of metapsychiatry—the interface between psychiatry and mysticism, the potential medical benefits of research on meditation, biofeedback and biorhythm, the special "magic" of the doctor-patient interaction . . . and new findings on altered states of consciousness. The articles are authorized by the top names in the fields . . . and are of surprisingly high quality.—Journal Constitution, Atlanta, Georgia.

A noted psychiatrist says that psychic power is one of man's most reliable and important life-saving "inner voices." Dr. Stanley R. Dean, clinical professor of psychiatry at the University of Florida and the University of Miami has edited a book, Psychiatry and Mysticism, and is also in the process of setting up a new organization, the American Metapsychiatric Association (AMPA), which will seek to combine the fields of psychiatry and psychism. . . . "Nature has given man many built-in health and safety warning systems," says the well-known psychiatrist. "Physical and nonphysical reality can be studied together in a cross-fertilizing way that may bring undreamed of benefits to mankind. . . . My opinion is that ESP has a life-preserving function that we use unconsciously—like the fight-or-flight mechanism that automatically prepares the body for survival in life-and-death situation. You could say that we seem to have a sort of psychic radar system that prepares us to avoid or counteract impending disaster. And it may also enable us to foresee success, thereby lessening needless anxiety, and instilling confidence about a stressful situation."—The National Tattler.

Unlike earlier attempts to bridge the gap between science and the psychic world, Psychiatry and Mysticism manages to achieve objectivity by balancing theory and skepticism, and emerges with facts enough to coax forth the psychic sciences from the covens and darkened rooms in which they have flourished for centuries . . . It is one of the most determined efforts ever to separate mythology from science and yet to establish a common ground for both . . . Psychiatry and Mysticism attacks the dogma of science just as science wars against the dogma of religion. It calls for new theories to fit newly acknowledged realities. It recognizes human powers in which, in another time, few would dare to believe. Can man transcend the physical? . . . The evidence says yes, at least in some instances. And perhaps commonly in the future, now that psychiatrists are ready to explore aspects of human nature that once were the province of witches and seers.—The Hartford Times, Connecticut.

OTHER COUNTRIES

A packed house for the first parapsychology symposium was a memorable event. It was the first Canadian academic symposium on meditation, mystical and psychic experience, and non-medical healing, held to a packed house, the "house" being the clinically austere Sir George Williams campus of Concordia University, whose department of religion undertook the mammoth task of organizing the event. Thirty-four speakers, including some of the most eminent researchers in the fields of comparative religion, medicine, the natural and social sciences, the humanities, and parapsychology, addressed several thousand people . . .

It was an event of great symbolic importance: research into aspects of telepathy and clairvoyance had for the first time been recognized as academically respectable . . .

The problem was expressed by Dr. Stanley R. Dean, one of the leading psychiatrists in North America, who spoke on Metapsychiatry: The Interface Between Psychiatry and Mysticism.

Dean, who said he had never had a psychic experience in his own life, appropriately couched his words in scientific terms. But when another speaker turned to him during a panel discussion later . . . the professor produced a lyrical description of transcendence worthy of an Elizabethan poet.—The Gazette, Montreal.

I sometimes wonder what the reaction would have been if some contemporary of Jules Verne would have suggested inviting the novelist to present a paper at some scientific conference of his period. In an age where submarines and travel to the moon no longer belong to fiction, it is important to remember those visionaries who have dared to transcend the security offered by the rigid boundaries of their scientific disciplines, and stopped at other realities that, although harder to grasp, are nevertheless there.

Healing, extrasensory perception, altered states of consciousness are all subjects we are daily coming into contact with. Your friends, relatives, patients, and clients have experienced them on occasion; perhaps you have even experienced them yourselves.

Dr. Stanley Dean, founder of the American Metapsychiatric Association, has collected in this book (PSYCHIATRY AND MYSTICISM) thirty-three most valuable pieces of research and knowledge concerning the area where traditional psychiatry meets with the "psychic" phenomena that until recently many chose to ignore . . . PSYCHIATRY AND MYSTICISM is a major breakthrough in the attempt to demonstrate that only an integral approach that considers man in his wholeness with his spiritual needs as well as his physical and mental needs, can lead to genuine health and growth.—The International Journal of Social Psychiatry, England.

Psychiatry and Mysticism, edited by Stanley R. Dean, M.D., a Counsellor of the Federation Internationale d'Hygiene, de Medicine Preventive et Sociale, is based on four consecutive symposia presented at annual meetings of the American Psychiatric Association. Most of the contributing authors are physicians, making this the most extensive interdisciplinary collaboration ever published on the subject. Special emphasis is given to subjects of particular interest to physicians and behavioral scientists. These include papers on biofeedback, meditation, altered states of consciousness, and psychic healing, as well as various esoteric beliefs that exert worldwide influences on human behavior. Thus, Psychiatry and Mysticism is a historic breakthrough in top-level interdisciplinary collaboration on these controversial but important subjects.

An organization is being formed, the American Metapsychiatric Association (AMPA), whose goals will be to replace sensationalism and fraud with logic, common sense, and professional responsibility.

Also involved with Dr. Dean in this project is his associate in clinical practice, Valerie J. Anders, a licensed family and marriage counselor, and a member of F.I.H.M.P.S.—F.I.H.M.P.S Bulletin, Rome, Italy.

INDIVIDUAL COMMENTS

Psychiatry and Mysticism is an exceptionally well done book that will be acclaimed as a milestone in bridging the gap between those two areas. The fact that Dr. Dean was able to attract such eminent contributing authors is in itself a tribute to his capable and ethical preparation of such an important volume.—Raymond W. Waggoner, M.D., Past President, American Psychiatric Association and American College of Psychiatrists.

The contributors to this volume are truly impressive, but Dr. Dean himself deserves the greatest credit for his dedicated endeavors to bring psychic research to the attention of a wide audience. I am certain that Psychiatry and Mysticism will receive an excellent response and enjoy the success that it richly deserves.

MD Magazine rates it "Exceptionally interesting."—Vera Sabelle, President, MD Publications, Inc.

Dr. Stanley Dean's extensive efforts at exploring the interface of psychiatry and mysticism have been capped by the publication of a book, Psychiatry and Mysticism, which will include contributions from three major symposia which he was almost single-handedly responsible for organizing. Once a subject for scoffing, mysticism has taken its place among other areas of legitimate scientific speculation and research interest. Much of this "legitimization" is due to Dr. Dean's own approach to this fascinating area.

I think it should stir much interest among a variety of professions and disciplines and, I would think, also among the general public.—James N. Sussex, M.D., Professor and Chairman, Department of Psychiatry, University of Miami School of Medicine.

Psychiatry and Mysticism is a veritable tour de force. Dr. Dean deserves highest congratulations for having prepared such a scholarly, provocative and seminal volume on psychiatry and mysticism. It is a historic breakthrough that could only have been achieved by a person with infinite patience, perspective and perseverance.—Ari Kiev, M.D., Clinical Associate Professor of Psychiatry, Cornell University Medical College, Director, Social Psychiatry Research Institute, New York, Author of a Strategy for Daily Living.

Psychiatry and Mysticism is an exhilarating blend of wisdom, inspiration, beauty and common sense for the layman and professional alike. Between its covers some of the greatest minds of psychiatry and parapsychology are gathered together in a cross-fertilizing atmosphere of concerted effort. It is a tribute to the organizational genius and professional integrity of Dr. Stanley R. Dean that such distinguished authorities have thus honored his objectives. Psychiatry and Mysticism will probably do more than any book of this century to span the rift between medical science and psychic research. One can safely predict that it will encourage more and more universities to sponsor symposia on psychic phenomena, and to include psychic subjects in medical and mental health curricula.—Hugo Rosen, M.D., Fellow, American Psychiatric Association, Author of A Guide to Clinical Psychiatry.

Dr. Dean is to be congratulated on the publication of Psychiatry and Mysticism.

This book represents an intellectual breakthrough into a most important topic which up to now has been explored from an emotional perspective. I am planning to use this publication in teaching in Medical Sociology. It will shed light on this controversial issue which should put into proper focus assumptions behind new therapeutic techniques.—Elaine N. Rogan, Ph. D., Adjunct Professor, Department of Psychiatry, Wayne State University School of Medicine.

Psychiatry and Mysticism, edited by Dr. Stanley R. Dean, is fascinating reading. He is to be congratulated on the significant leadership that he is providing this new field of psychiatric exploration.—Dr. Henry King Stanford, President, University of Miami.

CARL ALBERT: 6 YEARS AS SPEAKER

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BOB WILSON. Mr. Speaker, CARL ALBERT is due all the respect and honor that this body can bestow. He has served in the House of Representatives for 30 years, the last 6 as Speaker. Throughout his distinguished career, Speaker ALBERT has been a highly respected public official whose lifelong dedication to equal justice and peace will be long remembered by all Americans.

CARL is a friendly man, always accessible for discussions or advice on troubling matters. It was CARL ALBERT's calm and quiet leadership that has led us through some of the most trying times in the history of the United States.

Speaker ALBERT has served his country both in war and in peace, but I think it will be his never-ending search for peace that CARL ALBERT gains his place in history.

He could always be found where the action is, and could always be counted on to contribute compassion and civility along with incisiveness to the resolution of conflicts and problems.

CARL ALBERT will be missed, but he deserves the rewards of retired life, and both my wife Shirley and I wish him nothing but the very best in all his future endeavors.

FATHER THOMAS McMAHON

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. RUSSO. Mr. Speaker, it is a special joy to see a person honored who is not only obviously deserving of accolades but is also a friend. I am deeply pleased that Father Thomas McMahon will be the honoree at the 64th anniversary dinner dance of the Genoa Council No. 1659, Knights of Columbus.

On behalf of my fellow parishioners at St. Jude the Apostle, where Father McMahon is pastor, I would like to take this opportunity to pay tribute to Father McMahon as not only the great administrator of our parish, but also as a man, a truly compassionate human being. I only wish that you, too, could come to know Father McMahon in the way that we have. He is our friend, our confidant, and spiritual inspiration. It is within Father McMahon that the true sense of the Christian spirit lies and it is from Father McMahon that that same Christian spirit is spread.

In his 42 years of priestly life, Father McMahon has performed many wonderful deeds. But his greatest and most constant joy has been the young. He was instrumental in the formation of the Catholic Youth Organization in his first parish, St. Andrew's, directed a community center at St. Sabina's, and directed a number of basketball and boxing tournaments and countless other activities. Our youth have truly benefited from this man's continual love and generosity. Many times we have heard Father McMahon say that the youth have been his life. Well, he has been a great part of their lives, too.

The diligence and efforts of Father McMahon together with his assistants, the sisters of Notre Dame, the parishioners, the many parish organizations, the church, and the school have taken great strides in contributing to the community in ecumenical, educational, athletic, and youth endeavors through the economical utilization of limited resources.

Mr. Speaker, I would like to take this opportunity to congratulate Father Thomas McMahon for his having been selected honoree at the Genoa Council dinner dance. I know that my colleagues join with me in wishing Father McMahon continued success in all of his endeavors.

TRIBUTE ON 100TH BIRTHDAY OF NED HOLLISTER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ASPIN. Mr. Speaker, on November 26 of this year we will commemorate the 100th birthday of Ned Hollister. Since I know that none of us wants to be here on November 26, I would like to take this opportunity today to call Mr. Hollister to your attention.

Ned Hollister, born 100 years ago in Delavan, Wis., was a noted biologist, mammalogist, orinthologist, author and Superintendent of the National Zoo in Washington, D.C.

Even in his earliest years Ned Hollister exhibited a great affection for a knowledge of all forms of animal life. At the age of 12, Ned began his first field work and by the age of 16 was already publishing his first papers. Although not college-educated, Ned came to the attention of several important naturalists under whom he was able to work and learn.

In 1904 he went to work for the Biological Survey working in the field or in Washington. He made extensive additions to the Survey's collections of mammals and birds.

Ned's later career opportunities placed him in the position of Curator of Mammals in the U.S. National Museum in 1910 and in 1916 he was invited to become Superintendent of the National Zoological Park in Washington.

During his years of service at the zoo Ned increased and varied the collection tremendously and attendance figures at the zoo also reached new heights during his tenure.

Regretfully Ned Hollister died in 1924. With his passing a man of great sensitivity, curiosity, and intelligence was lost. While the people of his hometown of Delavan, Wis., have reason to honor this great man, so too do the people of Washington and the Nation. Particularly for his outstanding achievements at our own National Zoo we should all be tremendously grateful. Please join me in recognizing and paying tribute to Ned Hollister.

SECRETARY OF THE ARMY'S REMARKS ON RECRUITING

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MURPHY of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony which the Secretary of the Army had intended to deliver, but was unable to after the hearing was canceled. This is a subject of vital importance which should be made a matter of public record in this Congress.

The testimony follows:

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to appear before you to testify in support of the Army's request for a reprogramming for recruiting resources. The amount requested includes authority to increase the military strength of the recruiting command by 670 people and to add $60 million to the recruiting effort. At Exhibit A you will find an analysis of the request in its component parts, indicating the amounts already appropriated for FY 77.

Mr. Chairman, the realization of the need for additional resources occurred in about April. In my testimony before this committee on 17 February, I indicated that our resources for FY 76, TQ, and FY 77 might not be adequate. I indicated at the time we would return in the event of trouble. You will recall that in FY 76, pursuing the goal of the most cost-effective possible recruiting program, the Army proposed several adjustments and reductions in resources from the FY 75 program. These included the termination of two year enlistments, a reduction of ten percent of the number of recruiters then in the field, the elimination of 900 recruiter aide spaces and reduction of dollar resources for recruiter support and civilian personnel. The skill-match initiative was taken in August 1975, and it imposed more exacting requirements on the recruiter force. The Congress reduced the level of resources for FY 76 by an additional $34 million. Reacting to the downturn in results that became clear in April 1976, the Army forwarded a FY TQ reprogramming request for $12.7 million. A budget amendment was submitted by the President requesting an additional $39.3 for FY 77. While acting on the FY 77 appropriation bill, the conferees added a total of $21 million over and above the President's original FY 77 request, but stated that this action constituted final action on all pending requests. The total in the FY 77 appropriation bill is $18 million less than the total requested.

The amount requested in reprogramming will bring the total for FY to $267 million. This is a substantial amount, but in real terms, it is still roughly comparable to what the Congress provided in FY 74 and 75, both successful recruiting years.

At the outset, Mr. Chairman, let me emphasize how seriously I view this request. The Army is experiencing the first downturn in progress since the institution of the volunteer force in 1973. This means a lower quality force and a less cost-effective use of recruiting resources. Our request for reprogramming is based on Army experience in recruiting the volunteer force over the period since 1973. It is founded on three basic principles.

1. This is not a question of spending more money on personnel. It is a problem of allocating resources in the personnel management area. Money theoretically "saved" by reducing recruiting expenditures will later be expended in servicing the year-group of recruits for whom recruiting resources were reduced.

2. Quality is not an incidental benefit to the Army. There is an absolute relationship between quality goals and the number—or quantity—of individuals that must be enlisted to maintain a given end strength. The higher the quality, the fewer who must be recruited, since attrition of high school diploma graduates over the three year span is less than half that of non-high school diploma graduates.

3. The effect of resource shortfalls is cumulative. Recruiting success requires application of stable levels of resources. When the level fluctuates, there is a lag in response time from the application of increased funds until the impact is realized.

Referring to point 1, in classifying the reprogramming request as an allocation problem, reference should be made to exhibit B. Part I shows the additional costs for FY 76 through FY 79 caused by the higher attrition rates that will be experienced as a result of quality shortfalls in FY 76. It is true that the quality achievement in FY 76 of 56 percent male high school diploma graduates was about the same as that of FY 75. However, the FY 76 budget contemplated achievement of 62 percent male high school diploma graduates. Accordingly—additional recruits were added to quantity requirements during FY 76 and the next three years. The additional costs for higher attrition over the three year enlistment will exceed by far the theoretical "savings" in the recruiting accounts for FY 76.

Point 2—the direct relationship between quality and quantity in recruiting has been the subject of continuing analysis over the period of the volunteer force. It is derived from studies of the experience with year groups as a whole, together with the results of test groups of recruits whose experience in the Army has been carefully followed. It is of interest that between FY 59 and FY 73 the draft produced quality content averaging 68 percent male high school diploma graduates. This is in excess of that achieved so far under the volunteer force. The eventual Army goal of 68 percent high school diploma graduates is about the same as that achieved during the draft era. Part II of Exhibit B shows the cost-effectiveness of this 68 percent goal, in terms of the cost avoidances that can be realized over a year-group at 50 percent, the quality level achieveable with the current FY 77 budget. Part III shows a projection of resources and achievements over the next few years through which we would reach that goal. It shows, as well, that a steady state 68 percent quality goal will yield a net yearly savings of about $150 million over the 50 percent quality level.

Point 3 is important to the immediacy of the current reprogramming request. Recruiting success is based on momentum. The market responds slowly to the application of increased recruiting efforts—by analogy it responds more like a railroad train than an automobile. The maintenance of visibility, projection of the improving Army image, and capitalization on past success are all elements in generating high quality response. They must not be turned on and off rapidly. This is a valuable lesson that has come out of our recent experience. In addition to the element of immediacy of the need for increased resources, the cumulative effect of resource shortfalls indicates that more effort is required to reverse a declining situation than would have been required to maintain a level recruiting effort.

A word should be said about the effect of the economy. It is probably true that there has been an effect on recruiting from the upturn in the economy, and equally important, from the anticipation that employment is getting better. It is problematical how much of an effect is masked by the coincident experience of shortfalls in recruiting resources. One can assume that the Army recruiting effort has increased in its effectiveness on a per individual basis. The downward turn in results is therefore attributable to either resource shortages or the economy or both. I will ask General Forrester to comment on how the recruiting command views these causative factors at the close of my statement. I continue to believe that the Army offers a challenging, satisfying and appealing opportunity for young American men and women. I believe as well that the Army can continue to compete effectively in the future, without impacts from changes in the economy disproportionate to impact on other sections of the society with whom we compete.

In short, Mr. Chairman, this request for reprogramming is essential to the continued success of the volunteer force. We have had a creative partnership in molding and developing the recruiting process. We have been bold and innovative. We have not been afraid to test the limits of what we could do, always with the objective of cost-effectiveness in mind. We have learned a great deal, and I would hope at a later time we would have the opportunity to explore our experience and goals more fully with you. In the meantime, we have gone below the level of prudence and cost-effectiveness with respect to those monies required at the recruiting end of the personnel process. Over and above the dollar savings I have referred to is the clear advantage to the Nation of a high quality force. It costs us no more in individual pay. We can afford no less if we are to have a true deterrent in an era when we are significantly out-numbered in each of the major contingencies upon which our national defense posture is based.

We now look forward to your questions.

EXHIBIT A

FISCAL YEAR 1977 ARMY RECRUITING RESOURCES

[In millions of dollars]

	President's budget	Amendment	Total requested	Appropriation bill	Difference	Reprogram	Total required
Enlistment bonus	25	39	64	43	−21	21	64
Advertising	37	0	37	33	−4	20	53
Recruiter aides	0	0	0	7	+7	8	15
Recruiter support	33	0	33	33	0	11	44
Military personnel	75	0	75	75	0	[1] 0	[1] 75
Civilian personnel	16	0	16	16	0	0	16
Total	186	39	225	207	−18	60	267

[1] Authority to increase military strength of Recruiting Command by 670, within Army end strength, also requested.

RESULTS EXPECTED

Overall

The reprogramming action will provide a balanced package of recruiting resources in FY 77. Advertising and recruiter aides in sufficient amounts to generate adequate numbers of quality leads; a large enough recruiter force, properly supported, to follow up on leads and finalize all enlistments, and an adequate level of enlistment bonuses and promotional material to assist in "closing the sale."

This package is the minimum needed to arrest the serious downward trend in quality.

12% shortfall in male High School Diploma Graduates (HSDG) in the second half of FY 76.

14% shortfall in male HSDG in FY TQ.

It will allow some improvement in FY 77 quality (53% male HSDG vice 50%) and will provide the momentum for significant quality improvements in FY 78.

The reprogramming action will give a higher assurance that FY 77 quantity objectives (170,000 male enlistees) can be recruited without further degradation in quality.

It will reduce out year quantity requirements and allow the Army, over time, to achieve optimum cost effectiveness in its recruiting effort.

Additional recruiters—670 military personnel

This request also includes an increase to the recruiting end strength of the U.S. Army Recruiting Command (USAREC) by 670 to a revised position of 8,061.

A larger recruiting force is essential to the success of the volunteer concept. This increase is critical now because of previous reductions—more than 1,100 military personnel and more than 100 civilian personnel—since end FY 75.

In the volunteer environment, it is the recruiter who finally sells the Army to every young person who enlists. To do so he must:

Overcome the natural resistance in the market by developing contacts for leads—not only with potential enlistees but with influencers such as parents, high school counselors and the like.

Screen for and follow through on high quality leads developed by advertising, recruiter aides and "close the sale."

Build a rapport in his community to insure continued success.

In the current, competitive recruiting environment a larger workforce, supported with a balanced package of recruiting resources and the flexibility to manage them is the key to success. No change in MPA funds required for this action.

Enlistment bonus—$21 million MPA

Based on current trends, the approved EB Program of $43 million is insufficient to attract both the quantity and quality of soldiers needed in the difficult to recruit skills—combat arms and other critical skills.

Enlistments for the combat arms alone in FY 76 and FY TQ fell short of requirements by 1,000 and 1,500 respectively. The projection for FY 77 is a 2,000–4,000 shortfall.

The additional $21 million is an integral part of a balanced package of recruiting resources to support the recruiter. It is essential to prevent further unacceptable quantity and quality shortages.

To continue the volunteer concept, the Army must recruit sufficient numbers of soldiers, the majority of whom are HSDG; however, the quality levels of these soldiers cannot be grouped in particular skills but must be spread throughout the Army.

The bonus assists in insuring that an appropriate quality mix in the correct quantity is achieved. The required $21 million will support an additional 8,100 high school graduates, 4-year bonus enlistments in critical shortage skills for a total of 29,300.

Advertising—$20 million OMA

The sole purpose of Army advertising is to assist in influencing young people to enlist in the Army. It accomplishes this by:

Encouraging them to contact or be receptive to an Army recruiter (become a lead).

Assisting the recruiter in convicing the lead to enlist.

The FY advertising budget ($33 million) will cause a 700,000 shortfall from the 2,000,000 high quality enlistment leads needed in FY 77.

$17 million of the funds requested will be used to overcome this quality leads shortfall. (Based on $1 million in lead producing advertising generating 15,000 direct and 25,000 indirect leads). This requires maximum advantage to taken of national, regional and local media, including paid radio and TV.

Current sales promotion literature—used to assist recruiters in convincing prospects to enlist—are out of date and depleted due to past reductions in advertising funds.

$3 million of the funds requested will be used to update, replace and improve these materials.

To reverse the downward trend in quality the Army must significantly increase awareness and leads by advertising initiatives relating to new or changing bonus levels, advantages offered by job recognition programs, possible changes in GI Bill benefits as they occur, improved in-service education programs, and other revised tangible benefits.

Recruiter aides—$8 million OMA

Personal endorsements have long been recognized as one of the most effective ways of interesting an individual in a product or service. The Army uses this method of advertising in its recruiting effort through the Recruiter Aide Program. The Army identifies high quality young soldiers during their initial training and assigns them on a temporary basis back to their home towns to assist the recruiter in his efforts to recruit for the Army. The aide does this by relating his favorable impressions of Army training to friends, schoolmates, teachers, parents and community leaders. Since he knows the type of individual the Army needs, and he knows personally the target audience, he can uniquely seek out, influence and bring to the recruiter high quality potential enlistees (leads).

This program is especially effective because it can be started on short notice and focused on specific Army requirements (high school diplomat market, hard to recruit skills, geographic area).

With support from other recruiting programs—advertising, enlistment bonuses, etc.—each recruiter aide will produce about 3 high school diploma graduate leads each month. With the additional $8 million bringing this program to $15 million, the Army will be able to support 1,000 recruiter aide man-years and produce about 36,000 HSDG leads.

Recruiter support—$10.465 million OMA

The FY 1977 budget provides for $33.6 million which supports 4,680 field recruiters. Recruiter support includes funds for travel, supplies, leased vehicles, training, exhibits, and other direct support of the field recruiter. These resources provide essential support for the recruiter. Committing an additional $10.465 million will provide this essential support for the additional 670 recruiting force personnel being requested and permit the existing force to operate more effectively.

EXHIBIT B

ALLOCATION OF RESOURCES

PART I. IMPACT OF LOWER QUALITY MALE ACCESSIONS IN FY 76

Illustrates the dollar and readiness costs of failing to achieve the male high school diploma graduate objection in FY 76.

	Impact occurring in fiscal year—				
	1976	1977 [1]	1978	1979	Total
Programed losses (thousands) (62 percent male HSDG, with $269,000,000 in resources)	20.6	16.3	5.8	1.3	44.0
Projected actual losses (thousands) (56 percent male HSDG with $223,000,000 in resources)	25.3	19.5	7.2	2.2	54.2
Increased losses	4,700	3,200	1,400	900	10,200
Cost increase (millions) [2]	$32.9	$22.4	$9.8	$6.3	$71.4
Increased PCS moves	10,700	7,300	3,200	2,100	23,300
Increased disciplinary incidents	4,500	3,100	1,300	900	10,200

[1] Includes fiscal year transition quarter. [2] Includes costs for processing, training, travel (PCS moves), pay, support disciplinary actions, etc.

PART II. COST EFFECTIVENESS OF HIGH QUALITY ACCESSIONS

Illustrates the cost effectiveness—in both dollar and readiness terms—of the Army's optimum, long-term recruiting objectives compared to achievements projected in FY 77 with recruiting resources in the Appropriation Bill.

	Male accessions	HSDG (percent)	Losses [1]
Current fiscal year 1977 projection	170,000	50	[2] 64,600
Optimum recruiting objective	141,000	68	[3] 35,100
Differences over 4 fiscal years:			
Reduced losses			29,500
Reduced gains			23,300
Cost avoidance (millions of fiscal year 1977 dollars)			$164
PCS moves avoided			68,000
Disciplinary incidents avoided			28,000

[1] Separations within 3 yr, prior to completion of enlistment.

[2] 38 percent.

[3] 25 percent.

PART III. RECRUITING PERFORMANCE IN THE FUTURE

Illustrates two alternative recruiting patterns for FY 77 through FY 83—the new Army plan and the current trend—and compares their cost effectiveness.

	Accessions in fiscal year—						
	1977	1978	1979	1980	1981	1982	1983
Alternative 1. With adequate recruiting resources (new Army plan):							
Male accessions (thousands)	170	160	165	152	150	146	141
Male HSDG (percent)	53	59	65	66	68	68	68
Losses:							
Percent	36	30	28	26	25	25	25
Number (thousands)	61.2	48.0	46.2	39.5	37.5	36.5	35.1
Recruiting costs (millions of fiscal year 1977 dollars)	267	300	275	241	241	241	241
Alternative 2. Without adequate recruiting resources (current trend):							
Male accessions (thousands)	170	168	174	167	166	164	162
MALE HSDG (percent)	50	50	50	50	50	50	50
Losses:							
Percent	38	38	38	38	38	38	38
Number (thousands)	64.6	63.8	66.1	63.5	63.1	62.3	61.6
Recruiting costs (millions of fiscal year 1977 dollars)	207	207	210	207	206	205	203
Comparison: Alternative 1 to alternative 2:							
Decreased losses	3.4	15.8	19.9	24.0	25.6	25.8	26.5
Increased recruiting costs (millions of fiscal year 1977 dollars)	60	93	65	34	35	36	38
Decreased life cycle costs (millions of fiscal year 1977 dollars)	24	111	139	168	179	181	186
Net cost avoidance (millions of fiscal year 1977 dollars)	+36	−18	−74	−134	−144	−145	−148

KATHLEEN NOLAN AND CHESTER MIGDEN OF THE SCREEN ACTORS GUILD CLAIM NETWORKS STIFLE CREATIVE PROGRAMING

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAXMAN. Mr. Speaker, one of the central issues in the family viewing controversy is the role the Government has played in it. Under the Communications Act of 1934, the FCC is explicitly directed to regulate broadcasting "in the public interest." What is the public interest, and how it is defined, is one of the most difficult questions confronting the Commission and the Congress.

Kathleen Nolan, president of the Screen Actors Guild, and Chester Migden, the guild's executive secretary, testified before the Communications Subcommittee on two different aspects of this issue: The proper role of Government in trying to limit television violence, and the way in which the FCC regulates the television industry itself.

Ms. Nolan and Mr. Migden have linked, in their testimony, the economics behind the attraction of violence with the economics behind other decisions made by the networks and the FCC. They indicate that, the networks' contention to the contrary, the bottom line in programing is revenue, no matter what the content of that programing may be. In a market where there are only three buyers, they testified, the production community is trapped.

I commend to my colleagues the testimony of Kathleen Nolan and Chester Migden:

PRESENTATION BY MS. KATHLEEN NOLAN PRESIDENT, SCREEN ACTORS GUILD

Ms. NOLAN. Not too many weeks ago, I was a speaker at a cable conference. It was a panel of sorts. There was an FCC Commissioner, and he talked a lot about protecting the public interest.

Then there was the head of a network. He also was interested in what was in the best interest of the public. The cable man really had the public interest at heart, and there solidly followed a dialogue so virtuous that I was moved to remark at the closing of the panel, "I have but one question: Who is going to protect the public from those who are protecting the public interest?"

Brash, unnecessarily harsh? I think not. It is merely a comment of the frustration we feel in this community, and indeed, a frustration that has in recent months drawn the creators closer together.

We welcome an opportunity to come one by one to this microphone and share our thoughts, or anger, and hopefully our particular expertise. You see, we believe that our hearing is long overdue.

We have been assailed in print and on the floor of Congress in unnecessary grandstand maneuvers, with total disregard for the facts.

I am speaking of comments relating to the so-called family hour, and the creative unions' support for a lawsuit prohibiting it. We have, at the same time, been accused of, quote, "Peddling sex and violence for profit, while poisoning the minds of our children and grandchildren," unquote. Well, I would like to set the record straight in this open forum.

The Screen Actors Guild went on record deploring and condemning excessive violence in television programming almost a year before the prime-time censorship, or so-called family viewing hour ever reared its two-faced head. We then went on record deploring censorship, because two wrongs never make a right.

The cockeyed notion that artists would prefer to engage in gun chases or violent clashes of automobiles, rather than thought-provoking drama, which is a free marketplace for ideas, is ludicrous.

However, we do fight a battle on two fronts. One, the broadcasters; those supreme protectors of the public interest. Well, you see, they want action. Action, where is the action? Action is a euphemism for violence.

And our public, where are they in all this? Are they really asking for what they get? Well, the ratings, if you can believe them, say "Yes." And the lines at the box office for violence are the longest. They are the most eager.

We are engaged, indeed, in a state of competition with the natural course of events of our time. We cannot do away with the days and its events. We can only offer other temptations.

Howard Rodman is a beautiful writer, and he refuses to contribute to senseless violence in his drama. He said to me the other day, "Naturalism is man singing himself through his paid and appointed poets, and what do we sing in the times when it won't do to send a child to the store in the twilight? And one Kennedy dies in a car, in a photojournalistic way, while his wife crawls for either help or safety, and another Kennedy dies off-camera, but the killer of the first Kennedy is done in on-camera itself. And then there was Vietnam, and then there is a series of earthquakes and aftershocks; fires, bombings, executions, election rhetoricians, and on, and on, and on, and numb. Oil-soaked birds and scum-skinned ponds and Boston etched in black and white, as the buses roll and the schools close, and so do the minds of the children."

Now, can we change our society? God help us if we don't try.

Let us confront those who would profit from this state of our Union. Let us lead people through an evolution on television. Give them diversity, choice, role models. We are entertainment, yes. But we are also educators, chroniclers, poets. There is a cultural revolution going on in this country. There is no reason television should be exempt from joining it. But we must not be dishonest. We can't control; we can only lead. Therefore, we can never accept censorship. Taste, yes. Censorship, never.

And as for the sex part of the sex-violence, I think it is absurd to link the two, although the crashing of a car is a subversion of really dealing with the sexuality of television.

In my opinion, there is not enough sex on television. But let me clarify. Sex has come to mean a one-dimensional, stereotyped concept which most surely needs correcting. The whole area of sexuality needs to be examined. Sexuality takes place between people. It is embedded in their roles and their relationships.

Sexuality becomes possible, meaningful and desirable through the human beings who are characterized and the action that is plotted. When we see men giving each other respect for being violent, controlling, unemotional; when we see women relate to each other only through men; when we see unmarried women primarily as victims; when we see less than 27 percent of the roles for women at all in television; when we see married men primarily as fools and children with asexual parents, I see we are not dealing with sexuality on television.

You are listening to people eager, willing to share our talents to contribute to growth and change, and we must not be thwarted in our valuable direction.

We will persist with the forces against excellence, and together we will all prevail.

Thank you.

Congressman VAN DEERLIN. Thank you, Ms. Nolan.

Mr. Migden, will you proceed?

Mr. MIGDEN. Thank you.

These hearings were called on the subject of television violence and obscenity. There are, of course, all sorts of violence involving the TV medium, and with your indulgence, I would like to talk about one of them.

Although I realize that what I am about to talk about is not exactly what you had in mind as the main topic of these hearings, I have talked to your staff, and it has been indicated to me that my subject is perfectly proper in this forum.

That television leaves a good deal to be desired is not a shocking statement to any of you. Part of the trouble lies with the networks who, after all, really do the programming. They are the people who bring us reruns, as high as 80 percent, a good part of the year. I don't place all the blame there, however; a good portion falls on the federal agency which supposedly regulates television in the public interest.

A few weeks ago, the FCC announced that it had rejected a petition supported by nearly all the Hollywood community, which would have limited prime time network reruns to 25 percent.

There are a number of aspects to the matter which have triggered a substantial reaction. Some of this reaction is generated by the decision itself, but frankly, in the main, it is a matter of the pot finally boiling over.

The reaction really stems from a growing disenchantment with the FCC itself; its composition, its methods, its bias, its ineptitude and its lack of decision making in the public interest.

This is strong criticism, and it is fair to ask if it is justified. Let us look at some of the record.

The petition in the rerun case was filed in May, 1972. The decision was made in July, 1976. Four plus years is what it took. Justifiable? Not in my view, particularly when no hearings were held, and when Commissioners went around the country discussing the matter and announcing their opposition to the rule in advance of the decision. That is one of the problems. Apparently, Commissioners have no compunction about discussing pending matters any time, any place.

The process is unjudicial, to say the least, and in my view, unprofessional. Imagine Judges doing that, and by my standards, FCC Commissioners and their functions are quasijudicial.

They are openly lobbied, and we all know it. I also find this unacceptable, particularly when the power lies with the industry they are duty bound to regulate. We find decisions without hearings, pre-judgment of facts, announcement of decisions in the press before notifying parties; all lacking in even a semblance of due process.

One of the strange aspects of the Commission is what I call their blind side or, to put it another way, their blindness to their own bias.

Let me give you a perfect example. In the rerun case, the decision turns heavily on a Commission view that its function and purview should not be concerned with whether or not there is a vibrant, active or substantial employment pool, which we argue is necessary for the health and creativity of the medium itself. This was all rejected.

The FCC says, "We are persuaded that it is not this Commission's province to engage in regulatory action, by rule or otherwise, with the purpose, or largely for the purpose, of furthering economic conditions in a particular industry." The issue was a red herring, because the real issue was whether the public interest deserves better than 80 percent reruns.

Nevertheless, their statement that they have no role in furthering the economic conditions of a particular industry is interesting. It should at least be applied to the other side of the argument in the very same case. After all, if the economic health of working men and women is irrelevant in rule making, I would hope that network profits are similarly irrelevant.

Not so with the FCC. From the same decision, I quote: "To the extent the networks themselves would be forced to absorb the increased cost of new shows, rather than reruns, the impact on their profits would have to be considered."

They go on to analyze the network's profits, and then state: "At first glance, this may appear to absorb the projected costs of new programming, but it is appropriate to consider two facts; first, the increased costs would have to be shared approximately equally, and history does not indicate that the profits are shared equally among the networks; and second, network profits have not always been at or near this level and may not remain there. In any event, it appears the rule would have a substantial impact on the profitability of each network."

How extraordinary, after stating that the economic conditions in an industry are not their concern. The impact of reruns on people who earn a livelihood in the field, irrelevant. Network profits, grave concern. Bias? I leave it to you.

It may not be the Commission's province to engage in regulatory action to further economic conditions in the industry, but apparently, it is quite acceptable to keep the status quo to maintain network profits. What could be a more dramatic example of the dilemma the public faces regarding what is the public interest. The public will continue to get reruns, and the network's profits will be safeguarded.

The one serious effort the Commission made to regulate the networks was a predictable fiasco. Prime time access was designed by the FCC to take the networks out of certain prime time hours, to return the time to local stations, and by doing so, create diversity of programming. That was the thing, diversity.

After several years of access time, we see the diversity of programming the FCC meant. Diversity means 57 different varieties of game and animal shows. Was it predictable? Yes. Did they listen? No, of course not.

It is extraordinary to hear the arguments we used to urge the FCC to reject access, all of which were rejected by the Commission, now thrown back at us by the Commission as the accepted reasons for rejecting rerun limitations.

We urge that access would breed less expensive types of material, such as game shows, foreign produced materials, generally lower budgets and a lowering of program quality. The FCC, in the rerun case, suddenly is persuaded by all the reasons they rejected and say that the restrictions would, quote: "Have a rather strong tendency to result in some or many of the above developments."

Apparently, the needs of the moment dictate the logic and reasons to be adopted. That this outfit needs to get its act together is pretty clear to us.

What is to be done about all this?

For one thing, the Commission needs upgrading, in terms of the quality of appointees. Time is past for political favors, political nepotism or patronage, and the time is past for establishment-oriented Commissioners who are overly protective of the networks. We must have knowledgeable people who represent the public.

Second, an overhaul of administrative procedures is in order, with greater due process involved. Four years to decide a case without hearings is simply not acceptable. Restrictions on lobbying are also desperately needed.

Third, public interest. This vague term that enables the FCC to declare that all it does is it must be defined by someone other than the FCC. We believe that Congress may have to define it for them.

One final word. Somebody has got to get out and say his piece, with candor, and try to do something about it; to create an awareness as to what is happening to our medium, yours and mine. It is supposed to be ours, you know.

For giving me the opportunity to speak my piece with candor, and I hope with persuasion, I thank you.

INTELLIGENCE MANAGEMENT REFORM ACT OF 1976

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HARRINGTON. Mr. Speaker, for the benefit of my colleagues, I am inserting in the RECORD a "Dear Colleague" on legislation I intend to introduce on October 1, the "Intelligence Management Reform Act of 1976." I have also attached a summary of the bill's major provisions. The text follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 29, 1976.

DEAR COLLEAGUE: Reform and reorganization of the intelligence community must be a matter of the highest priority in the 95th Congress. After two years of extensive investigation of the intelligence community by both the executive and legislative branches, there has yet to be initiated a serious legislative effort to prevent and correct the abuses, excesses and mismanagement documented by these investigations. As noted in the final report of the Senate Select Committee on Intelligence, "Congress has failed to provide the necessary statutory guidelines to ensure that intelligence agencies carry out their missions in accord with constitutional processes." Consequently, before the close of this Congress, I am planning to introduce legislation to initiate comprehensive reform and reorganization of the intelligence community. In this way, the complex legislative proposals I have suggested can be studied by interested members and staff over the next few months and thus be given more informed consideration when the legislation is reintroduced next January.

Presently entitled the "Intelligence Management Reform Act of 1976," the proposed legislation attempts to incorporate the primary recommendations contained in the major reports on the intelligence community issued during this Congress. These include the Rockefeller Commission Report; the Senate Select Committee Report on Assassination Plots Involving Foreign Leaders; the Report of the House Select Committee on Intelligence; and the final reports of the Senate Select Committee on Intelligence: Book I, Foreign and Military Intelligence and Book II, Intelligence Activities and the Rights of Americans (hereinafter cited as Senate Book I and Senate Book II).

While there will be no attempt made here to examine the bill in its entirety, I at least would like to point out the major areas for reform addresed by the legislation. These include (1) statutory procedures for executive control and Congressional oversight; (2) specific prohibitions on allegedly illegal and/or questionable activities of intelligence agencies; and (3) fundamental reform of the intelligence community structure and management to improve agency accountability and efficiency, and eliminate duplication and waste of intelligence resources. A summary explaining the bill's major provisions is attached.

As indicated at the outset, the review of the proposed legislation included here merely highlights the major areas of reform. I would hope that we might soon begin, even if somewhat belatedly, a serious debate on intelligence community reform. Experience indicates that this task will be highly demanding, time-consuming, complex, and frustrating. Nonetheless, it must be tackled with the highest sense of urgency in the next Congress if we are to have a first-rate intelligence community as well as a genuinely democratic society. I intend to introduce this legislation on Friday, October 1.

Yours sincerely,

Michael J. Harrington.

Summary of Major Provisions: Intelligence Management Reform Act of 1976

1. STATUTORY PROCEDURES FOR EXECUTIVE CONTROL AND CONGRESSIONAL OVERSIGHT

Congressional Oversight of Covert Action.—Covert action operations have not been an exceptional instrument used only in rare instances. . . . On the contrary, Presidents and administrations have made excessive, and at times self-defeating, use of covert action. The cumulative effect has been increasingly costly to America's interests and reputation. The Committee believes that covert action must be employed only in the most extraordinary circumstances. (Senate Book I)

Furthermore, approximately three-fourths of all covert action projects are never reviewed or approved by a high level body outside the CIA. (Senate Book I)

The bill establishes procedures and standards which maximize accountability and thorough analysis by a wide variety of bodies, with the result that covert action could be used only in response to a genuinely grave threat to the nation's security. The presumption is that such instances would be extraordinarily rare and, even then, use of covert action would be strictly controlled.

The proposed legislation prohibits covert action by U.S. intelligence agencies in all countries having a democratic system of government, as recommended by Senate Book I. (Hereinafter citations in parentheses refer to recommendations from the reports listed above which have been incorporated in my bill.) This would prohibit all covert activities of the type recently carried out in Italy or Chile. (Senate Book I)

Once a proposal to conduct a covert action is initiated, the CIA is required to prepare a full analysis of the risks, costs, purposes, extent, duration, etc. of the proposal (House Report and Senate Book I), as well as the reasons the proposal cannot be achieved by overt means. This analysis is to be provided to the Operations Advisory Group of the National Security Council which must have a formal meeting and vote on the proposal; the recommendation is then sent to the President, along with dissenting opinions. If the President decides to approve the proposal, he must submit it to the relevant Congressional Committees, along with the CIA analysis and the dissents, prior (Senate Book I) to taking any action or spending any money. He also must certify that there is a grave threat to national security that can be met by no other means.

To prevent covert action programs from continuing unnoticed, the Operations Advisory Group must conduct an annual review of all programs (Senate Book I) and the President must certify to the Congressional Committees that each is required by a grave threat to national security that can be met in no other way.

Congressional Oversight of the Intelligence Community Budget.—The Constitution at least requires public disclosure of an annual aggregate figure for U.S. national intelligence activities. Congress' failure as a whole to monitor the intelligence agencies' expenditures has been a major element in the ineffective legislative oversight of the intelligence community. . . . Moreover, the Committee believes that the overall figure for national intelligence can be made public annually without endangering national security or revealing sensitive programs. (Senate Book I)

The proposed legislation provides that the total amounts of the budgets of all the national intelligence agencies are to be made public each year in the President's budget presentation to the Congress. (House Report and Senate Book I) Furthermore, it requires that detailed and specific budgets of proposed covert action projects are to be provided to the relevant Congressional Committees.

Independent Executive Oversight.—An independent Office of the Inspector General for Intelligence should be established. . . . The IGI shall have full access on demand to all records and personnel of the intelligence agencies. (House Report)

Pursuant to these recommendations, the proposed legislation establishes an Office of Inspector General for the entire intelligence community and makes him accountable to the Congress through Senate confirmation. He is to have access to all information and activities of all the national intelligence agencies. Beyond these provisions, the proposed legislation also requires that the General Counsel of the CIA and the Inspector General conduct an annual review of the government's intelligence activities and certify to the relevant Congressional Committees that no laws or the Constitution are being violated. Finally, both the Inspector General and the General Counsel are to report any violations of the law to the Attorney General, and are exempted from having to report them to the head of the agency involved.

2. PROHIBITIONS ON ALLEGEDLY ILLEGAL AND/OR QUESTIONABLE ACTIVITIES OF THE CENTRAL INTELLIGENCE AGENCY

Domestic intelligence activity has threatened and undermined the Constitutional rights of Americans to free speech, association and privacy. It has done so primarily because the Constitutional system for checking abuse of power has not been applied. (Senate Book II)

The proposed legislation would prohibit the CIA from engaging in the following:

Murder or conspiracy to murder anyone, inside or outside the United States. A maximum sentence of life imprisonment is provided. (The Assassination Report and Senate Book I)

Remuneration of journalists of any nationality (or editors and owners of news media), American religious figures, or anyone who holds a grant from a U.S. Government educational or cultural program, to carry out any activity. (Senate Book I)

Subsidizing, writing, or producing books, articles, films, etc. for distribution within the U.S. (Senate Book I)

Breaking any state or federal law, or violating the Constitution. (Senate Book II)

Experimenting with drugs on unwitting subjects who have not given full consent in the knowledge of all possible consequences. A maximum sentence of $10,000 fine and 10 years of imprisonment is provided. (Senate Book I)

Opening mail, conducting break-ins, infiltrating groups or organizations, using physical or electronic surveillance of people or any other clandestine means of gathering information inside the U.S. (Senate Book II)

Doing anything indirectly through a foreign intelligence agency, or any other group, which the CIA is prohibited from doing itself. (Senate Book I)

Providing clandestine military assistance to any foreign group without prior and specific Congressional consent. (Senate Book I)

3. FUNDAMENTAL REFORMS OF THE INTELLIGENCE COMMUNITY STRUCTURE AND MANAGEMENT

The nation's intelligence functions should be organized and directed to assure that they serve the needs of those in the executive and legislative branches who have the responsibility for formulating and carrying out foreign and national security policy. . . . They should be restructured in order to achieve better accountability, coordination and more efficient use of resources. (Senate Book I)

Director of Central Intelligence.—Both the House and Senate reports recommend the creation of a new position—the Director of Central Intelligence who would be relieved of day to day responsibility for the CIA. Pursuant to these recommendations, the proposed legislation establishes the office of Director of Central Intelligence in the Executive Office of the President. The DCI would be the principal foreign intelligence advisor to the President (Senate Book I), and would inform the Congress of any illegal activities engaged in by any national intelligence agency.

National Security Council.—Under the proposed legislation, the NSC would be empowered to provide policy guidance for all intelligence activities of the U.S. Government including intelligence collection, counterintelligence, and covert action. The Attorney General would be included as a member of the NSC in an advisory capacity. (Senate Book I)

Counterintelligence Committee in the National Security Council.—A counterintelligence subcommittee in the NSC, chaired by the Attorney General, is created to supervise counterintelligence activities, mainly those of the FBI. The standards for activities like agent recruitment must be approved by this NSC committee and the Attorney General is required to certify to Congress that no laws or the Constitution are being violated. (Senate Book II)

Operations Advisory Group.—The OAG within the NSC is required to meet formally to consider any new covert action program and to forward its opinion, along with any dissenting opinions, to the President. (Senate Book I) It is also expected to conduct an annual review of all ongoing covert action projects and recommend to the President whether such operations are to be continued or terminated.

TRIBUTE TO JIM HALEY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FUQUA. Mr. Speaker, one of the finest Members that Congress has ever seen is retiring.

After more than 24 years of distinguished and dedicated service, our good friend and colleague from Florida, Jim Haley, has decided not to seek reelection.

When Jim retires at the end of this session, Congress, the State of Florida, and indeed the entire Nation, will lose a valued legislator of exceptional ability.

During his years in the House he has served with distinction on the important Committee on Interior and Insular Affairs, which he now chairs.

His contributions to the improvement of the Nation's natural resources are innumerable. He has also been a strong leader on legislation in veterans' affairs.

Jim's objectiveness and fairness has been recognized and admired on both sides of the aisle.

As he takes leave of Congress, I join with all those who would want to wish him well, years of good health and happiness. He has had an illustrious career. We are not only losing the company of an esteemed friend, but an inspirational colleague.

POLONIA'S GRAND CELEBRATION OF AMERICA'S BICENTENNIAL

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ANNUNZIO. Mr. Speaker, from the founding of the United States in 1776, down through the 200 years of our Nation's history, American patriots of Polish descent have made mighty contributions to the success and the strength of our experiment in democracy. This year, we are celebrating the Bicentennial of our country's founding, and Americans of Polish heritage throughout our great land have worked to make this celebration the greatest in our history.

Dr. Edward C. Rozanski, the general manager of Chicago's Polish Daily Zgoda, has written an article outlining these impressive Bicentennial observances, and the article follows:

POLONIA'S PARTICIPATION IN BICENTENNIAL OBSERVANCES IS IMPRESSIVE

NATION-WIDE TRIBUTE TO KOSCIUSZKO, OTHER EVENTS MARKED 1976

(EDITOR'S NOTE.—As the main events in observances of the Bicentennial of the American Revolution are drawing to a close, we deem it highly relevant and timely to review Polonia's participation in them. We are indebted for this summary to Dr. Edward C. Rozanski, whose cherished avocation is history, has contributed much to the understanding of our past in America since the Centennial observance of the Civil War.)

(By Dr. Edward C. Rozanski)

At the Ninth National Convention of the Polish American Congress held in Detroit in 1972 the clarion call of Rep. Frank Annunzio (D.-Ill.) in the House of Representatives, was tentatively heeded by setting up a Bicentennial Committee.

A score or more of prominent Americans of Polish origin, qualified to serve on such a Committee, were named.

Guidelines were set up for such a participation which were more clearly defined at the November 1974, meeting of the P.A.C. Bicentennial Committee in Buffalo.

PAC President Aloysius A. Mazewski, appointed the Bicentennial Committee headed by Dr. Herman A. Szymanski, President of Alliance College with Dr. Edward C. Rozanski as Vice-Chairman.

A program of nine points was set up. Seven points were broad in nature, two were specific, namely: Point 6 that of republishing Mieczyslaw Haiman's "Poles in America" monograph . . . Point 8 that Father Kruszka's 13 volumes on "Poles in America" should be translated into English.

The Polish Museum of America published a new edition of Mieczyslaw Haiman's "Polish Past in America 1608–1856"—which was in effect one step further than the original premise since "The Polish Past in America" is a book rather than a monograph. . . In this respect the Kosciuszko Foundation should also be commended for its reprinting of Haiman's "Kosciuszko in the American Revolution." Kruszka's Poles in America have been appearing serially in English translation in Sokol Polski. It does not seem that this has advanced sufficiently to book printing stage.

We therefore are left with a "Progress Report" of what has been accomplished Bicentennial-wise throughout Polonia—not necessarily under PAC direction or sponsorship, nationally or local.

Since no central clearing house had been set up for this type of communal, group or individual activity, we can only report on the more outstanding of these observances which have been brought to our attention up to July 4, 1976—the Big Bicentennial Date.

Most certainly compiling such a compendium would have been easier if all Polonian parties interested in observing the Bicentennial registered their contemplated activities with the American Revolution Bicentennial Administration in Washington, D.C. This National Committee putting out the monthly Bicentennial Times listed in words and pictures more important events. Huge glossaries were also sent out listing by States, almost every conceivable type of observance. . . And to help the ethnic groups a Bicentennial Ethnic Racial Report was also put out.

The use of this medium by the Polonian community was minimal at best—so our report is based primarily on what our diminished Polish American Press furnished in the way of details.

In our survey it immediately became apparent that Mr. Edward Piszek either through personal intervention or through the auspices of his Copernican Society of America or through his firm Mrs. Paul's Kitchen, made the major Polonian contribution to the Bicentennial.

The formal opening of the Kosciuszko House in Philadelphia as a National Memorial in February became a Bicentennial Biggie by the very weight of the National Park Service action through Congressional appropriation which ran well over a half million dollars. With Cardinal Krol, Senator Jackson, PNA and PAC President Aloysius Mazewski and a host of others in attendance, the Kosciuszko House was officially opened and immediately became part of Philadelphia's own historical heritage.

Mr. Piszek followed this with exceptional articles on Kosciuszko in the Saturday Evening Post and Readers Digest, topping this off with an hour long film on Kosciuszko's contribution to the American Revolutionary War effort at Ticonderoga and Saragota. This type of Bicentennial observance would be very hard to duplicate by anybody else not possessed of the financial means such tributes demanded—and yet. . .

The icing on Mr. Piszek's Bicentennial Cake was the hour long presentation on Public Television of "Kosciuszko: An American Portrait." It was a special Reader's Digest film which was initially aired April 5, 1976. . . . Subsequently it was aired several more times . . . It was well produced but somewhat less than dramatic.

The Polonian community of Hartford Connecticut working just as long and as hard erected what is now the country's finest equestrian statue honoring General Casimir Pulaski. It was sculptured by Granville Carter of Baldwin, Long Island, New York. Its cost was $143,000. The contrast here is that of an almost personal effort against a communal spirit that they are given! Both have to be lauded and accepted in the spirit that they are given! The dramatic unveiling came on July 3, 1976.

Following these major events it becomes evident that other Polonian Bicentennial observances would be very much limited in their scope and projection. Here we would have to take notice of such efforts that were of a more enduring nature.

One such effort was organized as a study course by Prof. Frank Mocha titled "The Poles in America—A Bicentennial View." This ten session course became part of New York University's School of Continuing Education—Foreign Language Division. The first course which took shape in the Fall Semester of 1975 had some difficulty in acquiring a respectable audience commensurate with the excellent lectures that spoke on Jamestown through to the present day Polonian image. . . The Spring 1976 course tripled in attendance which gave such lecturers as Col. Anthony Podbielski, Henry Archacki, Edward Pinkowski, Prof. Daniel Buczek, Prof. Ludwik Krzyzanowski, Dr. Eugene Kusielewicz, Prof. Maria Swiecicka, Dr. Zofia Sywak and others.

This Bicentennial course on the Poles in America, attracted the attention of the New York Bicentennial Commission and Prof. Frank Mocha was cited with a Certificate of Recognition with a representative audience of metropolitan Polonians present. . . Prof. Mocha is currently engaged in assembling this series of lectures and is hoping to publish same for the academic fraternity.

A similarly titled week long event "Poles in America, A Bicentennial View" was arranged by the American Polonia of Minneapolis. This ran the gamut of seminars, stagings, displays and a final dinner-dance. It was a most successful series of events.

In Denver, Colorado another week-long Bicentennial festival took place accentuating the early Polish contribution to that mile-high city. Its focal point centered about a soaring modern marble shaft honoring Generals Pulaski and Kosciuszko, Kopernik, Chopin, Sklodowska-Curie and Paderewski. This multiple tribute sculptured by Zbigniew Maleszewski of Warsaw, will henceforth be known as the Pulaski Monument. . . . This magnificent tribute was augmented by exhibits which vividly portrayed the 120 year old Polish contribution to this outpost of the West. It was the result of primary research into the Polish beginnings in Colorado Territory and the establishment of Denver itself in 1859—research done by Stanley Cuba, native born Denver Pole, who now auspiciously serves as assistant to the president of the Kosciuszko Foundation.

We would be amiss if we neglected to mention that through the efforts of Joseph Alecks, the Pulaski Bust and shaft vandalized in South Boston several years ago, was restored in all its former glory by the Bicentennial interest abounding.

These then are the enduring and most visible evidences of Polonia's contributions to America's Bicentennial—yet many other visual tributes came in the form of medals, commemorative stamps, posters, calendars, brochures, articles and printed offerings.

Most notable among these was the PAC medallion struck by the Michigan PAC Division. This medallion honored Washington, Kosciuszko and Pulaski. . . . Separate medals honoring Kosciuszko and Pulaski were issued by Historic America of Cleveland founded by Walter Mularz. Designed by Florian Rachelski, the medals were dramatically conceived. Excellent biographical literature accompanied each medal.

Polpex 76 of the Polonus Philatelic Society of Chicago devoted its annual issue to the Bicentennial and it proved to be the finest ever. . . . The Polish Union of America of Buffalo, is credited in putting out an excellent poster series. These posters honored lesser known Polish contributions to the American scene like Piotr Stadniski, Dutch-Polish banker; Haym Salomon, Polish-Jewish financier of the Revolution; Felix Miklasiewicz, the Polish Paul Jones; Julian Ursyn Niemcewicz and Thomas Cajetan Wegierski, chroniclers of Colonial America and others.

The indefatigable Col. Anthony K. Podbielski of Bayonne, N.J., continued his own poster displays mainly of Artur Szyk's great 1939 series on the Polish and American Fraternity, as well as alike presentation on the Jamestown Poles.

Kosciuszko Lodge Free and Accepted Masons No. 1085 of Bronz, N.Y., introduced through its historian, Past Master Henry Archacki, a Kosciuszko Card series depicting for the first time Kosciuszko's American Revolutionary career in that form. It was an historic first both in concept and presentation!

Whenever there was a bicentennial parade floats would appear honoring some of the more notable Polish contributions to America. Here, of course, the major fraternals were the contributors like the Polish National Alliance, Polish Roman Catholic Union, Polish National Union and others.

Speaking of floats most certainly the majestic participation of the Polish training vessel "Dar Pomorza" in New York City's spectacular "Operation Sails" was one of the unforgettable sights afloat on the Hudson River that July 4, of 1976.

The major exhibit of the Bicentennial was the "World of Franklin and Jefferson," with its record attendances in Paris, Warsaw, and London. Eventually it was seen on home soil in New York, Chicago, and Los Angeles. Historic tributes were paid to the memory of Casimir Pulaski and Tadeusz Kosciuszko with visual artifacts vividly noting their contributions to the American Cause of Independence.

Speaking of exhibits perhaps Joseph Wardzala of Derby, Conn., qualifies as a one-man-show. His tribute built around an original Kosciuszko portrait of Ship Captain F. Lee, won for him an award of Derby's own 300th anno commemorative coin.

Music is not usually given to such commemorations. So it was most unusual to learn that the City of Chicago had commissioned Krzysztof Penderecki, Poland's modernist composer, to write an opera for the U.S. Bicentennial. . . A more colorful musical display was introduced by the famed "Mazowsze" dance and song company which introduce into its repertoire "The Kosciuszko Polonaise." This polonaise was written strangely and excitingly enough by Tadeusz Koseiuszko, a name-sake descendant of the great American Revolutionary War Hero!

If no real book made its Bicentennial debut in behalf of America's Polonia, then some attractively designed bookmarks would be acceptable—and they were. These would naturally find their places in at least the two well edited biographies on Kosciuszko and Pulaski put out by the Polish National Alliance produced for wide distribution. . . The Kosciuszko House souvenir booklet is also attractively put together with color plates adding to its contents.

The Polonian Press made reasonable efforts to put out special Bicentennial editions. By and large these efforts were made not impressed with the exception of PNA's PROMIEN Youth Magazine whose cover dramatically expressed the theme.

Zgoda, Polonia's oldest paper in the country, by a great stint of effort, managed to change from its outmoded printing procedures to the new and more pleasant format through offset printing with its Bicentennial issue, with several outstanding features.

We might add that the most informative of the bulletins and newsletters and columns came from Alliance College in Cambridge, Pa. Starting with its Volume 1, No. 1 Bicentenial Newsletter of October 1974 this quarterly report was most helpful though necessarily incomplete, because not all Polonian Bicentennial activity was being channeled there. However, this newsletter did add three historic letters which were of interest and value. One was from the retired George Washington at Mount Vernon 15 October, 1797 to Kosciuszko. The other two were from Thomas Jefferson to Kosciuszko dated March 14, 1801 from Washington, and the other August 5, 1812 from Monticello. All three letters touched upon Kosciuszko's financial affairs in the United States.

Judging from these Alliance College Newsletters, it would seem that Polonia's participation in the Bicentennial was coming in from all points of the compass. Perhaps it is fitting then that we conclude our progress report with this Bicentennial Observance held in Alliance College itself last July 16 and 17 in Cambridge Springs with Dr. Herman Szymanski acting as host. The event brought together many of the personalities who had hopefully launched the Bicentennial projects in Buffalo's PAC convention four years ago.

If there were any laurel wreaths to be placed on some of the more distinguished brows they would have to be on the basis of individual effort rather than a planned coordinated program.

Perhaps it comes as a pleasant surprise that actually more was accomplished than anticipated because from the very outset anyone could put his finger into the huge Bicentennial pie and pull out a plum to his own taste and desires!

STOKES NEWSLETTER OFF THE PRESS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STOKES. Mr. Speaker, at this time, I would like to call your attention to my latest constituent newsletter. As the elected Representative to Congress from Ohio's 21st District, I feel that it is very important to keep my constituents well informed of my legislative activities.

I hope that my colleagues in the U.S. House of Representatives will find this newsletter to be an interesting and informative publication.

Therefore, Mr. Speaker, I commend to you this newsletter entitled "Congressman Louis Stokes Reports" dated October 1976:

CONGRESSMAN LOUIS STOKES REPORTS

DEAR FRIEND: Recently the House and Senate Budget Committees agreed, in conference, to place a limit on the amount of money that the Federal government could spend in fiscal year 1977. The limit or ceiling, as it is often referred to, has been set at a $413.1 billion maximum from October 1, 1976 to September 30, 1977. That is a great deal of money. I would like to take this opportunity to explain to you what I do on the House Budget Committee to insure that the people of my district are represented in the decision to spend this money.

As Chairman of the Task Force or Subcommittee on Community Resources and General Government of the House Budget Committee, I have jurisdictional oversight on $80.5 billion of the $413 billion budget. My Task Force makes budget decisions in five functional categories:

(1) Commerce & Transportation.
(2) Community & Regional Development.
(3) Law Enforcement & Justice.
(4) General Government.
(5) Revenue Sharing & General Purpose Fiscal Assistance.

Within these categories are some very important programs for our community such as the Emergency Housing Programs and Rehabilitation Loan Programs which subsidize the mortgage market and allow low income persons the opportunity to purchase a home. Also included within my Task Force are the funds that are directed to the cities for their use in providing services to our community. These funds come to cities in the form of revenue sharing; comprehensive planning grants and community development block grants. These are the same funds that assist the city government in maintaining police, fire and social services at the level they determine to be adequate. Among the most important budget issues in my task force is the Community Services Administration allocation in the Community Development function. The CSA provides services for our children and elderly through various community action programs. It is essential to maintain these services because in some cases they are the foundation for the survival of our elderly and development of our children.

It is my responsibility to represent the needs of the 21st District in Congress. I do so in my capacity as Chairman of the Community Resources and General Government Task Force by allocating what I consider to be budget allocations that are commensurate with your needs. I emphasize the economic growth and development of the business sector of our community by increasing allocations for the Office of Minority Business Enterprise and the Small Business Administration. I represented you when I proposed an increased subsidy and opposed the President's plan for the Urban Mass Transportation Administration. My budget proposal allowed the Regional Transit Authority to implement the 25 cent fare for the Cleveland area. So as you see, the $413 billion budget can boil down to a 25 cent decision, the type of decision which affects the daily lives of each and every citizen in Cleveland.

As a member of the Budget Committee, I also sit on the Human Resources Task Force and the National Security Task Force. It is my strategy to know as much about where Federal funds are channeled as possible. Therefore, I act on decisions to fund B–1 bombers as well as school lunch programs. I believe in action and participation as opposed to armchair criticism, so I have involved myself in the issues. I supported increases in public service employment that will create 620,000 new jobs. I argued that unemployment is this country's public enemy number one and that it makes more sense to allocate money for jobs than for unemployment compensation. I gave vivid depictions of the effects that inadequate welfare payments will create in our society. In addressing your concerns I brought you, the people of the 21st District, into one of the most powerful Committees in the Congress. Your daily struggle is my daily struggle as I fight to represent you.

Warm regards,

LOUIS STOKES,
Member of Congress.

CLEVELAND SUMMER INTERNS GAIN POSITIVE VIEW OF GOVERNMENT

Five young Clevelanders got a strong dose of governmental affairs this summer, and from all reports, they loved every minute.

Lisa Robinson, Andrea Miles, Alethea Thomas, and Jefferica Pollard were interns in the Washington and District offices of Congressman Louis Stokes and Kevin Moss was appointed to a 10 week assignment as a Congressional Page.

Each summer intern received work assignments in different legislative areas. Lisa, daughter of Mr. and Mrs. Larry Robinson of Cleveland, did six weeks of extensive research on Social Security legislation. Currently, she is a student at Carlton College in Northfield, Minnesota and hopes someday to become a writer.

Andrea was an intern for four weeks and assisted in the preparation of the Youth OIC Job Creation and Training Act of 1976 Now in her senior year of Hampton Institute in Virginia, she is a Psychology major and an accomplished dancer. She is the daughter of Mr. and Mrs. Joe Miles of Cleveland.

Alethea was in the Cleveland district office this summer and stayed busy with correspondence, case work and constituent concerns. She is a Junior at Northwestern University in Illinois and majors in Music Education. Her parents are Mr. and Mrs. Jesse Thomas of Cleveland.

Jefferica was a volunteer in the Cleveland office. The daughter of Mrs. Irma Nichols of Cleveland is a sophomore majoring in Special Education at Kent State University. She was office receptionist and became involved in a wide spectrum of legislative activities.

Of all the summer employees, Kevin probably had the most physically strenuous job. Up early each morning when the bells ring to open the daily sessions of Congress, Kevin remained on his feet and in constant motion far into the evening hours.

For part of the summer, Kevin was a "Running Page," a job which kept him running to and from the Capitol and the five House and Senate Office Buildings. The latter part of the summer, Kevin spent as a "Floor Page" which required long hours in the chambers of the House of Representatives working with legislation and keeping the Congressman and other members abreast of impending floor action. He is the son of Reverend and Mrs. Otis Moss of Shaker Heights. After graduation from High School next year, Kevin hopes to attend his father's Alma Mater, Morehouse University in Atlanta, Georgia and take up studies in pre-law.

Before returning to school, each intern told Congressman Stokes that their positions provided them with a positive learning experience and an increased knowledge of the legislative process. Kevin and Andrea have even professed a desire to run for public office someday.

Throughout his four terms in office, Congressman Stokes has made it a top priority to give young people an opportunity to participate in Government. Lisa, Kevin, Andrea, Alethea, and Jefferica, because of this experience, will be able to provide legislative information and leadership at their schools and at home in their respective communities.

CONGRESSMAN STOKES AWARDED OIC MEDAL; APPLAUDED AS "CHAMPION OF POOR PEOPLE

Opportunities Industrialization Centers of America has given Congressman Stokes a special legislative award for his outstanding leadership in fighting unemployment and "making the legislative process work for the poor of all races."

The Reverend Leon Sullivan, founder and president of OIC presented the award to the Congressman at the OIC Convention in Philadelphia on August 31, 1976.

Prior to the Convention, Cong. Stokes introduced the Youth OIC Job Creation and Training Act of 1976 which will seek to train and provide jobs for one million Americans through 1980. The legislation is directed towards high youth unemployment. He also joined Rev. Sullivan in testifying before the House subcommittee on Manpower, Compensation, and Health and Safety on behalf of his bill and OIC.

In his testimony, the Congressman cited current staggering youth unemployment statistics and urged committee members "to avert a potential human catastrophe in which millions of youth, especially Black youth who have a national unemployment rate of 40.3%, will become adults with no hope of finding a job."

In introducing the bill, Congressman Stokes also praised the work of the East Cleveland OIC for their contributions in job-training and employment. Many of the components of the Stokes bill will have a positive effect on the local chapter.

One section provides for the nation-wide establishment of the OIC Urban Career Education Center for the education and training of elementary and high school dropouts. The pilot UCEC center in Philadelphia has recorded an 80% success rate in working with dropouts and near dropouts.

Another aspect of the Stokes Bill will provide special consideration to those veterans who have received "less than honorable discharges." Many of these Veterans are minorities and make up one of the most unemployable segments of our population.

In accepting the OIC legislative award, the Congressman told the conventioneers that "getting people back to work is not only a social priority but also an economic necessity."

"We are the only country in the world with something called 'an acceptable level' of unemployment. This trend must end, and it must end soon. OIC has been instrumental in training the unskilled and finding jobs for the unemployed and I will do everything in my legislative capacity to help them in their efforts."

STOKES AMENDMENT NETS FUNDS FOR DIABETES RESEARCH

On June 2, I successfully sponsored a $20 million Amendment to the House Appropriations Budget for Fiscal Year 1977 to increase funding for Diabetes Research.

My Amendment will bring the total spending for Diabetes research and prevention to approximately $65 million. Not only will these funds be of service to the 80,000 known Diabetics in the Greater Cleveland area, but also to those 10 million U.S. citizens afflicted with this serious disease.

Diabetes causes approximately 300,000 deaths a year, making it the third leading cause of death in the United States. This disease is also the major cause of blindness in this country.

In my statement to the Labor/HEW subcommittee, I made particular mention of the dangers of Diabetes to minorities in that non-whites are one-fifth more likely than whites to develop Diabetes and poor people are three times as likely as middle-income and wealthy people to be afflicted. I also indicated that diabetes research programs are not sufficiently funded in relationship to other major killers such as Cancer and Heart Disease.

The Diabetes Association of Greater Cleveland worked very closely with me on this crucial legislation. After the passage of this Amendment, Dr. Charles L. Hoppel, M.D., President of that organization, and Mrs. McKinley Whittlesey, Executive Director announced that the Stokes Amendment "is an example of responsible work by a Congressman at its very best."

I was also pleased to receive a letter from Mr. Wendell Mayes, Jr., Chairman of the Board of the American Diabetes Association in New York who wrote "The Increased Appropriations can mean a profound difference for our lives and the lives of our families. You have our deepest gratitude and our sincere thanks for your commitment and dedication to the cause Diabetes."

The $20 million in additional funds provided in my Amendment will be utilized in the following areas: $2.5 million for Diabetes research and training centers; $10 million for the Arthritis Institute and its Diabetes program; $2.5 million for the Eye Institute and its program dealing with Diabetic Retinopathy; $3 million for the National Institute of Child Health and Human Development; and $1 million for Diabetes research at the Heart and Lung Institute.

Hopefully, the Stokes Amendment will help hasten the day when a complete cure can be found for this crippling affliction.

CLEVELAND MINORITY BROKERS TRAVEL TO WASHINGTON FOR HOUSING SEMINAR WITH FEDERAL OFFICIALS

Due to some of the severe housing problems in the 21st District and the Greater Cleveland area, members of the Cleveland Association of Real Estate Brokers, and other minority realists from nearby cities, traveled to Washington at my invitation to participate in a Legislative Seminar arranged by my office.

The Minority Brokers wanted some direct answers from top Federal Housing Officials on various issues pertaining to real estate in Cleveland. I invited a number of top administrators from the Department of Housing and Urban Development (HUD), the Veterans Administration, and Housing interest groups to speak and participate in panel discussion on housing legislation, regulations and programs of particular interest and assistance to minority realists.

The Cleveland Realists were particularly concerned with the Section 8 Housing Program which provides funds for the Construction of low and moderate income housing and rental assistance; the increased participation of minority management brokers in the Veterans Administration Property Management Program; urban blight and decay due to poor property management in minority communities by the VA, and impending housing legislation for the next fiscal year.

Preston L. Fenderson, President of the Cleveland Association of Real Estate Brokers led the Cleveland delegation. Also in attendance were Mrs. Katherine Bates, Broker with Acme Realty; James E. Haynes, Vesitil Properties Systems, Inc., David L. Bell of D. L. Bell Realty, Donald Durrah of East Cleveland, and Anita Lewis Polk of Cleveland. In addition, Realtists from other Ohio cities accompanied the Cleveland group. They were Marguerite C. Smith of Marcellus Smith Realty of Dayton; Rev. Jack D. Middlebrook, Middlebrook Realty of Mansfield and Audrey B. Browning of Bernice Browning Realty of Cincinnati.

I was honored that the distinguished President of the National Association of Real Estate Brokers, Inc., John D. Thompson, dropped in to hear several of the panel discussions. He also sent several staff members to share their expertise with The Cleveland Brokers. On July 8th, of this year, I received a Certificate of Appreciation from the National Association of Real Estate Brokers, Inc. for my legislative work in the field of Housing.

I have been informed by Mr. Fenderson that he and several realtists will continue to meet with Veterans Administration and HUD officials to follow-through on commitments made during the conference. Hopefully, such meetings will be fruitful in helping to solve some of the business problems unique to minority realtists. I was also informed that the realtists from other Ohio cities with similar problems will unite with The Cleveland Association of Real Estate Brokers in their fight for equal treatment for themselves and their clients.

CONGRESSMAN STOKES INTRODUCES BILL TO ASSIST CLEVELAND HOMEOWNERS IN COMBATING FORECLOSURES

Congressman Stokes has introduced legislation to assist urban homeowners in Cleveland and nationally, who have been plagued with possible foreclosure of their federally insured mortgages. Already, 42 of the Congressman's colleagues have joined him in cosponsoring the Foreclosure Forebearance Standards Act of 1976.

In a floor statement to the House of Representatives, Congressman Stokes cited some alarming foreclosure statistics for the city of Cleveland.

Between 1970 and 1975, Cuyahoga County had 3,923 FHA/VA foreclosures with only 919 of those outside the city of Cleveland. The remaining 3,004 were within the city. Of these, 331 were in predominantly white neighborhoods and 2,673 were in East-side neighborhoods which are racially mixed.

The East Cleveland Citizens Action Team (C.A.T.) gave the Congressman statistics which show that 233 Mortgages in that city were foreclosed from January 1973 to June 1975. Since June 1, 1975, 81 additional East Cleveland homeowners are in the process of foreclosure.

The Congressman told his colleagues that many of the Cleveland families living in FHA/VA homes are under constant hardship due to a still lagging economy and persistent unemployment. "Too many of my constituents suffer from unnecessary anguish and humiliation due to the failure of the government to meet the needs of the urban, low-income homeowner. Many of these families make valiant attempts to reconcile late mortgage payments only to be met with resistance and a lack of understanding from mortgage-lending institutions. When these families are pushed out of their houses and neighborhoods, it can wreak havoc with the stability of the urban neighborhood, causing the encroachment of blight and decay.

"My legislation would allow HUD to require, by law, that Mortgage lending institutions wait until three full monthly payments are past due before beginning foreclosure procedures. It would also require the Mortgage lending institution to make significant efforts to reconcile overdue payments and to initiate other helpful measures for homeowners.

In a floor speech, Congressman Stokes told his colleagues that "This legislation is important to the continued viability of Cleveland's inner-city neighborhoods and to the future well-being of the urban family."

MATERNAL AND CHILD HEALTH CARE PUSHED BY CONGRESSMAN STOKES

Even though the U.S. is the most prosperous nation in the World, our infant mortality rate is still far too high. The U.S. ranks fifteenth in the world rate of infant deaths. Even worse, the mortality rate of minority infants is ⅔rds again as high as the rate for white infants.

I recently read a report compiled by the Comptroller General's office which indicated that the Cleveland infant mortality rate was 23.6 per thousand live births, much higher than the national average of 17.6 deaths per thousand. The report also stated that in the poorer areas of the city, the mortality rate soared to 28.8 deaths per thousand.

In response to these disturbing satistics, I joined with eight of my colleagues in the U.S. House of Representatives in sponsoring the Maternal and Child Health Care Act. This legislation would provide pre-natal and post-birth care for women up to twelve weeks after childbirth; support services for persons determined to have a higher risk of infant and maternal deaths; dental services for children four and over, and comprehensive out-patient and hospital care for children starting at birth.

There are several programs in Cleveland which are already working to improve the infant mortality rate. Dr. Ralph Woolfe, co-director of the Maternal and Infant Care project at Metropolitan General Hospital in Cleveland said that 5000 women and 4000 infants were enrolled in this program in the past twelve months. Approximately 25% of these mothers suffer from iron deficiency of varying degrees of severity. The program provides careful and systematic pre-natal care for the mother, including nutritional education. Most of the women involved in the program are from low-income areas which have high infant mortality rates. More than 50% of those enrolled are black.

Another problem stemming from poor pre-natal care is the danger of premature birth. Many mothers, especially pregnant teenagers, do not seek early care and are unaware of the importance of a balanced diet in the development of their babies. The premature infant rate among minorities is twice that of the white population, 130.4 births per thousand as compared to 63.16.

The Maternal and Child Health Care Legislation will do much to turn around these dismal statistics.

Every child born in this country, regardless of race or income level has a right to life, health, and to be born with the fullest potential for growth.

FREE TELEPHONE SERVICE ON ARMY RETIRED PAY

Toll free telephone service is available to retired Army personnel in 48 states who wish to call Retiree-Pay Operations, U.S. Army Finance and Accounting Center, Ft. Benjamin Harrison, Indiana.

The toll free number is 1-800-428-2290 with five lines open between 7:45 a.m. and 4:00 p.m. (EST) Monday through Friday.

WHITE HOUSE TOURS

In order that our office may give you better service during the remainder of the Bicentennial, we would appreciate receiving all congressional tour requests between 14 and 30 days in advance. Your requests can be made either in writing or by telephone. Should we not be able to provide all the reservations you might need or you are unable to make advance reservations, you will be able to visit the White House on one of the tours which are not made by advance reservations. For further information you can contact Sharon Warren on 202-225-7035.

(Congressman Louis Stokes has been appointed to the newly formed Select Committee to Conduct an Investigation and Study of the Circumstances Surrounding the Death of John F. Kennedy and the Death of Martin Luther King, Jr.

(The Committee appointments were made by Speaker of the House Carl Albert.

(Congressman Stokes stated: "The American people are both entitled to, and expect their government to investigate all facets of the facts and circumstances surrounding the assassination of these two great Americans."

("In every respect, I will endeavor to bring out all the facts.")

TRIBUTE TO CUE O. WHITE

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Ms. BURKE of California. Mr. Speaker, I would like to take this opportunity to commend Cue O. White, of Los Angeles, for his imaginative solution to a problem which has plagued cities for years. I am referring to the robberies and physical attacks which this Nation's bus drivers endured for years before Cue White, the first black man ever elected to a United Transportation Union post in Los Angeles, offered his exact-fare plan in 1967.

As chairman of a United Transportation Union local, Cue was in a perfect position to understand the dimensions of the problem. Prior to the 1969 implementation of his plan in Los Angeles, uncertainties about fares created tensions and fears on the part of employees and passengers. Drivers wasted valuable time making change, and confusion reigned over the complicated fare system.

Then, in December 1967, Cue White wrote a column outlining the "Cue Plan," in which he called for an exact-fare plan for the transit system. At first, it was opposed by other union officials. But Cue persisted and succeeded in drawing the interest of the Federal Government and a number of eastern cities. In 1968, Washington, D.C., adopted his plan, closely followed by Baltimore, Philadelphia, Pittsburgh, Oakland, and other cities. Crime decreased astronomically. Finally, Los Angeles adopted the plan and robbery attempts declined from one per day in 1969 to two in all of 1970.

Cue White is a dedicated man whose imagination and persistence have reduced crimes committed against bus drivers, thus saving taxpayers' money and reducing tensions in the transit system, as well as improving the efficiency of public transportation. His humanitarian spirit stands as an inspiration to us all.

NATIONAL TRANSPORTATION POLICY

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. LEVITAS. Mr. Speaker, Mr. Nat Welch, executive vice-president of the Atlanta Freight Bureau made a statement before a forum to develop a National Transportation Policy held recently by Transportation Secretary Coleman in Atlanta, Ga., on September 15, 1976.

I wish to commend Mr. Welch on his comprehensive statement dealing with the transportation industry and its service to the American people. There is much in the statement with which I am in agreement, most particularly Mr. Welch's advocacy of the direct Atlanta to London and Paris air flights, considering that Atlanta now has the second busiest airport in the world and should be able to offer international service, and his suggestion that the Atlanta commercial zone be expanded.

I want to place this statement in the CONGRESSIONAL RECORD because it is comprehensive with regard to the business of transporting people and goods both in and around Atlanta and the Nation as a whole. As such, it will be most useful to all who read it.

The text follows:

TESTIMONY OF NAT WELCH, ATLANTA FREIGHT BUREAU

Mr. Secretary: the Atlanta Freight Bureau appreciates this opportunity to appear before you today and offer our comments on your Department's "Statement of National Transportation Policy".

My name is Nat Welch, Executive Vice President of the Bureau. The Bureau has a distinguished 74-year history and has been in the vanguard on key transportation issues such as the north-south freight rate discrimination cases during the thirties and forties. The Bureau represents 304 Georgia shippers and receivers. We are in the process of changing our name to the Georgia Freight Bureau which more accurately reflects our membership.

A special section of your Department's report has to do with the "Transportation Consumer' . . . the user, purchaser and shipper of transportation goods and services . . . . . like the members of the Atlanta Freight Bureau. You propose "Meaningful public hearings on major policy issues conducted by the top executive officers of the Department in different locations around the country". The presence of the Secretary of Transportation in Atlanta today is evidence of your clear intent to carry out what you have proposed. We thank you for conducting this hearing in Atlanta.

The Railroad Revitalization and Regulatory Reform Act of 1976 is certainly one of the major pieces of transportation legislation enacted in this century. We offer the following comments:

1. Richard Spence, President of Conrail, several key vice presidents, and other Conrail officials conducted a half-day briefing in Atlanta during June for some one hundred Southeastern shippers. The Bureau was impressed with the seasoned, experienced team that Mr. Spence has assembled and their determined, "gung-ho" spirit to deal with the very difficult task of revitalizing this important 17,000 mile rail system. We are mindful of the tough row Conrail has to hoe but we are encouraged by Conrail's progress to date.

2. Down thru the years, the ICC rate structure has been too rigid. In speaking of the provision which will enable railroads to raise or lower rates 7% annually, Prime Osborn, President of the Seaboard Coastline Industries, told the Bureau's major rail shippers in January the new 4-R Act "will give us flexibility we have long wanted and needed". The Bureau believes in this new concept. The railroads now have an innovative tool to act with reasonable quickness to be more competitive with barge, pipeline, and motor carriage, both common and private. As shippers we have been subjected to rate increase on top of rate increase year after year. The railroads say they have yearned to be free from regulatory shackles as they could show their competitive muscle. As shippers we know that there are going to be 7% rate increases. We are watching with "eagle eyes" to see where, when, and how many 7% rate reductions there are going to be.

3. The Bureau believes that a program of selective abandonments must be pursued with dispatch throughout the nation. Most of our rail system was put into place over a hundred years ago. Since that time there have been radical shifts in our population and transportation needs. Graham Claytor, Chairman of the Southern Railroad, compares the duplicating lines of the mid-West to a "pile of spaghetti" and adds that we have been blessed in the Southeast with little excess capacity. Prime Osborn told the Bureau of the unending delays of years that the Seaboard Coastline has faced in abandonment procedures. This might sound a bit strange coming from a shipper group, but the Bureau believes that we must take a hard look at our excess rail capacity in the Southeast and prune the dead wood where needed.

4. A new look needs to be taken on taxes paid by carriers. Barge lines pay no ad valorem taxes to use the inland water ways, airlines pay no ad valorem taxes to use the skies, and motor carriers no ad valorem taxes to use the highway system. Railroads pay ad valorem taxes on their rights-of-way as well as their rolling stock and terminals. The Bureau believes that railroads should continue to pay ad valorem taxes on rolling stock and terminals as do other carriers but ad valorem taxes they pay on their rights-of-way should be reduced or removed. The inland waterway system was very expensive to build and is expensive to maintain. The Bureau believes that a barge user fee system needs to be inaugurated.

The Bureau supports the Department's position on the need for carriers and shippers to be more aggressive and innovative in intermodal shipping. The Bureau would like to cite two very successful programs in Georgia. The Port of Savannah's first container berth became operational in May, 1972. A second container berth is now in use and a third is under construction. For their year ending June 30, 1976, the Port of Savannah handled 71,000 twenty foot equivalent containers. This port is a beehive of activity with containers for export being loaded from rail and truck to ship and vice-versa for imports containers.

When asked to comment on Georgia Highway Express' intermodal program, Bill Scott, Marketing Manager, exclaimed. "It's a great program. It produces almost 40% of our $35,000,000 annual revenue". Georgia Highway has no over-the-road rights between St. Louis, Chicago, Cincinnati and Atlanta and Florida peninsula points. These moves between the midwest and southeast are made by Plan V piggyback, primarily by Seaboard Coastline. Georgia Highway has local pickup rights around these midwestern gateways and has extensive rights throughout Georgia, Alabama, Tennessee and Florida. Parts of this intermodal system have operated since 1958. The shipper's goods move on a single Georgia Highway bill of lading from origin to destination. Obviously many benefit from this intermodal system . . . the shipper, the receiver, the railroads, Georgia Highway, the motorist and the taxpayer.

Commercial zones must be expanded. The ICC's present population mileage formula for commercial zones has not changed in over thirty years. The 1976 population estimate of the City of Atlanta's population is 457,300 and 1,653,000 for the metropolitan area. The present commercial zone is only five miles from the city limits. There are hundreds of distributing and manufacturing businesses in contiguous metro areas that are not in the Atlanta Commercial Zone. Four times in the last eight years, both shipper and carriers groups have made extensive and time consuming petitions to the ICC to have the commercial zone expanded. The ICC now has under consideration a revision of its present population-mileage formula. Hopefully, some relief for cities like Atlanta is forthcoming. The Department of Transportation commissioned a study last fall on this problem. The two case cities chosen were Atlanta and Boston. This was a first rate study . . . pointing out the problems, expecially in Atlanta, and offering some constructive solutions.

We Americans are good at pointing out what we have done wrong and it is difficult to reach consensus on what we have done right. But I believe Americans will almost unanimously endorse the interstate highway program. The interstate system has been of enormous benefit to motorists, shippers, truckers and has served as a huge stimulant for economic growth. Parts of the system are twenty years old and need to be modernized. In speaking of the Highway Trust Fund, your report states that "Trust funds tend to create special problems", such as the inflexibility in allocating funds. The Bureau believes that your Department should have the flexibility to divert funds from the interstate program to help finance urban mass transit systems. Traffic during the rush hours in the morning and afternoon in Atlanta is an unholy mess. By building a modern mass transit system in Atlanta, we will be taking cars off the highway and moving people more efficiently on a mass transit system. The biggest roadblock on the interstate highway system in the southeast is the rush hour traffic in Atlanta where three interstate highways cross. Expending funds for mass transit in Atlanta will help unplug this interstate bottleneck.

Atlanta's traffic jams at the rush hour rival or exceed the worst in the country. Streets and interstate highways are too valuable an asset to be used only during the morning and afternoon rush hours during which time we have from 5,000 to 10,000 trucks rolling in Atlanta. As shippers, receivers and carriers, we must look to greater night-time utilization of our streets and highways. This will require a lot of give and take on the part of both shipper and carrier but we must work together to avoid this economic strangulation.

Atlanta's Hartsfield Airport is the second busiest in the world. What makes it so is the tremendous feeder airline system for the whole southeast which funnels into Atlanta. This makes Hartsfield a natural for non-stop flights to London and Paris. Recently ten Southern Governors sent a telegram to the President urging him to endorse the latest recommendations of the Civil Aeronautics Board granting international air rights to several American gateway cities such as Atlanta. The Southeast should have an even chance to compete with the Northeast, Midwest and the Westcoast. These regions have direct flights to Europe. So should the Southeast.

Air cargo tonnage has increased significantly in the last decade. We have tended to look on ourselves in Atlanta as the distribution center of the Southeast. Hartsfield Airport has flights to more domestic cities than any other airport in the world. We think that with this capability Atlanta can become a national and international distribution city for such products as spare parts for machines and equipment. This program gained added impetus with Delta's recently announced 40% discount on high density freight.

For a quarter of a century, the Federal government has provided financial assistance to States and municipalities for the construction and improvement of airports. This has been a good program. Some states have carried this program to a wasteful extreme by building airports in many towns of one to two thousand people. We like the emphasis of your Department as enunciated in the policy statement, "Under the Airport Development Aid Program, the national interest is primarily in the construction and improvement of carrier airports serving the trunk lines and interstate traffic. We have recommended modifications to this program to earmark increased funds for each carrier airport on the basis of scheduled aircraft operations".

The Bureau wishes to commend your Department for making a giant step forward in seeking to establish a national transportation policy. Dr. James Lemly, Professor of Transportation and Marketing at Georgia State University, says, "In our 200 year history we have had special transportation policies for special purposes but we have never had a cohesive, structured national transportation position. This is one of the reasons why we are in the trouble we are today". As you are well aware, there are strongly opposing forces at work on practically every transportation issue. Our so called policy can be likened to many randon tug-of-wars on the playing field going simultaneously. A master plan is desperately needed and we appreciate the efforts of your Department to establish this national game plan.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on September 30, 1776, the Continental Congress passed a resolution: First, requesting the several States to appoint qualified physicians and surgeons to examine the surgeons and surgeons' mates who offered to serve in the Army or Navy; second, declaring that no commission should be issued to anyone who should not produce a certificate from such examiners that they were qualified for the duties of their office; and third, placing all surgeons and surgeons' mates, whether serving in regiments or hospitals, under the direction and control of the medical directors in the various departments.

Congress took this action in order to assure the appointment of qualified medical officers and an effective and efficient chain of command in the field of medical services, both of which had been plagued by serious deficiencies.

THE MONROE DOCTRINE AND THE PANAMA CANAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CRANE. Mr. Speaker, those who are prepared to turn the Panama Canal over to the radical Government of Panama which is closely tied to Fidel Castro and in turn to the Soviet Union are forgetting an important historical lesson.

For 153 years our Government has been pledged to keep any European power from exercising control over any sovereign state in the Western Hemisphere. Although many seem to have forgotten it, the Monroe Doctrine is not simply an historical anachronism. It remains a clear enunciation of traditional American policy and is as valid in 1976 as it was in 1823.

The Soviet Union, it is clear, has total control over at least one country in our hemisphere, Cuba. The aggressive action of the Cubans in Angola is an indication of one way in which the Soviet Union plans to use this control. Cuban-sponsored efforts to remove the United States from the Panama Canal and the Canal Zone is another example.

In an important study which has just been published, Isaac Don Levine, who has been a careful observer of the Soviet Union ever since he covered the Russian Revolution as a reporter and was stationed in the U.S.S.R. as a correspondent for the Chicago Daily News, explains the connections which many seem not to see. He writes that—

> The Soviet leap to Angola with the aid of a Caribbean expeditionary force marks a new departure in the strategy of the Kremlin. It sets a precedent of aggression by proxy which cannot be allowed to stand. It must be reversed, and it can be done without firing a shot. Unless that is achieved, the Soviet-Cuban dagger threatening the Panama Canal portends coming of a catastrophe. . . .

In his study, "Hands Off the Panama Canal," published by the American Council for World Freedom, 1735 De Sales Street, NW., Washington, D.C. 20036, Mr. Levine declares that—

> The real choice before the U.S. in Panama is between unimpaired American control of the Canal and a threatening takeover by the Soviet imperialists. The choice is not between a new treaty and a bitter confrontation.

Isaac Don Levine, believes that the best way to deal with the current threat to the Panama Canal is to reaffirm our allegiance to the Monroe Doctrine and apply it to the present crisis. He writes:

> This step, would proclaim to the world the time-honored right of this nation, in the interest of its security, to demand that Castro sever his military ties with the Soviet Union. These ties are in violaton of the Monroe Doctrine which inhibits any alliance for aggression between a European power and an American satellite.

The career of Isaac Don Levine has been a distinguished one. He was the first biographer of both Lenin and Stalin and it was he who first persuaded Whittaker Chambers to speak publicly. He has written 16 books, and his latest effort is worthy of our careful consideration.

I wish to share with my colleagues one short chapter from Mr. Levine's study, "Hand Off The Panama Canal," entitled "Panama and the Doctrine," and insert it into the RECORD at this time.

PANAMA AND THE DOCTRINE

For 153 years the Monroe Doctrine warded off aggression and secured peace for the Western Hemisphere without firing a shot. It achieved this unique record by brandishing a shield which bore the warning: BEWARE, NO TRESPASSING! That is the essential message of the Monroe Doctrine and its family of corollaries. The guardians of the shield were men of courage and vision, ever on the watch for intruders, marauders, schemers, and infiltrators. They were on the alert to challenge invaders *before* any embarked on their adventures.

At every dangerous crisis in the history of the relations of the United States with the Old World, the watchmen challenged the apparent trespasser with a display of iron will, with skillful diplomacy, looking at the unfriendly encroacher straight in the eye, without yielding an inch of ground on the fundamental principles of the Monroe Doctrine.

There were occasions when the alarmed young giant of a nation, bursting with energy, flexed its muscles unnecessarily and imprudently. Whenever that happened, it sooner or later mended its errors. But there was never an occasion when it conducted its vital affairs with craven timidity and a slinking diplomacy.

The Monroe Doctrine was fashioned by leaders who were convinced that appeasement invites aggression, that a bully cannot be stopped with diplomatic syrup; it was fashioned by leaders made in the mold of a Winston Churchill, not a Neville Chamberlain, by statesmen created in **the** image of a George Washington, and not a Richard M. Nixon.

The ship of state of this great nation has for some time been drifting toward the abyss. Out of the East the dark forces of Communist imperialism have been advancing upon the West with crafty but sure steps, taking advantage of the weaknesses of the free world and of its skittish leadership to enhance the hegemony of tyrannical rule over the globe.

The Soviet leap to Angola with the aid of a Caribbean expeditionary force marks a new departure in the strategy of the Kremlin. It sets a precedent of aggression by proxy which cannot be allowed to stand. It must be reversed, and it can be done without firing a shot. Unless that is achieved, the Soviet-Cuban dagger threatening the Panama Canal portends the coming of a catastrophe with the consequence that the Hammer and Sickle will eventually replace the Stars and Stripes in the Canal Zone.

To debate on a national scale the issue of the sovereign control over the Panama Canal without any reference to the menace of the Brezhnev Doctrine, without any regard to the Soviet-Cuban operation in Angola, without any awareness of the Communist tide lapping the shores of the Caribbean, is an exercise which turns Uncle Sam into an ostrich burying his head in the sand.

The real choice before the United States is between unimpaired American control of the Canal and a threatening takeover by the Soviet imperialists. The choice is not between a new treaty and a bitter confrontation, as even certain respectable organs of opinion have argued. To be sure, some notable politicians have taken that stand and attempted to frighten the American people with the specter of bloody conflict in Panama if the United States should fail to surrender exclusive control. And other pusillanimous practitioners of diplomacy have been seeking to transplant the heart of a chicken into the American eagle, but the eagle would not brook the subtle surgery.

Of course, as Senator John Stennis observed during the 1962 missile crisis, when he restated an immemorial truth: "There comes a time when risks must be taken to protect and preserve our vital national interests." Without taking such risks there would have been no Monroe Doctrine. John Quincy Adams built it on audacity. The peace this land has enjoyed for a century and a half behind the shelter of the Doctrine involved risks, greater or lesser, at every turning point in the phenomenal growth of the nation.

The high point in the series of hazards encountered by the Monroe Doctrine was, of course, the brinksmanship Presdent Kennedy was forced to engage in upon Khrushchev's notorious missile venture in Cuba. It left, as has already been demonstrated, the legacy of the Unfinished Business. The equally infamous Brezhnev move in Angola offers an opportune occasion to avert a future deadly conflict over our ramparts in the Caribbean. As I observed in my article "From Angola to Panama," cited above: "It is an occasion not unlike the moment early in 1936 when Hitler marched into the Rhineland, presaging the coming of World War II. At that time, Great Britain's Anthony Eden and France's Pierre Flandin, hypnotized by Hitler's detente, complaisantly allowed him to violate the provisions of the Versailles and Locarno treaties."

It should be noted by those who are inclined to write off the Monroe Doctrine in the world situation of today that President Lyndon Johnson displayed no complaisance in April, 1965, when challenged by the Communist-backed revolt in the Dominican Republic. To prevent the rise of another Castro in the Caribbean, as Arthur Krock observed, Johnson acted boldly and dispatched a contingent of marines to Santo Domingo. Concerting his move with the Organization of American States led by Brazil, he had a large inter-American force take over the island, to the tune of bitter outcries from Moscow and Havana echoed by various pro-Soviet elements. President Johnson plainly told the country that he would not sit in his "rocking chair" and let the Communists set up another regime in this hemisphere. He was strongly supported at the United Nations by Adlai Stevenson and in the forum of public opinion by former Ambassador to the Soviet Union, Averell Harriman, who exhibited to the press a dossier of the active Dominican Communist groups. For the record it should be added that the free elections held on June 1, 1966, resulted in the establishment of a representative government in the Dominican Republic and the complete withdrawal from its territory of the OAS expeditionary force.

This decisive action left no legacy for evasion like the Kennedy-Khrushchev agreement on on-site inspection of the naval and military installations in Cuba. But it is not too late to pick up the issue and press it both before the United Nations and the OAS. Above all, it should be pressed vigorously in Moscow, not with weasel diplomacy, but in the unflinching spirit of the Monroe Doctrine.

What could be more fitting for the United States spokesmen than to remind the Latin

American neighbors of Secretary of State George C. Marshall's statement at the Bogota conference in 1948 and the United Nations of Adlai Stevenson's peroration there of October, 1962. Marshall asseverated America's "opposition to the extension . . . of European political influence in this Hemisphere." And Stevenson went straight to the heart of the issue with words of solemn truth:

"The Castro regime openly transformed Cuba into a Communist satellite and a police state . . . The threat lies in the submission of the Castro regime to the will of an aggressive foreign power . . . The crucial fact is that Cuba has given the Soviet Union a bridgehead and staging area in this hemisphere and that it has invited an extracontinental, anti-democratic, expansionist power into the bosom of the American family, that it has made itself an accomplice in the Communist enterprise of world dominion. . . .

"Dr. Castro transformed Cuba into a totalitarian dictatorship, with impunity; he aligned himself with the Soviet bloc, with impunity; he accepted defensive weapons from the Soviet Union, with impunity. But, when with cold deliberation he turns his country over to the Soviet Union for a long-range missile launching base, and thus carries the Soviet program for aggression into the heart of the Americas, the day of forbearance is past."

HON. THOMAS E. MORGAN

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. McDADE. Mr. Speaker, I would like to pay tribute to a great man, a distinguished colleague and a very good friend, Congressman Thomas E. Morgan.

This is a moment of both pride and sadness. Pride because I have this opportunity to praise Doc Morgan. Sadness, on the part of myself and indeed the entire Congress, because the dean of the Pennsylvania delegation is retiring at the end of this session, closing out more than three decades of laudable service.

I could go on to mention Doc's long list of legislative actions, such as the Peace Corps bill, the War Powers Act, and his efforts on behalf of many humanitarian endeavors, but time and space do not allow for such a Herculean task.

I could speak endlessly of Doc's bipartisan efforts in Post World War II foreign policy; his dedication to his constituents, to the national interest and to a greater deal of excellence which guided him in his work under five Presidents and Secretaries of State.

I could talk at length about what Doc has done for this country, but I shall not because his actions are indelibly etched in the record. Rather, I wish to emphasize my deep feelings of admiration and gratitude for this man who, through his easy-going manner and gentle humor, has made my years in Congress more enjoyable and rewarding.

Congressman Thomas E. Morgan has worked ceaselessly and accomplished much during his 32 years in the service of this country. With his departure from this House go the heartfelt thanks and best wishes of all of us.

WHIP OF THE NEW RAJ

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mrs. SCHROEDER. Mr. Speaker, as we approach our own elections, we would do well to remember that India, under the "emergency" government headed by Prime Minister Indira Gandhi, is fast losing her own claim to democracy. Following is an article on political repression in India written by Ned Vanda, professor of international law at the University of Denver, that I would like to share with my colleagues.

Whip of the New Raj

(By Ved P. Nanda)

Personal affairs required me to travel to India again last month. As an Indian national and professor of international law at the University of Denver Law School, I had tried to keep myself well informed about affairs in India. I knew from following American press reports that Indira Gandhi's government had imprisoned many political opponents, and I had several times publicly expressed dismay at the trend of events under the declared state of emergency. But little did I understand the extent to which the government was using repressive measures to stifle its opposition.

On arriving at the Delhi airport, I was detained for interrogation, although I carry an Indian passport and did not need a visa to enter the country. "What are you here for? Any political objective?" I was asked. "My mother has been ill. I came to see her."

I then told the interrogating official that as a law professor I had a Christmas holiday, which afforded me the time to travel to India: "Doesn't matter, we've detained professors of law under the emergency powers before." The official shrugged his shoulders and warned me that my activities would be closely watched.

During the next two weeks I had an uneasy feeling that at times I was being followed by intelligence officials. And when I was ready to leave India, I was faced with more bureaucratic hassles. "You don't have the necessary cholera inoculation. Your passport doesn't look authentic," I was told at the airport. I was relieved when I was finally permitted to board the plane.

What I saw and heard during my stay has made me realize that, in sharp contrast with the image which Indira Gandhi's government strives to project abroad, India, a showpiece of democracy for the first twenty-seven years of its independence, is fast becoming a repressive police state. The government has steadily tightened its grip on an already crippled and stifled press, which has buckled under harsh censorship laws. This accounts at least in part for the inadequate coverage of authoritarian measures now being employed by the government to silence both the political opposition and dissident elements within Mrs. Gandhi's ruling Congress Party.

Jagdish P. Mathur, secretary of the All India Jan Sangh, a major opposition political party, related to me several incidents of alleged police brutality in the treatment of political prisoners. I met with Mathur, an opposition leader sought by the police, who had up to that point escaped arrest and was very active in organizing the underground movement, to discuss these oppressive measures and the strategy of the opposition parties. Among the names of the victims Mathur gave me were those of many Delhi residents, some of whom had been released. A doctor, a lawyer, a university instructor, two student leaders and a businessman were those with whom I talked during the next few days to confirm Mathur's allegations.

They all told a similar story. The police applied crude means either to extract a confession to a nonexistent plot against Indira Gandhi or to seek information concerning the whereabouts and next moves of the organizers of the underground movement.

The devices for torture which are being used in police stations and jails in India are as varied as they are inhumane and revolting. The victims who talked with me related incidents where they or other political prisoners were hung upside down; were stripped naked and severely beaten with shoes, steel rods and gun butts; had burning candles applied to their bare soles, which were then punctured with nails; had chili powder, smeared into their noses and other parts of their bodies; were kept awake while icy water was thrown on them on cold winter nights; were starved and even denied water; had rods tied to their necks, creating an intolerable strain on the spinal cord.

The doctor I met was not personally tortured. However, while he was in jail as a political prisoner, illegaly detained on trumped-up charges, he had treated more than twenty prisoners who, he said, must have been "mercilessly beaten." The sole fault of the lawyer, arrested on the charge of being a "hooligan," was, he said, that he had appeared in court on behalf of a political prisoner. A member of the Indian Supreme Court Bar Association showed me a resolution adopted by that organization which condemned police atrocities and harassment of attorneys defending opposition members. The Bar Association noted that even the families and relatives of such attorneys were not spared police wrath.

From Delhi I took a train to see my mother, who lives in the state of Punjab in northwest India. There I met a recently released leader of the opposition, Madan Gopal, a prominent businessman in the small town of Malerkotla. He was charged with plotting the violent overthrow of Indira Gandhi's government.

"I never met the informant, Vikram Singh, who reportedly overheard the alleged conspiracy," he said. For more than three months Gopal was detained in jail without even a court hearing.

Upon my return to Delhi in the third week of December. I saw two anti-government demonstrations (*Satyagrahas*). These were part of a countrywide movement launched by the united opposition last November 14. In a typical *Satyagrapha*, individual demonstrators (*Satyagraphis*)—ranging from four to fifty in number—shout slogans against Mrs. Gandhi's government and pass out anti-government literature in busy streets. The demonstrators usually wear garlands, people assemble around them and, since the time and place are announced in advance, the police promptly arrest the demonstrators.

Each *Satyagraha* I saw in Delhi had about forty active participants who courted arrest and attracted more than 5,000 spectators. The crowds, predominantly opposition sympathizers, repeatedly shouted slogans demanding an end to the state of emergency, release of political prisoners and the restoration of civil liberties. In one case, the police resorted to a mild *lathi* charge (swinging long wooden poles and clubbing onlookers) before arresting the *Safyagraphis*.

According to opposition sources (whose information is hard to verify), more than

40,000 persons have courted arrest in cities all over India. They claim that the number of political detainees and *Satyagrahis* has exceeded 100,000, certainly not a small number even in a country of 600 million people.

The media in the West have been reporting on the steady erosion of civil liberties in the aftermath of the now six-month-old "emergency." But the press here, dependent upon Indian sources for its news, has suffered from the same censorship which now curbs the Indian press. As a result, it has virtually ignored two important developments in India—the mistreatment and torture of some political prisoners, and the *Satyagraha*.

These are significant developments because, until recently, political prisoners could be assured of humane treatment. Even the Indian independence leader and the father of the civil disobedience movement, Mohandas Gandhi (no relation of Mrs. Gandhi) and Mrs. Gandhi's own father, Jawaharlal Nehru, were themselves never mistreated in jails under the British rule. The actions of the Indian police toward political prisoners fly in the face of Indira Gandhi's protestations that she is defending and protecting democracy while her opponents are bent on destroying it.

Despite its substantial efforts, I found the opposition disorganized and demoralized. Its leaders were shocked by the suddenness of the declaration of emergency, as well as by the severity of the government's silencing measures. That initial shock is now followed by an equally grim realization that the "emergency" will continue much longer than had earlier been anticipated and that elections scheduled to be held in March 1976 will be postponed for a year, and perhaps for a longer time. (According to *The New York Times* of February 4, they can be postponed a year at a time as long as the emergency is in effect.)

The opposition does not seem to have a definite plan for a follow-up action to the *Satyagraha*, which ended in January. However, those with whom I spoke seem to understand well the need for a united front. "Either we build a united opposition party, resolving our differences, or we sink separately," is how one opposition leader put it.

A blueprint has already been devised to merge several opposition parties. These parties—some of them on the right of the ruling Congress Party, others on the left—do not include Marxist parties which are split among several factions—the Moscow wing, the Peking faction and the Naxalites who stand even further to the left of those vowing allegiance to Peking.

Several opposition leaders are convinced that Mrs. Gandhi chose the totalitarian road at the urging of Russia. They kept reminding me of the large contingents of Soviet technical experts staying at the posh Intercontinental-Oberoi Hotel in New Delhi, who were "in fact counseling and advising her on the appropriate steps to lead India down the primrose path of 'guided democracy.'" This opposition charge, however, is largely unsubstantiated.

Mrs. Gandhi has in the past successfully used a foreign specter to rouse nationalist ire and sentiment. She has skillfully taken advantage of the CIA's involvement in Chile as a warning against possible foreign involvement in India's internal affairs. Similarly, she has occasionally invoked "potential threats" from China and Pakistan to externalize Indian internal problems.

It is highly speculative to predict the course of events in India. For the time being, at least, democracy is in full retreat. Were elections to be held today, even the opposition leaders I met acknowledge that the ruling Congress Party would likely be a big winner. Among the many reasons for such an outcome would be: bumper agricultural crops in 1975 and a slowdown of inflation; general apathy of the rural masses, who comprise more than 75 per cent of the country's population; the strong-arm tactics of Mrs. Gandhi's government, which have frightened the electorate, and a general lack of faith in the ability of the opposition parties to work together.

Indira Gandhi still has a charismatic appeal to the illiterate masses (after all she is Nehru's daughter and her name is Gandhi) and a cult of personality has developed around her. Her son, Sanjay Gandhi, known as the *chhoti sarkar* (the mini-ruler) and reportedly being groomed by her to take over, is being merchandised aggressively both in political circles and in the media.

However, India's basic economic and social problems, especially those of land reform and explosive population growth, remain unsolved. And despite the government's propaganda that under the emergency people are more disciplined and productivity has increased, corruption is rampant and the masses are apathetic.

On reflection, the only healthy development for the Indian body politic I saw is the prospect of a unified opposition. Meanwhile, the diplomatic community in New Delhi and Indian's well-wishers at home and abroad are anxiously watching events, hoping that the current state of emergency is a temporary aberration, the end of which will once again herald the return of democracy in India.

GERALD T. STEDMAN, ORANGE COUNTY LABOR MAN OF THE YEAR

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PATTERSON of California. Mr. Speaker, I would like to take advantage of this opportunity to commend Gerald T. Stedman, who is being honored by organized labor in Orange County, Calif., as Orange County's Labor Man of the Year for 1976.

His many labor friends who know him as "Jerry," recently elected him to be secretary of the Orange County District Council of Carpenters, and he also is the head of the Labor Coalition of Orange County. Jerry Stedman's interests go beyond the labor movement. He has been an Orange County planning commissioner and is a member of the council on environment, employment, economy, and development.

Jerry Stedman has spent most of his life assisting working men and women achieve a better quality of life. Like most labor leaders, Jerry asks only for a fair and honorable living wage for the working person, in exchange for an honorable day's work.

I invite my distinguished colleagues to join me in wishing Jerry Stedman continued success in his productive career. His work and dedication for Orange County's working men and women are unselfish and admirable. Jerry's title as Orange County's Labor Man of the Year for 1976 is richly deserved.

UNVOUCHERED EXPENDITURE CONTROL ACT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. DERRICK. Mr. Speaker, I am introducing legislation today to strengthen congressional control over confidential funding. I use that term in a very broad sense to cover public spending that escapes our standard accounting and auditing practices.

Auditing, as carried out by the General Accounting Office, depends on vouchers, receipts, and other documentation that show how agencies spend their funds. The purpose of a GAO audit is to insure that funds are indeed spent the way Congress intended. Confidential funding interrupts this process, for the President, and other executive officials, are allowed to make a certificate of expenditures, with each certificate deemed a sufficient voucher for the sum expended. Certificates, as a substitute for vouchers, undercut the auditing procedure.

I cannot tell you the full extent of confidential funding that takes place in the Federal Government. But a fairly full picture has been developed by Louis Fisher of the Congressional Research Service. A study he prepared last year shows that more than 2 dozen appropriation accounts contain confidential funds. Some of this is in areas we would expect: the Defense Department, foreign assistance, the FBI, and drug enforcement. Confidential funds also show up in the District of Columbia budget, in NASA, the Treasury Department, and the White House Office. I have asked Mr. Fisher to update his earlier study.

I think that for too long a period we have allowed agencies to spend public funds in a subterranean manner. We do not have a complete list of such funds, nor do we know why confidentiality is even necessary. We have ended up with a system, like many others in the Federal Government, that "just growed."

This is not a marginal, peripheral issue. The dollar magnitudes are large. Equally important, a fundamental constitutional issue is at stake, for Congress, acting as agent for the people, is entrusted with the power of the purse. We cannot honor that trust when we know so little about the spending of funds.

I call your attention to article I, section 9, clause 7 of the Constitution:

> A regular Statement and Account of the Receipts and Expenditures of all public money shall be published from time to time.

The fact of the matter is that some expenditures are never made public. Taxpayers, attempting to force from the courts an interpretation of the statement and account clause, have been told that they lack standing to bring suit. The information cannot be obtained from the agencies. Taxpayers are denied both administrative and judicial relief. There is only one place left for them to turn: Congress.

I do not suggest that all public spending must be made public. There may be legitimate reasons for confidentiality in some areas, such as law enforcement at home and the obtaining of intelligence abroad. But we have to know, given our constitutional system, a lot more than we do. My bill pushes us in that direction.

This bill does not attempt to deal with the entire areas of unvouchered and unaudited funds. For example, it does not cover the U.S. intelligence community, which is made up of the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, and the Army, Navy, and Air Force intelligence activities. Nor does my bill cover the Federal Reserve, which currently is not subject to GAO audit. Basically, my bill focuses on agencies that use certificates in lieu of vouchers. There are four objectives.

First, confidential funding should be expressly authorized. This recommendation simply conforms to the present distinction between authorization and appropriation, as reflected in House and Senate rules. In the past, we have had occasions where funds have been appropriated for confidential purposes in the absence of authorizing language. This should not occur. Although the two Houses of Congress have slightly different approaches to points of order against unauthorized funding, I think we can work out an accommodation that will be satisfactory to both Houses. I believe that the integrity of the legislative process requires explicit authorization.

Second, each appropriation bill that contains confidential funds should reveal the amount, repeat the authorizing language, and cite the authority. To illustrate, a section in the appropriation bill could read:

> Not to exceed (dollar amount) can be used for emergencies and extraordinary expenses, as authorized by (U.S. Code citation), to be expended on the approval or authority of the Secretary, and payments may be made on his certificate of necessity for confidential purposes.

If you were to look through appropriation bills at the present time, often you would have no idea that they contain confidential funds. There is no reason to conceal that kind of information.

Third, we need some kind of auditing from the General Accounting Office. We need assurance that funds are spent in accordance with legislative authority. I realize that confidential spending is a sensitive matter, but we can—and should—depend on GAO to see that executive spending carries out the congressional purpose. I propose that there be an initial audit, followed by audits on some periodic basis as Congress deems necessary. The point is to give GAO access to these funds in the event that Congress decides to investigate.

You may remember that a few years ago there was some controversy over a "special projects" account in the White House. The House Appropriations Committee tried to find out how that money was spent, particularly whether it was used to finance the Special Investigations Unit—the so-called plumbers group of Watergate fame. I do not believe the committee ever got the information it wanted. Imagine that. Congress provides funds and its own Appropriations Committee could not find out how the money was spent. The result was the eventual elimination of the special projects accounts. No congressional investigation should be frustrated that way in the future. When we want an answer, there should be a clear statutory basis for obtaining it.

Fourth, agencies should report to Congress each year on the degree to which they have used confidential funds. It would be a simple report, something like: "Of $50,000 in confidential funds authorized, the agency used $37,500." Agencies could also indicate, to the extent practicable, the general purpose for which the fund was expended. "Obtaining information for drug enforcement" might be an answer. This would help alleviate the kind of problems we have had in the past, where we grant discretionary authority to an agency and then find it difficult to know the extent to which the authority is used. The annual report would also gather in one place all of the fragmented activity on confidential funds.

I hope this bill will generate some much-needed interest and research in this area of confidential funding. The studies I have requested will be shared with Congress as the information becomes available. I think my colleagues will be surprised at the number of agencies and accounts involved, as well as the dollar magnitudes. We have a responsibility to our constitutents, we have a duty under the Constitution, to publicize this issue and subject it to searching debate.

IN PURSUIT OF HAPPINESS

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BENNETT. Mr. Speaker, recently a friend sent to me a delightful little book entitled "Patches of Joy." And indeed the book is an inspiring joy. Our forefathers in the Declaration of Independence wisely set for their posterity the quest of happiness rather than a once considered provision about property and wealth. How wise they were. And how wise was Velma Daniels, the author of "Patches of Joy," in her joy packed book. One is tempted to read it through on one reading. But joy is not always easily come by; and I am reading it at the rate of one chapter a day, so I can nourish the joyful inspiration of each chapter for a longer uncluttered time. I am grateful also to my friend who sent me the book, Win Pendleton, a former newspaperman on Capitol Hill, whose friendship has been treasured by me for a lifetime.

LET US AID NON-FEDERAL BRIDGES

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. RAILSBACK. Mr. Speaker, members of the committee, thank you for giving me this opportunity to appear before you today. I fully support congressional action to assist in the reconstruction and replacement of all the deteriorating and unsafe bridges throughout our country, both Federal-aid and non-Federal aid bridges.

Not quite 10 years ago the Silver Bridge between Point Pleasant in West Virginia and Kanaqua in Ohio tore loose from its supports and thundered into the Ohio River during the height of the evening rush hour. The 1,753 foot suspension bridge carried 46 adults and children to their deaths.

Last year, near Winston-Salem, N.C., a bridge over the Yadkin River collapsed, killing 4 persons and injuring 16 others. And, bridges continue to collapse all over our country at the rate of about 150 a year, and others are having weight limit reductions imposed or are being closed for safety reasons.

Widespread news coverage of these disasters and renewed focus spurred the Congress to establish the special bridge reconstruction and replacement program as part of the Federal Highway Act of 1970. The act required the inspection and rating of all bridges in the Nation. Six years later, this inspection is not yet, but almost, complete. I now find this program inadequate in scope and funding.

The average age of bridges in the United States is more than 40 years old. According to data from the U.S. Department of Transportation there are more than 563,000 bridges in the United States—of that number 89,800, or 1 out of every 6, have been classified as either "critically deficient or functionally obsolete." There are roughly 34,000 bridges which are part of the Federal-aid system that fall into this deteriorating category. But approximately three-fourths of all bridges are not federally assisted. Simple arithmetic tells us that far too many bridges, not part of the Federal Highway System are in dire need of attention. Many of the bridges classified as "critically deficient" are older bridges designed for fewer cars and the lighter, slower traffic of more than a generation ago and can poorly accommodate the high-speed, heavier traffic of today.

As with anything else, if not properly and timely maintained, a bridge, and its access ways begin to deteriorate, thereby becoming unsafe and dangerous for vehicle and pedestrian. Road and bridge repairs and replacement are extremely costly and become more so daily with our inflated prices. There has not been and currently there are not enough dollars to come close to adequately maintaining the bridges of our country. The problem of unsafe bridges is nationwide and affects every State, the 19th District of Illinois being no exception. In Illinois there are a total of 8,970 Federal-aid bridges and 14,046 non-Federal-aid bridges, approximately 1,568 bridges in my congressional district alone. In my district, 920 of these have not had any inspection whatsoever to determine a tonnage capacity, and 406 have only a 9 ton or less rating leaving onily 242 with a higher tonnage limit. These figures indicate a majority of bridges are deteriorated and unsafe and far too many yet uninspected for safety under a program already 6 years old.

Unfortunately, the special bridge reconstruction and replacement program has not had sufficient funding to carry out its directive. Currently only $180,000,000 is authorized each year for the next 2 years for bridge construction and repair, a rate of just a bit better than one bridge per State since the act was established in 1970. Not very many at all. Further, only those which are part of the Federal Highway System receive these funds.

In the vast rural areas of Illinois and within my own congressional district, I have seen numerous instances of deteriorating bridges whereby the weight limit is greatly reduced causing heavier traffic to be diverted, sometimes long distances out of the way, as much as 45 miles or 1 hour. This is critical for service vehicles, such as ambulance or fire truck. It means life and death. In the case of a service vehicle such as a school bus, extra time and miles are costly to already hurting budgets. Much of my district is agricultural and transportation to market of farm produce and/or grain requires large bulk quantities in trucks weighing many tons, and timeliness is of the essence. When a weight limit reduction prevents a truck from crossing, it causes great time delays and thereby added costs.

Where do they, these township bridges, of which there are so many thousands, secure this costly assistance? As of today, unfortunately, they do not. There is simply no help, and the deteriorating conditions worsen as repairs become prohibitively costly and the bridge becomes less safe and must have a greatly reduced weight limit causing not only inconvenience but also danger and hardships.

It is my sincere hope, because we are not just dealing with the bridges themselves, but with the very lives of those who cross them, that we develop appropriate legislation. It should address itself not only to those roads and bridges participating in the Federal system, but also to non-Federal-aid bridges or local township bridges, and provide sufficient funding for those purposes. Let local officials with responsibility for administering rural road and bridge programs be allowed to determine a priority system for repair or replacement from Federal aid to the State. Let us assure them of our support.

CARTER EMPHASIZES ECONOMICS AND H.R. 50

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HAWKINS. Mr. Speaker, yesterday Democratic Presidential candidate Jimmy Carter strongly took the offensive in the campaign on the matter of economic issues. In particular Mr. Carter pointed out that the recent changes in H.R. 50 "have made the bill a very good one," and that the new revised bill enjoys his "complete support." I wish to personally commend Mr. Carter and his staff and advisers for their very constructive suggestions and input into the new revised version of the bill, especially in the area of price stability standards and private sector emphasis, the Wall Street Journal article follows:

CARTER, TURNING FOCUS TO ECONOMIC ISSUES, CHARGES FORD HAS IMPOVERISHED MILLIONS

(By James P. Gannon)

PORTLAND, OREG.—Jimmy Carter, trying to focus his presidential campaign on economic issues and off himself, charged that Ford administration "mismanagement" has dropped millions of Americans into poverty.

In a speech here, the Georgian seized upon statistics issued over the weekend that showed a large increase in the number of Americans officially classified as poor. He built his attack around new Census Bureau figures showing that an additional 2.5 million Americans last year fell below the poverty line of $5,500 of income for a family of four.

"There can be no clearer indictment of economic mismanagement by this Republican administration and no better symbol of the issues which lie at the heart of this year's campaign," the Democratic nominee said. He added: "Mr. Nixon and Mr. Ford have made these people poor in the same way Mr. Hoover made them poor in the 1930's—by denying them the chance to work."

The hard-hitting economic attack was in line with the new Carter strategy of stressing "bread-and-butter" issues. The Carter forces believe that theme is their best hope to solidify the Democratic vote for their man and to get the focus of the campaign away from damaging side issues, such as Mr. Carter's recent comments on sex and religion.

But even as Mr. Carter sought to reemphasize economic issues, his controversial comments to Playboy magazine continued to dog him. Yesterday morning at a breakfast meeting with AFL-CIO officials here, he was asked by a union officer whether he regretted his interview remarks.

Mr. Carter said he may have employed an "unfortunate illustration" in using adultery to explain his religious beliefs, but he said he thought it was good for readers of Playboy "to know about me."

Explaining that he is trying to conduct an open campaign, he said: "I would rather run that kind of a campaign and even make a mistake every now and then" than "to hide in the Rose Garden for eight weeks and to isolate myself from the American people." The last remark, referring to President Ford's strategy of campaigning primarily from the White House, brought a rousing cheer from the labor group.

The Democratic candidate, realizing that President Ford is widely perceived as a decent and well-meaning man, also is trying harder to portray the election as a choice between two parties and two economic philosophies, rather than two men.

The election, he said in his speech here, "isn't simply a contest between two presidential candidates, but a choice between two political heritages." The choice, he declared, is "between the party which cares about the common man and the party which puts special interests first—between the party of Roosevelt and the party of Hoover, between the party of Kennedy and the party of Nixon."

Under questioning by the union officials, Mr. Carter said he had given his "complete endorsement" to the revised Humphrey-Hawkins full-employment bill, even though he had failed to mention that union-backed legislation in his remarks on joblessness during last week's debate. Mr. Carter said that the recent changes made in drafting the legislation "have made the bill a very good one," which he could support, though he had had misgivings about the measure earlier this year.

The candidate also reiterated his promise never to boost taxes on working people. "I would never increase taxes on Americans who work for a living or report all their income on a tax form." He attacked the "unbelievable loopholes in the tax laws" that reduce the taxes on upper-income individuals.

The Democratic nominee campaigned here yesterday before flying on to a scheduled appearance late last night in Evansville, Ind. He was planning to return home to Plains, Ga., for a two-day rest before resuming his campaign later this week.

NEWSLETTER QUESTIONNAIRE

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. JACOBS. Mr. Speaker, the following are the results of a recent poll conducted among our constituency by our 11th District Office:

TOTALS OF NEWSLETTER QUESTIONNAIRE RESPONSES AS OF TUESDAY, SEPTEMBER 28, 1976

1. Do you favor legislation which would make air bag safety systems mandatory in new cars? Yes, 13.8 percent; No, 86.2 percent.

2. Do you favor taxes on cigarettes based on nicotine tar content? Yes, 48.9 percent; No, 51.1 percent.

3. Do you favor national health insurance? Yes, 33.2 percent; No, 66.8 percent.

4. If so, should a program cover more than catastrophic illness? Yes, 35 percent; No, 65 percent.

5. Do you favor loan guarantees to business for the development of alternative energy resources? Yes, 64 percent; No, 36 percent.

6. Do you favor the constitutional amendment (H.J. Res. 932) printed elsewhere in this newsletter? Yes, 90.7 percent; No, 9.3 percent.

7. Do you favor replacing the present convention system of nominating the presidential candidates with a one day national presidential primary? Yes, 67.7 percent; No, 32.3 percent.

8. Do you favor legal requirement of better gas mileage for new cars? Yes, 59.8 percent; No, 40.2 percent.

9. Do you believe there is any area in which the Federal government is not spending too much? Yes, 50.9 percent; No, 49.1 percent.

10. If so, specify. The top 10 categories are: defense—20.9 percent; alternative energy system development—17.7 percent; education—

17.6 percent; medical research (i.e. cancer)—15.5 percent; conservation and ecology—4.3 percent; national parks and preserves—3.0 percent; senior citizens, elderly and social security—2.9 percent; inner city betterment, housing and child care—2.8 percent; space program—2.5 percent; and welfare—2.0 percent. There were 41 other categories mentioned each receiving 1 percent or less of the vote.

VOTING RECORD

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. LOTT. Mr. Speaker, in an effort to provide my voting record and floor participation relative to major legislation of both sessions of the 94th Congress for the benefit of anyone desiring to examine it, I am requesting that my votes be printed here. The record follows:

VOTING RECORD

(1) H.R. 9861—Defense Department Appropriations, Fiscal Year 1976, December 12, 1975. Passed 314–57. Voted Yes.

(2) H.R. 5901—Education Appropriations, Fiscal Year 1976, July 16, 1975. Passed 370–42. Voted Yes.

(3) H.R. 4592—Foreign Aid Appropriations, Fiscal Year 1976, March 24, 1975. Passed 193–185. Voted No.

(4) H.R. 2559—Executive Level Pay Raises, July 30, 1975. Passed 214–213. Voted No.

(5) H.R. 5727—Parole Reorganization Act, May 21, 1975. Passed 260–137. Voted No.

To establish a regional U.S. Parole Commission as an independent agency within the Justice Department and to make changes in parole procedures aimed at reducing the requirements for parole eligibility.

(6) H.R. 10481—Aid to New York City, December 2, 1975. Passed 213–203. Voted No. Handled the Rule in opposition.

(7) S. 6—Education for the Handicapped, November 18, 1975. Passed 404–7. Voted Yes. Handled the Rule in support.

(8) H.R. 6346—Rural Development Act Authorization, Fiscal Year 1977, November 7, 1975. Passed 323–11. Voted Yes. Handled the Rule in support.

To extend through Fiscal Year 1977 the authorization for the implementation of Title V of the Rural Development Act of 1972, providing rural development and small farm research and extension programs, and to authorize sums not to exceed $5 million for the three-month transition period and $20 million for Fiscal Year 1977.

(9) H.R. 5541—Small Business Relief Act, April 22, 1975. Passed 402–0. Voted Yes.

To provide emergency relief to small businessmen through renegotiation or cancellation of fixed-price government contracts in instances where unanticipated price increases had directly affected the cost of performing the contract.

(10) H.R. 7545—Public Debt Limit Extension, October 29, 1975. Failed 178–217. Voted No.

(11) H.R. 49—National Petroleum Reserves, July 8, 1975. Passed 391–20. Voted Yes.

To authorize creation on lands owned by the federal government of national petroleum reserves and to provide for the inclusion of the existing naval petroleum reserves in those systems.

(12) H.R. 9005—Foreign Economic Aid Authorization, Fiscal Years 1976 and 1977, December 9, 1975. Passed 265–150. Voted No.

(13) H.R. 1287—Rhodesian Chrome, September 25, 1975. Failed 187–209. Voted No.

To amend the United Nations Participation Act of 1945 and bring the United States into compliance with the U.N.-sponsored economic boycott of Rhodesia, thus halting the further importation of Rhodesian chrome.

(14) H.R. 200—200-Mile Fishing Limit, October 9, 1975. Passed 208–101. Voted Yes. Handled the Rule in support.

(15) H.R. 8150—Drug Abuse Prevention, September 11, 1975. Passed 382–11. Voted Yes.

(16) H.R. 4115—Nurse Training Programs, May 7, 1975. Passed 384–17. Voted Yes. Handled the Rule in support.

(17) H.R. 4485—Emergency Housing Assistance, June 5, 1975. Passed 253–155. Voted Yes.

To provide temporary subsidies for purchases of homes by middle-income families and to provide federal loans to unemployed homeowners unable to meet mortgage payments.

(18) H.R. 5398—Emergency Mortgage Relief Program, April 14, 1975. Passed 321–21. Voted Yes. Handled the Rule in support.

To authorize $500 million to establish a temporary federal loan program to aid unemployed persons who were faced with the loss of their homes because of mortgage defaults.

(19) H. Con. Res. 198—Military Commissaries, July 31, 1975. Passed 364–53. Voted Yes.

Expressing the opposition of Congress to the termination of appropriations for military commissary payroll expenses.

(20) H.R. 10355—Veterans' and Survivors' Pension Adjustments, November 4, 1975. Passed 400–0. Voted Yes.

(21) H.R. 8235—Federal-Aid Highway Program, December 18, 1975. Passed 410–7. Voted Yes.

(22) H.R. 3902—Maritime Authorization, May 12, 1975, Passed 328–59. Voted Yes. Handled the Rule in support.

To authorize $589.7 million for Fiscal Year 1976 for various shipbuilding and other Maritime Administration programs.

(23) H.R. 9560—Water Pollution Control Act, June 3, 1976. Passed 339–5. Voted Yes.

(24) H.R. 10612—Tax Reform Act, September 16, 1976. Passed 383–26. Voted Yes.

(25) H.R. 11552—Postcard Voter Registration, August 9, 1976. Passed 239–147. Voted No.

(26) H.R. 13350—Energy Research and Development Administration Authorization, May 20, 1976. Passed 316–26. Voted Yes.

(27) H.R. 13367—Revenue Sharing, June 10, 1976. Passed 361–35. Voted Yes.

(28) H.R. 14032—Toxic Substances Control Act, August 23, 1976. Passed 319–45. Voted Yes.

(29) S. 3184—Alcohol Abuse and Alcoholism Prevention Act, June 29, 1976. Passed 386–6. Voted Yes.

(30) S. 3168—Board for International Broadcasting Authorization, Fiscal Year 1977, June 29, 1976. Passed 358–45. Voted Yes.

To authorize $58,385,000 for the Board for International Broadcasting for the operations of Radio Free Europe and Radio Liberty.

(31) H.R. 11893—Temporary Increase in Public Debt Limit, February 25, 1976. Passed 212–189. Voted No.

(32) H.R. 14260—Foreign Assistance Appropriation, Fiscal Year 1977, June 29, 1976. Passed 238–169. Voted No.

(33) S. 3295—National Housing Act Authorization, June 30, 1976. Passed 341–68. Voted Yes.

To extend the authorization for annual contributions under the United States Housing Act of 1937, and to extend certain housing programs under the National Housing Act, and for other purposes: (financing for the construction of approximately 35,000 units per year which will be occupied by the elderly and the handicapped, community development grant funds).

(34) H.R. 9719—Payments in Lieu of Taxes, August 5, 1976. Passed 270–125. Voted Yes. Handled the Rule in support.

To eliminate an inequity experienced by a number of communities in America as a consequence of the Federal ownership of lands which results in their removal from local tax rolls.

(35) H. Res. 1216—Against Closing of Small Post Offices, June 22, 1976. Passed 399–14. Voted Yes.

(36) H.R. 15194—Public Works Employment Act Appropriations, Fiscal Year 1977, August 25, 1976. Passed 311–72. Voted Yes.

A SAD STORY

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mrs. MEYNER. Mr. Speaker, most of my colleagues will remember the critical early days of World War II when the urgent need for pilots to ferry aircraft and personnel led to the hurried formation of the Air Transport Command. In many cases, those who made up this dedicated and hard-working group were men who were overage for combat duty. But in many other instances, the pilots of those bombers and fighters crisscrossing the United States throughout the day and night were women—members of WASP, the Women's Air Force Service Pilots organization.

These women pilots were under the command of the famous pioneer in women's aviation, Col. Jacqueline Cochran. The program which enabled them to serve their country at a time of desperate need was set up with the approval of George C. Marshall, the Army Chief of Staff, and "Hap" Arnold, commanding general of the Army Air Corps. The expectation was that, if the program were a success, the women would be offered commissions in the U.S. Air Force, as their male counterparts in the ferrying command had been.

From the start, it was clear that, although these women were hired under civil service, they were nevertheless part of the Military Establishment. They were paid less than civil servants, on the military rather than civilian pay scale. They lived on military posts, ate at the military mess, and were under military discipline and regulations.

By June of 1944, women ferry pilots had flown some 60 million flying miles, and some 38 of these women had lost their lives in the performance of military flight duty. A bill (H.R. 4219) was at last introduced in Congress to commission these women pilots in the Air Force. But by then, the critical need for pilots had been satisfied. Was it necessary after all to follow through with the original idea of giving these women the benefits as well as the risks, and the rights, as well as the restrictions, of military service? The Congress in its wisdom answered no, rejecting H.R. 4219.

Proposals to give the remaining WASP's merely medical and hospital benefits have been introduced in the last two Congresses, with no success.

And in this Congress the story is the same. The House Veterans' Affairs Committee, despite efforts in which I have participated, continues to oppose Senator GOLDWATER's amendment to H.R. 71 which would provide VA medical and hospital benefits to the surviving—approximately 900—members of WASP as well as to Polish and Czechoslovakian soldiers of World War II who are now American citizens.

A principal argument advanced by the committee against extending these benefits to WASP has been that this would open a Pandora's box of claims for the same coverage from every civilian organization which participated in the Nation's war effort. It is, however, clear to anyone who knows the history of WASP that, if they were a civilian organization, the Air Force did not know it, nor treat them as such.

Furthermore, while I sympathize with the committee's desire to hear the arguments of the DAV, VFW, and the American Legion against this coverage for WASP, I should think there would have been ample opportunity in the 92d, 93d, and 94th Congresses.

I admire and appreciate the largess of my colleagues on the Veterans' Affairs Committee in protesting that they would like to be able to "remember the ladies" during the Bicentennial and International Women's Year; and I am sure that the "ladies" in WASP will be duly grateful for this show of basic respect and admiration for their contributions during World War II. However, the VA medical benefits would have been a tangible demonstration of this high regard.

In view of the history of this legislation over the past three Congresses, may I reply to the gentleman on the Veterans' Affairs Committee: if recognition for the accomplishments of WASP does not belong in H.R. 71, then where does it belong?

WASHINGTON'S BIRTHPLACE NATIONAL MONUMENT H.R. 14934

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DOWNING of Virginia. Mr. Speaker, I rise to offer some brief but, I feel, essential remarks regarding H.R. 14934, legislation which, among other things, extends the boundaries of the George Washington's Birthplace National Monument. I am deeply proud that this monument to our most famous Founding Father is located in my congressional district.

As a patriot and as a Virginian, no one wishes more than I to see this historic birthplace preserved. However, it is my opinion that the responsible citizens of the area, some of whose families have resided there since the time of Washington, intend to respect and maintain the rich heritage which this monument represents. Most of the lands adjacent to existing preserved property is agricultural, and it is my understanding that the owners intend to maintain this status. The Interior and Insular Affairs Committee report emphasizes that the purpose of the legislation is preservation and the retention of the rural character of the area. The report urges that any acquisitions be voluntary and states that any acquisition without the consent of the owners is to be avoided as long as the land is maintained in the existing pattern or residential and agricultural use.

It is my intention today to reiterate the committee's position. I had originally submitted legislation which prohibited any unvoluntary acquisition but gave the Interior Department the right of first refusal in the event that the present owners decide to sell. I would have preferred my proposal, but I shall be content with the present legislation since the committee has stated officially that its position differs little from mine which is to maintain the status quo and to make every effort to assure that any acquisitions are voluntary and made only due to the necéssity to preserve this monument of the beloved father of our country.

THE "GREATNESS" OF MAO TSE-TUNG

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. McDONALD. Mr. Speaker, as a relief, perhaps, from the fawning repetition by our mass media of the Communist propaganda line about the "greatness" of Mao Tse-tung, and the praising-by-faint-damnation of history's No. 1 mass murderer at least one American columnist, Patrick J. Buchanan, in the Richmond Times-Dispatch of September 19, 1976, has spoken out honestly. His column follows:

CHAIRMAN MAO, R.I.P.

(By Patrick J. Buchanan)

WASHINGTON.—Reading the endless litany of Western eulogies to Chairman Mao, one comes away wondering if the West has not taken leave of its senses.

President Ford hailed this "very great man." Henry Kissinger called him one of the "titans of the age." The prime minister of Japan was "grief-stricken." The prime minister of Sweden called Mao "one of the greatest figures of history and humanity."

The president of France said a "beacon of world thought" had been "extinguished"; the president of Pakistan was almost uncontrollable.

"He was a giant among the giants. He made history shrink . . . the son of revolution, its very essence, indeed, its rhythm and romance, the supreme architect of a brillant new order shaking the world . . . Men like Mao Tse-tung come once in a century . . . perhaps once in a millenium. They capture the stage and write the page of history with divine inspiration."

These read like the messages from barbarian satraps to Rome on the death of Augustus Caesar, not the condolences one might expect of the political leaders of the West on the death of an aged Communist despot.

Why should Japan's prime minister be "grief-stricken" at the passing of an 82-year-old tyrant who slaughtered more Chinese in peacetime than the Japanese Empire came near killing in eight years of war?

"A beacon of world thought"! What drivel! The man was a third-rate poet whose little Red book is crammed full of cliches and revolutionary gobbledygook.

A "brilliant new order"! What is brilliant about an anthill civilization which has produced absolutely nothing in the way of enduring art, literature, science or contributions to the spirit of man?

This is not to suggest the White House should have penned some insult to Peking on Mao's death. After all, hypocrisy and duplicity are essential ingredients of diplomacy. But the roll call of Western tributes to Mao was outlandish to the point of being ridiculous.

True, he united China; but he did so in a bath of blood the like of which the world had never seen. True, he made China a nuclear power. But Indira Gandhi did that for India—does anyone consider her "great"? As for the living standards of his people, they are now about one-third of what they are for the people of Taiwan.

Through his own decision, the chairman also put his country through two of the worst political debacles of the 20th century. The first, his "Great Leap Forward," was an economic disaster which brought economic collapse and famine; the second, the "Great Proletarian Cultural Revolution," was nothing more than a months-long rampage against old friends and comrades, along the lines made famous by the storm troopers of Adolf Hitler.

Where are the great accomplishments which free men should admire? The world has, for a week now, been mourning a tyrant responsible for the death of tens of millions, who was one of the great enemies of Chinese freedom in all history, whose ambition was to be among the leading pallbearers of Western civilization.

If we are to praise Mao, then let us laud Stalin, who made Russia in 30 years a global superpower; and let us revere the memory of Hitler, who took a nation not a tenth the size of the Soviet Union, not a tenth as populous as China, and in five short years turned it from a defeated, disheartened land into a military power which threatened the whole world.

Some of the eulogies for Mao have been downright humorous. Several of the same American journalists who deplored the "imperial presidency" are mourning the passing of a megalomaniac whose "cult of personality" made Stalin look like a shrinking violet.

This writer has yet to understand how Western writers, intellectuals and political leaders who recoil at the memory of an authoritarian leader like Franco can actually worship at the shrine of a despot like Mao Tse-tung, a man whose whole life was dedicated to the destruction of their civilization and those human values in which we are supposed to believe.

Only the Taiwanese, it seemed, reacted rationally. In hearing of Mao's death, students and workers cheered and celebrated and set off firecrackers at the passing of the "greatest criminal in Chinese history."

MEMORIAL VISIT OF 385TH BOMBARDMENT GROUP REUNION ASSOCIATION

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. STEPHENS. Mr. Speaker, the 385th Bombardment Group was a distinguished unit of the Eighth Air Force which served in England during World

War II. Earlier this month, members of the 385th Bombardment Group Reunion Association returned to East Anglia for a memorial trip to honor their comrades who lost their lives in the war.

Dr. O. Vincent W. Masters, president of the 385th Bombardment Group Reunion Association, resides in my hometown of Athens, Ga. Prior to his departure for England, Dr. Masters wrote me about the activities planned for the memorial reunion visit, and I would like to share his letter with my colleagues:

389 WESTVIEW DRIVE,
Athens, Ga., September 1, 1976.

Hon. ROBERT G. STEPHENS, Jr.,
House of Representatives, U.S. Congress,
Washington, D.C.

DEAR MR. STEPHENS: I shall look forward to having the opportunity to meet you on your return to private practice in Athens. My wife and I have been fortunate to get to know your daughter, Mary, quite well, and have found her to be a very delightful person.

I am writing regarding an occasion which will be of particular interest to you, and of which I am very proud to be a participant. On September 5th, 1976, the 385th Bombardment Group Reunion Association will be departing New York on a Memorial trip to England.

The 385th Bombardment Group was one of the outstanding units of the Eighth Air Force during World War II. I have the honor of serving as their elected President. 180 of us will be returning to East Anglia, England, to commemorate a Memorial Service in honor of our comrades who have sacrificed their lives for that great cause.

We are being received with honor, and recognized by the Mayor and other dignitaries of the City of Ipswich, England, and the County of Suffolk. These dignitaries are hosting a special luncheon in our honor. The 385th B.G.R.A. also has the pleasure of hosting a dinner for an organization of English historians known as Friends of the Eighth. These historians are particularly interested in the activities of the United States Eighth Air Force during World War II.

It should be noted that various news media agencies have announced their intent to give ample coverage of our Memorial Reunion visit. ABC–TV plans to record our departure from the Pan American World Port Lounge, JFK Airport, while NBC–TV and BBC–TV state they intend to record our arrival at Heathrow Airport in London.

In addition, People Magazine has indicated interest in doing articles on our Memorial Visit before, during, and after the trip. The London Daily Mail will do a series of articles on various aspects: Our arrival; Memorial Service at The All Saints Church, Great Ashfield, Suffolk, which was the site of our air operations; and, the civic reception in Ipswich, England.

All-in-all, a very exciting venture and one which apparently has aroused so very much national and inter-national recognition, in this Bicentennial Year.

We, of course, are proud of the interest which our Memorial Visit has evoked, but believe it is only right that the recognition shown be for those whom we honor in our visit . . . our many comrades who made the supreme sacrifice for their devotion to duty.

While we who are making this trip are justly proud of our participation in this event, our desire is that the emphasis of the Memorial Reunion should be upon those who gave their lives during that mighty conflict.

I believe that this event is worthy of your consideration for inclusion in The Congressional Record.

Thank you for your interest.

Sincerely,
O. VINCENT W. MASTERS, M.D.,
President, 385th B.G.R.A., U.S.A.F.

A BALANCED APPROACH TO OCS DEVELOPMENT

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FISH. Mr. Speaker, although I am deeply gratified that the House agreed to my recent motion to recommit the OCS conference report, I do not consider this a victory. It was, rather, an unfortunate necessity. Legislation to modernize the Outer Continental Shelf Lands Act is still needed. The legislation should take a balanced approach to offshore development, instead of building in long delays for their own sake as S. 521 would have done.

I therefore disagree with the oil companies, which are against any new legislation in this area. I also disagree with those who want to delay OCS energy development as long as possible, if not prevent it altogether. I submit that with the proper safeguards we can develop these resources rapidly and get the vast supplies of domestic energy they represent without significant risk to the environment. Most of these safeguards. such as NEPA and the Coastal Zone Management Act are already in place. The OCSLA can and should be brought up to date to match the sophistication of today's technology and the increased scope of the program.

The need to chart a balanced, middle course between the oil industry and the radical environmentalists is succinctly set forth in the Fifth Annual Report of the National Advisory Committee on Oceans and Atomosphere—NACOA. This prestigious and very independent committee, created by Public Law 92–125, makes the following finding and recommendation relative to the OCS:

NACOA, finding that we are moving as through an obstacle course in developing our domestic oil and gas resources, especially offshore, and that technological safeguards for drilling procedures and submerged completions exist (and can be enforced) which permit the environmentally safe development of these fields, and urging an increased effort to diminish the adversary interactions between industry, governments, and those most actively interested in environmental protection where it serves only the negative function of delay, recommends that:

"As a nation we recognize the need to explore and develop offshore oil and gas resouces consistent with enforceable, environmentally safe procedures and the need for maintaining strategic reserves and that we reconcile the process with an economic atmosphere suitable for development."

The report, in chapter II, discusses this finding and recommendation. Although there are a few points with which I find myself in moderate disagreement, this discussion could serve as a framework for the next Congress to follow for the development of responsible OCS legislation. I hope it will.

Chapter II of the NACOA report follows:

II. ENERGY FROM OFFSHORE SOURCES

It has proven so easy to delay the development of needed domestic offshore oil and gas resources that an essential fact is being lost sight of: enforceable, environmentally safe procedures can be reconciled with an economic atmosphere suitable for development and, in the national interest, they must be.

Moving at a snail's pace

The paradox of our current national approach to solving energy problems is that we rush ahead with activities which may bear fruit in a few decades, and go at a snail's pace with what we can do today.

The fuel readiest to hand, most convenient to use, with a tailored market and a complete distribution system, comes from oil and gas fields. When it comes to lessening United States dependence on foreign sources of oil and gas by accelerating the exploration of offshore domestic sources, however, we have controversy whose main result is delay.

In just a few years, we have seen disappear the paradise of cheap energy from a global pool, and we have lost the comfortable illusion of an atmosphere with the limitless ability to absorb or disperse unpleasant by-products and an ocean which could accommodate spills without damage. Our own land-based oil fields are being depleted; our proven reserves are lessening. Foreign producers of oil have come to see production control as a way to maximize their benefits and economic well-being—not ours. All the while we import more each year. Whatever decision is made to use or conserve our own offshore resources, the long lead-times necessary to bring them to the point of production means we have to act now.

No longer will increased prices alone produce the capital and the incentive to explore for new domestic sources, develop the more difficult fields, and improve the efficiency of recovery. It may be necessary but not sufficient. A number of very important new elements, extraneous to economics and simple market forces, have entered the picture.

Environment, economics, technology, and red tape

These new elements have to do with environmental impact and with the changing roles of multinational corporations. The environmental impacts are of two major kinds: (1) the effects of producing, tranporting, refining, distributing, and marketing offshore oil and gas, and (2) the effects of using petroleum products, particularly in internal combustion engines. The change in the role of multinational corporations is a direct reflection of the explicit hardening of the differences in interest between the developed and the developing nations, and between the producers and the users of raw materials.

The environmental issue is: do we know enough to minimize adverse effects on the environment if we go ahead and open up our continental shelf to increased offshore drilling and production? The multinational issue is: can we be confident that all our national interests will be served by corporations with large responsibilities to and dependence on foreign sources when their foreign policy, if they serve their stockholders, may not always parallel that of the United States?

Different interests look at these issues from different points of view. As participation of local governments increases and an active element of the public intervenes, the result is not resolution but irresolution. The general situation is for advocates of one approach or another to oversimplify their own position and that of their adversaries, and charge ahead. The major result, of course, has been delay.

The delay, unfortunately, is being built in, and what concerns NACOA is that it may become harder and harder to remove or tolerate. Industry is faced with changing rules of the game and unresolved regulatory, legislative, and environmental uncertainties. Assurance can be offered that the technical ability exists to safeguard the marine environment in drilling. (It must, of course, be enforced.) Can assurance also be offered that the economic safeguards exist which are needed by industry if it is to make the huge investments required without running into boobytraps caused only by bureaucratic procedures and tactics of pure delay rather than by reasons of environmental safety or other paramount causes?

Along with air, food, and water, hydrocarbons may be, today, the most essential substance to U.S. national welfare. NACOA's purpose in this brief statement is to emphasize how complex the situation is, and to appeal for a process of cooperation based on an understanding of its complexity. Mutual trust does not, in fact, exist. Therefore, arrangements for mutual watchfulness must be made for the common purpose of making energy available. Holding up the development of domestic resources is the equivalent of sawing off the limb we are standing on. We have to get going by establishing a mode of watchful movement rather than one of cautious delay.

A basis for progress

NACOA has for some years urged that we develop our offshore oil and gas resources with due regard for impact on the marine and coastal zone environment. In 1973, the Committee wrote that the oceans must play an increasing role during the transition from national reliance on domestic terrestrial fuel to substantial use of energy from offshore and foreign oil and gas sources and from nonconventional sources.[1] NACOA then recommended establishing single-point moorings in preference to deepwater ports for oil transshipment.

In 1975, in its Fourth Annual Report, the Committee went into some detail in relating coastal zone management and offshore oil and gas development. The Committee recommended that:

"The Outer Continental Shelf Lands Act of 1953, or the Coastal Zone Management Act of 1972, be amended:

"To assure reasonable State input to Outer Continental Shelf development plans and production, to expedite State management planning related to the consequence of offshore oil and gas development, to assure that proposed Outer Continental Shelf exploration and development programs are fully consistent with State plans, and to provide adequate information and technological data to assist in coastal zone planning and decision making.

"To give negatively impacted States compensation for the effects imposed upon those States.

"Private industry continue its role in oil and gas exploration and development on the Outer Continental Shelf under explicit Federal permit and leasehold guidelines to assure a balance between development, conservation, and environmental protection.

"Environmental impact assessments of Outer Continental Shelf exploration and development plans in frontier areas where there has been no previous production be made in stages commensurate with the differences in hazard between resource exploration and resource development.

"Less detailed environmental impact statements should be accepted for exploration plans, but the review process leading to approval of production plans should be accompanied by thoroughly detailed environmental impact statements."[2]

Legislation in this regard is still evolving in both the House and the Senate.

Let us restate the essential facts:

We need to make it possible to use, if we wish, our offshore oil and gas for the near-term relief of the Nation's energy needs.

The environment is not necessarily protected for long doing nothing, for if doing nothing goes on long enough, it could bring on a panic of correction and overreaction without regard for environmental consequences.

Technologically safe procedures for drilling and submerged completion of offshore wells exist today. These permit the production of oil from the Continental Shelf with due regard for protecting the environment. It is possible to construct and operate environmentally safe pipelines and pipeline landfalls. These safeguards are available but must be enforced.

Investment and production programs to develop offshore oil and gas resources will be slow to start if delays are expected to occur from capricious court battles.

No one, neither industry, nor government, nor the environmentally active public, is ready to depend on its own interests being safeguarded by the others.

Environmental protection and impact assessment depend to some extent on facts which are not available and which may take a long time to gather.

It is not necessary to marshal every fact about all the impact possibilities of exploration and production before getting started, but it is necessary to have consistent procedures followed in good faith.

Conflicting interests would be easier to sort out and perhaps resolve if there were less confusion about the meaning of what is safe. It is in the national interest to remove the delay to exploration and to exploit carefully but no one wants to agree until he is assured that the other parties will, or can be made to, stick to their part of the bargain. The environmentalist wants to be certain resource exploitation will not harm the environment. Industry wants to be certain it doesn't start up a large effort only to get tied down with its money stuck and the production phase delayed or made impossible. Government must be certain that the public interest in the value of the resources being withdrawn is properly recompensed. Pending legislation has features bearing on all these aspects. No one seems disposed to trust the other fellow very much, but it becomes increasingly clear that some middle course will have to be found that assures safeguarding of the environment, and that makes economic sense. The alternative is a continuing decrease in the availability of natural crude oil and gas and increasing dependence on foreign sources of supply.

This proper course, NACOA suggests, is to establish firm and predictable schedules for factfinding, assessment, and go-no-go decisions. This would allow financial, exploratory, and production planning to proceed and priority for environmental factfinding to be established so that activity can begin as early as possible. The distinction between an initial phase of pure exploration and a succeeding phase of combined exploration and production, which NACOA has suggested (as have others), would allow matching the impact statement requirements to operational realities. Even though exploration continues throughout the entire production of a field, production itself does not begin until an economically viable project has been established through discovery of hydrocarbons. Exploration should not be held up by the need for the fully detailed impact statements that are really only required and can only be detailed when production plans are established. A delay can be tolerated and planned only if it is limited and anticipated.

A second major source of industry uncertainty is the suggestion that government do the exploration and industry the production on the ground that lease-offering would be less of a gamble than is now the case. NACOA has opposed this for a number of reasons—not because the government shouldn't have better knowledge of the value of what it offers for lease, but because this method would probably result in a poorer estimate than is now offered by the combination of government surveys and industry bidding procedures and would of certainty greatly delay development. Exploration by government would introduce an element of economic conservatism into exploration, a high-risk, high-payoff field of endeavor, which is geared for the entrepreneurial rather than the bureaucratic approach. Production is the prize industry takes risk for in its exploration. If you remove the chance for the prize, a great deal of incentive has been chopped out of the process. There are better ways of assuring fair return to the country for the mineral resources taken out of the Continental Shelf

NACOA's message once again is that it is extremely important that we make it possible for industry to explore and to produce where oil is found and can be got out in an environmentally acceptable fashion. We urge and encourage safe but rapid development of our offshore oil and gas resources, and believe industry can minimize adverse impact on the marine and coastal zone environments as is necessary, provided it has the incentives to do so. If we change too many of the rules in oil and gas field development and production in which United States industry leads the world, it is hard to see how we could do the American people a worse service.

GRANT TINKER AND ALLAN BURNS DISCUSS THE NEW CENSORSHIP OF FAMILY VIEWING

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, the imposition of the family viewing policy immediately raised the question of censorship. Does family viewing constitute a government-sanctioned prior restraint of material developed by the production community? The way in which family viewing came into being suggests that it was a result, in part, of pressure by the FCC and the networks to do something about violence on television. The family viewing concept completely disrupted traditional methods, inside the production community and inside the networks, of dealing with provocative material. This has greatly disturbed many producers of some of our best television shows.

Grant Tinker and Allan Burns are the geniuses behind MTM Enterprises, which is responsible for some of the most successful comedy on television today—Mary Tyler Moore, Bob Newhart, Phyllis, and Rhoda. Although we often think of comedy as being relatively innocuous, MTM is part of a new wave, along with Norman Lear, of producers and directors who use comedy as part of a sensitive exploration of our humanity, our values, and our frailties as people. As much as shows which deal with violence, comedies have attracted increased attention precisely because of their frankness in addressing formerly taboo topics, and their relevance to our concerns.

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[1] Report to the President and the Congress by the National Advisory Committee on Oceans and Atmosphere. Second Annual Report, June 29, 1973, p. vii.

[2] Report to the President and the Congress by the National Advisory Committee on Oceans and Atmosphere, Fourth Annual Report, June 30, 1975, p. vii, viii.

The statements of Grant Tinker and Allan Burns on these issues follow:

PRESENTATION BY MR. GRANT TINKER, PRESIDENT, MTM ENTERPRISES, AND MR. ALLAN BURNS, EXECUTIVE PRODUCER, MTM ENTERPRISES

Mr. BURNS. Like Mr. Gerber, I have no prepared statement, either. However, I do have a couple of short remarks that I would like to make.

Number one, unlike Mr. Gerber, I am violently opposed to the family viewing hour for several reasons. I think, number one, it is a hypocrisy. I think it is a sop.

Congressman VAN DEERLIN. Are you violently or just strongly opposed?

Mr. BURNS. Strongly; a sop on the part of the networks to the public, to the legislative branch, perhaps, of the government, to make them feel that something is being done. I think that absolutely nothing has been done, except to postpone it until 9:00 o'clock, 8:00 o'clock Central time.

I think that the violence continues unabated at that hour. I think that it deprives the viewers of freedom of choice. When you have an hour in which there is nothing but family viewing, I think that is dangerous, because it leaves the viewer no opportunity to look at anything else he would care to look at.

I have no objection to family shows, of course.

Thirdly, I think it is the duty of television, the networks in particular, not to censor, but to educate, and I think that by the elimination of ideas, perhaps, in the family viewing hour, which I will get to in a minute, they have done that. They have abdicated a responsibility.

There was a time, perhaps 15 or 20 years ago, when the area of television to which the networks pointed with the most pride, I think, were the drama shows. human dramas, dramas about important topical subject matter. I think that those types of shows have almost disappeared, in favor of the action shows, euphemistically called action shows, which are substitutions for violence.

I think conversely, during these years, comedy shows have begun to fulfill that void of delving into human relationships, or the human comedies, getting into subject matter which is both topical and important, and I think to throw comedy shows into this ghetto, called the family hour, which is all they have done for the most part, and then to say, we are going to be tougher on you guys because you are now in this super-censorship period, is to deprive the public of important kind of comedy that has been developed in the last five to 10 years.

I think it is interesting that you gentlemen have differentiated between sex and violence, because I think they are two totally different things. I think there is too much violence on television. I think there is, on the other hand, almost no sex; certainly no explicit sex on television, and I am glad that you have made that distinction.

Mr. TINKER. I also have no prepared or formal statement. The key to at least our presence here, is that I have resented from the beginning of the family viewing doctrine, or whatever it is formally called, the marriage of sex and violence, because I do think they are obviously very separate, and in terms of television's sins, I see only one there. I agree with Allan entirely, and with what you gentlemen said in your own opening statements, that there is indeed an obvious amount of gratuitous violence.

I don't think there is gratuitous sex, or any sex at all, in the way the word seems to be used. I think there are adult themes. David Gerber referred to things that Norman Lear has done, and I hope in our more subtle way, perhaps we have treated it some, and I think those are advances in the art of television, and I would defend our doing them and the networks broadcasting them, and I would take issue with anyone who found fault with those things.

At the same time, I would like to go back to something that Dave Gerber said. I don't know whether he meant to say it exactly this way, and I don't say it in a self-serving manner, though we do have to do business with the networks, as you know; I don't think they are all venal guys who are spending the entire day worried about their licenses. I think there are some very well-meaning, well-intended people, one of whom used to be me, which is probably why I am saying this; that they do have a fair amount of responsibility, and while they are competitive with the other two, and it does lead to excesses on occasion, I think I would give them a little more credit for having done the job pretty well before there was family viewing so designated, and the thing that I didn't like about the arrival of family viewing, which I thought was improper, and I don't have any evidence to this effect, but I gather that there was seeming or imagined or real pressure, Congressional, which I suppose means it starts even before that from people somewhere, through to the FCC, and that to the networks, and ultimately that has a bearing on the product that we are allowed to make and to market.

But I think it is entirely artificial, I guess is what I am really trying to say; that the network system, the censorship system, the Standards and Practices, and the way that they performed those jobs prior to family viewing, was, with some occasional exceptions, more of an innocent variety, I think it was a good system. Whether a show was on at 8:00 or on at 10:00, that it was evaluated by them intrinsically, just in terms of what it was supposed to be, and whether it was proper to present it.

And I don't like the blanket aspect that the family viewing doctrine brought, and I also do think, and someone has mentioned this, that it has resulted in a concentration of the more action-oriented, and therefore violent shows, at 9:00 o'clock and later.

REPORT ON TETON DAM DISASTER

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. EDGAR. Mr. Speaker, on Monday, the House Subcommittee on Conservation, Energy, and Natural Resources published their study on the Teton Dam disaster. I believe that the findings, conclusions, and recommendations made in this report deserve the attention of my colleagues, and I wish to insert them at this point:

EXCERPT FROM REPORT ON TETON DAM DISASTER

FINDINGS AND CONCLUSIONS

1. Pressures to build Federal water resource projects have been so great in some cases that the Bureau of Reclamation officials have been blinded to dangers and hazards presented by some projects. In the case of the Teton Dam, great human and economic costs have been the price of succumbing to those pressures, in the face of hazards and dangers.

2. Within the Bureau of Reclamation there is bureaucratic momentum which grows as a particular dam or water resource project moves from the initial planning stages through Congressional authorization to the final construction phase. As a project progresses through these stages, the Bureau of Reclamation finds it increasingly difficult to halt construction, or to reconsider the decision to build, despite engineering or geological problems or hazards. Once physical construction has commenced, the decision to halt construction is no longer an option available to the Bureau, and safety problems, regardless of their magnitude, are generally met with unquestioned reliance on the Bureau's ability to "engineer" workable solutions. The Teton Dam is a prime example of fulfilling the momentum to build at any cost.

3. The Bureau of Reclamation demonstrated significant weaknesses in its management of the construction of the Teton Dam. It was deficient in the geologic examination of the site of the Teton Dam. It was deficient in resolving satisfactorily the warnings of safety hazards concerning the dam site it received before and during the course of construction of the dam. It failed to comply with prescribed safety precautions during the course of the filling of the reservoir. Weaknesses such as these undermine the confidence of the safety and integrity of projects constructed, or to be constructed by the Bureau.

4. A number of dams now being designed or constructed have significant safety problems related to geology, seismicity and design. The potential for tragic losses in lives and property posed by these dams could be as great or even greater than the $1 billion damage that resulted from the failure of the Teton Dam.

5. Public Law 92-367, the Federal Dam Inspection Act, has not been implemented. Of the required inventory, review of inspections and recommendations for a national program of inspection required by Public Law 92-367, only the inventory has been completed. Of the more than 49,000 dams in the United States, 20,000 are situated so that failure or malfunction would significantly imperil life and property. Many states and five Federal dam-building agencies do not have adequate dam safety inspection programs. Recommendations for a national program of dam inspection, required to be forwarded to the Congress no later than July 1, 1974, have not yet been forwarded to the Congress. The Office of Management and Budget has failed to release recommendations for such a program prepared by the Corps of Engineers and forwarded to the OMB in March, 1976.

6. The Bureau of Reclamation has made no arrangements whereby the dam safety inspection programs of the various States could be utilized in the inspection of all projects, whether being planned or under construction by the Bureau. The Bureau of Reclamation has not availed itself of the services offered by existing state dam safety inspection programs. The Bureau of Reclamation has not endeavored to pool or share the resources of the Federal dam safety inspection programs with the various state programs.

7. There are eight Federal agencies with authority and responsibility for the construction of dams. No effective program for the coordination or integration of these eight Federal dam-building programs exists. No mechanism for the sharing of information and resources between these eight agencies exists.

8. Geologic information in the hands of the U.S. Geological Survey bearing on the safety of any Federal dam construction project is not routinely made available to the Bureau of Reclamation or other dam-building agencies. The Bureau of Reclamation does not routinely request the Geological Survey to examine the site of proposed dam construction to assist in the determination of the suitability and safety of the site. The Geological Survey was deficient in withholding information for six months from the time

that information was available as to the geological hazards discovered at the Teton Dam site. The Geological Survey has no practice or procedure whereby it routinely obtains geological information which might have a bearing on the safety of proposed dam construction sites, nor does the Survey have procedures for transmitting such information to the Bureau of Reclamation or other dam-building agencies in a timely manner.

9. The Bureau of Reclamation does not make an effort to determine responsibility for decisions which contribute to failure, and which jeopardize the lives and property of innocent citizens. The bureaucratic practices of the Bureau of Reclamation tend to submerge individual responsibility for actions and decisions.

10. The Bureau of Reclamation failed to address the safety hazards associated with the site of the Teton Dam in the Environmental Impact Statement prepared for that project, including the geological hazards associated with the site of the Teton Dam which indicated the possibility of failure of the dam with resultant damage to life, property and the environment.

11. The Bureau of Reclamation did not avail itself of a review and examination of the site of the Teton Dam by any outside professional geologists or panels of geologic experts to assist in the determination of the adequacy and safety of an admittedly difficult and dangerous site.

RECOMMENDATIONS

1. The Secretary of the Interior should identify the causes which foster the Bureau of Reclamation's compulsion to continue to construct a project once the construction has commenced—despite warnings, hazards, risks, or problems which should, in prudence, cause a halt. The Secretary should determine administrative or legislative measures which he believes will serve to provide appropriate brakes on the momentum to build. The Secretary should report his findings and determinations in this regard to this and other appropriate committees of the Congress.

2. The Secretary of the Interior should establish a practice and procedure whereby a mid-point date is determined for the construction of any dam; such date should fall about mid-way between the commencement of construction and the completion of construction, and should be determined in advance of the commencement of construction. The Secretary should require a comprehensive review of the history of construction at that mid-point date, to determine whether observations, information, data, reports, and other knowledge indicate the possibility of safety hazards or other problems which have either been encountered or anticipated, and which may require further study or alteration of design before construction should be recommended. The findings and conclusions of the mid-point review should be reported to this and other appropriate committees of the Congress and to the independent site panel (which is recommended to be established elsewhere in this report).

3. The Commissioner of Reclamation should amend his agency's procedures and practices to encourage and require each of its employees and officials to record and to forward to the appropriate officials within the Bureau any observation, information, or data which any such employee or official believes has, or might have, a bearing on the safety of any project and its continued construction. Such procedures should identify the Director of Design and Construction as one of the appropriate officials to whom any such observation, information, or data is forwarded. Such procedures should require the Director of Design and Construction to maintain a continuing log as to all such observations, information, and data received for each project; and to record in such log the action taken by the Bureau in response to such observation, information, or data. Such log for each project under construction should be forwarded to this and other appropriate committees of Congress annually not later than 30 days prior to the submission to the Congress of requests for appropriations for such project.

4. The Commissioner of Reclamation should amend his agency's procedures to provide for the halting of construction of a dam in the event significant safety hazards appear. These procedures should require the Director of Design and Construction to analyze warnings of safety hazards in connection with any dam construction project, and determine in writing whether the construction of such project should be continued with reasonable safety; whether construction should be halted until the safety hazards are resolved; or whether construction should be terminated. These procedures should require the Director of Design and Construction to forward all such written determinations to this and other appropriate committees of the Congress. Such procedures should also provide criteria for the identification of significant warnings as to safety, taking into account the magnitude of the problem identified, the difficulty of resolving the problem, the number of problems encountered, and the origin of the warning.

5. The Director of the Geological Survey should revise the procedures and practices of the Survey to preclude any recurrence of delay in transmitting reports which bear on the safety of any dam or any other project under construction. Such procedural reform should require that reports, information, or data in the possession of the Survey, which have, or may have, a bearing on the safety of any project under construction are to be identified for expeditious, priority handling and for transmission to the construction agency without delay. Unresolved questions of fact in any such report should be identified as such, but should not cause or excuse the withholding of such report from the construction agency.

6. The Secretary of the Interior with the assistance of the Director of the U.S. Geological Survey and the Commissioner of Reclamation should institute practices and procedures whereby the Geological Survey performs a complete and thorough geologic examination of each site chosen by the Bureau of Reclamation as a potential damsite. Such practices and procedures should require the Geological Survey to report the results of its examination in writing to the Secretary and to this and other appropriate committees of the Congress. Such report should include an analysis of the risks associated with the damsite examined, and conclusions and recommendations as to the suitability and adequacy of the site for the construction proposed for the site. Such practices and procedures should prohibit the Bureau of Reclamation from proceeding with the construction of any project on any site which the Geological Survey has determined presents substantial risk or hazard.

7. The President in consultation with the Secretary of the Interior, the Secretary of the Army, the Chairman of the Tennessee Valley Authority, the National Bureau of Standards, and professional societies, such as the Association of Engineering Geologists, should establish an independent panel of experts, including geologists, engineers, hydrologists, engineering geologists, environmentalists, and others who by training, knowledge, and experience are qualified to examine and to ascertain the suitability of a site for the construction of a dam. Criteria for the selection of the panel should be promulgated in the Federal Register by the Secretary of the Interior. Duties and responsibilities of the panel should also be identified in regulations. Such duties should include the examination of any site selected by any Federal agency as a potential site for the construction of a dam, to determine the suitability and safety of the site.

8. Whenever any Federal agency selects a potential site for the construction of a dam, it should inform the panel of experts which has been selected in accordance with the above criteria. The panel should be required to explore and weigh all risks and hazards associated with the proposed construction at the selected site and determine whether the hazards associated with any site are significant. The panel should be instructed to report its conclusions promptly to the head of the agency which proposed construction at the site and should forward copies of its report to this and other appropriate committees of the Congress. The agency should be forbidden to proceed with the construction of a dam on a site which it has selected unless the independent panel has determined that the site presents no significant risk or hazard.

9. The Secretary of the Interior, in consultation with the Director of the Civil Service Commission and the Attorney General, should review the practices and procedures of the Department of the Interior—with priority emphasis on the Bureau of Reclamation—to determine the extent to which officials of the Department are held responsible and accountable for their actions taken in the course of performance of their official duties. The Secretary should determine whether the Department's practices and procedures in this regard are adequate to provide appropriate sanctions in the event that any departmental official or employee is found to have engaged in malfeasance, negligence, dereliction of duty, or incompetence.

10. The Secretary of the Interior, in consultation with the Chairman of the Council on Environmental Quality, should revise the practice and procedure of the Department of the Interior in preparing Environmental Impact Statements (which are required by the National Environmental Policy Act of 1969) so as to address fully the risks and safety hazards associated with any proposed dam and assess the possible damage to man and to the environment which might result from the failure or malfunction of the dam. The Secretary should also require that Environmental Impact Statements for proposed dams include an assessment of the safety precautions that should be instituted in connection with siting, construction, and operation of any proposed dam.

11. The President should direct the Secretary of the Army to forward to Congress without further delay recommendations in accordance with Public Law 92–367 for a comprehensive national program for the inspection, and regulation for safety purposes, of the Nation's dams. Such recommendations should address the respective responsibilities which should be assumed by Federal, State and local governments and by public and private interests. The President should also inform the Director of the Office of Management and Budget of the compelling necessity that recommendations for such a program be forwarded to the Congress as soon as possible.

12. The Director of the Office of Management and Budget should thoroughly examine the functions, practices, procedures, missions, and accomplishments of the Bureau of Reclamation, the Corps of Engineers, the Soil Conservation Service, and the other Federal agencies with authority or responsibility for the construction of dams, to determine the necessity and desirability of the continuation of multiple Federal departments and agencies with such authority and responsibility. In his examination the Director should consider whether dam-building functions and responsibilities of the various agencies can be consolidated into a

single agency. The Director should also consider whether economy, efficiency and safety could be better accomplished through the operation of a single Federal dam-building agency than through the continuation of a number of Federal agencies with such functions. The Director should report his observations, findings, and recommendations to the Congress and should include in his report, if he concludes that a single agency is preferable, recommendations for legislation that he determines would be necessary to accomplish the consolidation of Federal dam-building functions.

13. The Director of the Office of Management and Budget should institute measures whereby the information, data, and technical resources of the Bureau of Reclamation, the Geological Survey, the Corps of Engineers, the Tennessee Valley Authority, the Soil Conservation Service, and other Federal departments and agencies which bear on the suitability and safety of damsites or relate to the adequacy of the siting, construction, or operation of dams would be shared by all these Federal agencies. The Director of the Office of Management and Budget should determine the practices and procedures whereby the pooling of Federal resources relating to dam safety can best be accomplished in the interest of efficiency and economy and in the interest of protecting life and property from the hazards of dam failure or malfunction. Such practices and procedures should be issued in the form of directives to appropriate agencies and reported to this and other appropriate committees of the Congress.

POLICE OFFICIALS SUPPORT INTELLIGENCE-GATHERING

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. McDONALD. Mr. Speaker, since the 94th Congress convened I have through the CONGRESSIONAL RECORD sought to keep my colleagues informed of problems affecting our internal security and the vital need for maintaining and increasing our intelligence gathering capability.

On September 9, 1976, three experienced and distinguished members of the law enforcement community testified before the Senate Subcommittee on Internal Security on the needs for effective intelligence gathering, and on the problems being caused by ill-considered legislation and the dismantling of many intelligence units.

J. Philip Kruse, special agent in charge of the Criminal Intelligence Division, Illinois Bureau of Investigation, in his testimony stated:

> The ability of police intelligence to covertly obtain information about the activities of subversive groups whose goals and methods violate our laws is essential to the maintenance of the ordered freedom which we all enjoy. The need for an effective police intelligence operation is all the more important because of the rapid growth of international terrorism. Today, however, our law enforcement authorities are at a grave disadvantage because of the many restrictions under which they must operate.
>
> A fact that is not generally understood is that the same restrictions which have made it more difficult to cope with terrorist or subversive activities—ostensibly in the name of enhancing our personal freedoms—have also seriously restricted the ability of our law enforcement agencies to protect our citizens against organized criminal conspiracies of all kinds.

Edward M. Davis, chief of police for the city of Los Angeles, joined Special Agent Kruse in calling for vigilance against those "who would steal our liberty;" and, based on his very considerable experience in successfully dealing with the problems of domestic terrorism outlined some parameters and urged that the police intelligence function must again become active and strong. In part, Chief Davis said:

> One of the essential responsibilities of the police service is to bring peace to society and, thereby, ensure the preservation of this Republic. The oath of office affirmed by each police officer includes a phrase for the support of individual liberties. This oath of affirmation does not exclude some liberties while supporting others. It includes every liberty defined by the Constitution. The proper delivery of police services involves both a protection of individual liberties and the prevention of criminal acts. Public protection and the apprehension of criminal offenders is not something that occurs by fiat. It requires planning. The most vital link in this planning process is the gathering of intelligence information.
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> In 1955, the Hoover Commission defined intelligence as that function dealing "with all things which should be known in advance of initiating a course of action." This, of course, is a good operational definition of intelligence because it describes the purpose for gathering information. Without the ability to gather appropriate data, police administrators would be required to make major decisions regarding the deployment of personnel while realizing that they possess grossly inadequate information. In effect then, the administrator would find that he is acting without the luxury of planning. There are relatively few activities which can be assured of success when they are initiated without planning.

Addressing himself to terrorist activities, the Los Angeles chief of police said:

> While most people, including Presidential Commissions, perceive that crime is one of the most sinister forces confronting this nation, a far greater enemy exacts even more fear—the terrorist. Terrorism in the United States is a brand of unconventional warfare with its roots firmly entrenched in the rhetoric of communism. This unconventional war has as its goal the partial or complete paralysis of municipal police agencies. Numerous experts and authors on revolution and terrorism have addressed this problem. Most of us are well aware of the great danger posed by such groups. If the price of our liberty is eternal vigilance, then an abandonment of the intelligence function must be regarded as the first sign of impending death for American freedom.
>
> The willingness of terrorists to kill and be killed provides a common bond of philosophy among various leftist groups. The violence and fear exacted by their brand of change transcends geographical barriers. Some of these young terrorists were sired in the campus disorders of the sixties. Still others have discarded their Bible for a book on Maoism. Their unity appears to lie in a commitment to disruption and human suffering so as to take totalitarian control of the United States. They preach freedom and liberation, but they cause people to become a slave of fear.

Chief Davis concluded his prepared statement by saying:

> The municipal intelligence community must be permitted to identify and act against the efforts of those who would pillage, rape, rob, murder and, yes, even steal freedom from the citizens of this Republic. The various restraints on the intelligence function today have caused some police administrators to completely abandon this vital activity. Still other administrators have reduced the amount of material kept by their organization to the point that it cannot be classified as intelligence. In many cases, because of disclosure laws, such as the Federal Freedom of Information Act, it is considered too great a risk to share intelligence information with Federal agencies. If there is any importance to be placed on freedom in this Republic, the intelligence function must be permitted to again become active and strong. The alternative to this strength could mean our destruction.

Joining with his colleagues from the West and Midwest, Capt. Justin Dintino, commander of the Intelligence Bureau, New Jersey State Police, voiced his concern regarding the attacks on law enforcement intelligence operations. Captain Dintino's statement strongly underscores many of the concerns that I have expressed over the past 2 years, and brings into focus the major problem that we have helped cause and to which we have not offered any solution.

In part, Captain Dintino said:

> I would like to state that administering the intelligence function in a free and democratic society requires a careful articulation and understanding of both the rights of the individual and the needs of the State. It is my heartfelt belief that intelligence is not only a necessary function of modern law enforcement; it is also a function that requires law enforcement administrators to be protective of the civil liberties of individuals who are exercising their constitutional rights, and at the same time to protect the people from those who engage in criminal conspiracies against society or in political conspiracies designed to overthrow our institutions by terrorist actions or by revolution.
>
> There are several different factors that have had a "chilling" effect on law enforcement intelligence operations.
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> Factor number one is the Freedom of Information Act and the privacy legislation enacted by the Federal Government in recent years.
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> Factor number two is the generally hostile attitude of the press toward law enforcement intelligence.
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> Factor number three is the rash of civil suits that have been brought against law enforcement agencies by plaintiffs who allege that their civil rights have been violated by law enforcement intelligence operations directed against them.
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> Factor number four is the attitude of some of our State legislators. I have no doubt that these legislators believe that they are acting in the interest of justice and privacy and freedom to dissent—but I doubt that any of them really understand the role of intelligence, or the problems already faced by our domestic intelligence community, or the crippling effect that their proposed legislation would have on our ability to protect society.
>
> I have no quarrel with legislation designed to protect the individual civil liberties of U.S. citizens, as guaranteed in our documents of government. I do not perceive this as a "problem"—on the contrary, I am entirely in favor of such legislation. However, in pursuing this admirable goal, additional responsibilities and difficulties have been placed on an already overburdened arm of government. I do not complain about the greater cost and greater effort that this re-

quires; I acknowledge and accept the fact that liberty is costly, and that if we are to remain a free and democratic nation, we must constantly balance the rights of the individual against the rights and needs of society. The question in my mind as I appear before you today is whether we have not gone overboard in recent years in seeking to protect the privacy of the individual—to the point where we have diminished our capability to protect our people against criminal and politically violent elements.

Let me outline to you some of the new difficulties that we in the law enforcement intelligence community in the State of New Jersey must today contend with, in seeking to discharge our protective function.

1. Liaison with various Federal law enforcement agencies has been severely restricted, primarily because we now feel that informants who provide us with highly reliable *criminal* information may be exposed in the event the individual gains access to his intelligence records. This has resulted in less coordination between the various branches of Government, which in turn has resulted in a duplication of investigative efforts for both State and Federal enforcment agencies.

2. Similarly, we in the New Jersey State Police have in recent years found it increasingly difficult to get information about criminal elements and criminal suspects from Federal sources. It is clear to me that Federal agencies, because of the restrictions placed on them, are apprehensive over what they can or cannot safely release to other agencies. Sometime we can get no information. Sometimes we get bits and pieces which make it clear that some information is being withheld. And more often than not there is a considerable delay in forwarding the information to us.

3. Finally, the chill on the free flow of law enforcement intelligence has also affected the relations between the intelligence division of the New Jersey State Police and the Intelligence Divisions of our local police forces. In the old days, the Intelligence Divisions in New Jersey cities would forward such information to our State Intelligence Division on a routine basis. Today we receive very little such information. This makes it much more difficult for us to put together statewide mosaics on organized crime and terrorism and subversion within the State of New Jersey.

What is more, many municipalities that several years ago were on the verge of establishing intelligence operations decided not to do so because the "chill" was so discouraging. This, in my opinion, was a great tragedy, because, as I see it, no City Police Department can operate effectively without an Intelligence Division. I regard Intelligence as the eyes and ears of any law enforcement operation—without an Intelligence unit, a police force is operating blindfolded. To expand on this point, I was very saddened when a senior officer of a major city police department recently said to me that they had far less problems before they established an intelligence bureau, and that they would be better off if they abolished the bureau and concentrated on handing out traffic tickets.

4. The free flow of intelligence between Federal, State, and local agencies is essential to an effective law enforcement operation. To the extent that this flow is restricted, law enforcement is handicapped. And today this flow is terribly restricted, at every level in every direction—from city to city, from state to state, from State agencies to Federal agencies, and from Federal agencies to the state and local level. This is a disastrous situation and we've got to find some way of reversing it.

Who benefits from the situation? Certainly not the American people. The only real beneficiaries are the criminal and terrorist and other conspiratorial elements in our society.

In order for intelligence to be effective, it requires an analytical capability designed to develop and formulate hypotheses and assessments regarding current and future directions of organized crime. This, in turn, requires those engaged in the intelligence process to collect "bits and pieces" of information, which *when viewed in their totality*, permits them to conclude, with some degree of certainty, that certain organized crime groups, or terrorist groups, or other conspiratorial groups, are engaged in or are planning criminal activities.

Because of certain restrictions that we ourselves have placed on our intelligence gathering operations, we now have a more stratified filing system, requiring that several mandatory minimum criteria be met before new intelligence is entered into our files. Obviously, such an operation requires more personnel and greater administrative control. I would be the first to concede that, for simple manpower reasons, this extra effort does detract from our ability to discharge our primary law enforcement function. However, it seems to me that if law enforcement agencies are to continue their crime prevention function, they must be prepared to assume this additional responsibility.

Law enforcement intelligence operations are a relatively recent development in our country. For many years, most of our law enforcement intelligence agencies operated without adequate guidelines or criteria. Inevitably, some mistakes were made and some silly, and even reprehensible things were done. Watergate sort of crystalized this entire situation—to the point where well-intended people, to the applause of the criminal and extremist elements in our society, began calling for crippling restrictions, or even for the total wipe-out of all law enforcement intelligence activities.

May I respectfully suggest to our State and Federal legislators that the answer to the admitted abuses that have taken place is not to wipe out the intelligence function or to so hobble it that it will become meaningless. Rather, the answer is to impose reasonable guidelines and criteria that men of good will can agree on, and to carefully train all personnel involved in the intelligence function. This is what we have sought to do in the State of New Jersey.

The President's Commission on Law Enforcement and the Administration of Justice and also the commissions established to study civil disorder following the widespread civil unrest and disorder in this country in the mid and late nineteen sixties, strongly recommended establishing intelligence capabilities in major law enforcement agencies to effectively cope with the problems of civil unrest, disorder, terrorism and also of organized criminal activity. The commissions further recommended that the law enforcement agencies develop intelligence operations with a strategic capability so that police administrators and others responsible for maintaining the peace and security of our communities could be kept advised of new trends and developments and be able to effectively plan in advance, establishing programs designed to protect our citizens and our nation.

I submit that to cope with the problems facing law enforcement today, to provide protection and security to the public, effective law enforcement intelligence operations are essential. We cannot afford to wait until there have been reported acts of terrorism, disorder, or criminality before law enforcement agencies recognize that there is a problem and respond to it.

In 1965, President Johnson's Commission on Organized Criminal Activity said in its final report that "law enforcement failed to combat organized crime in the United States because law enforcement failed to develop a strategic intelligence capability." This was over ten years ago. Some law enforcement agencies—our own agency among them—did develop a first class strategic intelligence capability. But in recent years, because of the "chilling" effect which I have discussed, law enforcement nationwide has been regressing in the area of strategic intelligence. For this the American people have paid, and I am afraid will pay a very heavy cost. This, Mr. Chairman, is a very sad state of affairs.

As a law enforcement officer, I congratulate your subcommittee for taking the initiative to look into this situation—and I hope it won't be too long before Congress finds the time to take an in-depth look at the problem.

A TRIBUTE ON THE RETIREMENT OF THE HONORABLE CARL ALBERT OF OKLAHOMA

SPEECH OF

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, I am taking this means to join with all of your friends and colleagues in the U.S. House of Representatives in paying a brief but sincere tribute to you on the occasion of your retirement. You are, without question, one of the great men of the Congress—able, distinguished, informed, and profoundly concerned about giving every measure of your fine mind and big heart to the service of our country and its people. In the months and years to come this House will miss you greatly.

Seldom does one have the chance to be closely associated with a legislative leader of historical importance. Rarer still is the opportunity to cultivate a close bond of friendship with one of the great Americans of our time. I shall be forever grateful that I was blessed on both counts. I am proud to be able to claim the Honorable CARL ALBERT of Oklahoma as my great and good friend.

The annals of history will record the accomplishments of CARL ALBERT, so I will not even attempt to trace the broad outlines of his mountainous achievements here. Rather, I will confine these limited remarks to the makeup of the man.

More than any individual I can name, Speaker ALBERT has the temperament of a great legislator. This House has been privileged to know many men who were brilliant of mind, broad in judgment, possessed of boundless energy, and capable of great warmth and friendship. But Speaker ALBERT combines those qualities in balance. He has a warmth of character that permeates his existence. He has a sense of humor which is always in working order. He serves his country and serves his God with equal fervor and dedication. He is a man of learning, of great judgment, of integrity, of compassion, of thoughtfulness, and of honor.

Speaker ALBERT cares. He made others care too—not through persuasion, but because he is good and because we are better in knowing him. Mr. Speaker, we thank you and wish you the very best of everything in your retirement.

HON. TOM REES

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WAXMAN. Mr. Speaker, before this 94th Congress adjourns, I should like to pay tribute to a good friend and highly valued Congressman, Representative Tom Rees. I know how many of us regretted Tom's decision not to seek reelection. As much as I understand his reasons, I also realized what a great vacuum his leaving creates.

For 11 years Tom Rees gave to the House of Representatives not only legislative skills and competence, but also true dedication to the House as an institution. Long before internal House reforms became popular, and long before Congress and the American people recoiled from the "imperial presidency," Tom Rees sought to alter dramatically the structure of the House of Representatives and to raise it to equal stature among the Federal branches. Though a Democrat, Tom did not allow partisan considerations to deter him from making sharp criticisms not only of President Johnson's Vietnam war policies, but also of the gross subservience of the Congress to the President which has marked our conduct of foreign affairs since World War II.

Though all the reforms Tom has advocated have not been adopted, much of his counsel has been heeded. Certainly, the Democratic Caucus plays a far greater role in policymaking than it did when Tom came to Congress. Certainly the internal machinery of the House is less oligarchic, less authoritarian, and more responsive to Members and to the public than it was when Tom first began speaking out for House reforms.

During his years in Congress and, previously, in the California State Legislature, Tom Rees has always been a man of strong liberal convictions and deep compassion for the victims of economic hardship and social injustice. Despite these ideals, Tom was never characterized as a "knee-jerk liberal." Tom's political philosophy was always governed not only by progressive values but also by an open mind and reliably good judgment about what falls within the realm of the possible.

As the representative of a Los Angeles district adjacent to mine. Tom Rees has been not only a House colleague but also a friend and neighbor. In Los Angeles and Beverly Hills political circles, as well as in Washington, Tom Rees has stood out as a man who could be serious about politics without being dull and self-important. Even more than his competence as a legislator, his colleagues and constituents will miss his unusual grace and sharp wit.

I know that Tom Rees has no intention of abandoning the concerns with which he has been preoccupied during his many years of public service. I know that as an active Democrat, as a citizen, and as an attorney, his community and his country will continue to benefit from his efforts. I am sure all the Members of Congress join me in thanking Tom Rees for the contributions he has made to Congress and in wishing Tom, his wife Leanne, and their children much success and happiness in their future endeavors.

FAREWELL TO "DOC" MORGAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ANDERSON of California. Mr. Speaker, as this Congress draws rapidly to a close, we find ourselves reflecting upon the 94th Congress with a sense of achievement for what we did accomplish and a sense of disappointment for what we failed to accomplish. Only history will be able to objectively judge our efforts. I do believe, however, that one thing for which this Congress will be remembered is the extraordinary number of talented and dedicated veteran lawmakers who decided to make the 94th Congress their last.

One such individual is Thomas E. "Doc" Morgan. "Doc" Morgan is truly a man loved by his people. Upon graduating from the Wayne State University School of Medicine in 1934, Morgan began his practice of general medicine serving the small towns and coal mines around Fredericktown, in southwestern Pennsylvania. In 1944, "Doc" Morgan was especially busy—delivering 109 babies and winning election to the Congress. Although "Doc" stopped delivering babies in 1948, he continued his medical practice on weekends and during congressional recesses until 1973.

Since coming to the House of Representatives 32 years ago, "Doc" Morgan has gained the same respect and love from his colleagues as he has from his constituents. In 1959 he was elected chairman of the House International Relations Committee, then known as the Foreign Affairs Committee. He has served in that position longer than any man in the Nation's history.

During his long tenure as chairman of the International Relations Committee, "Doc" Morgan has served with five Presidents and five Secretaries of State. He is a man who believes strongly in the interdependence of all nations of the world. He served as vice chairman of the special congressional delegation to the People's Republic of China in 1973.

Chairman Morgan has been a leader in reasserting the proper congressional role in foreign affairs. One of the greatest achievements under his effective leadership was the passage of the War Powers Act which limits Presidential power to wage war without consultation with the Congress.

"Doc" Morgan has stated that his desire is to return home and "share in the joy of watching our grandchildren grow and mature." "Doc" and Winifred Morgan have certainly earned this fundamental right that belongs to all proud and loving grandparents. "Doc", in behalf of myself and my wife, Lee, we wish you and your family the best of health and happiness in the years ahead.

TRIBUTE TO HON. OTTO E. PASSMAN

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ULLMAN. Mr. Speaker, the end of the 94th Congress marks the end of the long career of the distinguished gentleman from Louisiana, Congressman Otto E. Passman.

Otto has been chairman of the Appropriations Subcommittee on Foreign Operations for as long as I have been in Congress and it is very difficult to imagine a House of Representatives that does not include this hard-working, energetic man. His fabulous talent for recall is only exceeded by his dedication to preparation and his commitment to constituents.

It is not going to be the same without you, Otto, but I join my colleagues in wishing you peace, prosperity, and best wishes for the future.

TRIBUTE TO REPRESENTATIVE ROBERT JONES

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, with the end of the 94th Congress, my friend and colleague Bob Jones will end his distinguished career of 15 consecutive terms. This represents one of the longest periods of representation by any Member of the House and also the greatest length of time served by one Representative from Alabama.

At the beginning of this Congress, Bob Jones was elected chairman of the House Public Works and Transportation Committee. This was both the culmination of conscientious service on the full committee, as well as a reflection of the well-deserved respect he has earned from his colleagues.

While taking an active part in the enactment of legislation in the Public Works Committee, Bob Jones also delved into many other major areas of legislation. He was the driving force behind much of the Tennessee Valley Authority legislation, legislation creating the Economic Development Administration, and many other areas, a list of which would be too long to mention.

With Bob Jones taking his leave from the House, he and his expertise in the area of public works will dearly be missed.

SENATOR DOUGLAS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. COLLINS of Texas. Mr. Speaker, the Nation, the Congress, and the State of Illinois lost a remarkable man this past weekend when Senator Paul H. Douglas died. The Senator left his mark on all who came in contact with him. He was a remarkable man who gave great and energetic service to the public for many years.

Senator Douglas was an economist by his early training in that field at Harvard University and at the University of Illinois. He distinguished himself as an academic while serving at Reed College in Oregon as an assistant professor in economics and taught at other well-respected institutions such as the University of Washington, the University of Chicago, and Amherst College. He was the author of many books, a man of letters who turned to government service as an outlet for his practical academic skills. His range of government service as an economist was broad. He had an extraordinary career, but then again he was an extraordinary man.

His political career began not at the pinnacle of national success but at the less glamorous level—where the problems are seen first hand. He was first elected to public office in 1939 as a member of the Chicago City Council. Although he was 50 years of age he was undaunted in his effort to enlist in the Marine Corps as a private during the early stages of the Second World War. He reached the rank of lieutenant colonel and became a highly decorated veteran.

In 1948 he was elected to the U.S. Senate where he served with great achievement until 1966.

If ever we had a man of dedication to public service and achievement in the academic realm serve in the Congress, Paul H. Douglas must be considered as such a man. He had enormous skills for the business of policymaking, and he had enormous dedication to the notion of serving the public. A man of his skill and compassion is not easily found and his passing is a loss for us all.

WILBUR D. MILLS

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. POAGE. Mr. Speaker, a number of our outstanding colleagues are retiring from the Congress this year. None has rendered a more important service than the Honorable Wilbur D. Mills of Arkansas. I came to the Congress just 2 years before Wilbur did. I have valued his friendship and his leadership. He has given this House a great and valuable leadership in the field of taxation and revenue over a long period of time.

We were all pleased when he was able to recover from serious illness. I had hoped that he would stay with us and continue to contribute his wisdom to the operation of this House, but he felt that he wanted to go back to his neighbors and his friends. I can understand his decision, and I join with his many friends in wishing him every success at home. We will miss Chairman Mills, but we will all be aware of his great contributions to his country.

ROBERT STEPHENS

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SKUBITZ. Mr. Speaker, it is with great pleasure that I join my colleagues in paying tribute to Congressman Robert Stephens, who will be retiring as the 94th Congress comes to a close. Bob's representation of the people of Georgia's 10th Congressional District has been in the highest tradition of public service.

I have had the privilege of serving with Bob on the Interior and Insular Affairs Committee, and in that capacity I have become an admirer of Bob's dedication to hard work and constant vigilance to insure the best interest of the public is served. Perhaps the fact that he refers to one as a Yankee and not a Damn Yankee may have colored my judgment a wee bit.

My association with Bob on the Interior Committee has also given me the opportunity to develop an acquaintance with him on a personal level. I have always been a great admirer of Bob's wit. I am not sure whether Bob has a "Skubitz' sense of humor" or I have a "Stephens' sense of humor, "but I know attending markup sessions and hearings with Bob was never dull in my book.

I truly hate to see the career of such a fine dedicated southern gentleman come to an end. Bob's dedication to being an exemplary public servant has earned a high place for him in the eyes of his colleagues.

We have all been truly fortunate to be able to count Bob as one of our Members for over 15 years.

I extend my sincere wish that he will find much happiness in retirement.

TERRITORIAL FRANCHISES

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRINKLEY. Mr. Speaker, it is really unfortunate that the legislation relating to exclusive territorial franchises will be caught in the logjam of adjournment, and thus fail passage.

This bill was designed to help the small and medium soft drink bottlers whose very survival has been threatened. There have been persuasive arguments that elimination of exclusive territorial restrictions would cause the demise of thousands of small bottlers, higher consumer prices for soft drinks, and the end to the returnable bottle. Furthermore, the public will be penalized as a result of higher prices, reduced service, and, in many cases, discontinued service to a great many outlets.

This legislation should receive priority attention in the 95th Congress and I urge the leadership to schedule it for consideration at the earliest possible date next year and among the very first bills.

I wish to express appreciation to Mr. Maurice Duttera, in particular, for the insight and perspective which he has provided in this matter. Concerned citizens are important to good laws.

THE HONORABLE PHILLIP M. LANDRUM

HON. AL ULLMAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ULLMAN. Mr. Speaker, the House is losing a number of illustrious legislators with the close of this session, and one of those we shall especially miss is my colleague on the Ways and Means Committee, Phil Landrum of Georgia.

Phil came to the committee after many years of distinguished service on the Education and Labor Committee, where he was the author of the Landrum-Griffin bill and other important legislation. He immediately established himself as a colorful and effective contributor to our work. We will all miss his great story-telling ability, which offered a refreshing moment and a change of pace in the midst of many tense debates. An accomplished lawyer, Phil has an incisive mind and a gift for oratory that have made him a strong and persuasive proponent for the positions he has taken.

It is a pleasure to join my colleagues in wishing Phil Landrum happiness, good health, and continuing satisfaction in the joys of debate in the years ahead.

TRIBUTE TO F. EDWARD HÉBERT

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. DENT. Mr. Speaker, today the House of Representatives rises to pay tribute to F. Edward Hébert—it is both fitting and proper that we do this. For some 36 years Eddie Hébert has served the American people and those of Louisiana as an able legislator and an outstanding congressional leader.

His work on the House Armed Services Committee has contributed substantially to an unmatched American military preparedness. In addition he has served this House and the American people well in his capacities on the House District Committee, the Naval Affairs Committee, the House Un-American Activities Committee, and the Committee on Standards of Official Conduct.

F. Edward Hébert has served his constituents longer than any other Congressman from Louisiana. He has served the American people through peace and war, and he has served this House with distinction and skill.

I shall miss him as a friend. This House will miss him and his able leadership, and the country will miss him as an outstanding American whose devotion to the cause is unmatched in the annals of the Congress.

F. Edward Hébert—the gentleman from Louisiana—as you leave this House take with you the good wishes of your friend and colleague, John Dent, and may your future be as prosperous as your past has been honorable.

CHAIRMAN ROY A. TAYLOR

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BYRON. Mr. Speaker, I wanted to expess my deep gratitude to Chairman Roy Taylor for his leadership of the National Parks and Recreation Subcommittee of the House Interior Committee.

It has been my pleasure to serve on the Parks Subcommittee under Chairman Taylor during the 94th Congress. He has taken a keen interest in the establishment of the Monocacy National Battlefield Park in Frederick County, Md., and has been instrumental in seeing legislation creating such a park passed in this session.

I know that this achievement would have been impossible without his active participation, and I wanted to thank him. I wish him a happy retirement in his beautiful home in North Carolina.

HON. THOMAS E. MORGAN

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. GOODLING. Mr. Speaker, unfortunately, when the 95th Congress convenes in January, it will do so without the strong and respected leadership of the Honorable Thomas E. "Doc" Morgan, of Pennsylvania, who is retiring.

As chairman of the Committee on International Relations for 17 years, the Congressman has enhanced the U.S. role in foreign policy greatly. Since 1959, he has shown strong will and leadership that helped our country through a tense era for foreign policy.

Congress will miss Congressman Morgan, but Pennsylvania and its delegation will feel the impact of his retirement even more. As a member of that delegation, I wish to thank the Congressman for the years of service he has given to Pennsylvania. He has provided valuable help to freshmen legislators on both sides of the aisle as dean of our delegation. He has pulled the Pennsylvania delegation together on important issues concerning the welfare of the State.

Again, I wish to thank Congressman Morgan for his dedication and service to both the United States and to the State of Pennsylvania.

RAY MADDEN

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ALBERT. Mr. Speaker, when my good friend and esteemed colleague, Ray Madden, leaves Congress at the end of this session, his absence will have a twofold effect: The people of Indiana will be losing one of the most effective and capable Congressmen that they have ever had, and the House will no longer have the guidance of one of its most senior, most distinguished, and best-loved leaders.

Ray Madden has dedicated himself heart and soul to the needs and aspirations of the First Congressional District of Indiana since 1942; his service to the people of Indiana is longer than any Congressman who ever was elected from that great State. Ray's departure will create a void that any other individual will be hard pressed to fill.

As the distinguished chairman of the House Committee on Rules, Ray Madden has been at the very center of the legislative process, monitoring bills as they came out of the committees, directing and arranging for important legislation to be considered on the House floor. I have worked closely with Ray through the years in an effort to provide a structured legislative schedule for our colleagues to deliberate upon. It is a hectic, time-consuming process and I am grateful for Ray's diligent efforts and evenhandedness.

Ray, you have certainly earned your day of rest. As a Member of the House leadership and as a close friend, I thank you for all that you have done for the people of this Nation.

TRIBUTE TO CONGRESSMAN RAY MADDEN

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CEDERBERG. Mr. Speaker, one of our senior Members, Ray Madden, is leaving us after 34 illustrious years in the House. His departure will leave an irreplaceable void. A gentleman and scholar, Ray was universally respected.

As chairman of the Rules Committee, he was instrumental in guiding legislation through the matrix of congressional procedure. His influence was acknowledged by all. Forever aware of the importance of his position, he approached his job with a seriousness and dedication that is rare. He used his influence wisely and as needed to accomplish the most beneficial ends.

Indiana is losing a venerable statesman and the House is losing a tireless worker. Ray was an articulate spokesman of his constituents' needs. Quick to their defense, his first concern was always their welfare.

I hope that Ray will visit us frequently in the future. He can always expect a welcome handshake and smile. I wish him the best and hope that the years ahead will prove fulfilling and satisfying.

THE USE OF HUMAN GUINEA PIGS IN THE U.S.S.R.

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, it is fashionable nowadays to ignore the most massive and consistent violations of elementary human rights, which is a feature of Communist governments, in favor of mobilizing "world opinion" against small non-Communist nations whose governments have found it necessary to get tough with those who would like to convert their homeland into another slave state.

We need to be reminded that the use of involuntary human guinea pigs for experimentation related to military uses of radiation and both chemical and bacteriological warfare continues in the Soviet Union. Reverence for human life is not part of Communist ruling-class ideology. Every "citizen," in or out of the Gulag Archipelago, is regarded as basically the property of the state.

Testimony on Soviet labor camps presented before the Senate Internal Security Subcommittee on February 2, 1973, referred to human experimentation conducted upon the "living dead," prisoners never to be released, condemned to the perpetual cold of Wrangel Island in the Arctic Sea.

However, the phenomenon is far more pervasive, involving as it does peasants chosen for their relative ignorance and powerlessness, and even such relatively privileged individuals as university students—we shall see why, in the following testimony. This is as yet unpublished material presented to SISS last March:

> Statement of Luba Markish Before the Senate Subcommittee on Internal Security, March 29, 1976
>
> Mr. Chairman, I am honored by this opportunity to appear before the Senate Subcommittee on Internal Security, to testify about certain things that happened to me in the Soviet Union and about other things that have happened to me since I arrived in the United States approximately a year and a half ago. . . .
>
> In the Soviet Union, as a student at Moscow University, I was used as a human guinea pig in an experiment with a highly toxic substance.
>
> As a result of this experimentation, I was hospitalized with severe chemical burns on

my face and hands and lungs. After five years of unrelenting legal effort, I was finally able to win a minor award against Moscow University. The medical experts who examined me at the time estimated that I was suffering, five years after the incident, from a 60 to 70 percent disability. I thank God that I am alive, because I have seen many people suffer like me, and only a few of them survived.

I intend to present documents to demonstrate that this was not an accident, as the University authorities originally pretended, but a deliberately contrived "accident," designed to test the effects of the gas on a healthy human being. I know from numerous sources that mine was not an isolated experience—that there are hundreds and thousands of cases like it in the Soviet Union. . . .

The story I have to tell, I know, will be difficult for some people to believe—all the more difficult because I am a young women without an established scientific reputation, and the facts are so completely alien to western experience. For this reason, I think it would be useful if Professor David Azbel, a distinguished scientist with an extensive background in the chemical sciences and 16 years of experience in the Soviet labor camps, took over from me at this point to describe something of what he learned from his many years of experience as a working chemist in the Soviet Union and as a slave laborer. It is my belief that what I have to say will become more credible against the background of the expert testimony that Professor Azbel has to offer on this subject.

Statement by Professor David S. Azbel Before the Senate Subcommittee on Internal Security, March 30, 1976

Although I was acquainted with the fact that human subjects were being used in poison gas experiments in the Soviet Union, I did not believe that it would be possible to find a live witness who could bring her own experiences as testimony—such bravery and courage appeared beyond human capacity. The victims of such experiments usually die. Those who survive are generally far too terrified to speak of their experiences. They feel in danger of being judged mentally ill or an anti-Soviet propagandist. The consequence of either accusation would be incarceration in a mental hospital or a prison. Even those people who have no understanding of chemical experimentation but have experienced life in the Soviet Union, can easily understand this situation. The death of human guinea pigs is explained in official Soviet reports as suicide, carelessness, or accident due to preoccupation with personal problems such as an unhappy love-affair, etc. Rather than prior informed consent, signatures are forced from those who have already been subjected to experiments which resulted in disability or incipient death. Years before leaving the Soviet Union, I visited some plants and laboratories which produced military poison gases.

The reason that they use human beings is that tests done on animals cannot give sufficient information about the effect of these substances on people. . . .

I know that in Siberia villagers were selected and used as guinea pigs in chemical experimentation. They were not only used for their labor but as unknowing participants in mass experiments. After these experiments, they were put in special hospitals for observation. They were never heard from again and their relatives never saw their bodies. They were simply notified about the death which "came as a result of an accident". It is known that even soldiers were used as guinea pigs, but all of this information was top secret and no one knows what became of these soldiers.

One would think that prisoners would be the ideal source of test material for these experiments. However, when you consider their weakened physical state, you will realize that these people would not provide adequate information. Villagers, less educated, and not able to communicate their observations to the outside world are perfect material for the chemical experiments. Villagers were brought to big industrial centers, such as Moscow, Leningrad, Volgagard, Chelybinsk, Kalinin, Vladimir, Saratov and many others. Unskilled workers were used for this purpose in isolated areas; so-called "Post Boxes" are areas designated off-limits.

This research concentrated mainly on poison gases which act on the brain and the nervous system. Of secondary concern, but no less important, was the testing of mass chemical sterilization. Perhaps, the growth of the population of China gave rise to this interest in experimenting with the means of causing whole populations to become infertile. In the special hospitals used for this purpose, it was said that chemicals already developed are 1000 times more effective than radiation. I have personally met two men who had been guinea pigs near Chelyabinsk. These men only felt free to talk to me after they found out I was a former prisoner and a chemist. They told me how they were used in sterilization experiments.

During the chemical warfare program the military authorities and the scientists also decided to use university students as guinea pigs—which at first thought seems to be illogical. However, using students, it was possible to test a much greater variety of chemical formulations without the need for any explanation of resulting deaths. Chemicals which would have no place, other than in a laboratory, could only be tested on students. So they were used for this purpose. Any death could be explained as a student's accident, and within the University it was possible to conceal the nature of the experimentation. I knew some students from the Moscow Institute of Chemical Technology who died from such experiments It was impossible to investigate the causes of their deaths.

For example, Nicholai Derevliv from Irkutsk had the same experience as Luba Markish. In his case, however, the interference with the ventilation system left him a permanent physical disability. Around Moscow and other big cities, there are many research centers, where scientists work with their military counterparts. My wife's friend, Antonnia Kudrevtcha, was used in a chemical experiment, the results of which dissolved the bones in her arms. She was observed in the Moscow Hemotology Institute but was offered no help.

I knew a man from Chelyabinsk who was purposely sent into a chemically infected area and then was sent to Moscow for observation at the Institute for Occupational Diseases. Actually, he did not have an occupational disease—he was poisoned.

It's possible to give many examples of such chemical experimentation. In most cases, the victims died, and those who may have survived are generally afraid to speak of their experience.

In the case of Luba Markish, everything is very clear. She was sent into a room to work with clorethylmerhapten. The single exhaust fan failed, and Mrs. Markish was not permitted the use of a mask.

Having been a prisoner in the Gulap Archipelago, I know very well that in special chemical prisons, when you work with dangerous chemicals you were issued masks and special clothing and you worked in laboratories with double blocked ventilation systems. But these prisoners were valuable scientists and the government did not want to lose them. It is a rule that no one, whether a special prisoner or a scientist, may work in a laboratory alone. It is obvious, when a student is sent alone into an improperly ventilated room without a mask, the student is being used as a guinea pig. The gas which Luba Markish was made to synthesize has a very distinctive and noxious odor. No one will willingly stay in an atmosphere contaminated by clorethylmerhapten.

With this background in mind, the remarks of John Noble, an American wrongly imprisoned by the Soviets for 9½ years, may seem a bit less incredible. John Noble told the 700 Club, a Christion religious program aired on television on September 9 of this year, that Moscow itself is endangered by bacteriological warfare agents. According to Noble, who has contacts with what might be called the "Christian underground" inside the U.S.S.R., four "capsules of germ warfare" material have been appropriated by a Communist faction involved in a scheme, aborted for the present, to assassinate their rivals.

While Mr. Noble has presented no "hard evidence," presumably in order to protect his sources, such a development as he describes cannot be ruled out in a country known to have a continuing, active interest in chemical and germ warfare, a country whose political infighting is notoriously murderous, and one in which human life is not particularly valued.

ZABLOCKI COMMENDS SPEAKER ALBERT

SPEECH OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ZABLOCKI. Mr. Speaker, the House of Representatives, the Nation, the State of Oklahoma, and the Third Congressional District will miss the dedicated service of Speaker CARL ALBERT. Having spent almost 28 years working with Speaker ALBERT in Congress, I can personally attest to his dedication and responsiveness to the needs of the House and his tireless efforts to make the House an effective legislative body. CARL ALBERT is a public servant in the true sense of the word and has certainly served the House well during his tenure as Speaker.

CARL ALBERT's rise from humble beginnings in Bug Tussle, Okla., to one of the highest and most responsible offices in the Nation serve as an inspiration to all of us, especially our young people. At a time when people across the Nation closely question their representatives, Mr. ALBERT stands out as proof that our Nation's citizens are indeed represented by people who start from the same background and have the same start as everyone else.

CARL ALBERT's interest in serving in the House of Representatives was sparked at the early age of 6 when the first Congressman from southeastern Oklahoma, Representative Charles D. Carter, visited the two-room schoolhouse he was attending and reminded the young people there that he had been elected to Congress although he was from a poor family and a member of a minority race, a Chickasaw Indian. Just as Carl Albert was inspired and challenged to serve our country in Congress in spite of difficult circumstances, I believe those who know Speaker Albert are inspired and challenged to do likewise.

Carl Albert has served as Speaker of the House during trying times for political representatives, and these times have also brought on many changes and new and younger members have made their impact on the House of Representatives. Throughout these times, Speaker Albert has diligently and faithfully presided over the House with the skill and expertise necessary to guide us through some of the difficult times.

Under the able direction of Carl Albert, many responsible legislative measures have been passed by the House of Representatives. For example, the House passed the Budget and Impoundment Control Act, which restores congressional control over spending priorities.

While Carl Albert was Speaker we passed the War Powers Act which restores the proper balance between the executive and legislative branches of government in the conduct of foreign affairs. In addition, during Mr. Albert's period as Speaker the House passed significant legislation in two areas of vital concern to all Americans: the budget and employment. The Budget Control Act and the jobs bill offer hope to millions of Americans and the possibility that our policies will be channeled to fight the recession in the most responsible way.

In addition Carl Albert led the House in important legislative accomplishments in the areas of taxes and energy.

Procedurally, Carl Albert has enacted reforms to expedite and simplify the movement of legislation. His practical standpoints on the procedural operations of the House effectively enabled this body to operate more efficiently in the future.

Finally, we must recognize that while our country was going through one of the most difficult periods in history—the Watergate months—Carl Albert's leadership in the House was firm and fair and Members of this House as well as the American public are indebted to him.

My wife, Blanche, joins me in extending our appreciation to Carl and Mrs. Albert for their friendship. To Carl Albert I extend my personal thanks for his understanding and helpful counsel. All of us appreciate and express our deep gratitude for his many years of service to the House. May Carl and Mary have many years of well-deserved rest and enjoyment.

JOE L. EVINS

SPEECH OF

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. SISK. Mr. Speaker, few men who have served in the House of Representatives have left so distinctive a mark as has our good friend Joe Evins.

This distinguished being of the Tennessee delegation has brought many honors to himself and his State during his 30 years of dedicated service.

Notable among many accomplishments has been Joe's long-time chairmanship of the Small Business Committee.

In these days of ever-increasing bigness in private industry-conglomerates, multinational corporation, and the likes—that basic America, the small businessman, has had a staunch champion in Joe Evins who has consistently fought for their bare rights.

And as chairman of the Public Works Appropriations Subcommittee Joe has been the key legislator in seeing that proper allocation of public funds is made for the vast projects that produce America's hydroelectric power, control its floods, and improve its navigable waters.

Even with this staggering workload, Joe found time to write a book to better explain how Congress works to the American people. It is still regarded as a definitive work in its field.

With it all he has been a friend and trusted adviser to those of us who followed him into Congress in later years.

We will miss this giant of a public servant and Reta and I join in wishing Joe and Ann great happiness in their well-earned retirement.

THANK YOU, BOB JONES

SPEECH OF

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ANDERSON of California. Mr. Speaker, it is a pleasure for me to express to this distinguished body my high esteem for Congressman Robert E. Jones. Since coming to Washington, my wife, Lee, and I have had the privilege of calling Bob and Christine Jones our friends. As such, it is an especially sad day for us to say farewell to Bob Jones as he retires from the House.

Last week in a meeting of the Public Works and Transportation Committee, Chairman Bob Jones shared with those in the committee room some personal reflections of 30 years of service in the House of Representatives. He reflected back to his freshman term when the chairman of the Public Works Committee would not allow first-term Members of the House to question witnesses. Oh, how times have changed. Yet one of the great characteristics of Bob Jones is that he has changed with the times—always demonstrating respect for each Member of this body, regardless of age, race, or sex.

Bob Jones says that as a freshman he used to dream, "If only I could someday be chairman." Well, he made it, and Bob Jones' impact on some of the most important economic and environmental legislation in this Nation's history will always be remembered.

During the Eisenhower administration, Bob Jones argued that the Federal Interstate Highway System should be financed on a "pay-as-you-go" basis. We have all come to understand the wisdom of that decision.

Bob Jones has been an ardent supporter of the Tennessee Valley Authority, including development of the TVA nuclear power program. This concept of multi-State cooperation for economic development has spread throughout this Nation. There are now 10 regional development programs.

Bob Jones is the author of the Federal Water Pollution Control Act of 1972, perhaps the most important piece of environmental legislation in the Nation's history. He is also the author of the Public Buildings Act of 1959 which is the authority for most building projects. Among the Federal buildings built under Bob's legislative leadership are the Kennedy Center, the Smithsonian Museum of History and Technology, and the National Portrait Gallery.

Bob Jones has been a good friend and an example of congressional excellence. As a chairman of a major committee he has demonstrated great skill and patience—always persuading his committee colleagues to settle their differences in a genteel fashion. He has been immensely fair—always finding ways for junior Members to participate in committee and conference-making decisions. Bob has been a tremendously effective leader on the floor of the House simply because he knows his subject better than anyone else.

Now, at the height of his illustrious career, he is retiring from the House of Representatives after 30 years of distinguished service which began in January of 1947.

Bob is quoted as saying, that—

> . . . after a tenure of 30 years, I feel now that I have earned the right to go home and enjoy the years ahead at a slower pace.

You certainly have earned that right, Bob. In behalf of myself, my wife, Lee, and the members of my staff who have had the privilege of working with you in the last few years, we say farewell and best regards to our friend Bob Jones—the gentleman from Alabama.

WILBUR D. MILLS

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BURKE of Massachusetts. Mr. Speaker, the retirement of Wilbur D. Mills at the end of this session will bring to a close a brilliant congressional career of one of the most effective and knowledgeable Members who ever served in the House. Wilbur Mills represented his Arkansas district in the House with distinction for 38 years. For 17 years he served as chairman of the Committee on Ways and Means, and in that high position he made a host of contributions to the welfare of the citizens of this Nation in the fields of tax policy, social security, and international trade. He served as an adviser to Presidents in all of these fields.

and was available as well to the newest Member of the House who wanted to consult with him. He guided through the Committee on Ways and Means, on the House floor, and in Senate-House conferences, many far-reaching pieces of legislation which lessened the tax burden on our citizens, broadened social security benefits for many millions, helped the poor and unfortunate including provision for them of a comprehensive health care program, established health care benefits as a matter of right for our elderly citizens, increased unemployment compensation payments, and improved the operations of numerous Government programs. No Member of Congress during his period of service was more eagerly sought out by business executives, leaders of organized labor, and citizens groups for counsel and advice in handling their problems.

WILBUR MILLS was a master in the field of tax legislation, involving some of the most complex issues considered by the Congress. One of the first major tax bills which he handled as chairman of Ways and Means, the Revenue Act of 1962, contained the investment tax credit and other provisions designed to stimulate growth and modernization of industry, thus explicitly recognizing the role of the Federal tax system in the economic development of the country. The Revenue Act of 1964, which lowered the individual income tax rate schedule from 20 to 91 percent down to 14 to 70 percent and provided special help to low income families, was a major factor in moving the country into a period of high sustained economic activity with low unemployment and steadily rising personal incomes. In 1969, Chairman MILLS guided through Congress one of the most important tax reform bills ever enacted. It contained numerous provisions to curb abuses of the tax system by wealthy individuals and, at the same time, provided substantial tax relief by raising the personal exemption from $600 to $750 and creating a low income allowance for the working poor. In 1972 came passage of a $30.2 billion, 5-year revenue-sharing bill representing a landmark in fiscal relations between the Federal Government and State and local governments. In 1974, Chairman MILLS contributed heavily to passage of the Employee's Retirement Income Security Act which guaranteed that enrollees in private pension plans actually would receive the benefits promised them. Official Treasury analyses revealed that tax measures enacted in the period 1962–71 under Chairman MILLS' leadership made a net reduction of more than $40 billion in taxes individuals otherwise would have had to pay in the 1974 year. This represented a net reduction of Federal tax burdens for individuals of about 25 percent.

The Nation's social security system was virtually transformed in the years after 1958 when WILBUR MILLS became chairman of Ways and Means. Nearly all of the key changes were the result of legislation which he helped to develop and guided to passage. In 1958, social security cash benefits totaled $8.3 billion and were paid to 12.2 million recipients. In this year, 1976, the benefits are estimated to total more than $75 billion with 32 million beneficiaries. In 1965, Congress passed an historic social security bill, to which Chairman MILLS made the most significant contribution, creating the medicare program of health benefits for the elderly and the medicaid health care program for those on welfare and other low-income families. In 1972, he managed other far-reaching social security legislation which established automatic cost-of-living increases for social security recipients. WILBUR MILLS twice won passage in the House of broad welfare reform legislation establishing a guaranteed minimum income program for all of the poor in the Nation including those who held jobs but earned very low pay. These measures failed passage in the Senate. However, in 1972 Congress did enact a significant part of this legislation which established the supplemental security income program that provides Federal benefits under Federal administration for needy aged, blind, and disabled.

WILBUR MILLS also displayed his remarkable leadership qualities in helping to guide through Congress major legislation in the field of international trade, particularly the Trade Expansion Act of 1962. This measure authorized the Kennedy round of trade negotiations which contributed importantly to the huge increase in world trade in the 1960's.

Mr. Speaker, I have touched on only the highlights of the remarkable career of WILBUR MILLS in the Congress. I know that his friends and colleagues on the Committee on Ways and Means and in the entire House join me in extending every good wish to him and his wife, Polly, for many years to come.

WILBUR MILLS is my friend.

OTTO PASSMAN

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. TREEN. Mr. Speaker, the close of the 94th Congress will mark the end of the long and distinguished congressional career of my Louisiana colleague and friend, OTTO PASSMAN. OTTO PASSMAN has ably served his constituents and this Nation since he was first elected to Congress from Louisiana's Fifth District in 1946.

Since the 84th Congress, when he became chairman of the Foreign Operations Subcommittee of the House Appropriations Committee, OTTO PASSMAN has kept a firm hand on how much this country spent on foreign aid. During these years, his frugal control of foreign aid appropriations has literally saved the American taxpayers billions of dollars.

OTTO PASSMAN is a man who is thoroughly familiar with every facet of our vast and varied foreign aid programs. His firsthand knowledge of aid projects has proven indispensable in helping the Congress as a whole decide the direction and scope of present and future programs. Congressman PASSMAN's colleagues on the Appropriations Committee will be deprived of considerable expertise in the field of foreign aid when the next Congress convenes.

Those who have served here in the Congress with OTTO PASSMAN during some or all of the years that he has been here know of the enormous contributions which he has made to the progress, welfare, and security of the United States of America. They can and will speak more eloquently than I about his accomplishments.

As a citizen of Louisiana, however, I am in a good position to attest to the high quality of his service to his constituents and to all in Louisiana. My friend, OTTO PASSMAN, is perhaps best known for the courageousness of his stands on controversial issues. What motivated him in his decisions on these issues was not what was best for OTTO PASSMAN's political future but what was best for his State and his country.

As a Republican, I believe that I can say with authority that OTTO PASSMAN is not a partisan. Of course, he was a Democrat and ran as a Democrat, but his party affiliation did not interfere with his decisions. He supported and criticized both Democrat and Republican Presidents, basing his decision on the substance of the question involved. He believed that the President of the United States should be supported, be he Democrat or Republican, when he felt that the President was right, and he steadfastly refused a partisan role in that area. On occasion this posed risks for him within his own political party. I admire OTTO PASSMAN for the courageousness of his convictions, and I know that that feeling is shared by all of his colleagues.

On a personal note, as the first Republican elected from Louisiana in this century, I want to express my gratitude for the warm and hospitable reception which I received from OTTO PASSMAN when I came here in January of 1973. Not once did OTTO PASSMAN ever give me the feeling that I was an "intruder" into the previously all-Democrat delegation; not once did he ever give me cause to believe that my coming here was resented. To the contrary, he went out of his way to be helpful to me in countless instances.

Mr. Speaker, I could go on and on about the virtues of OTTO PASSMAN. But his record speaks loud and clear. I just want to close by saying: Godspeed, OTTO PASSMAN, may all the blessings of life be yours in abundance; thank you for your devoted service to your country and your State, and come back and see us as often as you can.

THOMAS E. "DOC" MORGAN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRADEMAS. Mr. Speaker, I want to express my own appreciation for the many contributions that have been made to the Congress of the United States and to our country by the distinguished chairman of the Committee on International Relations, the Honorable THOMAS E. "Doc" MORGAN of Pennsylvania.

Doc MORGAN has played a key role in some of the most important and controversial debates in the history of our country during his service as chairman of this important committee.

He is a man who has always been willing to listen to the views of persons on different sides of complex issues and to consider ways of resolving sensitive questions so as to protect the national interest of the United States.

I wish Doc MORGAN well in whatever he now chooses to do.

1976 QUESTIONNAIRE RESULTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YATRON. Mr. Speaker, I am announcing the results of my 1976 annual legislative questionnaire, which was sent to Sixth District residents in June. This year's poll requested the opinions of my constituents on many issues which will be dealt with by Congress.

I received an overwhelming response this year and I am very pleased and grateful that so many people took the time to give me the benefit of their opinions.

The questionnaire was written to cover as many as possible of the important issues facing our Nation. As the results show, the state of the economy is foremost among the people's concerns. This problem has been under constant consideration in Congress throughout the year, and work will continue until meaningful, long-range programs have been realized.

There are, however, many other issues before Congress which affect people's lives, and I am very pleased at the outstanding responses I received on all questions.

As a member of the House Committee on International Relations I am involved on a daily basis with legislation which affects our relations with other countries. International developments have changed radically during the last few years. It is more important than ever that the American people be aware of our country's activities and the path we are following.

The citizens of this country must make their voices heard on questions such as spending for foreign aid and foreign military policy. The clear indications of opinion I have received from the questionnaire will be extremely helpful in representing my constituents in these matters.

Our system of Government works best when there is a clear exchange of views between the people and their elected representatives. The strong response and clear opinions expressed by the poll's participants indicate that the citizens of Berks, Schuylkill, and Northumberland Counties are deeply interested in the major issues of the day and are eager to convey their views to their elected officials. I want to thank them for doing so, and add that any further comments or questions on these or any other issues will be welcomed.

The material follows:

1976 QUESTIONNAIRE RESULTS

PRESSING ISSUES

Please indicate below the five most pressing issues facing our nation today, in the order of their priority.

1. Inflation.
2. Welfare reform.
3. Unemployment.
4. Reduce federal spending.
5. Crime control.

MILITARY STRENGTH

Do you favor maintaining:

A. Military strength nearly equal to the U.S.S.R.'s regardless of cost. 47%.

B. A position of military superiority over foreign rivals such as the U.S.S.R. regardless of cost. 44%.

C. The position of the U.S. as a militarily inferior nation for economic reasons. 9%.

SOLAR HEATING

Do you favor tax incentives for people who install solar heating systems in their homes? Yes, 46%. No, 38%. Undecided, 16%.

NATIONAL HEALTH INSURANCE

If a system of national health insurance were created, which of the following would be the best means of financing? (Indicate choice of answer.)

A. Total medical care for everyone through a payroll tax similar to Social Security. 20%.

B. Long-term or catastrophic illness coverage only, financed same as above 20%.

C. Progressive tax based on ability to pay. 15%.

D. Continued reliance on some system of private health insurance with government paying only for the poor, elderly, and disabled. 45%.

"NO FAULT" DRIVERS INSURANCE

"No fault" automobile insurance is currently being debated in Congress. Do you believe: (choose one)

A. There should be a Federal "no fault" law. 51%.

B. Only the States should consider this legislation. 35%.

C. The present system is better than the "no fault" concept. 14%.

GUN CONTROL

Which of the following approaches to the question of gun control do you favor?

A. No additional gun control laws. 17%.

B. Harsher penalties for the use of a handgun in the commission of a crime. 53%.

C. National registration of handguns and national licensing for handgun ownership. 13%.

D. Prohibit possession of handguns by anyone except members of the Armed Forces and law enforcement agencies. 7%.

E. Prohibit further manufacture or import for sale of certain handguns. 7%.

F. Prohibit private possession of handguns, except by authorized pistol clubs. 3%.

U.S. POSTAL SERVICE

The United States Postal Service (USPS) anticipates further increases in postage rates and continues to ask Congress for more money. Do you favor:

A. Ending the USPS's monopoly of handling of first class mail even if increased competition might mean higher prices for long-distance and remote delivery mail.

Yes, 53%. No, 29%. Undecided, 18%.

B. Offsetting the USPS deficit by combining the Postal Service with highly profitable telegraph services.

Yes, 48%. No, 28%. Undecided, 25%.

C. Continued federal subsidies for USPS. Yes, 39%. No, 45%. Undecided, 16%.

FEDERAL CAMPAIGN FUNDING

Congress has recently provided for partial federal funding of Presidential elections in an effort to make them more open and honest. Would you favor the federal government?

A. Not financing any election but limiting amounts that can be spent. 62%.

B. Partially financing Congressional elections. 22%.

C. Fully funding Congressional elections. 10%.

D. Undecided. 6%.

CRIME

Do you favor or oppose each of the following proposed anti-crime measures?

A. Revision of the U.S. criminal code to set mandatory sentences for certain crimes. Favor, 93%. Oppose, 7%.

B. Capital punishment.

Favor, 89%. Oppose, 11%.

C. Compensation to victims of crimes.

Favor, 71%. Oppose, 29%.

D. Ban on "Saturday night specials."

Favor, 81%. Oppose 19%.

E. Reform of the prison system, including reduction of overcrowding and increased emphasis on rehabilitation.

Favor, 65%. Oppose, 35%.

FOREIGN AID

Which of the following types of aid should the US withhold from countries whose governments engage in the systematic violation of human rights?

A. Economic. 28%.

B. Military. 28%.

C. Technological. 19%.

D. Humanitarian. 9%.

E. The US should not become involved with the internal affairs of nations it assists. 16%.

AMERICAN-SOVIET RELATIONS

Which of the following best characterizes the policy the US should adopt toward the Soviet Union?

A. Detente, as it exists today. 14%.

B. Cooperation in areas of trade, strategic arms limitation and cultural and scientific exchange. 63%.

C. Return to "Cold War" posture. 11%.

D. Undecided. 12%.

POLICIES IN SOUTH AFRICA

In the last year, international attention increasingly has been focused on the problems of a southern Africa emerging from an era of white colonial rule. Which of the following should the US pursue in this part of the world?

A. Support of majority black rule. 9%.

B. Support of minority white rule. 6%.

C. Adopt a "wait and see" attitude. 16%.

D. A policy of non-involvement. 69%.

THE ANGOLAN CRISIS

Do you think the United States should financially support any of the three factions fighting in Angola?

Yes, 6%. No, 84%. Undecided, 10%.

PANAMA CANAL

The Panama Canal has recently generated much debate. Which one of these choices do you favor?

A. Negotiating a release of the Panama Canal to Panama. 9%.

B. Keeping the Panama Canal through means other than military conflict. 39%.

C. Keeping the Panama Canal, even by military intervention. 44%.

D. Undecided. 8%.

DIPLOMATIC RELATIONS WITH CUBA

Do you think the United States should end its embargo on Cuba and restore diplomatic relations?

Yes, 34%. No, 52%. Undecided, 14%.

DIPLOMATIC TIES TO CHINA

Should the United States establish full diplomatic relations with the People's Republic of China, even if that means cutting off formal ties with the Republic of China (Taiwan)?

Yes, 29%. No, 52%. Undecided, 19%.

REDUCING OIL DEPENDENCE

Which of the following do you favor as a means of reducing US dependence on foreign oil?

A. Priority development and construction of nuclear reactors and breeder reactors. 19%.

B. Federal loans and loan guarantees to projects which would contribute to energy independence, but could not obtain private funding. 20%.

C. Priority development of coal gasification and liquefaction, solar energy and shale oil extraction. 47%.

D. Reduction of energy consumption through graduated new car taxes based on fuel efficiency, mandatory mileage performance, allocation and rationing. 12%.

E. Reduction of energy consumption through imposition of taxes and tariffs to raise the price of oil. 2%.

OIL REGULATION

a. Should all domestic oil and gas be deregulated?

Yes, 31%. No, 49%. Undecided, 20%.

b. Do you feel that the oil industry should be regulated like public utilities?

Yes, 59%. No, 31%. Undecided, 10%.

ENVIRONMENTAL POLICY

Which of the following is closest to your view of environmental policy? (Indicate choice of answer)

A. Commitment to environmental protection and conservation will pay off in the long run with savings in energy and raw materials and we should continue a vigorous protective policy toward our environment. 57%.

B. The current state of the economy demands that we put environmental considerations aside and concentrate on developing our resources (such as coal) and electric power without worrying too much about the environment for the time being. 36%.

C. Undecided. 7%.

A TRIBUTE TO PAUL DOUGLAS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. HUNGATE. Mr. Speaker, Paul Douglas of Illinois died last week.

You could read about it yourself.

The story was in the St. Louis Globe-Democrat on page 14A.

It is the Paul Douglas who at age 50 joined the Marines as a private in World War II. He came out with a Purple Heart and a lieutenant colonel commission. It is all there in the St. Louis Globe on page 14A.

It is the Paul Douglas who fought for civil rights, reasonable benefits for the unemployed, pensions for the aged, low-cost housing, tax reform, and a fair minimum wage. It is there on page 14A.

Page one was occupied with Patty Hearst, Ian Smith, and a fellow whose wife said their "marriage had died." So did Paul Douglas. He did it on 14A.

None who saw it can forget the fight he and Hubert Humphrey waged for a civil rights plank in the Democratic Platform in 1952. It made a memorable picture on primitive TV. The disadvantaged and disenfranchised could see that at least some of those in high office cared about their problems. That sort of safety valve keeps our ship of state from exploding under pressure.

My vivid personal recollection of that ex-Marine and economics professor who would be a Senator is of him addressing a small crowd in Champaign, Ill., in 1948. There was not much interest in him. He opposed a powerful incumbent Senator and ran on a ticket headed by a man everyone knew would lose—Harry S. Truman. That night in Champaign, Paul Douglas came in somewhat disheveled carrying a battered briefcase which when opened revealed some papers and a clean shirt. He resembled Norman Thomas in the way his earnest delivery and evident concern cancelled out any unkempt appearance. You heard the maxim "His mind was always ordered, though his clothes never were." He went around the State of Illinois, simply, strenuously, speaking when he could, in a time when a poor man with effort and luck could win high office. Mammoth TV budgets were in the future.

And in that Truman year of 1948 the people of Illinois for the second time sent a Douglas to the Senate. Illinois Democrats have never sent a better man to Washington. Perhaps no one has.

The article from page 14A, follows:

[From the St. Louis Globe-Democrat, Sept. 25–26, 1976]

PAUL DOUGLAS DIES

(By Lawrence L. Knutson)

WASHINGTON.—Former Democratic Sen. Paul H. Douglas of Illinois, 84, whose lonely battles for social and economic justice helped build a monument of far-reaching legislation, died Friday, Sept. 24, 1976, at his home here.

Friends said death was attributed to respiratory arrest. They said Douglas had suffered three strokes in recent years.

Sen. Charles Percy, R-Ill., who unseated Douglas, hailed him as one who provided "unparalleled leadership in meeting human needs."

In 18 Senate years and later, Douglas was consistent in his independence and idealism. He was a Quaker convert who joined the Marine Corps as a 50-year-old private and emerged a battle-wounded lieutenant colonel.

Douglas was a fighter, often with little hope of immediate success, for civil rights, old age and unemployment protection, higher minimum wages, low-cost housing and tax reform.

At the same time, he was a stern anti-Communist. His all-out backing of President Lyndon B. Johnson's Vietnam policy cost him the favor of many liberal voters.

But he also pressed for strict economy in government and urged billion-dollar cuts in military and domestic budgets.

Douglas reached the Senate in 1948.

By 1952 he was being regarded as a contender for the Democratic presidential nomination, but he denied such ambition and supported Sen. Estes Kefauver of Tennessee in his losing struggle against Adlai Stevenson, governor of Douglas' home state.

Civil rights was his constant preoccupation and when a civil rights bill died in committee in 1956 he considered resigning from office.

In the summer of 1966 he announced he would seek a fourth Senate term.

But on Sept. 18 of that year a burglar broke into the home of his opponent, Percy, and killed Percy's daughter, Valerie, 21.

Douglas quickly called off campaigning, reflecting "it could have been one of my own daughters."

Douglas' aides were later to blame the senator's defeat on a white voter backlash after rioting in Chicago and the enforced silence in the crucial weeks after the slaying of Valerie Percy.

After leaving the Senate, Douglas became chairman of the National Commission on Urban Problems and in 1969 he formed a committee to promote tax reform.

In that same year he suffered his first stroke and was confined to a wheelchair.

He is survived by his wife, the former Emily Taft, and five children.

THE HONORABLE THOMAS M. REES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ANDERSON of California. Mr. Speaker, when historians wish to mark some of the important dates of the 1976 Presidential elections, I hope that January 20 of this year is not overlooked. For on that day, the Honorable Thomas M. Rees, Representative of the 23d District of California, announced that he was not running for President.

One month later, on February 20, Tom made another announcement, one that came as a surprise to many of us. After serving in the House of Representatives since his election on December 15, 1965, Tom Rees announced that he would not run for reelection this year.

Both announcements were typical of this outstanding gentleman from California. The first was an example of the sharp wit and keen sense of humor that we have learned are hallmarks of his personality; and the second showed the independence and self-determination Tom has long been known for. All of these characteristics, plus outstanding intelligence and an uncommon degree of competence, will be missed when the Honorable Tom Rees does not return to the 95th Congress.

Thomas M. Rees was born on March 26, 1925, in Los Angeles, Calif. After attending public schools, he graduated from Occidental College in 1950 with a degree in political science. Prior to that, he had served as a combat infantryman during World War II, winning the Bronze Star Medal, Combat Infantryman Badge, and ETO Medal with two Battle Stars.

From 1952 to 1970, Tom acted as president of Compania del Pacifica, a Latin American export business. During this time, he gained the expertise and knowledge that he used to serve the Nation as a member of the Banking, Currency and Housing Committee—more recently as chairman of the Subcommittee on International Trade, Investment and Monetary Policy. Among his many achievements in this field is the Bretton-Woods Agreements Act, a complex piece of legislation overhauling the international monetary system, which Tom Rees successfully guided through the House this year.

Tom's ability to find common ground between opposing opinions has been a valuable tool throughout his career, both in Congress and in the California State Senate, where he served from 1962 to 1965. Certainly, his ability to gain agreement on compromises has been an important factor in many pieces of legislation on Capitol Hill.

In addition, Representative Rees was an early and active supporter of congressional reform. He also has concerned himself with the problems facing our urban areas, representing as he has a good part of the Los Angeles area.

I have been fortunate to know Tom Rees both as a legislator and as a friend. In both regards, I feel that he will be missed by many of us when the 95th Congress convenes next year. My wife, Lee, joins me in wishing him the best of success in his new legal career and in expressing our sincere best wishes to his lovely wife, Leanne, and their sons, Evan and James.

TRIBUTE TO SPEAKER ALBERT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SHRIVER. Mr. Speaker, it will be with dismay that I watch my good neighbor, Speaker Carl Albert, leave the halls of Congress. He and I have occupied congressional offices just around the corner from each other, and we come from States not much further apart, in either distance or characteristics.

Carl Albert has given the citizens of Oklahoma much reason to be extremely proud of the man they elected to the House of Representatives. He has truly served well his constituents "back home," but, more importantly, in the office of Speaker of the House, he has been responsible to the constituency of the entire Nation.

He has borne that burden exceedingly well. But in serving others, Carl Albert's first obligation has been to his conscience. He has used his office to assure fairness in the proceedings of the House. He has worked to assure that each one of us, no matter whether Republican or Democrat, has enjoyed an equal voice in the decisions made in this Chamber. And he has encouraged us to work together for the best good of our country.

In these efforts, Carl Albert has presided with equanimity over times that threatened turmoil. We have witnessed radical changes in the House of Representatives and in the Nation, but Speaker Albert presided with the maturity and judgment that arise from the flint of character striking against the steel of experience. Who knows what changes will alter the House of Representatives in the future? We certainly cannot predict now whether those changes will be for the best. But we do know that while Carl Albert guided the House of Representatives, fairness, cool judgment, and careful consideration prevailed.

I want to wish our Speaker the very best in his retirement, when he can bask in the warm memories of his many, many accomplishments and distinguished service to the people of his Oklahoma district and the Nation.

"DOC" MORGAN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, I am honored and personally grateful for the opportunity to pay tribute to a good friend and a great American, Chairman Thomas Morgan of the House International Relations Committee who is retiring at the end of this Congress.

Doc Morgan certainly is one of the most distinguished, respected, and admired Members of the House. For the past 17 years, Doc Morgan has presided with distinction as the chairman of the prestigious House International Relations Committee. During these years American foreign policy has gone through a number of radical eras, from the cold war to the Vietnam war, through détente. We have learned hard lessons from each of these experiments in foreign policy. We in Congress as well as the American people have learned that matters of foreign policy should not be the sole dominion of the executive branch.

Doc Morgan has done a great deal toward restoring the lost powers of Congress in matters of foreign policy. He has through his strong leadership created a new bipartisan approach to foreign policy which allows Congress to perform its rightful duties to check and balance the Executive.

Doc Morgan's understanding of foreign policy and the procedures of the House has made him an outstanding chairman. He rules his committee with a fair hand, but in the end they are united when a piece of legislation is reported out to the floor.

I have several fond memories of when Doc Morgan assisted me on behalf of legislation. The most recent example was legislation I introduced in May in response to the tragic Italian earthquakes. Doc Morgan allowed the bill to be added as an amendment to the foreign assistance authorization bill, and his support eventually allowed it to be included in the supplemental appropriations bill which was signed into law by the President.

I also recall the assistance when Doc Morgan provided me when I successfully authored an amendment to the Foreign Assistance Act of 1974 which provided $25 million in funds for Cyprus. This combined with the successful congressional embargo of aid to Turkey helped give U.S. foreign policy a needed shot of integrity and decency.

Doc Morgan was an impressive figure in the House. His affable and highly personal approach to fellow Members made him a virtual institution. To his constituents he was a highly accessible and totally dedicated representative. In addition as the dean of the Pennsylvania congressional delegation, he headed up the third largest State delegation in the Congress.

Doc Morgan certainly amassed an impressive record of legislative achievements in the House. He can leave the House replete with the knowledge that his accomplishments will endure. The future of American foreign policy has been shaped by Doc Morgan and the International Relations Committee.

There are many outstanding leaders who are leaving the House at the end of this session. Doc Morgan certainly must be included in this category. For 32 years he has graced the House of Representatives with his unique personal style and effective legislative skills. His departure is mourned by myself and his many friends in the House. We hope he will continue to keep contacts with us—but we send him off with the sincerest best wishes for a happy, healthy, and lengthy retirement. He most certainly deserves it.

A TRIBUTE ON THE RETIREMENT OF HON. DAVID N. HENDERSON OF NORTH CAROLINA

SPEECH OF

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, I join my colleagues in expressing profound regret that David N. Henderson will retire with the adjournment of the 94th Congress. He will be missed by all, and especially those of us blessed with the opportunity to work directly with him.

I remember particularly when, as a freshman in the House, I served with him on the Postal and Civil Service Committee. He was ranking majority member. We talked frequently and at some length during lulls in our proceedings, and I came to know how conscientious and hard-working he is and learned to appreciate his vast knowledge and generous nature. The better I got to know him, the more I respected him. His exceptional grasp of the affairs of the committee and of the Congress he shared willingly and without impatience.

He was one of the principal achitects of the Postal Reorganization Act. Under his strong and guiding hand, his conceptual skills and sound judgment, the Postal Service came into being against incredible odds. If the Service has not yet become the fully independent, self-sustaining enterprise he envisioned, it is by no means indicative of flaws in his grand design. Rather, we can marvel at the fact that he extricated the postal operation from cumbersome congressional interference.

Dave Henderson is always a busy man. Nevertheless, he is always kind, patient, and helpful to all. Looking back, most of us imposed on him too much, but he never let us know it.

I find Dave Henderson a strong, wise, generous, and patient man; a gentleman and one of the soundest Members of

Congress. I will miss him, and the Congress will miss him. A great American. We wish him well.

SAMUEL J. TALARICO: DISTINGUISHED LABOR LEADER—HUMANITARIAN

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MITCHELL of New York. Mr. Speaker, on Friday, October 15, 1976, I will be privileged to join with the Comity Club of Utica, N.Y., in honoring a distinguished American labor leader and fighter for humanitarian causes, Samuel J. Talarico.

Sam Talarico is the personification of the American dream. His inherent ability, combined with a will to succeed and a determination to find a better life, not just for himself and his loved ones, but for his fellow man, have helped him chart a course that has led to one success after another.

The successes have touched and improved the lives of many.

The man the Comity Club will honor is the elected secretary-treasurer of the Amalgamated Meat Cutters and Butcher Workmen and Affiliated Crafts of North America. In this capacity, he rightfully has a place in the front ranks of the American labor movement leadership.

Sam Talarico has always been a leader, but he has not always been at the top. It was a long road that took him from the coal mines of Pennsylvania where, as a youngster of 14, he toiled daily to help support his family whose breadwinner, his dad, had been forced off the job by the dread black lung disease. That was another day and another place, far removed from the responsibilities of providing leadership for a union with more than a half million members.

In the interim, Sam Talarico made his mark. It was during his tenure as president of the union's district local 1, headquartered in Utica, that I came to know of his abilities, dedication, and effectiveness.

He is far from a one-dimensional man. To be sure, his talents and boundless energy were directed primarily to improving the lot in life of the membership of district local 1, but the community at large was also the beneficiary of his dedication to those about him.

His concerns have led him in several directions simultaneously. With some, such as his determination to help provide a decent home and suitable living environment for all, there is tangible and lasting evidence of a Sam Talarico success. In Utica, the 122-unit Michael Walsh apartment complex—union-sponsored—provides that "decent home and suitable living environment" for low- and middle-income families.

An activist in seeking the best possible health care for all, Mr. Talarico has long been associated with the Mid-State Committee on Area Health Planning.

His desire to expand higher education opportunities has resulted in an active role as a trustee of Utica College of Syracuse University.

At present, with Sam Talarico providing the inspiration, district 1 is planning the development of an all-inclusive senior citizens community.

It is for these and so many other reasons the Comity Club is honoring Samuel J. Talarico on October 15. The honor is deserved. It was earned.

BOB STEPHENS

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FREY. Mr. Speaker, at the end of the 94th Congress, we are going to be without the services of the gentleman from the 10th District of Georgia, Bob Stephens. Bob was first elected to the 87th Congress in November 1960, and was reelected by the people of his district for each Congress thereafter.

Bob has served on the Banking and Currency Committee where he has been extremely active in shaping legislation to insure better housing for the elderly. His interest in housing has also extended to rural America. His leadership in this area has helped many throughout this country.

Bob has been a respected voice in the Congress, never being afraid to fight for what he believes in. He has earned the respect of those on both sides of the aisle.

He will be missed in the Congress. However, he can retire with the knowledge that his dedicated service has earned him the respect and best wishes of his colleagues. I want to join with the people of his district and his many friends in Congress in wishing him all the best in the years ahead. Thanks for all you have done for us. Good luck and Godspeed.

SENATOR PAUL DOUGLAS

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PERKINS. Mr. Speaker, it is nearly 10 years since Paul Douglas left the Congress, but the spirit he personified will be here after we all are gone.

A Senator from the State of Illinois for 18 years, Paul Douglas was the cutting edge of the frontier of social justice in America.

He was standing up in the Senate pleading and arguing—and demanding—national attention to decency for the poor and the underprivileged in this country long before we had a consciousness of what should be done. And he got it. He made America listen to the cries of the less fortunate and the neglected.

He spoke for the old, the sick, the poor, and the downtrodden. His was the voice of conscience—addressing the decent impulses he believed to reside in every American breast.

Paul Douglas had had career enough to make him a preeminent American long before he was elected to the Senate in 1948. He was a distinguished scholar and economist and teacher long before World War II came along. And, although long past draft age—he was over 50—he somehow managed to get accepted for recruit training by the Marine Corps and saw heroic service in the Pacific. He was an American patriot who actually did shed his blood for his country.

I am sorry that his last years were plagued by poor health that sometimes inhibited his ability to speak out on subjects that formerly would have been his natural role.

Now, he is gone at age 84. The Congress and the country are the richer for having known him. And we are all the poorer because a good, great, and compassionate man is here to counsel us no more.

FAREWELL TO SPARK MATSUNAGA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, our good friend, the gentleman from Hawaii, sadly, is leaving us. The "sunshine man" of the House will not be back in January. However, if we are fortunate, we may not have to look any farther than across the Capitol Plaza to find Sparky in January.

Sparky Matsunaga is one of the most highly respected and well-liked Members of the House. For the past 14 years, Sparky has served the First Congressional District of Hawaii. He is a man of extraordinary warmth, intelligence, and compassion. I have seen these qualities exhibited by Sparky as chairman of the Federal, State, and Community Services Subcommittee of the House Select Committee on Aging, on which it is my pleasure to serve. Sparky was the author of legislation we recently passed to provide reduced air fares for senior citizens.

Sparky has been a leader within the Democratic Party, having served on the House Democratic Steering and Policy Committee and as deputy whip. He has also played a leading role in the House Rules Committee and was one of the more knowledgeable Members on House procedures.

Yet Sparky, as a person, will be best remembered by all of us. The man who seemed to have a love affair with this city and this Congress. The man who was always seen with large groups in the Capitol, giving extensive and informative tours. The man who exuded warmth and sincerity in his every word and deed. To this man, a warm farewell with the hopeful wish that it will be "Aloha" to the Senate in January.

THOMAS N. DOWNING

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SISK. Mr. Speaker, Virginia's contribution to the history of the United States and its success as a nation rests on a long line of distinguished Senators who have served their country well. Such a man is Tom Downing.

Coming from the historic Newport News-James River area, Tom contributed to our continuing fight for freedom early in life as a gallant combat commander who led the first troops of Gen. George S. Patton's Third Army into Germany in World War II.

After practicing law for many years, Tom came to the House where he has represented his people in an outstanding manner for the past 18 years and endeared himself to his colleagues through the force of his education and warm personality.

We salute this outstanding retiring colleague of ours.

HON. PHIL M. LANDRUM

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PERKINS. Mr. Speaker, a bond of friendship and respect naturally develops among Members who labor in this House on the issues and problems that confront our country.

The three fine Georgia Members we honor today are such men who long ago won my admiration and esteem.

Phil M. Landrum and I served together on the Committee on Education and Labor until he went on to perform service of a high order as a member of the Committee on Ways and Means.

I never knew a more dedicated man than Phil to the principles of fairness and honor in his dealings. He has always been an able, shrewd legislator, with a capacity to get to the root of thorny problems and develop solutions for them.

The 95th Congress that convenes in January will of necessity be different, and many fine new Members will be taking their places on this floor. But somehow I wish that their experiences could be enriched by having known and worked with Phil Landrum, and with the two other distinguished Georgians who are also retiring at the end of this session.

Bob Stephens has been an outstanding legislator, looking after the interests of the people of his central Georgia district—but at the same time contributing his ability and his wisdom to the settlement of questions before the Nation.

His service on the Banking and Currency Committee has been solid and constructive. We both have shared an interest in housing for the elderly, and I have long admired his activity in that field.

Bill Stuckey has, in just 10 short years, developed an expertise and effectiveness as a legislator that ordinarily is expected only after much longer tenure and seniority. His service on the Interstate and Foreign Commerce Committee has been outstanding, and I know his colleagues there will miss him.

I am delighted that Representatives Brinkley and Flynt have taken special orders to give the Members an opportunity of paying tribute to their retiring colleagues.

Because these are all good, vigorous, and active men, I cannot imagine their slipping quietly into a life of sedentary contemplation.

I expect they will busy themselves with the public's business in their home areas in very short order. And that is all to the public's good.

CONGRESSMAN OTTO PASSMAN

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. COUGHLIN. Mr. Speaker, at the end of the 94th Congress we will be losing one of the most knowledgeable, influential, and colorful Members ever to serve—the Honorable Otto Passman, of Louisiana.

For the past 4 years, I have served on the Appropriations Committee's Foreign Operations Subcommittee which has been chaired by Otto. I can honestly say that it has been one of the most enlightening and rewarding experiences of my life.

As chairman of that important subcommittee, Otto has displayed a remarkable insight into all facets of our foreign aid programs. In the process, he has pricked quite a few balloons, dispelled huge clouds of smoke and rapped a few knuckles. The result has been foreign aid programs that have constantly been winnowed down to the necessary, the supportable, and the logical.

While Otto's performance in subcommittee hearings is legendary, I think it only fair to note that his endorsement and commitment of the American schools and hospitals abroad program is a tribute to his empathy and understanding of the need for effective and humane projects overseas. This is a program of which all Americans can be proud and represents a true example of American assistance throughout the world.

The record of Otto's service in the Congress is impressive by itself—30 years with 22 of his 24 years on the Foreign Operations Subcommittee as chairman. Yet, I believe Otto's imprint is far better preserved by his inquisitiveness, scrutiny, and rejection of cows far too long preserved as sacred. I wish him the very best as he leaves the House of Representatives which he has served so long and well.

AMERICAN CHILD—ONE IN FIVE CHANCE OF DEVELOPING DIABETES

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. HEINZ. Mr. Speaker, every American child born today has a one in five chance of developing diabetes. The incidence of diabetes is increasing by a factor of 6 percent per year, and costs this country tens of billions of dollars every year in addition to thousands of lives. Diabetes is a disease which affects all body systems and organs, especially the heart.

H.R. 15641, the Arthritis, Diabetes, and Digestive Diseases Amendments of 1976, offers us a chance to implement major new approaches to diabetes research and training. The bill provides a means for the separate institutes of the National Institutes of Health—NIH—to coordinate their research and work closely together in fighting this disease which strikes down so many Americans. The bill also authorizes $40 million for diabetes research and training centers which will train not only specialists in diabetes, but also clinicians and researchers from other fields of medicine and health professions.

This vital legislation is currently caught in a dispute in the Senate Labor and Public Welfare Committee. I urge the Senators on that committee to resolve their differences and report the bill for full Senate and House approval. The health of thousands of Americans depends on their actions.

TRIBUTE TO OTTO E. PASSMAN

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DENT. Mr. Speaker, I rise today to pay tribute to a good friend, earnest colleague, and outstanding American—Otto Passman; the fine gentleman from Louisiana.

When I first came to the Congress in 1958, Otto was already serving the American people as the chairman of the Foreign Operations Subcommittee of the House Appropriations Committee. In that capacity he has earned a well-deserved reputation for fiscal responsibility. In overseeing the expenditure of American tax dollars on foreign aid programs, Otto was the first and foremost protector of American interests abroad.

After 30 years of dedicated and devoted service to his country, Otto Passman is leaving this House that he loves so well. The Nation will miss his talents and devotion to public service. This House will miss his legislative skill and his command of the intricate problems associated with our foreign aid programs. I, personally, will miss him as a friend and reliable colleague whose knowledge and fairness has helped me throughout my tenure in the Congress.

I salute you Otto Passman of Louisiana for your work, your guidance and your friendship. As you leave this House take with you the good wishes of your colleagues and the quiet satisfaction of a job well done.

HON. OTTO E. PASSMAN

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. NIX. Mr. Speaker, I rise to congratulate our friend and colleague, the Honorable Otto E. Passman, Member of Congress from Louisiana on his retirement from the U.S. House of Representatives.

During the period of the great increase in our responsibilities as a nation for the leadership of the free world, the gentleman from Louisiana protected the public purse as if every dollar spent was one of his own. It was and is his deep conviction that the American people expected total vigilance in the spending of tax dollars.

Congressman Passman fulfilled that trust whether or not he was in the majority or alone in his conviction. He was a man who deserved respect. He received respect because of his diligence, his capacity to build a case on facts, and his sincerity.

Because the American people have had to bear great burdens because of our international responsibilities, they had every right to expect a maximum amount of scrutiny of spending to support the international position of the United States.

Congress Passman's career from 1955 until now gave the American people the assurance they needed that the Congress was as concerned as they in restricting the vast expenditures called for, to that which was necessary. As a member of the International Relations Committee of the House for most of this period, I support the view that the activities of Congressman Passman were a necessary and vital part of carrying to the American people the message of great international responsibilities, balanced by a concern for the need for restraint in carrying out that role.

I wish our friend well. He has earned a retirement based on the serenity that comes from a job well done. I know that he will keep us informed of his concerns during his retirement.

W. S. "BILL" STUCKEY, JR.

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FLOWERS. Mr. Speaker, I take this opportunity to join with my colleagues in paying tribute to my friend, Bill Stuckey, on his retirement from the House of Representatives.

In his position on the House Interstate and Foreign Commerce Committee, Bill has been a strong and effective advocate of the free enterprise system, helping to shape legislation to improve the securities industry. He will be especially remembered for his untiring efforts to preserve Georgia's Cumberland Island and Okefenokee Swamp so that they might be enjoyed in their natural state by future generations of Americans.

We will miss him in the Congress, and wish him and his wife Ethelynn health and happiness in the years ahead.

TRIBUTE TO OTTO E. PASSMAN

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, after having served for 30 years in the U.S. Congress representing the Fifth District of Louisiana, Otto E. Passman will be retiring at the end of this, the 94th session. His power and leadership as chairman of the Foreign Operations Subcommittee of the Appropriations Committee has not been easily equaled. A vanguard of responsible governmental expenditures, Representative Passman has strived to be the protector of the laboring man.

For these efforts and countless others, his district, his Nation, and his colleagues thank him most sincerely. As a dear friend and colleague, I will truly miss his presence.

HON. WILBUR MILLS

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. STEED. Mr. Speaker, Congressman Wilbur Mills is one of the few remaining Members of the House of Representatives who was already here when I arrived 28 years ago. As a member of the powerful Ways and Means Committee, Mr. Mills represented the area which includes Oklahoma on the committee on committees. Thus, he was one of the first Members with whom I became acquainted since all my committee assignments were managed by him.

This relationship developed into a warm and close friendship, one which our wives and families came to have and enjoy. A great deal of the life I have had as a Member was involved in those matters in which our families participated with us.

More than all this, I became impressed early in the game with the many talents Mr. Mills brought to his office. He always has been one of the ablest and most effective presiding officers when the House has been chaired by him. He is one of the most articulate Members and was gifted with a delivery that made him as effective in his presentations as his thoughts and ideas were important.

As time went by, he became more and more recognized as the most authoritative Member on all tax legislation. He also pioneered the health insurance laws and probably has written more social security acts than all the other Members combined.

He is now retiring from his labors here after an unusually long tenure. He has well earned retirement. He has left his good mark on the laws of America and his accomplishments have been of such high quality that it will not soon be possible for his expertise to be replaced.

My wife joins me in extending to Wilbur and his lovely wife our very best wishes for a happy and fruitful life as they leave here.

CONGRESSMAN F. EDWARD HÉBERT

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. MILLS. Mr. Speaker, at the conclusion of the 94th Congress, the long and distinguished career of a great chairman and good friend, F. Edward Hébert, will come to an end as he retires from the House of Representatives after 35 years of service.

The career of the distinguished gentleman from Louisiana spans a longer period than that of any other individual in the history of that State in the Congress of the United States, and it has been a career marked by great accomplishments for his constituents and for the Nation. He succeeded to the chairmanship of the Committee on Armed Services during the bitter and divisive war in Southeast Asia, meeting the challenge of providing adequately trained and equipped fighting men for that conflict in the courageous manner for which that great committee has always been noted. During the trying years of that war, we worked together as chairmen in the Congress attempting to reconcile the competing interests of national security with the need to maintain economic security at home, and Eddie's willingness to resolve the broader issues facing the Nation at that time while moderating the military demands enabled the Congress to minimize the economic stress which otherwise would have occurred.

As for each of us who have served in excess of 30 years in the House, this is virtually the only life that Eddie knows. And I know that he will continue to take an active part in public affairs though he may have retired from public life.

HON. JOE L. EVINS

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DUNCAN of Tennessee. Mr. Speaker, I am very pleased to join in paying tribute to my friend and colleague, Joe Evins, the dean of the Tennessee congressional delegation.

Joe Evins has been an effective and influential Member of this body since he was first elected 30 years ago.

The elevation of the Small Business Committee from a select committee to a full legislative committee in 1974 is a tribute to his effective chairmanship of this committee which affects so many of our constituents in this vital sector of the economy.

As a long-time member of the Appropriations Committee's Public Works Subcommittee, and its chairman for the past 6 years, he has left his mark on projects needed and appreciated by citizens all across this Nation.

I am honored to have represented an adjacent congressional district to Joe's Fourth District, and join all Tennesseans in commending him on a job well done.

The dedicated service which he has rendered to his district, this body, and to our Nation will not be forgotten nor soon equaled.

PERSONAL EXPLANATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mrs. KEYS. Mr. Speaker, on Tuesday, September 28, 1976, I was unavoidably absent from the House for rollcall votes No. 820, 828, and 833.

Had I been present, I would have voted as follows:

"Yea" on rollcall No. 820, on agreeing to the conference report on S. 3149, Toxic Substances Control Act;

"No" on rollcall No. 828, on an amendment offered by Mr. Kindness to the amendment in the nature of a substitute on H.R. 15, regulating lobbying and related activities;

"Aye" on rollcall No. 833, on an amendment offered by Mr. Quie to the bill H.R. 15, regulating lobbying and related activities.

PHIL M. LANDRUM

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRADEMAS. Mr. Speaker, I rise to add my own words to the many that are being voiced today in tribute to our distinguished colleague, the Honorable Phil M. Landrum of Georgia.

I first became acquainted with Phil during our service on the Committee on Education and Labor, of which he was a member until 1965.

Although we were not always on the same side of the difficult and contentious issues with which that committee had to wrestle, I was always impressed by the fairness with which Phil approached legislation and the intelligence he brought to its consideration.

I know of Phil's particular commitment to vocational education and indeed I was honored to have been invited by Phil to speak in his district on this and other educational subjects several years ago.

Mr. Speaker, I can think of no Member of the House from the Southern part of the United States whose judgment has commanded more respect on the part of his colleagues from the North.

Phil has served on three of the most important committees of the House during his time in Congress—Education and Labor, Ways and Means, and Budget.

He can take with him as he retires a sense of deep gratification on a job well done.

SENATOR PAUL H. DOUGLAS—THE SENATOR FOR OUR TIME

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. YATES. Mr. Speaker, I was saddened to learn of the death of my good friend former Senator Paul H. Douglas. Truly, he was one of the great men of the Senate. There was not one important issue which came before the Senate to which he did not make a valuable contribution. He fought discrimination, he fought special privilege, he fought desecration of the environment. I remember watching him debate against Senator Robert Kerr of Oklahoma in 1956 as he fought the bill to remove price controls on producers of natural gas. As the debate closed, Kerr offered an inconsequential amendment which he indicated would protect the rate-payers. "What does the Senator think of that?" he asked Douglas. Douglas' reply was like a whiplash across the floor. "The Senator's gesture," Douglas said, "reminds me of the action taken by a Roman procurator almost 2,000 years ago, when after condemning a just man to death, he calmly washed his hands."

Mr. Speaker, in every period of our history, there has been one Senator whose talents and qualities help shape the history of that time. Paul Douglas was the Senator for our time.

HON. WILBUR D. MILLS

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DELANEY. Mr. Speaker, my very first day in Congress a young man came up to me and said, in a most friendly manner:

> My name is Wilbur Mills and I'm from Arkansas.

From that time until today, I have regarded Wilbur Mills, dean of the Arkansas delegation, as a close friend and associate.

I have been amazed at his overwhelming knowledge of the tax laws. I know of no one else in the Congress who has a fuller grasp of what they contain—his expertise has been an inspiration to every Member of this body. Wilbur was a powerful chairman. Through his 38 years on the Hill he led the shaping of important Ways and Means legislation not only on taxation, but also on foreign trade, health, and social security. Presidents sought his advice and Prime Ministers asked for his support.

Mr. Speaker, Congressman Mills' courage and strength under stress, his leadership, and his legislative genius will be sorely missed by the people of this Nation.

Wilbur, all the best to the best there is.

HON. BELLA ABZUG

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROYBAL. Mr. Speaker, I rise now to pay tribute to Congresswoman Bella Abzug who will be leaving Congress at the end of the 94th Congress. As a forceful and eloquent Member of Congress, she has never been afraid to speak her mind—whether it be to speak out against American involvement in Indochina, to call for unconditional amnesty or to call for the impeachment of President Nixon. She is a woman of principle and a woman of action, and one Member of Congress who will certainly be missed.

During her 6 years in the House, Bella has emerged a leader. Among the issues which she has ardently espoused are peace, full employment, job producing public works programs, federalization of welfare, openness in government, equal rights, consumer and environmental protection, aid to the cities, programs for senior citizens, and aid to Israel. Her deep concern for the people of New York City and the American people in general has been ever present in her work.

A leader of the women's rights movement, Congresswoman Abzug is the author of many women's bills, and founder and former chairwoman of the National Women's Political Caucus. She is a true feminist and has repeatedly directed her energies to such important legislation as Equal Opportunity in Education laws, the Equal Rights Amendment, and the Equal Credit Opportunity Act.

It is a real pleasure to join my colleagues today in paying tribute to Bella Abzug and her efforts on behalf of the American people. And I want to take this opportunity to take my hat off to Bella and wish her every success in the future.

THE HONORABLE THOMAS E. MORGAN

SPEECH OF

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ULLMAN. Mr. Speaker, the House loses a distinguished member this year with the retirement of Doc Morgan, long-time chairman of the House International Relations Committee.

Doc's chairmanship has spanned some of the most tumultuous years of foreign policy decisionmaking in the history of this country, and our appreciation for his unfailing courtesy, understanding, and patience as he led his committee through some very difficult times has gained with each passing year.

There is no legislative field that arouses stronger and more deep-rooted emotions than the conduct of foreign affairs. Yet when tempers were strained, the example set by Doc Morgan inspired others to put their own feelings aside and try to reconcile their personal commitments with those of their fellow legislators. Doc did not listen to the voice of his own conscience alone. He respected the right of every member of his committee and of this body to share in a decisionmaking process which so profoundly affects every American and the future of this country.

His consideration and fairness stand as a model to us all. When the House convenes in January, we shall miss the example of leadership he set, while we wish him peace, health, and prosperity in the coming years.

HON. BELLA S. ABZUG

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MEYNER. Mr. Speaker, on the first day of the 92nd Congress, our colleague, Bella Abzug, introduced a resolution calling for the withdrawal of the U.S. Forces in Vietnam. The innate sense of justice and the courage of her convictions that prompted Bella to introduce that resolution on her first day as a U.S. Congresswoman has continued to make her one of the most effective and productive Members of this body. It is with deep admiration and gratitude that I join my colleagues in honoring our dear friend, the Honorable Bella S. Abzug.

All of us, like so many Americans, are well aware of Bella's many accomplishments in the past 6 years. She has emerged as a forceful champion of justice. Her consistent support of women's rights, civil liberties, welfare reform, full employment, and aid to those most in need has served as an inspiration to all. Her ability to transform altruistic ideals into tangible programs for action has caused her to earn the respect of her colleagues. Last April, we voted Bella the third most influential Member of the House of Representatives, behind only the Speaker of the House and the majority leader.

Bella's presence in the Chamber has had a profound effect on all of us. In her absence she will continue to shape American policy. Above all, Bella has helped to set a pattern of development for Congress in the 1970's. Those of us who have had the opportunity to serve with this great woman know that her life as a public servant is far from over. She will continue to fight for her beliefs and to proceed where others falter. Success for Bella is imminent. I join my colleagues in wishing her the best of luck scaling the next mountain of her career.

THANK YOU, MRS. LEONOR K. SULLIVAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ANDERSON of California. Mr. Speaker, the adjournment of the 94th Congress will be an end, as well as a beginning for the gentlewoman from Missouri, the Honorable Mrs. Leonor K. Sullivan.

Adjournment marks an end to Mrs. Sullivan's congressional career providing dedicated and hard working service for the people of Missouri and the Nation. But, Leonor begins a life of active retirement in her beloved State of Missouri.

I want to say that working with Leonor has been a distinct privilege and pleasure.

Elected to Congress in 1952, Mrs. Sullivan has been a selfless public servant since the 83d Congress. From 1964 until 1966 she served on the National Commission on Food Marketing. Other work included the National Commission of Mortgage Interest Rates, 1968 until 1969; National Commission on Consumer Finance, 1969 until 1972; Chairman of U.S. Territorial Expansion Memorial Commission, 1969 to the present.

My respect for Leonor's competency and leadership abilities grew when I began serving with her on the House Committee on Merchant Marine and Fisheries.

Mrs. Sullivan has been a member of that committee since the 83d Congress, chairing it in the 93d and 94th Congresses. Before that she was chairman of the Subcommittee on Panama Canal from the 85th through the 91st Congresses.

Mrs. Sullivan is a senior member of the House Committee on Banking, Currency and Housing where she has served since the 84th Congress and has chaired the Subcommittee on Consumer Affairs from the 83d through the 93d Congresses. She chaired the special subcommittee investigating home financing practices and abuses during the 91st Congress, and has been a member of the Subcommittee on Housing since the 84th Congress.

Mr. Speaker, I will miss the friendship and loyalty of this lady. Moreover, I know her constituents and the Congress will have very big shoes to fill when she leaves. All we can say is "thank you," and "we wish you all the best life has to offer in the years to come."

A TRIBUTE ON THE RETIREMENT OF HON. JOE L. EVINS OF TENNESSEE

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. CHAPPELL. Mr. Speaker, adjournment of the 94th Congress will mark the retirement of one of our most distinguished Members, the Honorable Joe L. Evins of Tennessee. From our long association on the Appropriations Committee, I know that Joe is among our most dedicated, sincere and knowledgeable people.

Joe Evins has a quality of character admired and desired by everyone who has had the privilege of knowing him. When he speaks on an issue, he is listened to. A man of good judgment and experience, he has been receptive to the problems of others quick to find realistic solutions.

Although from a State in the interior of our country, Joe Evins is fully informed and sincerely sympathetic to the serious erosion problems confronting Atlantic coast beaches. He deserves great credit for establishing projects to repair the damaged beaches and to erect barriers to further erosion. The excellent condition of that stretch of Atlantic beach extending from Jacksonville Beach on the north to New Smyrna Beach on the south, is due in large part to the work of Joe Evins. Future generations will greatly benefit from his many similar contributions to our national wellbeing.

Congressman Evins is not only an eminently skilled legislator, he is an adept redtape cutter and crisis manager. I shall always remember the instance when funds for the initial phase of a vital erosion project were inadvertently omitted in the Senate, and thus a delay of several months was anticipated while awaiting a supplemental. Within minutes of learning of this situation, Joe had visited his Senate counterpart and obtained the authorization for the Army Engineers to proceed with necessary work until the funds could be appropriated. This not only took care of some critically necessary conservation work in a timely manner, but saved the taxpayers a considerable amount of money.

I am happy to say, Mr. Speaker, that Joe Evins is my friend. I am honored and fortunate to be numbered among his. The loss of Joe Evins will sadly diminish the House. It is my fondest hope that he will find a full measure of success and contentment in his new endeavors.

IN REPLY TO TRIBUTES

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MADDEN. Mr. Speaker, as this 94th Congress is about to adjourn and I am terminating 17 terms of service to the First Congressional District of Indiana, I naturally feel somewhat sad. However, I do look forward to being relieved of the exceptionally arduous duties which have always fallen on my shoulders by being chairman of the House Rules Committee.

As my colleagues know, the House Rules Committee is more or less a clearing house for all legislation enacted by the 30-odd permanent and special committees of the House.

Members of long service in this body accumulate many friendships among our colleagues and also among many of our former colleagues who served in the Congress.

After 34 years of congressional service, I can also state that, considering the many varieties of legislative bills dealing with all segments of our Government and economy, one feels on departure that he has been the recipient of the greatest honor, education, and experience a person can receive that could not be obtained in any other business, occupation, or profession.

Two years ago, one of our former colleagues who came to Congress the same day I did back in January 1943, informed me that approximately 1,750 Members of Congress had been elected to this body since we were sworn in and by reason of death, retirement, or election defeats were not Members in 1974. I mention this amazing statistic because it reveals the uncertainty and hazards existing in one who seeks a congressional career. During my years in Congress, I have observed that the membership has consisted of representatives from all walks of life, such as farming, industry, education, ministry, labor, capitalists, and so forth.

Any American who has the good fortune and opportunity to serve in the Congress of the United States whether it is 1 term or 17 terms, enjoys a unique honor and experience to serve his community and Nation which is shared by a very minute percentage of our population of over 206 million people. Friends and acquaintances whom I have made while serving in this legislative body will never be forgotten or blotted from my mind.

I want to thank the Speakers, leaders, and Members of the House for the kindness and consideration they have shown me over the years and I wish to all a continuance of many years of good health, happiness, and future service in the highest legislative body in the world.

TOM REES

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SISK. Mr. Speaker, our California delegation in the House will be sadly depleted by the loss through retirement of Tom Rees of Los Angeles.

After compiling a distinguishing record as a combat infantryman in World War II, Tom returned home to become a great success as a businessman and attorney.

He then turned his considerable abilities to California State government making his mark as both an assemblyman and State senator in Sacramento.

Progressing to the House of Representatives in 1965, for 11 years now, the country has had the benefit of his wisdom and experience in the fields of foreign trade, urban problems and monetary policy. While we all respect his desire to return to private life, he will be depriving the country of his expertitse in many fields. We wish him Godspeed in his new endeavors.

TRIBUTE TO F. EDWARD HÉBERT

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. ULLMAN. Mr. Speaker, I join with my colleagues in paying tribute to the distinguished gentleman from Louisiana, my friend, Congressman F. Edward Hébert.

It has been a pleasure and an honor to serve with Eddie these past years, and future Congresses will miss his presence. This man's deeds and contributions are far too numerous to be repeated in this short time, but let it suffice to say that Eddie's presence in Congress has been indelibly recorded in the character of our military establishment. His persistence and concern for detail has given the taxpayers their money's worth.

F. Edward Hébert was already a veteran of 16 years when I came to Congress some 20 years ago and it is very hard to imagine what it will be like without him. We will miss you, Eddie, but I extend my very best wishes to you and Gladys for the future. We are glad that you could prolong your "sabbatical" to stay with us these many years.

TRIBUTE TO WILLIAM J. RANDALL

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PICKLE. Mr. Speaker, Bill Randall and I have at least one special thing in common, and that was that we were both a President's Congressman. His President was Harry S. Truman, my President was Lyndon Baines Johnson. Hailing from Independence, Mo., Bill Randall was always proud that he was Harry S. Truman's Congressman. He spoke about it loud and clear. We both had great men from our districts that went on to become President of the United States. Because of this special bond, we became special friends.

Every association I had with Bill Randall was extremely pleasant. Sometimes he would give the impression that he was studying the bill to death, and he does seem to worry about votes longer and more often than most men. But once he makes up his mind, he is as stubborn as a Missouri mule, which he sometimes resembles, when he sets his mind on a matter of principle.

We have to admire Bill Randall for his forthright spirit, for his deep dedication to the United States, and for his determination to keep the United States strong and free. Few members have made a greater contribution to their committees, than Bill Randall has to his Armed Services Committee. Literally, many of us can sleep better at night because Bill Randall was so diligent in his duties.

Often Bill has assumed the privilege and the responsibility of inspecting the armed forces of the United States wherever they might be in the world. He has personally gone to see them, often at the expense of his family, wherever they might be stationed, in whatever surroundings. This has taken him to Japan, to Europe, to Taiwan, and to many other far places. While these trips may have been some pleasure, they were also a great deal of work. Bill Randall is easily the most traveled Congressman, but he has been on the people's business, and the people are the better for it.

I pay my respects to one of the dearest couples we know, Bill and Margaret Randall.

A TRIBUTE ON THE RETIREMENT OF HON. W. S. "BILL" STUCKEY, JR., OF GEORGIA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CHAPPELL. Mr. Speaker, I rise to join my colleagues in a special tribute to a dedicated public servant, the Honorable W. S. "Bill" Stuckey, Jr., of Georgia. It has been my pleasure to serve with this distinguished gentleman, and I regret that he will be retiring when the 94th Congress adjourns. His leadership and counsel will be sorely missed.

Bill Stuckey's 5 terms in the U.S. House of Representatives have been most eventful and well marked by important achievements. His work on the Interstate and Foreign Commerce Committee has been instrumental in framing legislation for the securities industry to make our capital markets free, open, and protective of public investors. His perceptive insights and broad experience in the committee's field of responsibility will be hard to replace.

Bill Stuckey is an especially able and valuable Member of the House. He is conscientious, affable, and all of us will miss him as a friend and a colleague. Our warm best wishes go with Bill as he embarks on new endeavors.

HON. PHIL M. LANDRUM

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BROYHILL. Mr. Speaker, I am sorry to see Phil Landrum leave the House of Representatives. He has many friends on both sides of the aisle who will miss his valued advice and counsel.

Phil has provided excellent service, not only to the people in his district, but to the Nation. As a member of the Education and Labor Committee, he coauthored the Landrum-Griffin Act which was the first major piece of labor-management legislation to be passed since the Taft-Hartley Act became law in 1947.

My best wishes go with Phil as he assumes a new and different role in life.

HON. THOMAS E. MORGAN

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, after a distinguished career of 32 years, Thomas "Doc" Morgan, dean of the Pennsylvania delegation, retires. Representing his district well as the head of the third largest representative group, he has served as chairman of the Committee on International Relations for the past 17 years, bringing unsurpassable leadership to the Congress role in foreign policy. Leading his committee through the terms of five Presidents and Secretaries of State, he dealt with some very controversial and critical matters in the area of U.S. foreign policy.

Next year when the House convenes the 95th Congress, the presence and expertise of my dear friend and colleague, "Doc" Morgan will be sorely missed.

RAY MADDEN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, as we prepare to close out the historic 94th Congress, we pause to pay tribute to our colleagues who will not be with us for the reconvening of the 95th Congress. This year, there seems to be an unusually large number of retiring Members, many of whom have been virtual institutions. One of these certainly has to be my good friend Ray J. Madden.

Ray has served with distinction in the House for the past 34 years. Since 1973, Ray Madden has held perhaps the most important and prestigious of all committee chairmanships—that of the House Rules Committee. In this capacity, Chairman Madden has played an essential role in the consideration and passage of the thousands of bills which have passed the House in that time. It is a position of awesome power and tremendous responsibility. Ray Madden has done an outstanding job as chairman and has earned the lasting respect of many of his colleges.

When we review and reflect on the outstanding legislative record of the 94th Congress we must realize that much of it is owed to Chairman Madden. He has handled an enormous volume of legislation in an expeditious manner insuring that priority bills receive the attention of the House.

Despite his time consuming responsibilities, Ray Madden served his constituents with tireless dedication. He was a man who used his powers in the House to benefit his constituents. The people of the First Congressional District are losing an exemplary representative, and we in Congress are losing one of our true giants.

Mr. Speaker, it has been my high privilege and honor to have served in the House with Ray Madden. He is a man who I respect tremendously and whose advice was always welcomed. I wish the dean of the Indiana congressional delegation the happiest and healthiest of retirements. His presence will be sorely missed.

HON. THOMAS E. "DOC" MORGAN

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CEDERBERG. Mr. Speaker, distinguished is a word that we use often, but in the case of Doc Morgan, it seems to fit perfectly. Considered to be a gentleman by all, he is retiring at the end of this Congress after 32 years of public service under the Capitol dome.

A finer man I do not know. Any honor that we can bestow upon him is well deserved. His contributions as chairman of the Committee on International Relations are legendary.

Putting the consideration of the Nation above partisan politics, he was responsible for achievements that would not have been accomplished without the cooperation motivated by his presence. Our Nation owes him underdeterminable thanks.

Doc was a leader not only in his committee, but also as dean of the Pennsylvania delegation and as an advocate for his constituents' needs. He has earned the unanimous respect of all. Acknowledged repeatedly as a towering figure in the House, he has been fair and equitable with those around him. The House will be poorer in his absence.

I wish Doc the best of luck in the future. May the years ahead be as fulfilling as the past has been satisfying. I know that we will miss him here and I hope that he will honor us with frequent visits. His familiar face will always be welcomed.

HON. LEONOR SULLIVAN

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SIKES. Mr. Speaker, the first woman ever to be elected to Congress from the State of Missouri is leaving us at the end of this term to return to private life. She leaves behind a record of 25 years of faithful and outstanding service in the Congress. Her work has been an inspiration to everyone in this body. Her achievements will live on long after her retirement.

Leonor Sullivan came to Congress after a special election necessitated by the death of her husband, the Honorable John Sullivan, in 1951. It was my pleasure to serve with him and to enjoy his friendship. She has carried on the fine traditions for good service which he established during his lifetime.

As chairman of the House Committee on Merchant Marine and Fisheries, Mrs. Sullivan has enjoyed one of the most important positions in the Congress, a position which she has filled with great distinction. Throughout her career Mrs. Sullivan has spearheaded legislation of importance to the Merchant Marine, to the seafood industry, and to conservation and natural resources. Because of her untiring efforts, the Nation's merchant fleet and fishing industries are stronger. Both have been threatened with serious competition from abroad; both have undergone the problems of inflation and escalating costs which have seriously threatened American business and industry in so many fields. Consequently, her work in these areas has been of special significance.

But Mrs. SULLIVAN distinguished herself in areas other than her major committee work. As a senior member of the Committee on Banking and Currency, Mrs. SULLIVAN chairs the Consumer Affairs Subcommittee and has led the way to important consumer protection legislation. It was largely through her efforts that public awareness of consumer problems and solutions to those problems came to the public attention. As a result, every citizen of the United States can thank LEONOR SULLIVAN for the work she has done in this area.

Now that she is leaving, it is appropriate that we take this means to express the admiration of the entire Congress for the great work done by this outstanding Member. She came to Congress under great personal stress, showed each of us the meaning of true courage, and rose to a position of leadership by virtue of the conscientious and dedicated work she has performed.

Mrs. SULLIVAN's expertise and guidance will be missed. Her charm will be missed. Most of all, the Congress will be a little less enjoyable for those of us who have enjoyed her warm and pleasant friendship.

PACKAGING AND THE QUALITY OF LIFE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McKINNEY. Mr. Speaker, the disposable can, returnable bottles, resource recovery, recycled materials—these, and more, are all catch phrases involved in the debate of recent years over how we treat the environment we live in while at the same time, getting the most out of the creative genius which is the American way of life.

One of the national leaders in the field of packaging, the American Can Co., has its corporate headquarters in Connecticut's Fourth Congressional District, which I represent. In making a great contribution to the area's economy, the company has also demonstrated an awareness and concern for the quality of life.

In a recent address before the American Home Economics Association, American Can's senior vice president, Judd H. Alexander, focused attention on this entire matter and outlined some of his firm's views and efforts in this field.

His remarks are worthy of the attention of my colleagues and I would ask that I be allowed to share them at this point in the RECORD:

PACKAGING AND THE QUALITY OF LIFE

(By Judd H. Alexander)

A popular song of a few years ago said, "This is the Age of Aquarius." It was wrong, of course. This is the Age of Ecology.

The environmental movement was initiated by students and their teachers with the wonderful effective Earth Day, 1970. The world is a better place for that experience and the attitudinal changes it brought about.

The vast societal changes of the last two decades have expanded the responsibilities and the public expectation of the American corporation. Profit, the basic stimulus, remains a vital element of corporate health, but profit itself depends on the satisfaction of the public charter that makes corporate existence possible.

Today I would like to talk to you about one company's efforts to respond to its societal legacy and then to discuss the roles that you and I as management specialists can play in the national planning process.

My company, American Can, makes packaging. We make cans for corn and stew and band-aids and beer. We make paper cartons for ice cream, frozen food and bacon. We make pouches and wrappers for cheese, bread and dehydrated foods. And, we make plastic containers for cottage cheese, salad oil and fruit juice. We also make Dixie cups, Gala paper towels, Northern and Aurora toilet paper, and Butterick and Vogue sewing patterns. Looking at it another way, we make litter and solid waste.

You know our products, you use them every day. And, with your professionalism, I am sure you have an unusually good understanding of their function. You know the role that food packaging has played in extending shelf life, increasing convenience, improving sanitation, lowering cost and in making possible the benefits of self-service. You also recognize the need for pilferage resistance and protection against insect infestation.

You know that it is packaging that brings us peaches in winter. You have seen canned corn and frozen peas cut the price per edible ounce of the fresh product by nearly half, while leaving behind packaging waste one-tenth the weight of the pods, husks and cobs it replaced. You know that packaging keeps fish heads, scales and entrails out of our garbage pails. You recognize the importance of leisure time and the contribution of packaging for convenience foods in helping in just one generation, reduce the time required for meal preparation by two-thirds.

PACKAGING AND GARBAGE

For some of the public we serve, however, the most notable role for packaging materials is their effect on garbage. "We are being choked on excess packaging," goes the mournful cry, "and unless we can return to those halcyon days of the cracker barrel, the butter tub and the returnable bottle, we will soon be buried in our own solid waste."

It is unproductive to rail against the gross exaggeration of such statements or to complain about the misunderstandings that breed them. The fact is that the nation does have a solid waste problem and a litter problem, and the products that my company manufactures are part of those problems. If the simple solution is to reduce the amount of garbage and to restrict our products to the detriment of the service they perform, then we, my industry, must help find a better solution, one which will allow our continued contribution to the quality of life balanced with response to the societal need for resource and energy conservation and solid waste management. It is, I believe, a do-able assignment.

The public concern about solid waste can be separated into two parts, two parts vastly different in scale, in cause, and in solution. The first, the garbage problem itself, deals with resources, pollution and land application, and fortunately it lends itself to technological solution. The second part of the problem is smaller but more visible and thus more irritating. It concerns uncontainerized solid waste—litter. In some ways this is the more difficult problem because, since it is behavioral in origin, it needs a sociological solution.

As a company, American Can has tried to help in both areas. Twenty-two years ago, long before litter became a national public issue, we were co-founders, along with other business and public interest groups, of Keep America Beautiful (K.A.B.), and we have continued to contribute money and talent to that organization. The effort here has been reasonably successful. Who knows what a mess we would be in if there had been no Keep America Beautiful and no Chief Iron Eyes Cody, the weeping Indian, whose TV messages have reminded millions of the need for litter control?

CHANGES IN OUR SOCIETY

The problem has been that the changes in our society have been so productive of litter that K.A.B. has not been able to keep up. Highway litter has been shown to be directly proportionate to the miles driven and we know our total mileage tripled in just ten years. Then there has been the increased mobility of our population, casual living styles, the rise of fast food outlets, and increased urbanization, all potential litter breeders. It was obvious that a fresh approach was needed.

Now, we think we have one. It is called the *Clean Community System*. It was developed by a group of behavioral scientists under a grant from some of our major business trade organizations of which my company is a member. After two years of full-scale operation in three test cities, Charlotte, North Carolina; Macon, Georgia; and Tampa, Florida, a reduction in litter ranging from 61% to as much as 75% was achieved, a gratifying success.

The system is dependent on the installation of a project involving the entire community. It deals with all sources of litter, not just that from pedestrians and motorists. Actually, those two categories produce less than 20% of the total litter in a community. The rest comes from uncovered trucks, loading docks, construction sites, poorly containerized commercial waste and poorly handled residential garbage—the dogs knock over the uncovered garbage can, the wind blows the contents down the street.

In a multi-faceted approach, city ordinances are revised to encourage the elimination of litter problems. Fines are established for industries and citizens who allow litter conditions such as uncovered trucks, poorly containerized waste and messy loading docks. Retailers are encouraged to supply litter bins when they sell products with litter potential. Litter audits are run so that improvement can be measured week by week. At the same time, the whole social fabric of the community gets involved in clean-up and in a communication-education effort based on pride. The mayor, the sanitation department, TV and radio stations, the service groups all contribute. It is a program in which everyone stands to win.

CLEAN COMMUNITY SYSTEM

With success at the three test cities continuing, the *Clean Community System* has been placed under the control of K.A.B. A certification of the program to 22 communities has been completed. Requests for programs from 43 additional cities and towns are being evaluated. Only the limitation of trained organizers prevents the program from moving faster. We think it is the best, least expensive, most long-lasting system for litter control yet developed, and we are vastly encouraged.

Now, what about the bigger problem, solid waste? What do we do with all that garbage? Most business-trained people who have studied the issue conclude that the solution lies in resource recovery. American Can is one of several major corporations which have set out to prove that this concept really works. We conceived a system, developed and tested the hardware, and then began a search to find a progressive city willing to give our system a try. We found one—Milwaukee.

Right now we are in the process of building there—with our own money—an $18 million resource recovery plant to process all of the municipally collected garbage in the city—1,200 tons a day.

When the waste is dumped at our plant, we will retrieve bundled newspapers and clean corrugated board for shipment to paper recycling plants. All the rest of the mixed garbage will then be conveyed into a hammer mill for shredding into pieces about the size of a half dollar.

The refuse is then fed into an air classifier. This unique machine uses a turbulent stream of air in a zig-zag chute to separate the light portion of the shredded waste from the heavier pieces.

GARBAGE TO ENERGY

The light material accounts for about 60% of the total garbage. It consists of paper, carrot tops, plastic film, leaves, light cardboard, grass clippings, cloth and food scraps. The chief characteristic of the light material is that it can be burned and so can provide energy. Wisconsin Electric Power Company is modifying two of their giant boilers in the Milwaukee area to accept air-classified refuse as a supplemental fuel. They will produce electricity from garbage. Our air-classified refuse has a caloric value about half that of coal, so that each two tons of this new fuel will replace one ton of coal. Wisconsin Electric estimates it will save up to 90,000 tons of coal a year and produce about 15% of Milwaukee's electricity needs from its own garbage.

The remaining refuse will move on through the plant where magnets will extract the ferrous metal—the tin cans, metal toys, bed springs, nails and screws. The recovered material will be transported to our own detinning plants so the tin can be reclaimed before the cleaned steel is shipped to the steel mills for reuse You may see it next as a washing machine or as a new car.

Next, the valuable aluminum—cans as well as TV dinner trays and lawn chairs—will be separated from the garbage with a newly developed "reverse magnet," and the glass will be recovered with a screening-washing process for use as a road building material or as a base for ceramics. That leaves just 10% by volume of the original garbage. Initially, this residue will go to land fill.

Before too long though, we expect to use a new chemical process known as pyrolysis to convert most of that residue, the wood, rubber and heavy plastics, into various storable fuels such as char and heavy oil, leaving only a 2% sterile ash for the land fill.

So, next year, if you live in Milwaukee and you would like to get your packaging recycled, throw it in your garbage can.

This system, we call it "Americology," will begin operation late this year. It is only one of a number of recovery systems in development by American corporations. Dozens of major cities will commit to similar systems in the next few years. Regional disposal centers have the potential to serve the needs of smaller communities as well.

A MANAGEABLE PROBLEM

In the meantime, it is important to remember that our garbage problem is a manageable problem. Look at it this way. The nation produces 135 million tons of garbage a year. Large as that figure seems, it is less than one-quarter the quantity of our annual production of coal and it is only one-eighth the volume of the sand and gravel we use each year in this country. If we can manage quantities of that magnitude, we should be able to manage our garbage pile. We need only the time to develop the hardware, the systems, the capital and the markets for the recovered material to make resource recovery a national policy.

We need one more thing: a recognition that the best way to handle solid waste may not be the cheapest way. Nationally, we spend an average of $26 a ton to collect and dispose of our solid waste. The E.P.A. estimates that we need to spend an additional $5 a ton to upgrade our methods. This will give us time to make the transition to resource recovery systems. When they are in place, our garbage handling costs should drop by about 40%.

But why, some ask, does not business pay for the waste handling problems they create for communities? It is true that the food packagers and the newspaper publishers do not pay for the disposal of their products, but neither do they charge the consumer for this service. Could business absorb the cost of disposing of the waste? I don't think so. Look at the figures. Our company is typical of others in industry. Last year on the money employed in our business, the money invested, earned, and borrowed, we made a profit of 4.2%. If you personally have a 5% savings account at the bank, your rate of profit is higher than ours.

If businesses are to be asked to pay for solid waste, they must charge their customers and ultimately the consumer for this service. I would be concerned about a disposal charge or tax originating with us, passed on to the food packager, then to the retailer and finally to the consumer. The collected money would have to be sent to a federal bureaucracy for disbursement to the states and then to the towns and cities which actually handle the garbage. It could be a very expensive and inefficient system and a bureaucratic nightmare. We are better off with the present funding system where citizens pay for the garbage service just as they pay for sewage service.

SOURCE REDUCTION

There is another approach to the solid waste problem, much in the news. It is called source reduction: solve the problem by reducing the amount of garbage produced. This concerns me, too. No one is against frugality and good management of our resources, but I do not believe the advocates of source reduction have properly analyzed the immense ramifications of their concept. Everything is tied together in our quality of life equation, and you cannot deal with the garbage issue alone without affecting many other areas.

The great national problem is not garbage—or energy, or jobs, or hunger, or prices, or nutrition, or resources—it is all of these together. It is the quality of life in these United States and throughout the world for now and in the future. Source reduction programs may help reduce the waste load but they can be severely deleterious to our sociological and economic health. And those factors are at least as important as garbage to our national well being.

Let us not under the guise of "source reduction," close factories, increase unemployment and cut back on useful goods and services. This is a regressive solution. Let us seek, instead, progressive answers which expand the opportunities and the benefits of our system. Resources recovery offers that promise, a chance to eat our cake and have it, too.

In Alvin Toffler's fine book, "Future Shock," the author points out that advancing technology makes it possible to lower the cost of manufacture much more rapidly than the cost of repair. One process lends itself to automation; the other is largely a handcraft operation. Timex, for example, makes such a product, a watch that is cheaper to replace than repair. Its low cost makes it available to people who could not otherwise afford a watch. If the fruits of automation offer a better life to more people, we are traveling in the right direction, and we must not let garbage stand in our way. We must find the technological solution to that problem.

LESS IS LESS

Opposition to concepts such as source reduction and limits to growth are not just the self-serving concerns of business people, they even bother some of the world's leading socialists. Bayard Rustin, in a provocative article in *The New York Times Magazine* entitled "Less Is Less," decries the worldwide social impacts portended by policies of economic retrenchment. He mentions the near collapse of the economies of many of the developing nations if we should stop consuming. And he quotes Anthony Crosland, the brilliant British social theorist and current foreign minister, as follows: "My working class constituents have their own version of the environment, which is equally valid and which calls for economic growth . . . they want washing machines and refrigerators to relieve domestic drudgery. They want cars and the freedom they give on weekends and holidays . . . they want vacations in Majorca . . . and they want these things not because their minds have been brainwashed and their tastes contrived by advertising, but because these things are desirable in themselves."

There are some of the same anti-egalitarian elements of "good for whom" in such popular crusades as the ban-the-can movement against beverage containers. Returnable bottles are not such a burden if you have a garage or a cellar stairs on which to store the empties, and perhaps a station wagon to drive them back to the store, and enough money to spare the 30 cents or 60 cents tied up in deposits, and no need to buy the lower-priced house brands shipped in from beyond the effective range of returnables. But it is different when inner city families, counting their pennies, are jammed into small walk-up apartments with a sanitation problem and no storage space.

I continue to think that the whole garbage question lacks perspective. Remember, the average national cost for collecting and disposing of a ton of solid waste is only $26. Just how much is a ton? Well, if you drank a can of coke every day, it would take you 120 years to collect a ton of aluminum beverage cans; a ton of bacon cartons is a 577-year suply. A hygienic family of four, brushing after every meal, would use a ton of toothpaste tubes every 8,000 years. A subscription to a great metropolitan newspaper like *The Washington Post*, incidentally, will produce a ton of newspapers in just four years.

The source reduction concept is an attempt to save those $26 increments, whether old newspapers or old beer cans. In the process, it would discourage the use of products with a social value far higher than $26. Let me explain. Most packaging is sold by the unit, not by the ton. But their values can be converted to a ton cost. Ice cream cartons, bread bags, and vegetable cans all have a value of $1,500 a ton or more and that toothpaste tube is $5,000 a ton. The disposal cost for any of them is less than 2% of their societal value before they became waste.

THE WRONG END OF THE TELESCOPE

If we are going to manage our resources and our quality of life most effectively, we should be doing it from the product service end and not from the garbage end. The source reduction viewpoint is from the wrong end of the telescope.

Look at it this way: Paperback books magazines and newspapers are not garbage, they are knowledge and entertainment. Boil-in pouches, TV dinner trays, Dixie cups and paper towels are not refuse, they are leisure time. Beverage cans are not trash, they are recreation. Food packaging is not solid waste, it is sanitation, health, variety and the proud residue of a high quality life. I fear source reduction advocates in their zeal to make life easier for the garbageman, will make life more difficult for the rest of us—workers, producers and consumers alike. Let us get on with managing our solid waste and recovering our resources.

Well, what about reducing waste and excess packaging? What can be done? There is in operation a reasonably effective brake on excess packaging on the production side now. It is called economics. Packaging materials are purchased by professional purchasing agents who are constantly pushing to lower their cost.

As close as all of you are to the food business and the end use of packaging, I suspect you may be unaware of many of the material and cost reductions in recent years. A tin can for vegetables uses about 20% less steel and 50% less tin than 20 years ago. In the last 15 years the paperboard in the familiar brick shaped half gallon ice cream carton has been reduced gradually in caliper, area and density for a total weight reduction of 30% and although the package is now more convenient, more protective and more attractive, it has resisted inflation and holds the price of a decade and a half ago.

MORE IS LESS

Philadelphia Cream Cheese a few years ago added a carton to their soft foil pack. More packaging? No, they were able to reduce the amount of outer packaging required for shipping for a net saving of 12% and the consumer was offered better protection in the shopping bag. Individually wrapped slices of processed cheese added packaging but they reduced the waste of dried-out cheese slices in the refrigerator. New "breathing" plastic wraps for lettuce, packaged right in the field, have all but eliminated the 20% spoilage loss on lettuce which formerly occurred in shipping and distribution.

When I was in college, only the football captain could crush a beer can in his bare hand. Now any sissy can do it. That's because the amount of metal in the average can has been reduced by 30%. New technology now being introduced will reduce that *another* 25%. The new can, incidentally, with coatings dried by ultra violet lights rather than gas-fired ovens, will use no more energy "from iron mine to home refrigerator" than does a ten-trip returnable bottle.

There are other things a corporation can do in managing its resources for maximum benefit. In addition to the concept of recyclable, there is the concept of renewable. I am referring especially to paper. Paper can be recycled, of course, but that is not always the best way. Our company, American Can, operates four pulp and paper mills in this country making sanitary papers and food packaging paperboard. One of our mills operates completely on recycled paper; another is almost entirely dependent on forest and saw mill waste, chips and slabs and sawdust, for its raw material; the other two use all virgin materials—*renewable* virgin materials—and they bring jobs to rural areas.

LESS IS MORE

When I started with my company, we used to grow about a third of a cord of wood per acre per year on our own land. By the time I retire, we will have used advanced forestry practice, tree genetics and pulping technology to increase that yield by 600%. Our huge southern mill in Alabama will be able to supply all the wood it needs from its own land on a perpetual basis. Some of those new super trees will grow to usable size in just 13 years. When I was a boy here in Minnesota it took us nearly that long to get the corn up. As a nation, we still grow more wood each year than we cut. For a bonus, a vigorous growing forest of young trees produces about triple the oxygen of a mature forest. Recycling is good, but so is renewable.

Problems are never as simple as they first seem. John Muir, the great naturalist, said it best when he commented: "When we try to pick out anything by itself, we find it hitched to everything else in the universe." This is a lesson which, I fear, is little understood by many of the specialists laboring in the Washington regulatory agencies. They are sincere people, working hard at their narrowly defined problems without ever understanding the harm they can do to the quality of life with their narrowly defined solutions.

That is where we come in, all of us, professional managers of business or of domesticity. We are trained to deal in complexities and to choose options that offer the greatest good to the greatest number. You members of the A.H.E.A. have a special responsibility because of the near universal respect your proud profession enjoys and because of your access to the true measure of life quality, the welfare of the family.

We, all of us, must improve our communication with our regulators and with our elected representatives at all levels and with the publics we serve. We must help broaden the vision of national policy making.

TO SERVE THE CONSUMER

I hope my story of one company's and one industry's efforts to serve the consumer—and to go on serving—is credible to you and your profession. For we, like you, are always on trial before the court of public opinion. That is where the real power lies.

The public has all final power, including the power to self-destruct, if it makes unwise choices founded in naivete, not knowledge. My plea—and, of course, I have one—is this: Let all of us, in your profession and mine, use every ounce of our energy and our skills to join our knowledge to the service of all the people and the influence of national policy, so that once again the future may be thought challenging, not dismal, and rewarding, not diminished.

As a businessman I conclude on this note of revolution—revolution against the hopeless status quo mind that appears to believe all of us must share in less. I believe precisely the opposite: that the real revolutionary spirit in this, our bicentennial year, is to be found in the combination of technological knowledge applied to the service of the true national interest.

I believe, in short, that tomorrow can be better than today. Your help is needed.

TRIBUTE TO ROY A. TAYLOR AND DAVID N. HENDERSON

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BRADEMAS. Mr. Speaker, all those who represent the State of North Carolina in Congress can take justifiable pride in the outstanding contributions that have been made to our country by two distinguished Members of that State's delegation in the House of Representatives who are now retiring, the Honorable Roy A. Taylor and the Honorable David N. Henderson.

Roy Taylor has given outstanding service as chairman of the Subcommittee on National Parks and Recreation of the Committee on the Interior. We in Indiana are particularly grateful to him for the work that he has done on the Indiana Dunes National Lakeshore.

Dave Henedrson has served as a member of the Committee on Public Works and Transportation and as chairman of the Post Office and Civil Service Committee. His abilities, his integrity are respected by all.

Both Roy Taylor and Dave Henderson have established records of service that will not be easy to follow, and I join in saluting the State of North Carolina on having sent them to Congress and in wishing them both well as they depart the House of Representatives.

HON. PHIL M. LANDRUM

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MATHIS. Mr. Speaker, when the 94th Congress adjourns, the distinguished and admirable congressional career of the dean of the Georgia delegation, the Honorable Phillip Mitchell Landrum, will come to a close.

Since 1952, Phil Landrum has represented the Ninth District of Georgia and has distinguished himself in each endeavor he has undertaken. As a member of the Education and Labor Committee, he spoke for labor with what is known as the Landrum-Griffin Act of 1959. Also serving on the Ways and Means Committee, Phil will be remembered for his thorough awareness of the impact of tax legislation on our economic system. The taxpaying American will surely miss the careful and responsible scrutiny he gave to the legislation considered by the Ways and Means Committee.

Phil will indeed be missed by the House and our country, and I join my colleagues in wishing him a fulfilling and happy retirement.

RAY J. MADDEN

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PERKINS. Mr. Speaker, Ray J. Madden has been a Member of the House longer than 428 of his colleagues here today.

He began his service in the midst of crisis in World War II. He has participated in enough major legislative decisions to have assured a memorable career for a dozen Members. Perhaps no comparable period in our history has called upon Members of Congress to make more important decisions that have a bearing upon the future of the country itself.

Ray Madden has been one of the legislative giants of the 20th century, and the people of Gary, Ind., to whom he has given so much for so long, have cause to be proud of him. And they can be justly proud of themselves for having the good sense to elect and reelect him for 17 consecutive terms.

Those of us here who have had the privilege of knowing him and working with him over the years will certainly miss his wise counsel, and his broad shoulder to the wheel of progressive legislation.

All of us wish him the best of health and happiness as he ends his congressional career. We know that we will not be likely to have another giant of his stature for a long time to come.

A REAL FARMER FOR THE WHITE HOUSE

HON. BOB BERGLAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BERGLAND. Mr. Speaker, as we rush toward election year adjournment, I suggest we pause a moment to reflect on a significant aspect in the background of Presidential Candidate Jimmy Carter. According to my cursory check, Jimmy Carter is the closest chance we have ever had to putting a real farmer in the White House. George Washington, Thomas Jefferson, and others were landowners and had deep affection for agriculture—a few more retired to the farm, but Jimmy Carter's life and livelihood are tied directly to the Georgia soil.

You know of my farm and agriculture attachment, which leads me to feel that Thomas Jefferson only slightly overstated the case when he observed that, "cultivators of the Earth are the most valuable citizens." This may also explain why I am so excited and enthusiastic about putting a farmer in the White House.

To have a President who understands in his bones how it feels when the rains do not come—to have a President who has seen a season's work and investment wither and die—would mean farmers for once have a blood brother in the White House.

Few periods in our history have cried so loudly for leadership with an understanding of food, agriculture, and farming. On a global scale, economists, agriculturalists, and those looking to the future tell us that feeding the world's burgeoning population will be a grave and serious challenge. Scientists and agronomists tell us that technological breakthroughs needed to vastly increase food production are not imminent. And just as important—American farmers tell us the Federal Government no longer responds effectively to farm needs and farm problems.

Jimmy Carter is almost perfectly suited to meet the demands of this situation. He understands farmers and their problems from the ground up—he is both humanitarian and scientist—he has a proven record of making government work smoothly and efficiently.

In his two chosen professions, politics and agriculture, Jimmy Carter had learned a lot about facing uncertainty. He knows there are two ways a farmer can face the uncertainties of weather, disease, pests, and the marketplace. One way is to face them alone, to suffer devastating natural losses or depressing and arbitrary price movements. The other way is for farmers to stand together—stand with the help of other grateful citizens—to stand with the Government on their side. The Carter alternative says Government should stand with and assist its citizens, its farmers—it should not ignore or oppose them.

In Minnesota this year, a massive drought has cost farmers as much as $1.5 billion. Jimmy Carter has visited Minnesota farmers this fall. He saw the damage. He knows we need an improved crop insurance program that farmers can afford. He knows an adequate disaster program protects not just the welfare of farmers, but also helps assure all citizens a long-term supply of food and fiber. Compassion for those in need and effective administration of programs do not cost a dime—they save money while they serve American citizens.

For several years now, farmers have been served clichés and rhetoric instead of support and assistance. A Carter administration would realize farmers must have an incentive to produce, not tough talk about consumers. Jimmy Carter knows that farmers face years of surplus as well as years of shortage. Our so-called free market farm economy has been bailed out for several years running by droughts and short crops somewhere in the world. We simply cannot depend on such shortsighted policies.

Carter supports a full production agriculture as necessary to compete on world markets. In fact, he would work hard to expand foreign markets into new geographical areas and for new crops. At the same time, he recognizes the risk in such a policy and would share that risk with farmers and ranchers. He would not veto realistic farm bills which provide only minimum production cost protection. He considers it an affront to farmers to demand all-out production without reciprocating with minimum price protection. Why should giant defense corporations be provided a guaranteed profit while farmers cannot even recoup their out-of-pocket expenses?

Speaking of farm exports—Jimmy Carter understands the food for peace program means just that—food for peace all over the world—not food for politics as we have seen recently.

Perspective seems to have been lost in the development and administration of food and agriculture policy. Our policy should be concerned with farmers, consumers, and the hungry here and abroad. Coziness with giant multinational corporations—as we discovered in the grain inspection scandal—as we have seen in the frequent rotation of top Government officials—must be replaced with concern and attention for family farmers and families of consumers.

Jimmy Carter believes that if anyone profits from commodity price rises it should be farmers—who were able to store products on the farm—not corporations and speculators with giant terminals and inside information.

We need stocks to assure an adequate supply for U.S. citizens—to protect our reputation and reliability as an exporter, but such stocks should be held largely by farmers not speculators.

Agriculture in Georgia is family agriculture—farming in America must always remain in the hands of family farmers. But, the risks, the capital requirements, the ever-increasing production costs, the outdated estate taxes, the lack of assistance for young farmers, the on-and-off export policy, the pressure of competition from subsidized imports, are all driving us slowly toward a corporate structure. I pledge to fight this trend as long as I am able—Jimmy Carter feels just as strongly and will throw the strength of the White House into support for America's family farmer and rural businessman.

Our rural economy—farm and nonfarm—is based on the productivity of our soil and water resources. A full production agriculture has brought millions of marginal acres under the plow—our soil resource base is under tremendous pressure at a time when our soil conservation programs have suffered unmerciful executive cutbacks. Governor Carter believes the situation demands dynamic new leadership calling for stewardship of land, water, and forest resources. A short-term view of this most serious situation can mean untold disaster in the years, decades, and centuries to come.

Fortunately, Jimmy Carter's background and intellect allow him to take a sophisticated, long-range view on agricultural programs. Conservation is only one example. He also realizes that agriculture. food production, and nutrition research must be vigorously pursued—not cut to the bare bones. Needed gains in productivity and efficiency are not accomplished in a vacuum. They come through the hard and expensive work of dedicated scientists, public and private.

Looking down the road, Carter sees that farmer cooperatives offer an alternative to corporate takeover. He knows the Capper-Volstead Act to be the "farmers' bill of rights." It must be preserved.

I have examined Jimmy Carter's agriculture platform closely and found it to be excellent. I have discussed farm problems with him personally and found him to be most knowledgeable and a dedicated farmer/statesman. But, rather than go on explaining his positions item by item, I believe his attitude toward farmers—and the one he would take to the White House—is best exemplified by some quotes from his speech at the Iowa State Fair:

> Our people respect the American farmer. The family farm has preserved the valued—honesty, dependability, hard work and faith—which we need to rediscover as a nation
>
> Our city people are natural partners with those of us in rural America. What is best for the family farmer in the long run is exactly what is best for the consumer.
>
> The farm has left its mark on me. I be-

lieve in my country, and I know you do too. I have deep feelings of patriotism. I know they are mirrored here in Iowa, and everywhere else where independent farmers work the land.

A TRIBUTE ON THE RETIREMENT OF HON. ROBERT E. JONES OF ALABAMA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, it is an honor and a privilege to join my colleagues in paying tribute to the dean of the Alabama congressional delegation, ROBERT E. JONES, on the occasion of his retirement.

As others will attest, he has been a hard and effective worker for his district through 15 consecutive terms—and a dedicated public servant of this Nation. He has exceptional knowledge and understanding of Government processes and has made great contributions to the strength of this Nation by the well-directed use of his many talents. BOB JONES is a man of sound judgment, patience, and perseverance. His understanding of people and problems, his sense of fairness, his delightful sense of humor and inherent kindness have given him a special place in the hearts and minds of his colleagues.

In my personal view, when BOB JONES retires with the adjournment of the 94th Congress, the House will have lost a great leader. The opportunity to converse with him and share some of his experience both in and out of the Congress is always a delightful and refreshing interlude.

Certainly his experiences as a country merchant—or so he would have you believe—are well-known to the members of the House. Most of us have spent many enjoyable moments listening to BOB'S stories—fictitious or otherwise. And when he relates the happenings concerning his assignments in this great body from his own inimitable, always emphatic viewpoint, he is always guaranteed a willing listener.

As he departs the scene of his many achievements, we all wish him Godspeed, knowing that wherever he goes and whatever he does he will carry good humor, good will, and an abiding respect for the great workings of this Congress.

TRIBUTE TO RAY J. MADDEN

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, having served for longer than any other representative from Indiana, RAY J. MADDEN has decided that this session of Congress, his 17th, shall be his last. His retirement truly calls for reflection upon the numerous accomplishments and achievements of RAY MADDEN as chairman of the Committee on Rules, as chairman of the Democratic Steering Committee of the House and as cochairman of the Joint Committee on the Organization of the Congress. He also has held the honor of having been first vice chairman of the National Democratic Congressional Committee.

During his 34-year tenure, RAY MADDEN has helped shape the legislative innovations of this country. For his able assistance in attaining the heights Congress has achieved, I, as a friend and colleague, appreciate and admire him.

TERRANCE J. MATTHEWS—BICENTENNIAL AMERICAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANDERSON of California. Mr. Speaker, occasionally we hear of a person whose success in life seems to be patterned after the traditional Horatio Alger script—successful businessman, family man, and pillar of the community.

Throw in a deep concern for the social welfare of the people, a sense of civic duty, and the will and ability to utilize them, and you have a brief but accurate description of my good friend, Terrance J. Matthews.

On November 30, Terry will be honored as "The Bicentennial American" by the Catholic Press Club of Southern California. I have known Terry for many years, and can honestly say that I know of no other person so uniquely qualified for this award.

At the young age of 38, Terry is one of the most successful businessmen in the South Bay Area, a vocation that requires an enormous amount of time. He has been a member of the Loyola Marymount University's board of regents for 2½ years, and has served 1 year as president. Currently, he is heading a multimillion dollar building program to upgrade the university.

In addition, Terry is chairman of a State task force on international trade, and was recently appointed by Gov. Edmund G. Brown, Jr. to an 11-member California Job Creation Board, which will arrange for financial assistance to businesses in troubled areas. He is organizing a coalition of 16 South Bay Area chambers of commerce; serves as financial director of the Franciscan building fund; is a trustee of the Centinela Valley Community Hospital; belongs to the California Economic Development Commission; and is a vice chairman of the Boy Scouts of America in the Adventurers District.

It is easy to see why Terry's average work week is 16 hours a day, 6 days a week. He also lectures in business and political science at the University of Southern California, the University of California at Los Angeles, and at Loyola-Marymount University. That is a resumé any academic would be proud of—yet Terry Matthews never attended college as a student.

A native son of Los Angeles, Terry has held at least two jobs ever since he ran two paper routes as a youth. He graduated from Los Angeles High School and subsequently joined the Navy.

Seventeen years ago, Terry became a salesman for Electronic Plating Service, Inc., in Gardena. There must have been something about the firm that he liked because 5 years later he bought it. Electronic Plating Services now ranks as the No. 1 precious metal plater in the Nation, and under Terry's guidance its annual business has risen from $80,000 to $10 million. Among his other financial interests, Terry Matthews is board chairman for the Republic Bank in Gardena.

Matthews has become well known for his concern for the community and his many philanthropic efforts. The father of five children—Alyce, Stephanie, Victoria, Michael, and Andrea, he has been especially interested in working with youth. He is a former member of the Palos Verdes Youth Commission, a cofounder of the Centinela Valley Drug Abuse Coalition, founder of the South Bay Gym-I-Niks—a girl's gymnastics team, and an adviser for the Harbor Occupational Center. In addition, he has served as vice president of the California Children's Lobby. Terry is a former commissioner for the Port of Los Angeles and director of the Catholic Maritime Association.

Mr. Speaker, it is easy to see why Terrance J. Matthews has been chosen by the Catholic Press Club to receive this award. However, I will be grateful for the opportunity to participate in lauding him for an additional reason.

My wife, Lee, and I have long cherished the close friendship we share with Terry and his lovely wife, Judith. To simply list his many accomplishments certainly demonstrates his ability and intelligence, but it can give no indication of the warm, good-humored, charitable and honorable man that Terry Matthews truly is. He is a man to whom life has been good, but at the same time has worked for everything he has won. Success has certainly not gone to his head; and knowing Terry as well as I do, it is difficult to think that it ever will.

Therefore, I would like to take this opportunity to congratulate Terry Matthews on his "Bicentennial American" award, and to wish him and his wonderful family continued good fortune in the years ahead. If hard work, honesty, charity, and love of country are still American virtues Terrance J. Matthews is certainly the personification of the "Bicentennial American."

HON. BILL STUCKEY

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SISK. Mr. Speaker, in his all too brief career of 10 years here in the

House, BILL STUCKEY has made his mark as a conscientious servant.

Not many men are willing to take the time away from a flourishing business empire to devote their time to public service, as BILL has, but when they do the skills and dedication which made their business such a success, served them well in public office. Such was the case here.

We will all miss BILL and wish him well as he returns to private life.

THE DEBATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HAMILTON. Mr. Speaker, with experts in both political parties calling the race for President a virtual tossup, the remaining debates between President Ford and Governor Carter loom large and seem more and more to dominate the whole campaign. Every poll shows an unusually large number of undecided voters, and the importance of the debates is that they may change the minds of such voters more than any other single campaign event. They have the potential for having a decisive impact on the election.

In their first encounter President Ford and Governor Carter each performed quite well under extraordinary pressure. They deserved the standing ovation they received from the audience at the Walnut Street Theater in Philadelphia. The tension generated by the debate showed on the candidates as both men worked cautiously, avoiding innovative ideas or language and using themes they had struck often in the campaign. Neither candidate, however, fumbled badly and both proved themselves articulate and competent.

Governor Carter displayed some initial nervousness and President Ford a certain wooden quality as he reeled off statistics on taxes and spending without much emotion. Both candidates were well briefed and probably baffled most viewers with their continual throwing about of economic statistics. Indeed, the single comment I heard most often in Indiana on the weekend following the first debate was that the candidates got bogged down in numbers. The candidates, however, were not flawless in their recitation of facts and both made several misstatements of fact. For example, Governor Carter contended there were fewer people working today in private, nonfarm jobs than when President Ford became President, and President Ford declared that under his tax proposal, a family of four would have $1,000 more to spend each year. Neither statement is correct.

Several features of the debate could be improved upon for the remaining debates. The format did not really permit the candidates to engage each other, or to argue back and forth with real give-and-take between them. They were permitted in their rebuttals to slam back at their opponent without his being able to return the salvo. I would like to see a format that reduces the role of the press, enlarges the role of the moderator, and intensifies the exchanges between the candidates. Speeding the tempo of the questions and answers, shortening the time of the debates from 90 minutes to 60 minutes and making the debate setting less formal would also be helpful.

One feature of the first debate that impressed me was the subjects not covered. The panel of questioners must take the blame for the narrow range of questions, over half of which involved the Federal budget, taxation, and the economy. Not every domestic subject could be dealt with in 90 minutes, but vital topics like health, education, environment, civil rights, and agriculture, to name a few, were ignored. As a result, President Ford and Governor Carter had to deal with the narrow questions put to them on economic policy and they were unable to show the breadth of their concern. The encounter did not really give observers the opportunity to evaluate the merits of their views on many critical domestic issues.

I hope the future debates will enable us to learn more of what the candidates think about the visions and the policies they have in mind for America, what they really think about America's proper role in the world, and what they think the principal concerns of the American people are.

Despite the problems, the debates are a good thing for a democracy that is premised on an informed electorate. We may not learn everything we need to know about the candidates from watching the debates, and the candidates may not use their opportunity to maximum advantage, but we will learn much and we certainly will not lose from the experience of watching them. In the debates the candidates are stripped of their protective shield of managers and advisers, and their character, integrity, compassion, and intelligence do show through. The voter ought to get a sense of the quality of the men seeking the Presidency and a chance to see, hear, and compare the men who contend for the Nation's highest office. The debates allow the voter to decide with whom he can better identify and with whom he will feel more comfortable in the Presidency. They may also spark the interest of the American people in the election, as the Nixon-Kennedy debates did in 1960. If that happens, it could be the most important result of all, since surveys now show that 70 million eligible Americans may not choose to vote in November.

The question everyone asks is: Who won the first debate? Neither candidate seemed to dominate or command. And most of the experts agree that neither candidate profoundly altered his standing in the polls or made a breakthrough. As expected, Republicans unanimously pronounced President Ford the winner and Democrats fervently claim Governor Carter won. Several polls gave President Ford an edge, others show a dead heat. The President apparently succeeded in solidifying some of his support during the debates. My suspicion is that the real winners were the American people as they got to know their candidates for President better.

HON. BELLA ABZUG

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YATES. Mr. Speaker, I am pleased to join with my colleagues in paying tribute to my close friend and colleague, BELLA ABZUG.

It is difficult to find the words to describe the contributions BELLA has made during her 6-year career in the House of Representatives. She has represented her district well and has continued to be an aggressive and courageous fighter on many issues. We have all marveled at her grasp of legislative issues and the tireless manner she has pursued justice and humanity.

BELLA can be proud of her extensive legislative accomplishments. As chairwoman of the Subcommittee on Government Information and Individual Rights, she has continued her lifelong fight for protecting civil rights and liberties. She has worked hard to expand women's rights, open government, reform the Congress, control illegal domestic and foreign intelligence gathering activities, and expand access to Government information.

Above all, I have a deep admiration for BELLA's continued efforts to fight for the underprivileged and powerless in our society. She has never wavered in her dedication to improve the human condition and the Nation can appreciate her efforts.

I join with my colleagues in wishing BELLA every happiness and success in the future. I will miss BELLA, and the House of Representatives will miss BELLA.

TRIBUTE TO HON. RAY J. MADDEN

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ULLMAN. Mr. Speaker, I join with my fellow Members in bidding farewell to the distinguished gentleman from Indiana, Chairman RAY J. MADDEN.

I have always been amazed by how hard RAY could work, how determined he could be about a piece of legislation, but yet how he never incurred the wrath of an opponent and never precipitated a word of ill will from a fellow Member. A person could never hope to meet a man so honest and friendly as RAY.

For a number of years, our offices were located next to each other and this gave me an opportunity to become familiar with RAY. For years he has maintained one of the smallest staffs while at the same time serving his constituents with honor and sensitivity. RAY was one of the first liberals to show concern for the little man did not come only from large Federal outlays.

RAY MADDEN's soothing demeanor and incisive outlook will be missed in this Chamber and I am saddened by his departure. RAY, we wish you the best in the years to come. Peace, prospertiy, and happiness.

EIGHTEEN MILLION NET PROFITS IN SALE OF BICENTENNIAL MEDALS MAKE POSSIBLE APPROXIMATELY $100 MILLION IN PROJECTS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mrs. SULLIVAN Mr. Speaker, during the 12 years I was chairman of the Subcommittee on Consumer Affairs of the House Committee on Banking and Currency, from 1963 to 1975, we had jurisdiction not only over all consumer matters—particularly consumer credit—within the jurisdiction of the parent committee but also over legislation dealing with coins, currency, and medals.

This was a comparatively secondary responsibility, of course, and has since been transferred to a new Subcommittee on Historic Preservation and Coinage, but during those 12 years I think all of us on the subcommittee enjoyed tremendously our many associations with numismatists, medals collectors, and particularly with two outstanding women serving as Director of the Mint: Eva Adams, who served under Presidents Kennedy and Johnson and for nearly a year under President Nixon while seeing the new Philadelphia Mint to completion; and Mary Brooks, who has served under Presidents Nixon and Ford.

EVA ADAMS' MANY CONTRIBUTIONS

I am grateful to both of those fine persons, one a Democrat and the other a Republican, for the cooperation they gave my subcommittee and the excellence of their work in the public interest. Eva Adams not only brought about the efficient new mint in Philadelphia, but supervised the difficult transition from silver to cupro-nickel coinage under the Coinage Act of 1965, acted forthrightly against threats of coin shortages, researched thoroughly the various alternatives to the use of silver in coinage, and brought into being the Kennedy half dollar

She provided us with the first suggestion after the death of former President Eisenhower that his likeness be used on the new $1 coin then being proposed rather than have Eisenhower replace George Washington on the quarter, as proposed in legislation introduced by the then Minority Leader Gerald R. Ford, or replace Lincoln, Franklin D. Roosevelt, or Kennedy on other existing coins, as some Members of the House had proposed in their bills. Miss Adams' suggestion was put in amendment form to the pending Coinage Act Amendments of 1969 by the late Congresswoman Florence P. Dwyer, of New Jersey, the ranking minority member of the Subcommittee on Consumer Affairs, was adopted by the committee and stayed in the final version when the law was enacted in 1970. Many people have taken credit for the Eisenhower dollar, but Eva Adams suggested it and Flo Dwyer was its legislative author.

MARY BROOKS HAS DONE A FINE JOB

When Mary Brooks succeeded Eva Adams, we knew her mostly as a very active Republican leader with a heritage of party politics as the daughter of one Republican Senator and the widow of another. She soon demonstrated that a background in party politics is no handicap in a dedicated public servant performing a largely nonpartisan job. The demand for coins skyrocketed after she took office and she worked the mint facilities on double and triple shifts, as Miss Adams had also had to do from time to time, to meet the demand.

I salute her on her effectiveness. She has managed, while meeting all coinage demands, to turn out millions of Bicentennial and other medals authorized by Congress, and fought and won a battle within the administration to recommend special Bicentennial coinage legislation, which we expanded into a three-coin set and enacted. Faced with rapidly rising copper prices which for a time endangered continued circulation of the 1-cent coin, she worked out with our subcommittee an alternative to an aluminum substitute and we agreed on a bill providing for discretionary reduction of the copper content of the penny when and if copper prices should go high enough to jeopardize the penny.

THE HIGHLY PROFITABLE BICENTENNIAL MEDALS

Final results are not in yet, but it is now clear that the series of Bicentennial medals authorized by the Subcommittee on Consumer Affairs in the 92d Congress on recommendation of the Coins and Medals Panel of the American Revolution Bicentennial Commission, over the bitter opposition of some of the State Bicentennial commissions and one private manufacturer of medals, will have netted substantially more than $18 million in nonappropriated funds to aid the States, as well as Federal agencies and nonprofit groups in financing Bicentennial activities.

According to information provided me within the past few days by John W. Warner, Administrator of the American Revolution Bicentennial Administration, over $550,000 of the receipts from National Bicentennial Medals was allocated to each of the 50 States, the District of Columbia, Puerto Rico, Virgin Islands, Guam, and American Samoa, which was substantially more than any State Bicentennial commission was able to raise through the sale of its own medals.

Colorado raised $400,000 up to September 1 through sale of medals, but the Colorado medal was unique in that it was a national medal, the only national medal ever made in the Denver Mint, commemorating the centennial of statehood, and was specifically authorized by Congress. All of the other State medals were privately made, and are not national medals.

Considering the opposition we received in the subcommittee in 1971 during hearings on Bicentennial medals from the Franklin Mint and from Bicentennial Council of the Original 13 States, which felt this field of Bicentennial medals should be left exclusively to the States except for one national medal to be issued in 1976, I am deeply gratified that we went ahead as we did and authorized a series of National Bicentennial medals.

Administrator Warner of the ARBA, successor agency to the American Revolution Bicentennial Commission, has advised me that the $18 million in net receipts so far from the sale of National Bicentennial medals has made possible, through matching requirements, the raising of about $100 million for Bicentennial projects and events around the country by States and other agencies receiving the Federal disbursements from medals sales.

In contrast to the position taken in 1971 by the then head of Franklin Mint in opposing authorization of these medals, Mr. William T. Louth, president of Medallic Art Co., another leading manufacturer of commemorative medals, testified during those same hearings that he believed the series of national medals proposed in the legislation was not only appropriate for the Nation's observance of the Bicentennial but would, in fact, heighten interest among collectors in the various State medals to be made outside of the mint. Events have certainly substantiated that prediction.

TENTATIVE REPORT FROM AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

Early this year, I was curious as to how successfully the Bicentennial medals program was being carried out and addressed the following letter to Administrator Warner of the ARBA:

CONGRESS OF THE UNITED STATES,
January 29, 1976.

Mr. JOHN W. WARNER,
Administrator, American Revolution Bicentennial Administration, Washington, D.C.

DEAR MR. WARNER: I would like to know how much money has been raised to date by the American Revolution Bicentennial Administration (and the predecessor Commission) through the sale of medals authorized by the legislation which I handled in the House of Representatives several years ago. I would also like to know how the funds have been distributed and, in particular, how much of the medals proceeds went to each state Bicentennial Commission.

If the information is available to you, I would also like to know how much each of the state Bicentennial Commissions was able to raise through the sale of its own state medals.

As you may know, when the Advisory Committee on Coins and Medals of the American Revolution Bicentennial Commission proposed a series of National Medals, some of the state commissions strongly opposed the idea, feeling that the sale of Bicentennial medals should be left to the states as one of the few avenues open to them to raise funds for the various state observances of the Bicentennial. The original proposal of the ARBC had been held up in the Office of Management and Budget for nearly a year, based, I believe, on objections from Franklin Mint, which had contracted with individual state Bicentennial Commissions to produce state Bicentennial medals for public sale.

When the subcommittee I headed held hearings on this issue in June 1971, we received extensive testimony in opposition to a series of national commemorative medals from the chairman of the Bicentennial Council of the Original Thirteen States, the chairman of the Rhode Island Bicentennial Commission, and from Joseph M. Segel, then president of the Franklin Mint. Nevertheless the legislation was enacted, and it is my understanding that since then the National Medals have raised substantial sums of money, most of which has gone to the state Commissions directly or to sponsors of various projects in the states.

I am therefore curious to know what the result has been—whether the states, and particularly the State Bicentennial Commissions, have received more money from the sale of National Medals than from the sale of their own medals. Are these figures available to me?

Sincerely yours,

Leonor K. (Mrs. John B.) Sullivan,
Member of Congress,
Third District, Missouri.

In August, I received the following interim report:

American Revolution
Bicentennial Administration,
Washington, D.C., August 6, 1976.
Hon. Leonor K. Sullivan,
House of Representatives,
Washington, D.C.

Dear Mrs. Sullivan: This is in response to your letter requesting how much money has been raised to date by the American Revolution Bicentennial Administration and the various State Bicentennial Commissions from the sale of Bicentennial medals.

I am enclosing a report, dated August 5, 1976, on the amount raised by the ARBA. As to the State Commissions, we have been unable to gather this information. However, each Commission will be submitting a final report on their Bicentennial activities to us within the next three to four months, and we will be able to glean the information you desire from those reports. You will hear from me at that time.

With best regards.

Sincerely,

Charles F. Goodspeed,
Acting Assistant Administrator.

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION COMMEMORATIVE ACTIVITIES PROGRAM, COINS AND MEDALS SALES

Calendar year	Gross revenues	Net revenues
1972	$6,307,000	$3,845,000
1973	5,292,000	2,322,000
1974	5,472,000	2,285,000
1975	7,505,000	3,603,000
1976	13,610,000	5,172,000
Total	38,186,000	17,227,000
Licensing royalties	1,125,000	731,000
Miscellaneous receipts	265,000	265,000
Total	39,576,000	18,223,000

DISTRIBUTION OF REVENUES TO DATE

[In dollars]

Fiscal year	States project grants	Federal agency transfers	Nonprofit organizations	Tota
1974	2,200,000	1,000,000	137,000	3,337,000
1975	2,200,200	697,000	1,402,000	4,299,000
1976[1]	4,400,000	1,766,000	4,034,000	10,200,000
Cumulative	8,800,000	3,463,000	5,573,000	17,836,000

[1] Through Aug. 1, 1976.

Since I will no longer be a Member of Congress when the report referred to in the above replly would be ready, I asked Mr. Warner to make a special effort to get me the information I had originally requested, and I raised additional questions about "licensing royalties," "miscellaneous receipts" and to what agencies and for what purposes transfers of funds were made to other Federal agencies.

The following comprehensive report from Mr. Warner, dated September 27, 1976, provides information I am sure will be of great interest to every Member who joined in enacting the legislation to authorize the Bicentennial medals in the 92d Congress. That report is as follows:

American Revolution Bicentennial Administration,
Washington, D.C., September 27, 1976.
Hon. Leonor K. Sullivan,
House of Representatives,
Washington, D.C.

Dear Mrs. Sullivan: As I believe Joe Bruno advised you during an oral interim response to your letter of August 24, we have now completed meetings with all 55 Bicentennial entities and have received a substantial report on the revenues derived from the sales of medals by the various Commissions. That report is enclosed, listing the *profits* received from the sale of commemorative medals. You will note that American Samoa, Guam, Idaho, Mississippi, and Puerto Rico chose not to issue commemorative medals. The District of Columbia, the State of Texas, and the Virgin Islands are still selling their medals and advised us they would not report until a later date their total revenues. Upon receipt of the information, we will forward it to you.

Due to the variety of arrangements made with various companies to produce the commemorative medals, it was not possible at this time for the States and Territories to provide us the gross sales figures. We have requested this information and, hopefully, in the near future we will be able to report to you that figure.

Also enclosed is the report on gross and net revenues from the sales of commemorative medals only, per your request in your August 24 letter. In addition, we are enclosing the revenues from licensing royalties and miscellaneous receipts.

Regarding your question on Federal agency transfers, enclosed is a list of those transfer amounts and the purpose for which the funds were transferred. As you will recall, under P.L. 93-179 the American Revolution Bicentennial Administration was specifically prohibited from operating any programs. I quote you Section 4 (c) of the law:

"Sec. 4. (c) In performing the duties set forth in subsections (a) and (b) of this section, the Administrator *shall not operate any programs* [italic added] unless specifically authorized by law, but shall limit his functions to stimulating and encouraging appropriate public and private authorities and organizations to assume operational responsibility for particular programs."

You will also recall the Administrator was instructed to cooperate with and secure assistance from Federal departments and agencies, and I quote you Section 5. (a) of the law:

"In fulfilling his responsibilities, the Administrator is authorized to consult, *cooperate* with, and seek advice and *assistance* from (1) the American Revolution Bicentennial Advisory Council and the American Revolution Bicentennial Board, (2) appropriate *Federal departments and agencies*, State and local public bodies, learned societies, and historical, patriotic, philanthropic, civic, professional, and related organizations, and (3) bicentennial commissions of the several States, the District of Columbia, the Commonwealth of Puerto Rico and the territories, either collectively or individually. The Administrator may authorize travel as he deems appropriate for representatives and staff of such bicentennial commissions and may pay travel expenses and per diem therefor as authorized for individuals serving without pay under section 5703 of title 5 of the United States Code. Federal departments and agencies are authorized and requested to cooperate with the Administrator in carrying out his duties under this Act." [Italic added.]

I have attempted in every case to follow the intent of the congressional legislation to administer the ARBA and followed the course of transferring to those agencies already in existence and able to carry out the programs the funds to administer programs in furtherance of our Bicentennial legislation.

It is unfortunate that it took our small agency longer than we had expected to extract the information from the State Bicentennial Commissions on the revenues derived from their commemorative medals, but, in their defense, many of these Commissions operated with small staffs. Although we did, in fact, issue over $550,000 to each of the 55 entities, the majority of these funds were not used for staff and administrative costs but, per our guidelines, to fund worthwhile Bicentennial programs and projects.

The ARBA, and indeed the whole Nation, owe you a deep depth of gratitude for the strength and leadership that you personally took during those difficult formative years. Millions of dollars worth of Bicentennial programs and projects were funded throughout the Nation as a result of your action and foresight in providing enabling commemorative medals legislation.

In the Spirit of '76,

Respectfully,

John W. Warner,
Administrator.

REPORT ON NET PROFITS RECEIVED FROM THE SALE OF COMMEMORATIVE MEDALS BY THE STATE AND TERRITORY BICENTENNIAL COMMISSIONS AS OF SEPTEMBER 1, 1976

State and amount

Alabama, $13,627.
Alaska, $57,000.
American Samoa, no medal issued
Arizona, $55,000.
Arkansas, $61,529.
California, $184,000.
Colorado, $400,000.
Connecticut, $89,876.
Delaware, $45,139.
District of Columbia, not available at this time.
Florida, $60,000.
Georgia, $70,000.
Guam, no medal issued.
Hawaii, $67,500.
Idaho, no medal issued.
Illinois, $44,315.
Indiana, $38,750.
Iowa, $183,192.
Kansas, $102,589.
Kentucky, $18,472.
Louisiana, $71,000.
Maine, $51,500.
Maryland, $70,000.
Massachusetts, $62,709.
Michigan, $47,810.
Minnesota, $45,600.
Mississippi, no medal issued.
Missouri, $59,771.
Montana, $20,000.
Nebraska, $64,074.
Nevada, $200,000.
New Hampshire, $73,000.
New Jersey, $135,000.
New Mexico, $40,900.
New York, $142,500.
North Carolina, $33,695.
North Dakota, $53,460

Ohio, $53,700.
Oklahoma, $58,200.
Oregon, $10,735.
Pennsylvania, $326,000.
Puerto Rico, no medal issued.
Rhode Island, $60,500.
South Carolina, $40,000.
South Dakota, $2,000.
Tennessee, $25,000.
Texas, not available until Oct. 1.
Utah, $72,000.
Vermont, $73,223.
Virginia, $25,844.
Virgin Islands, not available at this time.
Washington, $32,000.
West Virginia, $48,162.
Wisconsin, $62,000.
Wyoming, $55,016.
Total as of September 1, 1976, $3,606,388.

(Submitted by the American Revolution Bicentennial Administration.)

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION COMMEMORATIVE ACTIVITIES PROGRAM—SEPT 15, 1976

ANALYSIS OF OPERATIONS

Item	Gross sales	Production and manufacturing cost	Net proceeds
1972 PNC	$3, 955, 000	$1, 464, 000	$2, 491, 000
1972 bronze	2, 352, 000	1, 196, 000	1, 156, 000
1973 PNC	2, 379, 000	1, 020, 000	1, 359, 000
1973 bronze	832, 000	597, 000	235, 000
1973 silver	2, 081, 000	1, 365, 000	716, 000
1974 PNC	2, 557, 000	1, 175, 000	1, 382, 000
1974 bronze	659, 000	642, 000	17, 000
1974 silver	2, 256, 000	1, 391, 000	865, 000
1975 PNC	3, 332, 000	1, 705, 000	1, 627, 000
1975 bronze	761, 000	680, 000	81, 000
1975 silver	3, 211, 000	1, 774, 000	1, 437, 000
1976 national series	15, 610, 000	9, 875, 000	5, 735, 000
1976 PNC	2, 125, 000	1, 170, 000	955, 000
Total	42, 110, 000	24, 054, 000	18, 056, 000
Licensing royalties	1, 660, 000	581, 000	1, 079, 000
Miscellaneous receipts[1]	345, 000		345, 000
Total	44, 115, 000	24, 635, 000	19, 480, 000

[1] Miscellaneous receipts:

Prior year inventory sales	$280, 000
Special BINET computer reports	19, 000
States shared cost of computer terminal rentals	14, 000
Sale of Bicentennial flags	13, 000
Sale of exhibit brochures	19, 000
Total	345, 000

Federal agency transfers, appropriation 76 × 5077, September 15, 1976

Fiscal year 1974:	
National Endowment for the Arts	$200, 000
National Endowment for the Humanities	200, 000
National Science Foundation	200, 000
Historical Publications Commission	200, 000
Smithsonian Institution	200, 000
Total	1, 000, 000
Fiscal year 1975:	
HUD—Horizons on Display	175, 000
HUD—Community Issues Dialog	60, 000
Labor—Working Americans Program	55, 000
Interior—Environmental Living Brochures	20, 000
Interior—Capital Campground Survey	45, 000
USIA—Overseas Exhibit Support	300, 000
Smithsonian—Festival of Jazz	42, 000
Total	697, 000

Fiscal year 1976—Federal agency transfers, September 15, 1976

[In thousands]

Interior:	
Joint Congressional Committee Assistance	$5
Miscellaneous Bicentennial Programs	50
Salute to the States	40
Children's Island	60
Bicentennial Visitor's Center	175
Happy Birthday USA	100
Capitol Visitor's Service	104
"200 Years" Book	71
Emergency Health Service for D.C	35
Traveler's Aid Society	25
Vice President's Reviewing Stand	11
BIA:	
American Indian Finals Rodeo	50
National Indian Pow Wow	40
USPS, Junior Committees of Correspondence	130
HUD, Horizons on Display	150
NSF, Knowledge 2000	150
ACTION:	
Citizen's Alert '76	25
Junior League's Film on Voluntarism	25
NASA, Bicentennial Exposition	160
NEA:	
"Women in America"	25
International Theatre Institute	60
Black Women's Program	50
Blackfeet Indian Crafts Project	5
Overseas Bicentennial Exhibits	100
State:	
Foreign Olmypic Team Assistance	35
Gifts to Foreign Dignitaries	5
BIA, Emergency Funds for Northern Cheyenne	4
Justice, Naturalization Ceremony in Chicago	8
Panama Canal Company, Panama Canal Bicentennial Projects	15
HUD, Community Issues Dialogue	100
Total	1, 813

COMMEMORATIVE ACTIVITIES PROGRAM

DISTRIBUTION OF NONAPPROPRIATED FUNDS, SEPT. 15, 1976

[In dollars]

Fiscal year	States project grants	Federal agency transfers	Nonprofit organizations	Total
1974	2, 200, 000	1, 0000, 00	137, 000	3, 337, 000
1975	2, 200, 000	697, 000	1, 402, 000	4, 299, 000
1976[1]	4, 400, 000	1, 813, 000	4, 528, 000	10, 741, 000
Cumulative	8, 800, 000	3, 510, 000	6, 067, 000	18, 377, 000

[1] Through Sept. 1.

Net revenues received by the Bicentennial Council of the Thirteen Original States from sales of commemorative medals

Fiscal year 1973	$516, 600
Fiscal year 1974	704, 000
Fiscal year 1975	755, 000
Fiscal year 1976	1, 040, 000
Total	3, 015, 600

Source: Obtained from financial statements in ARBA files.

PHIL LANDRUM

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FLOWERS. Mr. Speaker, I take this opportunity to pay tribute to my friend, PHIL LANDRUM, on his retirement from the House of Representatives.

During my years in Congress, it has been a pleasure for me to work with PHIL LANDRUM and to have the benefit of his wise counsel. He has been an outstanding legislator, coauthoring the landmark Landrum-Griffin Act, and advocating sound fiscal policies in his positions on the Ways and Means and Budget Committees.

The people of his district and State have been fortunate to have had PHIL LANDRUM representing them in Congress, and he will be sorely missed by his many friends and admirers here.

I wish him health and happiness in the years ahead.

RAY J. MADDEN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SISK. Mr. Speaker, it is a privilege for me to join with my colleagues in tribute to the long and honorable service of RAY MADDEN of Indiana. I have served with RAY on the Rules Committee since my election to that committee in 1961 and have watched with interest his steady, conscientious dedication to the job, and his eventual elevation to the chairmanship. This was a well deserved honor after so long a period of service.

He also has set a record for length of service as Congressman from Indiana and used that time in a never ending fight for legislation that would benefit his people.

And no one can ever forget his periodic fiery speeches on behalf of his beloved Democratic Party. Indiana and the Nation will miss the veteran legislator.

A TRIBUTE ON THE RETIREMENT OF HON. THOMAS E. "DOC" MORGAN OF PENNSYLVANIA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CHAPPELL. Mr. Speaker, I respectfully join my colleagues in paying a very special tribute to the Honorable THOMAS E. "DOC" MORGAN, of Pennsylvania. As a representative of the people, "DOC" MORGAN must be numbered among the best. With his retirement from this great body upon the adjournment of the 94th Congress, the Republic will have lost one of its most valuable servants.

His dynamic leadership as chairman of the Committee on International Relations placed him at the congressional forefront of foreign policy during the tenure of five Presidents and five Secretaries of State. The Nation was indeed well served in having a man of Congressman MORGAN'S caliber to guide us through the many controversial and critical areas during this momentous period in our country's history.

It would be well to say that it is not for his length of service, however, that we honor him, but rather for how well he served. For indeed if there is one mark or one tribute we pay him, it is that he is a politician in the finest sense of the word—a man whose purposes and accomplishments are utterly and completely in the public interest.

Few Members of Congress have enjoyed the respect and admiration we hold for our friend and colleague, "Doc" Morgan. Our prayers will ask for his continued good health, happiness, and success for the future.

TRIBUTE TO EDDIE HÉBERT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. PICKLE. Mr. Speaker, Eddie Hébert came to Congress as a prize-winning investigative reporter and journalist. During the 36 years he has served in this body, he has not lost any of the zeal for finding the truth that he had as a cub reporter.

When Eddie Hébert was elected in 1940 the world was already engaged in a massive conflict which the United States had yet to enter. There was a great debate whether this country should be preparing for participation in the global battle. Eddie Hébert was a strong voice for military preparedness then and has retained that conviction as chairman of the Armed Services Committee.

I salute Congressman Hébert for his years of meritorious service to the First District of Louisiana and to the people of the United States.

During 36 years of service here, Eddie Hébert never lost his enthusiasm for legislation, for people, or for the America he loves fiercely. He kept a rare and delightful sense of humor at all times. But he was also tough as nails when pushed too far. He would not fuss at you—even when unduly harassed. He just cut your leg off—that is all—and leave you without anything to stand on.

Most Members learned how far to push Eddie. At the same time, during debate, Eddie always let you have your say. He never cut off debate. He was never discourteous. He never lost his temper. He was gentle to a fault in this regard. No matter that he was one of the most powerful men in this House, still he was always most considerate.

I am especially grateful on one trip abroad to Eddie Hébert, who extended special courtesies to me and my wife. When I sometimes became the senior member of my committee present, Eddie Hébert would introduce me as if I were the big chairman of all the committees. He put me on a pedestal, as he did others. Many of us will always remember him. Not only as the powerful chairman of the Armed Services Committee, but as a thoughtful man who respected the rights and feelings of others.

Most of all, to me, Eddie Hébert is the epitome of the true and loyal American who loves this Nation dearly. That we are prepared militarily today is a tribute to Eddie. More than any Congressman alive today he has kept this Nation strong. Our children and our children's children will always be grateful.

THE HONORABLE ROBERT E. JONES

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ULLMAN. Mr. Speaker, I join my colleagues in paying tribute to the distinguished chairman of the Public Works and Transportation Committee, Bob Jones.

Bob's long and illustrious career has bridged an important period of transition for this country—an epoch in which remote rural areas in all sectors of the United States have relinquished their traditional mistrust of the Federal Government and have come forward to take their rightful place in the decision-making process and to lend their special perspectives to national legislation.

Bob has had an important role in this change of heart. He helped to organize public support for the TVA when work was first beginning on this massive project. And later, pointing to the vast economic and social improvements that the Tennessee Valley Authority had brought to the Appalachian region, he successfully led the fight for creation of the Economic Development Administration, and for the interstate highway and mass transit systems that have linked this country together into a cohesive economic entity. Bob has also made major contributions to the preservation and maintenance of our water resources so important to future generations of Americans.

It is a pleasure to salute him upon his retirement from the House, and to wish him continued health and happiness in the years ahead.

TRIBUTE TO THE HONORABLE DOMINICK V. DANIELS

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SISK. Mr. Speaker, the working people of America are losing one of their greatest champions in the regrettable retirement of our hard-working colleague, Dom Daniels, of New Jersey.

His specialty has been the occupational health and safety of those millions of Americans who for too long labored under less than ideal conditions at the work place. Against the determined opposition of infringed management, he led the fight to forge laws and rules which would lead to working conditions that would make death, injury and disablement on the job less likely.

This work alone would have insured his place as a great legislator, but in addition his sense of compassion, friendship and dedication has made it a pleasure for all who have had the honor to serve with him.

He will be greatly missed by all of his colleagues here in the House.

HON. ROBERT G. STEPHENS, JR.

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MATHIS. Mr. Speaker, when the Honorable Robert Grier Stephens, Jr., retires at the close of the 94th session, the Congress and the American people will lose a valued legislator and friend.

During his tenure in the House, Bob Stephens has become a man deserving of respect and admiration. Serving on the Committee on Banking and Currency, he was a valuable source of knowledge for the chairman and the entire committee. He further served as chairman for two of the committee's subcommittees, the Small Business Subcommittee and the Historic Preservation and Coinage Subcommittee. Bob also served on the Interior and Insular Affairs Committee. However, his legislative concerns went beyond his committee assignments, and he seemed to always be found in the forefront shaping legislation for improved rural and elderly housing.

Indeed, Bob Stephens will be missed by his colleagues and by all Americans. He is a dear friend and a great American.

THE HONORABLE TOM REES

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CORMAN. Mr. Speaker, when my good friend and colleague Tom Rees announced several months ago that he was not going to seek reelection to the House, I must admit that I was disappointed with his decision. While Tom felt that 10-year service in this Chamber had maximized his contribution, many of us felt that was a serious understatement of his tremendous abilities and impact on this body. While in many respects his reasons for leaving us are rational and laudable, it is difficult to accept the departure of an individual who combines integrity, and a sharply tuned sense of humor with special legislative skills.

Since Tom's special election to the House in 1965 following a successful career in the California State Assembly and Senate, he has been a valuable colleague, confidant, and friend. We share a deep civic and emotional tie to the San

Fernando Valley and its surrounding area. We represent adjoining interests and more often than not have had sympathetic viewpoints on the issues confronting the Congress. We have worked in close association to bring Federal moneys to the Los Angeles area for the benefit of our constituents. Tom is clever, bright, informative, and always cooperative. It has been a privilege for me to know and work with him.

I believe I speak for my colleagues when I publicly thank Tom for all his efforts in the area of congressional reform. We have a much more Democratic Congress operating today than we did 10 or 5 years ago and this has helped to increase our effectiveness as individuals and as a body. Tom was a leader in the fight to open up the process and his accomplishments will filter down to each succeeding Congress.

Tom has also made great in-roads with respect to the problems of urban America, monetary policy and foreign trade—his areas of special legislative interest. As chairman of the Subcommittee on International Trade, Investment and Monetary Policy, Tom has displayed great skills and a special gift as a probing investigator and excellence as a subcommittee leader. A legislative craftsman in terms of the Banking and Currency Committee, I have often turned to him for advice and counsel on matters relating to that assignment.

An interesting feature Tom brought to the Congress and will no doubt leave with him is his annual "Americans for Good Habits" rating. Tom has always felt that if COPE, ADA, ACA, and other political groups could rate the legislators, then certainly a legislator could rate his colleagues. AGH, a splendid spoof on all the percentiles attached to politicians to gauge their liberal or conservative philosophy, has been fun.

Mr. Speaker, it saddens me to see Tom Rees prematurely leave this Chamber. I respect his decision, of course, and wish him every good wish in his future work. I am confident we will continue our close relationship in and out of the Congress.

TRIBUTE TO CONGRESSMAN WILLIAM S. STUCKEY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, I would like to take a few moments to express my sadness at the departure of my good friend and colleague, the gentleman from Georgia (Mr. Stuckey).

Bill Stuckey had a short, but fulsome career in the House. While his family's former business has made his name a household word to thousands of American travelers, Bill Stuckey was not content to rest solely with pecans, pralines and candy bars. He felt a need to bring his business acumen and good sense to Washington and work in the national interest.

His service on the Interstate and Foreign Commerce Committee gave him the opportunity to implant upon the national course his own brand of fiscal conservatism tempered with human concern. At a time when service on the Committee on the District of Columbia was less than desired, Bill Stuckey took the assignment, served the people of the District well and finished his career there as chairman of the Subcommittee on Commerce, Housing and Transportation.

For those of us who knew him well, Bill Stuckey was a man you could always count on not only in the legislative process but as a friend. He was there to help when you needed him whether in the conduct of the Nation's business or with help for a personal problem. Bill Stuckey's presence will be missed both on and off the floor. I wish him well in his future plans and know that whatever he does he will be successful and well liked by those around him.

HON. JOE L. EVINS

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. STEED. Mr. Speaker, the Committee on Small Business has adopted a resolution extending its thanks to Chairman Joe L. Evins as he retires after 30 years of outstanding service in the House of Representatives, the last 14 of them as chairman of the committee.

His work on behalf of small business and as an Appropriations Subcommittee chairman has won him general recognition as one of the most capable and dedicated members of this body.

The text of the resolution follows:

RESOLUTION OF THE COMMITTEE ON SMALL BUSINESS OF THE U.S. HOUSE OF REPRESENTATIVES

Whereas, The Honorable JOE L. EVINS has been a distinguished, able, and highly respected Member of the United States Congress, representing the Fourth District of Tennessee in the House of Representatives since 1947; and

Whereas, he being the dean of the Tennessee Congressional Delegation, has served as a Member of the House Small Business Committee since 1949, and has provided great leadership to the Committee by serving as its Chairman for 14 years, during which time the stature of the Committee was increased by being elevated from a Select Committee to a Standing Committee of the House of Representatives; and

Whereas, Congressman Evins has resigned as Chairman and Member of the House Small Business Committee effective August 30, 1976, and has also recently publicly announced his intention not to seek reelection in 1976 after 30 years of very able and distinguished service; and

Whereas, in the 30 years of dedicated service in the Congress he has been recognized for his work on behalf of small business and the American public in his Chairmanship of the Small Business Committee and also as Chairman on Subcommittees on Appropriations, which were attained by following the good advice he received years ago from the late Cordell Hull that "of the many qualifications necessary in being a successful Congressman, two of the most important are patience and perseverance;" and the equally good advice from his father, the late J. Edgar Evins, who said, "Always remember there is no substitute for honesty, loyalty, and sincerity. Make this your motto." And,

Whereas, as he lays down his burden of responsibility the words of former President Lyndon B. Johnson are recalled that "Generations of Americans yet unborn will benefit from the labors of this man;" and

Whereas, during the many years of outstanding public service he has been a pillar of fortitude, and earned the respect and affection of all Members of the House: Now, therefore, be it

Resolved, by the Committee on Small Business of the House of Representatives that the thanks and appreciation of this Committee are hereby extended to the Honorable JOE L. EVINS of Tennessee for his 30 years of loyal, dedicated service in the United States Congress, performing his duties with style and dignity as one of the most distinguished and hardest working Members of the Congress, and that the Committee's best wishes go with him as he retires to private life. Be it further

Resolved, That this Resolution be made a part of, and recorded in the Minutes of the Committee's official transactions and a copy of this Resolution be forwarded to Congressman JOE L. EVINS.

As witness the signature of the Chairman this 28th day of September 1976, in the City of Washington, District of Columbia.

A TRIBUTE TO A DISTINGUISHED COLLEAGUE, CHARLES MOSHER

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. REGULA. Mr. Speaker, as the House of Representatives concludes the work of the 94th Congress, it will mark the end of a 14-year career in this House for my Ohio colleague, Charles Mosher, and the beginning of a new challenge as an educator.

During the 4 years I have had the privilege of serving with Chuck Mosher, my respect for his integrity and vision as a legislator and my affection for him as a person has continued to grow.

In an age when respect for those serving in public office has severely diminished, the record of our colleague, Chuck Mosher, epitomizes the finest in statesmanship, dignity and compassion—a record that has earned him leadership in the Congress and the trust of his constituents.

As the history of this past decade in the U.S. Congress is recorded, the name of Charles Mosher will always be synonymous with quality in every way.

The success story of our colleague cannot be told without paying equal tribute to his wife, Harriett. Chuck would be the first to share credit with his partner for every facet of their exemplary service to the people of the 13th District of Ohio.

We in the Congress and the people in the Nation will miss the thoughtful counsel of Charles Mosher, but are grateful that he shared a portion of his time and talent as a public servant.

We wish him well as he embarks on a new career of inspiration to the leaders of tomorrow.

WILBUR D. MILLS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ROSTENKOWSKI. Mr. Speaker, it is with great pleasure that I take this opportunity to join in tribute to the long and distinguished career of my friend and colleague, Congressman WILBUR MILLS.

WILBUR MILLS has been one of the pillars of strength and stability upon which the Congress and the Nation have long depended. His keen understanding of the Nation's system of taxation has impressed those throughout the various branches of Government. In the 12 years that I served with WILBUR on the Committee on Ways and Means, I, too, can attest to his abundant knowledge.

But beyond WILBUR's technical mastery of taxation, special attention must be paid to the patience and concern for other members of the Committee on Ways and Means that he has always exhibited. His tremendous personal qualities were best demonstrated by his particular skill in getting the diverse views of the committee members to converge on a decision. WILBUR MILLS is a man of powerful presence.

It is a personal pleasure to have worked with WILBUR and I know that he will be greatly missed by his many friends throughout the Congress. I am certain that not only the people of his State, but the entire Nation will long remember the illustrious career of the distinguished Congressman from Arkansas. To WILBUR and his wife, Clarine, I extend my heartiest wishes for many years of restful, but interesting and challenging retirement.

DR. DUANE E. KRATZER, JR. TO SERVE IN NATIONAL HEALTH CORPS

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PREYER. Mr. Speaker, unfortunately, podiatry has often been looked upon as a "baby brother" to the other health specialties. In fact, however, all areas of health care are exceedingly important, and podiatric services are no exception.

In this light, I am very pleased to note that Dr. Duane E. Kratzer, Jr. of Greenville, N.C. was commissioned this week at Walstonburg, N.C. to be the first podiatrist to serve in the National Health Service Corps. The Corps, which had been limited to physicians and dentists in the past, commissions health professionals to serve a 2-year term in remote areas where health providers are not readily available.

Dr. Kratzer will be operating two clinics now, and a third in the future, in Greene County, N.C. He is a graduate of North Carolina State University, Illinois College of Podiatric Medicine, and he did his residency in Arizona. The people of Greene County are grateful to Dr. Kratzer and the National Health Service Corps for providing this new and vital dimension in health care.

HON. BOB STEPHENS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BROYHILL. Mr. Speaker, BOB STEPHENS has served his constituency most effectively and I know that they, as well as I, will greatly miss his presence in the House of Representatives. BOB is not only a great legislator, but a great storyteller and his strong representations of those things in which he believes have been respected and admired by all of his colleagues.

I wish BOB the very best as he seeks a quieter life and I hope that he finds the coming years filled with happiness and success.

TRIBUTE TO CARL ALBERT

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, when the last day of proceedings of the 94th Congress comes to a close, the gavel will drop for the last time under the hand of Speaker CARL ALBERT. He will be bringing to an end an illustrious 28-year career of service both to his constituents in Oklahoma and to the rest of the Nation as well.

Speaker ALBERT's career has been highlighted by his membership for 13 years on the Committee on Agriculture and his serving as majority whip and majority leader for a total of 11 years. In the past 6 years, he has served with distinction as Speaker of the House, having served in the past on the standing Committee on Science and Astronautics, the Select Committee to Investigate Lobbying Activities, and is currently ending his career serving as chairman of the Democratic Steering and Policy Committee. As a public servant, CARL ALBERT has been a symbol of true dedication and devotion.

With the departure of Speaker ALBERT, the Democratic Party will be losing a staunch supporter of policies which have benefited all the people of this great Nation. Representing his district and Nation well, he has stood as a model of democratic leadership for all young Members of this distinguished body.

It has been a great pleasure to have served with my great friend and colleague, CARL ALBERT, and I know that the House will feel a void with his departure.

TRIBUTE TO CONGRESSMAN JIM HALEY

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CEDERBERG. Mr. Speaker, coming from the Sunshine State of Florida, our colleague, JIM HALEY, was emblematic of his State's nickname. When he departs the Congress at the end of this session, the House will be losing a sparkling personality. A leader during his tenure, JIM demonstrated repeatedly his abilities to guide needed and essential legislation through the procedural maze that snags other bills.

As chairman of the important Committee on Interior and Insular Affairs, he has made invaluable contributions both to the Congress and to the Nation. Energetic and tireless, he set the pace for his peers. His first concern was always the people and he never let anyone forget it. His constituents, his State, and the Nation can truly be thankful for his years of service.

Nor should we forget his deep interest in the veteran and our natural resources. JIM was a leading advocate for each of these interests. Conscientious of their special needs and considerations, he fought endlessly to extend more benefits to the veteran and to protect our irreplaceable natural resources.

I wish JIM the best of luck in the future. I hope he visits us often. He can always count on a friendly welcome and a moment of time. For he is a Congressman who will long be remembered and no honor in his behalf will ever be sufficient. I know my colleagues join me in saying, as best we can, thanks JIM for a job well done.

HON. BOB JONES

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. HARSHA. Mr. Speaker, the chairman of the Public Works and Transportation Committee is retiring after 30 years of distinguished service to this Nation.

I do not necessarily know what that means to all Members of this Congress, but I would like to take a few moments to tell you what thoughts this event brings to my mind and—I suggest—to the minds of other Members who have been privileged to work with Bob over a number of years.

I make these remarks as a tribute to Bob Jones. But nothing I can say would add to his stature. The legacy of his service is there to be seen—on the land all across this country and in the lawbooks. So I speak as much for the benefit of the members of this committee in the hope that we will reflect on the career of Bob Jones as we continue the work of Congress in our area of responsibility.

What has made Bob Jones a national legislator, a leader in Congress, and a great builder of America is no great mystery. The traits and talents have been there for all to see. A strong sense of what this country is, where we are today, and how we got here. That is a form of wisdom that does not automatically come with years. A sense that the works of man—the things we build—to meet the needs of man are a measure of our civilization. Though he would not be caught dead putting it that way in down-to-Earth conversation. A reverence for Congress as an institution of men and women elected, regardless of party, to do a job for this Nation. To represent them. This ultimately reflects his great respect for the people of this country.

He has fought hard for his district, his State, and his region over the years. But in doing so, he has emerged not as a parochial man or a narrow man. Rather, his dedication to his own constituents and his grasp of the diversity of this great country has made him, if anything, more sympathetic and responsive to the needs of the entire country. It has given him a range of interest and involvement tempered only by a realistic grasp of the limitations of Government and a sense of where Government ceases being a solution and becomes part of the problem.

Throughout, Bob Jones has been a source of stability and strength to this committee and the House, unswerving in his determination that the Nation's needs be met within the capacity of this committee to do so, and not distracted by the ebb and flow of public opinion and the fads which come and go.

To this, add his mastery of the skills of a legislator. Few will challenge my judgment that Bob Jones is one of the best parliamentarians in the House. I can say without fear of contradiction that he is the best legislative tactician. The record of this committee is there to prove it.

It is the uncommon combination of these skills, this wisdom, and this leadership, if you will, that has proved unbeatable. But only because they are found in a man of true warmth, compassion, and understanding.

I wish Bob Jones many happy years in retirement to enjoy the satisfactions of his career. As he leaves, he takes with him this affection, gratitude, and respect of his colleagues, as well as the constituents who have been so fortunate to be represented by the gentleman from Alabama.

TRIBUTE TO JOE EVINS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ROYBAL. Mr. Speaker, it is a personal privilege to join with my colleagues to pay tribute to a friend and fellow Member of the House who has chosen to retire after 30 years of dedicated and distinguished service. Joe Evins has represented the people of Tennessee's Fourth Congressional District since 1946, becoming one of the most influential men in Government today.

I have had the pleasure to work with Joe on the House Appropriations Committee and have been extremely impressed with the knowledge and expertise which he has brought to his position of chairman of the Subcommittee on HUD-Independent Agencies, and more recently, chairman of the Subcommittee on Public Works. His work as chairman of the Small Business Committee has also earned him distinction in the House.

Prior to his tenure in Congress, Joe Evins served as a member of the legal staff and as assistant secretary for the Federal Trade Commission, and in 1942 he volunteered for military service. He received the Democratic nomination for State senate from the 12th Tennessee Senatorial District while serving with the Army overseas, but declined to accept the nomination during the continuance of the war. It was not until 1946 that Joe realized his childhood ambition and became a Member of the U.S. House of Representatives. Since that time he has served in the House as a dedicated public servant, becoming an important force in the legislative process.

He has achieved tremendous power and stature in the House and will certainly be missed. It has been a true pleasure to know and work with Joe here in Congress and I want to take this opportunity to wish him the very best in the years ahead.

HON. DOMINICK V. DANIELS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, I am pleased and honored to join in today's special order of the House of Representatives in testimony to the outstanding record of performance of my good friend and colleague, the Honorable Dominick V. Daniels of New Jersey, who has served the people of his district, the State of New Jersey, and our Nation with the highest standards of excellence.

The quality of his outstanding leadership in service to our people, particularly in the field of labor and education, is applauded by all of us. I am especially proud to have been associated with him as a New Jersey colleague and to have had the benefit of his good counsel and judgment.

In addition to the privilege and honor of being considered amongst his many, many friends, Dominick's exemplary public service, personal commitment and sacrifice as a dedicated Member of Congress has been an inspiration to all of us. His expertise and record of achievement in developing legislation to expand and intensify our Nation's commitment to the workingman and his family, the education of our children, equity for the Federal employees, and the security and dignity of our senior citizens is now forever lastingly etched in our historical journal of Congress.

I appreciate the opportunity to publicly acclaim all of his good works and share the pride of his wife Camille and his daughters Barbara, Mrs. Gerald Coleman, and Dolores, Mrs. Victor Maragni, in his accomplishments and lifetime of dedicated public service which have truly enriched our community, State, and Nation.

We do indeed salute a great friend and colleague, Congressman Dominick V. Daniels, an esteemed lawyer, distinguished statesman, outstanding representative of our people—and great American.

EAST LOS ANGELES COLLEGE—DR. RODRIGUEZ TRIBUTE SLATED

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DANIELSON. Mr. Speaker, I would like to call the attention of my colleagues to a significant event taking place during October when a dinner will be held to salute East Los Angeles College on its 30th anniversary of service to our community and to simultaneously pay tribute to college president Dr. Armando Rodriguez.

East Los Angeles College is one of the young colleges that sprung up after World War II in California to answer the increased need for institutions of higher education. Starting as a 2-year junior college, it soon became a full-fledged 4-year college.

In the beginning the college was run by the Los Angeles City Board of Education, which was primarily concerned with elementary and secondary schools throughout the city of Los Angeles.

While I was in the California State Legislature I recognized that the seven community colleges in the Los Angeles district, which included East Los Angeles Community College, needed their own separate governing board and I am proud to say that I am the author of the California law which created the separate Los Angeles Community College District with its own separate board of trustees.

Later I had the honor of administering the oath of office to the members of the first board of trustees after they were elected by the voters of the district. Incidentally, California's present Governor, the Honorable Edmund G. Brown, Jr., was one of the charter members of the board of trustees of the Los Angeles Community College District.

This change of administration was a milestone in the development of East Los Angeles College. Another important landmark came when Dr. Armando Rodriguez was named president of the college just a little more than 3 years ago.

Because of its location, a large percentage of the students at East Los Angeles College are of Mexican American heritage. Dr. Rodriguez is the first Mexican American president of the college, as well as the first person of Mexican descent to become a college president in the Los Angeles Community College District.

He was born in Gomez Palacio, Durango, Mexico, was graduated from San Diego State College where he also obtained his master's degree, and after beginning his career as a teacher in San Diego soon became the first Mexican-American school principal in San Diego.

Dr. Rodriguez was employed by the California Department of Education, eventually heading the Department's Bureau of Intergroup Relations, before joining the U.S. Office of Education in Diego soon became the first Mexican American Affairs Unit in the Office of Education, which later evolved into the Office for Spanish-speaking American Affairs with Dr. Rodriguez as its director. He then served as Assistant Commissioner for Regional Office Coordination for almost 3 years in the Office of Education before taking the post at East Los Angeles College.

Under his leadership the college has continued to improve the service it provides to students from a wide area surrounding the community. I want to commend both East Los Angeles College and Dr. Rodriguez on this 30th anniversary of the founding of the college.

A TRIBUTE ON THE RETIREMENT OF HON. ROBERT G. STEPHENS, JR., OF GEORGIA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CHAPPELL. Mr. Speaker, I rise today to pay tribute to my friend and distinguished colleague, the Honorable Robert G. Stephens, Jr., of Georgia. One of my special privileges in the U.S. House of Representatives has been to serve with him on the Banking and Currency Committee, where he has long been a tower of strength and where his knowledge and quiet counsel have been of particular assistance to me.

His outstanding ability, integrity and devotion to duty inspired those who served with him and made him an honored Member of the House, as well as the warm and steadfast friend of all who were privileged to know him

In my personal opinion, when Bob Stephens retires, the House will have lost a great humorist. His quick wit has been a joy. Bob always had a story to tell—some good, some not so good. But one thing you could always count on, if some of his stories lacked quality, he more than made up for them in quantity.

Congressman Stephens is a man of high principles, with a sense of humor that never failed to provide a spiritual lift to all who came in contact with him. He is loyal and courageous, and dedicated to public service. Words are inadequate to state the value of his service to our Nation, but let it be said here and now that he performed a service worthy to be remembered. We shall miss Bob Stephens and wish him all success and happiness in his retirement.

TRIBUTE TO BISHOP JOSEPH M. PERNICONE—50 YEARS IN SERVICE TO GOD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, on December 18, Bishop Joseph M. Pernicone will celebrate the 50th anniversary of his ordination to the priesthood. I would like to take this opportunity to pay tribute to such an outstanding and beloved member of the clergy on achieving this milestone.

Bishop Pernicone was born November 4, 1903 in Regalbuto, Sicily. Be began his religious training at a very early age in Italy and immigrated to New York in 1920. There, he continued his education, first at Cathedral College then at St. Joseph's Seminary in Yonkers, N.Y., where many of this Nation's finest clergymen have attended In 1926 he attended graduate school in Canon Law at Catholic University here, in Washington, D.C.

He was ordained on December 18, 1926 by Bishop, His Excellency the Most Reverend John J. Dunn in the Church of the Annunciation of New York City. He then embarked upon a career in service to God and his fellow man which is among the longest of any priest in the New York area.

For the next 14 years, the then Father Pernicone provided two parishes with the benefits of his dedicated service. The first was Our Lady of Mount Carmel Church in Yonkers where he served for 4 years. A short 4 years later, Father Pernicone was named to his first post as Pastor of Our Lady of Mount Carmel Church in Poughkeepsie, N Y Father Pernicone, for the next 12 years, provided the parishioners of Our Lady of Mount Carmel Church with dynamic spiritual leadership and among his major accomplishments while serving there, was his founding of Our Lady of Mount Carmel School.

My personal association with Father Pernicone came as a result of his 22 years as pastor of the Church of Our Lady of Mount Carmel, located in the Fordham-Belmont section of the Bronx which I represent in the Congress. This area of the Bronx contains one of the largest Italian-American communities in the Tri-State Area of New York, New Jersey and Connecticut. While serving in this capacity, Father Pernicone distinguished himself as both a religious and community leader. The parish, during Father Pernicone's years, grew and the church continued to serve as an important center for friends and neighbors to worship and socialize together. While serving the community, Father Pernicone established a school for the children of the Mt. Carmel parishioners as well as a youth center to provide the children with meaningful activities. A church which can respond to the changing times and needs of the community is a church which will endure through the years. Under Father Pernicone's leadership, the groundwork for longevity was established and the church continues to serve the community.

Accompanying his years as pastor of Mt. Carmel in the Bronx, Father Pernicone's outstanding work began to attract official recognition by the Catholic Chuch. One year after assuming his duties as pastor, he was named by the Holy Father as private chamberlain with the title, very reverend monsignor. Seven years later, he was appointed a domestic prelate by the Pope with the title, right reverend monsignor. On May 5 of 1954, he achieved the pinnacle of his religious career when he was officially consecrated auxiliary bishop of New York at St. Patrick's Cathedral in New York City. Bishop Pernicone expressed his basic philosophy simply and eloquently at the time he was named bishop, saying, "to me, to live is Christ."

In 1966, Bishop Pernicone was appointed pastor of the Holy Trinity Church of Poughkeepsie. He brought with him a wealth of experience and leadership to Holy Trinity and aided in the growth of the church and the expansion of its community activities. He currently serves as Episcopal Vicar of Dutchess County, N.Y., as well as an active member of the Dutchess County Inter-Faith Council and the Dutchess County Clergy Association.

Through the years, Bishop Pernicone has been a leader in the Italo-American community. In addition to presiding over one of the largest Italo-American parishes in this Nation, he is a member of many Italo-American organizations in the city. Included among these organizations is the Columbus Citizens Committee, and AMITA, an organization of outstanding Italo-American women. He also serves as first chaplain of the New York Columbian Lawyers.

Bishop Pernicone has blended a sense of tradition with a keen knowledge of the needs of the present in all of his work. The role of the modern day priest entails a great deal more than celebrating mass. The modern day priest must translate God's words into action and service to his fellow man. It requires personal strength and unyielding faith. Bishop Pernicone has these qualities and many more which have made him the outstanding religious leader he is. Bishop Pernicone has endeared himself in the hearts of the thousands who have come in contact with him.

Mr. Speaker, I could continue to pour accolades on this remarkable man, yet he would feel uncomfortable receiving them. For him, actions speak louder than words—his 50 years in the priesthood are a testimonial of his adherence to this philosophy. A more meaningful tribute to Bishop Pernicone would be a commitment that we all carry out our lives in the same tradition of love and dedication which has characterized the life of this great servant of God, Bishop Joseph Pernicone.

GOVERNOR SHAPP SUPPORTS UNIFORM STANDARDS FOR UNEMPLOYMENT INSURANCE

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. EDGAR. Mr. Chairman, today the House approved a comprehensive bill which made important changes in the permanent unemployment compensation program. The bill, H.R. 10210, increases the taxable wage base from $4,200 to $6,000 effective January 1, 1978. It also increases the net Federal tax rate from 0.5 percent to 0.7 percent effective the first of next year. H.R. 10210 changes the State trigger for extended benefits, and makes a number of important changes in the supplementary security income program.

I received a provocative letter from Gov. Milton J. Shapp, from my Commonwealth of Pennsylvania, expressing a number of proposals about the unemployment compensation program. I believe that the letter deserves the attention of all my colleagues, and insert it in the RECORD at this point:

OFFICE OF THE GOVERNOR,
Harrisburg, Pa., September 7, 1976.

HON. ROBERT W. EDGAR
Cannon House Office Building,
Washington, D.C.

DEAR BOB: The time has come for all of us in government, at both national and state levels, to address ourselves to the need for uniform standards in our unemployment insurance system. I am referring to the general rules and guidelines for determining whether an unemployed worker may qualify for unemployment compensation and, if he or she does qualify, the amount and duration of the payments to be made; and to the standards for determining the liability of employment establishments to maintain funds for the payment of this insurance.

EMPLOYES' COMPENSATION RIGHTS

1. The absence of uniform standards with respect to these laws has led to disparities throughout the states that are indefensibly unfair both to the victims of unemployment and their employers, and procedurally cumbersome for employers, claimants and state agencies administering this insurance system.

I am not recommending or even suggesting the "nationalization" of the administration of unemployment insurance, although there obviously would be no constitutional bars if the Congress decided on that course, since the problems of unemployment in all its aspects clearly transcend state lines. I believe, however, that almost everyone knowledgeable in this field now agrees that the choice the President and the Congress made forty years ago when unemployment insurance was established was a wise one—namely, that in the concepts of our "federal" system of government, unemployment demands constructive roles at both the national level and state level, a sharing of responsibility in the public interest in which the administrative apparatus will reside in the states. This has always been my position on this subject, and it was from this stance that I made essentially the same recommendations I am now making to you on H.R. 10210 when, as a businessman, I spoke to the House Ways and Means Committee in 1965. (My remarks, at that time, were directed to H.R. 8282, if you should care to refer to it.)

The trouble through the years has been that the original theory that some 48 or 50 separate state laboratories of experimentation would produce a model set of standards that all would more or less automatically adopt for a fair and reasonably uniform system failed to materialize. This, together with the omission of Congressional action other than requiring that a state have some type of unemployment compensation law, and certain relatively formal "standards" having little to do with the substance of the system, accounts for the disparities we find today, to the detriment of employes, employers, and the public in general.

The "reasonable uniformity" that I am recommending you consider in this income-maintenance program would fully recognize variations that exist from region to region and state to state in wage and salary levels, as well as differences among individuals in work and earnings patterns. No dollar-sign maximum, minimum or intermediate compensation amounts would be imposed. The uniformity that would be standardized in this respect is simply that workers who have substantial "base year" earnings prior to becoming unemployed through no fault of their own should be compensated on a weekly basis for at least 50 percent of the weekly wage amount the individual has lost. Any state legislature that has or desires to provide for a proportionately larger payment would be free to do so, but there is no justification for any state to provide less than this proportion, and this requirement should now be made a minimum standard in all states for all eligible claimants in this insurance system.

2. The maximum weekly compensation amount payable under any state legislation should also be standardized, again not by any "dollar ceiling" but according to the average weekly wage of all workers within the state. At present, many states impose unrealistic dollar limits on how much any unemployed worker may receive. Some employes, for example, who were earning $200 or more a week when they were laid off, are prevented from realizing 50 percent of their weekly wage loss by arbitrary "ceilings" that limit the amount that one can be paid to no more than say $75 a wek. This is not an uncommon practice, and it has the effect of depressing and defeating the purpose of this public insurance system. It is unfair to the individuals who are thus prevented from receiving what they are entitled to in relation to their earned income and losses; it is detrimental to the communities where they live because of its senseless depression of purchasing power already reduced by layoffs. A reasonable uniform "ceiling" for any state system would be a provision that it shall be set annually at two-thirds of the statewide average weekly wage during the previous fiscal year in that state.

Note carefully that this standard would not require any employe to be compensated at more than 50 percent of his own weekly wage! This caution is prompted by the fact that proposals for adjusting the maximum compensation rate in relation to two-thirds of the statewide average weekly wage have often been misrepresented as calling for each worker to be paid two-thirds of his or her own weekly wage and, consequently, "dulling claimants' incentive to work." That is not the meaning of this proposal, and it certainly would not have that effect. A person who has been earning $200 a week is hardly going to lose his incentive to work by the receipt of $100 a week of insurance when he is laid off.

3. Another feature of unemployment insurance that calls for uniform standards is the duration of weekly compensation payments to those who remain unemployed. Lack of uniformity in this area has resulted in senseless variations among state laws. Some state laws, in complete disregard of basic insurance principles, restrict the duration of wage-loss protection to the number of weeks the individual claimant worked in his "base year". If he had recently entered the labor force, he may find that his total insurance entitlement, even though he had a sufficient insurable "base year" work/wage history to "qualify", is limited to the 16 to 18 weeks he worked before he lost his job. Aside from insurance concepts, such variable restrictions penalize hopeful new entrants into the work force—youths who recently have found what appear to be substantial work opportunities only to be laid off several months later. This is a condition that often occurs under the layoff practice of "last-in, first-out". With respect to this aspect of our unemployment insurance system, I recommend enactment of a nationwide standard that every state law shall provide, for all employes who have met insurable qualifications, that there be a uniform duration of at least 26 weeks of full insurance entitlement in a claimant's "benefit year" under the state law. And again I would remind you that this standard too is only 50 percent of the number of weeks in any year. (Later herein, you will note how adoption of this practical standard for state law entitlement would also simplify and make more equitable the relief of employment establishments for the cost of compensation paid for extended unemployment beyond 26 weeks.)

4. At the other end of the spectrum of our work force are those individuals who lose their jobs because of their age although they remain employable. A study in the last decade by the Social Security Administration revealed that a fourth or more of employes who have reached age 62 and financially "qualified" for Social Security, nonetheless, are active workers and that their earnings amounted to four-fifths of all the private and public retirement "pensions" in the country.

In all fairness, these people cannot be ignored any more than our youth who are just entering the work force. For them I propose a uniform standard that state unemployment insurance laws may not require the arbitrary deduction of their Social Security and "retirement pensions"—for which they have worked and contributed—when they remain able and available for work but become involuntarily unemployed through no fault of their own. A permissible exception to this provision would be that part of a claimant's private pension which is in excess of his weekly unemployment compensation amount; this could be made deductible.

State unemployment compensation laws do not require deduction of income from savings accounts or rents a person has managed to lay by over years of work. It is inequitable and indefensible that his insurance system should permit the arbitrary deduction of Social Security and other "pensions" from the insurance that healthy and hearty older citizens qualify for when they continue to be active members of the work force

FINANCING. EMPLOYER LIABILITY AND GENERAL REVENUES

As to rules affecting employment establishments and their liability, there has been an equally shocking neglect, in my opinion, of the uniformity envisioned when this insurance system was established many years ago. Experimentation at state levels has not automatically produced a set of uniform principles and practical guidelines in this aspect of the system either. Consequently, we find needless complexities and vagaries throughout the system in the formulas for computing employer contribution (payroll tax) rates, in the practice of charging "new employers" special tax rates to attract new industries (many of whom are "new" only in the sense of corporate charter); and in specifying the point at which employer financing should end and general revenue financing commence for long-term unemployment.

In the interest of more coherent, equitable and practical rules on the financing side of this insurance system, therefore, I also recommend Congressional enactment of the following provisions:

1. A standard "experience rating" formula for determining charges and tax rates of all employers on a taxable wage base of $6,000, at tax rates ranging from a minimum of 1% to a maximum of 5%. No establishment should be permitted to contribute less than 1% to the pooled state unemployment compensation fund regardless of its own "experience" with employment and unemployment in its operations, since every employment establishment benefits to at least this extent from the financial support the unemployment insurance system provides for the entire economy.

2. A standard uniform tax rate of 2.7% for the first two years of operations of a bona fide "new employer" while it is establishing an "experience" on which it can be rated for tax purposes under the uniform rate-making formula.

3. A cut-off of charges for all employer tax purposes for any compensation paid to a claimant during a benefit year at that point when he has received the equivalent of 26 weeks of his compensation entitlement for that year.

All payments of compensation beyond the equivalent of 26 weeks of an employee's entitlement in a benefit year should be financed out of national general revenues since the cause of such extended unemployment cannot reasonably be attributed to any employment establishment. Congressional provision for requisite appropriations for this purpose should be enacted as a companion measure to the above uniform standards for all state unemployment insurance laws.

All of these proposals are fully within the power and responsible overseeing role of the Congress with respect to the unemployment insurance system. They are in no sense foreign to the concepts on which this insurance system was established forty years ago with the view to eventual uniformity of its basic provisions, with the administration of the system remaining in the states.

These proposals are not even "new" for, as I remarked at the outset, they have been made many times before, and twelve years ago, I myself recommended to the Congress adoption of essentially the same standards outlined in this letter.

Sincerely,

MILTON J. SHAPP,
Governor.

IS THE FEDERAL GOVERNMENT TAKING OVER EDUCATION?, AN ARTICLE BY SAMUEL HALPERIN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BRADEMAS. Mr. Speaker, one of the most respected leaders in American education is Dr. Samuel Halperin, director of the Institute of Educational Leadership at George Washington University.

From 1966–69 Dr. Halperin was Deputy Assistant Secretary for Legislation at the Department of Health, Education, and Welfare.

I believe that Members of Congress will read with keen interest Dr. Halperin's article, "Is the Federal Government Taking Over Education?" published in the summer 1976 issue of Compact magazine.

The article appeared previously in a slightly different form in the June 1976 issue of the journal Phi Delta Kappan.

The article follows:

IS THE FEDERAL GOVERNMENT TAKING OVER EDUCATION?

(By Samuel Halperin)

FEDERAL LEGISLATION

To be sure, federal legislation is increasingly preemptive, prescriptive and regulatory. Indeed, the weight of federal guidelines and regulations may soon outweigh the beneficial impact of relatively meager federal fiscal support. A maze of federal programs is hard to understand, let alone to administer, particularly as Congress frequently rewrites basic law. The cumulative impact of over-regulation, underfunding and sluggish federal implementation is a "junior partner" impinging upon educational autonomy as never before, while bearing relatively less of the educational burden with each passing year.

STATE AUTHORITIES ARE DEFAULTING

Yet the basic problem is not, as a growing number of educators assert, that Congress seeks to take over the nation's schools or that power-hungry bureaucrats are intent on displacing state and local decision making. If anything, Washington is increasingly aware of the limits of federal intervention and of the vast distance between enacting a program in the federal city and making something happen in the classroom. The junior partner may be misguided, but this "imperialism" is more akin to reluctance than ambition.

Why, then, the increasing federal inroads on state policy making? Because the federal system is seriously out of balance. In Congress' perception, state authorities and educators alike are defaulting on difficult problems. Name any major social issue of our time—the war on poverty, access to equal educational opportunity, sexual and racial equality, equalization of educational financing, privacy and the rights of individuals. Washington's typical response is to "solve the problem" with federal incentives, well intentioned but sometimes ill conceived.

Congressmen see themselves as having been elected to legislate. Confronted with a problem and a showing that other levels of government are "defaulting," their strong tendency is to pass a law. Ten years ago, money was Washington's antidote for problems. Now, the new fiscal realities—inflation, high unemployment and huge budget deficits—mean that Congress provides fewer dollars. Still determined to legislate against problems, Congress uses sticks instead of carrots.

NO VOICE FROM THE STATES

But why doesn't someone stand up more often against ill-conceived and harmful public policy? In brief, because the voices of the states are scarcely heard in the nation's capital. Intergovernmental political and educational mechanisms for developing and communicating state policies that stand in effective contrast to those advanced by various factions in Washington are in sad states of disrepair.

Governors and state legislators are only now showing early awareness of the implications of Washington's seven to eight percent contribution to state and local educational expenditures. Most of them admit that they have been too busy with their own programs to study the impact of Washington's. Even the education associations in Washington are loath to criticize new authorization bills, especially ones that emanate from pro-education, activist congressmen and that promise additional financial aid for hard-pressed educational systems.

To take issue with members who control key legislation is not yet fashionable. Neither is it considered politic for one education association to oppose the authorization bills promoted by another. The rule seems to be: Let every interest have its hunting license to get whatever can be gotten from the budgetary process. There is as yet no general recognition that the goals pursued by some groups can only be achieved at the expense of others or by heavy administrative and regulatory burdens for the educational system.

Overall, there is nothing today that can pass for "the state's view of education," nothing like a sense of "what educators want from the federal government" (other than "more money!"), nothing that can be described as a consensus on "the appropriate federal role in education." Whether one sees the "feds" as "trying to take over" or the states as being in "utter default on their responsibilities," the result is increasingly the same: acrimony, contention and unsatisfactory educational outcomes.

What can be done to restore balance in the federal education system and halt the drift toward domination by federal priorities and federally mandated limitations on state and local decision making?

NEED FOR STATE AND LOCAL INITIATIVES

There are no single, simple solutions. Rather, what is required is a systematic and sustained effort. The best defense against big government on the Potomac is to move locally, in timely and deliberate fashion. Well-intentioned Washingtonians who would solve all problems by fiat or by financial inducement can be deflated, if not always completely blocked, by a strong showing of state and local initiative.

Other measures offer promise to bolster vigorous and countervailing state and educational leadership:

1. The Education Commission of the States must be strengthened, in leadership and in finances. ECS must develop concrete alternatives to unwise federal action. But first the states must contribute much more than their current eight percent of the ECS budget, reducing the ECS's present 85 percent reliance on federal funds.

Since it is not feasible for state funding to completely replace federal support, ECS's goal should be a "no-strings" annual federal appropriation geared solely to increasing the current level of nonfederal funding. Incentive grants have proven successful elsewhere. For example, Ford Foundation grants to 84 private colleges raised over $1 billlion to match Ford outlays of $349 million. Similarly, federal vocational education grants have been overmatched by the states by as much as 10:1.

ECS's new leadership may continue to seek federal categorical funds and foundation grants. However, a strong noncategorical basis of funding can come only by Washington's providing a fiscal incentive to the states to do better toward the ECS. An unrestricted federal outlay of $5–$10 million annually in return for increased state, local and foundation suport of, say $5–$20 million can go far toward realizing the original Conant-Sanford vision for the ECS.

2 Other countervailing instrumentalities must also be strengthened if the federal system is to work in better balance. Key among these are the political arms of state government—the legislatures and the offices of the governor. Surely those who decide the policies and provide the budgets for the most expensive of all state public services—education—deserve strengthening of their present generally inadequate capacity to understand and to shape state educational policy.

While many educators will undoubtedly resist any such strengthening for fear of intrusion onto their turf, the alternative of irresponsible and uninformed political intervention seems by far the greater danger.

Therefore, legislatures ought to build effective processes of educational oversight and governors should obtain independent analyses of pressing educational and human resource issues. If the best way to achieve such strengthened analytical capacity is through the encouragement of a federal matching grant program, so be it. There is nothing inherently wrong with the Department of Health, Education and Welfare helping the states' elected officials to do their jobs better. With the U.S. Office of Education currently providing from 40 to 80 percent of the budgets of state departments of education, it is high time to consider building up state policy making as a complement to that of state education agencies.

3. Federal support of state education agencies also needs reconsideration. Although state agencies are rendering more effective services than before the advent of federal aid, no one believes that they are meeting their responsibilities fully. Again, some additional funding is needed, but it appears unlikely that the "feds" will absorb the tab. Title V of the Elementary and Secondary Education Act, currently granting $58 million to state education agencies, ought to be made a matching program. Legislatures should be given financial incentives to strengthen their own state education agencies, rather than allowing them to be only a little stronger than what Washington is willing to fund.

4. Education associations that speak for the states must also be strengthened so that they can more effectively cope with Washington's various legislative and regulatory activities. It seems absurd for the chief state school officers to berate Washington while they are unwilling to provide their own council with more than one paid legislative representative. By contrast, the National School Boards Association has five and the National Education Association 10. Incidentally, the ECS has only a parttime Washington "consultant."

5. Intergovernmental processes must also be strengthened and new forums for communication must be developed if Washington is to hear the voices of state leadership, and vice versa. As it is, there is virtually no opportunity for sharing of views among federal and state legislators or among governors' education aides and their counterparts in the U.S. Department of Health, Education and Welfare (HEW).

Congressional and HEW hearings and other opportunities for getting state input into federal policy formulation are increasingly empty rituals, seldom enabling Washington policy makers to hear from governors, legislators, state budget analysts and others who will have to live with Washington's decisions. So long as state officials have difficulty traveling out of state, so long as Washington officials do not feel obligated to seek out the views of important state policy makers, and so long as such organizations as ECS, the National Conference of State Legislatures and the National Governors' Conference are not regular parties to official Washington's considerations, so long will the federal system remain seriously out of balance. While the convening, brokering and communicating activities of organizations such as the Institute for Educational Leadership are helpful they are no substitute for intergovernmental bridge building on a grander scale.

6. Another necessary organizational improvement may seem paradoxical at first glance. For even a limited federal role in education to operate effectively, the U.S. Office of Education must be strengthened in leadership, stature and services to education. When the USOE performs far below its full potential, those who suffer most are likely to be the very state authorities we would wish to see enhanced. Junior partner or not, the USOE is not now adequately handling its share of the load.

CONCLUSION

The dangers of federal takeover are real. State and educator defaults on their responsibilities are often equally real. The best way to resolve our difficulties is not, however, to set the "feds" against the states, and vice versa, in displays of adversary pyrotechnics. Such conflict and recrimination can only deflect government at all levels from the necessary strengthening of the educational system.

Rather, we must recognize anew that the federal system means that all partners—senior and junior alike—are inextricably part of one family. Communication among family members must be kept continuously open and vital. Each member must do his proper share in the recognition that, ultimately, the well-being of the whole depends upon the contributions of each.

PHIL M. LANDRUM

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SISK. Mr. Speaker, there are few retiring Members of the House who will be more sorely missed than the quiet Georgian, PHIL LANDRUM.

His warm personality, suffused with the charm of a gentleman from the Old South, have endeared him to all who have served with him.

And his name will long endure on a famous piece of legislation, the Landrum-Griffin Act, which has done so much to curb abuses by the few unscrupulous leaders of labor unions.

While taxes are a sore subject with most Americans, at least PHIL can be remembered by them as one who has labored long and hard for an equitable tax system through his work as a long-time member of the Ways and Means Committee.

We will miss you, PHIL, and our good wishes go with you into a well-earned rest in retirement.

TRIBUTE TO HON. DAVID HENDERSON

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ULLMAN. Mr. Speaker, in saying goodby to those Members who are retiring this year, we must single out the Honorable DAVID HENDERSON of North Carolina for special recognition.

Although DAVE has had the seemingly unenviable task of heading the Post Office and Civil Service Committee during a difficult period of reorganization and increasing demands on the part of Government employees, he has conducted himself with distinction and honor. DAVE has impressed us with his dependable leadership at a time when it has become increasingly difficult to hold the executive departments and their employees accountable to the public at large.

I am honored to have had the opportunity to have served with DAVE, and join with my colleagues in expressing my best wishes for his continued good fortune in the years ahead.

HON. F. EDWARD HÉBERT

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. MATHIS. Mr. Speaker, in 1941, F. EDWARD HÉBERT was elected to the House of Representatives and when he retires at the end of this Congress, he will have completed 18 terms.

I could list indefinitely the many services he has rendered to his constituency in Louisiana. I could go on and on about the powerful leadership he has provided for the armed services in this country, but I would need much more space than this to list the accomplishments. Let me simply say, Mr. Speaker, that Mr. HÉBERT will go down in history as one of the most outstanding Members of this body, and every man and woman who has served in the Armed Forces of this country owes allegiance to the support and commitments that this man made for them. The next Congress is going to miss Mr. HÉBERT, and this country will miss him even more.

BELLA ABZUG

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mrs. BOGGS. Mr. Speaker, I rise today to express admiration and respect for our colleague and friend, Bella Abzug.

I deeply regret that Bella will not be returning next year as a Representative to the 95th Congress, and I wish to take this opportunity to say that we all will miss her very much.

Bella has been an outspoken and untiring spokeswoman for the interests of the poor, and for those to whom our society has not yet accorded full participation in our economic or political life. She has, of course, made an exceptionally noteworthy contribution in this House to furthering the interests of women as we come into full partnership in all walks of our national life.

Through her tremendous dedication, Bella has truly raised the "consciousness" of America and her name has become synonymous with feisty perseverence in the fight for equality on many fronts.

I have no doubt whatsoever that we will continue to hear from Bella in the political and social arenas as she turns her attentions and talents to other projects, and I am equally sure that her future endeavors will have as much excitement and success as her work has enjoyed in the House of Representatives.

I would like to extend my fondest best wishes to Bella and to Martin, her effective, supportive husband. Together they have given an example of filial devotion and persuasive leadership in the cause of justice and peace to their legions of admirers.

HON. OTTO PASSMAN

HON. JACK HIGHTOWER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. HIGHTOWER. Mr. Speaker, my friend, the gentleman from Louisiana, Mr. Passman, prepares to end his distinguished service to the people of the United States of America at the adjournment of this Congress.

Although our tenure of service together as a Member of this body has been brief, our friendship has grown during the last 2 years and it is with a sense of personal loss that I anticipate the next Congress without the privilege of his kind encouragement, wisdom and counsel.

Otto Passman and I share the distinction of having been honored by our fraternity in our home jurisdictions by election to the position of Grand Master of Masons. In Congressman Passman's case, it was another service that came from the great, warm heart of this humanitarian. He has always brought honor to each position and responsibility that has been placed in his charge through a long career.

I will always be grateful that I could witness briefly a part of the great service of Otto Passman. The passing parade moves on but the melody and harmony produced by this good life well spent will remain in the memory of thousands, and the good that he has accomplished will continue to bear fruit when the names of lesser men have slipped into the forgotten trivia of history.

DR. MAHLON B. HOAGLAND: RECIPIENT OF THE FRANKLIN MEDAL

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. EARLY. Mr. Speaker, Dr. Mahlon B. Hoagland, president and scientic director of the Worcester Foundation for Experimental Biology in Massachusetts has been selected as the recipient of the Franklin Medal, given annually for scientific achievement by the Franklin Institute of Philadelphia. This is a most noteworthy award which goes to a most deserving man and scientist. Under his guidance and leadership and that of his father and predecessor, Dr. Hudson Hoagland, president emeritus, the Worcester Foundation has continually been in the forefront of meaningful scientific research and discovery. For this dedicated excellence, Dr. Mahlon Hoagland has been recognized by his peers by being chosen for one of the most prestigious awards the scientific world can bestow.

Established in 1824 as a school the Franklin Institute has since become a research and development organization with a membership of 8,000 persons. A private organization, independent of any other, it functions as a scientific and educational establishment for public service and is known as the capitol for American scientists.

The presentation of this gold medal is to be made in November of this year at a special awards ceremony honoring those men who have made important scientific contributions. Established in 1914 as the institute's highest scientific award, it is presented to workers in physical science or technology, without regard to country, whose efforts have done the most to advance a knowledge of physical science or its application. Past recipients of the medal include such men of scientific note as Thomas Edison, Albert Einstein, Orville Wright, and Guglielmo Marconi.

Dr. Hoagland is a graduate of Harvard College and Medical School; was a member of Harvard's Department of Medicine and Research Group, Huntinging Laboratories, Massachusetts General Hospital from 1948 to 1960; associate professor of bacteriology and immunology at Harvard Medical School from 1960 to 1967; and professor and chairman of the department of biochemistry at Dartmouth Medical School from 1967 to 1970 He joined the staff at the foundation in 1970.

Dr. Hoagland discovered the mechanism of amino acid activation and the role of transfer ribonucleic acid in protein synthesis.

JOE L. EVINS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ROSTENKOWSKI. Mr. Speaker, upon meeting Joe Evins one must note that he is a gentleman of the first rank. But there is much, much more to the distinguished Member from the State of Tennessee. As chairman of the Subcommittee on Public Works of the House Committee on Appropriations, Joe has overseen the financing of the building of much of America. The list of dams, locks, powerplants, and research facilities which Joe has helped fund is long. In his position as chairman of the Committee on Small Business, Joe has been an effective voice of the small businessman at a time when the move toward ever greater concentration has encompassed the private sector Joe has done much for the people of the Fourth District of Tennessee, for his State, and for his Nation. He has been without question one of the most effective men in Congress.

I know he will be sorely missed by all his colleagues in the Congress. I am certain that the people of middle Tennessee will long remember the Congressman who served his constituents with vigor, with enthusiasm and with a great deal of concern. To Joe, his wife, Ann, and three daughters, I extend my heartiest wishes for many years of challenging and interesting retirement.

DAVE HENDERSON

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BROYHILL. Mr. Speaker, I want to extend my very best wishes to Dave Henderson as he leaves the U.S. House of Representatives.

It has been a great honor to serve with Dave in the Congress and he will certainly be missed. He has made a great contribution to his State and Nation through his effectiveness as a member of the Post Office and Civil Service Committee and the Public Works and Transportation Committee, and he has served his constituency with enormous concern and dedication.

Louise and I hope that Dave and Mary have a wonderful retirement and years of continued health and happiness.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The September 1976 list includes:

Supplemental Information on Assessment of the National Grain Inspection System. CED-76-132, July 16.

Military and Civilian Aircraft Discharging Fuel in Flight. LCD-76-447, August 17.

Increased Attention Needed to Insure that Bridges Do Not Create Navigation Hazards. CED-76-103, August 25.

Difficulties of the Federal Aviation Administration in Acquiring the ARSR-3 Long Range Radar System. PSDA-76-169, August 25.

Comparative Analysis of Subsidized Housing Costs. PAD-76-44, July 28.

Examination of Financial Statements of Federal Home Loan Bank Board and Related Agencies for the Year Ended December 31, 1975. FOD-76-19, August 16.

Using Independent Public Accountants to Audit Public Housing Agencies—An Assessment. CED-76-133, August 25.

Elderly Tenants Housed Out of Turn and Questionable Contracting Practices at the Chicago Housing Authority. CED-76-129, August 6.

Disposition of Questions Concerning Fiscal Accountability of the States' Regional Representative, Appalachian Regional Commission. GGD-76-70, April 7.

La Education Bilinque: Una Necesidad Que No Se Ha Satisfecho. HRD-76-25, August 13.

Need to Avoid Duplicative Financial Audits of the Comprehensive Employment and Training Act Subgrantees. FGMSD-76-81, August 27.

Progress in Improving Fiscal, Budgetary, and Program-Related Information for the Congress. PAD-76-64, August 30.

Standard Budget Classifications—Proposed Functions and Subfunctions. PAD-76-49, August 20.

Audit of the House Beauty Shop Calendar Year 1975. GGD-76-88, August 2.

Administrative and Financial Management Weaknesses in the Office of Youth Opportunity Services, GGD-76-92, August 5.

Problems with the Financial Disclosure System. FPCD-76-50, August 4.

Problems Found in the Financial Disclosure System for Department of Commerce Employees. FPCD-76-55, August 10.

Management Control Functions of the Small Business Administration—Improvements Are Needed. GGD-76-74, August 23.

Hazardous Working Conditions in Seven Federal Agencies. HRD-76-144, August 4.

Better Data on Severity and Causes of Worker Safety and Health Problems Should be Obtained from Workplaces. HRD-76-118, August 12.

Ways to Improve Management of Federally Funded Computerized Models. LCD-75-111, August 23.

Use of Jeopardy and Termination Assessments by the Internal Revenue Service. GGD-76-14, July 16.

Information on Federal Programs Which Benefit American Indians. RED-76-4, August 28, 1975.

Tighter Controls Needed over Payments for Laboratory Services under Medicaire and Medicaid. HRD-76-121, August 4.

Recruiting and Retaining Federal Physicians and Dentists: Problems, Progress, and Actions Needed for the Future. HRD-76-162, August 30.

U.S. Participation in International Food Organizations: Problems and Issues. ID-76-66, August 6.

Observations on the Guatemalan Earthquake Relief Effort. ID-76-71, August 23.

The Fifth International Tin Agreement: Issues and Possible Implications. ID-76-64, August 30.

Smugglers, Illicit Documents, and Schemes Are Undermining U.S. Controls Over Immigration. GGD-76-83, August 30.

Review of the F-14A/Phoenix Weapon System. PSAD-76-149, August 3.

Increasing Procurement Cost of M60A1 Tanks. PSAD-76-153, August 6.

Greater Use of Commercial Distribution Systems for Minor, Low-Use Supply Items Can Reduce Defense Logistics Costs. LCD-76-422, August 9.

Major Cost Savings Can Be Achieved by Increasing Productivity in Real Property Management. LCD-76-320, August 19.

Status Report on the Cost Accounting Standards Program—Accomplishments and Problems. PSAD-76-154, August 20.

Computers and U.S. Military Readiness in Europe. LCD-76-110, August 25.

The Air Force Could Reduce War Reserve Requirements of Spares and Repair Parts for Combat-Ready Units. LCD-75-444, August 27.

Improvements Needed in Defense's Efforts to Use Work Management. LCD-76-401, August 31.

Poor Management of a Nuclear Light Water Reactor Safety Project. EMD-76-4, August 25.

An Evaluation of Proposed Federal Assistance for Financing Commercialization of Emerging Energy Technologies. EMD-76-10, August 24.

Energy Conservation in Government Field Installations—Progress and Problems. LCD-76-229, August 19.

Status of the Grand Coulee-Raver Transmission Line Project. PSAD-76-167, August 18.

Cost, Schedule, and Performance Problems of the Lake Pontchartrain and Vicinity, Louisiana, Hurricane Protection Project. PSAD-76-161, August 31.

Examination of Financial Statements of Disabled American Veterans National Headquarters, and Life Membership Fund for Year Ended December 31, 1975, and Service Foundation for the 8-month Period Ending August 31, 1975. FOD-76-21, August 18.

Additionally, letter reports are summarized including:

GAO's comments on the President's 18th special message for fiscal year 1976 and the transition quarter concerning proposed rescissions and deferrals of budget authority. OGC-76-34, August 27.

How can the Federal Energy Administration improve its use of advisory committees to help formulate energy policy? EMD-76-5, August 2.

Poor administration of family-planning grant programs in Region VIII of the Department of Health, Education, and Welfare. HRD-76-155, August 2.

Steps the Military Sealift Command should take to solve problems in obtaining containerized shipping service caused by repeal of the Intercoastal Shipping Act. LCD-76-234, August 4.

The Veterans Administration has not complied with a legislative-mandated time limit for issuing regulations regarding confidentiality of patient records in alcohol treatment and drug abuse programs. HRD-76-160, August 6.

How the Army and Air Force Exchange Service successfully phased down the Vietnam Area Exchange during the fall of Vietnam. FPCD-76-83, August 6.

How veterans view the operation and effect of Veterans Administration education assistance programs—results of a GAO questionnaire. HRD-76-158, August 11.

Environmental Protection Agency Management needs more information on which to judge adequacy of audit coverage by the Office of Audit. CED-76-136, August 12.

Estimated cost of the Air Force depleted uranium penetrator program (a component of an armor-piercing round of ammunition). PSAD-76-170, August 19.

Suggestions for improving the forms management program at the National Labor Relations Board. ACGRR-76-2, August 23.

The Department of Defense needs a standardized accounting system for recording and reporting costs and workload data for military hospitals. FGMSD-76-70. August 23.

GAO's Position on the proposed Nuclear Fuel Assurance Act of 1976. B-159687, August 23.

The Department of Health, Education, and Welfare needs to improve the way it processes undeliverable payroll checks returned to the Treasury. FGMSD-76-68, August 24.

Suggestions for improving the way the military installations procure lumber and plywood. PSAD-76-171, August 26.

Selection of architect-engineer firm for the Federal building in Columbus, Ohio. LCD-75-334, July 21.

Impact of the proposed Toxic Substances Control Act on small firms. PAD-76-66, July 29.

Procedures used by the General Services Administration in disposing the U.S. Naval Auxiliary Landing Field, Charlestown, Rhode Island. LCD-76-342, July 29.

Operations and costs of the Atomic Energy Commission's American Museum of Atomic Energy at Oak Ridge Tennessee. RED-75-357, April 9, 1975.

State Department's policies and procedures for entertaining foreign visitors. ID-75-62, May 1, 1975.

Possible irregularities in the Maritime Administration's contracting for the design and construction of a Nuclear PSAD-76-43, November 10, 1975.

The monthly list of GAO reports and/or copies of the full texts are available from the U.S. General Accounting Office, room 4522, 441 G Street, NW., Washington, D.C. 20548. Phone (202) 275-6241.

Summaries of significant legal decisions and advisory opinions of the Comptroller General issued in August 1976, are also available as follows:

Withholding of AMTRAW Funds for Northeast Corridor Unjustified. B-175155, July 26.

Insurance OK on Vehicles Operated in Other Countries. B-178342, August 11.

Reimbursement of Insurance on Vehicles Leased Commercially. B-181193, August 24.

Late Telegraphic Bid Modification Properly Considered. B-186766, August 9.

New Supplier Can Replace Previous One. B-185892, July 26.

First-Step Bond Requirement Carried Over to Second Step. B-186793, August 9.

Reimbursing Travel Expenses Before Execution of Agreement. B-186213, August 3.

Backpay OK For Improper Denial of Night Shift Work. B-181972, July 23.

Reimbursing Travel on Nonworkdays Between Temporary and Official Stations. B-130082, July 20.

Real Estate Expenses Not Allowed By Lease with Option to Purchase. B-185095, August 13.

Continued Pay for Reservists Injured During Training. B-185404, B-185415, and B-185439, August 2.

Debt Collection Can be Suspended Pending Decision on Waiver. B-185466, August 19.

Travel at Government Expense to Accept Non-Federal Awards. B-183110, July 29.

If you need further information regarding these or other decisions, please call (202) 275-5028 or write to the General Counsel, U.S. General Accounting Office, Washington, D.C. 20548.

GINNY VIDA AND NEWTON DEITER REVIEW FAMILY VIEWING AND THE GAY COMMUNITY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WAXMAN. Mr. Speaker, for the first time in the history of television, several entertainment shows this season will have, from time to time, homosexual characters. This represents the first tentative step by the networks, after years of effort, to begin to deal honestly with homosexuals on television. The existence of the family viewing hour, on the other hand, has served to highlight the networks' previous treatment of homosexuals in their programing, and the limitations which remain.

Ginny Vida, the media director of the National Gay Task Force, and Dr. Newton Deiter, of the Gay Media Task Force, testified on these issues before the House Communications Subcommittee's hearings on family viewing. Ms. Vida and Dr. Deiter presented a comprehensive and sensitive review of television and homosexuals, and called for a new, and more realistic, approach in the future. I am very sympathetic to their concerns. They made a major contribution to the subcommittee's hearings, which I would like to share with my colleagues:

Presentation by Ms. Ginny Vida, Media Director of the National Gay Task Force

Ms. Vida. As I was thinking about what I might say here today, I was struck by a passage in E. L. Doctorow's *Ragtime*.

The novel takes place in the early 1900's, a time when, as Doctorow puts it, "There were no Negroes. There were no immigrants."

The big news of the period was the murder of architect Stanford White by the husband of his mistress, Evelyn Nesbit, who quickly became the sex symbol of her generation and part of America's fantasy world of riches. Doctorow imagines a meeting between Nesbit and "Emma Goldman, the revolutionary," at which Goldman attempts to raise Nesbit's social consciousness.

"Goldman," Doctorow says—and I quote—"lashed her with her tongue. Apparently, there were Negroes. There were immigrants. And though the newspapers called the shooting the crime of the century, Goldman knew it was only 1906 and there were 94 years to go," unquote.

Seventy years have passed and the families of America who for half that time have been watching an unimaginably wonderful invention called television, have only in the past decade or so begun to be exposed, after dinner each evening, to Emma Goldman's truth.

There are black Americans, people with the same capacity for laughter and tears as the rest of us.

There were immigrants and people with names like Arthur Fonzarelli and Gabriel Kotter and Shirley Feeny and Abraham Rodriguez are part of our nation and part of our lives.

Seventy years have passed, and I, who left a career as a children's book editor to go public as media director for the National Gay Task Force, have come here to tell the distinguished members of this Congressional subcommittee some more of the truth.

The truth is that there are gay people; millions of homosexual women and men in every city and town across America. The truth is that American families, yes, and American children, have the right to know that we exist.

Gay people are the only group in America which emerged from total media invisibility into total media abuse. Until just a couple of years ago, the only gay men to be found on network television were a breed of closet Stepin Fetchits, who traded on the hilarious potential of that great American hallucination, the "sissy". Then, the big breakthrough came, and gay men, labeled as such, were allowed to be not only comic sissies, but hysterical drunkards ridden with guilt, cowardly murderers, who burst into tears on the witness stand, and rapers of teenage boys.

Until recently, on television, there definitely were no Lesbians, and then the big breakthrough came. There were Lesbians and it wasn't a joke. We were permitted to make our television debuts as the brutal rapists of pitiable young girls, as the heartless killers of dear, sweet ladies in an old-folks home.

Partly due to the efforts of organizations like the National Gay Task Force, things are looking up a bit. Dr. Newton Deiter, coordinator of the Gay Media Task Force, here in Los Angeles, can tell you a bit more about current and upcoming shows involving gay characters.

But, on programs directed to children and in the so-called family viewing hours, there are still no gay people. Why is that? Because the people at the networks tell each other, parents think that gay people are synonymous with violence and with sex.

No wonder, we answer, that parents think we are violent, considering the stuff they have been served up in adult viewing hours.

But, what about the sex, they ask each other in the corridors at the networks? Surely, if it is called homosexuality, how can it not be about sex?

Our answer, of course, is to ask the same same question about heterosexuality. The truth is that pictures of two homosexuals, two women or two men, kissing each other tenderly on the lips are no more and no less about sex than what heterosexuals are seen doing every night in full view of everybody in family viewing time.

The truth is that stories about two young women or men discovering love and regard for each other are not about explicit sex, and stories about Lesbians or gay men coming out to their families are not about sex at all.

As for violence and sex, the National Gay Task Force takes no position on whether children are harmed by explicit depictions of these subjects.

We are opposed to violence, however, and we think that violence on television is a reflection of a male-dominated culture that squanders its energies in endless, violent attempts to prove its manhood.

We are not opposed to sex, but we believe that emphasis on sex, without love and caring, insofar as that is depicted on television, is the reflection of a heterosexual world which has just discovered that women are sexual beings, and is madly celebrating that awareness by imagining that women must now do what men in our culture have traditionally been programmed to do: Treat their partners, not as whole human beings, but as pieces of decor, sexual trophies to be used as false measures of personhood.

We, at the National Gay Task Force, believe that children have the right to learn the truth.

Gay women and men do care about children. I hope it doesn't surprise you to learn that many of us have children of our own, and all of us care about all the children in America who are taught to believe, and dare not confess, that each one of them is the only one in the world to have loving or sexual feelings for members of their own sex.

Gay people do care about morality. We think, for instance, that just as it was immoral to foster prejudice and discrimination by pretending to the children of America that there were no black people, no real people who were Jews, Mexicans, or Poles, it is immoral to foster prejudice and discrimination by pretending to the children of America that there are no real people who are gay.

We think that just as it was immoral to provide no models for America's black children to look at on television and say, "Yes. That is just like me," it is immoral to provide no models for the children that all of us millions of gay women and men once were, children who sit by their sets with their families and hope for a sign that there is someone about whom they can say, "Yes. That is just like me."

We think it is not only immoral, but illegal, for the industry, mandated to serve the needs of all the public, to fail to serve our needs.

We are not asking the Congress to pass a law requiring the networks to present only positive depictions of gay people at all viewing hours. We believe that the Congress is wisely restrained by the Constitution from such narrow restrictions on speech.

We do ask that this Committee, as part of its oversight functions, request the Federal Communications Commission to use all of its existing powers to require the television industry to offer fair and accurate images of all Americans, including this country's second largest minority, the gay population.

We understand that Congressional hearings, such as this, are often used not only as forums for public interest groups like ours, but as a means of acquainting the public with the views of the Committee's members.

If we have persuaded any of the members of this subcommittee of the rightness of our position, we also ask that you speak out today to the public, the FCC, and the television industry and tell them that you believe public ownership of the airwaves is not being protected for a significant number of the owners: Gay citizens who pay their taxes and vote for congress people like everybody else.

You may hesitate to speak out. There are lots of other voters who are frightened of us, but, as you think it over, I would like you to recall Emma Goldman and 1906. Like the founders of this Nation, she was a revolutionary, and most of the revolutionary ideas she fought for—the right of workers to unionize and strike, the right of all citizens to equal treatment, regardless of their place of origin or color of skin—are believed in today, I hope, by every one of us here in this hearing room. Even the revolutionary ideas she went to prison for—an end to the military draft, the right of heterosexuals to practice birth control—are parts of our legal system today.

Others of Goldman's ideas have not been fully accepted, like the right of women, as Doctorow has Goldman say it, to, quote, "love whom they want, develop their minds and their spirits, commit their lives to the spiritual adventure of life, and provide philosophical models for the betterment of mankind," unquote.

But, I think we don't stamp ourselves as revolutionaries by saying that this idea is one that we at the National Gay Task Force believe in.

I am not Emma Goldman. I am not a revolutionary. I am simply a woman who respects the truth and tries to act with integrity, and I see no reason, at all, why my life is unsuitable for children.

But, I believe, with Emma Goldman, that there was no reason, at all, to wait seventy years, or a single moment, for blacks, or for Jewish, Italian, Mexican, Chinese, Polish, Puerto Rican immigrants, or for our only native American non-immigrants, to remain invisible as real people to other American families and children. I believe that neither I, nor any of my gay brothers and sisters of all ages, should be required to wait a single moment for fairness and visibility from this nation's largest communications industry.

There is a great deal of hope today among the American people that integrity and loving regard for human needs can be put to work at the helm of Government. There is growing confidence that if that promise of integrity and humanity turns out to be a sham, we will be told about it by our communications media before it is too late.

We, at the National Gay Task Force, share the nation's hope, but we cannot share its confidence. Not so long as the most influential of the communications media continues to defame us or deny we exist. Not so long as television fails to present us to America's families in all of our human variety. Not so long as the purveyors of mass entertainment refuse to realize that oftentimes, for children, as well as adults, there is nothing quite so entertaining as the truth.

Presentation by Dr. Newton E. Deiter, Gay Media Task Force

Dr. Deiter. Mr. Chairman and members of the Committee, my name is Newton Deiter, and I am here to make a statement on behalf of the Gay Media Task Force, an organization which was established to work on behalf of fair, impartial, and balanced treatment of the lifestyles of gay men and Lesbians presented on television.

We, on the Gay Media Task Force, recognized that the approximately 20 million gay women and men in the United States, because they represent a cross-section of Americans, are as concerned with presentation of sex and violence on television as are other Americans.

We are, at the same time, concerned about First Amendment rights guaranteed to all people, including, but not limited to, the writers, producers, directors and creators of television programming.

Some years ago, the Honorable Newton J. Minnow, former Chairman of the Federal Communications Commission, referred to television as a vast wasteland.

Since that time, we have observed that television has ceased, in large part, to serve the American public a diet of sugar-coated pap. It has shown a willingness to deal with pressing social issues, and to provide the American public with a more realistic picture of the society in which they live and the problems which plague that society.

At first, this willingness manifested itself in documentaries, primarily limited to the Sunday "Ghetto Hour" programming. Programs of this nature were later moved into television prime time. More and more, the creators of television drama and comedy have dealt with issues of social relevancy in their material, and have, in our view, enormously increased the three-dimensional view of American life thus presented. It is our view that this sort of presentation should and must continue.

We base this statement on our belief that television has the potential for being the most important educational medium the world has ever known. It has the capacity to bring into the home a host of ideas, a view of the world which may lie outside the personal experience of its viewers.

In doing so, it can provide its viewers with views of their fellow Americans as human beings, which they may not otherwise be able to obtain.

A farmer in Maine, for example, may better understand the problems of a ghetto dweller in the city, the problems faced by people who live in a world he has never seen, and will, in all likelihood, never have the chance to see; all through the common humanity which binds them both.

In a simple, subliminal fashion, ideas of peace, friendship and acceptances of differences in people have been, and can continue to be propagated by television creators.

There are those, today, who feel that the pendulum has swung too far, and that television has become far too graphic in its presentation of social issues which it brings into American homes. In certain regrettable instances, this may be so. We hold, however, that these occasional lapses of good taste and judgment should not be permitted to cause blanket condemnation of socially relevant programming and its creators.

There are those who feel that divorce, childhood pregnancy, prostitution, the hell that is our penal system, denial of educational opportunity, racial and religious prejudice, the moral question of abortion, the rights of women to determine their own destiny, and the rights of gay men and women to lead happy and productive lives, are not fit subjects to be brought into the American home. We do not agree with this contention.

We believe that social evils are born of ignorance of conditions; that many of these problems and situations do, in fact, exist in American homes, and that the American public has the right to receive a fair and honest presentation of the society around them.

We believe that those, who would terminate social relevancy in television programming, are engaging in the same sort of specious reasoning which once banned sex education from schools and the books of Hemingway and Salinger from library shelves to protect American children from the vivid realities of the life for which they were being prepared.

It is our belief that television has the obligation to inform and to educate, and that those who have been granted a license in the public interest have, in fact, an obligation to present sensitive and emotionally-charged material on that medium.

We believe that, up until a year ago, the television industry, on a national, regional and local level, was making dramatic efforts to live up to the responsibilities that the Communications Act requires of them.

A little more than a year ago, the creators of television programming discovered that an evening time line had been drawn. Earlier hours were reserved for family viewing, a period of time, during which certain kinds of issues were banned from the airwaves.

Prior to the time line, and afterwards, the rules remained unchanged, and sensitive or controversial subjects could still be explored All this despite the fact that children come home between the hours of three and four in the afternoon and are free to watch the evening news shows, which frequently carry subliminal messages about excesses of human behavior which social psychologists have discovered, frequently, have more negative effects on children than dramatic presentations.

Children, these professionals have found, draw a distinction between the real as represented by news programs and make-believe as represented by written dramas and comedies, and the effects of news accounts of murders, such as the Manson slayings, of riots, of political corruption, cover-ups, and sex scandals, and of the grim effects of war, because they are real events, have more capacity to engender violence in children than do programs which they recognize as mere representations of life.

The institution of family hour viewing created a problem for networks and suppliers of products as well. The networks recognized that the Federal Communications Commission could exercise a large degree of moral persuasion by their granting or withholding licenses to network-owned and operated stations, and was able to persuade the networks to self-censor the products they allowed on their airwaves.

Insofar as the sellers of program material—studios, production companies, and individual producers—were concerned, they felt that they would now have to steer a safe course. They had to assure themselves that the product which was being sold for viewing before 9:00 p.m. would be safe and acceptable, instead of deciding whether a project had merit and was worth developing. Their thought processes had to change from, "Does the project have merit?" to "Does this project have merit before 9:00 p.m. or after 9:00 p.m.?"

Obviously, if they developed a product that was adult in its approach, they had two hours in which it could be presented. If, however, they developed a product that was safe for family hour, they then had the possibility of all three hours in which the product could be bought; therefore, the opportunities to sell safe products are greater due to more flexible programming scheduling.

The result was stultification. With few exceptions, producers became cautious in the presentation of their product to their buyers, the networks. Packagers of shows already on the air assigned to the 8:00 and 9:00 p.m. hour became far less adventuresome in the development of scripts for production. Conversation all over Hollywood revolved around, "What is acceptable for family viewing?"

No one really had the answers. Not the networks, writers, producers, no one. One network executive said, "Oh, it was simple to solve the problem. We just told the producers to deliver just what they delivered before, except pitch it lower for the whole family."

I don't know if the members of this subcommittee know what that means, but the producer to whom the remark was addressed confessed utter confusion.

Insofar as gay men and women were concerned, with the notable exception of one segment of producer Danny Arnold's "Barney Miller," appearing on ABC, no presentation of gay people, in any way, appeared during the 8:00 to 9:00 hour all last year.

The networks indicate that they had no blanket prohibition against the portrayal of gay people, or situations involving gay people during these hours, and that they would evaluate each request for clearance of this subject matter on a case-by-case basis.

On the surface, a fair standard; in actuality, producers selling product to all three networks have told me that before 9:00 p.m., the subject of homosexuality or Lesbianism in any way, shape, or form is taboo. Since their livelihood depends on delivering to the networks what they perceive the networks want, in effect, gay people disappeared from television during that hour, and from other time slots, as well.

We believe this to be in direct contradiction to the obligation which television has to inform and educate its viewers. For, the simple fact is that Americans of all ages, in all walks of life, come into contact with gay women and men every day of their lives.

Gay people teach in schools, work in offices, are manual laborers, and work in factories. Gay people are, in fact, born into families and participate in family life. Just as with Jews, blacks, Chicanos, and native Americans, prejudice practiced against gay people arises from ignorance of the common humanity which is shared with the other 180 million people who live in these United States.

We are very troubled by the fact that the existence of more than 20 million people, most of whom lead lives which are as productive and constructive as those of other Americans, has been eliminated from one-third of the hours available for network programming.

This elimination, linked as it is with the entire matter of a blanket prohibition against sex and violence in the early evening, seems to us akin to using an atomic bomb to destroy a fly. It will certainly do the job, but the cost appears to be out of line with the desired outcome.

There is, built into the American free enterprise system, and in particular, television, a simple mechanism for showing one's displeasure with a product or service. If one is displeased, one ceases to buy or to patronize; and, if, in fact, the overwhelming majority of the American viewing public wants bland programming between 8:00 and 9:00 p.m., it will very quickly make the networks aware of the fact by not watching programming that they believe has an excessive display of violence, is blatantly sexually-oriented, or is otherwise offensive.

Self-policing and the intelligent use of the airwaves is a responsibility encumbent upon the networks, and certainly, by law, upon the owners and operators of individual television stations.

These stations that persist in presenting programming not in the public interest, or offensive in subject matter or content, to a majority of their audiences, would soon find their licenses under assault from groups within their own communities.

Sponsors who buy time in programming segments would find, we believe, that if this programming were offensive, they would hear from the consumers of their products, and would quickly remove commercials from these programs. Since networks are dependent on time sales for their income, the economic pressure would quickly be felt, and programming changes would be made.

We cannot believe that network personnel are unaware of this. They use these same tools to cancel programs which are not accepted by the public, and if they are able to do it very quickly, these tools can be used, also, to determine when viewers find programming content to be distasteful and unacceptable.

To exclude subject matter by inaction and misdirection denies the creators of television programming their right to explore, in the public interest, all facets of American society in the last quarter of the Twentieth Century.

As gay people, we do not ask that we be the recipient of special programming, or that our concerns be given special handling. Just the opposite. We ask, and in fact, insist upon, fair presentation of our lives, lifestyle, existence as Americans, in the same manner as that of any other minority or subcultural group.

A TRIBUTE ON THE RETIREMENT OF HON. PHIL M. LANDRUM, OF GEORGIA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CHAPPELL. Mr. Speaker, it is fitting that we pause and pay tribute to the service of our retiring colleague, the Honorable PHIL M. LANDRUM of Georgia.

His long record of productive service to his congressional district, his State, and his Nation is marked with integrity, effectiveness, and dedication to sound principles of government. He has authored and led the passage of much great legislation—laws that significantly contribute to the quality of our life today and that of future generations.

To experience his presence is inspiring in and of itself. His gentleness and generosity in dealing with his fellow man and fellow congressman will long survive his presence here.

He is a loyal friend, a dedicated American, a true patriot. He is respected and admired by all—held in affection by every one of his colleagues. Our collective best wishes go with PHIL LANDRUM as he embarks on new ventures. We will miss him.

CONNECTICUT REGIONAL MEDICAL PROGRAM

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GIAIMO. Mr. Speaker, a decade ago, this Congress approved an innovative approach to the organization and delivery of health care through legislation providing for regional medical programs which focused on the regionalization of health services in the interest of making quality care available to all at reasonable cost. The Nation's 56 regional medical programs were phased out in 1975 and 1976, upon expiration of the authorizing legislation (Public Law 89-239).

In that 10-year period, the regional medical programs helped to improve America's health care delivery system to the point that we have today a foundation on which to build a rational system for the future. One of the most innovative and productive regional medical programs was that operated in Connecticut by Dr. Henry T. Clark and Edward F. Morrissey. Its record of accomplishment, particularly in the area of developing working relationships between university medical centers and community hospitals, is one in which we can all take pride. Mr. Speaker, I conclude my remarks with a summary statement on the Connecticut Regional Medical Program by its last director, Mr. Edward Morrissey:

STATEMENT OF MR. EDWARD MORRISSEY

The 89th Congress began the process of asserting the national interest in health affairs. No more clear statement of this public objective was espoused than in P.L. 89-239 "The Regional Medical Program Legislation." This sought a wedding between science and service, it sought a solid working relationship between the centers of academic medicine and the health practitioners at the crossroads. Further, it sought to promote regionalized system of care to bring speciality medicine to the benefit of all, to open new routes of access, to influence quality of care and to mobilize resources for an attack upon heart, cancer and stroke disease.

Today the local regional medical program agencies are succeeded by the state and regional agencies created through congressional action embodied in P.L. 93-641. I am proud to declare that in my own state of Connecticut, our CRMP has not only done its job well but has also helped pave the way for the new successor agencies. After ten years as a health resource development agency, CRMP leaves a legacy of an invigorated state health system, new health service arrangements and a cadre of lay and professional leadership committed to the possible rather than the routine in health affairs.

CRMP's presence in Connecticut has sparked both simple and complex change. At the city and town level deficits in health care delivery were identified which led the state's thirty-three community hospitals to deliberately move towards a community health center philosophy. New medical leadership and ambulatory service programs resulted. Joint hospital alliances were created and the hospital was tied to local educational and service organizations.

At the regional level, Yale and UConn Schools of Medicine entered into affiliations with hospitals across northern and southern Connecticut. Exchange of clinical and educational resources took place, new medical leaders were installed in community hospitals aided by the universities and the scope of joint efforts in patient care quadrupled.

At the state level, Yale and UConn medical schools joined hands for cooperative activities, the two universities stimulated the state's hospital system and the private sector joined hands with state government to help rationalize health care organization and delivery.

Over a ten year period CRMP obtained $12 million in federal funds and $8 million in Connecticut support to implement a regionalized health care system. This is now in place and of benefit to all Connecticut citizens. Moreover, it is the base from which CRMP has helped the new HSAs and the emerging state agency. CRMP has transferred its knowledge, fiscal resources and working perspectives to each of the five HSAs newly created in Connecticut. For the state agency CRMP has collaborated in a state data system to help underscore their policy decisions in the days ahead.

Unlike many other parts of the country, the transition from RMP to HSAs will go smoothly in Connecticut because of the prior decade of building block activity. We have a regionalized system of care built thoughtfully and carefully. We have a logic to our hospital and medical school relationships. The public and private sectors have a record of collaboration, citizen health leadership have experienced "trial by fire". The health provider is cooperative.

A finer legacy to RMP can not be imagined.

WILBUR D. MILLS

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. CEDERBERG. Mr. Speaker, as a Representative for 38 years, WILBUR MILLS has been a moving force in the House. His unrivaled mastery of the complex tax laws, coupled with his leadership on the Ways and Means Committee, has enabled WILBUR to literally lead the way in taxation matters.

Undoubtedly, WILBUR MILLS has established himself as one of the great statesmen of the House of Representatives. Few Members have labored as hard as Wilbur has. Few Members, perhaps no Member, can claim the legislative achievements that Wilbur can.

Wilbur's departure will leave a vacuum that will be virtually impossible to fill. I wish him the best during his well-deserved retirement.

TROTSKYISM AND TERRORISM: PART XV

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, I would like to continue my series of reports on Trotskyism and Terrorism.

TROTSKYITE SPLITS AND SPLINTER GROUPS

The history of the Trotskyite movement since 1929 has been one of extensive faction fights and splits. To recount all of them would require a large book. It is useful, however, to analyze the post World War II splits which have significance in the study of international terrorism.

The Fourth International was decimated during World War II. A substantial portion of its European cadre died in the hands of both the Nazis and the Communists. Only the Socialist Workers Party in the United States had a viable organization functioning. As a result the SWP took the responsibility of rebuilding the International. The SWP leadership appointed Ernest Mandel (Germain) and Michel Raptis (Pablo) as the International leaders.[1]

The Pablo-Germain leadership developed a concept that since world conquest by the Soviet Union was inevitable, it was the job of Trotskyites to aid the Soviet drive. As they phrased it—mankind must be prepared to live under a form of "degenerated workers' states" for centuries. This is the Trotskyite designation for Soviet style communism. This concept was used to justify a program of entryism which meant that Trotskyites should work within the existing Stalinist Communist Parties and aid them in taking power.

In 1953 a strong group within the Socialist Workers Party—SWP—led by Bert Cochran, with the support of the international leadership, advanced a pro-Stalinist position. The logic of their argument would have resulted in dissolving the SWP and entering the Communist Party apparatus and its periphery. Cochran and his supporters were expelled from the SWP and the Fourth International—FI—was split.

The SWP, a group in England led by Gerry Healey and a group in France led by Pierre Lambert formed the International Committee of the Fourth International. The Pablo-Mandel leadership called themselves the International Secretariat of the Fourth International. This split continued until 1963.

During the 10 years of the split the International Secretariat provided full support for the world Communist movement, this included sending Vietnamese Trotskyites to fight in Ho Chi Minh's army. They were arrested and many were executed by the Viet Minh Communists.

Argentine Trotskyites were sent to Cuba for terrorist training in 1962. Pablo was arrested in Europe while working with the Algerian Communists in support of FLN terrorism.

In 1963 the SWP split with the International Committee and joined with the International Secretariat to form the United Secretariat. A small Latin American group led by Posadas left the International Secretariat at this point and has been collaborating with Castroite groups in terrorist activities in various Latin American countries.

Early in 1964 two dissident factions were expelled by the SWP because they had indicated continuing support for the International Committee. One group led by James Robertson still exists under the name of the Spartacist League—SL.[2] The other group originally called the American Committee for the Fourth International has since changed its name to the Workers League—WL. This group now serves as the American section of the International Committee of the Fourth International led by Gerry Healey of England. The Spartacists have a close working relationship with the French Organisation Communiste Internationaliste—OCI—led by Pierre Lambert which had also split with the Healey group.[3]

Although the SWP was involved in collaboration with the Communist Party U.S.A.—CPUSA—in a number of activities an even more pro-Stalinist faction emerged in 1959. This group was expelled from the SWP and became the Workers World Party—WWP.[4] In a report prepared for the Cuban communists by Deidre Griswold, a leader of the WWP she described the origins of the organization. Griswold wrote:

> Workers World was founded in 1959 by a small cadre of people who had existed as a distinct political tendency within the Socialist Workers Party for ten years. Differences with the SWP majority developed with the beginning of the Cold War. From 1948, our cadre had serious differences with the positions and practice of the SWP on every question that had to do with the socialist countries and the witch-hunt against the CPUSA within the United States.
>
> The most important issues on which we differed were: (1) Tito's break with Stalin, which the SWP saw as a move to the left. We felt that objective conditions in Europe at that time would impel Yugoslavia toward the orbit of imperialism, (2) The Chinese Revolution, which we immediately evaluated as a socialist revolution, despite the small working class in China. It took the SWP six years to acknowledge the class character of the Revolution, and even then it was with no enthusiasm. (3) The Korean War, which we saw as an expression of the global class war between the class camp of the workers on the one hand and the camp of world capitalism on the other. (4) The witch-hunt against the CPUSA, and especially the SWP's attitude toward the execution of the Rosenbergs. The SWP only gave a minimal paper defense to Communists under government attack, and refused to mobilize support for the Rosenbergs—not even just in defense of their democratic rights, let alone as class comrades in the struggle against imperialism. We took initiative on our own to send a delegation to the protests organized on behalf of the Rosenbergs. (5) The Hungarian counter-revolution. Despite all objective evidence, the SWP majority refused to see the real class forces in the rebellion, and hailed the so-called "freedom fighters" with revolutionary rhetoric. We supported the intervention of Soviet troops as necessary to prevent counter-revolution (as we did later in the Czechoslovak crisis), although our analysis of how the counter-revolution was able to mobilize some mass support differed from that of the CP's.[5]

After leaving the SWP, the Workers World group still considered themselves Trotsykist and applied for membership in the International Secretariat of the Fourth International which at that time was still in conflict with the SWP.[6]

The International Secretariat rejected the WWP application and after a short period of time Workers World abandoned even the vestiges of Trotsykism. Griswold in her report to the Cubans said:

> We do feel, however, that Trotsky made great contributions to the Russian Revolution, both as a leading member of the Bolshevik Party, and organizer of the Red Army, and in his theoretical contributions on the problems of socialist revolution in backward countries, and on the contradictory character of the social grouping that rose to power in the Soviet Union after Lenin's death. Because there is great confusion on these questions in the world Marxist movement, however, and because most radicals associate Trotskyism with the degenerated parties of the Fourth International, a position on Trotsky is not a requirement of membership in our party. [7]

As a result of the terrorist orientation of the majority of the United Secretariat of the Fourth International, a faction fight developed in the SWP. A minority group called the Proletarian Orientation Tendency—POT—supported the international leadership and its "terrorism now" tactic. This group was defeated at the 1971 SWP convention. Many of its members led by Barbara Gregorich and Phil Passen left to set up their own organization which has not affiliated with any international movement.

Those members of POT that remained in the SWP joined other dissident factions to form the Internationalist Tendency in 1973.[8] This group argued in support of terrorism as outlined by the International Majority Tendency of the Fourth International led by Ernest Mandel. In July 1974 most of the members of the IT were expelled from the SWP for violating party discipline. None were expelled for their advocacy of terrorism.[9] Some members of the proterrorist faction remained in the SWP.

The International Executive Committee of the Fourth International meeting, January 27–30, 1975, ordered the SWP to take back the expelled IT members. A resolution was passed which said in part:

> The International Executive Committee of the Fourth International accepts the following proposals commonly agreed upon by the International Control Commission in its investigation:
>
> 1. To make the recommendation that the SWP act in good faith and consider without delay the collective application of the IT for reintegration in the SWP.
>
> 2. We note that the IT states it wants to participate in public activities supported by the SWP. We note that the SWP does not object to this. Until the situation is resolved,

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Footnotes at end of article.

we recommend that when the IT and the SWP are involved in the same activities they seek to maintain a cooperative attitude avoiding public attack on one another.[10]

The SWP agreed to abide by the order. According to the official minutes:

> Two members of the Political Committee of the Socialist Workers Party, Jack Barnes and Joseph Hansen, have pledged that they will urge the National Committee at its coming plenum to weigh favorable implementation of the proposals commonly agreed on by the International Control Commission in its investigation.

At this time about two dozen IT members have been readmitted to the SWP. The IT itself has split into a number of small warring factions. Two members of the IT serve on the International Executive Committee of the Fourth International, Jon Barzman is a full member under the name "Hovis" and William Massey is alternate member under the name "Moss." [12]

Some members of the IT have joined a group called the Revolutionary Marxist Organizing Committee headed by Milton Zaslow. Under the name Mike Bartell, Zaslow was the New York City organizer of the SWP until he left with the pro-Stalinist faction in 1953.[13] The RMOC is sympathetic to the International Majority Tendency of the Fourth International including its support for the terrorist orientation. The IMT has urged the SWP to work closely with this group.[14]

CONCLUSIONS

First. The Socialist Workers Party is the American section of the Fourth International.

Second. The Fourth International advocates and engages in terrorism in various parts of the world.

Third. A considerable amount of information concerning international terrorism contained in this report was obtained from confidential internal publications made available only to members of the Socialist Workers Party.

Fourth. The Socialist Workers Party which was on the Attorney General's subversive list for many years should remain the subject of a continuous investigation by our law enforcement agencies.

FOOTNOTES

[1] Tim Wohlforth, *The Struggle for Marxism in the United States*, p. 54.

[2] Spartacist League, *Marxist Bulletin No. 4*, Parts 1 and 2, "Expulsion from the Socialist Workers Party."

[3] *Spartacist*, Winter 1973–4, pp. 28–32.

[4] *Workers World*, March, 1959.

[5] Deirdre Griswold, *A Brief Resume of the Ideology of Workers World Party*, 1972, reprinted in "The Workers World Party and Its Front Organizations," Staff Study, April 1974, House Committee on Internal Security, pp. 27–33.

[6] *Internal Bulletin of the International Secretariat of the Fourth International*, September 1959, reprinted in full in National Peace Action Coalition (NPAC) and Peoples Coalition for Peace and Justice (PCPJ), Part 4, Hearings, House Committee on Internal Security, 1971, pp. 3746–3764.

[7] Deirdre Griswold, *op cit*.

[8] *SWP Discussion Bulletin*, Vol. 31, No. 1, April 1973, p. 4–5; *SWP Discussion Bulletin*, Vol. 31, No. 18, July 1973.

[9] *Internal Information Bulletin*, No. 6 in 1974, July 1974.

[10] *SWP Discussion Bulletin*, Vol. 33, No. 4, June 1975, p. 35.

[11] *Idem*.

[12] *International Internal Discussion Bulletin*, Vol. XII, No. 1, January 1975, p. 4.

[13] *Trotskyite Terrorist International*, Hearings before Senate Subcommittee on Internal Security, July 1975, p. 84.

[14] *Internal Information Bulletin*, No. 9 in 1976, July 1976, pp. 3–4.

TRIBUTE TO REPRESENTATIVES LANDRUM, BOB STEPHENS, AND BILL STUCKEY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. UDALL. Mr. Speaker, it seems somewhat ironic that, in a year when the State of Georgia has given the Democratic Party its presidential nominee, she is taking back three of her distinguished sons who have served long and well in this Chamber.

I speak, of course, of PHIL LANDRUM, BOB STEPHENS, and BILL STUCKEY, three able legislators and good friends.

As dean of the Georgia delegation, PHIL LANDRUM has given more than two decades of service in Washington, preceded by distinguished posts in State government and in the Army Air Corps. His career in Congress has included seats on the Education and Labor, Ways and Means, and Budget Committees, in all of which he has had a major voice in the social and economic directions of America.

I have sat with BOB STEPHENS on the Committee on Interior and Insular Affairs for many years, and have had the privilege of visiting him and his family at their home in Athens. His distinguished career as a scholar, including overseas study, teaching at his alma mater, the University of Georgia, and service on the legal staff of the Nuremberg trials, has been reflected in his careful and judicious approach to the art of legislation. He has been an especially important force for decent housing for older Americans, and his chairmanship of the Subcommittee on Historic Preservation has reflected both his own background as a historian and the traditions of his State.

BILL STUCKEY's contributions to the effort to bring competition and better service into the securities market are well known. But he has been one of those legislators whose interests and efforts extend well beyond his committee assignments. Without him, I doubt that the Congress would have acted to protect some of the natural wonders of Georgia such as Okefenokee Swamp and Cumberland Island. He has been a good friend and a kind and generous advisor to me.

Mr. Speaker, the voters of Georgia, like all Americans, will be faced with momentous choices in November. Their difficulty will be compounded by the search of three representatives to replace these gentlemen. I trust their wisdom, but I do not envy their task.

CONGRESSMAN PHIL LANDRUM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, I want to take this opportunity to say a few words on the occasion of the retirement of our valued colleague, the gentleman from Georgia (Mr. LANDRUM).

PHIL LANDRUM has admirably served his Georgia consituency for 24 years. During that time he has made substantial contributions to the legislative process, but his most important work has been in recent years as a member of the Ways and Means Committee and, in this Congress, as a member of the Budget Committee. He has earned himself the reputation of being a tough fiscal conservative. At a time when Congress as a whole is being labeled "spendthrift," an exception must be made in the case of PHIL LANDRUM. Not that he was parsimonious to a fault; no, he had a tough philosophy that the Federal Government should not really spend more than it takes in. When the tendency was to spend, spend, spend, PHIL LANDRUM cautioned his colleagues to the imprudence of excesses with the public Treasury.

This Congress, he served as a member of the Budget Committee bringing this same, sound fiscal fortitude to that body and helping the Congress for the first time put some rationality in its budget processes.

PHIL LANDRUM was born and raised in the hills of north Georgia where people know the value of natural resources that are so bountiful around them and know the need to preserve and protect those great things that make this great country the leading nation of the world.

His long career as a public servant, which began in World War II as a member of the Army Air Force, through a stint in the Georgia executive branch of government and then his long, illustrious career in the House. He has served his people and his Nation well.

PASSAGE OF THE CONFERENCE REPORT ON LEAA AUTHORIZATION

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. EARLY. Mr. Speaker, I regret that I was unable to be present for this afternoon's vote on the conference report on the authorization for the Law Enforcement Assistance Administration. Unfortunately, I had a prior appointment with the Secretary of Commerce to discuss the recently passed public works appropriations bill. Had I been present, I would have voted against the conference report. There were a number of provisions I objected to, but the major one was the

3-year authorization. There was an amendment offered to the House-passed version which would have extended the authorization for 3 years and the House rejected it 268 to 119.

I have made an effort to review both the private and the public studies made of this program in the past year. All of them were critical and not one led me to the conclusion that this program deserves a 3-year extension. While I support the concepts behind the creation of this agency, I do not feel it has fulfilled its objectives. Furthermore, I cannot vote for a program that has not produced results.

SPEAKER ALBERT

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. HUNGATE. Mr. Speaker, one of the blessings of the Congress, and particularly of the House of Representatives, is the extraordinary variety of the men and women who serve here. They are individuals in the truest sense of the word—independent and self-reliant.

It is a group which cannot be bullied, cannot be stampeded, cannot be "delivered". Therein lies the real strength of the House of Representatives—it reflects the diversity and the heterogeneity of the American people.

This is the blessing of the Congress, but it is a double-edged one. It means that legislation does not flow gently through the Congress and onto the President's desk. It must be threaded past the legitimate objections of men and women of high intellect and high purpose; it must face the valid criticism of perceptive men and women who evaluate its impact on their constituencies and disagree as to its merits; it must meet these objections with compromises which improve the legislation.

Anyone who has served here knows this does not just happen. It takes leadership, leadership from men of skill and determination. And that leadership is only effective when the men who exercise it have the respect of this great body. That in itself is a singular tribute.

Today we join together to honor a man who has received this tribute and who has repaid our trust and confidence in him by his distinguished leadership as Speaker of the House of Representatives.

Carl Albert has been referred to as a small man of large accomplishments. Although small in stature, the man from Bug Tussle, Okla., has cast a large shadow in this Chamber, and he will not be soon forgotten.

Carl Albert will always be remembered as a unique man and a true public servant. Scholar, statesman, and spokesman for us here in the House of Representatives, Carl Albert will be missed.

As majority leader from the 87th to the 91st Congresses, and Speaker since then, Carl Albert's skillful and patient leadership has been largely responsible for many of the accomplishments of the Congress during these years.

But more than that, Carl Albert will be remembered as one of the handful of men in our history chosen to lead such a diverse, and I think distinguished, body as the House of Representatives. A man could have no finer memorial.

HON. CARL ALBERT

HON. RAY THORNTON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. THORNTON. Mr. Speaker, I am very pleased to join in paying tribute to our distinguished Speaker, Carl Albert.

As Presiding Officer of the House for the past 6 years, Speaker Albert helped to steer our Government through one of the most difficult periods of constitutional crisis our Nation has ever faced.

Twice he stood first in succession for service as President of the United States. Yet, bearing the weight of this immense responsibility, he continued to lead this Chamber with a firm and steady hand.

The House has benefited greatly from Speaker Albert's leadership—a kind of leadership which neither pushes nor pulls too hard, but, rather, motivates and guides toward carefully reasoned goals.

When I arrived in Washington, Speaker Albert demonstrated the special willingness to help and listen which has characterized his 28 years in the House.

Despite the increasing demands of his office, he has continued to share his time to define issues and explain proceedings in a clear and thorough way.

As a neighbor whose home district borders the corner of Oklahoma that Speaker Albert serves, I know that years in the national spotlight have in no way diminished his devotion to his constituents or his efforts to meet their needs.

We share their affection and respect for this fine man, whose service has shown how much we can achieve when our leaders take the time to help, to listen, and to care.

F. EDWARD HÉBERT

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mr. ROSTENKOWSKI. Mr. Speaker, as the gavel signaling the end of the 94th Congress approaches, it is with great honor that I say I have served with F. Edward Hébert. Eddie capably chaired the Committee on Armed Services for 4 years. However, it was not only as chairman, but throughout his entire career that Eddie has been a strong and vigorous proponent of America's military preparedness. A man of unwavering conviction, Eddie has shown courage and independence in supporting the measures he felt would further strengthen the Nation's defenses.

I know the Congress will greatly miss the presence of a man of the stature of F. Edward Hébert. I am certain that his State as well as the Nation will long remember the career of the distinguished Congressman from Louisiana. To Eddie and his wife, Gladys, I extend my warmest wishes for a satisfying and restful retirement.

REPRESENTATIVE OTTO PASSMAN'S CAREER IN THE HOUSE

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mrs. BOGGS. Mr. Speaker, the adjournment of the 94th Congress will mark the end of our distinguished colleague Otto Passman's long career in the House of Representatives.

Hale served for many years with Otto, and I, too, have been privileged to know him as a colleague in the Louisiana delegation. His tireless devotion to the interests of Louisiana, both on the floor and in his Appropriations Committee work, have given his district and our entire State a vigorous champion for 30 years.

Otto has been especially cordial and helpful to me since I was elected to the House. His loyal personal friendship will be deeply missed by me and many others here in Washington.

I wish to take this opportunity to salute Otto Passman for his remarkable record of service to his district, to Louisiana, and to the Nation as a whole. His long experience and attention to detail have been a great contribution to this House in the deliberation of legislation for three decades.

TRIBUTE TO CONGRESSMAN HEBERT

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, much has been and will be said here and elsewhere about the many great contributions to our people and our Nation of our esteemed colleague, great legislator, defender of our Nation's freedom par excellence, and friend, Congressman Eddie Hébert. However, I cannot let the occasion of his well-deserved retirement pass without noting for the record his invaluable contributions to the individual freedom and security that each of us as citizens enjoys today.

His dedication, untiring efforts, and unselfish expenditure of his time and energy during his many years in Congress, devoted to insuring that this Nation had a strong national defense, will stand out in our history alongside those contributions of other great Americans.

While I will personally miss his wise counsel, I take great pride in the example of loyal service he leaves for those who shall follow him in the U.S. Congress.

I salute my colleague. Our Nation owes him its most sincere and meaningful "well done EDDIE." All of us wish him and his lovely lady, Gladys, "calm seas, following winds, and smooth sailing" in their native Louisiana.

CARL ALBERT

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. RODINO. Mr. Speaker, for 30 years CARL ALBERT has given unselfishly of himself and his talents to the House and to the Nation. Both are the better for his leadership.

This quiet and unassuming man has, on every occasion, insisted that the great constitutional principles of America be upheld.

Under his leadership, the House has modernized itself in order to deal more effectively and efficiently with the complex issues and decisions that come before it.

During his stewardship, this House has met its obligation to advance the constitutional rights of all its citizens, to provide opportunities for greater economic prosperity and to serve the interests of the poor, the disadvantaged, the ill, and the elderly.

And when our country faced its most difficult constitutional crisis in more than a century, CARL ALBERT's courage and dedication to the basic principles of law and justice served us well.

I can readily attest, and I know history will record, that it was his determination and insistence that the truth come out through a process that was fair and open which set the tone for the final, proper resolution of our national travail.

No Speaker in our history has faced a more difficult decision than did CARL ALBERT when he confronted the awesome question of impeachment, and all that it meant to this country. He agonized over that decision, but he did not avoid it—he met the test honorably and bravely.

For this, and for his tireless service over the years in behalf of the people of America—and the world—we owe him much.

Mr. Speaker, CARL ALBERT leaves the House with a deserved reputation for fairness and leadership. He has earned the respect and admiration of all his colleagues

We shall remember him as a man of character, of principle—and as our friend.

CAB PROPOSED RULES COLLIDE WITH FIRST AMENDMENT

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MEZVINSKY. Mr. Speaker, despite the frenetic pace of these final days of the 94th Congress, I feel it necessary to draw my colleagues' attention to the disturbing implications of proposed revisions in the Civil Aeronautic Board rules of conduct for Board proceedings.

The proposed revisions, adopted by the Board August 10 and printed in the Federal Register August 16 (page 34587), aim at restricting ex parte communications in an effort to prevent improper influence on the Board.

The new restrictions are so broadly drawn, however, that they appear to collide with first amendment rights.

Most disturbing to me is a proposed revision of section 300.2a which reads:

> It is improper . . . that any person, directly or indirectly, give statements to the communications media by paid advertisement or otherwise to influence the Board's judgment in the matter.

Apparently, this prohibition can be construed to cover any statement relating to almost any and all business before the Board.

It appears that the Board, in its effort toward reform, has failed to distinguish between insulating itself from improper and corrupt influence and isolating itself from proper and essential communications with the public it serves.

The CAB had planned to implement its rule revisions September 30, despite the fact that the period for public comment on them will not end until December 29. This most unusual procedure of interim implementation—which would enact rule changes prior to the Board's consideration of public comment on them—is especially dangerous considering the first amendment questions involved.

Fortunately, the Board relented yesterday and announced a decision to delay implementation. Still, however, the Board plans to make the rule changes effective October 18—2½ months before the close of the public comment period.

Although I continue to question the CAB's rush, considering the chilling effect these rules could have, the delay indicates, I hope, the Board's recognition of the serious constitutional questions which have been raised about the proposed rule changes. The Board should now act to revise the proposed revisions to insure that when they are made effective they will not infringe on first amendment rights.

I submit for the RECORD the comments filed with CAB by Reuben Robertson and the Aviation Consumer Action project. I commend to my colleagues' attention this discussion of the CAB proposal

[Before the Civil Aeronautics Board, Washington, D.C., Docket 29626]

PETITION OF REUBEN ROBERTSON AND THE AVIATION CONSUMER ACTION PROJECT FOR RECONSIDERATION OF REGULATION PR-154

In the Matter of Regulation PR-154, Revision of rules of conduct in board proceedings, 14 CFR Part 300.

The Board has proposed a broad revision of its Rules of Conduct, 14 CFR Part 300, that will affect many persons and organizations appearing before and interested in the actions of the CAB, and it has invited comments from interested persons to be filed on or before December 29, 1976. *Notice of Proposed Rulemaking, PDR-41,* Docket 29626 (August 10, 1976). At the same time, it took the unusual step of announcing that the proposed revisions will be made effective without the benefit of considered public comment on September 30, 1976, except that persons considering that the "interim" rules will inflict substantial injury may notify the Board and request relief by September 15, 1976. *Regulation PR-154,* August 10, 1976, 41 F.R. 34587.

Reuben Robertson and the Aviation Consumer Action Project (ACAP) strongly object to interim implementation of the revision and respectfully petition the Board to reconsider its decision making the new Part 300 rules effective on September 30. While we intend to address other aspects of the revision in comments to be filed in response to PDR-41, the reasons supporting this position and objection are (1) that the new rules will be unconstitutional, and (2) that major new federal legislation known as the "Government in the Sunshine Act," which regulates essentially the same subject matters as Part 300, was signed into law subsequent to the Board's adoption of PR-154, and the new *ex parte* rules should not be implemented until the Board has had an opportunity to evaluate the effects and requirements of that legislation.

Section 300.2a(a) of the revised Part 300 provides among other things that "it is improper . . . that any person, directly or indirectly, give statements to the communications media by paid advertisements or otherwise to influence the Board's judgment in the matter". The revision nowhere limits the types of "matters" to be covered, and the preamble to PR-154 states at page 8 that the restrictions are made "applicable to all Board business, including all nonhearing cases". Any violation of this rule may be punished by severe administrative sanctions, including disqualification from practicing or appearing before the Board, stigmatization of an attorney or other offender as "unethical," imposition of civil penalities, and potential criminal prosecution.

Petitioner Robertson is an attorney who regularly practices before the Board on behalf of clients who are interested in a broad variety of regulatory issues affecting the airline industry and related sectors of the economy. ACAP is a non-profit organization which regularly advocates the interests of consumers of aviation services including participation in rulemaking and other matters before the Board. Both petitioner Robertson and the employees of ACAP are frequently contacted by news reporters regarding economic, safety and regulatory issues in the aviation industry. Except for issues directly involved in pending hearing cases, they frequently make statements to and are quoted by the communications media with respect to a broad range of matters that are within the ambit of "Board business", and as to which they believe the public should be informed: issues such as airline bumping and deliberate overbooking, CAB regulations on charter flights, tariff complexity and inadequate fare disclosure flight delays, carrier limitations on liability for baggage, improper procedures by the Board, acceptance of favors from industry sources, and conflicts of interest. Moreover through testimony in Congressional hearings and otherwise, petitioners have "indirectly" made numerous statements on such issues to the communications media, some of which have been widely reported.

The effect of this rule, if implemented, will be to force petitioners to cease having any communications whatever with the press about any regulatory problems or matters being considered by the CAB or its staff. Thus the revised Part 300 will create very strong inhibitions against the exercise of First Amendment rights by petitioners as well as other persons.

The Supreme Court has repeatedly held that prior restraints which result in such a chilling effect are "presumptively unconstitutional," being regarded as "the most serious and the least tolerable infringement on First Amendment rights." *Nebraska Press Association v. Stuart*, 44 L.W. 5149, 5155 (No. 75–817, June 30, 1976); *New York Times Co. v. United States*, 402 U.S. 713 (1971); *Organization for a Better Austin v. Keefe*, 402 U.S. 415 (1971). The Court also emphasized in the *Nebraska Press* case that First Amendment rights are entitled to strongest protection where the flow of news and commentary on matters of general public interest is at stake:

> "The damage can be particularly great when the prior restraint falls upon the communication of news and commentary on current events. Truthful reports of public judicial proceedings have been afforded special protection against subsequent punishment." (44 L.W. at 5155).

An agency seeking to impose such a restraint on communication with the press must meet a "heavy burden of showing justification," and that burden is not reduced by a claim that the restraint is only "temporary" or "interim" in nature. *Nebraska Press, supra* at 5155. Any significant impairment of First Amendment rights "must survive exacting scrutiny," *Elrod v. Burns*, 44 L.W. 5091, 5096 (No. 74–1520, June 28, 1976). Here, however, the Board has built no supporting record and has offered no real justification at all for its sweeping restriction on communications by "any person" with the press.

Even if the Board has a legitimate need to protect itself in rulemaking and other informal matters from pressures exerted through the communications media, the revision it has adopted to meet the need is inartfully drawn and plainly too broad. For example, a rule prohibiting regulated companies from charging their operating accounts with advertising or public relations expenses relating to regulatory issues pending before the CAB might substantially resolve the problem, but the Board apparently has not even considered this or similar approaches that would less severely intrude upon the First Amendment rights of a broad spectrum of persons.

> [A] State may not choose means that unnecessarily restrict protected liberty. "Precision of regulation must be the touchstone in an area so closely touching most precious freedoms." If the State has open to it a less drastic way of satisfying its legitimate interests, it may not choose a legislative scheme that broadly stifles the exercise of fundamental personal liberties.

Elrod v. Burns, supra, at 5096, quoting *Kusper v. Pontikes*, 414 U.S. 51, 59 (1973). See also *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council*, 44 L.W. 4686 (No. 74–895, May 24, 1976). The Board has clearly failed in its Part 300 revision to seek the "least restrictive" means of accomplishing any legitimate objective it may have.

II.

Petitioners are also concerned about the broad provision in revised § 300.3a(a) making improper "any effort by any person interested in the case to sway the judgment of the Board by attempting to bring pressure or influence to bear upon any Member of the Board or Board employee." This again is not limited to formal proceedings but applies to all "Board business." Thus any effort to obtain support for a rulemaking petition which might influence a decision on whether or not to initiate a proceeding would apparently offend this rule. Any effort to affect CAB regulatory policies or practices, such as its illegal "route moratorium", through entirely legitimate demands for Congressional investigation, or public pressures brought for removal or other sanctions to be imposed, as provided by law, against CAB Members or employees who have acted illegally, would fall within the prohibition. The inhibiting purpose and effect of this revision is reinforced by the revised § 300.2a(b) governing the soliictation by "any person" of communications to the Board, and by new § 300.7 under which any party to a proceeding of any kind before the Board may be required "to report any contract . . . with any federal, state, territorial or local governmental legislative or executive body or agency or any other domestic or foreign governmental authority, person or body made at any time with a view toward obtaining the support of such body, person, or agency for such party or opposition to another party in such proceeding".

Lobbying and other communications with the executive or legislative branches are protected under the First Amendment, *Moffett v. Killian*, 360 F. Supp. 228, 231 (D.Conn. 1973) (three-judge court), and restrictions on such activities can be sustained only if closely related to a compelling governmental interest. See *Thomas v. Collins*, 323 U.S. 516, 537 (1945); *NAACP v. Button*, 371 U.S. 415, 432–38 (1963). The Supreme Court in a related context has underscored the vital public purposes served by access to those who make and enforce the laws:

> "In a representative democracy such as this, these branches of government act on behalf of the people and, to a very large extent, the whole concept of representation depends upon the ability of the people to make their wishes known to their representatives. To hold that the government retains the power to act in this representative capacity and yet hold, at the same time, that the people cannot freely inform the government of their wishes would impute to the Sherman Act a purpose to regulate, not business activity, but political activity, a purpose which would have no basis whatever in the legislative history of that Act. Secondly, and of at least equal significance, such a construction of the Sherman Act would raise important constitutional questions. The right of petition is one of the freedoms protected by the Bill of Rights, and we cannot, of course, lightly impute to Congress an intent to invade these freedoms. Indeed, such an imputation would be particularly unjustified in this case in view of all the countervailing considerations enumerated above.

Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc., 365 U.S. 127, 137–38 (1961); see also *California Motor Transport Co. v. Trucking Unlimited*, 404 U.S. 508 (1972); *UMW v. Pennington*, 381 U.S. 657 (1965). The Board's new restrictions against efforts to influence rulemaking and regulatory policies in other than adjudicatory cases are far too sweeping, and not sufficiently tailored to solve whatever particular evils the Board has in mind, to meet the exacting Constitutional standard.

III.

Finally, we respectfully draw to the Board's attention the fact that the President on September 13, 1976 signed into law the Government in the Sunshine Act, which by its terms will take effect in 180 days. That enactment is intended to significantly affect the administrative practices and procedures of regulatory agencies including the CAB. Among other things the Sunshine Act establishes new standards for the conduct of agency business and the making or receipt by agency officials of *ex parte* communications.

In light of this important development it would be ill-advised indeed for the Board to rush ahead with immediate implementation of its Part 300 revision before careful evaluation—including, we would hope, an opportunity for meaningful public participation—can be made of the Sunshine Act requirements and the pertinent legislative history.

Accordingly, petitioners urge that the Board not implement the Part 300 revision in its present form, and that it issue a supplementary notice specifying that the new rules will not be made effective until comments received from interested members of the public have been evaluated, and specifically requesting public comment on relevant constitutional problems and on the effects of the Sunshine Act.

Respectfully submitted,
Reuben Robertson,
Attorney.

Dated: Washington, D.C., September 15, 1976.

WILBUR D. MILLS

HON. ROBERT DUNCAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DUNCAN of Oregon. Mr. Speaker, our pleasure at being able soon to be free; to exchange the vigors of the Congress for the vigors of the campaign is tempered by the knowledge that many of our colleagues will not be with us again.

Some are, by the nature of the system, ordinary men who will leave us by choice or circumstances. A few who are leaving, however, will be counted among those titans who have embellished this body for almost 200 years with their knowledge, their industry, their devotion, and their integrity. Not the least of those latter is Wilbur Mills.

Wilbur Mills has left his mark on this country. I served with him in the early 1960's. I can never forget the skill and detailed knowledge with which he steered complex bill after complex bill through this body. His influence extended as well to the other body in conference after conference where his views, and the views of the House, almost inevitably prevailed on tax matters. I considered him to be the preeminent parliamentarian of those days and considered it the highlight of my 4 years to have opposed his position, first, on the unanimous consent and later on the suspension calendar, on a bill of importance to my then district, and to have prevailed on the voice vote on the division. Of course I got my comeuppance on the recorded vote. Though I lost my scrimmage, I won the attention and acquaintance of Wilbur Mills.

And I found that such acquaintance ripened into what I believe to be a friendship. After leaving the Congress and returning only infrequently, Wilbur Mills never failed to recognize me in the halls and call me by name. A favor was easily requested and always gracefully granted. I believe that one can truly tell the measure of a man more by the little things in life than by the big. By whatever measure one uses, Wilbur Mills ranks high.

Illness and misfortune overtook him as his service to his State and his country grew to an end. Rectitude and good works cannot be clouded by a single misfortune. I join with my colleagues in honoring Wilbur Mills, as he has honored us in the Congress, and wish for him the dignity and the satisfaction that goes with a job well done, and the rest and honor in retirement that he deserves.

WILBUR MILLS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. FISHER. Mr. Speaker, I want to add my salute to our colleague, the gentleman from Arkansas, Wilbur Mills. His contributions as the longtime chairman of the Ways and Means Committee, on which I now have the honor to serve, are well known and will be duly recorded in history books yet to be written. He brought to this task an extraordinary mastery of the details of the tax code, a sense of political reality, and an overall grasp and competence that will surely place him in the highest ranks of Congressmen who are skilled in the "art of the possible."

On a personal note, in his last term in Congress Mr. Mills has many times gone out of his way to help me as I learn the ropes in the difficult work of the committee on Ways and Means. He has been generous with his time, always willing to explain things to a neophyte, and most considerate and generous with encouragement. I appreciate this more than I can say and only hope that I can put into practice some of the lessons he has been teaching me.

Mr. and Mrs. Mills have lived in my district in northern Virginia for some time. I hope very much that they will continue to spend many months a year in their second and adopted home in Arlington. This is a request to Wilbur that he continue to bring to me his problems as a constituent as well as his advice on matters on tax and other national policies.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on October 1, 1776, the Continental Congress passed a resolution urging those States who had not sent all their delegates to Congress to do so. The next day, John Hancock, President of Congress, sent the following letter to those States who were not fully represented:

> The Congress being at present deeply engaged in matters of the utmost importance to the welfare of America, have judged it absolutely necessary that there should be a full representation of the several States as soon as possible. For this end I am to request, in obedience to their commands, you will immediately take proper measures to comply with the enclosed resolve, in order that the United States may be fully represented in Congress, and the sentiments of America be the better known upon those interesting subjects that lie before them. I shall therefore only once more request your compliance with this requisition of Congress; and have the honour to be, gentlemen, your most obedient and very humble servant.

TRIBUTE TO CHAIRMAN BOB JONES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BIAGGI. Mr. Speaker, I am honored to pay tribute to one of this body's foremost legislative leaders, Hon. Robert Jones, who is retiring from the House after a most impressive 28-year career.

The improvements that the people of this Nation have enjoyed in their transportation systems, their highways and their bridges, are in great part due to the diligent efforts of Bob Jones who has served effectively as the chairman of the House Committee on Public Works and Transportation for the past 2 years.

Much important legislation benefiting not only the Nation's transportation but also the Nation's dismal employment picture, have emerged from the Public Works Committee. Without question, the passage of the massive Public Works Employment Act has to be considered one of the legislative highlights of the 94th Congress. I was gratified to learn that the President has decided to sign this bill which should put some 600,000 Americans back to work.

Bob Jones was a fair chairman and is a fine gentleman. I have requested his judgment and his legislative expertise. The people of the Fifth Congressional District of Alabama and the people of this Nation have benefited from Bob Jones' years in the House. I extend to him my warmest best wishes for a happy and fulfilling retirement.

BOB STEPHENS

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FLOWERS. Mr. Speaker, I take this opportunity to pay tribute to my good friend and colleague, Bob Stephens, on his retirement from the House of Representatives.

Although his congressional seat will be ably filled by someone else in January, we will all feel the loss of this congenial and gentle man. From a personal standpoint, I will miss his wonderful stories and his good-natured humor.

Bob has had a fine legislative career, and has served the people of his district and State with great distinction. I wish him and his family health and happiness in the years ahead.

AN AMERICAN IN NICARAGUA

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KOCH. Mr. Speaker, recently an American student who traveled in Nicaragua last summer related to me his experiences in Nicaragua. While I have no independent knowledge with which to verify his assessments, I do think that our colleagues would be interested in his comments. The feeling one gets from his impressions is that U.S. policy in Nicaragua is a failure and could end in disaster. I hope that in the next session, Congress will scrutinize our programs of assistance to Nicaragua and determine whether our support of President Somoza is assisting in the suppression of human rights in that country.

The memo follows:

> Observations in Nicaragua, August 1976
>
> 1. The Military is omnipresent in Nicaragua and stands out in my mind more than anything else I saw during my stay in that country. In Managua, National Guard soldiers patrol the streets with U.S. rifles (sometimes machine guns). In many instances uniforms still carry the letters "U.S.", just as most of the jeeps used to patrol the streets and countryside still have their original markings.
>
> The National Guard brings fear to the people; Somoza's main weapon in maintaining his power. Officers are corrupt and use their power for their personal use. For example, I heard that Somoza will reward an officer by allowing him to wipe out a peasant village (under the guise of fighting guerrillas) and letting the officer keep the land for himself. Sometimes even Somoza can't control the activities of his officers, especially isolated units in the countryside. The lower ranks of the National Guard are filled by poor and uneducated men who couldn't resist the opportunity to have a steady job and at least make some money. But their pay is so little that they are almost forced and expected to take advantage of their power (i.e., their gun) by taking bribes or even outright piracy.
>
> The National Guard in Nicaragua does not assure protection for the people nor justice. In my estimation, its main role is to assure Somoza's power. This was plain to me after only a month in the country and so I can hardly believe the State Department's remarks during hearings (April 7, 1976) before the Foreign Operations Subcommittee of the Appropriations Committee. A Mr. Williams said "I can't accept the premise that the National Guard is involved in police functions" (referring to the Section 660 of the Foreign Assistance Act which prohibits U.S. military aid for internal police functions

whether that function is described by the foreign government as something else or not).

2. It was a personal encounter with the National Guard that persuaded me to go to Washington and try to do something to change the situation regarding U.S.-Nicaragua relations. I was in Ocotal (a timber town in the northern mountains) and I was climbing a mountain which, as I later found out from locals, was a favorite place for torturing political prisoners and dumping bodies. Whatever the reason, somebody didn't want me up there and a patrol was sent out to get me. I was shot at twice, about a foot over my head (one bullet hitting a tree behind me). They could have been warning shots but the guardsmen didn't attempt to yell at me (I couldn't even see them) and also I doubt they were that good marksmen considering their minimal training. (From what I had heard from the people, the usual philosophy of the National Guard is to shoot first, ask questions later. For example, I was talking to a black in the town of Bluefields on the Atlantic Coast who told me his friend was accused of being a thief and shot in cold blood on the street.)

I wasn't sure if it was the National Guard or guerrillas shooting at me so I didn't want to yell anything (like that I was an American), as it could incriminate me. I started slowly to make my way down the mountain, off the trail and luckily walked into a guardsman before he noticed me, and perhaps shot at me and immediately put my arms up. He indicated to go down with him and then we ran into what must of been the Captain of the patrol. He was a mean-looking young man who wanted to scare me (they are so careless with their rifles anyway). He raised his rifle and aimed it right at me and then finally lowered it and escorted me to a waiting jeep at the base of the mountain.

I was brought to the garrison at the center of town where I had to give my name. I was detained for about fifteen minutes before they understood or believed that I was an American staying with Maryknoll Brothers in Ocotal. I returned shortly after with one of the Brothers, this time to talk with the colonel. He seemed quite angry at the entire incident (probably thinking his men were dumb to make trouble for an American, who Somoza wants to treat so well. The matter was "cleared up" and interestingly the official report said nothing about my getting shot at and said I was picked up for indecent exposure as I was wearing shorts and no shirt (since it was warm climbing the mountain). I wasn't in the mood to argue about the report.

Thinking back on this experience, I remember being afraid but also, and even more so, angry. Even when facing that guardsman's rifle I couldn't help thinking about the irony of the situation; I could be killed by a bullet that my family helped pay for.

3. U.S. markings left on military equipment given to Nicaragua is not due to a mistake or inefficiency. Rather, it is another way Somoza displays the friendly support he gets from the United States. Somoza thrives on it and, as I will elaborate on later, the spirit of U.S. aid is more important to maintaining Somoza's power than the actual material aid.

For example, after a political-social function where both Somoza and the American Ambassador are present, the government newspaper and television will run pictures of the two shaking hands, playing it up as much as possible, although it was only a formality. The new Ambassador realizes this and is consciously trying to play down any indication of personal friendship with Somoza (unlike his predecessor, Ambassador Shelton).

The State Department, as a whole, is also not as supportive of the Somoza regime as before. It seems they realized a monster has been created and according to one respected source the State Department would not mind seeing a shift of power as long as they had an influence on that shift. Also, the State Department is anticipating at least a cut-back of aid given to Nicaragua which would weaken Somoza's psychological base. Perhaps in realizing that the U.S. is no longer behind Somoza, Nicaraguan military officers will oppose him. In any case, in my opinion, the State Department wants to be prepared for a shift of power and I will bet there are more C.I.A. personnel in Nicaragua now than before in more stable times.

Somoza seems to realize that he is losing ground with the State Department and indicating his displeasure, for example, by not showing up or staying long at American-sponsored social activities.

4. The Catholic Church in Nicaragua represents another threat to Somoza, perhaps even the greatest. For practically the whole population is Catholic and although the younger, post Vatican II priest and brothers are trying to instill the "new church" philosophy with emphasis on Christianity and human dignity (which in itself is a threat to any dictator), Nicaraguans are of the old, institutionalized church (from the Spanish). As a result, they will act more readily and forcibly to uphold religious traditions than for a political cause; even their freedom. Ironically, priests are considering using this situation to fight Somoza by threatening an "Interdict"—the termination of all masses and sacraments—until he makes concessions.

Meanwhile, one of the signers of the "Capuchin document", citing the large amount of people "disappearing", was exiled from Nicaragua. It seems with the influx of younger, American clergy in Nicaragua, that no longer will the church tolerate the regime.

5. I traveled extensively throughout the country, having the chance to be with the very rich and very poor. As I mentioned, there is no doubt that Nicaraguans are both scared and apathetic, yet even the most underprivileged masses know what is going on. They do talk politics among themselves. Unfortunately, they are very cynical, thinking that nothing can change by the will of the people; an attitude which is rooted in their experience and culture. What is sad is that as they connect United States with Somoza (which Somoza wants), they also extend the attitude that American policies will never change for idealistic reasons. (For example, a fellow on the Atlantic Coast just didn't believe me when I told him that some Congressmen were concerned about giving money to the Nicaraguan government.) And perhaps the worse outcome of the history of U.S.-Nicaragua relations is that behind the smiling faces of the people on the streets trying to sell me things, were hating eyes.

The rich too are cynical. Many of the businessmen I met were not evil people who care nothing for their country. Rather their attitude is since they see helping Nicaragua as impossible, at least they will help themselves and family (which, of course, is actually at the expense of their countrymen). Many of the wealthy despise Somoza (privately, of course) and some don't even need American interests to stay affluent. (I lived with a wealthy businessman who had all his money invested within Nicaragua or Nicaraguan companies.)

I feel the future of Nicaragua will lie with the children of the rich, of which class I got to know many individuals. Disappointingly most, as their parents, were very cynical, or having been blinded from reality by their parents (e.g., sent to U.S. private schools) felt more American than Nicaraguan. However, I did meet a few strong, young people) one in particular who is now a good friend) who want to use their fortunate background to help their country. Many such young people stay in Nicaragua and study at one of the two universities where there exist active anti-Somoza movements. (A law professor at the University in Leon told me that 25% of the students were actively involved in anti-Somoza groups and another 50% at least sympathize with them.)

In the mountains there is constant guerrilla activity. The F.S.L.N. is poorly organized, however, with few, if any, overall goals. Unfortunately, many individuals join the guerrillas for less than idealistic reasons, such as wealthy young people who get screwed up on drugs and need to build up their ego. Often the guerrillas in retaliation are just as cruel and arbitrary as the National Guard; the peasants getting squeezed by both sides (as in Vietnam).

6. I read the State Department's testimony from the June, 1976, House International Relations Subcommittee of International Organizations hearings on civil rights violations in Nicaragua, Guatemala, and El Salvador. After visiting Nicaragua it is clear that the State Department is just playing games in pleading ignorant.

Atrocities are routine in Nicaragua and everybody there knows it. I talked to a person who has seen pictures of the common graves of a peasant village wiped out for lending support to guerrillas, pictures taken by a priest

I was one of the first to talk to a political prisoner just released after six months (there was no trial or even an official charge). He was a lay leader in the church community and the saddest part was that he was so beaten and abused that after his release the priests did not know whether they could trust him or whether he had been broken. And, of course, the one civil rights violation committed in Nicaragua I will never forget was that against me.

I had to laugh when I read in the same State Department testimony that one reason human rights violations are difficult to confirm is that Nicaraguans don't come forward and report to the U.S. Embassy in Managua. Well, I felt intimidated entering the tightly-guarded, plush Embassy—and I'm an American! This is just one example of how the Department of State is playing games concerning foreign policy in countries where the government is violating the human rights of its citizens.

8. In summary, there are three main points:

a. Samoza's power in Nicaragua is based on U.S. support, perhaps more than the State Department realizes or admits. (I refer to a letter put in the February 18, 1976 Congressional Record from the State Department (Mr. Robert McCloskey) to Rep. Edward Koch, "Many Nicaraguans conceive of the United States as the final arbiter of political developments in that country . . . our relations with the Government of Nicaragua are conducted today, as a matter of explicit policy, on the basis of government-to-government dealings, rather than personalities. This policy may have been subject to misunderstandings in the recent past, but the Department of State has made every effort to establish clearly and publicly that our programs in Nacaragua are not meant to serve narrow partisan purposes.") Some Nicaraguan military leaders might even faction against Somoza in the event of a withdrawal of U.S. aid.

b Everybody I talked to in Nicaragua, rich and poor alike, agreed that no social-economic progress can be made in that country as long as the Samoza regime stays in power

c Bloodshed is most likely unavoidable if and when Samoza goes (which may come about even if the U.S. continues support through, for example, an assassination as in 1957). The future afterwards is unclear as to the type of new government, whether it would be better or worse (Part of the problem, of course, is that all opposition parties are illegal, so that no preparation can be made.) But, it is Nicaragua's only chance and the question is whether the United States should allow it to take that chance as our forefathers took a chance two hundred years ago.

9. The U.S. should be concerned about and know what is happening within its southern neighbors. But there is a limit to how much interference in people's self-determination is right or even practical.

And, if nothing else, considering the size of Nicaragua and its minimal resources, a situation is provided where for once the United States and Congress can look good and at no cost to both the rest of the world and money-tight voters.

HON. JOE EVINS

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. STEED. Mr. Speaker, long service with any Member of Congress always generates a great many experiences and sentimental memories. But when that service is marked by a close working relationship with the Member the association takes on a deeper and more lasting significance. Such has been my long association with my warm friend from Tennessee, the Honorable Joe Evins.

He was in his second term when I arrived here in 1949. As time went on, I became involved with him in two very important areas—on the House Appropriations Committee and on the House Small Business Committee. As one of the subcommittee chairmen on appropriations, I had the great privilege of working closely with Mr. Evins in many fields, but his devotion to our Nation's natural resources perhaps highlights all the problems which received our attention.

As a member of the Small Business Committee, I sat next to Mr. Evins for more than 20 years, and became his ranking majority member when he was elected to the committee chairmanship. As in our work on appropriations, I found Mr. Evins being equally as dedicated to America's small business community as all his other strong interests, and he made great accomplishments during his leadership of this committee.

This very active man, who became so outstanding an authority on so many matters, is taking his departure from us voluntarily. And in doing so he is leaving a large gap and a big pair of shoes to fill.

I am especially grateful to Mr. Evins. After he made his decision to retire, he decided to resign as chairman of the Small Business Committee in order to permit me to assume that high honor. This action which benefited me so much is an example of the generosity and friendly feeling Mr. Evins has always held toward his colleagues.

His attributes are many, but his good humor, his strong convictions, and his dedication to his work mark him the best. He will be greatly missed

My wife joins me in wishing Joe and his wife, our dear friends from the great Volunteer State, long life and happiness as they depart from this scene of national action. Few Members have ever left behind a finer record of public service, or have put down the burdens of office after having so well earned and deserved the right.

HON. ROY A. TAYLOR

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MANN. Mr. Speaker, Roy Taylor and I have done everything from fighting the rapids on the Chattooga River together to fighting for extended parks and recreational facilities in the Carolinas. I cannot speak for the Chattooga, but I can say that his leadership as the chairman of the Interior Committee's Subcommittee on National Parks and Recreation will be sorely missed in the House and by the American people who have enjoyed the more than 4½ million acres of land whose addition to our parks and recreational facilities he has overseen.

Working with Roy has always been a pleasure and an education, and I am sure that when he returns to his home State, the citizens of North Carolina will continue to benefit from his knowledge and his experience, as we have been so fortunate to do.

I join my colleagues in extending best wishes to Roy. He will be missed in this Chamber. However, I am certain that the remainder of his life will be devoted to the service of his fellow man, and with that certainty, we bid him farewell.

JOE L. EVINS

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ULLMAN. Mr. Speaker, rural America is losing a distinguished legislator and a strong champion with the retirement of my good friend Joe Evins from this Congress.

As chairman of the Appropriations Subcommittee on Public Works, Joe has been instrumental in establishing the water systems that have brought millions of acres of farmlands into production. And under his guidance the Committee on Small Business has focused attention on the particular concerns of small-town entrepreneurs in maintaining free competition under our antitrust laws, lightening the regulatory burden, and insuring an availability of capital for small, independent operations. Joe has recently been successful in elevating the Committee on Small Business from a select committee to a standing committee with full legislative authority, thus guaranteeing a continuing voice to an important cornerstone of the American economy.

During an epoch when more and more capital and power was being concentrated into the hands of relatively few corporate enterprises, Joe was careful to remember the little man, and we owe him a great debt for the continuing vitality of our small communities.

I join my colleagues in saluting Joe Evins, and wishing him good health and every happiness.

SECTION-BY-SECTION ANALYSIS OF RIDE-SHARING LEGISLATION

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. EDGAR. Mr. Speaker, I would like to share with my colleagues a section-by-section analysis of a bill I intend to introduce during the 95th Congress. The bill would promote carpooling, vanpooling, and buspooling at all levels of government and the private sector. I urge my colleagues to study this analysis and support the bill next year:

SECTION-BY-SECTION ANALYSIS OF FEDERAL-AID TO RIDESHARING ACT

Title: A bill to authorize appropriations for ridesharing programs, to consolidate existing Federal ridesharing programs, to foster ridesharing programs in States and localities, and for other purposes.

Title I: Short title, findings, purpose, policy, goals and definitions.

Section 101 designates the short title of the bill as the "Federal-Aid to Ridesharing Act of 1976".

Section 102 declares the findings of the Congress with respect to the need for carpooling, vanpooling, and buspooling. The section also defines the purpose of the Act as saving energy, reducing pollution and traffic congestion, diverting parking areas to more productive uses, and increasing transportation opportunities to elderly and handicapped citizens.

Section 103 declares the policy of the Act to be, among other things, to consolidate ridesharing programs, make the consolidated program flexible, and to underscore that ridesharing activities financed by the Act shall be voluntary.

Section 105 provides definitions of terms referred to in the Act.

Title II: Consolidation of Federal Ridesharing Activities.

Section 201 establishes a National Office of Ridesharing within the Department of Transportation. The section also enumerates the duties of the Office.

Section 202 directs the Director of the Office of Management and Budget to use his authority consistent with existing law to transfer to the National Office of Ridesharing current Federal programs which would be performed more appropriately by that office. Where there is no authority for a transfer without Congressional action, the Director of OMB is required to make recommendations for such action

Section 203 repeals two provisions of existing law which authorize ridesharing activities which would be inconsistent with a consolidation.

Section 204 is a "sunset" provision for the

National Office of Ridesharing. The Office will be abolished on September 30, 1983 without appropriate Executive review and legislation extending the mandate of the Office.

Title III: Planning, Technical Studies, Research and Demonstration.

Section 301 declares the findings and purpose with respect to Title III.

Section 302 establishes a program for the submission of State ridesharing feasibility reports, and comprehensive State ridesharing plans. Both plans and reports are voluntary for submission by States.

Section 303 establishes a program of financial assistance to States to finance the preparation of State ridesharing feasibility reports and State ridesharing plans.

Section 304 requires the establishment of national and individual State goals for the increase in average motor vehicle occupancy

Section 305 authorizes a grant program for technical studies related to ridesharing.

Section 306 authorizes a grant program for research, development, and demonstration projects related to ridesharing.

Title IV: Ridesharing Programs, Grants, Loans.

Section 401 establishes a grant program to states, local governments, and their instrumentalities for ridesharing programs and projects. Subsection (d) of the section authorizes a 90% Federal share for the program. Subsection (f) requires public hearings for projects.

Section 402 establishes a revolving fund for loans to fund projects of the same type as those eligible for the grant program of Section 401.

Title V: General Provisions.

Section 501, in addition to other provisions, requires the submission of annual reports to the Congress and the President on the operations and programs of the National Office of Ridesharing.

Section 502 establishes administrative procedures required of recipients of the funds authorized by the Act.

Section 503 authorizes funds for programs established in Title III and

Title IV. For funding State ridesharing feasibility reports and plans, $20,000,000 are authorized for fiscal year 1978, and $10,000,000 for fiscal year 1979. For technical studies grants, $10,000,000 are authorized for 1978, and $12 million for fiscal year 1979.

For research, development and demonstration grants, $12 million are authorized for fiscal year 1978, and $15 million for fiscal year 1979. For the general grant program of Section 401, $50 million are authorized for fiscal year 1978, and $60 million for fiscal year 1979. For the revolving fund authorized by Section 402, $100,000,000 are authorized.

HON. BILL STUCKEY

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BROYHILL. Mr. Speaker, as BILL STUCKEY concludes his service in the U.S. House of Representatives, I want to take this opportunity to wish him well in the coming years. I have enjoyed working with BILL on the House Interstate and Foreign Commerce Committee and it has been my pleasure to serve with him in the Congress for the last 10 years—as I know it has been the pleasure of his constituency to have him in Washington.

I will miss BILL but look forward to hearing from him often as he assumes what we hope will be a less hectic and much more relaxed existence.

THE BATTLE OF BRITTON'S LANE

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JONES of Tennessee. Mr. Speaker, I wish to recount for you a most remarkable gathering I had the fortune of attending back home in the Seventh Congressional District over the Labor Day recess.

The location was in west Madison County, Tenn., which 114 years ago was the scene of much death and injury as the result of an engagement between Northern and Confederate troops. Then, the soldiers of our divided Nation met together for several hours of fierce battle which left a number slain and bleeding on both sides. To this day, it is still not certain which side took the victory. The engagement became known as the Battle of Britton's Lane.

That battle took place on a Sunday. It is said that churchgoers in the small town of Denmark 6 miles away could hear the dull thunder of cannon and the crackle of musketry come to them through the early morning air. Later, the wounded of both sides would be tended and leave their bloodstains in the Denmark Presbyterian Church.

But on the Sunday of this year's Labor Day weekend, a different sort of engagement took place that symbolizes what this great Bicentennial year has been all about.

One thousand Madison Countians came together to commemorate the Battle of Britton's Lane with barbecue, country music, and good cheer. It was a day of warm feelings that began with a church service at the same Denmark church, where Boy and Girl Scouts rang the church's original bell one time for each year of our Nation's wonderful history.

Following the church service, the activities moved to the scene of the battle, which at the present time is a fenced-in acre of land which was purchased some years ago by the county. A monument stands near its center, close to a mass grave. Beside both an American flag flies 7 days a week.

For the rest of the day, the pain and suffering of years past were forgotten. Recalled was how our great country has come together in the years since the Civil War.

Neighbors and strangers—both black and white—came together to view the battleground, eat together, listen to the music, hear the speeches of various community leaders, and marvel at the smoke and noise of replica artillery. Youngsters were given rides on Jackson's Bicentennial Wagon, to which the people of Madison County donated their dollars months ago to send the wagon to Valley Forge with the Pennsylvania Bicentennial Wagon Train.

The speeches had a common theme. Left behind were the hard feelings that once gripped this Nation. Instead, Circuit Court Judge Andrew "Tip" Taylor, Madison County Judge Walter Baker Harris, local historian and banker Harbert Alexander, Bicentennial Committee Vice Chairman Hunter Brumfield and I reviewed how a nation once divided had joined together to heal its wounds and produce the strongest and most prosperous people in the history of the world

Every moment of the day—the bell ringing, the church service, the meal, the commemoration activities, the speeches—added to the day's successful rededication to the great principles that have been in focus throughout our Bicentennial year.

Now, ladies and gentlemen, that battleground is again silent. Let me read to you a poem written by Denmark resident, Fonville NeVille, who at age 83 still characterizes the strength of the American people. This is what he wrote to recall the battle so many years ago:

For more than a hundred years it has laid dreaming,
Through sunshine, through storm, through starlight
Winter's blight and the promise of springs to come,
Beneath the gaze of those for who it had no omens.

No phantoms of its past stalk its unfallow sod,
No ghosts of Blue and Gray move in its mornings mists—
No bugle call, no cannon blast, no scream of Minie ball.
Nor in the echoes of the night a shout that has laureled
Many a battlefield in victory or defeat.

Though some eyes may have lingered on its bare earth,
To wonder at its barren growth, to muse upon the swollen
Mound of grassless dirt, memory wreathed it not in
Laurel leaves no golden sheaf, none of the glory of
Tide of First Manassas, nor of the trial of Gettysburg
Could it show nor boast of and yet, and yet though few,
Men died and bled there for the same Ideal, the same Cause.

And though History marked it not with paragraph
And though its earthern lips stayed mute and gave not praise
After more than a century it has at last gathered to itself
The atmosphere of all the glorious past and the emblem of battle.

The valor of the few who sleep here will not fail to rise
And recall Honor, heroic deeds, make alive the old legends—
Back to that spot again and make is sacred so long as the memory
Of Man, so that they will not pass it by as before without
Name it sleeps under arise to mock them—
Britton's Lane.

SAFE PILOT HONORS TO ROBERT F. SKULLEY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BURKE of Massachusetts. Mr. Speaker, I was very pleased to note that one of my constituents, Mr. Robert Skulley, of Forest Avenue in Brockton, was recently awarded the National Pilots Association's highest award—the Safe Pilot Certificate.

I want to share his achievement with my colleagues in the House. I am, therefore, happy to insert the National Pilots Association's press release marking this event:

> NATIONAL PILOTS ASSOCIATION AWARDS "SAFE PILOT" HONORS TO ROBERT F. SKULLEY
>
> WASHINGTON, D.C., March 23, 1976.—On December 12, 1975, President Michael Loening of the National Pilots Association presented to Robert F. Skulley, of 133 Forest Avenue, Brockton, NPA's highest award—the Safe Pilot Certificate granted to its members by the nation's largest non-profit pilot organization in recognition of skill and flying ability represented by 500 hours or more as pilot-in-command "without major accident involving damage to property or injury to person".
>
> Skulley, whose pilot career began at Brockton, accumulated a total of 1,200 accident-free hours to qualify for the coveted NPA recognition.

WALTER ALSTON—A MAN FOR ALL SEASONS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANDERSON of California. Mr. Speaker, the citizens of Los Angeles and baseball fans throughout the Nation will witness an end to an era in baseball with the retirement of Walter Alston; the former will look upon it with sad regret, and those fans who root for other teams will observe it with a sigh of relief.

Managing the Los Angeles Dodgers for 23 years, the 64-year-old Alston has become as much a part of Los Angeles as the team itself. Spearheading the Dodger's drive to seven league pennants and four World Series victories, Alston has established himself as one of baseball's all time coaching greats—a claim backed up by the record books which list Alston's stellar achievements among the five best coaching records in the history of the game.

Walter Alston's success at the helm of the Los Angeles Dodgers also proves that one's performance at the plate does not always determine one's future in the leagues. Signing with the St. Louis Cardinals in 1935, the 24-year-old aspiring first baseman saw his major league debut result in one unsuccessful time at bat, one put out and one error in the field. Remaining in relative obscurity for several years, Alston played in the minor leagues and coached a farm club in Montreal until 1954, a year in which the Brooklyn Dodger's fortuitously decided to appoint the native of Hamilton, Ohio as the team's new manager. Only 1 year was needed for Alston to lead the Dodgers en route to a World Series championship. In 1958, Walter O'Malley, chairman of the board for the Dodgers, sensing that the West coast was ripe for major league baseball, introduced the team to the city of the Angels. Alston's Dodgers apparently adapted to the new climate quickly—a fact evinced by their successful defense of the world championship title in 1959. In 1963 and 1965, under Alston's leadership, the team reasserted its dominance over the major leagues by winning two more World Series titles. In 1974, managing the team in his 20th season, Alston came painfully close to winning his fifth World Championship after successfully engineering the team's capture of the National Leauge pennant.

It would be a vast understatement to say that Walter Alston's presence in baseball will be sorely missed. His contributions to the game and positive influence upon his players are precious gifts whose true value defy appraisal. After spending 23 years in major league coaching and 40 years in professional baseball, perhaps Walter Alston can best be thanked and described as truly, "a man for all seasons."

AMERICAN YOUTH HOSTELS

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. NOLAN. Mr. Speaker, today I am introducing a bill to establish a cost-sharing program under the Department of Interior to further the development of a national youth hostel system through the renovation of existing buildings for use as youth hostels. Youth hostels are inexpensive, clean overnight accomodations for people involved in outdoor recreation and educational activities. These hostels or dormitory style accommodations are for use of families and individuals of all ages. They consist of separate sleeping and washing facilities for men and women and a common kitchen and recreation room.

Americans and citizens of foreign lands have enjoyed youth hostels for several decades. Forty-seven countries, including Sweden, Japan, Canada, Germany, and Great Britain, have enjoyed national youth hostel systems supported by their governments.

Youth hostels provide more than mere shelter from the elements. They provide new opportunities and enhance existing opportunities for the satisfaction of our education and recreation needs. In this light they are recreational and educational tools Excursions and field studies of a wide variety can be conducted and experienced with youth hostels acting as a base or "headquarters" for groups of individuals visiting recreational areas. They are employed as educational field study centers for the study of many academic subjects, especially ecology, biology, and ornithology. They provide centers for interregional exchanges like those which permit inner-city youths to journey into rural areas. Hostels also provide an outlet for families to participate in recreational activities together. At a time when the family institution is undergoing stress and strain, this outlet should not be underrated. The handicapped have also found youth hostels places which provide unique opportunities for enjoyment of the outdoors.

Among the myriad of recreational users of hostels are cross-country skiers, canoeists, horseback riders, and hikers. More youth hostels mean greater accessibility to our recreation areas, urban centers, rural areas, and national monuments. Franklin Roosevelt once said:

> I was brought up on this sort of thing and realize the need for hosteling. From the time I was nine until I was seventeen I spent most of my holidays bicycling on the continent. This was the best education I ever had; far better than schools. The more one circulates in his travels the better citizen he becomes not only for his own country, but of the world.

Under legislation passed in 1963 (Public Law 88-29) the Bureau of Recreation—BOR—as part of the Interior Department, is responsible for establishing a "comprehensive nationwide outdoor recreational plan." Youth hostels are an essential component of such a plan.

The bill I am introducing today would establish a BOR-administered cost-sharing program to allow communities to renovate existing buildings as youth hostels. The cost of this program would be very low in comparison to the cost of new construction. Our abandoned and under-used structure would take on new life by being employed in the fashion I have described. Additionally, this program would bolster the recreation industry, provide new jobs and add new vitality to the interest in outdoor recreation and educational travel.

BABI YAR

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROSENTHAL. Mr. Speaker, September 29 marked the 35th anniversary of the Nazi murder of over 100,000 Russian Jews at Babi Yar.

The systematic extermination of Kiev's Jews at Babi Yar began on September 29, 1941, when Nazi machineguns cut down men, women, and children. Within 2 days, more than 34,000 Jews were killed. Thereafter, the site was used as a routine place of execution. In the next 2 years, thousands of people of various Soviet nationalities were slaughtered and buried there.

Today in Babi Yar, Jews are not permitted to pay their respects to the memory of their murdered brothers and sisters. Only after enormous public pressure was a monument erected by the Soviet Government. But that memorial makes no mention of Jews—it is merely another example of the Soviet authorities' denial of Jewish suffering.

The KGB of Kiev recently began a campaign of harassment against those Soviet Jews who desired to commemorate the tragedy at Babi Yar. But oppressive police tactics could not completely halt this time-honored Jewish tradition. Reports originating in the Soviet Union inform us that a limited service was held.

However, not only was it shortened by Soviet authorities, but all but local Jews were barred from attending.

The anniversary of the tragic events at Babi Yar cannot be cast aside as another in a series of oppressive actions by the Soviet Government. The suffering of Soviet Jews is the suffering of all humanity.

MANDATE FOR DEFENSE SPENDING

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MURTHA. Mr. Speaker, I believe it is important for the Members of Congress to be aware of a study on public attitudes toward defense spending reported in the October 1 Washington Post.

I find it reassuring that the American people have followed the defense debate and realize the international circumstances which require a strong defense budget. This is the path Congress took this year, and, as this article shows, the people certainly believe that is the right path:

POLL OF U.S. BACKS BIG DEFENSE OUTLAY

(By William Chapman)

Strongly anti-military in their mood during the latter years of the war in Vietnam, Americans now show a renewed sympathy for military spending and are more concerned about Soviet military power, according to a new national poll.

They also believe that the Soviet Union matches the United States in overall world importance and believe that this kind of stalemate will endure for a while, the poll shows.

The survey of 1,071 Americans was released yesterday by Potomac Associates, a Washington-based research company.

The survey, similar to ones taken on military and foreign policy subjects in 1972 and 1974, concluded that "Americans have become significantly more sympathetic toward overall military and defense spending."

In 1972, 49 per cent of those polled felt that total spending for military and defense purposes should be either increased or kept at the present level.

But the latest survey, taken in May, 1976, found that 71 per cent felt that way.

The percentage of those favoring reduced spending has fallen from 37 per cent in 1972 to 20 per cent in 1976.

The survey found that, in terms of overall power and importance, people believe that the Soviet Union is virtually the equal of the United States and that this stand-off will persist into the future.

"The public does not like this state of affairs," the study concluded. "The majority of Americans now agree with the proposition that the United States should maintain its dominant position as the world's most powerful nation at all costs, even going to the very brink of war if necessary."

A bare majority, 52 per cent, subscribe to the view that the United States should endeavor to be "number one" in world power and influence. That is approximately the same as in the mid-60s; in 1972, the level of support for being "number one" had slipped down to 39 per cent.

The survey also registered a large, sharp decline in support for the United Nations.

It found that this year about 46 per cent of Americans agree that "the United States should cooperate fully with the United Nations." That is a decline of 20 percentage points from 1974, when 66 per cent had agreed with that statement. In the mid-60s, nearly three-fourths of Americans wanted their country to cooperate fully with the United Nations.

There also was a significant increase in those who would favor defending European allies with military force if they are attacked by the Soviet Union.

Fifty-six per cent favored that position this year compared with 48 per cent last year.

TRIBUTE TO DR. JOSE A. NESSIM

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WAXMAN. Mr. Speaker, to remind us of the gifts we receive from so many who come to our country from other shores and repay our hospitality a thousand-fold with their devotion and service, I commend to your attention Dr. Jose A. Nessim of Beverly Hills, Calif. Dr. Nessim is vice president of the American Sephardic Federation, and will be honored on November 7, 1976, by the Sephardic Hebrew Academy of Los Angeles for the many contributions of his time and effort in Jewish communal affairs.

Dr. Nessim, whose father's family lived in the old city of Jerusalem for more than three centuries, and whose great grandfather was the Holy City's chief judge, was born in Paraguay, and came to the United States at the age of 17 to study medicine. His parents and five brothers and sisters all live in Latin America. On completion of his studies, Dr. Nessim moved to Lake Tahoe and devoted much time during his 5 years there to the establishment of the Truckee Community Hospital, commuting to Los Angeles for observance of the High Holy Days. Dr. Nessim, his wife, Freda, and their three sons, Ron, Steven, and Bryan, now make their permanent home in Los Angeles.

Dr. Nessim is a member of Sephardic Temple Tifereth Israel and of Temple Magen David. He headed the Sephardic Division Campaign of the United Jewish Welfare Fund in 1972 and 1973. In 1967, immediately after the Six Day War, he was one of two physicians to join the first all-doctors' mission to Israel. Dr. Nessim organized both the Persian Jewish community of Los Angeles, and the Hebraica Organization of Latin Jews in the United States. He is known equally for his erudition in the field of Sephardic history, and his wish to perpetuate it in the minds of young Sephardic Jews, as for his contributions in the medical field.

I take great pride in asking the Members to join me in extending warm good wishes to Dr. Jose A. Nessim.

REPRESENTATIVE ROBERT G. STEPHENS, JR.

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WON PAT. Mr. Speaker, I rise to join the countless friends of our esteemed colleague, Bor Stephens of Georgia, as we honor his many years of distinguished service in the House of Representatives.

Bob Stephens served with me on the House Interior and Insular Affairs Committee and on its Subcommittee on Territorial Affairs. Consequently, we have had many occasions in the 4 years I have represented Guam in this body to work closely together on measures of mutual interest. Those who have been fortunate as have I to know and work with Bob will heartedly agree that no finer legislator can be found. He always does his homework and he always has that unusual ability to seek clearly through to the heart fo the most complex issue. Equally impressive is Bob's unique sense of humor. I doubt if there is a more interesting public speaker in the entire Congress and yet one will never find Bob being impressed with his many talents.

Bob Stephens is truly a man in the Jeffersonian mold of the ideal American man. He is a man of great learning and humble frame of mind.

During his service on the Subcommittee on Territories, Bob always supported legislation beneficial to Guam and our sister offshore areas. He took the time to develop a deep insight into our unique needs and cared enough about his fellow Americans in the territories to work closely with their delegates.

I will miss Bob Stephens for his many qualities. and I wish him well as he returns home to enjoy the years ahead. The next Congress will certainly miss his charm, wit, and legislative skills.

HON. PHIL LANDRUM

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MANN. Mr. Speaker, it is with no small amount of regret that I bid the Honorable Phil Landrum farewell. When I first arrived here 8 years ago, he was so instrumental in making this House feel like home to me.

Whenever I was so fortunate as to work closely with Phil, he has always been energetic and positive in achieving his goal to represent and serve the American people effectively.

To review individually his achievements during his 24 years here would take more than time and the Congressional Record permits. His voice on the Budget Committee, the Ways and Means

Committee, and on the informal textile committee will be greatly missed.

I extend to PHIL my best wishes for a happy retirement and I am sure that we will be hearing of PHIL LANDRUM's giving his time and experience and knowledge in new ways that will benefit the people he has served so well.

BICENTENNIAL CONGRESSIONAL SALUTE TO THE GARFIELD JINX SAC UPON THE CELEBRATION OF ITS 50TH ANNIVERSARY IN OUTSTANDING SERVICE TO THE PEOPLE OF GARFIELD

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, on Saturday, October 9, residents of my Eighth Congressional District, State of New Jersey will gather together at the Elks Club, Garfield, N.J., in celebration of the 50th golden anniversary of Jinx SAC of Garfield, N.J., esteemed sponsors of one of the most outstanding athletic youth programs of our Nation. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest greetings and felicitations to the officers and members of Jinx SAC on this most auspicious occasion in appreciation of the excellence of their public service to the youth of America.

At the outset let me commend to you the current officers of Jinx SAC who serve with distinction in bringing the highest standards of excellence in service to the people and the sports world of baseball:

The Honorable Steven Petrochko, president.

Anthony Verga, vice president.

Peter Gabor, secretary.

Stanley Genski, treasurer.

Henry Sucorowski, dinner chairman and charter member.

Mr. Speaker, the Garfield Jinx SAC has been an integral part of Garfield in the field of sports, in public service, and in civic events. In reflecting on the history of Jinx SAC, we recall the quality of leadership and sincerity of purpose of distinguished community leaders throughout the years who were responsible for perpetuating its sterling principles and achieving the preeminence of its athletic and social endeavors that brought joy and refreshment of spirit to our people during these past 50 years.

The club, formed in 1926, is one of the oldest organizations in the city. Its beginnings were humble enough: boys 12 and 13 years of age playing baseball at the old Brickyard Oval in Garfield or behind a school in the days when a golf ball rolled up with lots of string and tape served as a baseball.

Within 5 years the baseball team was crowned champions of a superb South Bergen League that boasted some of the best teams in New Jersey. Their finest season was in 1934 when the club won 33 games and lost 4. A champion-winning streak that is often recalled with some pride is their great victory over the team of Johnny Vander Meer, who subsequently went on to fame in the baseball game annals as the pitcher who had successive no-hitters for the Cincinnati Reds. Pitching for the Midland Park Rangers, Vander Meer was beaten twice by the Jinx that year.

The Jinx also produced a player for the major leagues, their shortstop, Otto "Red" Huber, who played in 1939 for the Boston Bees which was managed by the incomparable Casey Stengel.

During World War II, almost every member of the club marched off with the Armed Forces serving their country with pride and honor.

Post World War II found the club active in the city's civic events. Upon learning of the formation of a Little League, in Garfield the Jinx was among the first to sponsor a team.

The members of Jinx SAC have extended their energies in outstanding projects to improve and enhance the city's natural resources and actively participated in public works projects that add lasting significance. Their active participation in an environmental conservation renewal project to beautify a park in the city and other civic projects have contributed to the quality of life in the community.

The excellence of the club membership's public service to the youth of America in building strength of character, fair play, and sportsmanship through recreation in athletic and social activities for the youngsters of the Garfield area are applauded by all of us. In their sponsorship of young people in the community's sports programs, they have made a lasting contribution to the future preeminence of America's society in training and developing, through sportsmanship, fair play and recreation, the industriousness and leadership qualities of our youth.

Mr. Speaker, Jinx SAC point with pride to some of their alumni who have achieved prominence in the community. I am pleased to join with them in saluting Richard Visotcky who now serves in the New Jersey State Legislature; Frank Piascik and Walter Wasik who have served as city councilmen; Joseph Szuhai and Henry Sucorowski who have served on the board of education; the club's vice president, Anthony Verga is editor of the Paterson News; and others who have chosen careers as teachers, businessmen and professional men who serve with distinction in their most important fields of endeavor.

Mr. Speaker, I appreciate the opportunity to take a few moments to reflect on some of the highlights of the past half century of Jinx SAC and seek national recognition of the many achievements that have been attained by their members' outstanding and unselfish efforts on behalf of our people. They have combined their recreational, social and athletic endeavors in helping young and adults alike. I know you will want to join with me in a congressional salute to Jinx SAC for 50 golden years of good works which have truly enriched our community, State, and Nation.

NATIONAL TRANSPORTATION POLICY STUDY COMMISSION—NO WATERWAY REPRESENTATION

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LONG of Louisiana. Mr. Speaker, on Wednesday, September 29, 1976, President Ford appointed the seven citizens to the National Transportation Policy Study Commission that was created by Public Law 94-280. I noted with some dismay that none of these appointees had any background or knowledge in the area of water resources or waterway transportation.

It is most unfortunate that there will be no representation among the seven appointees for that form of transportation that is the most cost efficient, the least polluting, and the most energy saving. Airline, highway, and railway interests are all represented on the Commission, and the omission of waterway representation is distressing.

This omission is especially unfortunate in light of recent legislative efforts to impose user fees on our waterway transporters. As many of us know, this issue is complex and there are several sides to the question. The work product of this Commission could have been a useful tool in evaluating and analyzing this question of user fees, but the imbalance of representation will unfortunately make their recommendations suspect.

I wanted to make my colleagues aware of this inherent weakness in the composition of the Commission and want to encourage them to make what efforts they can to help put the subject of user fees and the entire subject of waterway transportation into proper perspective for the Commission.

HON. OTTO E. PASSMAN

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. MATHIS. Mr. Speaker, I would like to take this opportunity to commend our colleague, OTTO PASSMAN, for his long and distinguished career in the House of Representatives.

Known throughout the world for his knowledge of American foreign aid programs, OTTO has served as chairman of the Foreign Operations Subcommittee of the Appropriations Committee since 1955. He has served with a dedication and an expertise for facts and figures few could match. Through his accurate and watchful account of expenditures, OTTO has protected the American taxpayer from any unneeded waste in Foreign Aid projects.

I join many of my colleagues in paying

tribute to Otto Passman. The House will miss his diligent services and the American people will miss a faithful servant.

CONGRESSIONAL BICENTENNIAL SALUTE TO THE HONORABLE HELEN LOGIOCO OF GARFIELD, N.J., DISTINGUISHED CITIZEN AND OUTSTANDING COMMUNITY LEADER

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, during our Bicentennial Year as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I am pleased and honored to commend to you the Honorable Helen Logioco of Garfield, N.J., a most dynamic and distinguished citizen in the crusade for good government and the improvement of the quality of life for all mankind.

On Friday, October 8, the residents of the city of Garfield in my congressional district, State of New Jersey, will assemble at a testimonial dinner in tribute to her many accomplishments which have truly enriched our community, State, and Nation.

As a lifelong resident of the city of Garfield, Mrs. Logioco and her family have endeared themselves to us as good neighbors and all of us share great pride in her lifetime of dedicated public service in always caring and seeking to be of help to all of our people, young and adults alike.

Mr. Speaker, for 40 years Helen has devoted her time and efforts to the betterment of the city. She and her late husband Sam were in the vanguard of the community's movement for a change of government in Garfield that resulted in the present improved structure of a city manager-council governing body.

My good friend Helen is never too busy to come to the aid of her fellowman. Throughout the years her compassionate and benevolent way of life has been a shining example to all of us. During World War II she served as a volunteer worker for the Selective Service Board and subsequently dedicated her fullest of energies on the Board of Welfare. She has been known to empty her own pocketbook to assist the needy.

She is a champion of the youth and the senior citizens of our community. She has served on the board of directors of the Garfield Day Nursery and was a chaperone and counsellor to our teenagers throughout the school years of her daughter Arlene Fraikor, Ph. D. She has worked with the Bergen County drug abuse program and still continues to help young adults with drug problems in guiding then and seeking their admission into drug rehabilitation programs. Today Mrs. Logiocio and her longtime personal friend, Minnie Liberti, spend many effective and rewarding hours in civic programs for our senior citizens.

Helen's outstanding public service and personal commitment as a dedicated community leader is applauded by all of us. She has served as Bergen County committeewoman and is presently the president of the Garfield Taxpayers and Citizens Association where her in-depth knowledge of the community and government at all levels has continued to expand and improve the educational and cultural endowments of our community.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to her for her standards of excellence and record of achievement. We do indeed salute Helen Logioco, distinguished citizen, community leader, and great American.

VETERANS' DAY

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GIAIMO. Mr. Speaker, on Monday, October 25, we shall pause as a nation to remember those gallant Americans who fell in the service of the country they loved. We shall recall and honor, too, on that day those of us who remain as living representatives of the Armed Forces of the United States, millions of men and women who have given of themselves so that the principles upon which our Nation was founded might endure.

We have celebrated this occasion on the fourth Monday in October since 1968, when an act of Congress changed the date but not the purpose of this tribute to the strength and bravery of our citizens in uniform. Armistice Day, the first anniversary of the signing of the treaty which ended the First World War, was inaugurated by President Wilson to cherish the courage and sacrifice of those Americans who fought in the "war to end all wars," but did not return. Congress later confirmed the wisdom of President Wilson's gesture by creating a national holiday in the memory of those fallen veterans. We have since seen many wars to follow, whose dead have added to the toll we lament in our halting search for world peace, but whom we have not forgotten. The American intent toward peace is still plain—and so is our commitment to our honored slain and wounded.

We have now passed more than a year since Americans have been involved in a major war on foreign soil; let us pray that this boon may continue. However, men and women of our Nation still are stationed in other lands, and, as we so recently and distressingly saw in Korea, there is still occasion for Americans to die from the result of international conflict. Even as we try to maintain peace, a need remains for vigilance and preparedness among our armed servicemen, when the danger of strife is never more than a moment away. At a time like this, we need to recall the efforts and tragic losses of our fellow citizens who have so unselfishly labored under the shadow of death that we might remain free.

We thank these noble Americans who have paid for the liberties we still enjoy. We cannot recompense them enough. But we can attend to their memory on October 25, and in our own small way provide a fitting memorial to their devotion to duty, honor, and country.

DR. RICHARD M. BOND

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. de LUGO. Mr. Speaker, Virgin Islanders are mourning the recent death of Dr. Richard M. Bond, an eminent biologist and retired director of the Federal Agriculture Experiment Station in St. Croix. We mourn because a sensitive, talented, and extraordinary man who came to our islands as a visitor 25 years ago and then made them his home will no longer walk among us.

Born in Manhattan and a resident of California for many years, Dr. Bond pursued a distinguished academic career at Yale University where he received his Ph. D. in zoology and at the University of Vienna studying archeology. Among his achievements were his fluency in six languages, his authorship of various professional articles, and his membership in a varied assortment of professional societies and organizations. He served on the Virgin Islands Zoning Commission, was a trustee of the St. Croix Landmarks Society, and an associate of the Caribbean Research Institute.

A summary of this gentleman's accomplishments does not do him adequate justice. Dr. Bond was a man dedicated to his Anglican Church in which he served as an ordained deacon, to his community, and especially to his family. He was a pillar to each, giving totally of himself and expecting nothing in return.

While Dr. Bond has passed from our community, his presence is still with us in the spirit of his contributions and his commitment to his fellow man. Those of us who knew and loved him are the better for having had him in our midst. To his wife, Edith, his son and three daughters, we extend our sincere condolences and also our appreciation for having shared him with us Virgin Islanders.

He will not be soon forgotten because he lives on in our hearts.

HON. ROY TAYLOR

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BROYHILL. Mr. Speaker, it has been my privilege to serve with Roy Taylor during my 14 years in the U.S.

House of Representatives. Throughout this time, Roy has been a leader in many areas and an individual who has earned the greatest respect from his colleagues.

As a member of the House Interior and Insular Affairs Committee, Roy has had tremendous influence and impact in many facets of this committee's work and he has authored landmark legislation to establish national parks.

Roy has had the voice of moderation in legislation and he has been an outstanding representative of his district. Louise and I will miss him, but we wish him and Evelyn the very best in the years to come. They certainly deserve it.

WEATHER UNDERGROUND APPARATUS PURGES LEADERSHIP

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, the Weather Underground Organization—WUO—and its open and acknowledged arm, the Prairie Fire Organizing Committee—PFOC—have been undergoing intense internal political struggles which have been resolved by a powerful, militant minority gaining control. An insight into this process has been provided by an internal PFOC document, "A Single Spark," named after Mao's aphorism, "a single spark can light a prairie fire," by Osawatomie, the WUO's newsprint magazine, and by other documents.

According to the Weather Underground and the PFOC, the previous leadership is guilty of a grave tactical mistake. The mistake is seen as having lost the initiative to build a new revolutionary communist party. The terrorist actions of the Weather Underground Organization had created a sort of "legitimacy" for WUO claims of being the U.S. revolutionary vanguard. Nearly 3,000 people, many of them old supporters of the Weatherman SDS faction, attended the Prairie Fire Organizing Committee's Hard Times Conference—HTC—in Chicago, January 30–February 1, 1976. After inept work within the July 4 Coalition, an outgrowth of the HTC, the PFOC, and the Weather Underground were seen by other movement groups as nothing special.

In the bizarre, extravagant rhetoric of the WUO/PFOC, the "error" was that the majority of the organization led by the New York chapter desired to do "mass work" and create a base from which to build a Communist Party later. The "correct" minority, led by Clayton van Lydegraf and the Bay Area of California chapter, is now clearly in control and pushing for "party building" as a priority task.

Clayton van Lydegraf, called "Van" by his WUO/PFOC comrades, lost this first struggles with the "mass struggle" faction. The frenzied tone of the "self-criticism" by the former leading faction makes it clear that higher authorities than the former Communist Party, U.S.A. underground organizer who had fought in the Philippines as a member of the Communist-led Huk terrorist organization have laid down the law to the PFOC National Committee and to the WUO Central Committee itself.

The basic lines of the WUO Central Committee self-criticism in the June–July 1976 Osawatomie are found in more detail in "A Single Spark," excerpts of which follow:

The introduction states:

> In this period since the Hard Times Conference of evaluating our errors—errors of failing to see party building as the central task: abandoning revolutionary anti-imperialism; not building anti-imperialist unity on the principled basis of support for the right of self-determination of oppressed nations; liquidating the struggle against the oppression of women and gay people—it is appropriate that the national campaign of rectification demands the necessity of an internal newsletter as a political forum.

It continues noting that "Our newsletter forces us to articulate our ideas in the clearest possible manner" and states, "we can all benefit from reports from comrades who are able to visit other countries, that is Cuba, Vietnam, et cetera, or major events, that is, attending the Puerto Rican Socialist Party's Congress (Nov. 1975)."

Joe Barthel of the Bay Area PFOC contributed a political history of the organization and the "two-line struggle":

> When the book "Prairie Fire" emerged, on July 26, 1974, it marked two events: First, the reemergence of the Weather-Underground Organization as an active participant in the ideological and political development of a revolutionary left in this country. Secondly, the existence of the document with which to push forward the unity of independent leftists repelled by what seemed the organizational dominance of economism and opportunism.
>
> "Prairie Fire" is a contribution to an understanding of the problems and prospects of revolution in the most advanced imperialist country in the world. The WUO was strong in advancing the Leninist understanding that the essence of imperialism and the pivot of revolution is the relation between oppressor and oppressed nations, clear on the leading role of national struggles both within and outside the US, incisive on the devastating impact which white supremacy and racist ideology have had on progressive movements and class solidarity in this country, acute in acclaiming the tremendous contributions of the women's movement to the left. "PF" is self-critical, assessing the "left" errors and contradictions within their own development, and the strengths and weaknesses of the movement of the 60's. "Prairie Fire" puts forward the objectives of revolution in this era: national liberation and the proletarian seizure of power and the establishment of socialism.
>
> On this basis "Prairie Fire" was able to attract people to take up the tasks of disturbing and advancing the book; from this grew the "PF" Distributing Committee, in cities, and the "PF" Organizing Committee.
>
> However, while enthusiastic about the prospects of a reinvigorated movement that is of, not just for the working class, "Prairie Fire" is weak in clear strategic and organizational priorities.
>
> On that basis, "PF" could accommodate a wide range of political perspectives.
>
> It did. Within the first weeks of the exploratory national trip and the decision to form an independent political organization that would be responsible for the working class, the movement, and its members for its line and program, intense internal struggle broke out.
>
> A genuine two-line struggle took place within the last year, with the advocates of both lines having reached greater clarity. Having been pushed, particularly by the evaluation of the Hard Times Conference, this struggle is reaching a decisive turning point.
>
> At the heart of the struggle were the two questions at the core of the revolutionary process in the United States: the Leninist understanding of the decisive relations of oppressor/oppressed nations and its understanding manifestation in the United States, the national question, and the question of party building. The first is the question of fundamental strategic orientation of the proletarian revolution, and the second is the question of its leadership. These are questions forced by history on the national and class movements, and before the whole left. Within PFOC lines were drawn on theoretical, strategic, and organizational questions.
>
> On the one hand, in those early months, stood a line, strong everywhere and expressed in the national leadership, that saw the movement as weak and isolated, due primarily to the failure to do mass practice; that aimed to rebuild the movement of the 60's—the appeal was to "oppressed peoples, women, and youth; SDS was the explicit organizational model—left forces were dismissed as immature and undeveloped, political struggle was seen as "divisive", ML study "dogmatic". Party building was a distant dream, "left" sectarianism the main danger and right opportunism something of which "we were incapable." Quantitative mass practice was the test of "radicals" and mass organization the objective.
>
> On the other hand stood a line, rooted in California where struggle was sharpest but present in submerged form in most chapters, that defined the movement as fragmented and weak, but grounded that weakness in the absence of a leading political line, based in the realities of imperialism, embodied organizationally, and tested and developed in practice, that could unite communists, guide our work in the class, and enable us to take advantage first, of the tremendous leaps in mass political consciousness generated by the defeats of the United States in Vietnam and elsewhere, and the impacting political crisis here and second, of the advances of Communists in rooting themselves more deeply among the class and people, developing community projects, workplace caucuses, study circles, and so forth. This line took more seriously the role of political struggle both within and outside our organization, emphasized the protracted and vital struggle to grasp MLism and apply it to the conditions of our own revolutionary process, recognized that while "left" sectarianism is and can be a danger among left forces that right opportunism has been and continues to be the main danger, a danger to which neither the working class, its organizations, or ourselves are immune. This tendency held that line, practice, and organization were to be evaluated by the capacity to advance the revolutionary unity of Communists and guide and test their work toward the creation of a party.
>
> By the time of the Boston Conference, July 1975, we had achieved nominal unity behind the objective of Communist organization, but the political and strategic differences behind organizational questions were sharpening.
>
> The locus of struggle had shifted to how we view the current crisis of imperialism, analyzed its impact, and defined strategic orientation that flowed from that.
>
> One tendency asserted that the key was the fact that crisis drove down the living standards of the whole working class, thereby

creating the conditions for overcoming antagonisms between nations and races, and between men and women, by organizing on a "class-wide" perspective around economic issues.

The other tendency insisted that the crisis be viewed as an overall crisis of imperialism which, while affected the class as a whole, deepened the material differences between the white sectors of the working class and oppressed nationalities, and between men and women, creating the basis for mobilizations to the right in defense of relative status, at the same time as it created the basis for raising political as well as economic within the white working class.

From Boston the National Leadership launched the Hard Times Conference as the major strategic focus of PFOC, and the slogan Build the Class Struggle as the primary guideline. It is this work and its evaluation which has taken up (dominated? led our work?) most of the last ten months.

The Hard Times Conference set itself an audacious objective: to bring together leading revolutionaries and rank and file activists from struggles across the country, and from this to educate and strengthen each other, and to develop political guidelines and program that could maintain a fighting unity. The boldness and scope of the project is in the best revolutionary traditions; it is this more than anything which generated the massive response from over 2,000 activists feeling their fragmentation and ready to respond to revolutionary leadership.

But the weaknesses of the HTC, for which Prairie Fire must bear primary responsibility, are also in the traditions of the left in this country: pragmatism, tailing spontaneity, opportunism, manifesting itself first and foremost in the downplaying of the roles and struggles of Black People and other oppressed nationalities; in the liquidating of the struggle against male supremacy and for the liberation of women; and in abdicating the responsibilities of revolutionary leadership.

PFOC National Committee member Alan Berkman of New York, with fulsome apologies for having been a leader of the now "incorrect" faction, described his career in these terms:

The Hard Times Conference was a watershed for the anti-imperialist forces in the U.S., for the P.F.O.C., and for myself. The entire conference, but most importantly the criticisms of the Black caucus, starkly revealed the bankruptcy of the line that the PFOC had organized around and had brought to the conference. I take full responsibility for developing and leading around this national chauvinist, male supremacist, and opportunist line.

* * * The correct line had been fought for consistently by Clayton van Lydegraf and other comrades in the Bay Area and other chapters; myself and other comrades in the National Committee fought for the opportunist line.

* * * I have tried to trace the roots of these errors in my political development. I had become radicalized in the Civil Rights and anti-war struggles of the 60s, although it wasn't until 69–70 that I began to identify with the revolutionary struggle. Although not a member of SDS, I politically identified with Weatherman and the politics of revolutionary anti-imperialism. And while I had started reading Marx in 1967–68, I did not study it seriously until 1972. In the period from 72–74, I did prison work and was part of the medical team during the occupation of Wounded Knee in 1973. By the time Prairie Fire was released. I considered myself a committed anti-imperialist—I stood on my strengths. It was an arrogant assumption—one that denied concrete reality as a white male in a white supremacist and male supremacist society. It was an assumption that negated the necessity for constant struggle for correct political line against bourgeois ideology.

I helped establish the New York PFDC on a basis that put organization rather than politics in command. We never initiated serious study or political struggle around the line of the book. We became a distributing committee in the narrow sense of the term—this was in contrast to members of the BAPFDC (Bay Area PFOC) which emphasized study. In embryonic form, this was the beginning of a struggle in the organization on the primacy of political line.

Closely linked to the question of the primacy of line was the question of whether or not the PFDC should become a communist organization. When that proposal was made by a group of four people in New York in Jan. 1975, I fought against it. I fought for the concept of an organizing committee with two functions—to develop mass organization and cadre organization * * *

In a display of sycophancy, Alan Berkman goes on to announce how "correct" he now finds the position of the new PFOC "El Supremo" Clayton van Lydegraf. He describes how he traveled to the Bay Area with Shelley Miller of the New York PFOC and formed a factional grouping around Howie Emmer and Nancy Kurshan who were encouraged to leave the PFOC National Committee in December 1975. Emmer and Kurshan remain PFOC members, but are no longer in the leadership.

Berkman provides additional details of his PFOC work with such leading PFOC figures as Jennifer Dohrn; Russell Neufeld; Diana Block; Arlene Eisen Bergman; Lance Pustin, Nancy Barrett; and Sylvia Baraldini.

The newsletter also contains some half-hearted self-criticism from Jennifer Dohrn, sister of WUO fugitive Bernardine Dohrn, who praises Van Lydegraf and Arlene Eisen Bergman and states "I also think my leadership was very individualistic and bourgeois." Dohrn now says she treated Marcy Isaacs, a nonleadership PFOC activist in New York, badly.

PFOC National Committee member Russell Neufeld, a leader of PFOC prison organizing work which has been focused through the National Lawyers Guild's "armed struggle" prison-oriented newsletter, the "Midnight Special," said:

I take responsibility for misleading the PFOC from July '75 through the Hard Times Conference. This misleadership included the development and implementation of an opportunist, national chauvinist, male supremacist and economist line that the PFOC brought to the Hard Times Conference. It included the suppression of political struggle within the PFOC as well as within the Hard Times Board. It included an incorrect line on the primacy of party building and the role of communist leadership in the mass struggle. By the July conference these errors had become dominant and overturned the correct initial direction of building an organization that had the full politics of revolutionary anti-imperialism. I led in the abandonment of those politics.

In the period since the Hard Times Conference, as those errors have been increasingly exposed and overturned, I have had the benefit of much individual as well as general criticism This included, but was not limited to: the PFOC National Committee, collectively and individually; the NY/PFOC membership; the Coordinating Committee; the Times Collective; the Workplace Organizing Collective; NY National and Interim Committee; the Chicago PFDC; the Boston PFOC Steering Committee and Roger Rice; Clayton Van Lydegraf; papers by Van Lydegraf; Arlene Eisen-Bergman, Nancy Barrett, Joe Hammill and Jeff Sokolow; the Sojourner Truth Organization, PSP, United Black Workers, CASA; the Hard Times Board; Dianne Boesch and Natalee Rosenstein.

I fought for the wrong lie both within NY PFOC and the National Committee.*** Many comrades including Charlie Isaacs, Penny Grillos, Susan Rosenberg, Shelley Miller, Marcy Isaacs and Bob Cantor argued the need for study. Rather than arguing against the need for study, I argued for the priorities of practice***.

*** My own practice was sexist in two respects which increased the closer we got to the Hard Times Conference. One was a paternalistic attitude towards several of the women I was working with in Chicago, particularly Shelley Miller, Susie Waysdorf and Ellen Afterman.

PFOC National Committee member Laura Whitehorn delivered her grovel in these terms:

The errors of political line and organization that we have made are serious ones—abandoning revolutionary anti-imperialism, the basis of opportunism, is the heart of counter-revolution in the U.S. As a founder of the PFOC and as organizational secretary since the July Conference, I take full responsibility for leading the organization in a revisionist direction. The errors in which I took a leading role include having an incorrect line on the building of communist organization, deviating from revolutionary anti-imperialism and specifically developing a revisionist line on the national question and an economist position on women's liberation, and bureaucratic styles of leadership, including suppression of political struggle in order to quiet the dissent within the organization, to the course that the leadership independently charted.

Laura Whitehorn of the Boston PFOC continued to list among her political crimes:

I organized for the July PFOC conference, silencing the opposition (Clayton van Lydegraf and company) * * *. I arrogantly insisted on MASS organization over the development of cadre organization. * * *. I pushed the publication of GROUNDSWELL, arguing that putting out a paper with our political line reflected in it would be helpful to our mass work and to organizing new people into PFOC. This approach skipped the critical step of building our line and unity within the membership of PFOC as the basis for taking a political line out to other people. * * *

Whitehorn also describes how the PFOC's tight plans for manipulation of the Hard Times Conference went astray:

Then, on Saturday afternoon, I betrayed both our organization's line and membership by compromising the positions decided upon at the PFOC caucus meeting and giving in to a position that argued we should not raise our changes and additions to the Bill of Rights at the plenary session. I agreed to not raise our full changes to the document, and to not lead off the plenary by being the first speaker. This error opened up the door for the liberal an chaotic plenary session, and failed to open up good political struggle over the revisionist Bill of Rights. This was a liberal, bourgeois strategy to offer something to everyone and downplay the role of political struggle, coaxing people to hang in there in the PFOC or the HTC because it will somehow answer everyone's needs, rather than leading in the development of a correct and hard-nosed strategy for revolution.

The PFOC has chapters in the San Francisco Bay Area; Boston; Vermont; Columbus, Ohio; New York City; Chicago and Philadelphia. Barry Weinberg of the Bay Area chapter reported that the "rectification" struggle there involved recognition of the ease with which "right opportunism" can "flip-flop" to the old "militarist deviation" as the WUO calls its early 1970 terrorist acts in the style of the Algerian FLN.

The Boston chapter noted its involvement in racial agitation and its attempt to build People Against Racism in Boston—PARIB—after PFOC's New York front, People Against Racism in Education—PARE.

The Columbus, Ohio, PFOC began as a group of 24 WUO supporters organized after the July PFOC meeting in Boston last July which was attended by three Columbus activists. "From August to October—1975—we distributed 'Prairie Fire,' 'Osawatomie,' and 'Puerto Rico Libre'—newsletter of the Puerto Rican Solidarity Committee—at bookstores citywide, at the National Lawyers Guild National Executive Board meeting, at the Uhuru Festival, at the Community Festival."

Penny Grillos of the New York chapter provided a report on the "Rectification" which shows how deeply this internal factionalism has disrupted PFOC organizing. Eve Rosahn of the NY-PFOC Women's Commission described PFOC work at the Women's School which "has consistently presented a clear, anti-imperialist analysis of women's oppression" and conducts "classes on Marxism, Lesbianism, Black History, Introduction to Women's Liberation and Imperialism and the Economic Crisis." Rosahn reported:

> The Women's School also has close ties to PFOC. Almost half of the women in PFOC/NY worked on setting up the School, and five women in the organization are working there now. The School was one of the groups in the city that received the clandestine edition of "PF"—"Prairie Fire"—and took on distributing it to women's groups and women prisoners. A recent women's recruitment study group * * * drew several women from the Women's School.

PFOC, operating from 216 Park Place, Brooklyn, N.Y. 11238, in an effort to regain its position among the U.S. Castroite and New Left revolutionary groups, has circulated a statement of self-criticism to these groups accompanied by a letter which states:

> The National Hard Times Conference took place almost six months ago. Since then, the Prairie Fire Organizing Committee has been engaged in a process of political struggle and self-criticism about our role in organizing for the conference. That process has been internalized, and we have not been accessible to friends and comrades. This was irresponsible, and cut us off from valuable struggle with other organizations and individuals.
>
> One result of the process * * * is our self-criticism and our understandings of what were the major political errors committed by PFOC in the Hard Times Conference. We want to talk with groups and individuals about the statement, to open up the struggle that we have isolated ourselves from. * * *

THE HONORABLE ALPHONZO BELL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANDERSON of California. Mr. Speaker, as we near the end of the 94th Congress, I feel it is an appropriate time to express my sincere gratitude for the opportunity to have worked with one of the outstanding Members of this body—the Honorable ALPHONZO BELL, Representative of the 27th Congressional District in Los Angeles, Calif.

Since I was first elected to this seat in 1968, AL BELL has represented the area immediately west of my district. Thus, it is only natural that we have worked closely together on a number of occasions. AL has always impressed me with his knowledge, ability, and expertise in a variety of fields, and his reputation for being able to get things done in Congress has been well earned.

ALPHONZO BELL is a native Angelino, born in Los Angeles on September 19, 1914. A graduate in political science from Occidental College, he served in the Army Air Corps during World War II. Prior to his election to Congress in 1960, he was president and chairman of the board of the Bell Petroleum Co.

The leadership AL BELL displayed here in Washington will long be remembered. Among his legislative accomplishments, the bill we adopted during this session of Congress opening up Elk Hills and other naval oil reserves to public consumption will go a long way toward easing the energy crunch.

Throughout his political career, AL BELL has defied any type of political labeling. He has taken each issue separately, making up his mind on the merits of each, and has acted and voted accordingly. This independence of spirit, coupled with an outstanding grasp of pratically, have been the hallmarks of his political philosophy.

AL's independence and ability have made him a figure respected by both the majority and the minority parties during his 16 years in the House of Representatives. He has been a key figure in the fight to preserve our environment, and was an early leader in what has become known as the ecology movement. My wife, Lee, and I will most cherish the friendship that has developed through the years between ourselves and ALPHONZO BELL. He is a good and honest man, and he will be missed in the 95th Congress.

Mr. Speaker, the Honorable ALPHONZO BELL has served the people of his district well in the 16 years he has spent in Congress. Had he chosen to do so, I am positive that he could have won reelection to his seat in the House for another 16 years as well. The high esteem in which this outstanding individual is held back in southern California is shared by men and women of all parties and political persuasions. His many contributions and accomplishments, and the good they have done for the United States, will long be remembered.

My wife, Lee, joins me in congratulating ALPHONZO BELL on an outstanding career in the House of Representatives, and we wish him the best fortune in his future endeavors. We would also mention his fine family, which has played such an important role in his life; his lovely wife, Marian; his daughter, Fonza; and his sons, Stephen, Matthew, Robert, Anthony, Richard, Graham, Harry, and Billy.

CARL ALBERT

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. COLLINS of Texas. Mr. Speaker, I am proud to join my colleagues from Oklahoma in paying tribute to our great Speaker of the House, CARL ALBERT. Oklahoma claims him as a native son but in Texas we like to feel that he is really part of the entire Southwest.

I have always heard so much about how CARL ALBERT grew up as a great debater. I heard how he was a brilliant scholar. But in Congress my admiration for CARL ALBERT was in seeing him in action as the efficient floor leader and then as he moved up to become Speaker of the House.

As Speaker what I appreciate the most is CARL ALBERT's complete and sincere fairness. Since I sit on the other side of the aisle from his party and we are all in partisan politics, it has meant so much to me through the years to see CARL ALBERT with his resolute fairness. He always protected the rights and privileges of each and every Member of the House.

One day on the floor when it was getting late in the evening, one of the members of my committee in my own party mixed me up on a technical motion and CARL ALBERT protected me and let me have a vote on the issue. I will always remember that because although I lost on the vote and although the cause of the technicality was one of my Republican colleagues, it was CARL ALBERT who protected my rights.

CARL ALBERT has an alert mind, a gentle and pleasant personality, but when he was in the chair, he was a firm Speaker of the House. It has been an honor to serve under CARL ALBERT. He has brought distinction to Oklahoma, to the Southwest and to the Nation while serving the U.S. Congress as Speaker of the House.

A TRIBUTE TO DOC MORGAN

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WON PAT. Mr. Chairman, the adjournment of the 94th Congress will mark the completion of service on Capitol Hill of one of its most distinguished residents—the Honorable

Thomas E. "Doc" Morgan of Pennsylvania.

Since 1959, Congressman Morgan has served as chairman of the Committee on International Relations, and in that capacity has brought strong leadership to Congress role in foreign policy. He has shown a keen awareness of international problems and has guided the committee through some difficult and complex legislative initiatives concerning America's role abroad.

Congressman Morgan also has a crucial understanding of the difficulties of America's offshore areas as they struggle to deal simultaneously with their status as a U.S. territory and their role in the world at large. In the case of Guam, Congressman Morgan has long been of considerable assistance in such matters where his counsel and wisdom have been most welcome. Only several weeks ago, for example, Congressman Morgan was instrumental in obtaining House approval of a key amendment which would provide the basis for an expanded oil refinery on the island and thus more jobs for local residents.

In addition to his overwhelming House duties, Congressman Morgan managed to find time and the energy to return home to his congressional district and become "Doc" Morgan to the thousands who relied on his steady hand and great skills as a physician.

Congressman Morgan's consummate chairmanship of the Committee on International Relations and his years of dedicated service to the American people will not soon be forgotten. I salute him on behalf of the people of Guam and wish him every happiness as he takes leave of his many friends and the work he has performed so admirably since 1945.

AN UPDATE ON THE SAFE SCHOOL STUDY ACT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BINGHAM, Mr. Speaker, in January of 1974 the House Education and Labor Committee adopted a proposal for a Safe School Study Act as an amendment to the Elementary and Secondary Education Amendments of 1974. It later passed both the House and the Senate, and was enacted into law during August of 1974. This proposal was the culmination of my efforts and those of Representative Alphonzo Bell to discover the reasons for the alarming increases in crime in our schools, the cost of property being destroyed, and to discover successful ways to combat this growing crime rate. I have been advocating legislation since 1971 to provide Federal aid to schools to combat crime, and the Safe School Study Act was intended to provide Congress with the information which would document the need and the best form for such assistance.

The Department of Health, Education, and Welfare, which was directed to conduct the study, divided it into two parts. The first, which is nearly complete, was conducted by the National Center for Educational Statistics. This study gathered data on all crimes committed in public schools which were reported to the police during a 5-month period between September 1, 1974, and January 31, 1975.

The second study, conducted by the National Institute of Education, is due to be completed in 1977 and uses questionnaires on school crime filled out by students, teachers, and principals.

The results of both parts of this study will be combined in a report due in August of 1977 which Congress can use to assess the needs of our schools in the areas of crime prevention and control.

The May 1976, newsletter of the National Institute of Education, NIE information, included an article describing the progress being made on the NIE portion of this report, and I include it following my remarks.

The safe school study has not been without its problems, however. The NIE portion of the study was originally scheduled to be completed in December 1976. Because some school systems decided not to participate at the last minute and because of the complexity of designing a thorough series of questionnaires for this project, the deadline date has been changed to August 31, 1977.

In addition, there has been some discussion as to whether the data collected will be as accurate as originally predicted. The problems are as follows: First, was the random sample of school systems to be investigated indeed a good cross section of schools? Second, were questions worded properly in the NIE questionnaire to encourage honest responses from students, principals, and teachers? Third, was the thorough reporting of lesser crimes—vandalism, stealing of items of little value, and so forth—encouraged in the NIE questionnaire? Fourth, because crime and vandalism have traditionally been handled internally in schools, some administrators and educators are reluctant to admit that crime is on the increase, and that they are unable to check its growth. Will this pressure against full disclosure affect the results that will be compiled in the safe school study?

These problems could be major obstacles in getting a clear picture of the crime problem in our schools today. I am hopeful that NIE and NCES will confront them directly and will be able to produce a study which presents an accurate view of the crime problems currently plaguing our schools.

The newsletter follows:

NIE Studies Increase in School Disruption

A recent Senate subcommittee report has estimated that violence and vandalism in schools costs the Nation $500 million per year—more than is spent on textbooks. And violence in the schools seems to be growing at an alarming rate.

Because of this, Congress has asked the National Institute of Education to study the frequency, seriousness, costs, and causes of school crime and to find better ways for schools to handle the problem.

NIE will begin by investigating vandalism and violence in elementary and secondary schools all over the country this year. The Institute's 2-year study will determine why crime is higher in some schools than in others and compare the effectiveness of various preventive measures used.

Since many offenses involving school personnel and property are never reported to the police, the Institute will go directly to schools to get information. Principals in 4800 schools—5 percent of the Nation's total—will be asked to report in detail on crime and crime prevention in their schools for the 1975–1976 school year. This survey will include an equal number of elementary, junior high, and high school officials from small towns and rural areas, suburban communities, and large cities (with populations over 500,000).

In 600 schools, teachers and a random sample of students will be asked about their own experiences as victims of crime, in order to discover the extent of day-to-day incidents that are not reported to administrators. Then 24 schools—some with high crime rates, others with little crime—will be studied intensively to discover what procedures work best to prevent disruption in the schools.

The study should produce the most authoritative estimates to date on the extent of crime and vandalism in the Nation's schools. Perhaps even more important, school officials will get practical and detailed information on how some schools have successfully combated or prevented crime.

A preliminary report will be presented to Congress in December 1976. For more information, contact David Boesel of NIE's Educational Equity Group.

JACK ANDERSON CAUGHT LYING AGAIN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, on a number of previous occasions I have reported to my colleagues on the irresponsible violations of journalistic ethics by Jack Anderson. I would like to now call attention to a report of the National News Council concerning one of Anderson's recent and more flagrant smear stories and other activities.

The National News Council is a responsible self-policing body for the communications media. This is the second time it has taken action against Anderson.

The report of the council follows:

[Complaint No. 87, Filed April 19, 1976]

Nicaragua Government Information Service Against Jack Anderson

NATURE OF COMPLAINT

Ian R. MacKenzie, Director of the Nicaragua Government Information Service, located in New York City, complained that United Features Syndicate columnist Jack Anderson "repeatedly attacks the President of Nicaragua" in an "unfair and inaccurate manner" The complainant referred specifically to Mr Anderson's column of March 19, 1976, as published on that date by the Washington Post under a headline reading "IBM Aide Told of Nicaragua Bribe Bid."

Mr. MacKenzie declared that "two very serious allegations are leveled against the President of Nicaragua" in the column (1) that in exchange for business favors the President personally tried to squeeze a bribe from International Business Machines Corp., and (2) that a $24,400,000 loan sought by

Nicaragua from the Inter-American Development Bank for construction of a highway around the city of Managua, destroyed by an earthquake in December, 1972, would enrich the President instead of the poor who such loans are supposed to benefit.

The complainant charged that Mr. Anderson "fails to produce one shred of evidence to back up the story" concerning the alleged bribe attempt. He further charged that Mr. Anderson failed to present the essential facts in his allegations regarding the loan application, and thus "clearly conveys that the President is guilty of self-interest and that he stands to gain immeasurably from the project at the expense of the U.S. taxpayer and the poor in Nicaragua. In the absence of facts, the readers have no way of deciding for themselves whether any impropriety is intended."

RESPONSE OF NEWS ORGANIZATION

Mr Anderson declined to cooperate with the Council or to provide any information. To the knowledge of the Council, no response to the substance of the complaint was made directly to the complainant.

Mr. MacKenzie's letter of complaint, dated April 19, was received by the Council on April 20. The letter of complaint was sent by the Council to Mr. Anderson on April 27, together with a request for "any response you may care to make" to the complainant's allegations. On May 7, Les Whitten, Mr. Anderson's associate, phoned the Council's Executive Director, William B. Arthur, requesting information regarding the Council's financing. Mr. Whitten told Mr. Arthur that inasmuch as he was putting in considerable work in preparation of a response to the Nicaragua Government Information Service complaint, it would only be fair that the Council put in some work by responding in response to his request for information regarding the Council's financing. Mr. Whitten asked for a list of all who had contributed $100 or more to the Council since its beginning, together with the amount of their contributions. He asked also for the names and addresses of every foundation that had contributed to the Council, together with the name of the president or executive officer of each contributing foundation.

On May 10, the Council sent to Mr. Whitten the detailed information he had requested. In that letter, Mr. Arthur stated:

"The National News Council conducts its business in the open, with the press and the public invited to attend its sessions.

"I trust that this response meets your request for information concerning the Council. In making this request to us you indicated that you were working on a response to a complaint the Council received from the Nicaragua Government Information Service and which we forwarded to you on April 27, 1976. We would appreciate receiving that response at your earliest convenience in order to allow for a thorough review of its content prior to our next scheduled Council meetings June 14 and 15."

Also on May 10, the Council received a letter of that date from Mr. MacKenzie informing the Council of a telephone call received by the Nicaragua Government Information Service on May 7 from Mr. Whitten in which, according to Mr. MacKenzie, questions were asked regarding whether NGIS was registered under the Foreign Agents Registration Act, Mr. MacKenzie's immigration status in this country, his nationality, his other business interests and whether he had written the letter to Mr. Arthur

On June 3, the Council received a letter of that date from Mr. MacKenzie informing the Council of a visit by representatives of the Department of Justice to NGIS and its associate offices in Washington and New York regarding NGIS's status under the Foreign Agents Registration Act. Mr MacKenzie enclosed an "Aide Memoire" dated May 21 in which he reported the following:

"Andrew Weil of Warren Weil Public Relations (associate office in New York of the Nicaragua Government Information Service) confirmed to Ian MacKenzie that his company had been visited today by Homer Kirby and Clarkson of the Registration Unit, Internal Security Section, Criminal Division, Department of Justice, Washington, D.C. for the purpose of carrying out an inspection of his Company's record of activities on behalf of Nicaragua.

"In a statement to A. Weil, Homer Kirby said that the political officer of the Registration Unit had brought Ian MacKenzie's file to the attention of Justin O'Shea, Chief of the Registration Unit, a week before his inspection of Ian MacKenzie on May 18. However, a telephone call from Les Whitten to Justin O'Shea 'precipitated' the carrying out of the inspection."

On September 21, Mr. Kirby confirmed to the Council that he had visited Mr. Weil's office, but that the phone call had not "precipitated" the inspection; that an inspection was due in the normal course of his operations but that it had been "speeded up" somewhat because of the call. Mr. Kirby stated that he had no prior knowledge of the Anderson column and that his visit with Mr. Weil unfortunately coincided with Mr. Anderson's and Mr. Whitten's interest in the Nicaragua Government Information Service's operations. "I tried to allay their [NGIS's] fears, not to heighten them," Mr. Kirby said.

On May 24, a Council staff member telephoned Mr. Whitten to inquire if the Council could expect to receive a response to the Nicaraguan Government Information Service complaint in time for the Council's June meeting. Mr. Whitten said that a response was being prepared, but that he could give no indication when it would be ready and that it was up to the Council to determine if it wanted to examine the complaint and reach a finding without their response. No response was received prior to the Council's June 14–15 meeting.

The Council received a letter, signed by Mr. Anderson and dated June 24 in which Mr. Anderson declared that "We have no intention of cooperating further with the National News Council."

Mr. Anderson further declared:

"On the last occasion when we did cooperate with you [referring to NNC Complaint No. 46, Accuracy in Media against Jack Anderson, filed September 7, 1974, decision February 4, 1975], you made a biased finding in favor of a blatant right-wing propagandist after spending half a day on your 'investigation.' We spent four months on the story.

"In a statement to A. Weil, Homer Kirby taking up the cause of the right wing, the military dictator of Nicaragua. Had you bothered to check, you would have found that your complaint was prepared by an American organization hired by dictator Somoza to spread propaganda in the United States.

"We discovered that the organization, in part, is registered with the Justice Department as a foreign agent for Nicaragua. Other elements of the firm are not registered and appear to be in violation of federal felony statutes."

The Council's executive director, Mr. Arthur, in a letter dated July 20, responded as follows to Mr. Anderson:

"Your letter of June 24 was quite disappointing to me.

"You appear to be juding the performance of the National News Council on the basis of a decision by the Council upholding a complaint against you and on the basis of a letter sent to you seeking information pertaining to another complaint against you.

"Regarding the Council's action in the first complaint, it was a decision reached on the basis of the evidence, and not on the basis of the political leanings, right, left or middle, of the complainant. Our charter prescribes that we deal with complaints from any individual or organization. What we are concerned with here is the accuracy and fairness of news reporting.

"Regarding the second complaint, our transmittal of the complainant's letter assumes no prejudgment on our part of the allegations made by the complainant. We simply are seeking information upon which to form an opinion. When Les Whitten called me, seeking certain information regarding the Council's financing, I responded fully and quickly. The Council, as I said in my letter of response, is an open organization.

"Les told me that inasmuch as we (the Council) were asking him to do a considerable amount of work in preparing a response to the complainant's letter, he thought it only fair that I put in some work, too, *i.e.* by responding to his request for detailed information regarding the Council's financing. It was a quid pro quo offer. I provided the quid. There has been no quo.

"The only 'cause' the Council espouses is the 'cause' of free communications. We believe that a press that is accurate and fair in its news coverage is helping to insure its freedom. Surely, you must believe that what you have written is accurate and fair. That is all that we seek: information in support of your belief.

"Will the 'quo' be forthcoming?"

Mr Whitten, in a letter dated July 23, responded as follows to Mr. Arthur:

"I resent the implication in the letter you wrote us on July 20 that I misled you. In fact, just as I stated, I did an enormous amount of work, much of it on my own time in order to avoid stinting the column, on the matter in question.

"We decided as a matter of policy not to use that material. Our answer was, therefore, complete and every bit the 'quo' which we felt the Council had coming.

"This letter, by the way, is a personal note and not in reply to your final question. I leave that, of course, to Jack. Hoping this clears up your misunderstanding."

To date, no further word has been received from Mr. Anderson.

Conclusion of the Council

Clearly handicapped by Mr. Anderson's refusal to cooperate, the Council has nevertheless made diligent efforts to check the facts behind the column.

From the outset, it was difficult to determine which member of the Somoza family was meant. Mr. Anderson's opening paragraph said, "The President of Nicaragua personally tried to squeeze a bribe. . .." However, three paragraphs later, Mr Anderson's story said:

"The current President of Nicaragua is Anastasio Somoza. But one of those in whom Watson confided in 1973 said it was conceivable Watson meant Anastasio's brother Luis, or less likely, his father, Anastasio Sr., who was assassinated in 1956. All served as Nicaraguan Presidents."

On September 7, IBM informed the Council that it has no record of such a bribe attempt. An IBM spokesman, Peter Judice, declared that "IBM has no way of confirming when, where or how such an incident might have occurred. IBM has been doing business in Nicaragua since 1953 and has had no particular problems in doing business there."

As to the second portion of the complaint, Mr. Anderson's column asserted that Nicaragua's request for a loan from the Inter-American Development Bank (IDB) has "so astounded IDB officials that the loan is being held up until Nicaragua enacts a tax law that would prevent 'unjust enrichment' to anyone."

In response to a Council inquiry concerning this assertion, the Inter-American Development Bank submitted a copy of a letter dated March 23, 1976, from John M. Porges, U.S. Executive Director of the bank, to U.S. Representative Tom Harkin. Mr. Harkin had made a similar inquiry. Mr. Porges responded:

"The staff of the Bank states that the road was designed to meet traffic needs without regard to individual land holdings. The Bank does not, as a matter of procedure, investigate the ownership of land, relying on the requirement of added value tax, to avoid unjust enrichment. The resources of the loan cannot be utilized for the purchase of land. The Bank does also look to appropriate eminent domain procedures. As a general policy, independent of other considerations, the Bank insists, in road loans and similar type of projects, that the recipient government institute an added value tax on real property whose value might be enhanced by construction of the project. This is a general rule of the Bank. Consultations have been carried out with the Government of Nicaragua with respect to this matter since the summer of last year without having achieved an appropriate result, and the loan has, therefore, not been brought forward for the Board of Directors' consideration.

"No proposal has been made by the management to the Board for any change in the Bank's policy with respect to the added value tax, and I am not aware that the management is planning to bring this project to the Board unless an appropriate agreement with the Nicaraguan authorities has been reached on this as well as other points which are still under discussion."

On September 2, the Inter-American Development Bank informed the Council that the status as described above remains the same.

The IDB's response would indicate that such projects are routinely held up until the added value tax requirement, to avoid "unjust enrichment," is met.

The IDB's official response would thus seem to indicate that the reasons the loan has not been approved are ordinary and unsensational. It may well be that Mr. Anderson has a source within IDB who has reason to categorize internal reaction as "astounded." On the formal record, no such inference can be drawn.

Mr. Anderson alleged that the road "would be paved, furthermore, with concrete blocks manufactured by the National Cement Company, which Somoza also owns."

The IDB declares that terms of the loan agreement would specify open tender—competitive bidding—and that such would have to be agreed to before the loan agreement could be signed.

The complainant declares that, contrary to Mr. Anderson's allegation, the project would "service over 100,000 residents in most of the poorest residential areas of the city (a quarter of the entire city population), as also key development projects such as the new central produce market."

In its letter to Congressman Harkin, the IDB gave this background of the project:

"After the earthquake of December 1972, which destroyed the city of Managua, together with other international organizations, the Inter-American Development Bank agreed to assist with a program of reconstruction. One of the works of major importance in this program was a projected road around the former city since it has been planned that the center of the city would not be rebuilt in the same density but reliance would be placed on satellite cities which would not be directly on the fault line. The Central American Bank for Economic Integration financed a study conducted by a reputable international consultant firm which determined the feasibility of this project. Upon completion of the study, the Government of Nicaragua submitted a formal loan request in April, 1975 . Although discussions with Nicaraguan authorities are continuing, no specific agreements on terms and conditions have been reached at this time."

Mr. Anderson could have served his purpose far better by either fuller explanation or clarification regarding his source material.

Much newspaper handling of the Anderson column contributed additionally to confusion. This may be peripheral to the complaint, but the headline treatment clearly illustrated the continuing weakness in much American journalism of reaching for labels, rather than seeking clarity. The United Features' headline was, "A Somoza's Attempt to Bribe IBM". An upstate NY paper changed this to "Current Leader of Nicaragua Reportedly Attempted to Bribe IBM." Other headlines surveyed included:

President of Nicaragua Sought a Bribe From IBM.

Nicaragua Chief Tried to Squeeze Bribe From IBM.

Somoza Demanded IBM Payoff.

Somoza Bribe Bid to IBM Revealed.

Somoza's IBM Kickback.

Fatso Somoza Is Doing OK On Your Tax $$.

The only point to be made here is that some editors (and perhaps many) seemed unconcerned about Mr. Anderson's somewhat fuzzy realization about identity.

As to the first charge, Mr. Anderson's opening paragraph stated categorically:

"The President of Nicaragua personally tried to squeeze a bribe from International Business Machines Corporation in exchange for business favors."

The article goes on to offer very weak underpinnings for the assertion.

Subsequent paragraphs reveal that: 1) "The story was recounted by the late Arthur K. Watson, son of IBM's founder," 2) Mr. Watson had "recalled [the bribe attempt] in talks with friends in Paris in 1973 . . ." and, 3) "[O]ne of those in whom Watson confided in 1973 said it was conceivable Watson meant [the current president's] brother, Luis, or less likely, his father, Anastasio Sr., who was assassinated in 1956. All served as Nicaraguan Presidents."

In the absence of any clarification from Mr. Anderson, the Council can only assume that he saw fit to build a major expose out of hearsay concerning statements of a person from whom the truth or falsity of the hearsay cannot be ascertained, i.e., the late Mr. Watson. In the first sentence, however, Mr. Anderson asserted the truth of the hearsay.

We do not question here the right of the journalist to use hearsay but we believe that the opening statement of the column—a statement purporting on its face to be established fact—was not adeqautely supported by anything that followed in the column. The complaint, as to the first paragraph of the column, is thus found warranted.

As to Mr. Anderson's assertions concerning the loan application, the IDB indicates that the application is being handled in a routine fashion and that the loan will not be granted until the added value tax requirements are met. However, the Council does not feel that it is in possession of sufficient information to make any determination on the complainant's charges concerning the loan application references in the column.

From its founding, the News Council has made it abundantly clear that it operates openly and objectively, totally without coercion, and that while cooperation is desirable in the interest of full public service, no news organization or news person is under compulsion to so cooperate.

In public appearances and other statements, Mr Anderson has properly made much of First Amendment protections and its importance to all other American freedoms. In this particular instance, the Council deplores that Mr. Anderson's office saw fit to employ tactics which, from even arms length distance, appear to have been employed to intimidate complainants from raising objections concerning the accuracy and fairness of material written under Mr. Anderson's byline and distributed across the country.

The Council defends with vigor Mr. Anderson's pursuit of information designed to enlighten the public and supports his right to express his opinions through his columns and through public appearances. Simultaneously, the Council upholds those same rights for all others—including those who may seek to protest a spoken or written statement. They deserve the same protections as Mr. Anderson and his staff members, without personal or official harassment for so protesting.

Concurring. Brady, Dilliard, Fuld, Ghiglione, Green, Isaacs, Lawson, McKay, Otwell, Roberts, Salant, and Straus.

Dated: September 21, 1976

W. ROLAND WALKER, AN OUTSTANDING CIVIC LEADER

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DAN DANIEL. Mr. Speaker, during the Bicentennial there have been many memorable events to which our minds will refer many times in future years.

Much of the credit for this rekindling of our national pride and patriotism goes to the numerous local committees in communities around the Nation. They have caught the meaning of the Bicentennial and translated this into events which millions of our people have attended.

This pride in our local and national history is well illustrated in a splendid address delivered at the Bicentennial celebration for Lunenburg County, Va., on Saturday, June 5, by Mr. W. Roland Walker, an outstanding civic leader of that area. Mr. Walker is a businessman who has taken a very active role in many undertakings, especially in church work, and is known and respected far beyond the borders of his county.

I would like to include in the RECORD at this point an article which appeared in the June 12 edition of the Kenbridge-Victoria Dispatch, which highlights Mr. Walker's timely remarks:

W. ROLAND WALKER IS KENBRIDGE BICENTENNIAL SPEAKER AT SATURDAY EVENT

W. Roland Walker, Chairman of the Kenbridge Chamber of Commerce Industrial Committee, was the featured speaker at the official Bicentennial program Saturday. Walker recently was elected president of the National Health and Welfare Ministries of the United Methodist Church in the United States.

The program opened with prayer by the Rev. Richard McIntosh, pastor of the Kenbridge Christian Church who asked that divine providence guide the 200-year-old Nation in reclaiming its glory and in the protection of freedom.

Ben Watson, Chairman of the Chamber's Bicentennial Committee, had set a program religious and patriotic with all commercialism removed. Mrs Margaret Irby directed the Southside Community College Choral group in singing songs of America. Lacy and Charles Tomlinson brought their sound system and despite gale winds the program was termed a big success. The United Daughters of the Confederacy and Senior Girl Scouts were dressed in Colonial costumes. Central of Lunenburg High School Band played selected numbers of songs of America and joined the choral group in "This Is My Country."

C. F. Callis, President of the Chamber of Commerce was master of ceremonies and introduced Walker who gave this inspiring speech:

"This is an important year in the history of this great country called America. This is the 200th Birthday of America. Land of the Free-Home of the Brave, and I might remind you that history records that many other nations have risen to the zenith of power and strength and have fallen to the depth of destruction in less time.

"Patriotism should be the order of the day. For Patriotism is that inner conviction which prompts us to stand up and shout to the world; 'I am an American and I'm proud of it.'

"To hear such songs as: 'America, the Beautiful', 'Battle Hymn of the Republic', or 'Columbia, the Gem of the Ocean', should thrill our souls to no end.

"Like many Americans, I have proudly visited places important to our history, I have visited 'Old St. Johns Church', where Patrick Henry cried: 'Give me liberty or give me death.' Concord, where 'the embattled farmers stood and fired the shot that was heard around the world.' Independence Hall, where the Declaration of Independence was signed. I have visited the Lincoln Memorial where I have stood before that massive statue, and swallowing the lump in my throat as I read those compassionate words spoken in the midst of our most terrible war, 'With malice toward none,—with charity for all . . .'

"I have stood in the National Archives Building in Washington, awaiting my turn in a long line of people to look with awe upon the original copy of the Declaration of Independence. The document is beginning to deteriorate to a degree and the government is spending many dollars to preserve it. The preservation is gratifying, but more important and more difficult is the preservation of the way of life that document represents.

"Those who conceived our political system knew it was a bold and somewhat precarious experiment.

"For persons to govern themselves is no small thing. It has been observed that human beings are good enough to make democracy possible and bad enough to make it necessary.

"In the preparation of the Constitution, Benjamin Franklin, at his wise and seasoned age, did not hesitate to sign in the affirmative.

"In the signing, he offered advice that should be amplified again and again. In a speech he said these words: 'I accept this Constitution with all its faults, if such they be. The experiment shall certainly end in despotism when the people have become so corrupt that they are incapable of any other form of government.'

"Benjamin Franklin, being the oldest, and that being a day of respect for age, he was allowed to leave the building first. A small crowd of less than a dozen people had gathered. A lady walked up and asked: 'Dr. Franklin, which is it a Republic or a monarchy?' He replied, in an even more challenging way: 'A republic, if you can keep it.'

"As an American, I am proud of our country, glad to be a citizen. As a Christian I am worried about our country; uneasy about our failures, uncertain about our future. I am not worried so much about some outward invasion or some accident of chance, but by slow deterioration and corruption of the people who constitute the Republic.

"Destiny of the hard-earned freedom of which we are proud and which we older folks have had the privilege of enjoying, now rest in the hands of the young people of the nation. These young people are the governors, the legislators, the parents, even the Presidents—these are the citizens and leaders who, within a decade, will be shouldering the bulk of the responsibility for seeing that millions of children yet unborn will know what we mean by 'The American Way of Life.'

"Young people of today need to realize that it was no simple accident that made the United States of America the greatest nation in the world.

"Many battlegrounds have been stained with the blood of America's sons in order to guarantee the precious freedom and liberty which some of our citizens take so lightly today.

"Many great men in our history have suffered ridicule, torture, or even death because they believed in God and the dignity of man. They believed in the principles set forth in the Declaration of Independence and the United States Constitution.

"They believed that this was truly one nation under God, with liberty and justice for all.

"This great Nation was founded upon a genuine faith in God, Our Creator, the giver of every good and perfect gift. It was founded upon the respect for all men as exemplified by Jesus Christ. The Nation was founded upon a solid foundation and God was the center.

"We find ourselves today, in a season of man's history shrouded over with a cloud of doubt and speculation. Every single principle and law of our land and our God is under attack. Individual people with knowledge ranging from illiteracy to brilliance are intent upon destroying the very fabric of man's only hope for a continued freedom and liberty. (Even man's salvation.)

"When we speak in the interest of our country and our Christian conviction—it is devoid of the Master's command. We seem to concern ourselves only with image, posture, reputation and public opinion.

"History relates that when difficulties and hardships threatened the early settlers of this land, they managed to find through initiative and self-reliance, an even stronger faith and zeal. They were unshakeable, unbeatable in their determination. But, does the average American today dare to stand up for what he knows to be right and just? Does he dare to support our country? Or does he encourage himself and his children to shun the responsibility of being a true patriot. Do we dare to encourage our children to be worthy sons and daughters of their courageous forefathers?

"We have problems today with permissiveness and complacency—and we have allowed the image of our nation and the reputation of its people to become tarnished, but we are still a nation of people who stand before the world in dignity and spiritual strength. With a benevolent heart to share its wealth, to minister to those less fortunate around the world.

"What kind of a nation did you and I inherit from our parents—just a short one-half century ago?

"Our generation inherited a land that was young and developing. A land that had earned the respect of the world. It had helped to prevent world domination by a German Kaiser and we had sought to 'make the world safe for democracy.'

"When our generation received leadership—this great Nation was a growing and developing nation. It was still filled with the spirit of Pioneers. The United States had just come of age in the family of nations. Its power and strength was realized and respected by all nations of the world. It had not made an effort to buy its friends or security with the foreign-aid dollar. We inherited a nation of people who boasted high morals and Christian principles. A people who believed in the virtue of self-reliance.

"In celebration of this Bicentennial year, we should constantly remind ourselves how this country became great. This country became great because it has had a center. 'That center is God.' Just as the universe must have the sun as its center to keep it from flying off into space, so must every individual and every nation have a center.

"There are those among us that would give our Freedom away to satisfy their own selfish desires and to fulfill their own notorious craving for power and greed. Thanks be to God, we are still a Free Nation.

"Before our forefathers landed at Plymouth Rock, they had a business meeting in the cabin of the ship and drew up the Mayflower Compact. That compact put God in the center of their lives and the life of the nation they were to establish. When later on our forefathers signed the Declaration of Independence. They had great hope for the little nation called America, for they knew that it was founded upon a solid rock. That was the rock of a belief in the guiding hand of God. We became a great Nation under God, and a nation full of hope.

"With the lack of concern on the part of some of our people—as to the future of this great land, and with the lack of love for country that exists among some of our leaders as well as many others, let me speak one word of encouragement:

"If the Cross is the measure of God's respect for man's freedom, then we can take new hope that freedom will survive all of man's attempts to destroy it.

"Whoever seeks to destroy that liberty is setting himself against the will and the purpose of God. If the evil represented in the crucifixion of our Lord was powerless to destroy freedom, then nothing can destroy it.

II Chronicles 7:14

" 'If my people, which are called by my name, shall humble themselves and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sins and will heal their land'."

Miss Kit Wilkinson read the "Declaration" in ringing tones with a background by the choral group.

DECLARATION OF INTERDEPENDENCE FOR AMERICAN CHILDREN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BIAGGI. Mr. Speaker, on September 13, an historic event was held in Philadelphia, Pa. The occasion was the official dedication and signing of the Declaration of Interdependence for American Children, drawn up by the Odyssey Institute, Inc. of New York City.

The declaration states its support for the rights of all children to be free from the evils of abuse and unnecessary incarceration in institutions. It further calls upon the Federal Government to give greater priority to the development of meaningful programs to benefit and improve the quality of life for all children.

The declaration is much more than a collection of words, it is the expression of a commitment by hundreds of concerned citizens to identify and propose solutions to the difficult problems facing America's children today

I fully support and was proud to sign the declaration. I have made children's rights one of my priority legislative concerns. I was an original sponsor of the landmark Child Abuse and Neglect Prevention and Treatment Act of 1974. I have recently introduced the Adoption Opportunities Act, H.R. 11185 to increase the chances for all eligible children to gain a life of permanence while trying to prevent the unnecessary incarceration of thousands of children in foster care institutions. I am hopeful for positive congressional action next year on the legislation.

I would also like to pay a special tribute to Dr. Judianne Densen-Gerber, the president of the Odyssey Institute, who is one of the most outstanding advocates of children's rights in America today, and one of the primary developers of this declaration.

At this point in the RECORD, I would like to insert this historic document. In the coming months, the sponsors of the declaration will be seeking the signatures of more concerned Americans. I recommend my colleagues give this declaration their close attention.

THE DECLARATION OF INTERDEPENDENCE FOR AMERICAN CHILDREN IN PHILADELPHIA, SEPTEMBER 13, 1976, THE UNANIMOUS DECLARATION OF PRINCIPLES AND RIGHTS FOR CHILDREN BY CONCERNED AMERICAN CITIZENS

When, in the course of human events, it becomes necessary for responsible and concerned American citizens to confront and challenge the political and societal bonds; to review the stated priorities with regard to the children of America; and to demand on their behalf a separate and equal station in the concerns and priorities of government and societal institutions to which the laws of nature and nature's God entitle them, then a decent respect to the opinions of mankind requires that they should declare the causes which impel them to declare such independent but equal status.

Prudence dictates that governments long established should not be changed nor their priorities realigned for light and transient causes; accordingly, all experience has shown that mankind is more disposed to suffer while evils are sufferable than to right itself by abolishing the forms to which it is accustomed. But when a long train of abuses, indifferences and neglect by the society's government and institutions subjects a portion of that society, the children of America, to hunger fear, isolation, abuse, neglect, despair and death, it is the right and duty of the people to demand of their government that the principles and priorities of that government be altered to provide new institutions to insure the future security and happiness of such children. Such is the suffering of these unrepresented and voiceless children, such is the fundamental tyranny over our children and such is now the necessity which compels us the people to alter our present priorities. Let these facts be submitted to the world.

Through our government and societal institutions: we failed to realize and act at the highest levels of government a spiritual and moral commitment to the rights, interests, protection and concerns of children in the design and implementation of government activities. We created numerous offices and agencies obtensibly for the benefit and welfare of children, but refuse to adequately fund their operation, thus preventing the delivery of mandated services.

We fail to coordinate the few allocated government resources with existing resources in the private sector, resulting in costly and unnecessary duplication in administrative systems, and substantially reducing direct resources and services for the children.

We fail to recognize or respond to the epidemic of child abuse and neglect which afflicts millions of American children, thus silently sanctioning such abuse and neglect.

We fail to recognize and guarantee the basic and comprehensive nutritional, educational, financial and health needs of all American children independent from and equal to rights of thier parents.

We fail to hold parents accountable as trustees of a sacred trust to insure the well-being of each child, a sacred trust to be enforced by the community through its laws.

We tolerate legal presumptions and theory which equate parental rights with property rights, thereby inhibiting or precluding timely and effective interventions on behalf of endangered children, with the tragic result that thousands die each year of abuse and neglect and that 17 million children are so handicapped through abuse, neglect or poverty as to be unable when adults to participate in the American mainstream.

We fail to respond to the steady deterioration of human values and family life upon which our nation was established and with which young Americans can develop happy and secure futures.

We deny our children and their families the right to receive comprehensive health care, including psychiatric treatment or counseling, and instead we intrude on their privacy in the name of reform and treatment through courts of law.

We fail to listen to and consider the viewpoints of children in matters which affect them.

We fail to recognize them as persons before the law, in the family, schools and society, and we fail to recognize children as our nation's greatest natural resources and America's first priority. Concerned American citizens have petitioned for redress of these grievances. These petitions have been answered only by repeated surveys, pilot projects, and committee referrals. We tire of empty political offerings.

We have challenged in the courts the failure of the community and of the government to respond to children's needs. We have reminded them that our children, as unrepresented and voiceless citizens, need special and pre-eminent consideration in all matters of government and community affairs. With few notable exceptions these petitions and challenges have been repeatedly ignored. Our governments and institutions have been deaf to the voices for social justice.

We, Therefore, as concerned citizens assembled in earnest hope, do, in the names of the millions of American children who otherwise have few or no advocate, solemnly publish and declare,

That the children of the United States of America are, and of right ought to be, free and interdependent persons;

That they are the beneficiaries of the sacred trust of their parents or custodians;

And that, as free and interdependent persons, they have the full right to grow to maturity in a family environment which facilitates their development into mature and responsible adults; to be supported, maintained and educated to their maximum potential; to be regarded as persons within all social and legal institutions; to receive fair treatment from all in authority and to receive comprehensive health care; to be emancipated from the limitations of the parent-child relationship when that relationship has sufficiently deteriorated to endanger the child; and to receive special care, consideration and protection in the administration of law or justice so that the child's best interests are always paramount.

And, for the support of this declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other and to American children our unending and determined personal commitment.

To the leaders of our government and institutions we declare our resolve that these principles and rights of American children must become a priority for recognition and adoption by all in authority without delay.

ENVIRONMENTAL FUND POPULATION DATA—OMINOUS IMPLICATIONS FOR HUMANKIND

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RICHMOND. Mr. Speaker, the Environmental Fund, an independent population group in Washington, D.C., has recently released United States and worldwide population data. It does not tell a pleasant story.

The population of the United States continues to grow at an alarming rate. Past predictions that the United States would soon reach zero population growth were simply wrong. Although the number of children most couples are having is close to 2, the number of couples having children is so large as to preclude any major decline in our population growth. In addition, a minimum of 800,000 illegal aliens are pouring into the United States each year and as many as 2 to 3 million may be coming here.

The U.S. population is thus growing at over 1.2 percent every year, increasing by 2½ million people, doubling every 57 years. A number of years ago, the Rockefeller Population Commission concluded that continued U.S. population growth would simply be incompatible with a continued high standard of living and a sound natural environment.

Every other day, another American farm is lost to urbanization, the result of population growth. Every day, 2,000 acres of productive American farmland is shut down. The State of Michigan recently estimated that population growth by the year 2000 would reduce its agricultural land from 12 to 2.5 million acres, 5.5 million acres less than that needed to meet Michigan's food needs.

Resources, as well as land, are becoming more costly and less plentiful due to population growth. As human numbers increase, fiber, fuel, and food become more costly. Study after study has illustrated the growing scarcities of fresh water, clean air, reliable and safe energy, open space and relative quiet.

Endless lines of traffic, shoppers, campers, more and more crowded national parks, cities, highways, stores, and beaches attest to overpopulation.

Simply put, our natural environment is overloaded. Millions of acres of America's best land stands broken and destroyed—its carrying capacity long since exceeded.

Even as these problems confront us, we seek to ignore their cause. We search for some simple technological fix, often saying, "Something will turn up, it always has." Optimist after optimist tells us things can only get better. Again, we are told that population growth will soon stop.

The figures released by the Environmental Fund are indeed ominous. The world continues to grow by nearly 100 million people each year, doubling every 30 years. World growth rates, far from getting better, have indeed gotten worse.

The world's birth rate, says the Fund, has hardly changed in the past 20 years. If present trends continue, the world will soon be staggering under the weight of 8 billion people.

The Fund seriously questions whether the Earth can support this many people. It notes that a simple examination of the arable land available per person in the world illustrates this. Twenty-seven years ago there was 1.77 acres of arable land per person. Seventeen years ago that land had declined to 1.19 acres. Today, it has declined to 0.8 acres of land per capita. As the amount of land per person has declined, the numbers of helpless, homeless, illiterate and unemployed in the world has skyrocketed. Nearly 2 billion people live on the edge of starvation and abject poverty. By the time of our tricentennial, there will be 1.13 square feet of land per person in the world.

The Fund also examines the problem of growing food shortages. It points out that the world has yet to match the 1973–74 world record grain harvests. Yet since that time, an additional 220 million people have been added to the world's population. As a result, the per capita food consumption has declined—by 10 percent—from 311 kilos per person per year to 274 kilos. It is evident, then, that world population growth is outstripping world food production.

More ominous than the growing shortage of arable land available to support each individual—and the growing food shortages—is the exploding world population's growing dependence upon U.S. agricultural surpluses. These surpluses, however, cannot last forever. They will be entirely consumed by the growing U.S. population in 15 years at our population growth rate of 1.2 percent.

Tragically, most nations, according to the Fund, are unwilling to seize the one possible alternative to massive starvation and poverty—lower birth rates. Too many nations ignore the problem, hoping it will go away. Many nations accuse us of being responsible. Some, such as India, are seriously attempting compulsory sterilization. Some, like the United States, refuse to halt illegal immigration or population growth.

I commend the press release of the Environmental Fund to the attention of my colleagues. It is refreshing that there are still independent organizations which are willing and able to tell it like it is.

I also would like to bring to the attention of my colleagues that the distinguished junior Senator from Vermont, Mr. LEAHY, has placed companion material prepared by the Environmental Fund in the RECORD of September 30.

U.S. POPULATION LARGER THAN OFFICIAL CENSUS FIGURES

While both the birth rate and the death rate in the United States are lower than the government has been reporting, both the population growth rate and the U.S. population are much higher than generally believed, according to Robert Cook, Population Consultant to The Environmental Fund and formerly President of the Population Reference Bureau.

The reason for this, Cook explains, is that the population of the United States is substantially larger than the official figure reported by the U.S. Bureau of the Census and that this is why the birth and death rates are too high. The official population of the United States at mid-year was 215.7 million, but this figure does not include the official undercount of 5.3 million announced by the Bureau of the Census several years ago, nor does it allow for the entry into this country of illegal aliens since the undercount was determined. The actual population of the United States, therefore, is more than 222 million.

In determining birth and death rates, the Bureau of Vital Statistics uses the lower official figure which produces birth and death rates slightly higher than they actually are.

On the other hand, of the 11 million foreign visitors to this country in the past year, a million may have stayed on illegally. There is no record of their departure. The Immigration and Naturalization Service estimates that a minimum of 400,000 are still illegally in this country. In addition, 2 or 3 million aliens entered the country illegally, and fewer than 1 million were apprehended and deported. Some of the others may have returned voluntarily, but INS estimates that at least 800,000 have stayed on illegally, probably more. The natural increase of 1.3 million (excess of births over deaths) increased our population by .59% in the past year, but when immigration is added, our population growth is more than 1.2%. The first figure would cause U.S. population to double in 117 years. The second figure would double our population in 57 years.

According to Justin Blackwelder, President of The Environmental Fund, increasing pressure of population, revealed in the figures, brings increased taxes, more inflation, more unemployment, and more crime. Increased demand for limited resources will force prices ever upward. "If this keeps up for a decade or two," Blackwelder says, "the conservationists and ecologists can close up shop. It will be impossible to conserve anything."

Can anything be done about it? Both Blackwelder and Cook say, "Yes"; "we can do what nearly every other developed country in the world has already done: cut immigration. Immigration must be balanced with emigration, *and* the birth rate must be cut."

Of course, as things get worse here, more Americans may decide to move elsewhere. But, according to The Environmental Fund, they are going to have a difficult time finding any place to go. While our population doubles, the world's population will quadruple, if present population growth rates continue.

Does The Environmental Fund believe that world population will quadruple? "It can't," said Blackwelder. "The world has already passed its carrying capacity, which means that death rates will rise until they equal birth rates, and population growth will stop." How will this happen? "There are three possibilities: starvation, pestilence and war Usually, the three go hand in hand.

"There is one other alternative, if we have both the wisdom and courage to seize it: lower the birth rate. But this is a decision each country must make for itself and most countries show little inclination to do it."

SUPPLEMENTAL REMARKS

Estimate of world's population

This 1976 total is higher than the estimate made by the U.S. Bureau of the Census (whose figure is 4.069 billion), primarily because of the estimate made for the People's Republic of China. China has issued no official figure since 1956. Dr. Aird's estimates are usually considered the best available. They are customarily quoted by Dr Leo Orleans and other experts on Chinese population figures. Dr. Aird's figures are substantially higher than those of Census which are higher than UN estimates The highest of them all are those made by the CIA which reported 920 million Chinese in 1974, which would give China, now, a population of 964.7 million. We also chose the Nigerian Census over the UN estimate on the rebuttable assumption that the country's own census, bad though it might be, should be better than the guess of an outsider, who has made no count at all. The result is that our estimates for these two countries are somewhat higher than both Census and the UN.

We are reasonably comfortable with our world figure because nearly all population estimates, including those of the UN and Census, have erred on the low side for more than two decades. For instance, the birth rate for India, reported by the UN in 1950, was 26. At that time, Kingsley Davis estimated that it was about 42, which we now know was approximately correct.

According to a UN projection made in 1951, the population of the world in 1980 would be 3.636 billion; the UN now says we reached that population in 1970. In 1949, Colin Clark predicted a world population of 3.5 billion in 1990; E. C Rhodes (University of London) predicted 3.02 billion in the year 2000. In 1950, Frank Notestein predicted 3.3 billion by the year 2000. In short, the 50 year projections were realized in twenty years or less. It is therefore likely that the US Census figures which we had quoted on our 1976 estimate sheet are conservative.

World birth rates

The UN estimates the world birth rate to be 33 per 1000, one less than it was twenty years ago. The Environmental Fund chart shows 35 per 1000, which is one more than twenty years ago. As available data is not accurate, closer than perhaps 2 per 1000, the figures are anybody's guess. Again, it depends entirely on whether the Chinese birth rate is about 37 or 17. No one knows, including the Chinese. All of China's immediate neighbors, including Eastern Russia, have birth rates higher than 37, and they are demographically quite similar. There is, however, a tremendous political difference, whose effect, if any, we cannot measure.

Acres of arable land per person

How much arable land is required to feed and clothe one person is impossible to say It depends, of course, on the quality of the soil, temperature the availability of moisture, and the quality of technology Estimates have varied from 1 acre to 2.5 acres per capita.

In 1949, Rhodes estimated that there were only 1.77 acres per capita available The UN estimate for 1959 was 1 19 acres per capita There is now 0.8 acres per capita If present population growth rates continue, there will be 0.04 acres per person in 2100

By the year 2500, if we divide the world's population into the entire land mass, there would be 1 13 square feet per person, and yet there are those who claim that we do not have a population problem

World grain production

Data for production of cereal grains is from the latest UN FAO Yearbook, which happens to show figures for the best year the world has ever had, production year 1973 74 Accordingly to USDA, the figures for 1974 75 are 1.177 million metric tons, and the figures for 1975–76 are 1.132 million metric tons. This has brought per capita consumption of cereal grains down from 311 kilos per year to 274 kilos per year, due primarily to the increased number of people. These figures are difficult to reconcile with the oft-quoted statement, "World food production is outpacing world population growth." It isn't.

Net exports then and now

The chart shows that, shortly after World War II, 35 countries were net exporters of cereal grains, which constitute 80 per cent of the world's food supply. And it shows that only one-half of these remain. This change has been recorded elsewhere, but we thought it useful to show the dimensions of the change. Northern Africa, for instance, exported 35,000 metric tons, and now imports 6.2 million metric tons. The chart also shows that, of the few remaining countries with an exportable surplus, the United States has more than all of the others combined. The world is rapidly becoming dependent upon U.S. grain, all of which will be consumed by Americans within 15 years at our own population growth rate of 1.2.

THE NATIONAL ASSOCIATION OF CAREER WOMEN'S CIVIC CLUB HOLDS REGIONAL CONVENTION

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Mr. STOKES. Mr. Speaker, the National Association of Career Women's Civic Club, Inc., recently held their annual regional convention in Cleveland, Ohio. This group of outstanding black women organizes a wide variety of civic programs to benefit black and minority communities.

Some of NACWCC's excellent programs are outlined in the opening letter to members which appeared in the conference program:

THE NATIONAL ASSOCIATION OF CAREER WOMEN'S CIVIC CLUB, INC.

There are four divisions functioning within the confines of the NACWCC organization itself, Career Women's senior division, youth division, Young Adult Division, and Men's Division (The Galanti's Civic Assn.). The NACWCC has captured the interest of women and men in many areas over the country with their multi-purpose civic program.

The NACWCC's "Youth Foundation and Development Program" offers much in assistance to young people starting at the junior high school level to help prevent school drop-out. The program offers: free tutorial service, counseling, financial assistance in a scholarship program, job placement, skills foundation, cultural arts and crafts, charm classes and recreation.

The NACWCC plays a tremendous role in volunteer service. The policy of giving volunteer service to hospitals, child care centers, recreation centers, nursing homes and the elderly is a part of the National Association of Career Women's seven point program.

The National Association of Career Women's Civil Club, provides a multi-purpose civic program geared it fit the many needs in the Black community.

Mrs. Ethel N. Arnold conceived the idea for this kind of Civic program back in 1962, and after diligent planning and much encouragement founded the Career Women's Civic Club in 1964. She had a burning desire to help the youth and to give them a sense of security, direction and goals. Having been involved in the needs of the Black community for many years, she recognized the importance of unity of black women, career women, who possess a profound interest in youth development, and helping wherever possible in the community, and by working together for a common cause, black career women could fill a niche that was long overdue for lack of attention. These are turbulous times, and there is a volcanic situation existing in the world today, and our youth are caught up in the midst of it. They need to know that whatever may be lacking in the establishment, they are not forgotten; and that somebody cares. NACWCC gives the kind of encouraging support so badly needed by youth today, that will help release them from their frustrated tensions and guide them into the path of proper perspective and hope for future security.

An active part is taken in various training programs. Intensive volunteer service is given to that of working with youth, unwed mothers, helping them to become rehabilitated, and to learn skills that will lead them to gainful employment.

As a charitable organization, the NACWCC contributes to the needy. Food is provided to the hungry, financial assistance is given to the ill or unemployed, and the elderly while their application for welfare assistance is being processed. Special educational donations are given to adults who are poor, and are taking special trade courses, or vocational courses to qualify for employment. These are but a few of the many charitable contributions made to those in need.

Mr. Speaker, all of the women involved in NACWCC have a deep commitment to the social welfare of the black community, volunteering long hours to civic concerns. At the same time, most of the members have their own careers which keep them constantly on the go. Mrs. Ethel N. Arnold, NACWCC's national executive director, exemplifies the type of woman who belongs to this fine organization:

NATIONAL EXECUTIVE DIRECTOR

Mrs. Ethel N. Arnold is a native of Oklahoma. She is the founder, past president and current National Executive Director of the National Association of Career Women's Civic Club, Inc., and its associating divisions. She attended Langston University in Langston, Oklahoma, and is a graduate of I.C.S. Business College in Oklahoma where she studied Business Administration, and majored in accounting. She now owns and operates her own accounting service, R&E Associates.

Mrs. Arnold has been active for many years in civic and church work. She was a Youth Counselor for five years at Mt. Pleasant Methodist Church in Cleveland. She was active in the Mt. Pleasant Area Council, and instrumental in organizing several street clubs. She is a member of the Lee-Harvard Community Association, in Cleveland, the People's Community Club Credit Union, the latter of which she served for one year as Vice-President. She is a member of the National Council of Negro Women, and served on one of its youth committees. Mrs. Arnold was Co-Director of one of Cleveland's first community service center programs, and was responsible for writing the Lee-Harvard Community Association's Newsletter.

Mrs. Arnold is a former news columnist, and wrote for the Cleveland Call and Post and the Pittsburgh Courier. She is also the author of a short novel, "She Knew No Evil" that gained some national attention and can still be found in many libraries. She is the mother of four children and grandmother of five.

Mrs. Arnold organized the Career Women's Civic Club, Inc. in 1964 and wrote its Seven Point Program. Working with youth and helping those in need has always been her main interest.

Mrs. Clara Flack, executive assistant to the president is equally outstanding:

CLARA FLACK

Believing that true causes demand intelligent action and dedication to be successful, Mrs. Walter Flack, Jr. brings her conviction that a community needs to support that which affords its citizens the fullest and best opportunities for sound growth and development. She brings her concern that every one of our community's people should have an awareness of the needs of our community and the opportunity of joining the association to assist in bettering the Community.

Mrs. Flack is no newcomer to drives as she was the first woman in two decades to lead the Phillis Wheatley Friendship Hunt during it's 1970 drive. She is presently serving on the Executive Board of Directors, and is the Executive Assistant to the Director. She has also worked as Guardian, Neighborhood Director and Leader for the Campfire Girls, Inc. Also Mrs. Flack has assisted annually with the March of Dimes, Heart Fund and Muscular Dystrophy Drives.

Mrs. Flack is married and is the mother of (5), 3 girls and 2 boys

Mr. Speaker, I am acquainted with the work done by the Cleveland chapter of NACWCC and can attest to their fine record of achievement.

The President of the parent and host division in Cleveland is Mrs. Helen J. Scott. She is also the regional director of the northeast area.

Mrs. Scott hails from Little Rock, Ark., and has been a resident of Cleveland for over 25 years. She received her education at Howard University and is a former school teacher who is active in community affairs. Currently, she is employed in the special services department of the Ohio Bell Telephone Co. She is the mother of five children.

Mr. Speaker, so that my colleagues in the House can familiarize themselves with the NACWCC, I would like to share with them the conference agenda. You will note that I had the distinct honor of assisting Mrs. Arnold and Mrs. Flack in the awards presentation ceremonies on Saturday, August 7, 1976:

NATIONAL ASSOCIATION OF CAREER WOMEN'S CIVIC CLUB, INC., RAMADA INN, WICKLIFFE, OHIO, 1976 CONVENTION

EVENTS

Friday, Aug. 6, 1976:

8:00–9:00 a.m., registration, town hall lobby.

9:00–10:00 a.m., officers meeting, hospitality park.

10:30–12:30 p.m., business session, town hall.

Recess and lunch on your own.

2:00–4:30 p.m., workshops, seminars, town hall.

5:00–6:30 p.m., hospitality room open.

7:00 p.m., champagne reception and fashion show, hospitality, refreshments.

Saturday, August 7, 1976:

8:00–9:00 a.m., registration, town hall lobby.

9:00–10:00 a.m., breakfast on your own.

10:00–12:30 p.m., business session, town hall.

Recess and lunch on your own.

2:00–4:00 p.m., seminars, workshops, town hall.

4:00–6:30 p.m., prebanquet swimming and cocktails on patio.

7:30 p m.. awards banquet and dance, ballroom

Sunday, August 8, 1976:

8:00–9.00 a.m., breakfast on your own.

9:30–10:00 a.m., chapel service.

10:15–11:15 a.m., executive board meeting, town hall.

Annual meeting is adjourned.

FRIDAY, AUGUST 6, 1976 PROGRAM

Champagne Sip—Fashion Revue

Greetings, Brenda Macklin.

Welcome, Wendy Bullock.

Introduction of commentator.

The commentator, Ms. Alice Cullem.

The Show—A Bicentennial Fashion Revue

The outgoing queen, Brenda Macklin.

Crowning of 1976–77 queen.

Scholarship presentation, Ms. Ethel Arnold, national executive director.

The finale models.

The Mondaniques and guests:

Myron Arnold, Maria Kent, Cassandra King, Debbie Miller, Annette Rodgers, Kelia Smith, Renay Thigpen.

Wendy Bullock, Juanita Dowdell, Adriene Lewis, Wanda Scott, Linda Stevens, Carolyn Stewart, Theresa Thorton.

NACWCC CONVENTION AWARDS BANQUET AND DANCE SATURDAY, AUGUST 7, 1976, 7:30 P.M.

Mistress of ceremonies, Ms. Alice Cullem.

Pause for silent prayer.

7:30—Dinner is served.

Greeting, Ms. Helen Scott.

Welcome, Ms. Iola Ligans.

Occasion, Mrs. Dorothy Murphy, president, Detroit chapter.

Introduction of speaker, Mrs. Vernel Whalen.

Speaker, Mrs. Bettye Brooks, National Coordinator, Urban League.

Response, Councilman John E. Barnes.

Presentation of awards, Ms. Ethel N. Arnold, national executive director, Congressman Louis Stokes, Mrs. Clara Flack.

Closing remarks, Ms. Ethel N. Arnold.

DIAS:

Ms. Alice Cullem—m.c.

Ms. Helen Scott—president Chicago division, NACWCC.

Congressman Louis Stokes.

Mr. James Shoulders.

Ms. Ethel N. Arnold, national president D.R.

Mrs. Bettye Brooks, national coordinator, Equal Opportunity Urban League.

Mr. Joseph Murphy, international representative UAW.

Mrs. Dorothy Murphy, president, Detroit division, NACWCC.

Councilman John E. Barnes, Ward 30, Cleveland, Ohio.

Mrs. Vernel Whalen, Women's Voter Service.

Mrs. Clara Flack, administrative assistant to the executive director.

SEMINARS

Friday, August 6, 1976, 2:00–4:00 p.m.

Speakers:

Carolyn Miller, equal housing.

Vernel Whalen, youth and politics.

Catherine Shell, new careers.

Saturday, August 7, 1976, 2:00–4:00 p.m.

Speakers:

Mary Lloyd, Child Care and the Community.

Joseph Murphy, Labor Unions and Youth.

Janice Ash, Today's Youth and the Problems They Face.

Vernel Whalen, Political Arena and How It Affects Youth.

PATRONS

Inscribed on this page are the names of those friends who made contributions towards the success of this project:

Mr. George Travis, Mr. and Mrs. Walter Lytkowski, Mr. and Mrs. Trevor Twigg, Mr. and Mrs. Howard Haber, Mr. and Mrs. Donald Wills, Mr. and Mrs. Edward Davies, Mr. and Mrs. Donald Barth, Mr. and Mrs. Bryan Ahern, Mr. and Mrs. Ralph Burrows.

Mr. and Mrs. James Wheeler, Mr. and Mrs. Frank Gordon, Mr. and Mrs. Robert Anoy's, Mrs. Cassandra Holmes, Mr. J. Hopes Jr., Mr. and Mrs. Wilkinson, Mr. and Mrs. J. E. Gordon, Mrs. Mary Stevens, Mrs. Jonnie Truitt, Eloise G. Carr.

Mr. Speaker, at this time I would like to ask my colleagues to join with me in recognition and praise of the National Association of Career Women's Civic Club, Inc. Their impact in Cleveland, and communities across the country, has done much to improve the quality of life for the black community.

PRESIDENTIAL PRIMARY REFORM

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. OTTINGER. Mr. Speaker, I am pleased Mr. Burlison has called for this special order to discuss the important matter of Presidential primary reform. I share the gentleman's dismay over the present structure of the primary system, and have introduced legislation to change the situation.

My bill, the Regional Presidential Primaries Act of 1976, which I introduced on February 26, is somewhat similar to a measure introduced by Senator Packwood who has taken a leading role in Presidential primary reform. The major intent of this bill is to assure that voters in every State will have the opportunity to express directly their choice for a Presidential nominee and that the nominees selected by national party conventions reflect the voters' decision. At the time of introducing the bill, I stated:

> I have discarded the idea of a national Presidential preference primary held on a single day throughout the country for several reasons. I believe such a system would give undue advantage to certain types of candidates: Either those whose names are well known, for whatever reason; or those who can easily fund their campaigns by appealing to special interest groups; or those who possess charisma, a characteristic which does not necessarily go hand in hand with ability; or, those who find their support in a narrow, but vocal segment of American society. Electoral competition should not be restricted to these types of candidates. Also, several regional primaries will give much more opportunity for indepth development of candidates' positions on issues and challenges to them than would one national primary. An opportunity should be provided for all contenders to present their views and be judged by the electorate in terms of their qualifications.
>
> I also believe that the political parties, through their conventions, perform an important consensus-developing function, and that any attempt to deny them a role in choosing their own standard-bearer would be detrimental to our form of government.
>
> My bill is designed to avoid the defects of a national primary, to maintain the strengths of the present system while eliminating its weaknesses, and to preserve the legitimate role of the political parties in the Presidential nominating process.
>
> Under my proposal, each State in a region would participate in that region's primary, thereby allowing the voters in each State a direct voice in the Presidential nominating process. States would be reimbursed for the expenses incurred, so that any financial burden imposed would not be transferred to the State's taxpayers. The States would be grouped into five regions, with every State in a region holding its primary on the same date, at 3-week intervals from April through June of the Presidential election year.
>
> Unlike a national primary, this series of regional contests would provide an opportunity for the evaluation of Presidential contenders over a period of time and under a variety of circumstances. Public attention and the candidates' campaigns would be more directly focused on the region's voters, and issues of importance to that region could be more fully explored. In an era when voter participation in the political process is declining to the point where often less than half of those eligible to vote do so, it behooves us to do all that we can to stimulate voter awareness and participation. I believe regional primaries would help attain that goal.
>
> For too long, we have permitted the Presidential candidates themselves to determine which primaries they will enter, thus denying voters in the States not chosen the opportunity to express their preference from among the full range of candidates. Because the Presidency is a national office, we should require candidates to demonstrate their strength throughout the Nation, not just in those States in which they think they will do well. Therefore, under my bill, the names of all Presidential candidates who have qualified for Federal matching funds will automatically be placed on primary ballots and a demonstration of support through the collection of petition signatures would allow other canidates to enter. The arguments now used for avoiding primaries that a Presidential candidate does not have the time, stamina, or money to enter all the primaries will be invalidated when a regional system is adopted. Both the rights of the voters and the resources of the candidates will be protected.
>
> Under my proposal, national convention delegates would be allocated to Presidential candidates in proportion to the votes received in the State. Since 1972, the Democratic National Committee had mandated proportional representation and six States have abandoned their winner-take-all primaries in favor of those with proportional representation. We should follow the lead of the States in adopting legislation which recognizes that the selection of a Presidential nominee is a national decision, not one to be made by delegates representing only a plurality of voters in their State, but by delegates representing all who cast their votes.
>
> Just as States legitimately restrict voting in their State elections to residents of the State, so, too, should voting in a party primary be restricted to members of that party. This principle is incorporated in my bill and authority is given to the Federal Election Commission to aid the States which currently have no party registration.
>
> I believe that the adoption of this legislation will increase voter participation in the Presidential nominating process, establish a more rational procedure for the selection of our parties' nominees, ease the burden on the candidates and the public, and will enhance the quality of presidential candidates and their campaigns. I urge serious consideration of its provisions and the principles upon which it is based.

The text of the bill follows:

H.R. 12161

A bill to require States to participate in a system of regional Presidential primaries administered by the Federal Election Commission, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Regional Presidential Primaries Act of 1976".

FINDINGS

SEC. 2. The Congress finds that—

(1) the proliferation of elections held by States for the election of delegates to national nominating conventions and for the expression of a preference for the nomination of individuals for election to the office of President subjects candidates for nomination for election to such office to physical exhaustion, danger, and inordinate expense;

(2) there is no uniformity among State laws with respect to the effect of such elections on delegates to the nominating conventions held by political parties.

(3) the confusion caused by this lack of uniformity in State laws gives rise to cynicism, frustration, and distrust of the nomination process;

(4) a system which both standardizes the holding of Presidential primaries and permits States to continue to play a substantial role in such primaries would improve the Presidential nominating process;

(5) by national nominating conventions held by political parties constitute an integral part of the process by which the President is chosen by the people of the United States; and

(6) in order to protect the integrity of the Presidential election process and provide for the general welfare of the Nation, it is necessary to regulate that part of the process which relates to the nomination of candidates for election to the office of President.

ESTABLISHMENT OF REGIONAL PRIMARIES

SEC. 3. (a) Each State shall conduct an election for delegates to national nominating conventions for the nomination of individuals for election to the office of President in accordance with the provisions of this Act.

(b)(1) Five regional primaries shall be held during each Presidential election year. The first regional primary shall be held on the first Tuesday of April, and an additional regional primary shall be held on the Tuesday of each of the third sixth, ninth, and twelfth succeeding weeks. Thirty days before the date of the first regional primary, the Commission shall determine by lot the region in which such primary is to be held. The Commission then shall determine by separate lot, conducted 30 days before the date of each subsequent regional primary except the last, the region in which each subsequent regional primary is to be held.

(2) The ballot for a regional primary conducted by each State under paragraph (1) shall include the names of (A) each candidate who is eligible to appear on the ballots of each State in the region involved under subsection (c)(1); and (B) each candidate who is eligible to appear on the ballot of the particular State under subsection (c)(2).

(c)(1) The ballot of each regional primary which is held under this section shall include the name and political party affiliation of any candidate with respect to whom the Commission has certified payments under section 9036(a) of the Internal Revenue Code of 1954 (relating to initial certifications), and who remains eligible to receive payments from the Secretary of the Treasury or his delegate under chapter 95 or chapter 96 of the Internal Revenue Code of 1954, on the date of the regional primary involved.

(2) An individual whose name is not placed on a regional primary ballot under paragraph (1) may have his name and the name of the political party with which he is affiliated appear on the ballot of any State participating in the regional primary involved, if he is eligible for election to the office of President, by (A) notifying the Secretary of State of the State involved (or, if there is no office of Secretary of State, the equivalent State officer) in writing that he is a candidate for nomination by a specified political party for election to the office of President; and (B) presenting such Secretary of State or equivalent State officer with a petition supporting his candidacy for such nomination signed by at least 1 percent of the individuals who are registered to vote in the State involved.

(3)(A) The Commission shall announce the names of any candidates who are entitled to be on the ballot of any regional primary under paragraph (1) no later than 30 days before the date of the regional primary involved.

(B)(i) The Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) shall transmit to the Commission the names of any candidates who are entitled to be on the ballot of the State involved under paragraph (2) in connection with a regional primary. Such transmission shall be made no later than 30 days before the date of the regional primary involved.

(ii) The Commission shall certify the ballot of each State as soon as practicable after receiving a transmission from the Secretary of State (or, if there is no office of Secretary of State, the equivalent State officer) of the State involved under clause (i).

(d)(1) Subject to such guidelines as the Commission may establish, the regional primary shall be conducted in each State by officials of such State charged with conducting elections.

(2) Voters in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. Each voter shall be eligible to vote only for delegates for a candidate for nomination by the party of such voter's registered affiliation. If the law of any State makes no provision for the registration of voters by party affiliation, voters in such State shall register their party affiliation in accordance with procedures established by the Commission.

(e) The chief executive officer of each State shall certify the results of the regional primary held in his State to the Commission within a period of time after such date, not exceeding 15 days, prescribed by the Commission.

DESIGNATION OF CONVENTION DELEGATES

SEC. 4. (a)(1) Any candidate whose name appears on the ballot of any regional primary under section 3(c), or an authorized representative of such candidate, shall designate the names of individuals to serve as delegates of such candidate in each State participating in the regional primary involved. The number of delegates designated in each State under the preceding sentence shall be equal to the number of delegates to which such State is entitled at the national nominating convention involved.

(2) Delegates designated under paragraph (1) shall be listed on the ballot under the name of the candidate making such designation. Such delegates shall be listed in accordance with a ranking to be determined by such candidate.

(3) Delegates to which any candidate is entitled at a national nominating convention shall be selected from the list of delegates designated by such candidate in accordance with the ranking determined by such candidate under paragraph (2), except that such selection shall be made in a manner which is consistent with any rule of the national political party involved, relating to categories of persons which shall be represented as delegates at the national nominating convention of such political party.

(4) An individual may serve as an authorized representative of a candidate for purposes of paragraph (1) only if such authorization is transmitted to the Commission in writing by such candidate.

(b) The number of delegates which a candidate may receive in any State in connection with a regional primary is a number which is a percentage of the total number of delegates from such State to his party's national nominating convention equal to the percentage of the votes cast by members of his party in such State received by him in the primary.

(c)(1) If a candidate in a regional primary receives less than the greater of—

(A) 5 percent of the votes cast by members of his political party in such regional primary; or

(B) a percentage of votes which would entitle such candidate to one delegate, if one delegate constitutes more than 5 percent of the total number of delegates to be appointed in the region involved;

no individuals may be appointed as delegates of such candidate in any State in the region involved.

(2) The percentage of votes cast in any State in a regional primary for any candidate who is not entitled to any delegates as a result of the provisions of paragraph (1) shall be—

(A) apportioned among other candidates of the same political party who received votes in such State, on the basis of the number of votes received by each such candidate; and

(B) added to the percentage of votes received by each such candidate in such State, for purposes of determining the number of delegates which may be appointed for each such candidate.

CONVENTION BALLOTING

SEC. 5. (a)(1) A delegate to a convention held by a political party for the nomination of a candidate for election to the office of President shall vote for the nomination of the candidate for whom he was appointed until—

(A) two ballots have been taken;

(B) such candidate receives less than 20 percent of the vote on a ballot; or

(C) such candidate releases such delegate.

(2) In any case in which a candidate for whom any delegate is appointed ceases to be a candidate before the first ballot has been taken at the nominating convention of the political party involved, any such delegate shall be considered to be uncommitted for purposes of such first ballot.

(b) If an individual receives a majority of the votes cast on a ballot at the nominating convention of a political party, he shall be the nominee of such party for election to the office of President. A subsequent ballot may be taken to reflect the support of the entire convention for such candidate, but the result of the subsequent ballot shall not, in such case, result in the nomination of a different individual for election to such office.

(c) The individual who will be the candidate for a political party for election to the office of Vice President shall be selected by the convention held by such party in accordance with such procedures as it may adopt.

REIMBURSEMENT OF STATES FOR COSTS OF PRIMARY

SEC. 6. Upon application therefor, the Commission shall reimburse each State for any reasonable costs it incurs in conducting a regional primary held in accordance with the provisions of this Act. Such reimbursement shall be made in accordance with such rules as the Commission may prescribe. Such applications shall be submitted at such times, and in such form, and shall contain such information, as the Commission shall require.

FILING FEE REQUIREMENT

Sec. 7. (a) Any candidate whose name appears on the ballot of any regional primary under section 3(c) shall pay a filing fee of $10,000 to the Commission.

(b) The filing fee required by subsection (a) shall be refunded by the Commission to the candidate paying such fee if such candidate receives 2 percent or more of the votes cast by members of the political party of such candidate in the regional primary involved.

(c) Payment of a filing fee by a candidate under this section shall be made to the Commission no later than such date before the regional primary involved as the Commission may establish, except that such date shall not be earlier than 40 days or later than 15 days before the date of the regional primary involved.

(d) Any filing fee which is not refunded by the Commission under this section shall be paid into the general fund of the Treasury of the United States.

DUTIES OF THE FEDERAL ELECTION COMMISSION

Sec. 8. (a) The Commission shall meet before each regional primary and at such other times as it considers necessary, and shall—

(1) prescribe the date, after the date of a regional primary, on which the chief executive officer of each State shall certify the results of the regional primary held in his State to the Commission;

(2) promulgate guidelines and procedures to be followed by the States in conducting regional primaries;

(3) review applications for reimbursement submitted under section 6, prescribe the time of submission, form, and information content of such applications, and determine and pay the amount to be reimbursed to each State under such section;

(4) consult and cooperate with State officials in order to assist them in conducting regional primaries;

(5) take such other actions as may be necessary to carry out the provisions of this Act.

(b) The Commission shall report to the Congress and the President not later than 180 days prior to the date of the first regional primary to be held under this Act on the steps it has taken to implement the provisions of this Act, together with recommendations for additional legislation, if any, which may be necessary in order to carry out the regional primary system established under this Act.

EFFECTS ON STATE LAWS

Sec. 9. The provisions of this Act supersede and preempt any provision of State law relating to any election or convention held in connection with the nomination of any candidate for election to the office of President.

DEFINITIONS

Sec. 10. As used in this Act, the term—

(1) "Commission" means the Federal Elections Commission;

(2) "region" means any of the following five regions:

(A) region 1 comprises Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, Connecticut, New York, Pennsylvania, New Jersey, and Delaware;

(B) region 2 comprises Michigan, Illinois, Indiana, Ohio, West Virginia, and Kentucky;

(C) region 3 comprises the District of Columbia, Maryalnd, Virginia, North Carolina, South Carolina, Tennessee, Mississippi, Alabama, Georgia, Florida, the Commonwealth of Puerto Rico, the Virgin Islands, and the Canal Zone;

(D) region 4 comprises North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, Nebraska, Kansas, Missouri, Oklahoma, Arkansas, Texas, and Louisiana; and

(E) region 5 comprises Washington, Oregon, Montana, Idaho, Wyoming, California, Nevada, Utah, Colorado, Arizona, New Mexico, Alaska, Hawaii, and Guam;

(3) "regional primary" means an election held in accordance with the provisions of this Act for the expression of a preference for the nomination of individuals for election to the office of President;

(4) "national political party" means a political party whose Presidential electors received in excess of 25 percent of the total number of votes cast for all Presidential electors in the most recently held Presidential election, except that in any such election in which less than 2 political parties receive in excess of 25 percent of the total number of such votes, such term shall mean a political party whose Presidential electors received in excess of 15 percent of the total number of such votes;

(5) "candidate" means an individual who is a candidate for nomination by a political party as its candidate for election to the office of President;

(6) "national nominating convention" means a convention of a national political party held under the constitution and rules of such party for the nomination of candidates for election as President and Vice President and for such other purposes as may be specified in such constitution and rules; and

(7) "State" means the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, and each of the United States.

AUTHORIZATION OF APPROPRIATIONS

Sec. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

In addition, I am inserting into the Record a copy of an April 27, 1976, New York Times editorial in which the merits of a regional primary system, and my bill in particular, are discussed:

Irrational Primaries

Granted the lofty motives that originally inspired the Presidential primaries, they have degenerated into a thirty-state obstacle course, tempered only by the individual candidate's freedom to pick and choose which obstacles he will try, depending on the primary rules of the respective states and his own local appeal. The voter turnouts are generally low and the interpretations misleading—often with serious psychological impact on the campaign.

Thoughtful Congressmen have for some time been pressing for a change in the way the parties nominate for the Presidency. The most recent addition to their ranks is Representative Ottinger of New York, whose bill to revise the system goes a step further than those of his colleagues. Like most of them, he calls for regional primaries—at three-week intervals, the order to be determined by lot—but his bill would require the participation of all states and include all candidates.

Extreme alternatives to the present exhausting, costly and illogical system are a national primary, held throughout the country on a single day, and the abolition of all primaries in favor of a return to the caucus and the state convention.

The first of these is filled with potential hazards worse than the existing ones. While the well-known and well-financed candidate would normally have an unfair advantage, there would be the even greater danger that a factionalist or regional extremist might win in a crowded field in which likelier candidates canceled each other out. The second alternative can too easily mean a return to the unsavory control by party bosses that brought on the primary reform in the first place.

Recognizing the constitutional and financial problems posed by Mr. Ottinger's compulsory plan, some form of the regional primary idea seems to us to have merit. Similar proposals have been made by Senators Hatfield and Packwood of Oregon, both Republicans, and by Senators Mansfield of Montana and Mondale of Minnesota and Representative Udall of Arizona, all Democrats. What usually stands in the way of the reform is the natural reluctance of Congress to act on such matters in a politically charged election year and sheer inertia with regard to them at any other time.

It is time to break into that cycle. Now, with the primary season at its height, it should be possible for Congress to take a hard look at the process—naturally with no possibility of undoing this year's follies but in order to prevent the country from having to go through them again four years from now.

COMPACT OF PERMANENT UNION BETWEEN PUERTO RICO AND THE UNITED STATES

HON. JAIME BENITEZ

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. BENITEZ. Mr. Speaker, as the agenda for today indicates, H.R. 11200, "To approve the Compact of Permanent Union Between Puerto Rico and the United States," was approved by the Subcommittee on Territories and Insular Affairs on August 23, 1976, and is pending consideration by the full committee. While it is good Christian theology that a man or a woman may be saved at the last moment of his or her existence, I fully appreciate that in these last minutes remaining for congressional action, it would require a major miracle for this bill, in spite of its merits, to achieve full fruition. I am not interested in political miracles, and therefore I shall limit myself at this point to three brief expressions, all of which I present under the unanimous-consent rule.

First. That H.R. 11200 as amended and approved be made part of the Record.

Second. That a supporting presentation be attached thereto. Since I have addressed myself at several other forums to the philosophical and historical merits of this proposal, I shall, in lieu of my own statement include a brief statement serving the same purpose and originally submitted to the Subcommittee on Territorial and Insular Affairs by one of our most distinguished professors of political theory, and specifically of federalism: Dr. Louis Anthony Dexter. At this point I shall merely interject the closing paragraph of Professor Dexter's statement:

> Many years ago, as a sardonic young journalist, writing in *The Nation*, that great statesman and poet whose influence is so important in all these matters, Luis Muñoz Marin, discouraged about his native island, said of it: "it is a place where nothing grand ever happens but everything happens in a grand manner". Now, in ironic contrast, fifty years later we can rather acknowledge that one of the grandest political inventions of our time has happened in and to Puerto Rico—but so unobtrusively and quietly that most of the world hardly realizes what took place. Perhaps, in emphasizing that this relationship is a perfection of both the traditions of autonomy and of governance, we can begin to stress that we recognize the grandness of the Puerto Rican invention in developing a new system of political interdependence.

Third. I wish to thank all of you, Democrats and Republicans, for the interest you have shown in this bill, for the affection I have received from all of you, and for the expressions of the majority of this committee personally assuring me of your willingness to support the bill and to endorse it should time permit. Since time does not permit, may I express my hope and best wishes that all members of the committee who are participating in the forthcoming elections will be returned to the House. God and the Puerto Rican electorate willing, I will be with you and will present again this Compact of Permanent Union, which I trust will be one of the first pieces of legislation to be approved by the 95th Congress.

A statement by Prof. Lewis Anthony Dexter follows:

STATEMENT ON H.R. 11200, PROPOSING A COMPACT OF PERMANENT UNION BETWEEN THE UNITED STATES AND PUERTO RICO, SUBMITTED TO THE SUBCOMMITTEE ON TERRITORIAL AND INSULAR AFFAIRS

(By Lewis Anthony Dexter, Adjunct Professor, Johns Hopkins University (Political Science); Professor, University of Maryland at Baltimore County (Political Science); Recently Visiting Professor, Harvard, etc.)

From a statutory and legal standpoint, the proposed changes in relationship between Puerto Rico and the Federal government in Washington will be referred to by such phrases as "compact", "commonwealth relations", "insular affairs" and so on. In order to underline the basic reasons why these proposals are, potentially, of national and international importance, I would like to suggest that we talk about them rather as "the perfecting of the Puerto Rican political invention", or "the extension of the North American system of political interdependence . . ."

For, almost unrecognized, even by most of the people who themselves worked upon it, the commonwealth status of Puerto Rico was—and is—a significant political invention, a carrying-forward into broader and more generally applicable channels of the notion of federal government which was first worked out by the constitutional forefathers at Philadelphia. Politics and government, as all of us know, are inevitably and constantly concerned with the tensions between conflicting ideals and opposing values.

Throughout history, men have faced the problem of how to reconcile the claims of authoritive, coordinated, centralized, effective governance with the ideal of local liberty and autonomy. The most successful resolution, at least for a large nation, up to that time of the conflict was invented by the North American constitutional forefathers at Philadelphia. It should, of course, be pointed out that, like all other inventions, this invention did not spring ready-made in a moment or a year, but was the product and consequence of many trials, many efforts, many improvements—until, finally, something workable and sensible was generally accepted. Most federal developments in the Western world since that time have followed the North American model—and they have done so in particular by stressing the equal membership of all member states—equally being interpreted as equality in form and kind and statutory and constitutional claims, rather than as what Edmund Burke would have called virtual equality, equality in regard to needs, opportunities, and significant social characteristics. As myself a Canadian born, I can perhaps point out that the Dominion of Canada has followed this principle of formal equality between the provinces, in ways that have created some difficulties in the case of Quebec and Newfoundland; and Americans will recognize that Hawaii's admission to statehood was delayed long beyond what in some ways was a reasonable time, because Hawaii did (and indeed still does) differ in certain significant respects from the mainland states.

Puerto Rico's relationship to the mainland states resembled that of both Quebec and Newfoundland to the other Canadian provinces; the people of Quebec and the people of Puerto Rico, of course, do not have the dominant English language as their native tongue, and, what is more vital, both the Quebecois and the Puerto Ricans have a tradition of culture and civilization which is not oriented toward Britain, and which resisted the efforts of several generations of British-oriented schoolmasters to assimilate it to the dominant outlook. Puerto Rico, like Newfoundland, was and has been for several centuries, in effect, a military outpost of a great empire, neglected from an economic and commercial standpoint, by its rulers, and thus both islands were unable to fit, competitively and immediately, into the central North American marketplace economy.

But, fortunately, for it and perhaps also for the world, Puerto Rico did not find itself faced with the necessity of entering as a full-fledged state into the American union; to be sure, in the early territorial period, and indeed up to 1940, there was a good deal of unthinking disregard of its autonomy and traditions, first by the Spanish, then by the Americans, but beginning with 1940, another outlook grew up. A new form of federalism came into being—the federalism of commonwealth relations. Under this system, as the members of this committee know better than I, certain rights, capacities, authorities, and powers were reserved to the government and people of Puerto Rico—for example, the local income tax, and the conduct of governmental and educational affairs, chiefly in Spanish. On the other hand, other rights, capacities, authorities, and powers were exercised chiefly by the central government at Washington. But the significant break with the earlier Federal models was that the rights reserved to an autonomous Puerto Rico were not just the same as those reserved to the fifty states, nor was the relationship of Washington to Puerto Rico the same as its relationship to the fifty states.

Over the intervening years, custom and regulation have developed and made more specific the spelling out of the rights to be exercised chiefly or exclusively in San Juan, and of the rights to be exercised somewhat more in Washington. But the flexibility of the Puerto Rican invention has been such that this spelling out, to a considerable degree, has been able to take account of the particular situation of Puerto Rico and its particular relationship to the mainland—after more than twenty years experience, we can see and have seen that such flexibility can work effectively, without any threat to any major interest either of the fifty states or of Puerto Rico. Wrangling there is and will, of course, be—but having spent several years in Massachusetts state government, I would be very reluctant to argue that there is any more wrangling between San Juan and Washington than between Boston and Washington. The advantage which San Juan has over Boston is that on those matters wherein there is a different cultural tradition or economic need, San Juan is at greater liberty, in many respects, to adapt to the local situation and needs than is Boston—or Honolulu or Denver. What we are here proposing is to rationalize that autonomy.

For, of course, the early provisions and arrangements were made with some justifiable trepidation, and with some doubt on each side, as to how it would work or what it would mean in practice. So, on a good many matters, Puerto Rico is still restricted in ways which are exasperating or harmful to it, and do not serve any particular need of the fifty states. For instance, inevitably, ecological regulations devised chiefly for temperate areas, with certain industrial and social traditions, are not necessarily the most appropriate or necessary in a subtropical island, with other industrial and social traditions. (In fact, it could be argued that Hawaii is to some extent a special case in regard to Environmental Protection also). Or because of the probable practicality of controlling immigration to an island such as Puerto Rico, and because of its different needs, it might well wish to restrict some kinds of immigration more severely and to open its doors wider to other sorts of immigrants than the mainland fifty. The proposals before you of course cover a number of such items, and persons technically familiar with each one of them can and have presented the technical arguments for them better than I can.

But in looking at the technical arguments for or against proposals regarding local regulation—e.g. of radio or TV communications in Puerto Rico, our attention is apt to slip away from what are from an over-all standpoint the vital questions: Is there any particular virtue in the Congress or the Federal government in Washington regulating the matter in question? Will the fifty states suffer in any significant way if Puerto Rico makes a mistake, from our standpoint, in regard to the issue? Of course, timidity can always tell us that, just possibly, anything done anywhere, if done contrary to the way we would prefer to do it, may have adverse consequences for us; but the bravery and nobility of spirit which make a workable, democratic, federal government possible in the first place, should rather counsel us only to be alarmed in cases where there is genuine and serious interdependence.

For example, although in many ways I agree with the proponents of these measures that Puerto Rico should have much more autonomy in regard to ecological and environmental matters than the states now possess, I would suggest that the U.S. Virgin Islands may in various ways be affected by some environmental policies in Puerto Rico. In that case, interdependence should be allowed for. And, too, it is probably obvious, constitutionally, but it might well be spelled out, to avoid any future misunderstanding, in the legislative history that agreements involving the oceans, made by the United States as a sovereign entity, might affect Puerto Rico, because of the world interdependence of the oceans—but equally it should be spelled out, that Puerto Rico should be consulted on any such agreements, insofar as they foreseeably affect the island.

What I am urging is, simply, the recognition that in perfecting the Puerto Rican invention, we are proceeding further along the road whereon autonomy and effective governance can be reconciled. In approving, in essence, and in detail, the proposals before you, you might well signify that this is both a compact of interdependence and a statute of liberty and autonomy. The Puerto Rican invention may, in the future, help us cut between the strident claims for complete independence (something which in an interdependent world is impossible of achievement and very costly to try to achieve) and domineering insistence on centralized efficiency, at any cost. Here we have in very truth a contribution to *generic* federalism. The Congress, in adopting these proposals, will be taking an important step along the road from the old-fashioned federalism, which made full recognition of local differences hard to accomplish fully, to a newer type of federalism, which does not sacrifice any of the advantages of the old, but permits incorporating people of different languages, cultures, economic situations, and so on, within the same governmental arena of freedom and effective governance. A century and a quarter ago, many North Americans were concerned with what they called "manifest destiny . . ." which meant, to them, that all peoples, especially many Spanish-American peoples of this hemisphere, should be forced to adopt precisely and exactly the particular governmental institutions and forms and customs which worked in the United States of America. In its application, the idea was exceptionally odious; but the underlying ideal, that all peoples might work together in a climate of freedom, was, so far as it went, attractive and desirable. Our ancestors of that time failed to see that the only kind of unity of peoples that was worthwhile was for free nations freely to agree that they would share governmental powers on those matters where it is mutually useful and freely to agree on the maximum possible amount of local liberty and autonomy where they differ significantly. Now, in the Puerto Rican invention, there has been developed a kind of federalism which actually permits people of different backgrounds and traditions and needs freely to cooperate together, for as long as they choose, in the same governmental structure, but in varying fashions, each according to their situation.

With this approach as a criterion—autonomy and interdependence and the reconciliation of the tensions between the two—the specific proposals before you can be judged.

Many years ago, as a sardonic young journalist, writing in The Nation, that great statesman and poet whose influence is so important in all these matters, Luis Muñoz Marin, discouraged about his native land, said of it "it is a place where nothing grand ever happens but everything happens in a grand manner". Now, in ironic contrast, fifty years later we can rather acknowledge that one of the grandest political inventions of our time has happened in and to Puerto Rico—but so unobtrusively and quietly that most of the world hardly realizes what took place. Perhaps, in emphasizing that this relationship is a perfection of both the traditions of autonomy and of governance, we can begin to stress that we recognize the grandness of the Puerto Rican invention in developing a new system of political interdependence.

CASIMIR PULASKI, AMERICAN REVOLUTIONARY WAR HERO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANNUNZIO. Mr. Speaker, on October 11, we will mark the 197th anniversary of the death of that outstanding Polish patriot who gave his life for our country during our Revolutionary War. Count Casimir Pulaski. His name is known to Americans, and to all who value freedom, as a person whose selfless contributions and sacrifices personified the ideals which gave birth to our Nation.

Born in 1748 in Poland to an aristocratic and distinguished family, Count Pulaski turned his back on a life of leisure and ease and spent the 31 years of his life fighting to free his native land from the yoke of serfdom and slavery, and then traveled thousands of miles to a strange new land to assist a small band of young Americans engaged in a similar battle.

Pulaski first heard of the American rebellion against the British in Paris in 1776, and true to the words he had once spoken, "wherever on the globe men are fighting for liberty, it is as if it were my own affair," this heroic Polish nobleman offered his services to our country.

In the summer of 1777, Pulaski volunteered his services to Washington's army and distinguished himself at the Battle of Brandywine. The Continental Congress then granted him a commission as a brigadier general and placed him in charge of the newly formed American cavalry. Following additional military action, Pulaski organized an independent corps of cavalry and light infantry—the Pulaski Legion—and contributed to the successes of the American military cause throughout 1778.

Pulaski's courage and determination helped save Charleston, S.C., from a superior force, and during the fierce siege of Savannah, he displayed undaunted courage in the face of fierce enemy resistance as he bravely led his cavalry into the thick of battle.

General Pulaski's final act of courage came at the Battle of Savannah. As the British fired from the fortified city, Pulaski volunteered to charge through their line of defense, enter the city of Savannah, and confuse the enemy. His untimely death at the head of this famous cavalry charge underscored his dedication to the ideals for which the colonists fought. His example of sacrifice and devotion to our Nation's cause is a model of patriotism for all times.

I am proud to join Americans of Polish descent in the 11th District, in Chicago, and all over this Nation in commemorating the 197th anniversary of General Pulaski's supreme and inspiring sacrifice during our American war of independence.

DRIVE SAFELY

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FARY. Mr. Speaker, with the curtain slowly descending on the 94th Congress and my colleagues making plans to depart to their homes in the North, South, East, and Western sections of our great country, I would like to leave with them a thought by the late James J. Metcalfe, poet laureate, my close friend who, over the years, sent to me many of his "poem portraits." One in particular stands out in my mind and is most appropriate at this time of adjournment of this august body, and with your indulgence I should like to quote it as follows:

DRIVE SAFELY

(On Adjournment . . . And Thereafter)

A minute may be valuable
In getting something done
But not to cut down driving time
On business or for fun.

There is no place that we must reach
So quickly in our car
That one more minute will not serve
To get us just as far

Our lives are more important than
The keeping of a date
And we may never get there if
Our hurry is too great.

So let us be more careful on
The highway and the street.
And let us use good common sense
To guide our hands and feet.

Let us be sober and alert
And patiently obey
The traffic laws that govern speed
And rule the right-of-way.

NOTED CLEVELAND THEOLOGIAN PASSES AWAY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. STOKES. Mr. Speaker, it is with a saddened heart that I call to the attention of my colleagues in the Congress the passing of Rev. Dr. William M. Downs of Cleveland, Ohio.

Reverend Doctor Downs died on Wednesday, September 29, 1976. Mr. Speaker, this gentleman had a considerable influence upon both my life and the life of my wife, Jay.

In fact, it was Dr. Downs who married the two of us 16 years ago. He was a man who was both profound and articulate. He also possessed a unique sense of wit and humor. On the many occasions which I had to visit East Mount Zion Baptist Church, he always delighted in chiding me about my having stolen my wife from his church.

With his death, Cleveland will lose one of its most highly respected religious leaders. Dr. Downs was considered to be one of the ministerial giants. The last time I heard him preach was approximately a month ago when he delivered a moving eulogy at the funeral of his close friend, Dr. Henry Hunter. In a space of a few moments, in his eloquent manner, he was able to stir all those assembled.

Yesterday, I had the occasion to express my condolences to his beloved wife, Elizabeth Downs. Together, they made a beautiful team.

Mr. Speaker, it is with the knowledge that Dr. Downs touched the lives of many people and that those who knew him will mourn with his family that I bring the attention of this House to his passing.

Mr. Speaker, I submit to you for the information of my colleagues an article from the Cleveland Plain Dealer of October 1, 1976, which recites more explicit information about the late Reverend Doctor Downs:

REVEREND DOCTOR DOWNS, BAPTIST

The Rev. Dr. William M. Downs, pastor for the last 37 years of East Mount Zion Baptist Church, 9990 Euclid Ave., died Wednesday at his home.

He was a native of Grier, S.C., a graduate of Benedict College and did graduate work at Union Theological Seminary, New York, and Moody Bible Institute, Chicago.

The Rev. Dr. Downs, 68, was called as pastor here in 1939 from the First Nazareth Baptist Church, Columbia, S.C. He held services in his church last Sunday.

He was a member of the executive board of the Ohio General Association, a reporter for the National Baptist Convention and a national representative for the American Bible Society.

He also was a chairman of the United Pastors and Businessmen of Cleveland, member of the social action committee of the Baptist Minister's Union, chairman of the ministerial ethics committee of the Cleveland Baptist Union.

He was active in the University-Euclid Urban Renewal Citizens Advisory Committee, the advisory council of the Bell Community Center and the Hough Area Development Committee. His wife, Elizabeth, survives.

Services will be at 11 a.m. Wednesday at his church.

COLUMBUS DAY

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GIAIMO. Mr. Speaker, in 1492 an ambitious seafarer was thrilled to receive a favorable response to his petition to the newly crowned monarchs of Spain, that he might be outfitted for a voyage to find a new route, across the Atlantic, to the Indies. Though an Italian, Christopher Columbus had chosen to address his plea to Queen Isabella of Spain, and would sail under the flag of that maritime nation. His passage would be arduous and risky, and he would fail in his mission, but we nonetheless celebrate his courage and foresight in attempting his voyage, for it effectively opened up a whole New World to Western civilization, eventually to bear fruit as the Nation which we have recently seen through her 200th birthday, these United States of America.

In honor of this unprecedented and distinctive achievement, we have seen fit to create as a national holiday each second Monday in October, so that as a nation we might sustain the vigor, insight, and daring which guided Christopher Columbus through the perils of fear and an uncharted expanse of ocean toward the hope and promise of a rich, unexplored new territory. It is the spirit which motivated men like Columbus that inspired our Founding Fathers to see in America not a mere colony of cultivated but passive farmers and merchants, but rather a free republic whose creative potential, under democracy, could point the way for all the citizens of the world toward a life of harmony, justice, and prosperity.

The example of this explorer from Genoa provides a lesson for Americans of all extractions, for we are truly a nation of travelers and settlers, immigrants who have put aside our differences in our quest for a better life together, proud of our upbringing and native traditions, but prouder still of our resources and energy devoted toward the establishment of a vital, independent, and worthwhile endeavor in the name of humanity. We can be said to have been launched on this expedition in those three small ships which Columbus navigated to Hispaniola. But like his accomplishment, our saga has still not reached its end, for we every day establish anew our dedication to the principles inscribed in the Declaration of Independence and in the Constitution, and remember those whose hardships and sacrifice gained for us the privilages we now enjoy.

Mr. Speaker, as an American of Italian extraction and as a member of the official delegation to Italy commemorating the first anniversary of the enactment of legislation declaring Columbus Day a national holiday, I ask that we all join in celebrating the man whom history enshrines as the discoverer of the Americas, whose bold spirit lives even now more strongly in this Bicentennial anniversary of the American Revolution.

PHILIPPINE CULTURAL CENTER

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MINETA. Mr. Speaker, August 21, 1976, was a day of joy and celebration for Filipino families of the 13th Congressional District. That Saturday marked the dedication ceremonies of the Philippine Cultural Center in the city of Campbell, Calif.

Since 1973, members of the Philippine community have shared a dream: to establish a center where they could preserve the memory of their past and instill in their children an understanding and appreciation of their ancestral heritage. It was for this purpose that the Philippine Cultural Center Foundation, Inc., was created. Although confronted by a mountain of bureaucratic and administrative hurdles, under the leadership of their president, Mrs. Alice Balahadia, and their dedicated membership, the foundation consistently refused to lose sight of their goal. Mrs. Balahadia, particularly, has stood at the forefront of their effort and has inspired many to commit themselves to this worthy project.

With the assistance and cooperation of the city of Campbell, county of Santa Clara, Santa Clara Valley Water District, which allowed use of land in Los Gatos Creek Park for the site, this dream is finally becoming a reality.

In this Nation of ethnic diversity and cultural richness, we often seek a thread to tie one generation to the next and a means of bequeathing the beauty of our tradition, customs, and history to our children. Through the establishment of this center, not only will the Philippine community celebrate their cultural ties with one another, but they will share the richness of their heritage with all of us.

In view of the perseverance, determination, and ultimate achievement of the Philippine Cultural Center Foundation, I respectfully invite all Members of Congress to join me in offering this commendation.

TOXIC SUBSTANCES CONTROL ACT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MURPHY of New York. Mr. Speaker, I should like to say a few words about the intent of the conferees on a matter not made explicit in the Conference Report on the Toxic Substances Control Act. The conferees recognize that the requirements prescribed by the Administrator under section 6(a) of the Toxic Substances Control Act may provide protection for employees in the workplace. For example, by prohibiting the manufacture of a substance, risks to employees involved in the manufacturing of the substance would be eliminated. Or by requiring a manufacturer of a hazardous chemical or an article containing such a chemical to provide warning labels regarding use, persons using the substance or article in the workplace will be alerted to any potential risks. However, the conferees do not intend to vest in the Administrator authority to issue workplace standards directly regulating such matters as the airborne concentration of a substance to which employees may be exposed or issue rules regarding personal protective equipment for employees, or work practices in operations hazardous to employees. Such direct regulation of the workplace falls under the jurisdiction of the Occupational Safety and Health Act, not under this bill. Of course, if the manner in which a substance is handled in the workplace presents a risk, not to the worker, but to the public or to the environment, the Administrator could use the authorities in the Toxic Substances Control Act to protect against that risk.

MISSOURI RIVER BANK STABILIZATION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PRESSLER. Mr. Speaker, I am pleased to support H.R. 15636, the Water Resources Development and River Basin Monetary Authorization Act of 1976. I am most interested in section 155 amending section 32 of the Water Resources Development Act of 1974 which authorized the model bank erosion and streambank control program. I want to commend my colleague, JIM ABDNOR, for gaining acceptance of his amendment which doubles the authorization for bank stabilization from $25 million authorized in 1974 to $50 million.

While I would have preferred to have obtained favorable action on the separate bank stabilization bill which I cosponsored with Congressmen ABDNOR, THONE, and MCCOLLISTER, I am pleased that the Corps of Engineers has agreed to a sizable increase in funding for the

Missouri River, as well as the Ohio and adding the Eel River in California under the demonstration program. This bill will provide us with more information and project sites, which can provide the basis for a major bank stabilization effort on the Missouri River in South Dakota. Of particular interest to me is the stretch of the Missouri River below Gavins Point to near Sioux City, Iowa.

Doubling the funding for the Missouri River bank stabilization program, as this bill will permit, will give us a good start on this overdue program. For too long our farmers and landowners along the unprotected stretches of the river have had to endure the steady creeping erosion that has destroyed their land, while the flood control protection for downstream owners has worked as the project was planned. I commend this bill to the House for favorable consideration.

CONSIDER THE BEETLE, ROB DID

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WIRTH. Mr. Speaker, as I brought to the attention of the House on September 8, 1976, the foothills of Colorado are being ravaged by an epidemic of tree-killing mountain pine beetles. When I addressed the House that day, I inserted in the Record copies of letters I have sent to the U.S. Forest Service, trying to persuade that agency to keep up its part in a cooperative program to check the spread of the beetles. The program has been a joint effort by the Forest Service, the State forester, and private landowners, and without continued Federal participation will almost certainly fail. The Forest Service has indicated optimism about the program's future, but of course the decision ultimately rests with the Office of Management and Budget.

An editoral in yesterday's Canyon Courier—published in Evergreen, Colo., one of the communities hardest hit by the beetles—points out the need to pursue the beetle control program. The editorial contains an eloquent plea for protection of the beautiful wooded lands of the Rocky Mountain's Front Range. I am sure my colleagues will be as impressed as I was to learn that its author is a sixth grader at Bergen Elementary School, named Rob Schrof.

The article follows:

CONSIDER THE BEETLE, ROB DID

Bergen Elementary sixth grader Rob Schrof has been studying about newspapers in his language arts class. Rob's teacher, Mrs. Amy Kuberski, held a contest recently to see who could write the best editorial and Rob was judged to be the winner.

Mrs. Kuberski sent the editorial along to us with hopes we would use it as a letter to the editor. Well, we can't do this for every student who writes an editorial, but in this case we thought you might enjoy reading Rob's thoughts in the space where a good editorial belongs—in the editorial column.

Rob is concerned about the pine beetle, and to his thoughts we can only add, "amen." Here's what he has to say:

"It is my opinion that our woodland is being destroyed by pine beetles. Some people do not care about the problem. They refuse to cut down their trees that are infested with beetles.

"The fact is that if we don't cut down the beetle trees we will lose all of our trees. The Evergreen area alone has lost over 1,000 trees and only 20 per cent of the trees have been cut down.

"The beetles alone cannot kill a tree but a beetle with a certain fungus can kill a full grown pine tree. So, a word of warning: If we don't get rid of beetles we will have no trees by the year of 2000.

"Then what would we call Evergreen?"

HON. DAVID N. HENDERSON

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. MANN. Mr. Speaker, as the distinguished congressional career of Dave Henderson comes to an end, I feel saddened yet at the same time glad that I have had the opportunity to work with Dave. He has served with great distinction, and his leadership and counsel will be sorely missed.

His chairmanship of the House Post Office and Civil Service Committee and his voice in the Committee on Public Works and Transportation has been vital and the void left by his retirement will be hard to fill.

His fellow North Carolinians will continue to benefit from his hard work and dedication.

Best wishes in your new endeavors.

DEBT COLLECTION HEARINGS SCHEDULED

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANNUNZIO. Mr. Speaker, as chairman of the Consumer Affairs Subcommittee in the 94th Congress I felt that the first Federal attempt to regulate the activities of debt collectors was an important piece of consumer legislation.

And I was gratified after my introduction of the Debt Collection Practices Act (H.R. 13720) to see it passed by the House by a substantial margin. The bill eventually stalled in the Senate however, as adjournment neared.

Therefore, the Subcommittee on Consumer Affairs will again hold debt collection hearings early in the 95th Congress. These hearings are being planned, as in the past, to include testimony from all sides—industry, consumers, and State officials.

Anyone who wishes to testify or to provide some information concerning debt collection is welcomed to do so between now and February as the subcommittee staff updates its files, continues its investigation, and begins contacting possible witnesses. The subcommittee address is room 212, HOB, Annex No. 1, Washington, D.C. 20515.

TRIBUTE TO LOUIS S. SILVEY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BURKE of Massachusetts. Mr. Speaker, on Sunday, September 12, I attended a breakfast honoring a great American on the occasion of his 90th birthday. Louis S. Silvey of Mattapan, Mass., is a remarkable man: a longtime friend and an outstanding citizen, a man who truly lives by the motto: "For God and Country." I would like to invite my colleagues to join with me in paying tribute to Louis Silvey.

To describe this man as sincere, loyal, patriotic, humanist, and philanthropist does not suffice, as he is much more. And to list all of his charitable acts would extend this record into several volumes, so I will only mention how others have judged him through honors and awards.

Mr. Silvey is a past commander and life member of the American Legion, Mattapan Post No. 128, a member of their National Distinguished Guest Committee, and National Counter-Subversive Committee. He was awarded a 50th anniversary plaque for his many years of devoted service to the Legion and is one of two men in Massachusetts ever to receive their National Commander's Citation which he received in 1964 for his outstanding acts of charity. Mr. Silvey is known nationwide as "Mr. American Legion."

Louis Silvey is also past commander and life member of the Veterans of World War I, Mortimore Coakley Barracks 1148, and is aide to the department commander. He is in his 10th year as commander of the Jewish War Veterans of the U.S.A., Boston Post No. 22 and is the national liaison officer of that organization to the American Legion. Since 1965, the Jewish War Veterans of Massachusetts have awarded him for being the "unsung hero of the year." Mr. Silvey is a life member of Voiture 543 of La Societe 40 Hommes at 8 Chevaux, of which he was publicity chairman for 8 years in Massachusetts and Sous Conducteur Nationale. He is a life member of the Handicapped Children's Organization of the New Bedford Hospital in Massachusetts.

In 1966 the Certificate of Merit in appreciation of faithful and meritorious service to the Disabled American Veterans was awarded to Mr. Silvey. In 1969, he received the Certificate of Appreciation from the U.S. Army for his support of the Army's recruiting programs. And again in 1969 and 1970–72, he received the George Washington Honor Medal from the Freedoms Foundation of Valley Forge, Pa., for best advertising of Americanism for his slogan, "Worship the ground you walk on, don't undermine it."

The accomplishments of this man go on and on. America is certainly lucky to have such a citizen as Louis S. Silvey.

A TRIBUTE ON THE RETIREMENT OF HON. ROY A. TAYLOR OF NORTH CAROLINA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, I am pleased to join with my esteemed colleagues in expressing admiration and my personal affection for Roy A. Taylor, the distinguished Congressman from North Carolina who, I am proud to say, has always been a good and faithful friend of mine and of my native State of Florida.

The first time I recall seeing the name, Roy A. Taylor, was on a billboard. I was privileged to spend a few days in the mountains of North Carolina that occupy a part of his district. The billboards I saw there expressed Roy's "Thank You" as he had succeeded in winning yet another election.

When I came to the Congress I searched him out. From the very first few words we exchanged he impressed me as a man of honor and depth of consideration for the people he represented. As I grew to know him better, I was truly amazed by his grasp of the great number of complex problems involving our farflung park system. I also came to recognize that his understanding and concern for the protection and preservation of our national resources was far beyond that of the better known "expert-advocates" in these fields.

And some time later, as I sought his help in establishing what is now the Canaveral Sea Shore Park, I found him most receptive and more than willing to help. As a matter of fact, he took the time to visit Florida so he could see and fully understand our problems and he joined with us in searching out the solutions. It is no exaggeration when I say that without the help of Roy Taylor the Canaveral Sea Shore Park could not have become a reality. However, this is just exemplary of his attitude toward the multitude of similar projects throughout this Nation he has brought from the germ of an idea to full fruition.

His interests do not stop there. He is a patriotic American wholly dedicated to the security and welfare of our country. Roy Taylor is never too busy or too tired to help anyone who asks his help. With all of his knowledge and experience, he is always receptive to new ideas, slow to be disturbed by obstacles and quick with a useful suggestion. He is compassionate, kind and sincere and a great American. It has been my distinct honor and pleasure to have had the opportunity to serve the last 8 years in the Congress with Roy Taylor. I wish him many years of great happiness as he leaves this great body for the new way of life he has chosen for his future.

TRIBUTE TO THE HONORABLE ROBERT E. JONES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PICKLE. Mr. Speaker, one of the first and finest characters I met in Congress was Bob Jones from Alabama. At an appreciation dinner held in Ft. Worth-Dallas, Bob came to the meeting. I had just come to Congress, and did not know him personally, but learned a lot about him. It was obvious that the Texas delegation loved Bob Jones.

At some of the social functions here in Washington, I also found he had the true southern evangelical spirit. It was clear he had been "born again." Whenever the festivities became lulled in the shank of the evening, he could lead the singing longer, louder, and with more gestures than all the rest. Here again I observed he was very popular. He even knew the words.

As understudy to then chairman of Public Works, John Blatnik, Bob was always available to handle bills for the committee and assume leadership responsibility of both the chairman and the committee. Time and time, I have seen him engineer a bill through Congress that would appear very controversial, but Bob would work it out. I do not think he ever lost a bill, and I do not think he ever lost an amendment.

It is hard to bat 500 percent in this body, but Bob has batted 1,000 percent, and there is no way to improve that percentage.

The reason for this is Bob Jones knew the subject matter, but more importantly, he knew the people of this House. He literally "studied" every Member, talked to them individually, watched them perform on the floor and observed them in the cloak room, dining room, offices, and in the halls. He knows more about what makes each Member tick than they know. He has a nickname for every body, and that nickname always fits the Member perfectly.

I salute my friend "The Reverend" as he retires. He should know he has more friends in this House than all of us put together.

TRIBUTE TO CONGRESSMAN JOE L. EVINS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, the end of this session marks the retirement of Representative Joe L. Evins.

After 20 years of representing the Fourth District of Tennessee, his career has been a noteworthy one. As chairman of the Appropriations Committee on Public Works, he has stood as a protector of the small businessman. As the Nation has grown during his tenure, the projects which Representative Evins oversaw helped induce this surge of growth bringing this Nation to the present high standard of living.

When the 95th Congress convenes next year, I am certain that my dear friend and colleague's absence will be felt.

RESOURCE CONSERVATION AND RECOVERY

HON. STANLEY LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LUNDINE. Mr. Speaker, I wish to express my support of the Resource Conservation and Recovery Act which passed the House on Monday, September 27. I am pleased to note that provisions of legislation which I have cosponsored have been incorporated into H.R. 14496.

The bill takes an important step toward a solution of the complex problems arising from America's throwaway mode of life. Each year we generate from 3 to 4 billion tons of waste materials. The purpose of this legislation is to encourage State and local governments, through modest financial and technical assistance, to reclaim as much as possible of this enormous volume of discarded materials and to dispose of the remainder in the least harmful way possible.

I wish to note, however, that Congress must carefully monitor this new waste recovery program in order to prevent an undue burden of new regulation. I for one am prepared to closely watch the Environmental Protection Agency's implementation of this legislation. If EPA's regulations for solid waste management become unrealistic in scope or oppressive in nature, then Congress must review and reconsider the additional authority given to that agency under this bill. I am hopeful that the new program can be carried out in such a way as to be helpful to people, without being onerous—that it can clean up our environment in an efficient way so that we get as much value as possible out of discharded materials.

In my former position as mayor of Jamestown, N.Y., I became extremely concerned about the problem of solid waste disposal and resource recovery. In that capacity, I initiated the first glass-recycling program in Jamestown in conjunction with volunteer organizations. The program is still in operation, but it would greatly benefit from Federal financial assistance, which could help pay for the long-distance transportation costs of the recovered glass.

Another program has been started in Jamestown to burn solid waste in order to create electricity. This program too would benefit from Federal technical assistance to help in the designing and engineering of the energy-recovery process.

Federal encouragement, in the form of technical and moderate financial assistance, would induce other communities to initiate similar constructive solid-waste disposal programs.

President Nixon decided wrongly, I believe, that to solve our national solid waste problem, each American has to "clean up his own backyard." The dimensions of the problem in a highly technological society are too great for individual solutions. We need leadership in this area. While I do not advocate costly Federal solid waste programs, judicious and moderate encouragement of local efforts would bring benefits that would far outweigh the costs of such assistance.

H.R. 14496 will achieve several objectives:

It will help conserve our depleting natural resources by encouraging re-use of discarded materials instead of continuing present reliance on domestic and imported virgin raw materials.

It will reduce pollution.

It will encourage recovery of energy by burning discarded materials to generate electricity and by producing methane from wastes.

And it will create jobs in the construction of facilities for waste management.

I am pleased that the Senate has approved the House version of the Resource Conservation and Recovery Act and that the bill has now gone to the President's desk for signature.

TRIBUTE TO DR. LAWRENCE E. NICHOLSON

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CLAY. Mr. Speaker, a testimonial dinner honoring a great leader of the city of St. Louis and the State of Missouri, Dr. Lawrence E. Nicholson, will be held on October 24, 1976. In tribute to this fine man, I offer the following statement:

Dr. Lawrence E. Nicholson is a true leader in every sense of the word.

As a professional college educator in St. Louis for the last nearly 30 years, Dr. Nicholson has trained tens of thousands of our young people for fruitful lives. He has been more than a teacher to these students, for he has advised, counseled, and befriended them.

For most of us, this would have been enough; it was not, however, enough for Dr. Nicholson. He spends his evenings attempting to improve the City of St. Louis and the State of Missouri—for he is committed. His has been a household name in the civil rights and equal opportunity movements. He was a founding member of Freedom of Residence, and has been the Chairman of the Missouri Association for Social Welfare. He now serves as a member of the Pastoral Counseling Institute, as Chairman of the Board of Adult Welfare Services, as a board member of Associates for the St. Louis University Libraries, as Vice Chairman of the St. Louis Council on Human Relations, as a board member of the Urban League, and as a Commissioner of the St. Louis Housing Authority.

For his efforts, Dr. Nicholson has been the recipient of numerous honors, including the Americans for Democratic Action Award, Chicago University's Medal for Distinguished Services, Sigma Gamma Rho's George Washington Carver Award, the Argus Award for Outstanding Service, and chosen Omega Psi Phi's "Man of the Year."

Dr. Nicholson is a distinguished leader who is overwhelmingly deserving of this, his testimonial dinner.

ALVIN C. HOPE

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. GONZALEZ. Mr. Speaker, it can be said that the oil man is something of an anachronism. The independent oil man seeks out fortunes where giant corporations fear to tread. He is something of a gambler, a maverick of American enterprise.

Just such people as independent oil men have furnished the drive, the daring, the imagination that have made this country the giant that it is. Alvin C. Hope was such a man.

Alvin Hope died suddenly. Right up until his death he remained active in the oil business, working to find new oil, working to advance the cause of his industry, in which he was well-known and respected.

Alvin Hope served for years in various offices of the independent producers associations; he sounded the first warning of our approaching dependence on foreign oil, years before anyone else thought of it, one and a half decades before the oil embargo made the whole country aware of the fact of our dependence.

I never doubted that there were many differences between the political beliefs that Mr. Hope and I espoused. Yet he never mentioned anything of this; he never treated me with anything less than courtesy, and the gentle manner of a man raised in more courtly times than these. He never asked for me to be converted; only that I listen to his concerns about this country, about how the fate of the Nation is hinged on the oil business.

Alvin Hope was a profoundly patriotic man. He cared deeply about his business, but he also cared about his country. He was one of those who was willing to carry on the often thankless task of taking a leadership role; not that he had to, but because he wanted to.

The energy and determination of Alvin Hope made him seem ageless. No one, least of all his family and friends, expected to lose him so soon, or so suddenly.

The people of my community will miss this pioneer of the oil business. He did his part, for all of us. We would do well to remember his example, and live by it.

PERSONAL EXPLANATION ON S. 2278

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CONYERS. Mr. Speaker, I was unavoidably absent during the vote on final passage of S. 2278, the Civil Rights Attorneys Awards Act. I wish the record to indicate that, had I been present, I would have voted "yea," and am pleased that this legislation has been approved.

NATIONAL SCIENCE POLICY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. TEAGUE. Mr. Speaker, as we conclude the work of the 94th Congress, it is appropriate to take note of some of the accomplishments of the Science and Technology Committee. Under the able chairmanship of our colleague Ray Thornton of Arkansas, the Subcommittee on International and Domestic Scientific Planning and Analysis has held hearings on several subjects which affect the direction of the Nation's science policy. Two of these were recently discussed in editorials of prominent science magazines. I call these two articles to your attention, Mr. Speaker, and to the attention of my colleagues in the House, and ask that they be printed in the Record.

[From Science, September 17, 1976]

Federal R & D and the Economy

Hearings cross the congressional firmament like shooting stars. Most are only a momentary glimmer. A few signal the existence of larger issues. The hearings held in April and May by the Thornton subcommittee of the House Committee on Science and Technology were of the latter type. The subject was "Federal R & D Expenditure and the National Economy."

The issue revolves around the unanswered question whether the federal government should assure stable, long-term support for commercially oriented R & D. Some think such intervention is essential to the health and international competitiveness of the national economy. Yet most of our understanding of the relationship between R & D and the economy, with the important exception of agriculture, comes from 35 years of experience with defense- and space-oriented projects—of which the Manhattan and Apollo projects were spectacular examples—in which the federal government was both the funder and principal consumer of the R & D output.

There were four persistent themes in these hearings. One was that government and business operate in a climate of distrust, if not of hostility. Another was that R & O expenditures seem a weak and imperfect tool in comparison with tax, subsidy, antitrust regulation, education, and procurement policies. A third theme was the perceived negative effect of federal organization and management of its own R & D enterprises on several dependent sectors of the economy. Finally, the need for federal support of fundamental research was a clear and consistent theme. Every witness, regardless of philosophy, expressed deep concern for the health of the fundamental research effort. Apparently the case still has not been made that investment in fundamental research is not a discretionary societal luxury but an essential component of continued economic viability.

The sense of these hearings was that specific government intervention through R & D expenditure to stimulate the private sector is liable to be of limited effectiveness. There is little understanding or guidance available regarding what to do to achieve a particular desired result. Some opportunities stood out for analysis and perhaps experiment:

Firms that perform R & D exclusively appear to play a critical role in the process of innovation. Differences in performance between firms created through federally supported R & D need to be explored

Small, highly innovative firms are important contributors of new products and processes, but are also most subject to failure in the course of normal economic fluctuations. Some alternatives need to be considered to cushion this impact.

Policies and programs of other industrial countries are admired, but none has been tested in this conutry. Some selective, controlled experiments ought to be possible, at least on a limited basis.

Innovation in the private, profit-making sector is a reasonable well-understood process. Similarities and differences in public sector innovation are not nearly as well described or explained.

What seems to be foreshadowed by the kinds of questions raised in these hearings is the broad issue of a national technology policy. Given our penchant in the United States for pluralistic, decentralized approaches to complex and important policy issue, clear-cut institutional structures or guidelines to action are not likely to appear. The least we should expect, however, is that existing centers of authority and initiative begin to review and refine their objectives. This would include the Departments of Agriculture, Commerce, and Defense. The mission agencies—ERDA, NASA, and NIH—also are important constituents. Where these lead, others will follow.—T. Dixon Long, *Provost, Western Reserve College, Case Western Reserve University, Cleveland, Ohio 44106*

[From Science & Government Report, September 15, 1976]

Study Urges Strong Role for White House Science Office

As the new White House science office is gearing up for operations, a little-noted series of recommendations issued by a subcommittee of the House Science and Technology Committee add up to a strong prescription for the office to provide tighter coordination and planning of national research and development activities.

The recommendations (see below), in the works for a year, are contained in *Special Oversight Report No. 1,* issued last month by the subcommittee on Domestic and International Scientific Planning and Analysis, chaired by Rep. Ray Thornton (D-Ark.). The legislative authority for the hearings and study that underlay the report is a newly enacted House rule which specifies that the Science and Technology Committee "shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving non-military research and development."

As a peg for the inquiry, the subcommittee chose the Report on the Federal Research and Development Program—Fiscal Year 1976, issued last year by the Federal Council for Science and Technology. The FCST Report was the first of what was intended to be an annual series, but the intention got lost in the long delay that preceded creation of the White House Office of Science and Technology Policy (OSTP), and the second "annual" report never got into the works. However, the OSTP legislation requires annual reports on the state of the nation's R&D program; the subcommittee has latched onto that requirement as a mandate for further inquiries, and its recommendations are aimed at putting OSTP on notice about Congressional preferences in this field.

The recommendations can be viewed as merely those of a subcommittee that can look at but not touch much of the federal research enterprise. However, since the passage of the Congressional Budget and Impoundment Act of 1974, Congress has been leaning toward longer range planning, more coordination, and tighter control over federal activities—not without many slips here and there, and certainly with a lot of resistance along the way. But the trends are clearly against the old, looser ways, and the subcommittee's recommendations harmonize with the current mood.

(Copies of Special Oversight Report No. 1, and related hearings, are available without charge from the Subcommittee on Domestic and International Scientific Planning and Analysis, Committee on Science and Technology, Rayburn Building, US House of Representatives, Washington, DC 20515.)

RECOMMENDED GUIDELINES FOR OSTP REPORTS

1. Federal R&D "should be reviewed not only through its individual components but also as a whole. . . . We must develop an ability to view the research and development budget in its entirety so that the total national effort can be evaluated."

2. "The report should relate specific scientific and technological activities . . . to particular national goals."

3. "The description of current research and development activities and the resources devoted to them should be matched in the report with an analysis of the expected results and their uses."

4. "The report should include an indication of progress being made toward particular goals. . . . The end user, or potential end user [of R & D], should be identified, and the implications of success or failure of research and development activities should be made more explicit in the report."

5. "The report should include an estimate of the feasibility of accomplishing each major research and development project within the time and resources available. . . . To permit an evaluation of changing priorities, the report should, on an annual basis, provide estimates of the completion date and the cost, manpower, and other resource requirements needed. . . ."

6. "Measures of research and development productivity should be developed and incorporated into the report."

7. "A distinction between directed and undirected basic research should be made and the priority given both kinds of basic research activities should be made explicit in the report."

8. "The report should include a projection of estimated national opportunities and needs and an estimate of prospective federal expenditures for science and technology."

9. "Privately funded research and development should be covered in the report to permit an evaluation of its role in the national research and development effort."

10. "The effects on the nation's science and technology activities arising from regulatory and other indirect influences should be assessed and included in the report."

HON. ROBERT G. STEPHENS, JR.

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MANN. Mr. Speaker, I join my colleagues in bidding Bob Stephens farewell. In his 16 years of dedicated service to the people of Georgia and of this country, Bob has always worked hard for improving the lot of the American people, especially that of the senior citizen. As a leader of the Banking and Currency Committee, his dedication and great ability have made him a tremendous asset.

Bob will be missed by his colleagues here in the House and by the people he has represented so well. By wishing him well and sending him on his way, I know that we can remain confident that he will continue to strive to make our country and our world a better place.

Best wishes for a happy and healthful retirement.

CASH MAKES A COMEBACK

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANNUNZIO. Mr. Speaker, it looks as if cash may be making a comeback in this country.

This month, one of the Nation's largest retailers—Exxon, USA—is inaugurating a program which actually encourages the use of cash over credit cards.

From now on, any customer who drives into a station in two test cities and pays cash for gas, will receive as much as 5 percent off the pump price. The reason for the price reduction is that the Exxon Corp. is implementing a provision of the Fair Credit Billing Act which became law over a year ago. The gist of the discounts is that consumers who do not use credit cards should not have to pay for the cost to the merchant of offering credit to others.

Discounts for cash are not a new idea. As chairman of the Consumer Affairs Subcommittee, I have been organizing cash discounts campaigns for over a year. Various consumer groups across the country have joined in and have made considerable headway in their areas. Some have gone as far as to compile directories of local merchants who are offering the discounts in hopes of creating a buyer's market of consumers who choose to use cash over credit. But the Exxon move represents the most widespread implementation of the idea. The results of the advertising campaign should be invaluable to the spread of cash discounts, by promoting public awareness.

A discount is now available at merchant discretion for Exxon customers in Charleston, S.C. and Abilene, Tex. These two cities will try out the new plan for about 6 months and if all goes well, the program will be expanded to the rest of the country.

When asked, Exxon readily admits that the new program was planned in response to growing interest in cash discounts. They are not mandatory, they are voluntary under law. And Exxon has continued that policy by leaving the final decision as to whether to offer them to the individual dealers. If they do choose to participate, however, each merchant does not lose money. The discount represents the amount which must be paid to the credit card company for the privilege of being able to offer credit services.

Logically, that amount is usually added to the price of the goods. And the cash customer who pays that higher price would, in effect, be subsidizing the credit card system.

Hopefully, the Exxon plan is just the beginning of a trend in the Nation's retail industries to give cash buyers a break rather than admonishing them to "open up a credit account," or become a member of an "exclusive charge club." A consumer should not have to have credit cards in order to get quick, reliable service. Cash is simple, cash is efficient, and without a doubt, cash is the cheapest way to buy. It also eases the merchant's load in both paperwork and cost.

I said when this law first went into effect that someday, merchants all across the country would be brandishing their "we offer cash discounts" signs right next to credit card decals. And now with Exxon's discounts-for-cash campaign, it looks as if that prediction is well on its way to becoming a national reality.

ENERGY IN THE 94TH CONGRESS

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KRUEGER. Mr. Speaker, over the last 2 years I have had the privilege—and challenge—of working with Congressman Tim Wirth on the Subcommittee on Energy and Power of the Interstate and Foreign Commerce Committee. While we have not always agreed on specifics, I know that we have learned a great deal.

Recently Congressman Wirth gave a speech to the Petroleum Club in Denver. I thought it touched on a number of important themes, and represented the thinking of a number of Members of the House. Thus, I wanted to enter it into the Record so my colleagues could appreciate what I thought was a clear precis of one man's approach to this extremely difficult issue:

Remarks to the Rocky Mountain Oil & Gas Association

If the mail I get from people in the petroleum industry is any indication, many of you here this morning are convinced that Congress is the root of much evil. Opinion polls suggest that many Americans are of the same opinion.

At the same time, if the mail I receive from lay citizens, or the opinion polls I see, mean anything, huge segments of the public are firmly convinced that the oil companies are locked in a conspiracy against the consumer.

It is striking, is it not, how similar your problems are to those of the Congress?

For like you, we are ranked from the bottom of our society's major institutions in the esteem of our fellow citizens. You may regard the Congress as antagonistic to your interests, but we have this one thing in common—we are in the doghouse together.

Why do we share the doghouse? How did we get here? How do we get out?

Back in 1972, the American public, all of us included, were living in a fool's paradise, squandering energy resources as though there were no tomorrow.

We drove around believing we had a tiger in our tanks—and we thought those engines could go on roaring forever.

In 1973, the Arabs let the tiger out—turned it loose in our streets—put it on our backs. That tiger took a $40 billion dollar bite out of our hides.

The public looked to two places for relief—for a "solution". They looked to the energy industry and to government—in particular to Congress.

When speaking of a "solution" the public had in mind a restoration of large supplies of cheap domestic energy.

As pressure for such a solution mounted—and as it became clearer that such a solution would not appear, the temptation to find scapegoats mounted as well. The industry—pointing to price controls, to increasing production costs, to environmental regulations, to the loss of tax benefits, and to ever changing reporting requirements—blamed Congress.

The Congress pointing to record profits, to leased but undeveloped energy reserves, to the purchase of circuses and department stores by oil companies, and to pay-off scandals, blamed the industry. Who in fact was right? Who deserves the blame?

Paradoxically, both do. Yet neither does.

To the extent that Congress is to blame for the FEA-enforced controls that distorted market conditions, Congress is at fault. The controls left a whopping gap between prices foreign producers received for their oil and what U.S. producers received. IPA figures, which I examined, also showed production costs jumping 50 to 150% over a several year time span. These conditions were aggravated by the loss of the depletion allowance—which costs the industry somewhere between one and two billion dollars a year—and by the extensive paperwork and sometimes actual equipment expenditures needed to comply with environmental and reporting regulations.

The FEA (not having ever regulated an entire industry before) kept making mistakes and then reversing its field to correct the error. The result, of course, was that the petroleum industry felt unable to plan ahead for more than a week at a time, and soon threw up its hands in disgust. They warned that drilling programs would come to a halt and oilmen swore they would pull out of the business entirely.

At the same time, Congress also seemed to be right, and industry wrong.

When, at the suggestion of Colorado industry friends, I began to follow the rig counts, I found that—contrary to predictions—rig counts reached record levels in 1975. They appear to be headed for like levels in '76.

Indeed, consulting the Oil and Gas Journal's Mid-year report for 1976, I found the following entries:

"U.S. well completions are exceptionally high and rotary rig activity is picking up."

"The U.S. drilling industry has the makings of its most active year since 1965. Capital spending on domestic projects . . . is expected to reach record levels before the year is out."

"Profits are running strong in the U.S."

Not the stuff bankruptcy is made of.

From a Congressional perspective, while FEA controls distorted prices and markets, they did so in order to mitigate the far worse market effects caused by OPEC.

And while environmental controls have increased costs to operators in certain cases, these costs are being passed along to consumers—as is appropriate.

In short, the case is far from being one-sided.

If both industry and Congress were right, and both were to blame, which one had the solution?

Neither

Indeed, initially neither really grasped the problem, so busy were they pointing accusing fingers at each other.

The problem we faced in the energy field when I entered the Congress 21 months ago cannot (as some are tempted to claim) be characterized as a simple problem of supply. As some saw it, all that was required was that we end the embargo and increase U.S. production. By merely increasing prices we could stimulate new exploration and force conservation. Happy Days Would Be Here Again.

In my view that recipe was a prescription for disaster. It was a recommendation which focused primarily on the supply side while neglecting the demand side.

It attempted to treat a long run problem as though it could be resolved overnight.

And most importantly it neglected the fact that throughout 1975, the country was going through the worst economic slump since the depression years of the 30's.

Decontrol at that time would have dealt the economy a multi-billion dollar rabbit-punch when we were already on our knees. It would, moreover, have resulted in one of the most rapid and dramatic income transfers out of consumer pockets and into industry coffers that this nation has ever seen.

And I would venture the further guess that had that kind of rapid decontrol been accomplished in 1975, we would today be talking about why Congress had in 1976 passed a Divestiture Bill, or why we now had a Federal Oil and Gas Corporation—known, appropriately, as FOG–CO. I am not suggesting that vertical divestiture would be a good thing—much less nationalization of our oil and gas industry.

On the contrary, I can say that if the past 20 months have taught me anything it is that national takeover of our energy industry would solve none of our present energy problems—and it is increasingly clear that a radical divestiture measure would retard rather than promote achievement of our energy goals.

What I am suggesting is this: If the Congress had asked the country as a whole to swallow medicine designed to cure only the ills of the energy industry, the country as a whole would have refused.

In fact, the public reaction might well have been strongly in favor of divestiture—or nationalization.

If the immediate decontrol strategy was flawed in its singular focus on the supply side of the energy perspective, does it then follow that salvation lies with permanent regulation of energy prices, or with some alternate strategy geared to controlling the demand side of the energy equation?

It was never intended that the FEA take up residence in one of Washington's marble landmarks. The FEA came in and set up a sort of tent city in Washington at the height of the crisis period, and Congress has now decreed that at the end of 1977 the agency will fold up those tents and melt away into the December night. I voted for this termination, by the way.

It is clear that only a handful of people in Washington feel that federal watchdogs at every well-head and pump constitute a "solution" to the energy problem.

What are the remaining options?

What about conservation? As one who was at the center of the successful efforts to build conservation into the recent FEA bill, and as one who drew up the still-pending Omnibus Energy Conservation bill, I am certainly ready to say that we must make every reasonable effort to conserve energy. Even to the point of making some significant changes in our life style.

Yet we must all the while bear in

mind that conservation—whether achieved through tax incentives and higher prices, or through direct allocation and regulations—cannot make us independent.

This is another way of saying that just as our energy problem is not a simple question of increasing supply, so it is not a simple matter of controlling demand.

Solving the energy problem turns out to mean coming to grips with the vast and unwieldy yet subtle and even delicate system by which we—and our economic partners and rivals produce, alter, distribute, and consume energy. It touches every facet of our lives.

Without any question it is the most difficult task our nation has taken on in modern times, made all the harder, I might add, by the fact that for the preceding thirty years we ignored the problem both as a government and as private citizens.

I think we believed at first that solving the energy problem was going to be just like getting to the moon. We replaced project Apollo with project Independence and announced we would get there in ten years.

Some of you may think that it would solve the problem to send Frank Zarb to the moon. Or Tim Wirth, along with most of the Energy and Power Subcommittee. But in fact all of us are finally, painfully learning that there is no magic formula, no quick and simple solution.

Within the working lifetime of most of us in this room, solving the energy problem in the sense of achieving an abundant supply of low cost, domestically produced energy is just not in the cards.

What I do think will happen within our lifetimes—indeed within the next several years has already begun to take shape.

The first significant step, as I have already said, was taken, when we realized that the problem was long-term and complex. The Congress and the President signalled that step by the adoption of the Energy Policy and Conservation Act—a bill designed to gradually phase out emergency controls and phase in more realistic petroleum prices at a pace which the economy could absorb.

Those who criticized the bill for not suddenly increasing energy supplies conveniently ignored the fact that it was designed to help the economy recover before attempting the painful shift to higher energy prices needed to increase supplies and also increase incentives for conservation. When the patient has pneumonia, you don't attempt open heart surgery. We sought to heal the economy first.

But make no mistake. We as a nation are now headed toward realistic energy prices, toward a coordinated program of energy R & D, toward a locally guided but federally assisted program of energy conservation. I was personally very proud that Colorado was the first state to receive a grant to develop statewide energy conservation plans under the Energy Policy and Conservation Act.

I was equally pleased to be able finally to vote for a well-drafted decontrol of stripper well production. I was disappointed that the effort which Bob Kreuger and I made to increase incentives for tertiary recovery failed by one vote. But that step will be taken by the next Congress.

I also believe that the economy has recovered to the point where we can begin removing controls on natural gas.

It doesn't serve either the goal of increased supply or the goal of conservation for the price of gas to be at its present low level. I have introduced deregulation legislation and have asked many of you to comment on the bill as drafted.

My guess is that this will be one of the first orders of business in the 95th Congress. In similar fashion, I think the next Congress will witness early passage of the strip-mine bill, already long overdue. Unfortunately I don't think we will succeed in streamlining committee jurisdictions over energy. As you know, at least a dozen committees have authority over energy matters—and the number of subcommittees is mind-boggling.

I do think there will be a push for a Task Force approach to specific problems such as was adopted in the case of the Outer Continental Shelf Bill. This is particularly likely if the new Majority Leader is (Dick) Richard Bolling, a man who understands the workings of the Congress and its committees better than almost anyone.

Finally, the next session will certainly see some experimentation with different approaches to air and water pollution problems. Recognition is growing in Congress that we have been wrong on environmental policies just as we have been wrong on energy policies. The goals of our environmental programs have been good, but we have tried to reach them in the wrong way. We have tried to reach them by creating a bureaucratic maze of regulations that do not work. It is my hope that we will change our environmental approach from one of regulations to one of economic incentives—incentives that are less burdensome for industry, that do not require big government, and that work better.

The coal-slurry issue will, I hope, be resolved in favor of the railroads. And we'll have some definitive answers on starting the demonstration of oil shale technologies as well as other synthetic fuel programs. The issue of nuclear safety will receive much greater Congressional attention; and other alternative energy resources, particularly solar, will emerge with a significantly larger piece of the Federal Research and Development pie.

In closing I would again emphasize three themes.

The first is that I think that, while the start was certainly slow and confused, a good start was finally made, good in the balance of all the legitimate interests involved.

The second point is that we have a long way to go before we have an overall national energy policy. Energy is so complicated and so involved in all aspects of our society that in 1980 we will still be discussing the need for a national energy policy.

Third, you in industry and we in Congress must keep remembering that we have the same tiger by the tail. We will only tame it gradually, and our chances for survival are lessened if one of us lets go too soon. Or if we devote more effort to fighting each other than to solving the problem.

To put this point another way, a mutually satisfactory solution must be preceded by mutual understanding. And I have to say that while you expect us to understand your problems, you might make more of an effort to understand ours.

For example, you ask that Congress refrain from interfering in the economics of your business, yet with your campaign contributions you freely interfere in the economics of ours. A greater understanding of the damage that money does to politics might lead you to endorse efforts such as my own to provide public financing for Congressional campaigns.

You must remember that a genuinely representative institution must take account of interests other than our own. Some industry figures seem to think that the height of responsiveness is attained by a Senate Finance Committee dominated by Russell Long. In my own view, the special treatment doled out by Russell Long puts him among the worst enemies of an industry that must learn with all of us that times have changed.

We must understand each other's institutional strengths and weaknesses, for without that understanding there can be no co-ordination in our strategy to cage the energy tiger. Without co-ordination we shall surely fail to cage him. And like it or not, we will be judged together for that failure.

HIGH SCHOOL CELEBRATES 50TH ANNIVERSARY

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RUSSO. Mr. Speaker, when a school has reached the half century mark in its life, I think it is indeed an occasion for celebration. It is mind boggling to try to contemplate the number of lives that have been touched by the school and the part it played in shaping the destiny of its students. Particularly in the case of an exceptional school like Fenger High School in Chicago, there is so much to be said, that one ends up merely saying, "Congratulations."

A lot of folks—alumni, teachers, neighbors, and just friends, will be saying that the weekend of October 30 and 31, when Fenger High officially celebrates its 50th anniversary.

The school's roots can actually be traced to the early 1890's, when it became apparent that a school was needed for the people of the Roseland, Kensington, Pullman, and West Pullman areas. In 1893 the Curtis School, named for the noted civil service reformist, George William Curtis, opened as both elementary and high school.

In 1915, the school was renamed for Dr. Christian Fenger, internationally famous for his antiseptic surgery procedures while head of the pathology department at Cook County Hospital. After he passed away on March 7, 1902, the board of education attached his name to the 22-year-old building at the new intersection of 115th and State Streets.

During the early years, 1893–1915, and for an additional 11 years, 1915–26, Mr. Thomas C. Hill served as principal. When the new Fenger High School opened in 1926, Mr. Hill transferred to it and continued to serve as principal until 1933. Thus, for 40 years, this brilliant and energetic man was the school and community leader respected by all on the Far South Side of Chicago.

In 1926, some 1,475 students moved from the former Fenger High School to the new building located at 112th and Wallace Streets on November 1, 1926. The building was neither complete nor furnished. It was dedicated on June 3, 1927.

Since it was built for only 2,200 students, the overcrowding was such that by 1931 several portables were erected in the campus area. By 1938 the enrollment grew to 4,400. Three branches—Curtis, Burnshide, and Mount Vernon—helped to accommodate the students who came from an area of 10 square miles, the largest high school attendance area in the city.

The Fenger Evening School was established on an accredited basis in 1931. Prior to the opening of Olive-Harvey City College in 1969, the Fenger Community College offered a program for those seeking a junior college course.

A Sunday afternoon outing was a trip to a cultural event in the Thomas C. Hill Auditorium, for the seat of culture in the Roseland area was the Fenger High

School. Many renowned artists have appeared at the school.

Student accomplishments include championship football and baseball teams, annual operettas, forensic societies, community amateur shows, championship golf, swimming and wrestling teams, and superior bands and choruses.

The academic attainments of the students of Fenger have been outstanding. The school has had more than its share of Bausch Lomb selectees, national merit and national merit Negro scholarship winners, who have gone on to become a credit to their school and community.

A nearly $3 million rehabilitation project was started in 1976. The "like new" grand structure is the result of this project and as a spokesman at the school put it: Fenger will go into the future as a school of champions, projecting the motto, "For Fenger, I Will."

Fenger High School is under the outstanding leadership of Dr. Leo Dillon, principal. I know my colleagues join with me in commending this fine educational institution and in wishing the school continuing success.

CONFERENCE REPORT ON S. 2657, THE EDUCATION AMENDMENTS OF 1976; ESHLEMAN DUE PROCESS AMENDMENT

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ESHLEMAN. Mr. Speaker, during the course of my tenure as ranking minority member on the Subcommittee on Postsecondary Education, it came to my attention that at the elementary and secondary level of education the Office for Civil Rights of the Department of Health, Education, and Welfare was threatening the termination of Federal financial assistance to schools and school districts throughout the United States based on a mere allegation of their noncompliance with Federal antidiscrimination laws. This contention was supported by a letter which I received from the National School Boards Association claiming that—

> A mere letter from DHEW indicating that they have determined unilaterally a violation of Federal law is sufficient to curtail funds. There need be no independent, unbiased hearing of the facts. In effect, school districts are presumed guilty.

Upon looking further into this matter I learned that HEW had based its authority to limit or defer Federal financial assistance on the so-called Fountain amendment which prohibits the Department from deferring funds in specified elementary and secondary programs for a period not to exceed 60 days during which time DHEW must grant the recipient a hearing before an administrative law judge. It has long been my opinion that HEW had no authority to defer or limit Federal financial assistance but rather only had authority to terminate Federal financial assistance as provided under title VI of the Civil Rights Act of 1964. I, as well as many of my fellow conferees, was absolutely convinced that HEW lacks any authority to limit or defer funds at any level of education. Because of this feeling I introduced the due process amendment to the General Education Provisions Act which amendment was adopted by the House.

This amendment prohibits DHEW from limiting, terminating, and deferring any Federal financial assistance to a State or local education agency, institution of higher education, community college, agency offering a preschool program or other educational institution through grant, loan, contract, student assistance or any other program until HEW has proven that the institution or educational agency has in fact discriminated as determined at a hearing before an administrative law judge. Thus, the institution or educational agency is considered innocent until proven guilty and Federal assistance may continue until such determination is made.

Because this was such a significant diversion from the current practice of HEW and because some few conferees did feel that the Fountain language gave HEW the authority to limit or defer financial assistance in certain elementary and secondary programs, a substitute to my amendment was adopted by the conference committee. This substitute appears to allow HEW to defer assistance to a local education agency for a period not to exceed 60 days during which time the Department must grant the educational agency an opportunity for a hearing to determine its noncompliance.

Not wishing to establish any new precedents in the area of limitation or deferral and because many of my colleagues and I strongly felt that even in the elementary and secondary area HEW lacked such authority, the Conference Committee agreed to limit the application of my amendment exclusively to local education agencies. By eliminating the application of the amendment to higher education, it was clearly our intent to restrict whatever authority the courts determined the Department might have to the area of elementary and secondary education. As verification of this contention, the statement of managers contains language specifically restricting the application of my amendment to local education agencies and further specifically states that the omission of higher education should not be interpreted as a grant of authority to DHEW to limit or defer Federal assistance to institutions of higher education.

In my opinion, the net effect of the substitute for my amendment as adopted by the conference committee is simply to limit the time period in which HEW might defer Federal assistance to a local education agency, while in no way granting HEW the statutory authority to make such a deferral or limitation.

ANTIQUOTA AMENDMENT

Several instances had been brought to my attention of attempts by HEW's Office for Civil Rights to influence the admissions policies and practices of institutions of higher education in an effort to obtain a better male-female or majority-minority mix in the institution's student bodies. I was informed that the leverage used against these institutions was the threat of deferral or limitation of Federal financial assistance. Believing that it should never be within the power of the Federal Government to tell any school in the United States which student the school should or should not admit—particularly on the basis of his race or sex—I introduced my antiquota amendment to the Higher Education Act of 1976.

In my amendment I specifically prohibited the Secretary of HEW from imposing on an institution of higher education goals, quotas, or any other numerical impositions which would affect the student admission practices of our colleges or universities. This amendment, I believed, would allow our institutions to continue to admit students on the basis of merit and not on the artificial basis of race, religion, sex, or national origin.

The conference committee, while going along with the spirit of my amendment, chose to alter the language. The substitute amendment which was adopted by the conferees prohibits the Secretary from limiting or deferring Federal financial assistance earmarked for an institution which fails to comply with numerical restrictions imposed on it by the Secretary. It is not the intent of the conferees to confer upon the Secretary the authority to use such numerical requirements, nor is it the intent of the conferees to even imply that the Secretary has the power to defer or limit Federal financial assistance to any institution of higher education for any reason whatsoever. The amendment as adopted merely states that should it ever be found that the Secretary has used such numerical requirements, he is statutorily prohibited from attempting to defer or limit funds for failure to comply with such requirements.

ESHLEMAN ANTIDISCRIMINATION AMENDMENT

Mr. Speaker, as you know many of our institutions of higher education in this country are suffering from weakened financial conditions. Taking advantage of this position, several foreign countries have offered institutions the opportunity to enter into very lucrative contracts with the condition that that institution not employ members of a specific race, religion, sex, or national origin to fulfill the terms and conditions of these contracts. Inasmuch as our Federal laws prohibit any institution receiving Federal financial assistance from discriminating on the basis of race, religion, sex or national origin, I do not feel that a loophole should exist whereby a foreign country might force our institutions into a violation of U.S. law. Therefore, I introduced my antidiscrimination amendment prohibiting institutions receiving Federal financial assistance from entering into any contract which contains an express or implied provision that those who are to perform or fulfill the requirements of the contract be hired on the basis of their race, religion, sex, or national origin.

My amendment was adopted by the House as well as the Senate with a slight modification introduced by Senator

JAVITS. The conferees agreed wholeheartedly with the intent of my amendment. So that there would be no confusion as to the language which Senator JAVITS introduced, the Senator clarified his intent for the conferees. The language which has been added to my amendment provides that in the event an institution wishes to conduct an "in-house study" concerning the nature or prevention of discrimination, it may do so without regard to the prohibitions stated in my amendment. In sum, my amendment serves to prevent entry into discriminatory contracts and is not designed to preclude an institution from conducting its own internal studies.

FOR THE PEOPLE

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. BURKE. Mr. Speaker, the Congressional Black Caucus has just published volume 2, No. 1 of our newsletter, "For the People." This newsletter has become over the past year-and-a-half. a major resource for the black community and for others in keeping abreast of congressional activities and the work of the Congressional Black Caucus in Congress.

For the benefit of our colleagues, I am entering into the RECORD several articles from the newsletter, including a most timely and persuasive article by Congresswoman BARBARA JORDAN on the need for black voter participation. My colleague on the caucus. Congressman WALTER FAUNTROY, is entering additional articles from the newsletter:

SIXTH ANNUAL DINNER WEEKEND HIGHLIGHTS VOTER PARTICIPATION

The Congressional Black Caucus Dinner Weekend, to be held September 24–26, 1976, will have as its theme "Direction '76: Political Power Through Unity." Congresswoman Yvonne B. Burke, Chairperson of the Caucus, said that "our number one concern between now and November 2nd must be to see that every eligible Black person registers to vote and goes to the polls."

The Dinner Weekend, which includes legislative workshops, a benefit concert, a Congressional Tennis Tournament, and a luncheon fashion show in addition to the fund-raising Dinner, is expected to draw a broad variety of notable figures and supporters of the Caucus. Funds from the Dinner are used to support a seven-person legislative and research staff office.

The weekend will open with a full day of legislative workshops on Friday, September 24, in the Cannon House Office Building. Following a plenary session, individual workshops will be held on voter participation, full employment, communications, education, international affairs, and minority enterprise and housing. There will be three major focuses for each workshop: (1) status report on major legislation; (2) recommendations for legislative priorities for next year, and (3) expanding the Caucus' national legislative support network.

During the past, year, the Caucus has put together an extensive network of persons around the country who support the Caucus' positions on legislation before the Congress. By circulating information through the Caucus' newsletter For the People and through letters and fact sheets on individual issues, the Caucus provides the facts through which an informed electorate may make their elected representatives more responsive to their concerns.

The workshops will strengthen the network through personal contact with persons from across the country and through discussion of means of further expanding the lines of communication. On Saturday, from 8:30 to noon, the Women's Hook-up, a lobbying network of Black women, will meet at the Washington Hilton Hotel.

In this election year, voter participation will be the subject to special attention. Despite great gains since the Voting Rights Act of 1965, Blacks still remain 10–15% behind the national average in the level of their participation in elections. Nonetheless, as many analysts have shown, Blacks have provided the margin of victory in numerous elections across the country. A concerted voter participation campaign is necessary to maximize that strength.

A benefit concert sponsored by CBS/Epic Records will be held on Friday, September 24, 1976, at the Capital Centre. The Jacksons—Jackie, Tito, Marlon, Michael, and Randy together will be joined by the B. T. Express and other top artists as one of the features of the Caucus Dinner Weekend.

On Saturday, a Congressional Tennis Tournament will be held at the 16th and Kennedy Street Courts from 9:00 am to 4:00 p.m. pitting star Caucus tennis players against each other and against other Members of Congress. At noon, at the Washington Hilton, a fashion show-luncheon will be held. Both of these events will benefit the Caucus' new Legislative Internship Program to bring more young Blacks into staff positions in the Congress.

The Caucus Dinner will begin at 7 pm. The major Dinner Speaker will be Congresswoman Barbara Jordan. After presentation of the major Caucus Awards, the entertainment will be provided by Ella Fitzgerald.

MARCHING ON THE BALLOT BOXES

(By Representative Barbara Jordan)

When the members of the Constitutional Convention met in Philadelphia in 1787 to examine and rectify the defects of the Articles of Confederation, the question of voting rights was not an issue. It was generally understood that the right to participate in the democratic experiment was a privilege to be granted only to those who held a sufficient amount of property. Little credence was given to the notion held by the author of the phrase, "consent of the governed"—Thomas Jefferson, then our Ambassador to France—that all citizens of the Republic should be given a sufficient amount of property so that "economic independence" could be the "basis of political order". Nothing at all was said about extending the right to vote to those who were property-slaves and indentured servants.

I think it is no exaggeration to say that much of the constitutional history of our country is a documentation of the struggle of excluded groups to be included among those who consented to be governed rather than those who were simply governed. Four constitutional amendments the 15th, granting the franchise to freed-slaves; the 19th, ensuring women the same privilege; the 24th, eliminating the poll tax; and the 26th, which bestowed the franchise on 18 year-olds attest to the enduring strength of the belief that in a nation founded on the principle of equality each citizen regardless of race, sex, or economic condition has equal standing in the public forum.

For Black Americans, the "self-executing" provisions of the 15th Amendment did not deter other Americans from placing legal restrictions on their right to vote. In protest, Black and white Americans took to the streets Much has changed since that Sunday, eleven and a half years ago, when 25,000 people marched through the streets of Montgomery, Alabama protected by federal troops to dramatize the demand of Black Americans that they would no longer allow others to deny them their constitutional right to vote Much has changed since Martin Luther King stood on the steps of the Alabama State Capital to proclaim that Black Americans would, "march to the ballot box, until we send to our city councils, state legislatures, and the U.S. Congressmen who will not fear to do justice".

In 1965, "We Shall Overcome" was sung by marchers on the road between Selma and Montgomery. This year, it was sung at the closing of the National Democratic Convention.

In 1965, Andrew Young led citizens to the Dallas County Court House in Selma to register to vote. They were arrested Today Andrew Young votes daily in the House of Representatives.

And in 1965, the South, as a region, was scorned by the rest of the nation for its refusal to allow Blacks the right to exercise their franchise. Today, for the first time since the Civil War, a Southerner is the presidential candidate of the Democratic Party, a fact that is attributable in large part to the votes of Black Americans in the South.

We can with some satisfaction look back on the last eleven and a half years as a time of progress. Yet the march to the ballot box is still incomplete. Today, seven million Black Americans have not yet taken the first step down the road that leads to the ballot box. They have not registered to vote

In truth, the march on the ballot box has become a slow crawl The Spirit of Selma no longer moves men and women to endure inconvenience much less risk arrest as they previously did to insure their right to vote Millions of Americans have voluntarily withdrawn from politics. Having gained the right to vote, they no longer consider it the prize it once was.

As one who has gained so much through the ballot box, first my seat in the Texas State Senate, and now my seat in Congress, I am mystified and disturbed that so many scorn the very process by which we give meaning to the principle of equality which Black Americans struggled so long to have extended to them.

Today, as we prepare for the general election, the strength of the idea that each citizen has equal standing in the public forum has been dissipated by the millions of people who have allowed themselves to become slaves to their own cynicism and indifference. As a result, they have no public voice They are unequal.

Can their inaction make a difference? I think it will. Despite the optimistic belief of many that Jimmy Carter will easily be elected, history tells us that more often than not in recent times Democratic Presidents are elected by narrow margins.

In 1948, Harry Truman in effect won the presidency by roughly 25,000 votes, the margin of difference in Ohio (7,107) and California (17,865) that enabled him to win the critical electoral votes of those two states. In 1960, John Kennedy won by only 119,000 votes out of the 68.8 million cast In 1968, Hubert Humphrey lost to Richard Nixon by only 510,000 votes out of the 73 2 million cast. In each case, Black votes were crucial for the winning margin

Legislative races can be just as close In 1974, John Durkin, a Democrat was elected to the Senate from New Hampshire by two votes In the same year six members of the House were elected by less than 900 votes If President Ford is re-elected, each sure Democratic vote to override a veto can make a difference The failure of the Congress in the last year to override the vetoes of two bills by the President that would have provided publicly supported jobs for the unemployed is a case in point

In May of 1975, the House of Representatives failed to override such a veto by five votes. As a result, 128,000 jobs were not created. Last February, the Senate by a margin of three votes, failed to override the veto of a bill that would have funded an estimated 600,000 jobs. Instead, Congress has been forced to settle for a bill that will create at the most 350,000 public service and construction jobs. For want of three votes, 250,000 men and women now unemployed will not be hired in the forthcoming year. It does the unemployed worker, who does not vote, little good to complain that the government is not managing the economy and providing jobs when veto overrides are lost by such a narrow margin.

Voting in the upcoming election can make a difference. It will not change our society overnight but it can be the first step in forming a true national community. Registering to vote is still not an easy task and is often inconvenient but there is still time in the next few weeks to register. If the unregistered fail to register and the registered fail to vote, they will continue to remain unequal and will continue to bear witness to the ruination of their government.

SANTA MARIA PARISH, MSGR. JOHN B. CALDAROLA, MARK 50TH ANNIVERSARIES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, on Sunday, September 26, I had the distinct pleasure to attend a dinner marking a unique double celebration, the 50th anniversary of the founding of the Santa Maria Parish in the Bronx and the 50th anniversary of the ordination of their pastor emeritus, Msgr. John B. Caldarola. The dinner as well as the masses which preceded it were all memorable and moving events which will not soon be forgotten by anyone fortunate enough to have attended.

The marking of the 50th anniversary of Santa Maria Parish certainly must be considered one of the most important religious milestones in the history of my home, the Bronx. The Santa Maria Parish has had a rich and rewarding history. It was founded in September of 1926 to serve the rapidly growing Italian immigrant population of the East Bronx. Then as today, the church has been an essential aspect of the neighborhood, not only as a house of worship, but as an overall community center. The church much like the community it serves has maintained itself through the years.

The Santa Maria Parish has had a noteworthy past, and her future looks equally bright. In an era when meaningful spiritual guidance is in limited quantity, the Santa Marie Parish has provided her parishioners with an abundance of this guidance and has gained the respect and acclaim of all of them. Young and old, rich and poor, they all feel a personal sense of joy on this day.

This past Sunday was also the celebration of the 50th anniversary of the ordination of Msgr. John B. Caldarola, the pastor emeritus of the Santa Maria Parish. Preceding the gala dinner were two concelebrated masses marking both anniversaries. The chief celebrant at one of the masses was His Eminence, Terence Cardinal Cooke, Archbishop of New York. The co-celebrants included the current pastor of Santa Maria, Rev. Joseph P. Adamo. Homilist for the mass was Bishop Patrick V. Ahern, Episcopal Vicar of the Bronx.

Hundreds of parishioners, past and present, turned out to pay tribute to Monsignor Caldarola. This outstanding servant of God has provided spiritual guidance for thousands of men, women, and children, while also playing an instrumental role in the growth of the Santa Maria Parish. It was a personal honor for me to participate in the salute to this exemplary man who has donated his entire life to serving his fellow man. Many men speak words and make numerous promises to contribute to the betterment of mankind. Msgr. John Caldarola is a living example of a man of action who translated his priestly vows into a mandate to teach and live the word of God among his people. He has earned the lasting love and respect of the people of the Bronx and has my fervent wish that the grace of God may be with him for years to come.

It has been my personal honor to have attended last Sunday's festivities. Hundreds of friends of Santa Maria and Monsignor Caldarola turned out to mark these milestones.

At this point in the RECORD, I would like to insert the list of the members of the clergy who made up the dais at the dinner:

UPPER DAIS

Reverend Monsignor Robert Ford, Pastor of St Anthony's, Commonwealth Avenue.

Reverend Monsignor Joseph Devlin, Pastor of St Frances de Chantal.

Reverend Monsignor Henry Vier, Episcopal Vicar of East Bronx.

Most Reverend Anthony F. Mestice, D.D., Auxiliary Bishop of New York.

Reverend Monsignor John B. Caldarola, Jubilarian, Pastor Emeritus of Santa Maria.

Reverend Monsignor Mario Ponsiglione, Pastor Emeritus of St. Theresa.

Reverend Monsignor Salvatore Adamo, Rector of Immaculate Conception Cathedral, Camden.

Reverend Monsignor James Carr, Pastor of Mary, Mother of the Church, Bellmawr NJ.

Reverend Dominic Grande, c.P Passionist Missionary.

LOWER DAIS

Reverend Nicholas Milazzo (Associate—St Anthony).

Reverend Martin Dolan (Associate—Santa Maria).

Reverend Antimo Fiorillo (Pastor—St Lucy).

Reverend Anthony Maltese (Pastor—St Lucy, Bronx).

Reverend Joseph Adamo (Pastor—Santa Maria).

Reverend George Giammarino (Pastor Emeritus—St Roch).

Reverend John Soraci (Associate—Santa Maria)

Reverend Bruno Ciardello (Pastor—O L of Pity, Bx).

Reverend Carmelo Medaglia (Guardian—St Anthony, NYC).

Reverend John Gnana (Summer Associate—Santa Maria).

MARQUETTE PARK RIOT SHOWS NEED FOR CHICAGO POLICE INTELLIGENCE UNIT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, on Saturday, July 17, approximately 125 demonstrators under the auspices of the Martin Luther King, Jr., Movement—MLKM—marched from Chicago's black West Englewood neighborhood into the white Marquette Park community to protest alleged housing discrimination and hostility toward black use of Marquette Park recreational facilities.

The MLKM marchers were supported by contingents from predominantly white revolutionary groups such as the New American Movement—NAM—and several Trotskyist Communist organizations including the Workers World Party and its youth cadre, Youth Against Fascism—YAWF—the Revolutionary Socialist League—RSL—the International Socialists—IS—and the Socialist Workers Party—SWP—through its youth group, the Young Socialist Alliance, and its National Student Coalition Against Racism—NSCAR.

The attention of the various revolutionary Marxist-Leninists had been drawn to the Marquette Park situation by previous racially oriented violence. On June 6, a Cook County correctional officer was shot and two police officers were injured in a rock-throwing, window-breaking riot in and around the area of the park. The violence was triggered at an antiblack rally organized by the National Socialist White People's Party—NSWPP—and attracted some 400 people.

The NSWPP is, as its name clearly states, a Nazi, totalitarian, racial extremist organization with a proved record for violence. NWSPP leader Frank Collins called the June 6 rally to protest a planned march by Operation PUSH led by Rev. Jesse L. Jackson. Jackson, who reportedly has since criticized the MLKM's choice of march tactics as outmoded, canceled his march. However NSWPP goons scattered into the Marquette Park neighborhood kicking and beating any blacks they found, stoning cars and hurling firecrackers. To restore order required the services of 2 Chicago deputy police superintendents directing more than 200 police officers.

With this recent record for violence at the park, Chicago police officials strenuously objected to granting a march permit to the MLKM group. However, the MLKM filed a Federal court suit and were granted a march permit in a July 7 ruling.

The MLKM marchers and supporters were accompanied for protection by 120 Chicago tactical officers and 80 mounted police. As the contingent of marchers and police moved toward the park along 71st Street, they were met first by scattered silent watchers, then as the crowd grew more numerous by jeers and taunts and an increasing number of thrown beer cans, rocks and bottles. At the edge of the park, the marchers and their police escort were completely surrounded by some 1,200 liquored-up toughs who had stockpiled bricks, rocks, bottles, chunks of concrete, and firecrackers in nearby alleys from which young boys continually brought them as fresh ammunition to the mob.

Chicago police brought in 200 additional officers and arrested 63 rioters including two MLKM marchers, one of whom was reported in the press to have karate-kicked a rock-thrower through a plate-glass window. Sharon Sindelar of the Workers World Party was hit in the mouth by a thrown bottle which broke her teeth and required stitches. Among the 33 persons cut and injured seriously enough to require hospital treatment were 16 Chicago police officers, two of whom were hospitalized by kicks to the groin and firecracker concussions. Three members of a Chicago Tribune news team were attacked, as were the members of a WMAQ-TV Channel 5 camera crew.

Among those identified as participants in the MLKM march were Robert Williams of the executive board of the Chicago Urban League; Carl Fuqua, president of the South Side Chicago NAACP branch; Bill Roundtree of Workers World Party; Cecil Lampkin, head of the Chicago NSCAR chapter; "legal observers" Steve Lubet and Maryon Gray, 28, who was injured; and Rev. C. H. Turner.

Rev. C. H. Turner and Rev. Edgar Jackson, the two public leaders of the MLKM, have charged that "the police and the city were in a conspiracy to allow us to be attacked, injured, and even killed." The marchers have since filed another Federal lawsuit charging the police and city with violating the terms of the previous Federal court order.

The Marquette Park disorders demonstrate the need for a good and comprehensive police intelligence unit in Chicago.

The Chicago police intelligence unit has been destroyed by lawsuits brought against it by the Alliance To End Repression—AER. The Alliance To End Repression was founded and directed by members of the Communist Party, U.S.A., as an adjunct to two other CPUSA Chicago front groups, the Chicago Peace Council and the Chicago Committee To Defend the Bill of Rights. The AER coalition, under Communist Party direction, has been granted extensive discovery against the Chicago police intelligence unit. Masses of confidential intelligence reports by undercover police officers and by informants have been turned over to AER attorneys from the local National Lawyers Guild and American Civil Liberties Union. These lawyers have been using a San Francisco counterintelligence organization, Research Associates International, to computerize police intelligence reports made available by court order and analyze the information to discover who the informants are.

The additional plaintiffs in the Alliance To End Repression lawsuit include the AER's parent Communist fronts—the Chicago Peace Council and the Chicago Committee To Defend the Bill of Rights; the Communist Party, U.S.A.'s youth organization, the Young Workers Liberation League—YWLL—the Trotskyite Communist Socialist Workers Party and its youth arm, the Young Socialist Alliance; Clergy and Laity Concerned, an anti-Vietnam group whose leaders were in constant contact with the North Vietnamese Communists and the Vietcong terrorists in Paris and Hanoi; Jack Spiegel, an identified member of the CPUSA and a leader of the Chicago Peace Council; Jay Schaffner, a member of both the Communist Party, U.S.A., and a recent member of the YWLL Central Committee; John Rossen, a former CPUSA organizer, now the head of the Chicago chapter of the People's Bicentennial Commission and the former landlord to the Weatherman-dominated SDS national office; Richard Criley; Dennis Cunningham, an active member of the proterrorist National Lawyers Guild and associate of the Weather Underground; Jeffrey Haas, another NLG activist in the Weather Underground's Prairie Fire Organizing Committee; Courtney Esposito, who worked in the law offices of Cunningham & Haas, and was arrested as a member of the Weatherman faction during the Days of Rage riots; G. Flint Taylor, yet another National Lawyers Guild activist and supporter of the Weather Underground's PFOC, and several other persons with public records of activity in CPUSA fronts.

The ACLU's misnamed Project on Privacy and Data Collection has commented on the case:

> POLICE SPYING
>
> There have been important developments in the suit by the ACLU's Illinois Division challenging the political surveillance activities of the Chicago Police Department's "Red Squad." *ACLU* v. *Chicago*, Civil Action No. 75C3295 (D.N.Ill.). In pre-trial rulings, the judge has granted ACLU lawyers access to the Red Squad's dossiers on 150 groups and individuals, as well as index cards listing all the targets of the surveillance program. He has also ordered the department to turn over its files describing its program for the "neutralization of subversive groups." The suit names federal as well as local agents as defendants, and ACLU lawyers believe that examination of the documents just released to them may reveal an extensive federal involvement in local surveillance programs. The affiliate is also gratified that the judge appears to be mindful of the plaintiffs' limited financial resources, as indicated by such gestures as his willingness to allow depositions to be taped rather than stenographically recorded. Also helpful is the fact that *ACLU* v. *Chicago* has been consolidated, at least for the initial stages of the proceedings, with another important local police spy suit, *Alliance To End Repression* v. *Rochford*, allowing attorneys for both cases to work together and share information.

The Daily World of August 4, 1976, page 4, boasts of the role played by the Chicago Alliance to End Repression—AER—in destroying the Chicago Police "red squad." According to the CPUSA newspaper, the AER established a front group, called Citizens Alert to monitor police activities. According to an official Citizens Alert document, its 1974 funding was obtained from the Illinois Law Enforcement Commission which dispenses funds provided by the Federal Law Enforcement Assistance Administration—LEAA. (The Nationwide Drive Against Law Enforcement Intelligence Operations, Hearings of the Senate Subcommittee on Internal Security, pt. II, July 14, 1975, p. 69).

As I pointed out in the CONGRSSIONAL RECORD of February 11, 1976 (p. 3095), Eugene Eidenberg, vice chancellor of the University of Illinois Circle Campus, is also chairman of the Illinois State LEAA Commission. Chancellor Eidenberg was one of those who supported the dispensing of Federal funds obtained from the National Endowment for the Humanities to the Prairie Fire Organizing Committee—the aboveground arm of the terrorist Weather Underground Organization—to organize a national conference at his university.

As a result of the AER obtaining confidential Chicago police files, they were able to identify two brave women who had penetrated the operations of Communist Party and other proterrorist groups. They were Sheli Lulkin and Joyce Stover. Both had penetrated the Chicago Peace Council, a local arm of the international Soviet-controlled front, the World Peace Council. The World Peace Council provides logistical and propaganda support for Soviet-backed terrorists in many parts of the world, operating under the direction of the Soviet KGB.

The founder and director of the AER is Richard Criley who spent many years as an active member of the Communist Party. As of 1963, Criley was a member of the Garfield Club of the Communist Party of Illinois. A short time later he dropped his formal membership in the CPUSA for security reasons. At that time a number of active, trusted CPUSA cadre operating in front organizations dropped their CPUSA membership as a result of the exposure before the Subversive Activities Control Board of the Communist Party leadership in a number of fronts. They hoped this technical resignation from the Communist Party would protect their front organizations from having their cases brought before the SACB.

Fifteen years earlier, Communist Party cadres in the trade union movement had also technically resigned from the party to protect Communist controlled unions from the provisions of the Taft-Hartley Act.

Criley continues to meet with both State and national CPUSA leadership to discuss future plans, and to be informed of current Communist Party decisions. In 1971, the Chicago Committee to Defend the Bill of Rights, a Communist front in which Criley served as executive secretary, decided not to participate in the defense of Angela Davis, a Communist Party cause celebre. The CPUSA leadership advised Criley that it was essential that his organization get into the act. Immediately thereafter, the Chicago Committee to Defend the Bill of Rights became an active defender of Angela Davis.

Former intelligence unit officers are being harassed by lawsuits by revolutionaries charging "invasion of privacy." Attempts to penetrate terrorist and terrorist-support groups like the Chile Solidarity Committee and Chicago Peace Council have been abandoned. The Weather Underground's Chicago contacts are no longer under surveillance. The Puerto Rican FALN mounts multiple bombings in a night undisturbed. The daily activities of the Marxist-Leninist totalitarians in Chicago—Communist Party; the Maoists of the Revolutionary Communist Party and October League; the Trotskyists of the Socialist Workers Party, Workers World Party, Internationalist Tendency, Spartacist League; the New American Movement; the revolutionary groups supporting communist terrorists in Latin America, Africa, Europe and the Middle East—go unnoticed. Their contacts with foreign revolutionaries also go unheeded.

And, of course, the activities of Nazi, fascist, and racial extremist organizations and individuals also go unmonitored. If Chicago had had an operating intelligence unit, it would have had contacts—sources—in both the Marquette Park groups and in the Martin Luther King, Jr., Movement. The police in uniform then would have had an idea as to who was advocating mayhem and who was planning violence. Informants and undercover officers could have known where the rocks and firecrackers were being stockpiled and who was organizing the children to act as ammunition runners. And they could have known in advance that white revolutionary groups were flocking to the support of the MLKM, whose real leadership is not the two respectable ministers who apparently head it but Jeff Fort, founder and head of the Blackstone Nation, a vicious confederation of 21 criminal gangs which terrorized Chicago's South Side during the 1960's.

Recently released from prison, Fort has outfitted himself with a new Muslim-style alias, "Brother Mai", and has moved in on the "respectable" MLKM as a cover for his criminal activities. Community sources report that Fort is laying the groundwork for a new organized criminal vice and drug empire and feels he needs the respectable "cover" the MLKM can provide as well as the support of the revolutionary groups.

My deepest sympathies to the citizens of Chicago.

CONGRESS WISELY REJECTED GOVERNMENTAL COPYRIGHTS

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KARTH. Mr. Speaker, both Houses of Congress acted with solid commonsense and farsightedness not only in approving a much-needed and overdue revision of our Federal copyright law but also in rejecting quirkish and dangerous amendments to that law.

One proposal in particular should be mentioned because we must hope that it is not raised again in future Congresses and, if it is, that our action in this session will help obliterate it quickly. I refer to an amendment, removed by the conference committee, which would have permitted the U.S. Government to copyright publications researched, written, and printed at public expense.

The prestigious American Library Association and the U.S. press generally were strongly opposed to this brainstorm for numerous and most convincing reasons. Most of those reasons are detailed in two recent persuasive editorials carried in the Washington Star and Washington Post. I include these two editorials at this point in the Record:

[From the Washington Star, Sept. 11, 1976]

GOVERNMENT BY COPYRIGHT?

The historic revision of American copyright law now nearing completion in Congress—the first since 1909—isn't, as The Star's Bill Delaney recently observed, "the sort of thing that keeps very many people in a state of agitation."

The Senate, for instance, passed its version of the new law unanimously. If it can't be said that we're acquiring a new copyright law, as the British did an empire, "in a fit of absent-mindedness," there is a certain inattention to detail.

There shouldn't be. At least, this inattention is inappropriate, and could be injurious, in connection with one key provision of the House bill. Although controversial, it has aroused insufficient controversy. We mean the so-called Railsback amendment inserted in the House bill at the request of the Department of Commerce.

Should this provision survive in the final law—and only a Senate-House conference seems likely to come to grips with its implications—the U.S. Government will for the first time enjoy the power to copyright publications prepared at public expense in its own name.

There are those who believe, for one thing, that extending such a power to government would not only revoke historic precedent but drastically exceed the intent of powers granted Congress in Article I, Section 8 of the Constitution—"to promote the progress of science and the arts by securing for limited times to *authors and inventors* (emphasis ours) the exclusive right to their respective writings and discoveries."

The American Library Association, in a resolution of July 22, takes the proper position that "publications produced with public monies" should as a matter of principle "remain free of copyright restraints." The ALA and other scholarly groups are concerned about a novel power of government copyright for an obvious reason: It would entail great expense for any number of public institutions, including schools and libraries.

But the issue goes beyond cost to publicly supported institutions. Under the law, a power to copyright involves the power to suppress, to limit and to censor the flow of government information. In the historic Pentagon Papers case, for instance, the existence of government copyright could have thrown a wholly different legal light on the First Amendment issues—all to the disadvantage of the public's access to information assembled at its expense. Certainly the Railsback provision could settle, in ways injurious to First Amendment principles, the moot question of government "ownership" of information.

William T. Knox, director of the Commerce Department's National Technical Information Service, argues that the power (which he has vowed to use sparingly) is needed "to stop the hemorrhaging of valuable American technological information overseas." Mr. Knox' office controls the issue of some 70,000 government research documents and reports a year. He has estimated that the NTIS would request copyright for only the barest fraction, about 100 a year.

Perhaps—though we are not persuaded that government copyright would, even if it should, stanch the "hemorrhage" that worries Mr. Knox. The fact is that the power to copyright government information might extend to other agencies and, if so, would be open to abuse.

At a minimum, this provision in the House copyright bill needs work. It deserves exploration, public discussion and comment and has had too little. In the cozy and amicable circumstances in which copyright revision is now at last moving to completion, room should be made for it. The question is whether we are to be exposed to what M. B. Schnapper of the Public Affairs Press, a perennial foe of government abuse of copyright law, calls "government by copyright." Another name for it might be government by backdoor censorship.

[From the Washington Post, Aug. 1, 1976]

A "CONCATENATION OF WORDS"

The Government, as we all know, is the most prolific publishing house in the history of the world. Uncounted thousands of words pour out of its offices each day, a few of which may be worth saving. To whom do those words belong? The people who wrote them? The taxpayers who paid those people to write them? Or the government itself which is, after all, nothing more than all of us? This question comes up every now and then, almost always in the context of the copyright law, which limits the reproduction of artistic works without the permission of their owner. And it has come up again now in connection with a relatively obsecure provision, in a copyright bill now in Congress, that would permit the goverment to copyright material published by a branch of the Commerce Department.

Why anybody would want to claim ownership of many of the words produced by the government is another question, for another day. The issue before us has to do with the ownership of the prose—and with the public's unrestricted right of access to it. This is an issue that has always struck us as reasonably simple when you get to the heart of it, but which can also be made to seem enormously complex if you allow yourself to get bogged down in some of its ramifications.

For example, we recall the case of a distinguished admiral who a few years ago claimed that the words of some of his speeches and papers were his because he had composed them off duty. A local publishing house argued that they were public property and that it was therefore free to reprint them without paying the admiral a fee. In a case of this kind, the question comes down to whether the words are, in fact, purely personal, or whether they are not to some degree the byproduct of work that an employee of the government has been paid by the government to do.

The basic question of ownership was similarly complicated in the celebrated case of the Pentagon Papers by the introduction of the issue of secrecy and of the right of the government to suppress publication of its documents on grounds of a threat to national security. This newspaper and others involved in that case contended that, while the government might have the power to classify documents and to attempt to keep them from the public, it had no right to restrain their publication once it had lost control of them and they had fallen into private hands. In response, the government advanced the extraordinary (to us) claim that, security considerations aside, it was not the papers themselves that mattered but the particular arrangement of words on them—the "concatenation of words," as then Solicitor General Ervin Griswold put it. The "concatenation" belonged to the government, he argued, and therefore the government could control how, and under what terms, this material could be reprinted.

As you can see, it is hard to keep this question simple, when you get into issues of secrecy and national security or close questions about whether the particular writings of a government official belong to him because he wrote them on his own time. But there is, we think, a fundamental principle involved in this question of ownership, once it is established that the material concerned consists substantially of documents or other writings produced by those who are paid by the government to produce them. It seems to us, quite simply, that ownership of such material rests with those who actually pay for the government—that is to say, the taxpayers. From this it follows, with respect to the case immediately at hand, that the government ought not to be able to copyright the words that flow out of its presses daily. The effect of a copyright, after all, is to limit access to a document. By what logic should the government be allowed to limit this access by those who actually paid for the production of the document, and for the rights to it, in the first place?

It is true that the proposal recently approved by a House subcommittee would grant the right of government to copyright documents only to one agency, the National Technical Information Service of the Department of Commerce. But we are dealing here with a principle that ought to apply uniformly to all agencies of government. Once one part of government has the right to copyright material, other parts will want it, and the basic principle that government publications are public property will be shattered. We think it is infinitely more important to protect this principle than to have the government pick up a few million dollars a year in royalties from foreign sources—the rationale given for the proposal. We urge the Judiciary Committee to strike this particular amendment from the general revision of the copyright laws now pending before it and to send that long-delayed and badly needed piece of legislation on to the House floor.

THE INDIAN CONSTITUTION ENDANGERED

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WAXMAN. Mr. Speaker, the passage of time has eased the sense of urgency which gripped India and the Western World when Indira Gandhi consolidated her dictatorship a year ago. In the absence of organized political dissent—which has been systematically crushed by the Delhi regime—more and more Indians who cherish their freedom have sought refuge in the country's Constitution. Whether or not they will be able to prevent the Constitution from being abrogated is in doubt. This is a cause of concern for all—especially the United States.

An article on this issue by the chairman of the Bar Council of India recently appeared in the Metropolitan News, a daily legal journal in Los Angeles. I am attaching an excerpted version of the article for the benefit of my colleagues:

[From the Metropolitan News, Sept. 15, 1976]

AMENDMENTS OF THE INDIAN CONSTITUTION SEEN HAVING SOME SINISTER IMPLICATIONS

(EDITOR'S NOTE.—The following article was written by Ram Jethmalani, chairman of the Bar Council of India—equivalent to the president of the American Bar Assn.—and professor of Comparative Constitutional Law at Wayne State University Law School.)

(By Ram Jethmalani)

The Constitution of India which is presently under attack by India's rulers is an elaborate and detailed document consisting of 395 articles and about 9 schedules.

The most significant words in the entire text are the innocuous looking expression to be found in the 226th article "for any other purpose". This Article * * * to issue directions, orders or Writs including Writs in the nature of Habeas Corpus, Mandamus, Prohibition, Quo Warranto and Certiorari for (i) the enforcement of fundamental rights created by the Constitution and (ii) for any other purpose.

As the Constitution stands at the moment fundamental rights can be abrogated and their enforcement suspended by declaring a State of Emergency. In fact two such Declarations have been made, one in 1971 and the other in June 1975, the first based on the threat of external aggression and the second on threat of internal disorder. Both the emergencies co-exist and substantially all the fundamental rights are therefore unenforceable. But the constitutional power of the High Courts to issue Writs for other purposes still exists. It is in exercise of this power that the supremacy of Law over executive action is asserted and enforced.

The rights of citizens arising from the Common Law and the Statute Law of the country are enforced against a recalcitrant Government and against high-handed bureaucrats by the enormous power created by these four key words. They constitute the cornerstone of judicial review, which in turn is the cornerstone of the whole Constitution of India.

The Prime Minister and her ruling party are right that no Constitution is sacrosanct and when the altered circumstances of history reveal an overwhelming necessity for amendment the Constitution as it spoke years ago may well be altered, but that is a far cry from what is being claimed that a Constitution may be amended with the same ease and facility as any ordinary statute. Even ordinary statutes are changed only when they produce an obvious public mischief or when an obvious public mischief is sought to be brought within their clutches.

If the Constitution is by definition a basic law it at least deserves the reverence of ordinary laws. The Constitution has been in existence for more than a quarter of a century and the manner in which it has been used or misused certainly calls for some amendments. If the country has remained poor the fault has chiefly lain with the Government's corruption and ineptitude and the Constitution of India has been a mere scapegoat.

It is almost axiomatic that in the context of poverty of Indian dimensions unrestricted private property is inconsistent with the general weal. It must yield to severe taxation and even outright confiscation but the experience of totalitarian countries proves beyond doubt that the easiest method of instituting a system of servitude and slavery is to destroy all private property. A reasonable amount of private property held independently of Government's will is the backbone of a citizen's moral character and sure guarantee of his liberty in spheres other than property.

The Constitution of India must contain a provision on the following lines: No person shall be deprived of his property against his will save by authority of Law and on payment of full compensation provided that the property has been acquired by the citizen's personal exertions and after payment of all taxes due to the State.

The doctrine of judicial review must remain unimpaired. If a citizen has some rights, constitutional or otherwise, the question will remain, who is to enforce them? The Communist countries claim that Citizen's rights are enforced by mass organizations, of which he is a member and by the agencies of the State themselves. Mature democracies leave their enforcement to the legislative organs and the good sense of the executive. In many a country however where the politician and the bureaucrat do not inspire great confidence the task has been left to independent Judges. This is understandable if not inevitable where the voters are substantially illiterate and no educational qualifications are prescribed even for the legislators. Reverence for the judiciary is a characteristic inherited by the Indians from the British and in spite of some traumatic experiences during the last few months Indians would still prefer Judges to any other agency for preservation on their basic liberties.

Whatever amendments are to be undertaken must ultimately have the sanction of the people in whose interest they are supposedly initiated.

The people can speak on such vital issues only when full freedom of public debate is restored. The news media must be thrown open to expression of contrary opinion and the jails must be cleared to allow critics and opponents to have their say.

The latest news from India kills this hope. Mrs. Gandhi has finally announced her constitutional plans. They are more diabolical than her party discussion revealed. They evidence more than anything else her feeling of insecurity and isolation. This has obscured her vision and overpowered all remorse and decency.

The husk of the old constitution will remain with a modified label which will perhaps please her Russian overlords. Having demonstrated her disdain for democracy and total repugnance to true republicanism she can't expect her socialist claims to be taken seriously. Words only produce illusions and not the stuff that abolishes poverty and hunger. Even rape of the Constitution will not produce the honesty and selflessness without which socialism is only a cruel joke.

A faint ray of light lingers in the deepening darkness. Even a worm turns sometimes. Will the members of Parliament, or at least some of them, rise in revolt and deny her a two-thirds majority requisite for carrying through the proposals? Will the judges of the Supreme Court hold steadfastly to their 1973 view and call a spade a spade. Mrs. Gandhi is wanting to stage a coup. Some people will treat it as one and consider all resistance to her regime constitutionally legitimate. Will she end up like Mujibur Rehman of Bangladesh is the thought no one can suppress.

DELAYS KILL MUCH NEEDED REFORM TO OUTER CONTINENTAL SHELF LANDS ACT—S. 521

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MURPHY of New York. Mr. Speaker, on Tuesday, September 28, 1976, a small minority of Members made the last in a series of parliamentary and dilatory maneuvers to kill S. 521 which made needed reforms in the outmoded 1953 Outer Continental Shelf Lands Act. Through use of the "big lie" and complete distortion of one provision of the 1976 OCS amendments, they succeeded in having the bill recommitted to conference by a vote of 198 to 194.

I do not believe this vote represents the majority will of this Congress, nor the will of the people of the United States. The Congress must and will exercise their will, but unfortunately must wait until the next session to do so.

All throughout the deliberations of the ad hoc Select Committee on the Outer Continental Shelf, the big oil companies and their allies in the Department of the Interior and Congress have opposed all attempts to legislate meaningful protections for citizens, coastal States, and the environment; have opposed all attempts to open up to OCS exploration, development, and production to smaller energy companies; have opposed all attempts to improve safety conditions for workers on OCS facilities; have opposed all attempts to increase the amount of information the Federal Government should secure as to its lands; and have opposed all attempts to limit nuisance suits and delay by establishing a unitary and comprehensive judicial procedure for review and challenges to various OCS actions and activities.

The procedural tactic was delay, delay, delay. Delay markup of the legislation beyond the first session and until the spring of the second session; delay granting of a rule until the summer of the second session; delay floor consideration until July; delay conference resolution of House-Senate differences until September; delay House consideration of the conference report until the last week of the session. Their method was submission of numerous amendments, again and again, and then when amendments were accepted, submit more amendments. When that failed, they attempted to kill the bill by submission of frivolous points of order. All these attempts were thwarted; so they turned to less subtle mechanisms. A massive lobbying effort, through letters, meetings, brochures, full page advertisements, was undertaken by the big oil companies and their agents.

They attempted to convince the Members that S. 521 caused delays and established a national oil company. These misstatements were repeated again and again, so that these "nonissues," no matter how often refuted, became real issues, subjecting the bill to inaccurate rhetoric and parliamentary confusion.

The last step of the game plan was a motion to recommit, after full debate by the House. Knowing that consideration of the conference report by the Senate was to be subjected to a filibuster, requiring cloture, they sought to force the bill back to conference committee with only 3 days left in the session, effectively eliminating an opportunity for reconsideration by the House, followed by consideration by the Senate, filibuster, cloture, and final passage.

The motion to recommit, and the debate on the motion, used scare tactics to confuse. First, the motion sought to strike a provision which certain Members called "mandatory Federal exploration." The provision in fact read:

> (h) The Secretary is authorized and directed to contract for exploratory drilling on geological structures which the Secretary, *in his discretion*, determines should be explored by the Federal Government for national security or environmental reasons or for the purpose of expediting development in frontier areas. Such exploratory drilling shall not be done in areas included in the leasing program prepared pursuant to section 18 of this Act.

As was noted in the Statement of Managers:

> This amendment would allow a federal exploratory drilling program to be carried out under contract with private industry. This would be limited to situations where the Secretary of the Interior, in his discretion, determined that government exploration was needed for national security or environmental reasons or to expedite development in frontier areas. Areas included in the five-year leasing program would be excluded from federal exploration.

This grant of discretionary authority to conduct prelease exploration was no more than a restatement of the grant of such nonmandatory power to the Secretary presently in the 1953 OCS statute. The Senate bill had a mandatory $500 million program; the conference substitute had no such mandate. An authorization and appropriation would be needed prior to any Federal exploration. The section did direct the Secretary, if he in his discretion decided to conduct such a program, to do so only by contract with private companies, and not by Government agencies. This was the only mandate—included to insure that private companies and not the Government would do any exploration.

Second, the motion sought to strike major portions of the safety section of the bill. Essentially this same section was in both the original House bill and the Senate bill. And with a few minor, almost technical changes, in the conference substitute. The motion to recommit struck provisions requiring an updating of safety regulations, a review of safety regulations by the National Academy of Engineering, and a requirement of use of best available and safest technology—by changing the section to require use of such technology only if less posed a "significantly greater threat." The proponents of the motion to recommit virtually failed to discuss this part of the motion.

Within the hour after the motion to recommit was passed, I met with Senator JACKSON, the chairman of the Senate Interior Committee, responsible for management of the OCS bill in the Senate. We reviewed the parliamentary situation: A conference, even if immediately convened, would not report until Wednesday, September 29, 1976; if the House acted on Thursday, assuming the 3-day rule was waived, and delivered the report to the Senate that day, he had been formally told that a filibuster would commence and thus a cloture petition would have to be filed which could not be considered until Saturday. If cloture was voted, there would still be 35 to 45 hours of debate—1 hour for each Senator is allowed after cloture—to follow. Yet both Houses would be adjourning on Saturday at the latest. Effectively, the motion to recommit killed the bill for this Congress. That was clearly the intent of the House proponents of the motion, working hand in hand with their allies in the Senate.

This legislation is needed. Both Senator JACKSON and myself have pledged to act at the very beginning of the next Congress to report out and then secure passage of a new OCS law. We will need your help, however. We cannot and must not let this setback be anything more than a temporary tactical victory in the war against the oil barons and their allies.

QUESTIONNAIRE RESULTS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HEINZ. Mr. Speaker, in mid-August I mailed my annual constituent questionnaire to all 175,000 households in my 18th Congressional District in Pennsylvania. I was very pleased that more than 9,000 people took a few minutes to return them with their views on many important issues facing our district and our Nation.

The No. 1 local issue is the poor condition of local roads and bridges. For too many years, western Pennsylvania has not received its fair share of Federal and State transportation aid. This is a situation I have been trying to correct for many years and I continue to devote much time and energy toward the solution of this serious problem.

On the national level my constituents identified five areas which should have top priority: reforming welfare, controlling crime, making taxes fairer, reducing the role of government, and helping the elderly.

I also asked my constituents to rate the performances of President Ford, Congress, our courts, and other national institutions. The President and business in general received the highest marks while Congress and the courts fared the worst.

Other questions concerned the economy, President Ford's vetoes, reducing taxes, nuclear powerplants, abortion, Federal spending, and constituents' suggestions to me.

The complete results are as follows:

QUESTIONNAIRE RESULTS

I want to thank Mrs. Hank Cochran and Mrs. Jane Crossland who volunteered their time to help my Pittsburgh staff in the mammoth task of tabulating the questionnaire. In the following results, the percentages usually do not equal 100% because some people chose not to answer every question.

Our economy: Inflation is the leading threat to our economy according to 58% of those responding. This compares to 13% who chose unemployment as the number one problem, while 28% thought both were of equal magnitude. When asked which approach they favored to combat unemployment, people favored giving tax incentives to businesses for job creation by a 3-1 margin and narrowly approved of the federal government being the "employer of the last resort" for all jobless people (41% to 35%). The creation of jobs through expanded federal public works projects were opposed (45% to 33%), but a slight plurality felt that the federal government was not doing enough to stimulate the economy and create jobs (37% to 33%).

Problems facing our district: The poor condition of roads and bridges was by far and away the number one local problem.

Crime was regarded as the second ranking problem, with many people commenting unfavorably about lenient judges. Inequitable taxes were rated third, and corruption in state government fourth.

Performance ratings for President Ford, Congress: I asked you to rate the institutions below on a scale from A=Excellent to D=Poor. Business in General and President Ford received the highest marks, while Congress and the Courts did the poorest.

[In percent]

	A	B	C	D
The Postal Service	6	40	28	26
Congress	0	22	42	34
President Ford	12	54	20	12
Our court system	2	18	36	43
Our school system	4	38	34	23
Local government	4	46	30	17
Business in general	4	64	23	5

President Ford's vetoes: 47% of those responding thought President Ford's vetoes have helped the economy, while 20% thought they hurt the economy. 28% believed the vetoes had no effect on the economy.

Reducing taxes: I asked if any new cut in federal taxes should be accompanied by a dollar-for-dollar reduction in federal spending. An overwhelming 89% said "Yes," while only 9% said "No." In a follow-up question for those 89% who supported the cut, only 60% of the original number said they would continue to support the cut if it meant substantially reducing programs for health, education, public service jobs, and pollution control. 31% responded that they would not support the cut in federal spending if it meant reducing support for these areas.

Nuclear power plants: Two-fifths of the people felt nuclear power plants should be built and put into use as quickly as possible. One-quarter expressed reservations concerning the plants' safety and environmental safeguards but nonetheless thought we should finish construction of those plants currently planned. Another quarter favored a moratorium on all nuclear plant construction until their complete safety is determined.

Abortion: 56% thought the question of abortion is still a matter between a woman and her doctor and that the Supreme Court decision making abortion legal should stand. 22% were personally opposed to abortion but did not favor a constitutional amendment to deny it to others. 21% did support a constitutional amendment to outlaw abortion and reverse the Supreme Court's decision.

Federal spending: President Ford has asked for a budget of $394 billion to run the federal government for the next year. 48% of the people responding to my questionnaire thought the figure should be cut, while only 5% said it should be increased and 29% believed it should remain the same. The figures revealed two other clear trends—the feeling that spending for law enforcement and justice should be increased (favored by a 54% to 8% margin), and the desire to reduce spending for International Affairs and Foreign Aid (favored by a 64% to 3% margin).

National priorities: I asked you to rate several areas besides unemployment and inflation to which the federal government should give a high, medium, or low priority. The highest priorities, in order, were: Reforming Welfare, Controlling Crime, Making Taxes Fairer, Reducing the Role of Government and Helping the Elderly. The only area which was clearly given a low priority was Enacting National Health Insurance.

Your suggestions to me: My constituents who responded to the questionnaire had five suggestions. Four of the suggestions are closely related, namely, trim the federal budget, vote to reduce the federal bureaucracy, balance the federal budget, and work for the fiscal responsibility of the Congress. The other major suggestion was that I continue my frequent contact with constituents through newsletters such as this, questionnaires and town meetings. All of these suggestions will have my top priority and, with your help and advice, I pledge to do the best job I know how as your Congressman.

DR. BRUCE M. RAYMOND: "HE LEFT HIS MARK"

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. VANDER JAGT. Mr. Speaker, I want to take this opportunity to pay honor to a dear, close friend of many years and a member of my congressional staff, Dr. Bruce M. Raymond, of Holland, Mich., who passed away on September 3. Dr. Raymond headed our congressional district office in Holland, Mich., for over 10 years, joining our staff in 1966. He had served in the same capacity for my predecessor, Senator Robert Griffin, from 1963–66.

For several days now I have wanted to do this special tribute to a very special friend and man. But, a recent letter and eulogy from one of Bruce's sons, Burke M. Raymond, now of Beaverton, Oreg., are far more eloquent and far more moving than anything that I could possibly write. To have a son write a tribute about his father like this is truly the greatest tribute any man could have.

I want to take this opportunity to insert that wonderful letter and eulogy by Burke Raymond. In addition, I wish to include a news article from the Holland Evening Sentinel, Holland, Mich., of September 4, 1976. Before doing so, however, on behalf of our entire staff for Michigan's Ninth Congressional District, I want to say how much we all were saddened by his death. We shall always cherish Bruce Raymond's wonderful personal relationship and close friendship. No one has ever served our Ninth District and, in particular, Ottawa County, with greater dedication, concern, and feeling. He was an extremely valuable member of our staff but, more than that, a dear, close friend.

For 13 years, Bruce served the district with great distinction. He eased the burdens and the problems of literally thousands of Ninth District residents by his effective and efficient service. He represented our congressional office with compassion and care—helping on social security matters, passports and visas, and small business loans. He became involved and became a great representative of the people in their dealings with the Federal Government. We shall all miss this great service.

I personally will miss, too, his solid, down-to-earth counsel. His great commitment to our office had a tremendous influence on our efforts to serve the people.

My wife, Carol, and I share with Hesper, Bruce's wonderful wife, and her sons their great loss. We shall all miss him very much. He was a wonderful gentleman who cared so much for people and served them so well, both as a teacher and as an outstanding public servant.

The material follows:

Beaverton, Oreg., *September 23, 1976.*

Congressman Guy Vander Jagt,
Congressional Office Building,
Washington, D.C.

Dear Congressman Vander Jagt: I would like to thank you for the very kind remarks you expressed about my dad in the Holland Evening Sentinel. Your expressions of sympathy and regard meant a great deal to my mother, my brother and I. In many ways, I think the last 10 or 12 years of my dad's life were the richest and most meaningful that he had. He thoroughly enjoyed working for you and operating your office in Holland.

The family also deeply appreciated Jim Sparling's remarks at my dad's funeral, and I would like to thank you for allowing him to take the time to come out from Washington to attend.

While Oregon is a long way from the Ninth Congressional District of Michigan, if there is any way in which I can be of service to you now or in the future, please do not hesitate to call on me.

Once again, thanks a great deal for everything.

Sincerely,

Burke M. Raymond.

Bruce M. Raymond

I'm home in my parents home to mark the passing of my dad, Bruce M. Raymond. Tomorrow my mother, brother, I and one or two old family friends will place his ashes in the ground. On Sunday next, there will be a service at the church. I have thought often this summer about my dad, and since his death on the 3rd of this month, thoughts of him have been filling my mind.

He told my mother the day before he went into the coma which led to his death, that he felt he had never had very much success in life, but that he had worked hard and could see little achievement. My dad had one great failing—he always measured his life's work by the wrong measure—economic. Helping, serving, and loving were so much a part of him that he could never see what so many others were quick to feel—his deep compassion for other people. In the measure of his community and his many friends he stood very tall indeed. To me he was almost bigger than life, although I was never in awe of him because he always made me feel good and I liked to be with him. In his final illness the President of the United States, one of his old friends, sent him a letter expressing his concern. His life was a success by the measures that count and certainly needs no justification by me.

I would like to set down some thoughts of what it was like to be his son, and a few remembrances. When I was a little boy my dad and I would go downtown on Saturday mornings, either to the hardware or the IGA store, which used to be on 8th in Holland. It always took us longer than it should because he stopped to talk to so many people, and they always seemed so glad to see him. I loved to go with him but hated to stand there while he talked. He was great at fixing toys, and telling wonderful stories about his days as a cowboy. He used to read me stories before bedtime and I never come across the Tales of Robin Hood or King Arthur and his Knights without thinking about my dad. His and my mother's love of reading passed on to me, and I bless them both for this life-long avocation.

Dad had a strong temper and my boyish misdeeds brought on swift justice, but as far as I know he never bore a grudge and it took a lot to provoke his anger. After I had gotten older I pulled some fool stunt which at the time seemed serious and I dreaded facing him. He put his arm around me and with tears in his eyes he told me he was ashamed of me. I have never before or since felt such censure.

When I was in high school and dating he would wait up until I came home. Then we would sit up and talk often till two or three in the morning when my mother would come in and send us off to bed. I treasure those talks which were far ranging. I don't remember any specifics but I know that some of my lifelong goals were set during them. It got so I would take my date home early because I know I had the best part of the evening yet ahead.

In 1947 my dad, brother and I went on a camping trip out west. This past summer when I moved with my family from Minnesota to Oregon, we camped at many of the same places. I had a lump in my throat as I showed my children scenes I first saw with my dad, and he in the hospital. My dad always told me that he loved the Black Hills of South Dakota, and so do I. While in the Black Hills this past summer, I called the hospital and unexpectedly got him on the phone. It was the last time I ever talked to him and I'm glad it was from the Black Hills.

I'm proud to be his son. People respected him. I could go anywhere in Western Michigan and people know him and accepted me because of him. He served his nation, his state, his community and he lived by the Golden Rule. He left a legacy of public service and there is no doubt in my mind that my career choice of public service is directly traceable to his life and ideals.

Once I told him that if I could be half the father to my children that he was to me, I would consider my life worthwhile. His example is always before me when I endeavor to assist my children and I must confess, I don't even measure up to the standard I set for myself.

I could write for hours about my dad, but I would always come back to the starting point. He is gone and I will miss him beyond expression for each and every day for the rest of my life.

BURKE M. RAYMOND.

HOLLAND, MICHIGAN.

DR. BRUCE M. RAYMOND, CIVIC LEADER, DIES HERE

Dr. Bruce M. Raymond, 78, of 182 West 11th St., longtime civic leader and educator, died Friday night in a local nursing home after a three months' illness. He had served as member of City Council for two terms around 1940, representing the old sixth ward.

A native of Nebraska, he came to Holland in 1925 and taught history at Hope College for 20 years, serving as head of the department. During the war years in 1943 he and Earnest C. Brooks went to Washington, D.C., to arrange for the Army Special Training Program for flight trainees at Hope College. The program remained in progress until 1944 when all such college programs were abandoned.

Later he took a position as chief of the training staff in Veterans Administration dealing with aid and GI education benefits for eligible veterans.

Always interested in government and politics, Dr. Raymond was a firm believer in bringing young people into active participation. He was well known throughout the state serving on various committees and commissions and had received appointments from Govs. Harry Kelly, Murray D. Van Wagoner, George Romney and William Milliken.

In 1963 he was named area secretary for U.S. Rep. Robert P. Griffin (now senator) and continued in that post for U.S. Rep. Guy Vander Jagt. At the same time he operated the Red Cross blood program for Ottawa County until a few years ago.

Shortly after World War II he served as secretary to the Michigan Colleges Foundation when it was founded.

Dr. Raymond served on the Charter Study Commission which led to the present charter in the early 1950s. He was chairman of the Ottawa County Republican committee for two years, member of the Michigan State Central committee for six years and was a member of the Michigan Constitution Revision Study Commission. He was a delegate from Michigan's 5th district to the Republican National Convention in 1948.

He was a member of Hope Reformed Church and had served on the consistory. He also was a member of the Century Club and Men's Professional Club of Holland.

He was born July 20, 1898, in Utica, Neb., and received bachelor, masters and Ph. D. degrees from the University of Nebraska. His doctoral dissertation was on "Nebraska's Constitution, An Historical Study."

He taught history in a Tulsa, Okla., high school for two years before coming to Hope College. In addition to his teaching, he served as business manager at the college from 1946 to 1949.

In 1924 he married Hesper Bell at Lincoln, Neb., and they celebrated their golden wedding anniversary two years ago.

Surviving are the wife and two sons, Roderick of Grandville and Burke of Beaverton, Ore., and seven grandchildren.

It was Dr. Raymond's wish to be cremated. A memorial service will be held later in Hope Church.

BILL TO PERMIT INDIVIDUALS WHO HAVE RETIRED ON DISABILITY OR WERE ENTITLED TO RETIRE ON DISABILITY TO CONTINUE TO BE COVERED BY THE SICK-PAY EXCLUSION AS IT EXISTED PRIOR TO THE TAX REFORM ACT OF 1976

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FISHER. Mr. Speaker, although I voted for the Tax Reform Act of 1976 and strongly supported many of its reform measures, I did so despite my strenuous objection to particular sections of the bill.

One of those sections which I strongly opposed was the change made under the bill to the so-called sick-pay exclusion from income for disability payments received. After an initial waiting period, the sick-pay exclusion as it existed prior to passage of the Tax Reform Act permitted an employee to exclude from income up to $100 per week received under wage continuation plans when he is absent from work on account of injury or sickness.

The tax reform bill retains the maximum annual exclusion of $5,200 for disability payments but establishes new requirements which a taxpayer must meet in order to qualify for the exclusion. First, beginning with this taxable year, the sick-pay exclusion will be available only to taxpayers under 65 years of age who are permanently and totally disabled. Permanent and total disability is defined in the conference report to require that a person be unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be reasonably expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. In addition, the conference report indicates that proof of disability must be sustantiated by the taxpayer's employer who must certify that the disability status assigned to the individual was approved under procedures acceptable to the Internal Revenue Service.

Of perhaps even greater importance to residents of northern Virginia is a second additional requirement that reduces the amount of the $5,200 exclusion on a dollar-for-dollar basis for each dollar of the taxpayer's adjusted gross income in excess of $15,000. Thus, a disabled retiree would no longer be entitled to any portion of the $5,200 exclusion when his adjusted gross income reaches $20,200 or more.

Although abuses of current law occurred when certain individuals were improperly classified as disabled on retirement simply to obtain the benefits of the exclusion from income, nonetheless, I feel that Congress has overreacted to this situation by penalizing those who had legitimately retired on disability in reliance on the current income tax treatment of "sick-pay." Instead of urging that the standards to be met in order to qualify for disability status be tightened at the employer's level, the approach adopted in the bill fixes a rigid standard in the tax laws which has the effect of changing the conditions under which a substantial number of disabled people had previously retired.

Moreover, the income ceiling of $15,000 deals a particularly cruel blow to residents of a high cost-of-living area, such as northern Virginia. Worse still is the effective date of the new provision, which applies to this taxable year and all subsequent years. Thus, individuals who relied upon current law in preparing their estimated tax return may find that they owe a whopping tax bill at the end of the year because of this retroactive change in the law.

To remedy this harsh result, Mr. Speaker, today I am introducing a bill that will enable those who have retired on disability on or before October 1 of this year or who were entitled to retire on disability as of that date to continue to receive the $5,200 annual exclusion for disability payments or sick-pay received. The income ceiling would not apply to those covered by this rule.

Furthermore, my bill will promote equity under the tax laws by placing civil service and private disabled retirees under roughly the same standards as military retirees. Under the Tax Reform Act as passed, all those who had joined the Armed Forces as of September 24 of last year will continue to be protected under the law as it existed prior to enactment of the Tax Reform Act. I sponsored the move to protect all servicemen and would like to extend this principle of fairness to include retirees from civil service and private employment, who retired on disability partially in reliance on the income tax treatment of sick-pay and disability as it was prior to the Tax Reform Act. I believe that fairness and equity dictate that they not be penalized because of a change in the tax laws, but instead that they be permitted to receive the benefit of the "sick-pay" exclusion from income without regard to the new standards or the income ceiling, if they were retired or entitled to retire as of October 1 of this year.

TOWN OF BROOKLINE EFFECTIVELY USES 701 COMMUNITY DEVELOPMENT FUNDS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DRINAN. Mr. Speaker, the Housing Authorization Act of 1976, which passed the House of Representatives and Senate in August, and which was enacted as Public Law 94–375, will provide for the continuation of a number of housing and community development programs.

Section 3 of Public Law 94–375 authorizes $100 million for fiscal year 1977 under section 701, the comprehensive planning grant section of the Housing Act of 1954.

I offer an example of the effective use of 701 funds for comprehensive planning in the town of Brookline, Mass.

Brookline, a town in Metropolitan Boston, consists of both urban and suburban neighborhoods. With the need to guide growth and preserve the town as a residential community, the town established a planning board and in 1959 prepared a comprehensive plan. The plan was designed as a framework for local decision-making on various issues and policies related to community development.

The town's comprehensive plan has been revised since its inception. The revised version takes into account the changes within the town and region, and the new emphasis on local administration of State and Federal programs.

Members of Congress who represent cities or towns receiving 701 funds may be interested in reading three recent publications prepared by the Brookline Planning Department. I call your attention to the "Comprehensive Plan Revision," a 56-page booklet which outlines goals, policies, implementation plans, and evaluations. Also available is a 44-page handbook, "Fixing Up Older Houses." This is a manual for the layman dedicated to conserving and enhancing the quality of the townscape. The third publication is "A Guide to Environmental Design Review," which deals with the visual quality of new construction and with commercial facade renovations. This is 37 pages.

Requests for these publications may be addressed to Mr. John Woodward, Director of Planning, Town Hall, 333 Washton Street, Brookline, Mass. 02146.

A letter from Mr. Robert C. Cochrane, Jr., chairman of the board of selectmen of Brookline, further explains the significant activities made possible through the allocation of funds through section 701.

BROOKLINE, MASS., *March 17, 1976.*

Congressman ROBERT F. DRINAN,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: We have been informed that Congress is once again deliberating the future funding level of the 701 Comprehensive Planning Assistance Program. Brookline became eligible for 701 funding in 1973, and since that time this Program has become an integral component of Brookline's planning efforts. Some of the significant activities which our 701 funds have supported include:

Completion of a residential cost-revenue study which outlines comparative fiscal impacts of various types of residential development;

Formation of a broad-based citizen's group, the Comprehensive Plan Review Commission, to help the Planning Board revise the Comprehensive Plan;

Technical assistance to neighborhood groups involved in a major re-zoning and strengthening of development controls for Brookline's residential neighborhoods;

Encouragement of female and minority job opportunities in the planning profession;

Preparation of residential rehabilitation guidelines, *Fixing Up Older Houses*, a document currently serving as a key handbook in a neighborhood rehabilitation program;

Preparation of a booklet for merchants and commercial property owners explaining Brookline's environmental design review procedures and providing commercial renovation guidelines;

Analysis of data processing operations and preliminary design for a municipal urban information system, and

Major revision of the Town's Comprehensive Plan with emphasis on evaluation and implementation.

Comprehensive long-range planning is vital to the continued viability of older urban communities such as Brookline and an effective means for addressing local and national goals. The public awareness of planning issues and the planning process which resulted from Brookline's first Comprehensive Plan in 1959 helped to generate a number of significant accomplishments:

A public recognition of the housing needs of low and moderate income households, resulting in an increase of subsidized units in Brookline from 338 in 1959 to 1,425 in 1975 (230 additional units now under construction);

Provision of several major public facilities (schools, parks, libraries, etc,) through 6-year capital improvements programs;

Completion of a Community Renewal Program which generated an orderly scheduling of community improvement activity, including a major urban renewal project, two concentrated code enforcement programs, and a neighborhood improvement program (currently funded by Community Development funds), and

Adoption of innovative environmental impact and design review regulations.

After last year's reduction in the 701 appropriation from 100 millon to 75 million dollars, HUD is now requesting a funding level of 25 million dollars. Approval of such a low level of funding would essentially eliminate the Comprehensive Planning Program for our large older cities. We are aware that various proposals have been advanced which would restore the 701 program to a full funding level of 125 million dollars. Based on our positive experience with the 701 program specifically, and with comprehensive planning in general, we urge your support for these proposals and appreciate your previous efforts in maintaining an adequate funding level for this important program.

Sincerely yours,

ROBERT C. COCHRANE, Jr.,
Chairman.

THE LAW OF THE SEA CONFERENCE

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RUPPE. Mr. Speaker, on September 17, 7 weeks of negotiations were concluded at the fifth session of the U.N. Law of the Sea Conference. The revised single negotiating text, a document containing over 400 articles codifying a comprehensive legal regime for the oceans, was discussed but there was no resolution of any of the few remaining issues.

A general assessment of the Conference leads me to the conclusion that the 7 weeks of talks produced no meaningful progress. The primary reason for this deadlock seems to be lack of trust among the 156 nations participating in the Conference. Ambassador Engo of the Cameroons, the chairman of committee I dealing with the key issue of deep seabed mining, stated that there was a "crisis of confidence" among the conference delegates which prevented substantive progress. This crisis of confidence or lack of mutual trust, stalled the negotiations from both a substantive and procedural standpoint.

In any negotiation between two or more parties, whether it be for the sale of an automobile or the development of a comprehensive legal regime for the oceans, there must be mutual trust between the parties. Each party must believe that the other will live up to his side of the bargain after the bargain is struck.

In the negotiations on deep seabed mining the less developed countries did not believe that the developed countries would live up to their promises to share the wealth of the seabed with all of mankind. As a result, the less developed countries insisted on absolute control of the international organization regulating the mining of the seabed. In contrast, the developed countries believed that if the other side had control of the regulatory machinery they would not allow them to mine the deep seabed under reasonable terms and conditions. Thus, the developed countries insisted on an international body either controlled by them or with no real power.

In negotiations with many participants, such as the Law of the Sea Conference, the only way to reach compromise solutions is to have them discussed in small representative groups and then have them presented to the general membership for ratification or rejection. During the spring session of the Conference, negotiations on the deep seabed mining issues occurred in such groups. While it was intended that the composition of these groups would be representative of the widely divergent interests of the Conference, many parties who did not participate in the small groups charged that their interests had not been represented.

Those charges and bad feelings carried over into the summer session. The parties which had been left out of some of the small group negotiations in the last session insisted that they be allowed to participate in all negotiations in this session. Consequently, in deference to their wishes, all negotiations this summer were conducted in the open in large groups. Unfortunately, this forum is not conducive to meaningful negotiations.

Another situation which caused backlash and lack of progress at the summer session was the scheduling of the summer session on short notice. Many countries believed that they needed several months to analyze the spring revision of the single negotiating text. However, due to the insistence by those countries who believed that real progress had been made in the spring session and who wanted to maintain that momentum, the summer session was scheduled to be held only 11 weeks after the conclusion of the spring session.

In scheduling the summer session, many countries had to be pressured into agreement. As a result, they carried a feeling of having been manipulated into agreeing to the summer session. Consequently, they had neither the proper attitude toward the negotiations, nor adequate time to analyze the revised text and formulate their national positions.

I am distressed by these developments. After the spring session, I was optimistic that the international community could come to an agreement on the issue of mining the deep seabed for the benefit of the common heritage of mankind and then could reach agreement on the other remaining, less contentious, issues. The conclusion of a comprehensive international agreement would have satisfied the needs of the U.S. mining industry and would have been a great step toward international peace through law. In response to this optimism, I did not encourage the enactment of deep seabed mining legislation.

The summer session holds out a dim prospect for future successful negotiations. However, the needs of national security dictate that this Nation promptly move forward to promote the orderly development of domestic hard mineral resources and lessen our dependence on foreign sources for these resources. I believe then it is unwise to continue to withhold congressional support for our own mining industry. Therefore, early next year I intend to sponsor legislation that will provide U.S. industry with security of investment so that industry will proceed with the mining of the deep seabed.

CARDINAL COOKE ON THE QUESTION OF ABORTION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, whatever an individual's view on the question of abortion might be, certainly all agree it is a controversial issue that virtually divides this Nation down the middle.

His Eminence, Terence Cardinal Cooke chose the subject for his homily at the Red Mass at St. Patrick's Cathedral, Sunday, September 26, 1976. His comments to the congregation are a cogent explanation of the position of the Roman Catholic Church in the question and a clear discussion of the philosophical position on the issue that has nothing to do with the politics of religion.

While abortions are now permitted, the question of just when life starts, and hence when right to life begins, has not been definitively settled in the law, but for millions of American Catholics and for millions of other Americans of various religious persuasions, abortion is wrong. Yet for millions more, the right of the mother exceeds any right, real or imagined, of the unborn.

The controversy is there, of that there is no doubt. For this reason, I am including in the CONGRESSIONAL RECORD, Cardinal Cooke's remarks as a sound, reasonable contribution to the debate on the subject meritorious of everyone's attention:

STATEMENT OF HIS EMINENCE, TERENCE CARDINAL COOKE

In this Bicentennial Year, every American is challenged to reaffirm the commitment to the safeguarding of human dignity and the defense of human rights on which our nation was founded. The Declaration of Independence expressed a basic truth of our Judaeo-Christian heritage—"that all men are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness." The history of our country has been the story of a young nation engaged in demanding efforts—and sometimes heroic sacrifices—to guarantee to all men and women their fundamental rights. There is a strong connection between moral conviction and participation in the democratic process.

In recent weeks there has been some confusion about the role of the Church in speaking to basic human issues as they are debated in an election year.

I wish to state clearly that it is true that the Church is not endorsing or approving political candidates. It is true that the Church does not favor one political party over another. It is true that the Church is neutral in these matters. However, it is also true that the Church is not neutral with regard to basic human rights and especially the right to life of the unborn child.

In the present tragic situation of abortion-on-demand in our country, we cannot be neutral and we hope that the elected representatives of both parties will face up to this situation in the next Congress. The American people cannot afford to be silent when more than one million unborn babies are destroyed each year. We do understand the anguish of women who are pregnant and do not wish to be pregnant. Our hearts reach out to them and we must help them in every way we can. We must give them our understanding and compassion, as well as supportive social services. We should provide for adoption if that is what they want or for the right to keep their child with honor. We must create a society in which, no matter what the circumstances, expectant mothers should have every protection this world can provide.

But so should unborn babies. It is inhuman to kill them, and that is what abortion is: "the killing of a child."

Due to the decision of the Supreme Court of January 22nd, 1973, an Amendment to the Constitution is now necessary to give maximum protection to the unborn child. Such legal protection of human life at every stage of its existence is imperative to guarantee that "this nation, under God, shall have a new birth of freedom," and that everyone, including unborn children, will enjoy full protection of their unalienable rights.

MORE ON NIH-SUPPORTED RESEARCH ON CATS AT THE AMERICAN MUSEUM OF NATURAL HISTORY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KOCH. Mr. Speaker, the experimentation on cats at the American Museum of Natural History in New York City is one issue that continues unabated. I refer to my RECORD statements of June 29, page 21182, July 21, page 23233, August 10, page 26850, August 23, page 27178, and August 24, page 27533. Because I think it helpful to the citizenry at large including lay persons as well as the scientific community to have NIH's point of view, which I do not necessarily agree with, I am setting forth my most recent correspondence. The following letters are subsequent to those I placed in the August 24 RECORD, page 27533:

AUGUST 23, 1976.

DR. DONALD FREDRICKSON,
Director, National Institutes of Health,
Bethesda, Md.

DEAR DR. FREDRICKSON: Because of my interest in preventing unnecessary cruelty to animals, together with Representative Edward Pattison I have introduced HR 11112, a bill that would establish a Commission on the Humane Treatment of Animals.

There are those who would end all animal experimentation of any kind no matter how important that research may be for the legitimate benefit of mankind. I am not among those, but I believe we must look at the merits of basic research vis-a-vis the treatment of animals used in that research and weigh whether the experimentation is conducted in the most humane procedures possible.

What I am wondering is how much research has there been done in developing substitutes for animal experimentation that yield equally useful test data? Could more work be done in developing these alternate forms of experimentation that do not involve animals? If so, is the National Institutes of Health authorized and willing to begin such a study? If legislation is needed to originate this study, I would appreciate your comments on how you think I should proceed.

Thank you very much for your assistance.

Sincerely,

EDWARD I. KOCH.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PUBLIC HEALTH SERVICE,
Bethesda, Md., September 15, 1976.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in reply to your letters of August 9 to Secretary Mathews and of August 16 and 23 to me concerning the research supported by the NIH at the American Museum of Natural History in New York City and the development of substitutes for animals in biomedical research.

When questions were raised recently concerning the treatment of animals in the American Museum project a special inspection was requested of the United States Department of Agriculture, which administers the Laboratory Animal Welfare Act. Also a site visit of the project was conducted by Dr. William A. Sadler and two consultants for the National Institute of Child Health and Human Development on August 5. The site visit team prepared a report which I enclose for your information. In no case were allegations of mistreatment or improper experimentation substantiated. In fact, some of the research procedures complained of, such as causing blindness and deafness in cats, have never been done.

The following information is in response to your specific questions about the necessity for the research project at the American Museum and the benefits which have been derived from it.

First, we believe that studies of reproduction and the reproduction process are essential to permit men and women to regulate their fertility and to prevent, cure, or alleviate infertility and reproductive diseases. Development of oral contraceptives was possible only after development of extensive basic knowledge about the endocrine system, glandular function, and reproductive hormones. Increased knowledge of the relationships among the brain, nervous system, and sexual behavior may lead to comparable improvement in control of reproduction.

Second, one measure we have of the validity of basic research is its acceptance for publication by scientific journals.

These journals review submitted articles carefully and publish only those which add significant and new information in their subject field. Dr. Aronson is a pioneer in the development of procedures for the quantitative evaluation of sexual behavior. He has published more than 90 articles in scientific journals, most of which have addressed the manner and extent to which reproductive functions are controlled by the nervous system. In his research on cats, Dr. Aronson has investigated the roles of the brain, peripheral nerves, sex hormones, and environment in the control of reproductive functions.

The development of new and more effective research methods is a constant concern of scientific researchers. Research project review systems and competition among scientists are powerful motivating factors for scientists to use the best possible methods for carrying out their research. Within the past two decades, scientists have developed and brought into common use many new research methods, including tissue and organ culture, computer simulation, and laboratory procedures requiring complex instrumentation such as electron microscopy, mass spectrometry, nuclear magnetic resonance spectroscopy, X-day crystallography, etc. These methodologies have reduced the use of animals in some types of research, but to a much greater extent they have been used in combination with animal research to learn much more about life processes and the control of disease than would have been possible had the range of research methods been restricted in any way.

The National Institutes of Health is making efforts to make research not involving the use of animals more effective and more available to the general scientific community. The Division of Research Resources of the NIH, through the Biotechnology Resources Branch, is deeply committed to supporting efforts to bring powerful instrumentation, such as digital computers and physical science and mathematical expertise, within the reach of the average biomedical scientist.

NIH policy, together with the inherent desire for scientific effectiveness, efficiency, and economy, will continue to foster the changes that are both necessary and compatible with your position on this complex matter. Thus, the development of new techniques and research methodologies continue to come about as a normal part of the ongoing biomedical research effort. We should anticipate this type of evolution in the future.

Although addiitonal effort could be expended in this area, we do not feel special authorization is necessary for the NIH nor that a special study on developing "alternative forms of experimentation," per se, is necessary. Such increased effort would be in the context of the overall NIH activities previously described.

Thank you for the opportunity to comment on these matters.

Sincerely yours,
/s/ Donald S. Fredrickson, M.D.
DONALD S. FREDRICKSON, M.D.,
Director.

Enclosure.

MRS. PHYLLIS ROBERTS SPEAKS OUT IN FAVOR OF FAMILY VIEWING

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WAXMAN. Mr. Speaker, the House Subcommittee on Communications very much wanted, in its hearings on the family viewing policy, to receive testimony from as many citizens and civic groups as possible. We were especially pleased to hear from Mrs. Phyllis Roberts, president of the California American Mothers. In carefully measured but emphatic terms, Mrs. Roberts eloquently stated the case for family viewing. She is someone who is deeply concerned about the future of the family in America, and about the forces in our society which undermine family ties. Mrs. Roberts welcomes family viewing as a long-needed reassertion by the networks of traditional good programing practices.

Mr. Speaker, I very much believe we need, in evaluating the family viewing policy, to listen carefully to what Mrs. Roberts has to say. An edited version of her testimony before the subcommittee follows:

PRESENTATION BY MRS. PHYLLIS ROBERTS, PRESIDENT, CALIFORNIA AMERICAN MOTHERS

Mrs. ROBERTS. I am Phyllis Roberts, and I am President of the California Mothers, and I am here just really to speak on behalf of our children. I think our children are America's far most valuable asset.

With all due respect, I would like to preface my remarks with the observation that I feel like a lone voice crying in the wilderness, appearing as I am on this roster with the group, the Gay Task Force, which kind of bothered me as to some of their comments, and the Adult Film Association, a group that is showing film in my community, to which we are working against. It is one of those things, and it has been quite an education for me, and I feel very humble being in this particular group.

I was also disturbed, as I was preparing some notes, to find that my friend, Police Chief Davis, wasn't going to be with us, because I think Davis could have given us a lot of good information. And as a mother, and working with our Police Department in North Hollywood, in our Police Community Council, I know that we need our police to work with us in various problems.

Nevertheless, I am grateful for the opportunity to present some of my views, and I firmly believe that the family is the cornerstone of our American life, and that our children are our most precious national resource.

As a parent, I am the parent of two adopted children. I have four grandchildren. There are six children who, for various reasons, got mixed up and messed up in their lives, who came into our home and, for various reasons, made their home with us, and so really, all of the years I have been married, I have had someone's child in my home, and I still have a 13-year old grandson that I am raising.

And as I see our needs, I feel that the American mothers need to be speaking up with some authority on what is going on.

I think that on the question of our sex and our violence, it concerns me deeply. You know, why do we need to go out with sex and not maybe do it gently, or maybe do it firmly, but do it with good taste. Why does it have to be vulgar, as much of it is being presented on many of the programs? And I think the same thing with violence. This concerns me, too.

You know, if you see a man strike a woman in a picture, knocks her back into a chair, and it is a father, and I am sure these things are happening; but how much better it would be for the child to think that the normal standards would be for father to kiss mother and sit down and discuss it with her, instead of the violence that we see, and of course, we do see violence through our police things, and some of it is necessary, and maybe some of it isn't, but I think we need to be building moral standards for our children.

I am particularly concerned about the use of sex and violence on television during the early evening hours. Someone this morning said, why did we have to say that we should have watching in the two hours in the evening? Why wasn't it all day?

Well, all day, I find that by the time I get up and get a grandson off to his school, and I get off to my own business, and I am there all day and pick him up after school and get home and have dinner, that it is very nice for the family still to be able to sit down and look at some television, since we have quite a few places we can choose from, that is not violent. It is things that our teenager can look at and we can look at and still enjoy it together as a family and there isn't the violence.

This is a time when parents and children should be able to sit down and enjoy it as a family, without running the risk of being exposed to off-color material, sexual innuendo and violent acts.

And I am thinking on this sexual innuendo, a show the other evening. My grandson said to me can we look at a certain thing, and we did. The thing ended up with the husband and wife embracing, and the wife said, "Shall we go upstairs?" And the usual looks, and this type of thing, and then she began clearing the table, and the man said to her, "What? Clean the table now?" And she said, "Yes."

My little grandson, who is 13, said to me, "Grandma, what is she clearing the table for? What does she mean?" "Oh," I said, "I guess she just doesn't want dirty dishes left there in the sink," and turned the set off.

But you know, a little later, it is going to mean more to him if he is involved, and I feel that that was unnecessary to have that kind of an ending to what hadn't been too bad a thing all the way through, but why end it with that kind of innuendo? That was the thing I didn't like.

There is a question that television has the power to present a false sense of reality to children. Those of you who are parents know that young children look at TV and they see that it is real life, and I think that is very true of children.

Kids see something, and then they go out and they try to do it. They can't distinguish between facts and fiction. They accept that what they see is the truth, and they are affected by it.

This applies to bad language, and I think bad language is one of the things we need to clear up with television, promiscuity and adulterous situations, as well as to murder and mayhem. When television treats marriage and personal relationships in a frivolous way, children get the impression these institutions are unimportant. When children see violent situations dramatically portrayed on TV, they react with overly aggressive behavior. In fact, some even copy the methods of behavior that they learn from TV.

I feel TV broadcasters made a responsible step forward last fall when the family hour was instituted. Now, at least the American family can count on two hours of wholesome television each night. I don't see this as censorship. It is a responsible action that should be commended.

And I am going to say just this, since people have been talking about censoring. In 1967, my community began having many houses of prostitution coming in. We began having these theatres coming in, so we got our city together, and we called a meeting, of which we really could get no response. And different ones, particularly the churches, said, it isn't really our business to be in this; it isn't our business to get out and protest.

Now, since 1967, we have our churches taking their turns, because now we have 26 houses of prostitution. Now, we have six places where they are showing adult films. Now, our churches are taking their nights, and they are picketing, and they are picketing to the place that we have gone from 26 prostitution places down to 16. Why? Because they began to see what was happening to our community, that we are bringing in the people we shouldn't be bringing in, and it was doing a thing to our community of bringing it down, and I feel that way with our television; that we don't need to censor maybe 24 hours, but I feel that two hours out of the day to ask for films where it is maybe uplifting, it is family relationship together, it is the best time of the day with your children, and that certainly is not too much to ask, regardless of how they go about deciding that it is going to be censored or not.

I was thinking, too, about our censorship. We had the newsracks. Now, when we talk about our government being a government that has freedom of press and freedom of speech, and we used to have our little fellows in the street selling the press, selling the papers, freedom of press.

The freedom of the press didn't mean the freedom to write filth, and to sell it on the streets to children, and I was never into this thing with the newsracks until one day, I saw some children put a quarter in the newspaper rack in front of our Post Office. A couple of nights later, as I saw those kids go up the street, they went up to the park. A couple of nights later, I went to a restaurant where that particular paper had been left lying on the table at which I saw, and as we sat down, I said to my husband, "Oh, my gosh. I hope nobody think we brought that in here," and I folded the thing up and put it in my purse.

A couple of days later, I was looking at the thing, cleaning it out and thought I would throw it in the fireplace, and I opened it up and began to realize what those kids coming from school had picked up in the freedom of the news racks. They had picked up a paper that was dirty. For one thing, it had six pages of advertising women's pictures for prostitution in the thing.

And since then, we have now gotten out, now we are getting rid of the news racks. Why? Because our own people didn't go ahead, as people of the press, and see to it that news was kept clean that was on the street for the public to view, and if you are not going to keep it clean, then we are going to have to get out on the street and we are going to have to clean out the newsracks and, as you know, Beverly Garland, who happens to be a personal friend of mine, has been working in our community, and you have probably seen her on TV.

And as you know, North Hollywood has the distinction of printing 75 percent of all pornography that is sold and published in the United States, and that is really quite something.

One of the men making a delivery to my business, which happens to be automotive, and I have been in the automotive business for almost 45 years there, and it is one of those things. He said to me, "I just came from delivering this whole truck load of paper up there." He said, "You know, I feel badly every time I go in and I see the paper going into this, when there is supposed to be a shortage of wood and a shortage of wood pulp," but we do have that in our area.

But the public has misused the freedom of the press. You know, by now, we sell on the streets, instead of the press, which is our Times and our Herald and all, which are good papers, this filth for kids, so now it is time for people to speak out.

And I think it is this way with our television viewing. We need to speak, whether it is for one type of a way to give us good viewing or another. Whatever we are going to have to have, I think we need to use it.

So, I ask you now, can anyone be hurt by two hours of each night of good family-type entertainment? I have even heard some critics contend that the family hour robs parents of their prerogative to monitor their children's viewing habits. Let's use our common sense. The family hour doesn't infringe on parental authority in any way. It is a simple and a valuable aid to parents in carrying out responsibility, to guide their children to wholesome television viewing.

I think it is time producers and writers recognize that the American public wants wholesome TV fare. It is time these creative people accept this as a challenge to produce better programming. Perhaps it is harder to write a clean joke than a dirty one, but it isn't impossible.

The creators of "I Love Lucy" did it successfully for years, and I particularly put this in and thought of it, because the other morning I was home, and Kenneth said to me, "Grandma, will you sit while I look at the show I want to see?" And I said, "Let's see it." It was "I Love Lucy," and I hadn't looked at one in a long, long time, but I couldn't help but think of the comedy that they were able to portray without using filth, and all of them had all their clothes on. That was kind of startling, too.

The networks and stations who subscribe to the family hour provision have recognized their responsibility and acted on it. Now, it is time for producers and writers to do the same.

If all the time and energy that is being expended in attempts to destroy the family hour were to be redirected to the production of quality programs for families, we would have a bonanza of fine entertainment coming into our living rooms.

Remember, we reap what we sow. If television presents a wholesome image of life to the children, it will be reflected in their lives as they grow and mature into productive adults.

Television is a powerful medium which not only can but should be used to support wholesome family values. The future of our country does depend on it.

And gentlemen, I thank you for giving me the opportunity to come and speak before you. The American Mothers, if you don't know, is the group nationally that picks the Mother of the Year for the United States. If you know anything about the Mother of the Year, you know that the mother must be a woman who has not ever been divorced. Her children must be children who have a very good record. They must have accomplished considerably within their years, and it is just amazing what these mothers have been able to send in when they are applying for the position of Mother of the Year.

And, of course, we find that she must be a woman who not only participates within her home, but she must belong to a church or a synagogue, and she must be a mother that is always a credit to her community, where she does community service, and we prefer a mother who has done state service, and, of course, it is great when they have also been involved in some national service.

The Mother of the Year for California this year is a woman that is just a tremendous woman, Mrs. Lothian, a woman who was raised in the Salvation Army work. However, her whole life has been given, and she at one time was in Washington, D.C., in the Capitol Building there, as one of the leaders throughout the world for the oil industry, and she still is a producer of an oil paper, and she is a woman 77, who has such a beautiful background.

And it is a beautiful experience to work with these American mothers, because we are finding what wonderful mothers America has, and we are finding what wonderful, wonderful children are in families, and so this is a real experience, and let's keep America that way.

Thank you.

U.N. SECRETARY-GENERAL WALDHEIM INAUGURATES THIRD WORLD ECONOMIC CENTER IN MEXICO CITY

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HAWKINS. Mr. Speaker, on September 14, 1976, the United Nations-affiliated Third World Centre for Economic and Social Studies was inaugurated in Mexico City. The center is a result of the creative efforts of President Luis Echeverria of Mexico to further through understanding and education the advancement of the peoples of the Third World, thus at the same time promoting peace in the world. On this occasion Dr. Kurt Waldheim, the U.N. Secretary-General, made the inaugural statement, which follows:

STATEMENT BY SECRETARY-GENERAL AT INAUGURAL CEREMONY OF CENTRE FOR THIRD WORLD ECONOMIC AND SOCIAL STUDIES

Following is the text of a statement made today by Secretary-General Kurt Waldheim at the inaugural ceremony of the Centre for Economic and Social Studies of the Third World in Mexico City:

In June 1975 we met at this site to lay the cornerstone of the Centre for Economic and Social Studies of the Third World. Today I am here again, at the kind invitation of President Luis Echeverria Alvarez, for the inaugural ceremony of the Centre.

I should like to take this opportunity to pay special tribute to you, Mr. President, for your vision and wisdom in proposing the creation of this Centre. It is entirely through President Echeverria's energy and dedication that this project has been successfully completed within such a short period. His initiative in this regard will be of profound consequence for the developing countries and for the cause of international co-operation.

The relationship between the United Nations and the Centre for Economic and Social Studies of the Third World is not limited, however, to formal ceremonies. It began with the preparatory studies that preceded the establishment of the Centre. And an agreement between the Centre and the United Nations Development Programme was signed a few days ago to carry on this collaboration into the operative stages of this institution.

It is very appropriate that the Centre for Economic and Social Studies of the Third World has been located in Mexico. This country under the distinguished leadership of President Echeverria sponsored the Charter of Economic Rights and Duties of States, which was adopted by the General Assembly of the United Nations and has become one of the basic documents for the establishment of the new international economic order. Both the Charter and this Centre are in the traditional mainstream of Latin American contributions to a better understanding among nations.

It is very fitting, too, that the inauguration of this Centre coincides with the meeting in this city of the high-level Conference on Economic Co-operation among Developing Countries. The aims of that meeting fall perfectly within the activities of the Centre which, I am sure, will come to be a valuable instrument for giving practical effect to the principles of the Charter of Economic Rights and Duties and the new international economic order.

For more than 25 years there has been an unprecedented concentration of research and study of the problems of developing countries in international and national agencies and in the academic community. However, our perceptions keep changing because circumstances also change rapidly. We also keep discovering new dimensions to old problems. So it is imperative that we continue to reappraise our development objectives, the best means to attain them, and certain of the underlying assumptions which have been taken for granted for many years.

We now ask ourselves, for example, whether human well-being and social equity, which should be the ultimate goals of economic development, have received the attention which they deserve. We no longer assume that the benefits of increased productivity will be transmitted automatically to the more disadvantaged groups of the population. We have seen, in certain countries, very rapid progress being made in basic services, such as health and education, at very early stages of the development effort, even as per capita income remains at a very low level. We wonder why this does not happen more frequently. With uncontrolled urban migration and the attendant problems of idleness, we begin to feel that job creation, both in the rural and the urban areas, has not received the priority it deserves.

Under these circumstances, I feel that this Centre could provide invaluable service. It could develop new knowledge through extensive exchange of experience related directly to third world conditions. Indigenous solutions to such problems as technology, social organization and institution-building can develop, not just as an extension of existing patterns in industrial countries, but as spontaneous creations of third world thinking and experience. I am sure your Center will establish wide contacts with other academic and research institutions in the developing world and will, no doubt, also call on the resources of appropriate institutions in the industrial world.

For our part, we in the United Nations are looking forward to a close co-operation with this newly established Centre. As you are aware, over the past few years, the United Nations has organized a series of global gatherings to consider various crucial aspects of development. These events include the world conferences on environment, population, industrialization, trade and development, the role of women in society, employment and human settlements. In the course of preparing these conferences, a significant body of analysis and knowledge has been developed. The world organization is now engaged in following up in a coherent manner the programmes of action which were adopted at these conferences to give content and shape to the principles agreed upon. If there is one thread which has run through all the conferences, it is that in today's world it is not possible to look at these different aspects of development in isolation one from the other. We are more and more aware of the interrelationships which bind them together and which must be fully understood if we are to move ahead and tackle any one of them successfully. You may be assured that the United Nations system, with all the capacity for research and analysis at its disposal, will be more than ready to enter into mutually beneficial relations with your Centre.

I am confident your quest will be productive. And I hope your enquiries will extend to the most delicate aspects of the political, sociological and ideological content of development policies. The belief that purely economic solutions could be applied to all situations is partly responsible for our present predicament.

We may well be at a crossroad in our global development effort. We in the United Nations will follow with great attention and real expectation the growth of this new addition to the wide network of development institutions. We view it as a place of learning, understanding, co-operation and hope. It is in this spirit that I extend to the new Centre my warmest and very best wishes for success in the accomplishment of its important tasks.

TELECOMMUNICATIONS POLICY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HOWARD. Mr. Speaker, within the last several months, over 150 Members of the House and Senate have sponsored legislation addressing itself to far-reaching policy in the area of telecommunications. While I have not taken any position on the matter, I have watched developments with interest in anticipation of congressional action next year. Two articles recently appeared in the New York Times and the Wall Street Journal which I call to the attention to my colleagues:

[From the New York Times, Sept. 12, 1976]

A BILL WITH A HIGH PRICE TAG

(By Dr. Carol Halpert Schwartz)

Special-interest bills are not an unusual occurrence in Congress, and the latest whopper is the so-called "Consumer Communications Reform Act of 1976," for which the telephone industry is lobbying under the cloak of consumer protection.

The design of the bill is to limit and eventually submerge any competition in the industry and to weaken the powers of the Federal Communications Commission, the agency responsible for interstate communications policy and regulation. According to the industry journal, Telephone, more than 125 Congressmen have already agreed to sponsor it.

Bell System companies and the smaller independent telephone companies were originally granted monopoly privileges in their franchise areas for the provision of basic telephone service. But in recent years the industry has reached far beyond plain old telephone service, and numerous companies have sprung up to offer new telecommunications services, systems and equipment. These new "interconnect" companies have innovated and provided special services and equipment, but they still plug into the basic nationwide telephone network. The F.C.C. has upheld the entry of new companies into the special service and equipment area despite A.T.&T. resistance and cries, of "contrived competition."

The benefit of the existence of even potential competition was recently in evidence on the Island. A recommendation was made to Suffolk County that rather than rent its communications equipment from New York Telephone, it should buy its own equipment from another company. Experts estimated a $30 million saving over 10 years and discussion of plans for the purchase of phone equipment were made public.

Two months later, the New York Telephone Company responded with a revised communication system for Suffolk County offices, estimating savings of $819,000 in the first year. Whatever plan Suffolk eventually chooses, Suffolk taxpayers should reap tax savings from this introduction of the competitive spirit. Snuffing out the chance for competition in similar situations would stifle attempts to maximize efficiency and further reduce the alternatives available to the purchaser of communications equipment or services.

A.T.&T. and the United States Independent Telephone Association are now justifying their cry of "no competition" in the name of consumerism. The industry argument maintains that business rates have traditionally subsidized basic exchange rates of residential users. If new companies are allowed to compete in business-related services and equipment, the argument goes, they are "skimming the cream" from the industry, the subsidy will no longer be operative and residential phone rates will skyrocket. Therefore, abandon any form of competition, leave the entire telecommunication industry to the orbit of the Bell system and save the day for the poor residential users so that they may enjoy being subsidized by business.

The presentation of the subsidy concept has been advanced by A.T.&T. via its own studies and data. Refutation is extremely difficult since A.T.&T. determines the manner in which cost and operating data are assembled and assimilated. The costs of many services are most frequently joint or common to each other, and therefore not easily allocated to a particular kind of service. The manner of allocation of these capital and operating costs is subject to considerable judgment, hence varying results may be obtained.

A recent study by the State Public Service Commission concluded that in fact, residential users were subsidizing users of business-related service. Experts in the field agree that subsidies do exist in the telephone service rate structure, but their specific nature and direction have never been clearly identified. To push for such extraordinary legislation as encompassed in this bill on such a dubious subsidy assumption is clearly misguided.

Another section of the bill provides that no charge may be found to be unjust on the ground that it is "too low" and that if a carrier is charging a compensatory rate, the F.C.C. may not hold up its rates to the level of a competitor. It sounds innocuous enough, but what does it mean?

If company A were to enter a communication service and charge a lower rate than company B, the F.C.C. could not find this unfair competition as long as A could show that the additional costs of providing the service were being covered. Given the complexities of cost studies and the judgments necessary in allocating costs, the data could be tailored to justify A's lower rates.

In fact, company A could merely subsidize the service by other company activities, and B who may have provided some heretofore unprovided service, is rewarded for its innovation by being pushed out. Innovation and the provision of new concepts and services for both business and residential customers would diminish. Any successful innovator will literally be gobbled up by this provision.

The Consumer Communications Reform Act of 1976 is most definitely a misnomer: It is an industry bill designed to solidify the Bell position against any possible interference from competition.

[From the Wall Street Journal, Sept. 16, 1976]

AT & T DECLARES A CONSUMER CRISIS

(By Sanford L. Jacobs)

Maybe Ralph Nader should sue. It seems incongruous but American Telephone & Telegraph Co. and 1,600 non-Bell telephone companies show every sign of trying to muscle into the Nader role as champions of the consumer.

The vehicle they're using is something called "The Consumer Communications Reform Act of 1976." Introduced several months ago by Sen. Vance Hartke (D., Indiana) and Rep. Teno Roncalio (D., Wyoming), the bill already has gained more than 100 congressional sponsors and is being backed by the Communications Workers of America (AFL–CIO) as well.

What brought Ma Bell riding like Paul Revere into the forefront of the consumer movement, according to a telephone company spokesman, is "a crisis in telecommunications" that soon may be afflicting us all, forcing big increases in everyone's telephone bill. Only congressional action can deal with it effectively, the sponsors contend.

AT&T and its allies say phone rates will have to be increased because of competition fostered by the Federal Communications Commission. This happened when the FCC opened up two erstwhile monopoly areas of the phone business to new entrants, who now compete with the traditional common carrier companies for supplying equipment used on customer premises and in providing interstate private-line circuits, which are used mainly for telephone tie lines.

As competition eats into the telephone companies' revenues, they will have to jack up residence and business phone rates to make up for the revenues lost to competitors, phone industry executives assert.

The increases won't be small, they say, and the phone companies don't expect their customers to accept them quietly. "The oil crisis is going to be mild compared to this," George V. Cook, AT&T vice president for regulatory matters, says.

The independents are as dead-set against the FCC-ordered competition as the Bell companies. Executives of General Telephone & Electronics Corp., United Telecommunications Inc. and Continental Telephone Corp., the three biggest non-Bell phone companies, are joined with AT&T in lobbying Congress. And the non-Bell outfits' trade association, the United States Independent Telephone Association, has two full-time lobbyists on Capitol Hill.

"If the FCC actions stand, a few big businesses will get a break," John G. Fox, AT&T vice president and chief Washington lobbyist (a position once held by AT&T Chairman John D. deButts), warns. "But the little guy will get clobbered. Competition only gives the fat cats a break," he says, suggesting that only the big users of phone services deal with AT&T's new competitors.

All the telephone people are trying to do is "blow the whistle on the FCC," Mr. Fox says. "We don't want to have demagogues stand up and say, 'Why didn't you bastards warn us?' " he declares heatedly.

RALPH NADER'S CRITICISM

The validity of AT&T's arguments is disputed by a number of people, including, naturally, its competitors. Mr. Nader, too, is critical. He told Congress that giving the legislation the title of a consumer bill is "deceptive packaging." Congress Watch, a Nader group that keeps tabs on proposed legislation, wrote members of Congress recently, saying, "This bill, rather than helping consumers, will result in higher prices, stifled innovation and increased concentration in a monopoly industry."

Critics see AT&T's lobbying as an effort to regain its monopoly in all segments of the phone business. They view the legislation as a security blanket for the Bell System that would stifle existing competition and tie the FCC's hands so it couldn't again foster competition in the telephone industry.

The proposed bill would outlaw just about all the companies selling private-line communications services in competition with AT&T. The proposed law states that the FCC could license a new private-line carrier only if its services couldn't be provided by the traditional common carrier telephone companies. The commission also couldn't renew existing private-line competitors' licenses after they expire unless they met the non-duplication-of-service rule.

The existing private-line suppliers say this provision would put them out of business when their licenses expire because all AT&A would have to do is show that it could supply the same type of services its rivals are providing.

AT&T says this provision is intended to assure that the FCC lets into the private-line market only companies that will provide innovative services unavailable from the common-carrier telephone companies like the Bell System units. Anything else results in wasteful duplication and shouldn't be allowed.

The traditional telephone companies also want to squelch competition in providing equipment used by their customers. The proposed legislation would take away the FCC's jurisdiction over customer-premises equipment and vest it in the 50 states.

The phone companies have already lost on this in the federal courts, which upheld the FCC's power to regulate the use of customer-premises equipment. Congress now has the chance to overturn the courts on this issue.

Apparently the phone companies want the states to have jurisdiction over equipment as a way to discourage competition. For one thing, it would be hard for competitors to maintain national marketing efforts, for regulations would probably vary from state to state.

In some states, customers probably wouldn't be permitted to use anything except telephone-company-provided equipment. Many state regulators side with the telephone companies' anti-competitive stance, though a few, most notably New York and California, have tried to make it easier for customers to use whatever equipment they wish as long as it doesn't harm the phone system.

But most states tend to uphold whatever the phone companies do, no matter what. For instance, North Carolina's utility commission upheld a phone-company prohibition against putting the phone book inside an opaque cover. A firm was selling advertising space on a plastic phone book cover it distributed in the state. The local phone company objected, saying its regulations prohibited such covers on its phone books. The utilities commission sided with the phone company, but the state's highest court last December ruled that customers can put their phone books in covers if they wish.

North Carolina's utility commissioners have been among the most aggressive in trying to keep competition out of the phone business in their state. Undoubtedly, passage of the legislation would be the end of equipment competition there.

COMPETITION AND COMPLICATIONS

Before Congress decides these issues, consideration should be given to some complicated aspects of the phone industry. One of the most difficult to fathom is the effect competition might have on local telephone rates—the monthly charge for having a phone and making non-toll calls.

Telephone companies say their profits from leasing such equipment as switchboards to businesses and other big customers provide a subsidy that goes to keep down residence customers' rates. When a competitor steals a switchboard customer, the lost revenue hurts residence customers, who eventually will have to pay higher rates.

However, the New York State Public Service Commission found just the opposite to be true. A three-year cost study of New York Telephone Co.'s operations determined that a lot of the equipment leased to businesses was underpriced and actually unprofitable. The commission staff found that rather than subsidizing residence customers' rates, this equipment lost money and residence customers were covering the phone company's losses.

The AT&T unit contends the New York commission study isn't valid. However, none of the telephone companies have cost accounting. Regulators don't require them to. In fact, the method of accounting that has been used for years provides no insight into what it costs to provide a particular service or type of equipment.

It might seem bizarre to people in other businesses that a company the size of AT&T, the world's biggest corporate enterprise, doesn't know its costs. But AT&T doesn't. Indeed, an AT&T vice president, Kenneth Whalen, once shouted at an insistent interviewer: "Don't tell me we know our costs. We don't!"

The advent of competition, however, makes costs of doing business of principal concern. AT&T's rivals insist that many of the rates the company has proposed for services and equipment subject to competition are unfairly low, that they don't cover costs. In some instances, regulatory agencies have agreed with the rivals and ordered AT&T to submit new rates that fully cover costs.

The legislation mandates that the FCC can't throw out a proposed rate for being too low if it covers the company's incremental costs. That means the charge need only cover the additional expense of providing the service, and needn't cover the company's embedded costs. The FCC has told Congress this would be a "strait-jacket" that could impede it from stopping anti-competitive pricing. Congress will be bombarded with such esoteric arguments about costs, rates, cross subsidies and natural monopoly, as it considers passage of this legislation.

For the sake of telephone users—which is just about everyone over the age of five—Congress should consider the fact that competition already has had a salutary effect: There's a greater choice of equipment and services, and Ma Bell has dropped her old take-it-or-leave-it attitude toward customers, an attitude only a protected monopoly can afford.

LEGISLATION ON BEHALF OF THE MDEWAKANTON SIOUX

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. NOLAN. Mr. Speaker, I am today introducing legislation which will change the legal status of tracts of land in Minnesota now held by the United States for exclusive use by descendants of the Mdewakanton Sioux who resided in this State on May 20, 1886. This legislation will put these lands on an equal status with land granted to the Mdewakanton Sioux by the Indian Reorganization Act of 1934. By making this change, the tribal governments involved will finally have proper jurisdiction over these lands, allowing them to participate in State and Federal programs which will assist them in their effort to achieve self-determination.

The need for this legislation resulted from acts of Congress which followed the great Indian uprisings of the 19th century. The policy of our Government at that time was to intern warring tribes in reservation remote from their traditional homeland, and also to award small tracts of land, in the areas of current settlement, to so-called peaceful Indians who did not participate in these uprisings.

Since it was often difficult to guarantee that "peaceful" Indians would maintain their usage rights over these lands, the law designated the tribe not only by name, but also by date and location. The Bureau of Indian Affairs—BIA—was charged with the responsibility of taking and maintaining an accurate role of the Indians so specified as well as keeping track of subsequent ancestry.

Needless to say, the BIA faced enormous legal and bureaucratic problems with this assignment. These problems were also compounded by the often conflicting mandates of numerous treaties and acts of Congress passed during this time. Eventually, the Indian Reorganization Act of 1934—IRA—was adopted which attempted to bring some systematic order to the relationship of the Federal Government and the existing Indian tribes. The dictates of the earlier acts of Congress, and the IRA are what now contribute to the problem faced by the Mdewakanton Sioux of Minnesota.

The Mdewakanton Sioux were among the "peaceful" tribes receiving land grants in the late 1800's. Acts of Congress, in 1888, 1889, 1890, each awarded certain tracts of land in southern Minnesota to the Mdewakanton Sioux who were residing in those locations on May 20, 1886. These acts also stated that the Federal Government would protect the usage right of this land for their descendants.

The Indian Reorganization Act of 1934, expanded the acreage at each of these reservations. It also called for establishment of legally recognizable tribal government. In order to properly protect the rights of both the Mdewakanton who currently reside on those reservations, as well as the exclusive rights granted only to descendants of the 1886 Mdewakanton Sioux, the necessary bylaws required that the Mdewakanton classify themselves into two groups. IRA land belonged to all Mdewakanton Sioux currently residing at each reservation, according to membership requirements which they determined. Land granted previously, however, belonged only to a subgroup of the Mdewakanton; that is, the descendants of the May 20, 1886, Mdewakanton Sioux of Minnesota.

Under recent Federal legislation which protects against discrimination, this distinction in Mdewakanton Sioux bylaws has made them ineligible for participation in a wide range of Federal programs, and has severely hampered their ability at self-government.

The legislation I am proposing is simple and straightforward. A change of legal title will place all present Mdewakanton lands on an equal basis with lands granted under the IRA. This will give local tribal councils proper control over their reservations, and will provide the Mdewakanton Sioux with the legal tools necessary to begin self-improvement projects.

The right to assignments of land under the provisions of the earlier acts of Congress will not be taken from these descendants of the 1886 Mdewakanton Sioux, and will be protected under this bill.

The three Mdewakanton tribes involved; namely, the Lower Sioux Community of Morton, Minn., the Shakopee Mdewakanton Sioux of Shakopee, Minn., and the Prairie Island Tribe of Welch, Minn., have each passed resolutions of support for this legislation. The legislation will be greatly appreciated by the Minneapolis area office of the Bureau of Indian Affairs, and I am confident will have the support of the administration. I have taken an interest in this matter because one of the affected tribes is in my congressional district. This bill is cosponsored by Congressman ALBERT QUIE, whose district includes one of the other two affected tribes. In addition, a longtime advocate and supporter of legislation for Native American self-determination, Representative DONALD FRASER of Minnesota is also a cosponsor.

Pressing problems exist on each of these reservations. Housing is grossly substandard and unemployment as high as 45 percent. The Mdewakanton Sioux, like so many Native Americans across the country have finally awakened to their need and right to self-determination. We should do all that we can with our present resources to help them achieve this goal. We can achieve better quality education for Native Americans, better job training, better housing, improved health facilities, and much more. The very least we should do is to revise antiquated laws which deny this group of people the same privileges afforded to the rest of our other citizens. I urge that my colleagues act promptly to correct this unfortunate injustice.

FLUSHING MEADOW PARK

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROSENTHAL. Mr. Speaker, there is a place in the middle of the city of New York where American land, history, and culture meet to form a park. It lies precisely in the geographic and population center of the city; it lies in the heart of my congressional district. It is Flushing Meadow Park, a great spread of green on the map of the borough of Queens. It was not shaped by raging rivers and it is not surrounded by purple mountain majesties; it was shaped by people and it is surrounded by people and belongs to the people. And I would like to explain why I have submitted legislation to make it part of the Gateway National Recreation Area.

All America was once a wilderland. It was a new world. It stretched farther than the eye could see or its first song could ever imagine. America has been shaped by its open space: Our history, our thought, even our democracy are the products of wide space. Thomas Jefferson penned our Independence and passionately wanted us to remain a country people, believing American freedom and the American character could best be nurtured on the land.

History would not allow us to develop that way, so we built great cities and home towns. The open space shrivelled on our first, eastern shore, but pioneers managed to find a new frontier, more space, and struck out to live in the westerly wilderness eventually to build more cities and towns. The time came when Americans no longer had to tame the open spaces, but protect them. Now we must cherish them.

To fulfill both the American desire for urbanity and the American need for space we build one inside the other. We try to build the best of both worlds. We give ourselves parks.

Back in the middle of the 19th century America's great landscape architect, Frederick Law Olmstead, understood this concept well and knew it was essential for America to simultaneously build its cities and its parks. He took the Jeffersonian agrarian ideal and transplanted it into the body of the city. He called his park philosophy "rus in urbe"—the country within the city. It enabled the conflicting parts of the American people to live in harmony.

But we forgot Olmstead's lesson to us for a good part of the next century. We forgot for a while that parks are most essential—to the health of the land and the health of our bodies and spirits—right in the cities. Right where the most people are the most cramped. Right where the severest tensions need release. Right where most Americans live and work.

We finally began to understand and respond again to America's need for a greenbelt close around our cities when we established the Gateway National Recreation Areas within the National Park System in San Francisco and New York in 1972. Gateway was a monumental step toward providing city residents with the park facilities they need. And it marked a welcome Federal policy emphasis on establishing parks "where the people are." It began a more realistic and humanistic approach to development of recreational opportunities. It shifted our national park priority from remote wilderness preserves, where only the few could visit for a "once in a lifetime" vacation, to fine open reserves very near to our cities that can become part of everyday life. And improve the quality of life for millions of people. People in the inner-cities. People in the suburbs. People without cars. People who do not want to pay the soaring price of gasoline. People who are handicapped. The elderly. The kids. All Americans who still need open space.

The Gateway area stretching across 26,000 acres from Breezy Point Peninsula and Jamaica Bay on Long Island to Staten Island and Sandy Hook, N.J., has been called "a priceless recreational resource" by the director of the National Parks Service. With its 20 miles of ocean and bay beaches, wildlife refuge, wetlands, and unusual coastal vegetation, the Parks Director spoke of it as "an oasis closer to more people than any other unit of the National Park System."

Those people have given their thanks and approval by visiting Gateway in ever-increasing, recordbreaking numbers. In its first two seasons, with improvements not nearly finished, more than 12 million people came to enjoy Gateway—the numbers have been almost doubling since the Park Service took over the facility in 1973, and Gateway will ultimately entertain 30 million people each year. Even now, it is one of the two most utilized national parks in the entire country. It has surely lived up to its objective "to forge an effective link between the urban value systems that characterize the New York/New Jersey community and the natural systems at Gateway that can enrich and give powerful support to human personality, growth, and understanding of self and society."

And if ever there was a park that served as a "Gateway" to New York—and the continent stretching beyond, it is the Flushing Meadow-Corona Park. Lying between Kennedy and LaGuardia Airports, it greets all visitors winging into the world's greatest city—the city of New York. In the past 300 years it has welcomed settlers, visitors, and dignitaries from every nation in the world. And today, it is the playground of metropolitan New Yorkers from the world round.

Flushing Meadow has a long, colorful history—sometimes splendid, sometimes sad. In a way, the parkland's history is actually a metaphor for the development of the American nation itself: Early days of pastoral innocence, periods of careful cultivation followed by times of greedy exploitation and shameful neglect, then reborn into a hopeful garden again and proceeding into days of glory. Always hopeful, always changing, always looking ahead to the best yet to come. Very much like Ameirica.

Flushing Meadow was also once a wilderness, hunted by the Mattinecock Indians. Then it was sold to the early New York Dutch settlers who founded a colonial village there called Vlissingen. When New York changed to British hands, the English settlers come to live there made the pronunciation of the town easier for themselves and Vlissingen became known as Flushing, and the surrounding marsh lands became Flushing Meadow. The area was rich and generous, the land gave forth fruits and flowers and the waters gave fish to those first farmers who came to the new world to find that land of plenty. And land of freedom; even before the Revolution, Flushing was respected as a safe, warm harbor for those suffering religious persecution in Europe. The Society of Friends came to live in Flushing and the Quaker founder himself, George Fox, came to preach in Flushing in 1672. Then the Huguenots, chased through Europe, found peace in Flushing, and coaxed a great garden from it. The first plant nursery in the new world, "The Linnean Botanic Garden" was founded by 1737 and straight through the 19th century Flushing was an internationally famous source of tree seedlings. But Flushing Meadow has not always been able to remain a garden.

By the turn of the 20th century, the Meadow became a forsaken wilderness again—not overgrown with bullrushes, but smothered in ashes. John A. "Fishhooks" McCarthy brought his Brooklyn Ash Removal Co. and his callous greed to sit in the Meadow. He transformed the land into a huge grey ashcan. It looked ghastly, smelled worse, and justly deserved its new name of "The Corona Dumps." "The Dumps" even had its own perverse natural wonder—a 90-foot high cinder mound sarcastically called "Mount Corona." During this miserable point in its history, Flushing Meadow caught the keen, arched eye of Writer F. Scott Fitzgerald, and he included the Morass, renaming it "The Valley of Ashes," in his classic novel about a twisted American dream, "The Great Gatsby." Lying between New York City and mythical West Egg, "The Valley of Ashes" was "a fantastic farm where ashes grow like wheat and ridges and hills and grotesque gardens * * *." Flushing Meadow was a no-man's-land in the 1920's.

But in the next decade it became everyman's land—the site of the great 1939 New York World's Fair. Out of the ashes of the Depression the Trylon and Perisphere rose up to symbolize the fair's theme: "The World of Tomorrow." New Yorkers were once again proud to claim Flushing Meadow as their own.

The visionary New York City Parks Commissioner, Robert Moses, had a gleam in his eye, and the gleam was Flushing Meadow and the idea was to make improvements during the years of the fair and then turn the area into a wonderful city park. So soft land began to be filled, swamps drained, lakes built, the bay cleaned. But World War II drained off energy and dollars from the project and it stood half completed, but not forgotten.

In 1946, the New York City Building, still standing from the fair, became the Assembly Hall for the newly established United Nations. For 4 years, there on the edge of the park, the delegates of the charter nations sat in their first headquarters to work for world peace.

For another decade weeds had the chance to grow over the pathwalks in the underdeveloped park, but in 1964 Flushing Meadow came into glory again as the Unisphere welcomed the world again to another fair and promised "Peace Through Understanding." Flushing Meadow became a wonderland where colored fountains played near the pavillions of the nations of the world, cartoon characters came to life with a monorail suspended above; Alpine villages were reconstructed; temples were built, and computers sang.

In its time, the celebrities of the world have set foot upon the grass of Flushing Meadow: From the Kings and Queens of England to President Lyndon Johnson to Gypsy Rose Lee. Mayor Fiorello LaGuardia put himself in a glass-enclosed office there so his constituents could watch him at work. Franklin Roosevelt grinned on one of the first crude television screens there. Pope Paul VI made a visit. Michelangelo's masterpiece the Pieta stood on view there. Hundreds of great sports heroes have played there—in Olympic trial games or on a circle of turf on the park's northern border—Shea Stadium. Even the Beatles have performed there. And during the two World's Fairs, more than 100 million people have come from every part of the globe.

Millions of metropolitan New Yorkers now flock to Flushing Meadow Park each year—every week of every season, by the scores of thousands, they come to play in this, their fascinating backyard. Its history has left it well endowed.

It is a rambling 1.280 acres of green meadow, one of the largest parks in the city, with two large lakes and one of the city's few boat marinas. People push paddleboats, pull oars, and sail with the wind.

It has the Gertrude Ederle Swimming Pool, honoring the first woman to swim the English Channel, and the Louis Armstrong Stadium, honoring the great jazz musician, Corona's own favorite son. It also boasts the first and only zoo in the borough of Queens. There are miles of bicycle paths, 14 baseball diamonds, football and soccer fields, tracks for horse shoe pitching, and lawns for bocci bowling. There is an 18-hole pitch-an-putt golf course that draws kids and seniors from all over the city into enthusiastic foursomes. There are, of course, dozens of swings and sliding boards and seesaws, and the city is currently in the process of designing a 5-acre playground especially for handicapped persons.

Flushing Meadow is a distinctly American, very New York, kind of park. It is wide open and free. There are no terraced lawns or formal gardens, but there is a rose garden and petalled paths to amble through in its very fine Queens Botanical Garden.

It is a park for people to make their own. On the Meadow Lake grounds young families push baby strollers, young boys fly model planes, and young lovers ride tandems. It is a park which has used a Yankee ingenuity to take existing forms and shape new uses for them, create new life inside them. So the old World's Fair Buildings serve new, exciting purposes.

The New York State Pavillion, with its mosaic tile floor, houses an outdoor skating rink and a professional community theater—the Queens Playhouse. The New York City Building, where the U.N. sat, is now the home of the Queens Museum, the only art museum in the borough, the Queens County Cultural Center, a giant panorama of New York City—with every street and building in miniature, and an indoor ice-skating rink.

The Hall of Science is now the third most heavily visited science museum in the Nation, and one of the most popular museums in New York—a city of museums.

There are other standing monuments to Flushing Meadow's past. Part of its inheritance are pavillions designed by some of the leading architects of the century. There is a geodesic dome created by Buckminster Fuller to honor Sir Winston Churchill and recently used as an aviary where winged creatures and two-legged creatures could meet beak-to-face.

There is "The Whispering Column of Jerash:" An ancient stone column from a Roman temple; "The Exedra," a massive stone bench commemorating the Vatican's pavillion at the 1964 fair; the Lithuanian Wayside Shrine; the Garden of Meditation; the Masonic Lodge's statue of George Washington and, round and stupendous the Unisphere. Tributes from all time and all places.

Flushing Meadow is a very American, a very New York park because it gives culture to everyone who will partake, from the concept to the circus, and it gladly takes the cultures of all who will come. When Flushing Meadow was officially dedicated by the city as a park in 1967, Robert Moses gave it a blessing:

> Guard it well, Mr. Mayor and Mr. Parks Commissioner. The park has echoed to the sounds of many footsteps and voices. The world has beaten a path to its doors. Now we return it to the natives.

The natives of New York are people from all the States and all the nations. On a sunny Sunday many of them come to play in Flushing Meadow. It makes good sense that it be a national park.

They can get there quite easily. The many road approaches built for the fairs are supplemented by good public transportation, train and bus, to the grounds, and the park can be reached from anywhere in the metropolitan area by relatively inexpensive mass transit.

The inclusion of Flushing Meadow into the Gateway Recreation Area would brighten the future of both of these important parks and greatly expand the recreational and cultural facilities of each. Flushing Meadow is already naturally geologically, linked to the Gateway areas by corridors called terminal moraines. With a little National Park Service engineering held, these natural connections could be made into easy bicycle or walking paths and truly tie the parks to one another. With Flushing Meadow in the Gateway system, our national parks would be opened to a whole new, large segment of our population and a whole new, splendid world would be opened to our urban dwellers. Flushing Meadow deserves the National Park Service's expertise and funds to restore, maintain and improve this park which has served so many. The Gateway National Recreation Area deserves the easily accessible features which history and culture have given to Flushing Meadow. Our urban citizens deserve a Federal park system which they can reach and enjoy. Let us make a national park system where our children and our grandparents can enjoy the beauty of our land. Let us make it easy to arrive and a joy to be there.

Flushing Meadow would help Gateway fulfill its mandate "to preserve and protect for the use and enjoyment of present and future generations an area possessing outstanding natural and recreational features." Flushing Meadow has been at the service of many generations, many peoples.

At the time of the World Fairs, in 1939 and 1965, two time capsules were buried at Flushing Meadow, containing a record of 20th century civilization and meant to endure for 5,000 years. Three thousand copies of a "Book of Record" were placed in museums, libraries, palaces, even monastaries all over the world describing the location of the time capsules. If we are wise and very lucky, thousands of years from now mankind will be led to Flushing Meadow Park.

TRIBUTE TO PAUL SARBANES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, it is a great honor for me to pay tribute to my good friend and outstanding Member, PAUL SARBANES, who will be leaving the House after this term but, hopefully, not the Congress.

PAUL SARBANES has represented the Third Congressional District of Maryland with distinction and style for the past 6 years. PAUL SARBANES came to the House with a most impressive scholastic background including a Phi Beta Kappa graduation from Princeton University, a Rhodes Scholar, and an LL.B. degree from Harvard University School of Law.

PAUL applied his scholarly talents to the work he accomplished in the House. In the relatively short time he served, he was considered to be one of the more outstanding members on the House Judiciary Committee. He gained national attention and respect for his incisive manner of questioning witnesses during the impeachment inquiry, as well as for his profound knowledge of this Nation's Constitution.

PAUL SARBANES may be best remembered for his work on behalf of peace and justice for Cyprus. As the son of Greek immigrant parents, he reacted strongly to Turkey's illegal invasion and occupation of Cyprus. He and other prominent Greek American Members of Congress led the fight which resulted in the imposition of an embargo on the shipment of U.S. military aid to Turkey, a move which helped restore a sense of integrity and justice to the foreign policy of this Nation. Realizing the effects of the Turkish invasion on the Cypriot people, Paul and I worked together in support of an amendment I offered to provide $25 million in emergency relief and rehabilitation aid to Cyprus.

My associations with PAUL have been numerous and rewarding. He is a man whose warmth and sincerity is evident in all he does. We share common backgrounds—we are both sons of immigrant parents—we have both been given tremendous opportunities to succeed in this Nation.

Now PAUL is in pursuit of a new job—to become the junior Senator from the State of Maryland. PAUL SARBANES has not allowed the rigors of a campaign to change his basic approach to politics: never to sacrifice personal integrity. I wish him all the best of luck in the election. The people of Maryland have an opportunity to elect a man of extremely high caliber and ability to serve them in the U.S. Senate in PAUL SARBANES.

PAUL is a good and warm man with a genuine concern for people. He is an exemplary Member of this body and, according to the nationally syndicated columnist, Jack Anderson, is one of the 10 most outstanding Members of Congress. He is a responsible public servant and has given life all his best—he deserves the same in return.

COUGHLIN SALUTES ROXBOROUGH AREA PHYSICIAN'S 50 YEARS OF SERVICE

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. COUGHLIN. Mr. Speaker, it is with a great deal of personal pride and gratitude that I congratulate Dr. Jean Gowing for her 50 years of medical service to Philadelphia's Roxborough-Manayunk area residents.

Dr. Gowing has faithfully devoted her life to the needs of her community since her graduation from the Women's Medical College of Pennsylvania in 1926. Turning away no one who could benefit from her expertise, Dr. Gowing is the embodiment of charity and compassion. She has earned the esteem of her colleagues not only for her comprehensive medical knowledge, but also for her classical wisdom.

The genuine affection Roxborough area residents feel for Dr. Gowing is so great that a special service in her honor will be conducted by St. Timothy's Church, Roxborough on October 17, 1976. The church's rector, the Reverend Eugene F. Lefebvre has stated that Dr. Gowing's life in many ways reflects the beatitudes.

In an age when sophisticated medical technology and procedures tend to dehumanize a doctor's role, it is gratifying to know that physicians of Dr. Gowing's distinction continue to set an example worthy of emulation by all who wish to serve humanity. Indeed, Dr. Gowing's life demonstrates that the healing process involves ministering not only to broken bodies, but to broken spirits as well.

Those whose lives have been touched by Dr. Gowing know of her diligence and dedication. This remarkable woman will always be cherished by the people she has served. The unqualified gratitude Dr. Gowing has earned from the Roxborough area residents attests to her good works.

Mr. Speaker, I am honored to salute Dr. Gowing and know my colleagues will join me in wishing her every success in the future.

FREEZING MEDICARE COSTS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BINGHAM. Mr. Speaker, yesterday, Acting HEW Secretary Marjorie Lynch announced that medicare, part A clients will have to pay 19 percent more in inpatient hospital deductibles and coinsurance fees for spells of illness which begin on or after January 1, 1977. Specifically, the inpatient hospital deductible will rise from its present $104 to $124; the daily coinsurance fee for the 61st through the 90th days of hospitalization—one-fourth the inpatient hospital deductible—will rise from $26 to $31; the daily coinsurance fee for the lifetime reserve days—one-half the deductible—will rise from $52 to $62; and the daily coinsurance fee for the 21st through the 100th days of extended care services—one-eighth of the deductible—will rise from $13 to $15.50. For many, the results of these increases will be tragic.

Last year at this time, the Secretary of HEW made a similar deplorable statement announcing a 13-percent increase in medicare, part A client costs. In fact, such announceemnts have become an annual event since hospital and related health costs began escalating in 1969. About that time many of us in Congress began talking about establishing a system of national health insurance, with an emphasis on preventive care so as to lower outrageous hospital and nursing home costs. As an interim measure, some of us introduced legislation to freeze or eliminate medicare, part A deductibles and coinsurance fees. To reemphasize our concern about this particular health cost problem, last November we cosponsored legislation (H.R. 10789) freezing all out-of-pocket medicare, part A costs at the January 1975 level. Unfortunately, because of legitimate concerns about Government spending and the financial health of the social security system, we could not get action on our legislation in this Congress. However, the majority party of Congress has renewed its pledge to enact comprehensive national health insurance legislation and meet head on the problem of rising health case costs. Extensive hearings have already been held by various committees on the issue so we have a good base on which to proceed in the next Congress. I am in full support of this long-term effort and while this complicated legislation is being worked on, I pledge to pursue quick passage of a new bill next January to freeze all out-of-pocket medicare expenses at their present levels while Congress moves to complete action on a comprehensive solution to rising health care costs.

SOVIET MILITARY BUILDUP IN PERU

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McDONALD. Mr. Speaker, a serious buildup of power is taking place in Peru—a buildup of Soviet-oriented military power which is offensive, not defensive, in character. Although the likely objects of Peruvian-Soviet hostility are anti-Communist Chile and Bolivia, it is worth mentioning that Peru has land borders with Ecuador, Colombia, and Brazil as well.

Earlier this year, I called attention to Peru's recent, heavy acquisitions of weaponry from the Soviet Union, in connection with our policy on military sales which is so biased against Chile. At that time, I pointed out that Peru has a 6-to-1 advantage in numbers of tanks—about 400 tanks, versus 76 for Chile. The contrast in quality makes the odds even greater. Chile is still equipped with M–4 Shermans, whereas Peru has added, to its 60 Shermans, at least 250 Soviet T–54/55's plus 100 French AMX–13 tanks.

Peru also has three batteries of Yugoslav 105 mm howitzers, and eight truck-mounted SAM's which would be quite dangerous to Chile's essentially subsonic Air Force.

This brings me to the matter at hand, which is to call attention to the continued upgrading of Peru's supersonic Air Force. Peru recently ordered 36 SU–22 supersonic fighter-bombers from the U.S.S.R. If and when they are delivered, it will mean more than a further regional military imbalance. Because the Peruvian Air Force is not equipped to maintain such aircraft, they would necessitate a considerable contingent of Soviet personnel. A Cuban presence might also be expected, for training and other purposes.

Information relative to the SU–22 sale has been provided by the Defense and Foreign Affairs Daily, in its issue of September 15. Such information rates wider dissemination than it receives. The "destabilization" which we claim to fear in other parts of the world is proceeding apace in western South America, at the expense of the non-Communist governments of the area. Should Peru attack Chile, then given the preponderance of modern arms, it could be a decidedly unequal struggle. Are we prepared to contemplate another Soviet puppet-state throwing its weight around in Latin America? The better course would be to drop our hypocritical holier-than-thou attitude toward Chile, and move away from this pretense of indifference with regard to tensions in this region.

DUTCH ELM DISEASE CONTROL PROGRAM UNDERWAY IN NORTH ROSEDALE PARK OF NORTHEAST DETROIT

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BRODHEAD. Mr. Speaker, the cooperative efforts of friends and neighbors in our communities can often be very effective in solving local problems. This is certainly true in northwest Detroit, where the North Rosedale Park Civic Association has completed a remarkable Dutch elm disease control program that has saved hundreds of trees from destruction.

The tall, old Dutch elms in northwest Detroit are some of the finest in the city. A fixture on our streets for as long as many of us can remember, they create a beautiful archway over our streets, lower summer temperatures and absorb noise from the city. These dignified elms have a natural life expectancy of 300 years. However, in recent years Dutch elm disease has taken a heavy toll.

To combat this problem, the members of the North Rosedale Park Civic Association formed the elm tree committee. This dedicated group, working in cooperation with the Elm Research Institute, began the massive task of treating the elm trees in the area with a fungicide called Lignasan, which is injected into the tree trunk. Lignasan was approved by the Environmental Protection Agency earlier this year to aid in the control of Dutch elm disease.

Relying solely on volunteer help, the committee identified healthy trees and those that were infected but still salvagable, developed its own low-cost injection equipment, and organized the neighborhood so that every block that wanted to treat its trees could do so. A small fee of $5 per tree was charged to cover expenses, $2 if the block had its own injection unit.

The elm treatment program, which started in June and ended this month, completely paid for itself and resulted in the treatment of over 500 elm trees in North Rosedale Park. Its success has set an example for other neighborhood associations in Detroit to do the same.

Many neighborhoods across the country have lost all of their elm trees to the Dutch elm disease. However, thanks to the elm tree committee's efforts, a large section of northwest Detroit still retains its unique character. I commend the members of the North Rosedale Park Civic Association for their fine work.

SPORTS BLACKOUTS

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FREY. Mr. Speaker, because of the growing problems over sports blackout I have been asked to include in the RECORD my remarks before the Select Committee on Sports made in mid-September. The remarks follow:

Mr. FREY. Mr. Chairman, thank you for the opportunity to discuss with your committee the sports anti-blackout law—or more correctly, the lack of a sports anti-blackout law.

As you know, the House overwhelmingly approved (363–40) H.R. 11070 on December 15, 1975. To this day, there has been no bill enacted, and the law that was in effect for the past three years expired December 31, 1975.

If you will indulge me for a few minutes, I'll attempt to explain the sequence of events that has brought us to within three days of the kickoff of the NFL 1976 season without an anti-blackout law that has proven beneficial both to the viewing public and, I would argue, to professional sports.

During the hearings our Subcommittee held last year on H.R. 11070, an egregious situation was brought to our attention by Congressman BAFALIS. The Fort Meyer, Florida area which he represents was blacked out by the Miami Dolphins during each Miami blackout even though Fort Meyer is 140 miles away. Mr. Bafalis attempted to no avail to find a solution to this problem with the NFL and the Miami ownership. Failing there, he came to our Subcommittee with the problem which we discovered to be one of national proportions affecting cities in the vicinity of: Dallas, Houston, Kansas City, Los Angeles, Miami, Minneapolis, Philadelphia, Pittsburgh, and San Francisco.

As a result of our investigation of this matter, I sponsored an amendment to limit the radius of the blackout to 75 miles—the distance used by the NFL in its bylaws to define a team's home territory. The bill containing my amendment and a permanent extension of the anti-blackout law passed quickly through Subcommittee, Full Committee, and the House.

In conference with the Senate in December, the House met with opposition both to permanent legislation and my amendment. Numerous staff meetings and FCC studies that we had conducted led me to offer to increase the mileage figure in my amendment to 90 miles—a distance at which no signal could be received by a rooftop antenna in an NFL city from a transmitter located outside that distance.

On May 19 of this year, the Senate agreed to a one-year trial period for the "Frey Amendment" and to a permanent extension of the sports anti-blackout law. All of the conferees, both House and Senate, signed the conference papers. The only caveat mentioned was Sen. Magnuson's request that both Houses wait to file the conference report until the third annual FCC study of the law had been received and scrutinized to see whether any new evidence appeared to argue against a permanent extension of the law. That report was received on June 11, 1976, and we have still not heard from the Senate as to their reasons for failing to file the conference report.

The third annual report of the FCC on the impact of the sports anti-blackout law shows that the law does not appear to have seriously affected any one of the four professional sports. In fact, there was no impact on baseball, basketball, and hockey; for example, the no-shows at blacked-out NBA games (5%) exceeded no-shows at sold-out, televised games.

In many respects, the law may have been a boon to professional football; the study shows that the average number of home games locally televised during the previous season increased as a result of the law. Televised games mean sold-out games. Although the NFL contends that ticket sales have fallen drastically, the report states that "even though fewer NFL games have been sold out since 1973, total ticket sales . . . have remained relatively stable over the four-year period."

The affects of no-shows was again explored, and surprisingly, the percentage of no-shows at locally televised games (7.1%) was less than the percentage of no-shows at blacked out games (9.6%). Four teams showed an increase in no-shows: Atlanta, Dallas, Miami, and Los Angeles. Weather appeared to be a factor in each instance, except Los Angeles. There, however, only one game was locally broadcast, not surprising since Los Angeles has a 92,000 seating capacity and hence seldom is sold out.

I know that you have heard from the NFL and the Miami Dolphins on the effects of my amendment in the Miami area. Let's look for a moment at what the latest FCC report says about Miami.

While ticket sales declined in Miami in 1974 and 1975, Miami only televised three home games in 1974 and none in 1975. Since no games were televised last year, there are obviously other reasons for the decline, such as the loss of their star personnel (Csonka, Kiick, and Warfield) to the WFL in 1974. It is difficult to see how the antiblackout law has had a direct impact on Miami since they've broadcast so few home games; to that extent, they don't even have a good argument with regard to no-shows. If the games are not locally broadcast, how can they affect no-shows?

Despite the NFL arguments that Miami area viewers would get other games (in the absence of the "Frey Amendment"), the study clearly shows that the viewers prefer the game of regional interest. Dolphins' games attracted six times the audience level of competing games of other NFL teams. Across the nation, 30% of viewers watch games of the home team, while only 19% watch the other teams not broadcast at the time of the home team.

The Fort Meyer stations are WBBH(NBC), with transmitter site located 94.1 miles from Miami, and WINK(CBS), transmitter located 108.9 miles from Miami. Since Miami is an AFC team, most of their games will be on NBC (unless they are hosting an NFC team).

These stations would not be receivable in Miami on average home antennae, but could be received only with expensive (as much as $2,000) super high-gain antennae. (Would anyone invest that much during a trial period amendment?).

These are the numbers of viewers denied over-the-air broadcast of Miami games by the two stations:

WBBH-TV, 505,230 average viewers.

WINK, 703,230 average viewers.

Nationwide, these are the numbers of viewers denied over-the-air broadcast of the game of regional interest due to the lack of the "Frey Amendment."

AVERAGE NUMBER OF NATIONWIDE VIEWERS OF STATIONS BEYOND 90 MILES EQUALS 18,311,700 (APPROXIMATELY 9,500,000 AFFECTED EACH SUNDAY)

Team and call sign	City of license	Network	Average number of viewers
Dallas:			
KLTV	Tyler, Tex	ABC/NBC	920, 700
KWTX-TV	Waco, Tex	ABC/CBS	[1] 1, 255, 980
KAUZ-TV	Wichita Falls, Tex	CBS	[1] 726, 000
KFDX-TV	do	NBC	689, 700
Houston: KTRE-TV	Lufkin, Tex	NBC/ABC	[1] 920, 700
Kanas City: KOAM-TV	Pittsburg, Kans	NBC	[1] 903, 870
Los Angeles: KCST	San Diego, Calif	ABC	1, 564, 860
Miami: WEVU	Naples, Fla	ABC	(2)
WBBH-TV	Fort Myers, Fla	NBC	[1] 505, 230
WINK	do	CBS	703, 230
Minneapolis: KROC-TV	Rochester, Minn	NBC	1, 192, 290
KCMT	Alexedria, Minn	NBC/ABC	724, 350
KGLO-TV	Mason City, Iowa	CBS	[1] 961, 620
Philadelphia: WLYH-TV	Lancaster, Pa	CBS	[1] 1, 924, 23
WTPA	Harrisburg, Pa	ABC	2, 112, 330
WDAU-TV	Scranton, Pa	CBS	[1] 1, 906, 410
Pittsburgh: WDTV	Weston, W. Va	CBS	844, 800
San Francisco: KMST	Monterey, Calif	CBS	[1] 455, 400

[1] Indicates primary broadcaster.

(2) No figures.

Mr. Chairman, again let me stress—there is no sports anti-blackout law—for numerous reasons—only a statement by Pete Rozelle to abide by the "spirit of the law" for two years. We do not know what that means.

We do know that there are 42,806,280 television viewers who may be denied the game of their region without existence of this law.

(We also know that professional football enjoys an anti-trust exemption that allows them to pool their television contracts—resulting last year in $63 million of revenue.)

In light of the reluctance of the NFL to consider the public interest, and indeed to lobby against it in their so-far successful efforts to stymie this legislation, I believe it is time to reassess the need for anti-trust exemptions for professional sports as well as the need for any beneficial income tax provisions. Indeed, I suggest that if a sports anti-blackout bill is not enacted this session, the anti-trust exemption and tax provisions be abolished and so recommend to this committee for the formulation of its report to the House.

Thank you.

OIC'S CAN HELP

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GREEN. Mr. Speaker, unfortunately, the Congress did not have time in which to consider legislation introduced by myself and several of my colleagues to give greater manpower training responsibilities to opportunities industrialization centers and other community-based national groups.

But I do hope that the next Congress will give this kind of legislation greater attention. The problems to which my bill, H.R. 15066, is addressed have not gone away. Unemployment continues at a deplorably high rate. OIC's can help, and the 95th Congress should give them that opportunity.

INFANT FEEDING RESOLUTION

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. CHISHOLM. Mr. Speaker, as we press toward the end of the legislative session it is inevitable that a great deal of important legislative business will be left undone until we return. I would like to take this opportunity to express my continuing commitment to one of those pieces of legislation.

Late last month I cosponsored House Joint Resolution 1074, the infant feeding resolution, which calls for an investigation of certain corporate marketing practices which pose a grave threat to infant health in the third world. This resolution as been referred to the Subcommittee on International Resources, Food, and Energy, and I am certain that my colleague, the gentleman from Michigan (Mr. Diggs), will see that hearings are held at the first possible opportunity.

Meanwhile, I would like to insert into the Record an article by Boyce Rensberger which appeared in the New York Times on April 6, 1976. It clearly outlines the nature of the problem which we will be attacking. I hope it will serve as a prod to the consciences of responsible corporate and Government officials so that they will have some progress to report when we begin our legislative investigation next session.

The article follows:

Drop in Breast Feeding Causes Health Problems in Poor Countries

(By Boyce Rensberger)

Increasing abandonment of breast feeding in favor of bottled formula in developing countries is causing more and more infants to suffer from malnutrition and diarrheal diseases in the first year of life, according to nutritionists and physicians who work in developing countries.

In the past, such conditions typically did not appear until children were weaned between the ages of 1 and 2.

The change, the experts charge, is attributable in large measure to the manufacturers of the infant formulas who, through various marketing techniques, are persuading mothers in poor countries to abandon their own nutritionally ideal breast milk and buy instead the powdered formula.

RISKS ARE LONG KNOWN

The risks of bottle feeding for those without money, clean water, refrigeration and some training have long been known. The problem has taken on new significance in recent years, however, because American and European manufacturers of infant milk, facing a decline in birth rates at home, have been stepping up efforts to sell their products in developing countries, where birth rates remain high.

In a report issued earlier this year, two Cornell University nutritionists said bottle feeding was one of the prime contributing factors in the high rate of infant mortality in developing countries.

Because many of the affected mothers live in poverty, they have only contaminated water to mix with the powder and they frequently overdilute the expensive formula to make it last longer.

OVERDILUTING POWDER

Studies in several Caribbean, islands, for example, revealed that some mothers whose babies were exclusively bottle fed were diluting a one pound tin of powder, properly a four-day supply enough to make it last more than three weeks. In Barbados 82 percent of the mothers surveyed were overdiluting the powder.

Many of these studies were carried out by the Caribbean Food and Nutrition Institute in Jamaica, which is supported by various international agencies and the University of the West Indies. Another prominent research center studying the issue is the Institute of Nutrition of Central America and Panama, based in Guatemala.

Much additional published research on the problem has been done by individual researchers working in many countries in Africa, Asia and Latin America, The widespread nature of the problem has been emphasized in several statements by the Protein Advisory Group of the United Nations.

SERIOUS HEALTH HAZARD

"Although bottle feeding is a serious public health hazard," they wrote, "promotional efforts of corporations producing infant formulas continue to convince mothers to use their products, often resulting in the discontinuance of breast feeding.

"For two-thirds of world's population, bottle feeding of infants is highly undesirable. In many instances, placing an infant on a bottle is tantamount to signing the death certificate of the child."

The report was prepared by Dr. Michael Latham, professor of nutrition, and Ted Greiner, a graduate student, under a grant from the Ford Foundation.

The Cornell nutritionists suggest that advertising has played an important role in persuading mothers to abandon natural methods of feeding their babies.

"Advertisements imply that nice people with nice houses who want nice babies, bottle feed their babies," they said.

"In fact, for the majority of Africans, Latin Americans and Asians, who don't have access to refrigeration and clean water and who are unable to afford formulas in adequate, amounts, bottle feeding is incredibly difficult and extremely bad. But the media onslaught is terriffic the messages are powerful and the profits are high. High also is the resultant human suffering."

In addition to billboards and advertisements in publications aimed at low income groups, the Cornell report says the formula makers also sponsor crawling contests for babies and use clowns, magicians and other performers to entertain parents and then advise them on the alleged benefits of bottle feeding.

One of the most widely condemned practices is the use of "milk nurses," professional nurses who are employed by the formula makers to go into maternity wards, distribute free samples of infant formula and advise mothers on how to use them.

PROMOTIONAL EFFORTS

In many cases, according to Dr. Derrick B. Jelliffe, an authority on infant nutritional problems in developing countries and a longtime opponent of unnecessary bottle feeding, these promotional efforts cause many mothers who would otherwise happily breast feed their newborns to believe that they should not.

Dr. Jelliffe, a professor at the University of California at Los Angeles, and many others say that although the artificial formulas are useful for mothers who cannot nurse for medical reasons, thrusting free samples on a healthy new mother can delay the onset of lactation enough to bring on genuine difficulties. At this point, they contend, the mothers become "hooked" on the commercial product.

Recognition of the role of advertising in this problem has led to protests to the manufacturers to end the practice. One of the main targets has been Nestle, the Swiss-based corporation, which sells the largest share of infant formula in the underdeveloped world.

Three large American companies are also involved in the trade and much of the effort to correct their practices has been waged by the Interfaith Center on Corporate Responsibility, which represents 23 Protestant denominations and about a hundred Roman Catholic orders that own considerable amounts of stock in various companies.

The group is expected to raise objections during shareholders meetings later this month. The three manufacturers are Abbott Laboratories (makers of Similac and Isomil), which will hold its annual meeting Friday in Chicago; Bristol-Myers Company (Entamil, Olac and Prosobee), which meets April 15 in Wilmington, Del., and American Home Products (SMA, S-26 and Nursoy), which meets April 28 in Wilmington.

Although none of the major American manufacturers denies that its products can be and have been misused to the harm of babies, they contend that newly adopted codes of marketing ethics have eliminated earlier problems. Abbott and Bristol-Myers, for example, say their current policy is not to promote their infant formulas directly to consumers but rather to doctors.

INDUSTRY DEFENSE

One industry official, responding to the critics, has said that responsible manufacturers promote their products only to those within developing countries who are wealthy enough to afford them in proper amounts and that such promotion reaches the poor only "coincidentally—producing some motivation to acquire status by use of such products."

The critics contend, however, that the numbers of wealthy people in developing countries are too small to provide an economically attractive market for the formula manufacturers and that the companies are really trying to reach the much larger groups of poorer parents.

The critics also say that despite some changes, the advertising media and messages have not sufficiently improved in all cases.

EVERY OLDER AMERICAN SHOULD TAKE SWINE FLU VACCINE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DERWINSKI. Mr. Speaker, now that the planning and work of more than half a year is coming to a successful climax and flu vaccine is actually being shipped to State health departments, I would like to focus on those who should be receiving the vaccine in the programs beginning this month.

Most Americans will be eligible to receive the vaccine, but probably no single group is more important than our elderly people. To use the old phrase "Better safe than sorry," those over 65 should make their plans now to receive the vaccine as soon as possible.

Influenza is never any joke, and for older people it can be especially serious. The vaccine older Americans will receive gives them an extra edge of protection, combining two strains of flu virus: one, A/Victoria, which reached epidemic proportions last flu season; and the other, swine flu, which potentially could appear in even larger pandemic proportions this year.

This is a safe vaccine made from a killed virus. No one can catch flu from it, although a few may feel some soreness in the inoculated arm or run a low-grade fever for a day or two. And it is effective. There is between 80 and 90 percent assurance that with the innoculation, an individual will be protected against both strains of flu.

The Chicago metropolitan area will get a total of 1.6 million doses of the vaccine, and it is hoped that inoculations will be completed within 2 months. Senior citizens and persons of high risk medically will be inoculated first, and 200 sites will be open for the free, voluntary inoculation program which begins the week of October 3.

Mr. Speaker, I encourage every older American to take the flu shot as soon as possible.

A TRIBUTE TO CONGRESSMAN MARVIN ESCH

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, I want to take this opportunity to offer a few words of praise for my colleague from Michigan (Mr. Esch) who will be soon departing this body after 10 years of dedicated service. While I do not want to put myself in the position of commenting on the political fortunes of a member of the other party, one thing I can say is Marvin Esch may be back wandering the Halls of Congress next year with his sojourns starting from the other side of the Capitol.

Marvin Esch's service on the Education and Labor Committee was most distinguished. On many occasions I found myself on the same side of the issue with him, because Marvin Esch's first concern, particularly in matters relating to education, was for people. His leadership on education bills was well known on both sides of the aisle. His opinions on the operations of the Department of Health, Education, and Welfare were well conceived and well received. His contributions to Committee deliberations were numerous and valued.

But one could hardly expect less from a man who spent 14 years on the staff of Wayne State University in Michigan. His excellent qualities as an educator carried over well into the legislature. His in depth knowledge of the operational side was invaluable on many occasions as we tried to decide what would be best for our Nation's educational institutions and our students.

He has made other outstanding contributions in the field of technology as a member of the Committee on Science and Technology and as a member of the Technology Assessment Board. He has demonstrated his support for the arts and humanities, not only as a member of the Education and Labor Committee, but as a trustee of the John F. Kennedy Center for the Performing Arts, and as a member of the Joint Committee on Arrangements for the Commemoration of the Bicentennial.

Whatever the outcome of the Senate race in Michigan in November, Marvin Esch will be remembered in the House, by both Democrats and Republicans alike, for his many contributions to the legislative process and his friendly, persuasive manner. Whether it is Michigan or the Senate that gets him next, the recipient will be well blessed.

TRIBUTE TO CONGRESSMAN THOMAS MORGAN

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HEINZ. Mr. Speaker, today marks a milestone in the career of an able politician and statesman, the dean of the Pennsylvania delegation, Congressman Thomas E. "Doc" Morgan. After 32 years of faithfully and ably serving the 22d District and the American people, Doc will be returning to his home in Fredericktown for a well deserved retirement.

Throughout his long and illustrious career, Doc Morgan has always kept the best interests of the people of Pennsylvania in mind, regardless of their party affiliation. In all of those years he has never lost his sensitivity to the desires of his district, and still goes back there every weekend to talk with his constituents.

Mr. Speaker, Doc Morgan, especially in his role as chairman of the Committee on International Relations, has been a guiding force in Congress through some of the most tumultuous years in American history. As one who has testified before his committee, I can say that he ran it in a knowledgeable and gentlemanly manner. Doc was also known for the bipartisan manner with which he conducted the committee, and the way he supported both Republican and Democratic Presidents in foreign policy matters since being appointed to the committee shortly after World War II.

As its chairman for the last 19 years, Doc has made sure that legislation vital to our foreign policy has reached the House floor. In addition, he has been a chief designer of our foreign aid legislation which he has guided safely through the legislative process during many difficult years. While serving through six Presidential administrations, he has opposed or supported policies on their merit, and what he believed to be in the country's best interest.

Doc Morgan will be sadly missed in the Halls of Congress and by the American people. However, his family, the people of the 22d District, and the people of Pennsylvania will benefit because they will have Doc home again.

MORE ON THE TETON DAM

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HANSEN. Mr. Speaker, as I have said in other inserts in the Congressional Record, the people of eastern Idaho were superb in helping themselves and their neighbors out of the disastrous circumstances caused by the failure on June 5 of the Teton Dam.

In the following days as Federal disaster forces arrived at the flood scene, they were surprised to find order, not chaos, and people working diligently to solve their problems instead of being frustrated and defeated by them.

Since the majority of the people in eastern Idaho are members of the Church of Jesus Christ of Latter-day Saints, it was they who largely led the rapid cleanup and recovery operations in the days following the collapse of the dam.

The following article in the Idaho Falls, Idaho, Post-Register, details the work of the church in rehabilitating people and their property in the flood areas:

LDS CHURCH MEMBERS SUSTAIN SELVES DURING TETON FLOOD

(By Darryl Harris)

(Editor's Note: This is the third in a series of articles decalling with the effective work done by religious organizations in providing relief and assistance, and helping with restoration following the Teton Dam flood disaster of last June.)

At a 10 a.m. meeting on Sunday, June 6, the day following the Teton Dam disaster, more than 5,000 stunned flood victims jammed into the Hart P. E. Building on the Ricks College campus in Rexburg.

The three stake presidents that serve the area for the LDS Church gave the people instructions and counsel, but one set of instructions set the stage for the LDS Church involvement in the cleanup effort that began that day.

Roll up your sleeves and get your homes and our community cleaned up," counseled Mark G. Ricks, president of the Rexburg Stake and area welfare leader for the Church.

"Don't sit back and wait for the federal government to do it for you. Let's do it ourselves."

They went out and did just that. LDS Church members comprise better than 92 per cent of the population in Madison County, hardest hit of the flood areas. And the church accordingly felt the necessity to assume the responsibility for the major percentage of the relief effort, a fact readily acknowledged by state and federal agencies that worked hand-in-hand with the church during the aftermath.

In fact, approximately one million man-hours were donated by church members in the massive cleanup effort. Correlation meetings, held at the urging of and under the direction of the three stake presidents of the area, provided the leadership and organization needed for an effective cleanup. And around-the-clock work by Deseret Industry personnel topped off the bullwark of relief efforts by the church.

How this all unfolded is a lesson in human compassion, love of fellow man, and demonstration that efforts by church leaders to teach members to be self-sustaining, is indeed effective.

President Ricks (a great-grandson of Thomas E. Ricks, after whom Ricks College was named) was working in his yard with his wife the day of the flood, at his farm home south of Rexburg. Neighborhood children's conversations provided the first clue, confirmed moments later by radio broadcast as he went inside to get a drink of water.

"I drove into town around noon and found that roadblocks were already set up," recalls Ricks. "So I drove out Highway 88 to talk with Del Klinger, my first counselor and a member of the county commission. I helped him move household items to a higher level for a few moments, then went nearby to help Sister Venla Wright, a widow, move some items out of her home. Of course we had no idea yet how high the waters would be or what kind of danger the community faced.

"In fact, when I arrived back home, my three sons thought we'd better move some of our machinery to higher ground. But I didn't think there was that much to worry about, a mistake that the majority of the people made.

"Fortunately, the area around my home and farm was not affected by the flood, but I soon changed my mind as to the seriousness of the situation as we viewed the flood waters approaching Rexburg a short while later from atop college hill," he said.

"We couldn't believe our eyes. There was water as far as we could see. I knew the church had work to do, and fast."

The first organized relief effort was a meeting called by the three stake presidents (Ricks of the Rexburg Stake, Ferron W. Sonderegger, North Stake, and Keith Peterson, East Stake), held at the East Stake Building, 387 S. 4th East, near the college campus and away from the flood waters.

The meeting provided much-needed direction for people in a state of shock and disbelief. At the meeting,

Rex Bennion of Ricks College, owned and operated by the LDS Church, announced that the college doors were open for everyone who needed lodging in the dormitories and meals at the cafeteria.

A missing persons registrar was established at the Manwaring Center on campus. The list grew long that first evening.

Priesthood brethren were asked to account for families that they were assigned to as home teachers.

Assignments were given to begin the removal of dead animals from the streets and homes, to secure fuel, to line up pumps to begin pumping out basements, and the Lyman Ward was assigned to clean clothing salvaged from homes hit by the flood waters.

Advice was given to follow priesthood leadership and direct information through proper channels.

"Despite the tragedy, I think everyone had a warm bed that night and a place to eat. There were thousands of homeless people, but already they were being taken care of," comments President Ricks.

After meeting later that day with the other stake presidencies, county commissioners, Civil Defense and other officials at a command post set up at the Army Reserve center, 379 S. 2nd East, President Ricks flew by helicopter to Idaho Falls so that telephone calls could be made.

A phone call to church headquarters in Salt Lake City, Utah, revealed that Quinn Gardner, Presiding Bishopric's Office, was already directing the loading of welfare trucks full of supplies (even tents were loaded). President Spencer W. Kimball and members of the First Presidency were in Denver, but Ricks was able to confer with Sister Nathan Tanner. He assured her that "death losses would be at a minimum."

He talked with two stake presidents in Idaho Falls, President Harold G. Hillam, South Stake, and Eldon L. Ward, East Stake, concerning welfare assignments and the start of relief aid. Hillam would ultimately assume responsibility in coordinating volunteer relief help.

Ricks also called LeRoy Rasmussen, manager of Deseret Industries in Idaho Falls. Coordination of efforts began with all church agencies. Rasmussen called Salt Lake City promptly and ordered three semi-truck loads of box springs and mattresses (nearly 2,000 were utilized ultimately). They were given out through bishop's order forms.

President Ricks returned to Rexburg aboard an Associated Press helicopter carrying AP writers assigned from Los Angeles and Salt Lake City. They flew over the entire flood area before landing at 10:30 p.m.

A 10 a.m. Sunday meeting had been set. Ricks conferred again with President Peterson and President Sonderegger, met again with officials at the command post, then went home at 2 a.m. to get some rest. Like most people, he didn't sleep too much that night.

At 5 a.m. Sunday, the Idaho National Guard flew the stake presidents, county commissioners, and Civil Defense personnel over the flood area. At the 10 a.m. meeting, the three stake presidents:

Informed the 5,000 people in the Hart P. E. Building that the worst had passed, but that "from the helicopters, the scene is a sad one."

Told them to "roll up their sleeves and get your homes and our community cleaned up. We can do it ourselves, now, without waiting for help from the government."

Boosted the morale of the flood victims with reports on contracts with church headquarters in Salt Lake City. "We had the total resources of the church available to us, and we knew it would be a tremendous help," Ricks recalls.

The missing persons list was shrunk by reports from families and home teachers.

Then began the seemingly unsurmountable task of cleanup.

"In my stake, for example, only half the homes in my ward, the Rexburg 9th Ward, and half the homes in the 7th Ward, were not hit by the flood. All homes in the other five wards were hit," he said.

Owen Walker, a member of the Rexburg, Stake High Council in charge of building maintenance, was given the job of supervising all pumping operations. He was assisted by Phillip Ricks, a member of the 9th Ward Bishopric.

President Keith Peterson took the assignment of welfare matters because his stake had only one ward affected. David Crowder, a counselor, supervised the assignment of heavy equipment that was donated for use. Another counselor, Charles M. "Tiny" Grant (one of the first who suggested that outside church members be called in to help), was placed in charge of the Bishop's Storehouse and supervised the unloading of supply trucks, and set up nursery aid and first aid stations.

The removal of mud and water from homes began that Sunday, the ultimate in the "ox out of the mire" application of Christ's teaching. The work continued with enthusiasm on Monday. Stake by stake, ward by ward, home by home, the work was organized and under way.

Tuesday, Church officials from Salt Lake City flew in by helicopter to assess the damages and need for help. Bishop Victor L. Brown from the Presiding Bishopric's Office was there, as were sister Barbara Smith, Relief Society President, and Harold Brown, from the Church welfare department.

Dick Barth, also from the Presiding Bishopric's Office, came to organize emergency satellite storehouses at Ricks College. The chapel at 387 S. 4th was utilized for commodity distribution.

"We emphasized strongly that all services of the church were to be made available to members and non-members alike," President Ricks stated.

A correlation plan and flow chart was formulated and meetings were set up each Monday, Wednesday and Friday at 1 p.m. at the Manwaring Center, Ricks College, where the stake presidents met with federal agencies, state agencies, county commissioners, Civil Defense people, security people, Ricks College officials, church welfare representatives, and church officials from neighboring stakes that came to help.

Tuesday, three days after the flood, President Harold G. Hillam was assigned to coordinate welfare relief with help from volunteers from other stakes. Attempts to travel to Rexburg that day were stopped at the roadblocks.

Wednesday, the first volunteer help arrived in Rexburg and Sugar City.

"By Wednesday, we were ready for help," President Ricks says. "Most of us were not used to the hard labor required to mud out. Some said that it was like seeing seagulls coming to our rescue, and that is an appropriate description of our feelings."

More than 1,500 volunteers from other stakes "flooded" into the homes that day to work. Within a few days the number had swelled to 5,000.

"There hearts went out to us," states President Peterson, who worked with President Hillam in the assignment of the volunteers. "Those good brothers and sisters came in at their own expense (some from Utah spent $11 to $13 each per day for transportation) and even brought lunches for themselves and for the families they were assisting. They were willing to work hard, and do anything to assist in the cleanup. And believe me, there were some mighty dirty jobs to do."

President Eldon L. Ward assigned each stake in the Idaho Falls East Region specific ward in the Rexburg North Stake (for example, the Ammon Stake took care of one of the Sugar City wards). Volunteers from other stakes, Salt Lake City, Brigham City, Pocatello, Burley, Twin Falls, Boise, and Billings, for example assisted.

Some individuals came from as far away as California to help.

"The people from Billings left home at 1 a.m., worked all day, then left late in the evening. The spirit of concern and attitude to help their fellow man was something to witness," President Hillam remembers.

Homes continued to be pumped dry and mud was cleaned out of carpets, walls, drawers, appliances, clothing, and elsewhere. Dead animals were removed. Trees and debris were hauled away.

A Burley, Idaho, man brought in a piece of machinery with a special attachment he welded on the day before that was highly effective in scopping mud. He was offered a paying job by disaster relief officials.

"I came here to help and not to get paid. I'll go home if you pay me, otherwise, I'd like to stay and work for nothing like the rest of the people," was his reply.

There were many stories of people weeping in thankfulness as the volunteers took over.

Initially, the flood victims were optimistic and thought they could get the job done in just a few days by themselves. But after the first two or three days they found the mud didn't yield to their labors as easily as they anticipated and they became somewhat discouraged. "They were thankful to see the busloads and carloads of volunteers from the other stakes," relates Hillman. "In fact, someone made the comment that the volunteers looked to them as the seagulls did to the early Utah pioneers."

A group of young men were assigned to the bishop of one of the Rexburg wards to assist a non-member home. The father of the home couldn't understand why they showed up to help when he "wasn't a member of your church."

The youth said it didn't matter and went to work. Moments later some of the boys found the man sitting on his porch, his eyes in tears. "I just didn't think anyone cared that much about me," he cried.

There was another story concerning seagulls.

President Songeregger relates that everywhere there was water there was mosquito larvae. He began to fear a monstrous mosquito problem that would plague everyone. But while assessing damage one day shortly afterward in the farm areas, he noticed thousands and thousands of seagulls. They were scooping up mosquito larvae.

"This is the first disaster that heavily populated area of the church has faced in recent years," Hillman said. "It was a learning experience for the church, and it was gratifying to see how the church works with the correlation of the welfare system, the bishop's storehouses, Deseret Industries, the organization of the priesthood, and the response of the members as they volunteered to help."

"We've learned, for example, that some of the alarms sent out for clothing and other materials were not really necessary because those things were already available through the bishop's storehouses and Deseret Industries. Communications was a problem and plans are being made which will help in future disasters.

"To illustrate, some one might request baby supplies through the media. Immediately, and to the credit of the radio station who was so willing to help, a cry went out for those supplies. But most things were already available and as the relief efforts became organized, the people found out where they were available," he said.

In the first days of the flood, providing clothing to the flood victims was somewhat of a problem. Tons of clothing were available, but it was not sorted and sized as it came in from various groups and individuals.

Deseret Industries eventually took over the sizing, sorting and cleaning of clothing and made clothing already processed available. Deseret Industries, according to manager LeRoy Rasmussen, donated an estimated $300,000 worth of goods that included clothing, the box springs and mattresses, 1200 sets of chests of drawers, and 300 kitchen sets.

On June 6, a Saturday, Willis H. Yost, chairman of the local operating committee of Deseret Industries, spearheaded a gigantic "electrical hookup" day that will be talked about for years to come.

Approximately 500 volunteers, all qualified electricians, spent the day in reestablishing power to homes hit by the flood and ready, or nearly ready, to be reinhabited. Local electrical union members enthusiastically helped.

All stake presidents joined in expressing thanks to all agencies and people who assisted in the cleanup and restitution of damages, such as the Red Cross, the Federal Disaster Relief Team, HUD officials, county commissioners, Governor Andrus and General Brooks.

"We especially wish to thank Congressman George Hansen, Senator Jim McClure, and Senator Frank Church for quickly expediting legislation on the Teton Dam compensation bill," President Ricks added.

A letter from Rep. Leo J. Ryan, D-Calif., chairman of the Conservation, Energy, and Natural Resources Subcommittee of the Committee on Government Operations, House of Representatives, co-signed by Rep. Gilbert Gude, R-Maryland, was especially helpful, Ricks feels.

Ryan and Gude, brought to Idaho by Rep. Hansen, a member of the LDS Church, wrote to President Gerald Ford that "The people of Eastern Idaho are remarkably optimistic and are working had to take care of one another and clean up their towns. The Church of Jesus Christ of Latter-day Saints, to which most of them belong, is playing a heroic role in this effort as well.

"To this end, we have joined Congressman George Hansen in introducing legislation to provide full compensation for losses caused by the dam break and resulting flood. Once this bill has passed both Houses of Congress, we urge you strenuously to act as expeditiously as possible to sign and implement it. The people of Idaho deserve prompt, efficient, and effective assistance."

Art Kross, director for Disaster Services for the Western Area, American-National Red cross, had high praise for the Mormon Church during the relief:

"I had lived several years in Southeast Idaho among the Mormon people, and am well familiar with their strong will to be self sustaining. Very quickly we had a mutual agreement with the Church during the flood on how we could best work together as they took the initiative to provide leadership and direction.

"The Church provided us with numerous volunteers as we got our relief efforts instituted, and allowed us to use Ricks College as our base of operations. Of course Ricks College took the brunt of the emergency housing, which normally we have to provide, as well as the feeding of the flood victims.

"No one in the Church bothered to ask who was going to pay for the costly services they were providing, they just were happy to provide for the people. I cannot say enough concerning the competence and capability of the leadership they demonstrated, and I sincerely mean what I say." Kross added.

HUD officials were equally enthusiastic in their praise of efficiently working jointly with the church organization to get temporary housing installed. Two appraisers were assigned to each ward, who worked with the bishops in making housing assignments.

The HUD appraisers stated that it speeded up their work by at least four weeks, and overall, HUD officials told church effort leaders they felt they were as much as four months ahead in some programs.

The story of the flood relief may be one of the greatest stories ever told. Everyone, however, prays that it won't happen again. But somewhere, sometime, the story may be repeated.

DEAF COUPLE IN HARTSVILLE, S.C., CELEBRATES 50TH WEDDING ANNIVERSARY

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JENRETTE. Mr. Speaker, it is my distinct personal honor to call the attention of this body to the golden wedding anniversary of an outstanding couple in my district. Mr. and Mrs. W. Arthur Green of Hartsville, S.C., celebrated their 50th anniversary on July 14. Special occasions such as this are always worthy of note; however, I wish to point out that both Mr. and Mrs. Green are deaf. They have never been able to hear a word spoken by the other. Truly a couple such as Cora and Arthur Green are worthy of our utmost respect and admiration for their accomplishments, and I wish to extend to them my best wishes for another 50 years together.

DROUGHT LEGISLATION CHANGES NEEDED

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PRESSLER. Mr. Speaker, the drought has been a theme which I have discussed before this body on numerous occasions this summer. I wish I could report to you that the problem has subsided and that we were no longer confronting this critical issue. That is not the case, however.

During the past growing season, beginning around Memorial Day, I first began to see the emergence of the drought and saw it steadily grow worse as we went through the hot, dry summer. This week, the first general killing frost hit South Dakota, thus ending the growing season. For most of our farmers, it was an unmitigated disaster.

During this past summer, officials at the State and Federal levels have improvised and adjusted the disaster legislation on the books to try to fit the drought. Unlike the sudden catastrophic disasters which have hit various parts of the country with devastating losses to human life and property, the drought steals in and quietly erodes away the lifeblood of agriculture, ultimately engulfing the rural communities and cities which depend upon the produce of the land.

Although some relief can be provided through State government, and I commend Governor Kneip for establishing a drought center in the State Department of Agriculture, essentially it is the responsibility of the Federal Government to improve its disaster programs so that they deal more effectively with droughts. In the development of a more coherent and comprehensive farm disaster program, I suggest that we should include consideration of the following:

First. Provide special disaster low interest, guaranteed loans for farmers and ranchers for restoration of foundation herds and for operating loans for crop losses, eliminating cumbersome administrative procedures;

Second. Special direct low-interest, loans for young farmers who have been hit by multiple disasters over the preceding 5 years and for forgiveness or a moratorium on payments in the event of future designated disasters;

Third. Revision of the present disaster payment program to bring levels of payment closer to the average cost of production and to revise the outdated allotment system;

Fourth. Coordination of a disaster payment program with a system of broadened coverage under the Federal Crop Insurance program using some long-term arrangement to assure the stability of the program to protect current policyholders.

Fifth. Provide some kind of emergency underemployment job assistance for farmers who are underemployed due to a drought disaster;

Sixth. Provide authority for rebuilding the disaster feed grain reserve to a workable level to protect farmers from drought disasters—10 million bushel reserve has been suggested; and

Seventh. Accelerating drought-proofing actions such as providing more funding for the development of irrigation, more tree-planting, and increasing emergency conservation practices with emphasis on moisture conservation.

This agenda could be enlarged, I am sure. As we have worked with the present programs, we have been confronted with a need to make numerous adjustments and have had to seek administrative interpretations at almost every turn. Separate pieces of legislation on the books do not blend into a whole that makes sense. Programs do not work well together, sometimes at cross-purposes. One farmer who needs help the most may find his good judgment in planning ahead is actually penalized when programs are announced later and not given retroactive application. Some programs have restrictive eligibility, others operate without restrictions. An allotment system that is a hangover of the old price support program is used as the basis of disaster payments, so many farmers do not have coverage by the accident of farming where there is no allotments. There is little or no reserve for new allotments.

I am under no illusion that the development of a workable farm disaster program will be easy. The present patchwork of legislation is almost impossible for farmers and county ASC committeemen to follow. My Own ASC State Committee recently put out a special publication to help explain the programs that it was administering. I do not excuse them or the county committees or the administration for their mistakes, but I think the Congress must bear its share of the responsibility for having put together a mish mash of legislation that does not always make sense and which is often unresponsive to the real problems we are addressing. The real losers in the disaster game are the farmer, businessman, and citizen who needs a program that will work and that he can understand. I hope that the next Congress will deal with this, without getting bogged down in jurisdictional squabbles and on a basis that gets the job of disaster relief done.

TRIBUTE TO ALPHONZO BELL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROYBAL. Mr. Speaker, it is with pleasure that I rise to pay tribute to my good friend and colleague ALPHONZO BELL, who will be leaving Congress after 16 years of dedicated and distinguished service. It has been a pleasure to serve in Congress with ALPHONZO and I place a high value on the friendship which has developed over the years. As fellow Representatives from Los Angeles, we have shared many of the same concerns, as well as several flights on the Red-Eye Special.

I consider myself fortunate to have had the opportunity to know, work with, and become friends with ALPHONZO BELL. And over the years my respect and admiration for this man have only grown. He has represented his constituents with outstanding ability and unfailing dedication, and will certainly be missed in the House of Representatives.

I want to take this opportunity to extend my personal best wishes to ALPHONZO for every success in the future.

PRESIDENT FORD AND THE VETO POWER

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ECKHARDT. Mr. Speaker, the 94th Congress has been marked by confrontation and stalemate as a result of the continuing conflict between the legislative branch and the executive branch highlighted by President Ford's use of the veto power.

Certainly, the Founding Fathers envisioned a more limited use of the veto, as is evidenced in the writings of James Madison, Alexander Hamilton, and other framers of the Constitution.

An interesting article on this subject entitled "President Ford and the Veto Power: Constitutional Safeguard or Arrogant Abuse?" appeared in the September issue of the CWA News, the official journal of the Communications Workers of America. The article was written by Mr. Lou Gerber who serves on the union's legislative staff.

Because I thought that this article might be of interest to other Members, I am placing it in the RECORD:

[From CWA News, September, 1976]

PRESIDENT FORD AND THE VETO POWER: CONSTITUTIONAL SAFEGUARD OR ARROGANT ABUSE?

(By Lou Gerber)

(NOTE.—Lou Gerber, a CWA legislative representative, has been active in the legislative struggle between Congress and President Ford over the past two years.)

During the last two years, a period of economic distress unparalleled since the Great Depression, the presidential veto stamp has left an indelible imprint on the lives of America's working people.

Gerald Ford has vetoed 55 bills, a record that stands in marked contrast to what he said on assuming the office of the Presidency on August 14, 1974. At that time, he told the American people that the watchwords of his administration would be "communication, conciliation, compromise and cooperation." Instead, his monumental veto struggle with Congress has produced mainly confrontation and stalemate.

In his brief tenure in the White House, the President has already refused to sign more bills than former Presidents Kennedy, Johnson and Nixon vetoed during the span of their respective terms. In fact, Ford has cast more vetoes in the past 25 months than the first 16 Chief Executives—George Washington through Abraham Lincoln—cast during the first 75 years of our history as a republic.

Through his compulsive use of the veto power, the President has not only frustrated the needs of the people, but he has actually flouted the expressed intentions of our nation's Founding Fathers, blurring the lines separating the Executive and Legislative Branches of our federal government and imperilling the delicate system of checks and balances which undergirds our constitutional system.

WHAT THE FOUNDING FATHERS HAD IN MIND

The Presidential veto power sanctioned by our American Constitution derives historically from the government of ancient Rome and from the monarchies of the Middle Ages. The word "veto" means literally "I forbid." It is the Latin word which, in ancient Rome, the tribunes (representing the plebeians, the common people) were authorized to use for stopping the enactment by the Senate (dominated by patricians, the aristocracy) of a law which would harm the many.

In medieval Europe, sovereigns promoted the idea of "the divine right of kings." Even in countries with parliaments, they succeeded in retaining the authority to overturn laws which they deemed inexpedient. The tradition of a powerful monarch was inherited by King George III of England, whose despotic rule helped spark the American Revolution. Of King George's use of the veto, the Declaration of Independence stated: "He has refused his Assent to Laws the most wholesome and necessary for the public good."

Given the hatred of the American colonists for the British monarchy, it is remarkable that the Founding Fathers included the veto power at all in our Constitution. But from the debates that took place at the Constitutional Convention held in Philadelphia in 1787, the writings of James Madison and Alexander Hamilton and the actions of the early American Presidents, it is clear that the framers of the Constitution envisioned only a *limited* use of the veto power by the Chief Executive.

Madison, "Father of the Constitution," told the assembled patriots in Philadelphia that the object of the veto power was two-fold: to protect the integrity of the presidential office and to prevent flagrant injustices. He amplified this view in *The Federalist*, Paper No. 51, in which he warned that "on extraordinary occasions, it (the veto power) might be perfidiously abused."

Benjamin Franklin, Pierce Butler and Roger Sherman, delegates to the Philadelphia meeting, expressed the fear, prevalent among the delegates, that inclusion of the veto power in the Constitution might lead to "abuse of the executive power." In the same vein, George Mason, a Virginia delegate, charged that "the negative power in the executive did not accord with the genius of the (American) people."

As a result of such fear that a future Chief Executive might use the veto power to trample on the rights of the elected legislators, the authors of the Constitution rejected for the American President the absolute veto enjoyed by the English King. Instead, they agreed on a qualified veto under which Congress could enact a bill into law over a presidential veto if two-thirds of each house of the legislative body voted to do so.

It is significant that Edward S. Corwin, an outstanding 20th century authority on the American Presidency, wrote that the Founding Fathers believed "the President ought to reserve the veto power for measures which he deemed to be *unconstitutional*" (italics added).

The words and deeds of our nation's early Presidents indicate unmistakably that in their understanding the veto power was to be used in strictly limited circumstances. For example, seven of the first 10 vetoes by American Presidents during the first 40 years of the new nation were based on strict constitutional grounds.

George Washington vetoed no measures at all during his first term in office. He declared in this connection that a just respect for the wisdom of the legislature required a President to exercise the veto power only when his mind was made up that a particular bill was unauthorized by the Constitution. Thomas Jefferson, author of the Declaration of Independence, did not cast a single veto during his eight years in office. James Madison, a principal architect of the Constitution, exercised the veto power only seven times during his eight years as President.

As late as 1889, U.S. Senator Cushman K. Davis, a Republican from Minnesota, stated in a floor speech: "It is clear as anything from the debates when the Constitution was formed that the veto power was only to be used to exorcise unconstitutional legistion."

Almost all of our Chief Executives have been loath to wield the veto power, because they felt that this special presidential prerogative should, like a sword, be kept sheathed and resorted to only on rare occasions to protect basic constitutional and human rights which may be in jeopardy. They recognized that the veto is a sacred trust, the single most powerful weapon available to the President under the Constitution, and one to be used only under extraordinary circumstances.

PRESIDENT FORD'S VETO RECORD

Since 1789, the Legislative Branch of the government has passed and sent to the nation's 38 Chief Executives nearly 90,000 bills. Approximately 2,450 of these, slightly less than three percent of the total number, have been vetoed. In the case of 2,450 bills that the President has refused to sign, Congress has overridden the veto in 3.5 percent of the cases.

By contrast, the current occupant of the Oval Office has compiled the second worst track record, in having his vetoes overridden by Congress, of any President in the history of the Republic. Of the 55 bills which Congress has presented to him that he has refused to sign into law, 10—or 19 percent—have been passed by Congress over his veto. This means that the 94th Congress is overturning presidential vetoes at a rate which is almost six times as high as the historical average of 3.5 percent in override successes.

Andrew Johnson, who had 15 of his 28 vetoes overridden and came within one vote of removal from office by impeachment, was the only President to have more trouble with Congress than Ford in this respect.

Four days after assuming the Presidency, Ford vetoed his first bill, a measure which would have given a pay raise to deputy U.S. marshals. As a harbinger of what was to come, the President, in his veto message, charged that the bill was inflationary and budget-busting. The bill's purpose, however, was to provide a wage increase for federal law enforcement personnel who were among the millions of working people tightly caught between the twin pincers of inflation and recession.

The President's unremitting use of the veto power has distressed even his successor as House Minority Leader, Representative John Rhodes (R-Ariz.), a conservative who declared on December 5, 1974, "I think the veto power should be used sparingly." The new Minority Leader called for a "consensus government" and advocated that instead of casting a stream of vetoes, the President should consult Democratic and Republican congressional leaders in advance on legislative proposals. Otherwise, Rhodes said, Ford's vetoes could produce a "stalemate."

VETOES OF EMERGENCY BILLS

During the last two years, Congress has passed and the President has vetoed an emergency farms bill, three urgently needed jobs bills, an emergency housing bill, a critical stripmining (environmental) measure, several oil price control bills and a tax cut bill. With a stroke of the pen, the President again and again has negated the work of the hundreds of men and women who serve in the Senate and the House.

Emergency Farm Bill—On May 1, 1975, the President refused to sign a bill aimed at benefiting small, struggling family farms, and the House sustained the veto. The measure would have increased target prices for the crops of small farmers and extended the duration of their loans. The legislation was opposed by Secretary of Agriculture Earl Butz, the large corporate "penthouse" farmers and the agribusiness complex.

We often forget that rural America is not the lush green valleys, white picket fences and ivy-covered cottages that are shown as portraying country life on motion-picture screens. The number of family farmers has dwindled to two million and is decreasing at the rate of 1,000 a week. Although genuine farmers and their families constitute only three percent of the total population they comprise 16 percent of those who are poor.

Emergency Jobs Bill—In early June 1975, the President vetoed a measure that would have provided funds for 900,000 jobs at a time when 8,538,000 workers (a number exceeding the population of New York City) were officially classified as unemployed. The bill would have provided public service jobs, summer jobs for youths and jobs geared for older Americans.

President Ford vetoed the bill because it would "exacerbate budgetary and economic pressures." But as Representative Glenn Anderson (D-Calif.) pointed out in the debate prior to the veto override, the same administration which was charging that the jobs bill was "inflationary" was seeking the enactment of an energy program that would cost the economy more than $30 billion.

Emergency Housing Bill—In late June 1975, the President refused to sign and the House sustained his veto of an emergency housing bill that would have provided 800,000 jobs for the hard-pressed construction industry, then, as now, suffering double-digit unemployment. The bill would also have helped middle-income families by authorizing the Department of Housing and Urban Development to give cash grants of $1,000 for down payments on new houses.

In addition, the bill provided for mortgage aid to the jobless. For example, it authorized HUD to make loans of up to $250 a month to help cover payments of principal on mortgage loans for homebuyers who had "incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions" and who were "financially unable to make the mortgage payment."

Public Works Bills—On February 19, 1976, the President vetoed another jobs bill, a public works measure that would have provided 600,000 jobs, many of which would have assisted state and local governments. The Senate failed to override the veto. The President in July 1976 vetoed an additional public works jobs bill, that would have provided 330,000 public works jobs, but the veto was overridden by the Congress.

The callousnes of these vetoes of emergency jobs bills can be seen in the perspective of their background. When Gerald Ford became President in August 1974, five million people were officially counted by the Labor Department as unemployed. That figure ultimately increased by 3.5 million. Today, it is still eight million.

The cost of President Ford's refusal to sign jobs bills can be measured in another way. It is an economic fact that for every one percent of unemployment, the nation loses $50 billion in unproduced goods and services, $14 billion in potential tax revenues that are uncollected and $2 billion in social costs in the form of food stamps, welfare and other services provided by the government. Stated differently, every one percent of unemployment costs each individual taxpayer $80 a year in taxes.

Of course, the figures on a chart can never measure the human deficit resulting from unemployment—the heartbreak of millions of unemployed and underemployed Americans and their families.

HUMAN NEEDS VETOES

As the lengthening shadow of the recession spread across the land, the President vetoed a number of "human needs" bills that the Congress had passed to assist a wide range of Americans in coping with the economic malaise.

On October 29, 1974, the President celebrated his twelfth week in his new office by casting his tenth veto. He refused to sign a bill which Congress had sent him to provide rehabilitation assistance for the handicapped, who are among the most hapless members of our society. This bill had passed the House by a vote of 334–0 and cleared the Senate on a voice vote. Thus, not a single member of Congress was recorded in opposition to the legislation, a rarity on Capitol Hill.

The measure authorized $848.1 million to carry out various rehabilitation programs and to assist blind vendors who eke out a living by operating food stands on federal property. The President, however, found the measure too expensive and his veto stamp struck again. This veto was easily overridden, 398–7 in the House and 90–1 in the Senate.

A month later, the President again pulled out the veto stamp, this time using it against Vietnam-era veterans and Korean War veterans. Congress had passed a bill authorizing increased educational benefits during this time of economic trouble for men who had served their country. Again, the President's veto was overwhelmingly overturned by the Congress as the House voted 395–10 to enact the bill while the Senate followed suit, 90–1.

In July 1975, the President returned unsigned to the Congress a bill to provide grants to the states for public health service programs, community mental health centers in underserved inner-city areas, migrant health care in rural areas and nurse training programs. The bill's cost totaled $1.42 billion. The President charged that the amount was exorbitant. The Senate overrode this veto, 67–15, and the House followed, 384–43.

In the next month, the President refused to sign into law the annual education appropriations bill, the basic legislation providing funds for almost every federal education program including funds for elementary and secondary education, aid to handicapped students and assistance to disadvantaged learners. The cost of the bill was $7.9 billion. This amount exceeded the Ford budget request by $1.5 billion but was almost $400 million less than the target for education spending set by Congress as part of its new budget control process.

Again, the Congress overrode the President's action, surmounting the veto on a 379–41 roll call in the House and 88–12 in the Senate.

In December 1975, the Chief Executive continued his veto spree. He rejected the Labor Department and Health, Education and Welfare appropriations measure, containing $36 billion for manpower programs, unemployment benefits, $100 million for the Occupational Safety and Health Administration as well as funds for the work of the National Cancer Institute and other HEW programs. The Senate and the House overrode the veto.

Early this year, Congress passed and sent to the White House a day care standards bill to assist working mothers. When the bill was returned with a now-familiar veto message, the House overrode the veto, but the Senate narrowly sustained it.

Perhaps the most callous of all of Ford's vetoes, however, was his refusal to sign the school lunch and child nutrition bill, whose purpose was to provide at least one good meal a day for needy and hungry youngsters in school. The President said the $2.7 billion amount was "too much," $1.2 billion more than he had requested. Congress easily overrode the veto.

ENERGY AND TAX VETOES

While the American economy continued its harrowing slide downward, the President took several additional actions against bills the Congress had passed to loosen the strain on the already pinched pocketbooks of millions of wage earners and their families.

In August of 1975, the President refused to sign into law a badly needed bill to extend price controls on "old" oil. In seeking to decontrol petroleum prices, the President was forging an alliance with the multinational oil companies and the international energy cartels against the American consumer.

In late December 1975, near the end of the first session of the 94th Congress, the President vetoed a bill extending the tax cuts of 1975 into 1976. This veto was a reckless gamble with the nation's economic future. The President tried to justify his action on the grounds that the measure did not include language specifying a federal budget ceiling for fiscal 1976.

Although a compromise was later struck and tax cut legislation enacted, the President by his veto had indicated a lack of willingness to protect workers against a tax increase.

THE IMPERIAL PRESIDENT

Ironically, 200 years after the American colonists freed themselves of the tyranny of the English monarch, George III, their descendants now confront an unelected Chief Executive who behaves as if he were enthroned. By his flagrant use—or abuse—of the veto power, this imperial President has flouted the intent, if not the letter, of the Constitution as plainly stated by its framers. He has shown contempt for the elected representatives of the people, and in effect has created a new federal system on the occasion of our Bicentennial—government by veto.

HON. AL BELL

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CORMAN. Mr. Speaker, I wish to associate myself with this tribute to my respected California colleague from across the aisle, Al Bell.

Al and I entered Congress together in January 1961 and faced the trials and tribulations of adjusting to the rules, and decorum of the House of Representatives together. As freshmen from the Los Angeles delegation, we became good friends and in the ensuing years have worked together on many projects which have positively impacted on our State and city. Al has always been a responsive and responsible legislator. He has been an honest and capable leader. A man of integrity and conscience, Al has served his constituents of Los Angeles county for almost two decades.

Mr. Speaker, it is always difficult to see a Member of your State delegation leave, but I feel confident that Al will continue to serve the public interest whether in or out of this House. I extend every good wish to him for every success in his future endeavors. I expect that our firm friendship and comraderie will continue to flourish and hope that our paths will cross often in the days ahead.

TRIBUTE TO HON. LEONOR K. SULLIVAN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, I was personally saddened over the decision of Leonor Sullivan to retire from the House. I would, therefore, like to take this opportunity to pay tribute to an outstanding Member of Congress, and above all, a lady, elegant in every way.

Leonor Sullivan's departure from the House marks the end of a most distinguished quarter century of service in the House of Representatives. When she was elected to fill the seat of her late husband John in 1951, became the first woman ever to be elected to Congress from the State of Missouri. The voters of the Third Congressional District rewarded their earlier good judgment by returning Lee to Congress on 12 successive occasions.

From the outset, Lee Sullivan gained a reputation as one of the House's most effective legislators. She demonstrated these abilities most proficiently on both the Merchant Marine and Banking and Currency Committees. In the latter committee she served as the ranking Democrat on the important Subcommittee on Housing, and she played an instrumental role in the major housing legislation enacted by Congress including the Housing and Community Development Act of 1974. In addition, Lee Sullivan was a leader in the field of consumer legislation, especially the Truth in Lending Act.

My main associations with Lee have been on the Merchant Marine Committee where I serve as the chairman of the Coast Guard and Navigation Subcommittee. I have found Lee Sullivan to be a most able and cooperative chairman. The Merchant Marine Committee has developed some landmark pieces of legislation under Chairman Sullivan including the Endangered Species Act and the 200 mile fishing limit bill. The committee and the Nation have truly benefitted from Leonor Sullivan's leadership.

Lee Sullivan has been the recipient of four honorary doctorate of law degrees. In addition she served as a representative on the National Commission on Food Marketing, the National Commission on Mortgage Interest Rates, and the National Commission on Consumer Finance. She also served as chairman of the U.S. Territorial Expansion Memorial Committee.

Leonor Sullivan has been a dedicated, tireless, and extremely effective Member of Congress. She enjoys wide respect among her colleagues, especially those of us who serve on the Merchant Marine Committee. She is a warm and gracious lady, and a friend. I will miss her and extend to her my warmest best wishes for a happy retirement.

REPORT BY FIRST CHAIRMAN OF SELECT COMMITTEE ON AGING

HON. WM. J. RANDALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RANDALL. Mr. Speaker, in these last days of the 94th Congress, it seems only fitting to file an informal report on a committee that took its first steps in the 94th Congress, found strength, and grew into a useful legislative tool. Spawned as a part of the reformation of the House rules in October of 1974, the idea of a Select Committee on Aging had found broad support among the membership of the House. Continued interest in the work of the committee leads me to believe that support has not diminished.

In January all committees will file their annual reports, but, as some of you know, I will not be here in January as a Member of the 95th Congress. That fact impels me to make this informal report on the activities of the committee at this time.

If a brief digression can be excused, I might add that it is not without regret that I leave this hall which has so jealously consumed my time and interest for nearly 18 years. And of course the daily exchanges with Members of this body, all respected colleagues, and many of whom are personal friends, will be sorely missed. It is these very ties, and the feeling of commitment to those who supported the idea of a Select Committee on Aging that make me feel that I cannot rest until I report back to the House on this important assignment.

Not unlike other appointments, interest was high among Members in securing the appointment to chair the first House Committee on Aging. Like many other Members I submitted my application, which differed in at least one important respect from all other applications. I had previously chaired the Special Studies Subcommittee of the Government Operations Committee in the 92d Congress which had done substantial work on problems of the aging. If the appointment was gratifying, the work has been equally gratifying, and I again thank the Speaker for his expression of confidence.

In March of 1975, the committee received funding. By April the committee had held its first hearings. With only three rooms to house the committee, it did not become fully operational until permanent quarters were assigned and a full staff was employed late in July of 1975.

It has been a busy committee because, while the field of aging is broad, we have taken the mandate of the House seriously, and tried to shine some light into every corner. While the strictures of time and space will not permit a detailed elaboration, the members are entitled to know what areas the committee has explored, what studies have been conducted, what hearings held and what reports submitted.

This is what the committee has done either acting as a full committee or through its subcommittees chaired by myself and by my distinguished colleagues, Mr. PEPPER, Mr. ROYBAL, and Mr. MATSUNAGA:

A total of 95 days of hearings have been held; 1,138 witnesses have been heard; 42 of these hearing days were in the field in 35 localities in 19 different States. The remaining 53 days of hearings were held in Washington, D.C., where 271 of the above witnesses were heard.

From what was said by those affected by, and those knowledgeable about, the needs of older people, the committee began to identify the most critical problems of those on or approaching advanced years. Solutions were not always readily apparent, and recommendations had to be carefully sifted to separate the pragmatically possible from the idealistically desirable but unattainable. Recurring questions arose as to whether infusions of more money into social programs could abate the socioeconomic problems of older people, and if so, the extent to which this obligation could or should be assumed by the Federal Government, or local government. Also, the committee considered existing or proposed laws and programs that encourage self-help. No formula could be devised that seemed reliable. In making recommendations, the committe had to tailor proposed solutions to meet the peculiar problems presented.

Our first hearings pointed up some of the more critical areas of need. Through this process we became aware of the desperate situation of middle-aged and older women who find themselves widowed or divorced, ill-equipped to earn a living, and without any retirement benefits. Our Subcommittee on Retirement Income and Employment, which I also have the privilege of chairing, issued a report in December of 1975, "Income Security for Older Women: Path to Equality," containing recommendations that would provide opportunities for this forgotten segment of society to acquire work skills, require greater portability of pension credits and encourage the establishment of individual retirement accounts for nonworking spouses.

Legislative proposals have been introduced and are now pending in most of these areas. The committee found it most encouraging that the Tax Reform Act of 1976 included a provision that would exempt from tax a portion of income allocated to an individual retirement account for a nonworking spouse.

Another recommendation contained in the report would permit a supplemental security income beneficiary to draw the full amount of his monthly benefit for a longer interval than the 30 days currently allowed by law. By reducing the SSI payment to just $25 after 30 days of institutional care, many SSI recipients lost their only means of maintaining independent living accommodations and resigned themselves to staying on indefinitely in the nursing home. A provision in the Supplemental Security Income Amendments of 1976 (H.R. 8911), passed by the House on August 30, harmonizes with the committee's recommendations by permitting institutionalized SSI recipients to continue drawing the full amount of their benefit for 90 days.

When the committee became aware of the need among Members of Congress for a ready and easily understood source of information about the supplement security income program, it undertook preparation and publication of a committee print, "SSI Questions and Answers." Issued in October of 1975, this committee print makes the technical language of the laws and regulations manageable, and is sufficiently encompassing that the answer to almost any question a constituent might ask about SSI can be found in this publication.

Our Subcommittee on Health and Long-Term Care, chaired by the Honorable CLAUDE PEPPER, has made an exhaustive inquiry into home health care as an alternative to institutionalization. The case for "home health care" is carefully documented in the subcommittee's report "New Perspectives in Health Care for Older Americans" issued in January of 1976.

Comprehensive recommendations are contained in the report including recommendations on funding for multipurpose senior centers containing a health care component, establishing greater safeguards for social security checks for those in nursing homes, and greater use of home health services under medicaid. A package of 12 bills was introduced by Congressman PEPPER, with cosponsors, directed to implementing recommendations set out in the report.

Developments affecting the quality as well as the quantum of home health care is followed on a day-to-day basis by the subcommittee. When it appeared that the quality of home health care might be imperiled by making unlicensed proprietory home health agencies eligible for medicaid reimbursement, the subcommittee was in the forefront of opposition to this proposal of the Department of Health, Education, and Welfare. Significantly the proposal was recently withdrawn.

In June, 1976, the Subcommittee on Health and Long-Term Care held hearings on medical appliances needed by the elderly. In many instances the elderly have had to cut down on food to buy medical appliances like eyeglasses, dentures, and hearing aids. The report favors extending medicare and medicaid coverage to include medical appliances. Estimates of the cost of broadening coverage are supplied and recommendations are made on methods of supplying quality medical devices at the lowest possible cost. This month the report containing these recommendations and entitled "Medical Appliances and the Elderly: Unmet Needs and Excessive Costs for Eyeglasses, Hearing Aids, Dentures and Other Devices" was approved for publication.

In another area, the subcommittee has reacted to the continuing dilemma of nursing home fires by strongly recommending that sprinkler systems be required in all nursing homes receiving medicaid reimbursement. Substantial costs would be involved, and some nursing homes might not have the means to pay for installation of sprinkler systems. To take care of this contingency, the committee has recommended that the Federal Government initiate a program of low interest direct loans. Figures are supplied on the projected costs of such a program. Average costs would run 19 cents per bed—patient—with a total projected cost of between $256 and $412 million.

After sprinkler installation insurance rates would be somewhat lower. Apprehensions that many elderly bed patients have about fire would hopefully be eliminated, and certainly reduced. On September 16 the committee approved publication of the described health report, "The Tragedy of Multiple Death Nursing Home Fires: The Need for a National Commitment to Safety."

With our distinguished colleague, Congressman ROYBAL as chairman, the Subcommittee on Housing and Consumer Interests conducted an examination of the availability of housing for the elderly. Several hearings were held on the Federal direct loan program that is intended to assist production of housing for the elderly, and on the Federal subsidy program that is intended to help disadvantaged elderly persons with their rental payments. When the committee began operation, the direct loan program was a paper program immobilized by regulatory restrictions that provided only short term construction loans and left potential project sponsors to their own devices in seeking long term financing. Congress dealt with this illegal impoundment by stipulating in an appropriation bill enacted in October of 1975 that permanent long term financing be provided.

Favorable loan experience with nonprofit sponsors and the acute shortage of suitable rental housing for the elderly led the committee to recommend an expansion of the section 202 program. Recent developments seem to confirm the soundness of the committee's recommendation. An increased level of funding has been provided by Congress, and the section 202 program is again producing a substantial number of housing units for the elderly.

Three recommendations contained in the subcommittee's report, "Elderly Housing Overview: HUD's Inaction," were incorporated into the Housing Authorization Act of 1976 (H.R. 12945). One recommendation is intended to overcome fears that there are high risks of loss in section 8 projects. This would be accomplished by offering protection beyond the allowable continuation of subsidies for 60 days on unoccupied units. Under the amendatory provision a year of protection beyond the 60 days would be available under certain conditions to provide debt service on unoccupied rentals.

The second recommendation is designed to enlarge the inventory of section 8 housing. A reevaluation of fair market rentals is recommended to furnish more realistic rental rates. The object is to make certain the fair market rental will be sufficient to support the project operating costs and debt service. The third recommendation pertains to authorization for continuation of the section 202 program. The Housing Authorization Act of 1976 as passed by Congress, and signed into law—Public Law 94-375; August 3, 1976—generally accords with the committee's recommendations, and is a strong step toward supplying the 100,000 units that need to be built each year to satisfy the housing needs of the elderly.

In its report on senior transportation, our Subcommittee on Federal, State, and Community Services, chaired by the Honorable SPARK MATSUNAGA, talks about America's love affair with the automobile and how it lets our older people down in later years when high automobile costs or driving disabilities force them to find other means of getting around. Reliance on automobiles and neglect of mass transportation systems have been especially burdensome to elderly mobility. Without an automobile too many old people find that there is no access to the necessities of life. Yet our subcommittee reports that the cost of extending transportation systems to isolated areas, linking up urban and rural systems, manufacturing new rolling stock, or modifying existing rolling stock to accommodate the special needs of the frail elderly or handicapped, would be staggering. In this area we can only inch forward, chipping at the problem, and deal with it wherever we can by the most sensible application of available resources. Yet, when the transportation problems of the elderly are lessened, many of their other problems, particularly in social areas, are also lessened.

As approved by the committee, our subcommittee's report, "Senior Transportation—Ticket to Dignity," issued in May of 1976, recommends enabling legislation that would permit airlines to offer reduced fares for the elderly on a standby basis.

Last week Congress approved a bill (H.R. 15026) that would provide just this kind of assistance to those 60 years of age and over. To further implement recommendations in the report, subcommittee Chairman MATSUNAGA introduced bills that would encourage greater utilization of school buses and promote volunteerism—use of private vehicles and services of drivers—as means of expanding transportation services for the elderly.

In addition to satisfying the committee's mandate to conduct a continuing study of the problems of older Americans by holding field hearings the committee members have taken seriously their responsibility for general oversight of executive branch aging programs and have examined the operations of the Administration on Aging and its subsidiary, the National Clearinghouse on Aging. Programs for older Americans operated by the Department of Labor, Small Business Administration, and the ACTION Agency were studied and a review was made of the workability of existing age discrimination legislation for which the Civil Service Commission and the Department of Labor are responsible.

The committee held hearings in 1976 responding to the provision in its mandate that it study the recommendations of the 1971 White House Conference on the Aging. These hearings, together with extensive staff study, have culminated in a document concluding in general that many recommendations of the 1971 conference have been satisfied. This document will, I am certain, be a valuable tool for those who will be considering the feasibility of another decennial White House Conference on Aging in 1981.

As the committee heard testimony about Federal programs benefitting the elderly, we began to wonder just how much the elderly receive in direct benefits, how much is spent for administration, and whether the ratio between the two is reasonable. In October of 1975 the committee adopted a resolution authorizing an exploration of this question. The resolution contemplates a systematic program-by-program evaluation. We began with federally supported employment related programs; programs that produce jobs for older disadvantaged workers, provide opportunities for volunteer service, aid in the location of jobs for the unemployed, or promote protection from age discrimination.

Reports have now been completed on the older worker programs, employment services, and age discrimination. The combined reports are being considered for approval and publication by the committee under the title "Funding of Federal Programs for the Elderly Relating to Employment."

In the Older Americans Act, first enacted in 1965, Congress provided a focal point for attacking particularly stubborn problems that were diminishing the quality of life for older people. Congress has examined and reexamined this legislation. At times a tuneup seemed called for, and at other times an overhaul. When the committee reviewed this program, we found the network on aging authorized by Congress in 1973 was working, and the meals program was well received and had broad support. But the level of funding had remained static for several years. Given the current rate of inflation, the conclusion was inescapable that shrinking dollars and static funding would lead to a loss of vigor. Members of the committee took their case to the Appropriations Committee, and to the floor of the House, and asked for a level of funding sufficient to compensate for inflation and to allow a modest rate of growth. Congress approved an increased level of funding for all operational titles, and also provided funding for multipurpose senior centers, a title that had never been funded before.

When the revenue sharing bill was on the floor earlier this year, I offered an amendment providing that older Americans especially would have not only the opportunity—but the right—to be heard in connection with allocations of revenue sharing funds at the local level. I was gratified to note that the conferees considering this bill 2 days ago retained the language of my amendment.

The formal recommendations made in committee reports are expected to receive careful consideration by the legislative committees which have the responsibility to report out bills intended to alleviate the problems of the elderly. In addition, the staff of the Select Committee on Aging has worked with the staffs of several legislative committees in order to provide background information and technical assistance on a number of issues affecting the elderly.

Some examples are: The Ways and Means Committee on problems and legislative changes in the SSI program, social services and the means test for the elderly, and financing problems of the Social Security system; the Agriculture Committee on Food Stamp Legislation and the Elderly; the Education and Labor Committee on Older Americans Act amendments, changes in age discrimination legislation, and employment services to older workers.

Practical assistance has been given to the Members of the House on a daily basis by the committee staff. In addition to copies sent to all House Members of the committee's 60 publications issued to date the front office staff has serviced, just in 1976, at least 456 individual requests by Members for additional copies of publications and 5,531 copies of committee publications have been sent out in response to these requests. In at least 70 instances information has been prepared in letter form at Members' requests in response to constituent inquiries to those Members. An additional 341 requests for specific information were received directly from older Americans or those attempting to care for them, and in each instance a thorough, useful reply was furnished. In many instances substantial research was required as many of these letters deal with the complexities of social security. The full committee staff alone has provided information on an average of 57 times per month by telephone, or personally, to the staffs of Members. Many more requests were serviced by the subcommittee staffs.

In a further effort to make the aging committee as useful as possible to the Members of the House, a series of workshops for the staff employees of Members was begun in early 1976. These were designed to give staffers an orientation to the field of aging, to acquaint them with readily available source materials, to familiarize them with the ways in which the select committee could assist their members, and in general to establish the committee as the "one-stop" information source for the House which I envisioned it would be.

I have attempted to operate the committee at minimal expense and, as salaries are the largest single budget item, I have kept the size of the committee staff down to about 20 employees and am now satisfied that this is an adequate number to accomplish the committee's objectives.

Proof of economy is demonstrated by the use of the budget appropriations. On December 31, 1975, the close of the first session of the 94th Congress, $243,501.84 of the $600,000 appropriated for that session was returned to the House Committee on Administration because it was not spent. This year, 1976, at the close of the second session, we will be returning about $200,000 of the $580,000 that was appropriated for the second session of the 94th Congress.

Unlike most select committees, the Select Committee on Aging is somewhat unique in being a permanent committee. Although I will be leaving, the work of the committee will go on. A Department of Commerce special census report issued on the aged confirms prior projections that the elderly population is growing. Median income of the aged is only about three-fifths of median income of the general population. Women continue to outlive men by an average of 8 years leading to a high ratio of widowed women and pointing up the necessity to bring this ratio into balance through more attention to the causes of degenerative diseases like strokes and heart attacks, to the extent that the committee has contributed, and continues to contribute to the development of authoritative information on the problems of the aged, the work of the legislative committees reporting bills that affect older people can be made easier.

So, to my colleagues, to the staff of the Select Committee on Aging, and especially to each and every one of the older Americans we have been trying to help, I say in parting, may God bless you all.

UNITED STATES-ROMANIAN TRADE RELATIONS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SCHROEDER. Mr. Speaker, I am sure the Members will be very interested in the following letter:

Cornell University,
Laboratory of Nuclear Studies,
Ithaca, N.Y., September 26, 1976.

To Whom It May Concern:

In connection with Congressional deliberations concerning U.S.-Rumanian trade relations, I wanted to bring to your attention some aspects of the Rumanian government's policy concerning the basic human right to emigration.

It is common knowledge in U.S. scientific circles that our Rumanian colleagues who wish to emigrate are severely punished by their government.

On expressing any thought of emigration, a scientist is immediately subjected to a campaign of vilification. Once he tries to apply for an emigration visa, he loses his position. As there is no such thing as unemployment insurance, he and his family are forced to exist on charity from those of their friends that have the courage to provoke the government's wrath by doing so. Indeed, great pressure is brought to bear on their friends and colleagues to ostracize them. Children of school age are not spared this treatment. As applications for emigration vias frequently lie unanswered for several years, the pressures on families that have opted for emigration can become unbearable. Suicides among would-be emigres are not unheard of.

Despite its scant regard for the basic rights of its citizens, the Rumanian government exploits its opportunities for contact with foreign scientists and government officials to foster a false image of freedom within the country. Rumanian scientists are carefully coached in what they are to say to their foreign contacts. (No secret is made that this can help to assure the continuation of most-favored-nation status.) They must report fully to the security police on all contacts with foreigners, no matter how trivial. Failure to do so leads to automatic cancellation of the right to foreign travel.

E. E. Salpeter,
Professor of Astronomy and Physics.

FOR THE PEOPLE

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FAUNTROY. Mr. Speaker, "For the People," the newsletter of the Congressional Black Caucus, has become an important informational resource for the black community on the work of Congress. I am entering into the Record several articles from the September 1976 issue of "For the People," for the benefit of my colleagues. These include an eloquent article on congressional reform by Congressman Ronald Dellums, based on remarks he made before the House, the caucus' Legislative Update, and recent caucus subcommittee assignments which have been undertaken by our members. My colleague on the caucus, Congresswoman Yvonne Burke, has entered other articles from this issue of the newsletter.

The material follows:

There Is "Reform" and Reform

(By Representative Ronald Dellums)

It has been pointed out that a few members of Congress spent 18 days of their lives developing recommendations for Congressional reform. I applaud them, but I would like to point out that ten other members of this House gave months of their lives looking at the atrocities of the United States intelligence community, and the reaction of this body was not as profound.

The intelligence community violated rights, invaded privacies, intimidated many people, but we didn't have the same furor for reform. Maybe we lacked courage because we were dealing with the intelligence community.

Now we are so enthralled in our own self-recrimination and self-flagellation that we run speedily to reform the House because we are reacting to sex scandals, but what about the scandal of how the intelligence community violated the rights of tens of thousands of persons?

If we talk about reform, let us understand that a major tragedy was that ten members of this House gave nine months, spent half a million dollars, and this body didn't have the courage to print the report.

Comment was made that Congressional reform is essential because we want to "save" a few incumbent members of Congress. We should reform the House because it is the right thing to do, but not to save anyone's seat. Because it is that mentality that I came here to fight, the mentality that sees the need to try to protect the incumbent members of Congress. Let them go home and fight the way every one of us has to go fight.

The same mentality that wants to ramrod a few cosmetics through for the purpose of re-election is the same mentality that would not allow gun control to come to the floor. Some members have lobbied the leadership not to bring the full-employment bill to the floor because they are afraid they would not get re-elected. There are members who don't want to see health legislation come to the floor before November because they may not get elected.

I don't want us to deal with reform matters because it is going to bring back a few members who are frightened about addressing important, real and controversial questions. I don't give a damn if they don't get re-elected. If we are going to enact these reforms, let us do it because it is appropriate and because it is right.

I came to Congress out of some sense of idealism that I was coming to fight evil, challenge the wrong, but I found that I had to be a damn business person with all these various accounts. Whatever reform you pass, just make sure that those of us who came to fight are free to fight; give us the tools to use to be in the Government.

I want to see a constituency built where people will understand I am not using office furniture in my home. I use it in my office because I am a member of Congress. I don't use tape recorders and Dictaphones and other equipment because as a private person I want to use them; I do it because I am a public servant. I don't take trips to California because I dig taking trips to California, but I represent a district in California. I don't use franked envelopes to send out private mail, but to answer my constituency.

People complain about big accounts, and we react by running around saying we are bad people. I reject that, and I stand away from those of us who engage in self-recrimination. You may do it because you feel guilty, but I don't because I came here to do something different.

There are a hell of a lot of us who came here out of idealism, who came here to challenge the problems and to challenge the power that has corrupted old men in this body wedded to the politics of the past, but frustrates a lot of young people wedded to the politics of the future.

Legislative Update

FULL EMPLOYMENT

The Full Employment and Balanced Growth Act, H.R. 50, has been reported out of the House Education and Labor Committee and further committee action has added amendments strengthening key provisions of the bill. These include tighter anti-inflation provisions, a clear statement that no one who has voluntarily left private employment shall be eligible for a job under the bill's employer of last resort provisions, a clear statement on closing the unemployment gap for such labor force groups as minorities and women, and defining the goal of an unemployment rate of 3 percent in 4 years as applying to those twenty years and over while making all reasonable efforts to reduce unemployment among teenagers aged 16–19 years.

Because of delays, H.R. 50 will not be acted upon by the Senate during the remaining weeks of the 94th Congress, and it is likely that the full House will not act on the bill either. There is an immediate need to build added support for passage of the Full Employment Act early in the 95th Congress next year.

FOOD STAMPS

After passage by the Senate of the bill to extend and alter the Food Stamp Program, the House Agriculture Committee spent several months writing its own Food Stamp bill. The committee was faced with constant pressure from citizens groups against its inclination to cut many persons from eligibility for food stamps and otherwise restrict the program. The bill which emerged from the committee satisfied neither citizens groups nor opponents of the program.

The bill eliminates about 1.5 million persons from the program and reduces benefits for about 6 million others. Families in the northeast, northwest and all urban areas would be hardest hit under the committee's bill. The bill also would extend the program only until September 1977, the expiration date for the present program, and action by the Congress would again be necessary in any case next year. Therefore the bill is considered by observers to be dead for this session of Congress.

ATTORNEYS FEES IN CIVIL RIGHTS CASES

Important legislation providing for attorneys fees for prevailing parties in suits under civil rights statutes has been reported out of both the House and the Senate Judiciary Committees and is likely to pass both bodies before the end of the Congressional Session on October 2nd. Such legislation became necessary following a court decision in 1975 which held that specific legislative provisions are necessary to provide attorneys fees in cases under the civil rights laws and similar statutes. The attorneys fees bill would permit individuals with strong discrimination cases to go directly to court under several Reconstruction-era civil rights laws without the necessity of pursuing more time-consuming administrative remedies. This could be particularly important in employment discrimination cases.

VOTER REGISTRATION BY MAIL

A bill to provide for voter registration by mail was passed by the House of Representatives on August 9, 1976 following a request by the Democratic presidential candidate that the House leadership move swiftly on the bill. The Congressional Black Caucus had also just written to the new House Administration Committee Chairman Frank Thompson (D-N.J.) to request action on the bill.

The House, in passing the bill, did remove a provision for mailing postcards to all households in the United States to encourage mail-back registration. While some observers considered this change to weaken the bill, others felt that the ready availability of postcards in quantity for voter registration drives by organizations will still be the most effective means of reaching the unregistered.

The Senate has not acted on similar legislation before it, and it is now too late to implement the voter registration by mail bill for this November's elections. Some 15 states have their own systems of registration by mail already in effect. Federal voter registration legislation will be a top priority next year.

SUPPLEMENTAL SECURITY INCOME PROGRAM

The House-passed "SSI Amendments of 1976" are the results of the first comprehensive look at the Supplemental Security Income program for the aged, blind, and disabled since its implementation in January, 1974. The bill, containing 20 amendments to the SSI program, was adopted in the House by an overwhelming 374-3 vote on August 10th.

One of the most important changes the bill would make is to require that all states pass through to the beneficiaries the annual cost-of-living increase on the SSI benefit. Under current law, states which use their own money to supplement the benefits funded by the Federal government can keep the cost-of-living increase to reduce their state supplements. In those instances, the SSI recipients see no increase in their checks. The SSI bill mandates the states to pass on the increases.

Other important features of this legislation include federal funding for services to disabled children up to 6 years-old and exclusion of certain gifts and inheritances and the value of a person's home in the determining of SSI eligibility. The bill is now pending before the Senate Finance Committee.

CONGRESSIONAL ADJOURNMENT

The 94th Congress is scheduled to adjourn on October 2nd, 1976. The 95th Congress will begin early in 1977 and the Congressional Black Caucus welcomes suggestions on legislative proposals to be included in the CBC Legislative Agenda for the 1st Session of the 95th Congress.

CAUCUS SUBCOMMITTEE ASSIGNMENTS

Yvonne B. Burke: Caucus Subcommittee Assignments—Democratic Party/Congressional Affairs, Legislative Women's Issues. (House Committee—Appropriations).

Shirley Chisholm: Caucus Subcommittee Assignment—Education. (House Committee—Education and Labor).

William "Bill" Clay: Caucus Subcommittee Assignment—Labor Management Relations. (House Committees—Education and Labor/Post Office and Civil Service).

Cardiss Collins: Caucus Subcommittee Assignment—International Relations. (House Committees—International Relations/Government Operations).

John Conyers: Caucus Subcommittee Assignment—Crimial Justice. (House Committees—Government Operations/Judiciary).

Ronald Dellums: Caucus Subcommittee Assignment—Defense Policy. (House Committees—Armed Services/District of Columbia).

Charles C. Diggs, Jr.: Caucus Subcommittee Assignment—International Relations. (House Committees—District of Columbia, *Chairman*/International Relations).

Walter Fauntroy: Caucus Subcommittee Assignments—Housing, Civil and Political Rights. (House Committees—Banking, Currency and Housing/District of Columbia).

Harold Ford: Caucus Subcommittee Assignments—Tax Reform/Health Care and Aging. (House Committees—Ways and Means/Select Committee on Aging).

Augustus Hawkins: Caucus Subcommittee Assignment—Juvenile Delinquency. (House Committees—Education and Labor/House Administration).

Barbara Jordan: Caucus Subcommittee Assignment—Government Operations. (House Committees—Government Operations/Judiciary).

Ralph Metcalfe: Caucus Subcommittee Assignment—Panama Canal. (House Committees—Interstate and Foreign Commerce/Merchant Marine and Commerce).

Parren Mitchell: Caucus Subcommittee Assignment—Minority Enterprise. (House Committees—Budget/Banking, Currency and Housing).

Robert N. C. Nix: Caucus Subcommittee Assignment—International Relations. (House Committees—International Relations/Post Office and Civil Service).

Charles B. Rangel: Caucus Subcommittee Assignment—Public Assistance. (House Committee—Ways and Means).

Louis Stokes: Caucus Subcommittee Assignment—Health, Education and Welfare. (House Committees—Appropriations/Budget).

Andrew Young: Caucus Subcommittee Assignments—Civil and Political Rights/Foreign Policy. (House Committee—Rules).

VETO OF DISTRICT OF COLUMBIA COUNCIL ACTS MUST BE BY CONCURRENT RESOLUTION

SPEECH OF

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FRASER. Mr. Speaker, I agree with the ruling of the Speaker on September 22 that a congressional veto of D.C. Council acts must be exercised by concurrent resolution of both Houses.

That was the clear intent of the conference committee on Home Rule on which I served in 1973. As the conference report stated, only after the Council gains authority over titles 22, 23, and 24, the D.C. Criminal Code, will the procedure for a veto by one House apply. Under Public Law 94-402 that will occur in January of 1979.

The legislative history also shows that the type of Council action to which the one House veto will apply will be "changes" to titles 22, 23, and 24. I am attaching memorandum "A," quoting from several Members and from documents during the Home Rule debate in 1973.

If we had wanted to prohibit council action beyond "changes" in those titles, we could have used language similar to the Dent amendment which is part of Public Law 94-402.

In that amendment the prohibition is broadened to include Council action "with respect to any criminal offense pertaining to articles subject to regulation under chapter 32 of title 22 of the District of Columbia Code." Chapter 32 is headed "Weapons." The "articles" discussed in the 18 sections which comprise chapter 32 are pistols, sawed-off shotguns, rifles, bowie knives, molotov cocktails, and several other dangerous devices.

Other subjects in title 22, but not in chapter 32, include cruelty to children, waste products dumped into Rock Creek Park and the Potomac River, et cetera. The Council may not change those sections of title 22 until January 1979. But that does not prevent them from dealing with other titles of the D.C. Code on children, such as child labor under title 36, adoption under title 16, the interstate compact on juveniles under title 32, or paternity proceedings under title 16. The fact that the Council may not change the sections in title 22 dealing with cruelty to animals, does not prohibit the Council from dealing with dog tags under title 47, rabies control under ttile 1, or disposal of dead animals under title 6.

That commonsense interpretation of section 602 of the Home Rule Act has been confirmed by the practice of the House during the 18 months of home rule. Of the nearly 100 acts of the Council which have been transmitted to the Speaker for 30-day layover, many have dealt with subjects which are also dealt with in titles 22, 23, and 24 and title 11 on the courts. Those acts have been allowed to become law. They did not change titles 22, 23, 24, and 11, and hence were within the power of the Council.

I am attaching memorandum "B" with a few examples of this type of Council act.

With this understanding of the Home Rule Act, Congress can give its attention to national and regional matters and a few specified subjects in the Home Rule Act. The bulk of local legislation can be enacted and administered at the local level.

The memorandum follows:

MEMORANDUM "A"

Subject: Congressional Intent in Words "Act . . . With Respect To Any Act Codified In Titles 22, 23, or 24 Of The D.C. Code," or "Act, Resolution, or Rule With Respect To Any Provision Of Title 22 . . ."

The argument has been raised that the above language quoted from the Home Rule Act is broader than a specific *amendment* to Titles 22, 23 or 24.

The legislative history of those words contains many references to that provision. Members explained the provision as prohibiting "*changes*" to Title 22, 23 or 24, and providing one House veto of Council "*changes*" to those titles.

Exact quotes from the published legislative history are as follows:

Diggs—Oct. 8, 1973 Congressional Record—"prohibit *changes in statutes* under titles 22, 23, 24 of District of Columbia Code—the Criminal Code." (History p. 2084)

Diggs—Oct. 9, 1973 Dear Colleague (set out in Oct. 9, 1973 House debate)—"prohibited from making *changes in Statutes* Under Titles 22, 23, and 24, of the D.C. Code—the Criminal Code." (History p. 2085)

Adams—Oct. 9, 1973 Congressional Record (House debate)—"there should not be a *change in the criminal statutes*." (History p. 2117)

Whip Advisories—Dec. 5, 1973 "*changing the criminal code* (Titles 22, 23 and 24, criminal law and procedure). . . ." "any *change in such code* . . ." (History p. 2937)

Joint Explanatory Statement of the Committee of Conference—Dec. 6, 1973—"*change D.C. criminal laws* . . ." "*changes* in Titles 22, 23 and 24 of the D.C. Code . . ." "*changes* in Titles 22, 23 and 24 . . ." "*changes* in Titles 22, 23 and 24." (History p. 3013)

Diggs—Dec. 7, 1973—Record State.—"Congress retains authority over the D.C. criminal laws . . ." "Council *changes* in the Criminal Code." (History p. 3034)

Diggs—Dear Colleague of Dec. 10, 1973—". . . *modifying* the D.C. Criminal Code." (History p. 3041)

Diggs—Dear Colleague of Dec. 11, 1973—". . . *changes* in Titles 22, 23 and 24 of the D.C. Code." ". . . *modifications* in the criminal code . . ." (History p. 3041, p. 3042)

Diggs—Dec. 17, 1973—Floor of the House—"Congress retains authority over the D.C. criminal laws . . ." "any Council *changes* . . ." "Council *changes* in the Criminal Code." (History p. 3054)

Natcher—Dec. 17, 1973—Floor of the House—"*modifying* the District of Columbia Criminal Code . . ." (History p. 3062)

Eagleton—Dec. 19, 1973—Floor of the Senate—"any *changes* enacted by the Council in the criminal laws would not go into effect if either House disapproves such *change*." (History p. 3114)

Commission on Mental Health—

The separate listing of the restriction "with respect to the Commission on Mental Health" illustrates the fact that the Members knew their restrictions were limited and intended it that way.

The original House-passed Home Rule bill did not include the limitation "with respect to the Commission on Mental Health." Although the Commission is appointed by the Superior Court and functions only to recommend to the court whether a mentally ill person should be committed, it is not established in Title 11, but in Title 21. It was recognized by the conferees that the restriction "with respect to any provision of Title 11" was not broad enough to include this part of the Court's operation. So an additional restriction was added "with respect to the Commission on Mental Health."

MEMORANDUM "B"

In Sec. 602 (a) of the Home Rule Act "with respect to" should not be read so broadly as if it said "and any subject matter included therein."

Congressional practice in the 18 months since Home Rule commenced has agreed with that statement.

A few examples out of many cases are:

Examples "with respect to" Title Eleven—

(The Home Rule Act in Sec. 602 (a) (4) prohibits the Council from enacting "any act . . . *with respect to* any provision of Title Eleven of the District of Columbia Code (relating to organization and jurisdiction of the District of Columbia Courts).")

1. Title Eleven Sec. 1101 (9) lists as part of the jurisdiction of the D.C. Superior Court, "proceedings in adoption."

Council Act 1–37 amending Title 16 Sec. 308 dealing with court proceedings for adoption was transmitted to the Speaker on August 11, 1975. It was permitted to become law after 30 legislative days without any objection that it exceeded the power of the Council because it was "with respect to" "proceedings in adoption" as mentioned in Title Eleven.

2. Title Eleven Sec. 921 (a) ((4) lists as part of the jurisdiction of the D.C. Superior Court "any civil action . . . brought under . . . Chapter 3 of Title 21 (relating to gifts to minors)."

Council Act 1–116 amends D.C. Code Title 21 Chapter 3 to change from under 21 to under 18 the age a person is considered a minor. The Council act was transmitted to the Speaker May 21, 1976 and allowed by Congress to become law after 30 legislative days.

3. Council Act 1–118 Sec. 6 (i) (2) provides that appeals from the new consumer protection office may be taken to the D.C. Superior Court. It was transmitted to the Speaker May 21, 1976 and allowed by Congress to become law 30 legislative days later, without objection that it might be interpreted as increasing the jurisdiction of the court set in Title Eleven.

Examples "with respect to" Title 22—

4. Title 22 Sec. 3215a prohibits possession of "a molotov cocktail" . . . "or any other device designed to explode or produce uncontained combustion upon impact," and sets a penalty up to life imprisonment.

Council Act 1–26 regulating conduct on buses and subways prohibits carrying "any flammable or combustible liquids . . . explosives, acids or any item inherently dangerous or offensive to others . . ." The Council act sets a penalty of up to a $100 fine or 10 days in jail. Act 1–26 was transmitted to the Speaker July 3, 1975 and allowed by Congress to become law 30 legislative days later.

5. Title 22 Sec. 3416 to 3422 prohibits the sale of "food which is unwholesome or unfit for use" and permits the council to adopt regulations.

Council Act 1–14 deals with the use of dry ice rather than mechanical refrigeration to prevent ice cream from spoiling. It was transmitted to the Speaker on May 16, 1975 and allowed by Congress to become law 30 legislative days later.

Examples "with respect to" Title 24—

6. Title 24 Chapter 5 deals with rehabilitation of alcoholics by the use of detoxification centers, etc.

Council Act 1–59 repealed D.C. Code section 25–111a which allocated 6% of the fees from alcoholic beverage licenses to carry out the purposes of Title 24 Chapter 5. Act 1–59 was transmitted to the Speaker on October 31, 1975 and allowed by Congress to become law 30 legislative days later.

Examples of Council Acts dealing with laws with high criminal Penalties—

7. Council Act 1–131 amending the election laws for which there are penalty provisions as high as $10,000 and 5 years imprisonment, was transmitted to the Speaker on June 22, 1976. The 30 legislative day period has passed and it has become law.

8. Council Act 1–106, the Revenue Act of 1976, transmitted to the Speaker on April 26th, has become law. That Act amends many sections of Title 47 of the D.C. Code, which Title include penalties as high as $10,000 and 1 year in jail.

9. Council Act 1–43, the unincorporated business tax, was transmitted to the Speaker September 4, 1975. Although violation of that Act—which amended Title 47 of the D.C. Code—is a crime punishable by imprisonment for not more than 1 year or fine of $5,000 or both, procedure for veto by one House would not appropriate. The proper procedure was followed. A Concurrent Resolution was introduced, referred to the D.C. Committee, hearings were held, and the Committee took action.

THE ASSASSINATION OF ORLANDO LETELIER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SYMMS. Mr. Speaker, the recent assassination of Orlando Letelier, an official of the Marxist government in Chile under Salvador Allende, by a bomb made news headlines throughout the Nation. One of the more thorough accounts of the incident was described in the October 2, 1976, issue of Human Events.

The Human Events article describes briefly the work of Letelier at the radical-left Institute for Policy Studies and the connection of the institute to Marxist revolutionary groups. This article is worth the consideration of my colleagues in these closing hours of the 94th Congress:

THE ASSASSINATION OF ORLANDO LETELIER

The assassination last week of Orlando Letelier, a high official in the regime of Chile's Marxist-Leninist president, Salvador Allende, has produced a new martyr for the American left and a certain irony: a portside call upon the U.S. government to crack down on domestic terrorism. The left has also used Letelier's death to renew the campaign against the current government in Chile.

Under Allende, Letelier served as Chile's ambassador to the United States and later as foreign minister and minister of defense. He has been an outspoken opponent of the military junta that overthrew Allende in September 1973, and only recently had his citizenship lifted by the Chilean government.

Letelier, who lived with his wife and four children in Bethesda, Md., was killed on September 21 when a bomb exploded underneath his car as he was driving two colleagues to work at the Institute for Policy Studies located in northwest Washington.

As the Letelier car was rounding one of Washington's traffic circles on Massachusetts Avenue a little after 9:30 a.m., the bomb detonated, killing Letelier and spraying glass and metal in a radius of 60 feet. Ronni Moffitt, 25, a staff member of the Institute, who was riding in the front seat, died after being helped from the car by her husband, Michael, a research associate at the Institute who was riding in the back seat. He was briefly hospitalized, suffering from shock.

While the Chilean ambassador to the United States, Manuel Trucco, condemned the murder, the Chilean government was quickly accused of ordering Letelier's elimination. Sen. James Abourezk (D.-S.D.), who cosponsored a resolution calling for a "thorough investigation by federal authorities" of the bombing, declared that "The tyranny of the dictatorship in Chile has now been extended in part to the United States."

Sen. Edward Kennedy (D.-Mass.) joined in the accusation, claiming that Letelier's "criticisms of the junta's violations of human rights had produced a rare and totally unjustified removal of his Chilean citizenship by the junta. Now his murder follows." Rep. Tobby Moffett (D.-Conn.) followed with similar condemnations in the House.

At a news conference, Richard Barnet and Marcus Raskin, co-directors of the Institute of Policy Studies, lashed out at the Chilean government's secret police agency, the DINA. "I believe," said Barnet, "there is sufficient evidence, based on what has happened in Rome, in Buenos Aires and now here in Washington, D.C., of a pattern of conduct by Chilean intelligence agencies."

HUMAN EVENTS, one of whose editors visited Chile in June, cannot exclude the possibility that the DINA may have executed Letelier, for the DINA has engaged in some brutal, terrorist tactics against opposition forces. But neither is there any proof so far that the Chilean government is responsible for Letelier's death.

Moreover, while his murder is to be deplored and the killer or killers brought to justice, what comes across in the howls of outrage by the liberals in this country is their selective indignation. For while justly crying out against the terrorist act that savaged Letelier, they have expressed no concern that Letelier and those who run the IPS have, themselves, long been in the business of condoning and fostering left-wing terrorism both here and abroad. (Indeed, Kennedy, Abourezk and Moffett have been supporters of the IPS.)

Letelier, for instance, was a major supporter of the Allende regime, even during its closing moments when both left and right worked to topple him from power because of his effort to impose a Communist government on Chile through force and violence. Prof. Ernest LeFever, then with the Brookings Institution, told a Senate subcommittee in August 1974 that Allende was allowing a reign of terror in Chile. His regime, said LeFever, "permitted or encouraged 12,000 to 15,000 foreign sympathizers to come into Chile to observe and participate in the 'revolution.' Many of these foreigners were committed to violence, others were terrorists, and some were common criminals."

Allende, LeFever, went on, "encouraged or permitted the illegal import of large quantities of arms from Cuba and other countries and the development of illegal armed groups in factories, political headquarters, and other places. The regime permitted terrorist groups to seize and hold private property with impunity. The regime prevented or sought to prevent the national civil police (*Carabineros*) from bringing Marxist guerrillas to justice."

Before he was murdered last week, Letelier was co-director of the Transnational Institute, based in Amsterdam and a subsidiary of the IPS. Letelier worked out of the IPS headquarters in Washington. The TNI, itself, is tolerant of terrorists and terrorism. Tariq Ali, a Pakistani, is a fellow at the TNI, and a leading member of the pro-terrorist faction of the Trotskyite Fourth International. In 1969, he was editor of *The New Revolutionaries: A Handbook of the International Radical Left* in which he lavished praise upon Mao Tse-tung.

Later in 1970, when Ali was interviewed at Oxford, England, by the Canadian national television network, he stated that whether or not to use violence in a revolutionary cause was "largely a tactical question, depending precisely on the degree of opposition which we encounter in our struggle for socialism." He also serves as a leader of the British section of the Fourth International, which provides manpower and support to Saor Eire, a terrorist organization which is conducting bombings and murders in England and Ireland.

Basker Vashee, a TNI fellow in Amsterdam, is a member of the national executive of the Marxist terrorist Zimbabwe African People's Union (ZAPU), which is backed by the Soviet bloc and is waging a terrorist campaign against Rhodesia's civilian population.

Saul Landau, a co-director of TNI, was once a member of the Fair Play for Cuba Committee, the partially Castro-financed organization to which JFK's Marxist-Leninist assassin, Lee Harvey Oswald, belonged. Landau has been an active propagandist for Castro, even though the Cuban dictator has openly boasted of his efforts to export revolution and has recently used his army to impose a Communist-dominated regime in Angola.

TNI's parent group, the IPS, has also allied itself with terrorists and terrorism. As Rep. Larry McDonald (D.-Ga.) recently noted: "The Institute for Policy Studies has never discounted the role of violence and terrorism in what it terms 'social change.' Since the 1960s, the IPS has numbered among its full-time staffers which it terms 'fellows' and part-time staffers—'associate fellows'—assorted terrorists, Communists of several tendencies and factions, and other supporters of revolutionary violence."

Richard Barnet, a co-director of the IPS, was a solid supporter of North Vietnam during the Vietnam War, and publicly trekked to Hanoi to give his moral assistance to Ho Chi Minh's terrorist regime. Hanoi radio on Nov. 13, 1969, told of Barnet's appearance, quoting him as saying:

"While this war is raging at home and while the war is raging abroad, our cities are falling apart, race is spurred against race and our youth continue to despair. In a few days that we've been in Hanoi and in the provinces, we have good reason not to despair and the message that we would bring back with us is the message that the Vietnamese will continue to fight against the aggressors, the same aggressors that we will continue to fight in our own country, and that's why we in our country will continue to thank you until both of our wars which are really only one war will stop."

Robert "Bo" Burlingham, of the IPS's Cambridge subsidiary, notes Rep. McDonald, "was indicted in a bombing conspiracy in 1972, but charges were dropped when his Weathermen co-defendants could not be apprehended. Burlingham said in 1974, 'I don't think an equitable, fair, free, democratic world order is going to happend any other way than through violence.' "

One of the IPS' chief financial contributors is Samuel Rubin, who served in the late 1940s as chairman of the New Council of American Business, a pro-Communist front. He is president of the Samuel Rubin Foundation in New York which funnels money to the IPS. The treasurer of the foundation is Reed Rubin, the son of Samuel, who is named for John Reed, the American Communist journalist buried in the Kremlin and who is a folk hero to American CP members.

In short, the moving forces behind the IPS and its subsdiaries, while deploring the murder of Letelier, do not oppose violence or terrorism in general. Indeed, they have fostered it and promoted it. Moreover, they have been in the forefront of those hampering U.S. authorities in dealing with terrorism at home.

As Rep. McDonald said last week in referring to the Letelier incident: "The tragic explosion might have been prevented had law enforcement agencies been permitted to do their jobs and plant informants in violence-oriented groups. The Institute for Policy Studies has been in the forefront of the attack on intelligence gathering; and have used both the courts and their influence in Congress to destroy local and national intelligence programs. . . .

"Terrorist bombings have been prevented by the Federal Bureau of Investigation and local police by the effective use of undercover agents and informants. In 1964, a New York City police undercover officer prevented a terrorist group from blowing up the Statue of Liberty. A few years later undercover officers of the same department prevented another group of terrorists from assassinating American Negro leaders Roy Wilkins and Whitney Young. An FBI informant broke up a bomb ring within a few days after penetrating a group which had bombed banks and businesses in New York.

"Terrorism must be prevented whether the victims are right-wing, left-wing or nonpolitical.

"If this incident teaches us anything, it is that we must strengthen the internal security forces of our country."

THWARTING THE INFLUENCE OF A SKUNK

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MILFORD. Mr. Speaker, the Federal Aviation Administration—FAA—has come up with a plan to improve a major portion of their services to the pilots and passengers of this Nation. It is a good plan and the Members of this Congress should know about it.

I am particularly proud to outline this plan to the Congress because a little piece of my own life has been a part of this evolution.

In 1942, as a 17-year-old youngster, my first real job was an "aircraft communicator" in the Civil Aeronautics Administration—CAA—now known as FAA. I was assigned to an isolated "communication station," now known as a flight service station—FSS—in an isolated mountain area of New Mexico.

Around the clock, our seven-man crew operated the communication station. We made hourly weather observations and transmitted them on the nationwide teletype network. We maintained and operated the Adcock radio range—a rather crude instrument navigation system—received and relayed radio contacts with overflying aircraft and kept the "airways beacon light system" lit.

The flight service stations in the early forties were somewhat primitive compared to present FAA standards. As a matter of fact, our New Mexico station was once shut down by a lone skunk.

More about the skunk in a moment. First, I would like to make Members aware of the new FSS modernization program.

Today's flying public gives little

thought to the essential air traffic and flight services provided by several thousand Federal Aviation Administration employees who work unseen in facilities across the Nation. Pilots, on the other hand, use these services every day and are keenly aware of their quality and availability.

FAA flight service stations are a type of facility contacted by general aviation pilots more often than even the familiar airport control tower. Nearly 300 flight service stations across the country provide a wide range of vital services to pilots, including: Preflight briefings on current and forecast weather conditions along the planned route of flight; inflight weather briefings; processing pilot flight plans; receiving and processing pilot reports on inflight weather conditions; disseminating "Notices to Airmen" regarding navigation aids and airport conditions; and when necessary, giving emergency assistance to airborne pilots in trouble.

FAA intends to modernize the flight service system in order to improve efficiency, keep up with demand and hold down operating costs. Early this year, FAA began operations at a new Washington flight service station, which was relocated to Leesburg, Va., from a facility at National Airport. The new facility is a prototype "hub" flight service station which will be fully automated early next year and is designed to serve a larger geographic area than any present FSS. This will be done by consolidating other FSS operations into the hub, which is located in the same building as FAA's Air Route Traffic Control Center.

The new FSS is equipped with a central minicomputer and visual display screens at each of the flight service specialists' working positions. Together, the computer and the TV-like display screens give the specialists fingertip access to a tremendous amount of aeronautical information. The new equipment eliminates a huge burden of time-wasting paperwork, permitting the specialists to do their work more efficiently and quickly, which results in better service to pilots. The specialists can obtain all the information they need simply by typing a short message to the computer on a console keyboard directly in front of them. Almost immediately, the display screen in the console lights up with the most current data available.

In addition to selecting written data, specialists can view weather radar and maps by pushing the appropriate console button.

In the last few years, FAA has developed a plan to modernize the entire FSS system in this fashion. The plan calls for establishing a limited number of hub FSS's across the country.

At present, there are 292 FSS's in the continental 48 States. Some of them are overworked, while others are relatively idle. In some smaller FSS's, each specialist provides only 5,000 flight services per year, while in other high activity locations, each specialist gives as many as 30,000 flight services. They date back to the early days of aviation and are heirs to methods of handling and displaying information that were developed decades ago. FSS equipment is almost equally ancient and is steadily deteriorating. Continuance of this system will force the FSS system to fall further behind the increasing demand for flight services created by ever-greater numbers of general aviation flights and pilots. At the same time, FSS staffing would have to be tripled just to maintain a semblance of responsiveness.

To illustrate: The number of flight services; that is, weather briefings given, flight plans processed, and so forth—stood at some 29 million nationwide in 1966. By 1975, the total had jumped to 58.2 million and is expected to more than double by 1990.

With an automated capability, centralized hubs could provide all necessary flight services for the country while holding down costs and increasing productivity per specialist. I want to emphasize that, even now, face-to-face briefings to pilots by FSS personnel account for only 5 percent of all briefings given by FSS's. The other 95 percent are given by telephone and ground-air radio.

A provision in the Airport and Airway Development Act Amendments of 1976 states that not more than five flight service stations can be closed or operated by remote control from not more than one air route traffic control center.

Under the law, and in pursuit of the hub concept, FAA is preparing to consolidate the Richmond and Charlottesville, Va., Flight Service Station with the new Washington FSS in the first half of next year. None of the FSS employees will lose their jobs, and it is expected that most will move to Leesburg, while others transfer elsewhere. I commend FAA for its careful and considerate approach to this consolidation effort.

I believe FAA's plan to modernize the FSS system is a forward-looking response to major changes in aviation activity. Flight service stations have an illustrious history because they are our oldest type of aeronautical facility. But they show it. FSS's are a product of bygone times when it was necessary to build facilities here, there, and everywhere in order to provide service throughout the country for the benefit of early air mail pilots. Today many of them are outside the mainstream of aviation activity, while others have more work than they can handle. It is time—past time, in fact—to change an outmoded way of doing business. Today's communications and computer technology permits countrywide coverage without the need for hundreds of scattered, costly, and inefficient facilities.

Now about that skunk. My old "CAA communication station" was one of the scattered, costly and inefficient facilities referred to in the foregoing paragraph.

While today's computer technology allows us to make all meteorological measurements automatically and then transmit them nationwide, my old CAA communication station had to do this manually. Just outside the door of the station, a weather instrument shelter housed the various weather instruments. Each hour, we had to read these instruments and then manually transmit them on a teletype network.

Just after daybreak one morning I had to transmit this very embarassing weather message on the national teletype circuit:

> Engle, New Mexico—ceiling—missing, visibility—missing, cloud cover—missing, sea level pressure—missing, temperature—missing, dew point—missing, remarks—weather elements missing due to skunk underneath the instrument shelter.

Mr. Speaker, America's 700,000 pilots and our millions of air passengers deserve the best aeronautical services they can get and I believe this FSS modernization plan will give it to them. I urge my colleagues to support FAA's modernization effort and to personally visit the new Leesburg facility so that you can see for yourself how well it works and how it will improve service to pilots and passengers.

I guarantee that a skunk will never skunk us again.

TRIBUTE TO RETIRING MEMBERS OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DIGGS. Mr. Speaker, I rise today, as chairman of the Committee on the District of Columbia in the House, to pay tribute to those members of our committee who will not be returning to the House in January—four very distinguished members including ranking minority leader GILBERT GUDE, of Maryland, and Representatives BILL STUCKEY, of Georgia, THOMAS REES, of California, and EDWARD BIESTER, of Pennsylvania.

A fifth member of our committee, Representative Jerry Litton, was tragically taken from us earlier this fall when he was killed in a California plane crash. His loss has already been felt in the committee and in the House, and we continue to grieve with his family and friends over his untimely death.

The four members of our committee who will be retiring this year have, collectively and individually, made enormous contributions to the work of the committee, the House and Federal-District of Columbia relations. Each has distinguished himself as a tireless worker for the people of his district, and for the people of the District of Columbia.

While service on the District of Columbia Committee is sometimes characterized as not immediately relevant to a member's interests, each of the retiring members has proved this assumption inaccurate. By dedicating themselves to the betterment of the quality of life in our Nation's Capital, these members and the others who serve on the District Committee have broadened their scope of expertise and opened new avenues toward the solutions of problems plaguing every congressional district—housing, health care, crime, environmental concerns, and every area of human development and life.

Mr. Speaker, in my remarks regarding these distinguished retirees from the

Committee on the District of Columbia, I would like to also pay tribute to the historical nature of their individual States' contributions to our committee efforts.

GIL GUDE's service on the Committee on the District of Columbia has been preceded by the able service of 54 Marylanders. GIL GUDE, a gentleman of impeccable integrity, has upheld with distinction this Maryland tradition of demonstrating concern for the welfare of the Nation's Capital through service on the District of Columbia Committee.

This Maryland tradition of concern for the Nation's Capital was initiated in 1808 by Philip Barton Key who represented Montgomery County, Md., in the House of Representatives. In that year, Mr. Key moved that a standing Committee on the District of Columbia be established in the House to better "assure just and equitable laws" for the District of Columbia. At the time of his election to the House, Key was engaged in the practice of law in Georgetown, D.C., with his nephew, Francis Scott Key, later to write the "Star Spangled Banner." In an act unusual for that period, Philip Barton Key disassociated himself from the family law firm to avoid any potential conflicts of interest. Such integrity has been common among the Marylanders who served on the District of Columbia Committee.

In the 168-year history of the Committee on the District of Columbia only two other members from Maryland have served longer on that committee than has GIL GUDE. Those members were Joseph Kent and Frederick N. Zihlman who each served on the committee for six Congresses, beginning in 1812 and 1919, respectively. Both of these Marylanders chaired the committee for three Congresses and Mr. Kent subsequently chaired the Senate Committee on the District of Columbia during service in that legislative Chamber.

Besides Philip Barton Key, Joseph Kent, and Frederick Zihlman, six Marylanders have chaired the Committee on the District of Columbia.

Chairman Key and Kent led the floor debate in 1815, won by a bare majority, to rebuild the Capitol and other Federal buildings and not move the seat of government to another location. The British had burned the major Government buildings in 1814 and a strong movement quickly developed in Congress to move the seat of government westward.

Chairman Kent was the first committee member to publicly support in Congress resolutions to create the office of nonvoting delegate to the House from the District of Columbia. This was a proposal also quitely advocated by Chairman Key. Mr. Kent was also an early supporter of revising and codifying the criminal laws of the District of Columbia.

Chairman Zihlman was a strong advocate in the 1920's of delegating local municipal authority to an elected government in the District of Columbia and tried vainly to attain support within the committee for such a proposal. Mr. Zihlman also argued eloquently for providing, by constitutional amendment, for voting representation in Congress for the District of Columbia.

GIL GUDE has continued to work for these efforts of his predecessors and he succeeded where they failed.

Many of GIL GUDE's 19th-century predecessors in the House from adjacent Washington, D.C., counties were bearers of the names of well-known families dating from the colonial period. Several of these persons served on the District of Columbia Committee. Prominent were George Peter, whose family still resides at Tudor Place, Georgetown, D.C., and George C. Washington, who maintained a home at Dumbarton Heights, Georgetown, D.C., and represented Montgomery County in the House in the 1820's and 1830's. Washington, a grandnephew of President George Washington, served on the District of Columbia Committee through four Congresses. Other names of note from this period of Maryland service on the committee are Charles B. Calvert, Alexander Randall, and Thomas F. Bowie, all of longstanding Maryland families who gave their names to numerous Maryland counties and towns.

Of the 55 Marylanders who have served on the District of Columbia Committee, 24 represented suburban Washington, D.C., districts, 10 represented Baltimore or adjacent districts, and the others were from virtually every corner of the State.

GIL GUDE is not the last, it is hoped, of a long line of able and distinguished Marylanders who have demonstrated conscientious concern for the welfare of the Nation's Capital through dedicated service on the District of Columbia Committee.

We wish GIL and his family well. And we hope that GIL's knowledge and understanding of the problems of the National Capital area will continue to be available to those of us who share his desire to make urban metropolitan life at the seat of the National Government a model for the Nation and the world.

EDWARD "PETE" BIESTER's service on the District of Columbia Committee was unfortunately brief—only one Congress. His service however, was able, and his counsel valuable during the course of the first two crucial years of the committee's oversight of the first elected government in the Nation's Capital since 1874. PETE's attendance at almost every committee hearing and meeting contributed immeasurably to the work of the committee. His ability to envoke a high level of debate among his colleagues was appreciated.

PETE is a good listener—a rare commodity in political life. But while sitting there puffing on his pipe, he was always organizing and evaluating in his keen mind the subject under discussion. His subsequent remarks, however brief, went to the core of the issue with incisive, productive insight.

PETE BIESTER is the 71st Pennsylvanian to serve on the District of Columbia Committee since the committee's establishment 168 years ago. Hopefully, PETE will not be the last Pennsylvanian to serve on the committee. PETE has maintained a distinguished tradition of members from Pennsylvania who have, through their service on the committee, contributed to the economic, esthetic, and political progress of the National Capital.

PETE, the quiet reformer, will be missed. I trust that the people of Pennsylvania will have the good judgment to replace PETE with a person of comparable integrity, intellect, and conscientious spirit.

In the meantime, it is wished by all that PETE and his family enjoy a new life, or should we say a return to the old life, in the pastoral beauty and serenity of Bucks County, Pa. However, we do not wish an early retirement to this gentleman, who at age 45 has much to contribute to further reform in all of our institutions. We also hope that PETE will maintain a continuing interest in the welfare of the Nation's Capital.

THOMAS REES, of California, has used his experience in financial and urban affairs in a special way to the benefit of all citizens of the District of Columbia during his 4 years of service on the committee.

TOM REES' conscientious service on the District of Columbia Committee has been preceded by the service of 19 Californians. Six of those members are still serving in Congress, indicating that Californians have in recent years taken a special interest in serving on the committee. A trend that will hopefully be emulated in subsequent Congresses.

As one of the major architects of the Home Rule Act, TOM REES worked to insure that the new government would be launched with strong fiscal management, by drafting the financial sections of the home rule charter to establish a sound budget and expenditure system for the District of Columbia and revised the property tax laws to make the system equitable for all citizens.

Congressman REES' concern for the welfare of public safety employees, as well as prudent fiscal planning, led him to formulate procedures for negotiating annual pay raises and other benefits for District of Columbia police and firemen, and to lead the unfinished attempt to establish for them an actuarially sound pension system. He also devised an innovative and imaginative method of financing the Eisenhower Center, as yet unapproved by the House. He authorized the repeal of the admissions tax on live performances in the District of Columbia, and won the appreciation of both patrons and producers of the performing arts in the Nation's Capital.

TOM REES' irreverant sense of humor and indefatigable wit made many a long committee hearing more bearable and lightened the burden of legislative responsibility we carry. For all these contributions, and the many more too numerable to mention, we are grateful to TOM REES, and wish him the best of luck in the many years he has before him. I hope that he will continue to make his expertise and compassion available to the Congress and the people of Washington, D.C.

W. S. "BILL" STUCKEY's distinguished service on the District of Columbia Committee spanned three Congresses. His service on the committee was preceded by that of 16 Georgians. In the 168-year history of the committee only two of those Georgians served on the committee longer than Bill Stuckey.

Bill provided valuable leadership on the committee during a critical period of readjustment in the relationships between the Congress and local government in the Nation's Capital. His leadership was especially evident and effective in his chairmanship of the Subcommittee on Business, Commerce, and Taxation in the 93d Congress and the Subcommittee on Commerce, Housing, and Transportation in the 94th Congress.

Bill quickly and competently mastered the complexities of local political and economic problems and the related Federal-District of Columbia governmental relationship associated with the diffused responsibilities of the vast Federal presence in the Nation's Capital. His acquired knowledge and expertise in these matters will be missed on the committee and in the House. Hopefully, Georgians of comparable vision and reason will be available to serve on the committee in succeeding Congresses.

All who know Bill Stuckey can do no less than wish his tranquility and good health in the years ahead.

THE CONTINUING DIALOG ON PROPOSED REVISIONS OF OMB CIRCULAR A-76

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KEMP. Mr. Speaker, on August 23, the Office of Federal Procurement Policy announced proposed new rules under which hundreds of millions of dollars worth of goods and services now supplied by the Federal Government to itself could be purchased from private, commercial sources. In short, those rules would require Federal departments and agencies to reflect the true cost of Federal personnel retirement benefits in computing relative cost comparisons on whether to undertake a task through Government or by contracting it out to the private sector.

Inasmuch as I had been the prime sponsor of resolutions to clarify and reaffirm policy with respect to these types of acquisitions, I took the floor on August 26 to register my support of the proposed changes. Those remarks can be found in the Record of that day, beginning on page 27880.

In response to the introduction of these resolutions, to the announcement by OFPP, and to my comments of August 26, a California task force wrote to me, making comment upon the proposed changes and my support for them. That letter is being read into the Record today, at the request of the task force, by our colleagues, Barry Goldwater, Jr., and Bob Lagomarsino, both of whom have cosponsored the resolutions in question.

Inasmuch as the record should be complete on this debate, I am reading into today's Record my response to the letter. It follows:

House of Representatives,
Washington, D.C, September 27, 1976.
Mr. William H. Hamilton,
Task Force One,
Oxnard, Calif.

Dear Mr. Hamilton: Thank you for your letter. I appreciate you taking the time to communicate your views on this important matter to me. I will share them with my colleagues, especially those who are cosponsors of H.J. Res. 818 and similar resolutions.

Your letter raises some relevant and fundamental points. Let me comment on them in the order in which you raise them.

There are indeed at least two sides to every issue. Usually, there are even more. I am not sure what that proves, however, for only one side might still represent the preponderant majority of truth. And the political process notwithstanding, truth certainly is not always the compromise to be found between the polar positions.

I felt before I introduced the first resolution to clarify and reaffirm Government purchasing policy, H.J. Res. 712 on October 30, 1975, that existing criteria gave an unfair, inequitable advantage to Government in the relative cost comparisons arising from OMB Circular A-76 and that those criteria should be revised to reflect the truth—the present circumstances and realities. To me, it seems almost 1984'ish, Orwellian to insist on perpetuating in Government regulations a figure that is years out of date, that has no bearing upon the truth, and without the proposed revision, this would be the case.

I am thoroughly familiar with the extensive evaluation of the Federal retirement benefit factor undertaken by OMB, including the way in which other units were brought into the decision making, all represented by career civil servants. I think it is to their credit that they arrived at an initial determination that the 7.0-percent figure did not reflect present retirement realities and then through exhaustive analysis came up with the revised figure.

To the extent your letter tries to construct a dichotomy pitting Government employees against private sector employees, I think it obscures the issue, rather than clarifying it. Those who arrived at the 24.7-percent formula factor were all Government employees, almost all of them career civil servants. I have to assume that they had the interest of the Government itself and its employees in mind, when they made their decisions, and that contradicts your inference that Task Force One speaks for all Government employees. There is apparently a difference of opinion here among civil servants.

You assert the real decision here is between providing jobs, wages, and fringe benefits to Federal employees or jobs, wages, and fringe benefits to employees of private companies, that the trade-off is between benefits to Federal employees and profits to private companies, that it will all balance out, in short, profit levels will preclude true dollar savings. I cannot reconcile that perspective with the facts already available to us on how much cheaper private companies, even taking into consideration their profits, have been able to provide goods and services than doing them in-house. That reality just stands out, it seems to me.

As I indicated in my August 26 remarks, the public vs. private difference here turns on motivations among government and private sector employees and how those differences translate into greater worker-output ratios in the private sector. Individual job performance, as it relates to getting the finished product out the door, is a more prominent factor in employee job performance evaluation in the private sector. Why? Because unless the company does assure maximum production for each dollar spent, it will go out of business. Government does not have that danger, and it therefore undercuts that incentive. As a matter of fact, in Government, if you get the job done, you lose budget and personnel slots, something no administrator wants to do. Thus, because the private sector can usually produce more goods and services with less people, there is a cost savings which is assured even after fringe benefits and profits are taken into consideration.

The accurate add-on should be 24.7-percent. The true cost is 31.7-percent, of which only the employer percentage, 24.7-percent, ought to be incorporated in these relative cost comparisons.

You point out that Federal workers do not expect guaranteed jobs. Insofar as that is an expression of formal policy, that may be true. But if you look at what emerges from their actions, especially in circumstances such as these, you get a different picture. Every proposed reduction-in-force in the Federal Government is met with outcries from the employees and more frequently now court action. I know personally of no instance when a reduction in force has not been greeted with such opposition. It seems the interest asserted in these confrontations is the interest of the employee in holding onto his or her job in government, not the interest of the Government itself, either in reorganizing to reflect changed policy objectives or in reducing costs to the taxpayers. It all comes out as if employees ought to have guaranteed jobs. This is exactly what is happening on the Circular A-76 issue too

Your letter tries to structure another dichotomy with which I cannot agree. You indicate, "Contracts issued by the Federal Government for service contracts contain profit guarantees. Therefore, why is it that the idea of a job guarantee presents a danger to our democratic society while a profit guarantee enhances this same system?" The answer to that emerges from the history of the West. To the extent that government grows, in relation to the rest of society, the exercise of free choice among the people—and I cannot think of a better rule of thumb definition for freedom than that—is restricted. Government does circumscribe the exercise of rights, no matter how couched in terms of enlarging government's role as a protector of rights. On the other hand, profits cannot possibly endanger someone's rights. The prospect for profit means—in the absence of government regulation restricting it—much more entry into the economic activity wherein the profit can be obtained. That gives people, as consumers, a broader range of choice in the purchase of goods and services, and that reinforces economic freedom in a democratic society. Something else happens too. As profits are reinvested in activities which will generate more jobs and at higher real wages, the standard of living is raised for all people. Colloquially, one would say the whole pie is expanded, taking out of the hands of government decisionmaking on who will receive what sections of a limited pie. As that living standard goes up, it reinforces the exercise of individual freedom. This is what hundreds of years of Western civilization's experiences with economics shows us.

The Circular A-76 revisions are intended to reduce costs of government. If we reduce the costs of government or hold those costs stable while the private sector grows, we will not have to increase taxes; as a matter of fact, we could reduce them. Now, all Federal employees are taxpayers. I pay taxes. You pay taxes. And we pay them at the same rates as all other employees. It's in our interest too to hold down spending.

Your comments are Federal employees and politics do not go directly to the A-76 questions, but let me comment on them anyway. I believe Federal employees are protected against politics by the career civil service system. One only has to look at the system we had prior to the adoption of laws protecting them from political abuse to see what a marked contrast exists. It intrigued me in the recent debates concerning reform of the Hatch Act to see how little discussion there was of what it was like prior to the adoption of that law. I know of no letting of a Government contract as "the result of campaign debts." I do not think Federal employees are used as "political footballs" either. I think what we see in campaigns is a debate over the role of government and its costs. When someone says the bureaucracy is too big, I have never interpreted that as an attack on Federal employees. I don't think the term "bureaucrat" is pejorative, any more than any other "—crat," aristocrat, technocrat, etc.

My experience indicates that cost overruns are a result of one factor above all others—delay. Some of those delays are a result of Congress working too slowly or changing its mind. Others are a result of the agencies changing their minds. And lastly, the results of companies not meeting deadlines not associated with delays caused by Congress or the agencies.

I would hope that all instances of criminal bribery are prosecuted, both as to the party which offered the bribe and the part which accepted it, including those associated with domestic corporations.

Yes, I believe the American people are "entitled to their own workforce, to accomplish the every day work of the Federal Government, free from the threat of disruptive strikes." I do not think that means, however, that all work has to be done by the Federal Government. If you took that rationale to the extreme, all the people's work would be done by the Federal Government. I don't think they want that.

It is a matter of profoundly diverse opinion as to whether the Federal Government helped us get out of the recession or helped keep us in it. There are many economists who feel the actions of government—high taxes, excessive spending, inflation, wage and price controls, etc.—are what got us into the recession. I personally share that conclusion.

The A-76 question has, of course, not been resolved in finality. The 30-day public comment period has now expired, and I have to assume OMB heard a great deal from both sides. I am looking forward to them promulgating the final guidelines as soon as possible; there is no need for delay here.

I want to thank you for your involvement in this issue. It helps to clarify the issue to have this type of exchange, and I look forward to continuing it with Task Force One.

Sincerely yours,

JACK KEMP,
Member of Congress.

"BLACK BAG" SLUSH FUNDS

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CARR. Mr. Speaker, today is the last session of Congress. In spite of that fact I have introduced a bill to prohibit Federal agencies from financing congressional travel, particularly preventing them from spending "black bag" funds on Members of Congress they escort. While the bill stands no chance of passage this year, I hope it will serve notice that a reform is near—in the 95th Congress.

At this point in the RECORD I wish to submit an article written for Scripps Howard by Alan Horton and Carl West which clearly identifies the problem my bill seeks to correct:

WASHINGTON, July 25.—For nearly a quarter-century the Defense Department has spent millions of dollars of secret "black bag" slush funds to pay for the expenses and lavish entertainment of Congressmen traveling abroad.

A Scripps-Howard News Service investigation reveals the funds, which come out of the operation and maintenance budgets of the Army, Navy and Air Force, have been used to purchase liquor, meals and lodging and for extravagant cocktail receptions.

In some instances, the secret funds have provided Congressmen with prostitutes and money for gambling, according to knowledgeable Pentagon sources.

The "black bag" funds, as they are called by Pentagon insiders, pay many of the traveling expenses for Congressmen and staff aides; permitting them to spend for personal use all or part of the $75 per day they also receive in so-called "per diem" expense money.

Funds for the $75 "per diem" allowance are appropriated by Congress and do not have to be accounted for. They are passed out to Congressmen traveling abroad in local currency by U.S. embassies in the countries they visit.

In addition to the $75 "per diem" fund, Congress appropriates hundreds of thousands of dollars annually to cover expenses for special trips, such as meetings of the North Atlantic Assembly and the Mexico-United States Interparliamentary group. The appropriation for those two trips and for meetings of two other interparliamentary groups is $205,000 for the next fiscal year.

Neither are "black bag" funds a part of the millions of dollars the Air Force spends yearly—nearly $25 million is budgeted for next year—to operate and maintain a fleet of jet airliners to fly congressmen, their wives and staff, and U.S. civilian and military dignitaries to destinations around the world.

High-level defense officials say each military branch kicks in $100,000 annually to the "black bag" funds which are used chiefly to entertain congressmen in lavish style.

"The name of the game is to make it easy for the congressmen," said one source who is angry about the practice. "Be the 'nice guy,' wear the white hat. Even some senior defense officials have no idea what is going on. It's disgusting."

The funds are handled by escort officers—typically four or five men ranging in rank from sergeant to colonel—assigned by the Defense Department's legislative liaison office to accompany large congressional delegations traveling overseas. In the case of small delegations—three or four persons—just one escort officer goes along.

Before each trip, the Pentagon issues special orders authorizing a senior escort officer to draw $5,000, $10,000 and in some cases $20,000 in order to pick up the tab for virtually anything a congressman or staffer desires, sources told Scripps-Howard News Service.

The sources said that on one occasion a military escort officer was replaced after he refused to procure a prostitute for a congressman. On another occasion a military escort officer paid $50 for a call girl for a congressman, according to the sources.

A retired military officer who served in Spain said Spanish-speaking U.S. officers have been used by congressmen to arrange for call girls and other entertainment at Madrid's Casa Blanca night club.

The "black bag" practice began in 1953 when a vaguely worded provision was quietly added by the Senate to a multipurpose supplemental appropriation bill. The provision stated:

"Funds made available in this or any other Act shall hereafter be available for examination of estimates of appropriations in the field and the use of such funds for such purposes shall be subject only to regulations by the standing committees concerned."

That obscure wording—part of Public Law 207—permits congressional committee chairmen who authorize trips abroad to insure that money appropriated is properly spent.

But the military has used it to justify spending millions of dollars to "support" trips taken by congressmen ostensibly inspecting overseas U.S. defense installations.

The armed forces provide the junketing lawmakers with military briefings at some point along the way. Informed sources say some of the briefings last only 10 minutes and take place in hotel rooms or military VIP quarters.

In an apparent effort to limit Pentagon support for such junkets—for which justification might be questionable—then Defense Secretary Robert S. McNamara in 1964 ordered that the Pentagon be prudent about its spending on congressional travel.

McNamara issued a directive intended to assure that "travel of members and employes of the Congress is sponsored (paid for) by the Defense Department only where the purpose of the travel is of primary interest to, and bears substantial relationship to programs or activities of the Defense Department and not merely for the purpose of engendering goodwill or obtaining possible future benefits."

But Defense Department legislative liaison officials apparently winked at that directive or interpreted it very liberally. One source familiar with congressional requests say few—if any—are turned down and only the most "blatant" have been questioned.

A recent and typical example of a congressional trip that had no military purpose was the journey of 45 lawmakers, aides and wives to London for ceremonies marking the loan of a copy of the Magna Carta to the United States.

Official congressional correspondence requesting Pentagon support for the trip makes no mention of national defense. Yet the Air Force has never asked Congress to pay the $32,428 cost of the flight and the nearly $1,300 of "black bag" money paid out by escort officers. Actually, the officers spent $1,900 in "black bag" funds but congressmen paid the Air Force $600 for their wives' expenses.

It took Scripps-Howard reporters three weeks to obtain a sparse accounting of "black bag" funds for the Magna Carta trip which included 19 congressmen, 15 congressional wives, one congressman's son and ten aides. Two other government officials and four military escorts accompanied the delegation.

Officials conceded the Air Force bought "liquor and beer" for the trip but they declined to say how much. Informed sources said in-flight meals were "spectacular," but Air Force officials insist simple "airline meals" were served.

Escort officers are required to account for their "black bag" expenditures but a detailed accounting of these funds spent on the Magna Carta trip was never supplied to Scripps-Howard News Service.

The Air Force said it does not retain records on what food and beverages are served to individuals on flights or which Congressmen pay back expenses for their wives or aides.

Scripps-Howard News Service has learned that the Air Force, in an apparent effort to keep details of congressional travel more of a secret, is considering holding flight manifests for only one month. Currently, the manifests are held for six months.

Congress traditionally has viewed the airlines in the Air Force's 89th Military Airlift Command at Andrews Air Force Base here as being at its beck and call. Actually, less than one-fifth of the wing's trips are for Congress.

William K. Brehm, assistant defense secretary for legislative affairs, said he agrees with Congress' view. Brehm and his wife and aides are planning an extensive European trip next month.

Brehm, who got the Pentagon's top legislative job in March, said he recently questioned two congressional requests for military trips and ordered escort officers not to pay the bills of Congressional Members and staffers with defense funds unless the expenses total more than the $75 per diem.

Under no circumstances, Brehm said, will escorts be permitted to spend their "black bag" funds for "entertainment" on congressional trips overseas.

Brehm said a new Pentagon directive formalizing this policy will be published soon. He said he has not and will not "look back" to determine if there has been any abuse of "black bag" funds.

UNFINISHED BUSINESS—COSMETICS SAFETY AND LABELING

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, one of my great regrets in leaving Congress after 24 years is that legislation I have been pushing since my first term in office, and which has been needed for nearly 40 years to protect the public in the use of a multitude of products legally defined as cosmetics, has not been enacted during my incumbency.

I hope some present or new Member of the House will step forward in the next Congress to join my Missouri colleague, Senator THOMAS EAGLETON, in pursuing this crusade for the health of 215 million Americans. Most people tend to think of cosmetics as products used only or mainly by women to enhance their beauty; actually, the term applies to preparations used from cradle to the grave by virtually every person in the country—baby oil and powder, toothpaste, shaving creams, after-shave lotions, mouthwashes, shampoos, hair oil or sprays, deodorants, and, in fact, anything "intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance—except that such term shall not include soap."

THE MYSTERIOUS EXEMPTION FOR SOAP

The mystery surrounding the exemption for soap from a definition of skin cleansing preparations can be pierced by going back to the Senate debate on the 1938 Food, Drug, and Cosmetic Act when the Senate manager of the bill frankly admitted the soap manufacturers threatened to use their vast advertising and public relations capability to kill the entire bill if soap was not excluded from the cosmetic sections of the legislation. Since the soap companies were the biggest advertisers of the time, and sponsors of most of the daytime radio dramas which thus became known as "soap operas," and since the desperately needed Food, Drug, and Cosmetic Act had passed either one House or the other and, in one session, both Houses, between 1935 and 1937 without being enacted, the exclusion for soap was considered a bargain worth making if it kept a powerful segment of the economy from opposing the bill.

But too many bargains of that nature had to be made with industry in 1938 to get through the cosmetics portions of the Food, Drug, and Cosmetic Act of 1938 and, as a result cosmetics are now the most inadequately regulated for safety of any of the categories of products covered in the basic statute. For those loopholes from 1938 are still in the law.

INGREDIENT LABELING NOT REQUIRED

For instance: although drug products must list on the label all of the ingredients in the product, and so must nearly all processed foods, the ingredients in a cosmetic product do not have to be disclosed under the law. The Food and Drug Administration is trying to achieve mandatory ingredient labeling of cosmetics under another law, the Fair Packaging and Labeling Act, but I am convinced from the legislative history of the latter act, including a colloquy in which I engaged on the House Floor with the House manager of the bill, that the FDA is on such thin legal ground it will be overturned in the courts. The Commissioner of FDA has acknowledged the danger. Most injuries from cosmetics are of an allergic nature. Unless the consumer, or his or her allergist, knows what is in a product suspected of causing an allergic reaction, there is no way the user can avoid further injury by switching to another brand. Ingredient labeling is therefore essential, and must apply to all ingredients, including fragrances.

NO REQUIRED PRETESTING FOR SAFETY

Drugs and all additives used in food processing must be tested for safety before they can be marketed. Congress this year has applied similar requirements for the first time for medical and therapeutic devices. But anyone can market any cosmetic product without any requirement for pretesting for safety. It is up to FDA to search out and discover any unsafe cosmetic products on the market and, if it can prove they are unsafe, it then has the power to remove the dangerous preparation. This was the law also on drugs from 1906 to 1938 but after many scores of sick people were killed by administration of an untested liquefied version of one of the so-called miracle sulfa drugs, elixer of sulfanilamide, the drug law was changed in 1938 to require pretesting of drugs for safety. No pretesting of food additives was required between 1906 and 1958, when the Food Additives Act sponsored by Congressman JAMES J. DELANEY of New York and I was finally enacted requiring such tests. But pretesting has not been required for cosmetics since they were first brought under Federal regulation in 1938.

THE COAL TAR HAIR DYE EXEMPTION

In the case of coal tar hair dyes—the kind usually used for permanent coloring as contrasted with the tints and color washes—it does not make any difference how dangerous such a product is; it can be marketed without hindrance from the FDA as long as a required warning appears on the container label. These colors are usually applied in beauty shops, not at home and few consumers having their hair dyed in a beauty shop are shown the label on the container in which the bulk supplies of the product came to the beauty shop. The label urges that a patch test be made before applying a coal tar hair dye. Often, this is not done. Injuries from coal tar hair dyes have been extremely serious. This loophole in the law must be eliminated.

ACCESS TO COMPLAINT FILES

FDA has been trying through regulation to obtain access to the complaints made to cosmetics manufacturers about injuries caused to users. The law should be amended to clearly give the agency that power.

PROHIBITION OF CANCER CAUSING INGREDIENTS

A "Delaney clause," prohibiting the use in cosmetics of any ingredient known to cause cancer in man or in animal, is needed in the cosmetic law, similar to the ones Mr. DELANEY and I succeeded in getting into the Food Additives Act of 1958 and into the Color Additives Act of 1960—the latter not applying, unfortunately, to coal tar hair dyes.

CAUTIONARY LABELING OF COSMETICS

And, finally, since cosmetics are exempted from the Hazardous Substances Labeling Act on the theory that they are presumably fully regulated by the Food, Drug, and Cosmetic Act, we must change the cosmetics law to require cautionary warnings and antidotes, et cetera, on cosmetics labels for products which are poisonous if ingested by children, or which can explode, or are flammable, or can cause blindness.

The irony of the situation applying to cosmetics is that the 1938 Food, Drug, and Cosmetics Act contained provisions to bring cosmetics under Federal regulation for the first time only because a number of women had been blinded by the use of eyelash dyes. Since it was a brand new area of regulation, without experience to go on, the first law was tentative and weak—it was just a start. But nearly 40 years later, it remains virtually unchanged from 1938, except as regards the coloring matter used in cosmetics, other than coal tar hair dyes. And in the intervening 38 years, a vast history has developed of cosmetics injuries which the 1938 act cannot prevent. How long are American consumers going to stand for this abuse?

Most citizens assume cosmetics products must be cleared for safety in the same way foods and drugs must be. When a consumer is injured from a cosmetic product, it always comes as a shock to that person to learn that the Government had no power to prevent that product from going on sale—that it could move against it only after enough people had been injured to establish legal proof of the danger.

LAST HOUSE HEARINGS ON COSMETIC LEGISLATION IN 1962

Mr. Speaker, I started putting bills in on this subject in 1954. In 1962, President John F. Kennedy called for cosmetics safety legislation in his consumer message. That year, the House Committee on Interstate and Foreign Commerce held its first—and last—hearings since 1938 on cosmetics safety legislation. The Senate Committee on Labor and Public Welfare, at the prodding of Senator EAGLETON, held its first hearings since 1938 on this issue in 1974. Senator EAGLETON's bill was passed by the Senate this summer. I was hopeful that the House would get a chance to act on that bill, or on the stronger provisions on cosmetics contained in my omnibus bill to rewrite the Food, Drug, and Cosmetic Act, H.R. 1235.

I know the House committee has been extremely hard pressed on major legislation in the fields of energy, health, any many other matters. Nevertheless, after the Senate passed the Eagleton bill, I addressed a letter to the Rogers subcommittee pleading for action in this session. It has not materialized. Will some House Member in the next Congress take up this crusade—not only on cosmetics safety and labeling but also to close all of the many, many other loopholes deliberately written into the Food, Drug, and Cosmetics Act of 1938 and still in that act nearly 40 years later? I hope so.

A PARTING GIFT OF H.R. 1235

I offer to such a Member as a parting gift my omnibus bill, H.R. 1235, first introduced by that same number in 1961 and in every Congress since then. Some of its original provisions of 1961 have since been written into law: In the 1962 Drug Safety Act requiring proof of efficacy of new drugs and disclosure of the generic names for prescription drugs; in the 1965 Drug Abuse Control Act regulating the barbiturates and amphetamines; and in the 1976 Medical Device Act requiring proof of safety and efficacy of therapeutic devices. But there are many, many other 1938 loopholes still to be closed, as a glance at the full title of H.R. 1235 will quickly disclose.

Mr. Speaker, I submit herewith my letter of August 10 to the chairman of the Subcommittee on Health and the Environment, Mr. ROGERS, urging action on the Eagleton bill on cosmetics, and, following that, the title of H.R. 1235 as introduced in the 94th Congress prior to the enactment of the Medical Devices Act:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 10, 1976.

Hon. PAUL G. ROGERS,
Chairman, Subcommittee on Health and the Environment, House Committee on Interstate and Foreign Commerce, Rayburn House Office Building, Washington, D.C.

DEAR PAUL: In view of the fact that my omnibus bill to rewrite the Food, Drug, and Cosmetic Act of 1938, H.R. 1235, has been pending in largely its present form in the Commerce Committee since 1961, with the most recent hearings on it having taken place in 1962, I have no illusions about the possibility of this long-needed bill being considered and enacted before I leave Congress at the end of this Term. Although some major improvements enacted in the law since 1961 had their origins in the original version of H.R. 1235—principally the proof of efficacy provisions of the Kefauver-Harris Drug Safety Act of 1962, the enforcement provisions of the Drug Control Act of 1965, and the basic outlines of the recently enacted Medical Devices Act which you were responsible for writing into law—I regard the many still unachieved objectives of my omnibus Food, Drug, and Cosmetic bill as probably my greatest unfinished task after 24 years in Congress. H.R. 1235 seeks to close all of the gaping loopholes in the Food, Drug, and Cosmetic Act rather than approaching them one by one on a piece-meal basis, as has been the pattern for so many long years.

If the objectives of H.R. 1235 are to be achieved in the foreseeable future, some other Member—and I hope you will consider doing so—will have to introduce such an omnibus measure in the next Congress and push for its consideration. I know you are thoroughly familiar with all of the loopholes H.R. 1235 was drafted to close, and that you recognize the importance of corrective legislation, like H.R. 1235, in protecting the lives and health of the American people.

In the meantime, however, I would like to urge you as Chairman of the Subcommittee which has jurisdiction over the Food, Drug, and Cosmetic Act to move, while there is still time in this Congress, to take up S. 1681, the Cosmetics Safety Amendments of 1976, introduced by my Missouri colleague, Senator Thomas F. Eagleton, who succeeded in having it passed by the Senate on July 30, 1976.

Senator Eagleton's bill as passed by the Senate is not as far-reaching as the cosmetics sections of my H.R. 1235 from which it was originally taken, but it would nevertheless go tremendously far in meeting the needs of the public for more effective regulation of an industry which has, for 38 years, been free to market thousands of products of doubtful safety affecting the health of virtually every man, woman and child in this country. We users of cosmetics products are in fact the "guinea pigs" on which they are ultimately tested for safety; only after a product has been clearly found to be dangerous can the Food and Drug Administration take action to remove it from the market.

These same products are also free of any effective labeling requirements, so that even when a consumer knows he or she is allergic to a particular cosmetic ingredient the prospective purchaser has no legal right to disclosure on the label of the existence of such ingredients in a particular product. The Fair Packaging Act of 1966 is no protection in this regard.

Coal tar hair dyes are exempt from even the limited protections to consumers now applying to other cosmetic products. And so is soap. These exemptions were written into the law 38 years ago as a deliberate concession to a powerful lobby which otherwise would probably have tipped the balance against passage of the entire 1938 Act, which was drafted to apply primarily to foods and drugs. Surely, a 38-year "free ride" from effective regulation is a long enough concession to make to the soap and cosmetic industries for their "forebearance" in not fighting the original law in 1938.

Thousands upon thousands of Americans are injured each year by cosmetic products, including the many children who are poisoned by ingesting products whose unlabeled toxic ingredients are often unknown to the doctors treating them.

Senator Eagleton's bill is the only cosmetic safety bill to pass either House in 38 years. It is the only cosmetic measure on which any hearings have been conducted in either House since 1962. The problem has gotten worse, not better, in the intervening years. The need for such legislation is urgent.

I have long maintained that it is just as easy—and of course it is not easy at all—to pass an omnibus bill to close all of the loopholes in the Food, Drug, and Cosmetic Act as it is to pass legislation dealing with only one area of concern in the 1938 Act. The long years you had to devote to the effort to pass the Medical Devices Act certainly attested to that. Hence, while there was any chance at all of passing an omnibus bill like H.R. 1235, I did not try to push cosmetics legislation separately. However, when I testified before Senator Eagleton on S. 1681 and on a predecessor bill of his in the 93rd Congress, S. 863, I promised him that if he could succeed in getting a cosmetics safety bill through the Senate, I would do everything I could to see to it that it was considered promptly in the House without regard to the other provisions of H.R. 1235.

I know that time is short in this Congress. But the issue has been thoroughly debated now for 38 years—so much so, and with such broad agreement on the need for legislation, that Senator Eagleton's hearings on S. 1681 were conducted in just one day, and the Senate passed the bill unanimously.

I therefore urge you to schedule hearings on S. 1681 in the very near future so that cosmetic safety legislation can be enacted this year. I would consider such action the best "going away present" you and other old friends on the Committee on Interstate and Foreign Commerce could give me after 24 years of Congressional service. It would be a gift to the health and safety of the more than 200 million Americans who use cosmetics in one form or another every day—as toothpaste, shaving cream, soap, sun lotion, shampoos and hair preparations, and numerous other products used by men; as baby care products; and as the skin and beauty products purchased by women.

Can you possibly move this bill before we adjourn? I plead with you to do so.

Sincerely yours,
LEONOR K. (MRS. JOHN B.) SULLIVAN,
Member of Congress.

[94th Congress, 1st Session]

H.R. 1235

A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to amend certain labeling provisions of the food, drug, and cosmetic chapters to assure adequate information for consumers, including cautionary labeling of articles where needed to prevent accidental injury; expand the coverage of the "Delaney Clause" to apply to mutagenic and teratogenic agents; eliminate the "Grandfather's Clause" for pre-1958 chemical additives used in food; require nutritional labeling of foods; require labeling of all ingredients in foods, listed in order of predominance, including specific coloring and preservative ingredients; prohibit worthless ingredients in special dietary foods; authorize the establishment of standards for medical devices; require medical devices to be shown safe and efficacious before they are marketed commercially; require all antibiotics to be certified; provide for the certification of certain other drugs; require records and reports bearing on drug safety; limit the distribution of sample drugs; require cosmetics to be shown safe before they are marketed commercially; clarify and strengthen existing inspection authority; make additional provisions of the Act applicable to carriers; provide for administrative subpenas; provide for strengthening and facilitating mutual cooperation and assistance, including training of personnel, in the administration of that Act and of related State and local laws; prohibit the use of carcinogenic color additives in animal feeds; safeguard the health of children by banning sweetened or flavored aspirin from commerce; authorize a system of coding for prescription drugs; establish a United States Drug Compendium; and for other purposes.

By Mrs. Sullivan, January 14, 1975. Referred to the Committee on Interstate and Foreign Commerce.

PANAMA CANAL: STARTING POINT FOR SOVIET "LIBERATION OF A CONTINENT"?

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FLOOD. Mr. Speaker, the feature that makes the Panama Canal problem fascinating is that it is an inexhaustible subject with new aspects steadily appearing.

One of the latest developments is a silence on the part of certain advocates for a new canal treaty that would surrender U.S. sovereign control over the U.S.-owned Canal Zone to Panama, the puppet government of which is actively allied with the Havana-Moscow axis and has been actively hostile to the United States in sustained propaganda.

Fortunately, the crucial issues in the situation, continued undiluted U.S. sovereign control over the Panama Canal and its indispensable protection frame of the Canal Zone, were brought to public notice on a grand scale in the course of the primary campaigns prior to the 1976 Presidential nominating conventions. One result is that large numbers of the voters of our country have been alerted and are now overwhelmingly opposed to any surrender at Panama. Another consequence is the publication of many thoughtful articles on the canal question.

A recent one was by Dr. George S. Benson, a distinguished educator of Searcy, Ark., in the National Program Letter on "What Has Happened to the Panama Canal?" In this article, Dr. Benson stresses that Angola was only a testing ground for similar actions in the Western Hemisphere for the "liberation of a continent." This, he says, could start at Panama, Puerto Rico, or Venezuela.

To make the indicated article available to the Congress and the Executive as well as the Nation at large, I quote it as part of my remarks:

[From the National Program Letter, Searcy, Ark., September 1976]

WHAT HAS HAPPENED TO THE PANAMA CANAL?

(By Dr. George S. Benson)

Suddenly those demanding a new treaty giving away the Panama Canal have become strangely silent. The State Department likewise is totally quiet. This has implications.

Has the State Department changed its mind about the new treaty? Has the left-leaning dictator of Panama, General Torrijos, backed down on his threat to wage war against the United States unless we gave him the Canal Territory under terms of a new treaty? Has the Soviet Union ordered him to stop rattling his saber? Has Fidel Castro who reportedly already has sent some of his troops to Panama, decided this is not the right time to tweedle the nose of Uncle Sam? Was it the public opinion poll which showed that approximately 85 per cent of the American people were opposed to the Kissinger proposed giveaway? Was it the Resolution of 36 United States Senators promising to vote against such a treaty?

SOVIET UNION ORDERED?

It is becoming more and more evident every passing week that none of the above reasons are the real cause for the silence on the treaty. Many Washington observers believe the Soviet Union issued orders to Castro of Cuba and Torrijos of Panama to cease and desist in their public threats lest public opinion should harden in the United States and interrupt the much bigger total plan for communist subjugation of Puerto Rico, Panama, and the entire continent of South America. The Panama Canal is only one very small part of the total Soviet plan of the Western Hemisphere. Should the American people become too much disturbed about the Panama Canal they might suddenly become alarmed about the much bigger plan, and might inject that concern into the coming presidential election, and make the execution of the communist plan much more difficult.

It doesn't take a military or diplomatic genius to see the broad outlines of the Soviet plan to dominate the countries of Latin and South America. One has only to read the statements of Castro, Torrijos and Brezhnev to realize that the Soviet-Cuban action in Angola was nothing but a testing ground for similar actions in Puerto Rico, Panama, Venezuela and in the words of Castro, . . . "the liberation of a continent." Those were the words used by Castro on January 10, 1976, when he hosted a large reception for Torrijos of Panama and declared, "To the 1.2 million Panamanians we can add nine million Cubans." But, on orders from the Kremlin, Castro went on to advise Torrijos not to push the issue of the Panama Canal until the proper moment. He further said: "Much more important than a small bit of land, is the liberation of a continent . . . the liberation of Vietnam, of Africa, of Angola."

Here is a Communist dictator of a small island now peopled by a poverty-stricken populace, unable to make his economy work, talking about the liberation of a continent. This indicates quite clearly that the Soviet Union has definite plans to use its puppet, Castro, to carry on military operations in the Western Hemisphere after the U.S. election year is over. With Castro supplying the soldiers and the Soviet Union supplying the hardware and the leadership, the plan apparently calls for the communization of the Panama Canal, Puerto Rico and from there the entirety of South and Central America. Castro and the Kremlin tested the will of America to resist Angola and they found what they wanted to know. Now, as soon as our election year is over, the United States will have hard decisions to make as to whether we will continue to follow the defunct policy of "detente", or whether we will stand up to the hard realities of communist aggression at our back door.

CUBA A SOVIET INSTRUMENT

The Committee on Security of the Organization of American States warned before Cuban troops were dispatched to Angola that Cuba had become nothing more than the instrument of Soviet intentions. That report, which has not received any publicity to speak of in the United States press, stated: "Castroite agents are now infiltrating the structure of Latin American countries and the United States, and are also utilizing Latin and North American agents in their sabotage in full collaboration with agents of the KGB (the Soviet secret police). The DGI (Cuban secret police) is now an extension of the KGB."

If the Cuban secret police is nothing more than an extension of the Soviet Secret Police, then it is certain that the Cuban military is nothing more than an extension of the Soviet military and will be used in Panama, Puerto Rico and elsewhere in this Hemisphere in the same manner as it was used in Angola.

SOVIET HOPES

It appears to be the hope of the Soviet Union that war in Panama can be the beginning of what the Kremlin calls the "liberation of a whole continent." But, if Panama is not the place it starts, then Puerto Rico can be, or Venezuela . . . or some other country in the Western Hemisphere. The pattern is set . . . a small country pitted against the mighty United States of America . . . a USA who loves peace so much according to the master plan of the Kremlin . . . that we will permit the entire rest of this Hemisphere to fall to Communism before we lift a military hand to stop it. That would fulfill Lenin's prediction when he said:

"Then the last bastion of capitalism, the United States of America, will fall like an overripe fruit into our hands without a shot being fired."

This is the plan of the Soviet Union for your future . . . but it doesn't have to be your plan.

TONY FOLIO

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HELSTOSKI. Mr. Speaker, in honor of his retirement, I would like to thank and congratulate Mr. Tony Folio for his many years as athletic director of Rutherford High School in Rutherford, N.J.

Mr. Folio came to Rutherford High School in 1958 from West Virginia, and has a total of 35 years in athletic coaching, 10 of these at Rutherford. He had two State football championships with the Rutherford Bulldogs, in 1964 and 1966. In addition, he served as athletic director for 16 years at Rutherford High School.

To commit so many years of one's life to the guidance and development of our young people, is a true sign of Tony's character. As a former educator, I am well aware of the tremendous responsibility and heartwarming satisfaction of guiding our teenagers through their formative years. Tony Folio is a great example of this important role in our society, and has gained the respect of students and fellow teachers as well. I am sure that for many years to come, all of his former students and players will think of the Rutherford Bulldogs as being synonomous with Tony Folio.

His wife and children, Toni and Mike, as well as his community, have every reason to be proud of this truly inspiring and dedicated man. I regret to see the retirement of this fine athletic director, but I am hopeful that he will continue to inspire our young people for many years to come.

FEA'S CONTINGENCY RATIONING PLAN

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. YOUNG of Georgia. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the energy conservation and gasoline rationing contingency plans proposed by the Federal Energy Administration. FEA's final proposals, I understand, will now be furnished to the 95th Congress sometime in the spring.

Because of the overwhelming impact that portions of the initial proposals that appeared in the Federal Register will have on our constituents, I feel that there is a special need for us to carefully examine each provision of the proposal. I am aware, of course, that there are no easy solutions and that there are no possible plans that would not be subject to criticism. However, the significance of this conclusion is amplified by the fact that we will be precluded from amending the FEA's proposals—to become law, the proposals will require the total approval of both Houses within 60 days after we receive the plan.

My attention and concern were dramatically captured by an organization of traveling wholesale commissioned salesmen, the Bureau of Salesman's National Associations, whose members each cover a multistate area which may be serviced only by use of an automobile. FEA in its original rationing plan would have vested the right to distribute gasoline rationing credit allotments—thereby granting the power over the transportation essential to the salesman's livelihood—to the firm which the salesman represents, even though the salesman purchases and pays for the gasoline out of his own pocket, even though the salesman may carry more than a single line, and even though the salesman must deal with the firm at arm's length. This rule, I am glad to say, has been softened—but only because the affected salesmen paid attention to the original proposal.

In their original energy conservation proposal, FEA failed to make any provision for the special needs of such salesmen in terms of weekend prohibitions on gasoline sales although special exceptions for some other commercial users were permitted. Curiously, the truckers who deliver the products sold by the salesmen, are properly considered, while the salesmen upon whom the truckers are dependent, are not.

Because the bureau, as well as the National Association of Women's and Children's Apparel Salesmen, are headquartered in my district, I may be more attuned to salesmen's problems than I otherwise would be. The impact on these independent contractor-small businessmen who provide a vital link in the distribution chain and who contribute immeasurably to the well-being of our national economy cannot be overemphasized. The weekend closing proposal as initially published in the Federal Register could hamstring salesmen in earning their living. Moreover, the production, transportation, and retail segments would also suffer accordingly. Careful consideration is required by all of us to these proposals, however "contingent" they may appear. I urge both the FEA and my colleagues to attempt to carefully balance economic impact with energy conservation.

CITIZENS' COMMITTEE OF THE U.S. ARMY ENGINEER DISTRICT, ROCK ISLAND, ILL.

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RAILSBACK. Mr. Speaker, in times when some clarions go to great lengths to vocalize a theme about the lack of public involvement at all levels of governments; local, State, or Federal, I believe it is particularly significant that wherever possible we give full cognizance to those who have, and are, providing an extended measure of service to our basic institutions of government. One such group, through their individual and collective efforts comes to my immediate recall—the Citizens' Committee of the U.S. Army Engineer District, Rock Island, Ill.

This is indeed a unique, private group of area citizenry who devote many, many hours of their time delving, discussing, becoming knowingly conversant, exhibiting a measured degree of understanding and fostering the civil works programs formulated by both the national executive branch and the legislative bodies comprising the U.S. Congress, and, related into reality by the U.S. Army Corps of Engineers as the agent for the Secretary of the Army, the Honorable Martin R. Hoffmann.

This fine group of private citizens, representing a cross section of midwestern professional, artistic, and business disciplines was organized in 1966 to foster and promote diverse activities in recognition of the centennial observance of the establishment of the Rock Island District of the U.S. Army Corps of Engineers.

During the past 10 years the committee has remained active and through numerous events and activities made significant contributions in supporting and encouraging the Rock Island District's efforts in programing, designing, and constructing varied flood preventive control projects along a 300-mile reach of the upper Mississippi River; in recognizing the need for blending environmental harmony with the practical needs for improving the transport capabilities of the single most important inland river complex on the North American Continent—the Mississippi River and its tributaries; in assisting the U.S. Army Corps of Engineers and other interested local, State, and Federal agencies in their combined efforts to keep the general populace informed of activities related to the development and progress of civil works projects at large; and, in fostering and successfully promoting a strong bond of understanding and enduring relationship between sectionalized interest groups that might otherwise remain splintered.

The citizens' committee held a meeting recently in Rock Island, Ill., to review their previous activities and establish plans for the future. Under the able and dedicated leadership of their cochairman, Mr. Lee White and Mr. Paul Norton, the committee pledged continuing interest in the objectives of the Rock Island District and unqualified support and assistance to the district engineer, Col. Daniel L. Lycan, and the members of his staff.

To these outstanding men and women comprising the present and past membership of the Citizens' Committee of the U.S. Army Engineer District, Rock Island, I take this opportunity to congratulate them and to place their outstanding accomplishments in the permanent historical RECORD of the Congress of the United States, knowing full well that their prior accomplishments are but forerunners of those future deeds yet to be recognized and duly recorded at some subsequent date.

ERDA CONFERENCE REPORT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BINGHAM. Mr. Speaker, I had originally intended to raise a point of order against the conference report on H.R. 13350 in view of the fact that section 209 in title II clearly goes beyond the scope and violates the intent of section 201 of the same title. Section 209, which provides exceptions to the Congress' right of final review on certain exports of nuclear fuel, was added hastily by the conferees, and bears little resemblance to either the House-passed or the Senate-passed versions of section 201.

After I advised several of my colleagues who were conferees on the ERDA authorization bill including Chairman PRICE and Chairman TEAGUE of my concern over this matter, I was informed that section 209 is absolutely not to be construed as taking precedence over section 201. Congress is to have the final say in the first export of nuclear fuel pursuant to an agreement for cooperation signed before adoption of Public Law 93-485, and there are no if's and's, or but's about it, section 209 notwithstanding. Furthermore, it has been made clear in my discussions this afternoon between myself and Messrs. PRICE and MCCORMACK, that section 201 applies to exports of stockpiled nuclear fuel as well as exports of any newly produced fuel. The supremacy of section 201 was admirably brought out earlier in the debate by my colleague from New York (Mr. OTTINGER) in colloquy with Messrs. PRICE, ANDERSON, and MCCORMACK. I wish to thank them for their clarification of this crucial concern.

ESTATE TAX REFORMS AID SMALL BUSINESSES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LAFALCE. Mr. Speaker, I think it is appropriate and timely to point out some of the major benefits which the recently enacted tax reform bill contained for small businesses, particularly in the area of estate taxes. As you may know, I am a member of the Small Business Committee and, as such, I cosponsored legislation earlier this session to alleviate some of the more burdensome aspects of the estate tax laws as they relate to small businesses.

And these problems were especially acute with respect to family-owned business and the ability of the family to keep them going.

The estate tax laws had not undergone a comprehensive review for 30 years. During that time inflation had made major inroads on the monetary value of small businesses, substantially diluting the exemption provisions in the estate tax laws. It is unfortunate that earlier Congresses had not started the reform process, for in the interim the tax consequences of the death of a principal of a small business often forced his or her heirs to sell the business in order to pay the estate taxes.

Before this bill was passed, there was a flat $60,000 exemption on estates before estate taxes were calculated and assessed. This figure was appropriate 30 years ago but is far too low to be of great benefit to small businesses at this point in time. Thankfully, the bill we passed provides for an estate tax credit, instead of an exemption, which next year will be equivalent to an exemption of $120,000, double the previous amount. And the credit will increase between now and 1981 to an exemption-equivalent amount of $175,000.

The recently enacted changes went beyond the basic exemption. They also expanded the marital deduction section of the Internal Revenue Code to make it easier for spouses to keep an estate, and small businesses that constitute parts of an estate, intact. Under the new provisions a surviving spouse will be able to deduct at least $250,000 worth of the value of property passing to him or her through the estate. This too will be of great benefit in the effort of heirs to keep small businesses going.

And in certain hardship cases the payment of estate taxes can be extended for 15 years; previous law permitted this only for 10 years. Again, the intent of the law, and the likely result, will be to provide a needed cushion for small business men and women during that period when it is needed the most—the period of recovery after the death of an important principal of the business.

I worked hard, Mr. Speaker, to help bring about passage of this bill and particularly the estate tax reforms contained in it. I am very pleased that the 94th Congress was able to accomplish what so many Congresses before it were unable to do—enact meaningful reform of the Internal Revenue Code and, in particular, revisions in the estate tax law benefiting small businesses throughout the United States.

A MAN FOR PEOPLE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DERWINSKI. Mr. Speaker, one of the most dedicated public officials that I have ever known was Ralph Johnson, former village president of Park Forest, Ill. Ralph was an educator and scientist who found time from the responsibilities of his professional field to serve his friends and neighbors in Park Forest in a most outstanding fashion.

During his service as a village official in Park Forest, he was one of the leading members of the Illinois Municipal League, thus contributing to the progress and effectiveness of local government not only in his home community, but at the State level where he had a definite impact on State laws affecting municipalities.

Ralph passed away last week at the young age of 49. The Park Forest Star Tribune, a publication which covered his community, most properly eulogized this outstanding gentleman:

A MAN FOR PEOPLE

When an able, productive person dies at an age far younger than the norm, we tend to consider what he or she would have yet accomplished

Certainly Ralph Johnson, former Park Forest village president who died Thursday at age 49, would have accomplisehd more. But more important, he did make a considerable mark in the time he had, both in public service to the community and in his professional life in the academic field.

Village president from 1971 to 1975, Ralph Johnson's two terms were perhaps noted most for the village's progress in people-oriented programs—social services, health, recreation, fair housing. He also had served earlier as a village trustee and as a member of the plan commission.

As a paleontologist and marine biologist, Dr. Johnson gained high regard for pioneering work. He was chairman of the department of geophysical sciences at the University of Chicago.

His attitude toward Park Forest is ably expressed in a few of his own words when he completed his last term as village president. Noting the challenges of the preceding year, he said:

"In one way or another, the village has survived them all. In fact, we flourished. That is our history. We are an exceptional place, and we continue to thrive and move ahead in the face of good times and trying times.

"Let us put last year's challenges into the perspective of issues of past years, so we can remind ourselves that things have a way of working out."

Sound advice from a man who spent his time well.

INDIRECT COSTS AND HIGHER EDUCATION: ANOTHER PERSPECTIVE

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BLOUIN. Mr. Speaker, as a member of the Subcommittee on Postsecondary Education and as an individual highly interested in the future of higher education, I note with concern a segment of the managers report language in the conference report on H.R. 14332, the Labor-HEW appropriations bill for fiscal year 1977. The managers address a problem which I realize exists concerning the payment of indirect costs to colleges and universities on research projects.

I commend the managers for addressing this problem, but I hestiate somewhat in accepting their methodology for solving it, that being to ask the Department of Health, Education, and Welfare to "explore the possibility of including cost competition as an element of consinderation in the grant approval process."

My concern with this approach is reflected in a letter I received from D. C. Spriestersbach, vice president for research and dean of the graduate school at the University of Iowa. It is my hope that Dean Spriestersbach's comments will assist my colleagues as to why caution should be exercised before a cost-competition concept is implemented.

The letter follows:

UNIVERSITY OF IOWA,
Iowa City, Iowa, September 29, 1976.

Congressman MICHAEL BLOUIN,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BLOUIN: The University of Iowa is seriously worried by managers report language in the Conference Report of H.R. 14332, the Labor/HEW Appropriations Bill for fiscal year 1977 pertaining to the payment of indirect costs to colleges and universities on research projects and to the suggestion of cost competition in grant approvals.

The principle that indirect costs exist and that their recovery is valid has long been recognized and accepted for all institutional sectors participating with the Federal government in the conduct of research. Meaningful research presumes the availability of buildings, equipment, libraries and support services for the conduct of these activities. Universities could never undertake the same or as much research if indirect costs recovery were prohibited or severely limited. Should indirect cost recovery decline or cease, the university's capacity for new research will also dwindle. What is perceived as a "saving" for the Federal government is only a decision to live on yesterday's research investments with no provision for tomorrow. A full, objective study of the causes of the growth of indirect cost is highly proper, but any revisions in the indirect cost regulations should focus on fairness and equity rather than on a direct reduction in total amounts allowable. This is to prejudge the case before even preliminary inquiry.

By asking DHEW to "explore the possibility of including cost competition as an element of consideration in the grant approval process, "the House Report undermines the important distinction between grants and contracts, equating somewhat the support of research with the purchase of commodities. An important distinction must be kept in mind. When a Federal agency intends to purchase a quantity of goods, it specifies in precise language what characteristics it is seeking and it identifies a delivery date. This system works because we have a vast bocklog of knowledge and experience in the manufacture of the goods. But if NIH wishes to generate innovative research on heart and lung diseases it is unlikely to receive any sensible response to a call for bids. No sure line of procedure exists as a basis for an informed bid; in fact, there can be no assurance that there will be a cure for a particular heart or lung disease. The best route to one might be along a line of inquiry no one has yet imagined. No one can predict the date by which a cure can be achieved. The basic elements which make valid a bid procedure do not exist.

The best results are obtained by the best efforts of the best investigators, working from the best research designs, and this kind of excellence cannot be measured in terms of dollars. With the hope that the Congress will take a closer and fuller view of this important issue, I remain;

Sincerely yours,

D. C. Spriestersbach,
Vice President for Research and Dean of the Graduate School.

TRIBUTE TO ORLANDO LETELIER

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. EDWARDS of California. Mr. Speaker, on Sunday, September 26, thousands of people marched in a tribute to Orlando Letelier, former Chilean Ambassador to the United States and a political exile from his beloved Chile for the past 2 years. The memorial was not only an occasion to pay our respects to a good and decent man but also to renew our commitment to support the restoration of democratic government in Chile.

The senseless act of terror which took the lives of Orlando Letelier and his associate, Ronni Moffitt, is known to us all and I will not recount it here. However, I thought it appropriate to share with my colleagues the moving tribute made by Peter Weiss of the Institute for Policy Studies at the memorial services.

The remarks are as follows:

Tribute To Orlando Letelier

(By Paul Weiss)

He was a freckled redhead. He was a first rate economist. He was a lusty singer of folk songs. He was a born diplomat.

He loved his family. He loved Chile. He loved life.

Trust and friendship flowed to him as naturally as a flower unfolds in the spring. Posturing and didacticism were as alien to him as the ideology of the junta to his native land.

When he, the former ambassador and cabinet member, came into our freewheeling, anti-authoritarian Institute for Policy Studies-Transnational Institute community some two years ago, after his ordeal on Dawson Island, he was met with mistrust which the untitled harbor for the aristocracy. In no time at all, he emerged and was accepted as a leader, because he was the most equal among equals.

One of those who had easily come to accept him was Ronni Karpen Moffitt. She shared his ideas, his comradeship and his total dedication, but she did not know that this made her a soldier and that Washington had become a battlefield.

For all his worldliness and erudition, Orlando was an uncompliacted man. Like most sensible people, he was a socialist. But he was also generous in embracing all those, regardless of class and party, who shared his love of justice and his hatred of meanness and oppression. There was room in his heart for decent human beings trapped in inhuman systems.

To say that we shall miss him is to say that the grass will miss the sun. But when we are done with our grief, we shall do what he would have done had he been the survivor and we the victims. We shall in redoubled measure, dedicate both our love and our fury to the completion of the many-sided tasks he had set for himself: to make the DINA assassins, and their protectors and counterparts around the world wither under the rays of merciless exposure; to free his beloved Chile from fascist tyranny; to sketch, through the work of IPS and the Transnational Institute, the outlines of a just and humane international society of the future.

We shall take their filthy bombs, transform them into ideas, organization and united struggle and throw them back into their faces.

We shall do it for our beloved Ronni and for our brother Michael, who bears the deepest scars of all. We shall do it for Orlando who was their companero and ours. And for Isabel, who was his companera and shall be ours.

LOUISIANA PEACE OFFICERS ASSOCIATION RESOLUTION DEPLORES UNSUBSTANTIATED CHARGES AGAINST THE FBI

HON. JOE D. WAGGONNER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WAGGONNER. Mr. Speaker, the sudden and continuing rash of charges against the Federal Bureau of Investigation and many of its high-ranking officials has, in my opinion, seriously weakened the effectiveness of the FBI. Whether they are proven to be true or not, they have damaged the internal morale of the Bureau—the finest crime investigative agency anywhere in the world.

Recently the Louisiana Peace Officers Association adopted a resolution urging the President, the Attorney General and the Congress "to give serious consideration to the damage done by excessive and unjustified criticism—of the FBI."

The association quite correctly points out that charges attributed to unnamed sources "cast a cloud" over the otherwise good name of the Bureau and its many hardworking and dedicated employees.

I completely agree with the sentiments of the Louisiana Peace Officers Association, as expressed in its resolution. I hope that this show of support will go a long way in maintaining public trust and confidence in the FBI and its Director, Mr. Kelley.

In order that our colleagues can have an opportunity to read the resolution in its entirety, I insert the following remarks in the Record:

Resolution

Whereas, in recent months the Federal Bureau of Investigation and its director, Mr. Clarence M. Kelley, have been subjected to numerous charges attributed to faceless sources or to miniscule errors by a few employees, and,

Whereas, the allegations have in effect cast a cloud over the thousands of dedicated agents and employees of the Federal Bureau of Investigation, and,

Whereas, these attempts to besmirch the record of this agency must of a certainty furnish the enemies of our society, both within and outside of the United States, with a constant source of amusement, and,

Whereas, this harassment if continued will render impotent this the finest intelligence gathering and enforcement agency in the free world, now,

Therefore, be it resolved. that members of the executive board of the Louisiana Peace Officers Association, on this the 11th day of September, 1976, unanimously reaffirm our support of the Federal Bureau of Investigation and its Director, Mr. Clarence M. Kelley, and urge the President of the United States, the Attorney General, and the Congress, to give serious consideration to the damage done by excessive and unjustified criticisms, which together with excessive restrictions, will impair, if not completely destroy, the investigative and enforcement capabilities of the Federal Bureau of Investigation, and urge that this resolution be printed in the Congressional Record and released to the media.

TRIBUTE TO HERMAN T. SCHNEEBELI

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, I welcome this opportunity to join in the tributes to our departing colleague, my good friend, Herm Schneebeli. Herm came to the House a few short months before I did as a result of a special election in 1960. We have both witnessed great changes in the Congress and the country over those 16 years and I am grateful for the experience of knowing and working with Herm over that period. Herm has demonstrated to his colleagues over the years that he is a man of quiet dedication, infinite wisdom, and calm and compassionate temperament. This institution has received considerable criticism over the years and perhaps even more than ever in recent times. We have all had occasion to concede that some of that criticism is justified while at the same time speaking out about what is right with Congress. When I tell my constituents about all the hard-working men and women serving here who are persons of integrity and courage, Herm Schneebeli is perhaps one of the best examples that comes to mind as one who gives Congress a good name.

Unfortunately, these are the stories of men and women who often receive the least attention in the public print, and yet they are the glue that holds this body together and makes it work as it should. As dean of his State's delegation and the ranking Republican on the Ways and Means Committee, Herm has demonstrated that the first element of successful leadership is respect, and he has earned that from his colleagues on both sides of the aisle. We will miss Herm's leadership, expertise, and warm personal presence in the next Congress.

LET INDIVIDUAL NOT CHRONOLOGICAL AGE REQUIREMENTS DECIDE OUR EMPLOYMENT POLICY

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HEINZ. Mr. Speaker, when Congress passed the Age Discrimination in Employment Act of 1967, it viewed that legislation as a major means to end age discrimination. It followed up on this legislation with additional legislation in 1975—the Age Discrimination in Employment Act of 1975—to eliminate discrimination in federally assisted programs. Yet a report just issued by the House Select Committee on Aging of which I am a member, found that these provisions have gone largely unimplemented even in cases where they have been in effect for years. Whether it is the Department of Labor or the Civil Service Commission, older workers are not receiving their fair share of services in proportion to their complaints. In additional views which has been submitted as part of this report, we ask for additional legislative action to end forced retirement. I believe that forced retirement denies a basic right—the freedom to chose retirement or employment based solely on ones ability and desire to work. This right has been affirmed on many occasions in the Older Americans Act of 1965, in the 1961 and 1971 White House Conferences, and in pending legislation, H.R. 2254, by my colleague, Representative Paul Findley, Republican of Illinois, which I have cosponsored. Sadly, this right continues to be denied in practice.

The time is now for our Federal and State legislation to be rewritten. If we continue to define the ability to work by a calendar date—we will prematurely drive our citizens into rocking chairs or welfare lines. Forced retirement—no matter what age it is instituted—at 32 for a stewardess or at 70 for a Government employee is compulsory unemployment. We must find a better way to solve this problem than to declare it to be wrong. That is a necessary first step, but by itself is not sufficient to change these unfair practices. Congress must now define policies that will permit older workers to continue their growth and productivity. If it does not—and we continue to force persons to retire at age 65, by the year 2000 we will have nearly 29 million persons retired with an additional 360,000 per year added to the rolls. What options does that offer to the remaining labor force? Must the "unretired" accept a higher degree of taxation to meet the responsibility of supporting those put out to pasture? Must they compete with older workers for jobs? I believe that the answer to these last two questions must be no, but it will only be so if we institute carefully planned and phased-in programs that end age discrimination, put older workers back to work, give new priorities to rehabilitation, and retraining programs for the older worker, and give the person who is compulsorily retired both the right and the technical assistance to challenge forced retirement, and get back to work.

The recent Supreme Court decision which upheld the legality of a Massachusetts statute calling for the mandatory retirement at the age of 50 offers a challenge to Congress. The Supreme Court decision does not rule out direct legislative action regarding mandatory retirement pursuant to section 5 of the 14th amendment which provides:

> The Congress shall have the power to enforce by appropriate legislation, the provisions of this article.

If we do not pursue the necessary legislative reforms which will clarify, extend, and implement our original intent, as voiced in the Age Discrimination Acts of 1967 and 1975, we leave ourselves at the mercy of the Court, whose recent judgment, are in my opinion, discriminatory and unwise.

H.R. 1294

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DELANEY. Mr. Speaker, you will recall that during the period from 1965 to 1968 many of us strongly protested discrimination against, and persecution of, citizens of Hungarian ethnic background in Romania. Some 49 Members of Congress urged then-Secretary of State Rusk to make use of every diplomatic channel open to him to end this violation of the basic rights of Europe's largest national minority.

Then, we waited—and as a sign of our good will, Romania was granted special MFN trade status. But, Mr. Speaker, 1977 is now almost upon us and the treatment of these minorities has still not substantially improved. The humanitarian concern expressed by Congress in title IV of the Trade Act of 1974 is being openly flaunted by the Communist regime in Bucharest. Emigration remains problematic. According to reports, there is no substantive Hungarian-language instruction in the schools—even at the merged Romanian-Hungarian University of Cluj-Napoca. Hungarians have been forcibly assimilated into Romanian communities, their archives have been confiscated, and religious persecution continues unabated.

On June 11, I introduced House Resolution 1294 to bring this matter to the urgent attention of my colleagues. Once again, I call upon the President and the Congress to condemn this continuing oppression and take this violation into consideration before further action on most-favored-nation trade status for Romania.

STATEMENT IN RESPECT TO H.R. 50, THE FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1976

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HAWKINS. Mr. Speaker, for the Humphrey-Hawkins bill, Senator Humphrey and I have just begun to fight. We and countless others throughout the land will use the balance of this year to inform the American people further about the bills beneficial content, and to refute further the unfounded and misinformed criticism of it in some quarters. We will obtain passage of the measure by the House and the Senate early next year, and it will become law with the approval of a new President of the United States.

The bill is now in a stronger and more favorable position than at any earlier stage in its history. On the 16th of this month, a greatly improved version was reported by the House Committee on Education and Labor by a vote of 25 to 7, a larger margin than when the earlier version was reported about 4 months ago. The new version is even better than the earlier one, because it both strengthens and further clarifies some provisions which were always clear enough to make unjustified some of the criticisms of it, some of them wild indeed.

The nationwide support for and understanding of the bill is deeper and broader today than ever before, and it is growing from week to week. And Governor Carter has endorsed the current version of the bill with vigor and enthusiasm. As reported in the Wall Street Journal on September 28, Mr. Carter stated in Portland, Oreg., on September 27 that recent changes in the draft "have made the bill a very good one," and that it now has his "complete endorsement." We are also grateful to Governor Carter and his advisers for many helpful suggestions about the bill.

These changes in the new version of the bill should be stated briefly. They answer conclusively the unfounded charges that it would not place predominant reliance upon expansion of private employment, or that it would create a vast and excessive number of last-resort public service jobs.

The changes also clarify and modify some of the wage provisions which were subjected to misinterpretation, including deletion of the application of prevailing wage and Bacon-Davis provisions to the last-resort public service jobs.

They strengthen greatly the anti-inflation section of the bill, which was very strong even in the earlier version, by a mandating provision to prevent the reduction of unemployment under the legislation from leading to an inflation rate above that at the time of enactment, and by other provisions to bring about reasonable price stability as soon as possible.

The new version also makes it increasingly certain that the needed planning action under the legislation will be limited to improvements in the consistency and effectiveness of policies which the Federal Government must undertake in any event, and will not extend to any Government planning of the private sector.

And the new version, coupled with the extensive studies which have been published in its support, make it crystal clear that the net Federal costs due to enactment will average less than $8 billion a year. Meanwhile, the legislation will yield immensely larger benefits in production, employment, sound attention to national priorities, and human services and contentment. GNP benefits alone will average about $180 billion a year.

The Humphrey-Hawkins bill embodies, not a mere antirecession program, but also a prosperity program. It combines economic progress with economic justice. And it is responsive, not only to the terrible experiences of the past few years and the disturbing developments of the most recent months, but also to three decades of experience under the Employment Act of 1946.

That act began its effective operations at the beginning of 1947. During 6 years thereafter under the Truman administration, the average annual rate of real economic growth was almost 5 percent and unemployment was reduced from about 4 percent in the first year to about 3 percent in the last year.

During the Kennedy-Johnson period 1961–69, the average annual rate of real economic growth was again almost 5 percent, and unemployment was reduced from 6.7 percent in the first year to 3.5 percent in the last year. Inflation averaged only 3 percent during the Truman years, and only 2.6 percent during the Kennedy-Johnson years, compared with 6.6 percent during the Nixon-Ford years to date. But during the almost 16 years of Republican national administrations, the performance of the economy has fallen absymally short of our capabilities and needs. We have suffered during these years a roller coaster economic performance, punctuated by five economic recessions. Each successive recession has tended to be more severe than the previous one, and each recovery has tended at its peak to leave us with more unemployed human and other resources than at the peak of the previous recovery.

As stated, the years of stagnation and recession, which should have been anticipated, have averaged tremendously more inflation than the years when we have moved toward and at times been very close to full use of our economic resources. The most recent recession, starting in 1974, developed the highest rate of unemployment since the Great Depression, and the highest rate of inflation since the Civil War.

The so-called recovery movement now in process accentuates rather than detracts from the imperative need for enactment of the Humphrey-Hawkins bill. This so-called recovery has been about the weakest and most uncertain during the past 30 years. The most recent months, and especially the very most recent month, indicate a very sharp decline in the rate of real economic growth, a substantial rise in unemployment, and an underlying rate of inflation which is intolerably high and which now shows clear signs of augmenting further. Even the forecasts of business and banking organizations—by no means filled with enthusiasm for the Humphrey-Hawkins bill—predict, under continuation of national current policies, a further slowdown in the so-called recovery movement, the likelihood of another recession not later than in 1977 or 1978, and a rate of unemployment and other unused resources as late as 1980 which it is dreadful to contemplate.

It is fair and even necessary, under the circumstances, to portray once again the awful economic and social costs of the roller coaster performance. Instead of extending this portrayal over the almost 16 years of Republican national administrations since 1953, let us consider only the worst half of these 16 years, the years 1969 to date under the Nixon-Ford administration. In this period of almost 8 years, we have forfeited—measured in 1975 dollars—about a trillion dollars of total national production, and suffered about 27 million man-and woman-years of unnecessary unemployment. The average American family has lost about $7,000 in real income, wage, and salary earners have lost more than $400 billion, and private business opportunity has fallen short by more than $450 billion.

These ravages have borne down most heavily and unconscionably upon the lower half of the population, and especially upon the poor. Poverty, which was tremendously reduced during the Truman and Kennedy-Johnson administrations, has increased disturbingly since 1969. The public services upon which all of our people depend—such as aspects of health, education, and housing—have been neglected accordingly.

It matters not one iota that some may disagree with some of the figures set forth in detail above, as not being as exact as railroad timetables, although these figures are substantially in accord with several competent estimates. Give or take 5 to 10 percent, and the general import remains the same.

Social aberrations, crime, disease, and alienation, largely the bitter fruits of massive unemployment, especially among young people and minorities, have alarmingly increased, and the end is not yet. These trends have had severe impact upon the confidence of our people. Faith in our system is far too strong to have as yet been destroyed, but it has assuredly been weakened.

The Federal budget has been the inevitable residuary legatee of this roller-coaster performance. There has been an inevitable positive correlation between the deficiencies in the national economy and the deficits in the Federal budget. The average annual deficit in the Federal budget rose from $1.3 billion during the fiscal years 1948–54 to about $32 billion during the fiscal years 1972–76, and the Federal deficit rose to the incredible figure of about $66 billion estimated for the fiscal year 1976. The simple fact is that the blood of adequate Federal revenues cannot be squeezed from the turnip of a deliberately repressed economy.

And what has happened thus far is only a prelude to what is just around the corner, unless national policies and programs are drastically changed. A Democratic Congress cannot alone effectuate these changes, in the presence of Presidential action by veto, even though Democratic Congresses have already alleviated what they could not alone cure. It is only fair to say that the behavior of the current national administration has been political in an improper sense. It was political in an improper sense for President Ford to promise to veto the Humphrey-Hawkins bill, at a time when he could not even know what would be in it when enacted. More recently, it has been political in an improper sense for the President in his first debate with Governor Carter to blame the disasters under his administration to what happend before he became President, and to cite glowing figures about the real rate of economic growth under his administration which have no faint resemblance to reality.

Following their leader in the White House and his entourage of misguided and confused advisers, it has been political in an improper sense for the vast majority of Republicans in the House to oppose the authorization of startup funds for the Humphrey-Hawkins bill, to absent themselves systematically from the House committee meetings which led to the reporting of a new version on September 16 with the intent to prevent a quorum, and to cast only one vote in support of that favorable report.

It is "political" in an improper sense for President Ford to talk about excessive Democratic spending. More than 90 percent of the avoidable Federal spending under the Ford administration has been for recession-created conditions which appear to be congenitally Republican, and for monstrously high interest payments on the national debt, also Republican in philosophy and origin. The vetoes of job programs by President Ford, which he claims saved $9 billion, in fact cost the Nation, the people, and the Government several times that much in lost jobs, production, and tax receipts; and the bills which the Democratic Congress passed over his veto are working exactly in the opposite direction. It is, therefore, not "political" in an improper sense for us to urge and strive for the election of a forward-looking President, as public policies are forged through the political processes under the American system.

But the advent of a Democratic President next year would not lessen the vital need for enactment of the Humphrey-Hawkins bill. The entire history of economic and social programs during the past 30 years proves conclusively that the President must be fortified by appropriate legislation, and indeed such legislation alone reflects and mobilizes the support and understanding of the American people.

The Humphrey-Hawkins bill when enacted will provide these essential legislative elements. It will dedicate the people and their Government to sure and confident advance on all economic and social fronts, and will repudiate the defeatist retreat by the current national administration which has been a blot upon the entire American landscape.

The Humphrey-Hawkins legislation will also make permanent elements of strength and assurance which we have never had before. These include a legislative specification in quantitative terms of what full employment means. They include a quantitative requirement to the effect that a vigorous move toward full employment must not be allowed to augment inflation, and also many other specifics to move us toward a stable price level. They recognize that a fully healthy American economy is the only sure or even possible road toward a balanced Federal budget. And they specify fiscal, monetary, and more specialized or microeconomic policies toward these ends.

The Humphrey-Hawkins legislation will achieve economy in Government by eliminating Federal spending in consequence of repeated recessions, and redirect Federal spending toward productive and humane purposes which are worth their weight in gold.

It will assure that the reduction of unemployment will not be confined to the more favorably positioned groups, but instead will embrace women, teenagers, blacks, and other minorities. It recognizes, far more fully than any previous legislation, that economic progress without social justice is not worthy of America, and moreover that economic progress without social justice is probably unattainable and certainly nonsustainable.

It establishes greatly improved machinery, within the Congress, for comprehensive and coordinated treatment of national economic policies.

It provides, better than ever before, for that degree of purposefulness and planning by the Federal Government which has been the main missing link thus far, and which will involve the concerted and cooperative efforts of governments at all levels, industry, agriculture, labor, and the people as a whole.

Even with a Democratic President next January but without the Humphrey-Hawkins Act, it would take the new President 2 or 3 years to obtain by piecemeal legislation, if it could be attained at all in this manner, the foundation legislation which the Humphrey-Hawkins Act would make available within less than 1 year. And piecemeal legislation at best, with all its competing pressures and inconsistencies, is not an adequate approach to the problems with which Humphrey-Hawkins deals. In addition, with the Humphrey-Hawkins Act in hand, the Congress and the new President could begin at once to enact the additional implementing legislation for which that act would call.

I repeat that I, Senator HUMPHREY, and millions of others have just begun to fight for enactment of the Humphrey-Hawkins bill. The history of important economic and social legislation teaches us that the great measures of the past have usually not been enacted within 1 or 2 years of their initiation. Measured against these past examples, the Humphrey-Hawkins bill has made unusual progress. And we are determined and confident that it will be enacted into law early in 1977.

FEDERAL EMPLOYEES IRATE OVER THE AMOUNT OF RAISE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FORD of Michigan. Mr. Speaker, by action taken Wednesday, September 29, President Ford has created a serious crisis in Government, a crisis which could have been avoided if the President had taken the advice of those representing the preponderant numbers of Federal workers.

As you know, the President authorized the payment of a "comparability" increase for Federal workers in the amount of 4.83 percent. The increase will not mean the same thing to all Federal employees, however. For the greatest number of these general schedule employees, the increase will be less than 4.83 percent. It will be, in fact, about a dollar a day for the 200,000 women and minority employees who are at grade 5.

The crisis created by the President's action is a morale crisis. Federal employees are understandably irate over the amount of this raise. They are even more upset that they have been denied the fair wage adjustment called for under the law, because the President dared not permit their appropriate and equitable raise to go into effect. The President refused to permit the comparability process to work because he had decided against an appropriate increase as long ago as last January when he announced that no Federal pay increases would exceed 5 percent.

As you can see, from the statistics below, Federal employees have been victimized badly over the past 3 years on the question of legally mandated cost of living increases.

The table follows:

[In percent]

1974	
The BLS salary survey showed private sector wage increases averaging	6.4
The Consumer Price Index rose faster	11.0
Federal GS personnel received an increase of only	5.5
1975	
The BLS salary survey showed private sector pay increases averaging	9.0
The Consumer Price Index was almost identical	9.1
Federal employees received an increase of only	5.0
1976	
The BLS salary survey shows private sector pay increases averaging	7.0
The Consumer Price Index is running at an annual rate of	5.4
The President's advisors on pay have recommended an increase of	4.8

Furthermore, the three-member Advisory Committee on Federal Pay took strong issue with the recommendations made by the President's management agent. However, their advice has also gone unheeded.

Two passages from the Advisory Committee report are particularly important to my colleagues here:

> During the past year the Advisory Committee was given additional responsibilities. However, the Agent's proposal regarding this year's pay increase has dealt a serious blow to the prospects for one of these new functions—namely, improving relations between the Government and Federal employee organizations. Even more serious, the proposal has jeopardized the entire process of Federal white-collar pay setting and led the AFL-CIO members of the Federal Employees Pay Council to resign . . .
>
> Our early optimism as to the long-term usefulness of this effort has, however, been dashed by the Agent's proposal regarding this year's pay increase and the Agent's insensitivity to the long-term labor relations implications of its proposal. The delays that the Agent made in 1975 as concessions to the Pay Council do not, in our view, justify the Pay Agent's present obdurate attitude. Its insistence on making the entire transition to a revised system in a single year has placed the entire process envisaged by the Federal Pay Comparability Act in jeopardy.

Mr. Speaker, in view of these facts, I strongly recommend that the Congress seriously consider amending the Federal employee comparability law to curtail the President's influence to arbitrarily reduce the amount of the annual comparability adjustment; and to insist on expanded congressional and union involvement in the process.

OLDER AMERICANS ACT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BONKER. Mr. Speaker, earlier this week the House Select Committee on Aging approved a report "Funding of Federal Programs Benefiting the Elderly Relating to Employment." A key recommendation is funding of title IX of the Older Americans Act, the Community Service Employment for Older Americans, at the authorized rate of $200 million for fiscal year 1978.

The title IX program has proven to be among the most successful of all Federal manpower programs for senior citizens. Low-income workers 55 and over are hired for 4 hours a day, 5 days a week at the minimum wage and work at projects in the area of community service. The Department of Labor administers the program through nonprofit national sponsors. Participants also receive yearly physical examinations, personal and job counseling. Emphasis is placed on placement in nonsubsidized jobs.

In fiscal year 1977, $90.6 million will be spent to provide 22,000 jobs. If the House appropriates the entire $200 million authorized for fiscal year 1978, then 45,000 to 50,000 job slots will be available. Expert witnesses testifying before the House Select Committee on Aging estimate that only one-half of 1 percent of all those eligible for and seeking employment provided by title IX receive.

It is my hope that the House will appropriate the entire authorization for title IX. If necessary, I will seek cosponsors of a resolution calling for full funding at the $200 million level for title IX.

LOUISE MAXIENNE DARGANS FLEMING HONORED BY HOWARD UNIVERSITY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BRADEMAS. Mr. Speaker, I am pleased to insert in the RECORD the text of a citation awarded to Mrs. Louise Maxienne Dargans Fleming on May 8, 19, by Howard University for her outstanding career in government service and for the great inspiration she has been to black women.

Mrs. Fleming has been a long and valued staff member of the House Education and Labor Committee and I am sure my colleagues on the committee will concur in the sentiments expressed in this citation.

The text of the citation follows:

CITATION

Louise Maxienne Dargans Fleming, as the first woman and the first black to serve as Chief Clerk of the United States House of Representatives Committee on Education and Labor, you shattered at one time two time-worn barriers to equal opportunity. Now serving as one of the highest leveled women in our government, your spectacular success should prove exemplary for young black women, underscoring for them the great possibilities for advancement in the public service.

Your career has consisted of a series of giant strides upward, the first step having been taken in 1937 when you became an assistant interviewer with the New York State Department of Labor. In the following year you became Field Executive in New York City with the Manhattan Council of Girl Scouts.

Moving into the Federal Government in 1940, you served in quick succession as an administrative officer with the New York Selective Service System; as a rationing supervisor for the Office of Price Administration; and as an auditor for the Internal Revenue Service. In 1946, you joined the staff of Congressman Adam Clayton Powell, becoming in turn his secretary, legislative aide, and administrative assistant.

When Congressman Powell became Chairman of the Committee on Education and Labor, he made you Chief Clerk of that highly influential body. In addition to supervising the operation and handling all fiscal affairs, you also had complete responsibility for drafting and filing committee reports; of serving as liaison with the Office of the Speaker of the House of Representatives and other key congressional offices; and of referring all bills passed by the Committee for placement on the Legislative Calendar of the House. At present, you are Director of Research for the Committee on Education and Labor.

Many organizations have recognized your outstanding work on Capitol Hill, including the National Council of Negro Women, Alpha Phi Alpha Fraternity, the National Association of Colored Women, and the Delta Sigma Theta Sorority. In 1974. The Pendlum, Incorporated, an organization of Capitol Hill black employees, named you "the most outstanding employee on Capitol Hill."

Louise Maxienne Dargans Fleming, because of the excellent, pioneering work you have done in the service of our government and because of the great inspiration your success has been for young black women, Howard University is delighted to honor you. Therefore, upon the recommendation of the Trustee Committee on Nominations and Degrees, and by the unanimous vote of the Board of Trustees, I do now confer upon you the degree Doctor of Humane Letters, honoris causa, and admit you to all the rights and privileges pertaining thereto. I direct that you be invested with the hood appropriate to this high degree and present you with this diploma.

CHARLES P. GORRY, AP PHOTOGRAPHER

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GONZALEZ. Mr. Speaker, one of the saddest events of these last few weeks of the 94th Congress was the passing of Charles P. Gorry, the Associated Press photographer, who has covered Capitol Hill for the last several years.

I felt particularly close to Mr. Gorry. He was a fine man, and I always enjoyed the opportunity to have a chance to talk with him. I will miss him. I am sure that many of my colleagues share my sentiments.

Charles Gorry had a particularly interesting life. Although I had talked with him many times, I did not realize just how full his life had been during his 64 years until I read the account of his passing in the Washington Post for September 17, 1976.

Mr. Speaker, I would like to share with you and my colleagues the Post article regarding the life of Charles Gorry:

CHARLES GORRY, 64, DIES, NOTED AP PHOTOGRAPHER

(By Jean R. Hailey)

Charles P. Gorry, 64, an Associated Press photographer known for his vivid portrayals of major events and leading figures throughout the world, died Wednesday at Northern Virginia Doctors Hospital.

He had been in ill health for some time. Death was attributed to a heart attack.

While Mr. Gorry had worked basically from the Washington bureau of AP since 1934, his assignments had taken him around the world and brought him many awards.

He spent much of World War II in the Pacific and was cited for bravery. He covered the activities of every President from Franklin D. Roosevelt through Gerald R. Ford.

Mr. Gorry's photographs, many of them exclusive, were carried in hundreds of publications.

He was the only photographer to record the attempted suicide by Japanese Premier Hideki Tojo in 1945. His picture of the defeated war leader, grimacing in pain, jarred newspaper readers around the world. Tojo later was executed.

He also was the only photographer to snap the shutter when President Lyndon B. Johnson picked up his two beagles, Him and Her, by the ears in 1964.

Because of that famous picture, which brought howls of protest from readers across the country, the President banned Mr. Gorry from the White House for a week.

Mr. Johnson relented after demonstrating to a group of cameramen and reporters that it was not painful for dogs to be lifted by the ears. He noted with a grin:

"He (Him) doesn't yelp unless an AP photographer gets too close to him."

Mr. Gorry continued to take his White House pictures, and in 1967, accompanied President Johnson to the conference of the Organization of American States in Punta del Este, Uruguay. It was only one of many trips he made with chief executives.

Born in New York City, Mr. Gorry came to Washington in 1933 to work as a photographer for Underwood and Underwood studios.

He joined the AP here a year later as a photo printer, and was made an AP photographer in 1936.

Mr. Gorry was sent to the Pacific in World War II. He took pictures on the front at Okinawa. He climbed Mt. Suribachi on Iwo Jima during the fierce battle there.

In 1944, he was aboard an aircraft carrier when a Japanese kamikaze plane crashed into the flight deck. The Navy awarded Mr. Gorry the Bronze Star for his valor in fighting the fires that resulted and for helping in treating the scores of crew members who had been injured.

Mr. Gorry was one of the first Americans to land on Japan after the war ended in August, 1945.

Earlier he had met Mao Tse-tung in the caves of Yenan, China, after the Long March when it appeared that Nationalist forces had defeated the Communists.

He covered guerrilla wars in Malaya and the fighting in Indochina and was in Korea the day South Korea was invaded from the north.

Mr. Gorry had assignments in Cuba during troubled periods there and in Africa, where he covered the fighting in Morocco.

He was on the first round-the-world flight with the Strategic Air Command, but his pictures were censored because of security.

In recent years, his major assignment was covering Congress, mainly the House of Representatives. He was particularly proud of being named an honorary member of the Capitol Doormen's Society.

Mr. Gorry was the first photographer in Washington to be inducted into Sigma Delta Chi, the honorary journalism society.

An exhibit of his photographs currently is on display at the Washington Press Club quarters in the Sheraton-Carlton Hotel. At a reception there in his honor last month, he received congratulatory messages from President Ford, Vice President Rockefeller and top congressional leaders.

He is survived by his wife, Grace L. (Pat), and a daughter, Carole J., of the home, 3227 Magnolia Ave., Falls Church; two other daughters, Nancy Craft, of Falls Church, and Grace St. Clair, of Bolingbrook, Ill.; a son, Peter E., of Stanhope, N.J.; a brother, William, of Arlington; a sister, Peggy Wilson, of Richardson, Tex., and eight grandchildren.

BICENTENNIAL ESSAY CONTEST WINNERS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues the winners of the Bicentennial Essay Contest on the subject "What It Means to Me To Be An American" sponsored by the merchants association at the Harlem-Foster Shopping Center in Chicago, located in the 11th Congressional District of Illinois which I am privileged to represent.

I commend Robert Majikes, president of the Harlem-Foster Merchants Association and all of the members of the association for sponsoring this patriotic event, and I extend my heartiest congratulations to all of the winners whose names follow:

Bicentennial Essay Contest Winners

Grand Prize—$100 U.S. Savings Bond: Mary Boggins, 5842 North Overhill Avenue, Chicago, IL 60631 775-3581.

Winners Thirteen Years or Younger Age Group:

First Prize—$50 U.S. Savings Bond: Ann Hetzel, 5624 North Odell, Chicago, IL 60631 775-2792.

Second Prize—$25 U.S. Savings Bond: Katherine A. Graniero, 5138 N. Nagle Ave., Chicago, IL 60630 763-2238.

Winners Fourteen Years through Eighteen Years Age Group:

First Prize—$50 U.S. Savings Bond: Roxane M. Ottaviano, 8307 W. Summerdale, Chicago, IL 60656 631-6225.

Second Prize—$25 U.S. Savings Bond: Ted Hill, 4421 W. Keeney, Skokie, IL 60076 674-1077.

Winners Nineteen Years and Older Age Group:

First Prize—$50 U.S. Savings Bond: Mary C. Steckiewicz, 6648 West Catalpa, Chicago, IL 60656 763-1821.

Second Prize—$25 U.S. Savings Bond: Patricia Ann Kuta, 3940 N. Newcastle, Chicago, Ill. 60634 545-7990.

Honorable Mention—Four Bronze Bicentennial Medals mounted in a Walnut Display:

Susan Arbaham, Chicago, IL
Kathy Vitacco, Chicago, IL
Anna Marie Felish, Chicago, IL
Antoinette De Rango, Chicago, IL
Cheryl Rothermel, Chicago, IL
Debbie Litrento, Norridge, IL
Laurie Maheras, Harwood Hts., IL
Julie Rollo, Chicago, IL
Kathy Berndt, Chicago, IL
Chris Stefanowski, Norridge, IL
Kyla Murphy, Chicago, IL

Mr. Speaker, I am also pleased and proud to mention that Miss Kuta, one of the second-prize winners, is a member of my staff in Chicago.

Excerpts from some of the winning essays follow:

Grand Prize—$100 U.S. Savings Bond

I am proud to be called an American and am proud of the heritage that has left its indelible mark on our civilization. Our great country has been blessed with only those gifts which God can grant, the wisdom to see ahead and the strength to continue in our efforts to be a great nation and to aid the countries around us. So for me, this is what it means to be an American.—Mary Boggins.

First Prize—13 Years or Younger, $50 U.S. Savings Bond

As far as I'm concerned, America is the only place I'd like to be. I know that as an American I can see what is going on, enjoy it and wonder at it, and to think about its meaning. Growing up is supposed to be a very hard thing, but I know that because I'm an American (and I'd have it no other way) I can live, learn, love, and experience with my whole self—and I can do it freely.—Ann Hetzel.

First Prize—14 Through 18 Years, $50 U.S. Savings Bond

Americans are so lucky. We can eat and sleep, pray and love, speak and write, and work at the job we want to do. We can achieve what we really want to be. I'm glad I'm a part of this country. I am a proud American.—Roxane Ottaviano.

First Prize—19 Years and Older, $50 U.S. Savings Bond

In summation, I feel that loving our country, being willing to sacrifice oneself in order to care for her, having a vision for her, and taking action in order to actualize that vision . . . that's what being an American is all about. Saying "Yes" to that responsibility often seems very hard . . . until, I guess, we think about the implications of saying "No."—Mary C. Steckiewicz.

Second Prize—13 Years or Younger, $25 U.S. Savings Bond

We are guaranted justice and liberty, and we have a government of the people, by the people, and for the people.

All this is what it means to be an American, not just me but my family and all who pledge allegiance to the flag of the United States.—Katherine A. Graniero.

Second Prize—14 Through 18 Years, $25 U.S. Savings Bond

I also look forward to the time when all countries will peaceably inhabit the earth, and help one another with their problems.

I hope the United States, a symbol of freedom, will lead the way to peace and friendship between nations.—Ted Hill.

Second Prize—19 Years and Older, $25 U.S. Savings Bond

WHAT IT MEANS TO ME TO BE AN AMERICAN

A—is for the *abundance* of food and water of which I partake along with the other inhabitants of this country.

M—is for the *miracle* called freedom which I enjoy

E—is for the various *ethnic* groups which have molded so well into the mosaic called the United States and I am of ethnic background

R—is for the Bill of *Rights* which grants privileges and protection to each citizen and me

I—is for the Declaration of *Independence* which guarantees my liberty and pursuit of happiness

C—is for the *choices* I am allowed to make in voting for the leaders

A—is for the *anthem* (the Star-Spangled Banner) I sing so staunchly

N—is for the *Nation* whose ideals are an inspiration to me as well as the rest of the world

Put them all together and they spell *American* and I am proud to be one too!

It is my sincere hope that the future will increase the love, dedication and devotion I have for this great land where I was born and call my home.

God Bless America.—Patricia Ann Kuta.

THE NATIONAL FOREST MANAGEMENT ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BROWN of California. Mr. Speaker, I would like to say a few words regarding S. 3091, the National Forest Management Act. The section on sustained yield seemed to me, as we adopted it, to provide a satisfactory policy to assure a perpetual supply of timber from the national forests which would not decline on a planned overcutting basis in the future, yet when taken together with other language in the bill, such as section 6(g)(3)(D), would permit sales increases only on assurance that they would be maintained.

However, in the discussion in the Senate on this matter, the issue was raised anew. I think it would be useful to clarify the process by which the conferees arrived at the final version of sustained yield language in S. 3091.

There was a great deal of pressure, during the course of the conference, to remove all language concerning sustained yield forest management. The timber industry would like to be able to cut down the old growth of our forests as quickly as possible. To be able to do so, the industry feels that sustained yield must not be passed into law. Because of their pressure, and other considerations, a number of proposals to accept the Senate language in a modified form surfaced in conference. Three were discussed in detail. One was the language in S. 3091 as it passed the Senate. Another was a version the Forest Service had prepared as a legislative service for the Senate. A third had been developed by Senator Hatfield.

After considerable discussion we centered on the Senate language as modified in part by the proposal by Senator Hatfield. He had worked to include as language a provision that would have permitted the Secretary of Agriculture to cut in excess of the allowable cut "in order to help assure the maintenance of the economic stability of local communities that may be directly affected." The conferees on the Senate side struck that phrase and we on the House side never voted on it at all. It is true that the present and future stability of the forest communities in the Pacific coast States is uncertain due to the rapid liquidation of private, industrial forest lands, and the tremendous export of logs and lumber—both of which are very unstable factors which create boom and bust cycles.

There was a short discussion about including this stricken language in the conference statement of the managers as an example of where the Secretary would be permitted to cut over the allowable level that could be sustained in perpetuity, but when Senator Humphrey stated that if such an example were included in the statement of managers, he would want a clarification that where the cause of the economic instability was log exports or overcutting on private lands, the Secretary of Agriculture could not use his discretion to increase the sales of timber on the national forests beyond strict sustained yield limits. To resolve the situation, it was agreed upon by Chairman FOLEY, Senator TALMADGE, chairman of the conference, and the rest of the conferees that the statement of managers would not contain any economic examples.

However, in reading the Senate record for September 30, 1976, one might gain the impression that exclusion was consent and that silence was agreement. It would be a strange law indeed if what was stricken by the conferees from a proposal that surfaced only in the conference, and not in the statement of the managers, were to be construed by the Secretary of Agriculture or a court as the law.

I would certainly agree that the conferees gave the Secretary wide flexibility in this provision. To suggest, for example, that the flexibility was to be only up and could never be down is to suggest what is not, in fact, the clear language in the bill. Of note is that in the preliminary actions that led up to the conference compromise, Senator HATFIELD clearly stated that he had withdrawn his support for the language in S. 3091 as enacted by the Senate, and wished it stricken from the bill. However, the majority of the Senate conferees did not agree, and the modified provision which included only some of Senator HATFIELD's ideas, rejected the thesis that he sought to reestablish by colloquy on the floor of the Senate on September 30.

It would be my view that the silence of the bill on "maintenance of the economic stability of local communities" could also be interpreted as permitting the Secretary of Agriculture to reduce the allowable cut right now on such national forests as the Willamette, Umpqua, or Rouge River in Oregon, or fail to increase it, despite other actions which stimulated growth. He could do this if, in his judgment, the overcutting on private lands would cause them to be cut out by 1990. His rationale for doing this would be that he could in the decade 1990–2000 feed a substantial increase of national forest timber into the local economy within the perpetual yield constraint for the national forests, and thus cushion the local economy from the devastation to jobs and employment that the private overcutting would have set into motion. Clearly the bill we are enacting states that the amount of timber sold shall be a "quantity equal to or less than a quantity that can be removed from such forest annually in perpetuity on a sustained yield basis." So I would submit that we have charged the Secretary to be conservative in what he does. If he sees that private overcutting and log exports threaten to close mills, export jobs, hurt the local tax base, close down the stores on main street, and up-end the dependent local communities in the next few decades, then he has the obligation to exercise restraint in selling national forest timber. When he can store that timber on the stump and let it ripen and grow at a rate that exceeds mortality, he has an obligation to consider this course. If he can shift the annual sales to timber that will die in the next decade and save the good, green, growing timber, even if its growth rate is only 1 percent per year, he may do this.

Perhaps in retrospect we should have agreed that the Secretary could depart from the projected harvest level "to help assure the maintenance of the economic stability of local communities," and I have used the language that was rejected from the proposal by Senator HATFIELD. We could have buttressed it with report language that directed affirmative action now to prevent future economic ruin and chaos caused by private overcutting and log exportation.

I can assure my colleagues, that if that is the goal of the Senator from Oregon, then I, for one, would join with him to make it abundantly clear. But if the goal is to permit overcutting for some economic reason when all the signs show that the combination of private and public overcutting will deepen the troubles of the local community, then, I would say that a policy of overcutting or even full allowable cutting ought to be rejected by any one who has commonsense.

Numerous times during the conference, Chairman TALMADGE noted that we wanted the Secretary of Agriculture and the Chief of the Forest Service to use commonsense and good judgement. Overcutting the sustained yield level that can be attained during the period so that the future cut will be diminished is neither commonsense nor is it the intent of the policy set forth in this bill.

I would make the same observation about cutting to cover mortality losses. In the abstract this makes sense. We all want to avoid waste. However, if the Secretary were to propose overcutting the good, green, growing timber under the theory that he was reducing mortality, then that, too, would be a departure from both commonsense and the intent of the bill. On the other hand, if he were to advance a sound plan to cut the trees that were actually dying and which could not be reached in the normal course of harvesting and thus would be a total loss in an ecologic and economic sense, then he would have the right to consider so doing. Again, he would have to weigh the sustained yield impacts and be careful not to run over them doing severe damage to the perpetual yield. The conferees were cognizant of this risk so they erected a safeguard that the Secretary must observe. When harvesting trees following a catastrophe or trees in imminent danger from insect or disease attack, he may either substitute the affected timber for timber that would otherwise be sold under the plan or, if this is not feasible, sell such timber over and above the plan volume. The conferees, in accepting the essence of the Senate language, therefore, tightened up the language.

For example if a forest has an allowable cut of 350 million board feet a year—3.5 billion board feet over a decade planning period—and a catastrophe strikes 200 million feet and another 500 million feet are found to be actually in imminent danger of attack by insects and disease, he is to determine first whether he can substitute this 700 million board feet for 700 million board feet of good green timber before embarking on a course of cutting beyond the plan volume.

Applying the commonsense rule, if these two matters arose in the 8th year of a plan, when only 700 million board feet remained to be sold in the planning period, the Secretary is authorized to revise his plan under the planning process, incorporate the 700 million feet affected by catastrophe and insects into the new planning period, and reduce the cut of good, green, growing timber in the next period by 700 million board feet. The flexibility we have given the Secretary for planning and for timber sales, is designed to enable him to use commonsense and not seek to solve every problem he confronts by putting more chain saws into the forests.

There has been a lot of fiction that has developed as we have grappled with the forestry issue. Environmental spokesmen, at times, have suggested that the entire forest is falling to the ax. Timber spokesmen have hastened to tell us that the insects, disease, and mortality are the culprits. Timbermen would have us believe that the chain saw and the axe are the delicate tools of the tree surgeon who deftly makes a careful incision in the forest that stimulates it to a healthy condition. We have tried to accommodate all views and to write into law terms and conditions that will protect our national forests for our children, while continuing the production of timber.

I suspect that we have not heard the end of this forest issue from the public, because many factors regarding future needs of our national forests were left unaddressed by the legislation before us. Still, I consider the bill, in balance, to be a good one and it has my support. It contains many of the basic reforms that the Senate incorporated and also the basic and real reforms that the House incorporated. So, it is, in the best sense, a better bill than either the House or the Senate produced originally.

STRIKE FORCE TO INVESTIGATE MEDICARE AND MEDICAID

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WYDLER. Mr. Speaker, I am pleased today to reintroduce House Concurrent Resolution 762 with 31 cosponsors. The concurrent resolution calls upon the President to establish a strike force to investigate medicare and medicaid fraud and abuse.

The resolution which is being reintroduced today calls upon the President to create a strike force composed of investigative and auditing personnel from the Department of Justice, the Department of Health, Education, and Welfare, the Internal Revenue Service, the Office of Management and Budget and other appropriate agencies.

The strike force would exist for just 1 year and at the end of that period would make recommendations to the President and the Congress for necessary reforms of these two vital programs.

Mr. Speaker, reports have indicated that at least $4.5 billion per year are lost through the mismanagement and fraudulent operations of these programs. It is estimated by the Library of Congress that local costs in the operation of medicaid alone will rise by 13 percent next year. Without a substantial modification in the operations of these programs, local governments are going to be bankrupt in a very short period of time.

Mr. Speaker, I believe the American taxpayer deserves to have an immediate review and investigation of these programs. I urge the President to follow the course of action outlined in this resolution.

BINGHAM OPPOSES MISSILE SALE TO SAUDI ARABIA

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BINGHAM. Mr. Speaker, this final week of the 94th Congress has been a time of considerable frustration as numerous bills and resolutions near to enactment have been killed. The crush of business has made it easy for opponents to raise procedural obstacles to legislation. Overcoming these obstacles requires the one tactical element we do not have—time.

Since June of this year many Members of Congress have been wrestling with the problem of massive arms sales to Saudi Arabia which will have serious effects on the balance of forces in the Persian Gulf and the Middle East. Because of our opposition, the administration scaled down its original proposed levels of sales of Sidewinder air-to-air missiles from 2,000 to 850, and of Maverick TV-guided bombs from 1,500 to 650. Even these reduced numbers were deeply disturbing, and I cosponsored resolutions to disapprove the sale of both weapons with Representative BENJAMIN ROSENTHAL on September 8. Negotiations with the administration continued, as we sought to at least win agreement to strict limitations on the weapons so that they could never be used for offensive purposes. Senator CLIFFORD CASE led these negotiations in the Senate, and since action by both Houses of Congress is necessary to block any arms sales, the House deferred acting on the resolutions of disapproval until the Senate Foreign Relations Committee acted. On September 24, that committee voted 8 to 6 to send a resolution blocking the sale of the Maverick TV-guided bombs to the full Senate. The House International Relations Committee met on Monday morning, September 27, with only 3 days left in which to act on the resolution, but a majority of the members of the committee were absent, thereby preventing the committee from acting.

Throughout this period the administration made every effort to prevent the Congress from blocking any of its proposed arms sales. It still seems determined to sell to Saudi Arabia, Iran, Kuwait, and Jordan all kinds of weapons, no matter how sophisticated or unnecessary they might be to meet real defense needs. I will continue to oppose such a policy, and I can only hope that the next Congress will insist on a full reexamination of this dangerous and shortsighted approach to the nations of the Persian Gulf. If the Democratic nominee for the Presidency prevails in November, there is every indication that such a reexamination will be high on the agenda, as the following article from the October 1, New York Times makes clear:

CARTER SCORES FORD ON MISSILE SALE TO SAUDI ARABIA

(By Charles Mohr)

BOSTON, September 30.—Jimmy Carter denounced the Ford Administration today, saying that it had quelled Congressional opposition and had gone ahead with the sale of air-to-ground missiles to Saudi Arabia. He accused the Administration of "moral bankruptcy" and of "bowing down to foreign blackmail."

The Democratic Presidential candidate also said that compliance by American business concerns with the Arab boycott against those who sell to Israel was a "disgrace" and added, "We cannot afford to yield any longer to that kind of embargo and blackmail."

Mr. Carter flew from Georgia early this morning to Buffalo, where he drew only sparse crowds, then made three appearances in Boston before ending his campaign day in Portland, Me.

In Boston, Mr. Carter and Senator Edward M. Kennedy, displaying a pair of famous political smiles, campaigned together in a safe Democratic stronghold. The effort may not have been necessary in Boston or Massachusetts, but it permitted cameras and microphones to record for New England and the nation an apparent reconciliation between the Kennedy dynasty and the new party leader. There had been little warmth or closeness between them in the past.

KISSINGER EFFORT NOTED

In a statement issued here, and in a short speech to Jewish leaders, Mr. Carter took note of the successful effort this week by Secretary of State Henry A. Kissinger to persuade a Congressional committee not to cancel a planned sale of 650 Maverick aircraft missiles to Saudi Arabia in response to a news article by an Arab news agency that the oil-rich kingdom was contemplating a new oil embargo against the United States.

Mr. Kissinger told the Senate Foreign Relations Committee that the embargo report was erroneous and that a ban on the missile sale would damage American interests and relations with a friendly Arab state.

Mr. Carter said that the missiles were offensive, not defensive, in character and would not improve the prospects for peace, adding, "No Administration which was sensitive to the climate in the Middle East would let the sale go forward."

Mr. Carter asserted that the Secretary of State had "pressured" Congress with the argument that Saudi Arabia might retaliate by using its influence among oil-exporting nations or in other ways.

RISK TO PEACE IS SEEN

"We should not simply sell weapons to get oil—and risk peace—by vague threats, which the Administration itself is perpetuating," Mr. Carter said in his statement.

The Democratic candidate also accused President Ford of failing to enforce existing legislation vigorously to prevent compliance by United States concerns with the Arab trade boycott and of trying to block stronger new legislation.

He said that when a government "behaves in a craven fashion it demeans our country in the world," and added, "When it wantonly adds arms to Arab countries without limit on quantity or quality, it undermines our commitment to Israel."

Legislation that would impose penalties on American companies that comply with the Arab boycott is contained in an amendment to a bill extending the provisions of the Export Administration Act. Both the House and Senate versions of the bill contain an amendment, and the House version is much more stringent.

The legislation has been blocked, however, by the refusal of Senator John G. Tower, Republican of Texas, acting in behalf of the Ford Administration, to consent to the appointment of Senate and House conferees to resolve the differences in the bill.

Senator Tower contends that the amendment is too far-reaching to be considered hastily in the closing days of a Congressional session. The Administration, while opposed to the Amendment, has not spoken out openly on the subject, apparently conscious of its political ramifications.

With Congress hoping to adjourn tomorrow, prospects that the bill will be adopted are considered remote.

Mr. Carter spoke to enthusiastic audiences at a fund-raising event and at the campus of Boston College, where the basketball auditorium was filled with thousands of students and a large overflow crowd waited outside. Senator Kennedy introduced the Georgian in flattering terms as a strong leader and a man who spoke "in human terms" of suffering caused by unemployment and economic recession."

Following a pattern that he began Monday, Mr. Carter said in Buffalo to a small crowd waiting at the airport that Mr. Ford was a worse President than Richard M. Nixon.

Mr. Carter said that the public had been "fooled" by what he called the tendency of Republicans just before election time to say they favor proposals they have previously opposed and that efforts to "sell our people a President" every four years had been successful for the Republicans in most recent elections.

TWO FOR PRICE OF ONE

In 1972, Mr. Carter said, "we got two [Presidents] for the price of one," an allusion to Mr. Nixon's resignation and Mr. Ford's assumption of office in 1974. "I'm afraid," Mr. Carter said, "the second one, as far as people's lives are concerned, is even worse than the first one."

Mr. Carter also spoke at a rally in the parking lot of a Western Electric plant in Buffalo that has laid off most of its 2,800 workers in preparation for a closing of the plant.

He denounced Republican economic policies as a cause of unemployment. Only about 150 to 200 people attended the rally, however, although it had been previously publicized.

THE 94TH CONGRESS, 2D SESSION, REPORT

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PRICE. Mr. Speaker, the 94th Congress was unusual and significant in that it consisted of a large number of new Members elected in the wake of Watergate and it existed entirely within the period of time that the executive branch was under the control of a President never elected. An inordinately high amount of its output was vetoed, but its legislative accomplishments despite substantial executive noncooperation have been significant. Of particular significance from an economic standpoint is the fact that the 94th Congress marked the institution of the new budgetary review process by which closer congressional control of the budget may be exercised. Initial experience with the process was promising, and I am confident that as it is refined the process will lead to greatly improved Federal fiscal accountability.

In my report on the 1st session of the 94th Congress, I stated that the task of the second session would be "to take our ideas and put them to work for the national good." The question is whether the 94th Congress has accomplished its goals. The answer, despite the fact that it is impossible to accomplish everything in one Congress, is yes. The momentum built-up in the first session was maintained in the second as the 94th Congress observed the spirit of the Bicentennial by continuing to enact important bills, many of which I sponsored, many of which have significant effect upon the 23rd Congressional District of Illinois. There were so many votes taken that I can mention only a few of the major ones.

During January, the legislative committee planned their schedules for the second session and continued to prepare important legislation for floor action. The House made a strong start by passing the Motor Vehicle Information and Cost Savings Act amendments. Important votes were taken on health and education appropriations and on the termination of aid to Angola. The conference report on the Rail Services Act of 1975 was approved.

February saw some deregulation of natural gas and a House vote to override the President's veto of a public works employment bill that contained antirecession assistance; the Senate subsequently sustained the veto, but the issue would come up again later in the session.

In March, the House passed major antitrust provisions and sent to the President a bill to establish a 200-mile exclusive U.S. fishing zone to protect our fishermen from foreign competition and conserve our resources. Also cleared for the President were an energy bill amending the law relating to Federal coal deposits, a bill to extend the ACTION Office for Drug Abuse Prevention, a bill to reorganize the system for paroling criminals, a bill to improve the Equal Credit Opportunity Act, and a bill to protect consumers against inadequate and misleading leasing information.

In response to the Supreme Court's finding of unconstitutionality, the House voted in April to reestablish the Federal Election Commission in a constitutional manner. Key votes also occurred relative to military procurement, the arts and humanities, and the emergency job programs stop-gap extension. Also sent to the President was a bill to improve research on heart, lung, blood, and genetic diseases.

In May the House considered several important environmental bills: to protect our waterways and oceans from unregulated dumping, to tighten safety regulations governing gas pipeline construction, to authorize $256 million for the Environmental Protection Agency, to authorize $450 million for the land and water conservation fund, and to provide funds under the Noise Control Act of 1972. The energy problem continued to receive attention with the authorization of $116 million for solar, thermal, and wind energy development and $7.4 billion for nuclear and nonnuclear programs of the Energy Research and Development Administration. A program was established to employ young adults in conservation projects on public lands.

June saw votes on many appropriations bills in the House. Some of the significant legislative bills approved by the House were the Automotive Transport Research and Development Act, the Housing Amendments of 1976, the Disease Control Amendments Act, the International Security Assistance and Arms Export Control Act, and authorizations for the Fire Prevention and Control Act of 1974 which were to be vetoed by the President in July. The House also approved the conference report on the Public Works Employment Act of 1976, a bill similar to the one the President had vetoed earlier.

Though the old fiscal year ended June 30, July 1 marked the beginning not of the new fiscal year, but of a 3-month period of fiscal limbo to accommodate the transition to a fiscal year running from October 1 through September 30 of each year. By this change it is hoped that future Congresses will have enough time to complete action on appropriations so that the Federal agencies will know what amounts are available for expenditure before they have to start spending.

The President vetoed the Public Works Employment Act, but Congress overrode the veto and extended the unemployment compensation law in votes that would be among the most important in dealing with the Nation's unemployment situation.

July and August were interrupted by the two national political conventions, but Congress did override the President's veto of the Federal coal deposit regulation bill passed by the House last March, and the House passed a bill permitting voters to register by post card. The highly publicized swine flu immunization program was approved as well in August.

It is now October, and the 94th Congress is trying to bring itself to a close by completing final action on many difficult bills that it has been working on for months: income tax reduction and reform, estate and gift tax revisions, Federal employee salary comparability adjustments, the Clean Air Act amendments, copyright law revisions, lobby reform, and revenue sharing—which passed the House in June, to name just a few. I am pleased to say that the President has signed the bill I sponsored to provide death benefits for policemen and firemen killed or disabled in the line of duty.

As far as the 23d District of Illinois is concerned, effects of the 94th Congress are manifest in physical evidence and tangible benefits. Significant developments occurred, affecting projects that mean jobs and other economic and social improvements for the area:

Strengthening Illinois' bid to play a leading role in the effort to improve the energy situation by developing her vast reserves of coal, the decision was made to build a CoalCon—coal conversion—facility in New Athens for the purpose of manufacturing low-polluting fuels.

Under congressional pressure to make a decision one way or the other pursuant to the Airport and Airways Development Act, the Secretary of Transportation ended an inexplicably long period of delay by approving the Columbia-Waterloo site for the new airport.

The 94th Congress appropriated $12,295,000 for fiscal 1977 for key civil works functions of the Army Corps of Engineers within the 23rd Illinois District; such functions include river navigation and flood control.

It is most unfortunate that the unjustified and damaging delays in the much-needed replacement of Alton Locks and Dam No. 26 were not resolved, though there was much debate that served to clarify the importance of this facility and the urgency of the situation.

Thus as always, there are many issues that will continue into the next Congress. As another example, I have the pleasure of cosponsoring with the gentleman from Missouri, Hon. JAMES W. SYMINGTON, a new bill to direct the Secretary of Transportation to make $18 million in grants to restore all the bridges that cross the Mississippi River in the St. Louis metropolitan area. Though there is no time for consideration in this Congress, I look forward to reintroducing the bill in the 95th Congress. But there is no doubt in my mind that the 94th Congress will be remembered for the significance of its chronological place in history—the immediately post-Watergate, Bicentennial Year—for its performance under our new budgetary structure, and for the amount of action taken. As I write these words, the House of Representatives already has taken over 800 recorded votes since the second session began last January.

I hope to be able to continue the spirit of the Bicentennial into the 95th Congress when it convenes in January by maintaining the high level of commitment in favor of legislation for the people.

DO NOT RUSH TO CHINA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DERWINSKI. Mr. Speaker, a great deal of controversy and second-guessing continues to appear in our publications regarding Communist China now that Mao Tse-tung has left the scene.

In my judgment, many of the early commentaries were grossly inaccurate in analyzing the situation in the Communist controlled mainland. For this reason, I respectfully call to your attention an article written by Alex Seith, which appeared in the Park Forest, Ill., Star Tribune of Sunday, September 26.

I also wish to call to your attention the fact that Mr. Seith is one of the noted Democratic Party experts in foreign affairs. I would hope that my colleagues in the majority party would give his views very serious thought:

DON'T RUSH TO CHINA

(By Alex R. Seith)

Sorry, professor, but I'm not convinced. And I hope Jimmy Carter and Gerald Ford aren't either. That is my answer to a foreign policy proposal by Harvard Professor Jerome A. Cohen.

"A China Policy for the Next Administration" is the title of Professor Cohen's article in Foreign Affairs quarterly, a weighty journal where aspirants for Presidential appointments air their views. Probably the most successful author-aspirant was Dean Rusk, whose 1960 article in Foreign Affairs brought him to the attention of John F. Kennedy and helped lead to Rusk's appointment as secretary of state.

Likewise, the current issue of this journal boasts several articles by authors who aspire to high position in the next administration. Cohen's article drew immediate attention because it appeared in print only a week after the death of Mao Tse-tung, even though this proposed "new China policy" was penned by the professor weeks ago.

A press interview with the professor called him "a China policy adviser to Jimmy Carter." It then expounded Cohen's views after citing his routine disclaimer that he did not purport to speak for Carter in the article.

Hopefully, Cohen's disclaimer is more than routine. Because, in my view, it would be a serious mistake for either Jimmy Carter or Gerald Ford to accept the professor's views. Briefly, Cohen proposes that America immediately give full diplomatic recognition to Communist China. This would mean that our representative in Peking who is now called "Permanent Representative" would be called "Ambassador" and his place of work would be called "Embassy" instead of "Liaison Office."

Obviously, this change of names would not mean much by itself. But the consequences would be far-reaching and, I believe, dangerous. Peking insists that it is the rightful ruler of Taiwan, currently a staunch ally of America. Taiwan, a large prosperous island, is inhabited by 18 million people, making it larger than some 60 nations which are members of the United Nations. Yet, five years ago, when the UN admitted Communist China to membership it simultaneously expelled Taiwan. This act of power politics by the UN was, incidentally, a precursor of other ill-advised decisions which America's UN representatives have been forced to denounce.

Taiwan is more than populous. It is economically and militarily powerful. Taiwan is a refreshing example of U.S. foreign aid that worked. Once Taiwan got some American "seed money" its economy took off and became self-sustaining. Not a cent of U.S. economic help has gone to Taiwan in more than 10 years.

Taiwan is also a bastion of military strength. Next to South Korea it is America's best armed ally in Asia. Taiwan's military power stems, in part, from a defense treaty with America.

Yet, Peking has made it clear that America would have to break that defense treaty as the price of having formal diplomatic relations with Communist China. Professor Cohen acknowledges that Peking would demand this exorbitant price for recognition but tries to fabricate some legal artifices to soften the impact of breaking a treaty with a long-standing ally. Reduced to simplest forms, these artifices consist of trying to tell Taiwan that an unofficial oral promise of military help from America is just as good as a formal defense treaty.

But the argument won't wash. Why should Taiwan, or any other U.S. ally, be expected to rely on an oral promise of a nation which has just broken a treaty commitment?

Yet, Cohen claims America should renege on its guarantees to Taiwan because he thinks diplomatic recognition of Peking will help prevent a reconciliation between Chinese Communists and Soviet Communists.

The causes of the Sino-Soviet split are chiefly disputes over Communist dogma and threats of war over territories which China claims were "stolen" by Russia. If Mao's successors persist in his Communist dogmas and reassert his territorial claims, the Sino-Soviet antagonism will continue. If Mao's successors drop these dogmas and claims, the antagonism will cease. Either way, the decision will not be affected by the absence of U.S. diplomatic recogniiton of Peking any more than the start of the dispute was affected by the lack of recognition. So, in answer to Cohen's call for diplomatic recognition, my response remains: Sorry, professor, I'm not convinced.

TRIBUTE TO PIERRE DU PONT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, I am honored to pay tribute to a valued colleague, the distinguished gentleman from Delaware, PIERRE DU PONT. He has provided the people of Delaware and the House with 6 years of exemplary service, and his absence will certainly be felt.

It has been my distinct pleasure to have worked very closely with PETE on the Subcommittee on Coast Guard and Navigation which I chair, and which PETE serves as ranking minority member. The high level of cooperation allowed us to address issues of great importance to this Nation such as legislation we reported out which dealt with the liability for oil spills in our waterways.

In addition to his outstanding work on the Coast Guard Subcommittee, PETE DU PONT initiated other important legislation while in the Congress. The most famous was the War Powers Act which totally restructured and reinserted greater congressional control over the Executive's ability to engage this Nation in armed conflict. The War Powers Act, if enforced properly, could effectively prevent another debacle like Vietnam.

PETE DU PONT certainly must be considered one of the brightest future stars on the Republican Party horizon. He is an articulate spokesman for his party. He was a man with a deep commitment to public service.

I extend to PETE my warmest and best wishes in his race for the governorship of Delaware. He is a man who has earned the lasting respect of his colleagues on both sides of the aisle. He will be missed.

MORE ON HOME HEALTH CARE EVALUATION

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KOCH. Mr. Speaker, I have placed in the CONGRESSIONAL RECORD responses to a question which I posed to a number of companies and individuals having an expertise on the subject of home health care, asking whether the HEW study evaluating different home health care modalities is taking too long to complete. I placed responses in the RECORD which in some cases support the HEW time frame and in other cases contend that HEW is foot dragging.

I am at this time setting forth the most recent response on the subject received from the Homemakers Home & Health Care Services, Inc., a subsidiary of the Upjohn Co.

That response follows:

HOMEMAKERS HOME AND
HEALTH CARE SERVICES, INC.,
Kalamazoo, Mich., September 27, 1976.

Hon. EDWARD I. KOCH,
New York, N.Y.

DEAR REPRESENTATIVE KOCH: I am sorry to have misled you with my letter of August 24. Our expertise is in home health care, not in nursing home care. Consequently, we are unable to comply with the request made in the second paragraph of your letter of September 9.

Had your request been directed to home health care, I doubt seriously that we could have complied. How do you document in a memo meaningfully more hours of quality home health care outside of the program than all of the certified Medicare Home Health Agencies provide in any given period of time within the program? Each case is unique. We strive constantly to meet the challenge of always providing the appropriate level of skill to match the precise level of care required by the patient in a given setting, including abilities or inabilities of other family members residing there.

Our goal from the start has been to provide the highest quality of home health care at the lowest possible price to all of the people needing such care. Our leadership in our industry in the private market place is indisputable, which is only proper since we founded that industry in April, 1965.

Our industry is a healthy one today because seven firms of national repute have chosen to imitate us, as well as literally hundreds of local or regional enterprises doing the same. The ensuing free competition—unencumbered by artificial constraints—has done in our industry what it has done in so many other industries previously, namely: (1) increase the total size of the several markets; (2) sharpen the performance of each competitor; and (3) offer the consumer free choice based on quality, availability and price.

There is nothing comparable to this type of home health care service in all of Medicare or Medicaid. Medicare, by design at its inception—right or wrong—was not intended to cover the provisions of this kind of home health care. Medicaid, however, is a different story. From its inception it could have been providing coverage for viable home health care, but as the GAO report on this subject, July, 1974, so vividly pointed out, it didn't happen because the states were erroneously applying Medicare's constraints to their Medicaid home health programs.

HEW was previously aware of these shortcomings. Prompted primarily by Senator Muskie's subcommittee's hearings on "Barriers to Health Care For Older Americans," under the leadership of then Secretary Weinberger, HEW set out to correct the flaws of home health care in Medicare and Medicaid. Starting with a two day regional working meeting in Chicago (HEW Region #5 headquarters), May 1–2, 1973, under the leadership of Dr. Claire Ryder, HEW began its long review of home health care which resulted in three specific proposals to correct the flaws:

June 9, 1975: Proposed regulations were printed in the Federal Register to allow not-for-profit home health agencies to subcontract with for-profit providers for ancillary services.

July 2, 1975: Secretary Weinberger sent to Congress a proposed legislative change to Sec. 1861(o) of Medicare to allow certification of for-profit home health agencies.

August 21, 1975: Proposed regulations were printed in the Federal Register covering Medicaid home health care, which for the first time:

1. Told the states which services were mandated and which were optional;
2. Included "single-service" agencies (500–700 existing agencies) to expand service availability;
3. Included for-profit home health agencies to expand service availability;
4. Established minimal standards for providers by level of skill.

It was during this same period of time that HEW's Social and Rehabilitation Service unit proposed the regulations mandating homemaker and chore service in the states' welfare programs ". . . to deinstitutionalize and prevent reinstitutionalization . . ." of welfare recipients who could be maintained in their own homes through the use of personnel whose levels of skills were classified as "social" rather than "health." (Congress, you will recall, blocked these regulations anticipating the enactment of Title XX.)

From May 1, 1973 to August 21, 1975—a period of 27 months and 21 days—is a long time to study any problem. I submit that HEW did act responsibly under its former leadership! With the exception of proposing legislative changes to some of the artificial barriers to the delivery of appropriate home health care under Medicare—but keep in mind that by this time some thirty or more home health care bills (including several of your own) had been dropped into the Congressional hopper—HEW proposed everything within its authority to correct the home health care flaws of Medicare and Medicaid.

At its November 17, 1975 meeting, HEW listened to a state regulator* from a licensure state speak to the subject of quality care provided by for-profit as well as not-for-profit home health agencies, and heard her say you could not distinguish one from the other on that point. They heard Dr. Philip Gates assure them he'd welcome for-profit home health care providers in the State of Texas ". . . because his staff would make sure they would deliver quality care, just as they do with all other providers."

HEW's Dr. Paul Wilging, who chaired the November 17, 1975 meeting, can tell you that that kind of dialogue has been and continues to be an ongoing thing between HEW and Medicare officials at the state level. It is there, at the state level, that quality assurance takes place in the Medicaid program.

Some states do outstanding jobs—better within Medicaid than under Medicare. Other states have done less effective jobs, and some states border or have bordered on "dereliction of duty" in the area of quality assurance. Some states have drawn such distinct lines of demarcation between Medicare and Medicaid that the heads of the "single state agencies" under contract to the Secretary of HEW per Sec. 1864 of the Medicare Act deliberately avoid communicating with their counterparts in the state's Medicaid programs.

In the field of Medicaid home health care, HEW (SRS) has had no means of enforcing quality assurance by states since the inception of the program. HEW corrected that flaw in the regulations proposed August 21, 1975, by establishing minimal provider standards for the first time. These were designed specifically to fit the Medicaid program.

The abortive final regulations as published in the Federal Register August 25, 1976, have removed those standards, along with all the other proposals that would have positioned home health care viably in our nation's health care delivery system for the first time since the inception of Medicaid—the very program most needing of such viability.

It is within Medicaid that the bulk of nursing home dollars are spent. It is within Medicaid that the bulk of the nursing home fraud and abuse charges have been raised. It is within Medicaid that the bulk of the "quick savings" of taxpayers' dollars could be enjoyed, regardless of whether you accept the "rule of thumb 30%" or Dr. Gates' 60% of Medicaid nursing home patients being inappropriately institutionalized.

I am sorry if the tone of my prior letter disturbed you. I have never worked longer (over eleven years), harder, and more frustratingly on anything in my entire life than I have on trying to get appropriate home health care included in the government's health care programs, and I'm afraid that frustration showed through. I, of course, had no right to single out Senator Moss, Congressman Pepper and yourself for my criticism. Please accept my apology.

I must reiterate, however, that we know more about the delivery of home health care than anyone in this country, and we offer to share that knowledge with you. I would like to be able to state that another way—regarding our expertise, I mean—but I don't know how. That happens to be the truth.

I don't make the offer of sharing that knowledge lightly. Heaven knows you have done more than any other single Congressman to keep home health care a "current subject" in Congress, and the better informed you are the better the inevitable Medicare and Medicaid amendments will be. (I dread to think of National Health Insurance without prior meaningful experience in appropriate home health care delivery in Medicare and Medicaid.)

We stand ready to show you our systems and procedures from one end to the other—no holds barred—and the results of those systems and procedures in 217 offices.

Our initial training course for new field managers is an intensive two week session. DDR had two men in Kalamazoo for about four working days in January of this year. Except for satisfying yourself that all of our field offices run identically—that would require individual visits, which I strongly urge—I believe you could gain a wealth of knowledge in just two or three full days.

I know you'll be busy until November 2. Maybe you'd like to visit some of our field offices before you come to Kalamazoo—we have them in and around Washington, D.C. as well as all over New York. You name it—we'll do it!

Respectfully submitted,

Edward J. Wilsmann,
President.

P.S.—After rereading the above, I was reminded of something we had done almost a year ago regarding the incomparability of "apples and peaches"—"apples" being the available statistics on home health care delivered within the governmentally funded health programs, and "peaches" being the way we deliver appropriate home health in the private market place.

We know our "peaches," but when we are allowed to properly examine the "apple," as in the attachment, we invariably find it to be bad. I'm afraid the governmentally funded programs might be loaded with barrels of the latter from a cost standpoint. (I can only assume that the four aides in the Chautauqua County Health Department, when working with patients, deliver services of a quality comparable to ours.)

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*A Mrs. Johnson from the State of Louisiana.

TRIBUTE TO BILL GREEN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BIAGGI. Mr. Speaker, for the past 12 years, the residents of the Third Congressional District of Pennsylvania have been represented very ably by William Green. In January, if things go according to plan, the entire State of Pennsylvania may become Bill Green's constituency in the U.S. Senate.

Bill Green has served on the House Ways and Means Committee and has been considered by his colleagues on the committee to be one of its most effective members. His most memorable fight in Congress was for the repeal of the oil depletion allowance, a measure which was partially accepted by the committee.

Bill Green has been a responsible spokesman for the common man in the committee. He was critical of the present tax system which disproportionately favors the very wealthy. The lower- and middle-class taxpayers of this Nation have had a real friend in Bill Green and he will be missed on the committee.

If elected, Bill Green will be one of

the youngest Senators ever in history. He has spent the greater portion of one-third of his life in public service and it is my hope that the voters of Pennsylvania will allow him to continue to serve them.

I have enjoyed my associations with BILL GREEN. I found him to be an articulate and highly personable colleague. His high level of dedication to his constituents has been a model which many here have followed. I wish him all the best in the future.

SUPPORT OF H. RES. 1476

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HEINZ. Mr. Speaker, I want to thank the subcommittee for giving me this opportunity to express my views on Romania's most-favored-nation status—MFN.

At this time, I would like to express my support for House Resolution 1476, 1477 and 1522, identical resolutions which I cosponsored, and which were introduced by my colleague from New Jersey, Mr. PATTEN. As I am sure you are aware, these resolutions express the sense of the Congress with respect to minority groups within Romania.

Because the end of the session is almost upon us, I believe that no decisive action will be taken on these resolutions by the House and that Romania will probably be granted an extension of its MFN status.

However, for the sake of the record, it must be pointed out that onerous policies of the Romanian Government toward its citizens still exist and mar the relationship between our two countries.

The Romanian Government continues to severely restrict the basic human and civil rights of its citizens. They must, for example, report the content, time and place of any conversation with a foreigner to the militia, or fear criminal prosecution. Artistic freedom is absent as is religious freedom.

The Jackson-Vanik amendment to the Trade Act of 1974 addressed the question of free emigration as a major requirement for MFN status. However, while certain statistics might try to show an enlightened emigration policy, there is evidence that the Romanian Government's adherence to this policy is ephemeral, relaxing only when it is time for the Congress to reexamine Romania's trade status.

Another vital, but often neglected part needed to be examined in the granting of most-favored-nation status, is consideration of the treatment of national minorities. In Romania there are 2.5 million Hungarians and about 500,000 Germans who reside in the historical province of Transylvania—which was transferred to Romania in 1920. While Romanian citizens experience a grave curtailment of their civil rights, the Hungarian and German minority nationality citizens have even greater difficulty in exercising their rights under the state constitution.

Assimilation of minority groups at the expense of their cultural and nationalistic heritage is a long term goal of the Romanian Government. In order to accomplish this, it is reported that the Government utilizes various subtle discriminatory tactics.

Let me cite some examples. Minority intellectual and professional leaders are assigned to jobs outside of Transylvania, thereby eliminating the most effective and qualified leadership from the community. In addition, while the ratio of Hungarians in the population is 1 out of 10, only 1 out of 20 Hungarians are allowed to attend state run universities. Bilingualism, one of the promises made in the Romanian Constitution to its national minorities, is observed more in breach than in practice. Signs written only in Hungarian exist in the two almost purely Hungarian counties of Hargita and Covasna. Minority national citizens are harassed in the streets when they use their mother tongue. And, where Hungarian cultural institutions are allowed to exist, they are often used as conveyer belts for the dissemination of Romanian culture and propaganda.

Churches also bear a heavy burden. Since 1948, the Greek Catholic (Uniate) Church has been banned, and its bishops and priests forced to accept the Orthodox religion or be imprisoned. Two of the Catholic bishoprics remain unfilled and the Catholics cannot even publish their own theological journal.

One could cite other examples of the Romanian Government's policy of denying basic human and civil rights to its citizens.

Under these circumstances I am concerned that the automatic extension of MFN status on a waiver basis by the President in the absence of congressional action would be construed by the Romanian Government as tacit approval of its policies on emigration and civil and human rights. Therefore, may I suggest that the subcommittee, at the very least, make a statement which reflects the concern felt by the Members of the House of Representatives regarding these policies, including the Romanian Government's denial of civil and cultural rights of its Hungarian and German minority.

PERSONAL EXPLANATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BINGHAM. Mr. Speaker, over the last several weeks I missed, or was not recorded as voting upon, three rollcall votes. I wish to record here what my position would have been had I been recorded as voting:

Rollcall No. 735, motion to adopt the conference report on the Public Safety Officers' Benefits Act of 1976, "yea".

Rollcall No. 736, motion to adopt the rule on H. Res. 1534, Forest and Rangeland Renewable Resources and Planning Act, "yea".

Rollcall No. 814, motion to adjourn, "yea".

A PARTNERSHIP BUILT ON MUTUAL RESPECT AND TRUST

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FRASER. Mr. Speaker, the gentleman from Michigan (Mr. DIGGS), chairman of the Committee on the District of Columbia, has given an address setting out the continuing relationship between the Congress and the Government of the District of Columbia under home rule.

I have unanimous consent to place the text in the RECORD for the benefit of our colleagues in the House:

REMARKS BY CHAIRMAN CHARLES C. DIGGS, JR., TO THE SUPERIOR COURT TRIAL LAWYERS ASSOCIATION IN WASHINGTON

Good evening, ladies and gentlemen. I have always maintained that Washington, D.C. contains some of the finest minds and talents in the world—not only in the federal government, but in the private sector, the international community, the business and professional areas. And I think the audience tonight bears out that assessment.

I have been a citizen of the District of Columbia—at least an ad hoc citizen—through my Membership in the Congress for almost twenty-two years. I have worked and watched as the city and the federal government have recognized their mutual stake in the survival of our community. As a member of the House Committee on the District of Columbia, and now as its Chairman, I have tried to make the home rule partnership which we have in Washington into a workable, creative approach to the problems of the area.

So-called home rule purists would like the federal government to disavow its share in this partnership; some would be happy if the entire federal structure packed up and moved out, and left Washington solely in the hands of its residents.

I am sure there are those on the other side who wish the residents of Washington would all move away and let government get on with the paperwork.

Since neither of these "solutions" is practical, those of us who work to keep a balance between the two concerns must continually try to find when and where the points of interface between the federal and local interests are compatible.

In the long run, the only hope for Washington's continued growth lies in the creative use of our partnership—a partnership built on mutual respect and trust, permanent yet flexible alliances among all elements of our community.

When I first assumed the Chairmanship of the House District Committee, I offered a challenge to the citizens of Washington—to experiment with the new-found responsibilities over their own local matters, to find innovative approaches to the problems that have thus far divided us. In areas of public safety and crime prevention, planning, housing, environment, health, transportation, tax and fiscal policy and human relations, together we can make our city a model for the world. That challenge still stands.

The existing geopolitical structure under which we work *will* permit new and bold initiatives in areas of reorganization and revitalization of the city's resources.

But, thus far, little or no action has been taken on the local front in restructuring the institutions left from the days when D.C. was still the "last colony".

Under the Home Rule Act which we passed in 1973, the local government, in the form of the elected Mayor and City Council, have all-embracing powers, with certain specific exceptions. Within their jurisdiction is the development of new local government institutions to deal with the city's problems—for instance, the District could have its own prosecutor, its own law enforcement agency, and other institutions to deal with criminal justice problems.

On the Congressional front, we expect in 1978 a complete revision of the D.C. Criminal Code, now being drawn by the Law Revision Commission. That is a task that was recommended by the President's Commission on Crime in the District of Columbia ten years ago.

As you in this audience know, more than anyone else, the criminal statutes of the District have many overlapping and conflicting and obsolete provisions. Congress has the responsibility, and has acted on it, to modernize the D.C. criminal laws rather than turning over an antiquated, unworkable system to the local government and then complaining that that same local government can't cope with the problems we have handed it.

In January of 1979, after the Criminal Code revision is complete in Congress, the City Council will be responsible for the entire Criminal Code, subject only to Congressional review.

I think it is vital for the citizens of Washington, and most especially a specialized audience such as this tonight, to understand that the delay in transferring to the D.C. City Council the power to enact changes in the D.C. Criminal Code was an important element in the give and take of passing the Home Rule Act itself. We worked under no illusions that all Members of Congress were equally responsive to the calls for local control over local functions in the District. Without a willingness on the part of home rule advocates to respond to the varying concerns of Members of the House and Senate and their constituents, we would never have been able to pass a Home Rule Act at all.

Equally important is an understanding that the recent action by Congress to delay for two more years the transfer of power to change the criminal code to the City Council, was designed to give the Law Revision Commission time to complete its recommendations, and the Congress time to act on them. It should be seen neither as a conspiracy to cheat the District of Columbia government out of legitimate responsibility, nor as a retreat by those of us who champion a full partnership between the District and Federal governments.

On this question of the Law Revision Commission, its members need the active assistance of members of the Bar. The Commission will be issuing working papers monthly, starting later this year. They seek legal opinions from those qualified, to comment and suggest changes in the working papers. You in this audience can be most helpful in this respect.

Each of the working papers of the Commission will deal with a different area of the criminal law in D.C.—such as sentencing, basic crimes, violent crimes, etc. The draft papers are being prepared by local law professors who are looking to see what criminal law reform is being passed in other states, and to what extent their reforms can be adapted to the D.C. system.

Following extensive work on these issue papers, the Law Revision Commission will submit its findings to the Congress. We expect that this report will come before Congress in 1977, at which time we will begin hearings on the revision of the Criminal Code. At that time, you will again be asked to share with us your comments and suggestions on the revision. We recognize that it is you, and the other participants in the District criminal justice system, who are most familiar with the problems of the present system, and the needs of any future system. Your inputs at all stages of the development of the criminal code revision will be welcome.

Members of this audience are no doubt aware of some of the other actions taken by Congress during the past two years regarding the D.C. criminal justice system.

Many of you were no doubt involved in the Judicial Conference conducted by the D.C. Court of Appeals. The Conference recommendation on reciprocity in admission of attorneys to practice in the District, is an example of important questions being dealt with through the annual Conference.

I understand also that the additional law clerks authorized by the Congress for the District are already having an effect in reducing the backlog of cases pending in the Courts. In this area, as in others, much more needs to be done. But my point is that together we can tackle these problems, and move toward solutions.

Congress has given the D.C. Council responsibility for the law on counsel for indigent defendants. Your assistance is important in shaping needed reforms in that program and seeking adequate financing for the structures we create. The Council is already considering the Mayor's budget on this question, and I understand that Councilman David Clarke will be holding hearings on amendments to the law soon after the first of the year.

The Council also has under consideration a "freedom of information act" of great importance to the legal profession and your clients. It is similar to the law written by Congress for federal agencies. Whether or not the principles in this federal legislation are applicable and proper for the conditions in Washington is a question to be addressed by the local government.

Our interest in the criminal justice system in the District is not a new phenomenon.

Early in 1975 I chaired hearings of the House Committee on the District of Columbia which examined the many facets of the criminal justice system in the District and in the surrounding jurisdictions.

One of the questions raised in those hearings was the need for amending the D.C. Bail Act to deal more effectively with repeat offenders on probation or parole. Our committee reported out, and the House passed, a bill to expand the time periods under the preventive detention law. Since the Senate failed to act, this is a question that will be raised again when the new Congress convenes in January.

These questions on the criminal justice structure and procedures are but one facet of the challenges facing the local government in D.C.

Institutions of the community—whether governmental, regulatory or private, need to be strengthened and updated to deal with the problems of today and tomorrow. There are no institutions in existence today which adequately monitor and challenge the local government. There is a one-party, one philosophy atmosphere that has stifled creative endeavors. This atmosphere needs to be dissipated. The traditional organizations have not been effective. New organizations need to replace them, to inspire and give impetus to new directions in local policy.

This audience represents some of the finest minds of the legal profession in Washington. I challenge you, and those with whom you work, to join us in our efforts to make Washington, D.C. a model for the nation and for the world.

ENERGY DEVELOPMENT AND SUPPLY SITUATION

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. LLOYD of Tennessee. Mr. Speaker, it was my privilege recently to attend a technical briefing given by the scientists at the Oak Ridge National Laboratory regarding several aspects of the energy development and supply situation in our country. I believe that the other Members of Congress will be interested in the content of those remarks.

I want to extend my personal thanks to Mr. Melvin Feldman, Mr. John M. Googin, Mr. Mike Butler, Mr. John W. Ruch, and Dr. Alvin M. Weinberg for their assistance in the preparation of this material.

The material follows:

TECHNICAL BRIEFING AND LUNCHEON FOR CONGRESSWOMAN MARILYN LLOYD, SEPTEMRER 18, 1976

WELCOME AND INTRODUCTION

(Remarks by Melvin J. Feldman)

The meeting today is a briefing and an introduction, at least formally, of our representatives in this area and the technical community. I would like to welcome Representative Lloyd, my colleagues, ladies and gentlemen that are here, and to start by asking the technical society representatives to introduce themselves and the organizations they represent.

I am Mel Feldman, and I represent the American Nuclear Society.

To start, I have a few introductory remarks to make and then get our speakers on so the briefing can begin. I would hope that this is a beginning of a continuing interchange because probably the most significant problem nationally and internationally of our time is the energy problem. But I don't know when to start my decade. Surely, it didn't start in 1975; 1976 is almost finished, and it hasn't started. And I do not see the decisions flowing. I can start to see the thought process beginning to formulate, but I surely do not see the beginning of a decade of decisions. That decade of decisions is awesome to contemplate because I think it affects the basic structure of a way of life for our country and for the community of countries. It is clear that there are changes that are necessary, and the decisions on an energy policy will be the key to those changes.

It is interesting that we are presenting a briefing to our Congresswoman. It is, I think, a necesasry avenue for the technical community to follow, working through their representatives. It is also necessary that we communicate to the public. Scientists and engineers are only just learning that they are periodically being tested for acceptability to the public. Up until California, we really did not believe that we were going to be subjected to periodic test. California, I think, is just the beginning of the technical community being introduced to testing by the public. Our representatives are tested by the public energy tigers. The similarity is of great interest to me because it leads me to suggest that there is a necessary reciprocal to this noon's meeting, and that is a briefing by our Congresswoman on how to sell our ideas and our principles to the public. We are probably not doing as well as she is.

Let me go back to the decade of decisions. The words that ought to be brought to the public are very simply that the "energy free lunch" is over. The "free lunch" of the '40's, the '50's, and the '60's is over. I think we can tell the Congresswoman about our approach to solutions. I feel we must ourselves tell the public that the change is here, and the "energy free lunch" that they've enjoyed is over. I do not think that it is the responsibility of the technical community. It is not a political issue. It is an issue of fact.

With this then, let me introduce the first speaker at the luncheon briefing. John Googin will talk about the nuclear fuel cycle.

THE NUCLEAR FUEL CYCLE

(Remarks by John Googin)

Thank you. I am John Googin, Union Carbide Staff.

I am going to talk about the parable of the horseshoe nail. The fuel cycle is the small end of the nuclear power business, and the end of the business without which, we do not have a workable one. The uranium ore situation is just now being thoroughly explored in the depth needed for reliable reserve estimates. Many years ago for the military program, we had a large project to find and explore uranium resources. We did a reasonably good job in a hurry, and then we stopped.

We built mills and recovered uranium. We built surpluses. Mills, we abandoned, and tailing piles contaminated the neighborhood. We did not really learn. The problems continue as you folks know. We built a large organizational empire; a military-type organization, supported by military-type money to meet military objectives. We had the nuclear world at our feet, in fact.

We did not do the long range planning in time to maintain that preeminent position. So, if this country had really wanted to be a dominant factor in the international market exchanges, it lost an opportunity because it did not plan, and it did not look ahead.

The same military system generated plutonium production plants. That plutonium was a little different than what you get in the new power cycle. But we established a lot of the principles, and then we allowed the expertise to erode away. We were satisfied with halfway solutions. Halfway solutions came—not because the technical community did not ask for an opportunity for a solution—but because the technical community did not communicate successfully to the decision makers that the threats or hazards were real, and that the opportunities were there for solution. We moved away the people into other functions, and the opportunity was lost. The capital investment made early on, was made on a temporary objective, and it too, tended to decay. We are left with leaky tanks at Hanford; the tanks had lived as long as they were supposed to, but we decided to gamble that they would last a little more.

The military fuel cycle was successfully put into operation quickly. It was complicated. It was not as refined, or as economical as it could have been, but it was adequate. Now we need a fuel cycle with a greater degree of finesse and with different capabilities than we had in the old military installations. We were not willing as a country to put the up-front money in this horseshoe nail. We think we are going to go to private industry. But private industry has to show a quick profit, relatively speaking. It is only the kind of financing that comes from government support, that allows the heavy up-front investment in these critical, although relatively small, competitive enterprise activities to do the quality of job that is needed to give us the security and safety on time.

We are having a big argument about safeguards and what we should do about a dangerous material like plutonium. The military has been handling it for years. We have not lost much. We have not created any unusual hazards.

Our philosophy, when we started to go to nuclear power, said that private industry should handle this matter on the basis of perhaps an insurance payment. The economic and social values were not properly represented by this insurance payment. The hazard, social hazard that is, was greater than just the economic hazard to the organization. So we ended up rather quickly with separate plutonium operations that could be relatively easily supported because we are operating as a standard business, rather than an essential, difficult, small element in a major opportunity deal. We have a record of missed opportunities because of the lack of long range planning, the lack of attention to detail, and the dissipation of the skilled crews. So that now, we have as a country, to mount a major effort to catch up if we really want to have a strong position in supplying nuclear energy, in a field where we had all of the advantages, because we were there first.

THE NEED FOR THE BREEDER

(Remarks by Michael L. Butler)

A rising dependence by the United States on foreign energy sources and the inherent risks for the national welfare which such dependence poses must cause the Nation to renew its efforts to regain its energy independence and to restore reliance on domestic energy resources.

Such efforts must include careful attention to conservation practices and aggressive programs to develop all energy forms available to us. In the near term, this will mean increased reliance on coal and nuclear power.

There are, however, practical limits to the contribution which present light water reactors can make to our energy needs. The present generation of light water reactors is fueled by Uranium-235, which makes up less than one percent of uranium as it occurs in nature. Known domestic reserves of uranium ore will be committed to light water reactors by the early 1980s. Potential undiscovered domestic resources will be committed to these reactors during the last decade of this century.

Because of its ability to convert the vastly more plentiful Uranium-238 into useable fuel, the breeder can extend our available uranium resources from decades to centuries. There is presently enough Uranium-238 left over from uranium enrichment operations for light water reactors to provide fuel material for breeders for centuries.

This material is already mined and processed and is currently stockpiled at gaseous diffusion plants without value in the present energy picture. With the breeder, however, this Uranium-238 can provide the equivalent energy of 400 years of oil or 700 years of coal. It has been calculated that at present day coal prices this energy resource is worth some $20 trillion.

The Liquid Metal Fast Breeder Reactor is the most technically advanced of the long-term energy sources . . ., and in light of the uncertainties for solar-electric and fusion power, the LMFBR must remain a high priority development project if this Nation is to have an assured source of electrical energy in the 1990s and beyond. Other nations have recognized the potential of the breeder reactor and are also actively pursuing its development.

The breeder is an attractice option from several standpoints. In the area of safety, the breeder will equal or exceed the impressive safety that has been built into light water reactors. Its design will follow the same defense-in-depth concept which provides for high quality construction and redundant systems to insure safety. One safety advantage of the breeder is that its sodium coolant operates at low pressure and ruptures or breaks in the system are more readily accommodated than such an incident in, for example, the high pressure systems of conventional water-cooled reactors.

The breeder is also attractive from an environmental standpoint. About 200 acres of land must be strip-mined each year to provide fuel for a 1000 MWe coal plant. About five to seven acres must be mined to provide uranium fuel for a conventional nuclear plant. Breeders require less than a single acre to yield fuel with the same potential. Because of the stockpile of Uranium-238 which exists today, breeder reactors would require no mining at all for at least 100 years and probably more. The breeder uses uranium so much more effectively, the uranium from one acre of land would fuel roughly 20 breeders for a year.

We believe the breeder reactor will be a safe and environmentally acceptable method of producing electrical power. The safety design of the Clinch River plant is backed by considerable experience in building and operating liquid sodium fast breeder reactors since 1951. It should be noted that the first electricity from nuclear power in the world was produced by an LMFBR—Experimental Breeder Reactor Number 1 in Idaho in December 1951.

Knowledge gained from this facility and others that have operated over the years will be incorporated into the design of the Clinch River plant, and assumptions regarding economy, reliability, safety, and environmental impact will be tested through on-line operations on the Tennessee Valley Authority system.

In some respects, the Clinch River Project is unique in the history of technology development. It is a partnership between the Federal Government and the electric utility industry, and a joint Government-industry Project office under ERDA management has been established to direct the Project.

Some 741 electric utility systems nationwide are contributing $257 million to the Project, the largest industry commitment ever made for a single energy research and development project. The remainder of the Project's cost of $1.950 billion is being provided by the Federal Government.

One of the chief goals of the Clinch River Project is to demonstrate that a breeder reactor can meet the rigid licensing standards imposed on nuclear plants by the Nuclear Regulatory Commission. Accordingly, the Clinch River plant will be licensed like all other nuclear plants in this country.

Project activities currenty are being concentrated on licensing interactions with NRC with many significant licensing issues either resolved or near resolution. Work is also proceeding on the plant design with emphasis on the beginning of site work in 1977, and ordering of long-lead equipment needed for the plant.

All major hardware for the Clinch River plant has been placed under contract and, in many cases, is in some stage of fabrication. Development and testing of plant components is proceeding with all activities aimed at adhering to the overall Project estimate of $1.950 billion and the October 1983 criticality date.

During the coming months, the Project's major thrusts will continue to be its licensing efforts aimed at beginning site work under a Limited Work Authorization from the Nuclear Regulatory Commission and obtaining a construction permit. Fabrication of long-lead equipment and testing of plant components will also continue. We have said in the past few months that the Project is in the best shape since it was started in 1972. We continue to believe this is true.

As a key part of further LMFBR development, the Clinch River Project is one of today's best investments in the Nation's energy future, and investment which we believe will return substantial dividends.

THE FOSSIL FUEL OUTLOOK

(Remarks by John W. Ruch)

Congresswoman Lloyd, Fellow Engineers and Scientists.

I'm delighted to attempt a "Summary of the Fossil Fuel Outlook." Much has been written and spoken by engineers and other experts on this subject and the task is to compress the data into about 10 minutes without losing important resolution. Perhaps we could use a broad landscape analogy and then characterize the dominant features. I'll try to do just that.

The Industrial Revolution is enjoying its bicentennial just as is our country. It was in mid-1776 that the obscure London firm of Boulton and Watt, James Watt that is, sold their first steam engine. I understand it was bought by a cotton mill whose water wheels did not supply enough power for their looms. This unnoticed event started a quest for fuel that rages unabated to this day.

Our modern industrial complex is based primarily on liquid and gaseous hydrocarbons. They are deluxe fuels and have been used, especially in the U.S., at ever increasing rates for the past three or four decades. They're now becoming scarce and in another two or three decades the U.S. is likely to be drained of petroleum for all practical purposes. Over three-fourths of our fuel is now oil and gas, whereas over 80% of our reserves are in the form of coal. In the Fall of 1973, the time of the oil embargo, about one-third of our oil was imported. It is now over 40% and is still rising, all the increase coming from the unstable Middle East.

The U.S. is blessed with large coal reserves. We hold a dominant position in solid fuels, just as the Middle East holds a dominant position in liquid fuel. Tennessee has substantial coal reserves, over a billion tons. It is good grade coal, as is most eastern U.S. coal, but generally high in sulfur. About one-third of Tennessee coal is in the Third District and is about equal in heat content to all the North Slope oil of Alaska pipeline fame.

Tennessee mining laws and regulations seem to have developed in a reasonable manner, so that land restoration and protection is now assured, while production continues within acceptable bounds. Some flare-ups, here and there, occur in mining law enforcement. Also orphan mines are now being restored.

Recent EPA positions seem to pose a threat to the marketability of Tennessee coals, especially at TVA. This may require some review. Further, coal from this region is not yet included in any of the gasification or liquefaction programs, and for the economy of the region, it should be assured of consideration.

There are problems with coal. It's dirty and it pollutes. Mining is hazardous. Large amounts of money are required and the work is very hard. Even so, it's a good fuel and our engineers know how to use it. It seems clear that we'll have to use more and more of it, the main question being, when do we start solving the problems of the speed-up?

A number of things can be done, now! And I'll suggest a few of these.

A shift to coal from oil and gas should be undertaken promptly and on a broad basis. It should start with the power companies and be extended to most of the nation's work. As part of the same shift, the country should go electrical wherever gas and oil can be conserved.

Conservation *in earnest* should be initiated on a nationwide basis and on the broadest possible scale.

The safety, technical, socio-economic and environmental problems of coal should be settled forthwith. We have the money, the brain-power, the manpower, and the technology.

The same is true for the nuclear arena. The reactor safety problems, the radioactive waste management problems and the Pu proliferation problems should be solved even if it requires some redesign of the nuclear fuel cycle. We must have the electrical capacity on line whether from coal, nuclear or hydro sources to ease the load on gas and oil. When we do it, it's almost the same as having a second Alaska pipeline, with the additional advantage that the fuel source is on our own land, right here at home.

Recycle practices must be introduced as a way of life. In St. Louis, it's a good way of life! Union Electric and the city of St. Louis make a profit by turning garbage into electric power, salable scrap iron, copper and glass.

We must press ahead with research and development and make the necessary inventions, both technical and administrative, to introduce new energy sources, as they show up to be practical.

It also seems that a happy side effect goes with the coming shifts in fuel base. Employment will be sharply increased in the private sector as we tool up to use coal in lieu of oil and gas. Some estimates seem high enough to go perhaps halfway in solving the current unemployment tensions. Indeed, the new job potential of the shift from oil and gas to coal may be of such compelling importance as to suggest an early start on its own merit. Perhaps a million new jobs can be anticipated.

In closing, the energy outlook is cloudy, but rash actions or fears are not indicated. There is work to be done. It is difficult and hard work, but it's recognizable and we have the resources to carry it out. It will take strong national leadership, and a comprehensive national energy policy, boldly implemented. With this, the energy supplies to keep us strong and free from oil embargo threat will almost certainly be domestically assured.

ENERGY AND THE FUTURE

(Remarks by Alvin M. Weinberg)

First I want to welcome Congresswoman Lloyd and publicly and personally express to her my thanks for all that she has done for Oak Ridge and particularly for the Oak Ridge National Laboratory—first and foremost, of course, in restoring the Oak Ridge National Laboratory to its proper name.

In nine minutes, I suppose all one can do in talking about the future of energy is to reiterate that the future is very cloudy. I should perhaps say that in preparation for looking into the future, I did spend a few days in Greece; and I visited Delphi. I had my picture taken actually with a Greek shirt on, standing exactly where the Delphic oracles used to stand to give their predictions. And armed with that, I came back to Oak Ridge to the Institute for Energy Analysis where we are trying to predict what the energy demand in the future is going to be, what the options are for dealing with that energy demand.

Most of us at the Institute are former nuclear people, and most of us are given to high energy predictions. Therefore, it was something of a shock to us when our economic estimates suggested that most of the previous estimates as to how much energy the United States is going to require in the future were too high. And the primary reason that we came out with this result was because most of the previous estimates of energy demand were based on much higher projections of population. The fertility rate per woman (the number of children borne by a woman in her lifetime) has fallen in the United States to 1.8: 2.1 is what is necessary in order to keep the population constant.

Therefore, where some ten years ago people were projecting that the total population in the United States would be 350 million by the turn of the century, our best estimates now—these indeed are borne out by the Bureau of the Census—are around 250 million. That means that even though we project that the per capita energy expenditure will increase, the total amount of increase in energy is considerably smaller than we used to think it would be. We are now using about 75 quads—a quad being 10 to the 15th. This amount of energy is British thermal equivalent to 37½ million barrels of oil per day. Where people used to say that we were probably going to use as much as 150, 160, possibly as high as 190 of these units by the year 2000, we now think that it will be closer to 100—between 100 and 120.

Well, a statement like that tends to endear me, I guess, with the low-growth people and possibly even the "Naderites". But the next statement I am going to make will redress the balance because: our projections suggest a strong shift from present supply modes toward electricity. Twenty-eight percent of energy now goes through electricity. We estimate that by the year 2000, some fifty percent will go through electricity. And since the amount of energy is increased, that means that electricity will increase by something over a factor of two—possibly as much as a factor of three. And that means that there will be a strong pressure on our supply system for electricity.

The context in which we made these studies was to try to get some sense into the great debate that is going on as to the nuclear moratorium. We really wanted to examine if the United States could survive, or what really would be the consequences of a nuclear moratorium. In brief, the conclusion that we came to which is, I suppose, a little surprising to us is that a nuclear moratorium—and I want to be very careful you understand my definition—moratorium meaning that you do not build any more nuclear plants after 1985, but neither do you shut down those already built. All those plants that are built before 1985 continue.

The conclusion that we came to was that because nuclear energy appears to be cheaper than coal in most parts of the country, a nuclear moratorium of that sort would cost us something in the order of one percent of our Gross National Product. On the other hand, you could provide the energy that would be lost by nuclear if you are prepared to dig coal at a rate that somehow seems phenomenally high. The rate could go up to five billion tons of coal by the year 2010. We are now digging coal at the rate of about 650 million tons per year: almost an eightfold increase in demand for coal. Now, we could not say that this was impossible, but it certainly looked to us as though very, very heavy pressure would be put on all of our facilities, on the environment, and on the land. And so I guess our main conclusion—and the one I conveyed as strongly as I possibly could in Plains, Georgia to Governor Carter, and one which I would like to convey to Congresswoman Lloyd—was that in view of the vast uncertainties that surround every one of the energy modalities:

Oil and gas—when are they going to be exhausted?

Coal—the environmental impact, in particular, the carbon dioxide greenhouse effect.

Nuclear—we know all of the uncertainties that we are continually reminded of by the people who dislike nuclear energy.

Solar—immensely expensive, not a full option in my opinion.

Fusion—tough, tough, tough; and we do not really know when, if ever, fusion will ever become practical.

In view of these vast uncertainties, we must keep all of the options going—and must keep them going vigorously. And I must say that with respect to nuclear energy—and this again is something that I conveyed as best I could to the Governor—I have the feeling that we have lost our nerve in nuclear energy; that somehow, we have been buffeted so that we do not have the same nervy spirit of adventure in nuclear energy as we have had in the past. And, therefore, my advice which will come, I suppose, as a shock to some, is that rather than retrench in development for nuclear energy, we should increase the development in nuclear energy and indeed continue to explore many different possibilities.

We spend a hundred billion dollars or more on national defense and eight percent of that goes for research and development. The energy bill is of the same order. My own belief is that we can well afford, as a nation, a considerably higher energy research and development budget than we are now spending. The government now spends about three billion. So this really is my main point—that we have to keep the options open, that the nuclear option is one that is immensely important, and that we must not lose our nerve in pursuing the nuclear option. We must be aggressive about it. I realize that this takes more money. But when we consider all that is at stake, the energy research and development budget is actually too low and ought to be increased.

Thank you.

A TRIBUTE TO CONGRESSMAN GILBERT GUDE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BIAGGI. Mr. Speaker, I want to take a few moments to pay special tribute to my colleague from Maryland (Mr. GUDE) who will be retiring at the end of this term after 10 years of illustrious service in the House.

GILBERT GUDE and I have worked together these last 2 years as members of the House Select Committee on Aging. He has shown himself on that committee as well as in his other assignments as an outstanding legislator who is sincerely intereted in doing what is best for the people of this great Nation.

His most outstanding contributions have been made on behalf of the Federal worker. He has championed their cause against stiff odds. He knows the valuable contributions these men and women have made to this Nation and has sought to see that they are justly rewarded for their labors.

As a resident of neighboring Maryland, he served on the District of Columbia Committee with a particular knowledge of the workings of the jurisdiction under that panel's supervision.

He started his distinguished career in public service in the U.S. Army Medical Department during the war. Armed with a masters degree in public administration, he served in the Maryland House of Delegates and the Maryland Senate before serving in the Congress. His education and background enabled him to make outstanding contributions as a member of the Committee on Government Operations.

GILBERT GUDE's retirement was a shock and great loss to the people of the Eighth District of Maryland. No less so will be the loss here in the House.

MORE ON THE TETON DAM

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HANSEN. Mr. Speaker, the day after the Teton Dam collapsed, on June 5, there were approximately 4,000 families without homes, clothes, bedding, food, and even sentimental mementos. Their homes were destroyed and their property still under several feet of water.

It was a disastrous scene; rehabilitation seemed hopeless.

But in any disaster, hope follows initiative, and initiative these victims and their neighbors had.

The following article, prepared by the Church of Jesus Christ of Latter-day Saints, describes how hope was achieved, and the disaster area well on the way to being cleaned up before Federal help arrived.

Mr. Speaker, colleagues, this was a remarkable situation—people helping themselves and each other and not waiting to be helped.

The material follows:

MORE THAN ONE MILLION HOURS VOLUNTEERED TO AID TETON DAM DISASTER VICTIMS

More than a million hours of volunteer time have been contributed by religious and civic groups to help the victims of the June 5 Teton Dam flood in southeastern Idaho.

The American Red Cross, the Salvation Army, the Mennonite Disaster Service, members of The Church of Jesus Christ of Latter-day Saints (the Mormons), and many government groups have assisted in the cleanup operations.

"Those who came to Rexburg three months ago and saw the devastation caused by the flood, then left, would be surprised at the transformation of the area in this brief period of time," exclaimed Harold G. Hillam, Idaho Falls regional welfare leader for the Mormon Church.

The cleanup operation "has been nothing less than a miracle," he added. Dozens of people phoned following the disaster to offer assistance. Within days volunteers were arriving by the busload.

Church, county and federal government officials met at 7 a.m. each morning to determine how the enormous work of organizing volunteers, cleaning up, offering government assistance and the many other responsibilities would be handled.

Since Mormons comprise 95 per cent of the population of Rexburg, the leaders decided to work through the existing organization of the Church. Each area is divided into stakes (roughly equivalent to a diocese), which in turn is broken down into several wards (similar to a parish), presided over by a bishop.

Volunteers were directed to the stake presidents, who gave them specific assignments within the different wards.

Even government leaders appraising damages or offering assistance worked through the bishops who introduced them to Mormons and non-Mormons in their ward areas.

"This correlation worked out beautifully," said Mark G. Ricks, president of the Rexburg Idaho Stake. "We had tremendous cooperation from all areas."

In a six week period from June 14 to July 31, 30,681 people assisted as volunteers in the cleanup, according to President Ricks. The majority of the volunteers were Mormons, who came from Utah, Idaho, Wyoming and Montana "to take care of their own."

They contributed some 610,000 hours of work time and another 272,000 hours of travel time. In addition, there were some 25,000 hours of use of heavy equipment donated by Church members and others. The equipment has included dozens of front-end loaders and dump trucks.

"These volunteers were the salvation of the people's morale," said President Ricks. "It didn't matter if they were 20 years old or 70 years old, they just got right in there and worked hard."

Hillam calls the volunteer effort "one of the greatest stories ever told of brotherly love. I wonder if there has ever been a greater example of compassion and selfless service in the history of our country."

Some volunteers came from as far away as Florida, Oklahoma and Canada. An explorer troop traveled from Fresno, California.

The Church's Ricks College, which escaped the wrath of the flood waters, was for many weeks the base of not only LDS flood relief operations, but those of the state and federal government as well.

"The Church has, from the day of the flood, provided tons of food and other needed supplies to the victims," Hillam said. Up to August 18, 386,690 meals had been served on the college campus to flood victims, all without any cost to the people. Many of the homeless were housed in the college dormitories.

NONWHITE UNEMPLOYMENT: HOW SHOULD WE COMBAT IT?

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LEGGETT. Mr. Speaker, the costs of unemployment, as all of us with social consciences are well aware, are extremely high both to society and to the victim. For society, it represents the waste of valuable human resources and lost production of goods and services, as well as the failure to fulfill major social and economic goals.

For the individual victim, the impact of unemployment can be measured in much more immediate and personal terms. The tangible costs are a reduction of income, purchasing power and economic well being, and less job seniority, plus in many cases, the erosion of job skills. In addition to these costs, the individual also suffers a loss of self-esteem and standing in the community. The sum total of these effects can be devastating.

As many of us are also well aware, this devastating personal impact of unemployment is not equally felt throughout our society. It is obvious that some groups are disproportionately represented among the unemployed. This seems particularly true of women, the young and minorities. With the changes in the composition of the labor force of the last 20 years, women and teenagers have become both relatively more numerous among those seeking work and more important elements of our unemployment problem.

Minority groups in general, and nonwhites in particular, have always been an important part of the Nation's work force. It is obvious, also, that nonwhites have been seriously overrepresented among the unemployed.

In a recent study entitled "The Unemployment of Nonwhite Americans: The Effects of Alternative Policies," the Congressional Budget Office found that there is a sizable gap between white and nonwhite unemployment rates in both good times and bad. If we look at the most recent business cycle experience, we find that the ratio between nonwhite and white unemployment has remained at approximately 2 to 1 despite wide variations in the level of both.

The data show, for example, that when times were good in October 1973, nonwhite unemployment was still 8.5 percent, while the level of whites had fallen to 4.2 percent. In the depths of our latest recession, in May 1975, white unemployment had risen to 8.3 percent, but the rate for nonwhites had gone up to a whopping 14.2 percent. Similarly, in June 1976, with the recovery in progress, white unemployment had fallen to 6.8 percent, but the rate for nonwhites was still 13.3 percent.

Mr. Speaker, our search for remedies for this persisting pattern must focus on the causes. The many and varied causes are related to three aspects of the labor market.

One basically reflects the level of aggregate demand in the economy—it is the demand for labor, or the supply of jobs available.

The level of aggregate demand, and the demand for labor, have a powerful impact on both the overall level of employment and the unemployment differential between whites and nonwhites. While the ratio appears to stay roughly the same, the actual gap in terms of numbers of unemployment widens as we move into recession and improves when the economy moves back toward good times. This is evident from the data. In 1969, a boom year, the gap was only 3.3 percentage points—6.4 percent nonwhite and 3.1 percent white—but by 1975, the gap had widened to 6.1 percent. It is evident that, when the economy is operating below its potential, the job problem for nonwhites becomes more acute.

A second area on which we must focus is the supply side of the labor market. Here we are looking at the total number of workers available and seeking work, their skill levels and experience, as well as their locations and job preferences.

It is obvious that a sector of the labor market that is less well educated and trained, and has less experience, is going to do less well at gaining employment. These factors are instrumental in the racial unemployment differential.

As an example of this effect, let us look at the data for education. They show that more highly educated workers—whether white or nonwhite—have lower unemployment rates than less well educated ones. The key factor however, is that the gap between the white and nonwhite rates is considerably lower for those who have postsecondary education than for those who have not finished high school. In 1975, 17 percent of nonwhites with less than 12 years of school were unemployed, 5.3 percentage points higher than the comparable white rate, while nonwhite unemployment for those with over 12 years of schooling was 7.2 percent, only 2.5 points above the rate for whites of comparable educational levels.

The third factor we must look at is the area where supply and demand intersect, the labor market itself. There is evidence that we really have two fairly distinct labor markets, a primary one which has the preferred, higher paying jobs, and a secondary market with the unskilled, and lower paying jobs. This latter part of the market is characterized by much less stability and higher unemployment.

Nonwhites appear to have disproportionately less access to the primary labor market. As a result of lower educational and skill levels, and discrimination, they are less likely to be able to get the steadier and better paying jobs and more likely to be confined to the unstable, high unemployment secondary market. And make no mistake about it—racial discrimination still appears to be an important factor in the job market.

As we examine these different aspects of the racial unemployment differential, it is evident that some of the Nation's strategies for reducing both unemployment and its costs to society get more emphasis, and also can have a more immediate impact on the problem of the racial differential.

Much of our emphasis in this session of the Congress, and many of our confrontations with the Ford administration, have involved efforts to increase the number of jobs available—the demand for labor—for all of our people. We in the Congress have adopted sizable tax cuts and a stimulative spending policy to spur employment. And we have pushed through over the opposition of the administration key public jobs programs.

These programs, of course, will employ both whites and blacks. It is interesting, however, that public employment programs appear to produce relatively more jobs for nonwhites than does fiscal policy. CBO estimates that 27 percent of the public service jobs authorized under CETA in fiscal year 1977 will go to nonwhites, while only 17 percent of those created by the tax cut will be filled by nonwhites. Thus it is clear to me that the emphasis the Democratic Congress has placed on public employment as we try to recover from the recession is just as good a policy for our racial minorities as it is for the American people as a whole.

Let me add that it is equally our policy to assist those who cannot find jobs, just as it is to help create additional jobs. Just as nonwhites are more likely to be unemployed than whites, so an effective unemployment compensation system is proportionately more important to nonwhites. We have just completed action on legislation which will both extend permanent coverage to all sectors of our economy and restore the fiscal solvency of the unemployment compensation system.

As we look to the ultimate problem—the elimination of the unemployment differential between whites and nonwhites—it is clear that a solution to this problem over the longer term can only come from upgrading the education and skill levels of nonwhites, and ending racial discrimination in the marketplace. There is evidence that nonwhites experience both lower unemployment rates and higher earnings as a result of training and higher educational attainment. I am hopeful that a new administration will bring us a new commitment to the Federal role in education and training. Our override yesterday of the President's veto of the Labor-HEW appropriations bill—by lopsided margins in both House and Senate—is evidence of our commitment here in the Congress to a high level of Federal support in this and other areas.

The need to eliminate racial discrimination—in the job market as in other areas of American life—goes without saying. I have always been a strong supporter of both efforts to break down discrimination and vigorous enforcement of civil rights legislation guaranteeing equal employment opportunity.

A new emphasis is also clearly needed in this area in the year 1977. I am confident that such a commitment will be forthcoming from the new administration in the coming year.

UNITED STATES SHOULD DISCOURAGE AMERICAN FIRMS FROM GOING ALONG WITH ARAB BOYCOTT OF ISRAEL

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Ms. SCHROEDER. Mr. Speaker, I would like to call my colleagues' attention to an article in this morning's Wall Street Journal discussing the Commerce Department's revelation yesterday that almost all U.S. firms go along with Arab boycott requests when they receive them. The exact figure—94 percent—is a disappointingly high figure, and one that harshly underscores the need for the United States to do everything we can to discourage our companies from going along with the Arab attempt to isolate Israel economically from the rest of the world.

Requests to comply with the Arab boycott were received, in the 6 months ending March 31, 1976, in 11,482 transactions. The companies which received these requests and later reported them to the Commerce Department were far ranging—exporters, banks, insurers, freight forwarders, and carriers, to name just some.

Not only were these American companies asked to assure Arab importers involved in the individual transactions that the items being imported by the Arab firm were not of Israeli origin. American exporters were also asked by Arab importers to guarantee that the carrier transporting the goods involved was not on the Arab League blacklist—and this is, perhaps, the most threatening request of all. The way that a company is placed on the Arab League blacklist is for it simply to refuse to end its business dealings with Israel. The Arab League boycott of Israel requires companies basically to choose between doing business with either Israel or Arab League members, but not both.

Unfortunately, many U.S. companies have decided that, if it comes to choosing between business with the Arab League or with Israel, they will send their regrets on to Israel. The policy of discrimination imposed by the Arabs against a country with which we have an extremely close and important relationship, one which embodies so well the principles for which our own country stands, should not be joined in by American companies. The facts revealed by the Commerce Department figures indicate that we need to give our companies back a healthy perspective on what it means to be Americans.

The article follows:

[From the Wall Street Journal, Oct. 1, 1976]

U.S. EXPORTERS COMPLY WITH BOYCOTT BIDS FROM ARABS 94 PERCENT OF THE TIME, DATA SHOWS

WASHINGTON.—Nearly all the American exporters that receive Arab boycott requests are complying with them, according to Commerce Department figures.

Statistics for the six months ended last March 31, made available yesterday in response to repeated requests, show that exporters indicated in reports to the department that they were complying with boycott requests in 94% of the 11,482 transactions in which requests were received.

The statistics provide the first hard look at the extent to which U.S. exporters have been complying with boycott requests. The department's statistics for previous periods were made under rules, since changed, that allowed exporters reporting that they had received boycott requests to avoid answering whether they intended to comply with them.

In the report for the six months ended Sept. 30, 1975, for example, exporters said they were complying with requests in 56% of the transactions received, but in another 42% of the transactions exporters didn't tell the department whether they were complying.

The figures also show sharp increases in the number of transactions—to 11,482 in the six months ended March 31 from 7,396 in the previous six-month period—and in the number of requests received. The number of companies reporting that they received requests increased to 894 from 517 in the previous six-month period. The number of requests received—there can be many requests in connection with one transaction—increased to 21,360 from 10,565.

Some of the period-to-period increases undoubtedly reflect increases in the volume of trade, but the boycott statistics don't make clear to what extent this was a factor.

The figures for the latest period also show for the first time the number of banks, freight forwarders, insurers, carriers and other companies receiving requests, and the number of transactions in which they complied wth them. Previously, figures had been reported only for "exporters." The proportion of transactions in which requests were complied with by the other types of businesses is in line for the most part with the proportion for exporters.

Although the requests took a number of forms, those most frequently received were requests to assure the Arab importer that the exported goods weren't of Israeli origin or didn't contain material of Israeli origin and to assure the importer that the carrier of the goods wasn't included on the Arab League's blacklist.

The figures show a relatively small number of requests to discriminate directly against Jews. Of the 51,083 received by all types of businesses, only eight appear to be requests to practice outright discrimination. Another 771 requests were received asking that goods not be marked with the star of David, or a hexagonal star. Under a recent Commerce Department ruling, such a request is considered discriminatory.

The figures appear to support the view of congressional critics who have alleged frequently that nearly all U.S. companies confronted with boycott requests comply with them.

The department normally releases figures a month or two after the reporting period. But the department said the inclusion of the other categories of concerns and the increase in the volume of reports from exporters slowed the computation of the figures.

IN SUPPORT OF A FREE CYPRUS

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. TRAXLER. Mr. Speaker, I rise on behalf of an issue of paramount importance to the foreign policy of our Nation. It is my sincere belief that this Congress should do all within its power to insist that the administration follow policies which respect human dignity in all relations with Greece and Turkey regarding the plight of Cyprus and its citizens.

We have seen in recent years a regression of our foreign policy to the point where our allies cannot be certain if we will provide the assistance that they so urgently need. With our foreign policy trade-offs, we have come to the point in which we are supporting nations that have not been supportive of the United States, and in the process we are losing sight of the principles of our great Nation which would have us strive to protect the freedom of all peoples.

Mr. Speaker, I call upon my colleagues to remember that we have been allies with Greece for over 150 years. Under the policies of Secretary of State Kissinger, we have turned our backs on Greece and have aided Turkey to the point where this U.S. assistance has been used in a war of aggression against the friendly people of Cyprus. We have seen Turkey violate the U.S. Foreign Assistance Act, the U.S. Foreign Military Sales Act, our bilateral agreements, the NATO Charter, the U.N. Charter, and at least the basic principles of fair relations with the nations of the world.

Secretary Kissinger has directed the policy which the President chooses to follow by some mystifying logic which violates every tenet of American foreign policy. Our Nation which has normally worked with our allies, has worked against them by disregarding the 107 to 0 vote of the United Nations Security Council which sought the removal of all foreign troops from Cyprus. As the defender of freedom, I cannot possibly see how we can allow the United States to take such a position.

The people of Cyprus have many friends in the United States, and I want to be counted among them. It is my sincere hope that I am counted among the friends of the Cypriots, and I will continue to support American policies which will protect the freedom of Cyprus, and oppose those which seek to use our ally as a pawn in someone's international chess game.

I know that the Members of this body believe in honorable policies. It is for that reason that I know that the Congress of the United States will continue to defend the rights of the people of Cyprus and promote policies to protect them from foreign aggression.

VETERANS' LEGISLATION—A REVIEW OF THE 94TH CONGRESS AND A PREVIEW FOR THE 95TH CONGRESS

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BAUCUS. Mr. Speaker, the well-being of our country's veterans and their dependents is a matter of concern to all Americans, and a responsibility which Congress takes very seriously. In the United States today, there are nearly 30 million living veterans. If we include all of their dependents who are also eligible for inclusion in the various veterans' programs, we find that almost 100 million Americans, or nearly 50 percent of the population in the United States are potential beneficiaries of veterans' programs. Therefore, as the 94th Congress rapidly draws to a close, I would like to take a few minutes to review my record, and that of the Congress, in this important area of veterans' affairs.

The House Veterans' Affairs Committee estimates that over 700 separate pieces of legislation have been placed before it in the past 2 years, ranging from private relief bills to proposals for major reform of the GI bill. Although it is not humanly possible for this committee, or Congress as a whole, to act on all 700, I think that this volume of proposed legislation testifies to the concern in Congress for our veterans.

In the 94th Congress, six major pieces of legislation in the field of veterans' affairs were enacted into law. These call for: Increases in compensation and dependency and indemnity compensation rates; increases in the salaries of Veterans' Administration physicians and dentists; temporary increases in pension rates; a new hospital in California; the release of the names and addresses of VA patients; and an increase in VA mobile home guaranteed loans.

I have worked hard in trying to assist the veteran, and in the past 2 years I have either introduced or cosponsored 15 bills designed to do just that. My efforts have centered in the areas of housing, health, and education, and I would like to take this opportunity to discuss what I consider to be the most crucial of those proposals, in hopes that we will be able to move ahead on them in January when the 95th Congress convenes.

HOUSING

My greatest effort in the area of housing has been in attempting to enact legislation which would provide Federal loans and loan guarantees for veterans for the purchase and installation of heating and cooling systems which utilize solar energy.

Veterans were first afforded the opportunity to obtain GI home loans as the result of the Servicemen's Readjustment Act of 1944. This program has been continued, and through the years has increased in both the size and volume of the loans which are granted to veterans. I feel that it is now time for the VA to recognize the need for alternate energy sources, and to add solar energy systems to their list of projects eligible for these loans.

Granted, the cost of installing a solar energy heating unit in a home is significantly higher in price than a conventional system. However, I feel that a more realistic perspective on the two is gained by looking at the comparative costs of each system over a 10- to 15-year period. Estimates of the savings from solar systems vary, but most studies indicate that within this 10- to 15-year period after installation, savings in fuel costs offset the initial cost of solar equipment. We can conclude then that over a longer period of time, solar heat would be even less expensive than conventional methods.

This being the case, I think that it is important that we extend to veterans the opportunity to obtain solar energy systems for their new homes.

HEALTH

The veteran who was disabled while serving our country is of great concern to me. We must insure that these men are not denied full lives, because of these service-rendered disabilities.

I have cosponsored many bills which are intended to aid the disabled veteran. A sampling of these shows that included are provisions to provide that the survivors of a veteran rated totally and permanently disabled for a period of a year would be automatically entitled to dependency and indemnity compensation; to provide mortgage protection life insurance to veterans who are unable to acquire commercial insurance due to their disabilities; to provide that all new postal facilities are designed to provide access by the physically handicapped; and to provide treatment under the CHAMPUS program for any service-related disability.

Although Congress has been reviewing issues related to the disabled veteran, the soaring cost of medical care and the cost of supporting a family require that we make continual efforts in reviewing the situation of the disabled veteran.

EDUCATION

A study done by one of my constituents, Mr. Dan Gallagher, shows that the original intent of the educational benefits was to ward off the unemployment which would have resulted at the end of World War II. Veterans took advantage of these benefits and in 1945 they constituted over half of the students at Montana State University. Although we are no longer concerned with the influx of 10 million servicemen returning to the job market, in a society where a college degree is becoming more and more a requirement for employment, the educational benefits afforded to veterans take on increasing significance.

One bill which I would very much like to see enacted into law is one that would eliminate the time period in which a veteran has to use his educational benefits and also to extend the months of eligibility from 36 to 45 months. At present, there is a 10-year limit on the time in which a veteran can make use of the educational benefits. Also, although the months of eligibility for undergraduate college education have been increased from 36 to 45 months, there are many veterans who choose to attend technical or vocational schools rather than a college or univeristy, and they, too, should have the 9 extra months for Government-financed courses.

There are presently many bills that have been submitted which call for this type of change, and I am hopeful that we will be able to finally take action on one of them early next year.

CONCLUSION

In the 32 years we have had comprehensive veterans benefits, many Americans have been able to obtain important services in return for the time they spent in the armed services. This coming year, I urge Congress to consider the measures I have outlined, and to proceed promptly to enact these changes which will enhance already existing benefits for millions of our veterans in the areas of housing, health, and education.

SCHROEDER SUPPORTS CHAIRMAN PRICE IN ATTACKING FORD ADMINISTRATION FOR PLAYING POLITICS WIH DEFENSE BUDGET

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SCHROEDER. Mr. Speaker, yesterday the chairman of the House Committee on Armed Services, on which I sit, issued a statement criticizing the Ford administration for having politicized the issue of our national defense policy. It is a good statement and I commend my chairman for taking the lead in calling the administration to task on this.

The politicization of this year's defense budget is not something that has happened suddenly within the last month. It has been going on ever since last spring's Presidential primaries began. However, in the past few weeks the administration has pushed its approach to the limits of absurdity. It was inevitable that Chairman PRICE would eventually feel it necessary to put the Ford administration's campaign tactics in their proper political perspective. As Chairman PRICE points out in the following statement, it is more than a little difficult to take seriously Ford administration charges that a Congress which has approved $108.8 billion for defense purposes in the 1977 fiscal year is "soft" on defense.

The statement follows:

PRICE RESPONDS TO PENTAGON ATTACK ON HOUSE ARMED SERVICES COMMITTEE

(Statement of Representative MELVIN PRICE, September 30, 1976)

Yesterday, Mr. Rumsfeld, the Secretary of Defense, issued a press release highly critical of the House Armed Services Committee's refusal to approve an eleventh-hour controversial increase in the naval shipbuilding program for Fiscal Year 1977.

The action taken by the Committee on Tuesday, September 28, 1976, three days before the scheduled adjournment of the 94th Congress, recognized the legislative impossibility of completing action on this Executive Branch request in this session of the Congress. It clearly was not a decision on the merits or demerits of the Executive Branch recommendation.

Every Pentagon official, including Mr. Rumsfeld, the Secretary of the Navy Mr. Middendorf, and all of their responsible subordinates, were apprised of this fact. Yet, the Pentagon launched an unprecedented lobbying effort to attempt to force the Committee to send this legislative recommendation to the Floor of the House. Obviously, this was a transparent effort to attempt to create a political issue on defense.

I am saddened by this kind of political skulduggery since heretofore defense had always been a non-partisan issue. Apparently, that is no longer true.

My indignation is shared by the majority of the members of the Committee on Armed Services. For example, Eddie Hébert, my ranking member, who is certainly among the most ardent advocates of a strong national defense and absolutely non-partisan, has authorized me to make the following statement on his behalf:

"Yesterday marked one of the darkest days in the history of our Defense Establishment. For the first time in 34 years crass political considerations have been injected into defense policy decisions.

"I have always been proud of the fact that there were no Democrats or Republicans on the Committee on Armed Services—only Americans. And this condition prevailed not only under our illustrious Democratic Chairmen, such as Carl Vinson, Mendel Rivers and Mel Price, but also under our equally illustrious Republican Chairmen, Ham Andrews and Dewey Short.

"Pentagon officials were warned by me and other Members of Congress of the pitfalls they would encounter if they persisted in their efforts—yet they insisted in falling into the abyss of political chicanery."

I share the sentiments expressed by Mr. Hebert. In my view, the credibility of the Secretary of Defense has been seriously diminished. I fear therefore for the future of the relationship between the Congress and the Pentagon—and its ultimate impact on our Defense Establishment.

This Congress has both authorized and appropriated the largest peace-time budget for defense purposes in the history of our nation. It has appropriated $108.8 billion for defense purposes for Fiscal Year 1977—a figure which is more than $13 billion higher than that appropriated for defense purposes for Fiscal Year 1976. For example, the President's January Budget submission had reflected a request for $6.28 billion for shipbuilding. The Congress provided $6.19 billion—virtually everything the President had asked for. This hardly represents a lack of Congressional support for a strong national defense.

Patriotism and support of a strong national defense has never been a monopoly of either the Democrats or the Republicans—it is shared by all Americans. I trust that in the future Mr. Rumsfeld will remember that very elementary fact of life.

CONGRESSIONAL BICENTENNIAL SALUTE TO THE HOLY CROSS R.C. CHURCH OF WAYNE, N.J., UPON THE CELEBRATION OF ITS 50TH GOLDEN ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, on Saturday, November 13, a golden anniversary dinner will be held, followed the next day by a solemn concelebrated anniversary mass by the Most Reverend Bishop Lawrence B. Casey of the diocese of Paterson in celebration of the 50th anniversary of the founding of a most prestigious historic church in my hometown—the Holy Cross R.C. Church. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best wishes to the pastor, Rev. John M. Heekin, and members of his congregation on this most important golden anniversary celebration.

The faith and devotion of our people in a full communion of understanding, ever caring and respecting the individual religious beliefs of his fellowman has been the lifeline of our democracy—ever inspiring our people with hope and urging the individual on to great achievements and purpose in pursuing the fulfillment of his dreams and ambitions. The exemplary leadership and outstanding efforts of our citizens so important to our quality of life are in the vanguard of the American dream and today we express our appreciation to the pastors and administrators of the Holy Cross R. C. Church whose esteemed dedication and unselfish devotion in promulgating goodwill, fellowship, and brotherhood in service to God have truly enriched our community, State, and Nation. The pastors and administrators during the history of the Holy Cross R.C. Church are as follows:

Rev. Marcellus Colemer, O.F.C., 1925–1929.
Rev. Luke Panfoerder, O.F.C., 1929–1932; 1938–1940.
Rev. Gerald McGlynn, O.F.M., 1932–1938.
Rev. Harold Blake, O.F.M., 1940–1944.
Rev. Edward J. Scully, 1944–1959.
Rev. James E. Doherty, 1959–1966.
Rev. Francis P. McGowan, 1966–1967.
Rev. James J. Donnelly, 1967–1969.
Rev. Eugene R. Schweitzer, 1969–1975.
Rev. John M. Heekin, 1975–Present.

Mr. Speaker, with your permission I would like to insert at this point in our historical journal of Congress a profile on the history of the Holy Cross R.C Church that has as its preamble the highlight of an American dream that has materialized into the first Roman Catholic parish of Wayne—the Holy Cross R.C. Church. Background history is as follows:

HOLY CROSS R.C. CHURCH, WAYNE, N.J., 50 GOLDEN YEARS

Let us recall a moment . . .

Outside, a crisp November breeze scurried the last bright leaves of autumn across the lawn and toward the door of the house that stood on Van Duyne and Route 23.

Inside the sun played across the white altar cloth as the hands of Father Marcellus Colemer, O.F.M., joined above his head in the solemn arc that marked the consecration of the sacred Host. But though the moment was solemn, it was also a happy one . . . the fulfillment of years of hope, years of caring. For as he called upon the small group to celebrate the ancient feast of the Mass, they could at last do so as a true congregation. Here, in their own chapel converted from the former home of the deHart family, they were all witnessing the birth of the Holy Cross Mission of Mountain View, New Jersey on November 8, 1925.

At the instant of ritual, the mind of Father Marcellus flashed back in time . . .

To the intimate Masses he had celebrated in the months before for these faithful as well as happy vacationers from Newark and New York who came to canoe on the river. Sometimes at the Fireman's Hall in Lincoln Park, sometimes in the Bungalow Club, even in the old Mountain View schoolroom . . . "wherever two are gathered in my name." It had been their persistent faith which had made it all happen.

Back to earlier times . . . when gruff and blustery canal boatmen had rested their aching muscles at the respite on the old Morris Canal. The Mountain View Hotel (now Gabriel's) . . .

Then further back . . . to the green countryside of the 1880's when his determined priest-brothers of the Franciscan order had come here to bring pastoral service to a few early Catholics and, in the spirit of their saint-founder, to fight hardship and prejudice . . .

Then finally way back . . . to a time when the sound of military wagons could be heard on the road outside, rumbling toward General Washington's quarters in the Dey Mansion with news of the latest Revolutionary War progress, or, setback . . .

Yes, Father Marcellus thought, this simple chapel sat in the midst of true Americana—a focal point of caring where the needs of a new community, a new state, even a new nation had been shared.

As he gave out the bread of Christ and looked upon the faces of the thankful communicants, his thoughts flashed away once again—this time forward, to what would be.

In a few years, a fine church would stand here . . . and then a school . . . to care for a growing parish of what would become the new Diocese of Paterson.

Soon baptisms, confirmations, graduations would fill the calendar of a bustling new parish.

Later still, the Mountain View and Wayne area would see sudden growth as this once summer recreation spot became the settlement of a new migration to suburbia.

Yes, this quiet, rural community would become a hub of social and commercial activity, serving and caring for many times the number who now stood lined up before him. And that tradition of faithful concern was really the essence of Catholicism . . . manifesting itself once again in eternal renewal . . . year after year after year.

Let us recall that moment . . . as we celebrate the 50 Golden Years of caring that has been Holy Cross in Wayne. Fifty years—only a quarter of our nation's history—and yet in this Bicentennial Year, we can all take deep pride in that moment, and in the moments since, that have made our parish not only the original . . . but still, the First Parish of Wayne.

HISTORY OF KEY EVENTS

November, 1925: First Mass Celebrated—Holy Cross Mission Chapel, Van Duyne Avenue—Fr. M. Colemer, O.F.M.

November, 1925: First Confirmations—Chapel.

January, 1926: First Baptisms—Chapel (James W. Roe, Edith Mary Kemp and Loretta T. Flynn).

September, 1926: First Marriage—Chapel, Thomas Costello & Anna Gillespie.

October, 1929: Incorporation of Parish—Fr. L. Panfoerder, O.F.M., Pastor.

1933: Holy Cross Church Building—Cornerstone laid (93 families—468 parishioners).

September, 1950: Holy Cross School founded—first Catholic school in Wayne. PTA formed.

June, 1953: First Graduation—Holy Cross School, 16 Students.

September, 1956: Boy Scout Troop 106 founded.

1972: First Ordinations to the Priesthood from Holy Cross—John Timmerman and William Abbott S.J.

Mr. Speaker, our Nation was founded on the cornerstone of our people's faith in God which is truly the spirit, conscience, and very being of our society. During our Bicentennial Year as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, the dedication, devotion, and untiring efforts of the esteemed clergy of the Holy Cross R.C. Church in pursuit of the noble cause of service to God and brotherhood, goodwill, and understanding among all mankind is applauded by all of us. We do indeed salute the pastor, Rev. John M. Heekin, and the parishioners of the Holy Cross R.C. Church upon the celebration of their 50th golden anniversary.

UNFINISHED BUSINESS: HOME OWNERSHIP AGAIN FOR THE AVERAGE FAMILY

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, there is now such general agreement that interest rates have priced the average family out of the home buying market that even President Ford professes to be concerned about it. The solution he says he intends to propose next year, if he is elected, is to subsidize lenders so that they can reduce the interest rate during the early years of an FHA mortgage.

Subsidizing lenders not only is costly to the taxpayers, who have to make up the difference between the actual rate and the subsidized rate in the taxes they pay, but is a sure way to keep interest rates high for everyone. The only real solution for our housing depression is to bring all interest rates down, and particularly home mortgage interest rates.

It cannot be done overnight, by a stroke of the pen enacting a bill into law. Millions upon millions of Americans have been given a vested interest in high interest rates by the returns they are now accustomed to receive on their savings. The process of bringing down interest rates is going to be slow and, to many savers and investors, rather painful—but it is going to have to be done if this country is to restore the vitality of our economy and bring homeownership once again within the reach of the average family, not to mention the problem of reducing the incredibly heavy drain on States and municipalities and the Federal Government, too, in financing their borrowings.

One of the most fundamental differences between the two major political parties is their attitudes on the manner in which the Federal Government should influence interest rates. During the 20 years of the Roosevelt-Truman administrations, from 1933 to 1953, it was basic national policy to hold interest rates down. One of the first actions of the Eisenhower administration in 1953 was to push them upward.

During the Kennedy-Johnson 8 years, the situation was reversed; interest rates were held in check. Beginning with the Nixon administration in 1969, they have been raised and kept very high for 8 years.

The housing industry, and the economy generally, have directly reflected these policies. When interest rates went up under Republican administrations, housing starts went down and we have had one recession after another. Under Democratic administrations, this country was changed from a nation of renters into a nation predominantly of homeowners. But for most of the past 8 years, most families have been unable to buy homes, because of excessive interest rates.

THE HOMEOWNERS MORTGAGE LOAN CORPORATION BILL

In 1969, Mr. Speaker, during the first of the series of housing recessions and depressions experienced under the Nixon-Ford administrations, I proposed, with the cosponsorship of the chairman of the Housing Subcommittee, the late Representative William A. Barrett of Pennsylvania, the Homeowners Mortgage Loan Corporation Act under which average income families would be eligible for direct housing loans from the Federal Government, at 6½-percent interest or less, when mortgage money is not available from private lenders at reasonable rates of interest.

This direct loan program would entail no subsidies to lenders or to buyers; instead, the Government would share its own tremendous power in borrowing at favorable rates of interest with creditworthy home buyers earning no more than the median income in their areas.

Every cent lent to home buyers under this program would be fully collateralized and come back to the Federal Government with a reasonable rate of interest. The program would operate only when mortgage money was not available to the median income family at reasonable rates through the normal mortgage markets.

This proposal was agreed to in the Housing Subcommittee in 1971 and in the full Banking and Currency Committee in 1972, in the omnibus housing bill which, unfortunately, died in the Rules Committee late that year and never came before the House for a vote.

This year, the Homeowners Mortgage Loan Corporation bill was again incorporated as a committee amendment into an omnibus housing bill in the Committee on Banking, Currency and Housing. But it was rejected on the House floor on May 26 by a vote of 116 to 243 after so much confusion on the floor that day that I am convinced many Members voting against it thought they were voting for it.

For instance, one Member had a statement in the Record strongly supporting section 22 of the bill, providing for the HOMLC, but was recorded as voting against it. Another, who had voted for it in committee and whose office called my office to make sure the absent Member was paired for it, was nevertheless recorded as being paired against.

And thus we lost a great opportunity to bring home ownership once again to the average income family without subsidies through an effective direct loan program.

UNFINISHED BUSINESS FOR THE 95TH CONGRESS

One of my regrets in not running for reelection to the 95th Congress is that I will not be on hand to push this program again next January. However, I am gratified that Representative Parren J. Mitchell of Maryland, a member of the Housing Subcommittee, has announced his intention of reintroducing the Sullivan-Barret Homeowners Mortgage Loan Corporation Act next year and doing everything he can to promote its passage.

In the Housing and Community Development Authorization Act of 1976, Congress not only rejected the Homeowners Mortgage Loan Corporation Act for direct housing loans to average income families at reasonable rates of interest, without subsidies, but took what in my opinion was the wrong road by making nearly half of the families in this country eligible for subsidized section 235 loans. At present, therefore, any family earning up to 95 percent of the median income in its locality, instead of the previous ceiling of 80 percent of median income, can apply to a lender for a mortgage loan and have the taxpayers subsidize everything over a 5-percent interest rate. This means that a $25,000 mortgage will cost that buyer about $25,000 in interest over the 30-year life of the mortgage, and the taxpayers will pay an additional $25,000 or so to the lender as a gift for having made the loan.

All we get as taxpayers in return for our $25,000 contribution to the home ownership costs of that family is a "gift" of continuing high interest rates to the entire economy, contributing to further inflation.

Subsidization of mortgage loans for the families earning up to 95 percent of median income will be frightfully expensive to the American people. We are also subsidizing high-income families in home purchases through the so-called "tandem" plan, under which the Government National Morgtage Association, Ginne Mav, buvs up special 7½-percent mortgages from lenders at par and then sells them on the open market, absorbing a subsidy of as much as $4,000 on a $42,000 mortgage.

These are not the ways to bring down mortgage rates. It is a case of upside-down economics.

Mr. Speaker, there is a law on the books, and has been since December 23, 1969, the Credit Control Act of 1969, giving the President the power to have the Federal Reserve Board regulate and reduce any category of interest rates contributing to inflation. This law has never been used by either President Nixon or President Ford. I sincerely hope that one of the first things Governor Carter does, if elected in November, will be to investigate the availability of this power and put it to use to reduce interest rates across the board, and particularly for home mortgages.

As the author of the Credit Control Act of 1969, I regard it as one of the most important pieces of legislation enacted in my 24 years in Congress. But, along with the HOMLC proposal, it is as yet "unfinished business" in ending the depression in the housing industry of the United States.

TRIBUTE TO THE HONORABLE CARL ALBERT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. JOHNSON of California. Mr. Speaker, I rise to pay tribute to a man properly identified by the Governor of his State as a "great teacher." When I first came to Congress, Carl Albert was the Democratic whip serving under a great leader, Sam Rayburn, who was primarily responsible for the selection of the gentleman from Oklahoma as an important member of the leadership organization. Carl, in 1955, was known as a knowledgeable, hard-working, young Member of Congress. In the more than 20 years that followed his entry into the House leadership, he proved time and time again the wisdom of the Speaker Rayburn's choice, and, for the past 6 years, starting with the 92d Congress, he served with distinction as the Speaker of the House of Representatives.

These 6 years have witnesed a great deal of change. We have witnessed a great and tragic war. We have faced the complexed problems of critical inflation. At the same time, we suffered a deep recesison. We have lived through the international crisis, which resulted from the oil embargo and we have undergone 2 critical years of turmoil during which the very foundations of our democratic society were shaken and our institutions tested severely.

Throughout all of these challenges, Carl Albert has conducted the business of the House with fairness, impartiality, and dedication.

As I say, he was brought into the leadership structure by Sam Rayburn and ultimately achieved the high leadership position formerly held by the gentleman from Texas, and I would say that Carl Albert ranks with him, along with the other greater leaders, John McCormack, Nicholas Longworth, and Henry Clay, as among the most outstanding leaders this Congress has ever seen. I am proud to have been a part of the institution in which he served as majority leader and Speaker. During the 18 years that I have been privileged to serve in the House of Representatives, I have learned tremendously by his advice, counsel, and his example.

As one Member of this House, I am going to miss Carl Albert deeply, but he certainly is entitled to a long and enjoyable retirement. My wife and I wish the Alberts all the best in the future. They leave these Halls knowing full well that the Nation and the world are better places for all of us to live in because of his service here.

A TRIBUTE TO MRS. DONALD HAYDEN ROSE: DISTINGUISHED CITIZEN OF THE YEAR

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROUSSELOT. Mr. Speaker, Mrs. Donald Hayden Rose, a prominent constituent of my congressional district, California's 26th, has been honored today, September 30, 1976, by the San Gabriel Valley Boy Scouts as "Distinguished Citizen of the Year." This tribute is well deserved. Edessa Rose is a kind, warmhearted woman who has made a significant contribution to the good will of her fellow man. She has given generously of her time and money to support the Boy Scouts of America and has devoted special attention to the activities of the San Gabriel Valley council in California. This is just one of the organizations in which Mrs. Rose has been active over the years. She has participated in civic and community affairs in the cities of San Marino, Pasadena, Arcadia, and Los Angeles. Notable among her achievements is the founding of the San Marino guild of the Huntington Memorial Hospital. Begun 25 years ago, this organization was responsible for building the pediatrics wing of the hospital and supports the children's wing.

As an active patron of the arts, Edessa Rose has served as a member of the Pasadena Opera Guild, the Los Angeles Music Center, and is past president of the Pasadena Opera Company. She is also affiliated with the Friends of the Huntington and San Marino Libraries.

An alumna of Southwestern University School of Law, Mrs. Rose has also made her mark in the field of education. In 1968, Edessa Rose established the Don. H. and Edessa Rose professorship of State and local government at Claremont Men's College in California. She is the major sponsor of the Rose Institute of State and Local Government at the college, named in her honor, and in 1972 she became the first woman trustee of Claremont Men's College.

Mrs. Rose's civic and community contributions do not end here. She is an active member of the San Marino Auxiliary of the Methodist Hospital in Arcadia, the San Marino Auxiliary of the Five Acres School, the San Marino Garden Club, the San Marino Women's Club, and the San Marino Community Church.

Mrs. Edessa Rose has been widely recognized for her many outstanding humanitarian achievements and interest in good government. She is a member of the California Attorney General Evelle Younger's legislative and advisory council. For her work on the Citizens Committee for the Hoover Report, Mrs. Rose was honored by President Dwight D. Eisenhower. She has received special awards from President's Roosevelt and Truman and the mayor of Chicago, Edward Kelly, for her work during World War II. Pepperdine College has conferred a doctor of humanities upon Mrs. Donald Hayden Rose for her contributions to that school.

Mr. Speaker, it is a pleasure for me to bring to the attention of my colleagues in the U.S. House of Representatives the outstanding achievements of this remarkable woman from my hometown, San Marino, Calif.

MORE ON THE TETON DAM

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HANSEN. Mr. Speaker, you might say it was a massive, religious movement that cleaned up the mess after the collapse June 5 of the Teton Dam.

As one church leader put it:

> It's the Gospel of Jesus Christ in action—caring for and being concerned about others—regardless of their creed, color or race.

The following article in the Idaho Falls, Idaho, Post-Register describes the recovery and remarkable rehabilitation of the flooded areas of eastern Idaho:

PEOPLE OF ALL FAITHS AID TETON DISASTER VICTIMS

(By Joe L. Marker)

Mormon, Protestant and Catholic Church members have performed yeomen service in aiding the victims of the Teton Dam flood disaster.

Minutes after the dam broke June 5, members of the religious community busily engaged themselves in warning residents of the area of the impending flood waters so that people could get to higher ground before the rushing torrent hit the Sugar City, Rexburg and Roberts areas.

That accomplished, they began collecting their thoughts for organizing a massive relief effort to aid the flood victims in every way possible. The work they have done since then is nothing short of miraculous, and attests to how well they organized to get the job done.

As one church leader put it, "It's the Gospel of Jesus Christ in action—caring for and being concerned about others—regardless of their creed, color or race."

People have come from all over the United States, and from Canada as well, at their own expense, to assit in any way they could. Others have sent money, food, clothing and furnishings to help out.

LDS members in the flood area were counseled at a meeting on Sunday, June 6, the day after the dam broke, by Mark G. Ricks, president of the Rexburg Stake and area welfare leader for the church. "Roll up your sleeves and get your homes and our community cleaned up. Don't sit back and wait for the federal government to do it for you. Let's do it ourselves," he told them and residents did just that.

Since LDS Church members comprise better than 92 per cent of the population of Madison County, hardest hit of the flood areas, the church accordingly felt the necessity to assume the responsibility for a major percentage of the relief effort.

Some one million man-hours were donated by church members in the massive cleanup effort. Correlation metings held under the direction of stake presidents in the area provided the leadership and organization needed for the cleanup. Around-the-clock work by Deseret Industry personnel topped off the bulwark relief efforts by the church.

The church-owned Ricks College in Rexburg, which was spared by the flood since it is situated on higher ground, served as the focal point for disaster relief activities, providing lodging in dormitories and meals in the cafeteria.

East Idaho LDS Stakes were assigned specific wards in the flood area to assist. But there were also volunteers from other LDS Stakes in Utah, Montana and from California. They brought along equipment needed in the recovery effort.

The Regional Council of Christian Ministry took the lead in the Protestant-Catholic relief effort, organizing the Teton Interfaith Disaster Relief Task Force. Offices were set up in Rexburg, Idaho Falls and Blackfoot to facilitate its assistance to the flood victims.

Besides the hundreds of volunteers from participating churches who have and still are aiding flood victims in every possible way, Interfaith also has been aided by Mennonites, Church of the Brethren and Christian Reformed Church from various parts of the nation. Interfaith Advocate program has been extremely helpful in finding out what the needs of flood victims are and seeing that these are taken care of through the services Interfaith has available or from governmental agencies.

Teton Interfaith volunteers have repaired homes, built corrals and barns, put up new fences, poured house foundations, cleaned up debris and performed many other chores throughout the flood area.

Teton Interfaith Disaster Relief Task Force is still on the scene providing assistance to flood victims. Besides using advocates to identify needs, they are also assisting flood victims in filling out damage claim forms. Volunteers are also assisting in winterizing homes of flood victims, with Interfaith supplying the materials and the state paying the people who actually do the work.

Interfaith has also been expediting agencies to assist victims where possible. Interfaith is a source of information for all areas of assistance in the flood area, not only limited to disaster information. Interfaith has been well accepted by all agencies.

Donations have come from all faiths, many civic organizations, private individuals and corporations. Specialized personnel from the Christian Reformed Church World Relief amounts to 9,000 hours. Mennonites and Church of Brethren volunteers have supplied about 10,000 of assistance. All in all a Christian effort!

GAO REPORT ON DELAYS IN SOCIAL SECURITY DISABILITY HEARINGS

HON. CHARLES A. MOSHER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MOSHER. Mr. Speaker, I take this opportunity to mention briefly a report I have just received from the General Accounting Office. Its title is, "Problems and Progress in Holding Timelier Hearings for Disability Claimants."

The study finds that although the Social Security Administration has set a goal of holding an administrative law hearing with 90 days of the filing date of an appeal, the waiting period now averages nationwide about 250 days.

In the casework files in my office, we have recent records of constituents who have had to wait up to 2 years for a hearing.

We became totally frustrated at the seeming inability of the Government to respond in a timely manner to the urgent requests for help from sick and crippled citizens, so I turned to the General Accounting Office to find out what is the matter.

Specifically, I asked the GAO to determine what the problems are in the administrative law system and what could be done to correct them. Also, the GAO was asked to consider if this problem was unique to the northern Ohio area or whether it is national in scope.

You may recall, from previous statements I have placed in the Record, that I first requested this study back in February 1975. Our colleague, Ken Hechler, promptly joined me in that request and the study was expanded to include not only disability claims but also those affecting black lung cases.

In their report, dated October 1, 1976, the GAO shows that the problem of disability claims hearing delays is nationwide, and they identify several major causes of inefficiency and delay.

The GAO concludes their report with 11 specific recommendations for improvement in the handling and management of requests for social security disability claim reviews. All of these proposals strike me as being eminently sensible, and I am happy to report that all can be achieved by administrative action, with no need for new legislation.

I have forwarded a copy of the GAO report to Jim Burke, chairman of the House Subcommittee on Social Security, with a request that he and his panel provide the congressional oversight necessary to assure prompt implementation of the GAO recommendations. I am confident that they will, as Jim has had members of the subcommittee staff following the progress of this study.

Persons desiring more information about the GAO report can contact my office or else ask the GAO for a copy of report No. HRD-76-173.

WHY THE BICENTENNIAL WORKED

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ABDNOR. Mr. Speaker, our Nation's 200th birthday this year has been one of the grandest celebrations ever held anywhere on the globe. Communities across the length and breadth of this land—each responding in its own fashion—took the celebration to heart and made it its own with special projects, publications, historical preservation and restoration, rodeos, parades, and other happy events.

The Bicentennial celebration evolved from rather troubled beginnings with the floundering programs of the American Revolution Bicentennial Commission. Rescued by the American Revolution Bicentennial Administration headed by John Warner, the project flourished. Warner got the kinks out of the national program and got it moving again, but had it not been for the State programs which developed in the vacuum between the ARBC and the ARBA our national birthday party would not have been the glorious affair it has been.

One of the finest programs across the Nation—and this is acknowledged at all levels of the ARBA—is the program we have had in South Dakota. This is solely due to the efforts of our South Dakota Bicentennial Commission chairman Les Helgeland, the commission itself, and Arnie Stenseth who directed the work of the commission.

South Dakota had a program involving people who had never before been involved in anything. South Dakota will long reap the benefits of its Bicentennial endeavors in the continuing programs, the restoration, the recording of history which has been part and parcel of its observance.

Les Helgeland's leadership of the commission was exceptional. This commission did not approve every application and every program presented. The projects had to have merit or they were not approved. And, as a couple of them found out, they had to carry forth on their promise or the approval was rescinded.

Every dollar invested in South Dakota Bicentennial projects turned out to be a dollar that will return many more in benefits to the communities across our State.

South Dakota's Mount Rushmore was the first nationally declared focal point of the national Bicentennial celebration, and it was the site of a 111-day salute to all of our States and territories.

South Dakota's Happy Birthday to America was a border-to-border celebration of which all America can be proud, and for which all South Dakotans owe special thanks to Les Helgeland, Arnie Stenseth, and their coworkers.

TRIBUTE TO THE HONORABLE THOMAS E. MORGAN

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. JOHNSON of California. Mr. Speaker, in recent years, the Congress has become increasingly effective in the formulation of American foreign policy. As this country emerged from the cold war era and developed a more open and wider foreign policy toward the other nations of the world, the Congress has made its mark in this area. One of the chief architects of this accomplishment is Thomas E. Morgan, the distinguished gentleman from Pennsylvania who has served so admirably as chairman of the House Committee on International Relations. He has served in that position since 1959. It has been through his effective and direct leadership that the House of Representatives has played its full part in this process.

The dean of the Pennsylvania delegation came to the House of Representatives in 1945 and has been reelected overwhelmingly by his constituents in the 22d District in each succeeding election. It is with pleasure that I take this opportunity to express to the House of Representatives my appreciation for the efforts of Doc Morgan and at the same time to express my regret that he will not be serving in the House of Representatives in the future. We shall certainly miss his wise counsel, his diligent attention to detail, and his statesmanlike manner.

Five U.S. Presidents and five Secretaries of State have come and gone during the tenure of Congressman Morgan. His strong and effective leadership has brought a continuity to American foreign policy as well as a wealthy resource of information and background knowledge.

As he leaves this House to pick up new endeavors, I want to wish him well. He can certainly leave with the satisfaction of having done his job well. He will certainly be missed by his colleagues here in this Chamber, and most certainly by those people he represented so well in the Commonwealth of Pennsylvania.

HON. THOMAS E. MORGAN

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SIKES. Mr. Speaker, I want to join in paying special tribute to our friend and distinguished colleague, the Honorable Thomas E. Morgan, who has announced his retirement with the adjournment of the 94th Congress.

Doc Morgan has ably represented the 22d District of Pennsylvania in the Congress for 32 years. He has performed outstanding and dedicated service to his district, the House of Representatives, and the Nation. We will miss him and his wise counsel in the Congress. I will miss him as a good, personal friend.

Congressman Morgan was appointed to the House Foreign Affairs Committee in May 1946; was named acting chairman in November 1957; and appointed chairman in January 1959. He has continued as chairman of the committee in each Congress since. He has served as chairman of the 153-year-old committee for 18 years—longer than any other man in history. In the 94th Congress, he led historic reforms which included a substantial enlargement of the committee's jurisdiction, a reorganization of the committee's structure, and its renaming from the "Committee on Foreign Affairs" to the "Committee on International Relations."

Representative Morgan has been a strong advocate of bipartisanship in foreign policy over the years and has supported both Democratic and Republican Presidents on various foreign policy measures. However, he has never failed to oppose them when he believed this to be in the national interest. He has been a frequent participant in White House conferences called by the President since becoming chairman of the Foreign Affairs Committee. He has been the principal sponsor of numerous international affairs measures as well as other bills that have been enacted into law. The bill establishing the Peace Corps was one of his greatest legislative accomplishments. Two additional bills of equal significance are the War Powers Act of 1973 and the Military Sales bill.

Congressman Morgan supported the Marshall Plan, which restored West Europe after the war, and the creation of the Atlantic Alliance system which has maintained Western security. He has been instrumental in legislation providing for mutual security assistance, and for economic aid to poor countries designed to help them become self-supporting while, at the same time, pressing for utmost economy in aid programs.

Doc Morgan's splendid work during the years he has been in Congress has gained for him national recognition and has provided significant benefits to his district, the State of Pennsylvania, and the Nation. He is indeed an able legislator, a great American, and I am very sorry to see him leave us. My best wishes go with him and his family in all that they undertake in the years ahead.

THE POUGHKEEPSIE BRIDGE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McKINNEY. Mr. Speaker, 6 months ago, ConRail took over operation of the Northeast rail system.

ConRail was created by Congress to revive and rejuvenate our rail service and to establish and maintain "a rail service system adequate to meet the rail transportation needs and service requirements of the region."

With this week's passage of H.R. 14932, the Rail Amendments of 1976, the House once again demonstrated its commitment to adequate and efficient rail service for the country and its support of ConRail to carry out this goal. I am sure that you would agree that 6 months is far too short a time for this goal to even be partially realized. The fact remains, however, that the present course of action which ConRail has taken with regard to New England will result in the destruction of, and not the revitalization of, rail service to that region.

The prime example of ConRail's apparent neglect of New England is evident in its failure to restore the rail bridge at Poughkeepsie, N.Y. This span across the Hudson River was the major rail gateway to New England prior to its being destroyed by fire in May of 1974. The loss of this bridge has forced rail traffic to New England to be rerouted along the Hudson's west shoreline to upstate Selkirk, N.Y. There is no question that this has caused serious disruption in critical rail freight service to much of New England and New York. More importantly, certain portions of the region, particularly Connecticut, have suffered severe economic hardship due to this disruption in service.

The Poughkeepsie bridge represents the shortest route between New England and Long Island, Metropolitan New York, and the entire southeast portion of the United States. Currently, the bridge is the only rail crossing on the Hudson River between New York City and Albany, a distance of about 130 miles. To depend solely on one bridge for the bulk of New England's rail traffic could well present a potential risk to national defense .

My colleagues, Congressmen Fish and Gilman, have spearheaded a drive to keep the heat on ConRail until the bridge is reconstructed. So far, ConRail has flatly rejected any serious consideration of reconstruction. However, until the bridge is replaced, ConRail has failed to meet its goal to establish and maintain "a rail service system adequate to meet the rail transportation needs and service requirements" of the New England area.

TRIBUTE TO HON. JAMES O'HARA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, it is my personal privilege to pay tribute to a dear friend and close colleague, James O'Hara who is leaving the House after an 18-year career.

Since coming to Congress in 1968, I have had the pleasure of serving with Jim on the House Post Secondary Education Subcommittee, which he now chairs. Jim O'Hara is probably the most knowledgeable person in the House on student loan programs. The landmark Guaranteed Student Loan Act of 1965 really could have been called the O'Hara Act. He has since worked to insure its effective implementation and as a direct result of this law millions of students have been able to receive a college education with the help of student loans.

We conducted extensive hearings in this Congress designed to make some necessary revisions in the program. These were accomplished in H.R. 14070 which passed the House and was included in the massive education conference report which now awaits the President's signature.

The House Education and Labor Committee is truly losing one of its most distinguished and knowledgeable members. Those of us who had the pleasure of serving under Jim were genuinely impressed by his fairness and cooperative nature. Jim's work streched far beyond his time consuming duties on the Education and Labor Committee. He served as chairman of the Democratic Study Group from 1967 to 1968. He chaired the Commission on Rules, Democratic National Committee from 1969–72 and served as chairman of the Committee on Rules and parliamentarian during the 1972 Democratic Convention.

Jim O'Hara was personally a very warm and compassionate human being. One example of this was his efforts this Congress to get legislation passed to provide scholarships for the surviving children of law enforcement personnel killed in the line of duty. As a former law enforcement officer, I was genuinely impressed with his commitment to this bill and only wished it could have passed the House.

I am confident that Jim will enjoy the opportunity to become reacquainted with his wife and his seven children. We in the House will miss him, the educational community has lost one of their most effective spokesmen on the Hill. Our subcommittee has lost a dedicated and articulate chairman. Jim O'Hara leaves with the best wishes of all of us who benefited from his time in the House.

GREAT BRITAIN AND THE IMF

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PAUL. Mr. Speaker, yesterday the International Monetary Fund announced that it was extending $3.9 billion in loans to Great Britain to bolster the value of the pound on world money markets. This will permit the Bank of England to buy $3.9 billion worth of its own currency in an effect to increase demand for the pound and raise its price relative to other currencies. This is in addition to the $5.3 billion loaned to Great Britain earlier this year by the United States and several other Western nations.

Mr. Speaker, this is an utterly futile effort. Britain's problems are not the kind which can be solved by short-term borrowing; they are fundamental to the British system and can only be solved by fundamental changes.

Frankly, I am constantly amazed that we do not pay closer attention to the British experience here in America. They are not doing anything wrong that we are not doing also. They just do it on a larger scale and they have been doing it a bit longer.

At the very least, one would have thought that Britain's reputation as the source of great economists would have gone completely down the drain. Yet, the American university system continues to preach the same tired doctrines of John Maynard Keynes which got his own country into the mess it is in.

The British malaise may be simply characterized: They are killing the goose which lays the golden eggs; they are living beyond their means; they are destroying the very economic system itself with taxation, regulation, nationalization, and an ever-increasing flood of paper money.

People just never seem to learn that money is a commodity just like anything else; you create too much of it and its value will go down. This is why the pound was worth $5.06 in 1933, $4.20 in 1946, and approximately $1.65 today. And one should keep in mind that the dollar has been inflated and devalued continuously throughout this whole period also. If one were comparing today's pound with 1945's dollar, it would probably be worth about 10 cents.

The longer the United States and the IMF continue to bail out the pound, the longer we prevent the British from taking the necessary medicine. There must be an immediate reversal in the British socialist policies it has followed for 30 years or more. Government regulations on the economy must be discontinued, a stable monetary standard must be reestablished, and conditions favorable to investment must be put into effect by reducing government spending and taxation. We are not doing the British people any favors by delaying the day they must realize that they cannot live beyond their means forever.

THE HOUSE RUNS OUT OF ENERGY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DERWINSKI. Mr. Speaker, now that we are closing out this session of Congress, I believe any objective evaluation of the 94th Congress would include the failure to provide long-term energy legislation as a black mark on the leadership and the Democratic Members of this overwhelmingly Democratic Congress. What the Democrats have obviously done is substitute hot air for real energy the past 2 years.

The Chicago Tribune, in a solid editorial commentary on October 1, properly describes and labels this area of legislative failure:

> The House Runs Out of Energy
>
> The House of Representatives has given us an excellent example showing why this country still has no energy policy despite the agreement of almost everybody that we need one.
>
> By a one-vote margin, the House kept from the floor a bill which would have provided $4 billion in loan guarantees and price supports for the synthetic fuel industry. That was an effective way of killing the proposal until the next Congress gathers in January.
>
> What is distressing is not so much the death of the bill as the reason for its death. Its merits or demerits received less consideration than the fact that the bill would likely have taken up too much time and possibly delayed adjournment. That, of course, might have cut into precious campaign days. Also, a number of congressmen who favored the bill voted against considering it to avoid a possibly touchy political issue so close to the election.
>
> The issue is an important one, and sound arguments can be made both for and against federal support of synthetic fuel development. It is interesting in this case that liberals and conservatives opposed this bill—liberals because of environmental considerations, conservatives because the measure involved the use of government money to support private industry.
>
> Energy, however, is one of those issues so crucial to the country that it transcends the usual pat reactions of political philosophy. Development of synthetic fuel eventually will become necessary even though its potential may have been oversold as we continue blithely to burn up our petroleum resources. And it will be so expensive that the public interest may well justify public expense. Too, snythetic fuel development poses serious environmental problems, particularly as regards strip mining of coal and oil shale. Again the public interest may require some compromise.
>
> The synthetic fuel bloom already has taken on a bit of a wilt. The Interior Department has suspended oil shale develcpment in Colorado because of a variety of technical and environmental problems and the General Accounting Office has said synthetics will be so expensive that we should rely on oil imports as long as we can.
>
> That, of course, is no reason why development of synthetic fuels should not be pursued. And if such development is to take place, it will require action on bills of the type which the House chose not to act on. That bill hardly would have constituted an energy policy, but it would have addressed an area which must be an important part of such a policy.
>
> For the House to delay acting because the political timing wasn't right suggests there may not be a lot of hope for developing a sound energy policy, no matter how much Jimmy Carter or Gerald Ford say such a policy is necssary.
>
> The problem of rejecting it on the grounds the House used is that there is always another election approaching. Granted, tomorrow may seem more convenient than today, but those who subscribe to the Scarlet O'Hara school when it comes to energy may discover that tomorrow has become yesterday. Then we'll all be able to hold a candle to Congress.

SOCIAL SECURITY

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DUNCAN of Tennessee. Mr. Speaker, I have always supported and voted for increased social security benefits whenever the Congress had an opportunity for a straight increase in benefits. I have also voted for an improved medicare system.

The first outright opportunity I had to vote for a social security increase, without other extraneous matters attached, was H.R. 13270—Public Law 90-248. This bill passed the House August 7, 1969, and provided for a 13-percent increase. I voted "yes" on this increase.

The next bill was for an increase of 15 percent, effective January 1970. This bill, H.R. 13270—Public Law 91-172—also received my "yes" vote. I also voted for H.R. 4690—Public Law 92-5—effective January 1971, providing a 10-percent increase.

H.R. 15890—Public Law 92-336—provided a 20-percent increase, effective September 1972. This bill also included an automatic cost-of-living increase. I was cosponsor of the 20-percent increase, and was among the first in the Congress to advocate an automatic increase—see H.R. 14239, Oct. 8, 1969. I, of course voted for both of these provisions.

An 11-percent increase—7 percent effective March 1974, 4 percent effective June 1974—was granted by H.R. 11333—Public Law 93-233. I voted "yes" for this increase.

Since 1974, there has been an 8-percent increase, effective June 1975, and a 6.4-percent increase, effective July 1976. Both of these were automatic increases, and did not require a vote.

I think that H.R. 1—Public Law 92-603—effective June 1972, should be mentioned, although it was not a sole social security bill. This bill provided a 5-percent increase, but at the same time it provided a sweeping reform of the welfare system. I voted "no" on this combination bill.

Mr. Speaker, I have always voted for an improved medicare system. When medicare was first considered in 1965, it left many things to be desired. H.R. 6675, for example, blanketed everyone into the program regardless of whether they had paid into the social security fund or not. At that time social security was a relatively minor part of the legislation. Since that time I have been privileged on numerous occasions to vote to improve the medicare system, and vote for funds for adequate funding of the program. The system still needs some improvements, and I will continue to support legislation that will help create a strong system.

FOREIGN TRAVEL

Mr. Speaker, I am pleased to state again that I have not traveled in any foreign country during this 94th Congress.

REMARKS OF HON. BENJAMIN A. GILMAN HEARINGS ON NORTHERN IRELAND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GILMAN. Mr. Speaker, the continued violence and bloodshed in Northern Ireland is a cause of the deepest concern for Americans of all faiths and political persuasions. Our heritage is rich with the contributions of the millions of Irish immigrants that have shared with us a common bond to the people of Ireland. It is for this reason that the American people open their hearts to innocent men, women, and children who suffer at the hands of cold-blooded terrorists.

Particularly disturbing are allegations that the U.S. Government is somehow involved in the hostilities in Northern Ireland. It is with these concerns in mind that I have joined Congressman Conte in cosponsoring House Resolution 1577, directing the Committee on International Relations to conduct immediate hearings, involving all pursuasions of thought on this issue, in the hope of determining if our Government is involved in any way.

The Congress has been reluctant to become officially involved in an investigation of the issues surrounding the Irish conflict out of respect for the internal affairs of other nations. We cannot, however, ignore our responsibility to uncover any and all involvement by this Nation in continuing that conflict. If in fact, there have been efforts made by our Government to help find a solution to the complex problems in Ireland, we must be sure that they serve the interests of peace, justice, and freedom for all the people of Ireland.

The full text of House Resolution 1577, which I urge my colleagues to support is as follows:

H. RES. 1577

Resolved, That the Committee on International Relations shall conduct hearings to determine if any officials, agencies, or instrumentalities of the Federal Government are directly or indirectly involved in the hostilities in Northern Ireland and to determine the nature and extent of any such involvement.

TRIBUTE TO THE HONORABLE DOMINICK V. DANIELS

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of California. Mr. Speaker, as the 94th Congress comes to a close, we will be losing one of our finest Members due to the retirement of DOMINICK V. DANIELS. The gentleman from New Jersey was an outstanding leader and an effective legislator and a friend of the common man. DOMINICK and I came to the Congress together in 1959. We have seen many changes in this body in that time, and I am sorry to say that I will no longer have the wise counsel he so competently offered us.

During his years in the Congress, he served on the House Education and Labor Committee and the House Post Office and Civil Service Committee, two very important committees in the field of labor with which he has so closely identified. As chairman of the Subcommittee on Manpower, Compensation, Health, and Safety, DOMINICK DANIELS was the leading force behind many pieces of legislation which benefited many millions of Americans.

He has done his job well and we here in the House of Representatives will not soon forget his fine accomplishments. Likewise, those individuals of Hudson County, whom DOMINICK DANIELS represented here in the Congress, will long remember his good deeds and careful attention to their problems. He was a true Representative in all senses of the word. I wish him well in his future endeavors.

TRIBUTE TO CARL ALBERT

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ROGERS. Mr. Speaker, it is a great honor to have this opportunity to pay tribute and appreciation to the Honorable CARL ALBERT, Speaker of the House. I am sure all of the Members join me when I say that we are sad to see you go.

Your retirement from public life is certainly deserved. Hard work and long hours have been the hallmark of your days on Capitol Hill. As Representative from Oklahoma, as majority whip, as majority leader, and as Speaker, you have shown time and again your willingness to serve the people of this great Nation, without a thought as to the time this would detract from your personal schedule.

All Members, freshmen and otherwise, knew that when they had a problem your door was always open. You showed your willingness to work out settlements and resolve disputes when the road was rocky. The House rules are now being reformed and revised. We now have a Congressional Budget Act to guide us in the promulgation of legislation. These important milestones are due in no small part to you.

During the 6 years of your speakership, this House faces questions of great significance. For many months you stood a heartbeat away from the Presidency. This additional burden you took in stride.

We will remember you affectionately as you leave, and our best wishes go to you and your family in the years to come.

THE LIBERTARIAN PARTY ON FOREIGN POLICY

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PAUL. Mr. Speaker, this past weekend, the Libertarian Party held its convention here in Washington. Though it is only 5 years old, this organization has put together a remarkable record: In 1972, its presidential candidate, Prof. John Hospers of Southern California University, finished third in electoral votes, and this year the Libertarian Party is on more ballots than any other third party—32 at last count.

Part of the reason for the Libertarian Party's success undoubtedly stems from its rather unique political positions: It combines total free market economics with complete civil liberties and a non-interventionist foreign policy. This makes them neither leftwing nor rightwing, but something else altogether. For the benefit of my colleagues, therefore, I would like to submit a copy of the Libertarian Party's position statement on foreign policy. Written by Joseph Stromberg, a young historian from the University of Florida, it shows how the position we now regard as liberal on foreign policy is actually a traditional conservative position which goes back to Washington's farewell address:

NON-INTERVENTION: FOREIGN POLICY FOR AMERICANS

(By Joseph Stromberg)

Perhaps the only beneficial effect of the brutal and unnecessary way in Indo-China has been the revival of debate concerning the purposes of U.S. foreign policy. After a quarter century of bi-partisan evasion and programmed consensus, Congress and the press have begun to question the wisdom of allowing a king-like President and a swollen military bureaucracy to involve us in war at every turn.

Unfortunately, this debate has fallen far short of examining the basic premises which have brought us to a universally deplored state. A few critics have asked whether, in the name of stopping "Communism," we have not ourselves become an imperial power with the guilt and the burdens such a role entails. There is a genuine and far-reaching alternative approach to foreign affairs—one which rejects the very premises of present policy—but up to now it has remained largely unknown.

That alternative is non-intervention, the position of the Libertarian Party.

Non-intervention, sometimes called neutrality, or "isolationism," is the application of Libertarianism to foreign affairs. Since our philosophy calls for the use of force only in self-defense against those who violate the rights of individuals to their life, liberty, or justly acquired property, Libertarian principles call on the American government to restrict its use of force in international relations to repelling actual attacks on the United States itself. Unlike liberals and conservatives, Democrats and Republicans, who argue over how much aid of what kinds should be sent to which oppressive regimes abroad, or exactly where American military might should be applied, Libertarians reject the whole notion of a U.S. role as either world policeman or do-gooder busybody.

TRADITIONAL AMERICAN POLICY

Non-intervention, unique now to Libertarians, was a strong tendency in American policy until this century. It was well regarded by the men of our revolutionary era as they faced the concrete tasks of charting sound policy in a world of great power rivalry and large empires: a world much like our own.

Our first President, George Washington, enunciated the non-interventionist viewpoint in his celebrated Farewell Address to the American People, in 1796. He urged his countrymen to avoid sentimental attachments to and partiality toward any foreign nation, since such unrealistic ideas would promote U.S. involvement in wars unrelated to our true interests. While maintaining liberal and impartial commercial relations with the nations of the world, America ought to "have with them as little political connection as possible," Washington said.

This philosophy of cosmopolitan neutrality, embracing free cultural and commercial exchange, excluding only entangling "permanent alliances," reflected the peace-loving individualist liberalism of 1776. It was reiterated and implemented by John Adams, our second President; and Thomas Jefferson, in his First Inaugural Address, in 1800, called for "peace, commerce and honest friendship with all nations, entangling alliances with none." And so it went: non-intervention, despite some serious lapses, was the major theme in American foreign relations up to 1898, and even to 1917. Libertarians believe it to be the essential tenet of sound policy now, as then.

Libertarians consider complete and unfettered trade and exchange with all peoples, and total abstention from meddling in their affairs, as the path most productive of immediate and long-run world peace and prosperity. Such a policy may seem "middle class" and dull compared to the destructive heroics of gun-boat diplomacy like the *Mayaguez* incident, or the flashy "shuttle diplomacy" of a Henry Kissinger; but whenever and wherever applied, non-intervention has worked, and it would not have led us to Korea, Vietnam, or Cambodia.

Libertarians see an intimate connection between complete free trade and world peace.

We believe that all restrictive measures such as tariffs, quotas, and attempts to extend the traditional three-mile limit, aside from injuring American consumers, can only provoke hostility from the countries most affected. It is no accident that both world wars followed periods of galloping neo-mercantilism and virtual economic warfare. Japan, for example, was seriously injured by British, American and other nations' policies in the 1930s, and disastrously chose military adventurism as a way out.

In the 20th century, however, American statesmen have largely ignored the arguments for non-intervention and free trade, with consistently catastrophic results. Under a variety of slogans, American leaders have risked and waged war to "find" and retain export markets (allegedly essential to U.S. prosperity), to enforce American ideals of order, and ultimately to prevent all revolutionary change in the world. Opponents of the policy have been smeared as "traitors," "pro-fascists," "isolationists," "pro-Communists," "naive pacifists," or whatever the current bugaboo was. Yet the case against attempting to subject change throughout the world to an American veto has not lost its validity in seventy-odd years.

CRIME OF WAR

The practical case against intervention is simplicity itself, but not less true for being plain. The destructiveness of modern war, in which massive terror-bombing against civilians is "normal," is—or should be—obvious to all. Modern wars undertaken to "save" a country—South Vietnam, for example—inevitably end by destroying the lives and property of those supposedly being saved. Who can doubt that without U.S. participation the Vietnamese civil war would have been far less bloody and costly for the Vietnamese people? To say nothing of the utter waste of thousands of American lives and untold treasure squandered in a futile crusade.

The damage done to our own country by meddling in such conflicts is incalculable. To begin with, there is the loss of life and limb among those sent to fight (usually after being conscripted) half-way around the world from their homes for incomprehensible causes. There are also grave costs to our prosperity: all the talk of "war booms" notwithstanding, it is obvious that the expenditure of vast sums upon sheer destruction necessarily reduces the people's standard of living below what it would otherwise have been and redirects economic activity away from life-enhancing channels.

UNDERMINING THE REPUBLIC

Less obvious, but of critical long-run significance, are the institutional changes brought about the imperial role into which the past few Presidents have cast our country. War critics have warned again and again that our freedoms could not survive "perpetual war for perpetual peace," from Charles Pinckney reminding the Constitutional Convention that military adventures have always undermined republican forms of government, to Robert Taft, Sr., William Fulbright, and others repeating the warning in our own time.

The incarceration of the Japanese-Americans in World War II; executive "emergency powers" that are never rescinded; innumerable special economic controls; outrageous taxation; nearly runaway inflation—all derive from the "hot and cold" war posture in effect since 1940. That policy has also brought us inflationary recessions, Watergate, CIA-FBI surveillance of everything that moves, the farcical Angolan adventure, the squandering of taxpayers' money on nearly every despotic regime on earth (save those professing Marxism—but we may yet see military aid to Communist China), and the restoration of legalized impressment, the very system of "draft" slavery from which so many of our ancestors fled.

Thus, the people suffer, but the Executive, the bureaucracy and the generals and admirals revel in the glory of it all. It is time to end their little games, played with our lives, property, and liberties.

SUPPRESSING THE THIRD WORLD

Revolutions in the Third World by destroying feudal institutions are often the path to modernization. That Communists sometimes take the lead in such revolts is unfortunate, but it is no threat to America. Moscow and Peking can no more direct and control these revolutions than Washington can suppress them. Our own Revolution began this process of anti-colonial, anti-feudal liberation, but—luckily for us—without pursuing the false goal of socialism.

America cannot and should not police the globe with sermon and sword, but she can be a model of a free and peaceful society by creating what historian Charles Beard called "the open door at home." Non-intervention is an essential means to that end.

In the current context, nonintervention implies:

An immediate end to governmental foreign aid, military and "humanitarian" alike. Experience shows aid to be a tool of power politics, and most aid serves to subsidize U.S. exporters at the expense of U.S. taxpayers, as well as to cripple free enterprise in the countries assisted, whose businesspeople cannot compete with undervalued U.S. goods. Genuine free trade would help underdeveloped nations far more than "aid," especially as the bureaucratic middlemen of the two governments would be eliminated. And, of course, the American taxpayer would be relieved of this ill-considered burden.

Withdrawal from NATO and other multilateral and bilateral commitments to American military action.

An end to the American government's role as gun-runner to the world. Total disengagement from the Middle East, where lasting peace can only come from negotiations by indigenous forces, and where our presence merely adds fuel to a fire that threatens at any moment to consume us all.

Full free trade with all nations, including Russia and China; but the American taxpayer must not be forced to guarantee loans to these or any other countries, as in the Soviet wheat deals. All exporters and investors must take their own risks and cannot ask the citizenry to subsidize—or even to die for their right to do business.

Return of American troops to our own borders.

Serious negotiation to eliminate nuclear weapons.

OUT OF THE UN

Finally, important in itself and as a symbol of a renewed commitment to non-intervention: withdrawal of the United States from the United Nations. As Roger MacBride, the Libertarian Party's Presidential candidate in 1976, has said, "The record shows that when the Big Powers want to negotiate, they negotiate. The UN is neither a help nor a hindrance there." It is, in fact, a costly Babel of bureaucratic parasites—parasites on the black, brown, yellow and white bodies of their own peoples, and of ours—that should be firmly invited to quit our shores.

CONCLUSION

As non-interventionists, Libertarians believe that free and productive Americans, provoking no one, can be counted on to defend their lives and property in the event of actual attack on the United States, and that this fact will deter any such attack. To militarize our society for "defense," as our government has done, merely shows lack of real faith in free men and women. Prepared to defend a homeland, but not to build an Empire, we need not fear the enemies of liberty, whether foreign or domestic.

Intervention stands condemned for every possible crime against humanity and liberty. War or peace is the most important question of this election and of our time. Peace and freedom depend on the true American policy of nonintervention.

Echoing the ancient slogan that means: Let people be, and let the nations be joined by peaceful trade, we Libertarians say:

Laissez faire, laissez passer.

BELLA S. ABZUG

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Ms. HOLTZMAN. Mr. Speaker, I deeply regret that BELLA S. ABZUG will be leaving the Congress at the end of this session.

In her three terms as a Representative, BELLA has been a tireless and impassioned fighter for causes of great importance to the Nation. In working to end the Vietnam war, control the bloated defense budget, save New York City from bankruptcy, question the Ford pardon, eliminate racial, religious, and sex discrimination, and direct national resources toward meeting human needs, BELLA has served her constituents and her country well.

To those who agreed with her, she became a leader—always knowledgeable, always articulate, and always out in front. Her hard work and unbending dedication to principle won her the respect of even those who opposed her.

For women in politics, BELLA has been a trailblazer. She opened doors for those of us who followed her into the Congress, and for millions of other women around the country who are taking an increasingly active role in government. No more the stereotype of the woman sitting quietly by in the committee rooms or caucuses while the men make the laws.

BELLA S. ABZUG has been a unique and forceful presence in this House. Her intelligence, her courage, her spirit, and her lively humor have enlivened this Chamber. We, her colleagues, will sorely miss her, as will those millions of her admirers throughout America.

TRIBUTE TO HON. PETER PEYSER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SOLARZ. Mr. Speaker, I am joining my colleagues today in paying tribute to Congressman PETER PEYSER of New York.

PETER PEYSER represents the best of the Republican Party. In his 6 years in the House, he has risen above petty partisanship to vote for his principles. As a member of the Education and Labor Committee of the House has has been an effective spokesman for education in general and urban schools in particular.

As a member of the Agriculture Committee, Representative Peyser has been a vigilant guardian of the Federal Treasury and the consumer's pocketbook. He has effectively alerted his colleagues to the waste in some farm subsidy programs, and is in part responsible for the Congress re-examination of our farm policy.

Peter Peyser served his country with unique courage in his tenure in the House. He voted against the President of his own party when he believed that the interests of his constitutents or his principles demanded such action. The House of Representatives can use more Members like him. He will be missed in the next Congress.

ANSEL BRENIMAN RECEIVES RED CROSS CERTIFICATE OF MERIT AWARD

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BURGENER. Mr. Speaker, as this Congress draws to a close, I ask for the attention of my colleagues in recognition of a heroic act performed by Mr. Ansel Breniman of Sun City, Calif., which demonstrates once again the value of first aid and water safety instruction.

On January 2 of this year, Mr. Breniman saved a human life through quick action applying the knowledge and skills he acquired in Red Cross training.

Mr. Breniman was standing by the swimming pool in the Sun City Club in southern California where the weather is such that swimming is a pleasure even in January. He saw one of the residents jump into the pool for a swim but fail to surface.

Acting quickly, Mr. Breniman dived in and pulled the victim unconscious from the pool and administered mouth-to-mouth resuscitation which revived the victim. The victim was taken to the hospital breathing on his own and recovered.

The American Red Cross is awarding Ansel Breniman the Red Cross Certificate of Merit which is the highest award for lifesaving. The Certificate of Merit will bear the original signature of the President of the United States.

Mr. Breniman can be proud of his quick reaction to an emergency situation. I know that my colleagues join me in expressing our admiration for the action Mr. Breniman took.

TRIBUTE TO CHARLES A. MOSHER

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUES OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SHRIVER. Mr. Speaker, one of my long-time friends and distinguished colleagues, Charles Mosher of Ohio, has chosen to retire from the House of Representatives before, he claims, "it's too late." Charlie will not listen, but I would argue that with him. We need to keep men of his caliber—men who never flinch from telling the truth, who dare to challenge colleagues and constituents into deeper thought, who truly lead instead of fearfully pander to popular whims. Men like Charles Mosher are all too rare.

Charlie and I were acquainted when we were both serving in our respective State legislatures. We both came to Congress in the same year, 1961. I have valued highly his friendship over the years, and have deeply respected his legislative accomplishments on the Federal as well as the State level. Charles Mosher's record of achievements while serving on the Science and Technology Committee and the Merchant Marine and Fisheries Committee stands as an example for us all of what can be done.

Perhaps this is Charles Mosher's hallmark: He challenges us to do better, to reach higher standards. Yet Charlie maintains throughout the very serious business of leading the Nation a sense of humor, accurate perspective, good grace, and humility. These qualities have set a high standard, a challenge. A difficult challenge, but then Charlie would have scorned anything less.

Charlie, I wish you a long, happy and healthful retirement.

TRIBUTE TO THE HONORABLE BELLA ABZUG

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SOLARZ. Mr. Speaker, I rise to pay tribute to my colleague from New York, the Honorable Bella Abzug.

To call Bella Abzug a unique and outstanding individual is to engage in understatement. As a Member of the House of Representatives she has not only carved out for herself a place in the history of this institution, but she has also earned for herself an important position in the history of our Nation.

Bella Abzug has used her office to become both one of the most effective legislators on Capitol Hill and a major spokesperson in American politics. With her boundless energy, she has served as the legislative ombudsman for the movements in which she believes.

Bella Abzug was one of the first, and most articulate, spokesperson against the war in Vietnam. As a leader in the cause of women's rights she has helped make the woman's movements one of the most powerful forces in American society. As a member of the Public Works Committee, she protected urban interests in that powerful body. And, as a member of the Government Operations Committee she challenged secrecy in government and fought vigorously against those officials who would trample on the private rights of our citizens.

Bella Abzug has fought for equality and social justice all her life. Her tenure in the House was but a chapter in her continuing fight for the poor and the oppressed. Bella Abzug may not be in the House next year, but she will still be one of the leading figures on the American political stage.

S. 2910—THE ARTHRITIS, DIABETES, AND DIGESTIVE AMENDMENTS OF 1976

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CARTER. Mr. Speaker, on October 1, in the waning hours of the 94th Congress, S. 2910, Arthritis, Diabetes, and Digestive Disease Amendments of 1976 was passed. In view of the importance of expediting this important legislation, I resisted my heartfelt desire to speak at some length in support thereof. In consideration of the fact that the legislation is now on its way to the President, I shall not dwell on what is contained therein, but rather on why its enactment is desirable.

To those who say that this bill authorizes too much money I ask them to address the real issue, namely the overall impact of these diseases on our American Society.

Some 28 million Americans suffer from arthritis and related diseases. The total societal cost of arthritis in 1975 alone has been estimated to be in the range of $13 billion. Furthermore, arthritis is considered to be the greatest single cause of prolonged pain. With respect to diabetes, not only are some 10 million Americans affected by that disease, but alarmingly its incidence seems to be increasing by about 6 percent a year. Because diabetes affects all parts of the body system, directly and indirectly it appears to be responsible for about 300,000 deaths a year.

The direct costs of diabetes are at least $2½ billion per year with annual losses in productivity adding another billion. These costs do not, of course, include either the complications associated with the disease or the emotional cost thereof. Regarding digestive diseases, more than 13 million Americans are afflicted with them. The cost to our society of digestive diseases is approximately $12 million per year.

Therefore, in light of the above statistics, I strongly believe that our Federal Government needs not only to do more with regard to the aforementioned diseases, but to sharpen our focus as well. Hence, I am not persuaded by arguments that the advisory boards and coordinating committee created by this legislation overlap or dilute ongoing Federal efforts relating to these diseases. This legislation is necessary to overcome the diffusion of effort within our Government to the end that an intensified focus on these diseases will increase the likelihood that the shocking human and economic costs of these diseases can be eliminated or lessened. The direction of our existing commitment is simply inadequate.

Because I was an early and enthusiastic sponsor of this legislation, I was particularly pleased that it survived the last minute press of congressional business. I sincerely hope that it will be enacted.

TITO'S CAMPAIGN OF TERROR IN THE WEST

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CRANE. Mr. Speaker, somehow, the Communist regime of Marshal Tito in Yugoslavia has created an image for itself in the Western world of being, in essential respects, "different" from the other Communist governments in Eastern Europe.

There is no doubt that Yugoslavia does differ with regard to the freedom of movement of its people, its treatment of religion, and its hesitation to become fully subject to Soviet rule. This, however, may be more a situation based upon geography than philosophy.

In the area of terrorism, of the brutal elimination of critics of the regime, and of total governmental power, the Tito government is, in no major respect, different from other Communist governments.

In recent days, the Tito government has embarked upon a carefully planned campaign of political assassination of opponents of the regime. This campaign has taken place not in Yugoslavia itself, but throughout the Western world. It is ironic that the world has heaped calumny upon the Government of Chile for its alleged role in the killing of a Chilean exile in Washington but has remained silent about the crimes of the Tito regime. If Chile is, in fact, guilty of conducting a similar campaign of terror, it should properly be condemned for it. The Tito government, however, is clearly guilty—almost beyond the shadow of a doubt.

Recently, I received a letter from the Serbian National Committee, which is located in Chicago. Written by Dr. Urosh L. Seffer, this letter points out that on August 6, 1976, in Brussels, Belgium, a prominent Serbian political refugee and Belgian industrialist, Miodrag Boskovich, was brutally murdered in his office. Mr. Seffer notes that—

> While the criminals have not been apprehended, there is no doubt in the European and American press that the murder was perpetrated by the Yugoslav secret police, the UDBA.

Mr. Seffer points out that this murder is not an isolated event—

> But part of a much larger pattern of intimidation and terror directed against Serbian political refugees throughout the Free World . . . the murders perpetrated by the UDBA in the Free World in recent years far exceed in number all the murders perpetrated by the combined terror apparati of the Soviet KGB and the other European Communist regimes.

This is a shocking state of affairs. The American people should be made aware of the real nature of the Tito regime and its sponsorship of political assassination outside of its own territory.

In this regard, I wish to share with my colleagues the letter I have received from Dr. Urosh L. Seffer as well as a list compiled by the Serbian National Committee of crimes committed by the Yugoslav secret police in the free world since 1969, and insert them into the Record at this time:

SERBIAN NATIONAL COMMITTEE,
Chicago, Ill., September 28, 1976.

DEAR CONGRESSMAN CRANE: On August 6, 1976, a prominent Serbian political refugee and Belgian industrialist, Miodrag Boskovich, residing in Brussels, was brutally murdered in his office. While the criminals have not been apprehended, there has been no doubt in the European and American press that the murder was perpetrated by the Yugoslav secret police, the UDBA.

The purpose of this letter is to call your attention to the fact that his murder is not an isolated event but part of a much larger pattern of intimidation and terror directed against Serbian political refugees throughout the Free World. Indeed, the murders perpetrated by the UDBA in the Free World in recent years far exceed in number all the murders perpetrated by the combined terror apparati of the Soviet KGB and the other European communist regimes. Other assassinations and kidnappings of Serbian political refugees have taken place in West Germany, Sweden, Australia and Belgium. (A partial list of these terrorist actions is attached). Refugees of other Yugoslav nationalities have also been the victims of such terror attacks.

While the UDBA has so far not perpetrated any political assassinations in the United States, there is no reason to believe that our country is immune to this ruthless international operation. The official communist press in Yugoslavia has openly approved of the murders that have taken place by expressing satisfaction over the termination of these enemies of the Yugoslav Communist regime, and it has warned that other political refugees who oppose the regime from abroad face the same fate. Nor is it only a matter of terror directed against Yugoslav refugees. The recent action of the Tito government in permitting Carlos—the world's leading international terrorist—to visit Belgrade and in refusing the request of the French and German governments for apprehension (see Washington Post of Sept. 16 and The New York Times of Sept. 17) makes the Tito government an abettor of international terrorism.

It is not a matter of whether one approves or disapproves of the precise political views of those assassinated. But we know you will agree that government-organized political assassinations cannot be tolerated by the civilized world. We believe that world public opinion can put an end to these murders if the facts are publicized and if the parliamentarians of the Free World make it emphatically clear to the Tito government that Yugoslavia cannot expect continued acceptance in the world community unless there is an immediate and total cessation of its international murder activities.

On behalf of the Serbian National Committee, I hope that you will give this matter appropriate attention.

Sincerely,

DR. UROSH L. SEFFER,
President, Serbian National Committee.

PARTIAL LIST OF CRIMES COMMITTED BY THE YUGOSLAV SECRET POLICE UDBA IN THE FREE WORLD AGAINST THE SERBIAN POLITICAL REFUGEES SINCE 1969. THIS LIST COVERS ONLY THE SERBIAN AND EXCLUDES THE REFUGEES OF OTHER NATIONAL GROUPS FROM YUGOSLAVIA

1. Andra Loncaric, murdered with an ax in Paris, France, on March 6, 1969. His killer, a former convict recruited by the UDBA, Bosko Paraskijevic, now reportedly in Yugoslavia.

2. Sava Cubrilovic, murdered in Sweden on December 25, 1969. His killer, Sop Djokic seen in Belgrade by a Norwegian reporter, who published the story in the newspaper "Aktuelen".

3. Miroljub Lazic, kidnapped by Yugoslav agents from Austria on July 2, 1970. Later tried and convicted to 12 years at hard labor.

4. Ratko Obradovic, editor of Serbian refugee newspaper "Iskra", shot to death in Muenchen, Germany, in 1970.

5. Jakov-Jasa Ljotic, editor of Serbian refugee newspaper "Iskra", strangled to death on July 9, 1974, in Muenchen, Germany. Murderers have never been apprehended.

6. Borivoje Blagojevic, former guerrilla commander, shot to death on March 8, 1975 in Brussels. Murderers not apprehended. A year prior to Blagojevic's murder, one Slavko Trbic was approached by the UDBA agents to kill Blagojevic. He was supplied with a forged passport, revolver Walter 7.65 with a silencer and promised reward after the murder, Trbic, however, reported this to the French police and Blagojevic.

7. Petar Valitch, editor of Serbian refugee newspaper "Vaskrs Srbije" shot to death in his apartment on May 13, 1975 at Brussels. Valitch was 72 years old.

8. Slobodan-Bata Todorovic, prominent economic expert, kidnapped from Milan, Italy, in December 1975. Now in Yugoslav prison, presumably awaiting trial.

9. Miodrag Boskovic, one of Serbian leaders in Europe and president of exile organization "Privrednik", shot to death in his office on August 6, 1976 in Brussels, Belgium.

TRIBUTE TO THE HONORABLE RAY J. MADDEN

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of California. Mr. Speaker, a long and distinguished career of public service will come to an end when the 94th Congress closes and the retirement of RAY J. MADDEN becomes effective. The man from Gary, Ind., started his long career many years ago as a municipal judge in Omaha, Nebr. He subsequently moved to his home in Lake County, Ind., where he became city comptroller of the city of Gary and subsequently served in additional county offices.

This House of Representatives had its first opportunity to benefit from the wisdom and perception so characteristic of RAY J. MADDEN when he joined the other incoming freshmen of the 78th Congress.

We all know that RAY's career has been capped by his election as chairman of the House Rules Committee. In this capacity, he has served as a very fair and understanding chairman of that committee which so effectively regulates the flow of legislation to the floor of the House of Representatives. Through his wise and active leadership, the House of Representatives has been able to enact many important bills for the betterment of our Nation.

As one of the senior Members of the House of Representatives, he was often sought out as a consultant on significant matters which were to come before this body.

As he completes his service in the U.S. House of Representatives, we extend to him the wish for every success in the future and assure him that he will most, indeed, be missed. A man of the caliber of Ray Madden does not pass through these Halls that often and when he does, we all feel that we have benefitted greatly.

ROY TAYLOR AND DAVID HENDERSON

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STEED. Mr. Speaker, the House is losing in Roy A. Taylor and David N. Henderson the services of two diligent, hard-working North Carolinians who in their tenures have contributed notably to the public interest.

Both were first elected in the same year, 1960. In 16 years of service here they have attained and held significant chairmanships.

As chairman of the Subcommittee on National Parks and Recreation of the House Interior and Insular Affairs Committee Roy Taylor has taken the legislative initiative in adding more than 4½ million acres to the lands of our National Park Service. The public will benefit from this work for generations.

In my own State we are grateful for his actions in reporting and helping to passage in this Congress of the bill creating the Chickasaw National Recreation Area.

As chairman of the Committee on the Post Office and Civil Service Dave Henderson has shown tremendous concern and effective grasp of the problems of the Federal Government and its employes.

During this period I have had particular occasion to note his ability since there have been many issues in which the legislative committee he heads has worked closely with the Appropriations Subcommittee on the Treasury, Post Office and General Goverment, of which I am chairman. We have enjoyed a warm and cooperative relationship, and Dave Henderson has set an outstanding example in this field.

I am proud to have served with both these chairmen and wish them and theirs every future happiness.

HON. BELLA ABZUG

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. DOWNEY of New York. Mr. Speaker, the Halls of the Congress will not be the same without our most distinguished colleague, the Honorable Bella Abzug. Representative Abzug's outstanding service to her constituents in the 12th District of New York, and to the Nation have inspired us all. Bella's endless vigor and relentless dedication have set an example for all to follow. Congresswoman Abzug's outspokenness has not only aided America's citizenry but her colleagues as well.

Bella "tells it like it is"; when she speaks, all listen. Her integrity is unquestionable and her perseverance commendable.

It will be difficult to find another who will lead as effectively as did Congresswoman Abzug in her capacity in chairing the House Government Operation's Subcommittee on Government Information and Individual Rights.

Further evidence of Congresswoman Abzug's talents are demonstrated in her efficient service on the House Public Works and Transportation Committee. New York State has benefited from that work, and her past accomplishments will continue to assist New Yorkers in the future.

Her espousal of human rights, her leadership in fighting for justice and equality for victims of discrimination, her talents in making us recognize the inherent rightness of such proposals as the equal rights amendment, have all contributed to her reputation as a leading spokeswoman for the conscience of this House.

Today we honor Bella's work in the Congress, but we do not bid farewell. For I am certain that we will be hearing from Bella, for many years to come.

IN PRAISE OF CHAIRMAN MADDEN

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YOUNG of Georgia. Mr. Speaker, the distinguished career of our beloved colleague, Congressman Ray J. Madden, the chairman of the Committee on Rules, is coming to an end as the 94th Congress nears adjournment. I would thereto like to share with Members of the House some thoughts about Chairman Madden.

Ray Madden has served the American people for 17 terms in the House of Representatives. He has been an able legislator. He has been a political leader of conscience, skill, and good will. He has been a man of great character, magnanimous in the many triumphs of his career, gracious in the few defeats.

Most importantly, Mr. Speaker, Ray Madden, as chairman of the committee on which I now serve, reversed a tradition of the Rules Committee as a burial ground for progressive legislation, and made that committee a catalyst for change. It has been an honor to work with him as my chairman.

And so today, I join in the tributes to Ray Madden, crusader for the working man; Ray Madden, defender of the poor; Ray Madden, fighter for human justice.

We all wish him health, success, and happiness in the years ahead, and we trust that he will remain available to us to provide counsel and wisdom. I know that I have been enriched by the friendship, guidance, and example of Chairman Madden, and for that I am eternally indebted to him.

THOMAS E. MORGAN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SISK. Mr. Speaker, as chairman of the House International Relations Committee for 18 years, Doc Morgan has left an unforgettable impression on this Nation's affairs with foreign governments and peoples. The role of the United States as leader of the free world has been considerably enhanced by his activities while in that high post.

One of the few individuals in history to combine a career in medicine and lawmaking, Doc brought the scientific and compassionate mind of a doctor together with his legislative skills to forge an effective career in the House.

On a more personal note, I have worked with Doc Morgan very closely for the past several years as a member of the Democratic Personnel Committee which he so ably served as chairman. The well-being and working conditions of the hundreds of employees of the House who fall under its jurisdiction have long been his concern and his efforts have led to a more efficient, hard-working, and loyal corps of House employees.

The Nation and the House will miss this outstanding leader.

HON. WILBUR MILLS

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. NIX. Mr. Speaker, the Honorable Wilbur Mills, Member of Congress from Arkansas has been a friend and a colleague for almost 20 years. I congratulate him on his retirement.

As the greatest living expert on taxation in the world, the House will miss his counsel. I, as well as the membership of the House will miss him as a friend.

As chairman of the Ways and Means Committee of the House, Congressman Mills would literally overpower opposition to complex legislation by the clarity and the brevity of his views. He was a master of debate, because he was the master of his subject.

The position of chairman of the Ways and Means Committee is an elevated one in this body. As chairman of that committee, Chairman Mills increased the prestige of that position.

The vitality of institutions depends in large measure on the vitality of men. Congressman Wilbur Mills was a vital force in this House. He will be so on the last day of this session of the Congress.

While it will be impossible for any one man to fill his shoes in changing times, he has left behind a healthy and vital institution, the Committee on Ways and Means which bears major responsibility in this the greatest legislative body in the world.

He has left the House of Representatives with a standard of competence and fair dealing that will remain with us for many years and over the duration of many congressional careers.

He has served the people of Arkansas and the people of the United States for 38 years. The people of his State have always been proud of him and they will remain so. The memory of his career will linger here as long as the House of Representatives is a vital force, and the House will remain a vital force as long as it serves the American people in the Wilbur Mills tradition of competence and fairness.

I say goodby to my friend and I wish him well, as I look forward to hearing from him again and again in his capacity of citizen of the United States.

TRIBUTE TO JAMES W. SYMINGTON

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, Jim Symington's distinguished 8-year long career in the House of Representatives is coming to an end. I have valued him as a colleague and a friend and am pleased to have this opportunity to pay tribute to him.

The Symington family has provided the people of Missouri with exemplary public service for 33 years. Stuart, as a U.S. Senator for 25 years and James in the House for 8 years. In both cases, legislative prowess was combined with personalized service resulting in a record of public achievements not likely to be duplicated.

Jim, even before coming to the House, had amassed an impressive record of public service. He had served as Deputy Director for the widely heralded food for peace program. He served as a consultant to the President's Commission on Juvenile Delinquency as well as Chief of Protocol for the Department of State.

While in the House, Jim has served with distinction as a member of the Committee on Science and Technology as well as on the Interstate and Foreign Commerce Committee. Jim was an active supporter of increasing this Nation's ability to become self-sufficient in energy. He helped evolve the legislation which greatly expanded this Nation's commitment to research and development of solar energy. As a member of the Health Subcommittee of the Commerce Committee, Jim was committed to improving and modernizing the myriad health programs in this Nation.

In addition to being a fine legislator, Jim Symington is a gentleman. His highly personable manner allowed him to acquire many close friends in the House. As one of those friends, I wish to extend my warmest best wishes to Jim Symington and hope his years ahead will be filled with the same success and excellence which he has enjoyed thus far.

HON. BILL STUCKEY

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MATHIAS. Mr. Speaker, with the close of the 94th Congress, the House of Representatives loses an ardent defender of the people and an esteemed friend with the retirement of the Honorable Bill Stuckey.

Having represented the Eighth Congressional District of Georgia continuously since the 90th Congress, Bill has directed his legislative efforts to enforcing government for the people. He has earned the reputation among his colleagues and constituents as a champion of limited Government and fiscal responsibility and, while serving on the Interstate and Foreign Commerce Committee, he has distinguished himself as an exponent of the free enterprise system. Bill's distinctive service on the District of Columbia Committee has recorded much reform legislation with the passage of home rule for the District of Columbia revealing, once again, his fairness and insight to the needs of the people.

As Bill retires after 8 years of dedicated and diligent service, his gregarious spirit will be notably missing from these Halls. I am sure we all wish him the best as he enters the private sector.

THOMAS MORGAN

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. NEDZI. Mr. Speaker, as a native of the Detroit area, I was pleased to learn, when I first became a Member of the House in the winter of 1961–62, that the chairman of the House Foreign Affairs Committee was a double rarity.

He was not only a medical doctor—and doctors in the House can be counted on one hand—but he was a graduate of Wayne State University Medical School in Detroit.

In the course of his long career, he reflected favorably upon the medical profession and Wayne University. Indeed, earlier this year, a delegation of Wayne State University officials came to Washington to present him with a special award for his distinguished service.

Doc Morgan has enjoyed the respect and affection of his colleagues. He has "maintained his cool" while chairing a committee which necessarily had to deal with some of the most controversial and turbulent issues of our era.

Our personal relationship has always been cordial, and I will miss Doc's balancing temperament in this parliament of men and women chosen to represent our country.

May all of God's blessings be with him in the years ahead.

HON. ROBERT E. JONES

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CEDERBERG. Mr. Speaker, it is with sorrow and appreciation that I say goodbye to my distinguished colleague, Bob Jones.

Bob Jones has served well the Alabamians he has represented for 30 years in the House of Representatives. Bob's 15 terms in the House represents the longest period of service of any Representative from Alabama.

Bob's distinguished service on the Public Works and Transportation Committee has left its mark on the shaping of America. His dedication and expertise will be irreplaceable.

Though I am saddened by his departure from the Congress in which he so well served, I am heartened by the thought that Bob will finally be able to sit back and relax to enjoy life in his native State.

I wish Bob well during the years to come and I hope that we will be able to enjoy visits from Bob from time to time. He will always receive a warm welcome from all of us who remember his illustrious career.

BELLA ABZUG

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. MEZVINSKY. Mr. Speaker, Bella Abzug is leaving public office, at least for the time being. But I think we can be assured that Bella Abzug is not leaving public life.

Bella has made a national reputation, for the things she has said about the role of women in our society, about the need for a sharper social consciousness in this country, about war and peace, and right and wrong. But she has also made a reputation for flair and style in the way she has said it. She has kept us awake. She has kept us on our toes. I have no doubt whatever that she will continue to do that and do it as well as she always has.

Bella has contributed a great deal to the House of Representatives and to her constituents. I know that she will contribute a great deal more to the conduct of public affairs in the years to come.

HON. ROBERT E. JONES

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PERKINS. Mr. Speaker, the American South has given our language an expression which enriches the language and adds to the descriptive lore of our heritage. It is the expression, "good old boy."

Robert E. Jones, I think, is the prototype of the "good old boy."

A man of genuine warmth and human kindliness, a man of humor and compassion, and a man of unadulterated patriotism and concern for our country: That is Bob Jones of Scottsboro, Ala., who is soon to leave us after giving the Congress 30 years of honorable and productive service.

Bob Jones was one of the first Members I met on entering the House in 1949, and we were friends from the beginning of my own service. I never knew a man so helpful or so full of genuine concern that Congress do the right thing about the many problems which confronted the membership.

He was always willing to listen to viewpoints other than his own about various questions that arose—and because he was a good listener, he was also a good persuader for those causes in which he earnestly believed.

I am sure no one in the Congress has a firmer grasp of the subject of public works in American life than he. And no one has worked harder than he to improve communities with needed public works and facilities.

As I look back over my own congressional career, having served with literally thousands of the people's representatives in this Chamber, I can think of few who approach Bob Jones in companionableness and good humor. And none who will be missed more when he departs these Chambers for his Alabama homeland.

When he leaves, he will find his baggage heavily laden with the affection and esteem of his friends.

"DOC" MORGAN

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BROYHILL. Mr. Speaker, as one speaking from the other side of the aisle, I am very sorry to see "Doc" Morgan leave the House of Representatives. His influence has been felt here in the Halls of Congress for many years and he will be sorely missed.

"Doc" has been a tremendous leader in the area of foreign affairs and he has made countless numbers of contributions to the legislative process.

I will miss "Doc", but I extend to him my very best wishes. He deserves a rest and I hope that the years ahead will be rewarding and filled with contentment.

TRIBUTE TO WILBUR MILLS

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DENT. Mr. Speaker, Wilbur Mills—the gentleman from Arkansas—stands as a giant in the annals of the Congress. As the chairman of the Ways and Means Committee he guided this Nation and the Congress through some of the most turbulent times in our history. More than any other single individual, Wilbur Mills is responsible for a tax code which is unsurpassed in the modern world. To him must go the lion's share of the credit for making the United States the most prosperous Nation on Earth.

While I have disagreed with him on matters of international trade, I have always respected and admired his legislative genius and skill. More than any other Congressman I have served with, his ability to arrive at a legislative consensus is unsurpassed in the history of the Congress. Wilbur Mills remains as the foremost authority on the Internal Revenue Code and his leadership in this area will be sorely missed.

Throughout my tenure in the Congress I have been proud to call Wilbur Mills my friend. I consider it a distinct honor to have served under his leadership and guidance and I wish him all the best that life has to offer.

HON. BELLA ABZUG

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WAXMAN. Mr. Speaker, today I would like to take this opportunity to express my deep appreciation to a woman who has served the people of the 20th District of New York for the past 6 years.

Congresswoman Bella Abzug has not only served her own constituents well, but has been a constant reminder to all of us that there is much more work to be done if we are to make life more livable for millions of Americans in all parts of this country. Her continuous support of issues that involve basic human rights that we should all be committed to, and her ability to turn this concern into meaningful legislation benefiting those in need, will never be forgotten. Bella Abzug will always be remembered as a woman who was never afraid to speak her mind on issues in which she believed. I wish for her the best in all her future endeavors, and along with many others, will be forever grateful for her selfless dedication to this House and the Nation.

BILL STUCKEY

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FREY. Mr. Speaker, at the end of this Congress our good friend, Bill Stuckey, will retire. He represents the Eighth Congressional District of Georgia, was first elected to the 90th Congress in November of 1966. I have served with him on the Interstate and Foreign Commerce Committee since 1970, and have been personally able to observe his dedication and interest, and his ability to shape legislation. He has been recently active in securities industry legislation, trying to make the capital markets free, open, and protective of public investors. He has done much for his State. He has helped preserve some beautiful areas such as Georgia's Cumberland Island and the Okefenokee Swamp. Equally as important, he has been a good personal friend over the years. His advice, his counsel, his discussion on the many issues facing the country have helped me time and time again.

We know it was a tough decision that he made not to run again. He obviously could have been reelected as long as he wanted. We know that he has an outstanding career ahead of him in private life. We want to join with the people of his district in thanking him for a job well done for his State and for his country. The Congress will miss him and we are going to miss him on the Commerce Committee. We wish him and his wonderful family good health and happiness in the years ahead.

TRIBUTE TO JOE L. EVINS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. BRADEMAS. Mr. Speaker, Joe Evins has had a long and distinguished career in this body, having served here as Representative of the Fourth District of Tennessee for 30 years.

He has had important positions of responsibility as chairman of the Appropriations Subcommittee for Public Works and chairman of the Committee on Small Business.

A hard worker, a man of engaging personality, in his key position in Public Works projects, Joe Evins has had a role that can be emulated by few in building a better America.

I wish him only the best as he retires from the Congress of the United States.

DAVID N. HENDERSON

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. STAGGERS. Mr. Speaker, on the occasion of the retirement of DAVID N. HENDERSON of North Carolina, from the House of Representatives, I am honored to join my colleagues in paying tribute to this outstanding legislator.

I have known DAVE HENDERSON since he first came to this House some 16 years ago. We served together on the House Post Office and Civil Service Committee where he is now chairman.

His service both as chairman of the House Post Office and Civil Service Committee and on the Committee on Public Works and Transportation has been outstanding.

He has earned the respect of Members from both sides of the aisle with his fairness and dedication.

I have observed Chairman HENDERSON'S performance firsthand in handling legislation, and I am sure the Federal employees always knew that they had a fair-minded friend at the head of the committee most important to them.

A longstanding concern about aviation safety led DAVID HENDERSON to a keen interest in the plight of air traffic controllers. He was the principal author of the Air Traffic Controllers Retirement Act and has been in the forefront of the efforts to find solutions to the complex problems that confront controllers. Just recently he was instrumental in averting a planned strike or slowdown by the controllers.

As chairman of the Manpower Subcommittee, he has expanded civil service benefits to many civilian employees of the Department of Defense, especially those overseas.

DAVE HENDERSON'S legislative efforts are a record of accomplishments.

Although chairman of the House Post Office and Civil Service Committee, his committee work was not limited to that. He was a diligent worker on the Committee on Public Works and Transportation and served on three of its subcommittees: Aviation, Economic Development, and Public Buildings and Grounds.

Chairman HENDERSON'S service to his district, State, and Nation and to mankind will always be remembered. As he leaves the House of Representatives, I hope that his years of retirement will be as long and productive as his public service career has been. The House, the Congress, and the Nation are all better because of his being here.

DAVE, God bless you and may you and your fine family find many years of happiness ahead.

ROBERT G. STEPHENS

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. SISK. Mr. Speaker, BOB STEPHENS has had an enviable career as an outstanding student, as a teacher, as a county attorney, and as a State and national legislator. He has also endeared himself to those he has served with here in the House during the past 16 years.

And all will remember those traumatic days after the close of World War II where as a member of the prosecution staff at the war crimes trial in Nuremberg, he participated in action where for the first time in history, those responsible for atrocious crimes against humanity, were finally brought to trial for their crimes before a bar of justice.

He has also brought his considerable skills and wide knowledge to bear on the problems of the housing industry and the monetary system of our country, through his service on the Banking, Currency and Housing Committee.

This able man will be sorely missed by the State of Georgia and the Nation as he goes into retirement.

CARL ALBERT

HON. CARL D. PERKINS

OF KENTUCKY

Wednesday, September 29, 1976

Mr. PERKINS. Mr. Speaker, during a 6-month period in the latter part of 1907 and the early part of 1908, two events took place in the territory north of the Red River that were to have vast significance for the life of the republic.

The first of these events transpired on November 7, 1907, when the region that Bird McGuire had so ably represented in Congress as the delegate from the Oklahoma territory became, in fact, a State of the Union.

Six months later, almost to the day, the quiet of the little town of McAlester, Pittsburg County, Okla., was disturbed by a small, polite, but insistent voice demanding attention.

This was the maiden speech of CARL ALBERT. It is not recorded whether the newcomer was accompanied by gavel, but there was little doubt in the household of Ernest and Leona Ann Albert that a personage of importance had ar-
It was not to be the last time CARL
rived.
ALBERT called for order, either in Oklahoma, or in the Nation.

For the moment, let me leap over the span from that day in the springtime of 1908 to the present, when Members of the House of Representatives are soon to witness another landmark in a magnificent American life. In a few hours, we are to hear the voice of CARL ALBERT calling this Chamber to order for the last time.

The space bracketed by the events I have just described comprise more than a third of the life of the republic. And it covers some of the most momentous events, not only in our history, but in the history of the world. And the voice of CARL ALBERT of McAlester, Okla., was a voice that was heard in these critical times. Americans who are young, who have been privileged to grow up in an age of endless horizons and who took as a matter of course man's landing on the moon, cannot begin to realize the accomplishments of CARL ALBERT'S life.

It is hard to comprehend the propulsion required to take a child from the very edge of the frontier, thousands of miles from the centers of American culture in Boston and New York and Philadelphia, and propel him to Oxford University as a Rhodes scholar. And then on to the highest councils of American Government as Speaker of the House of Representatives.

It is a long way from Flowery Mound Rural School to the Speaker's dais in this Chamber—but CARL ALBERT made it. And the fact that he did proves once again the glory and the opportunity of the American way.

It has been my good fortune to have CARL ALBERT as a friend since the first weeks of my own service in the Congress. I have taken pride in his accomplishments as a leader over these years, and the contributions he has made to the country and the Congress.

Now, he has decided it is time to go and to relinquish the helm of leadership to other hands. Those of us who have been with him through the voyage salute him, and bid him a sincere farewell.

THREE GEORGIA MEMBERS TO RETIRE

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CEDERBERG. Mr. Speaker, when the 94th Congress adjourns, the House will witness the departure of three of the House's most respected Members and three of Georgia's most venerable statesmen: PHIL LANDRUM, the dean of the Georgia delegation, BOB STEPHENS, JR., and BILL STUCKEY, JR.

Although we are of different political persuasions, that difference is limited to name only. These fine gentlemen have consistently put the interests of the Nation above party politics. Their record reflects their concern for the taxpayer, their constituents, and the welfare of the American people. Shouldering the responsibility of their positions in a manner that does them credit, they have epitomized the ideal of a Congressman.

These are the type of Democrats this country needs. Dedicated individuals who believe in fiscal responsibility, they have fought for what they thought was right. This country could ask for nothing more. And it got a lot more than it could have expected.

We have much to thank them for, in terms of both individual and collective contributions. Their work in the House has been outstanding; their friendship has been a privilege. I know that I am joined by all my colleagues in saluting these great Americans.

We wish them the best of luck in the future and invite them back for frequent visits. There will always be a reserved spot in our lives for them. We owe them much for a job well done and they can be sure there will always be a welcome smile and handshake.

CONGRESSMAN OTTO PASSMAN

HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. MILLS. Mr. Speaker, this Congress concludes the long and distinguished career of Otto Passman of Louisiana, a career which began with his election to the Congress in 1946.

He has served the people of Louisiana with distinction and his chairmanship of the Subcommittee on International Operations of the powerful Committee on Appropriations has enabled him to ably represent his constituency in the Congress and to make a significant contribution to the Nation.

There are others of us who complete 30 years or more in the Congress this year, and for each of us our service in the House has become a controlling part of our lives. It will be difficult, if not impossible, to refrain from taking an active, though private, role in Government affairs, and I feel sure that Otto will be as productive in retirement as he has been during his tenure in the House.

TRIBUTE TO WILBUR D. MILLS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, both Arkansas and the Nation will feel the loss as the 94th Congress closes and our colleague Wilbur D. Mills retires from Congress. For over 38 years in Congress, 16 of which serving as chairman of the Ways and Means Committee, Representative Mills' leadership qualities have helped shape this country's strides toward the future. Instrumental is structuring tax reform, social security improvements, and trade reform, the progress that we achieve in our third century will be heavily indebted to Wilbur Mills' direction.

As my dear friend and colleague departs from this legislative Chamber, I consider it an honor to take this time to honor the gentleman from Arkansas. His presence from this body will be sorely missed.

A TRIBUTE ON THE RETIREMENT OF THE HONORABLE JAMES A. HALEY OF FLORIDA

SPEECH OF

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. CHAPPELL. Mr. Speaker, it is a distinct pleasure for me to join with my colleagues in paying tribute to a highly respected leader of this great body—the Honorable James A. Haley of Florida.

When I first came to Congress, Jim Haley occupied a ranking position and was widely admired for his intelligent and commonsense approach to our many national problems. More than that, I soon learned there was no senior Congressman more willing to listen to a freshman's problems and take the time to constructively help him. Jim Haley became my father confessor and adviser.

Jim Haley is a tower of strength and a gentleman of quiet reserve—warm and compassionate. His easy manner, his deliberate style and his patience, inspire a free exchange of ideas. His conscientious concern for our American Indians, his longtime advocacy of fiscal responsibility in Government, and his monumental accomplishments in the field of environmental protection make him a standout across our great Nation.

All of America is blessed to have had the wise counsel, the logical determination, the deliberate drive and the unswerving devotion Jim Haley brought for so long to the U.S. Congress.

He will be deeply missed by the Florida delegation, the entire Congress, and most assuredly by Bill Chappell.

PHIL LANDRUM

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. FREY. Mr. Speaker, it is with a great deal of sadness that we note that our good friend and neighbor, Phil Landrum, the gentleman from the Ninth District of Georgia, has elected to retire at the end of this Congress. Phil was elected to the 83d Congress and has been reelected to every succeeding Congress. He served on the House Education and Labor Committee and since 1965 has served on the Ways and Means Committee. The Landrum-Griffin Act, which was the first piece of labor-management legislation to be passed since the Taft-Hartley Act in 1947, is just one of the landmark bills that he has worked on. He has stood over the years for sound and sane fiscal policies. His voice has been a respected one on the floor and he is greatly admired by all. The people of his district are going to miss him. We join with the people of Georgia and those in the Nation in thanking him for his dedication, his honorable service and a great job done. We wish him good luck, much health and years of happiness.

HON. CARL ALBERT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ABDNOR. Mr. Speaker, when I officially became a Member of this body the first to shake my hand was the distinguished gentleman and great leader from Oklahoma (Mr. Albert). President Ford, then our minority leader, was the second. That moment following my swearing in shall always be cherished as one of the highlights of my entire life. Even though I have yet to complete my second term in the House, I now see how Congress changes without it really changing. Our traditions remain, but the personalities do not. Thus we recognize this as both a House of joy as well as a House of sorrow. One of those moments of sorrow is at hand with the departure from the body of the illustrious Speaker as well as many other of our colleagues, most of whom are contemporaries of Mr. Albert. Certainly we shall miss and remember the splendid service of the Speaker. His is a fine record—for Oklahoma—and for America—both beneficiaries of a brilliant career of dedicated achievement for his fellow man.

I am pleased to join in wishing the Speaker many happy hours, and a retirement that is as enjoyable as his service has been long.

ROBERT E. JONES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. COLLINS of Texas. Mr. Speaker, I would like to join my colleagues from Alabama in paying tribute to Robert E. Jones, the dean of the Alabama congressional delegation. He has distinguished himself in behalf of Alabama for 15 consecutive terms. Bob Jones will go down in history for his chairmanship of the House Public Works and Transportation Committee. He has chaired, studied, deliberated, and legislated many productive public works programs.

But those of us who served with Bob Jones remember him most for his warm, pleasant personality. As I join him coming down the hall every day to walk over for all the votes, I always remember Bob with a twinkle in his eye. How many thousands of rollcalls we answer with the office mates on our floor. He has a pleasant outlook about everything and everybody. He still is folksy as the day he left Alabama to begin his service in Congress. He has a certain Will Rogers way about him.

When Bob Jones goes back to Alabama, he will carry with him the many memories of his colleagues. We will all remember Bob as one of the warmest, kindest, and most lovable personalities that has ever served in the history of Congress.

BELLA S. ABZUG

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BRADEMAS. Mr. Speaker, I rise to pay tribute to our distinguished colleague from New York, the Honorable Bella S. Abzug, as she retires from service in the House of Representatives after three terms here.

Mr. Speaker, I think that every Member of this body would agree that few persons have so quickly had so deep an impact on the House and on public life generally in so short a time as BELLA ABZUG.

BELLA has brought a formidable intelligence, passionate commitment, and a probing wit to the consideration of an extraordinary range of issues, both foreign and domestic.

BELLA ABZUG has earned regard and respect across the entire country for her willingness to speak out forcefully and eloquently on some of the most burning issues of our day.

Although BELLA will no longer be serving with us in Congress, I feel certain in saying that her career in public life is far from ended.

I join in wishing BELLA every success in whatever she now undertakes to do.

BOB JONES OF ALABAMA

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DIGGS. Mr. Speaker, I rise to join my colleagues in paying tribute to Representative BOB JONES of Alabama, whose distinguished career in the House will end with our adjournment this week.

Throughout his 30-year tenure in the Congress, BOB JONES has represented the people of Alabama with honor and distinction. Particularly in the area of public works, BOB JONES has worked diligently to maximize the benefits of Federal spending and reduce unnecessary or wasteful spending.

As BOB ends his illustrious career in the House of Representatives, I join with my colleagues in wishing him the best of luck in his future endeavors, and in expressing our gratitude for his service and friendship during the past 30 years.

TRIBUTE TO JOE L. EVINS

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. DENT. Mr. Speaker, JOE EVINS—the gentleman from Tennessee—my friend and colleague, is retiring from this House he has loved and served so well for 30 years. The Nation owes JOE a debt of gratitude for his work and leadership as the chairman of the House Appropriations Subcommittee on Public Works. As one of his admirers recently said, JOE "helped to literally build America," and to my mind he has done a whale of a good job.

The Nation will miss JOE EVINS' voice in the Congress and this House will sorely miss his leadership and brilliance. I will miss JOE EVINS as a devoted friend and colleague.

As JOE EVINS leaves this House he can take with him the memories of 30 years, the best wishes of his friends and colleagues, the gratitude of his country, and the quiet satisfaction of a job well done.

REPRESENTATIVE TOM REES

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mrs. BURKE of California. Mr. Speaker, I rise today in tribute to a distinguished member of the California delegation who is retiring at the end of this year. I wonder how many Congressmen would give up their seats when still young, and when they have the prospect of moving up the seniority ladder? Probably not many, but TOM REES, who could never be challenged successfully by an opponent in an election, has successfully been challenged by the prospect of moving into a new career.

In his 11 years in Congress, TOM has commanded respect for his expertise. He has distinguished himself as an authority on the Banking and District Committees in the areas of monetary policy, foreign trade, and urban problems.

In California, TOM served 11 years in the State senate, representing the entire 7 million people of Los Angeles County. The people of his district will remember his service and concern, and will welcome TOM back home with enthusiasm. I wish him great success in his future endeavors.

HON. THOMAS E. MORGAN

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ICHORD. Mr. Speaker, the Pennsylvania delegation may contain the third largest group of Representatives from any State in the Nation, but that will not make the retirement of THOMAS E. MORGAN any easier or less noticeable. Doc has not led an inconspicuous career in Congress, and it is too late for him to start now.

Perhaps the greatest tribute I can pay to this outstanding leader is simply to list achievements, for they have been numerous nad need no embellishment. He has served the 22d District of Pennsylvania for 32 years, a fact which illustrates without question the love and respect he has earned from his constituents, and he has done so with an integrity of thought and action that will remain an inspiration to us all. He received a doctor of medicine degree from Wayne University in 1934, decorated that with an array of honorary medical and law degrees, and elected, in 1944, to help heal his Nation's ills from another office, a political one. I am grateful for this decision, for this House and this Nation have benefited profoundly from Doc's extraordinary combination of compassion and action, insight and objectivity. His 17 years of dynamic leadership as chairman of the vital Committee on International Relations alone will serve as testimony of his excellent ability to diagnose a problem and, often amid proclamations that the situation is inoperable, to enact a cure.

Mr. Speaker, I join gratefully with my colleagues today in paying tribute to Doc MORGAN, a great servant and leader, a lasting example and inspiration, and an honored man and friend.

THOMAS E. MORGAN

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PERKINS. Mr. Speaker, the services of Dr. MORGAN to the republic during his 32 years as a Member of this House are simply too numerous to catalog.

Not only has he borne the burden of the chairmanship of the Committee on International Relations for 18 years, he has still found time to give his district exemplary service as its distinguished representative in Congress.

Dr. MORGAN's service in the House was quiet, analytical, and constructive. His long experience in foreign relations has given him keen insights into our own country's problems in dealing with our neighbors on this planet. And he was a tremendous resource to the makers of American policy for his wisdom and his insights.

The Congress will miss Doc MORGAN as he goes home to his home in southwestern Pennsylvania to retire among his friends and neighbors who he has served so long and so well.

EARNED INCOME CREDIT: RESULTS OF OVERSIGHT SUBCOMMITTEE QUESTIONNAIRE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. VANIK. Mr. Speaker, in March 1975, the Tax Reduction Act established the earned income credit, a valuable tax benefit for millions of low-income taxpayers. Under the law, anyone with an adjusted gross income less than $8,000 who is head of a household and supports a dependent child, is eligible to claim a credit of up to $400.

To obtain the credit, an eligible individual must file a tax return. Last year the Ways and Means Oversight Subcommittee of which I am chairman cooperated with the Internal Revenue Service and other Federal and private agencies in putting together a mass publicity campaign to make lower-income Americans aware of the earned income credit.

In an effort to discover the successes and failures of last year's earned income credit outreach program, the Oversight Subcommittee in July sent out a questionnaire to State welfare administrators and to a sample of community organizations. The subcommittee staff has recently finished compiling the data received on these questionnaires.

The completed questionnaires which

the Oversight Subcommittee staff has received indicate that while last year's earned income credit publicity program was a massive effort, there is a need for some improvement in this year's program. The questionnaires received from the State welfare agencies indicate a need for better cooperation between the States and the IRS, USDA, and HEW in developing publicity materials and distributing them to the low-income people who are eligible for the earned income credit.

The questionnaires which the subcommittee received from various community organizations point to a different problem in last year's publicity program. The responses to these questionnaires indicate not only a need for greater publicity of the credit this year, but a greater effort to develop publicity materials that can be understood by the low-income people who are potential recipients of the earned income credit.

This year we have more time to organize an effective outreach program. I am hopeful that greater cooperation between the Federal and State agencies involved with the earned income credit publicity program, together with greater cooperation with local community organizations that deal every day with low-income people, will help us avoid some of the problems that occurred last year.

The results of the subcommittee's earned income credit, EIC, questionnaire follows:

EIC QUESTIONNAIRE

QUESTIONNAIRES SENT TO WELFARE ADMINISTRATORS

Fifty-one questionnaires were sent to the welfare administrators of each of the states and the District of Columbia; forty-five of these agencies responded.

In some cases, questions were not applicable to the circumstances within the state, and information was not available for answering all questions. Thus the compiled totals for each question often do not equal the total number of agencies responding to the questionnaire.

Question 1(a)—Did your office play any role in informing low-income individuals about the EIC or explaining any aspect of the credit to them?

Response: Forty-three states responded "yes", while two states, Alaska and Colorado, answered "no."

Question 1(b)—If your answer is "no", do you believe that your state welfare or food stamp office could have assisted in any way in publicizing the EIC or explaining any aspect of the credit to them?

Response: Both Alaska and Colorado said they could have assisted; however, neither state agency received the publicity materials they ordered.

Question 2(a)—Were you notified about these leaflets and requested to mail them to AFDC and food stamp recipients?

Response: Forty-four of the agencies were notified about the leaflets, while only one—Oregon, was not.

Question 2(b)—If your answer is "no", would your state have agreed to distribute notices of the Earned Income Credit (EIC) in AFDC and/or food stamp mailings?

Response: Oregon replied that it could not have distributed the leaflets, as it uses a "pre-sealed data mailer system."

Question 3(a)—When and by what means were you notified about the availability of the so-called "leaflet" that could be inserted into AFDC and food stamp checks?

Response: Almost all of the agencies were notified of the leaflets in December 1975 and January 1976, although three agencies did not learn of the leaflets until February, 1976. The state agencies were notified by mail, phone and telegram by IRS, HEW and USDA.

Question 3(b)—If you were notified about the leaflets but were unable for some reason to "stuff" checks with them, what was the reason for the inability?

Response: Many state agencies had difficulty using the leaflets which the IRS developed. Alaska and Colorado never received the leaflets they ordered. A number of states noted that they did not have enough time to mail out the leaflets. The most common problem, however, was the inability of many state agencies to stuff the leaflets because they were the wrong size or printed on the wrong stock of paper. About 15 states experienced this difficulty; most would have preferred to have the leaflet printed on a 3¼" x 7⅜" IBM card stock. Some states printed their own leaflets for stuffing; for example, California printed one million of its own leaflets, and Utah also developed its own flyers.

Question 4(a)—From whom did you order the leaflets?

Response: Three states ordered from the IRS national office and seven states each from IRS District and Regional offices. Other states ordered their leaflets from the Food and Nutrition Service or the Social Rehabilitative Services.

Questions 4 (b) and (c)—When did you make and when did you receive your orders?

Response: All of the states made their orders in the last two months of 1975 or in January, 1976. Almost all orders were filled in two months or less. The only states which experienced any significant difficulties were North Carolina, whose AFDC leaflets did not arrive until *five months* after they were ordered, and Alaska and Colorado, which as noted above, did not receive any leaflets at all.

Questions 4(d) and 4(e)—Did you encouter any difficulties with IRS in receiving your order? How could these problems have been avoided?

Response: Twenty-seven agencies received their orders without problems, while ten reported difficulties. In some states, the orders were shipped to the wrong place, causing delay in mailing them out.

Questions 5(a), 5(b) and 5(c)—Did you insert leaflets into mailings of AFDC or Food Stamps? If so, how many and in which month were they sent?

Response: Thirty-one states said they sent out leaflets in AFDC checks, while fourteen sent the leaflets with Food Stamps and five states sent the leaflets with other benefits. The nineteen states that sent leaflets with Food Stamps or other benefits were among the thirty-one sending leaflets with AFDC checks. Thus, a total of thirty-one states of the forty-three responding sent out leaflets with benefit checks. The states reported sending a total of 1,743,335 leaflets.

The vast majority of the leaflets were sent in February and March of 1976 (27 out of 31 states). The remaining states mailed their leaflets in April and May 1976.

Question 5(d)—Can you approximate the cost of work incurred by your agency in distributing these EIC leaflets?

Response: Only fifteen agencies were able to estimate the cost of stuffing. The estimates ranged from "two hours of labor" in Montana to $17,500 in Massachusetts.

Question 5(e)—Did you encounter any difficulties in inserting leaflets into your regular mailings?

Response: Seventeen agencies had no problems, but eighteen did encounter difficulties. The problems that came up are listed in the response to question 3(b). Again, the most common difficulty was the inappropriate size or stock of the paper on which the leaflets were printed.

Question 5(f)—How could these problems have been avoided?

Response: The states that had problems inserting the leaflets said that these problems could have been avoided by printing the leaflets according to their specifications and by earlier notice of the availability of the leaflets.

Question 6(a)—Do you know if your office or local offices received many questions about the EIC from welfare or food stamp recipients who found leaflets in their benefit checks? Can you estimate how many questions you received?

Question 6(b)—Were a sufficient number of such questions asked that they interfered with the regular workload?

Question 6(c)—Did you refer questions about the EIC to the IRS?

Response: Of the twenty-five agencies responding, nineteen received inquiries concerning the EIC. The volume of questions was quite small; only three states said that the questions interfered with their regular workloads, but did not explain to what extent the calls interefered with their operations. All but three states referred questions on the EIC to the IRS, in most cases to the nearest IRS office or to the IRS toll-free phone number.

Questions 7(a) and 7(b)—The IRS developed a package of information materials (both in English and Spanish) for publicizing the EIC, including a poster and a brief publication entitled "Tax Benefits for Low-Income Individuals."

Question 7(a)—Did your agency use any of these publicity materials? If so, please explain to what extent any of these materials were used.

Response: Thirty agencies did not make use of the IRS publicity materials. One state said the materials arrived too later, while two state agencies were unaware of the existence of the materials. Fifteen agencies did use the publicity materials in waiting rooms, for distribution to clients, and for staff information.

Question 7(b)—Which items do you think were most effective in reaching a wide spectrum of low-income individuals and families?

Response: Fifteen agencies answered this question. Eleven indicated that stuffers were the most effective means of publicity. Two state agencies thought that TV and radio spots were the most effective method, and one agency said posters were the most effective.

Question 8—Did your agency develop any of its own publicity materials for publicizing the EIC? If so, please describe the materials.

Response: Twenty-eight agencies did not develop their own publicity materials, while nineteen said they did. Many states that did said they included more detail in their materials. Other states simply printed up leaflets to fit their stuffing machines.

Questions 9(a) and 9(b). The earned income credit law for 1975 provided that the credit be disregarded in determining eligibility for, or benefits under, federal or federally-assisted aid programs, as long as the individual was a recipient of benefits under the program in the month before he received the tax refund under the earned income credit.

Question 9(a)—How and when did your agency learn about the disregard clause in the law?

Response: Eighteen agencies learned about the disregard clause from HEW, three from USDA, and three from HEW and USDA. Eight states learned of the clause from other organizations, newspapers, or published regulation as to why some agencies learned of the disregard clause in April 1975, two in May, two in June, one in August, two in October, one in November, two in December, fourteen in January 1976 and one each in February, March and April, 1976. There was no indication as to why some agencies learned of the clause much later than others.

Question 9(b)—Do you treat regular tax refunds as income or resources to welfare or food stamp recipients?

Response: Thirty-six states said that tax refunds in one way or another affect the value of the recipients' benefits. Some treated refunds only as a resource, some only as income; and in some states this policy applied only to the AFDC or Food Stamp program.

Seven agencies reported that they do not treat regular tax refunds as income or a resource.

Question 9(c)—Did you have any difficulties in determining which portion of the recipient's refund check pertained to the EIC?

Response: Twenty-eight agencies responded, of which twenty-one experienced no problems. Seven agencies did encounter difficulties resolving problems either by reviewing federal tax returns or by requesting the proper information from IRS.

Question 9(d)—What do you think is the most effective way to publicize the disregard clause?

Response: Most agencies answering this question felt that stuffers or handouts would be the most effective methods. Others mentioned the media and IRS tax return instructions as possibilities.

Question 10(a)—Presently, the EIC only applies to a parent who maintains a household for at least one dependent child. If this were extended to include *any* relative who maintains a household for a dependent child, e.g., grandparent, aunt, uncle, etc., can you estimate how many additional low-income families would be affected?

Response: Many agencies were unable to make an estimate. Only seventeen agencies made estimates. Three states gave estimates of ten to fourteen percent increase. Other states gave estimates in terms of absolute numbers ranging from Pennsylvania with 24,000 to smaller states like Montana estimating no more than 300. It is hard to draw any conclusion from the varied answers received.

Question 10(b)—Can you forsee any difficulties in implementing or enforcing such a requirement?

Response: Seven agencies foresaw difficulties while thirty-two did not. Those agencies predicting problems cited administrative difficulties in such an extension on the EIC; for example New York mentioned the "complexities of establishing the relationship by documentary evidence."

ADDITIONAL COMMENTS

Few states had additional comments. Alaska said that the EIC was "an abysmal failure", apparently because they never received the leaflets they ordered. California mentioned insufficient lead time, the uselessness of the IRS leaflet (due to wrong size), and difficulty in distinguishing the EIC from regular tax refunds as the main problems. Delaware also cited insufficient time as a major problem. Idaho felt that distinguishing the EIC from regular tax refunds was difficult if not impossible. Maryland said the complicated process of applying for the EIC rendered publicity of the EIC "meaningless." The Maryland agency said the demands made on the applicant "preclude all but the sophisticated beneficiary." Minnesota thought the insufficient lead time was the main problem. North Carolina said that SRS (HEW) had not issued regulations to disregard the EIC for AFDC recipients. Tennessee mentioned the difficulty in distinguishing the EIC from regular tax refunds in order to disregard the EIC in determining other benefits.

QUESTIONNAIRES SENT TO COMMUNITY GROUPS AND PUBLIC SERVICE ORGANIZATIONS

A somewhat different questionnaire was sent to more than 50 community groups and public service organizations across the country, such as Goodwill Industries, Legal Services, and the Salvation Army. Thirty-six questionnaires were returned to the Subcommittee. The following is a summary of the completed questionnaires:

Question 1(a) How did you learn about the EIC?

Response: Almost all of the groups had heard of the EIC. However, six of the organizations first learned of the EIC through the questionnaire. The majority of those previously informed became aware of the EIC through the IRS 1040 form. The others received information through the media, VITA and the CNI weekly publication.

Question 1(b)—Do you feel that publicity by the IRS was adequate? If not, why not?

Response: Seven groups were convinced that the publicity was adequate: one said barely; two stated it was adequate although they never received brochures, leaflets or fliers, and only learned of the EIC through the 1040 form. The groups who described the publicity as inadequate gave varied reasons for the inadequacy. Some responses indicated that the information was distributed too late in the tax year. Throughout the questionnaire responses, there were complaints that IRS material was too complex for those who really needed to understand it; i.e., the poorly-educated, low-income groups. But some groups were not even aware that publicity material was available through the IRS. Some agencies claimed that there was no media publicity whatsoever, while others claimed the coverage was excellent. These variations did not seem to be related to location.

Question 2(a)—Did you know about or obtain copies of IRS publication #884, entitled, the "Earned Income Credit Kit"?

Response: Twelve answered "yes", fifteen "no."

If so, how many copies?

Response: Of the twelve affirmative answers, four groups said they received sixty to one hundred copies; the other thirteen groups received between one and ten, eight of them receiving only one copy.

Question 2(b)—Did you have any difficulties in obtaining copies of the "Earned Income Credit Kit"? If so, please explain.

Response: This question obviously had a limited number of responses, since those who knew of the kit and who ordered copies had very little trouble obtaining them. However, most groups did not take advantage of this opportunity.

Question 2(c)—Did you find these kits useful in understanding the EIC or in obtaining publicity materials?

Response: Thirteen groups answered "yes" and four answered "no." One group stated both "yes" and "no": yes regarding understanding the credit and no regarding obtaining publicity materials.

Question 2(d)—What classification or types of workers in your organization made use of the kit?

Response: All of those who found this question applicable said that lawyers or paralegals used this kit. However, only fifteen organizations responded.

Question 3(a)—Did you know about or obtain copies of any of the promotional materials developed by IRS to publicize the EIC, e.g., posters available in English and Spanish, press releases and radio spots, or informational stuffers that could be inserted into other mailings? If so, how many of each?

Response: Less than a third of the groups received promotional information. The other two thirds were unaware of its availability.

Question 3(b)—Did you have any difficulties in obtaining any materials that you ordered? If so, please explain.

Response: Almost all of the organizations stated that they had no problems obtaining the requested material. However, few agencies knew that the information was available. Those that did have difficulties complained about the late arrival during the tax year.

Question 3(c)—Did you find these publicity materials useful?

Response: This was limited to a yes/no answer, and the returns were ten "yes" and three "no." Many found this question not applicable, since there were only thirteen responses. Again, the complaints usually referred to the complexity of the language.

Question 3(d)—Can you recommend improvements in either form or content?

Response: With about three-quarters of those who were questioned responding, a few generalizations can be made. First of all, almost all complaints centered on the complexity of the materials. They stated that since this information is aimed at the lower income sector of the public, there must be an additional effort to simplify its content. Specifically cited was publication 596, which was described as much too complex. One response was that IRS should define its terms more clearly, while another suggestion was for simplification of the computation procedure.

Question 3(e)—What uses did you make of these materials?

Response: The answers to this question varied greatly. The most common response was that posters were hung in offices. Some others stated that they simply read the information for their personal knowledge because the small print and complex language would baffle those most concerned. Some used the materials directly for publicity by copying the publications and placing them in newspapers or distributing them to subsidiary units.

Question 3(f)—What other promotional items do you think should be developed by the Internal Revenue Service?

Response: There were many suggestions made. Most of these concerned how to increase awareness of the EIC. The most commonly suggested methods were posters in supermarkets, banks, welfare agencies, and information printed on the W-2 forms distributed by employers.

However, there were several groups that gave suggestions as to the content of the publicity. Some stated that giving examples to support their specified criteria for EIC would greatly increase people's understanding of the credit. One organization suggested that utility bills should carry the information. The same group thought that the media would have limited impact, because the message would go by too fast on television and radio for the low income groups to really comprehend it. All groups expressed the idea that publicity which was simplified would be helpful.

Question 4—Several Federal agencies reported that notices of the EIC would be distributed by state agencies in regular mailings of AFDC checks, food stamps and unemployment compensation payments.

Question 4(a)—Do you know whether your state offices fulfilled these promises? If so, in which months were notices mailed or made available (early or late in the tax season)?

Response: Only four groups out of the thirty-six stated that information was distributed with AFDC checks and two groups said that food stamp mailings included the information. All of these affirmative responses came from the state of Pennsylvania.

Question 4(b)—Do you think that notices in these benefit mailings are an effective way to publicize the credit? If not, please explain.

Response: Because there were only four agencies that could judge the effectiveness of this type of mailing, the responses were limited. One suggestion received was that the information distributed should state where and when to contact the proper people. The present mailings do not provide this.

Question 5(a)—Did your organization develop any other materials that were used to publicize the credit? If so, please describe the materials and your organization's use of them.

Response: Sixteen organizations stated that they had developed publicity materials. These materials consisted of radio and newspaper spots and a poster displayed in the office. Some of these spots were bilingual. Other groups distributed fliers and brochures to interested parties and clients.

Question 5(b)—Which items do you think were most effective in reaching a wide spectrum of low-income individuals and families?

Response: Very few of the groups answered this question. The materials mentioned in 5(a) were described as the most effective, and the method of communication most often cited as successful was the inclusion of inserts with welfare checks. This method was also considered the easiest to implement.

Question 6—Taxpayers must file a tax return in order to claim the EIC. What kind of publicity do you think would specifically reach low income taxpayers who do not file a tax return?

Response: Most responses overlapped with the recommendations in question 5. There were, however, some additional suggestions. Distribution of information through job service offices, welfare and social security agencies was suggested. The emphasis was on more simplified techniques and greater outreach and publicity programs through more extensive media spots.

Question 7—Taxpayers have three years in which to file an amended return to claim the credit that they may have failed to claim this year. What do you think is the best way to communicate this message to low-income tax-payers.

Response: The answers to this question varied little from previous answers dealing with publicity. Media blitzes, mailings and posters were mentioned frequently.

Question 8—The EIC law for 1975 provided that the credit be disregarded in determining eligibility for, or benefits under, federal or federally-assisted aid programs, as long as the individual was a recipient of benefits under the program in the month before he received the tax refund under the EIC.

Question 8(a)—Do you know if this provision is being implemented in the states?

Response: Seven groups said that the disregard clause had been implemented in their states, but the majority of those who answered did not know whether or not it had been implemented.

Question 8(b)—Do you know if either state agency personnel or beneficiaries of the programs are encountering any difficulties with this provision? If so, please explain.

Response: No organization knew of any difficulties.

Question 9—Presently, the EIC only applies to a parent who maintains a household for at least one dependent child.

Question 9(a)—If this were extended to include any relative who maintains a household for a dependent child, e.g., grandparent, aunt, uncle, etc., can you estimate how many additional low-income families would be affected?

Response: The most common answer was a ten percent increase. However, many organizations were unable to estimate.

Question 9(b)—Can you foresee any difficulties in implementing or enforcing such a requirement?

Response: Five organizations replied "yes," eighteen said "no." The affirmative responses did not indicate what difficulties were anticipated.

AFTERWORD ON THE SYNTHETIC FUELS DEBATE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SCHROEDER. Mr. Speaker, the defeat of the rule on H.R. 12112, the synthetic fuels loan guarantee bill, is already having a beneficial effect within the synthetic fuels industry. A recent article in Oil Daily carries a front page story regarding Coalcon, a joint venture between Union Carbide and Chemico corporations, which is already working on technology which surpasses in performance the technology for synthetic fuels development which H.R. 12112 would have attempted to "commercialize." Very briefly, Coalcon's executives are quoted as believing that loan guarantees would have hurt synthetic fuels development by placing new technology into a holding pattern while we all waited to see what would happen. I might add that this is similar to the view which the General Accounting Office took in its recent synthetic fuels study, when it found that H.R. 12112 would develop, if anything, technology which would be obsolete before it was even on line.

The article follows:

[From the Oil Daily, Sept. 30, 1976]

INFLATION'S GAPS KEY TO SYNFUELS—BUT COALCON SEES DELAYS FROM LOAN GUARANTEE PROGRAMS

(By Jim Brumm)

NEW YORK.—The key to successful commercialization of synthetic fuels from coal is an "anomaly between" the inflation rates of construction costs and petroleum product prices, according to Coalcon Co. President Stanley Noss.

A joint venture of Union Carbide Corp. and Chemico, Coalcon has an Energy Research and Development Administration (ERDA) contract to demonstrate the commercial viability of its clean boiler fuels from coal concept.

Its expectation that the process will be viable—that is, economical—is based on the probability that product prices will climb faster in the future than construction costs will, Noss told The Oil Daily.

He feels that implementation of second generation coal synfuels technology (such as that being developed by Coalcon) might be delayed by a federal loan guarantee program such as the one proposed by ERDA late last year and killed by a House vote last week.

Noss said investor resistance to the capital needs of the synfuels industry is an "emotional" reaction, although he admits that successful operation of a commercial scale plant—the aim of the loan guarantee program—would blunt the capital market's stated fears about inflation's impact on construction costs and in turn, the price that would have to be charged for a plant's products.

However, Coalcon's Director of Market Development, Anthony M. Fazzari, pointed out that implementation of first generation (or currently available) technology "might prompt people to sit back" and wait for the actual results. It is this expectation that causes Coalcon to fear there would be a delay in the more economical second generation technology following passage of any federal support program.

Joining Noss and Fazzari for a discussion, with The Oil Daily, of inflation's impact on synfuels in general—and Coalcon's program in particular—was Michael E. Elling, the firm's Manager of Economic Planning.

Elling pointed out that Coalcon, in its planning, must segregate the impact of inflation on various types of fuel, saying that its staff feels the price of the high sulfur coal it uses as feedstock "will escalate slower" than overall energy prices.

Of even more interest to his planning is the impact of inflation on one group of energy prices, the various petroleum products that the synthetic fuels produced by a Coalcon plant will compete with in the market place.

The "impact of this divergence (between product prices and the cost of high sulfur coal) is very important to us as processors," Elling stated, for the wider it becomes once a synfuels plant is operating the more commercially viable the facility's products become in the market place.

Noss inserted the point that the projected price of synfuel products from the Coalcon plant increases slightly less percentage-wise than any increases in the unit's feedstock costs.

However, the company is not ready yet to publicly project those actual product costs. Fazzari pointed out that even in the fourth phase of the ERDA contract—the actual demonstration of the plant's operating capability—most of the results will not be "viable" for such projections.

This is because the plant will be testing various types of coal feedstock, thus will be actually operating only 50% to 60% of the time, he said. During that phase there is one 12 month run scheduled on the facility's design feedstock—Illinois No. 6 coal—which should produce some usable data, he added.

But extrapolations of the expected inflationary impact on that feedstock and petroleum products from today's actual prices for the two components produce results that are "not unattractive," Fazzari asserted.

Inflation's impact on construction costs has been "more extreme" the past four years, he said, noting it was increased by environmental costs. The cumulative result, a 40% to 50% increase in the cost of second generation synfuels plants from the beginning of 1974 through mid-1976.

For the next 10 years, however, he sees a "more historical" 5% to 6% annual increase in the cost of such facilities.

Elling called that projection "as much predictive as hopeful," admitting that inflation's impact will be greater during the first few years of that decade and thus is expected to be lower than 5% to 6% during the early 1980's to produce the expected average.

The direct result of these projections is Coalcon's expectation that the cost of its ERDA contract—originally projected at $237 million in 1974 dollars—will actually be about $360 million when completed in late 1983.

The difficulty of projecting process plant cost inflation was also pointed out recently by Shell Oil Co. when it detailed attempts to meet a new Securities and Exchange Commission that the estimate of actual replacement costs of a company's physical facilities must be disclosed in footnotes in its annual report.

Shell estimates that its refineries and chemical plants, representing an original investment of $2.44 billion, would have cost $4.6 billion to replace in 1974.

To arrive at its estimate, Shell chose a basic method acceptable to the SEC—it used an inflation index that, when multiplied against the original cost of a plant, will yield a current-cost figure.

The problem—which index? Four of the ones most commonly used by petroleum companies would produce a spectrum of replacement costs ranging from $131 to $442 million for a 25 year old refinery originally costing $100 million. In the end, Shell chose a fifth index developed by Stanford Research Institute that put the cost for replacing such a refinery at $300 million.

ARTHRITIS, DIABETES, AND DIGESTIVE DISEASE AMENDMENTS OF 1976

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROGERS. Mr. Speaker, earlier this evening the House passed S. 2910, legislation to amend the Public Health Service Act to revise and extend its provisions respecting arthritis, diabetes, and digestive diseases, thus clearing it for signature by the President. As I indicated on the House floor during the passage of S. 2910, the final version of this legislation is very similar to H.R. 15641, which was reported by the Subcommittee on Health and Environment of the House Committee on Interstate and Foreign Commerce.

Mr. Speaker, I would like to express my sincerest thanks to Dr. Carter, Senator Schweiker, Senator Kennedy, Senator Cranston, Senator Eagleton, and the other members of the Subcommittee on Health and the Environment in the House, and the Senate Health Subcommittee, and all of their staff members, for their hard work and support in making possible the passage of this legislation in both Houses during the remaining hectic hours of the 94th Congress.

In lieu of Senate and House committee reports, much of the information on the history of and need for this legislation, and a summary of its provisions, was included with a statement of Senator Schweiker in the Congressional Record, part II, of September 29, 1976, on pages 33464–33471. I also understand that Senator Schweiker is going to insert in today's issue of the Record some additional information on the revisions made in the final version of S. 2910, as passed by the House and Senate. In addition, I am inserting the following additional information to provide further elaboration concerning the views of the members of our subcommittee on this legislation:

S. 2910/H.R. 15641

TITLE I—ARTHRITIS

Demonstration projects

The National Commission on Arthritis and Related Musculoskeletal Diseases, which was established under P.L. 93–640, found that the state-of-the art in science and medical practice has not sufficiently advanced, as yet, to provide for an ongoing demonstration program in arthritis prevention. Therefore S. 2910 would eliminate the requirement that arthritis demonstration projects engage in activities relating to the prevention of arthritis and related musculoskeletal diseases. However, the Subcommittee believes that research into the prevention of these diseases should continue to be emphasized as a function of multi-purpose arthritis centers.

S. 2910 contains provisions to broaden the scope of permissible activities of arthritis demonstration projects and to require such projects to emphasize the development and demonstration of new and improved methods of public education with respect to arthritis. The subcommittee recognizes that the specific elements of arthritis-related problems and their solutions (such as the need for transportation of patients, improved coordination and mobilization of existing health personnel and services, improved utilization of health care facilities and social service agencies) are different in each community. It is the subcommittee's intent, therefore, that the Secretary, in making grants for arthritis demonstration projects, give recognition to the varying needs of the regions served by these grants. Applications for these demonstration project grants should contain assurances satisfactory to the Secretary that the activities engaged in by the applicant will be conducted in cooperation with the section 1515 health systems agency whose health systems plan covers (in whole or in part) the area served by the project.

S. 2910 proposes modest authorizations of appropriations for arthritis demonstration projects consistent with the intent that a significant number of these projects be supported to develop and demonstrate the various types of programs which can be beneficial to persons afflicted with arthritis and related musculoskeletal diseases. The subcommittee does not intend this authority to serve as a basis for the Secretary to establish a full-scale nationwide arthritis program. In administering this program of demonstration projects, the Secretary should also require applicants to provide meaningful techniques for measuring the results and evaluating the effectiveness of these projects and to provide documentation of their findings for dissemination to health professionals, the general public, and other interested parties.

Data system

The Subcommittee finds that the need for the gradual development of an arthritis data system is of the essence at this time. S. 2910, in response to the findings and recommendations of the National Commission on Arthritis and Related Musculoskeletal Diseases, proposes to revise the authority under existing law which directs the Secretary to establish an Arthritis Screening and Detection Data Bank. The proposed legislation eliminates the requirements that suggests that arthritis data be collected and stored in a centralized "data bank" and directs the Secretary, instead, to establish a "data system." The Subcommitte intends that the Secretary have the discretion and flexibility to support the development of a technically and economically feasible system for the collection, storage, analysis, retrieval, and dissemination of data derived from arthritis patient populations.

In addition, S. 2910 revises the data system authority to broaden the scope of data that may be included in the arthritis data system. The Subcommittee believes that the limitations under existing law upon the types of data that can be included in this data system, are too restrictive for the development of an effective and useful data program.

Centers

Although the Arthritis Act of 1974 (P.L. 93–640) authorizes a program of support for "comprehensive" arthritis centers, S. 2910 refers to these centers as "multi-purpose" centers. This revision was made in response to the findings and recommendations contained in the long-range plan on arthritis and related musculoskeletal diseases, which was submitted to Congress by the National Commission on Arthritis and Related Musculoskeletal Diseases. The Commission found that "multi-purpose" is a more appropriate designation for these centers because of its determination that it is preferable to provide support for more relatively small centers throughout the country rather than concentrating scarce resources in a limited number of larger medical institutions and because it is not practicable at this time to require centers to have comprehensive programs in all categories of activities which the Arthritis Act of 1974 requires them to support. The subcommittee shares the Commission's views in this regard.

The Subcommittee however, believes that arthritis centers should continue to be required to support research, training, retraining (continuing education for health professionals), and public information activities as mandated by the Arthritis Act of 1974. Nevertheless, it is recognized that during the initial phases of support for centers, flexibility is required to accommodate institutions, or consortiums of cooperating institutions, at varying levels of development and that centers should not be required to support all activities with equal emphasis. Institutions should augment weak program areas to achieve a relative balance among required activities. Yet this balanced program should not preclude an institution from specializing in one or more particular program area. For example, an institution receiving arthritis center support, could give greater emphasis to specialization in the development of new techniques in the education of patients and the public or give greater emphasis to a particular type of arthritis, such as juvenile arthritis, as long as it adequately supports the other required program areas.

The Subcommittee considered revising the program authorizations for arthritis centers to require the Secretary to support a specific number or proportion of centers which engaged in special activities relating to persons suffering from juvenile arthritis. Since existing law requires the Secretary to give appropriate consideration to the need of centers especially suited to meeting the needs of children affected by arthritis, such a revision of the law was deemed unnecessary. Nevertheless the Subcommittee finds a severe need for augumentaiton of support for research, training, retraining, education, rehabilitation, counseling and referral activities in juvenile arthritis. It is the Subcommittee's intent, therefore, that in considering applications for arthritis center support, the Secretary give special consideration to the applications from institutions which include support of specialized activities related to arthritis in children.

The Subcommittee continues to reffirm its view that each arthritis center assisted by this program should have a carefully planned research component, or a demonstrated ability to develop such a component. The Subcommittee stresses the importance of, and need to augment epidemiological research in arthritis. Any epidemiologic research, surveillance, investigation, and training which is engaged in by arthritis centers, should be coordinated with the epidemiology programs of the Department's Center of Disease Control.

S. 2910 requires arthritis centers to conduct training programs for physicians and other health and allied health professionals in arthritis research. The Subcommittee recognizes that all centers will not be able to have extensive research-training programs, particularly, new arthritis centers or existing centers at their earlier stages of development. Existing law requires a minimum of 20 per centum of the funds appropriated for the arthritis center program to be used for establishing new centers. To be eligible to receive a grant as a new center, an institution, or consortium of institutions would either have no formal teaching program or a very limited program because of the lack of full-time faculty trained in the rheumatic diseases. The Subcommittee expects that applicants for "new center" grants demonstrate to the Secretary a strong commitment to develop the multipurpose program required under existing law (Section 439 (b) of the Public Health Service Act).

However, it is the Subcommittee's intent that the Secretary, in issuing regulations for new center support, give appropriate consideration to the ability and need of the applicant to phase in the various program areas required of multipurpose arthritis centers. Applicants for new center support should initially emphasize development of the education and training component of their arthritis program by providing for undergraduate instruction in the rheumatic diseases and special programs for interns who become primary care physicians and by incorporating arthritis instruction in the training programs of family practice, primary care, internal medicine, and orthopedic residents. In addition, an applicant for a "new-center" grant should make commitments of space, administrative, services, academic appointments for arthritis faculty, and at least partial support for faculty salaries.

S. 2910 revises and clarifies the three-year grant limitation under existing law for arthritis centers. It would permit support of a center for a period which cannot exceed three years unless the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, after review of the operation of the center by an appropriate scientific review group, extends this period of support for additional periods of three years each. Regardless of the number of three-year extensions granted to a center, it is the Subcommittee's intent that a thorough review of its operations be made each time before the granting of each extension to assure sufficient progress in the establishment, and improvement of the various elements required of multi-purpose centers receiving support under the center support program.

The National Commission on Arthritis and Related Musculoskeletal Diseases found a need for greatly increased patient and public information and education activities. The Commission received testimony at public hearings throughout the United States that present sources of information are inadequate, not readily accessible, or unable to provide factual evidence on the effectiveness of diagnostic, preventative, treatment, and control methods, drugs and devices, and on other aspects of arthritis treatment and control. Some arthritis centers and some community demonstration projects will address this problem at the local level. To meet the need for quickly providing accurate, objective, and constantly updated information, the Commission recommended that, in addition, a central Arthritis Information Service should be established to inventory current patient and public education programs, maintain a library, collect available information materials on arthritis, assess the needs for additional information, produce and disseminate new materials where these are required, and assure that the necessary information is available in appropriate languages.

The Subcommittee suggests that the Secretary give special consideration to utilizing the services, facilities, and statutory authorities of the National Library of Medicine and the National Center for Health Statistics, and of other appropriate programs and authorities of the Department, to provide for the establishment of such a national arthritis information service.

Advisory Board

S. 2910 directs the Secretary to establish a 24-member, ongoing, National Arthritis Advisory Board. The Committee believes that this advisory board is needed to provide focus within the Department of Health, Education and Welfare, the National Institutes of Health, and in other appropriate Federal agencies and entities on the various research, training, education, rehabilitation, and other programs dealing with arthritis. It is the Committee's intent that this board provide advisory input from scientists, health and allied health professionals and from the public with respect to the implementation of and future direction for the "arthritis plan", which was developed by the National Commission on Arthritis and Related Musculoskeletal Diseases, established under the provisions of the Arthritis Act of 1974.

The Subcommittee intends the National Arthritis Advisory Board to be strictly advisory in nature and not to be an operational agency. The board, in the subcommittee's view, has a great potential to foster interchange between interested individuals and entities from within and outside the Federal government, respecting arthritis related activities and to encourage cooperation and coordination of these activities among all represented sectors.

TITLE II—DIABETES

Advisory Board

The Subcommittee believes that there is a need for the establishment of a National Diabetes Advisory Board to provide focus in the Department of Health, Education, and Welfare and in other appropriate Federal agencies and entities on the various research, training, and other programs dealing with diabetes. In the Subcommittee's view, the board would permit increased advisory input from scientists, health and allied health professionals outside the Federal government, and from the public, with respect to Federal diabetes programs.

S. 2910 makes it clear that the National Diabetes Advisory Board, like the National Arthritis Advisory Board, is strictly advisory. It is not intended to be an operational agency. The advisory function is important, however, for the Board is intended to represent the major interests in the diabetes field, the Federal agencies, the public, professionals, and interested non-governmental entities.

S. 2910 provides that 7 members of the Board be appointed from individuals who are health and allied health professionals and scientists representing the various specialties and disciplines involved with diabetes and related endocrine and metabolic diseases. Over two dozen such specialties and disciplines have been identified by the subcommittee. If the legislation were to include representatives of each diabetes-related specialty and discipline on the Board, it would become too large and unwieldy.

However, the Subcommittee recognizes the importance of scientists and clinicians involved in these specialties and disciplines. These persons have the expertise to develop a systematic plan which can encompass an interspecialty and multidisciplinary approach to dealing with this disease which affects all bodily systems and organs. Therefore the Subcommittee recommends that the Secretary, in making appointments of clinicians, scientists, and health professionals to the membership of the Board, give special consideration to the inclusion of individuals with expertise in each of the following areas: large blood vessel disease (such as coronary artery disease, peripheral vessel disease, and chemical diabetes), small blood vessel disease (such as kidney disease and retinopathy), acute overt diabetes (juvenile and mature types), and neurology (including both peripheral and central nervous system disorders).

In order to provide a more effective link with the National Institute for Arthritis, Metabolism and Digestive Diseases, the Institute which has the primary role as measured by research dollars for diabetes, the Subcommittee has included as a member of the Board the Associate Director for Diabetes of the National Institute of Arthritis, Metabolism and Digestive Diseases. This provision is intended to ensure that there is a close working relationship between the Advisory Board and the top ranking NIH official whose responsibility is solely for diabetes.

The Subcommittee intends that the Board and its report pay particular attention to the treatment of juvenile-onset diabetes. This is an insidious disease which dooms afflicted children to lives of constant suffering. Testimony before the Subcommittee indicated that among young people with diabetes some 63 per cent will develop eye disease, 20 per cent will develop high blood pressure, and nearly 100 per cent will develop kidney problems. To help provide new hope to these children and to their families, the Subcommittee recommends that the Secretary give serious consideration to supporting a study to assess the effect of treatments of juvenile-onset diabetes on the development of microvascular and macrovascular complications.

TITLE III—DIGESTIVE DISEASES

Commission

The Subcommittee believes that there is a need for the development of a long-range plan for the use and organization of national resources to deal effectively with digestive diseases.

Title III of S. 2910 proposes to meet this need by requiring the Secretary of Health, Education, and Welfare to establish a twenty-five member National Commission on Digestive Diseases to—

1. identify, study and evaluate the national resources and problems associated with digestive diseases;

2. develop and recommend a long-range plan for the use and organization of both Federal and non-Federal resources to deal with these diseases; and

3. publish and transmit to the Congress a final report containing its long-range plan, recommendations for expenditures by the National Institutes of Health for each Institute's digestive disease activities, and any recommendations for future legislation.

The Subcommittee believes that the long-range plan should provide for an orderly progression toward attaining specific goals within the limits of existing knowledge of digestive diseases. It should focus on pointing out the most promising areas to be pursued and the existing resources which can be utilized and the additional resources necessary to effectively pursue these promising areas.

The Subcommittee also believes that there is a need for increased coordination of Federal activities respecting digestive diseases. Since research and training activities related to digestive diseases is supported by several of the Institutes within the National Institutes of Health, there should be increased coordination of these activities within NIH. NIH should, in particular, take a coordinated and augmented approach in the dissemination of results of new developments in research, diagnosis, treatment, and rehabilitation to scientists and health professionals in the field. Coordination of Federal digestive disease activities should be augmented among all other appropriate entities within the Department of HEW as well as among other Federal Departments and entities in general.

For these reasons, S. 2910 would require the Secretary of Health, Education and Welfare to establish a Coordinating Committee for Digestive Diseases. The Coordinating Committee would be composed of the heads of the major Federal agencies and entities inside and outside the Department of HEW. It would be responsible for the coordination of digestive disease-related activities of the Federal agencies and entities represented on the Committee.

FEDERAL RESERVE BOARD ENFORCEMENT OF ANTIBOYCOTT LAWS

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BROWN of Michigan. Mr. Speaker, on September 27, the chairman of the Commerce, Consumer, and Monetary Affairs Subcommittee, of which I am the ranking minority member, released a report on the "Effectiveness of Federal Agency Enforcement of Laws and Policies Against Compliance, by Banks and Other U.S. Firms, with the Arab Boycott."

In a press release accompanying this report, the chairman of the subcommittee states that:

> The Federal Reserve Board (has) consciously undermined the Government's policy of encouraging and requesting banks and other American firms not to comply with Arab boycott restrictions of an economic nature.

The statements which make up Federal Reserve Board policy on this issue are found in three letters:

First. A letter dated December 12, 1975, from the Board through its district banks to all member banks enunciating a strong policy against bank compliance with boycott demands.

Second. A letter dated January 20, 1976, from the Board to its district banks reaffirming the policy statement in the previous letter, and clarifying the legal obligations of the banks with respect to that policy.

Third. Chairman Burns wrote to Chairman ROSENTHAL on June 3, 1976, expressing his personal views on the subject and restating the Federal Reserve Board position.

I do not think the facts justify the serious charge made by the chairman of the subcommittee and, therefore, I am incorporating in these remarks copies of these letters in order that my colleagues may judge for themselves whether the Federal Reserve Board "consciously undermined" the Government's policy:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., December 12, 1975.

To the Presidents of all Federal Reserve Banks and offices in charge of branches.

On November 20, 1975, the President announced a number of actions intended to provide a comprehensive response on the part of the Federal Government to any discrimination against American citizens or firms that might arise from foreign boycott practices. Two elements of the President's announcement relate to the possible involvement of commercial banks in such practices:

First, the President has directed the Secretary of Commerce to amend regulations under the Export Administration Act to prohibit U.S. exporters and "related service organizations" from answering or complying in any way with boycott requests that would cause discrimination against U.S. citizens or firms on the basis of race, color, religion, sex or national origin. The term "related service organizations" is defined to include banks. Accordingly, banks that become involved in a boycott request related to an export transaction from the U.S. will be required to report any such involvement directly to the Department of Commerce.

Second, the President has encouraged the Board of Governors and the other Federal financial regulatory agencies to issue statements to financial institutions within their respective jurisdictions emphasizing that discriminatory banking practices or policies based upon race or religious belief of any customer, stockholder, employee, officer or director are incompatible with the public service function of banking institutions in this country.

The Board of Governors strongly supports the President's statement in this regard. Banking is clearly a business affected with a public interest. Banking institutions operate under public franchises, they enjoy a measure of governmental protection from competition, and they are the recipients of important Government benefits. The participation of a U.S. bank, even passively, in efforts by foreign nationals to effect boycotts against States—particularly where such boycott efforts may cause discrimination against United States citizens or businesses—is, in the Board's view, a misuse of the privileges and benefits conferred upon banking institutions.

One specific abuse that has been called to the attention of the Board of Governors is the practice of certain U.S. banks of participating in the issuance of letters of credit containing provisions intended to further a boycott against a foreign country friendly to the U.S. The practice appears to have arisen in commercial transactions between U.S. exporters and foreign importers, in which the importer has arranged for the issuance of a bank letter of credit as a means of making payment to the exporter for the goods he has shipped.

In some cases the importer has required, as one of the conditions that must be satisfied before payment can be made by the U.S. bank to the exporter, that the exporter provide a certificate attesting that it is not connected in any way with a country or firm being boycotted by the importer's home country, or is otherwise in compliance with the terms of such a boycott. Such provisions go well beyond the normal commercial conditions of letters of credit, and cannot be justified as a means of protecting the exported goods from seizure by a belligerent country. Moreover, by creating a discriminatory impact upon U.S. citizens or firms who are not themselves the object of the boycott such provisions may be highly objectionable as a "secondary" boycott.

While such discriminatory conditions originate with and are imposed at the direction of the foreign importer who arranges for the letter of credit, U.S. banks that agree to honor such conditions may be viewed as giving effect to, and thereby becoming participants in, the boycott. The Board believes that even this limited participation by U.S. banks in a boycott contravenes the policy of the United States, as announced by the President and as set forth by Congress in the following declaration in the Export Administration Act of 1969 (50 U.S.C. App. § 2402 (5)):

"It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States."

The Board also notes that the agreement by a U.S. bank to observe such discriminatory conditions in a letter of credit may constitute a direct violation of the Federal antitrust laws or of applicable State anti-boycott laws.

You are requested to inform member banks in your District of the Board's views on this matter, and, in particular, to encourage them to refuse participation in letters of credit that embody conditions the enforcement of which may give effect to a boycott against a friendly foreign nation or may cause discrimination against U.S. citizens or firms.

Very truly yours,

THEODORE E. ALLISON,
Secretary.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., January 20, 1976.

The Federal Reserve Bank of New York has informed the Board that several member banks in the Second District have requested clarification of the Board's letter of December 12, 1975, concerning the involvement of banks in foreign boycott practices. Specifically, these banks have asked whether it was the Board's intention to impose legal obligations upon member banks with respect to boycott practices that differ from those already imposed upon banks by the Department of Commerce regulations issued under the Export Administration Act.

The Commerce Department's Export Administration Regulations (15 C.F.R. Part 369), as amended effective December 1, 1975, deal in two ways with the subject of restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States. First, those regulations prohibit exporters and related service organizations, including banks, from taking any action that has the effect of furthering or supporting such a restrictive trade practice where the practice may discriminate against U.S. citizens or firms on the basis of race, color, religion, sex or national origin. Second, even where the restrictive trade practice does not have such a discriminatory effect upon U.S. citizens or firms, the Commerce Department regulations encourage and request exporters and related service organizations, including banks, to refuse such a practice. In either case—that is, whether the restrictive trade practice is discriminatory against U.S. citizens or in furtherance of an economic boycott against a country friendly to the U.S.—firms that are requested to take action that would have the effect of furthering or supporting such a restrictive trade practice or boycott are required to report the request to the Office of Export Administration of the Commerce Department.

Primary responsibility for implementing and enforcing U.S. policy in this area rests with the Department of Commerce. The purpose of the Board's December 12 statement was to direct the attention of member banks to this policy, as well as to the possible applicability of other laws, including Federal antitrust laws. It was not intended to create new legal obligations for banks, but rather to ensure that they are familiar with their existing obligations under the Export Administration regulations and other pertinent laws. The Commerce Regulations are based on the following declaration in the Export Administration Act of 1969:

"It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and

(B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices of boycotts fostered or imposed by any foreign country against another country friendly to the United States."

The Board expects that member banks will give serious and good faith consideration to U.S. policy, as just noted. The Board also expects that member banks will fully comply with those portions of the Commerce Department regulations that are mandatory. Furthermore, the Board fully supports the Commerce Department regulation that encourages and requests exporters and their banks not to participate in boycott practices.

Very truly yours,

THEODORE E. ALLISON,
Secretary.

CHAIRMAN OF THE
BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., June 3, 1976.

Hon. BENJAMIN S. ROSENTHAL,
Chairman, Commerce, Consumer, and Monetary Affairs Subcommittee of the Committee on Government Operations, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate your kind invitation to comment on the moral significance of the Arab boycott of Israel. The boycott raises issues of national policy that go well beyond the responsibilities of the Board of Governors, but I have no hesitation in complying with your request that I convey my personal views on this subject.

The policy of the United States, as expressed in the Export Administration Act of 1969, is to oppose boycotts imposed by foreign countries against other countries friendly to the United States. Since Israel is clearly friendly to the United States, this policy would seem to apply in the case of the Arab boycott. Congress has not seen fit, however, to prohibit United States citizens or firms from furthering or supporting such a boycott. Rather, it has stated that it is the policy of the United States to "encourage and request" domestic firms not to take any action that would give effect to a boycott against a friendly foreign country.

There is a significant question in my mind whether the Congressional declaration of policy that the United States "oppose" boycotts against friendly foreign nations does not impose responsibilities upon private businesses that depend upon government licenses and privileges that are distinct from those imposed upon other businesses in which there is little or no government involvement. In December of last year the Board of Governors published a statement with respect to boycott practices suggesting that the commercial banking business—which benefits substantially from such activities of the U.S. government as the provision of deposit insurance, the operation of the Federal Reserve System, and the issuance of national bank charters—may well be viewed as a business having such special responsibilities.

It is clear to me that banks in the United States play a crucial role in giving effect to the Arab boycott in this country. It is customary for importers in the Middle East who purchase goods from U.S. exporters to arrange for payment by means of a letter of credit. Generally, a letter of credit will originate at a bank in the Middle East and will be confirmed by a correspondent bank in the United States. It is common for such letters of credit to require the exporter, as a condition of receiving payment under the letter of credit, to submit a certificate attesting to his compliance with some phase of the Arab boycott of Israel. Since the U.S. bank may not make a payment under the letter of credit unless this condition is complied with, the U.S. bank in a real sense gives effect to the boycott by agreeing to handle a letter of credit that embodies such terms.

I recognize, of course, the sovereign right of the Arab nations to limit their economic relationships with Israel in any lawful manner they choose. I am disturbed, however, by the extension of the effect of the boycott to U.S. citizens, particularly when this extension is brought about through the use of U.S. banks as intermediaries. Our banks are not only securing assurances for Arab importers that they are not buying goods of Israeli origin, but they also serve as the instrumentality whereby U.S. citizens having unrelated dealings with Israel may be denied access to the Arab market.

It is clearly within the power and authority of Congress to clarify the reach of the Export Administration Act and to define what role should be permissible for U.S. banks in matters relating to a boycott against a friendly foreign country. The Board of Governors has expressed the view, based upon its understanding of the Act, that it is improper for banks to participate in such activities, but as we view the law at present they are not prohibited from doing so. Some bankers, cognizant of the moral imperative of the Export Administration Act, have voluntarily refused to give support to the boycott, yet because of the uncertainty in this area even those banks have been put under strong pressure to process letters of credit originating in the Middle East as long as their competitors continue to do so.

The time has come for Congress to determine whether it is meaningful or sufficient merely to "encourage and request" U.S. banks not to give effect to boycott. It is unjust, I believe, to expect some banks to suffer competitive penalties for responding affirmatively to the spirit of U.S. policy, while others profit by ignoring this policy. This inequity can be cured if Congress will act decisively on the subject.

Before Congress acts, however, it should determine whether there is not another solution. In my experience with government officials and central bankers in Arab countries I have found them to be intelligent and sophisticated men, and I cannot believe that they are insensitive to the disruptive and divisive effect of these efforts to enforce the boycott through the intermediary of U.S. citizens. I would hope, therefore, that efforts to cure this problem through diplomatic and other intergovernmental channels will obviate the need for a legislative remedy.

Sincerely yours,

ARTHUR F. BURNS.

THOMAS N. DOWNING

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RHODES. Mr. Speaker, at the close of business for the 94th Congress, the dean of the Virginia delegation, THOMAS N. DOWNING, will retire from the House.

For 18 years he has represented one of the great maritime districts with dedication and distinction. As chairman of the Merchant Marine Subcommittee of the House Merchant Marine and Fisheries Committee he has worked to help our shipbuilding and merchant marine through a most difficult period of adjustment to changing world conditions.

TOM DOWNING has been instrumental in shaping energy legislation as a member of the Science and Technology Committee and by his service on the Energy Research, Development, and Demonstration Subcommittee.

He has served the people of the Fifth District with diligence. He has been a friend and earned the admiration of colleagues on both sides of the political aisle.

We all will miss TOM DOWNING in the 95th Congress, and I join my colleagues in expressing our appreciation for his fine service, his friendship, and counsel. We wish him many enjoyable years of retirement in his home area of Tidewater Virginia.

STATE SENATOR TERREL E. CLARK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DERWINSKI. Mr. Speaker, State Senator Terrel "Tec" E. Clarke, of Western Springs, Ill., who has served in the Illinois State Legislature for 20 consecutive years, is retiring at the close of this year.

It was my privilege before coming to Congress in 1959, to have served with Tec Clarke in the Illinois State Legislature. Senator Clarke was also a Republican township committeeman in my congressional district for 18 years.

Throughout his political career, Tec Clarke has set an admirable example as a dedicated public servant. At all times, he has been hardworking but personable; partisan but fair; intense but always objective: "Tec" represents the good citizen approach to legislative service.

At a time when there is a great deal of concern over public service as an occupation and a career, men of the caliber of State Senator Clarke are an inspiration to those who are motivated by a totally positive interest in service to the people.

The Illinois State Senate and the legislature as a whole will miss his wisdom, his knowledge of the State's fiscal structure and his expertise in tax matters. He leaves a void which will be very difficult to fill.

"Tec" Clarke in his quiet unassuming fashion was a great legislator. I am honored to have served with him and of having had the opportunity of working with him. I know that he will be missed by the citizens he so ably served.

Again, I congratulate "Tec" for his great career in public service, and wish him the very best for many happy and healthy years in retirement.

CONTRACTING OUT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LAGOMARSINO. Mr. Speaker, my colleague, Barry Goldwater, and I wish to bring to the attention of the Members of the House of Representatives the attached letter setting forth the response of our Task Force One constituents to statements made on the floor of this House concerning the administration's policy of contracting out.

Task Force One
Interorganizational Association,
Oxnard, Calif.

Hon. Jack Kemp,
132 Cannon House Office Building,
Washington, D.C.

Dear Mr. Kemp: I have just read your comments in the August 26 issue of the Congressional Record, concerning reliance upon the private sector to do the work of the Federal Government and would like to commend you and your colleagues for your courage in speaking out on this issue.

Contracting out is not one sided, and to reach a logical conclusion, one must consider all facets of the controversy. We have the administration's side presented very well by OMB in the person of Mr. Hugh Witt and Task Force One (TFO) would request that you give equal consideration to the employees' side.

TFO has no objection to legitimate contracts which truly result in savings to the American taxpayers. Our objections stem from the personal-service types of contracts which require minimal capital investments, contain few risks, guarantee a profit, require high contract administration costs, and result in little or no savings. Most or all of the 10,000 operations spoken of by Mr. Witt, which will result in an assumed $850 million savings, are in the area which wage-board employees perform. The savings projected by Mr. Witt is accomplished by drastically reducing the wages and fringe benefits of service contract employees and not through the reduction in company profits as implied. The basis for establishing wage-board rates of pay are contained in 5 U.S.C., Section 5341. This policy was enacted into law by Congress. If one does not agree with the law, then it is their duty to attempt to bring about changes but no one should attempt to circumvent the law. Hiding Federal employees, and they truly are Federal employees, on the rolls of private companies will not reduce the size or the cost of the Federal workforce; this can only be accomplished through monetary restrictions.

Mr. Kemp, you comment on the unfunded liability of the Civil Service retirement system and further state "Of course, the true add-on should be 31.7 percent—the 24.7 percent contributed by the Government and the 7 percent contributed by the employee." How anyone can arrive at the conclusion that monies contributed by the employees to their retirement fund should be added to the in-house costs when comparing costs is beyond my realm of comprehension. An analogy would be: "Requiring a man earning $20,000 annually who has donated $2,000 to charity to re-add the amount donated and pay taxes on $22,000." Adding the costs of the unfunded liability of the Civil Service retirement system to the in-house costs while omitting the unfunded liabilities of the Federal Unemployment Assistance Program and the Social Security System from the contractors costs seems to us to be illogical; each require an expenditure of the taxpayer's monies. The unfunded liabilities of the aforementioned programs can be found in the August 25, 1976, issue of the Congressional Record beginning on page 27660.

In the private sector, under a union contract, all employees are paid in compliance with that contract. If an employer decided that the work could be accomplished cheaper by non-union employees and decided to hire those employees, the result would be a strike by the union employees. In your comments you state "First, the new rules certainly cannot be construed as harmful to organized labor, because the private companies which will perform these services are as heavily, if not more organized by labor than the Federal Departments and Agencies." Are you therefore advocating the unionization of all Federal employees with the right to strike? Do you feel the Federal Government should issue contracts to only those private companies whose employees are under union contracts? If not, we cannot understand the inclusion of this statement in your remarks and feel a statement of clarification is in order.

Your article gives the impression to this reader that you believe Federal employees have or expect a guarantee to retain their jobs. Of the many Federal employees we are in contact with, not one has expressed an expectation of a job guarantee. Contracts issued by the Federal Government for service contracts contain profit guarantees. Therefore, why is it that the idea of job guarantee presents a danger to our democratic society while a profit guarantee enhances this same system?

You go on to state that "Federal employees are protected against politics by the career civil service system." Can this statement stand under close examination? Are not many Government contracts the result of campaign debts? Over the years have not Federal employees been used as a "political football" attacked by the administration, Congress, and the public? Are they not denied recourse by excluding them from taking an active part in politics? Isn't the fate of many bills decided on political implications, rather than on merit? No, Mr. Kemp, the politician rather than the Federal employee is the one who is shielded by the Hatch Act.

It is easy to cite a few examples to support one's position and then level an attack on the whole system based on these examples, completely ignoring the merits of the entire system. We, too, could cite cost overruns, failure to live up to contractual agreements, bribes to foreign governments to secure contracts (could we expect different actions when they were trying to secure contracts from the Federal Government?); but by doing this we ignore the main question: Are not the American people entitled to their own workforce, to accomplish the every day work of the Federal Government, free from the threat of disruptive strikes?

The aspersions cast by you, an elected representative of the people, is a discredit to many dedicated employees of the Federal Government, who, just two years ago, helped this country through one of its worst crises. In consideration of these many loyal employees, would you please furnish us with the documents used to support the allegations of "private is better" in your comments? If this is not possible, would you then enter this letter in the Congressional Record as an equal time gesture?

Mr. Kemp, we do not mean to sound discourteous cr disrespectful, but we strongly feel that both sides of the issue deserve equal airing.

Sincerely,

William H. Hamilton,
Vice-Chairman, TFO.

OVERABUNDANCE OF PH. D.'S

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HOWARD. Mr. Speaker, advanced degree educational levels reached by individuals today quite often hinder them from securing employment, rather than acting as a plus in their behalf in achieving this goal. The overriding reason for this is twofold. The applicant is usually considered overqualified to fill a position that does not equal his or her educational qualifications, and could possibly create a situation where the person has a direct advantage over coworkers. Coupled with this is the high tendency for a person to leave a present low-level job when an opening occurs in his or her respective field.

The second component of the problem involves practical experience. A person can be rejected for a job despite compatible educational status, the reasoning being that they have not had the necessary practical working experience at levels that lead up to the position applied for.

This situation is very relevant to the unemployment maladies plaguing the Nation today. A constituent has written me a very poignant letter concerning this issue. I am printing portions of the correspondence in the Record:

Congressman James Howard,
Rayburn House Office Building,
Washington, D.C.

Dear Congressman Howard: A native New Jerseyite from your district (Monmouth County), I write to you because of my concern for the high unemployment count in our nation.

This letter is in response to the pending Humphrey-Hawkins Full Employment Bill. Several members on the Hill with whom I've corresponded believe that the Bill is basically covered under the Public Works Bill recently passed in Congress. I believe otherwise. We need a bill with the scope of H.R. 50 if we are indeed to achieve full employment.

There is a growing number of people who have received advanced degrees swelling the unemployment ranks. These people have been unable to satisfactorily secure employment for a variety of reasons. In this I can speak from experience; I received my Ph. D. from Ohio State last June and have been unable to secure full employment. When I received my Bachelor's degree in 1969 the job market for college teachers looked very good, and many of my colleagues and I went for higher degrees with the promise that teaching positions would be available with our graduation. Since that time the situation has dramatically changed.

The university growth of the '60s—with expanded statewide systems and new junior and community colleges—has sharply tapered off. Most campuses have suffered financial cutbacks, and as a result the growing number of advanced degree graduates sharply overshadow the decreasing number of jobs, proportionately, available each year. Several years ago a doctoral student in our Faculty of Education at Ohio State could look forward to being courted by several universities with available positions. This past year not all of our graduates received job offers; this year very few have been employed and many of the recently employed are not receiving tenure.

In America we are very fortunate to have so many opportunities for personal growth through available programs in higher education. It would be against everything we stand for both constitutionally and morally if our right to higher education was restricted. Yet, the reality of the employment market must be clarified for incoming students from undergraduate through doctoral levels.

There is a point when a college graduate decides whether or not to continue on to graduate school. He or she may continue because he/she: 1) is in a career that warrants more training, 2) seeks to expand his/her background or retrain in a different field, or 3) was unable to get a job with a B.A. or B.S. and /or was offered a graduate assistantship. The third reason is the most pertinent to the problem. First, if a graduate is unable to get a job with a B.A., the M.A. will make him/her overeducated and still (in most cases) without the necessary practical experience for the available jobs. Secondly, when a person earns a higher degree and reenters the job market then he/she is in competition with other graduates, those with Ph.D.s and faculty and administrators who have, in addition to the necessary training, the practical experience. And they too are facing problems of obtaining employment.

There is another side to the problem. For the past nine months, I have been both unemployed and underemployed. In addition to applying for faculty positions I sought employment, without success, in clerical and administrative fields. The problem here is threefold:

1. You are considered overeducated and having an unfair advantage over the people for whom a secretarial or administrative post is a career goal.

2. Being "overeducated" you are considered overqualified and a threat to those with whom you'll work. (They believe, as well, that you will leave as soon as the job market improves.)

3. You are supposedly too qualified to be hired in lower level positions but when you apply for the "higher" level jobs (i.e., office manager, admissions officer) are told you lack the necessary prerequisites, the experience of the beginning posts.

This last point is the Catch 22 of the problem. Unless you do have the necessary beginning job experiences required, omit your higher degree from your vita and/or are interviewed by a very openminded person you don't stand a chance. For the many qualified people who want to work and are willing to work hard at whatever post they can fill, the cycle of interviews and rejections can be a humiliating, disheartening, and potentially debilitating experience.

The Humphrey-Hawkins Bill is a very important measure for full employment. If full employment is to be achieved this group of higher degree citizens ought not then be overlooked. This group represents much of the talent and potential needed in our nation today if we are to cure our economic, social, environmental, educational problems, and yet we've not learned how to deal with this growing and so-called "over-educated" population.

Congressman Howard, I hope you will give this matter strict attention and share my letter with your colleagues in the House. We need the expansiveness of H.R. 50 if all segments of our pouplation are to have work opportunities.

With best regards.

Sincerely,

NANCY ELLEN GLASER.

1976 "MAN OF THE YEAR"—BOYS CLUB OF PATERSON

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, I ask you and our colleagues here in the Congress to join me in heartiest congratulations and best wishes to my good friend, outstanding community leader and distinguished citizen, the Honorable Martin Sukenick of New Jersey, whose standards of excellence have earned him the most highly coveted citizens award of the Boys Club of Paterson—"The Man of the Year."

The Boys Club of Paterson is one of our Nation's most prestigious affiliates of the Boys Club of America, serving 1,300 boys between the ages of 7 and 17 in the greater Paterson area. The "Man of the Year" award will be presented to Martin Sukenick, chairman of the board of the Broadway Bank & Trust Co., Paterson, at the club's 11th annual testimonial dinner to be held at the Westmount Country Club, West Paterson, on Friday evening, November 5.

Mr. Speaker, we are all familiar with the noble traditions of the Boys Clubs of America and their outstanding public service to people of our Nation in helping our young men to achieve leadership qualities of self-reliance, character building, sportsmanship, fair play, and eagerness to serve others. Their highest standards of excellence in exercising measures to "keep America beautiful," and attain greater communion and understanding in friendship and goodwill among all mankind are a significant investment in the enrichment and excellence of the quality of our way of life here in America.

Martin Sukenick has by his example and lifetime of dedication to these same true American ideals personified exemplary leadership in his outstanding responsible service to our people which has truly enriched our community, State, and Nation.

His personal commitment to the economic, social, and cultural rebirth of the city of Paterson is applauded by all of us. He has been a leading and active participant in the "Forward Paterson" organization as president of the Paterson Regional Development Corp. He is founder of the Inner Loop Development Corp., a group organized to aid and encourage the redevelopment of the Paterson district. He was in the vanguard in helping to establish the Great Falls Development Corp., whose planning for the historic preservation of the Great Falls Society for Establishing Useful Manufacturers Historic District of Paterson, as a national cultural and historic landmark, is a giant step forward in the "keep America beautiful" program in our region of the country. The new 15-story Broadway Bank office tower at Market and Clark Streets, Paterson, is also a memorial to his concern for improving, enhancing, and preserving the integrity of our environment.

Mr. Sukenick's expertise in the banking profession has brought great honor and prestige to the Broadway Bank & Trust Co. where he presently serves as chairman of the board.

With the dynamic energies that he has devoted to the growth and cultural development of the city of Paterson, he has attained the greatest respect and deepest appreciation from a grateful community for his compassion, dedication, and untiring efforts in service to his fellowman. Some of his additional affiliations with professional and civic organizations and in public service to our people include: three decades as a trustee of the Barnert Memorial Hospital; member, Veritans Club of Paterson; trustee, Daughters of Miriam Home for the Aged; the Clifton Senior Citizens Housing Committee; and the North Jersey Cultural Committee.

Mr. Speaker, the fulfillment of the purpose, goals, and aims of the Boys' Clubs of America could not be achieved without the leadership of people like Martin Sukenick and the strong team effort of volunteer and professional leaders of our communities who participate unselfishly and willingly of their busy schedules in passing these sterling traditions along to our youth of America.

The Boys' Club of Paterson, a private, nonprofit organization, was first opened in an abandoned Paterson firehouse in March of 1964. The membership quickly outgrew the dimensions of the building and in October of 1969 it opened the doors of a new, modern million dollar Boys' Club facility to the youngsters of the city.

Its year-round programs include athletics, crafts, health, education, recreation, and guidance, supervised by a professional staff, aided by part-time college staff and volunteers.

I wish to commend to you the following officers of the Boys' Club of Paterson who are leading citizens from the private, civic, and business sectors of the community currently serving on the governing board of the Boys' Club of Paterson:

The Honorable:

Edward J. Murphy, President.

Eugene Babcock, Board Chairman.

Allan Mikola, Vice President.

Nathaniel J. Ontell, Vice President.

Walter W. Porter, Jr., Vice President.

Richard Mainardi, Treasurer.

Kenneth J. Arkind, Secretary.

Joseph F. Hammond, Assistant Treasurer.

William F. Pepke, Assistant Secretary.

Mr. Speaker, during our Bicentennial Year as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I am pleased to join with the Boy's Club of Paterson in honoring our good friend Martin as an outstanding citizen and great American. We do indeed salute the Boys Club of Paterson "Man of the Year"—the Honorable Martin Sukenick.

FEDERAL-AID HIGHWAY ACT AMENDMENTS OF 1976

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JONES of Alabama. Mr. Speaker, on Tuesday, September 28, 1976, I introduced legislation (H.R. 15731) that would amend the Federal-Aid Highway Act of 1976 to authorize additional funding for necessary improvements to the Federal-aid primary system of highways throughout the Nation. This legislation is vital to the continued health of our Nation's transportation system for several reasons.

The Federal-aid primary system today consists of 232,000 miles of rural arterials and 26,000 miles of urban arterials, plus the 42,500-mile Interstate System, which is also included in the primary system. Over the last two decades the predominant share of Federal-aid highway funds has been devoted to the Interstate System. This concentration of funding on the Interstate System has affected the overall level of performance on the primary because the States have tended to give priority to primary system projects which access or are located in the vicinity of the Interstate System. Consequently, funds available for projects on most of the primary system have been inadequate and the overall system has deteriorated.

The 232,000 miles of rural arterials, and 26,000 miles of urban arterials on the Federal-aid primary system, represent to many States and communities their "interstate, or intercity, system." It is these primary routes that provide for regional and interstate traffic, particularly in rural areas. For instance, it is estimated that the Federal-aid primary system accommodates approximately 35 percent of all highway travel. In rural areas that figure will be somewhat higher, since about 45 percent of all rural travel will occur on the Federal-aid primary system. Our rural and small urban areas not served by the Interstate System are almost completely dependent on the primary system for interarea or interstate movement, both by private and public transportation, and in many cases for goods movement, especially agriculture, forest, and mine products. This problem will become even more acute if many of the planned railroad line abandonments take effect as provided for by the Railroad Revitalization Reform Act of 1976.

The 1973 Highway Act mandated the realinement of the Federal-aid highway systems as of July 1, 1976. The Federal-aid primary system shall now consist of rural arterials and their extensions into or through urban areas. The realinement has resulted in an increase of 20 percent in the total mileage of the Federal-aid primary system, to approximately 258,000 miles. Thus, congressional action has increased the size of the primary system without any commensurate increase in the funds available for improvements on the system.

For fiscal year 1976, the Congress authorized a total of $1.4 billion for the Federal-aid primary system, its urban extensions, and the priority primary routes. For fiscal year 1977, the consolidated authorization for these three programs has been decreased to $1.35 billion. As a matter of fact, in terms of constant 1955 dollars this represents only $115 million more than the $385 million authorized for the urban extensions and primary system 21 years ago, 21 years in which the number of motor vehicles and the amount of highway travel have both more than doubled.

It would help to place these significant increases in highway use in perspective. The total number of motor vehicles in use has increased 112 percent, from 63 million in 1955 to 133 million in 1975. And whereas the Nation's highway system has increased in size less than 12 percent since 1955, highway travel has increased 120 percent, from 606 billion vehicle miles of travel in 1955 to 1.332 trillion vehicle miles of travel in 1975. Travel on the Federal-aid primary system has increased an estimated 103 percent during the same period, from an estimated 190 billion vehicle miles of travel in 1955 to 386 billion vehicle miles of travel in 1975. Moreover, estimates of travel in 1977 are approximately 500 million vehicle miles of travel on the realined Federal-aid primary system.

It is becoming obvious that the level of capital investment on our primary highways is inadequate to keep pace with such growing demands for their services. Several examples from 1970 conditions help provide us insight into this system-wide problem.

First, over 75 percent of the rural arterials consisted of two-lane undivided roads, which is the type of highway recognized as being very dangerous from the standpoint of safety.

Second, adding to the hazardous conditions on many of these roads is the fact that over 15,000 of these arterial miles have lane widths of 9 feet or less.

Third, capital financing has become such a problem that the States are having difficulty even keeping these high-volume facilities adequately paved. Over 6 percent of the rural arterial mileage was considered to have poor or very poor pavement and in need of resurfacing in 1970, and we have good reason to believe this figure is even higher now.

What we have, therefore, is a national system of arterial roads, second only to the interstate and serving as an interstate system to a great percentage of the people, with many miles in poor and unsafe condition in 1970. And it can reasonably be assumed that recent years have resulted in even more deterioration to these highways, particularly because high rates of inflation in the early 1970's made highway funds less effective. In fact, inflation in the highway construction program was so rampant from 1970 to 1974, that the value of the highway dollar in 1976 is one-half that in 1967.

Perhaps the most frightening fact is that there are currently over 1,700 bridges on the Federal-aid primary system determined by actual inspection to be structurally inadequate to carry the normal legal load for which the system is designed. In the interest of safety, these bridges have been restricted to light traffic or are closed entirely and they need to be replaced now. Additionally, there are 8,500 other bridges on the primary system that are too narrow, have restricted clearances, or have dangerous approaches. These bridges constitute a hazard to the heavy arterial traffic flow serviced by the system. Clearly, they should be reconstructed or widened.

Yet faced with this critical need to improve 10,200 bridges on the primary system, we find that in the past 5 years the level of funding from all sources, State, local, and Federal, has only been enough to permit improvements to about 170 bridges per year. At this rate, the current backlog of bridge deficiencies will require over 50 years to correct, which is an intolerable situation.

There is an identified specific need, furthermore, to improve over 6,000 railroad grade crossings on the primary system. At the present rate of funding for the rail highway grade crossing program, it would take over 30 years to improve all these 6,000 grade crossings, also an intolerable situation.

Therefore, in order to at least reverse this deterioration of our Nation's primary highways, and add some measure of increased safety to these essential 258,000 miles, I now propose an increase to the primary authorization of $2 billion beginning with fiscal year 1978 through fiscal year 1990, in effect raising the annual level of funding for primary highways to $3.35 billion. In recognition of the fact that many States will have difficulty raising the necessary State-matching funds. I also propose increasing the Federal contribution for projects on the primary system from 70 percent to 80 percent. Finally, the bill calls for complete control of access for projects which are constructed on new location. Control of access is the single most important ingredient in preventing obsolescence of the highway system. Recognizing that it is difficult sometimes in reconstructing a highway on its present alignment to obtain control of access, the bill only requires control of access on new alinement. However, control of access on existing locations should be obtained whenever it is feasible.

Mr. Speaker, I believe this increased level of funding for improvements to the primary system, including high priority bridge replacement and railroad grade crossing, and the other changes which I propose are essential to respond to the increasing demands for safe and efficient mobility by the American people.

TRIBUTE TO RAY J. MADDEN

HON. JAMIE L. WHITTEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WHITTEN. Mr. Speaker, I have worked with many fine and able men in the Government. One of the ablest is my distinguished colleague, Ray J. Madden, the gentleman from Indiana. Ray Madden has served his Nation long and well, in positions which demand extensive knowledge and skillful administration. He has always met that demand. It is a privilege to pay tribute to him today.

Ray Madden has been an able chairman of the Committee on Rules. He is a man of character possessed of real ability and a fine personality, to which was added as much energy as almost any person I have known.

He leaves the Congress with a fine record of public service which has been of benefit to his district and to his country.

Ray, I share with my colleagues today in paying tribute to your 34 years of service. We extend our very best wishes for many active and happy years.

HON. BELLA S. ABZUG

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. EDWARDS of California. Mr. Speaker, those of us concerned with civil liberties and civil rights knew Bella Abzug long before she came to Congress.

In the late 1940's and early 1950's few lawyers had the courage to represent writers under siege by the House Un-American Activities Committee. Lawyer Bella did.

A few years later the first stirrings of the civil rights movement were the brave challenges of the Freedom Riders. Few lawyers volunteered to help protect their legal rights. Lawyer Bella did.

It was in about 1963 when I first saw Bella Abzug. A new organization working for world peace and arms control, Women Strike for Peace, was under assault by the House Un-American Activities Committee. Public hearings were being held in Washington, the officers subpenaed and subjected to insulting and accusatory questions regarding the aims of the organization. Lawyer Bella was there, both as attorney and advocate, defending with great skill the work of this fine volunteer organization.

So it is with joy and anticipation that I learned of Bella's election to the House of Representatives in November 1970.

I was not disappointed in her service as a Congressperson. On the contrary, her record here during the past 6 years has been immensely creative, hard-hitting, and with tremendous achievements for her constituents and the American people.

There are a number of key issues that determine the quality of American life. There are civil rights, civil liberties, the health of the economy, jobs, health care, education, housing, assistance to the needy, and of course, the big issue of war and peace.

I cannot think of any of these issues where Bella was not involved, through speeches, committee work, and most eloquently in the dialog in the House of Representatives.

She played a major role in actions by Congress that finally ended the war in Vietnam despite the intentions of the White House. As the Chairperson of the House Governmental Operations Subcommittee on Government Information and Individual Rights, she worked relentlessly to expose secrecy and misbehavior in executive agencies.

At the same time Bella remained a colleague of humor and friendship, one that I found always available for advice and counsel. To her credit she did not tolerate kindly, refusals by government to be open and candid. The government witness who hedged and covered up could expect to feel her honest indignation.

Well, Mr. Speaker, Bella Abzug is leaving the House of Representatives, but she is not leaving the public arena. As long as there is injustice to conquer, as long as there are the ill-fed, the old and poor, children anywhere needing help, Bella will be there. We in Congress will not have the privilege daily and hourly of her companionship and help for good causes, but each of us is better for the privilege of having Bella Abzug as our friend and colleague.

TRIBUTE TO ROBERT E. JONES

HON. JAMIE L. WHITTEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. WHITTEN. Mr. Speaker, in my 18 terms in Congress, I have served with many Members and many able Members; however, I would like to say for the record that I have never served with a more able and effective Member than my colleague, Robert E. Jones of Alabama.

Dealing with public works, the Tennessee Valley Authority, the Soil Conservation Service, forestry, and so forth, as I have in the appropriations field, I have had occasion to work closely with him; and may I say, in many instances, I have been dependent upon his know-how, his ability, and Bob Jones' dedicated, hard work.

Modest, almost to a fault, Bob goes far beyond what we normally expect of a Member in sharing the credit with another for getting a job done; in fact, in instance after instance, Bob has gone so far as to give the other fellow all the credit when that was the way to get the project approved. This, of course, was done with the resulting benefits accruing to his district, State, and Nation.

His knowledge of the attitude and the atmosphere of the Congress, his decision as to when to bring up controversial matters and then how to handle them on the floor are unsurpassed.

For many years while others were getting their names in the news media for getting the job done, it was Bob's knowledge and work that really was responsible; the fact is he did not care about the "headlines," just the accomplishments that speak for themselves.

The very excellent staff on the Public Works and Transportation Committee and the many fine members which he leaves who have been schooled in the approach that Bob has followed makes me realize that in the future we will be in good hands. We will miss Bob, and to him and his wife, Christine, and his family, we wish the very best, and we want also to assure him that his works will last on—not only in Congress on material projects that he provided but due to the influence he has had on the members of his committee and the Members of the Congress who continue to serve, his record will long be held up as exemplary here.

Again, I wish him the best of everything; indeed, our friend and colleague, Robert E. Jones, has earned it.

FOOTNOTE TO THE POLISH GRAIN "EMBARGO"

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FINDLEY. Mr. Speaker, the intervention by the Department of State into purchasing decisions by the Government of Poland in the U.S. grain market during 1975 is a matter of great importance for historical purposes. On previous occasions I have voiced my criticism of such intervention as being against the public interest generally and also against the more specific interests of the agricultural community. During the fall of 1975 an official of the U.S. Department of State telephoned the Polish Government to ask that Government to refrain temporarily from making further purchases of U.S. grain. This action struck me as a very dangerous precedent and certainly extralegal in character if not illegal.

I wrote to the Comptroller General of the United States asking that inquiries be made into the question of legality on two occasions, October 9, 1975, and June 24, 1976.

Today's mail brought a letter from the Deputy Comptroller General dated September 30 which I feel is a useful addition to the literature connected with this unusual event. Here is the text of the letter:

Comptroller General of the United States,
Washington, D.C., September 30, 1976.

Hon. Paul Findley,
House of Representatives,
Washington, D.C.

Dear Mr. Findley: This responds to your request for further amplification of our earlier response to the question of whether the State Department official who telephoned the Polish Embassy to request the Polish Government to delay further grain purchases from the United States, had fully complied with the laws and regulations concerning the handling of market-sensitive information.

This issue was first raised in your letter to us dated October 9, 1975.

After receiving that letter, we asked the Departments of State and Agriculture, in accordance with the general policy of our Office, to provide us with their views and comments. On the basis of the responses from State and Agriculture, our letter to you of June 24, 1976, stated:

"According to the State Department, the official who asked the Polish Government to refrain temporarily from making further purchases of U.S. grain was implementing an Executive decision made at a White House meeting between the President and various other officials. The State Department official reported his action to the Secretary of State on the same day, September 10, 1975. The State Department has further stated that this Executive decision was only made '* * * after consultations with all appropriate advisers, including the Department of Agriculture. * * *' "

Your most recent letter requesting further amplification of the foregoing response, indicates that although you have been informed by the Commodity Futures Trading Commission that no one improperly benefited from inside information during the interval between the time Poland was requested to refrain from making additional grain purchases and the time that this "market-sensitive information" became generally known, you believe that "* * * for historical purposes, it is important to determine whether or not the State Department officials complied with laws and regulations concerning the handling of market-sensitive information. * * *"

With one possible exception, discussed hereafter, our research did not reveal any statutory or regulatory provisions that appear to be applicable to the handling of this type of market-sensitive information. Section 4(c)(1) of the Export Administration Act of 1969, 50 U.S.C. App. § 2403(c)(1) (1970), as amended (Supp. V, 1975), and section 812 of the Agricultural Act of 1970, 7 U.S.C. § 612c–3 (Supp. V, 1975) do require the Secretary of Commerce and the Secretary of Agriculture, respectively, to keep certain information confidential. However, those provisions apply only to individual reports concerning grain exports and contracts for grain export sales that exporters are required to furnish to the Departments of Agriculture and Commerce. Those provisions are clearly not applicable to the type of "market-sensitive" information involved here. This information, although likely to have an impact on grain prices and the grain market generally, relates to a decision of the executive branch of Government to take a particular course of action and is not based on data provided to the Government by grain exporters or any other source outside the Government.

An indicated above, we are aware of one statutory provision which applies regardless of the source of the information obtained. 18 U.S.C. § 1902 (1970) provides for a criminal penalty for any officer or employee of the United States who, by virtue of his office, has "* * * information which might influence or affect the market value of any product of the soil grown within the United States * * *" and which is by law or the rules of the department required to be withheld from publication until a fixed time, if he reveals such information to any person not entitled under the law or the rules to receive it. If the disclosure was prohibited not by law but by agency rules, there is no violation unless the officer or employee had actual knowledge of the rules.

However, we are not aware of any law or rules which would have required the information concerning the request to the Polish Government to be withheld from publication for some period of time. In any event, since any violation of 18 U.S.C. § 1902 would constitute a criminal violation, and since the interpretation and enforcement of the criminal laws of the United States are functions of the Attorney General and the Federal courts, our Office has no authority or jurisdiction to render an opinion as to whether such a violation might have occurred.

We trust that the foregoing has been responsive to your request.

Sincerely yours,

ROBERT F. KELLER,

Comptroller General of the United States.

THE GOOD DOCTOR TALKS GOOD SENSE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROGERS. Mr. Speaker, I recently read an editorial in the Miami Herald, which I would like to share with my colleagues. The editorial entitled, "The Good Doctor Talks Good Sense," is a tribute to one of my constituents, Dr. Vernon B. Astler, whom I have admired for a long time.

It gives me great pleasure to include this article in the CONGRESSIONAL RECORD, and to tell you about some of the accomplishments of this gentleman. Vern, as he is affectionately called, is the immediate past president of the Florida Medical Association and is a recognized leader in the field of health care. He presently acts as this organization's public relations officer.

He is a member of the Florida Council of 100, the board of governors of the Florida Medical Association, the American Medical Association, the Florida Association of General Surgeons and the F. A. Coller Surgical Society. He is a fellow in the American College of Surgeons.

But more than the accolades that have been attributed to him and the recognitions that he has won, I think it is interesting to note that Dr. Astler is a fourth generation physician. His great-grandfather, his grandfather, his grandmother, his father, and his only uncle have all been physicians. This unique background has especially equipped him not only to recognize the problems that face health care in this Nation, but to offer some valuable suggestions of which we should take note. Mr. Speaker, the article to follow includes some of these recommendations:

THE GOOD DOCTOR TALKS GOOD SENSE

Doctors ought to prescribe themselves regular doses of the kind of soul-searching administered by Dr. Vernon B. Astler, former president of the Florida Medical Association.

Physicians ought to think about keeping a patient's medical care costs down while they are treating him, the Delray Beach practitioner told his fellows at a seminar in Tampa.

Just about everybody has been blamed for skyrocketing medical costs: patients, doctors, bureaucrats and the gods. But no one has accepted a share and tried to do something about it.

Dr. Astler got specific. Doctors tend to prescribe the newest and most potent drugs when a cheaper but effective drug would do, he said. They also give too many lab tests and often administer them in ways that make the results of little use.

"If trust is to endure in our consumer-oriented society, we doctors must act in a fiscally responsible manner," he said. Besides keeping a tighter rein on costs, he suggested that physicians post lists of lab and X-ray charges in clinics and hospitals.

Of course, neither Dr. Astler nor the Medical Association takes full blame for the cost crisis—nor should they. Red tape and patients' own demand for creature comforts during hospital stays add as much to bills as the doctors' charges, as he pointed out.

Reform has to start somewhere, however. Since the medical profession has emerged as a favorite target of critics, it should welcome constructive self-criticism from one of its leaders. All too often, physicians have done nothing but argue defensively.

There is much waste to be singled out and eliminated in the areas of insurance and hospital administration, patient misuse of medical care facilities and government bureaucracy. In time, each should come under the gun of an appropriate agency.

As a start, however, Dr. Astler's remarks point the way to some easily enacted reforms. And positive action by the M.D.s would help put backbone into efforts in other directions.

We hope the good doctor's remarks won't be forgotten as his colleagues return to their offices throughout the state. They were important words at a critical time.

TRIBUTE TO THE HONORABLE THOMAS A. MORGAN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SOLARZ. Mr. Speaker, I rise to join with the unanimous view of my colleagues in the House in paying tribute to the distinguished chairman of the International Relations Committee, the Honorable THOMAS A. "DOC" MORGAN. Indeed, the rapidly approaching end to my first term in Congress is marred only by the fact that Doc MORGAN will be leaving the committee and the House at the end of this term.

It has been a delight to have Doc MORGAN as both teacher and sage on the committee. It has been his wise counsel and broad experience in international affairs which has served as a model for all members of the committee. Doc served his long tenure during one of the most contentious periods of American foreign relations. His steady hand at the helm of the committee brought the House through this turmoil in fine shape as he presided over—and directed—the House reassertion of our proper role in the conduct of foreign affairs, a reassertion best exemplified by the passage of the momentous war powers resolution.

It will be with tremendous fondness that I will remember my 2 years of service with the chairman. Indeed, I will treasure these past 2 years on the committee as the most satisfying experience of my political career.

I would hope that all Members of the House, as well as the entire country, can continue to call upon Chairman Morgan for his expert advice. I believe that Doc still can make a great contribution to the welfare of this country even in his well-deserved retirement.

I have learned a lot from Doc Morgan. I sincerely admire his deep commitment to the national interest and I will miss him.

GOV. RAYMOND BALDWIN

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. McKINNEY. Mr. Speaker, the citizens of Connecticut can take great pride in the wisdom they have demonstrated over the years in the selections they have made in choosing the Governors of our great State. In fact, this tradition began when we formed our Union since the first Governor after Independence, Johnathan Trumbull, played a significant role in our Nation's early development. That willingness to serve all of the people of the United States has not waned and in just the last quarter century, four of our Governors have received Presidential appointments: two to Cabinet level positions, Governor Bowles and the current distinguished senior Senator, Abraham Ribicoff; one to the rank of Ambassador, Governor Lodge; and one to the Federal bench, Governor Meskill.

Recently, however, there was a celebration at the executive residence in Hartford honoring a former Governor whose accomplishments stand out in a rather unique fashion. Gov. Raymond Baldwin holds what could be characterized as the triple crown of service to the State of Connecticut. He has been our chief executive, a U.S. Senator and chief justice of the State supreme court. There is little doubt that he is a man of rare qualities and I would like to share with my colleagues a recent editorial from the Greenwich (Conn.) Time concerning that very "special" man. Also, I would ask that there also be included in the Record an account of the honor accorded him written by the Hartford bureau chief of the Register Publishing Co., James Mutrie, Jr.:

Ray Baldwin at 83

Not too many days ago, we ran on Page One a photograph of several of our former Connecticut governors. They were assembled at the executive mansion as guests of the incumbent, Governor Ella Grasso, and the occasion was a happy one—toasting former Governor Raymond E. Baldwin in his 83rd birthday. Related as it may be, we are hoisting a tankard to Ray ourselves and we can assure him it represents the warm good wishes of this entire community.

Ray Baldwin is unique in state annals because he has held the highest office the state can bestow in all three branches of government. He was an outstanding governor, a U.S. Senator and eventually, chief justice of the Supreme Court of Connecticut. He has always loomed as a man of integrity, probity and leadership.

Such a formidable figure might understandably be an austere, driven individual. Not Ray. No matter how important his status or demanding his work, he always retained his high good humor and infectious friendliness. It is no wonder he is a beloved and respected hero in the pantheon of Connecticuit politican-public servants.

That reception of Mrs. Grasso's brought out other former governors too. There was Professor Wilbert Snow, a wise and witty Democrat who served but briefly. He is also a fine writer, as was another great Democratic governor, the late Wilbur L. Cross. There was John Dempsey, one of the most popular of men to occupy the governor's chair. And Tom Meskill, a Republican, now on the federal bench. Other living governors include John D. Lodge, James C. Shannon, Chester Bowles and Abe Ribicoff, now senior U.S. Senator.

Looking back over the past four decades or so, the observer can't help but remark that we have had a fine array of chief executives in this state, both Democrats and Republicans. Not only that, but they attained that office running against opponents who were of high caliber, with a few glaring exceptions.

John Dempsey served only a few days short of 10 years for one of the longest reigns. Bill Snow served only 13 days. As lieutenant governor, he took over in December, 1946, when Ray Baldwin resigned those few days short of the end of his term to become U.S. Senator.

Snow was followed by another beloved governor, Dr. James L. McConaughy, the former president of Wesleyan University. No pendant was McConaughy. A learned man and capable administrator, he too had a warm wit and a gregariousness that belied his rather donnish appearance.

The governorship, like so many other responsible jobs, is undoubtedly more difficult and trying than it used to be just because of the quantum increase in problems and the complexity of modern living. By the same token, it was never really easy, for problems are relative to their times.

Looking back over the list, oldtimers with long memories will be able to recall a number of crises that each of that long list of executives faced in his time. Some had friendly legislatures, others had hostile ones. Some wouldn't agree with a broad categorizing because often friendly—or legislatures dominated by the same party as the governor—can quickly become quite unfriendly as the tension between branches exerts itself.

On balance, we can be proud of our governors. None will demur if we say that Ray Baldwin is something special.

State's Political Elite Meet to Fete Baldwin

(By James Mutrie, Jr.)

Hartford.—It will be nostalgia time at the Executive Residence here today as dozens of the men and women who helped make Connecticut's history over the past four decades show up to pay tribute to one of their own.

Raymond E. Baldwin, Connecticut's only "triple crown" office-holder of modern history, has reached his 83rd birthday, and Gov. Ella T. Grasso decided this statesman, jurist and politician from the past should know how much his state thinks of him.

Joining Mrs. Grasso in honoring Baldwin will be three former governors, State Supreme Court Justice Charles House, three former chief justices and a massive battery of present and former legislative leaders, judges, lawyers, politicians and just plain friends.

More than 250 persons are expected to jam the Executive Residence (Connecticut refuses to call it the Governor's Mansion) and its flower-laden grounds for the late afternoon reception.

Although Raymond Earl Baldwin was born in Rye, N.Y., his working and public service life has been devoted to the State of Connecticut and the country. He has at various times been a member of the General Assembly, governor, U.S. senator and chief justice of the State Supreme Court.

If that is not enough to assure his imprint in Connecticut's history, Baldwin also came out of semi-retirement in 1965 to serve as chairman of the Constitutional Convention that put together a new document of rules to live by for the state's modern governmental operation.

It's probably a mistake to list the man even his political enemies familiarly called "Ray" as ever having been in a stage approaching semi-retirement. State law forced him to retire as chief justice in 1963 when he reached the age of 70, but he has gone on serving as a state referee in the judicial system ever since.

A long love of literature had him serving for many years as the chairman of the State Library Board, a position he only recently relinquished while retaining a seat on that body.

As a politician, Baldwin was always a tough campaigner, a Republican with a big, booming voice and a ready handshake wherever he went. He hit the political "big time" in 1938 when he upset the then "giant" of the Democratic party—Wilbur L. Cross—to move into the governor's chair.

The Baldwin victory brought to an end an eight-year reign for the famous "Uncle Toby" of New Haven.

Two years later, Baldwin found himself biting the bitter pill of defeat—losing his governorship to Democrat Robert A. Hurley. But he hung on and bided his time for the 1942 election when he turned the tables on Hurley, took back the governorship and didn't relinquish it again until December, 1947, when he resigned to move on to the U.S. Senate.

Actually, Baldwin, who began his political career as a Stratford lawyer, ran successfully in November of 1947 for a short, unexpired portion of a vacant U.S. Senate term as well as the full six-year term. His resignation as governor with only a few days to go in his term was a move to give him seniority over men who would be coming in to the Senate in 1948 as freshmen.

As a senator, the man who is one of Wesleyan University's most illustrious graduates stayed on the job for only three years before moving out of the political arena to the judicial bench. In a move that stirred anger among many of his Connecticut Republican colleagues—who accused him of a "sellout"—Baldwin accepted an appointment in December, 1949 from then Democratic Gov. Chester Bowles to the Connecticut Supreme Court as an associate justice.

His resignation let Bowles appoint a Democrat—William Benton—to the Senate vacancy that occurred.

However, Baldwin rode out the criticism and buckled down to the entirely different role of a black robe-wearer.

HON. BOB STEPHENS

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. JOHNSON of California. Mr. Speaker, as the 94th Congress draws to a close I want to pay tribute to a man with whom I have served on the Interior and Insular Affairs Committee during the past several years.

Bob Stephens brought to the Congress an outstanding record of service, not only in the military during World War II, but in the legal profession which included service with Mr. Justice Jackson at Nuremberg.

He used this experience, and that which he gained as a city attorney and a State senator in Georgia, to represent his people well.

Not only do I want to commend him for his service on the Interior Committee, but I also want to point up his outstanding record as a senior member on the Banking and Currency Committee, and especially for his efforts on behalf of older Americans.

That portion of the State of California which I represent is rural in nature, sparsely populated, but as a result of Bob Stephens' dedicated efforts our senior citizens are enjoying improved housing conditions throughout the area.

On behalf of them, the people of the State of California and myself, I thank Bob Stephens for his service and wish him happiness in whatever the future may hold for him following his departure from the House of Representatives.

HON. F. EDWARD HÉBERT

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 27, 1976

Mrs. SULLIVAN. Mr. Speaker, Eddie Hébert and I have been friends for 35 years. During 24 of those years, while serving as his colleague in the House, I have come to regard him as one of the most knowledgeable and effective Members of Congress, with a newspaperman's ability to cut through gobbledygook and governmental double-talk and get to the heart of any issue, and then explain what it is all about.

The people of New Orleans have been particularly fortunate in having a Representative of such ability, diligence, and imagination looking out for their interests here in Washington, and all of the people of the United States have benefited greatly from Eddie Hébert's investigative skills and unrelenting search for truth. Long before he became chairman of the Committee on Armed Services he made a reputation in that committee and in the House for the thoroughness of his investigations as a subcommittee chairman.

Congressman Hébert has made a great record in the Congress and has every right to be proud of that record as he takes his leave from this body. The record shows he has served longer in Congress than any other Representative or Senator from the State of Louisiana. That is primarily a reflection of the confidence his constituents have retained in him all of these years. But the affection of his colleagues is a reflection of how well, rather than how long, he has served here. He has been one of the very best. I wish him every happiness as he returns to New Orleans, a city he has served so well as newspaperman and as Congressman.

DECLARATION

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DEL CLAWSON. Mr. Speaker, the 94th Congress has held the distinction of being our Bicentennial Congress. Those of us privileged to serve in it have shared in many historic observances. We have also shared the sense of history with those we represent. An outstanding example of the Bicentennial reinforcement of American values across the Nation has come to my attention and I believe it an appropriate message for insertion in the Record as this Congress draws to a close. Therefore, I would like to call to the attention of my colleagues in the House the declaration drafted by R. Hylton Sanders, minister of the United Methodist Church, La Mirada, Calif., and signed by members of the congregation at their worship service on July 4, 1976. The declaration follows at this point in the Record:

To Congress, Our Unanimous Declaration for the United States of America

When in the Course of human events, a nation such as The United States of America has for two hundred years been used by History and History's God for the fulfillment of human hopes and divine ends, yet this nation senses a loss of traditional morale, it becomes necessary to declare against the long train of abuses affecting the national spirit and to adopt such measures as will straighten our civic character. We repent all that has dulled our self-respect and all that may have robbed us of honor among nations; we are ashamed of all breakdowns in our integrity.

We, therefore, appealing to the Supreme Judge of the world for the seriousness of our intentions, do solemnly declare these thirteen measures to be our mutual pledge to each other. We will, by all means, seek to—

1. Honor integrity above material gains.
2. Simplify our style of living.
3. Increase productivity while reducing consumption.
4. Enrich earth and eliminate pollution, waste and depletion.
5. Conserve energy in all forms needed by mankind.
6. Refuse unearned gains, and elevate creative labor.
7. Mend the ways that litter the environment.
8. Control at the dial our intake from TV and other media.
9. Mine the treasures in libraries.
10. Heal Biblical illiteracy.
11. Follow closely our legislators and uphold the law.
12. Firm up our bodies and minds by discipline against softness.
13. Reverence God obediently and our fellow man unselfishly.

I sign in a large hand, that The King may see:

Henry Van Dam, R. Hylton Sanders, Pauline Nethercott, Jane C. Bartlett, Gary D. Barnett, Shawn Church, Barton E. Dorsey, Floy Z. Sanders.

Kathy Libell, Steve Ekberg, Florence Norris, Max Norris, Thomas C. Bierly, Samuel F. Moses, Jr., Larry J. Andrews, Norma Scott.

Barbara H. Warnock, Joseph T. Calhoun, Sharon Schilder, Leonard Schilder, Melva Scalia, Robert D. Knudtson, Susan Knudtson, Virginia Davies.

Kay Atkinson, Andrew E. Atkinson, H. Roy Odell, Alvin A. Marshall, Carol Sanders Andrews, Katie Andrews, Mary Easterly, Charles N. Easterly.

Ann Hall, Jeff Ekberg, Margaret Ekberg, Don Ekberg, Maria deRijk, Donna Heckenlaible, David P. Fisher, Clifford O. Smith.

L. D. Gassett, Lois Calhoun, Roger Mauer, Marian Daniels, Ron Daniels, H. Stewart Warnock, Susan Method, Jeanette Miller.

Mary Ann Miller, Rhoda Murphy, Don Murphy, Barbara Odell, Jean Bierly, Jennifer Church, Vivian Marshall, Dorothy Ann Sanders.

Elaine L. Palmer, W. Calvin Palmer, Dennis W. Palmer, Cheryl Palmer, Kathleen Fisher, Ruth Oney, Barbara Fisher, Colleen Williamson.

M. R. Harriman, Wilma Odell, Elizabeth S. Smith, Yong Whang, Jim Williams, Helen Smith, Stewart Smith, Marie E. Williams.

Jory Adamson, Carol Chambers, Ronald K. Chambers, Greg Chambers, Gloria Williamson, Sue Carpenter, Ida M. Marian Carpenter, Irene Reed, Robert Mowry, Olga Mowry.

JUSTICE CONSIDERED IS JUSTICE ACCOMPLISHED

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HINSHAW. Mr. Speaker, I was gratified today that the House, in essence, accepted the recommendation of the Committee on Standards of Official Conduct as contained in its report, House Report 94–1477, and voted to accept Mr. Bell's motion to table the resolution by Mr. Wiggins which sought to expel me from the House of Representatives.

Had the House proceeded on to floor debate of Mr. Wiggins' expulsion resolution, I was prepared to respond to that resolution and to Mr. Wiggins.

In view of the fact that Mr. Wiggins inserted his views in support of his resolution in the July 1, 1976, Congressional Record, I feel it incumbent on me, for the sake of making the record complete for the benefit of future researchers into this matter, to insert into the Record what my response to Mr. Wiggins would have been.

The article follows:

Justice Considered Is Justice Accomplished

Ever since I have been caught up in a chain of events—which I believe to be completely motivated by political considerations by our Orange County, California District Attorney—I have attempted to let our judicial system run its course to its inevitable and final conclusions, whatever that end result may be.

. That I am, that any of us, are today forced into a floor debate on the matter of Mr. Wiggins' expulsion resolution (H. Res. 1392) is very distasteful to me, as it must be to every member of this body.

One of the charges levied against me by Mr. Wiggins is that I am dragging my feet on my appeal. Let me lay this claim to rest at the outset. My attorney, Mr. Marshall Morgan of the Los Angeles and Orange County law firm of Morgan, Wenzel & McNicholas, promptly filed a notice of my appeal from a conviction of having illegally received a campaign contribution of $1,000 in May 1972 and the receipt of a stereo set in December 1972. These are felony convictions of bribery.

My trial was a lengthy one, lasting approximately 10 weeks, and to reduce the trial proceedings to a transcript (which totals approximately 7,000 pages) required the court reporter to request the Appellate Court to grant four separate extensions of time so as to accurately reduce his notes to a typewritten transcript. These extensions delayed stating work on the appeal by my attorneys by over two months. After my Attorney received the 7,000 page transcript, he requested the eminent and widely respected appellate attorney, Mrs. Margaret Lee, to reduce this mass of material to an appeal brief. One needs only a short pause to contemplate the effort necessary to digest 7,000 pages of court testimony and exhibits, research the applicable constitutional, statutory, regulatory, and case law, analyze that law in relation to the court record and write an appeal brief. California District Court of Appeal, is in two volumes containing approximately 250 pages. During the time of this research, analysis, and writing, my trial attorney, Mr. Morgan, was involved in another lengthy political trial in Orange County to which he had to devote all his available time. Further complicating the completion of the appeal brief was the fact that appeal attorney Lee, perhaps under time pressures to complete this complex appeal, suffered a cerebral vascular accident which required hospitalization and incapacitated her for a while. Her doctor's affidavit attesting to this fact has been on file with the Court since some time in August.

In response to legitimate questions which might be raised as to the grounds for my appeal, let me assure everyone they are not mere technicalities but are substantive legal points on the merits of the case as revealed by the opening statement of the appeal as follows:

"The convictions rested entirely upon circumstantial evidence. The inferences urged to be compelled were either contrary to direct evidence or could only have been drawn from speculation and conjecture, or were invited in the absence of evidence on the particular subject at all. Appellant's grounds of appeal are insufficiency of the evidence to support each such judgment of conviction; together with specified errors, irregularities and misconduct during the proceedings as deprived appellant of a fair trial and of due process of law, and in particular, documented prosecutorial misconduct unparalleled in the reported decisions of this State."

In addition to four different reasons as to why there is an insufficiency of the evidence to support the conviction, the appeal lists 13 instances of judicial error and 21 instances of prosecutorial misconduct. Perhaps the most significant judicial error was the submisison of interpretations of law to the jury, including an interpretation of the United States Constitution. In our form of government with separation of power between executive, legislative and judicial branches, the interpretation of the law rests solely with the trial judge and it is an improper delegation of that responsibility and duty to submit questions of *law* to a jury. In the 27 cases reviewed in the appeal brief when such errors have occurred, i.e., submission of questions of law to a jury, the courts have reversed the findings.

With regard to misconduct of the prosecuting District Attorney, the brief sums up the duty of a District Attorney as stated in *People* v. *Talle*, 111 Cal. App. 2d 650, 667, 245 P. 2d 633:

"The argument of the district attorney, particularly his closing argument, comes from an official representative of the People. As such, it does, and it should, carry great weight. It must, therefore, be reasonably objective. It is no answer to state that defense counsel also used questionable tactics during the trial and therefore the district attorney was entitled to retaliate. Defense counsel and the prosecuting officials do not stand as equals before the jury. Defense counsel are known to be advocates for the defense. The prosecuting attorneys are government officials and clothed with the dignity and prestige of their office. What they say to the jury is necessarily weighted with that prestige. It is their duty to see to it that those accused of crime are afforded a fair trial.

"No doubt some prosecuting officials feel restive because of the necessity of proceedings step by step in the manner provided by law in the handling of prosecutions, and seek to substitute their fixed belief in the guilt of the accused for the proof required by law . . . If an accused, even a guilty accused, cannot be convicted except by a violation of these principles, then he should not and cannot be lawfully convicted. It would be a sad day for the administration of justice if this court were to condone the substitution of the personal beliefs of the district attorney that defendants have too many rights, and that the accused should be convicted because the district attorney thinks he should, for what the law guarantees—a fair jury trial. District attorneys are not the arbiters of guilt or innocence. A guilty man even a wealthy guilty man, is as much entitled to a fair trial as an innocent one. If a conviction is secured by means not sanctioned by law, the conviction cannot and should not stand."

The brief then states the cumulative effect of the errors, irregularities and misconduct of the prosecutor violated his duty to the appellant, his duty to the court, his duty to the jury, his duty to the State of California, and to the law itself, and operated to deprive the appellant of a fair trial and directly caused a miscarriage of justice. The brief then goes on citing court cases supporting this contention.

It is misconduct on the part of a prosecutor to make statements of fact not supported by the record. (Citation omitted)

It can be no less misconduct to misstate at the conclusion of a ten week trial evidence that was admitted in the early days of trial, than it is to fabricate facts of whole cloth. The former conduct is, in fact, more insidious, because it has some color of legitimacy which is enhanced by the approval of the trial judge implied in his refusal to control a prosecutor in this regard.

In commenting on the duties of a prosecuting officer, the California Supreme Court said:

"District attorneys in their zeal to convict should not run counter to the plain provisions governing criminal trials . . . Nothing is gained by obtaining a conviction at the sacrifice of legal principles. On the contrary, such practice results in much harm, from reversals and retrials—with the consequent delays and additional expense to the county and the state, ending not infrequently in a miscarriage of justice altogether." (*People* v. *White*, 142 Cal. 292, 75 P. 828).

Before a jury, in his Statements (*People* v. *Tufts*, 167 Cal. 266) and questions he must be mindful of his high authority and fair standing before the jury, and their probable belief he would not have asked a question unless he could have proved what it intimated if he had been allowed to do so. (*People* v. *Derbert*, 138 Cal. 467, 71 P. 564).

In the last cited case, the Court observed: ". . . It is too much the habit of prosecuting officers to assume before trial that a defendant is guilty, and then expect to have the established rules of evidence twisted, and all the features of a fair trial distorted, in order to secure a conviction. If a defendant cannot be fairly convicted, he should not be convicted at all; and to hold otherwise would be to provide ways and means for the conviction of the innocent."

The matter transcends the issues between this Appellant and the State of California. The use of these deceitful methods calls into question the entire legal profession. (*Sodikoff* v. *State Bar of California* (1975) 121 Cal. Rptr. 467, 535 P. 2d 331, 14 Cal. 3d 422) and undermines confidence in government and the very ideal of justice itself:

"The public prosecutor cannot take as a guide for the conduct of his office the standards of an attorney appearing on behalf of an individual client. The freedom elsewhere wisely granted to a partisan advocate must be severely curtailed if the prosecutor's duties are to be properly discharged. The public prosecutor must recall that he occupies a dual role, being obligated, on the one hand, to furnish that adversary element essential to the informed decision of any controversy, but being possessed, on the other, of important governmental powers that are pledged to the accomplishment of one objective only, that of impartial justice. Where the prosecutor is recreant to the trust implicit in his office, he undermines confidence, not only in his profession, but in government and the very ideal of justice itself." *Professional Responsibility Report to the Joint Conference*, 44 A.B.A.J. 1159, 1218 (1958).

The Appellate Brief then concludes with the following statement and citation:

The misconduct detailed above is representative only. An in-depth analysis of each proferring of irrelevant evidence and each improper inference invited would necessitate reproduction of almost the entire evidence contained in the 7,000 page transcript. Perversions of the law itself and means of urging the cause as were inconsistent with the truth have been detailed. The District Attorney of Orange County should have been at pains to avoid any means of urging the cause which could lead to a conclusion that his efforts were merely motivated by a personal desire for publicity in prosecuting a United States Congressman, or by a desire to gain a conviction at any cost to justify an investigation that had cost the taxpayers of Orange County hundreds of thousands of dollars. Finally, at the time of this trial Appellant was under Indictment in another case. The within case was tried first. The total irresponsibility of the prosecutor, particularly in argument, suggests it was never contemplated this conviction would stand. The District Attorney of Orange County should have been at pains to avoid any means of urging the cause which could lead to a conclusion that his efforts were motivated in part by a desire to bolster another case with evidence of two felony convictions.

In the final analysis:

". . . The acquittal of a guilty person is truly a miscarriage of justice, both the conviction of an innocent person through relaxation of those fundamental legal principles such as the one with which we are here concerned, would be a tragedy. It is the duty of the courts to be watchful for the constitutional and individual rights of the citizen and against any stealthy encroachments thereon. (*People v. Braun*, 31 Cal. App.2d 593, 603, 88 P.2d 728, quoting the dissenting opinion of Mr. Justice Sutherland in *Associated Press v. National Labor Relations Board*, 301 US 103, 57 S. Ct. 650, 81 L.Ed. 953).

I comment at this length about the conviction and the Appellate Brief NOT because I desire or expect you to render any independent judgment as to my guilt or innocence, but rather to afford you some insight into my reasons why I must use every possible means to maintain my position of innocence until the final judicial determination in this matter has been rendered by the Court.

Now as to the merits of Mr. Wiggins' explusion resolution (H. Res. 1392). That resolution flys directly in the face of all precedents on this subject set in the House since we became a Nation. In all the past 200 years "the broad power of the House to expel a member has been invoked only three times in the history of Congress, all three cases involving treason." (H. Rept. 94-1477.)

Mr. Wiggins' resolution is directly opposed by the House Committee on Standards of Official Conduct in its Report 94-1477, which states:

". . . it has been the custom of the House to defer action until the judicial proceeding is final.

". . . House Resolution 46 (1st Session 94th Congress) and its accompanying Report 94-76 contained similar language.

(Otherwise):

". . . the House could find itself in an extremely untenable position of having punished a Member for an act which legally did not occur if the conviction is reversed or remanded upon appeal.

"Such is the case of Representative Hinshaw.

"We cannot recommend that the House risk placing itself in a constitutional dilemma for which there is no apparent solution."

Supporting the Committee's conclusions are precedents, previously cited in my Dear Colleague letter dated August 12, 1976 which I repeat for the record:

First, the most applicable and analagous precedent I could find is found in Cannon's Precedents, Volume VI, page 405, Section 238, involving Representative John W. Langley from Kentucky.

I agree with and support the language and positions taken by the committee in that matter. Particularly pertinent to my case is the following language:

"Without an expression of the individual opinions of the members of the committee, it must be said that with practical uniformity the precedents in such cases are to the effect that the House will not expel a Member for reprehensive action prior to his election as a Member, not even for conviction for an offense. On May 23, 1884, Speaker Carlisle decided that the House had no right to punish a Member for any offense alleged to have been committed previous to the time when he was elected a Member, and added, 'That has been so frequently decided in the House that it is no longer a matter of dispute.'

"It is, however, again in accordance with precedent that final action shall not be taken until a criminal charge has been disposed of in the court of last resort. (Emphasis added.)

"It is well known that Mr. Langley is not participating in the proceedings of the House, and it is understood that his resignation will be immediately presented in case of the refusal of the petition for certiorari.

"The committee, however, are just as strongly of the opinion that the circumstances require action on the part of the House at the appropriate time and agree that: A more serious question arises, however, in the case of Mr. Langley, in that the House could not permit in its membership a person serving a sentence for crime."

In addition to the Langley precedent, I would like to bring to your attention information extracted from a Library of Congress Legislative Service report Precedents to the House of Representatives in Respect to Procedure for Censure or Expulsion dated December 29, 1966. On pages LRS-17 & 18 is found the following language:

"In his work, 'History of the House of Representatives', 1961, George B. Galloway, states that the power to expel has not been resorted to often by the House, and that the House has apparently not exercised it since Civil War days.

"He stated, p. 32: The power of expulsion has frequently been discussed but *seldom exercised by the House especially in relation to offenses committed before election.* (Emphasis added) . . . In general, the House has been dubious of its power to punish Members for offenses committed before their election.

". . . [T]here are three major differences as derived from precedents, between application of the power to expel and the power to censure, by the House.

"The first is that expulsion is not exercised for acts occurring prior to an election . . ." [Italics added]

Additionally, the U.S. Supreme Court decision in the case of *Representative Adam Clayton Powell* v. *McCormack*, 395 U.S. 486 (1969) is worthy of consideration here. This case, which involved a suit challenging the exclusion of a Member-elect from the House of Representatives, was argued that inasmuch as the vote to *exclude* was actually in excess of two-thirds of the Members it should be treated simply as an *expulsion*. The court rejected the argument noting that the House precedents were to the effect that it had no power to expel for misconduct occurring prior to the Congress in which the expulsion is proposed, as was the case of Mr. Powell's alleged misconduct, but basing its rejection on its inability to conclude that if the Members of the House had been voting to expel, they would still have to cast an affirmative vote in excess of two-thirds.

It seems inescapable logic to me that if the Court, in essence, held that the House could not *exclude* a Member-elect for acts allegedly occurring prior to the Congress in which the expulsion is proposed—as is the case here—then it would seem to be a charade to seat such a Member-elect and then attempt to *expel* him. Thus it seems, if such a precise issue were to be placed before the Court, and, recognizing the previous precedents of the House on expulsion subject, the Court holding would be adverse to such an expulsion resolution.

As I have said this whole debate is distasteful and distressing to me and to many of the friends I have made in this Chamber. It was my original belief, and I have had no evidence to the contrary, that this whole matter was nourished by the politically beleaguered District Attorney of Orange County.

In the 1974 political campaign, he was charged with covering up a hit-and-run accident involving his alleged girlfriend, which resulted in the death of two children. To divert the spotlight from his own situation, the District Attorney and his staff got busy with the County Grand Jury and brought forth non-substantive indictments against other political figures in the County, and began prosecuting them in an unethical manner.

Included in these politically-motivated actions by our District Attorney were:

1. Congressman Charles Wiggins was alleged to have falsely registered to vote in a place other than his residence—a felony.

2. Congressman Jerry Patterson's staff members and campaign workers (eight of them) for allegedly falsely registering to vote in places other than their residences—felonies.

3. Congressman Andrew Hinshaw for improperly using Assessor employees in his election campaign and accepting a gift of a stereo set after the November General Election but prior to being sworn into Congress. The stereo set was allegedly to influence his actions as a County Assessor—felonies.

4. California Assembly candidate Richard Robinson and nine campaign workers for allegedly falsely registering to vote in places other than their residences—felonies.

5. California Assembly candidate Marlin McKeever for allegedly falsely registering to vote in places other than his residence—a felony.

Additionally, after the elections were over, there were investigations started against several members of the Orange County Board of Supervisors and several City Council office holders for alleged misconduct of one kind or another.

Many persons, in both my District and Mr. Wiggins' Congressional District (most of which I formerly represented) have asked me what Mr. Wiggins' motivation is in pursuing his ill-advised Resolution, in view of the fact that the Committee on Standards of Official Conduct had issued such a strong report adverse to his Resolution. My response to those inquiries is simply that I do not know. However, it does appear that the consensus of opinion, both in those two Congressional Districts and of persons here in Washington, is that Mr. Wiggins attempted to use the procedures of the House to distract attention from his present political problems in his own District, which emanate from two central issues.

1. While serving on the Judiciary Committee's inquiry into the actions of former President Nixon, Mr. Wiggins had his mind closed to all propositions relative to the propriety of the Judiciary Committee's investigation into the so-called Watergate matter, and the part he played in the outgrowth of that matter by Mr. Nixon and/or his subordinates. As a result of Mr. Wiggins perceived closed mind on this subject, his image as a perceptive constitutional attorney has been diminished in his own Congressional District.

2. As I have previously stated, at the time of the investigation into my past conduct, the District Attorney of Orange County was investigating Mr. Wiggins' compliance, or lack thereof, with California residence requirements, with perhaps the notion of indicting Mr. Wiggins for felonious conduct, just as had been done to the campaign workers of Congressman Jerry Petterson and California State Assemblyman Richard Robinson, in addition to others.

This residency issue of Mr. Wiggins, which has been a smoldering ember for two years, has now burst into flame, and for several weeks it has been rumored that Mr. Wiggins present political opponent for the November election (himself an attorney) is challenging Mr. Wiggins' legal right to be on the November ballot, inasmuch as it is contended in a law suit which was filed yesterday. This law suit challenges Mr. Wiggins' right to even be an office holder, much less a candidate, and further seeks to compel Mr. Wiggins to tell the U.S. Treasury Department that he, Mr. Wiggins, is not entitled to receive compensation or salaries in his present position as Congressman of the 39th Congressional District in California.

I have no knowledge as to whether the suit filed by Mr. Wiggins' Democratic opponent has merit or not, except that I am informed that Mr. Wiggins stated in a letter to the California Attorney General, Mr. Evelle Younger, as well as having been reported in our local newspapers that Mr. Wiggins has admitted that he has not, in recent years, had a residence in California.

If the contentions and beliefs of persons in our two Congressional Districts in California and other persons in Washington are accurate as to the belief stated in numbered paragraphs 1 and 2 above, then I find it highly repugnant that Mr. Wiggins would seek to inject the House and its hallowed procedures into his personal political campaign.

With respect to my present situation, my innocence is clear to me, my attorneys, and many of my supporters in California. For that reason, I reiterate that I am humbly grateful to the Members of this body that they voted in such a manner that I can go forward with proof of my innocence without any further burden being placed upon me in my effort to sustain my innocence of these charges.

TRIBUTE TO CARL ALBERT

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. REES. Mr. Speaker, it has been a rewarding experience for me to work with the Honorable CARL ALBERT during the past 10 years. The record of accomplishments of the House while he served as majority leader and subsequently as Speaker are a tribute to the effectiveness of his leadership.

As a newcomer to Congress, I was appreciative of the time and energy he devoted to educating my freshman class in the intricacies of Capitol Hill politics. Though history will remember CARL ALBERT—and those of us who had the privilege of serving with him—as politicians, I will principally recall the person I knew as a friend, adviser, and statesman.

I wish for CARL ALBERT the very best of luck and happiness in private life, confident in the expectation that he will continue to serve this great country as admirably as he has in the past.

FAREWELL

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CARTER. Mr. Speaker, it is with a great deal of regret that I say goodbye to those we will not have the pleasure of serving with in the next Congress.

Three of those departing, and being honored today, are of the Pennsylvania delegation. It is my understanding that ED ESHLEMAN, who has been here since 1966 and has contributed his services to the Committee on Education and Labor, will be entering a new career as a "circuit teacher" in political science.

PETE BIESTER also joined the Congress in 1966 and has served on the District of Columbia and International Relations Committees. He will be returning to the practice of law.

HERM SCHNEEBELI came to Congress in 1960, and served on the Budget Committee, the Committee on Ways and Means, and the Joint Committee on Internal Revenue Taxation. He also distinguished himself as a representative to the GATT Conference, the German-American Alliance Conference, the Ditchley Park Conference, and the United States-Japan Parliamentary Conference. HERM has always been a good friend and a great help to all of us.

These gentlemen from Pennsylvania will be missed. I wish them the best of luck in their future endeavors and feel confident that they will perform in them as admirably as they have in the House of Representatives. My friends, we will miss you.

HERMAN T. SCHNEEBELI

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROSTENKOWSKI. Mr. Speaker, as the gavel signaling the end of the 94th Congress approaches, it is with great honor that I say I have served with HERMAN T. SCHNEEBELI.

In the 12 years I have served on the Committee on Ways and Means, I have often sought HERMAN'S judicious advice. In the recently completed conference on the tax reform bill of 1976, HERMAN demonstrated once again his expertise in the tax field, as well as his qualities as a first-class legislator. But beyond his achievements on the Committee on Ways and Means, special attention must be paid to the consistently superior representation he has provided the people of Pennsylvania's 17th District. Spanning the 16 years of his illustrious career, HERMAN has labored long and hard in furthering the best interests of his constituents.

I know the Congress will greatly miss the presence of a man of the stature of HERMAN T. SCHNEEBELI. I am certain that his State as well as the Nation will long remember the career of the distinguished Congressman from Pennsylvania. To HERMAN, his wife, Mary Lou, and two daughters, I extend my warmest wishes for a satisfying and restful retirement.

AMERICANS FOR EXCELLENCE—THE AMERICAN ACADEMY OF ACHIEVEMENT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. TEAGUE. Mr. Speaker, recently a staff member of my Committee on Science and Technology attended the annual awards banquet of the American Academy of Achievement. The following memorandum from Ms. Garfinkel embodying the reaction she had following the banquet, I believe is worthy reading for all who know and understand the America in which we all believe.

The memorandum follows:

AMERICANS FOR EXCELLENCE, THE AMERICAN ACADEMY OF ACHIEVEMENT

Mr. Chairman: I have recently had the privilege of being a guest at the annual awards banquet of the American Academy of Achievement. It was an unforgettable evening of both excitement and unequalled pride in being an American.

The American Academy of Achievement, founded by Brian Blaine Reynolds, has been honoring outstanding Americans annually since 1961.

This year's most inspiring assemblage of American leaders from all walks of life was gathered to receive their awards for excellence and to participate in ceremonies to give honor and recognition to younger Americans, high school students, who have already exhibited excellence and leadership in their schools and communities. These young Americans were chosen for the promise and determination they have shown and that will successfully lead America through its third century.

In addition to the presentation of awards, the weekend focused on the young students with the hope of continuing to inspire them in their own personal quest for excellence. In seminars and discussions throughout the weekend, the students had the opportunity to seek out and talk to numerous leaders, ask their advice, express their views or just form a link in the common bond of personal determination.

The atmosphere surrounding the weekend was electric with dedication and admiration for the world's greatest democracy and its people. It was refreshing to hear American leaders extol the strengths of their country and express confidence in its future. This is the kind of spirit that brought us through the American Revolution and every subsequent national trial. This is the spirit that the Academy hopes to pass on to our future leaders who will carry, by example, the torch of freedom of choice and opportunity to future generations.

Among the recipients of the Academy's 1976 Award were national figures such as Dr. Jonas Salk and General Alexander Haig, along with legendary jockey William Shoemaker and the articulate and outspoken John Cardinal Krol of Philadelphia.

Each honored guest was invited to tell his or her own story, the disappointments encountered, the adversities overcome and the personal beliefs and philosophies which helped him rise above these obstacles.

I can think of nothing more fitting and endemically American than to recognize and commend an individual for his or her own personal achievement on whatever path that person might have chosen. The quest for personal excellence is basic to the American ideal of individual freedom.

Although we all know and admire the contributions of a Dr. Salk or a General Haig, we are often unaware of the lesser known heroes of this nation like a Ted Connell. This year the Academy recognized Connell's many years of personal dedication and civic leadership.

Ted Connell dropped out of high school to work on a threshing crew. He finally earned his high school diploma through Army correspondence courses while serving on Guam in World War II. When discharged, he used his Army pay for a down payment on a used car lot and through hard work and the courage to persevere through one complete financial collapse and other lesser setbacks, he emerged at the helm of a major car dealership, a commuter airline and several other interests. All the while he has given of his time and energy in community affairs and particularly veterans affairs. In this latter capacity he had served as advisor and consultant to me during my Chairmanship of the Veterans Affairs Committee. He also served as special assistant to President Lyndon Johnson.

Honoring the Ted Connells as well as the General Haigs exemplifies America's inherent respect for all personal achievements. Our nation has long succeeded through the efforts and diligence of those who have never for one moment disbelieved that this was the land of opportunity. As we honor those who have already attained their goals and continue to inspire those who are just beginning, we will insure the future of our nation and we will continue to shine as the brightest star on the grand horizon of individual freedom.

TRIBUTE TO HON. JAMES W. SYMINGTON

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ROGERS. Mr. Speaker, I would like to take this opportunity to acknowledge and to pay tribute to Jim Symington of Missouri. I will be sorry to see him leave the Congress and all of us, I am sure, will miss him.

Ever since the creation of the House Health and the Environment Subcommittee, I have worked closely with Jim Symington and his efforts and advices were welcome. Along with being gracious, pleasing, and humorous, Jim is effective and knowledgable and I know I can speak for the members when I say that his efforts will be missed on the subcommittee.

Congressman Symington has been an active and forthright member of the Health Subcommittee and has left his mark on virtually every piece of legislation developed by this subcommittee. He was one of the first to demonstrate the expertise necessary to achieve viable legislation in the area of drug abuse and health manpower. He was the first to recognize the need for expansion of the Clinical Laboratories Act which all but became law in this session and without a doubt will be enacted next year.

Jim Symington has always been an effective voice for the needs and concerns of the people of Missouri. They, too, will miss his sound leadership.

The Symington name has made a real impact on our Nation, and we look forward to continued contributions from this great family. Becky and I extend our best wishes for future years and we will follow with interest their future accomplishments.

THE YOUNG AMERICAN

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SYMINGTON. Mr. Speaker, before I leave, I wish on this last day of the session, to say a word about the future—not mine, the Nation's. The Nation's future rests in the minds and hearts of our children—the young American. He, and she, must somehow find or build in their own society sources of just pride in citizenship. Abroad they must build, too, a far firmer structure of peace than we have been able to do.

On the homefront progress has been slow and unsteady. Distrust between the generations, the races, and different income levels has found its expression in antisocial behavior by many a young American. Their hostility and discontent has ranged from the runaway to the rioter. Youth gangs have terrorized our major cities. Schoolchildren have used and distributed hard drugs. Youth unemployment is very high. Many high school graduates have not mastered the three R's. We must arrest these trends.

It seems to me that we need to engage, or try to engage, every young American in his late teens, for a year or two, in some kind of useful service to the community, or the State or Nation. Programs like the Peace Corps, and ACTION, reach but a handful of our young, generally those with quite strong family backgrounds, and the kind of circumstances and upbringing that encourage them to seek service opportunities. Yet the desire for achievement and recognition exists in them all, and should be fulfilled by all.

In my view the Congress, in consultation with State and local authorities, school and counseling officials, parents, business groups, unions, and civic and nonprofit organizations, should seek to develop ways to give every youngster a chance to make a contribution to his society. If he is a high school dropout, perhaps he can still be a teacher aid for younger children, or help with recreation programs for the elderly. And there must be ways—at the local level—not from Washington, to identify needs and reach out to the young for help in meeting them. My grandfather, Senator, and later Congressman, Jim Wadsworth, believed strongly in universal military training, not only for its importance to the country by way of preparedness, but for its importance to the life and resolve of the young American. That proposal died in the early fifties.

But the concept of service and what it can do for the server and the served, never dies. Clearly, by updating a proposal solely limited to military and to men, to one which would incorporate nonmilitary service and the talents and energies of our young women, could never be considered outdated. Difficult, yes, but not untimely or unnecessary. I would hope some thought could be given the idea in the coming years.

The coming years will be years of international uncertainty as well. Not long ago I read a strategic defense study that posed the question, how many Americans should be considered expendable in order to plan a proper nuclear deterrent posture. The figure settled upon in the study was 20 million. Any more casualties than that, according to the study, would be considered "unacceptable." But 20 million were presumably "acceptable." I then visited a high school and asked for a showing of hands as to which of the some 500 students present considered themselves "acceptable casualties" in such circumstances. No hands went up. I said this was a problem for the planners. A hundred hands should have gone up. But if they were all "unacceptable" casualties, then what could they do to see they never became one? I suggested they begin by learning as much as they could about other people and other societies, so that fear and distrust would at least not proceed from ignorance. I suggested they discuss with their school administration the possibility of an exchange program with schools of other lands—perhaps a term of study on an exchange basis. There is no doubt in my mind, having watched policy, people, rhetoric and reality, for some 20 years, that planners proceed upon certain assumptions which are only valid if we allow them to be. National and class hatreds may provide convenient bases for the great strategic chess games leaders play. But it is within the power of people, and within each person, to alter that basis to the extent of his wit and his will. "Together with your contemporaries overseas," I told my young audience, "you may consider yourselves a league of unacceptable casualties, the acronym for which is LUC(k)—it might well take some luck," I said, "but do not count on that scarce commodity—start thinking, and working, and proving that there is more that unites you with your fellow man than that which divides you."

I believe, Mr. Speaker, that world peace may rest not only on the travels of one enterprising Secretary of State—but on the travels of many, travels which first must begin in the mind. Such travels may well be required of Congressmen, and they cost very little.

A SOUR FEELING AT THE FOOD CHECKOUT STAND

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HINSHAW. Mr. Speaker, in these days when many of our social welfare programs remain under attack partly because of their ever escalating costs and drain on our national economy, it is a pleasure to read a concise report of one person's feeling on such a program.

Such a report from the Los Angeles Times of Tuesday, September 28, 1976, has been called to my attention by one of my good friends, Mrs. DeDe McNicholas. Mrs. McNicholas is the young mother of seven children and like most parents is conscientious in her food shopping habits. Therefore, it is understandable that she would view the following article favorably:

A SOUR FEELING AT THE FOOD CHECKOUT STAND

(By Wina Sturgeon)

I'd gone to the supermarket to shop for dinner, Being short of cash that night, I lingered over various expensive foods, but passed them up for chicken and a head of lettuce. At the checkout counter I was right behind a young couple dressed in the latest fashions. Each wore a fancy gold watch, and each was overweight.

I watched as they unloaded their cart: six packs of soft drinks, cookies, chewing gum, ice cream, sundae topping, frozen fried chicken, frozen vegetables with butter sauce, expensive cheese. A sour and stony thought came over me: *"Bet they pay with food stamps."*

Sure enough, they produced the tickets and handed them over. Then the man placed a bottle of wine on the counter and, since, alcoholic beverages and food stamps don't mix, he gave the checker $3.

My sour feeling mounted. I had looked at that cheese, too—one of my favorite—but it would have strained my budget even if I'd had the cash. I looked at the couple, then asked the checker, "Can you buy gum on food stamps?" I said it loudly, coldly, insultingly, hoping to hurt.

As she filled the couple's bag, the checker said, "Yes—ice cream, cookies, soda . . ."

The couple had been smiling, but no longer. They gave us dirty looks and departed hastily.

The checker leaned toward me and confided, "It's not the food stamps I mind. It's when they buy king crab at $6 a pound."

Leaving the store, I tried to summon guilt for what I'd done. After all, I told myself, I'm a liberal, right? Then suddenly I remembered this quote: *A liberal is someone who wants to do a lot of good for poor strangers—on other strangers' money.*

Why should I have felt ashamed about resenting someone who could buy a luxurious piece of cheese on other people's money? It's only natural to feel angry that someone can spend more freely than you on money *you* helped provide.

When I was a kid, I lived in a region of Pennsylvania that produced steel and coal. Whenever the mines or factories went on strike, many of my friends went on a kind of welfare. But they were given food, not money or its equivalent. It was good food: canned vegetables, bags of cereal and flour, canned meat. Absolutely no luxuries—people didn't expect them. I wonder when the ability to choose luxurious foods stopped being a byproduct of work and became a right.

Oh, I know what you're thinking: Most people on food stamps don't buy luxuries; welfare is a pittance compared to the defense budget; abuse is inevitable; there but for the grace of God . . .

The point is, I'm *not* on food stamps, and no longer can I make all those liberal allowances. Neither can dozens of other shoppers I've talked to about the resentment they feel at checkout counters, when they watch food stamps being abused.

We can't help these feelings. America grew up on the work ethic. It taught us that the harder we worked, the better would be our standard of living. Now a new strain has been injected into our culture: the idea that those who can't produce their own sustenance should not be the least deprived; that the same kind of housing and food should be available both to workers and those supported *by* workers—and anyone who feels otherwise should be ashamed of themselves.

Wouldn't welfare recipients work if they could find jobs? Maybe so. But all hell broke loose not long ago when an official in Newark suggested that able-bodied people on welfare be put to work doing things the state couldn't afford: planting urban parks, cleaning up neighborhoods, painting buildings. From the infuriated reaction, you would have thought he was advocating a return to slavery.

When did the idea ever arise that we should only take jobs we enjoy? I know plenty of people who dislike their work, but they do it anyway. Why should food stamp recipients be free to make choices denied the rest of us, especially when *our* money is involved?

Right now, property taxes are higher than ever, and *38½ cents* of every property tax dollar goes for various kinds of public welfare. People are losing homes they've lived in all their lives; newlyweds are unable to buy property because the penalty for ownership is so high. There must be a cutoff point somewhere—a point where society agrees that the *producers* cannot continue paying forever for the increasing number of *non*producers.

Or look at it this way: When the child of a welfare mother grows up to have several welfare-supported children of her own, there's a lot less money to aid the blind, the paraplegic, the mentally retarded—people who can't help their plight and need help to be self-supporting.

Giving welfare is a noble and humane act, so long as it goes to the right people. But the resources for it can't be taken from the unwilling and administered by the uninvolved for the benefit of an unlimited number of people. As a country, we just don't have the resources to keep on throwing money away. Worse yet, it could turn us into personal isolationists, indifferent to the needs of others because *their* needs have become synonymous with *our* sacrifice.

Then, through the reluctant and resentful goodness of our hearts, we will become a nation of true strangers.

H. R. GIBSON, SR.

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. TEAGUE. Mr. Speaker, following my primary campaign in May of this year, I wrote to all of the people who had either contributed monetarily or of their time in my behalf, asking that they write to me and tell me what they think of our country and what we in the U.S. Congress could do, or should do, to make it better. One of those who replied was Mr. H. R. Gibson, Sr., founder of the Gibson Discount Stores. He resides in Dallas, Tex., and I am proud to call him a friend of mine. If ever there was an example of the American dream, the self-made individual, the epitome of the free enterprise system which is a part of America, this man is it.

Born in the Ozarks, his family transient between Missouri, Arkansas, and Oklahoma and finally back to Missouri, this man grew up in the heartland of America, and those who will read the letter which he directed to me will see, without too much trouble that it was written by a man who has known adversity, but was able to conquer it because of what this country had to offer in the days gone by. He is a deeply religious man, and has given freely of the bounty which has become his through the free enterprise system to charities, religious undertakings, and other public institutions.

His offices are lined with honor plaques and awards coming from all kinds of institutions—business, educational, political, civic, and charitable, from all across the United States and foreign countries. They are lasting tributes to this man's achievement in the business world and appreciation for his generosity and unselfish activity in behalf of his fellow man. It is people like H. R. Gibson, Sr., that have made our country great because of their personal concern for the continuance of the system which made it possible for them to become what they are today.

Mr. Gibson's letter to me follows:

THE GIBSON TRADE SHOW,
Dallas, Tex., May 26, 1976.

Hon. OLIN E. TEAGUE,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN TEAGUE: Please accept my congratulations on your splendid victorious race to continue as our Congressman. I can only say that the best man won.

In response to your letter of May 17, 1976, I definitely have some thoughts on what will make our country more secure and have a growth based on a sound foundation with a hopeful future. I will try to condense my feelings and thoughts and recommendations to this letter, as I feel I could write a book about what this country can do and should do.

1. This great country of ours owes its success to God, to God-fearing men such as you, and to the independent, determined, and dedicated citizens who have secure and strong beliefs and the guts to stand up for what is right, whether it is popular or not.

2. I know your record for supporting the defense aspects of our military and I want you to continue in the way you have been voting because if we do not look after ourselves, someone else will do it for us and we'll never have another chance to make this wonderful dream of democracy work.

3. I am greatly concerned over the tremendous surge in administrative power which Congress has given to administrative agencies. These agencies which are not subject in any way to the control of the people, except through our Congressmen and Senators, then build their own empires and proceed to legislate more laws than Congress has ever thought of. For instance, the FTC after having its rule making power confirmed has already proceeded to outlaw the concept of "holder in due course", thus changing a rule of law which has been in existence for almost as long as this Republic. While this legal principle may be due to be changed, it should be changed by Congress and the interpretations of law by the courts of our land. To have the FTC suddenly throw this long established principle out of business circles appears to me to be a violation of the United States Constitution, if it still means that there should be separation of powers between the courts, Congress, and the Executive. What we have here is the FTC passing a law which has never been debated in Congress and on which Congress has had no opportunity to receive input from the people.

Another example is that the FTC under its rule making power has now proposed to repeal all state laws which prohibit the advertising of the price of prescription drugs. While I, myself, have participated in the successful lawsuit which has succeeded in holding such a law in Texas unconstitutional, and while the Supreme Court of the United States has recently held such a law unconstitutional in Virginia, the idea of an administrative agency taking on the role of Congress and the role of the Supreme Court and repealing these state laws is totally repugnant to my concept of the principles on which this Republic was founded.

This is only a short statement of some of the things that the FTC is doing. There are many other administrative agencies which are also exerting their weight and attempting to justify their excesses of constitutional authority by the old maxim "the end justifies the means." As I recall it, some guy named Karl Marx first came up with this idea or perhaps he got it from someone else, but I do know that the total concept of morality by communist countries is that "whatever accomplishes what we are after, is right." If our own administrative agencies have now adopted this maxim, I am greatly concerned about our future. Congress should definitely review and control and approve what the administrative agencies are doing.

4. I would like for you to explore the overlapping of administrative agencies, since we keep creating new ones to do the same things that the old ones were supposed to do.

For example, OSHA was created about five years ago with the idea that they would make industrial workers' lives a little safer. But, OSHA immediately extended its jurisdiction to all motels, retail stores and almost any business in the United States. For example, they have approximately 9,000 different regulations which govern the safety conditions of a retail store. Even the OSHA inspectors cannot know all of those things and no businessman can possibly operate without violating them. This is bad enough but what OSHA is doing was already being done by agencies such as the Bureau of Mines, Pure Food and Drug, State Fire Inspectors, City Inspectors, County Inspectors, and I am sure, other agencies. I feel that we, the people, through Congress, have let this Frankenstein that we have created run away, with full power to the Bureaucrats who man their offices and consider the people "the enemy."

If we don't control what these Bureaucrats are trying to do to business, there will be no business, because there will soon be no business which can afford to spend enough money to comply with all of the various federal demands of administrative agencies throughout this country.

5. Another example of administrative agencies overlapping is that the FTC investigates antitrust and Robinson Patman Act violations and Sherman Act violations. The Department of Justice also has concurrent jurisdiction over antitrust investigations. The FTC considers itself a consumer agency to some extent yet the Consumer Safety Products Commission is in the same field. Also overlapping the Consumer Safety Products Commisson is the Pure Food and Drug, HEW, the U.S. Department of Health, and now, Congress is proposing, and I am afraid it will pass, a new consumer agency which will overlap the FTC, the Consumer Safety Products Commission, the U.S. Department of Justice, HEW, and possibly more.

6. One of my great concerns is the continuing inflation in this country which means that our dollar is being eroded and devalued. I feel very strongly that no business and no nation can continue to operate on deficit budgets, and to increase the national debt, without either bankrupting the country or deflating the dollar to the point that industry will grind to a halt.

To balance the budget I would suggest outright abolishment of many agencies and the curtailment of their budgets and their personnel. For instance, it has only been two years ago that the FTC through testimony before Congress indicated it could not spend the money that was allocated to it. But, each year more money is appropriated to the FTC. About four or five years ago the IRS hired thousands of new employees, about a hundred new auditors in the Dallas area for an example. These men were to be used to man the price fixing offices which were run by the government for a short time. As soon as this program expired (which it should have), the IRS did not ask for these people to be released nor did it cut down on its budget requests, but instead decided to audit more and more individuals. In Dallas, for example, there were so many IRS employees that they had to rent space in outlying areas of Dallas to find room for these people to sit down. I am sure that there are many more such examples of the overstaffing of all government offices.

Another example of wasting the taxpayers' money is a recent case where the Consumer Safety Products Commission sent an administrative subpoena to a Dallas man, directing him to appear in Laurel, Md., at a certain date to tell an administrative law judge of the Consumer Safety Products Commission what sort of things he would suggest might be done to alleviate a possibly dangerous condition in Christmas tree lights. They offered to pay him his expenses to fly to Laurel, Md., from Dallas, Tex., and return, a witness fee, all because one of their men in Dallas had been allowed to conduct a spot check of Christmas tree lights about a year ago. At that time the Consumer Safety Products Commission stated that there were no standards for safety but that they were conducting a survey. It is undoubtedly true that these people have too much money to spend do not know where they're going, and want to create a permanent niche between the Pure Food and Drug and the FTC.

7. Without being critical, I think we have about ten times too much federal legislation. It would be better if many of the bills that are eventually passed and signed by the President were never passed at all. My feeling is that the best government is the least government, and that the best law is to have fewer laws, but to have them enforced and know where we stand. One of the worst examples I can think of in the recent past is ERISA. I have tried to read this thing and cannot make any sense out of it, but am advised by those who have read it, that it is so difficult, so overlapping, and so contradictory that the IRS, who is supposed to write the regulations, cannot understand it themselves and have been unable to come up with any regulations.

I am told that this bill for instance, created a new public agency which will underwrite the private pension plans of every corporation in the United States and that the premiums being charged are a dollar per person, or 50 cents per person if they belong to a union. I understand that this agency has the right to write to blank checks on the U.S. Treasury to fund their payments to individuals who were due pensions by their own company's pension plans after those pension plans go broke. Brother Teague, there is no way that the premiums being collected can even pay the salaries of the people who are going to run this agency. This law was billed as being protective of the employee, yet it changed the law so that the pension fund can under certain circumstances invest all of its funds in the stock of the company. Then if the company goes broke, the pension plan goes broke, and the U.S. Government (you and me) then pays the pension. If this is pension reform, I don't understand the meaning of the word "reform".

While we are on it, I keep hearing about "improvement" bills, such as "FTC Improvements". From what I can understand, all these "improvement" bills extend beyond constitutional limits the powers of administrative agencies. I would be suspect of anything that's labeled "Improvement". This is bureauese for "give us a free rein". The bureaucrats do not need a free rein. What they need is to be tied down, fenced in, and reduced in numbers and powers.

Well, I'd better quit because there's no end to what I feel about some of these things. If I had to summarize it, I would say what we need are fewer laws, a longer term for Congressmen, probably four or six years, more control by the elected representatives of the people, abolishment of government agencies, or at least curtailment of these agencies when they overlap each other, and non-deficit spending. At the rate we are going, for example, on Social Security and government retirements, if the birth rate continues to decline as it has in the past fifteen years, by the year 2015, considering the Korean war babies who will be age 65, there won't be enough people working in private industry to pay the load of retirements, government employees wages, and the expenses of administrative agencies which sent three men to do a boy's job, even if the people in private industry are taxed 100%. We have got to change directions!

Yours truly,

H. R. GIBSON, SR.

CONGRESSIONAL BICENTENNIAL SALUTE TO THE BOROUGH OF PROSPECT PARK OF THE STATE OF NEW JERSEY ON ITS DIAMOND JUBILEE, CELEBRATING ITS 75th ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, during our Bicentennial Year as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, it is my privilege and honor to call to the attention of you and our colleagues here in the Congress a most historic event that is being celebrated in my Eighth Congressional District, State of New Jersey: The Diamond Jubilee Anniversary of the borough of Prospect Park.

I know you will want to join with me in observing and commemorating the 75th anniversary of this most outstanding all-American community and extend our heartiest congratulations and best wishes to all of the people of Prospect Park and to the Honorable Nicholas DeGraaf, the distinguished mayor of Prospect Park.

Mr. Speaker, in commemorating this three-quarters of a century of progress in America's history, the elected representatives of the borough of Prospect Park have earned the respect and esteem of our people. I wholeheartedly commend them to you for their outstanding public service and administration of their community in the interest of all of our citizens. The current members of the governing body are as follows:

The Honorable:
Nicholas DeGraaf, mayor.
Alfred Marchitto.
Edwin Breeman.
Fred De Ruiter.
Michael Kerestes.
Martin Ver Hage.
Robert Adams.
Judith Critchley, clerk.
Donald Van Heemst, tax collector.

Mr. Speaker, Prospect Park is richly endowed with America's historic beginnings and the activities of America's great men of destiny.

Early settlement of northern New Jersey found what is now Prospect Park in a direct line of communication between New England and the historic Preakness Valley, North Eighth Street was then a part of Cannonball Road, which ran between Preakness and Paramus and which figures prominently in maneuvers and the operations of the

Continental Army during the Revolutionary War.

George Washington traversed this road with his troops and recorded mention of it in his own diary, as he visited Col. Theunis Dey in Preakness twice during the pivotal year of 1780. On these occasions, with temporary headquarters established at the Dey House, practically all of the revolutionary leaders traveled Cannonball Road to consult with their commander-in-chief—General Lafayette, Alexander Hamilton, Aaron Burr, Benedict Arnold, "Mad Anthony" Wayne, Baron von Steuben, "Lighthorse Harry" Lee, and many others. Along Cannonball Road, Washington's men were encamped, over it troops moved and communications were sped by messengers.

Mr. Speaker, on Friday, October 8, the citizens of the borough of Prospect Park will assemble for a Bicentennial dinner in tribute to this 75th anniversary observance manifesting the great civic price that the Prospect Park residents have in their community and, rightfully so, in view of the great heritage that they and their families before them have fostered and nurtured with strength and vitality of purpose these many years.

Prospect Park residents are celebrating their 75th anniversary with the confidence they developed through a lifetime of living as a conservative community.

Prospect Park is only four-tenths of a square mile in size. It is the smallest municipality in Passaic County with a population of 5,000 persons.

This 75-year-old borough was settled by people who emigrated from the Netherlands. They brought with them the valued traditions of that European country and to this day, people still walk to church; stores are closed on Sundays—there is not a tavern or theater within the borders of the town—and no retail liquor license is sold.

Qualities of thrift and business acumen identified themselves within the community especially during the period of the depression, which reached its greatest depth in 1933. In fact the borough did not falter in meeting its financial obligation to individual, corporation, or government during that period. The same was true of its two financial institutions, the Prospect Park National Bank and the Prospect Park Savings and Loan Association.

To this day, Prospect Park is one of the few municipalities in our Nation which is debt free.

Mr. Speaker, as part of the Commonwealth of New Jersey, Prospect Park once provided hunting and camping grounds for the Lenni Lenape Indians—a small, peaceable clan of the great Algonquin tribe.

While Prospect Park remains a community of predominantly Dutch heritage, in recent years many people of national origin other than Dutch, including people from Arabian countries, have made Prospect Park their home and are, by their faithful observance of its customs and ordinances long established, helping to keep it essentially a church and home community.

The public and private schools in the community excel in educating our young people, providing a lasting contribution to the future preeminence of America's society in training and developing the youth of America.

Prospect Park is a tightly knit community—a town where people care for their neighbors.

Mr. Speaker, throughout this past three-quarters of a century the people of Prospect Park have sought and achieved a quality of excellence in their hometown which bespeaks the pioneering efforts of our forefathers and the traditions of a freedom-loving people dedicated to the American principles of democracy and a good family life for themselves and future generations to enjoy. They have made the difference in achieving a pleasant and charming community and I am pleased and privileged to seek this national recognition of all of their good works. We do indeed salute the citizens of Prospect Park in commemorating and celebrating during our Nation's Bicentennial Year this Diamond Jubilee Anniversary of the borough of Prospect Park.

TRIBUTE TO HON. RAY MADDEN

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, as a member of the Rules Committee, I will especially miss the gentle, kind, and humorous presence of our chairman, RAY MADDEN, in the next Congress. Chairman MADDEN has done more than any of his predecessors in recent history to turn around the reputation of the Rules Committee as a legislative roadblock to one of an arm of the majority leadership. As a member of the minority party, I have not always agreed with the priorities and judgment of the leadership in processing bills for the floor, but I will say that Chairman RAY has usually been fair to our side while trying to comply with the wishes of his leadership. And I know that Members of his own party who have appeared before our committee soon found that they had no free ticket to the floor. Our chairman asked few questions, made many statements, but always went to the heart of an issue with a searching question or comment, couched in the context of his long tenure in this Congress. Chairman MADDEN has lived and remembered more about government and politics than most of us will ever learn. We have all been treated on occasion to his partisan harangues in committee and on the floor. As much as many of us may have disagreed with his observations, we have nevertheless been entertained and sometimes even enlightened by his insights and anecdotes.

Mr. Speaker, during my brief tenure with the Rules Committee, compared to that of my chairman, I have often been impatient and even critical of the failure of our committee to move on what I consider to be important matters of House reform. Nevertheless, it should be recognized that many important reforms have been produced by the Rules Committee over the years. And RAY MADDEN has often been in the forefront of these reform movements, having served on the Joint Committees on the Organization of Congress of 1945 and 1965.

Those of us who have served with RAY MADDEN on the Rules Committee will never forget the many friendly exchanges we have had over the years, the chairman's quiet yet penetrating humor, and his buoyant, cheerful, and tuneful spirit and personality. While he has sometimes been twitted in the press for his humming and whistling, those of us who know him well have always appreciated this vibrant aspect of his character. Anyone who has ever been to the Rules Committee knows that things sometimes become heated. Yet inevitably it has been Chairman RAY who has saved the day with a choice joke or historical diversion. And never let it be said that RAY MADDEN has ever forgotten about his district from having been in the House so long. I think most of us on the Rules Committee now know more about Gary, Ind., than many of the residents of Gary do.

In conclusion, Mr. Speaker, RAY MADDEN will truly be missed in this House by those of us who have come to know and love him on both sides of the aisle. As someone once remarked to me:

> RAY is everyone's idea of what a grandfather should be like.

His kind and patient grandfatherly guidance of the Rules Committee through difficult times and situations has made devoted grandchildren of us all.

LEAA MINI-BLOCK GRANTS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MAZZOLI. Mr. Speaker, for the benefit of my colleagues and to clarify the record I would like to state my understanding of the "mini-block grant" amendment which I drafted and which was added to the Law Enforcement Assistance Administration—LEAA—extension conference report—S. 2212, Rept. 94-1723.

Section 303(a)(4) of the current law, which was written by Senator EDWARD KENNEDY in 1973, was intended to allow larger units of local governments to receive a block of funds to implement the projects in their local comprehensive plans. Once the local plans were approved by the State Planning Agency—SPA—these funds were to be granted without additional applications and further project reviews of the local plans by the SPA.

Because this section had not been fully implemented since 1973, I felt it necessary to include language in the conference report to insure that: once a local plan is approved by the SPA, the funds to implement such local plans will be forthcoming unless the SPA finds that the implementation will be inconsistent with the overall State plan.

The language which I drafted and which was agreed to by the conferees was:

> Approval of such local comprehensive plan or parts thereof shall result in the award of funds to the units of general local government or combinations thereof to implement the approved parts of their plans, unless the state planning agency finds the implementation of such approved parts of their plan or revision thereof to be inconsistent with the overall state plan.

However, on page 29 of the LEAA conference report which the House adopted on September 30, 1976, it is stated that:

> It is intended that the SPA may require the submission of such applications as necessary to assure that the requirements of title I and regulations thereunder are met.

This language had been specifically rejected by the House conferees when proposed during the conference.

It is my belief that this language should not in anyway change or modify the intent of my amendment to section 303(a)(4) of current law.

Rather, this language merely makes it clear that the provisions of sections 303(a)(1), 303(a)(12), and 303(a)(13) still apply to these so-called miniblock grants. These sections generally state that the SPA shall disburse the funds to local governments, and shall be responsible for the proper use of such funds by local governments.

Neither these sections nor the conference report language are intended to direct or authorize the SPA to require project-by-project applications from large local governments or combinations of local governments after the comprehensive plan or such local planning units has been approved.

I intend to follow closely LEAA's implementation of this language to be sure it conforms to the understanding which I, as a conferee, had of the actions by the conference.

WATER RESEARCH AND DEVELOPMENT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of California. Mr. Speaker, the National Water Supply Improvement Association, which is made up of leading public water supply agencies in the United States and of manufacturers and experts in desalination technologies, at its fourth annual conference in Oklahoma City, in July, has called again, in its resolutions, for a rededication to action of the Federal programs in water science research and development.

As the House well knows, I have had the honor to chair a subcommittee of the Interior and Insular Affairs Committee before which desalting and other water research and development problems come. I have looked forward, and the full committee and the House of Representatives has consistently supported me in my efforts, to vigorous programs for authorization of these vital activities. We have seen a steady decline in the level of programs in the Department of the Interior, however, because of lack of interest and support in the executive agencies.

In the hope that these prudent resolutions will spark some increased interest in the agencies which have the responsibility for the size and content of the programs that are recommended, I ask that they be printed in full as a part of my remarks in the RECORD:

RESOLUTION OF THE NATIONAL WATER SUPPLY IMPROVEMENT ASSOCIATION REQUESTING FEDERAL SUPPORT OF AMERICAN WATER RESOURCES DEVELOPMENT

Whereas, the membership of the National Water Supply Improvement Association (NWSIA), assembled in Oklahoma City, Oklahoma, in Fourth Annual Conference, has again reviewed the present desalination wastewater reclamation and new water science programs in the United States and has been deeply impressed with the opportunities presented at home and abroad for use of American technology to enhance public water supplies and the opportunities for the application of the know-how of American industry in desalting competition abroad; and

Whereas, in cooperation with the United States Department of Commerce, NWSIA is undertaking at the Fifth Annual Conference in 1977 to present the International Desalting Trade Fair as an act of renewal of its confidence in American technology and industry; and

Whereas, de-emphasis by agencies of the Federal Government of desalting research and demonstration continues to shock the members of NWSIA, who also find disappointing the leisurely approach taken to research in the area of water recycling, especially that involving health aspects of reclaimed water, and the myopic, single-purpose study of individual energy and water development programs; and

Whereas, the National Water Supply Improvement Association finds that inadequate research and demonstration of desalination and other new water sciences disappoints cooperating water agencies, threatens the achievement of national energy objectives, and may lead to the resignation of the technological leadership of the United States at the very time that massive demands are arising for applications of new water technologies in the Middle East and elsewhere; and

Whereas, inadequate support of the Office of Water Research and Technology of the 3 mgd VTE/MSF seawater desalter at Water Factory 21 of the Orange County Water District at Fountain Valley, California, has caused the collapse of this Federal/local agency cooperative program of pioneering importance to the desalting industry and terminated the demonstration before the tests were completed; and

Whereas, early termination of the demonstration has deprived the world markets of a conclusive test of a promising seawater conversion technology; and

Whereas, approaches under the Safe Drinking Water Act of 1974 to research into the health aspects of reuse of reclaimed wastewater has continued slowly and has delayed application of this technology as a water conservation measure, at a time when conservation is increasingly recognized nationwide as a significant factor in water resources development and environmental enhancement programs; and

Whereas, intensification of energy problems nationally is hastening use of coal and oil shales in areas in which their development may impact scant water resources, without any corresponding increase in emphasis on water resources research that will be needed to mitigate the economic and environmental impacts of such needed energy development.

Be it hereby resolved, that the National Water Supply Improvement Association call to the attention of the President of the United States and of the United States Congress the sad state of water resources research programs of the Federal government. NWSIA urges that the Environmental Protection Agency, the Department of the Interior, National Science Foundation, Energy Research and Development Administration and Office of Management and Budget be held to strict account for these programs. NWSIA urges that the Congress take up soon the consideration of reorganization of the Federal agencies in order to insure that adequate timely attention be given to the resources crisis that impends, and that water resources research, demonstration and development programs for all purposes and particularly for improved water supplies be developed, funded and activated. NWSIA petitions the Federal government to provide the technological support needed by water agencies in the United States in meeting their requirements, and by American industry in competing abroad.

Resolved further, that the Board of Directors and the individual members of the National Water Supply Improvement Association appropriately distribute copies of this resolution so as to increase the understanding of the present technological crisis in American water resources development and to obtain relief.

RESOLUTION OF THE NATIONAL WATER SUPPLY IMPROVEMENT ASSOCIATION RECOMMENDING ADOPTION OF UNIFORM WATER QUALITY STANDARDS

Whereas, the policy statement of the California Association of Reclamation Entities of Water (WATERCARE) regarding water quality criteria having been presented for review of the General Membership of the National Water Supply Improvement Association; and

Whereas, NWSIA emphasizes the need to protect all communities through the development and application of adequate water quality standards to water supplies; and

Whereas, NWSIA declares that there are no pristine waters since stable organics and trace elements that may have an adverse effect on human life are found in rainwaters, lakes, streams, rivers and groundwaters; and

Whereas, NWSIA finds that community wastewaters make their way into most of the water supplies of the world, thus requiring water quality standards that adequately consider this contribution.

Be it hereby resolved, that the National Water Supply Improvement Association believes in and encourages the adoption of water quality standards that protect the public health, and endorses the concept of uniform standards applicable to water supplies according to use regardless of the source of the water.

Resolved further, that NWSIA requests its members to note this statement in their Minutes and to consider the endorsement of this policy and the publication of action upon it.

Resolution of the National Water Supply Improvement Association Regarding S. 3142

Whereas, the National Water Supply Improvement Association has reviewed Senate Bill 3142, and the need for reauthorization of water research and desalination programs of the Federal government.

Be it hereby resolved, that the National Water Supply Improvement Association call upon the Congress to give early consideration to legislation to continue Federal and cooperative programs in these water research and desalination fields, to set them at adequate levels for funding and to place them under effective executive direction and coordination.

Resolved further, that the Legislative Committee of the National Water Supply Improvement Association is directed to continue its studies of the legislative proposals that have been made and prepare itself to present forcefully this position of NWSIA in hearings on all related subjects. The Committee is requested to keep the membership advised currently as its program develops.

Resolution of the National Water Supply Improvement Association Regarding International Desalination Standards

Whereas, the General Membership of the National Water Supply Improvement Association meeting in Fourth Annual Conference agrees that NWSIA's technical judgments should be considered on all International Standards dealing with desalination and other areas of interest to the National Water Supply Improvement Association.

Be it hereby resolved, that the National Water Supply Improvement Association establish liaison relationships with the American National Standards Institute, Secretariat for Technical Committee 147 on Water, International Organization for Standardization.

Resolution of the National Water Supply Improvement Association Recommending Federal Support of Desalination and Wastewater Research Programs

Whereas, the National Water Supply Improvement Association in its Fourth Annual Conference has reviewed the status of desalination technology in the United States.

Be it hereby resolved, that the Congress reauthorize the Federal desalting research and development program.

Resolved further, that the Federal Government reinstate the aggressive desalting field demonstration and facilities development programs in order to assure continuity from research to the market place.

Resolved further, that in preparing legislation for reorganization of water resources research in 1977 the Congress carefully consider the critical needs for inclusion of desalination and wastewater reclamation in research programs; and, further, the need to place construction and operation functions related to nationwide programs in an action and program oriented Federal agency, such as the Bureau of Reclamation if its scope be broadened.

Resolution of the National Water Supply Improvement Association Regarding P.L. 92-500

Be it hereby resolved, that the National Water Supply Improvement Association in Fourth Annual Conference assembled calls upon the Environmental Protection Agency to adopt policies under which desalination may be accepted as a part of the waste treatment train to be grant eligible under P.L. 92-500.

Resolution of the National Water Supply Improvement Association Regarding U.S. Banking Regulations

Whereas, the National Water Supply Improvement Association (NWSIA) recognizes the concern of United States desalting equipment manufacturers and other U.S. commercial and construction firms over the current U.S. banking regulations relating to treatment of letter of credit guarantees required for construction projects in Saudi Arabia; and

Whereas, NWSIA recognizes that banking regulations of most other nations do not require their manufacturing and construction firms to treat an international letter of credit as a credit line debt, but rather encourage international commerce through government programs to support their commercial organizations in foreign trade; and

Whereas, NWSIA recognizes that the international market place offers vast opportunity for sales of U.S. produced power and water desalting plants, resulting in increased balance of trade.

Be it hereby resolved, that the National Water Supply Improvement Association urge the U.S. Department of the Treasury and the Congress of the United States to take immediate action to review and revise the present U.S. banking regulations to enhance the competitive posture of U.S. commercial firms to participate in the foreign market place.

CONGRESSIONAL BICENTENNIAL SALUTE TO ST. JOSEPH ELEMENTARY SCHOOL OF PATERSON, N.J., UPON THE CELEBRATION OF ITS 100TH ANNIVERSARY, 1876-1976

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, it is my firm belief that the cultural, historical, and economic achievements, even the basic health, well being and longevity of a State and Nation depend in a large measure upon how well we educate each generation charged with the trust of carrying out its responsibilities and traditions.

On Saturday, November 6, the people of my congressional district, State of New Jersey, will be celebrating the 100th anniversary of the St. Joseph Elementary School of Paterson, N.J., and with your permission, I would like to insert at this point in our historical journal of Congress a background history that I have received which highlights some of the outstanding dynamic efforts that the Sisters of Charity of St. Elizabeth of Convent, New Jersey have provided to the people of the Greater Paterson area in the education of our young people for the past century at the St. Joseph Elementary School. The background history is as follows:

Background History, St. Joseph Elementary School of Paterson, N.J., 1876-1976

In December, 1876, in the great Silk City of Paterson, the program to build a parochial school and church, namely, St. Joseph's was commenced. From the very beginning this educational facility was staffed by the Sisters of Charity of St. Elizabeth of Convent, New Jersey.

The Sisters designed the building to be used as a private academy. It was highly successful for many, many years. The student enrollment increased and an enlargement and expansion of the school became necessary. The people of the City of Paterson were deeply grateful to the Church, directly and indirectly, and the Sisters of Charity in particular for the benefits derived from their teachings—all redounding to the educational and cultural enrichment of the community.

The original school numbered seventy pupils, while the registration eventually climbed as high as 900.

In civic, industrial and professional life, a vast number of the sons and daughters of St. Joseph Parish hold honored positions and reflect great credit on their early training at St. Joseph's.

On February 9, 1902, all properties and improvements from Main Street to Market Street, including the school, were destroyed by the historic Paterson fire. The Sisters found residence at St. Joseph's Hospital, which was an old frame building at 237 Park Avenue and was used as a temporary rectory. Quickly, land was purchased, and within 7 months, on the corner of Carroll and Olive Streets, a new school and temporary church were erected. By 1904 the rectory was re-conditioned for use, and in 1905 the nuns moved into their newly completed convent, where it now stands.

As the priests and sisters were settling into their new homes, so was the rest of Paterson normalizing after the historic fire. Houses had been and were being built, and some of these are now standing, as on Market Street and Park Avenue. Things were prospering again and the school so well, that in 1912 four new classrooms were added, two at each end of the hall. A few years later an entire renovation of the school building was directed by Monsignor Stein. But the school was to change radically, and not just in physical appearance, upon the appointment of Fr. John A. Dillon, LI.D, the new pastor.

Securing Father Dillon for the vacant pastorate at St. Joseph's was not merely a matter of transferring a priest from one rectory to another, not promoting an assistant, rather he was required to resign his 11-year position as Diocesan Superintendent of Schools. It was this depth of experience which was to shape a new era for the Parish; he would open a high school.

To promote the realization of this dream, Fanning & Shaw architects were employed. After three years of planning and work, a four-story addition to the front of the school on Carroll Street was completed, providing six new classrooms, a chemistry lab, and a meeting room. Open land, across from the church on Carroll Street was donated to enlarge the playground facilities. All then was readied.

On opening day, in September 1924, approximately 100 freshmen students enrolled, and by the time (June, 1928) that class was to first graduate there were nearly 250 students, an enrollment of almost 50 more students per year. Unfortunately, the man who was so largely responsible for establishing the high school was not able to witness its first graduation; he died on July 16, 1926 as a result of an accident on horseback.

As Father Dillon shaped the destiny of the Parish, so too did the high school for hundreds of students yearly. Enrollments grew and in 1937, nine years after the first graduation, the rear of the school building was extended. It provided two more classrooms, closet space, a nurse's room and increased laboratory facilities.

Crowding and need for greater and greater space was a continuing condition, and more and larger additions could not be an indefinite solution. As the population of the area increased, so too did the requests for enrollments in both the grammar and high schools.

Space though was only one of the additions signaling the destiny of the high school. Rising costs from salaries to supplies, expanding curriculums, specialized equipment ranging from newer and larger science, language and reading laboratories and, most importantly, diocesan centralization of secondary education, were factors too compelling to ignore.

Of course, additions and improvements were made throughout the years, such as electrical re-wiring of the entire school building. This was necessitated due to a small fire during the Christmas holidays of 1970 which occurred on the middle of the second floor, the former stage and general assembly area. The subsequent remodeling of the building reduced the open footage to allow for more classroom space.

Destinies, however, were not just for closing but also for openings. The State of New Jersey required that all high schools provide year-round facilities for physical fitness programs; so, the parking lot, especially in the winter, was no longer adequate. New buildings cost money and a winning New Jersey lottery ticket provided $100,000. The ticket was donated to the Sisters of Charity of St. Joseph's Parish; they, in turn, donated the money for construction of the gymnasium (1973), and it was opened one year before the closing of the high school (June, 1974).

Presently St. Joseph's is an inner-city school, whose student body is composed of minority groups, predominately, Spanish-speaking. While most of our student body were born in America, their cultural backgrounds emanate from South America, Central America, Europe, Black America, and the Middle East.

Our goal is to create an atmosphere in which the academic, cultural, spiritual and vocational needs of the student body can be satisfied. Our main purpose would be to prepare informed Christians by cooperating with the Catholic Church, through the experience of a Christian community, by involving both the parents and their children, with emphasis on sharing.

Mr. Speaker, during this Bicentennial Year as we celebrate the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I appreciate the opportunity to look through the hour glass at St. Joseph's during the past 100 years and reflect upon the standards of excellence that the clergy and the Sisters of Charity of St. Elizabeth of Convent, New Jersey have and continue to extend at the St. Joseph Elementary School of Paterson, N.J.—all redounding to the educational, moral, and cultural enrichment of our community, State, and Nation. We do, indeed, salute the clergy, the sisters, the students, and the parishioners of St. Joseph as they celebrate the centennial anniversary of St. Joseph Elementary School.

TRIBUTE TO SPEAKER CARL ALBERT

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to join in this special order of the gentleman from Oklahoma (Mr. STEED) to pay tribute to Speaker CARL ALBERT who will be retiring from this Congress at the end of this session. As a son of Illinois, I cannot help but compare CARL ALBERT to a former Senator from my own State, the Honorable Steven A. Douglas. Both men have been affectionately referred to as "the Little Giant"—small in stature yet giant of intellect, oratory, and leadership. CARL ALBERT has more than measured up to this reputation over his 30-year span of service in and to this body.

Mr. Speaker, George Galloway, in his history of the House, has noted that the speakership of the National Legislature is the second most powerful office in the land under our American system of government, and yet the Constitution remains silent on the status and functions of the speakership. While these are more clearly defined in our own rules and precedents, the importance and influence of the office have varied over the years depending on the personal force of the incumbents, the mood of the country, and the makeup of the Congresses over which various Speakers have presided. While there will always be those who yearn for another Rayburn-type speakership, I think my colleague from Illinois (Mr. SIMON) was correct in observing that that style of leadership is not right for the times and would not be tolerated by our modern-day Houses. He went on to say about Speaker ALBERT, and I concur, that—

> We happened to have the right man for the right time who provided gentle leadership, so imperceptibly but, nevertheless in measured terms, moved this House in the right direction.

My own minority leader, Mr. RHODES, echoed this right man for the right time theme by observing the difficulty for a Speaker of serving under a President of the other party. In such a situation, the Speaker is cast in the often conflicting and nearly impossible dual roles of being both the leader of his party and a fair and impartial presiding officer of the House. He is thus vulnerable to the contradictory charges of being too partisan or not partisan enough. As my minority leader put it:

> Speaker ALBERT has trod that fine line to the best of his ability, and in the opinion of most of us he has been quite successful. In this accomplishment he can take great pride.

I wish to associate myself with those remarks of my minority leader.

Mr. Speaker, I have been personally privileged to know and serve with CARL ALBERT since I first came here in 1961. At that time CARL was serving as the majority whip, having been appointed to that office by Speaker Rayburn in 1955. The year after I arrived here, CARL was elevated to the position of majority leader upon the death of Speaker Rayburn. And in 1971 he was elected Speaker upon the retirement of Speaker McCormack. Over those 16 years I have served in this body, CARL ALBERT has proven himself to be a firm, fair, and industrious leader. His debating skills are unmatched in this body and he has often turned the legislative tide with his fierce, fiery, and persuasive partisan oratory. At the same time, CARL ALBERT has demonstrated the true measure of a real leader by putting his love for this House and his country above partisan politics when necessary. In this respect, he has been an example and an inspiration to us all, on both sides of the aisle. This House will not be the same without Speaker ALBERT in the chair. We will miss him and we wish him health, happiness, and a long life.

CONFERENCE REPORT ON S. 2657—THE EDUCATION AMENDMENTS OF 1976: ESHLEMAN DUE PROCESS AMENDMENT

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ESHLEMAN. Mr. Speaker, during the course of my tenure as ranking minority member on the Subcommittee on Postsecondary Education, it came to my attention that at the elementary and secondary level of education the Office of Civil Rights of the Department of Health, Education, and Welfare was threatening the termination of Federal financial assistance to schools and school districts throughout the United States based on a mere allegation of their noncompliance with Federal antidiscrimination laws. This contention was supported by a letter which I received from the National School Boards Association claiming that—

> A mere letter from DHEW indicating that they have determined unilaterally a violation of Federal law is sufficient to curtail funds. There need be no independent, unbiased hearing of the facts. In effect, school districts are presumed guilty.

Upon looking further into this matter I learned that HEW had based its authority to limit or defer Federal financial assistance on the so-called Fountain amendment which prohibits the Department from deferring funds in specified elementary and secondary programs for a period not to exceed 60 days during which time DHEW must grant the recipient a hearing before an administrative law judge. It has long been my opinion that HEW had no authority to defer or limit Federal financial assistance but rather only had authority to terminate Federal financial assistance as provided under title VI of the Civil Rights Act of 1964. I, as well as many of my fellow conferees, was absolutely convinced that HEW lacks any authority to limit or defer funds at any level of education. Because of this feeling I introduced the due process amendment to the General Education Provisions Act which amendment was adopted by the House. This amendment prohibits DHEW from limiting, terminating, or deferring any Federal financial assistance to a State or local education agency, institution of higher education, community college, agency offering a preschool program, or other educational institutions through grant, loan, contract, student assistance, or any other program until HEW has proven that the institution or educational agency has in fact discriminated as determined at a hearing before an administrative law judge. Thus, the institution or educational agency is considered innocent until proven guilty and Federal assistance may continue until such determination is made.

Because this was such a significant diversion from the current practice of HEW and because some few conferees did feel that the Fountain language gave HEW the authority to limit or defer financial assistance in certain elementary and secondary programs, a substitute to my amendment was adopted by the conference committee. This substitute appears to allow HEW to defer assistance to a local education agency for a period not to exceed 60 days during which time the Department must grant the educational agency an opportunity for a hearing to determine its noncompliance. Not wishing to establish any new precedents in the area of limitation or deferral and because many of my colleagues and I strongly felt that even in the elementary and secondary area HEW lacked such authority, the conference committee agreed to limit the application of my amendment exclusively to local education agencies. By eliminating the application of the amendment to higher education, it was clearly our intent to restrict whatever authority the courts determined the Department might have to the area of elementary and secondary education. As verification of this contention, the statement of managers contains language specifically restricting the application of my amendment to local education agencies and further specifically states that the omission of higher education should not be interpreted as a grant of authority to DHEW to limit or defer Federal assistance to institutions of higher education.

In my opinion, the net effect of the substitute for my amendment as adopted by the conference committee is simply to limit the time period in which HEW might defer Federal assistance to a local education agency, while in no way granting HEW the statutory authority to make such a deferral or limitation.

ANTIQUOTA AMENDMENT

Several instances had been brought to my attention of attempts by HEW's Office for Civil Rights to influence the admissions policies and practices of institutions of higher education in an effort to obtain a better male-female or majority-minority mix in the institutions' student bodies. I was informed that the leverage used against these institutions was the threat of deferral or limitation of Federal financial assistance. Believing that it should never be within the power of the Federal Government to tell any school in the United States which student the school should or should not admit—particularly on the basis of race or sex—I introduced my antiquota amendment to the Higher Education Act of 1976.

In my amendment I specifically prohibited the Secretary of HEW from imposing on an institution of higher education goals, quotas, or any other numerical impositions which would affect the student admission practices of our colleges or universities. This amendment, I believed, would allow our institutions to continue to admit students on the basis of merit and not on the artificial basis of race, religion, sex, or national origin.

The conference committee, while going along with the spirit of my amendment, chose to alter the language. The substitute amendment which was adopted by the conferees prohibits the Secretary from limiting or deferring Federal financial assistance earmarked for an institution which fails to comply with numerical restrictions imposed on it by the Secretary. It is not the intent of the conferees to confer upon the Secretary the authority to use such numerical requirements, nor is it the intent of the conferees to even imply that the Secretary has the power to defer or limit Federal financial assistance to any institution of higher education for any reason whatsoever. The amendment as adopted merely states that should it ever be found that the Secretary has used such numerical requirements, he is statutorily prohibited from attempting to defer or limit funds for failure to comply with such requirements.

ESHLEMAN ANTIDISCRIMINATION AMENDMENT

Mr. Speaker, as you know many of our institutions of higher education in this country are suffering from weakened financial conditions. Taking advantage of this position, several foreign countries have offered institutions the opportunity to enter into very lucrative contracts with the condition that that institution not employ members of a specific race, religion, sex, or national origin to fulfill the terms and conditions of these contracts. Inasmuch as our Federal laws prohibit any institution receiving Federal financial assistance from discriminating on the basis of race, religion, sex, or national origin, I do not feel that a loophole should exist whereby a foreign country might force our institutions into a violation of U.S. law. Therefore, I introduced my antidiscrimination amendment prohibiting institutions receiving Federal financial assistance from entering into any contract which contains an express or implied provision that those who are to perform or fulfill the requirements of the contract be hired on the basis of their race, religion, sex, or national origin.

My amendment was adopted by the House as well as the Senate with a slight modification introduced by Senator JAVITS. The conferees agreed wholeheartedly with the intent of my amendment. So that there would be no confusion as to the language which Senator JAVITS introduced, the Senator clarified his intent for the conferees. The language which has been added to my amendment provides that in the event an institution wishes to conduct an "in-house study" concerning the nature or prevention of discrimination, it may do so without regard to the prohibitions stated in my amendment. In sum, my amendment serves to prevent entry into discriminatory contracts and is not designed to preclude an institution from conducting its own internal studies.

CONGRESSIONAL BICENTENNIAL SALUTE TO WALLINGTON LITTLE LEAGUE, INC., OF NEW JERSEY, UPON THE CELEBRATION OF ITS SILVER JUBILEE IN CHAMPIONSHIP WINNING BASEBALL, 1951–1976

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. My Speaker, on Saturday, October 9, the residents of my Eighth Congressional District, State of New Jersey, will assemble for a gala dinner-dance at the Knights Hall, Wallington, N.J., to commemorate the silver jubilee anniversary of one of the most prestigious Little League organizations in our State and Nation: Wallington Little League, Inc., Wallington, N.J.

I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to the blue ribbon baseball playing youngsters, the officers and members, the mothers' auxiliary, and the sponsoring organizations of the Wallington Little League whose standards of excellence in the sports world of baseball has brought great pride, recreation and refreshment of spirit to the people of our area for the past quarter of a century.

Mr. Speaker, at the outset let me commend to you the distinguished community organizations whose sponsorship of the Wallington Little League teams throughout the past 25 years has been responsible for the fiscal resources needed to perpetuate the league's continued participation in this most worthwhile program in building strength of character, fair play, and sportsmanship through Little League baseball for the youngsters of the Wallington area. The current sponsoring organizations are, as follows: V.F.W., Lion's Club, Hillside S.A.C., Fire Department, Wallington Lanes, Kamienski Service, Merchant's Alarm, Oreals, Burch Tile, Jarico Homes, Phil's Exxon, Lill and John's Amoco.

Mr. Speaker, the Wallington Little League was chartered in 1951 and achieved New Jersey State championship honors in 1968 and 1971. With your permission, I would like to insert at this point in our historical journal of Congress a most adroit and eloquent history of Little League in Wallington that was transmitted to me by the president of the league, Elmer M. Ward. The compilation of the league's history which was prepared by an esteemed member of the Wallington Little League, Steve Plucinsky, is as follows:

THE HISTORY OF LITTLE LEAGUE IN WALLINGTON, 1951–76

During the month of November 1951, a group of young men representing The V.F.W., The Hillside S.A.C., The Cardinals S.A.C., and The Pioneer S.A.C. met at The Polish People's Home to discuss the possibility of forming a Little League in Wallington.

Meeting on a cold winters night, bundled in coats and jackets since there was no heat available at the time, The Wallington Little League was born. A four team league with a roster of fifteen players per team was decided upon. Play would commence the first week of May and conclude the first week of July.

The financial problems, at the outset, were overcome through the willingness of each of the four organizing groups to sponsor a team at an individual cost of two hundred dollars. Preparations were made to elect officers, draw up a league constitution and by-laws, and to apply to Williamsport for the league charter.

The following men were elected as the league's first officers and they have set the pattern followed for the past quarter-century;

President, Edward Smagula; 1st Vice President, Emil Bednarczyk; 2nd Vice President, Fred Doviak; Secretary, Edward Majewski; Treasurer, Casmir Ivanicki.

Trustees: Elmer Kopec, Steven Kopec, Walter Stodolak, John Kielbowicz, Stan Stachula, Andy Atephen, Frank Lacki, Joe Sondey.

The Borough of Wallington agreed to recondition the Municipal Field at the foot of Hayward Place and lease it to the league with the stipulation that the field be maintained in top shape by the league.

A parade through the borough opened the 1952 season. Over twenty organizations and hundreds of residents participated and the Little League Baseball Program was on its way in Wallington.

Many difficulties had to be overcome. Water had to be carried in buckets for the boys, there were no bathroom facilities, and the public address system had to be set-up for each game. Despite these many problems the first season was successfully completed with The Hillsides winning the first league championship. This team competed in The Herald-News Tournament and was defeated in the second game. In 1954 the league decided to enter the All-Star Tournament sponsored through Williamsport.

Due to the ever increasing popularity of Little League in our borough, the program was expanded in 1959 to six teams with a Minor League of four teams. From that day forth, no youngster has ever been turned away by our league.

During the 1959 season, the officers met with The Board of Education and entered into an agreement whereby we would give up our field and be relocated to the rear of the high school, near King Street, on a new field to be built by the board.

In the years that followed, many mothers began showing an increased interest in Little League and how the program applied to so many youngsters. Eventually, they began selling refreshments from their cars with the funds gained being set aside for the future construction of a field house. In 1961, twenty-eight mothers organized and formed our first Little League Auxiliary. The first elected President of The Auxiliary was Mrs. Henrietta Turek.

In 1962, The Board of Education again decided that they would need our facility for their use. We were relocated to our present site on Mt. Pleasant Avenue. The borough built the field as part of the recreation program and we were given a lease for its use. The league officers then decided that this would be the leagues permanent home and on March 24, 1964 an application was made for a building permit and the construction of our field house was begun. Funds that had been set aside for the past several years were now used and construction proceeded as planned.

On the first day of July, 1964, it became—

"OUR DARKEST HOUR"

Several residents, adjacent to the field, brought legal action to stop the construction and, on this day, Judge J. Wallace Leyden, County Assignment Judge, issued a restraining order stopping all further construction and, worse yet, prohibiting the league from completing its season.

At a special meeting, the league decided to contest this order and hired Mr. Nicholas Martini of Passaic to represent us in this litigation. On July 10, 1964, the order was set aside allowing the league to complete the season. However, the full restraining order was not resolved until the middle of 1965 when, at a pre-trial hearing before Superior Court Judge Robert Matthews, at The Hudson County Court House in Jersey City, the matter was finally adjudicated.

As our seasons continued, Wallington's name began to appear regularly in the press, not because of any court action, but because of our youngsters exploits on the baseball diamond. In 1967, our All Stars won their first District Championship only to lose in The Sectional Finals. In 1968, our team won The State Championship and went on to Dover, Delaware where they lost to Hagerstown, Maryland in The Eastern Regional Tournament. Three years later, in 1971, the impossible dream occurred; we won our second State Championship and advanced to The Eastern Regional Tournament played at New London, Connecticut. Here, our dreams of Williamsport and The World Series of Little League ended as we lost to Maine in the final game.

After the 1970 season, our league expanded to eight teams and six teams in the Minor League. Since we have only one field, it became apparent that, to accommodate the ever increasing number of youngsters in the program, some physical changes would have to be made.

Accordingly, in 1973, with the approval of the league and through the generosity of a donor who wished to remain anonymous, it was decided to install artificial lighting for night baseball.

A nucleus of six of the league members, with an occasional assist from others, labored all through the winter months, braving the rain, the cold, and the snow, hoping the project would be finished in time for the 1974 season. On May 5, 1974, their dreams and efforts were realized. The Wallington Little League played its first game under the lights.

It should be noted that, since volunteer workers erected the complete installation, the total costs involved amounted to less than one fifth the cost a commercial contractor would have charged had the job been given out on a bid basis. More important, our youngsters now have the opportunity to play in more games and, in so doing, further enhance their game skills.

The Little League Dinner-Dance, in celebration of these past twenty-five years of achievement, affords us the means to thank the many hundreds of men and women who have given of their services, in any way, on our behalf. To all of you, we say: Thank-you.

Our deepest thanks to Mr. Steve Plucinsky for this fine compilation of the league's history.

Mr. Speaker, I appreciate the opportunity to take a few moments to look through the hour glass and reflect on some of the highlights of the past quarter of a century of Wallington Little League, Inc. As 1976 marks the 25th anniversary of Little League baseball in Wallington, many of the adults in the community who enjoyed Little League as youngsters, now have the privilege of watching their own children develop as they did not too many years ago.

We are proud of the Little League program in Wallington and the full family participation and togetherness that it has engendered over the past 25 years. We do indeed salute Wallington Little League, Inc., as they celebrate their silver jubilee anniversary in service to the youth of America, which has truly enriched our community, State, and Nation.

IMPLEMENTATION OF THE HELSINKI ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FRASER. Mr. Speaker, the second issue of a North Atlantic Assembly bulletin outlining "developments from June through August 1976 relative to Third Basket issues of the Final Act of the Conference on Security and Cooperation in Europe"—the Helsinki agreement—has been released.

I placed the first bulletin in the CONGRESSIONAL RECORD on August 5, 1976. It appears at page 26046.

The bulletins avoid comment or analysis. They were prepared for the Assembly's Subcommittee on the Free Flow of Information, Committee on Education, Cultural Affairs and Information. The second bulletin is dated September 1976. It follows:

BULLETIN

I. INTRODUCTION

1. The time period covered by this issue includes the first anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (CSCE). That occasion brought forth numerous assessments of the implementation of the Helsinki Accord from both East and West. It appears safe to say that Western assessments are generally more negative and pessimistic than are those of the Soviet Union and her East European allies. *

2. The Soviet Union has been touting the Helsinki document as a major triumph of its "peace policy." In a Pravda interview on 29 July, Mr. Brezhnev asserted that post-Helsinki Europe "has climbed a good step higher than where it stood before." A much more restrained evaluation is made by Mr. Frederich Brown, spokesman for the United States Department of State. Mr. Brown observed that "some concrete steps" to implement the Helsinki Accord had been taken by the Soviet Union and its East European allies, but there had been very little change in these countries in the area of human rights. Mr. Brown concluded, however, the United States "knew that it would take long and patient efforts to achieve progress in human rights and the exchange of information." A similar assessment is made in an editorial which appeared in the 3 August issue of The Guardian. This editorial concluded that provisions of Basket Three have been "only partially honoured by the Warsaw Pact countries."

3. Assessments by non-governmental Western observers have frequently been much more negative. Even liberal American journalists have written rather negative assessments of the Soviet Union's implementation of the humanitarian aspects of the Helsinki Accord. Mr. Anthony Lewis expressed deep disappointment with the Soviet Union in a column which appeared on 2 August in the *New York Times*. Mr. Lewis observed that

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* The Chinese attitude may be of some interest. The New China News Agency commented that Moscow's "ambitions have become unquenchable since the Helsinki Conference." The Chinese charged that, since Helsinki, there has been a marked escalation of war preparations and expansion by the Soviet Union in waters close to Europe." The article in The New China News Agency concluded that a more appropriate characterisation of the European Security Conference is the European Insecurity Conference.

even though the past record of the Soviet Union in the areas of human rights and travel has been "grim", one might still have hoped for some amelioration of the cruelest inhumanities. However, Mr. Lewis concludes that such has apparently not been the case. He recommends that we in the West, "meaning both individuals and governments, should take every opportunity to remind the world of the Soviet Union's failure to meet agreed standards of human decency".

4. Czechoslovakia Party ideologist, Dr. Milan Matous, expressed the view generally held by the East European governments when he castigated "bourgeois propaganda" for its evaluation of the results of the CSCE. Dr. Matous, Deputy Director of the Central Committee of the Czchoslovakia Communist Party (CPCS CC) Institute of Marxism-Leninism, terms the Helsinki Conference "an important milestone in the development of relations between states with differing social systems and in the transition from a policy of confrontation to a policy of peaceful coexistence and mutually advantageous cooperation".

5. Such different assessments are the result, in part, of a different set of priorities between East and West with regard to the various Baskets of the Helsinki Accord. The Soviet Union and her East European allies reject the Western view that Basket Three is the touchstone of the Accord. Therefore, eastern assessments tend not to be as Basket Three-oriented as do Western evaluations. However, to the extent that assessments from the East do evaluate progress in the Third Basket area, the Soviet Union and her allies have recently begun to assert that they are actually ahead of the West in implementing these cultural and humanitarian matters.

6. Polish Foreign Minister, Mr. Stefan Olszowski, denounced unidentified Western foes of détent who are attempting to direct public attention in their countries "exclusively on the questions of a biased understanding of human rights". Mr. Olszowski rejected what he termed the Western model of exchange because it represented a "one-way street from West to East". A well known Polish political commentator, Mr. Wladyslaw Pawlak, also noted Western misapprehensions with regard to the implementation by the East in the Third Basket area. Mr. Pawlak termed these misapprehensions "completely groundless". He charged that serious failings in Western countries were being passed over in silence and cited the area of tourist visas as an example. Mr. Pawlak complained that Polish tourists must wait much longer for their visas than Westerners who wish to visit Poland. He also alleged that there have been instances of arbitrary refusals of entry permits for Polish citizens.

7. Writing in the July 1976 issue of *Tarsadalmi Szemle*, Hungarian Deputy Minister of Foreign Affairs, Mr. Janos Nagy, also criticised Western implementation. Mr. Nagy charged that the West only picks and chooses within Basket Three. While the West urges emigration, the reunion of families and the dissemination of bourgeois Western papers, Mr. Nagy observed that very little attention is devoted to exchanges of "true cultural values and the development of science, education, art and sports". He argued that, because so many tourists travel between capitalist and socialist countries, the problem of obtaining information is "completely different from what it was in the cold war period". Mr. Nagy thus concluded that the availability of bourgeois publications was of no political importance. He urged Western countries to revise regulations governing granting of visas and the distribution of Hungarian cultural products in order to fully comply with the Final Act.

8. In one of the more positive Western assessments of Soviet and East European compliance with the Helsinki Accord, Mr. Pierre Simonitsch wrote in the *Frankfurter Rundschau* on 31 July that "East-West relations have undoubtedly made headway over the past twelve months". In the Third Basket area, Mr. Simonitsch cites such signs of improvement as increases in tourist travel between East and West Germany, the improvement of the working conditions of Western journalists in the USSR, and the agreement between Poland and West Germany to reunite divided families. Mr. Simonitsch concludes that, so long as the "cautiously inaugurated process of liberalisation proves not to have endangered any régime seriously, the powers that be are likely to summon up the courage to embark on further measures".

II. DEVELOPMENTS

9. During the time period covered by this document (June–August 1976), the few developments which have taken place relative to the humanitarian agreements in Basket Three have been largely in the areas of human contacts and information. Once again, there appears to be very little to report in the categories of cultural or educational exchanges during this time period.

A. Human contacts

Travel and Emigration

10. In an article by Mr. Malcom Browne, which appeared on 1 June in the *International Herald Tribune*, it was reported official repression in Romania had increased since the signing of the Helsinki Accord. Although Romanian officials refuse to give figures on these matters, foreign observers report that travel by Romanians outside their country and emigration are even more difficult now than they were one year ago.

11. *Reuters* reported on 13 June that Romanian President Nicolae Ceausescu affirmed Romania's policy of granting exit visas only under strict conditions. However, he issued a communique with French Foreign Minister, Mr. Jean Sauvagnargues, committing both countries to the implementation of all provisions of the Helsinki Accord.

12. On 14 June, the *International Herald Tribune* reported that the Soviet Union has greatly restricted financial assistance from abroad for its citizens. While the new law applies across the board, the principal target appears to be dissenters and those who wish to emigrate. The political activities of these individuals prevent them from getting jobs and so they depend very heavily upon financial help from abroad.

13. Four and a half years after his initial request, Mr. Vitaly Rubin, eminent scholar of ancient Chinese Philosophy, was permitted to leave the Soviet Union in June.

14. In its Newsletter of June 1976, Amnesty International reported it had appealed to the Chairman of the State Council of Bulgaria against the death sentence given to Mr. Nicolas Stefanov Chamurlisky. Amnesty International believes Mr. Chamurlisky, who was arrested and convicted of espionage, is being punished because of his attempts to emigrate and his criticism of the Bulgarian Government.

15. *The Guardian* reported on 8 July the formation of a group of English women members of parliament attempting to mobilise world opinion with respect to the situation of Soviet dissidents. A conservative member of parliament, Mrs. Linda Chalker, announced the formation of the Committee for the release of Mrs. Ida Nudel. Mrs. Chalker charged the Soviet Union with violating the aspect of the Helsinki Agreement which guarantees the right of family unity. Mrs. Nudel had applied in May 1971 for a visa to emigrate to Israel. She was subsequently denied the visa and dismissed from her job.

16. On 15 July, the *Associated Press* reported that Soviet dissenter, Mr. Andrei Amalrik, author of "Will the Soviet Union survive until 1984?", has been permitted to leave the Soviet Union.

17. The West German Embassy announced on 6 August that more ethnic Germans were permitted to emigrate from the Soviet Union during the first seven months of this year than in any complete year previously. Between January and July of this year, the Soviet Government granted 6,517 exit visas to citizens of German descent. All of last year, only 5,752 ethnic Germans were granted exit visas. West German diplomats attribute the increase to the Helsinki Accord.

18. On 30 August, Soviet authorities refused an exit visa to the Secretary of the Soviet section of Amnesty International. Mr. Vladimir Albrecht had applied for the visa in order to attend a conference of Amnesty's International Council in Strasbourg.

19. On the same day, the *International Herald Tribune*, in an article by Mr. Michael Getler reported a very large increase in the number of East Germans appearing at West German Liaison Offices in East Berlin in order to inquire about emigrating to West Germany. The number of East Germans making such inquiries has almost doubled to about 70 per day. Some diplomats apparently attribute this to the fact that East German newspapers published the full text of the Helsinki Accord.

20. Mr. Arthur Hartman, United States Assistant Secretary of State for European Affairs, testified before the House International Political and Military Affairs Sub-Committee, on 31 August, that the USSR's attitude towards human rights falls "far short" of American expectations. Mr. Hartman specifically cited the low emigration level of Soviet Jews. This has fallen to one-third the number of exit visas granted in 1973.

B. Information

Journalists

21. Writing for the 14 June issue of the *New York Times*, Mr. David K. Shipler reported that most Western correspondents find the Soviet Union to be their most difficult assignment. While foreign journalists are usually treated extraordinarily well, they apparently feel they are unable to get the information necessary to transmit an accurate view of Soviet life. Mr. Shipler reports that, while foreign journalists obtain information from the Government and also from prominent dissidents, there is an almost complete lack of communication with intelligent non-dissidents.

22. The official Soviet weekly newspaper, *Literaturnaya Gazeta*, charged on 23 June that three United States news correspondents are working for the CIA. The three were identified as Mr. Christoper S. Wren of the *New York Times*, Mr. George Krimsky of the *Associated Press* and Mr. Alfred Friendly, Jr., of *Newsweek*. All three denied the charges.

Films, Newspapers, Magazines and Books

23. On 12 July, a Soviet television commentator, Mr. Genrikh Borovik, reported the results of a Gallup poll which he had commissioned when he was a reporter in the United States. Mr. Borovik stated that the poll indicated 88% of American college students were interested in the Soviet Union. However, only 13% had ever seen a Soviet movie and only 3% could name a single Soviet writer. He felt this supported the view that Soviet citizens know much more about the West than Westerners do about the Soviet Union. Mr. Borovik charged that the lack of information about the Soviet Union in the West is intentional.

24. In an article which appeared in the July issue of *Le Monde Diplomatique*, Mr. Spartak Beglov, political commentator for Novosti Press Agency, charged that some Western countries are aggravating the prejudice of their citizens rather than informing them of the situation in socialist countries. Mr. Beglov observed that very few plays or films from the Soviet Union are presented in Western countries In addition, there are many anti-Soviet publications available in

the West, but very few books by Soviet authors.

25. *Reuters* announced on 2 August that Britain and the Soviet Union had signed a five-year agreement to publish each other's scientific works.

26. On 3 August, a Soviet journalist, Mr. Vladimir Begun, said the West was not interested in the exchange of information. Mr. Begun charged the West with spreading anti-communist material among Soviet citizens and slandering the socialist system. Some Western tourists were accused of openly carrying "ideological diversionist material" in their luggage. Mr. Begun cited examples such as the West German magazines *Spiegel*, *Stern* and *Quick*, the French *Figaro* and *Aurore*, the British *Daily Telegraph*, religious literature and pornographic journals. Mr. Begun asserted that Western tourists were carrying this "miasma of corruption" in order to leave it in the Soviet Union and thus blacken the life of the Soviet people. Mr. Begun concluded that this "ideological poison" has nothing to do with the free exchange of information.

Radio Broadcasts

27. The Soviet Union resumed its attacks on Radio Liberty and Radio Free Europe on 30 August. The USSR charged that the "poisonous broadcasts" from these stations were incompatible with the Helsinki Accord. The Government newspaper *Izvestia* claimed to have analysed the broadcasts of the two stations since April and concluded that there were no traces of objectivity in these broadcasts.

28. Radio Prague made a similar charge on 2 August in an unsigned commentary which asserted that the activity of the United States funded radio stations was incompatible with the principles of the Helsinki Accord. This commentator charged that the broadcasts from these stations constitutes interference in the internal affairs of another state.

C. Cultural exchanges

29. On 6 August, the Canadian Secretary of State and External Affairs Department announced that two museums in the Soviet Union agreed to lend 42 paintings for exhibition in Winnipeg and Montreal.

30. A State Department official, commenting upon the United States-Soviet cultural exchange programme, said that it is difficult to get American performing artists to participate in Soviet tours because of the "debilitating" living conditions which they confront when on such tours.

III. CONCLUSION

31. We have once again attempted to avoid comment or analysis in the preceding in order to encourage each reader to draw his own conclusions.

PILGRIM'S PROGRESS AND PAUL DOUGLAS

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BOLLING. Mr. Speaker, the TRB column which follows says something well:

[From the Washington Star, Oct. 2, 1976]

PILGRIM'S PROGRESS AND PAUL DOUGLAS

(NOTE.—TRB is the traditional signature on a weekly column appearing in The New Republic magazine, written by Richard L. Strout, Washington correspondent for The Christian Science Monitor.)

Three hundred years ago in a prison in England a Baptist tinker wrote a book. *Pilgrim's Progress* was an allegory whose humble author tried to inspire a nation to produce good and great leaders to meet dire and terrible dangers.

The leaders included Mr. Honest and Mr. Standfast and Mr. Greatheart and, above all, Mr. Valiant-for-Truth. Mr. Valiant-for-Truth delivered captives from Doubting Castle and Giant Despair.

It is one of the world's great books, written by a man who slept on straw. The book is noted for its simplicity of style, its spiritual fervor, its thumping combats and its universal applicability. Teddy Roosevelt got the term "muckrakers" out of it.

A combination of this dreary election, the enactment of the omnibus tax bill and the death the other day of Sen. Paul Douglas made me turn back to the book. It is irresistible if you dip into it—the children in the pilgrim band, for example, who complain that the stubble hurts their feet but who with proper encouragement set out again "and made a pretty good shift to wag along."

When Paul Douglas was wounded at Okinawa, having enlisted at 50 as a buck private in the Marines, they asked him at the battle station as he bled profusely if he were an officer? No, he indicated feebly, though now he was a captain. He was near death's door (or as Bunyan would have put it, to The Celestial City) but he did not want special treatment because of rank.

Or again, after he was a senator and a constituent gave his lean treasury $1,000 in Illinois, and the donor called on him later in Washington. They conversed amiably till the visitor said, "By the way, I gave your fund a check; I have an interest in a federal judgeship."

"I am very sorry you said that," said Paul Douglas gravely. And he called his Chicago manager on the spot and told him to return $1,000 immediately to Mr. So-and-So.

There are men in Congress over the years who seem to come out of John Bunyan as good and bad types, almost legendary figures, some like Mr. Facing-both-ways and Mr. Two-tongues, and Mr. Worldly-wise. Some few, like Bob LaFollette, father and son; and Carter Glass, and George Norris and, of course, that rumpled, powerful, white-maned Paul Douglas with the useless arm, are the Strong-hearts.

They are men, often of presidential caliber, who under our system don't become presidents. Some battles Paul Douglas won, others he lost, yet it is astonishing how many "lost causes" are revived already; how often when a reformer ultimately comes in sight of victory and thinks he stands on virgin ground he finds the tracks of an earlier, half-remembered figure there before him.

It can work the other way. Paul Douglas as much as any man pushed through the civil rights legislation; but now there is a president who wants a constitutional amendment to modify the Supreme Court's busing decision. And only last week the Senate saw a Bilbo-type filibuster to block public interest groups from receiving attorneys' fees in civil rights cases.

Paul Douglas 25 years ago attacked that granddaddy of all tax loopholes, the 27½ per cent oil depletion allowance. He failed. Big majorities laughed at him. What fool would attack Giant Despair?

Yet in 1969, a year after he left the Senate, the allowance was cut to 22 per cent; in 1975 it was chopped off altogether for the biggest oil companies though retained for the smaller.

"It has been the extremely able," complained Paul Douglas, a distinguished economist himself, "who have inserted these loopholes in the tax laws." The large hearing room of the Finance Committee seats 150 persons. When we considered a tax bill the room was full of prosperous lawyers, graduates of great universities and of top-ranking law schools, all working to hold what they and their clients had, and to enlarge it.

"In the halls outside the hearing room the lobbyists are thick as flies, while the publicity men and the noisemakers are busily at work. Erudite professors train their students in the intricacies of the tax code so that they may help wealthy clients avoid taxes. A particular measure would mean millions to a few, but only a few cents to each of 200 million Americans."

Yes, in the anteroom are, Mr. Smoothman, and Mr. Worldlywise, and the agents of My Lord Turnabout, and maybe even the parish parson, Mr. Two-tongues. Douglas called them "well-clad pirates with impeccable credentials."

Look at today's new 1,500-page tax bill; their work is all over it though it could have been worse (and was, when it came out of Sen. Long's Finance Committee).

The pilgrims pick up recruits along the way, wrote Bunyan from his prison. It is surprising how they will face dragons and monsters quite stoutly, if Valiant-for-truth leads them: Mr. Feeble-mind, and Mr. Ready-to-halt, and those two rescued from Doubting Castle—Mr. Despondency and his daughter Mrs. Much-afraid.

What startled Paul Douglas was how spokesmen of the special interests "seem to regard their national government as their enemy and as something malign to be hated." His arm had been crippled for that country. Meanwhile, he wrote, "the main mass of the general public and even of the academic profession stand by as mere spectators and allow without protest the power juggernauts to conquer."

Bunyan was thrown in prison for unlicensed lay preaching 300 years ago and slept on straw and wrote enthralling books. The question he posed was the one Sen. Douglas asked in our lifetime, "Where are the champions of the people? Where are the men, better and more effective than we, who have tried and lost, coming from?"

When the end came for Valiant-for-truth, Bunyan tells the story quite simply. He distributed his possessions cheerfully:

"My sword I give to him who shall succeed me in my pilgrimage. And my courage and skill to him that can get it. My marks and scars I carry with me, to be a witness for me that I have fought His battles who now will be my rewarder . . . So he passed over, and all the trumpets sounded for him on the other side."

CONGRESSIONAL BICENTENNIAL SALUTE TO ASSEMBLY 162, SLOVAK CATHOLIC SOKOL OF CLIFTON, N.J., ON ITS 60TH ANNIVERSARY IN SERVICE TO PEOPLE, 1916–76

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, I am pleased and honored to call to the attention of you and our colleagues here in the Congress the forthcoming 60th Anniversary celebration of Assembly 162 of the Slovak Catholic Sokol of Clifton, N.J., the largest assembly of the group I region of this highly esteemed national organization which encompasses all of New Jersey, New York City, Brooklyn, and other areas of New York State.

I know that you and our colleagues will want to join with me in extending our heartiest greetings and felicitations to the officers and members of Assembly 162 of the Slovak Catholic Sokol on this most momentous occasion in appreciation of their outstanding service to the people of America.

The Slovak Catholic Sokol is a highly prestigious organization of leading and reputable citizens of the Slovak-American community whose standards of excellence as a fraternal, gymnastic and calisthenic citizens group dedicated to the physical fitness of the individual have truly enriched our community, State, and Nation.

Mr. Speaker, with your permission I would like to insert at this point in our historical journal of Congress a historic chronology of the many athletic and social endeavors that recall the quality of leadership and sincerity of purpose of distinguished community leaders throughout the years who were responsible for perpetuating its sterling principles in pursuit of the improvement and enhancement of the physical well-being and way of life for all mankind. The history of Assembly 162, Slovak Catholic Sokol as compiled by a distinguished leading officer of this organization, the Honorable George A. Dluhy, is as follows:

HISTORY OF ASSEMBLY 162, SLOVAK CATHOLIC SOKOL, CLIFTON, N.J., 1916–76

(By George A. Dluhy)

On October 16, 1916 Assembly 162 of the Slovak Catholic Sokol was organized in Clifton, N.J. by a group of 11 stouthearted and determined Slovak Catholic men.

Present at that historical first meeting were the following founders: Andrew Frankovic, Andrew Servas, Jacob Bednarcik, Joseph Krack, Karol Slavik, Oscar Grechlik, John Pavlicko, Ludvik Olejar, Stephen Valosi, Stephen Vanicak and Valent Soltis.

The first officers were: Andrew Frankovic, president; Joseph Krack, vice-president; John Pavlicko, secretary; Andrew Servas, treasurer; Jacob Bednarcik, financial secretary; Ludvik Olejar and Valent Soltis, auditors.

Selected as the patron saints were SS. Cyril and Methodius, Slav apostles, who brought Christianity to the Slovaks in their motherland in 863.

Most of the charter members belonged to Assembly 1, the first unit in the national organization, founded July 4, 1905 in Passaic as a fraternal, gymnastic and calisthenic organization, devoted to physical fitness.

At that time, Rev. Anton Gracik, Clifton pastor, became interested in the Sokol movement in the parish and his guidance and assistance proved most helpful to the inspired, dedicated and devoted Sokols.

Within a short time, the following 10 founders of the Slovak Catholic Sokol, then members of Assembly 1, transferred their membership to Clifton: William Bernarcik, Joseph Prelich Sr., Joseph Petrasek, George Halupka, Matthew Kuruc, Stephen Bigos, Andrew Servas, John Moss, George Domyon and Andrew Klukosovsky.

And so, from this group of 11 charter members six decades ago, Assembly 162 has acquired the reputation of being the largest Assembly in Group I which embodies all of New Jersey, New York City, Brooklyn and parts of New York. Assembly 162 has today 344 senior members and exactly 100 junior members in its Junior Assembly 158 for a total of 444 members.

Their gymnastic and calisthenic program was introduced in 1918 under the direction of Valent Hilla, the first Assembly Commander and George Vincek, Assistant Commander with the aid of Stephen Jukubcak. Two gymnastic teams were organized and interest ran high at the very outset. However, after a number of years, the gymnastic program needed revitalization and Valent Hilla was again appointed Commander with Wiliam Resotka as Assistant Commander. Young Sokols were enrolled in the gym classes and before long they developed into topnotch gymnasts.

Junior Assembly 158, an affiliate of Assembly 162, was organized on February 24, 1918 by William Hilla and Steven Jakubcak. John Galus is the current elder (manager) of this Sboncek, as it is called in Slovak, which has an even 100 members and serves as a "feeder" for the Senior Assembly because at the age of 16, the member is automatically transferred into the Senior Assembly.

Assembly 162 has been blessed with devoted members who have served faithfully in various offices for many years. The presidents of the Assembly were: Andrew Frankovic, George Halupka, George Kurnath, Matthew Kuruc, Joseph Prelich Sr., John Moss, William Hilla, Steven Jakubcak, Joseph Petrasek Jr., Andrew Pavlica, John Kovalcik, Joseph Sventy, Joseph Bigos, John Kalata, and currently John D. Pogorelec.

Assembly 162 has a splendid record of contributions towards worthy causes. In 1956 the Assembly purchased the life-size statues of SS. Cyril and Methodius which are located atop the entrance of the church. This memorial cost $1,000.

In the last five decades, four members of the Assembly held office in the Supreme Assembly. They were Valent Hilla, Joseph Prelich Jr., John (Jack) Bigos and John Kalata.

At the present time, five members of Assembly 162, Clifton, hold important posts as Supreme Officers, a distinct recognition of high honor and national significance.

The quintet currently serving as Supreme Officers is comprised of Rev. Jerome J. Pavlik, O.F.M., Supreme Chaplain; John D. Pogorelec, General Counsel; John J. Pavlica, Chairman, Board of Auditors; Steven Pogorelec, Member of Technical Board, and George A. Dluhy, Member of the Supreme Court.

Valent Hilla was the first member to be elected to the Supreme Assembly when he won a seat on the Supreme Technical Assembly at the 1924 Convention in Chicago.

Joseph Prelich Jr., son of Joseph Prelich Sr., the latter a Sokol founder, was placed in charge of the Junior Assembly in the mid-20s and wasted no time in moving into the spotlight as an outstanding gymnast and physical education instructor. He served as commander of the Assembly and Group I. Brother Prelich was elected Supreme Vice-Commander at the 1927 National Convention in Bridgeport, Conn. and several years later was appointed Supreme Commander. He died suddenly in April of 1930.

John (Jack) Bigos, also the son of a founder, Stephen Bigos, as a boy became intensly interested in gymnastics and succeeded Brother Prelich as Commander of the Assembly and Group I. Brother Bigos was elected Supreme Vice-President at the 1930 Convention in Trenton, New Jersey and was re-elected in Detroit, Michigan and Pittsburgh, Pennsylvania. In 1940 he was appointed Supreme Commander. He was elected to this office at the Philadelphia Convention in 1941 and served until 1946. Altogether, he served ten years as Supreme Vice-Commander and six years as Supreme Commander.

John Kalata's efforts in Sokol life were recognized at the 1941 Convention in Philadelphia when he was elected to the Supreme Court. At the succeeding National convention in Milwaukee in 1945. Brother Kalata was elected Chairman of the Supreme Board of Auditors.

Rev. Jerome J. Pavlik, O.F.M., was appointed Supreme Chaplain in March of 1971 and elected unanimously at the 1971 Bethlehem Convention and re-elected at the 1975 Convention in Youngstown. He is also chaplain of Assembly 162.

John J. Pogorelec, president of Clifton Assembly 162, was elected as General Counsel at the Bethlehem Convention in July, 1971, and re-elected at the 1976 Convention in Youngstown. In 1974 he distinguished himself by winning the Heritage Membership Campaign. He is a member of the Executive Board of the Slovak Catholic Sokol.

John J. Pavlica was elected a member of the Supreme Board of Auditors by the Board of Directors at its annual meeting in February 1973. At the 1975 Convention in Youngstown, he was elected Chairman of the Board of Auditors. He has been serving as financial secretary of Assembly 162 for the past 20 years. He is a member of the Finance Board of the Slovak Catholic Sokol.

Steven Pogorelec, Sports Director of Assembly 162 and Group I for the past five years, was elected a member of the Supreme Technical Board at the 1975 Convention.

George A. Dluhy, recording secretary of Assembly 162, was elected a member of the Supreme Court at the Chicago Convention in 1957 and was re-elected at subsequent Conventions in 1971 at Bethlehem and 1975 at Youngstown. He is a former editor of "The Falcon" and presently manager of the Sokol Printery in Passaic.

In 1929, when the Slovak Catholic Sokol sent a seven-man gymnastic team, and a seven-man track and field team to the Orol Slet in Prague, Czecho-Slovakia, five Clifton Sokols were in the squad of 14 members. They were John (Jack) Bigos, Frank Petruff, "Casey" Yelinski and John Wutch, gymnasts, and Joseph Moss, track and field. In the competition Brother Bigos was awarded a plaque for winning first place in the all-around gymnastic division, intermediate grade.

The Sokol organization also sent a seven-member team of Sokolky and one of them was Mrs. Mary (Petrasek) Garber, member of Clifton's Wreath 102.

In other words, Clifton furnished six of the 21 Sokol athletes to represent the organization on its competition tour of Europe.

John Kalata, one of the most active Sokols in the Assembly, won the Sokol Membership Campaign sponsored by the organization in 1940 on its 30th anniversary. He was ably assisted by Stephen Jakubcak and George A. Dluhy.

Another Sokol Membership Campaign champion is the current president and Supreme Officer of Assembly 162 John D. Pogorelec, who captured first place in the spirited "Heritage Campaign" in 1974.

George A. Dluhy (now a Supreme Officer), served 23 years as editor of The Falcon, English supplement of the organization's weekly publication, Katolicky Sokol. He played basketball with the Clifton team and later served as Assembly sports director. He also is a former member of the technical committee of Group I. In addition to being editor of The Falcon, he has since the early 1930s published all of the diverse activities of the Clifton Assembly both in the Sokol publications as well as local newspapers.

Clifton was a powerhouse in Sokol basketball circles. Starting in the 1930s and continuing through the '40s, Clifton sponsored basketball teams which wrote Sokol history. The Clifton team was perennial Group I champion.

Serving as sports director during these years were Joseph Moss, John S. Domvon and George A. Dluhy. Later John Kristofick was sports director when Clifton produced many track stars and winning bowling teams.

The Clifton quintet reached the pinnacle of success in 1949 by becoming a Triple Crown winner. The Assembly 162 aggregation started its drive on the road to an unprecedented winning season by annexing the District 1 Championship with a one-sided victory over Reading, Pa., at the latters' court to qualify for the National Tournament.

In the 11th National Basketball Championship Tournament, Clifton edged out Rossford, Ohio, 60–50, to advance to the finals while Bethlehem downed Monessen, 75–65. In the finals, Clifton won a thrilling 67–65 decision over Bethlehem, the first loss the Pennsylvanians had suffered in eight previous tournaments. The nationals were played March 18 and 19 at the Gage Park High School in Chicago.

The team was comprised of Bobby Hudak, Frank Burek, Don Hetchka, Mike Miskiv, Andy Wasko, Casimir Iwanicki and Bill Smith, John Papsun was coach and John S. Domyon, sports director and manager.

To complete the Triple Crown Triumph, Clifton represented the national organization at the National Slav Basketball Championship Tournament at Commerce High School in New York City in April. In the opening round, Clifton routed the Ukrainian National Association, 56–36, and then the next night trounced the Croatian Fraternal Union, 71–62, to bring to a close its most spectacular basketball season in Clifton history.

During the years the Clifton Sokols enjoyed such phenomenal success on the court, there was a basketball committee consisting of John Kalata, Andrew Pavlik, Stephen Jakubcak and George A. Dluhy which scheduled games and negotiated the business affairs of the team.

The Clifton Assembly has been equally as active in bowling with a national championship winning team.

In 1959, at the 13th National Bowling Championship Tournament held April 17, 18 and 19 in Reading, Pa., the Clifton entry captured top honors with a score of 3007. On the team, and their scores, were John Bigos 578, John Kristofick 523, Richard Szabo 534, Dan Dandy 471 and John (Jack) Bigos 547, Joseph Vernarec was the sixth member of the team.

This team, known as Clifton No. 2, won the Group I championship only the month before at Waterfalls Recreation, Garfield.

Eighty members of Clifton's Assembly 162 served in the Armed Forces in World War II. Andrew Servas, Jr., son of Andrew Servas, Sr., a Sokol founder, was killed in action on the battlefield in France, while Richard Novak and George Seredik died in service. Clifton Sokols also served their country in World War I, the Korean conflict and in Vietnam, where Sokol member Pfc. Robert C. Hauser was killed during a combat operation.

Mr. Speaker, during our Nation's Bicentennial Year as we reflect upon the history of our great country and the many good deeds of our people who have made our representative democracy second to none among all nations throughout the world, it is a pleasure to reflect on some of the highlights in the history of Assembly 162 of the Slovak Catholic Sokol. Throughout the past six decades they have combined their spiritual, recreational, social, and athletic endeavors in helping all of our people, young and adults alike, providing a lasting contribution to the future preeminence of America's society in training and developing the industriousness and leadership qualities of our people. We do indeed salute Assembly 162 of the Slovak Catholic Sokol of Clifton, N.J. upon the celebration of its 60th anniversary in service to people.

BOB BROCKHURST'S RETIREMENT

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WALSH. Mr. Speaker, for 26 years Bob Brockhurst has been the only one in the U.S. House of Representatives who has always "clicked."

Bob retires December 31 as the founder of the Republican Photographers, leaving behind more than two and a half decades of memories.

We are all going to miss Bob and his quiet smile and soft mannerisms. I have not had the pleasure of knowing Bob as long as many of my colleagues, but I take this opportunity to publicly thank him for his help, particularly when I was a fledgling congressman and he was already an "old-timer" around the Hill.

The only word that best fits Bob's career, I have since discovered, is exciting. He started out back in 1929 as the Associated Press copy boy for the House Press Gallery and later switched to the Senate side through 1935. He got his break as a photographer that year with the International News Photos where he worked until 1950, giving birth to the House Republican Photo Service.

It is a delight to hear Bob reminiscence about old Press Gallery poker-playing days of the early 1930's with episodes nearly out of "Front Page."

As Bob tells one story, he was playing a lively game of five-card stud early one Saturday morning. He picked up a hand and discovered a full house. "Son," a voice in back of him said, "you must have come through the sheep patch on the way to work this morning." Bob looked around and there stood one of the greatest poker faces of them all—Will Rogers.

Bob has had the honor of photographing seven Presidents, starting with Roosevelt. Eisenhower, he said, was the easiest to photograph. None, he confides were too terribly hard.

President Ford is one of his favorites and he is not afraid to say so. Bob recalls the picture he took of Jerry and Betty Ford and their oldest son when Michael celebrated his first birthday. A cake with a single candle graced the Cannon House Office Building desk of Representative Jerry Ford as wife Betty and baby Mike looked on. That picture is still hanging in the now-President Jerry Ford's collection. "And God willing," Bob says, "Jerry will be the next President."

Bob remembers accompanying President Eisenhower to Kansas City, Chicago, and Cleveland in the early 1950's to campaign for congressional candidates. And there were the five GOP political conventions he covered. What about Congressmen? Are they getting better or worse each session? "No comment," Bob replies with a grin. He adds there has, however, been "considerable" change in them, although he would not elaborate. But, he quickly adds, "They're all nice."

On the serious side, Bob recalls covering a funeral in the early 1940s. A Congressman had been killed in a plane crash and his widow collapsed and fell as she was walking toward the grave. Bob turned to a photographer colleague and said, "Let's not make this one (picture)." There are few men like Bob around these days. Few men where personal privacy, pride, and dignity still count.

Bob, who turns a young 65 next March, plans to take his shutter-bugging out of Washington, but only briefly. Just long enough for a trip to England to visit relatives, and another sojourn to Austin, Tex.

Bob may be leaving the Halls of Congress, but he will be taking with him years of precious memories. Congress is a place where Bob has seen boys become men, men become fathers, fathers become grandfathers.

It is a place where he has shared laughter, anger, sadness, excitement, and sometimes frustrations. It is a place where he has found a friend, a pat on the back when he is up, understanding when he is down. It is a place where he has formed lifetime friendships, gathered endless memories. It is a place where he has said that last goodbye to old friends and welcomed new ones.

Now, as he prepares to retire, he will be packing away the cameras, the flashes and his shoulders will have a rest. But a little of him will die. For no matter where he goes, a part of him will always remain "on the Hill."

But even then he is not alone. For even though a part of him is gone, he knows his fellow colleagues will have left a part of themselves there too.

HON. WILBUR D. MILLS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. GIAIMO. Mr. Speaker, it is a pleasure to join with my colleagues on both sides of the aisle in paying tribute to the Honorable Wilbur D. Mills, the dean of the Arkansas delegation and the third-ranking Member of the House of Representatives in seniority.

During Wilbur's long and meritorious service in this Chamber he has proved one of our all-time masters of rules, procedures, and legislative acumen. A giant among legislators, his supreme knowledge of the intricacies of the legislative process and his ability to explain with clarity and precision the infinite details involved in bringing the most complex questions of taxation, trade, and social security to fruition and law has been nothing short of amazing. It has been literally my pleasure to go on to the floor to hear Wilbur explain the mechanics of taxation and finance; he is without doubt the Nation's expert on the U.S. tax code. His extemporaneous manner, his perceptivity, and power of address are consistently marvelous to behold. We have all in this House learned many a lesson by the benefit of Wilbur Mills.

Wilbur's tenure on the Committee on Ways and Means has seen some of the most important measures in our Nation's history reach the floor, and usually the desk of the President as well. To outmaneuver WILBUR usually provided the ultimate challenge in any Congressman's career; to attempt to put into perspective his contribution to the legacy of this House over the past 38 years would be well nigh an unattainable undertaking. We can only hope to see more of his kind, men and women who have put to best advantage their time in the public service, masters of the political process, and people of foresight and imagination who devote their best efforts to improving the lot of the American citizenry. We cannot be gracious enough in today honoring Congressman WILBUR D. MILLS. His legacy is our own.

TRIBUTE TO THOMAS MORGAN

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, I take this opportunity to pay tribute to a dear colleague and friend, DOC MORGAN. His many years of dedication and contributions to the welfare of our country have earned for him the respect of all Americans. His presence will be missed by the Congress and by the Nation.

TRIBUTE TO JOE KARTH

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, JOE KARTH, a highly effective member of the Ways and Means Committee, has unfortunately chosen not to run for reelection this year. His commitment to tax reform has been considerable and average taxpayers all over this country shall miss his presence in the Congresses to come. I wish him the best in whatever he undertakes in the future.

TRIBUTE TO CHARLES MOSHER

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PHILLIP BURTON. Mr. Speaker, the Congress is losing a very decent and fine Member with the announced retirement of our colleague, CHARLES MOSHER. A progressive who epitomized the finest traditions of the Republican Party, CHARLEY, as I recall, was one who early on indicated his disagreement with the Vietnam war. He was a friend to all who served with him in the Congress, and his district and the Nation cannot help but be saddened by his departure from the Congress.

MAJOR LEGISLATIVE ACCOMPLISHMENTS OF THE 94TH CONGRESS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. O'NEILL. Mr. Speaker, as we conclude the 94th Congress, we present to the American people a record of significant legislative accomplishment. Our achievements are particularly gratifying when we consider the continued spirit of confrontation brought about whenever the executive and legislative branches are controlled by opposing political parties. I am proud to report that we have won the most important of these struggles against the President's tactics of obstructionism and delay, and have come to the end of the 94th Congress with an outstanding record of action toward fulfilling the mandate of the American people.

As we adjourn, the 94th Congress has been in session for more than 1,750 hours. We have taken more than 1,250 record votes, a number that very nearly equals the total record votes taken in the 80th through 86th Congresses combined. We have spent more time in committee business than in any prior Congress. The ever-increasing complexity of the problems facing America has demanded diligence unprecedented in any previous Congress, and I would take this opportunity to commend Members for their unfailing spirit and industry.

Before the 94th Congress convened in January 1975, a number of important organizational changes were made. Under the provisions of the Committee Reform Amendments of 1974, the Democratic caucus met in December 1974, to effect these significant changes. Seniority practices in the selection of committee chairmen were altered in the following manner: whereas in previous Congresses the ranking majority member virtually assumed the chairmanship, the Democratic Steering and Policy Committee now nominates a candidate for chairman. The candidate is subject to approval by the Democratic caucus, voting by secret ballot. If the original nominee is defeated, the Steering and Policy Committee nominates a second choice, but is not bound by seniority considerations in that second nomination. Additional nominations may then be made from the floor in caucus.

The Democratic Steering and Policy Committee was also given the authority to make committee assignments. This change further democratized House governance, and at the same time lifted a significant burden from the Ways and Means Committee, whose remaining wide legislative jurisdiction necessitated that it be increased from 25 members to 37. Other modifications in caucus rules included stipulations that chairmen of major legislative committees may not serve at the same time as chairmen of any other full, select, or joint committees, that most House-Senate conferences be open to the public, that jurisdiction of the House Committee on Internal Security be transferred to the Committee on the Judiciary, and that Appropriations Subcommittee chairmen must now be approved by vote of the caucus. Together, these organizational reforms have, of course, furthered the objectives of the majority of the Democratic Members of the House; but in so doing, they have also made possible attainment of the legislative goals of a majority of the American people.

Thus organized, the 94th Congress convened in January 1975, armed with new energy and new initiatives. The Nation's problems were severe and painfully obvious: far too many Americans were out of work, and every American was gripped by the anxieties of the energy crisis. These two factors combined to create a ruinous recession. In his state of the Union message for 1975, President Ford called for the creation of new jobs as an antirecessionary measure. New jobs were a primary objective of the Congress as well, but only the Congress took action. The President characteristically resorted to the old and discredited Republican orthodoxy which argues that, given suitable tax breaks and fiscal stimuli, the private sector will take care of everything. A majority of the Congress did not agree, and we have passed such important jobs bills as the summer youth employment appropriations, Public Law 94-36, and the $3.95 billion Public Works Employment Act, Public Law 94-369. This past week we have enacted two other vital bills: A $3.7 billion appropriation for State and local public works jobs, and a measure to continue 260,000 public service jobs funded by the Federal Government.

Tax reform was assigned a high priority by the 94th Congress. We have passed three major bills to reduce and more equitably distribute the burden of taxation shared by all Americans. The Tax Reduction Act of 1975, Public Law 94-12, provided $22.8 billion in tax relief through personal and corporate tax reductions. The bill repealed the highly controverial oil and gas depletion allowance for many producers and phased it down for independents. The tax cut extension, Public Law 94-164, extended the 1975 tax cuts through June 30, 1976. We enacted this bill after the President, in a typical Republican show of indifference to low- and middle-income taxpayers, had vetoed the virtually identical H.R. 5559. The major tax legislation of the 94th Congress is the Tax Reform Act, Public Law 94-455, which extends the 1975 tax cuts, simplifies numerous deductions and tax credits, and closes certain tax loopholes through which many upper income Americans have avoided paying an equitable share of their income in taxation. Tax reform has been bitterly contested between the President and the Members of the 94th Congress, and I am confident that America will be grateful that the views of the Congress have largely prevailed.

In other legislative areas, the President has used every possible opportunity to try to inflict his outmoded social views and arcane economic platitudes upon the American people. He has vetoed over 63 bills passed by the 94th Congress, a record that marks him as one of the most veto-prone Presidents of all time. Since taking office, he has seen 12 of his vetoes overridden, among which are several very important bills: Health revenue sharing, Public Law 94-63; school lunch legislation, Public Law 94-105; Mineral Leasing Act amendments, Public Law 94-377; and the Electric Vehicle Research and Development Act, Public Law 94-413. In both years of this Congress, President Ford has seen fit to veto the appropriations bills for the Departments of Labor and Health, Education, and Welfare. In each instance, the bills contained funding for badly needed social programs for less fortunate Americans. The Congress has overridden both vetoes, the latter of which occurred on September 30, 1976.

The media of our Nation glories in publicizing these veto-override confrontations. Far less publicity attends the invaluable legislative compromising to reshape vetoed legislation into a form that meets the President's objections while fulfilling its original purpose. The 94th Congress has distinguished itself in two such cases: The emergency housing bill and the emergency jobs bill of 1975. Such bills are doubly important, for they illustrate the Congress concern with the economy, and the unwillingness of the Congress to accede to the complacent, do-nothing, stagnated economic policies of an administration content with an unemployment rate of nearly 8 percent.

The question of Federal expenditures has been central in the 94th Congress. We have implemented a new and comprehensive budget process. Previous Congresses had lacked a means to examine the Federal budget in its entirety: Appropriations, however conscientiously and carefully determined, could not be coordinated into overall spending limits. In this Congress, under the leadership of the new Budget Committees, we have adopted spending targets in each spring and ceilings in each fall that clearly define our objectives. The Budget Committees have been especially effective in directing the Congress efforts to achieve recovery from the recession of 1974-75. In its second concurrent budget resolution, the Congress set ceilings of $408.0 billion in budget authority and $374.9 billion in outlays, thus creating a stimulus in the economy directed toward the establishment of new jobs. Budget resolutions for each succeeding fiscal year will prohibit consideration of any amendment that would violate the ceiling or floor figures.

The 94th Congress has enacted important legislation in the areas of energy and the environment. The Energy Conservation and Oil Policy Act, Public Law 94-163, temporarily rolled back domestic oil prices while simultaneously eliminating all price controls over a 40-month period, provided the President with the authority to impose emergency gas rationing, and imposed mandatory auto fuel-efficiency standards. The Federal Water Pollution Control Act amendments, Public Law 94-238, provided assistance for the construction of municipal waste treatment facilities, and limited the Army Corps of Engineers authority to issue permits for dredging and filling operations. The Coastal Zone Management Act amendments, Public Law 94-370, furnish funds for an impact program to assist States affected by offshore drilling and to develop other energy sources along the coastal lands. In each instance, Congress has carefully considered the Nation's need for energy and its attendant environmental problems and has enacted an appropriate bill.

Despite the many significant accomplishments of the 94th Congress, I would be remiss in overlooking what might have been. Too often our Democratic majorities in both Houses have regrettably fallen victims to the myopic shortsightedness of an intransigent Republican administration. Government by confrontation and government by stalemate are not what America needs or deserves. Our Constitution's delicate system of checks and balances was not intended to sanction obstructionism. The 94th Congress has done an outstanding job in enacting the people's will into law, but the 95th Congress should have its path cleared and its means unimpeded. The American people have been well served by this Congress; they will be even better served if a Democratic President is elected this November. Only then will we have a true spirit of compromise and cooperation between the legislative and executive branches. The time is at hand to get America back to work, to rally our vast unused industrial potential, and to stabilize the role of Government expenditure not by parsimonious budget tightening by veto, but rather by helping America's workers to become useful, productive members of society.

The 94th Congress has demonstrated its vision, its courage, and its wisdom. Working together with an active, forceful Democratic President, the 95th Congress can achieve the goals of America. But until then, our Nation must continue to endure the anxieties, uncertainties, and terrible disappointments and disillusionments that are the legacy of divided Government. With a united party leadership in the Congress and in the White House, we can achieve a return to the progressive, forward-looking policies that characterize our most recent Democratic administrations. As those of us who served in the Congresses of those years can be proud to say: "We have been over into the future, and it works." Let us resolve that it can be made to work again.

The material follows:

MAJOR LEGISLATIVE ACCOMPLISHMENTS FOR THE 94TH CONGRESS

THE BUDGET AND APPROPRIATIONS PROCESS

Summary.

Text and Tables.

AGRICULTURE AND RURAL DEVELOPMENT

Major legislation

Federal Insecticide, Fungicide, and Rodenticide Act.

Emergency Livestock Credit Act Extension.

Commodity Futures Trading Commission Act Extension.

Rural Electrification Loan Program Amendment.

Consolidated Farm and Rural Development Act Amendment.

Tobacco Price Supports.

Emergency Agriculture Act of 1975.

Grain Inspection.

Beef Research and Information Act.

Animal Welfare Act Amendments.

Milk Price Supports.

Agricultural Pest Control Act.

National Forest Management Act.

Farmer to Consumer Marketing Act.

Rural Electrification.

Other legislation

Farm Credit Eligibility Standards.

Insecticide Act Extension.

Insecticide Act Amendment.

Forest Service Program.

Rabbit Meat Inspection.

Agriculture Department Dependents.

Protection of Livestock Producers.

Horse Protection Act Amendments.

Control of the African Honeybee.

Rice Production Act of 1975.

Wool Act Payments.

Agricultural Census.

Rural Development Amendment.

CIVIL LIBERTIES AND CONSTITUTIONAL RIGHTS

Major legislation

Voting Rights Act Amendments.

Civil Rights Attorney's Fees Awards Act of 1976.

Equal Credit Opportunity Act Amendments of 1976.

Other legislation

International Women's Year.

Resolution to Send a Congressional Delegation to the International Women's Year Conference.

Concurrent Resolution in Support of International Women's Year 1975.

Nondiscrimination in House of Representatives Employment.

Maximum Income Level Increased for Persons Eligible to Deduct Certain Child Care Expenses from Income Tax.

Admission of Women to Military Academies.

Nondiscriminatory Appointments of Coast Guard Cadets.

Health, Education, and Welfare Appropriations.

Increased Authorizations for the Privacy Protection Study Commission.

Economic and Social Statistics of Spanish-Americans.

CONSUMER AFFAIRS

Major legislation

Consumer Goods Pricing Act.

Consumer Leasing Act.

Consumer Product Safety Commission Improvements Act.

Other legislation

Gold Labeling Act of 1976.

ECONOMY

Business finance

Major Legislation

Securities Act Amendments of 1975.

Depository Institutions Amendments of 1975.

National Insurance Development Act of 1975.

Repeal of Federal Sanction of Fair Trade Laws.

New York City Loan.

Antitrust Amendments.

Bankruptcy Law Revision.

Small Business Emergency Relief Act.

Small Business Amendments.

Labor, unemployment, and manpower training

Major Legislation

Public Service Jobs and Job Opportunities Program.

Emergency Compensation and Special Unemployment Assistance Extension Act.

Public Works Employment Act of 1976.

Public Works Employment Appropriations.

Public Works Employment.

Emergency Employment Appropriations Act of 1975.

Emergency Jobs Programs Extension Act of 1976.

National Productivity and Quality of Working Life Act of 1975.

Protection of the Economic Rights of Labor in the Building and Construction Industry.

Other Legislation

Summer Youth Employment and Recreation.

Railroad Unemployment Insurance Act.

Taxes, monetary and fiscal policy

Major Legislation

Tax Reduction Act of 1975.

Tax Reform Act of 1976.

Council on Wage and Price Stability Act Amendments.

Revenue Adjustment Act of 1975.

Second Revenue Adjustment Act of 1975.

Amendment to the Bretton Woods Agreements Act.

Other Legislation

Council on International Economic Policy Appropriations.

Tax Treatment of Cemetery Perpetual Care Fund Trusts.

Tax Treatment of Social Clubs and Other Membership Organizations.

International Investment Survey Act of 1976.

Reduction in Beer Tax for Small Brewers.

Interest on Corporate Debt to Acquire Another Corporation.

Tax Treatment of Securities Acquired for Business Reasons and Not as an Investment.

Bank Holding Company Tax Act of 1976.

Fiscal Assistance Amendments of 1976.

Maintenance of Common Trust Fund by Affiliated Banks.

Tax Treatment of Certain Option Income of Exempt Organizations.

Increased U.S. Participation in the Inter-American Development Bank.

Applications of Internal Revenue Code to Specific Transactions by New York State Public Employee Retirement Systems.

Extension of State Taxation of Depositories Act.

First Debt Limit Increase.

Second Debt Limit Increase.

Third Debt Limit Increase.

Increase in Temporary Limit on Public Debt.

EDUCATION

Major legislation

Education for Handicapped Children.

National Reading Improvement Act Amendments.

Education Amendments of 1976.

Educational Broadcasting Facilities and Telecommunications Demonstration Act.

Rehabilitation Act Amendments of 1976.

Other legislation

Educational Grant and Work Opportunities for Students.

Sea Grant Program Improvement Act of 1976.

Health, Education, and Welfare Appropriations.

ENERGY, ENVIRONMENT, AND NATURAL RESOURCES

Energy

Major Legislation

Energy Conservation and Policy Act of 1975.

Energy Conservation and Production Act.

Federal Energy Administration Act Extension.

Federal Coal Leasing Amendments Act of 1975.

Emergency Petroleum Allocation Act of 1973 Extensions.

Energy Research and Development Administration Authorization of Appropriations.

Temporary Suspension of Presidential Authority to Impose Fee on Petroleum Imports.

Emergency Oil Price Increase Limitation.

Emergency Petroleum Allocation Act.

Development of Petroleum Reserves on Public Lands.

Nuclear Indemnity Program.

Water and Power Development and Energy Research.

Authorizing Supplemental Appropriations to the Nuclear Regulatory Commission.

Nuclear Regulatory Commission Authorization.

Federal Energy Administration Extension Act Amendments.

Other Legislation

Establishment of House Ad Hoc Select Committee on the Outer Continental Shelf.

Natural Gas Transportation Act.

Natural Gas Pipeline Safety Amendments.

Energy Research and Development Administration & Supplemental Authorization of Appropriations.

Tennessee Valley Authority Bonding Limit Increase.

Nuclear Regulatory Commission Authorization.

ENVIRONMENT AND NATURAL RESOURCES

Major legislation

Marine Fisheries Conservation.

Coastal Zone Management Act Extension and Expansion.

Authorizing Additional Appropriations for the Noise Control Act of 1972.

Atlantic Tuna Convention Act of 1975.

Land and Water Conservation Fund Act; National Historic Preservation Fund.

Toxic Substances Control Act.

Sewage Treatment Loan Guarantees.

Water Resources Development Act of 1976.

National Park Mining Regulations.

Land and Water Resource Conservation Act of 1976.

Surface Mining and Control and Reclamation Act of 1975.

Saline Water Conservation Program for Fiscal Year 1976.

Resource Conservation and Recovery Act of 1976.

Marine Protection Research and Sanctuaries Act.

Other legislation

Authorizing Appropriations for the National Advisory Committee on Oceans and Atmosphere.

Water Resources Development, 1975.

River Basin Authorizations.

Expansion of Rehabilitation and Betterment Act.

State Participation in Environment Analyses.

Increasing Appropriation Authorization For Volunteers In Parks Program.

Authorizing Further Appropriation for the Office of Environmental Quality.

Grand Canyon National Park Enlargement Act Amendment.

Establishing The Hells Canyon National Recreation Area.

National Park Service Boundary and Authorization Ceiling Changes.

Minnesota River Valley Refuge.

Reclamation Authorization Act of 1976.

Environmental Protection Agency Research and Development Funding.

Tinicum National Environmental Center.

Wilderness Lands Designation.

National Park System Administration Revisions.

Federal Land Policy and Management Act of 1976.

Miscellaneous Public Land Actions.

Whale Conservation and Protection Study Act.

Payment in Lieu of Taxes Act.

River Basin Authorizations.

Chickasaw National Recreation Area.

Reclamation Authorization.

New River Protected by Wild and Scenic Rivers System.

Child Care and Social Services Act.

Emergency Food Stamp Vendor Accountability Act.

To Promote the Conservation of Migratory Waterfowl by Acquisition of Wetlands.

GENERAL GOVERNMENT

Major legislation

Adoption of House Rules.

Overseas Citizens Voting Rights Act.

Termination of National Emergencies.

Government in the Sunshine.

Federal Employees Political Activities Act.

Mid-Decade Census.

Use of Census Bureau Data to Facilitate Redistricting.

Franked Mail Regulations.

Travel Expenses Act Amendments of 1975.

Federal Election Campaign Act Amendments.

Other legislation

Executive Protection Service.

Required Political Contributions Prohibited.

Legislative Branch Appropriations Act.

Presidential Transition.

Records Management.

Overseas Voting Rights.

Congressional Employees Payroll Deductions.

HEALTH

Major legislation

Health Revenue Sharing, Health Services, and Nurse Training Act of 1975.

Developmentally Disabled Assistance and Bill of Rights Act.

National Health Promotion and Disease Prevention Act of 1976.

Health Professions Educational Assistance Act of 1976.

Health Maintenance Organization Amendments of 1976.

Emergency Medical Services Amendments of 1976.

Appropriations for the Departments of Labor, Health, Education, and Welfare, and Related Agencies.

Alcohol Abuse Programs.

Medical Device Amendments of 1976.

Drug Abuse Treatment Act Amendments.

National Influenza Immunization Program.

Heart, Blood, and Lung Research.

National Swine Flu Immunization Program of 1976.

Other legislation

Federal Indian Health Programs Authorization.

Arthritis, Diabetes, and Digestive Disease Amendments of 1976.

HOUSING, COMMUNITY AND REGIONAL DEVELOPMENT HOUSING

Major legislation

Emergency Middle Income Housing Act.

Emergency Homeowner Relief Act.

Real Estate Settlement Procedures Act Amendments.

Housing Act Amendments of 1976.

Veterans Housing Amendments.

Other legislation

Mobile-Home Loan Ceilings and Flood Insurance Temporary Extension.

Home Mortgage Disclosure Act.

Five Percent New Home Tax Credit.

COMMUNITY AND REGIONAL DEVELOPMENT

Major legislation

Regional Development Act Amendments of 1975.

Public Works and Economic Development Act Amendments of 1976.

Other legislation

Community Services Act Technical Amendments of 1976.

Domestic Volunteer Service Act Amendments of 1976.

INCOME SECURITY AND SOCIAL SERVICES

Major legislation

School Lunch and Child Nutrition Act Amendments of 1975.

Prohibition of Food Stamp Cost Increases.

Older Americans Act Amendments of 1975.

Indochina Refuge Children Assistance Act of 1975.

Food Stamp Purchases by Welfare Recipients.

Extension of Provisions Under SSI and Child Support Programs.

Unemployment Compensation Amendments of 1976.

Indochina Migration and Refugee Assistance.

Laotion Refugees.

Other legislation

Postponement of Day Care Center Staffing Rules.

Day Care Staffing Standards Postponement Act.

Food program, Special Supplemental for Women, Infants and Children—continue through September 30, 1975.

Assistance to U.S. Citizens Returning From Abroad.

Benefits Increase for American Civilian Internees in Southeast Asia.

Medicare Amendments.

State Cash-Out Status Under the Supplemental Security Income Program.

Social Security Hearings and Appeals, Expedite.

Medicare-Medicaid Antifraud Amendments.

LAW ENFORCEMENT AND JUSTICE

Major legislation

Federal Rules of Criminal Procedures Amendments Act of 1975.

Parole Commission and Reorganization Act.

Other legislation

Judicial Conference of the District of Columbia.

Habeas Corpus Rules.

Public Safety Officers Benefits.

Secret Service Protection.

Three-Judge Courts.

Secret Service Protection.

Suits Against Foreign States.

International Terrorism.

Evidence in Federal Proceedings.

Judicial Survivors' Annuities Reform Act.

U.S. Magistrates' Salaries.

Territorial Judges Retirement Adjustment Act.

Crime Control Act of 1976.

NATIONAL DEFENSE AND INTERNATIONAL AFFAIRS

Major legislation

Sinai, Early Warning System.

Special Appropriations for Vietnamese and Cambodian Refugees.

Relaxation of Turkish Arms Embargo.

Foreign Relations Authorization Act.

Foreign Aid Authorization, Fiscal Years 1976 and 1977.

Military Construction Authorization Act, 1977 (1st).

Military Construction Authorization Act, 1977 (2nd).

Military Assistance Programs.

International Security and Arms Export Control Act of 1976.

Foreign Relations Authorization Act.

Authority for Limited Reserve Mobilization.

Defense Department Appropriations for Fiscal 1977.

Other legislation

Military Construction Authorizations.

Defense Department Weapons Procurement Authorization.

Coast Guard Authorizations.

Japan-United States Friendship Act.

Panama Canal Negotiations.

United Nations Resolution on Zionism.

U.N. Peacekeeping Forces.

National Commission on Supplies and Shortages Extension.

Defense Production Act, Extended.

Defense Production Act Extension.

Peace Corps Authorization.

East German Claims Program.

Foreign Aid Appropriations for Fiscal 1977.

Authorization of Funds for Treaty of Friendship with Spain.

Guatemala Relief and Rehabilitation Act of 1976.

Weapons Procurement Authorization for Fiscal 1977.

TRANSPORTATION

Major legislation

Railroad Reorganization Act Amendments.

Railroad Safety Act.

Amtrak Improvement Act.

Amtrak/ConRail Amendments of 1976.

Amendments of the Railroad Retirement Act of 1974.

Railroad Revitalization and Regulatory Reform Act.

Tax Treatment of Exchanges Under the Final System for ConRail.

Federal Railroad Safety Authorization Act of 1976.

Increasing the Federal Share of Highway Projects.

Federal Aid to Highways Act.

Department of Commerce Maritime Programs Authorizations.

Amendments to the Boat Safety Act of 1971.

Prevention of Collisions at Sea.

Motor Vehicle Information and Cost Savings Act Amendments of 1976.

Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

Automotive Transport Research and Development Act of 1976.

Hazardous Materials Transportation Act.

Airport and Airway Development Act Amendments.

Other legislation

Authorization of Appropriations for Promotion and Development of Travel Within the U.S.

Negotiated Shipbuilding Contracting Act of 1976.

VETERANS

Major legislation

Veterans Disability Compensation and Survivor Benefits Act of 1975.

Veterans and Survivors Pension Adjustment Act of 1975.

Veterans, Physicians and Dentists Comparability Act of 1975.

Veterans and Survivors Pension Adjustment Act of 1976.

Veterans Disability Compensation and Survivor Benefits Act of 1976.

Veterans' Education and Employment Assistance Act of 1976.

Retired Military Personnel Survivor Benefits.

Other legislation

Medical Care for Certain Members of Allied Wartime Forces.

U.S. Soldiers' and Airmen's Home—Air Force Grade Extension.

Investigations into Travel Costs of Veterans.

Care of Veterans in State Homes.

SCIENCE AND TECHNOLOGY

Major legislation

National Weather Modification Policy Act.

Fire Prevention and Control Act.

National Science and Technology Policy, Organization, and Priorities Act of 1976.

Metric Conversion Act.

Other legislation

NASA Authorizations, FY 1976.

National Aeronautics and Space Administration Act, 1977.

National Science Foundation Authorization, FY 1976.

Authorizing Appropriations to the National Science Foundation.

Standard Reference Data Act Authorizations.

OTHER LEGISLATION

Foreign Tourist Travel Authorizations.

Postal Service Employees' Health and Safety and Salary Adjustments for Certain Federal Employees.

Public Broadcasting Financing Act.

Postal Reorganization Act Amendments.

Copyright Law Revision.

Teton Dam Disaster Assistance Act of 1976.

Financial Planning, Reporting, and Control Systems for the Government of the District of Columbia.

Pennsylvania Avenue Development Corporation.

War Claims Act Amendments.

Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United of America.

Additional Retirement Benefits for Certain Employees of Bureau of Indian Affairs and Indian Health Services.

Repeal Act Relating to the Condemnation of Certain Lands of the Pueblo Indians in the State of New Mexico.

Public Buildings Cooperative Use Act of 1976.

Alaska Native Claims Settlement Act Amendments.

1980 Winter Olympic Games Act.

Indian Claims Commission Authorization Act.

Arts, Humanities, and Cultural Affairs Act of 1976.

Federal Grant and Cooperative Agreement Act of 1976.

Federal Surplus Property Act.

Alaska Joint Federal Planning Commission.

Sac and Fox Indians.

Indian Lands.

THE BUDGET AND APPROPRIATIONS PROCESS

BUDGET

Summary

When Congress enacted the Congressional Budget Act of 1974 (P.L. 93-344), a new budget process was initiated. This session of Congress saw the first complete test of the new procedures, which are designed to allow an overall determination of the size of the budget, and to permit a debate on the major priorities within it. These goals are accomplished through Concurrent Resolutions on the Budget. The first such resolution established a spending target for fiscal year 1977 of $413.3 billion. The second resolution established a binding spending ceiling of $413.1 billion.

Text and tables

P.L. 93-344, The Congressional Budget Act of 1974, established new procedures for Congress to handle appropriations. This session of Congress has served as the first complete test of the new procedures. The essence of the system is the "Concurrent Resolution on the Budget." These Budget Resolutions set forth, on an aggregate basis, the size of the United States Budget: amount of budget authority; level of outlays; level of revenues; surplus or deficit; and change in the debt. This allows Congress the chance to examine the Budget as a whole, and to consider its impact on the national economy. Heretofore, Congress has had no comprehensive overview of the Budget. Rather, appropriation bills were acted upon separately with little attempt to relate revenues to outlays.

The first Budget Resolution is designed to act as a target for Congressional action during the summer—it is not binding, in that Congress may take any action it chooses on appropriations bills. But through periodic scorekeeping reports issued by the Budget Committees and the Congressional Budget Office (all established by P.L. 93-344), Congress may compare amounts in appropriation bills with the targets in the first Budget Resolution. The second Budget Resolution revises or reaffirms the figures in the first resolution, and makes them binding. Thus, the outlay target in the first Budget Resolution becomes a spending ceiling by the second; the revenue target in the first Resolution becomes a "revenue floor" in the second. The second Resolution may also direct other committees of Congress to take actions in compliance with the binding limits in that Resolution. For example, the Appropriations

Committee may be directed to rescind amounts already enacted.

The Budget Resolutions also serve a second major purpose: they allow Congress to debate, and if desired to adjust, the priorities inherent in the aggregate figures. This is accomplished by dividing the totals among functional categories, such as Agriculture, National Defense, or Health. As well as adjusting the totals, Congress may adjust the mix.

The aggregate Budget figures as requested by the President (amended to include supplemental requests), as included in the first Budget Resolution, and as included in the 2nd Resolution, are as follows:

AGGREGATE BUDGET FIGURES

[In billions of dollars]

	President's request [1]	1st budget resolution (S. Con. Res. 109)	2d budget resolution (S. Con. Res. 139)
Budget authority	431.4	454.2	451.6
Outlays	400.0	413.3	413.1
Revenues	352.5	362.5	362.5
Deficit	47.5	50.8	50.6
Public debt	712.7	713.1	700.0

[1] As amended and supplemented through July 16; Source: Congressional Quarterly Weekly Report, pp. 2516–2517, Sept 18, 1976.

While the figures requested by the President and included in the 1st and 2nd Resolutions are quite close to each other, the Budget Committees have stated that their figures will allow the creation of more jobs without the risk of exacerbating inflation. The Committees have also pointed out that decreases were accomplished by Congress, and praised other Committees for the restraint shown in reducing spending below the target established in the 1st Budget Resolution.

Congress has also shifted priorities from those outlined in the President's budget. While keeping similar spending totals, Congress has emphasized programs which create jobs or relieve the hardships of recession, while limiting the growth of other spending. The following table contrasts outlays in the President's Budget with the 2nd Budget Resolution.

BUDGET OUTLAYS BY FUNCTIONAL CATEGORY

[Dollar amounts in billions]

Functional category	President's request [1]	2d budget resolution (S. Con. Res. 139)
National defense	$101.6	$100.7
International affairs	7.1	6.9
Science, space and technology	4.5	4.5
Natural resources, environment, and energy	15.1	16.2
Agriculture	1.8	2.2
Commerce and transportation	16.4	17.4
Community and regional development	6.0	9.1
Education, manpower, and social services	18.4	22.2
Health	36.5	38.9
Income security	136.2	137.2
Veterans benefits and services	17.8	19.5
Law enforcement and justice	3.4	3.6
General government	3.5	3.5
Revenue sharing and general purpose fiscal assistance	7.4	7.7
Interest	40.2	39.6
Allowances	.8	.8
Undistributed offsetting receipts	—16.8	—16.8
Total [2]	400.0	413.1

[1] As amended and supplemented through July 16. Source: Congressional Quarterly Weekly Report, pp. 2516–2517, Sept. 18, 1976.

[2] Totals may not add due to rounding.

In conclusion, the new budget process has allowed Congress to take a comprehensive look at the budget, both in gross and by function. Congress has seized this opportunity by setting a budget designed to pull the country out of recession without fueling inflation, and by reordering priorities to emphasize jobs and human programs. Further, Congress has conscientiously followed the new procedures, willingly accepting the budgetary discipline which they entail.

APPROPRIATION BILLS, 94TH CONG., 2D SESS.

[In thousands of dollars]

Bill	President's request	House	Senate	Final
Legislative branch	968, 733	780, 267	971, 141	943, 400
Agriculture and related agencies	11, 464, 892	11, 703, 438	12, 181, 232	11, 542, 998
District of Columbia	396, 894	372, 707	400, 422	362, 796
Transportation and related agencies	5, 220, 471	5, 280, 656	5, 395, 718	5, 296, 418
HUD, Space, Science, Veterans	45, 306, 198	42, 982, 730	43, 336, 200	43, 284, 615
Labor, HEW, and related agencies	54, 661, 665	55, 977, 862	56, 896, 639	56, 618, 207
Interior and related agencies	5, 748, 054	5, 660, 897	5, 797, 965	5, 641, 379
State, Justice, Commerce, Judiciary, and related agencies	6, 313, 251	6, 541, 128	6, 880, 147	6, 680, 314
Defense	107, 936, 172	105, 397, 343	104, 014, 226	104, 343, 835
Foreign Aid	5, 817, 770	4, 833, 498	5, 353, 265	5, 133, 707
Military Construction	3, 472, 400	3, 293, 118	3, 426, 891	3, 338, 759
Public Works, Energy	9, 398, 895	9, 645, 609	9, 718, 885	9, 703, 713
Public Works Employment	0	1, 138, 308	1, 633, 300	3, 730, 000
Treasury, Postal Service, and General Government	8, 004, 892	8, 267, 636	8, 301, 470	8, 313, 119

Source: Congressional Quarterly Weekly Reports.

Agriculture and Rural Development Major Legislation

Federal Insecticide, Fungicide, and Rodenticide Act (P.L. 94–140, approved November 28, 1975)—The Federal Environmental Pesticide Control Act of 1972 significantly modified the basic Federal Insecticide, Fungicide, and Rodenticide Act (1947). The 1972 Pesticide Control Act represented a major departure from the previous law in providing for the complete reregistration, classification of pesticides in regard to the degree of potential hazard to the environment as well as human beings, and the certification of both commercial and private applicators for restricted-use pesticides.

Although there was general agreement that the basic objectives of the 1972 act were appropriate and that the law was sound, there was concern voiced about the administration, implementation, and interpretation of the law. Indicative of this concern was the fact that in 1975 Congress twice passed temporary extensions that continued the program through November 15 while it worked on the longer-term bill.

The new legislation, passed after prolonged debate in both houses, extended for one and one-half years the authority of the Environmental Protection Agency (EPA) to carry out the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act. The law authorized $47,868,000 for the period October 1, 1975 through September 30, 1976 and $23,600,000 for the period October 1, 1976 through March 31, 1977.

Public Law 94–140 requires the Environmental Protection Agency to take cognizance of the effect of their actions, at each stage in the decision-making process, on the various segments of the agricultural economy. To accomplish this purpose, the Act requires EPA to seek and publish in the *Federal Register* the views of the Secretary of Agriculture prior to moving to ban a pesticide or issue a proposed or final regulation relative to pesticide use. These provisions strengthen the input of the Department of Agriculture into the decision-making process in pesticide matters; however, under the Act, the Administrator of EPA retains final authority to make decisions in pesticide regulation. Further, the provision of the Act relative to the requirement to seek the views of the Secretary of Agriculture was narrowed to allow the Administrator to proceed immediately to suspend a pesticide when he determines it to be an "imminent hazard to human health."

Other provisions of the Act require the Administrator to seek and publish the views of a Scientific Advisory Panel in a manner similar to that prescribed for seeking the advice of the Secretary of Agriculture. Further, the Act specifically provided that data submitted to the EPA in support of a request for registration of a label on or after January 1, 1970, will be considered to be eligible for compensation under provisions of the 1972 Federal Environmental Pesticide Control Act relative to the use of this data by another party seeking also to register a label for a pesticide on or after October 21, 1972.

A State is authorized by the Act to include in its plan for the approval of a private applicator to apply restricted-use pesticides a provision that the standards shall be deemed fulfilled upon his completing a certification form. The Administrator may require that the form contain affirmations to carry out the intent of the Act, including an affirmation that the applicator has completed an approved training program. The Administrator of EPA may not, however, require the applicator to take an examination, but this does not preclude a State from requiring an examination.

Further, the EPA is required by this legislation to provide interested farmers with information on "integrated pest management" as an alternative to the use of chemical pesticides.

Emergency Livestock Credit Act Extension (P.L. 94–35, approved June 16, 1975)—Congress continued its efforts to provide a measure of relief for hard-pressed livestock producers by broadening the program of emergency loans to cattlemen and other livestock producers. As enacted, the legislation allows the United States Department of Agriculture to guarantee up to 90% of the loans made to private lenders and livestock producers who qualify for an emergency loan. The previous limit was 80%.

Caught in a cost-price squeeze brought about by general economic problems, low demand for beef by consumers, and a decrease in beef prices, the livestock producers encountered a serious problem in obtaining credit. The new Act sets a limit of $350,000 per borrower, and authorizes one and a half billion dollars for the program. This new legislation is expected to aid not only the livestock producers and related agricultural producers but also the consumer by assuring the availability of an essential element of our food supply.

Commodity Futures Trading Commission Act Extension (P.L. 94–16, approved April 16, 1975)—In its last session, Congress enacted landmark legislation, the Commodity Futures Trading Commission Act of 1974 (P.L. 93–463). That Act was considered at the time as the most sweeping overhaul of commodity market regulation in half a century.

The amendments to PL 93–463 were necessitated by certain delays in the appointment of the five commissioners and in organizing the administrative structure of the Commission this legislation provides, among other things, for a 90-day delay from the effective date of the 1974 legislation within which the Commission must take certain actions. For instance, various provisional administrative actions are permitted during this period, as for example, authorizing the grant of provisional registration to futures commission merchants, floor brokers, etc. Also postponed for up to 90 days after the effective date of P.L. 93–463 was a Commodity Futures Trading Commission requirement for approval of contract market rules and by-laws and authority to issue provisional designations as contract markets. Other deadlines for various procedural actions were also extended.

Rural Electrification Loan Program Amendment (P.L. 94–124, approved November 4, 1975)—This legislation amends the original Rural Electrification Act of 1936 by making three changes of a largely clarifying and technical nature. The first change adds statutory language to expressly authorize in the discretion of the Administration the assignment of the Rural Electrification Administration (REA) loan guarantees so as to eliminate questions concerning the assignability. The second amendment clarifies a provision which provides for REA contracts of insurance and guarantees to be supported by the full faith and credit of the United States to assure that such contracts shall be incontestable except for fraud or misrepresentation "of which the holder had actual knowledge at the time it became a holder."

Finally, the Act contains an amendment to the REA Act which would require an annual authorization from Congress for each fiscal year after September 30, 1976, for appropriation needed for administration of the Act, thus providing for more effective congressional oversight.

Consolidated Farm and Rural Development Act Amendment (P.L. 94–68, approved August 5, 1975)—Congress amended the Consolidated Farm and Rural Development Act of 1972 to simplify the procedures under which loans are made under the emergency farm disaster program administered by the Farmers Home Administration. The Rural Development Act of 1972, passed by Congress as a result of damages by Hurricane Agnes on the east coast and extensive floods in the midwest, authorized emergency loans at a 1% interest rate with a $5,000 forgiveness feature to last one year.

High Federal expenditures for these disaster loans, however, caused Congress in 1973 to clear legislation terminating the forgiveness provisions and raising the interest rate to 5%. In late 1973, Congress attempted to pass legislation restoring the favorable loan terms but the bill was vetoed by the President.

In the new legislation, Congress broadened the coverage to include, besides farmers and ranchers, persons engaged in aquaculture, that is, the husbandry of aquatic organisms, for example, oysters, under a controlled or selected environment.

The new legislation requires the Secretary of Agriculture to designate an emergency area if he finds that a natural disaster has substantially affected farming, ranching, or aquaculture operations. The Secretary of Agriculture is permitted to delegate to a state director of the Farmers Home Administration authority to make emergency loans if he finds that 25 or less operations in an area not formally designated by the Secretary have been substantially affected by a natural disaster. Emergency loans are authorized only to victims unable to obtain sufficient credit elsewhere at reasonable rates and terms.

The interest rate on emergency loans made for actual losses is limited to 5 percent. Subsequent annual emergency loans at commercial rates of interest are authorized for up to five years for borrowers who need credit to continue operations and who cannot obtain financing elsewhere. The legislation also requires the Secretary of Agriculture to appear annually before the Agriculture Committees of the House and Senate to justify budget requests to carry out the Consolidated Farm and Rural Development Act and amounts estimated to be utilized from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund.

Tobacco Price Supports (HR 9497, vetoed by the President September 30, 1975)—HR 9497 would have changed the formula by which tobacco price supports are calculated to a marketing year basis from the existing calendar year basis. The effect of the bill would have been an increase in tobacco price supports.

Supporters of the bill argued that the change was necessary to reflect more accurately tobacco marketing conditions. A modest price support increase was claimed to be needed to keep pace with the higher cost of tobacco production. The bill was vetoed by President Ford, his eleventh veto of 1975, on September 30.

Emergency Agriculture Act of 1975 (H.R. 4296, vetoed by the President May 1, 1975)—An emergency farm bill that would have provided one-year increases in farm price supports and income guarantees, was considered necessary by its supporters in order to assure adequate production in a period of declining farm income and to offset sharply rising production costs for farmers. The bill was passed with the view that such increases would provide an incentive for maximum production during the coming growing season.

As cleared for the President, H.R. 4296 would have increased target prices and loan and purchase levels on 1975 crops of cotton, corn, and wheat, and would have provided for price support on milk at 80 percent of parity with quarterly adjustments for the period ending March 31, 1976, to reflect estimated changes in prices paid by farmers. Loan periods for various farm commodities were also extended to 18 months. A loan and purchase program for the 1975 crop of soybeans was required—none was in effect at that time. Under the target price concept, the government agreed to make payments to farmers with allotments when the market price of their crop fell below a price set by law. The loan program would have permitted the farmer to receive non-recourse loans on his crop at rates below the target prices.

Grain Inspection (P.L. 94– , approved)—Spurred by the disclosure of widespread fraud and corruption in the grain export trade, Congress enacted legislation designed to strengthen and improve the inspection procedures. In the past, inspectors were licensed by the Department of Agriculture, but employed by State agencies, trade associations, or private inspection agencies. This system, characterized by a General Accounting Office report as lacking in effective controls, procedures or lines of authority, gave rise to constant conflicts of interest and law violations, capped within the last two years by numerous Federal indictments and convictions.

The new Act creates a new inspection and weighing service within USDA. The Administrator of the new service will be appointed by the President with the consent of the Senate. There will be no fixed term of office.

Federal inspection and weighing supervision is mandated at all export points. However, at the discretion of the Administrator, those State agencies performing official inspection and weighing as of July 1, 1976, and who meet qualifying criteria of the new Act will be eligible for delegation to continue to perform those services. All private agency inspection at export would be eliminated.

At all interior points, those State and private agencies presently performing official inspection will be eligible for redesignation for a three-year period if such agencies meet qualifying criteria, including new conflict of interest requirements. Within two years of the effective date of the Act, the Administrator is required to make an investigation in conjunction with the Office of Investigation, USDA, and the General Accounting Office as to the efficiency and efficacy of the performance of interior inspection and weighing. He will report the findings of his investigation to the appropriate Committees of Congress. The Act includes residual authority for original inspection by USDA.

The requirement for official weighing supervision and certification of weights at all interior points will be at the discretion of the Administrator.

New conflict of interest language prohibits any official inspection or weighing agency or its personnel from having any interest directly or indirectly in any business or entity which merchandises, stores, handles or transports grain. However, a special waiver privilege for certain types of conflict of interest will be permitted those Grain Exchanges, Boards of Trade, and Chambers of Commerce performing official inspection or weighing. The Administrator must report the reasons for such waivers to the appropriate Committees of Congress within 30 days.

All grain firms engaged in business of buying grain for export and in handling, weighing or transporting grain for export (except for transportation firms which have no interest in grain, producers and feeders) will be required to register in order to engage in such export business. Registration will require names of directors, principal officers, names of all persons in a control relationship with respect to such business, list of locations where the business conducts substantial operations and any other information the Administrator deems necessary. Registrations may be revoked by the Administrator for Grain Inspection Act irregularities. Prior Administrative Procedures Act hearings would be required for revocation of registration.

The maximum civil penalties for knowing violations of the Act have been raised to $75,000.

The maximum criminal penalties for knowing violations of the Act would be raised from 6 months/$3,000 to 12 months/$10,000. For second or succeeding violations they would be raised from 1 year/$5,000 to 5 years/$20,000.

The Administrator is authorized to conduct overseas monitoring of grain exports.

Under the new Act, all Washington, D.C. based administrative and supervisory personnel costs would be supported by appropriations. All other inspection and weighing services would be supported by user fees.

The new Act will become effective six months after President signs the law. Export points will have one year after effective date of Act to come into compliance. Interior points will have a two-year period of compliance.

Beef Research and Information Act (P.L. 94–294, approved May 28, 1976)—Recognizing the severe financial troubles suffered by the cattle industry in the last several years, Congress provided the means for cattle producers to join together to promote their industry by passing the Beef Research and Information Act. To assist the industry in the program, Congress authorized a Beef Board to be established by the Secretary of Agriculture, if the program is approved by a referendum of cattle producers. The Board will lead this industry self-help program in researching better and more efficient methods of beef production, and developing markets for improved beef products.

The program is to be funded by value-added assessments, collected at various stages of the cattle producing process, levied on all cattle except that slaughtered for the producers' own home consumption. The assessment rate is to be no greater than one-half of one percent of the final value of the transaction; this money will pay for the actual research and promotion, as well as the costs of the referendum and reimbursement to the Federal Government for certain expenses incurred in conducting the referendum. While individual producers who do not wish to support this program are entitled to a refund of any assessments levied against them, any producer refusing to collect or remit an assessment will be liable for a civil penalty not to exceed $1,000 for each such violation.

The program must be approved by a two-thirds majority of the referendum in which at least 50% of registered cattle producers vote. The Secretary of Agriculture will then appoint the sixty-eight Board members from nominations submitted by eligible producer organizations, associations, general farm organizations, etc., within each geographic area.

Congress intended that this program would be a vehicle for lowered beef production costs, improved beef products, and increased merchandising and marketing efficiency. The plan also calls for continued research on nutritional value of beef and beef products, and provides an opportunity for efficient private research.

Animal Welfare Act Amendments (P.L. 94-279, approved April 22, 1976)—Congress acted to safeguard the welfare of animals being shipped in interstate or foreign commerce by amending the Federal Laboratory Animal Welfare Act of 1966. Besides providing generally for humane treatment of animals being shipped, the Act prohibits the interstate shipment of dogs for the purpose of dog-fighting, and bans similar shipment of live birds for cockfighting, if the fights are to take place in a State where that activity is illegal.

In protecting animals during transit, Congress brings carriers and intermediate handlers under the jurisdiction of the Secretary of Agriculture, who, in consultation with the Federal transportation regulatory agencies, is authorized by regulations to set standards for containers, food, ventilation, and other factors that affect animals in transit; to inspect records of the carriers and handlers; and to impose a civil penalty of up to $1,000 for violations by dealers and other persons subject to the Act. In addition, the amendments require that certain animals be shipped only with veternarians' health certificates, and prohibit shipment of dogs, cats, and certain other animals below such minimum age as may be established by the Secretary. COD transportation of animals is prohibited unless the round-trip transportation charges are guaranteed by the consignor and Federal research facilities are required to demonstrate to the Secretary at least annually that professionally acceptable standards governing the care, treatment, and use of animals are being followed.

Milk Price Supports (S.J. Res. 121, vetoed by the President January 30, 1976)—In an effort to bring relief to dairy farmers caught in a cost-price squeeze brought about in part because of increased foreign imports and increased production costs, Congress approved quarterly adjustments of the price support levels for milk and an increase in the support price to a minimum of 85% of parity. Under existing law, support prices are geared to the index of family living, a statistical measure which does not reflect rapidly rising production costs.

The vetoed legislation would have keyed the support price to changes in the index of prices paid by farmers for such items as feed and fertilizer, as well as interest, taxes and wage rates. The adjustments would have been made quarterly, in order to make the price support level more responsive to the farmers' needs, and to stabilize the market.

Agricultural Pest Control Act (P.L. 94-231, approved March 15, 1976)—Recognizing that world agricultural independence make pest control an international concern, Congress amended the Department of Agriculture Organic Act of 1944 to authorize cooperation in pest control with all countries of the Western Hemisphere or the local authorities thereof, and with international associations, to carry out programs designed to eradicate and control plant pests. Prior law only authorized such cooperation between the United States, Mexico, Canada, the Central American countries and Columbia. The legislation authorizes the Secretary of Agriculture to issue rules and regulations as necessary to inspect plants being imported or exported to, or transiting the United States. A further provision extends his authority over animal disease control to include the carriers of animal diseases. Congress deemed this extension necessary to allow the Secretary to take action against plant pests, as defined in the Act, that threaten plants in the United States, such as the Mediterranean fruit fly infestation currently spreading in Central America and Mexico.

Forest Management Act (P.L. 94— , approved October , 1976)—The Federal Courts have recently decided cases in three states which prohibit the sale of timber from national forest lands except for dead, physically mature, or large trees which have been individually marked. This strict intepretation of a clause of the Forest Service Organic Act of 1897 severely restricts and in most cases effectively prohibits the use by the Forest Service of a number of forest management systems, including clear-cutting and commercial thinning which are essential to sound forest management. The National Forest Management Act of 1976 is respectful of multiple use of the national forest in directing the Secretary of Agriculture to include in the Renewable Resource Program recommendations which evaluate major Forest Service objectives; explain opportunities for forest and rangeland owners to improve their land; recognize the need to protect soil, water, and air resources; and state national goals with respect to renewable resources.

This legislation allows for public participation in Forest Service land management planning, and requires the Secretary of Agriculture to develop sound environmental guidelines patterned after the so-called Church Committee Guidelines to control land management plans and practices of the U.S. Forest Service conducted in accordance with the Renewable Resources Planning Act. In regard to the even-flow non-declining yield principle, under which timber sales would be limited to an amount equal to or less than a quantity which can be removed annually in perpetuity, the Congress reached a compromise which allows the Secretary discretion to establish an allowable sale quantity for any decade which departs from the projected long-term average sale quantity that would otherwise be established. This provision gives the Secretary reasonable flexibility to meet overall multiple use objectives and unique problems that might arise in certain areas of the country, so long as any departure is consistent with the relevant forest land mangement plan.

The Secertary is directed to identify lands unsuitable for timber production, and to prohibit any harvesting on such lands for a period of ten years, except for salvage sales or sales necessitated to protect other multiple use values. During that time, the lands are to be reforested and treated pending review of the unsuitability determination, which must occur at least every ten years. It is intended that both the original and review determinations will take into consideration to the extent feasible, as determined by the Secretary, factors such as environmental concerns, physical problems, and other relevant considerations. Another area in which the Secretary may exercise some flexibility is in establishing standards to insure that stands are harvested at maturity, during the period when the stand reaches the culmination of mean annual increment of growth. While this is the long-range objective, it is recognized that exceptions may be necessary to achieve other desirable objectives of multiple use and sustained yield.

To obviate collusive practices in bidding for timber sales, the Secretary is required to use sealed bidding except where he determines otherwise by regulations which shall accord flexibility to vary from sealed bids when protection of the economic stability of dependent communities or other considerations indicate the advisability to do so.

The Act further authorizes $200 million annually, commencing with fiscal 1978, to carry out a program delineated in the legislation whereby lands within the National Forest System in need of reforestation will be treated within eight years and kept current thereafter.

This legislation is designed to build our forests as a bulwark of renewable resources, and to provide a perpetual high yield of multiple use benefits. It is a sound flexible conservation act that relies on Congressional goals and guidelines supplemented by regulations that are developed by experts, with public participation, instead of placing the burden on the Congress to prescribe specific forestry techniques for every situation.

Farmer to Consumer Direct Marketing Act (P.L. 94-463, approved October 8, 1976)—Recognizing the current interest of many consumers in obtaining quality produce directly from the farmer, Congress passed the Farmer-to-Consumer Direct Marketing Act of 1976. This law authorizes appropriations through September 30, 1978 to be made available to State departments of agriculture and the Extension Service of the United States Department of Agriculture to provide technical assistance to individuals or groups who wish to establish and maintain a direct food marketing outlet. A nationwide survey of direct marketing arrangements, and a year-end report on the effectiveness of the Act are to be projects of the Department of Agriculture.

The legislation also requires the President, in carrying out any emergency hay supply program, to direct the Secretary of Agriculture to pay 80% of the cost of transporting hay (up to $50 per ton) from areas in which hay is plentiful to the emergency hay areas. The previous rate for this program was two-thirds of the costs, up to $27 per ton; the continuing drought situation in many areas of the country has caused hay prices to skyrocket, thereby putting many cattle raisers out of business.

Rural Electrification (P.L. 94-510, approved October 20, 1976)—Aiming to correct unintended inequities in the way interest rates are determined for electric and telephone borrowers from the Rural Electrification Administration (REA) and save millions of dollars of expenditures, Congress passed technical amendments to the Rural Electrification Act of 1936.

The Rural Electrification Act was originally passed to enhance the quality of rural life by giving non-urban communities access to reliable electric and telephone service. The Act stimulated such service by providing special low interest rates on insured and guaranteed loans to qualified electric and telephone organizations. In 1973 the Act was amended to make insured loans available at the special rate of 2 percent to borrowers who met certain specified criteria and at the standard rate of 5 percent to borrowers who did not qualify for the special rate.

However, there has been a substantial increase in the number of eligible borrowers at the 2 percent rate due to one of the Act's original conditions for low interest rates. The Act permitted a company insured loan at the 2 percent rate if the organization's average gross revenue was at least $450 below the national gross-revenue-per-mile average for electric borrowers, and at least $300 below the national average for telephone borrowers. But in recent years, because some electric cooperatives with wholesale hydroelectric purchasing power have increased their profits and elevated the national gross revenue average, a number of electric companies—despite an increase in gross revenues—have fallen into the sub-$450 category and for a comparable reason a number of telephone companies have fallen into the sub-$300 category.

Congress, concerned that low interest loans be extended only to those companies in genuine need of assistance, revised the eligibility formula. The new formula to qualify for 2 percent loans for electric borrowers is based on a ratio between revenue and investment and for telephone borrowers raises the population density criteria and eliminates the revenue criteria.

The Senate Committee on Agriculture and Forestry estimated that the revised loan formulas will save $40.8 million over the next five years. The new Act contains a grandfather clause to protect borrowers with applications pending on the date of enactment of the Act.

AGRICULTURE AND RURAL DEVELOPMENT OTHER LEGISLATION

Farm Credit Eligibility Standards (P.L. 94-184, approved December 31, 1975)—The Farm Credit Eligibility Standards Act (HR 7862) amends the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers and enlarges the access of production credit associations to Federal district courts.

The 1971 law restricted the Banks for Cooperatives to loans to cooperatives in which 80% of the voting control is vested with farmers required to be producers of agricultural products. Public Law 94-184 lowers that requirement to 70%, thus making it possible for more public utility cooperatives to borrow from the Banks and give them access to the private money market.

The new Act is another example of congressional response to the impact of the migration to rural areas of non-farm people and businesses. With this movement has come the increased need for credit by public utilities and cooperatives. The legislation was supported by the Farm Credit Administration, the United States Department of Agriculture, and numerous farm organizations. No cost is expected to be incurred by the Federal Government because farm credit institutions are privately financed.

Insecticide Act Extension (P.L. 94-51, approved July 2, 1975)—P.L. 94-51 extended the authorization for appropriations of the Federal Insecticide, Fungicide, and Rodenticide Act for three months, July 1 through September 30, 1975. Stop-gap legislation became necessary when it was revealed during hearings on a bill extending the appropriation authorization of the original Act for a longer period that there existed a number of controversial issues surrounding the administration of the Act by the Environmental Protection Agency (EPA). Specifically, a degree of controversy surrounds three areas of EPA: the establishment of a "hot-line" to report pesticide abuses; the certification of private applicators of restricted-use pesticides; and the ban on using certain pesticides that were considered the primary means of combating pest and predator problems.

Insecticide Act Amendment (H.R. 12944, vetoed by the President August 13, 1976)—Congress acted to extend the authorization for funding the Environmental Protection Agency's pesticide program for an additional six months, from April through September, 1977. Attached to the extension was an amendment authorizing either House of Congress to veto by simple resolution, any pesticide regulation adopted by the EPA, within 60 days of that adoption. Supporters of the provision argued that the disapproval provision was necessary for more effective oversight of the program.

Forest Service Program (P.L. 94-148, approved December 12, 1975)—As a step toward the efficient and productive arrangement of forest resources, H.R. 10027 authorizes the Secretary of Agriculture to enter into cooperative agreements in certain Forest Service programs when the public interest will be benefited and where there exists a mutual interest other than monetary considerations. The Act is necessary to clarify and expand authority relating to existing cooperative agreements.

The Act provides clear authority to the Forest Service to engage in cooperative agreements with public or private agencies, organizations, institutions, or private agencies to construct, operate, and maintain cooperative pollution abatement equipment and facilities, including sanitary landfills, water systems, and sewer systems; to engage in cooperative manpower and job training and development programs; to develop and publish cooperative environmental education and forest history materials; and to perform forestry protection, including fire protection, timber stand improvement, debris removal, and thinning of trees.

Rabbit Meat Inspection (Pocket vetoed October 18, 1976)—Until now, rabbit meat has not been subject to mandatory inspection by the Federal Government. In response to rapid gains in popularity of the meat, Congress moved to extend the provisions of the Poultry Products Inspection Act to include rabbit meat and by-products, to insure that the consumer gets wholesome, unadulterated, and correctly labeled meat This legislation would have replaced the current voluntary inspection process, in order to assure the uniform certification of the wholesomeness of rabbit, whether the meat is prepared in the United States or abroad. It was argued that Federal inspection is expected to accelerate consumer acceptance, create stability, and provide economic incentive for the expansion of the rabbit processing industry.

Agriculture Department Dependents (P.L. 94-449, approved October 1976)—This legislation amends the Agriculture Act of 1954 to authorize the Secretary of Agriculture to provide orientation and language training programs for families of officers and employees of the Department of Agriculture in anticipation of an assignment abroad, or while abroad. Government training facilities are to be used whenever practicable.

Protection of Livestock Producers (P.L. 94-410, approved September 13, 1976)—Prompted by the 1975 bankruptcy of a major midwestern meat packer, Congress moved to protect livestock producers from financial losses when selling their cattle to packinghouses. These amendments to the Packers and Stockyards Act of 1921 require a majority of packers to be bonded, and require them to hold in trust all livestock, meat, and proceeds therefrom until producers from whom livestock were brought have been paid. Also, if the Secretary finds any packer is insolvent, he may order the packer to cease and desist from purchasing livestock altogether, or from purchasing livestock except under such conditions as the Secretary may prescribe. Packers whose average annual livestock purchases amount to no more than $500,000 are exempt from the bonding and trust provisions but not the solvency or other requirements of the Act. While the legislation specifies federal preemption with respect to the bonding and trust provisions, States are not precluded from enforcing State laws governing purchases at stockyards which are not inconsistent with the Act, or State laws that cover packers not subject to this Act. In addition, packers purchasing livestock for slaughter are required to make full payment at the point of transfer of possession not later than the close of the next business day. Wholesale brokers, dealers, or distributors of meat are brought under regulation as packers. The Secretary of Agriculture may seek court injunctions to prevent packers from operating without a bond or while insolvent and he is authorized to impose civil penalties of up to $10,000 against violators of the Act.

Horse Protection Act Amendments (P.L. 94-360, approved July 13, 1976)—The present horse protection program began with enactment of the Horse Protection Act of 1970, but has proved to be indaequate because of statutory limitations on enforcement authority, tax enforcement methods, and limited resources available to carry out the law. These amendments are principally directed to the elimination of the practice of "soring", by which a horse's gait is artifically altered by the infliction of pain rather than by careful and patient training.

This legislation enlarges the defintion of "sore" to include acts that are knowingly done even if not willfully done, to produce the sore. It also prohibits the showing, exhibition or sale of a horse that is sore, provides stiffer civil and criminal penalties for soring violations, and provides that any paraphernalia used to sore are subject to seizure and condemnation. The Secretary of Agriculture is authorized to oversee horse shows, exhibits and sales, to subpoena testimony of witnesses and production of documents, to detain horses for inspection, and to provide nonfinancial assistance to states also trying to prevent soring. Authorization for appropriations was greatly increased to boost the inspection capacity of the Department of Agriculture.

Control of the African Honeybee (P.L. 94-319, approved June 25, 1976)—Congress acted to protect American citizens, livestock and crops from the aggressive traits of the African Honeybee by amending the existing Honeybee Act of 1922 to limit the importation of such honeybees in all of their life stages except under specified conditions determined by the Secretary of Agriculture. Under present law, only the importation of adult honeybees is prohibited. Certain exceptions can be made by the Secretary of Agriculture. The Secretary is also authorized to cooperate with domestic and foreign officials to eradicate and control the spread of undesirable species of honeybees, including all forms of the African Honeybees.

Rice Production Act of 1975 (P.L. 94-214, approved February 16, 1976)—In order to allow the rice industry greater flexibility to meet domestic and foreign demand, Congress opened up rice growing to more farmers by removing limitations on the production of rice and by changing to a target price system from a quota system. The Agricultural Adjustment Act of 1938 is amended for the 1976 and 1977 rice crops to establish a market oriented policy similar to that provided for wheat, feed grains and cotton by the Agriculture and Consumer Protection Act of 1973.

Program benefits in the form of payments and loans are limited to old growers of rice. Acreage allotments are increased, and apportioned among those farmers who previously held allotments; these figures would determine the amounts of benefits for each old grower. A target price of $8 is set: if the market price falls below this, old growers can collect subsidies up to $55,000. If the market price falls below $6, these farmers are eligible for loan guarantees. There are several features that would protect the farmers who hold acreage allotments under the old system if surpluses glut the market. The Secretary of Agriculture is allowed to provide for setting aside cropland to conservation uses if the surplus exceed 15 percent of the total supply: farmers would have to comply with such an order to receive benefits.

These provisions, coupled with authorization for rice production research programs, demonstrate Congress's commitment to meet the world's ever growing food demands through new approaches to agricultural management.

Wool Act Payments (P.L. 94-312, approved June 21, 1976)—Under the National Wool Act of 1954, a support price is established to encourage the production of wool: the rate of payment is the percentage necessary to bring the average national price received by wool producers up to the support price. Individual payments are determined by multiplying that uniform percentage by the actual price received by the producers, whether that price was above or below the support price.

This legislation allows the Secretary of Agriculture to amend USDA regulations retroactively to permit full payments to wool producers who realized less than the full price for their wool because of the bankruptcy of the company to whom they sold their wool. Payments will be based on either the net sales proceeds the producer would have realized had he received full payment, or the fair market value at the time of sale, whichever is less. The act is retroactive to provide a remedy for producers who were denied full payment in 1969 and 1970 after the failure of a marketing agency. Current USDA regulations, accord the Secretary administrative discretion to insure equitable treatment of producers in such special circumstances.

Agricultural Census (P.L. 94-229, approved March 15, 1976)—This act amends Section 142 of Title 13, United States Code, to require a census of agriculture in 1979, 1983, and every fifth year thereafter, and an irrigation and drainage census in 1979, 1988, and every tenth year thereafter. These counts are already required by law: this legislation changes the time of the census so that the information will be collected at the same time as data for the economic census of manufacturing, mining and industry.

The legislation also delayed temporarily the effective date of a new definition of "farm" announced by the Departments of Agriculture and Commerce. The new classification raises the minimum annual agricultural production monetary requirement from $250 to $1,000 for a place to be considered a farm. Congress felt that the redefinition could have serious implications for the small family farm, and so allocated time for the full effects of such a change to be studied.

Rural Development Amendment (P.L. 94-259, approved April 5, 1976)—The Rural Development Act of 1972 was passed by Congress in its continuing effort to improve the quality of life in rural America. Title V of that Act authorizes the expenditure, in fiscal year 1976, of $20 million for research and education programs: this amendment will extend authorization for these activities through fiscal year 1979.

Section 2 of this legislation amends the Farm Labor Contractor Registration Act of 1963, to exempt custom combine operators, hay harvestors, and sheep shearers from the provisions of that law. The Registration law is intended to end abuses against migrant farm laborers and farmers who use the services of farm labor contractors; the workers now exempted are more skilled and professional, and have no record of exploiting their employees. This legislation relieves these custom workers from unnecessary and inappropriate regulation.

Civil Liberties, Constitutional and Women's Rights

MAJOR LEGISLATION

Voting Rights Act Amendments (P.L. 94-73, approved August 6, 1975)—The 94th Congress gave priority consideration to extending the temporary provisions of the Voting Rights Act of 1965 which were scheduled to expire on August 6, 1975. Considered by many to be the most effective civil rights law ever enacted, the Act is credited with increasing the registration of blacks by almost one million in the seven states covered from 1965–1974 and increasing the total of black elected officials in the south from 248 in 1968 to 1398 in 1974. Significant expansion of the Act occurred during congressional deliberations. In extending the Act Congress permanently banned literacy tests and incorporated into the turnout/registration coverage formula the 1972 presidential election in addition to those of 1964 and 1968. In an important expansion, provisions were included to extend voting assistance to specified language minorities, defined as American Indian, Asian American, Alaskan Native, and those of Spanish heritage.

Title I of the Act extends for seven years the coverage of those States or political subdivisions which must obtain preclearances from the U.S. Attorney General or the Federal district court in Washington, D.C. before making any changes in their election laws. The Title also authorizes the Department of Justice to dispatch Federal registrars and poll watchers into the covered jurisdictions to supervise voter registration and election procedures.

Title II of the Act extends its protections to language minorities in any jurisdiction in which the Census Bureau determines that more than 5 percent of the voting age citizens are of a single language minority, that election materials in the 1972 presidential election were printed only in English, and that less than 50 percent of the voting age citizens registered or voted in the 1972 presidential election.

Title III requires jurisdictions, whether covered under Titles I or II or not, to provide electoral materials in languages other than English if more than 5 percent of the voting age citizens are members of a single language minority and, as a group, have an illiteracy rate higher than the national average.

Title IV offers a significant incentive for minority groups to assert their rights under the Act by authorizing individuals, as well as the Department of Justice, to bring suit to obtain preclearance and federal examiner remedies. And attorneys' fees may be paid to the prevailing party in suits brought under the 14th and 15th Amendments to enforce voting right guarantees.

The Act, as amended, now covers portions of 23 States and should have the effect of significantly increasing the voting participation of racial and linguistic minority groups in the United States.

The Civil Rights Attorney's Fees Awards Act of 1976 (P.L. 94-539 approved October 19, 1976)—This legislation, introduced as S. 2278, amends Revised Statutes section 722 (42 U.S.C. Sec. 1988) to allow a court, in its discretion, to award attorneys' fees to a prevailing party in suits brought to enforce certain civil rights acts. This legislation, recognizes the fact that many citizens, who sue for enforcement of the law in civil rights cases, have little or no money with which to hire a lawyer. This measure, thereby, affords these citizens with the opportunity to recover what it costs them, in attorneys' fees, to assert their rights in court.

S. 2278, coming up for consideration at the close of the session, did not see easy passage in the Congress. In the Senate, the bill survived a cloture vote (63-26), and several other motions which would have tabled it indefinitely. It was amended in the Senate to allow the recovery of attorney's fees to prevailing defendants in actions brought by the federal government to enforce or charge a violation of the Internal Revenue Code. S. 2278 passed the Senate by a vote of 57-15. In the House, the bill had to be called up by special rule; and a motion to recommit it to the House Judiciary Committee was also defeated (104-268). S. 2278 passed the House by a vote of 306-68.

S. 2278 will amend the language of the Revised Statutes section 722 (42 U.S.C. Sec. 1988) by adding the following: "In any action or proceeding to enforce a provision of sections 1977, 1978, 1979, 1980 and 1981 of the Revised Statutes, title IX of Public Law 92-318, or in any civil action or proceeding, by or on behalf of the United States of America, to enforce, or charging a violation of, a provision of the United States Internal Revenue Code, or title VI of the Civil Rights Act of 1964, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs."

Equal Credit Opportunity Act Amendments of 1976 (P.L. 94-239, approved March 23, 1976)—This law amends Title VII of the Consumer Protection Act to include nondiscrimination provisions on the basis of race, color, religion, national origin, or age.

As a result of the conference report (H. Report 94-873) the major provisions are that: (1) lenders inform credit applicants of their final decision and provide the reasons for rejections if requested; (2) there be an increase to $500,000, or 1 percent of the creditor's net worth in the recovery ceiling applied to class action discrimination suits; (3) there be a prohibition on credit discrimination based on receipt of public assistance payments or exercise of rights under the consumer credit law; (4) permission be granted for creditors to include information about an applicants' age in a government-approved "audit scoring" system designed to determine creditworthiness; (5) a Consumer Advisory Council be created to advise the Federal Reserve Board on equal credit and truth-in-lending matters, and; (6) authorization for the Federal Reserve Board to exempt any class of business credit transaction from the law if the board decides such an exemption would not result in illegal credit discrimination.

With the inclusion of these new provisions P.L. 94-239 strengthens the 1974 Equal Credit Opportunity Act (P.L. 93-495) which banned credit discrimination because of sex and marital status, and credits the 94th Congress with ensuring credit equality for all creditworthy Americans.

OTHER LEGISLATION

International Women's Year—On December 15, 1970, the United Nations General Assembly proclaimed that 1975 would be designated as International Women's Year—to promote equality between the sexes, to ensure full integration of women in the total development effort, and to recognize the importance of women's increasing contribution to world peace. International Women's Year 1975, was proclaimed in the United States by Executive Order in January, 1974. Another Executive Order, issued in January, 1975, created a National Commission on the Observance of International Women's Year to reinforce the national commitment to women's rights. During this session, the House passed three measures specifically relating to IWY:

Resolution to Send a Congressional Delegation to the International Women's Year

Conference (H. Res. 371, passed by the House May 20, 1975)—The House voted to send a congressional delegation of eight Members of Congress to the International Women's Year Conference in Mexico City, June 19–July 2, 1975.

Concurrent Resolution in Support of International Women's Year 1975 (H. Con. Res. 309, passed by the House October 6, 1975)—The House passed a concurrent resolution to express full support for the goals of International Women's Year. The purpose of the measure is to encourage a continuing effort to establish new programs and form new attitudes toward the role of women, and to overcome obstacles that still inhibit women from exercising full rights and responsibilities in all fields of endeavor.

Nondiscrimination in House of Representatives Employment (H. Res. 5, passed the House January 14, 1975)—During the first session of the 94th Congress, the Houe adopted a change in the Rules of the House to provide "A Member, officer, or employee of the House of Representatives shall not discharge or refuse to hire any individual, or otherwise discriminate against any individual with respect to compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, sex, or national origin."

Maximum Income Level Increased for Persons Eligible to Deduct Certain Child Care Expenses from Income Tax (P.L. 94–12, approved March 29, 1975)—Provisions of a major tax bill (H.R. 2166) enacted during the First Session raise from $18,000 to $35,000, the maximum combined income level of married couples who may qualify for the full deduction of qualifying child care expenses up to $2,400 for one child ($4,800 in the case of two or more children). This increase in income limitation in the section of the tax code relating to expenses for household and dependent care services necessary for gainful employment recognizes the needs of many middle income two-earner families, whose additional employment-related child care expenses often cause financial hardship.

Admission of Women to Military Academies (P.L. 94–106, approved October 7, 1975)—An amendment to a military authorizations bill (H.R. 6674) enacted this session opens the major military academies for the appointment and admission of women, and requires the academies to provide equal admission standards for men and women. Women served in the U.S. Armed Forces in both World Wars, and the more recent conflicts in Korea and Vietnam. Numerous changes have been made in the past few years to increase the participation of women in military service, and open up areas of duty which previously had been barred to them. However, military academies have been exempted from bills enacted to provide equal rights for women in admission to educational institutions. Thus, the legislation enacted this session contributes greatly to the goal of providing equal rights for women in the military.

Nondiscriminatory Appointments of Coast Guard Cadets (P.L. 94– , approved October , 1976)—This legislation is similar to P.L. 94–106, which was enacted in 1975, to affect the Army, Naval and Air Force Academies. This new legislation requires that appointments to the United States Coast Guard Academy be made without regard to the race, sex, color, or religious belief of the applicant; and that the same standards for advancement be applied to both men and women, except for essential adjustments "because of physiological differences between male and female individuals."

Health, Education, and Welfare Appropriations (P.L. 94–206, became law by Congressional override, January 28, 1976. "Prohibition on the use of Health, Education, and Welfare funds for Busing.")—This law, while appropriating the funds for the Department of Health, Education, and Welfare, for fiscal year 1976, prohibits the use of such funds to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home and which offers the courses of study pursued by the student in order to comply with Title VI of the Civil Rights Act of 1964.

Increased Authorizations for the Privacy Protection Study Commission (P.L. 94–394, approved September 3, 1976)—This legislation, introduced in the Senate (S. 3435), authorizes the necessary funds to carry out the provisions that established the Privacy Protection Study Commission, under the 1974 Privacy Act. The law increases the appropriations to $2,000,000 for fiscal years 1976 and 1977 without fiscal year limitation. Previously, $1,500,000 was authorized to be appropriated for fiscal years 1975, 1976, and 1977 with a $750,000 expenditure limit for any one fiscal year.

Economic and Social Statistics of Spanish-Americans (P.L. 94–311, approved June 16, 1976)—This measure recognizes the need for, and requires the collection of up-to-date statistical data on the Nation's more than 12 million Americans of Hispanic heritage in order to afford Hispanics improved governmental services; thereby enabling those persons "to begin to lift themselves out of the poverty they now endure."

The law requires the Departments of Labor, Commerce, the Office of Management and Budget and other data-gathering Federal agencies to develop a Government-wide program for the collection, analysis, and publication of meaningful data with respect to Americans of Spanish origin or descent.

CONSUMER AFFAIRS

MAJOR LEGISLATION

Repeal of Federal Sanction of Fair Trade Laws (P.L. 94–145), approved December 12, 1975)—In 1937, Congress passed the Miller-Tydings Act, which created an exemption to the Federal antitrust laws for resale price maintenance agreements where such agreements were expressly permitted by State law; such laws are commonly known as "fair trade" laws. The justification for fair trade laws was to protect small family-owned retail outlets from price-gouging by discount chains. Proponents of this view argue that these independent retailers frequently provide ongoing service of the product and individual attention to the customer's needs, which add to their overhead and prohibit them from competing effectively in price with the chain stores. However, this argument finds no real support in the facts. Moreover, even if true, consumers should have the freedom to choose between paying more for these services and buying nothing but the unadorned product at a lower price from a competitor. Indeed, testimony before congressional committees indicated that many consumers are in fact willing to pay a somewhat higher price for the convenience, courtesy, and service which small retailers are uniquely situated to provide. In any event, the repeal of Federal sanction of fair trade laws constitutes a small but not insignificant move toward a more competitive economy, with resulting benefits to consumers in the twenty-four States retaining fair trade laws.

Consumer Leasing Act (P.L. 94–240, approved March 23, 1976)—Once again this Congress can take pride in action which benefits our Nation's consumers. With the passage of the Consumer Leasing Act, a loophole which had existed in previously adopted disclosure laws has been eliminated. This most important legislation will guarantee every consumer full disclosure of all the terms of any lease before it is signed. It will eliminate once and for all misleading information with regard to the size of periodic payments and more importantly, because it has happened frequently, it will eliminate surprise balloon payments at the termination of a lease.

Although the Truth in Lending Act of 1968 required disclosure of lending terms, it was recently found that this legislation did not require disclosure of terms in a rapidly growing field of lending namely, the leasing of automobiles and other consumer products which were not intended to be purchased ultimately by the lessee. Many innocent consumers made such lease arrangements without the benefit of sufficient information to assure a logical choice either between leasing agencies or between the options of leasing vs. purchasing. This 1976 legislation provides the consumer with a conspicious and written disclosure of all the terms of the lease, including the amounts each payment, the insurance responsibilities required of the lease, the identity of the party responsible for maintenance of the lease item and a definition of this responsibility, and a declaration of the full market value of the leased item, the aggregate cost of the lease and the differential between these two figures.

These tough disclosure requirements are backed up by provisions making any lessor liable to any person who suffers actual damages from noncompliance. Class action suits are permitted and punitive damages can be awarded of $500,000 or 1 per cent of the net worth of the violator whichever is the lesser. These enforcement provisions assure compliance with the disclosure requirements of this Act.

Consumer Product Safety Commission Improvements Act (P.L. 94–284, approved May 11, 1976)—In October 1972 Congress created the Consumer Product Safety Commission to promulgate mandatory safety standards for consumer products and establish an injury information clearinghouse to collect information relating to the causes and prevention of injury, illness or death associated with consumer products. At that time the functions of the Federal Hazardous Substances Act, The Poison Prevention Packaging Act and the Flammable Fabrics Act were transferred to the commission.

As a result of oversight of the commission for the period for 1973–1976, this Congress has taken action to strengthen and clarify the Commission's authority.

An important feature of the Act is that it provides the Commission with the authority to represent itself in injunctive actions, and to initiate civil judicial matters if the Justice Department does not agree to represent the Commission within 45 days of being so notified. Furthermore, the Commission now has the authority to seek a preliminary injunction to restrain the distribution in commerce of a consumer product which it believes prevents a substantial hazard. Ironically, the original legislation provided the commission with authority to require a manufacturer to recall a dangerous item, but could not prevent it from producing and distributing identical items; this is a particularly significant step inasmuch as recall rates on manufactured items are rather low.

Congress has also shored up the commission with additional staff and guaranteed the commission's political independence by preventing the commission's appointments from being reviewed or approved by the Executive Office of the President.

Not only the consumer is the beneficiary of these amendments. Ambiguities in the early law have been clarified which will ease the burdens placed on the manufacturer as well. There will now be a uniform State law preemption by the four acts administered by the commission. This means that manufacturers will no longer be faced with the uncertainty and potential burden of complying with State standards which differ from national safety standards. Also manufacturers can now hold the commission accountable. Private parties will have standing to sue the Consumer Product Safety Commission for certain wrongful actions including misrepresentation or deceit on the part of the commission or its employees as well as any exercise or performance of, or failure to exercise or perform, a discretionary function which is grossly negligent. This provision should reassure manufacturers that they do have a recourse if they feel that the commission has treated them unfairly.

OTHER LEGISLATION

Gold Labeling Act of 1976 (P.L. 94-450, approved October 1, 1976)—The purpose of this little noticed but important piece of legislation is to upgrade the standards used in the marking of articles made from gold. The standards employed up until this Congress took action were those which were established in 1906. Since the turn of the century, the technology has been developed to permit the production of items of solid gold with much greater precision. Because of the state of the art existent in 1906, rather large tolerances were allowed the manufacturers in stamping the gold content of articles made with gold. Such tolerances are no longer realistic or necessary. Furthermore, such standards do not provide the consumer with an accurate picture of what he is purchasing. This upgrading of standards is another example of the way in which this Congress has responded to the needs of the American consuming public.

ECONOMY

Major legislation

Business and Finance

Securities Acts Amendments of 1975 (P.L. 94-29, approved June 4, 1975)—After four years of reexamination of the competitive, statutory, and economic issues facing the securities markets, the securities industry, and public investors since the 1930's, Congress acted to remedy past problems and regulatory and self-regulatory deficiencies.

The securities markets of the United States are an important national asset, providing a means for millions of Americans to share in the profits of our free enterprise system and for new and growing businesses to raise investment capital. However, the statutory and regulatory structure of the securities markets has not kept up with economic and technological changes or with shifts in public investment patterns. The result has been operational breakdowns and economic distortions which have impaired public confidence in the securities markets and have at times posed threats to the viability of our entire equity investment system.

This legislation is designed to insure the fair and efficient operation of the securities markets of the United States, which are indispensable to the growth and health of this country's and the world's economy. The rapid attainment of a national market system as envisaged by this law is important, therefore, not simply to provide greater investor protection and bolster sagging investor confidence but also to assure that the country maintains a strong, effective, and efficient capital raising and capital allocating system in the years ahead.

The legislation specifically acts to remove Federal regulations and industry practices that restricted investors' access to the Nation's thirteen stock exchanges and over-the-counter market and significantly enlarges the Securities and Exchange Commission oversight powers over the stock exchanges and the National Association of Securities Dealers, which supervises the over-the-counter market outside the exchanges.

Depository Institutions Amendments of 1975 (P.L. 94-200, approved December 31, 1975)—This legislation (S. 1281) will extend the authority for the flexible regulation of interest rates on deposits and share accounts in depository institutions, extend the National Commission on Electronic Fund transfers, and provide for home mortgage disclosure.

Title I extends until March 1, 1977, the authority of financial regulatory agencies to establish (under Regulation Q) interest rate ceilings that may be paid by banks on time and savings deposits and by building and loan, savings and loan, homestead associations and cooperative banks on deposits, shares, and withdrawal accounts. A two-year extension will insure that deliberations not be interrupted during the present Congress as comprehensive financial reform measures are considered, including the consideration of measures designed to provide for an increase in the interest rate paid to the consumer-saver who, increasingly in recent inflationary years, has not received a fair return on his investment.

Title II reflects Congressional concern over the orderly development of electronic funds transfers. The rapid emergence of a large number of experimental payments mechanisms has raised a number of significant public policy questions and in future years their impact on substantive banking law and, in fact, on current comprehensive financial reform deliberations is incalculable. Public Law 93-495, approved on October 28, 1974, established the National Commission on Electronic Fund Transfers, which was not activated until October 6, 1975, with the President's nomination of the Commission's Chairman and announcement of the public members of the Commission. During this one-year period, a number of actions have been taken by the regulatory agencies generating multitudinous litigation at both the Federal and State levels. As a consequence, Title II extends the life of the Commission to permit two full years in which to operate and extends the requirement for an interim report for one full year.

Title III establishes a home mortgage disclosure system for the purpose of providing information to citizens, financial institutions, and public officials at all levels, both Federal and State. This title is discussed more fully under the "Housing" section of this report.

National Insurance Development Act of 1975 (P.L. 94-13, approved April 8, 1975)—Since its inception in 1968, the riot reinsurance program has enabled millions of homeowners, tenants, and businessmen to obtain fire and other essential property insurance at reasonable rates while substantially relieving insurers of the risk of loss from riots or civil disorders. The program has been and continues to be both viable and of significant value. Under this plan, the Federal Government agrees to reinsure insurance companies for riot-inflicted losses provided the insurance companies write fire insurance and extend coverage to homeowners and businesses who are unable to obtain coverage through normal commercial channels. At the present time, some 800,000 policies are in force for a total coverage of $16.2 billion. This legislation extends the riot reinsurance program for two years.

In addition, this law also extends for two years the Federal Crime Insurance program, which authorizes the Secretary of Housing and Urban Development to provide crime insurance coverages in States having critical problems of crime insurance availability or affordability. Since August 1971, the crime insurance program has enabled home owners, tenants, and businessmen in 14 States to purchase burglary and robbery policies at affordable rates without fear of cancellation because of losses while encouraging insureds, through its protective device requirements, to make their premises less vulnerable to burglaries. For many of the insureds, especially small businessmen, the program can mean the difference between solvency and insolvency in the face of crime losses, as well as the difference between staying in an urban location or abandoning it. One important aspect of the crime insurance program is that before a Government policy can be written, the insurance applicant, whether he be a homeowner or a businessman, must install certain protective devices to deter criminals. These devices range from dead bolt locks for homeowners to electronic burglar alarms for certain types of businesses.

Both riot reinsurance program and the crime insurance program operate at no cost to the taxpayer. No appropriated funds are used to run these programs. Instead, all premium income is placed in the National Insurance Development Fund and excess amounts in that fund are invested so as to bring an additional return to the fund.

Repeal of Federal Sanction of Fair Trade Laws (P.L. 94-145, approved December 12, 1975)—In 1937, Congress passed the Miller-Tydings Act, which created an exemption to the Federal antitrust laws for resale price maintenance agreements where such agreements were expressly permitted by State law; such laws are commonly known as "fair trade" laws. The justification for fair trade laws was to protect small family-owned retail outlets from price-gouging by discount chains. Proponents of this view argue that these independent retailers frequently provide ongoing service of the product and individual attention to the customer's needs, which add to their overhead and prohibit them from competing effectively in price with the chain stores. However, this argument finds no real support in the facts. Moreover, even if true, consumers should have the freedom to choose between paying more for these services and buying nothing but the unadorned product at a lower price from a competitor. Indeed, testimony before congressional committees indicated that many consumers are in fact willing to pay a somewhat higher price for the convenience, courtesy, and service which small retailers are uniquely situated to provide. In any event, the repeal of Federal sanction of fair trade laws constitutes a small but not insignificant move toward a more competitive economy, with resulting benefits to consumers in the twenty-four States retaining fair trade laws.

New York City Loan (P.L. 94-143, approved December 9, 1975)—Responding to growing fears of the consequences to the Nation's and the Free World's economies of a default or bankruptcy by New York City, the House authorized loans of up to $2.3 billion to the city to allow time to make necessary adjustments in spending and revenue-raising and to move toward a balanced budget. Under the legislation, the city is required to repay the loans made in any fiscal year by the last day of the city's fiscal year; the interest rate to be paid by the city on the loan is one percent higher than the prevailing Treasury borrowing rate. The Secretary of the Treasury is authorized to set terms and conditions for the loan that he deems appropriate to assure repayment. The Secretary is also authorized to withhold Federal funds due New York City to offset the amount of any unrepaid loans. Another provision of the legislation authorizes a General Accounting Office audit of the financial records of the city and of New York State.

The legislation, while providing New York City time to put its financial house in order, nevertheless was specifically designed to minimize Federal involvement in what are essentially State and local problems. The loan, as opposed to other suggested remedies for the New York fiscal crisis, holds the greatest promise for avoiding Federal expenditures, since the loan, once repaid, will cost the Federal Government nothing and will minimize Federal interference in the operation of the city.

Antitrust Amendments (P.L. 94-435, approved September 30, 1976)—The economic burden of many antitrust violations is borne in large measure by the consumer in the form of higher prices for his goods and services. This is especially true of such common and widespread practices as pricefixing, which usually result in higher prices for the consumer, regardless of the level in the chain of distribution at which the violation occurs. It is also true of other antitrust violations such as monopolization, attempts to monopolize, group boycotts, division of markets, exclusive dealings, tie-in arrangements, and conspiracies to limit production. All of these violations are likely to cause injuries to consumers, whether by higher prices, by illegal limitation of consumer choices, or by illegal withholding of goods and services. Moreover, antitrust violations almost always contribute to inflation. They introduce illegal and artificial forces into the market place, thus undermining our economic system of free enterprise.

Frequently, antitrust violations injure thousands or even millions of consumers, each in relatively small amounts. Indeed, many of the Justice Department's recent prosecutions have involved price-fixing of consumer goods on a local or regional basis.

Although the antitrust laws have the immediate goals of protecting and promoting competition, it is the consuming public that ultimately benefits from the enforcement of the antitrust laws. Nonetheless, Federal antitrust statutes did not previously provide effective redress for the injury inflicted upon consumers. This lack of an effective consumer remedy sometimes resulted in the unjust enrichment of antitrust violators and undermined the deterrent effect of the treble damage action. This legislation fills this gap by providing the consumer an advocate in the enforcement process—his State attorney general. A State attorney general is an effective and ideal spokesman for the public in antitrust cases, because a primary duty of the State is to protect the health and welfare of its citizens. He is normally an elected and accountable and responsible public officer whose duty is to promote the public interest. The United States Attorney General is required under this legislation to notify State attorneys general of Federal antitrust cases that would inspire state suits, and to provide State attorneys general with relevant materials upon request. In cases involving price-fixing, the States may prove the amount of damages to be awarded "in the aggregate by statistical or sampling methods, by the computation of illegal overcharges" or other reasonable system approved by the court, instead of proving the exact amount of each individual claim.

Another section of this legislation expands the use of civil investigative demands, which previously had been limited to documentary evidence obtained from corporations being investigated for violations, not including illegal mergers; this legislation authorizes the use of such demands for natural persons and third parties in the course of investigating potential antitrust violations, and permits the filing of written interrogatories and the taking of oral depositions.

Other provisions of this legislation require notice to the Antitrust Division of the Justice Department and the Federal Trade Commission thirty days in advance of mergers involving (1) companies worth $100 million or more and (2) companies worth $10 million or more, providing the transaction involves acquisition of more than $15 million in stock or assets, or 15 percent of the voting securities of the acquired company.

Bankruptcy Law Revision (P.L. 94–260, approved April 8, 1976)—This legislation amends Chapter IX of the Bankruptcy Act, a chapter which provides a procedure for the adjustment of debts of political subdivisions and public agents and instrumentalities. The present procedure is hopelessly archaic and unworkable for all but the smallest entities and has not been amended since 1946. In this time of financial crises of many of the country's cities, most notably New York City, but including others as well, the need for a workable reorganization procedure is vital. The major change effected by this legislation is the elimination of the requirement of obtaining consent from 51% in amount of a city's creditors to plan of adjustment prior to filing a petition for relief.

The prior consent requirement worked well when municipal bond refundings were accomplished with the assistance of the Reconstruction Finance Corporation, which bought a large portion of the outstanding bonds at the proposed composition rate directly from their holders, and then voted those bonds in favor of the plan. With one entity in control of such a large block of votes, obtaining the 51% prior consent was not difficult. Now, however, the requirement makes little sense, and prevents a petitioner from seeking the shelter of a bankruptcy court while it attempts to negotiate with its creditors a plan of adjustment. Without that shelter, it is not unlikely that set-offs against a petitioner or other creditor actions, both judicial and otherwise, or actions by its supplies could prevent the performance of government functions.

The filing of the petition operates as an automatic stay of all actions, judicial or otherwise, and of the commencement or continuation of any action which seeks to enforce a lien against the petitioner, its property, its officers, or its inhabitants. This feature is new as well. It gives the petitioner the breathing spell it may need to get back on its feet financially, and the time it needs to negotiate and develop a plan of adjustment with its creditors.

Small Business Emergency Relief Act (P.L. 94–190, approved December 31, 1975)—This bill is a product of congressional concern with the economy and particularly with the effect of the tremendous increases in the cost of goods, materials, and labor to small business contractors who entered fixed price contracts with the Federal Government between August 15, 1971, through October 31, 1974, the period in which Federal price controls were in effect. The small business sector was experiencing significant unanticipated cost increases directly affecting the cost of performing under the contract, and was also being affected by shortages of energy, petroleum products, or products or components manufactured or derived therefrom or impacted thereby. These factors resulted in the small business contractor being unable to perform under the contract in a timely manner which caused him to default.

The result to the small businessman is oftentimes financial ruin. From the standpoint of the Government's interest, enforcement of the contract and the lack of ability to modify its terms may force the concern to go bankrupt and frequently hinders or even prevents the Government from obtaining the product for which it contracted. Thus it may also be in the interest of the Government to adjust the terms of the contract since granting the Government the authority to make such pride adjustments, where justified, will permit the contracting agency to obtain the needed materials and services in a timely fashion.

Under existing law a contracting agency of the Federal Government is not authorized to assist the small businessman who may be bankrupted by enforcement of the contract, except in very few limited situations.

This legislation would provide limited relief to small businessmen who enter fixed-price contracts with an agency of the Federal Government if during the performance of the contract they experienced or are experiencing significant unanticipated cost increases directly affecting the cost of contract compliance, provided the conditions which have caused or are causing such cost increases were or are being experienced generally by other small business concerns in the market at the same time are not being caused by negligence, underbidding, or other special management factors peculiar to the small business concern. The bill would not require that the executive agency provide any relief but would merely authorize the head of the agency to either terminate the contract for the convenience of the Government without cost to the contractor or to modify the terms of a fixed-price unless, in the latter case, the contract had been performed or the contractor had defaulted.

Small Business Amendments (P.L. 94–305, approved June 4, 1976)—Believing the Nation's small businesses to be among the most important pillars of the American free enterprise system, the Congress acted to reform several provisions of existing law affecting small business and to authorize studies of other areas of concern to small businessmen.

The resulting legislation amends the Small Business Act and the Small Business Investment Act in several important respects:

Study of disaster relief authority. The problem which the Small Business Administration (SBA) faces under existing law is that when a disaster occurs, the SBA is unable to continue delivery of its ongoing programs due to the magnitude of resources and personnel required to administer the disaster relief program. Delays result in normal operations adversely affecting small businessmen, those whom the agency was established to assist. This legislation provides for the President to undertake a comprehensive review of all Federal disaster loan authorities and make a report to Congress, not later than December 1, 1976. The report is to contain such recommendations and legislative proposals, including possible consolidation of Federal disaster loan authorities, as may be demonstrated as necessary and appropriate to assure the most effective and efficient delivery of disaster relief.

Pollution control equipment. The legislation also establishes a financing method, similar to SBA's existing lease guarantee program, to make it possible for small businesses to finance the leasing of pollution control equipment through the use of tax exempt industrial revenue bonds as authorized by the Internal Revenue Code, the SBA guarantee to be authorized only if the small business would not be able to obtain financing through the use of industrial revenue bonds unless such an SBA guarantee of the lease on the property was given. The guarantee fee is limited to a maximum of 3.5% of the annual rental or payments on the equipment; a new fund in the Treasury was established, with $15 million initial capital.

Small business investment companies. The amount of financial assistance small business investment companies may obtain from the Government is increased from 200 to 300 percent of the Small Business Investment Company's (SBIC) private capital. Other leverages were comparably increased. A maximum leverage ceiling for an SBIC of $35 million was also adopted. An SBIC's ability to guarantee a small business' monetary obligations from 90 percent of the total obligation to 100 percent was increased. The legislation also authorizes limited partnerships with a corporate general partner to be licensed by SBA as small business investment companies and increases the amount of SBIC voting common stock that a bank may own from 49 percent to 100 percent.

Loan requirement revisions. The legislation also authorizes SBA to make loans to State and local development companies for the acquisition of existing plant facilities. It also extends the term of maturity of a regular business loan which is used for acquisition or construction from 15 to 20 years, plus such additional time as is necessary for construction. The maximum amount of an economic opportunity loan is increased from $50,000 to $100,000 per borrower. Recognizing the impact of inflation upon loans, the maximum amount of local development company loans is raised from $350,000 to $500,000, although loans above $100,000 are to be regarded as exceptional. The legislation also increases the maximum amount of a regular business loan made by a financial institution and guaranteed by SBA from $350,000 to $500,000.

Farming and agriculture related industries. This law also excludes agricultural enterprises from a provision in the Small Business Act which states that the SBA shall not duplicate the work or activity of any other agency of the United States.

Surety bond provisions. $21.5 million was appropriated for the Surety Bond Guarantee Fund.

Study of small business. The legislation also calls for a study of small business to be conducted by the Chief Counsel for Advocacy of the Small Business Administration, with emphasis on, among other objectives, the past, present, and potential contributions of small business to the well-being of the economy; the effectiveness and desirability of existing Federal subsidy and assistance programs for small business; the costs and other effects of government regulation on small business; and the impact of the tax structure on small business.

Natural disaster loan interest rates. The act establishes a uniform interest rate on the Small Business Administration's share of most disaster loans.

ECONOMY

LABOR, UNEMPLOYMENT, AND MANPOWER TRAINING

Major legislation

Public Service Jobs and Job Opportunities Program (P.L. 94-41, approved June 27, 1975)—After the veto by the President on May 28 of H.R. 4481, the Emergency Employment Appropriations Act of 1975, Congress acted to reapprove sections of that comprehensive bill. P.L. 94-41, a continuing appropriations measure, provided money for two programs designed to relieve economic distress in the Nation.

First, an additional $1.625 billion over and above the amounts already appropriated for fiscal year 1975 for public service jobs, together with carryover and funds expected to be available in the fiscal year 1976 appropriation made it possible to extend for another year the current level of about 310,000 persons enrolled under several legislative authorities, including the Emergency Employment Act and Titles II and VI of the Comprehensive Employment and Training Act.

Second, P.L. 94-41 provided $375 million for the Job Opportunities Program under the Department of Commerce. This amount, together with $125 million already appropriated, provided a total of $500 million to accelerate public works programs authorized by existing law. The purpose of this jobs program is to provide short-term employment opportunities while constructing facilities of lasting value to the community.

Priority in allocation of the funds was given to those labor intensive projects which can be initiated promptly and which could be substantially completed in twelve months. About 50,000 jobs were to be created by the $375 million in the bill and the $125 million already provided.

Emergency Compensation and Special Unemployment Assistance Extension Act (P.L. 94-45, approved June 30, 1975)—In a major action designed to relieve the economic distress caused by national unemployment, Congress extended and expanded benefits to the unemployed. The legislation gears the number of weeks of emergency benefits payable after January 1, 1976, to the severity of unemployment in a State. States with a jobless rate of over six percent would be eligible for up to 65 weeks of benefits. Workers in States with an insured unemployment rate (percentage of persons covered under the permanent Unemployment Insurance Program actually drawing Unemployment Insurance benefits) of between 5 percent and 6 percent would be entitled to 39 weeks. To receive more than 39 weeks of benefits, workers would have to be available for job retraining programs. Thirty-nine weeks of benefits through December 1976 would be allowed to jobless workers not regularly covered under the State-Federal unemployment compensation system.

In addition, the legislation allows the Federal housing tax credit to buyers of new housing which was sold at the lowest price asked since February 28, 1975, rather than at the lowest price ever asked.

The legislation also requires the Secretary of Labor to conduct a study of the emergency benefits program, including information on the benefits paid under the program, the economic and demographic characteristics of the workers receiving benefits under the program, and such other matters as might be useful in evaluating its effectiveness and determining what alternatives to such a program might be appropriate in any future periods of high unemployment. The report is to be submitted by January 1, 1977.

The legislation further permits the suspension of higher unemployment tax rates in States which have not repaid within two years advances from Federal accounts in the unemployment trust fund if the Secretary of Labor determines that the State has studied and taken appropriate action with respect to the structure of its unemployment compensation program, including its financing, so as to substantially accomplish the purpose of restoring the fiscal soundness of the State's unemployment account and to permit the repayment within a reasonable time of the amount advanced to the State from the Federal account.

Public Works Employment Act of 1976 (S. 3201, vetoed July 6, 1976; in Senate, passed over veto July 21, 1976; in House, passed over veto July 22, 1976; P.L. 94-369)—The recessions experienced in this country over the past two years have produced unemployment higher than at any time since the 1930's. The national unemployment rate peaked at 8.9 percent in May 1975. The comprehensive unemployment rate, including allowances for discouraged workers and persons limited to part-time work by poor economic conditions, reached nearly 12 percent as reported by the Joint Economic Committee in March 1975. Even this figure does not adequately reflect the severe problems faced in some States or in some segments of the labor force.

While the national unemployment rate compiled by the Bureau of Labor Statistics declined to 7.8 percent for January 1976, unemployment among certain groups, particularly construction workers, remains excessive, averaging 15.4 percent nationally during this same period.

The Congress has enacted legislation to provide temporary jobs in public service employment programs administered by the Department of Labor and in the Job Opportunities Program administered by the Secretary of Commerce. These programs, however, are too limited in funding to provide adequate help for the more than 7 million Americans who are without jobs.

Historically, public works programs have been used to create jobs during severe downturns in the economy. During the Great Depression, for example, programs such as the Works Progress Administration employed millions in highly productive and constructive jobs which resulted in lasting improvements in communities across the land. Many of these facilities are in use today.

Evidence indicates that unemployment, especially in the heavy construction industry, will continue to be high for the next two or three years. The Joint Economic Committee in its 1976 Economic Report states that "high unemployment will remain throughout the remainder of this decade." The recession, according to the Joint Economic Committee, has caused particularly severe unemployment in the construction industry and the problem will remain severe for some time to come.

More importantly, the recovery in the private construction field has been very soft. In real terms, calendar year 1975 activity was down more than 23 percent from 1970. Figures for January 1976 indicated that instead of signs of the widely discussed recovery, this sector of the economy dropped by another 18 percent from January of last year. This law has been formulated to provide the employment to reduce this significant gap in a major segment of the economy.

This legislation authorizes a total of $3.9 billion through September 30, 1977—$2 billion for job-creating State and local public works projects, $1.25 billion for anti-recessionary aid to help State and local governments maintain services, and $700 million for waste water treatment programs.

Title I authorizes $2 billion for the construction, renovation, repair, and other improvements of public works projects on which on-site labor can begin within ninety days of project approval. Whenever the national unemployment rate is at least 6.5 percent for three consecutive months, 70 percent of available appropriations for grants are reserved for State and local governments with unemployment rates higher than the national level, and 30 percent of available funds for grants go to such governments with unemployment rates below the national level and above 6.5 percent.

Title II authorizes the Treasury Secretary to make grants for five calendar quarters, beginning July 1, 1976, to help State and local governments maintain services, avert layoffs of public service employees, and avoid tax increases. These payments are to be made only if the national unemployment rate exceeds 6 percent during the quarter that ended three months earlier or the last month of the quarter. Any funds dispersed under this title are to be divided one-third to State governments and two-thirds to local governments. No grants are to be made to any State or local government unless its own average unemployment rate for the quarter ending three months earlier was at least 4.5 percent and its rate during the last month of the quarter exceeded 4.5 percent.

Title III of the law authorizes $700 million in fiscal 1977 in additional funding for the construction of publicly owned waste water treatment plants.

Public Works Employment Appropriations (P.L. 94- , approved September 30, 1976)—This appropriation was passed in response to the mandate of the Congress, when, on July 21 the Senate and on July 22 the House, overrode the President's veto of S. 3201, the Public Works Employment Act of 1976. [See preceding legislation.] The principal thrust of this appropriation was to provide immediate economic stimulus in those geographic areas experiencing high levels of unemployment.

Eighteen months ago the Nation was experiencing the sharpest rise in unemployment since the Great Depression of the 1930's. Unemployment has now remained higher over a long period than any time since World War II. Currently, overall national unemployment is almost 8 percent. While there have been some modest improvements, unemployment rates continue to be unacceptably high. The improvements that have occurred have been discouragingly slow and have not been shared equally in all sectors of the economy and in many areas of the country.

The appropriation contains a grant total of $3,732,433,000 in new budget authority, including appropriations of $2,000,000,000 to the Economic Development Administration of the Department of Commerce for grants for various State and local public works projects; $480,000,000 to the Environmental Protection Agency for additional waste treatment works construction grants; and $1,250,000,000 to the Department of the Treasury for an antirecessionary program of revenue sharing. Also included in the bill is a total of $2,433,000 in new budget authority for certain related administrative expenses.

Public Works Employment (H.R. 5247, vetoed February 13, 1976; in House, passed over veto, February 19, 1976; in Senate, veto sustained, February 19, 1976)—This legislation had two purposes: (1) to alleviate the growing problem of national unemployment that we as a Nation face, and (2) to stimulate activity in the Nation's economy and to assist the State and local governments in promoting the general welfare of their citizens by providing adequate public facilities. This would have been accomplished by a program of Federal grant-in-aid to State and local governments for the construction, repair and other improvements of local public facilities. Such grants-in-aid were to be made available for public facilities projects which promised rapid implementation and reduction of unemployment and, at the same time, by requiring the use of additional materials and equipment, to provide a stimulator effect to the basic industries which are the lifeblood of the Nation's economy.

This was the simple and direct twofold purpose of the legislation, and it came at a time when rising unemployment, work slowdowns in our major industries, and the problems faced by our State and local government in meeting their financial requirements were steadily increasing. It was intended that the bill when implemented would not only put the unemployed man or woman back to work but revive the financial operations of the State and local governments and thereby provide a general shot in the arm to every segment of our Nation's economy.

This legislation authorized the Secretary of Commerce to make grants up to $2.5 billion to State and local governments for local public works projects for the period ending September 30, 1977. In making grants, if for the three most recent consecutive months the national unemployment rate is equal to or exceeds 6½ percent, the Secretary was to (1) expedite and give priority to applications submitted by States or local governments having unemployment rates for the three most recent consecutive months in excess of the national unemployment rate, and (2) give priority thereafter to applications submitted by States or local governments having unemployment rates for the three most recent consecutive months in excess of 6½ percent, but less than the national unemployment rate.

In addition, H.R. 5247 authorized $1.5 billion in annual funding under Title II for counter-cyclical aid to State and local governments so that they could continue vital services, such as police and fire protection, without having to raise taxes or lay-off employees. Under Title III of the bill a total of $2.1 billion was authorized for a variety of purposes: $100 million for grants to cities of 50,000 population or more which have submitted to, and approved by, the Secretary of Commerce, overall economic development programs. This authority would have run to October 1, 1976. $125 million was authorized for calendar year 1976 to provide business development loans in economically distressed areas; and, $500 million was authorized for labor-intensive project grants involving no capital investment, such as renovating and refurbishing public facilities, through October 1, 1976.

Emergency Employment Appropriations Act of 1975 (H.R. 4481, vetoed May 28, 1975)—On May 16 Congress completed action on legislation designed to ease the unemployment situation by creating about two million jobs. Of the total emergency appropriation of $5.3 billion, about $2.3 billion was devoted to direct job creation, including about 180,000 full-time public service jobs and 840,000 summer jobs for youth. Another million were expected to be created through public works expenditures.

Congress acted out of commitment to useful employment opportunities for Americans, stated in the Employment Act of 1946.

In January 1975, 7.5 million people were unemployed and the unemployment rate was 8.2 percent of the civilian work force. The previous three months witnessed the sharpest rise in unemployment since the Great Depression of the 1930's and was at its highest peak since the beginning of World War II. Those on unemployment benefits had more than doubled over the previous year.

Congress decided on a blend of two approaches to the unemployment problem—funding of programs such as public service jobs in which funds are used directly for the creation of jobs, and funding of accelerated Federal construction, building and purchase programs where funds would have been used to create jobs indirectly through construction contracts, purchase of automobiles for Government use, further development of the Nation's recreational and public land resources, and other similar programs.

On May 28, the President vetoed this legislation. Certain provisions of the legislation were reintroduced and passed as noted elsewhere in this section [See P.L. 94–41 and P.L. 94–36.]

Emergency Jobs Programs Extension Act of 1976 (P.L. 94– , approved)—Under the Comprehensive Employment and Training Act (CETA), approximately 320,000 previously unemployed persons have been hired to meet locally-determined public service needs in communities throughout the Nation. The programs are administered by some 430 State and local governmental prime sponsors (including States, units of general local government, and combinations thereof).

About 260,000 public service jobs are funded under title VI of CETA, which has provided funds to all areas of the Nation since the Emergency Jobs and Unemployment Assistance Act of 1974 (P.L. 93–567) was signed by President Ford on December 31, 1974.

Another 56,000 jobs were provided only to areas of substantial unemployment having 6½ percent or higher unemployment rates under title II of the Comprehensive Employment and Training Act enacted in 1973. The title II program has a regular annual funding level of $400 million. It is designed to assist areas which have chronically high unemployment even in times of economic prosperity.

When unemployment nationally is at high levels—far in excess of 5 percent—Congress has twice in recent years passed emergency public service employment legislation which distributes funds throughout all areas of the Nation, with a higher proportion of such funds going to those areas having higher rates of unemployment. In July of 1971, President Nixon signed the Emergency Employment Act of 1971 during a recessionary period. In 1974, President Ford signed the Emergency Jobs Program as increasing unemployment again faced the Nation. This last period of extended national unemployment has not yet ended, with the Nation's unemployment rate remaining unacceptably high.

The authorization for the program under title VI of the Comprehensive Employment and Training Act expired June 30. This legislation authorized the extension of the emergency public service jobs program under title VI through fiscal 1977. In addition, the program was expanded beyond the level maintained on June 30, 1976, with the exact number of new jobs contingent on the amounts appropriated. New positions were required to be in community employment projects and were limited to 12 months. Any newly created positions are to be filled by persons unemployed for at least 15 weeks or with welfare recipients, both of which must not previously have had family income of more than 70 percent of a lower living standard budget as defined by the Department of Labor (currently about $6500 a year).

At least 50 percent of any positions vacated by present jobholders under the program must also be reserved for the poor and long-term unemployed.

Pending passage of a fiscal 1977 supplemental appropriations early in 1977, the levels of participation as of June 30, 1976, are to be maintained.

The legislation also establishes a nine-member independent commission to conduct an 18 month study of the government's employment and unemployment statistics and recommend changes in techniques of collecting and analyzing such data.

National Productivity and Quality of Working Life Act of 1975 (P.L. 94–136, approved November 28, 1975)—This legislation provides for a review of the activities of all Federal agencies including implementaion of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; it also encourages joint labor, industry and Government efforts to improve national productivity and the character of working conditions and establishes a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States. In summary, to establish a national policy to encourage productivity growth in all sectors of the economy and to create an independent national center for Productivity and Quality of Working Life to focus, coordinate, and promote efforts to improve the rate of national productivity growth.

One of the Nation's most important and least understood economic problems during the past decade has been a declining rate of productivity growth. It is important because increases in our standard of living are dependent to a large extent on increases in our national productivity. Unless productivity grows any increases in income will be absorbed by higher prices. Therefore, improving our productivity growth rate can be instrumental in controlling the spiraling rate of inflation that has gripped our national economy.

Any effort directed at improving productivity must incorporate the efforts of management, organized labor, institutions of higher education, State and local governments, and other organizations and individuals as well as the Federal Government. Improvements cannot be mandated; they must be brought about over a period of years with the efforts and cooperation of all segments of the national economy. The Federal Government can provide the leadership needed for such a concerted effort. However, this bill is not designed to force productivity improvements. It does provide a focal point for a national effort to improve America's rate of productivity growth in the form of an independent Federal agency whose role will be to coordinate and stimulate activities in all sectors of the economy to achieve this purpose. It also provides a Federal policy to improve productivity growth, and it directs each Federal agency to undertake certain actions to carry out that policy.

Protection of the Economic Rights of Labor in the Building and Construction Industry (H.R. 5900, vetoed January 2, 1975)—The purpose of this bill is to provide for treating the general contractor and his subcontractor as a single person for purposes of the secondary boycott provision of the National Labor Relations Act. This approach reflects the economic realities in the building and construction industry where the contractor and all the subcontractors are engaged in a common venture and each is performing tasks closely related to the normal operations of all the others.

This legislation is necessary to overrule the *Denver Building Trades Council* decision of the Supreme Court of 1951 and restore to unions in the building and construction industry the right to engage in peaceful activity at a common construction site to protest sub-standard conditions maintained by any one of the construction contractors working at the very same site. This legislation has been supported by every administration from that of Truman through Ford.

H.R. 5900 is emphatic that it is not intended to alter labor-relations laws in any respect other than to permit strikes and picketing in the construction industry against any of several employers jointly engaged in the construction, alteration, and painting or repair of a building, structure or other work. This legislation recognizes the economic reality that construction work on one part of a building, structure, or other work is interrelated to construction work on other parts of a building, structure, or other work; and permits the union representing employees in one phase of the work to strike or picket at the construction site against any of the several employers in the construction industry who are jointly engaged as joint ventures or in the relationship of contractor and subcontractor when the strike arises over wages, hours, and other working conditions in the legitimate collective bargaining context.

[Added to H.R. 5900 in conference were most of the provisions of H.R. 9500, discussed elsewhere in this section; see summary of H.R. 9500 for details.]

Other legislation

Summer Youth Employment and Recreation (P.L. 94-36, approved June 16, 1975)—This appropriation provided $473,350,000 for the summer youth employment and recreation program and allowed 840,000 jobs for young people during the summer. Each job provided for nine weeks of summer employment with an average of 26 hours per week. Additionally, $15.3 million of these funds will be used for the summer recreation program. The funds had originally been contained in H.R. 4481, the emergency employment appropriation bill, vetoed by the President.

Railroad Unemployment Insurance Act (P.L. 94-92, approved August 9, 1975)—In legislation of enormous importance to railroad employees throughout the United States, Congress enacted the Railroad Unemployment Insurance Act, providing for an increase in the maximum for both unemployment and sickness compensation to $24 per day for the period beginning July 1, 1975, and ending June 30, 1976. Thereafter, the maximum would be increased to $25 per day. The unemployment and sickness benefit level remains at sixty percent of the daily rate of compensation for the railroad employees' last employment but not less than $12.70.

These increases are designed to compensate unemployed railroad workers for the inflation over the last seven years since the law was last amended. The legislation also provides, for the first time, a program of extended unemployment benefits to railroad workers with less than ten years seniority.

ECONOMY

TAXES, MONETARY AND FISCAL POLICY

Major legislation

Tax Reduction Act of 1975 (P.L. 94-12, approved March 29, 1975)—In an effort to stimulate a sluggish economy, Congress in March passed the largest tax reduction in history, a net reduction of almost $21 billion through cuts in individual income taxes of about $18 billion, reduction in business taxes of about $4.8 billion, and an increase in taxes on the oil industry of about $2 billion.

Individuals received a ten percent rebate on 1974 income taxes, generally equal to 10 percent of the amount of the tax up to a maximum of $200. The low-income allowance was increased to $1600 for single persons and $1900 for joint returns, up from the previous $1300 for both single and joint returns. In addition, the standard deduction was raised to 16 percent of adjusted gross income (to a maximum of $2300 for single persons and $2600 for joint returns), up from 15 percent (to a maximum of $2000). Each taxpayer was further allowed a $30 credit against taxes owed on 1975 income for each taxpayer and dependent. Also, a refundable 10 percent tax credit up to $400 on earned income of $4000 or less for a family with at least one independent child, a credit phased out at $8000.

In order to stimulate the purchase of homes and reduce the inventory of vacant new construction, the law allowed a 5 percent credit up to $2000 against taxes for the purchase of a newly built home finished or under construction by March 26, 1975, if purchased between March 13 and December 31, 1975.

The income limitation on the child and dependent care deductions was raised from $18,000 to $35,000.

In order to stimulate business investment, the investment tax credit was raised from 7 percent to 10 percent for most businesses. Among other investment stimulants to business was an increase in the amount of corporate income exempt from the 26 percent corporate tax surcharge to $50,000 in 1975, from the previous $25,000 level, and a decrease in the 22 percent corporate income tax rate to 20 percent during 1975 (from 22 percent) on the first $25,000 of income.

This legislation also repealed the 22 percent oil and gas depletion allowance and reduced or eliminated numerous other gas and oil production tax deductions.

Other provisions of this legislation granted a $50 bonus payment, from general revenues, to each recipient of Social Security retirement, railroad retirement, or supplemental security income benefits, and provided an additional 13 weeks of emergency unemployment benefits to jobless workers in nine States who had exhausted the 52 weeks of regular and extended benefits.

Tax Reform Act of 1976 (P.L. 94-455, approved October 4, 1976)—The Tax Reform Act of 1976, the most comprehensive reform of Federal tax laws since 1969, was designed by Congress to achieve four objectives: to improve substantially the equity of the income tax at all income levels, to simplify many tax provisions and delete unnecessary language, to continue, at least, temporarily, the economic stimulus provided in 1975 by the Tax Reduction Act, and to make important improvements in the administration of the tax laws.

Although many improvements have been made in our income tax laws in recent years, much still remains to be done to improve their equity. Many persons hold the view that the tax system is unfair, presumably because they feel that high-income individuals do not pay their fair share of taxes. While many high-income people pay sizable taxes, many others are able to use tax provisions intended as incentives for business investment as tax shelters to reduce their income tax and sometimes to eliminate it entirely. This law takes responsible action to make sure that people with high incomes will bear a reasonable share of the overall tax burden. It also increases the equity of the tax system at all income levels.

The complexity of the tax system for the average American is also a serious and growing problem. The Internal Revenue Service estimates that one-half of all taxpayers use the services of professional or commercial tax return preparers each year, indicating that they think the tax system is too complicated for them to understand. In part, this increase in complexity is due to the increasing complexity of our society. It also however, has resulted from using the tax system to achieve many, diverse goals, sometimes without sufficient regard to how they affect the overall structure of the system. This law achieves an important simplification of the individual income tax for the average American.

It has generally been recognized that the tax system is a tool which can be used to promote economic efficiency and growth, and this had led Congress to enact a large number of tax provisions designed to promote certain activities and discourage others. These tax preferences, however, can outlive their usefulness or can have adverse effects on other goals, such as tax equity and simplicity. The Congress feels that these special tax incentives should be reviewed periodically, and this law is an important step in that process.

The Congress believes that the tax reforms in the law will make the tax system simpler, more equitable, and more conducive to economic efficiency and growth. The provisions of the law are carefully designed to reduce any adverse economic impacts they may have, and in cases where problems may arise, the relevant changes are phased in over several years to provide taxpayers with the opportunity to adjust to the change in tax treatment while, at the same time, giving Congress time to review its action, should that be necessary.

The tax reform provisions of the Tax Reform Act are expected to result in a net gain to the Treasury of $1.6 billion in fiscal 1977.

Among the major provisions of the Act are limitations on the extent to which ordinary income can be tax sheltered through the use of accelerated depreciation, capital losses, and interest deductions.

The Act also increases the rate of minimum tax on preference income for both individuals and corporations to 15 percent, from the present 10 percent. In addition, the list of tax preference income subject to the minimum tax has been increased.

Of major benefit to middle and low income taxpayers is a provision of the Act which makes permanent the 1975 increase in the percentage standard deduction to 16 percent of income up to a maximum deduction of $2800 for joint returns and $2400 for single taxpayers, as well as the $1700 minimum standard deduction for single taxpayers and $2100 for joint returns.

The 1975 tax credit of $35 per taxpayer and dependent or 2 percent of the first $9000 of taxable income (whichever is greater) has been extended. Moreover, the earned income credit which was established in the Tax Reduction Act of 1975 for low income taxpayers who maintain a home for a dependent child was extended.

In an effort to simplify the preparation of income taxes, the Act replaces twelve optional tables based on adjusted gross income up to $10,000 with four tables based on taxable income up to $20,000.

Alimony payments have been redefined as a deduction from gross income. Thus, the deduction for such payments will now be available to taxpayers who use the standard deduction.

A 20 percent credit for child care, whether within or outside the home, to enable an individual to work, replaces an existing itemized deduction. The credit is now available to all taxpayers regardless of income and applies to payments made to relatives for child-care expenses.

The act also revises and liberalizes the retirement income credit and the deduction for employment-related moving expenses. The sick pay exclusion is repealed, and the disability exclusion is raised.

Business deductions have been tightened, and corporate tax provisions reformed to encourage business expansion. The 10 percent investment tax credit has been extended through 1980, as has an additional 1 percent investment credit for firms contributing the extra amount to an employee stock ownership plan. An extra investment credit (up to an extra one-half percentage point) is available for supplementary contributions which are matched by employee contributions. The Act also extends through 1977 the increase in the amount of corporate income tax exempt from the 26 percent surcharge to $50,000 (from $25,000) and reduces the 22 percent corporate tax rate to 20 percent on the first $25,000 of income.

The tax treatment of foreign income of individuals and corporations has been greatly modified and restricted.

The new law also establishes additional rules for the disclosure of tax returns and return information, and for public inspection of IRS letter rulings giving tax law interpretations to specific taxpayers. Those who prepare tax returns for others are now subject to identification and reporting requirements. In addition, taxpayers have been given the right to block banks or other third parties from complying with IRS administrative summonses for financial records. State and local governments may now, however, use Social Security numbers for identifying individuals in the administration of tax, welfare, motor vehicle, and driver licensing laws.

Pollution control has been encouraged by allowing, through 1980, five-year amortization of certified pollution control equipment in an existing plant, and provides that such equipment installed after 1976 will be eligible for one-half of the investment tax credit. Historic preservation has been encouraged by permitting accelerated depreciation to be taken on the acquisition and rehabilitation of historic buildings.

The holding period required to qualify for long term capital gains treatment is increased from 6 months to 9 months in 1977, and to 12 months in 1978 and subsequent years.

The Act provides the first comprehensive reform of Federal estate and gift taxes in more than a quarter century. These reforms will unify the rate schedule for estate and gift taxes and will provide a unified estate tax credit that will phase in over a 5-year period. In 1977 the credit will be equivalent to an exemption of $120,667 and will rise ultimately to a permanent exemption equivalent to $175,625 in 1981.

In addition the estate tax marital deduction for transfers to a surviving spouse has been increased to $250,000, or half the estate, whichever is greater. Farm property may be valued on the basis of current, as opposed to potential, use, which will help to avoid the necessity to break up family farms in order to settle estates. The period over which estate taxes on farms and closely held businesses may be paid has been increased from ten to fifteen years, and the interest rate during the extended period has been reduced from 7 to 4 percent.

In a provision of special interest to elderly citizens, the exemption from capital gains taxes on the sale of a home for taxpayers over 65 has been increased from $20,000 to $35,000.

In addition to the above-discussed provisions, the Tax Reform Act contains numerous other modifications in the Internal Revenue Code, repealing almost 150 sections of the code and amending almost 900 sections.

Council on Wage and Price Stability Act Amendments (P.L. 94–78, approved August 9. 1975)—The Council on Wage and Price Stability was established on August 24, 1974, to monitor wage and price developments in the private economy, to review the inflationary impact of governmental programs and policies, and to recommend measures for containing inflation. The Council's existing authority expired on August 15, 1975. These amendments extended the agency through September 30, 1977, and, in addition, gave the Council expanded powers to investigate business decisions that could contribute to inflation, specifically the power to require reports and subpoena records from businesses with gross income of more than $5 million a year. The Council was also prohibited from publicly disclosing category information from a single firm and was empowered to intervene in ratemaking, rulemaking, licensing, and other proceedings by other Federal departments and agencies. These amendments also require Senate confirmation of future nominees for Council director.

Revenue Adjustment Act of 1975 (H.R. 5559, vetoed December 17, 1975)—In an effort to prevent the blow to the slowly improving economy that a rise in income tax rates would cause with the expiration of the Tax Reduction Act of 1975, Congress sought to extend through June 30, 1976, many of the provisions of that anti-recession tax reduction. (The Tax Reduction Act of 1975 is discussed elsewhere in this section.) Major changes in tax rates provided by this bill were an increase in the minimum standard deduction to $1700 for single returns and to $2100 for joint returns. The percentage standard deduction would have been increased to 16 percent and the maximum standard deduction would have been increased to $2400 for single returns and to $2800 for joint returns. These provisions would have applied only to the first 6 months of 1976.

This legislation should have increased the $30 personal exemption tax credit to $35 or 2 percent of the first $9000 of taxable income (whichever is greater) on a full year basis. Similarly, the earned income credit (generally 10 percent of earned income up to a maximum tax credit of $400) would have been extended. Furthermore, the legislation increased the corporate surtax exemption from $25,000 to $50,000 on a full year basis and reduced the normal tax rate on the first $25,000 of taxable corporate income from 22 percent to 20 percent on a full year basis. These provisions would have applied only to the first 6 months of 1976.

Withholding tax rates in effect on December 10, 1975, would have been extended through June 30, 1976.

Second Revenue Adjustment Act of 1975 (P.L. 94–164, approved December 23, 1975)—In order to prevent the rise in income tax rates which would otherwise occur as a result of the expiration of the Tax Reduction Act of 1975 on December 31, 1975, Congress enacted a six month reduction of the tax changes effected by that legislation. (For major provisions of the Second Revenue Adjustment Act of 1975, see the summary of the first Revenue Adjustment Act of 1975, discussed elsewhere in this section.) In addition, this legislation (H.R. 9968) expresses the determination of Congress to continue to control spending levels in order to reduce the national deficit; Congress further reaffirms its commitments to the procedures established by the Congressional Budget and Impoundment Control Act of 1974 under which it has already established a binding spending ceiling for the fiscal year 1976.

Amendment of the Bretton Woods Agreements Act (P. L. 94–564, approved October 19, 1976)—This legislation amends the Bretton Woods Agreements Act in order to authorize the United States, as a member of the International Monetary Fund (IMF), to accept amendments to the IMF Articles of Agreement approved by the Fund's Board of Governors earlier this year. The legislation would also authorize the United States to accept the approximate $2 billion increase in its IMF quota also approved by the Board of Governors earlier this year. In addition, the law will make related changes in other U.S. laws pertaining to U.S. participation in the international monetary system and U.S. intervention in the foreign exchange markets. And, finally, the law will provide for enhanced congressional access to the information necessary for effective oversight of U.S. international monetary and economic policy.

This legislation was needed in order to bring the Jamaica agreements, negotiated in January 1976, to fruition. Without approval, neither the U.S. quota increase nor the amended Articles of Agreement can become effective.

Under the present rules, no individual quota increase can become effective until the member concerned has consented. Moreover, none of the new quotas can come into effect until the amended Articles of Agreement enter into force. The amended Articles cannot come into force until three-fifths of the members having four-fifths of the voting power approve. The United States, with more than one-fifth of the voting power, thus occupies a pivotal position in the achievement of the international monetary reforms which it has long sought and are now embodied in the proposed new Articles of Agreement.

Other Legislation

Council on International Economic Policy, Appropriations (P.L. 94–87, approved August 9, 1975—The Council on International Economic Policy was established by executive order of the President in January 1971 for the purpose of achieving greater Executive Branch coordination in the development and implementation of international economic policy. This appropriation allows CIEP an exemption from provisions in the United States Code regulating the employment and compensation of persons in the Federal service and permits compensation in excess of the GS–15 level for up to eight CIEP employees in order to give CIEP flexibility in attracting and allocating personnel to meet rapidly the changing circumstances inherent in any coordinating function. Authority for CIEP is also extended to September 30, 1977. In addition, this legislation appropriates $1.65 million for CIEP, a slight decrease in the authority for fiscal year 1975.

Tax Treatment of Cemetery Perpetual Care Fund Trusts (P.L. 94– , approved October , 1976)—This legislation provides a special deduction in computing the income of a cemetery "perpetual care fund" for amounts expended by the fund for the care and maintenance of cemetery property in which interment rights have been sold. In order to qualify as a "perpetual care fund" under this provision, the fund must be a trust established pursuant to local law by a taxable cemetery for the care and maintenance of the cemetery. The deduction allowed is to be the amount actually distributed during the year for such care and maintenance (but not more than $5 per gravesite). This provision becomes effective October 1, 1977, for amounts distributed during taxable years ending after 1963.

This legislation also amends the Tax Reform Act of 1976 in two areas. First, the effective date of three administrative provisions in the bill are moved forward from December 31, 1976, to February 28, 1977, in order to allow the Internal Revenue Service adequate time to prepare for the administration of these provisions. Secondly, the amounts received by the Internal Revenue Service as reimbursement for costs incurred in making future private letter ruling and certain other determinations available for public inspection are to be treated as reimbursable to the Internal Revenue Service appropriation.

Tax Treatment of Social Clubs and Other Membership Organizations (P.L. 94– , approved October , 1976)—This legislation amends the requirement for tax exemption for social clubs and similar organizations (including college fraternities and sororities) in two respects. First, it provides that "substantially all" of such an organization's activities must be for pleasure, recreation, and other nonprofitable purposes. This change (previous law required such an organization to be organized and operated "exclusively" for these purposes) allows the organization to earn income from nonmember sources to a limited extent and to have a limited amount of investment income (both types of income being subject to tax) without losing its general exemption from income tax. The second change provides that such an organization is to lose its tax-exempt status if its charter, by-laws, or other governing instrument or any of its written policy statements contains a provision which provides for discrimination against any person on the basis of race, color, or religion.

In addition, the law resolves a question about the corporate dividends-received deduction in the case of organizations which are generally exempt but which nevertheless are taxed on their investment income. It disallows this deduction in computing the taxable investment income of social clubs and similar organizations, and of employee beneficiary associations. Similarly, it denies the dividends-received deduction for investment income of taxable membership organizations.

The legislation also included two technical amendments to the Tax Reform Act of 1976. The first provides that any carryover of taxes paid from fiscal years beginning before July 1, 1976, is disallowed as a deduction in the case of the minimum tax on corporations for taxable years beginning after June 30, 1976. A second amendment directs the Secretary of the Treasury and the Administrator of the Environmental Protection Agency to conduct a study and investigation of all matters relating to the proper role of the Federal Government in encouraging the recycling of solid waste materials.

International Investment Survey Act of 1976 (P.L. 94–472, approved October 11, 1976)—This legislation meets the need to create a clear legislative mandate for timely and adequate U.S. Government studies of the impact on the U.S. economy of international investment. The legislation was necessary because previous statutory authority to collect data was not adequate. For example, one of our most pressing needs today is to obtain data bearing on any cause-and-effect relationship between investment abroad by U.S.-based companies and unemployment in our domestic economy. This question and others like it are complex enough to justify increased study.

The magnitude and speed of change in international investment makes the enactment of new legislative authority to collect data imperative. From 1970 to 1974, the overseas private investment position of the United States increased from $105 billion to $169.1 billion, an increase of over 60 percent in 4 years, while the private investment position in the United States of foreign persons went from $51 billion to $93.6 billion, an increase of over 80 percent, according to U.S. Department of Commerce sources. In recent years, some experts estimate that 25 cents of every dollar invested by large American business interests is invested abroad. The implications of such developments have a bearing on issues as diverse as employment, national security, taxation, and foreign policy generally.

This legislation requires the President to set up a regular and comprehensive data collection program to obtain current information on international investment questions, to publish data on a regular and periodic basis, and to conduct "benchmark surveys" of foreign direct investment in the United States, of U.S. direct investment in the United States, of U.S. direct investment abroad, and of foreign portfolio investment in the United States at least once every 5 years. The President is also directed, not later than 5 years after enactment, to conduct a "benchmark survey" of U.S. portfolio investment abroad on a one-time basis and at his discretion thereafter. The President shall also conduct a study of the feasibility of establishing a system to monitor foreign direct investment in the United States in agricultural, rural, and urban real property, including the feasibility of establishing a nationwide multipurpose land data system, with a report of his findings to Congress no later than 2 years after enactment of this legislation.

Reduction in Beer Tax for Small Brewers (P.L. 94–529, approved October 17, 1976)—Prior to this legislation, an excise tax at a rate of $9 per 31-gallon barrel was imposed on beer produced in the United States and removed for consumption or sale, or imported into the United States. The tax was imposed upon the brewer or importer. This legislation does not remove the tax, but reduces the tax to $7 per barrel on the first 60,000 barrels produced in the United States and removed for consumption or sale during the calendar year. This reduced rate is to apply for a calendar year only to a brewer that produces no more than 2 million barrels of beer for that calendar year. This status is to be determined on a year-by-year basis.

The reason for this change is the drastic decline in the number of breweries operating in the United States, from more than 700 in 1933 to about 100 today. In 1974, the ten largest domestic brewers supplied over 80 percent of U.S. beer production. It has been indicated that the continuing decline in small brewers is caused by their inability to compete effectively with the large national brewing companies. The Congress, therefore, as an aid to small brewers and to enable them to compete more effectively, has decided to reduce the manufacturers excise tax to a limited extent for qualifying small brewers.

Interest on Corporate Debt to Acquire Another Corporation (P.L. 94–514, approved October 15, 1976)—Prior to this legislation the law disallowed any deduction for interest paid or incurred by a corporation, under certain circumstances, where the debt was incurred in order to acquire the stock (or assets) of another corporation. The Tax Reform Act of 1969, which enacted this provision, included a transition rule under which, if one corporation held at least 50 percent of the voting stock in another corporation on October 9, 1969, then the first corporation was permitted to acquire 80 percent control (but no more) of the second corporation without being subject to the nondeductibility provision.

This legislation eliminates the 80-percent limit. Thus, a corporation which held at least 50 percent of the voting stock in another corporation on October 9, 1969, will now be allowed to acquire all the remaining stock of the second corporation without being subject to the nondeductibility provision.

The interest disallowance provision was added to the Code in 1969 because of a congressional concern over the increasing number of corporate mergers in which debt, rather than equity, was being exchanged for control of acquired corporations. This trend was thought to have adverse implications for the economic well-being of the companies involved (by increasing corporate debt to dangerous levels) as well as for the economy as a whole. The purpose of the exception for acquiring corporations having 50-percent or greater control of another corporation on Octber 9, 1969, was to permit such acquiring corporations to obtain the 80-percent control of the acquired corporation necessary for certain tax purposes.

The Congress has concluded that the 80-percent limitation imposed in connection with pre-October 10, 1969, control situations does not appear to serve the purpose of the interest disallowance provision (which was to discourage the future use of debt acquisitions under certain prescribed circumstances.) This is so since the acquisition, in such cases, has already occurred.

In addition, minority shareholders of a corporation which is 80-percent controlled may find themselves without a ready market for their stock, unless the controlling corporation is able and willing to purchase their shares.

Another set of provisions in this legislation deal with the application of the unrelated business income tax to income which an exempt organization receives from lending securities to brokers in order to enable the brokers to make timely deliveries of securities to purchasers. Dividends, interest, annuities, royalties, rents, and capital gains are passive types of income that generally are excluded from the unrelated business income tax of most exempt organizations. It is not clear under existing law, however, whether payments made with respect to loans of securities are subject to the unrelated business income tax. This legislation provides that payments on securities loans are to be exempt from the unrelated business income tax; it also provides that those payments are to be treated in the same manner as dividends and interest for purposes of the excise tax on private foundations, for the 90-percent income test for regulated investment companies, and for the support test limitations on investment income in determining whether a charitable organization is a publicly supported organization rather than a private foundation. This legislation provides this treatment only for payments of security loans which are fully collateralized and which may be terminated on five business days' notice by the lending organization.

Tax Treatment of Securities Acquired for Business Reasons and Not as an Investment (P.L. 94– , approved October , 1976—This legislation provides that a taxpayer cannot get ordinary loss treatment on disposition of a security unless he has filed a notice with the Internal Revenue Service that the security was not acquired as an investment. The notice must be filed before the 31st day after acquisition. If the notice is filed, then any gain on disposition is ordinary income, not capital gain.

Under previous law, the treatment of gain or loss on a sale or exchange of a stock or other security depended on whether the security was a capital asset in the hands of the taxpayer. Any stock or other security which was held for investment was treated as a capital asset and, if held for more than 6 months, was accorded the more favorable long-term capital gain treatment (that is, only one-half of the gain was subject to tax). Capital losses, however, are limited for both individuals and corporations as to the amount that may be deducted in a year. If a stock or other security was held for business purposes, generally it was not treated as a capital asset and, therefore, any gain was ordinary income and any losses were ordinary losses (which were deductible in full in the current year). As a result, if a taxpayer had a gain on the sale of a stock or other security, he would usually prefer to have capital gain treatment. However, if there was a loss from the sale, he would prefer to have ordinary loss treatment.

The question of whether a security (or any asset) is a capital asset is factual and depends on the facts and circumstances of the particular case, i.e., whether the taxpayer acquired and held the security as an investment or whether he acquired and held it for sale to customers in the ordinary course of business or held the stock of use in his business.

The Congress has concluded that, under previous law, a taxpayer could too readily obtain the best of both worlds when he sold or exchanged a stock or other security and knew whether he had a gain or a loss, by contending that he did not hold the stock as an investment (if he wanted ordinary loss treatment) or that he did hold it as an investment (if he wanted capital gain treatment).

This legislation adds a new provision to the tax code which requires a taxpayer (including individuals and corporations), in order to obtain ordinary loss treatment on a sale or exchange of a security, to notify the Internal Revenue Service before the 31st day after initially acquiring the security that the acquisition was not made as an investment. It is estimated that eventually this change in the law will result in additional Federal revenue of between $20–$30 million.

Bank Holding Company Tax Act of 1976 (P.L. 94–452, approved October 2, 1976)—In general, the Bank Holding Company Act Amendments of 1970 require a bank holding company (generally any company controlling a bank) to divert either its banking or nonbanking properties on or before December 31, 1980. At the time of enactment, it was anticipated that the Congress would later consider the need for legislation to provide relief from any tax burden resulting from the divestitures required under the Amendments.

With respect to distributions previously required under the Bank Holding Company Act of 1956 (and its amendment in 1966), bank holding companies which controlled two or more banks were permitted to make taxfree distributions (referred to as "spin-offs") of either their bank or nonbank assets, as the case may have been. This special treatment provided for the nonrecognition of any gain to the shareholders, upon the distribution to them of banking or nonbanking property, including stock of a subsidiary. The tax on any gain realized by shareholders, or on any property received by them, would be imposed upon their later disposition of the stock or other property received in this spinoff.

This legislation provides two possible methods in which tax relief may be obtained by individuals and corporations for divestitures made by a bank holding company of either bank or nonbank property under the Bank Holding Company Act Amendments of 1970. First, the bill provides that a bank holding company may distribute either bank or nonbank assets to its own shareholders without inclusion in income or recognition of gain by such shareholders. This "spinoff" approach is generally the same as that adopted for divestitures under the bank holding company legislation enacted in 1956 and 1966. Second, the bill permits a bank holding company to sell its banking or nonbanking assets in a taxable sale or exchange, and to pay the income tax incurred by it in installments over a 10-year period to the extent the tax is attributable to divestitures made pursuant to the Bank Holding Company Act Amendments of 1970.

Fiscal Assistance Amendments of 1976 (P.L. 94–488, approved October 13, 1976)—The renewal of the State and Local Fiscal Assistance Act of 1972, or general revenue sharing, represents a reaffirmation of the principles of the 1972 legislation.

The Congress believes that our Federal system of government, composed of Federal, State, and local governments, has been strengthened by the provision of unrestricted fiscal assistance on a continuing and certain basis. By providing Federal funds with few limitations, the Congress believes that State and local governments may more effectively meet the diverse needs and priorities of the nation. This legislation renews the 1972 Act to achieve this result. In addition to providing continued, growing financial assistance to State and local governments, the Congress has made certain changes in the 1972 Act which are designed to strengthen and clarify the legislation.

This legislation extends revenue sharing through September 30, 1980, and provides a basic entitlement of $6.5 billion for fiscal 1977 and $6.85 billion for each fiscal year thereafter. Local and State government activities directly funded with revenue sharing assistance will henceforth be subject to nondiscrimination restrictions. In addition, the legislation requires reports on the actual use of the assistance, with public hearings on the proposed use of the money, and additional requirements for the local publication of information.

Maintenance of Common Trust Fund by Affiliated Banks (P.L. 94–414, approved September 17, 1976)—This legislation permits the maintenance of common trust funds by affiliated banks. Before the passage of this law, a common trust fund could be set up and maintained by a bank and the fund would not be subject to Federal income taxation, inasmuch as income was taxed directly to the participants in the fund. A fund could qualify as a common trust fund if maintained by a bank for investment of moneys which the bank received in its fiduciary capacity and in accordance with certain rules and regulations set by the Comptroller of the Currency.

The use of such common trust funds permitted a bank to diversify the investment of funds which it held in trust. The Internal Revenue Service took the position that a fund could not be treated as a common trust fund if a member bank holding company accepted moneys for inclusion in the fund from other member banks of that bank holding company also acting in their capacity as fiduciaries.

The Congress has decided that there should be no difference between tax treatment accorded a common fund by banks in such a situation with that accorded a single bank with multiple branches in a State where branch banking is permitted. This legislation thus will permit the maintenance of common trust funds by affiliated banks by providing that when such banks become members of an affiliated group they will be treated as one bank for the period of affiliation and that they may therefore contribute funds held in their fidiciary capacities to a common trust fund. This change applies to taxable years beginning after December 31, 1975.

This legislation also provided for the extension, to October 1, 1976, of income tax withholding rates, to prevent a tax increase pending the consideration of the general tax reform bill.

Tax Treatment of Certain Option Income of Exempt Organizations (P.L. 94–396, approved September 3, 1976)—This legislation amends present law to exclude from the term "unrelated business taxable income" all gains on the lapse or termination of options to buy or sell securities when the options have been written in connection with an exempt organization's investment activities. The rule of this legislation is to apply, whether or not the option is "covered." Thus, the term 'unrelated business taxable income" is to exclude all premiums received by an exempt organization on options which it writes under these circumstances, regardless of whether the option is exercised, lapses, or is terminated.

Increased U.S. Participation in the Inter-American Development Bank (P.L. 94–302, approved May 31, 1976)—Congress acted to replenish the capital resources of the Inter-American Development Bank by authorizing $2.25 billion as the American contribution to its operations through fiscal 1979. The 25-nation Bank was formed in 1959 to stimulate economic and social development in Latin America and has, toward that end, made loans of $7.4 billion for 922 projects in that region. The loans are basicaly of two varieties: ordinary capital providing development loans on conventional terms and a Fund for Special Operations providing easier-term loans for economic and social development. The ordinary capital commitment authority was exhausted in 1975 and the reserves of the Fund for Special Operations would have been depleted in 1976 were it not for approval of this legislation. The U.S. contribution was seen as an essential element of our Latin American policy, further demonstrating this Nation's support for the development of our neighbors to the south. The legislation enacted in 1976 also made it possible for affluent nations outside this hemisphere to participate in the Bank's programs. As signed into law, the bill also authorized the contribution of $25 million to the African Development Fund. The Fund, which was established in 1973, is associated with the African Development Bank and serves a purpose for Africa akin to that performed by the Inter-American Development Bank for Latin America.

Applications of Internal Revenue Code to Specific Transactions by New York State Public Employee Retirement Systems (P.L. 94–236, approved March 19, 1976)—As part of the action by the Congress to permit New York City maximum opportunity to put its own financial house in order, the Congress passed legislation permitting five New York City pension plans to purchase obligations of the City of New York and the Municipal Assistance Corporation (MAC) without these actions being considered violations of the prohibited transactions rules of the Internal Revenue Code or violations of the code requirement that the plans be for the exclusive benefit of employees and their beneficiaries. If these provisions were violated, the employees covered by the plans could well be taxed currently on their vested benefits, the employees could lose estate tax and gift tax exclusions, and they would not be entitled to special treatment of lump-sum distributions.

The Congress considers this legislation to be a part of the program of assistance provided for New York City, and it is not intended as a precedent for any private pension plans or for other governmental pension plans being exempted from the exclusive benefit or the prohibited transaction rules of the tax law.

Extension of State Taxation of Depositories Act (P.L. 94–222, approved February 27, 1976)—Due to a delay in the submission by the Advisory Commission on Intergovernmental Relations of a study, mandated by P.L. 93–100, of all pertinent matters relating to multi-State taxation of depositories, Congress extended the moratorium on interstate taxation of depositories to September 12, 1976, from the previous deadline of January 1, 1976, in order to give Congress more time to study the Commission's recommendations.

Section 2 of the legislation will extend to the entire New England region the experiment under which depository institutions in Massachusetts and New Hampshire have been permitted to offer negotiable order of withdrawal—NOW accounts.

Section 3 provides permission for merchants to grant a discount of up to 5 percent for the payment of cash and prohibits imposition of a surcharge with respect to sales which are subject to the Fair Credit Billing Act. This section also empowers the Federal Reserve to authorize one of its officials or employees to issue interpretive rulings which will constitute evidence of good faith compliance with the Truth in Lending Act. This provision should be especially helpful to small businesses, which cannot afford the expensive legal talent which is often required to enable them to cope with the intricacies of this act.

Finally, this section provides for the preemption of State usury laws, which might otherwise operate to prevent the granting of a discount in accordance with this legislation.

First Debt Limit Increase (P.L. 94–3, approved February 19, 1975)—Early in the session, the Congress increased the temporary Federal debt ceiling to $531 billion and extended it through June 30. The permanent debt ceiling remained at $400 billion.

Second Debt Limit Increase (P.L. 94–47, approved June 30, 1975)—Congress approved in June a further increase in the temporary Federal debt ceiling to $577 billion through November 15, 1975. At that time, a review of Federal borrowing requirements was scheduled to be undertaken as part of a congressional budget resolution in September.

Third Debt Limit Increase (P.L. 94–132, approved November 14, 1975)—Congress approved for a third time in 1975 legislation (H.R. 10585) raising the national debt ceiling, raising the temporary ceiling by $18 billion to $595 through next March 15. The permanent debt ceiling remains at $400 billion.

Increase in Temporary Limit on Public Debt (P.L. 94–334, approved June 30, 1976)—Prior to the passage of this legislation, the permanent debt limitation was $400 billion, with a temporary addition of $227 billion to the permanent limit, which made the total debt limit $627 billion through June 30, 1976.

This legislation provided a three-stage increase in the temporary limit which raised the combined temporary and permanent debt limits to $636 billion through September 30, 1976, $682 billion from October 1, 1976, through March 31, 1977, and $700 billion from April 1 through September 30, 1977. In effect, the law sets three debt limits.

With the new budget process in effect, it is now appropriate to make the public debt limit extensions on the same time schedule as the congressional budget resolution. On this basis, the debt limitation will be carried through the transition quarter or through the entire fiscal year 1977. If the limit were extended only through September 30, 1976, it would have then become necessary to provide another new limit in August or September. Setting another limitation this soon would be a useless gesture on Congress's part. In addition, with the times out for conventions and the desire that Congress adjourn by the end of this September, to consider the debt limit again at that time would have needlessly crowded the agenda of the House and Senate.

Section 2 of this law increases the exception to the 4¼-percent interest rate ceiling on long-term bonds by $5 billion, from $12 billion to $17 billion. With the 4¼ percent interest rate limitation on bond issues. Congress has been able to limit the sale of bonds with long maturities at high interest rates. Although the Congress believes that it would be unwise economic policy now to sell many of these long-term bonds at high interest rates, exceptions to this policy are needed in the interest of good debt management, so that most of the debt will not need to be rolled over at short intervals.

The increase of $5 billion which this bill provides will allow the Treasury to plan its program for the next 15 months and set tentative plans for the months after that. This incremental approach is the appropriate way for Congress to proceed in this area.

EDUCATION

MAJOR LEGISLATION

Education for Handicapped Children (P.L. 94-142, approved November 29, 1975)—By overwhelming majorities, both Houses approved a measure assuring full educational opportunities for the Nation's approximately 8 million handicapped children. Representing a major new commitment by Congress to quality education for all handicapped children, this Act amends the Education of the Handicapped Act of 1967 (P.L. 90-170) to increase the number of eligible children receiving aid and to assist in defraying education costs. The need for such legislation was emphasized in testimony before the House Subcommitte on Select Education, which estimated that only half of the nearly eight million handicapped children in the United States (through age 19) were receiving appropriate education. Approximately 1.75 million received no educational services at all, while 2.5 million received inadequate schooling. Recent Federal and State court decisions ruled that handicapped children have the right to free and public school education and the congressional action seeks to insure that right.

The Act provides for an immediate extension of the present entitlement formula for allocating funds and authorizes $100 million for fiscal year 1976. That amount is to be doubled for FY 1977, after which a new formula will be established. The new formula provides for a gradually increased percentage of the average expenditure per pupil by the Federal government. This provision requires a percentage escalation from 5% in fiscal year 1978 to 40% by fiscal year 1982 in funding educational services for handicapped children. There are incentives built into the proposals for the States to increase their services to the children by directing that recipient states spend as much on the handicapped as on the nonhandicapped and that the Federal funds be used only on those "excess cost" factors attendant to the high cost of educating handicapped children. Other provisions are designed to ensure the effective implementation of the program by requiring the Commissioner of Education to conduct periodic evaluations.

The need for comprehensive legislation in this area and the limited educational opportunities available to handicapped children has been emphasized in the three years of oversight hearings held by the House Select Education Subcommittee. The main goal of the Education for Handicapped Children Act of 1975 is to provide free appropriate public education for all handicapped children 3 to 18 years of age by September 1, 1978, expanded to those 21 years of age by September 1, 1980.

National Reading Improvement Act Amendments (P.L. 94-194, approved December 31, 1975)—In approving the National Reading Improvement Act Amendments, Congress has attempted to arrest the declining literacy rate among school children in the United States and to improve the ability of State and local governments to meet the growing demand for reading materials. Hearings before the House Committee on Education revealed that a recent survey by the University of Texas found that almost 20 percent of audit Americans are unable to cope with basic daily tasks in large part because of poor reading ability. Evidence also indicated that for the past 12 years test scores on the college entrance examination have been declining, with the most dramatic decline experienced in 1975.

H.R. 8304, the bill which amends the National Reading Improvement Act (title VII of the Education Amendments of 1974), serves two broad purposes. The first is to allow the U.S. Office of Education to continue to fund the same types of programs during fiscal year 1976 that it has funded in previous years under the right to read program. These activities include funding to the States for leadership and training programs and providing funding for reading programs having a national impact. No additional authorizations of appropriations are required to accomplish this purpose. The second major purpose of the legislation is to authorize the Commissioner of Education to contract with a private nonprofit group or a public agency for the distribution of inexpensive books to children to motivate them to take a more active interest in reading. Under the Act the Commissioner can pay up to 50% of the costs of purchase through a contract with organizations. For fiscal year 1976, $4 million is authorized for this purpose; and for each of the two succeeding years, $9 million is authorized.

Education Amendments of 1976 (P.L. 94-482, approved Oct. 12, 1976)—The Education Amendments of 1976 extend authority for programs carried out under the Higher Education Act of 1965, the Vocational Education Act of 1963, and for the National Institute of Education. In addition, a number of substantive changes are made with respect to these programs.

Programs carried out under the Higher Education Act are extended for three years, through fiscal year 1979, with the exception of the College Work Study and Cooperative Education programs which are extended through fiscal year 1982, and the Guaranteed Student Loan Program which is extended through fiscal year 1980.

Title I of the Higher Education Act is amended by adding authority for postsecondary continuing education and lifelong learning programs to the community service program authority provided in such title. A new program of grants for major research libraries is added to title II. Titles III (Assistance to Developing Institutions), VI (Financial Assistance for the Improvement of Undergraduate Instruction), and XI (Law School Clinical Experience Program) are continued for three years without major substantive change. The Education Professions Development Act is modified to emphasize inservice training in both the Teacher Corps and a new teacher center program established in lieu of other teacher training provisions repealed by these amendments. The authorization for construction of academic facilities (title VII) has been broadened to permit assistance for energy conservation projects and projects to improve the health, safety and environmental standards of such facilities. Title VIII (Networks for Knowledge) is repealed but the amended language of title IV, Part D (Cooperative Education) is made a new title VIII. Title IX graduate programs are extended and made more flexible permitting among other things assistance to students planning other than academic careers. Community college assistance in title X is focused more on providing assistance to programs that serve the nontraditional student.

With respect to student assistance programs, the Basic Education Opportunity Grant program is continued with an increase in the maximum grant ceiling to $1,800 for academic year 1978-1979. More effective administration of the Guaranteed Student Loan program is provided, including incentives to States to encourage establishment of State agencies to guarantee loans subsequently insured by the federal government. Among these are increased re-insurance, retention of a portion of collections and an administrative cost allowance. Other provisions will improve procedures for communicating with borrowers and informing borrowers of their rights and responsibilities. Criminal sanctions are imposed with respect to destruction of loan records and frauds connected with the loan program. The Act changes the method of setting the special allowance paid to lenders by tying it to the market interest rate on 91-day Treasury Bills.

Also contained in the legislation are consumer protection provisions requiring institutions to provide students with information about any refund policies, tuitions, and fees, and the rights and responsibilities of students under programs authorized by this Act.

Authority for the National Institute of Education is extended through fiscal year 1979. The Institute is given five priority areas—basic skills; finance, productivity and management problems; opportunities for the disadvantaged; career education; and dissemination of educational research information. Membership in the National Council on Educational Research is made broadly representative of the education professions, the general public, and the various fields of education. A panel is established to review the long-range plans submitted by labs and centers, and labs and centers are given specific authority to submit unsolicited proposals. A Federal Council on Educational Research and Development, composed of representatives of various federal executive agencies engaged in education-related research, is established to coordinate federal efforts.

Programs carried out under the Vocational Education Act of 1963 are extended through fiscal year 1982, with the exception of the new Renovation and Remodeling program, which is extended through fiscal year 1981. The bill basically extends the programs as presently authorized through fiscal year 1977. Beginning in fiscal year 1978, the Act is revised in the following respects:

(1) various categorical programs are consolidated into two block grants, one for basic program purposes and the other for innovation and supportive services;

(2) the States are required to conduct better planning for programs through mandatory involvement in this process of the State agencies concerned with higher education and programs under the Comprehensive Employment and Training Act; and

(3) States are required to eliminate sex stereotyping and sex bias in federally assisted vocational education programs.

The legislation also creates several new vocational education programs: a program authorizing funds for renovation and remodeling of facilities; a guidance and counseling program; a program to eliminate sex bias; and a program to encourage energy education in postsecondary institutions.

Other changes include:

(1) A provision requiring the Department of Health, Education and Welfare to coordinate both its collection of data and issuance of applications so as to cut down on excessive amounts of paper work;

(2) New programs for State grants to plan for career education and for national efforts to improve guidance and counseling;

(3) Extension of the Emergency School Aid Act through fiscal year 1979 and authorization of additional discretionary funds for special projects;

(4) Provision permitting the Commissioner of Education to grant waivers of the requirement that States and local school districts must maintain their State and local effort before receiving federal aid if such States and local districts are in serious financial straits;

(5) A requirement that the Secretary of Health, Education, and Welfare abide by specific time periods when he attempts to defer or otherwise limit federal aid to local school districts;

(6) Provision making it unlawful for the Secretary of Health, Education, and Welfare to defer or limit any federal financial assistance on the basis of the failure of a college or university to comply with the imposition of quotas on the student admission practices at such institutions;

(7) An amendment to title IX of the Education Amendments of 1972 (relating to sex discrimination) removing from its coverage activities related to Boys' Nation and Girls' Nation, father-son or mother-daughter functions, and beauty pageants; and

(8) Extension of the Ellender Fellowship program (see page 1) through fiscal year 1982.

Educational Broadcasting Facilities and Telecommunications Demonstration Act (P.L. 94–309, approved June 5, 1976)—Continuing its long heritage of support for educational broadcasting, the Congress passed legislation designed to maintain existing programs in educational broadcasting as well as to develop new ones with regard to telecommunications demonstrations. P.L. 94–309 technically amends the Federal Communications Act of 1934 by authorizing funds for FY 1977 to assist (through matching grants) in the construction of noncommercial educational television or radio broadcasting facilities. The current legislation extends similar legislation of 1962 (i.e. the Educational Television Facilities Act), which provided Federal matching grants to establish and expand public educational television broadcasting programs, and legislation of 1967 which included public educational radio facilities under the program.

According to the inquiries conducted by the House Committee on Interstate and Foreign Commerce and the Senate Committee on Commerce, the success of previous legislation is reflected in the current 254 public television stations serving 80 percent of the American public and 176 public radio stations reaching 62 percent of the population to which the legislation is committed to supporting and expanding.

The major ingredients of P.L. 94–309, which both chambers passed overwhelming after minor Senate amendments, include two items. The first is a grant program to noncommercial and educational television or radio for construction or improvement of facilities, with authorization of $7.5 million for July 1 through September 30, 1976, and $30 million for the ensuing fiscal year, an amount consistent with prior authorizations.

The second item is the telecommunications demonstration program, a new undertaking which will enable the Secretary of Health, Education, and Welfare to promote the development of nonbroadcast telecommunications facilities and services for the transmission, distribution, and delivery of health, education, and public service information. Included in this novel program are authorities for experimentation and demonstration of cost-effective applications of telecommunications technology to social or public service. This part of the statute authorizes $1 million for FY 1977 and $250,000 for the transition quarter.

Rehabilitation Act Amendments of 1976 (P.L. 94–230, approved March 15, 1976)—Under a suspension of the rules, the House of Representatives agreed to the conference report supporting the Rehabilitation Act Amendments of 1976, an action which paved the way for Senate action and eventual approval by the President. The legislation extends title I authorization of the Rehabilitation Act, commonly referred to as the basic State-Federal programs, for two years, as the House version provided. A series of programs designed to provide basic services and improve facilities for the handicapped were included in the re-authorization—construction of rehabilitation facilities, vocational training services, special rehabilitation projects, certain innovation and expansion grants, program and project evaluations, and the National Center for Deaf-Blind Youths and Adults. The Amendments provided for economies in certain areas by reducing the authorization to activities relating to research, training, and secretarial responsibilities to an amount less than the current fiscal year 1976 funding level.

The basic State-Federal program of vocational rehabilitation, which has a 55-year heritage, represents one of the most successful partnerships in federalism and one of the most successful rehabilitation programs. Because of the advanced information on State allotment funding, States have been able to plan more effectively for the orderly growth of their programs and to estimate more accurately the necessary matching funds. The legislation includes a provision for the program's automatic continuation into FY 1978, unless Congress enacts new authorizations by April 15, 1977, and thus enables this advanced planning to continue through the next two fiscal years.

Several sections of the Rehabilitation Act Amendments guarantee the civil rights of the handicapped vis-a-vis the Federal Government and/or Federal contractors and recipients of Federal financial assistance. A General Accounting Office study confirmed that the civil rights provisions had become "orphans of neglect," lost in bureaucratic quagmire, according to congressional sponsors of the Amendments. The hearings, debate, and reports, therefore, emphasized the necessity of enforcing the civil rights provisions for the handicapped.

OTHER LEGISLATION

Sea Grant Program Improvement Act of 1976 (P.L. 94–461, approved October 8, 1976)—The Sea Grant Program, a part of the National Oceanic and Atmospheric Administration (NOAA), is a ten-year-old program incorporating research, education, and advisory service activities. A congressional concern for fiscal accountability of the program and proper coordination with other long-range planning guidelines produced several oversight hearings in the 94th Congress. Reauthorization of the Sea Grant Program was limited to one year, as the House variation provided, and Title II included provisions for the purpose of improving internal management and coordination between the Sea Grant Program and other elements in NOAA. Part of the re-authorization included the existing Sea Grant College program activities, which were maintained at the present level, and did not jeopardize participating colleges, which continue to be formally designated by the Secretary of Commerce as sea grant colleges.

Educational Grant and Work Opportunities for Students (P.L. 94–43, approved June 28, 1975)—Responding to the twin burdens of students—reduced scholarship assistance and limited employment opportunities—the Congress enacted legislation to provide educational grants and work opportunities for college students. Entitled the Emergency Technical Provisions Act of 1975, the legislation amends the Higher Education Act of 1965 (P.L. 89–329) and expands the work and educational grant opportunities available to students adversely affected by continued high rates of inflation and unemployment.

The Emergency Technical Provisions Act of 1975 provides benefits to college students to continue their educational pursuits by dealing with certain technical problems concerning reallocation of funds which had arisen through interpretations of the existing law by the Office of Education or through the provisions of the statute itself. The Act of 1975 permits an intrastate reallocation of college work-study funds not expended in a particular fiscal year to the next succeeding fiscal year. This action alone preserved approximately $8 million in fiscal year 1975 for summer employment for students. A second provision requires a carryover of funds appropriated for Basic Educational Opportunity Grants in FY 1975 into FY 1976, thus insuring the availability of $135 million which would have been lost for this purpose.

Health, Education, and Welfare Appropriations (P.L. 94–206, became law by Congressional override, January 28, 1976. "Prohibition on the use of Health, Education, and Welfare funds for Busing.")—This law, while appropriating the funds for the Department of Health, Education, and Welfare, for fiscal year 1976, prohibits the use of such funds to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home and which offers the courses of study pursued by the student in order to comply with Title VI of the Civil Rights Act of 1964.

ENERGY, ENVIRONMENT, AND NATURAL RESOURCES

MAJOR LEGISLATION

Energy

Energy Conservation and Policy Act of 1975 (P.L. 94–163, approved December 22, 1975). As the First Session drew to a close, the Congress completed action on the Energy Conservation and Policy Act (S. 622), an omnibus measure designed to reduce oil consumption, encourage energy conservation, temporarily contain energy prices, and encourage domestic fuel production. The final measure was an amalgamated version of six different bills passed by one or the other House combined into one measure after nearly two months of work by House and Senate conferees.

The Act seeks to continue existing price levels on domestic oil. The law under which domestic oil prices had been controlled expired on December 15, 1975 (see Emergency Petroleum Allocation Act Extensions), and the Congress wanted to complete action on the energy measure rather than seek yet another extension of price control authority. S. 622 continues for forty months the composite price of domestic crude oil (the weighted average of prices for "old" oil, "new" oil, and oil produced by secondary or tertiary recovery methods) at $7.66 per barrel or less. The President was given wide discretionary powers to permit individual categories of oil to rise in price to stimulate production so long as the weighted average price remained at the required level. The President was also given wide discretionary authority, subject to congressional disapproval, relating to refining and distribution of oil.

To encourage greater use of coal, the Act authorizes the Federal Energy Administration to order power plants and other major fuel users to convert from oil or natural gas to coal. The Act also establishes loan guarantees for small coal mine operators to finance the opening of new underground mines.

To assure a greater domestic energy supply, the Congress gave the President and certain executive agencies broad authority to limit the export of crude oil, natural gas, coal, petrochemical feed stock, or mining and refining equipment when such supplies were necessary for domestic use. The Act authorizes the creation of a domestic strategic petroleum reserve of 1 billion barrels of oil and petroleum products within seven years for use by energy deficient regions or industries in time of emergency.

Presidential authority to impose national energy conservation and gasoline rationing programs is continued by the Act. The President had been granted similar power in the Emergency Petroleum Allocation Act of 1973. S. 622 required the President to submit, within six months, contingency plans for conservation and rationing subject to congressional approval. The President was granted similar authority to take any necessary actions to fulfill U.S. obligations in international oil allocation programs, subject again to congressional approval.

The Act also establishes a comprehensive program to improve the fuel efficiency of major energy consuming products and to encourage Federal and State governments as well as major energy using industries to develop energy conservation programs. S. 662 requires that the average fuel economy of automobiles made or imported by any one manufacturer be at least 18 miles per gallon by 1978, with the requirements gradually increasing to 27.5 miles per gallon by 1985. Manufacturers who fail to meet the standards will be liable to a fine of $5 for each one-tenth of a mile per gallon below the required economy level multiplied by the number of substandard vehicles sold by that manufacturer. (Example: a manufacturer of one million cars annually whose cars fail to meet the economy standard by one-tenth of a mile per gallon would be liable to fines of $5 million.) By the same token, manufacturers who exceeded the economy standard would receive credits against a potential future fine. The bill provides a limited exemption procedure for manufacturers.

Energy efficiency standards are also mandated for major consumer products. The FEA was authorized to engage in testing and labeling programs involving the energy consumption of products such as dishwashers, clothes washers and dryers, air conditioners, home heaters and air conditioners, humidifiers and dehumidifiers, refrigerators and freezers, and kitchen ranges. The bill also requires that, by 1980, manufacturers increase the energy efficiency of these products by 20 percent over their 1972 energy levels.

A three year program of grants totaling $150 million is authorized to assist States in energy conservation program development and implementation. The grants are intended to reduce projected state fuel consumptions by 5 percent by 1980. The 10 most energy consumptive industries are encouraged to develop conservation programs, and the Federal Energy Administration is directed to establish voluntary industry conservation guidelines.

The Act grants authority to several agencies, including the General Accounting Office and the Securities and Exchange Commission to develop necessary systems for auditing records of energy companies and for compiling information on energy resources.

Two sections of the Act as reported from conference were rejected by the House of Representatives. A section establishing an office of automotive technology research was rejected on the ground that it was not germane to the bill and came within the confines of another House committee's jurisdiction. A section providing coal mine loan guarantees was expanded in conference to include loan guarantees for the improvement of existing mines, as well as for the construction of new mines. Neither House had previously approved loan guarantees for new mines, and the section was stricken by the House as being new matter. The Senate accepted these modifications on December 17, 1975.

Energy Conservation and Production Act (P.L. 94-385, approved August 14, 1976); *Federal Energy Administration Act Extension* (P.L. 94-332, approved June 30, 1976)—The Federal Energy Administration (FEA) was established in 1974 as a temporary agency responsible for coordination of energy policy in the aftermath of the oil embargo. The agency charter was due to expire June 30, 1976, but the Congress voted to extend the life of the agency to December 31, 1977, to give itself time to establish a permanent agency in its place.

In the process of reauthorizing FEA, the Congress took the opportunity to examine and enact several proposals to increase the domestic production of petroleum and to government, business, and private citizens.

Coupled with the FEA extension until the end of 1977 were revisions in the Agency's rule-making power. In the future, the FEA will be required to submit to the Congress each proposed exemption from its petroleum pricing limitations. In addition, the Administrator of the Environmental Protection Agency is granted a 5-day period to comment on the environmental impact of any FEA-imposed rules, regulations, or policies. The FEA, in issuing its energy rules and regulations, or policies. The FEA, in issuing its energy rules and regulations is henceforth required to conduct field hearings to determine regional, state, or local impact of such rules.

To reduce the administrative burdens imposed on commercial activities by FEA rules, the FEA extension act includes redrafted provisions for hardship and inequity exemptions from FEA rules, limits the power of FEA to enforce its rules on small petroleum companies which acted erroneously, but in good faith, in folloiwng FEA directives, and reduces the record-keeping burden on small businesses imposed by FEA regulations.

The FEA extension additionally requires the FEA administrator to include, in the Agency's next annual report, an analysis of a British Thermal Unit (BTU) tax as a means of obtaining national energy goals, as well as a subsidiary analysis of various energy conservation programs. The reports are required to include cost estimates, and analyses of the effects which various conservation plans would have on the environment, national security, and on the international balance of trade.

The extension act permits, but does not require, the FEA to compile data on the exportation of domestic energy products. If the FEA can obtain adequate data from other sources, most notably from the Customs Bureau, it is relieved of any record-keeping responsibilities in this area.

The extension act contained authorizations of appropriations for the transition quarter by 1977 and for fiscal year 1978 of more than $220 million. The act specifically forbade the FEA from using authorized funds for solar energy research; it was the belief of the Congress that a multi-agency study of solar energy was required instead. However, the FEA is required to submit to the Congress in the near future a report on its efforts to encourage Federal agency participation in research on solar energy commercial feasibility.

In its early role in Project Independence, the FEA developed a computer modeling system to assist with its energy policy analysis and forecasts. The FEA extension act provides that Congress may obtain access to the computer model to assist in policy planning. Private citizens and organizations may also have access to the system, but are responsible for costs incurred.

The original measure, as passed by the House, contained provisions principally limited to extending the life of FEA, and to clarifying its administrative responsibilities. The Senate took the opportunity to add new sections to the House bill incorporating various energy conservation proposals which had been considered by either or both Houses during the course of the 94th Congress. Most of these Senate amendments were accepted, with modifications, by the conferees, and by both Houses.

The conference version of the bill reduced controls on price increases on oil produced from stripper wells. These wells are defined in the act as petroleum sources producing, on average, not more than 10 barrels of crude oil per day during calendar year 1973. The use of enhanced recovery techniques frequently could make these wells productive, but at increased cost. To make such production techniques attractive to the oil industry, the President is authorized to permit the price of oil from stripper wells to rise up to 10% above the current price of other forms of readily obtainable crude oil. The price increase of up to 10% would increase domestic production, but would not have a sizeable impact on the average consumed price for petroleum products.

The conferees substantially agreed to and incorporated into the Act Senate language establishing an Office of Energy Information and Analysis (EIA), responsible for gathering and analyzing data relating to energy supply and consumption within and relating to the United States. The Office of EIA is required to gather, and supply to the FEA, the Congress, and to responsible Federal officers, information on the ownership of the energy supply systems in the United States, consumption rates for various energy resources, supply factors on energy resource marketing, on the economic impact of energy supply changes, and on the international impact of energy shortages.

The act imposed a series of administrative requirements of the Office of EIA, and made the EIA subject to annual audit and review by a task force composed of representatives of several Federal regulatory and advisory bodies, under the direction of a chairman designated by Comptroller General.

The EIA Office is required to review the energy information gathering capabilities of the Federal government with a view toward ending duplication of effort. Relevant agencies are required to cooperate with the Director of the Office of Energy Information and Analysis and to supply the Director with any and all information which may be required to achieve the coordination of such data resources.

The Office of EIA is required to report annually, or more frequently if necessary, to provide a comprehensive view of U.S. energy consumption and supply.

To assist them with their policy formation and oversight responsibilities, the act specifies that congressional committees shall have access to all energy information gathered by the Office of Energy Information and Analysis

The National Bureau of Standards is directed by the act to draft energy efficiency improvement standards for electrical appliances. Although a specific goal for increased efficiency was not stated in the act, the House-Senate conferees recommended a minimum standard of 20% increased efficiency in power utilization. The FEA is, however, not bound by the Bureau of Standards recommendations.

The Energy Resources Council, created at the same time as FEA, was extended by the act until the end of fiscal 1977. During this period, the Council will be required to report annually on all energy conservation programs in Federal, State, and local governments levels, as well as in the private sector. The reports are to analyze the effect if these programs were instituted on a more comprehensive scale and to suggest additional conservation measures.

The act requires the FEA to conduct a study of electric utility rate structures with an eye toward developing rate structures which encourage energy conservation. The FEA is required to report within six months on the effects on energy use, power plant supply, and utility costs imposed by alternative rate structures. The Administrator of FEA is permitted by the act to fund demonstration projects to improve electric utility power load management procedures. The Administrator is additionally permitted to finance utility rate reform studies, including participation in State or local regulatory rate design proceedings.

The act provides for the announcement within 3 years (with a six month extension permissible) of suggested comprehensive energy conservation performance standards for new commercial buildings. The standards are to be drafted by the Secretary of Housing and Urban Development, with the assistance of the National Institute of Building Sciences, in consultation with labor, business, and consumer groups involved in architectural issues. Such draft standards are to go into effect no later than one year after announcement. After such standards are in force, no Federal financial assistance will be permitted for new construction which is not in compliance with the standards. States and localities are encouraged, through an authorization of $5 million and promised technical assistance, to draft and implement adequate fuel conservation standards for building in their regions. The head of each Federal agency is responsible for ensuring that any new construction of buildings for that agency is in compliance with such energy conservation standards.

The act included provisions for residential insulation assistance grants to low income families and to senor citizens. The cost of such insulation materials can not exceed $500 for a family below the established Federal poverty level. Grants to eligible families will be channeed through State and local agencies, and, for Native Americans, through Indian tribal organizations.

In the course of consideration of H.R. 12168, it became clear that the House-Senate conferees would not complete action on the FEA extension until after the Federal Energy Administration Act of 1974 had expired. Consequently, the Congress passed S. 3625 (P.L. 94-332) which extended the life of the FEA until July 30, 1976. Even this extension proved inadequate because the respective conference reports were not acted upon until August 5 and August 10. The Congress was about to extend the life of FEA for an interim period yet again when President Ford issued an executive order creating, for the interim, a Federal Energy Office to perform the duties of FEA.

Federal Coal Leasing Amendments Act of 1975 (P.L. 94–377, without approval; Senate overrode veto, August 3, 1976; House overrode veto, August 4, 1976).—The Congress, in an effort to encourage the orderly and efficient development of domestic energy resources, enacted a comprehensive revision of requirements for the leasing and production of Federal coal by private companies. The measure was the first major modification in the laws governing Federal coal leasing since the enactment of the Mineral Leasing Act of 1920. Senate supporters of the act hoped to include strict controls on strip mining on Federally leased lands, but House supporters of strip mining controls were opposed to enacting such restrictions only for Federal lands without making such regulations applicable to private sector mining activities as well. In the absence of new strip mining controls, the Department of the Interior will retain regulatory power over surface mining activities on Federal lands.

The Leasing Amendments Act requires in part that coal mining leases on Federal lands be issued only by competitive bidding with fair market value as determined by the Secretary of the Interior, being the floor for an acceptable bid and that at least one half of the lands leased each year be leased on a deferred bonus bidding system. This system permits coal lessees to pay leasing and revenue fees to the Federal Government over a period of time, rather than at the time of the leasing agreement. Such a system reduces the cash flow constraints which might have limited small coal company participation in the leasing program. The mixed system of bidding and payments is intended to limit the advantage of major energy producers in the leasing program, and to assure participation by smaller, independent coal mining companies.

The Department of the Interior is empowered by the act to disapprove any mining plan or lease which would not achieve the maximum economic recovery of coal. The act further eliminates coal prospecting permits and preference right leases, replacing them with a system of non-exclusive exploratory licenses in order to achieve optimum production from the leased sites.

To assure efficient production from the leased lands, and to improve competition among the coal mining companies, the act contains several provisions: it encourages the consolidation of mining tracts into logical mining units (LMU) of no more than 25,000 acres; limits the coal leases to 20 years and so long afterwards as coal is being produced in commercial quantities; permits termination of any lease not producing commercially viable quantities after ten years; and limits to 10,000 acres the amount of Federal coal lands that any one corporation or grouping could control at one time.

Provisions of the act relating to revenue include an increase in the Federal royalty from 5 cents per ton to 12.5% of the value of the coal (except for underground coal for which the Secretary of the Interior can set a lower value). The Act increased to 50% the state share of coal lease revenues for lands located within the State; the same revenue sharing provisions will apply to geothermal leasing revenues. The State Legislatures of Colorado and Utah were permitted in the Act to direct that revenues already received by those States in connection with the prototype oil shale leasing program may be used by their governments and local governments for planning, public facilities, and public services rather than only for schools and roads in areas affected by coal mining development.

To limit the environmental impact of such mineral development, the Act stipulates that Federal coal leases may not be issued for national parks, wildlife refuges, wilderness trails, and wild river systems. In addition where the lands proposed for leasing are located in National Forests, the Governors of States in which land is located may obtain a six-month delay in awarding leases, for further study of local impact by the Department of the Interior.

The Senate-passed version of the bill contained provisions restricting the use of strip mining techniques on Federal lands. Twice before, in the 93rd and 94th Congress, bills limiting strip mining and requiring strip mined land reclamation had passed both Houses, only to be vetoed by the President. One veto was a "pocket veto" at the end of Congress in the second instance, the Congress was unable to override the veto. Coal lease bill supporters in the House and supporters of strip mining regulations were unwilling to include strip mining regulations in the coal lease bill since only Federal lands would be affected. The House passed its own coal lease bill, without the strip mine limitations, and inserted its language as an amendment in the nature of a substitute for the Senate-passed language. After informal consultation between Members of both Houses, the Senate agreed to the House version of the bill without sending the bill to conference. President Ford vetoed the bill, his 24th veto of the 94th Congress, but the Congress overrode the veto, thus enacting the bill into law.

To assure that maximum productivity is reached at an early date from leased lands, the Act requires termination of any lease issued hereafter if it is not producing in commercial quantities at the end of 15 years after issuance; it also prohibits issuance of new leases to those holding leases at the time of enactment who do not produce coal from their leased lands within 15 years after enactment. The measure also requires the inclusion of federally leased lands in comprehensive land use plans prepared in consultation with State and local governments and promulgated after opportunity for public hearing. An additional public hearing is required before leasing of any particular tract, with focus on environmental, social, and economic impacts likely to result from issuance of the lease.

Emergency Petroleum Allocation Act of 1973 Extensions (S. 1849, vetoed by the President, September 9, 1975; H.R. 9524, P.L. 94–99, approved September 29, 1975; S. 2667, P.L. 94–133, approved November 14, 1975—Congressional consideration of omnibus energy bills has been spurred by the expiration on August 31, 1975, of the Emergency Petroleum Allocation Act of 1973. This Act established price levels for domestic crude petroleum in an effort to restrain the rapid domestic oil price increases experienced in the wake of the Arab oil boycott and price revisions. The 1973 Act gave to the President standby authority to allocate available oil supplies in the time of emergency, including rationing. There was concern in Congress that the expiration of the Act, in the absence of new allocation and conservation measures, would result in rapid, inflationary domestic oil prices. While Congress worked to arrive at a comprehensive oil bill (see S. 622), it made periodic efforts to extend the life of the 1973 Act until a new bill was ready.

As the August 31, 1975, expiration date neared and a new energy policy bill had not been completed, Congress sought in S. 1849 to extend the controls of the Act until February 28, 1976. The bill passed the Congress on July 31, 1975, but, owing to the August congressional recess, was not acted upon by the President until his veto of September 9, 1975. Technically, price controls had by then expired, but the intent of Congress expressed in debate was that, notwithstanding the date of final passage, that price controls were not to cease. With the veto, price controls temporarily ended meaning that oil companies technically were free to raise all their oil to a price level equal to that of oil imported from foreign nations, causing direct and indirect price rises of $40 billion over the next year.

At the time of his veto, the President expressed his willingness to approve a short-term extension of 30 to 45 days thereby enabling the Congress to pass a comprehensive energy bill. With this intimation of support, the House passed on September 11, 1975, a bill (H.R. 9524) to extend the Emergency Petroleum Allocation Act retroactively from September 1, 1975, until November 1, 1975. The Senate subsequently extended the coverage of the bill until November 15, 1975. On September 26, the House agreed to the Senate amendment, and the President signed the bill on September 29, 1975. This extension of price controls on "old" domestic crude oil had the effect of prohibiting price increases for approximately 60 percent of U.S. crude oil production. The Act further prohibited the President from proposing a new oil pricing policy prior to November 1, 1975, with Congress retaining the authority to disapprove the plan.

House and Senate conferees had been at work from late September until November attempting to reconcile differences between the House and Senate omnibus energy bills. The conferees had reached tentative agreement by November 14, 1975, but could not present their report and hope to have it accepted by both Houses before the Allocation Act expired on November 15, 1975. The day before the expiration date, both Houses passed S. 2667 which extended the allocation act for yet another thirty days until December 15, 1975. The President approved the bill on the same date.

Energy Research and Development Administration Authorization of Appropriations (P.L. 94–187, approved December 31, 1975—The Congress passed and sent to the President a $1.26 billion authorization bill for the Energy Research and Development Administration (ERDA) to continue its mandate to oversee Federal research activity in nuclear, fossil, solar and geothermal energy development. ERDA was created pursuant to the Energy Reorganization Act of 1974 and was given broad power to coordinate research activities among other Federal agencies involved in energy research development. The authorization Act set funding levels for the various energy research projects in the Federal goverment.

After the House and Senate passed conflicting measures, a composite bill was reported from conference. The conference report set spending authorizations at $977 million for fiscal 1976, with an additional authorization of $249 million for the fiscal year transition period. The most controversial additions to the House version were provisions for Federal loan guarantees for financing energy technology demonstration projects and giving the Department of the Interior authority to select a public land site for a demonstration project testing the feasibility of on-site oil shale processing. Lengthy debate occurred in the House, and a bipartisan coalition united in disagreeing to the provisions, thereby forcing the Senate to agree to the removal or force another conference.

The rejected loan guarantee program was intended to provide incentives to energy companies to undertake the enormous capital investment needed to develop new energy recovery and development techniques. Many House Members were opposed to aiding the energy companies without any assurance that potential profits from such energy development would yield added Federal revenues. Some Members thought guarantees for small energy companies would be desirable, but were opposed to guaranteeing the investments of corporate energy giants as well.

The second controversy centered around Federal encouragement of the "on site" oil shale development process. Oil shale is crude petroleum located within layers of rock. With the increase in petroleum prices, it has become feasible to mine these shale layers profitably. Two differing technologies exist for exploiting shale oil. One involves mining the shale rock, bringing it to the surface, and heating or otherwise treating the rock to remove the oil. This method is technologically simple, but potentially damaging to local ecology and environment. A second method, the *in situ* or on site method, requires heating the shale rock while it remains in the ground. Sufficient heat will release the trapped oil making it possible to pump the oil to the surface. While the method is environmentally sound, few companies remain convinced of its practicality. Several have examined the process, and rejected it as too costly or too uncertain of success. One major company, Occidental Petroleum, remained convinced of its practicality.

In debate on the conference report, several Members expressed their opposition to granting a tract of land for the development of the *in situ* process when it was likely that only one company would benefit from the assistance. It was pointed out in House debate that the oil company involved had failed to make a competitive bid when other companies acquired land for oil development from the Department of the Interior. Opposition to by-passing Federal land oil leasing policies, and the prospect of Federal assistance to only one company led the House to reject that section of the conference report.

The House did, however, agree to the ERDA authorization conference report with the exception of the two controversial sections referred to above. The Senate agreed to the House revisions of the conference report on Decembber 18, 1975.

The Act also authorizes funding for fusion and fission energy research and development and operating expenses, nuclear material research and development, and nuclear national security programs.

Temporary Suspension of Presidential Authority to Impose Fees on Petroleum Imports (H.R. 1767, vetoed by the President March 4, 1975)—Recognizing the urgency of a comprehensive energy policy that reduces the Nation's dependency on foreign oil imports, Congress has made a national oil policy a top concern this session. Members are aware of the cost burden that must be ultimately borne by the consumer if oil import fees are increased. An increase in fees would be inflationary, first driving up the cost of gasoline and fuel consumption for business and private homes. Before Congress and the President could work together on a Federal petroleum policy, however, the President issued a proclamation on January 23, 1975, establishing a schedule of petroleum product import fees ranging from $1 to $3 per barrel of imported crude petroleum without congressional consent under the authority of the Trade Expansion Act of 1962. In an attempt to prevent the President's efforts to usurp the role of Congress in energy policy, Congress responded by considering legislation to delay imposition of the import fees pending completion of a comprehensive energy bill which would deal, in part, with the problem of excessive reliance upon imported petroleum products. The action represented not one of confrontation with the President, but simply one to reserve congressional options to work as an equal partner with the President on our energy program.

The bill sought to negate for ninety days the President's proclamation, and to prohibit for that period any similar presidential directives regarding oil import fees. The Ways and Means Committee, in its report (H. Rept. 94–1), listed several reasons in support of the bill. Among these were the belief that the import fee policy might preempt other approaches to reducing oil demand, the opinion of the committee that the Administration had not sufficiently justified the fees on the ground of national security needs, and the declaration that the President had not consulted the Congress about the decision. In an effort to increase the likelihood that the President would approve the bill, H.R. 1767 as reported also contained sections temporarily increasing the national debt limit.

Emergency Oil Price Increase Limitation (H.R. 4035, vetoed by the President July 21, 1975)—With expiration of Federal authority to set price levels on domestically produced crude oil due to expire on August 31 this year, Congress acted again to prevent a rapid increase in oil prices here at home by extending that authority to December 31 of this year. That authority was contained in the Emergency Petroleum Allocation Act of 1973. Both Houses sought to block the President who wanted to phase out over a period of thirty months controls on domestic oil prices. This action would have preserved the old (prior to 1973) oil price ceiling, and rolled back the price of new oil from an uncontrolled price. Congress feared that with an uncontrolled price plan not only gasoline prices but coal and natural gas prices would be increased substantially. Coal prices alone, according to a Congressional Budget Office report, could increase 30 to 50 percent. In an effort to compromise with the President, Congress would have permitted through H.R. 4035 the Federal Government to allow a gradual increase in oil prices by designated amounts, subject to its approval.

This legislation, would have extended the powers of the Emergency Petroleum Allocation Act of 1973 by which petroleum and natural gas prices were controlled until December 31, 1975, while the power of the President to set "new" domestic crude oil prices higher than those in effect on January 31, 1975 would have been limited. The Congress thought that it could pass a comprehensive energy bill by that time. The bill also expressed the intention of Congress to disapprove any oil pricing policy which would have permitted "old" domestic oil prices to rise above the levels in effect on January 1, 1975. There were exemptions in the bill, directed toward small oil refiners, partly exempting them from the price limitations of the act. The exemptions, it was hoped, would be an incentive to small refiners to expand their refining capacity and production.

Emergency Petroleum Allocation Act (P.L. 94–99, approved September 29, 1975)—Faced with the President's refusal to compromise on a gradual lifting of oil price controls, Congress for a second time attempted and succeeded in extending Federal authority to control petroleum prices. To prevent a stalemate which would only hurt the consumer, Congress passed a less comprehensive measure that extended this authority to November 15, 1975 providing, however, that at such time the President submitted a pricing plan, Congress would have the right to approve or disapprove any proposal. Provisions were made retroactive to the end of price control authority (August 31, 1975), thereby causing a return to oil prices in effect at that time. A second extension, to December 31, 1975, was approved by Congress later in the session.

Development of Petroleum Reserves on Public Lands (P.L. 94–258, approved April 5, 1976)—For more than a half century, the United States has maintained Naval Petroleum Reserves in Elk Hills and Buena Vista, California and in Teapot Dome, Wyoming. More recently, a fourth naval petroleum reserve was created in Alaska. These deposits of crude petroleum had been designated for the use of the Navy in time of national emergency when sufficient supplies of foreign or domestic petroleum products could not be assured. Both Houses were agreed that some production from these reserves for domestic, civilian consumption ought to begin, and agreement was finally reached during the second session of the 94th Congress.

As finally enacted the measure transfers Pet–4 (as is identified), the Alaskan reserves, from the Navy Department to Interior with the jurisdictional transfer to be completed, after several intermediate steps, by July 1, 1977). Production from the Alaskan reserve is not authorized, but the Congress has directed the Interior Department to undertake studies relating to possible production from the reserve in the future. (A limited amount of production is authorized to provide fuel to Indian settlements near Point Barrow, Alaska.)

The Secretary of the Navy (who retains administrative control over the three lower United States petroleum reserves) is directed to initiate production from the wells as soon as possible, and to extract petroleum at the "maximum efficient rates" from the field for a period not to exceed six years. The act permits an extension of production from the fields for more than six years if necessary. Petroleum from the fields is to be sold on the basis of competitive bids, although no company may acquire, directly or indirectly, more than 20 percent of the petroleum produced by any one field in a year.

The Attorney General is directed by the Act to investigate the antitrust implications of all administrative rulings and contract procedures in the oil leasing operations. Provisions were made in the act to assure that all companies involved in oil production at the three reserves had access to pipelines. A proportion of oil extracted under the plans is earmarked for the Federal Government, and the President is authorized under the act to require stockpiling of such oil for future national emergency use. The House and Senate Committees on Armed Services are given oversight of the Elk Hills, Teapot Dome, and Buena Vista production programs, while the Interior Committees of both Houses are to oversee implementation of the act's provision with respect to Pet-4.

Nuclear Indemnity Program (P.L. 94–197, approved December 31, 1975)—Recognizing the Nation's growing commitment to the production of nuclear energy, both Houses extended and modified the Price Anderson Act of 1957 (due to expire in 1977) to provide insurance to compensate the public in the event of a nuclear accident. H.R. 8631 would extend the Price-Anderson system for compensating losses in the unlikely event of a nuclear accident for an additional 10 years. Moreover, the nuclear industry would be required to gradually assume greater financial risk through a system of private insurance. Although the limit on the nuclear industry's liability would be continued under the bill, the limit would eventually rise as the number of nuclear plants in operation increases, and once the Government's responsibility as indemnitor is replaced by a system of private insurance.

The bill also would provide funds for public liability up to a total of $560 million in the event of a nuclear incident. This figure represents the sum of the amount of Government indemnity fixed at $500 million by the Congress, and the then-existing (1957) maximum available from private liability insurance, $60 million.

Since the enactment of the Price-Anderson Act, there has not been a single accident which has resulted in indemnity payments for public injury under its provisions. This outstanding safety record has been accompanied by a gradual growth in the nuclear power industry. The Price-Anderson Act has served its dual purpose of protection of the public and elimination of a potential deterrent to the establishment of a nuclear industry.

Without this extension of the Price-Anderson Act, nuclear power plants now in the planning and designed phases would not be eligible for insurance because the Price-Anderson Act applies only to licenses issued prior to August 1, 1977. Reactor manufacturers and architect-engineers are already requiring escape clauses in their contracts to permit cancellation in the event some form of protection from unlimited potenttial liability is not provided. By taking action well before the expiration date of the 1957 Act, Congress assures the continuing development nuclear power generating plants to meet the growing energy requirements of the nation.

Water and Power Development and Energy Research (P.L. 94–180, approved December 26, 1975)—In enacting the Public Works For Water Power Development and Energy Research Appropriation Act of 1976 (H.R. 8122), Congress made significant policy decisions in the energy field to bring the country closer to energy self-sufficiency. The Act represents a substantial congressional commitment to investment in the future needs of America to meet the energy crisis; it provides for essential public water supplies; flood and beach erosion control; and reclamation, irrigation, navigation, and other essential services for America's expanding population. In addition to the beneficial energy and environmental impact of the Act, the new projects authorized will provide capital assets which will create employment at a time when new jobs are urgently needed.

The four titles of the bill provide funding for projects of the Energy Research and Development Administration, Corps of Engineers, Bureau of Reclamation, power agencies of the Department of the Interior, the Appalachian Regional Development Commission, Federal Power Commission, TVA, and the Nuclear Regulatory Commission.

Congress demonstrated its policy leadership in the energy field by funding the energy research portion of the bill at a rate greater than the original administration request. Particular congressional concern was expressed for progress in the solar and geothermal research areas. The bill contains $82,700,000 in fiscal year 1976 for solar energy research and development expenditures—an increase of $73,930,000 over the fiscal 1975 funding level of $8,770,000 for solar energy. A total of $31,170,000 is provided for geothermal expenditures—an increase of $17,370,000 over the $13,800,000 for fiscal year 1975.

Congress continued to develop the Nation's water resources for energy, environmental and recreational uses in agreeing to $2,125,607,000 for fiscal year 1976 for the U.S. Corps of Engineers, and $675,344,000 for the Bureau of Reclamation. The projects funded by these appropriations will serve the Nation in many ways—communities and businesses will receive water supplies, communities will be protected with flood control, energy will be generated by hydropower facilities, commerce will be increased along inland waterways, food will be grown on irrigated acreage, and widespread benefits will be made available to millions of Americans.

In addition to the direct job and energy creating effects of the bill, H.R. 8122 makes a long range impact on America's energy and environmental policies by providing funding for the various independent offices with jurisdiction in these fields. Among others, the bill funds the Appalachian Regional Commission, the FPC, the TVA for fiscal 1976, as well as providing funds for a number of regional environmental and energy agencies such as the Delaware River Basin Commission and the Water Resources Council.

Authorizing Supplemental Appropriations to the Nuclear Regulatory Commission (P.L. 94–18, approved April 25, 1975)—Supplemental appropriations were authorized for the Nuclear Regulatory Commission to provide for license fee refunds required by two recent Supreme Court decisions, replace funds which would otherwise have been available to the NRC budget from such revenues, and to provide additional funds to meet the goals of the Energy Reorganization Act of 1974.

The Supreme Court ruled (in National Cable Television Assoc., Inc. v. U.S. and FPC v. New England Power Co.) that the Commission's licensing and inspection fees were unconstitutional in that they essentially covered the costs of administering nuclear regulatory programs, thereby constituting a tax rather than a fee. Under the criteria established by the Court in those cases, the Commission estimated that approximately $9,500,000 of the $50,200,000 supplemental appropriations authorization would be required for license fee refunds.

In addition to meeting the refund requirements of the Court's ruling, the supplemental appropriations authorization was enacted to offset the loss of revenue resulting from the license fee decisions, and to further implement provisions of the Energy Reorganization Act of 1974 which requires that the Nuclear Regulatory Commission become a separate agency.

Nuclear Regulatory Commission Authorization (P.L. 94–79, approved August 9, 1975)—Congress provided authorizations for appropriations to the Nuclear Regulatory Commission for $275,685,000 for fiscal 1976 and the transition period. In addition to authorization of appropriations, the Act provides an additional 131 employees for nuclear safety inspection and enforcement, and prohibited the air transport of plutonium fuel until the Commission certifies to Congress that a safe container, which will not rupture under crash, has been developed.

Federal Energy Administration Extension Act Amendments (P.L. 94–385, approved Aug. 14, 1976)—The Banking, Currency and Housing Committee had jurisdiction over Title III of H.R. 12169 and shared jurisdiction over Title IV of the bill with the Subcommittee on Energy and Power of the Interstate and Foreign Commerce Committee. Public Law 94–385 created several programs designed to encourage the conservation of energy in new and existing buildings.

Title III directs HUD in consultation with FEA, Commerce, GSA and the National Institute of Building Sciences to develop energy conservation performance standards for new residential and commercial buildings within a maximum of 4 years after enactment. Prior to final promulgation of the performance standards, HUD is required to report within the first year and every 6 months thereafter to the Congress on the progress of states and local governments in adopting and implementing prevailing energy conservation standards and on the effectiveness of such standards. The performance standards will become effective nationwide and financial sanctions will be applied to noncomplying jurisdictions only if, within 90 days of final promulgation of those standards, the House and Senate pass a concurrent resolution approving the standards and the imposition of sanctions. If the concurrent resolution is approved, the states or units of local government having jurisdiction over building codes would have a year from the date of final promulgation of the standards to either adopt energy conservation standards for new buildings that are similar to or stricter than the federal standards or to establish a procedure whereby individual building projects could be certified as being in compliance with federal standards. Federally related financing for the purchase or construction of new buildings would only be withheld from states or from areas within states that have not adopted standards similar to the federal standards or have not established a certification procedure.

$5 million is authorized to be appropriated for fiscal year 1977 in order to give states and units of general purpose local governments financial grants to help them adopt and implement performance standards or certification procedures.

Title IV creates 4 separate programs designed to encourage states to implement broad energy conservation plans and individuals, businesses, non-profit institutions and governmental entities to install energy conservation measures in existing buildings. Part A authorizes the Federal Energy Administration, after consultation with HUD, HEW, Labor, ACTION, the National Bureau of Standards, and fully coordinated with the Director of the Community Services Administration, to develop a program of grants to

Indian tribes, to the states or, in areas where the states do not apply for such funds within 90 days of promulgation of final regulations, to units of general purpose local government or to community action agencies already carrying out weatherization programs under Title II of the Economic Opportunity Act of 1964, to finance the weatherization of dwelling units occupied by low-income persons (particularly low-income elderly or handicapped persons.)

Applicants for the funds must establish policy advisory councils and procedures to assure that these funds will supplement but not supplant state or local funds available for weatherization programs. While the states in designing state programs are encouraged to give priority to community action agencies already carrying out emergency energy conservation programs, if after public hearing those community action agencies are determined to be ineffective, funds need not be allocated to those agencies. In determining the fund allocation for each state, FEA will apply a series of criteria which include the number of dwellings to be weatherized, the type of weatherization work to be done and the climatic conditions (including consideration of annual degree days) in the state.

The grants will be used, to the maximum extent possible, to cover the cost of purchasing and installing materials designed to improve the heating or cooling efficiency of a dwelling, such as insulation, storm windows, caulking and weatherstripping and mechanical equipment up to $50 in value. Unless a state policy advisory council recommends a higher amount, the cost of weatherization materials per dwelling unit cannot exceed $400. To the greatest extent practicable volunteer and public service employment workers are to be used to install the materials. No more than 10 percent of any grant may be used to administer the program. The total authorized amount for the program is $55,000,000 for fiscal year 1977, $65,000,000 for fiscal year 1978 and $80,000,000 for fiscal year 1979.

Part B provides funds to encourage states to develop supplemental state energy conservation plans. In order to qualify for funds a state plan must include the following: (1) a continuing public education program to increase public awareness of energy and cost savings from the implementation of energy conservation measures (such as insulation) and renewable-resource energy measures (such as solar heating and cooling equipment), and of information concerning the planning, financing and installing of such measures; (2) procedures for insuring effective coordination among various local, state and federal energy conservation programs within and affecting the state; and (3) procedures for encouraging and carrying out energy audits which must be free for occupants of residential buildings and reasonably priced for all others. The FEA Administrator may decide at his discretion to mandate that the state plans also include any of the following provisions: (1) the establishment of a state energy conservation advisory committee; (2) a program for preventing unfair or deceptive practices affecting commerce and the implementation of energy conservation and renewable-resource energy measures; (3) procedures for verifying the implementation and cost of such measures; and (4) assistance for persons who want to undertake cooperative action to implement energy conservation and renewable-resource energy measures.

The implementation of the supplemental state energy conservation program authorized by this title shall in no way impede the progress of the ongoing state energy conservation programs authorized under part C of Title III of the Energy Policy and Conservation Act.

Any building or industrial plant modified by an energy conservation measure or renewable-resource energy measure must have been completed at the date of enactment. An energy conservation measure means a measure modifying an existing building or industrial plant which has been determined by means of an energy audit or by FEA to improve the efficiency of energy use and to reduce energy costs in an amount sufficient to recover the total cost of purchasing and installing such measure within the useful life of the measure, as determined by FEA, or 15 years, whichever is less. A renewable-resource energy measure means a measure modifying an existing building or industrial plant which has been determined by means of an audit or by FEA to involve changing the fuel or source of energy used to meet the requirements of such a building from a depletable source of energy (such as gas or oil) to a nondepletable source of energy (such as gas or oil) to a nondepletable source of energy (such as solar) and to be likely to reduce energy costs sufficiently to recover the total cost of purchasing and installing such a measure within the useful life of the measure or 25 years, whichever is less.

In order to assist states to design and implement supplemental state energy conservation plans, part B of the Act authorizes the appropriation of $25 million for fiscal year 1977, $40 million for fiscal year 1978, and $40 million for fiscal year 1979.

A national energy conservation and renewable-resource demonstration program for existing dwellings is created in part C. The purpose of the program, which will be designed and administered by HUD, is to test the feasibility and effectiveness of various forms of financial assistance to encourage persons at various income levels and in various geographical areas to install and implement approved energy conservation and renewable-resource energy measures in existing dwelling units. The kinds of financial assistance authorized may include loan guarantees, interest subsidies, low interest rate loans and grants. The maximum grant allowable to an individual will be the lesser of $400 or 20 percent of the cost of an energy conservation measure or the lesser of $2,000 or 25 percent of the cost of a renewable-resource energy measure except that the maximum amount may be increased by the Secretary, by rule, for applicants with a gross family income below the median family income in the housing market area in which they reside. No person may be eligible for both financial assistance under this program and a credit against income tax for the same measure.

The Secretary of HUD is directed to report to Congress on the progress in carrying out the program every 6 months and shall submit a final report within 2 years after enactment which shall include recommendations for a national program to reduce significantly the consumption of energy in existing dwellings. $200 million is authorized to be appropriated for the demonstration program and is to remain available until expended.

Part D creates a program of obligation guarantees administered by FEA to assist the financing of energy conservation and renewable-resource energy measures by non-profit institutions such as universities or hospitals, general purpose units of local government, persons leasing such measures to such institutions or units of government, and other persons, particularly small businesses, that could not finance the measures in the absence of the guarantees. FEA may not guarantee obligations issued for the purpose of installing such measures in residential buildings containing 2 or fewer dwelling units nor may any person receive assistance under both parts C and D of this title for the same measure. The amount of the obligation guaranteed may not exceed 90 percent of the cost of the measure financed nor 25 percent of the fair market value of the building or industrial plant being modified by the measures nor is the payment of the interest on the obligation involved guaranteed. The term of the guarantee may not exceed 25 years and no guarantee or commitment to guarantee may be issued after September 30, 1979. The amount of the obligation gauarantee issued with respect to any obligor or all his affiliates may not exceed $5 million. The total obligational authority is $2 billion and the amount authorized to be appropriated for the payment of defaults on guaranteed obligations is $60 million.

Part E provides that FEA shall encourage, through conferences and publications, the exchange of information among the states with respect to energy conservation and increased use of nondepletable energy sources. In addition, the Comptroller General for each of the fiscal years 1977, 1978, and 1979, shall report to the Congress on the activities of HUD and FEA pursuant to this title. Those reports shall include among other items, an estimate of the energy savings which have resulted from the implementation of this title, and a review of the extent and effectiveness of compliance monitoring of programs established by this title.

Establishment of House Ad Hoc Select Committee on the Outer Continental Shelf (H. Res. 242, passed the House, April 22, 1975)—The complexity of energy related legislation frequently results in the introduction of bills which overlap the jurisdictions of several committees. In 1974, in an effort to remove some jurisdictional conflicts, the original version of the Committee Reform Amendments (H. Res. 988, as reported) sought to establish a standing committee on energy and environment. This proposal was removed from the final version of the resolution, but provision was made to permit the Speaker to refer bills concurrently or sequentially to several committees, or to appoint, with the concurrence of the House, a select committee to consider a specific bill. H. Res. 242 was the first resolution creating such a select committee under the revised House *Rules*.

The bill in question, H.R. 6218, sought to establish national policy regarding the management of oil and natural gas deposits on the Outer Continental Shelf. Similar measures introduced earlier in the session had been referred to the following committees: Interior and Insular Affairs, Judiciary, and Merchant Marine and Fisheries. The House leadership thought that three, or perhaps four, additional committees could also claim jurisdiction over measures relating to the Continental Shelf.

H. Res. 242, therefore, created the Ad Hoc Committee on the Outer Continental Shelf, and specified that its sixteen Members were to be drawn from the Committees on Interior, Judiciary, and Merchant Marine; the select committee is to utilize such committee staff as it required on a loan basis from the three parent committees. The select committee was directed to consider H.R. 6218 and to transmit its findings and report to the House no later than January 31, 1976, at which time the select committee would be disbanded.

Natural Gas Transportation Act (P.L. 94-477, approved October 11, 1976)—With actual petroleum and natural gas production from Alaska imminent, the Congress acted to assure that pertoleum products could be efficiently transported to the lower United States. The Natural Gas Transportation Act directs the Federal Power Commission to establish special procedures for Alaskan natural gas, and requires the President to make a final decision on proposed gas transportation systems by July 1, 1977, subject to congressional review.

To assure the rapid completion of such gas transportation systems, the act specifically exempted authorizations made pursuant to it from compliance with the National Environmental Policy Act, public hearings, and other technical requirements, and limited the class of legal actions which could be taken against the act.

Natural Gas Pipeline Safety Act Amendments (P.L. 94- , approved)—As the production and transportation of petroleum and natural gas increasingly has come to be done through interstate pipelines, the Congress became concerned that localities through which pipelines passed were inadequately protected against accidents. Thus, this act authorizes appropirations of $5,100,000 for fiscal year 1977 in the form of grants to the States to upgrade existing pipeline safety programs and facilities.

Energy Research and Development Administration & Supplemental Authorization of Appropriations (P.L. 94-269, approved April 16, 1976)—The Congress acted in the Second Session of the 94th Congress to provide the Energy Research and Development Administration with sufficient spending authority so that it could fulfill its research and monitoring programs as a result of recent nuclear testing agreements between the United States and the Soviet Union.

In October 1975, President Ford requested additional funding authorization for ERDA for specialized personnel and equipment for development of nuclear testing programs and to monitor the implementation of test limitation agreements. However, the request came too late in 1976 to be included in the original ERDA authorization bill, and the authorization request was made a separate measure, S. 3108.

As enacted, the measure authorizes an additional $57 million for fiscal 1976 and for the transition quarter for the Energy Research and Development Administration. Funds authorized are directed toward maintaining scientific staff employment levels in nuclear weapons research projects during the fiscal year and to increase permissible nuclear testing programs. The authorization funds would also permit the purchase by ERDA (rather than leasing) of specialized computer hardware equipment essential for weapons program development. Additional funding would be directed toward acquisition of equipment necessary to monitor Soviet nuclear testing to verify Soviet compliance with nuclear testing agreements.

Tennessee Valley Authority Bonding Limit Increase (P.L. 94-139, approved November 28, 1975)—The Tennessee Valley Authority Act of 1970 (P.L. 91-446) set the bonding limit for TVA at $5 billion. Since that time, the energy needs of the region served by the Tennessee Valley Authority (TVA) have increased dramatically, as have the capital costs and lead-time required for additions to the TVA's electric power generating facilities. In order to permit TVA to finance its plant expansion, Congress passed legislation in 1975 increasing the TVA's bond ceiling to $15 billion. These additional bonds will help finance generating plants increasing TVA's generating capacity from 112 billion kilowatts to more than 220 billion kilowatts by 1985.

Nuclear Regulatory Commission Authorization (P.L. 94-291, approved May 22, 1976)—Congress granted the Nuclear Regulatory Commission's full $274.3 million authorization request, despite Administration recommendations for an almost $25 million reduction. The authorization for funding supervision of the nation's nuclear industry include increases of $20.9 million for nuclear regulatory research (chiefly for reactor safety verification method development), $143.3 million for nuclear safeguards research, $1.6 million for inspection and enforcement activities, and $705,000 for reactor regulation.

ENERGY, ENVIRONMENT AND NATURAL RESOURCES

ENVIRONMENT AND NATURAL RESOURCES

Major Legislation

Marine Fisheries Conservation (P.L. 94-265, approved April 13, 1976)—A comprehensive fishing conservation management program was approved to regulate U.S. and foreign fishermen within a two hundred mile U.S. exclusive fishery zone, and to protect at least 14 fish species threatened with depletion. This congressional action was taken partly in response to the international community's inability to reach a consensus on the fisheries question through several years of Law of the Sea conferences involving 4,000 delegates and 140 nations. International law has been in a state of flux as several nations have begun to claim exclusive fishing rights in ocean water up to 200 miles from their shores. Several international conferences on the law of the sea were held in an attempt to reach accord on a new definition of "territorial waters," but the conferences reached no decisions. In this uncertain international environment, American fishermen had been placed at a competitive disadvantage in that the United States did not claim a 200-mile limit as other nations did. Several American fishing vessels, respecting the internationally accepted 12-mile limits, were seized by governments of countries claiming a 200-mile coastal water limit. After the failure of international conferences to adopt a revised coastal water limit, Congress moved to end confusion regarding American coastal waters and American fishing interests.

The law will not only unilaterially extend the U.S. fishing zone from 12 to 200 miles, but will also protect the American fishing industry, conserve dwindling fishery resources, and share surplus stocks with foreign fishermen. In addition to granting U.S. fishermen priority rights for fishing within the zone, eight regional fishery management councils are provided for to prepare fish conservation plans to regulate catches of stocks in low supply. Other provisions of the bill would require that all bilateral fishing agreements made by the United States be submitted to the Congress for possible disapproval within 60 days of signing. The bill also contains guidelines for conserving fishing reserves, international allocation of surplus marine life stocks, and for additional Federal assistance to American fishing interests.

The 200-mile limit takes effect March 1, 1977, a compromise date between the House's July 1, 1976, and the Senate's July 1, 1977. A $35 million authorization is to fund Commerce Department activities under the law through fiscal 1977. The Coast Guard's authorization will appear in its annual appropriations bill.

Coastal Zone Management Act Extension and Expansion (P.L. 94-370, approved July 26, 1976)—Most of the remaining United States oil and gas resources are located offshore. The current emphasis on strengthening domestic production of these resources places a particular burden on coastal areas. The development, transportation, and refining of these energy resources bring increased population and environmental degradation to the already highly developed yet ecologically fragile coastal states.

The enactment of P.L. 94-370 extends and expands the 1972 Coastal Zone Management Act to authorize federal payments and additional discretionary federal grants to help affected states cope with the growing impact of energy development. Coastal management planning and interstate coordination of management efforts, guided by Commerce Department research and training as well as almost doubled federal funding assistance, are emphasized by this Act. States are given four years instead of three to complete initial coastal policy planning programs. All told, about $1.5 billion in new impact aid over 5 years becomes available under the Act.

The overall program focuses on: (1) loans to provide financing for those temporary adverse fiscal impacts on state and local units which increased tax revenues from energy development activities and facilities will later pay for; and (2) grants to compensate for adverse impacts which will not be mitigated by tax revenue. Federal grants will be limited to paying for unavoidable adverse impacts to force local and state governments to look first to the oil industry for assistance in sharing responsibility for environmental and fiscal problems resulting from industry operations.

Loans come in the form of federal guarantees for up to $200 million in state and local bonds to finance public services and facilities necessitated by energy development and corresponding population increases. Authorized grant levels will rise from $50 million in fiscal 1977 to $125 million in fiscal 1981, to be allocated by a formula weighing six measures of offshore oil and gas activity. Purposes for which grant money may be used include: (1) retirement of federally guaranteed bonds for energy related projects; (2) development of public facilities and services; and (3) holding down or offsetting the loans of valuable ecological and recreational resources. The 1972 act's estuarine sanctuary program is expanded with $25 million annually in acquisition funds for providing access to public beaches and other public coastal areas. Also, the Commerce Department is to make a shellfish industry study.

Authorizing Additional Appropriations for the Noise Control Act of 1972 (P.L. 94-301, approved May 31, 1976)—Prior to the early 1970s the control of abatement of noise was the concern of a few specialists, and Federal legislation was limited in focus. In 1970, title IV of the Clean Air Amendments Act, P.L. 91-604, entitled "Noise Pollution and Abatement Act of 1970," established the Office of Noise Abatement Control within the Environmental Protection Agency to carry out a one year study of the noise problem.

During the 92d Congress extensive hearings were held on problems associated with noise. The testimony before both the Houses and Congress indicated that the effects of noise take many forms, both physiological and psychological in nature. To attack this problem the Congress authorized the Environmental Protection Agency, in the Noise Control Act of 1972 (P.L. 92-574), to conduct further research to determine the effects of the levels of noise abatement activities of the Federal Government; to regulate and label noise levels of products in commerce; and to make available information relating to noise and its effects.

This measure, as finally aprpoved, extends authorization for these noise control programs by the Environmental Protection Agency through fiscal 1977. The act authorizes $13.3 million for fiscal 1976, $3.3 for the transition period necessitated by the change in the fiscal year, and $14.6 million for fiscal 1977.

Atlantic Tuna Convention Act of 1975 (P.L. 94-70, approved August 5, 1975)—In 1966 the International Convention for the Conservation of Atlantic Tunas was signed by 14 countries, including the United States. The President was authorized by P.L. 94-70 to appoint three persons as U.S. delegates on the Commission overseeing the agreement. The House asked that two be residents of a coastal state who are knowledgeable in the principles of commercial and/or sport fishing, and the third a Commerce Department official. A Senate amendment removed those qualifications for the commissioners, asking only that not more than one be a federal or state government employee and that the others be from the general public. The Senate amendment replaced the House language in the final version.

Land and Water Conservation Fund Act; National Historical Preservation Fund (P.L. 94-422, approved September 28, 1976)—Congress enacted legislation boosting funding authorizations for the nation's parks and recreation areas and for restoration and preservation of historic sites by passing P.L. 94-422, the Land and Water Conservation and Historic Preservation Fund Act.

The action demonstrated Congress' continuing interest in conserving the nation's natural and historical resources. Originally, Congress set up a Land and Water Conservation Fund in 1964 to finance federal acquisition of recreation lands, and to help state and local governments acquire and develop such lands. The revenues dedicated to the Fund at that time—fed by sales of certain federal surplus properties, motorboat fuel taxes, national park entrance and recreation user fees—were inadequate to accomplish its mission. Therefore, in 1968 Congress increased authorizations by earmarking for the Fund receipts from gas and oil leases on the Outer Continental Shelf for the Fund. By raising federal funding levels for parks, Congress moved to enable the Interior Department to buy about $500 million worth of land before skyrocketing land prices soar even higher. In addition, the 94th Congress created an Historic Preservation Fund to help states protect their historic lands and buildings from bulldozers and wrecking balls by providing an increased level of matching grants for State historic preservation programs.

The Act increases authorizations for the Land and Water Conservation Fund to $600 million in fiscal 1978, $750 million in fiscal 1979, and $900 million per year for FY 1980 through FY 1989. It requires that at least 40 per cent of all annual appropriations for the Fund be used for federal programs; allows states (in limited situations) to use up to 10 per cent of their Fund allocation (federal and matching funds) to build ice skating rinks and swimming pools, if this will increase public use of such facilities; establishes a Historic Preservation Fund, with authorizations of $24.4 million in fiscal 1977, $100 million per year in fiscal 1978 and 1979, and $150 million per year in FY 1980 and 1981, grants the 29-member federal Advisory Council on Historic Preservation independent status; and authorizes federal matching grants providing up to 70 per cent of a state's cost for planning historic preservation.

Toxic Substance Control Act (P.L. 94-469, approved October 8, 1976)—In order to reduce potential health or environmental hazards, Congress began tightening control over the marketing of industrial and commercial chemicals. House-Senate conferences announced September 14, 1976 that they had resolved differences between the House and Senate versions of the toxic control bill. The conferees' agreement culminates five years of effort to hammer out differences between each House's bill. Both the House and Senate passed toxic control legislation in the 92nd and 93rd Congresses, but the bills died because House-Senate differences could not be worked out in conference.

By passing the legislation, Congress ensured greater protection of human health and environment. The toxic control bill responds to the growing awareness of the link between toxic substances and the increase of cancer, as well as damage to the environment. The National Cancer Institute has estimated that 60 to 90 percent of all cancer in the United States may be induced by environmental exposure to carcinogenic substances. Recognizing the danger posed by unregulated marketing of potentially toxic substances, Congress passed this bill aimed to save lives, save money spent on cancer treatment, and prevent the introduction of hazardous chemicals into the food chain and environment.

Specifically, the bill requires chemical manufacturers and processors to test potentially harmful chemicals before they can be marketed. The bill also requires manufacturers to notify the Environmental Protection Agency of any new chemicals they intend to produce, and authorizes the EPA to require testing of those chemicals it considers a potential threat to health or the environment.

Sewage Treatment Loan Guarantees (P.L. 94- , approved)—The Federal Water Pollution Control Act is amended by this act to add a provision for loan guarantees for the construction of treatment works. Local units of government sometimes cannot obtain reasonable financing in the private market for sewage treatment projects mandated by the Environmental Protection Agency. With this act the EPA may guarantee the principal and interest of bonds for the construction cost of such projects once it determines that (a) sufficient credit at reasonable terms can not be obtained; and (b) that there is reasonable assurance that the local unit will be able to repay the loan so guaranteed.

Water Resources Development Act of 1976 (S. 3823, P.L. 94- , approved ——— ———)—This bill authorizes construction by the Corps of Engineers of 10 water resources development projects, and further detailed studies (Phase I of advanced engineering and design) of 35 water resources development projects. In addition it contains modifications to existing projects and general legislative items relating to the management of the water resources program. Among the more significant of these items are the following:

A provision authorizing the Corps of Engineers to establish wetland areas in connection with Corps projects to aid in reducing the loss of such areas.

Authorization of a comprehensive study of the waterway improvements including a review of the existing system and its capability for meeting the nation's needs.

An increase in the authorization for planning assistance to states to aid in water resources planning.

A provision authorizing the Corps of Engineers to nourish beaches with beach-quality sand which has been dredged in constructing and maintaining navigation inlets and channels.

A provision authorizing aid for state and local governments to provide in reased law enforcement services at recreation areas of Corps of Engineers projects.

Authorization of a comprehensive study of the uses and needs of the Mississippi River incorporating total river resource requirements such as the effects of increased barge traffic, fish, wildlife, recreation, and water quality.

National Park Mining Regulations (P.L. 94-429, approved September 28, 1976)—In general the approximately 300 units within the National Park System permit no mining in keeping with the system's purpose to protect valuable natural areas from development and to preserve them for the benefit and enjoyment of the public. However, mining has been permitted in six units: the National Parks of Mt. McKinley (Alaska) and Crater Lake (Oregon); the National Monuments of Death Valley (California and Nevada), Glacier Bay (Alaska), Organ Pipe Cactus (Arizona), and Coronado National Memorial (Arizona).

This measure closes these areas to further mineral entry. Existing valid claims and patented rights within those units will not be negated, but are to be assessed by the Secretary of the Interior to determine the consequences of mining such areas, as well as to determine their validity and the value thereof. The most controversial issue centered on the western portion of the Glacier Bay National Monument. Studies are currently being conducted by the Department of the Interior to determine the likelihood of additional mineral deposits in this area. A significant nickel ore deposit has previously been located, and claims associated with the deposit have been patented in this area. The bill also requires Department of the Interior officials to annually disclose any financial interests to the provisions of this bill.

Land and Water Resource Conservation Act of 1976 (Pocket vetoed, October 19, 1976)—Despite earlier demographic predictions that the population of the United States would climb to 150 million people after the year 1950 and then stabilize at or near that level, our population has now risen to be over 200 million individuals with at least another 50 million expected by the turn of the century. Among the ever-increasing pressures caused by population growth are greater demands on land, water and related resources in order to meet both present and future requirements for food and fiber; for rural and urban development, for agricultural, industrial and community water supplies; for fish and wildlife habitats; and for an untold variety of other needs and uses. This Act would have made it possible to develop and implement a national resource policy in a systematic and rational fashion.

In order to secure the needed data base from which informed decisions and policies can be derived, this legislation directed the Secretary of Agriculture to appraise the quality and quantity of our land, water and related resources. This appraisal was to make a no-nonsense analysis of the potential of our national resources for various uses and a determination of the changes in the status and condition of these resources resulting from various proposed uses. This appraisal was to be prepared in cooperation with conservation districts and State soil and water conservation agencies, and be completed by December 31, 1977; be prepared again by December 31, 1979 and at each five-year interval thereafter.

Simultaneously the Secretary of Agriculture was to develop a National Land and Water Conservation Program to set forth the direction for future soil and water conservation efforts based on the most current national appraisal. These programs were to be prepared and presented on the same time schedule as the appraisals.

The appraisal and program reports were to be submitted to the Congress by the President on the first day on which Congress convened after the due date of the reports. Moreover, the Administration was directed to submit a detailed policy statement intended to be used in the framing of budget requests for the Soil Conservation Service and in the carrying out of programs already established by law.

To assure that programs are carried out in the best interest of the country, Congress would have had the right under this legislation to disapprove the President's programs and revise or modify the Administration's statement of policy; these congressional modifications were to be used in future budget requests and more importantly, in carrying out Federal policy. In any case in which the Budget recommended a course which failed to meet the policies established under this law, the President would have been required to specifically set forth the reason or reasons for requesting the Congress to approve the lesser program or policies presented.

Surface Mining and Control and Reclamation Act of 1975 (H.R. 25, vetoed by the President May 20, 1975)—For the second time in two years, the President vetoed legislation to establish Federal guidelines regulating strip mining. The rising costs of petroleum and natural gas had made growing use of coal strip mining techniques economically feasible. Before strip mining became widespread throughout the United States, the Congress determined to establish a national policy requiring land reclamation to prevent the widespread landscape scarring which occurred in Appalachia. In 1974, President Ford pocket vetoed a strip mining bill, and drafted a series of objections to the form of that bill. In 1975, the Congress made a serious effort to incorporate many of the President's objections into the bill, but the second bill was vetoed as well.

The vetoed bill created an Office of Surface Mining in the Department of Interior charged with administering Federal surface mining regulations, reviewing State surface mining regulatory programs, and initiating action to enforce compliance with Federal standards. Federal strip mining regulations were to go into force six months after the passage. States were encouraged to establish their own guidelines, but, if they did not act, Federal rules would apply. The bill required mining companies to post performance bonds assuring the completion of land reclamation projects after an area was stripped, and levied taxes on stripped and subsurface coal the proceeds from which would be used to restore abandoned strip mined lands.

Authorizations for more than $2.5 billion over seven years were included to be used to establish State mining and mineral resource research institutes and mineral research demonstration projects

Saline Water Conservation Program for Fiscal Year 1976 (P.L. 94–38, approved June 19, 1975)—Congressional concern over the potential scarcity of natural resources is reflected in action this session authorizing funds for the continued research into fresh water conversion. Studies conducted by both Federal and private research organizations reveal a likely shortage of fresh water in the United States. The water requirements of an affluent, industrial society continue to grow, and many of the processes which provide for better standards of living render large amounts of water unfit for human or agricultural uses. For example, there is a growing utilization of nuclear reactors to provide relatively cheap electric power, but, the nuclear power reactors require "cooling towers" and large amounts of water and because of its proximity to sources of radioactivity, such water is currently banned from human consumption. Industrial pollution, although currently the object of Federal regulation, made the water in many rivers, streams, and lakes unfit for agricultural use or human consumption. For the long term, therefore, the Congress thought it essential to aid research which could reclaim unusable water for human consumption and to make the virtually limitless supply of ocean salt water, usable for drinking and irrigation.

The Saline Water Conservation Program Act contains provisions regarding several ongoing research programs. The Act authorizes the Department of the Interior to continue research to develop new sources of water by finding efficient and economical methods of converting saltwater and underground brackish water to pure water for drinking and irrigation. A total of $1.4 million is provided to further basic research in the desalinization of sea water, with an additional $750,000 directed toward the development of the technology necessary for the practical application of desalinization techniques. Another $250,000 is directed to research in the freeze crystallization process of water purification which may prove suitable for industrial pollution control.

Resource Conservation and Recovery Act of 1976 (P.L. 94– , approved October , 1976)—While Congress has in the past addressed itself to the problems of waste disposal, the primary focus of our national environmental movement has been toward the problems of air and water pollution. As a nation we have neglected to fully recognize the implications of haphazard solid waste disposal practices. This insensitivity has occurred as consumers have seemingly adopted a use and discard policy. The depletion of resources and higher prices dictates that we change our individual attitudes, and as importantly, our collective public policy.

This Congress has addressed those needs in the passage of this Act. This measure amends the Solid Waste Disposal Act of 1965 to advance our country toward more environmentally sound solid waste programs and practices. These amendments are the result of a three-year legislative effort begun in the 93d Congress with the establishment of the Panel on Materials Policy. Extensive oversight and legislative hearings were conducted.

Several major areas of concern are met by this legislation. An extensive research and study program on the problems related to the disposal of solid waste on land is mandated. In addition, the Environmental Protection Agency is given the authority to assist communities in four areas: comprehensive solid waste management, regulation of hazardous waste disposal, assistance for resource recovery and utilization, and assistance for resource conservation. Thirdly, the bill authorizes technical and financial assistance to States and local governments to demonstrate and stimulate more cost effective and environmentally sound solid waste management practices.

This legislation reflects congressional recognition that solid waste management is a uniquely local problem and that programs in this area should be developed and managed by State and local governments and regional groups. While the Federal Government's role in solid waste activities should be one primarily of providing financial and technical assistance, there are two instances when this bill goes beyond the establishment of plans and guidelines. First, the States are required to provide for the elimination of open dumps within five years and, second, the States must develop a plan for the control of hazardous wastes disposal.

In this legislation, Congress can take pride in its forward step to deal with and solve the complex problems of solid waste management.

Marine Protection Research and Sanctuaries Act (P.L. 94–62, approved July 25, 1975)—When the Marine Protection, Research, and Sanctuaries Act of 1972 was enacted into law, Congress made a national commitment to protect ocean waters from the unregulated disposal of wastes and toxic material. Prior to the passage of this Act dumping of materials into the marine environment was completely unregulated, despite existing knowledge that many disposals had an adverse effect on the oceans and adjacent or connecting waters. With the approval of H.R. 5710, Congress extended appropriations authorizations under Title I and Title III of the 1972 Act through fiscal year 1976, and provided an authorization of $15,875,000 for the transition period from July 1 to September 30, 1976.

Other legislation

Authorizing Appropriations for the National Advisory Committee on Oceans and Atmosphere (P.L. 94–69, approved August 5, 1975)—Congress increased the appropriation authorization limit for the National Advisory Committee on Oceans and Atmosphere, expanded the committee's jurisdiction, and made it more accountable to Congress, in legislation which became law on August 5.

Public Law 94–69 authorizes appropriations of $445,000 to the Committee for each fiscal year 1976, 1977 and 1978 and $112,250 for the transitional period (July 1 through September 30, 1976). The law expands the committee's jurisdiction to include responsibilities in coastal zone management issues and national ocean policy. It makes the committee more accountable to Congress by requiring that the Advisory Committee respond to requests by both the President and Congress.

Water Resources Development (P.L. 94–156, approved December 16, 1975)—Congress demonstrated its commitment to work to meet the energy requirements of the Nation in approving H.R. 6669 to authorize the Secretary of the Interior to engage in feasibility investigations of twelve specific potential water and related land resource projects. In addition to recreational water resource and land development, H.R. 6669 would authorize studies of the hydroelectric and geothermal power potential of a number of areas, and also authorize a technical study of integrating the power loads by interconnecting transmission systems of several major river basin power generating systems in order to provide the efficient production of electricity.

River Basin Authorizations (P.L. 94–101, approved Oct. 2, 1975)—This Act provided additional authorizations for appropriations necessary to continue work on authorized water resources development projects in four river basins through fiscal year 1976. The basins involved were the Arkansas River Basin, Mississippi River and Tributaries, North Branch, Susquehanna River, and the Santa Ana River Basin in California. The increases were needed because of construction activity which has progressed faster than anticipated when the last River Basin Authorization bill had passed in 1974, and because of supplemental appropriations which had been made for additional work on the Lower Mississippi River and Tributaries project following damaging floods.

Expanding Coverage of the Rehabilitation and Betterment Act (P.L. 94–102, approved October 3, 1975)—Congress moved to provide Federal rehabilitation and modernization loans to small local water projects by amending the Rehabilitation and Betterment Act of 1949 (63 Stat. 724) to include such projects under the Secretary of the Interior's loan authority under the 1949 law. In 1975, the Interior Department ruled that projects constructed with Federal assistance under the Small Reclamation Projects Act of 1956 were not eligible for improvement loans under the Rehabilitation and Betterment Act. This Act allows projects constructed under the authority of the Small Reclamation Projects Act to be eligible for Federal loans under the Rehabilitation and Betterment Act of 1949 if they appear desirable to rehabilitate and modernize small water facilities.

State Participation in Environmental Analyses (P.L. 94–83, approved August 9, 1975)—Acting quickly in response to a decision in the Second Circuit Court of Appeals which caused the Federal Highway Administration (FHWA) to halt all federally funded highway projects in New York, Vermont, and Connecticut, Congress enacted H.R. 3130 to clarify the National Environmental Policy Act of 1969.

The Second Circuit decision held that certain actions taken by the State of Vermont Highway Department in preparing environmental impact statements for some partially federally funded highway projects were not in compliance with the National Environmental Policy Act because the act required a federal official to be responsible for preparing such statements. The FHWA procedure for preparing impact statements prior to the decision called for State officials to prepare the statements under the supervision and review of federal officials. The decision was interpreted by the Federal Highway Administration as prohibiting such State participation in preparing environmental impact statements, thereby requiring that all such studies be conducted solely on the Federal level in States of the Second Circuit. This interpretation by the FHWA significantly increased the burden of preparing impact statements on the FHWA, causing a halt in Federally funded highway projects in the States of the Second Circuit.

As enacted, H.R. 3130 clearly met the concerns of the court by stating that environmental impact statements which were prepared by a State agency or official under federal supervision, would not be held legally insufficient under the National Environmental Policy Act of 1969 because of State participation.

Increasing Appropriation Authorization For Volunteers In Parks Program (P.L. 94–128, aproved November 13, 1975)—By increasing appropriations authorizations from $100,000 to $250,000, Congress endorsed a highly successful program enacted in 1970 (84 Stat. 472) designed to utilize the skills and interests of private citizens through a voluntary program to supplement the operation of the National Park Service. In fiscal year 1975, 5,000 volunteers contributed, free of charge, 300,000 hours to park programs at a cost to the Federal Government of 28 cents per hour. The appropriations authorized under the program went to reimburse the out-of-pocket expense of the volunteers, and to provide uniforms and materials to the persons donating their time to complete projects initiated under the program.

Congress enacted the $150,000 increase in appropriations authorizations in order to encourage the expansion of the program, especially to meet the anticipated heavy usage of Park Service facilities during the Bicentennial celebration.

Authorizing Further Appropriation for the Office of Environmental Quality (P.L. 94–52, approved July 3, 1975)—Congress extended the authorization for the Office of Environmental Quality through fiscal year 1976, authorizing an appropriation of $2,000,000 through June 30, 1976, and not more than $500,000 for the transition period.

In addition to authorizing appropriations, H.R. 8054 also modified the Office of Environmental Quality's original authorizing legislation to allow the Office to accept travel reimbursement from nonprofit organizations and other Federal and State agencies for officers and employees of the Council of Environmental Quality to attend meetings and conferences. The Act also gives the Council the authority to accept volunteer assistance in their programs and to take advantage of regular college programs that supply interns to an agency for working experience and course credits, without requiring that the volunteers be compensated for their services.

Grand Canyon National Park Enlargement Act Amendment (P.L. 94–31, approved June 10, 1975)—In an amendment to the Grand Canyon National Park Enlargement Act of the 93d Congress, the House and Senate moved to provide for further protection of the wilderness areas within the park by authorizing a new wilderness study. Such a study was made of the park under terms of the 1964 Wilderness Act. Providing impetus for a continuing environmental impact study was the large increase in popularity of the section of the Colorado River which runs through the Canyon in recent years for recreational use, and the consequent ecological and social conflicts which have occurred.

Establishing The Hells Canyon National Recreation Area (P.L. 94–199, approved December 31, 1975)—The House moved to protect a valuable scenic and recreational resource in passing S. 332 to establish the Hells Canyon National Recreation Area in the States of Idaho, Oregon, and Washington. The bill would create a recreation area along the Snake River from Hells Canyon Dam (Idaho) to Asotin, Washington, comprised of approximately 670,000 acres.

The Hells Canyon area has long been an area of controversy, pitting conservationists against hydroelectric power interests wishing to dam portions of the Snake River. Studies of this reach of the Snake River have been undertaken intermittently since the early 1900's for recreational, navigation, and multiple-purpose development.

The land to be included in the recreation area includes the deepest gorge in North America—more than a mile deep in some locations.

In addition to authorizing $10,000,000 for the purpose of acquiring land or interests in land within the recreation area, the bill also provides an additional $10,000,000 for development of certain recreational facilities, and not more than $1,500,000 for identification, development and protection of historical and archeological sites in the Area.

National Park System Administration Revisions (P.L. 94–458, approved October 7, 1976)—This measure is described as a helpful assemblage of alterations and clarifications in the administrative authorities of the National Park System. A significant provision includes power to designate various employees to maintain law and order in order to protect persons and property, with such employees in certain cases being empowered to carry firearms, make arrests, and work with local police departments. The Act continues the National Park Areas Advisory Board of interested citizens; moves towards more concurrent jurisdiction arrangements between federal and other units of government for more responsible management and providing of services; and includes other provisions for improved agency protection and management of national parks.

Minnesota River Valley Refuge (P.L. 94–466, approved October 8, 1976)— The Minnesota River Valley adjacent to metropolitan Minneapolis-St. Paul offers unique environmental resources. It provides extensive open space and wildlife habitat, including marshlands so important for natural flood control and waterfowl habitat. The threat of development for navigational, commercial, industrial, and residential purposes led to local, state and congressional support for this act to protect the area as a 9,500 acre wildlife refuge, to be known as the Minnesota River Valley Refuge, and an adjacent 8,000 acre recreational area.

Reclamation Authorization Act of 1976 (P.L. 94–423, approved September 28, 1976)—The seven water resources projects totalling $332.4 million consolidated into this measure, provide for irrigation projects in Kansas, Washington and California, two Indian reservation reservoirs in Utah, American Canal relocation, enlargement and safeguards in El Paso, Texas, emergency mine drainage facility stabilization and protection in Colorado, and a municipal and industrial water supply project for metropolitan Oklahoma City. Provisions include wildlife, fishery and recreational resource enhancement. Over half of the funding will be split between the Utah reservoir project benefiting the Indian community and the Oklahoma City water supply project.

Environmental Protection Agency Research and Development Funding (P.L. 94–475, approved October 11, 1976)—The bill authorized $328.8 million for fiscal 1976, and $82.2 million for the transition period to support the research and development program of the Environmental Protection Agency. The significance of the measure lies in its requirement for yearly authorizations for the program, and in the requirement for the EPA to submit a 5-year plan for improved environmental R & D. These features are intended to permit the Congress to maintain closer oversight and control of the EPA's R & D program than is currently possible. It was because of these features that the bill was enacted, despite Senate delays that prevented its final approval until after the program funds had already been appropriated and spent, and the fiscal period in question ended.

Tinicum National Environmental Center (P.L. 94–548, approved October 18, 1976)—Originally established by Congress in 1972, the Tinicum National Environmental Center near Philadelphia became the first urban national park. It comprises 890 acres including the only surviving tidal marsh in Pennsylvania. This bill authorizes $2,250,000 in fiscal 1977 and $3,650,000 for fiscal 1978 to continue land acquisition and development. The most notable provision is for the acquisition and reclamation of a 45 acre former dump site now a source of noxious chemical seepage and rat breeding, both detrimental to the marsh. Its higher elevation and location on the edge of the park make it a fitting location for a park visitors' center.

Wilderness Lands Designation (P.L. 94–557, approved October 19, 1976)—Nineteen areas in 13 states, totaling 388,000 acres, were designated as components of the wilderness preservation system. Another 8 areas in 2 states, totaling 587,350 acres, were approved for study to determine whether they should be included in the system. This omnibus measure primarily affects Montana (5 areas) and Missouri (5 areas), with other areas in Alaska, Arkansas, California, Florida, Illinois, Louisiana, Minnesota, Nebraska, N. Carolina, Washington, and Wyoming.

National Park Service Boundary and Authorization Ceiling Changes (P.L. 94 , approved October , 1976)—About 25 existing units within the National Park Service received in this measure approval for increases and adjustments to their boundaries, as well as updating of funding levels to compensate for inflation. Among areas included are the Zion (Utah), Olympic (Washington), and Canyonlands (Utah) National Parks; the Morristown (New Jersey), Ft. Larned (Kansas), Lincoln Home (Illinois), and San Juan (Puerto Rico) National Historic Sites, Assateague Island National Seashore (Maryland), Cuyahoga National Recreation Area (Ohio), and other park units. The Senate on the last day of session deleted a House amendment providing for an expansion of Manassas National Battlefield Park in Virginia, despite the insistence of supporters that the expansion was vital to forestall commercial development. The George Washington Birthplace National Monument (Virginia) expansion was similarly dropped.

Federal Land Policy and Management Act of 1976 (P.L. 94– , approved October , 1976)—The House Interior Committee developed this comprehensive reform measure to implement many of the recommendations of the Public Land Review Comission. Dealing primarily with the public lands in the 11 western states and Alaska, it is described as a major step in modernizing the public land laws and facilitating closer congressional oversight of the future use and management of the public lands and their vast resources. A charter is established for retention and management of over 450 million acres in the 12 states administered by the Bureau of Land Management. Guidelines and standards to be used by the principal public land management agencies are enacted, and obsolete portions of many existing public land laws are repealed.

Miscellaneous Public Land Actions (see entry for P.L. and approval date)—Several amendments to the Wild and Scenic Rivers Act of 1968 were incorporated in Public Law 94-486, approved October 12, 1976. Some 149 miles of the Missouri River in Montana, 44 miles of the Obed River system in Tennessee, and 219 miles of the headwaters of the Flathead River in Montana were added as components of the National Wild and Scenic Rivers System. The Act also directed a study to be made of the suitability of the Housatonic River in Connecticut for possible future inclusion in the system. Clarification was made of the river segment to be studied with regard to the Piedra River in Colorado. The upstream boundary of the Feather River component in California of the national system was also made.

Amendments to the National Trails System Act of 1968 were enacted which authorize studies to be made of: the Bartram Trail, the Daniel Boone Trail, the Desert Trail, the Dominguez-Escalante Trail, the Florida Trail, the Indian Nations Trail, the Nez Perce Trail, and the Pacific Northwest Trail, under the terms of the original Act.

An addition of 3,600 acres to the Indiana Dunes National Lakeshore was approved—an area 800 acres less than the House first provided for and with fewer protections for the area's natural characteristics, both reductions due to Senate amendments (P.L. 94-549, approved October 18, 1976.) Some 15,000 acres of the Congaree Swamp in South Carolina was designated as a national monument, including a unique near-virgin forested lowland area with 5 national and 17 state record trees (P.L. 94-545, approved October 18, 1976). $12.4 million in 1976 funds were authorized for the United States portion of the land acquisition, construction and maintenance costs for a modified flood control project for the Tijuana River in cooperation with Mexico (P.L. 94-425, approved September 28, 1976).

Whale Conservation and Protection Study Act (P.L. 94-532, approved October 17, 1976)—Recognizing the endangerment of a unique resource of aesthetic and scientific interest to mankind, Congress has acted to provide the necessary funds for the study of whales. Under this legislation, the Secretary of Commerce is required to undertake a comprehensive study of all whales within our 200 nautical mile economic zone. A report of the results of this study along with recommendations for developing adequate and effective measures to conserve and protect these mammals is to be presented to the Congress no later than January 1, 1980. In addition the Secretary of Commerce, through the Secretary of State, is to immediately initiate negotiations for the purpose of developing appropriate bilateral agreements with Mexico and Canada for the protection and conservation of whales.

We hope that by this action we will assure that our grandchildren and great grandchildren have the same opportunity as millions of Americans have today to see these magnificent whales.

Payment in Lieu of Taxes Act (P.L. 94-565, approved October 20, 1976)—The Federal government owns over 761 million acres of land within the United States comprising approximately one third of all the land in the Nation. Forty-nine States and approximately 1,000 counties have Federally owned land within their boundaries, exempt from State or local government taxation.

After a review of the myriad of existing statutes providing for the sharing of revenues and funds from public lands with State and local governments, the Public Land Law Review Commission recommended that the numerous existing statutes for sharing revenues and fees produced from Federal lands be replaced with one payment. However, it was the view of the Congress that it was not feasible at this time to repeal these statutes and establish instead a single system based solely on tax equivalency. Assessing all the public land would be an expensive, cumbersome and a lengthy process which could result in innumerable disputes and perhaps most importantly, would necessitate the creation of a new and, in Congress's view, unnecessary bureaucracy.

This Act contains a formula based on a minimum payment per acre to units of local government for "entitlement lands," deducting existing payments already received by the local government under other statutes, and limited also by the population of the unit of local government. The Act also provides for the easing of the impact of Federal acquisition of privately owned land by reducing the burden imposed by the sudden loss of this tax base by compensating units of local government for a 5-year period at the rate of one percent of the fair market value of the acquired lands. (This sum cannot exceed the actual property taxes assessed and levied on the acquired lands during the last year before acquisition.)

The intent of these payments is to equalize the fiscal burden caused by the acquisition of private lands for new parks and wilderness areas. This fiscal burden is often cited as the most important source of opposition to the establishment of new parks where land, however valuable to our national heritage, is to be removed from the tax rolls resulting in lost revenue.

River Basin Authorizations (P.L. 94-347, approved July 8, 1976)—This Act provided authorization for the appropriation of $602,000,000 for the continuation of work on authorized projects in thirteen river basins through fiscal year 1977. In many river basins throughout the country Congress has authorized comprehensive water resources development plans but has placed a limit on the amount of money which can be appropriated for the prosecution of these plans. It has been the practice to authorize sufficient additional appropriations to continue construction of projects within the basins for periods of one or two years. In this manner the Congress is able to monitor the progress of the plans and periodically review their suitability to meet the needs within the basins.

Chickasaw National Recreation Area (P.L. 94-235, approved March 17, 1976)—Responding to the increase in outdoor recreation needs for the growing populations of Oklahoma City and Dallas-Fort Worth, and recognizing the historical contributions of the Chickasaw Indian Nation, Congress acted to create the Chickasaw National Recreation Area in southern Oklahoma.

The law joins together lands and waters, previously known as Platt National Park and Arbuckle Reservoir, and creates a larger recreation area for people living in the Oklahoma and Dallas-Fort Worth areas. Platt National Park, established many years ago, contained only 912 acres and did not meet modern-day standards for a national park. By passing the legislation, Congress not only enhanced outdoor recreation in southern Oklahoma, but created a lasting memorial to the Chickasaw Indians.

The legislation authorizes up to $1.6 million for the acquisition of lands, and up to $4,567,000 for development.

Reclamation Authorization (P.L. 94-228, approved March 11, 1976)—Congress, recognizing the pressing need for increased irrigation, flood control, outdoor recreation, municipal and industrial water supplies, and fish and wildlife conservation passed legislation to ensure continued progress in land reclamation.

Congress consolidated several reclamation measures into an "omnibus" authorization bill. The bill: (1) authorizes the Secretary of Interior to construct, operate, and maintain the Polecat Bench irrigation project in Wyoming; (2) authorizes the Secretary to modify the Dickenson Dam in North Dakota for safety purposes; (3) provides funds so the McKay Dam in Oregon may be modified for flood control and other purposes; and (4) authorizes the Secretary of Interior to construct, operate, and maintain the Pollack-Herreid irrigation project in South Dakota.

The bill, by promoting irrigation, is designed to prevent recurring crop failure due to a lack of rainfall. The new irrigation capability provided by this Act will allow farmers to count on steady yields and permit them to diversify their production of crops.

The bill will also increase the spillway capacity of the dams to prevent overflowing during floods. Besides saving lives, improved flood control will help eliminate staggering economic losses caused by damage to homes and business.

Reservoirs created by the bill will enhance recreation areas by providing boating, waterskiing, swimming, and fishing opportunities. In addition, irrigated lands will become a habitat for pheasants and waterfowl, and become excellent hunting areas for sportsmen.

New River Protected by Wild and Scenic Rivers System (P.L. 94-407, approved September 11, 1976)—Congress moved to preserve the natural beauty of one of the world's oldest rivers by acknowledging the designation of a portion of the New River by the State of North Carolina as a wild and scenic river and by prohibiting the construction of any dam or reservoir licensed by a Federal agency in such a way as to inundate that portion of the river included in the system.

Power company plans to dam the New River aroused strong opposition from North Carolina residents who would be displaced, environmentalists, and other interested persons. Those opposed to the project sought to stop it by designating a 26.5-mile stretch as a part of the Wild and Scenic Rivers System as a unique and valuable resource. About 3,000 residents would have been displaced and towns and many farms flooded by the reservoir. Labor and industry supported the project as a source of needed energy, new construction jobs, and travel and recreation attractions. While the river flows through North Carolina, Virginia and West Virginia, only the portion in North Carolina has been included in the wild and scenic rivers system. A 1974 Federal Power Commission license approved the Appalachian Power Company proposal to build the dam. Congressional action remained the only means to reverse the FPC license after court action failed. A similar 1974 bill passed only the Senate. In 1976 this measure, H.R. 13372, gained final approval without Senate amendment.

To Promote the Conservation of Migratory Waterfowl by Acquisition of Wetlands (P.L. 94-215, approved February 17, 1976)—In an effort to spur the Federal Government wetland acquisition program, this Wetlands Loan Extension Act extended the authorization of the Wetlands Loan Act of 1961 for an additional seven years, to 1983, and increased the appropriation level an additional $95 million, to $200 million.

The term "wetlands" generally refers to lowlands covered with shallow and sometimes temporary or intermittent waters. They are referred to by such names as marshes, swamps, bogs, wet meadows, potholes, sloughs, and river overflow lands. Wetlands are being destroyed or degraded at an alarming rate with greatest losses occurring in the gladiated prairie pothole region, the Mississippi River Delta region and certain coastal areas. In addition the bill extends the payback deadline under the Wetlands Loan Act from fiscal 1977 to fiscal 1983, the date when monies appropriated to the Migratory Bird Conservation Fund would be required to be repaid to the Treasury from duck hunting stamp receipts.

GENERAL GOVERNMENT

MAJOR LEGISLATION

Adoption of House Rules (H. Res. 5, passed the House on January 14, 1975)—In continuing reform effort at opening up the legislative branch to public scrutiny—an effort initiated by passage aof the Legislative Reorganization Act of 1970 which included provisions for open hearings and recorded teller votes—the House Rules adopted for the 94th Congress embody many proposals aimed at strengthening the legislature by repealing those provisions that preclude public observation.

Specifically, the omnibus rules package stipulated that a committee meeting could be closed only by a vote of the day of that specific meeting, and not in advance as had been the case. In practical terms, this meant that a committee or subcommittee could no longer decide to close an entire series of meetings to the public; now each meeting must be closed, presumably, on the nature of the specific topic to be discussed or considered. In addition, the resolution endorsed the concept of open conference committee meetings (providing that a majority of conferees from one house do not object), a concept that the Senate has adopted as well.

The Rules for the 94th Congress also abolished the Committee on Internal Security (HISC) by transferring its jurisdiction to the House Judiciary Committee. The HISC had long been the object of controversy, as had its predecessor committee, the Committee on Un-American Activities.

The resolution also changed the minority staffing provisions adopted in the 93d Congress by increasing the statutory number of committee personnel from 30 to 42 by adding six majority and six minority staff positions, increasing the total number for the minority to 16.

Overseas Citizens Voting Rights Act (P.L. 94-203, approved January 2, 1976)—Congress took action this session to guarantee to all American citizens residing outside the United States the right to register and vote in presidential and congressional elections. Reliable estimates indicate that there are more than 750,000 American citizens of voting age who reside outside the United States for nongovernmental reasons. Studies have shown that nearly all of these private citizens living outside the United States are unable to vote in presidential and congressional elections because they cannot meet the residency requirement of the State in which they formerly made their home. Many States distinguish between those persons living abroad who are employed by the Federal government either in a civilian or military capacity and those Americans who live outside the United States as employees of American corporations. In the case of the former group of persons many States presume their intent to return to their previous residents and permit them to vote absentee. However American citizens outside the United States for private reasons, have found that they must prove their intent to return by maintaining a residence within their former State, a requirement beyond the financial capability of most.

This Act (S. 95) provides those citizens residing outside the United States with the right to register and vote for President and Members of Congress in the State of their last voting domicile, even if they cannot prove intent to retain that State as their domicile for other purposes. To be eligible, a citizen must have a valid U.S. passport or card of identity issued under the authority of the Secretary of State and must declare his intention to retain that State or district as his voting residence for the purpose of voting in Federal elections. States would be required to provide for the absentee registration of these persons.

Termination of National Emergencies (P.L. 94-412, approved September 14, 1976)—Although few Americans know it, this country has been operating in a State of Emergency since March 9, 1933. Subsequent States of Emergency were declared in 1950, 1970, and 1971. These emergencies were not ended, but remained in force.

The Congress has determined this situation is dangerous for the government and for the people. Under emergency statutes, a declaration of State of Emergency authorizes the President to seize property and commodities, control the means of production, call over 1 million reservists to active duty, assign military forces abroad, and seize and control all means of transportation.

This law will remedy this little understood but potentially dangerous situation.

First, two years after its enactment, various statutes enacted consistent with State of Emergency powers will be terminated.

Second, future States of Emergency will be reviewed by Congress every six months and could be terminated by concurrent resolution.

Third, the law will assign oversight responsibilities to Congress regarding State of Emergency activities.

Fourth, a number of specific previously enacted State of Emergency statutes have been repealed.

This law will increase the responsibilities of all branches of government and will safeguard the rights of the American people. A long overlooked and little understood aspect of American government will have been made more sensible. For the first time in most citizens' lives, they will not be living in a State of Emergency.

Government in the Sunshine (P.L. 94-409, approved September 13, 1976)—Just as the House of Representatives opened its committee doors to the public in the 93rd Congress, and as the Senate followed in the 94th Congress, Executive branch departments and agencies will also now be holding their meeting in public as well.

Basically the bill provides the following.

First, all departments or agency meetings must be held in public unless falling within the bill's 10 specific exemption categories.

Second, any decision to close a meeting must come in open discussion. The agency has the burden of proof in justifying any attempt to close a meeting.

Third, agency meetings must be announced one week in advance.

Fourth, transcripts (written or recorded) must be kept of all closed meetings. In most cases, the portions of the transcript that do not qualify for exemption must be released.

Fifth, citizens may challenge the closing of any department or agency meeting, and courts may enjoin further violations of the act by any department or agency.

Sixth, communications from citizens with an interest in a department or agency decision will also be made open.

The purpose of this bill is clear—to provide the most information possible and practicable regarding how decisions are made by the U.S. government.

Federal Employees Political Activities Act (H.R. 8617, passed the House on October 21, 1975, vetoed by the President, April 12, 1976)—Over Administration objections, both Houses of Congress approved legislation repealing the Hatch Act's ban on partisan political activity by Federal employees.

These employees had long been restricted in their exercise of free speech by being prevented from running as candidates or otherwise participating in partisan politics. The Hatch Act provisions were first enacted in 1939 to counteract speculation that the burgeoning Federal work force would soon be politicized. Similar prohibitions, with regard to specific government installations, had been on the books for a longer period of time. For example, an 1867 statute forbade assessments for political purposes to be levied against Navy yard employees, a provision that was expanded in the Pendleton Act of 1883.

As passed by Congress, the new measure would have permitted Federal workers to engage in political activity, including partisan candidacies, but at the same time strengthened restrictions against political coercion by prohibiting use of any official authority to influence a worker's vote or political activities and maintained the present restrictions against political activity during duty hours in Federal facilities.

The Act would have had a special effect in the Washington, D.C., metropolitan area where there are an estimated 350,000 Federal employees. A total of 2.8 million Federal employees would have been affected by this legislation.

Mid-Decade Census (P.L. 94-521, approved October 18, 1976)—This legislation establishes a mid-decade census (in addition to the standard decennial census) to be initiated effective 1985.

The mid-decade census will not necessarily rely on 100 percent questionnaires, but, per this bill, may rely on sampling techniques when appropriate.

The need for this legislation is obvious. Census data is the primary source of basic information for both the public and private sectors. However, such data is often out of date by the second half of each decade. As more and more Federal programs are dependent on census data for an equitable distribution of funds, there is a corollary need to get more up to date statistics.

Certain areas have high growth rates, other lower ones. In addition the various statistics needed for participation in certain programs, for example those regarding income levels, age levels, and housing standards, may change in a different proportion to estimated population figures. Therefore, Congress determined that a mid-decade census is necessary.

Use of Census Bureau Data to Facilitate Redistricting (P.L. 94-171, approved December 23, 1975)—State governments, in their attempts to redistrict congressional and state legislative seats, have often found that the census data, compiled in census tract units, was not compatible with the practical use needed by the State, usually data compiled by precinct or other election district.

This legislation (H.R. 1753) would give the States the opportunity to design their own units for redistricting purposes, subject to technical constraints and criteria established by the Bureau of Census. In this way, States can reform districts, both for congressional and State legislative seats, with a minimum of difficulty, since population and demographic data will have been compiled in a useful form by the Census Bureau.

Expiration of Franked Mailing Privileges (P.L. 94-177, approved December 23, 1975)—The use of the congressional frank by former Members is limited to the 90 day period immediately following the date which the Member leaves office by this Act.

The Act limits franked mailings by ex-Members to matters of official business directly related to the closing of the office. The House Commission on Congressional Mailing Standards and the Senate Select Committee on Standards and Conduct are charged with developing regulations to implement this legislation.

Travel Expenses Act Amendments of 1975 (P.L. 94-22, approved May 19, 1975)—This law increased the per diem travel expenses and mileage allowances for Federal employees when traveling on official business.

The rates raised by this bill (S. 172) had not been changed in a number of years and were no longer realistic figures. The per diem rate of $25 for travel have been in effect since 1961; the new rate is 20 cents. The bill enacted into law differed from that originally passed by the Senate and objected to in the House which would have broadened the circumstances under which Senators and their aides could receive travel allowances. The statute, as enacted, merely raised the applicable figures without enlarging the scope of participation.

Federal Election Campaign Act Amendments (P.L. 94-283, approved May 11, 1976)—Following the Supreme Court's decision invalidating the make-up and the powers of the Federal Election Commission (*Buckley* v. *Valeo*), Congress acted to reconstitute the Commission.

The Federal Election Commission (FEC) had been established in 1974 when Congress enacted the Federal Election Campaign Act (P.L. 93-443), a package of major election reforms which, in addition to creating the FEC, also established contribution limitation for individuals and political committees, expenditure limitations for presidential candidates, public financing for presidential general and primary election contestants, and strengthened reporting and disclosure requirements.

The new law, in reconstituting the FEC, provided that all six members would be appointed by the President and confirmed by the Senate. Previously two FEC members had been appointed by the President, two by the Speaker of the House, and two by the President pro tempore of the Senate. The new Act also barred Commission members from participating in any outside business pursuits.

The commission's authority to issue advisory opinions and its power to initiate investigations were somewhat modified. Congress maintained the right to disapprove regulations promulgated by the Commission. Moreover, that right was expanded to enable Congress to disapprove individual sections of those regulations.

Numerous other provisions were included in the bill. Among these are restrictions on the fund-raising activities of coroporate and union political action committees by limiting them in their solicitation of members to twice a year; raising the honoraria limitations imposed on Members of Congress in P.L. 93-443; and providing additional requirements on candidates in presidential primary elections to maintain eligibility for matching funds.

OTHER LEGISLATION

Executive Protective Service (H.R. 12, vetoed by the President, November 29, 1975; H.R. 11184 passed the House December 17, 1975, Public Law 94-196, approved December 31, 1975)—The President first vetoed this legislation proposing that the Executive Protective Service (EPS), the uniformed branch of the Secret Service, which provides protection for the Executive Mansion Buildings and Grounds and Executive Office Building, the temporary official residence of the Vice President, foreign diplomatic missions located in the Washington Metropolitan area and foreign diplomatic missions located outside the Metropolitan area on a case-by-case basis as the President might direct, be expanded to require the EPS to protect foreign diplomatic missions outside the Metropolitan area of the District of Columbia in localities where there are located twenty or more such missions. The legislation would cover seven cities. The legislation authorized the Secretary of the Treasury to utilize, with their consent, on a reimbursable basis, in those cases in which the Secretary does not provide the services of the EPS, the services, personnel, equipment, and facilities of State and local governments, and is authorized to transfer funds to such State and local governments as reimbursement in full. Further, the legislation increased the authorized personnel of the EPS from 850 to 1,200.

The House then passed a revised version—substantially the same, but with certain technical changes—that had been worked out to meet the Administration's objections regarding the circumstances under which cities could qualify for EPS assistance.

H.R. 15531

Evidence in Federal Proceedings (P.L. 94-550 approved September 18, 1976)—In order to simplify the judicial process, Congress acted to permit the use of unsworn statements given subject to the penalty for perjury as evidence in Federal proceedings in lieu of notorized statements. This law will insure the veracity of such statements by including penalties for perjury, while at the same time it will eliminate the unnecessary expenditures of time and money previously required for notarizing all documents submitted as evidence.

Legislative Branch Appropriations Act (P.L. 94-440, approved September 30, 1976)—The House included an important modification in this year's Legislative Branch Appropriations Act.

The Senate agreed to the House-sponsored provision barring top Federal officials from receiving comparability increases in October, 1975. This affected Members of Congress, Federal judges, and top executive branch officials who are not in the competitive schedule.

Presidential Transition (P.L. 94-499, approved October 14, 1976)—Regardless of who wins the election in November, the experiences of recent Presidential transitions have demonstrated that the previously allocated funds for this purpose ($900,000, divided between the incoming and outgoing administrations) are insufficient.

The 1968 transition costs for the then-incoming administration totaled approximately $1.5 million. Thus over $1 million (that in excess of the $450,000 allocated) had to be financed privately.

The situation has been exacerbated in the current election year since the Federal Election Commission has ruled that a presidential candidate accepting complete public financing during the campaign cannot raise money for the transition period.

Thus Congress enacted this law to provide $3 million for the transition period. It will be divided into $2 million for the incoming administration and $1 million for the outgoing administration.

The purpose of the Act is merely to establish realistic cost figures so that all parties concerned can function efficiently.

Records Management (P.L. 94- , approved October , 1976)—In an attempt to save a possible $150 million, Congress enacted this legislation by establishing regulations for more efficient Federal records management.

The legislation takes into account today's technological state in records management by establishing various categories of records, including "machine readable records,"—those records which can be read by a computer. In all instances, the emphasis will be on systematizing the records maintenance procedure among all Federal agencies.

The bill is designed to utilize present Federal regulations and to exercise more careful control in that regard. Among the objectives of the legislation are a simplified storage and retrieval system, a means of preventing the storage of unnecessary materials, and the development of a program whereby control of the records from the point of origin to the point of disposition would be more constant.

Overseas Voting Rights (P.L. 94-203, approved January 2, 1976)—This legislation extends the right to vote in Federal elections to approximately 750,000 American citizens.

Americans living abroad have often been stymied in their attempts to vote—most often by absentee ballot—by stringent residency requirements imposed at the state and local levels. To remedy this problem, Congress enacted legislation granting citizens living overseas the right to vote in a state regardless of whether the citizens intend to return, or maintain a residence in the state.

The Act provides penalties for fraudulent misrepresentation. Furthermore, a lawsuit has been instituted challenging the constitutionality of the measure.

Congressional employees payroll deductions (P.L. 94-57, approved July 19, 1975)—Payroll Deductions for Legislative Employees provides legislative employees with the same payroll deduction privileges for savings accounts which is enjoyed by all other Federal government employees.

Employees of the House of Representatives and the Senate became able to designate a portion of their paychecks to be deducted and sent to an eligible financial institution for savings account deposits when this bill became public law on July 19, 1975.

This legislation amends Public Law 90-365 which was enacted June 29, 1968 granting payroll deductions to all Federal employees except those of the House of Representatives and of the Senate. The legislative employees were exempted at that time because both bodies had recently undertaken computer payroll systems and there would have been a great deal of difficulty in programming the computers for such deductions at that time.

There is no cost to the taxpayer as a result of this legislation since the law requires the financial institution which receives the payment to reimburse the payroll office for the cost of processing the checks.

HEALTH

MAJOR LEGISLATION

Health Revenue Sharing, Health Services, and Nurse Training Act of 1975 (P.L. 94-63, vetoed by President July 26, 1975. Senate passed over veto July 26, 1975; House passed over veto July 29, 1975)—Congress passed the first major health program of the session and at the same time overrode a presidential veto for the first time in 1975 when it enacted P.L. 94-63. The legislation (S. 66) exemplifies the continual desire of the Congress to improve the health care and health-related research in this country. An omnibus measure, P.L. 94-63, amends the Public Health Services Act of 1943 and extends major health services (such as community and mental health centers, migrant health centers, family planning programs, and home health services), and nurse training programs. It contains three bills which passed the House earlier this year and two which covered the same programs and were pocket-vetoed by the President after the adjournment of the 93d Congress.

Titles I through VI contain provisions similar to H.R. 4925 and authorize funds for fiscal 1976 and 1977, as well as extend funding for health services through fiscal 1975 at their fiscal 1974 level.

Title I authorizes formula grants to States for support of comprehensive public health services, the detection, prevention, and treatment of hypertension. The States are required to use portions of the grants for mental health services and other community services, with the hope of improving and expanding community health services. These grants were first authorized in 1966 and have formed a strong basis for Federal-State sponsorship of needed health programs.

Title II authorizes federal grants for projects, research, training programs, and information covering family planning; and Title III continues federal support for community mental health centers and establishes a National Center for the Control and Prevention of Rape. The funds for community mental health centers are authorized with the hope that quality mental health services can be given to thousands of Americans who are unable to obtain such care. New and existing mental health centers seeking Federal grants are required to provide a number of services within two years of receipt of grants and to make medically necessary services available around the clock.

Title IV authorizes grants for the planning and operation of health centers serving migrant and seasonal agricultural workers, who have only these centers in many communities to provide them with their basic health needs. Federally assisted migrant health centers are required to arrange for numerous health, physician, and environmental health services, including screening for infectious and parasitic diseases.

Title V authorizes grants for the planning and operation of health centers located in medically underserved rural or inner-city areas, with the hope that high quality health services in all American communities can be a national objective and that no community will be deprived of such services because of inadequate financial resources.

Title VI extends through fiscal 1976 programs to control diseases borne by rodents, authorizes grants for home health services and to establish centers for hemophilia treatment and blood separation. It also establishes various national commissions and committees to study mental health of the elderly, epilepsy, and Huntington's disease.

Developmentally Disabled Assistance and Bill of Rights Act (P.L. 94–103, approved October 4, 1975)—With the enactment of P.L. 94–103, the 94th Congress renewed its efforts to help Americans suffering from mental retardation and other developmental disabilities such as cerebral palsy, epilepsy, autism, dyslexia, and other neurological conditions which originate in childhood and constitute a substantial handicap to the affected individual. Today there are over six million people in the United States suffering from mental retardation with an estimated several additional million people suffering from other developmental disabilities. Congress has long recognized that citizens with these afflictions need support and assistance through education and other social services so that they may function in society.

The Congress began to respond to the needs of these individuals many years ago with approval of social security and rehabilitation programs. This response received a new impetus in 1963 with the enactment of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (P.L. 88–164). This Act provided for centers for research on the mentally retarded, construction of university-affiliated facilities for the mentally retarded, and training of teachers of mentally retarded and other handicapped children. This legislation was continued with modest revisions by the Mental Retardation Amendments of 1967 (P.L. 90–170), but substantially rewritten in 1970 by the Developmental Disabilities Services and Facilities Construction Amendments (P.L. 91–517). This Act changed the direction of the program to a broader and more inclusive concern for the developmentally disabled by authorizing formula grants to States for planning, administration, construction, and services concerned with developmental disabilities; grants for training programs in institutions of higher learning; grants for special projects of national importance, grants for the construction and operation of university-affiliated facilities for those with developmental disabilities: and providing for the establishment of a National Advisory Council on Services and Facilities for the Mentally Disabled. This Act has been successful with its contributions to the quality of the lives of those suffering from mental retardation and other developmental disabilities.

Congressional action this session amends the Developmental Disabilities Services and Facilities Construction Act of 1963 by extending the successful developmental disabilities programs as authorized in 1970 by P.L. 91–157. One section of that Act, the state formula grants, has been particularly successful in effective planning by the States of their programs, initiation of new programs, and filling gaps among existing efforts; and P.L. 94–103 authorizes additional funds for fiscal 1976–1978 for continuation of these state grants. This measure also authorizes additional funds for fiscal 1976–1978 for university-affiliated facilities training personnel to care for the developmentally disabled, including construction of such facilities.

Included in this measure are authorizations to the States for fiscal 1976–1978 for the protection and advocacy of the individual rights of persons with developmental disabilities. Many handicapped and disabled citizens are often deprived of their rights and relegated to second class status. However, P.L. 94–103 enumerates the rights of these citizens including: their right to appropriate treatment, services, and habilitation, designed to maximize their developmental potential and provided in a setting that is least restrictive of their personal liberty; and obligation of the Federal Government and States to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities which do not meet certain criteria and standards beneficial to the disabled individuals. In addition, P.L. 94–103 requires the States to have a system to protect and advocate the rights of these individuals with such a system having the authority to pursue the appropriate remedies to insure the protection of these rights.

National Health Promotion and Disease Prevention Act of 1976 (P.L. 94–317, approved June 23, 1976)—After rewriting the legislation to avoid a Presidential veto, Congress this year enacted a bill to encourage healthier lifestyles among Americans; continue Federal support for communicable disease control and immunization programs; and to continue funding for the prevention and control of lead-based paint poisoning.

Despite numerous advances in the Nation's medical care efforts, there has been growing evidence that the American people are not any healthier today than they were 15 years ago. The average lifespan of Americans has remained practically constant in the last decade; and the death rate for middle age men has begun to increase. With this leveling off of longevity trends has come the realization in the health professions that today much illness and death is caused by chronic diseases rather than infectious diseases as was in the past. These chronic illnesses, such as in heart disease and cancer, respond poorly to after-the-fact treatment and need proper preventative behavior and activity by every American if they are to be controlled. Americans presently are not using the capacities available to get the maximum benefits out of their existing health system; and many are simply unaware of their own role in the prevention of ills and accidents. P.L. 94–317 seeks to expand national efforts to help Americans learn to live healthier lives and to take advantage of the advances in modern medicine and preventative health care.

The National Health Promotion and Disease Prevention Act of 1976, which amends the Public Health Services Act of 1943, authorizes $31 million through fiscal 1979 for health information and health promotion. It directs the Secretary of Health, Education, and Welfare to formulate national goals and a strategy for the promotion of good health care and appropriate use of health services; and to support programs, such as research and community-based information and training programs, aimed at achieving these goals. This measure further directs the Secretary to analyze the necessary and available resources for implementing the Congress's goals and strategies for health information; to make grants to private, nonprofit organizations working in health promotion and information efforts; to make a periodic survey of the needs, attitudes, and knowledge of U.S. citizens regarding health care; and to conduct a study to determine the extent of coverage under health insurance plans for preventative health services and health education services. The Secretary is further authorized to establish an Office of Health Information and Health Promotion within the Office of the Assistant Secretary for Health to coordinate national health promotion and information programs.

In addition to creating new initiatives in health information and health promotion, P.L. 94–317 revises and extends several existing programs for disease prevention and control. In 1970 the Congress passed the Communicable Disease Control Act (P.L. 91–464), amending the Public Health Services Act of 1943. This Act provided authority for Federal assistance to State and cities for prevention and control of many communicable diseases. In 1972 Congress further amended the Public Health Services Act of 1943 by P.L. 92–449. This law strengthened grant programs and increased authorizations for communicable disease control; and for the first time, specifically authorized a comprehensive attack on venereal disease. The National Health Promotion and Disease Prevention Act of 1976 extends through fiscal 1978 authorization grants to the States and other public agencies for disease control programs. The Act requires the Secretary of HEW to give special consideration to grant application programs that (1) will increase to 80 per cent the immunization rate for any group that has not received immunization against general diseases, and (2) will cooperate with private groups and volunteers. The Secretary is also required to give priority to grant applications for disease control programs aimed at communicable diseases. The law also authorizes separate funding for programs to immunize children against communicable diseases and to control diseases borne by rodents. Special programs to prevent and control venereal disease, which continue at epidemic proportions in the U.S. and accounts for needless deaths and severe disabilities, are extended through fiscal 1978 by the Act.

Finally, P.L. 94–317 continues through fiscal 1978 the Lead-Based Paint Poisoning Act (P.L. 91–695). This Act, passed in 1971, has set standards for allowable levels of lead in paint and on toys, cooking utensils, and other things to which children may be exposed. Funding has been provided for programs in communities in which there are substantial numbers of dwellings with lead-based paint to identify the children who have been poisoned with lead, and to correct the hazard presented by the paint. Today some six million children risk lead poisoning. Of these, some 600,000 probably have undue lead absorption and some 6,000 will probably experience mental retardation unnecessarily as a result. In addition, 200 children die each year from lead poisoning.

Since the enactment of the Lead-Based Paint Poisoning Act in 1971, it is evident that this country has the technology to eliminate the lead-based pollutant. Therefore, the Congress now seeks to establish minimum feasible lead levels in paint that will safeguard the health of children and at the same time meet technological manufacturing standards. P.L. 94–317 continues the effort to search for victims of lead poisoning and to work on programs that are designed to remove the lead poisoning hazard from exposure to young children. It requires agencies receiving grants for the detection and treatment of lead-based paint poisoning to develop programs to remove the paint hazard from the homes of children treated for poisoning and bars the use of lead-based paint on cooking, eating, and drinking utensils, toys, furniture, and residential buildings supported with any form of Federal assistance. Within one year of enactment the law limits the allowable lead content in interior residential paints to .06 per cent by weight unless the full Consumer Product Safety Commission sets another allowable content limit (up to a maximum of .5 percent) within six months of enactment.

Health Professions Educational Assistance Act of 1976 (P.L. 94-484, approved October 12, 1976)—The Congress this year cleared major legislation designed to overcome the critical national problem of the geographic maldistribution of doctors and health professionals.

H.R. 5546, which revises and extends programs of assistance to health professionals under the Public Health Services Act of 1943, represents a comprehensive response to six major issues which have been identified as having a significant impact on access to quality health care delivery in this country. These are: (1) the geographic maldistribution of health manpower; (2) the distribution of specialized physicians; (3) the supply of health manpower; (4) the impact of foreign medical graduates; (5) the financial stability of health professions schools, and (6) the emerging roles of midlevel health practitioners.

The increase in the supply of health professionals in the past decade, while significant, has not alleviated problems of the geographic maldistribution of health professionals. In fact, the problem has worsened in the past 10 years. More and more physicians and other health professionals are locating in suburbs and medium-sized urban communities at the expense of rural and inner city populations. One of the reasons for this is that health professions training programs are generally located in large urban areas that offers students little exposure to practice situations in rural and inner city areas and seem to instill in their students the concept that the only way to practice modern health care is to practice in a major medical center in close proximity to a full-service hospital. Another reason for this geographic maldistribution is the feeling of professional isolation many practitioners experience when located in rural areas. H.R. 5546 gives the medical professions a chance to alleviate this problem on a voluntary basis while at the same time providing expanding government support for such efforts. It assures scholarship support for physicians, dentists, and other health professionals who voluntarily choose to serve medically underserved areas upon completion of their training.

Provisions in this legislation authorize a major increase in funding for the National Health Service Corps scholarship program which provides educational support to health professionals in exchange for service in medically underserved areas upon graduation or completion of post graduate clinical training. In addition, funds are provided for the support of area health education center programs, through which health profession schools will be eligible to receive support to establish area health education centers which will provide remote site training opportunities for students, continuing education for health professionals practicing in the area, and health services for residents of the area.

This measure is also designed to influence the Nation's medical schools to place greater emphasis on the training of undergraduates and residents in primary health care, (i.e., family medicine, general internal medicine, and general pediatrics.) Presently, less than 40 per cent of all physicians are in primary care specialities and only 36 percent of medical residents are in primary care residency programs. The Act requires medical schools by 1980 to reserve half of the first-year residency training positions in affiliated hospitals for doctors entering primary health care in order for the schools to receive capitation (per student) support. In addition, the bill provides increased support for family medicine residency programs and new authority for grants to support general internal medicine and general pediatrics residency programs, as well as grants to medical and osteopathic schools to establish and maintain family medicine departments.

The Act also requires, as conditions for Federal support, a modest enrollment increase for schools of public health and graduate programs in health; and it provides an optional enrollment increase for schools of dentistry, podiatry, optometry, and veterinary medicine. In addition, most schools of medicine are required to participate in a national program to enroll qualified U.S. citizens who transfer from foreign medical schools in their third year of medical study.

This measure also contains provisions to correct the problems of the increasing reliance on graduates of foreign medical schools to provide health services in this country, and the growing acceptance of this reliance by hard-pressed health facilities. It amends the Immigration and Nationality Act to provide that only those foreign medical graduates who have passed certain portions of the National Board of Medical Examiners examination and who have demonstrated competency in oral and written English are eligible to enter this country as physicians. It further requires physicians entering this country under the exchange study program to pass certain portions of the National Board of Medical Examiners examination, to make a firm commitment to return to their country of origin within two years (three years at the request of the government of their nationality) of admittance, and to participate in an accredited post-graduate training program.

Finally, H.R. 5546 contains provisions designed to encourage the training of midlevel health professional—physician assistants, nurse practitioners, and dental practitioners, all of whom assist doctors and dentists in practicing more efficiently. It provides project grant support for training these midlevel health professionals and for training physicians and dentists in the use and management of new health practitioners, all of whom will make a significant contribution to the quality and availability of future health care.

H.R. 5546 represents nearly three years of congressional deliberation. It is designed to continue to provide financial assistance to schools and students of the health professions; and more importantly, it is designed to reverse critical trends in the American health care system in order to chart the course of future health care delivery.

Health Maintenance Organization Amendments of 1976 (P.L. 94-460, approved October 8, 1976)—Health Maintenance Organizations (HMOs) are medical groups that offer a wide range of basic health services to individuals who pay in advance a fixed and uniform fee that does not change with the actual use of services during the coverage period. This contrasts with the practice of paying individual doctors a separate fee for each service after it is provided.

Rising medical costs in the 1970's stimulated interest in HMOs as an alternative to traditional solo-practice, fee-for-service medical care; and Congress passed the Health Maintenance Organization Act of 1973 (P.L. 93-222), which was designed as a five-year test of the ability of the Federal Government to assist in developing HMOs. However, it has been determined that this law contains a number of deficiencies which have placed HMOs at a competitive disadvantage in relation to other parts of our health care system. For example, HMOs have been required to offer extensive benefits, accept high-risk patients, and charge uniform fees that do not reflect a family's health status—requirements making them too hard to sell to the public. The Act is designed to correct the deficiencies that have been found in P.L. 93-222; improve administration of the HMO program by the Department of Health, Education, and Welfare; and make HMOs more competitive with traditional insurance programs and health delivery systems. This legislation gives HMOs greater flexibility in determining the health services package which will be offered to their members; while at the same time requiring them to offer a comprehensive basic benefits package, including preventative services such as well child care from birth, immunizations, periodic health evaluations for adults, and children's ear examinations conducted to determine the need for hearing correction.

In the compromise version of the Act, the conferees agreed to an authorization of $180 million for the HMO program for fiscal years 1976 through 1979. They agreed that HMOs which have been in business for at least five years, or have enrolled more than 50,000 persons must open their enrollment for a 30-day period each year if they are not in the red financially, although the number of persons enrolled during this period need not exceed 3 per cent of the total increase in enrollment. If no HMO claims potential economic problems, it could remain free to deny enrollment to persons who are in hospitals or nursing homes because of chronic illness or permanent injury.

Another burdensome provision of P.L. 93-222 is the requirement forcing HMOs to base enrollment fees on the community rating, i.e., total health experience, of all of their enrollees rather than the health status of an individual family. This has placed HMOs at a competitive disadvantage because private insurers generally base fees on individual experience, resulting in lower premiums for healthy families. The conferees agreed that the requirement should apply to new HMOs only, but gave existing ones four years to comply.

In addition, the conferees agreed that members of medical groups serve HMO members at least 35 per cent of their time, retained alcoholism and drug abuse treatment as required services to HMO members; revised the original law to require employers with at least 25 employees living in an area served by an HMO to offer an HMO option in traditional health insurance plans if an HMO seeks inclusion in the health benefits plan; and required the Department of Health, Education, and Welfare should administer the HMO program (with the exception of its regulatory aspects) through a single, identifiable administrative agency instead of the present 21 different offices within HEW.

Passage of this legislation also extends the authority for home health services, particularly beneficial to persons in rural areas, and demonstrates the promise of HMOs as an alternative means of health care delivery for Americans.

Emergency Medical Services Amendments of 1976 (P.L. 94- , approved)—Congress enacted legislation that will continue special Federal efforts towards improved medical treatment to victims of accidents and sudden illnesses. P.L. 94- amends the Emergency Medical Services Act of 1973 (P.L. 93-154) which has enabled many areas throughout the country to provide emergency medical services to those in need and has resulted in the expansion and improvement of emergency medical systems.

Through the legislation enacted in 1973, more than 200 regional emergency medical systems have been set up throughout the country. However, the ultimate goal of providing a national, contiguous network of comprehensive emergency medical services has not yet been reached. It is estimated that it will take at least 300 regional emergency medical systems to cover the entire country adequately. In 125 of these areas, development is in the planning stage. Another 83 regions have begun initial operation of emergency care systems and 27 have expanded or improved existing systems. The remaining 65 regions have not yet received any Federal support under the 1973 legislation.

The Emergency Medical Services Amendments of 1976 extends the authorizations of the 1973 Act in order that those communities which have already made strong efforts towards establishing an emergency medical service system will be given the necessary additional support; and those communities which have not yet been assisted will be given an opportunity to begin this effort

This legislation will improve the emergency medical care in this country which experts estimate could save the lives of some 60,000 persons who die each year from heart attacks and trauma, as well as the thousands of others who die as a result of accidents, drownings, and drug overdoses.

Appropriations for the Departments of Labor, Health, Education, and Welfare, and Related Agencies (P.L. 94-439, Without Approval, September 30, 1976)—For the seventh time, the 94th Congress successfully overrode a Presidential veto, thus enacting H.R. 14232. It appropriates $56,618,207,575 to run the Departments of Labor, Health, Education, and Welfare, and related agencies during fiscal 1977.

In his veto message, the President said he was opposed to the measure solely on budgetary grounds. However, the Congress asserted that he was insensitive to the needs of the most vulnerable members of our society. P.L. 94-439 appropriates some $10,132,000,000 for the Department of Labor; $45,121,000,000 for the Department of Health, Education, and Welfare, including funds for manpower, elementary and secondary education, public assistance, and health services programs; and $1,363,000,000 for related agencies. The latter category includes agencies as ACTION, the Community Services Administration, and the Occupational Safety and Health Review Commission.

H.R. 14232 also includes a ban on federal payments for abortions "except where the life of the mother would be endangered if the fetus were carried to term." This provision is the toughest anti-abortion provision passed by the Congress to date. Some Members of Congress also opposed this ban by contending that it discriminates against the poor. It has been estimated that the Federal Government paid annually some $50 million to the States to finance abortions for about 300,000 women under the Medicaid program.

The President also stated that he objected to the legislation on the issue of fiscal integrity and the Republican position that the Federal budget in general and social spending in particular must be restrained. However, the Congress maintained that the Administration's budget, nearly $4 billion less than the amount approved, made no provision for inflation or any kind of program expansion, and underscored the lack of concern for the poor and other needy people.

Examples of programs and agencies for which Congress chose to provide more funds assistance programs, increased from $2.8 billion to $3.3 billion: Health Services Administration, increased from $647 million to $1 billion; elementary and secondary education programs, increased from $2.2 billion to $2.7 billion; and impact aid to school districts affected by Federal installations, increased from $325 million to $793 million. The President said that the partisan political purpose of this bill was clear, and that it presented him with the choice of vetoing inflationary increases and appearing heedless to some of the human needs which these federal programs were intended to meet, or to sign the measure and demonstrate inconsistency with previous anti-inflationary vetoes on behalf of the American taxpayer.

Alcohol Abuse Programs (P.L. 94-371), approved July 26, 1976)—In spite of rising public awareness of the dangers of misusing alcohol, alcohol abuse remains one of the most serious problems impinging on the health and welfare of society. With this in mind, the Congress passed the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1976.

This Act, which amends the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabiltiation Act of 1970 (P.L. 91-616), is designed to continue Federal programs for the prevention and treatment of alcoholism. Currently, it is estimated that there are some ten million alcoholics or alcohol abusers in the United States, with an alarming increase of alcohol abuse surfacing among women and youth.

In 1970, when Congress enacted Public Law 91-616, it affirmed its intention that alcoholism is a health problem and not a criminal offense; and through this Act it authorized formula grants to the States to carry out alcoholism programs. This formula grant authority was continued by Congress in 1974 when it passed amendments to the Act (P.L. 93-282).

However, in spite of the advances made under the 1970 Act in increasing public awareness of the dangers associated with the misuse and abuse of alcohol, developing appropriate treatment and prevention programs, and encouraging the decriminalization of public intoxication, alcohol abuse and its consequences still remain rampant. The economic losses associated with the misuse of alcohol are estimated at more than $25 million annually. Half of all traffic fatalities, one third of all suicides, and one half of all homicides are directly related to alcohol. The social costs of alcohol abuse are immeasurable. P.L. 94-371 offers a significant opportunity to lower the economic and social costs as well as the incidence of alcoholism and alcohol abuse.

The Act authorizes a total of $600.5 million in fiscal 1977-1979 to approach the problems created by alcohol from a comprehensive community care standpoint and to help solve them. This will be done through comprehensive Federal, State, and local planning for, and effective use of, Federal assistance to States and direct Federal assistance to community-based programs to meet the urgent needs of special populations. This planning will be coordinated with all other governmental and non-government sources of assistance. Other approaches to the alcohol problem will include the development of methods of diverting problem drinkers from criminal justice systems into prevention and treatment programs, and increased Federal commitment to research into the behavioral and biomedical causes, treatment, and social and economic consequences of alcohol abuse and alcoholism.

Medical Device Amendments of 1976 (P.L. 94-295, approved May 28, 1976)—Backed by the support of the President, Congress this year passed landmark legislation designed to assure the safety and effectiveness of medical devices intended for human use.

The Medical Device Amendments of 1976 amend the Food, Drug, Cosmetic Act of 1938, which was written some 38 years ago, before the development of sophisticated medical devices such as heart pacemakers and intrauterine birth control devices. This 1938 Act only gave the Food and Drug Administration (FDA) authority to assure consumers that medical devices were not adulterated or misbranded.

Until the enactment of P.L. 94-295, the American consumer could not be sure that a medical device used by his physician, hospital, or himself was as safe and effective as it could or should be, although these devices have been routinely used since the 1960's. The FDA previously was bound by the 1938 Act and had inadequate authority to regulate medical devices. It had no reliable way of knowing how many medical devices were manufactured, who was making and selling them, what risks to health and life they presented, and how often manufacturers found it necessary to remove them from the medical market. No device was required to be proven safe and effective prior to marketing, no matter how critical it might be to the person using it, even if that use required body implantation.

In addition, prior to the enactment of P.L. 94-295, the FDA found that it had to develop extensive evidence that would hold up during legal proceedings to remove an unsafe medical device from the market. Court decisions in the 1960s gave the FDA the power to regulate some devices with drug-like characteristics, but the agency still could not require review of potentially dangerous devices before they went on the market. A 1970 study documented 10,000 injuries and more than 700 deaths caused by unsafe medical devices during a 10-year period.

P.L. 94-295 corrects these limitations and establishes the Federal Government's clear-cut power to oversee the safety and effectiveness of medical devices ranging from crutches to life-supporting machines. Under this legislation most life-supporting devices and devices implanted in the body cannot be sold without prior approval by the FDA; and the FDA can also ban very risky devices. "Devices" are defined as any instrument, apparatus, implant, or other related article intended for use in the diagnosis, treatment, or prevention of disease or intended to affect the structure of functions of the body and which does not achieve any of its principal intended purposes through chemical action or the process of metabolism.

All devices, even the least hazardous, will now be subject to general controls which will allow the FDA to require manufacturers to repair or replace faulty devices, to register with the government, and to keep adequate records. The FDA will also be allowed to require a prescription for the sale of certain devices; and the Secretary of Health, Education, and Welfare is required to publicize the safety and effectiveness of devices approved, or disapproved.

The Congress worked on this legislation for a number of years and in doing so, benefited from the voluntary cooperation of the medical device industry which recognized that such legislation would protect the consumer as well as the manufacturer who refused to compromise with safety. Representatives of consumer and health professionals also played an important part in the drafting process.

The Medical Device Amendments of 1976 will help insure the peace of mind of all American consumers should they ever have need for any type of medical device.

HEALTH

Drug Abuse Treatment Act Amendments (P.L. 94-237, Approved March 19, 1976)—The Congress reaffirmed its support of comprehensive, coordinated drug abuse prevention efforts at the Federal level by amending the Drug Abuse Office and Treatment Act of 1972 (P.L. 92–255) and establishing a White House Office of Drug Abuse Policy. The principal duties of this office are to recommend priorities, goals, and policies for Federal drug abuse programs and to coordinate all federal drug abuse activities. This Office replaces the White House Special Action Office on Drug Abuse Prevention which was dismantled in June 1975; and whose duties were shifted to the National Institute of Drug Abuse within the Department of Health, Education and Welfare. The director of the new Office is to be appointed by the President, subject to Senate confirmation, thus giving Congress a voice in the activities of the Office.

Today, this Nation is faced with a drug abuse problem which is more serious and more complicated in many respects than that which it faced in 1972. Its magnitude is evidenced by a drastic increase in serum hepatitus, drug-related deaths, drug-related hospital admissions, domestic seizures of drugs, and crimes linked to drugs. This measure emphasizes the desire of the Congress to give priority to this important problem by extending appropriation authorizations for Federally funded drug abuse prevention and treatment programs at all levels of government.

This law requires the director of the Office of Drug Abuse Policy to annually review all Federal regulations related to drug abuse programs; and to evaluate the effectiveness of such programs; encouraging research and development of effective drug treatment methods.

It also prohibits both public and private hospitals receiving Federal support from using admission or treatment policies to discriminate against any patient because of drug-related problems; authorizes the director of the Office of Drug Abuse Policy to assist State and local government agencies in drug abuse prevention programs and treatment; authorizes funds through the Department of HEW for such state programs and treatments; and transfers basic operational responsibility for Federal drug abuse prevention, treatment, and research programs to the National Institute on Drug Abuse within HEW.

Drug abuse disrupts lives and causes suffering not only to the victims but their families. P.L. 94–237 is clear recognition of these problems that need to be brought under immediate control at all levels of government and throughout all society.

National Influenza Immunization Program (P.L. 94–266, Approved April 15, 1976)—Responding to a request from the President for immediate action, Congress approved a $135-million appropriation to finance a national immunization campaign against swine influenza. The President requested the funds after scientists urged him to take action to protect the country against a potential outbreak of "swine flu" this winter. This type of influenza had occurred at Ft. Dix, New Jersey, earlier this year; and it is believed to be similar to that which resulted in over half a million deaths in the United States and more than 20 million around the world during 1918–1919.

The special funds, included in an emergency supplemental appropriations measure, are to be used to pay for production of a vaccine against the disease, research, a vaccination campaign on the national level, and assistance to state and local governments for operation of community immunization programs. During consideration on the bill, Congress received assurances from Administration officials that no American would be denied an inoculation because of "inability to pay".

Participation in the immunization program is expected to be voluntary; and the vaccine is expected to be available before the end of the year.

Heart, Blood, and Lung Research (P.L. 94–278, Approved April 22, 1976)—In passing the Health Research and Health Services Amendments of 1976, Congress renewed its support of programs of critical importance to the health and welfare of millions of Americans who are directly affected by diseases of the heart, lung, and blood and genetic diseases.

Diseases of the heart, lung, and blood vessels collectively cause more than half of all deaths each year in this country.

The bill renames the National Heart and Lung Institute the National Heart, Lung, and Blood Institute and enlarges the Institute's authority with respect to blood disease and blood resources. It also authorizes $752 million through fiscal 1977 for disease prevention control and research programs; $350-million through fiscal 1977 for the establishment of special research and training centers focusing on heart, lung, and blood diseases; and extends a national award program for doctors and scientists in biomedical research training fields through fiscal 1977.

The Health Resources and Health Services Act Amendments of 1976 also authorizes $90-million through fiscal 1978 for the Department of Health, Education, and Welfare to conduct voluntary testing and counseling programs for parents who may carry genetic diseases and to use its general research program to support research related to those diseases, with priority to basic research related to sickle cell anemia and Cooley's anemia. Each year it is becoming increasingly obvious that the extent of genetic diseases is far greater than has been previously estimated; and genetic disorders as a group constitute a visible and growing problem. The cost—both economic and social—of genetic diseases are enormous; but recent advances in scientific and biomedical knowledge have resulted in the development of several large-scale screening programs for the detection of certain disorders and advancement in the technology of genetic medicine. This legislation seeks to continue these advancements.

In addition, the measure requires two national biomedical research groups (the President's Biomedical Research Panel and the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research) to study the effects of public disclosure of information contained in research grant applications to the Department of HEW. This results from a decision by the U.S. Court of Appeals for the District of Columbia that the Freedom of Information Act requires public release of applications submitted to HEW in connection with research products.

The measure prohibits the Food and Drug Administration in certain instances from regulating the composition or maximum potency of vitamins, minerals, or combinations of these substances unless they are toxic, habit forming, or must be administered by a doctor; and gives the FDA new authority to regulate the advertisement of some vitamin and mineral products under certain circumstances.

Finally, the measure also contains authorizations for the development, modernization, and operation of new and existing comprehensive arthritis centers; and for HEW to pay stipends to "visiting scientists" who agree to assist universities with large numbers of minority students in developing programs in biomedical sciences.

National Swine Flu Immunization Program of 1976 (P.L. 94–380, Approved August 12, 1976)—Alarmed by the outbreak of a mystery killer disease in Pennsylvania this summer, Congress enacted legislation to advance the National Swine Flu Immunization Program and provide liability insurance for participants in the vaccination program.

After an outbreak of swine flu at Ft. Dix, New Jersey, earlier this year, officials of the Department of Health, Education, and Welfare and national experts on influenza recommended that the President initiate a massive campaign against a possible swine flu epidemic in the coming winter. The President proposed such an unprecedented program; and Congress appropriated $135 million last spring (P.L. 94–266) for the purchase of a vaccine, Federal grants to States to meet their costs of operating the necessary mass immunization programs, and for Federal costs of regulating the development of the new vaccine and doing related research. However, until the outbreak of the mystery Pennsylvania disease, the program had reached an impasse because of the question of who would provide insurance protection to companies producing the vaccine from potential costs of claims arising from inoculation. Fearful of being liable for adverse reactions among those inoculated, private insurance companies were reluctant to insure drug companies manufacturing the vaccine.

P.L. 94–380, which amends the Public Health Service Act of 1943, authorizes the Secretary of the Department of Health, Education, and Welfare to conduct, establish, and support activities needed to carry out a national swine flu immunization program until August 1, 1977. The programi is to consist of the development of a safe and effective vaccine against swine flu; preparation and procurement of such vaccine in sufficient quantities for the immunization of the population of the country; and making grants to State health authorities to assist in meeting their costs in conducting, supporting, and furnishing sufficient quantities of the vaccine for such programs. The law also provides for furnishing Federal health officials with appropriate quantities of the vaccine; and conducting and supporting training of personnel for the immunization programs. Funding for research on the nature, cause, and effect of swine flu, the nature and effect of the vaccine, immunization against and treatment of swine flu, and the cost and effectiveness of the immunization programs is also provided by the Act. The Administrators of the program are also required to develop, in consultation with the National Commission for Protection of Human Subjects of Biomedical Research, procedures for assuring that the risks and benefits from the swine flu vaccine are fully explained to each individual to whom the vaccine is to be administered. This requirement is to be met by a written consent form which is to include information necessary to advise individuals of their rights and remedies arising from the administration of the vaccine.

Congress overcame the impasse which threatened the success of the entire program by providing that the Federal government would act as an "insurer" of the manufacturers and distributors of the vaccine. The Act makes the Federal government liable with respect to any claims for personal injury or death resulting from the administration of the vaccine based upon an act or omission of a "program participant," and establishes procedures for making such liability claims.

A "program participant" is defined as the manufacturer or distributor of the swine flu vaccine used in the inoculation program, the public or private agencies or organizations that provide an inoculation under the program without charge in compliance with the informed consent requirements, and the medical or other personnel who provide or assist in providing free inoculations under the program if they have conformed with the consent requirements of the Act.

The remedy against the Federal Government provided is to be the exclusive remedy available to individuals claiming injury or death due to the administration of the vaccine. Procedures for carrying out such suits and their defense by the Attorney General are set out in this legislation and generally follow those of the Federal Tort Claims Act presently protecting Federal employees. Private physicians who charge for the immunization will have to rely on their own insurance for protection.

This legislation also requires the Secretary of HEW to provide a quarterly report to Congress on the administration of the program and the incidence and control of influenza during the reporting period; and within one year after enactment and semiannually thereafter, to submit to Congress a report on the conduct of settlement and litigation activities prescribed in the bill. The Secretary is also required to conduct a study of the scope and extent of liability for personal injuries or death arising out of immunication programs and all alternative approaches to providing protection against such liability for such injuries.

Finally, P.L. 94–380 provides for the renegotiation of any contract for procurement by the United States of swine flu vaccine to eliminate any profit realized from such procurement, except that a reasonable profit may be allowed for vaccines against the strain of influenza known as A/Victoria/75 which was prevalent in the United States during the winter of 1975–1976.

The prompt congressional action on the National Swine Flu Immunization Program of 1976, is one of the session's most significant accomplishments and a prime example of expeditious action in the threat of a potential national emergency.

OTHER LEGISLATION

Federal Indian Health Programs Authorization (P.L. 94–437, approved September 30, 1976)—The 94th Congress ended a three-year bipartisan campaign to improve Federal health programs for Indians by authorizing a $480-million increase in spending for Indian health activities through fiscal 1980.

P.L. 94–437 creates new scholarship programs for Indians seeking training in health care professions, improves health services available to Indians, and provides support for construction of health facilities and water and sewer systems serving Indians. In addition, this measure establishes special health programs for Indians in urban areas; allows Indians to get Federal reimbursement under the Medicare and Medicaid programs for care provided at Indian health services facilities; and requires substandard facilities to use these reimbursements to improve their conditions.

Arthritis, Diabetes, and Digestive Disease Amendments of 1976 (P.L. 94–562, approved October 19, 1976)—In an effort to continue the Federal role in combating arthritis, diabetes, and digestive diseases which afflict millions of Americans, Congress enacted P.L. 94– . It amends the Public Health Services Act of 1943; and extends through fiscal 1980 the programs authorized by the National Arthritis Act of 1974 (P.L. 93–640) and the National Diabetes Act of 1974 (P.L. 93–354).

This measure extends the research and training programs covering more than 100 diseases that attack joints and connective tissues and provides for the establishment of a National Arthritis Advisory Board. It also extends diabetes research and training programs and establishes a National Diabetes Advisory Board to aid in the utilization of effective diabetes resources. Finally, it provides for the establishment of a National Commission on Digestive Diseases to develop long-range plans to combat these diseases which affect an estimated 10 million Americans; and establishes an Interagency Coordinating Committee on Digestive Diseases to coordinate the activities of Federal entities working in this area.

Housing and Regional Development

MAJOR LEGISLATION

Housing

Emergency Middle Income Housing Act (H.R. 4485, vetoed by the President June 24, 1975)—Citing provisions which he said would set interest subsidy levels that were "excessively deep and costly," President Ford vetoed the Emergency Housing Act of 1975 which would have authorized emergency Federal Assistance to stimulate housing construction, increased employment, and provided critically needed housing for families now priced out of the housing market.

Title I of the bill would have established a temporary emergency program in order to increase the present low level of housing starts and create jobs. Homebuyers whose family income did not exceed 120 percent of the median income of their area would have been offered three options to assist them in buying a home: (1) a six percent mortgage loan which would have gradually increased to the market rate of interest after three years; (2) a seven percent mortgage for the life of the loan; or (3) a $1,000 cash grant to be used to defray the downpayment expenses on a newly constructed house. This program would have provided assistance for up to 400,000 middle income families.

The second title of H.R. 4485 (eventually enacted in subsequent legislation—see summary of P.L. 94–50), was designed to authorize the Secretary of HUD to make repayable mortgage relief payments to homeowners whose incomes had been substantially reduced because of involuntary unemployment or underemployment. This section would have authorized $500 million to make emergency mortgage relief payments up to $250 per month for a period of no longer than two years for homeowners delinquent in their mortgage payments.

Continuation of the highly successful Section 312 rehabilitation home loan program was also rejected by the President's veto (this section was also enacted subsequently in P.L. 94–50). Section 312, a program designed to preserve existing houses by making rehabilitation loans in urban renewal areas, was due to expire in 1975.

Other provisions included in the vetoed bill were the extension to 1977 of a low-income homeownership subsidy program (Section 235) which had been suspended by the administration in early 1973; an increase in new contract authority for public housing construction contained in a 1974 housing law (P.L. 93–383) to $300 million from $150 million; and a section extending to January 1, 1976, from July 1, 1975, the effective date of provisions of a 1973 flood insurance act (P.L. 93–234) which would have barred lenders from making mortgage loans on existing housing in areas that had not adopted HUD land use standards for flood-prone areas.

Emergency Homeowner Relief Act (P.L. 94–50, approved July 2, 1975)—Congress provided a needed stimulus to the housing industry, and met the objections of the President to an earlier emergency housing bill (see summary of H.R. 4485 vetoed June 24, 1975) by passing the Emergency Homeowners Relief Act. The Act contains provisions for mortgage foreclosure relief to an estimated 100,000 families who may be unable to meet their mortgage payments and thus risk losing their homes. It authorizes the Department of Housing and Urban Development (HUD) to co-insure mortgages in default or to make monthly payments of up to $250 a month for as long as 24 months when lenders are unwilling or unable to forbear on their loans. The Act authorizes $1.5 billion for co-insurance contracts and a maximum of $500 million for mortgage relief loans. Since the funds to be made available by HUD under this title will eventually be repaid by the homeowners after they are back on their jobs, this program may well succeed without substantially burdening taxpayers generally.

The Act also extends the Home Purchase Assistance Act through June 30, 1976 to include condominiums and apartments as well as other forms of housing. The Act also expands the President's authority to make mortgage credit available when housing starts are low, as well, and provides for an additional $10 billion of authority for HUD to provide mortgage credit at a maximum rate of 7½ percent. In extending the Home Purchase program to June 30, 1976, Congress hopes to provide a crucial boost to the still sagging homebuilding industry, by making mortgage credit available to many more families on terms they can afford.

The legislation continues the highly successful Section 312 rehabilitation home loan program which would have expired during 1975. Section 312, a program which attempts to preserve existing houses, has served as a model to many local governments that are now setting up their own rehabilitation loan funds. Section 312 authorizes direct 20-year, three percent rehabilitation loans for residential and business properties located in urban renewal and code enforcement areas. Priority in residential loans under section 312 is given to persons of low or moderate income.

Finally, the Act extends by seven months, the time period during which certain purchasers of older inner-city homes, insured by the Federal Housing Administration (FHA), can apply for compensation correcting serious defects in their homes that were not detected at the time of purchase.

Real Estate Settlement Procedures Act Amendments (P.L. 94–205, approved January 2, 1976)—In 1974 Congress enacted the Real Estate Settlement Procedures Act, a measure which attempted to provide the prospective homebuyer with adequate protection against uscrupulous practices that were causing homebuyers to pay unconscionable fees in closing costs, and to provide homebuyers with adequate disclosure of settlement costs. Real estate settlement practices are different in each of the 50 states and each state differs exensively within the numerous governmental subdivisions. The attempt of last year to legislate nationally with the Real Estate Procedures Act on the problems that had arisen with regard to real estate practices in a number of jurisdictions has proved in many areas of the country to be unworkable, overly rigid in a number of other areas, and too flexible to be administered adequately in those jurisdictions where real estate settlement practices needed the attention of Federal regulations.

S. 2327 makes major changes in the 1974 Act by repealing the 12-day advance disclosure provision and providing instead that a disclosure of good faith estimates of settlement costs be made in the special information booklet that is provided the borrower at the time a written application for a mortgage loan is made. This continues the congressional intent to provide the prospective homebuyer with general information as to what costs will be at the time of settlement.

This measure also clarifies the anti-kickback provisions of the 1974 Act to make it clear that cooperative brokerage and referral arrangements of real estate agents are exempt from the prohibitions of kickbacks and unearned fees. This clarification also allows the Secretary of Housing and Urban Development (HUD), in consultation with the Attorney General and other agencies, to exempt other payments or classes of payments from this provision.

In addition to other changes, S. 2327 also grants the Secretary of HUD greater flexibility in modifying the uniform settlement statement to adapt to area differences and to permit the HUD Secretary to exempt certain classes of settlements from these requirements.

Housing Act Amendments of 1976 (P.L. 94–375, approved August 3, 1976)—Although the 94th Congress did not enact any major new initiatives in housing and community development, it did reauthorize a number of existing programs, making substantive changes in several of them. This law authorizes new contract authority of $850-million for Federally-assisted housing programs in fiscal year 1977 and sets aside $140-million of this amount for public housing programs, including $100 million for newly built projects. The move to revitalize the existing public housing programs addresses the Administration's inability to make operational the Section 8 Leased Housing Program, which was authorized in the Housing and Community Development Act of 1974 as a replacement for the public housing programs that had operated successfully for almost three decades.

Other major features of the law: (1) increases funding available for a housing program for the elderly [Sec. 202]; (2) provide help for owners of defect ridden housing backed by federally insured mortgages [Sec. 518(b)]; (3) ease a ban on mortgage lending in some flood-prone areas and (4) extend the Sec. 312 rehabilitation loan program and the Sec. 701 comprehensive planning assistance program.

An important provision of the legislation requires that the Department of Housing and Urban Development allocate funds for new, rehabilitated, or existing housing in proportion to the amounts which localities ask for in the housing assistance plans which they submit under the community development block grant program. Under this approach, neither HUD nor the Congress will be imposing its own goals on local communities but will instead be letting them decide what they need for themselves.

In setting aside for $100 million in new conventional public housing, Congress is addressing HUD's demonstrated reluctance to fund public housing which, despite a few well-known failures, has been a successful and productive program. In addition the legislation also earmarks $17 million for new housing for American Indians.

The legislation increases mortgage and income limits for the Section 235 homeownership assistance program to ensure that it will work under today's market conditions and allows Sec. 235 assistance for certain mobile homes. The law also extends for a year the Section 236 rental subsidy program and allows increased mortgage limits for multifamily housing insured by the Federal Housing Administration (FHA).

In order to replenish the FHA insurance funds which have been depleted by losses under the Section 221 high-risk lending program, the Act makes a direct $500 million authorization for this purpose. Other provisions amend HUD's co-insurance program, which is offered by FHA as a way of inducing lenders to take on part of the processing, risk, and premiums for FHA loans. These amendments are primarily designed to facilitate the use of the program by State housing finance agencies as a way of spurring their lending activity.

The Section 518(b) program, which compensates homeowners with certain FHA-insured mortgages for defects in their homes, receives an interim extension to cover homes purchased between 1973 and enactment and allows the homeowner one year from the date of enactment to apply. The law also extends the application deadline for requesting compensation until four months after enactment of the bill.

P.L. 94–375 substantially expands the Section 202 program of housing loans to the elderly and the handicapped. It provides for $2.5 billion in loans over the next three years and lowers the program's interest rate formula to a rate on the outstanding Federal debt. This latter change is critical to ensuring the workability of the program—a program essential in addressing the housing needs of America's senior citizens.

The legislation extends the Government National Mortgage Association tandem plan program, which provides low-rate loans on owner-occupied and rental housing. The program is amended to set a sales price limit on single-family homes in order to prevent the use of the program by buyers of high-priced homes.

The Act also exempts certain existing properties from provisions of the Federal flood insurance program which prevent noncomplying areas from getting loans for the sale or improvement of homes, small businesses and farms. Exemptions from the ban include loans used to purchase a residential dwelling occupied before March 1, 1976, loans of up to $5,000 to improve existing residences, loans to finance purchase of a building occupied by a small business before January 1, 1976, and loans to finance improvements for agricultural purposes on a farm.

Other important provisions in the legislation extend the rehabilitation loan and comprehensive planning programs, provide funding for urban homesteading and for the National Institute of Building Sciences, place a limit on HUD research funds, and require the Administration to prepare certain reports and studies.

Veterans Housing Amendments (P.L. 94–324, approved June 30, 1976)—Responding to rising costs in the housing market and the reluctance of lending institutions to participate in the mobile home loan program, Congress enacted several amendments to the home loan guarantee programs run by the Veterans Administration.

Among its major provisions, the legislation increases from $21,000 to $33,000 the maximum amount of a direct VA home loan and increases the maximum guaranteed loan for purchase of a mobile home to 50 per cent of the purchase price, from 30 percent. These amendments are intended to make the VA programs more reflective of today's cost of housing, to encourage a wider participation among mortgage lenders and better serve the needs of the nation's veterans.

The law also extends eligibility for housing benefits to veterans whose service was exclusively between the official end of World War II and the beginning of the Korean War—after July 25, 1947, and before June 27, 1950. It abolishes the provision of a higher loan ceiling for regions designed as "excess cost" areas. In addition, it makes permanent both the VA home loan guarantee program and the direct home loan program.

The need for this legislation was made evident during two days of hearings before the Housing Subcommittee of the Committee on Veteran's Affairs in May, 1976. At that time a number of public witnesses urged favorable consideration of the legislation, and staff investigations confirmed that need for enactment of the Amendments if the mobile home program and the direct loan program were to continue to be viable veterans programs.

The Veterans Administration housing assistance programs are among the more successful and popular of the Federal programs aimed at meeting the housing needs of our citizens. As of January 31, 1976, the Veterans Administration had guaranteed 9,298,960 loans in an aggregate principal amount of $120.2 billion. More than 322,000 veterans have bought homes with the assistance of the VA direct loans totaling almost $3.2 billion. And nearly 14,000 severely disabled veterans have received specially adapted housing grants from VA totaling over $158 million.

The overall foreclosure rate of 3.6 percent through calendar year 1975 compares favorably with other loans generally, especially when one considers the large portion of VA loans made with no downpayments. Since the beginning of the VA loan program, 374,568 properties have been acquired and 363,365 have been disposed of, leaving an inventory as of December 31, 1975 of 11,203 properties.

OTHER LEGSLATON

Mobile-Home Loan Ceilings and Flood Insurance Temporary Extension (P.L. 94–173, approved December 23, 1975)—By passing S. 848, Congress acted to establish new ceilings for mobile-home loans, and to insure that more than 11,500 communities now participating in the national flood insurance program under emergency insuring authority will be able to continue participation through the first quarter of 1976.

Higher mobile-home loan ceilings are necessary to take into account rising costs in the construction of a mobile home. The existing ceiling of $10,000 for a single-module mobile home was established in 1969, and the ceiling of $15,000 for a double-module mobile home in 1970. No increase in maximum loan amounts for mobile homes eligible under the program has occurred since that time, despite subsequent increases in mobile home manufacturing costs (including the cost of raw materials, labor, shipping, and carrying charges) and consequent increases in purchase prices. During the same period, maximum mortgage limits for FHA-insured homes have been increased substantially. The increases to $12,500 and $20,000 respectively will assure the continued usefulness of the loan program to prospective mobile-home buyers who can benefit substantially through these loans. Such loans generally have lower interest rates, longer maturities, and valuable consumer protections, such as a minimum one year warranty by the manufacturer, that are not always available in connection with other mobile home financing.

The extension of the national flood insurance program insures the continued availability of federally subsidized flood insurance to those communities who have not filed an approved flood plan. The extension means that persons in those towns that are not currently participating in the national flood insurance program will be able to finance a home mortgage. Without the extension, such a mortgage would have been almost impossible to obtain because banks would not be allowed to make, increase, extend, or renew such a loan. Thus, passage of the measure was crucial to the security of the individual home-owner. The extension of the emergency implementation program will give those communities who have not done so the necessary time to participate in the flood insurance program. In the meantime, individuals will be able to purchase or sell a home in those areas.

Home Mortgage Disclosure Act (P.L. 94-200, approved December 31, 1975)—In order to provide community residents with information on the lending practices of local mortgage institutions so that residents can use the threat of withdrawal of savings accounts as leverage to force lenders to make more mortgages in their communities, Congress passed home mortgage disclosure requirements as Title III of H.R. 10024, Depository Institution Amendments. The purpose of this legislation (S. 1281) is to disclose to consumers information about certain aspects of the mortgage lending patterns of institutions. Using this information, consumers can determine whether lenders are "redlining" their neighborhoods—that is, arbitrarily denying loans on basis of geographic location, without regard to the value of the property or the credit worthiness of the potential borrowers. In passing this legislation, Congress did not determine this practice was widespread; it merely provided certain data be provided the public so that it can make its own determination. Although redlining is only one aspect of financial disinvestment in urban neighborhoods, and financial disinvestment is only one aspect of urban decay, it is hoped that disclosure of mortgage lending information will make the public aware of the problems of urban decay and the needs for revitalizing the Nation's cities.

Five Percent New Home Tax Credit (P.L. 94–12, approved March 29, 1975)—To further encourage homeownership and to reduce a large inventory of unsold housing units, Congress included a 5 percent tax credit (with a maximum of $2,000) for the purchase of a new principal residence in the Tax Reduction Act of 1975.

The 5 percent tax credit provision was carefully drafted by Congress to apply only to unsold housing units under construction at the time that the law was approved. To prevent speculation in prices by developers only houses and apartments which were offered at the lowest price they ever had been offered would be eligible for the tax credit. Taxpayers who completed purchase of homes before December 31, 1975 would be eligible to take the credit in tax year 1975. Taxpayers who signed a contract to purchase a house before December 31, 1975, but completed purchase in 1976, would be eligible to claim the credit in tax year 1976.

Regional Development

Regional Development Act Amendments of 1975 (P.L. 94–188, approved December 31, 1975)—In order to continue and improve upon the ten years' experience that we have had in promoting economic development with a regional approach, Congress extended and amended the Appalachian Regional Development Act of 1965 and Title V of the Public Works and Economic Development Act of 1965.

The creation of the Appalachian regional development program was the outgrowth of national attention focused on the social and economic hardships suffered by the people who lived in the 13-State region. It was a region which traditionally had a lower than average income. Its economy was largely based on a single industry—coal. Its rugged terrain made access from one area to another difficult, and resulted in both social and physical isolation. It was an area which lacked many of the basic community facilities and services that had been taken for granted in many other sections of the country.

The Appalachian Regional Development Act created a unique new partnership between the Federal and State governments in order to permit a regional approach to the problems of this area. The early emphasis was on creating the infrastructure for community facilities and services to support a strong and diverse economy. Progress has been made toward realizing the goals set forth when the Act was passed in 1965. During the past decade incomes have increased, the number of jobs has substantially grown, out-migration has been reversed, and the levels of health and education have improved. Commission figures show that Appalachia's poverty population has decreased since 1960 from 31 percent of the total population to 18 percent.

H.R. 4073 will continue this unique and innovative program that has helped people in a 13-State region to develop more effective governmental institutions and basic public facilities that promote their participation in the growth and development of the American economy. It extends the Appalachian regional development highway program for three years, and authorizes $250 million for fiscal year 1978, $300 million for fiscal years 1979 and 1980, and $171 million for fiscal year 1981. Approximately half of the 2,700 miles of authorized Appalachian development highways are either completed or under construction. This network, which supplements the Interstate System and other roads, is breaking down the barriers which inhibited travel within the region and access to the rich markets lying just beyond the borders.

H.R. 4073 also extends, for four years, the nonhighway programs authorized by the Appalachian Regional Development Act, and authorizes a total of $640 million for this period. These programs have brought to communities throughout the region the benefit of improved health facilities and services, better housing, and innovative vocational education programs.

The legislation also recognizes the importance of Appalachia as an energy resource potential, and provides for assistance to the region in developing a balanced and rational energy policy that recognizes the changing structure of energy and fuel supply and demand, and that protects the fragile environmental areas and the social and economic life of the region. In addition, it contains provisions designed to enhance the participation of the region's Governors as active members of the Appalachian Regional Commission.

The Appalachian region contains all or parts of 13 States. Thirty-one other States are contained, in whole or in part, by other multi-State regions which are served by multi-State regional commissions (Title V Commissions). Like the Appalachian Regional Commission, the Title V Commissions were given broad authority to supplement other Federal grants, to undertake planning and studies, to provide technical assistance to local government, and to encourage the capability of State members to foster the economic growth of the region. H.R. 4073 extends the commissions for two years, and authorizes a total of $361.25 million for continuing the work of these commissions and for establishing new commissions. H.R. 4073 also expands the program authority of the Title V Commissions in the areas of energy, transportation, education, and health—all crucial elements in economic development.

Community and Regional Development

Public Works and Economic Development Act Amendments of 1976 (P.L. 94–487, approved October 12, 1976)—In 1965, the Congress enacted legislation designed to help those people who live in economically depressed areas throughout the nation, areas which are characterized by high levels of chronic, long-term unemployment and low-living standards. The problems of these areas usually resulted from structural faults in the local economy, the absence of basic public facilities needed to sustain commerce and industry, or the decay or obsolescence of formerly active business enterprises. The Public Works and Economic Development Act of 1965 was designed to help such areas by providing for economic development planning and construction of basic public facilities, as well as special financial aid to private firms to encourage them to build plants and businesses in depressed areas.

As a result of the programs authorized by this Act, economically distressed communities have been able to expand and improve facilities which are necessary to attract industry and provide jobs. Through economic development planning and technical assistance, communities have learned how to tackle basic economic problems before the economic vitality of the area is completely destroyed. The unique governmental mechanisms that have evolved under this program—the economic development districts and the Regional Action Planning Commissions—have provided a flexible framework within which local communities can work to develop priority needs for assistance.

The Public Works and Economic Development Act Amendments of 1976 will extend the benefits of these programs for another three years, and will allow more communities to participate in these economic development programs. The legislation authorizes a total of $4.8 billion in funding for the three year extension of economic development programs. It also modifies some of the existing programs and provides new economic development tools to stimulate the creation of jobs and the redevelopment of distressed areas whose industrial or commercial sectors are badly in need of assistance.

The legislation reduces the minimum population required for eligibility for assistance under the entire Act from 250,000 to 25,000, thereby enabling more than 425 new cities (if they meet other eligibility requirements) to participate in these programs. Authorizations for the public facility grants and loans were increased from $250 million to $425 million annually, in order to fund projects in these newly eligible areas. Authorizations for the business loan and guarantee programs were also increased, from $75 million to $325 million annually. Since the primary determinant for receiving grants is based upon unemployment levels, the bill requires the Secretary of Commerce to accept the unemployment statistics submitted by the States unless the Secretary determines that these figures are inaccurate. As the Bureau of Labor Statistics does not have current unemployment data for most communities below 50,000 population, it is essential that smaller cities have the option of using State Employment Security Agency figures if necessary.

A new redevelopment area loan program will provide interest-free loans to eligible redevelopment areas to carry out a number of activities such as industrial land assembly, land banking, acquisition of industrial sites including abandoned industrial facilities with redevelopment potential, and the renovation of usable empty factory buildings for industrial and commercial use. Over a three year period, $375 million will be available to accelerate the recycling of both land and facilities for job-creating economic activity. As the loans are repaid, the funds will be placed in an economic development revolving fund where it will be available for making additional loans.

A new section of the Act modifies the prohibition against providing financial assistance for electricity or gas producing facilities. Such assistance will now be permitted for projects specifially authorized by the Congress, for industrial parks or commercial areas in communities where interruption or curtailments in the energy supply would result in a loss of jobs, or where a proposed facility would create new jobs or save existing jobs. Financial assistance will be available only when private financing is not available at reasonable rates, and only if the new facility will not compete with existing utilities.

The amended legislation extends the Job Opportunities Program through FY 1979, with annual authorizations of $325 million. This program provides a standby authority to create new short-term jobs in times of high unemployment through an expansion of existing Federal programs. The program goes into effect whenever the national unemployment rate is 7% or more. An estimated 100,000 new jobs were created as a result of this program in 1976.

The Public Works and Economic Development Act contains a number of provisions which are designed to improve the capability of State and local governments to plan for economic development. Several of these provisions are revised or extended by the 1976 amendments. States, cities, and sub-State political divisions all receive financial assistance for preparing economic development plans. The amended legislation requires that all State plans shall be prepared in cooperation with cities and sub-State entities. The State must certify that the State economic plan is consistent with local plans, or if it is not the State must certify all the inconsistencies and the reasons for the inconsistencies.

The program for Special Economic Development and Adjustment Assistance was amended to include long-term economic deterioration (based on unemployment and poverty indicators) as a condition for which assistance may be provided. Previously, assistance was available only to areas suffering from actual or threatened abrupt rises in unemployment. Recipients must demonstrate that they have an economic development planning and management capability adequate to effectively administer the grant, which now may be used for the relocation of businesses and to reduce interest on guaranteed loans in addition to previously allowable uses. A total of $375 million is authorized for the program through FY 1979. The Regional Development Act Amendments of 1975 (P.L. 94-188, described above) extended through FY 1977 the authority for the multi-State Regional Action Planning Commissions, one of the unique intergovernmental mechanisms established through the Public Works and Economic Development Act. The 1976 amendments extended this authority through FY 1979.

Community and regional development

OTHER LEGISLATION

Community Services Act Technical Amendments of 1976 (P.L. 94-341, approved July 6, 1976)—This legislation makes certain technical and conforming amendments to the original Headstart, Economic Opportunity and Community Partnership Act of 1974, which created the Community Services Administration as an independent Executive agency to administer the Community Action Program, as well as most of the programs formerly operated by the Office of Economic Opportunity. It also adds a new section which provides that funds appropriated in any fiscal year which are not obligated, shall remain available for obligation during the following fiscal year.

Domestic Volunteer Service Act Amendments of 1976 (P.L. 94-293, approved May 17, 1976)—The Domestic Volunteer Service Act of 1973 established the ACTION agency, which is an umbrella organization for various volunteer organizations, such as VISTA (Volunteers in Service to America), Foster Grandparents, Retired Senior Volunteers, Senior Companions, and University Year for Action. The original law authorized these programs through FY 1976. The Older Americans Act Amendments of 1975 (P.L. 94-135) extended through FY 1977 the National Older Americans Volunteer programs. The remaining programs were extended through FY 1978 by the Domestic Volunteer Service Act Amendments of 1976, which also provided for some technical changes and modified the Foster Grandparent program so that mentally retarded persons aged 21 and over could be served by the program if they had participated in the program before they became 21.

INCOME SECURITY AND SOCIAL SERVICES

MAJOR LEGISLATION

Public Assistance

School Lunch and Child Nutrition Act Amendments of 1975 (P.L. 94-105, vetoed by the President October 3, 1975. House and Senate passed over veto October 7)—By an overwhelming majority Congress enacted over the President's veto legislation amending and extending the school lunch and other child nutrition programs. The Administration had attempted to replace categorical nutrition programs with block grant assistance to the States. Instead, the Congress acted to continue the categorical programs, provide new Federal subsidies for the school lunch program and make other changes in federal child nutrition programs.

The Act makes the school breakfast program permanent and requires that it be made available in all eligible schools where needed. It expands eligibility for school lunch and school breakfast programs to children in public or licensed nonprofit private residential institutions, such as orphanages and homes for the mentally retarded or emotionally disturbed. It revises the year-round phase of the special food service program to establish a child care food program for children in nonresidential child care institutions through September 30, 1978. In addition, the summer food program is extended through September 30, 1977, with the requirement that meals be served without cost. The special supplemental food program for women, infants and children (WIC) is also extended through September 30, 1978, with appropriations of $250 million a year authorized for fiscal years 1976-78.

The income eligibility for reduced price lunches (those costing a maximum of 20 cents) is increased from 75 percent to 95 percent above income poverty guidelines. Thus, under income poverty guidelines currently in effect, children from families of four with income up to $9,770 would be eligible for reduced-price lunches. Any child whose parent or guardian is unemployed is allowed under the Act to receive either a free or reduced-price lunch during the period of unemployment if the family income during that period of unemployment falls within the income eligibility criteria for those types of lunches.

Prohibition of Food Stamp Cost Increases (P.L. 94-4, without approval, February 20, 1975)—In one of its first legislative actions, the 94th Congress suspended the Administration's plan to increase the cost of coupons to food stamp recipients until December 30, 1975. Such an increase would have hurt most those most affected by inflation and recession—the poor, the elderly and the unemployed. The proposed new regulations would have forced all food stamp recipients to spend 30 percent of their net incomes to purchase the stamps.

The new regulations were suspended in order to give Congress time for a comprehensive review of the food stamp program and the opportunity to consider major legislative changes in all aspects of program operations. President Ford permitted the bill to become law without his signature.

Social Services

Older Americans Act Amendments of 1975 (P.L. 94-135, approved November 28, 1975)—New Federal assistance to the elderly was provided by Congress in this legislation which extends existing programs authorized under the 1965 Older Americans Act (P.L. 89-73) and creates new programs to provide the elderly with services in the home, counseling, housing assistance and transportation services. For the extension and new services, a total of $2.6 billion was authorized for fiscal year 1976-1979. Among programs extended are the Foster Grandparents and Senior Companions programs and special programs for the aging under the Adult Education Act, the Higher Education Act, the Older Americans Comprehensive Service Amendments of 1973 and the Vocational Education Act. Under the Act, a State must commit not less than 20 percent of its State plan funds for the following categories: transportation, home care, legal services and residential renovation and repair. In addition, the Secretary of Labor is authorized to establish an Older Americans Community Service Employment program to promote part-time work opportunities for unemployed low-income persons aged 55 or older.

Child Care and Social Services Act (P.L. 94-401, approved September 7, 1976)—Federal staffing requirements were the major issue in an almost year-long congressional debate over Federally funded day care centers serving children of low-income families. Supporters of the Federal standards (which would require a higher ratio of staff to children in most centers) argued against the use of tax dollars for centers giving children too little attention. Opponents argued that the standards were arbitrary and should rightfully be determined by the States. A compromise provision of this law postpones the Federal staffing standards set forth in Title XX of the Social Security Act until October 1, 1977, allowing time for HEW to complete a study of their appropriateness.

Other provisions of vetoed legislation (H.R. 9803) were amended or incorporated directly in this law, including an additional $240-million authorization through fiscal 1977 for day care programs. Allocated to States on the basis of population, these grants will assist centers serving low-income families come into compliance with the staffing, safety and health standards of Title XX. The Federal share of the costs of day care programs supported by these grants was increased from 75 to 100 percent. Additionally, the law encourages the employment of welfare recipients in day care centers through provisions for tax credits and State grants.

The law permits groups to continue to qualify for social services without individual "means tests" determinations of income eligibility (tests criticized as demeaning by groups representing the elderly). This requirement of Title XX may be waived if a State concludes that substantially all members of a group have incomes at or below 90 percent of the State's median family income level. The Act also removes Federal eligibility requirements for family planning services, thereby extending the availability of these to a larger segment of the population.

Emergency Food Stamp Vendor Accountability Act (P.L. 94-339, approved July 5, 1976)—After discovering irregularities at one of the country's 14,254 food stamp issuance outlets in October 1975, the Department of Agriculture initiated a nationwide audit of the Federal food stamp program. The audit revealed that 1,230 food stamp vendors (those who sell food stamps pursuant to contracts with State agencies) had misused more than $34-million of the money received from coupon sales, either through late deposit or nondeposit of funds or by using funds for private purposes. In contrast with the specific penalties applying to food stamp recipients and grocers, the Food Stamp Act of 1964 contained no penalties with respect to vendor abuse of the food stamp program. The Department's only recourse was to proceed against the State agency in whose jurisdiction the practice was occurring.

Designed to deter vendor abuses in the future, this law amends the 1964 Act to specify that funds received by vendors from the sale of food stamps are Federal funds; to require that vendors deposit funds with the Federal Government at least weekly and send written notice of all deposits to the appropriate State agency; and to prohibit the use of funds for any private purpose. Criminal penalties are established for violations of the above rules. The Secretary of Agriculture is directed to establish procedures for the protection of food stamp coupons against theft, embezzlement, misuse, loss, or destruction.

Indochina Refugee Children Assistance Act of 1975 (P.L. 94-405, approved September 10, 1976)—To assist those endangered or displaced by the withdrawal of American troops from Vietnam, the President authorized and Congress approved the admission of some 130,000 Vietnamese and Cambodian refugees to the United States in early 1975. The immigration was unprecedented for never before had this country been called upon to absorb so many in so short a time. The immediate impact on many school district was especially severe. Supplementary educational services and personnel were necessary and most school budgets for the coming year had been finalized prior to the announced refugee resettlement policy.

This enactment provides financial relief over a two-year period to education agencies affected by the influx of Indochina refugee children. Title I authorizes reimbursement to State and local education agencies for the additional costs incurred in fiscal year 1976. Title II authorizes payments, based on the number of refugee children enrolled, for fiscal 1977. The payments are intended to cover such supplemental education services as English language instruction, additional basic instruction, including the costs of additional teachers, materials and supplies, and special inservice training for teaching personnel.

An estimated 54 percent of the total refugee population are adults over 18 years of age. Title III amends the Adult Education Act (P.L. 91-230) to provide grants to State and local education agencies (from appropriations already authorized for FY 1977) for special adult education programs. This provision will alleviate the sudden impact of adult refugee enrollments in basic reading, mathematics, and language courses and, as will the other provisions of the Act, assist the full assimilation of Indochina refugees into American society.

Food Stamp Purchases by Welfare Recipients (P.L. 94- , approved October , 1976)—Under a provision of P.L. 93-86, State welfare agencies were mandated to withhold, at the option of the recipient, the amount of the Assistance to Families with Dependent Children (AFDC) grant needed to purchase the recipient's food stamp allotment and to distribute the food stamp coupon allotment along with the reduced cash grant (usually by mail). This legislation adds a provision to title IV-A of the Social Security Act to giving the States the option of using this procedure instead of requiring it.

In response to problems encountered by some States in implementing the mandatory requirement for Public Assistance Withholding (PAW) procedures, P.L. 94-182 allowed the Federal Government to make PAW procedures optional with each State until October 1, 1976, pending the expected passage by the Congress of legislation making PAW procedures permanently optional with the States, as a part of more comprehensive food stamp legislation. Because that legislation was still under consideration at the time of the October 1 deadline, this legislation became necessary.

Although many States do use PAW issuance procedures successfully, some States and localities have found the provisions extremely difficult to implement. There is a serious problem in the mail issuance of readily negotiable food stamp coupons in urban areas where the probability of mail loss is high. Major design problems are met in attempting to coordinate State-run AFDC systems with locally run or contracted-out food stamp issuance systems. Many States, even though utilizing computers, encounter the costly problem of computer incompatibility between the AFDC and food stamp systems. The heavy additional cost of establishing computer capability to implement withholding or computer compatibility is a financial burden with which a number of States find they cannot cope. There is, in addition, strong opposition in some States to requiring that PAW issuance procedures operate in all areas of the State, rather than in those areas where the State feels these procedures would be most appropriate. This legislation gives States the option of offering PAW issuance procedures on a permanent basis. States may choose not to offer PAW procedures, offer them statewide, or offer them only in selected areas of the States. For those States choosing to offer PAW issuance procedures to AFDC recipients, the administrative cost of the procedures would continue to be governed by the Federal-State cost-sharing provisions of the Food Stamp Act. Administrative costs incurred by States in conducting public assistance withholding procedures must be paid under the food stamp program.

Extension of Provisions Under SSI and Child Support Programs (P.L. 94-365, approved July 14, 1976)—The Interim Assistance Reimbursement (IAR) program was enacted in 1974 to provide Federal reimbursement to States for payments made to individuals awaiting determination on their eligibility for benefits under the Supplementary Security Income (SSI) program for the aged, blind and disabled. The IAR program alleviates hardships resulting from undue delays and is made permanent by this law. Additionally, the law extends until July 1, 1977 or until modifications affecting food stamp eligibility are enacted, whichever occurs earlier, provisions of P.L. 93-233 which were scheduled to expire on June 30, 1976. These provisions pertaining to the eligibility of SSI recipients for food stamps are expected to be superseded by food stamp reform legislation.

A third provision of the law will continue for one year Federal matching funds for state child support programs for non-welfare recipients. States were required to establish a child support program to provide services for both welfare and non-welfare recipients under a provision of P.L. 93-647, and the Social Security Act authorizes Federal sharing in the costs of services for non-welfare recipients until June 30, 1976. The extension of 75 percent Federal matching funds offers States needed time to develop and ensure the financial self-sufficiency of the new programs.

Unemployment Compensation Amendments of 1976 (P.L. 94-566, approved October 20, 1976)—This Act would revise the Nation's unemployment compensation system to restore its financial solvency and to extend coverage to workers not presently protected in the present economic recession. The Act would bring under the Federal-State unemployment compensation system the greater part of those jobs which are now exempt from the Federal unemployment tax and are consequently not now covered under State programs, except to the extent that States have voluntarily elected to provide coverage. Effective January 1, 1978, it would increase from $4,200 to $6,000 the annual amount of wages subject to Federal and State unemployment taxes, as a means of curbing the current drain on Federal and State trust funds, and starting January 1, 1977 would raise the net Federal unemployment compensation tax rate from .5 to .7 percent. The 0.2% increase is maintained until all Federal general revenue loans to the Extended Benefits Account in the U.I. trust funds have been repaid.

The bill extends for one year the Special Unemployment Assistance (SUA) program, which provides benefits for unemployed persons not covered by regular unemployment compensation laws. The extension is aimed to prevent a gap in the protection of workers who would be covered under the regular system beginning in January 1978. Additional provisions require States to provide unemployment compensation coverage for the some 8.3-million non-elected employees of State and local governments and to all employees of nonprofit elementary and secondary schools. Coverage would also be extended to agricultural and domestic workers and a National Commission on Unemployment Compensation would be established.

OTHER LEGISLATION

Postponement of Day Care Center Staffing Rules (P.L. 94-120, approved October 21, 1975)—This measure postpones for four months implementation of controversial staffing requirements for federally funded day care centers and was enacted in order to give Congress time to consider whether the requirements should be changed. The requirements, scheduled to take effect October 1, 1975, have been blocked temporarily by a Federal court order. A 1974 law revising the social services program required day care centers to hire one staff member for evey five children ages three to five and one adult for every four children under age three. Day care centers not in compliance after October 1, 1975, would have lost their federal funding. Day care center operators in a number of states maintained that the requirements would have put them out of business because they did not have the funds to hire additional staff. They also argued that they could not expect lower-income mothers to pay higher fees to cover the cost of meeting the requirements.

Day Care Staffing Standards Postponement Act (H.R. 9803, vetoed by the President April 6, 1976)—The original purpose of this bill was to postpone the effective enforcement date of the requirement that child day care centers meet specified staff to child ratios under Title XX of the Social Security Act, which took effect October 1, 1975. It was believed that immediate enforcement of these standards would result in the denial of Federal funding and force several centers to close. As finally passed in the Congress, the bill would have deferred the effective date of these standards to July 1, 1976. It would have granted $125-million to States to help them comply with the higher staffing, health and safety standards under Title XX for federally supported day care centers serving low-income families and would have increased the Federal share of costs for programs supported by these grants from 75 to 80 percent. Additional provisions created incentives for hiring welfare recipients in child care centers by providing tax credits to private centers and authorizing States to make grants to both private and public centers for that purpose. (For subsequent legislation see summary of P.L. 94-401.)

Food program, Special Supplemental for Women, Infants and Children—continue through September 30, 1975 (P.L. 94-28, approved May 28, 1975)—The special supplemental food program for women, infants and children was scheduled to expire on June 30, 1975. Congress passed this temporary authorization in order to allow sufficient time to complete action on P.L. 94-105, the School Lunch and Child Nutrition Amendments which included extended authorization for the program. See Public Law 94-105, above, for explanation of food program.

Assistance to U.S. Citizens Returning From Abroad (P.L. 94-44, approved June 28, 1975)—Responding to the need arising from the evacuation of American citizens and their dependents from Vietnam, the Congress made permanent the authority of the Department of Health, Education and Welfare to provide temporary assistance to certain citizens who have been repatriated from foreign countries. A limitation of $8 million is provided on the authorization for the period from enactment through September 30, 1976, and of $300,000 for any fiscal year beginning on or after October 1, 1976.

Originally designed to aid citizens repatriated from Cuba and the Dominican Republic in 1961, the assistance provided by the bill and financed from Federal funds includes financial assistance, reception, medical care, and transportation from the port of entry to the individual's final destination. The program also provides for help in planning for resettlement, obtaining and using existing resources, and locating friends and relatives.

The Social and Rehabilitation Services of the Department of Health, Education and Welfare which is responsible for the administration of this program arranges for the facilities of State and local welfare agencies to be utilized in carrying out the program. These agencies are reimbursed for their costs.

Medicare Amendments (P.L. 94–182, approved December 31, 1975; and P.L. 94–368, approved July 16, 1976)—Although the Congress considered major changes in the medicare program, the legislation it actually adopted during this Congress made less sweeping, but nevertheless important, changes.

P.L. 94–182 protected beneficiaries by avoiding a reduction in amounts paid by medicare for physicians' services that would otherwise have occurred because of delay by the Department of Health, Education, and Welfare in promulgating regulations. The previously existing law and the new regulations were intended to limit yearly increases in physicians' prevailing charges to amounts reflecting increases in costs of practice and in general earnings levels. But their delayed implementation on July 1, 1975 resulted in an unintended "roll back" of allowable medicare charges below their previous levels, unjustifiably increasing the amounts medicare beneficiaries had to pay out-of-pocket for physicians' services. P.L. 94–182 corrected this problem for physicians' charges in 1976 (and subsequently, P.L. 94–368 made the correction for all future years). P.L. 94–182 also extended for three additional years the Secretary's authority to waive the 24-hour registered nursing requirement for rural hospitals—authority that would otherwise have expired December 31, 1975). Among the other provisions of the Act were provisions to correct a technical error in the law so as to allow the medicare part B premium to be adjusted annually as Congress had intended, and to update fire safety requirements under medicare for nursing homes.

P.L. 94–368 postponed, until October 1, 1977, implementation of a new method of reimbursement for services of physicians in teaching hospitals. This postponement was to provide the Congress time to evaluate a congressionally authorized study on this subject by the Institute of Medicine in order to consider alternative approaches to reimbursement in this area, which has major implications for the post-graduate medical education of physicians and for beneficiaries who receive care in teaching hospitals. The Act also assures that changing the start of the Government's fiscal year to October 1 does not affect the updating of reasonable charges under medicare. To have allowed the update to be made on October 1 rather than July 1 would have delayed for an additional three months recognition of increases in physicians' fees—with a direct adverse effect on beneficiaries.

Benefits Increase for American Civilian Internees in Southeast Asia (P.L. 94–383, approved August 12, 1976)—While no monetary payment could adequately compensate the loss of freedom and hardship suffered while detained as a prisoner of war, the War Claims Act of 1948 was enacted to provide a measure of compensation for Americans captured and held as prisoners of war during World War II. Payments covering the period of detention were set at $2.50 per day for military and $60 per month for civilian personnel. The Act was amended in 1970 (P.L. 91–289) to authorize detention benefits for internees in Southeast Asia during the Vietnam conflict and to raise to $5 per day the benefits of military internees.

This law further amends the War Claims Act and provides compensation comparable with military personnel by increasing civilian detention benefits from $60 to $150 per month (an estimated increase in overall benefits of $126,000) Between 30 to 60 American civilians who served in Southeast Asia will ultimately be affected.

State Cash-Out Status Under the Supplemental Security Income Program (P.L. 94–379, approved August 10, 1976—This law permits California to continue to provide cash payments in lieu of food stamps to participants in the Supplemental Security Income (SSI) program, a program in operation since 1974 to provide cash assistance to aged, blind and disabled persons. Three States were due to lose their cash-out status for food stamps on July 1, 1976, and two of them are now providing food stamps to SSI recipients. The State of California, however, has estimated that the Federal-State cost of administering the food stamp program would exceed the cash value of food stamp bonuses (added to SSI incomes) in that State. By this amendment to P.L. 93–233, it may elect to retain its food stamp cash-out status on the condition that increases in SSI benefits are passed on to individual SSI recipients.

Social Security Hearings and Appeals, Expedite (P.L. 94–202, approved January 2, 1976)—Designed to reduce the existing backlog of over 100,000 Social Security and Supplemental Security Income (SSI) appeals cases pending before the Social Security Administration in 1975, this law establishes provisions for expediting the processing of hearings and appeals. First, it eliminates distinctions between hearings held for claimants whose applications for benefits have been denied under the SSI program and hearings conducted under the Old Age, Survivors and Disability Insurance and Medicare programs, enabling a common corps of hearing officers to preside over both types of cases. Second, it authorizes HEW to permit SSI hearings examiners to act as temporary Administrative Law Judges (operating under the provisions of the Administrative Procedure Act and thus independent of HEW) until December 31, 1978, in order to hear all types of Social Security, Medicare, and SSI cases. A third provision shortens from six months to 60 days the period in which a claimant may appeal a decision regarding his or her Social Security or Medicare benefits, which will reduce the administrative costs and time involved in preparing for hearings. It also increases the period in which an SSI claimant may appeal from 30 to 60 days, thus, further standardizing appeals procedures.

Medicare-Medicaid Antifraud Amendments (P.L. 94–552, approved October 18, 1976)—This measure repeals two provisions of current Medicaid law which (1) require that a State include in its State plan for medical assistance a provision granting the State's consent to suit in the Federal courts by or on behalf of providers of service on questions relating to the payment of reasonable cost for inpatient hospital services; and (2) provide for a reduction of 10 percent of the amount of Federal Medicaid matching funds otherwise payable under title XIX of the Social Security Act of 1935 to the State for expenditures in each quarter for which the State fails to include such provision in its State plan.

Under the Medicaid program of medical assistance to certain low-income individuals and families, the Department of Health, Education, and Welfare is responsible for assuring that States follow requirements of the Federal law. If a State fails to comply, the Department of HEW is empowered to hold a conformity hearing and possibly cut off Federal Medicaid funds because of a finding of non-compliance. This mechanism has proved to be unwieldy and time-consuming, however. Therefore, the 94th Congress enacted P.L. 94–182 amending title XIX of the Social Security Act to help with this problem. It required that States amend their medical assistance plans to include consent by the State to be sued in the Federal courts by or on behalf of providers of service on questions relating to the payment of reasonable cost of inpatient hospital services.

P.L. 94–182 required States to change their plan before March 31, 1976; and this rapid change has been impossible for many States to effect. The pressing problems resulting from the requirement that States consent to suit necessitated the corrective, new bill; and the potential imposition of the penalty provision involving millions of dollars made action on this measure imperative.

LAW ENFORCEMENT AND JUSTICE

MAJOR LEGISLATION

H.R. 6799

Federal Rules of Criminal Procedures Amendments Act of 1975 (P.L. 94–64, approved July 31, 1975)—Recognizing that the efficient and orderly conduct of trials must be based on commonly known and accepted standards of procedures, Congress affirmatively acted to develop such standards, based upon rules drafted by the U.S. Judicial Conference and promulgated by the Supreme Court, to govern pre-trial, trial, and post-trial situations. Delays in trials which are currently clogging our courts will be lessened by the new requirement that advance notice be given of intent to use insanity or an alibi as a defense, thus allowing the prosecutor to develop his case prior to the introduction of surprise elements during the trial itself. The new reciprocal discovery rule, which requires the defendant to share information with the prosecution if information is requested from the prosecution, will ensure that both sides of a court challenge are operating from the same knowledge and will eliminate any unfair advantage given to one side or the other. In plea bargaining situations, the prosecution will have the right to recommend sentencing on remaining charges and thus will be able to take into account the eventual sentence a defendant will receive prior to the acceptance of a guilty plea to lesser offenses. Other such standards included in the law serve the purpose of streamlining the judicial process while ensuring equal protection for defendants under the law.

Parole Commission and Reorganization Act (P.L. 94–233, approved March 15, 1976)—In order to help individuals reintegrate into society as constructive persons as soon as they are able, and to alleviate the tax burden caused by incarceration, Congress enacted a fundamental reform in the parole system. While the new law promotes the positive goal of rehabilitation by providing the prisoner with an incentive to conform with prison requirements, it also protects society against the premature release of convicted offenders by establishing guidelines for full pre-parole hearings. A definite parole eligibility date at one-third of a prisoner's full sentence is established, thus eliminating the prisoner's uncertainty about parole which is considered to be one of the greatest sources of dissatisfaction and unrest in our prisons today. The law spells out factors to be taken into account when considering parole, such as the recommendations of the judge at the time of sentencing, and reports concerning the physical, mental and psychiatric condition of the prisoner A prisoner will be given advance notice of the parole hearing, have the right to legal assistance, and can testify on his or her own behalf. If parole is denied, written reasons must be given to the prisoner who would then become eligible for another parole hearing within two years, depending on the length of his or her original sentence. If paroled, the prisoner would receive a written statement of the parole conditions to serve as a guide for future behavior and to outline the nature of continued supervision.

The responsibility for overseeing and implementing these reforms in the parole process is vested in the U.S. Parole Commission, established as an independent agency within the Justice Department, consisting of nine members appointed by the President with the advice and consent of the Senate. The Commission is also charged with conducting research on effective parole programs and developing technical training programs for those engaged in the parole process. With the knowledge gained from such programs, the criminal repeater rate may well be reduced as we discover the underlying causes of criminal behavior and are better able to prepare persons for successful parole.

OTHER LEGISLATION

Judicial Conference of the District of Columbia (P.L. 94–193, approved December 31, 1975)—In order to improve the operation of the civil and criminal justice system in the District of Columbia, Congress passed H.R. 10035 authorizing and directing the Chief Justice of the D.C. Court of Appeals to convene an annual judicial conference, similar to those held in many States. The Conference is to be attended by all Judges of the D.C. Court of Appeals and the D.C. Superior Court as well as practicing lawyers, law professors, the U.S. Attorney, the Public Defender and the Corporation Counsel to study major problems regarding the enforcement of the laws and recommendations for their solution. Given the backlog of cases before the courts, this exchange of ideas among persons involved in the legal profession will hopefully lead to streamlined judicial procedures which would serve the interests of the public while safeguarding the rights of defendants.

H.R. 15319

Habeas Corpus Rules (P.L. 94–426, approved September 28, 1976)—The Judicial Conference drafted and the Supreme Court promulgated rules dealing with procedures and additional amendments to the Federal Rules of Criminal Procedure. Due to the policy questions raised in the proposed post-conviction rules (i.e., Habeas Corpus rules) and the criminal procedure rules, the Congress enacted legislation deferring the effective date of these rules in order that adequate time might be provided to consider the substance of the proposals. The effective date of the criminal procedure rules was delayed for one year and the effective date of the Habeas Corpus rules was delayed from August 1, 1976 until 30 days after the 94th Congress adjourned *sine die*.

The Congress acted to insure that there would be standardized procedures by which persons incarcerated, in state and federal jails, could question the legality of their incarceration under the United States Constitution. This sort of relief is requested by means of a petition for writ of habeas corpus (when the prisoner is in a federal jail) or by a motion to vacate or set aside a sentence (when the prisoner is in a state jail).

The Congress approved the bulk of the rules drafted by the Judicial Conference and promulgated by the Supreme Court. The most significant change in the Habeas Corpus rules occurred in the Rule dealing with the circumstance in which there is a second or successive petition or motion alleging grounds for relief when previously raised in prior petitions or motions. As promulgated by the Supreme Court, the Rule permitted a court to dismiss a petition for a writ of habeas corpus or a motion to set aside a sentence if the delay in filing the petition or motion prejudiced the United States or the state in its ability to respond. Further, it provided that with regard to petitions filed more than five years after the judgment of conviction there is a rebuttable presumption that there is prejudice to the government. The Congress changed the proposed rule so as not to impose upon the petitioner a rebuttable presumption of prejudice after five years. In so reversing the proposed rule, the Congress strained present case law and placed the burden of showing prejudice where it is constitutionally required, on the government.

The enacted legislation also amended the rules promulgated by the Supreme Court so that petitions or motions which contain the substance of formal requirements will be valid, thereby assuring that strict compliance with the forms will not preclude consideration of otherwise meritorious claims; that only a judge, rather than a court clerk, can refuse a petition; that petitioners' right to appointed counsel is further protected; and that a judge, rather than a magistrate, will make the final decision on granting or denying a petition. These, and other standards proposed by the Supreme Court and approved by Congress, will guarantee clarity, flexibility, fairness and uniformity in the application of the habeas corpus rules.

Public Safety Officers Benefits (P.L. 94–430, approved September 29, 1976)—In recognition of those who give their lives to insure our safety and protect our property, Congress provided that a $50,000 death benefit be given to the survivors of policemen, firemen, and other public safety officers who die in the line of duty.

Secret Service Protection (P.L. 94–524, approved October 17, 1976)—In order to eliminate unnecessary expenditures and guard against abuse of authority, Congress set certain standards which must be met before expenditures are made by the Secret Service for the protection of the President and Vice President. Among the standards are that full time protection must be limited to one privately owned property of the President and that the government must be reimbursed for security items which increase the value of the property and are not removed from private property at the end of the incumbent's term of office.

Three-Judge Courts (P.L. 94–381, approved August 12, 1976)—In order to ease the administrative burdens on the courts and streamline the judicial process, Congress repealed certain provisions of a 1910 statute which required three judge courts to convene whenever an injunction was sought against a State or federal law on the grounds of its unconstitutionality. Previously, such cases could also be directly appealed to the Supreme Court thereby causing an unnecessary drain on its resources.

Secret Service Protection (P.L. 94–408, approved September 11, 1976)—In order to assure adequate safety for the spouses of major party presidential and vice presidential candidates, Congress authorized the Secretary of the Treasury to assign Secret Service agents to these spouses for 60 days prior to the presidential election and to the spouses and families of the elected candidates until the inauguration.

Suits Against Foreign States (P.L. 94– , approved October , 1976)—Congress enacted legislation defining the jurisdiction of U.S. Courts in suits against foreign states and the circumstances in which foreign States are immune from prosecution. Now American citizens will have the right to sue foreign countries for wrongs related to the commercial activities of another country, such as operation of a foreign owned airline. The new enactment should ease diplomatic tensions since the determination of a foreign states' immunity is shifted from the State department to the U.S. courts.

H.R. 15552

International Terrorism (P.L. 94–467, approved October 8, 1976)—Congress acted to implement the OAS and UN conventions which seek to protect diplomatic personnel from such crimes as kidnapping, murder, and extortion. This enabling legislation was required so that we can carry out our legal obligations. Parties to the convention must either extradite or bring to trial under their own laws any person committing or attempting to commit certain crimes against diplomatic personnel, thus assuring that persons guilty of terrorist activities will not go unpunished.

This legislation clarifies existing law dealing with certain kinds of conduct on or in close proximity of premises owned, used or occupied by a foreign government or international organization in order to make certain that federal law does not infringe upon constitutionally protected activities, such as peaceful picketing. Therefore, it is required that the conduct be done "willfully" and fit the specific intent to threaten, coerce or intimidate a foreign government or international organization.

Evidence in Federal Proceedings (P.L. 94–550, approved October 18, 1976)—In order to simplify the judicial process, Congress acted to permit the use of unsworn declarations as evidence in Federal proceedings. This law will ensure the veracity of such statements by including penalties for perjury, while at the same time it will eliminate the unnecessary expenditures of time and money previously required for notarizing all documents submitted as evidence.

S. 12

Judicial Survivors' Annuities Reform Act (Public Law 94–554, approved October 19, 1976). This legislation updates and improves the judicial survivors annuities program to make it fiscally and actuarially sound. It also provides more liberal eligibility standards and reasonable increases in the annuity amounts to reflect needed changes. The contributions to the fund will rise from 3% to 4.5% of the annual salary. The bill passed the Senate on June 22, 1976, and was amended by the House, which voted on Sept. 29, 1976, to pass the amended bill. The Senate concurred on Oct. 1, 1976.

U.S. Magistrates' Salaries (P.L. 94–520 approved October 17, 1976)—Congress voted to authorize the Virgin Islands district court to appoint a magistrate upon demonstrated need, while at the same time raised the salary level for full time and part time magistrates. The salary increase was needed to make the position of magistrate competitive, and to give the financial compensation commensurate to the responsibilities of magistrates who issue search and arrest warrants, fix bail, hold initial hearings of persons accused of criminal offenses, and perform other duties integrally related to the smooth administration of justice.

Territorial Judges Retirement Adjustment Act (P.L. 94–470 approved October 11, 1976) Congress voted to increase the retirement pay of the four territorial judges of the United States in order to keep pace with the rising cost of living.

Crime Control Act of 1976 (P.L. 94–503, approved October 15, 1976)—Congress authorized continued appropriations for three years to the Law Enforcement Assistance Administration, established in 1968 to help State and local governments in combatting crime, and made major structural and administrative changes in the Omnibus Crime Control and Safe Streets Act of 1968, designed to strengthen the LEAA programs.

Among the amendments adopted in recognition of the most serious law enforcement problems facing our nation were those which directed that funds be made available for projects such as increased emphasis on programs to reduce and prevent crimes against the elderly; that a new Office of Community Anti-Crime be established to assist neighborhoods in fighting crime; that the LEAA identify the special needs of drug offenders and coordinate Federal and State drug programs; and that approximately 20% of LEAA funds be spent on juvenile delinquency control and prevention programs. The most important section was one that set out guidelines for enforcement of the agency's civil rights discrimination provision.

Participation in the development of programs was expanded by such provisions as those stipulating that State legislatures review and comment on Statewide plans prior to their submission to LEAA for funding, and the authorization of judicial planning councils to develop programs designed to accelerate the criminal justice system.

The Act also establishes a ten year term for the Director of the Federal Bureau of Investigation and assigns to Congress authorization jurisdiction over the Department of Justice.

NATIONAL DEFENSE AND INTERNATIONAL AFFAIRS

MAJOR LEGISLATION

Sinai, Early Warning System (P.L. 94-110, approved October 13, 1975)—The final roadblock to formal ratification of the Sinai disengagement pact was hurdled when Congress gave its approval to the stationing of 200 American civilians in the Sinai Peninsula who will serve to monitor the arrangement negotiated between Israel and Egypt. Both Nations had insisted on an American presence in the early-warning system to be established in the buffer zone as a condition for their approval. The law passed permits the President to station up to 200 civilian volunteers to participate in the early-warning program but requires that these personnel be removed immediately in the event of outbreak of hostilities between the two nations or if Congress determined that their safety would be jeopardized. The Act further requires the President to submit reports to the Congress at six month intervals on the status of the personnel and the anticipated duration of their participation in response to which Congress will hold hearings in order to examine the situation. The legislation grants no new authority to the President to introduce U.S. armed forces into hostilities. This is intended to reassure critics of the U.S. role who have voiced concern that the introduction of any U.S. personnel could eventually lead to a Vietnam-type involvement in the Middle East. Supporters had argued that the risks of such involvement were minimal because of adequate safeguards and, in any event, were worth taking to bring about a more stable order in that part of the world. The fact that the U.S. had gained the confidence of both belligerent Nations through its handling of the Sinai negotiations was seen as an opportunity to strengthen America's role in the Middle East, with its significant economic impact on this country, while furthering the cause of peace. It had been estimated that since the October 1973 war the United States suffered a loss of $15-$20 billion due to the Arab oil embargo, in addition to $2.2 billion spent in resupplying Israel militarily and many more billions lost as a result of the recession in part triggered by the oil embargo. Therefore the recent Sinai accord was expected to benefit the long-term interests of the United States, as well as the parties involved. The cost of maintaining the U.S. technicians in the Sinai was estimated by the State Department to be $20 million for the first year, and $10 million per year thereafter. Funds for this operation must be appropriated by Congress at a future date.

Indochina Migration and Refugee Assistance Act (P.L. 94-23, approved May 23, 1975)—As the final step in America's long involvement in the Indochina war, $455 million was set aside to assist South Vietnamese and Cambodian refugees who left their countries before the Communists took control. The funds were targeted for relocation and resettlement in the United States of the approximately 130,000 refugees (another 20,000 were expected to resettle elsewhere). The legislation passed by Congress defined the term "refugee" to include aliens who fled South Vietnam or Cambodia because of persecution or fear of persecution on account of race, religion, or political opinion, who cannot return to those countries because of fear of persecution, and who are in urgent need of the essentials of life. The President is required to keep the appropriate committees of Congress fully informed on the activities authorized, and was also required to submit within thirty days of the bill's enactment a status report on the refugee situation. This was to include a plan to resettle those who were then in the temporary refugee camps, a plan for dealing with those who wished to leave the United States, and an account of Presidential efforts to retrieve funds previously authorized and appropriated for South Vietnam and Cambodia but not yet expended. The presidential reports were required to be supplied every 90 days until September 30, 1977 with a final report by December 31, 1977. Although some Members of Congress had raised questions about the potential problems of resetting the refugees in the United States, the action was seen by the supporters of the refugee programs as stemming from a commitment to those who had managed to escape the Communist rule which America had sought to prevent.

Laotian Refugees (P.L. 94-313, approved June 21, 1976)—This Act extended the assistance provided under the "Indochina Migration and Refugee Assistance Act" to refugees from Laos.

Special Appropriations for Vietnamese and Cambodian Refugees (P.L. 94-24, approved May 23, 1975)—Following the collapse of Vietnam and Cambodia during the Spring of 1975, Congress appropriated $405 million for the relocation and resettlement of Vietnamese and Cambodian refugees. The amount was $50 million less than that authorized for the refugee programs. A sum of $305 million was to be expended by the State Department for the initial maintenance costs of the temporary staging areas and for grants to voluntary and international organizations assisting in relocation of refugees in the United States. Another $100 million was allotted to the Department of Health, Education, and Welfare to provide for medical assistance at the staging areas and income, medical aid, social services, and education assistance to facilitate the permanent resettlement of the refugees in the United States. A prohibition was placed on any funds appropriated in this Act from being used, directly or indirectly, to assist the Communist-ruled nations of Cambodia or South Vietnam.

Relaxation of Turkish Arms Embargo (P.L. 94-104, approved October 6, 1975)—The eight month embargo of U.S. arms shipments to Turkey was partially lifted in October 1975. The embargo had gone into effect on February 5, 1975, in reaction to Turkey's 1974 invasion of Cyprus and its misuse of American-supplied weapons for aggressive purposes. The latest development was brought about by legislation which also authorized $65,640,000 for fiscal 1976 operations of the Board for International Broadcasting, Radio Free Europe, and Radio Liberty. The months following the imposition of the embargo saw a deterioration in U.S.-Turkish relations, with Turkey threatening to suspend all American military activities in that country and its subsequent takeover of 27 military bases which conduct important defense and intelligence operations for the U.S. and NATO. Many in the Congress were concerned that a failure to suspend the embargo could have led to a Turkish denial of American access to the bases and request for departure of all U.S. personnel from the country. The partial lifting of the embargo made it possible for the delivery of $185 million worth of military equipment purchased by Turkey before February 5 and for the renewal of commercial cash sales. U.S. Government military sales, guaranties and credits would be permitted once specific authorizing legislation is passed, provided Turkey observes the cease-fire in Cyprus and does not use U.S. equipment there. Direct military aid grants would continue to be banned. The legislation seeks also to encourage an improvement of U.S. relations with Greece, that efforts to bring about a resolution of the Cyprus situation be stepped up, and that the refugee problem in Cyprus be given greater attention. The President is directed to report to Congress within 60 days on progress toward a Cyprus settlement and on his fiscal 1976 recommended assistance to Greece. Public Law 94-104 generally was designed to improve America's relations with its two NATO allies and to promote the cause of peace in that region.

Foreign Relations Authorization Act (P.L. 94-141, approved November 29, 1975)—Legislation authorizing the expenditure of $869,931,000 for State Department and related foreign affairs programs during fiscal 1976 was cleared by Congress in November.

The largest area of funding was in the administration of foreign affairs, with a total of $439,055,000 authorized for State Department operating expenses. Contributions to international organizations, conferences and commissions, primarily the United Nations, represented the second largest authorized amount, a total of $270.2 million. Other programs funded for fiscal 1976 included Foreign Service buildings with $39.6 million, the Arms Control and Disarmament Agency with $12.1 million, migration and refugee assistance with $10.1 million, an Emergency Refugee Migration Assistance Fund with a ceiling of $25 million, and special assistance to Soviet refugees with $20 million. The Act establishes procedures designed to upgrade the status of Arms Control and Disarmament Agency in policy making, such as the requirement of a study assessing the impact of proposed weapons systems and technology on arms control and disarmament policy. The Act also contains language expressing the sense of Congress that ambassadors should not be appointed to those posts based on financial contributions to political campaigns. The final form of the legislation was the result of a compromise between the Senate version and the House version which was a combination of other bills passed earlier by that chamber The House had passed HR 7500 in June authorizing $853.4 million for the State Department and related agencies in fiscal 1976 and passed HR 7567 in July authorizing funds for and amending the policy of the Arms Control and Disarmament Agency. The language of these and other bills were incorporated into the House's version of S. 1517 which passed the House and went to conference with the Senate.

Foreign Aid Authorization, Fiscal Years 1976 and 1977 (P.L. 94-161, approved December 20, 1975)—The $3 billion foreign aid bill passed by Congress this year was heralded by its supporters as marking a turning point in this Nation's foreign assistance program. The International Development and Food Assistance Act of 1975 authorizes funds for economic and development assistance and for the first time these aspects of the foreign aid program were considered separately from the military ones. In the past, the foreign aid program was voted on as a package, including military and humanitarian aid, with growing criticism that military aid received the most emphasis. The 1975 legislation is also designed to provide aid to those countries in the greatest need and to emphasize self help programs. A total of $1.567 billion was allotted for fiscal 1976 and $1.496 for fiscal 1977. The program includes those in the areas of international disaster assistance, food aid to poor countries, and development assistance. At least 75 percent of funds to be allocated through the Food for Peace program must go to countries with a gross national product of $300 per person or less. An amendment was included to bar aid to any country which engaged in a consistent pattern of violations of human rights. Both development and military aid are barred from oppressive regimes, but such aid would be allowed to continue if the President reported that it was benefitting the poor people of the country and the Congress did not disapprove of the President's report within thirty days. Other items in the legislation include $30 million for refugee relief and rehabilitation in Cyprus and a $90 million ceiling on economic aid to Chile.

Military Construction Authorization Act, 1977 (P.L. 94-431, approved September 30, 1976)—Congress passed legislation authorizing $3.3 billion for military construction projects in Fiscal 1977 which included a provision that Congress be given 60 days advance notice of military base closings and workforce reductions. The controversial provision was a modification of one which prompted President Ford to veto the same legislation in July. (See summary of H.R. 12834.) The earlier legislation would have required the Pentagon to give Congress one year's advance notice of any anticipated closing of military bases employing 500 or more civilians or workforce reductions of 50 percent or 1000 civilians, whichever was less. That action by the Congress came in the wake of the Administration's announcement of anticipated closings or reductions at 160 military installations and was the result of concern for the economic dislocation affecting the surrounding communities. The President vetoed the legislation because of his fear that it constituted an encroachment by the legislative branch of Presidential powers as Commander-in-Chief and because of the waste and inefficiency that might result from interference with the base closings. The revised bill authorized the same level of funding for construction—$3,323,-989,000—which is to be divided between the Army, Navy, Air Force, defense agencies, and reserve forces for building projects and family housing.

The principal change came in reducing the amount of time from one year to 60 days as required advance notice of any base realignments. Under the procedure implemented in this law, the Pentagon is required to notify Congress of any base being considered for closing or workforce reductions. The appropriate congressional committees would be notified of any final decision, along with an environmental impact statement and an estimate of economic and other consequences of such action. The decision could not be put into effect until 60 days following notification of the committees. The review procedure shall be in effect only for the time covered by the authorization for construction projects—fiscal year 1977. Congress's persistence on this subject was based on its belief that while the President has the prerogative to make decisions on base realignments, it is the right of Congress to review these decisions like any others by the Executive Branch. It was furthermore based on the principle that environmental and economic consequences must be given greater consideration in such decisions, beyond solely military ones.

Military Construction Authorization Act, 1977 (H.R. 12384, vetoed July 2, 1976)—President Ford vetoed legislation authorizing $3.3 billion for military construction projects based on his objections to a requirement that Congress be given one year's advance notice of any proposed military base closings or cut-backs. This provision was a reaction to Administration announcements early in 1976 of impending closings and workforce reductions at 160 military bases and to the potential economic hardships which would be suffered as a result by the surrounding communities.

The authorization of $3,323,989,000 was to be divided between the Army, Navy, Air Force, defense agencies, and reserve forces for construction projects and for family housing in all categories. The total represented a cut of some $44 million from the amount requested by the Administration. Among the projects funded were a jet engine testing laboratory to be built in Tennessee for $437 million and support for the Trident nuclear submarines totaling $92 million. However, it was not the amounts or division of authorized funds which resulted in the controversy between the Congress and the President.

The congressional review plan would be implemented in cases where a base employing 500 or more civilians was to be closed or where the workforce was to be cut by at least 1000 persons or by 50 percent of the civilian workforce, whichever was less. The Pentagon would be required to notify Congress of any such intentions and to prepare during a nine-month period an assessment of the anticipated economic, strategic, environmental and operational consequences of the plan.

Following the nine month period, a detailed justification of the proposed action would have to be submitted to the Armed Services Committees of Congress, if the Pentagon still favored the action. The proposals would then be held up for another three months as Congress studied them.

President Ford justified the proposed base closings and cutbacks by the economic savings that would result and the waste and inefficiency that would be eliminated. He further claimed that the provision in the bill would place undue limits on the President's powers as Commander-in-Chief. Congress had argued that it had the right to at least review executive decisions in this area and that it was motivated by the potential economic dislocation which would be felt in financially hard-pressed areas of the country by base closings and workforce reductions.

Following the President's veto, the House on July 22 approved an effort to override the veto, but the attempt failed when it fell short of receiving the necessary two-thirds vote in the Senate that same day

Military Assistance Programs (P.L. 94-329, approved June 30, 1976)—Congress and the President approved legislation authorizing $6.9 billion for foreign military aid and weapons sales in fiscal 1976 and 1977, thus replacing a similar bill vetoed by the President on May 7. The earlier legislation authorized funds for the same programs for fiscal 1976, but the substantial limits it imposed on U.S. weapons sales through greater congressional control prompted President Ford to refuse to sign it. The substitute measure removed some of those provisions most offensive to the Administration, modified some, and kept some intact, with the result being the President's approval of the bill, albeit with reservation.

The bill approved funding for military assistance grants, security supporting assistance, foreign military sales credits, and related programs. Specific countries were affected by the Act, such as Israel, which was slated for $730 million in security assistance, Egypt, slated for $705 million, Turkey, which received approval to buy $125 million worth of military equipment, and others which have been the scene of recent or ongoing confrontations.

Some of the major provisions dropped from the earlier legislation which facilitated approval, were the $9 billion ceiling on the foreign sale of weapons by the U.S. Government and private businesses and the partial lifting of the U.S. trade embargo against North and South Vietnam. Other bold provisions in the first bill remained largely intact in the second Examples include the termination of grant military assistance programs and military advisory programs as of September 30, 1977 and October 1, 1977, respectively. In both of these cases, the programs could be continued by specific congressional approval.

Many of the earlier provisions were modified in some way to win Presidential approval. In the initial bill, Congress was given authority to reject any proposed government or commercial sale of major defense equipment amounting to $7 million and any military equipment or service of $25 million or more. The bill enacted removed the veto power over commercial sales, although congressional review was authorized and private companies were prohibited from selling major military equipment costing at least $25 million directly to foreign governments. Government sales of major equipment costing $7 million could be vetoed by Congress, augmenting the existing statute which provides for congressional veto power over any military equipment sales or services of $25 million or more. The enacted legislation, as the earlier bill, sought to require the President to keep Congress better informed of foreign military sales and to seek arms limitations.

Some of the controversial aid termination provisions were modified to require presidential approval of such actions. For instance, it was declared that no security assistance should be provided to countries which consistently violated human rights. Congress was given authority to end military aid to nations deemed guilty of these practices, provided that the President approved the ban. Also, Congress was given power to end sales of military equipment to nations which discriminated against U.S. citizens, also requiring presidential approval. Military assistance would be ended to nations which give sanctuary to international terrorists, unless the President reported that such assistance was vital to America's security interests. The legislation also prohibited sales of weapons to countries which used them in unauthorized ways or transferred them to other nations without American approval.

In light of recent revelations of sums paid to foreign governments by U.S. defense contractors, the legislation required the President to submit reports to Congress on political contributions and gifts paid by defense contractors to secure foreign contracts. It also required that the President report any information substantiating illegal payments to foreign officials by U.S. firms.

International Security and Arms Export Control Act of 1976 (S. 2662, vetoed May 7, 1976)—President Ford exercised his veto power in refusing to sign the foreign military aid and arms sales bill for fiscal 1976, claiming that its policy provisions constituted a usurpation of Presidential prerogatives in conducting foreign policy. The controversial provisions engendered in the bill were intended to provide the Congress with a chance for closer scrutiny of the foreign military aid program, an aspect of foreign policy under considerable criticism in recent years. The bill in question had authorized the expenditure of $3.17 billion, a reduction of $300 million from the Administration's request, for such programs as grant military assistance, foreign military credit sales, security supporting assistance for key troublespots around the world, narcotics control, and military training and education for foreign governments' armies.

In numerous instances, Congress demonstrated an increasing reluctance to providing military aid to foreign governments, especially without stricter supervision by the legislative branch. In addition to reducing from 31 to 20 the number of nations which could receive military assistance grants in fiscal 1976, the bill phased out the entire program after September 30, 1977. The amount approved for fiscal 1976 was roughly half of the amount requested by the President for such programs. Similarly the bill ended all military advisory programs abroad after October 1, 1977, unless specifically authorized. A limit of 34 advisory units to be stationed abroad was set following that date.

The bill made major changes in the military sales program, first by requiring that all sales of defense equipment of $25 million or more must be made through governmental channels rather than directly through private firms. Furthermore Congress was given the power to review and reject proposed sales, whether governmental or commercial, of major defense equipment costing at least $7 million and of any military equipment or service costing at least $25 million. The legislation set an annual ceiling of $9 billion on the total value of military equipment that could be sold to foreign governments by the Federal government and by private industry. Congress was also given the authority to reject any plans by the executive branch to allow one foreign country to transfer American-supplied equipment to another country. Generally, the legislation sought to require the President to keep Congress better informed of arms sales policies, with an emphasis on encouraging the President to seek arms limitations and to report to Congress on progress in this area.

The bill included a declaration that the U.S. opposed extending aid to countries which consistently violated human rights and gave Congress the power to limit or terminate such aid if it was judged that any nation was guilty of these violations. In cases where a nation was proven to engage in discriminatory practices against U.S. citizens, all aid or sales of military equipment would be automatically terminated. Aid would likewise be terminated to any country which aided or abetted terrorists by providing them with sanctuary from prosecution.

Specific troublespots, present ones and those in the recent past, received attention in this legislation. All military aid was barred to Angola and its factions, and the President was directed to seek peace in that nation and to report periodically to Congress on his efforts. The current trade embargo against North and South Vietnam was partially lifted, contingent upon a satisfactory accounting of U.S. troops missing in action in Indochina. The Middle East was well-represented in the funds authorized by the legislation, with Israel and Egypt being allotted all but $300 million of the over $1.7 billion authorized for security supporting assistance.

Following the President's veto of S. 2662, the bill was sent back to the Congress where a substitute was drafted in the form of H.R. 13680 and which passed Congress and was signed by the President in June (see P.L. 94–329).

Following the President's veto of S. 2662, 94–350, approved July 12, 1976)—Legislation authorizing $1.376 billion for the State Department and related agencies in fiscal 1977 was approved by Congress in late June and signed into law shortly thereafter The largest share of the funds—$1.054 billion—was allocated to the State Department's administration, contributions to international organizations, educational exchanges, and other activities. The U.S. Information Agency received an authorization for $262.9 million, and $58.3 million was designated for Radio Free Europe and Radio Liberty. The legislation contained an increase of some $40 million over the Administration's request, largely attributable to authorizations for Russian refugee assistance and the Pan American Games.

As is generally the case in legislation authorizing expenditures, Congress used this Act as a vehicle for expressing policy positions on a number of issues. An example can be seen in the amendment concerning the ongoing Panama Canal negotiations, which are expected to lead to the ultimate control over the Canal by Panama. The amendment expressed the sense of Congress that any new treaty will protect the vital interests of the United States in the Canal Zone. The language was designed to call attention to America's rights in that region without obstructing the President's flexibility to negotiate treaties.

Another issue aired in the process of this Act's passage concerned the public disclosure of foreign travel expenses by Members of Congress. Such information had been published in the Congressional Record until 1973, when the practice was abandoned ostensibly to save printing costs.

Although the information was continued to be made available for public inspection, it was considered that only by a restoration of the printing of travel expenses in the Congressional Record could the appearance, as well as the actuality, of public disclosure be maintained. Hence the law includes a provision requiring that congressional foreign travel expense reports be published within ten days after being compiled by committee chairmen.

Other policy provisions in the bill include a limitation of the Russian refugee assistance fund to resettlement expenses only in Israel, a declaration that Congress feels that a greater number of ambassadors should be selected from the Foreign Service ranks, and a requirement that the General Accounting Office audit State Department expenditures for gifts to foreign nationals.

Authority for Limited Reserve Mobilization (P.L. 94–286, approved May 14, 1976)—Congress passed legislation to give the President the authority to place up to 50,000 reservists on active duty without first declaring war or national emergency. The prerequisite of such a declaration was considered in the past to have been too imposing an obstacle to the mobilization of Reserve units because of the worldwide alarm such announcements could trigger. It was judged that the capabilities of the 891,000-member Selected Reserve have been neglected, thus shifting an undue burden on the Nation's active forces. During the 1973 emergency airlift to Israel, the active units bore almost the entire responsibility in the absence of a national emergency declaration which would have enabled a Reserve call-up.

The legislation enacted allows the President to place on active duty up to 50,000 reservists for not more than 90 days. Reservists activated under this authority may not be used in civil disorders or natural disasters The President was required to inform Congress of any such action and the reasons behind it within 24 hours, and Congress was given the right to terminate a call-up by the passage of a resolution by both Houses.

Supporters of the legislation expected that it would have positive psychological benefits by providing the Reserve forces with greater credibility both politically and militarily Because it removed a significant barrier to any mobilization, the legislation was intended similarly to remove the reluctance to provide modern equipment and meaningful missions to the Reserve units.

Defense Department Appropriations for Fiscal 1977 (P.L. 94–419, approved September 22, 1976)—Congress approved legislation providing $104.3 billion for Defense Department programs in fiscal 1977, substantially in line with the amount requested by the Ford Administration. Although the funds appropriated constituted a $3.6 billion reduction from the Administration's request, this was a much smaller reduction than in the previous year. In recent years, military authorization and appropriation bills have been the source of controversy between those favoring greater funding for defense programs and those favoring cut-backs on defense spending. The fact that Congress went along with most of the Administration's proposals was attributed to a growing concern over Soviet military strength. This factor along with inflation contributed to a $14 billion rise in Defense Department appropriations over the previous year.

The legislation appropriated $104,343,835,000 for Defense Department operations, including the following categories: military personnel ($25.4 billion), retired military personnel ($8.3 billion), operations and maintenance ($31.6 billion), procurement ($28.4 billion), and research and development ($10.4 billion). Included in the total was $948 million for work on the first three B–1 bombers, the planes which have been the source of continuing controversy in recent years. Only one major weapons request was turned down by the Congress, $1.1 billion in funding for six large, nuclear-powered warships requested by the Navy.

OTHER LEGISLATION

Military Construction Authorization (P.L. 94–107, approved October 7, 1975)—For military construction projects during fiscal 1976, Congress authorized a total expenditure of $3,853,705,000, representing a reduction of almost $347 million from the amount requested by the Administration. The amount represents also funds approved for the budget transition period of July 1-September 30, 1976. The total figure included $769 million for the Army, $705.5 million for the Navy, and $485.8 million for the Air Force. The largest single area of expenditure was in military family housing, slated for an authorization of $1.6 billion. Also included in the Act were $44.8 million for Defense agencies, $205.8 million for reserve forces, and $109.6 million for deficiency funds to pay for cost overruns on construction projects in progress. Two projects which had formerly been the subject of controversy were incorporated in Public Law 94–107 .One, the Diego Garcia naval communications station in the Indian Ocean was allotted $13.8 million. It had been opposed in the past by critics concerned about a U.S. military presence in that area of the world. The second, the Trident nuclear submarine project, was given an authorization of $187.9 million for support facilities at various naval installations.

Defense Department Weapons Procurement Authorization (P.L. 94–106, approved October 7, 1975)—A total of $25.5 billion was authorized for Defense Department weapons procurement research and development in fiscal 1976. An additional $5.3 billion was authorized for the same program for the budget transition period of July 1–September 30, 1976. The total for procurement of aircraft, missiles, and other weapons for fiscal 1976 was placed at $15,840,100,000, a cut of over $2.2 million from the amount requested by the Administration. The amount authorized for research and development programs for fiscal 1976 was $9,673,283,000, a reduction of over $500 million from the Administration-requested amount. The 1976 figure represented an increase of $772 million over the

1975 authorization, a rise accounted for mainly by inflation.

Coast Guard Authorizations (P.L. 94-54, approved July 7, 1975)—An authorization of $149.6 million for Coast Guard operations during fiscal 1976 and the budget transition period of July 1-September 30, 1976 was approved by Congress and signed into law. Included in the authorization for Fiscal 1976 were $28.8 million for the procurement of vessels, $36 million for the procurement of aircraft, $60 million for the construction of establishments, and $6.6 million for alterations of public and railroad bridges. A total of $18 million was authorized for the above activities during the budget transition period. The Act authorized the active duty personnel strength at the end of fiscal 1976 to be 37,916 and at the end of the budget transition period to be 38,005. The requirement for military student training loads was placed at 5,487 man-years under this Act.

Japan-United States Friendship Act (P.L. 94-118, approved October 20, 1975)—A Japan-United States Friendship Commission with a trust fund to promote scholarly, cultural, and artistic activities between the two countries was established by Congress in 1975. The Commission is to be composed of the twelve members of the United States Panel of the Joint Committee on United States-Japan Cultural and Educational Cooperation, the Chairmen of both the National Endowment for the Arts and the National Endowment for the Humanities, and two members from each chamber of Congress to be appointed by their respective presiding officers. The trust fund is to be comprised of a percentage of the amount paid by Japan to the United States for the return of Okinawa since that agreement was signed in 1971 and those funds available in U.S. accounts in Japan under the Government and Relief in Occupied Areas Settlement of 1962. The funds are intended to support such programs as language studies in Japanese and American universities, major collections of Japanese books at American universities, the arts, fellowships and scholarships in both nations, and visiting professors and lecturers between the two Nations.

Panama Canal Negotiations (P.L. 94-121, approved October 21, 1975)—Congress added language to the fiscal 1976 Appropriations bill for the State, Justice and Commerce Departments stating that it was the sense of the Congress that any new Panama Canal agreement must protect the vital interests of the United States in the Canal Zone. The non-binding provision was intended to serve notice on the State Department that the ongoing negotiations between the U.S. and Panama on a new canal treaty must insure continued American rights and privileges in the Canal Zone. The language in the final version of the Appropriations bill was a compromise between the House and Senate, as the House had earlier approved a provision barring all funds for negotiations on the status of the canal which would "surrender or relinquish" U.S. rights.

United Nations Resolution on Zionism (H. Res. 855, passed the House November 11, 1975)—Within twenty-four hours after the United Nations vote to equate Zionism with racism, the House overwhelmingly approved a resolution condemning this action by the world body. The U.N. resolution on Zionism identified it as a target of the Decade for Action to Combat Racism and Discrimination, a campaign launched by the United Nations in 1973 to fight racism around the world. H. Res. 855 declared that the U.N. action encourages anti-Semitism, itself a form of racism, and placed the House on record against any participation by the United States in the Decade for Action campaign unless and until the U.N. resolution on Zionism is revoked. The House action was regarded as a strong sign of continued U.S. support for Israel and of growing American dissatisfaction with the increasing dominance of the U.N. by Communist and Third World Nations. Although the House had first rejected a resolution calling for hearings to reassess further U.S. participation in the United Nations, there existed considerable sentiment in Congress to undertake such an assessment.

U.N. Peacekeeping Forces (P.L. 94-37, approved June 19, 1975)—In order to promote peace in the Middle East, Congress authorized the payment of whatever funds are needed to cover the United States' share of the expenses of the United Nations peacekeeping forces in that region. The forces have been stationed at the Israeli-Egyptian border since October 1973 and at the Israeli-Syria border since May 1974. The funds authorized were to cover the period between October 25, 1974 and October 31, 1975, and the U.S. share was expected to total $23.1 million. Cost overruns for the period prior to October 25, 1974 required an additional contribution by U.N. members, and the United States' share was placed at $5.7 million. For the period following October 31, 1975, funds are authorized under this act to be appropriated as necessary.

National Commission on Supplies and Shortages Extension (P.L. 94-72, approved August 5, 1975)—Congress approved legislation to amend the Defense Production Act of 1950, as amended, to extend the National Commission on Supplies and Shortages. The term of the Commission, which was established in 1974, is extended from December 31, 1975 to October 1, 1976, and the due date of its first report extended from June 30, 1975 to March 31, 1976. The function of the Commission is to examine the dependency of the United States on raw materials and to project what that dependency will be in the future.

Defense Production Act, Extended (P.L. 94-100, approved October 1, 1975)—Legislation to extend the Defense Production Act of 1950 for two months, until November 30, 1975, was approved by Congress in September. The action was taken to allow the appropriate congressional committees ample time to conduct a review of the Act. The Defense Production Act provides, among other things, for a number of preparedness-formobilization programs, such as the defense materials system, the defense priority system, the national defense executive research, and the defense production stockpile of minerals and materials.

Defense Production Act Extension (P.L. 94-152, approved December 16, 1975)—The Defense Production Act of 1950 which provided the legal basis for the Government to mobilize the nation's economy during wartime was extended and amended in 1975. The 1950 Act had authorized the President to secure priority treatment of defense-related contracts in allocating materials and protected contractors required to fulfill these contracts against claims for breach of other contracts. The 1975 legislation extends the Act until September 30, 1977 and makes certain changes designed to place restrictions on the President's authority to provide benefits. Additional restrictions are placed on the President's authority to grant antitrust immunity to voluntary agreements reached by industrial competitors on defense-related matters. The Federal Energy Administration is empowered to organize a voluntary business agreement for the international allocation of petroleum products. The importance of the Defense Production Act was demonstrated in its securing priority treatment for the Alaska oil pipeline and in its ensuring an orderly distribution of fuel resources during the 1973 oil embargo. The 1975 extension also provides for the extension until March 31, 1977 of the National Commission on Supplies and Shortages.

Peace Corps Authorizations (P.L. 94-130, approved November 14, 1975)—Legislation authorizing the funding of Peace Corps programs for fiscal 1976 and the budget transition period from July 1-September 30, 1976 was approved by Congress in November A total of $88,468,000 was authorized for fiscal 1976, an increase of over $7.5 million above the Administration's request, and $27,887,800 was approved for the transition period, over $2 million above the requested amount. The Act increases the monthly readjustment allowance for returning volunteers for the first time since the Peace Corps was established in 1961. The raise from $75 to $125 was justified by the 75% increase in the Consumer Price Index since the program was initiated. The Act also bans discrimination by sex in the selection, training, and placement of Peace Corps volunteers.

East German Claims Program (P.L. 94-542, approved October 18, 1976)—Congress approved legislation establishing a procedure whereby the International Claims Commission can begin processing claims of American citizens who had their property confiscated by the East German Government following World War II. The same procedures are in effect presently with respect to other East European nations, and the delay regarding East Germany stems from the fact that relations between the two countries have only recently been established. The legislation does not authorize the payment of claims by American citizens, as those funds will be the responsibility of East Germany once the negotiations and processing of claims are completed. It does authorize funds for the administrative costs of reviewing and validating the claims, those funds which should ultimately be returned to the U.S. Treasury from the settlements negotiated.

Foreign Aid Appropriations for Fiscal 1977 (P.L. 94-441, approved September 30, 1976)—Legislation appropriating $5,133,707,000 for foreign aid during fiscal 1977 was approved by Congress, following a reduction of nearly $700 million from the amount requested by the Administration. The funds are to be spent for economic and military assistance to specific nations, refugee aid, contributions to international organizations, and other programs. Reflecting the active interest of the United States in the Middle East, the legislation allocated 43 percent of the foreign aid funds to that region. The greatest share will go to Israel—$1.235 billion in military and economic aid, but the Arab nations will be well-represented also. Egypt was allotted $700 million in economic aid, Syria was given $80 million for economic assistance, and Jordan was provided with over $215 million in both military and economic aid. The growing American concern for peace in southern Africa was reflected in the granting of $20 million in security assistance to both Zaire and Zambia and $14 million in aid to Botswana.

Authorization of Funds for Treaty of Friendship with Spain (P.L. 94-529, approved October 17, 1976)—Congress authorized $35 million for implement in fiscal 1977 the Treaty of Friendship and Cooperation signed by the United States and Spain on January 24, 1976, and ratified by the Senate June 21. The Treaty, designed to promote U.S. interests regarding Spain and western security, provided for $1.2 billion in American military assistance, sales, educational and cultural programs over a five-year period in return for Spain's continued permission for U.S. access to three air bases and one naval base within its boundaries. It was anticipated that only about ten percent of the $1.2 billion would be in the form of outright grants, with the remainder in the form of loans. The 1977 authorizing legislation included the expressed hope of the Congress that the treaty would foster further progress toward the democratization of Spain's political processes.

Guatemala Relief and Rehabilitation Act of 1976 (P.L. 94–276, approved April 21, 1976)—Congress authorized the spending of $25 million to provide emergency relief, rehabilitation, and humanitarian assistance to the victims of the earthquakes which shook Guatemala in February, 1976. An estimated 20 percent of that Nation's population was affected by the disaster, with over 22,000 dead, 76,000 injured, and one million homeless. The speedy action on the part of Congress was intended to get help to the victims as quickly as possible, with the funds distributed through private U.S. voluntary organizations and international relief groups.

Weapons Procurement Authorization for Fiscal 1977 (P.L. 94–361, approved July 14, 1976)—Faced with a growing concern about Soviet military strength, Congress substantially consented to Administration requests for greater spending on weapons procurement in fiscal 1977. The weapons procurement bill authorized the expenditure of $32,522,202,000 for procurement, research, and development, 20 percent more than in the previous fiscal year. The legislation, which authorizes funding for about one-fourth of the Pentagon's budget, was pared by less than $2 billion in the Congress, despite a rising trend in recent years to make even greater cuts in defense spending. Most major Administration-requested programs were approved, including $48 million for procurement of the first three controversial B–1 bombers, $350 million for the Nation's fourth nuclear-powered aircraft carrier, and $317 million which can be used for continued production of the Minuteman III Intercontinental Ballistic Missiles along with the Mark 12A warheads. This last item was prompted by the perceived lack of progress in the Strategic Arms Limitations Talks currently underway between the U.S. and the Soviet Union. The legislation passed included $22,046,200,000 for procurement of weapons and $10,476,002,000 for research and development of weapons. In addition to funding these programs, the legislation also engendered certain policy changes. Examples include the authorization for Federal civil defense funds to be made available to the States in the event of natural disasters, the repeal of the one percent kicker (built-in hike) on cost-of-living raises for retired military personnel pending a similar repeal on raises for civilian retirees, and the requirement that defense budgets submitted in the future provide funds to cover expected inflation costs.

TRANSPORTATION

MAJOR LEGISLATION

Railroad Reorganization Act Amendments (P.L. 94–5, approved February 28, 1975)—In order to ease the funding crisis of Eastern and Mid-Western railroads and to prevent a threatened shut-down of the Penn Central, Congress authorized emergency grants and loans for the bankrupt Penn Central, and other ailing railroads.

As approved the Congress, P.L. 94–5 amends the Regional Rail Reorganization Act of 1973 by increasing from $85,000,000 to $282,000,000 the appropriation authorizations for continuing essential rail services, pending implementation of a final reorganization system plan. The Act also authorizes the Secretary of Transportation to enter into interim agreements with railroads undergoing reorganization to perform program maintenance, to improve rail properties, and to acquire rail properties for lease or loan to any such railroad. The U.S. Railway Association is authorized to issue up to $300,000,000 in obligations at any one time to finance such agreements and the Consolidated Rail Corporation is required to assume such obligations.

Essentially, the purpose of the law is to insure the continuation of vital rail services in the Northeast and Midwest and to enhance the reorganization process that will lead to the creation of a unified and modernized rail system in those parts of the country.

Railway Safety Act (P.L. 94–56, approved July 19, 1975)—In the face of worsening statistics on train and hazardous materials accidents, Congress has acted to improve compliance with Federal railroad safety regulations. According to a House study on railroad safety, train accidents had increased in 1974 by 721 over the previous year—from 9,698 in 1973 to 10,419 in 1974. Preliminary figures for 1974 also showed that injuries to railroad employees on duty were 15,641 compared to 13,098 in 1973. Fatalities to railroad employees declined from 158 in 1973 to 140 in 1974—still far too high a figure. In 1974 there were a total of 148 hazardous materials accidents, in which 10 were killed and 613 injured. During the past four years, the yearly average was 113 hazardous materials accidents per year, with an average of 3 fatalities per year and 320 persons injured per year. Presently, the Federal Railroad Administration has approximately only 40 inspectors who are responsible for the inspection of 330,000 miles of track.

The Railroad Safety Act of 1975 authorizes $35 million for fiscal year 1976 and $8.75 million for the July-September 1976 transitional period to implement the 1970 Federal Railroad Safety Act which prescribes regulations to ensure the safety of the Nation's railroads. The Act includes funding for an increased number of inspectors from 350 to 500 and support personnel authorized to be hired. A total of $10 million was approved for Federal safety research and development, and $3.5 million for State programs. The Act also authorizes an additional $8.75 million during the same period for administration of the Hazardous Materials Transportation Control Act, and requires the Department of Transportation to provide projections on the amount of radioactive materials to be carried by the Nation's railroads between 1976 and 1980 in its "Comprehensive Railroad Safety Report" to be submitted to Congress by March 1976.

Amtrak Improvement Act (P.L. 94–25, approved May 26, 1975)—The National Railroad Passenger Corporation (Amtrak) was created by the Rail Passenger Service Act of 1970 (P.L. 91–581) to provide an alternative means of travel for the American public. Prior to inauguration of Amtrak passenger service in May 1971, rail passenger service operated by a number of railroad companies was deteriorating in quality and use to the point that there were less than 500 passenger trains in existence—down from several thousand in the early part of the century. The aggregate losses for operating these trains reached $200 million in 1970. Thus Amtrak started with a $40 million Federal grant and payments of $197 million from participating railroads over a 36-month period ending in 1974. Since that time, Federal subsidies have totaled $534,300,000 and Amtrak has committed $860 million in Federal-guaranteed loan authority. Rail passenger travel reached its nadir for this century in 1970; thus it is encouraging that in 1974 Amtrak carried 18.5 million passengers, representing a 10 percent increase over 1973 and one of the highest passenger-by-train years since the 1950's. In 1974 Amtrak was operating 29 million train miles with 240 daily trains serving 457 stations along an expanded route system of 24,315 miles.

Nevertheless, Amtrak is still plagued with outdated equipment, and costs for servicing the old cars is high. In addition, the railroad-owned tracks which Amtrak must use have been a constant cause of slow trains and late arrival. Even while ridership is up, revenues for Amtrak are down. This is due to at least five causes: (1) the general economic recession producing inflation in costs; (2) seven newly added routes, added beyond the control of Amtrak; (3) a new wage-price increase reflecting new contracts with employees; (4) cost of a performance incentive contract with the railroads; and (5) increase in passenger car overhaul.

As passed, this Act permits studies by Amtrak during fiscal year 1976 to determine the benefits of seasonal routes to recreation areas; requires Amtrak's Board of Directors to develop a set of criteria and procedures under which Amtrak would be authorized to add or discontinue rail passenger routes and services; and requires that such criteria must include methods of evaluating the economic and environmental impact of any addition or discontinuance of inter-city rail passenger service. Most importantly, perhaps, in light of the problems facing Amtrak, are the provisions providing for a $63,000,000 increase in the authorization of appropriations for Amtrak through June 30, 1975 (from $534,000,000 to $597,000,000); and appropriations for Amtrak for fiscal years 1976 and 1977. Thus this legislation gives Amtrak's Board of Directors the flexibility necessary to effectively manage Amtrak and improve intercity rail passenger service, while providing a means by which Amtrak can discontinue old, and initiate new, service.

Amtrak/ConRail Amendments of 1976 (P.L. 94–555, approved October 19, 1976)—Through its transformation of the railroads, Congress this year has effected the greatest industrial reorganization in history. This bill, by perfecting that reorganization process, and improving the nation's rail passenger system, fulfills our obligation to maintain the highest quality rail transportation system in the world.

This bill is a comprehensive railroad aid package that includes federal funds for both the National Railroad Passenger Corporation (Amtrak) and the Consolidated Rail Corporation (ConRail)

It also patches a number of cracks that have appeared in the massive railroad reorganization plan that took effect in April after enactment of the 1976 Railroad Revitalization and Regulatory Reform Act, P.L. 94–210.

For Amtrak operating expenses, this legislation provides $340 million for fiscal 1977 and $470 million for fiscal 1978. It also provides $130 million for Amtrak capital expenses for each of fiscal 1977 and 1978.

The key element of the bill affecting ConRail is an increase of $120 million to $350 million in the amount of government guaranteed loan authority available to the railroads, including ConRail, that took over seven bankrupt lines in the Northeast and Midwest. Funds under the federal guarantee are to be used to pay claims against the bankrupt railroads by shippers, employees, suppliers and other railroads, and the loans are to be repaid from the assets of the estates of the bankrupt companies.

In addition, the bill improves the funding program for railroad rehabilitation outside the Northeast and speeds implementation of the northeast corridor high speed passenger rail service project.

Congress has tried to ensure that improved railroad freight and passenger service will be attained at the lowest possible cost to the taxpayers. To do this, a two-year capital authorization was approved to permit Amtrak to set up a long term capital acquisition program that will allow them to purchase equipment at lower costs.

Another provision ensures public participation in the rail reorganization plan. Although Congress provided this in the original reorganization plan by authorizing a Rail Public Counsel to participate on behalf of the public in proceedings at the Interstate Commerce Commission, the President after seven months has not filled this position. This bill directs the FCC public counsel to participate in the rail proceedings pending the President's appointment.

Amendments to the Railroad Retirement Act of 1974 (P.L. 94–547, approved October 18, 1976)—These amendments to the Railroad Retirement Act of 1974 clarify the original congressional intent that railroad retirees receive no more and no less than the annuity to which they are entitled by their service.

The 1976 amendments will correct unforeseen inequities and deficiencies that were created by the 1974 retirement act by remedying the situation in which some retirees were to receive unwarranted increases in their annuities and some widows were suffering unjustified decreases in their annuities, contrary to the purposes of the original act. Annuity adjustments will be retroactive to January 1, 1975.

In addition, the amendments permit the Railroad Retirement Board to borrow from the railroad retirement fund if repayment is made with interest, and provide that sick pay and travel expenses will not be considered wages under provisions of the Railroad Retirement and the Railroad Retirement Tax Acts.

Railroad Revitalization and Regulatory Reform Act (P.L. 94–210, approved February 5, 1976)—After two House-Senate conferences and long negotiations with the Administration, Congress acted to revitalize and deregulate the nation's railroads, passing a bill hailed by President Ford as "the first significant reform of transportation regulation by any administration or Congress."

By revitalizing the nation's railroads, Congress acted to restore the balance in modes of transportation used by Americans, taking some of the burden off the heavily used highway and airway systems.

The effect of the bill will be to improve high-speed passenger service between Washington, D.C. and Boston; rescue Penn Central and other Northeast and Midwest railroads from bankruptcy; modernize track and facilities for branch and commuter lines; permit the railroads greater flexibility in setting rates; and encourage the entry of new competitors into the railroad industry.

The second House-Senate conference produced agreement on the following authorizations: $2.1 billion for the new federally subsidized Consolidated Railroad Corporation (ConRail) to take over Penn Central and other bankrupt lines; $1.75 billion for high-speed passenger service from Washington, D.C. to Boston; $1.6 billion in aid to railroads outside the ConRail system; and $20 million for passenger service outside the Northeast corridor.

By passing the legislation, Congress offered the American people an alternative to what some consider the inefficient and costly recourse of railroad nationalization.

Tax Treatment of Exchanges Under The Final System for ConRail (P.L. 94–253, approved March 31, 1976)—As a result of the financial problems encountered by the rail transportation industry in the northeastern and midwestern regions of the United States, Congress enacted the Regional Rail Reorganization Act of 1973. Its purpose was to provide a way for the Federal Government to rehabilitate and reorganize the bankrupt railroads in these regions into a financially self-sustaining rail system capable of providing the needed railroad service.

The 1973 act established the United States Railway Association (USRA), a nonprofit government corporation authorized to study the existing rail services of the affected areas and to prepare a final system to plan to restructure the midwest and northeast railroads. Congress approved USRA's final plan under the Railroad Revitalization and Regulatory Reform Act of 1976 (see summary of P.L. 94–210). Under this plan, in order to provide a financially self-sustaining rail service, eleven insolvent railroads were to transfer their rail properties to ConRail.

This law (P.L. 94–253) provides the tax treatment needed to create ConRail. The tax and bankruptcy laws in existence at the time of ConRail's organization did not provide for such a special transaction and this new tax law is needed to fill the vacuum. The law determines how the exchange of property will be treated and provides, generally, that no gain or loss is to be recognized when, in order to carry out the final system plan, rail properties of a transferor railroad are transferred to ConRail in exchange solely for stock or securities on ConRail and USRA certificates of value. Congress has provided that such an exchange of property and stock is not to result in the recognition of gain or loss to the transferor companies. The shareholders and security holders of the transferors will also generally not recognize gain or loss by exchanging their existing interests for ConRail stock and USRA certificates of value. No net operating losses of the companies transferring their properties to ConRail are to be passed on to the new corporation.

Federal Railroad Safety Authorization Act of 1976 (P.L. 94–348, approved July 8, 1976)—Congress passed the Federal Railroad Safety Act of 1970 to promote safety in railroad operations by granting the Secretary of Transportation broad regulatory powers, coupled with Federal-State enforcement activities, in order to halt the increasing number of rail accidents which had doubled over the previous decade. Despite the enactment of the 1970 statute, rail accidents have continued to increase and the statistics showing property damage, dead and injured are grim indeed. The total number of train accidents increased from 7,491 in 1974 to 7,532 in 1975 and the number of employee casualties increased during that time from 15,760 to 42,414.

Congress, in this authorization of appropriations to fund the rail safety program administered by the Federal Railroad Administration (FRA) for fiscal years 1977 and 1978, expresses its feeling that the FRA has not done its job adequately, and makes clear its wish that the agency immediately and effectively tackle the railway safety problem. Congress instructs the FRA to broaden and strengthen its efforts to bring railroad accidents under control, and, more specifically, updates certain penalties for violations of the safety code. The Act requires the Office of Technology Assessment to evaluate the effectiveness of railroad safety laws, forbids construction or reconstruction of employee sleeping quarters within the immediate vicinity of railroad switching operations, sets comfort standards for such sleeping quarters, clarifies and extends coverage of the laws on working hours, requires lighted markers on the rear of all trains, and safeguards employees working on trains within the railyard.

Increasing the Federal Share of Highway Projects (P.L. 94–30, approved June 4, 1975)—In order to reduce unemployment, and thus ease the effects of the recession, Congress enacted a bill to accelerate highway construction. Over the preceding year the number of unemployed had reached alarming proportions. The spring of 1975 Department of Labor statistics showed there were 7.5 million Americans out of work, while unemployment in the construction trades rose from 11.3 percent to 15.9 percent during the period from August 1974 to February 1975. 688,000 construction workers could not find work during the month of February, 1975.

An accelerated highway construction program is an effective means of getting people back on the job. The Act achieved this end by temporarily increasing the Federal share of matching funds to the States for certain highway and mass transit projects. States could thus receive up to 100 percent Federal financing for projects approved between February 12 and September 30, 1975. During that period States could transfer funds from one project category to another, such as from highways in rural areas to those in urban areas, but barred any transfers to or from Interstate highway funds.

Federal Aid to Highways Act (P.L. 94–280, approved May 5, 1976)—Aware that many States already had depleted their federal highway funds and were in need of continued federal assistance, Congress extended the Federal Aid to Highways Act for two years, through fiscal 1978.

By continuing to fund the highway system, Congress assured the improvement of transportation links between agricultural and industrial centers, continued progress toward the elimination of congestion on antiquated two-lane roads, and the building of better roads for the nation's automobiles, which have more than tripled in number since 1945

After almost three months of negotiations between House and Senate conferees, Congress included the following provisions in the bill: (1) extended, from 1979 to 1990, the deadline for completing the Interstate Highway System; (2) allowed states greater flexibility in using highway funds as they deemed fit in non-Interstate highway categories; (3) extended the life of the Highway Trust Fund, which is fed by highway user taxes, for two years, through fiscal 1979; (4) established a 19-member National Transportation Policy Study Commission to study and make recommendations for improving the national transportation system; (5) relaxed federal highway safety requirements for states, in order to prevent fund cut-offs for states failing to comply; (6) allowed the states, with the Secretary of Transportation's consent, to retain signs along major highways informing the traveling public of nearby goods and services where their removal result in economic hardship; (7) extended the federal carpooling assistance program, and expanded it to include van pools and carpooling for the elderly and handicapped; and (8) amended the definition of highway "construction" to include restoration, resurfacing, and rehabilitation.

Department of Commerce Maritime Programs Authorizations (P.L. 94–10, approved March 23, 1975)—The Merchant Marine Act of 1970 (P.L. 91–469) provides a new Maritime Program, envisioning the construction of a substantial number of vessels over a ten-year period, substantial improvements in the operating-differential subsidy program, and a number of other provisions to revitalize the United States-flag merchant marine and restore this country to its place as a leading maritime nation. This Act of the 94th Congress includes requirements for a fifth year of expanded activities under the new Maritime Program. Expenditure of appropriated funds for shipbuilding, ship operation and other related activities will, in addition, have a stimulative impact upon the economy and shipyard employment.

P.L. 94–10 authorizes appropriations to the Department of Commerce for fiscal year 1975 as follows: (a) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000; (b) Payment of obligations incurred for ship operating-differential subsidy, $242,800,000.

The Act further provides for (c) Expenses necessary for research and development activities, $27,900,000; (d) Reserve fleet expenses, $3,742,000; (e) Maritime training at the Merchant Marine Academy at King's Point, New York, $10,518,000; and (f) Financial assistance to State marine schools, $2,973,000.

The construction subsidy is generally based on the difference between United States and foreign shipbuilding costs, and paid to U.S. shipyards, so that our vessels can compete in international trade. Prior to the Merchant Marine Act of 1970, such subsidy was generally limited to liner vessels. That Act expanded this aid to generally include all types of United States-flag shipping engaged in foreign trade. The new Act sets forth guidelines for the gradual reduction of the construction subsidy level to 35 percent in fiscal year 1976, and thereafter.

The operating subsidy is generally based on the difference between United States and foreign vessel operating costs and paid to U.S.-flag operators so they can compete in international trade. The Merchant Marine Act of 1970 generally extended this subsidy to other than liner operators. Subsidy is generally provided for U.S. flag wage, maintenance and repair, and insurance costs. Payments are determined as the difference between the fair and reasonable cost of these items and the cost of the same items of expense if the vessel were operated under the registry of the flag of substantial foreign competitors. Allowable U.S. wage costs are determined by a special non-Maritime U.S.-wage index developed by the Bureau of Labor Statistics. This provides an incentive to the subsidized operators to minimize wage increases reached in collective bargaining agreements. Further control on wage costs is achieved by requiring manning levels for new subsidized vessels to be determined prior to the time construction subsidy contracts are entered into.

Amendments to the Boat Safety Act of 1971 (P.L. 94-531, approved October 18, 1976)—The Boat Safety Act of 1971, now in effect for five years, was designed by Congress to create a uniform boating safety program in the United States and to involve in the program the Federal Government, the States, the boating industry, and the boating public.

The Act has been effective. Boats now being produced are adhering to more rigid safety standards and the boating public is better informed and more safety conscious. The Coast Guard has made substantial progress in regulating boat construction and the financial assistance program has successfully encouraged the expansion of many state programs and is improving the quality of state boating safety efforts. Boating accident statistics indicate the act has successfully stemmed the tide of boating accidents and fatalities.

Although one must conclude that the Act has been successful, five years of experience has indicated the need to make some modifications. The 1976 amendments are minor and routine but serve to clarify some of the original provisions of the bill, correct deficiencies and enable more effective implementation. In addition to technical provisions, they expand procedures to notify consumers of boat defects that are now discovered after sale, and increase the maximum Federal matching share in state boat safety programs from 33⅓ to 50 percent.

Prevention of Collisions at Sea (H.R. 5446, vetoed October 9, 1976)—The first International Rules for Navigation at Sea, which governed the lighting and movement of vessels operating on the high seas and on connecting waters, were adopted by Congress in 1890 and were made effective by Presidential proclamation in 1897. Since that time, the International Rules have been modified from time to time to reflect changing technology and operating requirements.

The International Rules now in effect were proposed by the 1960 International Convention for Safety of Life at Sea and have been in force since May 26, 1965.

In October of 1972, the Inter-Governmental Maritime Consultative Organization (IMCO) adopted the Convention on the International Regulations for Preventing Collisions at Sea. H.R. 5446, if it had not been vetoed by President Ford, would have authorized the President to proclaim this Convention effective for U.S. vessels. The Convention has been ratified by the required number of nations with sufficient merchant ship tonnage to bring it into force and the effective date is July 15, 1977. Since this bill has not been implemented, U.S. vessels operating on the high seas and foreign ships in certain U.S. territorial waters will be required to continue to comply with the 1960 Rules while the vessels of the signatory nations follow the rules of the 1972 Convention. The situation is expected to create chaotic and potentially catastrophic conditions.

The new regulations would have established maneuvering and signaling rules for mariners and provided additional technical requirements with respect to lights, shapes, sound signals and distress signals. Changes of particular significance to the mariner included rules governing the conduct of vessels in or near areas of restricted visibility, the operation of vessels in a narrow channel, the recognition of the limitations on a vessel in traffic separation schemes, the safe speed of a vessel in all conditions of traffic and visibility, and early action by a vessel to avoid collision. The International Regulations have also been rearranged to provide the mariner with a more comprehensive standard of conduct. The rules have been revised with particular concern for the changes that have occured in vessel construction, maritime traffic patterns, and pollution in the marine environment.

Motor Vehicle Information and Cost Savings Act Amendments of 1976 (P.L. 94-364, approved July 14, 1976)—Congress began its attack on the ever-increasing carnage on the nation's highways, the rising costs of car repairs (now up to $2 billion a year and increasing at three times the rate of inflation), and automobile dealer and distributor fraud with the Motor Vehicle Information and Cost Savings Act.

Designed to promote competition among manufacturers in the design and production of cars, the amendments to the Motor Vehicle Information and Cost Savings Act enacted by this Congress continue the federal effort to encourage manufacturers to produce cars that are safer to drive and easier and cheaper to repair. These amendments call for a government-sponsored study of automobiles, government safety standards, the dissemination of information on automobiles to the public, and protection against odometer tampering.

This Act requires the Secretary of Transportation to establish automobile bumper standards, and to compile and publish information comparing different makes and models of cars in terms of damage susceptibility, crashworthiness, and ease of diagnosis and repair. The Secretary may also require car dealers and distributors to furnish this information to prospective buyers. The law provides for a car diagnostic inspection demonstration project to gather data on the repair problems of various cars and to further the state of the art of auto repair. Finally, the amendments strengthen the law against odometer tampering through increased enforcement powers and heavier civil and criminal sanctions for those who engage in it.

Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (P.L. 94-413, without approval September 17, 1976)—The Electric and Hybrid Vehicle Research, Development and Demonstration Act of 1976 has been called one of the most significant energy conservation programs that has been devised for this country. It establishes a 6-year, $160 million project in the Energy Research and Development Administration (ERDA) to promote the development of an electric vehicle that could function as a practical alternative to the gasoline-powered automobile. In addition to research and development activities, the project will include an extensive evaluation and demonstration program involving about 7,500 vehicles. It is critical that the current state of the art be significantly improved, especially with regard to batteries and other potential energy storage systems as electric and hybrid vehicles could play a significant role in reducing U.S. dependence on imported petroleum for transportation through substitution of other energy sources and through improved energy efficiency. In addition, use of these vehicles will reduce urban air and noise pollution.

It has been estimated that widespread use of electric and hybrid vehicles would be a very significant energy conservation measure. If 10 million electric cars were put on the road as second cars and if they saved the equivalent of two gallons of gas a day by using coal or nuclear energy as the source of generating electricity, the equivalent of 20 million gallons of gasoline a day could be saved. This equals half a million barrels a day and would save us $6 million a day, or $2.2 billion a year, in the cost of imported barrels of oil, and would go a significant way toward solving our energy problem.

Automotive Transport Research and Development Act of 1976 (H.R. 13655, vetoed September 24, 1976, House passed over veto on September 29, 1976, Senate sustained veto on September 29, 1976)—Passage of this legislation was one more positive Congressional effort toward building a meaningful and comprehensive energy conservation program for this nation. The program was to be aimed at our major energy consumer and air pollutant—the personal automobile. This nation's transportation system consumes 25 percent of our total energy use annually, and automobiles constitute about 60 percent of that consumption. This bill would have been a major step toward developing and mass producing cars that are viable, clean and energy efficient.

The legislation would have established a 5-year program in the Energy Research and Development Administration (ERDA) to develop advanced automobile propulsion systems, drive train components and other advanced automotive subsystems that will operate in today's cars. These advanced systems are expected to double the fuel economy of the current automobile and to emit far fewer pollutants that now plague most urban areas of the country.

This program was designed to be completely practical and realistic. It would not have competed with, but supplemented the efforts of private industry to design new engines. Its goal was to develop non-polluting and energy-sufficient cars that would be attractive to consumers and capable of being mass produced by private industry at the earliest possible date.

President Ford vetoed the bill and sent Congress a veto message containing three specific—and erroneous—objections. First, the veto message stated that the bill duplicates existing authority possessed by ERDA and the Department of Transportation when in fact it increases the authority of these agencies in the field of energy research and development; second, it stated that the bill invades private industry's territory, when in fact it supplements private efforts in an area of automotive research that has been largely neglected by the industry; and third, the President charged that this bill is a forerunner to a massive spending program much larger than the $100 million authorized. In fact, the program is sharply limited and defined.

Unfortunately. President Ford's veto has prevented Congress from immediately establishing a very practical and useful program to quickly develop viable, clean and efficient personal automobiles.

Hazardous Materials Transportation Act (P.L. 94-474, approved October 11, 1976)—Passage of this law affirms the intent of Congress to deal seriously with the problem of safely transporting hazardous materials. This law improves the Materials Transportation Bureau's capability to meet the Congressional mandate to ensure the safe transportation of all hazardous materials by increasing its unrealistically low budget to $5 million for each of the next two years.

The 93rd Congress instructed the Department of Transportation to monitor, regulate and inspect all hazardous materials that are transported across state lines by any vehicle. A new agency was created within DOT, the Materials Transportation Bureau, to coordinate the formerly fragmented inspection efforts carried out by several different agencies. Shippers and carriers are required to file statements of registration before transporting hazardous materials.

Airport and Airway Development Act Amendments (P.L. 94–353, approved July 12, 1976)—Congress assured continued development of an efficient and safe airport and airway system by authorizing $5.6 billion for airport aid and airway development programs over a five-year period, fiscal 1976–1980. The authorization reactivated the Federal airport development grant program, which had ended on June 30, 1975 when the previous authorization (P.L. 91–258, as amended) expired.

By authorizing funds, Congress acted to deal with air traffic and ground congestion and safety problems caused by the increasing number of Americans traveling by air. Aware that expenditures on airports and airways have failed to keep pace with dramatic increases in air traffic, Congress continued an airport aid policy begun in 1970. The policy is designed to relieve air and ground congestion by improving airport facilities and to enhance air safety by seeing that the most advanced equipment is used in the air traffic control system. The program is financed from the Airport and Airway Trust Fund which is fed by the collection of various taxes on the airway users. For the five year period the bill authorizes from the trust fund $2.36 billion in construction grants for air carrier airports and $275 million for general aviation airports; $1.3 billion for the acquisition and improvement of air navigation facilities; and, $78.8 million for airport system and master planning grants.

Besides renewing airport grant authorizations, Congress legislated several important changes designed to improve the efficiency and equity in funding of the nation's system. The Act channels more money into smaller airports; increases the federal share of matching funds for construction of the largest air carrier airports from 50 to 75 per cent and for all other airports from 75 to 90 per cent. Requires airports to consult with airlines and other users before undertaking construction projects; and $1.35 billion in trust fund money to be spent on maintenance of airway facilities. This change shifts such costs from the general taxpayer to air travelers and other airway system users. Another important feature of the Act is that it expands the types of airport development projects eligible for federal assistance to include terminal facility development and acquisition of land adjoining airports for noise abatement purposes.

OTHER LEGISLATION

Authorization of Appropriations for Promotion and Development of Travel Within the U.S. (P.L. 94–55, approved July 9, 1975)—This legislation authorizes, under the International Travel Act of 1961, appropriation to the Secretary of the Interior for fiscal years 1976–8 to promote, through the National Park Service, travel within the U.S. and directs the Secretary of Commerce to promote and develop travel within the U.S. through activities which are in the public interest and which do not compete with activities of any State, city or private agency.

Negotiated Shipbuilding Contracting Act of 1976 (P.L. 94–372, approved July 31, 1976)—In passing the Negotiated Shipbuilding Contracting Act of 1976, Congress continued its challenge to the American shipbuilding industry to produce ships more efficiently and for less money. Already in disastrous condition due to the oil crisis which was accompanied by the collapse of the world tanker market, Japanese vessel dumping, and tremendous inflation, American shipbuilders would have found it difficult, if not impossible, to construct containerships and produce carriers and bulk vessels without the changes in contracting procedures that this law makes possible.

Congress and the Maritime Administration have determined that the shipbuilding industry must be subsidized at the lowest possible rate, and the negotiated rather than competitive bidding is the most efficient contracting method. This law gives the Maritime Administration the authority to permit ships constructed by the negotiated system to receive the same 50% subsidy of the cost of constructing, reconstructing, or reconditioning a vessel that is already permitted to competitively bid contracts. This will permit that the more efficient negotiated method be followed by the shipbuilding industry whenever possible.

VETERANS

MAJOR LEGISLATION

Veterans Disability Compensation and Survivor Benefits Act of 1975 (P.L. 94–71, approved August 5, 1975)—From the beginning of our history, it has been an American tradition to assist veterans disabled as a result of their service in the Armed Forces. Of our 29 million veterans, nearly 2.5 million are disabled as a result of their service. Almost 400,000 widows and children of disabled veterans receive support through the Dependence and Indemnity Compensation program. A significant number of these beneficiaries are the veterans and families of disabled Vietnam veterans, who, because their families are younger, depend more heavily upon the compensation program to meet their household expenses.

The disability compensation program has been maintained to provide relief for the impaired earnings capacity of disabled veterans. Even in better economic times, the disabled suffer financial impairment because of their incapacitation. In today's economic conditions of simultaneous recession and inflation, it is vital that the Congress review the disability compensations program periodically to make sure that the benefit levels provide the relief intended.

Between May of 1974, when the last compensation increases were granted, and June 1975, the cost-of-living index rose 10.2 percent, causing immeasurable hardships for disabled veterans and their families. The Administration tried to put a 5 percent ceiling on benefit increases, but the Congress took the initiative to provide a realistic adjustment in compensation and survivors' benefits.

This session Congress accordingly authorized a 10 percent increase for payments to veterans who are 50 percent or less disabled; a 12 percent increase for veterans who are 60 percent to 100 percent disabled; and a 12 percent increase for survivors drawing dependency and indemnity compensation. In addition, the Act directs the Veterans Administration to conduct a follow-up study of survivor benefit claims in cases where veterans were totally and permanently disabled, to determine what difficulties, if any, claimants have in establishing that the disability was service-connected.

Veterans and Survivors Pension Adjustment Act of 1975 (P.L. 94–169, approved December 23, 1975)—Like other groups with fixed incomes, veterans and their dependents and survivors suffer severely in a time of rapid inflation. Recognizing a commitment to those who have served America in wartime, the House adopted legislation (H.R. 10355) to provide needy veterans, their dependents and survivors a cost-of-living pension increase of 8 percent. The measure also would raise income limits by $300, to $3,300 for the single veteran and $4,500 for the veteran with dependents.

The non-service-connected pension program is based on the concept of need. In other words, to qualify a veteran or widow must meet certain income limitations. Essentially it is a program for veterans 65 years and older and for widows and children with reduced income. To be eligible for the program, a veteran must have served in one of the Nation's wars. The program is designed so that those in the lowest income bracket get the most help with the amount of payment decreasing as the veteran's or widow's income increases. Income limits are set which if exceeded terminate eligibility for pension payments.

H.R. 10355 includes the increase in maximum allowable income in order to insure that pensioners who also received the 8 percent increase in Social Security benefits in June 1975 will not suffer termination of their veterans benefits or reduction in their total income. Since last June, many cases have been reported of loss of pensions or reduction in income due to the Social Security increases.

The veterans pension program is essential to many veterans who have so faithfully served their country in our time of need. To many elderly veterans it is often their major source of income. Although they may be eligible for food stamps or welfare, they are often too proud to accept it. Thus, it is vital that the Congress continue to keep this program, as it has in the past, current with the increases in the cost of living.

Veterans, Physicians and Dentists Comparability Act of 1975 (P.L. 94–123, approved October 22, 1975)—In recent years, the difference between the salaries that can be paid by the Veterans Administration (VA) to its physicians and dentists, and the salaries of physicians and dentists in private practice and even to other agencies of government has grown so great that it has become extremely difficult for the VA to attract and retain medical personnal.

In order to prevent a mass exodus of physicians and other medical personnel from the VA, Congress enacted into law a provision giving VA physicians and dentists parity with other Federal physicians and dentists for one year. The Act authorizes up to $5,000 a year in special pay, and up to $8,500 a year in incentive pay for full-time physicians. Dentists could receive up to $2,500 a year in special pay and up to $4,250 per year in incentive pay.

In congressional hearings, it was disclosed that medical care for our veterans is rapidly deteriorating due to a lack of qualified physicians largely attributable to the current $36,000 pay limitation and the lack of parity of VA physicians with their counterparts in the Federal service. A congressional survey found that of the approximately 5,500 physicians employed by the VA, 40 percent are affected by the $36,000 limit and cannot expect any increase whatsoever in the near future. As a result, many highly trained physicians are leaving the VA for more lucrative offers. For example, during the period of July 1, 1974 through March 31, 1975, 279 full-time physicians terminated VA employment. During the same period, 153 physicians converted from full time to part time. Over 400 physicians rejected offers made by the VA for employment, giving as their reason for rejecting the VA offer inadequate salary. Thus 66 percent of the offers made were rejected, and these physicians indicated that the salary offer needed to be increased by about $10,000 in order for them to accept VA employment.

Veterans and Survivors Pension Adjustment Act of 1976 (P.L. 94–432, approved September 30, 1976)—The non-service-connected veterans pension program currently assists one million veterans 65 years and older and 1.6 million dependents with reduced income. The program is designed to serve those most in need so that the amount of pension payment decreases as the veteran's or widow's income increases and maximum income limits are set which if exceeded terminate a veteran's eligibility for the pension program.

Studies have demonstrated that the effects of inflation continue to depreciate the real worth of pension incomes, as well as the income available to veterans from other sources. Last year the Congress enacted an 8 percent increase in pension rates for veterans and their survivors and raised the maximum annual income limitations by $300, effective January through September 1976. This law makes permanent these increase provisions of P.L. 94–169 and authorizes an additional 7 percent increase in veterans pensions effective January 1, 1977 to compensate for anticipated increases in the cost of living during 1976. Maximum income limitations in the pension system are raised to take account of increases in Social Security payments that most veterans receive. A 25 percent increase in pensions is granted to veterans 80 years and older. The law also requires the VA to conduct a comprehensive study by October 1977 to include recommendations for improving and making more equitable the non-service-connected pension program.

Veterans Disability Compensation and Survivor Benefits Act of 1976 (P.L. 94–433, approved September 30, 1976)—The disability compensation program provides income for more than two million veterans with service-connected disabilities. The amount of payment varies according to the degree of disability which in turn approximates the average impairment in earning capacity. Additional compensation for dependents is payable to veterans with severe disabilities.

Through the years, the Congress has accorded a special status to disabled veterans and to their survivors and has periodically reviewed and made adjustments as necessary to the rates of compensation. To prevent an erosion of purchasing power, this enactment provides, effective October 1, 1976, increases of approximately 8 percent in existing disability compensation rates. It authorizes additional allowances for the spouses of veterans who require the aid and attendance of another person and creates a new payment of up to $78 per month to a seriously disabled veteran whose spouse is similarly in need of regular nursing care. The amount of VA mortgage protection life insurance available to certain severely disabled veterans is increased from $30,000 to $40,000. These and other provisions are intended to alleviate the financial hardships caused by continuing high inflation and the rising cost of living.

Veterans' Education and Employment Assistance Act of 1976 (P.L. 94–502, approved October 15, 1976)—Significant and comprehensive changes are realized in this enactment. During the two years that have passed since rate increases were granted for veterans' education, the costs of education have risen markedly. This Act contains provisions to increase by 8 percent the rates paid to eligible veterans and dependents in vocational rehabilitation, education and training, and special programs. It also increases from $600 in a school year to $1500 the maximum amount for an education loan. The measure extends 9 additional months of eligibility to veterans and certain dependents who were previously limited to 36 months of benefits. Among other advantages, this provision will allow veterans to use the additional months of entitlement for graduate work; previously eligibility had been restricted to undergraduate study.

The law terminates the current GI bill at the end of calendar 1976. The GI bill was initially designed to assist servicemen and women whose careers were interrupted by active duty in the armed services. Now that the military service is entirely voluntary and military and civilian careers are comparable, there is no need to provide war-time benefits. However, a post-Vietnam era educational assistance program is established to enhance recruitment and retention in all-volunteer military service. Applicable to those who enter the service on or after January 1, 1977, a payment of $2 for each $1 contributed by the participant toward the creation of an educational fund is authorized for use after leaving military service.

The Act creates the position of Deputy Assistant Secretary for Veterans' Employment with the Department of Labor to give greater emphasis to veterans' employment services and problems. Other provisions are designed to reduce and prevent abuses of the veterans' education program.

Retired Military Personnel Survivor Benefits (P.L. 94–496, approved October 14, 1976)—The Retired Serviceman's Family Protection Plan (RSFPP) was established in 1953 to enable a retired member of the uniformed services to share his retirement pay with his wife and children if he predeceased them. Specific benefit payments to widows and children are fixed at the time the member retires. The high rate of inflation in recent years has seriously eroded the purchasing power of these benefits. In recognition of this, provisions of this bill would authorize future annuity increases and provide an overall increase in RSFPP annuities, effective October 1, 1976, by the percentage by which retired pay has been increased since 1972 under the Survivor Benefit Plan.

The Survivor Benefit Plan (SBP) replaced RSFPP in 1972 and RSFPP participants were given an 18-month period in which to elect into the SBP. An attractive feature of SBP is that it provides the same cost-of-living adjustments received by miliary retirees. However, participation in the SBP program has declined since 1972 and currently less than 50 percent of new retirees are opting for it. A primary objective of this bill is to make the SBP program more acceptable to retirees in part by adopting recent improvements in the civil service plan on which SBP was patterned. Some of the changes would include: the elimination of payments into the program when a beneficiary predeceases the retiree; a reduction from 2 years to 1 year in the period for a new spouse of a retiree to become eligible; and an increase in the minimum income payment to certain widows of retired members from $1,400 to $2,100 annually.

OTHER LEGISLATION

Medical Care for Certain Members of Allied Wartime Forces (P.L. 94–491, approved October 14, 1976)—During World War I and World War II, many countries in Central Europe fought with great courage in alliance against the foes of the United States and its major allies. After the war there was a change of government in those countries, particularly in Poland and Czechoslovakia, which deprived many of these people of the freedom for which they had struggled so valiantly. Consequently, many immigrated to the United States and became citizens in search of the kind of life they could no longer lead in their own countries and have subsequently greatly enriched our Nation. However, since they are not technically veterans of the Armed Forces of the United States and have no recourse to veterans' benefits in their Communist-controlled homelands, many of them are unable to secure urgently needed medical and hospital care and attention.

Passed by the House in the 93rd Congress, and reintroduced in the 94th with 109 cosponsors, H.R. 71 would provide hospital, domiciliary care and medical services by the Veterans Administration to those who served in combat during World War I or World War II, as a member of any armed force of the Governments of Czechoslovakia or Poland, against enemies of the United States. They must have been American citizens for at least 10 years to qualify, and they must not be entitled to equivalent care or services provided by a foreign government or ally of the United States.

U.S. Soldiers' and Airmen's Home—Air Force Grade Extension (P.L. 94–454, approved October 2, 1976)—The U.S. Soldiers' and Airmen's Home, established in 1851 for the relief and support of certain old, invalid or disabled soldiers and (since 1947) airmen, is located on approximately 300 acres in Washington, D.C. The home has been experiencing annual operating deficits since 1971 and projects a fiscal 1976 deficit of $1.4 million. This law is designed to prevent a depletion of the Soldiers' and Airmen's Home trust fund by levying a monthly fee on members of the home, based on their ability to pay, by authorizing the Secretaries of the Army and Air Force to increase the monthly deductions of active duty personnel from 25 to 50 cents, funds which are used to support the home, and by authorizing GAO to conduct a broad study of the financial needs of the home. A Senate amendment to the Act extends for two more years existing authority for the current number of Air Force officers in the ranks of lieutenant colonel and colonel. The authorizing law (P.L. 93–397) was scheduled to expire on September 30, 1976.

Investigations Into Travel Costs of Veterans (P.L. 94– , approved —— ——)—This bill would require the Administrator of Veterans Affairs to conduct annual investigations of the cost of travel—including lodging and subsistence—and the operation of privately owned vehicles to veteran beneficiaries while traveling to or from a Veterans Administration facility. Factors to be considered in such investigations would include depreciation of original vehicle costs; gasoline and oil costs; maintenance, accessories, parts and tires; insurance; State and Federal taxes; and the expenses of employee travel. Reports of such investigations would be submitted annually to the Committee on Veterans Affairs of the Senate and House of Representatives.

Under current law, a VA beneficiary who travels in connection with Veterans' Administration vocational rehabilitation, counseling, or for the purpose of examination, treatment or care, may pay his own necessary travel expenses and be reimbursed either on a mileage basis or for actual and necessary expenses, or he may obtain a Government transportation request from the VA for presentation to the ticket office in exchange for his bus or train ticket. Should the veteran choose the last option, he may also obtain from the VA reimbursement for any necessary expenses for meals and lodging. The VA Administrator has the authority to set the mileage rate; it is currently fixed at 8 cents per mile. This compares with 15 cents per mile paid to Federal employees who must use their own cars on official Government business, and 11 cents per mile for Federal employees who have access to a GSA vehicle, but choose to use their own. H.R. 2735 would simply provide a regular procedure for Congressional review of the adequacy of the travel reimbursement rates set by the VA Administrator for veteran beneficiaries.

Care of Veterans in State Homes (P.L. 94–417, approved September 21, 1976)—This law will raise the per diem paid State homes for hospital, nursing home, and domiciliary care for veterans. The rates were last raised on September 1, 1973 and since that time inflation has brought about a dramatic increase in medical costs. The enactment will give some relief to State veteran homes which are facing financial crisis situations because of spiraling inflation. It will raise the reimbursement rates from $4.50 to $5.50 per day for domiciliary care, from $6.00 to $10.50 per day for nursing home care, and from $10.00 to $13.50 per day for hospital care.

This increase in the Federal contribution to State homes for veterans is urgently needed to help compensate for the valuable services that State veterans homes perform for our veterans. There are currently 40 State veterans' homes in the United States which provide domiciliary, nursing or hospital care, or all of these in combination to some 10,000 veterans. If these homes were to close, the entire financial burden of the care they provide would fall on the Federal Government, at vastly greater expense. In fiscal year 1975 it cost the VA $15.43 per day for domiciliary care, $41.74 for nursing care, and $77.89 for hospital care at its own VA facilities.

Science and Technology

MAJOR LEGISLATION

National Weather Modification Policy Act (P.L. 94-490, approved October 13, 1976)—Eager to prevent loss of life and damage to property caused by hazardous weather—severe storms, tornados, hurricanes, and the like—Congress cleared for the President a bill which lays the groundwork for a national weather modification program.

The bill is intended to advance weather modification efforts which might prevent or minimize the annual destruction of property and loss of life caused by severe weather storms or droughts. Congress expects the bill to spur scientific advances in such areas as rain enhancement, hail suppression, fog dissipation, and hurricane dispersal.

By passing the bill, Congress responded to a recent report of the Domestic Council's Subcommittee on Climate Change, which stated that weather-related disasters and hazards cause $6.7 billion in property damage and over 1500 deaths each year. As an example of economic loss, the report pointed to a recent drought in Kansas which forced wheat farmers to abandon 2.3 million acres of wheatland—almost 18 per cent of the State's total acreage.

The legislation calls for the Secretary of Commerce to develop a comprehensive and coordinated national policy on weather modification, and to recommend a national weather modification research and development program.

Once the Secretary makes his recommendations, Congress will pass appropriate measures implementing the proposals. The bill authorizes $1,000,000 for the Secretary to carry out the provisions of the act.

Fire Prevention and Control Act (P.L. 94-411, approved September 14, 1976)—Congress, authorizing additional appropriations to implement the Federal Fire Prevention and Control Act of 1974, helped the Fire Administration move towards its goal of reducing U.S. fire losses by 50 percent over the next ten years.

The legislation responds to the startling findings of the National Commission on Fire Prevention and Control, which reported that the United States leads all major industrial nations in per capita deaths and property loss from fire. According to the 1973 Commission study, fire annually claims almost 12,000 lives, injures 300,000, and inflicts more than $11.4 billion in economic loss.

Congress initially took action on the report in 1974 by creating the National Fire Prevention and Control Administration within the Department of Commerce. Congress carefully monitored funding in 1975 and 1976 to ensure an efficient and effective fire program, but authorized additional appropriations this year to continue needed expansion of the program.

(On July 7, 1976, the President vetoed H.R. 12567, which also authorized appropriations for the National Fire Prevention and Control Administration. The bill, besides prohibiting the Fire Administration from conducting research without the Secretary of Commerce's approval, stipulated that no funds could be spent on the construction of the National Academy for Fire Prevention and Control unless Congress approved. The President, in vetoing the bill, argued that the provision was intended to "enhance the power of Congress over the detailed execution of the laws at the expense of the President's authority." Congress maintained that the stipulation was necessary to ensure that an "adequate but not excessive facility" be built for the Fire Academy. Congress did not attempt to override the veto, and passed S. 2862 instead.)

The congressional authorization—$15 million for fiscal 1977—will boost support for the multi-faceted federal fire-prevention program. The program includes: education and training for firefighters, building designers, code officials, and others; fire-safety programs, particularly for the very young and elderly; and the Fire Data Center, which identifies major fire-prevention problems, recommends possible solutions, assists in setting priorities, and monitors fire safety programs. The Fire Administration also sponsors technology development, which focuses on improved safety gear for firefighters, and the Fire Research Center, which disseminates results of fire research to builders, clothing, and furniture manufacturers.

National Science and Technology Policy, Organization, and Priorities Act of 1976 (P.L. 94-282, approved May 11, 1976)—After several years of studying the types of scientific programs the Federal Government should sponsor, and how much science policy direction the White House should provide, Congress passed legislation reviving the position of Presidential Science Adviser, creating a new White House office of Science and Technology Policy.

By enacting the legislation, Congress expressed its belief that a Presidential science advisor, looking at matters with a broad and long-range perspective, will help ensure that science policy will be made in anticipation of problems, rather than in reactive manner.

The position of presidential science adviser was established in the late 1950s, but abolished by the President in 1973, who turned the science advisors responsibilities over to the head of the National Science Foundation. Since then, both Congress and President Ford have taken the view that the President could benefit from a White House aide advising on scientific matters relating to national defense, the economy, the environment, the budget, foreign relations, and other government-related concerns.

Under the legislation, the science aide will be Director of the Office of Science and Technology Policy. In addition to advising the President on scientific matters, the Director is required to assist the Office of Management and Budget in reviewing and establishing the research and development budgets of all federal agencies.

Accordingly, Congress has mandated that the Director's office annually prepare a five-year forecast of how to solve critical and emerging problems, such as food shortages, excessive population growth, and the energy shortage. The Director is then required to share this information with federal agencies as they prepare their budgets.

By authorizing $3 million in fiscal 1977 for the Office of Science and Technology, Congress ensures that the President and other high-ranking government officials can fully utilize scientific knowledge as they implement policies designed to solve national problems.

Metric Conversion Act (P.L. 94-168, approved December 23, 1975)—The United States, while a world leader in almost all aspects of technology, has been slow to adopt the metric measurement system. We are the only major, nonmetric country in the world which has not formed an official mechanism for coordinating the change to the metric system. Yet, our nation is now well into the early states of converting to the metric system. American industry has begun to adopt the metric system; all 50 States are now committed to changing to the metric system in their educational departments; the pharmaceutical industry is largely using the metric system—as is the medical profession.

The choice before the House was not whether to move to the metric system; that conversion is underway. The choice was between continuing the conversion process in an entirely uncoordinated fashion, or going forward with the conversion process on a coordinated basis. The House met this challenge with passage of the Metric Conversion Act, legislation designed to respond to the problems created by the increasing use of the metric system.

The measure will establish an independent U.S. Metric Board to devise and carry out a broad program of planning and coordination of the use of the metric system and to conduct public education consistent with the other national interests. The Board would have no compulsory powers and would cease to exist when Congress determined its mission has been accomplished. The bill preserves the right of each business firm to decide whether to go metric, affirming that the adoption of the metric system will be entirely voluntary.

The bill provides that the Metric Board perform three major functions: First, develop a broad program of planning and coordination on the increasing use of the metric system; second, conduct research and submit recommendations to the President and Congress; and third, conduct a program of public education in the metric system at all levels from elementary to adult education in order that the American people may become familiar with the meaning and use of metric terms and measures in their daily lives.

OTHER LEGISLATION

NASA Authorizations, FY 1976 (P.L. 34-39, approved June 19, 1975)—The Congress reaffirmed its commitment to the American space program by authorizing a total of $3,562,310,000 for use by the National Aeronautics and Space Administration (NASA) for fiscal 1976.

This authorization insures that adequate funding will be available in the following amounts for a variety of space programs; space shuttle, $1,206,000,000; advanced space missions, $2,000,000; lunar and planetary exploration, $259,900,000; and aeronautical research and technology, $175,350,000.

Additionally, construction at a number of space facilities will proceed on schedule. Authorizations for such construction include modifications at the John F. Kennedy Space Center, $35,410,000 and modifications at the Lyndon Baines Johnson Space Center, $3,240,000.

The authorization also covers a wide range of other NASA programs designed to keep the United States space effort moving ahead at peak efficiency. Such programs include an increase in the technology utilization budget in order to better perform the vital function of disseminating technical information to the public and private sectors; funds for an independent review of remote sensing technology development; funds to provide continuity of remote sensing data from space through the remainder of this decade; and funds for continued research related to short-term weather phenomena. These research and development funds will entail development of sophisticated techniques for observing and forecasting severe local storms, tornadoes and hurricanes, relying on both satellite and aircraft-borne sensing devices.

National Aeronautics and Space Administration Act, 1977 (P.L. 94–307, approved June 4, 1976)—For the third straight year, Congress passed with little controversy an authorization measure for the National Aeronautics and Space Administration.

By passing the bill, Congress assures continued progress in planetary exploration, aeronautical research, and energy research. A budget of $3,695,170,000 was approved for fiscal 1977.

Congress supported NASA's $1.3 billion request for the development of a re-usable space shuttle, now scheduled for landing tests in late 1977 and its first manned orbital flight in mid-1979. The shuttle—when modified—could carry six to twelve passengers and stay in space for up to thirty days.

Congress also approved increases in NASA's requests for exploration of the moon and planets. Public interest in space exploration was sparked this year by the Viking 1 lunar lander's transmission of the first photographs of the Martian surface to earth on July 20.

In addition, Congress provided money for the development of a new space telescope, and for programs designed to increase aircraft fuel efficiency. The space telescope would be housed in an observatory orbiting 270 miles above the earth, and might yield clues about possible energy sources in space, the origin of the universe, and other perplexing space questions.

National Science Foundation Authorization, FY 1976 (P.L. 94–86, approved August 9, 1975)—Congress moved to strengthen the work of the National Science Foundation (NSF) and take a more active role in review of the Agency's research grants by authorizing $787 million for NSF activities in fiscal year 1976 and establishing new requirements to provide for legislative oversight capability.

Basic research is the foundation on which much of the Nation's advanced technology is built. Most of the advances in technology from which we are now benefiting are based on research done in previous years. Much of the basic research which is being done today will yield payoffs in the form of new technology yet to be invented.

Levels of funding for NSF programs in fiscal year 1976 include the following categories: (1) Scientific Research Support—$337,600,000; (2) National and Special Research Programs—$109,800,000; (3) National Research Centers—$60,200,000; (4) Research Applied to National Needs—$70,500,000; (5) Science Education Innovation—$39,800,000; (6) Science Education Support—$35,300,000; (7) Graduate Student Support—$16,400,000; (8) Science Information Activities—$6,600,000; (9) International Cooperative Scientific Activities—$8,000,000; (10) Intergovernmental Science and R. & D. Incentive Program—$10,000,000; (11) Science Assessment, Policy, and Advisory Activities—$11,100,000; and (12) Program Development and Management—$41,700,000.

The Act also creates a program to strengthen training and research for young scientists at the graduate and post-graduate levels at educational institutions and directs the agency to provide grants to undergraduate educational institutions and departments for science education.

Responding to the need for greater accountability in the awarding of grants for scientific research and the need for greater citizen involvement in Federal scientific research programs, legislative oversight is expressly called for in provisions creating: (1) the "Science for Citizens Program," which is specifically designed to improve public understanding of public policy issues involving science and technology; (2) in plans for NSF to more fully include members of the public in the formulation of NSF policy; and (3) in the transfer of funds from category to category.

Authorizing Appropriations to the National Science Foundation (P.L. 94–471, approved October 11, 1976)—Recognizing the need for continued progress in science and engineering, and the value of applying scientific and technical knowledge to national and international problems, Congress approved authorizations for the National Science Foundation for fiscal year 1977.

Among other things, the bill:

Gives undergraduate financial aid priority to two-year and four-year institutions not granting a doctor's degree in science or engineering;

Grants $2.5 million to the States for science and technology studies:

Supports energy research which does not duplicate the work of the Energy Research and Development Administration;

Requires the NSF to apply scientific and technical knowledge to international food and nutrition problems;

Encourages interdisciplinary research;

Creates an experimental Science for Citizens Program to improve the public's understanding of science and public policy;

Directs the NSF to conduct an intensive search for qualified women, minorities, and handicapped individuals to fill executive level positions at the Foundation;

Amends the National Science Foundation Act to assure that the NSF follows policies within the framework of those set by the President and Congress.

Specifically, the legislation authorizes $810.7 million to the National Science Foundation for fiscal 1977, including the following recommended amounts: mathematical and physical sciences, and engineering, $231.5 million; astronomical, atmospheric, earth, and ocean sciences, $244.8 million; biological, behavioral, and social sciences, $130.4 million; science education programs, $69.4 million (not including an additional $10 million carried over from fiscal 1976).

Standard Reference Data Act Authorizations (P.L. 94–49, approved July 2, 1975)—Congress acted to appropriate $9.550,000 over a three year period to carry out the purposes of the Standard Reference Data Act of 1968. That Act provided the National Bureau of Standards with the authority to conduct a program of collecting, evaluating, and disseminating scientific data on the physical and chemical properties of substances which would be available to scientists, engineers, and the general public. The authorization in P.L. 94–49 is especially significant because standard reference data are used daily as basic reference materials by scientists and engineers in Government, industry, and university, and are necessary in fields such as transportation, electronics, construction, medicine and others. The primary outlet for this material is the Journal of Physical and Chemical Reference Data which appears four times a year and provides a minimum of 1,200 pages of compilations of reference data.

OTHER LEGISLATION

Foreign Tourist Travel Authorizations (H.R. 5337, vetoed by the President, May 28, 1975)—Congress sought to promote tourist travel in the United States and also to promote international travel by foreign residents to the United States by authorizing $2.5 million for each of fiscal years 1976, 1977, and 1978 for domestic travel promotion, and $25 million for fiscal year 1977, $30 million for fiscal year 1978, and $30 million for fiscal year 1979 for international travel promotion. The measure passed both Houses of Congress but was vetoed by the President on May 28, 1975.

The measure was deemed to be of particular significance because of the importance of the tourist industry to the American economy. In 46 States, tourism ranks among the top three industries, and in three States it is the leading industry. Tourism generates annual revenues in the total amount of $61 billion and provides over 4 million jobs to Americans.

Yet the tourism industry is actually operating considerably below capacity level. It has been reported that U.S. hotels are presently operating at only 30 percent capacity. Furthermore, from an estimated 85 million persons throughout the world who have the means to travel to the United States, we have, over a period of years, managed to include only a relatively small number to visit this country.

Additionally, the United States spends far less for tourist promotion than many other countries. In 1973, the $9.1 million that the United States spent for the promotion of tourism seemed modest compared to the amounts spent by such countries as Ireland, $24.7 million; Canada, $21.6 million; Israel, $18.3 million; Turkey, $14 million; and Greece, $12.7 million.

The relatively small authorization for tourist promotion passed overwhelming by the Congress would have been an excellent investment for Americans at home and international travelers visiting our great country.

Postal Service Employees' Health and Safety and Salary Adjustment for Certain Federal Employees (P.L. 94–82), approved August 9, 1975)—Congress acted to further insure the safety of thousands of employees of the U.S. Postal Service and, further, provide a minimal salary adjustment for top executive, legislative and judicial officers and employees of the United States Government who last received an increase in compensation in 1969.

Title I of the Act concerns the coverage of Postal Service employees under the Occupational Safety and Health Act of 1970. Under the July, 1973, collective bargaining agreement with the National Postal Unions, the Postal Service is bound to comply with the applicable section of the Occupational Safety and Health Act of 1970. This Act will reinforce this responsibility by imposing upon the Postmaster General the statutory requirement that he comply with the Act by establishing and maintaining an effective and comprehensive occupational safety and health program for the Postal Service.

Title II, an amendment to the original bill, provides a minimal salary adjustment for top executive, legislative and judicial officers and employees of the United States who last received an increase in compensation in March, 1969. By doing so, Title II meets what the Comptroller General of the United States termed "a critical need." It also provides a measure of relief to the increasing numbers of senior civil service employees on the General Schedule affected by the $36,000 ceiling in effect now for 76 months. While Title II does not correct the pay gap which has grown since 1969 or the problem of compensation which has taken place in the higher reaches of the Government's salary schedules, it does put a stop to the continued growth of the pay gap occasioned by the increased cost of living since March 1969 and the pay adjustments which occurred in other segments of the economy over that period of time. It provides a cost-of-living type of relief to those officials and employees whose purchasing power has been eroded by almost a third because of inflation.

Public Broadcasting Financing Act (P.L. 94–192, approved December 31, 1975)—The medium of public radio and television broadcasting provides Americans with a unique vehicle for enrichment and education. The Congress can be proud that Federal assistance to public television has resulted in such high quality programs as Sesame Street, Electric Company, Washington Week In Review, Book Beat and many other fine productions.

The promise of public broadcasting is virtually unlimited, but until this year its potential remained largely unrealized because of the unmet need for adequate funding. H.R. 6461 provides for a new, and greatly improved, system of financing public broadcasting.

First, and perhaps most importantly, the bill established long-range Federal funding for the Corporation for Public Broadcasting (CPB). The Corporation was created as a semipublic, federally-funded agency charged with the responsibility of developing high quality non-commercial radio and television programs obtained from diverse sources. The sponsors of the Public Broadcasting Act of 1967 intended that the Corporation be as free as possible from political interference. This concept has been re-affirmed by Presidents Johnson, Nixon and Ford. With this in mind, Congress acted to provide $634 million to the CPB over a five year period.

While Federal support of public broadcasting has increased since the establishment of the Corporation in 1968, the Corporation has also steadily increased its non-Federal funding.

Postal Reorganization Act Amendments (P.L. 94–421, approved September 24, 1976)—Congress took action to help the troubled Postal Service with a billion dollar subsidy over a two year period and established a commission to review its operations. With the Postal Service facing growing deficits and impending rate hikes and service cutbacks, Congress intended for its action to be a stopgap measure until a thorough analysis of the problem could be completed.

The Postal Service was established as an independent government agency in 1971 with the expectation that it would employ modern business methods to run an efficient operation. A Senate committee concluded that if it were truly a business, it would today be bankrupt. By the end of fiscal 1977, its deficit was expected to reach $4.5 billion. Efforts have been made recently to reduce expenditures by service reductions, such as the closing of small post offices, the reduction in the number of business deliveries in certain East Coast cities, and abandonment of door and (partially) curbline delivery to new residential addresses. Furthermore an end to Saturday mail delivery has been considered. In terms of postal rates, first-class postage has risen from eight to thirteen cents since 1971 and further increases are often forecast for the future.

Congress took steps in this legislation to keep postal operations at a constant level until the Commission on Postal Service (established by the legislation) issues its report and recommendations in March 1977. Subsidies of $500 million for each of fiscal years 1977 and 1978 are authorized. Until the study report is issued, the Postal Service is barred from increasing postal rates, cutting service, curbing door or curbline delivery, and closing post offices with more than 35 patrons. As a means of allowing closer congressional scrutiny of the Service's operations, the legislation requires it to submit each year with its budget a detailed accounting of operations and finances.

The seven-member Commission on Postal Service is to be comprised of appointees of both the President and Congress. It is directed to study general problems of the Postal Service, how it should be funded, how its rates should be set, and what the level of delivery should be. Its report is to be submitted to Congress on March 15, 1977 with its findings and its recommendations for solving the problems studied. The final legislation constitutes a compromise between the Administration and Congress, based on the urgency of the Postal Service's situation.

Copyright Law Revision (P.L. 94–553, approved October 19, 1976)—Congress acted on legislation providing for the first comprehensive revision of the nation's copyright law since it was enacted in 1909. That law, which protects the works of authors and inventors, had become outmoded with new means of communications and had been under criticism for not providing adequate protection to authors. The revisions included such significant advances as increasing the length of the copyright term, setting stricter guidelines for photocopying in schools and libraries, and extending copyright liability to cable television and jukebox operators for the first time.

The present law provides for a 28 year copyright to an author, renewable for 28 years if he is alive. The revised law grants copyrights beginning in 1978 for the author's lifetime plus 50 years. Copyrights prior to 1978 would be given 75 years protection.

As photocopying has become a widespread practice in schools and libraries, authors have complained of a decline in sales of their publications. The new legislation puts into effect stricter, more comprehensive guidelines for copying by schools and libraries, essentially barring systematic reproduction which substitutes for purchase or subscription.

The advent of cable television has caused problems as copyrighted programs are broadcast to paying subscribers without any royalties paid to the authors or producers of the programs. A compulsory licensing system was established in the new legislation under which a flat sum would be paid to the Register of Copyrights for distribution to copyright owners. This would make it unnecessary for the cable network to negotiate individually with each copyright owner, but would insure some payment for the use of their works.

Also for the first time, jukebox operators are required under this legislation to make royalty payments. They would pay a fee of eight dollars per machine each year to the Register of Copyrights for distribution to the copyright owners.

Other features of the new law include an exclusion of all U.S. Government works from copyright protection, a detailed listing of criteria for copyrights, and expanded coverage for foreign authors. The new law is the result of over ten years of work by the Congress.

Alien Children (P.L. 94–155, approved December 16, 1975)—The Immigration and Nationality Act was amended to allow an alien child adopted by an unmarried person the same rights of immigration as a child adopted by a married couple. This Act will facilitate the resettlement of refugee children in general and allow relatives of alien children, regardless of their marital status, to bring such children into the United States. Before the Act was passed, only married persons were allowed to petition for immediate relative status for an alien child whom they had adopted. Although many States allowed single persons to adopt children, Federal Immigration laws did not permit single persons to bring alien children adopted from other countries into the United States under the immediate relative clause.

Teton Dam Disaster Assistance Act of 1976 (P.L. 94–400, approved September 7, 1976)—On June 5, 1976, at about 12:00 noon, the Teton Dam collapsed and flood waters brought death and destruction to the eastern portion of Idaho. Five counties were affected. It was reported that 11 persons died and estimates as to damages range from $500 million to $1 billion. As a matter of compassionate relief and without making any determination with regard to the question of legal fault, Congress responded to the needs of the disaster victims by passing this emergency legislation.

P.L. 94–400 provides comprehensive authority for the settlement of claims arising as a direct result of the failure of the Dam on June 5. The measure specifically authorizes the Secretary of Interior to provide compensation for the resulting deaths, personal injuries, and losses of property, including irrigation works. It also includes authority for the Secretary of Interior to make advance or partial payments for any claimant where necessary to prevent substantial hardship before final settlement.

Financial Planning, Reporting, and Control Systems for the Government of the District of Columbia (P.L. 94–399, approved September 4, 1976)—As the Nation's capital, the financial condition of Washington, D.C. is a Congressional concern. As a result of the state and local fiscal crises of 1975–76, both Congress and the D.C. government recognized the need to re-examine the District's financial structures, its economic base, and its ability to meet the increasing economic demands which are being placed on it. This legislation provides an excellent plan for the required analysis and study of the District's financial system. It establishes the Temporary Commission on Financial Oversight of the District of Columbia, and it provides the means for the developing and implementation of the revision or complete revamping, if necessary, of the city's financial planning, reporting and control systems.

Pennsylvania Avenue Development Corporation (P.L. 94–388, approved August 14, 1976)—This law authorizes funding for the operational expenses of the Pennsylvania Avenue Development Corporation through fiscal 1978. It also authorizes $38 million to carry out development activities and projects in accordance with the approved development plan for the Pennsylvania Avenue Corporation. In 1965 the Pennsylvania Avenue National Historic Site was designated by the Secretary of the Interior. The Corporation's plan aims to combine new development and rehabilitation within the area to make it attractive and harmonious with its surroundings while preserving its special character in a historic sense.

War Claims Act Amendments (P.L. 94–383, approved August 12, 1976)—The purpose of this legislation is to increase the rate of detention benefits payable under the War Claims Act to civilian American citizens held as prisoners in Southeast Asia, from $60 per month to $150 per month. While it is recognized that no monetary payments could possibly compensate anyone for the loss of freedom and hardship suffered while detained as a prisoner of war, Congress authorized this monthly increase for civilians as a modest step in that direction, one which has already been taken where members of the Armed Forces of the U.S. are concerned. Prior to this legislation, the $60 per month detention benefit for civilians had remained unchanged since the original War Claims Act was passed in 1948.

Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (P.L. 94–241, approved March 24, 1976)—Since World War II, the Northern Marianas have been administered by the United States. Since 1947 they have formed part of the Trust Territory of the Pacific Islands under a United Nations Trusteeship Agreement. For many years the peoples of the Mariana Islands have sought political union with the United States following termination of the trusteeship. With the enactment of this legislation, Congress has approved the text of a Covenant which abides by our obligations under the U.N. Trusteeship Agreement, carries out our national commitment to the principles of self-determination, and honors the freely expressed wishes of the peoples of the Northern Marianas.

The Covenant provides briefly, for the creation of a Commonwealth of the Northern Marianas under U.S. sovereignty, local self government including the adoption of a local constitution by the residents of the Northern Mariana Islands, granting of citizenship or national status to the residents of the Commonwealth, and the extension of the provisions of the United States Constitution, treaties, and statutes, with some limitations, to the Commonwealth.

Additional Retirement Benefits for Certain Employees of Bureau of Indian Affairs and Indian Health Services (H.R. 5465, vetoed September 25, 1976)—The Wheeler-Howard Act of 1934 provided for preferential hiring of Indians in the Bureau of Indian Affairs and their subsequent preferences in promotions within the Bureau. According to sponsors of the legislation, the Interior Department had not enforced the provisions dealing with Indian preference in promotions. Non-Indians had been considered equally from promotions with the result that many executive positions were held by non-Indians. In June 1974 the Supreme Court upheld the Indian preference provisions of the Wheeler-Howard Act.

Implementation of preference to Indians in promotions has adversely affected the career opportunities of non-Indians within the Bureau of Indian Affairs and the Indian Health Bureau. This bill was designed to assist those employees adversely affected by permitting early retirement with increased benefits. Annuity payments could be made to eligible employees at age 50 after 20 years of Federal service, of which 11 years need be Bureau service. Their annuities would be equivalent to the benefits it would take the average Federal employee until age 60 with 27 years service to earn.

The President vetoed the bill because in his view "this would seriously distort and misuse the retirement system to solve a problem of personnel management for which there are far more appropriate administrative solutions. The Departments of Interior and Health, Education and Welfare have established special placement programs to help non-Indian employees who desire other jobs. I am asking the Chairman of the Civil Service Commission to make certain that those placement efforts are rigorously pursued with all agencies of the Federal Government."

Repeal Act Relating to the Condemnation of Certain Lands of the Pueblo Indians in the State of New Mexico (P.L. 94–416, approved September 17, 1976)—The purpose of this law law is to restore the Pueblo Indians to a position of equality with other Indian citizens of the State of New Mexico in matters concerning land condemnation and to provide an effective and reasonable procedure for the processing of right-of-way acquisitions through Pueblo lands. P.L. 94–416 repeals a 1926 statute (44 Stat. 498) which denies the Pueblos the right of consent in considering applications for rights-of-way across their lands for whatever purpose.

The legislation enacted in 1926 was the culmination of a controversy between the Santa Fe Northwestern Railway Company and the Pueblo of Jemez over a right-of-way for railroad purposes through tribal lands of the Zia, Santa Ana, and Jemez Pueblos. It concerned a specific right-of-way and was thought to have been repealed by a 1928 statute, but in the 50 years since the 1926 Act has been in effect, it has been used twelve times to obtain right-of-way on Pueblo lands. Since 1948 the privilege of consent has been clearly granted other federally recognized tribes through legislation and by administrative regulations. The 94th Congress has repealed this 1926 statute because it exposes Pueblo Indian lands to a wider liability for condemnation than that of other Indian tribes and subjects them to a type of action from which the other tribes are immune. While Congress recognized that there may be unique factors relative to the lands of the Pueblos, they do not appear to be such as to warrant the discriminatory condemnation features of the 1926 Act.

Public Buildings Cooperative Use Act of 1976 (P.L. 94–541, approved October 18, 1976)—There are many buildings in all parts of our country that are old and in need of repair, but are also significant historically, architecturally, or culturally. Congress has acted to preserve these buildings though their use for Federal public building purposes by amending the Public Building Act of 1959. The first part of the Act authorizes the Administrator of General Services to acquire and utilize space in suitable existing buildings and to work with local officials and groups, as well as community leaders and the general public, as a part of the normal acquisition policy. This first part of the legislation also encourages and authorizes the Administrator to lease space on pedestrian levels in Federal buildings to persons or firms engaged in commercial, cultural, educational or recreational activities in order to encourage a broader spectrum of public use of public buildings. The second part of the Act addresses the persistent problem of accessibility of certain buildings to the physically handicapped. This part of the legislation amends existing law to assure more effective implementation of congressional policy to eliminate architectural barriers to physically handicapped persons in most federally occupied or sponsored buildings.

Alaska Native Claims Settlement Act Amendments (P.L. 94–456, approved October 4, 1976)—Congress further amends the Alaska Native Claims Settlement Act of 1971 (ANCSA) to authorize the Secretary of the Interior to withdraw 70,000 acres of land, including land within the Tongass National Forest, to facilitate the selection by the Native Village of Klukwan in southeast Alaska the 23,040 acres of land entitlement secured to it by P.L. 94–204.

It further amends ANCSA, as amended to provide for the transfer of 265 acres of Federal lands to the State of Alaska for the construction of an additional runway at the Anchorage airport and for the transfer of approximately 56 acres of Federal land to the Cook Inlet Native Corporation.

1980 Winter Olympic Games Act (P.L. 94–427, approved September 28, 1976)—This legislation authorizes federal assistance for the construction of sports and support facilities at Lake Placid, N.Y. for the 1980 Winter Olympic Games. These facilities include ski jumps, skating rinks, athletes' housing, etc. Congress has stipulated in the law that funds be used for permanent facilities which will remain available for public benefit after the Olympics are over.

The Act authorizes $49,040,000 for construction of these facilities, as well as $250,000 for administrative expenses.

Indian Claims Commission Authorization Act (P.L. 94–465, approved October 8, 1976)—Since its creation in 1946, the Indian Claims Commission has provided an admirable measure of justice to the historic grievances of America's Indian tribes. With this legislation, Congress has authorized appropriations for the Commission for fiscal year 1977 in the amount of $1,650,000 and extends the life of the Commission until September 30, 1978. Provision is made for the transfer of any uncompleted cases at that time to the Court of Claims.

Arts, Humanities, and Cultural Affairs Act of 1976 (P.L. 94–462, approved October 8, 1976)—To meet effectively the ever-increasing public demand for exposure to culture, the arts, and the humanities, the 94th Congress has amended and extended the National Foundation on Arts and Humanities Act of 1965. P.L. 94–462 extends for four more years the authorizations for the National Endowments on the Arts and Humanities and provided for several new initiatives to increase support for cultural activities in the United States. This legislation builds solidly on the achievements of existing State arts and humanities programs and adds new incentives for humanities programs by assuring them of yearly funding. It initiates a museum services program. It also establishes a challenge grant program which authorizes the National Arts and Humanities Endowments to make, to cultural institutions in great need, awards of one Federal dollar to match $3 in private funds. Lastly, it authorizes the funding of Bicentennial programs. The total authorizations levels contained in this legislation amount to $250 million for fiscal year 1977 and $300 million for fiscal year 1978.

Federal Grant and Cooperative Agreement Act of 1976 (P.L. 94–   , approved October   , 1976)—One third of the Federal budget is spent through outlays on either procurement contracts or grants. Congress has enacted this legislation in order to introduce some order and efficiency into the awarding of these grants and contracts by 1) providing uniform guidelines to distinguish and control their use, and 2) directing the Office of Management and Budget, in cooperation with other executive agencies, to undertake a study that should lead to the development of a comprehensive system of guidance for Federal assistance programs.

Federal Surplus Property Act (P.L. 94–519, approved October 17, 1976)—Congress enacted this legislation, in order to improve the process for the donation of Federal surplus property to State and local organizations for public purposes. P.L. 94–519, attempts to eliminate waste and maldistribution while preserving the opportunities of all recipients of earlier property programs to receive their fair share of the property resources available. It gives the State governments key roles, but at the Federal level, it consolidates what presently is a mix of programs under the Federal Property and Administrative Services Act of 1949, by giving overall responsibility for this program to the General Services Administration.

Specifically, P.L. 94–519 places virtually all property programs for State and local users into one system; preserves the benefits enjoyed under the earlier programs; makes the program nationwide, assuring eligibility for property to all public agencies, and private nonprofit educational and public health institutions; gives GSA the guidance responsibility for the consolidated program; gives the State and their Governors more responsibility and discretion in the donation process; and requires GSA to report annually to Congress on the consolidated program.

Alaska Joint Federal State Planning Commission (P.L. 94–204, approved Dec. 19, 1975)—This Act provides for numerous amendments to the Alaska Native Claims Settlement Act of 1971 (ANCSA). ANCSA was a very complicated, far-ranging law settling the land claims of Alaska Natives. ANCSA represented a delicate balancing of the myriad interests within the State of Alaska and the Nation as a whole in settling these claims. Oversight hearings by the Subcommittee, public contacts, and administrative experience in the implementation of that Act disclosed numerous deficiencies in the legislation. P.L. 94–204 adjusts various parts of ANCSA to remedy these deficiencies.

Indian Lands (P.L. 94–114, approved October 14, 1975)—This Act provides that approximately 370,000 acres of lands of the United States, purchased for the benefit of certain Indian tribes, shall be held in trust for such tribes and that the income earned by the United States from such lands shall be credited to the tribes for whose benefit they were purchased. These "Indian submarginal lands" were acquired by the United States during the depression years as part of the overall emergency economic measures of that era. The Act affects and benefits seventeen tribes in eight states.

Sac and Fox Indians (P.L. 94-189, approved Dec. 31, 1976)—This Act authorizes the disposition of approximately $18,130,616 appropriated to pay judgments in favor of the Sac and Fox Indians in certain dockets before the Indian Claims Commission. Final awards were made by the Commission in three dockets and anticipated awards are expected in four other dockets. The Act apportions the various awards among the three present-day entities of the Sac and Fox Indians and provides for the use and distribution of these funds by these entities. The Act is based upon legislation submitted by the Secretary of the Interior in lieu of a distribution plan as provided by the Indian Judgment Distribution Act of October 19, 1973.

LAW OF THE SEA STATUS REPORT

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

AND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

September 29, 1976

Mr. McCLOSKEY. Mr. Speaker, as congressional observers of the U.N. Law of the Sea Conference's 5th session, which was concluded on September 17, we regret to report that the session ended in an impasse on the crucial issue of deep seabed mining.

Basically, the issue has turned on U.S. insistence that U.S. companies have guaranteed access to mining under certain specific conditions. This position is opposed by the less developed nations, the so-called Group of 77—now over 115 nations—which have insisted that access be completely controlled, and thus possibly be arbitrarily denied, by the proposed International Seabed Authority.

Even though the United States has agreed to recognize the "common heritage of mankind" concept, and to pay over a reasonable proportion of mining profits to the authority for the benefit of the developing nations, it is clear that the majority of the Group of 77 nations do not trust our proposal to be fair, or our future operations to be trustworthy.

Correspondingly, unless the treaty itself contains clear guarantees of access, we do not trust the benevolence of a future international authority which will be clearly controlled by the developing nations.

GENERAL

As stated by Paul Engo, the chairman of the key First Committee in his report to the General Committee, there was a "crisis of confidence" which inhibited his committee's ability to function. This crisis stalled the negotiations from both a substantive and procedural standpoint.

The negotiations on the appropriate system to regulate access to the deep seabed for the purpose of the exploitation of seabed minerals is an example of how a lack of mutual trust affected substantive progress. In the debate on that issue the Group of 77, representing the less developed countries of the world, insisted on control of the body regulating access to the seabed—the authority—through a one-nation/one-vote system. They also insisted on giving the authority broad discretion. They fear that without control of an organization with broad powers they will not be able to control the parties mining the seabed and force them to share the wealth of the seabed with the developing world in accordance with the concept of the "common heritage of mankind."

The industrialized countries on the other hand, insist on automatic or guaranteed access. They fear that if the Authority has wide discretion it will not grant them access to the seabed except under unreasonable or uneconomic conditions. Therefore, while both sides agree on the basic concept of the common heritage of mankind they fear that if the Authority is controlled by the other party they will not be allowed to achieve their goals and share the wealth of the seabed with all mankind. Until the two sides can develop the mutual trust necessary to allow a compromise on this issue the deadlock will continue.

The issue of a state's right to conduct marine scientific research within the economic zone of another state is another example of mutual distrust which has resulted in no substantive progress. Many coastal states want to have the absolute right to control scientific research activities in their economic zone. To accomplish this, they insist on a system which would require their consent before any research can be conducted. They fear that unless such consent is required they will not be able to exercise effective control over parties who want to conduct research. They insist that they need this control because without it, they will not be able to enforce their rights to data transfer or personnel training, nor will they be able to insist on observers. They also insist that observers are necessary to insure that the research is not for the purpose of obtaining secret data on their resources, which would give the researching state an unfair advantage in any negotiations on the exploitation of those resources, or that the research was a guise for the deployment of military hardware which might affect their security.

The states desiring to conduct scientific research insist that if a consent regime is imposed, consent will be unreasonably withheld and research will be hindered. Therefore, as with the access issue, a compromise on this issue will require mutual trust which did not seem to be evident at the summer session.

The lack of trust between parties has also affected the progress of the Conference because it limited the procedures which were employed. Obviously, in negotiations involving 156 parties it is very difficult to reach consensus. The most effective technique to achieve consensus in such a large forum is to begin with a small representative body with a decisive chairman to define the issues and prepare proposed solutions. The proposed solutions with possible alternatives are then presented to the large group for debate and ratification or rejection. However, at the summer session due to the lack of trust between the parties, it was almost impossible for smaller representative groups to be formed. The parties simply did not trust the other negotiators to defend their interests.

The negotiations in Committee I on the key issue of deep seabed mining were a case in point. It was realized that negotiations could only go forward and compromises reached in a small group of perhaps 20 representatives. In organizing this small group, the Committee I chairman was first forced by the various regional organizations to expand the membership of the group to almost 30 to give each region some representation. He was then forced to choose two cochairmen to please the advocates of the two main viewpoints. Finally, to please those who were left out, he made the decision to allow the group to be open-ended. This allowed the participation of all interested delegations so that they would be assured that nothing would happen behind their backs and that their interests would be represented. It was simply impossible for the chairman to form the small representative group necessary for effective negotiations.

Other factors which resulted in the summer session deadlock were the procedures used to schedule that session. Many states felt that they needed several months to analyze the spring revision of the single negotiating text and to formulate national, regional, and interest group positions. However, due to the insistance by those states who felt that real progress had been made in the spring session and who wanted to maintain that momentum, the summer session was scheduled to be held only 11 weeks after the conclusion of the spring session.

The pressure and procedural tactics used to split the Group of 77's consensus position against a summer session resulted in many states having the feeling of being manipulated and rushed into agreeing to the summer session. Consequently, they had neither the proper attitude for meaningful negotiations, nor adequate time to analyze the revised text and formulate their national, regional, and interest group positions.

A third reason for the deadlock was the feeling among some foreign delegates that if there was a change of administration in the United States new compromises would be put forth by our delegation. Although much was done by the U.S. delegation to try and change that perception, it was a popular misconception and many delegates were willing to wait to see if any new proposals would come from the United States next year.

A final reason for the deadlock, expressed by some foreign delegations, was that the U.S. hard-line positions on the issue of the status of the economic zone and the extent of coastal state control over marine scientific research in the economic zone allowed no room for negotiation. The U.S. delegation, under instructions from the Interagency Task Force on the Law of the Sea, took hard-line positions on those issues because they understood that any more compromises would not be in our national interest nor would they be accepted by Congress.

ISSUES

In Committee I the four issues which were identified as being unresolved in the RSNT remain unresolved. These issues are:

First, the financing of the proposed international mining company—the Enterprise—which will mine the seabed for the benefit of the less developed countries;

Second, the system to control the access to the deep seabed for the purpose of exploiting the seabed minerals;

Third, the voting arrangements in the governing bodies—the Council and Assembly—controlling all activities relating to seabed exploitation, and;

Fourth, the sharing of the revenues from seabed exploitation. However, because of the deadlock on the issue of access, the other issues were either not discussed or were given cursory treatment.

On the issue of financing the Enterprise, Secretary Kissinger announced that the United States would guarantee that the Enterprise would be able to begin commercial operations at the same time, or shortly after, private or state companies began their operations. On the issue of voting arrangements in the Council and Assembly, the United States circulated a proposed voting arrangement but it was not discussed in the Committee. The issue of revenue sharing was not discussed.

On these four issues, the Group of 77 presented only one proposal. That proposal concerned the issue of access to the seabed. It was unacceptable to the United States and the other industrialized states because it gave the Authority, which would be controlled by all the countries of the world, exclusive control of access and wide discretion to deny access. It could not be considered a good-faith counterproposal or one upon which true negotiations could proceed because it was only a restatement of earlier positions and did not present any compromises or changes which narrowed the gap of disagreement.

The Group of 77 also wanted to reopen the negotiations on the section of the Text which provides for compensation for those countries whose economies might be affected by seabed mining and gave preliminary indications of how they wanted to change it. From a U.S. standpoint, these provisions are some of the most controversial provisions in the text because they provide for production controls, commodity agreements, and financial assistance to countries whose economies are injured by deep seabed mining. Those concepts are not in accordance with the generally accepted U.S. philosophy of free enterprise and pure competition with a minimum of regulation and represent significant, carefully balanced concessions. The Group of 77 did not forcefully push their changes, however if they do, this critical balance will be disrupted and a new issue would be created which would cause significant problems for future negotiations.

In Committee II, three issues were identified as unresolved. After 7 weeks they remain unresolved but progress toward their resolution was made. The first issue concerns the status of the economic zone. The United States and the major maritime powers have taken the firm position that the economic zone should be considered part of the high seas. This position protects against the problem of "creeping jurisdiction" or the gradual transformation of the economic zone into a territorial sea. Simply stated the issue is, who should have the "residual rights" in the economic zone?

The Coastal States are trying to specifically spell out the international community's rights in the economic zone and let all residual or undefined rights vest in the Coastal State. The major maritime powers believe that if the rights of the international community in the economic zone are not clearly defined, if the zone is not considered high seas subject to the exercise of defined rights of the Coastal State, the Coastal State can erode the rights of the international community in the economic zone so that the zone becomes effectively a 200-mile territorial sea. Therefore, the maritime powers want the residual rights to vest in the international community.

A second issue in Committee II which can be considered unresolved is the extent of, and the rights of a Coastal State in, the Continental Shelf where it extends beyond the 200-mile economic zone. A consensus on this issue is emerging and the trend appears to be that the Coastal State will have rights to those resources of the shelf beyond 200 miles but will be required to share a small percentage—one to six percent—of the revenues derived in that area with the international community. The precise limit of the shelf beyond 200 miles is being debated by geologists, but several alternatives have been proposed which should allow resolution of the issue.

The third issue in Committee II, which is unresolved and on which little progress was made, concerns the rights of Land Locked and Geographically Disadvantaged States—LL/GDS—to access to the sea and to the resources of the economic zones of their neighbors. While there were private discussions on this issue between the LL/GDS group and the Coastal States, as well as in the Committee, no agreement was reached. However, since the LL/GDS group has little bargaining power except their votes on the final approval of a treaty it is likely that an equitable compromise will be struck.

In Committee III, two issues were discussed. The first was the right of a Coastal State to set construction, design, equipment, and manning standards in its territorial sea for the prevention of pollution. The major maritime powers do not want to allow the Coastal States that right because they fear that strict or conflicting standards will result in the restriction of free commercial navigation. Coastal States without strong merchant fleets, or who do not intend on building merchant fleets, insist on their right to protect the environment of their territorial sea through imposition of strict standards. The United States, through domestic legislation, has claimed the right to set such standards in its territorial sea, and maintains that position in the negotiations. However, we have not exercised that right and only enforce internationally-agreed-to standards. While the U.S. official position will probably not prevail, we will likely agree to a regime of international standards. This issue is close to resolution.

The second main issue in Committee III concerns marine scientific research in a Coastal State's economic zone. The RSNT has a mixed regime of Coastal State absolute consent for specific types of research relating to artificial islands, military structures, exploitation of resources or use of explosives and consent "which shall not be withheld" for other types of research. This "right" to conduct research is balanced by researching State obligations to share technology data and training. The chairman of the Committee proposed an article which gave the Coastal State strict control over scientific research by requiring consent in all cases. This article was debated at length and although widely supported, the RSNT was not changed. While the RSNT article does not allow the absolute freedom of scientific research which the United States desires, the trend of international consensus is away from the U.S. position and we may be forced to compromise some of our expressed requirements.

OBSERVATIONS

In addition to the observations we documented in our report to the Congress on the spring session of the Conference, April 12 CONGRESSIONAL RECORD at page 10591, we found that there is general agreement on perhaps 80 percent of the approximately 400 articles in the RSNT and the majority of the Committee II and III issues. However, due to the stalemate which has occurred and the general atmosphere surrounding the Committee I negotiations, conclusion of a Law of the Sea treaty will probably not occur for several years. This is true in spite of the hard work of the able U.S. delegation and the numerous efforts by the United States to break the deadlock.

To break the deadlock and to indicate a desire to negotiate, the United States has made several compromise offers which have neither been accepted nor met with reasonable counteroffers. In his most recent visit to the Conference, Secretary Kissinger proposed that certain provisions of the treaty be reviewed after a specified period of time to ensure that they are functioning as intended. This proposal should help to build trust among the parties and help to reduce the fear that they might be locking themselves into a permanent regime.

On the issue of access to the seabed, we have indicated that we would accept a system which would give access to those applicants which meet objective qualifications specifically spelled out in the text. These qualifications could include a requirement to share revenues, a requirement to turn over prospecting data for the area which will remain under the control of the International Authority, and an agreement to be in conformity with the rules and regulations prescribed by the Authority.

In short, the United States has proposed the banking system, the Enterprise, financing for the Enterprise, commodity arrangements, interim production controls, economic adjustment assistance, and periodic review conferences. We have neither heard acceptances of our offers nor reasonable counteroffers. The only conclusion which can be drawn is that there is no desire on the part of the other nations of the world, primarily the Group of 77, to reduce the differences and come together through negotiation to produce an acceptable treaty.

CONCLUSIONS

In light of our observations, we have been forced to the following conclusions:

First. There is a crisis of confidence or lack of mutual trust among the Conference participants.

Second. The reasonable offers and concessions made in good faith by the United States have not been met with reasonable counteroffers nor have they been accepted.

Third. The main remaining problems at the Conference are ideological and not substantive and therefore will be extremely difficult or impossible to resolve.

Fourth. The U.S. delegation has worked tirelessly and in an efficient and coordinated fashion to break the impasses which have arisen.

Fifth. The passage of legislation to allow U.S. mining companies to continue their technological development and maintain their technological superiority will not destroy the Conference negotiations.

In order to illustrate our desire to share the wealth of the seabed with all of mankind, the United States has proposed the creation of the Enterprise. This international mining company would exist for the sole purpose of mining the seabed and sharing the wealth derived from its operations with the underdeveloped countries of the world. This proposal was met with some skepticism that it was only a paper proposal and would never come into being and achieve its laudable goals. To overcome this lack of trust, the United States has promised to insure that financial backing would be made available to allow it to come into being at the same time, or shortly after, the commencement of private mining.

In addition to the promise that the United States would insure that the Enterprise has the financial backing required, we have also provided that it will have prime mining sites by proposing that one-half of all the prospected sites be turned over to the Authority for exclusive exploitation by the Enterprise. This proposal is commonly called the banking system.

Other proposals offered by the United States to insure the orderly development of seabed resources include the willingness to establish commodity agreements concerning those categories of minerals obtained from the seabed. These commodity agreements would stabilize the markets and protect land-based producers from market fluctuations caused by seabed mining. In addition, we have expressed a willingness to accept interim production controls which would prevent seabed mining from capturing the existing markets for seabed minerals and would allow seabed miners to fill only the growth segment of specific mineral markets. We have also proposed that some of the revenues of the Seabed Authority be used for financial assistance to any countries who suffer economic dislocation as a result of deep seabed mining.

Six. The conclusion of a comprehensive international treaty for the oceans is not likely in the near future.

Seven. The Congress should pass legislation to allow U.S. industry to continue the development of the technology necessary to mine the deep seabed industry to continue and ultimately accomplish that end, provided, however, that such legislation should confirm our recognition of the common heritage of mankind, and be drafted in such form as will enhance the fairly slim chance that a fair law of the sea treaty can be agreed upon in 1977. A copy of such legislation appears in the July 30, 1976, CONGRESSIONAL RECORD at page 24838.

We do not propose, however, that the process of attempting to negotiate a comprehensive law of the sea treaty should stop with the passage of legislation by the U.S. Congress. In fact, we hope that such action will demonstrate the fact that the United States has the right and means to unilaterally act and mine the seabed without any consideration for any interests but its own and will, therefore, clearly illustrate the significance of the concessions which the United States is willing, but not required, to make in its attempts to come to acceptable compromises and achieve a comprehensive treaty.

We believe that the Law of the Sea negotiations should continue and hope that all nations will recognize the importance of the timely drafting and adoption of a comprehensive treaty for the oceans.

BOB BROCKHURST

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. QUILLEN. Mr. Speaker, I want to take this opportunity to highly commend a very dedicated man who is retiring from his position as a Republican photographer after many years of faithful service on Capitol Hill—Bob Brockhurst. I have known Bob for a great number of years, and he has always done an outstanding job in every respect. He will be greatly missed, both as a good friend and as an excellent photographer.

We are all aware of the tremendous talent and effort that Bob put into his work, and it was a pleasure to know him and work with him. He will long be remembered for his hard work and his willingness to help at every opportunity—we could always count on Bob to do his very best.

I want to offer my congratulations to Bob for a job well done, and I wish him the very best in the years to come—I know the future holds many more wonderful things in store for him.

TRIBUTE TO THE HONORABLE WILLIAM J. RANDALL

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ZABLOCKI. Mr. Speaker, residents of Missouri and the Nation have been well served by our esteemed colleague, Representative WILLIAM J. RANDALL, who is retiring after 16 years of devoted service in the House of Representatives.

First elected in 1959 to fill the unexpired term of the late George H. Christopher, BILL RANDALL has certainly proved himself to be a very able and capable legislator, particularly in the field of NATO operations, where it has been my pleasure to work jointly with him on several occasions in his capacity as Chairman of the NATO Subcommittee of the House Armed Services Committee.

Representative BILL RANDALL also ably served the American people in his position as chairman of the Government Activities and Transportation Subcommittee of the House Government Operations Committee. Under his close scrutiny the subcommittee, which has oversight over the Federal Aviation Administration, has played a major role in the safety of civilian as well as military passengers through a major committee study on the selection and training of FAA air traffic controllers, resulting in improved service and performance.

In his capacity as watchdog over the aviation industry, BILL RANDALL was responsible for bringing public attention to the fact that the FAA's own academy was lacking in one major piece of on-the-job training equipment, the radar simulator, which is one of the primary instruments used by air traffic controllers for avoiding mid-air collisions.

As a subcommittee chairman on the Government Operations Committee, BILL has taken the initiative in reducing unnecessary spending in the General Services Administration. As the primary sponsor of the Federal Records Management Amendments, BILL RANDALL was effectively able to clarify and tighten fiscal responsibility in the Federal records management area of the GSA, saving the taxpayer an estimated $180,000 annually.

At a time when all of us must watch our pennies, BILL RANDALL worked closely with Chairman JACK BROOKS on the Surplus Property Donation Act to provide an effective and equitable means for providing State and local government with government surplus personal property, while at the same time consolidating distribution efforts to effect at least a 10-percent increase in availability of useable property.

BILL RANDALL was also instrumental in the passage of the Public Buildings Act amendments, which was a cooperative effort with the Public Works and Transportation Committee to preserve historically and architecturally significant buildings through their use as Federal public buildings where feasible and prudent. Included in this legislation was an amendment to the 1968 law eliminating architectural barriers in Federal Government buildings, thereby making them more accessible to the physically handicapped.

Mr. Speaker, early last year you appointed BILL RANDALL the first chairman of the 25-member House Select Committee on the Aging. Under his chairmanship, the House Select Committee on the Aging has implemented various measures to reduce some of the bureaucratic redtape in programs established to assist our senior citizens.

Mr. Speaker, my wife, Blanche, and I join in wishing BILL and Margaret God's choicest blessings as they enter a well-deserved retirement.

HON. THOMAS E. "DOC" MORGAN

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. GIAIMO. Mr. Speaker, there will be many changes in the next Congress. None of these changes will seem stranger than the absence of the gentleman from Pennsylvania (Mr. MORGAN) in the chair of the International Relations Committee.

Throughout my 18 years in the House, I have known only one chairman of that committee—"Doc" MORGAN. It is unfortunate that, except for those whose daily business involves foreign policy matters, few people in the Nation recognize the impact which "Doc" has had on our foreign policy for two decades. Those of us who have served with him, however, have valued his expertise and dedication. As chairman of the Foreign Affairs Committee, as it was then called, "Doc" MORGAN helped shepherd through the House legislation establishing the Peace Corps and the Arms Control and Disarmament Agency. Later in his tenure, he worked to insure American participation in the implementation of the Sinai accord—a vital step toward securing a just and lasting peace in the Middle East. Five Presidents and hundreds of his colleagues have sought his advice on international problems, and "Doc" has given his opinions freely to all of them.

Although "Doc" MORGAN has concentrated his efforts on foreign affairs, he has had other interests in the House. A physician by training, he has supported programs to improve health research. Also, recognizing the needs of his constituents, "Doc" was an early supporter of effective coal mine safety and black lung benefits legislation.

Mr. Speaker, "Doc" MORGAN was an imposing figure—physically and intellectually—in this Chamber for years. His counsel and devotion to duty will be missed. I wish him the best on his retirement from the House. His country rightfully extends to him its gratitude for a job well done.

IN TRIBUTE TO THE HONORABLE WILBUR MILLS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ZABLOCKI. Mr. Speaker, the adjournment of the 2d session of the 94th Congress will bring an end to the long distinguished career of one of our colleagues whose name has become synonymous with tax reform and tax legislation, the Honorable WILBUR MILLS. Without a doubt, Representative MILLS is one of the foremost experts on taxation in the Congress. It is fitting and appropriate that he be recognized for his many years of dedicated service to his constituents and this country.

WILBUR MILLS attended Henrix College and Harvard Law School, was admitted to practice law before the Supreme Court of Arkansas and the Supreme Court of the United States. He served as county and probate judge of White County, Ark., before being elected to the 76th Congress.

Once in Congress, Representative MILLS distinguished himself as a member of the House Ways and Means Committee, and in 1958 was elected chairman of the committee. At the time of his election, he was the youngest chairman in the history of the committee. His 16 years of service as chairman is the longest tenure of continuous service as chairman of that committee.

Representative MILLS also served as a member of the Joint Economic Committee, and was chairman of the Subcommittee on Fiscal Policy. In addition, he was a member of the Joint Committee on Internal Revenue Taxation and served as chairman of that committee in the odd-numbered years from 1958 until 1974. As is obvious from this brief mention of the positions he has held, Mr. MILLS has served long and well.

Those of us who have served in the Congress during Representative MILLS' years here have been awed at times at the mastery he had over the intricacies of the U.S. Tax Code and of his unfailing devotion to the task at hand. As chairman of the Ways and Means Committee and with old-fashioned hard work typical of dedicated public servants, he was able to exert great influence on tax legislation. A practical man, WILBUR MILLS understood well what could be done and what could not, and the accomplishments of the Ways and Means Committee during his years as chairman reflect his grasp of the problems inherent in legislating taxation policies.

WILBUR MILLS will surely be missed in the House of Representatives, and my wife, Blanche, joins me in wishing him the best of happiness and many more fruitful years in his retirement.

THE RISK TO SMALL INVESTORS IN U.S. BEARER BONDS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, the unfortunate experience of an elderly couple in my district in losing $1,000 invested in a Federal bearer bond has brought home to me the risks assumed by small investors in buying bearer instead of registered or "book-entry" U.S. securities. Often there is a choice available to the public of the form in which the security may be issued, but many small investors apparently are not aware of their rights in this respect.

Congress has been properly concerned that small savers be given an opportunity, along with big investors and institutions, to buy Federal securities at favorable rates of interest. As a result, Federal securities other than E and H bonds are sometimes offered in amounts as small as $1,000. But I do not think enough warning is given to the occasional small investor to safeguard a $1,000 bearer bond in the same way one would safeguard $1,000 in currency. I urge financial and consumer writers to look into this matter and alert the small investor not only to the opportunities available in small denomination Federal securities but to the importance of buying them in a manner which will protect the purchaser against theft.

The case brought to my attention involved a couple then living in a house trailer near a small town in Missouri. They had bought in October 1973 a $1,000 7.40-percent consolidated bond of the Twelve Federal Land Banks, due in 2 years. Late in December of 1973, worried over keeping the bond in their trailer over the holidays and unable, because of bad weather, to take it to St. Louis to place in a safe deposit box at their bank, the husband placed the bond in a regular envelope addressed to himself at his own box number at the small local post office and mailed it at the small town post office.

After the holidays, he checked at the local post office and was told the envelope he had mailed to himself was not in his post office box. He subsequently reported the bond as missing, and was issued a replacement bond, after signing an indemnity agreement which committed him to pay the Treasury $1,000 in case the missing bond were subsequently redeemed. Early this year, the missing bond was turned in through the banking system by a woman who, I am informed by the U.S. attorney in St. Louis, had the post office box adjoining the one rented by my constituent. My constituent was thereupon required to reimburse the Treasury for the $1,000 it had paid out on the long-missing bond.

In a recent jury trial, the woman who cashed the original bond was held not guilty of violating title 18, United States Code, section 1702, "Obstruction of Correspondence," which provides for a fine and/or imprisonment for intercepting mail addressed to another person and opening, secreting, embezzling, or destroying such mail. The prosecutor informed me that the jury failed to accept the Government's proof that the defendant actually took and opened the letter containing the bond. The defendant, according to the prosecutor, testified she did not recall how the bond came into her possession, but that she "first remembered seeing it on her desk in her home, and that it was kept by her and her husband along with other 'Reader's Digest type' coupons."

When the original bond was presented to a bank for payment, the bank's vice president inquired of the nearest Federal Reserve bank whether it should be redeemed and was told that the proceeds should be paid to the person who presented it as "holder in due course," despite the fact that the bond, by number, had been reported 2 years earlier as stolen or missing. The Treasury advises me it "must pay the presenter at maturity of such a security despite the existence of a valid claim by a prior holder."

The only recourse now available to my constituents, apparently, is a lawsuit against the woman who cashed the bond or perhaps against the Postal Service. A lawyer has advised them, however, that it might cost most of the $1,000 to attempt recovery through legal action.

My interest was primarily, of course, in trying to help my constituents recover their money. But in pursuing this matter with the U.S. attorney at St. Louis, and the Treasury Department, I wondered how frequent such problems are, and I asked the Treasury what means are available to small investors in protecting themselves against such accidental loss of bearer bonds. And, I asked why such bonds cannot be issued in registered form.

U.S. Attorney Barry Short was extremely helpful in providing me with the full background on this case as reflected in the trial testimony. He said it was the only such case to arise during his tenure as U.S. attorney and none of his assistants had handled any other cases of this nature. So it is not something which happens every day.

The Treasury Department, however, acknowledges that it receives "numerous claims" on missing bonds. Commissioner H. J. Hintgen of the Bureau of the Public Debt, in a letter to me dated September 30, 1976, replied, in part, as follows to my inquiry to the Bureau as to why the bond was redeemed after having been reported as missing:

Hon. Leonor K. Sullivan,
House of Representatives,
Washington, D.C.

It should be mentioned in this regard that the rules of law applicable to bearer securities mandate such a result. Due to the holder in due course doctrine, the Treasury must pay the presenter at maturity of such a security despite the existence of a valid claim by a prior holder. While the claimant may have a valid cause of action against the presenter, this would only be true if it could be proven that the presenter was not a holder in due course. Thus, a refusal by the Department to pay the presenter or failure to seek recovery from the claimant as was done in your constituent's case would only subject the Treasury to additional liability.

Second, you ask why bonds sold to private individuals such as the ——— are issued in bearer form rather than registered. Marketable bonds and notes issued by Treasury are available in either bearer or registered form, at the option of the purchaser. Savings bonds, as you mention in your letter, are issued in registered form. Thus, an investor in Treasury securities can choose the form of investment most suitable to his needs. While a registered form would afford greater protection and safety, bearer securities are necessary for those investors who desire ease in negotiability and are willing to assume the risks inherent in holding bearer instruments.

The security held by your constituents, however, was not issued by the Treasury but by the Twelve Federal Land Banks in bearer form only. In the case of this issuance, they elected not to include the registration feature in their offering to the public. Since the Treasury only handles claims and other matters regarding these securities as an agent for the Land Banks, we have no control over the terms of their offering.

Third, you ask how widespread are the losses caused by the loss or theft of such bonds and their subsequent redemption by another party. While we do handle numerous claims on account of lost or stolen Treasury or other agency securities, it is unfortunately not possible to provide a precise response to this question. This is because the presenter of a previously reported lost or stolen security may either be the thief himself or may equally well be one who subsequently acquired the security in good faith. As indicated previously, this would be a matter to be resolved between the private parties concerned. Additionally, our claims records are not classified to reflect the various circumstances in which losses occur.

Finally, I would like to make mention of the fact that Treasury securities, as well as some agency issuances, may also be held in book-entry rather than definitive form. This may be done through financial institutions which maintain book-entry accounts with the Federal Reserve Banks. By electing this option, securities holders may avoid the risks associated with definitive bearer securities.

I trust these comments will clarify the ramifications of your constituent's case. If we can be of further information or assistance, please feel free to call upon us.

Sincerely yours,

H. J. Hintgen,
Commissioner.

TRIBUTE TO JAMES SYMINGTON

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, Jim Symington, a talented and amicable legislator, will be missed by all his friends and colleagues in the Congress. And with his departure, the people of Missouri are losing a man committed to their best interests. To him I wish much success in his future endeavors.

THE HONORABLE ROY TAYLOR

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. PICKLE. Mr. Speaker, a few days ago the House was considering the land and water conservation fund conference report for 1976. This was an important bill which provided for the continuation of one of the most valuable conservation programs we have in the United States today. Our colleague, the Honorable Roy Taylor of North Carolina, was handling the bill and discussing the various points of agreement on the conference report. One Member kept protesting about the bill and finally offered an amendment that was so overwhelmingly defeated that that Member could not even get mad about it. Then this new Member rose again to say this was not a perfect bill and while he could agree with some of the things in it, he felt it was important that he cast a "no" vote. At this time, the wise and experienced and sagacious Congressman from North Carolina replied:

> Well, if the gentleman is going to wait around here until he can find a perfect bill, I'll say to him he's going to cast an awful lot of negative votes in his career.

The House, of course, laughed over the retort and it was so true and so accurate that no response was needed by anyone. Roy Taylor was simply pointing out that you cannot always get perfect legislation and that you have to look at the big picture and get the main things accomplished for the people of these United States.

That is what Roy Taylor has been doing, primarily in his work with the Interior and Insular Affairs Committee for the past 20 years. In the above case, the House and Senate had been engaged in a controversy over the formula that would provide funds for the various States. This particular new Member wanted more money for the more populated States. Under the legislation that was presented, the conferees had reached a general compromise which gave these States more money than they would have received under the Senate bill although not as much as under the House bill. At any rate, the Member's State was getting more money than ever before—he just wanted more and obviously was trying to make a point back home. Roy Taylor politely punched a hole in his balloon, ended the argument, and carried the day for this important piece of legislation.

I can recall several pieces of legislation which would be a monument to Roy Taylor and which will benefit the people of this country for years to come. First, I would recall the Big Thicket in east Texas. As much as any one Member of this House, Roy Taylor helped to bring this legislation about. He not only helped to get it authorized but he has been playing a leading part in helping get appropriated funds for this needed national park. Although the funds are only partially moving now, I think our situation is much better today than it was 6 months ago and in the months ahead it will get better, because of the ground work and the early leadership that Roy Taylor has given to the Big Thicket project.

Georgia—the people of that State—and the southeastern section of our country—will always be proud of the Cumberland Island National Seashore Reservation, which Roy Taylor helped engineer through the Congress. I rather imagine that project will mean as much personally to Roy Taylor as any project he has worked on these recent years.

In his own district, Roy Taylor has helped set up the Carl Sandburg National Historic Site. This has meant a lot to him and will, of course, remain a national monument for historians from now on.

I also want to convey a very special thanks to Roy Taylor for his leadership in obtaining funds for restoration of the Congressional Cemetery. It is particularly fitting during this Bicentennial Year that this historical cemetery receive Congress attention at long last and I am grateful to Roy Taylor for the energetic part he played in helping to preserve our heritage.

On a personal basis, I recall the leadership Roy Taylor has given us in Texas, particularly the 10th District, where he has helped us create the National L. B. J. Historic Site. Already, this historic site and the L. B. J. Ranch and Boyhood Home, is the most popular, most frequently visited site of any former President in the United States today. It easily outnumbers all other visitors in the national park area and we are proud that this recognition is being given our 36th President and fellow central Texan. We will always thank Roy Taylor for this help.

And in a similar vein here in Washington, it was Roy Taylor and his committee who helped guide through the bill that created the L.B.J. Memorial Grove on the Potomac. Here, on the banks of the Potomac, as a part of the Lady Bird Johnson Park, the L. B. J. Grove will stand forever as a living monument to President Johnson and to the invaluable work he has done.

All of us wish for Roy Taylor a pleasant retirement. Roy is one of the quiet, unassuming diligent Members who does his homework, gets important legislation passed, and leaves the headlines and name calling to others. I daresay, however, that few men in this Congress can put their name on more important pieces of legislation than Roy Taylor. Indeed, he may lead all the rest and that speaks for itself as we remember with kindness the service of Roy Taylor in the U.S. House of Representatives.

HON. PAUL DOUGLAS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FORD of Michigan. Mr. Speaker, the recent death of former Senator Paul Douglas was particularly saddening news to me, for I had cherished a special feeling for this man, who was truly a giant of our times.

It is a matter of real pride and gratification for me that our terms in the U.S. Congress overlapped by 2 years, for I consider it a rare honor to have served with Paul Douglas. I came to the Congress in 1965, and his 18 years in the Senate ended in 1966.

The Congress lost immeasurably when it lost Paul Douglas. Even at the age of 74, he still possessed one of the keenest minds and greatest hearts which ever graced our Nation's Capitol.

This man from the grassroots of Maine enjoyed an extraordinary career, which included service as a college professor, a Chicago alderman, a Marine Corps combat trooper at the age of 50, and finally a U.S. Senator. Along the way, he was a Phi Beta Kappa scholar, a college football player and a civil rights leader, among many other roles.

His accomplishments in the Senate will alone place his name among the greats of our time. He fought for issues that have since become accepted, but which were unpopular in his day—issues such as medicare, Federal aid to education, the right to vote for 18-year-olds, public housing, and many others. Public opinion polls and shifting voter opinion had no bearing on Paul Douglas' position. His conscience was his only guide.

We have seen few statesmen of his caliber and our national welfare in large part depends on how many we see in the future.

THE UNIMPRESSIVE FOXBAT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DOWNEY of New York. Mr. Speaker, over the past few years many Americans have been led to believe the Mig-25 Foxbat is the greatest combat aircraft in history. On the contrary, the facts show it to be mediocre as a fighter, useless as an interceptor, and good but not the best as a reconnaissance aircraft. The real-life capabilities of this machine, and the implication of these capabilities upon the credibility of the current administration, have been definitely laid out by our colleague Bob Carr in an article entitled "Foxbat Fears and Realities," which was published in the Washington Post recently. I insert his article in the Record at this point:

Foxbat Fears and Realities

(By Robert Carr)

The recent flight of Soviet Air Force Lt. Victor Belenko from his homeland to Japan in a Mig-25 Foxbat aircraft will undoubtedly receive a small but secure place in the annals of U.S.-Soviet relations. Less memorable but even more spectacular have been the flights of fancy generated by the Department of Defense public relations machine regarding the capabilities of this aircraft. Beginning with a 1973 statement by then Air Force Secretary Robert Seamans that the Mig-25 was "the best interceptor in production in the world today . . . and has a highly capable avionics and missile system . . ." the Foxbat has been presented to the American people as a machine which can blow our best combat aircraft out of the sky.

In fact, as a fighter, Foxbat is barely equal to our 15-year old McDonnell F-4 Phantom and it is hopelessly outclassed by our new-generation McDonnell F-15 and General Dynamic F-16. As a reconnaissance aircraft, it is very good, but we have had better for a decade. As an interceptor, it is obsolete and inadequate. As a low-altitude penetration aircraft, it is poor. And as a demonstration of technology, it calls into serious question the Pentagon's claims of mushrooming Soviet military gains.

While U.S. intelligence had already been able to gather considerable data on the Foxbat's performance, Lt. Belenko's special delivery will be useful to the Air Force in its efforts to learn the precise capabilities of its potential enemy in order to develop the most effective countering equipment and tactics. But it should prove even more useful to the Congress and American people in their efforts to evaluate the Pentagon's description of the Soviet threat.

This is how three American fighters, one old and two new models, compare with the Mig-25:

	Mig-25 Foxbat (U.S.S.R.)	F-4 Phantom (United States)	F-15 Eagle (United States)	F-16 Lightweight Fighter (United States)
Climb relative to Mig-25, 0 to 36,000 ft.		4 percent, inferior.	80 percent, superior	40 percent superior.
Acceleration relative to Mig-25, transonic at 30,000 ft.		25 percent, inferior.	50 percent, superior	35 percent, superior.
Turning relative to Mig-25, typical fighter speed and altitude.		Equal	45 percent, superior	50 percent, superior.
Rearward pilot visibility, degrees	0	50	90	70.
Smallness relative to Mig-25, average of top and front views.		34 percent, superior	7 percent, superior	121 percent, superior.
Weapons	4 missiles	Cannon, 8 missiles	Cannon, 8 missiles	Cannon, 6 missiles.
Top speed, mach	3.2 (recon. version); 2.8 (interceptor version).	2.5	2.5	2.0.
Ceiling, feet	75,000 to 80,000	65,000	65,000	55,000.

AS FIGHTER

The primary mission of a fighter is to destroy highly maneuverable enemy aircraft which are either escorting enemy ground-attack aircraft or seeking to destroy friendly ground-attack aircraft. Since this type of aerial combat, similar to World War II "dog-fighting," usually involves large numbers of hostile and friendly aircraft, and since there is no reliable method of telling friend from foe by electronic means, a fighter pilot must see and visually identify his target before shooting at it. Thus, fighter combat is conducted at ranges of about 3 miles or less, and long-range missiles are not useable.

The primary requirements for a good fighter plane are (1) the ability to turn, accelerate and climb as quickly as possible, (2) good cockpit visibility for keeping track of the enemy, (3) small size to make visual tracking by the enemy difficult, and (4) good closein weapons, which today mean rapid-fire cannon and heat-seeking short-range missiles.

Contrary to popular belief, maximum speed and altitude are of no significance whatever to a fighter. All through the 1960's we built fighter aircraft capable of Mach 2.5 top speed and 65,000 ft. ceiling. But, if you were to take our ten best fighter pilots, with experience in these aircraft totalling perhaps 20,000 hours, you would find that among them they have probably spent less than one hour above Mach 2, none of it in combat. It is simply impossible to maneuver at high supersonic speed.

In Vietnam our pilots found that, as soon as they engaged a North Vietnamese Mig-21, they had to go into the tightest turn possible in order to bring the enemy into their gunsights. As a result, the aircraft was unable to maintain speed and altitude. Speed would quickly drop to about Mach 0.4 and altitude would progressively drop to treetop level. If either aircraft broke off and attempted to straighten out and gain speed, it would be exposing itself to a shot from the rear by the other.

Recognizing this, our newest fighter designs, the Air Force F-16 and Navy F-18, have abandoned non-useable speed above Mach 2.0 and altitude above 50,000 ft. in return for greatly increased performance at medium speed and altitude.

Paradoxically, where the old-generation "fast" but relatively non-maneuverable fighters were reduced to fighting at less than half the speed of sound and treetop altitude, the newer "slow" generation, with its super maneuverability and acceleration, will be able to turn more of its theoretical speed into practice and dogfight up to about Mach 1.5 and 35,000 feet.

As the unclassified data in the accompanying box indicate, either of our two newer Air Force fighters can out-climb, out-accelerate, out-turn, out-see, out-hide and out-shoot the Foxbat by margins so wide that our expected kill-ratio advantage is almost incalculable. No U.S. F-15 or F-16 pilot need fear the Foxbat unless he is asleep, radically outnumbered or an utter boob.

RECONNAISSANCE

The mission of an unarmed reconnaissance aircraft is not to win a fight but to avoid it. It must get in, take its photographs and get out as quickly as possible. The Mig-25's high speed and altitude are well suited for this purpose, and it has operated successfully in the Mideast. But even in reconnaissance it is not all that impressive, for two reasons.

First, we have better craft. The U.S. SR-71 Blackbird, in operation for more than ten years, flies faster than the Mig-25, can sustain in excess of 88,000 ft. altitude and is far superior in navigation and countermeasure equipment. Moreover, the Soviet plane can sustain high speed and altitude for only about 10 minutes before running out of fuel, while the Blackbird gets its longest range (3,000 miles) at top speed and altitude. So Foxbat reconnaissance is limited to short dashes over small hostile areas as in the Mideast, while the Blackbird can safely overfly any country in the world, with the possible exception of the Soviet Union.

Second, we have the means to bring down a Mig-25. The F-14 naval interceptor carries the Phoenix missile, which can reach out nearly 100 miles and shoot down an aircraft flying Foxbat speeds even at 90,000 ft. (This assumes the F-14/Phoenix can be made reliable—a debatable point.)

INTERCEPTOR

The interceptor mission consists of flying out more or less in a straight line to shoot down an attacking bomber as far away from the bomber's target as possible. Since visual identification is not required, the interception can be made with long-distance air-to-air missiles; smallness, high maneuverability and visibility are not required. A good interceptor must have long range weapons and radar and the aircraft itself must have long range. Speed and fast climb are highly desirable.

If the Soviet Union were under attack by high-flying bombers, the Mig-25 should work quite well, using its very high top speed and good climb to reach and shoot down the bombers before they could reach Russian cities or military installations. The problem is that the Soviet Union will not be attacked by high-flying bombers, except possibly from China.

All U.S. strategic bomber missions now call for penetration at altitudes below 500 feet. When conventional aircraft radar, such as that in the Mig-25, attempts to track a low-flying target, all it sees is a cluttering mass of reflections from the ground. To filter out the ground clutter and track a low-flying bomber requires a highly sophisticated system known as a "look-down radar". While all of our new-generation fighters have look-down radars, no Soviet aircraft has one which will work over land. It is simply beyond the reach of Soviet technology and will probably remain so for several years. Thus, the Mig-25 would have been a good interceptor 15 years ago but is useless today.

In 1964 the Air Force flew an armed version of the Blackbird, the YF-12A, which was a high-altitude interceptor superior to today's Foxbat in every significant respect. The YF-12A was never placed in production because we saw no requirement for a high altitude interceptor. Subsequent Soviet production of the Foxbat interceptor suggests that the Russians learn more slowly than we; or alternatively, it suggests a concern over the threat of the Chinese, who do not have low-flying bombers.

PENETRATOR

The mediocre performance of the Mig-25 at medium fighter altitudes becomes very poor at treetop altitude. Any of our fighters will not only outmaneuver the Foxbat at low altitude but will also outrun it in a straight line. Foxbat is incapable of any supersonic performance at low altitude. The Japanese F-4s lost the Mig-25 flown by the defector not because it outmaneuvered or outran them but because the F-4s, lacking look-down radar, were unable to locate the Russian plane once it dropped to the deck.

The Mig-25's successful penetration of Japan did not demonstrate the inferiority of Japanese defenses or the superiority of Soviet aircraft. It merely demonstrated that any perimeter air defense without look-down radar is useless against low-flying aircraft. Any U.S. fighter or bomber could have penetrated Soviet defenses with equal or greater ease.

SOVIET TECHNOLOGY

News reports on Lt. Belenko's aircraft have indicated that the "highly capable avionics" claimed by Secretary Seamans are in fact simple vacuum-tube systems we would have considered obsolete ten years ago and unimpressive 15 years ago. But even more interesting is the discovery that Foxbat employs steel where Western observers had assumed titanium was used. The significance of this goes beyond the Mig-25 to the question of overall Soviet military sophistication and to the credibility of the U.S. Defense Department.

For many years, the Soviets have had more pieces of military equipment than we, but ours have been qualitatively superior by large margins. More recently, the Defense Department has told us that, despite the obvious shoddy quality of Soviet consumer goods and the primitiveness of Russia's space program, Soviet military equipment has been of high quality—albeit not necessarily high sophistication—because it is produced under a cost-no-object philosophy.

To this, the Defense Department added in 1976 a third argument of Soviet technological superiority, an argument instrumental in persuading the Congress that the Soviet threat was mushrooming and that an unprecedented massive increase in the weapons budget was required. The cutting edge of this persuasion was the testimony of Dr. Malcolm Currie, director of Pentagon defense research and engineering, to the military committees of Congress in which he listed 21 areas of advanced military technology and alleged the Soviet Union led us in eight of these in varying degrees. The only one of the 21 in which he described the Soviet lead as unequivocally "strong" was titanium fabrication.

While titanium is expensive and devilishly difficult to machine, it offers excellent high-temperature performance and unequalled strength-for-weight. For these reasons, titanium content in the F-15 airframe is more than 25 per cent; in the Blackbird it is nearly 100 per cent. Aluminum, the basic metal of aircraft, cannot be used because it melts from the heat generated by speeds over Mach 2.5. Steel will not melt, but it entails a severe weight penalty relative to titanium. Because of its use of steel, Foxbat's performance has been degraded and, apparently, the Soviet plane has had to save weight by doing without a number of features we would consider essential, such as an ejection seat for the pilot.

For all its mediocrity in comparison with U.S. counterparts, the Mig-25 is the most sophisticated aircraft in the Russian inventory today. The Soviet Union's failure to incorporate titanium can only stem from inability to do so and/or from unwillingness to spend the money. Either way, it casts the gravest doubt on the credibility of the Pentagon's claims of Soviet military sophistication and military expenditures.

THE HONORABLE PETER A. PEYSER

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BADILLO. Mr. Speaker, today I would like to join members of the New York delegation and other House colleagues in paying tribute to a friend, Peter A. Peyser. Although a member of the opposition party, we have joined in many efforts to make the New York City area a better place in which to live.

His commitment to the well-being of this country was evidenced quite early in his life. After graduating from college during World War II, he immediately enlisted in the Army and became a highly decorated soldier because of his efforts in the Battle of the Bulge and Remagen Bridge engagement.

Peter's 6-year tenure in Congress resulted in many successes. As a member of the House Agriculture Committee, he has led the cause of the consumer against business practices that were unfair, injurious, or unsafe. I was fortunate to work with him for 4 years on the Manpower, Compensation and Health and Safety Subcommittee of the Committee on Education and Labor. As a member of these committees, he made many contributions toward the betterment of this Nation. Among the bills that he authored are the Child Abuse Prevention and Treatment Act, the Older Americans Act, the Vocational Rehabilitation Act, and the Drug Abuse Education Act. He was also a key figure in the passage of the Elementary and Secondary Education Act of 1974 and the Pension Reform Act. The benefit of these legislative efforts will be received for many years to come.

I wish him well in all his future endeavors and hope he will live a long and continued productive life.

HON. ROY A. TAYLOR

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. GIAIMO. Mr. Speaker, I want to express my profound respect today for the Honorable Roy A. Taylor of North Carolina, the progenitor of so many of our federally preserved national park and recreation areas. Without the strong and dedicated leadership which Roy Taylor has demonstrated over the past 10 years as chairman of the National Parks and Recreation Subcommittee of the House Interior and Insular Affairs Comimttee, Americans would not be blessed with the tremendous variety and expanse of scenic and historic sites which now grace our landscape from coast to coast and border to border.

Roy's heritage to all Americans is perhaps not as well recognized as it should be, but we in the House certainly are aware of his dedication to preserving our magnificent endowment of natural wonders. His impressive achievement in this regard offers proof to those who search for an example of how to most effectively put one's beliefs into practice. Roy's constant attachment to the value of the land which we inhabit, and his concern for the generations who have enjoyed it and will deserve to enjoy it in the future, have played immeasurable roles in determining his contributions to this Chamber and to the Nation.

Roy also understands the importance of protecting for future generations the few remaining areas of natural beauty in the industrialized Northeast. Through his efforts, the last two Congresses have approved legislation which designated two rivers in Connecticut—the Shepaug and the Housatonic—for possible inclusion in the Wild and Scenic Rivers System. For his efforts in this area, the people of Connecticut thank Roy Taylor.

As a legislator, Roy has mastered the art of steering important legislation through the often treacherous pathways of subcommittee and committee consideration.

AFL-CIO REPRESENTATIVE'S ADDRESS TO THE WORLD EMPLOYMENT CONFERENCE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, the World Employment Conference, held in Geneva this past June under the auspices of the International Labor Organization—ILO—dealt with the important issues of employment and poverty, particularly in the developing countries.

The ILO has a unique "tripartite" structure in which governments, labor, and employers are all represented. The U.S. workers' delegate to the conference was Irving Brown, the European representative of the AFL–CIO. A recent issue of the AFL–CIO's Free Trade Union News contains Mr. Brown's address to the World Employment Conference.

I would like to share Mr. Brown's thoughtful remarks on the matters discussed at the conference and include his address in the Record:

ILO Conference on Employment

(By Irving Brown, AFL–CIO European representative)

(The following address was delivered at the ILO's conference on world employment by U.S. Worker Delegate Irving Brown.)

The principles around which the ILO was created nearly six decades ago are clearly reflected in the Introduction to the basic document for this first Tripartite World Conference on Employment.

As the Director-General has said in his report:

"The fight against unemployment and poverty has been the main concern of the ILO throughout its 57 years of existence.

"It was the center of the ILO's efforts in the years of the Great Depression in the 1930's.

"It has been the driving force behind the ILO's attempts to set internationally agreed minimum standards governing conditions of employment."

In addressing myself to the Director-General's report, I shall confine myself to certain central themes which I consider priorities for the ILO.

The constitutional endeavor of this technically oriented, non-political tripartite Employment Conference is to seek a consensus among the delegations here represented to signal clear, pragmatic, realistic, workable approaches toward solutions of the multitude of problems which face laboring classes the world over today. And in the best sense of the tripartite nature of the ILO, my delegation urges a realistic concept of negotiation and participation as the only alternative to confrontation. With this approach, we hope we can begin to seek concrete proposals to meet the challenge of mass poverty, unemployment and the lack of representation and participation of the dispossessed.

The ILO has developed and exercised longstanding mechanisms that are admirably adapted to the central thrust of the World Employment Conference. My organization has long supported the unique, tripartite mechanisms established to deal with the challenge of raising the standards of life and work of working men and women. The standards of the ILO, its Conventions and Recommendations, serve as solemn, universally-applicable yardsticks of commitment.

With the overwhelming percentage, perhaps 75%, of the people of the world in agriculture, this certainly is the priority area for any attempt to deal with the problems of "basic needs" and "mass employment" as emphasized in the Director-General's report. The agricultural sector holds the potential for the long-term development of jobs and basic food industries, which in turn can not only fuel the development of other more diversified industrial sectors but can serve as the rallying point for the organization of that majority of the world's human population known as the rural poor. It has been the relative neglect of this sector that has contributed not only to droughts and famine, but to the slow pace of job creation.

The problems facing developing economies around the world revolve around capital investment and the training of skilled workers.

The absorption of meaningful capital investment is impossible without cadres of trained workers to man productive facilities that such investment foresees. The ILO must establish formulae calling for a specific percentage of capital investment to be devoted to the training of workers for jobs that will be available as a function of that investment, not as the result of unrealistic planning by either government or academic technocrats whose vision is impaired by too much theory and too little exposure to the real world. The worst thing we can do is to train workers for unemployment.

The development of agriculture is the springboard for the non-industrialized world to achieve the kind of industrialization, which is geared to their own image rather than an imitation of the industrialized and superindustrialized states of the world. If the ILO operates with this perspective, we can make a modest contribution to the world-wide efforts to improve the present world economic "order" or "disorder" without any pretensions that we can eliminate mass poverty by our own efforts.

"SOCIALIST COUNTRIES"

Chapter four of the Report to this Conference dealing with what is called "Socialist Countries" is most unsatisfactory. The most unforgivable deficiency of this chapter and the report as a whole is that it isolates the problems of employment from human rights as defined in the ILO Constitution and Conventions. The issues of forced labor, free choice of employment, freedom of speech and association and the right to bona fide collective bargaining are ignored in the treatment of employment policies. The description of the "Socialist Countries" as the only cases in the world where unemployment has been absolished tends by implication to invite the developing countries to follow their example. No doubt other countries would be relieved from the burden of unemployment if they, too, were to resort to forced labor and forced collectivization resulting in the extermination of a part of the rural population. For that they would not need the assistance of this Conference.

In this regard, Mr. Chairman, and particularly in reference to Chapters 4 and 5 of the basic document of this conference, it must be said that a great contribution has been made by the free peoples of the world community, who have been able to produce sufficient surpluses in order to supply themselves as well as many other parts of the world.

It is not pure accident that most of the surpluses in agricultural products, especially food, come from countries that have not only the resources, the equipment, and the favorable climate, but also a system of freedom which permits a smaller and smaller percentage of our working populations to produce record crops each year. In fact, even in the Soviet economy, the 3% of the agricultural population in the private sector is able to feed 30% of the entire Soviet Union's population. We believe that the land belongs to the tillers of the land, but that once land reform is achieved and the land is given to the tillers, let us not then deny them the right to be free farmers, free people. For it is the free farmer, not one in shackles and misery, who can achieve these results, no matter what kind of equipment he can buy or import. There are no lessons to be learned from those who claim to have solved all economic problems by robbing the peoples of their right to think and speak freely.

Let us be candid. The failures of many nations around the world in the past thirty or so years to attain meaningful development is due to the tendency to ape certain models of industrialization and ignore, or give insufficient priority to their own agricultural development. Food is essential, but more than that, the development of an agricultural industry can contribute massively to job creation. Food and agricultural production schemes will result in jobs for many of the estimated 75% of the world's agrarian population and serve as generators of the capital so necessary for higher stages of industrialization.

We must recall that the initial Economic Conference after World War II, in 1948, which led to the creation of GATT, was entitled Trade and Employment. But in succeeding years, employment has somehow disappeared not only from the title but from the agendas of such meetings.

Certainly the ILO alone cannot hope to create jobs for the estimated 300 millions of unemployed. (And that is a figure which has to be carefully scrutinized and understood since many of these unemployed have never been employed in terms of a modern economy.) But the basic, tripartite principle of the ILO can be the route through which solutions to unemployment problems can be reasonably determined.

Decisions of international bodies cannot be implemented unless labor and management in industrialized nations are ready to accept them. For the "political will" which all international organizations require to implement their decisions—whether it be on preferential treatment, commodity price stabilization, debt cancellations, large-scale capital investment—is the participation and agreement of those who present the two essentials in the production process—Labor and Management. It is this unique nature of the ILO which can provide an arena for negotiation not confrontation in meeting the needs and demands of those who have been exploited for hundreds of years by systems of colonialism and unfair patterns of world trade.

WORKER PRODUCTION

Central to all this, Mr. Chairman, is a basic precept of free trade union movements: worker participation in basic economic decisions but with the guarantee of free collective bargaining. Those who come before this august body with resolutions professing free and representative trade union movements and worker paradises have neither worker participation nor collective bargaining. In these societies, workers do not have the right to choose their own leaders but must accept government-imposed representatives of parties, particularly communist parties. These empty boasts alleging solution of unemployment are in the main in violation of article 29 of the ILO Convention concerning forced labor. Here, Mr. Chairman, we see real worker exploitation, where the average wage is less than the unemployment benefits paid jobless workers in France, for example. Unemployment exists in a concealed form in these forced labor societies. What we need in this Conference, Mr. Chairman, is realism not propaganda. The latter heightens controversy and makes realistic solutions and negotiation more difficult to achieve.

We do not believe that our society has the final answer. We are still struggling to overcome serious unemployment. The answer is not simple; it is not to be found in slogans about changing the ownership of the means of production. The problem remains the same—to achieve economic growth in a free and open society. The real objective is not growth for its own sake but for the development of man as a free and independent being.

Another area, Mr. Chairman, in which the ILO can make significant contributions through its established machinery is that of the multinational firm phenomenon. The ILO has already set up a tripartite committee of experts on multinationals which has submitted a report for the November Governing Body Meeting. This is a basis for a practical first step towards achieving perhaps an eventual Convention.

Our experience with various aspects of the multinational question in my country has been considerable. It seems to us that at least two factors are basic to any consideration of the multinational in the industrialized world: trade adjustment assistance that is realistic and comprehensive; and flexible and concerned governmental trade policies dealing with job displacement owing to the movement abroad of multinational concerns. Just as important are international standards that will help to prevent the outright exploitation of workers in the third world by the various forms of multinational enterprises through invidious practices of the host countries. As examples, two nations, one in the Middle East and another in the Caribbean, sought to attract investment through advertisements in the newspapers, offering the lowest wage rates in their respective areas and a controlled labor force. Here, too, the ILO has a meaningful role to play in helping to uplift standards of living and conditions of work for workers throughout the world and indeed to help draft Conventions and Recommendations to modify the unfortunate and even inhuman tendencies of firms looking for cheap labor and low overhead.

Clearly, the ILO can help to insure that we do not repeat the evils of early industrialization by enforcing universal standards which are not only humanitarian but contribute to productive efficiency. The objective must be to bring the bottom sectors of our work forces up, not by depressing the levels of the industrialized workers, but by improving the lot of the rural workers through greater investment in agriculture and the promotion of the rural poor. This is the road to unified efforts of the industrial and rural workers to participate in the real development process.

We can take heart in the work of the Committee on Tripartite Machinery of the 61st ILO Conference, which just last week approved the final form for a new ILO Convention and Recommendation that will help to facilitate this development process. That is what the ILO is all about. Negotiation, not confrontation, and the tripartite function are the keystones of this organization. By adhering to them, we can make a modest but meaningful contribution to the objectives of this Conference and thus contribute eventually to a fairer distribution of wealth and income in the world.

HON. JOE L. EVINS

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. EARLY. Mr. Speaker, I would like to take this opportunity to express my sincere regret over the retirement of the distinguished gentleman from the Fourth District of Tennessee, the Honorable Joe L. Evins.

Joe Evins is a man who will long be remembered and admired for his abundant energy and his vast knowledge of the entire legislative process. As a leader in the House of Representatives for 30 years, his intelligence, fairness, and objectivity in considering all matters brought before his committees and before this body have earned the respect of his colleagues on both sides of the aisle, and have benefited not only his constituents, but the Nation as a whole.

As chairman of the Public Works Subcommittee on Appropriations, Joe Evins guided vital legislation like the public works for water and power development and energy research appropriations bill (H.R. 14236) through every stage of development, from conception to final passage. His hard work, expertise, and decisive action contributed much to the success of the "Build America bill," which will immeasurably benefit my State of Massachusetts and every State in the Union. Joe recognized the importance of energy independence and the need for capital investment in America long before they became the issues of the day. The programs and projects funded by H.R. 14236 will continue to preserve, protect, and expand our natural resources so that future generations might profit from a strengthened America.

Small businessmen throughout the country admittedly owe their gratitude and respect to Joe, who as chairman of the Committee on Small Business for

12 years, tirelessly devoted his time and attention toward easing the economic burden placed on the independent sector of the economy.

Mr. Speaker, as a freshman Member of Congress and a fellow member of the Appropriations Committee, I have learned much from watching this great public servant in action. He has been a rich source of support and counsel to me over the past 2 years, and I will sorely miss his advice and wisdom.

I sincerely wish the very best to Joe Evins in all of his future endeavors, and hope that he will enjoy a happy and healthy retirement.

CHIEF COUNSEL GREGORY NICOSIA OF HOUSE RULES COMMITTEE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROGERS. Mr. Speaker, I would like to bring to the attention of my colleagues an article which touches on the abilities and fine work of Gregory Nicosia, chief counsel to the House Rules Committee.

Over the past 4 years, he has served as the majority counsel and then as chief counsel to the Rules Committee.

During his 4 years on Capitol Hill, Greg has acquired a reservoir of knowledge about the inner workings of Congress. He has demonstrated his understanding of the House, which is reflected in the attached story which appeared in the Torrance, Calif., Daily Breeze, August 31, 1976.

The article, the complete text of which follows, provides insight into the role importance and power of the Rules Committee:

View From the Hill: Rules Committee Power Is Crucial

(By Ed Segal)

Washington.—One of the most important and influential parts of the federal government is one of the least known or understood.

In fact, more people today know how the Central Intelligence Agency works than they do about one of the most crucial committees in Congress, the rules committee in the House of Representatives.

None of the 21 other committees in the House carry the same weight or responsibility of influencing the fate of a piece of legislation—be it an impeachment inquiry, election laws or a declaration of war.

The House Rules Committee is a traffic cop, deciding when, if and under what conditions legislation will reach the floor for consideration.

It is rare indeed that a measure gets to the House without first getting the go-ahead of the rules committee.

There is an automatic three-day lapse between the time a measure is reported out of a committee, however, and the first available day when it may be brought up on the floor of the House.

This provision can only be dispensed with when the rules committee recommends such an action and the House votes on it. This delaying provision usually assures enough time so that copies of the legislation may be printed and distributed to members.

Greg Nicosia is the chief counsel to the rules committee. He is, at 28, the youngest person ever to direct a committee of this size and importance.

His position is a testimony to his talents and skills and evidence of the opportunity for advancement that is available to staff people on the Hill.

After graduating from the Indiana University School of Law at Indianapolis, he served on the committee staff, first as a research assistant and then as majority counsel.

Today, as chief counsel, Mr. Nicosia has the task of keeping in touch with the 11 Democrats and five Republicans who sit on the committee.

He assists in the drafting of summaries of legislation that will be presented and keeps in constant contact with his counterparts on other committees.

A big part of his job is scheduling when a bill, resolution or conference report will be brought up for a "rule."

According to Nicosia, a rule provides for consideration in the House of a bill or resolution and allocates the number of hours of debate that will be spent on a bill when it is debated, whether amendments will be permitted to be offered to it and, if so, how many and what type.

The power to give a rule on a bill is the power to determine if legislation might be altered from its original form and how much time members of Congress will have to convince their colleagues of its merits or faults.

And this is the crux of the deliberative side of the legislative process—convincing other congressmen that a measure should be passed or defeated.

The rules committee has assumed different degrees of importance throughout the history of Congress.

In its early years, the panel met only briefly at the start of a session and quickly issued rules for bills that were expected to be introduced.

But from about 1945 to 1966, a combination of factors caused the committee to cease to be an arm of the leadership of Congress and it took on a life of its own.

Speakers of the House acquired more power. Political balances in Congress and the committee shifted.

An unlikely coalition of Southern Democrats and Republicans came together to prevent controversial or important bills from ever reaching the floor.

From the late 60s to the early 70s, the committee began drifting back to its traditional role as the arm of the majority party. The change came as the composition of the House shifted with the defeat or death of its members and new political pressures came to bear on the rules panel.

TRIBUTE TO JOE EVINS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. PHILLIP BURTON. Mr. Speaker, Joe Evins can retire from this House secure in the knowledge that he demonstrated great ability and the utmost fairness in dealing with the legislative matters that came before his committees. He is a fine man and will be sorely missed in the 95th Congress.

HON. CARL B. ALBERT

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. GIAIMO. Mr. Speaker, I join with all of my colleagues in expressing my sincere appreciation for the distinguished service which our friend and colleague, Speaker Carl B. Albert, has rendered to the Third Congressional District of Oklahoma and to our Nation during his tenure of 30 years in the House of Representatives.

Speaker Albert's achievements are distinguished by an overriding concern for the situation of the United States and the American people in a changing world. He sought a strong, healthy populace, secure in freedom, and willing to exert themselves to their best possible effort in the cause of justice and humanity.

Speaker Albert unflinchingly aimed at the attainment and maintenance of such a priority, and would not condone lesser interests except as they worked toward this goal. Guided by reason and fortitude, Speaker Albert gained a measure of wisdom by his work which his noble generosity has shared with his associates and his constituents to the credit of the republic.

Speaker Albert's enviable record of leadership, as successively majority whip, majority leader, and Speaker of the House, has demonstrated a thorough, reasoned grasp of the same principles of representative government which the framers of the Declaration of Independence and the Constitution trusted to awaken the possibilities inherent in America and her people.

He has guided and managed the House with discretion and good judgement during a period when public confidence in elected officials and politics has provided us in the Congress with our most severe test. Speaker Albert's fairness and integrity stood the trial of being unexpectedly and abruptly placed on two occasions in the difficult position of being next in line for the presidency while our Nation suffered through her worst crises of leadership in peacetime. Characterized by a spirit rare even among our predecessors in this Chamber, those who still instruct us as governors of ourselves and our fellows, the Speaker's courtesy and bearing seem to capture the rarest of virtues among statesmen: humility.

We wish Carl Albert well, though it will be hard to replace him. We of the House are losing in him a staunch defender of democracy and a good friend.

FRED McCLURE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include an article written by Mr. Doug Freelander of the Houston Post on a most unusual individual, Mr. Fred McClure, the first black president of the student body at my alma mater, Texas A. & M. University.

I had the distinct pleasure of meeting Fred a year or more ago when he came to Washington to assume an internship at the White House. I again ran into Fred in San Diego, Calif., this year while attending the Banquet of the Golden Plate, sponsored by the American Academy of Achievement, a nonprofit tax-exempt organization dedicated to the inspiration of youth, to raise their sights high, to excel in their endeavors—through the dramatic annual salute, at the Banquet of the Golden Plate, to captains of achievement from America's great walks of life and honor students from across the Nation. Fred was in attendance and received an award as the Outstanding Leader for 1976 from the Future Farmers of America. I salute this young man and future leader of our country.

The article follows:

"MASSAH" McCLURE—A. & M.'S FIRST BLACK STUDENT BODY PRESIDENT BELIEVES IN CONSERVATIVE, BUT OPEN-MINDED ATTITUDE THAT DENOTES CAMPUS' PERSONALITY

(By Doug Freelander)

He's been referred to as "Massah" Fred McClure at Texas A & M University. And when someone suggested that the sign outside the student body president's private office should read "Messiah" instead, McClure exploded in his familiar, friendly laugh.

His good nature, readily apparent with the first handshake, undoubtedly helped McClure win a handy victory as the first black president of the student body.

Single, 22 and full of energy, McClure is a canny senior in agricultural economics. He plans a career related to his major but is leaving his options wide, wide open, toying with law or business or government work.

"The reason I have not made a definite decision as to what I'm going to do is because—and this really sounds egotistical; I shouldn't say it but I'm going to be honest—I've got a lot of options.

"No matter what I decide to do, eventually, in some way, somehow, it's going to be related to agriculture. It depends on how the pieces fall in the next couple or three or four months."

McClure was a White House intern last year, joking that the White House fellows were "older and smarter," and he supports at the same time U.S. Rep. Olin E. Teague, D-Tex., for re-election.

Athletic in appearance, he enjoys tennis and basketball occasionally, but his greatest relaxation is playing the piano for about an hour a day, favoring popular songs from the 1930s and 1940s. Between his studies and meetings related to student government, he works many days until midnight.

His father, F. D. McClure of San Augustine, is a retired high school principal and his mother works as a school nurse. He was state president of the Future Farmers of America in 1972–73, chairman of the FFA's national convention in 1973 and national secretary of the FFA in 1973–74.

McClure, who will graduate in December and plans to enroll in spring classes, said he originally intended to enroll at the University of Texas. "When Marty Akins decides to run for governor of Texas, I'm going to run against him," he quipped.

He said he was not recruited but he "kind of fell in love" with A&M after his second visit to the campus. "Right now I think it was the best decision I've ever made in my life as far as my career is concerned."

The student personally has remained basically conservative, he said, and this is "one of the things at A&M we're very fortunate to have. We have a very good relationship with the administrators."

But he admitted a great deal more input is needed from the students to get their problems presented and solved. Most students at the university "have only a vague idea" about the function of student government, he said, and encouraging input from them through about 350 university clubs and organizations is his main goal this year.

"We manage to function effectively without it," he said of student communication, "but we think we can be even more effective if we can get the students to be willing to be open and come to us."

On his election as the first black student body president in A&M's 100-year history, McClure commented:

"Although A&M has a reputation for being an extremely conservative university, I think this is a sign of the open-mindedness—not only of the students at A&M, but the open-mindedness I think young people have today.

"I think it's the beginning of a change of attitude, especially when it comes to racial lines that might have separated people in the past.

"Hopefully, today's young people are looking at individuals for what they can contribute and for what they stand for, as opposed to what color their skin might be, how long their hair might be or what institution they might attend.

"I think that's a very good sign."

TRIBUTE TO WILBUR MILLS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. PHILLIP BURTON. Mr. Speaker, the long distinguished career of one of the most skillful legislators in the history of the Congress is drawing to a close. Fortunately, however, many of our laws dealing with social security, health, taxes, and foreign trade will stand as a permanent tribute to WILBUR MILLS' intelligence, to his expertise in highly complex subject matters, to his mastery of the legislative process.

It has been a great privilege serving in the Congress with him over the last 12 years and I wish him and his wife much happiness and contentment in the years to come.

STRENGTHENING THE FAIR CREDIT REPORTING ACT—UNFINISHED BUSINESS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, when I announced in March my intention to retire at the end of this term of Congress and not seek reelection to a 13th term, I noted how difficult it is for a long-time Member of the House to make the decision to quit because, if we have been active on legislation, we are bound to have a lot of legislative goals still unrealized, no matter how hard we have worked. My list of unfinished business—bills or causes I have been pushing for many years—is a long one, particularly in the consumer field.

But as I added in my March announcement, staying on "one more term" could not possibly bring about the enactment of all of these objectives. The legislative process is seldom a quick dash; it is usually more like a marathon. And often it takes some outside incident, or crisis, to prompt Congress to do what should have been done previously on the basis of commonsense and good judgment.

Frequently, in the passage of worthwhile consumer legislation, compromises have to be agreed to in order to overcome stalemates in conference committees, and usually these compromises are agreed to in the hope that they will be only temporary solutions until further study can be given to some technical point or we see how the law works out in operation. Unfortunately, however, these "temporary solutions" often become permanent features of law without any subsequent comprehensive and critical review. They become self-perpetuating.

SOME OF THE 1968 TRUTH IN LENDING COMPROMISES

One example in the Truth in Lending Act is the 50-cent minimum charge on revolving credit accounts, the $5 minimum charge on installment credit accounts less than $75, and the $7.50 minimum charge on installment accounts exceeding $75. Such minimum charges were exempted from annual rate disclosure requirements at the insistence of the Senate conferees and over the strenuous opposition of the House conferees in 1968. Since the House prevailed in the conference on almost every major difference between the Senate-passed truth in lending bill and the House-passed Consumer Credit Protection Act, the House finally receded on the hard-fought point of minimum charge exemptions, after persuading the Senate to recede on annual rate disclosure for revolving credit generally and for any installement account on which the total finance charge was $10 or less.

Involved in the compromise was an agreement written into the statement of managers to have the newly created National Commission on Consumer Finance make an indepth study of the whole question of annual rate disclosure exemption for minimum charges. Alas, the Commission failed to come to grips with that issue. And now we have a situation in which the 50-cent minimum charge on revolving credit is almost universal in retailing, and some credit card companies are even applying a 50-cent monthly minimum charge on accounts which are paid in full within 30 days.

Another example: The Senate bill had exempted first mortgages from all truth-in-lending disclosure requirements; the House bill did not. In conference, the House prevailed, but the Senate insisted we at least exempt from required disclosure the total amount of the finance charge over the life of the mortgage on all purchase money first mortgages. This was based on a fear that if prospective home buyers were told how much interest they would be obligated to pay over 20 or 30 years on their mortgages they would be so horrified by the astronomical figures they would back out of the purchase.

Of course, it is easy for any home buyer now to multiply the monthly charges for principal and interest by 360, if it is a 30-year mortgage, deduct the amount of the mortgage, and come up with the total of the finance charges, so the information on total finance charges is no secret to anyone caring to do some simple multiplication and subtraction. But I think that if home buyers were given the total figure of mortgage costs, as the House bill had provided, there would be even greater consciousness today of the impact of high-interest rates than there is now. General awareness of the fact that a purchaser of a home with, say, a $30,000 mortgage is going to be obligated to pay more than twice that amount in interest over the life of the mortgage would undoubtedly help achieve the climate of public concern needed to bring down these unconscionable interest rates. The late Paul Douglas was a firm believer in such disclosure on mortgages.

COMPROMISES MADE IN THE FAIR CREDIT REPORTING ACT

The Fair Credit Reporting Act of 1970 was a major achievement in consumer protection, bringing out into the light of day for the first time the ubiquitous role of credit bureaus in collecting vast amounts of personal data about almost everyone who buys anything on credit or applies for insurance or employment.

Under the Fair Credit Reporting Act, such information, with some few exceptions, has to be disclosed to the individual consumer on request, on payment of a reasonable fee. If an individual has been rejected for credit, insurance, or employment because of information provided by a credit bureau, then the information has to be disclosed to that person on request without any charge at all.

However, there were some important compromises made between the positions of the House and Senate conferees on this legislation in 1970 which weakened its intended consumer protections. As in the case of the Truth-in-Lending Act of 1968, these were regarded as temporary solutions of a legislative impasse, pending experience under the law. Six years later, these temporary solutions are still embedded in the law.

The most serious gap in the law grew from the refusal of the Senate conferees to provide the Federal Trade Commission with authority to issue binding regulations for the implementation of the law. All the FTC can provide are guidelines, although the FTC Improvement Act of 1974 does strengthen the agency's powers in carrying out its responsibilities generally. The FTC should have regulation-issuing authority under the Fair Credit Reporting Act.

Further, the Fair Credit Reporting Act does not give the consumer access to the actual file kept on that person by a credit bureau; the law provides instead that the consumer must be given the "nature and substance" of the information in the file. The House conferees lost on that issue, too, in 1970. Many instances have arisen in which consumers inquiring about their credit bureau files have been given less information than clients of the credit bureau have received about them.

This, in my opinion, is a clear violation of the law. However, because of limitations on the FTC's own ability to obtain the complete file on an individual complainant, enforcement has been made extremely difficult. The FTC should be able to examine files in disputed cases called to its attention.

With more and more computerization of consumer credit information, and the development of electronic funds transfer systems, it is essential that consumers be protected, as the law intends them to be, against erroneous or malicious or incomplete credit bureau file data which can damage them unfairly in seeking credit, insurance of employment.

USEFUL PROVISION OF EQUAL OPPORTUNITY ACT AMENDMENTS

I am indeed pleased that the new amendments to the Equal Credit Opportunity Act contain a provision I offered in the House Banking Committee, which was defeated there on an 18–18 vote but which was subsequently added by Senator BIDEN as a Senate amendment and agreed to in conference last March, requiring that anyone denied credit for any reason must be given the actual reason for the denial. This was one of the things we had tried unsuccessfully to get into the Fair Credit Reporting Act in 1970. This should eliminate situations in which consumers are told they have been rejected for credit because of information provided by a credit bureau, but then can find no clue at the credit bureau as to the real reason for the turndown. I hope the Fair Credit Reporting Act is eventually amended to apply this same requirement to rejections for insurance and employment.

COURT DISCOVERY PROCEDURE TO COMBAT GOSSIP

One of the best features of the Fair Credit Reporting Act allows consumers to use court procedures for getting to the bottom of malicious information given to credit bureaus by undisclosed informers in connection with investigative reports. Recently, James Millstone, an outstanding St. Louis newspaperman who had previously worked in his paper's Washington bureau, won a substantial court judgment against a credit bureau which had distributed untrue and highly damaging information about him based on allegations of a former Washington area neighbor. Had it not been for the discovery provisions of the Fair Credit Reporting Act, Mr. Millstone would not have been able to get to the bottom of this matter and clear his record. I am grateful to Prof. Andrew Spanogle of the University of Maine School of Law, who, while spending a sabbatical in Washington in 1969–70 with the Ralph Nader organization, assisted me and my Consumer Affairs Subcommittee staff at that time in drafting work on this and other provisions we succeeded in winning in conference to strengthen the Senate version of the fair credit reporting bill.

But weakening compromises made in 1970 from the House position are still in the law and represent some of the unfinished business on the consumer front that I regret will remain to be accomplished after I leave Congress.

ACTIONS OF THE 94TH CONGRESS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, with the adjournment of the 94th Congress today, I am submitting the following annual report on the activities of the 94th Congress to the residents of the Fourth District of Wisconsin whom I have the honor to represent in the House of Representatives. This report to my constituents highlights some of the major actions of the Congress in the past 2 years in its intent to meet the diverse interests and needs of the American people.

Mr. Speaker, Senator Robert Kennedy eloquently noted the formidable task confronting the American people and their elected officials toward implementing our democratic form of government when he said:

> Democracy is never a final achievement. It is by nature an everchanging challenge, a call to untiring effort, to renewed dedication, to new goals to meet the needs of each new generation.

Mr. Speaker, the 93d Congress responsibly met what had to be one of the most traumatic and dramatic challenges of our now 200-year-old successful experiment in implementing our democracy.

The 93d Congress demonstrated its value as the people's representatives in our national government during the tumultuous Watergate affair. Two Vice Presidents were confirmed under the new 25th amendment. The painful, but necessary, impeachment proceedings against former President Nixon were carried out in a responsible and constructive manner.

Mr. Speaker, while the state of our economy is not totally acceptable, these relative degrees of economic improvement during the 94th Congress were possible as a result of various congressional initiatives and despite 59 Presidential vetoes. On its own initiative and effort, the 94th Congress has come a long way in these 2 short years. We have just completed the first full year's implementation of the Budget Control Act under which Congress sets its own budget priorities and ties individual spending and revenue actions to overall economic goals. This new budget process enabled the 94th Congress to reduce the deficit by more than $15 billion, added economic stimulus to create many more permanent jobs than provided for in the administration's proposed budget, and contributed toward reducing the rate of inflation.

In order to assure this modest but needed economic improvement, the 94th Congress successfully overrode Presidential vetoes on programs creating hundreds of thousands of jobs in private industry, maintained the school lunch program, improved the production and supply of energy sources, and preserved various proven health and educational systems.

In doing these things, Mr. Speaker, the House under your leadership has worked more time on the floor and in committee, and has recorded more votes than any previous Congress in history. Such efforts have been needed at a time when our Nation has had to look to the Congress for leadership and direction to restore the economic well-being of our Nation.

ECONOMY

During the last 2 years, emphasis on our economic needs were foremost, and the 94th Congress accordingly spent considerable time on legislation designed to help restore the economic wellbeing of our country. One of the 94th Congress first actions in 1975 was the enactment of the $22.8 billion tax cut, providing relief to millions of low- and middle-income taxpayers and needed stimulus to industry. This needed tax relief was subsequently extended just last month by the enactment of the Tax Reform Act which in addition eliminated some of the more glaring tax loopholes enjoyed only by the wealthy.

The 94th Congress also initiated and enacted a number of programs creating new job opportunities, primarily in the private sector. By overriding the veto of the public works bill and emergency housing legislation, 200,000 construction jobs and 90,000 housing-related jobs were created respectively. In addition, passage of the Federal Highway Act will help to maintain more than a half million private sector jobs. In Milwaukee County alone, the number of unemployed has been reduced from a high of 59,900 to the present level of 33,100. These types of effective job-creating programs should be continued during the upcoming 95th Congress.

These jobs bills enacted by the Democratic Congress, while creating new jobs, also helped to lower the Federal deficit. For example, the $4 billion Public Works Employment Act, which will result in the employment of an estimated 350,000 people now unemployed, will also result in a net gain of $2.4 billion to the Federal Treasury. This was accomplished by recouping otherwise lost taxes and by reducing Federal payments of our welfare, unemployment compensation, food stamps and other similar supportive programs for the unemployed. As a matter of fact, if the level of 7.8 percent currently unemployed could be reduced to 4.5 percent, we would have a balanced Federal budget.

ENERGY

Coupled with our severe economic problems at the start of this Congress were the problems of continued energy shortages and ever-increasing oil prices. In an effort to develop a comprehensive energy policy, the 94th Congress passed the Energy Conservation and Policy Act. This legislation provides a comprehensive and far-reaching blueprint which directs our policy toward conservation and increased domestic production and supply of energy. Instead of administration proposals which would merely allow energy prices to rise without controls, the 94th Congress legislated a strategy of reasonable controls while encouraging increased energy production. These efforts include the enactment of legislation authorizing $6.3 billion for general energy research in 1976 and $7 billion in 1977. The 94th Congress also extended the Federal Energy Administration, creating a loan guarantee program to improve energy efficiency in commercial and industrial buildings and a $200 million home weatherization program. In addition, a measure was passed over the President's veto designed to increase our ample supply of coal while protecting the environment. Finally, the 94th Congress recently passed the Arctic natural gas bill which provides needed funds for energy development in the area of increasing the supply of natural gas. Coupled with continued diligence in energy conservation by consumers and industry alike, these congressional initiatives can effectively contribute toward meeting long-range energy needs.

SENIOR CITIZENS AND VETERANS

The Congress also provided for our Nation's citizens most affected by inflation, those people on fixed incomes. The Congress rejected Presidential proposals to limit the social security increases to 5 percent, and voted to give more than 35 million social security beneficiaries their full 8.7 percent increase. Administration proposals to cut State and community programs to help the elderly were also rejected, as were proposals to cut the meals for the elderly program by $37 million. Instead, the Congress enacted legislation authorizing more than $1.6 billion through 1978 to extend and strengthen older American programs.

The Congress continued concern for the needs of our Nation's veterans led to legislation to assure that benefits to veterans and their survivors would not be eroded by inflation. Legislation was enacted during the 94th Congress which increased the veterans' pensions by 8 percent for 1976 and provides for another 7-percent increase to begin January 1, 1977. In addition, the pension limitations were increased, thereby preventing 55,800 veterans and survivors from losing their pensions outright and another 2,270,000 from taking a cut. Our Nation's disabled veterans also received an 8-percent increase in compensation which went into effect today. This action followed a 10- to 12-percent increase for our 2.5 million disabled veterans which was provided for last year and which has eased the financial burden on these deserving Americans.

Further, the 94th Congress increased the maximum direct housing loan for veterans and increased the guarantee on mobile home loans. Our Vietnam veterans were helped by congressional action which expanded educational benefits, thus assisting those younger veterans toward a more productive life. Finally, legislation was enacted into law which increases the rate of reimbursement by the Veterans' Administration to State homes that care for veterans. This congressional action means an additional $660,000 to the Wisconsin Veterans Home this year, providing supportive assistance for the important work of this veterans' home. These actions taken by Congress are evidence of the continuing commitment of our Nation to assist those men and women who have defended the freedom and independence we all enjoy today.

HEALTH AND EDUCATION

In the vital health care area, the Congress took a number of steps to promote the health of our citizens. These actions included the enactment of the swine flu immunization program, authorization of $1.2 billion through fiscal 1977 to improve heart and blood research, $287 million through 1978 to combat drug abuse and $600 million through 1979 to deal with alcohol abuse. In addition, laws authorizing $2 billion for health services and nurse training and the appropriation of $36 billion for our Nation's major health and social services programs were enacted over Presidential vetoes. Although no legislative action was taken in the 94th Congress, it is my hope that the long overdue issue of national health insurance will be taken up early in the 95th Congress.

In an effort to assure that our children are guaranteed quality opportunities in education, Congress appropriated funds under the Emergency School Aid Act to assist school districts in implementing school integration plans. Our purpose was to guarantee every child's right to receive equal and quality education, and under this legislation, the Milwaukee School Board was recently awarded a multimillion-dollar Federal grant to be used to implement the totally voluntary school integration plan in Milwaukee.

As one of the recent major cities involved in school segregation, the citizens of Milwaukee—business and civic interests, parents, and the entire community—

have effectively cooperated in planning, developing, and implementing a peaceful and voluntary education plan. The Milwaukee plan utilizes educational and voluntary incentives and involves no forced busing. To date, that plan is working. It is being assisted by Federal financial assistance made available by the 94th Congress.

The 94th Congress also overrode the veto of needed legislation authorizing funds for education programs and passed important measures for funding for educational assistance for handicapped children. Such legislation provides needed funds for various local and State educational programs, thereby reducing the pressures on local officials to increase local property taxes.

It is important to again note, Mr. Speaker, that the 94th Congress provided for these vital education programs within the budget guidelines established in the congressional budget resolution. The 94th Congress has continued to provide for needed programs and at the same time control Government spending while contributing to the eventual return of a balanced budget.

ETHICS AND OPEN GOVERNMENT

The public has a right to expect honesty, decency and personal integrity from Members of Congress. The 94th Congress has taken steps to make its Members more accountable for their actions and to make its procedures more open and democratic. During the 94th Congress, we enacted major Federal election legislation which curbs the influence of big money in elections and strengthens financial reporting and accountability measures. In the House of Representatives we have made our committee chairmen more accountable for their performance by requiring confirmation of chairmen by the full Democratic Caucus and by having committee hearings, markup sessions, and conference meetings open to the general public.

In addition, stricter accounting procedures have been adopted for use of office funds, and the authority of the House Administration Committee has been abolished to expand, change or create new categories of office allowance. These actions have been taken in an effort to make our Government more accountable and representative in responding to the needs and desires of the American people.

INTERNATIONAL AFFAIRS

In the area of international affairs, the Congress continued to restore its constitutional responsibility in the conduct of foreign affairs and to contribute toward maintaining peace throughout the world.

Early in the 94th Congress attention was given to the Cyprus issue and our position with regard to our NATO allies, Greece and Turkey. Legislation was passed which established a more moderate U.S. policy on suspending the embargo of arms shipments to Turkey and a more balanced policy was designed to increase the potential for a negotiated and peaceful settlement in Cyprus.

The Middle East and the Sinai Accords also required attention by the Congress as the administration proposed sending 200 civilian technicians to the Middle East. Because of my opposition to the direct involvement of the United States implicit in this proposal, and because of my concern over the cost of the administration proposals, I opposed the legislation authorizing the Middle East package and continued my efforts to limit our arms sales to this critical and explosive area. In another important area, the 94th Congress acted again to assert itself in the conduct of foreign policy by opposing covert and independent actions taken by the administration with respect to Angola and calling upon the administration to conduct a more progressive role in Africa.

As I reported at the end of the first session of the 94th Congress, major reforms of our foreign assistance took place, including the separation of economic development assistance and military assistance into two separate legislative acts. Reforms were introduced into both programs in an effort to insure the best use of American resources. Our efforts were directed at insuring that U.S. economic assistance actually gets to poor people in developing countries who are attempting to help themselves overcome pressing problems in the area of food production, rural development, health, nutrition, and work-related education. This legislation was passed by the House by a vote of 244 to 155, the largest margin of victory for a foreign aid proposal in recent history. Similarly, the security assistance legislation contained reforms which should result in reduced U.S. military grant aid and greater congressional control over growing U.S. arms sales abroad.

During the 94th Congress, the Commission on the Organization of the Government for the Conduct of Foreign Policy, better known as the Murphy Commission, held many meetings in an effort to formulate guidelines for the structures of the conduct of our foreign policy. As a member of that Commission, I believe the Commission made a number of important recommendations, some of which are already being implemented. Through such efforts to improve the organizational structures of our policymaking apparatus and increase the effectiveness of our policy decisions, we will improve the implementation of our foreign policy and promote our goal for a peaceful and prosperous world.

The 94th Congress also enacted legislation establishing the Japan-United States Friendship Commission to administer the fund established under the act to promote scholarly, cultural, and artistic activities between Japan and our country. I have the honor of serving as a member of the Commission and am pleased that the money involved comes from amounts owed by the Japanese to the United States and will, therefore, be used in a way which will improve our relations with this valuable ally and strengthen our trading relationships.

The Subcommittee on International Security and Scientific Affairs, which it is my privilege to chair, enjoyed an unusually busy and successful 2 years. During the first session we conducted an in-depth inquiry into responsible ways by which U.S. arms control and disarmament policies could be improved. Subsequent legislation was enacted which strengthened the Arms Control and Disarmament Agency. The changes provided for in this legislation will also help to provide the necessary information in the arms control field to the Congress and to the executive branch. My subcommittee also monitored the performance of the United States-Soviet Strategic Arms—SALT—agreements. The subcommittee held hearings concerning our policy regarding nuclear proliferation which eventually led to a resolution passed by the House which sets forth a policy with respect to controlling the spread of nuclear weapons. In addition, extensive review of the implementation of the landmark War Powers Act was also conducted.

During the second session the subcommittee held hearings and briefings on a variety of legislative proposals in the areas of strategic planning and arms control. Included were such issues as the "first-use of nuclear weapons" and "nuclear proliferation," particularly as it involves the matter of the reprocessing of nuclear fuel. These hearings led to the adoption of my amendment to the Export Administration Act intended to halt the proliferation of nuclear weapons. Unfortunately, actions by the executive branch in the closing days of Congress prevented its enactment.

In addition to continuing its oversight of existing programs and conducting regular briefings on the SALT talks, the subcommittee also explored such matters as "U.S. Policy in Eastern Europe" and the proposed sale of nuclear reactors in the Mideast. Finally, the subcommittee also considered legislation and held hearings on "exectuive agreements," an issue embodying the question of executive-legislative cooperation in the formulation of foreign policy. I believe the efforts of the subcommittee in the critical areas we dealt with reflects the great concern of its members for national security and needed control of lethal weapons in our world.

As we complete the 94th Congress, Mr. Speaker, I want to thank you for your leadership and counsel, and to wish you the very best in your well-deserved retirement. We in Congress must continue our efforts to improve our economy and provide jobs for our citizens. Americans on fixed incomes must continue to receive our support. Energy production coupled with conservation efforts designed to make effective use of our energy resources must be pursued.

And, as we work toward restoring the respect of the people for their government, let us rededicate our efforts toward restoring the right of all human beings, including the unborn.

Mr. Speaker, the following is a summary of my attendance record, position, and voting record on some of the major issues considered during the 94th Congress:

ROLLCALL RECORD OF CONGRESSMAN CLEMENT J. ZABLOCKI, 94TH CONG., 1ST AND 2D SESS.

	Yeas/nays	Quorum calls	Recorded votes	Grand total
Number of calls or votes	807	419	466	1,692
Present responses (yea, nay present, present—paired for or against)	791	396	455	1,642
Absences (absent, not voting, not voting—paired for or against)	16	23	11	50
Voting percentage (presence)	98.0	94.5	97.6	97.0

VOTING RECORD OF CONGRESSMAN CLEMENT J. ZABLOCKI, 94TH CONG.

Position	Issue	Status
	NATIONAL ECONOMY	
Voted for	Extension of multibillion dollar tax cut into 1976 to stimulate our depressed economy.	Became law.
Voted for	Tax reform resulting in a more progressive tax structure and increased revenues.	Became law.
Sponsored	Audit of the Federal Reserve Board by the General Accounting Office.	Pending.
Voted for	Resolution calling for long term interest rates and credit expansion to ease credit.	Adopted.
Voted for	Review of the activities of all Federal agencies to insure proper service and increase productivity.	Became law.
Voted for	Emergency help to small businesses with fixed-price contracts with the Federal Government.	Became law.
Voted for	Reform of the bankruptcy laws	Became law.
Voted for	Simplification of procedures in the emergency farm disaster program.	Became law.
Voted for	Tax credit for child care expenses for working parents	Became law.
Voted for	Billion dollar costs in unnecessary Federal spending in an effort to reduce the Federal deficit.	Became law.
Voted for	Budget resolution establishing ceiling on Federal spending.	Adopted.
Voted for	Extension of Federal revenue sharing program, thereby easing pressure for local property tax increases and providing for needed programs.	Became law.
	ENERGY, ENVIRONMENT AND NATIONAL RESOURCES	
Voted for	Legislation designed to reduce foreign oil consumption, promote energy conservation, and encourage domestic production.	Became law.
Voted for	Temporary suspension of Presidential authority to impose fees on petroleum products.	Vetoed.
Voted for	Legislation to prevent uncontrolled increases in the price of domestic oil and gas.	Vetoed.
Voted for	Legislation establishing guidelines regulating strip mining to preserve our environment.	Vetoed.
Cosponsored	Legislation to establish a national energy and conservation corporation to encourage domestic energy production.	Pending.
Voted for	Examination of the hydroelectric and geothermal power potential in our country.	Became law.
Voted for	Enlargement of the Grand Canyon and protection of the wilderness areas.	Became law.
Voted for	Extension of the Nuclear Regulatory Commission	Became law.
Voted for	Resolution preventing the President from decontrolling domestic oil prices.	Adopted.
Voted for	Extension of the Energy, Research and Development Administration.	Became law.
Voted for	Legislation revising the procedures for leasing and developing of Federal coal lands.	Became law.
Voted for	Measure providing funds for the development of electric vehicle technology.	Became law.
Voted against	Administration attempts to raise gasoline and heating oil prices for consumers.	Defeated.
Voted for	Legislation establishing a 5-yr program to develop advanced automobile propulsion systems with flexible energy fuel consumption.	Vetoed.
Voted for	Legislation to regulate ocean dumping	Became law.
Voted for	Assistance for construction of municipal wast treatment facilities.	Became law.
Voted for	Legislation providing for protection of coastal lands and environmental protection.	Became law.
Voted for	Legislation to control hazardous chemical substances, including a ban on PCB's.	Became law.
Voted against	Measure providing $8,000,000,000 in Federal loan guarantees to private companies for uranium development.	Pending.
	RETIREMENT, HEALTH, AND SOCIAL SERVICES	
Cosponsored	Resolution opposing aribitrary ceiling on social security cost-of-living benefit increases.	Became law.
Voted for	Legislation providing assistance for nursing education and improved health care.	Veto overridden.
Voted for	Legislation coordinating a comprehensive national drug abuse prevention program.	Became law.
Cosponsored	National health insurance program	Pending.
Voted for	Legislation to assist Americans suffering from mental retardation and other developmental disabilities.	Became law.
Voted for	Measure to improve the administration of health maintenance organizations.	Became law.
Voted for	Extension of the Older Americans Act providing new programs for the elderly.	Became law.
Voted for	Extended protection against the loss of medicaid	Became law.
Introduced	Legislation to provide for Federal participation in the costs of the social security program thereby reducing social security payroll deductions.	Pending.
Introduced	Legislation to simplify the method of reporting social security wages by employers.	Pending.
Voted for	Measures authorizing various improvements affecting Federal and civil service annuity.	Became law.
Voted for	Legislation opposing increased prices of food stamps for the needy.	Became law.
Voted for	Legislation providing funds for swine flu immunization program.	Became law.

Position	Issue	Status
Voted for	Funding for heart, lung, and blood research program	Became law.
Voted for	Establishment of 3-yr program for the prevention and control of communicable and noncommunicable diseases.	Became law.
Voted for	Legislation providing for health manpower and health services.	Became law.
	VETERANS AND NATIONAL DEFENSE	
Cosponsored	Resolution to redesignate Nov. 11 as Veterans Day	Became law.
Voted for	Maintenance of our Nation's defense by supporting adequate funds for procurement and research.	Became law.
Voted for	Legislation to improve care of our veterans living in State veterans' homes.	Became law.
Voted for	Legislation providing assistance to U.S. nationalized citizens of Polish and Czech origins who fought as allies of the United States during World War I and World War II.	Passed House.
Voted for	Legislation to increase benefits for disabled veterans and their survivors.	Became law.
Voted for	Continuation of basic benefits for National Guard technicians.	Became law.
Voted for	Equitable pay treatment of VA physicians and dentists	Became law.
Voted for	Legislation providing expanded educational benefits for Vietnam veterans.	Became law.
Voted for	Measure increasing maximum direct Federal housing loans and mobile home loans for veterans.	Became law.
Sponsored	Measure providing for improvements in the Arms Control and Disarmament Agency.	Became law.
Voted against	Administration proposal to increase defense spending by an additional $3,600,000,000.	Defeated.
	TRANSPORTATION, HOUSING, CONSUMERS	
Voted for	Legislation to revitalize our country's ailing railroad system.	Became law.
Voted for	Legislation to make our civil aviation services safer, more efficient, and more convenient.	Became law.
Voted for	Measure to improve the National Railroad Passenger Corporation (Amtrak).	Became law.
Voted for	Increased Federal funding to complete our interstate highway system in an effort to reduce higher cost due to delays.	Became law.
Voted for	Legislation to provide subsidized mortgages for middle-income housing and to help the construction industry.	Vetoed.
Voted for	Legislation authorizing mortgage relief payments to homeowners facing foreclosure due to recession.	Became law.
Voted for	Simplification of Federal regulations affecting real estate transaction while providing buyer protection.	Became law.
Voted for	Extension of the national flood insurance program into 1976.	Became law.
Voted against	Legislation providing for a Beef Board to promote the consumption of beef.	Became law.
Voted for	Legislation to strengthen and clarify the jurisdiction of the Consumer Product Safety Commission.	Became law.
Voted for	Legislation to eliminate artificially high prices by repealing the fair trade laws.	Became law.
Voted for	Extension of housing and community development programs.	Became law.
Voted for	Legislation to strengthen the Equal Credit Opportunity Act.	Became law.
Voted for	Legislation strengthening State and Federal antitrust enforcement powers.	Became law.
	EDUCATION AND LABOR	
Voted for	Extension of educational opportunities to handicapped children.	Became law.
Voted for	Legislation providing for the construction and maintenance of public works projects, thus creating 350,000 jobs.	Became law.
Voted for	Legislation to reduce illiteracy by helping local governments to meet the need for reading improvements.	Became law.
Voted for	Expansion of work and educational grant opportunities for college students.	Became law.
Voted for	Provision to prevent HEW from ordering public school students bused beyond the school closest to their home.	Vetoed.
Introduced	Legislation to allow an income tax credit for tuition paid for nonpublic elementary or secondary education.	Pending.
Voted for	Creation of 2,000,000 additional jobs for the unemployed	Vetoed.
Voted for	Extension and expansion of benefits for the unemployed	Became law.
Voted for	Federal support of summer youth employment and recreation programs.	Became law.
Voted for	Legislation to reduce unemployment and to stimulate the economy.	Became law.
Voted for	Legislation to amend the Occupational Safety and Health Act by enabling employers to obtain advice and counseling.	Passed House.
Voted for	Extension of child nutrition programs	Became law.
Voted for	Measure providing for continuation of needed public works programs.	Became law.

VOTING RECORD OF CONGRESSMAN CLEMENT J. ZABLOCKI, 94TH CONG.—Continued

Position	Issue	Status
	CRIME PREVENTION AND GENERAL GOVERNMENT	
Voted for	Measure providing $2,500,000,000 for crime prevention and control.	Became law.
Voted for	Legislation providing funds for various crime control programs such as the neighborhood security aides program in Milwaukee.	Became law.
Voted for	Legislation restructuring the U.S. Parole Board as an independent agency and setting new standards regarding parole.	Became law.
Voted for	Provision for payments to dependents of law enforcement officers who die in line of duty.	Became law.
Cosponsored	Legislation providing for Law Enforcement Officer's Bill of Rights.	Pending.
Sponsored	Legislation to proclaim Sunday, Sept. 14, 1975, as "National Saint Elizabeth Seton Day."	Approved.
Introduced	Constitutional amendment to reaffirm the right to life of the unborn.	Pending.
Introduced	Constitutional amendment to provide for the right to offer prayer in public buildings.	Pending.
Voted for	Legislation to provide a constitution for the Virgin Islands.	Became law.
Voted for	Establishment of a Select Committee on Intelligence	Adopted.
Voted for	Legislation revising the Hatch Act and thus providing for political rights for Federal employees.	Vetoed.
Voted for	Reestablishment of the Federal Election Commission	Became law.
Voted for	Funding for Civil Rights Commission to enforce laws dealing with discriminatory practices.	Became law.
Voted for	Requirement that Federal agencies conduct open public meetings except in matters of national security.	Became law.
Voted for	Legislation authorizing funds for national fire prevention.	Became law.
Voted for	Legislation terminating unnecessary and outmoded national emergency powers authorized to the President.	Became law.
	INTERNATIONAL AFFAIRS	
Cosponsored	Reform of our foreign aid program by improving our economic aid to poor people in poor countries to help themselves.	Became law.
Voted against	Legislation to authorize additional military security assistance.	Became law.
Voted for	Maintenance of United Nations' peacekeeping forces in the Middle East in an effort to promote peace.	Became law.
Voted against	The stationing of only American civilians in the Sinai	Became law.
Voted for	Resolution condemning action by the United Nations equating Zionism with racism.	Became law.
Voted for	An amendment declaring it the sense of Congress that any new Panama Canal agreement must protect the vital interests of the United States.	Became law.
Cosponsored	Resolution calling for the United States and Europe to strengthen our defense and to promote economic prosperity.	Became law.
Introduced	Legislation to establish a Joint Committee on National Security.	Pending.
Sponsored	Legislation to prevent world famine and to maintain stable world food prices by increasing food production.	Pending.
Sponsored	Review of International Executive Agreements which create a national commitment	Pending.
Cosponsored	Resolution urging the United States not to compromise the freedom of the Republic of China while lessening tensions with the People's Republic of China.	Pending.
Introduced	Resolution proposing an international treaty to ban lethal chemical weapons.	Pending.
Voted against	Legislation establishing on a unilateral basis a 200-mi fishing zone off U S. shores.	Became law.
Cosponsored	Establishment of Japan-United States Friendship Committee to promote educational, cultural, and artistic exchanges.	Became law.
Cosponsored	Resolution establishing a select committee to pursue the full accounting of our MIA's in Southeast Asia.	Became law.
Introduced	Resolution reaffirming congressional oversight over the sale of U.S. weaponry to other countries.	Pending.
Voted for	Extension and upgrading the Peace Corps program	Became law.
Voted for	Funding for Voice of America and other activities of the U.S. Information Agency.	Became law.
Cosponsored	Measure establishing commission to monitor compliance with the Helsinki Accord.	Became law.
Sponsored	Provision regulating the export of nuclear material	Pending.
Cosponsored	Right-to-Food Resolution reemphasizing the right of every person at home and abroad to a nutritionally adequate diet.	Adopted.

HON. PHIL M. LANDRUM

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. GIAIMO. Mr. Speaker, it is an honor for me to join in wishing my esteemed colleague from the Ninth District of Georgia, the Honorable PHIL M. LANDRUM, the best of fortune and happiness as he retires at the close of this session from the House of Representatives. I have shared two committee asignments with PHIL, on the Education and Labor Committee and the Budget Committee, and I have come to know him well and value his opinions highly.

Since PHIL's election to the 83d Congress, he has gained a reputation as a clear thinker and a hard worker whose unassuming demeanor belied the force of his arguments. His most significant piece of legislation is the Landrum-Griffin Act, which has been probably the most far-reaching action taken in the field of labor legislation since the Taft-Hartley law. However, PHIL lent his abilities to other important bills, and his contribution to our work on the Budget Committee has helped insure the success of this newest and most vital function of the Congress. As a member of the Ways and Means Committee, PHIL's concern for the average taxpayer and his sound policy of fiscal restraint have always been most effective in urging his colleagues to compromise and enact policies which reflect the best interests of the country as a whole.

We shall all miss this southern gentleman, and we recognize that his departure will leave a considerable void in our ranks. Nonetheless, I trust that the dean of the Georgia delegation has made a thoughtful decision in this matter, as in so many others, and that to wish him well in his newly chosen retirement only accords him the respect which he has rightfully earned during his distinguished tenure here.

COL. RICHMOND HARRIS: WARRIOR FOR WORLD PEACE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PICKLE. Mr. Speaker, for more than 30 years, Col. Richmond Harris, who now resides in this city of Washington, has been a strong fighter for the ultimate dream of humankind: World peace.

Colonel Harris knew and advised the great leaders of this Nation during the Second World War: Roosevelt, Truman, and Eisenhower, who at the time was Supreme Commander of the Allied Forces.

During the postwar era, he has worked closely with the Congress, having been a consultant to the Senate Banking Committee during the 81st Congress. Through the years, he has been working very closely with the leadership of the American Legion to update the "World Peace Accord" plan, which was adopted for the Truman Doctrine's Point 4.

I wish this country had more Richmond Harrises. Undoubtedly, the time and energy he has spent on researching the most basic problem the world faces will ultimately pay dividends for those who succeed us in the following generations.

TRIBUTE TO PETER A. PEYSER

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to join in this special order to pay tribute to my good friend and colleague, PETE PEYSER, who will be leaving the House at the end of this Congress. I have had the privilege to know and work with PETE since he first came to this House in the 92d Congress and I have known no Member in my 16 years in this body who has demonstrated greater diligence, dedication, and dynamism than PETE PEYSER.

PETE came to this House with the valuable background of a successful businessman and three-term mayor of Irvington, N.Y., and this experience of working with and for people throughout his life was evidenced in his efforts and contributions as a Member of Congress. As an active and hardworking member of the Committee on Education and Labor, PETE played an important role in shaping legislation in that committee designed to improve our Nation's educational and other human service programs. As a member of the Agriculture Committee, PETE devoted his efforts to promoting the interests of the American consumer. As a member of our Republican Conference Task Forces on Aging and Drug Abuse, PETE demonstrated his concern for both our Nation's elderly and youth. If there has been one central focus of PETE's career in Congress as well as his outside interests, it has been on the young people of this country. PETE serves on the board of directors of the National Committee for the Student Vote as well as the board of trustees of his alma mater, Colgate University. His dedication to youth is a natural outgrowth of his own strong family life and his desire to make this country a better place to live for his five children. Mr. Speaker, we will all miss the presence and contributions of Pete Peyser in the next Congress but I am confident that Pete will continue to play an active and constructive role on the causes for which he has given so much throughout his life. I join in wishing our good friend Pete Peyser continued happiness, good health and success in the future and I know we will be hearing much more from him in the years to come.

TRIBUTE TO CHAIRMAN ROBERT E. JONES

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. OBERSTAR. Mr. Speaker, I am honored to join my colleagues on the Public Works and Transportation Committee, and in the House, in paying well-earned tribute to our retiring chairman, colleague, and friend, the Honorable Robert E. Jones of Alabama.

Bob Jones came to Congress the same year as my predecessor, John A. Blatnik, of Minnesota, and the two men rapidly became fast friends and effective partners in developing the legislation needed by their districts and the Nation.

I first met Bob shortly after I joined John Blatnik's staff in 1963. By then of course I had learned of John's great respect for his colleagues from Alabama, and had heard how closely they had worked over the years, on passing the Nation's first national Federal water pollution control program, the Federal-Aid Highway Act of 1956 which established the Nation's interstate highway program, on protection and development of our waterway system, and on economic development legislation to help lagging areas of the country rejoin the economic mainstream.

I admired the consummate legislative skill and vision which brought TVA to fulfillment; and was deeply impressed with the insight which led Mr. Jones to address the problems of Appalachia as a totality, through the Appalachian Regional Development Commission. This concept of regional development, on a scale extending beyond county and even State boundaries, inspired not only other Regional Development Commissions around the country, but became the basis for the regional approach to solving our waste-water treatment and water supply problems as well.

I have been privileged to work with Mr. Jones, first on Mr. Blatnik's staff, then from 1971 to 1974 as administrator of the committee, and especially over the past 2 years as a member of the Public Works and Transportation Committee, under his chairmanship.

My association with Bob over the years, in several capacities, has constantly confirmed and reconfirmed my first impressions of him—a true gentleman, a man of great courtesy and highest honor and, most important, as a man who treated all people as equals, regardless of their position in the hierarchy.

Bob is a great man, a skillful legislator, and parliamentarian, and a very shrewd, hard bargainer for the House position in the many conference committees he has chaired over the years.

He is a great man, whom the committee is honored to claim as chairman, the House as one of its leaders, and we as a friend.

THE 94TH CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HAMILTON. Mr. Speaker, the 94th Congress has become history. The highlights of the session were steps taken by the Congress to stimulate the economy out of the recession and create jobs, and the successful completion of the first full year's implementation of the congressional budget control process, under which Congress sets its own priorities and ties individual spending and revenue actions to overall economic targets.

The 94th Congress and the President slugged it out for 2 years on economic issues with no clear winner. The President wanted to restrain spending for social programs while spending more on defense and foreign assistance, and the Congress wanted to create jobs and stimulate the economy out of the recession. Not surprisingly, Presidential vetoes played an important role in the life of the 94th Congress, and the Congress set a modern record for overriding Presidential vetoes.

The 94th Congress was productive, although its achievements, at least compared to some of its predecessors, were not monumental. Like any Congress, the legislative record was mixed.

On environmental legislation two major bills were defeated: A bill to regulate strip mining went down by presidential veto and a bill to prevent the deterioration of the quality of air was beaten by a filibuster in the Senate in the final hours of the Congress. A bill to control toxic substances, however, was passed.

In taxation, the Congress passed a larger tax cut than the President wanted, partly repealed the oil depletion allowance, and passed a major tax revision bill, which increased exemptions in the estate tax law, reduced certain tax shelters, and increased taxes paid by the very wealthy.

No major new social programs were enacted and none were sharply cut back. Education and voting rights bills were extended with little difficulty. The Congress restricted the use of Federal funds to pay for abortions and passed ineffective restrictions on busing. In the area of health, funds were provided for a national program of immunization against swine flu. A limited housing bill was also passed, extending the mortgage subsidy program.

An energy bill was enacted to force a reduction in the price of crude oil, set automobile efficiency standards, mandate conservation steps, and create a national petroleum reserve. Action on the issue of lifting regulations on natural gas prices, however, was postponed.

The Congress closed the book on Indochina by rejecting the President's request for additional military aid for South Vietnam and Cambodia. In other foreign policy actions, the United State's fishing zone was extended 200 miles, and a ban on the shipment of U.S. arms to Turkey was partly lifted. Under pressure from the President, the Congress backed away from legislation that would have forbidden American companies to comply with the Arab trade embargo against Israel.

The 94th Congress also aided New York City, reorganized the bankrupt railroads of the Northeast, strengthened the antitrust laws, continued Federal revenue sharing, revised the copyright laws for the first time in 67 years, and passed "sunshine laws" that force Government agencies to make their meetings open to the public.

Many bills were considered at length and never became law, including bills to control lobbyists, to require financial disclosure by Members of Congress and high ranking Federal officials, to create a consumer protection agency, to rewrite the Federal criminal code, and to establish a permanent special prosecutor.

The 94th Congress also was notable because a record number, 56 Members of the House, announced plans to retire or seek other office; 8 of 33 Senators whose terms expired left the Congress voluntarily. Three other House Members were defeated. These Members, many of whom are among the best in the Congress, struck a common theme of frustration, of complaints about long hours and much travel, and of increased demands and pressures. To most of them the job simply was not rewarding anymore.

This is also the Congress that saw the Speaker and the Senate majority and minority leaders retire, the sex scandals of Wayne Hays and others, the reprimand of Congressman Robert Sikes, the opening of nearly all meetings to the public, the weakening of seniority, and the ousting of three veteran committee chairmen by a Democratic Caucus, bolstered by 75 new Democratic freshmen. Although its investigations lacked the drama of the Watergate hearings and the Nixon impeachment, this Congress did investigate the CIA and the FBI, agencies which were previously untouchable.

By any measure it was one of the hardest working Congresses in recent years. The House was in session longer and took more record votes than any previous Congress in history. It spent about 1,750 hours in session—in only two other Congresses was the House in session more than 1,600 hours. It took 1,692 recorded votes, nearly as many as the total number of votes taken in the 80th through 86th Congresses. It also enacted more than 40 bills.

EDIE "RAGS" BAUM—GREATER WASHINGTON SOFTBALL HALL OF FAME

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. QUIE. Mr. Speaker, it is a pleasure to inform my colleagues about the induction of one of the minority staff employees of the House Education and Labor Committee into the Greater Washington Softball Hall of Fame. Miss Edie "Rags" Baum, one of the minority labor counsels, was given this distinction on September 24 in recognition of her participation in and promotion of this form of athletics.

Ever since she became a minority employee, I have been impressed with her pluckiness and willingness to fight for what she believes is right regardless of the odds against winning the battle. Now it is obvious that side of her character was strengthened by the training she received in athletic competition. If this is a common benefit from engaging in such activities, I highly recommend them to America's youth.

Miss Baum presently serves as secretary of the Greater Washington Area Softball Hall of Fame Commission. She is now 1 of the 10 women who are among the 74 Greater Washington "Hall of Famers." The following are the remarks delivered by Ms. Francis Witt at the induction ceremony:

MISS E. CARTER "(RAGS)" BAUM

Members of Softball Hall of Fame, softball players, enthusiasts, and ladies and gentlemen: The honor of introducing an outstanding softball player does not overwhelm me—but the thought of introducing an outstanding athlete, a former policewoman, a strong advocate of women's rights, a female lawyer, and a minority labor counsel, does overwhelm me and causes me a bit of fright. The individual described does exist and is standing at my side. I take great pleasure in presenting Miss E. Carter Baum, better known in the area sports circle as "Rags".

Rags is a native of the metropolitan area. She was born in the District of Columbia and has not strayed any further away than Maryland. Her love for sports began years ago. When she was a student a the Bethesda-Chevy Chase High School, she was BCC's All-American, playing softball and basketball with equal brilliance and enthusiasm. Even though Rags is an exceptionally outstanding basketball player, tonight our plans are to recognize her remarkable softball career, and I will try to zero in on her many accomplishments on the softball diamond.

From 1949 to 1951, she starred at BCC High School while simultaneously covering the entire infield for the F.B.I. in the D.C. Recreation Department League. And believe it or not, during the same years of 1950–51, she played for a third team, the Takoma Decorators of D. C. in 1950, and Milander Mates of Alexandria in 1951.

In 1952, 1953, and 1954, she continued play as the F.B.I.'s "most wanted" female Baum. These same years found her filling the spikes at shortstop for the Milander Mates of Virginia.

In 1955, Johnny Poston, coach of Garvins Grill girls team, convinced Rags that her future as a "big star" was with Garvins. Rags didn't fight—she simply switched—to the big time, the AA Softball League. She displayed her super talents with Garvins from 1955 through 1958, playing in both fast ball and slow ball tournaments during these years. In 1958, Rags was the recipient of the highly touted "most valuable player award" for her excellence in the second national invitational slowpitch softball tournament which was held in Richmond, Virginia.

In 1959, 1960, and 1961, Rags put softball aside, dedicating her time and skills to serving as a top-notch policewoman with the Metropolitan Police Department.

In 1962, she resumed softball play with Garvins Grill girls. From 1962 through 1968, Garvins won the D.C. metro championship and played in the Central Atlantic regional championships. Much credit for these wins is due to the spectacular fielding and batting of this serious-minded softball player who is being honored here tonight.

Rags hung up her torn and shredded softball glove and spikes in 1969 but she has not "hung up" her love and enthusiasm for the game nor her genuine interest in the people associated with this American pasttime. Her active softball career was full of joy, excitement, challenge, and frustrations. Her softball interest and exuberance continues: She is serving as secretary of the Greater Washington Softball Hall of Fame Commission, and she is often seen at the girls games here, at the regionals, and even the nationals.

Yes, the Softball Hall of Fame Commission has chosen one of the truly outstanding and dedicated women softball players for election to this elite group. It is a distinct honor for me to present this plaque to Miss Carter "Rags" Baum, and welcome her to the Softball Hall of Fame.

TRIBUTE TO BOB BROCKHURST, PHOTOGRAPHER

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RHODES. Mr. Speaker, the end of the 94th Congress marks the close of a unique career of service to many of our Members by photographer Bob Brockhurst.

For 26 years Brock was a familiar figure on the Hill as he "made" pictures which ranged from office portraits to visiting groups and joint sessions of Congress. His tenure spanned a time when Congress grew in responsibility, staff, and facilities. Photographic technology advanced from the heavy cameras and weighty strobe units that Brock lugged many miles to the lightweight units of today.

During his service to Republican Members of the House, Brock was always on call, willing, friendly, and prompt. Starting in a cubbyhole facility in what is now the House Annex, Brock and a very small staff turned out hundreds of thousands of prints. His negative file is a graphic record of the history of Congress and Capitol Hill for 2½ decades.

Bob Brockhurst is an outstanding example of the unsung, diligent, and essential staff people who contribute so much to so many of us. I want to express my personal appreciation for his many visits to my office, for his highly efficient service and for his friendship and good humor in a demanding job.

All of us on the Republican side of the aisle will miss Bob greatly in the 95th Congress. I join my colleagues in wishing him a long, happy, and fulfilling life in whatever new photographic assignment he plans to take.

ACHIEVEMENT SCHOLARSHIP PROGRAM

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of Colorado. Mr. Speaker, some cynics suggest that man's inhumanity to man is so commonplace in the world we live in that it is no longer news. It would follow, then, that the opposite is true: When man extends a helping hand it is worth noting. Without subscribing to that proposition, I would like to offer the following example of a story worth reporting and repeating:

GOALS OF THE ACHIEVEMENT SCHOLARSHIP PROGRAM

(By Edward Hill, Jr.) *

The Achievement Scholarship Program (ASP) is a goal-oriented pilot project designed to rehabilitate through education youths who have been in the criminal court system.

Since I became an awardee of an Achievement Scholarship in 1975 and a part-time ASP employee this year, ASP has opened up many new avenues to me. By providing scholarship "seed money" for the advancement of my education and by providing me gainful employment, ASP has become an intergal part of my life. I am now in an "on-the-job" developmental stage which will ultimately prepare me for the position of Executive Director ASP.

My goal as an employee of and an awardee in ASP is to help present awardees in the program as well as future awardees with positive alternatives through educational scholarships. Persons who are Achievement Scholarship awardees are considered students, and we treat them accordingly.

The ultimate goal of ASP is to explode the myth that those who go through the criminal court system are losers. In ASP we hope to prove that many—even most—ex-offenders can become productive citizens.

BACKGROUND OF ASP

The Achievement Scholarship Program was founded in 1973 as a tax-exempt non-profit organization to provide "second-chance" scholarships to ex-offenders to help them move back into the mainstream of the community as skilled tax-paying citizens.

ASP provides "seed-money" scholarships toward college, trade school or special education and other back-up support toward rehabilitating Washington, D.C. area youth and young adults on probation or on parole from area correctional institutions who, in the judgment of their parole/probation officers, can be successfully rehabilitated. ASP awardees are screened twice before being awarded Achievement Scholarships: first by their correctional agencies and then by the Achievement Scholarship Committee. In 1976 Achievement Scholarship Awards were $600 each. They are nearly always paid to the colleges or trade schools in the name of the awardees.

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* Edward Hill, Jr., is special assistant to the Executive Director of ASP. He is an ASP awardee attending Federal City College, Washington, D.C.

ASP provides on-the-job training for at least one awardee, in line with the plan of the Achievement Scholarship Committee to train awardees to run ASP. Other back-up support includes attempting to get jobs for awardees; providing a student counseling service, and sponsoring a how-to-study course for new awardees at the beginning of each school year. Projected ASP services in the future include a how-to-work course and a job bank.

Candidates for Achievement Scholarships must be on parole or probation and must have enough inherent ability and sufficient stability to "hack it" in college or trade school. Generally, they must be high school graduates or have completed their high school equivalency test successfully. Awardees are strongly encouraged to work at least part-time. They must pass all but one course per semester or quarter to remain eligible for their Achievement Scholarships.

Public contributions go 100% to Achievement Scholarships and for on-the-job training for ASP awardees. Other costs are paid by members of the Achievement Scholarship Committee, and all costs are kept to the bone.

As of October 1976, ASP had awarded 17 scholarships of $600 each and one special scholarship, and provided on-the-job training for one awardee. In 1975 ASP awarded 13 scholarships of $600 each, one special scholarship, and on-the-job training for one awardee. In 1974 ASP awarded nine scholarships of $520 each; in 1973 it awarded two scholarships of $520 each.

As of October 1976, ASP had made 43 Achievement Scholarship awards, including two special scholarship awards to one awardee. Of that number, 4 have finished their courses, 21 are in college or trade school; 13 dropped out; 2 opted for other programs; 1 sought a deferred scholarship, and 2 are awaiting funding. Two have been recidivists, including one awardee who is continuing his ASP-sponsored home-study TV-radio-repair course from Lorton, Virginia prison.

Funding through contributions for the continuation of our fast-growing ASP is critical to its survival. Bill Butler, a legend in his own time because of his 40 years' work with D.C. youth, is chairman of the 14-member all-volunteer Achievement Scholarship Committee. Helene C. Monberg, a Washington news correspondent, is Executive Director and founder of ASP.

TRIBUTE TO ROY TAYLOR

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PHILLIP BURTON. Mr. Speaker, it has been my privilege to serve with ROY TAYLOR on the House Interior Committee where for many years he has been a respected national leader in the conservation movement in this country. His successful efforts to preserve and expand the parks and recreation areas of America have put all of us forever in his debt. I only hope that his retirement years will yield to him and his family as much pleasure and satisfaction as present and future generations of Americans will derive from the enjoyment of the land he worked so hard to protect.

WARRANTIES AND NEW HOMES

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MOSS. Mr. Speaker, I should like to bring to the attention of the House a matter which has been concerning me for some time now. As you know, I was the principal sponsor in this body of the Magnuson-Moss warranty—Federal Trade Commission Improvement Act, Public Law 93-637, which became law in January 1975. That act fulfilled a long-sought goal of mine—to assure the American consumer that the warranties he received for the appliances and other goods he purchased really meant what they said.

The Magnuson-Moss Warranty Act prescribes standards for warranties given on consumer products which under the act are defined as items of tangible personal property which are normally used for personal, family, or household purposes. It was in connection with such warranties that most of the problems that were brought to our attention took place. Accordingly we did not seek to cover warranties given on real property, such as on a new home. The issue was raised shortly before floor consideration of the Warranty Act by the House, after the bill had already passed the Senate. It was my feeling at that time that certain identifiable and detachable parts of a new home, such as a refrigerator, should be treated as consumer products and not real estate, and I so indicated on the floor of the House in a colloquy with my honorable colleague JAMES BROYHILL of North Carolina, who was the ranking minority member of the Subcommittee on Commerce and Finance, which had been responsible for the bill. Beyond that, however, it was our feeling that the act was not intended to cover a warranty given on a new home. This was true for several reasons. The hearing record supporting the act was not directed toward new home warranties and consequently the need for protection in that area was not shown as it was in the area of consumer products. In addition, we were aware of the development in the homebuilding industry of a warranty program designed to cover new homes. This program, the homeowners warranty program, was, and is, intended by the industry to provide warranty protection on new homes comparable to that provided by the Magnuson-Moss Warranty Act.

Since the passage of the act I have followed closely the efforts of the Federal Trade Commission to implement its provisions. I believe that generally they have done an outstanding job, one which basically reflects the intent of the Congress in enacting this important legislation. However, there is one area about which I have some concern and that is the extent to which the act, and under it FTC's regulations, apply to warranties given in connection with the sale of a new home. In this area considerable confusion has arisen as to what extent component parts of a new home, which are covered by a warranty, come within the purview of the act's provisions.

While the act only covers warranties given with respect to tangible personal property and thereby excludes warranties of real property, considerable confusion has arisen as to its coverage of component parts of a house which, if treated separately, would come within the term "tangible personal property." These component parts are not normally sold separately, nor warranted separately, by the seller of the house and, under the laws of most States, are considered to be real property, not personal property, when sold as part of the house. However, because of language in the act, which defines personal property to include "any such property intended to be attached to or installed in any real property without regard to whether it is so attached or installed," considerable confusion has arisen as to whether some identifiable parts of a new home were intended to be treated as personal property and not real property. In an attempt to deal with this ambiguous language, the Federal Trade Commission has issued proposed interpretations of the act which attempt to bring within the act's purview certain separate items of equipment "attached to real property" including, but not limited to , "appliances and other thermal, mechanical, and electrical equipment."

This proposed interpretation has caused considerable confusion in the homebuilding industry as to what extent the warranties they commonly give to their purchasers are covered by the act. This is especially true for the nationwide homeowners warranty program established a few years ago by the National Association of Home Builders to provide a 10-year insured warranty to new home purchasers. The HOW program has just in recent months begun to achieve widespread acceptability and use in the industry and now covers 97,000 homes, with new warranties being issued at the rate of 7,000 per month. Because the warranty is backed by an insurance policy, it was necessary for the program to be approved separately by the insurance commissioners of each State in which the warranty was offered. This process took considerable time but has now been accepted in 46 States.

Because the provisions and some of the requirements set out in the HOW warranty, which was developed before the enactment of the Magnuson-Moss Warranty Act, do not fully coincide with the requirements of the act, and some of the regulations issued by the FTC under the act, there is considerable concern that changes will have to be made in its provisions, necessitating a resubmission to the insurance commissioners of each of the States. This could well cause considerable delays in the continued growth of the program at a critical stage in its development and acceptability in the industry.

The basic problem arises because of the

uncertainty of the applicability of the act to the HOW warranty under the proposed interpretations of FTC. As mentioned earlier, the FTC interpretation is open-ended as to what parts of a new home would be considered personal property and, at this time, there appears to be little likelihood that this issue will be settled in any definitive manner. Because of this uncertainty, the administrators of the HOW program have expressed serious concerns that many homebuilders will be reluctant to participate in the program or to offer any type of warranty until the exact coverage of the Warranty Act, with respect to real estate transactions, is known.

I have expressed my concern to the FTC about this situation in a letter that I sent to the Commission on July 1 of this year. It was my hope that the Commission would clarify the uncertainty as to what it considers to be covered by the act and how it proposes to apply it at this time. Unfortunately, such clarification has not occurred. Since the possible application of the act to real estate was never fully considered by the Congress, it seems that the most appropriate thing for the FTC to do would be to clearly and expressly limit its interpretations to items of personal property which are not an integral part of the realty. There is the potential for a great deal of harm and no need for the Commission to attempt to resolve at the very outset all the difficult questions of legal interpretation surrounding the exact meaning which should be given to the term "personal property" in implementing this act.

Obviously, the act should be fully implemented with respect to warranties on items which are not integral component parts of a new home. Those items should be specified by the Commission, and should include refrigerators, ranges, clothes washers and dryers, window air-conditioning units, and trash compactors.

During the period that these interpretations are in effect, the Commission should carefully monitor the activities of the homeowners warranty program as well as any other relevant factors to determine whether the interests of consumers are being served. The interpretations could of course be amended if it appeared to the Commission that there was a need to do so and, at the same time, the Congress would have adequate time to consider whether any additional legislation might be necessary.

I believe that the FTC has adequate authority to take this approach under the Magnuson-Moss Act and, Mr. Speaker, I urge that it do so.

HON. PETER PEYSER

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WYDLER. Mr. Speaker, it is with real sadness that I say goodby to PETER PEYSER as a Member of the House of Representatives.

He is an extremely able person who represented his district with intelligence and courage. I only wish that he had remained in the House because he was making a tremendous contribution to the American people and the people that he represented in the Congress.

I will miss PETER next year and I know he has earned the respect and friendship of people of all political persuasions.

HON. WILBUR MILLS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. PICKLE. Mr. Speaker, if there is any one person who has shaped the economic course of this Nation it has been the Honorable WILBUR D. MILLS. More than any person—in nearly 40 years of service—WILBUR MILLS has shaped the tax policy of this country and this, indeed, shapes the general economic course we take.

I do not think anybody in this body questions the fact that WILBUR MILLS is one of the ablest men who has ever served in this House and I think everyone would vote unanimously that he is the most experienced and wisest man this country has ever had who has served as chairman of the House Ways and Means Committee. Moreover, he was the leader, and there was no question about it. Working with his Republican counterpart, WILBUR MILLS always established a consensus before he went to the floor of the House. I dare say he has lost very few—if any—votes on the floor of the House in all these years simply because he reached a strong consensus before the bill left the committee and thus we did not have the bickering and amendments on the floor that has happened in recent times. This shows Congressman MILLS' understanding, his planning, and his depth of feeling as he moved legislation forward.

I have enjoyed a personal relationship with WILBUR MILLS now for nearly 13 years. He has been as friendly, as helpful, and as pleasant to me as any Member of the House. I shall always remember it and I appreciate it very much. WILBUR MILLS worked closely with President Lyndon Johnson during the years Mr. Johnson served both in the House and the Senate and the White House and I know L. B. J. always considered him one of his best friends.

And I want to say that WILBUR MILLS has been one of the ablest men we have had in this body. He was the chairman of the Ways and Means Committee and everyone knew it. So far as I know, no one has ever held that seat who so dominated the proceedings of the committee and the tax policies of the Congress and the United States as WILBUR MILLS. I remember him as a kind, pleasant, sociable and understanding colleague and every contact I had with WILBUR MILLS was pleasant and helpful. During the past year, WILBUR MILLS has shown, especially, what a strong character he is by his performance as a Member of this House after he has lost his chairmanship of the committee. In every instance he was helpful to our incoming chairman, AL ULLMAN. Never did he try to second guess him or make public statements that might cast a doubt about Mr. ULLMAN'S course. When his vote was needed, WILBUR was there to give it to the chairman. He has kept his peace, and his dignity, and to many of us, he has proven himself even a stronger person this past year than ever before. All together, he is a wonderful and a splendid gentleman and Congressman, and he can take with him the assurance that as much as any one person he has helped these United States the past 35 years.

TRIBUTE TO DISTINGUISHED GROUP OF LEGISLATORS

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PRICE. Mr. Speaker, as this session closes the people of Missouri are seeing the retirement of one of their Senators and nearly half of their congressional delegation. I would like to pause for just a few moments to pay tribute to this most distinguished group of legislators, and to extend to them my thanks for the spirit of cooperation they have always shown as we worked together for the benefit of our neighboring States.

STUART SYMINGTON leaves the U.S. Senate after 24 years. STU SYMINGTON built for himself a successful career in private industry before he unselfishly moved to serve this Nation, not only in the Senate but on numerous boards and commissions. He became one of the Senate's true statesmen, an adviser to Presidents. STUART SYMINGTON always carried with him a certain style and grace that will cause him to be remembered affectionately by his colleagues, by the people of the State of Missouri, and by the writers of history.

This session is also the last after 18 years for BILL RANDALL, my colleague on the Armed Services Committee and my neighbor in the Rayburn Building. I have never known BILL RANDALL to be anything other than a hard worker, for the people of his district and as a member of the committees on which he served. The vigor with which he attacked his duties is an example for us all.

Perhaps there is something special about the Fourth District of Missouri—it gave us Harry Truman and it gave us BILL RANDALL. Both men made their Nation and their State proud. To BILL and Margaret Randall I extend my personal best wishes for many good years to come.

Another Missourian, WILLIAM HUNGATE, is retiring from Missouri's Ninth District. This country will not soon forget BILL HUNGATE'S performance on the Judiciary Committee during its impeachment hearings. His homespun humor seemed to have a way of easing the load during those dark days, while still piercing to the heart of the issues, for behind the down-home demeanor was the mind of a Harvard lawyer who has been in the Congress since 1964.

I will always treasure the times that I had the privilege to work with my good friend, BILL HUNGATE. It is, indeed, an honor to be associated with such a distinguished Missourian and American.

LEONOR SULLIVAN carried on a tradition of service to Missouri started by her late husband. LEONOR already had a breadth of knowledge about the Congress when she won election in 1952, and she put that knowledge to work immediately. Immensely popular with her constituents in the city of St. Louis, LEONOR has been an example of devotion to duty, integrity, and leadership in her role as chairman of the Committee on Merchant Marine and Fisheries. I have had the honor, since our districts come together at the Mississippi River, to work with LEONOR SULLIVAN many times. I regret that those times will not come as often now, but I want to extend to her my best wishes for the future and say that I look forward to working with LEONOR in issues relating to our area. I will always value her counsel and advice.

JAMES SYMINGTON leaves the House of Representatives after 8 years of service. JIM, as we all know, comes from one of Missouri's most distinguished families, a family that for generations has dedicated many years of service to the Nation and the country. JIM SYMINGTON had a highly successful career in law and government before he ever came to the House from Missouri's Second District—serving in the Foreign Service for 2 years in London, attorney in some of Washington and St. Louis' finest and most prestigious law firms, administrative assistant to Attorney General Robert Kennedy, Deputy Director of the Food for Peace program.

JIM SYMINGTON has always shown a dedication to public service to the Nation and to his people. As one who has had the pleasure of working with him, I hope that we will have the pleasure of continued association in the years to come.

Mr. Speaker, these Representatives from my neighboring State together have devoted 86 years to the Congress, to the Nation, and to the State of Missouri. We owe them a debt of gratitude. To each I extend my heartfelt thanks for many years of association and cooperation. I join my colleagues in wishing them the best of luck in the years to come.

IN TRIBUTE TO THE HONORABLE CHARLES A. MOSHER

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, the end of this Congress marks the retirement of another distinguished Member of this House, Congressman CHARLES A. MOSHER of Ohio.

CHARLES MOSHER has ably served his constituents of the 13th District of Ohio for 8 consecutive terms.

His background includes a very successful and interesting career in the fields of journalism, business, and politics. His dedication to serving people is certainly reflected in his past experience as a writer and in work within this House.

From 1940 to 1961, CHARLES MOSHER served as editor and publisher of the Oberlin News-Tribune. He was also president and manager of the Oberlin Printing Co., and worked in advertising sales and copy.

I am sure Mr. MOSHER'S interesting background in journalism influenced his policies of consistent responsiveness to his constituents, and his efforts to serve in a forthright and honest fashion.

Representative MOSHER was the ranking minority member of the Committee on Science and Technology. He also served as senior minority member of the Merchant Marine and Fisheries Committee. He fought for what he believed in—and voted in line with his conscience.

Mr. Speaker, Congressman MOSHER'S contributions to this House will not be forgotten. And as a man of integrity he will be missed.

My wife, Blanche, joins me in wishing him the best of happiness and many more fruitful years in his retirement.

HON. DOMINICK V. DANIELS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GIAIMO. Mr. Speaker, I want to join in congratulating my good friend, the Honorable DOMINICK V. DANIELS of New Jersey, at the conclusion of his career in the House of Representatives. DOM and I have sat on the same side of the aisle now for 18 years, and it will not be the same here without him. His commitment to the welfare of Americans, both in his district and in the Nation, is unsurpassed, and his continued exertions on behalf of the working people of the United States will be sorely missed. American labor has had few more consistent champions over the years in this Chamber than DOM DANIELS.

DOM and I came to the House together in 1959 and shared lodgings for a time. We also shared our first committee assignment on the Committee on Education and Labor and its Special Education Subcommittee. Although I left this committee, DOM remained and became chairman of the Select Labor Subcommittee—later the Manpower, Compensation, and Health and Safety Subcommittee—where he became a major influence on the whole range of legislative proposals and reforms which have improved our labor laws. For instance, DOM managed the key compromise which assured the passage of the Comprehensive Employment and Training Act of 1973. The enactment of this landmark law guaranteed adequate training for the underemployed and jobs in the public sector for people caught in a recession.

DOM'S efforts to strengthen public service jobs and compensation programs have brought about increased opportunities and benefits for many needy people. He fought time and again for Federal employee rights and an adequate minimum wage for American workers. DOM'S knowledge of and sympathy for the ordinary wage earner cannot be overestimated; his service on the floor and in the committee rooms sets an example we all might well attempt to follow.

Nor have his interests been confined to labor. DOM spent years formulating and trying to secure passage of a Youth Camp Safety Act, with standards strict enough so that no parent need fear for the protection and care of his child attending summer camp. DOM'S intent in this regard set a laudable precedent, and his successful fight for this legislation in the House caught the attention of young and old alike. When this bill finally becomes law—as I believe it will—it should rightfully be called the Daniels Act.

Mr. Speaker, it is impossible for me to summarize the wealth of fellowship and good humor which DOM DANIELS has unselfishly offered to me and to all of his friends and colleagues. His knowledge and energy have always gone out in support of the noblest of ideals and goals. His distinction as a legislator and as a person insures that his record here will provide a model for those who follow him into this Chamber.

A TRIBUTE TO THE HONORABLE JOE EVINS

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. PRICE. Mr. Speaker, when the gavel falls sounding the end of the 94th Congress, the career of one of our most distinguished colleagues, JOE EVINS, will come to a close. When JOE EVINS, dean of the Tennessee delegation, finishes 30 years of service in the House, the people of Tennessee's Fourth District will lose one of the most conscientious Representatives in the House, and we will lose one of our hardest working colleagues.

Throughout my years here I have come to know JOE EVINS well. He has become one of my closest friends. Not only is he a legislator, but he is a lawyer and author as well. JOE once wrote a book called "Understanding Congress"—few men ever understood Congress better.

JOE EVINS will be missed not only by his friends in Congress and the people of his district, but by the friends he made in small businesses all over this country. As chairman of the Committee on Small Business, JOE always kept the needs of the Nation's small businessmen in mind, just as he always kept the needs of his Tennessee constituents in mind.

JOE was also a steady watchdog over public moneys, in his role as chairman of the Appropriations Subcommittee on Public Works.

This Nation has a debt of gratitude to Joe Evins for the years of services he rendered. I also hold a personal debt of gratitude to Joe Evins for his friendship and counsel over the years, and I wish him the best of luck in the years to come.

DE KALB COUNTY, GA.

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LEVITAS. Mr. Speaker, I have the privilege of being one of the Members of Congress to represent metropolitan Atlanta, the commercial, financial, entertainment, cultural, and sports capital of the South and one of the great cities in America. In so doing, I represent a portion of the great city of Atlanta itself and its eastern suburbs, including a portion of Fulton County as well as all of De Kalb and Rockdale Counties. Dynamic De Kalb County is the largest local government lying entirely within my district. De Kalb County was recently recognized by the Ladies' Home Journal magazine as being 1 of the 15 best places to live in America. It has a good development base, a fine education system, and many other attributes that contribute to a fine community. In the past, De Kalb County has sometimes been considered only an appendage to its well-known neighbor, the city of Atlanta, but as De Kalb County has continued to grow, it has finally become the larger of the two neighboring jurisdictions just this year.

An editorial which recently appeared in the De Kalb News/Sun discusses this important occurrence. It gives me a great deal of pleasure to place that editorial in the Record at this point:

[From the DeKalb (Ga.) News-Sun]

DeKalb Now Biggest

The Atlanta Regional Commission has just released their estimated population figures for the metropolitan area for 1976.

The ARC estimated (they did not count heads) that DeKalb's population is currently 464,200. That is an increase of 1.9 percent over DeKalb's population in 1970 of 415,387.

Fulton County remains the largest county in the metropolitan area. Its population, by direct count in 1970 was 605,210. It is estimated that Fulton County has lost about 2,000 persons in the past six years.

The most interesting change in the new figures is for the City of Atlanta in 1970. Atlanta had 495,144 within the city limits. It is now estimated that the population has been reduced to 457,300.

This is the first time that we have found a public agency that will confirm in print what we have thought for a while, but couldn't prove—DeKalb County is now larger population-wise than the City of Atlanta. DeKalb is 464,200 and Atlanta 457,300.

And we feel that the trend will continue. While DeKalb's growth rate is currently projected at only 1.9 percent per year, in actual new persons that amounts to an annual increase of 8,136 new people each year. That is exceeded in actual growth only by Cobb County with a growth rate of 9,985 per year. Gwinnett is close behind DeKalb with 8,059 new people each year.

In terms of actual number of persons served, DeKalb has now become the largest single government in Georgia. You may say that Fulton County is larger with a population of 603,200. True. But as a practical matter Fulton serves the two unincorporated ends of the county. When you deduct Atlanta from Fulton you have 146,000 served in unincorporated Fulton.

Not only is DeKalb now the largest government in the metropolitan area, currently; this trend will probaby continue. Atlanta for all practical purposes is filled up. There is very little available land area open for development. Central Atlanta Progress is breaking new ground in its attempt to clear slums out of the Bedford-Pine area around the Civic Center, but action has been slow on this project, and anything similar that would make new land available for new residents seems unlikely in the near future.

DeKalb continues to have land available for single family homes, and sufficient land that is large enough for major shopping centers and for office parks. The potential for growth is here for DeKalb. The constraints of land and auto access mean that Atlanta must grow up if it is to grow at all.

But there are also serious implications in these population figures for DeKalb. County government must now be carefully planned, and closely controlled. We have to be aware of the problems of scale. When we goof now, it creates not a minor problem, but waste on a major scale.

This is going to mean we need more professionalism in county government in planning, and in administration of service delivery.

Land in DeKalb is no longer limitless. We are going to have to make sure that what is done from now on is well thought out and will mesh well with existing uses. Atlanta must realize that it must grow up, not out. And DeKalb must realize that it is going to take maturity to operate so large and populous a county.

A TRIBUTE TO THE HONORABLE RAY MADDEN

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PRICE. Mr. Speaker, for the past 34 years the people of the First District of Indiana have been fortunate to have as their representative in Congress Ray Madden, and during most of those years it has been my pleasure and privilege to have Ray Madden as my close friend.

As we close the 94th Congress, Ray closes out his distinguished career as a public servant, a career that spans a total of nearly 50 years, from the day he was elected municipal judge in Omaha, Nebr., to his service in World War I, to his election to the 78th Congress and every succeeding Congress.

Ray's popularity with his people reflects his integrity and honesty. And he was as popular in the House as he was in Indiana. His party made him a member of its steering committee, and he was cochairman of a joint committee charged with studying the organization of the Congress. He served also with distinction as chairman of the Rules Committee.

We pay tribute today to a man who, by being my friend, has indeed enriched my service in the House. I have always known Ray Madden to be among the hardest workers in the House. Ray Madden's constituents recognized this, too, and elected him to serve in the House longer than anyone in the history of Indiana. For a man like Ray Madden, there can be no greater tribute.

CITIZEN'S REGARD FOR REPRESENTATIVE F. EDWARD HÉBERT

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mrs. BOGGS. Mr. Speaker, as I am sure you and my colleagues in this House will agree, Eddie Hébert is a fine man who served his Nation with distinction and courage during his outstanding career in the Congress. In recent months the newspapers in the New Orleans area which Eddie has represented for three decades have been publishing comments expressed by Eddie's own constituents.

I would like to share with you this article which appeared in the St. Bernard Guide, published in Cahlmette, La., the heart of Eddie's First Congressional District:

Reader Praises F. Edward Hébert

Hon. Carl Albert,
Speaker, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Speaker: I know that your great Assembly will appropriately honor Congressman F. Edward Hebert on the occasion of his retirement. His long list of records and accomplishments for his country must certainly be acknowledged, not only by his fellow Congressmen, but by every civic and God-loving person on this earth.

I am not a financial contributor, nor a "potent" political worker of Congressman Hebert—only an interested constituent of his, and would like to offer my personal thoughts, which I am sure are shared by the great majority of ordinary citizens who know, have heard of, or have come into contact with Mr. Hebert and his dedicated staff.

Perhaps if I believed everything I hear or read, I couldn't speak out, but I firmly support the words of Charles Simmons, an American clergyman, who said in the early 1800's, "Newspapers should be news carriers—not news makers. There is truth and entertainment enough to print without fiction or individual opinion, and to publish the latter is to betray the former."

So, let us not be misled and label Mr. Hebert as a Southerner, an unbending democrat, a conservative, a hawk, etc. I, as a member of the minority Italian-American community, join with black Americans and millions of open-minded citizens and stand firmly united in labeling him as one of America's great statesmen.

I do not believe that the greatest threat to our country is lack of money, racial strife, nuclear attacks, or such. I don't believe our country will die that way. I think it will die when we no longer care . . . when the spiritual forces that make us wish to be right and noble, die in the hearts of our people. History has pointed out that 19 of the 21 notable civilizations died from within and not from outside sources. There were no bands playing and no flags waving when these civilizations decayed. It happened slowly, in the quiet and dark when no one was aware, when no one cared. As it is written in the Proverbs—"Where there is no vision, the people perish."

So, if our country is to grow and prosper, we must stop long enough to not only care, but to rediscover and reassert our faith in true leadership such as Congressman Hebert has tried to offer throughout his political and personal life.

His many accomplishments and his rise (on his own merits) to governmental greatness should be a constant goal to new and old government representatives.

Lastly, an Englishman, Mr. William Wordsworth, said these immortal words in the late 1700's, and I say them now, referring to Congressman F. Edward Hebert: "The best part of a good man's life is his little, nameless, unremembered acts of kindness and love."

Let the records show that this great statesman will always be remembered by all of us.

May God bless and guide you,

JOHN EDWARD FAZZIO.

TRIBUTE TO FORMER NEW YORK STATE ASSEMBLYMAN JULIUS J. VOLKER

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KEMP. Mr. Speaker, all of us are saddened at the passing of someone who has served well his principles and constituency. It is at such times, however, that we should pay tribute to such exemplary service.

One of the finest public servants in the history of western New York, former Assemblyman Julius J. Volker, died last month at the age of 73. He was such an outstanding public figure, and we will miss him.

Julius Volker was always recognized as the champion of local government. He knew local government as almost no one else did. He also was considered one of the leading authorities on criminal justice and was acknowledged by many to have been the major reason why the New York State Penal Code was stopped from being further weakened. He wrote the minority report when that code was being considered by the assembly, and because of that report many portions were rejected or amended. That was a great victory for those who believe in more effective criminal statutes. As a lawyer, he knew the rights of victims and society in general had to be protected too.

Mr. Volker won his first bid for elective office when he won a seat on the Lancaster Town Council in 1935. He served as justice of the peace from 1936 to 1939 and as town attorney from 1940–41 and 1945–46.

He was first elected to the State assembly in 1944 and was reelected 13 times, representing through 1966 most of Erie County outside the city of Buffalo.

Mr. Volker was chairman of the assembly codes committee and the aviation and insurance committees. He also served on the State commission on revision of the penal law and criminal code, during which he exerted that leadership to which I just referred, and vice chairman of the joint legislative committee on motor vehicles and traffic safety. After 1966, he served as counsel to the assembly codes committee and the New York State Civil Defense Commission, and in 1972 he became Albany legislative liaison for the New York State Physical Therapy Association.

He was deeply involved in community service. He maintained law offices in Buffalo and Lancaster, serving as attorney for the Depew and Bowmansville School Districts. He was a former chairman of the judiciary committee of the State Association of Towns and served as an instructor in the Town and County Officers Training Schools, owing to his deep commitment to local government.

He was past president of the Judges and Police Executives Conference of Erie County, a former chairman of the Legislative Affairs Committee of the Erie County Bar Association, and a past president of the Capitol Hill Club of Buffalo. He also was past exalted ruler of the Lancaster Club of BPOE, a past president of the Lancaster Rotary Club, and held memberships in the Loyal Order of Moose, Knights of Columbus, Knights of St. John, the Lancaster Businessmen's Association and the Junior Chamber of Commerce. He had graduated from St. Mary's High School in Lancaster and from Canisius College in 1924. He took his law degree from the former University of Buffalo in 1927.

He is survived by his wife, the former Loretta O'Neill; two sons, my good friend, State Senator Dale M. Volker of Depew, and Joel V. Volker of Somerville, N.J.; and seven grandchildren.

Assemblyman Volker was an avid outdoorsman, and it was one of the means in his very busy life to share time with his family.

The people of western New York and people throughout the State with whom he served and worked will miss his contributions to our community and State, but we are deeply indebted to his career and commitment. We can all be proud that his great service to western New York is being carried on by his son Dale, an outstanding young State senator.

TRIBUTE TO JAMES A. HALEY

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PHILLIP BURTON. Mr. Speaker, it is with great respect and fondness that I pay tribute to Congressman JIM HALEY, the distinguished chairman of the Interior Committee on which I have served since I first came to Congress. Chairman HALEY leaves behind him not only an impressive record of accomplishment, but the reputation for being one of the kindest and fairest men in the Congress. So it is with sadness that I view his departure from our midst, and I wish him health and happiness in the years ahead.

THE HONORABLE DAVID HENDERSON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PICKLE. Mr. Speaker, one of my staff members recently said that they kind of hoped DAVE HENDERSON would not be back with us next session because, she said, "We might get his office space." I reminded her that while we might or might not receive HENDERSON's choice rooms in the Cannon House Office Building, no one could take DAVE HENDERSON's place, whether it be his office or his place in the Congress. That is because DAVE HENDERSON occupies an enviable position of respect in this body.

DAVE HENDERSON is a southerner, but he really has been the forerunner of the new southerners. Though he has voted for his district and his region of the country, at the same time, DAVE HENDERSON has been most progressive in his legislative approach. His leadership on the House Post Office and Civil Service Committee has been most commendable these past several years. Many of us always look to see how DAVE voted on civil service or post office matters before we cast our vote. We knew DAVE would be loyal to his committee and to the objectivity of accomplishing a forward-moving legislation in behalf of civil servants, but at the same time, we knew DAVE HENDERSON was going to keep a good balance and not lead us off the deep end on some kind of high sounding or unworkable liberalized annuity program. DAVE has a lot of commonsense and because of that fact we have been able to follow his leadership on most legislation coming out of his committee. You know, Mr. Speaker, that is not always the case with every committee in this Congress. Many of us are rather leary of following some legislation because of the leadership and as much as we come from different parts of the country and some of our folks have different values from other sections of the country. DAVE HENDERSON, however, always maintains a good balance and that is why we trust him and often follow him.

A good case in point is the legislation which affected some Federal judges who were former colleagues in this House. In one or two instances, a severe hardship would have resulted to some of our Members who retired with the promise and with the agreement years ago that they would be entitled to a certain annuity when they retired from the Congress. Because of rule changes, costs, and other factors, there was the possibility that this might have been taken from some of the Members during this session of Congress. It was DAVE HENDERSON who worked out the compromise and made it possible that this body keep its word with those former Members. Without his help, that legislation might have moved forward and caused great hardship and even embarrassment to our own Members.

This year again it was Dave Henderson who helped work out the compromise on the 1-percent kicker that could save this Congress some $3 to $4 billion over the next 3 or 4 years. That kind of expenditure would literally break our budget. This was not a popular position for Dave Henderson to take since he was chairman of the committee, but Dave too felt the budget must be maintained and we could give equity and fairness to our civil service and military retirees by getting those retirees their cost of living adjustment in the shortest possible time. Because of this some $4 billion has been saved from our budget this year and I think Dave Henderson might take pleasure in knowing that while it was not the popular thing to do in some quarters—as much as anyone, he and his leadership helped us maintain our budget responsibility this year. I salute a good American and one of the nicest fellows who has ever served in this body, the Honorable Dave Henderson.

HON. JOE L. EVINS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. GIAIMO. Mr. Speaker, I join my colleagues in expressing my appreciation and respect to my friend and colleague on the Appropriations Committee, the Honorable Joe L. Evins of Tennessee, for his continuing commitment to the public welfare during his long and distinguished career of public service.

The news of Chairman Evins' announced retirement created a personal loss to me and to the many others who have had the chance to work with him and to know him over the years. His accomplishments on the HUD-Independent Agencies Appropriation Subcommittee and as chairman of the Committee on Small Business and the Public Works Appropriation Subcommittee have improved vastly this country. His efforts toward building strong safeguards for our small businesses and toward creating a better standard of housing for all Americans have retained for Joe the consistent respect of the Members of the House and the unequivocal acclaim of the people of Tennessee.

Coming from a rural district, Joe knows the importance of protecting the countryside. He helped to develop a major system of public works projects which have increased gradually the health and strength of our national landscape and have established new opportunities for business and agriculture. Through his efforts, a number of important public works projects have been initiated in my own home State of Connecticut. His record is dotted with substantive achievements which have turned unimproved and endangered lands into productive and prosperous homes, farms, and industries.

Joe's interests have not been limited in scope. He was a bulwark in President Johnson's far-reaching efforts to better the social and economic life of America's underprivileged. A major portion of the programs of that era fell to Joe's capable hands to make practicable, and he responded with legislation of merit and thoroughness.

The map of contributions left by Chairman Evins at his retirement stretches all over our country in an unbroken succession of legislative distinctions. Men of his caliber are the hardest to replace. We in the House can only hope that the future will bring more people like him into our midst.

THE AGRICULTURAL CONSERVATION PROGRAM

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JENRETTE. Mr. Speaker, during the October recess, I will be busy touring my district, which is primarily engaged in agricultural activities. Among the comments and thoughts my farm constituents have shared with me, one stands out in particular and deserves to be recorded along with the many successes of the 94th Congress. That feeling, voiced by so many farmers, is one of total satisfaction with the agricultural conservation program.

The ACP has served farmers well for many years. Through a cost-sharing program administered by the Agriculture Stabilization and Conservation Service, farmers and ranchers can undertake projects to protect and extend our Nation's soil and water resources. Considering that 60 percent of American land is situated in private farms and ranches, the ACP has become a unique cooperative effort between the Federal Government and agricultural laborers for the preservation of our most important national heritage.

Pointing to water impoundment reservoirs, open and underground drainage systems, and tree planning practices, farmers of my district demonstrated to me the productive use of ACP appropriations. It is a pleasurable sight, Mr. Speaker, when we in Congress can witness the wise expenditure of taxpayers' dollars, working for both present and future generations. And yet, despite the success story of the ACP, it was this very program that the President targeted for extinction in his 1977 budget.

After inspecting the practical benefits of the ACP projects, I am utterly shocked that President Ford would advocate a complete withdrawal of ACP funds. In the name of budgetary restraint, the President slashed the entire $190 million appropriation granted by Congress in the previous year. Judging from the comments of farmers, there is an extreme need for the project funds to continue. I applaud the wisdom of the Congress in reinstating the entire appropriation.

Considering the controversy that surrounded the survival of the ACP program, I believe it would be appropriate to list the major practices conducted in my district under the auspices of past appropriations. In 1975, a total allocation of $389,576 was applied to projects in the Sixth Congressional District of South Carolina on some 758 farms servicing thousands of acres. Projects conducted under this cost-sharing system include: water impoundment reservoirs, helping 70 farms with a total of 503 acres; tree planning, 15 farms and over 300 acres; permanent open drainage systems, 253 farms, covering 7,325 acres; underground drainage systems, 191 farms on 3,761 acres; and interim cover for crop use, 183 farms servicing 4,183 acres.

This is but a brief recitation of the many applications of ACP funds in my district. The farmers and ranchers who select the proper conservation practices, in concert with the county offices, inform me that there are a multitude of practices yet to be applied.

In conclusion, Mr. Speaker, I would only like to express the thanks of all South Carolinians, who look forward to investing their $2.5 million allocation in 1977 to further conservation of the State's precious land and water resources.

THE RETIREMENT OF THE HONORABLE DOMINICK V. DANIELS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BADILLO. Mr. Speaker, as a member of the New York delegation, I want to take this opportunity to join my colleagues in saluting a Member from the neighboring State of New Jersey, Dominick V. Daniels.

When Congressman Daniels retires at the close of this Congress it will mark the end of a distinguished 18-year career on Capitol Hill. His legislative contributions to the labor, civil service, health, and insurance fields are significant. As a member of the Committee on Education and Labor and later as chairman of the Subcommittee on Manpower, Compensation, and Health and Safety, he has been responsible for such important legislation as the Occupational Safety and Health Act of 1970, the Comprehensive Employment and Training Act, the Vocational Rehabilitation Act of 1967 and 1968, and the Emergency Jobs and Unemployment Assistance Act of 1974.

He has been particularly concerned with the welfare of youth. His sponsorship of the Youth Conservation Corps, the Youth Camp Safety Act, and the Young Adult Conservation Corps are indicative of this concern.

I was fortunate enough to work with him for 4 years both on the committee and on his subcommittee. I was impressed by his dedication to the job and his concern for the disadvantaged of this Nation.

The House of Representatives will miss

Chairman DANIELS. I know that we all join in paying tribute to him and wishing him many happy years in retirement where, among other pleasures, he will be able to reflect upon his many years of solid achievement in this body for the benefit of the entire Nation.

HOUSE JOINT RESOLUTION 1040

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GUDE. Mr. Speaker, on August 2, 1976, I introduced House Joint Resolution 1040, "to authorize the Committee for an American Hungarian Bicentennial Monument, Incorporated, to erect a monument in honor of the late Col. Michael Kovats de Fabrici in the District of Columbia or its environs."

I introduced this joint resolution at the request of the committee, among whose members are my own constituents and constituents from many other congressional districts across the Nation. I hope the 95th Congress will see prompt consideration and passage of similar legislation on behalf of Hungarian-Americans who are mindful of an important event at this time of the year. In these fall months of 1976, Hungarian-Americans mark the 200th anniversary of an important event: their nationally recognized hero of Revolutionary War fame, Col. Michael Kovats de Fabrici, Commandant of the First American Legion—known also as "Pulaski Legion"—left Hungary, his native land in August 1776, to offer his services for the cause of freedom and independence of the United States of America.

This freedom-loving Hungarian officer was born in August 1724, at the town of Karcag, Hungary, in the great Hungarian plain, widely known for its immense herds of horses, cattle, and sheep. As a young man of 22 years of age, Kovats joined a local regiment of Hussars—the original brand of cavalry service in Hungary. He received battle experience in the second Silesian war between Maria Theresa, Empress of the German Empire and Queen of Hungary, and Frederick II, King of Prussia, known later as Frederick the Great. After the conclusion of this war, Kovats' regiment, which included a number of volunteers, mostly young noblemen and peasant boys recruited from that overwhelmingly Protestant region, was disbanded. Young Cornet Michael de Kovats, however, pursuing a disloyal servant who stole some of his horses and disappeared in the direction of the Prussian army, was captured by the Prussians, and was forced, in the style of those times, to enter service in the Prussian army as a common soldier.

Only after 6 years spent under such conditions was he promoted to the rank of cornet in the First Prussian Hussar regiment commanded by a Hungarian-born officer, Col. Michael de Szekely. In those years, hundreds of other Hungarians, mostly Protestants, took up service in the army of Frederick, hoping that the constant warfare between Maria Theresa and Frederick might, some time, lead to the independence of Hungary from the domination of the House of Hapsburg.

In the course of the Seven Years War which began in 1756, Michael de Kovats was promoted to captain, was appointed, in 1759, as commandant of a special detachment—the so-called Free Corps—distinguished himself as a guerrilla leader, fought in numerous battles and was wounded several times. For his heroism he was decorated by Frederick with the highest Prussian military order, the "Pour le Merit."

While on a secret mission to the border region between Poland and Hungary in 1761, Kovats was captured by the Austrians, was accused of high treason and was nearly sentenced to death. It was proved, however, that he was forced to take up service in Prussia, and, while doing service as soldier under Frederick, who often ordered his officers to proceed in a stern manner against the population of occupied areas, Kovats was never involved in such actions; on the contrary, the investigation of his past while serving in the Prussian army proved that he, a Protestant, had done his utmost to prevent the plundering and destruction of a famous Cistercian monastery in Bohemia. Subsequently, he was not only acquitted of all charges, but he was given his freedom and his confiscated possessions, and, by a decree dated January 31, 1763, Queen Maria Theresa appointed him a major—retired—in his original Hussar regiment in Hungary, securing also an annual pension for him.

His life, however, did not turn out to be happy in his native land. A marriage faltered, the only child born of the couple died at a very young age; the life of a "former enemy" officer was made bitter by many. Kovats had to leave his young wife, the daughter of a pro-Hapsburg family. In the years that followed, Kovats moved from one place to the other. Thus, the clarion call of the American Declaration of Independence which shook the whole of Europe as an earthquake, gave the signal to him also, to follow his destiny: the continuation of his fight for Hungary's and mankind's freedom and liberty.

On the 13th of January 1777, Major Kovats wrote a fine letter in Latin from the French port city of Bordeaux to Benjamin Franklin, then Ambassador of the United States to the Court of France, offering his services in that branch of the art of war he knew best, that is, the cavalry service, for the American Congress "fidelissimus ad mortem"—most faithful unto death.

A meeting between General Washington in the spring of the same year did not turn out well: the two men could not converse without an interpreter, and the translation was done poorly, as noted by Washington himself. By that time, General Washington was greatly alarmed by the influx of foreign officers, mostly French and German, who were "contracted" by the American Ambassadors in Europe to serve as commandants in Washington's army.

Kovats, however, did not give up: at first, he did some recruiting for the German regiment in Philadelphia, then he visited the settlements of the Moravian Brethren at Nazareth and Bethlehem, in Pennsylvania, whose leaders in Barby in Moravia he got to know while serving in those areas as a Prussian officer. Thus, by the time a similar "contract"—by which Count Casimir Pulaski, the Polish patriot, some 20 years younger than Kovats, took over as commander of the American Cavalry, with the rank of brigadier general—had to be canceled by Washington because of continued differences between Pulaski and his American-born regimental commanders, the two Europeans proposed a plan for the establishment of an independent "Legion," a detachment composed of light cavalry, light infantry and a few field pieces—entirely in the style of Kovats' last command in the Prussian army—in order to have an independent, fast moving force possibly under the authority of the U.S. Congress mainly to fight the Indians invading the northern parts of Pennsylvania.

Pulaski's insistence that Kovats—"the only officer" as he put it in his letters to Washington "in all of the United States who knows the profession of a cavalry officer"—be appointed "colonel commandant" of the Legion, that is, ranking above everybody with the exception of Pulaski who retained his contracted rank of brigadier general, resulted in Kovats' commission in that capacity dated April 18, 1778. The recruiting and training, combined with great efforts to secure uniforms, arms, and horse equipment—along with the necessary number of good quality horses—worked as a magnet: French, German, Polish, and a number of American-born officers applied for acceptance in the new Legion. While the main army suffered greatly during the severe winter months in Valley Forge, the Legion managed to secure acceptable winter quarters for men and horses alike, and the new recruiting campaign which was launched in the early months of 1779, resulted in the listing of a total of 360 officers and men—a large number in such a short period of time.

The varied campaign experience and a few skirmishes in 1778 combined with a thorough training of the new recruits enabled the Legion to follow orders by General Washington who sent them to the Southern Department, then under the command of Gen. Benjamin Lincoln, to aid him against the menacing British forces under General Prevost who already had taken Savannah in late 1778, and, for the spring of 1779, undertook the task of occupying Charleston, S.C., the key city to the Carolinas.

After a long, forced march during which the Legion lost half its strength while fighting the Indians and smallpox, which had reached epidemic proportions over large areas in the United States, Pulaski and Kovats managed to enter Charleston—the only unit under Lincoln's command to do so—just before a large British force reached the outskirts of the city on May 9, 1779. By then, the city council and Governor Ruthledge were ready to hand over the city to the enemy in exchange for guaranteed neutrality of their city for the duration of the war. The hesitation of General Prevost, however, provided Count Pulaski, Lt. Col. John Laurens, son of the President of Congress and a Charlestonian, and General Moultrie, the brave defender of South Carolina, with enough time to convince the city fathers that they could defend themselves against the British. The ensuing skirmishes during the continuing "Battle for Charleston" demanded many sacrifices, especially on the part of the heroically attacking Legion. Among the dead was Col. Commandant Michael Kovats who was shot by British sharpshooters. He, the creator of the first real cavalry unit in the service of the United States, lost his life on the 11th of May 1779, in his 55th year during a Hussar-style attack on the advancing British forces. He was buried by the enemy where he fell from his mortally wounded horse. On the next day, a British officer, Major Skelly, penned in his diary: "That was the best cavalry the Rebels ever had." A few months later, Count Pulaski shared the fate of his Hungarian friend and comrade: on the 9th of October, he succumbed to the fatal wounds he received during a heroic cavalry attack upon the fortifications of Savannah, Ga.

The death of these two, eminent officers also marked the end of the Pulaski Legion.

The virtues of Col. Michael Kovats de Fabrici, which have been reflected by later generations of Hungarian Americans, were recognized as the highest qualities of these freedom-loving people, although it happened relatively late, in the 1930's, when the historical existence of Colonel Kovats and his role in the establishment of the first cavalry unit in the United States came to light. Soon after a group of Hungarian Americans founded the "Colonel Commandant Michael Kovats de Fabrici Historical Society" in New York, and the Hungarian-American Federation, the central representative body of Hungarian churches, fraternal and cultural societies in this country, selected as its motto the famous statement by Colonel Kovats penned at the end of his letter to Benjamin Franklin on January 13, 1777: "Fidelissimus ad mortem"—"Most Faithful unto Death."

Soon after World War II, the Citadel Military Academy, at Charleston, S.C., named one of its training fields "The Colonel Michael de Kovats Training Field," with a bronze marker indicating the great merits of the brave Hussar Colonel in the successful defense of Charleston in May 1779.

In his address at the Citadel, Lt. Gen. George M. Signious II, commander of that great institution, recalled the words of Gen. Mark Clark, his predecessor in that post in 1954, when the monument at the corner of the "Colonel Michael de Kovats Training Field" of the Citadel was dedicated, General Clark spoke of the ties that Charleston feels with Colonel Kovats. The General said:

> Even deeper ties, however, are those of the spirit. The life of Colonel Kovats exemplifies the qualities which The Citadel strives to develop in our cadets.

The same "bond of the spirit" has moved some admirers of Col. Michael Kovats de Fabrici to pay tribute to him and to the Hungarian contribution to the development of the United States of America by erecting a monument and, for that purpose to form the Committee for an American Hungarian Bicentennial Monument, Inc., a nonprofit corporation established under the laws of the District of Columbia on January 27, 1976.

As I understand, this committee has already set up a broad, nationwide body consisting of representatives of Hungarian Americans of all walks of life, of all religious denominations, fraternal organizations, social, cultural, and ethnic associations. We only can hope that our Hungarian-American citizens, with the consensus and respect of this great body of the U.S. Congress behind them, will, in fact, achieve this laudable goal: a beautiful monument in honor of their hero, Col. Michael Kovats de Fabrici, and of all those countless Hungarian heroes who, up to our times, did not hesitate to do their duty, each one of them following the motto of Colonel Kovats de Fabrici: "Fidelissimus ad mortem—Most Faithful unto Death."

IN TRIBUTE TO THE HONORABLE EDWARD G. "PETE" BIESTER

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, it is with a great deal of personal regret that I contemplate the retirement of the Honorable EDWARD G. "PETE" BIESTER of Pennsylvania from the Congress.

Although he hails from the minority party, he has proved to be a major force, both on the Committee on International Relations where we have served together for the two terms, and in the House of Representatives.

His tenure in Congress has been marked by hard work, commonsense, and solid accomplishment. He has contributed much wisdom to the deliberations of the Committee on International Relations.

In the 93d Congress, PETE BIESTER served on the Subcommittee on National Security Policy and Scientific Development, of which I was chairman. It was that subcommittee which developed the basic legislative approach which ultimately became the war powers resolution, an act of Congress which some have seen as having historic importance.

PETE BIESTER gave his time and energies unstintingly to the process of developing the war powers resolution and was an active and effective voice in its favor on the House floor. His efforts helped confirm the bipartisan nature of that legislation.

Something tells me we have not heard the last of PETE BIESTER. I am confident this his sense of public service and abundant energy will lead him once again into public life.

THE HONORABLE JIM HALEY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PICKLE. Mr. Speaker, it can truly be said that one of the elder statesmen of this body is the Honorable JIM HALEY. As is the case in most instances when we refer to an elder statesman, we accord to that individual our highest esteem and respect. That is true of JIM HALEY, chairman of the Interior and Insular Affairs Committee.

A review of the life of JIM HALEY is better than reading a fiction thriller. He had done about everything—including running the Ringling Barnum Circus—as well as literally running a major portion of the House of Representatives in Washington. Everything he has done he has done with conviction, firmness, and with prudence. He is careful to make a decision but when it is made, it is firm and irrevocable. He hesitates to spend money which we do not have and his record in the Congress will classify him as one of the most conservative Members of this august body.

Some Members may feel that JIM HALEY sits back and does not engage much in debate and it is true that he used to be much more involved than he has been in recent years. Within the last few years as chairman of the committee he has graciously been acceding to other subcommittee chairmen so that they might be able to carry the fight in their own subcommittee and thus he is giving them valuable experience. I have seen JIM HALEY in debate on the floor, however, in years past and I can tell you he is one of the most effective and one of the most dynamic speakers we have in this body.

As a matter of personal recollection, in this very term, on one or two occasions, I have offered amendments to the House and it was difficult to get the Members' attention because of the general confusion and the noise prevalent. On two or three occasions also, there was Chairman JIM HALEY who arose to protest the fact that the House was not in order, pointing out that, "the gentleman is making a very effective argument and I for one would like to hear what he is saying." That always quieted the House, calmed the Members, and I was able to continue, and I might add, be reasonably successful, in my efforts. That is an example of the kind of thoughtfulness and concern that is typical of JIM HALEY.

Also typical of JIM HALEY is the enthusiasm and helpfulness he displays in shepherding legislation through this Congress. We have JIM HALEY to thank, to a large degree, for his leadership in obtaining funds for restoration of the Congressional Cemetery. And I believe all would agree that it is particularly fitting during this year commemorating our 200th birthday, that this historic cemetery receive Congress attention at long last. I am grateful to Jim Haley for the part he played in helping preserve our heritage in this manner.

One description we give to our Members here who vote a rather conservative line is to say that a Member votes on every issue as if he was not going to run anymore. In many respects, that is the voting pattern of Jim Haley. He casts his vote and it does not make a whit who differs with him if that is the way he feels. That is why the members of his district have sent him back these many years, because they believe in Jim Haley, not because he is a conservative or a middle-of-the-roader, but because they know he votes his own convictions, based on his own reflections and study. "All the king's horses and all the king's men" could not change Jim Haley. Thank goodness we have had strong men like Jim Haley in this Congress.

THE INCOMPARABLE BELLA S. ABZUG, CONGRESSWOMAN FROM NEW YORK

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. CONYERS. Mr. Speaker, along with many of my colleagues, I was saddened to learn the great legislator from New York, and my esteemed companion in so many legislative struggles, Mrs. Bella Abzug, will not be present when the 95th Congress meets in January. One of the most articulate champions of human rights, an incredibly productive legislator and bold congressional investigator, her energy in behalf of, and commitment to, a more democratic and humane politics will be greatly missed, particularly among the vast number of citizens in whom Bella inspired a feeling of hope and sense of public purpose.

I had the honor of working with Congresswoman Abzug on the House Subcommittee on Government Information and Individual Rights, which she chaired. Tenaciously ferretting out violations of the rights of citizens, she succeeded in bringing to full public view the numerous instances of the Federal Government's activity in suppressing information and infringing on individuals' privacy. In addition to passage of the Privacy Act and the Government in the Sunshine Act, which she shepherded through Congress, Ms. Abzug initiated a great many pieces of legislation touching on the most pressing issues of the day—youth unemployment; housing and health care; consumer protection and civil rights. She was a leading spokesperson for the Hawkins-Humphrey full employment bill, which provides a job to each and every American able and willing to work.

Long before Bella entered Congress in 1970, she had been a national leader in behalf of human rights, economic justice, and putting an end to the war in Southeast Asia. So I have every reason to believe that she will continue her public involvements, and expect to be cheering her on.

U.S. COLOR TELEVISION INDUSTRY ENDANGERED BY UNFAIR FOREIGN TRADE PRACTICES

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I rise today to discuss a serious problem facing the American color television manufacturing industry. Foreign exports, particularly Japan, are flooding our market with color television sets, and the very survival of our domestic industry is at stake.

During the first half of 1976, Japanese exports of color television sets to the United States were double those of the same period in 1975. In fact, in July alone, imports were triple those of July 1975. The stake is the employment of at least 65,000 American workers, and the viability of our television manufacturing industry.

At the current rate of imports, American workers will be deprived of nearly 18,000 job opportunities in 1976 alone.

Mr. Speaker, I am concerned that we are seeing the same pattern develop in the color television industry that has already occurred with respect to black and white television. We all know the story there—foreign imports have nearly completely taken over this market. Thousands of jobs have been lost. Similar inroads have been made regarding radios, tape recorders, phonographs, and other related products.

We simply cannot stand by and let the same story be repeated again and again. Fair competition is one thing, and I believe American labor and industry can effectively meet fair competition. But, competition from companies subsidized by their home governments is not fair competition.

These imports have a direct impact on my State and congressional district. Corning Glass Works has a plant in my district, and the workers are represented by the American Flint Glass Workers.

Labor and industry have decided to band together to do something about this problem. A large number of labor unions and companies in the industry have formed COMPACT, the Committee to Preserve American Color Television. Individual members of this group last week filed a petition under section 201 of the Trade Act with the International Trade Commission seeking relief from the flood of imports. The ITC has 6 months to make its decision.

I strongly urge the ITC to act favorably on this case and grant effective relief which will restore fair competitive conditions in this market. Let us learn from the recent history of black and white television, and prevent history from repeating itself in color television.

THE AGRICULTURAL CONSERVATION PROGRAM IS VITAL TO THIS NATION'S CONSERVATION EFFORTS

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CLEVELAND. Mr. Speaker, the agricultural conservation program administered by the Department of Agriculture is vital to American farmers in assisting their efforts to conserve and protect the environment. The ACP, also known as REAP or RECP, has been providing the funding necessary for the agricultural community to pursue vigorous efforts to control erosion, improve forests, and undertake other important conservation efforts. As one who has actively participated in this program, I speak with special conviction and first-hand knowledge of the ACP's importance to the maintenance and improvement of the rural environment.

Contract authority in fiscal year 1977 for New Hampshire under the ACP program is $649,000, an increase of $113,000 over fiscal year 1976. I am pleased that the level of funding under ACP for New Hampshire has increased for I believe that this represents a sound investment in New Hampshire's agricultural community and in the preservation of New Hampshire's beautiful rural environment.

While efforts have been made over the years to eliminate funding for this important conservation program, the ACP has survived because Congress has recognized its value to America's farmers and to efforts to preserve the environment. The appropriation of $190 million for the ACP for fiscal year 1977 is an indication of Congress continuing recognition of this fact.

An often overlooked byproduct of the ACP is its contribution to the maintenence of the quality of life in rural areas. Many people tend to take the quality of life and the quality of the environment in our rural communities for granted. It is critical that we continue our efforts, through programs such as the ACP, to preserve these important aspects of our heritage and society.

It has become commonplace to hear expressions of concern for the quality of our environment. As one with a long record of support for balanced environmental action, I applaud this recent development of concern. However, I believe that as we continue to strive for improvement of the environment, we should also take the time to recognize the value of programs such as the ACP which have proud track records in the conservation and environmental quality areas. Valuable programs functioning well do not often grab headlines, but it is a major responsibility of the Congress to be aware of the success stories as well as the failures in the myriad of Federal programs.

The farmers of this country have a much deserved reputation for being fiercely conservation minded. They have ample reason to be proud of their record in the conservation field. It is incumbent upon the Congress and the people of this country to continue to provide farmers with assistance in their conservation efforts through the agricultural conservation program.

UNFINISHED BUSINESS—INCOME TAX DEDUCTIONS FOR EDUCATIONAL COSTS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, the conference report on the tax reform bill removed a provision which would have accorded tax relief to parents, through tax credits, for the cost of children's college educations. I am sorry the final version of the tax bill does not provide any assistance to hard-pressed families financing their children's college costs.

Tax credits, for whatever purpose, have always been considered highly controversial, because they reduce substantially or even eliminate many taxpayers' tax liability. An argument has gone on for years in the Committee on Ways and Means over the relative virtues of tax credits as compared to additional deductions from gross income.

SHOULD APPLY TO ELEMENTARY AND SECONDARY SCHOOL COSTS, TOO

For many of those years, I have been offering legislation to provide full deductions for income tax purposes for all educational expenses of a dependent. This would apply not only to college and graduate school expenses but to elementary and secondary private school expenses as well.

Constitutional objections have been raised repeatedly over aid to private schools. Yet all of us recognize, I am sure, that when parents send their children to private schools they are substantially reducing the burden on all taxpayers of the costs of public schools. Allowing a deduction from gross income of educational expenses for income tax purposes would achieve the goal of assisting private school education without any constitutional questions being raised.

Although I have failed in "selling" this approach to the Committee on Ways and Means during my years in the House, I hope that it will be reexamined in the next Congress and considered as an alternative to the controversial idea of tax credits.

If we are going to help parents in meeting their children's educational expenses, full or at least partial deduction of all educational costs for tax purposes would be a practical means for proceeding. And it should not be restricted just to the college level; it should apply to all legitimate educational expenses.

EDITH PITTS, ADMINISTRATIVE ASSISTANT

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PEPPER. Mr. Speaker, my executive assistant in the Senate in my early days there was a great and lovely lady who had been a top staff member for my predecessor, Senator Duncan U. Fletcher. This lady was Miss Edith Pitts. Miss Pitts had had very valuable administrative experience prior to coming with Senator Fletcher. She also had an excellent educational background. Above all she was a warmhearted, keenly intelligent, and noble lady. She was invaluable to me as my executive assistant. It was with great reluctance that I yielded to the entreaty of the president of the University of Florida, Dr. John J. Tigert, to release Miss Pitts and allow her to become his administrative assistant, Miss Pitts rendered invaluable service to Dr. Tigert, as president of the university, for many years and thereafter served as administrative assistant to two additional university presidents, J. Hillis Miller and J. Wayne Reitz, and to interim presidents, H. Harold Hume and John S. Allen. Every one of those men, as did I, immeasurably valued the extraordinary services of Miss Pitts, as well as her wonderful loyalty and friendship. Miss Pitts, in addition to her most important administrative services wrote biographies on all of Florida's Governors, members of the boards of control, State cabinets, and many Members of Congress. She also wrote a manuscript on Cuba.

She was influential in numerous organizations, had an enormous number of devoted and loyal friends, and was a truly great American lady.

Miss Pitts, who had been in ill health for several years, finally went to her reward on August 31. My wife and I never had a better friend. We shall always honor her memory and cherish the friendship which we so deeply enjoyed with her. A noble spirit has gone to join the angels of another world. Mr. Speaker, I include an obituary notice from the Miami Herald of September 2 and some biographical material on Miss Pitts, in the RECORD at this point:

[From the Miami Herald, Sept. 2, 1976]

UNIVERSITY OF FLORIDA'S "MISS EDITH" PITTS, ADMINISTRATIVE ASSISTANT

TAMPA.—Edith Patti Pitts, private secretary and administrative assistant to two U.S. senators and five presidents of the University of Florida, died at a hospital here Tuesday at the age of 74.

She was known to thousands of university alumni and a host of prominent officials as "Miss Edith."

She served as administrative assistant to Sens. William L. Hill and Claude Pepper and later was private secretary and administrative assistant to university president Dr. John J. Tigert, J. Hilli Miller and J. Wayne Reitz and interim presidents H. Harold Hume and John S. Allen.

She went to Spain for an extended study-research vacation upon her retirement from the university and then returned to Washington in 1958 to manage the office of Rep. D. R. (Billy) Matthews (D., Fla.). When he retired in 1966 she returned to Gainesvile.

Funeral services will be conducted here today.

Miss Edith Patti Pitts, affectionately known as "Miss Edith" by the great and near great and thousands of alumni and friends of the University of Florida, died August 31 at Tampa General Hospital.

Born midway between Lake City and Fort White, she celebrated her 74th birthday August 21 of this year. Although she spent most of her long and active life in public service in Florida and Washington, D.C., she received her early education in Cuba, where her father was deputy collector in charge of U.S. customs. She attended Candler College, later renamed Colegio Metodista Central, and the University of Havana. As a result, she became fluent in the Spanish language and many years later was active in assisting Cuban refugees relocate in the United States.

Her early employment back in her native land was with the General Counsel of Public Works and with the Federal Housing Authority in Washington, D.C. Then she served, in turn, as administrative assistant in the offices of United States Senators William L. Hill and Claude Pepper.

Shortly after Dr. John J. Tigert became president of the University of Florida, he invited Miss Pitts to serve as his private secretary. For the next 20 years she served as private secretary and administrative assistant to President Tigert, interim President H. Harold Hume, President J. Hillis Miller, interim President John S. Allen and President J. Wayne Reitz.

At the time of her retirement from the University of Florida in 1957, she was characterized by Dr. Reitz as "one of the great women of Florida."

The name "Miss Edith" was synonomous at the university president's office, She managed the office, handled social engagements, and served as administrative assistant. She trained and retrained scores of girls in secretarial work and it became widely known "Miss Edith" insisted that "if the university president's office cannot turn out work correctly, then no one can."

Her versatility in the president's office was attested to when a prince and princess of Thailand unexpectedly arrived on campus. Both Dr. and Mrs. Reitz were out of town. Quite in normal stride, Miss Pitts quickly arranged a supper party in their honor at her home.

Miss Pitts had traveled widely in the Middle East, Europe and South America. When she left the university in 1958, she went to Spain to combine an extended vacation with study and research. Upon her return, she agreed to return to Washington and manage the office of Florida Congressman D. R. (Billy) Matthews. When he retired from Congress in 1966 she returned to Gainesville.

In retirement, she continued one of her avocations of writing and completed biographies on all of Florida's governors, members of the Boards of Control, state cabinets and many members of Congress. Her last work was a manuscript on Cuba.

Another avocation was collecting autographs. Among her collection were letters bearing signatures of all but three of Florida's governors, dating back to 1821 when Andrew Jackson was territorial governor.

Miss Pitts was the recipient of many University of Florida honors and recognitions, including honorary membership in Kappa Delta Sorority and UF Alumni Association, and was a member of the University Women's Club, Tampa Shakespeare Club and the Methodist Church.

She is survived by one sister, Mrs. Roy Howard of Tampa, and two brothers, T. R. Pitts of Bowling Green, Fla., and Charles A. Pitts of Palmetto.

Funeral services will be held September 2 at the Joe L. Reed Funeral Home, 3410 Henderson Blvd., Tampa, with the Reverend Lloyd Knox of the Hyde Park Methodist

Church, Tampa, officiating. Burial will be in Myrtle Hill Memorial Park, Tampa. In lieu of flowers, the family suggests some may wish to contribute to their favorite charity or to the Friends of Music at the University of Florida.

INTER-PARLIAMENTARY UNION CONFERENCE, FALL SESSION, MADRID, SEPTEMBER 22 TO OCTOBER 1, 1976

HON. JOHN JARMAN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JARMAN. Mr. Speaker, I would like to introduce for the record a few observations on the recent 63d Conference of the Inter-Parliamentary Union which was held in Madrid, Spain, from September 22 through October 1. The cordial and cooperative atmosphere which I noted at the spring meeting of the Inter-Parliamentary Union in Mexico City continued in Madrid and resulted in the adoption of the major resolutions by acclamation. From the point of view of the U.S. delegation, the conference was a success and we look forward to building on the constructive base established in Madrid during the year immediately ahead.

Mr. CLAUDE PEPPER of Florida and I composed the U.S. delegation. While small, the delegation addressed itself to the major issues before the conference and played an active role in the formulation of several of the resolutions.

The agenda for the conference was a full one. Jose Finat y Escriva de Romani, the Count of Mayalde, was unanimously elected president of the conference. In the general debate I spoke for the U.S. delegation. I pointed out that the eyes of the world were focused on Southern Africa and Rhodesia and that it was appropriate for the conference to have on its agenda the item dealing with this part of the world. I mentioned that there has been a long denial of basic human and civil rights and that it was to be hoped that the transition to majority rule could be carried out with the smallest loss of human life possible and the most constructive transfer of power. I also mentioned the situation in Lebanon and expressed the hope that we would soon see a solution to that problem and have back in our midst a delegation of Labanese Parliamentarians. I expressed my concern with the fact that terrorism continues to take a toll of hundreds of innocent victims each year and that this could be a fitting topic for consideration at a future meeting of the Inter-Parliamentary Union.

I also expressed the hope that if new procedures relating to human rights were to have universal validity, that they not be selective but look to the protection of the rights of our parliamentary colleagues wherever they were in jeopardy. Finally, Mr. Speaker, I expressed the hope that the Union would return to its former practice of having members speak as individuals in a free and frank exchange of views and opinions. Too many of the delegations seem only to attend these conferences to put forward the official line of their own governments.

The committee on the setting up of the new international economic order made a number of revisions in the draft resolution adopted at Mexico City. While most of these changes were acceptable to us, we pointed out that the United States had not accepted the Charter on Economic Rights and Duties and entered our reservation on the reference to that document in the resolution. The overall resolution was adopted by acclamation.

The committee on political and security matters made very few changes in the Mexico City draft and we were able to join without reservation in its adoption both in the committee and in the plenary by acclamation.

The Committee on Non-Self-Governing Territories and Ethnic Questions met to discuss the situation in Southern Africa with particular reference to Rhodesia. This was a new topic, not having been discussed in Mexico City. Given its timeliness, a great deal of interest was focused on the debate. Mr. PEPPER intervened for the United States. He said that the days of white supremacy were over and that the peoples of Africa had made it plain that either through peaceful change or through violence, they would have their place in the world with dignity and justice. He mentioned the advances made by black Americans in their long struggle for a rightful position in our own country and expressed pride in the fact we were now peacefully on the road toward the incorporation of all of our people, no matter what their race or religion, into the full economic, social, and political fabric of our Nation.

Mr. PEPPER went on to condemn the cruel and brutally repressive system of discrimination practiced by the South African Government. He said that the recent riots have posed for the South African authorities the question of whether apartheid will be destroyed by violence or through peaceful means. Mr. PEPPER noted that the United States stands squarely behind all efforts to end the rule of minority regimes by peaceful means and that we support unequivocally the role of multiracial democratic society and government in all of Southern Africa.

After considerable discussion and extensive negotiating in the drafting committee, a resolution on the situation in Southern Africa was adopted by acclamation. As a result of the adoption of the resolution, the conference approved the establishment of a five-member visiting mission to look into conditions in Namibia. It was decided that the mission would proceed to Africa and conduct its fact-finding from one of the neighboring countries, either Zaire or Tanzania.

A resolution approved in Mexico City on cooperation in the fields of education, science, and culture and further improvement of international relations was adopted without debate and also by acclamation. The increasing interest in environmental questions resulted in the name of this particular committee being modified to be the Committee on Education, Science, Culture, and Environmental Questions. It seems likely, as a result of this modification, that an environmental problem will be considered by the committee at the Canberra meeting.

The new statutes for the Union which had been approved in Mexico City were the subject of brief debate in the conference and were then adopted by unanimous vote. The adoption of these statutes should modernize the Union's procedures and be of great aid to the secretariat and the officers of the Union in conducting its business.

The conference also ratified the election by the Inter-Parliamentary Council of four new members of the Executive Committee. Elected for 4-year terms were Canada, Brazil, and Senegal to fill the seats vacated by the United States, Mexico, and Egypt. An additional seat was vacated by the election of Sir Thomas Williams as president of the Inter-Parliamentary Council for the next 3 years. This seat was filled by the Count of Mayalde until the next meeting of the Inter-Parliamentary Conference in Sofia in the fall of 1977. Senator Harold Young of Australia was formally elected to succeed his fellow Australian, Mr. Collard, until the expiration of the term of office in 1977.

Three meetings of the Inter-Parliamentary Council were also held on Wednesday, September 22 and Friday, October 1. In addition to the election of Sir Thomas Williams mentioned above, the Council also took a number of actions with important implications for the future work of the Union.

It was agreed that Panama would be readmitted and that the Latin American members would attempt to get Colombia to reconsider its decision to suspend its membership. While the council adopted the mechanisms for the hearing of human rights complaints by parliamentarians, the adoption of the measure was strongly resisted by the Eastern European bloc of countries. When they were not successful in defeating the proposal, they continued to attempt to block its implementation by raising budgetary considerations. The bloc was, however, isolated in this attempt and the Union will now be able to effectively implement these human rights measures aimed at protecting parliamentarians around the world. The Union continued to express its concern over the plight of Parliamentarians in Chile. In this regard, a six-member committee was appointed which would attempt to visit Chile, but failing that would meet in Geneva.

The entire conference was lavish in its praise for the outstanding arrangements made by the Spanish Government for the conference. The generous gesture of Their Majesties King Juan Carlos and Queen Sofia in opening the conference and their warm words of welcome set the tone for the entire meeting. The splendid facilities of the Spanish Conference Center and the beautiful social events organized by the Spanish Government set extremely high standards and will be long remembered by the participants.

As I mentioned at the beginning of this report, Mr. Speaker, the atmosphere at the Madrid Conference was a welcome continuation of the more convivial atmosphere we had noted in Mexico City. A spirit of cooperation and genuine comraderie seemed to exist between the Parliamentarians. Resolutions were worked out in a spirit of harmony with a view to making a serious contribution to the solution of the world's problems. Confrontational situations, while not entirely absent, were much less predominant than they have been on other more recent occasions. It should be noted, however, that the Greek-Turkish situation continued to engender heated exchanges between the delegations of those two countries and the newly admitted Panamanian delegation, although ruled out of order by the President of the Council, attempted to attack the United States on the Panama Canal question.

Mr. Speaker, the work of this Conference points out the importance of these meetings of the Inter-Parliamentary Union. I am retiring as the chairman of the U.S. group and this will have been my last conference as an active member, but I once again saw the great importance that this organization can have in informing the Members of our Congress on the key issues of the day and giving them a feel for how other nations are reacting to these issues. I encourage all the Members of the Congress to take an interest in the work of the Inter-Parliamentary Union as a significant vehicle for improving understanding and clarifying issues of world importance.

Thank you, Mr. Speaker.

TOM DOWNING OF VIRGINIA

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LONG of Maryland. Mr. Speaker, as dean of Maryland's delegation I regret the departure of my counterpart, the dean of Virginia's House delegation and my long-time friend, Tom Downing.

Representing as we do the upper and lower reaches of the Chesapeake Bay, I have come to know and respect Tom's expertise in maritime matters and in preserving the Bay, one of our Nation's greatest assets.

Tom Downing has played a key role throughout his 18 years of service, both on the Merchant Marine and Fisheries Committee and on the Science and Technology Committee.

The wide range of concerns Tom has dealt with include merchant shipping, ship construction, marine life preservation, the space program, aviation problems, energy research and demonstration projects, and the security of inter-American defenses involved in the Panama Canal.

An able attorney and astute problem-solver, Tom Downing has made a lasting mark in each of these fields.

As a friend, I shall miss him; as a colleague, I shall appreciate his example. I know that his constituents, whom he has assiduously served while coping with legislative problems for 18 years, will be hard-pressed to elect someone as well qualified to speak for them in the 95th Congress.

Marylanders send their best wishes as Tom Downing steps down—not into retirement, but into a new series of challenges. I know he will meet them and excel.

THE HONORABLE PHIL LANDRUM

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PICKLE. Mr. Speaker, at this moment I wish I could write a book about Phil Landrum of Georgia. It is hard to catch the spirit of Phil Landrum in a short statement of appreciation. You need an entire volume and it would be well if you could put it all on leather or on parchment because part of it would be that hot and that excited.

A lot of people may remember Phil Landrum because his name has become a part of national legislation known as the Landrum-Griffin Act, one of the last major pieces of legislation in the labor-management field. That is as it should be because that was an important piece of legislation. And it does Phil Landrum credit to be remembered as one who helped put that legislation together, at a time when it was needed. For over 10 years, Phil Landrum served on the Eucation and Labor Committee. Coming from the South, this may not have been the most popular thing he could have done but his work on that committee was invaluable and I have always been extremely proud that he has served on that committee.

Shortly after I came to Congress, however, Phil moved over to the Ways and Means Committee and when I joined that committee the last 2 years, I have become even more closely associated with Phil Landrum. He is easily one of the favorites of mine in this House and I dare say he comes as near to being a favorite of most Members than anyone who serves today. Phil's popularity however does not come alone because he is a hail fellow well met. He can be extremely pleasant and his political stories or yarns are classical. It is always pleasant to see him break the tension in our committee with one of his stories about his home folk characters down south. But Phil Landrum is a scrapper. If he thinks you are trying to pull a fast one or step on one of his toes or do something that might be out of line, his blood rises fast because he does indeed have a low boiling point at times. The old saying that that fellow would fight a buzzsaw was penned as much to describe Phil Landrum as anyone who served today. Phil Landrum is a fighter and a scrapper every inch of the way.

As a relatively new Member of the House, I recall that many of us often agonized and sweated over particular votes. These would be tough decisions—such as civil rights, or the Voting Rights Act, or the Tonkin Gulf resolution. When one particular vote came up, Phil approached me and inquired if I was worried about this particular vote. I told him of course I was but that I was really saving these heavy votes for the "steep hill." I told him how to make a burro climb a steep hill when all other urgings and pleadings had failed. Ever since that time, whenever a difficult, controversial, emotional question was prevalent and most Members were wondering and worrying how to vote, Phil would come up to me and say, "This is one for the steep hill." The truth of the matter is Phil Landrum has been climbing steep hills all his life—service as a country lawyer in Georgia, his election to the Congress, his national recognition as a leader on the Education and Labor Committee, and his prominence today as one of the most learned members of the House Ways and Means Committee—a test of the fact that he has come a long way, over many a dusty road, up many a steep hill, to the point where he is recognized as one of the strong men in this Congress.

I personally would like to say that Phil Landrum and his wife, Laura, are one of the most delightful couples we have in all of Washington. At any party or social gathering on the Hill, in any legislative conference, any trip to be taken with colleagues, Phil Landrum is one of the most sought-out Members of this body. When he leaves this Ways and Means Committee—I tell you many of us will be at a loss for leadership. When a person becomes identified as a bellwether or a leaning horse so much so that Members watch how that particular Member votes before they cast their own, then you know that Member is important and is a leader. That is the case with Phil Landrum. We have watched and followed his leadership over the years and in most instances we have followed his leadership. That kind of man will be sorely missed.

I hope, however, when he is back in Georgia and he reads in the paper of these mean tough votes that are before the Congress and he wonders how the issue may be resolved, in those hours I hope he will think that many of the Members go "up the steep hill," and in that meditative mood cast votes that will be for the better of America.

TRIBUTE TO SPEAKER CARL ALBERT

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PHILLIP BURTON. Mr. Speaker, it has been my privilege to serve in the Congress under the capable leadership of our distinguished Speaker Carl Albert. This body has flourished under his compassionate and reasonable guidance through the formidable times we have weathered in the recent history of our country. I salute his accomplishments and extend to him my deepest and warmest regards for a rewarding retirement.

THE SOVIET MILITARY SURGE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KEMP. Mr. Speaker, the respected and authoritative publication, Jane's Fighting Ships, has issued a warning that the Soviet Navy is designed for aggression. This is a warning that the U.S. Congress must take seriously. There has been a lot of irrelevant controversy about how the CIA and the Pentagon calculate the cost of Soviet weapons. What counts, however, are weapons in commission that are arrayed against our country. Jane's has counted them, looked at their design purpose and issued a factual warning that no irrelevant controversy can obscure. I am inserting in the RECORD an article from the September 7 Chicago Tribune which discusses the serious situation that we face:

THE SOVIET MILITARY SURGE

Nearly every day there is some new warning that Moscow's capacity for aggression against the West is expanding alarmingly; and every day these warnings go almost unheeded.

The latest warning comes from the authoritative publication, "Jane's Fighting Ships," which says the Soviet is developing a fleet apparently designed for an aggressive war. It notes that the Russian navy has more than three times as many submarines as the U.S.—390 versus 117. It describes the new 40,000-ton Kiev-class aircraft carriers as a challenge to U.S. carrier strength.

Jane's editor, Capt. John E. Moore, a former deputy chief of British naval intelligence, sees something far more menacing than a defensive intent in this buildup. He writes in the foreword to the 1976–77 edition that whenever governments with few overseas financial or colonial interests [such as the Soviet Union] have built large fleets, they have proved to be interested in "not only protection of the homeland and the sea lines of communications which run to it, but also aggressive activities designed to support national policy."

How could the Soviet navy affect us in an attack? Aside from the direct threat of submarine-launched missiles, there is the indirect threat of cutting us off from our supplies. With the Soviet navy growing and our own dwindling by comparison, would we be able to maintain control over our ship movements in the Persian Gulf? There are those who doubt that we could, especially with the Soviet Union developing bases nearby. How long could we survive, much less fight a defensive war, without access to foreign oil? Even now, in peacetime, we import more than 40 per cent of our oil needs.

On the same day that Jane's carried its warning, Aviation Week and Space Technology magazine said that the Russians are gaining the lead in nuclear ballistic weapons, despite treaties designed to maintain the balance. Earlier, we had been told that Soviet tanks—yet another offensive weapon—outnumber ours 6 to 1. We have been warned repeatedly that the Soviets were proceeding with production of the Backfire bomber—a strategic attack weapon—while our Congress dallied over the B–1 and while our 20-year-old B–52s rusted away quietly in such places as Guam.

These warnings pour in, yet the debate over defense drags on with little evidence of urgency. This moved C. L. Sulzberger, knowledgeable foreign affairs columnist for the New York Times, to inquire on Aug. 4: "Are we—is our strategy—MAD?" He fears we are, and he warns, "Mere national survival should be the paramount issue of this autumn's election."

It shows no sign of becoming the paramount issue or even a major one. The Democratic nominee, Jimmy Carter, says he would actually cut $5 billion from our defense budget, and he is not at all sure we should build the B–1. President Ford favors a stronger defense, but he has not made a paramount issue of it, either. His secretary of state, Henry Kissinger, even favors letting the Soviet build unlimited numbers of Backfire bombers in a SALT II agreement.

If Dr. Kissinger, Mr. Carter, and the Democratic Congress are impervious to the daily warnings, Mr. Ford and the rest of us must not be. Perhaps we should listen to another of the President's advisers, Air Force Secretary Thomas C. Reed, who has said of the Soviet gains: "The world has not seen such a rapid peacetime military buildup since the German rearmament of the 1930s." We all know what that buildup led to. We all know how many warnings about it were ignored. If we remain deaf now, history may well repeat itself—with results far more devastating than World War II.

UNFINISHED BUSINESS—TRUTH IN SAVINGS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, while there has been substantial improvement in recent years in the quality, accuracy, and informativeness of advertising by financial institutions of the interest rates and terms on savings deposits, it is still extremely difficult if not impossible for the average consumer to make an informed judgment on which institution among many competitors offers the best return on savings.

We need Federal legislation to require full disclosure on interest paid on deposits, similar to the truth-in-lending law requiring full disclosure of all of the terms and conditions connected with a credit transaction. Such legislation has been pending for several Congresses as the Truth-in-Savings Act.

Developed by Prof. Richard L. D. Morse, of Kansas State University, as an outgrowth of his valuable work as a congressional witness and as a Treasury Department consultant on the truth-in-lending bill prior to its enactment in 1968, the truth-in-savings bill seeks to carry out the same principles of full disclosure of essential information to the consumer in the placement of savings.

FIRST INTRODUCED BY WILLIAM R. ROY OF KANSAS

The truth-in-savings bill was originally proposed in legislative form in the 92d Congress by former Congressman William R. Roy of Kansas, Dr. Morse's then Representative. In the 93d Congress, as chairman of the Subcommittee on Consumer Affairs and an admirer of Dr. Morse's work on credit and financial education for consumers, I was delighted to join with Dr. Roy in reintroducing it as the Roy-Sullivan truth-in-savings bill with the intention of scheduling it for hearings and consideration in the subcommittee.

However, while the House subcommittee was engaged in a comprehensive review of the Consumer Credit Protection Act of 1968 and on the Equal Credit Opportunity Act in the 93d Congress, a Senate subcommittee took up a truth-in-savings bill introduced by Senator HARTKE and similar to the Roy-Sullivan bill, held hearings on it, and then tabled it. Since the Senate committee indicated it would not further consider truth-in-savings in the 93d Congress, no purpose would have been served by our trying to consider it in the House Banking Committee, which was heavily overloaded with other matters.

Dr. Roy ran for the Senate in 1974 and was narrowly defeated by less than 15,000 votes by Senator ROBERT DOLE. Subsequently, on the basis of the technical issues raised in the Senate hearings in the 93d Congress, Dr. Morse then worked with me and with Charles B. Holstein, the professional staff member of my Consumer Affairs Subcommittee from 1963 to 1975, to revise the original truth-in-savings bill in many respects in late 1974 to meet legitimate problems cited by witnesses from the financial industry and consumer groups, and I introduced a much-improved version of the truth-in-savings bill as H.R. 14 on the opening day of the 94th Congress, in January 1975.

GIVEN TOP PRIORITY BY CONSUMER GROUPS

When Representative ANNUNZIO succeeded me in this Congress as chairman of the Subcommittee on Consumer Affairs, and asked consumer groups for recommendations in setting priorities for the subcommittee's work in this Congress.

Truth in savings was either first or second on every consumer witness' list of recommendations for subcommittee action. Mr. ANNUNZIO thereupon reintroduced H.R. 14 as H.R. 6128 with me and most of the other Members of the subcommittee as cosponsors. I had high hopes then that the measure could become law in this Congress.

However, the Senate Committee failed to approve a truth-in-savings bill and no action was taken in the House. So, as I leave Congress this is one of my unachieved objectives in the consumer field. I sincerely hope the bill will be offered again in the 95th Congress and will finally become law.

In researching the need for the legislation, Dr. Morse has amassed voluminous information on the differing ways in which competing thrift institutions compute the interest yield on deposits of the same size with presumably the same interest rate. There seem to be as many different ways for determining interest yield as there are financial institutions offering interest on savings deposits. In at least one instance, Dr. Morse found that two identical $500 accounts opened on the same day in the same bank paid different amounts of interest.

Truth in savings would require all thrift institutions, in determining the annual percentage rate and yield, to use similar yardsticks just as they are required to do in determining the annual percentage rate of the finance charge on credit transactions under truth in lending. Truth in savings would also require disclosure to the saver of the conditions under which the saver would receive a lower return than the advertised yield, using terminology which would be uniform among competing institutions.

USE OF TERMS CONFUSING AND VARIABLE

In view of the tremendous competition among thrift institutions for savings deposits, and the myriad of offers being made of "daily interest," "compounding" of interest, "interest from the day of deposit," and so on, it is necessary for the saver trying to derive the maximum return to know through understandable definitions exactly what those terms mean and how they operate in each institution.

If this goal is to be achieved, a strong truth-in-savings bill must be enacted to require uniformity—not of savings account practices but of the meaning of the terms when applied to different systems of computing interest on savings.

That is primarily what truth in savings is intended to achieve. The banks, savings and loans, mutual savings banks, and credit unions would still be able to compete as actively as they do now for savers' deposits, using whatever unique methods they want to devise for offering special attractive terms in a very competitive industry. But the competition would be placed on a more understandable basis and consumers could make better informed judgments in deciding where to invest their savings. Truth in savings is definitely unfinished consumer work as this Congress ends.

JAMES C. AUCHINCLOSS, FORMER MEMBER

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RHODES. Mr. Speaker, my colleagues and I are saddened to learn of the death of a former Member of the House, James C. Auchincloss.

Jim Auchincloss served the Monmouth County area of New Jersey for 11 terms. During his career in Congress he took a great interest in the District of Columbia, and was a strong advocate of home rule during his tenure as ranking minority member on the House District Committee.

Jim Auchincloss was a warm personal friend. He was the founder and continuous supporter of the Capitol Hill Club, which today is an informal gathering place for Republicans from across the Nation. From a cramped remodeled old house he guided the club to its present comfortable quarters.

Jim Auchincloss was a dedicated, hard-working Member of this legislative body. I join my colleagues in expressing our condolences to his wife and two sons.

THE ROLE OF THE ORGANIZATION OF AMERICAN STATES

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, the United States has long had a "special relationship" with Latin America. Our friendship with our neighbors to the south has resulted in a hemisphere where peaceful relations between the nation states have become the norm.

The cornerstone of this relationship is the Organization of American States. Within this entity its 25 member nations work out their day-to-day problems and also seek to plan for their common future in this hemisphere.

In recent years the United States and Latin America have experienced severe difficulties in their relationship and the OAS forum has had to bear the brunt of the problems created. This has led to a series of confrontations and conflicts within the OAS.

Within the past few months, however, both the United States and Latin America have been attempting to overcome any impasse so as to better serve the needs of their peoples. In a series of speeches the OAS Secretary General, Alejandro Orfila, has been discussing both the issues which unite and the issues which divide our countries.

Ambassador Orfila has clearly been performing an important public service by so carefully and thoughtfully setting forth the principles we all hold in common as Americans and by relating these principles to existing difficulties and challenges. The Secretary General provides both a realistic and optimistic appraisal of where we are and where we should be going together with our southern neighbors.

I believe that the views of the OAS Secretary General will give the Members of Congress some specific insights into the potential future of the OAS as a forum for carrying on our traditionally friendly hemispheric dialogue. Therefore under permission granted, I insert in the RECORD at this point a recent speech by Mr. Orfila so that the Congress may hear the experienced views of this hemispheric statesman.

FIVE GREAT IDEAS THAT SHAPE OUR CHANGING AMERICA—CAN THEY STILL BE OF VALUE?

(By Alejandro Orfila, Secretary General of the Organization of American States, Delivered to the Palm Beach Roundtable, Palm Beach, Florida, February 29, 1976)

I am honored to be here today, at the invitation of the oldest educational forum in the State of Florida. A program for the Americas in this state is most appropriate since it was here that many of the contacts and relationships between the peoples and nations of the Americas have been forged and made strong. By serving as an educational instrument in Florida the Palm Beach Round Table not only assists its own community but also serves as a cultural bridge to the Southern neighbors of the United States.

In 1976 the Americas celebrate two hemisphere milestones: the hundred and fiftieth anniversary of the Bolivian Congress of Panama—the beginnings of today's inter-American system—and the bicentennial of the United States. We must celebrate both these anniversaries with a profound recognition of where we have been together in this hemisphere and where we must go if we are to uphold the vision of those who first developed our modern America.

In this process of taking stock it is important to reconsider the great ideas that help shape our changing hemisphere, not out of historical curiosity, but to understand what motivates our actions as nations and peoples, so that we are clear about where we should be going in this hemisphere and why.

THE AMERICAN REALITIES

The modern American nations were born out of a long and difficult struggle against European empires. Not all of our nations gained their freedom and independence at the same time and in the same way. Nor have they, despite many interests and traits in common, shared the same history, cultural outlooks, and economic and political systems.

This is the first point to be made about the Americans: there are as many differences between our nations and peoples as there are similarities, not only between the United States and Latin America, but within Latin America. The nations and societies of that region differ in their interests, concerns, and the forces which have shaped their traditions and history.

This hemisphere has the world's largest super-power, the United States, and several other nations, notably Brazil, Argentina, and Mexico, that are larger than some European nations that were once the world's dominant powers. At the same time, other countries in our hemisphere are among the most politically mature of modern small nations.

Each of our American nations faces its own problems and its own challenges. Today the Latin Americans are convinced that the primary challenge before them is achieving integral development of individuals and nations.

In the course of their development, our societies went through periods of turmoil, long evolution and general uncertainty. Nationalistic impulses often prevailed over desires for regional unity. This is the second point to be taken into account when we reflect on hemispheric realities.

As the American countries sought to build up their nations and their communities they found many problems:

Political situations of chronic instability brought on by pressures and forces that arose from within the various countries;

The cultural challenge of incorporating diverse races and peoples into nation states, a process still not finished in some areas and regions;

Enormous geographical and climatic differences, which long made it difficult to penetrate and develop all areas of the hemisphere;

National boundaries that limited the potential size and scope of national economies, markets and development and employment opportunities, especially in many smaller countries;

Serious shortages of the capital and technical and natural resources required to promote sustained development and growth;

And, finally, the periodic armed interventions from other countries, which only served to create greater political insecurity and instability; I refer not only to the protracted interventions of European nations and the United States during the 19th and 20th century, but to the fact that the Latin American nations have at times engaged in hostilities against each other.

In these circumstances and conditions our nations eventually learned to recognize both their weaknesses and their potential strengths. They had to foster national identities and unity. Yet at the same time they determined that their mutual security and economic future could not rest on nationalistic foundations alone. They had to confront the regional challenges they faced in common.

FIVE GREAT AMERICAN IDEAS

As the nations of the Americas searched for ways to reduce instability, prevent foreign intervention, forge national identities and move toward self-sustaining development, they gradually evolved five major ideas or principles to govern their interaction. These ideas, which continue to motivate and govern the lives and actions of the peoples and nations of this hemisphere in an evolutionary and ever-expanding manner, are as follows:

First, juridical equality must exist among all nations in this hemisphere; in practice, this means that in their multilateral dealings with each other the voice and vote of the smallest and newest nation counts equally as much as that of the largest member of the inter-American system.

Second, non-intervention in the internal or external affairs of any nation must be the central principle which guides the actions of nations in this hemisphere.

Third, national territories must be inviolable not only from outside political forces but also from coercive economic measures that undermine the security and integral development programs of the various nations.

Fourth, disputes within the region must be settled by peaceful means and consultation and collective actions shall be used to prevent aggression; and,

Fifth, common progress among the nations depends upon their willingness to pursue programs of integral development—political, technical and social, as well as regional integration processes that will benefit all of the peoples of this hemisphere.

Today, these general principles are embodied in such contemporary instruments as the Inter-American Treaty of Reciprocal Assistance (Rio Treaty) of 1947 and the Charter of the Organization of American States adopted in 1948, with new amendments of 1967 entering into force in 1970. Under these documents the Organization of American States, which was created as a direct outgrowth of acceptance of these five great ideas by our hemispheric nations, has become the focal point and hemispheric forum for the American nations to:

Deal with matters of common concern;

Through majority vote, make decisions that govern international relationships in the hemisphere; and,

Serve as an instrument for collective action in the socioeconomic and cultural areas.

Today the OAS carries out its regional responsibilities through a complex variety of organs, including, at the highest level the General Assembly, and the Meeting of Consultation of Ministers of Foreign Affairs. There are three Councils, one of which is Permanent, and two of which are technical, dealing with economic and social affairs and education, science and culture. We also have the Inter-American Juridical Committee, the Inter-American Commission on Human Rights, and the General Secretariat, which is the central and permanent organ. In addition, there are a number of specialized organizations such as the Inter-American Institute of Agricultural Sciences, and the Pan American Health Organization.

The Organization of American States fully respects the principle of the democratic equality of all member states. A careful set of checks and balances has been constructed within the OAS to help guarantee the rights of all members. The latter nations retain their basic sovereign attributes and the OAS possesses only that authority and responsibility provided in the OAS charter.

Within this context the OAS seeks to fulfill its broad objectives, including:

Prevention of acts of aggression through prompt action of its peace-keeping machinery.

Multilateral leadership and coordination, to complement the Latin American countries' effort to accelerate economic and social progress.

Focusing hemispheric concern for the expansion and protection of a body of human and economic rights.

THE IDEAS IN PRACTICE

By putting these great ideas into practice, by accepting them as the governing rules of conduct in their international relations with each other, the nations of our hemisphere have established a regional system without parallel. We have succeeded in establishing one of the most peaceful regions on the globe. Our relationships are, for the most part, harmonious and directed to assisting each other.

However, precisely at this moment the inter-American system and its principal instrument, the Organization of American States, is facing the gravest crisis of its eighty-six year history. Increasing conflict and confrontation has unfortunately become a critical feature of relationships between Latin America and the United States.

What has gone wrong? Where have we failed? What must we do to move beyond current confrontations to a new level of international cooperation? These are the questions that are before us now. On their successful resolution depends the future of the Americas. I am convinced that we can and will overcome our current difficulties, provided we build upon our past achievements and those great ideas which have served us so well before.

The main source of the current impasse between our nations is that we are increasingly looking at the evolution of hemispheric relations from differing, if not opposing points of view.

Today, the United States stresses the security aspects of the inter-American system and expresses a desire to give priority to bilateral relations with separate nations. Latin America, on the other hand, while maintaining its traditional international security and political concerns, stresses integral development, regional integration and multilateral relationships between the nations of the hemisphere. The Latin American consensus is that the system, if it is to build profitably on its past accomplishments, must be fully responsive to the transformed economic and socio-political world of today.

We now see a Latin America which is ever more aware of its human and resource potentials. Individual nations and the region as a whole are moving toward a new and distinctive understanding of their own self-identity and development needs, a voice in the emerging international order, and a leadership role in the developing world.

All of this means that Latin America is seeking to reach solutions born out of its own criteria and culture. As the nations of the region search for these solutions they are guided by a strategy of integral development which requires that they seek:

Adjustments in the terms of world trade;

Easier access for export products;

Better mobilization and re-orientation of multilateral and bilateral financial assistance;

Rules of conduct for transnational enterprises.

It is clear that Latin America and the United States view these issues from differing perspectives. Unless we can harmonize our differing views further conflict seems to be in store for this hemisphere.

There are other issues that divide the Americas. These are well-known and include the future of the Panama Canal and inter-American relations with Cuba. I have not focused on these today, although I believe the successful resolution of these and similar questions is of fundamental importance to hemispheric relationships. There are underlying currents and movements that we must understand and face. These include an entire range of trade, technological, investment, and development issues that can best be confronted in multilateral ways and in multilateral forums.

During the past decade and more Latin America has increasingly emphasized its commitment to integral development and to regional integration. Our Organization of American States has encouraged and provided assistance to those hemispheric development efforts which are designed to give greater reality to both regionalization and to programs for achieving integral development. Our manysided activities are found in economic, cultural, and social fields. On its part the United States has provided a variety of technical and financial assistance, as Secretary Kissinger recently observed in several Latin American countries, to the movement of regional and sub-regional integration and has indicated an eagerness "to assist these integration movements and others that may arise in the future."

With mutual concerns of this kind there seems little reason for the United States and Latin America to continue on a collision course. Yet the signs are that this will remain the situation unless the United States develops a clearer understanding of the nature of hemispheric development interests today. The understandings of yesterday no longer hold. Actions, not words, must govern the future of hemispheric relations and only as both the United States and Latin America demonstrate in practice that they are genuinely committed to their multilateral partnership for hemispheric development will the traumas of the present be diminished

The five great ideas which have brought the Americas so far, then, are still valuable and essential for our future. However, they must be placed in the modern context of hemispheric development concerns so that our policies, decisions, and actions can be guided by them.

I believe that an extraordinary opportunity exists within the OAS framework for Latin America and the United States to come to a new understanding of the current and projected needs of the peoples and nations of the hemisphere. As with our predecessors we must make interdependence—not conflict and confrontation—our hallmark.

This, however, will require seeing the real world as it is. As we do this, as we move beyond the impasse of the present, we need have no fears or doubts: the ideas and ideals we hold in common in this hemisphere will continue to serve us well.

TRIBUTE TO BELLA ABZUG

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, my colleague, Bella Abzug, will be absent in the 95th Congress, and the House may be terribly subdued next year without this remarkably intelligent, talented, and fearless person. Although she has served only two terms, her impact on the Congress and on the Nation far exceeds this short span of time. BELLA may be leaving, but retiring she is not, and I wish her success in whatever endeavors she pursues.

TRIBUTE TO ROY MADDEN

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PEPPER. Mr. Speaker, some time ago when I learned that the distinguished chairman of the Rules Committee and my long-time friend, Honorable RAY MADDEN, was retiring from the Congress I wrote him a letter which, to some degree, expressed my esteem and affection for him. Representative MADDEN has made a great chairman of the Rules Committee, has been one of the outstanding legislators of the Congress for many decades, is a great American and a noble gentleman. I am deeply saddened that he will be leaving the Congress. It is the Nation's immense loss. Mr. Speaker, I insert my letter of May 10 to Representative MADDEN at this point:

MAY 10, 1976.

Hon. RAY MADDEN,
Member of Congress,
Rayburn House Office Building,
Washington, D.C.

DEAR RAY: Mildred and I were brokenhearted when we heard the report that you were defeated. We could hardly believe that your district would show such ingratitude for the many years of great and dedicated service you rendered to your district and to our country.

Mildred and I just got back from Florida this afternoon. I am coming to see you among the first things I do to tell you personally that both of us almost had tears in our eyes when we heard this sad news. Nobody in the Congress has worked harder for his constituency and the country than you in your many years in the Congress. Nobody has more faithfully served and supported all the people in the Congress than you during your long service here. You have truly been a friend of the people. You have immeasurably contributed in your long tenure to the building of a better America. Many of the programs and policies which are so meaningful to the people of the country today were programs and policies which either you initiated or you helped to bring about. The people always knew you were on their side and nothing could swerve you from your faithful support of them and the things that were meaningful to them. Yet, however hard you have fought in your battles, you have always been a fighter with a smile; as Roosevelt said of Al Smith, "A happy warrior"

It is going to be said to me, and I am sure it will be to the other members of the Committee, after the first of the year for you not to be Chairman of the Rules Committee. You have done a magnificent job as Chairman. We all respect, love, and admire you.

And the House itself will sorrowfully miss your persuasive and effective arguments, always delivered in your characteristically good natured and charming manner. Not only the Rules Committee, but the House and Washington, will never be the same without you. Mildred and I just want you to know that it hurt us little less than would our own defeat for you not to be reelected. Yet, I know you will find many interesting and challenging things to do which will keep you well occupied in the years ahead. We hope you can spend more time in Florida where you have many friends.

We just want you to know that this was a great—a tragic—loss, not only to your district but to younr country and to mankind.

Mildred joins me in affectionate good wishes.

Always sincerely,

CLAUDE PEPPER.

A DISTINGUISHED FORMER PRISONER OF WAR, COL. RAYMOND C. SCHRUMP, SPEAKS ON BEHALF OF THE POW/MIA'S IN VIETNAM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KEMP. Mr. Speaker, Mr. and Mrs. George Brooks, whose son, Navy Lt. Nicholas Brooks, is still missing in action, have been leaders in the National League of Families' long search for information about the POW/MIA's. They recently brought to my attention a profoundly moving speech made by Col. Raymond Schrump at the Republican National Convention. Colonel Schrump, who was a delegate from Fayetteville, N.C., spent 5 years as a POW during the Vietnam war. He was credited with engendering in his fellow prisoners his dynamic faith in God, country and liberty and maintaining a strength in leadership as an example to them. He was decorated for his bravery with two Silver Stars, two Legions of Merit, three Purple Hearts and two awards of the Combat Infantry Badge. Colonel Schrump makes poignant reference to the inexplicable disregard for those who made the personal sacrifice of life and freedom while uncommon sympathy is being generated, in some circles, for those who evaded fighting for their country.

Mr. Speaker, I commend Colonel Schrump's speech to my colleagues as a thought-provoking, eloquent plea on behalf of those who are yet unaccounted for in the aftermath of Hanoi's takeover of Vietnam:

ADDRESS BY COL. RAYMOND C. SCHRUMP, DELEGATE FROM NORTH CAROLINA, 1976 REPUBLICAN NATIONAL CONVENTION, AUGUST 17, 1976

Senator Dole, distinguished guests, fellow Republicans: As I stand here before this convention and Our Lord and Savior Jesus Christ, I pray that he will bless the men and their families of whom I am about to speak.

As you all know now, my background is largely that of a career soldier and now for at least the past two years a small businessman. As you will immediately become aware, I am neither a politician nor a speaker. However, I do claim a cherished and priceless title, the most important in these United States. I am a private citizen of this republic.

With your permission tonight, I shall exercise not only some of the rights and privileges of that citizenship but, more importantly, some of the responsibilities that go along with the title; that is, quite simply, to come here and speak to you of the things that are on my mind and in my heart concerning the condition and the direction of our country.

Having spent five years of my life denied the freedoms I once took for granted I came to realize just how precious those freedoms really are, and today I cherish them beyond words.

I attribute my homecoming to three basic faiths: faith in God, faith in my country, faith in my fellow man. It is altogether fitting and timely in this year of our 200th anniversary as the gerater republic of all time to reaffirm ourselves to the preservation not only of the basic faiths of which I spoke but of the basic principles on which this country was founded.

America is the only country in the world who knows the true cost of freedom, and that cost can only be measured in human life and personal sacrifices.

Regardless of your feelings and mine on the Vietnam War or how it was conducted, what is more important today is how to resolve the last chapter of the Vietnam War: how to obtain the release of the remaining men still being held and the return of those who died so that they may be properly buried.

As a typical average American, I do not understand the intricacies of the world of politics, but I am learning fast. We elect individuals to political office with a fervent hope they will protect our rights and liberties and love America as much as we do individually and collectively, that personal gain and quest for political power will not be the overriding consideration when hard decisions must be made on our behalf.

However, my efforts on behalf of our prisoners of war and missing in action have given me pause to wonder. Where are the patriotic leaders in our country who will take a stand on behalf of the men they ask to serve?

Today in this great and free nation of ours there are many wives and children and parents who have only love to keep alive their hope for a loved one listed as a prisoner of war or missing in action. Only God knows how many men are trying to stay alive on memories of such a love.

We do not know the status of over 1,000 men listed as missing in action. These men left this country and endorsed our nation's commitment to its allies. That endorsement was not accomplished merely by a signature on a bill or a treaty but by personal sacrifice of life and freedom. Nor do they enjoy any of the rights and privileges that we often take for granted and for which they were willing to pay the ultimate price.

Must their endorsement now be forfeited while amnesty is granted to those who refuse to support national interest?

The idea is that this manner of recognition of patriotism and dedication to duty is becoming the in thing, and it is a fearsome thought indeed. As a matter of national integrity, we are morally bound to a complete accounting and recognition of these lost men.

Are we, the American people, going to allow the leadership of this country that committed these lost men to their fate to forget them?

Right now more than ever before, we must return integrity and moral commitment to our government. The Democrats did not consider a platform for the prisoners of war or missing in action. However, I noted with great interest last month at the Democratic Convention that a draft evader from the Vietnam War was an elected delegate and spoke at that convention and asked for open door amnesty and then was nominated as Vice President of the United States of America.

Perhaps I am a prude, but frankly, I don't want a draft evader or deserter to have anything to say or to speak for me.

Resolve today, now, that you will rededicate yourself to the cause of the National League of Families and end this anguish of these brave men and their families. This is the humanitarian way, but more importantly, it is the American way.

Some of these men died in my presence, and I can assure you not one—not one—ever lost his faith in his country, in his God, or in you, his fellow man.

Poor is the nation that has no heroes. Shameful is the one that having them forgets. Thank you. God bless you and God bless America.

HON. THOMAS N. DOWNING

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SIKES. Mr. Speaker, the House of Representatives is a cross-sectional representation of the American people. This Chamber has, from time to time, been home to every sort of person. But amidst all this variety, there is one type of man, or woman, who does his work quietly and well; who avoids the glare of nationwide publicity; who comports himself with modesty, grace, and dignity. The steadiness, wisdom, and diligence these people contribute, make them invaluable to the House and, consequently, the whole Nation.

Congressman Tom Downing is one of these men. He has served the good people of the Old Dominion's First District for nearly two decades with remarkable effectiveness, and he has chosen, of his own volition, to lay aside the duties of the office he has distinguished during those years.

Tom Downing came to the House in the great Democratic landslide of 1958. A graduate of Virginia Military Institute, he had spent the first years of his adulthood in service to the Nation as a combat officer in the armored calvary, serving in the 3d Army under the command of one of America's greatest fighting generals, George S. Patton. He was present in the vanguard as the 3d Army crossed the German border in 1944 and was awarded the Silver Star for gallantry under fire.

At the end of the Second World War, Tom Downing returned to his education and graduated from the University of Virginia Law School in 1947. He joined the Virginia bar and practiced law in Hampton for 11 years, until he was elected to Congress.

Tom Downing's hometown of Newport News is the largest city in the first district and, more important, it is the site of the Newport News Shipbuilding and Drydock Co. This firm is one of our most important naval construction facilities; the products of its gifted naval architects and diligent workmen are vital to the maintenance of our naval superiority. Newport News-built ships now serving in the U.S. Navy include the nuclear strike carriers *Nimitz* and *Enterprise*, several oil-powered strike carriers and numerous other warships. At this very moment, two additional nuclear carriers, the *Dwight D. Eisenhower* and *Carl Vinson*, are under construction at Newport News.

Living, as he does, in close proximity to this installation, Congressman Downing has had, throughout his career, an acute grasp of the realities, not only of seapower, but of all the many aspects of national defense. He has compiled a very fine record in this all-important field.

But Tom Downing's most substantial contribution has been his outstanding tenure as a member and chairman of the Merchant Marine Subcommittee of the Committee on Merchant Marine and Fisheries. One of his great achievements there was the vital part he played in the passage of the Merchant Marine Act of 1970, a law designed to renovate the American Merchant Navy by 1980.

He has also served with great distinction on the House Science and Technology Committee. While chairman of the NASA Oversight Subcommittee, he gained a well justified reputation as one of Capitol Hill's most effective and knowledgeable defenders of our space program.

Congressman Downing has given the citizens of Virginia's First District 18 years of distinguished service in the House. I do not know of any man who could have represented them better. I wish Tom and his family all the best as he begins what I am sure will be a long and fruitful retirement.

HON. THOMAS E. MORGAN

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LONG of Maryland. Mr. Speaker, to pay just tribute to "Doc" Morgan for his 32 years of service as a Member of Congress, and especially for his 18 years of distinguished leadership of the Committee on International Relations would consume many hours.

I do want to join my colleagues in thanking Thomas Morgan of Pennsylvania for his thoughtful, sensitive, constructive approach to U.S. foreign policy during two of the most crucial decades in our country's history.

As chairman of the Committee on International Relations, Representative Morgan has served through the cold war, the Berlin crises, Vietnam, and the present tenuous détente. At all times, he has been exceedingly fair and impartial, seeking bipartisan consensus among Americans about the role our Nation should play in world affairs, and in turning that consensus into constructive policy and legislation.

"Doc" Morgan showed the way—the way to constructive criticism of foreign policy, the way to lift sensitive international issues above party lines, the way to address the good of the Nation rather than the good of the party in dealing with the future role of the United States and, indeed, on many occasions the peace of the planet.

While acting as counselor and conciliator, "Doc" has never lost his grasp of the principles of our Constitution, of Congress role in modern foreign policy, and of the higher good.

Historians examining his tenure in this Congress will appreciate the key role he has played. We shall miss having him, we shall miss his counsel, and we shall miss his example.

ALAMEDA-VOTE, AMERICA-VOTE CONTEST UNCOVERS SURGE OF INTEREST IN VOTING PROCESS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. STARK. Mr. Speaker, since last March when I reported to the House that Alameda, Calif., in my district was challenging any other city to compete in voter registration and turnout, the response has been phenomenal. There are now over 250 communities of all sizes that have entered the contest to be "America's Votingest City by November 2, 1976."

It is just possible that this widespread citizen interest will disprove the gloomy forecasts of voter apathy.

Set out below is a recent release on the response Alameda citizens have received to their admirable effort in the Bicentennial Year. The release follows:

> "Citizen participation in the voting process is on an encouraging upswing, and there are hopeful indications it will continue", states Ruth M. Drossel, national general chair of America-Vote '76, a nationwide Bicentennial Votingest City competition based in Alameda, California.
>
> There are 246 citizens from 44 states already competing in the city-to-city voting challenge. They represent 12 million Americans· 8.5 million of them are potential voters.
>
> "Community-action programs such as this can prove an important force in reducing the gloomy forecast of recent non-voter surveys that predict Americans will stay away from the polls in record numbers in the November presidential elections.
>
> "Our experience in the Votingest City contest indicates that a new force of community service groups not usually identified with voter and registration drives is actively entering the political process. Such groups as scouting and student service organizations, homeowners and civic organizations are beginning to take active roles to help their cities be the 'votingest'."
>
> Other programs on the national scene are encouraging this kind of citizen participation. For instance, California Secretary of State March Fong Eu has issued a state-to-state voting challenge, and the Advertising Council, Inc. has announced a major campaign in conjunction with the American Revolution Bicentennial Administration which encourages registration and voting with the theme "It's the Bicentennial thing to do."
>
> "If community service groups can be motivated into action through the spirit of competition, community pride and the Bicentennial fervor, we see them becoming a large potential resource which could deal particularly effectively with some of the pragmatic problems which face at least 10 million of America's non-registered adults and stay-at-home voters."

In a recent Bureau of Census survey (Series P20, No. 293) of 40 million non-registered, 24% cited such reasons for remaining out of the voting system as recently moved, had no transportation, didn't know how or where to vote, had physical disabilities, or hours or places of registration and voting were too inconvenient.

"People-to-people community service groups are particularly well suited to address these problems."

Drossel is quick to state that there is no claim that such special service groups would or could replace the traditionally effective efforts of the more experienced and politically sophisticated groups who annually conduct registration and voting drives.

"These new groups could, however, be of substantial aid not only in adding to the number of registered and voting citizens, but in reducing the often-claimed growing feeling of isolation and disenchantment."

The "Votingest City" competition was launched by a non partisan group of Alameda citizens in early 1975 as an appropriate and creative way of celebrating the 200th birthday of the establishment of "government . . . by consent of the governed". Spearheading the program were the local PTA Council, Alameda Jaycees and League of Women Voters. The program soon grew to include all segments of the community.

Voting challenges have come from such sources as Grand Rapids, Michigan, President Gerald R. Ford's hometown and Mobile, Alabama, where the student government of McGill-Toolen High School has sent a challenge. Two scouts working for their Eagle badges each entered their towns of Nashville, Illinois and Matawan, New Jersey. The gauntlet has been cast by the Lions Club of Winslow, Maine, the Jaycees in San Diego, California, the League of Women Voters of Columbus, Ohio, and the Bicentennial committee of Bemidji, Minnesota.

Winners will be decided on percentages of increase in registration and voting since the November 1974 general election, and on highest percentages of registration and voting in the 1976 presidential election. Cities will compete in appropriate population categories.

Voting statistics will be judged on official returns in early December and Votingest City awards made on December 30 as an appropriate climax to the Bicentennial Year.

America's Bicentennial: "Votingest City" Challenges Received by August 14, 1976

Total challenges, 189.

Number of States, 41.

Total population represented, approximately 8½ million.

Alabama: Vestavia Hills	14,000
Arizona:	
Casa Grande	14,000
Sun City	36,000
Tucson	262,933
California:	
Alameda	77,000
Albany	15,561
Arcadia	46,100
Belmont	25,200
Big Bear Lake Valley	7,959
Ceres	9,549
Chino	27,490
Concord	95,500
Davis	23,500
Del Mar	4,734
Dixon	4,995
Fontana	23,629
Garden Grove	123,200
Lakewood	81,000
Lompoc	25,300
Los Alamitos	11,750
Manteca	17,750
Millbrae	21,500
Modesto	84,160
Napa	46,867
Newark	29,353
Newport Beach	62,000
Oakland	330,000
Orange	86,000
Oxnard	87,104
Piedmont	10,875
Sacramento	263,800
Seal Beach	24,500
South Lake Tahoe	18,885
Vacaville	30,000
Vallejo	73,000
Colorado:	
Broomfield	7,200
Denver	514,678
Edgewater	6,095
Connecticut:	
Hebron	4,800
Manchester	49,500
Middletown	36,924
Naugatuck	25,000
New Canaan	17,500
Trumbull	34,400
Florida:	
Dunedin	29,000
Ft. Myers	27,500
Hernando County	36,000
Sunrise	26,000
Titusville	35,000
Georgia: Peachtree City	3,500
Hawaii: Hawaii County	74,700
Idaho: Payette	5,235
Illinois:	
Algonquin	3,515
Western Springs	14,188
Worth	12,153
Glenview	30,550
Indiana:	
Carmel	13,500
Jasper	8,650
Marion	40,253
New Whiteland	5,000
Iowa:	
Cedar Falls	34,000
Gowrie	1,200
West Des Moines	20,712
Wyoming	734
Kansas:	
Derby	7,485
McPherson	11,000
Kentucky:	
Morehead	7,210
Paducah	31,600
Maine: Winslow	8,000
Maryland:	
Luke	424
Westernport	2,900
Massachusetts: Amherst	-------
Michigan:	
Albion	12,008
Allen Park	41,000
Coldwater	9,232
Dearborn	97,000
Flint	193,317
Galien Township	1,706
Menominee	10,748
Romulus	25,800
Grand Rapids	197,649
Sault St. Marie	15,000
Wyoming	60,000
Minnesota:	
Bemidji	11,490
Breckenridge	4,200
Columbia Heights	23,997
Crystal	31,005
Duluth	100,578
Edina	49,187
Fridley	32,468
Mound	6,835
New Ulm	14,400
Shakopee	9,666
Virginia	12,500
Missouri:	
De Soto	6,000
Farmington	7,031
Festus	7,530
Herculaneum	2,439
Jennings	19,359
Joplin	40,800
Kimmswick	268
Lake Waukomis	987
Neosho	7,750
Pevely	1,087
Weatherby Lake	1,063
Montana:	
Columbia Falls	2,652
Cut Bank	5,000
Nebraska:	
O'Neill	3,837
Seward	5,600
Nevada: Virginia City	675
New Hampshire:	
Concord	30,020
Derry Town	16,000
Hampton	9,200
Laconia	14,888
New Jersey:	
Atlantic Highlands	5,400
Hardyston Township	3,885
Howell	28,000
Linwood	6,824
Matawan	9,824
Millville	23,000
Pahaquarry Twp	31
Passaic	57,000
Randolph Twp	17,300
Vernon Twp	8,000
Wall	—
New Mexico:	
San Miguel Cy	25,366
Los Alamos	17,000
Santa Fe	48,195
New York:	
Auburn	34,303
Clay Town	47,000
Ithaca	26,226
Fayetteville	5,076
Ossining Town	31,000
Salina	42,000
Southport	11,976
Syracuse	197,000
Wellsville	8,000
Ohio:	
Bowling Green	21,760
Cincinnati	452,524
Columbus	539,667
Delta	2,544
Englewood	12,000
Lexington	3,500
Lima	53,734
Northfield	4,283
Village of Indian Hills	6,000
Wapakoneta	7,700
Oklahoma: Sulphur	5,158
Oregon:	
McMinnville	12,500
St. Helens	6,872
Sutherlin	4,180
Sweet Home	4,350
The Dalles	10,770
Pennsylvania:	
Butler	18,691
Level Green	5,000
Middletown	9,090
Rhode Island: Exeter	3,427
South Carolina: Lancaster	40,000
South Dakota: Yankton	19,039
Texas:	
Angleton	9,770
Clute	
Gray County	29,000
Richland Hills	8,865
Utah:	
Grand County	6,572
Salt Lake City	181,000
Spanish Fork	6,200
Vermont:	
Barnard	569
Barre Town	7,000
Colchester	9,600
Essex	10,951
Montpelier	8,609
Rockingham	5,501
Virginia:	
Arlington	174,400
Chesapeake	89,580
Newport News	138,200
Norfolk	308,000
Virginia Beach	172,100
Washington:	
Bellingham	39,500
Moses Lake	10,300
Vancouver	47,000

America's Bicentennial: "Votingest City" Challenges Received by August 14, 1976—Continued

West Virginia:	
New Martinsville	6, 523
White Sulphur Springs	2, 869
Williamson	5, 600
Wisconsin:	
Bloomer	3, 209
Combined Locks	3, 128
Janesville	46, 426
Manitowoc	33, 500
La Crosse	48, 878

Not Yet Challenged By: Alaska, Arkansas, Delaware, Louisiana, Mississippi, North Carolina, North Dakota, Tennessee, Wyoming.

Update: Bicentennial Votingest City Challenges Received by September 22, 1976

Total challenges, 246.
Number of States, 44.

Population represented, 12 million.

Alabama:	
Mobile	190, 000
Talladega	17, 662
Arizona: Chandler	20, 034
California:	
Chula Vista	75, 137
Foster City	24, 000
Fresno	177, 900
Pleasant Hill	25, 398
San Diego	773, 400
Connecticut: Ledyard	15, 700
Florida: Jacksonville	528, 855
Illinois:	
Nashville	3, 533
Oak Park	62, 000
Maryland: Thurmont	7, 332
Massachusetts: Brookline	52, 874
Minnesota: Kilkenny	182
Michigan: Northville	5, 730
Missouri: Sullivan	5, 100
Nevada: Eureka	500
New Jersey:	
Montclair	44, 043
Ogdenburg	2, 650
Washington Township	23, 000
New York:	
Scarsdale	19, 229
Watertown	30, 787
North Dakota: Minot	32, 823
Ohio:	
Belleville Village	1, 685
Butler Village	1, 052
Cleveland	750, 903
Lucas Village	771
Youngstown	139, 759
Mansfield[1]	55, 047
Ontario Village	4, 345
Plymouth Village	1, 181
Shelby City	9, 847
Shiloh Village	817
Oklahoma: Tulsa	331, 638
Pennsylvania: Scranton	103, 000
Rhode Island: Warwick	83, 694
Tennessee: Knoxville	179, 999
Texas: Belton	10, 000
Utah:	
Alpine	1, 780
Cedar City	1, 500
Brigham City	16, 200
Brian Head	45
East Carbon	1, 183
Harrisville	900
Laketown	239
Linden	2, 000
Mantua	370
Roosevelt	4, 800
Smithfield	3, 342
South Lake Salt	7, 810
West Jordon	25, 000
Virginia: Richmond	249, 621

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[1] 200th challenger.

UNFINISHED BUSINESS—COMPULSORY INSPECTION OF FISH FOR WHOLESOMENESS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, fish is an increasingly important source of protein for the American people, but as far as the consumer is concerned, purchase of fish in almost any form today is about as chancy a thing as it was to buy poultry 20 years ago. There is no Federal law requiring the continuous inspection of fish products for wholesomeness—as all red meats in interstate commerce have had to be inspected since 1906; as all poultry in interstate commerce has had to be inspected since 1957; and as all meat and poultry sold in intrastate commerce has had to be inspected since 1968.

I introduced what became the Poultry Products Inspection Act of 1957, because of horrifying conditions in poultry plants called to my attention by officials of the Amalgamated Meat Cutters and Butcher Workman's Union of North America whose members were being subjected to many serious illnesses in handling diseased poultry. The Food and Drug Administration subsequently confirmed the danger and acknowledged that it did not have the resources to deal effectvely with the problem. It said it could inspect poultry plants only very infrequently and could not possibly find and remove from the market all of the unwholesome poultry being sold.

BEST THING TO HAPPEN TO POULTRY INDUSTRY

Although most of the poultry processing industry worked hard to block the legislation, passage of the Poultry Products Inspection Act of 1957 turned out to be the best thing that ever happened to that industry. Assurance of the wholesomeness of a product which had previously been processed under conditions varying from barely passable to filthy opened up vast new markets for American poultry not only in this country but throughout the world.

Some major poultry processors prior to the passage of the 1957 act had participated in a voluntary Federal poultry inspection program operated on a fee basis by the U.S. Department of Agriculture. By paying the full costs of inspection these firms could affix the Federal inspection stamp to their product. The Federal compulsory inspection program assumed the full cost of placing Federal inspectors in the plants and thus financially benefited the firms previously participating in the voluntary program. The public benefited, however, by having much tighter standards than had been feasible under the voluntary program.

VOLUNTARY INSPECTION PROGRAM IS INADEQUATE

Today, the situation in the fish industry is pretty much the same as it was in poultry prior to passage of the 1957 Poultry Products Inspection Act. The Food and Drug Administration periodically and infrequently inspects fish processing plants; a voluntary continuous inspection program is operated on a fee basis by the U.S. Department of Commerce. Only a few fish processing firms pay the costs of participating in the voluntary program.

Those which do have their product subjected to continuous Federal inspection, and pay for this service, are entitled to consumer preference for their output. It is good customer relations. Consumers should make a point of looking for the inspection symbol on fish products, and buy those products which carry it.

But in view of the small amount of the total domestic and foreign fish catch sold in this country being subject to Federal or comparable State or foreign fish inspection, the consuming public is not being protected properly in the purchase of fish. We need compulsory Federal inspection, with comparable standards on imported fish products and on fish moving only within State borders. Such inspection must extend not only to the processing plants but to the boats and to intermediate handling. And, like meat and poultry inspection, the costs should be paid out of Federal funds as a protection of the public health.

FISH INSPECTION BILL MUST BE REINTRODUCED IN NEW CONGRESS

I have been proposing compulsory Federal inspection of fish for many Congresses, first as a section of my omnibus bill to rewrite the Food, Drug, and Cosmetic Act, H.R. 1235, which was referred to the Committee on Interstate and Foreign Commerce. For the last 4 years I have introduced a separate fish inspection bill assigned to the committee of which I am chairman, the Committee on Merchant Marine and Fisheries. If committee chairmen had the great power some critics of Congress seem to believe, that bill would now be law, for I deeply believe in its necessity. A Merchant Marine and Fisheries Subcommittee held hearings on fish inspection legislation in the last Congress but failed to act further. Opposition came not only from the fish industry generally but from the Nixon administration, which cited the expense. I reintroduced the bill in this Congress, with Representatives DINGELL and FORSYTHE as cosponsors, but again no action was taken on it. I hope that it will be introduced again in the 95th Congress and soon written into law.

America's fishing industry has been given extended protection during this Congress against the predatory fishing practices of some other countries "mining" fish off our shores. I feel that consumers have a definite right, in return, to a guarantee that the fish products they buy—whether from domestic or foreign sources—is certified as wholesome and fit to eat. We will not have that assurance until compulsory Federal fish inspection laws are enacted and enforced.

BRINGING HEALTH CARE TO THE PEOPLE: THE GROUP HEALTH ASSOCIATION OF NORTHEASTERN MINNESOTA

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. OBERSTAR. Mr. Speaker, in January 1977 the Group Health Association of Northeastern Minnesota will begin its fifth year of service to the people of my Eighth Congressional District. The history and accomplishments of this association—GHA as it is known in northeastern Minnesota—demonstrate what union leaders, physicians, employers, and Federal and State governments working together can do to bring comprehensive, high-quality medical care to thousands of people at a reasonable cost.

GHA is a health maintenance organization, an "HMO," a prepaid nonprofit health plan. Its subscribers and their employers pay monthly premiums to GHA. The subscribers elect the board of trustees which oversees the program.

From a modest beginning with 30 subscribers in January 1973, the enrollment of Group Health Association of Northeastern Minnesota has grown to 6,728 subscribers who, with their families, total more than 19,100 persons living in St. Louis, Lake, and Cook Counties. GHA is the second largest HMO in Minnesota; the largest is in Minneapolis.

GHA was brought into being primarily by the initiative of the United Steelworkers of America. The Steelworkers' leaders and rank and file deserve much credit for the origin and growth of the program. Although 4 out of 5 of the 19,100 persons covered by the plan are steelworkers union members or members of their families, the steelworkers have always wanted the plan to be open to other residents of our northeastern Minnesota communities. This has been GHA's policy from the outset.

Because I believe it is relevant to health care legislation we will very likely consider in the 95th Congress, I would like to review for my colleagues the origin and development of Group Health Association of Northeastern Minnesota, some data on its recent health delivery performance, and take a look at GHA's expectations of future growth. I believe that in this period when HMO's which have received Federal funds are being tested, the experience of GHA in my district has some national significance. Undoubtedly, GHA has brought better health care to many people in my district than they received before.

GHA: THE BEGINNING

Members of the steelworkers unions on the Mesabi Iron Range of northeastern Minnesota have long been familiar with the concept of prepaid health care. Until 1967, 90 percent of the workers volunteered for payroll deductions to cover outpatient services by local physician groups. This coverage was in addition to their usual Blue Cross-Blue Shield hospital and surgical benefits program. In 1967, the United Steelworkers of America made major medical benefits a mandatory inclusion for all contracts. Since this national benefit financed outpatient services, the local voluntary payroll deduction for such services was unnecessary and was discontinued.

Steelworkers on the Iron Range became dissatisfied with the new arrangement because the members of the local unions and their families experienced many difficulties in collecting their claims. This major medical type of coverage resulted in endless claims processing, receipt saving, and filing for benefits at the year's end. Eligibility and eligible benefits were disputed. Claims were lost in the mailing process. Thousands of dollars in benefits were paid by steelworkers from out-of-pocket funds because of these difficulties. Some claims took as long as 15 months until they were finally paid. In the meantime, the steelworker had received dunning letters for these outstanding bills and was forced to pay out of pocket or make special arrangements.

As a result, a Steelworkers Group Health Organizing Committee was established in 1970 to look into alternate methods of health care delivery. The members of this committee were: Willard Anderson, William Schutte, Ron Daigle, Rhinehart Olson, and Clifford Campbell. Each steelworker union member on the Iron Range donated $2.25 to finance the committee's activities. After careful investigation aided by a professional health care consultant, the committee concluded that a prepaid group practice plan offered the best solution. The committee felt that local physician groups working in their own facilities could serve best as providers of health care to plan subscribers. This meant that establishment of a prepaid group practice plan would require a change in the existing mechanism of paying those doctors. A central administration would have to be set up to contract with existing providers of care, to enroll subscribers, and to see that they received the plan's wide range of health care benefits.

At first glance, the chances of setting up a successful health maintenance organization in northeastern Minnesota at that time might have seemed poor. Outside of Duluth, population 100,518; Hibbing, population 16,104; and Virginia, population 12,450, the area is sparsely settled. But there were four favorable factors: First, the population has long been familiar with the concept of prepayment. Since 1905, mineworkers in the area have had payroll deductions for prepaid health benefits. Second, the people are familiar with group practice of medicine; a higher percentage of Minnesota physicians practice within a group setting than do physicians in other States. Third, the population of northeastern Minnesota has a longstanding tradition of "cooperative" effort including cooperative grocery stores, power companies, and gas stations. In a rural area, people must depend on each other, and the development of cooperatives came about because of this strong spirit of interdependency.

The fourth favorable factor was the existence of the steelworkers unions on the Iron Range and their affiliation with the United Steelworkers International, both of which are dedicated to the concept of prepaid health care and who advanced that concept in negotiations with the steel companies.

The Steelworkers Group Health Organizing Committee on the Iron Range elected 10 persons to serve as incorporators of the new plan. By April 1972, GHA evolved with the 10 incorporators serving as the initial board of trustees. Recognizing the value of total community involvement in the plan, board membership was soon expanded to 15, which included not only steelworker union representatives but local businessmen, and residents representative of the medicaid of title XIX persons who have chosen to enroll in the GHA program.

An executive director was hired and in July 1972, a Federal grant of $136,000 was received, matched with $10,000 from the Steelworkers Group Health Organizing Committee. With these funds GHA moved ahead with their plans and launched the program.

THE GROWTH OF GHA

On January 1, 1973, GHA became operational with 30 subscribers who, with their families, numbered 124 persons. Within 6 weeks 900 persons were enrolled, half of them medicaid or title XIX recipients.

What greatly accelerated the growth of GHA was the conclusion of an agreement in May 1974, involving GHA, the United Steelworkers, and four Mesabi Range steel companies: Pickands-Mather, United States Steel Corp., Jones & Laughlin Steel Corp., and Oglebay-Norton Steel Corp. This agreement permitted steelworkers union members employed by these companies to choose between enrolling in GHA or continuing under the health insurance plan of a commercial carrier.

At the suggestion of the Steelworkers Group Health Organizing Committee, thousands of steelworkers changed to GHA during the August 1974, enrollment. In July 1974, there were 5,658 persons covered by the GSA health care umbrella.

A year later the total was 13,098. And a year after that, in August 1976, the total was 18,299. The latest figure is 19,100 as of October 1, 1976.

On June 30, 1973, GHA took over the operation of the North Shore Clinic in Grand Marais, Minn., located on the shore of Lake Superior. Concerned citizens of the community had requested GHA to take over the medical care delivery system because they were losing two of the three physicians serving this community and the entire county of 3,400 people. GHA has continued to operate the North Shore Clinic, remodeled the facilities in late 1975, and has staffed it with three physicians and adequate support personnel. It is conveniently located next to the county-owned hospital and nursing home.

On July 1, 1974, GHA took over the operation of the medical clinic in Cook, Minn., population 620, located just to the north of the Iron Range. The community experienced several years of health care difficulties, including seeking a physician, providing and constructing a medical facility next to their hospital, largely to no avail. For want of a doctor, the hospital ultimately was forced to close. The understandably concerned citizens asked GHA to take over their medical care delivery. GHA named the facility Ashawa Clinic, and has staffed it with a physician, a physician's assistant, and staff support. Simultaneously, Cook encountered a dental care crisis. In January 1976, GHA added to the Ashawa Clinic a dental clinic with the most recent design and equipment, making available to the residents the best in dental care today. The dental clinic is staffed by two dentists, a hygienist, and other support staff.

On July 1, 1975, GHA also took over the medical care delivery in Pine City, Minn., population 2,143. The community had only two physicans, one retired and the other not regularly available. The Department of Health, Education, and Welfare offered assistance to GHA if it would stabilize medical care in Pine City. The Pine City clinic now has two physicians on staff; a third is being recruited. Also employed are two nurses, a lab technician, X-ray assistant, two clerk-secretaries, and a clinic manager.

On September 1, 1976, GHA completed the remodeling of a small clinic in Tower, Minn. GHA will provide 2-day week physician coverage and full-time coverage by a nurse practitioner.

In short, GHA has grown with and responded effectively to northeastern Minnesota's health care challenge. GHA's first participating facilities were the East Range and Lenont-Peterson Clinics in Virginia. Now there are six more. North Shore Clinic in Grand Marais; Community Health Center at Two Harbors; Ashawa Clinic at Cook; Adams Clinic at Hibbing and Chisholm; Pine City Clinic at Pine City, and the new clinic GHA constructed at Tower. In addition, through a referral system from the clinics, GHA subscribers and their families receive the services of a wide arary of medical specialists when necessary.

GHA PERFORMANCE DATA

GHA's headquarters is located at 307 First Street North, Virginia, Minn. It covers people in St. Louis, Lake, Cook, and Pine Counties. Virginia is 60 miles northwest of Duluth in St. Louis County. Under the GHA plan, subscribers file no claims and pay no bills for covered services. The clinics and the headquarters personnel of GHA do all the paperwork.

The performance data compiled from the records at Virginia are impressive. Here are some of the figures on services provided by GHA to its subscribers and their families during the 1-year period from July 1, 1975 to July 1, 1976:

FIGURES ON SERVICE

OFFICE VISITS

There were 66,104 visits to doctors' offices. Under the GHA plan, there is no charge for these visits.

HOSPITAL DAYS

During the year ending July 1, there were 10,118 days of hospital care, at an average daily cost of $122, provided through GHA for its subscribers and members of their families. More recently, the average cost per hospital day rose to $146.

X-RAYS AND LAB PROCEDURES

In the one-year period there were 15,663 x-rays taken. Average cost: $25.05.

There were 50,372 lab procedures completed. Average cost: $8.63.

OTHER EXAMINATIONS AND TESTS

Physical examinations given: 2,328.

Pap Smears for detection of cancer in women: 2,386.

Eye examinations: 3,835.

PRESCRIPTION DRUGS

During the year, GHA members had a total of 52,359 prescriptions filled at the nominal fee of $1 each. If GHA subscribers had purchased this medication at retail prices, the average cost to them per prescription would have been $4.78.

CHEMICAL DEPENDENCY

During the year, GHA improved services to aid persons dependent on alcohol or drugs. Forty-two patients were sent to treatment centers under arrangements made by GHA.

MATERNITY CARE

Two hundred and fifty-two babies were born during the year to GHA subscriber families. Including maternity care and infant care provided by the GHA plan, the average cost per baby was $1,000.

There is much more to the story of Group Health Association's services than these few highlights indicate. The array of services is remarkably comprehensive. There have been instances in which a single subscriber has had large sums in extensive medical costs paid for by the plan, including payments of $17,000, $24,000, and $28,000 in three separate cases.

A steelworker with family coverage under the plan pays a monthly premium of $12.50 by payroll deduction. The mining companies contribute $60.25 a month. Individual coverage costs the steelworker $5 a month and the company $18.48 a month.

Unlike other plans there are no deductible costs. The subscriber and his or her family are covered beginning with the first dollar of their health care expenses.

Group Health Association of northeastern Minnesota encourages its members to make full use of the program. And they do, as the foregoing figures demonstrate.

The emphasis in the GHA program is on preventive health care, not crisis medicine. Members are encouraged to come in for checkups, to see a doctor at the first sign of trouble, to return for treatments when necessary, and to take prescribed medicines without fail. Under the plan as comprehensive as GHA's array of fully covered benefits, the member need not fear that he cannot afford preventive health care or the full course of treatment when ill.

Although members go to a designated clinic among GHA's seven participating clinics, they choose the doctor they want to see at the clinic. If necessary, their clinic doctor will refer them to a specialist.

As far as the patient is concerned, there is—happily—no redtape. The GHA member goes to the clinic, presents his GHA membership card, and the rest is up to the medical providers and GHA which pays the providers. The GHA member files no claims and pays no bills.

GHA: LOOKING TO THE FUTURE

GHA's rate of growth is encouraging. For the last 15 months the plan has been adding members at a rate of 400 per month. In January 1977, steelworkers union members who are not enrolled in the GHA program will have an opportunity to enroll themselves and their families for the coming year.

GHA has enrolled several hundred public employees and their families and expects to bring in more of them. It will seek to increase its enrollment among employees of small companies.

The enrollment of title XIX or medicaid persons will continue in St. Louis County and be expanded into Cook and Pine Counties of Minnesota.

GHA has enrolled 1,936 persons in the family health center program with funds provided by the Department of Health, Education, and Welfare. These persons reside in St. Louis, Lake, and Cook Counties. GHA will be enrolling residents of Pine County in the fall and winter of 1976. The 1,936 enrollees in the family health center program are low-income persons: single persons having less than $7,000 annual income, and families having under $10,000 annual income; 249 of the 642 households have 1 or more medicare-age persons. These persons pay from nothing to 50 percent of the actual cost of their GHA medical dues; the family health center grant pays the rest. GHA polices these members by keeping payments up to date on a 30-day basis. An income review is conducted every 6 months. A waiting list of over 450 names has been gathered from inquiries about future funding.

After months of marketing research there, GHA is preparing to seek subscribers among residents of the Duluth area.

THE PRESSING NEED FOR PREPAID HEALTH CARE

With some of the best medical expertise and facilities in the world, the United States still has failed to bring health care to the average family at a cost the average family can afford to pay.

I believe that the Group Health Association of Northwestern Minnesota is breaking down the cost barrier to better health care in my district. It has had some advantages not available to some other HMO's across the county, and it has had some disadvantages such as a population dispersed over a wide area. And it has made some mistakes, like any pioneering plan.

But on balance, it has made impressive progress in a very short time, and I am confident it will do even better in the future. It has brought high quality health care to more people at the grassroots level in northeastern Minnesota than ever before available—and at a fair cost. That is an accomplishment worthy of wider recognition than it has received so far.

THE HONORABLE TOM DOWNING

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PICKLE. Mr. Speaker, Texans and Virginians have a great deal in common, perhaps that is because many Texans originally came from Virginia in the early days of this country. That is also true because Virginians and Texans vote alike here in the Congress on a great many occasions. I rather believe that the voting patterns of Texans and Virginians are as near alike as most any State. Certainly it is true that we enjoy the personal relationship with our fellow Virginians as much as any delegation in Congress.

Another reason for this fondness is because of the caliber of men they have sent to the Congress, such as Tom Downing. There is no more gentleman and scholar in the Congress than Tom Downing. Kind, polite, unbelievably fair, and always his remarks are appropriate. Having served with him on the House Science and Technology Committee, I know how much that committee respected his leadership. He did not make a lot of speeches but when he did it was like the Word being handed down and generally our committee would accept it. His leadership indeed helped us to advance the space program and I am confident without the leadership of Tom, the Honorable George Miller, and the Honorable Olin Teague, we would not have reached the moon on schedule nor have accomplished other outstanding achievements in the space field.

I shall also remember a trip I was privileged to make with former President Lyndon Johnson. We had been on a 3-day swing throughout the country and were finishing up our last appearance Saturday night and Sunday in Williamsburg, Va. As I emerged from the plane that evening, I was somewhat disheveled, needed a shave, a fresh shirt, and any other help I could get. When Tom saw me, he said, "Pickle, it looks like you've had a hard go of it these past few days." I told him that I had indeed had a difficult time on short order because all the President had asked me was, "Do you want to take a trip home this week?" And I promptly said yes. As I recall it, we went to Houston and then to the west coast, out into the Pacific, back to Kansas City, and some other stop, ending up in Virginia. Tom took good care of me, though, that evening and I shall always remember his courtesies.

Tom was with us the next day when the rector of the Episcopal Church decided to make an attack on the Vietnam war with President Johnson and Mrs. Johnson in the audience. We all considered that in poor taste because the President obviously could not respond and we had been given the assurance ahead of time that no such remarks or comments would be made. Whatever our differences may have been regarding the Vietnam war, I did not feel that it was appropriate for the preacher to take a bead on L. B. J. from the pulpit and will always consider that an act of impropriety. Tom Downing has always expressed his deep regrets at this incident and I treasure his understanding and his sympathy and his friendship for that fact alone.

Tom made a sort of farewell speech to the constituents of his district—one of the most dignified, yet eloquent commentaries on the service of a distinguished Member of this House that I have ever read. I am privileged to quote some of his general feelings regarding his service here in the Congress because I think they are so appropriate, and I hope many Members of this body will read and be uplifted because of the solid assurances given to us by this outstanding American Congressman from the First District of Virginia:

> My service in Washington as your representative has been a great teacher. The past eighteen years have provided me with an immense education about the Congress of the United States which is without question the greatest legislative body in the history of the world. As I have learned about it, my respect for it has grown and I have come to recognize the Congress, the House in particular, as being a truly representative body of government.
>
> We are truly representative of the people who elect us. We are a reflection of you. If there is good in you, it will show in us. If what is in you is not so good, then you should not be surprised if some of that shows up in Washington, too.
>
> It is highly important that we, as Americans, believe in our government. So I am asking you here this morning, if you believe in me the way that you have told me, both in person and by electing me nine times to be your representative, then please believe in the general membership of Congress just as well.
>
> We are a free people and we are a proud people. We came to these shores—at least many of our forebears did—seeking freedom of opportunity and freedom of religion. Both of these goals were achieved for us two centuries ago by brave men who pledged their lives and fortunes and their sacred honor that you and I might have this opportunity here to worship together today as we see fit and to go to the polling place on each election day and cast our ballot for our choice to represent us in the great public councils of our community, state and nation. Let us give thanks here today that these patriots whose deeds we commemorate were wise as well as brave and that they foresaw two hundred years ago that where governments of men might fail, a government of laws would last forever.

I trust that the people of Virginia's First District know that Tom Downing is beyond question one of the ablest and one of the most honorable men who have ever served in the Congress and they will be hard put to find another man who is so genuinely loved and respected as Tom Downing.

TRUBUTE TO DAVID HENDERSON

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PHILLIP BURTON. Mr. Speaker, in retiring, the distinguished chairman of the House Post Office and Civil Service Committee, David Henderson, leaves behind him a fine record of legislative achievement. His leadership and diligence will be missed by all of us who have come to admire and respect him as a person and as a legislator.

UNFINISHED BUSINESS—REMOVAL OF DES FROM ANIMAL FEEDS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, the artifical chemical hormone, diethylstilbestrol—DES—is a cancer-causing material which has been used for many years in fattening meat animals. Its dangers are now clearly known. Under the Food Additives Act of 1958, cosponsored by the gentleman from New York, (Mr. Delaney) and I, its use should have been ended. DES pellets at one time were inserted in the necks of chickens to hasten growth, but that had to be stopped when residues of this carcinogen were detected in the edible tissues or organs of chickens. The same thing happened with the ear implants of DES in beef cattle.

But DES continued to be used in feeds for beef cattle under a House provision of the Kefauver-Harris Drug Safety Act of 1962, one which Mr. Delaney joined me in opposing on the House floor. My amendment on DES was defeated but we were promised at that time—14 years ago—that the minute any residues of DES actually showed up in the edible portions of beef, its use would immediately have to stop. I warned in 1962 that it was only a matter of time before testing methods became sophisticated enough to detect residues of this cancer-causing hormone in meat and, sure enough, that is exactly what has happened. But DES continues to be used in feed to fatten cattle, despite the clear intent of the 1962 amendment which kept DES in use so long.

I urge the House Committee on Interstate and Foreign Commerce to take whatever steps are necessary to ban it entirely as an animal feed additive, as proposed in my omnibus bill to rewrite the Food, Drug, and Cosmetic Act, H.R. 1235.

CARCINOGENIC COLORING MATTER IN ANIMAL FEEDS MUST ALSO BE BANNED

At the same time, the committee should also move to enact a companion provision of H.R. 1235 which would ban the use of cancer-causing ingredients in the coloring matter used in animal feeds. The 1962 Kefauver-Harris Act specifically exempted coloring matter in animal feeds from the anticancer clause of the Color Additives Act of 1960. When I offered an amendment on the House floor to take out this exemption, I could not get any reasonable explanation from any of the managers of the bill as to why this exemption had been included, but it nevertheless stayed in the bill.

Coloring matter in animal feeds is not for the improvement of taste or appearance to encourage the meat animal to eat more food. Animals are generally color blind. Coloring matter is used in animal feeds in order to help the farmer decide which feeds must be withdrawn from use within a specified number of days before slaughter. Why it is necessary to permit carcinogenic coloring matter to be used for this purpose completely escapes me. I am sure most farmers can read directions on labels and, if they also need bright colors to differentiate one kind of feed from another, certainly a harmless vegetable dye can be used.

So far as I know, no feed processing companies are now using known carcinogens in their coloring matter in animal feeds. But the point is that the law permits it to happen. The law must be changed before great damage is done to the American consumer through inadvertent or negligent use of carcinogenic ingredients in the coloring of animal feeds.

IN TRIBUTE TO THE HONORABLE LEONOR SULLIVAN

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. ZABLOCKI. Mr. Speaker, Congresswoman Leonor K. Sullivan has served nobly and responsibly in this House for 24 years. Along with many of my colleagues, I will personally miss Leonor when she retires. Her dedication to her work, her conscience, and to the wishes of her constituents is evident in an outstanding legislative record.

I have had the privilege of serving with Mrs. Sullivan in the House for some time and can personally attest to her dedication, her integrity and her responsiveness to the needs of the people.

After embarking upon a career as a training executive and director of a St. Louis business machines corporation, Mrs. Sullivan left the business world in 1941 and married Congressman John Berchmans Sullivan. She served as his administrative assistant until his unfortunate death in 1951.

In 1952, Mrs. Sullivan was elected to the 83d Congress from the Third District of Missouri and has won reelection every term since that time.

Mr. Speaker, as you know Leonor Sullivan held two powerful posts in this House—chairman of the Merchant Marine and Fisheries Committee and a ranking member of the Banking and Currency Committee.

Not only did she support significant legislation in these areas but she consistently fought for the rights of consumers. She authored the Consumer Credit Protection Act of 1968 and helped guide to passage the Fair Credit Reporting Act to enable consumers to protect themselves in the credit field.

In addition, Mrs. Sullivan played a leading role in passage of important housing legislation. She consistently supported the enactment of responsible regulations requiring public housing tenants to be more responsible for the maintenance and upkeep of their units. She served as chairman of the ad hoc subcommittee which investigated federally real estate lending institutions and promoted reforms in regulations.

Mr. Speaker, Leonor's accomplishments are many and diverse. Her efforts in this Congress will be remembered in many future generations. My wife Blanche joins me in extending every best wish for a very happy and fruitful retirement.

LASER FUSION POTENTIAL

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. UDALL. Mr. Speaker, on August 12, I wrote to the Administrator of the Energy Research and Development Administration, Dr. Robert C. Seamans, Jr., inquiring as to that agency's management of the laser fusion research and development program. My interest stems in part from the nuclear oversight activities in which I am involved as chairman of the Subcommittee on Energy and the Environment of the House Committee on Interior and Insular Affairs.

The week after adjournment, I received a reply from Dr. Seamans. His observations as to the management status of the laser fusion work will be of interest to other Members of the House. As will be noted in the closing paragraph of Dr. Seamans' letter, he suggests that the Director of the ERDA Division of Laser Fusion, Dr. C. Martin Stickley, go into the matter in more detail through direct discussions with appropriate staff members at the earliest convenience of those concerned.

There are several distinct areas of concern for Members of Congress which might be addressed constructively in these discussions. Dr. Seamans' letter presumes both a competence and a proper responsibility within the weapons complex of ERDA for the management of a research program of critical importance to the Nation's civil energy supply. It injects considerations of military security classification into an area of public need which is primarily civil and commercial in nature. There is also a question as to whether ERDA's planned use of funds appropriated for laser fusion development is in accord with congressional intent.

The exchange of letters between Dr. Seamans and myself follows:

Subcommittee on Energy
and the Environment,
August 12, 1976.

Dr. Robert C. Seamans,
Administrator, Energy Research and Development Administration, Washington, D.C.

Dear Dr. Seamans: The possibility that the burgeoning technology of the laser may be applied to nuclear fusion for civil energy purposes has intrigued me ever since I became aware of the concept.

However, I do have some question as to whether this program, with its great potential for helping to satisfy our energy needs, should be managed as part of a program with military objectives. I believe that, if possible, the civil laser fusion program should be pursued as a civil program outside the strictures inherent in military related research and development. Should you decide that, the advantages of a civilian program not withstanding, there exist overwhelming reasons for developing laser fusion as a military program, I would appreciate your informing me as to the basis for such a decision.

Sincerely,

Morris K. Udall,
Chairman.

Energy Research and
Development Administration,
Washington, D.C., October 4, 1976.

Hon. Morris K. Udall,
House of Representatives.

Dear Mr. Udall: I am pleased to respond to your letter dated August 12, 1976, inquiring about the relationship of the laser fusion program with the military program of ERDA.

At the present time the laser fusion program is in a research phase in which we are pursuing an ambitious but well structured program to demonstrate the feasibility of the laser fusion process. In doing so, we will be determining whether it is possible to produce a significant level of thermonuclear reactions in a target pellet. This demonstration is required before definitive plans for future applications can be made.

Responsibility for management of the program rests with the Division of Laser Fusion which was created on March 21, 1976, in recognition of the great potential offered by inertial confinement fusion for a variety of possible applications. The Division directs a broadly based program which includes laser, electron beam and heavy ion fusion concepts.

In such a research phase, the program cannot be considered to be either civilian or military in nature but rather it is a scientific program designed to increase our understanding of the physics of inertial confinement fusion. While it is true that there may be both civilian power and nuclear simulation applications for laser fusion, the near term emphasis of the program is not on any specific application but on developing the body of knowledge required for use in any eventual application.

As you are probably aware, a detailed study of the placement of the inertial confinement fusion program within ERDA was made at the request of the Congress and the results of the study were transmitted to the Joint Committee on Atomic Energy in January, 1976. After a thorough examination of the alternatives, the recommendation of the study was that the inertial confinement fusion program remain under the direction of the Assistant Administrator for National Security.

This recommendation was based on a consideration of several issues. It was felt that the key objective of any management arrangement for the program should be to ensure that the planned weapons applications and energy applications are each given the attention needed to achieve their goals. The classified aspects of the program coupled with the fact that the facilities being built to demonstrate scientific feasibility can have near term weapons application, supported the recommendation that inertial confinement fusion remain in the National Security area of ERDA. This recommendation will be reviewed before the end of FY 1977 to determine if this management arrangement does, indeed, provide the optimum direction for the program.

In addition, a Laser Planning and Coordination Group (LPCG) was established to ensure coordination of the laser fusion program with the fusion program conducted by ERDA's Division of Magnetic Fusion Energy (MFE). The LPCG consists of the Assistant Administrator for Solar, Geothermal, and Advanced Energy Systems as Chairman and the Assistant Administrator for National Security. I directed that the LPCG have the following functions: ensure the early development of laser/e-beam fusion program plans that adequately provide for both military and civilian applications; monitor these programs to ensure that agreed upon plans are implemented to the extent appropriate to the research nature of the programs; be periodically briefed on the plans, technical progress, and budget projections for the laser program, as well as the MFE program; plan the laser fusion budget; and, finally, to provide a semiannual report to me on all LPCG functions.

It is also important to note that some of the most promising scientific theories and techniques currently being applied in the laser fusion program have had their origins in the nation's nuclear weapons development program at Los Alamos Scientific Laboratory, Los Alamos, New Mexico; Lawrence Livermore Laboratory, Livermore, California; and Sandia Laboratories in Albuquerque, New Mexico. It should also be recognized that these laboratories, which are involved in the laser fusion program, are also engaged in other energy research and development programs and not solely in nuclear weapon development. In addition, ERDA has contracts with KMSF, Inc., and the University of Rochester for work in the laser fusion program. Because some of the laser fusion concepts are related to those employed in certain aspects of weapons design, they are, of necessity, classified. We are continuing to utilize these concepts in the program because they represent the most expeditious means of developing laser fusion to meet both civilian and military objectives.

I greatly appreciate your interest in the laser fusion program and I would like to have Dr. C. Martin Stickley, the Director of the Division of Laser Fusion, discuss the program with you or your appropriate staff member in the near future. He will call your office for an appointment in a few days.

Sincerely,

ROBERT C. SEAMANS, Jr.,
Administrator.

S. 3091 NATIONAL FOREST MANAGEMENT ACT OF 1976

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. FOLEY. Mr. Speaker, as chairman of the managers on the part of the House during the conference on the differing versions of S. 3091, the National Forest Management Act, I am constrained to point out for purposes of legislative history that interpretative comments inserted in the CONGRESSIONAL RECORD and appearing as part of the House consideration of the conference report do not necessarily reflect the intentions of all of the conferees.

As the ranking minority House member of the conference, the gentleman from Virginia (Mr. WAMPLER) has pointed out, the conference agreement was unanimous, and the conference report was signed by all 20 of the House and Senate conferees. I believe that the conference report and statement of managers thus clearly reflect the intent of the conferees on this important and significant legislation.

TEXAS WESLEYAN COLLEGE PAYS TRIBUTE TO DISTINGUISHED FORT WORTH POSTMASTER

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WRIGHT. Mr. Speaker, in its September issue, Texas Wesleyan Alumnus magazine in Fort Worth published a profile of one of Fort Worth's most distinguished citizens, Jack D. Watson, a career postal employee who now serves as postmaster/sectional center manager in our city.

Mr. Watson exemplifies the high expertise and devotion to an ideal of service which are in the best tradition of one of this country's oldest institutions—the Postal Service. I think Jack Watson is simply the best postmaster in the United States.

In a related article in the same magazine, Mrs. Hallie Dozier, editor of the Alumnus, also has written a most interesting report on the landmark Fort Worth Post Office. Both these articles I would like to share with my colleagues today:

JACK D. WATSON, SR., ENJOYS DISTINGUISHED 30-YEAR CAREER WITH UNITED STATES POSTAL SERVICE

Texas Wesleyan College Alumnus Jack D. Watson, Sr., has enjoyed an outstanding career with the United States Postal Service since 1945. During this time, Watson has climbed from his first job as substitute post office clerk to his current position in Fort Worth of Postmaster-Sectional Center Manager over 160 post offices.

Watson was named "Postmaster of the Year" by the Direct Mail Advertising Association in 1971 and has been awarded numerous other honors and citations, both by the Postal Service and by civic organizations. Postal awards include three Quality Step Increases, the Meritorious Service Award, and suggestion commendations.

Having graduated from Mansfield High School in Mansfield, Texas, Watson attended Texas Wesleyan College from 1949 through 1951, completing 97 hours toward a Bachelor of Arts degree in business administration.

Watson began his postal career in November of 1945, upon retiring to Fort Worth after doing service duty. In 1942 he enlisted in the United States Coast Guard as an apprentice seaman and was discharged in 1945 as a signalman third-class, after serving overseas in the Pacific and seeing combat abroad the U.S.S. Ogden.

It was in November of 1945 that Watson started his postal career as a substitute post office clerk in the Fort Worth Post Office. He was promoted to foreman of mails in 1958 and again to tour superintendent in 1960. In 1962 Watson was promoted to organization services officer in the Dallas Regional Office. In this capacity he was responsible for the proper organization of post offices in both Texas and Louisiana, their authorized complement and man-hours expended, in addition to furnishing general management guidance. During this period, Watson served on several post office management and service improvement teams and has served as chairman of several study and survey groups.

In 1966 Watson received another personal honor when he was called on by the Assistant Postmaster General to be a part of a handpicked team to tackle the unprecedented mail stack-up crisis at the Chicago Post Office. In that same year, he was appointed acting postmaster at Fort Worth and confirmed by the United States Senate in May of 1967. In 1968 Watson was appointed to the 15-member Postmasters Advisory Group by the Postmaster General, Lawrence O'Brien. Organized in 1965, the panel acted as a "sounding board" for programs designed to improve the Postal Service.

Named acting manager of the Dallas-Fort Worth Metro Center for the United States Postal Service in 1971, Watson was there during its formative period when the Metro Center continually proved to be the number one postal installation in the United States. After a six months' assignment, Watson was allowed to return to Fort Worth to take his present position as Postmaster Sectional Center Manager. In this capacity Watson directs the management function of 160 post offices, is responsible for a budget of over $61 million annually, and in his area employs about 3,900 people.

In addition to his college background at Texas Wesleyan, Watson has taken courses in management training throughout the years since 1956 in order to better prepare himself for his vocation. This preparation has included among others various seminars for postal executives, labor-management conferences, management courses offered by the Postal Service Management Institute in 1970 and 1972, and an advanced management program offered by the University of Virginia in 1974.

A member of the National Association of Postmasters of the United States, Watson is also a member of the Fort Worth Federal Business Association and the Dallas-Fort Worth Federal Executive Board. He is active in various other community activities, including being a member of the board of trustees of United Way, being on the executive advisory board of the Order of DeMolay, being on the board of directors of the Longhorn Council, Boy Scouts of America, and being a member of the Fort Worth Chamber of Commerce.

Watson is a member of Saint Luke's Episcopal Church and is an honorary member of the Mosiah Temple Shrine Directors. He is a member of Cooke-Peavey Lodge No. 1162 AF & AM Fort Worth, a member of the Fort Worth Chapter No. 58 Royal Arch Masons, and a member of the Worth Commandery No. 19 of the Knights Templar. Watson is also a member of the Fort Worth Scottish Rite Bodies and a member of the Mosiah Temple.

Watson and his wife Doris live in Fort Worth and have two grown children, Mrs. Phil Meyer, who lives in Dearborn, Michigan, and Jack D. Watson, Jr., who lives in Arlington, Texas.

THE CITY WHERE TEXAS WESLEYAN COLLEGE LIVES—DOWNTOWN POST OFFICE STANDS AS LANDMARK IN ARCHITECTURE AND IN HISTORY OF FORT WORTH

Many fine institutions help to make up the history of Fort Worth and at the same time add beauty to the city where Texas Wesleyan College lives.

One such landmark is the main Fort Worth Post Office, pictured above as it was being completed in 1932. Ralph Sollitt and Sons Construction Company of Chicago, Illinois, built the massive edifice, which is a cornerstone of downtown Fort Worth.

Located on the south end of the downtown sector, the building was a great showplace and a tribute to the world of architecture when it was completed during the Depression years. It has remained a source of pride to Fort Worth throughout the years, and stands as a beautiful reminder of accomplishments of the past.

A living memorial to an age gone by, the grand old building features intricate gingerbread architecture, with such sturdy materials as stone, concrete, and marble, replaced in modern buildings today by chrome and glass.

With stately columns ushering visitors at the entrance, the old downtown Post Office offers novices and designers alike an insight into the beauty of architecture.

On the exterior, the filigree design of the surface is enhanced by fancy carvings and moldings embedded into the structure. Once inside the building, tall black marble columns and luxurious tile flooring dominate the picture throughout. Again, hand-carved moldings decorate the interior of the Post Office, with walls and ceilings enhanced by various carvings. One extraordinary carving which is repeated several times in the design of the ceiling is that of our nation's symbol, the Eagle. It features exacting detail and remarkable workmanship reminiscent of the fine craftsmanship of our early pioneers.

The beauty of the old Post Office is topped only by the history of the United States Postal Service itself. This fine institution is actually one year older than our great country and has a proud heritage that many people don't stop to think about as they drop a letter into the nearest mailbox. From the time birth announcements are sent until a thank-you card is sent for flowers at a funeral, people use and depend on postal service.

George Washington, the "Father of our country", spoke of the Post Office as "the indispensable chain binding Americans together." How true this statement was then and still is today, in our 200th year. On an average day, the Postal Service handles approximately 300 million pieces of mail. Individual daily deliveries must be made to 70 million residences and five million businesses. Mail is collected from 311,000 street collection boxes from all across the United States, and handled through 40,000 postal retail outlets.

One fact that is overlooked by many is that mail is delivered throughout this great country with *uniform* rates. A first-class one ounce letter can go across town or across the country for the same 13 cents. Not only is mail delivered to the highly populated areas, but it is delivered to the Indians at the bottom of the Grand Canyon, the wilds of Alaska, and the bayous of Louisiana. Everyone in the nation—rich and poor alike—are served by the postal service.

The United States Postal Service payroll alone is over $400 million each two weeks. Just the process of forwarding mail costs the postal service over $300 million each year. A one-cent increase in the price of gasoline adds $3½ million to operating costs in a year. And that does not include the cost of utility bills for the 40,000 post offices, stations, and branches across the country!

The economy of the nation is based on good, dependable mail service. Trillions of dollars are sent through the mail each year. Stocks and bonds, bank deposits, checks, to pay bills, social security and other types of pension checks, welfare checks and even food stamp vouchers arrive by mail every day of the year.

Currently there is a movement to repeal the Private Express Statutes and let anyone deliver mail to mail boxes. If this happens anyone can get rich by delivering to heavily populated areas, ignoring the sparsely populated regions. Therefore the people in small towns, rural areas, and throughout this nation would have to pay the price, whatever it might be, to be served. These people are also vital to our economy and they must have adequate and equitable postal service. Will they be served if the Statutes are repealed? Will the integrity of the service be protected? Which law enforcement agency will protect the sanctity of the mail? These are questions which must be answered.

Obviously, the United States Postal Service is necessary to the well-being of our entire nation. We take this space today to pay tribute and honor this wonderful institution.

UNFINISHED BUSINESS—A NATIONAL HOME INSPECTION PROGRAM TO SAFEGUARD PURCHASERS OF OLDER HOMES

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, as I prepare to leave Congress I call to the attention of those Members who will be present in the 95th Congress that a report is to be made by March 1 by the Secretary of the Department of Housing and Urban Development on the feasibility and costs of a national home inspection and warranty program to safeguard purchasers of older homes against hidden or undisclosed defects which seriously affect the use and livability of the home.

We are all familiar with the economic tragedies visited upon countless moderate income purchasers of "FHA-inspected" homes which fell apart and had to be abandoned, or required such extensive repairs to make or keep them livable that the purchasers could not afford to occupy them. The scandals surrounding the section 235 homeownership subsidy program for low-income families were so widespread and incredible that the whole section 235 program had to be suspended for years and completely restructured.

HUD SECRETARY ROMNEY CONCEDED SECTION 235 ABUSES

I shall always be grateful to former HUD Secretary George Romney for the integrity he displayed in coming before the House Committee on Banking and Currency several years ago to acknowledge that the spirited defense he had earlier made for the section 235 program was based on misinformation given to him by his subordinates. This came after Chairman WRIGHT PATMAN had instituted a national investigation by the committee staff into the section 235 program which had documented the abuses which had occurred.

Mr. Romney at first characterized the committee study and report as political and unwarranted, but promised to make his own investigation. He came back later and reported that the Banking Committee study was based on solid evidence, and said, in fact, that the situation was worse than we had described it to him. He immediately shut down the 235 program.

But abuses of homebuyers through faulty inspections by FHA appraisers also occurred under the nonsubsidized FHA programs, and of course on sales of older homes through conventional mortgages in which FHA was not involved. Real estate speculators had a field day in unloading at highly inflated prices decrepit or deteriorating homes on unsuspecting moderate income families, particularly in inner city areas. It was especially reprehensible when such shabby deals were advertised as "FHA inspected and approved," giving unsophisticated home purchasers the impression that the Federal Government had certified the house as being in "tip-top" shape, and since it was "federally insured," that the purchaser was somehow insured against being cheated.

Few low income purchasers of old homes with FHA-insured mortgages knew or were informed that FHA mortgage insurance protects the lender only, even though the buyer pays the premium for such insurance. But FHA is obligated to make sure the house is worth the purchase price and is in livable condition and conforms to building codes. The agency fell down terribly in this responsibility, however, during much of the past 8 years, partly because of bribery, corruption and carelessness, but primarily because of lax administration.

WHAT ABOUT THE INNOCENT VICTIMS?

Congress moved several years ago to ameliorate the hardships for families victimized under the section 235 program by providing machinery under section 518 of the National Housing Act to compensate purchasers for structural or other defects which should have been, but were not, uncovered by FHA and which so seriously affected the use and livability of the home as to create a serious danger to the life or safety of inhabitants of the property. This "payback" program was later extended by section 518(b) to apply also to owners of homes purchased between 1968 and 1973 with FHA-insured mortgages under nonsubsidized programs in older and declining urban neighborhoods. The cutoff date for applications for compensation under section 518(b) was in March of this year.

Another step taken by Congress to protect buyers of older homes from being victimized was enactment in 1974 of a provision I offered in the Real Estate Settlement Procedures Act—RESPA—that year which required disclosure by professional real estate speculators to prospective home buyers of the actual price paid by the speculator for any home purchased within the previous 2 years for speculative resale, and the amount invested in the home in so-called rehabilitation work—often nothing more than a cosmetic coat of paint. The "previous selling price" disclosure requirement of RESPA stemmed from information developed in a special subcommittee investigation of the House Banking Committee in 1969–70 into residential real estate financing abuses in the District of Columbia. Our investigation revealed how older homes were fictitiously "sold" and "resold" through a series of quick "straw party" deals at ever higher prices in order to raise their alleged value without really having changed hands.

Unfortunately, the "previous selling price" disclosure requirement in RESPA was repealed by Congress early this year, soon after it took effect, after professional real estate speculators raised an outcry over this interference with their business.

ORIGIN OF STUDY FOR A NATIONAL HOME INSPECTION PROGRAM

These were the circumstances under which the conferees on the Housing Authorization Act of 1976 met this summer to consider, among other things, a Senate provision sponsored by Senator ADLAI E. STEVENSON to reinstate the expired section 518(b) program, liberalize eligibility standards for compensation, and extend the "payback" provision to apply to any home bought after January 1, 1973, with an FHA-insured mortgage. The House bill had no such provision. The House Conferees rejected the Senate proposal on a number of grounds. For one thing, it would have made all of the taxpayers of the United States responsible for a variety of repairs to almost every older home purchased with FHA mortgage insurance. It presumed that for a $50 "appraisal fee," FHA was obligated—and could afford—to make a thorough engineering study of every part of an older home. And it would have required a determination of the condition of all components of such a home to be made retroactively to the time of sale to establish whether a proper FHA inspection at the time of purchase should have disclosed faults which later became evident in the property.

The House conferees were willing to extend the deadline for applications for damages for those eligible under the old 518(b) program from last March to 4 months after enactment of the new Housing law and to apply the same, but not less rigid eligibility requirements, to older homes purchased with FHA-insured mortgages from January 1, 1973, to the date of enactment—August 3, 1976.

But rather than liberalize the standards of 518(b) and extend it indefinitely into the future for all FHA-insured homes, as the Stevenson amendment in the Senate proposed, the House conferees offered, and the Senate conferees accepted, a substitute which I proposed which called for a comprehensive study by HUD into the feasibility of setting up a truly effective national inspection and warranty program on older homes so that the home buyer could know the actual condition of the property and what repairs or replacements might be needed in the first 2 years of ownership. Such a program is to be self-supporting, through fees charged the home buyer.

CONFEREES URGE THAT REPORT INCLUDE NON-FHA SALES

Under the restraints of the parliamentary situation which prevailed in conference, this proposal for a study, written as a new subsection 518(e) of the National Housing Act, had to be restricted only to homes purchased with the aid of FHA-insured mortgages. However, in the Statement of Managers, we made clear the intent of both House and Senate conferees that we wished the HUD Secretary to include as part of the study an investigation into the feasibility of covering all homes of 1 year or older, whether or not purchased with FHA-insured mortgages.

The concept behind the Sullivan proposal is that the costs of an effective home inspection and warranty program, insuring home buyers for a reasonable period after purchase against unexpected major repairs, should be paid for by the home purchaser over an amortized period of 2 years as part of the monthly mortgage payment. The cost of a comprehensive home inspection, covering roof, plumbing, drainage, structural walls, furnace, major appliances, et cetera, could run to $300 or more—far more than the $50 which FHA customarily charges as an "appraisal fee" on older homes. But we all know that when it comes to settling on a home purchase, the down payment and closing costs take almost every cent a purchaser can scrape together, and it would be difficult if not impossible for the average buyer of an older home to afford the cost of a comprehensive inspection if that cost had to be paid all at once at the time of purchase.

It was our intention in writing 518(e) that an effective home inspection program provide the purchaser of an older home not only with a report on the condition of the home and its appraised value but also an indication of what major components such as roof, major appliances, furnace, and so on will likely need replacement—within 2 years—based on the age of those components and their useful life expectancy.

"INSPECTED AND APPROVED BY FHA"

Any sophisticated home buyer who has had experience in owning a residence knows that things inevitably go wrong in an older home and will eventually have to be replaced or repaired at substantial cost. But a moderate-income family which has always rented, and merely called the landlord or real estate agency whenever anything went wrong, often feels that a home which looks good and seems to be in good shape—especially one said to be "inspected and approved by FHA"—can be occupied indefinitely without major costs. For a monthly mortgage payment "at or less than rent," such a family may feel secure in undertaking the responsibilities of home ownership which it may not actually be able to handle.

Older homes are our biggest stock of housing in this country. If well maintained, they can be occupied happily for a life-time. But if the home buyer does not know what expenses to expect, and what repairs are going to be necessary within a few years, financial trouble is in store for the purchaser and, in many cases, good homes are abandoned by owners who cannot afford to keep them up.

These are the problems a national home inspection and warranty program is intended to solve. HUD's study, due March 1, should inform Congress on how such a program can be initiated and operated. If feasible, as I hope it will be found to be, such a program must then be enacted into law by Congress.

I call upon my colleagues who will serve in the 95th Congress to watch for this study when it is made by HUD, study it carefully, and enact a practical and effective program into law.

I know Senator STEVENSON, who assisted me in drafting 518(e), will be following this matter closely in the Senate and I hope the House, and particularly the Housing Subcommittee on which I have served for 22 years, will also have members ready to pursue this issue vigorously after the report comes to Capitol Hill on or before March 1.

We all want to encourage home ownership among Americans of all income levels. But it is cruel and inhumane to encourage low-income home buyers into buying bad housing from speculators at high prices, resulting in loss of the home when needed repairs exceed the ability of the purchasers to pay for them.

TEXT OF NEW SECTION 518(e)

The text of the new section 518(e) of the National Housing Act as enacted in Public Law 94–375, the Housing Authorization Act of 1976, is as follows:

> (e) The Secretary of Housing and Urban Development is authorized and directed to conduct a full and complete investigation and study and report to Congress, with recommendations, not later than March 1, 1977, with respect to an effective program for protecting home buyers from hidden or undisclosed defects seriously affecting the use and livability of the home, which would be applicable to existing homes financed with mortgages insured under this Act. In the study and report the Secretary shall particularly investigate the need for, cost and feasible structure of, a national home inspection and warranty program, with respect to such homes, to be operated by the Federal Government out of fees assessed on the home buyer and amortized over a period of two years. The Secretary's report shall also present an analysis of alternative Federal programs to meet these needs, and the cost and means of financing such programs. In the report the Secretary shall also outline administrative steps which can be taken to provide disclosure to purchasers of existing homes financed with mortgages insured under this Act of the actual condition of the home and the types of repairs or replacements likely to be needed within a period of two years, such as repairs or replacement of furnace, roof or major appliances, based on age and useful life expectancy of such appurtenances.

Mr. Speaker, as I noted earlier in these remarks, the conferees were restricted to language for this section which applied only to 1-to-4 family dwellings purchased with FHA-insured loans, because the Senate provision on extending 518(b) applied only to such mortgages and the House bill had no relevant provision. Had we gone beyond the limitations of the Senate provision to include all older homes regardless of how they are finaced, the entire conference report would have been out of order.

However, in the joint explanatory statement of the committee on conference, the intent of the conferees was expressed in this comment on the changes proposed in section 518:

> The conferees urge the Secretary to expand the study required by this provision

to include homes purchased under other financing methods.

Depending upon the manner in which the Secretary of HUD carries out the directions of Congress in section 518(e) and the response of the Congress next year to the recommendations made by HUD, the purchasers of older homes in this country should begin to receive reasonable assistance from the Federal Government in obtaining full value for their dollars spent on an older home, and know what problems they are likely to face as owners of such a home. An adequate prepurchase inspection will increase the cost of purchasing an older home, but within limits the average family can afford and spread out over a period of 2 years. This would be a great improvement for consumers buying older homes.

"LOST NATIONS WEEK" OR "THE FORD-KISSINGER ERA"

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MOTTL. Mr. Speaker, the Russian domination of 200 million Eastern European nationals has finally regained wide attention, due to the statements of one of the Presidential candidates during a televised debate. As an American of Czechoslovakian descent, I found the statement that the Russians do not dominate Eastern Europe ludicrous, and the fact that it was repeated under redirect questioning incredible. I still wonder how anyone could have made such a statement once, let alone twice in the same night.

This situation served to bring to light, for most Americans, the truth of the administration's policy toward Eastern Europe: a complete lack of concern for restoring freedom and self-determination to the captive nations.

In light of these developments, the Ohio Division of the Polish American Congress has suggested that the title of "Captive Nations Week" be changed to "Lost Nations Week." I found their comments very interesting, and would like to share them with my colleagues.

Richard Jablonski, president of the Ohio Division of the Polish American Congress, Inc. and Casimir Bielen, director of public affairs, should be commended for their untiring efforts to restore freedom to the nations of Eastern Europe. The following are excerpts from their statement concerning "Lost Nations Week":

EXCERPTS

Although Ford apologized to the Poles for making these naive remarks—which also said that Russian troops and tanks were not present in Eastern European Countries, the Ohio Division of the PAC was more concerned about other foreign policy events occuring in 1975. President Ford signed the Helsinki Agreement in 1975, which virtually conceded Poland and other Eastern European Nations to the Soviet Union. This followed later by the Sonnenfeldt-Kissinger Doctrine. Sonnenfeldt, one of Kissinger's principal advisors, stated that the Eastern European Nations should be "organically integrated" into the Soviet Union. This was to be the objective of U.S. policy. This doctrine would affect 200 million Eastern European nationals by denying them the right of self-determination. This would be a greater infamy than the Yalta Pact.

The U.S. has drifted from a policy of "Liberation" under former Secretary of State Dulles, to a policy of appeasement to Russia by Ford and Kissinger. The underlying philosophy under Captive Nations Week centered around freedom and self-determination for Eastern European Nations. While Ford professed freedom in his Captive Nation's Proclamations, he was signing contrary agreements with the Soviet Union which sealed the hopes of free-determination of Captive Nations.

Ford's blunder merely uncovered the past events affecting Captive Nations during the Ford-Kissinger era. If Ford is sincere about restoring freedom and self-determination in the Captive Nations, he should repudiate Helsinki and the Sonnenfeldt Doctrines or change the "Captive Nations Week" to "Lost Nations Week."

UNFINISHED BUSINESS—RESTORING AND STRENGTHENING THE REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, consumer legislation by its very nature usually upsets the business status quo, forcing firms to revise or eliminate practices which have grown up over the years. If the practices so affected had been in the public interest to begin with, and remained so, of course, it would not be necessary to pass laws to change them. Few business firms like to change their customary methods of doing business unless there is a profit advantage to doing so, for changes mean new forms, retraining of personnel, and other costs.

The history of nearly all major consumer bills passed by Congress therefore shows a regular pattern:

First. Disclosure of serious abuses leads to introduction of corrective legislation.

Second. The legislation is almost always bitterly opposed by the industries affected on the grounds that it is costly and unnecessary—that only a few unscrupulous "fringe" operators are guilty of the abuses and the rest of the industry is already taking steps to try to eliminate the questionable policies.

Third. Hearings bring out the fact that in a competitive field, individual firms can not take the risks of making the real changes called for in the consumer interest unless competitors are required to do so.

Fourth. Once the passage of corrective legislation appears likely, the industry sets out to rewrite the bill to cause the least impact, and it proceeds diligently to attempt to lobby its weakened version through as quickly as possible. Sometimes, it succeeds.

Fifth. When one segment of a broad group of related industries—such as in housing—takes the lead in developing and promoting a so-called compromise or reasonable bill intended to protect its own most important objectives in the legislation, other segments of the industry may wake up later to find that the law which has been enacted has not given them as much of a break as the group which had put forward the compromise. They then begin an immediate drive to amend the law to suit themselves, if there is no chance of repealing it entirely.

This was the pattern followed in the enactment of the Real Estate Settlement Procedures Act of 1974—RESPA—and its hasty amendment in January of this year. The title insurance industry took the lead in proposing a compromise in 1974; the rest of the real estate industry found they did not like it when it became effective this year and quickly had it amended to suit their wishes.

ACT GREW OUT OF 1969 PROBE

The need for the legislation which became the Real Estate Settlement Procedures Act of 1974—RESPA—grew out of an investigation by an Ad Hoc Subcommittee on Home Financing Practices and Procedures appointed by Chairman Wright Patman of the House Committee on Banking and Currency in January 1969.

The investigation was instigated by an eye opening series of articles in the Washington Post by two outstanding investigative reporters, Leonard Downie, Jr., subsequently an editor of the paper, and Jim Hoagland, now a Post foreign correspondent, on the collapse of the Republic Federal Savings & Loan of Washington, D.C., as a result of extensive loans at inflated values to favored speculators dealing in inner city properties.

The subcommittee, which I headed included Representative JAMES H. HANLEY of New York and then Representatives Frank J. Brasco of New York, Chester L. Mize of Kansas, and J. GLENN BEALL, JR., of Maryland—now a U.S. Senator. Although public attention was directed primarily to our disclosures of the victimization of low-income families by artificial kiting of the prices of inner city real estate, and in gaps in the Federal Home Loan Bank Board's regulatory effectiveness in controlling conflicts of interest among savings and loan directors and officers alined with real estate speculators, we turned up a variety of other abuses which affected home buyers. These included excessive and unexplained settlement charges, kickbacks, and fee-splitting, "windshield" appraisals by appraisers who judged the value of a home largely by driving by and looking at it from their cars, "straw party" deals artificially raising a home's alleged market value through a series of fictitious sales at ever higher prices without any change in actual ownership, and so on.

CORRECTIVE STEPS IN EMERGENCY HOME FINANCE ACT OF 1970

Out of that investigation came first a series of amendments to the Emergency Home Finance Act of 1970 dealing with conflicts of interest in the management of savings and loans; making it a Federal crime to file false statements or claims in loan applications to any federally insured savings institution; bringing all savings and loans in the District of Columbia, whether or not federally chartered, under the direct regulatory supervision of the Federal Home Loan Bank Board; establishing a new agency in the Department of Housing and Urban Development to assist nonprofit groups in participating more effectively in federally assisted home ownership programs for low-income families, a field which real estate speculators had by then virtually taken over; and, of most significance to the enactment of RESPA 4 years later, an amendment giving HUD authority to set maximum settlement or closing costs on residential real estate transactions financed with FHA-insured or VA-guaranteed mortgages. The Secretary of HUD was directed to make a study of the need for such maximum charges and to report back to Congress.

The savings and loan conflict of interest amendment was subsequently so weakened on the House floor that it was dropped entirely from the 1970 bill in conference as useless. In the succeeding 6 years, recurring efforts to write effective conflict of interest restrictions have failed, and this issue still remains to be solved. But all of the other proposals of the ad hoc subcommittee added as amendments to the Emergency Home Finance Act of 1970 were enacted.

RESPA TAKES FORM IN 92ND CONGRESS

Many studies ordered by Congress into national problems are dutifully made, then filed and forgotten. However, the study ordered in the 1970 Act into settlement costs was indeed productive. It was made for HUD by American University and was completed and brought before our committee by HUD Secretary George Romney early in 1972. It showed that closing costs on residential real estate varied widely throughout the country, based partly of course on differing State laws or local customs, but differing also on the basis of noncompetitive practices, unearned fees and kickbacks to lawyers and brokers, minimum fee schedules set by some State bar associations—since then held by the courts to be violations of antitrust laws—inefficient public recordation in land title procedures, inadequate State regulation, fragmentation of real estate transfer services among many different specialists, and so on. "Costs are unreasonably high in many areas, but not in all," Secretary Romney reported.

The HUD Secretary thereupon announced his intention to use his powers under section 701(b) of the Emergency Home Finance Act of 1970 to set maximum allowable settlement costs to be paid by both buyer and seller, on an area-by-area basis, on all homes sold with FHA-insured or VA-guaranteed mortgages; to require use of a single uniform settlement statement which would separately itemize buyer and seller costs, to require disclosure of any side payments, and have this information made available to both buyer and seller "well in advance of closing." The Secretary also said he would regulate amounts demanded by lenders for tax and loan escrow accounts.

Mr. Romney had power under the 1970 Act to deal only with FHA and VA transactions. However, he expressed the hope and the belief that the maximum charges set by HUD on settlement costs on FHA and VA mortgages would help to eliminate unreasonable settlement costs on conventional loans as well by setting an area "yardstick" of reasonable charges.

At about this time, another investigative reporter for the Washington Post, Ronald Kessler, in an extremely valuable series of articles, dramatically documented the practices being followed in real estate settlements in the Washington, D.C., Maryland, and Virginia areas which resulted in closing costs he said were double and even triple those charged to purchasers of similar homes in Boston.

Based on the HUD report, Chairman Patman ordered the late Benet D. Gellman, his subcommittee counsel, to draft the "Real Estate Settlement Cost Reform Act of 1972" dealing with all of the abuses brought out in the American University study and by the ad hoc subcommittee's report in 1970, as well as by Kessler's excellent articles. This bill was the foundation of what later became RESPA.

MADE PART OF 1972 OMNIBUS HOUSING BILL

The Patman bill applied not only to FHA and VA transactions but to all "federally related" conventional residential mortgage loans, defining a federally related loan as one issued by a federally insured lender or by a creditor subject to the Truth in Lending Act. This included the great bulk of all conventional loans.

The Housing Subcommittee was engaged at that time in rewriting all of the multitude of Federal housing authorization acts going back to New Deal days into one single omnibus act. As ranking majority member of the subcommittee, I offered a revised version of the Patman bill as an amendment to the omnibus measure and it was incorporated as part of the legislation by the subcommittee as title IX.

In the full Banking Committee, however, title IX was replaced by a substitute offered by Representative STEPHENS which weakened this title significantly, chiefly by removing authority to HUD to set maximum settlement charges on conventional loans, and repealing the authority HUD already had under the 1970 act to set such maximum charges on FHA and VA loans. The land title insurance industry, which had originally opposed Federal legislation on closing costs, urging that this be left to the States, strongly supported the Stephens substitute after it became clear that Federal legislation on settlement practices was likely to pass. Most of the provisions of title IX as I had offered it in the subcommittee were retained in the Stephens substitute other than those dealing with maximum allowable settlement charges. The industry was particularly anxious to kill the authority given HUD in the 1970 act to regulate allowable settement charges on FHA and VA loans, in view of Secretary Romney's announced intention to invoke that authority as soon as regulations could be drafted and details worked out.

However, after the resignation of Sectary Romney in 1972, HUD suddenly lost interest in proceeding to carry out the Romney plan to set FHA and VA settlement cost ceilings under the 1970 act. Meanwhile, the 315-page omnibus housing bill of 1972 died in the Rules Committee late in the session. HUD's excuse late in 1972 for not implementing its maximum settlement cost authority on FHA and VA loans was that the House Banking and Currency Committee had voted to repeal section 701(b) of the Emergency Home Finance Act of 1970—in a bill which had not become law.

ENACTMENT OF THE REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974

In the 93d Congress, the title insurance industry again launched a drive to repeal section 701(b) of the 1970 act as part of a separate Real Estate Settlement Procedures Act, a bill which again incorporated most but not all of the reforms of my title IX of the previous year. I introduced my stronger version again, also as a separate bill, and it included the power to set maximum closing costs on all federally related mortgages, and also, for the first time, provided freedom to home buyers to pay their own real estate taxes and casualty insurance premiums, if they so desired instead of being forced to pay these funds monthly into interest-free escrow accounts maintained by lenders who can use them for their own benefit until the taxes and insurance came due.

The Stephens version rather than the Sullivan bill again passed the Banking Committee. In a cliffhanger vote on the House floor, an amendment to take out of it the provision repealing section 701 (b) of the 1970 act was defeated by two votes. However, the Senate refused to agree to this repealer in conference. HUD, therefore, retained its unused authority to set ceilings on FHA or VA loan closing costs, which was a blow to the title insurance industry, but such authority was not granted for settlement charges on "federally related" mortgages not insured by FHA or guaranteed by VA. Settlement charges, however, would have to be disclosed to both buyer and seller at least 12 days before settlement, kickbacks and unearned fees were prohibited, and each prospective home buyer would have to be given a HUD-prepared booklet outlining and explaining all of the expected settlement charges. The booklet was to stress the advantage to home buyers of "shopping" for settlement services in the same way truth in lending encourages shopping for credit terms.

PREVIOUS SELLING PRICE

One of the most important provisions of the 1974 act required disclosure by the seller to the prospective buyer of the "previous selling price" of a home acquired by the seller within the previous 2 years for resale purposes and not used as the seller's principal residence. Along with the actual amount the seller had paid for the home, the act required disclosure of the cost of any improvements claimed to have been made in preparing the home for resale. This provision grew directly out of the investigation of the ad hoc subcommittee in 1969–70 into speculative abuses in inner city real estate.

The subcommittee had uncovered a pattern of "straw party" deals in which a speculator bought a rundown house for very little in the name of a secretary, say, who then immediately "sold" it to the speculator's brother-in-law or other relative or ally, who then "sold" it to the speculator—always at a substantially higher "market" price for each transaction. The speculator then painted it, and perhaps made some other cosmetic repairs, and obtained a mortgage based on purely fictitious "market value," pocketing the difference between his cost and the mortgage.

The mortgage was transferred to an innocent purchaser who then gave a second mortgage to the speculator which constituted additional profit to the speculator if the buyer was able to meet the payments, make necessary repairs, and hold onto the property. If the buyer defaulted, as so often happened when those old homes began to fall apart, the original lender was stuck with the first mortgage loan. If it was an inflated FHA-insured mortgage, as was already happening under the section 235 program, the Federal Government was the loser. In any event, the buyer was a victim of an overpriced, bad house.

Republic Federal Savings and Loan Association in the District of Columbia had so many bad loans resulting from such deals that it went under, and the Federal Savings and Loan Insurance Corporation was stuck with the defaulted properties.

THE OUTCRY WHEN RESPA TOOK EFFECT THIS YEAR

RESPA took effect late in June 1976. The regulations originally proposed by HUD were bitterly attacked by the entire real estate industry—in some instances with justification—and HUD quickly set about revising them. But the uncertainties set off by the original draft of regulations immediately led to an outcry from the industry to repeal the entire law, despite the fact that the final regulations had already been drastically revised. Home buyers in some instances joined in the outcry because settlements were delayed unnecessarily despite a specific provision in the law for a waiver, at the home buyer's option, of the 12-day interval between disclosure of the settlement costs and actual settlement. Segments of the industry which had not evidenced much interest when the title insurance industry put forward its "compromise" in 1974 felt betrayed when the law took effect.

Because of the industry attacks, HUD suspended RESPA temporarily while problems could be resolved. But immediately a new drive began in Congress to either repeal or drastically amend the law, and the Real Estate Settlement Procedures Act Amendments of 1976 were promptly pushed through into law.

It repealed the requirement for 12-day advance notification of actual closing costs and provided instead for "good faith" disclosure of the approximate settlement costs in the instruction booklet. A home buyer now has the right only to obtain, one day before settlement, any closing costs then known to the settlement agency.

The requirement for disclosure by speculator-sellers of the previous selling price of a property was also repealed, a victory for speculators.

HUD's authority to set maximum closing costs on FHA and VA loans was not disturbed in the 1976 act. But the changes which were made, including both repeal actions, took away important rights of home buyers.

ESCROW ACCOUNTS

Neither the 1974 act nor the 1976 amendments included a provision of my bill in the 93d Congress and in this Congress which would have allowed all purchasers of homes with federally related mortgages to pay their own property taxes and casualty insurance premiums, if they so desire, rather than have mandatory escrow accounts set up for this purpose by the lending institutions. In most mortgage agreements, the lender requires maintenance of tax and insurance escrow accounts by the borrower. This money can then be used by the lender for its own purposes and benefit until the taxes or insurance premiums come due. Except in a few States which regulate such accounts, no interest is paid to home buyers on their escrow accounts.

The General Accounting Office made a study of escrow accounts at my request in 1972–73 and reported that over a year's time as much as $9.5 billion is held interest free in such accounts. The GAO report was inconclusive on whether it was economically justified to require the lender to pay interest on all such accounts, but did find that larger mortgage lending firms made substantial profits from the temporary use of such funds while smaller ones probably broke even or may even have lost money in handling such accounts. Consequently, instead of requiring interest to be paid on escrow accounts for taxes and insurance, my bill proposed giving the home buyer the option of paying his or her own taxes and insurance and having control over the funds until those payments are due.

In cases where a home buyer who exercised this option failed to pay the required taxes and insurance premiums when due, the lender under my proposal could step in and pay those amounts in order to protect the lender's rights and then charge interest and a penalty on the delinquent borrower.

According to a recent survey by the Veterans' Administration of attitudes among veterans holding direct VA home loans, most would prefer to have the VA maintain interest-free escrow accounts for their taxes and insurance in order to avoid worry over paying those charges when due. But the higher the education and income of the borrower, the more likely he or she was to want to retain control over the funds needed for taxes and insurance, and invest them in savings accounts or short term securities in order to derive a return from these substantial amounts of money.

I believe most home buyers would divide on this issue in the same way as the veterans did who were surveyed by the VA. Thus, if given an option of paying their taxes and insurance directly, most would probably prefer to have the lender maintain an escrow account for this purpose, even if no interest were paid on it.

But I do feel that those home buyers who feel financially responsible enough to plan and budget for taxes and insurance on their homes should have the right to keep control of their funds earmarked for taxes and insurance and invest them as they see fit until the payments are due.

RESPA MUST BE STRENGTHENED

Mr. Speaker, RESPA, although seriously weakened this year, still provides many protections for home buyers which they did not enjoy as recently as 2 years ago. Buying a home is the biggest financial obligation most families ever assume. Practices which had grown up in the transfer of real estate have often victimized the home buyer and unfairly enriched those in the business of selling and transferring real estate. Public record keeping in this field is often inefficient and urgently needs improvement. HUD is obligated under the law to develop demonstration projects to simplify and improve land transfer records.

HUD is also required to advise Congress in the near future what changes are needed to improve RESPA. I urge those Members who will be part of the 95th Congress to put strengthening of RESPA high on their list of legislative priorities, in behalf of all home buyers and prospective home buyers.

INQUIRY ABOUT EXPERIENCE WITH "PREVIOUS SELLING PRICE"

I particularly urge further attention to the issue of required disclosure of "previous selling price" on speculatively held residential real estate. On August 10, I addressed the following letter to the Assistant Secretary of HUD for Consumer Affairs:

CONGRESS OF THE UNITED STATES,
August 10, 1976.

Hon. CONSTANCE E. NEWMAN,
Assistant Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR MISS NEWMAN: In your capacity as Assistant Secretary for Consumer Affairs, I wonder if you have had occasion as yet to look into the operations of the Real Estate Settlement Procedures Act and the Department's activities under that Act.

As the original sponsor of the legislation in 1971 and 1972 which was subsequently enacted into law in 1974, I was particularly interested in a provision of the 1974 Act dealing with speculative abuses in the sale and resale of existing homes—a practice which I studied in some depth in 1969 and 1970 as Chairman of a special ad hoc subcommittee of the House Committee on Banking and Currency investigating home financing practices in the District of Columbia and in the inner areas of other major cities. In that investigation we uncovered numerous instances of older houses being bought by speculators at low prices, in the names of employees or associates as straw parties, and then being bought and sold through a series of additional straw party transactions to provide a fictitiously high market value for the properties. After some cosmetic improvements, the homes were resold at substantial markups to unsophisticated low income buyers who may have been able to afford and monthly payments but could not afford the inevitable very expensive repairs needed to make or keep the homes habitable.

As a result of this investigation and the abuses that were uncovered, I wrote into the original RESPA legislation and provision—since repealed—requiring disclosure to the buyer of an existing home of the "previous selling price" of that property if sold by a speculator who had not lived in it as his own residence.

Shortly after the original RESPA went into effect, there was a great deal of criticism and many complaints from the real estate industry and from lenders about the difficulty of complying with the previous selling price requirement. I am sure many Members of Congress were given the impression that the previous selling price requirement applied to every existing home, which, of course, was not the case.

Although the previous selling price requirement was repealed in the 94th Congress, I am sure the Department of Housing and Urban Development must have had substantial experience with the application of this requirement during the period it was in effect. I would appreciate it therefore if you could obtain for me any data in the possession of the Department indicating how this provision operated, during the short period it was in effect, to alert prospective home buyers to very substantial markups on homes they were considering buying. Does the Department have any documented cases in which an excessive markup, as disclosed through the previous selling price requirement, prompted prospective buyers to back out of such a purchase or prompted reputable lenders to decide against issuing mortgages based on inflated values of properties offered for sale by speculators subject to the previous selling price disclosure requirement?

From the consumer home buyer's standpoint, is there any formal procedure in effect today, through FHA or otherwise, to alert prospective home buyers of older homes sold by professional real estate speculators to the kind of information which the original Real Estate Settlement Procedures Act required be disclosed?

Sincerely yours,
Leonor K. (Mrs. John B.) Sullivan,
Member of Congress.

HON. DOMINICK V. DANIELS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FORD of Michigan. Mr. Speaker, it is a special pleasure for me to join in this special order honoring our colleague. Dominick Daniels, who is retiring from Congress at the end of this session.

I have had the pleasure of serving with Dom Daniels, over the years on both of my committees—Education and Labor, where he chairs the Manpower. Compensation and Health and Safety Subcommittee. and Post Office and Civil Service.

During the 12 years of our close working relationship. I have developed a deep affection and high personal regard for this outstanding legislator. He has a broad and encompassing knowledge of the issues. and a unique ability to cut through the nonessentials to reach the heart of the most complex matters.

We will miss him on both committees, and we will miss him in the Congress. Dom Daniels is an active and talented man, and I know his retirement from the Congress is only the beginning of new fields of endeavor. Whatever future course he follows, I wish him happiness and success.

IMPORTANT LAWSUIT FILED IN FEDERAL DISTRICT COURT TO FORCE BETTER LABELING OF WOMEN'S CONTRACEPTIVES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, a very important lawsuit has been filed and is currently pending in Federal district court in Manhattan which could have an important impact on the estimated 10 million American women who take oral contraceptives.

The law suit was brought specifically to force the Food and Drug Administration to require all manufacturers of women's contraceptives to amend present warning labels to include specific warnings on the scientifically proven link between contraceptives and breast cancer. Several noted university studies have concluded that contraceptives containing estrogen greatly accelerate breast cancer in women who have the disease or an inherited susceptibility.

The two women plaintiffs in the case, Mrs. Marlene Manes, wife of the Queens, N.Y., borough president, and medical writer Rose Kusher of Kensington, Md., have filed the suit in their words "as consumers," yet theirs is a much more personal endeavor. Mrs. Manes was a former user of the pill, and Mrs. Kusher lost a breast to cancer 2 years ago.

The attorney for the plaintiffs is Martin L. Baron of Forest Hills. I would like to insert into the Record a copy of a statement he made before the Food and Drug Administration which outlines the key points of the need to improve labeling of contraceptives. I recommend that my colleagues take the time to read this statement. A decision on the case can be expected with a few months.

Attorney Baron's statement follows:

Statement for the Food and Drug Administration From Martin L. Baron, Esq.

Gentlemen:

I am the attorney for the plaintiffs in a lawsuit currently pending in the Federal District Court in New York, seeking to compel the Food and Drug Administration to order a change of the wording on the patient labeling of oral contraceptives. My clients are demanding that users of oral contraceptives containing estrogens be warned that the pill may be hazardous to women who have had breast cancer themselves and to women in their immediate families.

The lawsuit was brought to promulgate the necessary regulations to amend the present warning contained on the patient-package-insert in each package of prescription oral contraceptives to state:

"That the oral contraceptive may be dangerous for a pre-menopausal woman with a history of breast cancer herself or with a strong history of breast cancer in her immediate family."

It has been estimated that approximately ten million women in the United States of America take oral contraceptives yearly. Since each woman takes the pill approximately 20 days per month for twelve months, simple arithmetic indicates that literally scores of millions of pills are being taken annually by the women of this country.

To jump to another statistic, the National Cancer Institute estimates that there are more than 600,000 women living today in the United States who have been treated for breast cancer. By the end of 1976, this total will be increased by approximately 90,000 more breast-cancer victims. Each of these women may have daughters, sisters or even mothers who are at very high risk of developing breast cancer as well. None of these hundreds of thousands of women should be taking the exogenous estrogens contained in oral contraceptives, because it is known that these hormones accelerate the rate of growth of malignant cells in humans. Dr. Alexander M. Schmidt said, in testimony before two Senate Subcommittees on January 21, 1976:

"It has, of course, been known for many years that estrogens are harmful in pre-menopausal women who have already had breast cancer because estrogens make such tumors grow more rapidly."

In addition, he testified, "In a recent study, Fasal and Paffenbarger found an increased risk of breast cancer in women treated with oral contraceptives for two to four years. They concluded oral contraceptives did not necessarily induce cancer, but they may accelerate growth of pre-existing, previously undiagnosed cancer."

Of course, women being treated for or after breast-cancer has struck them are continually under the supervision of physicians who caution them against using estrogenic substances. But what about their sisters? What about their teen-aged daughters who frequently obtain prescriptions from miscellaneous birth-control clinics or from "one-shot" visits to physicians who are not aware of their family histories?

The fates of these hundreds of thousands of women rest in the hands of this FDA Advisory Committee on Obstetrics and Gynecology. Today, you can recommend to the Bureau of Endocrine Drugs of the FDA that oral contraceptives are an immediate, imminent hazard and danger to these women and thus empower the Food and Drug Administration to order the patients' labels to bear the warning my clients have demanded. On your recommendation and with your advice, the FDA can order this revision of the patient's label without publication in the Federal Register and without the waiting period and hearing normally required.

And I am sure that this Advisory Committee will agree with my plaintiffs that—without a direct patient-package-insert warning about breast-cancer risks—oral contraceptives are "surreptious drugs" when used by women who are at high risk and who are not under the supervision of a physician.

I am equally sure that this Advisory Committee will agree that, under these circumstances, oral contraceptives are an immediate, imminent hazard and danger to these high-risk groups of women and will recommend this labelling change to be effected forthwith.

And, I am certain that the Food and Drug Administration—knowing its charge and mandate from the Congress of the United States to protect the American people—will act immediately to protect unsuspecting women without any delay.

Every day that passes with such a warning brings with it the risk of the anguish, pain—and perhaps death—for countless pre-menopausal women who use a contraceptive that is contraindicated for them—simply because they were not informed of the danger of the pill to them.

The Food and Drug Administration has full power to promulgate the necessary amended label to include a breast-cancer warning without requiring a hearing. Indeed, it did so, in the promulgation of the original warning and on many occasions the FDA has demonstrated the speed with which it can move, given an appropriate emergency.

Such an emergency exists in this case.

To be more explicit as to the authorization vested in the FDA, I cite for the members of this Committee, the case of *Environmental D.F., Inc.* v. *Environmental Protection Agency,* 510 Fed 2d, 1292, 1975, which says, in essence, that a governmental agency, under the law, where there exists an imminent hazard, can waive the usual requirement of publishing in the Federal Register, as required in the labeling change, in this instance. In the above-mentioned case, although the FDA was not involved, another governmental agency did, precisely, in substance, what is being sought here—specifically, the protection of the public good.

There is another Federal statute that applies in this case. As defined in 21 U.S.C. 321, the current labeling is "misbranding." I will quote:

"(n) If an article is alleged to be misbranded because the labeling is misleading, then, in determining whether the labeling is misleading there shall be taken into account (among other things) not representations made or suggested by statement, word, design, device, or any combination thereof, but also the extent to which the labeling fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the articles to which the labeling relates under the conditions of use prescribed in the labeling thereof or under such conditions of use as are customary or usual."

Among the prohibitions of the legislation created the FDA is one forbidding the introduction to the channels of interstate commerce "misbranded drugs," further defined by statute as mislabeled drugs." The term "label" includes the insert in the package, and it has been further defined that a label that misleads is "misbranding."

The present labeling of oral contraceptives misleads from the point of view that it defines one danger—possible blood-clotting problems—but does not disclose the breast-cancer danger to high-risk women. This leaves such women lulled into a false sense of security about this disease, and they thereby assume a risk that could cost them their lives.

Oral contraceptives now bear a patient label, and it must be clearly noted that this is not a case where a prescription drug has been introduced into the channels of interstate commerce without any warning labeling at all. Rather, it is the case of a drug so introduced with misleading labeling by the omission of a serious danger inherent in the use of a product.

Thus, the inclusion of one danger, but the omission of another, "fails to reveal facts material in the light of such representations" and, therefore, the label is misleading, within the statutory definition.

It is my plaintiffs' contention that the oral contraceptives now being manufactured and sold without the appropriate warning about breast cancer may become a "time bomb" waiting in women's bodies to explode ten, fifteen or even twenty years from now.

Immediate action is essential.

Members of this Advisory Committee, under the circumstances, I feel certain you will agree that there is, in fact, an imminent hazard that in good conscience you must help correct immediately. Any further delay, whether it be administrative, procedural, or bureaucratic, or for any reason whatever, will result in a terrible injustice to American women.

Any delay would violate the mandate given to the FDA by the Congress of the United States.

The scientific data supporting my plaintiffs' views have been set forth in detail, and I have taken the liberty of attaching to this Statement, photocopies of the following publications and statements, marked Exhibits 2 to 8. All of these substantiate the medical position advocated at this hearing:

Exhibit No. 2—Physician Information Literature and Patient Package Insert; Exhibit No. 3—Report of Drs. Fasal and Paffenbarger, published in the Journal of the National Cancer Institute, Oct., 1975; Exhibit No. 3A—Updated Material from Fasal-Paffenbarger Study; Exhibit No. 3B—Verbal Summary by Dr. Ralph S. Paffenbarger, Jr., dated Sept. 21, 1976 given to a National Institutes of Health conference; Exhibit No. 4—Sworn Testimony by Alexander M. Schmidt, M.D., Commissioner of the Food & Drug Administration before the U.S. Senate Subcommittee on Health, Jan. 21, 1976; Exhibit No. 5—Statement by Robert M. Hoover, M.D., Chief, Environmental Studies Section of the National Cancer Institute; Exhibit No. 6—Statement by Drs. Philip S. Schein and John S. Macdonald, Professors of Medicine at the Vince Lombardi Cancer Center of the Georgetown University School of Medicine;

Exhibit No. 7—Statement by Dr. Elwood V. Jensen, Director of the Ben May Laboratory for Cancer Research, University of Chicago, dated Sept. 17, 1976; Exhibit No. 8—Statement by Jerome A. Urban, M.D., Chief, Breast Service, Memorial-Sloan Kettering Hospital, New York, dated Sept. 21, 1976.

Each day that oral contraceptives are taken by high-risk women without the crucial warning regarding breast cancer, without the caution informing them of the possible dangers that exist, violates their basic human rights to know about those things essential to their well-being, health and life.

Bureaucratic delay and withholding of knowledge is exposing and subjecting hundreds of thousands of women in the United States to potential breast cancer and the accompanying anguish and agony of this dread disease.

Their fates rest in your hands as members of this Advisory Committee. If they choose to take the risk, you will have given them the opportunity to make a choice. And—members of this Committee—American women have the right to make intelligent choices for themselves.

Thank you for the time you have given me to make this Statement.

TRIBUTE TO WILLIAM HUNGATE

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, in praising Bill Hungate's contributions to the Judiciary Committee, to the Watergate investigation, and to the Nation, it is impossible to bypass the marvelous sense of humor which he brought to all his legislative challenges. That humor and grace has lightened many a gloomy debate and oftentimes restored a sense of perspective to any proceedings in which he participated. We shall miss the sparkle which he brought to this body.

FOOD-FOR-PEACE SHIPMENTS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, one of the most worthy programs authorized by the Congress is that under title II of Public Law 480, the food-for-peace law. Under title II, food is donated to needy people abroad, particularly children, through U.S. voluntary agencies and the world food program, and bilaterally to other governments. It is devoted to humanitarian purposes. Its uses range from child feeding and food-for-work projects to assistance in times of disaster.

Because of difficulties for these programs in past years caused by variations in and uncertainties about the quantities of the food supplies to be provided under title II, the Congress in 1975 put a new provision in the food-for-peace statute. It mandated that a minimum of 1.3 million tons of agricultural commodities be distributed under Public Law 480, title II, each fiscal year, with a minimum of 1 million tons of this to be distributed through nonprofit voluntary agencies and the world food program.

This new provision was enacted as part of the International Development and Food Assistance Act of 1975. In its report on the bill, in reference to the difficulties which have been encountered by voluntary agencies and the world food program, the Committee on International Relations noted that—

> The minimum is designed to assure availability of at least one million tons of food a year for these programs. thereby promoting their effectiveness and permitting better forward planning.

I was, therefore, deeply concerned upon being advised, in the first instance by interested citizens outside of the Government, that compared with 1.3 million tons programed for title II, actual shipments in fiscal 1976 were less than 1 million tons. I asked the Secretary of State for a prompt report on implementation of the title II minimum provision. The executive branch response included figures indicating that—

Compared with 1.315 million tons approved in fiscal 1976, actual shipments under title II totaled only 987,000 tons.

Of the 1.198 million tons approved for voluntary agencies and the world food program in fiscal 1976, only 873,000 tons were actually shipped.

The executive branch apparently regards the commodities as "distributed" when the programs for their disposition are "authorized" or "approved" and the program sponsors are notified. This, however, does not assure that the program sponsors will draw the full amount approved for them or that they will ship the entire allotment within the fiscal year. In fact, I am told that the volume of actual shipments each year always runs somewhat lower than the total which has been approved.

In fiscal 1976, according to the executive branch, some of the shortfall below 1.3 million tons was due to a holdup on voluntary shipments to Bangladesh because of storage difficulties there. A still larger cutback resulted from a reduction of world food program shipping requests from the United States. Additionally, there were some logistical problems which delayed shipments beyond the June 30 deadline.

Mr. Speaker, as the executive branch moves forward with implementation of the title II requirement, I want to stress that the Congress set forth the 1.3 million ton figure as a minimum—not as a maximum, which is how the administration planners seem to have treated it.

The information I have received indicated clearly that the administrators of Public Law 480 normally can expect actual shipments under title II to run short of approvals—in fact, in fiscal 1976 the difference was substantial—and in order to maintain a flow of 1.3 million tons a year, approvals must run higher than this amount.

Therefore, I call on the President to increase the approvals for these humanitarian programs in the future above the minimum tonnages in the law, so that the actual flow will be at least 1.3 million tons annually, or higher.

As anyone familiar with hunger and malnutrition in poor countries knows, the need is great, and the title II food for peace program is one of our most effective uses of America's food bounty.

I welcome executive branch plans to increase title II approvals to 1.3 million tons in fiscal 1977. This is a step in the right direction.

However, in view of the circumstances concerning the title II implementation to date, I will request the International Relations Committee to review the matter in the next session.

Following is the text of the letter I received in response to my inquiry:

SEPTEMBER 28, 1976.

Hon. CLEMENT J. ZABLOCKI,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: Secretary Kissinger has asked me to reply to your letter of September 16, 1976 requesting information on the implementation of Section 201(b) of Public Law 480 added to that law by P.L. 94-161. The section requires that, subject to certain caveats, the minimum quantity of agricultural commodities distributed under Title II shall be the grain equivalent of 1.3 million tons. Of this amount, a minimum of 1 million tons must be distributed through nonprofit voluntary agencies and the World Food Program.

Although the term "distributed" is not defined in the legislation, it is clear that by the enactment of Section 201(b) of P.L. 480, the Congress intended to assure continuity of supplies for Title II and the availability of certain minimum amounts for the voluntary agencies, the World Food Program and other governments. The assurance of availability is accomplished by notifying the program sponsors that proposed programs have been approved and that the commodities will be shipped when requested.

As indicated by the attached tabulation, Title II programs totaling slightly over 1.3 million tons (grain equivalent) were authorized in FY 1976. Substantially all of this amount was for the voluntary agencies and the World Food Program. Actual shipments were slightly less than 1.0 million tons.

Programs approved for the voluntary agencies totaled 771,000 tons and shipments during FY 1976 were 675,000 tons. About half of the 106,000 ton difference arises from the fact that we are holding up shipment of 50,000 tons of wheat for Bangladesh because of the storage problem there.

In the meantime, CARE is using domestic supplies for a food-for-work program. These supplies will be replaced by Title II shipments as soon as the storage problem has been alleviated—probably not until FY 1977. Incidentally, shipment of 150,000 tons of wheat is being held up under Title I for the same reason. The World Food Program has also delayed shipment of over 20,000 tons of soy-fortified sorghum grits.

A delay in shipments of vegetable oil led to cutbacks in distribution overseas since it is not feasible to use cereals only in food-for-work projects. The amount of cereals which may be used for payment in kind for work is limited to the quantity which a worker and his family can consume during a given period. Higher-priced vegetable oil, which is distributed on the same basis, enhances the cash value of the payment in kind as well as the nutritional content of the ration.

Some delays in shipments by the June 30 cut-off date are almost inevitable. There is about a 6-weeks lead time, particularly for processed commodities, from the acceptance of bids by the Department of Agriculture until commodities are delivered at U.S. ports. During this period, some logistical problems are bound to occur; in addition, ships may be late in picking up cargo. In such cases, shipments will be counted in the next fiscal period—in this instance, in the transitional quarter

By far the largest difference between approved programs and actual shipments during FY 1976 reflects a cut-back in requests for shipments from the U.S. by the World Food Program (WFP). Although shipment of about 427,000 tons of food was approved during FY 1976, actual shipments totaled about 197,000 tons. This compares to 310,800 tons shipped in FY 1975.

WFP has access to food and cash pledged by about 70 donor countries. Pledges—which are made in dollars—are made for a two-year period. For calendar years 1975-76, WFP established a target of $440 million. Actual pledges totaled $622 million including an additional contribution of 400,000 tons of wheat from Canada. It appears that in managing its total resources, WFP drew against pledges from other donors during FY 1976 and reduced shipping requests from the U.S. In FY 1975, WFP had drawn heavily upon the U.S. pledge of $97 million for calendar years 1975-76, particularly for disaster relief in the Sahel and for relatively high-priced nonfat dry milk for other programs.

At the outset of the year, we establish a reserve for emergency and disaster relief programs. In FY 1976, emergency programs totaling about $49 million covering 175,000 tons of food were approved. In FY 1975, 283,000 tons were shipped for disaster relief at a cost of over $75 million—i.e. in terms of dollar value, 54 percent more than FY 1976.

It is extremely difficult to re-program and ship any substantial amount of commodities if during the last few months of the fiscal year, it appears that the full amount of the emergency reserve may not be needed. The voluntary agencies need time to expand on-going activities or initiate new programs and host governments may not be able to adjust their budgets to finance additional local costs.

With reference to the transitional quarter, as of September 20, programs totaling about 330,000 tons have been approved. Shipments for any programs approved during the remainder of the quarter would be made in FY 1977. Estimated shipments, including carryover from programs approved earlier, are about 304,000 tons. This includes 50,000 tons of wheat approved in early September for emergency flood relief in Pakistan.

For FY 1977, we expect to approve programs totaling slightly more than 1.4 million tons. Most of the FY 1977 programs for the voluntary agencies have already been approved. Because of logistical problems, delays or interruptions in programs, shipments to the voluntary agencies are usually about 90 percent of the approved levels. However, the agencies may call forward the full amount approved if required. Based on our experience in FY 1976, particularly with reference to the World Food Program, we can not be certain of the total amount of shipments.

We fully agree on the need to maintain continuity of supplies for the P.L. 480 Title II donation program. We are working closely with the voluntary agencies both in Washington and the field to assure that these humanitarian food resources are used to help needy people in the poorest countries.

If I can provide you with further information, please let me know.

Sincerely yours,

DENIS M. NEILL,
Assistant Administrator for Legislative Affairs.

PUBLIC LAW 480 TITLE II APPROVALS AND SHIPMENTS

[Thousand metric tons grain equivalent]

Program sponsor	Fiscal year 1976		Transitional quarter		Fiscal year 1977 estimated approvals
	Approvals	Shipments	Estimated approvals	Estimated shipments	
Voluntary agencies	771	675	187	141	837
World food program	427	198	85	89	300
Subtotal	1,198	873	272	230	1,137
Government-to-government	117	114	58	75	20
Subtotal	1,315	987	330	305	1,157
Emergency/unallocated [1]					259
Grand total	1,315	987	330	305	1,416

[1] Except for fiscal year 1977, the emergency/unallocated reserve has been distributed by program sponsor.

Note: Shipments include carry-in from programs approved in previous fiscal periods.

UNFINISHED BUSINESS—PUTTING THE FOOD STAMP PROGRAM BACK ON THE TRACK

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mrs. SULLIVAN. Mr. Speaker, since coming to Congress 24 years ago dedicated to working for consumer legislation, I have been deeply involved in many, many issues affecting the American family—the wholesomeness of meat and poultry; the safety of food additives; occupational safety; training of teachers of handicapped children; protection of children from disease-infected live creatures sold as pets; safety and efficacy of drugs and medical devices; hazardous household products; dangerous cosmetics and hair dyes and sprays; truth in lending; regulation of garnishment; discrimination in credit by reason of race, color, religion, national origin, age, sex, or marital status; invasion of privacy by credit bureaus; all of the housing laws of the last 22 years; anti-inflation controls, and many more.

But in looking back over my congressional years, I regard the food stamp program as my most important effort. It has helped millions upon millions of low-income Americans to achieve a better diet than they could otherwise have afforded. From the very beginning of the effort in 1954 to pass food stamp legislation, I described it as a measure to "outlaw hunger in the United States," and to a remarkable extent it has done just that. It operates now in every part of the United States. Except for breakdowns in administration, there is absolutely no excuse for any American to go hungry, regardless of income.

BACKGROUND OF FOOD STAMP ACT OF 1964

The first law was enacted in 1959, 5 years after introduction of the original bill, but the Eisenhower administration refused to put it into effect. Two years later, President John F. Kennedy, who had cosponsored a companion bill to mine while in the Senate, responded to my appeal in the early days of his administration and tried it out on an experimental basis in eight areas of very high unemployment. Secretary Freeman expanded it in 1963 to 43 areas. The following year, I had the privilege, although not a member of the Agriculture Committee, of being asked to introduce the Johnson administration bill to authorize sufficient appropriations to extend the food stamp program nationally. The Members who were here in those days remember what a bitter battle this was—unfortunately largely a partisan battle, because every Republican member of the Agriculture Committee voted against it and most of the Republicans in the House did so, too.

But it was enacted. Three years later, in 1967, the appropriation authorization was extended for 1 year, and in 1968 we had the battle to extend it again. By 1970, the program was under attack for not solving all of the problems of poverty and changes were made at that time both to expand the food stamp program and to "reform" it. Those who "loved it too much" and those who wanted to stifle it joined as allies in enacting what I regard as a bad law—one which I had to vote against.

CONSEQUENCES OF UNIFORM NATIONAL ELIGIBILITY STANDARDS

Probably the worst mistake made in late 1970 was to require uniform food stamp eligibility standards throughout the country. Most of the criticisms now being made of the program stem from the fact that in order to provide assistance to the provable need of big industrial centers where living costs are highest, the eligibility standards have to be high enough to encompass almost the entire populations of many rural areas and of Puerto Rico. Eligibility should be based not on some national average statistic of what constitutes poverty but on what it costs to live and to eat properly in the area in which an applicant lives. That is why the original act called for eligibility to be set according to flexible rules of what a family can afford to pay for food out of its income compared to how much money is needed for that family to eat an adequate diet.

Mandating national standards for eligibility, and of allowable assets, has been responsible for much of the outcry about the program's costs. Other problems exist, of course, particularly in administration and enforcement. Those who cheat and obtain food stamps under false pretense should be rooted out and prosecuted. But most of the people receiving food stamps are not cheaters; they are poor people who would not be able to afford a decent diet without the stamps.

NEED TO EDUCATE RECIPIENTS TO PROPER BUDGETING AND TO ELIMINATE FRAUD

Being poor does not make one shrewd in spending one's money. When food stamp participants buy things they cannot really afford—and which their neighbors with higher incomes and no food stamps cannot afford—resentments rise among the nonparticipants that they are paying taxes to enable other people to live lavishly. What they do not realize is that a food stamp family which buys extravagantly or foolishly early in the month does not have enough food purchasing power toward the end of the month to buy even basic foods. This is a matter of budgeting advice and education—an area in which the Department of Agriculture has fallen down badly.

The food stamp idea is sound. It has been a godsend to millions of families which would otherwise have suffered serious malnutrition, especially during the cruel inflation of the past 3 years.

But the abuses are widespread and must be stopped before the program loses public acceptance and falls of its own overweight. Enforcement must be stepped up drastically—it is the taxpayers' money which is being abused. Standards of eligibility should be flexible enough to cover the needy of high living cost areas without making everyone in Puerto Rico or a rural county in the South eligible for food stamps. People on food stamps should be taught how to buy their food carefully and economically and intelligently if they do not already have that knowledge and ability.

I urge the 95th Congress not to repeat mistakes made in 1970 to try to use this program as a means for solving all of our poverty problems. The food stamp program was not designed for that purpose. It is a food program only—to prevent hunger and to achieve good standards of nutrition among the poor. It was not intended as a substitute for adequate social security or welfare. It is not intended to provide the means by which poor people can save money on food in order to be able to spend it for clothing, housing, recreation, or other necessary or desirable things.

PUT THE PROGRAM BACK ON THE TRACK

No one—no one—should receive food stamps free, no matter how small their income. That was another mistake made in 1970. They should be required to pay something for the food stamps—whatever they can afford to spend for food out of their limited income, even if it is only 50 cents or $1 for a month's food. Otherwise—and this is now the case in some situations—the stamps are considered a kind of "funny money" which are merely handed over as a gift from some mysterious source and do not have to be regarded as something you work for and buy. Anything handed over free in that fashion, whether it be food stamps or anything else, invites cheating and abuse.

I am proud to be known as the author of the Food Stamp Acts of 1959, 1964, 1967, and 1968. The 1970 act was a mistake which needs repair. This Congress has failed since 1970 to follow through in removing the faults in the program, because of great controversy over what those faults are. I hope the next Congress can look at the legislation with less passion and more care and reasonableness and put the program back on the track, so that only those clearly in need of this food assistance may receive it and all those who do need it can qualify for it. No more and no less.

IN TRIBUTE TO THE HONORABLE F. EDWARD HÉBERT

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. ZABLOCKI. Mr. Speaker, when some men retire from the House of Representatives, their colleagues wonder: Who will take his place? Who can bring his particular knowledge and experience to national problems?

Such a man is F. Edward Hébert, of Louisiana, who is retiring this year, after 36 years in the House of Representatives.

Coming to the Congress in 1940 after a successful career as a New Orleans journalist, F. Edward Hébert served in the Congress on the Committee on Armed Services during three major armed conflicts—World War II, the Korean conflict, and the Vietnam war.

He brought to his work on that committee a deep patriotism, a dedication to the hard work of creating effective military policies, and a healthy skepticism toward the proposition that the ultimate wisdom on defense issues rested in the Pentagon.

Out of this combination of idealism and pragmatism, he fashioned a career noteworthy for its dedication to a sound national defense at the least possible dollar cost. His clear concern for the welfare of the individual American fighting man, and for the veteran, also distinguished his years in Congress.

Mr. Speaker, my wife Blanche and I join in wishing him and his family God's choicest blessings as he enters into a well-deserved retirement.

CONGRESSIONAL BICENTENNIAL SALUTE OF EXCELLENCE TO THE HONORABLE PAT FELANO, OF NEW JERSEY, INTERNATIONALLY RENOWNED ENTERTAINER, CHAMPION SPORTSMAN, AND CIVIC LEADER

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ROE. Mr. Speaker, as we celebrate our Nation's Bicentennial Year and reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I am pleased to call to the attention of you and our colleagues in the Congress a world renowned singer-entertainer, distinguished member of our community and good friend, the Honorable Pat Felano of New Jersey, whose standards of excellence throughout his lifetime have truly enriched our community, State, and Nation.

Pat Felano's exemplary musical talents and radio-film performances have achieved international fame. His expertise and outstanding achievements in the entertainment and sports world have brought great honor to America, the country of his choice, and to Italy, the country of his birth. He has been in the vanguard of leadership in the sports field of soccer and football as a sportsman of national prominence with the distinction of having been one of the original organizers of the New Jersey indoor soccer tournament which is known today as the best indoor attraction in the United States.

In his compassion, dedication, untiring efforts, and exemplary service to his fellowman, he has combined his achievements in the entertainment and sports field to aid in fundraising activities for the benefit of our youth and senior citizens.

Mr. Speaker, with your permission I would like to insert at this point in our historical journal of Congress a brief profile of Pat Felano which has intertwined his expertise, compassion, and benevolence with the esteemed respect and deep appreciation of an inspired and grateful community. This profile was prepared by the most prestigious Charles J. Alfano Association of my congressional district for presentation at their membership's testimonial dinner honoring Pat Felano for the magnificence of his professional endeavors in pursuit of life's fulfillment, dedicated to the entertainment, and recreation of spirit of all of our people, as an active participant in sports and charitable community activities.

The Charles J. Alfano Association's biographical sketch is, as follows:

Pat Felano was born in Caserta, Italy, in 1904. He began to study voice at the age of 16 at San Pietro a Maiella Conservatory in Naples. Upon completion of his studies, he embarked on a singing tour of Italy. It was at this time, in 1925, he was offered a contract with the Achille Muscari International Theatrical Agency of Buenos Aires. Mr. Felano subsequently performed at the Eden of Rio de Janiero, Brazil, Royal Montevideo, Uruguay, and the Casino of Buenos Aires, Argentina. On the same bill with Mr. Felano were such international stars as Carmen Miranda and Rosita Moreno. He also performed for four years on a daily variety program on L.O.Y. Radio National of Buenos Aires, Argentina.

In 1928, Mr. Felano came to the United States where he starred on his own radio show in Paterson over station W.O.D.A. and station W.O.V. in New York. In 1935, he went to Hollywood, California and appeared in twelve films with R.K.O., M.G.M., Paramount, and Fox studios as a bit player and singer. In 1936, he sang with the famous Shep Fields Orchestra for fourteen weeks at the Coconut Grove in Los Angeles.

In 1938, Pat Felano came back from Hollywood. Upon returning, he organized a dramatic group, "The Lodge of the New Spirit," from the Italian Orphanage of Nutley, where he produced four financially successful . . ." Italian dramas. All proceeds were turned over to the orphanage which needed the money.

In 1940, he cooperated to produce and sing the lead in the opera, "Come E Bella Giovinezza," by the late Dr. Alfred Borloso. This was done for the purpose of raising money for scholarships for the Italian class at Paterson State Teachers College (now William Paterson College).

Pat Felano, who sang under the name of Victor Ariola in the 1930's, has and still sings for charity, and has always been ready to help needy groups or organizations whenever he has been asked.

In 1974, Unico National (Paterson Chapter) presented a certificate of appreciation to Mr. Felano at a dinner given in his honor, for his many contributions to the senior citizens, as a singer.

In 1956, Mr. Felano became a member of the Paterson Roma Sport Club and was one of the guiding lights in the club's rise to fame. Recently, he was presented a life membership as honorary president of the Roma S. C. for his contributions.

In 1959, he was elected Vice President of the New Jersey State Soccer League, which he held for several years. In 1961, he was elected Vice President of the New Jersey State Football Association. In 1958–59, he headed the Paterson Board of Recreation Soccer Clinic.

In 1964, Mr. Felano helped organize the New Jersey Indoor Soccer Tournament held at the Paterson Armory. It has since become one of the best indoor soccer attractions in the United States. In 1965, he was elected President of that organization and still serves in that capacity.

The Paterson Old Timers also honored Mr. Felano in 1972 by presenting him The Bill Harvey Memorial Award (Sportsman of the Year) for his many years of work promoting soccer in the metropolitan area.

Pat Felano has been married to his lovely wife, Mary Pressimone Felano for forty-six years. They have one son, Victor, Director of Athletics at John F. Kennedy High School, whose wife is the former Florence Conforti. Pat's five grandchildren are Denise, Victor, Steven, Karen, and Thomas.

Mr. Felano just turned 72 on May 3rd of this year. For the past fifty years, he has been actively engaged in sports and charitable community activities.

Pat Felano was chosen by Mayor Kramer to sing "God Bless America" upon the arrival of President Gerald Ford. This historical event took place at the Falls on June 6, 1976.

Mr. Speaker, may I also commend to you the members of the Charles J. Alfano Association who attested to the quality of Pat Felano's leadership abilities and highly commendable accomplishments at their ninth annual dinner-dance festivities. The roster of the association's program committee, which is comprised of leading citizens of our community, is, as follows:

COMMITTEE

The Honorable:

Herman Viarella, Honorary President.

William Burke, President.

James E. Onorato, General Chairman.

Alice O'Andoria, Recording Secretary.

Florence and Lou Scialla, Financial Secretary.

Carmella Zaccaro and Kate Lucas, Ticket Chairman.

Anthony DeSopo and Joseph Martino, Reservations.

Stephanie Alfano, Betty Colman, Louise De Costanza, and Angelina Fasula, Boosters.

Charles J. Alfano, William Burke, Rosa Rodriguez and Archille Guerrera, Reception.

Conceta Sortino, Fannie De Grado, Lucy Schumacher, Josephine Tremantozzi and Stella Gualano, Raffle.

Mr. Speaker, I appreciate the opportunity to seek this national recognition of Pat Felano's lifetime of good works and share the pride of his wife, Mary; his son, Victor; his daughter-in-law, Florence; and his grandchildren, Denise, Victor, Steven, Karen, and Thomas in his many achievements. He is truly a credit to his family and to the richness of his Italian heritage. His exemplary musical talents and expertise in the entertainment and sports world have contributed to the recreational and cultural development of our country, providing a legacy and endowment to the American dream for the enjoyment of all of our people, that have truly added to the quality of life here in America. We do indeed salute a distinguished artist in music, drama, and athletic endeavors, a good neighbor and friend, community leader, and great American—the Honorable Pat Felano.

TRIBUTE TO PHIL LANDRUM

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, PHIL LANDRUM, the dean of the Georgia delegation, is retiring after more than two decades of service to his State and to the country. His contributions to the economic policies of this Nation have been numerous and his dedication and hard work will be missed.

U.S. ECONOMY—A PARTNERSHIP

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GINN. Mr. Speaker, Mr. Harold S. Geneen, chief executive officer of International Telephone & Telegraph Corp., recently wrote a guest column for labor columnist Victor Riesel. It has appeared in several newspapers throughout the United States, and I believe it presents a useful perspective regarding our national economy. I include it in the Record at this point:

Time for a Partnership

(Victor Riesel's guest columnist today heads one of the world's largest multi-national corporations. He has some thoughts on what labor's relationship with industry should be.)

(By Harold S. Geneen)

New York.—At least every four years the hue and cry arises to break up "big business" or "business has become too powerful."

Actually, business—the free enterprise system—is doing the job that our economy needs. So the question is what business is doing, and how well it does it.

Today with 93 per cent of the work force employed almost 88 million Americans are working. Impressive, but in the next 10 years jobs will have to be created for 15 million more Americans.

It seems to be taken for granted that it's business' responsibility, and the problem is in hand.

It's time, as Al Smith used to say, "to look at the record." Of the more than 87 million people employed today, nearly 15 million are working for government—state, local and national. The rest are in the so-called "private sector"—producing products or supplying services. Business not only provides jobs so wage earners can pay taxes and be consumers but also pays taxes itself, and thus becomes the basis of supporting almost 120 per cent of its own work force—directly and indirectly. It does this while continually facing the challenges of competitors so that the consumer again benefits.

This private sector—business—must remain competitive or cease to exist. The name of the game is creativity and productivity—and large investment risks in plant and machinery to be competitive. The catalyst is management. The risk is finally to the stockholders. But stockholders mean pension plans, life insurance companies, savings banks—the future security therefore of almost everyone who has a job. The so-called institutional investor who buys the stocks and bonds that support this growth is really the buyer on behalf of the job holder. Pension funds and individual investment plans to provide for the future account for more than one-third of the equity ownership of American corporations today. All indications are that pension funds will own 50 per cent of the equity—the stock—of U.S. companies ten years from now.

The "jobholders" as well as the "stockholders" thus have a constantly expanding interest in the profitable survival and growth of the companies for which they work.

Many citizens think that profits for corporations are in the 30 to 50 per cent range. Actually, 4 to 5 per cent is more like it, and it's hard work to get that return.

But what are profits? Where do they go? Surprisingly enough if you're talking about the "cash"—and that's what counts—they go mostly back to workers in one way or another.

Of a sales dollar almost all, or 92 per cent, goes to the workers themselves as labor or for material which includes other peoples' labor. About 5 percent goes to government as taxes. Finally, only about 3 per cent to the stockholders as dividends.

Those 15 million new jobs that must be created will each represent a need for investment—by someone—of an average of $30,000 each by today's reckoning. A total of $450 billion in the next 10 years, more than one-third of our present total gross national product. Total new capital investment requirements in the decade will exceed $4 trillion—three times the investment of the past decade.

Against this background a further look at productivity is in order. A recent Treasury Department study shows that the GNP per employed person in this country has grown by only 2 per cent from 1960 through 1973 and manufacturing output by 3 percent in the same period. When compared with 10 per cent rates in Japan and the 6 per cent rates in West Germany, France, Italy and the OCED nations, it is pretty apparent that American manufacturing output will need to improve considerably if this nation is to continue to be competitive. But business can't do it alone. It needs labor not only to perform the operations but to cooperate with business and the national interest in helping to introduce new techniques, new equipment and new processes—and bring about improved productivity. The fact that 88 million Americans are working today and that the all-too-high unemployment rate is coming down is a tribute to the fact that business is doing something about the true need of the nation—real jobs. It can do even better with the cooperation of labor as its partner, not its adversary. Both have great contributions to make and they are doing so quietly on a day-to-day basis.

But if our national need and our goal is another 15 million jobs, we're already late.

We need the continued support of all sectors, and we need genuine understanding of the obstacles to real productive growth. What we don't need are excess regulations and impractical measures which only bring costs and inflation, nor animus for a responsibility comparatively well met. They're illnesses that a heathy economy can't afford.

Looking back now to recent months of unemployment and recession, one can only say that the period was worse than the last—in fact worse than any since the Great Depression. But fortunately the patient has a good constitution, is recovering nicely and now needs real work rather than a rest.

Genuine productivity and recognition of its values can produce genuine cures and lasting economic health.

HON. PETER PEYSER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WOLFF. Mr. Speaker, Peter Peyser has served his constituents and his Nation with insight. compassion, and wisdom. I have admired and respected Peter's work, both as a colleague in the full House and as a comember of the New York delegation. In the three terms he has been in Congress, Peter has made significant contributions to the advancement of education and the development of this country's youth. He has also been deeply concerned with the problems of labor and he has been active in the field of consumer affairs.

It is with sincere regret that we will mark the absence of Peter Peyser when the 95th Congress convenes in January.

SEA WORLD, THE WORLD'S LARGEST OCEANARIUM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CRANE. Mr. Speaker, quite obviously we do not live in a world of limitless resources. As more and more people begin to inhabit this planet, our once vast natural resources become more and more scarce.

In the future we will be turning to the oceans, covering 70 percent of the Earth's surface, as a necessary source of both living and nonliving resources, including food.

Food produced in the world today totals 1.3 billion tons of grains and cereals, 87 million tons of meat, and 70 million tons of fish and shellfish. However, world population is mushrooming so rapidly it appears that we cannot produce enough food to keep pace with it.

The world has about 7.9 billion acres of arable land. Half of this is already being farmed. However, cultivating the other half is not as easy as it might seem. Besides the lack of water to keep it irrigated and other natural or geographic problems, there is the problem of supplying everything from modern agricultural equipment and proper farming technique to the right kind of fertilizers and insecticides. Large sums of money would also have to be raised to finance the cultivation of vast new tracts of land. We can find a way out of this dilemma by making it one of our Nation's top priorities to use the ocean as a source of food, increasingly, in the years to come.

First, however, the American people must develop a greater appreciation and understanding of the ocean environment. This is especially relevant to landlocked States which are not blessed with the long, beautiful coastlines which surround most of the United States.

Mr. Speaker, I am pleased to report that Sea World, the world's largest oceanarium complex which operates aquatic parks in Ohio, Florida, and California, is contributing greatly to this appreciation of the oceans by providing the American public, over 6 million people annually, with the opportunity to personally experience and learn about the vast resources of the sea.

Sea World has demonstrated a unique ability to inform the general public by combining education with entertainment. In combination with Sea World's ecologically oriented educational exhibits, the educational graphics programs pioneered by Sea World is continuously being developed to expose visitors to a wide variety of unique animal behaviors and concepts. Numerous ocean-related exhibits provide Sea World visitors with a panorama of the oceans and display a commitment of environmental concern by involving the public in the ecology of the oceans and humankind's interdependency with the aquatic environment.

Local academic community involvement is an intricate part of the Sea World education department. Since 1972 close to 500,000 students have participated in Sea World's "exploration breach program" which consists of an educational tour program in cooperation with local departments of education. Exploration breach is already being acclaimed as one of the most innovative education programs in the aquarium, oceanarium, and zoo fields.

This program utilizes the marine park as a teaching resource where teachers are encouraged to direct their students' understanding of the oceans and formulate active learning experiences encompassing the aquatic environment. Surely this type of curriculum supplement aids the student in an extraordinarily exciting way.

Private industry must share the Government's responsibility to contribute its resources to heighten public awareness and appreciation for the seas. I am pleased that Sea World shares the wonders of the seas with 6 million people annually, many from landlocked States who otherwise might never have the opportunity to experience an environment that we may well have to rely on to sustain life in the years ahead.

Mr. Speaker, Milton L. Shedd, chairman of Sea World's board of directors, recently addressed a group of financial analysts in California. I would like to share his opening remarks with my colleagues:

Opening Remarks

(Note.—Milton C. Shedd, Chairman of the Board of Directors, Sea World, Inc., was invited to appear before the Los Angeles Society of Financial Analysts at the Biltmore Hotel in Los Angeles on Thursday, August 19. As one of our Sea World employee-family you will enjoy reading his opening remarks.)

Sea World is a unique company and it is this uniqueness that has set it aside from other oceanariums, theme parks and many other publicly-owned companies.

Financial research services have for convenience placed us in a category with other leisure time businesses, but we are quite different.

It is true that we offer quality entertainment at bargain prices. In fact so much so that in 1974, a recession year, when many businesses were suffering and the public was watching its expenditures, our business hit all-time highs in sales, net earnings and cash flow. In 1975, the recovery year, we doubled our net over 1974, and 1976 will be another record year for us. But Sea World is far more than just a profitable family fun center.

What we are doing at Sea World is not meant solely to entertain our visitors. Through our educational and research activities we are attempting to enlighten the public as to understanding and appreciating the marine environment. In this way we believe we will not only be performing an important public service function but will be increasing the potential for future growth in our business.

There is no way of discussing Sea World intelligently without mentioning the significant role that the oceans of the world and their resources play in mankind's future. We sense an historic and ever expanding opportunity for our Company. Our past and future successes are tied closely to the public's expanding interest and ever-increasing curiosity in the marine environment, its exotic creatures and other resources.

With the oceans of the world covering over 70 per cent of the earth's surfaces, with a dramatic increase in the world's population, with increased needs for new sources of food, energy, metals, chemicals and resources and with man's staggering increase in technological capabilities, greater emphasis and interest is being placed on the oceans in a way never before imagined. Due to these factors we believe Sea World can and will play a vital and exciting public service role and in the process will prosper as a public company.

From Sea World's earliest beginnings, its activities extended beyond entertainment. An important emphasis has also been placed on education and research. Sea World's ability to develop a strong public awareness through these various techniques among millions of Americans each year has been of immeasurable value.

Sea World is in business not only to make profits but to create a new movement on the part of the public whereby they will be committed to learning more about ocean life and will recognize the dire need to protect and preserve the marine environment.

In addition to increasing public awareness and interest we work to stimulate young people to study the sea and encourage them to eventually pursue career positions involving marine work. Our management, technical, and scientific staff, either directly or through the Hubbs-Sea World Research Institute, have since 1963, been working with other scientists on numerous scientific research projects to better understand the aquatic environment.

Now, since you are financial people, I don't want you to misunderstand. Our primary function is to encourage more and more people into visiting our parks. Our other activities are much more than a marketing ploy or good business. They are a reflection of Management's recognition of the new business ethic facing our corporate society which demands that a company do more than just generate profits. We are committed to doing all that is possible to protect the environments, the ecological system, and the ocean's resources.

Both our management and employees believe in and are committed to meeting our diverse goals and objectives. Our personnel representing various scientific and educational disciplines, and expert in their fields, are given as much flexibility as possible to develop and implement their skills within the Sea World concept. Sea World, in encouraging these activities, has helped to contribute to the advancement of the state of their respective disciplines. In the process we believe we have made their work that much more exciting, fulfilling and satisfying. Our ability to attract and stimulate this group of dedicated men and women has been responsible for Sea World's becoming the world's finest and most successful marine park organization.

Our stockholders and the public have also benefitted to the extent that these dedicated people have been encouraged and stimulated. Their creativity and imagination in handling and displaying our exotic creatures in methods unequalled by other corporations has been extremely important to our Company.

We believe we have been very successful in meeting our corporate objectives. We have made Sea World a very profitable company and achieved a good return on our shareholders' investments. Our research endeavors have resulted in findings which we believe are vital to the future of mankind, and our educational activities have increased the exposure and understanding that both children and adults have about marine life.

TRIBUTE TO BELLA ABZUG

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. BIAGGI. Mr. Speaker, it almost goes without saying that the retirement of Bella Abzug ends one of the most colorful and effective careers in the House of Representatives. Bella served the people of the 12th Congressional District of New York and the Nation with distinction. Her style was characterized by her unswerving commitment to improving the quality of life in this Nation, and the preservation of human rights around the world.

I served with Bella as a member of the New York City congressional delegation. In this capacity I often had the chance to work closely with her on matters of common concern to the city. Her dedication as a public servant could never be questioned, and she especially distinguished herself as a member of the House Public Works and Transportation Committee.

Bella was also an outspoken advocate for the preservation of individual rights in this Nation. In a time of increasing governmental encroachment, she was a vigilant protector of the right of individual privacy and her efforts helped to focus public attention on some of the overzealous tendencies of our national security organizations.

Bella's time in the House may have been short in terms of years, but it was lengthy in accomplishments. The people of the 12th District of New York are losing an able representative. The American woman's movement is losing one of their most articulate advocates in the Congress. We in the House are losing one of our most distinguished colleagues. I extend to Bella my warmest best wishes for success in whatever future venture she pursues.

PETER A PEYSER

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LENT. Mr. Speaker, I want to join with my colleagues in paying tribute to a good friend and colleague, Peter Peyser.

Pete and I came to Congress at the same time. As representatives of suburban constituencies, we have shared many of the same interests, and have worked together on many occasions. His position on the Committee on Education and Labor has been vital to the interests of his constituents and to those of the State of New York as a whole.

PETER PEYSER is a man who has taken his job seriously, and his devotion to his job has resulted in meaningful legislation in the areas of education, the humanities, drug abuse, and benefits for our senior citizens. He has earned the respect of Members of both parties.

I consider the loss of a man of PETE PEYSER's capabilities a loss to the entire Congress, but especially to the people of the 23d District of New York. I want to wish him the best of success in whatever he pursues.

COMMENTS ON S. 3521, THE NATURAL GAS PIPELINE PROCEDURAL ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. YOUNG of Alaska. Mr. Speaker, I am strongly in favor of the Alaska Natural Gas Transportation Act of 1976, both because of the crucial national interests served by this legislation and because it meets critical needs of the State of Alaska. The legislation establishes a fair and expeditious procedure for resolving the issue of how natural gas from Alaska's North Slope may be transported to the contiguous 48 States to help alleviate the natural gas shortage. Delay in resolving this issue benefits no one and adds greatly to the cost to the consumer of Alaska natural gas. While making possible a relatively speedy choice of a gas pipeline system, the legislation also insures that environmental interests obtain the fullest hearing by those who will decide upon a transportation system.

There is one provision of this legislation that, though by its terms directed at a concern of Alaska, in truth serves national policy. The provision to which I refer is section 13(b) of the Alaska Natural Gas Transportation Act of 1976. This section provides that the Federal Power Commission must authorize the shipment of Alaskan royalty gas on the interstate pipeline for use within Alaska and must allow that royalty gas to be withdrawn from interstate shipments on the pipeline for such uses. The Federal Power Commission has authority, as explained below, to review only the rate Alaska or its shipper is charged for transportation of the gas within Alaska. I might explain that both Senator TED STEVENS and Senator MIKE GRAVEL share my views in this regard and the three of us have a clear and precise understanding of section 13(b)'s intent:

The significance of this provision to Alaska cannot be overemphasized. For decades Alaska has seen its natural resources stripped from its land and shipped out of State, often to return in processed form at very high prices. Alaska's industry, as a result is in a fledgling state and Alaska's economy is subject to vicious boom-bust cycles. A related problem has been that Alaska historically has been dependent upon the Federal Government to too large an extent for economic sustenance.

Use of Alaska's royalty gas within Alaska may help end Alaska's status as a ward of the Federal Government. The national interest in the self-sufficiency of Alaska was expressed in the Alaska Statehood Act, as well as in other declarations of national policy. Under that act, Alaska was permitted to select large quantities of land from the Federal domain with the hope that the land so selected—and the minerals which it contains—would provide a base for building a healthy economic order in Alaska.

It is appropriate that Alaskans themselves be allowed to decide how best to put to use their resources to further the healthy development of the State. In particular, it is Alaskans who should decide how the State's royalty gas should be employed within Alaska for the greatest benefit of its citizens. Section 13(b) will permit Alaskans to make this decision about their royalty gas.

However, let me be sure that the record is clear with regard to the State's right to the use of its own royalty natural gas. The passage of section 13(b) does not imply that the State of Alaska would not have the authority to withdraw such gas from the interstate market in the absence of that provision. Section 13(b) is intended only to remove any ambiguity which might be argued to exist about the authority of the State of Alaska to withdraw such gas from interstate commerce or about the lack of jurisdiction of the Federal Power Commission under section 7(b) of the Natural Gas Act, 15 U.S.C. 717(b), to prevent such withdrawal.

Section 13(b) solves this problem by mandating that the Federal Power Commission issue all authorizations necessary to effectuate shipment of Alaska's royalty gas within Alaska and withdrawal of that royalty gas from interstate shipment on the pipeline for use within Alaska provided, of course, that in the case of such withdrawal Alaska by agreement with the purchaser of its royalty gas has the contractual right to withdraw it.

Because of the interests of Alaska stated above, section 13(b) serves several national needs. It fulfills the national policy of promoting Alaska's self-sufficiency. And by providing Alaska with the right to use its royalty gas in-State when it decides that it needs to use it, it encourages Alaska to commit royalty gas to the interstate market in the interim. Alaskans will no longer have to fear that, once royalty gas is committed to interstate shipment through the pipeline, that gas will no longer be available for the use of Alaska except—at best—after costly and lengthy Federal Power Commission proceedings, the outcome of which would be uncertain.

That there should be any question that at least some of the Prudhoe Bay gas, which underlies State lands and is owned by the State, can be used in State may be a surprise to some of my colleagues. I wish to explain the status of the royalty gas and how the question arises.

In leasing to the North Slope producers the State-owned oil and gas-bearing lands at Prudhoe Bay, the State reserved for itself a one-eighth royalty interest in the oil and the gas, which is a common practice of landowners. The State may take this interest in kind or in value. I understand that no formal decision has been made, but the strong likelihood if not certainty is that the State will take its royalty interest in at least the natural gas in kind.

Our attorney general and his advisers believe that Alaska as a State is not subject to direct regulation by the Federal Power Commission under the Natural Gas Act in its sales of its royalty gas, even interstate sales. And no sale by the State or any other entity for resale or other use within the State is subject to direct regulation by the FPC. However, as it now appears, the State's royalty gas cannot move from Prudhoe Bay to the places in the State where it can be put to use except in the pipeline that will be carrying the bulk of the Prudhoe Bay gas directly or indirectly to the lower 48 States. Some day it may be economical to construct and operate an intrastate pipeline from Prudhoe Bay to the population centers of the State, but that day is not now foreseeable. And the FPC no doubt has jurisdiction over an interstate transportation facility.

Moreover, the FPC on occasion has assumed to exert control over natural gas sales that are not themselves within its jurisdiction by means of its undoubted jurisdiction over interstate pipelines through which the natural gas being sold is transported. Further, the status of Alaska and other States under the Natural Gas Act for the purpose of direct regulation by the FPC of their sales and abandonment of interstate service once undertaken is an issue that I am informed is not settled, so that we must realistically recognize the possibility that the views of our attorney general on the subject might not prevail. The State of Alaska, then, has been concerned about the possibility of the FPC refusing to allow the transportation of Alaska's royalty gas through an interstate pipeline for use within the State because, for example, some established use of natural gas in the contiguous 48 States might be thought by the FPC to be more in the public interest than a new use in the State of Alaska.

Section 13(b) as added to the Alaska natural gas transportation bill by the Committee on Interior and Insular Affairs provides that the State of Alaska is authorized to ship its royalty gas for use within the State by whichever pipeline is selected. Because the State may sell its gas at the wellhead so that in form the purchaser would be the shipper, the phrase "State of Alaska" as used in section 13(b) is intended to include any purchaser of the royalty gas that is the formal shipper of the royalty gas. The shipments would be free of the control of the FPC except for its review of the justness and reasonableness of the rates charged.

Traditional rate regulation is what I understood the gentleman from Texas had in mind when at page H11917 of the RECORD I answered in the affirmative a question in which he indicated that the FPC would retain control over the "transportation aspects" of the shipment. Thus the FPC could not consider, inter alia, the use to which the gas would be put, or the terms of any contract concerning Alaska royalty gas for use within the State. Further, by the specific terms of section 13(b) Alaska is guaranteed the right to withdraw royalty gas from the interstate market for use within the State if its contracts with its purchasers so provide. This guarantee would eliminate any possibility of the FPC's requiring Alaska to obtain authority under section 7(b) of the Natural Gas Act to abandon interstate service once begun, and would also eliminate the FPC's power to use its authority over the interstate transportation system to prohibit or restrict the recall of gas for use within Alaska. Of course, the FPC could not.

It is this guarantee provision of section 13(b) that will have the effect I described of encouraging the sale by Alaska of royalty gas for use within the contiguous States. The State has been reluctant to commit its gas to interstate purchasers, even subject to contractual reservations, because of the fear that once the gas was in the pipeline basic control over its use would be lost to the FPC. With the enactment of section 13(b) Alaska will be free to sell its royalty gas in the interstate market in competition with other sellers and have it shipped to the contiguous States and will be free to contract to end any such arrangement so undertaken and be assured that it may then recall the royalty gas for in-State use. The section thus assures the availability of royalty gas to the contiguous 48 States until such time as Alaska chooses to use the gas otherwise or retain it for future use.

The Governor of Alaska shares the delegation's interpretation of section 13 (b) and in a recent letter addressed to me he has made these additional comments regarding the intent of this provision:

> A major objective of the state during the entire gas pipeline debate has been achievement of ways to make state royalty gas available for use in Alaska. This consideration played a substantial role in our adopting a position of support for a trans-Alaska route which parallels the oil pipeline. However, even at the time we adopted that position, we were cognizant of the fact that the Federal Power Commission's authority over any pipeline ultimately certificated might be implemented in ways which would make difficult or totally frustrate our desires. Early on, we were advised by legal counsel that the Commission would have jurisdiction over the pipeline and that there was at least a possibility that such jurisdiction might be used to prevent the state from transporting its gas over the pipeline for in-state uses. We were advised that once the state's royalty gas entered the pipeline for movement in interstate commerce we might not be able to get our gas back again—even if we lawfully contracted for the right to do so.
>
> To protect our legitimate interests we have throughout the hearing before the Federal Power Commission continually made known our desire to use royalty gas in Alaska and we have taken other appropriate actions designed to build whatever foundation we could for assuring our later right to use royalty gas in Alaska. Similarly, in our negotiations with persons interested in purchasing our royalty gas we have made known our overriding concern that royalty gas must be available when needed. We have insisted upon contractual provisions which achieve this objective. Despite these actions we remained uncertain about what future actions the Federal Power Commission would take. We thus decided it was appropriate to seek direct legislative protection of our right to use royalty gas in Alaska. Section 13(b) of S. 3521 does exactly that. It commands that the Federal Power Commission issue to whichever pipeline is ultimately certificated all authorizations necessary to effectuate shipment and withdrawal of state royalty gas for use within Alaska. Section 13(b) benefits not only Alaskans, but all citizens because it makes possible the sale of state royalty gas for use outside of Alaska until such time as that gas is needed in Alaska. This amendment represents a most significant affirmation by Congress of Alaska's right to use its natural resources in Alaska for the benefit of its citizens.

There is one other provision that I would like to comment on and perhaps clarify. Section 5, which calls for a FPC route recommendation, to be submitted by the President no later than May 1, 1977, does not limit the FPC from submitting to the President a comparison of alternative transportation systems. In other words whichever route the FPC recommends, the FPC could and should submit its assessment of the alternative routes. If a comparison and analysis of the route recommendation is submitted to the President in this fashion, the President would be greatly aided in making the final determination.

CARL ALBERT

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SLACK. Mr. Speaker, when the gavel falls ending the 94th Congress, the significance of our adjournment will not be merely as the final act of a productive legislative session, but also as the conclusion of the careers of a usually great number of distinguished Members. The people of this Nation are losing through retirement more talent and experience at one time than I can ever remember in the 18 years I have had the privilege of serving as a Member of this body. I count among my closest personal friends many of those who are leaving, and for this reason it would be difficult for me to address myself properly in this limited forum to all those who are deserving.

However, in one particular instance, at least, I feel it imperative to add a few words to those of my colleagues in recognition of a great American. CARL ALBERT, in my estimation, truly embodies the spirit and purpose of the House of Representatives. We are all aware that his is the classic case of the American dream.

His wit, determination, and incomparable desire to succeed guided him from McAlester, Okla., through a brilliant academic career concluding at Oxford University. His service as Speaker of the House of Representatives spanned one of our Nation's most difficult eras. I was always confident that the storms of the recent past would be weathered, but much of that confidence stemmed from knowledge of the integrity, intelligence, and leadership exemplified by Speaker ALBERT.

So many fine men have served in the Congress over the years that all too often distinguished careers are quickly forgotten. But CARL ALBERT need fear no such fate, for his contributions are too numerous and his memory too prominently etched in the minds of all who have served during the time of his leadership.

HOWARD W. SMITH

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. RHODES. Mr. Speaker, Members of the House are saddened to learn of the passing of one of our most distinguished former Members, Howard W. Smith.

Judge Smith served the people of Virginia's Eighth Congressional District, the House and the Nation for 36 years. For a decade he was chairman of the Rules Committee, the first Virginian to serve in that post. He was a firm believer in efficiency in government, fiscal responsibility, States rights, and limited government.

I know that, like me, many of my colleagues found a warm friend, a sympathetic ear and sagacious counsel when we sought out the judge. He was the author of the Smith Act aimed at protecting our Nation against subversion and coauthored the Smith-Connally War Labor Disputes Act during World War II.

Judge Smith had a long and brilliant career in the Congress. He was a statesman and a true gentleman. I join my colleagues in expressing our condolence to his wife, Annie, his son and daughter, his grandchildren and great-grandchildren.

TRIBUTE TO BOB STEPHENS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, my colleague, BOB STEPHENS, has devoted many of his years in Congress to improving the quality of life for rural and elderly Americans and his efforts in their behalf must be duly noted. This congenial and talented colleague will be missed by them and by all of us who remain in the Congress.

CHAUTAUQUA CONFERENCE ON EMPLOYMENT OPPORTUNITY AND ECONOMIC STABILITY

HON. STANLEY LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. LUNDINE. Mr. Speaker, a small group of eminent economic thinkers, including leaders of labor and industry, educators, and local and Federal officials, gathered in Chautauqua, N.Y., on August 24, 1976, to discuss the two key problems facing our country today—unemployment and inflation. This Chautauqua Conference on Employment Opportunity and Economic Stability was held in connection with a week-long workshop sponsored by the Labor-Management Committee of Jamestown, N.Y. The purpose of the conference was to examine how Federal policy might best assist the private sector in achieving the coordinate goals of expanded job opportunities and lasting price stability.

We were fortunate in having as panelists the distinguished chairman of the House Banking Subcommittee on Economic Stabilization, my colleague from Pennsylvania (Mr. MOORHEAD); Carolyn Shaw Bell, Coman professor of economics at Wellesley College; Thomas C. MacAvoy, president of the Corning Glass Works; Fred G. Shafer, Director of Logistics and Communication of the General Accounting Office; Art Gundersheim, executive director of the National Committee for Full Employment; one of the two cochairmen of the Jamestown Labor-Management Committee—John Walker, president of the Jamestown Metal Manufacturing Corp.; and Dr. Adolph Lena, president of the Al-Tech Specialty Steel Corp.

The subjects explored at the Chautauqua conference—structural unemployment, labor-management cooperation, enrichment of working life, improved productivity, and private-sector job security during cyclical recessions—gave rise to comments and ideas which can be of help to my colleagues as we seek solutions to the problems of unemployment and inflation.

Because I believe that what took place at Chautauqua was important and relevant to achievement of our common objectives of full employment and economic stability, I include in the RECORD at this point the proceedings of the Chautauqua conference:

CONFERENCE ON EMPLOYMENT OPPORTUNITY AND ECONOMIC STABILITY, THE CHAUTAUQUA INSTITUTION, CHAUTAUQUA, N.Y., AUGUST 24, 1976

SPONSORS

Congressman William S. Moorhead, Chairman.

Congressman Stanley N. Lundine, Member, Economic Stabilization Subcommittee, House Committee on Banking, Currency and Housing.

Jamestown Area Labor-Management Committee.

AGENDA

9:30 A.M. Opening Remarks: Congressman Stanley N. Lundine, Congressman William S. Moorhead.

9:45 A.M. Statements by panelists, introduced by Congressman Lundine: Carolyn Shaw Bell, Katherine Coman, Professor of Economics, Wellesley College, Wellesley, Mass.; Fred G. Shafer, Director of Logistics and Communication, U.S. General Accounting Office; Art Gundersheim, Executive Director, National Committee for Full Employment; Thomas C. MacAvoy, President, Corning Glass Works.

11:30 A.M. Reaction by area participants: John Walker, Co-chairman, Jamestown Labor-Management Committee and President, Jamestown Metal Manufacturing Corporation; Dr. Adolph Lena, President, Al-Tech Specialty Steel Corporation.

12:30 P.M. Lunch.

1:45 P.M. Questions and Answers: Discussion among panelists, and participants in the summer conference on "Organization and Community Survival", sponsored by the Jamestown Area Labor-Management Committee, August 22-25, 1976, at Red Coach Inn, Lakewood, New York:

Robert Ahern, Coordinator, Buffalo Area Labor-Management Committee, Buffalo, New York.

Jack Dollard, Planning Commission for the City of Hartford, Connecticut and with the Knox Foundation.

John Eldred, Organizational Consultant for Jamestown Area Labor-Management Committee.

Paul Joy, Executive Vice President, Strategy, Carborundum Company, Niagara Falls, New York.

Neal Herrick, Consultant, National Center for Productivity and Quality of Working Life, Washington, D.C.

Bob Keidel, Organizational Consultant for Jamestown Area Labor-Management Committee.

Lyman and Alan Ketchum, Consultants with L.D. Ketchum Associates, Westport, Connecticut.

Anthony Olkewicz, Organizational Development Consultant, General Foods Corporation, Hoboken, New Jersey.

Jeffrey Parker, Manpower Consultant for the National League of Cities, Washington, D.C.

Michael Potterf, Director, Division of Enterprise Development, Appalachian Regional Commission, Washington, D.C.

James Santagata, Freeze Drying Department Head, Maxwell House Division of General Foods, Hoboken, New Jersey.

Raymond Schoch, Personnel Manager, Kelly-Springfield Tire Company, Cumberland, Maryland.

Peg Seltzer, National Center for Productivity and Quality of Working Life, Washington, D.C.

John Sember, Social Studies Teacher, City of Jamestown, and Chairman of the Citizens Advisory Committee of the City.

George Sherman, Vice President of Industrial Relations and Personnel Administration at Midland-Ross Corporation, Cleveland, Ohio.

Eleanor Steinholtz, Consultant, Division of Community Affairs, New York State Department of State, Albany, New York.

Gerald Sussman, Associate Professor of Management, Pennsylvania State University.

Eric Trist, Professor, Wharton School, University of Pennsylvania.

William Vankosky, Management Consultant for Northern Michigan University.

Charles Vok, Project Coordinator for the General Foods Quality of Working Life Program, Hoboken, New Jersey.

Basil Whiting, Senior Program Officer, The Ford Foundation, New York, New York.

William Whyte, Professor of Organizational Behavior and principal investigator for the *New Systems of Work and Participation Research Program* at the New York State School of Industrial and Labor Relations, Cornell University.

Charles Witt, Coordinator, Cumberland Area Labor-Management Committee, Cumberland, Maryland.

2:45 P.M. Summary and Conclusions: James Schmatz, Coordinator, Jamestown Area Labor-Management Committee.

Mr. LUNDINE. Friends and panelists, let me welcome you here this morning. I'll begin by introducing my fellow panelists, making a few comments, and then letting our visitors from around the country speak. Our local people will then respond. We hope to encourage a real dialogue despite the fact that we're up here on a platform. We should begin our discussion this morning and continue the dialogue this afternoon.

To your far left is Congressman Bill Moorhead, Chairman of the Economic Stabilization Subcommittee in the House of Representatives. On Bill's right is John Walker, the Management Co-Chairman of the Jamestown Labor-Management Committee. Next to John is Art Gundersheim, who is Executive Director of the National Committee for Full Employment. On Art's right is Fred Shafer who is with the Government Accounting Office. Next to Fred is Carolyn Shaw Bell who is Professor of Economics at Wellesely College. Standing up here is Jim Schmatz who is the Coordinator of the Jamestown Labor-Management Committee. Seated next to me is Dr. Adolph Lena. Adolph is President of Al-Tech Corporation which is one of the county's newest corporations, recently created by a spinoff of the Allegheny Ludlum Steel Company in Dunkirk, New York.

The purpose of today's Conference is to examine innovative methods to increase employment while maintaining economic stability. The evidence developed at this Chautauqua conference will be studied by the Economic Stabilization Subcommittee of the House Banking, Currency and Housing Committee to determine how federal policy can best assist the private sector in achieving the companion goals of expanded job opportunities and lasting price stability.

It is entirely appropriate that this conference be conducted during a symposium on Labor-Management cooperation sponsored by the Jamestown Labor-Management Committee. Clearly, one of the most ingenious and resourceful efforts to increase economic opportunity and improve productivity is being carried out in the Jamestown project. By emphasizing improvements in the quality of working life, both labor and management in this manufacturing community have participated in mutually beneficial programs. It is out of my experience as a moderator of this exciting endeavor that I have come to have confidence in our ability to develop better policies and avoid the dislocations in our private sector economy which have been experienced in the past.

Creative cooperation between labor and management is undoubtedly one of the hallmarks of any successful private sector activity which is designed both to increase the number of jobs and improve efficiency. If we are to achieve the enormous goal of adding 8.8 million jobs to the American economy by 1980, we must rely primarily on the private sector to achieve this objective. It will not happen in the ordinary course of events. Intelligent management of aggregate demand through incisive fiscal and monetary policy alone cannot achieve this goal.

We must begin to deal with some of the structural problems in our economy in order to avoid the recurring valleys of our cyclical economic experience. The younger worker in our society is particularly subject to the vagaries of layoff economics in a harsh and demoralizing way. Labor and Management in the private sector have an equal stake in the achievement of a more stable, dynamic economic experience.

Hopefully, other ideas besides labor management cooperation programs should be explored here today. We must begin to address some of the tough problems of how we should be using federal and state resources to keep people working in times of economic dislocation rather than to increase transfer payments.

Last month, seven and a half million people in this country were out of work. We cannot afford that kind of drain on our society year after year. Attempts to make light of the present 7.8% rate of unemployment by reference to the large number of women and teenagers in the work force cannot disguise the unpleasant realities of high unemployment. According to calculations of the Joint Economic Committee of the Congress, every percentage point of unemployment means $12–$14 billion lost each year in federal tax revenues, as well as $3 billion a year expended on welfare unemployment payments above what such payments would be in an economy running at capacity. Adding up the liabilities of the past year's unemployment rate, of 7% and more, reveals a total cost to American taxpayers of roughly $104 billion! It is impossible to calculate the social costs—the crime, disease, lost opportunities and other human hardship that result from high unemployment.

When the bill for unemployment in this country reaches one hundred and four billion dollars a year, we must begin to think about alternative means to contribute to a productive society rather than sustain idle capacity. When businesses are having difficulty in acquiring the capital investment needed for expansion (and this situation is predictably growing worse each year), we must begin to develop new incentives for capital formation. When we are only beginning to emerge from the slowest period of productivity improvement in this country's recent history as we are now, we must pay particular attention to increasing our effectiveness so that we can raise our standard of living without kindling the flames of inflation. When the skill-base of American workers is being continually eroded by the uncertainties of our employment situation, we must find new methods of training and new techniques designed to assist the private employer to improve human resource development.

Recent economic history has shown us that foreign industrial competitors can often compete successfully by using sophisticated manufacturing technology. Department of Labor figures on comparative productivity gains from 1960–73 show that our average increase in output per man-hour in manufacturing rose only 3.4% a year as contrasted to 10.5% a year in Japan, 7.1% in Sweden, 5.8% in West Germany, and 4.3% in Canada.

Lawrence Klein, distinguished econometrics specialist and adviser to Governor Jimmy Carter, testified last month before the House Banking Committee that "Productivity growth . . . provides the key to continuing noninflationary expansion of the economy." Professor Klein went on to explain to Congressman Moorhead on that occasion that "Productivity growth will stem from investment in human capital . . . [from] dealing with problems of structural unemployment and job training [and] . . . trying to do much more than was ever done in the past to promote the improvement of productivity on the human side."

As a result of our experience in Jamestown, I am confident that these and other worthwhile economic objectives can be achieved. However, they can only be achieved by getting the leadership of the private sector directly involved in pursuing those goals. Today we are fortunate to have with us the President of a progressive billion-dollar corporation, a union leader who is directly involved in making industrial democracy work, the foremost productivity expert of one of the most respected economic agencies in the federal government and one of the leading academic economists in the nation, to discuss with local people some of the ideas which could lead to more effective economic policy. I look forward to an interaction not only between the Jamestown Labor-Management participants and these leading national thinkers, but also to a broad discussion with all of those present. Hopefully, this Chautauqua Conference will produce results which can improve American economic policy by pointing the way toward full employment at acceptable rates of inflation through better utilization of our human resources.

Thank you.

I would now like to call upon my colleague from Pennsylvania, the distinguished Chairman of the House Banking Subcommittee on Economic Stabilization, Bill Moorhead.

Mr. MOORHEAD. Thank you very much, Stan. Fellow panelists, ladies and gentlemen, I want to thank Stan for getting me to Chautauqua. It's my first time here although many of my constituents spend their summers here, and I've heard about Chautauqua many times through many people. In fact, I have met several of my constituents in this hall today. I appreciate the opportunity of taking part in this important conference on employment opportunity and economic stabilization with the first-rate, talented array of panelists and specialists who are assembled here.

The House Banking Subcommittee on Economic Stabilization, which I am privileged to chair and of which Congressman Lundine is a member, has jurisdiction over all matters relating to economic stabilization in all sectors of the economy over a rather broad range. We are very happy to have Stan on that Subcommittee because as mayor of Jamestown, he recognized that employment opportunity and economic stabilization go hand in hand.

On the national level today, we have serious problems of employment opportunity and economic stabilization because of incredible mismanagement. As a nation we have achieved the almost unthinkable economic situation of simultaneously having both recession and inflation.

Some people say we have done very well because the pace of inflation has slowed from the double-digit rate of 1974. Even so, prices (as measured by the Consumer Price Index) are still increasing at a rate of 6 to 6.5% a year. While this may seem moderate compared to the price increases recorded in 1974 and 1975. It is still quite rapid and, if the rate persists, would mean a doubling of prices every eleven or twelve years.

Despite the continuing rise of prices, unemployment remains at unacceptable, high levels. Indeed, as Congressman Lundine has said, after the decline that occurred in the first quarter of 1976, unemployment seems to have stabilized at a rate of about 7.5%. The last figure I saw was 7.8%. Except for the past year, this is the highest rate of unemployment our society has had to suffer since the great depression of the 1930's.

The evidence is clear. The traditional means of controlling inflation and unemployment are unable to deal with the current situation. As one economist has put it, "The dilemma for policy makers in choosing between inflation and output is not only cruel, but becoming crueler."

Put very simply, the traditional methods of demand management—operating through fiscal and monetary policies—are inadequate by themselves to deal with inflation and unemployment. To be effective they impose high costs on our society in the form of excessive price rises or excessive unemployment.

Even so, such tools will necessarily continue to be a part of our arsenal against inflation and unemployment. But, we must also bring to bear other weapons—targeted at expanding supply and increasing productivity. A policy that manages demand but that ignores supply in the fight against inflation and unemployment is only half a policy. Increasing productivity and expanding the opportunities for employment must accompany demand management if we are to tame both inflation and unemployment.

To improve productivity and expand employment opportunities we need policies that insure effective investment incentives to meet the needs of modernizing and expanding the nation's productive facilities. At the same time, we also need policies that improve the job skills of the unemployed and promote the full and efficient use of our human resources.

Such policies, however, will never bear fruit unless we are able to introduce improvements into our way of conducting labor-management relations. Here in Jamestown is one of the most impressive and successful experiments in labor-management cooperation. The fruits of this experiment are clear to all—firms are stronger and better able to compete, job security is enhanced and job opportunities have been greatly expanded. The success of the Jamestown labor-management committees in private industry has led to their establishment in the public sector in the cities of Jamestown and Dunkirk. If they prove as effective here, we can look forward to higher productivity and an improved quality of working life in the public sector as well as in private industry.

I am particularly interested in having the panel participants explore ways we can promote the spread of such experiments across our economy, and incorporate their results into our national policy. Congressman Lundine has proposed a bill to provide for demonstration projects involving new approaches to labor-management cooperation, and projects aimed at expanding employment opportunities. I am especially interested in hearing the panelists views on whether or not other changes in federal legislation might speed the development of improved labor-management relations and, if so, what the essential features of that legislation might be.

Stan, this is an exciting conference. Thank you for permitting me to be part of it.

Mr. LUNDINE. Thank you very much, Bill.

Today it is ideal to have with us a leading national economist, an eminent government official who can provide an overall perspective, and a management executive and a labor leader who can talk from practical economic experience. The vagaries of any labor leader may have a strike or the final stages of negotiation a manager may have concerns that do not allow him to keep to his schedule. We may well have somewhat that situation here today!

I'd like to start off with Carolyn Shaw Bell, who is Coman Professor of Economics at Wellesley College. She has a Ph. D. in Economics from the London School of Economics, is a member of the Federal Advisory Council on Unemployment Insurance and is also economics advisor for a famous peanut farmer from Georgia—Carolyn Shaw Bell.

Professor BELL. Thank you very much. First I'll say I'm delighted to be here and in particular I'm delighted because macroeconomics, which just means looking at the big picture of the United States economy as a whole, really has the chance here to be integrated with macro economics—which means what is going on in individual firms, in an individual plant, and in an individual town. I think that this conference, and the workshop going on in Jamestown, give us valuable clues as to how these two approaches can be meshed. I don't propose to do the meshing, but I propose to try to help if I can.

Let me begin by sketching for you, as I see it, the relationship between what's going on at an individual micro level and the aggregate picture. Both Congressmen have told you about the overall situation where we have at one and the same time the highest rates of unemployment and of inflation ever known. I should tell you, Congressman Moorhead, that this occurrence has in fact taken place once before in our history. In the late 1950's we had rising unemployment accompanied by rising inflation which wasn't supposed to be able to happen. It is significant that it is happening now, again, when we have the same political party running the economic policy of the country in the mid 70's. If we checked back, we might even find some of the same people involved but I'll leave that part of it to the future biographers.

The reason that we have these two phenomena happening together is not coincidence. It is a matter of deliberate policy choice. The reason that I have become so very much concerned with these problems is that I believe that there is a very real opportunity to change that policy, to change that choice.

The choice that was taken three years ago was to fight inflation by allowing unemployment to increase. This was a deliberate choice. It's been in the papers. It's been in speeches. It is well-documented under the current administration. That was how the problem was defined—to fight inflation. The weapon was defined as letting unemployment rise, and as a result we are in the situation that we are now in. Why? Because that weapon doesn't work. It was an improper policy choice. The type of inflation that occurred, beginning in 1974, was not the type of inflation that you can beat by letting unemployment rise.

The type of inflation that settled in upon us in 1974 resulted first from the change in the price of oil. You can't reduce the price of imported oil by putting workers of this country out of their jobs. The second reason for the inflation that began was a series of disastrous agricultural crops. You can't improve harvests by throwing workers out of their jobs. And the third was the devaluation of the American dollar, which brought prices up in this country and which in fact was designed to do so. But you're not going to bring down the exchange rate of the American dollar by throwing people out of work.

Consequently the inflationary problem was diagnosed wrongly in the first place, and the solution to let unemployment rise was wrong in the second place.

I might add an interjection here. Most of the figures concerning unemployment are in terms of percentages: "The unemployment rate went from 7.6 to 7.8 percent last year." But if you think about the people involved, as Congressman Lundine reminded you, that is seven and a half million people. I would remind you that it is, in fact, even more than that. Last year over 20 million people were out of work at one time or another.

The pool of unemployed people is changing; some people are unemployed for a short period of time and get re-employed. But what is most threatening and what should be of most concern to us now is the gradually enlarging pool of people who have been out of work for a long time.

The number of those without jobs for over 15 weeks is higher now than it was a year ago. More threatening still, the number of people who have been out of work for over 26 weeks is increasing.

We have, then, substantial unemployment and a rate of price-rise which so far this year has come down slightly but is still uncomfortably high.

You get a new approach when you get different people and you get a new approach when the people who are looking at a problem have, let's face it, different values. I joined Governor Carter's task force because he said flatly and specifically that he was concerned with the people-aspect of economic problems. So am I. I always have been.

The new approach of the task force with which I have been working recognizes that if you are going to deal with unemployment, you find jobs for people, rather than talking solely in aggregate terms of fiscal and monetary policy with all that implies or does not imply. We have a technical name for the new approach, for we can talk about disaggregated markets and structural unemployment, but I think that is just shorthand for economists to use.

I thought I would urge us this morning to talk not in economic jargon but in terms of providing jobs for people. What does this mean? It means identifying the people who are out of work and why they are out of work. My own particular contribution has been and will remain, and I expect to abide by it this morning, to urge that we not identify people who are out of jobs in terms of their age, or sex, or race. There has been too much talk about the number of women in the labor force, about the teenagers in the labor force, about the blacks in the labor force. You don't get people employed or reemployed in the basis of their demographic characteristics. You find them jobs in terms of their productivity. That's why I think the Jamestown program is exciting because it focuses on the job situation and looks at workers in terms of their productivity.

Second, you look at finding jobs for people in terms of the jobs themselves. There are ways of restructuring jobs. There are ways of sharing work. There are ways of rescheduling work, of redesigning work, so that there are a wider range of applicants for the work that needs to be done, so that there is an increase of productivity on the job.

And again I find the Jamestown program exciting because it deals with these kinds of questions in terms of jobs and people. When we look at the kinds of training that people need or that are required to fill a specific job, we discover what academicians have painfully learned through involved statistical manipulation or regression analysis—that on-the-job training is the most effective means of turning a human being into a productive worker. And it doesn't matter whether that human being is old, or white, or black or young or female or male.

And so you find out how you can better design on-the-job training programs. You may look at the types of jobs which the community needs which are not now being performed, or at the areas where ther are national needs that are not being met, and you see if there is a way by which the private sector can be encouraged to fill these national needs, with a variety of government incentives, if need be.

Again, this is an area where the micro-economic work that is going on, in the discussion between the labor and management in the Jamestown program, can be so effective. We need innovation. We need new arrangements, new ideas, and we need them to come not from the ivory tower or the government bureaucracy but from the men and women on the job who know what the problems are and can think of the solutions.

Finally, I'd like to mention two elements in economic forecasting, although I am not primarily a forecaster. These two elements in economic forecasting have always been very troublesome to economists. They are troublesome because they are psychological and not subject to economic analysis.

One element—and we know it to be very important to the course of future economic events—is consumer confidence—what consumers think about the economy at the moment and what is going to happen in the future. People who watch indicators of consumer confidence worry over whether they are optimistic or they are hopeful. Although we haven't learned enough about what to do once we find out how consumers feel, we do recognize that consumer confidence is a primary indicator of what lies ahead for the economy. When consumers worry they hold back on buying, which can pose difficulties in an already depressed economy.

The second is businessmen's expectations. We have learned that if we want truly to predict what is going to happen to capital investment in the country—how much business is going to spend replacing or expanding plants and equipment, we need to estimate the levels of businessmen's optimism or pessimism about the future.

I suggest that both consumer confidence and businessmen's expectations are improved and enhanced when individual people feel increased control over their own lives as consumers or over their own decisions in managing their business operations.

This, I think, is the most exciting of all of the outcomes of the Jamestown process, that it does enable people to have greater feelings of competence, to feel sure of their own abilities to deal with the situation in which they operate. The notion of labor-management cooperation is not only communication and cooperation; it is creativity. I think we need to learn more about that kind of creativity in order to put together all of the micro-economic developments into an aggregate that will stem the macro-economic problem of unemployment by dealing with it properly—by creating employment. Thank you.

Mr. LUNDINE. Having heard from the ivory tower, we will now turn to the bureaucrats. There is one agency in Washington, I have learned, in my long six or eight months of experience there, that is universally respected, and that is why Fred Shafer is here today. In looking for a bureaucrat who would be respected, I had to go to the GAO. My diagnosis of the situation is that the reason the GAO is respected is that it is not responsible to the Executive Branch. But I haven't figured out to whom the GAO is responsible. Somebody said theoretically, the Congress. Well, everybody knows that Congress is irresponsible; therefore, the GAO's responsibility must be limited.

Fred Shafer has done a fascinating and comprehensive comparative evaluation of manufacturing technology and productivity in the industrialized nations. I know he can add a great deal to our perspective on the twin topics of jobs and economic stability: Fred Shafer.

Mr. SHAFER. Thank you, Stan. If you've worked for as many people as I have in Congress, you really don't work for anyone in particular. And if you worked for as many political parties as I do, you don't work for any particular political party, and therefore I feel can wax rather freely and look at the future quite broadly. I'll not be concentrating on the issues of the next three or four years. My comments will be directed to—and please keep this in mind—they will be directed to the things that may happen in the next ten or twenty years. And I have to say, "may," because when you're talking about the future, you're somewhat like the well-worn story of the pilot flying over the Pacific who comes on the mike and says, "I have some good news for you and some bad. First the bad news: We're lost. We're flying in the clouds and we've been lost for two hours. We don't know where we are. The good news is that we're making excellent time!"

There is a hazard going into the future. But all the same I would like to talk with you about some of the technological developments that are going to create additional challenges for America, that are going to create additional challenges for our foreign relations, and that are going to create additional challenges for Jamestown.

In reading your Labor-Management Committee Report, "Three Productive Years," I was struck particularly by two aspects of the report. First of all, you had the courage to use the term "productivity". All too often in the United States the term "productivity" is a dirty word. It has the connotation of the character in the Charlie Chapman movie who figures on speeding up the production line and causing the workers to work harder. Yet productivity does not necessarily mean that. As a matter of fact, technology in many respects has made the worker work less hard—has made his life in the factory safer. It has made his life in the factory more pleasant, his work much more easily done and has improved the quality of working life.

The second aspect of the report deals with one of the reasons why the Labor-Management Committee feels it has been successful. One of the reasons it felt it was successful was that automation, with its attendant loss of jobs and union members, has not been a major factor in Jamestown because of the job-shop nature of many of the industries. Technology, I believe, is going to change the nature of automation in job-shop industries and therefore, will create additional challenges for the United States and for the Jamestown experience.

Two other points that I would make: looking at one of the charts in the report, it is interesting to note—and I can't make a detailed analysis of the chart at this forum—that it is symptomatic of what is happening in the United States as a whole. The United States is really the first industrial nation that has had more of its working population employed in the non-manufacturing industries and the extractive industries. Right now we have about 60 to 65% of our working population engaged in what is known as the service industries. The proportion of the population that is engaged in manufacturing is constantly declining.

It is interesting to note in the Jamestown area, that in 1969, the total number employed was 58,900. The total number employed in 1974 is greater than that—60,700. But in 1969, in manufacturing there were 19,700 people employed, and in 1974, there are 18,400 people employed. I can't tell whether this is symptomatic of what is happening in the nation as a whole, but I would reason that if we could measure the productivity in industry in Jamestown, we would find that those 18,400 people are producing more goods than the 19,700 produced in 1969. This is what is happening in the nation and in the world. I would like to concentrate on this aspect.

The other point in regard to Jamestown's Labor-Management Committee activity is that it involves an interaction among the three elements of government, labor, and private industry. I think that is essential for any successful productivity effort whether it be at the national level, or whether it be at the local level. It closely resembles what we have found in studies of productivity efforts in foreign countries. And in all we have found inter-group action—between the government and the private sector, and with labor, and I would add one more, the academic community.

Why should we be concerned in the first place with productivity in industry, apart from the fact that all people generally are interested in improving their material well being. After all if we were a closed loop society producing all of our own needs, extracting all of our own raw materials, producing all of the capital goods and machines that produce other goods—the washing machines, the refrigerators and so on that you and I have—if we produced those and produced enough in the way of purchasing power to buy those things and save a little bit over so that we could invest more and produce more next year, we really wouldn't need to be concerned with our absolute level or relative level of productivity as long as we as a nation were satisfied with the standard of living we were enjoying. The United States has been enjoying the highest standard of living in the world, and other countries have had to be satisfied with second place or less for some period of time. The answer lies in the fact that we no longer are, if we ever were, a closed loop society. We must import more and more raw materials whether they be oil or other products needed in manufacturing in our country. If we are going to import more and more of these raw materials at what will no doubt be increasingly high prices over time, we simply must export more and more to pay for them, or our standard of living will drop.

Secondly even though our rate of population increase at the present time seems to be at a zero growth only (that is the present situation in the United States; that is, it seems to be merely replacing its population over time), even with that type of replacement, our population will grow from something like 213 million now to something like 245 million in the year 2000 before it starts to decline to somewhere around 229 million about the year 2050. So we not only have to produce more to pay for the increasing amount of raw materials we are importing into this country and will import into this country, but we have an increasing population certainly for the next 25 years or so which is going to create a demand for additional goods and services. One excellent reason then for being concerned about improving our productivity is that we must run faster and faster because of increasing imports and population just to stand still in terms of our standard of living.

Let's then turn to the question of foreign competition. The United States in terms of manufacturing technology has been considered to be by far the most advanced industrial nation in the world. This certainly is true. Around 1973 and early 1974, however, there were some rather disquieting rumors—hearsay indications that perhaps we were no longer the most advanced nation technologically and that other nations were starting to surpass us. I think we can all see the evidence of the effectiveness of the productivity in other nations from the nature of the products we buy. So many of the things we buy are made in Japan, in Germany, in France and Italy and a number of other countries. They are not low quality products or the products of unskilled, low-paid labor, but rather they are high technology products produced by high paid labor.

Nevertheless, we in the General Accounting Office were not convinced that this great technological nation of ours was falling behind. We decided to investigate the comparative manufacturing technology in the United States and the industrialized nations of the Western world and Japan, although we did some work also with the Warsaw Pact nations. In summary, our conclusion was that the United States continues to have more of the most advanced manufacturing technology than any other nation in the world. In terms of best practice, however—that is, the most sophisticated manufacturing technology—we are no longer ahead. At best we are equal to the industrialized nations of the world. Germany and Japan, in terms of best practice, can do anything we can do in terms of manufacturing technology and the application of it.

Congressman Lundine, I think, mentioned the differing rates of productivity improvements in the various countries. The United States as a matter of fact since WW II has had the lowest rate of productivity improvement of any of the major industrialized nations of the world. Should that continue, the productivity curves will cross and other nations will become more productive. Indeed we may find that we are importing a great deal more than we are exporting. As a matter of fact, in 1971 for the first time since about 1893, I think it was, we had a negative balance of trade and it was negative again in 1974. So there is no need for complacency.

Our foreign competitors have two characteristics, one of which we are only beginning to adopt. One is that we are the only major industrialized nation that until last fall had no national center for productivity. Last fall we passed a bill which created a National Center for Productivity and the Quality of Working Life. I hope and have great expectations that this bureaucratic organization in Washington will not reach out and attempt to intrude into the private sector. What it will do is hopefully try to assist and coordinate and cooperate and identify those areas of weakness in our economy which can be strengthened. As has been mentioned here, the strengthening of the economy has to come from the private sector, from labor, from academia and from the communities that are involved. The federal government alone cannot solve the problem. This is a second characteristic of our foreign competitors—informal but effective interaction at all of these levels.

Now what is it in the way of technology that has caused productivity to improve in various countries? I would like to concentrate on what I consider to be, what many consider to be, what Dr. Daniel Bell, a leading sociologist of our country, considers to be a new Industrial Revolution built around the application of the computer to the manufacturing environment. In the early 1950's, the U.S. Air Force, recognizing the need to develop a new type of manufacturing technology to produce a very sophisticated aircraft determined that we had to have a type of machine tool with precision elements that could produce the same, high cost parts, time and time again, without being hand-guided. They also concluded that it was highly unlikely that this very highly standardized and sophisticated metal-cutting of parts could be accomplished with the normal types of machine tool operation whereby the individual machine tool operator had to stand by the machine while continually manually changing cutting heads and guiding the contouring of the sophisticated parts. Working with the Massachusetts Institute of Technology, the Air Force developed what is now familar to most of us as the numerically controlled machine tool, where you program a cutting path into the computer and the computer takes over the cutting of the metal. It does this exactly the same way with the same precision each time. And the operator no longer has to be continually involved in the cutting.

I mention this specific development because it was the forerunner of the integration of the computer into the total manufacturing environment. The computer today is used today for product design, process planning, production planning, and control of the movements through the shop floor of the various things that are being produced—the work in-process inventory-control if you will. The computer is being used to automatically store things in warehouses, automatically retrieve them, and automatically ship them. The computer is being used for plant layout. The computer is being used to control the maintenance function of the plant. We have found no single plant where all of these functions are being performed by the computer.

But what is happening particularly is new developments in low cost mini computers and the micro-computer. More and more companies are going to find it cost effective to use the computer in relation to one or more functions of the manufacturing firm to accomplish those functions which human beings have been accomplishing. That is basically why we are producing more and more goods today and have been for a number of years while constantly shrinking the percentage of our work force engaged in the actual production of goods.

The simple fact is that even though the United States developed this technology, it has spread like wildlife to foreign countries. In Germany for instance we found a plant which is one of the most sophisticated facilities in the world. When we got back from Germany, we looked at the only competition for this plant, an American firm. We investigated the competitive relationship of the American firm with the German firm and found that on the very day we were looking at this question that the American firm was phasing out production in the two lines that had been in competition with the German firm before that. In other words, the high automation of the German firm had reduced costs to the point where the American firm was no longer competitive.

The Japanese have developed what is known as MUM—methodology for unmanned manufacturing. They have at least a two and a half to three-year lead over every other country in the world in the design of a factory that is designed to produce machine tool parts. A factory which would normally employ 800 people will produce with 10 people what the 800 could effectively produce.

I think I could end by saying that we do have a challenge. We have a challenge from foreign countries. These foreign countries have well developed national programs. They have productivity centers which are designed to keep abreast of the most advanced management technology in the world and to diffuse it throughout their economy. They have well developed unofficial structures that are very effective consortiums of government, management and labor. And it is particularly true that Germany, Sweden, and Japan seem to have reached a national consensus on improving productivity.

While all these countries are attempting to produce for mass domestic markets, every one of them has their eye on the huge consumer market in the United States. And they have their eye on what is being produced in Jamestown, New York. I think that is enough to stimulate a discussion. Thank you.

Mr. **Lundine**. And now a labor leader in the private sector. Art Gundersheim is here today in place of Howard Samuel. Howard had a collective bargaining responsibility at a high level over the weekend. I am very pleased that Art could be here because he is the director of the National Committee on Full Employment, and that, after all, is what we are talking about here today. Art has been most immediately director of Education and Research with the Amalgamated Clothing Workers and so has had a great deal of background in the trade-union movement, which should add to our discussion today. Thank you very much for coming—Art Gundersheim.

Mr. **Gundersheim**. I want to thank you for giving me the opportunity to be here as part of this discussion. It is appropriate to add that the reason that Howard Samuel could not be here is because he is involved in negotiations with several corporations about the question of imports and employment difficulties arising therefrom. He is an expert on international trade for the Clothing Workers and other unions and would have discussed its economic implications as part of his presentation.

Initially this is one of the things I want to talk about. I also am going to talk not only about some of the long-term trends that the labor movement sees, or economists see, in terms of the employment picture in this country, but also about some of the long-term problems that are going to have to be approached now if we are going to look at all at solutions down the road. One of the great difficulties particularly in government and in Washington (and I'm sure a few Congressmen have said it), is that we deal much too much on a year-by-year basis. Federal budgets to a large degree are on a yearly basis except for certain long-standing programs. The President's Economic Report comes out yearly. The predictions and so on are done on a year-by-year basis. There is very little long-term looking at the job situation.

What are some of the things that people who are concerned about finally ending the economic cycles for human beings need to look at, (that's what we're really talking about), in terms of increasing economic security to a point where you can deal with the other problems of American society, which would require a certain basis of income stability and a certain degree of psychological stability, if you will, that can best be met by providing and firming up job situations?

One is that over the past 30 years, particularly since WW II during the number of ups and down in the economy, the residual unemployment rate or the number of people left unemployed after the supposed recovery has been at a higher level each time. We can see a consistent upward slope to the number of people who were constantly left behind in the economy after each recession. That kind of experience is very disturbing although nobody seems to be talking about it to any degree.

Secondly, the economy has shifted the burden of unemployment to certain selective groups. Of course we are a prisoner to the demographic Census Department variables that Professor Bell has mentioned as being not terribly useful sometimes. I will get into that in a moment, and I agree with that. But obviously there has been a lot of discussion about youth unemployment problems, about minority groups, about women having rates significantly higher than men, particularly blacks in the inner cities. You have the combination of racial and age and sexual "handicaps", although I don't like to use that word. It implies fault lies with the individual, when in fact, it is a structural problem within our economy. When the unemployment rate goes up to 60% or something like that for young black people, lack of jobs is clearly distributed disproportionately and unequally rather than being a generalized diffuse thing throughout the society. If you consider not only the unemployed or the dislocation that Professor Bell spoke about, but the fact that there are whole families involved, that we are not just talking about the unemployed person but we are talking about their spouse, their children and so on—then the ramifications of it are very wide and go a lot further.

Thirdly, a long-term trend that we are very concerned about is the changing nature of our work force. We are seeing the first of the post World War baby boom now reaching the labor market. The figures are very striking. From the period 1925 to 1945 the average birth rate has been relatively constant, about 2.6 million children born every year during that twenty year period. But the period after WW II saw that average jump up to 3.7 million, and in the next decade, from '56 to '65, it jumped up to 4.2 million average births per year. What we are talking about is a very significant rise in the number of people who will be seeking jobs just based on the simple increase in the working age population in this country.

The second phenomenon associated with the changing work force is something that has been going on for the last fifteen years and shows no signs of changing. An increasing number of women are entering the labor force, feeling that not only are they entitled to a job, but they are entitled to jobs that match their incomes to those of the male population. This percentage of women is over what had been previously determined as the normal increase in the working population. Thus we have a real problem of vastly increasing the number of jobs that have to be made available each year to the population just to keep unemployment steady, let alone bring down the rate.

At the same time that all of this has happened, the two general trends that have increased work opportunities in this country have finally reached a de facto limit, again pointing out the need for new ideas in terms of how we are going to fashion jobs and how we are going to find productive work for all of our new job entrants.

The two trends that I am most concerned about is the fact that generally after WW II the increase in jobs in the private sector has not kept up with the increase in the labor force. The major expansion in work opportunities essentially has come in the government sector—local, state and national. To a very large extent, government as an employer over this last decade has been the mop that has essentially soaked up the expansion in the labor force.

The second thing that has reached a de facto limit (and it is obvious that the government has reached its limits as an employer, particularly at the local and state levels in the northeast area) is the fact that we create jobs by manipulating work time. By this I am referring to the general movement, which ended around WW II, of decreasing the work week to forty hours. Immediately after WW II, until about 1960, we decreased the number of work days per year by increasing paid holidays, increasing vacation time, to encompass many more paid non-work days for the work force. Another thing we have done (and this is the most recent thing), is to enforce earlier retirement. This has been done over the last fifteen to twenty years, particularly to make it both compulsory and at a steadily decreasing age. All of these kinds of things have significantly increased the number of job openings. I think that trend has reached its limit. A number of studies have found that if you go and significantly reduce the work time any further, what happens is that instead of using that time for increased leisure, people spend most of their time seeking second jobs, or alternative work opportunities.

The question is, what do you do about this situation?—the increasing work force, and simultaneously decreasing work opportunities, particularly in that segment of American society from which 80% or more of the jobs have to come—the private sector.

The first thing to do, particularly for those who are concerned about the problem of unemployment, is to say simply then that employment is a primary goal. It seems obvious, but it is not so obvious because it has not been a national government goal, nor a consensus in terms of policy, to make work and national productivity a more important goal than just providing welfare or income maintenance of one form or another.

Going along with that is the question of investment in human capital rather than in financial capital or in material capital. Here, in a sense, Congressman Lundine is doing a very great service, not only to build on that term but to get it discussed in Congress. The whole notion of investment in human capital is a very crucial one that has unfortunately been neglected to a large degree.

The second thing that should be obvious is that instead of talking in terms of predictions of where the economy is going to go, or as the President's Economic Report does, trying to give estimates of what the unemployment rate will be or what the inflation rate will be and so on, we should be going at it quite differently—in the sense of setting specific goals and targets of what we are going to do. Specific employment goals should be set, and looked at in terms of production, in terms of consumer spending, in terms of capital formation, so that you have some standard of measurement, some basis for making judgments and determining whether your policies are effective or not. To rely simply on current unemployment numbers or, as you might say, on a discomfort index of one form or another, is not quite sophisticated enough.

One very important kind of attitude that goes with setting goals and targets and which has been spoken about by Mr. Shafer is that you have to increase the predictability of economic policy. This has been most crucial for business corporations and most crucial in terms of psychological factors of economic confidence lately. By increasing the stability of economic policy on a governmental level, you can then be in a better position to determine future investment plans and you can determine how to resolve some of the employment problems of a particular group, and so on.

The third thing you ought to do is increase the coordination and cooperation in the setting of economic policy among the Executive Branch, the Legislative Branch and the Federal Reserve. Thus far, there has been relatively little cooperation. There is some obviously, and it depends, of course, on whether the party in power in the Executive is the same or is opposite to the party in power in the Congress. I realize that that makes a difference, but there can be institutionalized, certainly, much greater cooperation in the formation of economic policy. Particularly in terms of the relationship to the Federal Reserve, make that a bigger partnership, rather than letting the Federal Reserve contradict or countervail policies made by the other branches of government.

The next thing is that we are reaching the dead-end limits of using raw, general—what are called macro-economic—stimulus-policies to reduce the unemployment rate. You no longer can just throw out a bunch of money and hope that by creating enough expansion in the economy that you will sop up everybody who needs employment by increased demand. Most economists feel it has an effective limit; you cannot reduce the unemployment rate much below 4.5 or 5 percent.

We must now concentrate on what is called focused-demand, on what is called structural employment procedure. We must deal with (Congressman Moorhead has talked about it to some degree) the supply side of the equation, not just the demand side. Here you can particularly deal with the inflation question, which clearly over the last 30 years has not been related to unemployment, but has been much more closely related to the problem of supply and scarce resources. That is where some of the thinking effort ought to go—into correcting that.

An additional thing we ought to be talking about is that there still, even with all of this supposedly greater coordination and greater setting of long-range planning and goal setting, there still will obviously be some ups and downs in the economy, some events which we can't anticipate, some international developments that American society has no control over. We must have specific stand-by programs, instead of waiting for more difficulties to occur and then reacting when it is too late. We ought to plan programs ahead of time and have them sitting around on the back burner available to throw into the situation.

One of the examples of this might be Congressman Lundine's proposal of subsidizing private corporations for maintaining employment during economic downturns. The labor movement has some real qualms about that. To some degree the question is, once you do that during a downturn, how do you prevent its abuse when the economy turns up again? And how do you prevent a shifting of the burden from the private corporations to the public treasury, which in fact is what you are doing by doing such a thing? Maybe that can be turned off again. But it presents a very interesting idea in terms of creating greater stability and greater employment opportunity during those periods of time when they are most needed. In this sense, also, there ought to be a stand-by public service programs; there ought to be stand-by public works programs. There is a whole range of things that can be done in terms of programs to deal with many of the temporary unemployment problems that have been talked about so far.

Thirdly, we ought clearly to shift economic policy toward those areas where employment is in fact cost effective. That again goes back to the question of human economics. Nobody talks in terms of jobs created by the space program or the defense program, or the production of defense hardware, or the production of the Federal Interstate Highway system. These are really employment programs to some degree, and true they are sometimes defended on the basis of the employment they provide. But the cost in the large sense is not terribly effective in terms of the amount of money needed per job created in these ways. We don't think about that because we like the end products. We like the rocket going to the moon because that gives prestige, and we like defense because it provides security in terms of international threats, and so on. Those goals are obvious and necessary. But the problem is that there are certain other products that the society needs that—Professor Bell spoke about—unmet needs in terms of education or health, or increased agricultural production or increased development of areas such as the Northeast section of the United States which do not have the attraction of such sexy products as a rocket, but which nevertheless have a certain real productivity, nevertheless provide real benefits for society and in fact are much cheaper to provide. There have been studies done by the Congressional Budget Office in which a community creates simple public service employment (in a sense many of the jobs that are now under the CETA programs and so on) showing that the net cost after a two-year period for each job created under public service employment—that is, the actual cost after you subtract unemployment and food stamp benefits and so on—is around $2,600 a year to $3,500 a year per job. Compare that to the traditional way that has been used to reduce unemployment in this country, to the traditional way of solving the economic expansion problem in the United States, the method used particularly by President Kennedy and all the time since then, which has been by cutting taxes—in other words giving people more money in their pockets to spend, to increase aggregate demand. Doing it that way, for each job created, the net cost is in the range of $17,000 to $24,000 a year. So by a straight cost-effective standard it makes much more sense to use public service jobs, or some relative thereof, because you can create five to eight times more jobs in that manner than you can through a tax-cutting system.

I could go on to a number of other necessary things but essentially these four or five points that I have outlined are the basic elements contained in the Humphrey-Hawkins Full Employment Bill. It's really these philosophies and ideas that are contained within that bill. During the day hopefully, we can discuss that bill in greater detail. Why do many people both in Congress and people outside of it, the groups who are most concerned about the employment problem, feel that it is the best vehicle for solving the unemployment problem? Let me just simply say that it really goes to more than just economic problems. It deals with how you measure society and really where its ultimate values lie. Part of our goal and our objective is to change the standards by which the economic system is measured, to try to make it more humane and to provide a better quality of life for the individual.

Mr. LUNDINE. Thanks very much, Art. It occurred to me that our clean-up hitter in the batting order for today is perhaps a home-run hitter—Tom MacAvoy who is President of Corning Glass Works. Corning is a company which, because of its widely known consumer products, I don't have to describe to anyone. I will say that they are the largest corporation in my congressional district. It gives me great pride not only to have such a large international corporation headquartered here in rural America, but also that it happens to be one of such outstanding quality. They have never had a layoff in the history of the company, as I understand it. Isn't that true? That's what I've heard. Well, that's what they say about small towns, Tom. That nothing much happens in small towns, but what you hear makes up for it. What I heard around Corning was that they did not have a layoff during the last recession. In any case, I am very pleased to have Tom MacAvoy with us today.

Dr. MACAVOY. Thank you very much. I am very pleased to participate in this conference since I have heard so much about the Jamestown Labor-Management Committee and its great accomplishments. I am especially pleased to participate with such a distinguished group of panelists. I was particularly happy to note that Professor Bell was on the panel since she is from Wellesley and my daughter just graduated from there.

I would like, before I move on, to enter a disclaimer. I am by no means an expert. I am basically a chemist who drifted into the front office by an unplanned process. But I must say that although I am not an expert, I am very much involved with these problems.

Unemployment and inflation are among the most difficult business problems to deal with at the micro-level because you are making real decisions and it is not just some abstraction that is involved. For example, laying off people is difficult in general. I presume it must be difficult in the offices in the glass boxes on Madison Avenue. But in a place like Corning when you lay off people, the are right outside. Their kids and your kids go to the same school. Managing a business in a place like Corning is a much more direct, personal human activity. I think from a personal standpoint, it is one of the reasons why I like very much working for Corning Glass Works and being part of that kind of an environment. But having to lay off people is one of the most difficult problems that we have.

Before I go on to the subject of unemployment, I think I must mention inflation. There has been some allusion during the discussion to the problem of inflation. It is hard to recall that about 15 or 18 months ago inflation was probably the most common thing discussed in the newspaper; whereas nowadays it is unemployment. I will not make a choice between inflation and unemployment. But I think we have to remember that inflation, although it is more difficult to dramatize in human terms than unemployment, is a corrosive and very dangerous thing, particularly high levels of inflation for extended periods of time. We all know that it demolishes the value of stored-up assets whether they be pensions or personal savings, or fixed assets and that it corrodes the basic economic fabric of the country.

I would like to concentrate on unemployment, at the risk of repeating some of the things you have already heard. To set the numbers straight, there are presently almost 88 million people employed in the United States out of a labor force of somewhat over 95 million people. That means there are 7.4 million unemployed or 7.8% which is a very high level. Somebody mentioned that it is higher than at any time since WW II, and that is probably true. Last year, however, it was 8.5%; so the good news is that it is lower than it was last year.

The problem which confronts us is how to reduce this level of unemployment without incurring an unacceptable level of inflation. The best long-term solution to unemployment and inflation of course is to have a healthy, growing and dynamic economy that has no artificial barriers to employment, in which people can move around as freely as they wish, with no racial, sexual, or any other kind of barrier to employment. We know from experience, though, that unemployment and inflation are somewhat related to each other although the relationship is not unique or precise. Economists now believe that the economy can employ all but about 4.5 to 5.5% of the work force without triggering off inflation. I don't know when that will be but I suspect it is going to be years from now.

Unemployment is very difficult to deal with in the abstract; so I would like to try to do what Art did and hone in on some specific issues. I would like to comment on six features of the unemployment problem and then make some suggestions for dealing with these issues. First let me enumerate the six features:

(1) Unemployment is higher in the U.S. than in other major industrial countries.

(2) Unemployment varies with the business cycle.

(3) Unemployment varies from one part of the country to another.

(4) Unemployment is high among teenagers.

(5) Unemployment is higher for blacks than for whites.

(6) Unemployment is somewhat higher among women, but women comprise a major and growing part of the labor force—a trend which has important effects on the total employment situation.

I want to go into these things one at a time. Although unemployment levels are calculated differently in different countries, the level in the United States is clearly higher than it is in other major countries. For example, in the United States, it is running around 7.6% now. At the same time—this was the first quarter of '76 by the way—it was a little over 2% in France, 4.7% in West Germany, 5.3% in the United Kingdom, and 2% in Japan.

Corning Glass Works has a major manufacturing operation in several of those countries. But it is much more difficult dealing with unemployment in our own country. It might be logical to say, "If they can solve unemployment in France by adopting certain policies, maybe that's what we should do."

That is an interesting idea, but I should mention that we are very temperate about investing in France, and we would never try to introduce a major new product in France. The risk is too great. It couldn't be done. By its policies the French government has decided in effect to allow innovation to take place somewhere else. It is an interesting problem.

Now let's talk about some proposals that might deal with some of these problems. First, international trade should be fair and not "unbridled." By that I mean there are international conventions and agreements on trade in which all these countries participate, and we have to be careful that trade is in fact fair. Since we are an international company, we are in favor of what is called free trade; that is, we want and seek commerce throughout the world, but we are certainly not in favor of unfair trade practices that put us or our country or our employees at a disadvantage.

For example, there are unfair trade incentives given by Japan and other countries. Certain practices in Japan, which allow them to improve their productivity, would be against the antitrust laws in the United States. For example, Fred Shafer mentioned centers of productivity. In Japan it would be common for the government and the industries to decide which companies concentrate on which projects. That kind of thing does not happen in the United States because it is against our concepts of competition and it is against our concepts of divorcing involvement of government in industry and particularly in groups of industries.

There should not be any dumping, which means selling a product in our country or somebody else's country at a price which is lower than the fair market value in the country of origin. We have to be careful from a government standpoint and from a political standpoint not to be unfair to the consumer. If a consumer wants to buy a television set manufactured in Taiwan, there should be no impediment to buying such a television set. However, if the set is manufactured in Taiwan and is sold at a lower price here than it costs to make in Taiwan, or than they are willing to sell it for any other country, then that is considered dumping and that is against the trade treaties that we have.

Secondly, we should try to encourage all countries to stop propping up their own exports by fiddling with the exchange rates. The yen has been held up at a fairly high level for some time now. Everybody knows it should be lower, but it is used to encourage and stimulate exports.

I think another factor is that we should be sure that our government is on our side. We have to work on this. I believe that labor and management, as participants in the private-sector-parties process, have to be sure that government is fully informed as to what the damage is and that the laws work to our advantage.

Going through one of these dumping proceedings, as we have done for the television industry, is an extremely long and drawn-out, complicated proceeding, particularly when 90% of the documents you have to use are in Japanese. Then when you get all through that, you discover something which you never thought about, and that is, that the Department of Commerce thinks that what you are doing is a good idea, but the State Department is not too crazy about it. They would just as soon that it went away because they really want to make sure that Japan has a stable economy. Sorting out that kind of problem is tough.

Dumping of television sets in the United States—and other competition from Japan primarily and to some degree Taiwan and Korea—has led to a situation where something on the order of 85% to 90% of all black-and-white television sets in the United States are made in the Far East. This is a technology Japan got from us, and so of course it makes us angry that such a thing should happen. In fact the black and white television industry in the United States has been running at a loss for quite a number of years.

We have been supplying glass to these industries. We made this glass in a particular factory which operated with gas. We were operating near the break-even line, slightly above the break-even line. We had been in this factory for many years, twenty-five or thirty years, and we had nothing else we could make in this factory. It was specifically designed to make television. The final blow came when we lost our gas supply because of an allocation problem and we had to substitute oil and propane, which meant an average increase in fuel costs of something like 4½ times. (The oil was up 3 times and the propane up 7 times or something like that.) This put that particular factory permanently under water, permanently in the red. We struggled with the problem for quite a few months. We had invested many millions of dollars and spent countless hours trying to figure out how to avoid this situation. This happened last year in Jamestown. We finally decided that we had to close the factory. That is the toughest kind of decision. Shutting down a factory is a drastic thing to do, drastic for the people involved and from my experience, a very difficult decision to make.

There are ways that we might deal with this situation. First of all, we might identify the employees in such a situation as an endangered species. We should protect these employees when we know and can prove that the injury was brought about by a trade violation such as dumping. Secondly I think that something we might do is to help companies in such situations and their employees compete vigorously where exports are involved. I think some of the programs where public employment might legitimately be considered is in investing in productivity for the purposes of international competition. tion.

I think a second thing that I might suggest is that the government should make it very hard to close a plant. The idea of closing a factory which has performed for 30 years is abhorrent. I think we should require that we give them a year's notice or something like that. I am not enthusiastic about losing the possibility of making such a decision when a company is really bleeding, but I think it should be hard to close a factory. It was very hard for us to do it. What made it harder was that I knew the people who worked there.

The second thing we can do is deal with the symptomatic problem (the fact that unemployment is higher in the United States) and focus on productivity. The importance and necessity of doing that has been dealt with at some length. I will be very brief in commenting on this. Mr. Shafer talked about manufacturing technology and at the same time mentioned that two-thirds of employed people are in the service industries. The important place for us to work on productivity is in the service sectior. The service sector has doubled in size and is growing steadily. It is in the service sector. The service sector has the manufacturing sector. I heard somebody once define a service as a product that is created at the same instant that it is consumed. People are almost invaribly involved in service work; it is very difficult to maintain service activities without people.

International competition demands that we improve our productivity. Service sector improvement in productivity is a very important thing. We must also increase our capital formation if we want to keep up with the rest of the world in productivity gains. Let me give some figures of the proportion of gross national product that is invested to be put into capital formation for the purpose of building industrial equipment plants. It is 26% in France and 34% in Japan; 23% in Germany; 19.7% in England and 17.6% in the United States. Even England is investing more than we are in industrial production plant equipment. Our productive establishment is not being renewed and is therefore losing efficiency. We must be sure to invest in industrial plants in order to avoid losing the advantage over the next 50 years.

We have to do a much better job on energy than we have been doing. Project Independence, or whatever you want to call it, is a failure. I am not sure exactly who is to blame for it. I think all of us are. We have made some concessions to conservation, but we really have not gotten anyplace as far as making a major national commitment to it. A solution to our energy problems is much more urgent than the space program, or anything else. That is an area where we should be putting some people. Last month we imported 41% of our oil, and it shows no signs of going down.

A second issue that we can point to is how unemployment varies with the business cycle. We have had about forty recessions since the United States went into business around 1785. Recalling the number of major depressions, from everything I have heard, I do not think we can expect to eliminate recessions, but we certainly should work as hard as we can to try to moderate their severity and impact.

In trying to get around them, though, we should be careful. When we try to solve unemployment problems by making the economy run too fast, we sometimes create even worse problems.

During the '60's the civilian labor force grew at a moderate rate, and there were major programs which drew people out of the labor force. We had a war going in Viet Nam. We had a space program going on. In 1972, I think we stimulated the economy very strongly. Employment in the United States increased by 2.6 million people per year for the period, 1972 to 1973. This is more than double the average rate of increase for the previous 12 years. This whole program of giving the economy a very stimulating jolt, hiring a lot of people, overlapped with the wage and price control program, and then later with major raw material shortages and the oil embargo, which raised prices of oil to a record high. The result was very high inflation and a major recession. The employment level grew again in 1974, but then it slipped back in 1975, and in 1975, we had about as many people working as we had in 1973.

The only real cure for this sort of thing is to have stable fiscal and monetary policies. We have to avoid stop-and-go measures dealing with major economic issues. The economy is a long-term flowing stream of events. The resulting uncertainty of the stop-and-go approach leads to inaction, waste of resources, delay in implementing long range solutions, and timidity on the part of businessmen, who don't know whether to invest or not.

I will tell you, that for the first time in planning business, we are looking ahead to the next recession. Now you know businessmen aren't very smart. That is just between us. One of the things we have been doing for years in planning is to ignore recessions. In spite of the fact that since 1790 we have had about forty of them, we have always developed plans that said there are not going to be any recessions in the life of this plant. Unrealistic, perhaps, but that is the way we have always operated. All it really reveals is that we are optimistic. Now for the first time we have said, "O.K., there's going to be a recession. We may have to shut down part of the plant, and we try to plan for it."

Thinking about it, there *are* ways to deal with cyclical unemployment. We *do* have a system of unemployment benefits. And in fact the system of unemployment benefits works. It is remarkable that we have such a high level of unemployment without having a tremendous amount of social unrest. One, the reasons for this is that we do have unemployment benefits and that the government decided (after a lot of arguing I'm sure) to extend the time of the unemployment benefits beyond 26 weeks, to 39 and 52 weeks and so on. That did in fact, deal with the financial shock of unemployment for many people, although certainly it did not deal with the shock for those people who are in a permanently disadvantaged state.

This is a process that works, but we have to recognize that it is expensive. In 1965 we spent about $2.2 billion in unemployment benefits. By 1974 we had gotten up to $5.4 billion, and in 1975 it cost $17.8 billion! In fact we spent so much that twenty-one states ran out of money and had to borrow $3.1 billion from the federal government. But the system did work.

Think, however, of the benefits if we could have invested that $17.8 billion in improving productivity so that we could be more competitive in the export market or in conducting research to solve the energy problem. I think those are the areas where we should try to redirect our attention. I am not as concerned as much about the fact that it cost $17 billion, as to what we got for the $17 billion.

Let me mention a third element: Unemployment varies from one part of the country to another. Even though the average unemployment rate was about $7.4% in May and June of this year, there were some remarkable variations—highs and lows—throughout the country. What I am trying to say is that unemployment is not a gross statistical problem, but that it is located in particular places and certainly it is located in particular people. For example, on the high side, unemployment is 10.2% in Michigan; 9.9% in California; 8.9% in New York; and 9.6% in Florida. On the low side, for Kentucky it is 6.5%; Nebraska 5.3%; South Carolina 6.4%; and Texas 6.1.% These differences result from real differences in the economies and labor forces in the various states. They make it clear that programs directed to solving unemployment problems should be specifically aimed at the problems where they occur. I think my concern is that we should not try to solve these problems on a gross, statistical basis—not set goals that are sweeping statistical goals rather than thoughtful goals.

I strongly support the idea of taking a fresh look at federal and state government spending as it relates to the unemployment question. By this I mean to endorse the idea of zero-based budgeting or something like that as a mechanism to a re-examination of the effectiveness of the many programs we have in place. We may decide not to change some of these programs, but it should be clear that we are making a choice let's say between continuing a disfunctioning veterans hospital and continuing a certain level of uemployment in the same community and that we can't do both.

Now a fourth point: Unemployment is high among teenagers. Professor Bell has said that she thought that the structural features of unemployment were less important than demographic questions. I think these structural features are important, and that to solve the problem we have to look at which people are unemployed and why are they unemployed. Until the end of the war in Vietnam, teenage unemployment was running around 12.5%. In 1970 when the war ended, it jumped to 15.3%, and averaged around that level until the 1975 recession when it went up to 20%. In June 1976 it was 18.4%. Now the war had all kinds of dreadful effects, but one of its positive effects was that it relieved the pressure on unemployment. The military establishment also provides some of the training and education which is needed to turn a teenager into an employee.

We must find some substitute for war. We must focus our education program to develop the kind of training that people might have gotten at one time in the military or some similar operation. Vocational training unfortunately often takes a back seat in education today at the local level as well as on the national level. There is a lot of talk about it, but when it comes to actually doing something about it, nothing happens.

Another thing we must do is to strengthen volunteer organizations which help in the training and development of teenagers—Boy Scouting, 4-H Clubs, Catholic youth organizations, and similar groups. I might mention a conflict of interest here; I am greatly involved in the Boy Scouts. I think Scouting helps in the development of a stable family life which I think is an important part in the development of stability in general, and in helping an individual become self-reliant. It is possible that activities such as VISTA, the Peace Corps, or the old CCC could be used more aggressively to deal with teenage unemployment. These are very important kinds of activities. I might mention, that these organizations have a much more difficult time establishing themselves in cities where the problem of unemployment is most severe than they do in places like Jamestown.

The minimum wage law probably increases unemployment amongst teen-agers and even among people in the 20–25 year-old bracket who do not have skills. The idea of the minimum wage is of course sound for mature wage earners but it has an unfortunate effect on teenagers.

As a fifth point, another structural problem: Unemployment is higher among blacks. This is, in numbers, not an extremely large problem but it is the most shocking and distressing of all the unemployment problems. Unemployment among American blacks has been close to double the level of unemployment among whites for many years despite all of our efforts to eliminate racial discrimination and all of its effects. There are, by the way, about 12 million blacks in the labor force. Unemployment among young blacks is double again what it is for the whole nonwhite group. In 1975, to be specific, unemployment among blacks in the 20–24 year old age category was 45%. (These are not teenagers; these are young adults.) The best it has been for this group in the last decade was 20% unemployment—and that was in 1969, a fairly good year.

I will not recite the rest of the statistics. They are uniformly bad and make it clear that our programs, whatever they are, are not very effective. It is astonishing to me that we haven't had more social unrest.

What can we do about this problem? Here again we must be absolutely certain that our education and training programs are consistent with the employment opportunities. We must be certain that the equal opportunity laws and the affirmative action programs really work.

We must crack down on the problem of illegal alien employment. It is hard to tell exactly how many illegal aliens there are in the United States and for that matter how many are employed. The best estimate that I have seen is that there are about 6 million illegal aliens in this country. They may take up something like a million and a half jobs. If you enforced the laws and eliminate illegal aliens, that could mean an increase of a million and a half jobs, which would bring unemployment down to 5.9 million or 6.6%.

I would like to toss out one other idea on how we might deal with unemployment among blacks. Blacks always seem to be "the last hired and the first fired." They may have to go through a couple of sort of thing cycles of this before they finally wind up in a job where they are stably and securely employed. In fact, unemployment among blacks who are over 35 years of age is not as disportionately out of line as it is for teen-aged blacks.

A possible way to deal with this would be to grant blacks longer seniority rights then we grant to writes. In most industrial organizations, it is common that a person who is laid off, keeps seniority rights for a year, sometimes two years, rarely longer than that. If the lay-off period lasts for longer than a year, then the employee loses those rights and has somehow to get them back when he gets a job. The theory is that most cyclical downturns in employment do not last longer than a year and that unemployment insurance and other benefits help the employee during most of that time until he comes back to work.

That doesn't happen very often for blacks. They tend to have lower seniority and to get laid off on a much more regular basis. If blacks were given such rights for three or four years, then after a couple of these cycles, the distribution of blacks among the employed and the unemployed would become more even and would be roughly what it should be.

Number six: Women are a major part of the labor force. And this is strictly a structural problem. For a variety of reasons we have decided to increase the participation of women in the labor force. From 1947 to last year, the participation (and this is women sixteen years of age and over) shifted from 31% of all women to 46% and is still climbing. In 1974, for example, a million and a half people were added to the labor force, and over a million of them were women.

This dramatic increase is the result of shifting social goals, personal goals, and a shift of employment from manufacturing to service industries. I think that currently about 91% of all bank tellers are women. There are incredible numbers in certain sectors of the economy which used to be run by men. Major changes have occurred.

But the total number of jobs available has not grown as rapidly as the rate at which women have been joining the labor force. As a consequence of this, not directly related to it, but associated with it, aging males have been leaving the labor force earlier. The percent of males working beyond the age of 65 dropped in this same time period, that is from 1947 to the present, from 48% down to 22%. And the percent in the 55 to 64 year age group dropped from 89% down to 77% in the same period of time and is still dropping. The influx of women into the labor market has been partially taken up by the earlier retirement of men. There are still around 43 million females of working age who are not in the labor force. If the trend keeps up, men will have to retire when they are fifty. I think I interviewed my replacement last week! I am not sure how this is going to work out, and I really don't have a solution.

An interesting additional fact which I haven't quite sorted out myself is that in most other major countries, the participation of women in the labor force is *decreasing* and not increasing. The United States is the exception.

In summary then, I would like to say first, that the most important defense against unemployment is a stable, healthy and growing economy, with policies which do not engender uncertainty or trigger inflation. We must do all we can to ensure that our economy *is* stable, healthy and growing. Second, unemployment that results from the business cycle should be handled through the well established unemployment insurance programs. In severe downturns the benefit time period can be extended.

And third, the various factors in structural unemployment should be handled on a specific basis. The problem of young blacks, in particular, requires major attention.

Thank you.

Mr. LUNDINE. Thank you very much, Tom. That should give us a very good basis for our discussion. We haven't heard from John Walker or Dr. Adolph Lena yet, and we would like to have their reactions. If there are some of you who had particular questions, I'll throw the floor open for that purpose. If we don't get questions, we will have to ask one another questions!

PARTICIPANT, Jamestown summer conference (unidentified):

One question I have is about the different ratio of investment in technology within the United States as compared to Western Europe and Japan. I have heard these figures before, and of course as far as Japan and Germany are concerned, after WW II, we certainly played a role by investing in their recovery. That is just over 30 years now, but I am wondering in the United States what are the factors that come into play or are immediately pertinent to a greater concentration of investment in new technology and innovation?

Mr. LUNDINE. Fred, would you like to comment on that?

Mr. SHAFER. Yes. First of all with regard to the post-war recovery of Japan and Germany, most people who have studied the recoveries of the countries that were devastated during WW II are pretty much in agreement that the recovery period, economically and technologically, ended somewhere between 1950 and 1960. So that if those countries have been improving their productivity and their capital investments at a rate greater than the United States since that time, we cannot attribute it to the recovery and the investment in new plant facilities after World War II.

With regard to the relative levels of investment in research and development, which is an important concomitant to productivity and is also related to capital investment, the United States overall has been devoting probably as much or more than most countries to research and development. However, there is a structural difference. The research and development in the United States that has been supported by the Federal government has been directed to particular national needs, primarily defense, space, and agriculture; whereas the research and development funds in Germany, Japan, Sweden, France, and England have been going into the private sector either for the development of new products or for the development of new methods of manufacturing products. In both a relative and absolute sense, the Japanese are investing more in capital equipment in the private sector than we do.

Mr. MACAVOY. From the standpoint of someone who works in the system, there are three reasons that I can think of why, of all countries, Japan has probably the most exemplary inflation and Germany perhaps is next. First, they do not engage in heavy levels of military and foreign-aid spending on a large scale. I personally think that a country as large and as powerful as the United States has a function to perform in the world that cannot be thrust aside. I don't think we can shirk it. Whether we should have become involved in Vietnam is a separate issue. But we do have to perform that role and Japan does not. Germany does not. And so they can invest all the money that they want in production.

The second reason is that they have made a country-wide consensual type of decision about exports. Remember only about 5% of our output goes into exports. It is trivial. Even in a company as big as ours, in reports on how we have been doing, our exports are down in the lower right corner. It is the last thing we think about. In Japan, exports are the top line. That is what they use to buy their oil, wheat, raw materials, everything. Germany, the same way. Exports are a matter of national policy and that means they can short circuit a lot of other problems in making their decisions.

A third reason I think is the general outlook for profitability. In a very real sense, there must be enough profit to build and replace the existing establishment and make it grow. We tend to think in our country that we need a certain level of profitability to grow safely, that is, to continue growing and yet be able to absorb shocks from losses of production or recession or other similar factors.

Professor BELL. I want to underscore in particular what Tom said about defense and remind you that if you are going to talk about anything in terms of percentages, the percentages have got to add more capital. This is something people think of, but forget. I do not care whether military spending is too high or too low in this country. It is clearly much higher as a percentage of total production than it is in Germany or Japan and therefore, everything else as a percentage of production as got to be lower.

The other thing I wanted to mention is that when we talk about the change in our economy from manufacturing-oriented to service-oriented, I am not sure that everyone realizes that industries that are classified as service industries have a very high capital component. Computer technology is a service industry. Computers, I believe cost money. Electric utilities, transportation, communication, these are the growing service industries. It is not your local friendly barber, who is going out of existence in droves, that we are concerned about when we talk about employment and output shifting to service industries. It is these very high capital input industries that are growing in the service section that concern us.

Mr. LUNDINE. My own question, which is very simple, is: Are these industries that are in the service sector just as capital intensive as manufacturing?

Mr. WALKER. I think you have to break the question down into two components—technology on the one hand and capital investment on the other. In some way these are two separate subjects. In the case of research and development and technology, you really need a basis of what this country has been able to export over the years whether it be stereos, textiles or steel, or metals or computers or missiles.

But I think in real dollars there is a decline in R & D expenditures part of which relates to defense budgets and reductions. I am talking in real dollars now. I think the thing you have to recognize in the case of R & D expenditures in the Defense Department is that they would not be devoted just specifically to an end use like space, which they were, but that the spinoff into many other areas of technology has benefitted all of us. And that is great.

I think that in the case of private industry, in the sense of creativity during the decline in the expenditures in new and advanced technology, you find a greater reluctance to incur risk. There *is* risk involved. Part of that I think stems from things like consumer safety rules and laws and so on, and the length of time it takes to bring a new product on line, and the cost of doing so. A lot of it is due to regulations. I think the R & D thing is separate. There is no question that Japan has expanded its steel industry in regard to consumer goods. They are developing new alloys, things they never did before—a special electrical alloy. In the past it might have been developed in this country but in this case, theirs was a competitive price.

The other part of the question—capital investments—there are a number of reasons why the percent of GNP going into capital investment is much lower here than in other countries. We are talking about productivity, uncompetitive pricing, human relations and attitudes and so on, on the one hand and about capital investment, on the other.

I think that in the case of private industry in the sense of creativity during the decline in expenditures in new and advanced technology, you find a greater reluctance to incur risk.

We are not investing at the rate that we should in this country. One reason for this is that our depreciation laws are much different from those in Japan. I cannot understand why our Congress does not understand this, to be very honest about it. In the sense of the importance of creating new jobs, we have a terrible need in this country for capital investment, and we just cannot seem to get the attention the problem deserves. I do not mean to be preaching here, but I guess I am. We can't seem to get the attention because of the attitude that government should not be helping business.

If we can get consideration and put capital into the economy with modernized plants, we'll solve the energy problem, or at least help it. As it is now, we leave the utilities not knowing what to do, and so what happens? Well, they say it takes ten years—it is going on fifteen now—to get a nuclear plant approved. I know all the problems I have, and that is the cheapest source of power plant. So what I will do is defer for five years and then I can put a steam plant in. I will finally end up putting in a permanent generator that will cost ten times as much as a power plant does. The capital investment problem is completely different from research and development and technology.

Mr. Shafer. I would like to make an additional comment on the capital formation problem. Several months ago, I attended a productivity seminar for the United States at which Sweden was a participant. One of the points made on that occasion was that although the Social Democrats control Sweden and have for forty or fifty years, yet, in fact, Sweden is not a socialist state. It is a private enterprise, capitalistic state. Despite all of the social reforms that they have in that country, they have never forgotten that those social reforms cannot be supported without a strong private industry. There are strong capital-formation incentives in Sweden for private investors.

Mr. Moorhead. I would like to comment on that. One, I think that the investment tax credit is now a permanent part of our tax base and can be an effective antirecessionary factor. Number two, I really believe that business must have a reasonable proposal for depreciation not just more accelerated depreciation, but perhaps based upon replacement costs. And number three, from the point of view of our Economic Stabilization Subcommittee, I would go much further and say that I would recommend a study of the desirability of modifying the rules to help the standing needs of capital. I would endorse that type of study. We in Congress are not so deaf to your needs as you say.

Mr. Lundine. If we can have one more provocative question, we may get somewhere yet.

Participant in Jamestown Summer Conference (unidentified). We were in a discussion group yesterday, talking about labor instability in plants in the northeast. Some of our plants in the northeast do not seem to be able to stay competitive with other facilities. Is it reasonable to expect some kind of regulatory reform or complementary action to help northeast plants become more competitive vis-à-vis plants in other parts of the country? Maybe there is not too much that can be done about it. Maybe it has to happen that branch plants of large companies have to be moved to where it is less expensive to operate, in less developed parts of the country. How can we handle the regional problem of northeast plants?

Dr. MacAvoy. I do not think there is any simple answer. I think the kind of thing that is being done in Jamestown is a very good approach because it gets labor and management in a plant talking about what are the impediments to their improving their productivity relative to their brother plants.

Let me tell you about one of our plants in Providence, R.I., a factory we constructed in 1880. We manufacture a basic product up there—light bulbs, and we manufacture a similar product in a plant in Kentucky. There is no comparison between these two plants. The plant in Kentucky is a younger plant, as far as physical layout is concerned. As for the plant in Providence—I am giving you this from my viewpoint—Providence is a tough place to try to settle labor problems. I don't mean wage problems, but grievances and a million other problems. The plant we have in Kentucky is in a small city, much smaller than Providence. I personally think that Corning, as you have heard, is a progressive company, but there are so many scars on the streets of cities like Providence or Buffalo or Cleveland that no matter how progressive you are, you have to fight a tough environment. The plant we have in Kentucky is a somewhat similar plant, but the problems there are much more straight forward so that we can focus on the issues that are inside the walls of the plant. We never, to my knowledge, have had a situation in the Providence plant where management and labor have done what we are doing in Jamestown and have sat down and said, "Look, the way things are going, the corporation is going to allocate less and less capital to this plant in the next decade." Unless we do this, the situation is going to get worse. I think there is a solution to this, although I do not think that we can solve fundamental problems through improved working relationships alone. When you lose your energy supply, and when you lose your market, those are major upsets.

Participant in conference (unidentified). Mr. MacAvoy, in the case of a really bad business, do you advocate a corporate decision that reinforces instability in one area of the country more than in another?

Dr. MacAvoy. No, basically we try to correct it. We have had this plant in Rhode Island for a long time. I cannot imagine closing this plant down. But I could not imagine closing that last one down either.

At the same time I have to keep remembering what our objectives are as a company. And I think that our primary object is to make and sell products that people will buy. A second objective is to provide jobs for people and earnings for our shareholders. And a third objective is to provide economic vitality for the community. We have to do all this and not dissolve ourselves in the process, which means we have to make a profit. We have to make enough money to keep the company in business.

Mr. Lundine. Let Art have a go at that.

Mr. Gundersheim. You may be surprised but my attention is not directed to labor-management relations in dealing with this question. Here we have a more general situation that has to do particularly with the Northeast section of the country where there are some structural economic problems—the cost of energy most particularly, the high concentration of population, the inadequate transportation system to service that population, and a number of other factors. Changes in the economic mix of products in the United States make production in the Southwest much more favorable for one reason or another than production in the Northeast.

This situation emphasizes our need for a full employment economy. We need a fallback system as a recourse for the people who suffer the consequences of an unproductive plant or the high energy cost situation. They are the ones who have to suffer the full burden. There are no incentives really to move in the United States. There is a very slight one in the sense that you can write off from your income tax some of your moving expenses. But that is certainly not anywhere nearly enough incentive for people to move so as to have the labor market slow the changes in the product market. Furthermore, there is no incentive for people to become involved in productivity discussions in terms of how to improve a particular plant. Without fallback job security systems, they see their jobs threatened. When you institute some fallback security system, you will find unions much more willing to participate in discussions of changes in the working environment.

Dr. Lena. My ex-company was going to shut down its steel plants in this area. Two thousand jobs were involved. I was able to get a loan from the Economic Development Administration. It was the only way we could get long-term financing. The question arises, why would my ex-company shut the place down? I think there are several reasons. The were getting an inadequate return on their investment, for one thing. For another, they had high direct manufacturing costs and poor productivity.

In the last five years, we have made a $25 million capital investment in new facilities to increase productivity. Furthermore in terms of employees—communicating, understanding, motivating, and so on—we have almost doubled the productivity in that same period.

Among the problems we have had to face are the business cycle and the import situation. My ex-company also had the problem of calls for future internal diversification. They were looking for a way out, short of liquidating. They appreciated the fact that a number of jobs were involved but if it came to that point, that was what they were going to do. Tom MacAvoy said maybe the government ought to make it difficult to shut things down. I would suggest there are other ways to solve the problem and that is by reducing the corporate tax. I think something ought to be done along these lines. We could also encourage more employee ownership.

As for the question of the Northeast, we have steel plants in Congressman Moorhead's area, in western Pennsylvania. Directly comparing costs of energy, taxes and so on, it costs us about $4 million more to operate our two plants in New York State than if they were in western Pennsylvania. Part of it is taxes; part of it is the cost of energy, and so forth. If you are to stay in business and compete, you have to find a way to overcome some of that difference. (Our wage rates were part of the national steel industry contracts; our basic wages are no different from our competitors located elsewhere.)

In the case of imports we have had very serious problems. Mr. MacAvoy mentioned the dumping laws, which make it very difficult to get redress. In 1972 we put in a dumping case against a French firm. The Treasury Department accepted it, studied it and found that in fact the French were dumping this particular product; the price was 35 to 40% under what they were selling it for in their home market. In this country it is not enough, however, to prove dumping; you have to prove injury as well. We had to go to another Department to have injury found. Specialty steel was one of the first industries to have this finding made. Stainless steel wire was not included although the staff report found the situation worse than with specialty steel. But the I.T.C. voted, four to one, that no injury had occurred.

Mr. Lundine. I think we will take one or two more questions before lunch.

Participant, Jamestown Summer Conference (unidentified). I would like to have feedback from the panel. I think that you have covered a difficult subject very well in terms of employment variables. There are a few other areas, however, that I would like to throw open for discussion. One of them is welfare reform. A lot of people complain that welfare reinforces people for not working and that it does nothing for productivity. Do any of you have thoughts in that direction—how we might reinforce industry, for example, by hiring people who are on welfare, or things we might be doing to upgrade skills?

Another is the subject of parity. The government has paid billions of dollars to farmers to support prices, for example. Would there be any merit to the idea of soothing fluctuations in markets by supporting prices? I realize that government intervention is not very popular; yet we in business see that happening informally with government orders during slack periods.

I wonder then if there are any thoughts on two questions: welfare reform and parity (perhaps price supports is a more correct term).

Professor Bell. We have to ask what the relationship between employment and welfare is. One of the reasons why I think employment is concerned with the approach to the quality of life and the quality of work is that we have discovered that work means a lot more to people than just a way to provide income. For example, the two most important things in life are work and love. There is a lot of good hard data about the psychological impact of not having work when you want it. That is why I believe the welfare problem and the unemployment problem have to be connected. Not because I believe that you need to have a stick administered to all those lazy people on welfare who won't work. In fact, if we look at welfare recipients (and you probably know this as well as I do), most of them operate either with young children or living without male partners in the house to help provide for the children. Nevertheless the rate of employment among women on welfare is extremely high. These women also have to face tax rates, in the form of a reduction of their welfare payments, which are much higher than those faced by people under the federal income tax system.

It turns out that given the incentive to work and the psychology of work, the barrier to employment of welfare people is not the welfare system, but the other things that are needed in order to make it possible for such women to work. Child-care facilities, more flexible hours on the job—a whole variety of institutional arrangements should be worked out.

Almost all political candidates have promised welfare reform for about as long as they have been promising tax reform, and I may not live long enough to see it. But for my money, the most important kind of welfare reform is what Congressman Moorhead referred to, and that is the federalization of the system. I don't think you can reform anything until you can get one system that you can then take a look at and change. I would expect that there will not be any substantive change in the relationship between open-market employment possibilities and the reform in welfare until you have federalization of welfare. Then, maybe you may be able to get some sort of synchronization between the two.

Dr. MACAVOY. I don't think we realize that federalization of welfare would equalize the benefits throughout the country and avoid the disproportionate load on the Northeast.

Mr. LUNDINE. I would take issue with that. New York pays in more than it gets back from the Federal government even in welfare. For every 12 cents we pay in, we get 10½ cents back from the federal government. A lot of people think we are sucking at the federal trough, but the fact of the matter is that it is just exactly the opposite.

That is not only true for New York, but is even worse for the Great Lakes States—Ohio and Indiana in particular. There is an outflow of federal dollars from the whole Northeast. There is a very good recent report on this prepared by the Northeast-Midwest-Economic-Advancement-Coalition, which I would be glad to share with you.

Do we have another question?

Mr. MOORHEAD. I think there are special exceptions where government subsidies—to business and even to farmers—are in order. I think, Stan, you and I in our Subcommittee have seen the value of such subsidies as far as the acceleration of the commercialization of synthetic fuels is concerned. There is a provision for loan guarantees in the Synthetic Fuels Bill, which has been reported by the Committee, but which has not yet been to the floor of the House. The situation is such that corporations have to be protected from the possibility that the OPEC countries might drop their prices. There is only a very remote chance of this, but if it happened, a company could be completely wiped out of a $50 million investment in this type of fuel.

It is our national economy and energy independence that are at stake here. In such a situation I think it is entirely proper for us to offer protection from the vagaries of an international situation. I think the chances of any taxpayer dollars being involved are very slight. Oil prices are probably going to go up, not down. There are situations where it is perfectly proper, where national policy requires it, and where industry otherwise would be taking an absolutely unreasonable risk, for the Government to say, "We will lend you a hand if the vagaries of an international or some other situation, over which business can have no control, are involved."

Mr. LUNDINE. We will take an hour now for lunch and be back at a quarter to two.

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Mr. LUNDINE. I would like to ask John Walker and Adolph Lena to react to what was said this morning—John, from the perspective of the Jamestown Labor-Management Committee, of which he is the management co-chairman, and Adolph as one of our area's newest and largest entrepreneurs. After they give their reactions, we will throw the meeting open to general questions and comments. We should finish in about an hour.

Then I will call on Jim Schmatz to conclude with his reflections on what was said concerning the national economic scene and his particular reaction as the coordinator of the local micro-program.

In introducing John Walker, I will not go through his entire history, except to say that his history and that of the industrial economy of the Jamestown area are intricately intertwined, or have been over the past few years. After a stint as manager of our local auto corporation and an intermediate stop at a small local conglomerate, John most recently led a group of associates that acquired Jamestown Metal Manufacturing, which is a custom-fabricated metal-manufacturing plant, typical of many in the area—a job-shop operation. He has provided a great deal of leadership in the area's manufacturing community because of his professionalism, his utter competence, and his progressive outlook.

John is the third person to serve as management co-chairman of the Jamestown Labor Management Committee. The first, Allen Yahn, found that a ski business was more fun if not more profitable than the metal fabricating business and is now heading a ski resort. The next, Ed Rohrbach, changed jobs, and then came John. All that time we have had only one labor co-chairman, Joe Mason, who is not here today although he would have liked to be. I don't know whether that proves that labor is a more stable occupation than management or not. I am very pleased that you could be here, John. Joe didn't get his negotiation completed, but I am pleased that you did in time to be here: John Walker.

Mr. WALKER. As Stan says, I represent a small company. I would like to comment on some of the labor-management issues we have been hearing about today not only because I am co-chairman from management, but because as president of a small company, I also head a labor-management shop committee in my company which deals right down on the shop floor with some of the things we heard about today.

I also happen to be the chief negotiator for our company. We have just completed a three-year labor contract, and I can say that the labor-management committee has helped tremendously with our shop operations. We have a very good rapport with the negotiating committee, a very good rapport with our labor-management committee, and a very good rapport with our shop committee-men and stewards. We meet with them on a regular basis. But I am finding that that is not enough. You have got to communicate with everyone. You cannot expect to work just through committees. I have learned this over a hard road.

I would like to comment as well on something else that has been discussed quite a bit here today, and that is the question of expenditure on capital equipment. We happen to be a small company, and we are completely tied in sales activities to the capital goods industry. We do not have consumer products. So we get caught up in a double-barrel effect of capital goods both as product and investment. If other companies' capital investment is off, why then our sales are off, too. When sales are off, we don't get the money to generate a profit structure to buy capital goods. This is true for many other companies that do not happen to be small. They see a lack of investment, a lack of profits, and a lack of productivity causing a reduction in the capital market. As with us, it affects them from both sides of the spectrum.

I would like to mention productivity and why we feel that labor-management activity has been very worthwhile for us as a company. We have improved the productivity of our facility significantly in the face of reducing volume. That is a very difficult accomplishment. It is one thing to improve productivity when things are going well or when business volume is increasing, but it is a much tougher job to improve productivity when your workforce is shrinking. We have done that.

The first question that comes to mind is: Does this mean less jobs for people? The answer is: No, it does not. As we improve our productivity, we become more competitive. We are now experiencing an upturn in our business as are some of our friends in the area. As we become more competitive, that is reflected in the price of goods we sell and therefore has an impact on the entire business community.

We are starting again to be on the upswing and to be more competitive. Even though we have had wage increases in the last two years and materials have gone up about 25%, we are able to quote lower prices today than we were quoting two years ago. Particularly with those people on the workers' side of the productivity problem, we have established, through specific examples, that productivity has produced and will produce more jobs for us. The old attitude is that when you get more production out of the same number of people, there necessarily are going to be less people. It has worked the other way for us.

Taking a moment to review what has happened here, it is my belief that we have a three-step program. I think we have done a really good job on number one, a passingly good job on number two, and we have a lot more to do on the third, which I mentioned earlier—building better communications. Areawise, I think that the Labor Management-Committee of Jamestown has been an outstanding success, not just because we have had national publicity, but because there are evidences of the system working between labor and management people in this community where it did not work before. Cummins Engine came into this area to spend $85 million on capital equipment and ultimately to hire 1500 people. The biggest single reason that happened is because of the positive attitude developing between labor and management through the Labor-Management Committee.

In my case, where I had worked in Jamestown for eight years and knew the good and the bad, I would not have invested my money in this new venture without the new attitude that I saw.

We still have a lot of work to do. Not every plant in the area is participating, but we are getting more all the time. In some cases, it is the labor part of the company that encourages labor-management cooperation, and management is a little cool. In other instances, management has been aggressive in encouraging this kind of effort, and union employees are a little cool. We have more to do in this area.

I think that our organization and our planning for this year is responsive to this need. This is the area we are going to concentrate on. We are getting tremendous support from the educational and governmental sectors. One area where are not making enough progress is on the floor level; I think we have a real job there still to do.

I have one question of Tom. I did not understand something he said about the high artificial value of the yen encouraging exports in Japan. It ought to be the other way around.

Dr. MacAvoy. Let's see. The low yen would be about 300 yen to the dollar. Currently it is around 3.85, or something like that. It is more or less what it should be. You are right.

Mr. Walker. Stan, you know a lot about our situation. Is there any question that you would like me to field?

Mr. Lundine. I think that we'll be opening that up for the audience. Prior to doing that, I would like to point out that this has been a test of one community's strategy for change. I do not think that anybody in Jamestown has ever suggested that it be replicated everywhere, or for that matter anywhere. But I think that all of us who have been involved in this exciting program in Jamestown have felt that perhaps the principles could be applied elsewhere. Other communities, other companies have different strategies for change. You have already heard from Dr. Adolph Lena about the Altech experience. I wonder if he would like to expand on that or comment on any of the ideas or issues that were raised this morning.

Dr. Lena. I will try to brief, Stan. First I want to thank you for inviting me. I appreciate it very much. The other evening I hadn't read my mail, and so I took it home with me. Before sitting down to it, I read an article either in *Business Week* or *Time* magazine, I'm not sure which, on Jimmy Carter's economic policies and advisors. I read about Professor Bell and then started going through my mail where I found the agenda for today's meeting. When I looked at it and at the name of the panelists, I went back to the magazine to make sure it was the same, and it was. So I am very fortunate.

I would like to comment on a few things. The subject before us is jobs, economic stability, and productivity. In Dunkirk, although obviously we have not been involved in the Jamestown Labor-Management activity, some of the principles and some of the ideas that we have employed in our plant are totally compatible with what has been done in Jamestown. There are different mechanisms of accomplishing the same thing. As I mentioned this morning, one of the internal problems that we had in that plant was low productivity. In 1971 or 1972, we started a program, in which we met with our union and discussed what the problems were and how we might go about working on them. We came down to several basic principles in terms of people. I would say there are two major factors that are really significant with respect to productivity. One is people, their skills and their attitudes, and the other is equipment and capital investment. That is why we are so uptight about the latter. I have said many times that if I had to have either good people and poor equipment, or good equipment and poor people, I would take the good people and poor equipment anytime. The best combination, of course, is to have both.

In any event we started a program. As I said, there are certain principles, no matter what mechanism you use. I have certain beliefs about Americans, one of which is that most really do want to work and to have job security. The other is that all of us want to be treated with dignity and respect. I think if you use those kinds of principles, no matter whether you call it a labor-management committee or your own approach to daily work, you are heading in the right direction. Communication and involvement with people are what matters.

We started a program whereby our works' manager each month, after our financial results are in, meets with every employee in that plant and gives them the opportunity of meeting with him. He tells them our results of the previous month, where we did well and where we did poorly, and what some of our problems were. It is tremendous to see how these people respond to our whole situation.

There has been reluctance on the part of management to communicate with employees in the past. It is interesting to me that when we started this, we were losing money, and so we really had nothing to lose. The attitude was, "Well, we'll see what happens when we start making money." But when we started making money, I think that everyone of them was just as proud of the job that had been done as I was and any of the management. So we got job involvement. We got people involved.

At the same time, when you start something like this, there are certain other things that have to be recognized at the outset. One of these is the function of the union in the operation of the program, which is to represent their members so that they are not subject to abuses from a greedy management. While there is no intent to violate this principle, the union has to recognize that management has the right to manage. That is what they are paid for. At the same time that the union is not willing to give up its rights, I surely am not willing to give up my rights to manage. That is an extremely important point. It does not mean that management is always good, but that management is the only one that has the facts available to it to operate the business.

I think the success in the Jamestown area and the success that I have seen in our plant indicates this is a reasonable approach and one that more and more people recognize, whether we call ourselves managers or whether we call ourselves labor. It is a necessary approach if we are going to have jobs and maintain jobs and be able to compete in the world.

Talking about inflation, all you have to do is go back and see what factor increased the most over the past five to ten years, and it is taxes. Then there are regulations that we are exposed to now that we have not had in the past. All this contributes to the cost of doing business.

Another point I intended to make concerns capital investment: This country is not investing enough money. It has many needs, whether for energy, modernization of its plants, or public transportation. This is the best way to create jobs, to be productive, to compete in world markets, and to build the kind of economy only this country has been known for.

Mr. Dollard (Jack Dollard, Planning Commission, City of Hartford): As a member of the planning commission of the city of Hartford, I would like to preface my question by pointing out that Hartford has effectively 20% unemployed, and 63% of the population are on some type of federal subsidy. I would like to direct what I want to say to Mr. MacAvoy. He made the statement that businessmen are not very smart, and I would add that sometimes they are not even nice. Twenty-five major corporations in the city of Hartford employ 50% of the people, either directly or indirectly. Another 25% of Hartford's people get their money through selling services to those who work at the 25 corporations. The other 25% make their money through government subsidies, either the dole, administrative jobs, welfare, unemployment or what have you. As business grows, so does our community and so grows almost every community in this country. But, we have heard it said that government ought not to let a factory shut down. I hope it doesn't come to that. That would be an abandonment of the long road we have followed over this last 200 years. Maybe our planning commission next month is going to advise our city fathers that they should secede from the Union.

I think what the city of Hartford ought really to do is demand economic impact statements from every business that intends to shut down entirely or to expand its systems for cleaning up the environment. We ought to demand economic impact statements from the Federal Government on what they are going to do with those tax dollars before they get any more tax dollars. And if two or three more dollars go to Phoenix, well, Phoenix does not need them any more. We need them.

I would just like to say this: I have been here all day. I was asked to come up here from Hartford to find out ways that Hartford could deal with this problem and I have not heard anybody really address himself to that. I would suggest that Jamestown is probably a good model; we have not heard enough about it. But the problem is going to be solved at the plant level by the people who do the work, not by the people in the streets who do not know what is going on, who read the papers and perhaps even move south to find jobs.

Anaconda is shutting down three brass plants. But I would conclude that if it is a labor-management problem, management probably helped it to happen. There is nobody I have heard in the management section here that has said it was the union's fault.

Dr. MacAvoy. I would say the same thing. I am sure that it is true in our business. I am not in a situation like Jamestown, even though I am associated with the Corning Glass Company. There is more symbiosis between management and labor in a place like mine. I think that it is important to try to achieve the same kind of relationship in cities like Hartford. It should be possible in Hartford. It is very difficult in a city like New York. We do have to get good, constructive relationships between the management of those businesses in Hartford and the local environment.

Could I ask this? Would the problem be so hard if the city—meaning the community—were to say to business, "We are interested in your problems; we are interested both for your sake and for the community's sake. We want to be part of helping to solve your problems, not just hear about them after they are already unsolvable; we want to hear about them when they are going to cost the community money, more tax dollars, or personnel shifts or whatever."

I think you could get a whole list of answers if you went to the companies and told them that you wanted to be a part of the solutions.

Panelist. One of the ways in which you can approach this is to get to the point where people who are in a position to do something will honestly recognize and deal with the problem and move beyond the rhetoric that normally surrounds this kind of thing. Jamestown is lucky in that it is small enough and personally connected enough, and it has some of the right combinations of people, including Stan Lundine, to put this together. It is tougher to do that in some other places. The gentleman from Buffalo has studied the problem.

Mr. Robert Ahern. Yes. I would like to respond to that because we have been facing this problem in Buffalo. Certainly, what Stan said earlier is going to be one of the challenges of our time. The question is, can the principles that have been worked out in Jamestown apply to other real problems, like Jack's unemployment rates in his inner city, which are direct parallels of ours?

What we have done is this. We have organized, intentionally, without funding by the government sector. We are a private sector group. We solicit the cooperation of the mayor and county executive and we get it. We get excellent cooperation from our Congressman. But our group—since it is comprised of vice presidents, chairmen of the boards of directors and all of the regional unions—now speaks for roughly 200,000 workers in Buffalo. The situation is ripe for application of the Jamestown approach, and my big problem now is hiring staff. We have some fifteen firms covering 5,000 individuals. We have gone into grievance mediation and plant labor committees, and I have to agree with my ex-competitor, Adolph Lena, that sometimes the classic LMC just does not work (or it is already there). We have had it in the steel industry for a long time.

When you get down to the community level (and this is what I wanted to say to Stan concerning his bill), there are a lot of things that the Federal Government can do and has done. The EDA has been very cooperative with us. So have some of the other agencies in the Federal Government. Right now our problem is the state. In New York State we are in an uncompetitive position relative to economic development. It is that simple. What we are now doing is trying to develop a legislative program that we can go forward with.

What we have found very effective is to organize small groups of individuals to get things done. There is a vast bureaucracy with 10,000 employees in Erie County. I do not know how many there are in the city. To get anything done, you have to organize two or three hundred different agencies. What we have been able to do is pull out a few people and put them to work with the private sector on problems. They get things resolved.

Right now, for instance, there is a firm up there that has an 1896 plant. There are 400 individuals in that operation. Their headquarters is in New Jersey and we have got to somehow get to the Chairman of the Board, talk to him, and make clear that we are interested and able to get things done. That plan will hopefully move to a more suitable site. It cannot compete if it continues as it is now, spread over four stories with acid tanks over the heads of its workers.

We have been able to save four or five operations just by plunging in, mediating some difficult labor-relation problems, and at least making the out-of-city management aware that we are acting and that we are interested in exploring all kinds of things with the union. This can and does include wage packages and benefits. We have been involved in mediating three very difficult, long-term strikes, working hand in glove with the FMCS.

Jamestown is not unique. I have to agree that it has a favorable situation, especially with regard to the political set-up and structure. We have a Republican county executive, a Democratic mayor, two Democratic Congressmen and one Republican. So, it is complicated. But I will say this: the support for our council and its efforts has generally been encouraging. So, yes, it will work. But I think that our real problem over the next two to three years will be working on our representatives in Albany. Whatever help you can give in that direction, Stan, would be greatly appreciated.

Mr. LUNDINE. Thank you. Yes.

Mr. GUNDERSHEIM. Putting this in the form of a question, because I do not know that much about the Labor-Management Committee, how much influence does the Committee have on investment decisions of corporations? How much influence does it have on utilization of the corporation's income in terms of where money is expended and the form in which it is expended? This is really aimed at a question that is one step farther down the line: Are corporations coming to terms with the fact that workers know something about money and the business, even if they have not graduated from Harvard?

Mr. LUNDINE. I think there is very little direct labor participation in investment policy decision-making in Jamestown. Worker co-determination has not been one of the novel ideas that we have pushed very far. However, I think the Labor-Management Committee, with labor participating as a copartner, has made a great impact on investment decisions. The big one was Cummins. They would not be investing $85 million here—they would not be locating here at all—if they had not sat down with John's predecessor and the labor co-chairman and really talked turkey. I was there when that happened. I am utterly sure of that. I have seen companies whose every expansion for 20 years had been outside of this area—in Canada, Mexico, the South, everywhere else—start to make some reinvestment in this area. I cannot prove that that was labor-management caused, but I can tell what the experience was before and what it was afterwards. I can tell you in terms of the sharing of the benefits—direct productivity gains—that there have been discussions with Bob Keidel and John Eldred, sitting down here in front, which pay off. When they are consulting their companies, they talk about that as an upfront issue: "All right now, if we achieve a substantial reduction in scrap materials, what is going to happen to that gain?" There have been some productive experiments there.

Mr. WHYTE (William Whyte, professor, New York State School of Industrial and Labor Relations). Stan, I would like to make a comment. Several of us, working out of Cornell, have become involved with the Jamestown program. It is the most advanced model of its kind in the field. We think it is important that the University learn about it, not to recommend its application everywhere, but rather to take it apart and learn what makes it work. We want to see how it relates to the particular Jamestown situation and how we could adapt it to other situations. I hope the subcommittee will give a bit more emphasis to another aspect of this general participation field—the stimulation of employee ownership. Only a few years ago that was a heretical idea. But now we see it cropping up here and there. And as a result of your experience, it has been made the subject of studies. It is now clear that hundreds of jobs have been saved.

Local government and private companies working together can have a major impact. This is not just through a financial bailout, either, although there is a problem of getting the money that is needed, because employees do not have enough money to do it all by themselves. However, there is also a need to learn how this new kind of enterprise can operate. When I first got in touch with Bob Cox, who is a key figure in this around here, he said, "We find ourselves in the middle of a forest without a map." On the research side, we do not yet know very much, but we are beginning to know a little more than the people who are suddenly getting into it on an operation basis. One group which met this spring included representatives of the office of the mayor of Tonawanda, the unions, and 400 odd workers from International Papers which had shut down. And they asked, "How do you stand to help us to get this plant open again on a practical basis?" We wanted to help, but we were without any background knowledge or expertise and so could do little.

The fact is, we are finding in employee-owned firms that unionized employees have not disappeared. People are beginning to find new ways to play their roles in the new relationships. In short, there is a need not only for financing but also for research and development and technical assistance. I wonder whether that would be encompassed in your bill, which affected me rather ambiguously. You say that one of the things to be encouraged is the increased participation of employees in the free enterprise system. Now, that sounds good to me, but I do not know what it means.

Mr. LUNDINE. I cannot represent the Congress, but I can make a couple of observations about government policy with respect to the ESOP—the Employee Stock Ownership Program and explain it. Then I will answer questions about my bill. Is there anyone else who wants this time?

Dr. MACAVOY. I would like to comment on one aspect of the tax relief question and tie this into the issue of problems in Hartford. You asked what makes it work here in Jamestown. Well, it is really judging from afar, but I have been listening to what makes it work. One of the things that makes it work are specific people, in the way they behave with each other. But another thing is that they have directed their attentions to the solving of the problem, rather than trying to have lived in the situation. In fact, they have worked on problem-solving. And I think that is an important feature in Hartford or anyplace else. You picked up on my statement before that sometimes businessmen are not very smart and it is true. But I do not think that they are mean uniquely. I think that meanness is randomly distributed throughout the population. At Anaconda Brass they have to inform the people who run Anaconda—and you know that Anaconda is a dead duck as a business. It is gone. It only existed as a legal fiction and they have a lot of plants and employees and what-not, but as a productive economic enterprise, it is cooked. They have to find a new recipe, because they cannot continue to exist the way they are. So some focus has to be put on the problems of maintaining that business, because I happen to know the man who used to run it. He is a terrific person and he is not in any way a mean guy. But he has very real problems. I would guess that one of the reasons that the experiment here in Jamestown has worked is that people from both sides and the government people involved have sat down and said "O.K. now, what really are the problems, in their specificity?"

Mr. LUNDINE. Besides Employee Stock Ownership, I think that there might be other ways of providing an answer, but my bill was purposefully ambiguous. The point is not to try to legislate exactly what projects we could undertake, but to set broad purposes, and then to go about solving problems. If the Jamestown Management Committee had said we are going to go about improving productivity in this community, and this is exactly how we are going to do it from the start, a lot of innovation would have been curbed and a lot of avenues to solve problems would not have come up. I think that employee participation in ownership is one possible solution.

I am not sure where the line is drawn so as not to subsidize inefficiency. Free enterprise means that some businesses go out of existence because they are not efficient. Risk means both the possibility of loss as well as the possibility of profit. On the other hand, we want to encourage people to rescue those businesses that for one reason or another need a stimulant, particularly of employee involvement. It is a tricky question on which we have to do a lot more work and I would like the Congress to be very much involved in it.

Mr. WHYTE. Stan, I would like to comment on that. I am not saying that Congress could subsidize what they identify as necessary, but I think that the public hates it when they hear that such and such a plant is about to shut down, because some kind of inexorable force had made it necessary. Sometimes that is the case. I will give one case here—a company which was taken over by a conglomerate in 1967. At that time, this company was pulling in $17 million in business a year. In 1974 a company which was a subsidiary of the conglomerate was doing $20 million in business of which $11 million represented a loss. That kind of performance, as I said, cannot happen by chance. It has to be mismanagement. At that point, the conglomerate officers wisely decided to try to get rid of this subsidiary. They started to sell the company's subsidiary as a whole; when they couldn't, they divided it up piece by piece and sold the various pieces to other enterprises. They couldn't find a buyer for one unit, so the employees got together and bought it, turned it around, and managed it very well. The key decisions were no longer made in New York City, a hundred miles away. They have high morale and know how to make the whole system operate successfully. I am not saying that this is going to happen in every case or that whenever you shut down a plant, the entire answer is in firing management. I would like only to suggest that it be considered as a possible hypothesis. Maybe this particular plant did not work out, not because of economic forces, but because the top management people did not know what they were doing.

Mr. Lundine. Somebody here who has had experience with that kind of situation might like to comment on that, but before you do, Adolph, I would like to comment on another concern I have as a Congressman, that the federal government not prohibit by regulation this kind of innovation from coming. All we ever think about is the Feds giving away money or guaranteeing loans or something similar. It seems to me that the federal government often prohibits a lot of things that could be useful solutions to problems. For example, FCC regulations, which are designed to protect people, often inhibit that kind of investment.

Mr. Lena. In one particular division of ours, we started out on the basis of an ESOP, but we didn't end up that way for several reasons. First of all, the act that covers ESOPS also relates to pensions and to retirement funds. One restriction in that act is that the sum total of contributions cannot exceed 25% of a man's individual wages. That is an upper level. If you have very lucrative pension plans, as for instance, a steel industry does, it is a very substantial liability. When we analyzed it, we reached a point where we were pushing it very close to that 25% limit and could not have kept inside it. If there were a way, and I am not saying this is a good idea, if there were a way to integrate pension contributions with an ESOP to eliminate this problem, that might be an alternative. SEC restrictions make this difficult. These restrictions limited us to 35 investors. Without an ESOP, we could have had more investors. There are other deficiencies with ESOPs. ESOPs are also used by closely-held family companies and not necessarily those that are financially troubled at all. From the business point of view, the value of the ESOP is apparent when you are paying back your principal on pre-tax dollars rather than on after-tax dollars. But, if you have a large debt and the bulk of it is interest, that is deductible; so you really don't need that much advantage for very substantial stock dilution effects. There are definite pros and cons regarding ESOPs depending on the situation.

Professor Bell. This is a change of subject, but I want to say this while Mr. MacAvoy is still here. It is not really a change of subject because the whole thrust of this afternoon's discussion has been about workers—and people and workers and people. And yet, I have not heard the words "black teenagers" mentioned, and I have not heard the word "women" mentioned, and I have not heard the words "prime male" mentioned, and I have not heard anything at all mentioned about the groups that Art and Tom were talking about this morning.

They are wrong to refer to these groups as victims of structural unemployment. The term structure is an economic term, and it refers to the structure of a market. On one side of the market are suppliers, and on the other side are demanders. When we talk about the structure of a market, we want to know if there are lots of suppliers or if there are few suppliers. We want to know if there is monopoly power or if there are institutional problems. We want to know the same things on the demand side. How many demanders are there and so on? Sex, age, and race do not have anything to do with the structure of a market.

That is why if we are going to have programs that are targeted to specific groups in the population whose unemployment needs remedying, we have to define these groups in terms of their labor-market relationships, not in terms of age and sex and race.

The horror story is the black teenage male unemployment rate which ranges anywhere between 40% and 60% at any given time. (These figures usually come out yearly.) This is not 40–60% of the black males between 16 and 19 years old, because most of those black males, like white males, are in school. They are not in the labor force in the first place. These figures refer only to 40% of the black teenage labor force, not all black teenagers. Secondly, if 40% of the black teenagers are unemployed, this means that 60% of them are employed. They have jobs.

Therefore, there must be some other reason besides being black and besides being teenagers that this group of people is without jobs. I would suggest that until we find that reason, there is no point in still talking about the vagaries of race. You are not going to change their age, you are not going to change their race, you are not going to change their sex, and from a responsible policy point of view, it is vitally important to identify groups of unemployed people by characteristics that you can renovate and change.

If you find that black teenagers are unemployed because they are high school dropouts, then they share that characteristic with a lot of white teenagers and with a lot of white and black adults. I think you will find that this is true. You may find that the proper remedy is to provide increased education, but you may also find that the structure of the labor market will have to be altered to make the employer stop requiring a high school diploma for a job. That is what economists mean by structural unemployment.

I think it is important to remember the next time you hear somebody talk about the increased unemployment rate being a result of all those women who came into the labor force, that there were all of those men who went out of the labor force. Basically, it is all irrelevant anyway. We are workers. We are people. We may be functional labor or functional management, but on the job it is the worker that counts.

Dr. MacAvoy. I think I had better respond to that. Regardless of what the definition of structural unemployment is, I think that in the context of what we are dealing with here, black teenagers and women and prime males are an issue. As far as I know, a higher proportion of teenage blacks are among those looking for jobs for whatever reason than there are whites. I think the figure is 1.8 million black teenagers out of a total of 2.8 million black teenagers in the labor force. That is a high proportion than the corresponding group of whites. There are social, political and educational reasons for this high percentage of black teenage unemployment, and I think we must direct solutions to those areas. There is a definite problem and I think it is acute. If it had not been for the unemployment rates of blacks in the 20 to 25 year age group—and those figures are really high—the adult unemployment rate would have been much lower.

Professor Bell. Mr. MacAvoy, there is no point in talking about blacks. Find out what is the matter with the market and design your policy that way.

Dr. MacAvoy. That is true. But in my field, which is communication, there does happen to be an identifiable group of people who are victims of deep cultural, social, and political problems that must be dealt with. I grant completely that they are people who, if they entered the labor force and expanded it, would be productive. There is no question that that is the case.

Mr. Herrick (Neal Herrick, Consultant, National Center for Productivity and Quality of Working Life). I would like to comment on a couple of points made by Mrs. Bell and Mr. Gundersheim.

Mrs. Bell alluded to values in connection with our discussion today and in connection with your bill. I think that a statement of values and principles and goals has a utility in getting us to recognize what those values are. We have been talking on the assumption that productivity is a national good. But productivity is really a means to an end. Sometimes increasing productivity does not achieve the desired end. That is why I think that at the practical level we should state that the end is improvement of the human condition. For example, you may increase human productivity by a number of means which are counter productive as far as improving the quality of the human condition is concerned. I think that our conversation and our discussion of specific means and specific programs might well be guided by a recognition of the difference between the means to an end and the end itself—productivity being a means, and not an end.

Tying into that point, Art alluded to the connection which exists between employment security and productivity. Many labor leaders at the international level and local level and many workers, for different reasons, will not cooperate in increasing productivity, because to them increasing productivity means losing jobs. This is the reason for the relationship between full employment and productivity. It might be a reason to see a close tie-in between the Lundine bill and the Humphrey-Hawkins bill; they might well be treated as one piece of legislation. Without employment security, without full employment, it is unrealistic to ask people to produce more goods and increase productivity when under certain circumstances, that will leave them without a job.

Mr. Walker. I have a short comment on productivity. I think that we have been using the broadest interpretation which includes the result—in other words, *total productivity* if I might add that word. To have *total productivity* you have got to have workers involved; you have got to have satisfaction. We are not talking about a piece-work rate or production rate because you can have much less *total productivity* even if those things increase. In the term productivity is included the result. You can not have the result unless people can see that it is doing them some good. Using our own company as an example, if I don't have a productivity improvement in my business, I do not have a business, and these people do not have a job. We have been able to convince them of that. We were able to have a good, solid package in the negotiation we just completed because we made progress in productivity. We are more competitive, and I can be specific. We started two years ago with three customers, and today we have more than fifty. So the people in the shop are doing something right. It is great. It is *total productivity*.

Dr. Lena. Because of the recession, we have people on layoff; yet our productivity is excellent, with one very significant difference today from what has historically been the case, and that is transfer payments in the form of unemployment compensation, supplemental unemployment benefits, and so on. People today do not pay the penalty in income that they did at one time when they were not working. In fact we may well have too many incentives for not working rather than enough incentives for working. For example, in our plant this year, we have unemployment compensation and supplementary unemployment benefits. The normal layoff pay of the individual is 65 to 70% of the normal wage. This year because of the import situation, they were also certified by the Department of Labor for economic adjustment assistance under the Trade Act; it was made retroactive for a period of 52 weeks and that sum combination of unemployment compensation plus the trade adjustment assistance gave people who were laid off 70% of their income as benefits. When the government does that, it wipes out the incentive to work. The employer pays all year, and they make $15,000, two parts of which is not subject to income tax. This creates real problems in the plan when you have senior employees who have to work for a living and have youngsters who are making as much money for not working at all.

As we go along, we are going to have to find ways to wrestle with this problem. The European system is based on employing people for working rather than not working. Sweden's unemployment rate never exceeded 1.3%, and they export 80% of their specialty steel to this country at very low prices. They pay their guys for working. Last year, at some point in time, we had half our employees on layoff. If you read the *Dunkirk Observer*, I am sure you are aware of the desperate situation in the area. Perhaps management should create a guaranteed income—to take care of the lack of security under the unemployment compensation system. We think we are saving money, but in fact we are not, and it is a terrible waste of good workers. I think that in this last year, which was a poor interest year, we paid our employees $50 million for hours worked. They received income in various forms without the trade adjustment assistance, in the form of unemployment compensation, SUB, and so on—about $6 million for not working. If we averaged the sum total of the two together and distributed it evenly to our total of 1700 employees at the rate of $7 an hour (which is what we pay) for fifty-two weeks, that would provide a guaranteed income for the equivalent of thirty-two hours a week, or 80 percent of their wages. Workers, on an average, work 35½ hours per week. And yet they were laid off, and we lost 400,000 man hours and income in the form of SUB and unemployment compensation. I think it is a waste of human vitality and human resources.

As far as import policy is concerned, the State Department says the important thing is that our balance of payments is favorable. I say, add up the sum of the cost of unemployment in this country, *plus* the balance of payments, and not consider just one factor.

Mr. Lundine. I cannot resist replying. I agree with you that productivity is a means to an end, and not an end in itself. I think it is important that we identify it as a means to an end. The end is obviously a better quality of life. It seems to me that we have been talking about two factors today that do not exclusively define the quality of life, but which are a major part of it. One is having the opportunity to have a job or employment security; the other is the fact that the reward from that job will be spendable and will buy us something that we want in society, or economic stability. That is what we have been talking about. It seems to me that productivity is broadly defined. Whether you define it as not wasting our human resources or as cutting down on scrap material, or as better methods, let us say, of mining coal, it not only makes us more competitive internationally, but it enhances the quality of our lives at home. Likewise, I do not think that my bill and the Humphrey-Hawkins bill are mutually exclusive. All I am trying to do is to say that we should reward innovation and problem-solving and try to find better ways to do the kinds of things Dr. Lena was just mentioning.

I am going to arbitrarily end our discussion now and ask Jim Schmatz, the coordinator of the Jamestown Labor-Management Committee if he will make the concluding remarks.

Mr. Schmatz. Yes, thank you, Stan. With forty experts still in the room, I find I have nothing at length to say except to address the issue of the Labor-Management Committee in terms of the activities of business and other levels of government. We do have to work on the issue of productivity whether or not it is an end in itself. The fact of the matter is that if manufacturers and business people are going to opt into this process—improving the quality of working life—they have to have a reason for doing so. That reason is going to be the improved efficiency and productivity of their organization. The ultimate outcome of that would be a better quality of life for their workers, and so that also will be a consideration.

At the same time, we have to deal with the issue of job security. I think I have to address this to you, Stan, and to your colleagues in the Congress. We in the Labor-Management Committee in Jamestown can continue to work with the organizations in Jamestown to improve productivity and still respect what I consider to be the sacred issue of job security. However, as time goes on, we get closer and closer to the point where we do need some kind of full-employment policy in our country in order to conclude the program successfully, whether our objective is quality of working life, productivity, or job security. People have to have in their minds the secure knowledge—and I am talking now about managers and workers—that they do not have to worry at all where the next week's paycheck is going to come from. That is the number-one step needed to improve the quality of working life. That is what we need—jobs. We need to join, to participate and support demonstration activities, experimental programs—all kinds of supporting roles that will ultimately lead to a job for everyone in this country who wants a job.

Mr. Lundine. If the definition of a successful conference is that there were things you wanted to get to, but didn't, we had a successful conference. Thank you all very much for coming.

TRIBUTE TO THOMAS DOWNING

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PHILLIP BURTON. Mr. Speaker the highly respected dean of the Virginia delegation, has chosen to retire from the Congress after 18 years of service. He has served his constituents with great distinction and his presence shall be missed by all of us.

IN TRIBUTE TO THE HONORABLE DOMINICK V. DANIELS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. ZABLOCKI. Mr. Speaker, I am pleased and honored to join my colleagues in the House of Representatives in paying tribute to the Honorable Dominick V. Daniels upon his retirement from the House after 18 years of dedicated service to his constituents and the people of this Nation. However, I must admit that saying goodbye to my friend and outstanding public servant leaves me with a feeling of sadness.

Representative Daniels has spent many years in public service. Following his appointment as a magistrate of the Jersey City Municipal Court, he was elected to the House of Representatives in 1958, and, recognizing his ability and dedication, the people of the 14th District of New Jersey returned him to Congress for nine consecutive terms.

Congressman Daniels has served as an outstanding member of the House Education and Labor Committee and has ably served as the third-ranking Democratic member of the House Post Office and Civil Service Committee. As a lawyer with legal and commonsense approach to problems, he has been instrumental in the enactment of landmark legislation in important areas of health, civil service, labor, and insurance. His leadership in these critical areas will be greatly missed, as will the positive and forthright attitude he consistently displayed in the House.

Mr. Speaker, my wife, Blanche, joins me in wishing Representative Daniels and his family many happy and productive years ahead. We will miss him and sincerely wish him Godspeed.

THE WATER RESOURCES DEVELOPMENT ACT OF 1976

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. OBERSTAR. Mr. Speaker, section 107 of the Water Resources Development Act of 1976, extends through September 1979, the winter navigation demonstration program on the Great Lakes and St. Lawrence Seaway. With respect to the demonstration program, the conferees intend that the current level of activity in the Soo Locks and appurtenant facilities in the St. Marys River be continued, and that the Duluth/Superior Harbor be kept open, in conjunction with the demonstration program. Demonstration efforts should give particular attention to any offer of cooperative funding by local or regional interests that are consistent with the overall objectives of the season extension effort.

TRIBUTE TO PETER PEYSER

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. OTTINGER. Mr. Speaker, I am pleased to take this time to pay tribute to my friend and colleague from Westchester, PETER PEYSER, on this last day of his service in this body.

PETER has served Westchester, N.Y. and the Nation with great distinction. I have had the pleasure of collaborating with him on many matters, both local issues involving Westchester County and broader issues as well.

PETER and I traveled throughout the country together earlier this year in the successful quest to obtain support for essential financing to save New York from a disastrous bankruptcy.

PETER and I also share the experience of running for a seat in the other body against Senator JAMES BUCKLEY. In so doing, as well as in his service in the House, PETER has demonstrated a dedication to enlightened, progressive, humane policies, and a willingness to stand up for what he thought was right in spite of party pressures.

PETER and I were opponents challenging for the seat he now holds in 1972, differing sharply on the issues. Since that time, however, we have increasingly become close both on national issues and personally, as friends.

I consider it unfortunate, indeed, for me, for the House and for the country, that PETER must give up his seat because of his Senate race. As I returned to this body after my defeat for the Senate, I hope we will see PETER back here again one day as a Member of this body, or if he does not choose that path, at least as a frequent visitor.

I join my colleagues in wishing PETER and his lovely family great happiness and PETER good health and success in whatever he may decide to do in the future.

HON. BOB JONES

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SLACK. Mr. Speaker, with the adjournment of the 94th Congress, Congressman BOB JONES will close out 30 years of dedicated service to the people of his Alabama district and the United States. Recognition of his outstanding performance over the years is reflected by the continuing support of the people who sent him back to Washington 14 consecutive times after first being elected to the 80th Congress.

During his years of active work in the public works field, BOB has always upheld the principles that Federal financing of public works projects represents an investment in the betterment of living conditions for all Americans.

During 15 terms in the House of Representatives, he repeatedly recognized and supported the unique Appalachian regional development approach and the Interstate Highway System. These programs have greatly benefited my district as well as the districts of many other Members and the positive effects of Federal programing are already being reflected in higher living standards. As chairman of the House Public Works and Transportation Committee, BOB JONES displayed outstanding leadership in seeing all views had an opportunity for expression. Without his leadership and well-earned reputation for fair dealing, many important projects would have been lost in endless controversy. Having known BOB as a colleague and good friend for 18 years, I feel a sense of personal loss as he leaves his seat in Congress. As BOB joins the ranks of those we honor for their contributions to the work of the House, sincere wishes go with him for good health and enjoyment of a happy retirement in the years ahead.

TRIBUTE TO THOMAS E. "DOC" MORGAN

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. O'NEILL. Mr. Speaker, I would be greatly remiss if I did not join my colleagues at the close of the 94th Congress in paying a special tribute to one of the most outstanding Members of the House of Representatives in the last three decades, the Honorable THOMAS E. "Doc" MORGAN of Pennsylvania.

Doc MORGAN is retiring after 32 years of exemplary public service in the House of Representatives. He has served the 22d District of Pennsylvania with great distinction, unswerving loyalty, and devotion. His constituents have responded in kind by returning him to the House for 16 terms.

Doc MORGAN has been a Member's Member and an employee's Member. He has always been willing to lend a helping hand to anyone—Member and employee alike—who called upon his services. Doc's word was golden. If he said he could help you, you knew you could consider the task done.

As ranking member first, and later as chairman of the foreign affairs and now International Relations Committee in the House, Doc MORGAN has been one of the Nation's key architects in every foreign policy decision affecting this country over the past two decades. He has held steadfast to his firm belief in a bipartisan approach to foreign policy and adheres to the philosophy that the President proposes, and the Congress disposes in the area of foreign policy.

Though we have different views in the philosophy governing the role of the Congress in determining foreign policy decisions, I have had the greatest admiration and respect for Doc MORGAN. Always cooperative with the leadership, Doc MORGAN has been a vital part of the Democratic team in the House, and I am personally grateful for his frequent counsel and advice and his supportive assistance. Doc, I will miss your wisdom and discrete counsel in the 95th Congress.

In his 32 years in the House, Doc has been a national Democrat and has been a sensitive, compassionate, and dedicated Member of the House. Doc MORGAN is a great humanitarian as well as an architect of America's foreign policy. His other profession, that of a medical physician, carries him home every weekend to Fredericktown, Pa., where he holds office hours to help coal miners and other needy patients. He is truly Washington County's most distinguished and illustrious citizen.

I wish Doc MORGAN every happiness in the years ahead and want him to know that the door to my office is open, and he is always welcome.

THE HONORABLE CARL ALBERT

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. DIGGS. Mr. Speaker, I join with my many colleagues in this body who have risen to pay tribute to our beloved Speaker, the Honorable CARL ALBERT, on the occasion of his retirement from the House.

Throughout my association with the Speaker, he has exhibited the qualities of leadership, insight, and friendship that have won him countless friends and admirers—both in the House and Senate, and beyond our walls.

He has participated in and, in many cases, he instigated discussions and House action on many vital issues—housing, health, employment, international affairs, and reform of Congress itself, for instance.

His fairness and tireless efforts on behalf of his constituents and the people across the country will long be remembered. It was an honor to serve with Speaker ALBERT, and I wish him all the best as he begins his new career as senior statesman of Oklahoma.

BOB BROCKHURST

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CONABLE. Mr. Speaker, I wish to join in the tributes to Bob Brockhurst our premier photographer.

Dependable, cooperative, observant and good humored. Brock has recorded all of us from our first day in Congress. He has aided us to advance our views and bring notice to our causes. The number of constituents who have faced his camera to repeat "money" at his signal must number in the millions. Bob Brockhurst has been an important element in the congressional system. I appreciate his contributions and support and wish him all the best in retirement.

CONTINUING DEBATE ON AMERICAN MUSEUM OF NATURAL HISTORY RESEARCH WORK ON CATS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, for the past several months myself and several other Members have been conducting various investigations into a $432,000 grant awarded to the American Museum of Natural History by the Department of Health, Education, and Welfare. Our inquiry has been focused on whether the grant is in full compliance with the Animal Welfare Act and whether the research work serves any useful scientific purpose.

In the continuing debate over this issue, I wish to present the views of Mr. Jack Ben Rubin who is affiliated with the Washington Humane Society. Mr. Ben Rubin discusses certain specific aspects of the Museum's grant and calls into question the need for scientific research which entails undue suffering by subject animals. I feel his material bears close reading by all concerned.

Mr. Speaker, both the Department of Health, Education, and Welfare and the Department of Agriculture are conducting investigations into this grant. I will report their findings at a later date.

Mr. Ben Rubin's article follows:

WHAT PRICE SUFFERING?

No one ever seems to object to what is done by scientists. Their projects may not be understood but it is certain they will always be endorsed. Indeed, no other activity today receives more moral and financial support than does scientific research, particularly in the field of medical experimentation. It is not surprising therefore that scientific researchers always proceed with the attitude that the attainment of results is paramount while the humaneness of its methods is inconsequential. Unfortunately this habit of mind will persist unaltered since the voices of the untrained have had little influence to compel a change. However, the wanton and unproductive use of living animals in research experiments makes some questioning, if not protest, necessary. Should the methods of the physiological sciences be forever exempt from humane practices?

An experiment on cats and kittens is currently being undertaken at the American Museum of Natural History in New York City. The same experiment using live animals has been carried on in the Museum for at least the last fifteen years. The program is a study on the "physiological correlates of sexual behaviour in cats", funded by the National Institute of Child Health and Human Development, which is a division of the U.S. Department of Health, Education and Welfare, and assisted by the National Science Foundation, who pay students to help in the research.

The Museum asserts that the research is conducted under "carefully controlled conditions" and that their staff operates with "concern and care" for the animals in the experiment. The Museum further states that its facilities and techniques in handling the living animals, which are subject to regulations and inspections by government and veterinary authorities, have never been judged adversely.

These assertions are disconcerting since the experiment entails blinding, deafening and obliterating the olfactory senses of the felines. In some instances, sections of their brains are intentionally damaged by surgical means. Some of the male cats are subjected to a lethal procedure in which they are put in a rack while their penises are stimulated with hair loops and filaments. While in most of the published accounts, the Museum makes no report as to what happened to the animals after the experiment procedure had been completed, it is understood that when the cats are of no further utility to the experiment, the animals are killed and their brains are preserved for study. There is evidence, however. that some cats have died from urinary blockage, which is an intensely painful condition resulting from an improper diet or insufferable stress. There is no suspicion that anyone is guilty of deliberate attempts to mistreat the animals for sadistic purposes. However, cruelty to animals is a penal offense in all fifty of the United States, and it is difficult to imagine that the Museum's experimenters will always be exempt from court action if they continue to employ such methods.

There is an inflexible conviction of many contemporary scientists who use laboratory animals that the design, method and execution of their experiments are either beyond reproach or should not be judged by humane standards, for what they are doing is in the service of a greater good to Society. Their creed is that the goals and not the means are ruling. It is understandable that scientists would resent any effort to curtail their freedom of action, especially when they are convinced that their endeavors are noble; nevertheless, they must be made aware that the sanctioning of animals for painful experimentation is the concern of all humankind, not just a coterie of experts. What is happening at the Museum is the paradox that blameless animals are being inhumanely subjected to revoltingly painful experiments for the humane objective of alleviating human suffering. The objectivity of modern science has isolated scientists from the sensitivity to inflicted cruelty to defenseless animals that is growing in this society outside the scientific profession. To his credit, man has increasing repugnance for the needless imposition of pain and suffering, yet this is a phenomenon which scientific researchers still ignore.

The larger question, however, is whether the experiment is worth the suffering. It is doubtful whether the data obtained could be evaluated with exactitude as to its importance in understanding "human problems." To conduct a scientific investigation of the emotional responses of acutely distressed laboratory animals and believe that it is a forward step in the understanding of human sexual behaviour reveals a profound ignorance of reality. Most researchers have a strong tendency for self-deception concerning the importance of their work, and in the case of this experiment the deception exposes the quixotism of the scientists and the nugacity of the experiment. In subjecting lower animals to extreme torture in highly artificial environments, the scientists can only be deluding themselves that they are understanding real human behaviour. Many respected scholars in the scientific community have argued that most animal experiments are not worth doing and the data obtained are not worth publishing. One important reason is that numerous such experiments are designed not to increase scientific knowledge, but to enhance the prestige of the research and the researchers.

There are many painful experiments carried on routinely without any conception as to what ends are sought. These programs raise, or should raise, questions of conscience. One does not have to be a trained scientist to doubt the feasibility of devising a study to understand human behaviour by experimenting on cats. A cat is not the animal most similar to humans in physical and emotional characteristics by which to draw conclusions on mutual sexual behavioural pathologies. When a researcher blinds a cat, then deafens it, and finally eliminates its sense of smell, what could he be sure to have learned about human behaviour? Why indeed is there a need to use animals at all in experiments of this kind? Even if the animals have been carefully "trained and nurtured," this gives no assurance of the applicability of the result. Living animals are not reliable subjects for testing sexual behaviour. More properly, the questions could be answered by harmless clinical trials on human beings. In our time of sexual revolution, the number of available sex studies is legion.

Although some physiological data from this experiment could be useful in categorizing complex behavioural patterns, it is doubtful that they could establish unalterable universal principles. No matter how tured", this gives no assurance of the appears to be a predictive outcome, there is no certainty that the next response will behave in accordance with a universal principle. Besides, predicting animal sexual behaviour is no guarantee of similar behaviour in humans, and obviously in some sexual disorders there are no similar disorders in animals.

The key to the experiment at the Museum is the measurement of the "correlation" (a favorite word among scientists). It is common practice in research, in the fervor to find a correlation, to record everything and match things up every which way looking for a relationship. By the time the data have been filtered through layers of statistical manipulation and reduced to decimal-pointed integers, the result conveys a pictorial impression of scholastic truth. But most often it is simply an expression of probability, wrapped in obscure statistics, which is more trivial than erroneous. Perhaps some conclusions may prove useful in the limited sense of giving indications of patterns of general behaviour. Yet is this usefulness commensurate with the torture inflicted on the innocent animals? The traditional concepts and methods applied to this experiment at this point in time are inadequate to decipher significantly the complex phenomena of living creatures.

It is characteristic of valid scientific research that the discovery of significant insights is followed within a reasonable period of time by their practical application. How much credit to progress then does this experiment deserve? Apparently none. Who is aware of any important facts discovered by the data obtained?

Considering that the experiment is supported by taxpayers' moneys, it is proper that the Museum should be made to justify its appropriation. Much of HEW-supported experimentation is a duplication of research work already performed or in progress. Many researchers are not inclined to investigate whether the experiments that they are doing have already been performed. When animals are abundant and funds plentiful, it is easier to repeat the experiment than to make a tedious search of the literature to see if it has already been performed and abstracted—and proven worthwhile. This means that they may inflict the same suffering on animals that other researchers have already inflicted, often repeatedly.

The animal experiments at the Museum have been going on for at least fifteen years—and so has the suffering. The fact that the experiments have never been criticized by colleagues does not mitigate the indictment. Scientists are notorious for sharing the prejudices of their professional associates. Scientists should not be the sole judges of their actions any more than any other group with a vested interest.

It is thus with skepticism that one must view the need for the animal experiment which is presently being done at the American Museum of Natural History. If the experiment cannot be justified on the basis of the contribution to human problems, then it is unnecessary. It becomes not an activity for enhancing scientific knowledge, but simply an odious example of cruelty to animals that degrades the humaneness of those who designed and administered it. Any scientific research involving animal experimentation which produces no significant result does not lead to an improvement of man's state; on the contrary, it leads to its direct retrogression.

It is unjust to be critical of scientific experimentation when it is governed by rational direction and humane conduct, but one must demur when its methods and approaches are devoid of important human values. Any feeling individual must believe that one who reaps parochial benefits through means which involve suffering and fear in defenseless living creatures should carry within him a heavy burden of guilt. Restrictive legislation can prevent animal suffering, but it can never make anyone more humane. The scientists must base animal experimentation not only upon the hoped-for discovery of new intellectual truths, but also upon humane considerations. He must set limits to the amount of suffering which may be caused by any technique. What is required is to diminish the exaggerated prestige of animal experimentation and to enlarge the humane responsibilities of its application. Above all, scientists must be mindful always that the principal purpose of scientific research is the enhancement not only of the health of mankind, but its civilizing potential as well.

It is a sad testimony to the American Museum of Natural History that in their obsession to understand life, its scientists are losing respect for it.

"CHINA'S LITERARY IMAGE"

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. WOLFF. Mr. Speaker, as China graciously permits the Western World to partake of its cultural offerings, a surge of interest is overtaking academia in this country. The Council on National Literatures of Whitestone, N.Y., has responded to this fascination with China by producing a fine publication "China's Literary Image" as part of a semiannual series on various world literatures under the broad title "Review of National Literatures." This particular issue of the journal provides an array of articles with special consideration of Chinese literature as viewed by both Western and Eastern scholars.

As editor, Anne Paolucci of St. John's University, is to be credited with putting together this interesting collection of essays in timely response to our growing dialog with the once-cloaked Republic of China. To even begin to understand a nation's literature is to embark on a journey into its soul. "China's Literary Image" is a step along the way.

TRIBUTE TO BOB BROCKHURST

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FRENZEL. Mr. Speaker, Bob Brockhurst, who has served as a photographer for the House of Representatives, primarily for Republican Members, will retire on December 31 this year. Because his retirement will occur before the next Congress convenes, I want to take this opportunity to praise him for a fine career and to wish him well in his retirement.

It has been my good fortune to have spent a good deal of time with Bob Brockhurst over the past 6 years. Not only is he a first rate practitioner of his own special trade, but he is also as pleasant a person to work with as one can imagine.

Not only will his friends on the hill miss him, but generations of visitors, especially the youngsters, will certainly miss Bob's smile and his admonition to say "money" just as his picture was being taken to preserve the happiest smiles on the faces of those being pictured.

I know that I will miss him, but I know that whatever he will do in the future will attract a large following of friends and will be done with the same good humor that we have known around here.

TRIBUTE TO ALPHONZO BELL AND PETER PEYSER

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BRADEMAS. Mr. Speaker, I want to take this opportunity to pay tribute to two of our colleagues, ALPHONZO BELL and PETER A. PEYSER, as they retire from service in the House of Representatives.

AL BELL has had a long and distinguished career in this body, having served as a Representative of the 27th District of California since 1960. I have known him as a member of the Education and Labor Committee during his 16-year tenure in the House, while PETER PEYSER has also been a member of the Education and Labor Committee since his election to Congress from New York in 1970.

Mr. Speaker, AL and PETER, both Republicans, have been outstanding members of the Subcommittee on Select Education, which I have the honor to chair. Both will be remembered, AL as ranking minority member, for their active support of legislation to enrich the lives of the handicapped and the elderly, for their work on laws to strengthen education, and for their efforts on behalf of the arts and humanities.

I have been deeply impressed by the spirit of bipartisanship with which both men have approached the work of the subcommittee. They have both been unfailingly cooperative with me.

Mr. Speaker, AL BELL and PETER PEYSER have established commendable records of service, and I join my colleagues in saluting them and in wishing them well as they depart the House of Representatives.

HON. BELLA S. ABZUG

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mrs. MINK. Mr. Speaker, I rise today to pay tribute to my friend and colleague, the Honorable BELLA S. ABZUG of New York.

It is rare a Member of Congress emerges after 6 short years as a national leader but in BELLA's case, now as always, the rules are broken. BELLA has established herself, forcefully and eloquently, as a leader and spokeswoman for peace, increased openness in Government, equal rights, consumer and environmental protection, and programs for senior citizens. Because of her involvement, we have seen the realization of many dreams.

All of us will find it hard to forget BELLA, the exuberant, brilliant, fiery woman from New York who made her mark everywhere she went. We will remember BELLA for her single minded dedication and enormous zeal for everything she set out to do, from fighting for equal rights for women to unearthing Government secrets on covert and illegal activities. New Yorkers can be justly proud of their Congresswoman from the 20th District.

BELLA rightly earned the reputation of being one of the hardest working and most effective Congresspersons on Capitol Hill. BELLA's lasting "place" among those who influence and lead our Nation is secure. I know that Members will miss her wise counsel next year, but I also know that BELLA will be back.

TRIBUTE TO DOMINICK DANIELS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. PHILLIP BURTON. Mr. Speaker, millions of working Americans have benefited from the distinguished career of my dear colleague, DOM DANIELS, with whom I have had the pleasure of serving on the Education and Labor Committee. They and all of us here in the Congress will miss our colleague's dedication and commitment.

A TRIBUTE TO OUR FRIEND, BOB BROCKHURST

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CEDERBERG. Mr. Speaker, as we are all aware our good friend, Bob Brockhurst, the Republican congressional photographer, will be retiring at the end of this year. I wish to take this opportunity to commend Brock for his years of dedicated service and to thank him for all the help he has given me.

Since Bob began as the first full-time photographer on Capitol Hill 26 years ago, he has provided an invaluable service for us all. He has been available when needed, and you could often see him rushing from the Capitol steps to one of the House Office Buildings to meet with a Member and visiting constituents. Hard work and long hours were his trademark as his day often continued well into the evening. Brock was always ready to give of his own time to facilitate the needs of the Congress.

Over the years, I have come to know Brock very well. He has many, many friends throughout the city and I am happy to say that I am included in this long list.

I am sure his experiences could fill this entire Record, and I am pleased to be able to join my fellow Members in paying tribute to his fine work and to wish him a well-deserved and enjoyable retirement.

DAVID HENDERSON

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. SLACK. Mr. Speaker, those of us who have served in Congress before and since passage of the Postal Reorganization Act of 1970 have a powerful appreciation of the problems and controversies faced by David Henderson as chairman of the Post Office and Civil Service Committee.

We recall the assurances that the reorganization plan would eliminate all of the causes of citizen discontent with the postal system.

We were assured service would be improved to the efficiency standards of our Nation's largest public utility system.

We were also assured no necessary facilities would be closed.

We were told there would be no need ever again for a postal rate increase.

Efficiency would be the order of the day.

We voted for the Postal Reorganization Act with a sigh of relief and we all know what has happened. Constituent protest about postal operations probably rank No. 1 in volume among the complaints received in congressional offices.

All of this rebounded into the jurisdiction of the Post Office and Civil Service Committee. Under these circumstances I must join the many Members who acknowledge admiration and respect for the manner in which Dave Henderson has conducted committee consideration of postal affairs. We will miss his abilities in this controversial field. He has given a serious problem his very best efforts, and I wish him all the joys and rewards of retirement so richly earned.

JOE EVINS OF TENNESSEE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 28, 1976

Mr. LONG of Maryland. Mr. Speaker, as Joe Evins leaves this House after 30 years of distinguished service to his nation and his beloved Tennessee, I join with my colleagues in wishing him and Ann Godspeed.

Joe Evins has been throughout his career deeply concerned with the average American—that everyday man and woman who goes to work or tries to run a small business, despite taxes, crime, and the vagaries of commerce.

His concern is reflected in the assignments he held during his tenure—chairmanship of the Appropriations Subcommittee on Public Works and of the Committee on Small Business.

The public works of the U.S. Government and the activities and economic well-being of our small businesses affect the lives of each and every American daily. The roads, dams, rivers, harbors, flood control and other improvement projects, the procurement regulations aiding small businesses, and the insistent oversight of the Federal Government's dealings with smaller enterprises all reflect the fairness, justness, and commonsense which have marked Joe Evins' service among us.

He has always been open and candid with his colleagues. He is beloved by his constituents, one of whom told me that throughout central Tennessee, "everyone knows if you need help, Congressman Evins will help you if he can."

What a satisfying way to leave this body—with the gratitude of your constituents, your colleagues, and your country for a job well done.

A TRIBUTE TO BOB BROCKHURST

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. CLEVELAND. Mr. Speaker, I would like to take this opportunity to express my appreciation and best wishes to Bob Brockhurst upon his retirement on December 31, 1976. Bob has served us well as a photographer for the National Republican Congressional Committee since 1950.

It has been a pleasure during my 14 years in the House of Representatives to know and work with Bob. As he has been here longer than a great majority of Members of Congress, I know he has had many memorable and enjoyable experiences as a photographer and has known a large number of notable people here in the House during his years of public service. He will be sorely missed by all who have worked with him.

I join with my colleagues in wishing Bob and his family health, peace, and happiness.

SUMMARY OF ACTIVITIES BY THE SUBCOMMITTEE ON ENVIRONMENT AND THE ATMOSPHERE, COMMITTEE ON SCIENCE AND TECHNOLOGY, 94TH CONGRESS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BROWN of California. Mr. Speaker, as chairman of the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology, I wish to submit a brief summary of activities for the Record.

As you know, this is a new subcommittee which exercised new jurisdiction pursuant to House Resolution 988, which gave the Committee on Science and Technology jurisdiction over, among other things, "environmental research and development; scientific research and development; all energy research and development except nuclear research and development; and the National Weather Service." In addition, the Committee on Science and Technology was given the special oversight function of "reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development."

The Subcommittee on Environment and the Atmosphere was charged, by the full committee with the responsibility for "legislation and other matters relating to environmental research and development—including, but not limited to, EPA's research and development programs in air and water quality and solid waste disposal; the National Weather Service; the National Environmental Satellite Service, and the research and development activities of the National Oceanic and Atmospheric Administration, jointly with the Merchant Marine and Fisheries Committee."

Any new arrangement, such as that which created this subcommittee, causes confusion and conflict. I must confess that the first 2 years of operation of the Subcommittee on Environment and the Atmosphere had more difficulties than I expected. In spite of this, I believe the record of this subcommittee deserves attention and praise, because it has accomplished much in its 2 years of existence.

The main source of difficulty comes from the fact that the jurisdiction of the subcommittee originally comes from other committees and continues to overlap with many other committees of Congress. Because of this, both I, as chairman, and the committee staff needed to make a special effort to work cordially and effectively with other committees.

We had some notable success in this effort, especially with the Committee on Interstate and Foreign Commerce, and the three subcommittees of that committee which handled the Clean Air Act; the Solid Waste Act; and the Toxic Substances Control Act. The Subcommittee on Environment and the Atmosphere developed a special relationship with the Subcommittee on Health and the Environment, chaired by the Honorable PAUL ROGERS, in its efforts to investigate air pollution related matters and enact ozone protection legislation.

Another special relationship developed with the Subcommittee on Fisheries and Wildlife Conservation and the Environment, of the Committee on Merchant Marine and Fisheries, chaired by the Honorable ROBERT LEGGETT; in the exploration of long-range planning issues and other matters of joint interest, such as the National Environmental Policy Act.

My experience during this Congress, in this subcommittee and in others, has convinced me that joint activities between subcommittees of the Congress is an important and necessary activity for the effective functioning of this body.

The legislative activities which I am summarizing here today are clearly not all finished. Many of the issues which we have begun to investigate need further analysis and hearings. Some proposed programs need to have the involvement and cooperation of other committees, and the executive branch, if they are to be done properly. An example is the proposal for environmental research centers. This bill, H.R. 35, could be enacted separately, but it would be more effective if it was part of an overall national reassessment of our environmental programs. A similar situation exists with the proposal for an expanded national climate program.

Mr. Speaker, I do not wish to make this summary report too lengthy. The reports by the Subcommittee on Environment and the Atmosphere have, or will, when all are completed, provide other Members with a number of excellent suggestions relating to this complicated, but important subject matter. I hope that they are of use to this body.

The report of activities is divided into four parts:

PART I. AUTHORIZATION HEARINGS AND LEGISLATION CONSIDERED BY THE SUBCOMMITTEE ON ENVIRONMENT AND THE ATMOSPHERE

(94th Congress)

1. H.R. 3474: "FY 76 ERDA Authorization"

The Subcommittee on Environment and the Atmosphere has joint jurisdiction over ERDA's environment and safety programs. Hearings held February 26 and February 27, 1975. Committee publication No. 6. Subcommittee markup on March 10, 1975, with full committee action on April 17 and April 28, 1975. (H. Rept. 94-294)

Legislation became law on December 31, 1975. PL. 94-187.

2. H.R. 2932/H.R. 7108: "FY 76 EPA Research and Development Authorization"

This authorization was an exercise of the new jurisdiction of the Committee on Science and Technology. The bill authorized research and development funds for programs established by other Acts of Congress within the Environmental Protection Agency.

Hearings held March 4, 5 & 6. Committee publication No. 7. Markup held March 10, 13, 19, and April 15. H.R. 7108 was reported (H. Report 94-270) by the Committee on Science and Technology on May 15, 1975, and passed the House, by a vote of 383-15, on July 10, 1975. In the Senate it was sequentially referred to the Public Works Committee, the Commerce Committee, and the Labor and Public Welfare Committee. It passed the Senate on April 13, 1976 by a voice vote.

The Conference Report on H.R. 7108 was filed (Report 94-1645) on September 22, 1976, and adopted by both Houses by voice vote.

Signed into Law October 11, 1976. PL. 94-475.

3. H.R. 12035/12704: "FY 77 EPA R&D Authorization"

Hearings held February 17, 18, 19, 23, 24, 25, 26, 1976 (Committee Publication No. 58). Markup held March 2 & 8 in Subcommittee and March 11 & 16, in full committee. Reported March 25, 1976 (H. Report 94-951). H.R. 12704 passed House May 4, 1976.

In Senate H.R. 12704 was jointly referred to Public Works, Commerce, Labor and Public Welfare, and Agriculture and Forestry.

No further action taken by the Senate in 94th Congress.

4. H.R. 12113/H.R. 13350: "FY 77 ERDA Authorization Bill".

The environment and safety portion of the ERDA budget was again reviewed by the Subcommittee on Environment and the Atmosphere as part of a joint subcommittee referral on February 27, 1976. (Committee publication No. 59)

H.R. 13350 passed the House on May 20, 1976. (H. Report 94-1081, Pt. II), and passed the Senate on June 25, 1976. Conference Report filed September 29, (H. Report 94-1718), and on September 30, 1976 the House agreed to the Conference Report. The Senate failed to act in the 94th Congress.

PART II. NEW LEGISLATION CONSIDERED BY THE SUBCOMMITTEE ON THE ENVIRONMENT AND THE ATMOSPHERE (94TH CONGRESS)

1. H.R. 35: "Environmental Research Centers Act of 1975"

This bill would amend the National Environmental Policy Act of 1969 (Public Law 91-190) to encourage and fund the establishment of one environmental research center per State or region at an existing educational institution. Basic and applied research, environmental education and training of professionals in related fields, and dissemination of environmental information would be provided.

Hearings held October 6, 7, 1975; January 23, 26, February 6, 1976.

In print: "H.R. 35" No. 76.

Staff report being written to summarize the hearings and present the Subcommittee's findings and conclusions.

2. H.R. 3118: "Stratospheric Research and Protection Act of 1975" (added to H.R. 10498, "Clean Air Act amendments.")

This bill proposes to amend the Clean Air Act by providing research and regulatory authority to assure that aerosol spray containers releasing chlorofluoromethane compounds into the air will not harm the public health and the environment. It would provide for both a short-term but broad research program to determine the effects of substances and activities upon the stratosphere, and a continuing, long-term research and monitoring program to provide early warning of potentially harmful changes.

Other identical or similar bills: H.R. 3916 (s), 4327, 4328, 4652 (s), 5706, 7555, 8455.

Hearings held May 20, 21, 22, July 31, 1975.

In print: "Inadvertent Modification of the Upper Atmosphere: Research and Development Relating to Halocarbons and Ozone Depletion."

Subcommittee Markup: June 4, 12, July 24, September 17, 1975.

Reported out of Full Committee on October 9, 1975.

Report No. 94-575 (part 1) filed October 28, 1975.

H.R. 3118 was incorporated as section 107 of H.R. 10498, the "Clean Air Act amendments of 1976." (H. Report 94-1175). House passed S-3219, as amended by H.R. 10498, on Sept. 16, 1976. House/Senate conference report filed Sept. 30, 1976. (Report 94-1742).

Senate and House failed to complete action in the 94th Congress.

3. H.R. 10039: "Weather Modification Research, Development, and Control Act of 1975".

This bill would provide research and development in weather modification, as well as institute systems for weather modification information, control and reporting. Its most controversial provision is for comprehensive federal regulation, including mandatory permits and criminal sanctions for violators.

Hearings held on this bill and on S. 3383 on June 15, 16, 17, 18, 1976.

Hearing record being edited. Summary report being prepared.

Subcommittee Markup: September 1, 1976. Some of its provisions were added to S. 3383, mainly in the form of recommendations on options for regulation.

4. S. 3383: "National Weather Modification Policy Act of 1976." P.L. 94-490.

This bill directs the Secretary of Commerce to develop a national policy and a national research and development program on weather modification. These are to be based upon the findings of a comprehensive study of the state of scientific knowledge and technical development concerning weather modification. The findings and conclusions are to be presented to the President and the Congress.

Referred to House June 1, 1976; referred to E&A Subcommittee June 9, 1976. Report No. 94-859 dated May 13, 1976.

Hearings held (together with H.R. 10039) on June 15, 16, 17, 18, 1976.

Subcommittee Markup: September 1, 1976.

Passed House under suspension of rules: September 20, 1976.

Senate agreed to House amendments: September 28, 1976.

Signed into law October 13, 1976: Public Law 94-490.

5. H.R. 10013/H.R. 13736: "National Climate Program Act of 1975."

This bill would establish a national program to collect, analyze, forecast, model, and disseminate data concerning past, present, and future climatic states and long-term changes, whether natural or man-induced. The program would also include the development of a global climate monitoring system. An annual report to Congress on the program is required.

Hearings held on May 18, 19, 20, 25, 26, 27, 1976. Staff report and hearings being prepared for printing.

A useful related report by the Congressional Research Service entitled "A Primer on Climatic Variation and Change" Serial 00, was released in September, 197 able from document room.)

6. H.R. 12380/H.R. 14965 (became "Solid Waste Research and Develop of 1976." ("Resource Recovery an vation Act of 1976.")

This bill would amend the Solid Waste Disposal Act to provide the EPA with authority to conduct research on specific aspects of solid waste management and resource recovery, to provide for special studies, and to emphasize the new areas of research, demonstration and development authorized in the bill. It also sets up an information collection and dissemination program, and calls for the coordination of solid waste research goals with regulatory and implementation policy.

Other identical or similar bills: H.R. 13046, 13047, 13048, 13991, 15783. Another separate but similar bill, H.R. 8745, was introduced, along with a host of similar or identical bills: H.R. 9438, 10036, 10037, 10488, 11154, 12904, and 12938.

Background material gathered by the CRS entitled "Readings on Solid Waste Management and Resource Recovery," Serial Y, was released in April, 1976.

Hearings held (on H.R. 12380) on April 7, 8, 12, 13, 1976.

Subcommittee Markup (on H.R. 14965): July 29, 1976.

Incorporated into H.R. 14496 and reported out of Full Committee on August 10, 1976.

Passed House (as H.R. 14496): September 27, 1976. Passage vacated: S. 2150 passed in lieu thereof.

Senate agreed to House amendments to S. 2150: September 30, 1976.

Signed by President on October 21, 1976. P.L. 94-580.

PART III. BILLS REFERRED TO THE E&A SUBCOMMITTEE ON WHICH THERE WERE NO HEARINGS

Bill number, sponsor, date referred.

1. H.R. 1027, Mr. Shriver, Feb. 19, 1975.

To authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior.

Reports from Commerce, NASA, and GAO all unfavorable.

Other similar bills: H.R. 3859 (Hammerschmidt); H.R. 5449 (Winn et. al.) also H.R. 6126 and H.R. 7054.

2. H.R. 6011, Mr. Vanik et. al, April 28, 1975.

To provide for recycling of used oil, and for other purposes.

Reports requested from EPA and ERDA.

Other similar bills: H.R. 6012, H.R. 6377, H.R. 6686.

3. H.R. 7443, Mr. Milford, June 9, 1975.

To direct the Administrator of the National Oceanic and Atmospheric Administration to implement and operate on a test basis an imminent disaster warning system, and for other purposes.

Report from Commerce unfavorable.

4. H.R. 8683, Mr. Findley, July 24, 1975.

To require the testing of prototype exhaust emission control systems to determine whether they cause any harmful effects to the environment other than those they are intended to correct.

Reports requested from EPA and DOT; latter deferred to former.

5. H.R. 11865, Mr. Brown of California, Feb. 20, 1976.

To authorize instruction, research, and demonstrations directly and primarily related to the maintenance, protection, and improvement of the environment.

Reports requested from EPA, Agriculture, GAO; report received from the latter favorable.

6. H.R. 15005, Mr. Metcalfe, Aug. 23, 1976.

To prohibit the discharging of fuel at sea, and for other purposes.

Reports requested from GAO, Commerce, EPA, Interior, DOT, and State.

7. H.R. 15127, Mr. Bauman, Aug. 23, 1976; jointly with MM&F Committee.

To provide for the coordination of federally supported research efforts regarding the Chesapeake Bay, and for other purposes.

Reports requested from GAO, EPA, and Commerce.

PART IV. OVERSIGHT HEARINGS OF THE SUBCOMMITTEE ON THE ENVIRONMENT AND THE ATMOSPHERE: 94TH CONGRESS

(1) "Environmental R. & D. Posture Hearings," No. 21. April 22, 23, 24, 29, 30; May 1, 1975. (Available from document room.)

(2) "Research and Development Related to Sulfates in the Atmosphere," No. 39. Background report by the Congressional Research Service (CRS) entitled "Research and Development Relating to Sulfates in the Atmosphere," Serial F; June, 1975. (Available from document room.)

Hearings held July 8, 9, 11, 14, 1975.

CRS report entitled "Summary of Hearings on Research and Development Related to Sulfates in the Atmosphere," Serial L; October, 1975. (Available.)

Staff report entitled "Review of Research Relating to Sulfates in the Atmosphere," Serial AA; April, 1976. (Available.)

(3) "National Oceanic and Atmospheric Administration Oversight Hearings," No. 37. (Available from document room.) July 16, 17, 22, 23, 24, 25, 1975.

(4) "Ocean Dumping" (Not yet printed). September 17, 18, 19, 24, 26, 1975.

Staff background paper entitled "The Environmental Effects of Ocean Dumping"; August, 1975.

Report to be prepared.

(5) "The Costs and Effects of Chronic Exposure to Low-Level Pollutants in the Environment," No. 49. (Available from document room.) November 7, 10, 11, 12, 13, 14, 17, 1975.

CRS report entitled "Effects of Chronic Exposure to Low-Level Pollutants in the Environment," Serial O; November, 1975. (Available.)

Staff summary: "Report on the Costs and Effects of Chronic Exposure to Low-Level Pollutants in the Environment," Serial GG; July, 1976. (Available.)

(6) "The Organization and Management of EPA's Office of Research and Development, No. 52. (Available from document room.) December 2, 3, 4, 9, 10, 1975.

Staff report entitled "The Organization and Management of EPA's Office of Research and Development," Serial LL; June, 1976. (Available from document room.)

(7) "The Conduct of the Environmental Protection Agency's 'Community Health and Environment Surveillance System' (CHESS) Studies". (Not yet printed.)

Hearings held jointly with the Subcommittee on Health and the Environment (of the Committee on Interstate and Foreign Commerce) on April 9, 1976.

Staffs' "Report on Joint Hearings on the Conduct of the Environmental Protection Agency's 'Community Health and Environment Surveillance System' (CHESS) Studies." April 9, 1976. (Available from document room.)

CHESS investigation in progress, jointly with the Subcommittee on Special Studies, Oversight, and Investigations. Staffs are preparing a report entitled "The Environmental Protection Agency's Research Program with Primary Emphasis on the Community Health and Environment Surveillance System (CHESS); An Investigative Report."

(8) "Long Range Planning in the Federal Government," (not yet printed.) Background material gathered by the CRS entitled "Long Range Planning"; Serial BB; May 1976. (Available from document room.)

Hearings held jointly with the Subcommittee on Fisheries and Wildlife Conservation in the Environment (of the Committee on Merchant Marine and Fisheries) on June 28, 30, 1976. (Not yet printed.) A summary of the hearings by the CRS will also be included in the hearing record.

(9) "Water Quality Research" (Not yet printed). September 28, 29, 30, October 1, 1976.

TRIBUTE TO FATHER JAMES C. FINLAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, on Wednesday November 17, I will have the distinct pleasure of attending a luncheon sponsored by the United Service Organizations—USO—of Greater New York, which will be honoring one of the most outstanding members of the educational and religious community, Father James C. Finlay, S.J., president of Fordham University.

The luncheon is honoring an outstanding man of God who has dedicated his entire life to serving his fellow man. He has served with distinction as a professor at Fordham University, then as dean of their Graduate School and for the last 4 years as president of Fordham.

Father Finlay is being honored for his outstanding dedication to the youth of the Bronx. His efforts have allowed many poor and disadvantaged to gain entry into Fordham University.

It has been my pleasure to pay tribute to this outstanding man. Father Finlay has been the recipient of numerous awards by community and civic organizations. His efforts have made him one of the most widely respected religious leaders in the city of New York. I extend to him my warmest best wishes for continued success.

A dedicated priest, an outstanding educator and a community leader; all of these exemplify Father James C. Finlay. His life has been rewarding to those he has served as well as to himself. He deserves all from life that he has given.

IN TRIBUTE TO THE HONORABLE ROY A. TAYLOR

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. ZABLOCKI. Mr. Speaker, it is with a sad heart that his many friends in Congress say goodbye to our old friend, the Honorable ROY A. TAYLOR of North Carolina. After 16 years in the Congress, he is retiring to his beloved mountains of North Carolina.

Millions of men, women, and children in this country who enjoy our national park system probably have never heard the name of ROY TAYLOR. But they can thank him for the wilderness experiences which they enjoy.

Since ROY became the chairman of the National Parks and Recreation Subcommittee of the House Interior Committee, almost 2 million acres of parkland have been added to the national park system.

It is in another capacity, however, that I have worked with, and learned to respect highly, this distinguished Member of the House. Since he joined the Committee on International Relations in 1971, he has been a voice of moderation and a concerned participant in the work of the committee.

In the 94th Congress he served on both the Subcommittee on Political-Military Affairs and the Subcommittee on International Trade and Commerce—two very productive subcommittees.

Roy Taylor will be missed in these halls. But our loss is mitigated by our knowledge that he richly has earned retirement. Our good wishes go to him and his family for many golden years ahead.

STATEMENT OF EXPENSES

HON. JOHN J. FLYNT, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. FLYNT. Mr. Speaker, when the House adopted House Resolution 1260 on June 10, 1976, the Committee on Standards of Official Conduct was instructed to report all funds expended in such investigation every 60 days in the Congressional Record. I herewith submit the following statement of expenses under House Resolution 1260 from August 9, 1976, to October 8, 1976, as well as the total expenditures to date:

Consultant fees:	
Investigation	$16,800.00
Legal	8,951.25
Members and staff travel	1,205.68
Miscellaneous and contingencies	35.40
Total expenses for period Aug. 9 to Oct. 8	26,992.33
Consultant fee:	
Investigation	34,800.00
Legal	16,657.50
Members and staff travel	1,448.88
Miscellaneous and contingencies	63.10
Total expenses to date	52,969.48

HON. BELLA ABZUG

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. WOLFF. Mr. Speaker, I am delighted to have this opportunity to salute Bella Abzug after her 6 years of meritorious service in the House of Representatives. I have enjoyed working with her as a colleague in the full House and as a comember of the New York delegation.

Whether or not her colleagues agreed with the direction of her efforts, Bella's dedication and commitment to her ideals from her first days in the House have made a strong and lasting impression on all of us. Bella's vibrant and colorful personality will always be remembered as an integral part of the 92d through 94th Congresses. She is tough.

As a woman of perseverance and fight, Bella will undoubtedly leave her mark on any endeavor she tackles, giving her all. In continuing her career as a public servant, Bella more than deserves our best wishes.

RETIREMENT OF BOB BROCKHURST

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to express my thoughts on the retirement of the Republican photographer, Bob Brockhurst. Brock has shared in many events which comprise a history of these past Congresses, and has recorded firsthand what might have been lost had he not been present.

Brock is not only a fine photographer, but a patient man whose skill and understanding are an inspiration to all of us in Congress. At times when schedules and commitments cause Members of Congress to move constantly, giving them little time to remain stationary, Brock's never-ending patience enabled our motions, expressions and thoughts to be captured, and recorded for posterity.

I hope that Brock's retirement proves as fruitful as his career, and that he has many years of memories to companion him. He will be missed by the Republican Members of the House, and by the others who have come to know him in these past years.

BOB BROCKHURST RETIRES

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. SNYDER. Mr. Speaker, I would like to add my voice to those bidding farewell to Bob Brockhurst, who has decided to hang up his camera at the end of this year.

During my acquaintance with Brock I have developed a great respect for his photographic expertise and at the same time developed a respect for him as an individual. Never too busy to do a good job; never too rushed to lend a helping hand when it is needed, Brock has been a friend to all of us. He will be sorely missed.

My own best wishes and friendship go with Bob Brockhurst as well as my personal gratitude for the many years of faithful service he has given us.

RETIREMENT OF BOB BROCKHURST

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. HORTON. Mr. Speaker, it was with deep regret that I learned of Bob Brockhurst's plans to retire from the Republican Photo Lab. I have known Bob as a friend for many years and I am grateful for the happy experiences he has preserved for me through the artistry of his camera. He was always eager to help, ready to do that extra bit to make a picture a little better, noticeably different.

In my congressional district there are many hundreds of homes that proudly display one of Bob's pictures, a treasured memento of a trip to Washington. Those pictures, plus the collection I have, will be a constant reminder of the events Bob has covered with me.

Mr. Speaker, I know that my admiration of Bob Brockhurst is shared by all of the Members of this Chamber who have had the opportunity to work with him. It is my hope that Bob's retirement will provide many occasions for interesting experiences and that he will be blessed with good health to enjoy the years that lie ahead.

BROCKHURST RETIREMENT

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MYERS of Indiana. Mr. Speaker, the House Republican Photo Service will not be the same next year, after the resignation of Bob Brockhurst.

When Brock started this invaluable service in 1949, doubtless he had little idea how many of us would come to depend on him and his photo service. Now he has tired of reminding us to say "cheese" and will begin his well-deserved retirement.

It is with mixed emotions, but with pleasure at having known Brock, that I join my colleagues in congratulating him and thanking him for what he has done for so many.

A TRIBUTE TO BELLA ABZUG

HON. STANLEY LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. LUNDINE. Mr. Speaker, I am pleased to have this opportunity to add my own tribute to Congresswoman Bella Abzug, who gave up certain chance of reelection to this House in order to make a valiant campaign for the Senate.

Although we were colleagues in the New York delegation for just a short time, I soon found that Bella matched—and maybe even surpassed—my expectations of her. She is indeed a courageous, outspoken, hard-working legislator who has battled effectively for more equitable and responsive Federal policies and for more open government.

Bella's efforts over the years on behalf of women's rights, and human rights, have brought about real changes in our laws and attitudes. She has worked hard for her principles and for her constituents. Her presence in the Congress has made a difference. She will be missed.

PERSONAL STATEMENT

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MOFFETT. Mr. Speaker, I insert today, in the RECORD a statement regarding seven recorded votes I missed on Friday, October 1, 1976, because of official matters in Connecticut which needed my attention. Had I been present, I would have voted in the following manner:

Rollcall No. 856, Grain Standards, H.R. 12572 (to recommit the report to the Committee on Conference). Nay.

Rollcall No. 857, Attorney's Fees, H. Res. 1591 (the Rule). Yea.

Rollcall No. 859, Attorney's Fees, S. 2278 (to recommit the report to the Committee on the Judiciary). Nay.

Rollcall No. 860, Attorney's Fees, S. 2278 (final passage). Aye.

Rollcall No. 861, Unemployment Compensation, H.R. 10210. Yea.

Rollcall No. 862, Rail Amendments, S. 3131. Yea.

Rollcall No. 863, Mid-decade Census, H.R. 11337. Nay.

PUBLIC DISCLOSURE OF MEMBER'S PERSONAL FINANCIAL STATEMENT

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. DODD. Mr. Speaker, during my travels throughout Connecticut's Second Congressional District, many of my constituents have spoken to me of their lack of confidence in our Government and in their Government leaders.

In part, I think this has been caused by the far too many instances of Government officials making decisions favorable to corporations in which these officials have held an undisclosed financial interest.

These are potential conflicts of interest which have no place in our democratic system, Mr. Speaker, and this is why I have sponsored or supported numerous amendments to legislation considered by this Congress to require financial disclosure by policymaking Government officials.

Among those measures was my amendment to the 1976 Energy Research and Development Administration Authorization Act requiring policymakers in Government energy research to publicly disclose their financial holdings in firms engaged in programs they administer.

I also was a sponsor of the Financial Disclosure Act of 1976, which would set governmentwide policies for informing the public of the financial interests of those who make decisions affecting their lives.

Because I believe that financial disclosure is an important element in restoring citizen confidence in government, Mr. Speaker, I would like to "practice what I preach" by inserting a personal financial statement into the RECORD.

This statement is made to show the absence of any conflict of interest between my ownership of assets and my service in the House of Representatives in the public interest, to keep the public advised as to my financial status.

This statement lists my assets, my liabilities, my net worth, and the sources of my income.

I would add that I accept no honoraria for any speaking engagements. My "personal financial statement" is as follows:

FINANCIAL STATEMENT OF U.S. REPRESENTATIVE CHRISTOPHER J. DODD, OCTOBER 1, 1976

ASSETS	
Real estate	
Home at 18 Hunting Place, Norwich, Conn.—cost September 2, 1975 (owned with wife, Ms. Susan M. Dodd)	$42,143.73
Bank accounts	
Personal checking account, Sergeant-at-Arms, U.S. House of Representative	2,394.46
Personal checking account (Ms. Susan M. Dodd), Connecticut Bank & Trust Co., Norwich	700.00
Personal savings account (Ms. Susan M. Dodd), Connecticut Bank & Trust Co., Norwich	1,170.00
Personal property	
Furniture, clothing, etc., owned jointly	7,000.00
Automobiles (2):	
1966 Ford Mustang (owned by Susan M. Dodd)	250.00
1977 AMC Sportabout stationwagon (owned by Ms. Susan M. Dodd)	5,300.00
Stocks and bonds (market value) (owned solely by wife, Ms. Susan Mooney Dodd):	
1,008 Shares of Fundamental Investors, Inc	7,560.00
300 Shares of Martin Marietta	7,200.00
Payments into Civil Service Retirement System	6,099.07
Total assets	79,817.26
LIABILITIES	
Mortgage on home, held by Eastern Savings & Loan Association of Norwick (jointly taken with Ms. Susan M. Dodd)	29,637.22
Notes	
One taken out by Ms. Susan M. Dodd at Connecticut Bank & Trust Co., Norwick, Conn	5,640.31
One taken out by U.S. Representative C. J. Dodd at National Bank of Washington, Washington, D.C	1,343.49
Total liabilities	36,621.02
Net worth	43,196.24

HON. PETER PEYSER

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. KOCH. Mr. Speaker, PETER PEYSER and I have served together in Congress for 6 years and during that time we have become very good friends. Indeed, the friendship extends to his wife, Marguerite, and the members of his family. He is one of the members of the Republican Party who had no hesitation in taking positions that sometimes placed him in the minority of his party, when he thought they were for the good of the country. His record as an effective legislator is superb.

I am glad to call him a friend and look forward to our continued association.

THE HONORABLE "DOC" MORGAN

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. DIGGS. Mr. Speaker, the end of this Congress marks the end also of an era of the House International Relations Committee, as our chairman, "Doc" MORGAN, retires to his beloved Pennsylvania.

I have served with Chairman MORGAN on the committee for 18 years, during which time his skills as a legislator and leader have brought forth great advances in congressional understanding and policy formulation. He has been receptive to all sides when differences arose, and has used tact and judgment to allow debate on issues of vital importance to U.S. foreign policy.

Mr. Speaker, I join with my colleagues from both sides of the aisle in wishing Doc MORGAN a happy and fulfilling period of retirement.

TRIBUTE TO FLOYD HICKS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. O'NEILL. Mr. Speaker, I wish to take this opportunity at the close of the 94th Congress to say a special word of thanks for a job well done to my good friend and colleague, FLOYD HICKS, on the occasion of his retirement from the Congress after 12 years of dedicated service to his constitutents and the Nation.

FLOYD HICKS' devotion to duty, his commitment to public service, and his cheerful disposition helped to make him well-liked and respected by all his colleagues on both sides of the aisle.

I know that the citizens of the sixth district of Washington were proud to have FLOYD HICKS representing their interests in the House and deeply appreciated the honor and dedication that FLOYD brought to each legislative task before him. As Chairman of the Government Operations Subcommittee on Manpower and Housing, FLOYD HICKS has always conducted his meetings with fairness and openness and willingness to allow his fellow colleagues on the subcommittee maximum input into all legislative initiatives.

Those of us who have served with FLOYD HICKS over the last 12 years will long remember him as a colleague of character, integrity, and decency whose word has always been good to every Member.

We are deeply grateful for the important contributions that Congressman FLOYD HICKS gave to this Nation and we wish him well in the years ahead.

TRIBUTE TO ROBERT JONES

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 29, 1976

Mr. PHILLIP BURTON. Mr. Speaker, for 30 years my colleague, BOB JONES, has effectively served his constituents and this Nation. He will be remembered as a builder because of his vast contributions to public works projects, to economic development in Appalachia and elsewhere, and to transportation in this country. I extend to him my best wishes for a healthy and happy retirement.

THE XM-1 MAIN BATTLE TANK

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. MURPHY of New York. Mr. Speaker, perhaps one of the most controversial defense items that will be discussed by the 95th Congress will be the decision on NATO's new million dollar per copy armored vehicle. Part of the controversy arises over the combination of a German-built gun and turret and an American-built frame and engine, not to mention the total cost for approximately 3,300 of the new tanks. I feel this is must reading for every Member as we decide to replace our antiquated M-60 and M-48 tanks which I fear could not fare well against the new generation of Soviet bloc antitank weapons. We have had adequate warning of the need for modern tanks since the Yom Kippur War in 1973 when everyone was shocked at the vulnerability of the armor in current use. The Congress must make an intelligent decision, with the price tag being only one of a list of factors to be evaluated. Of higher priority, we must also consider the cost in lives if we maintain the status quo in armor and the efficacy of a "superior" battle tank for the United States and its allies. The following article should provide some interesting insights and a basis for a beginning of the decisionmaking process:

A YANK TANK MIT GERMAN KLOUT?

(By Edward Hymoff)

The gray mass of steel displaying the black-and-white cross of the German Army roars across the field and brakes to a stop. Gears grind and the tank quickly backs into a small gully partially screened by multicolored fall foliage. Inside the buttoned-up tank four *Panzer-schutzen* confer over the intercom.

The tank commander gives the order to move out again and warns the driver to be *vorsichtig!* "Be careful!" The *Panzerkampfwagen* and its crew are in strange terrain and somewhere out there is "the enemy," following their every move. Sleek and low, the 60-ton monster dashes out of the gully at 34 mph, easily climbs a 20° slope and turns sharply onto a road pitted with ruts and potholes. Still moving fast, the armored vehicle turns off the road and roars across an uneven terrain studded with tank traps. Soon it is lost in the late afternoon shadows.

No, this isn't a scene from World War II. The time is now and the place is the U.S. Army tank proving grounds at Aberdeen, Md. Nor is this a captured World War II German Tiger tank being put through its paces. This agile bruiser is the West German Army's 1976 model Leopard 11-A.V. Since its arrival in the United States early this fall, it has been undergoing comparative evaluation tests in a program that is proving as much a test of West German-American relations as it is of military hardware. Military men and politicians on both sides have interests to protect—and industrial giants in both countries have a lot riding on the outcome of the competition.

On the German side is Krauss-Maffei A.G. of Munich, builder of the Leopard tank, and on the American side are the makers of the two XM-1 main battle tank prototypes—General Motors and Chrysler. At stake in the United States is a $4.9-billion contract for 3325 of the new tanks, which Army officials claim are desperately needed to replace the 17-year-old M-60 series and the 24-year-old M-48.

The XM-1 main battle tank, to be named the "Abrams" after the late Gen. Creighton Abrams, Army Chief of Staff at his death and a highly decorated World War II battalion tank commander, also is in contention for what some armaments salesmen are calling "the contract of the century." What excites them is the possible standardization of *all* NATO forces and the adoption of the same weapons, ammunition and equipment, including some 10,000 main battle tanks. An estimated $12 billion will be spent on tanks by the NATO powers during a 15-year period starting in 1979.

At the same time, the battle tank has become a highly controversial weapon. Some critics in Congress claim that the tank is as obsolete as the battleship. They cite the disastrous experience suffered by Israel during the first days of the October 1973 war in the Middle East when a new generation of Soviet-built anti-tank weapons—Snapper, Swatter and Sagger—were employed with devastating results. Israel tank units suffered heavy losses, especially from single rocket rounds fired from the shoulder or from the Soviet-built BMP infantry combat vehicle.

Not only were the Israelis taken aback by their losses, but so were American military officials monitoring the new Soviet antitank weapons. Even Soviet military men were taken by surprise—so much so that for the past two years Soviet military planners have been engaged in a debate about the effectiveness of the battle tank in future combat operations.

ADD-ONS FOR THE M-60

Before the XM-1 prototype was built, the U.S. Army developed a package of sophisticated add-on equipment for the M-60, including a laser rangefinder. But to our military men this was only a stopgap. The United States and her NATO allies needed a more modern tank to counter Soviet armored might.

This was the view even in the mid-60s, when the U.S. and German armies worked together to develop the MBT-70—a billion-dollar flop. Military officials of both nations couldn't agree on what should go into this new tank and so each country went its own way. The United States developed the XM-803, which Congress refused to fund anymore when the cost neared $1 million per tank.

The XM-1 project was authorized by Congress in late 1971 and contracts were given to Chrysler, manufacturer of the M-60 series, and General Motors. Instructions were clear. A new main battle tank prototype was to be designed for the production of a tank to cost $507,000 per copy in 1972 dollars. The XM-1 was to weigh 58 tons and mount a 105-mm main gun and two or more complementary armament systems with improved fire control and shoot-on-the-move capabilities. Improved ballistic protection, a new super-tough armor that's presently classified SECRET, would allow the XM-1 to safely engage targets at shorter ranges than current tanks with increased first-round kill capability.

The new armor, developed by the British and reported to be a composite material made by a process blending ceramics and metal, has 100-percent more stopping capability than the armor on the M-60.

"Antitank rockets and other types of armor-piercing ordnance almost bounce off this new armor plate," said an Army engineer following tests last July.

TO MAKE IT A TOUGH TARGET

The Army also demanded that the new tank be capable of "higher cross-country speeds and faster acceleration to make the XM-1 a more difficult target for opposing ground and air forces."

The Germans, meantime, had launched their own tank development program following the demise of the MBT-70 joint project with the United States. They also entertained ideas about producing a standardized tank for NATO. The final result was the Leopard II, a fast, sophisticated weapon with a 120-mm main gun. It points up the different outlooks of American and German tank experts.

German tank doctrine leans toward a heavy gun for a long-range capability against enemy tanks and fortified positions. American doctrine, based on a combined air-infantry-armor effort, calls for a shorter-range weapon—such as a 105-mm gun—for closer engagement of the enemy.

In any event, during the development of the XM-1, the United States agreed to consider the Leopard II as an entry in the MBT (main battle tank) sweepstakes. After all, the Germans had purchased the made-in-America M-48 and the Lockheed F-104 Starfire, an ill-fated fighter with a penchant for crashing.

Having promised that the Leopard II would be considered as a battle tank possibility, the United States said that the tank would be tested against the two XM-1 prototypes.

But a proviso was thrown in: Bonn would have to send an "austere version" mounting a 105-mm gun. The modifications would bring the cost of the tank more in line with that of the XM-1. The standard German Army Leopard II runs close to $900,000 a copy.

Whatever its final configuration, the new battle tank is keenly awaited by our tank troops.

"It was quite an experience," explained Lt. Col. William H. Roche, a tank officer throughout his 17-year Army career, as he recalled a ride in the XM-1. "The new suspension system permits a much better run across bumpy terrain—and three times as fast. I could damn near drink a cup of coffee without spilling a drop while riding in the XM-1."

JUST LIKE A SPORTS CAR

We were talking in the South Korean tank park of the U.S. Army's Second Infantry Division. The 1/72nd Tank Battalion, under Col. Roche's command, is the only on-the-line American tank unit on the Asian mainland.

Driving the XM-1 is like driving a sports car, explained Spec. 4 Louis Rivera, a tank driver who had been assigned to the Armor and Engineer Test board at Fort Knox, Ky., the Army's tank/armor headquarters. He was one of four enlisted men sent to Detroit to drive the prototype models and confer with engineers.

"I couldn't believe the pickup and power of the GM model," he recalled. "I had it in reverse and almost ran over a mechanic. That's how fast it moves. But the driver in the XM-1 is more confined than in the M-60. The new tank is compartmentalized with armor plate to protect the crew if a hit is made in the fuel tank or in the ammo storage areas. It's like being in a little cockpit and it took a bit of getting used to.

"As for the Chrysler model, it is just as fast and can do 35 mph cross-country. The engine is a bit quieter because it's multifuel regenerative turbine instead of a diesel. The engineers told me that this kind of engine can operate for 12,000 miles without requiring a major overhaul, which is three times better than the M-60 engine. But I think the most important factor, from the crew's standpoint, is that 65 percent of the normal maintenance on the engine can be done without removing it."

Last summer, when the two prototypes were being tested against each other, the need for further modifications appeared on the horizon. A new "memorandum of understanding" between the U.S. and West German governments called for the standardization of certain key components. The heavier, longer-range 120-mm gun would be used on the XM-1 as well as the Leopard II and both tanks would be powered by the American-made, 1500-hp turbine engine designed for the Chrysler.

The XM-1 design that may be selected before the end of 1976 and all the Leopard II tanks will be manufactured with the common gun and engine. Also, according to the memorandum between the governments, the two tanks will incorporate the American-developed day/night sight with improved night vision capability; a German-made gunner's telescope; standard metric fasteners requiring only one set of tools on board each tank; a common track.

LESSONS FROM WAR

In this first step toward a higher level of standardization of NATO weapons, Secretary of the Army Martin R. Hoffman, at a news conference announcing the additions to the original German-American agreement, disclosed that the 1973 Middle East war had a lot to do with the decisions taken. "Part of the considerations of combat effectiveness are logistical support," he declared, "including that ultimate dimension . . . the ability to cannibalize on the battlefield."

With NATO armies using both the U.S. and German tanks with compatible guns, engines, tracks, tools, ammunition, fuel and other equipment, any tank knocked out in battle automatically serves as a source of supply in repairing temporarily disabled tanks. (Armies of the Soviet bloc already have this ability.)

The new memorandum sent General Motors and Chrysler engineers back to the drawing board to redesign XM-1 turrets to accommodate both the current 105-mm and future 120-mm guns and adapt their blueprints to conform to the new additions to the original 1974 agreement between the U.S. and Germany.

Meanwhile, the U.S. Army's tank experts will be taking a hard look at the Leopard II's performance, which will be measured against the track records of the two American prototypes. The base line of measurement is the M-60 series tank of which the M-60A1E3 is the latest model. The differences between the old and new American tanks are these:

Combat-loaded weight of the XM-1 with 105-mm gun is 58 tons (60 tons with 120-mm gun); the M-60 weighs in at 57.3 tons. XM-1 height to turret roof is 95 inches, 33 inches lower than the M-60's. At 25 feet, the XM-1 is almost 3 feet longer.

The GM prototype is powered by a 1500-hp, 12-cylinder, air-cooled, turbo-supercharged diesel; the Chrysler has a 1500-hp regenerative turbine engine. The M-60's engine has about half the horsepower of the XM-1.

The XM-1's range is 300 miles without refueling as against 280 miles for the M-60. The XM-1 can do 48 mph on roads and 30-35 cross-country. Comparable speeds for the M-60 and 30 and 12 mph. The XM-1 can climb a 10% slope at 20-25 mph as against 10-12 mph for the M-60.

SOPHISTICATED FIRING SYSTEM

The prototypes and the M-60 are all mobile gun platforms with, or course, a far superior suspension system for the XM-1. However, both prototypes and the latest M-60 incorporate a laser rangefinder, a full solution digital computer and an improved day/night vision sight. The XM-1 stabilization system permits accurate shooting on-the-move. In a typical firing mode, the gunner selects his target, uses the laser to determine the correct range and the computer for firing adjustments. Then he presses the firing switch.

Secondary firepower will be provided by a 7.62-mm machine gun, two 50-cal machine guns and a high-velocity grenade launcher.

As a fighting machine, the XM-1 is without peer, according to the men who have designed and tested the two American prototypes. But it's a machine that will cost, at the time of delivery in the 1980s, at least $1,090.000 a copy, according to Army Secretary Hoffman. That is why some Congressmen are up in arms over the tank program. They see no sense in spending a fortune on a weapon that may be obsolete. For the price of one XM-1, two late-model M-60s can be bought.

Other legislators are equally unhappy about the delay caused by the decision to explore the possibility of using common components for the new American and German tanks. Representative Mel Price (Illinois), chairman of the House Armed Services Committee, told newsmen: "We've been fighting a long time for a modern tank and this means one more delay of unpredictable duration. It could be critical."

TRIBUTE TO SENATOR JOHN PASTORE OF RHODE ISLAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BIAGGI. Mr. Speaker, it is a great personal honor for me to pay tribute to an outstanding colleague and American, Senator JOHN PASTORE, who is retiring from the Senate after an outstanding 26-year career.

JOHN PASTORE's career in public service has actually spanned most of his adult life. Prior to coming to the Senate JOHN had been an outstanding and highly respected political leader in his home State of Rhode Island. He served in the General Assembly, as Lieutenant Governor and finally Governor. In these capacities, JOHN impressed friend and foe alike with his tireless dedication and perseverance improving the quality of life for all Rhode Islanders.

JOHN's career in the Senate has been both lengthy in years as well as accomplishments. Many of his major accomplishments have come as a result of his work as chairman of the Joint Committee on Atomic Energy as well as chairman of the Communications Subcommittee of the Senate Commerce Committee.

In the former capacity, JOHN was a great leader in the fight for the nonproliferation of nuclear weapons among the world community. In his latter capacity, JOHN PASTORE gained national fame for his denunciations of violence on commercial television. Today new rules on prime time television programs have resulted in more acceptable family programing.

In addition to JOHN's leadership positions in the Senate, he is also a leader in the Italian-American community. He has been one of our most articulate and respected national spokesmen throughout his many years of public life. In the past year, he was instrumental in working with myself and other members of the Italo-American congressional delegation in establishing the Italian American Research Foundation which honored Senator PASTORE at a dinner on September 16.

JOHN's retirement from the Senate evoked numerous tributes from his colleagues, all of whom cited his dedication, his legislative and parliamentary prowess and his absolute integrity. JOHN PASTORE was held in similar high regard by many of the Members of the House who dealt with him over the years.

Personally, I have greatly benefited from my close association with JOHN PASTORE. I always found him to be a warm and compassionate man, a man who I always deeply respected.

His retirement ends a most exemplary career in the Senate, a career which was characterized by accomplishment and excellence. The people of Rhode Island are losing a great public servant, the Senate is losing an outstanding Member, the Italo-American community is losing a leader, and I a friend. The only people who will gain from JOHN's retirement are those who actually prompted his retirement; namely, his lovely wife Elena and his children who I am sure are looking forward to reacquainting themselves with JOHN. I wish him the best of health and happiness.

TRIBUTE TO RAY MADDEN

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 30, 1976

Mr. PHILLIP BURTON. Mr. Speaker, given the fact that Chairman MADDEN has served in the Congress since January of 1943, the record of his contributions to his district. to the Nation, and to the Congress is too lengthy to recount. Suffice it to say that all of us are grateful for his service and that we will miss this forthright and humanitarian colleague.

MY 94TH CONGRESS VOTING RECORD

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. JOHNSON of California. Mr. Speaker, the 94th Congress has officially come to a close. It leaves behind a record of many accomplishments and achievements. We have met many of the major goals set out at the beginning and have taken important steps to achieve others. Each year our Federal Government is called on to take a more active role in the affairs of the Nation. As a result, the Congress must make an ever increasing number of decisions which directly or indirectly affect every citizen.

The 94th Congress followed a very strict new budget process and showed that the Congress is willing to be fiscally responsible in determining budget levels for the Federal Government. The purse strings have effectively been returned to the people's representatives—the Congress.

The record of the 94th Congress also shows that steps were taken to convert the recession of 1974 into a wide-based and sustained economic recovery. New jobs were provided in both the private and public sectors. Unemployment has been reduced, and inflation has been reduced.

Major legislative actions in the field of energy conservation and production were another major accomplishment of the productive 94th Congress. A serious energy crisis which threatened the well-being of the United States has been averted and positive steps are being taken to prevent any recurrence.

Other landmark actions include passage of legislation to reform our tax laws, extend the revenue-sharing program, revise national forest management practices, expand our highway and airport programs, increase veterans benefits, improve the Nation's railroads, increase payments to counties with large Federal land holdings, and broaden our housing programs.

During the 2 years of the 94th Congress, more votes on substantive issues were taken than in any previous Congress. The House of Representatives in which I serve was in session for 1,788 hours and took 1,273 rollcall votes. It was a hard working Congress which had to decide many issues.

As a Representative of the people who elected me to serve in the Congress, I feel it is my duty to make available to them all my votes on issues which have been decided by the Congress. As I have at the end of each Congress in which I served, I am placing in the CONGRESSIONAL RECORD my voting record for the 94th Congress. I have listed the issue being voted on, my stand on that issue and the final status of the matter:

94TH CONG. 1ST SESS. (1975)

My stand	Issue	Status
For	To elect Carl Albert, Speaker of the House	Approved.
For	To adopt the Rules of the House for the 94th Cong	Approved.
For	To prevent an increase in the cost of food stamps	Public Law 94-4.
For	To stop the President's tariff on oil	Vetoed.
For	To temporarily increase the national debt ceiling	Public Law 94-3.
For	To provide emergency aid to the Penn Central Railroad	Public Law 94-5.
Against	To make the Select Intelligence Committee membership equally bipartisan.	Rejected.
For	To create a House Select Committee on Intelligence	Approved.
Against	To strike funds for House office building renovation	Rejected.
For	To appropriate additional funds for the Federal Government	Public Law 94-6.
For	To provide for continued operation of the Government	Public Law 94-7.
Against	To agree to all impoundments except hospital construction funds.	Rejected.
Against	To rescind funds for 12 additional F-111 airplanes	Approved.
For	To agree to certain rescissions and disapprove others	Public Law 94-14.
Against	To retain the depletion allowance for natural gas	Rejected.
Against	To retain the depletion allowance for independent producers	Rejected.
Against	To reduce the depletion allowance to 15 percent for oil from above the Arctic Circle.	Rejected.
Against	To eliminate the depletion allowance for gas and oil	Approved.
Against	To increase the tax rebate with no tax cut in 1975	Rejected.
For	To approve a tax rebate for 1974 and tax cut for 1975	Public Law 94-12.
For	To ask the Federal Reserve Board to lower interest rates	Approved.
Against	To approve Presidential impoundment of some HEW funds	Rejected.
For	To disapprove impoundment of education and library funds	Public Law 94-15.
For	To compromise with the President on oil import taxes	Approved.
For	To provide funds for emergency job creating programs	Vetoed.
For	To provide funds for foreign aid (no military aid to Southeast Asia).	Public Law 94-11.
For	To reduce the salary of the Director of Surface Mining	Approved.
Against	To transfer strip mining regulations from Interior to EPA	Rejected.
Against	To abolish reclamation fees on strip mining	Rejected.
Against	To prohibit strip mining on slopes of 20 degrees or more	Rejected.
For	To designate March 21, 1975, as Earth Day	Public Law 94-8.
Against	To prohibit strip mining on national grasslands	Rejected.
Against	To exempt anthracite coal from strip mining regulations	Rejected.
Against	To enact strong surface mining regulations	Vetoed.
For	To confirm Neil Staebler for the Federal Elections Commission	Approved.
Against	To put the cotton target price at 38¢ and loan rate at 34¢	Rejected.
For	To put the cotton target price at 45¢ and loan rate at 38¢	Approved.
Against	To retain 1974 target prices with slight adjustments	Rejected.
Against	To put milk price supports at 80 percent of parity, with adjustments.	Approved.
For	To raise milk price supports to 82 percent of parity	Rejected.
Against	To strike target prices and loans for soybeans	Rejected.
For	To raise target prices and loans on cotton, grains, and soybeans	Vetoed.
Against	To increase home mortgage assistance to urban areas	Rejected.
Against	To split mortgage assistance between old and new housing	Rejected.
Against	To require 25 percent of a family's income to go to mortgage	Rejected.
Against	To expand the Emergency Home Purchase Assistance Act	Rejected.
For	To provide mortgage assistance to middle income families	Vetoed.
For	To provide funds for foreign aid (no military aid to South East Asia).	Public Law 94-11.
For	To ask the Federal Reserve Board to lower interest rates	Approved.
For	To disapprove Presidential impoundments of December 1974	Public Law 94-14.
For	To subsidize school lunches without regard to cost	Approved.
For	To give tax rebates and reductions; end oil depletion allowance.	Public Law 94-12.
For	To adjourn Congress for Easter recess	Approved.
For	To extend the Older Americans Act	Public Law 94-135.
For	To designate April 24 as a National Day of Remembrance	Passed House.
For	To authorize funds for NASA	Public Law 94-39.
Against	To require Congressional approval of NSF curriculum programs.	Rejected.
Against	To leave NSF curriculum choices to school districts	Rejected.
Against	To give Congress a veto over NSF grants	Approved.
For	To authorize funds for the National Science Foundation	Public Law 94-86.
For	To provide food support for summer camps	Public Law 94-20.
For	To authorize funds for the Standard Reference Data program	Public Law 94-49.
For	To extend the Developmental Disabilities Act	Public Law 94-103.
For	To give mortgage assistance to the unemployed	Public Law 94-50.
For	To fund Veterans' Administration programs	Public Law 94-17.
For	To fund continued operation of the Government	Public Law 94-32.
For	To restrict voting by convicted Members of Congress	Approved.
Against	To increase education funds by only $137 million	Rejected.
For	To increase education funds by $487.5 million	Approved.
For	To allow sex segregation in physical education classes	Approved.
Against	To limit funds and control over youth camp safety programs	Rejected.
For	To develop a program of safety for camps attended by youths	Passed House.
For	To qualify certain highway projects in New York, Vermont, and Connecticut.	Passed House.
For	To clarify procedures for qualifying highway projects	Public Law 94-83.
For	To provide relief on Government contracts with small businesses.	Public Law 94-190.
Against	To provide $150 million more in military aid to Vietnam	Rejected.
For	To revise the Vietnam Evacuation Act	Approved.
For	To limit military evacuation efforts to 30 days	Rejected.
For	To send humanitarian aid through the U.N. and private charities.	Rejected.
Against	To prevent any use of troops in Vietnam, even for evacuation	Rejected.
Against	To require complete evacuation within 10 days	Rejected.
Against	To further revise the Vietnam Evacuation Act	Rejected.
For	To point out North Vietnamese peace agreement violations	Approved.
For	To prohibit funds going to the Viet Cong or North Vietnamese	Approved.
Against	To limit aid to certain geographic areas of South Vietnam	Rejected.
For	To initially approve humanitarian and evacuation aid to Vietnam.	Rejected.
For	To revise the Securities Exchange Act	Public Law 94-29.
For	To put AMTRAK President's salary at $60,000 not $35,000	Rejected.
For	To provide aid to AMTRAK	Public Law 94-25.
For	To supplement purchased school lunches by 5 cents	Approved.
For	To improve the food program for women, infants, and children	Approved.
Against	To strike purchased school lunches supplement	Rejected.
For	To revise and extend the school lunch program	Public Law 94-105.
For	To finally approve humanitarian and evacuation aid to Vietnam	Rejected.
For	To establish higher target prices for most farm commodities	Vetoed.
Against	To require an increase in revenues for meeting the budget	Approved.
For	To reduce the deficit and outlays for the fiscal year 1976 budget	Approved.
Against	To balance the budget for fiscal year 1976	Rejected.
Against	To reduce the national budget deficit during this recession	Rejected.
For	To provide for full cost-of-living increases of 8 percent	Approved.
For	To set target ceilings for the Federal Budget for fiscal year 1976.	Approved.
For	To provide funds for noise control	Public Law 94-301.
For	To increase Presidential protection	Public Law 94-524.
For	To compensate the people of Bikini Atoll in the Pacific	Public Law 94-34.
For	To continue democratic government for Pacific Trust Territories.	Public Law 94-27.
For	To authorize funds for the Foreign Service Buildings Act	Public Law 94-141.
For	To transfer funds for Foreign Service buildings	Public Law 94-141.
For	To extend the Emergency Livestock Credit Act	Public Law 94-35.
Against	To establish a strict program of surface mining control	Vetoed.
For	To extend the National Health Service Corps	Public Law 94-63.
For	To extend the Nurse Training Act	Public Law 94-63.
Against	To allow variable mortgage rates for 4 years	Rejected.
For	To allow variable mortgage rates for 2 years	Rejected.
For	To prohibit variable mortgage rates on certain loans	Passed House.
For	To disallow budget rescission proposals	Approved.
For	To extend the Maritime Authorization Act for 2 years	Public Law 94-127.
For	To override the Emergency Farm bill veto (2/3ds required)	Public Law 94-26.
For	To provide for U.S. tourist travel information	Vetoed.
Against	To require monthly reports on refugee programs	Rejected.
Against	To prohibit use of refugee funds for programs not for Americans.	Rejected.
For	To provide refugee assistance as necessary	Rejected.
For	To limit refugee assistance to $507 million	Approved.
For	To provide assistance to refugees from Indochina	Public Law 94-23.
For	To provide funds for creating jobs for the unemployed	Vetoed.
Against	To provide $200 million for the Federal Railroad Administration.	Public Law 94-32.
For	To provide for further development in Appalachia	Public Law 94-188.

94TH CONG., 1ST SESS. (1976)—Continued

My stand	Issue	Status
For	To expand the Executive Protection Service	Vetoed.
For	To establish a program of marine research and protection	Public Law 94-62.
Against	To cut defense programs or aircraft by $260 million	Rejected.
Against	To delete authority for conversion of the civil reserve fleet	Rejected.
Against	To delete funds for the B-1 bomber	Rejected.
For	To create a program of local public works construction	Vetoed.
Against	To delete funds for maneuverable re-entry vehicles on missiles	Rejected.
Against	To reduce our armed forces overseas by 70,000 by Sept. 30, 1976.	Rejected.
For	To authorize 5000 additional people for the Defense Department.	Rejected.
Against	To establish a separate military academy for girls	Rejected.
For	To admit girls to military academies	Approved.
Against	To cut defense authorizations by $1.89 billion	Rejected.
Against	To require monthly reports on defense contracts	Rejected.
For	To authorize military procurement for fiscal year 1976	Public Law 94-106.
Against	To postpone the Surface Mining veto override vote	Approved.
Against	To not implement House Administration Committee orders	Rejected.
Against	To not implement present or future such orders	Rejected.
For	To revise parole procedures	Public Law 94-233.
For	To extend unemployment compensation for 13 weeks	Public Law 94-45.
For	To provide supplemental funds for the Federal Government	Public Law 94-32.
For	To provide funds for a Mississippi River lock and dam project	Rejected.
For	To provide funds for railroad improvement and employment	Rejected.
Against	To provide $5 million for railroad improvement	Approved.
Against	To change the trigger system for voting rights monitoring	Rejected.
Against	To increase state requirements under the Voting Rights Act	Rejected.
Against	To repeal preclearance provisions of the Voting Rights Act	Rejected.
Against	To ban literacy tests only through August 1985	Rejected.
Against	To strike all trigger systems for monitoring voting	Rejected.
Against	To delete Alaskan natives from voting protection	Rejected.
For	To override the Emergency Jobs bill veto	Sustained.
Against	To exclude ethnics who speak English from voting protection	Rejected.
For	To change "persons" to "citizens" in the Voting Rights bill	Approved.
Against	To put bi-linguals in "minority" category for vote protection	Approved
For	To extend the Voting Rights Act for 10 years	Public Law 94-73.
For	To provide middle-income housing and mortgage assistance	Vetoed.
Against	To prevent extension of the Emergency Petroleum Allocation Act.	Rejected.
For	To assure Congressional review of Presidential oil decisions	Vetoed.
Against	To reject the Health Revenue Sharing and Services Act	Public Law 94-63.
For	To continue U.S. participation in U.N. peacekeeping forces	Public Law 94-37.
Against	To override the strip mining bill veto	Sustained.
For	To fund summer youth employment programs	Public Law 94-36.
Against	To make oil imports discretionary	Rejected.
Against	To strike oil import quota provisions of the energy bill	Rejected.
Against	To increase oil imports quotas	Approved.
Against	To increase oil import quotas as determined by the FTC	Rejected.
For	To strike a gas tax of up to 20 cents per gallon	Approved.
Against	To strike the gasoline conservation program	Approved.
For	To impose an efficiency tax on new cars	Rejected.
Against	To impose mandatory standards for car efficiency	Rejected.
For	To create permanent mandatory auto fuel economy standards	Approved.
Against	To repeal the excise tax on radial tires over a 5-year period	Rejected.
Against	To delete tax credits for home insulation installation	Rejected.
Against	To enlarge tax credits for solar heating installation	Approved.
Against	To reduce the Energy Trust Fund by the amount of tax credits	Rejected.
Against	To require that 25 percent of Trust Funds go to mass transit	Rejected.
For	To permit news media advertisement of state lotteries	Public Law 94-525.
For	To increase government payment to civil service life insurance plan.	Rejected.
For	To increase service-disability compensation for veterans	Public Law 94-71.
Against	To accept the resignation of House Intelligence Chairman	Rejected.
Against	To permanently increase the national debt	Rejected.
For	To decrease the increase in the national debt by $15 billion	Approved.
For	To temporarily increase the national debt	Rejected.
Against	To provide congressional review of NSF grants	Public Law 94-86.
For	To continue operation of the government and provide job funds.	Public Law 94-41.
Against	To strike Title 4 of the energy bill	Rejected.
For	To amend Federal Rules of Criminal Procedure on warrants	Approved.
Against	To amend Federal Rules of Criminal Procedure on witness lists	Rejected.
Against	To reduce funds for the Federal Election Commission	Rejected.
Against	To allow tax deductions for certain solar energy systems	Rejected.
For	To stop the recycling tax investment credit	Approved.
For	To pass the Energy Conservation and Conversion Act	Passed Huose.
Against	To stop design and construction of a breeder reactor	Rejected.
Against	To cut funds for nuclear weapon production	Rejected.
For	To authorize funds for energy research and development	Public Law 94-187.
Against	To not send nuclear fuels to nontreaty signing countries	Rejected.
Against	To prohibit air transport of nuclear fuel	Approved.
For	To authorize funds for the Nuclear Regulatory Commission	Public Law 94-79.
For	To amend the Federal Rules of Criminal Procedure	Public Law 94-64.
For	To revise credit uses reporting procedures	Rejected.
For	To authorize funds for railroad safety	Public Law 94-56.
For	To authorize funds for the Department of State	Public Law 94-141.
For	To authorize funds for the Peace Corps	Public Law 94-130.
Against	To strike funds for low-income housing subsidies	Rejected.
Against	To increase housing subsidies for low-income families	Rejected.
For	To fund programs of the Department of Housing and Urban Development.	Public Law 94-116.
For	To increase the national debt limit temporarily	Public Law 94-47.
Against	To delete $1 billion for nuclear warhead development	Rejected.
Against	To increase funds for solar research by $64 million	Rejected.
Against	To delete funds for the Dickey-Lincoln project	Rejected.
Against	To delete funds for the Trinity River project in Texas	Rejected.
For	To fund public works projects	Public Law 94-180.
For	To override the veto of the emergency housing legislation	Sustained.
Against	To exempt firms with 25 or fewer employees from OSHA rules	Rejected.
Against	To add $31 million for maternal and child health programs	Approved.
For	To fund programs of the Department of Labor and Health, Education, and Welfare.	Public Law 94-206.
or	To deny funds for negotiating the surrender of the Panama Canal.	Approved.
For	To provide $26.2 million for antitrust programs	Approved.
Against	To provide $45 million for Customs Bureau operations	Rejected.
For	To fund programs of the Departments of State, Justice, and Commerce.	Public Law 94-121.
For	To continue purchasing wetlands for preservation	Public Law 94-215.
Against	To retain National Petroleum Reserves for military use only	Rejected.
For	To open National Petroleum Reserves for civilian use	Public Law 94-258.
For	To expand rural development programs	Public Law 94-68.
For	To continue arms control and disarmament programs	Public Law 94-141.
For	To continue programs under the Economic Policy Act	Public Law 94-87.
Against	To retain the high number of White House employees	Rejected.
Against	To let Congress limit White House staff annually	Rejected.
Against	To prohibit use of supersonic aircraft in the United States	Rejected.
For	To fund transportation programs	Public Law 94-134.
For	To authorize EPA research and development programs	Public Law 94-475.
Against	To require payback of certain health education grants	Approved.
Against	To change medical residency training requirements	Approved.
For	To continue health manpower development programs	Public Law 94-484.
For	To provide $250,000 for FmHA water quality loans	Approved.
Against	To delete funds for cotton promotion programs	Rejected.
For	To fund agriculture and environmental protection programs	Public Law 94-122.
Against	To abolish the House Intelligence Committee	Rejected.
Against	To create a joint House-Senate Intelligence Committee	Rejected.
For	To fund education programs	Public Law 94-94.
Against	To make exemptions on sex-discrimination regulations	Approved.
For	To stop IRS nondiscrimination checks on colleges	Approved.
Against	To reduce funds for the Council on Wage and Price Stability	Rejected.
Against	To stop White House pay for staff from other agencies	Rejected.
For	To fund Treasury and Postal Service programs	Public Law 94-91.
Against	To reduce the Intelligence Committee from 13 to 7 members	Rejected.
Against	To allow all old Intelligence Committee members to serve on new one.	Rejected.
For	To extend emergency petroleum allocation programs	Vetoed.
For	To bar sex discrimination in education programs	Approved.
Against	To let Congress veto Presidential gasoline contingency plans	Rejected.
For	To repeal the "Fair Trade" laws	Public Law 94-145.
For	To give incentive pay to VA doctors and dentists	Public Law 94-123.
For	To improve Federal child support programs	Passed House.
For	To restore citizenship to Robert E. Lee, posthumously	Public Law 94-67.
For	To provide funds for Congressional operations	Public Law 94-59.
For	To disapprove the President's lifting of oil controls	Approved.
Against	To set the new oil price ceiling at $11.28 per barrel	Rejected.
Against	To add funds for increased wetlands purchases	Approved.
For	To fund Department of Interior and Forest Service programs	Public Law 94-165.
For	To put the new oil price ceiling at the world market level	Approved.
Against	To encourage reinvestment of oil profits into oil production	Rejected.
For	To strike all oil pricing provisions of the energy bill	Approved.
For	To increase railroad unemployment benefits to $24 per day	Public Law 94-92.
Against	To suspend the prohibitation against military aid to Turkey	Rejected.
For	To provide farm disaster loans through FmHA	Public Law 94-68.
Against	To exempt non-construction contractors from situs picketing	Rejected.
Against	To prohibit situs picketing on certain State and city jobs	Approved.
Against	To stop situs picketing on direct and separate contracts	Rejected.
Against	To prohibit product boycotts extension to full work site	Approved.
Against	To exempt apartment buildings under 3 stories from situs picketing.	Rejected.
For	To permit situs picketing in the construction industry	Vetoed.
For	To approve bilateral trade with Romania	Approved.
For	To extend the Voting Rights Act for 7 years	Public Law 94-73.
For	To recess Congress during August	Approved.
Against	To cut funds for binary nerve agent programs	Approved.
Against	To delete funds for the military medical school	Rejected.
For	To authorize military construction programs	Public Law 94-107.
For	To override the President's veto of a health services bill	Public Law 94-63.
Against	To change the highway environmental impact statement process.	Public Law 94-83.
Against	To revise the handicapped children education programs formula.	Rejected.
For	To improve handicapped children education programs	Public Law 94-142.
For	To continue noise control programs	Public Law 94-301.
Against	To allow Consumer Product Safety Commission to regulate guns.	Rejected.
For	To authorize procurement of military supplies	Public Law 94-106.
For	To fund White House, Treasury, and Postal Service operations	Public Law 94-91.
For	To aid U.S. airlines carrying mail on international flights	Approved.
For	To tie pay of all Federal officials to cost-of-living index	Approved.
For	To require disclosure of trial witnesses 3 days before trial	Rejected.
For	To make the price ceiling $5.25 on old oil, $7.50 on new oil	Approved.
For	To disapprove the President's plan to lift oil controls	Approved.
For	To extend the Emergency Petroleum Allocation Act for 6 months.	Vetoed.
For	To continue subsidies for military commissaries	Passed House.
Against	To stop subpoena powers of the Wage and Price Stability Council.	Rejected.
For	To extend the Wage and Price Stability Council through July 30, 1977.	Public Law 94-78.
For	To prohibit joint venture bidding by major oil companies	Rejected.
Against	To prohibit oil leases when other energy sources are held	Rejected.
Against	To impose a moratorium cn off-shore leases until May 1, 1976	Rejected.
For	To authorize programs of the National Science Foundation	Public Law 94-86.
For	To make oil product price increases proportional to 1972 prices.	Approved.
Against	To kill the energy bill	Rejected.
Against	To provide aid to small petroleum refiners	Rejected.
For	To put an American Folklife Center in Library of Congress	Public Law 94-201.
Against	To make unions ineligible for intergovernmental grants	Rejected.
For	To end existing national "states of emergency"	Public Law 94-412.
For	To authorize research on electric vehicles	Public Law 94-413.
For	To start voluntary conversion to the metric system	Public Law 94-168
For	To encourage energy conservation in buildings	In conference.
Against	To reduce intergovernmental grants to a 50-50 matching basis	Approved.
For	To override the President's veto of education funds	Public Law 94-94
For	To redesignate November 11 as Veterans Day	Public Law 94-97
Against	To stop economic aid to nations denying human rights	Approved.
For	To provide foreign economic aid and food assistance	Public Law 94-161
For	To establish a House Select Committee on MIA's	Approved.
Against	To abolish the Office of Drug Abuse Policy	Rejected.
For	To extend the Drug Abuse Office and Treatment Act	Public Law 94-237.
Against	To strike all oil pricing provisions of the energy bill	Rejected.
Against	To prohibit mandatory gasoline allocation	Rejected.
Against	To reduce industrial energy conservation requirements	Approved.
Against	To eliminate provisions requiring reasonable oil prices	Rejected.

94TH CONG., 1ST SESS. (1975)—Continued

My stand	Issue	Status
Against	To strike 28 miles per gallon car efficiency by 1985 standard	Rejected.
Against	To require government cars to use a blended fuel	Rejected.
For	To extend and expand the School Lunch program	Public Law 94–105.
For	To let the Federal Trade Commission set appliance energy rules.	Approved.
Against	To strike all energy efficiency standards	Rejected.
Against	To let the FEA prohibit use of natural gas as a boiler fuel	Rejected.
For	To aid industrial development of coal gasification	Rejected
For	To construct additional buildings for the Mint	Approved.
For	To provide strick audits of the petroleum industry	Approved.
Against	To stop busing of students beyond the nearest school	Approved.
For	To enact a comprehensive national energy program	Public Law 94–163.
Against	To permit funds for give-away of the Panama Canal	Rejected.
For	To revise the sampling of consumer products for safety exams	Approved
Against	To prohibit the import of any products with Rhodesian chrome	Rejected.
For	To halt imports of chrome and similar ores from Rhodesia	Rejected.
For	To extend oil price controls through November 15	Public Law 94–99.
For	To require Congressional approval of all Postal Service funding	Approved.
For	To increase military recruiting funds for counseling	Rejected.
For	To increase all military recruiting funds	Rejected.
Against	To increase pay for Federal employees by 5 percent instead of 8.66 percent.	Approved.
Against	To disclose all funds budgeted for the CIA	Rejected.
Against	To strike funds for the F–18 Navy air combat fighter plane	Rejected.
Against	To stop relocation of the Navy Oceanographic Office	Approved.
Against	To prohibit funds for closing of military installations	Rejected.
Against	To stop relocation of the Navy Oceanographic Office (2d vote)	Rejected.
For	To provide funds for national defense	Public Law 94–212.
For	To establish a program of beef research	Public Law 94–294.
For	To prohibit military aid to Turkey	Rejected.
For	To prohibit military aid to Turkey for 60 days	Rejected.
Against	To extend International Broadcasting Board and give aid to Turkey.	Public Law 94–104.
For	To provide funds for housing and urban development programs.	Public Law 94–116.
For	To revise the "Section 8" housing program	Approved.
For	To restrict EPA's authority to limit parking	Approved.
Against	To give the Secretary of Agriculture veto over use of pesticides	Rejected.
Against	To significantly modify the pesticide act	Rejected.
Against	To end GI education benefits for new enlistees	Public Law 94–502.
For	To change taxation of irrigation facility construction bonds	Public Law 94–164.
For	To override the President's School Lunch Act veto	Public Law 94–105.
Against	To allocate funds for Panama Canal negotiations	Approved.
For	To improve collective bargaining for the construction industry	Vetoed.
For	To have a Congressional recess from October 10–19	Approved.
Against	To cut funds for a military school of medicine	Rejected.
For	To provide funds for military construction programs	Public Law 94–138.
Against	To limit American Mid-East truce participation	Rejected.
For	To let American civilians participate in Mid-East truce	Public Law 94–110.
For	To suspend the import duty on natural graphite for 3 years	Public Law 94–120.
Against	To require USDA approval of pesticide use suspensions	Rejected.
For	To license private applicators of pesticides	Approved.
For	To extend the Federal Insecticide, Fungicide, and Rodenticide Act.	Public Law 94–140.
Against	To permit President to suspend 200-mile fishing limit boundary.	Rejected.
For	To extend U.S. waters to 200-mile limit to protect fishing	Public Law 94–265.
For	To fund a National Women's Conference	Public Law 94–167.
For	To disapprove an Election Commission Rule	Rejected.
For	To set up a heart, lung, and blood disease research program	Public Law 94–278.
Against	To not give National Guard technicians retirement credit	Public Law 94–126.
Against	To limit Federal employees to part-time political service	Rejected.
Against	To continue the Hatch Act for Federal employees, as is	Rejected.
For	To permit Federal employees to participate in some politics	Vetoed.
For	To increase government contribution on Federal employee's life insurance.	Rejected.
For	To disapprove an Election Commission regulation (2d vote)	Approved.
Against	To let Congress veto Consumer Product Safety Commission rules.	Approved.
Against	To limit actions of the Consumer Product Safety Commission	Rejected.
Against	To prohibit court suits by the Consumer Product Safety Commission.	Approved.
Against	To set risk standards under the Consumer Product Safety Act	Approved.
For	To amend the Consumer Product Safety Act	Public Law 94–284.
For	To provide emergency rail improvement and jobs	In conference.
For	To allow Federal employees counsel during misconduct inquiries.	Passed House.
For	To improve the "Truth in Leasing" statutes	Public Law 94–240.
For	To have a center on National Productivity and Quality of Working Life.	Public Law 94–136.
For	To temporarily increase the national debt	Rejected.
For	To require annual approval of the Postal Service budget	Rejected.
Against	To allow private carriers to carry first-class mail	Rejected.
For	To revise Postal Service procedures and operations	Public Law 94–421.
Against	To prohibit NOW accounts at financial institutions	Approved.
Against	To strike home mortgage disclosure proposals in the bill	Rejected.
Against	To require reports from banks in metropolitan areas	Rejected.
For	To provide flexible interest rates on financial deposits	Public Law 94–200.
For	To amend the Federal Rules of Evidence	Public Law 94–149.
For	To implement provisions of the Patent Cooperation Treaty	Public Law 94–131.
For	To voluntarily withhold state taxes from House staff pay	Approved.
For	To permit direct marketing of agricultural products	Public Law 94–463.
For	To increase veterans nonservice connected benefits by 8 percent.	Public Law 94–169.
For	To exempt small businesses from Consumer Agency requirements.	Approved.
For	To consolidate Federal consumer activities in 1 agency	Approved.
Against	To prohibit the Consumer Agency from certain labor cases	Rejected.
For	To create an Agency for Consumer Protection	In conference.
For	To establish a national science and technology policy	Public Law 94–282.
For	To assist health maintenance organizations	Public Law 94–460.
For	To provide census date for State legislature reapportionment	Public Law 94–171.
For	To make Title 5 of the Rural Development Act permanent	Public Law 94–259.
For	To set up a Judicial Conference in the District of Columbia	Public Law 94–193.
For	To provide more law clerks for District of Columbia judges	Public Law 94–191.
For	To transfer land to the District of Columbia Redevelopment Land Agency.	Passed House.
Against	To retain the Federal enclave provisions of District of Columbia Home Rule.	Passed House.
For	To finance the Corporation for Public Broadcasting	Public Law 94–192.
Against	To revise funding for railroad research and development	Rejected.
Against	To limit funds which may be spent from the Highway Trust Fund.	Approved.
For	To condemn the U.N. adoption of a resolution on Zionism	Approved.
Against	To reduce budget outlays and obligations by $72 billion	Rejected.
For	To increase budget authority by $7.5 billion	Approved.
Against	To lower budget authority by $12.5 billion	Rejected.
For	To adopt a ceiling for the 1976 budget	Approved.
For	To increase the national debt through March 15, 1976	Public Law 94–185.
Against	To lower the poverty level for food stamp eligibility	Rejected.
For	To provide additional funds for various government programs	Public Law 94–157.
For	To retain Fish and Wildlife control of wildlife refuges	Public Law 94–223.
For	To provide for defense production	Public Law 94–152.
For	To revise the Real Estate Settlement Procedures Act	Public Law 94–205.
For	To require full information on cash discounts	Passed House.
For	To limit disability decisions by military department Secretaries.	Passed House.
For	To give special pay to nuclear-qualified military officers	In conference.
For	To increase military per diem pay	Public Law 94–296.
For	To set a 60-day limit on cumulative accrued leave	Passed House.
For	To provide funds for military construction	Public Law 94–138.
For	To authorize foreign relations programs	Public Law 94–141.
For	To extend programs for educating handicapped children	Public Law 94–142.
For	To extend the Federal pesticide program	Public Law 94–140.
Against	To create a Hell's Canyon National Recreation Area	Public Law 94–199.
For	To increase Federal aid to community action agencies	Passed House.
For	To extend the Older American Act	Public Law 94–135.
For	To provide expedited hearings on SSI and Soc. Sec. appeals	Public Law 94–202.
For	To extend the National Endowment for Arts and Humanities	Public Law 94–158.
For	To create a Flat Tops Wilderness in Colorado.	Public Law 94–146.
For	To disapprove Soviet annexation of Baltic nations	Approved.
For	To provide aid to New York City and other cities	Public Law 94–143
For	To amend and extend the Defense Production Act	Public Law 94–152
For	To strike the tax loophole on capital losses over $30,000	Approved.
For	To apply real estate LAL taxes on a property-by-property basis	Rejected.
For	To make all preferential income taxable	Approved.
Against	To establish a minimum tax in lieu of other provisions	Rejected.
For	To stop tax exemptions on foreign investment income	Approved.
For	To retain the present base year for DISC benefits	Rejected.
Against	To stop use of revenues for government spending above $395 billion.	Rejected.
For	To provide major tax reform	Public Law 94–455.
For	To provide funds for the Departments of Labor and Health, Education, and Welfare.	Public Law 94–206
For	To stop school busing except to nearest or next nearest school	Rejected.
Against	To stop school busing except to nearest school	Approved.
Against	To eliminate the limitation on nuclear liability	Rejected.
Against	To permit a court challenge on nuclear liability	Rejected.
For	To extend government nuclear liability insurance	Public Law 94–197.
For	To increase U.S. participation in the Inter-American Bank	Public Law 94–302.
For	To approve international development and food assistance aid	Public Law 94–161.
Against	To add a new bankruptcy title for cities	Rejected.
For	To amend the Bankruptcy Act by revising chapter IX	Public Law 94–260.
For	To convene a National Women's Conference	Public Law 94–167.
For	To revise overseas citizens' voting rights	Public Law 94–203.
For	To revise construction picketing procedures	Vetoed.
For	To fund operations of the Department of Interior	Public Law 94–165.
Against	To cut $6 billion for commercial demonstration energy loans	Approved.
Against	To cut an oil shale demonstration energy project	Approved.
For	To establish ceilings on Federal spending	Approved.
For	To provide funds for public works projects	Public Law 94–180.
For	To provide funds for defense programs	Public Law 94–214.
For	To extend the National Reading Improvement program	Public Law 94–194
For	To require payment of interest on U.S. funds in banks	Passed House.
For	To extend the TV sports blackout broadcast exemption	In conference.
Against	To cut funds for New York City by $1 billion	Rejected.
For	To provide additional funds for operation of the government	Public Law 94–157.
Against	To strike an advanced automotive technology program	Approved.
For	To expand existing coal mine development incentives	Approved.
Against	To send the Beef Research and Information Act back to committee.	Public Law 94–294.
For	To adopt the Houston Plan for rice production	Rejected.
For	To reject the Rice Production Act	Rejected.
Against	To adopt the Rice Production Act revising rice support programs.	Public Law 94–214.
For	To extend 1975 tax cuts for 6 more months	Vetoed.
Against	To not create an Office of Rail Public Counsel	Rejected.
Against	To allow rail carrier contracts with freight forwarders	Approved.
Against	To reduce Federal aid for mass transit from 75 percent to 50 percent.	Rejected.
For	To provide quarterly adjustments in milk price supports	Vetoed.
For	To extend the Corporation for Public Broadcasting	Public Law 94–192.
For	To override the veto of the tax cut extension bill	Vetoed.
Against	To reduce interstate highway programs for 2 years	Rejected.
Against	To revise the interstate highway program	Rejected.
Against	To roll back truck weight limits increased earlier	Rejected.
Against	To allow local requests to DOT for highway funds	Rejected.
For	To authorize funds for the Federal-aid highway program	Public Law 94–280.
For	To permit funding of new air terminals	Approved.
For	To ban the supersonic aircraft in the United States for 6 months	Approved.
For	To expand the Airport and Airway Development program	Public Law 94–353.
For	To limit Medicare fee increases	Public Law 94–182.
For	To establish uniform review procedures for Soc. Sec. and SSI	Public Law 94–202.
For	To permit early consideration of Rules Committee reports	Approved.
For	To set pro forma sessions of the 1st sess. of the 94th Cong	Approved.
For	To extend 1975 tax cuts for 6 months	Public Law 94–164.
For	To revitalize northeastern and mid-western railroads	Public Law 94–210.

94TH CONG., 2D SESS. (1976)

My stand	Issue	Status
Against	To reimburse States for education of Vietnamese refugees	Approved.
For	To authorize funds for State education of Vietnamese refugees	Public Law 94-405.
For	To authorize funds for Federal reclamation projects	Public Law 94-228.
For	To permit erection of 101st Airborne Memorial in District of Columbia.	Public Law 94-211.
For	To return the ConRail bill to committee for further drafting	Approved.
For	To protect National Parks and Recreation Areas from coal mining.	Approved.
Against	To set no acreage limit on mining units on Federal lands	Rejected.
For	To revise Federal coal leasing procedures and regulations	Public Law 94-377.
For	To prevent motor vehicle odometer tampering	Public Law 94-364.
For	To override the veto of funds for Departments of Labor and Health, Education, and Welfare.	Public Law 94-206.
For	To prohibit funds for United States activities in Angola	Approved.
For	To provide for railroad revitalization and regulatory reform	Public Law 94-210.
Against	To eliminate a counter-cyclical revenue sharing proposal	Approved.
For	To provide for local public works and capital development	Vetoed.
Against	To further revise the Renegotiation Act	Approved.
For	To withhold secret parts of the Intelligence Committee report	Approved.
Against	To allow the FPC to lower the price on old natural gas	Approved.
Against	To let FPC modify fee limits on transfers of offshore gas leases.	Approved.
For	To take a Lincoln's Birthday Congressional recess (2 days)	Approved.
Against	To remove the agriculture priority on use of natural gas	Rejected.
Against	To deregulate prices only on gas produced by independents	Approved.
For	To deregulate a portion of the natural gas produced	Approved.
Against	To deregulate only independently produced gas	Passed House.
Against	To permit commercial animal fights	Rejected.
For	To include birds in the ban against animal fighting	Approved.
For	To improve Federal protections for animals and birds	Public Law 94-279.
Against	To impound funds for impact aid to education	Public Law 94-249.
Against	To extend only existing CETA job funds	Rejected.
For	To revise the formula for distributing CETA funds	Rejected.
For	To extend and expand Title 6 of the CETA program	Passed House.
For	To extend the Library Services and Construction Act for 5 years.	Passed House.
For	To add land to the Indiana Dunes National Lakeshore	Public Law 94-549.
For	To let the Library of Congress use the James Madison Building	Public Law 94-219.
For	To fund ConRail operations	Public Law 94-257.
For	To override the veto of the local public works bill	Sustained.
For	To investigate a leak of the House Intelligence Commission report.	Approved.
For	To fund interior construction of the James Madison Building	Public Law 94-226.
For	To temporarily increase the national debt	Public Law 94-232.
For	To require availability of House reports 2 hours before votes	Approved.
For	To apply tax law to New York State employee retirement plan	Public Law 94-236.
Against	To prohibit black lung benefits to widows of killed miners	Rejected.
For	To expand black lung benefits for miners	Passed House.
For	To give subpoena power to House Ethics Committee	Approved.
Against	To prohibit any military or security assistance for Chile	Rejected.
Against	To prohibit all trade with Vietnam	Rejected.
Against	To provide foreign military aid	Vetoed.
Against	To add $9 million in foreign aid for relief organizations	Rejected.
Against	To cut $85.5 million for U.N. development programs	Rejected.
Against	To cut funds for influencing foreign elections	Approved.
Against	To reduce aid to Israel by $200 million	Rejected.
For	To prohibit foreign aid to countries owing debts to the United States.	Approved.
For	To provide foreign assistance	Public Law 94-330.
For	To revise the Equal Credit Opportunity Act	Public Law 94-239.
For	To improve and assure safety of medical devices for human use.	Public Law 94-295.
For	To set guidelines for coastal zone resource management	Public Law 94-370.
Against	To increase allowances for state maritime academy students	Rejected.
For	To authorize the Federal maritime program for 1977	Public Law 94-404.
For	To make technical changes in the Community Services Act	Public Law 94-341.
For	To extend the Pennsylvania Avenue Development Corporation	Public Law 94-388.
For	To extend certain social services for senior citizens	Public Law 94-401.
For	To provide additional funds for operating the government	Public Law 94-254.
Against	To significantly limit the Magna Carta delegation	Rejected.
For	To send a Congressional delegation to accept the Magna Carta	Approved.
Against	To limit fluid recovery to willful price-fixing violations	Approved.
For	To allow States to retain lawyers for antitrust suits	Rejected.
Against	To study civil penalties and fines for antitrust violations	Rejected.
For	To authorize Peace Corps programs for 1977	Public Law 94-281.
For	To provide relief to Guatemalan earthquake victims	Public Law 94-276.
For	To authorize space programs for 1977	Public Law 94-307.
For	To extend staff rule exemption for child day care centers	Vetoed.
For	To provide 1 Congressman for District of Columbia now, more later.	Approved.
Against	To limit District of Columbia representation in Congress to the House.	Rejected.
For	To amend the Constitution for District of Columbia Senators and Representatives.	Rejected.
For	To authorize funds for legal services programs	Passed House.
For	To authorize U.S. Information Agency programs	Public Law 94-272.
For	To provide funds for the Consolidated Railroad Corporation	Public Law 94-252.
For	To require NSF Director to answer inquiries in 15 days	Rejected.
Against	To prohibit NSF curriculum development programs	Rejected.
For	To authorize National Science Foundation programs for 1977	Public Law 94-471.
Against	To earmark funds for internal security investigations	Rejected.
For	To provide funds for the House Ethics Committee	Approved.
For	To authorize international broadcasting programs for 1977	Public Law 94-350.
For	To liberalize the Hatch Act	Vetoed.
For	To set a 200-mile fishing waters limit	Public Law 94-265.
Against	To not require Congressional OK of Election Commission rules	Rejected.
Against	To make candidates file statements with Secretaries of State	Approved.
For	To open the naval petroleum reserves for civilian needs	Public Law 94-258.
Against	To require reports of funds used to contact employees or unions on politics.	Rejected.
Against	To not set automatic termination of the Federal Election Commission.	Approved.
Against	To provide public financing for Congressional races	Rejected.
Against	To only revise membership of the FEC	Rejected.
For	To revise and improve the Federal election laws	Public Law 94-283.
Against	To consider the Atlantic Union resolution	Rejected.
Against	To require Federal inspection of all grain exports	Rejected.
For	To improve grain inspection and weighing systems	Public Law 94-582.
For	To provide fellowships for disadvantaged high school students	Public Law 94-453.
For	To establish a national cemetary at Quantico, Va	Passed House.
For	To designate April 13, 1976, as Thomas Jefferson Day	Public Law 94-263.
For	To make the week of March 13 Employ the Older Worker Week	Public Law 94-275.
For	To make Thanksgiving week National Family Week	Public Law 94-270.
For	To implement the Collisions at Sea Prevention Treaty	Vetoed.
For	To authorize Coast Guard programs for the coming year	Public Law 94-406.
For	To provide funds for swine-flu innoculations	Public Law 94-266.
For	To authorize additional funds for ERDA	Public Law 94-269.
For	To revise the Eagles Nest Wilderness proposal	Public Law 94-352.
Against	To prohibit commercial rooster fights	Public Law 94-279.
For	To make census data available after 75 years	Passed House.
For	To remove penalties for refusing to answer census questions	Approved.
Against	To stop a program of health promotion and disease prevention	Public Law 94-317.
Against	To defer funds for the building of three B-1 bombers	Rejected.
Against	To delete funds for a nuclear aircraft carrier	Rejected.
Against	To limit testing of multitargeted nuclear warheads	Rejected.
Against	To reduce U.S. troops overseas by 47,000	Rejected.
For	To prohibit more than 50 percent reduction of any military base.	Rejected.
For	To authorize military procurement for 1977	Public Law 94-361.
For	To extend the District of Columbia Medical and Dental Manpower Act 1 year.	Public Law 94-308.
For	To disapprove the deferral of Soil Conservation Service funds	Approved.
For	To increase research on heart, blood, and lung problems	Public Law 94-278.
For	To add funds for Basic Education grants and handicapped grants.	Approved.
For	To provide additional funds for operation of the government	Public Law 94-303.
Against	To lift restrictions on allocation of residual fuel oil	Rejected.
Against	To prevent civil litigation by Consumer Product Commission	Rejected.
For	To improve museum services and provide grants	Public Law 94-462.
For	To authorize International Security Act programs	Approved.
Against	To add $610 million to the budget for GI education	Public Law 94-329.
For	To add $1.2 billion to the budget for veterans programs	Approved.
Against	To cut the defense budget by $2 billion	Rejected.
For	To override the veto of the Hatch Act revisions (⅔ds needed)	Sustained.
Against	To reduce defense spending by $2.5 billion	Rejected.
Against	To cut health insurance and unemployment funds from budget	Rejected.
Against	To cut unemployment program funds from the budget	Rejected.
Against	To cut the food stamp budget by $1 billion	Rejected.
Against	To reduce Federal revenues and expenditures	Rejected.
Against	To cut outlays to the level of revenues	Rejected.
For	To set target ceilings for the Federal budget	Approved.
Against	To provide unemployment programs for artists	Rejected.
For	To extend Title 6 of the CETA program for 3 months	Public Law 94-444.
Against	To deduct policemen's benefits from revenue sharing funds	Rejected.
For	To compensate survivors of firemen killed in line of duty	Public Law 94-430.
For	To compensate survivors of policemen killed in line of duty	Passed House.
For	To revitalize the Federal Elections Commission	Public Law 94-283.
For	To establish a program of beef research and information	Public Law 94-294.
For	To improve fish and wildlife programs	In conference.
For	To authorize marine protection programs	Passed House.
For	To extend the National Sea Grant College program	Public Law 94-461.
For	To stop use of exchange funds to avoid capital gains taxes	Passed House.
For	To authorize funds for natural gas pipeline safety	Public Law 94-477.
For	To override the veto of child day care standards exemption bill.	Sustained.
For	To extend the Vista program	Public Law 94-293.
For	To allow Congressional disapproval of certain EPA rules	Approved.
For	To authorize EPA programs for the coming year	Passed House.
Against	To reduce funds for the Land and Water Conservation program.	Rejected.
Against	To revise the Land and Water Conservation Fund formula	Rejected.
Against	To preserve additional national historic properties	Approved.
For	To extend the Land and Water Conservation Fund program	Public Law 94-422.
Against	To give Civil Service Commission control of flexible work hours.	Approved.
For	To clarify the position of unions on flexible work hours	Approved.
Against	To require notification of certain military base reductions	Rejected.
Against	To change defense contract awarding procedures	Rejected.
For	To authorize military construction for fiscal year 1977	Public Law 94-361.
For	To provide incentives for careers in nuclear energy	Public Law 94-356.
For	To authorize programs of the Nuclear Regulatory Commission	Public Law 94-291.
For	To revise procedures of the Federal Reserve System	Passed House.
For	To extend vocation education programs	Passed House.
Against	To link college construction funds to student aid funds	Rejected.
Against	To stop use of foreign study funds for teaching religion	Approved.
Against	To exempt professional societies from sex discrimination rules	Rejected.
For	To extend higher education programs	Public Law 94-482.
For	To set target ceilings for the Federal budget	Approved.
For	To revise small business programs	Public Law 94-305.
For	To authorize a public works and capital development program	Public Law 94-369.
For	To set up a Commission on Security and Cooperation in Europe	Public Law 94-304.
For	To consider unemployment compensation program changes	Rejected.
For	To extend the war risk insurance program	Public Law 94-374.
For	To extend the veterans home and mobile home loan program	Public Law 94-324.
For	To provide additional funds for the government	Public Law 94-303.
For	To increase funds for certain solar energy programs	Rejected.
For	To increase funds for most solar energy programs	Approved.
For	To increase U S participation in the Inter-American Bank	Public Law 94-302.
Against	To reduce funds for ERDA nuclear weapons program	Rejected.
Against	To require private support for the Clinch River project	Rejected.
For	To require safety assurances on the Clinch River project	Approved.
For	To authorize ERDA programs for the coming year	In conference.
For	To authorize NASA programs for the coming year	Public Law 94-307.
For	To continue alcohol abuse prevention and treatment programs	Public Law 94-371
Against	To cut 30 more positions for the Public Health Service	Rejected.
For	To extend the Public Health Service for 3 more years	Public Law 94-317.
For	To publish the District of Columbia Code	Public Law 94-386.
For	To authorize an independent audit of the District of Columbia Government.	Public Law 94-399.
For	To authorize an additional Assistant Secretary of Commerce	Rejected.
For	To establish a Young Adult Conservation Corps	Passed House.
For	To provide funds to the District of Columbia Government	Public Law 94-333.
For	To remove limits on housing programs	Approved.
For	To disregard social security increases in public housing rents	Approved.
For	To create a Home Owners Mortgage Loan Corporation	Rejected.
For	To expand the housing and community development programs	Public Law 94-375
Against	To cut $3 million for solar energy programs	Approved.
For	To prohibit energy price allocation decontrol actions	Approved.
Against	To provide Congressional review of new energy rules	Approved.
Against	To extend FEA for 18 months instead of 3 years	Approved.

94TH CONG., 2D SESS. (1976)—Continued

My stand	Issue	Status
Against	To require local hearings on area energy rules	Approved.
For	To authorize FEA programs	Public Law 94-385.
For	To limit security aid to South Korea	Approved.
For	To authorize international security programs	Public Law 94-329.
For	To authorize auto transport research and development	Vetoed.
For	To revise the cotton research and promotion program	Public Law 94-366.
For	To limit the requirement for water pollution permits	Approved.
For	To extend the Federal water pollution control program	In Conference.
For	To improve the Small Business Investment Act	Passed House.
For	To create the Valley Forge National Historical Park	Public Law 94-337.
For	To revise the tariff on certain airplane parts	Public Law 94-511.
For	To revise the tax exemptions for certain charities	Public Law.
For	To set up Old 96 Star Fort National Battlefield in South Carolina.	Public Law 94-393.
For	To respond to U.S. District Court subpenas	Approved.
For	To fund Ethics Investigations from general House funds	Approved.
Against	To drop major revisions of the Revenue Sharing program	Approved.
Against	To let 20 percent of revenue sharing funds offset property taxes.	Rejected.
Against	To treat similar communities equally under revenue sharing	Rejected.
Against	To annually appropriate revenue sharing funds	Rejected.
For	To require prevailing wage rates on revenue sharing projects	Rejected.
For	To extend revenue sharing for 3¾ years	Public Law 94-488.
Against	To let railroads use safety penalties to make corrections	Rejected.
For	To authorize railroad safety programs	Public Law 94-348.
For	To authorize funds for the 1980 Winter Olympics in New York	Public Law 94-427.
Against	To prohibit funds for IRS informers	Rejected.
Against	To cut the Treasury and Postal Service budgets by 5 percent	Rejected.
For	To cut funds for IRS records on Congressional contacts	Rejected.
For	To fund Treasury and the Postal Service operations	Public Law 94-363.
For	To extend the debt limit ceiling through September 30, 1977	Public Law 94-334.
Against	To revise the Outer Continental Shelf Act	Rejected.
Against	To pass on information on Outer Continental Shelf leases	Rejected.
Against	To revise the Outer Continental Shelf lease procedures	Rejected.
Against	To cut $12 million from the Garrison irrigation project	Rejected.
Against	To cut public works funds by 5 percent	Rejected.
For	To fund public works projects	Public Law 94-355.
Against	To limit the peanut subsidy program to $59 million	Rejected.
Against	To cut the food stamp program by $794 million	Rejected.
Against	To cut agriculture funds by 5 percent	Rejected.
For	To fund Federal agriculture programs	Public Law 94-351.
For	To authorize military construction for fiscal year 1977	Vetoed.
Against	To cut military construction funds by 5 percent	Rejected.
For	To provide funds for military construction projects	Public Law 94-367.
Against	To transfer funds for helicopter training from Navy to Army	Approved.
For	To stop the 1 percent add-on pay for retired military personnel	Approved.
Against	To cut $350 million for aircraft carrier development	Rejected.
Against	To defer until February 1, 1977, funds for three B-1 bombers	Rejected.
For	To provide funds for the Department of Defense	Public Law 94-419.
For	To strengthen U.S. control over the Panama Canal	Rejected.
Against	To require only protection of U.S. interests in the Panama Canal.	Approved.
For	To forbid funds for a new Panama Canal treaty	Approved.
For	To authorize programs of the Department of State	Public Law 94-350.
For	To authorize programs of the U.S. Information Agency	Public Law 94-350.
Against	To increase funds for the Law Enforcement Assistance Administration.	Approved.
Against	To cut funds for the Departments of State, Justice, and Commerce by 5 percent.	Rejected.
For	To fund programs of the Departments of State, Justice, and Commerce.	Public Law 94-362.
For	To extend the student loan program	Public Law 94-328.
For	To increase veterans disability compensation benefits	Public Law 94-433.
For	To increase veterans pension benefits	Public Law 94-432.
For	To codify rules and customs on the U S. flag	Public Law 94-344.
For	To liberalize translator broadcast rules	Public Law 94-335.
For	To extend the Horse Protection Act	Public Law 94-360.
For	To change the tax on cigars	Rejected.
For	To revise the tax on certain life insurance distributions	Public Law 94-331.
For	To suspend duties on certain imported bicycle parts	In conference.
For	To oppose the closing of small post offices	Approved.
For	To amend an international monetary agreement	Public Law 94-564.
For	To insure accountability of food stamp vendors	Public Law 94-339.
For	To extend the Federal Energy Administration for 3 months	Rejected.
Against	To prohibit all funds for Mozambique	Rejected.
For	To authorize international security assistance programs	Public Law 94-329.
Against	To cut funds for the Department of HUD by 5 percent	Rejected.
For	To fund programs of the Department of Housing and Urban Development.	Public Law 94-378.
For	To elect a new House Administration Committee Chairman	Approved.
Against	To strike counter-cyclical part of the local public works bill	Rejected.
For	To provide for a program of local public works construction	Public Law 94-369.
Against	To add $66 million for summer youth employment programs	Rejected.
For	To prohibit OSHA fines for farms with less than 5 employees	Rejected.
Against	To exempt farms with less than 10 employees from OSHA	Approved.
Against	To prohibit OSHA citations to firms employing less than 10	Approved.
Against	To increase funds for population research	Rejected.
For	To increase mental health program funds	Approved.
For	To increase funds for senior citizens multipurpose centers	Approved.
Against	To stop funds for performance or promotion of abortions	Approved.
Against	To cut HEW funds by 5 percent, but not below the fiscal year 1976 level.	Rejected.
Against	To cut HEW funds by 5 percent	Rejected.
Against	To add $66 million for summer youth employment	Approved.
Against	To prohibit funds for abortions or to encourage abortions	Approved.
Against	To increase funds for ERDA's energy conservation programs	Approved.
Against	To cut funds for the Department of Interior by 5 percent	Rejected.
For	To fund programs of the Department of Interior	Public Law 94-373.
Against	To prohibit landing of the Concorde at U.S. airports	Rejected.
Against	To prohibit landing of the Concorde at New York and District of Columbia airports.	Rejected.
For	To strike ceilings on trust funds for highways and highway safety.	Approved.
For	To fund programs of the Department of Transportation	Public Law 94-387.
For	To fund foreign assistance programs for fiscal year 1976	Public Law 94-330.
For	To fund public works programs	Public Law 94-355.
For	To authorize alcohol abuse and control programs	Public Law 94-371.
For	To fund programs of the Department of Agriculture	Public Law 94-351.
Against	To reduce funds for the International Development Association	Rejected.
For	To cut foreign aid funds by 5 percent	Rejected
For	To prohibit foreign aid for development of palm oil	Rejected.
For	To fund foreign assistance programs	Public Law 94-441.
For	To authorize foreign relations programs	Public Law 94-350.
For	To establish the Eagle's Nest Wilderness in Colorado	Public Law 94-352.
For	To extend the Federal Energy Administration for 1 month	Public Law 94-332.
Against	To redraft the Housing Authorization bill	Rejected.
For	To revise and extend the Federal housing programs	Public Law 94-375.
For	To fund Treasury and Postal Service operations	Public Law 94-363.
For	To agree with Senate amendments on the Treasury funds bill	Approved.
For	To revise and extend the Airport and Airway Development program.	Public Law 94-353.
Against	To redraft the Department of Defense authorization bill	Rejected.
For	To authorize programs for the Department of Defense	Public Law 94-361.
For	To amend the Coastal Zone Management Act	Public Law 94-370.
For	To fund programs of the Departments of State, Commerce, and Justice.	Public Law 94-362.
For	To retain controls on heating oil and diesel fuel	Rejected.
Against	To require allowance changes to be made by the full House	Rejected.
For	To establish a Commission on Administrative Review in the House.	Approved.
Against	To rescind Committee authority to change House allowances	Rejected.
For	To limit Committee authority to change House allowances	Approved.
For	To fund military construction projects	Public Law 94-367.
For	To postpone new food stamp eligibility determinations	Approved.
For	To change Coast Guard personnel procedures	Public Law 94-546.
For	To extend exemption of Delta Queen steamship from certain laws.	Public Law 94-535.
For	To permit use of the S.S. United States as a floating hotel	Passed House.
For	To prohibit abuse practices by debt collectors	Passed House.
For	To establish accounting procedures for the Panama Canal Company.	Passed House.
For	To revise tax laws on grantors of stock options	Passed House.
For	To exempt Congressmen from resident status in other States	Vetoed.
For	To permit an elected Governor for American Samoa	Passed House.
For	To revise funds for energy research and development	Approved.
Against	To exempt local government employees from unemployment coverage.	Rejected.
Against	To place the taxable wage base at $6,000 for unemployment compensation.	Approved.
For	To require unemployment payments equal to half the normal wage.	Rejected.
For	To revise the unemployment compensation program	Public Law 94-566.
Against	To make offshore oil rig navigation markings optional	Rejected.
Against	To permit offshore lease cancellations only after warnings	Rejected.
For	To permit 5-year cancellation of any offshore lease	Approved.
Against	To make the Coast Guard responsible for offshore rig safety	Rejected.
For	To change the Outer Continental Shelf Act	In conference.
For	To override the Local Public Works bill veto	Public Law 94-369.
For	To override the Military Construction bill veto	Vetoed.
Against	To require Congress' review of land withdrawals over 25,000 acres.	Rejected.
For	To require Congress' review of all Federal land regulations	Rejected.
For	To revise the Federal land policy	Public Law 94-579.
Against	To terminate the Pennsylvania Avenue Development Corporation.	Rejected.
For	To extend the Pennsylvania Avenue Development Corporation	Public Law 94-388.
For	To establish a National Agricultural Research Policy Committee.	Passed House.
For	To elevate the job of Food and Nutrition Service Administrator	Rejected.
For	To make executive adjustments in the Department of Agriculture.	Public Law 94-561.
For	To amend the Bretton Woods agreement	Public Law 94-564.
For	To fund programs of the Department of HUD	Public Law 94-378.
For	To prohibit abusive practices by debt collectors	Passed House.
Against	To retain mine safety authority in the Department of Interior	Rejected.
Against	To include independent contractors as "mine operators"	Rejected.
For	To revise the Mine Safety and Health Act	Passed House.
For	To require the reason and law when deleting from transcripts	Approved.
Against	To limit open government rules to agency business meetings	Approved.
Against	To require minutes, not verbatim transcripts of government meetings.	Approved.
Against	To prohibit individual suits for violations of open government law.	Rejected.
Against	To coordinate Government in Sunshine and Freedom of Information Acts.	Approved.
For	To require Federal agencies to conduct business in the open	Public Law 94-409.
For	To officially reprimand Representative Robert Sikes of Florida	Approved.
Against	To allow food stamp cashouts without any conditions	Rejected.
For	To permit food stamp cashouts under certain circumstances	Public Law 94-379.
For	To permit foreign banks to operate in several States	Rejected.
For	To stop securities activities of foreign banks after 10 years	Rejected.
For	To set up a Select Committee on Narcotics Abuse and Control	Approved.
Against	To disallow ERDA-private industry uranium enrichment contracts.	Approved.
For	To improve Indian health care programs	Public Law 94-437.
For	To discontinue dual annuities for judges	Rejected.
For	To acquire more land for the Boundary Waters Canoe Area	Public Law 94-384.
For	To establish an information and education program on peaches	Rejected.
For	To repair the John F. Kennedy Performing Arts Center	In conference.
For	To improve antitrust investigation procedures	Public Law 94-435.
For	To require pre-merger notification under antitrust laws	Public Law 94-435.
For	To revise the excise tax on beer	Rejected.
For	To give special pay to VA physicians and dentists	Passed House.
For	To set up an extension service in ERDA	In conference.
For	To fund transportation programs for fiscal year 1977	Public Law 94-387.
Against	To place a ceiling on Highway Trust Fund expenditures	Approved.
For	To extend the Indian Claims Commission for 1 year	Approved.
For	To authorize Indian Claims Commission operations	Public Law 94-465.
For	To extend the Federal Insecticide Act for 6 months	Vetoed.
Against	To prohibit ERDA-private industry uranium enrichment contracts.	Rejected.
For	To assure adequate supplies of nuclear fuel	Passed House.
For	To reduce the basic workweek for Federal firefighters	Rejected.
For	To override the Federal Coal Leasing Act veto	Public Law 94-377.
Against	To exclude payments in lieu of taxes for acquired Park lands	Rejected.
Against	To exclude payments in lieu of taxes for National Park lands	Rejected

94TH CONG., 2D SESS. (1976)—Continued

My stand	Issue	Status
Against	To exclude payments in lieu of taxes for State tax exempt lands	Approved.
For	To provide a supplemental program of payments in lieu of taxes.	Public Law 94–565.
Against	To postpone postcard registration until January 3, 1977	Rejected.
For	To streamline implementation of postcard registration	Approved.
Against	To exempt convention delegation elections from postcard registration.	Rejected.
Against	To eliminate mass mailing of postcards for registration	Approved.
Against	To authorize $35 million for implementing State registration programs.	Rejected.
For	To set up a Voter Registration Administration to oversee postcard registration.	Passed House.
For	To extend the Federal Energy Administration	Public Law 94–385.
Against	To make the New River a Wild and Scenic River	Public Law 94–407.
For	To fund programs of the Departments of Labor and Health Education and Welfare.	Public Law 94–439.
For	To allow use of Federal funds for abortions	Rejected.
For	To set up a swine influenza immunization program	Public Law 94–380.
For	To increase borrowing authority for the District of Columbia	In conference.
For	To prevent revisions of District of Columbia laws affecting the police department.	Public Law 94–402.
For	To allow congressional veto of toxic substance rules	Approved.
For	To control the use of toxic substances	Public Law 94–469.
For	To reduce interest due on corporation acquisitions	Public Law 94–514.
For	To exclude taxes on homes for ministers' widows	Passed House.
For	To make certain political organizations tax exempt	Rejected.
For	To revise taxes on sale of business properties	Passed House.
For	To improve records management by Federal agencies	Public Law 94–575.
For	To permit donation of Federal surplus property to local governments.	Public Law 94–519.
For	To make George Washington a General of the Armies of the United States.	Public Law 94–479.
Against	To make $15,000 the income ceiling for Guaranteed Student Loans.	Rejected.
For	To allow colleges to require loan endorsements in some cases	Rejected.
For	To extend the Guaranteed Student Loan Program	Passed House.
For	To make public works employment funds available to nonresidents.	Approved.
Against	To cut public works employment funds by 5 percent	Rejected.
For	To provide funds for local public works employment programs	Public Law 94–447.
For	To authorize Federal reclamation projects, including Allen Camp.	Public Law 94–423.
For	To allow conferees to rewrite the Postal Service subsidy bill	Public Law 94–421.
For	To limit SSI increases for those with high-housing costs	Rejected.
Against	To increase SSI funds for disabled children under age 6	Approved.
For	To allow House counsel to participate in House judicial suits	Approved.
For	To require pass through of all Federal SSI increases	Approved.
For	To improve the Supplemental Security Income program	Passed House.
For	To extend economic development programs for 3 years	Public Law 94–447.
Against	To allow several amendments to the estate tax bill	Approved.
For	To revise the Packers and Stockyards Act	Public Law 94–410.
For	To open agency business meetings to the Public	Public Law 94–409.
For	To create an automobile research and development program	Vetoed.
For	To make a land settlement for the Pueblo Indians	Public Law 94–416.
For	To limit use of discretionary funds for criminal justice	Rejected.
Against	To extend the LEAA for 3 years	Rejected.
Against	To require local approval of law enforcement grants	Approved.
Against	To prohibit funds for salary increases for Members	Approved.
Against	To redraft the Legislative Appropriations bill	Rejected.
For	To provide additional funds for Presidential transition	Public Law 94–499.
Against	To cut LEAA funds for nonstandard correctional institutions	Approved.
Against	To require states to establish a law officers Bill of Rights	Rejected.
For	To extend LEAA programs	Public Law 94–503.
Against	To eliminate Category 3 air deterioration standards	Rejected.
For	To create a National Commission on Air Quality	Approved.
Against	To study air deterioration for 1 year	Rejected.
For	To investigate House Floor privilege violations	Approved.
Against	To cut budget outlays by $362.5 billion	Rejected.
For	To set budget ceilings for fiscal year 1977	Approved.
For	To fund national defense programs	Public Law 94–419.
For	To require medical referrals to counselors in the military	Approved.
For	To change air quality rules on new construction	Rejected.
Against	To assure local government input in air quality designations	Rejected.
Against	To require full air quality control in only heavily polluted areas	Rejected.
For	To subsidize postal operations	Public Law 94–421.
For	To improve the Land and Water Conservation program	Public Law 94–422.
Against	To stop military officers from employment in related industry for 2 years.	Approved.
For	To revise military promotion, separation, and retirement programs.	Passed House.
For	To add employees covered by the CIA retirement program	Public Law 94–522.
For	To reduce the excise tax on beer brewed by small brewers	Public Law 94–529.
For	To improve employee benefits for USDA employees	Public Law 94–449.
For	To revise Federal habeas corpus rules	Public Law 94–426.
For	To implement the United States-Spain Treaty of Friendship	Public Law 94–537.
For	To exclude western Glacier Bay from National Park mining ban	Rejected.
For	To suspend, not repeal, mining claims in Death Valley	Rejected.
For	To prohibit mining in the National Parks	Public Law 94–429.
For	To require 90 percent reduction of major air pollutants by 1981	Rejected.
Against	To extend present auto emission standards through 1979	Approved.
For	To allow EPA to represent itself in court cases	Approved.
Against	To redraft the Clean Air Act amendments	Rejected.
For	To amend and update the Clean Air Act	In conference.
For	To improve benefits for public safety officers	Public Law 94–430.
For	To override the electric vehicle research bill veto	Public Law 94–413.
For	To pass tax reform legislation	Public Law 94–455.
For	To adopt Senate tax law changes	Approved.
For	To agree to estate tax changes	Approved.
For	To adopt antitrust law changes	Public Law 94–435.
For	To revise budget ceilings for fiscal year 1977	Approved
For	To cut Federal funds for abortions except in emergencies	Approved.
For	To create a Select Committee on Assassinations	Approved.
For	To revise National Forest management practices	Public Law.
For	To fund the Local Public Works Employment Act	Public Law 94–447.
For	To extend Title 6 of the CETA program	Public Law 94–444.
For	To create the Minnesota River Valley Wildlife Refuge	Public Law 94–466.
For	To set up a pilot compensation program for victims of animal attacks.	Rejected.
For	To let Pacific Trust Territories join in U.S. fish programs	Public Law 94–485.
For	To amend the Intercoastal Shipping Act	In conference.
For	To amend the Federal Boat Safety Act	Public Law 94–531.
For	To revise Coast Guard Overseas Housing Leases	Public Law 94–478.
For	To provide for a protection study of the Gray and Bowhead whales	Public Law 94–532.
For	To revise military retired pay to reflect later active duty	Rejected.
For	To vary incentive pay for certain medical military officers	Rejected.
For	To improve the Survivor Benefit Plan for retired military personnel.	Public Law 94–496.
For	To authorize disposal of materials from the national stockpiles	Rejected.
Against	To extend spending authority for the Department of Commerce	Rejected.
For	To prohibit deviations in items made from gold	Public Law 94–450.
For	To amend the Railroad Retirement Act	Public Law 94–547.
For	To improve regulation of clinical labs (⅔ds needed)	Rejected.
For	To create an earthquake hazards reduction program	Rejected.
For	To regulate transportation of hazardous materials	Public Law 94–474.
For	To set up a national weather modification policy	Public Law 94–490.
For	To urge U.S.S.R. to release Georgi Vins from jail	Approved.
For	To revise service contract employee rules	Public Law 94–489.
For	To implement international conventions against terrorism	Public Law 94–467.
For	To stop diplomatic recognition of Transkei territory (⅔ds needed).	Rejected.
For	To revise the International Investment Survey Act	Public Law 94–472.
For	To acknowledge the right of all people to a nutritional diet	Passed House.
For	To reduce air fares for the elderly, young, and handicapped	In conference.
For	To permit aliens to register aircraft in the United States	Passed House.
For	To permit CAB to expedite certain applications	Passed House.
For	To permit congressional veto of all Federal regulations (⅔ds needed).	Rejected.
For	To revise interstate horseracing rules	Passed House.
For	To dispose of certain Federal lands in Oklahoma	Passed House.
For	To revise irrigated lands comparative equivalency laws	Rejected.
For	To improve administration of the National Park System	Public Law 94–458.
For	To fund Typhoon Pamela relief operations on Guam	Public Law 94–438.
For	To insist on House changes in the Grain Standards Act	Approved.
For	To fund operations of the Congress	Public Law 94–440.
Against	To prohibit cost-plus-fixed-fee contracts in the Capitol	Rejected.
Against	To eliminate the 1 percent add-on for civil service retirees	Approved.
Against	To extend the Export Administration Act for only 1 year	Rejected.
For	To extend and revise the Export Administration Act	In conference.
For	To revise the copyright law	Public Law 94–533.
For	To consider the synthetic fuels development bill	Rejected.
For	To amend the Health Maintenance Organization Act	Public Law 94–560.
For	To amend the ConRail Act	Public Law 94–555.
Against	To fund foreign aid programs	Public Law 94–441.
For	To develop a resource conservation and recovery program	Public Law 94–580.
For	To adopt Senate changes in the Natural Gas Pipeline Safety Act.	Public Law 94–477.
Against	To recommit the Outer Continental Shelf amendments	Approved.
For	To control the use of toxic substances	Public Law 94–469.
Against	To not make preparation of communications a lobbying activity	Rejected.
Against	To make more than 12 contacts a lobbying activity	Rejected.
Against	To include State and local employees under lobbying ban	Rejected.
Against	To require lobbyist to wear identification tags	Rejected.
Against	To exempt influencing a government award as lobbying	Rejected.
For	To require gifts valued over $100 to be reported	Approved.
For	To require reporting of over $2,500 given to lobbying organizations.	Rejected.
Against	To require record of all lobbyists within 50 feet of either House	Rejected.
Against	To make the number, not percentage, of contacts the basis for reporting.	Rejected.
Against	To make State and local government Washington lobbyists register.	Rejected.
Against	To require all officers of a lobbying organization to register	Rejected.
For	To require reporting of over $2,500 given to lobbying organizations.	Approved.
For	To adopt strict lobbying regulations	In conference.
For	To override the Automotive Transport Research Act veto	Vetoed.
For	To allow immediate consideration of House rules	Approved.
For	To extend Special Unemployment Assistance for 1 year	Passed House.
For	To override the Labor-HEW appropriations bill veto	Public Law 94–439
Against	To strike $600 million from the Revenue Sharing program	Rejected.
For	To increase taxes by $600 million for Revenue Sharing	Approved.
For	To extend the Law Enforcement Assistance Administration	Public Law 94–503.
For	To insist on House provisions of the unemployment compensation bill.	Approved.
Against	To weaken the Alaska Natural Gas Pipeline Act	Rejected.
Against	To prohibit grain export inspections by State agencies	Rejected.
Against	To exempt past cases from benefits of civil rights attorney's fees bill.	Rejected.
For	To provide fees for civil rights attorneys in class action suits	Public Law 94–559.
For	To extend the unemployment compensation program	Public Law 94–566.
For	To amend the ConRail statutes	Public Law 94–555.
For	To provide for a mid-decade census	Public Law 94–521.

PRIORITIES AND CONCERNS OF NORTHEAST IOWA

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 1, 1976

Mr. BLOUIN. Mr. Speaker, I would like to submit for the review of my colleagues, the results of a questionnaire mailed this past August to the constituents of the Second District of Iowa.

Some of the more interesting aspects of the results are as follows:

In regard to how the Federal Government should allocate expenditures, 57 percent believe that more tax dollars should be spent in aiding our senior citizens and in energy research; while only 13 percent think that more should be spent in weapons development, and only 4 percent believe more should be spent on foreign aid. A very substantial 75 percent and 47 percent think that less should be spent on foreign aid and weapons development, respectively.

Regarding the situation of lock and dam No. 26 at Alton, Ill., a very important issue in my district, I recognize that since the questionnaire was printed and mailed, the GAO has revised and substantially raised the estimated costs of the railroad and Illinois DOT proposals. I must acknowledge that the results of this question might have been different if the information had been available earlier. Even so, there appears to be a significant opinion expressed in favor of holding down the costs as much as possible while carrying out any necessary improvements.

This past year, I introduced a "sunset" bill that would call for the elimination of Federal bureaus and agencies every ten years unless, under review, their continued existence could be justified. An overwhelming 88 percent of the respondents supported this idea while only 6 percent were opposed.

For the information of those who would have us believe that immediate decontrol of oil and natural gas prices is the answer to our energy crisis, I submit that 71 percent of my respondents do not swallow that line of reasoning at all.

Mr. Speaker, without objections, I include the results of my questionnaire to be inserted in the RECORD and I recommend that my colleagues take note of these results. Certainly, my constituents are demanding that we take a fresh look at our spending priorities of their tax moneys, and that we need to carefully monitor and restrict the growth and power of the Federal bureaucracy:

(Answers in percent)

a. Agriculture: more, 23; less, 19; same, 52.

b. Aid to the Elderly: more, 57; less, 5; same, 34.

c. Education: more, 33; less, 15; same, 46.

d. Energy Research: more, 57; less, 13; same, 24.

e. Foreign Aid: more, 4; less, 75; same, 14.

f. Law Enforcement: more, 44; less, 11; same, 38.

g. Public Works and Jobs: more, 33; less, 33; same, 28.

h. Social Programs: more, 11; less, 52; same, 29.

i. Weapons Development: more, 13; less, 47; same, 33.

2. Various proposals are now under study for a national health insurance program. Which approach do you favor?

a. A total government program, similar to Social Security: First Respond, 19.

b. A system combining private and public programs: 33.

c. Continuation of the present private insurance system: 42.

3. Should the U.S. enact a ban on the sale of handguns? Yes, 43; No, 55.

4. Should the U.S. withdraw from the United Nations? Yes, 22; No, 72.

5. Congress will soon face a decision about the Mississippi River lock and dam at Alton, Illinois. Which alternative plan do you think is best?

a. Rehabilitation of the existing structure (estimated to cost about $46 million): 52.

b. A new 1200 ft. lock, as proposed by the Illinois Department of Transportation (estimated at $83 million): 31.

c. A new lock and dam as proposed by the Army Corps of Engineers (estimated to cost over $400 million): 6.

6. The Federal Agency Control and Review Act which I have introduced would help stem the growth of the bureaucracy. Do you support efforts to enact such "sunset" laws? Yes, 88; No, 6.

7. Last year, Congress enacted an energy policy which would phase-in gradual decontrol of oil and natural gas prices, but some critics argued that immediate decontrol of all energy prices is necessary. Do you believe that immediate decontrol is a wise policy?: Yes, 17; No, 71.

8. The survival of family farms is threatened by a variety of factors today. Which steps do you think the federal government should take to help preserve family farms?

a. Additional tax exemptions for family farms: 35.

b. A legal limit on the size of non-family, corporate farms: 53.

c. Government-insured loan programs for young farmers: 46.

d. Reform of the inheritance, estate and marital taxes: 59.

e. The government should do nothing in this area: 6.

9. Do you believe members of the U.S. Supreme Court should be appointed for definite terms, rather than for life? Yes, 80; No, 16.

10. Do you believe the economy is recovering quickly enough so that the federal government should refrain from efforts to create more jobs in the public and private sectors? Yes, 53; No, 43.